Association Rule Mining

Objective: As a Data Scientist at FDMart Grocery you are asked to help analyze FDMarts transaction database to identify interesting patterns from the database. FDMart specializes in fresh vegetables and fruits. The store is considering expanding its product selection and wants to better understand its customers and their purchasing behavior. The Marketing Analyst has provided the following patterns as a starting point for analyzing the data

Overview of FDMart Grocery dataset:

According to summary mydata, FDMart grocery has 106 items t and total of 64809 transactions. The most frequent item found is fresh vegetables which is present in 30% of the total transaction in the dataset. Second most frequent item is fresh fruit. I set up support=0.01, Confident=0.5 to find association rules of the highest 5 lift. For example, people bought cooking oil and rice and also bought pots and pans together, which reflects strong positive correlation (lift=28.18).

Let X, Y be itemsets, $X \Rightarrow Y$ an association rule and T a set of transactions of a given database.

Support [edit]

Support is an indication of how frequently the itemset appears in the dataset.

The support of X with respect to T is defined as the proportion of transactions t in the dataset which contains the itemset X.

$$\operatorname{supp}(X) = \frac{|\{t \in T; X \subseteq t\}|}{|T|}$$

Confidence [edit]

Confidence is an indication of how often the rule has been found to be true.

The *confidence* value of a rule, $X \Rightarrow Y$, with respect to a set of transactions T, is the proportion of the transactions that contains X which also contains Y. Confidence is defined as:

$$\operatorname{conf}(X \Rightarrow Y) = \operatorname{supp}(X \cup Y) / \operatorname{supp}(X)$$

For example, the rule $\{butter, bread\} \Rightarrow \{milk\}$ has a confidence of 0.2/0.2 = 1.0 in the database, which means that for 100% of the transactions conta well).

Lift [edit]

The lift of a rule is defined as:

$$\operatorname{lift}(X \Rightarrow Y) = \frac{\operatorname{supp}(X \cup Y)}{\operatorname{supp}(X) \times \operatorname{supp}(Y)}$$

or the ratio of the observed support to that expected if X and Y were independent. [citation needed]

For example, the rule $\{milk, bread\} \Rightarrow \{butter\}$ has a lift of $\frac{0.2}{0.4 \times 0.4} = 1.25.$

If the rule had a lift of 1, it would imply that the probability of occurrence of the antecedent and that of the consequent are independent of each other. When two events are independent of each other, no rule can be drawn involving those two events.

If the lift is > 1, that lets us know the degree to which those two occurrences are dependent on one another, and makes those rules potentially useful for predicting the consequent in future data sets.

If the lift is < 1, that lets us know the items are substitute to each other. This means that presence of one item has negative effect on presence of other item and vice versa

The value of lift is that it considers both the support of the rule and the overall data set. [3]

library(arules)

library(grid)

library(arulesViz)

```
mydata <-
read.transactions("C:\\Users\\ludai\\Desktop\\BAN620\\Assignment2\\TransactionList1.csv",format="si
ngle",sep=",",cols=c(1,2))

class(mydata)

summary(mydata)

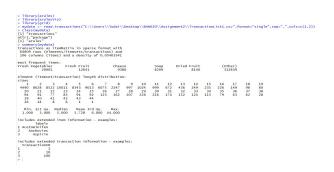
itemFrequencyPlot(mydata, support=0.1, cex.names=0.8)

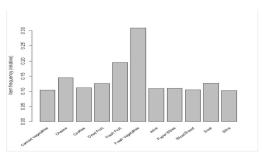
itemFrequencyPlot(mydata,topN=20,type="absolute")

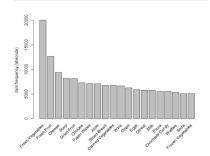
rules <- apriori(mydata, parameter = list(supp = 0.01, conf = 0.5))

summary(rules)

inspect(head(sort(rules, by ="lift"),5))</pre>
```









Analyze Question1: Purchase patterns related to beverages (Wine, Beer etc.)

Based on 16 rules (set wine on the right-hand side), we find that wine is combined with items like sauces, fresh vegetables, spices, and candles, but wine and beer are not associated. This means people may not buy wine and beer together.

In order to further explain this pattern about wine and beer, I set wine and beer in the left-hand side and beer on the right side respectively, the results (36 rules and 13 rules) indicate that Beer is mostly purchase with gums, pizza, frozen food items, eggs and Jam while wine is frequently purchased with fresh chicken, vegetables, and candles.

According to mining rules, we find 1.) wine and beer very rarely buy together. They have no correlation. 2.) Beer is mostly purchase with gums, pizza, eggs, chips, and frozen food items, while wine is frequently purchased with fresh vegetables, fresh chicken and candles. 3.) Beer is bought mostly in small baskets where there is less items. 4.) wine and candles have positive correlation. The people who buy candles are 62% likely to buy wine.

(See the following output in R)

Find subset of rules that has Wine on the right hand side

WineRules <- subset(rules, subset = rhs %pin% "Wine")

summary(WineRules)

inspect(WineRules)

plot(WineRules,method="graph",interactive=FALSE,shading=NA)



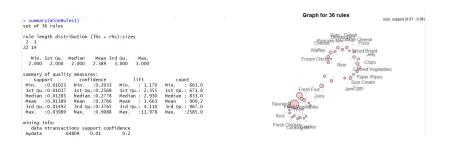
Find subset of rules that has Wine and Beer in the left hand side.

WineRules1 <- subset(rules, subset = lhs %ain% "Wine"|lhs %ain% "Beer")

summary(WineRules1)

inspect(WineRules1)

plot(WineRules1,method="graph",interactive=FALSE,shading=NA)



```
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generating rules for beer on RHS

```
BeerRule<-apriori(data=mydata, parameter=list(supp=0.01,conf = 0.15,minlen=2),
```

```
appearance = list(default="lhs",rhs="Beer"),
control = list(verbose=F))
```

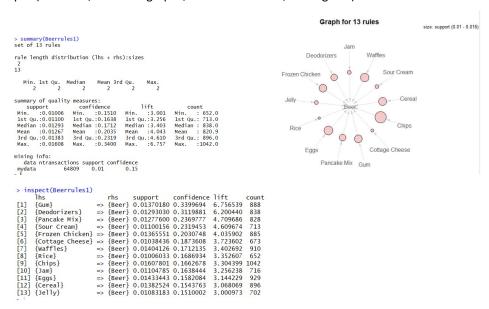
Sorting Beerrule by confidence in descending order

Beerrules1<-sort(BeerRule, decreasing=TRUE,by="confidence")

summary(Beerrules1)

inspect(Beerrules1)

plot(BeerRule,method="graph",interactive=FALSE,shading=NA)



Analyze question2: Canned vs Fresh

Fresh food has mainly fresh vegetables, fresh fruits. Canned food is mainly canned vegetables and canned fruits.

We find with 864 item sets having fresh vegetables and 133 itemset with fresh fruits on the right-hand side of the itemset. (see summary for Fresh_Rules and Fresh_Rules1)

Based on the summary for fresh _rule2, fresh Fruit and fresh vegetables are positively correlated. People buy these two items also buy items like pasta, wine, rice, juice, and cheese. For example,

{Fresh Fruit, Fresh Vegetables} => {Pasta} supp=0.01510593 conf=0.2054133 lift=3.375414

Rules created for fresh vegetable and canned vegetable on the left-hand side (see summary for canned_Rules) have 203 itemset having canned vegetables and fresh vegetables together.

Canned vegetables and fresh vegetables are positively correlated. People buy these mostly with those items that are used for cooking meals for dinner and lunch e: g oil, pasta, rice, cheese, jelly, sour cream and wine.

We didn't find Canned fruits are frequent item and its sale may be independent of fresh food.

See the following output in R

Subrules for Fresh Vegetables on the rhs

Fresh_Rules <- subset(rules, subset = rhs %pin% "Fresh Vegetables")

summary(Fresh_Rules)

inspect(Fresh_Rules[1:20])

```
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Subrules for Fresh Fruit on the rhs

Fresh Rules1 <- subset(rules, subset = rhs %pin% "Fresh Fruit")

summary(Fresh Rules1)

inspect(Fresh_Rules1[1:20])

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Subrule for both Fresh Fruit and Fresh Vegetable on the Ihs

Fresh_Rules2 <- subset(rules, subset = lhs %ain% c("Fresh Fruit", "Fresh Vegetables"))

summary(Fresh_Rules2)

inspect(Fresh_Rules2)

Subrule for fresh Vegetable and Canned Vegetables on Ihs.

```
canned_Rules <- subset(rules, subset = lhs %ain% c("Fresh Vegetables", "Canned Vegetables"))</pre>
```

summary(canned_Rules)

inspect(canned_Rules[1:20])

```
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Analyze question3: Small vs large transactions – how are they different?

Based on summary for rulesSmall, small baskets having less than or equal to 2 items are 787. Few items have strong positive correlation. For example,

```
{Candles} => {Fresh Chicken} 0.01035366 0.4059286 15.5757381
```

{Fresh Chicken} => {Candles} 0.01035366 0.3972765 15.5757381

{Candles} => {Sauces} 0.01027651 0.4029038 12.9008845

Based on summary for rulesLarge, large baskets having more than or equal to 5 items are 400. Fresh vegetables, fresh chicken, juice and sliced bread are found to be positively correlated with deodorizer (See the output of inspect ruleLarge with the highest 5 lift)

rule for small baskets with item less than or equal to 2

rulesSmall <- subset(rules, subset = size(rules) <=2)</pre>

#summary for ruleSmallSize

summary(rulesSmall)

inspect(rulesSmall[1:20])

```
# Subrule for Large baskets with item more than or equal to 5

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## Subrule for Large baskets with item more than or equal to 5

##
```

Analyze question4: Find one other interesting pattern

We know people like to eat cereal with milk as their breakfasts, so I want to mine rules for milk and cereal. I set milk and cereal on left side and right side respectively. The results indicate that milk and cereal have strong positive correlation (more than 80% confidence, and Lift >2). I also did interesting rules for milk and eggs, which have positive correlation. I find that the basket with milk and cereal also include some items like sliced bread, Jam, cheese, juice, which may be prepared for breakfast.

```
# Milk on the Rhs and Cereal on lhs
Rulesinterest <- subset(rules, subset = rhs %pin% "Milk" & lhs %ain% "Cereal")
summary(Rulesinterest)
inspect(Rulesinterest)</pre>
```

Milk on the lhs and Cereal on rhs

```
Rulesinterest1 <- subset(rules, subset = lhs %ain% "Milk" & rhs %ain% "Cereal")
summary(Rulesinterest1)
plot(Rulesinterest1, method="graph")</pre>
```

```
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Extra Question:

1. Find high utility itemsets (10 points)

Mining High Utility Itemsets from a transaction database is to find item sets that have utility beyond a given threshold. However, mining high utility itemsets presents a greater challenge than frequent itemset mining, since high utility itemsets lack the *anti-monotone* property of frequent itemsets. I used count function to mine the most top 6 utility transactions. This finding indicates that fresh vegetable, fresh fruits, cheese, juice, and dried fruit are high utility items, which are purchased most and also bought together. So, they are most profitable items at FDMart Grocery.

```
> inspect(head(sort(rules, by ="count")))
   1hs
                        rhs
                                           support
                                                      confidence lift
                     => {Fresh Vegetables} 0.30861454 0.3086145 1.000000 20001
[1] {}
                     => {Fresh Vegetables} 0.07353917 0.3770271 1.221676 4766
[2] {Fresh Fruit}
[3] {Fresh Vegetables} => {Fresh Fruit}
                                          0.07353917 0.2382881 1.221676
                                                                          4766
              => {Fresh Vegetables} 0.04953016 0.3422175
[4] {Cheese}
                                                                1.108883
                     => {Fresh Vegetables} 0.04246324 0.3887555 1.259680
[5] {Juice}
[6] {Dried Fruit} => {Fresh Vegetables} 0.04212378 0.3353808 1.086730
```

2. Weekdays vs Weekends – how do purchase patterns differ? (10 points)

I used count and aggregate function to analyze the purchased patterns of weekdays and weekends. The results indicate that the highest transaction frequency is on Saturday, following by Sunday and Friday. Fresh vegetable is the most frequent item purchased every day. This means FDMart Grocery should prepare sufficient items on weekends, and also have enough fresh vegetables for every day.

```
mydata1 <- read.csv("C:\\Users\\ludai\\Desktop\\BAN620\\Assignment2\\Time.csv")
mydata2 <- read.csv("C:\\Users\\ludai\\Desktop\\BAN620\\Assignment2\\TransactionListTime.csv",header = TRUE)
names(mydata1)[1]<-"time_id"
names(mydata2)[1]<-"transaction_id"
mydata3=merge(x=mydata1,y=mydata2,by='time_id',all.y=T)
summary(mydata3)
count(mydata3, vars = "the_day")
barplot(table(mydata3$the_day))
aggregate(mydata3[,4], list(the_day = mydata3$the_day),
    function(x) names(which.max(table(x))))</pre>
```

```
> count(mydata3, vars = "the_day")
    the_day freq
1    Friday 50906
2    Monday 49136
3    Saturday 65517
4    Sunday 62347
5    Thursday 49608
6    Tuesday 44972
7    Wednesday 48724
```

```
> summary(mydata3)
time_id
Min. : 367.0 F
1st Qu.: 611.0 M
Median : 804.0 S
                                  the day
                                                     transaction id
                                                                                           product.name
                          Friday :50906
Monday :49136
Saturday :65517
                                                     Min. : 1
1st Qu.:22515
                                                                             Fresh Vegetables: 20001
                                                                             Fresh Fruit
                                                                                                    : 12641
                                                                             Cheese
                                                     Median :42660
                          Sunday :62347
Thursday :49608
Tuesday :44972
                                                                            Soup
Dried Fruit
 Mean : 779.3
3rd Qu.: 956.0
                                                     Mean :39847
3rd Qu.:60716
                                                                                                        8209
                                                                                                    : 8140
: 7254
  Max. :1095.0
                                                     Max. :65308
                                                                                                        7254
                           Wednesday: 48724
                                                                             (Other)
                                                                                                    :305585
```

