# **Customer Segmentation Report**

#### 1. Number of Clusters Formed

The clustering algorithm identified **5 clusters** based on customer profiles and transaction data.

#### 2. Evaluation Metrics

- Davies-Bouldin Index (DB Index): 0.8524813520458038
  - A lower DB Index indicates better clustering performance.
- Silhouette Score: 0.3535127066812944
  - A higher silhouette score suggests that the clusters are well-separated and compact.

## 3. Cluster Insights

- **Cluster 0:** (Describe based on transaction volume, spending habits, or region trends)
- Cluster 1: (Similar details)
- Cluster 2: (Similar details)
- Cluster 3: (Similar details)

### 4. Visualization

The **PCA plot** illustrates the distribution of customers within the identified clusters. Customers with similar transaction behaviors and profile attributes are grouped together.