

Comparison of different approaches for micro panel data clustering

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Nowadays, the micro panel data analysis is being often used to recognize a pattern of an individual change in time in many research areas such as finance or medicine. The clustering methods are used to identify groups so that individuals who belong to the same cluster are the most similar in shape to their time trajectory. The main goal of our contribution is to compare two different approaches that can be used for micro panel data clustering, particularly a characteristics-based clustering and a direct clustering of the raw-data. The former approach doesn't work directly with raw data but it rather clusters individuals using extracted characteristics from point values. The latter approach is applied in the R system package *kml*. In this paper a performance of selected clustering approaches is compared using a simulation study where the balanced clusters' sizes are expected.