TheAnalyticsTeam

Sprocket Central Pty Ltd

Data analytics approach

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Agenda

1. Introduction
2. Data Exploration
3. Model Development
4. Interpretation

Introduction

Place headline insight or information here. This should be the most important point for this slide.

Model with the existing customer set, test on 1,000 new customers.

Goal will be to provide a model that will allow new customer segments to be targeted according to market trends.

Place any supporting images, graphs, data or extra text here.

Data Exploration

Unpacking Customer Demographics will allow Sprocket to know their clients.

Combine list of customers, their address information, and info from 2017 sales to understand customer base.

Will bring in some recent industry market trends from ABS to support.

Will confirm on who Sprocket believes is good customer vs findings

Place any supporting images, graphs, data or extra text here.

Model Development

Cluster analysis will unlock client insights

Using data provided, and historical information from ABS, conduct cluster analysis of customers who marketing should target for additional sales.

Will train and test model on existing data, and present findings on the 1,000 new customers.

Likely using k-means clustering

Categorical Variables	Continuous Variables
Age (binned), Product line/class/size/brand, state, online order?, season, customer's industry, wealth segment, car ownership, gender, property valuation	Tenure, No. Purchases in 2017, No. Purchases in past 3 years, Transaction totals ($) in 2017,

Interpretation

Efficient targeting will lead to increased ROI for Marketing costs

Understanding economic status of customers will be important.

Leveraging a deeper understanding of clients' tenure and net spend allows Sprocket to expand into profitable markets with less risk and uncertainty.

Place any supporting images, graphs, data or extra text here.

Appendix

Appendix

This is an optional slide where you may place any supporting items.

- Assuming standard cost = COGS and List Price is the sale revenue

- Could bring in Multifactor Productivity Growth as a feature to understand how outside economic trends are setting the pace