# Kung Fu Pandas Report

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# 0.1 Kung Fu Pandas Report

#### **0.1.1** Authors:

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#### 0.2 Introduction

As a team, our goal will be to implement methods learned during Data Mining course in order to obtain the most accurate regression model, predicting the price of a car. Multiple preprocessing techniques will be utilized in the following experiments; feature normalization, standardization, selection and extraction. These techniques are crucial for transforming raw data into a format suitable for training machine learning models.

# 0.3 Description of the dataset

The dataset under consideration, "90,000+ Cars Data From 1970 to 2024", offers a comprehensive collection of car-related information spanning several decades. With over 90,000 entries and 10 columns, this dataset provides a rich source of data for our analysis. The original dataset comprising 100,000 scraped used car listings was collected and cleaned by Aditya. Due to its recent availability of only 2 months, hopefully we will be able to discover plenty of new, unexpected and insightful relationships.

# 0.4 Description of the input features

```
[1]: import pandas as pd
import numpy as np
import matplotlib.pyplot as plt
import seaborn as sns

data = pd.read_csv('CarsData.csv')
target = data.price
input_features = data.drop('price', axis=1)
```

Input comprise 9 features: 1. model 2. year 3. transmissions 4. mileage, 5. fuelType, 6. tax, 7. mpg, 8. engineSize, 9. Manufacturer,

5 of them being numerical and 4 categorical.

# 0.5 Exploratory Analysis of the input features

Let's take a glance at the data:

```
[2]: input_features.head()
```

```
[2]:
                model
                        year transmission
                                            mileage fuelType
                                                                           engineSize
                                                               tax
                                                                     mpg
     0
                   I10
                        2017
                                    Manual
                                              11630
                                                       Petrol
                                                               145
                                                                    60.1
                                                                                  1.0
     1
                  Polo
                        2017
                                               9200
                                                       Petrol 145
                                                                    58.9
                                                                                  1.0
                                    Manual
     2
                                                                                  2.0
             2 Series
                        2019
                                 Semi-Auto
                                               1614
                                                      Diesel 145
                                                                    49.6
     3
         Yeti Outdoor
                        2017
                                    Manual
                                              30960
                                                       Diesel
                                                               150
                                                                    62.8
                                                                                  2.0
     4
               Fiesta 2017
                                              19353
                                                       Petrol 125
                                                                    54.3
                                    Manual
                                                                                  1.2
```

Manufacturer
0 hyundi
1 volkswagen
2 BMW
3 skoda
4 ford

Now, we will inspect each column for missing values and incoherent datatypes.

### [3]: input\_features.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 97712 entries, 0 to 97711
Data columns (total 9 columns):

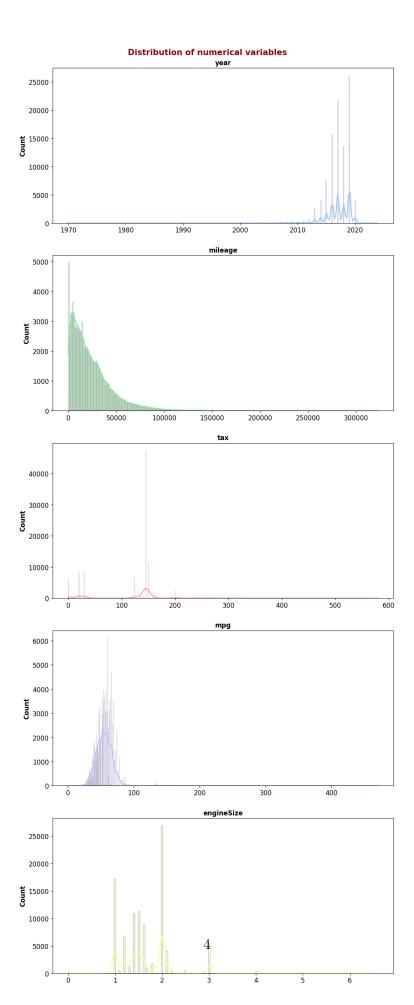
#	Column	Non-Null Count	Dtype
0	model	97712 non-null	object
1	year	97712 non-null	int64
2	transmission	97712 non-null	object
3	mileage	97712 non-null	int64
4	fuelType	97712 non-null	object
5	tax	97712 non-null	int64
6	mpg	97712 non-null	float64
7	engineSize	97712 non-null	float64
8	Manufacturer	97712 non-null	object
<pre>dtypes: float64(2), int64(3), object(4)</pre>			
memory usage: 6.7+ MB			

Fortunately, there are no missing values in our dataset. Furthermore, we can see the number of entries (97712) and the number of input features (9). Additionally, we can now divide our features into numerical and categorical.

```
[4]: num_cols = ['year', 'mileage', 'tax', 'mpg', 'engineSize']
cat_cols = ['model', 'transmission', 'fuelType', 'Manufacturer']
```

Now we will explore the distributions of numerical data.

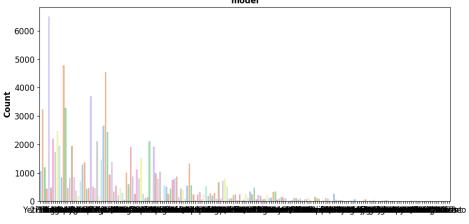
```
[5]: fig, axes = plt.subplots(5, 1, figsize=(10, 25))
     axes = axes.flat # flatten the axis to iterate over them
     for i, col in enumerate(num_cols):
         sns.histplot(data=input_features,
             x=col,
             stat='count',
             kde=True, # smoothen the histogram
             color=sns.color_palette('pastel6')[i],
             line_kws={'linewidth': 2},
             alpha=0.4,
             ax=axes[i])
         axes[i].set_xlabel(" ")
         axes[i].set_ylabel("Count", fontsize=12, fontweight='bold', color='black')
         axes[i].set_title(col, fontsize=12, fontweight='bold', color='black')
         axes[i].tick_params(labelsize=12)
     fig.suptitle('Distribution of numerical variables', fontsize=15, __
      →fontweight='bold', color='darkred')
     fig.tight_layout()
     fig.subplots_adjust(top=0.96)
     plt.show()
```

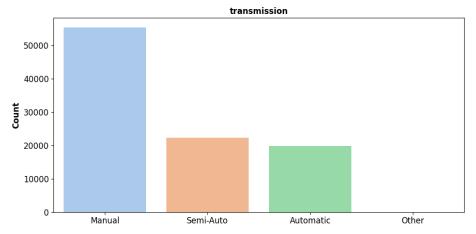


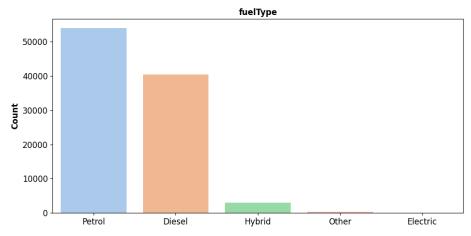
Great. Let's take a look at the distribution of categorical variables.

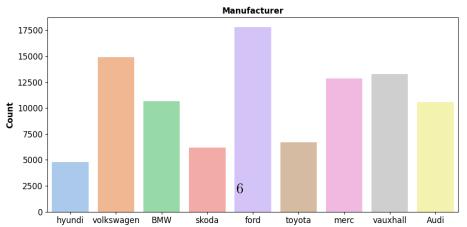
sns.countplot(data=input\_features, x=col, palette='pastel', ax=axes[i])









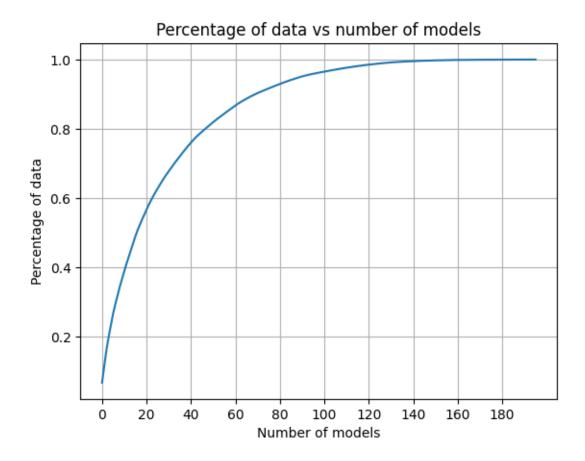


As we can see, there is only a relatively small variety of categories in each column, except for the model. We will need to figure out a way to make it more convienient, such that it is easier to interpret and won't overfit the model.

29 0.6588852955624692

That's interesting, isn't it? 15% of all models contribute to almost 66% of the whole dataset! Let's find the most informative

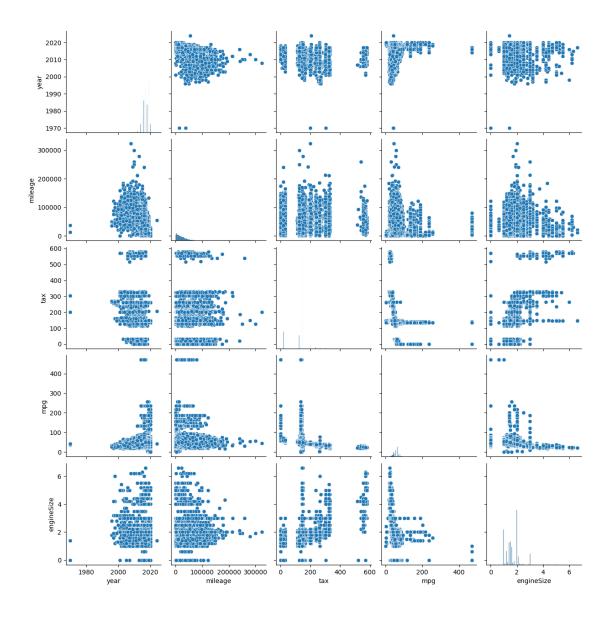
```
[8]: # plot number of models vs their count
data_percent_vs_num_of_models = []
for i in range(len(data.model.value_counts())):
    data_percent_vs_num_of_models.append(data.model.value_counts(normalize=True).
    iloc[:i+1].sum())
plt.plot([i for i in range(len(data.model.value_counts()))],
    data_percent_vs_num_of_models)
plt.grid()
plt.xticks([i for i in range(0, len(data.model.value_counts()), 20)])
plt.xlabel('Number of models')
plt.ylabel('Percentage of data')
plt.title('Percentage of data vs number of models')
plt.show()
```



As we can see, the elbow is not obvious, however we can select a desired threshold value easily. Furthermore, we can look for correlation between pairs of variables using pairplot!

```
[9]: import seaborn as sns
sns.pairplot(input_features)
```

[9]: <seaborn.axisgrid.PairGrid at 0x7fbed626ec80>



# 0.6 Preprocessing techniques used in the assignment

#### 0.6.1 Description

We used several preprocessing techniques in our project for the purpose of amplifing our model's results. The process should be divided into two stages: #### Numerical data Following methods were applied to the numerical data: - normalization - standardization #### Categorical data When it comes to the categorical data, we used OneHotEncoding in order to express qualitative attributes in a suitable way for machine learning algorithm. It is worth mentioning that **model** column had almost 200 unique values, making it problematic to say the least. We decided to set a threshold on models; in order for the model to be included in the final OHE, we included only those of them that constituted at least 1% of the overall data. The remaining rows were labeled as "other". This way, we retained most of the variability (information), while giving the model better means to generalize easily.

The file process.py is responsible for processing the dataset. To generate a preprocessed dataset, run the following command:

#### \$ python process.py [OUTPUT FILE NAME]

Argument OUTPUT FILE NAME should be the name of a CSV file to which the result shall be written. ### Motivation Data preprocessing is key in the regression process. It provides means to transform data in such a way that our model can easily work with it. Moreover, we limit the size of the data, while maintaining the information content. Our goal is to allow the model to accurately generalize unseen data, therefore avoiding overfitting.

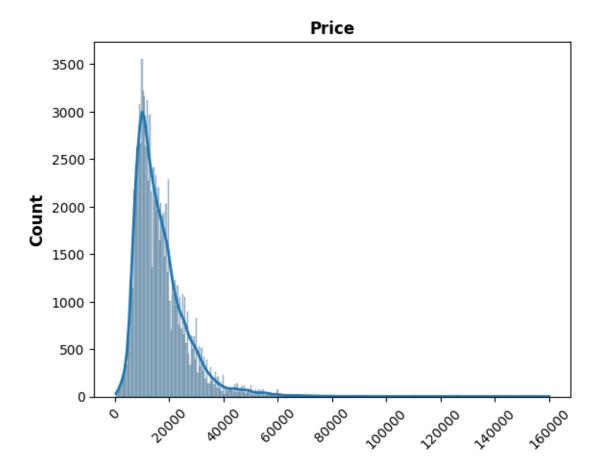
# 0.7 Description of the output features

Our output feature is the **price** column. As you can imagine, by default it is expressed in dollars.

#### 0.8 Exploratory analysis of the output features

As we can see above, there are no null values. Datatype is int64.

Let's inspect the distribution of our target variable.



As we can see, the data can be assumed as normally distributed. Now we will take a look at some summary statistics.

```
[12]:
     target.describe()
[12]: count
                97712.000000
                 16773.487555
      mean
                  9868.552222
      std
                   450.000000
      \min
      25%
                  9999.000000
      50%
                 14470.000000
      75%
                 20750.000000
                159999.000000
      max
      Name: price, dtype: float64
```

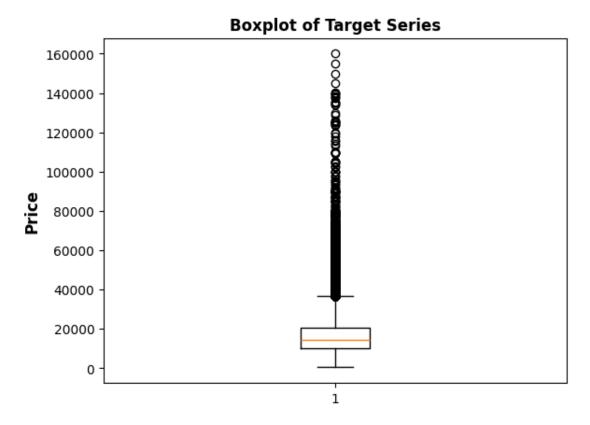
Well, mean is calculated to be below 17k\$, whereas maximum value is almost 10 times that number. Maybe we should take a closer look at this particular outlier?

```
[13]: data[target == max(target)]
```

```
[13]:
               model
                              price transmission mileage fuelType tax
                      year
                                                                          mpg
      92579
             G Class 2020 159999
                                       Semi-Auto
                                                     1350
                                                            Petrol
                                                                    145
                                                                         21.4
             engineSize Manufacturer
                    4.0
      92579
                                merc
```

As we can see, G Class Mercedes might be pretty expensive.

Considering the outlier, histogram is a bit skewed due to unnecessarly long price range. Maybe boxplot would be more informative?

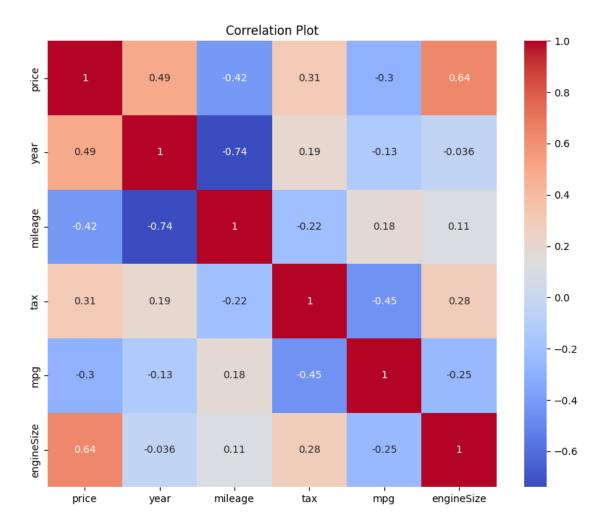


Great, now it would be useful to get some knowledge about correlated features:

```
[18]: # Calculate the correlation matrix
corr_matrix = data[['price'] + num_cols].corr()
```

```
# Create a heatmap of the correlation matrix
plt.figure(figsize=(10, 8))
sns.heatmap(corr_matrix, annot=True, cmap='coolwarm')
plt.title('Correlation Plot')
```

[18]: Text(0.5, 1.0, 'Correlation Plot')



Based on the above plot we can notice that price is highly positively correlated with engineSize and year of production. Both of these findings are quite intuitive. Additionally, we can see that mileage is strongly negatively correlated to price. It is clear that used cars and high prices don't go along.

### 0.9 Conclusions

Even though our dataset is relatively clean, it still required a lot of preprocessing work. The above exploration was an interesting endeveour and led to many informative inferences. Hopefully, with that knowledge, we will be able to create a well-performing machine learning model!