

# Customer Shopping Behavior Analysis

## 1. Project Overview

This project analyzes customer shopping behavior using transactional data from 3,900 purchases across various product categories. The goal is to uncover insights into spending patterns, customer segments, product preferences, and subscription behavior to guide strategic business decisions.

## 2. Dataset Summary

Rows	3,900																																				
Columns	18																																				
Key Features	Customer demographics (Age, Gender, Location, Subscription Status)																																				
	Purchase details (Item Purchased, Category, Purchase Amount, Season, Size, Color)																																				
	Shopping behavior (Discount Applied, Promo Code Used, Previous Purchases, Frequency of Purchases, Review Rating, Shipping Type)																																				
Missing Data	<p>37 values in the Review Rating column</p> <table><tbody><tr><td>Customer ID</td><td>0</td></tr><tr><td>Age</td><td>0</td></tr><tr><td>Gender</td><td>0</td></tr><tr><td>Item Purchased</td><td>0</td></tr><tr><td>Category</td><td>0</td></tr><tr><td>Purchase Amount (USD)</td><td>0</td></tr><tr><td>Location</td><td>0</td></tr><tr><td>Size</td><td>0</td></tr><tr><td>Color</td><td>0</td></tr><tr><td>Season</td><td>0</td></tr><tr><td>Review Rating</td><td>37</td></tr><tr><td>Subscription Status</td><td>0</td></tr><tr><td>Shipping Type</td><td>0</td></tr><tr><td>Discount Applied</td><td>0</td></tr><tr><td>Promo Code Used</td><td>0</td></tr><tr><td>Previous Purchases</td><td>0</td></tr><tr><td>Payment Method</td><td>0</td></tr><tr><td>Frequency of Purchases</td><td>0</td></tr></tbody></table>	Customer ID	0	Age	0	Gender	0	Item Purchased	0	Category	0	Purchase Amount (USD)	0	Location	0	Size	0	Color	0	Season	0	Review Rating	37	Subscription Status	0	Shipping Type	0	Discount Applied	0	Promo Code Used	0	Previous Purchases	0	Payment Method	0	Frequency of Purchases	0
Customer ID	0																																				
Age	0																																				
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Frequency of Purchases	0																																				

### 3. Exploratory Data Analysis using Python

Data preparation and cleaning steps included:

- Data Loading using pandas.

```
[24]: df = pd.read_csv("customer_shopping_behavior.csv")  
[25]: df.head()  
...  


|   | Customer ID | Age | Gender | Item Purchased | Category | Purchase Amount (USD) | Location      | Size | Color     | Season |
|---|-------------|-----|--------|----------------|----------|-----------------------|---------------|------|-----------|--------|
| 0 | 1           | 55  | Male   | Blouse         | Clothing | 53                    | Kentucky      | L    | Gray      | Winter |
| 1 | 2           | 19  | Male   | Sweater        | Clothing | 64                    | Maine         | L    | Maroon    | Winter |
| 2 | 3           | 50  | Male   | Jeans          | Clothing | 73                    | Massachusetts | S    | Maroon    | Spring |
| 3 | 4           | 21  | Male   | Sandals        | Footwear | 90                    | Rhode Island  | M    | Maroon    | Spring |
| 4 | 5           | 45  | Male   | Blouse         | Clothing | 49                    | Oregon        | M    | Turquoise | Spring |


```

- Initial Exploration using df.info() and describe().

```
> df.info()  
...  
class 'pandas.core.frame.DataFrame'  
RangeIndex: 3900 entries, 0 to 3900  
Data columns (total 18 columns):  
 #   Column          Non-Null Count  Dtype     
 0   Customer ID    3900 non-null    int64    
 1   Age             3900 non-null    int64    
 2   Gender          3900 non-null    object    
 3   Item Purchased 3900 non-null    object    
 4   Category        3900 non-null    object    
 5   Purchase Amount (USD) 3900 non-null    int64    
 6   Location        3900 non-null    object    
 7   Size            3900 non-null    object    
 8   Color           3900 non-null    object    
 9   Season          3900 non-null    object    
 10  Review Rating   3863 non-null    float64   
 11  Subscription status 3900 non-null    object    
 12  Shipping Type   3900 non-null    object    
 13  Discount Applied 3900 non-null    object    
 14  Promo Code Used 3900 non-null    object    
 15  Previous Purchases 3900 non-null    int64    
 16  Payment Method   3900 non-null    object    
 17  Frequency of Purchases 3900 non-null    object    
dtypes: float64(1), int64(4), object(14)  
memory usage: 548.64 KB
```

df.describe()					
	Customer ID	Age	Purchase Amount (USD)	Review Rating	Previous Purchases
count	3900.000000	3900.000000	3900.000000	3863.000000	3900.000000
mean	1950.500000	44.068462	59.764359	3.750065	25.351538
std	1125.977353	15.207589	23.685392	0.716983	14.447125
min	1.000000	18.000000	20.000000	2.500000	1.000000
25%	975.750000	31.000000	39.000000	3.100000	13.000000
50%	1950.500000	44.000000	60.000000	3.800000	25.000000
75%	2925.250000	57.000000	81.000000	4.400000	36.000000
max	3900.000000	70.000000	100.000000	5.000000	50.000000

- Missing Data Handling: Imputed missing Review Rating values with median per product category.

```
[28]: df.isnull().sum()
[28]:
Customer ID      0
Age              0
Gender           0
Item Purchased   0
Category          0
Purchase Amount (USD)  0
Location          0
Size              0
Color              0
Season             0
Review Rating     37
Subscription Status  0
Shipping Type     0
Discount Applied   0
Promo Code Used    0
Previous Purchases  0
Payment Method     0
Frequency of Purchases  0
dtype: int64

#filling missing values
df['Review Rating'] = df.groupby('Category')['Review Rating'].transform(lambda x: x.fillna(x.median()))

[29]:
df.isnull().sum()
[29]:
Customer ID      0
Age              0
Gender           0
Item Purchased   0
Category          0
Purchase Amount (USD)  0
Location          0
Size              0
Color              0
Season             0
Review Rating     0
Subscription Status  0
Shipping Type     0
Discount Applied   0
Promo Code Used    0
Previous Purchases  0
Payment Method     0
Frequency of Purchases  0
dtype: int64
```

- Column Standardization: Renamed columns to snake\_case.

```
#All headings in lowercases instead of uppercases
df.columns = df.columns.str.lower()
#Add underscore in place of spaces
df.columns = df.columns.str.lower().str.replace(' ', '_')
#Change column name of purchase_amount_(usd) to purchase_amount
df.rename(columns={'purchase_amount_(usd)': 'purchase_amount'}, inplace=True)

[34]: df.columns
[34]: Index(['customer_id', 'age', 'gender', 'item_purchased', 'category',
       'purchase_amount', 'location', 'size', 'color', 'season',
       'review_rating', 'subscription_status', 'shipping_type',
       'discount_applied', 'promo_code_used', 'previous_purchases',
       'payment_method', 'frequency_of_purchases'],
       dtype='object')
```

- Feature Engineering: Created age\_group and purchase\_frequency\_days.

```

# Create a age group column
labels = ['Young Adult', 'Adult', 'Middle Aged', 'Senior Citizen']
df['age_group'] = pd.cut(df['age'], bins, labels)

```

age	age_group
0	Middle Aged
1	Young Adult
2	Middle Aged
3	Young Adult
4	Middle Aged
5	Middle Aged
6	Senior Citizen
7	Young Adult
8	Young Adult
9	Middle Aged

```

frequency_mapping = {
    'Fortnightly': 14,
    'Weekly': 7,
    'Quarterly': 90,
    'Bi-weekly': 14,
    'Monthly': 30,
    'Every 3 months': 90,
    'Annually': 365
}

```

```

df['purchase_frequency_days'] = df['frequency_of_purchases'].map(frequency_mapping)
df[['frequency_of_purchases', 'purchase_frequency_days']].head(10)

```

frequency_of_purchases	purchase_frequency_days
Fortnightly	14.0
Fortnightly	14.0
Weekly	7.0
Weekly	7.0
Annually	365.0
Weekly	7.0
Quarterly	90.0
Weekly	7.0
Annually	365.0
Quarterly	90.0

- Consistency Check: Removed redundant promo\_code\_used.

```

[36] df[['discount_applied', 'promo_code_used']].head(10)

...
   discount_applied  promo_code_used
0             Yes            Yes
1             Yes            Yes
2             Yes            Yes
3             Yes            Yes
4             Yes            Yes
5             Yes            Yes
6             Yes            Yes
7             Yes            Yes
8             Yes            Yes
9             Yes            Yes

[37]
#check everytime discount applied is yes, promo code used is also yes
((df['discount_applied'] == 'Yes') == (df['promo_code_used'] == 'Yes')).all()

...
np.True_

[38]
#remove promo code used column
df=df.drop('promo_code_used', axis=1)

[39]
df.columns

...
Index(['customer_id', 'age', 'gender', 'item_purchased', 'category',
       'purchase_amount', 'location', 'size', 'color', 'season',
       'review_rating', 'subscription_status', 'shipping_type',
       'discount_applied', 'previous_purchases', 'payment_method',
       'frequency_of_purchases', 'age_group', 'purchase_frequency_days'],
      dtype='object')

```

- Database Integration: Loaded the cleaned DataFrame into PostgreSQL.

```

D:\> pip install psycopg2-binary sqlalchemy
Requirement already satisfied: psycopg2-binary >= 2.8.4 from c:\users\mihir\appdata\local\temp\pip-req-build-1jwv1q1z\psycopg2-binary (2.8.11)
Requirement already satisfied: sqlalchemy in c:\users\mihir\appdata\local\temp\pip-req-build-1jwv1q1z\sqlalchemy\sqlalchemy (2.0.8)
Requirement already satisfied: greenlet<1.0.0 in c:\users\mihir\appdata\local\temp\pip-req-build-1jwv1q1z\greenlet (from sqlalchemy) (1.3.4)
Requirement already satisfied: typing-extensions<4.6.0 in c:\users\mihir\appdata\local\temp\pip-req-build-1jwv1q1z\typing_extensions (from sqlalchemy) (4.5.0)
Note: you may need to restart the kernel to use updated packages.

D:\> python -c "import sqlalchemy"
D:\> python -c "import psycopg2"

username = "postgres"
password = "Mihir@1977"
host = "localhost"
port = "5432"
database = "customer_behavior"

engine = create_engine(
    f"postgresql+psycopg2:///{username}:{password}@{host}:{port}/{database}"
)

table_name = "Customer_Data"
if engine.table_names(table_name):
    engine.execute(f"TRUNCATE {table_name} RESTART IDENTITY")
else:
    print("Table successfully loaded into '{table_name}' in database '{database}'")

print("Database successfully loaded into 'Customer_Data' in database 'customer_behavior'.")


```

## 4. Data Analysis using SQL (Business Transactions)

Key SQL analysis:

1. Revenue by Gender

```
4   SELECT gender , SUM(purchase_amount)
5   FROM customer_data
6   GROUP BY gender
7
```

Data Output Messages Notifications

	gender	sum
1	Female	75191
2	Male	157890

2. High-Spending Discount Users.

```
9   SELECT customer_id, purchase_amount
10  FROM customer_data
11  WHERE discount_applied = 'Yes'
12    AND purchase_amount >= (
13      SELECT AVG(purchase_amount)
14      FROM customer_data
15    );
```

Data Output Messages Notifications Showing

	customer_id	purchase_amount
1	2	64
2	3	73
3	4	90
4	7	86
5	9	97
6	12	68
7	13	72
8	16	81
9	20	90
10	22	62
11	24	88
12	29	94
13	32	79
14	33	67
15	35	91
16	37	69
17	40	60
18	41	76
19	43	100
20	44	69
21	55	94

Total rows: 839 Query complete 00:00:00.261

3. Top 5 Products by Rating.

```
16: SELECT item_purchased,ROUND(AVG (review_rating):: numeric),2) AS "Average product rating"
17: FROM customer_data
18: GROUP BY item_purchased
19: ORDER BY AVG (review_rating) DESC
20: LIMIT 5;
21:
```

Data Output Messages Notifications

customer_id	purchase_amount
1	64
2	73
3	90
4	85
5	97
6	66
7	72
8	81
9	90
10	62
11	88
12	94
13	79
14	67
15	91
16	69
17	60
18	76
19	100
20	69
21	94

Total rows: 839 Query complete 00:00:00.261

4. Shipping Type Comparison.

```
25: SELECT shipping_type,
26: ROUND(AVG (purchase_amount),2)
27: FROM customer_data
28: WHERE shipping_type IN ('Standard','Express')
29: GROUP BY shipping_type
30:
```

Data Output Messages Notifications

shipping_type	round
Standard	58.46
Express	60.48

5. Subscribers vs Non-Subscribers.

```
32   SELECT subscription_status,
33   COUNT (customer_id) AS total_customers,
34   ROUND (AVG (purchase_amount),2) AS avg_spend,
35   ROUND (SUM(purchase_amount),2) AS total_revenue
36   FROM customer_data
37   GROUP BY subscription_status
38   ORDER BY total_revenue, avg_spend DESC
39
```

Data Output Messages Notifications

shipping_type	round
Standard	58.46
Express	60.48

6. Discount-Dependent Products

```
41   SELECT item_purchased ,
42   ROUND (SUM(CASE WHEN discount_applied = 'yes' THEN 1 ELSE 0 END)/COUNT(*)* 100,2) AS discount_rate
43   FROM customer_data
44   GROUP BY item_purchased
45   ORDER BY discount_rate DESC
46   LIMIT 5;
```

Data Output Messages Notifications

shipping.type	round
Standard	58.46
Express	60.48

7. Customer Segmentation.

```
48   WITH customer_type AS (
49     SELECT customer_id , previous_purchases,
50     CASE
51       WHEN previous_purchases=1 THEN 'New'
52       WHEN previous_purchases BETWEEN 2 AND 10 THEN 'Returning'
53       ELSE 'Loyal'
54     END AS customer_segment
55     FROM customer_data
56   )
57   SELECT customer_segment , COUNT (*) AS "Numver of Customers"
58   FROM customer_type
59   GROUP BY customer_segment
```

Data Output Messages Notifications

customer_segment	Numver of Customers
Loyal	3116
New	83
Returning	701

8. Top 3 Products per Category.

```

81  WITH item_counts AS (
82      SELECT
83          category,
84          item_purchased,
85          COUNT(customer_id) AS total_orders,
86          ROW_NUMBER() OVER (
87              PARTITION BY category
88              ORDER BY COUNT(customer_id) DESC
89          ) AS item_rank
90      FROM customer_data
91      GROUP BY category, item_purchased
92  )
93
94  SELECT
95      item_rank,
96      category,
97      item_purchased,
98      total_orders
99  FROM item_counts
100 WHERE item_rank <= 3;
101

```

Data Output Messages Notifications

Item_Rank	Category	Item_Purchased	Total_Orders
1	Accessori..	Jewelry	171
2	Accessori..	Sunglasses	160
3	Accessori..	Belt	161
4	Clothing	Blouse	171
5	Clothing	Plants	171
6	Clothing	Shirt	169
7	Footwear	Sneakers	160
8	Footwear	Shoes	150
9	Footwear	Breakers	145
10	Outerwear	Jecket	163

Total rows: 11 Query complete 00:00:00.128

9. Repeat Buyers and Subscription Likelihood.

```

83  SELECT subscription_status,
84      COUNT(customer_id) as repeat_buyers
85      from customer_data
86      Where previous_purchases > 5
87      group by subscription_status
88

```

Data Output Messages Notifications

subscription_status	repeat_buyers
No	2518
Yes	958

## 10. Revenue by Age Group

```
90 select age_group,  
91 SUM(purchase_amount) as total_revenue  
92 from customer_data  
93 group by age_group  
94 order by total_revenue desc;
```

Data Output    Messages    Notifications

---

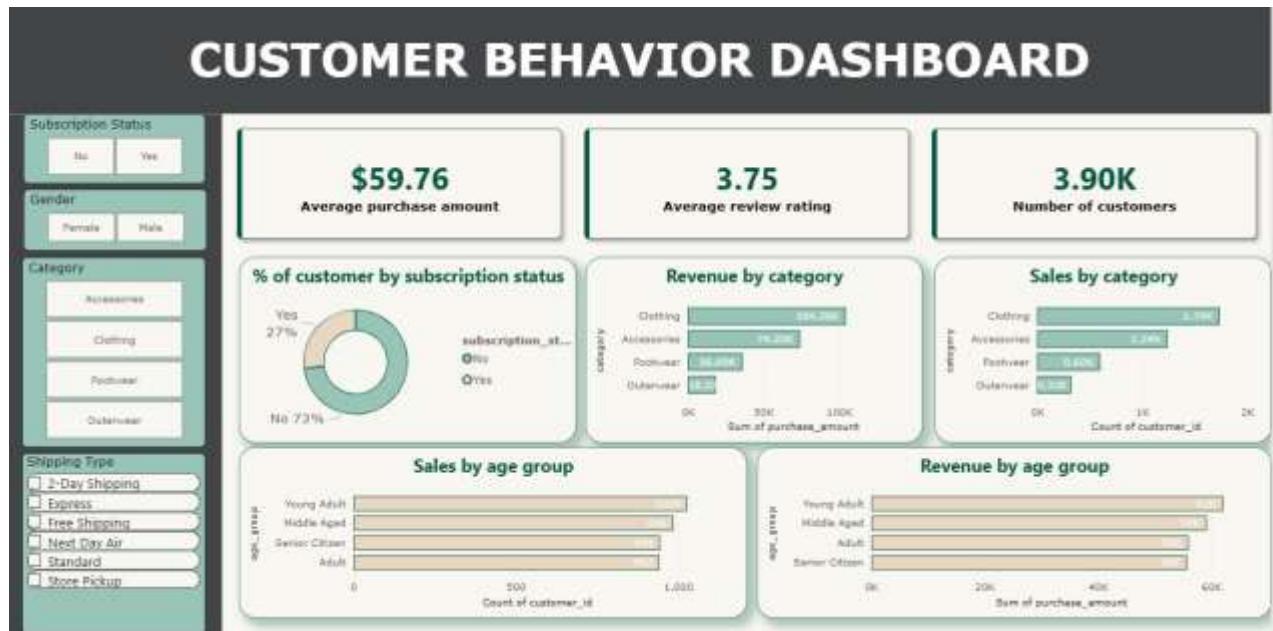
≡+

	age_group	total_revenue
1	Young Adult	62143
2	Middle Aged	59197
3	Adult	55978
4	Senior Citiz...	55763

## 5. Dashboard in Power BI

Interactive visuals displayed:

- Customer demographics
- Revenue patterns
- Purchase category trends
- Subscription impacts
- Seasonal behavior insights



## 6. Business Recommendations

- Boost Subscriptions with exclusive perks.
- Implement Customer Loyalty Programs.
- Review Discount Policies for margin protection.
- Highlight top-rated products.
- Target high-value age groups and express-shipping users.