

## Data Analysis

**Company Name:** Fresh direct  
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### Memo For CFO

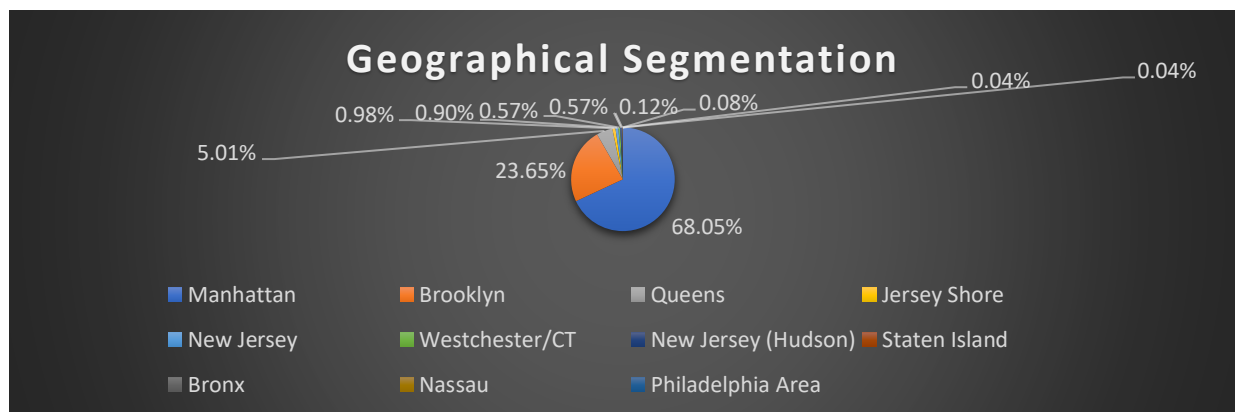
**Problem Statement:** Fresh direct sales are declining; past data trends depict that there was only 1/3<sup>rd</sup> of sales in 2017 as compared to 2016 sales figures. To Invest in marketing campaigns, it is crucial to understand which segment of market we should focus.

### Analysis Techniques:

To drill down further and based on available data, Segmentation of data is done on Geographical, demographical and customer loyalty factors. Data trend depicts that for our marketing campaigns we can have two strategies: Attracting new customers and focusing on marketing campaigns for targeted customer with specific age group.

### Recommendations:

1) Geographically, our majority customers are in Manhattan (68.47%) & Brooklyn (23.03%) area. For attracting new customers & promoting to existing customers we should focus on Queens (4.90%), Jersey shore (0.90%), New Jersey (0.87%) Westchester/CT (0.63%) and New Jersey (Hudson) (0.63%) as in these areas market penetration for Fresh direct is minimal and average income of existing customers is ranging between \$70,000 to \$136,000, which is similar to average income in Manhattan & Brooklyn. Additionally, all above mentioned areas have Fresh direct loyalty customers as well but sales are significantly low.



2) To target existing customers, demographics of Fresh direct data indicates that Females and Males of age group 30-59 should be targeted with income bracket of \$75,000 - \$300,000. This group of people tend to spend more and with more advertising campaigns more attention can be drawn.

3) Further to draw an effective marketing campaign it is recommended to use 9 box grid for each customer with past data trends.

## Limitations:

1) Data has missing values for age, gender, income for 543 records hence neglected for demographic consideration

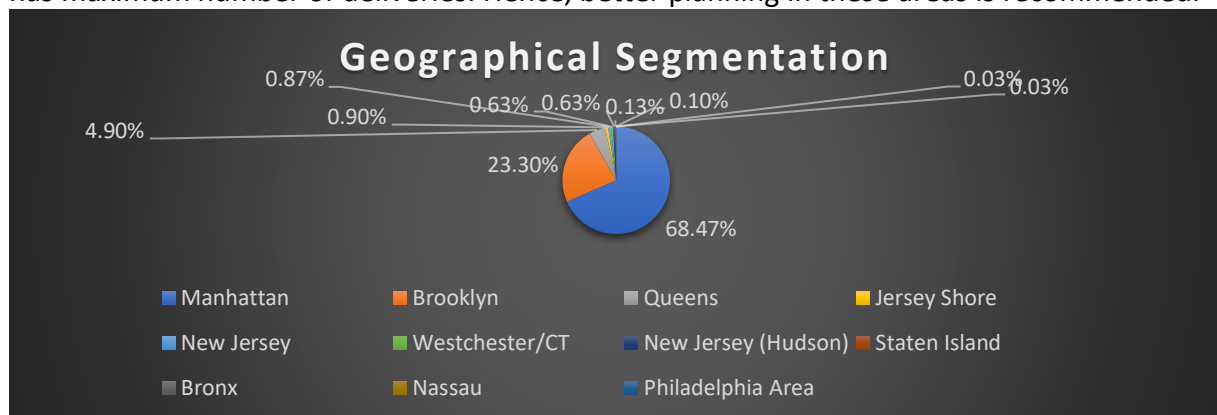
## *Memo For COO*

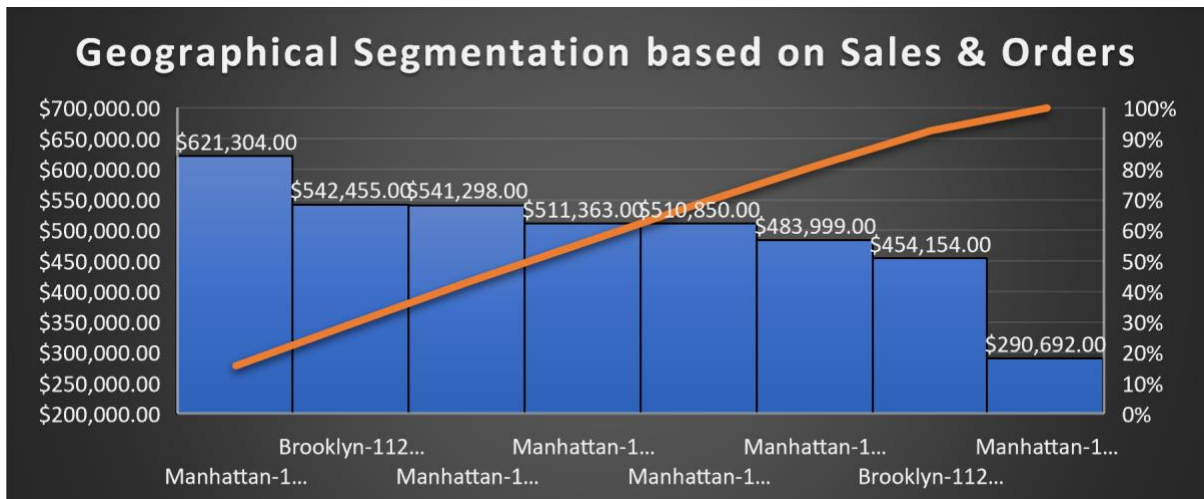
**Problem Statement:** Limited number of deliveries can be made each day. Need to understand customer segmentation geographically to better utilize delivery infrastructure

**Analysis Techniques:** Geographical segmentation was done to understand top locations. Further, drill down was done on Zip code basis and customer loyalty. Top areas were considered basis count of customers over 100. Further top areas were also validated seeking sum of past 12 months orders.

## Recommendations:

1) Geographically, Manhattan (68.47%) and Brooklyn (23.30%) are the top areas where majority of the customers are located. Further 8 top areas of zip codes namely Manhattan-10021, 10023, 10024, 10025, 10028, 10016 and in Brooklyn-11201, 11215 are identified which has maximum number of deliveries. Hence, better planning in these areas is recommended.





2) Secondly, majority of the people located at above mentioned zip codes have delivery fee passes so they are more likely to order frequently. Also, data trends indicate that majority of the deliveries are scheduled for Sunday so planning on this particular day will be effective.

### ***Memo for CEO***

**Problem Statement:** Fresh direct is facing challenges as sales are declining significantly. Due to limited number of deliveries each day, appropriate planning is important for utilizing delivery infrastructure effectively. For both above stated problems it is important to understand Fresh direct's market segmentation.

**Analysis:** Segmentation of data is done basis: Geographical, demographical and customer loyalty factors.

#### **Recommendations:**

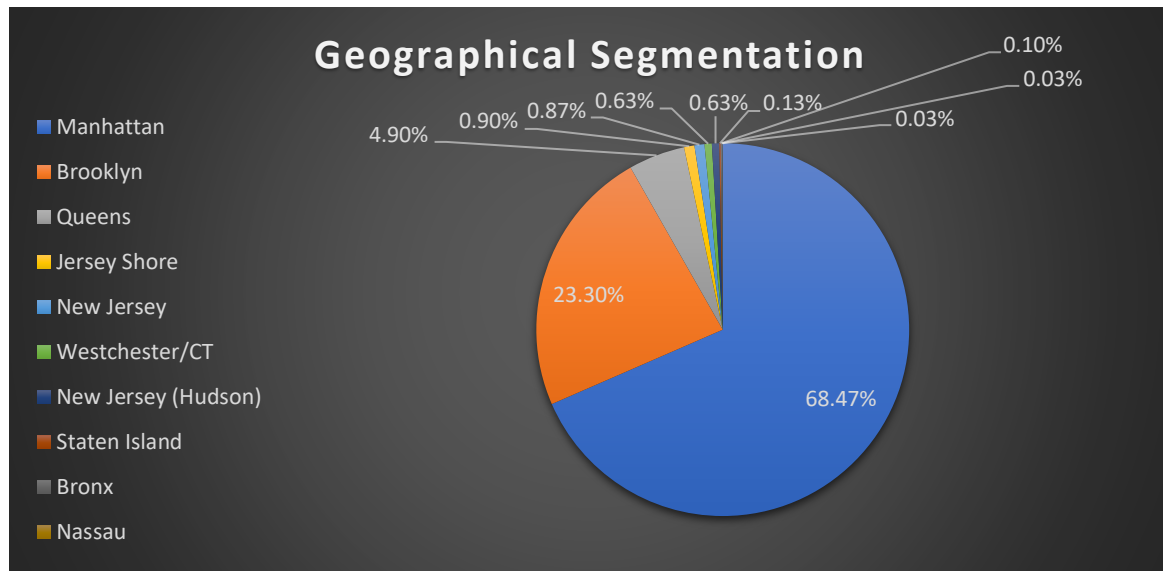
##### **To Increase Sales:**

Data trend depicts that, in our marketing campaigns, we can have two strategies:

- 1) Attracting new customers
- 2) Focusing on marketing campaigns for targeted customer with specific age group. To be precise Females and Males of age group 30-59 should be targeted with income bracket of \$75000 - \$300,000. This group of people tend to spend more and with more advertising campaigns more attention can be drawn.
- 3) it is recommended to use 9 box grid for each customer using past data trends for designing effective marketing campaigns.

##### **To utilize delivery infrastructure effectively:**

- 1) Geographically, Manhattan (68.47%) and Brooklyn (23.30%) are the top areas where majority of the customers are located with some specific zip codes.
- 2) Majority of the customers for top identified Zip codes have delivery passes and they tend to order more frequently on Sundays. Hence planning needs to be more effective on Sunday.



**Limitations:** 1) Data has missing values for age, gender, income for 543 records hence neglected for demographic consideration

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