by Ava Lee 2/14/2021

```
> # Read data
> custData<- read.csv(file.choose(), header=T)</pre>
> # Descriptive statistics
> head(custData)
   InvoiceNo StockCode
                                                                                                    Description Quantity InvoiceDate
          536365
                                    85123A WHITE HANGING HEART T-LIGHT HOLDER
                                                                                                                                                                                         6 29-Nov-16
2
        536365
                                       71053
                                                                                      WHITE METAL LANTERN
                                                                                                                                                                 6 29-Nov-16
3
       536365
                                      84406B
                                                                     CREAM CUPID HEARTS COAT HANGER
                                                                                                                                                                                      8 29-Nov-16
                                      84029G KNITTED UNION FLAG HOT WATER BOTTLE
                                                                                                                                                                                           6 29-Nov-16
4
       536365
5 536365
                                      84029E
                                                                    RED WOOLLY HOTTIE WHITE HEART.
                                                                                                                                                                                6 29-Nov-16
                                                                                                                                                                             2 29-Nov-16
       536365
                                       22752
                                                                       SET 7 BABUSHKA NESTING BOXES
   UnitPrice CustomerID
                                                                     Country X
                                    17850 United Kingdom NA
1
             2.55
                                    17850 United Kingdom NA
2
             3.39
3
             2.75
                                    17850 United Kingdom NA
4
             3.39
                                    17850 United Kingdom NA
5
             3.39
                                    17850 United Kingdom NA
             7.65
                                    17850 United Kingdom NA
> glimpse(custData)
Rows: 541,909
Columns: 9
$ InvoiceNo <chr> "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "536365", "53656", "53656", "53656", "53656", "53656", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660", "53660
$ StockCode <chr> "85123A", "71053", "84406B", "84029G", "84029E", "22752",...
$ Description <chr> "WHITE HANGING HEART T-LIGHT HOLDER", "WHITE METAL LANTER...
$ Quantity
                                  <int> 6, 6, 8, 6, 6, 2, 6, 6, 6, 32, 6, 6, 8, 6, 6, 3, 2, 3, 3,...
$ InvoiceDate <chr> "29-Nov-16", "29-Nov-16"
$ UnitPrice <dbl> 2.55, 3.39, 2.75, 3.39, 3.39, 7.65, 4.25, 1.85, 1.85, 1.6...
$ CustomerID <int> 17850, 17850, 17850, 17850, 17850, 17850, 17850, 17850, 17850, 1...
$ Country
                                 <chr> "United Kingdom", "United Kingdom", "United Kingdom", "Un...
                            $ X
> summary(custData)
                                                                                                                                      Quantity
  InvoiceNo
                                             StockCode
                                                                                        Description
 Length:541909
                                                   Length:541909
                                                                                                    Length:541909
                                                                                                                                                     Min. :-80995.00
 Class:character Class:character Class:character 1st Qu.:
 Mode :character Mode :character Median :
                                                                                                     Mean :
                                                                                                                                  9.55
                                                                                                     3rd Qu.: 10.00
                                                                                                     Max. : 80995.00
 InvoiceDate
                                                UnitPrice
                                                                                         CustomerID
                                                                                                                                  Country
 Length:541909
                                                  Min. :-11062.06 Min. :12346
                                                                                                                                             Length:541909
                                                                           1.25 1st Qu.:13953 Class:character
 Class:character 1st Qu.:
                                                                                 2.08 Median:15152 Mode:character
 Mode :character Median :
                                  Mean :
                                                                4.61 Mean :15288
                                                                4.13 3rd Qu.:16791
                                   3rd Qu.:
                                  Max. : 38970.00 Max. :18287
                                                                     NA's :135080
```

Χ

by Ava Lee 2/14/2021

Mode:logical NA's:541909

```
> dim(custData)
[1] 541909
>
> # Plot missing values using the DataExplorer package
> options(repr.plot.width=7, repr.plot.height=3)
> plot_missing(custData)
> # Drop missing values and check dimensions
> drop <- c("X")
> custData = custData[!names(custData)%in%drop]
> custData <- na.omit(custData)
> dim(custData)
[1] 406829
> head(custData)
 InvoiceNo StockCode
                                   Description Quantity InvoiceDate
   536365
            85123A WHITE HANGING HEART T-LIGHT HOLDER
                                                                  6 29-Nov-16
1
2
  536365
              71053
                               WHITE METAL LANTERN
                                                         6 29-Nov-16
3
             84406B
                                                                 8 29-Nov-16
  536365
                        CREAM CUPID HEARTS COAT HANGER
4 536365
             84029G KNITTED UNION FLAG HOT WATER BOTTLE
                                                                   6 29-Nov-16
                                                               6 29-Nov-16
5 536365
             84029E
                        RED WOOLLY HOTTIE WHITE HEART.
6 536365
              22752
                         SET 7 BABUSHKA NESTING BOXES
                                                              2 29-Nov-16
 UnitPrice CustomerID
                        Country
1
    2.55
             17850 United Kingdom
2
    3.39
             17850 United Kingdom
3
    2.75
            17850 United Kingdom
4
    3.39
            17850 United Kingdom
5
    3.39
             17850 United Kingdom
             17850 United Kingdom
6
    7.65
>
> # create date, month and year components of invoice date
> custData$date <- sapply(custData$InvoiceDate, FUN = function(x) {strsplit(x, split =
'[-]')[[1]][1]})
> custData$month <- sapply(custData$InvoiceDate, FUN = function(x) {strsplit(x, split =
'[-]')[[1]][2]})
> custData$year <- sapply(custData$InvoiceDate, FUN = function(x) {strsplit(x, split =
'[-]')[[1]][3]})
> # check the first three entries
> head(custData, n = 3)
 InvoiceNo StockCode
                                   Description Quantity InvoiceDate
  536365 85123A WHITE HANGING HEART T-LIGHT HOLDER
                                                                 6 29-Nov-16
```

```
71053
   536365
                            WHITE METAL LANTERN
                                                     6 29-Nov-16
            84406B
                                                            8 29-Nov-16
3
   536365
                      CREAM CUPID HEARTS COAT HANGER
 UnitPrice CustomerID
                       Country date month year
            17850 United Kingdom 29
1
    2.55
                                     Nov 16
2
    3.39
            17850 United Kingdom 29 Nov 16
3
    2.75
            17850 United Kingdom 29 Nov 16
>
> # Convert date variable into datetime format
> custData$dateIndex <- as.Date(custData$InvoiceDate, format="%d-%b-%y")
> head(custData)
 InvoiceNo StockCode
                                 Description Quantity InvoiceDate
   536365
            85123A WHITE HANGING HEART T-LIGHT HOLDER
                                                             6 29-Nov-16
             71053
2
   536365
                             WHITE METAL LANTERN
                                                     6 29-Nov-16
3
   536365
            84406B
                       CREAM CUPID HEARTS COAT HANGER
                                                            8 29-Nov-16
                                                              6 29-Nov-16
4
  536365
            84029G KNITTED UNION FLAG HOT WATER BOTTLE
5
                       RED WOOLLY HOTTIE WHITE HEART.
                                                           6 29-Nov-16
   536365
            84029E
                                                         2 29-Nov-16
  536365
             22752
                       SET 7 BABUSHKA NESTING BOXES
 UnitPrice CustomerID
                       Country date month year dateIndex
            17850 United Kingdom 29 Nov 16 2016-11-29
    2.55
1
2
    3.39
            17850 United Kingdom 29
                                     Nov 16 2016-11-29
                                29
3
    2.75
            17850 United Kingdom
                                     Nov 16 2016-11-29
4
    3.39
            17850 United Kinadom 29
                                     Nov 16 2016-11-29
5
            17850 United Kingdom 29
    3.39
                                     Nov 16 2016-11-29
6
    7.65
            17850 United Kingdom 29 Nov 16 2016-11-29
>
> # Create dayOfWeek variable
> custData <- custData %>% mutate(lineTotal = Quantity * UnitPrice)
> custData$dayOfWeek <- wday(custData$dateIndex, label=TRUE)
> head(custData)
 InvoiceNo StockCode
                                 Description Quantity InvoiceDate
   536365
            85123A WHITE HANGING HEART T-LIGHT HOLDER
                                                             6 29-Nov-16
1
2
  536365
             71053
                            WHITE METAL LANTERN
                                                     6 29-Nov-16
                                                            8 29-Nov-16
3
  536365
            84406B
                       CREAM CUPID HEARTS COAT HANGER
4
  536365
            84029G KNITTED UNION FLAG HOT WATER BOTTLE
                                                              6 29-Nov-16
5
   536365
                       RED WOOLLY HOTTIE WHITE HEART.
                                                           6 29-Nov-16
            84029E
   536365
             22752
                       SET 7 BABUSHKA NESTING BOXES
                                                         2 29-Nov-16
 UnitPrice CustomerID
                       Country date month year dateIndex lineTotal
1
    2.55
            17850 United Kingdom 29 Nov 16 2016-11-29
                                                           15.30
2
    3.39
            17850 United Kinadom 29
                                     Nov 16 2016-11-29
                                                           20.34
3
    2.75
            17850 United Kingdom 29
                                     Nov 16 2016-11-29
                                                           22.00
4
    3.39
            17850 United Kinadom 29
                                     Nov 16 2016-11-29
                                                           20.34
5
    3.39
            17850 United Kingdom
                                29
                                     Nov 16 2016-11-29
                                                           20.34
            17850 United Kingdom 29 Nov 16 2016-11-29
                                                           15.30
    7.65
 dayOfWeek
1
     Tue
2
     Tue
3
     Tue
4
     Tue
5
     Tue
```

```
6
     Tue
>
> # Convert variables into factors
> custData$Country <- as.factor(custData$Country)</pre>
> custData$date <- as.factor(custData$date)</pre>
> custData$month <- as.factor(custData$month)</pre>
> custData$year <- as.factor(custData$year)</pre>
> range(custData$InvoiceDate)
[1] "1-Apr-17" "9-Sep-17"
> levels(custData$year) <- c(2016,2017)
> custData$dayOfWeek <- as.factor(custData$dayOfWeek)
> head(custData, n=5)
 InvoiceNo StockCode
                                   Description Quantity InvoiceDate
   536365
             85123A WHITE HANGING HEART T-LIGHT HOLDER
                                                                 6 29-Nov-16
2
                              WHITE METAL LANTERN
   536365
             71053
                                                         6 29-Nov-16
3
  536365
                        CREAM CUPID HEARTS COAT HANGER
                                                                8 29-Nov-16
             84406B
  536365
             84029G KNITTED UNION FLAG HOT WATER BOTTLE
                                                                  6 29-Nov-16
4
  536365
             84029E
                        RED WOOLLY HOTTIE WHITE HEART.
                                                              6 29-Nov-16
                        Country date month year dateIndex lineTotal
 UnitPrice CustomerID
    2.55
            17850 United Kingdom 29 Nov 2016 2016-11-29
                                                                15.30
1
2
    3.39
             17850 United Kingdom 29 Nov 2016 2016-11-29
                                                                20.34
3
            17850 United Kingdom 29 Nov 2016 2016-11-29
    2.75
                                                                22.00
4
    3.39
             17850 United Kingdom 29 Nov 2016 2016-11-29
                                                                20.34
             17850 United Kingdom 29 Nov 2016 2016-11-29
                                                                20.34
5
    3.39
 dayOfWeek
1
     Tue
2
     Tue
3
     Tue
4
     Tue
5
     Tue
> #-----#
>
> # standardisation (or normalization)
> cust <- custData %>% select(UnitPrice, Quantity, lineTotal)
> head(cust)
 UnitPrice Quantity lineTotal
                  15.30
1
    2.55
              6
2
    3.39
                  20.34
              6
3
    2.75
                  22.00
              8
4
    3.39
              6
                  20.34
5
    3.39
                  20.34
              6
6
    7.65
              2
                  15.30
> fit<-hclust(custData, method='complete')
Error in if (is.na(n) | | n > 65536L) stop("size cannot be NA nor exceed 65536"):
 missing value where TRUE/FALSE needed
> groups<-cutree(fit,k=3)
```

```
> groups
[1] 1 2 3 1 1 2 2 1 2 2 2 1 1 3 2 3 2 3 1 1 3 1 1 3 2
> ## KMeans clustering
>
> km <- kmeans(custData, 3)
Error in do_one(nmeth): NA/NaN/Inf in foreign function call (arg 1)
In addition: Warning message:
In storage.mode(x) <- "double": NAs introduced by coercion
> head(km)
$cluster
[1] 1 2 4 1 4 1 1 4 1 2 1 4 4 3 1 3 1 3 4 4 4 4 4 3 1
$centers
     SAT
             Top 10
                       Accept
                                SFRatio Expenses GradRate
1 0.7865158 0.66710444 -0.8831526 -0.42287980 0.4317231 0.77919531
2 0.8634201 0.56705021 -0.2382484 -1.52925136 2.3393604 -0.30029442
3 -1.8912923 -1.94145231 1.5612876 1.60546806 -1.2086753 -1.65272331
4 -0.1240313 0.06277688 0.2179720 0.04425486 -0.3729528 0.01987242
$totss
[1] 144
$withinss
[1] 5.323568 2.113429 7.089134 17.782037
$tot.withinss
[1] 32.30817
$betweenss
[1] 111.6918
> cust_kmeans<-data.frame(custData, km$cluster)</pre>
Error in data.frame(custData, km$cluster):
 arguments imply differing number of rows: 406829, 25
> cust kmeans
Error: object 'cust_kmeans' not found
> # cluster profiling
>
> #cluster profiling
> names(km)
[1] "cluster"
              "centers"
                          "totss"
                                     "withinss"
                                                 "tot.withinss"
[6] "betweenss"
                 "size"
                            "iter"
                                      "ifault"
> fviz cluster(km, data = cust,
          palette = c("#2E9FDF", "#00AFBB", "#E7B800"),
          geom = "point",
+
          ellipse.type = "convex",
+
```

```
ggtheme = theme_bw()
+)
Error in data.frame(..., check.names = FALSE):
 arguments imply differing number of rows: 406829, 25
>
>
> #-----#
> # Plot revenue in over time
> options(repr.plot.width=8, repr.plot.height=3)
> custData %>%
+ group_by(dateIndex) %>%
+ summarise(revenue = sum(lineTotal)) %>%
+ ggplot(aes(x = dateIndex, y = revenue)) + geom_line() + geom_smooth(method = 'auto', se
= FALSE) + labs(x = 'Date', y = 'Revenue (£)', title = 'Revenue by Date')
'geom_smooth()' using method = 'loess' and formula 'y \sim x'
> # Plot revenue by dayOfWeek
> custData %>%
+ group by(dayOfWeek) %>%
+ summarise(revenue = sum(lineTotal)) %>%
+ ggplot(aes(x = dayOfWeek, y = revenue)) + geom_col() + labs(x = 'Day of Week', y = revenue))
'Revenue (£)', title = 'Revenue by Day of Week')
> # Transaction table by dayOfWeek
> weekdaySummary <- custData %>%
+ group by(dateIndex, dayOfWeek) %>%
+ summarise(revenue = sum(lineTotal), transactions = n_distinct(InvoiceNo)) \%>\%
+ mutate(aveOrdVal = (round((revenue / transactions),2))) %>%
+ ungroup()
`summarise()` has grouped output by 'dateIndex'. You can override using the `.groups` argument.
> head(weekdaySummary, n = 10)
# A tibble: 10 x 5
 dateIndex dayOfWeek revenue transactions aveOrdVal
 <date>
           <ord>
                      <dbl>
                                 <int>
                                         <dbl>
1 2016-11-29 Tue
                      46051.
                                   127
                                          363.
2 2016-11-30 Wed
                       45775.
                                    160
                                            286.
3 2016-12-01 Thu
                      22598.
                                         353.
                                   64
4 2016-12-03 Sat
                      31381.
                                   94
                                         334.
5 2016-12-04 Sun
                      30465.
                                   111
                                          274.
6 2016-12-05 Mon
                       53126.
                                    79
                                          672.
7 2016-12-06 Tue
                                   134
                                          284.
                      38049.
8 2016-12-07 Wed
                       37178.
                                    132
                                            282.
9 2016-12-08 Thu
                      32005.
                                   78
                                         410.
10 2016-12-10 Sat
                      17218.
                                    50
                                          344.
> # Box plot of revenue by day of week
```

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```
> ggplot(weekdaySummary, aes(x = dayOfWeek, y = revenue)) + geom_boxplot() + labs(x = 'Day of the Week', y = 'Revenue', title = 'Revenue by Day of the Week')
> ggplot(weekdaySummary, aes(x = dayOfWeek, y = transactions)) + geom_boxplot() + labs(x = 'Day of the Week', y = 'Number of Daily Transactions', title = 'Number of Transactions by Day of the Week')
> ggplot(weekdaySummary, aes(x = dayOfWeek, y = aveOrdVal)) + geom_boxplot() + labs(x = 'Day of the Week', y = 'Average Order Value', title = 'Average Order Value by Day of the Week')
> # Density plot of transactions by day of week
> ggplot(weekdaySummary, aes(transactions, fill = dayOfWeek)) + geom_density(alpha = 0.2)
> # Apply non-parametric test for distributions other than normal based on skewness of the density plot
> kruskal.test(transactions ~ dayOfWeek, data = weekdaySummary)
```

Kruskal-Wallis rank sum test

data: transactions by dayOfWeek Kruskal-Wallis chi-squared = 71.744, df = 5, p-value = 4.441e-14

- > # Discover which day of a week incurs significantly higher or lower revenues
- > kruskal(weekdaySummary\$transactions, weekdaySummary\$dayOfWeek, console = TRUE)

Study: weekdaySummary\$transactions  $\sim$  weekdaySummary\$dayOfWeek Kruskal-Wallis test's Ties or no Ties

Critical Value: 71.7443 Degrees of freedom: 5

Pvalue Chisq: 4.440892e-14

weekdaySummary\$dayOfWeek, means of the ranks

#### weekdaySummary.transactions r

Mon	160.0769 52
Sat	72.3600 50
Sun	162.4574 47
Thu	135.0100 50
Tue	170.2170 53
Wed	213.5000 53

Post Hoc Analysis

t-Student: 1.96793 Alpha : 0.05

Groups according to probability of treatment differences and alpha level.

Treatments with the same letter are not significantly different.

```
weekdaySummary$transactions groups
Wed
                 213.5000
                              а
Tue
                170.2170
                             b
Sun
                162.4574
                            bc
                160.0769
Mon
                             bc
Thu
                135.0100
                             С
Sat
                72.3600
                            d
>
>
> # Valued Customer Analysis by Month
> custData %>%
+ group_by(month) %>%
+ summarise(revenue = sum(lineTotal)) %>%
+ ggplot(aes(x = month, y = revenue)) + geom_col() + labs(x = 'Month', y = 'Revenue (£)', title
= 'Revenue by Month Of Year')
>
> custData %>%
+ group_by(month) %>%
+ summarise(transactions = n_distinct(InvoiceNo)) %>%
+ ggplot(aes(x = month, y = transactions)) + geom_col() + labs(x = 'Month', y = 'Number of transactions))
Transactions', title = 'Transactions by Month Of Year')
>
> # Most valuable customers by country
> countrySummary <- custData %>%
+ group_by(Country) %>%
+ summarise(revenue = sum(lineTotal), transactions = n distinct(InvoiceNo)) %>%
+ mutate(aveOrdVal = (round((revenue / transactions),2))) %>%
+ ungroup() %>%
+ arrange(desc(revenue))
>
> head(countrySummary, n = 10)
# A tibble: 10 x 4
 Country
              revenue transactions aveOrdVal
  <fct>
               <dbl>
                           <int>
                                   <dbl>
1 United Kingdom 6767873.
                                19857
                                          341.
                                      2818.
2 Netherlands
                284662.
                               101
3 EIRE
              250285.
                            319
                                    785.
                 221698.
4 Germany
                               603
                                       368.
5 France
               196713.
                             458
                                     430.
6 Australia
               137077.
                              69
                                    1987.
7 Switzerland
                 55739.
                               71
                                     785.
                            105
8 Spain
               54775.
                                    522.
                             119
9 Belgium
                40911.
                                     344.
10 Sweden
                 36596.
                               46
                                     796.
> unique(countrySummary$Country)
[1] United Kingdom
                      Netherlands
                                        EIRE
[4] Germany
                     France
                                     Australia
[7] Switzerland
                                    Belgium
                     Spain
```

```
[10] Sweden
                     Japan
                                     Norway
[13] Portugal
                    Finland
                                    Channel Islands
[16] Denmark
                     Italy
                                   Cyprus
[19] Austria
                   Singapore
                                     Poland
[22] Israel
                   Greece
                                   Iceland
                     Unspecified
[25] Canada
                                      Malta
[28] United Arab Emirates USA
                                        Lebanon
[31] Lithuania
                    European Community Brazil
[34] RSA
                   Czech Republic
                                      Bahrain
[37] Saudi Arabia
37 Levels: Australia Austria Bahrain Belgium Brazil Canada ... USA
> countryCustSummary <- custData %>%
+ group by(Country) %>%
+ summarise(revenue = sum(lineTotal), customers = n_distinct(CustomerID)) %>%
+ mutate(aveCustVal = (round((revenue / customers),2))) %>%
+ ungroup() %>%
+ arrange(desc(revenue))
> head(countryCustSummary, n = 10)
# A tibble: 10 x 4
  Country
              revenue customers aveCustVal
  <fct>
                                  <dbl>
               <dbl>
                         <int>
1 United Kingdom 6767873.
                               3950
                                        1713.
2 Netherlands
                284662.
                                   31629.
3 EIRE
                            3
                                83428.
              250285.
4 Germany
                 221698.
                              95
                                    2334.
5 France
               196713.
                            87
                                  2261.
6 Australia
               137077.
                             9
                                 15231.
7 Switzerland
                 55739.
                             21
                                   2654.
8 Spain
                                  1767.
               54775.
                           31
9 Belgium
                40911.
                            25
                                  1636.
10 Sweden
                 36596.
                                   4574.
> # Top five most valued countries
> topFiveCountries <- custData %>%
+ filter(Country == 'United Kingdom' | Country == 'Netherlands' | Country == 'EIRE' | Country
== 'Germany' | Country == 'France')
>
> topFiveCountrySummary <- topFiveCountries %>%
+ group by(Country, dateIndex) %>%
+ summarise(revenue = sum(lineTotal), transactions = n_distinct(InvoiceNo), customers =
n_distinct(CustomerID)) %>%
+ mutate(aveOrdVal = (round((revenue / transactions),2))) %>%
+ ungroup() %>%
+ arrange(desc(revenue))
`summarise()` has grouped output by 'Country'. You can override using the `.groups` argument.
> head(topFiveCountrySummary)
```

by Ava Lee 2/14/2021

```
# A tibble: 6 x 6
 Country
             dateIndex revenue transactions customers aveOrdVal
 <fct>
             <date>
                         <dbl>
                                    <int>
                                            <int>
                                                     <dbl>
1 United Kingdom 2017-09-18 100460.
                                                    49
                                                          1595.
                                            63
2 United Kingdom 2017-09-13 65611.
                                            99
                                                    85
                                                          663.
3 United Kingdom 2017-10-01 59782.
                                            70
                                                    50
                                                          854.
4 United Kingdom 2017-11-01 56295.
                                           100
                                                    85
                                                           563.
5 United Kingdom 2017-11-07 55634.
                                           118
                                                    97
                                                           471.
6 United Kingdom 2017-11-21 55013.
                                                    102
                                           130
                                                           423.
>
> ggplot(topFiveCountrySummary, aes(x = Country, y = revenue)) + geom_col() + labs(x = '
Country', y = \text{'Revenue } (£)', title = 'Revenue by Country')
> ggplot(topFiveCountrySummary, aes(x = dateIndex, y = revenue, colour = Country)) +
geom_smooth(method = 'auto', se = FALSE) + labs(x = 'Country', y = 'Revenue (£)', title =
'Revenue by Country over Time')
'geom_smooth()' using method = 'loess' and formula 'y \sim x'
> ggplot(topFiveCountrySummary, aes(x = Country, y = aveOrdVal)) + geom_boxplot() + labs(x
= 'Country', y = 'Average Order Value (£)', title = 'Average Order Value by Country') +
scale_y_log10()
Warning messages:
1: In self$trans$transform(x): NaNs produced
2: Transformation introduced infinite values in continuous y-axis
3: Removed 73 rows containing non-finite values (stat boxplot).
> ggplot(topFiveCountrySummary, aes(x = Country, y = transactions)) + geom_boxplot() +
labs(x = 'Country', y = 'Transactions', title = 'Number of Daily Transactions by Country')
>
> # Segmentation
> custSummary <- custData %>%
+ group_by(CustomerID) %>%
+ summarise(revenue = sum(lineTotal), transactions = n distinct(InvoiceNo)) %>%
+ mutate(aveOrdVal = (round((revenue / transactions),2))) %>%
+ ungroup() %>%
+ arrange(desc(revenue))
>
> head(custSummary, n = 10)
# A tibble: 10 x 4
  CustomerID revenue transactions aveOrdVal
     <int> <dbl>
                       <int>
                                <dbl>
     14646 279489.
1
                            77
                                  3630.
2
     18102 256438.
                            62
                                 4136.
3
     17450 187482.
                            55
                                 3409.
4
     14911 132573.
                           248
                                   535.
5
     12415 123725.
                            26
                                 4759.
6
     14156 113384.
                            66
                                 1718.
7
     17511 88125.
                           46
                                 1916.
8
     16684 65892.
                                 2126.
                           31
9
     13694 62653.
                                 1044.
                           60
10
      15311 59419.
                           118
                                   504.
```

>

```
> # Revenue per customer
> ggplot(custSummary, aes(revenue)) + geom_histogram(binwidth = 10) + labs(x = 'Revenue', y
= 'Count of Customers', title = 'Histogram of Revenue per customer')
> ggplot(custSummary, aes(revenue)) + geom_histogram() + scale_x_log10() + labs(x =
'Revenue', y = 'Count of Customers', title = 'Histogram of Revenue per customer (Log Scale)')
'stat_bin()' using 'bins = 30'. Pick better value with 'binwidth'.
Warning messages:
1: In self$trans$transform(x): NaNs produced
2: Transformation introduced infinite values in continuous x-axis
3: Removed 55 rows containing non-finite values (stat_bin).
> ggplot(custSummary, aes(transactions)) + geom histogram() + scale x log10() + labs(x =
'Number of Transactions', y = \text{'Count of Customers'}, title = 'Histogram of Transactions per
customer')
'stat bin()' using 'bins = 30'. Pick better value with 'binwidth'.
>
> # Group B
> custSummaryB <- custData %>%
+ group_by(CustomerID, InvoiceNo) %>%
+ summarise(revenue = sum(lineTotal), transactions = n_distinct(InvoiceNo)) \%>\%
+ mutate(aveOrdVal = (round((revenue / transactions),2))) %>%
+ ungroup() %>%
+ arrange(revenue) %>%
+ mutate(cumsum=cumsum(revenue))
`summarise()` has grouped output by 'CustomerID'. You can override using the `.groups` argument.
> head(custSummaryB, n = 10)
# A tibble: 10 x 6
  CustomerID InvoiceNo revenue transactions aveOrdVal cumsum
     <int> <chr>
                     <dbl>
                                <int>
                                         <dbl>
                                                 <dbl>
1
     16446 C581484 -168470.
                                        1 -168470. -168470.
2
                                         -77184. -245653.
     12346 C541433
                       -77184.
                                       1
3
     15098 C556445
                       -38970
                                       1
                                         -38970 -284623.
     15749 C550456
4
                       -22998.
                                          -22998. -307622.
                                       1
5
     16029 C570556
                       -11817.
                                       1 -11817. -319438.
                        -8322.
                                          -8322. -327760.
6
     12536 C573079
                                      1
7
     16029 C551685
                        -8143.
                                      1
                                          -8143. -335903.
8
     16029 C551699
                        -6930
                                      1
                                          -6930 -342833.
9
     12744 C571750
                        -6068.
                                          -6068. -348901.
10
      14911 C562375
                                           -4345. -353246.
                         -4345.
> custData %>% filter(CustomerID == 16446)
 InvoiceNo StockCode
                               Description Quantity InvoiceDate
              22980
1
   553573
                        PANTRY SCRUBBING BRUSH
                                                        1 16-May-17
2
   553573
              22982
                          PANTRY PASTRY BRUSH
                                                     1 16-May-17
              23843 PAPER CRAFT, LITTLE BIRDIE 80995
  581483
                                                          7-Dec-17
               23843 PAPER CRAFT, LITTLE BIRDIE -80995 7-Dec-17
4 C581484
 UnitPrice CustomerID
                         Country date month year dateIndex lineTotal
     1.65
             16446 United Kingdom 16 May 2017 2017-05-16
                                                                   1.65
1
2
     1.25
             16446 United Kingdom 16 May 2017 2017-05-16
                                                                   1.25
```

```
3
    2.08
             16446 United Kingdom 7 Dec 2017 2017-12-07 168469.60
4
    2.08
             16446 United Kingdom 7 Dec 2017 2017-12-07 -168469.60
 dayOfWeek
     Tue
1
2
     Tue
3
     Thu
4
     Thu
>
> custSummaryB <- custData %>%
+ group_by(InvoiceNo, CustomerID, Country, dateIndex, month, year, dayOfWeek) %>%
+ summarise(orderVal = sum(lineTotal)) %>%
+ mutate(recent = Sys.Date() - dateIndex) %>%
+ ungroup()
`summarise()` has grouped output by 'InvoiceNo', 'CustomerID', 'Country', 'dateIndex', 'month',
'year'. You can override using the `.groups` argument.
> custSummaryB$recent <- as.character(custSummaryB$recent)</pre>
> custSummaryB$recentDays <- sapply(custSummaryB$recent, FUN = function(x) {strsplit(x, split)}
= '[-]')[[1][[1]])
> custSummaryB$recentDays <- as.integer(custSummaryB$recentDays)
>
> head(custSummaryB, n = 5)
# A tibble: 5 x 10
 InvoiceNo CustomerID Country dateIndex month year dayOfWeek orderVal recent
             <int> <fct> <date>
                                    <fct> <fct> <ord>
 <chr>
                                                           <dbl> <chr>
1 536365
               17850 United... 2016-11-29 Nov 2016 Tue
                                                                139. 1538
2 536366
               17850 United... 2016-11-29 Nov 2016 Tue
                                                                22.2 1538
3 536367
               13047 United... 2016-11-29 Nov 2016 Tue
                                                                279. 1538
4 536368
               13047 United... 2016-11-29 Nov 2016 Tue
                                                                70.1 1538
5 536369
              13047 United... 2016-11-29 Nov 2016 Tue
                                                                17.8 1538
# ... with 1 more variable: recentDays <int>
> # Customer Breakdown
> customerBreakdown <- custSummaryB %>%
+ group_by(CustomerID, Country) %>%
+ summarise(orders = n_distinct(InvoiceNo), revenue = sum(orderVal), meanRevenue =
round(mean(orderVal), 2), medianRevenue = median(orderVal),
         mostDay = names(which.max(table(dayOfWeek))), mostMonth =
names(which.max(table(month))),
         recency = min(recentDays))%>%
`summarise()` has grouped output by 'CustomerlD'. You can override using the `.groups` argument.
> head(customerBreakdown)
# A tibble: 6 x 9
 CustomerID Country orders revenue meanRevenue medianRevenue mostDay mostMonth
    <int> <fct> <int> <dbl>
                                   <dbl>
                                               <dbl> <chr> <chr>
1
    12346 United...
                       2
                                    0
                                              0 Mon
                                                       Jan
                            0
2
    12347 Iceland
                     7 4310
                                   616.
                                              585. Mon
                                                          Dec
```

```
4 1797.
3
    12348 Finland
                                   449.
                                             338. Mon
                                                        Apr
                    1 1758.
4
    12349 Italy
                                 1758.
                                            1758. Sun
                                                        Nov
5
                                              334. Tue
    12350 Norway
                       1
                          334.
                                   334.
                                                         Jan
                      11 1545.
                                               160. Mon
    12352 Norway
                                     140.
                                                          Feb
6
# ... with 1 more variable: recency <int>
> custBreakSum <- customerBreakdown %>%
+ filter(orders > 1, revenue > 50)
> head(custBreakSum)
# A tibble: 6 x 9
 CustomerID Country orders revenue meanRevenue medianRevenue mostDay mostMonth
    <int> <fct> <int> <dbl>
                                  <dbl>
                                              <dbl> <chr> <chr>
1
    12347 Iceland
                     7 4310
                                   616.
                                             585. Mon
                                                         Dec
2
    12348 Finland
                     4 1797.
                                   449.
                                             338. Mon
                                                        Apr
3
    12352 Norway
                      11 1545.
                                     140.
                                               160. Mon
                                                          Feb
                       3 2811.
                                    937.
4
    12356 Portug...
                                               481. Mon
                                                          Apr
5
    12358 Austria
                     2 1168.
                                             584. Mon
                                  584.
                                                        Dec
    12359 Cyprus
                     6 6246.
                                  1041.
                                              828. Tue
                                                         Apr
# ... with 1 more variable: recency <int>
> dim(custBreakSum)
[1] 3032 9
>
> # Heatmap
>
> custMat <- custBreakSum %>%
   select(recency, revenue, meanRevenue, medianRevenue, orders) %>%
+
  as.matrix()
>
> rownames(custMat) <- custBreakSum$CustomerID
> head(custMat)
   recency revenue meanRevenue medianRevenue orders
                                     584.91
12347
        1167 4310.00
                         615.71
                                               7
                                     338.50
12348
        1240 1797.24
                         449.31
                                               4
12352
       1201 1545.41
                         140.49
                                     160.33
                                              11
12356
        1187 2811.43
                         937.14
                                     481.46
                                               3
12358
        1166 1168.06
                         584.03
                                     584.03
                                               2
       1172 6245.53
12359
                         1040.92
                                     828.41
> class(custMat)
[1] "matrix" "array"
>
> options(repr.plot.width=12, repr.plot.height=7)
> heatmap(scale(custMat), cexCol = 0.7)
>
>
> # Reference
> # https://www.kaggle.com/chrisbow/e-commerce-eda-and-segmentation-with-r
```

 $> \# \ https://www.datanovia.com/en/blog/k-means-clustering-visualization-in-r-step-by-step-guide/$