Business Case: Walmart - Confidence Interval and CLT



Problem Statement

Help Walmart make better business decisions by analysing customer purchase behavior (specifically, purchase amount) against the customer's gender and the various other factors. They want to understand if the spending habits differ between male and female customers: Do women spend more on Black Friday than men?

→ Importing Python Libraries necessary to carry out data exploration & visualisation

import pandas as pd
import numpy as np
import matplotlib.pyplot as plt
import seaborn as sns

walmart = pd.read_csv("Walmart.csv")

Dataset Description

Dataset Consists of:

- User_ID: User ID
- Product_ID: Product ID
- Gender: Sex of User
- Age: Age in bins
- Occupation: Occupation(Masked)
- City_Category: Category of the City (A,B,C)
- · StayInCurrentCityYears: Number of years stay in current city
- Marital_Status: Marital Status
- ProductCategory: Product Category (Masked)
- Purchase: Purchase Amount

▼ Inspecting Dataset & Analyzing Different Metrics

walmart.head()

		User_ID	Prod	uct_ID	Gender	Age	Occupation	City_Category	Stay_In_Current_City_Years	Marital_Sta
	0	1000001	P00	069042	F	0- 17	10	А	2	
	1	1000001	P00	248942	F	0- 17	10	А	2	
	2	1000001	P00	087842	F	0- 17	10	А	2	
walma	rt.	tail()				٥				
		Use	r ID	Produc	t ID Ge	ender	Age Occup	ation City Cate	egory Stay In Current City Y	ears Marita

	User_ID	Product_ID	Gender	Age	Occupation	City_Category	Stay_In_Current_City_Years	Marita
550063	1006033	P00372445	М	51- 55	13	В	1	
550064	1006035	P00375436	F	26- 35	1	С	3	
550065	1006036	P00375436	F	26- 35	15	В	4+	
550066	1006038	P00375436	F	55+	1	С	2	
550067	1006039	P00371644	F	46- 50	0	В	4+	

Observations on

• 1) shape of data 2) data types 3) Statistical summary

walmart.dtypes

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User_ID int64 Product_ID object Gender object object Age Occupation int64 City_Category object Stay_In_Current_City_Years object Marital_Status int64 Product_Category int64 Purchase int64 dtype: object

walmart.info

chound	mothod Da	taFrame.info	of	He	on TD Dn	oduct ID	Gender	Λαο ()ccupation	City Category	١
					_	_		Age (occupacion	city_category	\
0	1000001	P00069042	F	0-17		10	Α				
1	1000001	P00248942	F	0-17		10	Α				
2	1000001	P00087842	F	0-17		10	Α				
3	1000001	P00085442	F	0-17		10	Α				
4	1000002	P00285442	М	55+		16	C				
550063	1006033	P00372445	М	51-55		13	В				
550064	1006035	P00375436	F	26-35		1	C				
550065	1006036	P00375436	F	26-35		15	В				
550066	1006038	P00375436	F	55+		1	C				
550067	1006039	P00371644	F	46-50		0	В				
					.						
	Stay_In_C	urrent_City_	Years	Marital	_Status	Product	_Category	Purcha	ise		
0			2		0		3	83	370		
1			2		0		1	152	200		
2			2		0		12	14	122		
3			2		0		12	16	957		
4			4+		0		8	79	969		

231173

Data Cleaning : Optional Treatment

1880 414259 219587

walmart.isnull().sum().sort_values(ascending =False)

User_ID Product_ID Gender 0 0 Age **Occupation** City_Category a Stay_In_Current_City_Years a Marital_Status 0 Product_Category 0 Purchase 0 dtype: int64

The dataset doesn't have any null values so data cleaning is not required

Mean and Median

top

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```
walmart.mean()
     <ipython-input-15-c61f0c8f89b5>:1: FutureWarning: The default value of numeric_only in DataFrame.mean is deprecated. In a future vε
       df.mean()
     User_ID
                         1.003029e+06
     Occupation
                         8.076707e+00
     Marital_Status
                         4.096530e-01
     Product_Category
                         5.404270e+00
                         9.263969e+03
     Purchase
     dtype: float64
    4
walmart.median()
```

193821

<ipython-input-16-6d467abf240d>:1: FutureWarning: The default value of numeric_only in DataFrame.median is deprecated. In a future df.median()

User_ID 1003077.0 Occupation Marital_Status

Product_Category 5.0 Purchase 8047.0 dtype: float64

Inference: Difference between Mean and Median is not significant

Check the characteristics of the data

walmart.head()

		User_ID	Product_ID	Gender	Age	Occupation	City_Category	Stay_In_Current_City_Years	Marital_Sta
	0	1000001	P00069042	F	0- 17	10	А	2	
	1	1000001	P00248942	F	0- 17	10	А	2	
	2	1000001	P00087842	F	0- 17	10	А	2	
	3	1000001	P00085442	F	0- 17	10	А	2	
	Л	1000002	DUU382443	NΛ	55+	16	^	Λ+	
walma	rt['Product_	ID'].value_d	counts()					
	P00265242 P00025442		1880 1615						

```
P00265242 1880
P00025442 1615
P00110742 1612
P00112142 1562
P00057642 1470
...
P00314842 1
P00298842 1
P00231642 1
P00204442 1
P00066342 1
```

Name: Product_ID, Length: 3631, dtype: int64

There are 3417 unique products

```
walmart['Age'].value_counts()
     26-35
             219587
     36-45
             110013
     18-25
              99660
     46-50
               45701
               38501
     51-55
     55+
               21504
     0-17
               15102
     Name: Age, dtype: int64
```

There are 7 different age bins

▼ Age wise unique count & value count

```
walmart["Age"].unique()
     array(['0-17', '55+', '26-35', '46-50', '51-55', '36-45', '18-25'],
           dtype=object)
df["Occupation"].value_counts()
           72308
           69638
     0
           59133
     1
           47426
     17
           40043
     20
           33562
     12
           31179
     14
           27309
           26588
     16
           25371
```

```
10
      12930
      12177
15
      12165
11
      11586
19
       8461
       7728
13
18
       6622
       6291
       1546
Name: Occupation, dtype: int64
```

Inference: There are 21 unique occupations in the dataset

▼ Gender wise unique count & value count

Inference: We have more than 2.5 times male customers compared to females in the dataset.

▼ Marital Status unique count & value count

```
walmart["Marital_Status"].unique()
     array([0, 1])
walmart["Marital_Status"].value_counts()
     0
          88831
          61424
     Name: Marital_Status, dtype: int64
walmart["Marital_Status"].value_counts(normalize=True).round(2)*100
     0.0
            59.0
     1.0
           41.0
     Name: Marital Status, dtype: float64
Inference: The data contains 59% single customers and 41% married people.
#The below code proves that marital status code 0 is for single and 1 is for married
walmart.loc[walmart["Age"]=="0-17"]["Marital_Status"].value_counts()
     0.0
            2804
     Name: Marital_Status, dtype: int64
walmart.loc[walmart["Age"]=="55+"]["Marital_Status"].value_counts()
     1.0
            2525
     0.0
            1406
     Name: Marital_Status, dtype: int64
walmart["Marital_Status"] = walmart["Marital_Status"].apply(lambda x : "Married" if x==1 else "Single")
walmart.head()
```

	User_ID	Product_ID	Gender	Age	Occupation	City_Category	Stay_In_Current_City_Years	Marital_Sta
0	1000001	P00069042	F	0- 17	10.0	А	2	Si

▼ Stay_In_Current_City unique count & value count

walmart.head()

	User_ID	Product_ID	Gender	Age	Occupation	City_Category	Stay_In_Current_City_Years	Marital_Sta
0	1000001	P00069042	F	0- 17	10	А	2	
1	1000001	P00248942	F	0- 17	10	А	2	
2	1000001	P00087842	F	0- 17	10	А	2	
•	1000001	D00005440	-	0-	10		^	

walmart["Stay_In_Current_City_Years"].unique()

```
array(['2', '4+', '3', '1', '0', nan], dtype=object)
```

walmart["Stay_In_Current_City_Years"].value_counts()

- 1 34949
- 2 18598
- 3 17532
- 4+ 15539 0 13556
- Name: Stay_In_Current_City_Years, dtype: int64

 $walmart["Stay_In_Current_City_Years"].value_counts(normalize=True).round(2)*100$

- 1 35.0
- 19.0
- 3 18.0
- 4+ 16.0
- 0 14.0

Name: Stay_In_Current_City_Years, dtype: float64

Inference: Mostly users use the threadmill 2-4 days a week. Only 5% of the customers use it 6-7 days a week.

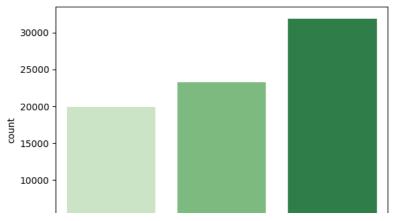
Checking the categories of cities in the dataset

walmart.head()

	User_ID	Product_ID	Gender	Age	Occupation	City_Category	Stay_In_Current_City_Years	Marital_Sta
0	1000001	P00069042	F	0- 17	10.0	А	2	
1	1000001	P00248942	F	0- 17	10.0	А	2	
2	1000001	P00087842	F	0- 17	10.0	А	2	
3	1000001	P00085442	F	0- 17	10.0	А	2	
Л	1000002	DUUJ82443	M	55+	16 0	^	Λ±	

Univariate Analysis using countplots

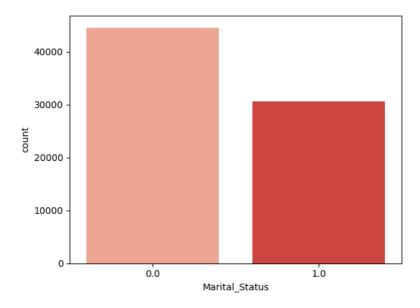
```
# Product countplot
sns.countplot(x = "City_Category", data = walmart, palette = "Greens")
plt.show()
```



Inference: Most number of cities fall in category B followed by C. Least number of cities are in category A.

Checking the data marital status wise.

```
sns.countplot(x = "Marital_Status", data = walmart, palette = "Reds")
plt.show()
```



Inference: Single people are higher in number in this dataset compared to married people.

Checking data age wise

```
plt.figure(figsize = (8,5))
sns.countplot(x = "Age", data = walmart, palette = "twilight")
plt.xticks(rotation = 90)
plt.show()
```

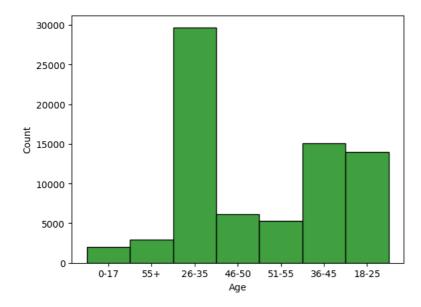


Inference: Most buyers fall in the age group of 26-35 (around 38k). The next age groups are 36-45 and 18-25. This seems natural as people in the age 26-35 group are most active in general and include more people with families.

5 15000 ┧		1
<pre>walmart.head()</pre>		

	User_ID	Product_ID	Gender	Age	Occupation	City_Category	Stay_In_Current_City_Years	Marital_Status	Product_Category	Purch
0	1000001	P00069042	F	0- 17	10.0	А	2	Single	3.0	837
1	1000001	P00248942	F	0- 17	10.0	А	2	Single	1.0	1520
2	1000001	P00087842	F	0- 17	10.0	А	2	Single	12.0	142
3	1000001	P00085442	F	0- 17	10.0	А	2	Single	12.0	105
4										•

▼ Univariate Analysis - Check different columns using histograms

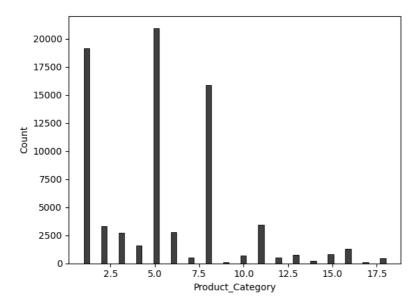


sns.histplot(walmart["Purchase"], color = "b")
plt.show()



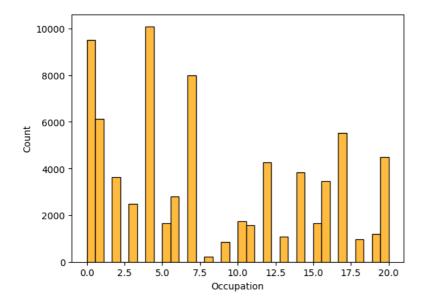
Inference: From the above graph, it can be concluded that the most number of purchases are between 5000 dollars and 10000 dollars

sns.histplot(walmart["Product_Category"], color = "k")
plt.show()



Inference: From the above graph, it is evident that the product category number 5, 1 and 8 are the most sold products in descending order of sales.

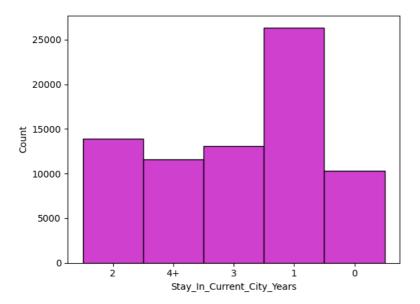
sns.histplot(walmart["Occupation"], color = "orange")
plt.show()



walmart.head()

	User_ID	Product_ID	Gender	Age	Occupation	City_Category	Stay_In_Current_City_Years	Marital_Status	Product_Category	Purch
0	1000001	P00069042	F	0- 17	10.0	А	2	0.0	3.0	837
1	1000001	P00248942	F	0- 17	10.0	А	2	0.0	1.0	1520
2	1000001	P00087842	F	0- 17	10.0	А	2	0.0	12.0	142
3	1000001	P00085442	F	0- 17	10.0	А	2	0.0	12.0	105
4										•

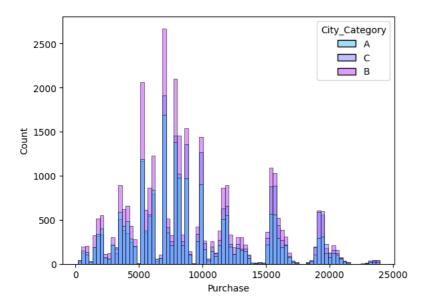
```
sns.histplot(walmart["Stay_In_Current_City_Years"], color = "m")
plt.show()
```



Inference: The maximum number of people in the dataset have stayed in their current city for one year (approximately 35k). The distribution for the rest of the options(0,2,3,4+) is close.

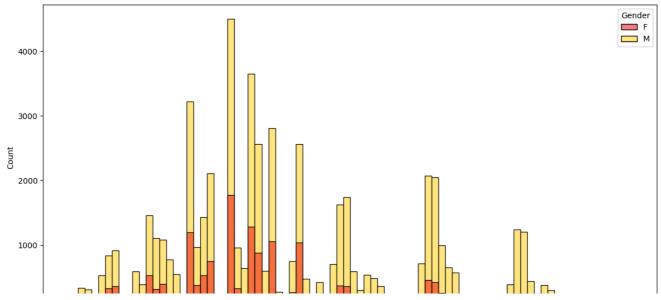
▼ Bivariate Analysis

```
# City_Category wise Purchase
sns.histplot(x = "Purchase", hue = "City_Category", data = walmart, palette = "cool")
plt.show()
```



Inference: Purchasing power seems to be highest for people in category B cities followed by category C and then category A.

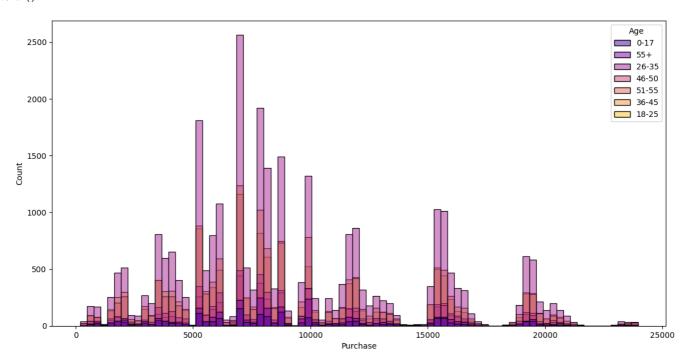
```
# Purchase with respect to gender -
plt.figure(figsize = (14, 7))
sns.histplot(x = "Purchase", data = walmart, hue = "Gender", palette = "hot")
plt.show()
```



Inference:

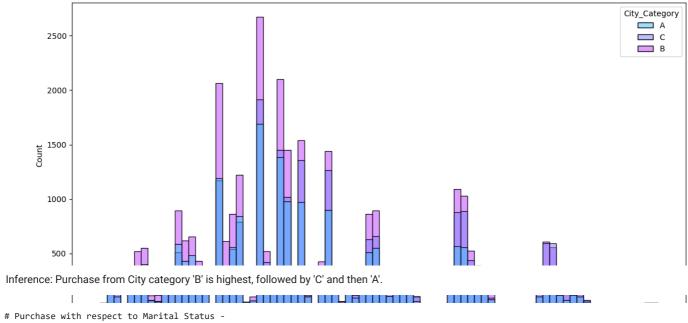
Males purchase products more often than women from Walmart.

```
# Purchase with respect to Age -
plt.figure(figsize = (14, 7))
sns.histplot(x = "Purchase", data = walmart, hue = "Age", palette = "plasma")
plt.show()
```

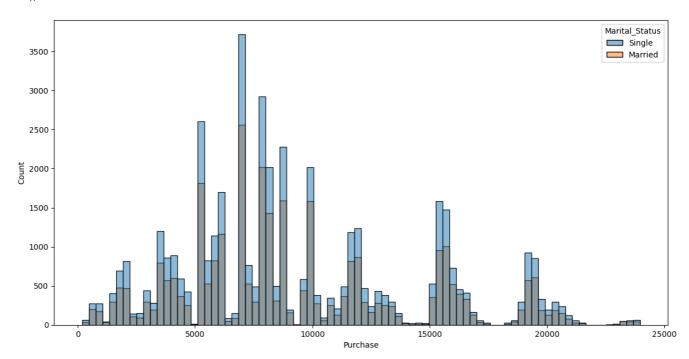


Inference: The age group between 26-35 is the biggest consumer.

```
# Purchase with respect to City Category -
plt.figure(figsize = (14, 7))
sns.histplot(x = "Purchase", data = walmart, hue = "City_Category", palette = "cool")
plt.show()
```



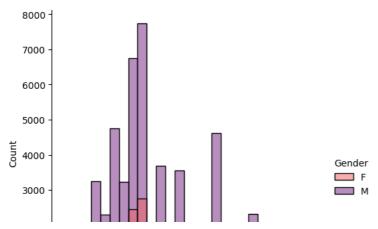
```
# Purchase with respect to Marital Status -
plt.figure(figsize = (14, 7))
sns.histplot(x = "Purchase", data = walmart, hue = "Marital_Status")
plt.show()
```



Inference: Single people have more tendency to purchase than married people.

▼ Displots

```
sns.displot(x = "Purchase", hue = "Gender", data = walmart, bins = 25, palette = "magma_r" )
plt.xticks( rotation = 90)
plt.show()
```

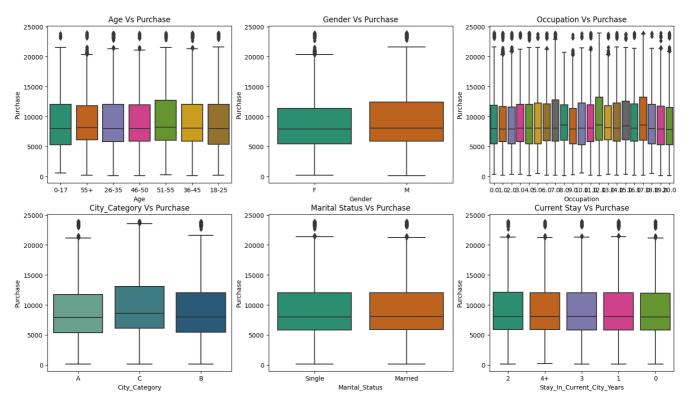


Inference: Males are purchasing more as compared to females.

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Boxplots

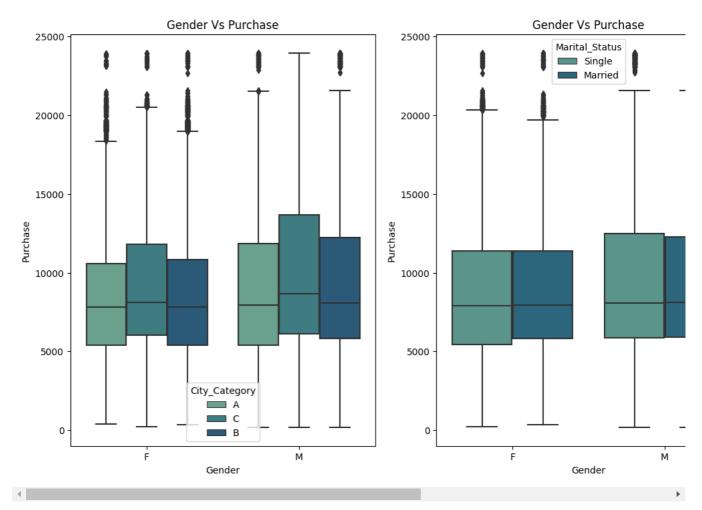
```
# Various Factors vs Purchase (Gender, Age, Occupation, City Category, Current city stay, Marital Status)
plt.figure(figsize = (18, 10))
plt.subplot(2, 3, 1)
sns.boxplot(x = "Age", y = "Purchase", data = walmart, palette = "Dark2")
plt.title("Age Vs Purchase", fontsize = 12)
plt.subplot(2, 3, 2)
sns.boxplot(x = "Gender", y = "Purchase", data = walmart, palette = "Dark2")
plt.title("Gender Vs Purchase", fontsize = 12)
plt.subplot(2, 3, 3)
sns.boxplot(x = "Occupation", y = "Purchase", data = walmart, palette = "Dark2")
plt.title("Occupation Vs Purchase", fontsize = 12)
plt.subplot(2, 3, 4)
sns.boxplot(x = "City_Category", y = "Purchase", data = walmart, palette = "crest")
plt.title("City_Category Vs Purchase", fontsize = 12)
plt.subplot(2, 3, 5)
sns.boxplot(x = "Marital_Status", y = "Purchase", data = walmart, palette = "Dark2")
plt.title("Marital Status Vs Purchase", fontsize = 12)
plt.subplot(2, 3, 6)
sns.boxplot(x = "Stay_In_Current_City_Years", y = "Purchase", data = walmart, palette = "Dark2")
plt.title("Current Stay Vs Purchase", fontsize = 12)
plt.show()
```



Inference:

- 1) There is a slight difference in the median purchase of male and female. (slightly higher for male)
- 2) Median purchase of every age group is nearly similar.
- 3) Median purchase of Occupational experience 12, 15 & 17 years are the highest among all occupational experience groups.
- 4) Median purchase for City Category 'C' is more than the other city categories.
- 5) Median purchase for all current city stay is nearly equal.
- 6) Median purchase is almost equal for single and married people.

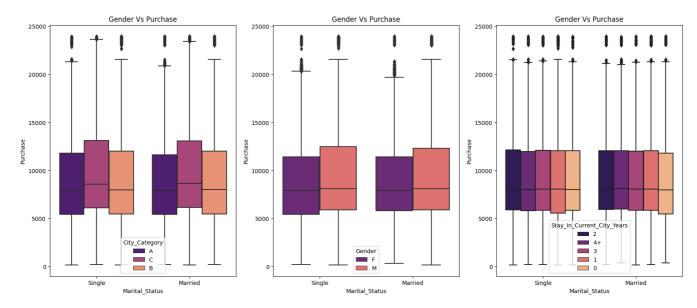
```
# Gender vs Purchase (With hue as City Category, Marital Status, Current city stay)
plt.figure(figsize = (20, 8))
plt.subplot(1, 3, 1)
sns.boxplot(data = walmart, x = "Gender", y = "Purchase", hue = "City_Category", palette = "crest")
plt.title("Gender Vs Purchase", fontsize = 12)
plt.subplot(1, 3, 2)
sns.boxplot(data = walmart, x = "Gender", y = "Purchase", hue = "Marital_Status", palette = "crest")
plt.title("Gender Vs Purchase", fontsize = 12)
plt.subplot(1, 3, 3)
sns.boxplot(data = walmart, x = "Gender", y = "Purchase", hue = "Stay_In_Current_City_Years", palette = "crest")
plt.title("Gender Vs Purchase", fontsize = 12)
plt.show()
```



Inference: Irrespective of marital status, city category & current stay city, male customers are higher purchasers of the product as compared to female customers. This may also because of the fact that there are more males than females in the dataset.

```
# Marital Status vs Purchase (With hue as City Category, Gender, Years in current city)
plt.figure(figsize = (20, 8))
plt.subplot(1, 3, 1)
sns.boxplot(data = walmart, x = "Marital_Status", y = "Purchase", hue = "City_Category", palette = "magma")
plt.title("Gender Vs Purchase", fontsize = 12)
plt.subplot(1, 3, 2)
sns.boxplot(data = walmart, x = "Marital_Status", y = "Purchase", hue = "Gender", palette = "magma")
plt.title("Gender Vs Purchase", fontsize = 12)
plt.subplot(1, 3, 3)
sns.boxplot(data = walmart, x = "Marital_Status", y = "Purchase", hue = "Stay_In_Current_City_Years", palette = "magma")
```

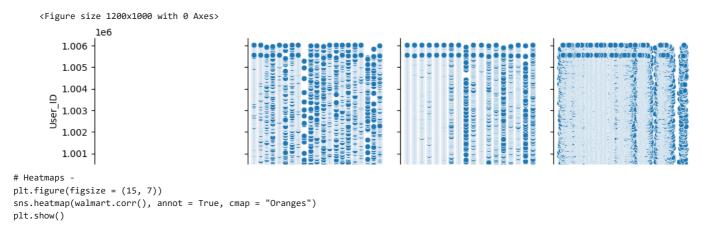
plt.title("Gender Vs Purchase", fontsize = 12)
plt.show()



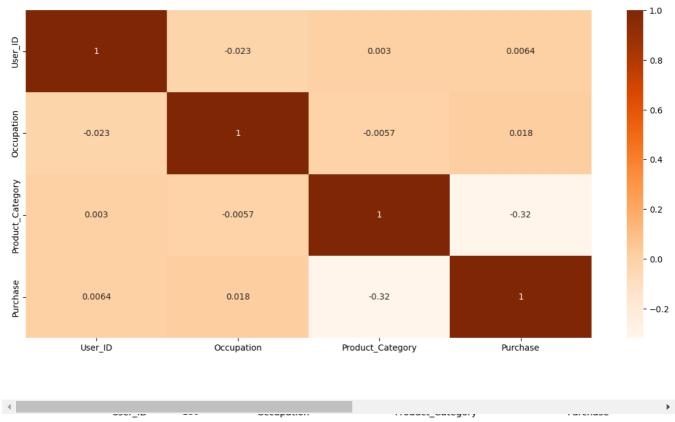
Inference: Purchase amount for both single & partnered customers are nearly same.

▼ Multivariate Analysis

```
# Pair plots -
plt.figure(figsize = (12, 10))
sns.pairplot(walmart)
plt.show()
```



<ipython-input-40-8a71837090ed>:3: FutureWarning: The default value of numeric_only in DataFrame.corr is deprecated. In a future ve sns.heatmap(walmart.corr(), annot = True, cmap = "Oranges")



Inference:

No positive or negative correlations can be seen from above pair plots & heatmaps.

▼ Confidence Interval Analysis

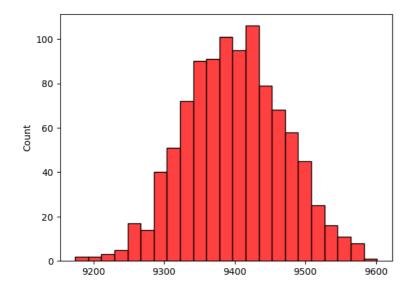
```
samp = walmart.sample(500)
samp
```

		User_ID	Product_ID	Gender	Age	Occupati	ion	City_Cate	gory S	tay_In_Cu	rrent_	City_Yea	ars	Marital_Status	Product_Cat	egory	Р
	3315	1000541	P00057542	F	18- 25		4.0		С				3	Single		3.0	
	39845	1000133	P00032842	F	26- 35		0.0		С				1	Married		8.0	
Geno	ler Analy	/sis															
	rall Me rt[walm		der"] == "M"]["Purchas	se"]	.mean()											
	9464.05	96711069															
	rall Me rt[walm		der"] == "F"]["Purchas	se"]	.mean()											
	8780.11	11661984	25														
					JU												
	•		Properties ")["Purchase		be()												
		count	mean	S	std	min	25%	50%	75%	max	7	ıl.					
	Gender																
	F	135.0	9368.748148	4963.3838	393	562.0 58	49.0	8320.0	12076.0	23847.0							
	M	365.0	9402.635616	4981.6188	389	734.0 60	18.0	8064.0	12476.0	23802.0							

male_samp_mean = [samp[samp["Gender"] == "M"].sample(5000, replace = True)["Purchase"].mean() for i in range(1000)]
male_samp_mean

```
9311.9/96,
9403.8516,
9309.8996,
9399.5526,
9424.9988,
9366.0772,
9459.6196,
9434.0346]
```

sns.histplot(male_samp_mean, color = "r")
plt.show()



female_samp_mean = [samp[samp["Gender"] == "F"].sample(5000, replace = True)["Purchase"].mean() for i in range(1000)]
female_samp_mean

```
8/16/23, 4:14 PM
```

plt.show()

```
9408.20/4,

9366.0858,

9295.9866,

9344.6306,

9234.3772,

9374.4236,

9223.3358,

9414.4006,

9390.739]

sns.histplot(female_samp_mean, color = "r")
```

100 -80 -40 -20 -9150 9200 9250 9300 9350 9400 9450 9500 9550

```
# Std deviation of male sample
np.std(male_samp_mean).round(3)
69.97

# Std deviation of female sample
np.std(female_samp_mean).round(3)
69.114
```

▼ CI - 90%

```
from scipy.stats import norm
# Confidence Interval of male = 90%
\verb|male_low = np.mean(male_samp_mean) + norm.ppf(0.05) * (np.std(male_samp_mean))|\\
male_high = np.mean(male_samp_mean) + norm.ppf(0.95) * (np.std(male_samp_mean))
male_low.round(3), male_high.round(3)
    (9285.095, 9515.277)
# Confidence Interval of female = 90%
female_low = np.mean(female_samp_mean) + norm.ppf(0.05) * (np.std(female_samp_mean))
female_low.round(3), female_high.round(3)
    (9254.496, 9481.861)
# To check overlapping of Confidence Intervals
male_CI = np.percentile(male_samp_mean, [5, 95])
female_CI = np.percentile(female_samp_mean, [5, 95])
male_CI.round(3), female_CI.round(3)
    (array([9291.36 , 9516.801]), array([9256.702, 9481.716]))
```

Inference: From the above results, it is clear that confidence intervals of male & female average purchases are not overlapping for 90% CI.

▼ CI - 95%

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▼ CI - 99%

Inference: From the above results, it is clear that confidence intervals of male & female average purchases are not overlapping for 99% CI.

From above analysis, it is evident that males are purchasing more for different confidence intervals as compared to females

Insights from Data

- 1) 59% Single, 41% Married.
- 2) 75% of the users are Male and 25% are Female.
- 3) Nearly 80% of the users are between the age 18-50 (40%: 26-35, 18%: 18-25, 20%: 36-45).
- 4) Total of 20 product categories are there.
- 5) There are 20 different types of occupations in the city.
- 6) Customers mostly from city B(42%) followed by city C(31%) & then city A(27%).
- 7) 35% Staying in the city for the last 1 year, 18% for the last 2 years, 17% for the last 3 years.
- 8) From CLT graphs we have noticed that for gender samples, the confidence interval range was not overlapping.

Recommendations:

1) Unmarried customers spend more money than married customers. Therefore, in order to enable married people to buy more, walmart may consider curating offers targetted towards married people.

- 2) As males are purchasing more as compared to females, retaining male customers while deducing instruments to invite more females to purchase is advised.
- 3) Customers in the age group of 18-25 is the most favourable age range for the business. Thus, walmart needs to retain these customers. Also for the other age groups with less purchases, walmart should come up with some ideas to increase sales from them.
- 4) Walmart have strong customer base in 'City C', therefore it may be advisable to increase business through word of mouth marketing here. For 'City B' & 'City A', digital marketing might be advised using Instagram, Facebook, Google and YouTube ads, as well as SEO and other digital marketing methods.
- 5) Product categories such as 1, 5, 8 & 11 are purchased by most of the customers. Walmart can focus on the product categories, and also offer upsells on them to further enhance revenue. Other than that, digital marketing is advised for other products to increase visbility.

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