

Capstone Project Submission

Customer Segmentation

Project summary

Contribution - Individual Project

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Problem Statement :

In this project, your task is to identify major customer segments on a transnational data set that contains all the transactions occurring between 01/12/2010 and 09/12/2011 for a UK-based and registered non-store online retail. The company mainly sells unique all-occasion gifts. Many customers of the company are wholesalers.

Components:

1. Inspecting the Dataset
2. Data Cleaning
3. Feature Engineering
4. Exploratory Data Analysis
5. RFM – Recency, Frequency, Monetary
6. Normalization of the Data
7. Clustering
8. K-means Clustering
9. Hierarchical Clustering
10. The -Elbow Method
11. DBSCAN Clustering

Conclusion:

- K-Means Clustering with Silhouette gives the highest score of 61.9% for a number of clusters 3.
- Sales has been increased from 2010 to 2011.
- RFM for Cluster ID box plots tells well about Cluster detail.

GitHub Link:- <https://github.com/Onkar-TAE/Customer-Segmentation.git>