



**LECTURE 13** 

DR. GAURAV DIXIT

**DEPARTMENT OF MANAGEMENT STUDIES** 



- Large no. of variables
  - Subsets of variables might be highly correlated
  - Computational issues
  - Costs of data preparation, exploration, and conditioning
  - Dimensionality (Principle of Parsimony)
- Dimension Reduction is also called as factor selection or feature extraction is some domains



- Dimension Reduction Techniques
  - Domain Knowledge
  - Data Exploration Techniques
  - Data Conversion Techniques
  - Automated reduction Techniques
  - Data Mining Techniques



- Domain Knowledge
  - Identifying key variables for the data mining task
  - Removing redundant variables
  - Identifying erroneous variables
  - Measurement issues for variables



- Data Exploration Techniques
  - Descriptive statistics
    - Summary statistics
    - Pivot tables
    - Correlation analysis
  - Visualization Techniques

Open RStudio



- Data Conversion Techniques
  - Combining categories
  - Converting a categorical variable into a numerical variable

RStudio

- Automated reduction Techniques
  - Principal Component Analysis (PCA)



## Key References

- Data Science and Big Data Analytics: Discovering, Analyzing,
  Visualizing and Presenting Data by EMC Education Services
  (2015)
- Data Mining for Business Intelligence: Concepts, Techniques, and Applications in Microsoft Office Excel with XLMiner by Shmueli, G., Patel, N. R., & Bruce, P. C. (2010)



# Thanks...