

STA 380 Part 2 Q4 Market Segmentation

Vivek Mehendiratta

8/9/2021

Market Segmentation

Required Libraries

```
# required libraries
library(tidyverse)

## -- Attaching packages ----- tidyverse 1.3.1 --

## v ggplot2 3.3.5      v purrr  0.3.4
## v tibble  3.1.2      v dplyr  1.0.7
## v tidyr   1.1.3      v stringr 1.4.0
## v readr   2.0.0      v forcats 0.5.1

## -- Conflicts ----- tidyverse_conflicts() --
## x dplyr::filter() masks stats::filter()
## x dplyr::lag()    masks stats::lag()

library(ggplot2)
library(corrplot)

## corrplot 0.90 loaded
```

Data import and Exploration

```
mkt = read.csv('https://raw.githubusercontent.com/jgscott/STA380/master/data/social_marketing.csv')

head(mkt)

##           X chatter current_events travel photo_sharing uncategorized tv_film
## 1 hmjoe4g3k      2              0      2              2              2        1
## 2 clk1m5w8s      3              3      2              1              1        1
## 3 jcsovtak3      6              3      4              3              1        5
## 4 3oeb4hiln      1              5      2              2              0        1
## 5 fd75x1vgk      5              2      0              6              1        0
```

```

## 6 h6nvj91yp      6      4      2      7      0      1
## sports_fandom politics food family home_and_garden music news online_gaming
## 1      1      0      4      1      2      0      0      0
## 2      4      1      2      2      1      0      0      0
## 3      0      2      1      1      1      1      1      0
## 4      0      1      0      1      0      0      0      0
## 5      0      2      0      1      0      0      0      3
## 6      1      0      2      1      1      1      0      0
## shopping health_nutrition college_uni sports_playing cooking eco computers
## 1      1      17      0      2      5      1      1
## 2      0      0      0      1      0      0      0
## 3      2      0      0      0      2      1      0
## 4      0      0      1      0      0      0      0
## 5      2      0      4      0      1      0      1
## 6      5      0      0      0      0      0      1
## business outdoors crafts automotive art religion beauty parenting dating
## 1      0      2      1      0      0      1      0      1      1
## 2      1      0      2      0      0      0      0      0      1
## 3      0      0      2      0      8      0      1      0      1
## 4      1      0      3      0      2      0      1      0      0
## 5      0      1      0      0      0      0      0      0      0
## 6      1      0      0      1      0      0      0      0      0
## school personal_fitness fashion small_business spam adult
## 1      0      11      0      0      0      0
## 2      4      0      0      0      0      0
## 3      0      0      1      0      0      0
## 4      0      0      0      0      0      0
## 5      0      0      0      1      0      0
## 6      0      0      0      0      0      0

```

```
summary(mkt)
```

```

##      X      chatter      current_events      travel
## Length:7882      Min.   : 0.000      Min.   :0.000      Min.   : 0.000
## Class :character      1st Qu.: 2.000      1st Qu.:1.000      1st Qu.: 0.000
## Mode  :character      Median : 3.000      Median :1.000      Median : 1.000
##      Mean   : 4.399      Mean   :1.526      Mean   : 1.585
##      3rd Qu.: 6.000      3rd Qu.:2.000      3rd Qu.: 2.000
##      Max.   :26.000      Max.   :8.000      Max.   :26.000
## photo_sharing      uncategorized      tv_film      sports_fandom
## Min.   : 0.000      Min.   :0.000      Min.   : 0.00      Min.   : 0.000
## 1st Qu.: 1.000      1st Qu.:0.000      1st Qu.: 0.00      1st Qu.: 0.000
## Median : 2.000      Median :1.000      Median : 1.00      Median : 1.000
## Mean   : 2.697      Mean   :0.813      Mean   : 1.07      Mean   : 1.594
## 3rd Qu.: 4.000      3rd Qu.:1.000      3rd Qu.: 1.00      3rd Qu.: 2.000
## Max.   :21.000      Max.   :9.000      Max.   :17.00      Max.   :20.000
##      politics      food      family      home_and_garden
## Min.   : 0.000      Min.   : 0.000      Min.   : 0.0000      Min.   :0.0000
## 1st Qu.: 0.000      1st Qu.: 0.000      1st Qu.: 0.0000      1st Qu.:0.0000
## Median : 1.000      Median : 1.000      Median : 1.0000      Median :0.0000
## Mean   : 1.789      Mean   : 1.397      Mean   : 0.8639      Mean   :0.5207
## 3rd Qu.: 2.000      3rd Qu.: 2.000      3rd Qu.: 1.0000      3rd Qu.:1.0000
## Max.   :37.000      Max.   :16.000      Max.   :10.0000      Max.   :5.0000
##      music      news      online_gaming      shopping

```

```

## Min. : 0.0000 Min. : 0.000 Min. : 0.000 Min. : 0.000
## 1st Qu.: 0.0000 1st Qu.: 0.000 1st Qu.: 0.000 1st Qu.: 0.000
## Median : 0.0000 Median : 0.000 Median : 0.000 Median : 1.000
## Mean : 0.6793 Mean : 1.206 Mean : 1.209 Mean : 1.389
## 3rd Qu.: 1.0000 3rd Qu.: 1.000 3rd Qu.: 1.000 3rd Qu.: 2.000
## Max. :13.0000 Max. :20.000 Max. :27.000 Max. :12.000
## health_nutrition college_uni sports_playing cooking
## Min. : 0.000 Min. : 0.000 Min. :0.0000 Min. : 0.000
## 1st Qu.: 0.000 1st Qu.: 0.000 1st Qu.:0.0000 1st Qu.: 0.000
## Median : 1.000 Median : 1.000 Median :0.0000 Median : 1.000
## Mean : 2.567 Mean : 1.549 Mean :0.6392 Mean : 1.998
## 3rd Qu.: 3.000 3rd Qu.: 2.000 3rd Qu.:1.0000 3rd Qu.: 2.000
## Max. :41.000 Max. :30.000 Max. :8.0000 Max. :33.000
## eco computers business outdoors
## Min. :0.0000 Min. : 0.0000 Min. :0.0000 Min. : 0.0000
## 1st Qu.:0.0000 1st Qu.: 0.0000 1st Qu.:0.0000 1st Qu.: 0.0000
## Median :0.0000 Median : 0.0000 Median :0.0000 Median : 0.0000
## Mean :0.5123 Mean : 0.6491 Mean :0.4232 Mean : 0.7827
## 3rd Qu.:1.0000 3rd Qu.: 1.0000 3rd Qu.:1.0000 3rd Qu.: 1.0000
## Max. :6.0000 Max. :16.0000 Max. :6.0000 Max. :12.0000
## crafts automotive art religion
## Min. :0.0000 Min. : 0.0000 Min. : 0.0000 Min. : 0.000
## 1st Qu.:0.0000 1st Qu.: 0.0000 1st Qu.: 0.0000 1st Qu.: 0.000
## Median :0.0000 Median : 0.0000 Median : 0.0000 Median : 0.000
## Mean :0.5159 Mean : 0.8299 Mean : 0.7248 Mean : 1.095
## 3rd Qu.:1.0000 3rd Qu.: 1.0000 3rd Qu.: 1.0000 3rd Qu.: 1.000
## Max. :7.0000 Max. :13.0000 Max. :18.0000 Max. :20.000
## beauty parenting dating school
## Min. : 0.0000 Min. : 0.0000 Min. : 0.0000 Min. : 0.0000
## 1st Qu.: 0.0000 1st Qu.: 0.0000 1st Qu.: 0.0000 1st Qu.: 0.0000
## Median : 0.0000 Median : 0.0000 Median : 0.0000 Median : 0.0000
## Mean : 0.7052 Mean : 0.9213 Mean : 0.7109 Mean : 0.7677
## 3rd Qu.: 1.0000 3rd Qu.: 1.0000 3rd Qu.: 1.0000 3rd Qu.: 1.0000
## Max. :14.0000 Max. :14.0000 Max. :24.0000 Max. :11.0000
## personal_fitness fashion small_business spam
## Min. : 0.000 Min. : 0.0000 Min. :0.0000 Min. :0.00000
## 1st Qu.: 0.000 1st Qu.: 0.0000 1st Qu.:0.0000 1st Qu.:0.00000
## Median : 0.000 Median : 0.0000 Median :0.0000 Median :0.00000
## Mean : 1.462 Mean : 0.9966 Mean :0.3363 Mean :0.00647
## 3rd Qu.: 2.000 3rd Qu.: 1.0000 3rd Qu.:1.0000 3rd Qu.:0.00000
## Max. :19.000 Max. :18.0000 Max. :6.0000 Max. :2.00000
## adult
## Min. : 0.0000
## 1st Qu.: 0.0000
## Median : 0.0000
## Mean : 0.4033
## 3rd Qu.: 0.0000
## Max. :26.0000

```

```
colnames(mkt)
```

```

## [1] "X" "chatter" "current_events" "travel"
## [5] "photo_sharing" "uncategorized" "tv_film" "sports_fandom"
## [9] "politics" "food" "family" "home_and_garden"

```

```
## [13] "music"          "news"          "online_gaming" "shopping"
## [17] "health_nutrition" "college_uni"    "sports_playing" "cooking"
## [21] "eco"            "computers"      "business"       "outdoors"
## [25] "crafts"         "automotive"     "art"            "religion"
## [29] "beauty"         "parenting"      "dating"         "school"
## [33] "personal_fitness" "fashion"        "small_business" "spam"
## [37] "adult"
```

To perform cluster analysis on the data, I will be using K-Means Clustering approach. Following columns shall be removed to perform cluster analysis : * *X* : Since it is unique value for each user, doesn't make much sense to keep it * *chatter* : Random values which doesn't fit in any column. It won't lie in any segment. * *adult* : Target variable, no need in cluster analysis * *spam* : Target variable

```
drop_columns = c("X", "chatter", "adult", "spam", "uncategorized")
mkt_km = mkt[, !(names(mkt) %in% drop_columns)]
```

Data Standardization

```
set.seed(1)
```

```
mkt_scaled = scale(mkt_km)
scaled_mean = attr(mkt_scaled, "scaled:center")
scaled_sd = attr(mkt_scaled, "scaled:scale")

cat("Scaled Mean :\n", scaled_mean, "\n\n")
```

```
## Scaled Mean :
```

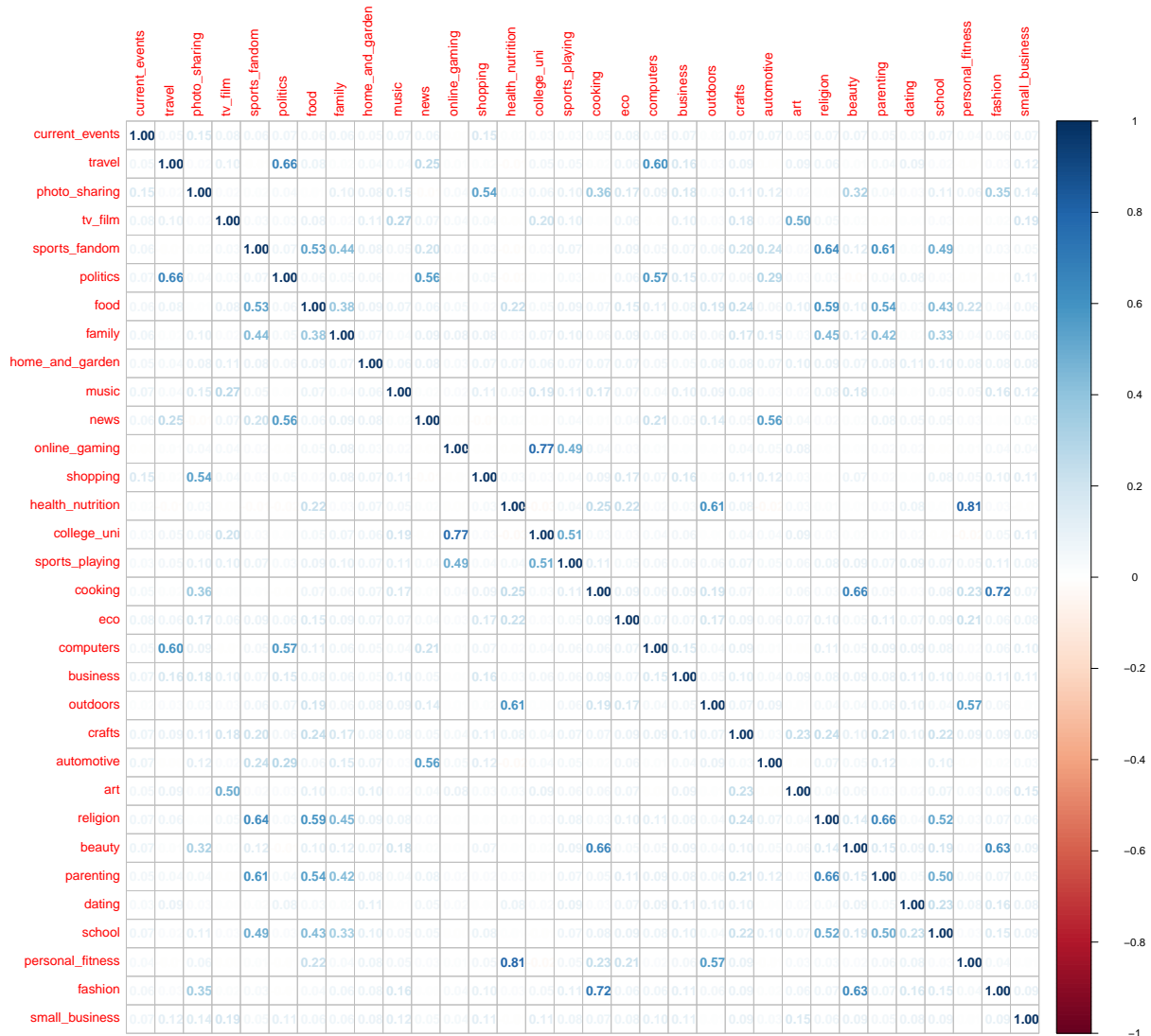
```
## 1.526262 1.585004 2.696777 1.070287 1.594012 1.788632 1.397488 0.863867 0.52068 0.6792692 1.205532 2.6
```

```
cat("Scaled SD :\n", scaled_sd)
```

```
## Scaled SD :
```

```
## 1.26889 2.28553 2.73151 1.658783 2.160917 3.031113 1.775557 1.132562 0.7366913 1.030015 2.10078 2.6
```

```
corrplot(cor(mkt_km), method = "number")
```



```
cr = cor(mkt_km)
cr[upper.tri(cr, diag=TRUE)] <- NA
cr = reshape2::melt(cr, na.rm=TRUE, value.name="corr")
```

```
cr = cr %>% arrange(desc(corr))
head(cr, 10)
```

```
##           Var1           Var2      corr
## 1 personal_fitness health_nutrition 0.8099024
## 2      college_uni  online_gaming 0.7728393
## 3          fashion      cooking 0.7214027
## 4          beauty      cooking 0.6642389
## 5        politics      travel 0.6602100
```

```
## 6      parenting      religion 0.6555973
## 7      religion      sports_fandom 0.6379748
## 8      fashion      beauty 0.6349739
## 9      outdoors health_nutrition 0.6082254
## 10     parenting      sports_fandom 0.6077181
```

Let's see if there is any highly negatively correlated variables ?

```
tail(cr, 10)
```

```
##          Var1          Var2      corr
## 487 personal_fitness      automotive -0.009861229
## 488 health_nutrition      sports_fandom -0.011229255
## 489      beauty      politics -0.011292710
## 490      shopping      news -0.011813142
## 491 health_nutrition      travel -0.011922499
## 492      news      photo_sharing -0.011980028
## 493 health_nutrition      politics -0.016851900
## 494 personal_fitness      college_uni -0.021526868
## 495      automotive health_nutrition -0.023824999
## 496      college_uni health_nutrition -0.027778856
```

The data has almost positive correlation with personal_fitness and health_nutrition being top correlated variables.

Clustering

```
#k-means clustering with 10 clusters
cl = kmeans(mkt_scaled, 10, nstart=25)
```

Distribution of columns in each cluster :

```
for(i in c(1:10)){
  a = mkt_scaled[which(cl$cluster == i),]
  cat("cluster No :", i, "\n")
  print(sort(colSums(a[, 2:ncol(a)]), decreasing = T)[0:5])
  cat("\n")
}
```

```
## cluster No : 1
## health_nutrition personal_fitness      outdoors      eco
##      1723.5995      1673.6716      1337.3631      444.8355
##      food
##      358.1745
##
## cluster No : 2
##      religion      parenting sports_fandom      food      school
##      1537.241      1453.985      1402.637      1241.678      1116.322
##
```

```

## cluster No : 3
##   travel  politics computers      news  business
## 1150.7524 1094.7797 1026.3450 403.0183 193.5624
##
## cluster No : 4
##       news    automotive    politics sports_fandom    outdoors
##   1129.1330    1109.6628    522.3851    285.8661    130.5772
##
## cluster No : 5
##       dating      school      fashion home_and_garden    business
##   961.48250    257.65186    165.00401    123.93517    93.99723
##
## cluster No : 6
## home_and_garden    dating      travel  small_business    tv_film
##   -697.6195    -717.1647    -717.4607    -729.4961    -732.8135
##
## cluster No : 7
##   shopping photo_sharing      eco    business small_business
## 1383.2380    1083.5140    313.5060    308.0282    180.0068
##
## cluster No : 8
## online_gaming    college_uni sports_playing      art    family
## 1280.84978    1176.42546    761.82617    100.34261    74.81764
##
## cluster No : 9
##   cooking      fashion      beauty photo_sharing      music
## 1351.8754    1291.6365    1262.5378    606.4583    261.1135
##
## cluster No : 10
##   tv_film      art      music small_business    crafts
## 1119.9018    1087.3378    408.0082    340.4638    312.3090

```

Finding the optimal value of k for K-Means Clustering

```

kmean_withinss = function(k) {
  cl = kmeans(mkt_scaled, k)
  return (cl$tot.withinss)
}

```

```

kmean_withinss(2)

```

```

## [1] 230126.3

```

```

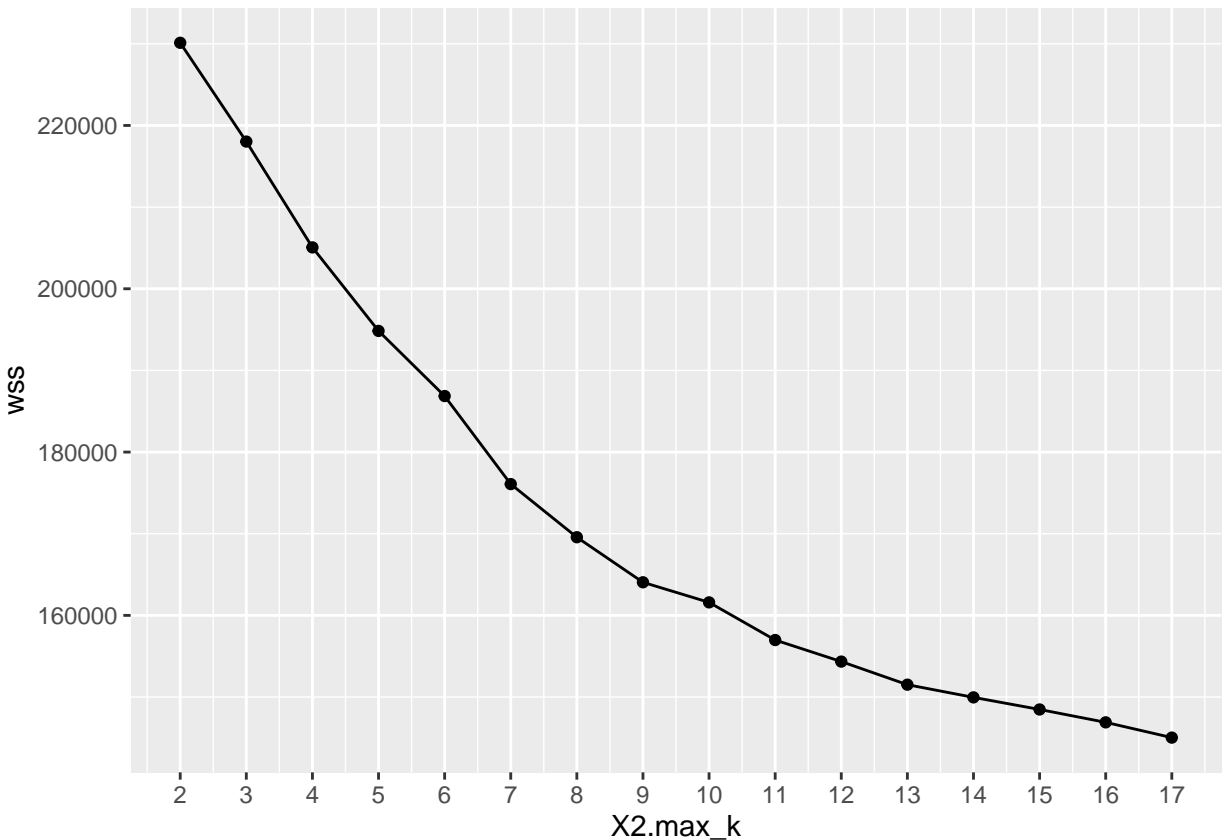
# Setting maximum cluster
max_k = 17

# Run algorithm over a range of k
wss = sapply(2:max_k, kmean_withinss)

```

```
# Create a data frame to plot the graph
elbow = data.frame(2:max_k, wss)
```

```
# Plot the graph with ggplot
ggplot(elbow, aes(x = X2.max_k, y = wss)) +
  geom_point() +
  geom_line() +
  scale_x_continuous(breaks = seq(1, 20, by = 1))
```



Optimal K : 11

```
cl2 = kmeans(mkt_scaled, 11)
```

```
cl2$size
```

```
## [1] 406 2958 333 475 773 332 207 742 493 357 806
```

```
cl2$centers
```

```
##      current_events      travel photo_sharing      tv_film sports_fandom
## 1      0.320938006    0.22360477 -0.064826061    2.78182343   -0.1232928
## 2     -0.213590027   -0.23628704 -0.391849450   -0.21784749   -0.4196009
## 3      0.150884065    3.35469238 -0.087981011   -0.05323465   -0.1928970
## 4      0.185865451   -0.05423302    1.274044265   -0.14390534   -0.2310476
```


## 5	-0.008972617	-0.14954763	-0.080327927	-0.14141792	-0.2126277	
## 6	0.257033435	0.02738383	0.099982080	0.01573371	2.8181193	
## 7	0.228674393	-0.10588734	-0.003949145	0.14692873	0.9591551	
## 8	-0.032380390	-0.24003876	-0.241767129	-0.22274043	0.8969955	
## 9	-0.080643116	0.01117634	-0.408062709	-0.18299705	0.1813070	
## 10	-0.099064617	-0.03903056	-0.007947047	0.11129557	-0.1400771	
## 11	0.417348007	-0.20873209	1.268805006	-0.13586680	-0.2599607	
##	politics	food	family	home_and_garden	music	
## 1	-0.08953507	0.12570797	-0.12554914	0.30292518	1.05268159	
## 2	-0.35275067	-0.43863788	-0.36694790	-0.21438415	-0.23312399	
## 3	3.15683496	0.18881102	-0.06540680	0.06364612	-0.04430576	
## 4	-0.13168713	-0.20963828	0.03469202	0.13053240	0.54847884	
## 5	-0.19658678	0.45372618	-0.08654688	0.16421514	0.01497723	
## 6	-0.13596532	2.55143716	2.04567717	0.30310645	0.20318640	
## 7	1.58700805	0.01012132	0.40172071	0.30964429	-0.06851705	
## 8	-0.32242659	0.77957676	0.64021384	0.05608127	-0.12432471	
## 9	0.76836936	-0.32211303	-0.08576376	-0.03495497	-0.11398195	
## 10	-0.16776682	-0.11027933	0.19439696	0.06128252	-0.04758875	
## 11	-0.14884410	-0.36851064	-0.06931828	0.11171252	0.14515801	
##	news	online_gaming	shopping	health_nutrition	college_uni	
## 1	0.0311333715	-0.16568903	0.06524657	-0.155743844	0.3884490977	
## 2	-0.3937753478	-0.23079628	-0.38122154	-0.301204785	-0.2550077859	
## 3	1.1372265549	-0.15815889	-0.03429858	-0.160225068	-0.0227797122	
## 4	-0.0878144993	-0.02208645	0.22235767	-0.046093234	-0.0130821056	
## 5	-0.0762828284	-0.11284520	-0.02001205	2.233773274	-0.2021646942	
## 6	-0.0003390711	0.04782170	0.10612132	-0.006246506	-0.0004442485	
## 7	3.6113911500	0.01756615	0.03578973	-0.204597279	-0.0812763600	
## 8	-0.3012001529	-0.18502194	-0.18471010	-0.290723343	-0.2287373329	
## 9	1.3253773295	-0.22941255	-0.35879401	-0.315641316	-0.2736780374	
## 10	-0.2018388171	3.56301718	-0.12389230	-0.180986291	3.2968075318	
## 11	-0.2868238809	-0.17465387	1.66000397	-0.269102086	-0.1100081496	
##	sports_playing	cooking	eco	computers	business	outdoors
## 1	0.102241570	-0.14166674	0.112008394	-0.14727534	0.384778207	-0.08301346
## 2	-0.266043012	-0.31922147	-0.279949828	-0.26512106	-0.253875890	-0.33126098
## 3	0.031257065	-0.18071607	0.188835184	3.08550962	0.603135023	-0.03880471
## 4	0.199387967	2.81474474	0.001789846	0.08155416	0.221842775	0.03173526
## 5	-0.001438182	0.41577891	0.571409394	-0.08526116	0.070688824	1.73916341
## 6	0.252547432	0.09799398	0.426197644	0.24390381	0.237018413	0.02777690
## 7	0.003417884	-0.13891921	0.125225435	-0.07109773	-0.046128616	0.39936993
## 8	-0.076357308	-0.28199510	-0.007233723	-0.11382311	0.005749579	-0.19805380
## 9	-0.176979433	-0.32474102	-0.312450926	-0.17196643	-0.207002195	0.04216845
## 10	2.124316512	-0.12769891	-0.072394554	-0.08008116	-0.117718966	-0.14917819
## 11	-0.071448238	-0.22990087	0.366024480	-0.03066727	0.377857649	-0.30449153
##	crafts	automotive	art	religion	beauty	parenting
## 1	0.75250634	-0.20359491	2.65523623	-0.004804794	0.00316938	-0.19840196
## 2	-0.31946838	-0.37681616	-0.23836888	-0.386332859	-0.28204035	-0.39360856
## 3	0.21403232	-0.13924221	-0.14993816	0.146210469	-0.18276075	0.04596353
## 4	0.08496596	0.02128744	0.01125560	-0.160870113	2.64136849	-0.07868402
## 5	0.06056328	-0.17659083	-0.06293974	-0.172784873	-0.20563868	-0.09492768
## 6	0.98355954	0.28548383	0.09123722	3.037995485	0.57816023	2.98373701
## 7	0.03676916	3.62179028	-0.06532900	-0.097760504	-0.04717130	0.20493124
## 8	0.33036198	-0.11025153	-0.11976520	1.072778773	0.06878891	0.90658974
## 9	-0.30622463	1.03617436	-0.26056674	-0.293466703	-0.29578803	-0.18100069
## 10	0.01659165	0.05482292	0.27028514	-0.210739655	-0.22726786	-0.14403095

```
## 11  0.05804818  0.09547426 -0.21790274 -0.320664415 -0.25820271 -0.27886500
##      dating      school personal_fitness      fashion small_business
## 1  -0.06579198 -0.04080484      -0.14807400 -0.02102720      0.82659114
## 2  -0.18032845 -0.38773896      -0.32183869 -0.28989249      -0.22307170
## 3   0.34755868 -0.07238898      -0.14341511 -0.17057956      0.39836269
## 4   0.02284559  0.15829115      -0.01880198  2.73188065      0.18473016
## 5   0.18690205 -0.16595203      2.16959272 -0.10567143      -0.12554257
## 6  -0.02704837  2.32222893      0.08840405  0.18143542      0.19654776
## 7   0.10530528  0.26054596      -0.17804805 -0.13023340      -0.05956360
## 8   0.60759234  0.93385344      -0.28960337 -0.03276985      0.01839844
## 9  -0.12001187 -0.26710864      -0.29667955 -0.31651753      -0.18971062
## 10 -0.01693717 -0.22175033      -0.18628456 -0.07013031      0.10842956
## 11 -0.13570734 -0.08224078      -0.21480399 -0.15012483      0.23465885
```

```
for(i in c(1:10)){
  a = mkt_scaled[which(cl$cluster == i),]
  cat("cluster No :", i, "\n")
  print(names(sort(colSums(a[, 2:ncol(a)]), decreasing = T))[1:10])
  cat("\n")
}
```

```
## cluster No : 1
## [1] "health_nutrition" "personal_fitness" "outdoors"      "eco"
## [5] "food"             "cooking"           "home_and_garden" "crafts"
## [9] "business"         "dating"
##
## cluster No : 2
## [1] "religion"      "parenting"      "sports_fandom" "food"
## [5] "school"        "family"         "crafts"        "beauty"
## [9] "eco"           "home_and_garden"
##
## cluster No : 3
## [1] "travel"      "politics"      "computers"      "news"
## [5] "business"    "small_business" "dating"         "crafts"
## [9] "eco"        "food"
##
## cluster No : 4
## [1] "news"      "automotive"      "politics"      "sports_fandom"
## [5] "outdoors"  "family"          "home_and_garden" "parenting"
## [9] "school"    "tv_film"
##
## cluster No : 5
## [1] "dating"      "school"      "fashion"      "home_and_garden"
## [5] "business"    "crafts"      "sports_playing" "small_business"
## [9] "beauty"     "eco"
##
## cluster No : 6
## [1] "home_and_garden" "dating"      "travel"      "small_business"
## [5] "tv_film"        "music"      "online_gaming" "art"
## [9] "computers"      "business"
##
## cluster No : 7
## [1] "shopping"      "photo_sharing" "eco"      "business"
## [5] "small_business" "music"        "home_and_garden" "automotive"
```

```

## [9] "crafts"          "computers"
##
## cluster No : 8
## [1] "online_gaming"    "college_uni"    "sports_playing" "art"
## [5] "family"           "tv_film"        "small_business" "home_and_garden"
## [9] "automotive"       "crafts"
##
## cluster No : 9
## [1] "cooking"          "fashion"        "beauty"         "photo_sharing"
## [5] "music"            "business"       "shopping"       "sports_playing"
## [9] "small_business"  "school"
##
## cluster No : 10
## [1] "tv_film"          "art"            "music"          "small_business"
## [5] "crafts"           "college_uni"    "business"       "home_and_garden"
## [9] "travel"           "food"

```

Insights

Some clusters turned out to be meaningful and informative, below are the some categories which can be clubbed together :

- **Cluster 1** contains categories like `personal_fitness`, `nutrition_health` and `outdoors` can be taken posts related to fitness.
- **Cluster 2** contains categories like `parenting`, `food`, `school`, `sports`, `religion`, `crafts`. These can be considered as posts from educational institutions.
- **Cluster 3** contains categories like `travel`, `politics`, `computers`, `news` which clearly show that the posts belong to news.
- **Cluster 6** contains categories like `home_and_garden`, `dating`, `travel`, `small_business`, `tv_film`, `music` can be related lifestyle posts.
- **Cluster 8** contains categories like `online_gaming`, `college_uni`, `sports_playing` can be related college online gaming event.

Association rule mining