

Unsupervised Learning
↓
Data with input cols only

Amazon Customers Data

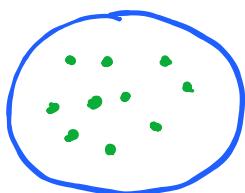
	Name	Age	City	Gender	Purchases	Amount spent
0						-
1						
2						
3						
4						
5						

↓
Unsupervised Algorithm

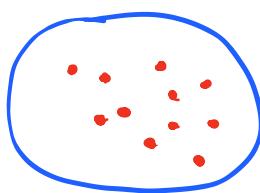
↓

They will learn two things :

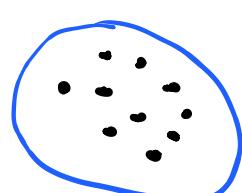
- How many groups/clusters exist in our data?
- Which customer/datapoint belongs to which cluster.



Low
spenders



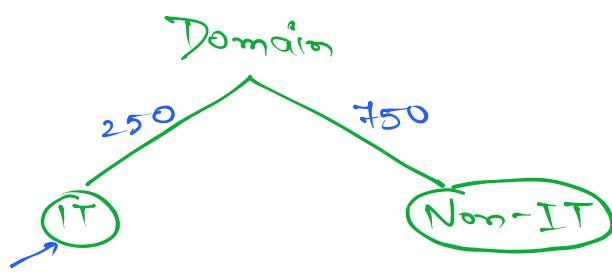
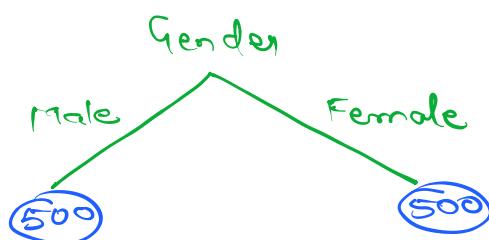
Medium
spenders



High
spenders

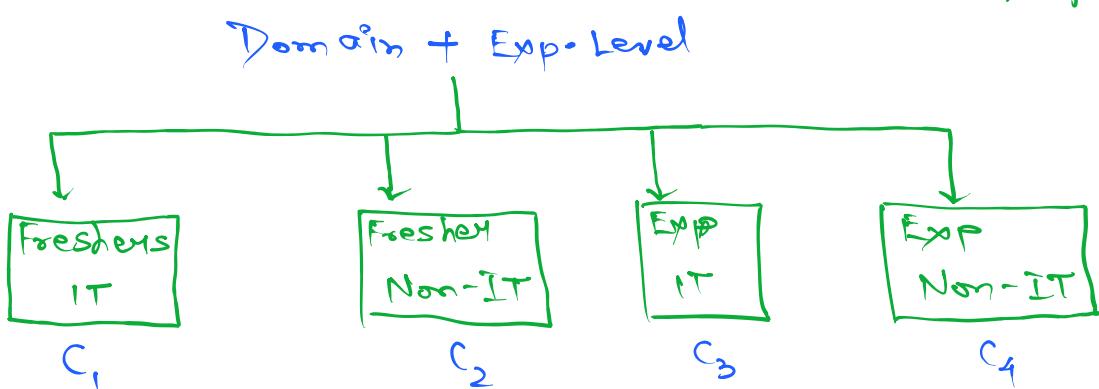
Intellipect (1000)

	Name	Age	Gender	Educat. qual.	Domain	Exp. Level	Clusters Number
0							C ₂
1							C ₄
2							C ₁
3							C ₃
4							C ₁
5							C ₂
6							
7	-	-	-	-	↓	-	



Fresher
 < 1

Exp
 ≥ 1 year



① Targeted Marketing

- ② Recommendations
- ③ offers, coupons, discount

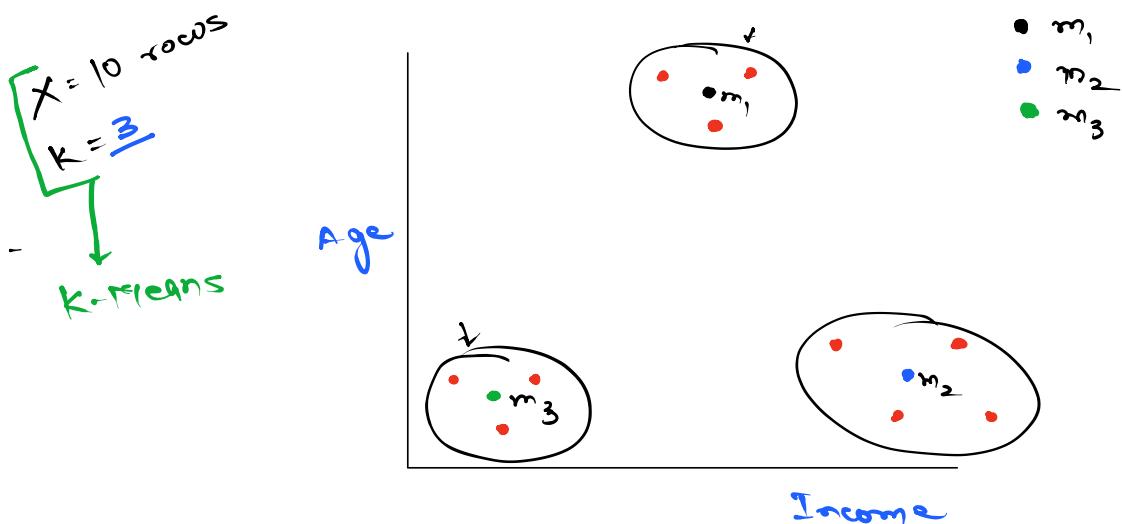
Unsupervised Learning Algorithms →

- ① K-Means clustering.
- ② Hierarchical Clustering.
- ③ DBScan Clustering.
- ④ Gaussian Mixture Models (GMMs).

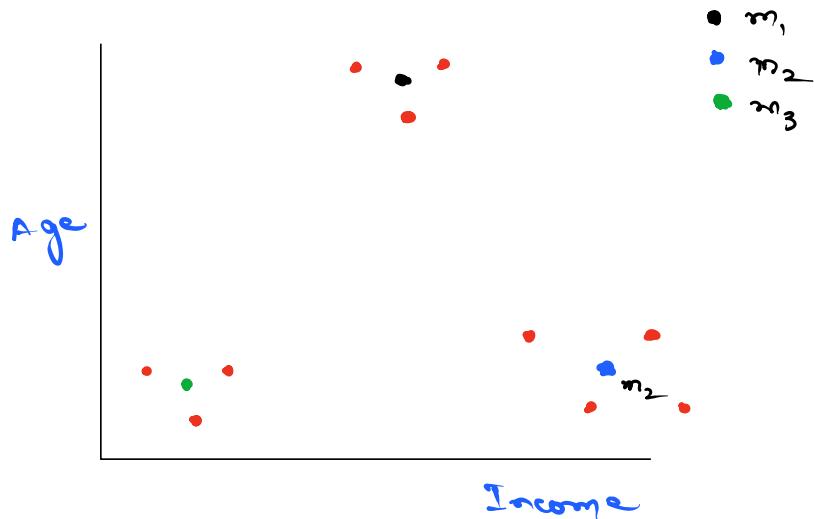
K-Means Clustering

Two requirements of K-Means:

- ① Data (input cols) → 'X'
- ② K-value : No of clusters to be identified.



- ① Create centroids / cluster means on the data.
- ② Calculate the distance b/w each data point to each centroid / cluster mean.
- ③ Put together the datapoints with their closest centroids in clusters.
- ④ Update the centroid values.
- ⑤ Repeat steps 2-4 until no further changes observed.



Initialization Trap :

