

# US Equity Clustering

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# what is **THE PROBLEM?**

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"Hold on, where's the forest again?"

How can a manager have a  
**differentiated view** of markets  
that is accurate?

# How can we solve their problem?



## Different

Classification  
agnostic clusters  
reveal novel  
groups of firm



## Right

Leverage historical  
cluster data to  
predict future  
performance

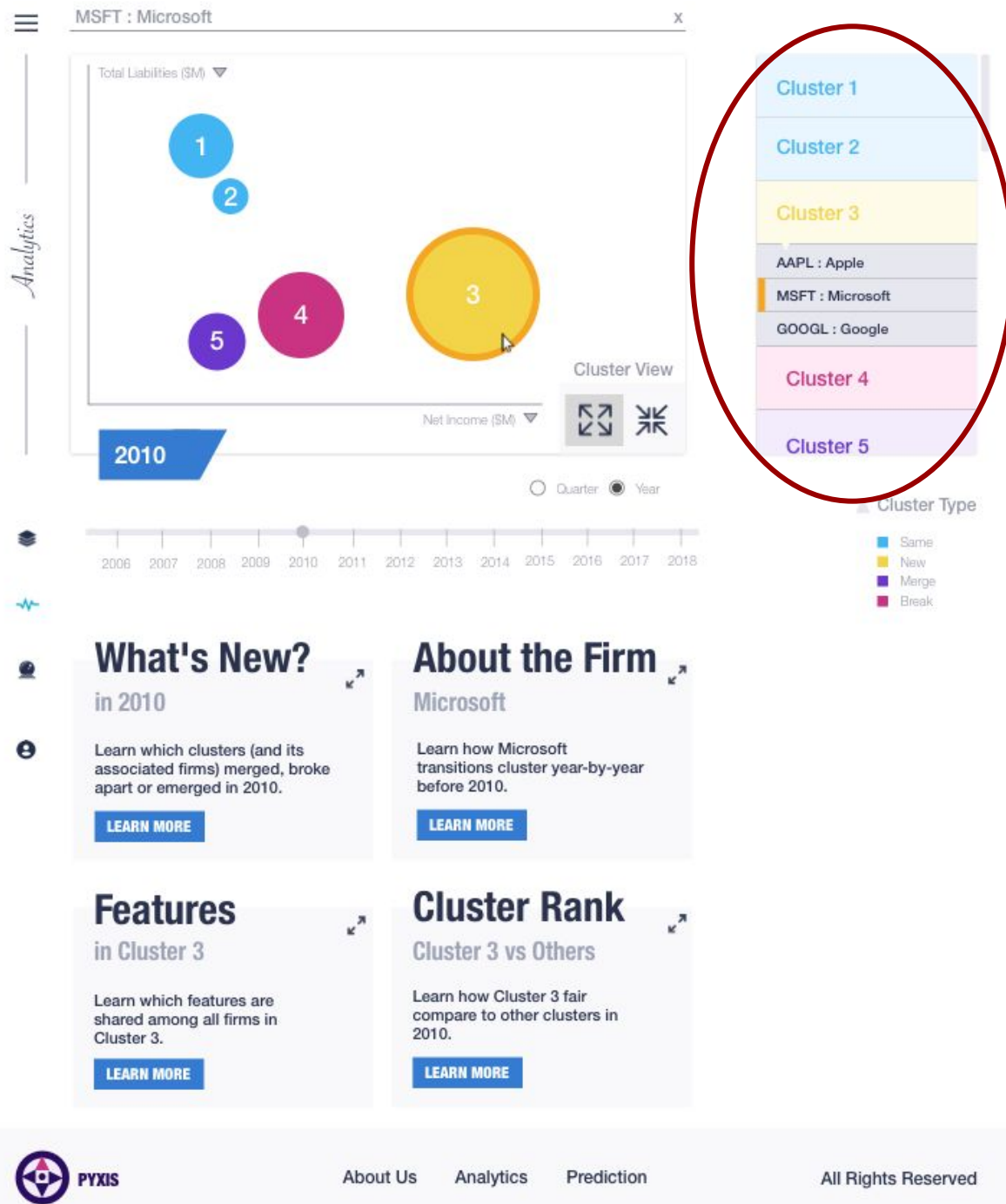


# Questions Our Solution ANSWER

1. What clusters of firms are there now?
2. What characteristics do firms share in a cluster?
3. What clusters have recently merged, broke apart, or emerged?
4. What does all this clustering and activity suggest about future performance?



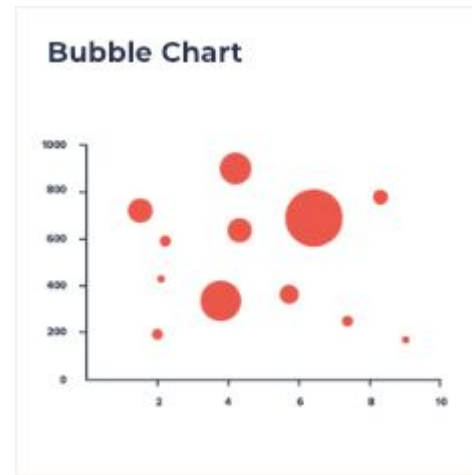
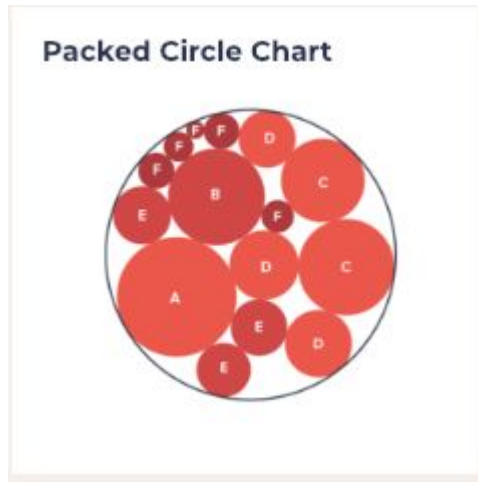
# #1: Firms in Cluster



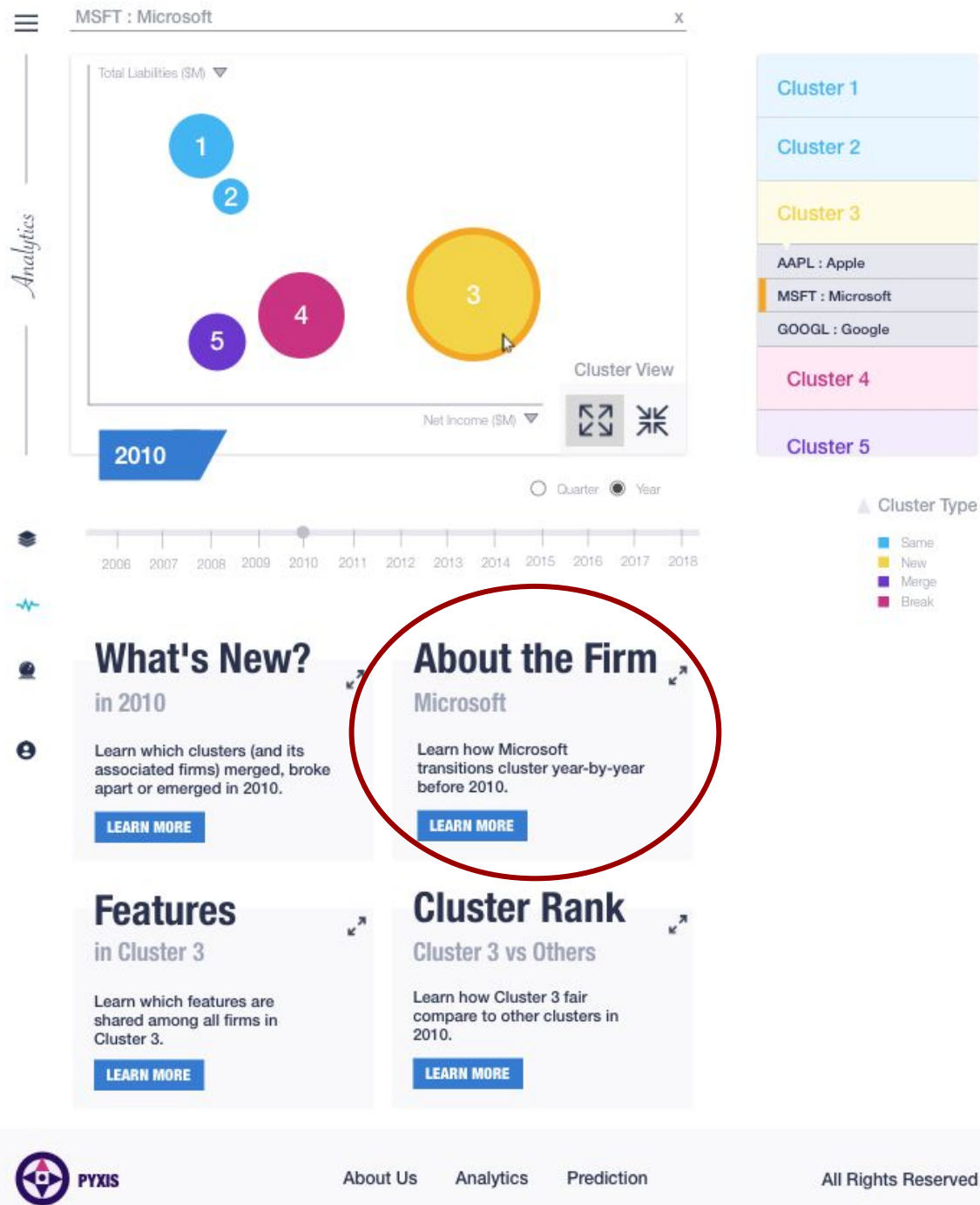
# How are we going to address the question?

## 2. What are the firms in the cluster?

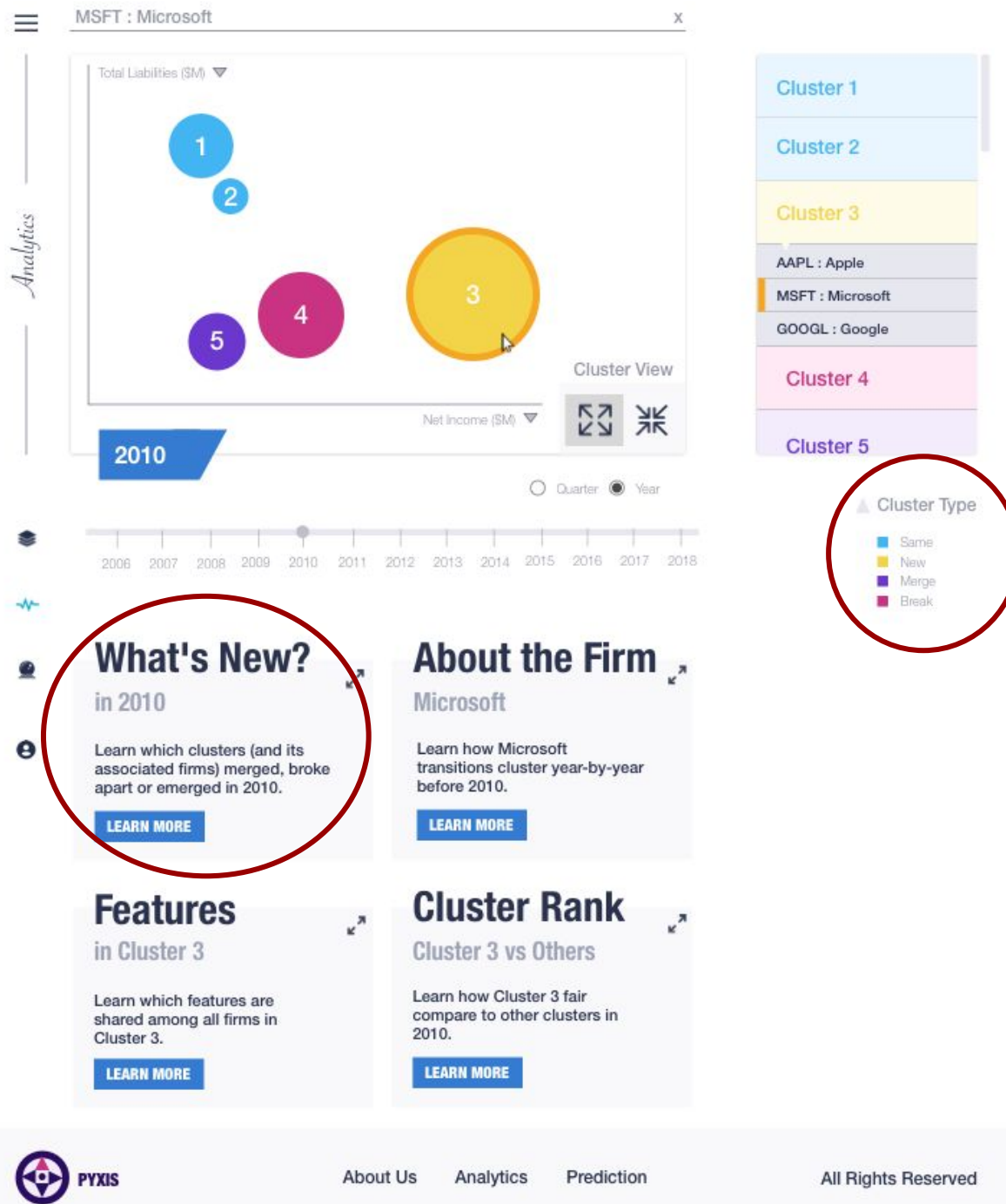
- Packed circle chart more important to know what firm is within group
- Bubble chart: more important to know the x and y axis -> Go with this one



# #2: Shared Features

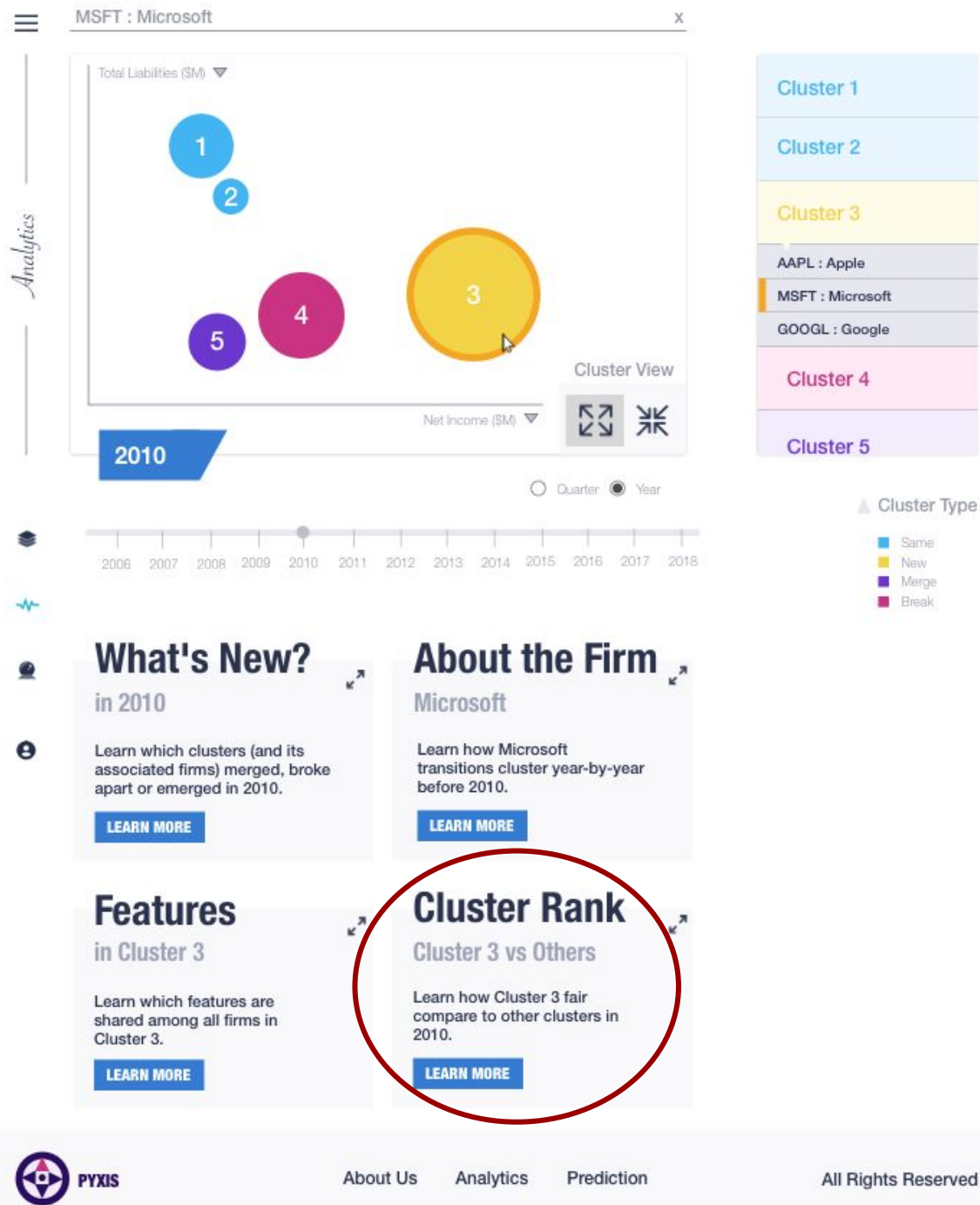


# #3: Current Clusters





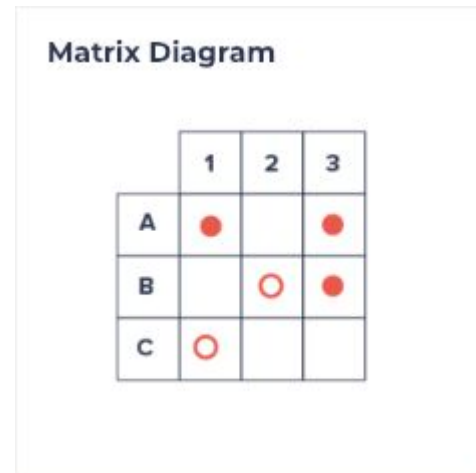
# #4: Performance



# How are we going to address the question?

## 4. How is this cluster compare to other clusters?

- Arc diagram: thickness of line defines similarity, just good for overview
- Matrix diagram: can be more accurate -> Go with this one



# Exploratory vs Explanatory

**Exploratory** visualization is to discover hidden patterns.

**Explanatory** analysis is to communicate insights, to explain what is going on.

What we are building is exploratory platform because we aim for our users to discover new industries via the clusters (the forest) and to understand a particular firm via the search bar (the trees).

Exploratory helps in this case because when we focus on just the forest or just the trees, it's actually harder to see the other. That's one of the reasons it is important to build this exploratory platform before you get to the explanatory phase, so that we can have the confidence that we are building the right tools for the audience.

# Why are storytelling important?

A great deal of conflict and break down occurs as a result of miscommunication

Strategic use of storytelling is an effective way, when done right, to help solidify people's support for the change.

As shown earlier, we accomplish this by describing the pain point and delivering satisfaction of a resolution to a problem.

This is similar to a storytelling arc. There is a hero who has a problem and then achieves a successful ending after performing an action. In our case, the action our hero takes is through exploring the data via our exploratory platform.

Corporate storytelling needs to be short and quick. It cannot have too much detail. It should also be clear and simple, without mixed messages.

# Tips on great storytelling

Dr. Murray Nossel, the founder and director of [Narativ](#)

1. Answer the questions, “Why story? Why now?” Why am I using story and to what end right now?
2. Find your emotional turning point.
3. Clear your internal judge and critic and activate your memories and imagination.
4. Tell only “What happened?”
5. Find and know your ending.

Then tell the ending in a different way -- basically, an alternative ending -- such as "if we had not used that new technology, we wouldn't have had the success we had with the technology."



## Questions asked to class

1. Can you tell an instance in your workplace how storytelling overcomes people's mental block of listening?
2. Who are your potential customers, and what value will your stories hold for them?

# Quick Walkthrough





Welcome back  
Andrew



Portfolio



Analytics



Prediction



Account



Cluster 1

Cluster 2

Cluster 3

AAPL : Apple

MSFT : Microsoft

GOOGL : Google

Cluster 4

Cluster 5

▲ Cluster Type

- Same
- New
- Merge
- Break

## What's New?

### in 2010

Learn which clusters (and its associated firms) merged, broke apart or emerged in 2010.

[LEARN MORE](#)

## About the Firm

### Microsoft

Learn how Microsoft transitions cluster year-by-year before 2010.

[LEARN MORE](#)

## Features

### in Cluster 3

Learn which features are shared among all firms in Cluster 3.

[LEARN MORE](#)

## Cluster Rank

### Cluster 3 vs Others

Learn how Cluster 3 fair compare to other clusters in 2010.

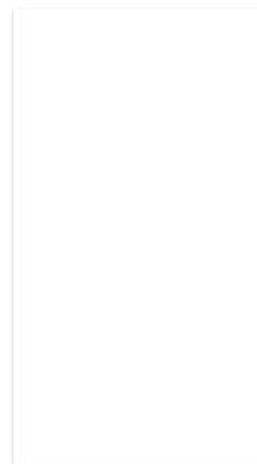
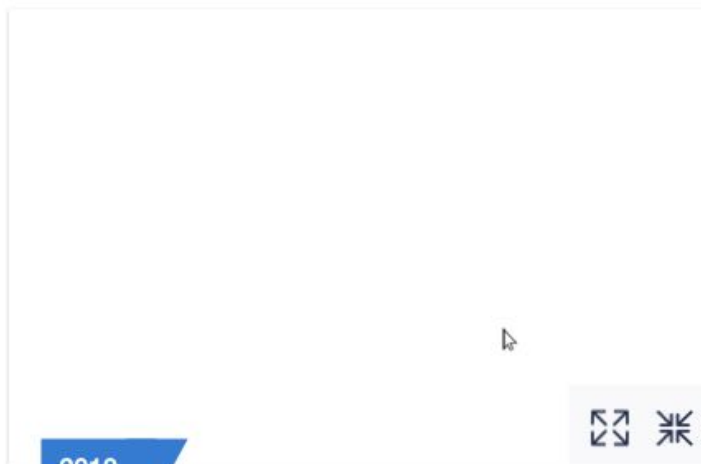
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Search for a ticker

x

Analytics



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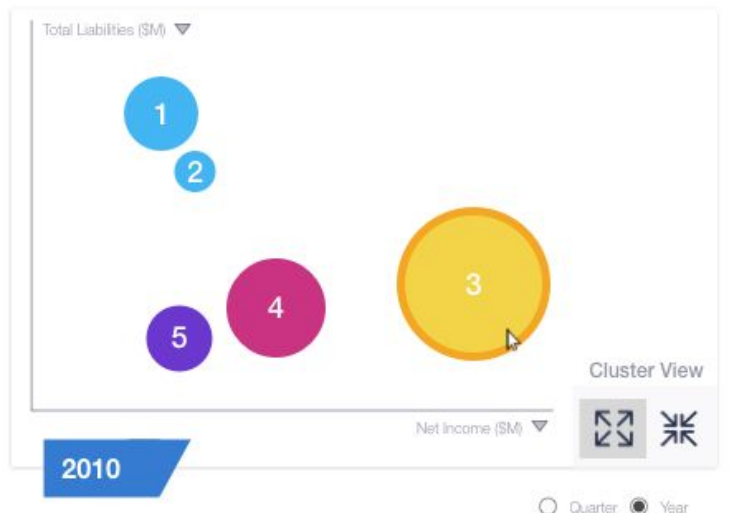
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Cluster 2

Cluster 3

AAPL : Apple

MSFT : Microsoft

GOOGL : Google

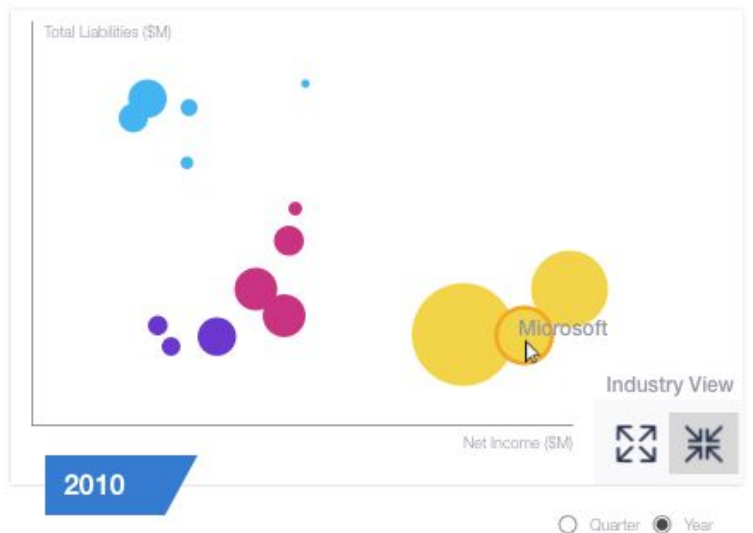
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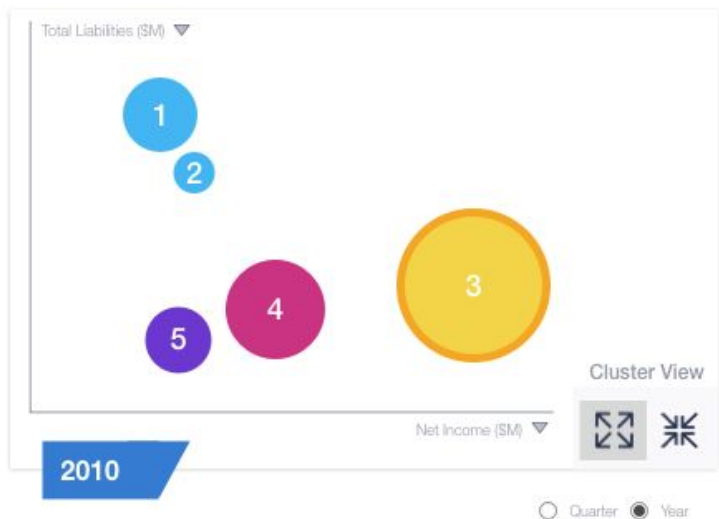
Cluster 4

Cluster 5

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## What's New?

in 2010

### MERGE

Cluster 5 -> Cluster 6  
Cluster 6 -> Cluster 5

### BREAK

Cluster 4 from 5

### NEW

Cluster 3

Will include list of firms within each cluster

Cluster 1

Cluster 2

Cluster 3

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MSFT : Microsoft

GOOGL : Google

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