

Dealing with Outliers

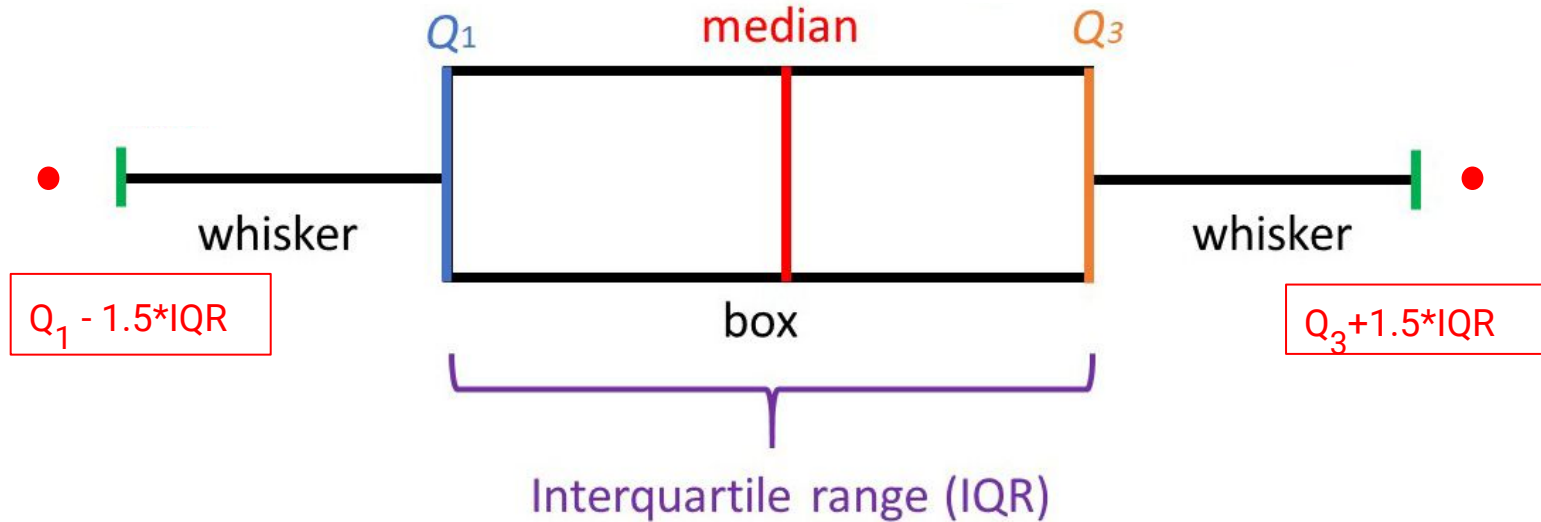
Outliers

Extreme (large or small) values relative to other observations

Reasons for Outliers Values

- Human Error
- Measurement Error
- Experimental Error
- Intentional Outlier
- Sampling Error
- Actual Outliers

Identifying Outliers



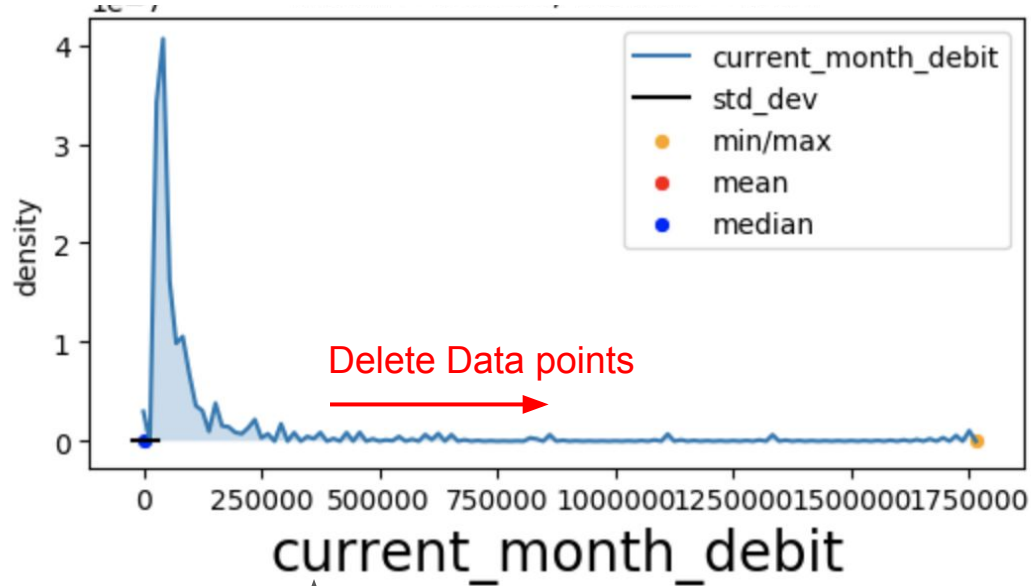
Dealing with Outliers

- Delete the data points
- Replace Outliers
 - Using central tendency
 - Relationship with other Variables
 - Replace with whisker values
 - Using an ML model
- Transform the values
 - Variable transformation
 - Binning

Dealing with Outliers

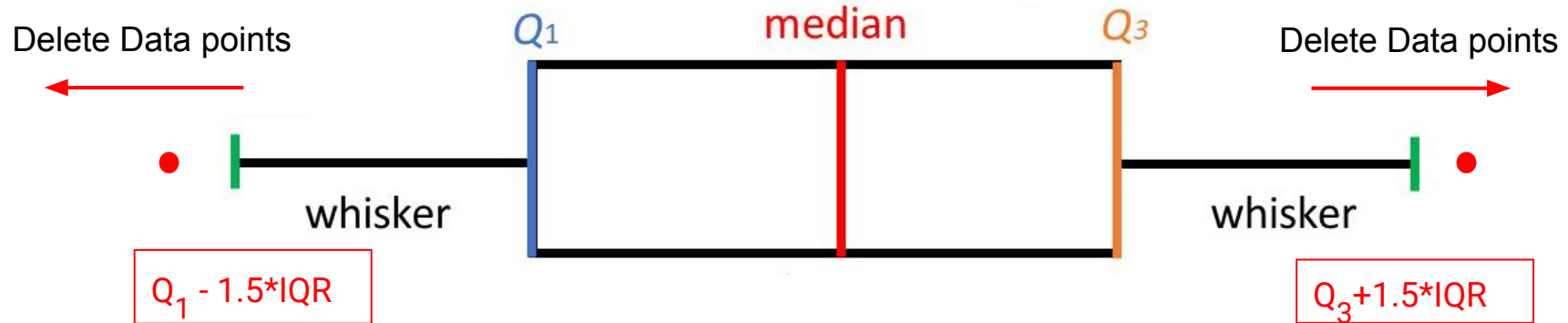
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$Q_3 + 1.5 \times IQR$

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Imputing Missing Values

Using Central Tendency

Using whisker values

Using ML Model

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Imputing Missing Values

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Using ML Model

- Categorical - Mode
- Numerical - Median

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Using ML Model

- Lower end - $Q1 - 1.5 \times IQR$
- Upper end - $Q3 - 1.5 \times IQR$

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Imputing Missing Values

Using Central Tendency

Using whisker values

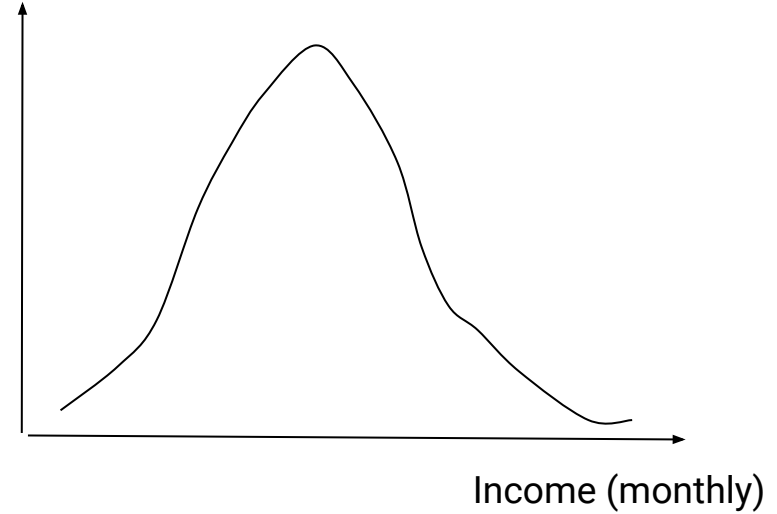
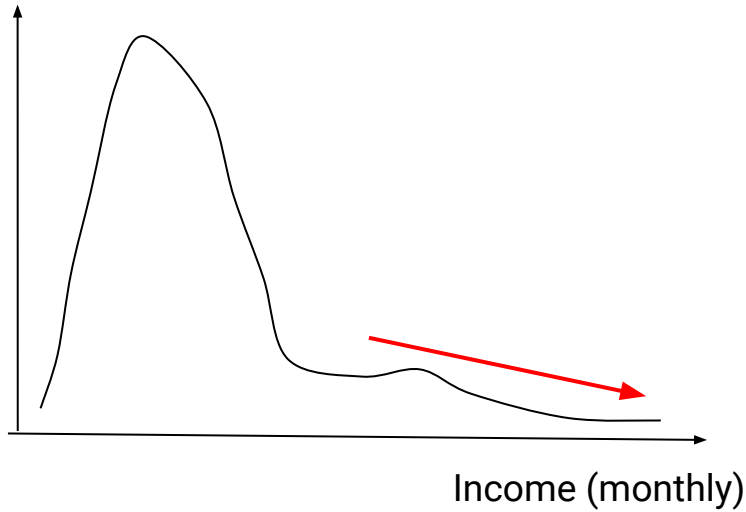
Using ML Model

- Target -Column with Outlier
- Features - Other Attributes

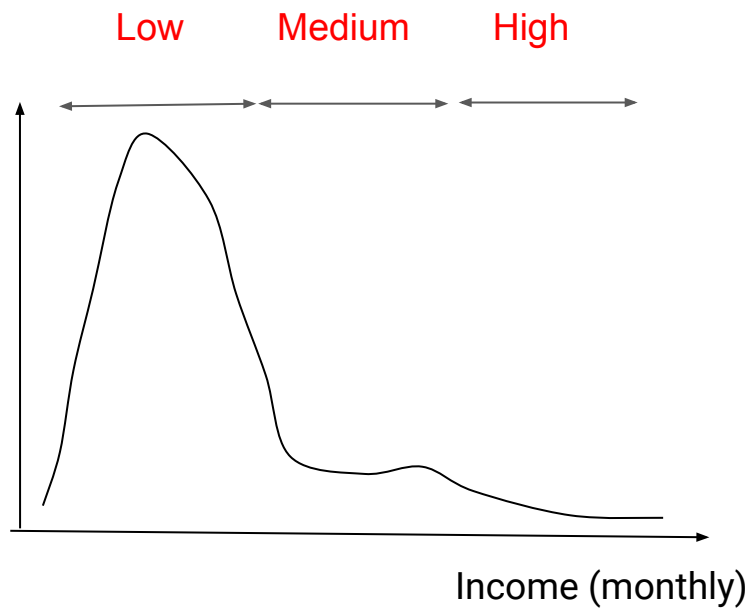
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Variable Transformation



Binning Values



Thank You!

Delete Observations with Extreme Value

Notebook