

# GROUP ASSIGNMENTS

## **BACKGROUND**

You would need to work on the '**purchases**' dataset of a retail store (*we have used this dataset extensively in MKTA classes*) to come out with other interesting segments (using RFM) and recommend marketing actions.

## **PART A**

### **TASK TO BE PERFORMED**

There will be two primary tasks:

1. Based on **R, F, M** variables, build a **6-segment solution** (using K-Means). Define each of these segments and select the **one most important segment** for this business to act upon. Why do you think this segment is important? **What Marketing actions do you propose** to take, to target and derive more business from this segment?
2. Which will be the **second most important segment** that you would target? Why do you say so?

## **THE DELIVERABLE**

A PPT of max **4 slides of contents** to be presented by the group.

## PART B

Using **R, F, M** try building segments which are more from the **managerial implementation angle** and common-sense-led actionable. For example, (i) by **giving scores** based on R, F, M and creating a score for each customer and then segmenting them (e.g. by **creating three groups High / Medium / Low for each of the variables** R, F and M and then looking at the all possible  $3*3*3 = 27$  segments... and then, maybe, clubbing some of these together to arrive at max 10 segments). You are free to create segments by R, F, M scoring in other ways too.

Explain (and maybe give names to) each segment. Select the **two most important and SIZABLE segments** for this business to act upon. **What Marketing actions do you propose** to take, to target and derive more business from these two segments?

## THE DELIVERABLE

A PPT of max **6 slides of content** to be presented by the group.

Some youtube links on RFM scoring:

1. RFM for E-commerce  
<https://www.youtube.com/watch?v=YgRq7fW5QrM>
2. RFM scoring  
<https://www.youtube.com/watch?v=QVFXt7TM2eU>