**Analysis Summary Report**

Market Analysis Report On National Clothing Chain

**Background:**

An online local clothing chain in need to create a targeted marketing campaign in order to lure lost customer back since sales have been flat. They have three products in mind: Shirt, leather bag and sweater. The questions are which of those products should be advertised, to which customers and suitable locations for selling.

**Data Sources:**

1. **US Census Bureau:**

* Average Income
* Location (States)
* Population
* Industry

1. **Business Data:**

* Product Inventory
* Product Prices
* Customer Rating
* Product Return Rate

1. **Customer Data:**

* Customer ID
* Customer Name
* Location
* Date of Birth
* Purchase History

1. **Additional Date:**

* Weather (**Average Annual Temperature for Each US State)**

<https://www.currentresults.com/Weather/US/average-annual-state-temperatures.php#:~:text=Average%20Annual%20Temperature%20for%20Each%20US%20State%20,%20%2030%20%2012%20more%20rows%20>

**Note:**

All the above data have been extracted, cleaned, formatted and analyzed in a suitable way to deliver the following results.

**Statistical Analysis Findings:**

1. A strong positive correlation between income and sales of 0.88, However, opposite relationship according to the analysis (Strong negative) between customer rating and return rate, meaning the customer were not satisfied by R^2= -0.83.
2. Leather bag and Oversized coat average price is very high compared to other product and this explain why there is 3191 products in stock and this also explain why average rating is 3.8 stars, adjusting price for some products is needed.
3. Highest purchases were made for one day in sept-2020 nearly ($12,700) and lowest purchases during the same year were in October falling to $100. Considering other factors like weather will improve the result.
4. About 68.03% of customers have medium income range from [$100,000-$80000], 25.15% with high income higher than $100,000 and 6.83% with low income less than $80,000.
5. California is the top state as population but mostly in Education industry, thus this industry has over 35 million populations across all states. Although customers purchase across all 51 states but the highest customers only appeared in 9 states.
6. $ 91,138 is the average of predicted customer income and total income is 4.65 million**.**

**The Marketing Strategy:**

* Important adjustment in prices especially leather bag and oversized coat, and other least rated product like: Chronograph watch, long dress and cotton sweater.
* Advertisements should target high income states and high product prices should be distributed among the nine states with higher spenders.
* Alaska has a higher prediction customer income close to $102,000, I would suggest to market low rated products like leather bag and oversized coat.
* Majority of customers purchases according to age category fall in range between 40-50 years’ old thus their online rating and reviews impact positively, since they tend to pay less attention to rating maybe finding a way to encourage them to rate or post a review.