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Assignment-2 Data Visualization and Preprocessing

▼ 1) Download the dataset from the source [link](#)

About the dataset: This dataset is all about churn modelling of a credit company. It has the details about the end user who are using credit card and also it has some variables to depict the churn of the customer.

- **RowNumber** - Serial number of the rows
- **CustomerId** - Unique identification of customer
- **Surname** - Name of the customer
- **CreditScore** - Credit score of the customer
- **Geography** - Location of the bank **Gender** -
- Sex of the customer
- **Age** - Age of the customer
- **Tenure** - Repayment period for the credit amount
- **Balance** - Current balance in their credit card
- **NumOfProducts** - Products owned by the customer from the company
- **HasCrCard** - Has credit card or not (0 - no , 1 - yes)
- **IsActiveMember** - Is a active member or not List item
- **EstimatedSalary** - Salary of the customer
- **Exited** - Churn of the customer

```
import warnings
warnings.filterwarnings("ignore")
```

```
import pandas as pd
import numpy as np
import seaborn as sns
import matplotlib.pyplot as plt
```

▼ 2) Loading the dataset

```
df = pd.read_csv("Churn_Modelling.csv")
```

```
df.head()
```

	RowNumber	CustomerId	Surname	CreditScore	Geography	Gender	Age	Tenure	Ba
0	1	15634602	Hargrave	619	France	Female	42	2	
1	2	15647311	Hill	608	Spain	Female	41	1	838
2	3	15619304	Onio	502	France	Female	42	8	1596
3	4	15701354	Boni	699	France	Female	39	1	
4	5	15737888	Mitchell	850	Spain	Female	43	2	1255

▼ 3) Performing Visualizations

Univariate Analysis

```
#checking for categorical variables
category = df.select_dtypes(include=[np.object])
print("Categorical Variables: ",category.shape[1])

#checking for numerical variables
numerical = df.select_dtypes(include=[np.int64,np.float64])
print("Numerical Variables: ",numerical.shape[1])
```

```
Categorical Variables:  3
Numerical Variables:  11
```

```
df.columns
```

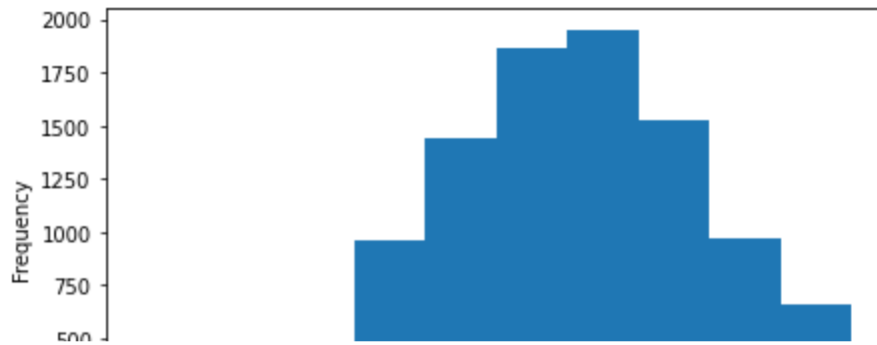
```
Index(['RowNumber', 'CustomerId', 'Surname', 'CreditScore', 'Geography',
      'Gender', 'Age', 'Tenure', 'Balance', 'NumOfProducts', 'HasCrCard',
      'IsActiveMember', 'EstimatedSalary', 'Exited'], dtype='object')
```

```
df.shape
```

```
(10000, 14)
```

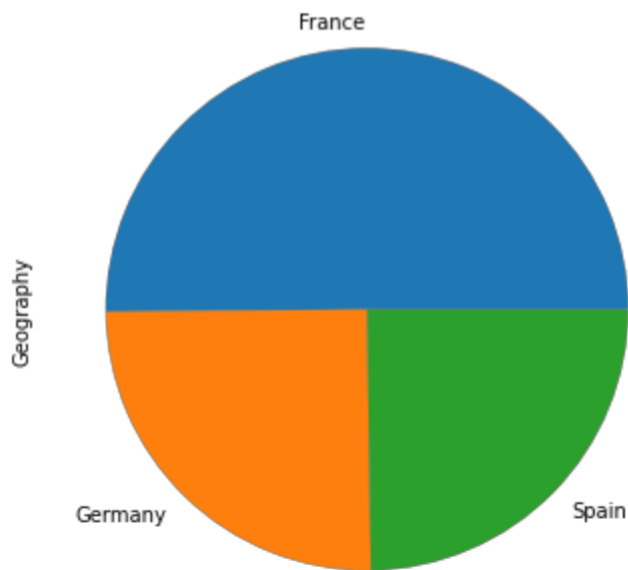
```
credit = df['CreditScore']
credit.plot(kind="hist",figsize=(7,4))
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc976a55210>
```



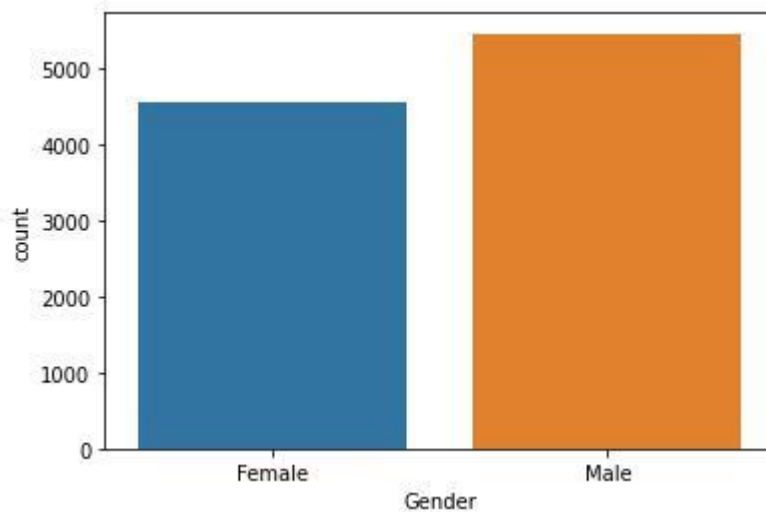
```
geo = df['Geography'].value_counts()  
geo.plot(kind="pie", figsize=(8,6))
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc97696e110>
```



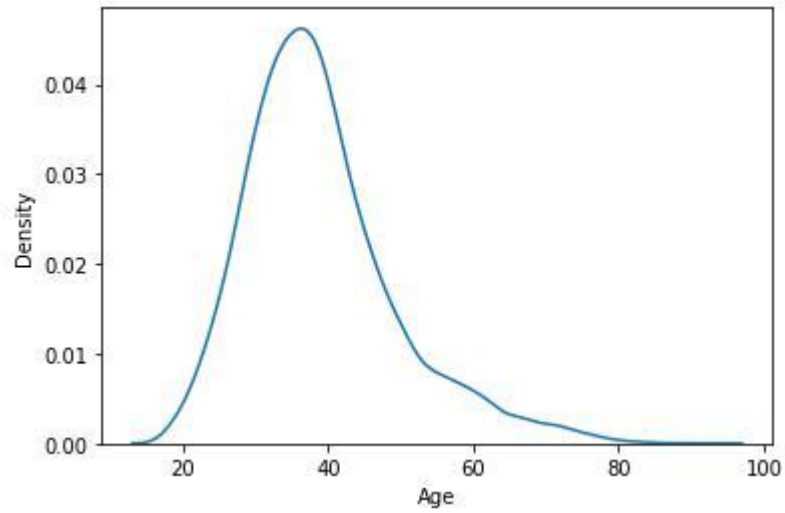
```
sns.countplot(df['Gender'])
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc9769e2dd0>
```



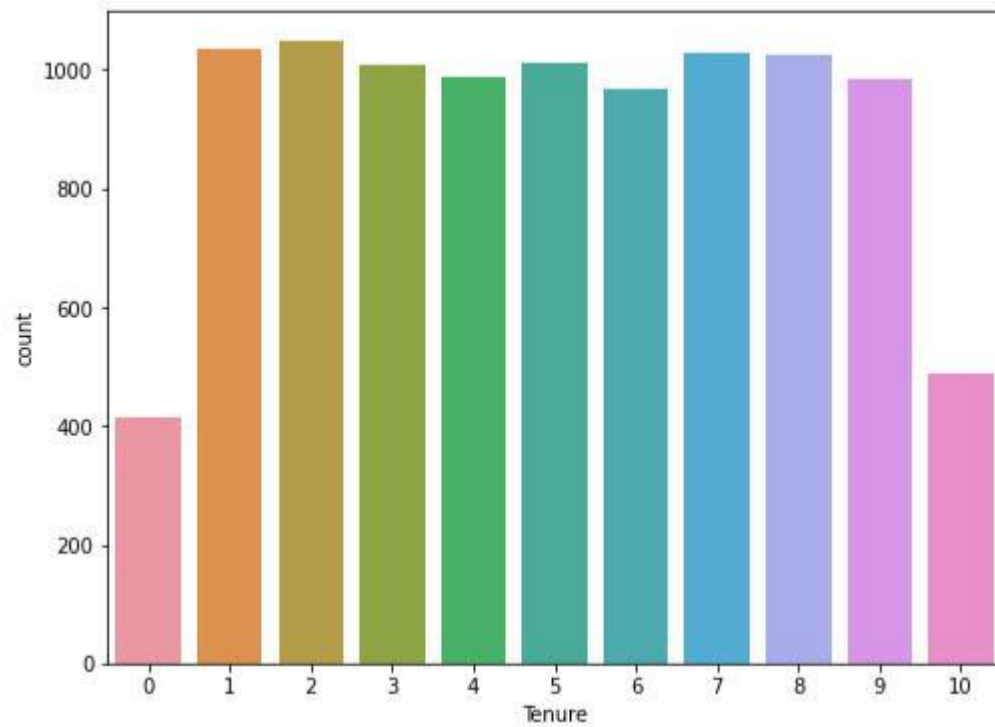
```
sns.distplot(df['Age'], hist=False)
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc97692be90>
```



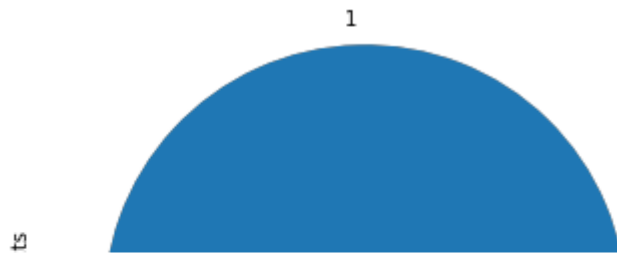
```
plt.figure(figsize=(8,6))  
sns.countplot(df['Tenure'])
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc9767ab590>
```



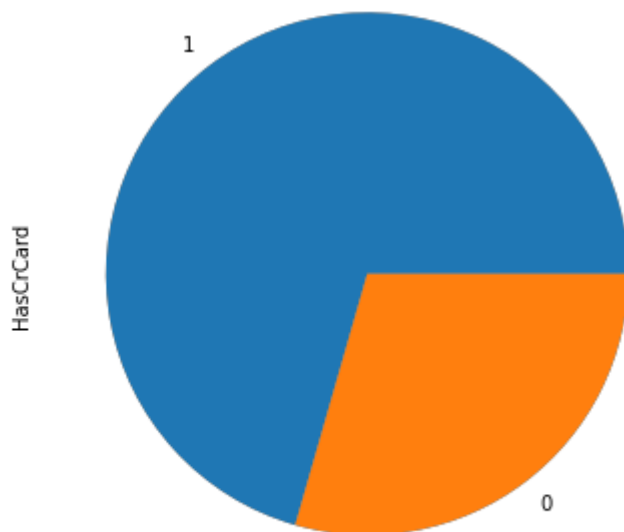
```
product = df['NumOfProducts'].value_counts()  
product.plot(kind="pie",figsize=(8,6))
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc9767abf50>
```



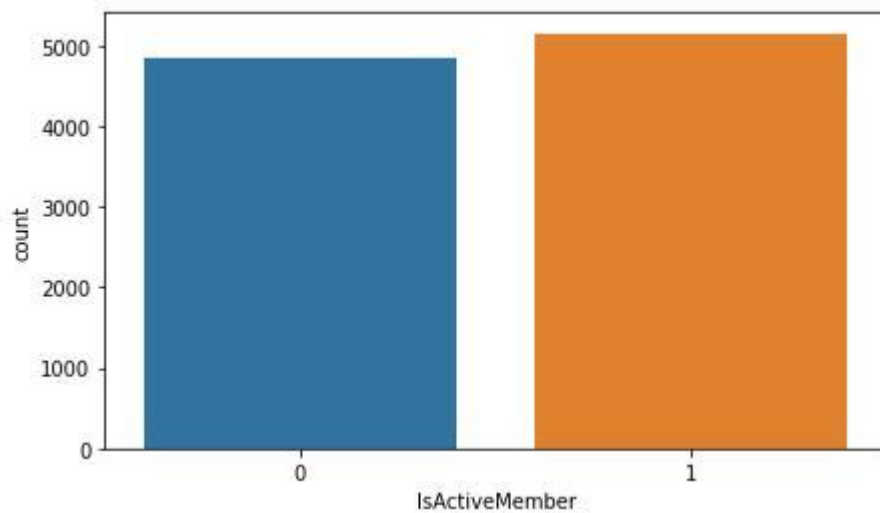
```
cr = df['HasCrCard'].value_counts()  
cr.plot(kind="pie",figsize=(8,6))
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc97671b3d0>
```



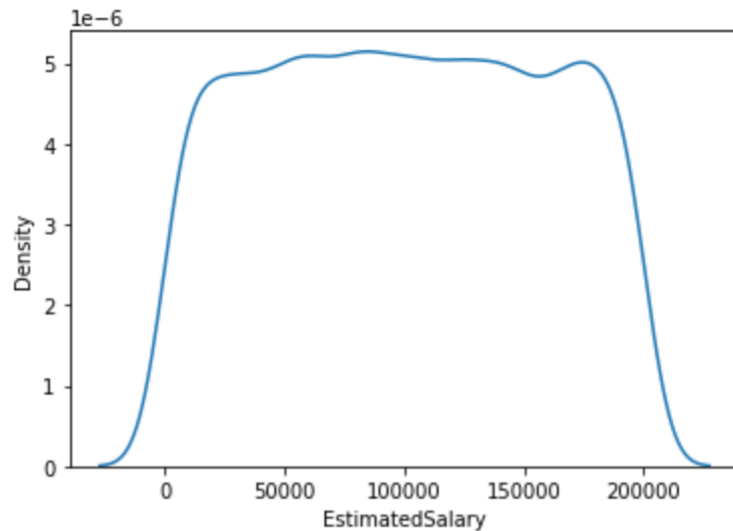
```
plt.figure(figsize=(7,4))  
sns.countplot(df['IsActiveMember'])
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc976746d90>
```



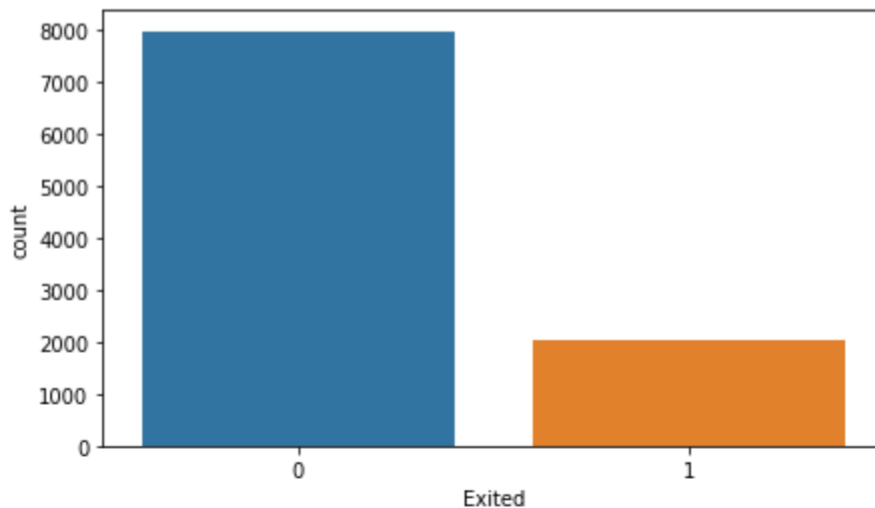
```
sns.distplot(df['EstimatedSalary'],hist=False)
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc976642510>
```



```
plt.figure(figsize=(7,4))  
sns.countplot(df['Exited'])
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc97691ae50>
```



Inference:

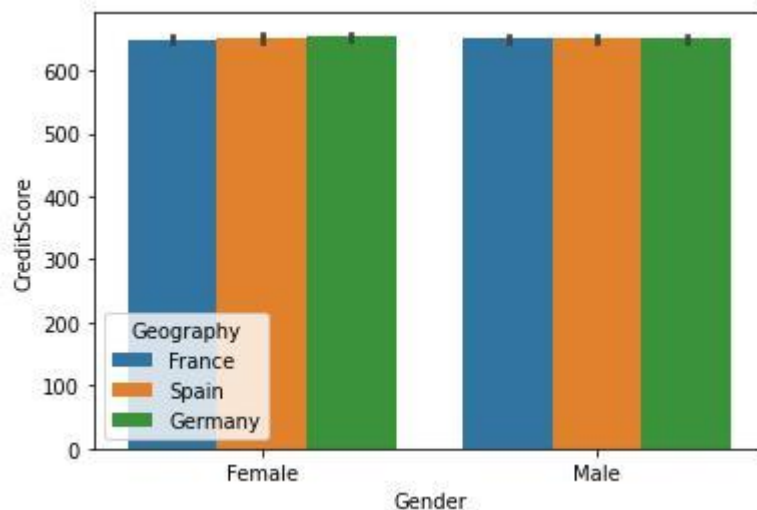
1. The data has 11 numerical variables and 3 categorical variables.
2. It has 10000 rows and 14 columns
3. The normalized credit score is around 700, More than 500 people have credit score greater than 800.
4. France occupies 50% of customers, whereas Germany and Spain shared equal.
5. Dataset is dominated by Male Customers.
6. Median age is around 40 to 45.
7. Highest number of customer has their tenure period for 2 years.
8. Credit company has maximum customers, who uses single product.
9. Most of the customer has credit card.

10. More than 40% of the population is not an active member.
11. The Churn is less compared to the satisfaction. Dataset is imbalanced.

Bi-Variate Analysis

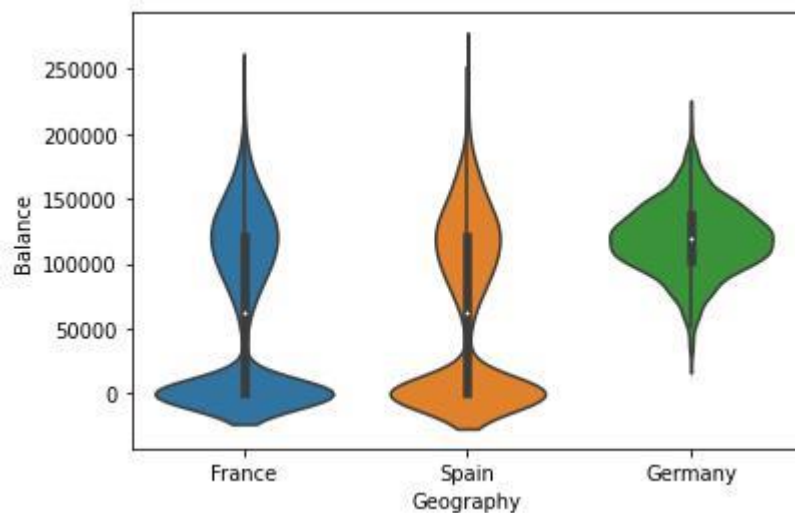
```
sns.barplot(x='Gender',y='CreditScore',hue='Geography',data=df)
```

<matplotlib.axes._subplots.AxesSubplot at 0x7fc97674d0d0>



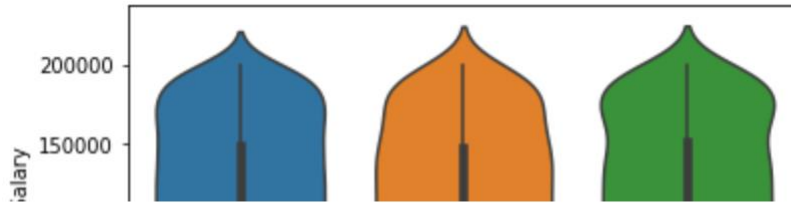
```
sns.violinplot(x='Geography',y='Balance',data=df)
```

<matplotlib.axes._subplots.AxesSubplot at 0x7fc976558550>



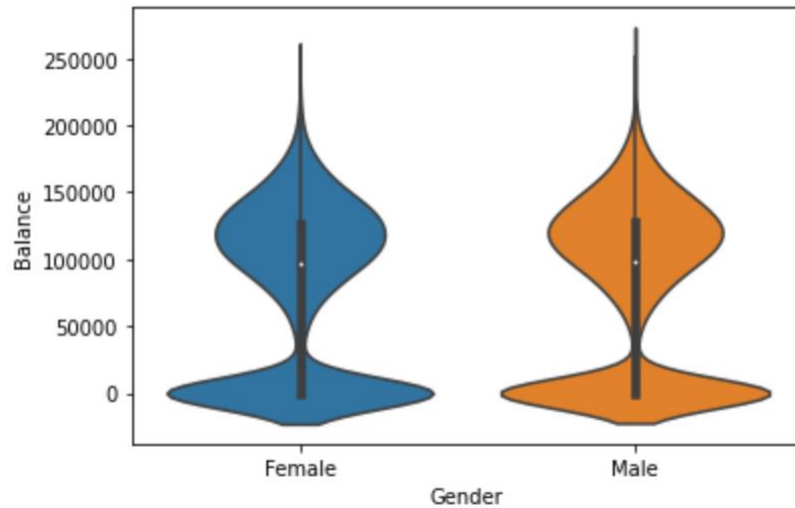
```
sns.violinplot(x='Geography',y='EstimatedSalary',data=df)
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc97647be50>
```



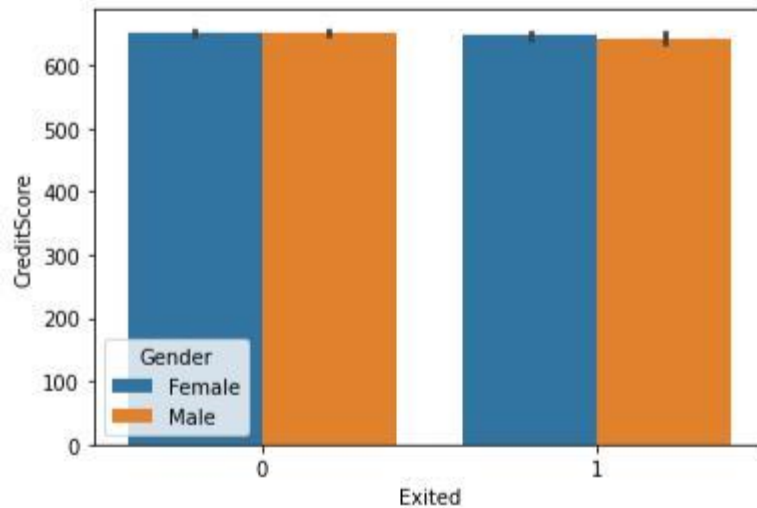
```
sns.violinplot(x='Gender',y='Balance',data=df)
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc9763f41d0>
```



```
sns.barplot(x='Exited',y='CreditScore',hue='Gender',data=df)
```

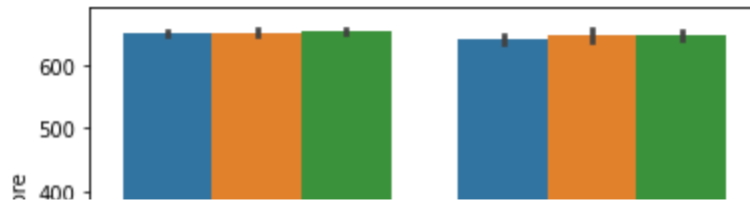
```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc976403e90>
```



```
sns.barplot(x='Exited',y='CreditScore',hue='Geography',data=df)
```

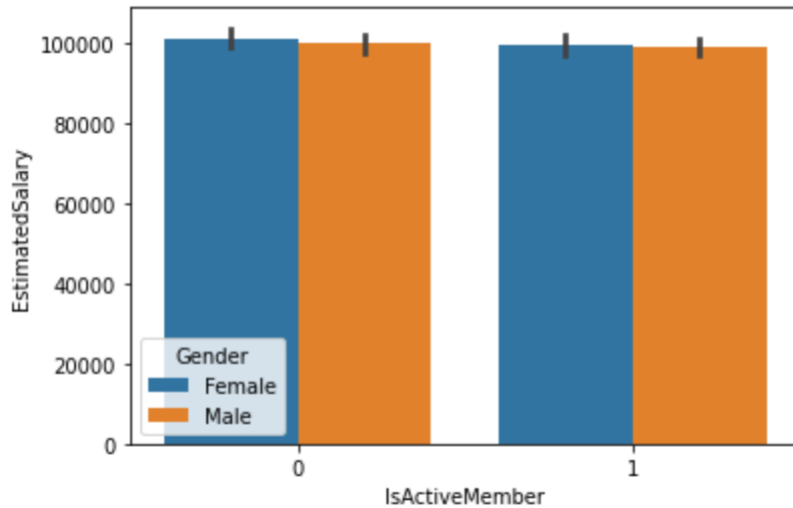


```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc9763d1090>
```



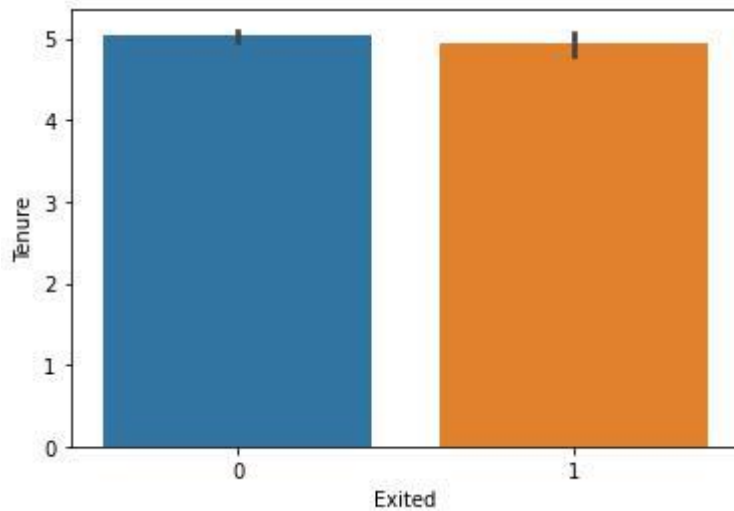
```
sns.barplot(x='IsActiveMember',y='EstimatedSalary',hue='Gender',data=df)
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc97626f4d0>
```



```
sns.barplot(x='Exited',y='Tenure',data=df)
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc9761f6d10>
```



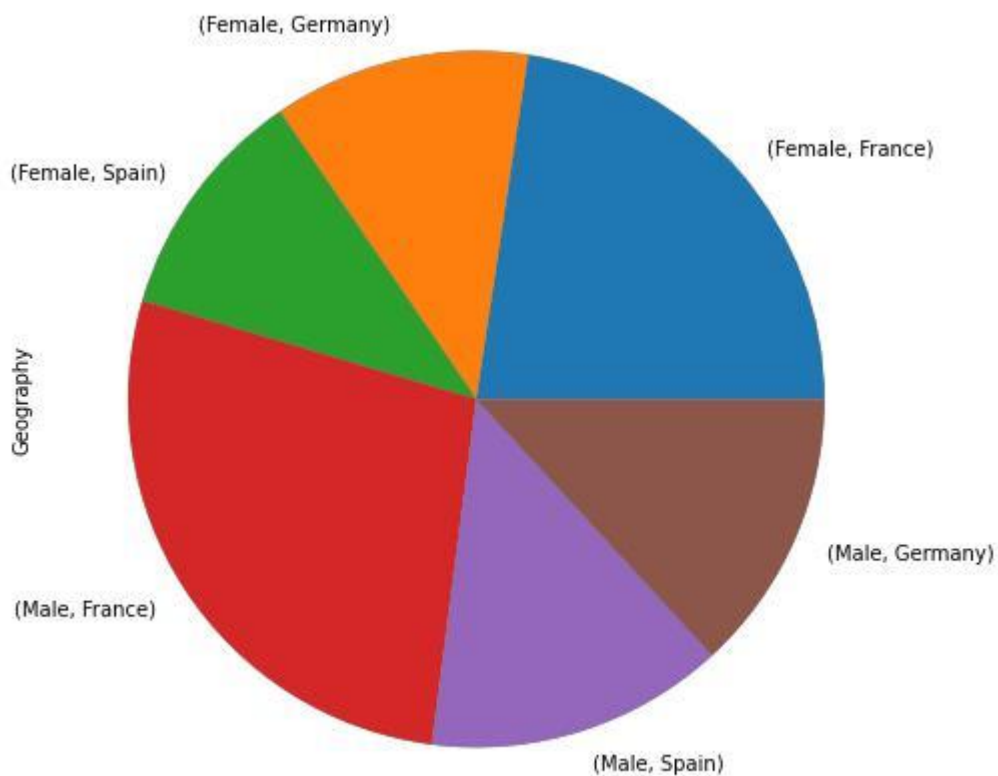
Inference:

1. Credit score for Male is higher in Spain.
2. Average bank salary lies in the range of 100k to 150k.
3. Estimated salary is normalized and same for all country.
4. Credit score for churn is low.
5. Churn in Germany is higher compared to other countries.
6. Exited people tenure period is around 6 years.

Multi-Variate Analysis

```
gp1 = df.groupby('Gender')['Geography'].value_counts()  
gp1.plot(kind='pie',figsize=(10,8))  
print(gp1)
```

```
Gender  Geography  
Female  France      2261  
        Germany     1193  
        Spain      1089  
Male    France      2753  
        Spain      1388  
        Germany     1316  
Name: Geography, dtype: int64
```



```
gp2 = df.groupby('Gender')['Age'].mean()  
print(gp2)
```

```
Gender  
Female    39.238389  
Male      38.658237  
Name: Age, dtype: float64
```

```
gp3 = df.groupby(['Gender', 'Geography'])['Tenure'].mean()  
print(gp3)
```

```
Gender  Geography  
Female  France      4.950022  
        Germany     4.965633
```

```

        Spain      5.000000
Male    France      5.049401
        Germany     5.050152
        Spain      5.057637
Name: Tenure, dtype: float64

```

```

gp4 = df.groupby(['HasCrCard', 'IsActiveMember'])['Geography'].value_counts()
gp4.plot(kind="bar", figsize=(8,5))
print(gp4)

```

```

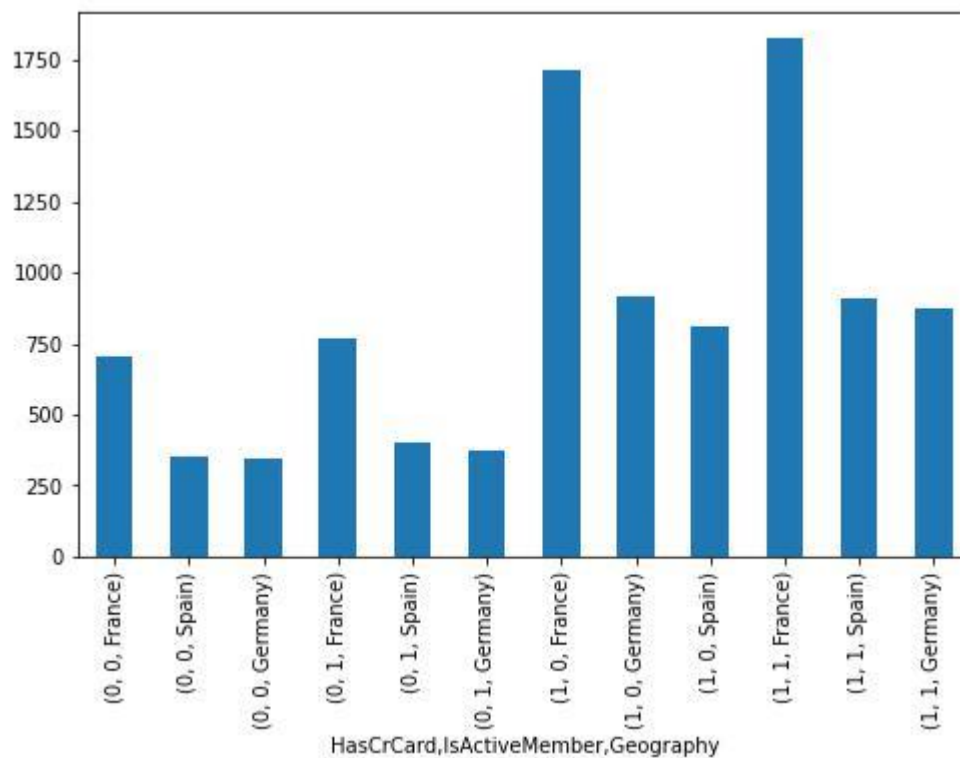
HasCrCard  IsActiveMember  Geography  count
0          0              France      706
          0              Spain      352
          1              Germany     343
          1              France      765
          1              Spain      404
          1              Germany     375
1          0              France     1717
          0              Germany     918
          0              Spain      813
          1              France     1826
          1              Spain      908
          1              Germany     873

```

```

Name: Geography, dtype: int64

```



```

gp5 = df.groupby(['Gender', 'HasCrCard', 'IsActiveMember'])['EstimatedSalary'].mean()
gp5.plot(kind="line", figsize=(8,6))
print(gp5)

```

Gender	HasCrCard	IsActiveMember	
Female	0	0	102006.080352
		1	102648.996944
	1	0	101208.014567
		1	98510.152300
Male	0	0	99756.431151
		1	99873.931251
	1	0	100353.378996
		1	98914.378703

Name: EstimatedSalary, dtype: float64



```
gp6 = df.groupby(['Gender','IsActiveMember'])['Exited'].value_counts()
gp6.plot(kind='bar',figsize=(8,6))
print(gp6)
```

Gender	IsActiveMember	Exited	
Female	0	0	1534
		1	725
	1	0	1870
		1	414
Male	0	0	2013
		1	577
	1	0	2546

```

gp7 = df.groupby('Exited')['Balance','EstimatedSalary'].mean()
print(gp7)

```

Name: Exited, dtype: int64

	Balance	EstimatedSalary
Exited		
0	72745.296779	99738.391772
1	91108.539337	101465.677531

20000 ↓

```

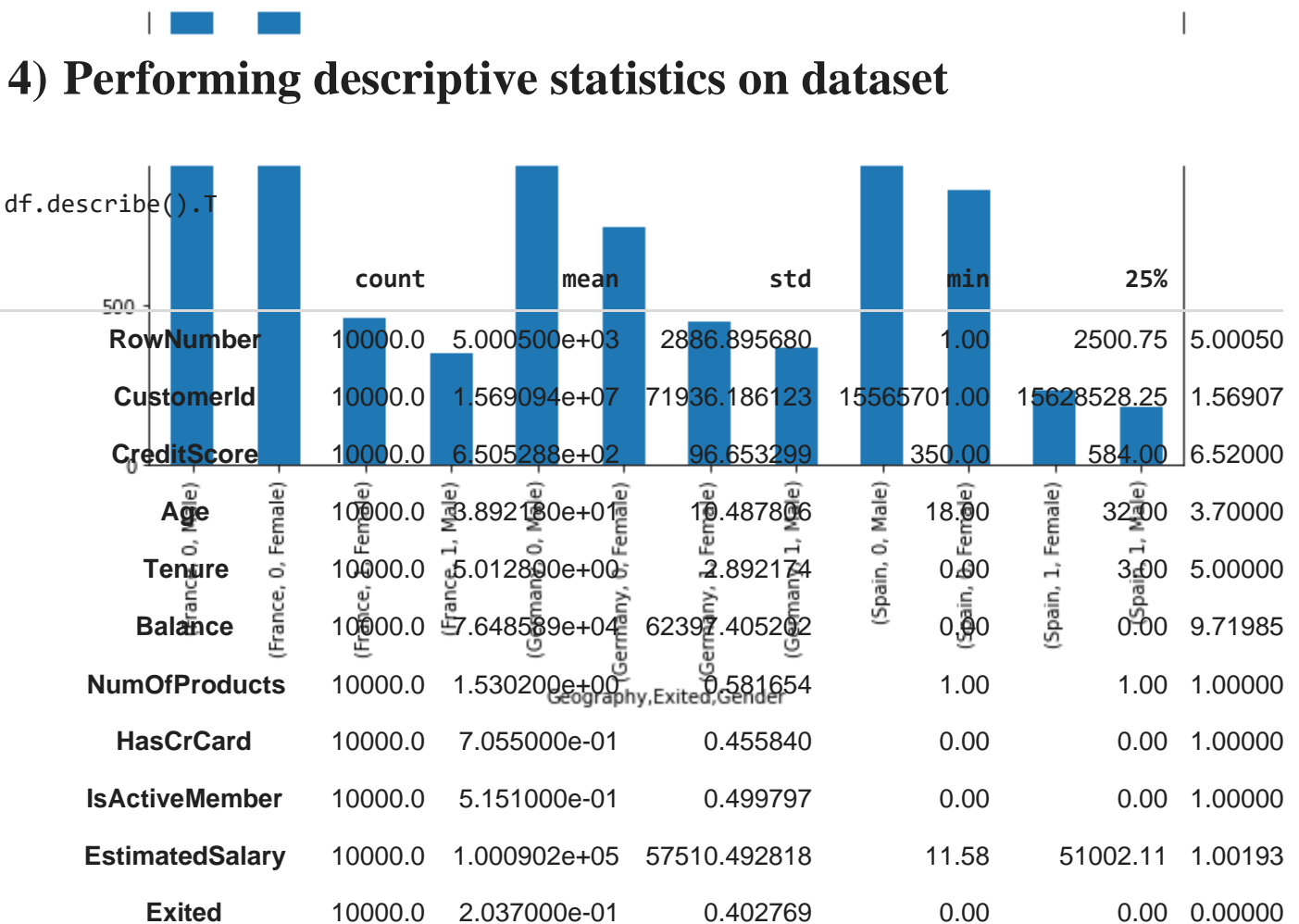
gp8 = df.groupby(['Geography','Exited'])['Gender'].value_counts()
gp8.plot(kind='bar',figsize=(10,8))
print (gp8)

```

Geography	Exited	Gender	
France	0	Male	2403
		Female	1801
	1	Female	460
		Male	350
Germany	0	Male	950
		Female	745
	1	Female	448
		Male	366
Spain	0	Male	1206
		Female	858
	1	Female	231
		Male	182

Inference:

1. Germany has more female customers compared to male customers.
2. Average age of Male is 38, whereas average age of Female is 39.
Name: Gender, dtype: int64
3. Tenure period for both male and female is high in Spain.
4. It is observed that, those who have credit card are very active member in the company.
5. The estimated salary for a person who is not having credit card is high when compared to those having them.
6. Churn for inactive member is high compared to active member.
7. Those who churn has their estimated salary very low.
8. France has the more churn rate.



▼ 5) Handle the Missing values

```
df.isnull().sum()
```

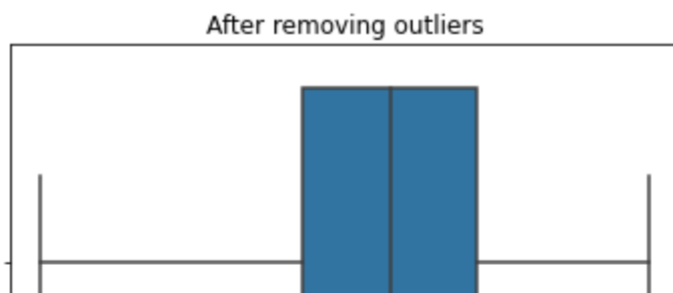
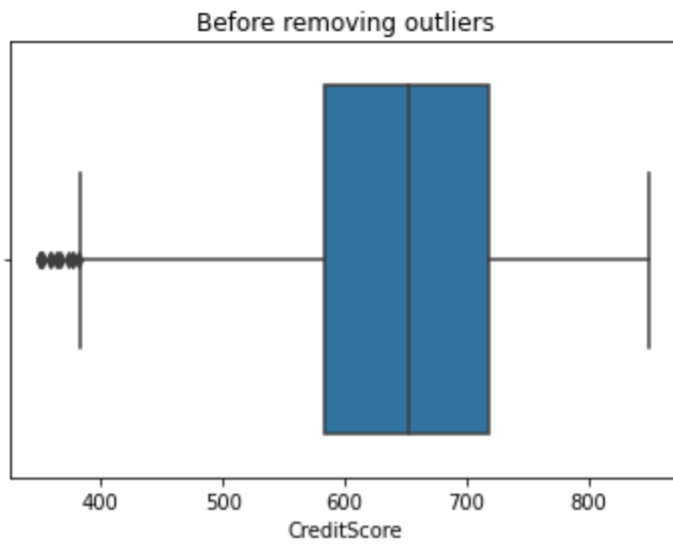
```
RowNumber      0
CustomerId      0
Surname         0
CreditScore     0
Geography      0
Gender         0
Age            0
Tenure         0
Balance        0
NumOfProducts  0
HasCrCard       0
IsActiveMember  0
EstimatedSalary 0
Exited         0
dtype: int64
```

There is no missing value in dataset

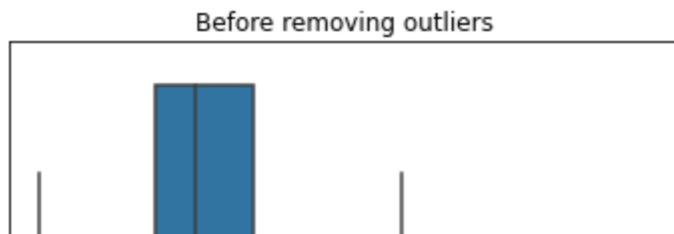
▼ 6) Finding the outliers and replacing it

```
def replace_outliers(df, field_name):
    Q1 = np.percentile(df[field_name],25,interpolation='midpoint')
    Q3 = np.percentile(df[field_name],75,interpolation='midpoint')
    IQR = Q3-Q1
    maxi = Q3+1.5*IQR
    mini = Q1-1.5*IQR
    df[field_name]=df[field_name].mask(df[field_name]>maxi,maxi)
    df[field_name]=df[field_name].mask(df[field_name]<mini,mini)
```

```
plt.title("Before removing outliers")
sns.boxplot(df['CreditScore'])
plt.show()
plt.title("After removing outliers")
replace_outliers(df, 'CreditScore')
sns.boxplot(df['CreditScore'])
plt.show()
```

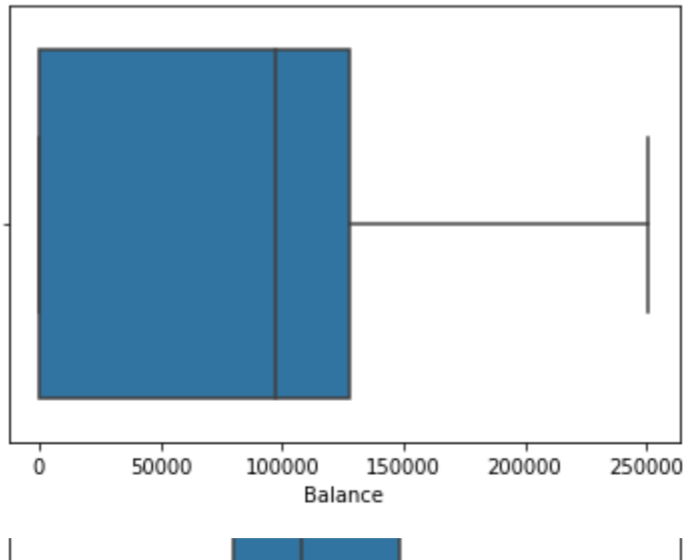


```
plt.title("Before removing outliers")
sns.boxplot(df['Age'])
plt.show()
plt.title("After removing outliers")
replace_outliers(df, 'Age')
sns.boxplot(df['Age'])
plt.show()
```

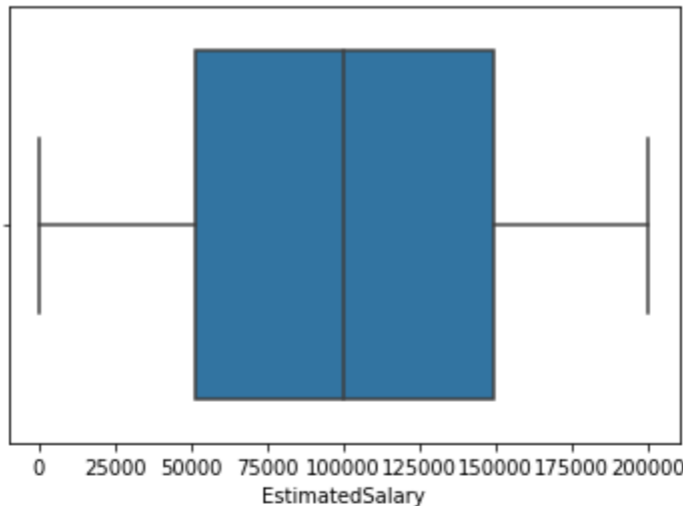
```
sns.boxplot(df['Balance'])
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc95ba3cf50>
```



```
sns.boxplot(df['EstimatedSalary'])
```

```
<matplotlib.axes._subplots.AxesSubplot at 0x7fc95b94a790>
```



The Outliers from Age and Credit Score columns are removed.

▼ 7) Check for categorical column and perform encoding

```
from sklearn.preprocessing import LabelEncoder
le = LabelEncoder()
```

```
df['Gender'] = le.fit_transform(df['Gender'])
df['Geography'] = le.fit_transform(df['Geography'])
```

```
df.head()
```

	RowNumber	CustomerId	Surname	CreditScore	Geography	Gender	Age	Tenure	Ba
0	1	15634602	Hargrave	619.0	0	0	42.0	2	
1	2	15647311	Hill	608.0	2	0	41.0	1	83
2	3	15619304	Onio	502.0	0	0	42.0	8	159
3	4	15701354	Boni	699.0	0	0	39.0	1	
4	5	15737888	Mitchell	850.0	2	0	43.0	2	125

Only two columns Gender and Geography is label encoded.

Removing unwanted columns and checking for feature importance

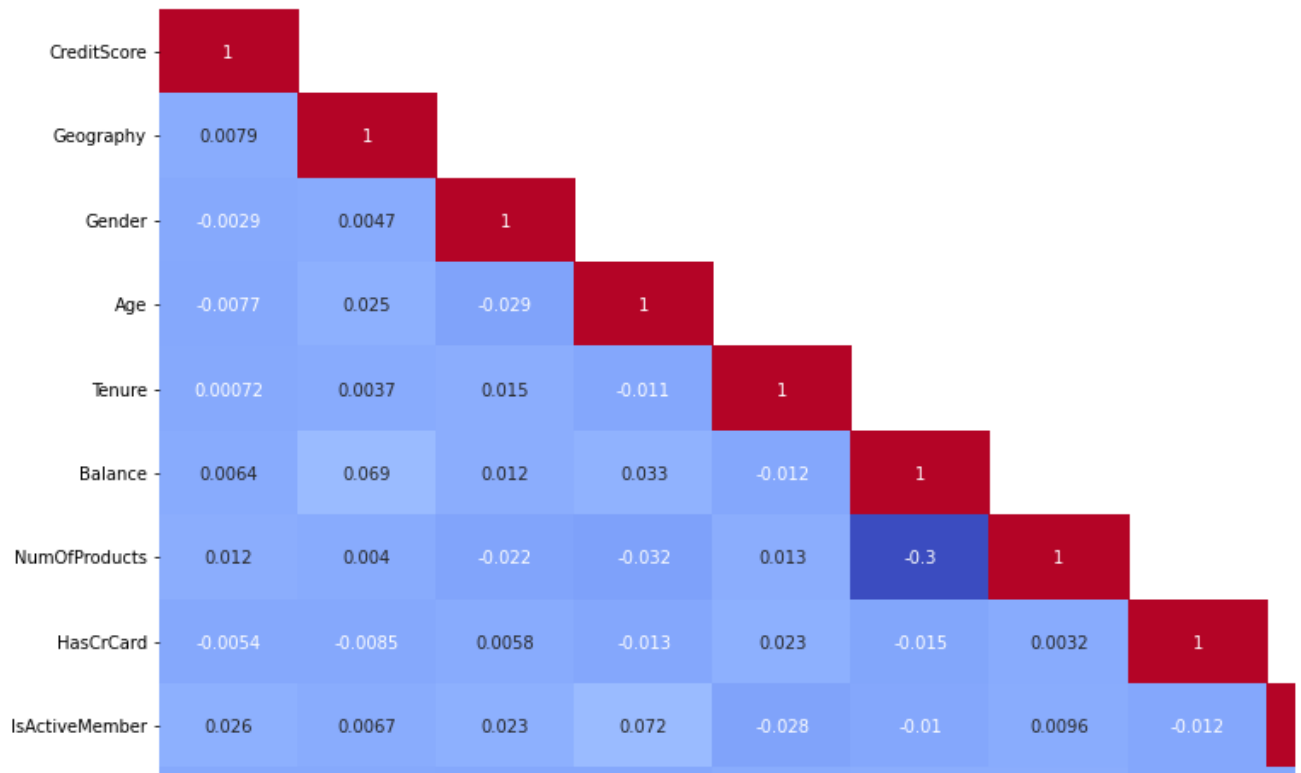
```
df = df.drop(['RowNumber', 'CustomerId', 'Surname'],axis=1)
```

```
df.head()
```

	CreditScore	Geography	Gender	Age	Tenure	Balance	NumOfProducts	HasCrCard
0	619.0	0	0	42.0	2	0.00	1	1
1	608.0	2	0	41.0	1	83807.86	1	0
2	502.0	0	0	42.0	8	159660.80	3	1
3	699.0	0	0	39.0	1	0.00	2	0
4	850.0	2	0	43.0	2	125510.82	1	1

```
plt.figure(figsize=(20,10))
df_lt = df.corr(method = "pearson")
df_lt1 = df_lt.where(np.tril(np.ones(df_lt.shape)).astype(np.bool))
sns.heatmap(df_lt1,annot=True,cmap="coolwarm")
```

<matplotlib.axes._subplots.AxesSubplot at 0x7fc95b0fefd0>



1. The Removed columns are nothing to do with model building.
2. Feature importance also checked using pearson correlation.

CreditScore Geography Gender Age Tenure Balance NumOfProducts HasCrCard IsActiveMember

8) Splitting the data into dependent and independent variables

```
target = df['Exited']
data = df.drop(['Exited'],axis=1)
```

```
print(data.shape)
print(target.shape)
```

```
(10000, 10)
(10000,)
```

9) Scaling the independent variables

```
from sklearn.preprocessing import
StandardScaler se = StandardScaler()
```

```
data['CreditScore'] = se.fit_transform(pd.DataFrame(data['CreditScore']))
data['Age'] = se.fit_transform(pd.DataFrame(data['Age']))
```

```
data['Balance'] = se.fit_transform(pd.DataFrame(data['Balance']))
data['EstimatedSalary'] = se.fit_transform(pd.DataFrame(data['EstimatedSalary']))

data.head()
```

	CreditScore	Geography	Gender	Age	Tenure	Balance	NumOfProducts	HasCrC
0	-0.326878	0	0	0.342615	2	-1.225848	1	
1	-0.440804	2	0	0.240011	1	0.117350	1	
2	-1.538636	0	0	0.342615	8	1.333053	3	
3	0.501675	0	0	0.034803	1	-1.225848	2	
4	2.065569	2	0	0.445219	2	0.785728	1	

▼ 10) Splitting the data into training and testing

```
from sklearn.model_selection import train_test_split
X_train,X_test,y_train,y_test = train_test_split(data,target,test_size=0.25,random_state=1

print(X_train.shape)
print(X_test.shape)
print(y_train.shape)
print(y_test.shape)

(7500, 10)
(2500, 10)
(7500,)
(2500,)
```

Conclusion: The model is scaled using StandarScaler method. The train and test split ratio is 15:5.
As it is a classification problem, basic algorithms can be used to build ML models