

Title	Retail Dominating Purchases	Hotel/Cafe Dominating Purchases	Correltion Matrix	Elbow from KMeans	Silhouette from KMeans	Dendrogram from Hierarchical Agglome..	PCA Vari..
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# Market Segmentation in Wholesale Purchases

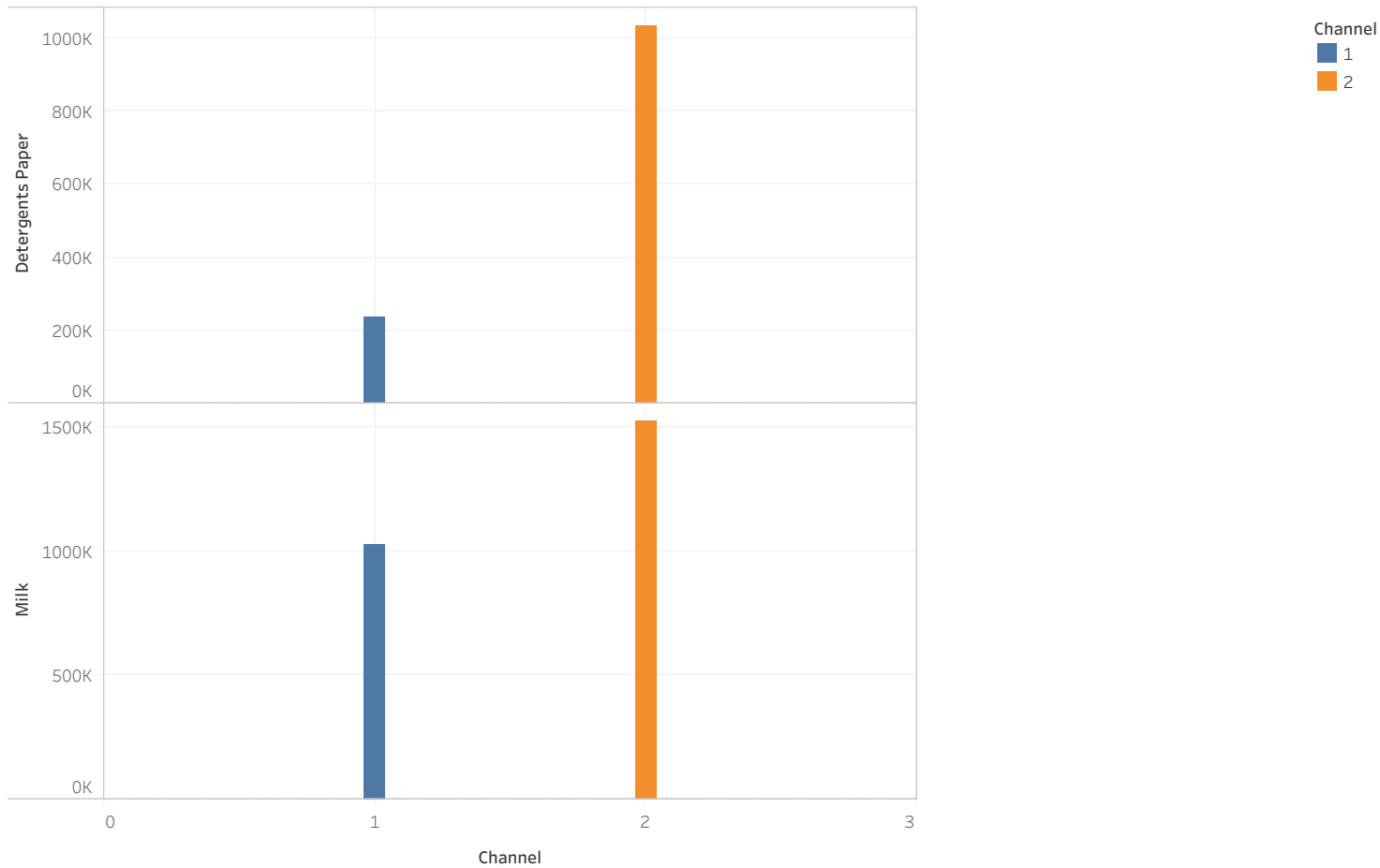
Using Unsupervised Machine Learning Methods

By A. J. Hammond



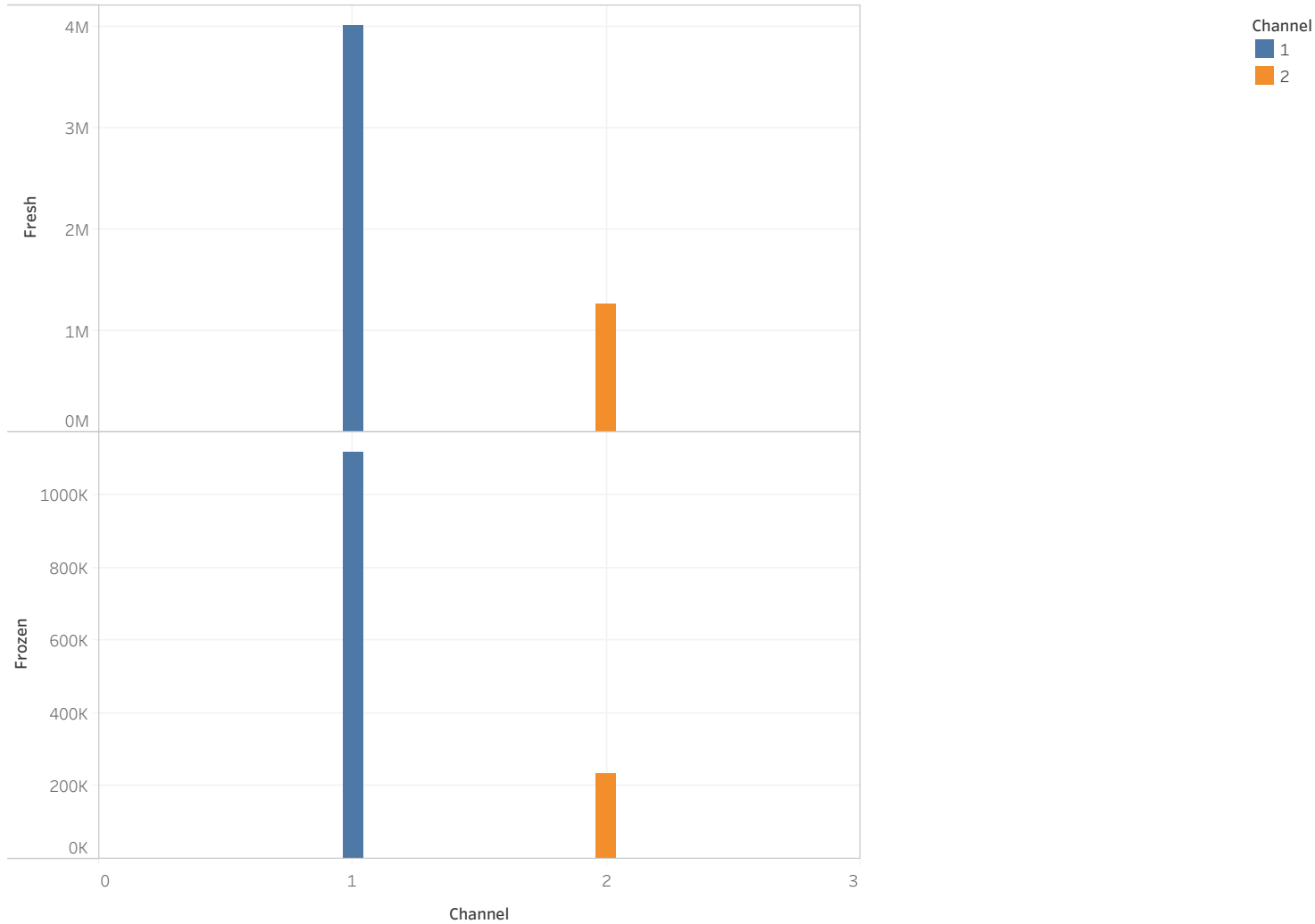
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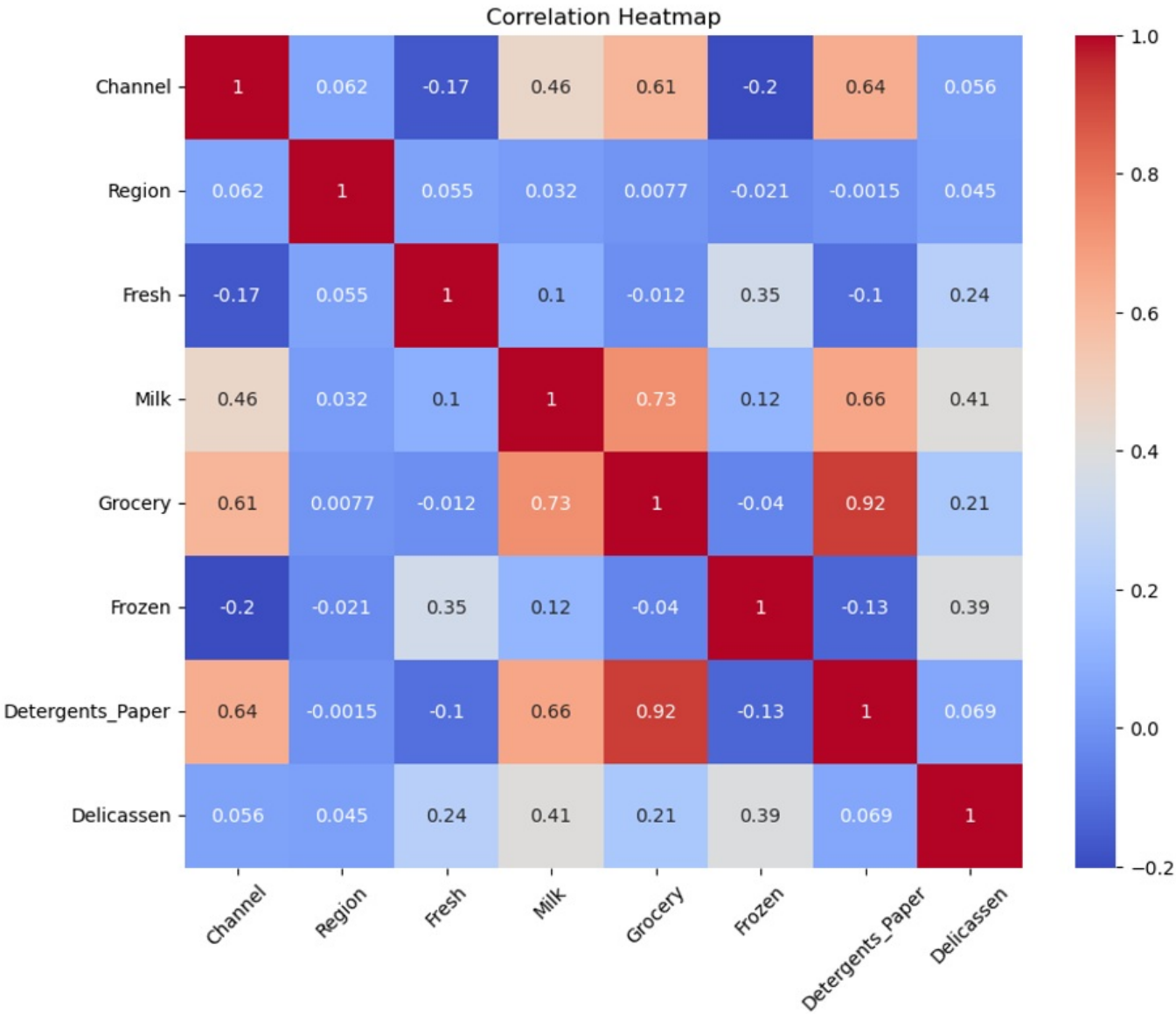
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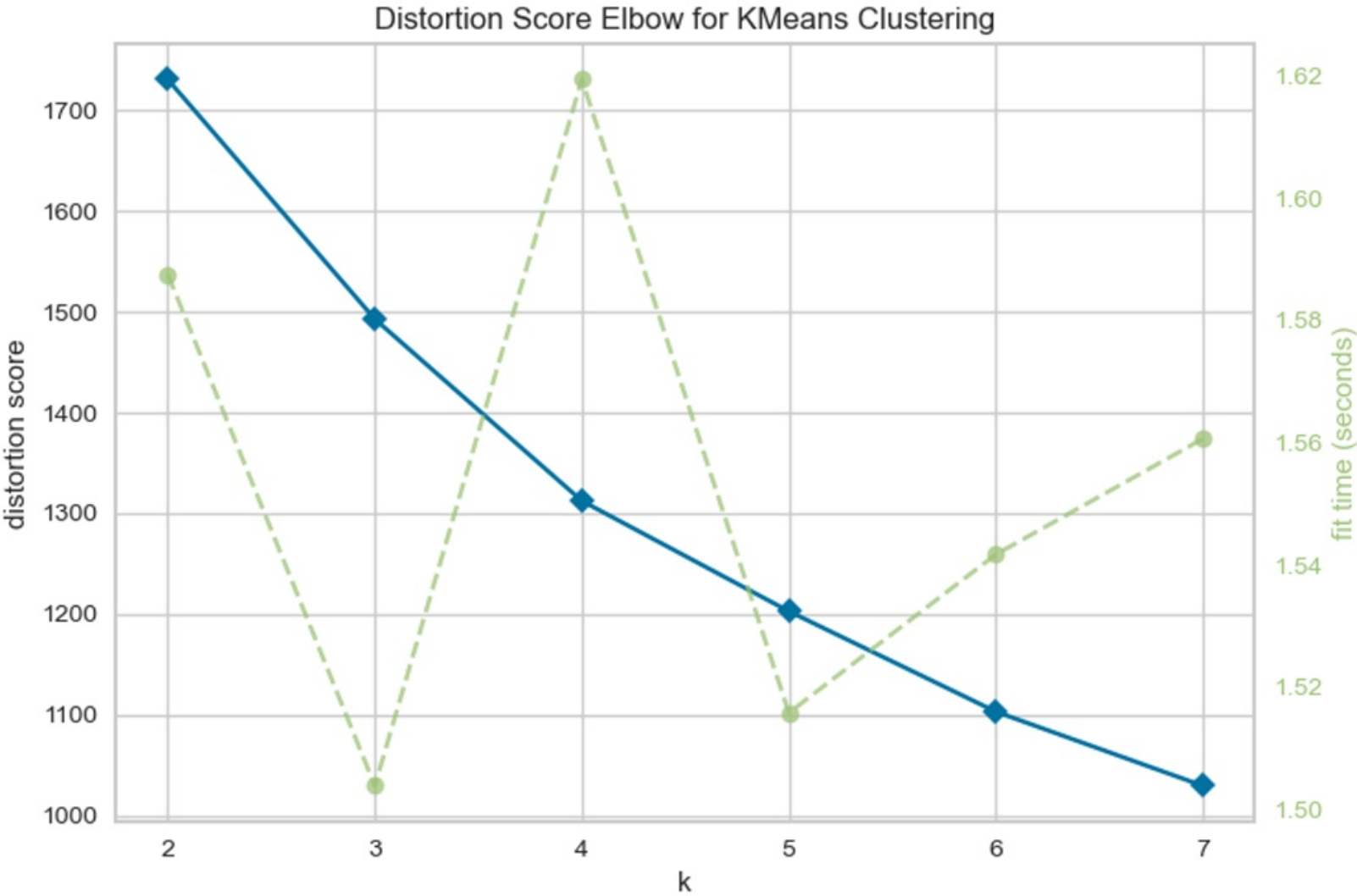


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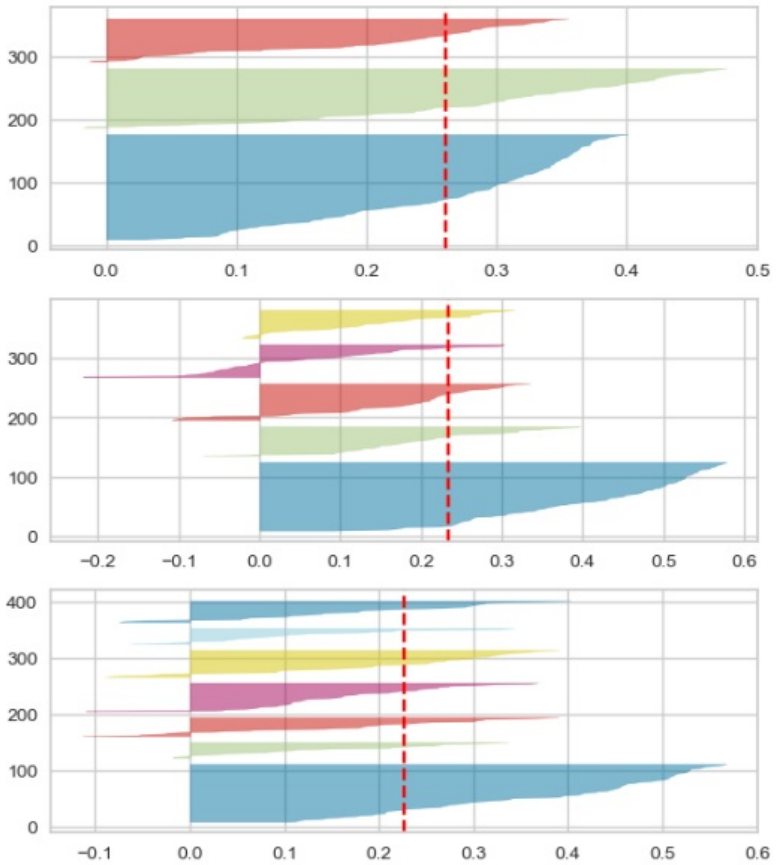
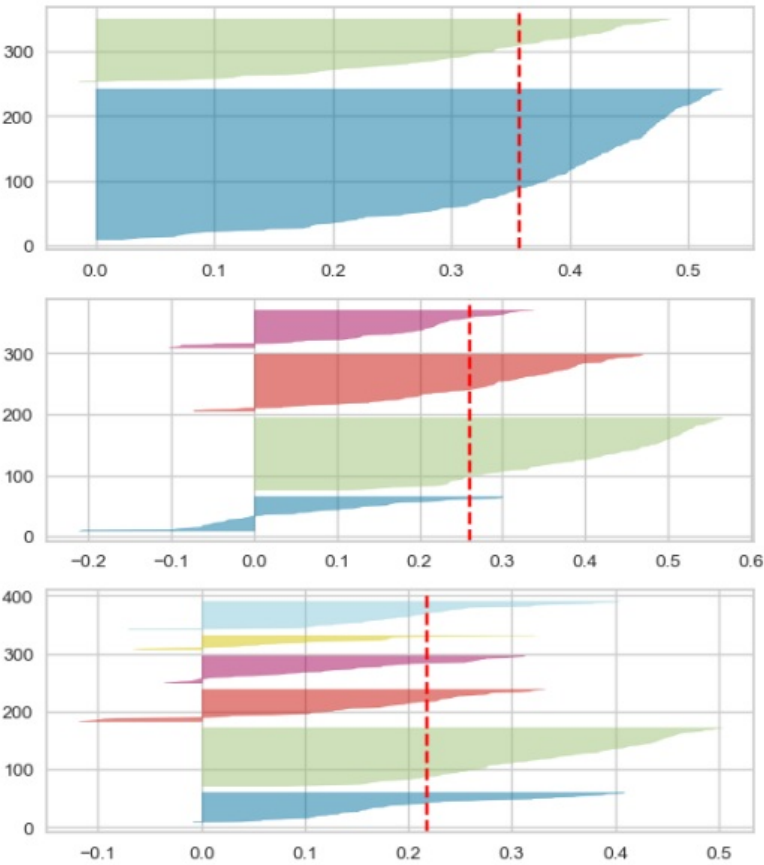


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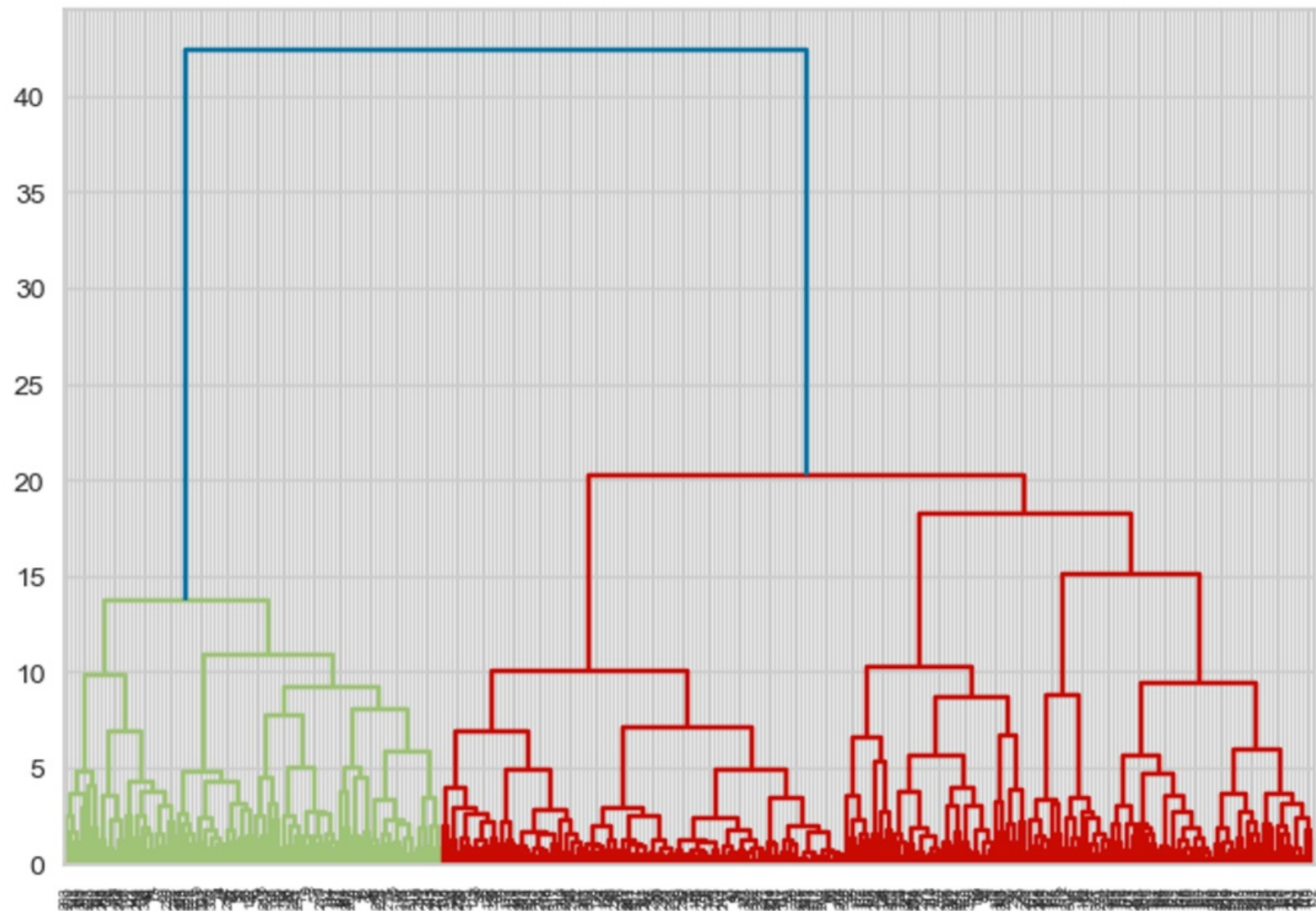
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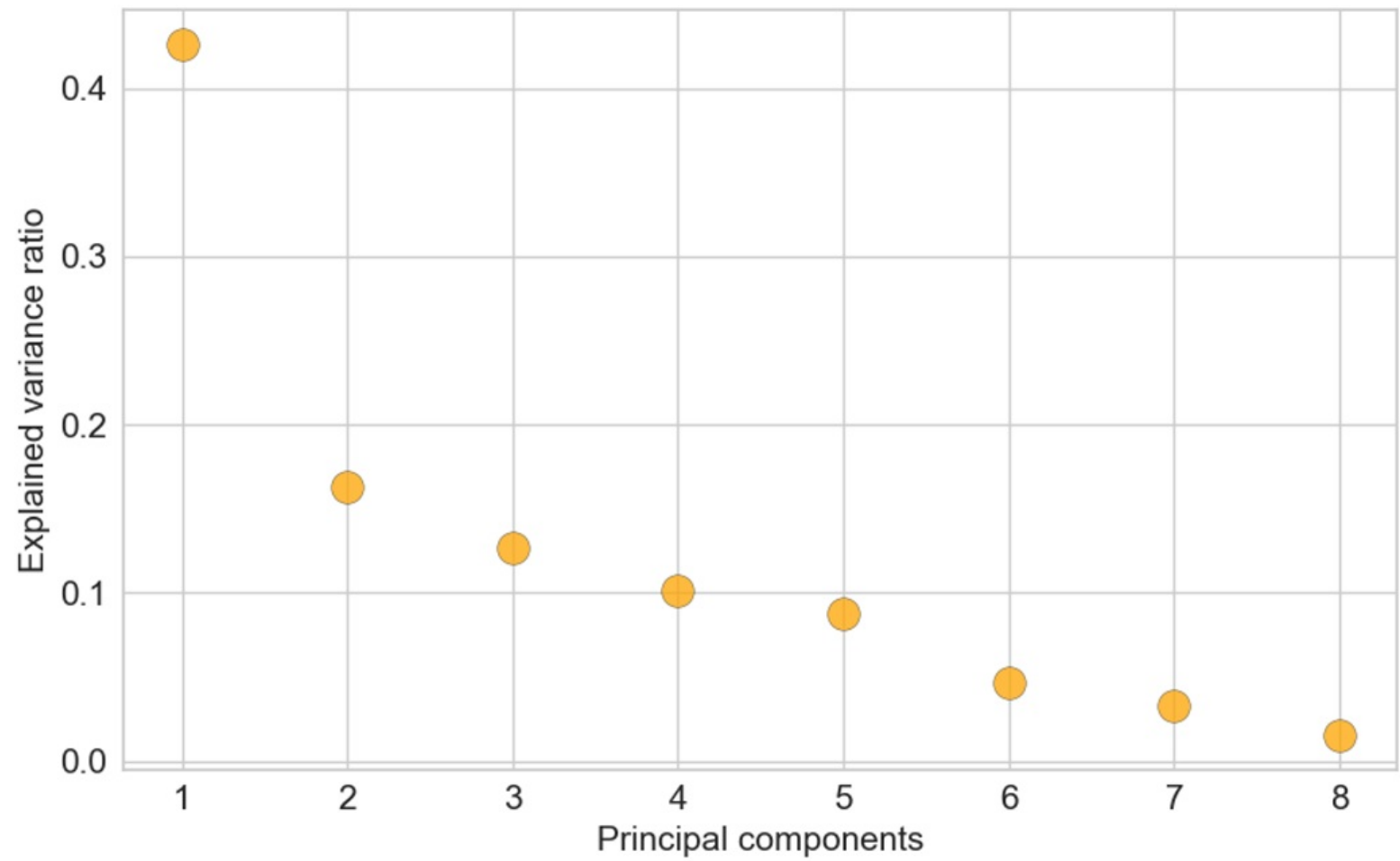
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# Explained variance ratio of the fitted principal component vector





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## Key Takeaways

- High correlations between some variables allowed for dimension reduction without losing explanatory power.
- The reduced model lacked the Channel categories but they nevertheless appeared in the clustering done by KMeans and by Hierarchical Clusters because they account for so much variance in the annual spending.
- Marketing strategies should account for the stark differences in purchasing patterns.