

Feature Engineering and Data Preparation

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Feature Engineering

- In the real world, not every data set is machine learning ready, we often need to perform data cleaning or try to produce more usable features.
- In this section, we'll work on the large linear regression data set to get it ready for a machine learning project.

Feature Engineering



What is feature engineering?

Is the process of using domain knowledge to extract features from raw data via data mining techniques.



But what does this actually entail?

Feature Engineering

Three general approaches:

- ❑ Extracting Information
- ❑ Combining Information
- ❑ Transforming Information

Feature Engineering

- Extracting Information
 - Imagine a dataset with visitor expenditure information for a bar.
 - We have a timestamp for each row:
 - ✓ 1990-12-01 09:26:03
 - In its current format, it's very difficult to pass into a machine learning algorithm.

Feature Engineering

- Extracting Information
 - In its current format, it's very difficult to pass into a machine learning algorithm.
 - There is no coefficient we can apply for a non-numeric data point:
 - ✓ 1990-12-01 09:26:03
 - In general for most algorithms we need to make sure features are float or int.

Feature Engineering

- Extracting Information
 - Instead, we extract information
 - 1990-12-01 09:26:03
 - Year: 1990
 - Month: 12
 - Weekday or Weekend (0/1)
 - Mon:1,Tues:2, ... Sun:7

Feature Engineering

- Extracting Information
 - More complex examples:
 - Text data for deed of house
 - Length of text
 - Number of times certain terms are mentioned

Feature Engineering

- Combining Information
 - We've actually already done this with Polynomial Regression!
 - Recall advertising spend could have possible interaction terms to consider, so we could multiply them together.

Feature Engineering

- Combining Information
 - Could also combine extracted information:
 - New Feature:
 - 0 or 1 value indicating:
 - Both weekend and evening?

Feature Engineering

- Transforming Information
 - Very common for string data
 - Most algorithms can not accept string data (can't multiply a string such as "red" by a numeric coefficient)

Feature Engineering

- Transforming Information
 - Often categorical data is presented as string data.
 - For example a large data set of social network users could have country of origin as a string feature (e.g. USA, UK, MEX, etc...)

Feature Engineering

- Transforming Information
 - We can use two approaches here:
 - Integer Encoding
 - One-hot Encoding (Dummy Variables)

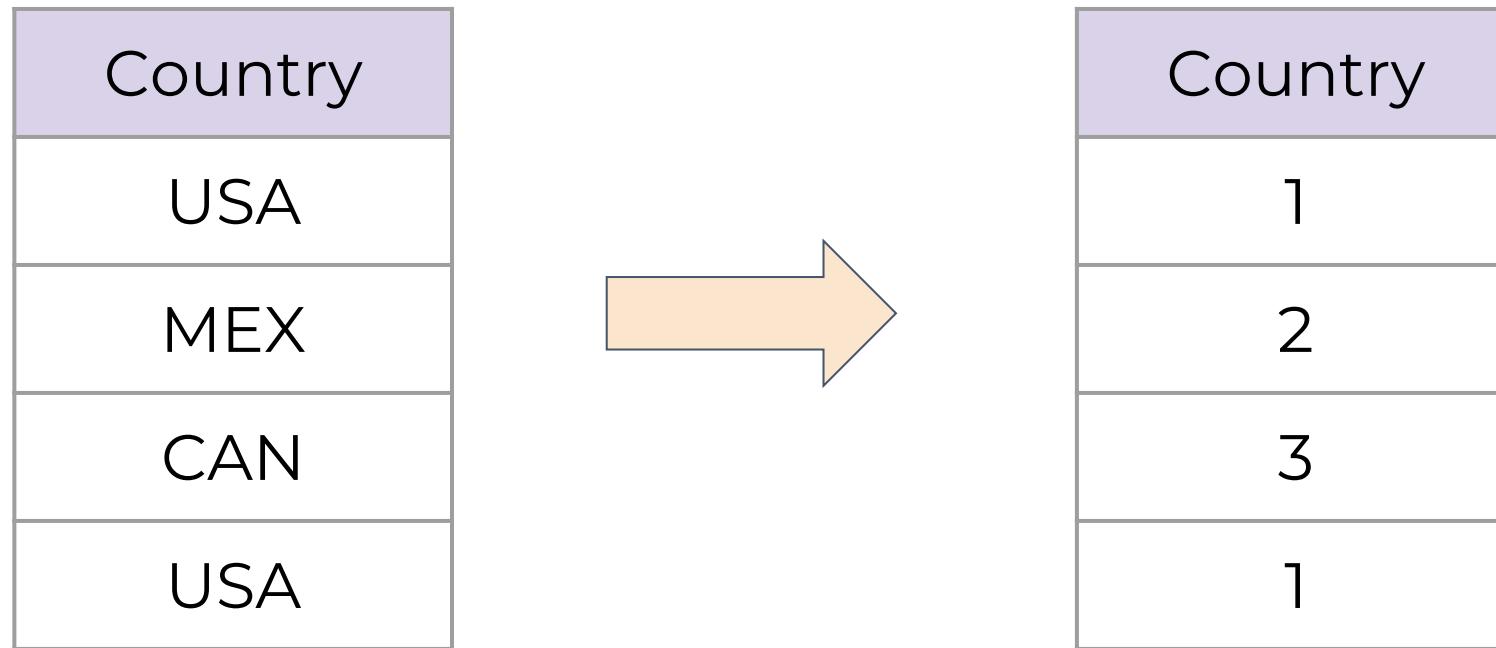
Feature Engineering

- Integer Encoding
 - Directly convert categories into integers 1,2,3...N

Country
USA
MEX
CAN
USA

Feature Engineering

- Integer Encoding
 - Directly convert categories into integers 1,2,3...N

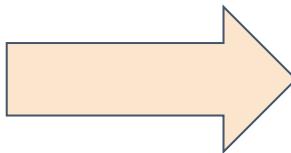


Feature Engineering

- Integer Encoding
 - Directly convert categories into integers 1,2,3...N
 - Possible issue is implied ordering and relationship (ordinal variable)

Here we see the implication MEX is twice the value of USA

Country
USA
MEX
CAN
USA



Country
1
2
3
1

Feature Engineering

- Integer Encoding
 - Pros:
 - Very easy to do and understand.
 - Does not increase number of features.
 - Cons:
 - Implies ordered relationship between categories.

Feature Engineering

- One Hot Encoding (Dummy Variables)
 - Convert categories into individual features that are either 0 or 1

No ordered relationship is implied between categories.

Country
USA
MEX
CAN
USA



	USA	MEX	CAN
USA	1	0	0
MEX	0	1	0
CAN	0	0	1
USA	1	0	0

Feature Engineering

- One Hot Encoding (Dummy Variables)
 - No ordered relationship is implied between categories.

Country
USA
MEX
CAN
USA



	USA	MEX	CAN
USA	1	0	0
MEX	0	1	0
CAN	0	0	1
USA	1	0	0

Feature Engineering

- One Hot Encoding (Dummy Variables)
 - However, we greatly expanded our feature set, many more columns.

Country
USA
MEX
CAN
USA



	USA	MEX	CAN
1	0	0	0
0	1	0	0
0	0	1	0
1	0	0	0

Feature Engineering

- One Hot Encoding (Dummy Variables)
 - We can try to reduce this feature column expansion by creating higher level categories.
 - For example, regions or continents instead of countries.

Feature Engineering

- One Hot Encoding (Dummy Variables)
 - Using pandas .map() or .apply() can achieve this.
 - May require a lot of tuning and domain experience to choose reasonable higher level categories or mappings.

Feature Engineering

- One Hot Encoding (Dummy Variables)
 - The new columns are duplicate information with inverted encoding.

Vertical Direction
UP
DOWN
UP
DOWN



UP	DOW N
1	0
0	1
1	0
0	1

Feature Engineering

- One Hot Encoding (Dummy Variables)
 - Also, must be aware of the “dummy variable trap”, mathematically known as multi-collinearity.
 - Converting to dummy variables can cause features to be duplicated.
 - Let’s consider the simplest possible example...

Feature Engineering

- One Hot Encoding (Dummy Variables)
 - Pros:
 - No ordering implied.
 - Cons:
 - Potential to create many more feature columns and coefficients.
 - Dummy variable trap consideration.
 - Not easy to add new categories.

Feature Engineering

- Throughout this section of the course, we'll work on addressing the following issues:
 - ❑ Outliers in Data
 - ❑ Missing Data
 - ❑ Categorical Data
- Not every issue here is strictly “feature engineering”, but could also be called “data cleaning”.

Feature Engineering

- Keep in mind feature engineering in general will always be data and domain dependent.
- There is no one size fits all solution!

Dealing with Outliers

Outliers

- Often a data set will have a few points that are extreme outliers.
- It's often better to simply remove these few points from the data set in order to have a more generalized model.

Outliers

- Outlier Considerations
 - Definition of an Outlier
 - Range and Limits
 - Percentage of Data
 - These are both very domain dependant!

Outliers

- Outlier Considerations
 - Range and Limits
 - We need to decide what will constitute an outlier with some methodology:
 - InterQuartile Range
 - Standard Deviation
 - Visualized or Domain Limit Value

Outliers

- Outlier Considerations
 - Percentage of Data
 - Keep in mind if a large percentage of your data is being labeled as an outlier, then you actually just have a wide distribution, not outliers!
 - Limit outliers to a few percentage points at most.

Outliers

- Outlier Considerations
 - Utilize visualization plots to be able to see and identify outlier points.
 - Keep in mind, this will create caveats for your future model (e.g. Model not suitable for houses priced over \$10 Million)

Outliers

- Keep in mind, there is no 100% correct outlier methodology that will apply to every situation.
- Let's explore the Ames Data Set for outliers!

Dealing with Missing Data

PART ONE: EVALUATING WHAT IS MISSING

Missing Data

- Make sure you've viewed the "Missing Data" lecture in the pandas section **before** continuing with this series of lectures!
- Many concepts and methods referred to here were explained in those lectures.

Missing Data

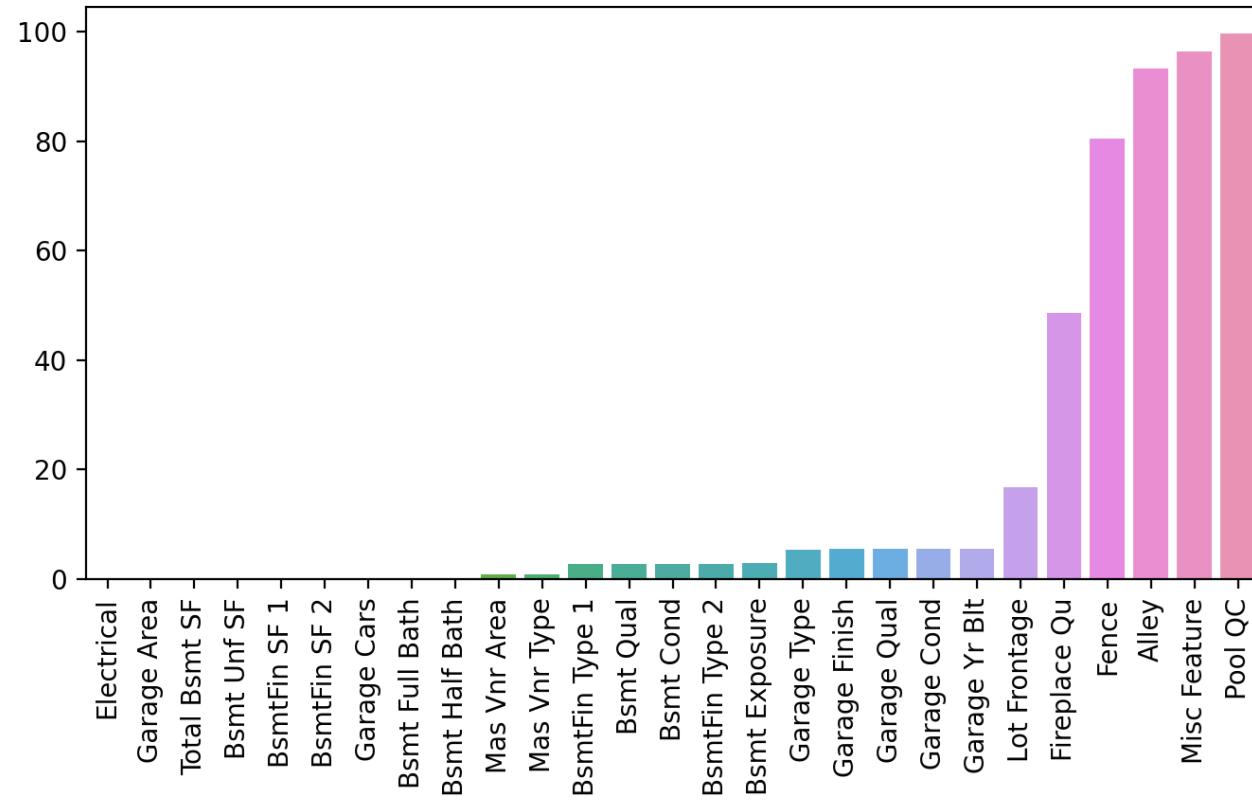
- Working with the Ames data set, in Part One we will focus on evaluating just how much data is missing.

Dealing with Missing Data

PART TWO: FILLING DATA FOR ROWS

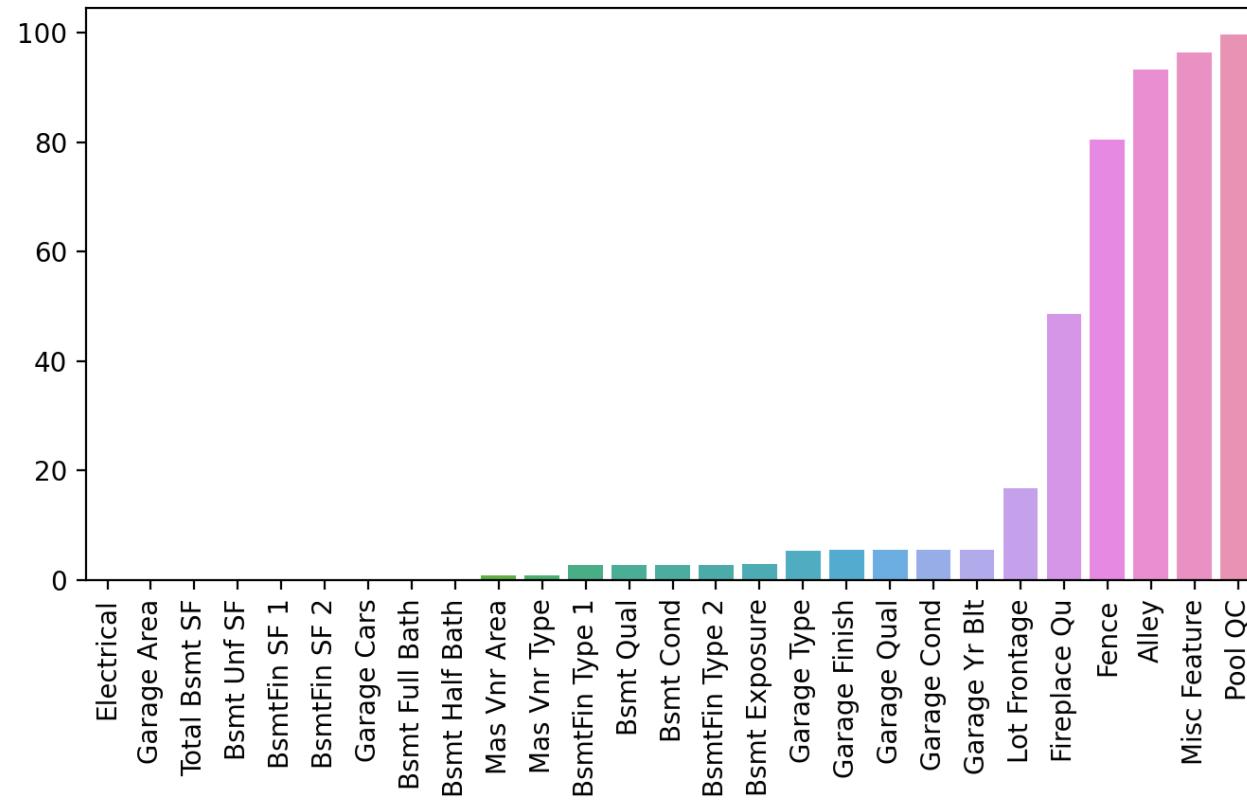
Missing Data

- Recall we just calculated percentage of data missing per feature column:



Missing Data

- Let's first work on considering features that have a very small percent missing.

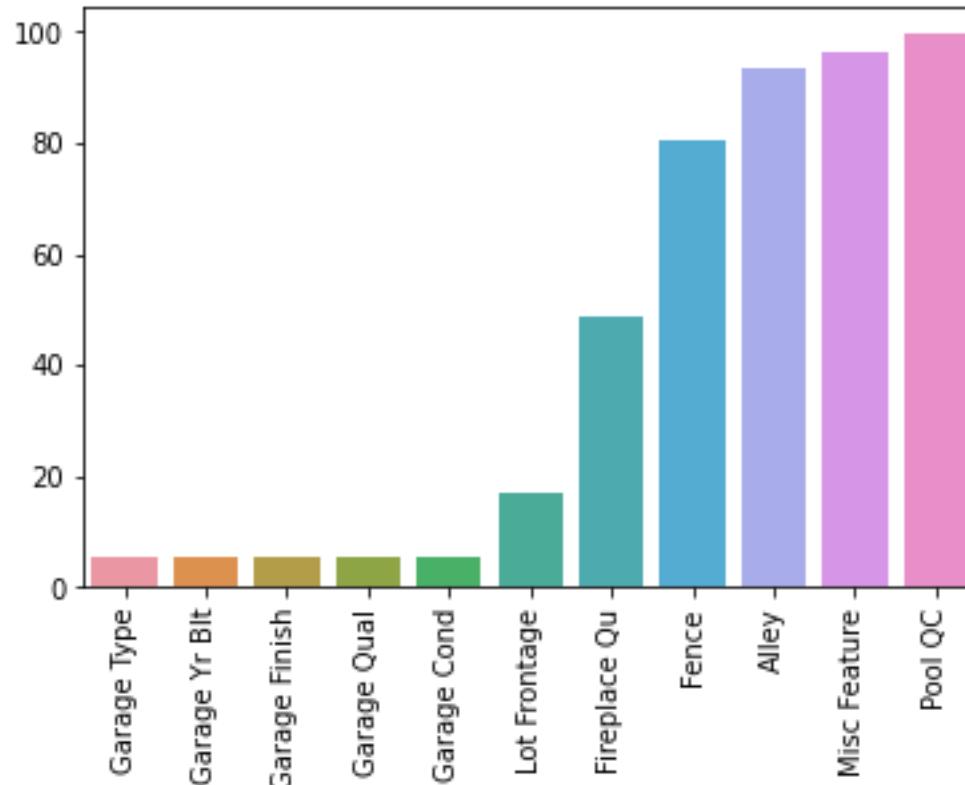


Missing Data

- In the case of just a few rows missing the feature data, we'll consider either dropping these few rows or filling in with a reasonable assumption based off domain knowledge.
- Let's jump to the notebook to explore our options!

Missing Data

- We are now dealing with missing data that goes beyond our 1% threshold.



Missing Data

- Two main approaches here:
 - *Fill in the missing values*
 - *Drop the feature column*
- Let's consider the pros and cons of each approach...

Missing Data

- Dropping the feature column:
 - *Very simple to do.*
 - *No longer need to worry about that feature in the future.*
 - *Potential to lose a feature with possible important signal.*
 - *Should consider drop feature approach when many rows are NaN.*

Missing Data

- Filling in the missing feature data:
 - *Potentially changing ground truth in data.*
 - *Must decide on reasonable estimation to filled value.*
 - *Must apply transformation to all future data for predictions.*

Missing Data

- Filling in the missing feature data:
 - *Simplest case:*
 - Replace all NaN values with a reasonable assumption (e.g. zero if assumed NaN implied zero)
 - *Harder cases:*
 - Must use statistical methods based on other columns to fill in NaN values.

Missing Data

- Filling in the missing feature data:
 - *Statistical Estimation:*
 - *Dataset about people with some age data missing.*
 - *Could use current career/education status to fill in data (e.g. people currently in college fill in with 20 yrs)*

Missing Data

- Let's explore both approaches!
 - *Important note!*
 - *Realistically on the Ames data set, many NaN values are probably actually correctly “zero”. But we want to show the methodology for multiple approaches!*

Dealing with Categorical Data

Categorical Data

- We're going to jump straight to the transformation of the data, but make sure to have watched the section introduction lecture in full for a detailed discussion on dummy variables and one hot encoding!