**Customer Segmentation Using Clustering Analysis**

**ABSTRACT**

We live in a world where there is a large data collected every day analysing such data is an important need. In the modern era of innovation, where there is a large competition to be better than everyone, the business strategy needs to be according to the modern conditions. The business is done today runs based on innovative ideas as there is a large number of potential customers who are confounded about what to buy and what not to buy. The companies doing the business are also not able to diagnose the target potential customers. This is where machine learning comes into the picture, the various algorithms are applied to identify the hidden patterns in the data for better decision making. The concept of which customer segment to target is done using the customer segmentation process using the clustering technique. In this, the clustering algorithm is partitioning the customers as a group based on their characteristics.