

MARKET STRATEGY FORMULATION BY ANALYSING CUSTOMER SHOPPING BEHAVIOR

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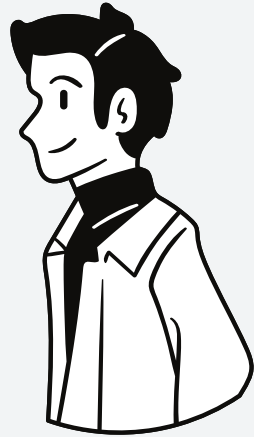
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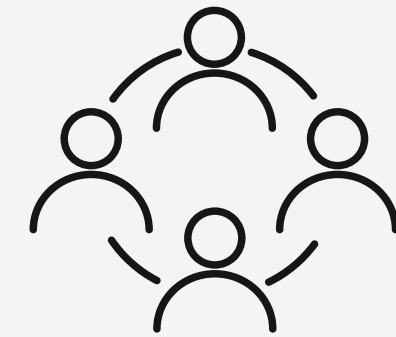
CASE STUDY



DATA SCIENTIST:

HANDIKA EKI WINATA

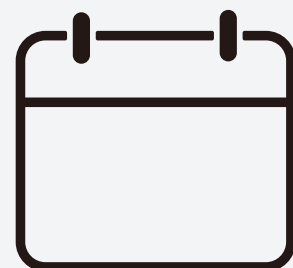
STAKEHOLDERS:
STORE MANAGER &
MARKETING TEAMS



SUPERMARKET NAME:

JUST ONE SUPERMARKET

STORE LOCATION:
BOSTON, USA



YEAR OF EVENT:

2015



DATA UNDERSTANDING

CUSTOMER DEMOGRAPHICS

ID
EDUCATION
LIVING STATUS
INCOME
INCOME_CATEGORY
AGE
AGE GROUP
CHILDREN
IS_PARENT
FAMILY SIZE

PRODUCT SALES

WINE
MEAT
FRUIT
FISH
SWEET
GOLD

PURCHASE BEHAVIOR

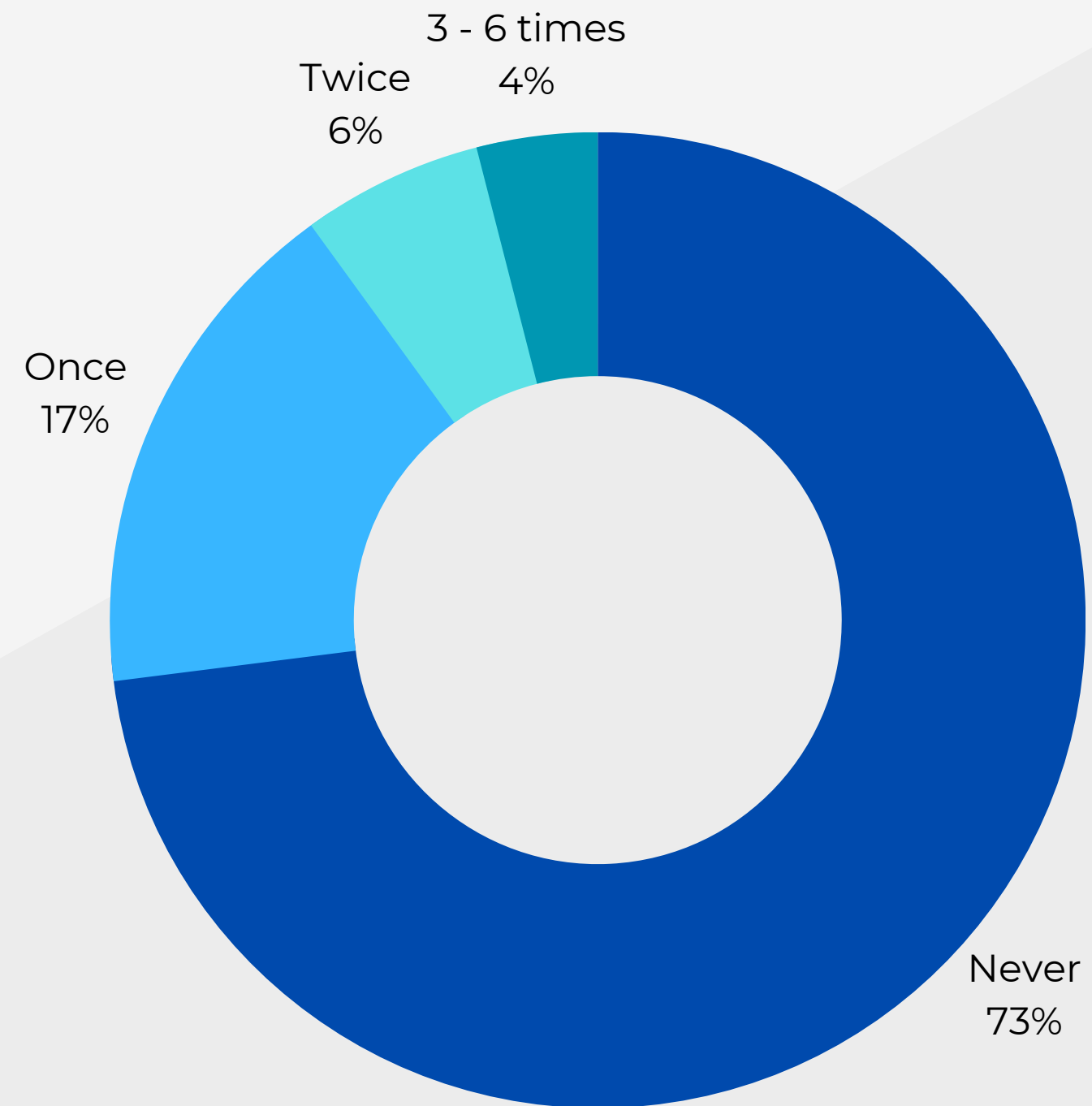
STORE PURCHASE
WEB PURCHASE
CATALOG PURCHASE
DISCOUNT PURCHASE
TOTAL PURCHASE
TOTAL SPENT
ACCEPT CMP



- 2212 customers
- 2012 - 2014

PROBLEM STATEMENT

- 73% of our customer never accept a single campaign
- So, market strategy formulation is very crucial to increase the engagement by targeting the right customer



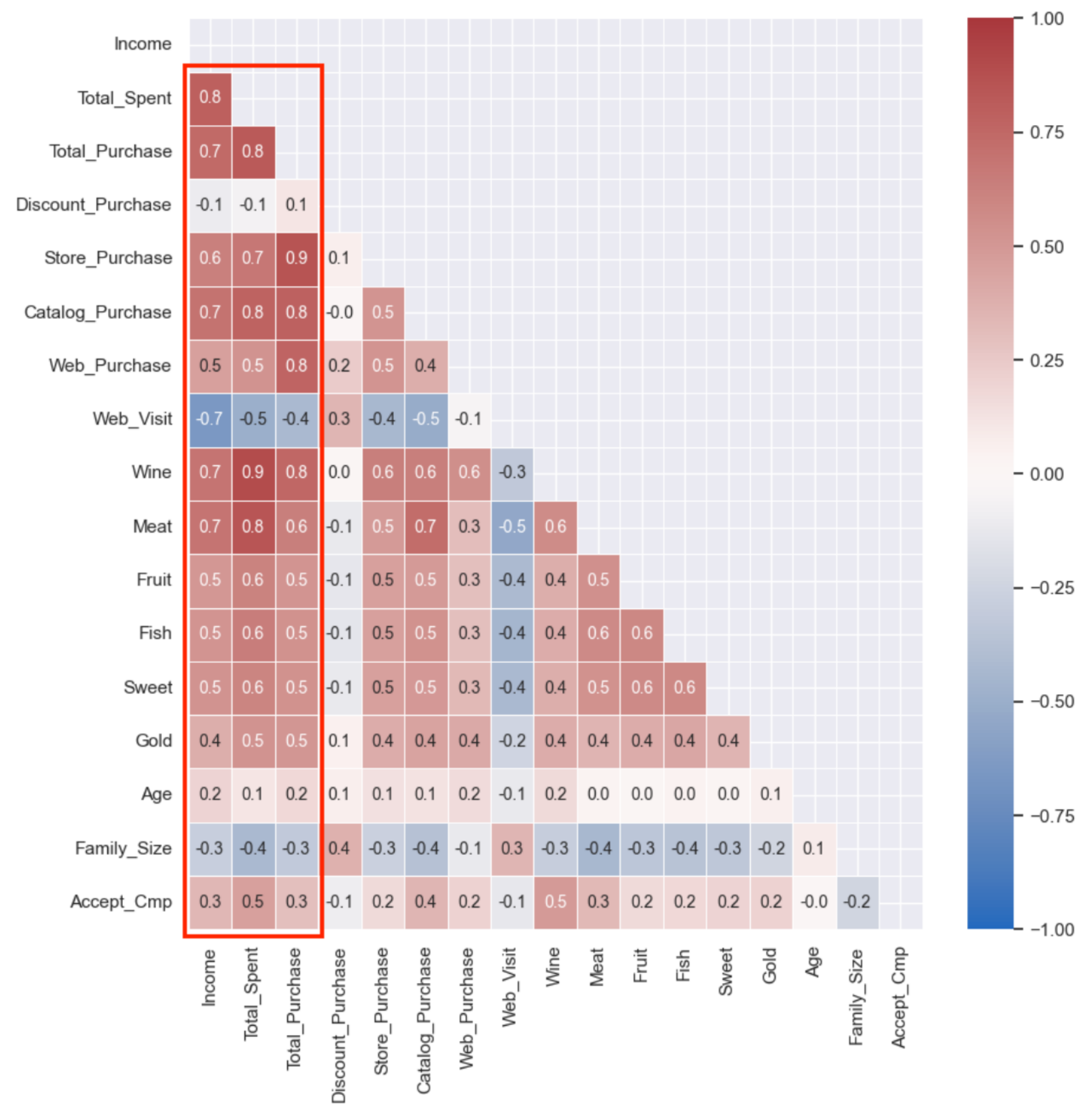
○ ○ ○ ○ “Market strategy formulation is similar to navigating a complex terrain; understanding customer shopping behavior serves as the compass that guides us through the labyrinth of choices”

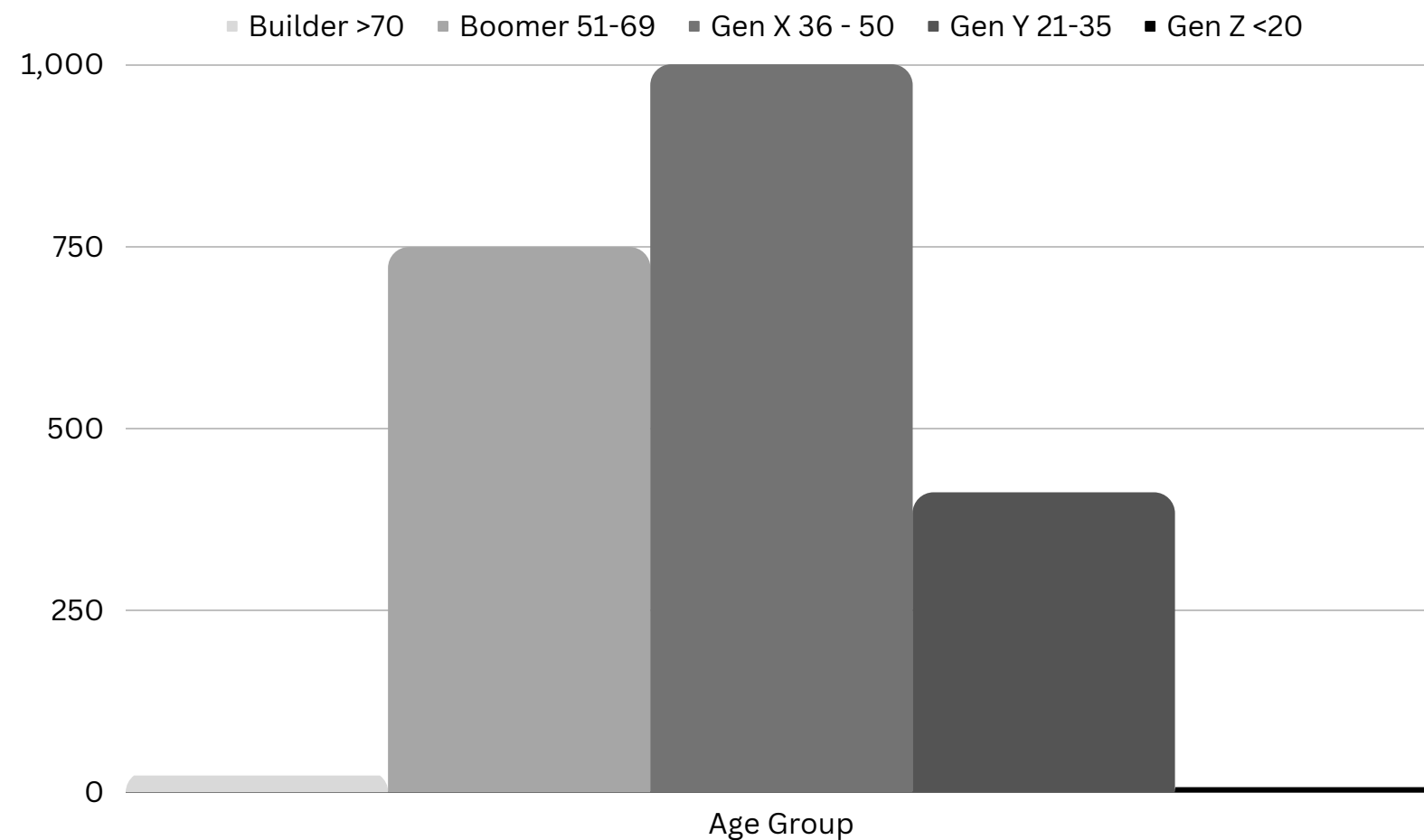
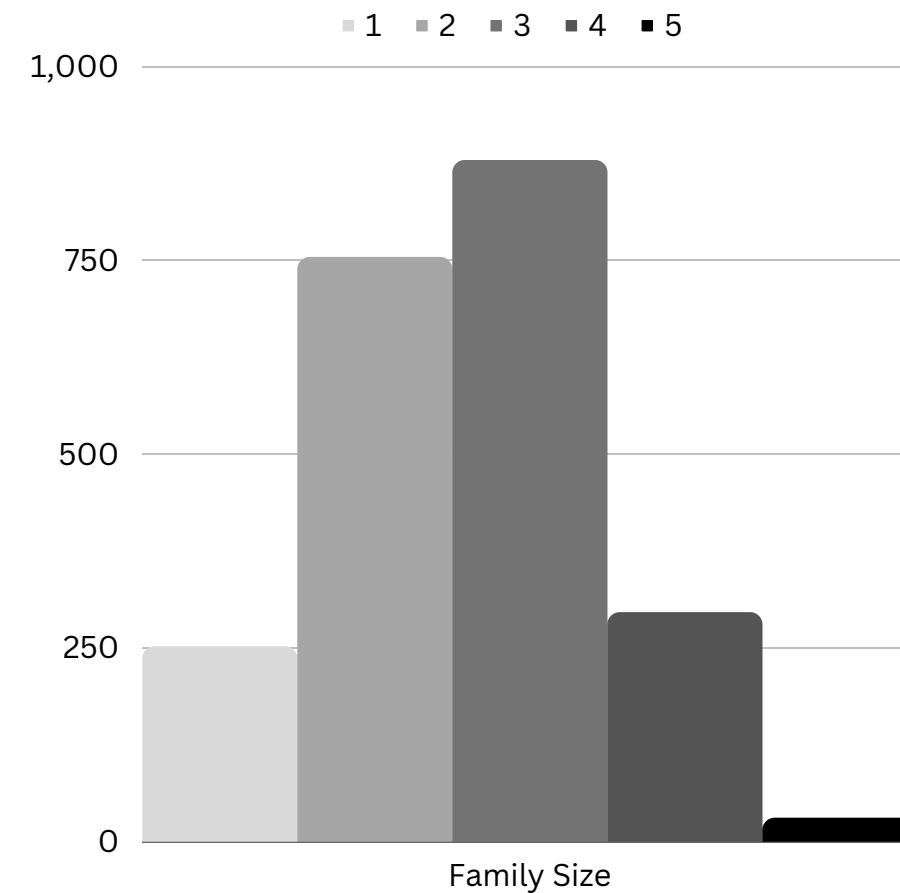
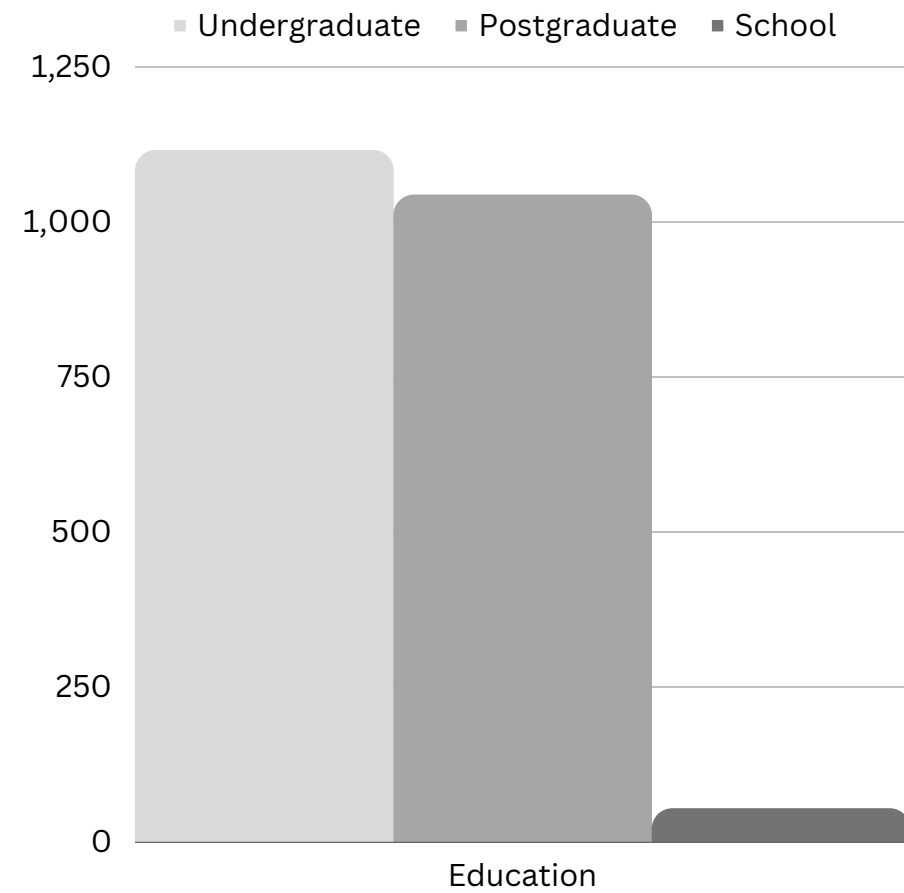


ANALYSIS AND VISUALIZATION

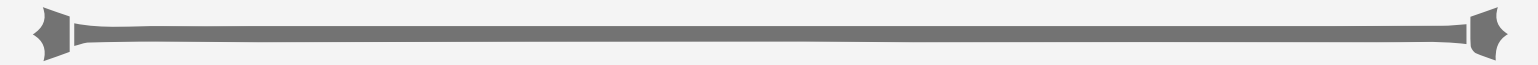
FORMULATING THE ANALYSIS

1. Income as a proxy
2. Comparison of Purchase Method
3. Web Purchase vs Web visit
4. Best Selling Product
5. Family Size Affecting Spending



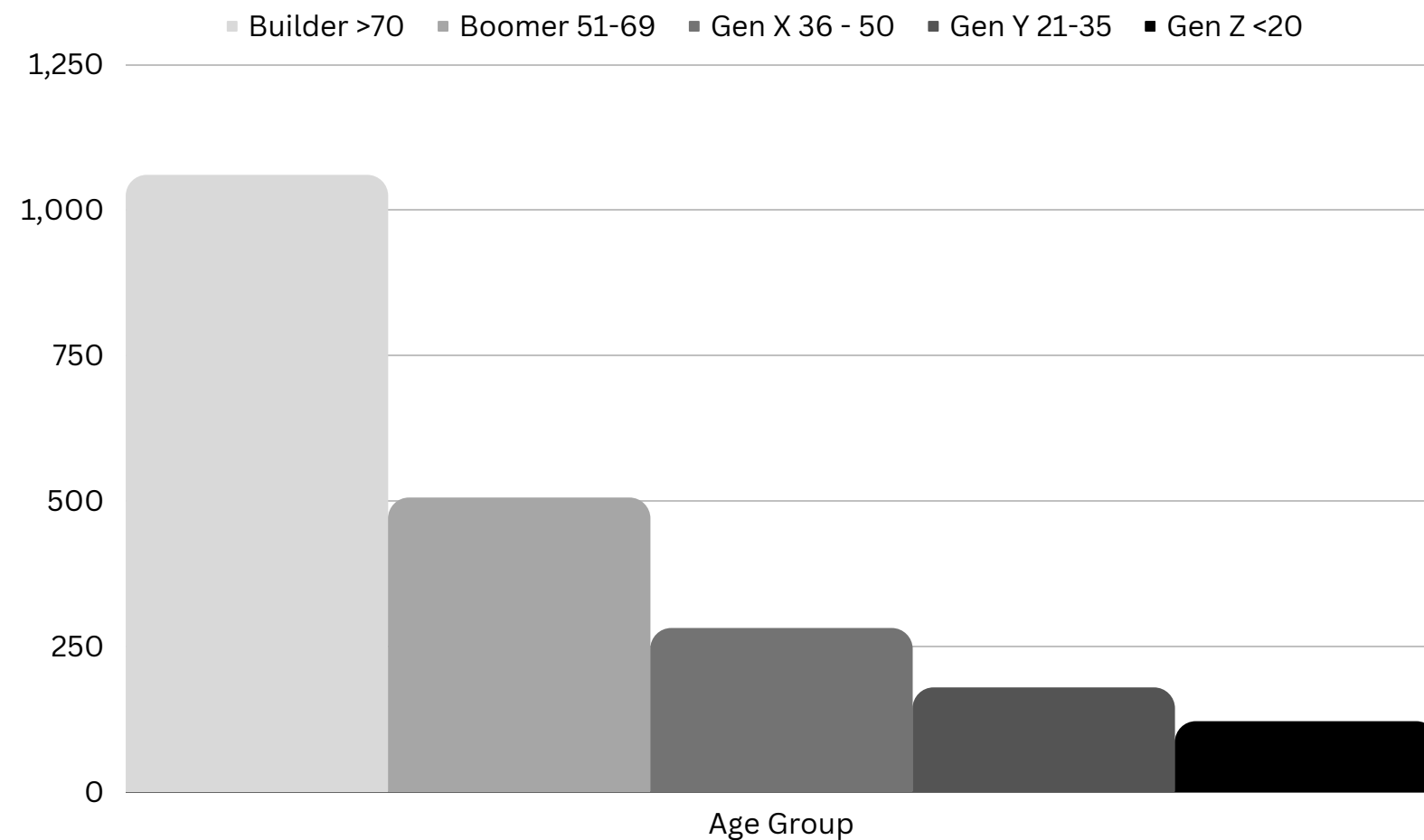
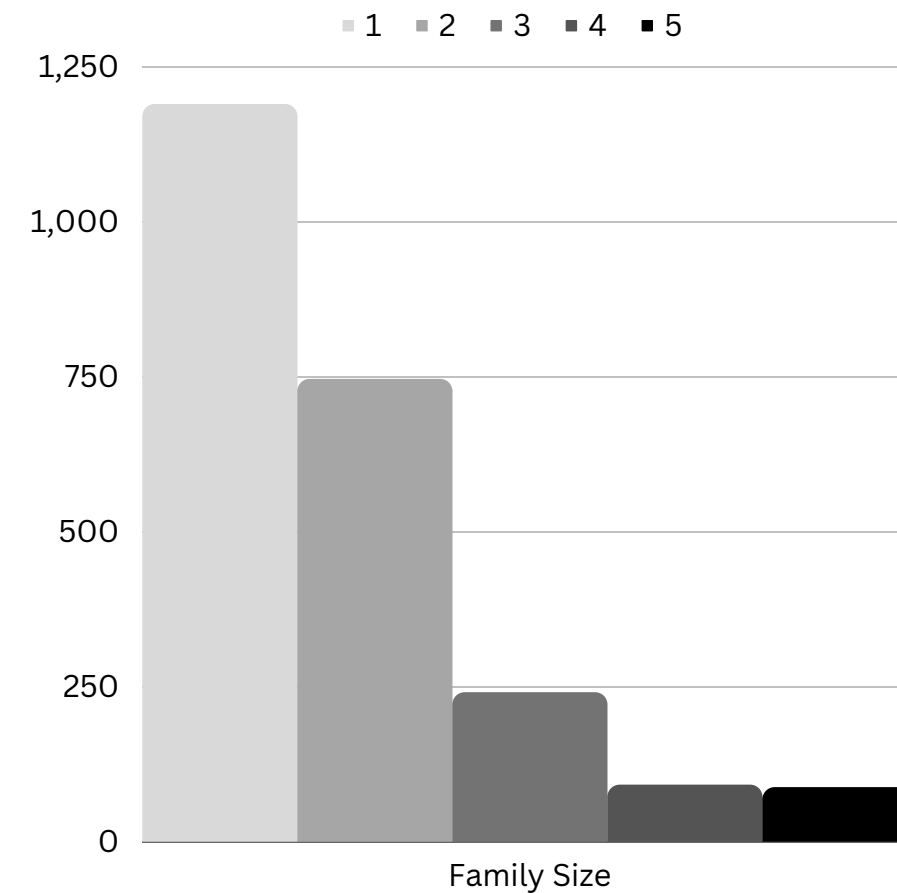
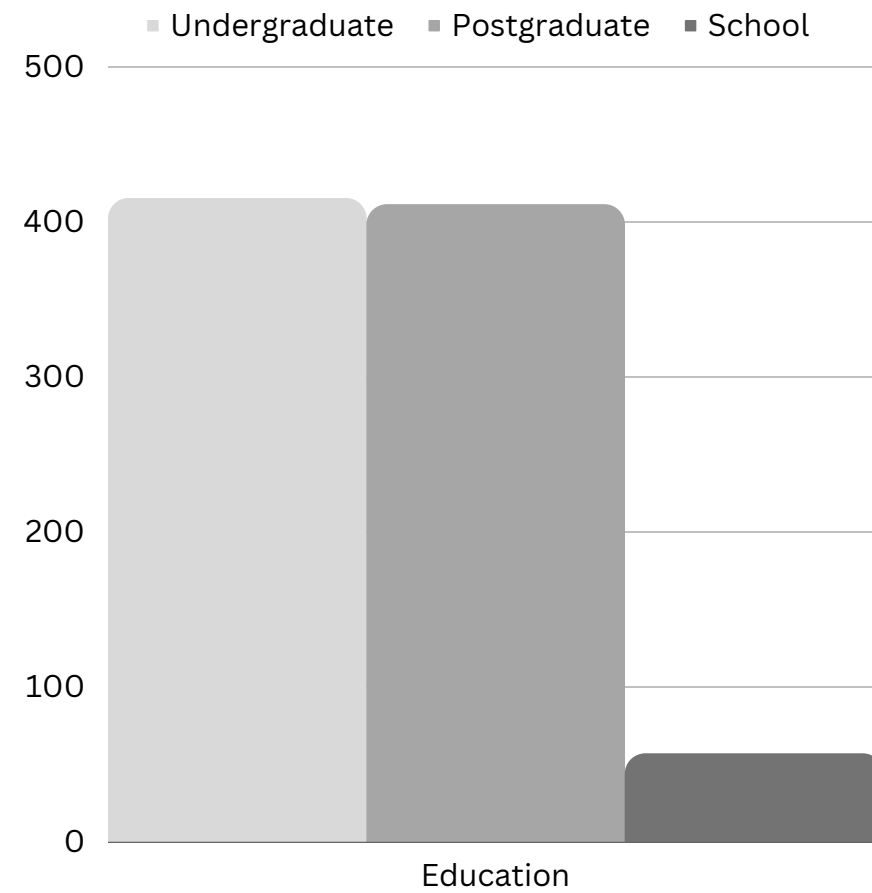


PROPORTION OF CUSTOMER



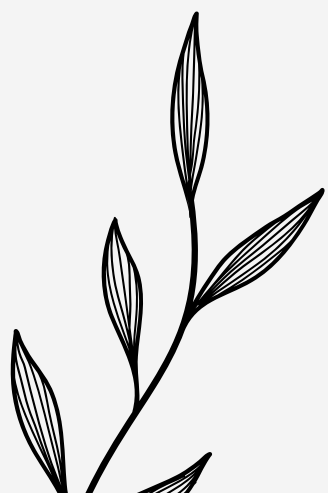
- Most of our customers come from Undergraduate and Postgraduate
- With most of them having 1 children and followed by living with partner
- By the Age generation, Gen X (age ranges from 36–50) are the dominant of our customer





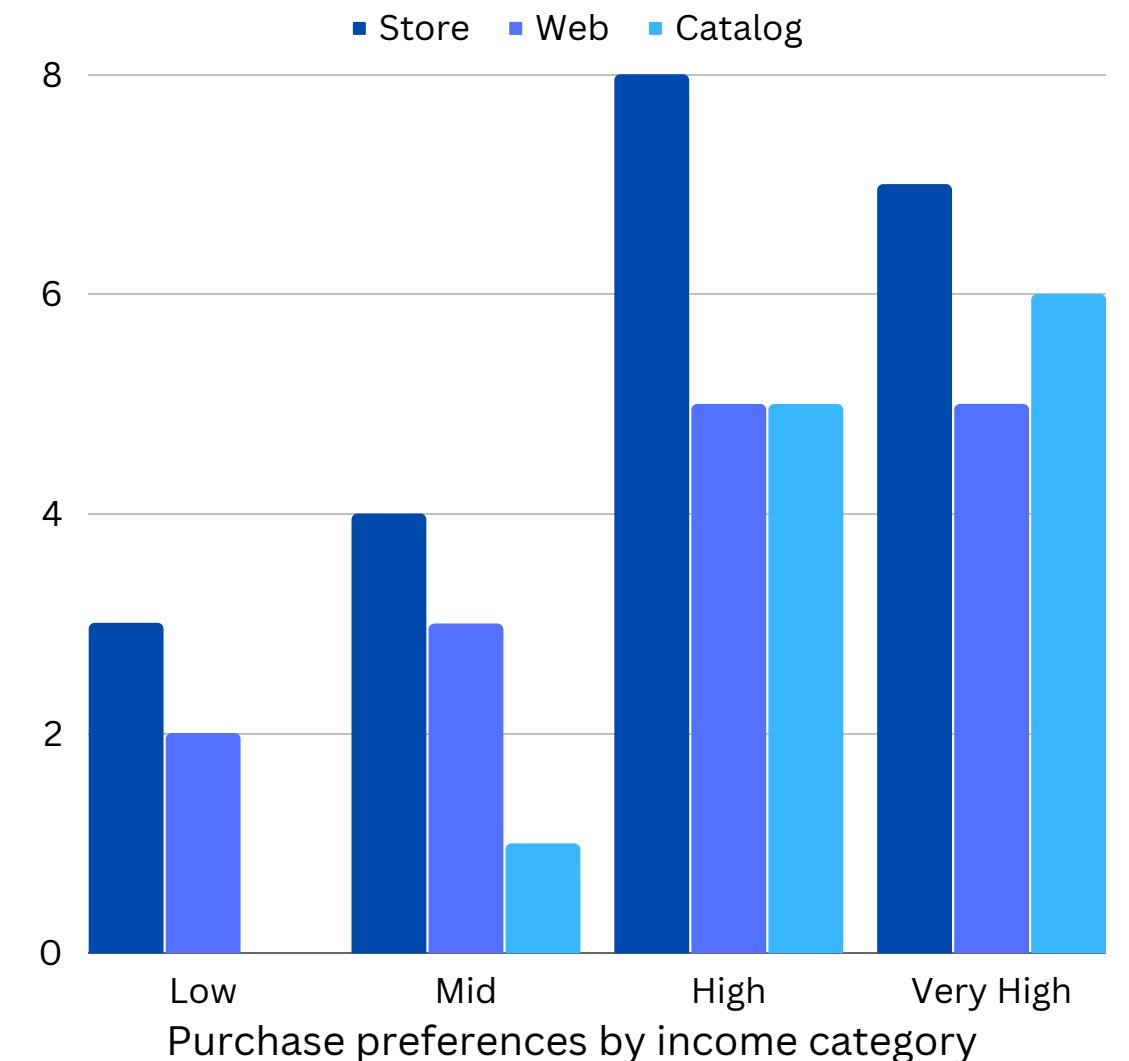
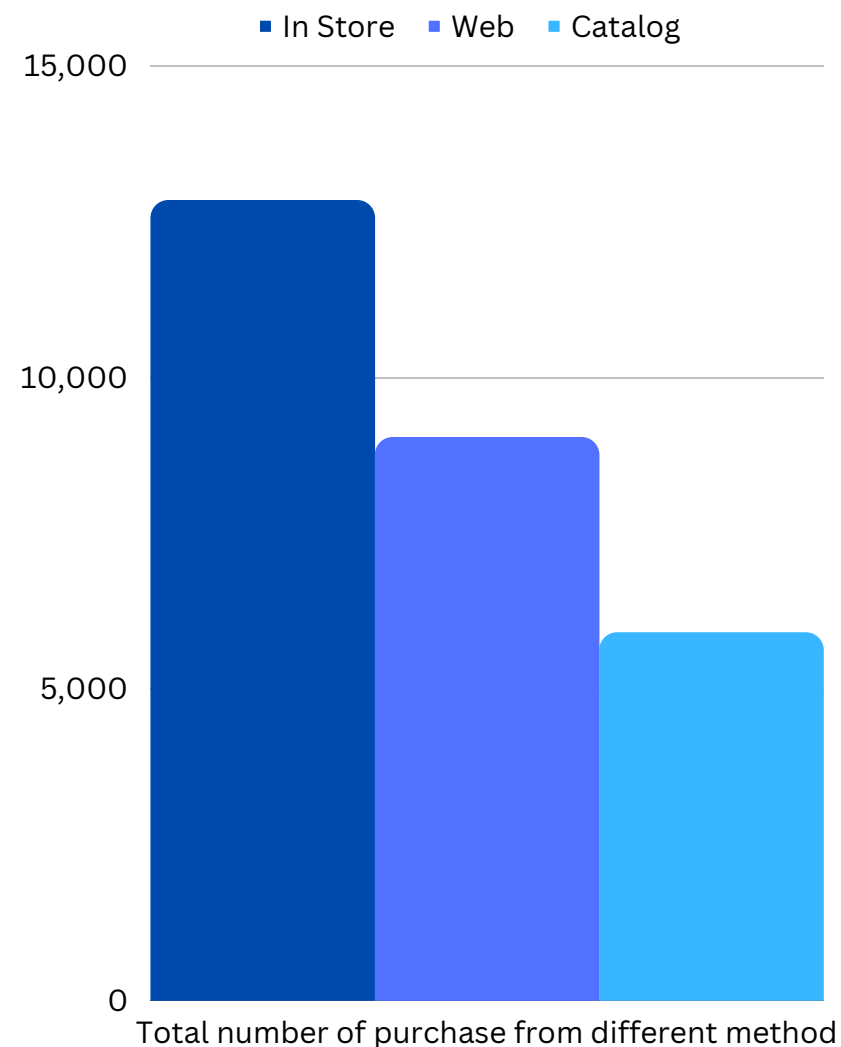
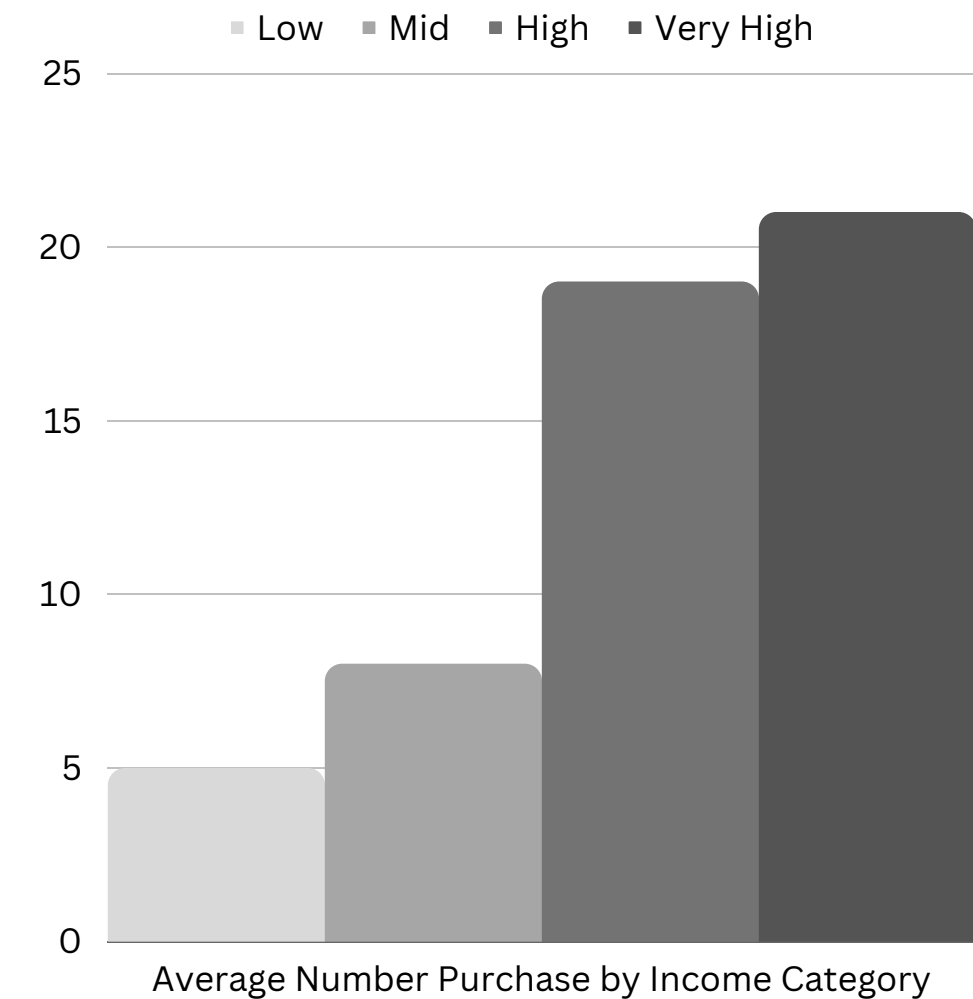
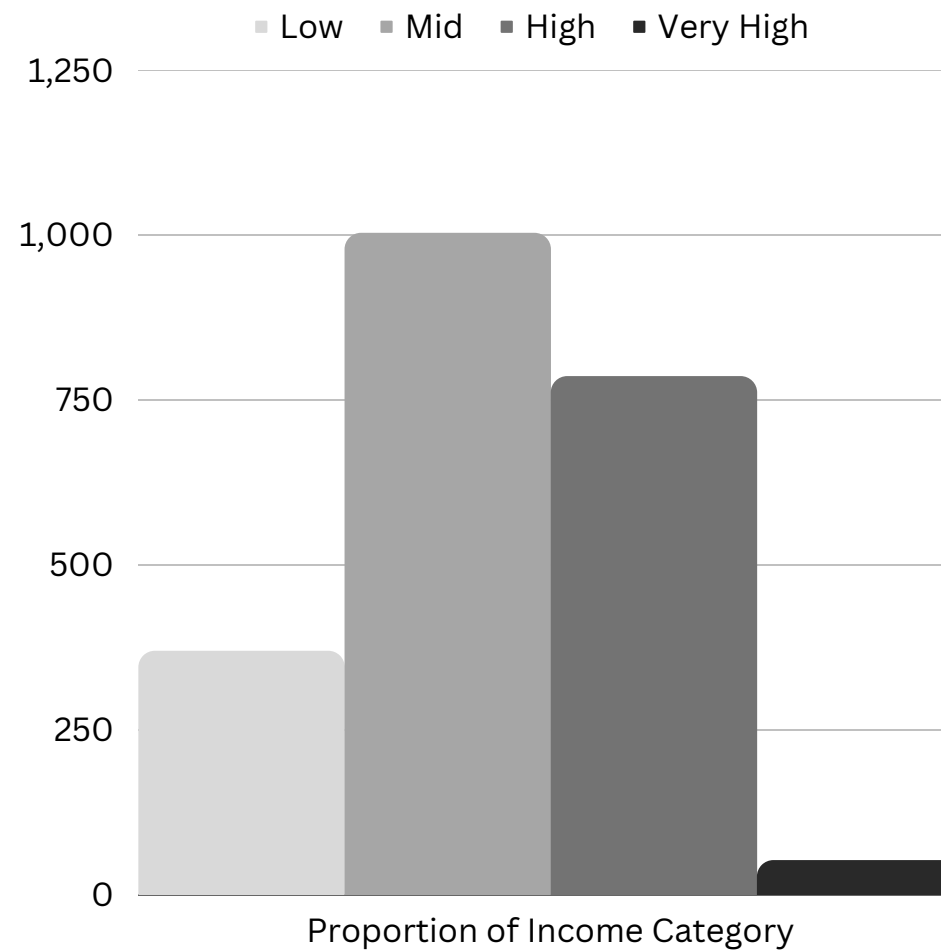
AVERAGE SPENDING OF CUSTOMER FOR THE PAST 2 YEARS

- School is still the lowest
- Interestingly, bigger family tends to spend less items
- “Single” customer is very valuable
- Age generation has a significant drop in spending items



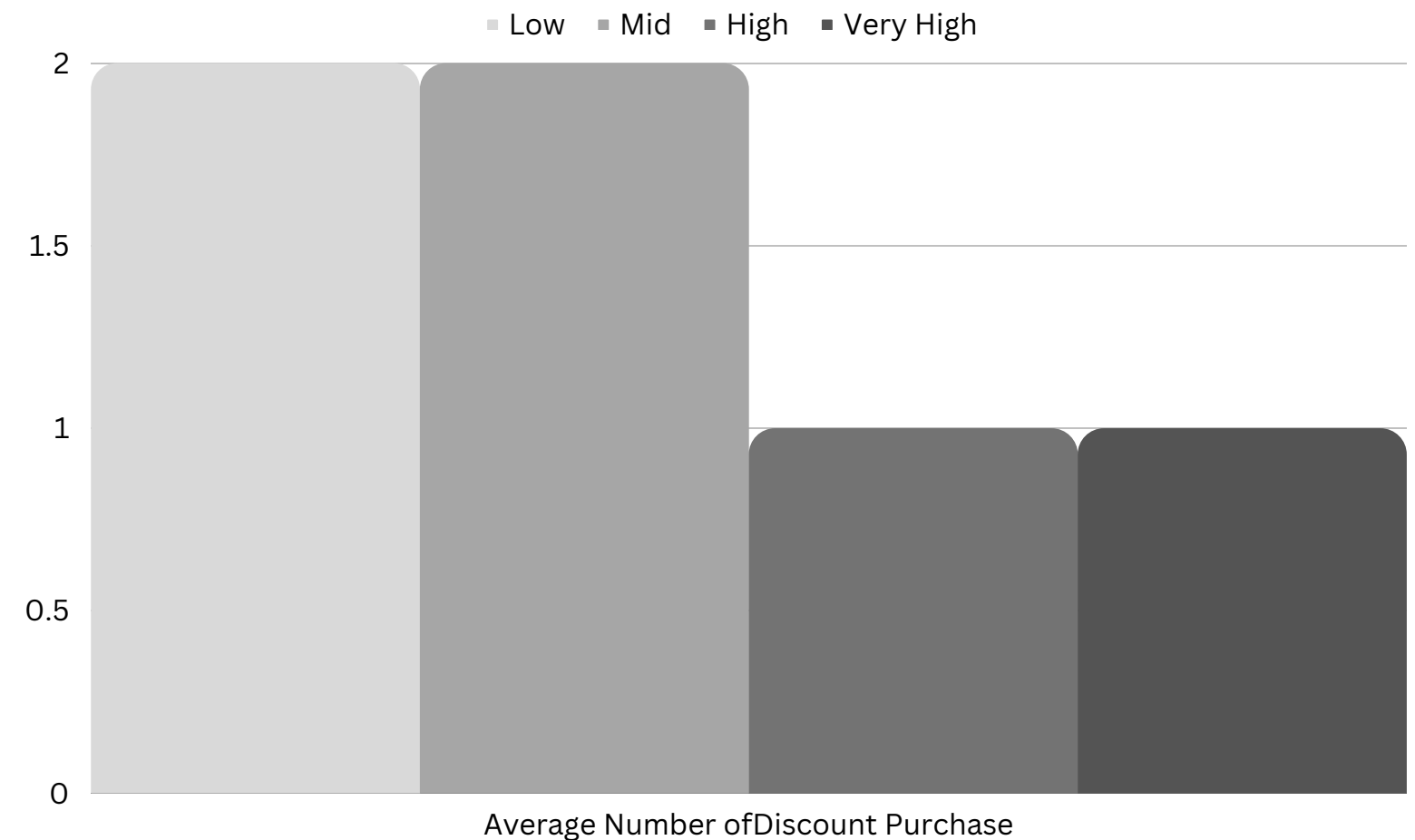
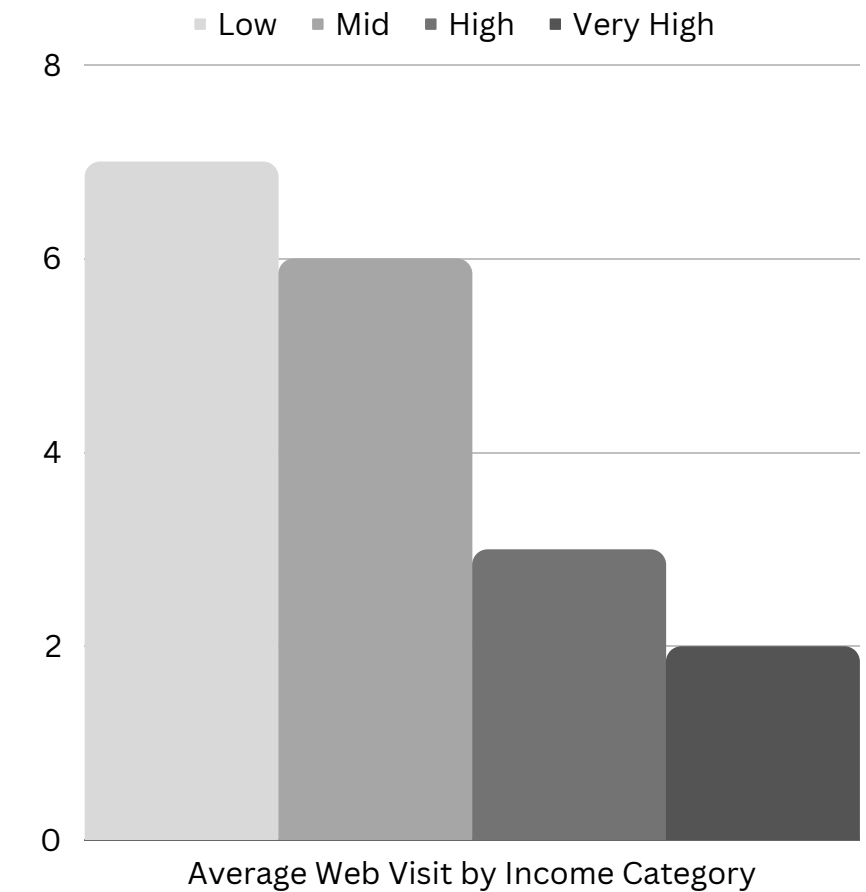
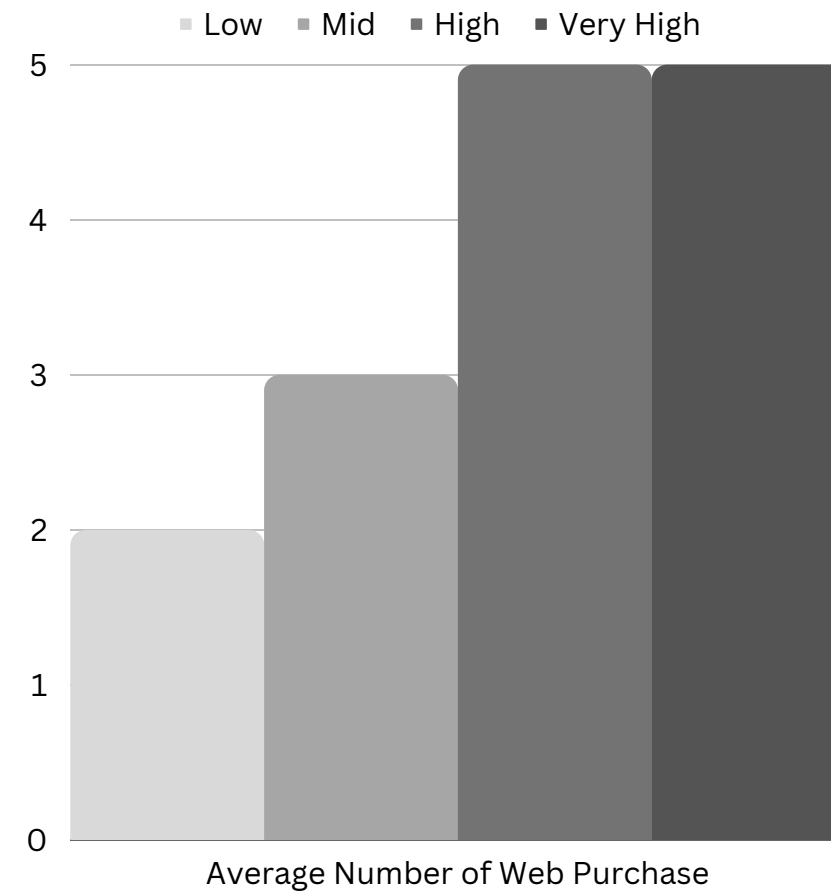
INCOME CATEGORY AFFECTING CUSTOMER PURCHASE BEHAVIOR

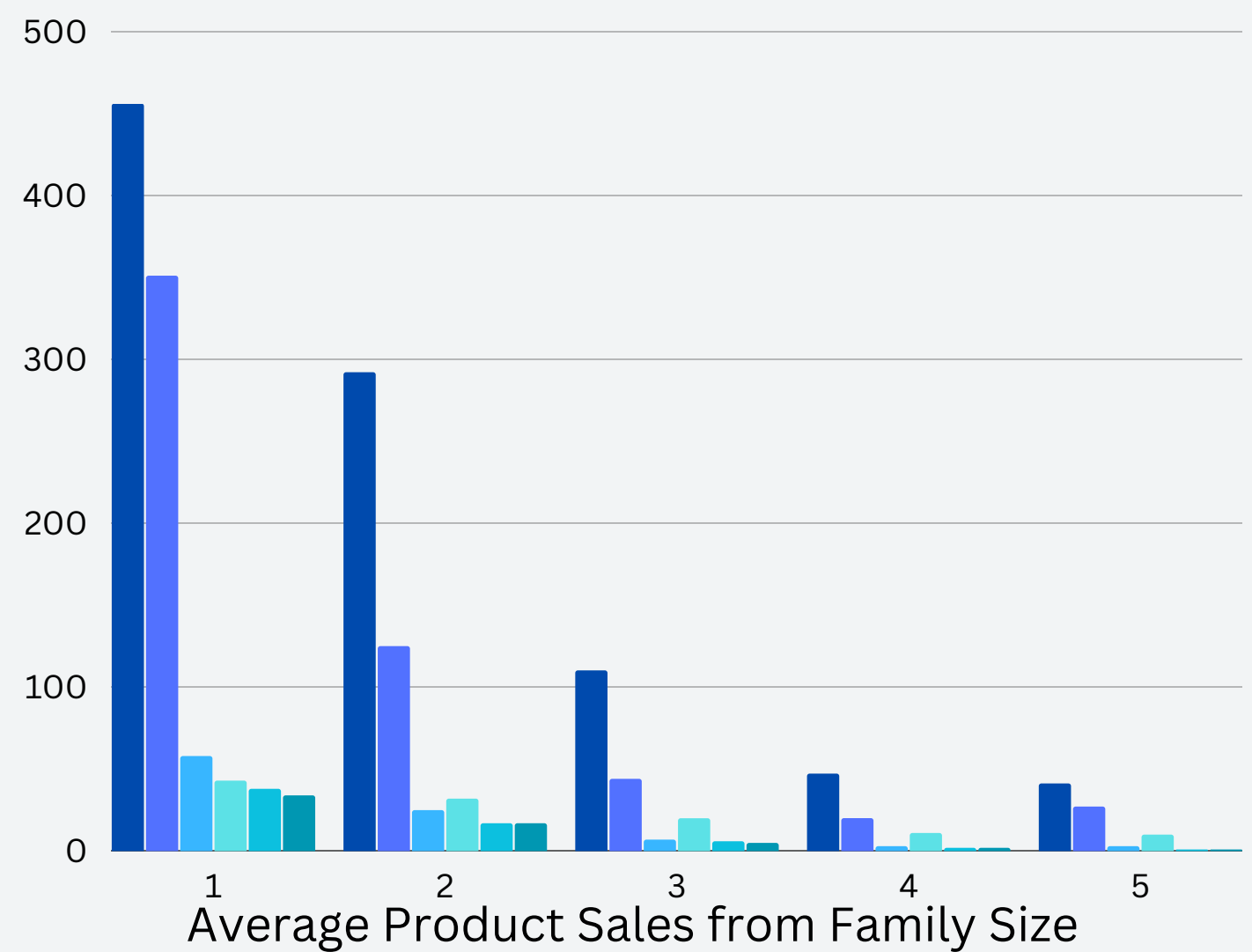
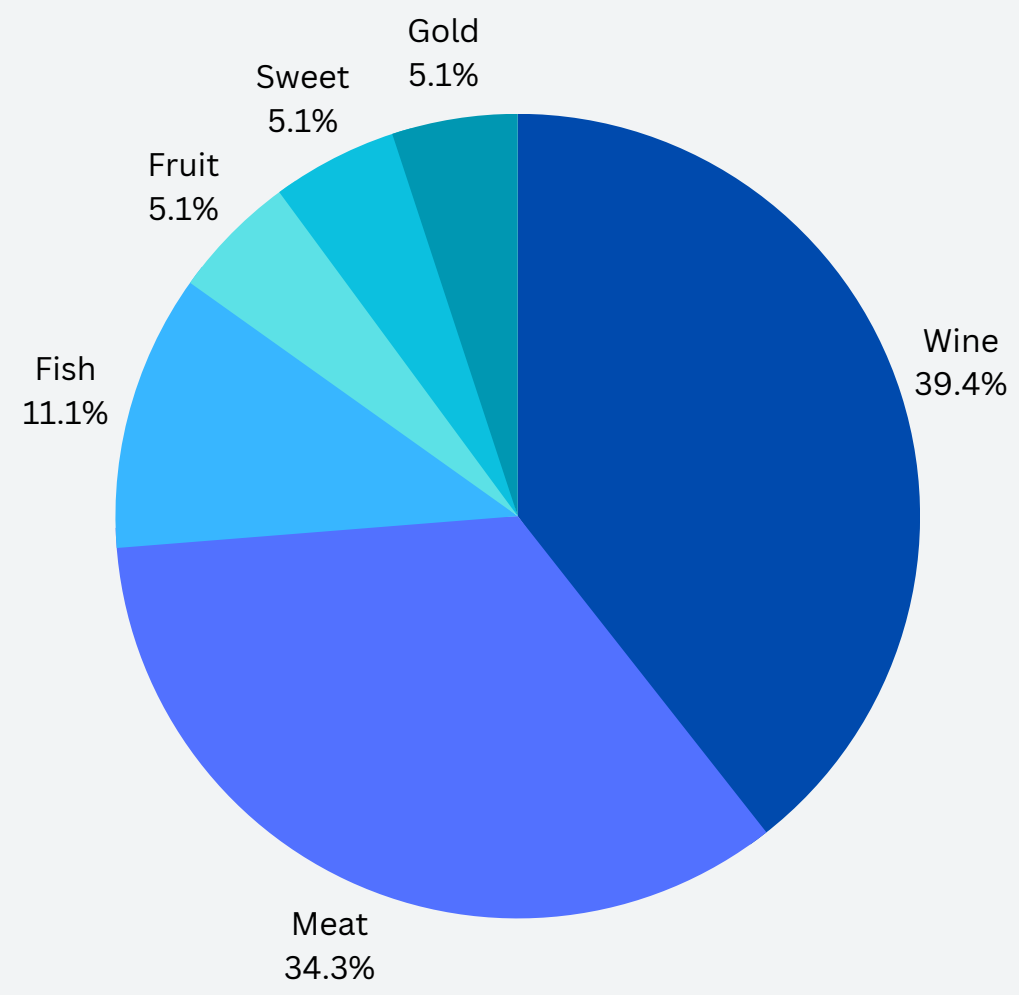
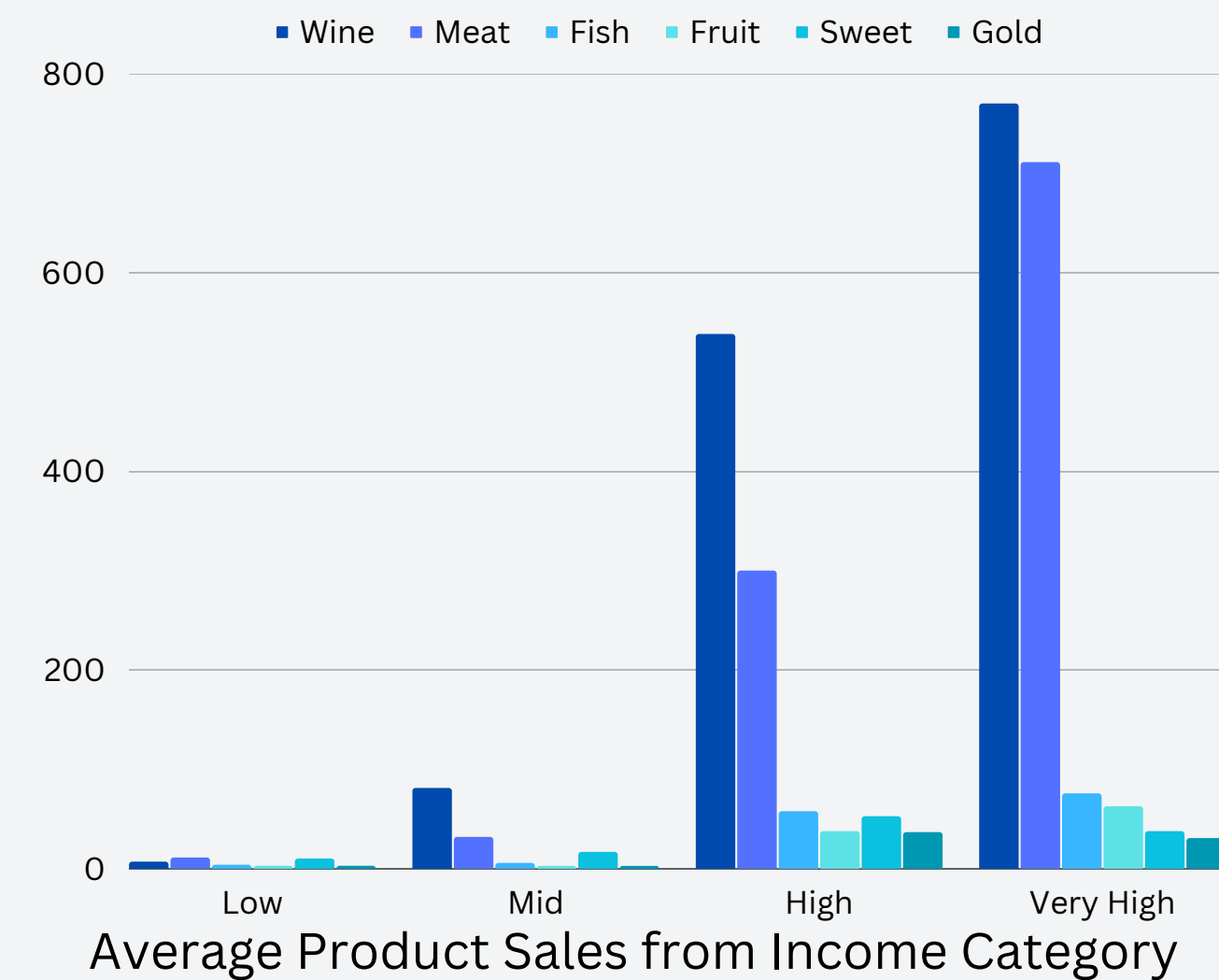
- Most of our customer come from Mid Income category
- Very high income category is the lowest proportion but the highest number of purchases
- In store is the most favorite purchase method
- Catalog purchase method only attract Higher income while low income has zero interest in catalog



INTERESTING FACTS

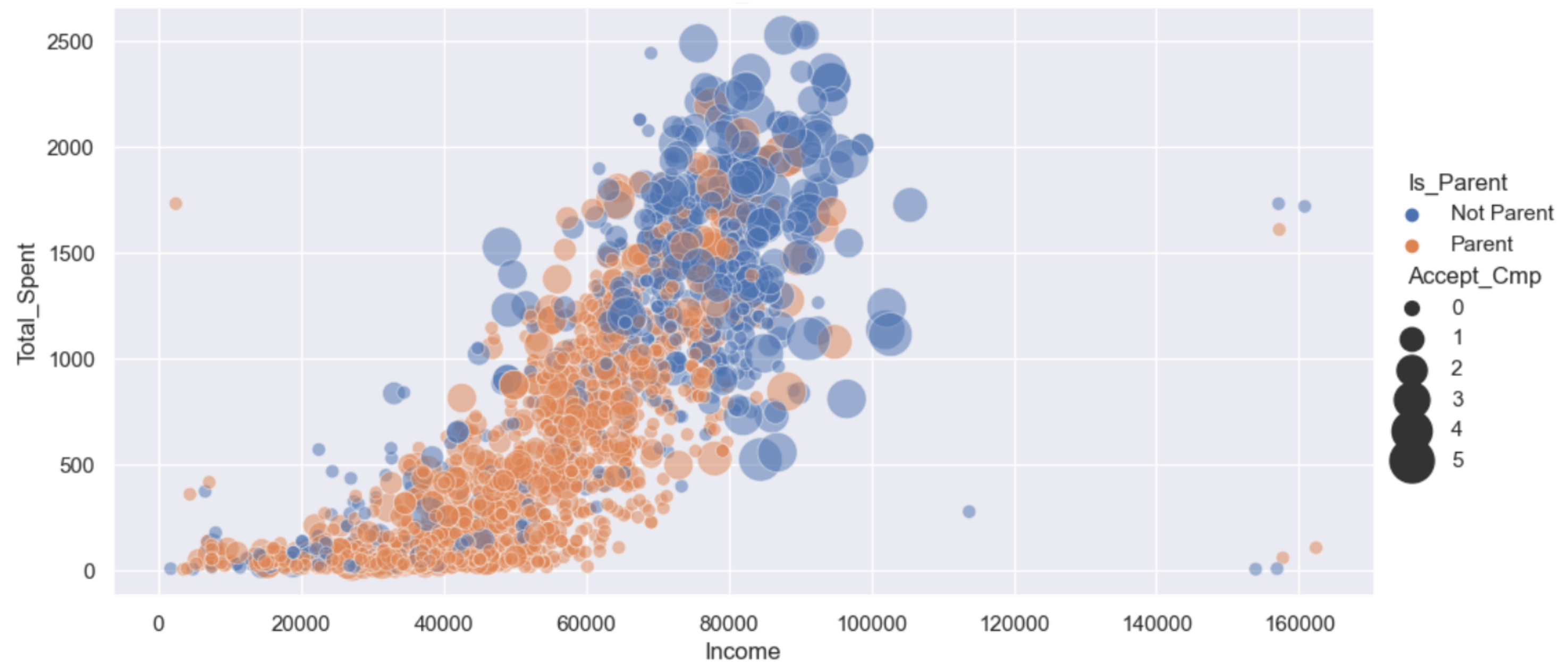
- Higher income has lower web visit but higher average number of purchases
- On the other hand, Low income visit the web regularly but only make few purchases
- From discount purchase plot, it can be said that the reason for customers with low income often visiting the web is perhaps for deals hunting





Best Selling Product

- Wine dominates the sales followed by meat
- Fruit, Sweet, Gold are the least product sales
- Higher income buys larger amount of product
- Bigger family buys smaller amount of product



Who's likely interest in campaign?

- Customer with **income** below \$70k are mostly having **children** and less attracted by **campaign**
- Customer with **income** above \$70k are mostly **Single** and more attracted by **campaign**

Recommendation



Income: Our Golden Key

- Higher income, more consumptive
- “**Single**” is our valuable customer which also has a higher income
 - They should be targeted with personalised offers when purchase at large scale
- “Is Parent” with low income is attracted by campaign
 - Thus, offers special bundles consisting of several product that is categorized as primary goods



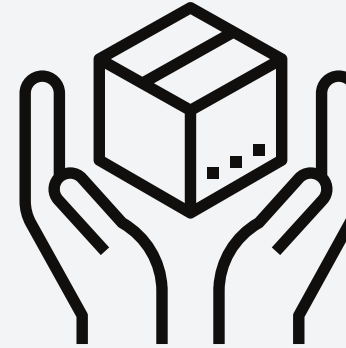
Optimizing Web Experience

- Lower income, high web visit, but low purchase
 - Offer special online deals to target this segment



Elevating In-Store Experience

- Since it dominates as the most favoured method
 - Layout improvement, staff training, limited in-store deals



Diverse Product Offering

- Offers time-limited promotion to product that has long freshness date
 - e.g Wine, perform a campaign during special event or Feast day (Christmast and new year eve)
- Offers daily promotion to product with limited freshness date
 - e.g Meat, Fish, Fruit
- Increase the least product sales
 - Sweet, perform a bundles at special day such as Halloween
 - Fish, sell only few variety of fish but very popular such as Salmon, Tuna.
 - Also can add popular seafood such shrimp, crab
 - Gold, offers special discount if the customer is celebrating an anniversary

THANK YOU!

Q&A SESSION



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