Quantium Virtual Internship - Retail Strategy and Analytics -Task 1

Yussuf Ali

2024-09-07

```
# Load required libraries
library(data.table)
library(ggplot2)
library(readr)
library(readx1)
library(stringr)
# Load the data using fread with the correct file path
transactionData <- fread("QVI_transaction_data.csv")</pre>
# Check if the data is loaded successfully
str(transactionData)
## Classes 'data.table' and 'data.frame':
                                            264836 obs. of 8 variables:
               : int 43390 43599 43605 43329 43330 43604 43601 43601 43332 43330 ...
## $ STORE NBR
                    : int 1112244457...
## $ LYLTY CARD NBR: int 1000 1307 1343 2373 2426 4074 4149 4196 5026 7150 ...
  $ TXN ID
                   : int 1 348 383 974 1038 2982 3333 3539 4525 6900 ...
## $ PROD NBR
                    : int 5 66 61 69 108 57 16 24 42 52 ...
## $ PROD NAME
                                         Compny SeaSalt175g" "CCs Nacho Cheese 175g" "Smith
                 : chr "Natural Chip
## $ PROD_QTY
                    : int 2 3 2 5 3 1 1 1 1 2 ...
## $ TOT SALES
                    : num 6 6.3 2.9 15 13.8 5.1 5.7 3.6 3.9 7.2 ...
  - attr(*, ".internal.selfref")=<externalptr>
head(transactionData, n=10)
       DATE STORE_NBR LYLTY_CARD_NBR TXN_ID PROD_NBR
##
##
                 <int>
                                <int>
                                      <int>
                                                <int>
       <int>
## 1: 43390
                                 1000
                                           1
                                                    5
                     1
## 2: 43599
                     1
                                 1307
                                         348
                                                   66
                                 1343
                                         383
  3: 43605
                     1
                                                   61
                     2
                                         974
##
  4: 43329
                                 2373
                                                   69
##
  5: 43330
                     2
                                 2426
                                        1038
                                                  108
                     4
                                 4074
                                                   57
##
  6: 43604
                                        2982
                     4
                                 4149
##
  7: 43601
                                        3333
                                                   16
  8: 43601
##
                     4
                                 4196
                                        3539
                                                   24
## 9: 43332
                     5
                                 5026
                                        4525
                                                   42
                     7
## 10: 43330
                                 7150
                                        6900
                                                   52
##
                                      PROD_NAME PROD_QTY TOT_SALES
```

```
##
                                                   <int>
                                         <char>
                                                             <num>
## 1:
                             Compny SeaSalt175g
                                                  2
        Natural Chip
                                                               6.0
                                                               6.3
## 2:
                       CCs Nacho Cheese
                                                       3
        Smiths Crinkle Cut Chips Chicken 170g
Smiths Chip Thinly S/Cream&Onion 175g
## 3:
                                                       2
                                                               2.9
                                                       5
##
  4:
                                                              15.0
## 5: Kettle Tortilla ChpsHny&Jlpno Chili 150g
                                                       3
                                                              13.8
## 6: Old El Paso Salsa
                          Dip Tomato Mild 300g
                                                      1
                                                               5.1
## 7: Smiths Crinkle Chips Salt & Vinegar 330g
                                                      1
                                                               5.7
                              Sweet Chilli 210g
## 8:
          Grain Waves
                                                      1
                                                               3.6
## 9:
       Doritos Corn Chip Mexican Jalapeno 150g
                                                      1
                                                               3.9
         Grain Waves Sour
                            Cream&Chives 210G
                                                               7.2
customerData <- fread("QVI_purchase_behaviour.csv")</pre>
str(customerData)
## Classes 'data.table' and 'data.frame':
                                            72637 obs. of 3 variables:
## $ LYLTY CARD NBR : int 1000 1002 1003 1004 1005 1007 1009 1010 1011 1012 ...
               : chr "YOUNG SINGLES/COUPLES" "YOUNG SINGLES/COUPLES" "YOUNG FAMILIES" "OLD
## $ LIFESTAGE
## $ PREMIUM_CUSTOMER: chr "Premium" "Mainstream" "Budget" "Mainstream" ...
## - attr(*, ".internal.selfref")=<externalptr>
head(customerData, n=10)
##
       LYLTY CARD NBR
                                   LIFESTAGE PREMIUM CUSTOMER
##
                <int>
                                                       <char>
                                      <char>
## 1:
                 1000 YOUNG SINGLES/COUPLES
                                                      Premium
                 1002 YOUNG SINGLES/COUPLES
## 2:
                                                   Mainstream
## 3:
                1003
                              YOUNG FAMILIES
                                                       Budget
                1004 OLDER SINGLES/COUPLES
## 4:
                                                   Mainstream
## 5:
               1005 MIDAGE SINGLES/COUPLES
                                                   Mainstream
              1007 YOUNG SINGLES/COUPLES
## 6:
                                                      Budget
## 7:
               1009
                               NEW FAMILIES
                                                      Premium
                1010 YOUNG SINGLES/COUPLES
## 8:
                                                   Mainstream
## 9:
                1011 OLDER SINGLES/COUPLES
                                                   Mainstream
## 10:
                 1012
                             OLDER FAMILIES
                                                   Mainstream
```

Exploratory data analysis

Examining transaction data

```
## $ PROD OTY
                     : int 2 3 2 5 3 1 1 1 1 2 ...
                     : num 6 6.3 2.9 15 13.8 5.1 5.7 3.6 3.9 7.2 ...
## $ TOT SALES
## - attr(*, ".internal.selfref")=<externalptr>
We can see that the date column is in an integer format. Let's change this to a date format.
# Convert DATE column in transactionData to date format
transactionData$DATE <- as.Date(transactionData$DATE, origin = "1899-12-30")
# Check the conversion
str(transactionData$DATE)
     Date[1:264836], format: "2018-10-17" "2019-05-14" "2019-05-20" "2018-08-
17" "2018-08-18" ...
# Check for missing values in each column of the transaction data
colSums(is.na(transactionData))
##
             DATE
                        STORE NBR LYLTY CARD NBR
                                                          TXN ID
                                                                        PROD NBR
##
##
        PROD NAME
                         PROD QTY
                                       TOT SALES
##
                0
                                                0
Let's confirm that we are looking at the right products by examining PROD_NAME.
# Generate a summary of the PROD_NAME column
summary(transactionData$PROD NAME)
                 Class
##
      Length
                             Mode
##
      264836 character character
# View the unique product names to identify non-chip entries
unique(transactionData$PROD NAME)
##
     [1] "Natural Chip
                               Compny SeaSalt175g"
     [2] "CCs Nacho Cheese
                               175g"
##
     [3] "Smiths Crinkle Cut Chips Chicken 170g"
##
     [4] "Smiths Chip Thinly
##
                               S/Cream&Onion 175g"
##
     [5] "Kettle Tortilla ChpsHny&Jlpno Chili 150g"
     [6] "Old El Paso Salsa
##
                               Dip Tomato Mild 300g"
##
     [7] "Smiths Crinkle Chips Salt & Vinegar 330g"
     [8] "Grain Waves
##
                               Sweet Chilli 210g"
     [9] "Doritos Corn Chip Mexican Jalapeno 150g"
##
##
    [10] "Grain Waves Sour
                               Cream&Chives 210G"
    [11] "Kettle Sensations
                               Siracha Lime 150g"
##
   [12] "Twisties Cheese
##
                               270g"
                               Chicken 175g"
##
    [13] "WW Crinkle Cut
##
   [14] "Thins Chips Light& Tangy 175g"
   [15] "CCs Original 175g"
```

[16] "Burger Rings 220g"

```
[17] "NCC Sour Cream &
                               Garden Chives 175g"
        "Doritos Corn Chip Southern Chicken 150g'
##
    [18]
    [19] "Cheezels Cheese Box 125g"
    [20] "Smiths Crinkle
                               Original 330g"
##
    [21] "Infzns Crn Crnchers Tangy Gcamole 110g"
##
    [22] "Kettle Sea Salt
                               And Vinegar 175g"
    [23] "Smiths Chip Thinly Cut Original 175g"
##
    [24] "Kettle Original 175g"
##
##
    [25]
         "Red Rock Deli Thai
                               Chilli&Lime 150g"
##
    [26] "Pringles Sthrn FriedChicken 134g"
##
    [27] "Pringles Sweet&Spcy BBQ 134g"
    [28] "Red Rock Deli SR
##
                               Salsa & Mzzrlla 150g"
        "Thins Chips
                               Originl saltd 175g'
##
    [29]
    [30] "Red Rock Deli Sp
                               Salt & Truffle 150G"
                               Swt Chli&S/Cream175G"
    [31] "Smiths Thinly
         "Kettle Chilli 175g"
##
    [32]
##
                               170g"
    [33]
         "Doritos Mexicana
    [34] "Smiths Crinkle Cut
                               French OnionDip 150g"
    [35] "Natural ChipCo
##
                               Hony Soy Chckn175g
##
    [36] "Dorito Corn Chp
                               Supreme 380g"
        "Twisties Chicken270g"
##
    [37]
    [38] "Smiths Thinly Cut
##
                               Roast Chicken 175g"
         "Smiths Crinkle Cut
    [39]
                               Tomato Salsa 150g"
##
         "Kettle Mozzarella
##
    [40]
                               Basil & Pesto 175g"
    [41] "Infuzions Thai SweetChili PotatoMix 110g"
##
    [42] "Kettle Sensations
##
                               Camembert & Fig 150g"
    [43] "Smith Crinkle Cut
##
                               Mac N Cheese 150g"
##
    [44]
        "Kettle Honey Soy
                               Chicken 175g"
    [45] "Thins Chips Seasonedchicken 175g"
##
    [46] "Smiths Crinkle Cut
##
                               Salt & Vinegar 170g"
         "Infuzions BBQ Rib
##
    [47]
                               Prawn Crackers 110g
##
    [48]
        "GrnWves Plus Btroot & Chilli Jam 180g"
    [49] "Tyrrells Crisps
                               Lightly Salted 165g"
##
    [50] "Kettle Sweet Chilli And Sour Cream 175g"
    [51] "Doritos Salsa
                               Medium 300g"
##
    [52] "Kettle 135g Swt Pot Sea Salt"
    [53] "Pringles SourCream
                              Onion 134g"
##
    [54] "Doritos Corn Chips
                               Original 170g"
         "Twisties Cheese
    [55]
                               Burger 250g"
##
##
                               Dip Chnky Tom Ht300g"
    [56] "Old El Paso Salsa
    [57] "Cobs Popd Swt/Chlli &Sr/Cream Chips 110g"
##
##
    [58] "Woolworths Mild
                               Salsa 300g"
         "Natural Chip Co
##
    [59]
                               Tmato Hrb&Spce 175g"
##
    [60] "Smiths Crinkle Cut
                               Chips Original 170g"
##
    [61] "Cobs Popd Sea Salt
                               Chips 110g"
         "Smiths Crinkle Cut
                               Chips Chs&Onion170g"
##
    [62]
    [63]
##
         "French Fries Potato Chips 175g"
    [64] "Old El Paso Salsa
                               Dip Tomato Med 300g"
##
    [65] "Doritos Corn Chips
                               Cheese Supreme 170g"
    [66] "Pringles Original
                               Crisps 134g"
##
        "RRD Chilli&
    [67]
                               Coconut 150g"
    [68] "WW Original Corn
                               Chips 200g"
    [69] "Thins Potato Chips
##
                               Hot & Spicy 175g"
    [70] "Cobs Popd Sour Crm &Chives Chips 110g"
```

```
[71] "Smiths Crnkle Chip
                               Orgnl Big Bag 380g"
##
    [72]
        "Doritos Corn Chips
                               Nacho Cheese 170g
    [73] "Kettle Sensations
                               BBQ&Maple 150g"
    [74] "WW D/Style Chip
                               Sea Salt 200g"
##
##
    [75]
         "Pringles Chicken
                               Salt Crips 134g"
##
    [76] "WW Original Stacked Chips 160g"
    [77] "Smiths Chip Thinly
##
                               CutSalt/Vinegr175g"
    [78] "Cheezels Cheese 330g"
##
##
    [79]
         "Tostitos Lightly
                               Salted 175g"
##
    [80] "Thins Chips Salt &
                               Vinegar 175g"
##
    [81] "Smiths Crinkle Cut
                               Chips Barbecue 170g"
        "Cheetos Puffs 165g"
##
    [82]
        "RRD Sweet Chilli &
##
    [83]
                               Sour Cream 165g"
    [84] "WW Crinkle Cut
##
                               Original 175g"
##
    [85]
         "Tostitos Splash Of
                               Lime 175g"
                               Salsa 300g"
##
    [86]
         "Woolworths Medium
##
         "Kettle Tortilla ChpsBtroot&Ricotta 150g"
    [87]
##
    [88] "CCs Tasty Cheese
                               175g"
    [89] "Woolworths Cheese
                               Rings 190g"
##
    [90] "Tostitos Smoked
                               Chipotle 175g"
##
    [91] "Pringles Barbeque
                               134g"
##
    [92] "WW Supreme Cheese
                               Corn Chips 200g"
         "Pringles Mystery
    [93]
                               Flavour 134g"
##
    [94]
         "Tyrrells Crisps
                               Ched & Chives 165g"
##
    [95] "Snbts Whlgrn Crisps Cheddr&Mstrd 90g"
##
    [96] "Cheetos Chs & Bacon Balls 190g"
##
##
    [97] "Pringles Slt Vingar 134g"
    [98] "Infuzions SourCream&Herbs Veg Strws 110g"
##
##
    [99] "Kettle Tortilla ChpsFeta&Garlic 150g"
## [100] "Infuzions Mango
                               Chutny Papadums 70g"
   [101] "RRD Steak &
                               Chimuchurri 150g"
## [102] "RRD Honey Soy
                               Chicken 165g"
## [103] "Sunbites Whlegrn
                               Crisps Frch/Onin 90g"
## [104] "RRD Salt & Vinegar
                               165g"
         "Doritos Cheese
                               Supreme 330g"
   [105]
## [106] "Smiths Crinkle Cut
                               Snag&Sauce 150g"
## [107] "WW Sour Cream &OnionStacked Chips 160g"
## [108] "RRD Lime & Pepper
                               165g"
         "Natural ChipCo Sea
                               Salt & Vinegr 175g"
## [109]
## [110] "Red Rock Deli Chikn&Garlic Aioli 150g
## [111] "RRD SR Slow Rst
                               Pork Belly 150g"
## [112] "RRD Pc Sea Salt
                               165g"
         "Smith Crinkle Cut
## [113]
                               Bolognese 150g"
## [114] "Doritos Salsa Mild
                               300g"
#Length(unique(transactionData$PROD_NAME))
#### Examine PROD NAME
transactionData[, .N, PROD_NAME][order(-N)] # sort from highest to Lowest
##
                                        PROD_NAME
##
                                           <char> <int>
          Kettle Mozzarella
##
     1:
                               Basil & Pesto 175g 3304
```

```
2: Kettle Tortilla ChpsHny&Jlpno Chili 150g
                                                 3296
    3: Cobs Popd Swt/Chlli &Sr/Cream Chips 110g 3269
##
##
         Tyrrells Crisps
                             Ched & Chives 165g 3268
    4:
##
    5:
                 Cobs Popd Sea Salt Chips 110g 3265
##
## 110:
                       RRD Pc Sea Salt
                                           165g 1431
## 111:
                 Woolworths Medium
                                     Salsa 300g 1430
## 112:
         NCC Sour Cream &
                             Garden Chives 175g 1419
## 113:
                 French Fries Potato Chips 175g 1418
## 114:
              WW Crinkle Cut
                                  Original 175g 1410
```

Looks like we are definitely looking at potato chips but how can we check that these are all chips? We can do some basic text analysis by summarising the individual words in the product name.

```
## words
## <char>
## 1: Natural
## 2: Chip
## 3:
## 4:
## 5:
## 6:
```

As we are only interested in words that will tell us if the product is chips or not, let's remove all words with digits and special characters such as '&' from our set of product words. We can do this using grepl().

```
# Remove empty strings and spaces
productWords <- productWords[words != ""]

# Remove words with digits and special characters
productWords <- productWords[!grep1("\\d", words)]
productWords <- productWords[!grep1("[^a-zA-Z]", words)]

# Count the frequency of each word
wordFrequency <- productWords[, .N, by = words][order(-N)]

# Display the most common words
print(wordFrequency)</pre>
```

```
##
            words
##
            <char> <int>
##
             Chips
     1:
                      21
##
     2:
                      16
           Smiths
##
     3:
          Crinkle
                      14
```

```
##
     4:
               Cut
                       14
##
     5:
            Kettle
                       13
##
                        1
## 164:
               Rst
## 165:
              Pork
                        1
## 166:
             Belly
                        1
                        1
## 167:
                Pc
                        1
## 168: Bolognese
```

There are salsa products in the dataset but we are only interested in the chips category, so let's remove these.

```
# Remove salsa products from the dataset
transactionData[, SALSA := grepl("salsa", tolower(PROD_NAME))]
# Keep only entries where SALSA is FALSE
transactionData <- transactionData[SALSA == FALSE, ][, SALSA := NULL]</pre>
```

Verify the removal of salsa products by checking unique product names
unique(transactionData\$PROD_NAME)

```
##
     [1] "Natural Chip
                              Compny SeaSalt175g"
     [2] "CCs Nacho Cheese
##
                              175g"
     [3] "Smiths Crinkle Cut Chips Chicken 170g"
##
##
     [4] "Smiths Chip Thinly
                              S/Cream&Onion 175g"
##
     [5] "Kettle Tortilla ChpsHny&Jlpno Chili 150g"
##
     [6] "Smiths Crinkle Chips Salt & Vinegar 330g
##
     [7] "Grain Waves
                              Sweet Chilli 210g"
##
     [8] "Doritos Corn Chip Mexican Jalapeno 150g"
##
     [9] "Grain Waves Sour
                              Cream&Chives 210G"
    [10] "Kettle Sensations
##
                              Siracha Lime 150g"
##
    [11] "Twisties Cheese
                              270g"
    [12] "WW Crinkle Cut
                              Chicken 175g"
    [13] "Thins Chips Light&
                              Tangy 175g"
##
    [14] "CCs Original 175g"
##
##
    [15] "Burger Rings 220g"
    [16] "NCC Sour Cream &
                              Garden Chives 175g"
    [17] "Doritos Corn Chip Southern Chicken 150g"
##
##
   [18] "Cheezels Cheese Box 125g"
##
   [19] "Smiths Crinkle
                              Original 330g"
##
   [20] "Infzns Crn Crnchers Tangy Gcamole 110g"
    [21] "Kettle Sea Salt
##
                               And Vinegar 175g"
##
    [22] "Smiths Chip Thinly Cut Original 175g"
##
    [23] "Kettle Original 175g"
    [24] "Red Rock Deli Thai Chilli&Lime 150g"
    [25] "Pringles Sthrn FriedChicken 134g"
##
##
    [26] "Pringles Sweet&Spcy BBQ 134g"
    [27] "Thins Chips
                              Originl saltd 175g"
   [28] "Red Rock Deli Sp
                              Salt & Truffle 150G"
##
                              Swt Chli&S/Cream175G"
##
    [29] "Smiths Thinly
    [30] "Kettle Chilli 175g"
##
   [31] "Doritos Mexicana
                              170g"
    [32] "Smiths Crinkle Cut French OnionDip 150g"
##
```

```
[33] "Natural ChipCo
                               Hony Soy Chckn175g"
##
         "Dorito Corn Chp
    [34]
                               Supreme 380g"
    [35] "Twisties Chicken270g"
    [36] "Smiths Thinly Cut
                               Roast Chicken 175g"
##
    [37]
         "Kettle Mozzarella
                               Basil & Pesto 175g'
##
    [38] "Infuzions Thai SweetChili PotatoMix 110g"
         "Kettle Sensations
##
    [39]
                               Camembert & Fig 150g"
         "Smith Crinkle Cut
##
    [40]
                               Mac N Cheese 150g"
##
    [41]
         "Kettle Honey Soy
                               Chicken 175g'
##
         "Thins Chips Seasonedchicken 175g"
    [42]
##
    [43] "Smiths Crinkle Cut
                               Salt & Vinegar 170g"
        "Infuzions BBQ Rib
##
    [44]
                               Prawn Crackers 110g
##
    [45]
         "GrnWves Plus Btroot & Chilli Jam 180g'
    [46] "Tyrrells Crisps
                               Lightly Salted 165g"
##
##
    [47] "Kettle Sweet Chilli And Sour Cream 175g
##
    [48]
         "Kettle 135g Swt Pot Sea Salt"
##
    [49]
         "Pringles SourCream
                               Onion 134g"
    [50] "Doritos Corn Chips
                               Original 170g"
    [51] "Twisties Cheese
##
                               Burger 250g'
    [52] "Cobs Popd Swt/Chlli &Sr/Cream Chips 110g"
##
##
    [53] "Natural Chip Co
                               Tmato Hrb&Spce 175g'
    [54] "Smiths Crinkle Cut
##
                               Chips Original 170g"
         "Cobs Popd Sea Salt
                               Chips 110g"
##
    [55]
         "Smiths Crinkle Cut
##
    [56]
                               Chips Chs&Onion170g"
##
    [57] "French Fries Potato Chips 175g"
    [58] "Doritos Corn Chips
##
                               Cheese Supreme 170g"
##
    [59] "Pringles Original
                               Crisps 134g"
    [60]
         "RRD Chilli&
##
                               Coconut 150g"
        "WW Original Corn
##
    [61]
                               Chips 200g"
         "Thins Potato Chips
##
    [62]
                               Hot & Spicy 175g"
         "Cobs Popd Sour Crm
##
    [63]
                               &Chives Chips 110g"
##
    [64]
         "Smiths Crnkle Chip
                               Orgnl Big Bag 380g
##
    [65] "Doritos Corn Chips
                               Nacho Cheese 170g
##
    [66] "Kettle Sensations
                               BBQ&Maple 150g"
         "WW D/Style Chip
                               Sea Salt 200g"
##
    [67]
##
        "Pringles Chicken
    [68]
                               Salt Crips 134g"
##
    [69] "WW Original Stacked Chips 160g"
##
    [70] "Smiths Chip Thinly
                               CutSalt/Vinegr175g"
    [71]
         "Cheezels Cheese 330g"
##
##
    [72] "Tostitos Lightly
                               Salted 175g"
    [73] "Thins Chips Salt &
##
                               Vinegar 175g"
    [74] "Smiths Crinkle Cut
                               Chips Barbecue 170g"
##
##
    [75]
         "Cheetos Puffs 165g'
##
    [76] "RRD Sweet Chilli &
                               Sour Cream 165g"
    [77]
##
         "WW Crinkle Cut
                               Original 175g"
         "Tostitos Splash Of
    [78]
                               Lime 175g"
##
         "Kettle Tortilla ChpsBtroot&Ricotta 150g"
##
    [79]
##
    [80] "CCs Tasty Cheese
                               175g"
                               Rings 190g"
##
    [81] "Woolworths Cheese
         "Tostitos Smoked
##
    [82]
                               Chipotle 175g"
##
    [83]
         "Pringles Barbeque
                               134g"
##
    [84] "WW Supreme Cheese
                               Corn Chips 200g"
##
    [85] "Pringles Mystery
                               Flavour 134g"
    [86] "Tyrrells Crisps
                               Ched & Chives 165g"
```

```
[87] "Snbts Whlgrn Crisps Cheddr&Mstrd 90g"
    [88] "Cheetos Chs & Bacon Balls 190g"
##
    [89] "Pringles Slt Vingar 134g"
    [90] "Infuzions SourCream&Herbs Veg Strws 110g"
    [91] "Kettle Tortilla ChpsFeta&Garlic 150g"
##
    [92] "Infuzions Mango
                              Chutny Papadums 70g"
    [93] "RRD Steak &
                              Chimuchurri 150g"
##
    [94] "RRD Honey Soy
                              Chicken 165g"
##
    [95]
##
         "Sunbites Whlegrn
                               Crisps Frch/Onin 90g"
##
    [96] "RRD Salt & Vinegar
                              165g"
    [97] "Doritos Cheese
                               Supreme 330g"
    [98] "Smiths Crinkle Cut
                              Snag&Sauce 150g"
##
    [99] "WW Sour Cream &OnionStacked Chips 160g"
##
## [100] "RRD Lime & Pepper
                               165g"
## [101] "Natural ChipCo Sea
                              Salt & Vinegr 175g"
   [102]
         "Red Rock Deli Chikn&Garlic Aioli 150g
## [103] "RRD SR Slow Rst
                               Pork Belly 150g"
                              165g"
## [104] "RRD Pc Sea Salt
## [105] "Smith Crinkle Cut
                               Bolognese 150g"
```

Summarise the data to check for nulls and possible outliers.

summary(transactionData)

```
##
         DATE
                            STORE NBR
                                           LYLTY_CARD_NBR
                                                                   TXN_ID
##
           :2018-07-01
                                                  :
                                                       1000
                                                              Min.
                                                                             1
   Min.
                          Min.
                                 : 1.0
                                           Min.
                          1st Qu.: 70.0
    1st Qu.:2018-09-30
                                           1st Qu.:
                                                      70015
                                                              1st Qu.:
                                                                         67569
    Median :2018-12-30
                                           Median : 130367
                                                              Median : 135183
##
                          Median :130.0
##
    Mean
           :2018-12-30
                          Mean
                                  :135.1
                                           Mean
                                                   : 135531
                                                              Mean
                                                                      : 135131
##
    3rd Qu.:2019-03-31
                          3rd Qu.:203.0
                                           3rd Qu.: 203084
                                                              3rd Qu.: 202654
    Max.
           :2019-06-30
                          Max.
                                  :272.0
                                           Max.
                                                   :2373711
                                                              Max.
                                                                      :2415841
##
                                                               TOT SALES
       PROD NBR
                       PROD NAME
                                             PROD QTY
##
   Min.
           : 1.00
                      Length: 246742
                                                    1.000
                                                             Min.
                                                                        1.700
                                          Min.
                                                 :
                                                                     :
    1st Qu.: 26.00
                      Class :character
                                          1st Qu.:
                                                     2.000
                                                             1st Qu.:
                                                                        5.800
    Median : 53.00
                      Mode :character
                                          Median :
                                                     2.000
                                                             Median :
                                                                        7.400
##
    Mean
           : 56.35
                                          Mean
                                                     1.908
                                                             Mean
                                                                        7.321
                                          3rd Qu.:
                                                             3rd Qu.:
##
    3rd Qu.: 87.00
                                                     2.000
                                                                        8.800
    Max.
           :114.00
                                          Max.
                                                  :200.000
                                                                     :650.000
                                                             Max.
```

There are no nulls in the columns but product quantity appears to have an outlier which we should investigate further. Let's investigate further the case where 200 packets of chips are bought in one transaction.

```
# Filter the dataset to find the outlier where 200 packets of chips are bought
outlier_transactions <- transactionData[PROD_QTY == 200]
print(outlier_transactions)</pre>
```

```
##
            DATE STORE NBR LYLTY CARD NBR TXN ID PROD NBR
##
                      <int>
                                                       <int>
          <Date>
                                      <int> <int>
## 1: 2018-08-19
                        226
                                     226000 226201
                                                           4
## 2: 2019-05-20
                        226
                                                           4
                                     226000 226210
##
                               PROD NAME PROD QTY TOT SALES
##
                                  <char>
                                            <int>
                                                       <num>
```

There are two transactions where 200 packets of chips are bought in one transaction and both of these transactions were by the same customer. Let's see if the customer has other transactions.

```
# Find the customer who bought 200 packets of chips
outlier_customer <- outlier_transactions$LYLTY_CARD_NBR

# Use a filter to see what other transactions that customer made
customer_transactions <- transactionData[LYLTY_CARD_NBR %in% outlier_customer]
print(customer_transactions)</pre>
```

```
##
            DATE STORE NBR LYLTY CARD NBR TXN ID PROD NBR
##
                      <int>
                                                       <int>
          <Date>
                                      <int> <int>
## 1: 2018-08-19
                        226
                                     226000 226201
                                                           4
## 2: 2019-05-20
                        226
                                     226000 226210
                                                           4
##
                              PROD_NAME PROD_QTY TOT_SALES
##
                                  <char>
                                            <int>
                                                       <num>
## 1: Dorito Corn Chp
                           Supreme 380g
                                              200
                                                         650
                           Supreme 380g
                                              200
## 2: Dorito Corn Chp
                                                         650
```

It looks like this customer has only had the two transactions over the year and is not an ordinary retail customer. The customer might be buying chips for commercial purposes instead. We'll remove this loyalty card number from further analysis.

```
# Remove the outliers
transactionData <- transactionData[PROD_QTY != 200]

# Verify the removal
summary(transactionData$PROD_QTY)</pre>
```

```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 1.000 2.000 2.000 1.906 2.000 5.000
```

confirm further if there are other outliers summary(transactionData)

```
##
         DATE
                           STORE NBR
                                          LYLTY_CARD_NBR
                                                                 TXN ID
   Min.
           :2018-07-01
                         Min.
                                 : 1.0
                                          Min.
                                                     1000
                                                            Min.
                                                                           1
    1st Ou.:2018-09-30
                         1st Qu.: 70.0
                                          1st Ou.:
                                                    70015
##
                                                            1st Qu.:
                                                                      67569
##
   Median :2018-12-30
                         Median :130.0
                                          Median : 130367
                                                            Median : 135182
   Mean
           :2018-12-30
                                 :135.1
                                          Mean
                                                 : 135530
                                                            Mean
                         Mean
                                                                    : 135130
    3rd Qu.:2019-03-31
                         3rd Qu.:203.0
                                          3rd Qu.: 203083
                                                             3rd Qu.: 202652
##
   Max.
           :2019-06-30
                         Max.
                                 :272.0
                                          Max.
                                                 :2373711
                                                            Max.
                                                                    :2415841
##
       PROD NBR
                      PROD NAME
                                            PROD QTY
                                                            TOT SALES
##
   Min.
                     Length: 246740
           : 1.00
                                         Min.
                                                :1.000
                                                         Min.
                                                               : 1.700
   1st Qu.: 26.00
                     Class :character
                                         1st Qu.:2.000
                                                         1st Qu.: 5.800
                                                         Median : 7.400
   Median : 53.00
                     Mode :character
                                         Median :2.000
                                                :1.906
                                                                : 7.316
##
           : 56.35
   Mean
                                         Mean
                                                         Mean
    3rd Qu.: 87.00
                                         3rd Qu.:2.000
                                                         3rd Qu.: 8.800
           :114.00
                                         Max.
                                                :5.000
##
   Max.
                                                         Max.
                                                                :29.500
```

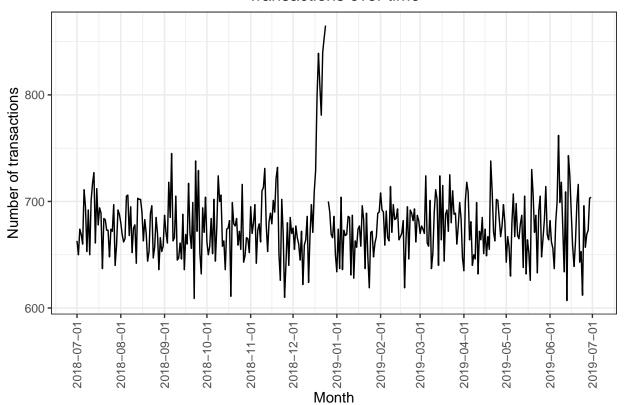
Now, let's look at the number of transaction lines over time to see if there are days where no transactions were made.

```
# Count the number of transactions by date
transactionData[, .N, by = DATE]
```

```
##
              DATE
                        Ν
##
            <Date> <int>
##
     1: 2018-10-17
                      682
     2: 2019-05-14
##
                      705
##
     3: 2019-05-20
                      707
##
    4: 2018-08-17
                      663
     5: 2018-08-18
##
                      683
##
## 360: 2018-12-08
                      622
## 361: 2019-01-30
                      689
## 362: 2019-02-09
                      671
## 363: 2018-08-31
                      658
## 364: 2019-02-12
                      684
```

There's only 364 rows, meaning only 364 dates which indicates a missing date. Let's create a sequence of dates from 1 Jul 2018 to 30 Jun 2019 and use this to create a chart of number of transactions over time to find the missing date.

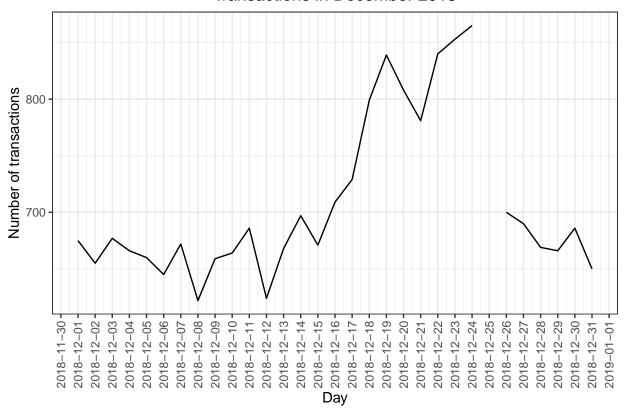
Transactions over time



We can see that there is an increase in purchases in December and a break in late December. Let's zoom in on this.

```
# Plot transactions over time for December 2018
ggplot(transactions_by_day[month(DATE) == 12, ], aes(x = DATE, y = N)) +
   geom_line() +
   labs(x = "Day", y = "Number of transactions", title = "Transactions in
        December 2018") +
   scale_x_date(breaks = "1 day") +
   theme(axis.text.x = element_text(angle = 90, vjust = 0.5))
```

Transactions in December 2018



We can see that the increase in sales occurs in the lead-up to Christmas and that there are zero sales on Christmas day itself. This is due to shops being closed on Christmas day. Now that we are satisfied that the data no longer has outliers, we can move on to creating other features such as brand of chips or pack size from PROD_NAME. We will start with pack size.

```
# Extract Pack Size
transactionData[, PACK_SIZE := parse_number(PROD_NAME)]
# Verify the Pack Sizes
transactionData[, .N, PACK_SIZE][order(-N)]
```

```
##
        PACK SIZE
##
            <num> <int>
##
    1:
               175 66390
##
               150 40203
    2:
               134 25102
##
    3:
               110 22387
##
    4:
##
    5:
              170 19983
##
    6:
              165 15297
##
    7:
               330 12540
               380
                   6416
##
    8:
##
    9:
               270
                    6285
## 10:
               210
                    6272
               200
                    4473
## 11:
## 12:
               135
                    3257
## 13:
               250
                    3169
```

```
## 14:
               90
                   3008
## 15:
              190
                   2995
## 16:
              160
                   2970
## 17:
              220
                   1564
               70
## 18:
                   1507
## 19:
              180
                   1468
## 20:
              125
                   1454
##
       PACK SIZE
                      Ν
```

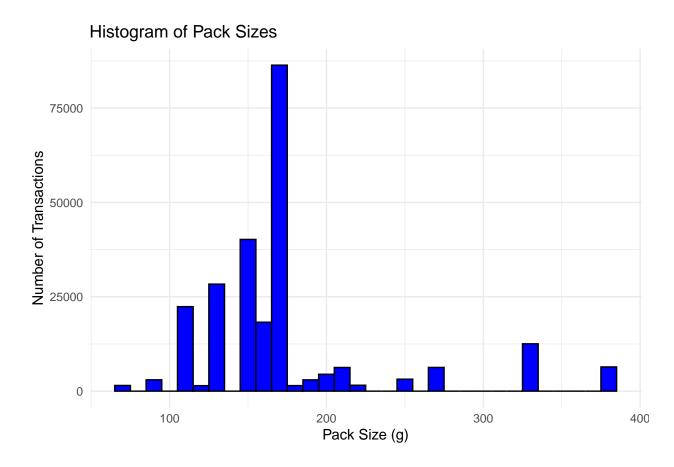
theme minimal()

#Let's check the output of the first few rows to see if we have indeed picked

→ out pack size

head(transactionData)

```
##
            DATE STORE_NBR LYLTY_CARD_NBR TXN_ID PROD_NBR
##
                     <int>
                                                      <int>
          <Date>
                                     <int>
                                            <int>
## 1: 2018-10-17
                                      1000
                                                         5
                         1
                                                1
## 2: 2019-05-14
                         1
                                      1307
                                              348
                                                         66
## 3: 2019-05-20
                         1
                                      1343
                                              383
                                                         61
## 4: 2018-08-17
                         2
                                      2373
                                              974
                                                         69
## 5: 2018-08-18
                         2
                                      2426
                                             1038
                                                        108
## 6: 2019-05-16
                         4
                                      4149
                                             3333
                                                         16
                                      PROD_NAME PROD_QTY TOT_SALES PACK_SIZE
##
                                                   <int>
##
                                         <char>
                                                              <num>
                                                                        <num>
## 1:
        Natural Chip
                             Compny SeaSalt175g
                                                        2
                                                                6.0
                                                                          175
## 2:
                      CCs Nacho Cheese
                                                        3
                                                                6.3
                                                                          175
                                           175g
                                                        2
## 3:
        Smiths Crinkle Cut Chips Chicken 170g
                                                                2.9
                                                                          170
                                                        5
        Smiths Chip Thinly S/Cream&Onion 175g
                                                               15.0
                                                                          175
## 5: Kettle Tortilla ChpsHny&Jlpno Chili 150g
                                                        3
                                                               13.8
                                                                          150
## 6: Smiths Crinkle Chips Salt & Vinegar 330g
                                                        1
                                                                5.7
                                                                          330
#Plot a Histogram of Pack Sizes
ggplot(transactionData, aes(x = PACK_SIZE)) +
  geom_histogram(binwidth = 10, fill = "blue", color = "black") +
  labs(title = "Histogram of Pack Sizes", x = "Pack Size (g)", y = "Number of
  → Transactions") +
```



#hist(transactionData[, PACK_SIZE])

Pack sizes look reasonable and now to create brands, we can use the first word in PROD_NAME to work out the brand name.

head(transactionData\$PROD_NAME)

```
## BRAND N
## <char> <int>
## 1: KETTLE 41288
## 2: SMITHS 27390
```

```
##
  3:
         PRINGLES 25102
##
   4:
          DORITOS 22041
##
  5:
            THINS 14075
## 6:
              RRD 11894
##
   7:
        INFUZIONS 11057
##
  8:
               WW 10320
  9:
##
             COBS
                  9693
## 10:
         TOSTITOS
                   9471
## 11:
         TWISTIES
                   9454
## 12:
                   6442
         TYRRELLS
## 13:
            GRAIN
                   6272
## 14:
          NATURAL
                   6050
## 15:
        CHEEZELS
                   4603
## 16:
                   4551
              CCS
## 17:
              RED
                   4427
## 18:
           DORITO
                   3183
           INFZNS
## 19:
                   3144
## 20:
            SMITH 2963
                   2927
## 21:
          CHEETOS
## 22:
            SNBTS
                   1576
## 23:
           BURGER
                  1564
## 24: WOOLWORTHS
                   1516
## 25:
          GRNWVES
                   1468
## 26:
         SUNBITES
                   1432
## 27:
              NCC
                  1419
## 28:
           FRENCH
                   1418
##
            BRAND
                      Ν
```

Some of the brand names look like they are of the same brands - such as RED and RRD, which are both Red Rock Deli chips. Let's combine these together.

```
#### Clean brand names
transactionData[BRAND == "RED", BRAND := "RRD"]
transactionData[BRAND == "SNBTS", BRAND := "SUNBITES"]
transactionData[BRAND == "INFZNS", BRAND := "INFUZIONS"]
transactionData[BRAND == "WW", BRAND := "WOOLWORTHS"]
transactionData[BRAND == "SMITH", BRAND := "SMITHS"]
transactionData[BRAND == "NCC", BRAND := "NATURAL"]
transactionData[BRAND == "DORITO", BRAND := "DORITOS"]
transactionData[BRAND == "GRAIN", BRAND := "GRNWVES"]

#### Check again
transactionData[, .N, by = BRAND][order(BRAND)]
```

```
##
            BRAND
##
           <char> <int>
##
   1:
           BURGER 1564
##
  2:
              CCS
                  4551
##
   3:
          CHEETOS
                   2927
## 4:
        CHEEZELS
                  4603
## 5:
             COBS 9693
##
  6:
          DORITOS 25224
##
   7:
           FRENCH 1418
```

```
## 8:
          GRNWVES 7740
## 9:
        INFUZIONS 14201
## 10:
           KETTLE 41288
## 11:
          NATURAL 7469
        PRINGLES 25102
## 12:
## 13:
              RRD 16321
## 14:
           SMITHS 30353
         SUNBITES 3008
## 15:
            THINS 14075
## 16:
## 17:
        TOSTITOS 9471
## 18:
        TWISTIES
                  9454
## 19:
        TYRRELLS 6442
## 20: WOOLWORTHS 11836
##
            BRAND
```

Examining customer data

Now that we are happy with the transaction dataset, let's have a look at the customer dataset.

```
str(customerData)
## Classes 'data.table' and 'data.frame':
                                           72637 obs. of 3 variables:
## $ LYLTY_CARD_NBR : int 1000 1002 1003 1004 1005 1007 1009 1010 1011 1012 ...
               : chr "YOUNG SINGLES/COUPLES" "YOUNG SINGLES/COUPLES" "YOUNG FAMILIES" "OLD
## $ LIFESTAGE
## $ PREMIUM_CUSTOMER: chr "Premium" "Mainstream" "Budget" "Mainstream" ...
## - attr(*, ".internal.selfref")=<externalptr>
# Summary of the entire dataset
summary(customerData)
## LYLTY_CARD_NBR
                      LIFESTAGE
                                        PREMIUM_CUSTOMER
## Min. :
              1000
                     Length: 72637
                                        Length: 72637
## 1st Qu.: 66202
                     Class :character
                                        Class :character
## Median : 134040
                     Mode :character
                                        Mode :character
## Mean
          : 136186
   3rd Qu.: 203375
## Max.
          :2373711
```

Let's have a closer look at the LIFESTAGE and PREMIUM_CUSTOMER columns.

```
#### Examining the values of lifestage and premium_customer
customerData[, .N, LIFESTAGE][order(-N)]
```

```
##
                   LIFESTAGE
##
                      <char> <int>
## 1:
                    RETIREES 14805
## 2:
      OLDER SINGLES/COUPLES 14609
## 3:
      YOUNG SINGLES/COUPLES 14441
             OLDER FAMILIES 9780
## 4:
## 5:
             YOUNG FAMILIES 9178
## 6: MIDAGE SINGLES/COUPLES 7275
## 7:
               NEW FAMILIES 2549
```

```
customerData[, .N, PREMIUM_CUSTOMER][order(-N)]
```

```
## PREMIUM_CUSTOMER N
## <char> <int>
## 1: Mainstream 29245
## 2: Budget 24470
## 3: Premium 18922
```

As there do not seem to be any issues with the customer data, we can now go ahead and join the transaction and customer data sets together.

```
#### Merge transaction data to customer data
data <- merge(transactionData, customerData, all.x = TRUE)</pre>
```

Let's also check if some customers were not matched on by checking for nulls.

```
# Checking for missing customer details after the merge
data[is.na(LIFESTAGE) | is.na(PREMIUM_CUSTOMER)]
```

```
## Key: <LYLTY_CARD_NBR>
## Empty data.table (0 rows and 12 cols): LYLTY_CARD_NBR,DATE,STORE_NBR,TXN_ID,PROD_NBR,PROD_N
```

There are no nulls! So all the customers in the transaction data has been accounted for in the customer dataset.

Retain this dataset for Task 2 and write out as a csv.

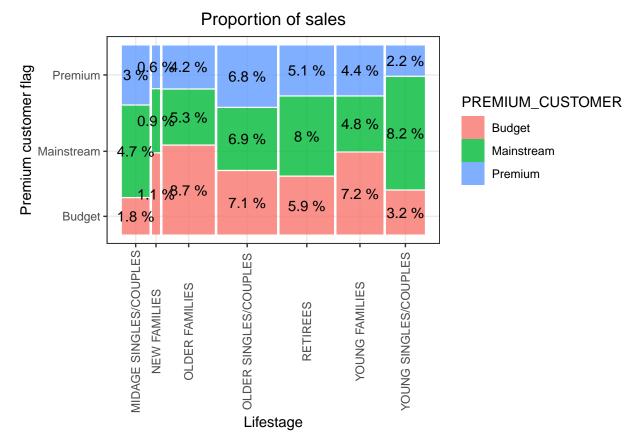
```
#Save the merged dataset as CSV for Task 2
fwrite(data, ("QVI_data.csv"))
```

Data analysis on customer segments

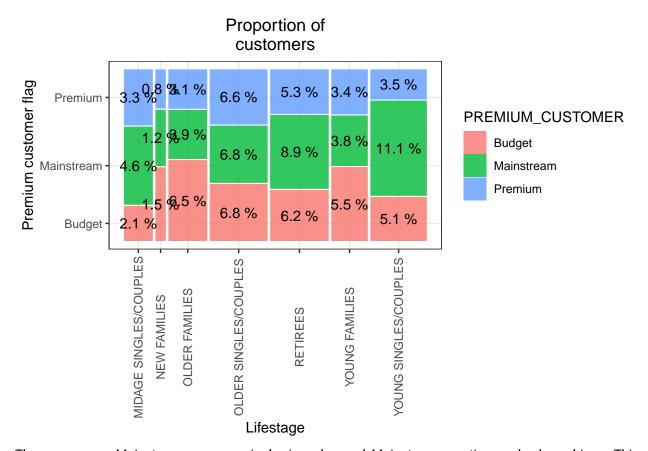
Let's start with calculating total sales by LIFESTAGE and PREMIUM_CUSTOMER and plotting the split by these segments to describe which customer segment contribute most to chip sales.

```
library(ggmosaic)
```

```
## Warning: The `scale name` argument of `continuous scale()` is deprecated as of ggplot2
## 3.5.0.
## This warning is displayed once every 8 hours.
## Call `lifecycle::last_lifecycle_warnings()` to see where this warning was
## generated.
## Warning: The `trans` argument of `continuous scale()` is deprecated as of ggplot2 3.5.0.
## i Please use the `transform` argument instead.
## This warning is displayed once every 8 hours.
## Call `lifecycle::last lifecycle warnings()` to see where this warning was
## generated.
## Warning: `unite_()` was deprecated in tidyr 1.2.0.
## i Please use `unite()` instead.
## i The deprecated feature was likely used in the ggmosaic package.
     Please report the issue at <a href="https://github.com/haleyjeppson/ggmosaic">https://github.com/haleyjeppson/ggmosaic</a>.
## This warning is displayed once every 8 hours.
## Call `lifecycle::last_lifecycle_warnings()` to see where this warning was
## generated.
```

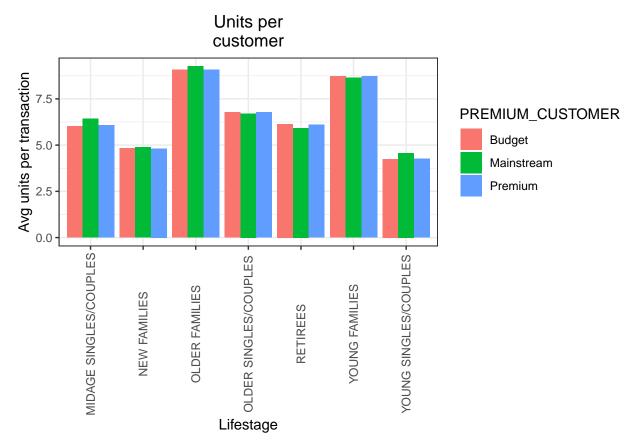


Sales are coming mainly from Budget - older families, Mainstream - young singles/couples, and Mainstream retirees Let's see if the higher sales are due to there being more customers who buy chips.

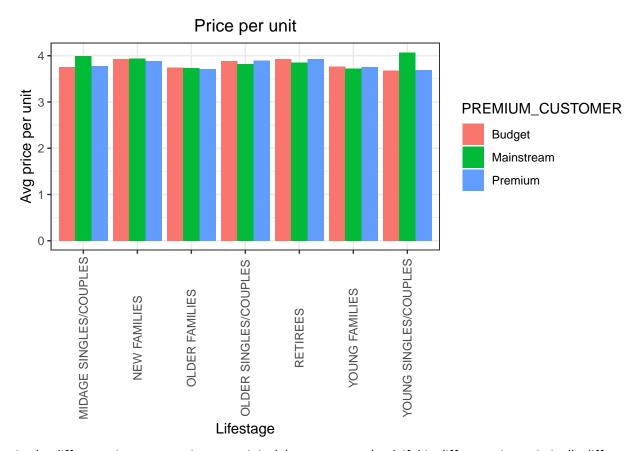


There are more Mainstream - young singles/couples and Mainstream - retirees who buy chips. This contributes to there being more sales to these customer segments but this is not a major driver for the Budget - Older families segment. Higher sales may also be driven by more units of chips being bought per customer. Let's have a look at this next.

```
geom_bar(position = position_dodge()) +
labs(x = "Lifestage", y = "Avg units per transaction", title = "Units per
customer") +
theme(axis.text.x = element_text(angle = 90, vjust = 0.5))
```



Older families and young families in general buy more chips per customer. Let's also investigate the average price per unit chips bought for each customer segment as this is also a driver of total sales.



As the difference in average price per unit isn't large, we can check if this difference is statistically different.

```
#### Perform an independent t-test between mainstream vs premium and budget

implice and young singles and couples

pricePerUnit <- data[, price := TOT_SALES/PROD_QTY]

t.test(data[LIFESTAGE %in% c("YOUNG SINGLES/COUPLES", "MIDAGE SINGLES/COUPLES")

implication and budget

pricePerUnit <- data[, price := TOT_SALES/PROD_QTY]

t.test(data[LIFESTAGE %in% c("YOUNG SINGLES/COUPLES", "MIDAGE SINGLES/COUPLES")

implication and budget

complex to the price of the price of
```

The t-test results in a p-value < 2.2e-16, i.e. the unit price for mainstream, young and mid-age singles and

4.039786 3.706491

couples are significantly higher than that of budget or premium, young and midage singles and couples.

Deep dive into specific customer segments for insights

We have found quite a few interesting insights that we can dive deeper into.

We might want to target customer segments that contribute the most to sales to retain them or further increase sales. Let's look at Mainstream - young singles/couples. For instance, let's find out if they tend to buy a particular brand of chips.

```
## [1] FALSE
```

```
##
            BRAND targetSegment
                                      other affinityToBrand
##
           <char>
                          <num>
                                      <num>
                                                       <num>
## 1:
         TYRRELLS
                    0.031552795 0.025692464
                                                  1.2280953
##
   2:
         TWISTIES
                    0.046183575 0.037876520
                                                  1.2193194
##
  3:
          DORITOS
                    0.122760524 0.101074684
                                                  1.2145526
## 4:
           KETTLE
                    0.197984817 0.165553442
                                                  1.1958967
## 5:
        TOSTITOS
                    0.045410628 0.037977861
                                                  1.1957131
##
   6:
        PRINGLES
                    0.119420290 0.100634769
                                                  1.1866703
##
  7:
                    0.044637681 0.039048861
                                                  1.1431238
             COBS
## 8:
        INFUZIONS
                    0.064679089 0.057064679
                                                  1.1334347
## 9:
            THINS
                    0.060372671 0.056986370
                                                  1.0594230
## 10:
          GRNWVES
                    0.032712215 0.031187957
                                                  1.0488733
## 11:
        CHEEZELS
                    0.017971014 0.018646902
                                                  0.9637534
## 12:
           SMITHS
                    0.096369910 0.124583692
                                                  0.7735355
```

```
## 13:
                     0.003947550 0.005758060
                                                    0.6855694
           FRENCH
## 14:
          CHEETOS
                     0.008033126 0.012066591
                                                    0.6657329
## 15:
                                                    0.6490908
              RRD
                     0.043809524 0.067493678
## 16:
          NATURAL
                     0.019599724 0.030853989
                                                    0.6352412
## 17:
              CCS
                     0.011180124 0.018895650
                                                    0.5916771
## 18:
         SUNBITES
                     0.006349206 0.012580210
                                                    0.5046980
## 19: WOOLWORTHS
                     0.024099379 0.049427188
                                                    0.4875733
## 20:
                     0.002926156 0.006596434
                                                    0.4435967
           BURGER
##
            BRAND targetSegment
                                        other affinityToBrand
```

We can see that: • Mainstream young singles/couples are 23% more likely to purchase Tyrrells chips compared to the rest of the population. • Mainstream young singles/couples are 56% less likely to purchase Burger Rings compared to the rest of the population.

Let's also find out if our target segment tends to buy larger packs of chips.

```
##
       PACK SIZE targetSegment
                                       other affinityToPack
##
           <num>
                          <num>
                                       <num>
                                                       <num>
##
   1:
             270
                    0.031828847 0.025095929
                                                   1.2682873
##
  2:
             380
                    0.032160110 0.025584213
                                                   1.2570295
##
   3:
             330
                    0.061283644 0.050161917
                                                   1.2217166
##
   4:
             134
                    0.119420290 0.100634769
                                                   1.1866703
                                                   1.1836372
##
   5:
             110
                    0.106280193 0.089791190
##
   6:
             210
                    0.029123533 0.025121265
                                                   1.1593180
##
   7:
             135
                    0.014768806 0.013075403
                                                   1.1295106
##
   8:
             250
                    0.014354727 0.012780590
                                                   1.1231662
##
   9:
                    0.080772947 0.080985964
             170
                                                  0.9973697
## 10:
             150
                    0.157598344 0.163420656
                                                   0.9643722
## 11:
             175
                    0.254989648 0.270006956
                                                  0.9443818
## 12:
             165
                    0.055652174 0.062267662
                                                   0.8937572
## 13:
             190
                    0.007481021 0.012442016
                                                  0.6012708
## 14:
             180
                    0.003588682 0.006066692
                                                   0.5915385
                    0.006404417 0.012372920
## 15:
             160
                                                   0.5176157
              90
                    0.006349206 0.012580210
## 16:
                                                   0.5046980
## 17:
             125
                    0.003008972 0.006036750
                                                   0.4984423
## 18:
             200
                    0.008971705 0.018656115
                                                   0.4808989
## 19:
              70
                    0.003036577 0.006322350
                                                   0.4802924
## 20:
             220
                    0.002926156 0.006596434
                                                   0.4435967
##
       PACK SIZE targetSegment
                                       other affinityToPack
```

It looks like Mainstream young singles/couples are 27% more likely to purchase a 270g pack of chips compared to the rest of the population but let's dive into what brands sell this pack size.

```
data[PACK_SIZE == 270, unique(PROD_NAME)]
```

```
## [1] "Twisties Cheese 270g" "Twisties Chicken270g"
```

Twisties are the only brand offering 270g packs and so this may instead be reflecting a higher likelihood of purchasing Twisties.

Conclusion

In conclusion, Mainstream Young Singles/Couples prefer specific brands like Tyrrells, Twisties, and Doritos over others, indicating brand loyalty in this segment. Specifically, Mainstream young singles and couples are 23% more likely to purchase Tyrrells chips compared to the rest of the population. They also tend to purchase slightly larger pack sizes compared to the rest of the population, likely due to their preference for bulk buying, possibly for social or entertainment purposes. These insights suggest targeting this group with brand-specific promotions and larger pack options could increase sales retention and growth within this segment.