CUSTOMER PRICE INDEX ANALYSIS

Understanding Market Trends And Customer Behavior

Harsha C K

◇

I have completed BSC mathematics and Currently I am Pursuing Masters Certificate programme in Artificial Intelligence , Sree Shankaracharya Computer Centre and Pragyan AI .

PRAGYAN AI
Grow with Gyan

Toc H
International Academy

SES
SREE SANKARACHARYA
COMPUTER CENTRE
Since 1995

Customer Price Index Analysis

Title : Customer Index Analysis

Subtitle : Understanding Market Trends and Customer Behavior

Presented by : Harsha C K

Date : 31/01/2025

INTRODUCTION

What is Customer Price Index Analysis ?

A measure of average change in pricesover time for a basket of consumer goods and services .

Indecator of inflation and purchasing power.

Why is CPI Important ?

Helps businesses and policymakers make informed decisions.

Reflects consumer behavior and market trends .

OBJECTIVES OF THE ANALYSIS

➢ Identify trendsin consumer prices .

➢ Understand the impact of inflaction on purchaceing power .

➢ Analyze the composition of the CPI basket.

➢ Provide insights for decision making in pricing strategies .

CPI Basket Components

Categories of goods and services :

- Food and beverages

  - Housing

  - Apparel

  - Transposition

  - Medical care

  - Recreation

- Education and communication

  - Others goods and services

Methodology

Data Sources :

- Government statistical agencies.

- Consumer surveys.

- Retail price data

Steps in Analysis :

- Data collection.

- Calculation of price changes.

- Weighting of categories.

- Index computation.

Key Findings

Trends in CPI :

- Average annual inflation rate.

- Categories with the highest and lowest price changes.

Impact on Consumers :

- Changes in Purchasing behavior.

- Shift in spending priorities.

Market Insights :

- Emerging opportunities for businesses.

- Potential risks due to inflationary pressures.

Additional insights

—◇—

Sector-specific Trends :

o *Food and energy prices tend to be more volatile than other categories.*

  o *Healthcare and education prices show steady long-term growth.*

Impact of Global Events :

o *Pandemics ,wars ,and supply chain disruptions can lead to sharp CPI fluctuations.*

  o *Policy changes , such as tax reforms and subsidies ,influence CPI trends.*

Customer behavior analysis :

  o *During inflationary periods ,consumers reduce discretionary spending.*

  o *Increased demand for budget-friendly alternatives and essential goods.*

Comparing CPI with Other Economic Indicators :

  o *Correlation with unemployment rates , interest rates , and GDP growth.*

  o *CPI trends often influence central bank policies and inflation targets.*
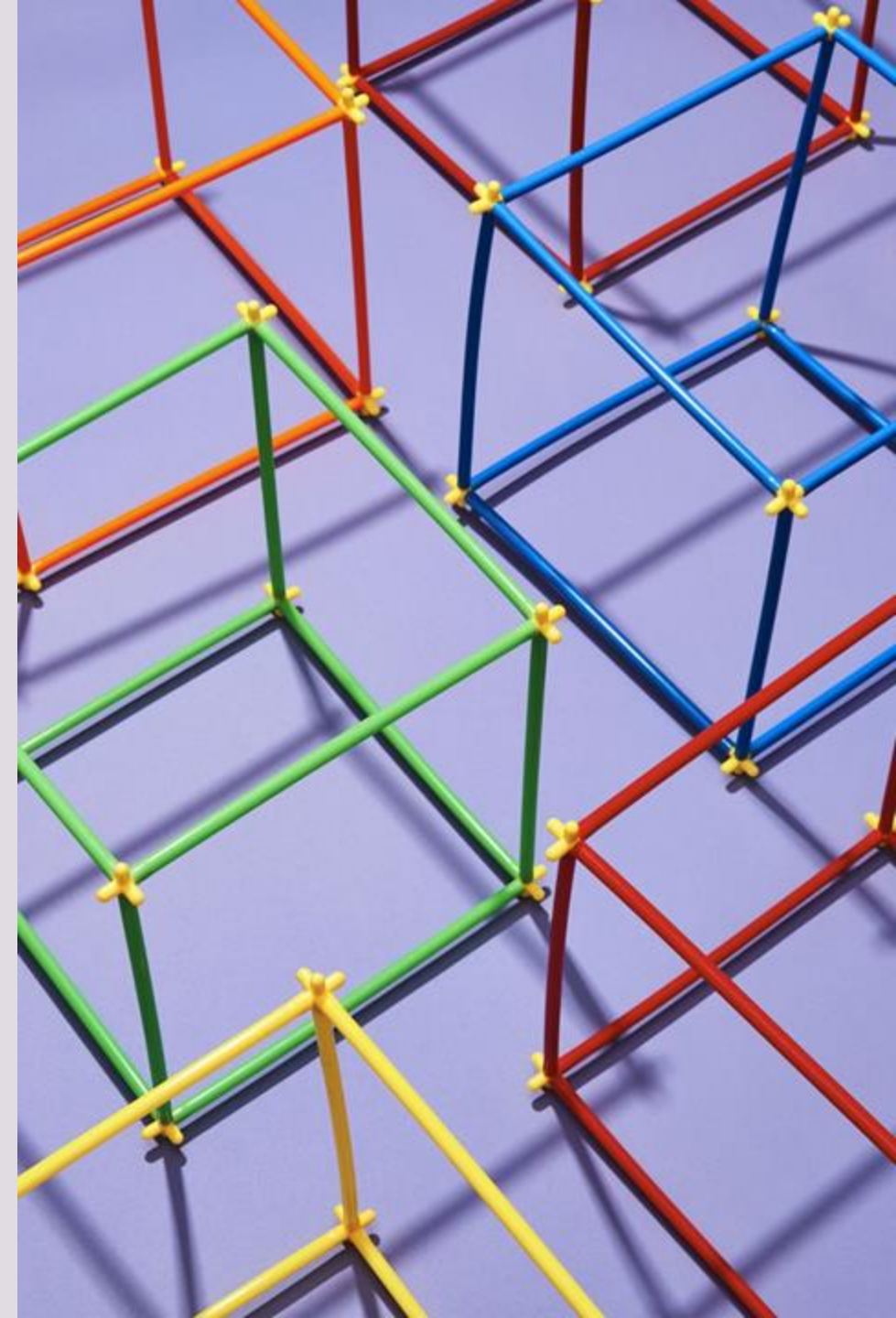
Recommendations

For Businesses :

Adapt pricing strategies to align with CPI trends.

Diversify product offerings to meet changing consumer needs.

For policymakers :

Implement measures to control inflation.

Provide support for essential goods and services.

Challenges and Limitations

Data Challenges :

➤ *Accuracy and timeliness of data.*

➤ *Regional variations in pricing.*

Economic Factors :

➤ *External shocks affecting CPI (e.g., pandemics ,geopolitical events).*

➤ *Difficulty in predicting long term trends.*

Conclusion

Summary:

The CPI is a critical tool for economic health .

Analyzing CPI trends offers valuable insighs for decision-making.

Next Steps :

Regular monitoring of CPI.

Incorporating findings into strategic planning.

THANK YOU

———◇———

Github : https://github.com/harshakadakam/Huber-Regression-case-study-project.git

Linkedin : https://www.linkedinmobileapp.com//?trk