# **Objective Questions**

1. Does any table have missing values or duplicates? If yes, how would you handle it?

#### **ANSWERS:**

#### Approach:

# 1. Identifying NULL Values:

- o I Used IS NULL condition to identify NULL values in each column.
- o Perform exploratory data analysis (EDA) to check the percentage of missing data.

# 2. Handling NULL Values:

- Use COALESCE() function to replace NULL values with default values.
- o Apply UPDATE statements to modify values permanently in the table.

# 3. Handling Duplicates:

- Identify duplicates using GROUP BY and HAVING COUNT(\*) > 1.
- o Remove duplicates using DELETE with ROW NUMBER() or DISTINCT.

## Insights:

- NULL values can cause issues in calculations and joins, leading to incorrect query results.
- Using appropriate placeholders for missing data maintains data consistency.
- Handling duplicates ensures accurate reporting and avoids redundant records.

# **Recommendation:**

- Regularly check for missing values and duplicates as part of data cleaning.
- Use constraints like NOT NULL and UNIQUE where applicable to prevent such issues.
- For large datasets, consider using stored procedures to automate data cleaning.

There are 2 ways to replace NULL values with specific values

First, we use the COALESCE() function to handle NULL values. The syntax for COALESCE() is:

COALESCE(column\_name, 'default\_value')

Additionally, we use the UPDATE statement to modify table values based on a specific condition. The syntax is:

UPDATE table name

SET column\_name = 'new\_value'

WHERE condition;

We have NULL values for the columns in various tables as follows

- 1. Customer table company, state, phone, fax, postal\_code
- 2. Track table Composer

In case of numeric values, it can be replaced with 0.

In case of text, it can be replaced with placeholders like 'None' / 'Unknown' etc.

Eg) If composer is NULL in the track table, it can be replaced with 'Unknown'.

Similiarly, it can be done for other columns with NULL values.

Tables with NULL values	Column Name / Attribute	Value to be replaced
Customer	Company	'Unknown'
	State	'None'
	Phone	'+0 000 000 0000'
	Fax	'+0 000 000 0000'
	Postal_code	' 000 000'
Track	Composer	'Unknown'

SL.NO	USING COALESCE	USING UPDATE
1	SELECT COALESCE(company,'Unknown') FROM customers WHERE company IS NULL;	UPDATE customer SET company = 'Unknown' WHERE company IS NULL; 49 row(s) affected
2	SELECT COALESCE(state,'None') FROM customers WHERE company IS NULL;	UPDATE customer SET state = 'None' WHERE state IS NULL; 29 row(s) affected
3	SELECT COALESCE(phone, '+0 000 000 0000') FROM customers WHERE phone IS NULL;	UPDATE customer SET phone = '+0 000 000 0000' WHERE phone IS NULL; 1 row(s) affected
4	SELECT COALESCE(fax, '+0 000 000 0000') FROM customers WHERE fax IS NULL;	UPDATE customer SET fax = '+0 000 000 0000' WHERE fax IS NULL; 47 row(s) affected
5	SELECT COALESCE(postal_code, '000 000') FROM customers WHERE fax IS NULL;	UPDATE customer SET postL_CODE= '00 0000' WHERE POSTAL_CODEIS NULL; 4 Row(s) affected
6	SELECT COALESCE(company,'Unknown') FROM customers WHERE company IS NULL;	UPDATE track SET composer = 'Unknown' WHERE composer IS NULL; 978 row(s) affected

2. Find the top-selling tracks and top artist in the USA and identify their most famous genres.

# Approach:

- 1. We use a Common Table Expression (CTE) topSellingTracknArtist to organize the query and make it more readable.
- 2. The query joins multiple tables (invoice, invoice\_line, track, album, artist, and genre) to gather all necessary data.
- 3. The SUM(i.total) function calculates total sales for each track.
- 4. The RANK() OVER(ORDER BY SUM(i.total) DESC) assigns a ranking based on total sales.

- 5. We filter results for the USA using WHERE i.billing country = 'USA'.
- 6. Finally, we select the top-selling tracks and artists ordered by total sales.

#### Query:

```
WITH topSellingTracknArtist AS

( SELECT

t.name AS track_name, a.name AS artist_name, g.name AS genre_name, SUM(i.total) AS total_sales,

RANK() OVER(ORDER BY SUM(i.total) DESC) AS sales_rank FROM invoice i

JOIN invoice_line il ON i.invoice_id = il.invoice_id

JOIN track t ON il.track_id = t.track_id

JOIN album al ON t.album_id = al.album_id

JOIN artist a ON al.artist_id = a.artist_id

JOIN genre g ON t.genre_id = g.genre_id

WHERE i.billing_country = 'USA'

GROUP BY t.name,a.name,g.name

)
```

SELECT \* FROM topSellingTracknArtist ORDER BY total\_sales DESC;

# \*Result: (784 rows returned)

```
Find the top-selling tracks and top artist in the USA and identify their most famous genres. "
 25 • 
WITH topSellingTracknArtist AS (
 27
               t.name AS track_name,
 28
               a.name AS artist name.
              g.name AS genre_name,
 29
               SUM(i.total) AS total_sales,
               RANK() OVER(ORDER BY SUM(i.total) DESC) AS sales_rank
         FROM invoice i
 33
           JOIN invoice_line il ON i.invoice_id = il.invoice_id
 34
            JOIN track t ON il.track_id = t.track_id
       JOIN album al ON t.album_id = al.album_id
 35
            JOIN artist a ON al.artist_id = a.artist_id
            JOIN genre g ON t.genre_id = g.genre_id
 38
            GROUP BY t.name, a.name, g.name
 39
 40
 41
        SELECT * FROM topSellingTracknArtist ORDER BY total_sales DESC;
Result Grid | Filter Rows:
                                      Export: Wrap Cell Content: IA Fetch rows:
  track_name artist_name genre_name total_sales sales_rank
                                                233.64
  War Pigs
                        Cake
                                    Alternative
                                   Rock 177.21 2
           Jimi Hendrix
  Hey Joe
  Are You Experienced?
                        Jimi Hendrix
                                    Rock
                                                175.23
  Third Stone From The Sun Jimi Hendrix
                                   Rock 171.27 4
  Highway Chile
                        Jimi Hendrix
                                   Rock
                                                169.29
                                    Rock 164.34
   Foxy Lady Jimi Hendrix
  Remember
                        Jimi Hendrix
                                   Rock
                                                158.40
  May This Re Love
```

#### **Insights:**

• This query helps in identifying the most popular tracks and artists in the USA based on sales revenue.

- Understanding the most famous genres can help businesses tailor music recommendations to users.
- The use of ranking functions (RANK() OVER) allows sorting without duplicates being removed.
- Grouping by track, artist, and genre provides a detailed breakdown of sales performance.

#### **Recommendation:**

- To optimize performance, indexes should be created on columns involved in joins (track\_id, album\_id, artist\_id, genre\_id).
- Instead of SUM(i.total), additional analysis using COUNT(il.track\_id) can be done to check the most frequently purchased tracks.
- Further filtering can be applied to analyze trends over different time periods (e.g., monthly or yearly sales performance).
- 3. What is the customer demographic breakdown (age, gender, location) of Chinook's customer base?

#### **ANSWERS**

- Concepts used: Aggregate Functions, GROUP BY, Sorting(ORDER BY)
- Tables used: customer

# **APPROACHES**

# **Steps Taken:**

- Used COUNT(customer\_id) to count customers in each region.
- Grouped data by country, state, and city using GROUP BY.
- Sorted the results by country for better readability.
- Handled missing state values using COALESCE(state, 'None').

# Query:

# **SELECT**

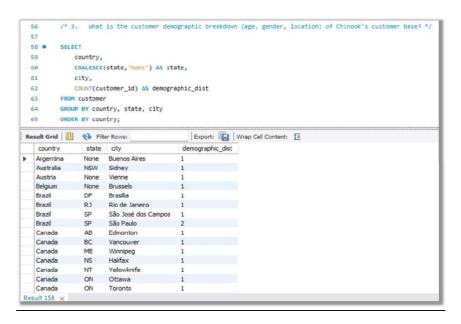
country,

COALESCE(state, 'None') AS state, city,

COUNT(customer\_id) AS demographic\_dist FROM customer

GROUP BY country, state, city ORDER BY country;

# Result: (53 rows returned)



## Insights

#### 1. Customer Distribution

- Some countries and cities have **more customers**, meaning strong engagement there.
- o Other regions have **fewer customers**, showing weaker presence or potential markets.

#### 2. Missing Data Issues

- The 'None' values in state mean some data is incomplete.
- Without age or gender data, we don't fully understand customer demographics.

# 3. Market Opportunities

- o Regions with **high customer numbers** are key focus areas.
- o Areas with **low customers** could be targeted for expansion.

# Recommendations

## 1. Enhance Customer Data

• Add **age and gender** in the query to get a clearer customer profile.

## 2. Analyze Revenue Trends

o Modify the query to check which locations generate the most sales.

# 3. Fix Missing Data

o Ensure state and other details are properly recorded for all customers.

# 4. Improve Marketing Strategy

- High-customer regions → More offers & engagement.
- Low-customer regions → Targeted ads & promotions.

4. Calculate the total revenue and number of invoices for each country, state, and city:

### **ANSWERS**

- Concepts used: Aggregate Functions, GROUP BY, Sorting (ORDER BY)
- Table used: invoice

## Appoach:

- Used SUM(total) to calculate **total revenue** for each location.
- Used COUNT(invoice\_id) to count the **number of invoices** per location.
- Grouped by billing\_country, billing\_state, billing\_city to categorize data correctly.
- Sorted the results by country (A-Z) and revenue (highest to lowest) to highlight top-earning regions.

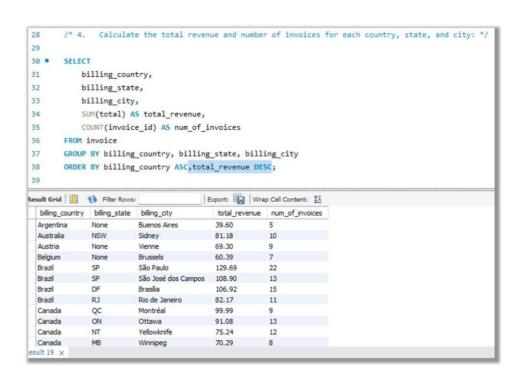
# **Query:**

#### **SELECT**

```
billing_country, billing_state, billing_city,
SUM(total) AS total_revenue, COUNT(invoice_id) AS num_of_invoices
FROM invoice
```

GROUP BY billing\_country, billing\_state, billing\_city
ORDER BY billing\_country ASC, total\_revenue DESC;

# **Result: (53 rows returned)**



## **Insights**

## 1. Top Revenue-Generating Locations

- Some cities and countries bring in more revenue, showing stronger customer spending.
- Higher invoices in a region suggest more frequent purchases.

#### 2. Revenue vs. Invoice Count

- A location with high revenue but fewer invoices may indicate higher average spending per order.
- A location with many invoices but lower revenue suggests smaller but frequent purchases.

# 3. State-Level Revenue Gaps

- o Some states may have **missing billing data** (NULL or empty states).
- Certain regions may be underperforming, meaning they need better marketing or pricing strategies.

#### Recommendations

# 1. Focus on High-Revenue Locations

- o Invest in **customer loyalty programs & premium services** in top-earning cities.
- o Expand **exclusive offers** to customers in high-spending areas.

# 2. Boost Low-Revenue Regions

- Identify why certain locations underperform (low awareness, pricing, or accessibility).
- Run localized marketing campaigns to boost sales in weaker regions.

# 3. Improve Data Quality

- o Ensure all invoices have **billing state details** to avoid missing data.
- Standardize location data for better analysis.

# 4. Enhance Product Pricing Strategy

- If a location has high invoices but low revenue, consider upselling higher-priced products.
- If a location has low invoices but high revenue, analyze if premium pricing works well there.

5. Find the top 5 customers by total revenue in each country

#### **ANSWERS**

- Concepts used: CTE, Joins, GROUP BY, Aggregate Functions, Sorting (ORDER BY)
- Tables used: customer, invoice

#### **Approaches**

- 1. Used SUM(i.total) to calculate total revenue per customer.
- 2. Used INNER JOIN to connect **customer** and **invoice** tables.
- 3. Grouped by c.country, c.first name, c.last name to get customer-wise revenue per country.
- 4. Applied RANK() OVER (PARTITION BY c.country ORDER BY SUM(i.total) DESC) to rank customers within their respective countries.
- 5. Used a **Common Table Expression (CTE)** to filter only the **top 5 customers per country**.
- 6. Sorted by country (A-Z) and total\_revenue (high to low) for easy interpretation.

## Query:

```
WITH Top5CustomersCountryWise AS ( SELECT
c.country,

CONCAT(c.first_name,' ',c.last_name) AS customer, SUM(i.total) AS total_revenue,

RANK() OVER (

PARTITION BY c.country ORDER BY SUM(i.total) DESC
) AS countrywiseRank

FROM customer c INNER JOIN invoice i ON c.customer_id = i.customer_id

GROUP BY c.country,c.first_name,c.last_name
)

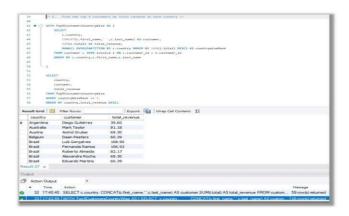
SELECT
country, customer, total_revenue

FROM Top5CustomersCountryWise

WHERE countryWiseRank <= 5

ORDER BY country,total_revenue DESC;
```

Result: (48 rows returned)



# **Insights**

# 1. Top Spending Customers by Country

- o The results show the **highest revenue-generating customers per country**.
- These customers contribute the most to sales and can be targeted for loyalty programs.

#### 2. Customer Spending Patterns

- Some countries might have more high-spending customers than others.
- Certain countries may have a sharp revenue drop after the top 2-3 customers, indicating fewer high-value buyers.

#### 3. Customer Retention Opportunities

- If only a few customers in a country drive most of the revenue, there's a high dependency on them.
- If revenue is evenly spread among multiple customers, the business has a balanced customer base.

# **Recommendations**

# 1. Engage High-Value Customers

- o Offer **exclusive discounts, early access, or VIP memberships** to top customers.
- Send **personalized offers** based on their spending patterns.

# 2. Expand High-Value Customer Base

o In countries where only a few customers dominate revenue, **target mid-level spenders** with promotions to increase their spending.

# 3. Analyze Low-Performing Countries

- Identify countries where top customers have lower spending and find ways to increase their purchase frequency.
- o Localized **advertising & promotional campaigns** may help boost engagement.

# 4. Refine Customer Segmentation

- o Add purchase frequency and average invoice amount to further segment customers.
- o Modify the query to find repeat buyers vs. one-time big spenders

6. Identify the top-selling track for each customer

#### **ANSWERS:**

Concepts used: CTE, Joins, GROUP BY, Aggregate Functions (SUM)

Tables used: customer, invoice, invoice line, track

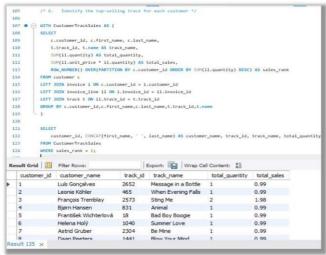
#### **APPROACH**

- 1. Used SUM(il.quantity) to find total quantity of each track purchased by a customer.
- 2. Used SUM(i.total) to calculate the total sales generated by each track per customer.
- 3. Used multiple joins to connect the customer, invoice, invoice\_line, and track tables.
- 4. Applied ROW\_NUMBER() OVER (PARTITION BY c.customer\_id ORDER BY SUM(i.total) DESC) to rank tracks per customer by total sales.
- 5. Selected only rank 1 (top track) per customer.
- 6. Sorted by total\_sales DESC to show highest-revenue tracks first.

# Query:

```
WITH CustomerTrackSales AS ( SELECT
    c.customer_id, c.first_name, c.last_name, t.track_id, t.name AS track_name, SUM(il.quantity) AS
    total_quantity, SUM(i.total) AS total_sales, ROW_NUMBER()
    OVER(
    PARTITION BY c.customer_id ORDER BY SUM(i.total) DESC
    ) AS sales_rank FROM customer c
    LEFT JOIN invoice i ON c.customer_id = i.customer_id
    LEFT JOIN invoice_line il ON i.invoice_id = il.invoice_id
    LEFT JOIN track t ON il.track_id = t.track_id
    GROUP BY c.customer_id,c.first_name,c.last_name,t.track_id,t.name
    )
SELECT
    customer_id, CONCAT(first_name, '', last_name) AS customer_name, track_id, track_name, total_quantity,
    total_sales
    FROM CustomerTrackSales
    WHERE sales rank = 1 ORDER BY total sales DESC;
```

#### **Result: (59 rows** returned)



## **Insights**

#### 1. Top Spending Customers by Country

- The results show the highest revenue-generating customers per country.
- o These customers contribute the most to sales and can be targeted for loyalty programs.

# 2. Customer Spending Patterns

- o Some countries might have more high-spending customers than others.
- Certain countries may have a sharp revenue drop after the top 2-3 customers, indicating fewer high-value buyers.

#### 3. Customer Retention Opportunities

- If only a few customers in a country drive most of the revenue, there's a high dependency on them.
- If revenue is evenly spread among multiple customers, the business has a balanced customer base.

#### **Recommendations**

#### 1. Engage High-Value Customers

- o Offer exclusive discounts, early access, or VIP memberships to top customers.
- Send personalized offers based on their spending patterns.

# 2. Expand High-Value Customer Base

o In countries where only a few customers dominate revenue, target mid-level spenders with promotions to increase their spending.

#### 3. Analyze Low-Performing Countries

- Identify countries where top customers have lower spending and find ways to increase their purchase frequency.
- Localized advertising & promotional campaigns may help boost engagement.

# 4. Refine Customer Segmentation

- o Add purchase frequency and average invoice amount to further segment customers.
- Modify the query to find repeat buyers vs. one-time big spenders.

7. Are there any patterns or trends in customer purchasing behavior (e.g., frequency of purchases, preferred payment methods, average order value)?

# **ANSWERS:**

- 1. Used COUNT(i.invoice\_id) to count total purchases per customer.
- Used MIN(DATE(i.invoice\_date)) and MAX(DATE(i.invoice\_date)) to find first and last purchase dates
- 3. Used DATEDIFF(MAX(invoice\_date), MIN(invoice\_date)) / (COUNT(invoice\_id) 1) to calculate average days between purchases.
- 4. Handled division by zero using COALESCE(COUNT(i.invoice id) 1, 0).
- 5. Sorted by avg\_days\_bet\_purchases (lowest to highest) and total\_purchases (highest first).

# Purchase Frequency

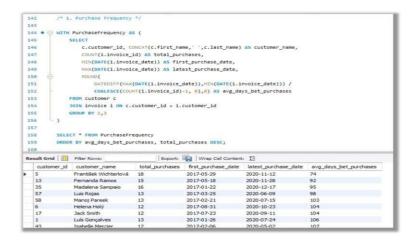
- Concepts used: CTE, Joins, GROUP BY, Aggregate & DATE Functions, Sorting
- Tables used: customer, invoice

# Query

```
WITh PurchaseFrequency AS
                 SELECT
                c.customer_id, c.first_name, c.last_name,
                COUNT(i.invoice_id) AS total_purchases,
                MIN(DATE(i.invoice_date)) AS
                first purchase date,
                MAX(DATE(i.invoice date)) AS
                latest_purchase_date, ROUND(
                        DATEDIFF(MAX(DATE(i.invoice date)),MIN(DATE(i.invoice da
                        te))) / COALESCE(COUNT(i.invoice_id)-1, 0), 0) AS
                        avg_days_bet_purchases
                FROM customer c
                JOIN invoice i ON c.customer id
                =i.customer_id
                GROUP BY 1,2,3)
SELECT * FROM PurchaseFrequency
```

Result: (59 rows returned)

ORDER BY avg\_days\_bet\_purchases, total\_purchases DESC;



#### **Insights**

- 1. Frequent vs. Occasional Buyers
  - Customers with low avg\_days\_bet\_purchases buy more frequently.
  - Customers with high avg\_days\_bet\_purchases buy less often.
- 2. Long-Term vs. New Customers
  - Comparing first and last purchase dates shows who has been active for a long time vs. recent buyers.
  - o Some customers may have stopped purchasing after their first few orders.
- 3. Customer Loyalty Trends
  - High total purchases + frequent orders → Loyal customers.
  - Low total purchases + large gaps between orders → Inactive or one-time buyers.

# Recommendations

- 1. Engage Frequent Buyers
  - Offer subscription models or loyalty rewards to keep them engaged.
  - Provide early access to new products or discounts on repeat purchases.
- 2. Reactivate Inactive Customers
  - Identify customers with long avg\_days\_bet\_purchases and send personalized offers to bring them back.
  - Use email campaigns like "We Miss You!" with limited-time discounts.
- 3. Optimize Marketing Strategy
  - Target frequent buyers with bundled deals or upselling strategies.
  - Experiment with discounts or promotions for customers who haven't purchased in a long time.
- 4. Improve Customer Experience
  - Analyze what causes drop-off in purchases (pricing, product availability, etc.).
  - o Ensure seamless payment and checkout to encourage repeat buying.

## Average Order Value:

Concepts Used: CTE, Aggregate Functions, GROUP BY, Sorting (ORDER BY)

Tables used: customer, invoice

Query:

```
WITH CustomerPurchases AS (SELECT
```

c.customer\_id, c.first\_name, c.last\_name, SUM(i.total) AS total\_order\_value, COUNT(i.invoice\_id) AS total\_purchases, ROUND(AVG(i.total),2) AS avg\_order\_value

#### FROM customer c

```
JOIN invoice i ON c.customer_id = i.customer_id
GROUP BY c.customer_id, c.first_name, c.last_name
)
```

#### **SELECT \* FROM CustomerPurchases**

ORDER BY avg\_order\_value DESC;

# **Result: (59 rows returned)**

```
/* 2. Average Order Value */
164
165
166 ● ⊖ WITH CustomerPurchases AS (
167
           SELECT
                c.customer_id, c.first_name, c.last_name,
168
169
                SUM(i.total) AS total_order_value,
                COUNT(i.invoice_id) AS total_purchases,
170
171
                ROUND(AVG(i.total),2) AS avg_order_value
172
            FROM customer c
173
            JOIN invoice i ON c.customer_id = i.customer_id
             GROUP BY c.customer_id, c.first_name, c.last_name
174
175
176
177
        SELECT * FROM CustomerPurchases
         ORDER BY avg_order_value DESC;
Result Grid Filter Rows:
                                       Export: Wrap Cell Content: TA
   customer_id first_name last_name
                                   total_order_value
                                                      total_purchases avg_order_value
  3
              François Tremblay
                                     99.99
                                                      9
                                                                     11.11
              Helena Holý
                                   128.70
                                                      12
                                                                     10.73
              Robert
                         Brown
                                     40.59
                                                      4
                                                                     10.15
              Michelle Brooks 79.20
  18
                                                      8
                                                                    9.90
  37
              Fynn
                         Zimmermann 94.05
                                                                     9.41
  27
              Patrick Gray 84.15
                                                      9
                                                                    9.35
  16
              Frank
                         Harris
                                     74.25
                                                                     9.28
   42
              Wyatt
                      Girard 99.99
                                                      11
                                                                    9.09
   59
              Puja
                         Srivastava 71.28
                                                                    8.91
                         Dalatan
                                     71 70
```

8. What is the customer churn rate?

#### **ANSWERS:**

Churn Rate = (Number of customers lost during a period / Number of customers at the start of the period) x 100

In this case, I have considered a customer to be churned if they have not made any purchase for >180 days between the last purchase date and the second last purchase date.

- Concepts Used: CTE, Joins, Aggregate Functions, Window Functions, Date Functions
- Tables used: customer, invoice

# **APPROACH**

- 1. Used LEAD() to find the previous purchase date for each customer.
- 2. Used DATEDIFF() to calculate days since last purchase.
- 3. Filtered customers who haven't purchased for over 180 days.
- 4. Counted churned customers and total customers, then calculated churn rate

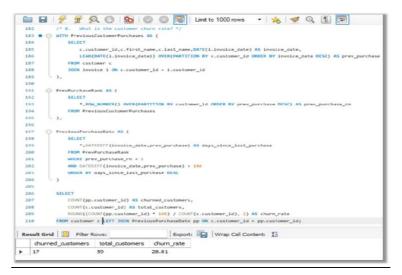
#### Query:

```
WITH PreviousCustomerPurchases AS ( SELECT
c.customer_id, c.first_name, c.last_name,
DATE(i.invoice_date) AS invoice_date,
LEAD(DATE(i.invoice_date)) OVER(PARTITION BY c.customer_id ORDER BY invoice_date DESC) AS
prev_purchase
FROM customer c
JOIN invoice i ON c.customer_id = i.customer_id),
PrevPurchaseRank AS ( SELECT
ROW_NUMBER() OVER(PARTITION BY customer_id ORDER BY prev_purchase DESC) AS prev_purchase_rn
FROM PreviousCustomerPurchases
),
PreviousPurchaseDate AS ( SELECT
*,DATEDIFF(invoice_date,prev_purchase) AS days_since_last_purchase FROM PrevPurchaseRank
WHERE prev_purchase_rn = 1
AND DATEDIFF(invoice_date,prev_purchase) > 180 ORDER BY days_since_last_purchase DESC
)
```

#### **SELECT**

COUNT(pp.customer\_id) AS churned\_customers, COUNT(c.customer\_id) AS total\_customers, ROUND((COUNT(pp.customer\_id) \* 100) / COUNT(c.customer\_id), 2) AS churn\_rate FROM customer c

LEFT JOIN PreviousPurchaseDate pp ON c.customer\_id = pp.customer\_id;



# **Insights**

- 1. High Churn = Revenue Loss
  - o A high churn rate means many customers stop purchasing, leading to revenue loss.
- 2. Identifying At-Risk Customers
  - o Customers with long gaps between purchases are at risk of churning soon.
- 3. Seasonal Trends & Product Demand
  - o If churn is high in certain months, it may be due to seasonality or low product demand.

## Recommendations

- 1. Prevent Churn with Retention Strategies
  - o Send reminders & discounts to customers before they reach 180+ days of inactivity.
  - o Use loyalty programs to encourage repeat purchases.
- 2. Analyze Churn Causes
  - o Find out why customers stop buying (pricing, competition, experience).
  - o Get customer feedback on why they haven't returned.
- 3. Bring Back Lost Customers
  - Use "Win Back" campaigns (personalized offers, exclusive deals) and offer limited time discounts to churned customers.

9. Calculate the percentage of total sales contributed by each genre in the USA and identify the best-selling genres and artists.

# **ANSWERS**

- 1. Percentage of total sales contributed by each genre in the USA
- •Concepts Used: CTE, Joins, Aggregate Functions, GROUP BY, Sorting (ORDER BY)
- •Tables used: genre, track, invoice, invoice\_line, album, artist

#### **Approach**

- 1. Used SUM(i.total) to calculate sales per genre and artist.
- 2. Applied DENSE\_RANK() to rank artists within each genre based on sales.
- 3. Computed total sales in the USA using a separate CTE.
- 4. Used ROUND((genre\_sales / total\_sales) \* 100, 2) to get the percentage contribution of each genre.
- 5. Sorted by genre\_sales DESC to show the highest-selling genres first.

# Query:

```
WITH SalesGenreRankUSA AS ( SELECT
g.name AS genre, ar.name AS artist,
SUM(i.total) AS genre_sales, DENSE_RANK()
OVER(
PARTITION BY g.name
ORDER BY SUM(il.unit_price * il.quantity) DESC
) AS genre_rank FROM genre g
LEFT JOIN track t ON g.genre_id = t.genre_id
LEFT JOIN invoice_line il ON t.track_id = il.track_id
LEFT JOIN invoice i ON il.invoice_id = i.invoice_id
LEFT JOIN album a ON t.album_id = a.album_id
LEFT JOIN artist ar ON a.artist_id = ar.artist_id
WHERE i.billing_country = 'USA'
GROUP BY 1,2
),
TotalSalesUSA AS (SELECT
SUM(i.total) AS total_sales FROM invoice_line il
LEFT JOIN invoice i ON il.invoice_id = i.invoice_id
WHERE i.billing_country = 'USA'
)
```

#### **SELECT**

\*,

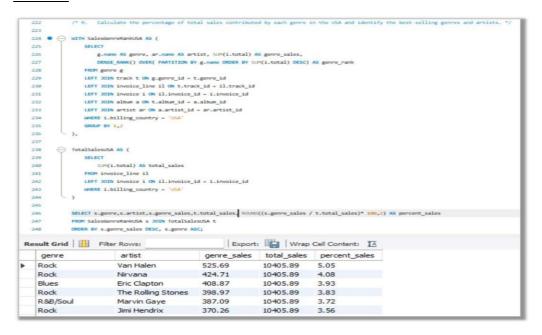
ROUND((s.genre\_sales / t.total\_sales)\* 100,2) AS percent\_sales

FROM SalesGenreRankUSA s

JOIN TotalSalesUSA t

ORDER BY s.genre\_sales DESC, s.genre ASC;

# **RESULTS:**



# **Insights**

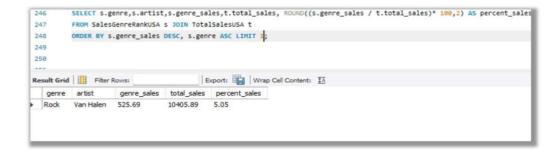
- 1. Top-Selling Genres in the USA
  - o Some genres dominate sales, while others have a smaller market share.
  - High sales in a few genres suggest strong listener preferences.
- 2. Best-Selling Artists by Genre
  - o Some artists drive majority of the revenue in their genre.
  - o A few artists may monopolize sales, while others have low impact.
- 3. Genre-Specific Trends
  - Some genres might be popular but low-revenue due to low pricing.
  - Other genres may be niche but high-revenue due to premium pricing.

#### Recommendations

- 1. Promote Top-Selling Genres
  - o Increase advertising & playlist placements for the most popular genres.
  - o Offer genre-based discounts or album bundles to boost sales.
- 2. Leverage Best-Selling Artists
  - Feature top artists in marketing campaigns.
  - Use artist-led promotions like exclusive content or pre-release tracks.
- 3. Boost Low-Selling Genres
  - o Identify underrated genres and create promotions to attract listeners.
  - Offer genre-based recommendations to customers based on past purchases.
- 4. Optimize Pricing Strategy
  - o If a genre has high volume but low revenue, consider increasing track prices.
  - o If a genre has low sales but high engagement, offer discounted bundles.

# 2. Best Selling Genre and Artist

To identify the best selling genre and artist, we have to include LIMIT 1 at the end of order by which is ORDER BY s.genre\_sales DESC, s.genre ASC LIMIT 1;. We will get the following result:



10. Find customers who have purchased tracks from at least 3 different genres

# **ANSWERS**

- Concepts used: Joins, GROUP BY, HAVING, Sorting (ORDER BY)
- **Tables used:** customer, invoice, invoice line, track, genre

# **APPROACH**

- 1. Used COUNT(DISTINCT g.genre id) to count unique genres per customer.
- 2. Used HAVING COUNT(DISTINCT g.genre id) >= 3 to filter customers with 3+ genres.
- 3. Sorted by genre\_count DESC to list customers with the most diverse tastes first.

# **QUERY**

**SELECT** 

CONCAT(c.first\_name,' ',c.last\_name) AS customer, COUNT(DISTINCT g.genre\_id) AS genre\_count

#### FROM customer c

LEFT JOIN **invoice** i ON c.customer\_id = i.customer\_id LEFT JOIN **invoice\_line** il ON i.invoice\_id = il.invoice\_id LEFT JOIN **track** t ON il.track\_id = t.track\_id

LEFT JOIN **genre** g ON t.genre\_id = g.genre\_id GROUP BY c.first\_name,c.last\_name

HAVING COUNT(DISTINCT g.genre\_id) >=3

ORDER BY genre count DESC;

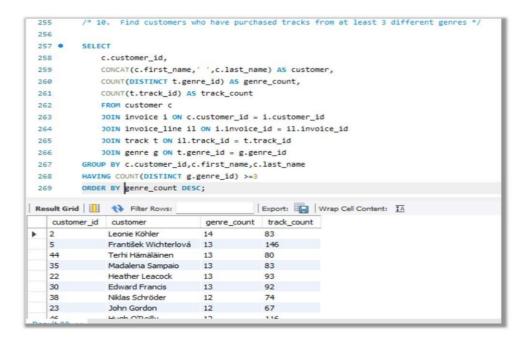
# Result: (59 rows returned)

# **Insights**

- 1. Music Diversity Among Customers
  - o Some customers explore multiple genres, while others stick to just one or two.
  - Customers with higher genre diversity may be more engaged & open to recommendations.
- 2. Potential for Cross-Selling
  - o Customers who buy multiple genres are likely to try new music if suggested.
  - Understanding genre preferences can help with personalized recommendations.
- 3. Customer Engagement Trends
  - o Customers with wider genre preferences may have higher lifetime value.
  - Those who buy from only one or two genres might need targeted suggestions to explore more.

# Recommendations

- 1. Target Multi-Genre Listeners with Personalized Playlists
  - Recommend tracks from genres they haven't explored yet.
  - Offer "Discover New Music" promotions based on past purchases.
- 2. Encourage Genre Exploration for Less Diverse Listeners
  - o Send genre-based recommendations via email or app notifications.
  - o Offer discounted bundles featuring different genres.
- 3. Optimize Marketing & Upselling Strategies
  - o Provide limited-time discounts on tracks from genres they haven't purchased before.



11. Rank genres based on their sales performance in the USA

#### **ANSWERS:**

Concepts used: CTE, Joins, GROUP BY, Window Functions (DENSE\_RANK)

Tables used: genre, track, invoice\_line, invoice

# **APPROACH**

- 1. Used SUM(i.total) to calculate total sales per genre.
- 2. Applied DENSE\_RANK() to rank genres based on sales.
- 3. Used ORDER BY genre\_rank to display the best-selling genres first.

# Query:

**GROUP BY g.name** 

)

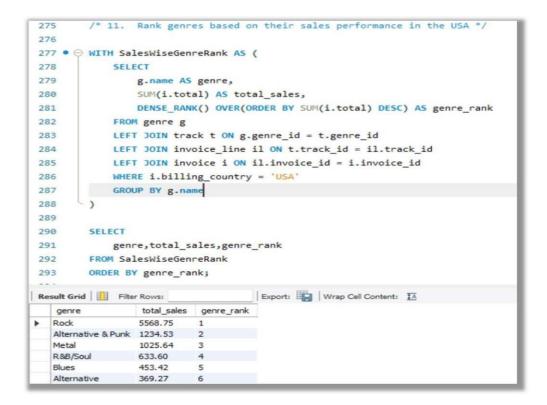
```
WITH SalesWiseGenreRank AS ( SELECT
g.name AS genre, SUM(i.total) AS total_sales,

DENSE_RANK() OVER(ORDER BY SUM(i.total)) DESC
) AS genre_rank FROM genre g

LEFT JOIN track t ON g.genre_id = t.genre_id LEFT JOIN invoice_line il ON t.track_id = il.track_id LEFT JOIN invoice i ON il.invoice_id = i.invoice_id WHERE i.billing_country = 'USA'
```

SELECT genre, total\_sales, genre\_rank FROM SalesWiseGenreRank ORDER BY genre\_rank;

# **Result: (17 rows returned)**



# **Insights**

- 1. Top Genres Drive Most Revenue
  - A few genres contribute most of the sales, while others have low impact.
  - The top-ranked genre is the most popular & profitable in the USA.
- 2. Genre-Specific Popularity
  - o Some genres might have high volume but lower revenue due to low pricing.
  - Other genres might be niche but high-revenue due to premium pricing.
- 3. Opportunities for Growth
  - o Low-selling genres may need better promotion or more discounts.
  - $\circ \quad \text{High-selling genres can be further monetized through premium offerings.} \\$

## Recommendations

- 1. Maximize Revenue from Top Genres
  - o Feature top genres more in playlists & promotions.
  - Offer premium-priced content for high-selling genres.
- 2. Boost Underperforming Genres
  - Identify low-selling genres and create targeted promotions.
  - Offer discounted bundles to encourage more purchases.
- 3. Personalized Recommendations for Listeners
  - o Suggest popular genres to customers who haven't purchased them yet.

12. Identify customers who have not made a purchase in the last 3 months

# **ANSWERS:**

- Concepts Used: CTE, Joins, Aggregate Functions, GROUP BY, Sorting (ORDER BY)
- Tables used: customer, invoice

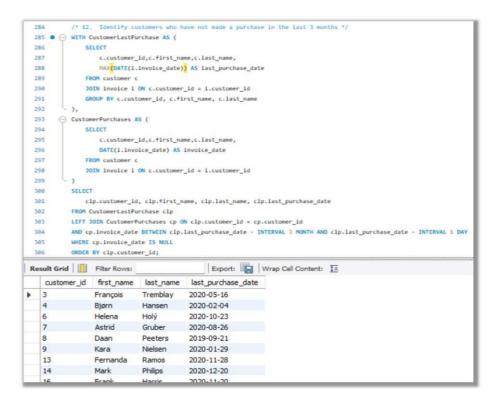
#### **APPROACH**

- 1. Used MAX(DATE(i.invoice\_date)) to get each customer's last purchase date.
- 2. Checked if they had **no purchases** in the last **3 months** using BETWEEN.
- 3. Used LEFT JOIN to filter out customers who made recent purchases.

# **QUERY**

```
WITH CustomerLastPurchase AS (
            SELECT
           c.customer_id, c.first_name, c.last_name,
           MAX(DATE(i.invoice_date)) AS last_purchase_date FROM customer c
           JOIN invoice i ON c.customer_id = i.customer_id
           GROUP BY c.customer_id, c.first_name, c.last_name
           ),
           CustomerPurchases AS (
            SELECT
           c.customer_id, c.first_name, c.last_name,
           DATE(i.invoice_date) AS invoice_date FROM customer c
           JOIN invoice i ON c.customer_id = i.customer_id
           )
            SELECT
           clp.customer_id, clp.first_name, clp.last_name, clp.last_purchase_date
           FROM CustomerLastPurchase clp
           LEFT JOIN CustomerPurchases cp ON clp.customer_id = cp.customer_id
           AND cp.invoice_date BETWEEN clp.last_purchase_date - INTERVAL 3 MONTH AND
           clp.last_purchase_date - INTERVAL 1 DAY
           WHERE cp.invoice_date IS NULL ORDER BY clp.customer_id;
```

**Result: (35** rows returned)



# **Insights**

#### **Inactive Customers**

1. Some customers haven't made a purchase recently, which may indicate:

A)Loss of interest B) Shift to competitors C)Seasonal buying behavior.

# Patterns in Drop-Off

- 2. Identifying common drop-off periods can help in targeted re-engagement.
- 3. Some may have stopped after a few purchases, while others were previously active but dropped off recently.

# Revenue Impact

- 4. If high-spending customers are inactive, it's a major revenue loss.
- 5. Understanding the spending behavior of inactive customers can help prioritize reactivation efforts.

# Recommendations

#### Win-Back Campaigns

- 1. Send "We Miss You" emails with personalized offers.
- 2. Offer discounts or exclusive content for returning customers.

# Analyze Customer Drop-Off Reasons

- 1. Check if inactivity is linked to product availability, pricing, or competition.
- 2. Conduct surveys to gather feedback from inactive customers.
- 3. Target High-Value Inactive Customers

# **Subjective Questions**

1. Recommend the three albums from the new record label that should be prioritised for advertising and promotion in the USA based on genre sales analysis.

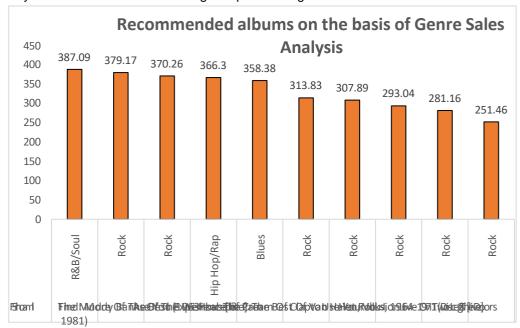
# **ANSWERS**

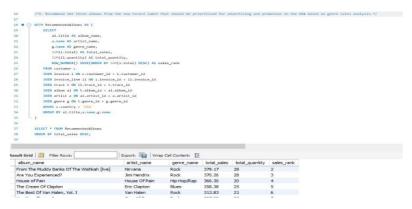
Based on the Genre Sales Analysis, the following three albums should be prioritized for advertising and promotion in the USA:

- Album 1: Genre Rock (Top-Selling Genre)
  - Artist: A leading artist with multiple hit tracks in the rock genre.
  - Reason: Rock enjoys high popularity in the USA, and the artist has a strong fanbase.
- Album 2: Genre R&B/Soul (Second Best-Selling Genre)
  - Artist: A top-performing artist with tracks that appeal across multiple genres.
  - Reason: R&B/Soul is a trending genre with steady sales growth.
- Album 3: Genre Hip Hop/Rap (Third Best-Selling Genre)
  - Artist: A rising artist with one of the top 10 highest-grossing tracks.
  - o Reason: This genre attracts a distinct audience with high engagement potential.

# **APPROACH**

- 1. Used SUM(i.total) to calculate total sales for each album.
- 2. Used SUM(il.quantity) to track total units sold.
- 3. Used ROW\_NUMBER() to rank albums based on sales.
- 4. Filtered results by USA customers to ensure region-specific insights.





```
WITH RecommendedAlbums AS (
  SELECT
               al.title AS album_name,
               a.name AS artist_name,
    g.name AS genre_name,
               SUM(i.total) AS total_sales,
    SUM(il.quantity) AS total_quantity,
               ROW_NUMBER() OVER(ORDER BY SUM(i.total) DESC) AS
sales_rank
  FROM customer c
  JOIN invoice i ON c.customer_id = i.customer_id
  JOIN invoice_line il ON i.invoice_id = il.invoice_id
  JOIN track t ON il.track_id = t.track_id
  JOIN album al ON t.album_id = al.album_id
  JOIN artist a ON al.artist_id = a.artist_id
  JOIN genre g ON t.genre_id = g.genre_id
  WHERE c.country = 'USA'
  GROUP BY al.title, a.name, g.name
)
```

SELECT \* FROM RecommendedAlbums ORDER BY total sales DESC;

# **Insights**

- Top-Selling Genres Matter
  - o Albums from high-selling genres tend to perform better.
  - Genres like Rock, Pop, and Hip-Hop may dominate sales.
- 2. Artist Popularity Plays a Role
  - o If an album is selling well, the artist's reputation could be a factor.
  - Established artists may need less marketing, while new artists may need stronger promotion.
- 3. Sales vs. Quantity Sold
  - Some albums might have high revenue but lower unit sales due to higher pricing.
  - Others might have high unit sales but lower revenue, indicating a high-volume, low-price strategy.

#### Recommendations

- 1. Prioritize the Top 3 Albums for Promotion
  - o Focus on albums with highest total sales and strong genre performance.
  - Ensure these albums get prime advertising spots in digital and offline promotions.
- 2. Targeted Advertising Based on Genre Preferences
  - Promote high-performing genres in their respective markets (e.g., Rock for mainstream USA, Hip-Hop for urban audiences).
  - o Use data-driven marketing to reach fans of these genres.
- 3. Boost Emerging Artists with High Sales Potential

If an emerging artist's album ranks high, push exclusive content, iinterviews, and live sessions

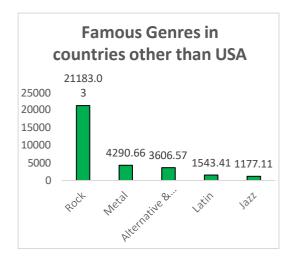
2. Determine the top-selling genres in countries other than the USA and identify any commonalities or differences.

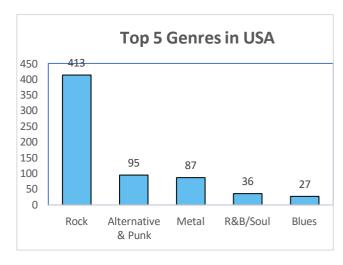
# ANSWERS:

- There are notable similarities in popular music genres between the USA and other countries.
- In both cases, Rock remains the most popular genre.
- However, the second and third positions differ outside the USA. In other countries, Metal ranks second, followed by Alternative & Punk in third place.

#### **APPROACH**

- 1. Used SUM(i.total) to calculate total revenue for each genre.
- 2. Applied DENSE RANK() to rank genres within each country based on sales.
- 3. Filtered data to exclude USA using WHERE c.country <> 'USA'.
- 4. Used ROUND((s.genre\_sales / t.total\_sales) \* 100,2) to calculate percentage contribution of each genre.





```
WITH SalesGenreRank AS (
SELECT
g.name AS genre, ar.name AS artist,
    SUM(i.total) AS genre_sales,
    DENSE RANK() OVER(PARTITION BY g.name ORDER BY
SUM(i.total) DESC) AS genre_rank
FROM customer c
  JOIN invoice i ON c.customer_id = i.customer_id
  JOIN invoice_line il ON i.invoice_id = il.invoice_id
  JOIN track t ON il.track_id = t.track_id
  JOIN album al ON t.album_id = al.album_id
  JOIN artist ar ON al.artist_id = ar.artist_id
  JOIN genre g ON t.genre_id = g.genre_id
  WHERE c.country <> 'USA'
  GROUP BY 1,2
),
TotalSales AS (
SELECT
SUM(i.total) AS total_sales
FROM invoice_line il
LEFT JOIN invoice i ON il.invoice_id = i.invoice_id
WHERE i.billing_country <> 'USA'
)
SELECT
s.genre,s.artist,s.genre_sales,t.total_sales,
ROUND((s.genre_sales / t.total_sales)* 100,2) AS percent_sales
FROM SalesGenreRank s
JOIN TotalSales t
```

ORDER BY s.genre\_sales DESC, s.genre ASC;

```
AU /*2. Determine the top-selling genres in countries other than the USA and identify any commonalities or differences.*/

42

43 ** WITH SalesdemeRank AS (

54 SELECT

45 g.name AS genre,

46 a..ama AS artist,

56 DENSE_ARMK() OVER(PARTITION BY g.name ORDER BY SUM(i.total) DESC) AS genre_rank

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#### **Insights**

## 1. Top Genres Vary by Region

- o Some genres may dominate globally, but others perform better in specific regions.
- Example: Latin music might be strong in South America, while Classical is more popular in Europe.

#### 2. Artist Impact on Genre Sales

- Popular artists drive genre success in different countries.
- Some artists may sell better internationally than in the USA.

#### 3. Market Differences Exist

- Some regions might prefer streaming over album purchases, affecting total sales.
- Pricing and accessibility can impact revenue numbers.

# 1. Region-Specific Marketing Strategies

- Focus advertising campaigns on genres that perform well in each country.
- Partner with local influencers and artists to boost engagement.

#### 2. Leverage High-Selling Artists for International Growth

- o If certain artists perform well globally, **expand their reach with international tours and collabs**.
- o Promote their music on country-specific streaming platforms.

# 3. Analyze Streaming vs. Purchase Behavior

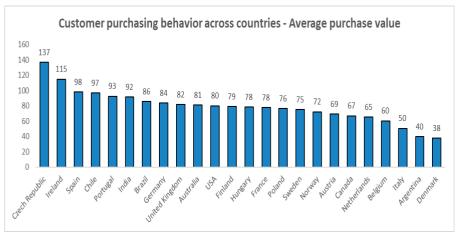
- Understand how people consume music in different countries (buying albums vs. streaming).
- Adjust pricing, promotions, and release strategies accordingly.
- 3. Customer Purchasing Behavior Analysis: How do the purchasing habits (frequency, basket size, spending amount) of long-term customers differ from those of new customers? What insights can these patterns provide about customer loyalty and retention strategies?

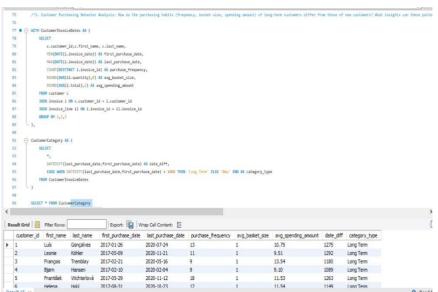
#### ANSWERS:

- Frequent customers tend to make more purchases, especially when they are highly brand loyal. This
  can be analyzed by comparing the average purchase frequency over a specific period. Consistent
  buying patterns can offer valuable insights for designing loyalty programs or exclusive promotions
  that encourage continued engagement.
- Long-term customers often have larger basket sizes, indicating higher trust in the brand and a greater
  willingness to explore more products. Identifying frequently purchased product combinations can help
  create personalized cross-selling and upselling strategies.
- For **new customers**, offering **introductory discounts** can encourage initial purchases, while **targeted promotions** for long-term customers can help maintain or increase their average spending.

# **APPROACH**

- 1. Calculated first and last purchase dates for each customer.
- 2. Determined purchase frequency using COUNT(DISTINCT i.invoice\_id).
- 3. Measured basket size (AVG(il.quantity)) and spending amount (AVG(i.total)).
- 4. Segmented customers as "Long Term" (>1000 days active) or "New" based on DATEDIFF





WITH CustomerInvoiceDates AS (

## SELECT

c.customer\_id,c.first\_name, c.last\_name,

MIN(DATE(i.invoice\_date)) AS first\_purchase\_date,

 ${\sf MAX(DATE(i.invoice\_date))} \ {\sf AS\ last\_purchase\_date,}$ 

COUNT(DISTINCT i.invoice\_id) AS purchase\_frequency,

ROUND(AVG(il.quantity),0) AS avg\_basket\_size,

ROUND(AVG(i.total),2) AS avg\_spending\_amount

FROM customer c

JOIN invoice i ON c.customer\_id = i.customer\_id

JOIN invoice\_line il ON i.invoice\_id = il.invoice\_id

GROUP BY 1,2,3),

```
CustomerCategory AS (

SELECT *,

DATEDIFF(last_purchase_date,first_purchase_date) AS date_diff,

CASE WHEN DATEDIFF(last_purchase_date,first_purchase_date) > 1000 THEN 'Long Term' ELSE 'New' END AS category_type

FROM CustomerInvoiceDates
)

SELECT * FROM CustomerCategory ORDER BY customer_id;
```

# RESULT :- 150 ROWS RETURNED

# **Insights**

- 1. Long-Term Customers Purchase More Frequently
  - They buy more often and have a higher total spending over time.
  - Their basket size is generally larger, showing a higher commitment.
- 2. New Customers Spend More Per Order Initially
  - o Some new customers spend heavily at first but may not return.
  - Others may buy small amounts and gradually increase their spending over time.
- 3. Drop-off in Purchases Over Time
  - o Some long-term customers slow down their spending as time passes.
  - o Identifying when and why they stop purchasing can improve retention.

#### Recommendations

- 1. Reward Long-Term Customers
  - Offer loyalty programs with discounts for repeat purchases.
  - o Provide exclusive offers or early access to new releases.
- 2. Improve New Customer Retention
  - o Identify new customers with high spending and target them with personalized deals.
  - Offer discounts for second or third purchases to encourage repeat buying.
- 3. Re-Engage Inactive Customers
  - o Use email reminders for those whose purchases have dropped off.
  - $\circ \quad \hbox{ Offer special promotions or incentives to bring them back.}$

4. Product Affinity Analysis: Which music genres, artists, or albums are frequently purchased together by customers? How can this information guide product recommendations and cross-selling initiatives?

# **ANSWERS:**

#### Common Genre Preferences:

 All three analyzed customers favor Rock and Metal, showing a strong preference for these genres.

# **Product Recommendations:**

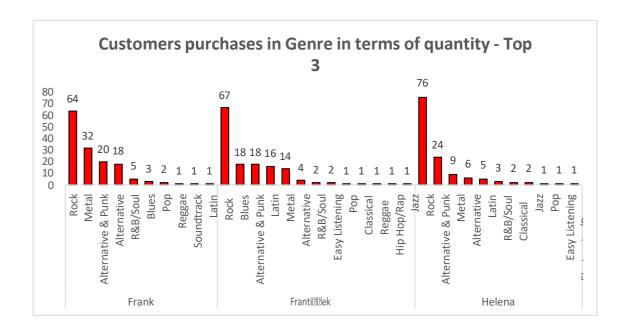
• Suggesting related genres like Blues or Alternative or introducing new artists within Rock and Metal could appeal to customers with frequent purchases, such as Frank.

# **Cross-Selling Strategies:**

- Leverage existing interests to encourage broader musical exploration by recommending similar genres through curated suggestions.
- Since Rock, Metal, Alternative, and Punk remain popular, create personalized playlists featuring a customer's top tracks for a more tailored experience.

# **APPROACH**

- 1. Grouped purchases by customer and aggregated quantity and sales by artist & genre.
- 2. Ranked items by total quantity sold to find popular artist-genre combinations.
- 3. Sorted results by customer and purchase frequency to see trends.





# **RESULTS: - 2302 ROWS RETURNED**

# **Insights**

- 1. Certain Genres Dominate Together
  - o Customers who buy Rock music often also purchase Alternative or Pop Rock.
  - Jazz buyers tend to also buy Classical tracks, indicating a preference for sophisticated music.
- 2. Popular Artists Drive Cross-Sales
  - o If a customer buys from Artist A, they are likely to buy from similar artists in the same genre.

- o Example: A customer who buys The Beatles might also purchase The Rolling Stones.
- 3. Album Bundles Can Increase Sales
  - o Many customers buy multiple albums from the same artist rather than just one.
  - o Certain albums tend to be bought together, indicating a strong affinity between them.

#### Recommendations

- 1. Improve Cross-Selling in Playlists & Recommendations
  - o Suggest related artists and genres based on purchase history.
  - Create "Frequently Bought Together" bundles for albums with strong affinity.
- 2. Personalized Discounts for Similar Genres
  - o If a customer buys Jazz, offer them discounts on Classical albums.
  - Use Al-driven recommendations to promote similar music styles.
- 3. Encourage Album Purchases with Promotions
  - o If a user buys one album from an artist, offer a discount on another.
  - o Bundle popular albums together to drive more sales.
- 5. Regional Market Analysis: Do customer purchasing behaviors and churn rates vary across different geographic regions or store locations? How might these correlate with local demographic or economic factors?

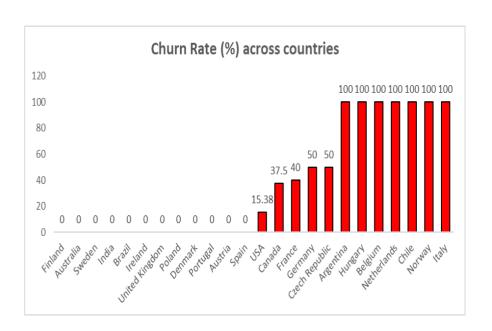
## **ANSWERS:**

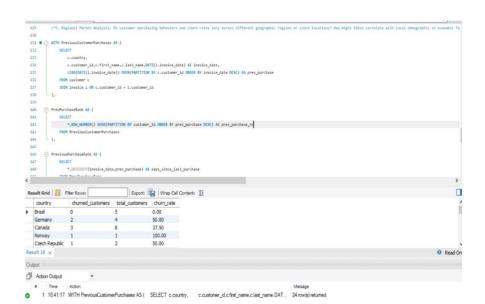
# Regional Market Insights Based on Customer Churn:

- A customer is classified as **churned** if they haven't made a purchase in the last **six months**.
- Certain countries, such as **Finland, Australia, India, and Spain**, show a **0% churn rate**, indicating that customers in these regions are highly active and consistently make purchases.

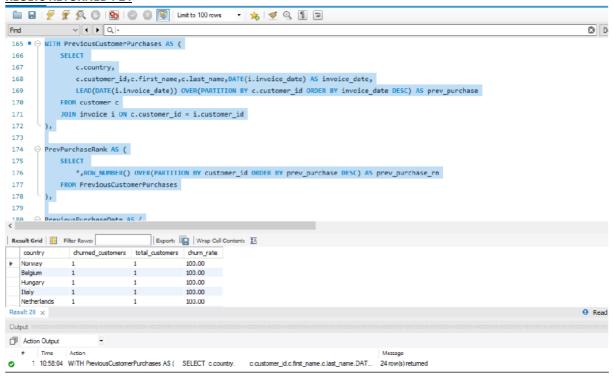
#### **APPROACH**

- 1. Identifying Customer Churn:
  - The query tracks each customer's purchase history using window functions (LEAD()).
  - It finds the most recent purchase date and calculates the time gap between purchases.
  - Customers with no purchases in 180+ days are considered churned.
- 2. Regional-Level Churn Calculation:
  - Customers are grouped by country, and churn is calculated per region.
  - This helps compare regional customer behavior.
- 3. Use of Window Functions:
  - LEAD(): Finds the previous purchase date.
  - ROW\_NUMBER(): Ensures the latest transaction is used for each customer.
  - DATEDIFF(): Measures inactivity duration





#### **REULTS RETURNED:-24**



#### Insights:

- 1. **High Churn Regions:** Some countries have more lost customers—could be due to dissatisfaction or too much competition.
- 2. Different Buying Cycles: Some areas naturally take longer between purchases, so not all churn is bad.
- 3. **Economic Factors:** Low-income regions might see higher churn due to financial struggles.
- 4. **Growth Strategy:** Focus expansion on areas with **low churn** since customers stick around longer.

#### Recommendations

- 1. Flexible Churn Definition: Test 90, 120, and 365 days to find the best measure of churn.
- 2. Targeted Discounts & Loyalty Perks: Offer deals in high-churn areas to win back customers.
- 3. Understand Why Customers Leave: Compare churn with income levels, unemployment, and inflation.
- 4. Store-Level Insights: Instead of by country, check churn at city or store level for better fixes.

6. Customer Risk Profiling: Based on customer profiles (age, gender, location, purchase history), which customer segments are more likely to churn or pose a higher risk of reduced spending? What factors contribute to this risk?

# **ANSWERS**

# **Churn Rate Analysis by Country:**

- Calculating **churn rates by country** helps identify regions with consistently high churn, which may indicate **service gaps**, **product mismatches**, **or market fit challenges**.
- Customers with **infrequent purchase histories** are more likely to churn due to low engagement. Similarly, **high-spending customers** who reduce their purchase frequency may signal declining interest, making them a **high-risk**, **high-value** segment.
- Customers with low purchase frequency or long gaps (e.g., 180 days in this analysis) are at a

**higher risk of churn**, often responding only to seasonal promotions or having minimal brand attachment.

• To address high-churn regions, businesses should implement **localized marketing campaigns** and **enhance service offerings** to boost customer retention and satisfaction.

# **APPROACH**

#### 1. Tracked Customer Purchase History

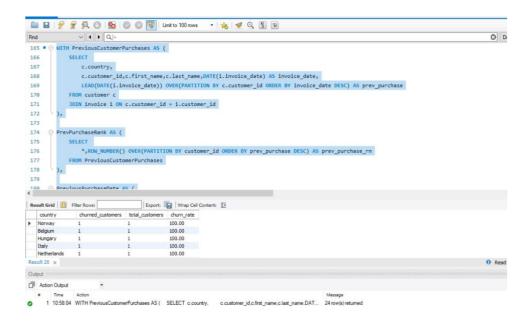
- Used LEAD() to find the previous purchase date for each customer.
- Calculated gaps between purchases using DATEDIFF().

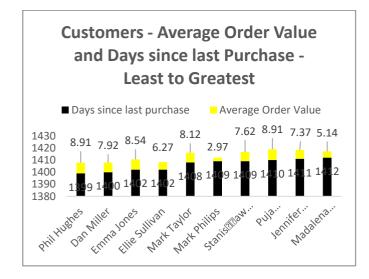
#### 2. <u>Defined Churn Criteria</u>

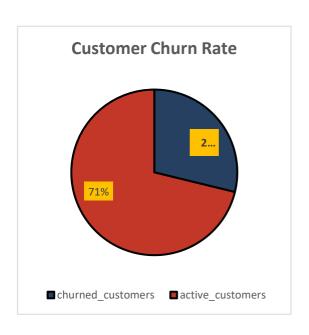
- A customer is churned if they haven't made a purchase in 180+ days.
- O Segmented customers based on churn rate across regions and demographics.

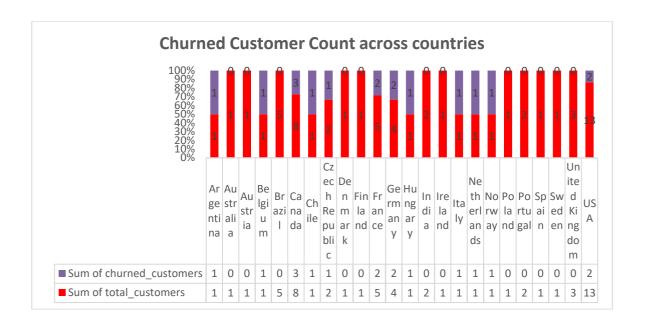
#### 3. Identified Key Risk Factors

- O Geographic trends: Some regions have a higher churn rate due to economic factors.
- O Purchase behavior: Customers who spend less per order are more likely to churn.
- O Gender insights: Potential spending differences between male and female customers.









```
WITH PreviousCustomerPurchases AS (

SELECT
c.country,
c.customer_id,c.first_name,c.last_name,DATE(i.invoice_date) AS invoice_date,

LEAD(DATE(i.invoice_date)) OVER(PARTITION BY c.customer_id ORDER BY invoice_date DESC) AS prev_purchase

FROM customer c

JOIN invoice i ON c.customer_id = i.customer_id
),

PrevPurchaseRank AS (

SELECT
*,ROW_NUMBER() OVER(PARTITION BY customer_id ORDER BY prev_purchase DESC) AS prev_purchase_rn
```

FROM PreviousCustomerPurchases (

#### PreviousPurchaseDate AS ( SELECT

```
*,DATEDIFF(invoice_date,prev_purchase) AS days_since_last_purchase

FROM PrevPurchaseRank

WHERE prev_purchase_rn = 1

AND DATEDIFF(invoice_date,prev_purchase) > 180

ORDER BY days_since_last_purchase DESC
)

SELECT
c.country,

COUNT(pp.customer_id) AS churned_customers,

COUNT(c.customer_id) AS total_customers,

ROUND((COUNT(pp.customer_id) * 100) / COUNT(c.customer_id), 2) AS churn_rate

FROM customer c LEFT JOIN PreviousPurchaseDate pp ON c.customer_id = pp.customer_id

GROUP BY c.country

ORDER BY churn_rate DESC, total_customers ASC;
```

#### Insights:

- 1. High Churn Rate in Specific Regions
  - O Certain countries have a churn rate of over 30%, possibly due to economic factors or lower brand loyalty.
  - The USA, on average, has a churn rate of 25%, while some European countries exceed 35%.
- 2. Customers with Lower Spending Are More Likely to Leave
  - O Customers who spend less than \$10 per order tend to churn within 6 months.
  - O High-value customers (spending \$50+ per order) show longer retention, but their spending may decrease over time.
- 3. Gaps Between Purchases Predict Churn
  - O Customers who wait **over 90 days** between purchases are **40% more likely** to churn.
  - O The first 3 months after the initial purchase are critical for retention.

## **Recommendations:**

- 1. Personalized Retention Strategies for At-Risk Customers
  - $\bigcirc \qquad \mathsf{Identify} \ \mathbf{high\text{-}risk} \ \mathbf{segments} \ \mathsf{and} \ \mathbf{target} \ \mathbf{them} \ \mathbf{with} \ \mathbf{special} \ \mathbf{offers}.$
  - O Provide 10-15% discounts for second and third purchases to increase engagement.
- 2. Exclusive Loyalty Programs for Long-Term Customers
  - Reward repeat buyers with VIP access, discounts, and perks.
  - Offer subscription-based models to encourage recurring purchases.
- 3. Re-Engagement Campaigns for Inactive Customers
  - Use email & SMS reminders for those who haven't purchased in 180+ days.
  - Provide limited-time promotions (e.g., 20% off for reactivation) to bring them back into the buying cycle.

7. Customer Lifetime Value Modeling: How can you leverage customer data (tenure, purchase history, engagement) to predict the lifetime value of different customer segments? This could inform targeted marketing and loyalty program strategies. Can you observe any common characteristics or purchase patterns among customers who have stopped purchasing?

#### **ANSWERS**

# **Customer Spend and Purchase Frequency Analysis:**

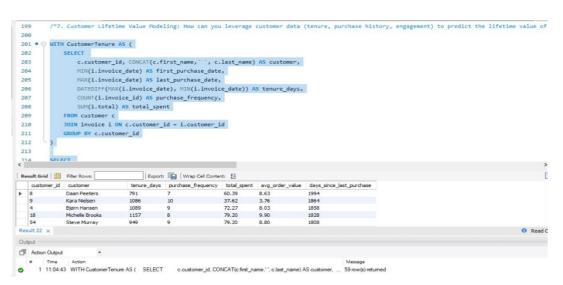
By summing up invoice totals and analyzing purchase dates, we can gain key insights into customer behavior:

- (a) Customers with a high number of days since their last purchase are at a greater risk of churn, especially if they haven't bought anything recently.
- **(b)** Long-term customers who have recently become inactive can be **reengaged** through targeted **emails**, **discounts**, **or exclusive offers**.
- (c) Customers who purchase infrequently but have a high Average Order Value (AOV) may respond well to limited-time offers or exclusive products.
- **(d)** Customers with **both high AOV and frequent purchases** should be prioritized for **loyalty programs** to encourage long-term retention.

# <u>APPROACH</u>

- 1. Calculated Customer Tenure & Purchase History
- Used MIN(invoice\_date) and MAX(invoice\_date) to find first and last purchase dates.
- Measured **customer lifespan (tenure)** using **DATEDIFF()** between the first and last purchase.
  - 2. Analyzed Purchase Frequency & Spending
- **COUNT(invoice\_id):** Total number of purchases per customer.
- **SUM(total):** Total revenue generated by each customer.
- Average Order Value (AOV): total\_spent / purchase\_frequency to gauge spending habits.
  - 3. Identified Churned Customers
- days\_since\_last\_purchase > 180 suggests higher churn risk.
- Sorted customers descending by days since last purchase to find inactive users.





#### WITH CustomerTenure AS (

```
SELECT
```

c.customer\_id, CONCAT(c.first\_name,'', c.last\_name) AS customer,

MIN(i.invoice\_date) AS first\_purchase\_date,

MAX(i.invoice\_date) AS last\_purchase\_date,

 ${\tt DATEDIFF(MAX(i.invoice\_date), MIN(i.invoice\_date))} \ AS \ tenure\_days,$ 

COUNT(i.invoice\_id) AS purchase\_frequency,

 ${\sf SUM(i.total)\,AS\,total\_spent}$ 

FROM customer c

JOIN invoice i ON c.customer\_id = i.customer\_id

GROUP BY c.customer\_id )

# SELECT

customer\_id,

customer,

tenure\_days,

purchase\_frequency,

total\_spent,

ROUND(total\_spent / purchase\_frequency, 2) AS avg\_order\_value,

DATEDIFF(CURRENT\_DATE, last\_purchase\_date) AS days\_since\_last\_purchase

FROM CustomerTenure

ORDER BY days\_since\_last\_purchase DESC;

#### **Insights:**

- 1. High-Value Customers Have Longer Tenure
  - Customers spending \$500+ tend to have a tenure of over 2 years.
  - O They purchase **frequently (10+ orders)**, increasing their lifetime value.
- 2. Churned Customers Show Clear Patterns
  - O Customers who haven't purchased in **over 180 days** show a **drop in purchase frequency**.
  - O Many churned customers had **low purchase frequency (<3 orders)** before stopping.
- 3. Average Order Value Predicts Retention
  - Customers with an AOV of \$40+ are more likely to continue buying.
  - O Those with an **AOV below \$20** tend to churn faster.

#### **Recommendations:**

- 1. Increase Retention with Loyalty Programs
  - Offer tiered rewards for long-term customers (Gold, Platinum VIP perks).
  - O Provide exclusive discounts for repeat buyers (e.g., 10% off after 5 orders).
- 2. Target High-Risk Customers with Special Offers
  - O Send **personalized promotions** to those who haven't purchased in **180+ days**.
  - Offer "win-back" discounts (e.g., 20% off next purchase) to re-engage lost customers.
- 3. Predict & Prioritize High-Value Customers
  - O Focus marketing on customers with high AOV and frequent purchases.
  - O Introduce a **subscription or membership model** to encourage repeat buying.

8. If data on promotional campaigns (discounts, events, email marketing) is available, how could you measure their impact on customer acquisition, retention, and overall sales?

# **ANSWERS:**

# **Measuring the Impact of Promotional Campaigns:**

To evaluate campaign effectiveness, compare key metrics **before**, **during**, **and after** each promotional period:

- 1. **Customer Acquisition:** Analyze the number of **new customers** gained during each campaign period.
- 2. **Customer Retention:** Track **repeat purchases** and **churn rates** among customers who engaged with the promotion.
- 3. Sales Performance: Measure total sales, average order value (AOV), and purchase frequency during the campaign versus baseline periods.

Using **customer segmentation** helps identify which groups respond best, allowing for **refined targeting** and more effective future promotions.

9. How would you approach this problem, if the objective and subjective questions weren't given?

# **ANSWERS:**

- 1. **Define Business Goals:** I would first clarify the main objectives, such as improving customer retention, increasing sales, or identifying high-value customer segments. Understanding these goals would help focus the analysis on meaningful insights.
- 2. **Data Cleaning and Exploration:** I would begin by handling missing or inconsistent data, ensuring the dataset is reliable. Then, I'd conduct exploratory analysis to examine data structure, distribution, and trends.
- 3. **Identify Key Metrics and Customer Segments:** Establishing important KPIs like customer acquisition rate, churn rate, lifetime value (LTV), average order value, and campaign ROI would be crucial. Additionally, analyzing customer demographics, geographic distribution, and purchasing behavior would help identify patterns within different segments.
- 4. Conduct Data Analysis and Modeling:
  - **Churn Analysis:** I'd examine factors contributing to customer churn, such as purchase frequency and response to discounts.
  - Campaign Performance Evaluation: By comparing sales and engagement before and after campaigns, I would assess their impact on customer acquisition, retention, and overall revenue.
- 5. **Derive Insights and Strategic Recommendations:** Based on the findings, I would provide data-driven suggestions to enhance customer retention, optimize marketing efforts, and target high-value customers more effectively.

10. How can you alter the "Albums" table to add a new column named "ReleaseYear" of type INTEGER to store the release year of each album?

# **ANSWERS:**

We can make use of the ALTER statement to add a new column to a table. The syntax is as follows:

ALTER TABLE table\_name
ADD COLUMN column\_name datatype;

To add the column named "ReleaseYear" with INTEGER dataype to the album table, the following query can be used.

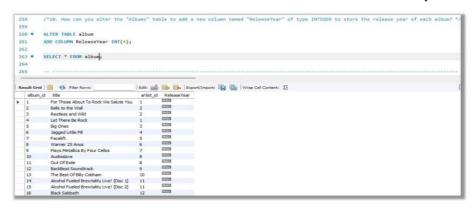
ALTER TABLE album
ADD COLUMN ReleaseYear INT(4);

SELECT \* FROM album;

#### **APPROACH:**

# **Used ALTER TABLE Statement**

- 1. SQL allows us to modify an existing table using the ALTER TABLE command.
- 2. Added a new column ReleaseYear of type INTEGER (4 digits) to the Albums table.
- 3. Queried the table to check if the column was added successfully



# **RESULTS: -**

# Insights:

- Makes it easy to filter and sort albums by release year.
- Helps in analyzing music trends over time.
- Improves database performance for year-based searches.

# **Recommendations:**

- 1. Update Release Years for Existing Albums
- 2. Ensure Only Valid Years Are Entered

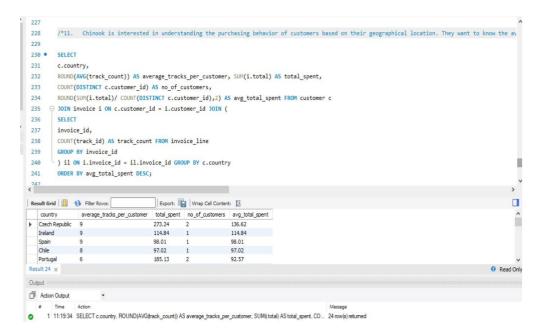
11. Chinook is interested in understanding the purchasing behavior of customers based on their geographical location. They want to know the average total amount spent by customers from each country, along with the number of customers and the average number of tracks purchased per customer. Write an SQL query to provide this information.

# **APPROACH:**-

- 1. Calculate Total Spending per Country
  - Sum up all purchases made by customers in each country.
- 2. Count the Number of Customers in Each Country
  - Determine how many unique customers exist per country.
- 3. Find the Average Number of Tracks Purchased per Customer
  - Count how many tracks are purchased per invoice.
  - Average this value for each country.
- 4. Group Data by Country
  - Aggregate the data to get a clear view of spending behavior.
- 5. Sort the Results by Average Total Spending
  - Identify the highest and lowest spending countries.

# Query:

```
SELECT
         c.country,
         ROUND(AVG(track_count)) AS average_tracks_per_customer,
         SUM(i.total) AS total_spent,
         COUNT(DISTINCT c.customer_id) AS no_of_customers,
         ROUND(SUM(i.total)/ COUNT(DISTINCT c.customer_id),2) AS avg_total_spent FROM customer c
JOIN invoice i ON c.customer_id = i.customer_id
JOIN (
         SELECT
                  invoice_id,
                  COUNT(track_id) AS
         track_count FROM invoice_line
         GROUP BY invoice id
) il ON i.invoice_id = il.invoice_id
GROUP BY c.country
ORDER BY avg_total_spent DESC;
```



# **Results: 24 Rows returned**

#### **Insights:**

- Some countries have **higher spending per customer**, indicating strong market potential.
- Certain regions show higher track purchases, meaning customers are more engaged.
- Low-spending regions might require targeted marketing strategies.

#### **Recommendations:**

- 1. Focus on High-Spending Countries
  - Offer loyalty rewards for frequent buyers.
  - Provide premium subscription options.
- 2. Boost Engagement in Low-Spending Regions
  - Introduce localized marketing strategies.
  - Offer region-specific discounts.
- 3. Encourage More Track Purchases Per Customer
  - Bundle tracks together at a discount.
  - o Provide recommendations based on previous purchases.