Pelican case study

This data can help Pelican Stores to better identify and meet the needs of their most prominent clientele. The customer profile we have created has come from the data analysis below (1-4). This data will be used to profile Pelican Stores' clientele In order to better meet the deeds of their customers and Increase their sales. 1 . Percent frequency distribution for key variables.

The key variables In the data set In relation to Pelican stores understanding their customer profile would be: a) Customer type b) Net sales range c) Quantity of items d) Method of payment e) Gender f) Marital status g) Age (range) Table A: Frequency distribution for Customer type Customer type Frequency (Or Percentage) (Number of customers) Promotional Regular Total 70 100 Interpretation: Customer type frequency distribution shows a strong trend towards promotional customers, meaning that during the sales period there were more customers who were invited through the promotional offer compared to regular customers.

Pelican stores might be inclined to have such promotional offers sent out at periodical Intervals to promote their sales. Table B: Net sales range spent by customers Net sales range Frequency (Or Percentage) $0 – $49. 99 $50. 00 – $99. 99 $100.

00- $199. 99 $200. 00 and above 24 25 17 4 30 10 5 O 35 22 This frequency distribution demonstrates that overall more than 50% of the customers, promotional and regular customers combined spent on an average less than $100.

Therefore this might lead Pelican to think about marketing or selling more products in that range compared to products above the $100. In this analysis quantity is not considered, which is provided separately.

Table C: Quantity of items Range of Quantity Promotional customers Regular Customer 1 -3 items 4 – 7 items 8- 10 items Above 10 items Total 70 39 2 27 66 3 27 In this frequency distribution, we see that 66% of customers bought one to three items and 26% of customer bought four to six items.

Therefore 92% or an absolute majority of customers bought at a maximum of six items. This translates to the squired stocking levels that Pelican has to keep in mind. Moreover 62 out of 70 promotional customers ended up with 6 items or less. This corresponds to 88% of promotional customers ended up buying multiple quantities. This is almost identical as the same percentage that regular customers bought less than 4 items.

This would lead Pelican to stock more of these items compared to the high value items which only a few have been sold.

Table D: Method of payment used by customers Method of Payment Promotional customers Regular Customer Total American Express Discover Master Card 7 14 Visa Card 30 100 This frequency distribution demonstrates that 70% of the all customers used proprietary card compared to the other cards as a mode of payment. Pelican stores may be inclined to have more promotional aspects for using the card Table E: Gender Gender Female Male 93 This frequency distribution illustrates that there were more female customers than male customers, which can be expected, as it is a female clothing store.

At a high level, Pelican stores could identify what type of item they purchased and the day of the purchase, in order to better meet the needs of their customer. Table F: Marital Status Marital Status Married 61 Single 9 23 84 16 Interpretation: The gender based frequency distribution shows that married people, in all, dominated buying at Pelican Stores compared to singles.

Also within promotional customers 87% of their customers were married compared to only 76% of regular customers.

This linked with the type of items bought will give Pelican Stores an idea on what items to stock and sell. Table G: Age range Age Range 30 years – 49 years 50 years – 69 years 70 years and above 42 19 21 63 23 In this frequency distribution we notice that 63% of all customers were in the age roof of 30 – 49 years (a prime income earning group), while the over 70 age group held only 4% of business. In the age group of 30 to 49 years, there was more than twice the number of promotional customers than regular customers.

Alternatively there were more people in the age group 50 – 69 years from promotional customer group than the regular customer that purchased items from Pelican Stores.

2. Bar chart or pie chart showing the number of customer purchases attributable to the method of payment: Most customers, promotional and regular, paid via proprietary store cards. Of the 70 rumination customers, none of them paid with a Discover card and only 1% from each customer category paid with American Express. This metric could cause the store to

exclude Discover and/or American Express from their accepted card providers.

For that matter, 69% of customers are using their proprietary card. 3.

A cross tabulation of type of customer (regular or promotional) versus net sales: Customer Type Number of customers Net Sales $5, 900. 30 $1 , 859. 75 The regular customer is spending an average of $61. 99, while the promotional customers are spending $84. 29. This shows a 35% increase average spending for rumination customers versus regular customers.

The promotional customers are a larger percentage of the business from this sample, and show that business increased by 230% on this day.

This additional foot traffic resulted in a 317% increase in net sales. 4. Scatter diagram to explore the relationship between net sales and customer age: Interpretation: Promotional vs…

Regular Customer Age The scatter plot of net sales and customer age during the Pelican Stores promotional campaign, demonstrates a negative relationship in promotional customers and no apparent relationship in regular customers. The customers with the highest amount f net sales are promotional customers ranging in age from 30-55.

However it also shows that regular customers ranging in age from 20-55 tend to have the same spending habits of $100 or less at Pelican Stores. It can be said that if promotional customers age 55 and older were not in the sample, the scatter plot would have demonstrated a strong positive relationship. The age group with the highest amount of sales are customers

in their thirties. This chart shows what age group the promotional campaign at Pelican Stores attracted and this information could be used for other promotional campaigns.