

Customer Segmentation Report

A clustering technique was used to classify customers according to their transactional activity (TotalValue, Quantity, UniqueProducts). Four optimal clusters were identified by the Elbow Method and the DB Index: 0.8753, indicating good separation.

Clusters:

- High-value: People who spend a lot of cash on different things. Pay close attention to exclusive offers and incentive programs.
- Cost-conscious people who make big purchases are known as bargain shoppers. Offer opportunities for bundling, discounts, and cross-selling. Low spending and fewer transactions are indicators of low involvement. Implement focused rewards and re-engagement initiatives.
- Moderate customers with specific product interests are known as niche buyers. Encourage the sale of complementary goods and tailored advice.