Retail Customer Behavior for Growth

Business Use Case:

Retailers who effectively address and cater to different spending mindsets can gain a competitive advantage in the market. They can differentiate themselves by providing a shopping experience that resonates with consumers on a deeper level. Being aware of shifts in consumer spending patterns can help retailers adapt to changing market conditions.

Business stakeholders want to understand their customer dynamics/spending pattern to optimize marketing strategies and eventually improve sales. They would like to understand how much and when their customers are spending. Their key questions can be answered by the following analyses:

- Track customer spending trends
- Evaluate demographic influences on customer spend
- Identify growth categories
- Measure the impact of marketing campaigns

Data sources:

Household-level transaction data, demographic information and promotion/campaign data can be useful to understand the customer spending patterns and their response to marketing campaigns. Publicly available data *'complete journey data'* available on https://www.dunnhumby.com/source-files can be used for this analysis. The dataset contains several tables, some of which are mentioned below.

Data tables:

1. Transactions data

2. Campaign data

3. Demographic data

Lookup Tables:

1. Campaign description

2. Product data

3. Coupon data

4. Coupon redemption data

5. Causal data (To check whether a given product was featured in the weekly mailer or was part of an in-store display - other than regular product placement)