

Aerofit Treadmill Customer Segmentation Analysis Report

Executive Summary

This report analyses customer purchase data for Aerofit treadmills, focusing on customer characteristics and their influence on product selection (KP281, KP481, KP781). Key findings reveal that income, usage frequency, fitness level, age, and gender all play a role in product preference. Marital status, however, does not significantly impact choice.

Based on these insights, the report recommends tailored marketing campaigns, feature-specific advertising, community engagement initiatives, enhanced customer service, and inclusive marketing strategies.

Customer Segmentation and Preferences

- **Income:** The majority of customers fall within the middle-income range, favouring the KP281 and KP481 models. Higher-income individuals show a distinct preference for the premium KP781 treadmill.
- **Usage Frequency:** Customers planning to use treadmills more frequently gravitate towards the KP781, suggesting it appeals to serious fitness enthusiasts or athletes. We can quantify this relationship by calculating the correlation coefficient between usage frequency and choosing the KP781 model. A coefficient closer to 1 would indicate a stronger positive correlation.
- **Fitness Level:** Higher self-rated fitness scores correlate with a preference for the KP781, indicating its popularity among those with advanced fitness goals. The strength of this association can be measured using chi-square tests or contingency tables. We can analyze the distribution of fitness scores among buyers of each treadmill model to see if there's a statistically significant difference.
- **Age & Income:** Younger, higher-income individuals favor the KP781, while others lean towards the KP281 or KP481, regardless of age. This can be explored further by segmenting customers based on age and income brackets and analyzing purchase patterns for each segment. We can use descriptive statistics like mean or median income for each age group who purchased a specific treadmill model.

- **Gender:** A higher percentage of females prefer the KP281 compared to males, who show a more even distribution across models. This suggests potential opportunities for gender-specific marketing strategies. We can calculate the conditional probability of a female customer buying a KP281 compared to the conditional probability of a male customer buying a KP281. A significant difference would indicate a gender-based preference.

Actionable Recommendations

Tailored Marketing Campaigns:

- **High Earners:** Target high-income individuals by promoting the KP781 on platforms and locations they frequent. Emphasize its advanced features and suitability for serious athletes.
- **Budget-Conscious Customers:** Promote the KP281 and KP481 models in cost-effective mediums, highlighting their value and quality at a lower price point.

Feature Highlights in Advertising:

- **Fitness Enthusiasts:** Focus on the KP781's advanced technology and durability in marketing materials.
- **Casual Users:** Emphasize the ease of use and compact design of the KP281 and KP481 models.

Community Engagement:

- **Fitness Challenges:** Sponsor local fitness events or online challenges to encourage brand engagement and promote trying different treadmill models.
- **Workshops and Demos:** Host events where potential customers can experience the treadmills firsthand and ask questions about their features and benefits.

Enhanced Customer Service:

- **Installation and Setup Help:** Offer free or discounted installation services, particularly for the premium KP781 model, to enhance customer satisfaction.
- **Responsive Support:** Ensure customer service is readily accessible via phone, email, and social media to address queries and issues effectively.
- **Feedback and Reviews:** Encourage customers to leave reviews by offering small discounts on future purchases. Positive reviews can influence new

customers. Regularly review feedback to identify areas for improvement in products and services.

Inclusive Marketing

- **Gender-Neutral Campaigns:** Develop marketing materials that resonate with both male and female audiences, avoiding stereotypical portrayals.
- **Diverse Models:** Utilize models of different ages, fitness levels, and backgrounds in promotional materials to appeal to a broader demographic.

Conclusion

By leveraging these insights and implementing the recommended strategies, AeroFit can personalize its marketing approach, improve customer