

Clustering Results

Clusters and Metrics

The number of clusters formed: **7**

DB Index Value : **0.90**

Other relevant clustering metrics

1.Cluster Behaviour:

- **Cluster 1 & 5: High-value customers.** Offer loyalty rewards or exclusive deals.
- **Cluster 0 & 3: Low-spending customers.** Attract them with discounts or special offers.
- **Cluster 2 & 4: Moderate spenders.** Suggest product bundles or deals to increase their spending.
- **Cluster 6: Higher spenders with fewer purchases.**

2.Action Plan

- **Focus on Premium Customers:** Reward loyal and high-value buyers with personalised offers.
- **Encourage Low Spenders:** Use discounts or limited-time deals to increase their purchases.
- **Boost Moderate Spenders:** Recommend bundles or complementary products to maximise their spending

Summary

This clustering groups customers based on how much they spend, how often they buy, and the variety of products they purchase. These insights can help create better marketing strategies, keep loyal customers, and increase sales effectively.

