

TheAnalyticsTeam

Sprocket Central Pty Ltd

Data analytics approach

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Agenda

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

Introduction

Identifying and Recommending high value customers.

Outline of problem.

Sprocket Central Pty Ltd is a long-standing KPMG client who specializes in high quality bikes and accessible cycling accessories to riders.

Their marketing team is looking to boost business by analysing their existing customer dataset to determine customer trends and behaviours.

Using the dataset provided, I would be recommending the 1000 customers that should be targeted to drive the most value for the organization.

Contents of data analysis.

- Bike related purchases for the last 3 years based on gender
- Top industries contributing the maximum profit
- Wealth segment by age category
- Number of cars owned
- Customer classification

Data Exploration

Data quality assessment and clean up

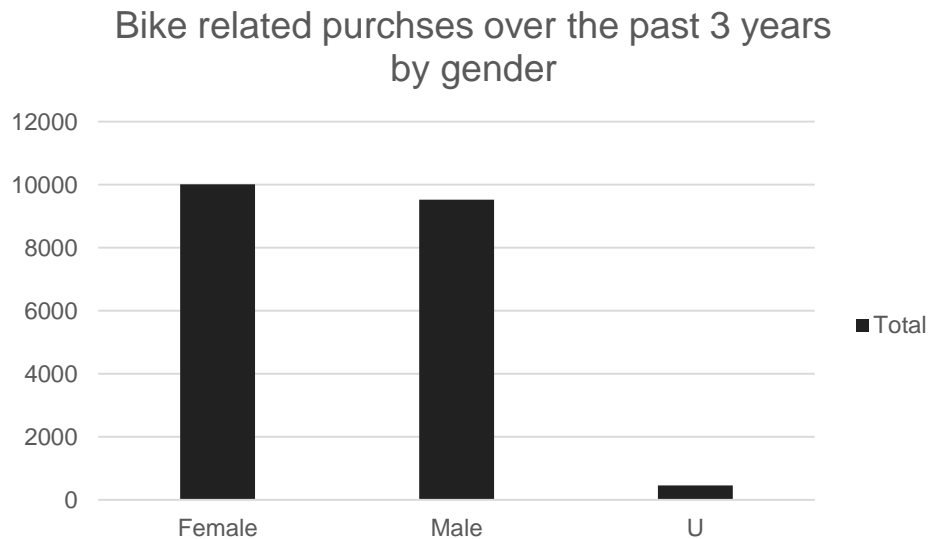
Key issues for data quality assessment

	Accuracy	Completeness	Consistency	Currency	Relevancy	Validity
Customer Demographic	DOB: Inaccurate Age: Missing	Job Title: Blanks Customer ID: Incomplete	Gender: Inconsistent	Deceased Customer: Filtered out	Default Column: Delete	
Customer Address		Customer ID: Incomplete	States: Inconsistent			
Transactions	Profit: Missing	Customer ID: Incomplete Online orders: Blanks Brands: Blanks			Cancelled Status Order: Filtered out	List Price Ordered: Format Product Sold Date: Format

Data Exploration

Bike related purchase over the last 3 years based on gender

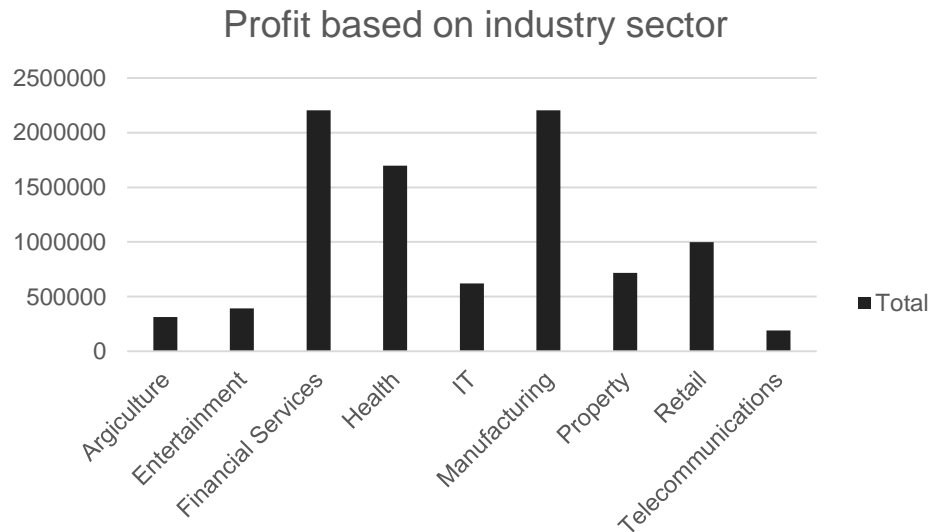
- Over the last three years, the highest number of purchases were made by females compared to males and unknown gender.
- Females should be targeted as high customers



Data Exploration

Where are the customers which bring the highest profit employed?

- The highest number of customers are in Manufacturing, Financial Services and Health respectively. The reason for this is because these sectors are based within the city and prefer bikes for commuting.
- The lowest number of customers are Telecommunications, Agriculture and Entertainment respectively.



Data Exploration

Wealth segmentation by age category

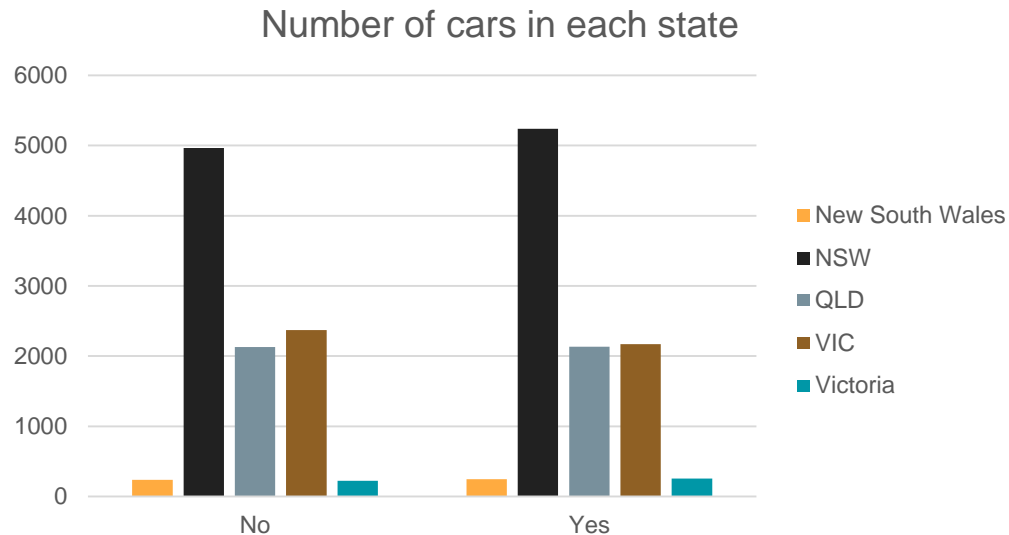
- Across the age categories, the Mass customer makes the highest profit.
- From the mass customer, age 41-50 are likely to bring more profit compared to other ages.
- It is also noticed that the highest age to bring in more profit stops at 50, then declines after that.



Data Exploration

Number of cars owned and not owned in each state

- NSW has the highest number of people own and do not own car. This is because it has the highest number of people from which data was collected,
- QLD and VIC are split almost evenly pertaining to the number of people that do not own a car and that do own a car.
- New south Wales and Victoria have the lowest number of people that do not and that do own a car,
- NSW, QLD and VIC could be potential market opportunities fir the company.



Model Development

Customer Classification – Targeting High Value Customers

From the analysis, the high value customers that should be targeted are:

- Females cause they make more bike related purchases compared to male and unknown genders
- Those working in the financial services, manufacturing, and health industry,
- Those aged between 41-50
- Those currently living in NSW, VIC and QLD

Interpretation

Summary table of the top 1000 customers to target

First Name	Bike related purchases for the last 3 years	Age	Job Industry	Wealth Segment	Owns car	State
Devondra	95	49	Manufacturing	Mass customer	No	QLD
Patton	88	49	Manufacturing	Mass customer	Yes	NSW
June	87	49	Manufacturing	Mass customer	No	NSW
Lorianne	76	40	Manufacturing	Mass customer	Yes	NSW
Leif	75	49	Manufacturing	Mass customer	Yes	NSW
Nance	75	40	Manufacturing	Mass customer	No	QLD
Amity	74	40	Manufacturing	Mass customer	No	NSW
Nikola	72	49	Financial Services	Mass customer	No	QLD

Thank YOU