Customer Segmentation / Clustering

Cluster Analysis Summary

Cluster 3: High Spenders

- **Behaviour**: High total spending, frequent transactions, high average transaction value.

- **Preferences**: Electronics and Books are their top categories.

- **Regions**: Evenly distributed across South America, Asia, North America, and Europe.

- Insights: Loyal and profitable customers. Focus on premium product bundles, early access to sales, and loyalty programs.

Cluster 1: Low Spenders

- **Behaviour**: Low total spending, few transactions, and low transaction value.

- **Preferences**: Clothing and Books are their primary interests.

- **Insights**: Encourage engagement through discounts, loyalty rewards, or free shipping to increase spending and transactions.

Cluster 5: High-Value, Infrequent Buyers

- **Behaviour**: High transaction value, but fewer transactions.

- **Preferences**: Electronics dominate their purchases, followed by Clothing and Books.

- **Insights**: Target with premium product promotions or limited-time offers to encourage repeat purchases.