```
In [1]:
        import numpy as np
        import pandas as pd
        from sklearn.preprocessing import StandardScaler
        from sklearn.cluster import KMeans
        import matplotlib.pyplot as plt
In [2]: # Load and prepare data (reuse from previous code)
        customers = pd.read_csv("Customers.csv")
        products=pd.read_csv("Products.csv")
        transactions = pd.read csv("Transactions.csv")
        df = transactions.merge(customers, on='CustomerID').merge(products,on="Pr
        df.head()
In [3]:
Out[3]:
            TransactionID CustomerID ProductID TransactionDate Quantity TotalValue P
                                                    2024-08-25
         0
                  T00001
                              C0199
                                          P067
                                                                       1
                                                                             300.68 3
                                                       12:38:23
                                                     2024-05-27
         1
                  T00112
                              C0146
                                          P067
                                                                             300.68
                                                       22:23:54
                                                    2024-04-25
         2
                  T00166
                                          P067
                               C0127
                                                                       1
                                                                             300.68
                                                       07:38:55
                                                    2024-03-26
         3
                              C0087
                                          P067
                                                                       2
                 T00272
                                                                             601.36
                                                       22:55:37
                                                     2024-03-21
         4
                 T00363
                              C0070
                                          P067
                                                                       3
                                                                             902.04
                                                        15:10:10
In [4]: df['Price_x']==df['Price_y']
Out[4]: 0
                True
        1
                True
        2
                True
        3
                True
        4
                True
                . . .
        995
                True
        996
                True
        997
                True
        998
                True
        999
                True
        Length: 1000, dtype: bool
        df=df.drop(columns="Price_x").rename(columns={"Price_y":"Price"})
In [5]:
In [6]:
        # Aggregate features
         customer_features=df.groupby('CustomerID').agg({
             'TransactionID': 'count',
             'Quantity': 'sum',
             'TotalValue': 'sum',
```

```
'Price': 'mean',
    'Category': lambda x: len(set(x)),
}).reset_index()
```

In [7]: customer_features

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	CustomerID	TransactionID	Quantity	TotalValue	Price	Category
0	C0001	5	12	3354.52	278.334000	3
1	C0002	4	10	1862.74	208.920000	2
2	C0003	4	14	2725.38	195.707500	3
3	C0004	8	23	5354.88	240.636250	3
4	C0005	3	7	2034.24	291.603333	2
•••	•••	•••	•••	•••	•••	•••
194	C0196	4	12	4982.88	416.992500	3
195	C0197	3	9	1928.65	227.056667	2
196	C0198	2	3	931.83	239.705000	2
197	C0199	4	9	1979.28	250.610000	2
198	C0200	5	16	4758.60	296.506000	4

199 rows × 6 columns

In [9]: customer_features

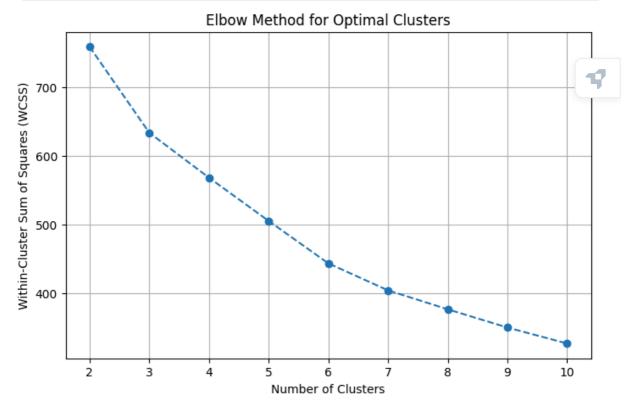
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:	CustomerID	TotalTransactions	TotalQuantity	TotalValue	AvgTransactionValue
0	C0001	5	12	3354.52	278.334000
1	C0002	4	10	1862.74	208.920000
2	C0003	4	14	2725.38	195.707500
3	C0004	8	23	5354.88	240.636250
4	C0005	3	7	2034.24	291.603333
•••	•••		•••		
194	C0196	4	12	4982.88	416.992500
195	C0197	3	9	1928.65	227.056667
196	C0198	2	3	931.83	239.705000
197	C0199	4	9	1979.28	250.610000
198	C0200	5	16	4758.60	296.506000

199 rows × 6 columns

```
customers['RegionEncoded'] = customers['Region'].astype('category').cat.c
In [10]:
         customer_features = customer_features.merge(customers[['CustomerID', 'Reg
In [11]: customer_features
Out[11]:
               CustomerID TotalTransactions TotalQuantity TotalValue AvgTransactionValue
            0
                   C0001
                                         5
                                                      12
                                                           3354.52
                                                                            278.334000
                                                                            208.920^^^
            1
                   C0002
                                                      10
                                                            1862.74
                                         4
                                                                            195.707
            2
                   C0003
                                                     14
                                         4
                                                           2725.38
            3
                   C0004
                                                     23
                                                           5354.88
                                                                            240.636250
                                         8
            4
                   C0005
                                         3
                                                      7
                                                           2034.24
                                                                            291.603333
          194
                   C0196
                                         4
                                                      12
                                                           4982.88
                                                                            416.992500
          195
                    C0197
                                         3
                                                      9
                                                            1928.65
                                                                            227.056667
          196
                   C0198
                                         2
                                                      3
                                                                            239.705000
                                                             931.83
          197
                   C0199
                                                      9
                                                            1979.28
                                                                            250.610000
                   C0200
                                                                            296.506000
          198
                                         5
                                                      16
                                                           4758.60
         199 rows × 7 columns
In [12]: sc=StandardScaler()
         scaled=sc.fit_transform(customer_features.drop(columns="CustomerID"))
In [13]: scaled
Out[13]: array([[-0.01145819, -0.12203296, -0.06170143, 0.09467022, 0.16054032,
                   1.23740234],
                 [-0.46749414, -0.44800021, -0.87774353, -0.90401592, -0.90437716,
                  -1.41989693],
                 [-0.46749414, 0.20393428, -0.40585722, -1.09410928, 0.16054032,
                   1.23740234],
                 [-1.37956603, -1.58888557, -1.38697529, -0.46110018, -0.90437716,
                  -0.53413051,
                 [-0.46749414, -0.61098383, -0.81399315, -0.30420572, -0.90437716,
                 -0.53413051],
                 [-0.01145819, 0.52990153, 0.70636652, 0.35611784, 1.22545781,
                  -1.41989693]])
In [14]: wcss = []
         cluster_range = range(2, 11) # Testing between 2 and 10 clusters
         for n_clusters in cluster_range:
              kmeans = KMeans(n_clusters=n_clusters, random_state=42)
              kmeans.fit(scaled)
             wcss.append(kmeans.inertia_)
In [15]: # Plot the Elbow Chart
         plt.figure(figsize=(8, 5))
         plt.plot(cluster_range, wcss, marker='o', linestyle='--')
```

```
plt.title('Elbow Method for Optimal Clusters')
plt.xlabel('Number of Clusters')
plt.ylabel('Within-Cluster Sum of Squares (WCSS)')
plt.xticks(cluster_range)
plt.grid()
plt.show()
```

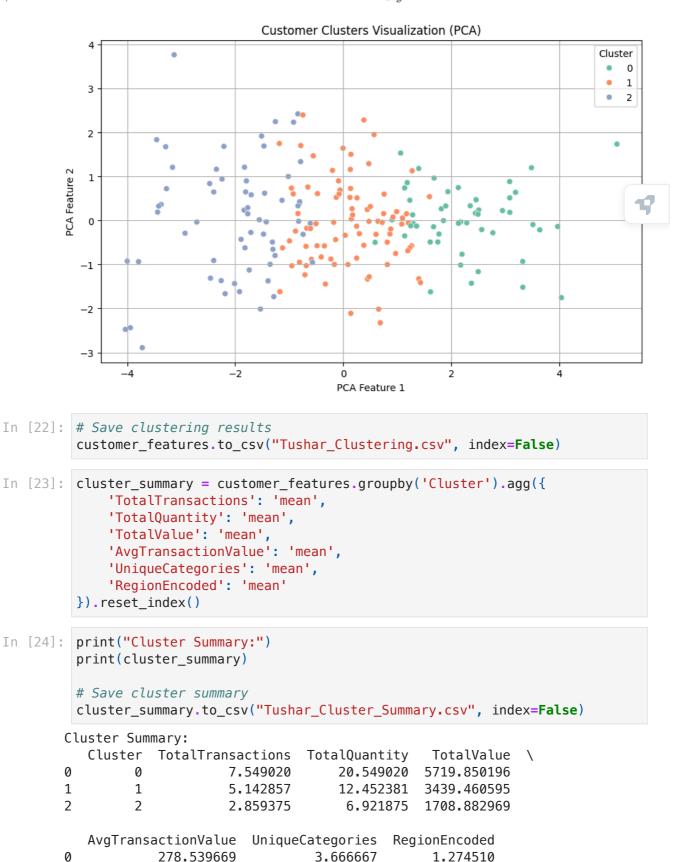


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In []:
In [16]: kmeans = KMeans(n_clusters=3, random_state=42)
    customer_features['Cluster'] = kmeans.fit_predict(scaled)

In [17]: customer_features
```

5, 22:12		Task3 customer Segmentation						
Out[17]:		CustomerID	TotalTransactions	TotalQuantity	TotalValue	AvgTransactionValue		
	0	C0001	5	12	3354.52	278.334000		
	1	C0002	4	10	1862.74	208.920000		
	2	C0003	4	14	2725.38	195.707500		
	3	C0004	8	23	5354.88	240.636250		
	4	C0005	3	7	2034.24	291.603333		
	•••					4		
	194	C0196	4	12	4982.88	416.992500		
	195	C0197	3	9	1928.65	227.056667		
	196	C0198	2	3	931.83	239.705000		
	197	C0199	4	9	1979.28	250.610000		
	198	C0200	5	16	4758.60	296.506000		
	199 rd	ows × 8 columi	าร					
[n [18]:	from	sklearn.met	rics.cluster imp	ort davies_bo	uldin_scor	е		
In [19]:	<pre>db_index = davies_bouldin_score(scaled, customer_features['Cluster']) print(f"Davies-Bouldin Index: {db_index}")</pre>							
n	Davies_Bouldin Index: 1 /3306103575/0502							

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       Davies-Bouldin Index: 1.4339619357540592
In [20]: from sklearn.decomposition import PCA
         import seaborn as sns
In [21]: # Visualize clusters using PCA
         pca = PCA(n_components=2)
         pca_features = pca.fit_transform(scaled)
         plt.figure(figsize=(10, 6))
         sns.scatterplot(x=pca_features[:, 0], y=pca_features[:, 1], hue=customer_
         plt.title("Customer Clusters Visualization (PCA)")
         plt.xlabel("PCA Feature 1")
         plt.ylabel("PCA Feature 2")
         plt.legend(title='Cluster')
         plt.grid()
         plt.show()
         # Analyze cluster characteristics
```



3.059524

1.921875

2.190476

1.093750

```
localhost:8888/nbconvert/html/Desktop/Task3 customer Segmentation.ipynb?download=false
```

1

In []:

282.455424

252.300789