Walmart Customer Analysis

Agenda

Who are the customers

Which product are sold ?

What do customers purchase
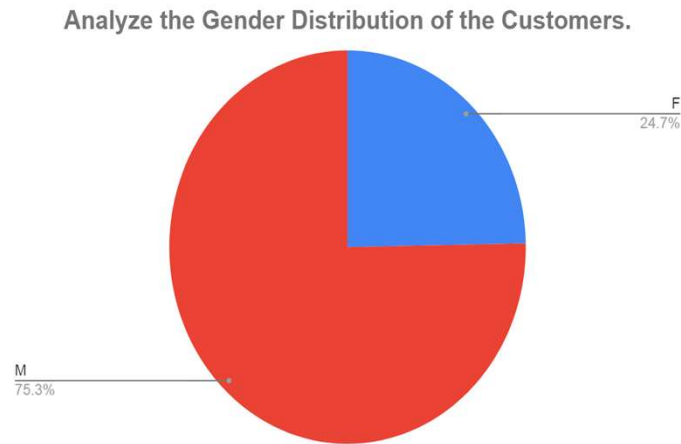
Customer Segmentations

WHO ARE THE CUSTOMERS?

Customer Gender Distribution: 75.3% of Customers are Male

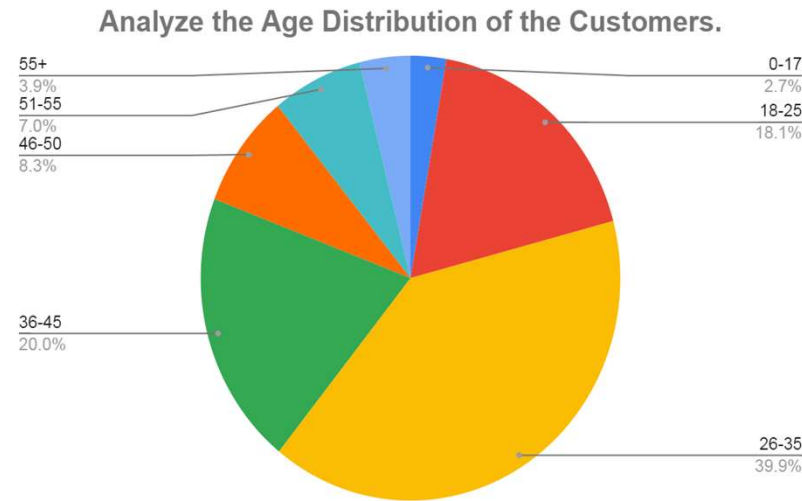**Analyze the Gender Distribution of the Customers.**

F
24.7%

M
75.3%

Findings:-

- Most of the customers are male, making up 75.3% of the total customer base.

- Female customers represent 24.7% of the total customer base.

Insights:-

- The analysis shows a significant imbalance towards male customers in the dataset.
- It's crucial to investigate the reasons behind this gender disparity to uncover underlying factors.
- Implement strategies aimed at attracting more female customers to achieve a more balanced and inclusive customer base, enhancing overall market reach and potential.

Customer Age Distribution: 26-45 Age Group Represents 60% of Total Customers

Analyze the Age Distribution of the Customers.

| Segment	Percentage
0-17	2.7%
18-25	18.1%
26-35	39.9%
36-45	20.0%
46-50	8.3%
51-55	7.0%
55+	3.9%

Findings:-

- This indicates a higher concentration of customers in the 26-45 age group, making up approximately 60 % of the total customer base this indicates that young adults in this age range are the primary customers.

Insights:-

- Implementing personalized and responsive customer support channels can enhance satisfaction and loyalty.
- Customer service initiatives should be designed to meet the expectations of younger demographics.
- Consider promotions or offerings that appeal specifically to older age groups to broaden customer base and mitigate demographic risks.

Customer Demographics: Cities Categorized as C Dominate with 53.3% Representation

Analyze the Distribution of Customers Based on City Categories

A
17.7%

B
29.0%

C
53.3%
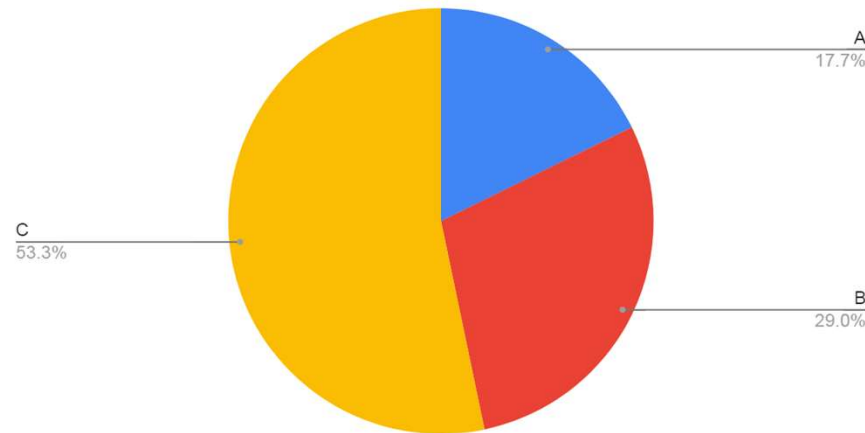
Findings:-

- It indicates that the highest concentration of customers in city **C** and it is approximately 53.3 % of total customers base.

Insights:-

- Focus marketing efforts on under-represented categories to expand the customer base.
- Conduct market research to understand the demographics and needs of each city category. this can guide future marketing strategies and product development.

City Residency and Spending Habits: One-Year Residents Show Higher Spending Trends"

Analyze the duration of Customers stay in their current city
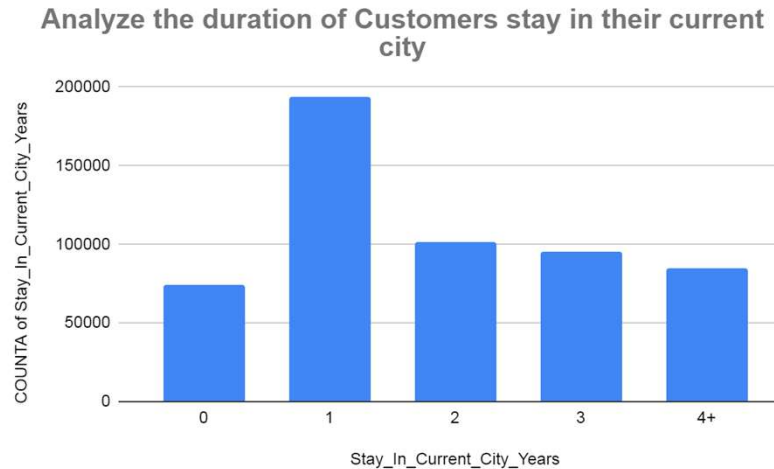
Findings:-

- The number of stays has been increasing over the years. There are more stays in recent years (4+) compared to earlier years (0).

- Around 35% of customers stay in their current city for less than a year.

Insights:-

- The 35% of customers stay in their current city for less than a year, Reason could be job relocations, students moving for college or recent graduates starting their careers.

- Businesses can target these customers with special offers or discounts To incentivize them to establish themselves with the company as a long-term customer.

Spending Behavior: Unmarried Customers Outspend Their Married Counterparts

Analyze the Martial Status Distributions of Customers.

Married
41.0%
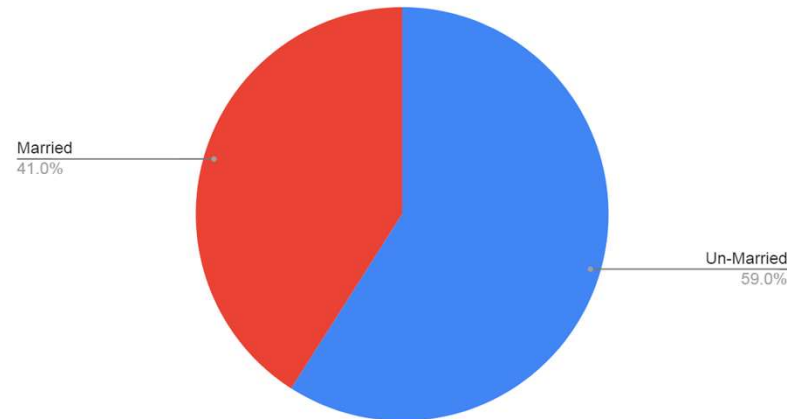
Un-Married
59.0%

Findings:-

- Married customers make up the largest portion of the customer base, at 59%.
- Un-Married customers account for 41% of the customer base.

Insights:-

- Tailor marketing messages and offerings to appeal to married couples by promoting products suited for couples or families.
- Ensure single customers are not overlooked, as they also constitute a significant portion of the customer base.
- Implement targeted marketing campaigns for singles that highlight products or services tailored to their specific needs and interests.

Which product are sold ?

# *Popular Product Category Analysis: Category 5 Leads with 27.4%*

Identify the most popular product categories.
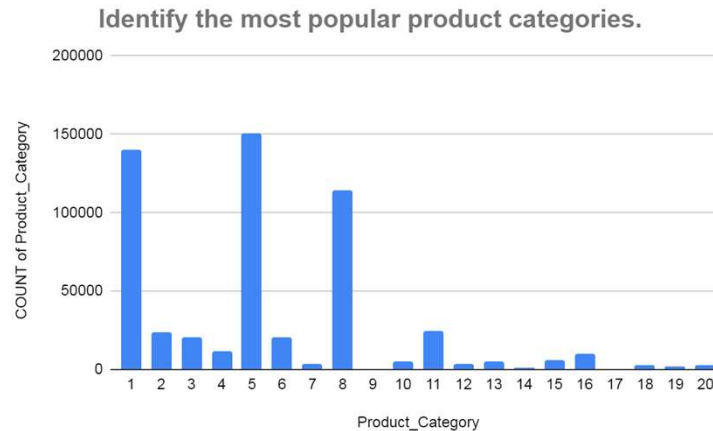
Findings:-

- Most popular product category is 5 with 27.4 % of total product categories .

Insights:-

- Focus on high-performing categories by maintaining or increasing stock and variety to maximize revenue.
- Assess low-performing categories to understand reasons behind poor sales, considering marketing, product quality, or potential discontinuation for profitability.

Product Analysis: P0000042 Leads with Over 1000 Units, Signifying High Popularity or Stock Levels

Analyze The Distribution Of Product Across Different Category
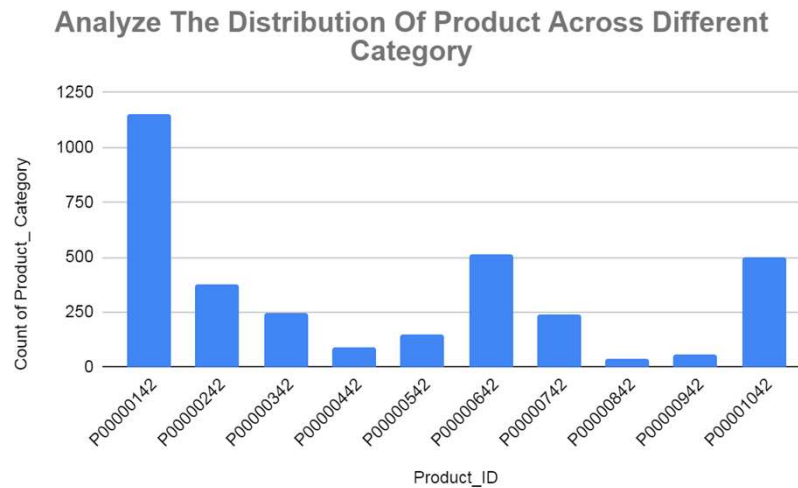
Findings:-

- The Product ID P0000042 has the highest count, significantly surpassing other products with over 1000 units. This indicates that P0000042 is either the most popular or the most stocked product in this dataset.

Insights:-

- Conduct market research to identify reasons for low popularity of certain products and adjust offerings accordingly.
- Implement a robust supply chain strategy to prevent stockouts and ensure availability of popular products.
- Adjust ordering policies for products with lower counts to optimize inventory levels, minimize excess stock, and reduce holding costs

What do customers purchase ?

Category Sales Analysis: Product Category 1 Leads with Exceptional Total Purchase Amount

Calculate the total Purchase Amount for Each Product Category

Findings:-

- Product Category 1 has an exceptionally high total purchase amount compared to all Other categories.

  It is the clear leader in terms of sales.

Insights:-

- Conduct a market analysis to understand reasons for low sales in lower-performing categories (e.g., lack of awareness, competition, product differentiation).
- Focus on maintaining and expanding Category 1's market share through increased marketing, promotions, and product enhancements to sustain growth.

Age Group Spending Analysis: 26-35 Leads with Highest Average Purchase Amount

Analyze Average Purchase Amount For Age Group.
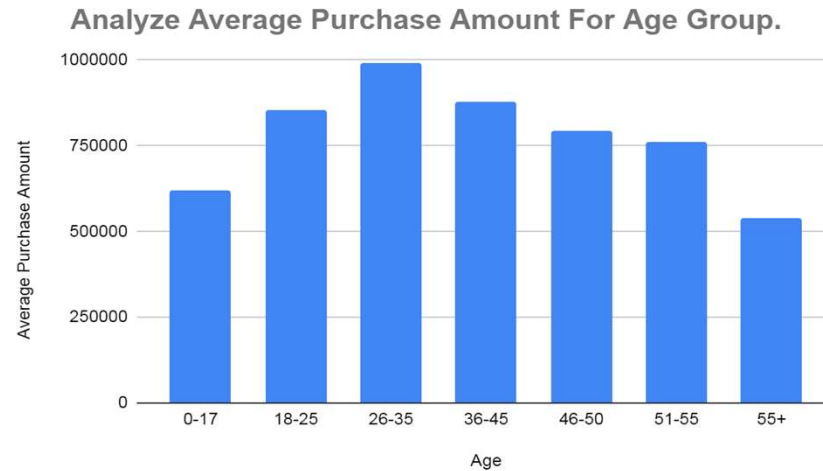
Findings:-

- The age group 26-35 has the highest average purchase amount, indicating that this segment spends the most on average compared to other age groups.

Insights:-

- Ensure promotions and product offerings appeal to all age groups to maintain a balanced customer base.
- Avoid excluding older or younger demographics in marketing campaigns to sustain broad appeal.

Gender Spending Analysis: Male Customers Lead with 56.5% of Average Purchase Amount
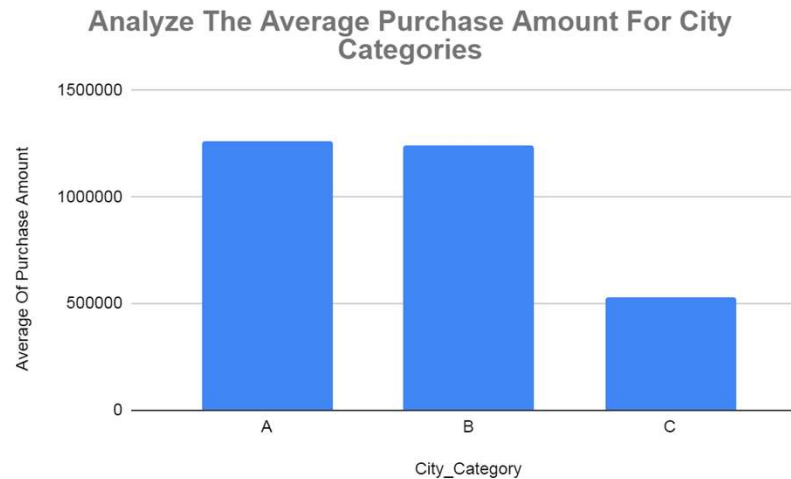
Analyze the Average Purchase Amount For Gender's

M
56.5%

F
43.5%
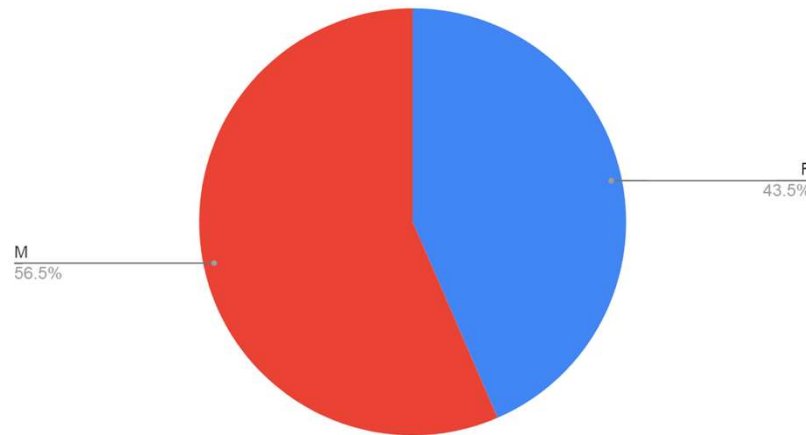
Findings:-

- Male Dominance in Purchases**,** Males account for 56.5% of the average purchase amount.
- Male customers represent the majority in terms of average purchase amount, indicating they spend more on average compared to female customers.

Insights:-

- Develop marketing strategies that resonate with both genders but emphasize males slightly due to their higher contribution.
- Explore opportunities to increase the female customer base and their purchase amounts through targeted campaigns.

City Category Spending Analysis: City Category A Leads with Highest Average Purchase Amount

Analyze The Average Purchase Amount For City Categories
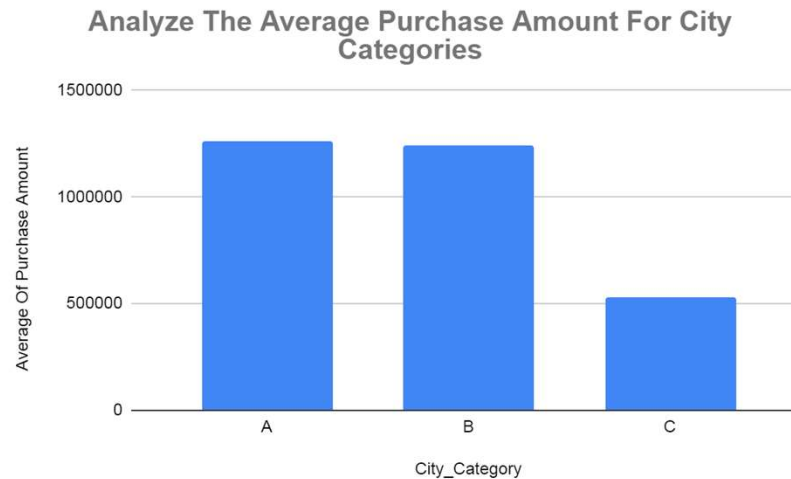

Findings:-

- Category C shows the highest average purchase amount among all city categories.

- Category B follows closely behind City Category A in terms of average purchase amount.

Insights:-

- Segment marketing strategies to cater specifically to the higher purchasing power observed in City Categories A and B.

- Introduce or emphasize products and services that align with the higher spending capacity of residents in these categories.

- Develop personalized engagement strategies to enhance customer loyalty and satisfaction in these affluent or urban areas.

City Category Spending Analysis: City Category A Leads with Highest Average Purchase Amount


Analyze The Average Purchase Amount For City Categories

Findings:-

- Category C shows the highest average purchase amount among all city categories.

- Category B follows closely behind City Category A in terms of average purchase amount.

Insights:-

- Segment marketing strategies to cater specifically to the higher purchasing power observed in City Categories A and B.

- Introduce or emphasize products and services that align with the higher spending capacity of residents in these categories.

- Develop personalized engagement strategies to enhance customer loyalty and satisfaction in these affluent or urban areas.

Customer Segmentation:-
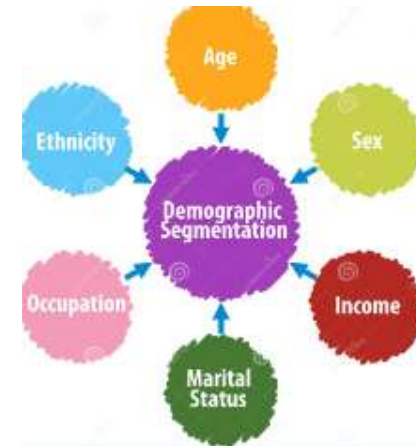
Customer Segmentation Approach

- Calculated the purchase amounts at various percentiles (e.g., 0 to 100th percentile) to understand the distribution of spending across our customer base.

- These percentiles represent different levels of spending behavior, from low to high.

- **Low Spenders (0th to 50th Percentile: $744 - $41,146).**

- **Medium Spenders (50th to 70th Percentile: $41,146 - $73,683.4).**

- **High Spenders (70th to 95th Percentile: $73,683.4 - $2,22,996.8).**

- **Loyal Spenders (Top 5 Percentile: $2,22,996.8 - $6,02,921).**

Customer Purchase Behavior Analysis: 40% Classified as High Purchase Behavior

Segment Customer Based on Purchase Behavior

- High Spender
- Lower Spender
- Medium Spender
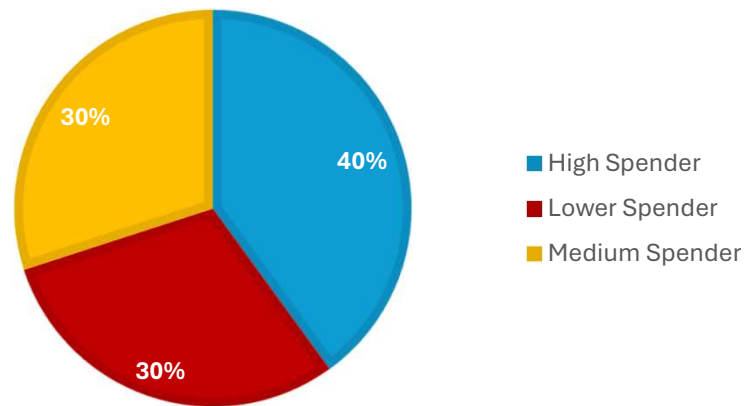
Findings:-

- A significant majority of customers (40%) fall into the High purchase behavior category.

Insight:-

- Prioritize enhancing the experience for High purchase behavior customers through personalized offers and exclusive benefits.
- Implement personalized marketing strategies tailored to the preferences and behaviors of these customers.
- Engage with High purchase behavior customers proactively to maintain satisfaction and prevent churn.

Gender Analysis in High Purchase Behavior: Males Lead with Highest Count

Segment Customers
Based on
Demographics- Gender
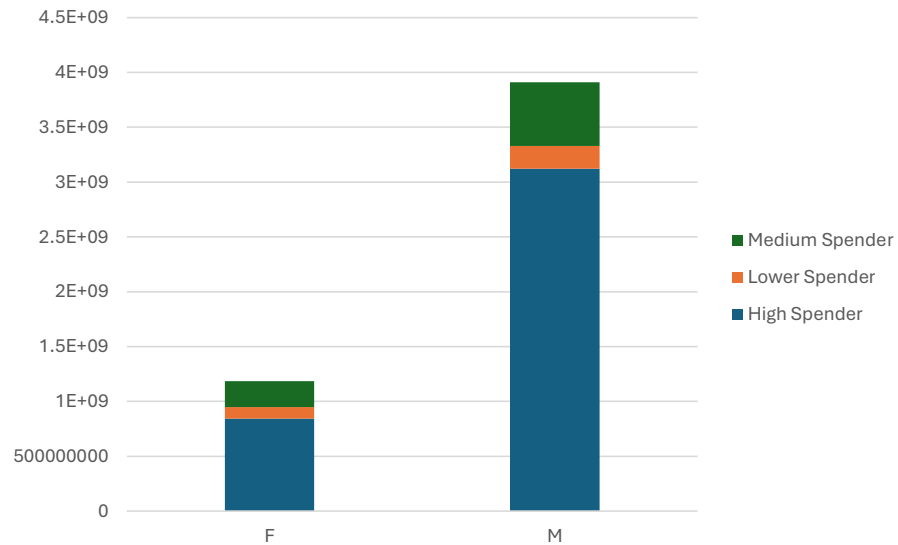
Findings:-

- Males in the High purchase behavior category have the highest count, significantly surpassing other segments.

Insights:-

- The business should prioritize retaining these high-value male customers through personalized offers, loyalty programs, and exclusive benefits.
- Understanding the specific preferences and behaviors of male customers in the High purchase behavior category is crucial.
- Implement personalized marketing strategies that consider both gender and purchase behavior.
- Continuously monitor and adapt strategies based on customer feedback and market trends to ensure relevance and effectiveness.

Age Group Analysis: High Spenders Predominantly in 26-35 Age Group

Segment Customers Based on Demographics- Age
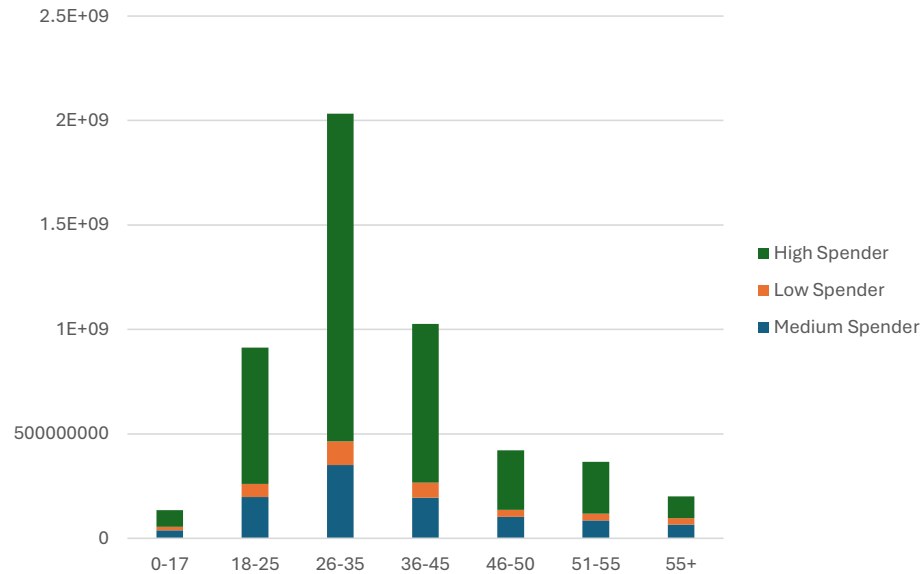
Findings:-

- High spender are from 26-35 age group with highest value, significantly higher than all other groups.

Insights:-

- The 26-35 age group should be a primary target for marketing efforts due to their significantly higher engagement or consumption.
- Tailoring products, advertisements, and campaigns to this demographic can potentially yield high returns.

City Category Analysis: City Category B Leads with Highest Value

Segment Customers Based on Demographics- City Categories.
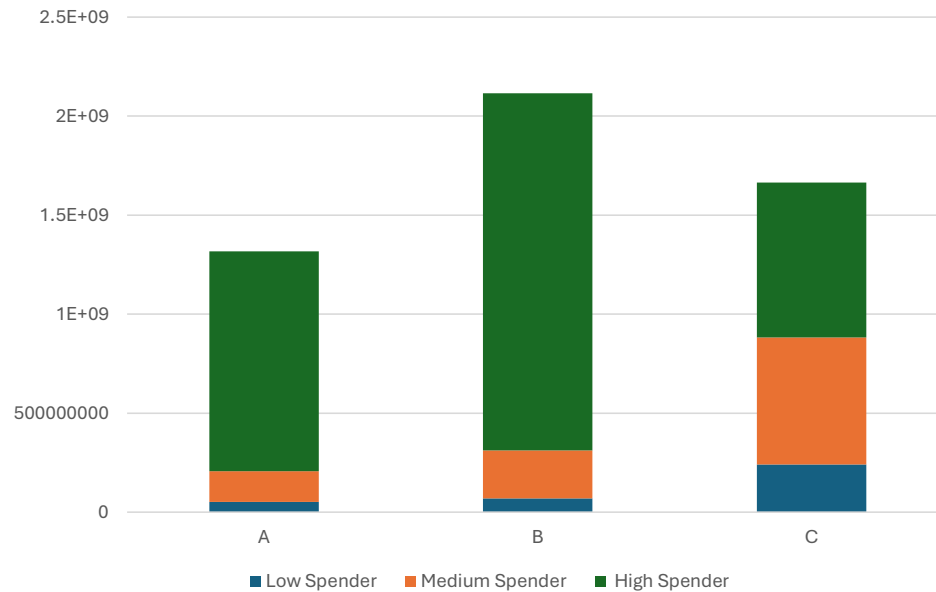
Findings:-

- The city category B has the highest value, significantly higher than all other categories.

Insights:-

- This suggests a strong potential for focusing strategic initiatives and investments on Category B to capitalize on its high performance.
- Develop specific strategies tailored to address the performance gaps in Categories A and C, potentially focusing on improving their lower-performing subcategories

Thank you