Model validation

Data Description

Validating means

* Estimate parameters of the model by maximizing the marginal loglikelihood function, compute standard error and see if it small compared to the estimates
* Compare number of customers expected to buy x times to the number of customers who really bought x times
  + How much % of the purchases (in the calibration period) were made by how much % of the customers?
* Predict purchases per week and real purchases per week, care about seasonality?
* Predict the total number of transactions and compare it to the real number of transactions
* Compare distributions of average gross profit per customer of reality and model
* Regression to the mean?
* Compare the averages of the CLV predicted by the model and the true ones for all RFM groups
* Compare variance of cumulative transactions over time and first differences of variance of cumulative transactions over time
* Remodel the true distribution with data drawn from the model and see if they are different
* Overlay of contour plot and heat map
* Grouping by RFM and by std(...) or E(…) and compare the results
* Deckt sich das Modell mit RFM und dem Paper?
* Scoring with return/risk ratio