**REGULAR MERCHANDISE**

Business Case

A leading Apparel and Accessories retailer has been running Loyalty program for the last 3 years across its regular merchandize stores, but is seeing declining sales for some of its product categories.

Which customer attributes do we need to consider for impact on purchase basket and amount of purchase? ...Gender, Age…?

What kind of impact does day of a week have on purchase basket and on the amount of purchase?

Observations:

Revenue across each store was largely same across the product categories.

Net Promotion Score across top customer segments of the loyalty program showed an average of 60%.

Functionality:

We do clustering to group similar purchases into price ranges.

Decision trees predict the price range of individual transactions. From among the predicted price ranges, the top 3, according to probabilities, are input to MBA for further association analysis.

MBA gives the top associations, products brought together in the top price ranges, with high confidence & support.

Bubble chart gives the count of customers and maximum purchase value.

From that bubble chart we can concentrate on high value customers and for those customers we can again so association analysis.

Inferences:

Rolling Retention Analysis of Loyalty program members’ shows dip in frequency of purchases by women shoppers in weekdays.

Sell through% of women’s accessories is high during weekdays.

Findings and Recommendation for regular merchandized stores:

Those who bought Women’s Accessories also bought Men’s Apparels.

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Those who bought Men’s Apparels also bought Women’s Apparels and Women’s Accessories.

To increase Men’s Apparel sales, the retailer should focus on Women in the age group 31-40 on weekends and Men in the age group 31-40 on weekdays.

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