Steps for K-Means Algorithm:

1. Choose the number k of clusters.
2. Select at random k points, which are called centroids from the dataset (but these points are not necessarily from your dataset, these can be anywhere in the scatter plot)
3. Assign each data point to the closest centroid, this step will make up all the clusters.
4. Once all the points of the dataset are assigned to the closest centroid, computer and place the new centroid of each cluster.
5. Reassign each data point to the new closest centroid.

* If any reassignment took place, then go to the step 4 again iteratively
* Otherwise finish the execution.