

Mini Project for Multivariate Analysis

MARKET BASKET AND CLUSTER ANALYSIS ON BIG BASKET DATASET



BigBasket Overview

BigBasket is India's leading online grocery store, offering a vast array of products including fresh produce, meat, dairy, bakery items, and household essentials. With a robust supply chain network and partnerships with local farmers, it ensures the quality and freshness of its offerings. Customers can conveniently order through its website or app, with various payment options and delivery choices tailored to their needs. Membership plans like BB Star provide additional perks such as free delivery and exclusive discounts, making BigBasket a preferred choice for online grocery shopping in India.

About Dataset

E-commerce (electronic commerce) is the activity of electronically buying or selling of products on online services or over the Internet. E-commerce draws on technologies such as mobile commerce, electronic funds transfer, supply chain management

Bigbasket is the largest online grocery supermarket in India. Was launched somewhere around in 2011 since then they've been expanding their business. Though some new competitors have been able to set their foot in the nation such as Blinkit etc. but BigBasket has still not lose anything - thanks to ever expanding popular base and their shift to online buying.

Summary of Dataset:

index: An integer variable representing the index or identifier of each observation.

product: A character variable indicating the name of the product.

category: A character variable indicating the broad category or department to which the product belongs (e.g., "Beauty & Hygiene", "Kitchen, Garden & Pets").

sub_category: A character variable providing further classification within the category (e.g., "Hair Care", "Storage & Accessories").

brand: A character variable indicating the brand of the product.

sale price: A numeric variable representing the sale price of the product.

market price: A numeric variable representing the market price or original price of the product.

rating: A numeric variable representing the rating or customer satisfaction score of the product.

description: A character variable containing a description or additional information about the product.

#glimpse of Dataset

summary(data)

Correlation matrix

```
correlation_matrix <- cor(data[, c("sale_price", "market_price", "rating")], use =  
"pairwise.complete.obs")  
correlation_matrix
```

```
> summary(data)  
      index      product      category      sub_category      brand      sale_price      market_price  
Min.   : 1      Length:27555      Length:27555      Length:27555      Length:27555      Min.   : 2.45      Min.   : 3.0  
1st Qu.:6890      Class :character      Class :character      Class :character      Class :character      1st Qu.: 95.00      1st Qu.: 100.0  
Median :13778      Mode  :character      Mode  :character      Mode  :character      Mode  :character      Median : 190.00      Median : 220.0  
Mean   :13778  
3rd Qu.:20667  
Max.   :27555  
  
      type      rating      description  
Length:27555      Min.   :1.000      Length:27555  
Class :character      1st Qu.:3.700      Class :character  
Mode  :character      Median :4.100      Mode  :character  
Mean   :3.943  
3rd Qu.:4.300  
Max.   :5.000  
NA's   :8626  
  
> |  
  
> correlation_matrix  
  
      sale_price market_price rating  
sale_price 1.00000000 0.96519801 -0.07928513  
market_price 0.96519801 1.00000000 -0.09498883  
rating      -0.07928513 -0.09498883 1.00000000
```

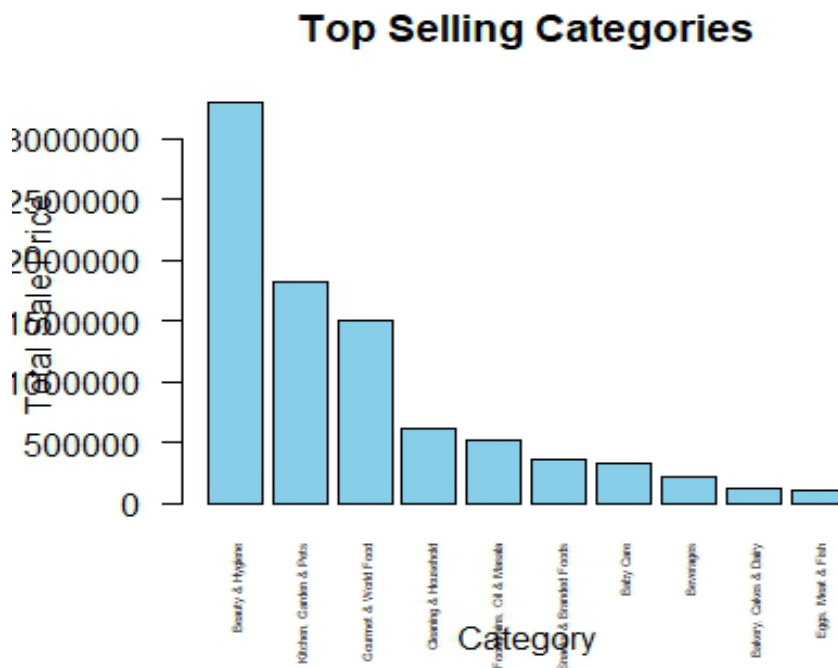
| A | B | C | D | E | F | G | H | I | J |
|-------|-------------|--|------------------------|------------------------|------------------|-------------|--------------|-------------------------------|--------|
| Index | Invoice No. | Product | Category | Sub_category | Brand | Sales_price | Market_price | Type | Rating |
| 1 | 495280 | Garlic Oil - Vegetarian Capsule 500 mg | Beauty & Hygiene | Hair Care | Sri Sri Ayurveda | 220 | 220 | Hair Oil & Serum | 4.1 |
| 2 | 480873 | Water Bottle - Orange | Kitchen, Garden & Pets | Storage & Accessories | Mastercook | 180 | 180 | Water & Fridge Bottles | 2.3 |
| 3 | 492038 | Brass Angle Deep - Plain, No.2 | Cleaning & Household | Poola Needs | Trm | 119 | 250 | Lamp & Lamp Oil | 3.4 |
| 4 | 480795 | Cereal Flip Lid Container/Storage Jar - Assorted Colour | Cleaning & Household | Bins & Bathroom Ware | Nakoda | 149 | 176 | Laundry, Storage Baskets | 3.7 |
| 5 | 489434 | Creme Soft Soap - For Hands & Body | Beauty & Hygiene | Bath & Hand Wash | Nivea | 162 | 162 | Bathing Bars & Soaps | 4.4 |
| 6 | 491243 | Germ - Removal Multipurpose Wipes | Cleaning & Household | All Purpose Cleaners | Nature Protect | 169 | 169 | Disinfectant Spray & Cleaners | 3.3 |
| 7 | 493492 | Multani Matti | Beauty & Hygiene | Skin Care | Satinence | 98 | 98 | Face Care | 3.6 |
| 8 | 492389 | Hand Sanitizer - 70% Alcohol Base | Beauty & Hygiene | Bath & Hand Wash | Bionova | 250 | 250 | Hand Wash & Sanitizers | 4.70 |
| 9 | 495520 | Biotin & Collagen Volumizing Hair Shampoo + Biotin & Collagen Hair Conditioner | Beauty & Hygiene | Hair Care | Sibtonica | 1098 | 1098 | Shampoo & Conditioner | 3.3 |
| 10 | 495619 | Scrub Pad - Anti-Bacterial, Regular | Cleaning & Household | Mops, Brushes & Scrubs | Scotch Brite | 20 | 20 | Ustensil Scrub Pad, Glove | 4.3 |

```
> str(data)  
'data.frame': 27555 obs. of 10 variables:  
 $ index : int 1 2 3 4 5 6 7 8 9 10 ...  
 $ product : chr "Garlic Oil - Vegetarian Capsule 500 mg" "Water Bottle - Orange" "Brass Angle Deep - Plain, No.2" "Cereal Flip  
Container/Storage Jar - Assorted Colour" ...  
 $ category : chr "Beauty & Hygiene" "Kitchen, Garden & Pets" "Cleaning & Household" "Cleaning & Household" ...  
 $ sub_category: chr "Hair Care" "Storage & Accessories" "Poola Needs" "Bins & Bathroom Ware" ...  
 $ brand : chr "Sri Sri Ayurveda" "Mastercook" "Trm" "Nakoda" ...  
 $ sale_price : num 220 180 119 149 162 ...  
 $ market_price: num 220 180 250 176 162 ...  
 $ type : chr "Hair Oil & Serum" "Water & Fridge Bottles" "Lamp & Lamp Oil" "Laundry, Storage Baskets" ...  
 $ rating : num 4.1 2.3 3.4 3.7 4.4 3.3 3.6 4.3 4.7 ...  
 $ description : chr "This Product contains Garlic Oil that is known to help proper digestion, maintain proper cholesterol levels, s  
__truncated__ "Each product is microwave safe (without lid), refrigerator safe, dishwasher safe and can also be used for re-he" | __t
```

EXPLORATORY DATA ANALYSIS

Top selling categories

```
# Aggregate sales data by category and sum up the sale_price
category_sales <- aggregate(sale_price ~ category, data = data, FUN = sum)
category_sales <- category_sales[order(category_sales$sale_price, decreasing = TRUE),]
# Plot the top-selling categories
top_categories <- head(category_sales, 10) # You can adjust the number as needed
# Plot the bar chart
barplot(top_categories$sale_price, names.arg = top_categories$category,
        main = "Top Selling Categories", xlab = "Category", ylab = "Total Sale Price",
        col = "skyblue", las = 2, cex.names = 0.8)
```

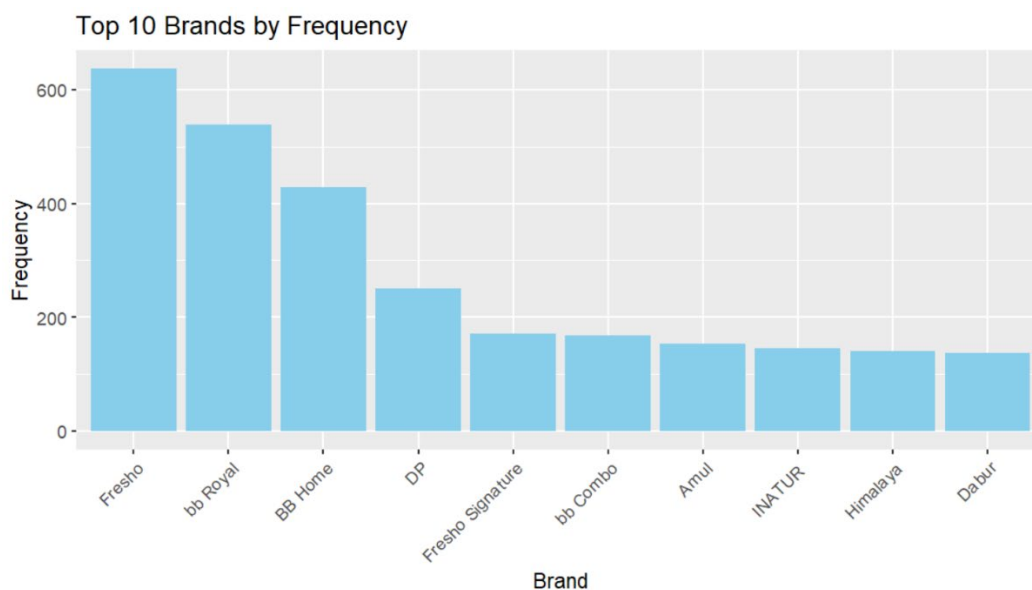


#top brand

```
# Count the frequency of each brand
brand_frequency <- table(data$brand)
# Convert the frequency table to a data frame
brand_freq_df <- data.frame(brand = names(brand_frequency),
                             frequency = as.numeric(brand_frequency))
# Sort the data frame by frequency in descending order
brand_freq_df <- brand_freq_df[order(brand_freq_df$frequency, decreasing = TRUE),]
# Select only the top 10 brands
top_10_brands <- head(brand_freq_df, 10)
print(top_10_brands)
```

```
> print(top_10_brands)
  brand frequency
750   Fresho     638
210   bb Royal    539
207   BB Home    428
589    DP        250
752 Fresho Signature 171
206   bb Combo    168
98    Amul        153
979   INATUR      146
931   Himalaya    141
508    Dabur      138
```

```
# Plot brand vs frequency for top 10 brands
ggplot(top_10_brands, aes(x = reorder(brand, -frequency), y = frequency)) +
  geom_bar(stat = "identity", fill = "skyblue") +
  labs(title = "Top 10 Brands by Frequency", x = "Brand", y = "Frequency") +
  theme(axis.text.x = element_text(angle = 45, hjust = 1))
```

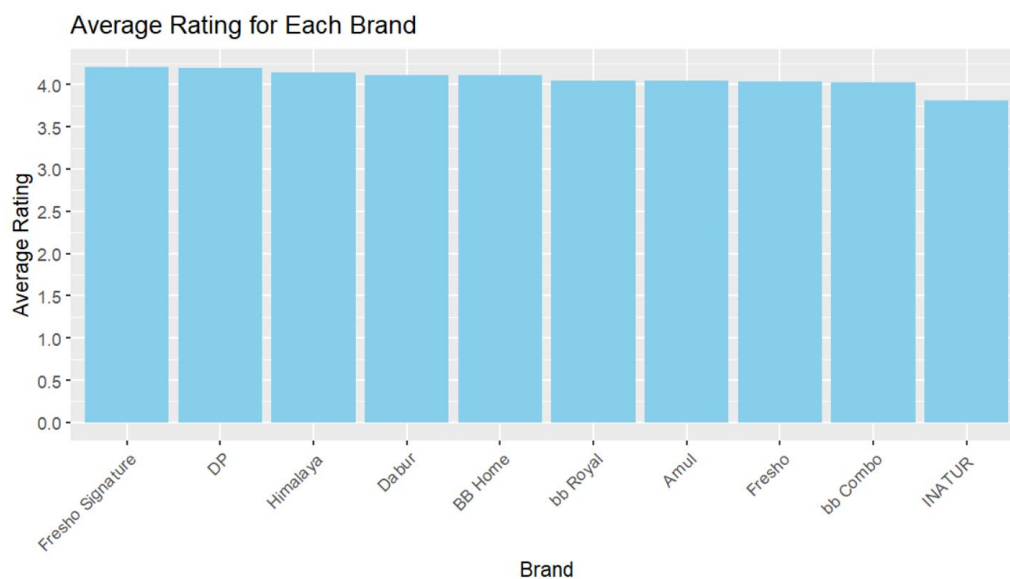


#Average Rating for each Brand

```
# Extract the brand names from the top_10_brands data frame
top_brands <- top_10_brands$brand
# Filter the original data for the top brands and calculate average rating
brand_avg_rating <- data %>%
  filter(brand %in% top_brands) %>%
  group_by(brand) %>%
  summarise(avg_rating = mean(rating, na.rm = TRUE))
# Print the average rating for the top brands
print(brand_avg_rating)
```

```
> print(brand_avg_rating)
# A tibble: 10 × 2
  brand          avg_rating
  <chr>          <dbl>
1 "Amul"         4.04
2 "BB Home"      4.11
3 "DP"           4.2
4 "Dabur"        4.11
5 "Fresco"       4.03
6 "Fresco Signature" 4.21
7 "Himalaya"     4.14
8 "INATUR"       3.81
9 "bb Combo"     4.02
10 "bb Royal"     4.05
```

```
# Plot brand vs average rating
ggplot(brand_avg_rating, aes(x = reorder(brand, -avg_rating), y = avg_rating)) +
  geom_bar(stat = "identity", fill = "skyblue") +
  labs(title = "Average Rating for Each Brand", x = "Brand", y = "Average Rating") +
  theme(axis.text.x = element_text(angle = 45, hjust = 1)) +
  scale_y_continuous(breaks = seq(0, max(brand_avg_rating$avg_rating) + 0.5, by = 0.5))
```



Distribution of Sale and Market Price

```
library(ggplot2)

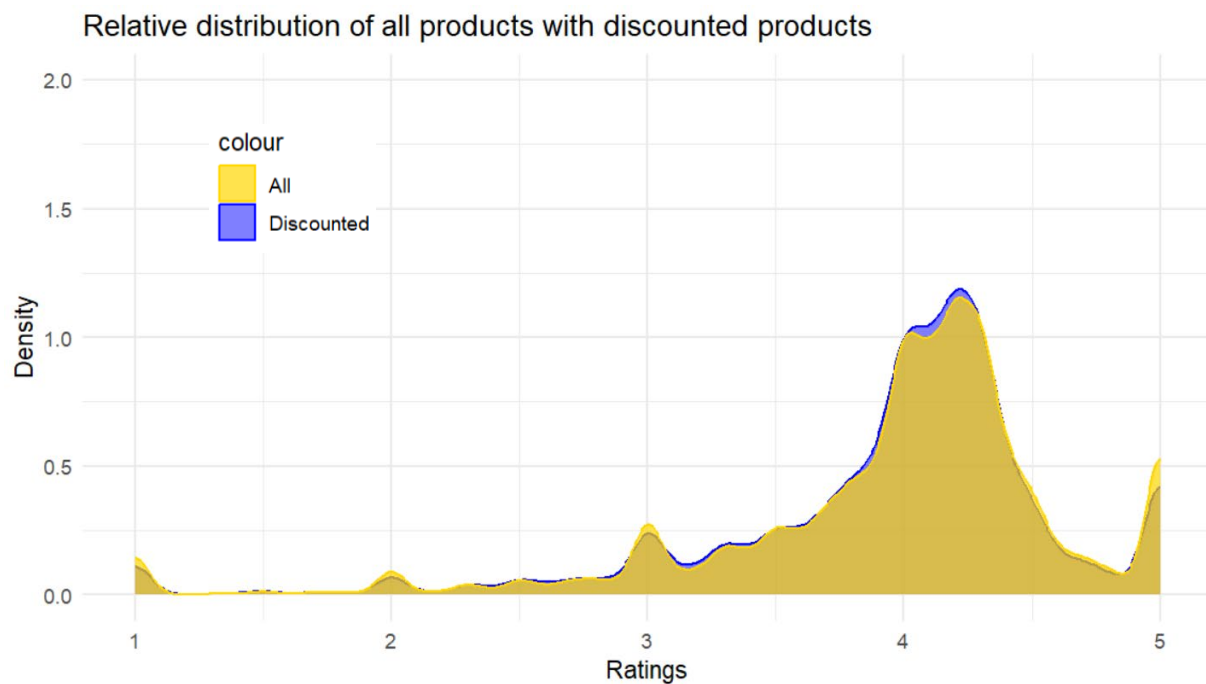
ggplot(data, aes(x = sale_price)) +
  geom_histogram(aes(fill = "Sale Price"), binwidth = 50, alpha = 1) + # Adjust
transparency
  geom_histogram(aes(x = market_price, fill = "Market Price"), binwidth = 50, alpha = 0.5)
+ # Adjust transparency
  labs(title = "Distribution of Sale Price and Market Price", x = "Price", y = "Frequency") +
  scale_fill_manual(values = c("Sale Price" = "skyblue", "Market Price" = "red")) +
  guides(fill = guide_legend(title = "Price Type"))
```



We can see product near and above 3000 have good profit as compare to other

Relative distribution of all products with discounted products

```
# Calculate the difference in prices
data$diff_in_prices <- data$market_price - data$sale_price
# Filter for products with discounts
discount <- data[data$diff_in_prices != 0, ]
# Create a density plot for ratings
ggplot() +
  geom_density(data = discount, aes(x = rating), color = 'blue', fill = 'blue', alpha = 0.5) +
  geom_density(data = data, aes(x = rating), color = 'gold', fill = 'gold', alpha = 0.7) +
  labs(x = "Ratings", y = "Density", title = "Relative distribution of all products with
discounted products") +
  theme_minimal() +
  ylim(0, 2)
```



WHAT IS MARKET BASKET ANALYSIS?

Market Basket Analysis (MBA) is a data mining technique used in retail and e-commerce to discover associations between items purchased together in transactions. The primary goal of Market Basket Analysis is to identify patterns of co-occurrence or co-purchase among items, which can provide valuable insights for improving business strategies. Here's a detailed explanation of Market Basket Analysis:

Association Rule Mining:

Market Basket Analysis is a form of association rule mining, which is a data mining technique that aims to discover relationships or associations between variables in large datasets.

Frequent Itemsets:

The core concept of MBA is to identify frequent itemsets, which are combinations of items that occur together frequently in transactions.

For example, if customers often purchase bread and milk together, "bread" and "milk" form a frequent itemset.

Association Rules:

Once frequent itemsets are identified, association rules are generated to express relationships between items.

An association rule typically takes the form of "If {A}, then {B}", where A and B are sets of items. For example, "If {bread}, then {milk}".

Each rule is associated with measures like support, confidence, and lift, which quantify the strength and significance of the association.

the strength of the association between A and B.

Lift measures the strength of association between items and indicates how much more likely item B is purchased when item A is purchased, compared to when item B is purchased independently of item A.

Applications:

MBA has various applications in retail and e-commerce, including product recommendations, market segmentation, pricing strategies, inventory management, and cross-selling and upselling.

Benefits:

Helps retailers understand purchasing patterns and customer preferences.

Enables personalized marketing strategies and targeted promotions.

Optimizes product placement and inventory management.

Enhances customer satisfaction and loyalty by offering relevant product recommendations.

Overall, Market Basket Analysis is a powerful technique for extracting actionable insights from transactional data, driving business growth, and enhancing customer experience in retail and e-commerce industries.

#Loading libraries and data

```
library(arules)

# Read the CSV file into a data frame
file_path <- "C:\\Users\\shriv\\Downloads\\r project\\BigBasket Data.csv"
data <- read.csv(file_path)
str(data)
```

#Since Apriori algorithm works with transaction data , we will first extract the invoice number and category feature in another csv file

```
# Ensure 'Invoice No' and 'Product' are character vectors
data$Invoice.No <- as.factor(as.character(data$Invoice.No))
data$Category <- as.factor(data$Category)

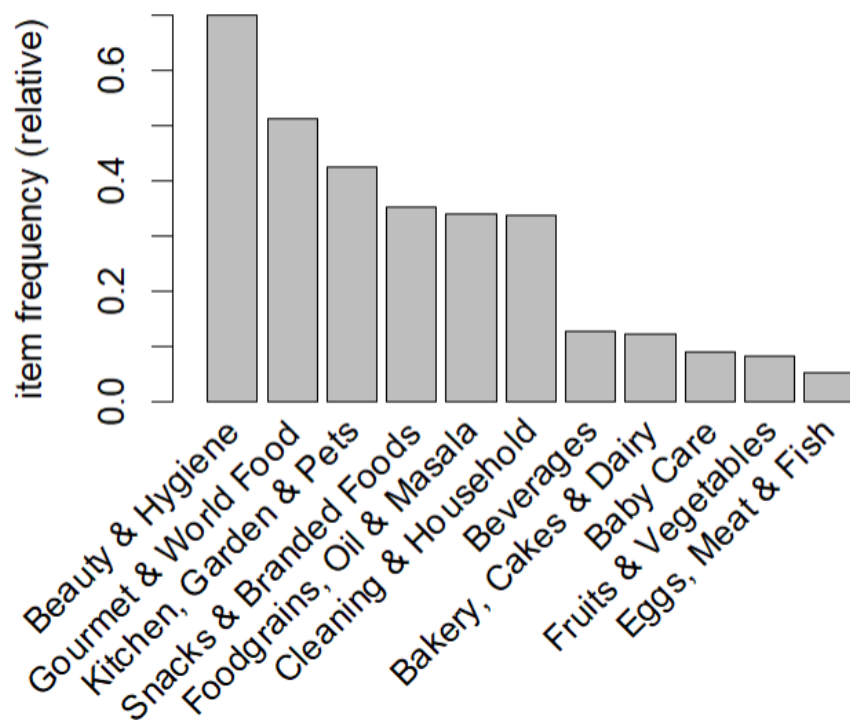
# Extract relevant columns
data_new <- data[, c("Invoice.No", "Category")]
str(data_new)
data_new=na.omit(data_new) #omiting missing data

#write csv
write.csv(data_new,"data3.csv",row.names = FALSE)
```

| | A | B | C | D | E |
|----|------------|------------------------|---|---|---|
| 1 | Invoice.No | Category | | | |
| 2 | 495280 | Beauty & Hygiene | | | |
| 3 | 493873 | Kitchen, Garden & Pets | | | |
| 4 | 492028 | Cleaning & Household | | | |
| 5 | 489736 | Cleaning & Household | | | |
| 6 | 493414 | Beauty & Hygiene | | | |
| 7 | 491245 | Cleaning & Household | | | |
| 8 | 493492 | Beauty & Hygiene | | | |
| 9 | 492589 | Beauty & Hygiene | | | |
| 10 | 495520 | Beauty & Hygiene | | | |
| 11 | 495619 | Cleaning & Household | | | |
| 12 | 495112 | Gourmet & World Food | | | |
| 13 | 495633 | Gourmet & World Food | | | |
| 14 | 490472 | Beauty & Hygiene | | | |
| 15 | 493511 | Cleaning & Household | | | |
| 16 | 491883 | Cleaning & Household | | | |
| 17 | 492707 | Cleaning & Household | | | |
| 18 | 492419 | Beauty & Hygiene | | | |
| 19 | 493697 | Gourmet & World Food | | | |
| 20 | 490745 | Gourmet & World Food | | | |
| 21 | 494147 | Gourmet & World Food | | | |

#now the the dataset is ready for apriori

```
itemFrequencyPlot(transactions, support = 0.10)
```



```
# Read the CSV file without specifying columns

transactions <- read.transactions(file="data3.csv",
format="single", sep=";", cols=c(1,2), skip=1)

inspect(transactions[1:5])
```

```
> transactions <- read.transactions(file="data3.csv", format="single", sep
(1,2), skip=1)
> inspect(transactions[1:5])
  items                                transactionID
[1] {Beauty & Hygiene}                      489434
[2] {Beauty & Hygiene,
    Cleaning & Household,
    Gourmet & World Food}                  489435
[3] {Beauty & Hygiene}                      489436
[4] {Gourmet & World Food,
    Kitchen, Garden & Pets}                489437
[5] {Beauty & Hygiene,
    Eggs, Meat & Fish}                    489438
> |
```

```
# Perform association rule mining using Apriori algorithm

rules <- apriori(transactions,
                  parameter = list(support = 0.01, confidence = 0.50))
```

```
> rules <- apriori(transactions,
+                  parameter = list(support = 0.01, confidence = 0.50))
Apriori

Parameter specification:
confidence minval smax arem aval originalSupport maxtime support minlen maxlen
          0.5   0.1   1 none FALSE              TRUE     5   0.01     1    10
target  ext
rules TRUE

Algorithmic control:
filter tree heap memopt load sort verbose
  0.1 TRUE TRUE  FALSE TRUE     2     TRUE

Absolute minimum support count: 65

set item appearances ...[0 item(s)] done [0.00s].
set transactions ...[11 item(s), 6505 transaction(s)] done [0.00s].
sorting and recoding items ... [11 item(s)] done [0.00s].
creating transaction tree ... done [0.00s].
checking subsets of size 1 2 3 4 5 done [0.00s].
writing ... [131 rule(s)] done [0.00s].
creating S4 object ... done [0.00s].
```

INTREPETATION

WE CAN SEE 6505 UNIQUE TRANSACTIONS

131 RULE IS CREATED WITH 50 PERCENT CONFIDENCE

Inspect the top 10 association rules

```
inspect(head(sort(rules, by = "lift"), 10))
```

```
inspect(sort(rules, by = "confidence"))
```

```
> inspect(head(sort(rules, by = "lift"), 10))
```

| | lhs | rhs | support | confidence | coverage | lift | count |
|------|---|---------------------------|------------|------------|------------|----------|-------|
| [1] | {Eggs, Meat & Fish, Kitchen, Garden & Pets} | => {Gourmet & World Food} | 0.01214450 | 0.5895522 | 0.02059954 | 1.151317 | 79 |
| [2] | {Beverages, Kitchen, Garden & Pets} | => {Gourmet & World Food} | 0.03013067 | 0.5730994 | 0.05257494 | 1.119187 | 196 |
| [3] | {Beverages, Foodgrains, Oil & Masala, Kitchen, Garden & Pets} | => {Gourmet & World Food} | 0.01029977 | 0.5677966 | 0.01813989 | 1.108831 | 67 |
| [4] | {Beauty & Hygiene, Beverages, Kitchen, Garden & Pets} | => {Gourmet & World Food} | 0.02044581 | 0.5659574 | 0.03612606 | 1.105240 | 133 |
| [5] | {Cleaning & Household, Fruits & Vegetables, Gourmet & World Food} | => {Beauty & Hygiene} | 0.01029977 | 0.7613636 | 0.01352806 | 1.084447 | 67 |
| [6] | {Baby Care, Gourmet & World Food, Snacks & Branded Foods} | => {Beauty & Hygiene} | 0.01322060 | 0.7610619 | 0.01737125 | 1.084018 | 86 |
| [7] | {Bakery, Cakes & Dairy, Beauty & Hygiene, Kitchen, Garden & Pets} | => {Gourmet & World Food} | 0.01691007 | 0.5527638 | 0.03059185 | 1.079474 | 110 |
| [8] | {Beauty & Hygiene, Beverages} | => {Gourmet & World Food} | 0.04796311 | 0.5512367 | 0.08700999 | 1.076492 | 312 |
| [9] | {Baby Care, Beauty & Hygiene, Snacks & Branded Foods} | => {Gourmet & World Food} | 0.01322060 | 0.5477707 | 0.02413528 | 1.069723 | 86 |
| [10] | {Beverages, Foodgrains, Oil & Masala} | => {Gourmet & World Food} | 0.02336664 | 0.5448029 | 0.04289008 | 1.063928 | 152 |

```
> inspect(sort(rules, by = "confidence"))
```

| | lhs | rhs | support | confidence | coverage | lift | count |
|------|---|-----------------------|------------|------------|------------|-----------|-------|
| [1] | {Cleaning & Household, Fruits & Vegetables, Gourmet & World Food} | => {Beauty & Hygiene} | 0.01029977 | 0.7613636 | 0.01352806 | 1.0844472 | 67 |
| [2] | {Baby Care, Gourmet & World Food, Snacks & Branded Foods} | => {Beauty & Hygiene} | 0.01322060 | 0.7610619 | 0.01737125 | 1.0840175 | 86 |
| [3] | {Bakery, Cakes & Dairy, Cleaning & Household, Kitchen, Garden & Pets} | => {Beauty & Hygiene} | 0.01122214 | 0.7448980 | 0.01506533 | 1.0609944 | 73 |
| [4] | {Cleaning & Household, Fruits & Vegetables} | => {Beauty & Hygiene} | 0.02136818 | 0.7393617 | 0.02890085 | 1.0531088 | 139 |
| [5] | {Baby Care, Snacks & Branded Foods} | => {Beauty & Hygiene} | 0.02413528 | 0.7302326 | 0.03305150 | 1.0401057 | 157 |
| [6] | {Beverages, Snacks & Branded Foods} | => {Beauty & Hygiene} | 0.03228286 | 0.7266436 | 0.04442736 | 1.0349938 | 210 |
| [7] | {Beverages, Gourmet & World Food, Snacks & Branded Foods} | => {Beauty & Hygiene} | 0.01752498 | 0.7261146 | 0.02413528 | 1.0342404 | 114 |
| [8] | {Bakery, Cakes & Dairy, Cleaning & Household, Foodgrains, Oil & Masala} | => {Beauty & Hygiene} | 0.01045350 | 0.7234043 | 0.01445042 | 1.0303798 | 68 |
| [9] | {Beverages, Kitchen, Garden & Pets, Snacks & Branded Foods} | => {Beauty & Hygiene} | 0.01245196 | 0.7232143 | 0.01721752 | 1.0301092 | 81 |
| [10] | {Fruits & Vegetables, Kitchen, Garden & Pets} | => {Beauty & Hygiene} | 0.02521138 | 0.7161572 | 0.03520369 | 1.0200575 | 164 |

1. If a person buys Eggs, Meat & Fish, and Kitchen, Garden & Pets, there's a 58.96% chance they will also buy Gourmet & World Food.

2. If a person buys Beverages and Kitchen, Garden & Pets, there's a 57.31% chance they will also buy Gourmet & World Food.

3. If a customer purchases Cleaning & Household, Fruits & Vegetables, and Gourmet & World Food, there's a 76.14% chance they will also buy Beauty & Hygiene.

4. If a customer purchases Baby Care, Gourmet & World Food, and Snacks & Branded Foods, there's a 76.11% chance they will also buy Beauty & Hygiene.

Cluster Analysis:

It's a method for categorizing similar items together in a dataset, organizing data into clusters where items within each cluster are more akin to each other than to those in other clusters.

Example (Customer Segmentation in Retail):

By analysing customer purchase data, like frequency, amount spent, and types of items bought, cluster analysis can group customers into segments with similar buying behaviors.

This helps retailers identify distinct customer segments, such as high-spending frequent buyers or budget-conscious shoppers, allowing them to tailor marketing strategies for each segment and enhance overall effectiveness.

Summary of steps to be done

Data Preparation:

Reads the dataset and selects relevant columns (Sales_price, Market_price, Rating).

Removes rows with missing values.

Standardizes the data.

Hierarchical Clustering:

Computes the dissimilarity matrix using Euclidean distance.

Performs hierarchical clustering using the Ward's method.

Plots the dendrogram.

K-means Clustering:

Performs K-means clustering with 3 clusters and 25 random starts.

Adds cluster numbers to the original dataset.

Visualizes clusters using a scatter plot.

Cluster Analysis:

Prints cluster means (centroid values for each cluster).

Prints cluster sizes (number of data points in each cluster).

```
library(factoextra)
library(cluster)
library(NbClust)

# Read the data
file_path <- "C:\\Users\\shriv\\Downloads\\r project\\BigBasket Data.csv"
data <- read.csv(file_path)
```

#loading library and dataset

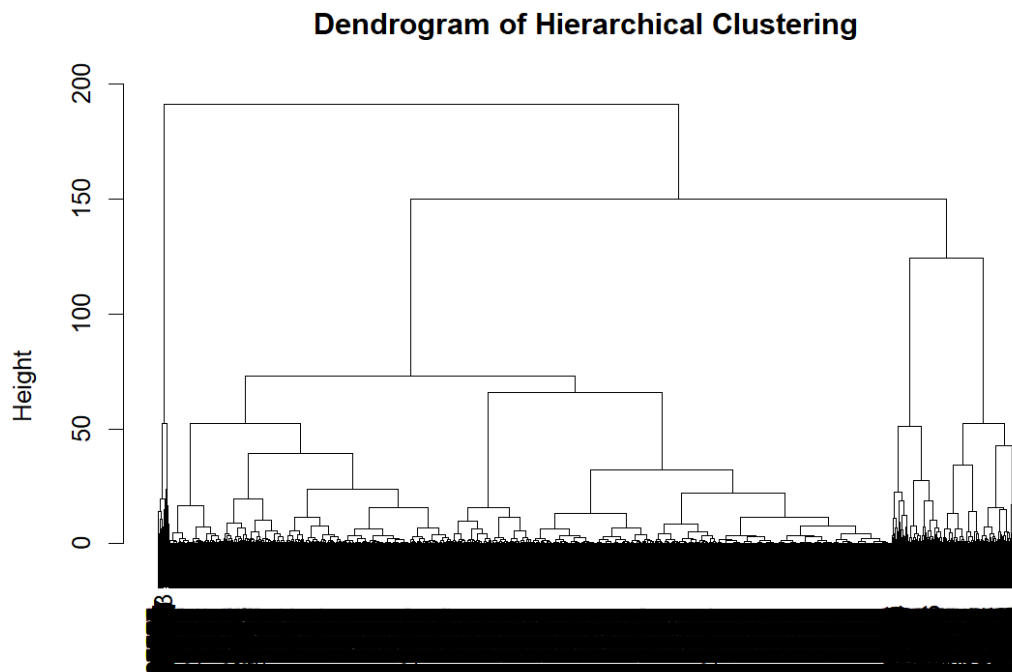
#pre processing the data removing missing values

#making HAC

```
# Compute the distance matrix
dist_matrix <- dist(scaled_data, method = "euclidean")
print(dist_matrix) ##do not print its big data will take lot time

# Hierarchical clustering
hierarchical_clustering <- hclust(dist_matrix, method = "ward.D2")

# Plot the dendrogram
plot(hierarchical_clustering, main = "Dendrogram of Hierarchical Clustering")
```



```
dist_matrix
hclust (*, "ward.D2")
```

We will choose 3 cluster

```
# K-means clustering
kmeans_results <- kmeans(scaled_data, centers = 3, nstart = 25)

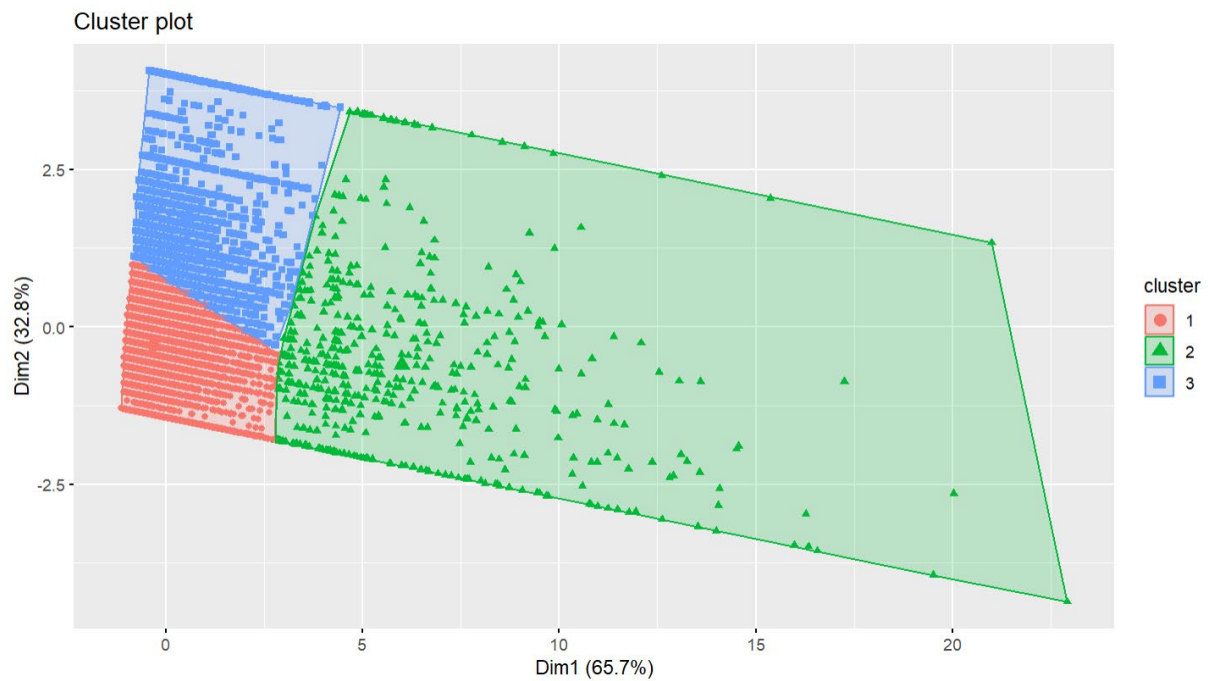
# Add cluster numbers to the original dataset
data$Cluster <- kmeans_results$cluster

# Visualize clusters
fviz_cluster(kmeans_results, data = scaled_data, geom = "point")
```

```
# Print cluster means
```

```
aggregate(scaled_data, by = list(Cluster = kmeans_results$cluster), mean)
```

```
# Print cluster sizes
```



```
# Print cluster means
aggregate(scaled_data, by = list(Cluster = kmeans_results$cluster), mean)
```

```
# Print cluster sizes
kmeans_results$size
```

```
> aggregate(scaled_data, by = list(Cluster = kmeans_results$cluster), mean)
  Cluster Sales_price Market_price   Rating
1       1  -0.1961169  -0.2007379  0.3297602
2       2   4.2240800   4.2973962 -0.1521067
3       3   0.2047700   0.2150214 -1.7831859
> # Print cluster sizes
> kmeans_results$size
[1] 15524   584  2821
```

Cluster 1:

Sales_price: Slightly below average.

Market_price: Slightly below average.

Rating: Positive.

Size: 15,524 records.

Cluster 2:

Sales_price: Relatively high.

Market_price: Relatively high.

Rating: Close to neutral.

Size: 584 records.

Cluster 3:

Sales_price: Slightly above average.

Market_price: Slightly above average.

Rating: Significantly negative.

Size: 2,821 records.

Business Implications:

Cluster 1:

Characteristics: Products in this cluster have slightly below-average prices but receive positive ratings. It contains a large number of records, indicating a significant portion of the product portfolio.

Implications: Businesses can capitalize on the positive customer sentiment by focusing on marketing strategies to increase sales volume within this cluster. Additionally, there may be opportunities to optimize pricing strategies to further enhance competitiveness and profitability.

Cluster 2:

Characteristics: This cluster consists of products with relatively high prices and ratings close to neutral. While the number of records is smaller compared to other clusters, these products may represent premium offerings.

Implications: Businesses should prioritize maintaining the high quality and brand reputation of products in this cluster to justify the premium prices. Marketing efforts can target niche segments willing to pay premium prices for perceived value, ensuring sustainable profitability.

Cluster 3:

Characteristics: Products in this cluster have slightly above-average prices but receive significantly negative ratings. Despite the lower number of records, this cluster represents a notable portion of the product portfolio.

Implications: Immediate attention should be given to addressing the underlying issues affecting customer satisfaction within this cluster. Strategies may include product quality improvements, customer service enhancements, and targeted marketing campaigns to regain customer trust and loyalty. Additionally, optimizing pricing strategies to align with customer expectations can help improve competitiveness and profitability in the long term.

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