POLIMI GRADUATE SCHOOL OF MANAGEMENT

UNSUPERVISED LEARNING LAB

CLUSTERING CASE

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FOOD RETAILER CASE STUDY

- The dataset refers to customers of a retailer in the food industry.

- Customers come from two different channels (POS=0, Online=1) and are distributed into three regions.

- Data include the annual spending on some product categories.

- Data also include responses to a questionnaire intended to evaluate managerial actions with potential impact on sales (extending products' assortment).

- Customers were asked: "*Would extending products' assortment have impact on your purchases?*"

Channel	Region	Fresh	MeatAndFish	Wine	Frozen	PersonalCare	Deli	AssortmentExt
0	North	8708	3634	6100	2349	2123	5137	Indifferent
0	North	8258	2344	2147	3896	266	635	High
1	North	44466	54259	55571	7782	24171	6465	Indifferent
0	North	140	8847	3823	142	1062	3	Very low
1	Center	16823	928	2743	11559	332	3486	Low
0	North	2438	8002	9819	6269	3459	3	High
0	North	7005	829	3009	430	610	529	High
0	North	9658	2182	1909	5639	215	323	Very low
0	North	11442	1032	582	5390	74	247	Very high
0	North	759	18664	1660	6114	536	4100	Very low
0	South	9193	4885	2157	327	780	548	High
0	North	20874	1563	1783	2320	550	772	High
0	South	4720	1032	975	5500	197	56	Very high
0	Center	9790	1786	5109	3570	182	1043	Indifferent
0	North	43088	2100	2609	1200	1107	823	Indifferent

POSSIBLE INTERPRETATION

Segment A

o Valuable customers
o Online channel
o Majority of their spending on:
   - Wine
   - Meat & Fish
   - Personal Care
o Sensitive to assortment extension

Segment B

o POS channel
o Northern part of the Country
o Half (on average) of their spending on fresh products
o Not so sensitive to assortment extension (special promotions, store layout changes, etc...)