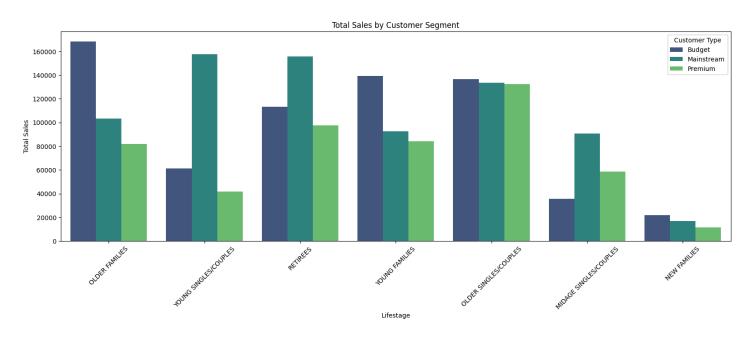
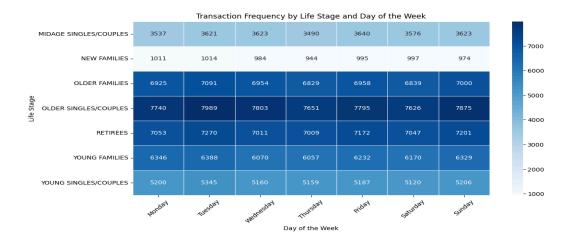
## **Market Analysis Summary**

## **Key Findings:**

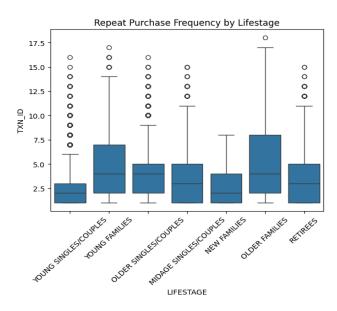


## Older Families:

- Particularly engaged with "Budget" products, older families contribute significantly to sales. Their purchase frequency shows a mix of frequent and occasional buying behavior, offering both opportunities for loyalty programs and occasional promotions.
- Older families purchase more from budget-friendly products and if targeted discounts or promotions drive increased sales.



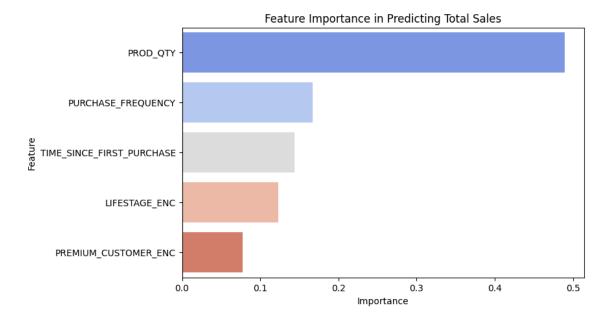
- Leverage Tuesdays: Given that Tuesdays are the peak transaction day across all groups, consider scheduling special promotions on this day to maximize sales
- Peak Transaction Days by Lifestage:
  - Older Singles/Couples: peak on Tuesday with 7989 transactions, reflecting strong mid-week activity.
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  - Retirees: Tuesday is the most active day, with 7270 transactions.
  - Older Families: Tuesday leads with 7091 transactions, showing high engagement on this day.
  - Young Families: Peak on Tuesday with 6388 transactions, indicating similar behavior to older families
  - Young Singles/Couples: While Tuesday is the peak day, transactions drop slightly to 5345, suggesting lower overall engagement.
  - New Families: Most transactions occur on Tuesday (1014 transactions), with consistent mid-week shopping.



 Customize Offers for Older Families as they have most repeat purchase: Focus on affordable products and offer exclusive promotion

## **Feature Importance in Predicting Total Sales**

Based on the Random Forest Regression model, the features impacting total sales (TOT\_SALES) are ranked as follows:



- 1. **PROD\_QTY (Most Important)**: The number of products purchased is the strongest predictor of total sales.
  - Bulk-buy promotions could increase revenue by encouraging customers to purchase more.
- PURCHASE\_FREQUENCY (Second Most Important): Frequent purchases are a significant driver of total sales.
  - Loyalty programs and personalized promotions could boost repeat purchases, enhancing sales.
- TIME\_SINCE\_FIRST\_PURCHASE: The length of time a customer has been shopping
  with the company affects sales, though less than product quantity or purchase
  frequency.
  - Loyal customers may contribute more in the long run, but new customers can also be engaged with targeted offers.
- 4. **LIFESTAGE\_ENC (Demographic Influence)**: A customer's lifestage impacts sales, though to a lesser extent than purchasing behavior.
  - Tailored marketing strategies based on lifestage preferences can improve sales.
- 5. **PREMIUM\_CUSTOMER\_ENC (Least Important)**: Being a premium customer has the least impact on total sales.
  - Reassess the premium customer program to ensure it drives higher spending.