Assignment 2A (Group Assessment)

MBA512 – Business Data Analysis

Customer Segmentation for a Marketing Campaign

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**Business Data Analysis – Assignment 2A**

# Preliminary Plan on analysing the given dataset

1. ***How to come up with overall sales and revenue in the given period?***

From the given dataset, most of the products which are purchased by the customer is through online. To maximize the sales and revenue, the company is planned to calculate the overall sales of the product that are purchased on a given period (Lee, 2018). The overall sales can be calculated by using the formula,

Sales = total product sold x sale price of the product.

From the above formula, the overall sales and revenue of the company can be evaluated which helps the company to meet total revenue of the business. For Example, from the given dataset the product called “Soho Light Weight Trench Coat” is purchased by different customer and its cost of single product is $ 400, then the overalls sales of the product over a given period of time is calculated as

Sales = 15 x $ 400

Sales = $ 6000

Therefore, the overall sale and revenue of this product is termed to be $ 6000.

1. ***Is it important to know the average number of items and their quantities that are purchased per order?***

Yes, the quantity and average number of items are required for every order that are made by the customer. Because, this helps in estimating the pricing strategy of the product that is purchased. This also helps the retailer company to know about the customer purchase behaviour from the website. This aids in goal setting and strategic enhancement to improve the business workings. And also, this will directly increase the profit and revenue growth of cloth retailer company with customer behaviour in spending on purchase of products.

1. ***Do you want to know the revenue of an order on average?***

The revenue of an order on average is an important metrics where this retailer can able to forecast the overall revenue by proper analysis. The reason to have this revenue is that the business can evaluate about the pricing strategy and online marketing efforts to measure the long term value of the customer on purchased products (Shan, 2020).

1. ***Are these attributes, such as time-of-day, day-of-week, the location, the payment method, helpful for discovering the customer segments?***

Yes, all the attributes like time of day, day of week, location and payment method will help to discover the customer segments. Because customer segmentation will allow to know about the in-depth knowledge over the customer behaviour. And also, segmentation can tailor about the unique needs of the major customer of particular product. Some of the benefits of having this attribute are:

* Increase the customer service and support level of the retailer company by analysing it.
* Able to determine the challenges faced by the customer
* Able to communicate to customer with necessary channels and platforms which are familiar with (Costa, 2021).
* Develops new opportunities to both company and customer

1. ***Are we interested in the frequency of single/multiple purchasers in the dataset?***

Yes, the company is interested in measuring the frequency of single/multiple purchasers from the dataset. The purchase frequency is referred to purchase of the product by the customer from the retailer company. The purchase frequency is calculated over 365 days for the particular period of time. Here the Unique purchase of the customer can be easily determined addling with the future purchase of products (Tripathi, 2018). By evaluating the purchase frequency, the company can able to measure or attain experience over profits.

1. ***For single purchasers, are there any common attributes? Likewise, are there common attributes for multi purchasers?***

For single purchasers and also for multi purchaser there are no different common attributes. Both the attributes will have a same attribute like time of day, location, customer ID, cost of product, number of product and so on. Additionally, total number of products purchases and coupon used were new column which are likely to be different.

1. ***Which products are more likely to be purchased together?***

The products such as Jackie Zip Detail Pants, Tottenham Short Sleeve Printer Shirt, Mens Waxed Short Sleeve Shirt, and so on. This product name list seems to be most likely product which are highly purchased together by the different customer from different locations in Australia.

# List of data analysis question with answers

1. ***What is the total sum of purchase amount during the year 2017?***

Total purchase amount of all the products during the year 2017 is above 6 million.

1. ***Which state has the maximum number of customers?***

From the above graph, the New South Wales has the maximum customers when compared to other states (Yi, 2018).

1. ***Which suburban has the maximum purchase amount on products?***

The Sydney has the purchase amount of 240K which is the maximum of all other suburban location of purchase by customer.

# References

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