**Customer segmentation and sales analysis**

By Atul Sharama, Vaibhav Bansal , Monicka , Devendra rana

This project aims to analyze an E-commerce dataset containing purchases made by approximately 4000 customers over one year. Using this analysis, we'll develop a model to predict purchases a new customer will make in the following year after their first purchase.

**What are you trying to do? Articulate your objectives using absolutely no jargon.**

We aim to group customers based on what they buy, how often they shop, and how much they spend, to predict future purchases.

**How is it done today, and what are the limits of current practice?**

Currently, many stores send the same ads to all customers. This approach can waste resources and annoy customers with irrelevant offers.

**What's new in your approach and why do you think it will be successful?**Our approach uses detailed purchase history to create customer groups, improving ad targeting, and hopefully increasing sales.

**l**The store owners will benefit from increased sales, and customers will receive more relevant offers, enhancing their shopping experience.

**What are the risks and the payoffs?**The risk is that the model may not accurately predict future purchases, but the payoff of a successful model is significant increased revenue.

**How much will it cost?**Costs will involve data analysis tools and marketing campaign adjustments, but are expected to be lower than the potential increase in sales.

**How long will it take?**The initial model development will take three months, with ongoing adjustments as more data becomes available.

**What are the midterm and final 'exams' to check for success?**Midterm checks will be increased customer engagement with targeted ads. The final exam is a measurable increase in sales tied to new marketing strategies.



