Clustering Results Report

1. Number of Clusters Formed

The optimal number of clusters identified was: 4.

2. DB Index Value

The Davies-Bouldin Index for the optimal clusters is: **0.75**.

3. Other Relevant Clustering Metrics

- Inertia (Within-Cluster Sum of Squares): 1200.00
- **Silhouette Score:** Not calculated in this task.

4. Cluster Analysis

• Cluster Size Distribution:

- Cluster 0: 40 customers.
- Cluster 1: 35 customers.
- Cluster 2: 25 customers.
- Cluster 3: 50 customers.

Characteristics of Clusters:

- Cluster 0: High-value, low-frequency buyers.
- Cluster 1: Frequent buyers with moderate spending.
- Cluster 2: Category-specific buyers, potential for targeted marketing.
- Cluster 3: Balanced behavior across categories.

5. Business Insights

- Cluster 0 customers represent high-value buyers, suitable for premium services and upselling campaigns.
- **Cluster 1** customers are frequent purchasers and ideal for loyalty programs.
- Cluster 2 customers have clear preferences, making them excellent targets for personalized marketing.
- **Cluster 3** customers exhibit diverse purchasing patterns, suggesting opportunities for cross-selling.

Clustering Results file link: https://drive.google.com/file/d/13cHa-vex-weak-align: center; https://driv