

```
In [30]: import pandas as pd
```

```
import numpy as np
```

```
import matplotlib.pyplot as plt
```

```
import seaborn as sns
```

```
In [31]: df = pd.read_csv('sales_data_sample.csv',encoding='unicode_escape')
df.head()
```

Out[31]:

	ORDERNUMBER	QUANTITYORDERED	PRICEEACH	ORDERLINENUMBER	SALES	OR
0	10107	30	95.70		2 2871.00	1
1	10121	34	81.35		5 2765.90	
2	10134	41	94.74		2 3884.34	
3	10145	45	83.26		6 3746.70	1
4	10159	49	100.00		14 5205.27	10

5 rows × 25 columns



```
In [32]: df.info()
```

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 2823 entries, 0 to 2822
Data columns (total 25 columns):
 #   Column            Non-Null Count  Dtype  
--- 
 0   ORDERNUMBER        2823 non-null    int64  
 1   QUANTITYORDERED   2823 non-null    int64  
 2   PRICEEACH          2823 non-null    float64 
 3   ORDERLINENUMBER   2823 non-null    int64  
 4   SALES              2823 non-null    float64 
 5   ORDERDATE          2823 non-null    object  
 6   STATUS              2823 non-null    object  
 7   QTR_ID              2823 non-null    int64  
 8   MONTH_ID            2823 non-null    int64  
 9   YEAR_ID              2823 non-null    int64  
 10  PRODUCTLINE         2823 non-null    object  
 11  MSRP                2823 non-null    int64  
 12  PRODUCTCODE         2823 non-null    object  
 13  CUSTOMERNAME        2823 non-null    object  
 14  PHONE                2823 non-null    object  
 15  ADDRESSLINE1         2823 non-null    object  
 16  ADDRESSLINE2         302 non-null     object  
 17  CITY                 2823 non-null    object  
 18  STATE                1337 non-null    object  
 19  POSTALCODE           2747 non-null    object  
 20  COUNTRY              2823 non-null    object  
 21  TERRITORY             1749 non-null    object  
 22  CONTACTLASTNAME      2823 non-null    object  
 23  CONTACTFIRSTNAME     2823 non-null    object  
 24  DEALSIZE              2823 non-null    object  
dtypes: float64(2), int64(7), object(16)
memory usage: 551.5+ KB
```

```
In [33]: df_drop = ['ADDRESSLINE1', 'ADDRESSLINE2', 'POSTALCODE', 'CITY', 'TERRITORY', '']
df = df.drop(df_drop, axis=1)
```

```
In [34]: df.info()
```

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 2823 entries, 0 to 2822
Data columns (total 14 columns):
 #   Column            Non-Null Count  Dtype  
--- 
 0   QUANTITYORDERED   2823 non-null    int64  
 1   PRICEEACH          2823 non-null    float64 
 2   ORDERLINENUMBER   2823 non-null    int64  
 3   SALES              2823 non-null    float64 
 4   ORDERDATE          2823 non-null    object  
 5   STATUS              2823 non-null    object  
 6   QTR_ID              2823 non-null    int64  
 7   MONTH_ID            2823 non-null    int64  
 8   YEAR_ID              2823 non-null    int64  
 9   PRODUCTLINE         2823 non-null    object  
 10  MSRP                2823 non-null    int64  
 11  PRODUCTCODE         2823 non-null    object  
 12  COUNTRY              2823 non-null    object  
 13  DEALSIZE              2823 non-null    object  
dtypes: float64(2), int64(6), object(6)
memory usage: 308.9+ KB
```

```
In [35]: for col in df.columns.values:  
    print(df[col].value_counts())
```

34	112
21	103
46	101
27	100
31	97
41	97
45	97
26	96
29	94
48	94
25	94
20	93
33	92
22	92
32	91
24	91
38	91
49	91
36	89
44	89
37	87
43	85
39	84
28	82
40	78
42	76
30	75
23	73
35	71
47	70
50	65
55	16
66	5
15	4
51	4
61	3
18	3
60	3
76	3
59	3
56	3
19	3
64	3
10	2
6	2
11	2
54	2
70	2
97	1
85	1
62	1
52	1
16	1
13	1
58	1
65	1
12	1
77	1

Name: QUANTITYORDERED, dtype: int64  
100.00 1304

```
59.87      6
96.34      6
57.73      5
80.55      5
...
48.30      1
87.96      1
36.21      1
98.48      1
62.24      1
Name: PRICEEACH, Length: 1016, dtype: int64
1      307
2      291
3      270
4      256
5      239
6      221
7      197
8      187
9      165
10     141
11     128
12     110
13     97
14     81
15     56
16     42
17     25
18     10
Name: ORDERLINENUMBER, dtype: int64
3003.00    3
5464.69    2
2257.92    2
5004.80    2
2172.48    2
...
2312.24    1
2793.71    1
1908.28    1
3441.37    1
2116.16    1
Name: SALES, Length: 2763, dtype: int64
11/14/2003 0:00    38
11/24/2004 0:00    35
11/12/2003 0:00    34
11/17/2004 0:00    32
11/4/2004 0:00    29
...
4/20/2004 0:00    1
8/4/2004 0:00    1
2/2/2004 0:00    1
8/28/2004 0:00    1
4/21/2003 0:00    1
Name: ORDERDATE, Length: 252, dtype: int64
Shipped      2617
Cancelled    60
Resolved     47
On Hold      44
In Process   41
Disputed     14
```

```
Name: STATUS, dtype: int64
4      1094
1      665
2      561
3      503
Name: QTR_ID, dtype: int64
11     597
10     317
5      252
1      229
2      224
3      212
8      191
12     180
4      178
9      171
7      141
6      131
Name: MONTH_ID, dtype: int64
2004    1345
2003    1000
2005    478
Name: YEAR_ID, dtype: int64
Classic Cars        967
Vintage Cars        607
Motorcycles         331
Planes              306
Trucks and Buses   301
Ships               234
Trains              77
Name: PRODUCTLINE, dtype: int64
118     104
99      103
136     80
62      78
68      77
...
73      23
41      22
170     22
71      22
92      22
Name: MSRP, Length: 80, dtype: int64
S18_3232    52
S10_1949    28
S24_1444    28
S10_4962    28
S24_2840    28
..
S18_1749    22
S24_2887    22
S24_3969    22
S18_4409    22
S18_4933    22
Name: PRODUCTCODE, Length: 109, dtype: int64
USA          1004
Spain        342
France       314
Australia    185
UK           144
```

```

Italy          113
Finland       92
Norway         85
Singapore      79
Canada          70
Denmark         63
Germany        62
Sweden          57
Austria         55
Japan            52
Belgium         33
Switzerland     31
Philippines     26
Ireland          16
Name: COUNTRY, dtype: int64
Medium      1384
Small       1282
Large        157
Name: DEALSIZE, dtype: int64

```

In [36]: `df.drop(columns=['ORDERDATE', 'STATUS', 'MONTH_ID', 'QTR_ID', 'YEAR_ID'], inplace=True)`  
`df.head()`

Out[36]:

	QUANTITYORDERED	PRICEEACH	ORDERLINENUMBER	SALES	PRODUCTLINE	MSR
0	30	95.70		2 2871.00	Motorcycles	9
1	34	81.35		5 2765.90	Motorcycles	9
2	41	94.74		2 3884.34	Motorcycles	9
3	45	83.26		6 3746.70	Motorcycles	9
4	49	100.00		14 5205.27	Motorcycles	9

In [37]: `from sklearn.preprocessing import LabelEncoder`  
`def convert_categories(col):`  
 `le = LabelEncoder()`  
 `df[col] = le.fit_transform(df[col].values)`

In [38]: `categories = ['PRODUCTLINE', 'PRODUCTCODE', 'COUNTRY', 'DEALSIZE']`  
`for col in categories:`  
 `convert_categories(col)`

In [41]: `df.head()`

Out[41]:

	QUANTITYORDERED	PRICEEACH	ORDERLINENUMBER	SALES	PRODUCTLINE	MSR
0	30	95.70		2 2871.00	1	9
1	34	81.35		5 2765.90	1	9
2	41	94.74		2 3884.34	1	9
3	45	83.26		6 3746.70	1	9
4	49	100.00		14 5205.27	1	9

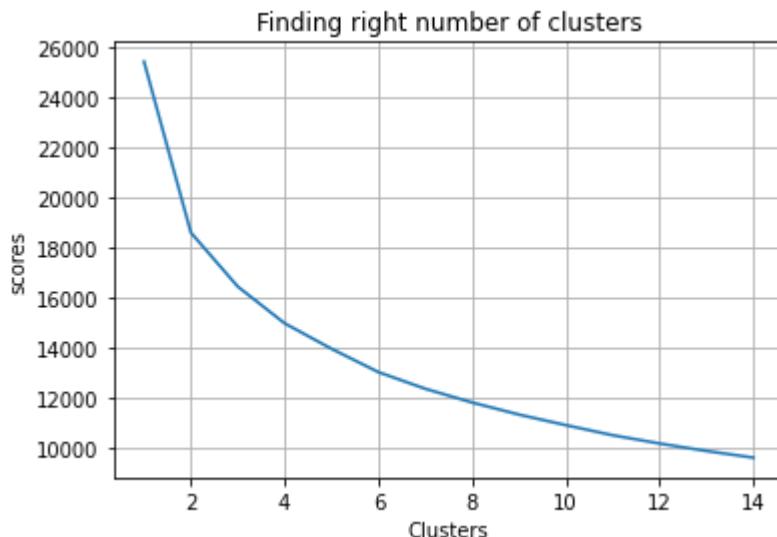
```
In [42]: from sklearn.preprocessing import StandardScaler  
sc = StandardScaler()  
data = sc.fit_transform(df)
```

## Elbow Method

Finding optimal numbers of clusters is elbow method For each value of K, we are calculating WCSS ( Within-Cluster Sum of Square ). WCSS is the sum of squared distance between each point and the centroid in a cluster. When we plot the WCSS with the K value, the plot looks like an Elbow

```
In [44]: from sklearn.cluster import KMeans  
wcss = []  
for k in range(1,15):  
    kmeans = KMeans(n_clusters=k, init='k-means++', random_state=15)  
    kmeans.fit(data)  
    wcss.append(kmeans.inertia_)
```

```
In [49]: k = list(range(1,15))  
plt.plot(k,wcss)  
plt.xlabel('Clusters')  
plt.ylabel('scores')  
plt.title('Finding right number of clusters')  
plt.grid()  
plt.show()
```



At k=4, the graph starts to move almost parallel to the X-axis. The K value corresponding to this point is the optimal K value or an optimal number of clusters.

```
In [ ]:
```