

Mini Project 3

Problem Statement

Customer Analysis is a detailed analysis of a company's customers. It helps a business to better understand its customers and makes it easier for them to modify products according to the specific needs, behaviours and concerns of different types of customers. Customer analysis helps a business to modify its product based on its target customers from different types of customer segments. For example, instead of spending money to market a new product to every customer in the company's database, a company can analyze which customer segment is most likely to buy the product and then market the product only on that particular segment.

Data Dictionary

ID: Customer's unique identifier

Year_Birth: Customer's birth year

Education: Customer's education level

Marital_Status: Customer's marital status

Income: Customer's yearly household income

Kidhome: Number of children in customer's household

Teenhome: Number of teenagers in customer's household

Dt_Customer: Date of customer's enrollment with the company

Recency: Number of days since customer's last purchase

Complain: 1 if the customer complained in the last 2 years, 0 otherwise

MntWines: Amount spent on wine in last 2 years

MntFruits: Amount spent on fruits in last 2 years

MntMeatProducts: Amount spent on meat in last 2 years

MntFishProducts: Amount spent on fish in last 2 years

MntSweetProducts: Amount spent on sweets in last 2 years

MntGoldProds: Amount spent on gold in last 2 years

NumDealsPurchases: Number of purchases made with a discount

AcceptedCmp1: 1 if customer accepted the offer in the 1st campaign, 0 otherwise

AcceptedCmp2: 1 if customer accepted the offer in the 2nd campaign, 0 otherwise

AcceptedCmp3: 1 if customer accepted the offer in the 3rd campaign, 0 otherwise

AcceptedCmp4: 1 if customer accepted the offer in the 4th campaign, 0 otherwise

AcceptedCmp5: 1 if customer accepted the offer in the 5th campaign, 0 otherwise

Response: 1 if customer accepted the offer in the last campaign, 0 otherwise

NumWebPurchases: Number of purchases made through the company's website

NumCatalogPurchases: Number of purchases made using a catalogue

NumStorePurchases: Number of purchases made directly in stores

NumWebVisitsMonth: Number of visits to company's website in the last month

Perform clustering to summarize customer segments.