

TheAnalyticsTeam

# Sprocket Central Pty Ltd

Data analytics approach

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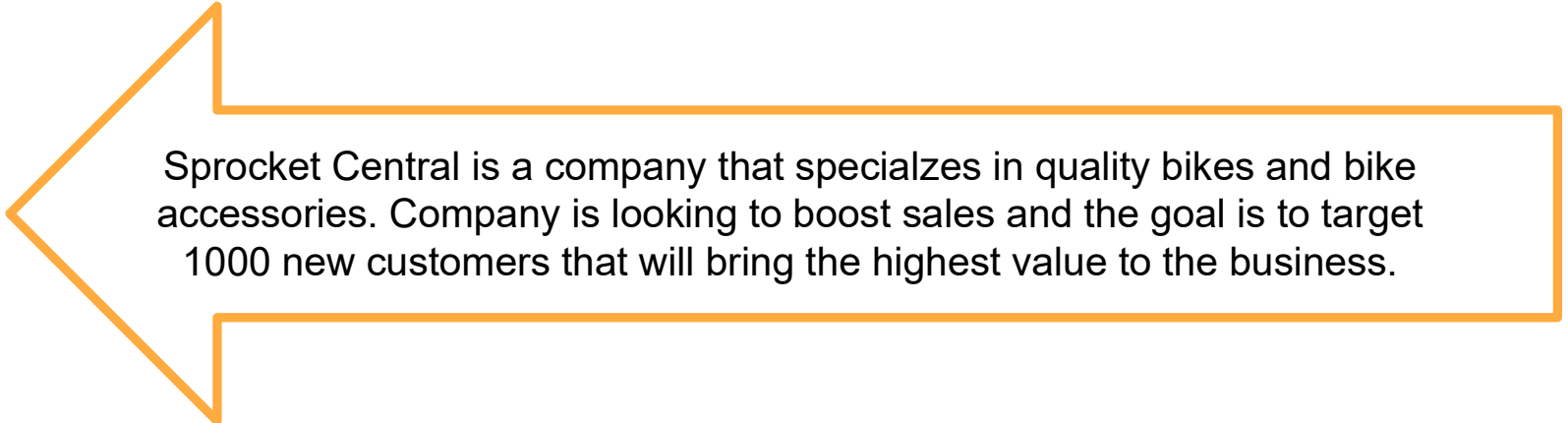
# Agenda

1. Introduction
2. Data Exploration
3. Model Development
4. Interpretation

# Introduction

## Identification of high value customers

### Problem Statement



Sprocket Central is a company that specializes in quality bikes and bike accessories. Company is looking to boost sales and the goal is to target 1000 new customers that will bring the highest value to the business.

# Introduction

## Our approach for finding the target customers

Data Analysis



- Bike related purchases for the last 3 years based on Gender
- Top Industries contributing the maximum profit and the bike related sales
- Wealth segment by Age Category
- Number of cars owned in each state
- Customer Classification

# Data Exploration

## Data Quality assessment

Data Quality issues that were discovered

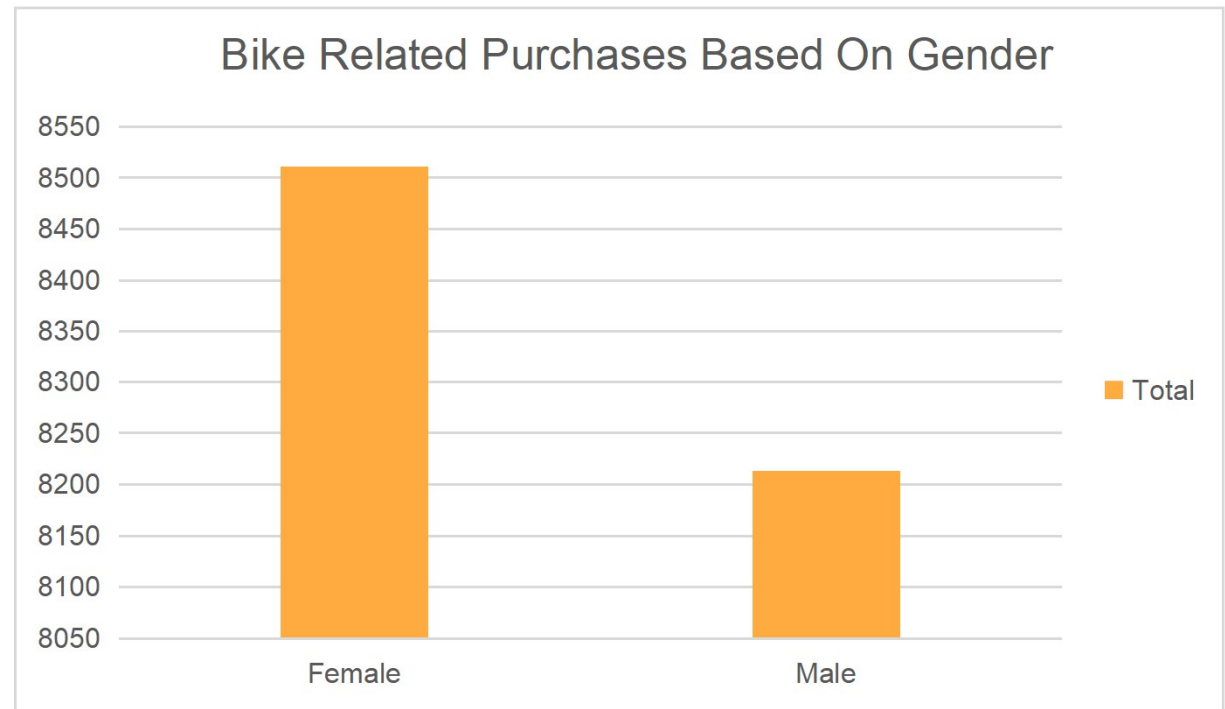
	Accuracy	Completeness	Consistency	Currency	Relevancy	Validity
Customer Demographics	DOB: Wrong Format	Job Title: Blanks Customer ID: Incomplete	Gender: Inconsistent	Deceased Customer : Not needed	Default Column : Delete	
Customer Address		Customer ID: Incomplete	States: Inconsistent			
Transactions		Customer ID : Incomplete Online Orders: Blanks Brands: Blanks			Cancelled Status Order: Filtered Out	List Price: Wrong Format Product sold Date: Wrong Format

# Data Exploration

## Bike Related Purchase Over The Last 3 Years Based On Gender

### Insights:

- Females have made more bike related purchases in last 3 years compared to males
- On average Females had 1% higher bike related purchases compared to men in last 3 years

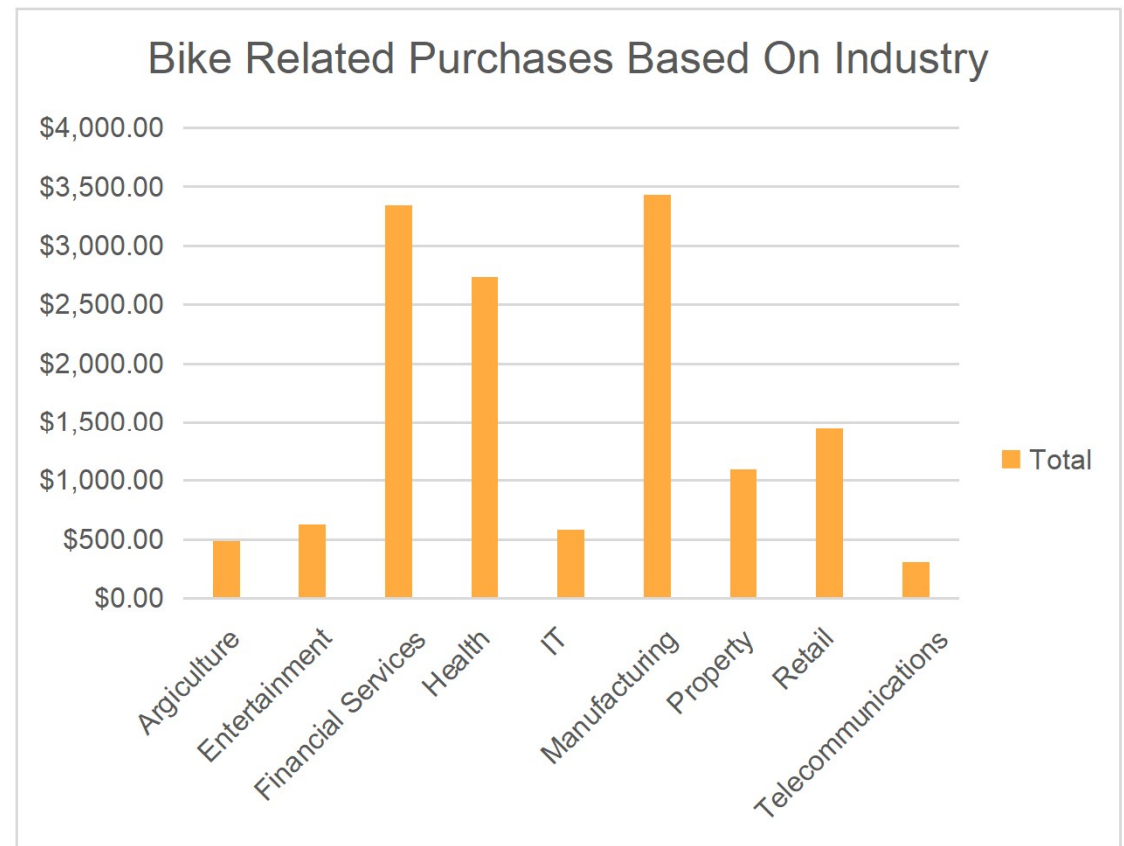


# Data Exploration

## Job Industry That Contributes to Maximum Profit and Bike Related Purchases

### Insights:

- 3 Industries that bring the highest profits are: Financial Services, Health and Manufacturing
- Most Industry Sectors have returned less than \$1,500,000 in profit

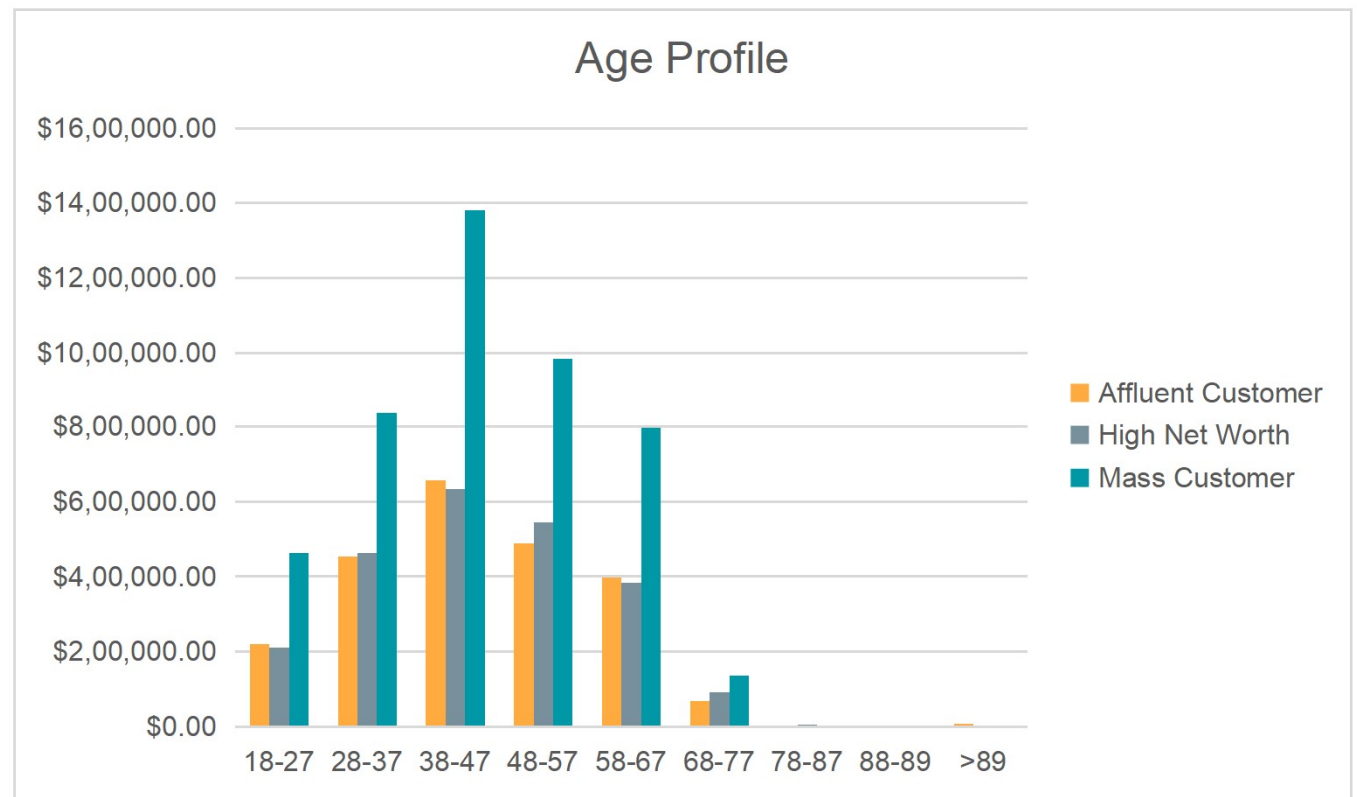


# Data Exploration

## Profit of Wealth Segment by Age Cluster

### Insights:

- Mass Customer segmentation makes the highest profits across the different age clusters.
- Mass customers aged between 38-47 are likely to bring more profits for the company as compared to other age groups
- This also indicates a trend in buying power as it increases till 47 and sees a sharp decline



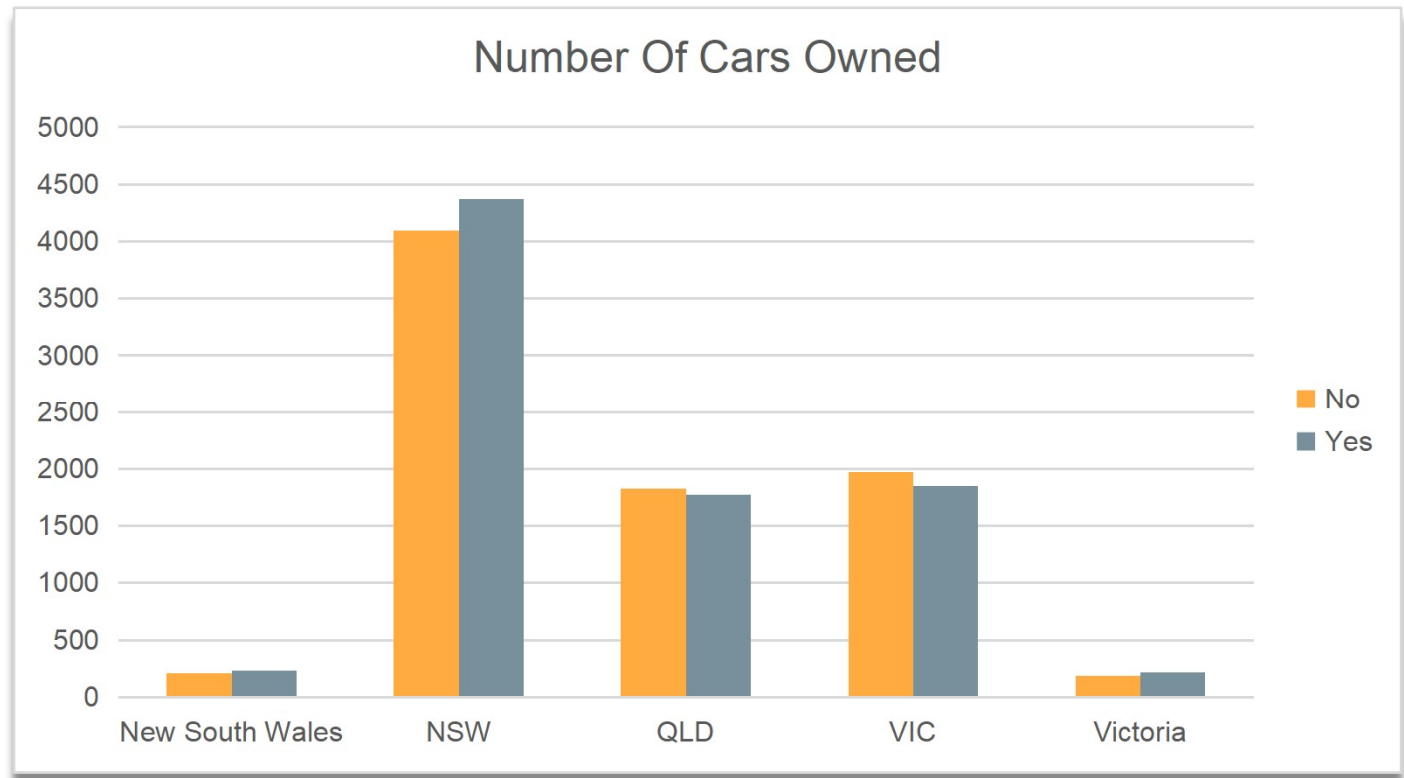


# Data Exploration

## Number of Cars owned in each state

### Insights:

- The States like NWS, QLD, VIC are potential market opportunities for the company.
- NWS, has the highest potential as the number of people that own a car is almost equal to the people who don't own a car which shows there is opportunity to find value customers there.



# Model Development

## Customer Classification

These are the aspects of a potential high value customer that should be targeted from the new list:

- Most of the high value customers are to be females compared to males
- Working in the financial services, health and manufacturing sector
- Having age between 38-47
- Who are currently living in NSW, VIC

# Model Development

## Insights Table for high value customers

First name	Age	Past 3 years bike related purchases	Job_industry_category	Wealth_segment	Owns_car	state
Ardelis	46	10	Financial Services	Affluent Customer	No	VIC
Melinda	46	34	Financial Services	Affluent Customer	No	NSW
Melba	46	38	Health	Mass Customer	No	NSW
Winnifred	46	83	Financial Services	Mass Customer	No	VIC
Odilia	47	65	Manufacturing	Affluent Customer	Yes	NSW
Karly	45	2	Manufacturing	High Net Worth	No	NSW
Sybilla	47	88	Financial Services	Mass Customer	Yes	NSW
Maisie	45	27	Financial Services	Affluent Customer	No	VIC
Colene	42	24	Financial Services	Mass Customer	No	VIC
Gale	40	59	Financial Services	Mass Customer	Yes	VIC

Thank You