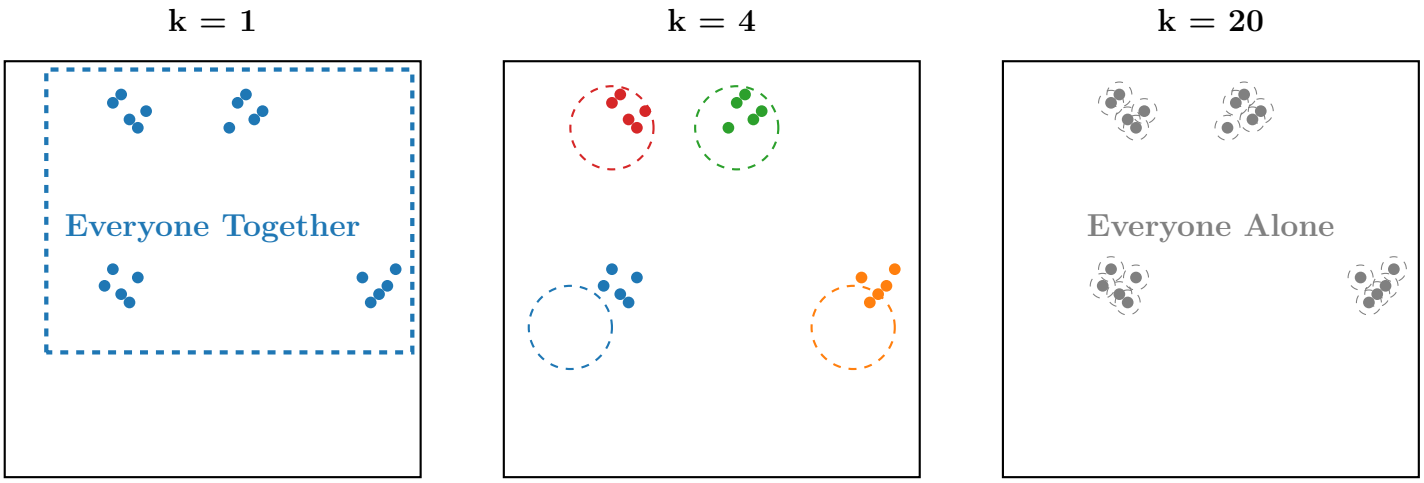
Discovery 5: The Goldilocks Problem

Not Too Few, Not Too Many, Just Right

Same Data, Different Stories



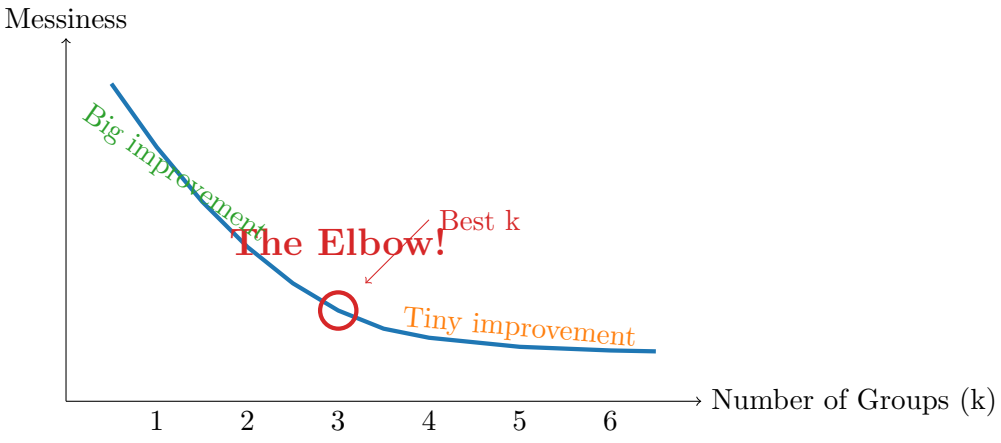
Too Simple!
"All customers are the same"

Just Right!
"4 clear types"

Too Complex!
"Every customer unique"

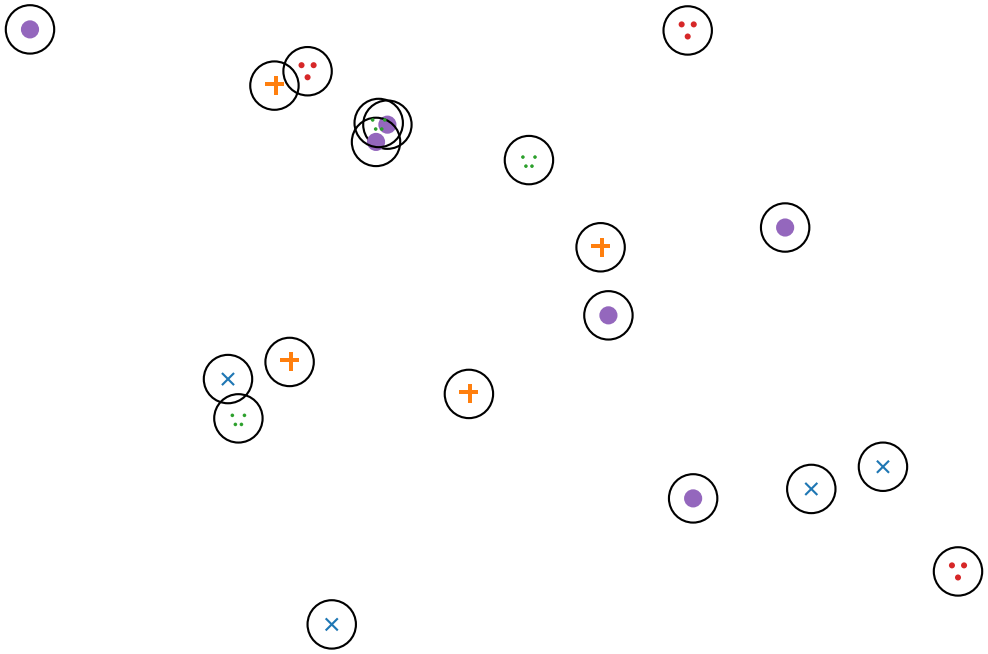
How many groups do YOU see?

The Elbow Test



Try It: Pizza Toppings

20 pizzas ordered last week. How many types?



k = ____ groups	Why? _____	Too many? _____

Real World Goldilocks

Where's YOUR Goldilocks Zone?

Netflix	**Spotify**	**Store**
How many genres?	How many moods?	Customer types?
k = ?	k = ?	k = ?

Your World: _____

How many groups make sense? k = _____

Next Class: How ML finds the perfect k automatically