

Problem Statement

Download the data set “[CreditCardTransactions.xlsx Download CreditCardTransactions.xlsx](#)” from Canvas. The data set contains data on over 8,000 customer transactions, aggregated by transaction category (grocery, auto, entertainment, etc.), card type (blue, gold, platinum), and internal indicators to designate card holders’ wealth (mass market, emerging affluent, affluent, and high net worth), and revolving balance (transactor, occasional revolver, revolver, and delinquent). We want to create regression models to predict card holders’ transaction count and transaction amount. Examine the data carefully, Google things you are unsure about, and understand the problem well before diving into modeling.

Run two regression models for transaction count and transaction amount and answer the following questions

- How do customers’ spending pattern vary by spending category, while controlling for other variables?
- What type of customers have the highest and lowest spending by card type? By what amount?
- How do their spending patterns vary by wealth tag?
- How do their spending patterns vary by revolving indicators?