

MARKET ENTRY ANALYSIS

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TASK I- POTENTIAL CUSTOMERS IN INDIA

- Data are standardized. Phone age, gender are changed to categorical valuable. Annual income data is standardized before the creating the classification model
- Created binomial classification model based on China datasets and coefficients are noted,

	Coeffi
Intercept (β_0)	-1.55
CURR_AGE(β_1)	-0.011
GENDER(β_2)	0.23
ANN_INCOME(β_3)	0.438
Segments(β_4)	0.963

- Confusion Matrix are created

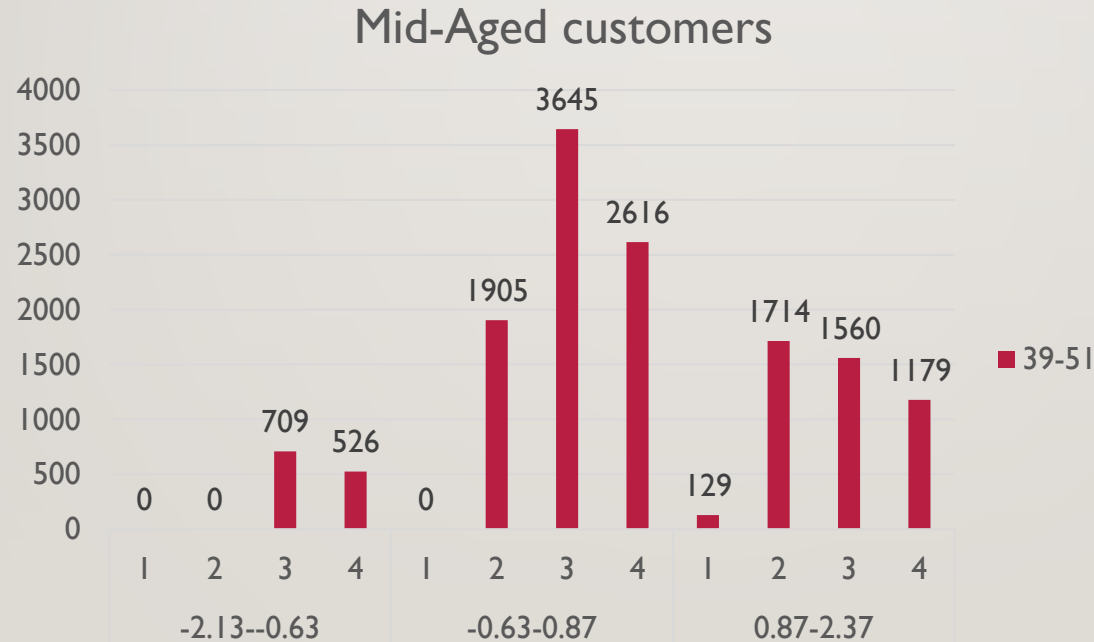
		predicted	
		0	1
Actual	0	9732	7237
	1	5561	17470

TASK I

- Evaluated the model accuracy, sensitivity, specificity and fix the optimum cut off value.
 - ❖ Accuracy 0.68
 - ❖ sensitivity 0.76
 - ❖ specificity 0.57
 - ❖ Cut-off value 0.5
- Since Indian market behaviour similar to China market, using the model to predict the potential customers in India.
 - ❖ Total number of potential customers are 41474

TASK 2: CUSTOMER SEGMENTATION

- Using k-mean clustering, data set is classified into 3 clusters.
- EDA for each clusters has been performed.



Std income

-2.13—0.63=low income

-0.63-0.87=medium income

0.87-2.37=high income

Phone age

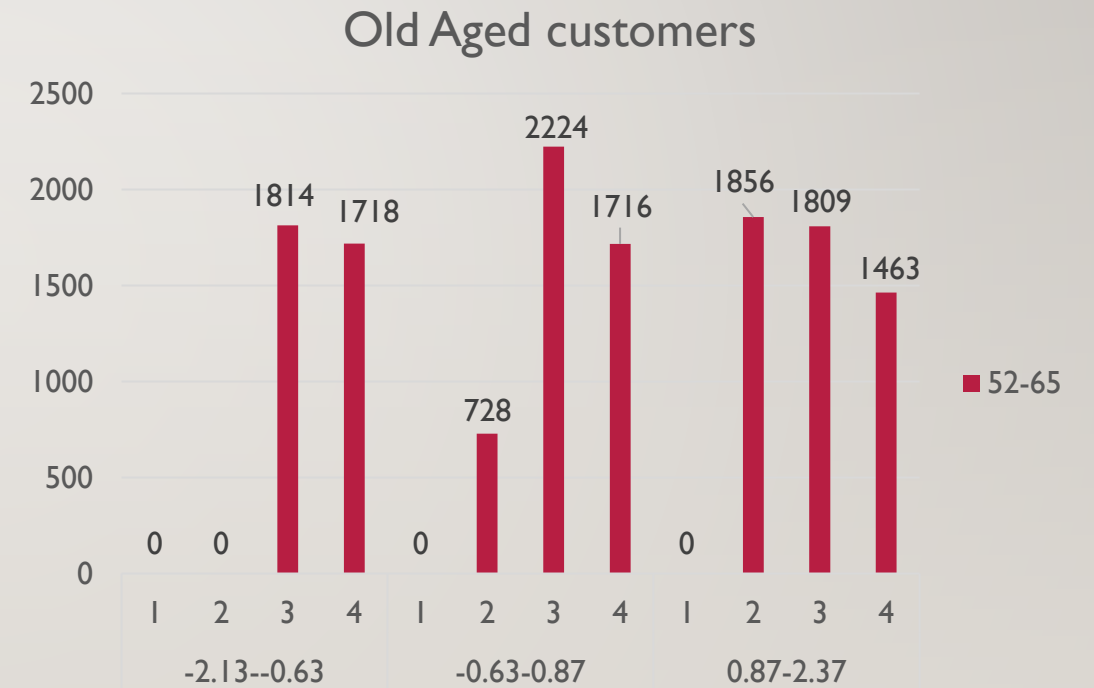
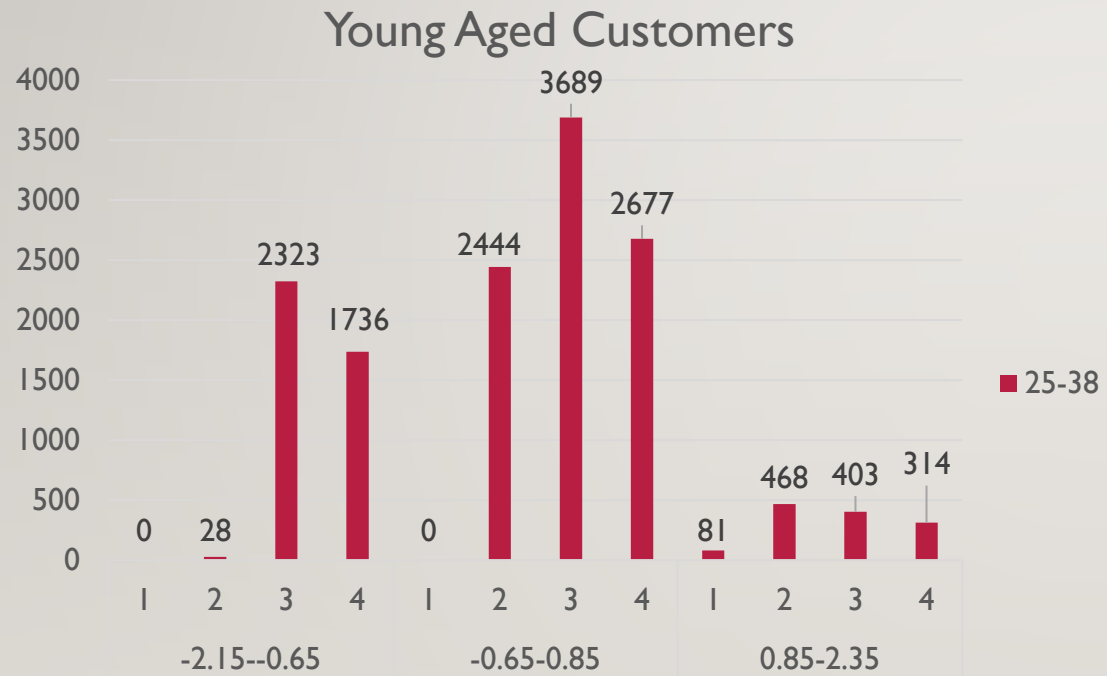
>200 days=1

200-360 days=2

360-500 days=3

>500 days=4

TASK 2



TASK 3: BUSINESS DECISION

- Total revenue has been calculated for each clusters.

Total revenue	785612500
Market share	40%
Expected revenue	314245000

- Total expected numbers of phone can be sold in India is predicted based on the model

Expected sales of phones	41474
Market share	40%
Expected sales	16589.6

TASK 3: BUSINESS DECISION

FINAL DECISION

Based on the model,

- Expected revenue is more than 20 crores
- Units will be sold is more than 12000 phones

The above two conditions are satisfied, so the xyz mobiles can enter the Indian market without any hesitation.