

# CLUSTER ANALYSIS USING PASW STATISTICS

SPSS

■ Platform: Windows ■ Duration: 1 day ■ Intermediate

## TARGET AUDIENCE

Anyone who has worked with PASW Statistics and is interested in knowing more about cluster analysis for market segmentation.

## PREREQUISITES

Familiarity with SPSS, including variable definition, opening and saving data files, generation of basic exploratory statistics. The understanding of Central Tendency, Dispersion and Hypothesis Testing (including the t-test) is an essential prerequisite.

## OVERVIEW

Cluster analysis, a popular statistical technique used for market segmentation, is an exploratory data analysis technique designed to reveal natural groupings within a collection of data. As such, clusters can be expected to suggest potentially useful ways of grouping customers. Cluster analysis has been performed on different classes of marketing data: psychographical, behavioural, product ratings, usage information, and perceived needs or benefits. You can see how cluster analysis can be used to benefit your business by attending this one day course.

## COURSE CONTENT

- Cluster analysis for market segmentation: principles
  - Cluster analysis and market segmentation
  - What to look at when clustering
  - Methods
    - Hierarchical methods
    - Non-hierarchical method: K-Means clustering
    - Non-hierarchical method: TwoStep clustering
  - Distance and standardisation
  - Overall recommendation
- Cluster analysis for market segmentation: practice
  - A look at the data
  - Running a hierarchical cluster analysis
    - How many clusters to consider?
    - Hierarchical cluster results
  - Supplementary analyses
    - Obtaining mean profiles of segments
    - Relating clusters to other variables
    - Summary of first cluster attempt
  - Clustering using the K-Means method
  - Clustering with the TwoStep algorithm