

TheAnalyticsTeam

Sprocket Central Pty Ltd

Data analytics approach

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Agenda

- ❖ Introduction
- ❖ Data Exploration
- ❖ Model Development
- ❖ Interpretation

Introduction

Project's objective is to identify and suggest the Top 1000 Customers

Outline of the issue

1. Sprocket Central Pty Ltd is a medium size bikes & cycling accessories company.
2. The company has a sizable dataset about its clients, but the team needs help on how to use it to optimize its marketing plan.
3. Which, on the other hand, support or encourage sales and boost revenue.

Noting that this analysis will be carried out with the 3 phases of Data Exploration, Model Development and Interpretation.

Data Exploration

Data Quality Assessment and Cleaning of the data

The following was used to check for data quality:

1. Accuracy: Check for correct values
2. Completeness: Data fields with no value
3. Consistency: Values not contradicting
4. Currency: Values are up to date
5. Relevancy: Value Meta Data
6. Validity: Data containing allowable value
7. Uniqueness: Records that are duplicate

	Accuracy	Completeness	Consistency	Currency	Relevancy	Validity
Customer Demographic	DOB missing	Job title: blanks Customer id: incomplete	Gender inconsistent	Deceased customers filtered out	Default column deleted	
Customer Address		Customer id incomplete	Status inconsistent			
Transactions	Profit missing	Customer id incomplete, online orders and brands: blanks			Canceled status order filtered out	List price and product sold date format

Data Exploration

Relevant Insights to Explore

The following insights should address the business question after a thorough comprehension of the data and business objective;

- ❖ Distribution of Ages.
- ❖ Sales by gender.
- ❖ Purchase by job industry.
- ❖ Number of cars a state owns and does not own.
- ❖ Wealth segmentation by Age.
- ❖ Occupations where people buy more bikes.
- ❖ Segmenting purchases based on affluence and brands.

Model Development

RFM Analysis and Customer Classification.

- ❖ A marketing study tool called recency, frequency, and monetary value (RFM) will be used to determine which customer make up the company's highest sales or purchase.
- ❖ RFM analyses will help rate their customers according to three criteria: how recently they've made a purchase, how frequently they make purchases, and the amount they typically spend.
- ❖ RFM analysis will enable Sprocket Central Pty Ltd to anticipate which customers are most likely to repurchase their bikes, how much of their revenue originates from new clients versus repeat customers, and how to convert sporadic purchases into devoted customers.

Interpretation

At this point, we will draw the following conclusions by creating visuals:

- ❖ The gender that increases sales.
- ❖ Based on their low ownership of cars, states should target certain job sectors and occupations the most.
- ❖ Recognizing the ages at which high net worth, wealthy, and average consumers belong.
- ❖ Most occurred age of customers.
- ❖ Based on their wealth segmentation, certain buyers tend to favor certain brands which will be known.
- ❖ Top 1000 clients according to the RFM Analysis model.

THANK YOU