## **Business Problem**

Here we are intending to analyze the customer purchase behavious against gender and various other factors to help the business make better decisions. Business wants to understand if the spending habits differ between male and female customers: Do women spend more on Black Friday than men? (Assume 50 million customers are male and 50 million are female).

```
In [1]: #Importing the libraries required
    import pandas as pd
    import numpy as np
    import seaborn as sns
    import matplotlib.pyplot as plt
    from scipy.stats import norm

In [2]: #Loading the dataset fromt he csv file shared
    data = pd.read_csv('walmart_data.csv')
    data.head()
```

## Out[2]:

	User_ID	Product_ID	Gender	Age	Occupation	City_Category	Stay_In_Current_City_Years	Marital_Status	Product_Category	Purchase
(	1000001	P00069042	F	0-17	10	А	2	0	3	8370
	1000001	P00248942	F	0-17	10	А	2	0	1	15200
2	1000001	P00087842	F	0-17	10	А	2	0	12	1422
;	1000001	P00085442	F	0-17	10	А	2	0	12	1057
4	1000002	P00285442	М	55+	16	С	4+	0	8	7969

In [3]: #We see that the dataframe is loaded and the first 5 rows of data are displayed here using the head() method #Getting some insights on the data loaded data.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 550068 entries, 0 to 550067
Data columns (total 10 columns):

#	Column	Non-Null Count	Dtype
0	User_ID	550068 non-null	int64
1	Product_ID	550068 non-null	object
2	Gender	550068 non-null	object
3	Age	550068 non-null	object
4	Occupation	550068 non-null	int64
5	City_Category	550068 non-null	object
6	Stay_In_Current_City_Years	550068 non-null	object
7	Marital_Status	550068 non-null	int64
8	Product_Category	550068 non-null	int64
9	Purchase	550068 non-null	int64

dtypes: int64(5), object(5)
memory usage: 42.0+ MB

From the above output we see that

- There are a total of 550068 rows and there are no null values in the dataset.
- There are total of 10 different columns.
- Also, the data types of the columns are correct

```
In [4]: data.isnull().all()
Out[4]: User ID
                                        False
        Product ID
                                        False
        Gender
                                        False
                                        False
        Age
        Occupation
                                        False
        City Category
                                        False
        Stay In Current City Years
                                        False
        Marital Status
                                        False
        Product Category
                                        False
        Purchase
                                        False
        dtype: bool
        We can see that there are no null values in the dataset sample
In [5]: #Changing the datatype of Occupation, Martial Status and Product Category to object as these are categorical variables
```

data[["Occupation", "Marital Status", "Product Category"]] = data[["Occupation", "Marital Status", "Product Category"]].as data.info()

```
RangeIndex: 550068 entries, 0 to 550067
Data columns (total 10 columns):
    Column
                                Non-Null Count
                                                Dtype
                                _____
    User ID
                                550068 non-null
                                                int64
    Product ID
                                550068 non-null
                                                object
    Gender
                                550068 non-null object
 3
                                550068 non-null object
    Age
                                550068 non-null
    Occupation
                                                object
    City Category
                                550068 non-null
                                                object
    Stay In Current City Years 550068 non-null
                                                object
    Marital Status
                                550068 non-null object
    Product Category
                                550068 non-null object
    Purchase
                                550068 non-null int64
dtypes: int64(2), object(8)
```

<class 'pandas.core.frame.DataFrame'>

memory usage: 42.0+ MB

In [6]: #Further describing the dataset, we can check if there are any outliers.
 desc\_info = data.describe()
 desc\_info

#### Out[6]:

	User_ID	Purchase		
count	5.500680e+05	550068.000000		
mean	1.003029e+06	9263.968713		
std	1.727592e+03	5023.065394		
min	1.000001e+06	12.000000		
25%	1.001516e+06	5823.000000		
50%	1.003077e+06	8047.000000		
75%	1.004478e+06	12054.000000		
max	1.006040e+06	23961.000000		

In the baove output only the purchase column is of our interese as the other columns, though integer type they are encoded (Categorically). Hence looking at the Purchase column only we can infer that,

- Average Purchase Value of all the customers in the sample shared is 9263.96 dollars
- Minimum Purchase Value is 12.00 dollars, while
- Maximum Purchase Value is 23961.00 dollars.

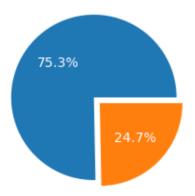
# In [7]: #Looking at the categorical variables in our dataset desc\_obj = data.describe(include=object) desc\_obj

## Out[7]:

	Product_ID	Gender	Age	Occupation	City_Category	Stay_In_Current_City_Years	Marital_Status	Product_Category
count	550068	550068	550068	550068	550068	550068	550068	550068
unique	3631	2	7	21	3	5	2	20
top	P00265242	М	26-35	4	В	1	0	5
freq	1880	414259	219587	72308	231173	193821	324731	150933

From the above output we can infer that,

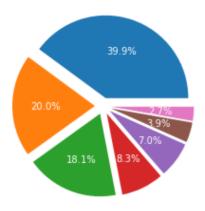
- There are 3631 different products that are purchased by different customers, and the top selling product is P00265242
- There are 7 different age bins in which the customres are grouped, where most of the orders are placed by the customers in the age group of 26-35 years
- The dataset contains customer details from 3 different cities where most of the orders have come from city B
- There are 21 different categories or occupations to which the customers belong



We can see that,

- 75.31% of the orders in the sample dataset shared are placed by Males
- 24.69% of the orders in the sample dataset shared are placed by Females

```
In [10]: age_disb = data["Age"].value_counts()
    plt.pie(x=age_disb,labels=age_disb.index,autopct='%1.1f%%',textprops={'color':"w",'fontsize': 10},explode=[0.1,0.1,0.1
    plt.show()
```

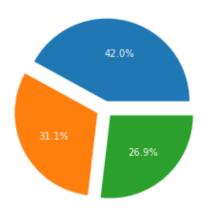


We can see from the piechart above that most of the orders 39.9% is placed by custoimers aged between 26 and 35 years followed by 36-45 years and 18-25 years with 20% and 18.1% respectively.

In [11]: #Similarly analysing for the other ategorical variables to understand the distribution / share in the orders placed.

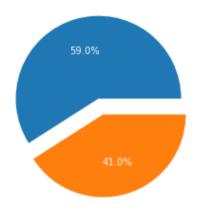
city\_disb = data["City\_Category"].value\_counts()

plt.pie(x=city\_disb,labels=city\_disb.index,autopct='%1.1f%%',textprops={'color':"w",'fontsize': 10},explode = [0.1,0.1 plt.show()



From the above chart we can see that most of the orders come from City B followed by City C and City A with a share of 42%, 31.1% and 26.9% respectively.

```
In [12]: martial_status_disb = data["Marital_Status"].value_counts()
    plt.pie(x=martial_status_disb,labels=martial_status_disb.index,autopct='%1.1f%%',textprops={'color':"w",'fontsize': 10
    plt.show()
```



From the above plot we can see that 59% of the orders are placed by single customers and 41% are place by married customers

# **Univariate Analysis**

## Further performing the univariate analysis on different categorical variables

- Product ID
- Gender
- Age
- Occupation
- City\_Category
- Stay\_In\_Current\_City\_Years
- Marital\_Status
- Product\_Category

```
In [*]: df = data
    sns.countplot(data=df, x='Gender')

In [*]: sns.countplot(data=df, x='Age')

In [*]: sns.countplot(data=df, x='Occupation')

In [*]: sns.countplot(data=df, x='City_Category')

In [*]: sns.countplot(data=df, x='Marital_Status')

In [*]: sns.countplot(data=df, x='Product_Category')

In [*]: sns.countplot(data=df, x='Product_Category')
```

From the above plots, we cna infer the following:

- More purchases are made by Males compared to females
- Most purchases are made by customers in the age bracket 18 45 years of which 26-35 year old top the list
- Occupation Category 0, 4 and 7 tend to make the most purchases from the sample shared. Since we don't have a visibility on the type of products and the correlation between occupation and the type of products purchased, further investigation can help identify if there is a trend followed.
- · Most of the purchases are made from City B
- Most of the purchases are made by single / unmarried customers
- Product from Category 1,5,8 and 11 are the most ordered.
- Most of the orders are made by customers who have been staying in the current city for a year or less. This can help cater to the customers who move frequently.

# Bivariate Analysis of the Categorical Variables against the Purchase Value

```
In [*]: sns.boxplot(x = "Gender",y = "Purchase",data = data)
```

## From the above plot

- We can see that there are outliers in the purchase value of Males and females and also the median purchase value of males and females are almost same.
- We can also see that the maximum purchase value of males is more than that of females.

```
In [*]: sns.boxplot(data = df, x="Age",y="Purchase")
```

From the above plot of age vs purchase value we can see that the median purchase value across different age groups are almost same between 5-10k

```
In [*]: sns.boxplot(data = df, x="Occupation",y="Purchase")
```

From the above plot of occupation vs purchase value we can see that the median purchase value across different occupations do not vary much.

```
In [*]: sns.boxplot(data = df, x="City_Category",y="Purchase")
```

From the above plot of city category vs purchase value we can see that the median purchase value across different cities do not vary much. However, the purchase value from City C tend to be more than that from the other two.

```
In [*]: sns.boxplot(data = df, x="Marital_Status",y="Purchase")
In [*]: sns.boxplot(data = df, x="Product_Category",y="Purchase")
```

From the above plot we can see that the median purchase value of product categories 6,7,9,10,14,15 and 16 are more while the product categories 19 and 20 have the lowest.

# **Multivariate Analysis**

```
In [*]: figure, axes = plt.subplots(nrows = 2, ncols = 2,figsize = (20,8))

sns.boxplot(data = df, x="Gender", y="Purchase", hue="Age",ax=axes[0,0])
sns.boxplot(data = df, x="Gender", y="Purchase", hue="Marital_Status",ax=axes[0,1])
sns.boxplot(data = df, x="Gender", y="Purchase", hue="City_Category",ax=axes[1,0])
sns.boxplot(data = df, x="Gender", y="Purchase", hue="Stay_In_Current_City_Years",ax=axes[1,1])
plt.show()
```

```
In [*]: #Since one user can place may orders, checking number of unique values
unique_users = df["User_ID"].nunique()
```

We can see that there are only 5891 unique customers / users in the sample dataset shared. Thus we need to group the purchase value of each customer/user accordingly.

```
In [*]: grp_user_purchases = df.groupby(["User_ID", "Gender"])["Purchase"].sum()
    grp_user_purchases = grp_user_purchases.reset_index()
    grp_user_purchases.head()
```

```
In [*]: grp_user_purchases["Gender"].value_counts()
```

We can see that there are 4225 unique Male Users and 1666 Unique Female Users in the sample shared

```
In [*]: sns.histplot(data = grp_user_purchases, x = "Purchase" ,hue="Gender", kde=True, bins = 1000)
plt.show()
```

It can be seen that on an average male customer tend to spend more than a female customer

Now that we have the sample averages, we use the Central Limit Theorem and Confidence Interval to approximate the population mean.

#### **Central Limit Theorem:**

It states that the sampling distribution of sample means follow Normal / Gaussian Distribution with a Mean approximately same as the population mean and the standard deviation with population sd/root(n) also known as the standard error

```
In [*]: male_users = len(male_users_df)
female_users = len(female_users_df)
print("Male Users:", male_users, "\n", "Female Users: ", female_users)
```

```
In [*]: iterations = 1000
        male sample = 3000
        female sample = 1500
        male sample means = []
        female sample_means = []
        for i in range(iterations):
            male sample mean = male users df["Purchase"].sample(male sample,replace=True).mean()
            female sample mean = female users df["Purchase"].sample(female sample,replace=True).mean()
            male sample means.append(male sample mean)
            female sample means.append(female sample mean)
In [*]: sns.histplot(male sample means, bins=100,kde=True)
In [*]: sns.histplot(female sample means, bins=100,kde=True)
In [*]: sample standard deviation male = np.std(male users df["Purchase"])
        sample standard deviation female = female users df["Purchase"].std()
        pop mean male clt = np.mean(male sample means)
        pop mean female clt = np.mean(female sample means)
```

## **Evaluating 95% Confidence Interval for Male and Female Customers**

```
In [*]: #Computing the 95% confidence interval using CLT
        z lower = norm.ppf(0.025)
        z upper = norm.ppf(0.975)
        ci lower male clt = pop mean male clt + (z lower*sample standard deviation male/np.sqrt(male sample))
        ci upper male clt = pop mean male clt + (z upper*sample standard deviation male/np.sqrt(male sample))
        print(f"The Confidence Interval of male spending based on CLT is ({ci lower male clt}, {ci upper male clt})")
        ci lower female clt = pop mean female clt + (z lower*sample standard deviation female/np.sqrt(female sample))
        ci upper female clt = pop mean female clt + (z upper*sample standard deviation female/np.sqrt(female sample))
        print(f"The Confidence Interval of female spending based on CLT is ({ci lower female clt}, {ci upper female clt})")
        #Computing the 95% confidence interval by getting the 2.5th percentile and 97.5 percentile values of the bootstrapped
        ci lower male = np.percentile(male sample means, 2.5)
        ci upper male = np.percentile(male sample means, 97.5)
        print(f"The Confidence Interval of male spending based on Bootstrapping is ({ci lower male}, {ci upper male})")
        #Computing the 95% confidence interval by getting the 2.5th percentile and 97.5 percentile values of the bootstrapped
        ci lower female = np.percentile(female sample means,2.5)
        ci upper female = np.percentile(female sample means, 97.5)
        print(f"The Confidence Interval of female spending based on Bootstrapping is ({ci lower female}, {ci upper female})")
```

## **Evaluating 90% Confidence Interval for Male and Female Customers**

```
In [*]: #Computing the 90% confidence interval using CLT
        z lower 5 = norm.ppf(0.05)
        z upper 95 = norm.ppf(0.95)
        ci lower male clt 90 = pop mean male clt + (z lower 5*sample standard deviation male/np.sqrt(male sample))
        ci upper male clt 90 = pop mean male clt + (z upper 95*sample standard deviation male/np.sqrt(male sample))
        print(f"The 90% Confidence Interval of male spending based on CLT is ({ci lower male clt 90}, {ci upper male clt 90})")
        ci lower female clt 90 = pop mean female clt + (z lower 5*sample standard deviation female/np.sgrt(female sample))
        ci upper female clt 90= pop mean female clt + (z upper 95*sample standard deviation female/np.sqrt(female sample))
        print(f"The 90% Confidence Interval of female spending based on CLT is ({ci lower female clt 90},{ci upper female clt
        #Computing the 90% confidence interval by getting the 2.5th percentile and 97.5 percentile values of the bootstrapped
        ci lower male 5 = np.percentile(male sample means,5)
        ci upper male 95 = np.percentile(male sample means, 95)
        print(f"The 90% Confidence Interval of male spending based on Bootstrapping is ({ci lower male 5}, {ci upper male 95})"
        #Computing the 90% confidence interval by getting the 2.5th percentile and 97.5 percentile values of the bootstrapped
        ci lower female 5 = np.percentile(female sample means,5)
        ci upper female 95 = np.percentile(female sample means,95)
        print(f"The 90% Confidence Interval of female spending based on Bootstrapping is ({ci lower female 5}, {ci upper female
```

## **Evaluating 99% Confidence Interval for Male and Female Customers**

```
In [*]: #Computing the 99% confidence interval using CLT
        z lower 99 = norm.ppf(0.005)
        z upper 99 = norm.ppf(0.995)
        ci lower male clt 99 = pop mean male clt + (z lower 99*sample standard deviation male/np.sqrt(male sample))
        ci upper male clt 99 = pop mean male clt + (z upper 99*sample standard deviation male/np.sqrt(male sample))
        print(f"The 99% Confidence Interval of male spending based on CLT is ({ci lower male clt 99}, {ci upper male clt 99})")
        ci lower female clt 99 = pop mean female clt + (z lower 99*sample standard deviation female/np.sgrt(female sample))
        ci upper female clt 99= pop mean female clt + (z upper 99*sample standard deviation female/np.sqrt(female sample))
        print(f"The 99% Confidence Interval of female spending based on CLT is ({ci lower female clt 99}, {ci upper female clt
        #Computing the 90% confidence interval by getting the 2.5th percentile and 97.5 percentile values of the bootstrapped
        ci lower male 99 = np.percentile(male sample means, 0.5)
        ci upper male 99 = np.percentile(male sample means, 99.5)
        print(f"The 99% Confidence Interval of male spending based on Bootstrapping is ({ci lower male 99}, {ci upper male 99})
        #Computing the 90% confidence interval by getting the 2.5th percentile and 97.5 percentile values of the bootstrapped
        ci lower female 99 = np.percentile(female sample means, 0.5)
        ci upper female 99 = np.percentile(female sample means, 99.5)
        print(f"The 99% Confidence Interval of female spending based on Bootstrapping is ({ci lower female 99}, {ci upper female
```

## **Evaluating the same for Marital Status**

```
In [*]: df marital status = df.groupby(["User ID", "Marital Status"])["Purchase"].sum()
        df marital status = df marital status.reset index()
        df married = df marital status[df marital status["Marital Status"]==1]
        df unmarried = df marital status[df marital status["Marital Status"]==0]
In [*]: #Computing the Sample Means for Married and Unmarried Customers
        married sample mean = df married["Purchase"].mean()
        unmarried sample mean = df unmarried["Purchase"].mean()
        print(f"The sample average of married and unmarried are {married sample mean} and {unmarried sample mean} respectively
In [*]: married users = len(df married)
        unmarried users = len(df unmarried)
        print("Married Users:", married users, "\n", "Unmarried Users: ", unmarried users)
In [*]: iterations = 1000
        married sample = 2000
        unmarried sample = 2500
        married sample means = []
        unmarried sample means = []
        for i in range(iterations):
            married sample mean = df married["Purchase"].sample(married sample,replace=True).mean()
            unmarried sample mean = df unmarried["Purchase"].sample(unmarried sample,replace=True).mean()
            married sample means.append(married sample mean)
            unmarried sample means.append(unmarried sample mean)
In [*]: sns.histplot(married sample means, bins=100,kde=True)
```

```
In [*]: sns.histplot(unmarried_sample_means, bins=100,kde=True)
In [*]: sample_standard_deviation_married = np.std(df_married["Purchase"])
    sample_standard_deviation_unmarried = df_unmarried["Purchase"].std()
    pop_mean_married_clt = np.mean(married_sample_means)
    pop_mean_unmarried_clt = np.mean(unmarried_sample_means)
```

## **Evaluating 95% Confidence INterval for Married and Unmarried Customers**

```
In [*]: #Computing the 95% confidence interval using CLT
        z lower = norm.ppf(0.025)
        z upper = norm.ppf(0.975)
        ci lower married clt = pop mean married clt + (z lower*sample standard deviation married/np.sqrt(married sample))
        ci upper married clt = pop mean married clt + (z upper*sample standard deviation married/np.sqrt(married sample))
        print(f"The Confidence Interval of married customers spending based on CLT is ({ci lower married clt}, {ci upper married
        ci_lower_unmarried_clt = pop_mean_unmarried_clt + (z lower*sample standard deviation unmarried/np.sqrt(unmarried sample)
        ci upper unmarried clt = pop mean unmarried clt + (z upper*sample standard deviation unmarried/np.sqrt(unmarried sample
        print(f"The Confidence Interval of unmarried customers spending based on CLT is ({ci lower unmarried clt},{ci upper un
        #Computing the 95% confidence interval by getting the 2.5th percentile and 97.5 percentile values of the bootstrapped
        ci lower married = np.percentile(married sample means,2.5)
        ci upper married = np.percentile(married sample means, 97.5)
        print(f"The Confidence Interval of married cusotomers spending based on Bootstrapping is ({ci lower married}, {ci upper
        #Computing the 95% confidence interval by getting the 2.5th percentile and 97.5 percentile values of the bootstrapped
        ci lower unmarried = np.percentile(unmarried sample means,2.5)
        ci upper unmarried = np.percentile(unmarried sample means,97.5)
        print(f"The Confidence Interval of unmarried customers spending based on Bootstrapping is ({ci lower unmarried}, {ci up
```

## **Evaluating 90% Confidence INterval for Married and Unmarried Customers**

```
In [*]: #Computing the 90% confidence interval using CLT
        z lower 5 = norm.ppf(0.05)
        z upper 95 = norm.ppf(0.95)
        ci lower married clt 90 = pop mean married clt + (z lower 5*sample standard deviation married/np.sgrt(married sample))
        ci upper married clt 90 = pop mean married clt + (z upper 95*sample standard deviation married/np.sqrt(married sample)
        print(f"The 90% Confidence Interval of married spending based on CLT is ({ci lower married clt 90}, {ci upper married c
        ci lower unmarried clt 90 = pop mean unmarried clt + (z lower 5*sample standard deviation unmarried/np.sgrt(unmarried
        ci upper unmarried clt 90= pop mean unmarried clt + (z upper 95*sample standard deviation unmarried/np.sqrt(unmarried
        print(f"The 90% Confidence Interval of unmarried spending based on CLT is ({ci lower unmarried clt 90}, {ci upper unmarried
        #Computing the 90% confidence interval by getting the 5th percentile and 95th percentile values of the bootstrapped me
        ci lower married 5 = np.percentile(married sample means,5)
        ci upper married 95 = np.percentile(married sample means,95)
        print(f"The 90% Confidence Interval of married spending based on Bootstrapping is ({ci lower married 5},{ci upper marri
        #Computing the 90% confidence interval by getting the 5th percentile and 95th percentile values of the bootstrapped me
        ci lower unmarried 5 = np.percentile(unmarried sample means,5)
        ci upper unmarried 95 = np.percentile(unmarried sample means,95)
        print(f"The 90% Confidence Interval of unmarried spending based on Bootstrapping is ({ci lower unmarried 5},{ci upper
```

## **Evaluating 99% Confidence Interval for Married and Unmarried Customers**

```
In [*]: #Computing the 99% confidence interval using CLT
        z lower 99 = norm.ppf(0.005)
        z upper 99 = norm.ppf(0.995)
        ci lower married clt 99 = pop mean married clt + (z lower 99*sample standard deviation married/np.sqrt(married sample)
        ci upper married clt 99 = pop mean married clt + (z upper 99*sample standard deviation married/np.sqrt(married sample)
        print(f"The 99% Confidence Interval of male spending based on CLT is ({ci lower married clt 99}, {ci upper married clt
        ci lower unmarried clt 99 = pop mean unmarried clt + (z lower 99*sample standard deviation unmarried/np.sgrt(unmarried
        ci upper unmarried clt 99= pop mean unmarried clt + (z upper 99*sample standard deviation unmarried/np.sqrt(unmarried
        print(f"The 99% Confidence Interval of female spending based on CLT is ({ci lower unmarried clt 99}, {ci upper unmarried
        #Computing the 90% confidence interval by getting the 2.5th percentile and 97.5 percentile values of the bootstrapped
        ci lower married 99 = np.percentile(married sample means, 0.5)
        ci upper married 99 = np.percentile(married sample means, 99.5)
        print(f"The 99% Confidence Interval of male spending based on Bootstrapping is ({ci lower married 99}, {ci upper married
        #Computing the 90% confidence interval by getting the 2.5th percentile and 97.5 percentile values of the bootstrapped
        ci lower unmarried 99 = np.percentile(unmarried sample means, 0.5)
        ci upper unmarried 99 = np.percentile(unmarried sample means,99.5)
        print(f"The 99% Confidence Interval of female spending based on Bootstrapping is ({ci lower unmarried 99}, {ci upper un
```

We can see that the 95%,90% and 99% Confidence INtervals of Means based on Marital Status is not statistically significant as the confidence intervals for Married and Unmarried Customers Overlap

# **Insights and Recommendations**

- More purchases are made by Males compared to females
- Most purchases are made by customers in the age bracket 18 45 years of which 26-35 year old top the list

- Occupation Category 0, 4 and 7 tend to make the most purchases from the sample shared. Since we don't have a visibility on the type of products and the correlation between occupation and the type of products purchased, further investigation can help identify if there is a trend followed.
- · Most of the purchases are made from City B
- Most of the purchases are made by single / unmarried customers
- Product from Category 1,5,8 and 11 are the most ordered.
- Most of the orders are made by customers who have been staying in the current city for a year or less. This can help cater to the customers who move frequently.
- From the analysis 90%, 95% and 99% CI based on Gender, we can say that the average spending of males are more than females and the Confidence Intervals for male and female do not overlap hence the difference is statistically significant. Thus we can conclude that the spending behavious of Male is more than that of females.