

# Marketing Campaigns

## **Problem scenario:**

Marketing mix stands as a widely utilized concept in the execution of marketing strategies. It encompasses various facets within a comprehensive marketing plan, with a central focus on the four Ps of marketing: product, price, place, and promotion.

## **Problem objective:**

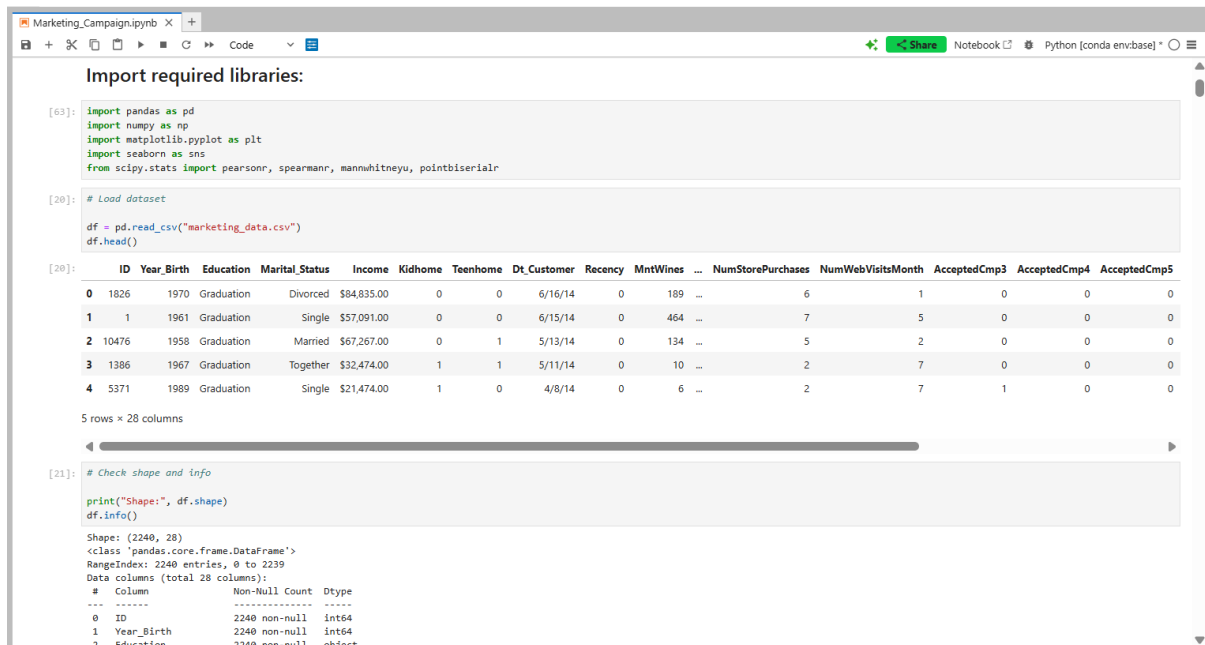
As a data scientist, you must conduct exploratory data analysis and hypothesis testing to enhance your comprehension of the diverse factors influencing customer acquisition.

## **Data description:**

The variables such as birth year, education, income, and others pertain to the first 'P' or 'People' in the tabular data presented to the user. The expenditures on items like wine, fruits, and gold, are associated with 'Product'. Information relevant to sales channels, such as websites and stores, is connected to 'Place', and the fields discussing promotions and the outcomes of various campaigns are linked to 'Promotion'.

## Step 1: Import Libraries & Load the Dataset

- \* Imported essential libraries for data manipulation and visualization
- \* Loaded the dataset (marketing\_data.csv)
- \* Displayed the first few rows to verify successful loading
- \* Checked the dataset shape and structure



The screenshot shows a Jupyter Notebook titled 'Marketing\_Campaign.ipynb'. The first cell, labeled [63], imports several libraries: pandas as pd, numpy as np, matplotlib.pyplot as plt, seaborn as sns, and from scipy.stats import pearsonr, spearmanr, mannwhitneyu, pointbiserialr. The second cell, labeled [20], loads the dataset 'marketing\_data.csv' into a DataFrame 'df' and displays the first five rows using 'df.head()'. The output shows a table with 28 columns: ID, Year\_Birth, Education, Marital\_Status, Income, Kidhome, Teenhome, Dt\_Customer, Recency, MntWines, ..., NumStorePurchases, NumWebVisitsMonth, AcceptedCmp3, AcceptedCmp4, AcceptedCmp5. The third cell, labeled [21], checks the shape and info of the DataFrame using 'print(df.shape)' and 'df.info()'. The output shows the shape is (2240, 28) and provides a detailed summary of the columns, including their names, non-null counts, and data types.

```
[63]: import pandas as pd
import numpy as np
import matplotlib.pyplot as plt
import seaborn as sns
from scipy.stats import pearsonr, spearmanr, mannwhitneyu, pointbiserialr

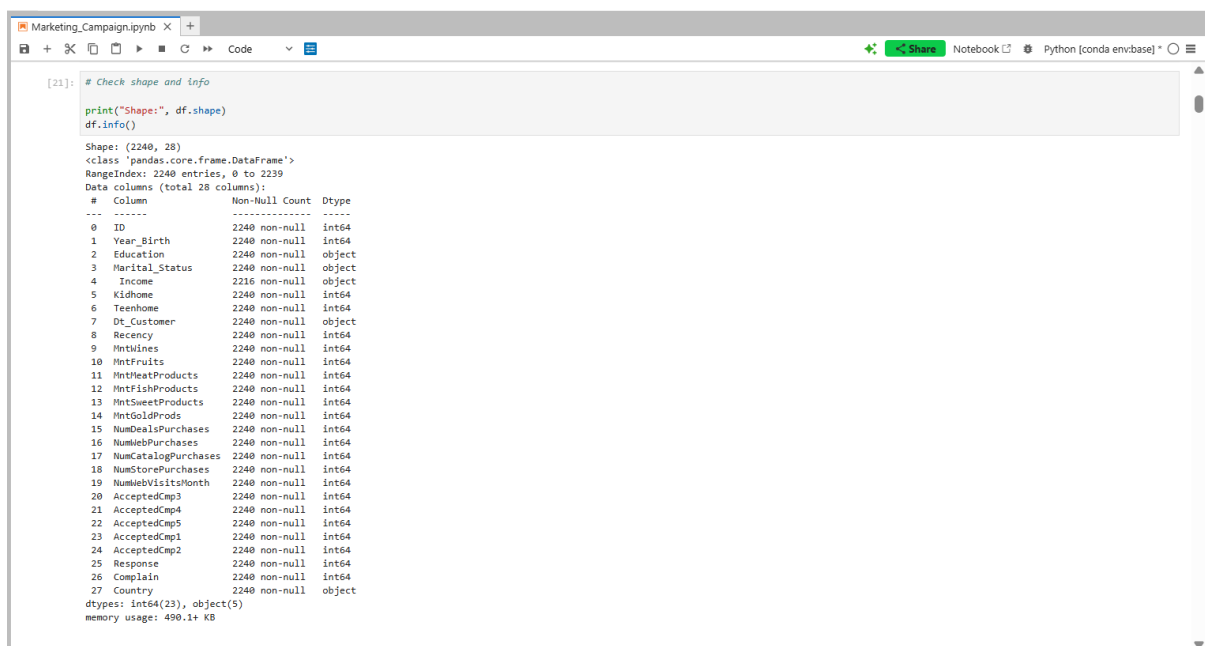
[20]: # Load dataset
df = pd.read_csv("marketing_data.csv")
df.head()

[20]: ID Year_Birth Education Marital_Status Income Kidhome Teenhome Dt_Customer Recency MntWines ... NumStorePurchases NumWebVisitsMonth AcceptedCmp3 AcceptedCmp4 AcceptedCmp5
0 1826 1970 Graduation Divorced $84,835.00 0 0 6/16/14 0 189 ... 6 1 0 0 0
1 1 1961 Graduation Single $57,091.00 0 0 6/15/14 0 464 ... 7 5 0 0 0
2 10476 1958 Graduation Married $67,267.00 0 1 5/13/14 0 134 ... 5 2 0 0 0
3 1386 1967 Graduation Together $32,474.00 1 1 5/11/14 0 10 ... 2 7 0 0 0
4 5371 1989 Graduation Single $21,474.00 1 0 4/8/14 0 6 ... 2 7 1 0 0

5 rows x 28 columns

[21]: # Check shape and info
print("Shape:", df.shape)
df.info()

Shape: (2240, 28)
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 2240 entries, 0 to 2239
Data columns (total 28 columns):
# Column Non-Null Count Dtype
---
0 ID 2240 non-null int64
1 Year_Birth 2240 non-null int64
2 Education 2240 non-null object
```



This screenshot continues the Jupyter Notebook from the previous one. It shows the output of the 'df.info()' command from the previous cell. The output lists all 28 columns of the DataFrame, their non-null counts (all are 2240), and their data types. The columns are: ID, Year\_Birth, Education, Marital\_Status, Income, Kidhome, Teenhome, Dt\_Customer, Recency, MntWines, MntFruits, MntMeatProducts, MntFishProducts, MntSweetProducts, MntGoldProds, NumDealsPurchases, NumCatalogPurchases, NumStorePurchases, NumWebVisitsMonth, AcceptedCmp3, AcceptedCmp4, AcceptedCmp5, AcceptedCmp1, AcceptedCmp2, Response, Complain, and Country. The data types are mostly int64 for numerical columns and object for categorical columns like Education, Marital\_Status, and Country. At the bottom, it shows 'dtypes: int64(23), object(5)' and 'memory usage: 490.1+ KB'.

```
[21]: # Check shape and info
print("Shape:", df.shape)
df.info()

Shape: (2240, 28)
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 2240 entries, 0 to 2239
Data columns (total 28 columns):
# Column Non-Null Count Dtype
---
0 ID 2240 non-null int64
1 Year_Birth 2240 non-null int64
2 Education 2240 non-null object
3 Marital_Status 2240 non-null object
4 Income 2216 non-null object
5 Kidhome 2240 non-null int64
6 Teenhome 2240 non-null int64
7 Dt_Customer 2240 non-null object
8 Recency 2240 non-null int64
9 MntWines 2240 non-null int64
10 MntFruits 2240 non-null int64
11 MntMeatProducts 2240 non-null int64
12 MntFishProducts 2240 non-null int64
13 MntSweetProducts 2240 non-null int64
14 MntGoldProds 2240 non-null int64
15 NumDealsPurchases 2240 non-null int64
16 NumCatalogPurchases 2240 non-null int64
17 NumStorePurchases 2240 non-null int64
18 NumWebVisitsMonth 2240 non-null int64
19 AcceptedCmp3 2240 non-null int64
20 AcceptedCmp4 2240 non-null int64
21 AcceptedCmp5 2240 non-null int64
22 AcceptedCmp1 2240 non-null int64
23 AcceptedCmp2 2240 non-null int64
24 Response 2240 non-null int64
25 Complain 2240 non-null int64
26 Country 2240 non-null object
dtypes: int64(23), object(5)
memory usage: 490.1+ KB
```

## Step 2: Initial Data Inspection

- \* Checked column names and identified any irregular formatting
- \* Reviewed summary statistics for numerical variables
- \* Inspected missing values across all columns
- \* Verified that key variables (Income, Dt\_Customer) require cleaning

```
Marketing_Campaign.ipynb
```

```
[22]: # View column names
df.columns.tolist()

[22]: ['ID',
      'Year_Birth',
      'Education',
      'Marital_Status',
      'Income',
      'Kidhome',
      'Teenhome',
      'Dt_Customer',
      'Recency',
      'MntWines',
      'MntFruits',
      'MntMeatProducts',
      'MntFishProducts',
      'MntSweetProducts',
      'NumDealsPurchases',
      'NumWebPurchases',
      'NumCatalogPurchases',
      'NumStorePurchases',
      'NumWebVisitsMonth',
      'AcceptedCmp3',
      'AcceptedCmp4',
      'AcceptedCmp5',
      'AcceptedCmp1',
      'AcceptedCmp2',
      'Response',
      'Complain',
      'Country']

[23]: # Summary statistics for numeric columns
df.describe()

[23]:
```

	ID	Year_Birth	Kidhome	Teenhome	Recency	MntWines	MntFruits	MntMeatProducts	MntFishProducts	MntSweetProducts	...	NumCatalogPurchases	NumStorePurchases	NumWe
count	2240.000000	2240.000000	2240.000000	2240.000000	2240.000000	2240.000000	2240.000000	2240.000000	2240.000000	2240.000000	...	2240.000000	2240.000000	
mean	5592.159821	1968.805804	0.444196	0.506250	49.109375	303.935714	26.302232	166.950000	37.525446	27.062946	...	2.662054	5.790179	

```
Marketing_Campaign.ipynb
```

```
[23]: # Summary statistics for numeric columns
df.describe()

[23]:
```

	ID	Year_Birth	Kidhome	Teenhome	Recency	MntWines	MntFruits	MntMeatProducts	MntFishProducts	MntSweetProducts	...	NumCatalogPurchases	NumStorePurchases	NumWe
count	2240.000000	2240.000000	2240.000000	2240.000000	2240.000000	2240.000000	2240.000000	2240.000000	2240.000000	2240.000000	...	2240.000000	2240.000000	
mean	5592.159821	1968.805804	0.444196	0.506250	49.109375	303.935714	26.302232	166.950000	37.525446	27.062946	...	2.662054	5.790179	
std	3246.662198	11.984069	0.538398	0.544538	28.962453	336.597393	39.773434	225.715373	54.628979	41.280498	...	2.923101	3.250958	
min	0.000000	1893.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	...	0.000000	0.000000	
25%	2828.250000	1959.000000	0.000000	0.000000	24.000000	23.750000	1.000000	16.000000	3.000000	1.000000	...	0.000000	3.000000	
50%	5458.500000	1970.000000	0.000000	0.000000	49.000000	173.500000	8.000000	67.000000	12.000000	8.000000	...	2.000000	5.000000	
75%	8427.750000	1977.000000	1.000000	1.000000	74.000000	504.250000	33.000000	232.000000	50.000000	33.000000	...	4.000000	8.000000	
max	11191.000000	1996.000000	2.000000	2.000000	99.000000	1493.000000	199.000000	1725.000000	259.000000	263.000000	...	28.000000	13.000000	

8 rows × 23 columns

```
[24]: # Check missing values in each column
df.isna().sum().sort_values(ascending=False)

[24]: Income      24
      ID         0
      NumDealsPurchases  0
      Complain      0
      Response      0
      AcceptedCmp2    0
      AcceptedCmp1    0
      AcceptedCmp5    0
      AcceptedCmp4    0
      AcceptedCmp3    0
      NumWebVisitsMonth  0
      NumStorePurchases  0
      NumCatalogPurchases  0
      NumWebPurchases    0
      MntGoldProds      0
```

```
[25]: # Preview unique values for key categorical columns

print("Education:", df['Education'].unique())
print("Marital_Status:", df['Marital_Status'].unique())
print("Country:", df['Country'].unique())

Education: ['Graduation' 'PhD' '2n Cycle' 'Master' 'Basic']
Marital_Status: ['Divorced' 'Single' 'Married' 'Together' 'Widow' 'YOLO' 'Alone' 'Absurd']
Country: ['SP' 'CA' 'US' 'AUS' 'GER' 'IND' 'SA' 'ME']
```

## Step 3: Data Cleaning

### 3.1 - Clean Column Names

- \* Cleaned column names by removing leading/trailing whitespace
- \* Standardized column names by replacing spaces with underscores
- \* Ensured consistent naming for later processing

```
[26]: # Clean Column Names
df.columns = df.columns.str.strip().str.replace(' ', '_')
df.columns.tolist()

[26]: ['ID',
      'Year_Birth',
      'Education',
      'Marital_Status',
      'Income',
      'Kidhome',
      'Teenhome',
      'Dt_Customer',
      'Recency',
      'MntWines',
      'MntFruits',
      'MntMeatProducts',
      'MntFishProducts',
      'MntSweetProducts',
      'MntGoldProds',
      'NumDealsPurchases',
      'NumWebPurchases',
      'NumCatalogPurchases',
      'NumStorePurchases',
      'NumWebVisitsMonth',
      'AcceptedCmp3',
      'AcceptedCmp4',
      'AcceptedCmp5',
      'AcceptedCmp1',
      'AcceptedCmp2',
      'Response',
      'Complain',
      'Country']
```

### 3.2 - Fix Income Formatting

- \* Remove \$, ,, and whitespace
- \* Convert Income to numeric
- \* Confirm missing-value count

```
[28]: # Fix Income formatting
df['Income'] = (
    df['Income']
    .astype(str)
    .str.replace(r'[\$,]', '', regex=True)
    .str.strip()
)

df['Income'] = pd.to_numeric(df['Income'], errors='coerce')
df['Income'].isna().sum()

[28]: np.int64(24)
```

### 3.3 - Clean Marital\_Status Categories

- \* Standardize inconsistent categories (Alone, YOLO, Absurd, etc.)
- \* Map them into consistent groups: Married, Single, Previously\_Married
- \* Ensure categories match the business logic

```
[29]: # Clean Marital_Status categories
marital_map = {
    'Married': 'Married',
    'Together': 'Married',
    'Single': 'Single',
    'Alone': 'Single',
    'YOLO': 'Single',
    'Absurd': 'Single',
    'Divorced': 'Previously_Married',
    'Widow': 'Previously_Married'
}

df['Marital_Status'] = df['Marital_Status'].map(marital_map)
df['Marital_Status'].value_counts()

[29]: Marital_Status
Married      1444
Single        487
Previously_Married  389
Name: count, dtype: int64
```

### 3.4 - Clean Education Categories

The dataset sometimes contains inconsistent education labels.

This step will:

- \* Standardize education categories
- \* Ensure categories match the expected five groups
- \* Verify final unique values

```
[32]: # Clean Education categories

edu_map = {
    'Graduation': 'Graduation',
    'PhD': 'PhD',
    '2n Cycle': '2n Cycle',
    'Master': 'Master',
    'Basic': 'Basic'
}

df['Education'] = df['Education'].map(edu_map)

df['Education'].value_counts()

[32]: Education
Graduation    1127
PhD           486
Master        370
2n Cycle      203
Basic         54
Name: count, dtype: int64
```

### 3.5 - Convert Dt\_Customer to Datetime Format

- \* Convert the Dt\_Customer field from string to datetime
- \* Ensure proper recognition of month/day/year format
- \* Verify successful conversion

```
[33]: df['Dt_Customer'] = pd.to_datetime(df['Dt_Customer'], format='%m/%d/%y')

df['Dt_Customer'].head()

[33]: 0    2014-06-16
1    2014-06-15
2    2014-05-13
3    2014-05-11
4    2014-04-08
Name: Dt_Customer, dtype: datetime64[ns]
```

### 3.6 - Impute Missing Income Values

According to the problem statement:

`Customers with similar education and marital status tend to have similar yearly incomes on average.`

So we will:

- \* Group by Education + Marital\_Status
- \* Compute median income for each group
- \* Fill missing Income values accordingly
- \* Verify no missing values remain

```
[35]: # compute median income by Education + Marital_Status
group_medians = df.groupby(['Education', 'Marital_Status'])['Income'].median()

# fill missing income
df['Income'] = df.apply(
    lambda row: group_medians[row['Education'], row['Marital_Status']]
    if pd.isna(row['Income']) else row['Income'],
    axis=1
)

df['Income'].isna().sum()

[35]: np.int64(0)
```

## Step 4: Feature Engineering

### Create feature columns

- \* Derived TotalChildren
- \* Calculated Age
- \* Created TotalSpending
- \* Derived TotalPurchases for all channels

```
[36]: # total children
df['TotalChildren'] = df['KidHome'] + df['TeenHome']

# age (using 2025 as reference year)
df['Age'] = 2025 - df['Year_Birth']

# total spending across product categories
spending_cols = [
    'MntWines', 'MntFruits', 'MntMeatProducts',
    'MntFishProducts', 'MntSweetProducts', 'MntGoldProds'
]
df['TotalSpending'] = df[spending_cols].sum(axis=1)

# total purchases across all channels
purchase_cols = ['NumWebPurchases', 'NumCatalogPurchases', 'NumStorePurchases']
df['TotalPurchases'] = df[purchase_cols].sum(axis=1)

df[['TotalChildren', 'Age', 'TotalSpending', 'TotalPurchases']].head()
```

```
[36]:
```

	TotalChildren	Age	TotalSpending	TotalPurchases
0	0	55	1190	14
1	0	64	577	17
2	1	67	251	10
3	2	58	11	3
4	1	36	91	6

## Step 5: Outlier Treatment for Income

- \* Calculated 1st and 99th percentiles
- \* Capped values outside this range
- \* Replaced original Income with capped values
- \* Verified updated distribution

```
[37]: # compute percentiles
Q1 = df['Income'].quantile(0.01)
Q99 = df['Income'].quantile(0.99)

# cap outliers
df['Income_capped'] = df['Income'].clip(lower=Q1, upper=Q99)

# replace original column
df['Income'] = df['Income_capped']
df.drop(columns=['Income_capped'], inplace=True)

df['Income'].describe()
```

```
[37]:
```

count	2240.000000
mean	51762.999464
std	20636.153112
min	7705.920000
25%	35538.750000
50%	51342.000000
75%	68289.750000
max	94437.680000
Name: Income, dtype: float64	

### Step 6: Remove Unrealistic Age Values

- \* Checked for customers with Age > 100
- \* Removed those rows from the dataset
- \* Verified that no unrealistic ages remain

```
[40]: # inspect rows with unrealistic ages
df[df['Age'] > 100][['ID', 'Year_Birth', 'Age']]

# remove ages > 100
df = df[df['Age'] <= 100].copy()

df[df['Age'] > 100]
```

```
[40]: ID Year_Birth Education Marital_Status Income Kidhome Teenhome Dt_Customer Recency MntWines ... AcceptedCmp5 AcceptedCmp1 AcceptedCmp2 Response Complain Country TotalChildren Age
```

0 rows × 32 columns

## Step 7: Encoding Categorical Variables

- \* Applied ordinal encoding to Education
- \* Created one-hot encoded variables for Marital\_Status
- \* Created one-hot encoded variables for Country
- \* Joined encoded columns back to the main DataFrame

```
[42]: # Ordinal encoding for Education

edu_order = {
    'Basic': 1,
    '2n_Cycle': 2,
    'Graduation': 3,
    'Master': 4,
    'PhD': 5
}

# fix column name
df['Education'] = df['Education'].str.replace('2n Cycle', '2n_cycle')

df['Education_ord'] = df['Education'].map(edu_order)

df[['Education', 'Education_ord']].head()
```

```
[42]:
```

	Education	Education_ord
0	Graduation	3
1	Graduation	3
2	Graduation	3
3	Graduation	3
4	Graduation	3

[illegible]

## Step 8: Correlation Heatmap

- \* Select only numeric columns
- \* Compute the correlation matrix
- \* Plot a heatmap for visual interpretation

```
[45]: # Select numeric columns and compute correlation:
```

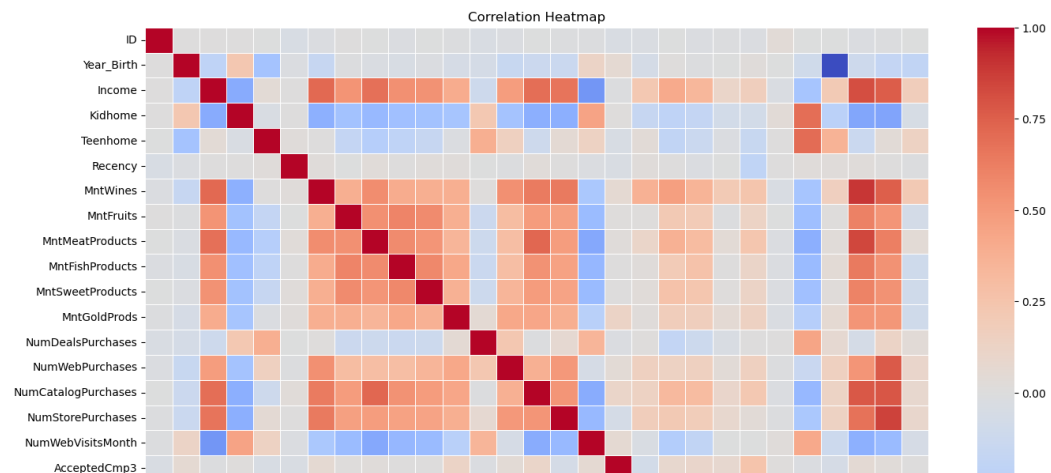
```
numeric_df = df.select_dtypes(include=['int64', 'float64'])  
corr_matrix = numeric_df.corr()  
corr_matrix
```

```
[45]:
```

	ID	Year_Birth	Income	Kidhome	Teenhome	Recency	MntWines	MntFruits	MntMeatProducts	MntFishProducts	...	AcceptedCmp5	AcceptedCmp1	AcceptedCmp2	Response
ID	1.000000	0.003024	0.002879	0.002202	-0.003543	-0.046755	-0.021181	0.007080	-0.002622	-0.023181	...	-0.005062	-0.021524	-0.015027	-0.021810
Year_Birth	0.003024	1.000000	-0.208115	0.234133	-0.363350	-0.019670	-0.163035	-0.013751	-0.030927	-0.042519	...	0.015322	-0.008227	-0.007657	0.018424
Income	0.002879	-0.208115	1.000000	-0.524802	0.040044	0.006729	0.717841	0.528080	0.685489	0.542402	...	0.408476	0.336654	0.107633	0.168745
Kidhome	0.002202	0.234133	-0.524802	1.000000	-0.035753	0.007544	-0.496367	-0.372488	-0.437059	-0.387536	...	-0.204994	-0.172512	-0.081794	-0.080176
Teenhome	-0.003543	-0.363350	0.040044	-0.035753	1.000000	0.017115	0.005409	-0.175951	-0.260820	-0.203900	...	-0.190227	-0.140288	-0.015664	-0.154730
Recency	-0.046755	-0.019670	0.006729	0.007544	0.017115	1.000000	0.016668	-0.003592	0.023705	0.001532	...	0.000956	-0.019258	-0.001764	-0.198568
MntWines	-0.021181	-0.163035	0.717841	-0.496367	0.005409	0.016668	1.000000	0.388518	0.561993	0.399073	...	0.471969	0.354365	0.206040	0.247392
MntFruits	0.007080	-0.013751	0.528080	-0.372488	-0.175951	-0.003592	0.388518	1.000000	0.542057	0.594438	...	0.212027	0.195380	-0.009701	0.125904
MntMeatProducts	-0.002622	-0.030927	0.685489	-0.437059	-0.260820	0.023705	0.561993	0.542057	1.000000	0.567880	...	0.372212	0.310096	0.043090	0.236640
MntFishProducts	-0.023181	-0.042519	0.542402	-0.387536	-0.203900	0.001532	0.399073	0.594438	0.567880	1.000000	...	0.198163	0.260908	0.002583	0.111415
MntSweetProducts	-0.006444	-0.019571	0.538464	-0.370656	-0.162218	0.023045	0.385992	0.567054	0.523418	0.579553	...	0.258048	0.241875	0.009972	0.117366
MntGoldProds	-0.010661	-0.057599	0.404110	-0.349633	-0.020186	0.017412	0.386376	0.390042	0.348845	0.422103	...	0.176382	0.167145	0.050252	0.140693
NumDealsPurchases	-0.036917	-0.067999	-0.116465	0.221799	0.387792	-0.000987	0.010829	-0.131886	-0.122465	-0.139440	...	-0.182910	-0.123530	-0.037814	0.001854
NumWebPurchases	-0.017913	-0.153973	0.476716	-0.362063	0.155776	-0.010616	0.542177	0.297024	0.293579	0.293489	...	0.138958	0.154991	0.034103	0.148453
NumCatalogPurchases	-0.001893	-0.125439	0.690528	-0.502438	-0.110285	0.025449	0.634784	0.487307	0.723519	0.534033	...	0.321419	0.308240	0.099891	0.220894
NumStorePurchases	-0.014062	-0.139465	0.665315	-0.500387	0.050517	0.001117	0.642433	0.463168	0.480110	0.460099	...	0.216147	0.183043	0.085098	0.038855
NumWebVisitsMonth	-0.008104	0.117570	-0.646763	0.447641	0.134491	-0.021959	-0.320337	-0.417427	-0.539203	-0.445760	...	-0.276371	-0.192948	-0.007330	-0.004449
AcceptedCmp3	-0.035959	0.061013	-0.012898	0.014606	-0.042823	-0.032976	0.062201	0.014983	0.018331	0.000370	...	0.080930	0.094661	0.071981	0.254144
AcceptedCmp4	-0.025292	-0.064341	0.225366	-0.161775	0.038790	0.018890	0.373532	0.010402	0.103053	0.016864	...	0.307812	0.251225	0.292184	0.176890
AcceptedCmp5	-0.005062	0.015322	0.408476	-0.204994	-0.190227	0.000956	0.471969	0.212027	0.372212	0.198163	...	1.000000	0.404616	0.222333	0.328182

```
[46]: # Plot heatmap:
```

```
plt.figure(figsize=(16, 12))  
sns.heatmap(corr_matrix, cmap='coolwarm', linewidths=0.5)  
plt.title("Correlation Heatmap")  
plt.show()
```





## Step 9: Hypothesis Testing

### 9.1 - Hypothesis A - Age vs Store Purchases

- \* Compared Age with number of in-store purchases
- \* Visualized relationship using a scatter plot
- \* Calculated Pearson correlation coefficient
- \* Evaluated statistical significance

```
[48]: # Scatter plot:  
  
plt.figure(figsize=(6,4))  
plt.scatter(df['Age'], df['NumStorePurchases'], alpha=0.4)  
plt.xlabel('Age')  
plt.ylabel('NumStorePurchases')  
plt.title('Age vs Store Purchases')  
plt.show()
```

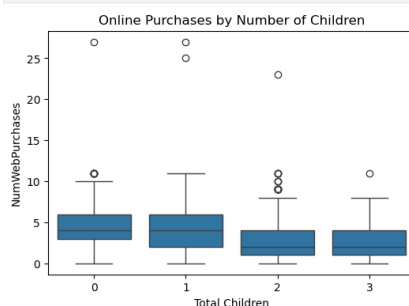


```
[49]: # Pearson correlation test:  
  
r, p = pearsonr(df['Age'], df['NumStorePurchases'])  
print("Correlation coefficient (r):", r)  
print("p-value:", p)  
  
Correlation coefficient (r): 0.13946510300279412  
p-value: 3.472816546739386e-11
```

### 9.2 - Hypothesis B - Children vs Online Purchases

- \* Compared TotalChildren with number of online purchases
- \* Visualized distributions using a boxplot
- \* Performed the Spearman rank correlation test
- \* Checked if online purchases increase with more children

```
[50]: # Boxplot:  
  
plt.figure(figsize=(6,4))  
sns.boxplot(x=df['TotalChildren'], y=df['NumWebPurchases'])  
plt.xlabel('Total Children')  
plt.ylabel('NumWebPurchases')  
plt.title('Online Purchases by Number of Children')  
plt.show()
```



```
[52]: # Spearman correlation test:  
  
rho, p = spearmanr(df['TotalChildren'], df['NumWebPurchases'])  
print("Spearman rho:", rho)  
print("p-value:", p)  
  
Spearman rho: -0.1853333569053294  
p-value: 9.791403824731e-19
```

### 9.3 - Hypothesis C — Store vs Web & Catalog Purchases

- \* Visualized relationships using scatterplots
- \* Performed Pearson correlation tests
- \* Checked if online/catalog sales negatively impact store sales



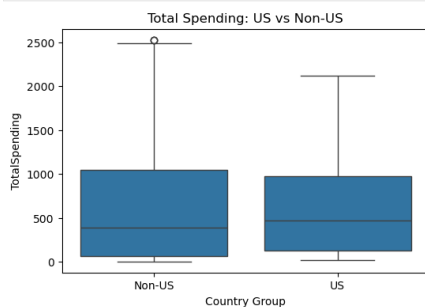
## 9.4 - Hypothesis D - US vs Non-US Spending

- \* Created two groups (US vs Non-US)
- \* Visualized spending distributions
- \* Performed Mann–Whitney U test
- \* Checked if the difference is statistically significant

```
[55]: # Boxplot:
plt.figure(figsize=(6,4))

sns.boxplot(
    x = df['Country'].apply(lambda x: 'US' if x=='US' else 'Non-US'),
    y = df['TotalSpending']
)

plt.xlabel('Country Group')
plt.ylabel('TotalSpending')
plt.title('Total Spending: US vs Non-US')
plt.show()
```



```
[56]: # Median spending:
df.groupby(df['Country']).apply(lambda x: 'US' if x=='US' else 'Non-US')['TotalSpending'].median()
```

```
[56]: Country
Non-US    393.0
US        467.0
Name: TotalSpending, dtype: float64
```

```
[58]: # Mann-Whitney U test:
us_spend = df[df['Country']=='US']['TotalSpending']
nonus_spend = df[df['Country']!='US']['TotalSpending']

stat, p = mannwhitneyu(us_spend, nonus_spend, alternative='two-sided')

print("Mann-Whitney U statistic:", stat)
print("p-value:", p)
print("\nUS median:", us_spend.median())
print("Non-US median:", nonus_spend.median())
```

```
Mann-Whitney U statistic: 123822.5
p-value: 0.23290054549364958
```

```
US median: 467.0
Non-US median: 393.0
```

## Step 10: Visual Analysis

### 10.1 - Product Revenue Analysis

- \* Calculated revenue across all product categories
- \* Identified top and bottom performers
- \* Visualized using a bar chart

```
[59]: # Calculate product revenues:

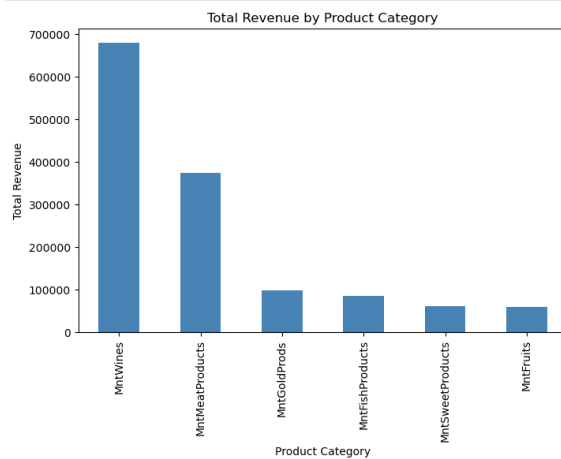
product_cols = [
    'MntWines', 'MntFruits', 'MntMeatProducts',
    'MntFishProducts', 'MntSweetProducts', 'MntGoldProds'
]

product_revenue = df[product_cols].sum().sort_values(ascending=False)
product_revenue

[59]: MntWines      680038
      MntMeatProducts 373393
      MntGoldProds   98398
      MntFishProducts 83939
      MntSweetProducts 60553
      MntFruits      58767
      dtype: int64
```

```
[60]: # Plot revenue by product category:

plt.figure(figsize=(8,5))
product_revenue.plot(kind='bar', color='steelblue')
plt.title("Total Revenue by Product Category")
plt.ylabel("Total Revenue")
plt.xlabel("Product Category")
plt.show()
```

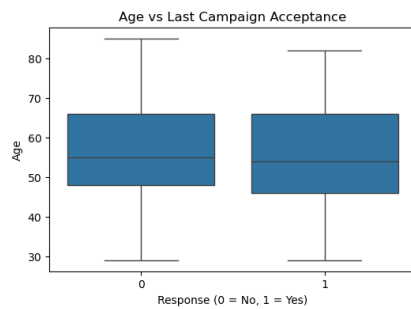


## 10.2 - Age vs Campaign Acceptance

- \* Compared Age distribution between responders and non-responders
- \* Visualized using a boxplot
- \* Calculated point-biserial correlation to measure association

```
[61]: # Boxplot of Age vs Response:
```

```
plt.figure(figsize=(6,4))
sns.boxplot(x=df['Response'], y=df['Age'])
plt.xlabel("Response (0 = No, 1 = Yes)")
plt.ylabel("Age")
plt.title("Age vs Last Campaign Acceptance")
plt.show()
```



```
[62]: # Median Age by Response:
```

```
df.groupby('Response')['Age'].median()
```

```
[62]: Response
```

```
0    55.0  
1    54.0  
Name: Age, dtype: float64
```

```
[64]: # Point-Biserial correlation:
```

```
r, p = pointbiserialr(df['Response'], df['Age'])  
print("Point-biserial correlation (r):", r)  
print("p-value:", p)
```

```
Point-biserial correlation (r): -0.018424292565464954  
p-value: 0.3837544666786445
```

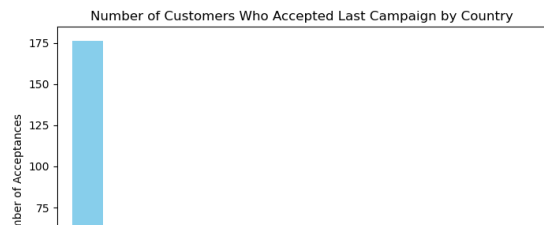
## 10.3 - Campaign Acceptance by Country

- \* Grouped customers by country
- \* Counted total number of acceptances
- \* Visualized acceptance distribution by country

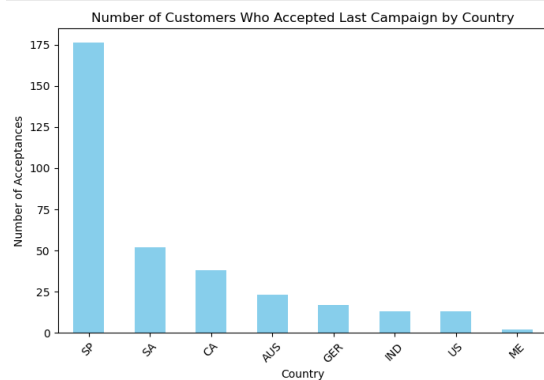
```
[65]: # Calculate acceptances by country:  
  
acceptance_by_country = df.groupby('Country')['Response'].sum().sort_values(ascending=False)  
acceptance_by_country
```

```
[65]: Country  
SP    176  
SA     52  
CA     38  
AUS    23  
GER     17  
IND     13  
US      13  
ME       2  
Name: Response, dtype: int64
```

```
[66]: # Plot acceptances by country:  
  
plt.figure(figsize=(8,5))  
acceptance_by_country.plot(kind='bar', color='skyblue')  
plt.title("Number of Customers Who Accepted Last Campaign by Country")  
plt.ylabel("Number of Acceptances")  
plt.xlabel("Country")  
plt.xticks(rotation=45)  
plt.show()
```



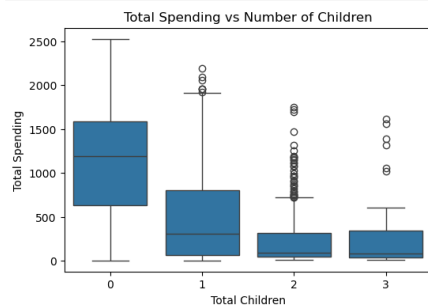
```
[66]: # Plot acceptances by country:  
  
plt.figure(figsize=(8,5))  
acceptance_by_country.plot(kind='bar', color='skyblue')  
plt.title("Number of Customers Who Accepted Last Campaign by Country")  
plt.ylabel("Number of Acceptances")  
plt.xlabel("Country")  
plt.xticks(rotation=45)  
plt.show()
```



## 10.4 - Total Children vs Total Spending

- \* Visualized spending for customers with different numbers of children
- \* Calculated median spending across groups
- \* Measured correlation strength using Spearman rank correlation

```
[70]: # Boxplot:
plt.figure(figsize=(6,4))
sns.boxplot(x=df['TotalChildren'], y=df['TotalSpending'])
plt.xlabel('Total Children')
plt.ylabel('Total Spending')
plt.title('Total Spending vs Number of Children')
plt.show()
```



```
[71]: # Median spending by children group:
df.groupby('TotalChildren')['TotalSpending'].median()
```

```
[71]: TotalChildren
0    1189.0
1     306.0
2      93.0
3      88.0
Name: TotalSpending, dtype: float64
```

```
[72]: # Spearman correlation test:
rho, p = spearmanr(df['TotalChildren'], df['TotalSpending'])
print("Spearman rho:", rho)
print("p-value:", p)

Spearman rho: -0.4835857868887243
p-value: 1.817901317197658e-131
```

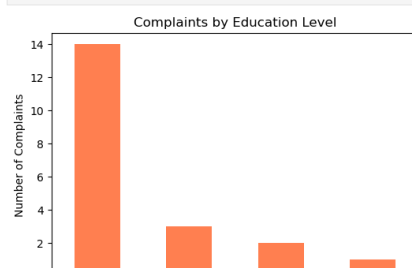
## 10.5 - Complaints by Education Level

- \* Filtered only customers who complained
- \* Counted complaints by education category
- \* Visualized distribution using a bar chart

```
[73]: # Count complaints by education:
complaints_by_edu = df[df['Complain'] == 1]['Education'].value_counts()
complaints_by_edu
```

```
[73]: Education
Graduation    14
2n_Cycle      3
Master         2
PhD            1
Name: count, dtype: int64
```

```
[74]: # Plot complaints by education:
plt.figure(figsize=(6,4))
complaints_by_edu.plot(kind='bar', color='coral')
plt.title("Complaints by Education Level")
plt.xlabel("Education Level")
plt.ylabel("Number of Complaints")
plt.xticks(rotation=45)
plt.show()
```



## **Step 11: Final Project Summary**

### **Final Summary — Marketing Campaign Analysis**

- \* Completed full data cleaning and preprocessing
- \* Engineered new features for deeper insights
- \* Performed exploratory data analysis
- \* Conducted outlier treatment and encoding
- \* Executed four hypothesis tests as required
- \* Generated key visual insights for business interpretation

#### **Key data preparation steps:**

- \* Cleaned Income, Education, and Marital\_Status categories
- \* Converted Dt\_Customer to datetime format
- \* Imputed missing income values using Education + Marital\_Status groups
- \* Removed unrealistic Age values
- \* Created TotalChildren, Age, TotalSpending, and TotalPurchases

#### **Key EDA findings:**

- \* Income and spending variables are right-skewed
- \* Wines and Meat are the highest revenue products
- \* TotalSpending strongly correlates with premium product categories
- \* Multi-channel shoppers tend to spend more

#### **Hypothesis testing results:**

- \* Older customers show very weak preference for in-store shopping
- \* Customers with more children do not prefer online shopping; they shop less
- \* No evidence of channel cannibalization — store, web, and catalog purchases rise together
- \* US customers do not significantly outperform non-US customers in spending

#### **Key visual insights:**

- \* Spain has the highest campaign acceptance
- \* Campaign acceptance is not influenced by Age
- \* Families with more children spend significantly less
- \* Most complaints come from Graduation-level customers

#### **Business insights:**

- \* Spain is highly responsive — stronger marketing focus recommended
- \* High-value customers tend to have no children
- \* Multi-channel engagement drives higher spending
- \* Graduation-level customers may need better support or communication



