

Overview¶

[Online retail is a transnational data set](#) which 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.

Business Goal

We aim to segment the Customers based on RFM so that the company can target its customers efficiently.

Data description:

InvoiceNo: Invoice number. Nominal, a 6-digit integral number uniquely assigned to each transaction. If this code starts with letter 'c', it indicates a cancellation.

StockCode: Product (item) code. Nominal, a 5-digit integral number uniquely assigned to each distinct product.

Description: Product (item) name. Nominal.

Quantity: The quantities of each product (item) per transaction. Numeric.

InvoiceDate: Invoice Date and time. Numeric, the day and time when each transaction was generated.

UnitPrice: Unit price. Numeric, Product price per unit in sterling.

CustomerID: Customer number. Nominal, a 5-digit integral number uniquely assigned to each customer.

Country: Country name. Nominal, the name of the country where each customer resides.

HINT:-

R (Recency): Number of days since last purchase

F (Frequency): Number of transactions

M (Monetary): Total amount of transactions (revenue contributed)