Cluster Analysis and Recommendations

1. Cluster 0:

Description: Lower-value, infrequent buyers who haven't purchased recently.

o Action:

- Use targeted marketing campaigns.
- Offer special discounts or reminders to encourage them to return and purchase again.

2. **Cluster 1**:

Description: Higher-value, regular buyers but not active recently.

Action:

- Implement loyalty programs.
- Provide personalized deals to re-engage them.

3. **Cluster 2**:

 Description: Higher-value, very frequent buyers, many of whom are still actively purchasing.

o Action:

- Offer exclusive deals and promotions.
- Enhance loyalty programs to maintain their engagement.

4. Cluster 3:

Description: Lower-value, infrequent buyers but recent purchasers.

o Action:

- Implement retention strategies.
- Provide better customer service.
- Offer incentives to encourage more frequent purchases.

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5. **Cluster 4**:

Description: High spenders with infrequent purchases.

Action:

- Provide personalized offers and luxury services.
- Focus on maintaining loyalty through tailored experiences.

6. **Cluster 5**:

o **Description**: Frequent buyers with lower spending per purchase.

o Action:

- Introduce bundle deals and upselling strategies.
- Implement loyalty programs to encourage higher spending.

7. Cluster 6:

o **Description**: Top-tier customers with extreme spending and frequent purchases.

o Action:

- Develop VIP programs and exclusive offers.
- Provide premium experiences to maintain their engagement and loyalty.