CUSTOMER SEGMENTATION & CLUSTERING

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THE
TASK

And context

TASK:

o *Understand the <u>target customers</u> for the marketing team to plan a strategy.*

CONTEXT:

o *My boss wants me to **identify** the **most important shopping groups** based on <u>income</u>, <u>age</u>, & the <u>mall shopping score</u>.*

o *He wants the **ideal number of groups** with a **label** for each*

OBJECTIVE MARKET SEGMENTATION

Divide the mall target market into approachable groups. Create subsets of a market based on demographics behavioral criteria to better understand the target for marketing activities.

THE
APPROACH

1. Perform *Exploratory Data Analysis*

2. Use *K-Means Clustering Algorithm* to create our segments

3. Use *Summary Statistics* on the clusters

4. Visualize

THE
CODE

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