**BANK CUSTOMER SEGMENTATION PROJECT**

**INSIGHT FROM BANK CUSTOMERS’ DATA**

**Cluster 1:**

Customers in cluster 1 are in their early 30s. They are self-employed, single, don’t have enough money in their accounts, most of them have no house, most of them didn’t take loan and not long they started banking in the bank.

**Cluster 2:**

Customers in cluster 2 are older people with majority above 50 years of age. most of those in cluster 2 are retired customers and service providers. Most of them are divorced customers. Most them 2 had more money compared with other clusters. Most of them have no house, loan and not long the also started banking in the bank.

**Cluster 3:**

Most of the customers in cluster 3 are almost 40 years. Also, most of them are administrative officers, entrepreneurs, blue-collar and housemaid. Also, most of them are married and had secondary education. They don’t have enough money in their account like that of cluster 2 and 4. They have houses, they have loan to pay and have been baking with the bank for a longer period compared with other clusters.

**Cluster 4:**

Most of the customers in cluster 4 are almost 40 years. Most of them are retired customers and service providers, most of them are married and had tertiary education. Most of them had more money in their account, 4 had houses, do not have loan to pay bank and it is not been long that they started banking with the bank compared with customers in cluster 3.

**RECOMMENDATIONS**

**For customers in Cluster 1,** the bank should offer tailored financial education resources and attractive interest rates on savings accounts to support their self-employment needs. Additionally, micro-loans can help them grow their businesses. Offering insurance products such as health, life, and business insurance can provide financial protection. These measures can help them manage their finances effectively and build a stronger relationship with the bank.

**Customers in Cluster 2** would benefit from personalized retirement planning and estate planning services. Higher-yield savings options can help them maximize their retirement income. Offering senior discounts on services can enhance loyalty and retention. Health and long-term care insurance products may also appeal to this older demographic, providing peace of mind and financial security.

**For Cluster 3 customers**, the bank should focus on offering competitive mortgage and loan services to support their housing and financial needs. Tailored investment options, such as mutual funds or ETFs, can help them grow their wealth. Budgeting tools and personalized financial advice can aid in managing their finances, while loyalty programs reward their long-term banking relationships.

**Cluster 4 customers** would benefit from personalized wealth management and investment advice to grow and protect their wealth. Education planning services can assist in planning for their children's future. Exclusive benefits, such as private banking services or priority customer service, can cater to their needs and enhance their overall banking experience. Offering these high-net-worth customers access to tailored products can build lasting loyalty.