

## **Problem Statement 2:**

- 1. Import the necessary libraries like pandas, Numpy, sns etc.
- 2. Reading the data with the help of pandas
- 3. Removing the column names of dataset so that it is easy to use
- 4. Separating the dataset into numeric dataset and non-numeric dataset
- 5. Summarising data
- 6. Doing EDA for our dataset, we found out the followings:

## Interpretation:

- There are 4 numeric and 1 categorical column.
- There are 400 rows and 5 columns.
- Columns in the dataset are ['User\_ID', 'Gender', 'Age', 'EstimatedSalary', 'Purchased'] respectively.
- Dataframe has 5 columns. It is clear that there is no missing value present.
- There are 0 duplicate Rows in the dataset.
- We can see that there is positive correlation between Age and purchased.
- We can see that most of the people didn't purchased
- We can see that person whose age is above 40 are more likely to purchase.
- Female whose age is above 40 are more likely to purchase.
- Average age for a person to purchase is 38.
- It is clear that User\_ID is just a set of unique values because its mean is 1. It is recommended to remove these types of columns.

## 7. Feature Engineering:

- There is no missing values.
- Checking if missing values are present then processed further.
- Removing duplicates values if present.
- Converting Categorical column to numeric column.
- 8. Feature Selection and spilt:
  - Splitting the training and testing set from dataset.
- 9. Feature Scaling:
  - Scaling the train and test data so that every column is in certain range rather than influencing each other.
  - By using StandardScaler(), we can scale the data.

## 10. Model fitting:

- Here we use Logistic Regression because dependent variable(target) is discrete.
- Model:
  - $\rightarrow$  Output => 0 or 1: (<=50k or >50k)
  - $\triangleright$  Hypothesis => Z = WX + B
  - $\triangleright$  Activation function => Sigmoid (0,1)
  - $\triangleright$  Decision boundary => threshold = 0.5 (1 if y >0.5, 0 if y <0.5)
  - $\triangleright$  Cost function => Mean squared error  $(-y * \log(h(x) (1 y) * \log(1 h(x)))$
  - Gradient descent => w = w (learning rate\* dw\*T) & b = b (learning rate\* db)
    - W weight, b bias.

- Gradient descent updates the weights if cost function converges (minimize). There will be global minimum that mean where ever the point gradient descent starts it always converges at same point.
- 11. Predict the class 1 or 0.
- 12. Root mean Square error is calculated and RMSE is 0.44
- 13. Confusion matrix is build based on test set and predicted test set. Classification report is generated. Accuracy is around 89%.
- 14. Decision tree model is used with criterion "entropy" from Sklearn.
- 15. Then we used listedColormap for output plot.
- 16. Conclusion: Models build from scratch and from Sklearn classifies the same.