

NAVODITA INFOTECH

5/29/2024

Customer Segmentation Analysis

Internship Project

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Customer Segmentation Analysis

CONTENT:

a) PROBLEM STATEMENT

b) Understanding Dataset

1. Customer
2. Product
3. Offer
4. Purchase Through (Online/offline)

c) Insight

d) Conclusion

[Project GitHub Link: -](https://github.com/hashmi7238/Customer_Segmentation_Analysis/tree/main)

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a) PROBLEM STATEMENT:

Customer Personality Analysis is a detailed analysis of a company's ideal customers. It helps a business to better understand its customers and makes it easier for them to modify products according to the specific needs, behaviours and concerns of different types of customers. Customer personality analysis helps a business to modify its product based on its target customers from different types of customer segments. For example, instead of spending money to market a new product to every customer in the company's database, a company can analyse which customer segment is most likely to buy the product and then market the product only on that particular segment.

b) Understanding Dataset:

1. Customer
2. Product
3. Offer
4. Purchase Through (Online/offline)

1. Customer:

ID: Customer's unique identifier.

Year_Birth: Customer's birth year.

Education: Customer's education level.

Marital_Status: Customer's marital status.

Income: Customer's yearly household income.

Kidhome: Number of children in customer's household.

Teenhome: Number of teenagers in customer's household.

Dt_Customer: Date of customer's enrollment with the company.

Recency: Number of days since customer's last purchase.

Complain: 1 if customer complained in the last 2 years, 0 otherwise.

2.Product:

MntWines: Amount spent on wine in last 2 years.

MntFruits: Amount spent on fruits in last 2 years.

MntMeatProducts: Amount spent on meat in last 2 years.

MntFishProducts: Amount spent on fish in last 2 years.

MntSweetProducts: Amount spent on sweets in last 2 years.

MntGoldProds: Amount spent on gold in last 2 years.

3.Offer:

NumDealsPurchases: Number of purchases made with a discount.

AcceptedCmp1: 1 if customer accepted the offer in the 1st campaign, 0 otherwise.

AcceptedCmp2: 1 if customer accepted the offer in the 2nd campaign, 0 otherwise.

AcceptedCmp3: 1 if customer accepted the offer in the 3rd campaign, 0 otherwise.

AcceptedCmp4: 1 if customer accepted the offer in the 4th campaign, 0 otherwise.

AcceptedCmp5: 1 if customer accepted the offer in the 5th campaign, 0 otherwise.

Response: 1 if customer accepted the offer in the last campaign, 0 otherwise.

4.Purchase Through (Online/offline):

NumWebPurchases: Number of purchases made through the company's web site.

NumCatalogPurchases: Number of purchases made using a catalogue.

NumStorePurchases: Number of purchases made directly in stores.

NumWebVisitsMonth: Number of visits to company's web site in the last month.

c)INSIGHT:

- More than 97% of the customers are "Post Graduate".
- More than half of the customer are in relationship about 64.4%.
- Maximum income - 666666
- Minimum income - 1730
- Mean of income - 52238
- Approx half of the customer have 1 kid
- 28.4% customer have no kid
- Maximum expenses - 2525
- Minimum expenses - 5
- Mean expenses - 605.7
- 79.33% of customer accept offer in campaign 0.
- Maximum no. of total purchases - 44
- Minimum no. of total purchases - 0
- Mean no. of total purchases - 14.8
- 53% of customer are connected from last 11 years.
- 24.8% of customers are connected from 10 years and 22% are from last 12 years.
- The highest Expenses rate for Post Graduated Customers is 97.58%.
- The highest Expenses rate for Customers who are in a Relationship is 64.46%.
- The highest Expenses rate for Customers who have one Kid is 50.35%.
- The highest Expenses rate for Customers who accepted the offer in the campaign "0" is 79.33%.
- The highest Expenses rate for 11 years Customers tenure is 53.08%.

d) Conclusion

- We should target those customers which is in relationship and having one kid or no kid.
- Those customers who is post graduate
- We should avoid too much campaign because most of the customer attract from campaign 1 or 2 almost 93%.
- We should launch products for these customers and give offers to them.