

# Capstone Project Proposal

## Springboard - Data Intensive

### Tashlin Reddy

#### 1. Problem to be Solved

PWC released a Consumer Goods Trends article in 2015. It was titled Fragmentation and Simplification. According to them, “in both developed and emerging markets, there is a wider variety among consumers now than at any time in the recent past.” PWC goes on to explain that although there is shrinking in the middle, there is growth at the top and bottom of the market. The top of the market comprises of the consumers spending more on higher priced items, as well as buying more items in general. In comparison, the bottom of the market includes an increasing amount of customers focusing on the value of goods. As stated before, the variety in the consumer base is at an all-time high. Consumers are changing and becoming more complex; therefore, the industry of marketing consumer goods needs to change as well. In the past, the middle of the market has played a major role in driving the consumer goods industry; however, as this segment of the market is shrinking, a readjustment in focus should occur. A proactive approach, would entail having a comprehensive understanding of the consumer to give clients an advantage. The question therefore arises: ***How can the consumer base be targeted in the most efficient manner possible?***

#### 2. Possible Clients

Prospective clients are investors looking for stores with key qualities for either franchising or stores that have to potential to expand and open up multiple locations. The other possible clients are the owners themselves. They want the necessary information to know why their store is successful, and if and how that can be replicated. If not, what should be changed in order for the shop to be successful. Based on my analysis, the clients will be able to make an informed decision on whether the shop in question has scalability potential. Or in certain circumstances, what might be needed to change in order to make the shop successful.

#### 3. Data

The data being used for this project is from COOP Italia, it includes anonymous data from over 60,000 customers.

#### 4. Approach

The idea for solving this problem is to conduct a data story, look for trends and possibly some anomalies. With a guided idea in place, I intend to segment the customer base (market segmentation), finding the customers who bring in the most market share, ie bring the most revenue to the client. Then to understand and learn as much as possible about these customers. With that knowledge, the client can target each segment such that the customers needs are fulfilled.

## **5. Deliverables**

Included in the deliverables will be the necessary parts required for this project, such as the slide deck, paper, and accompanying code. These part will focus on providing the client with a good understanding of the consumer base, and how best to and most efficiently target each segment.