

# Problem Statement Worksheet For Capstone 2

## Online Retail II

### **Problem Statement**

- Using the last two years worth of sales, identify customer segments for the purpose of marketing and sales, ideally identifying differences between retail and wholesale customers.

### **Context**

- company is an online retail focusing on all occasion gifts
- company has an online store for individual sales as well as for wholesalers

### **Decision Maker and Other Stakeholders**

- marketing manager
- sales manager

### **Constraints**

- there is no cost information for we cannot look at profitability, only revenue
- dataset is missing a significant amount of Customer Id data used for identifying repeat customers

### **Success Criteria**

- identify differences between segments
- try to identify retail and wholesale segments

### **Scope and Risks**

- scope is limited to current sales data.
- focusing on revenue instead of profit can skew perspective

### **Additional questions**

- What segments produce the most income?
- What segments are more likely to purchase on a regular basis?
- How do product mixes vary by segment?