Kilger

MKT6971 2 credit course

Practicum I second semester

Exercise #5

Name:

This fifth exercise is to give you practice at clustering market segments using GAP analysis

You can likely reuse a bunch of your code from exercise 4. So instead of doing a k means clustering, you are going to use PROC HPCLUS to do a gap analysis clustering.

1. Using the same drivers you did for your k means assignment, run your PROC HPCLUS using FIRSTPEAK as your criterion. How many clusters does it say is optimum? Cut and paste the ABC Statistics table as well as the FIRSTPEAK table below.
2. Repeat step #2 except use GLOBALPEAK as your criterion. How many clusters does it say is optimum? Is it the same as Step #1 above? Cut and paste the ABC Statistics table as well as the GLOBALPEAK table below
3. What number of clusters did you pick on the previous K means exercise? Is it the same as the HPCLUS suggested number of clusters? How might you decide which to use?
4. Examine the cluster means for the drivers for the result either in Step #1 or Step #2 above. Do they look like there is decent discrimination among the clusters for the driver variables?