TheAnalyticsTeam

Sprocket Central Pty Ltd

Data analytics approach

Agenda

The approach will be implemented in three stages :

- ❏ Data Exploration

- ❏ Model Development

- ❏ Interpretation

Agenda for Data Exploration

Approach for Data analysis :

❏ Revenue generated by different Age group.

❏ Profit with respect to State.

❏ Past bike purchases by Gender.

❏ Number of customers in different segments.

Data Exploration : Revenue & Age (by Wealth Segment)

- Overall, the Mass customer segmentation makes highest revenue across different age groups.

- Mass customer aged between 40-50 generates most of the revenue for the company.

- This also indicates a trend of buying power, as buying power increases over time till age 50, then there is a decline in buying power, thus lower revenue after 50.
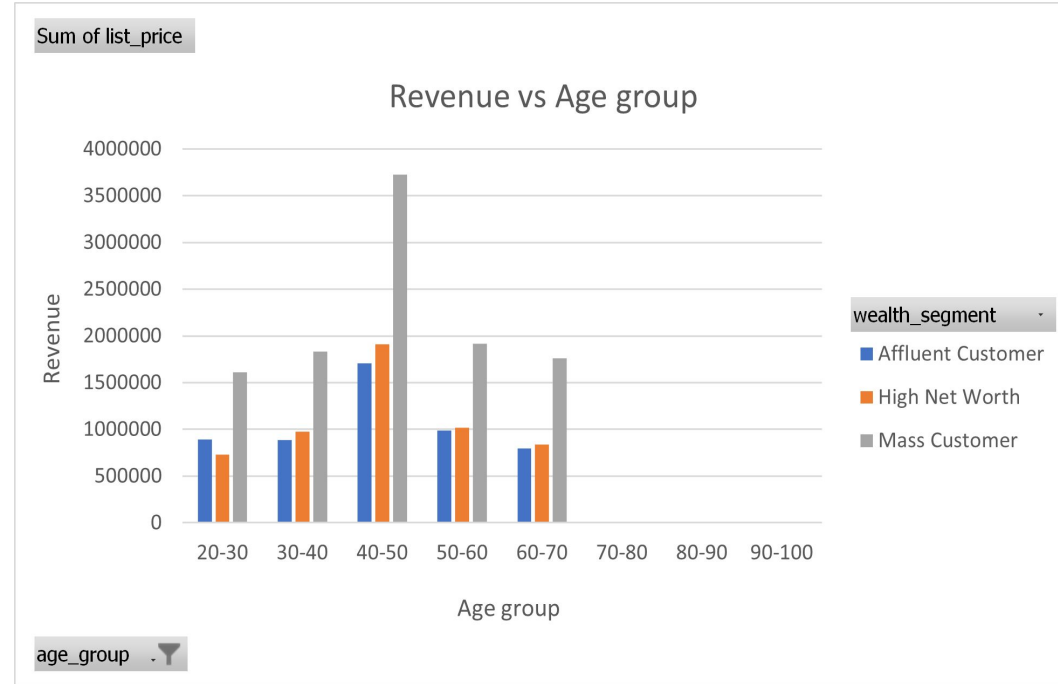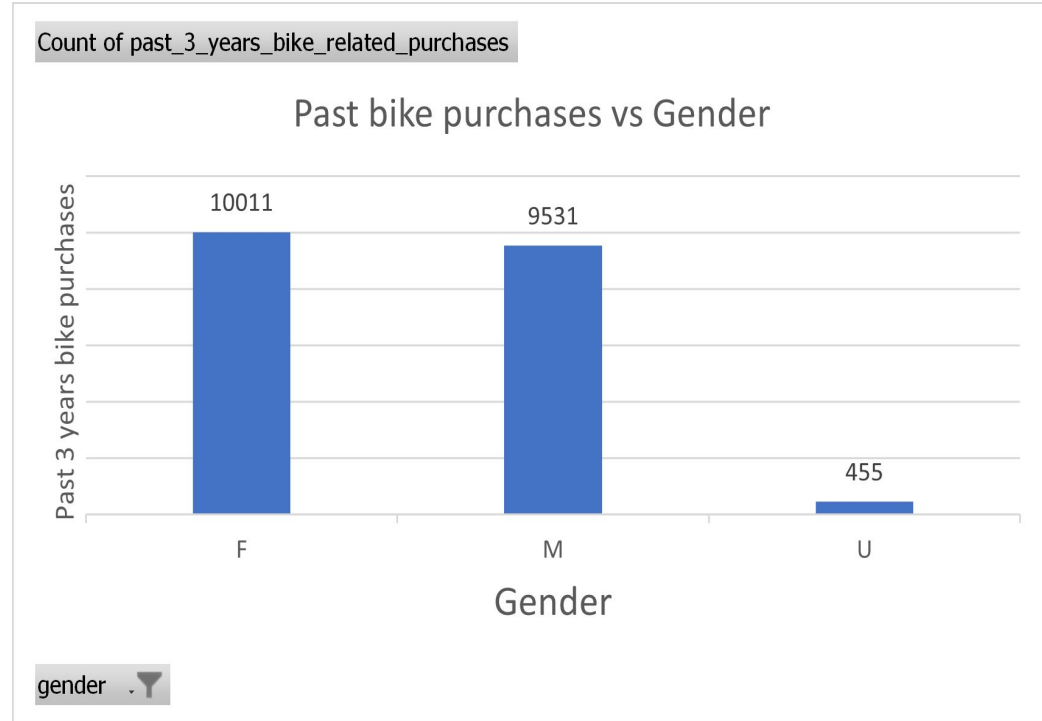
- Most of the profits for the company are generated from NSW state whereas QLD generates the least profits. The company may wants to expand more into QLD and VIC state.

- As the number of customers who owns car are almost equal to the customers who doesn't own a car for every state, there is a likelihood that we find potential customer in every state.
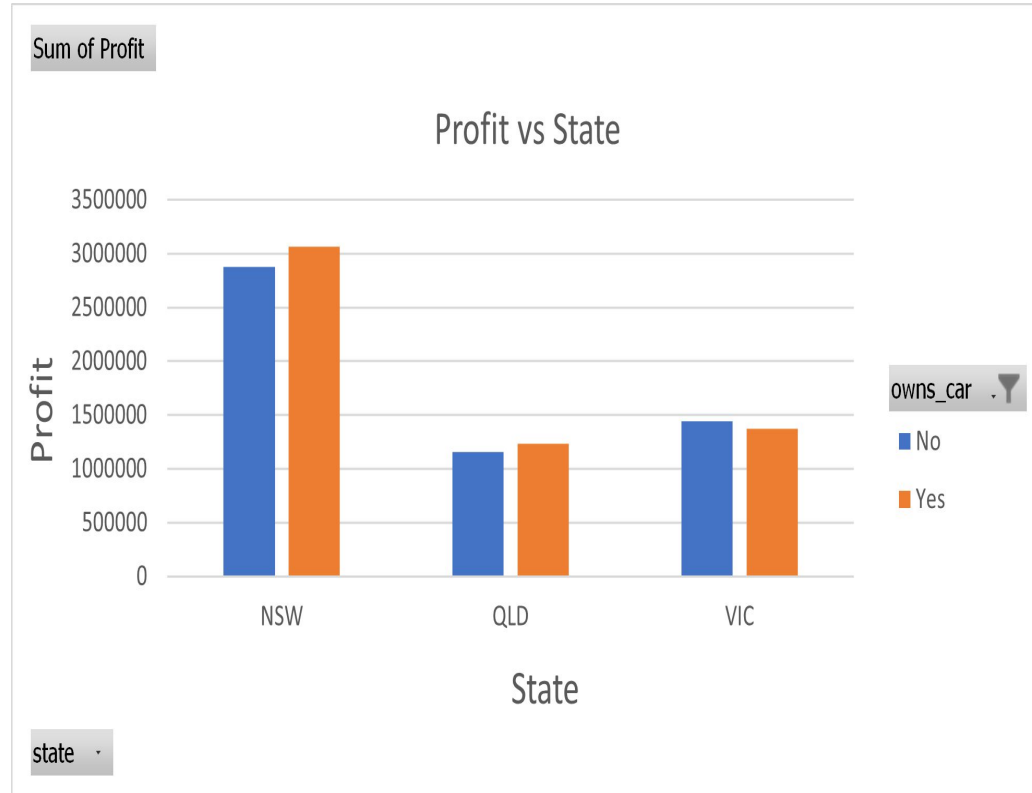
Data Exploration : Past 3 year purchases by Gender

- In past 3 years, Females purchases are more than any other gender. This could be an important feature while looking for a valuable customer.

Count of past_3_years_bike_related_purchases

Past bike purchases vs Gender

Past 3 years bike purchases

10011

9531

455

F   M   U

Gender

gender

CUSTOMER CLASSIFICATION – *Targeting High Value Customers*

- Used RFM analysis to segment customers into different groups.(Diamond, Gold, Silver, Bronze)

- The graph shows the count of customers by their profile.

- Customer Profile will be used as a target variable to build the model.

Count of RFM_score

Count of customers by their profile

940

878

853

822

Total

Diamond   Gold   Silver   Bronze

Customer Profile

Customer Profile
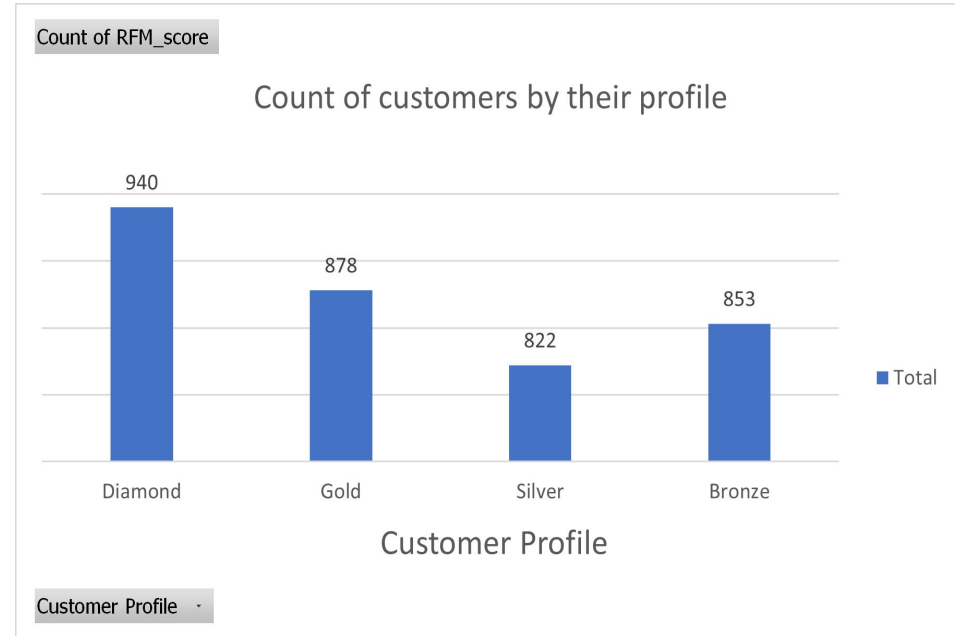
CUSTOMER CLASSIFICATION – *Targeting High Value Customers*

Important features according to the model for finding high value customer are as follows :

- Past purchases of customers must be high

- Tenure must be high

- Property_valuation should be high

- Customer should be from Manufacturing industry.

- Customer should be from NSW state
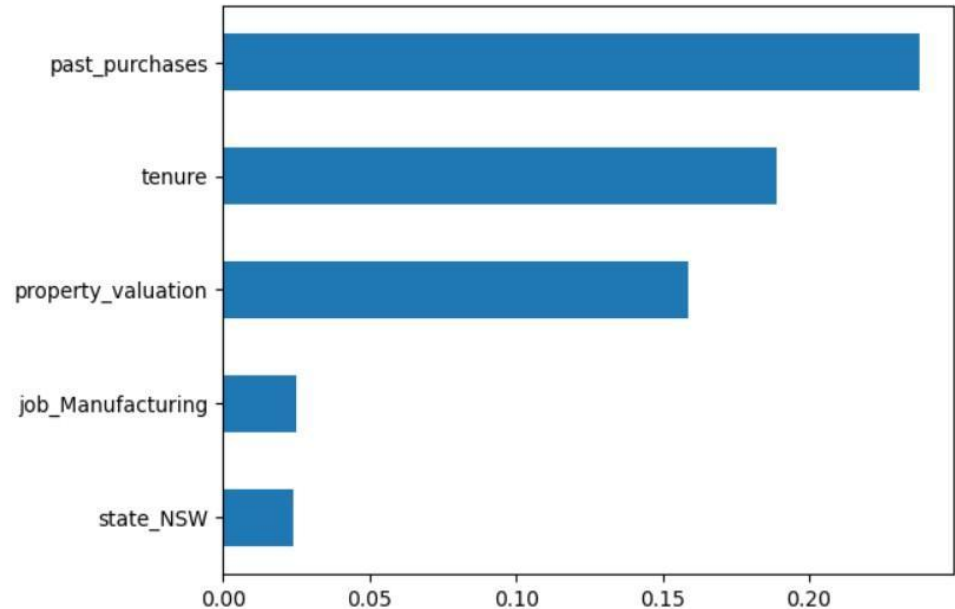
HIGH-VALUE CUSTOMER (Diamond) SUMMARY TABLE

first_name	last_name	gender	past_3_years_bike_related_purchases	DOB	wealth_segment	owns_car	tenure	state
Karly	Willavize	Female	2	1954-08-12	High Net Worth	No	12	NSW
Teddie	Burchill	Male	11	1968-12-21	Mass Customer	Yes	13	NSW
Brena	Schnitter	Female	78	1982-10-11	Mass Customer	No	4	QLD
Farlie	Petford	Male	76	1968-03-25	High Net Worth	No	13	NSW
Antonin	Britt	Male	64	1993-08-28	Affluent Customer	Yes	8	NSW
Farlie	Brookz	Male	62	1963-07-31	Mass Customer	Yes	6	NSW
Angele	Cadore	Female	5	1954-09-06	Mass Customer	Yes	7	QLD
Afton	Andrassy	Female	78	1998-10-14	Mass Customer	No	7	VIC
Esme	Pilipets	Male	15	1967-05-06	Mass Customer	Yes	5	VIC
Pauline	Dallosso	U	82		Affluent Customer	Yes	0	NSW
Melloney	Temby	Female	17	1954-10-05	Affluent Customer	Yes	15	QLD

THANK YOU