hierarchical-clustering

Data

Product	Sales
1	10
2	7
3	28
4	20
5	35

$$\sqrt{(10-7)^2} = \sqrt{9} = 3$$

Data

Product	Sales
1	10
2	7
3	28
4	20
5	35

 $\sqrt{(10-28)^2} = \sqrt{324} = 18$

Proximity Matrix

ID	1	2	3	4	5
1	0	3	18	10	25
2	3	0	21	13	28
3	18	21	0	8	7
4	10		8	0	15
5	25			15	0

Step 1: Assign all the data points to an individual cluster

Data

Product	Sales
1	10
2	7
3	28
4	20
5	35

10 7 28 20 35

Step 1: Check the smallest distance proximity matrix and merge the data points

Proximity Matrix

ID	1	2	3	4	5
1	0	3	18	10	25
2	3	0	21	13	28
3	18	21	0	8	7
4	10	13	8	0	15
5	25	28	7	15	0

Product	Sales	10)	7 2	28 2	20 35
1	10					
2	7	1		2	3 4	4 5
3	28					
4	20					
5	25					

Step 2: Check the smallest distance proximity matrix and merge the data points. We have taken the **maximum** of the two marks (7, 10) (1,2) to replace the marks for this cluster. You can also take **minimum**, **average**.

Proximity Matrix

Data

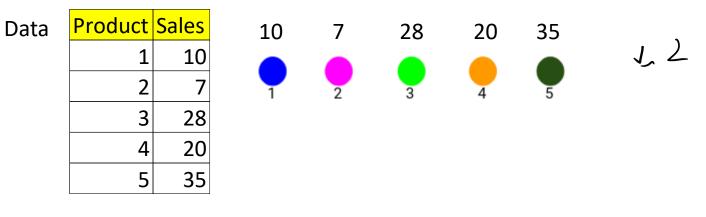
ID	1	2	3	4	5
1	0	3	18	10	25
2	3	0	21	13	28
3	18	21	0	8	7
4	10	13	8	0	15
5	25	28	7	15	0



Product	Saloc
Product	Sales
(1,2)	10
3	28
4	20
5	35

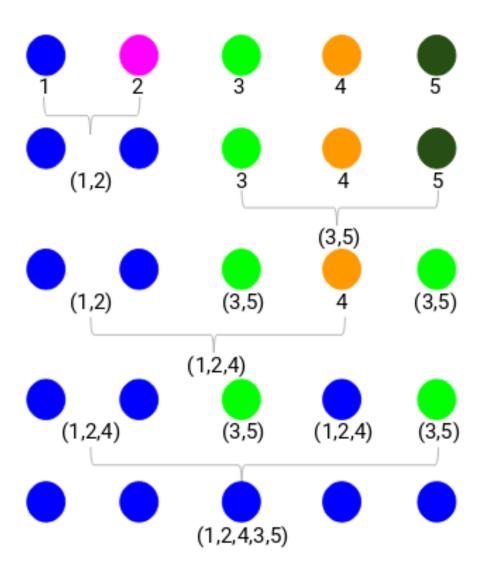
Data

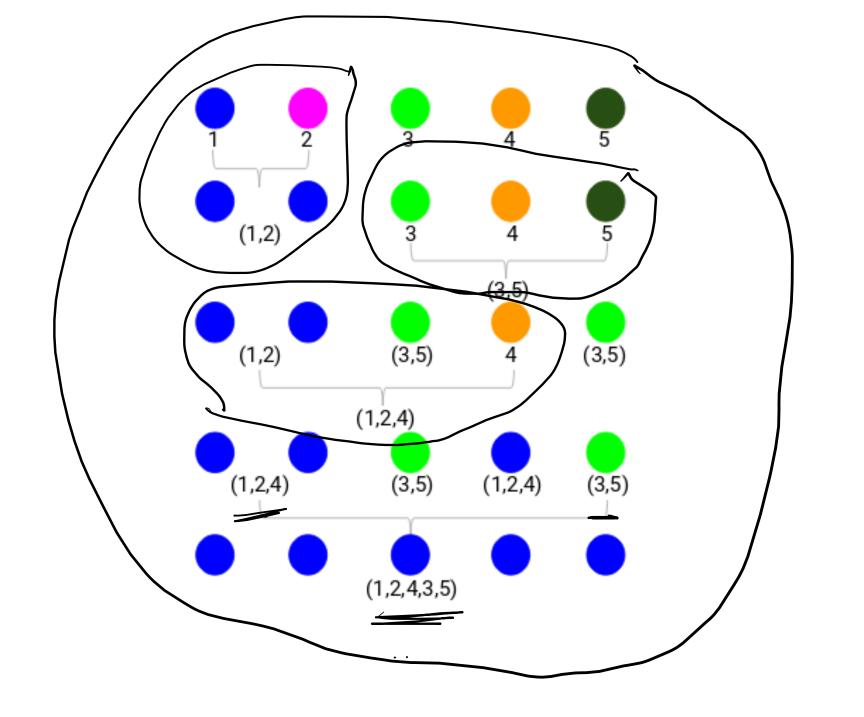
7,10

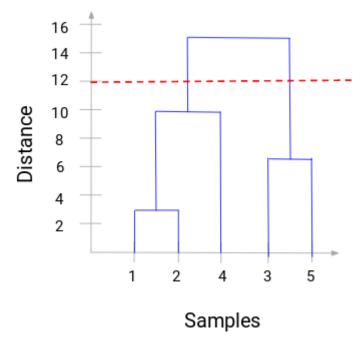


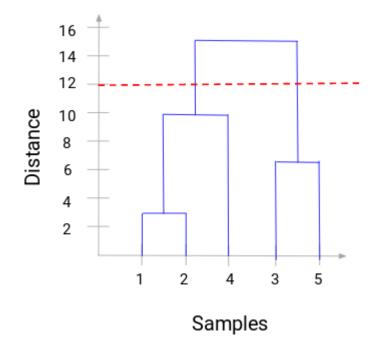
Step 2: Check the smallest distance proximity matrix and merge the data points.

We have taken the **maximum** of the two marks (7, 10) (1,2) to replace the marks for this cluster. You can also take **minimum**, average. Data **Proximity Matrix Product Sales** 7,10 (1,2)10 28/



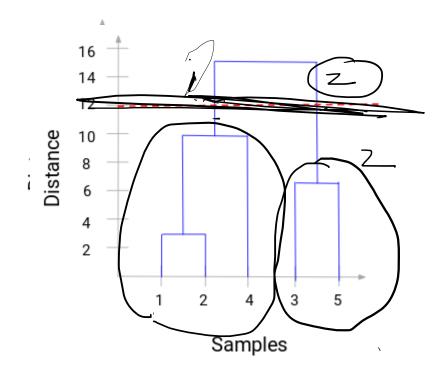


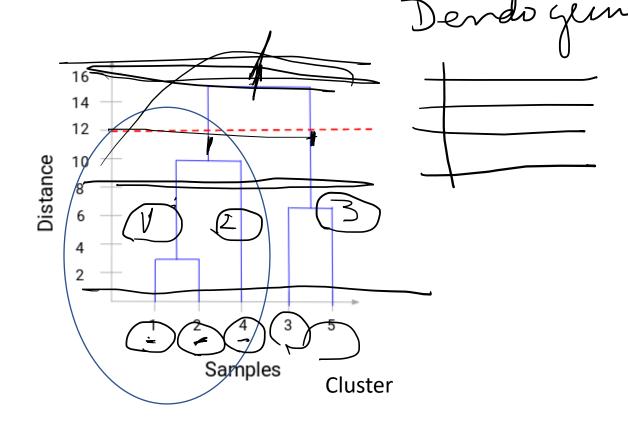




Dendogram

Dendo gum





1 Cluster -1,2,4