

**python**



# **Class: Machine Learning**



**Topic**



**Introduction to Machine Learning**

# What We Have Learnt

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Getting started with exploratory data analysis



# Machine Learning

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## What We Will Learn

Introduction

Examples

Tasks Performed

Algorithms

Advance Concepts

Implementation Using Credit Default Dataset

# Getting Started

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## What is Machine Learning?

*"Machine Learning is the field of study that gives computers the ability to learn without being explicitly programmed"*

- **Arthur Samuels, 1959**



*"A computer program is said to learn from experience  $E$  with respect to some task  $T$  and some performance measure  $P$ , if its performance on  $T$ , as measured by  $P$ , improves with experience  $E$ ."*

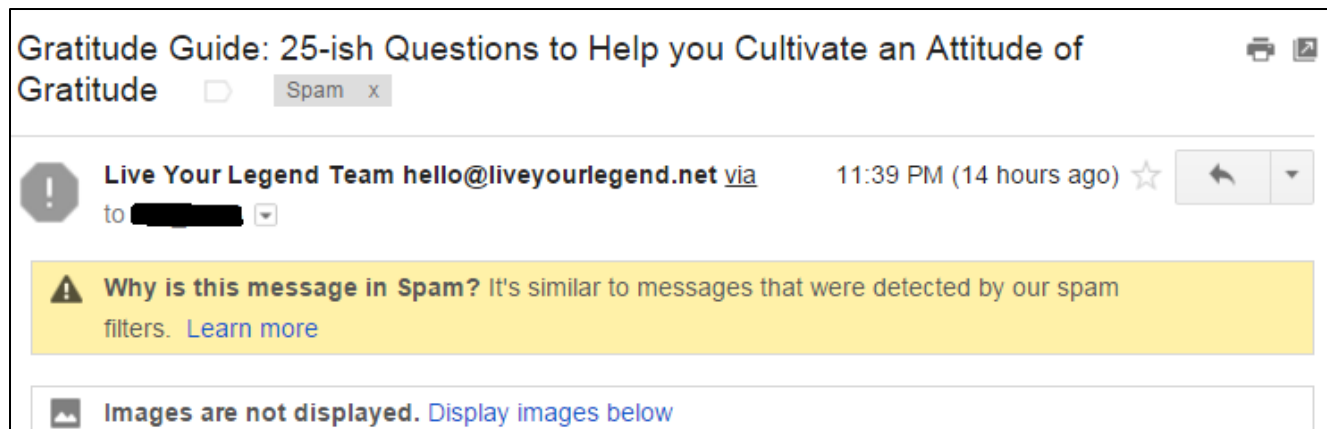
- **Tom Mitchell, Carnegie Mellon University**



# Examples

## Our Daily Lives

### Gmail Spam Filtering



Any popular e-mail service provider today can mark e-mails as spam with a reasonable degree of accuracy

# Examples

## Our Daily Lives

### Product Recommendation by Ecommerce Websites

RECOMMENDATIONS BASED ON YOUR BROWSING HISTORY

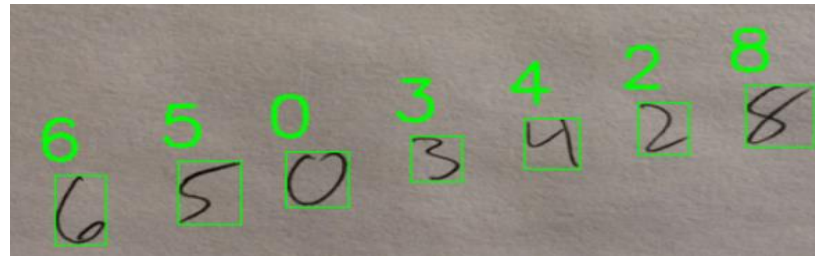
				
Asus Fonepad 7 2014 FE170CG Tablet	Lenovo A7-30 Tablet	Dell Venue 7 3741 Tablet	Mi Pad	Lenovo Tab 2 A7-30 3G Tablet
★★★★★	★★★★★	★★★★★	★★★★★	★★★★★
Rs 8,499 (5% Off) <b>Rs 7,990</b>	Rs 9,500 (28% Off) <b>Rs 6,749</b>	Rs 10,999 (35% Off) <b>Rs 7,059</b>	<b>Rs 12,999</b>	Rs 11,800 (19% Off) <b>Rs 9,499</b>

Application of machine learning algorithms

# Examples

## Our Daily Lives

### Handwritten Character Recognition



Machine learning algorithms can classify handwritten digits with close to 100% accuracy



# Examples

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## Our Daily Lives

ABS on Cars



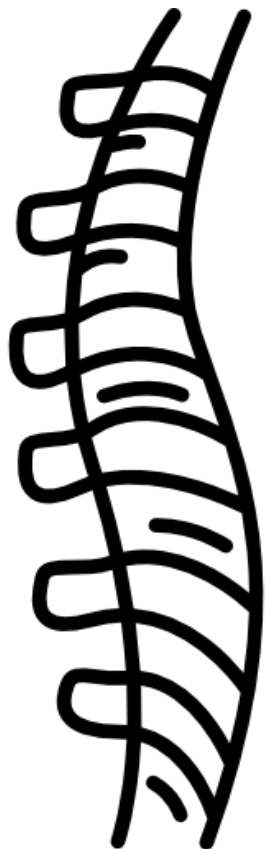
Auto pilot on Tesla cars

Self-driving cars from Google



# Evolution of Machine Learning

## Ideas and Methodologies



Probability and Statistics

Computer Science



Computational Biology

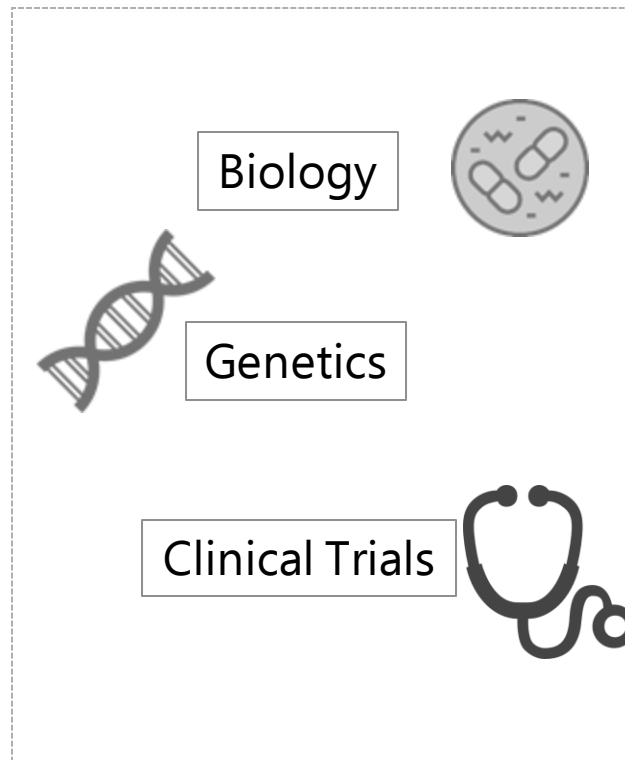
Backbone of modern Machine Learning theory



# Evolution of Machine Learning

## Ideas and Methodologies

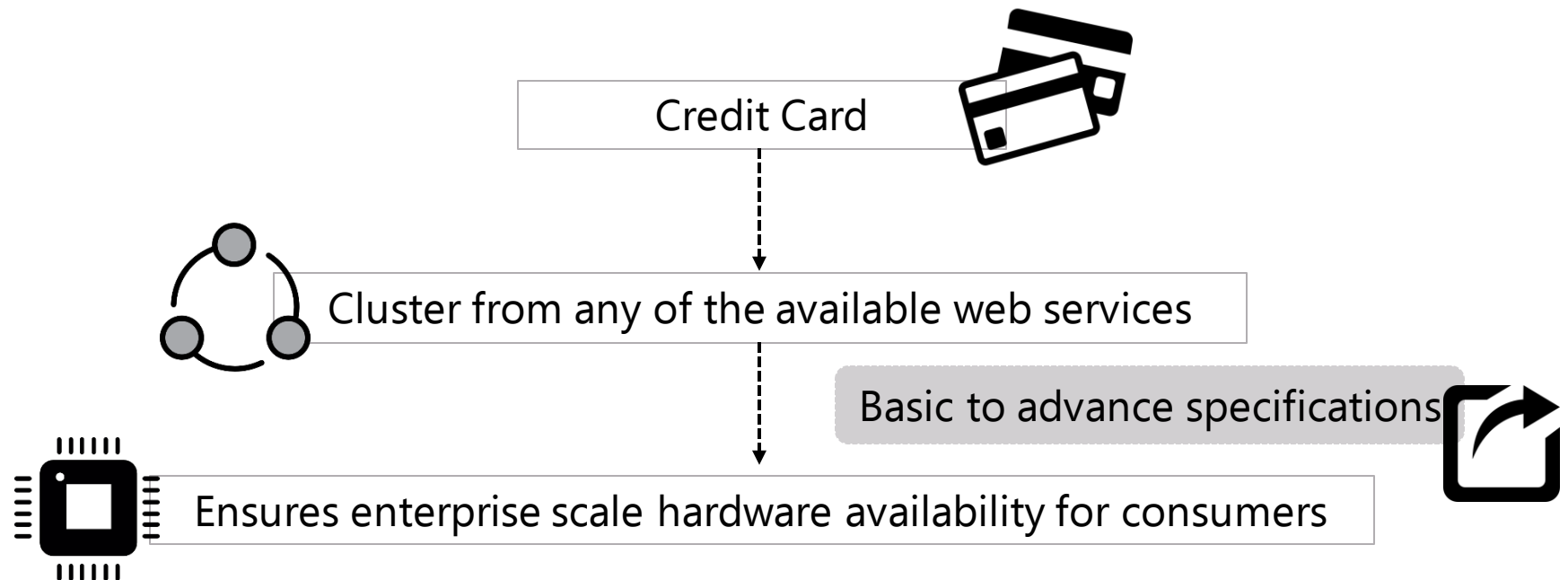
Fields from Social  
Sciences



# Evolution of Machine Learning

## Ideas and Methodologies

### Advent of Modern Computing Power



# Evolution of Machine Learning

## Ideas and Methodologies



Good results on problems considered historically difficult to solve have given Machine Learning much popularity in Press



# Getting Started with Machine Learning

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Starting point should be a question with a specific business context in mind



# Getting Started with Machine Learning

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## Why is Image Recognition Important?



Helps solve a specific business problem

# Getting Started with Machine Learning

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## The Process



Why do you think predicting whether a customer will default credit card payment next month is useful from a business perspective

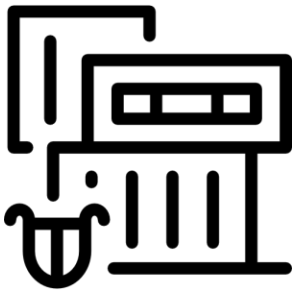




# Getting Started with Machine Learning

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## The Process



Data relevant to the question needs to be gathered

Historical data helps the machine learn from it



# Getting Started with Machine Learning

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## The Process



Once the machine learns from historical data, it needs some additional data to determine how well it has learnt

# Getting Started with Machine Learning

## The Process

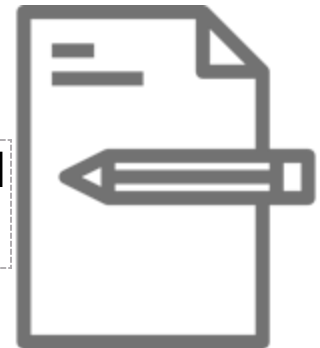
### Example

#### Probability/This course

There is classroom material that helps the students learn the concepts along with some real life examples

Once classroom lectures are done, students get evaluated based on an examination at the end of the course

Questions may not come from the materials that were studied



# Getting Started with Machine Learning

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## The Process

### Data

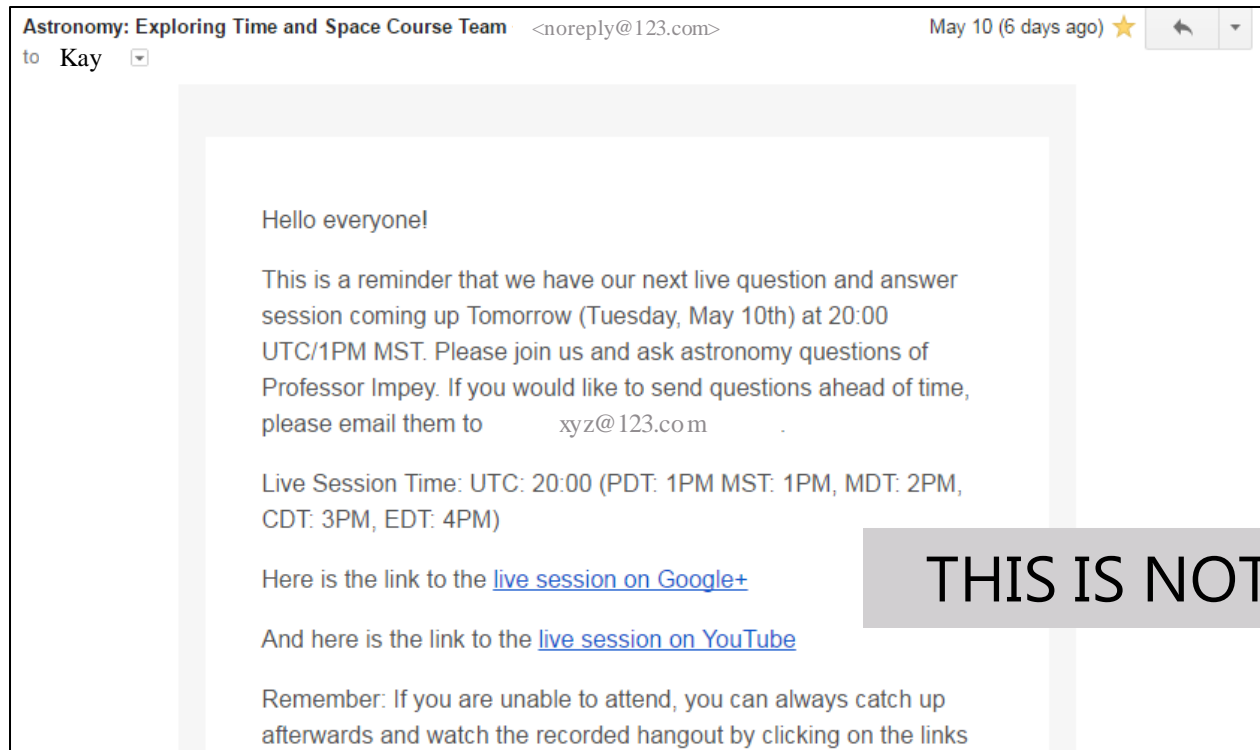
Raw data comes in different formats



# Getting Started with Machine Learning

## The Process

### Data



THIS IS NOT SPAM!

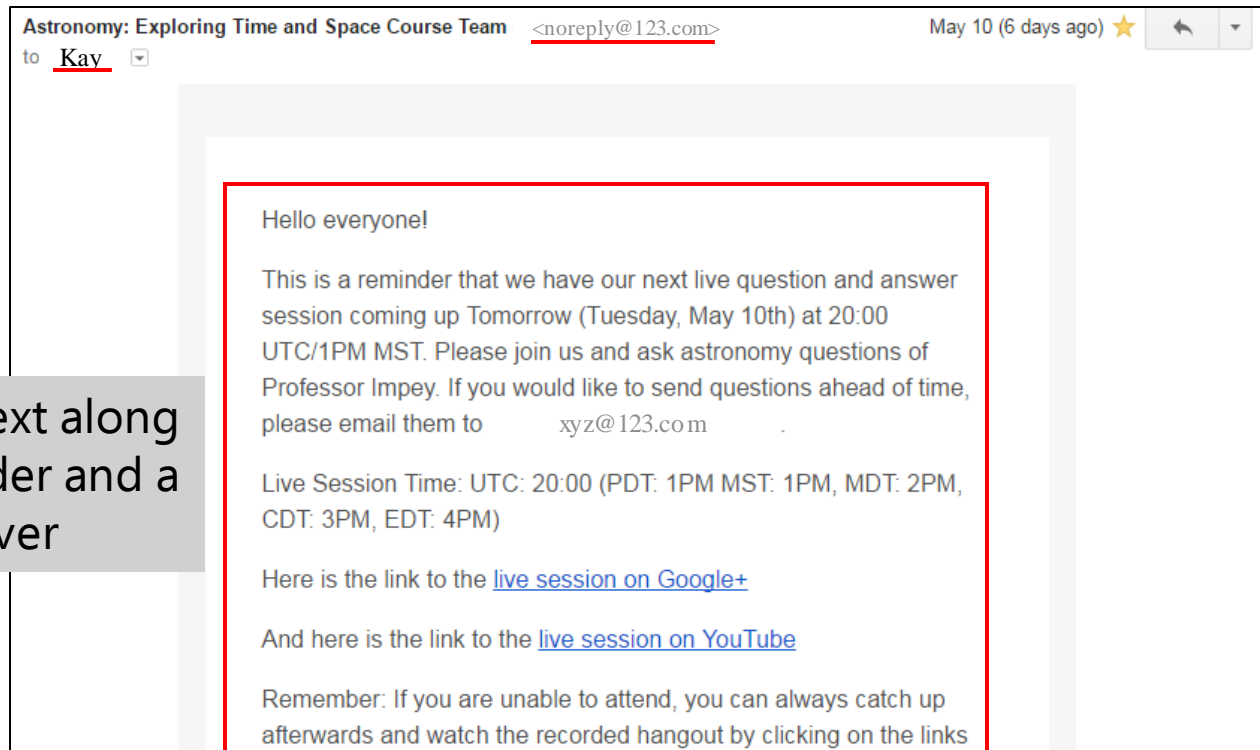


# Getting Started with Machine Learning

## The Process

### Data

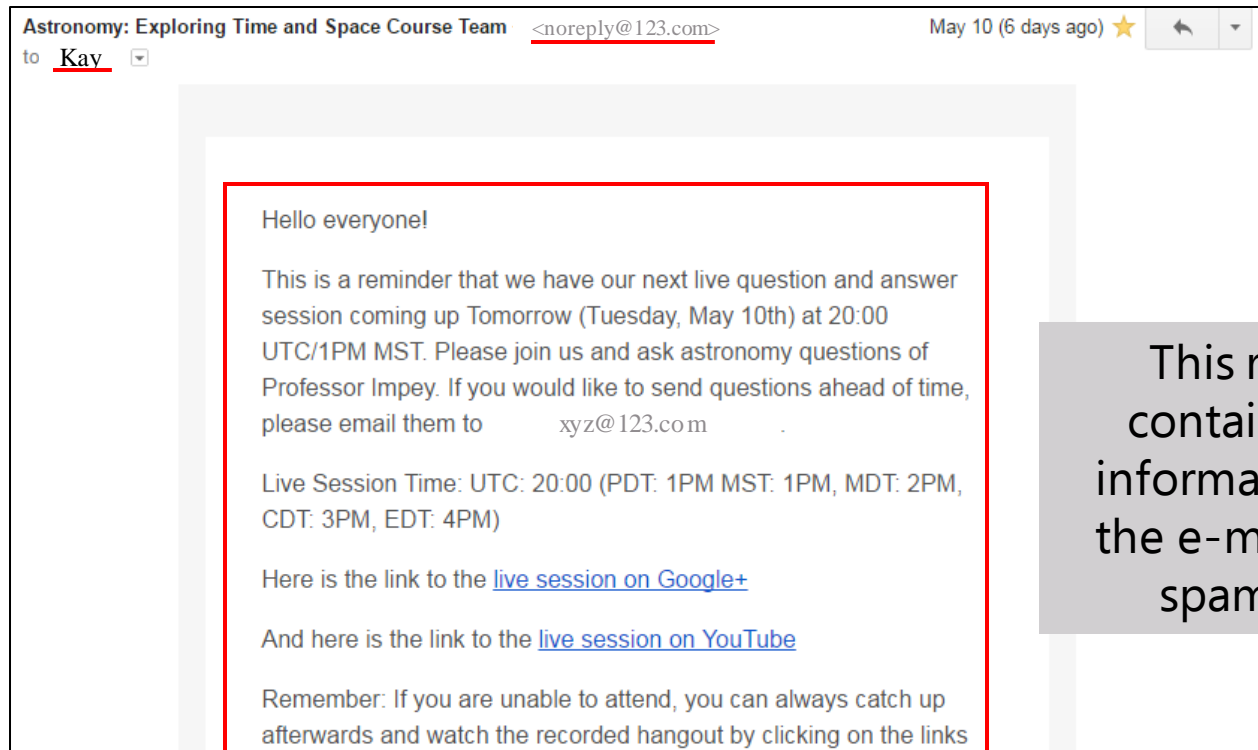
Bunch of text along with a sender and a receiver



# Getting Started with Machine Learning

## The Process

### Data



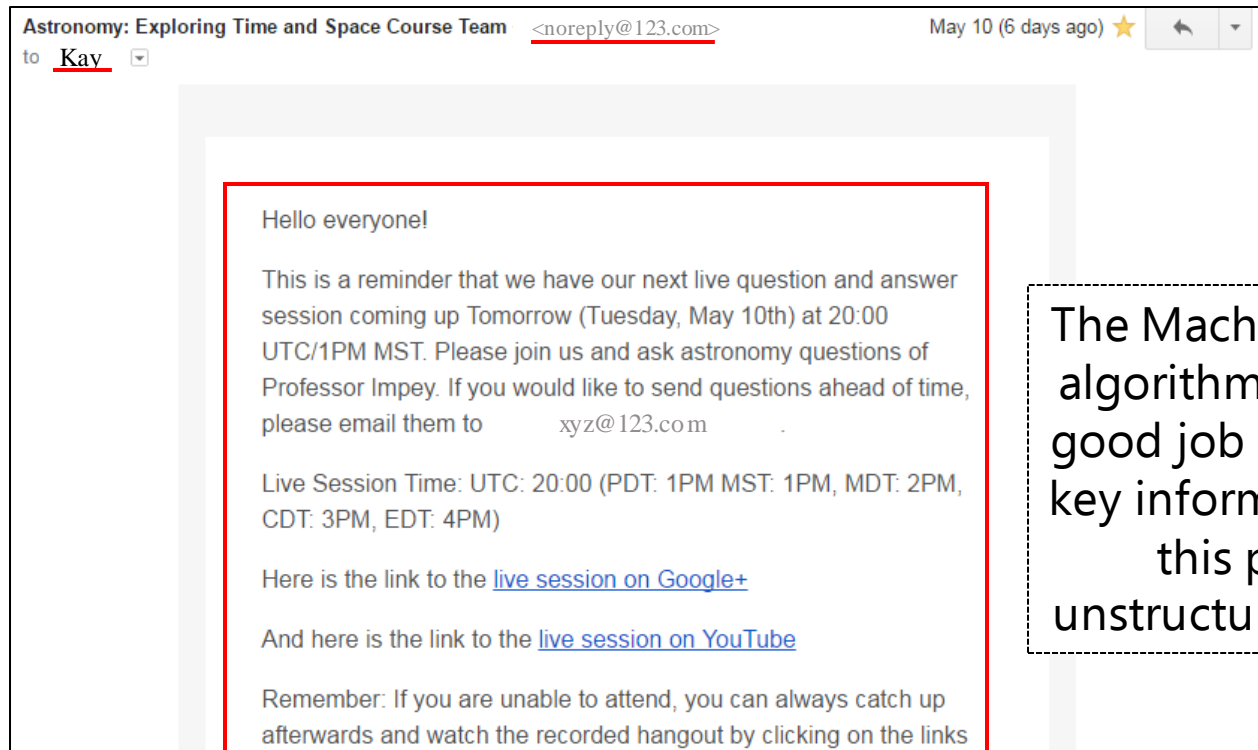
This raw data contains useful information about the e-mail being a spam or not



# Getting Started with Machine Learning

## The Process

### Data



The Machine Learning algorithm has to do a good job in extracting key information out of this piece of unstructured raw data





# Getting Started with Machine Learning

## The Process

### Data



THIS IS SPAM!



# Getting Started with Machine Learning

## The Process

### Data



The sender, the e-mail text contain some useful information about the legitimacy of the e-mail

# Getting Started with Machine Learning

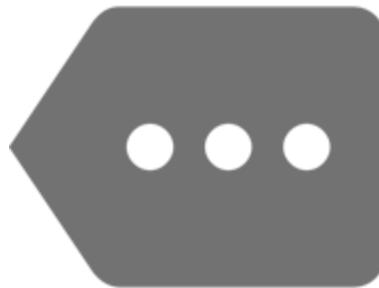
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## The Process

How do we get a machine to extract information out of raw data that will help it learn a specific problem?

# Feature Engineering

Conversion of raw data to useful machine readable informative features is called **feature engineering**



# Feature Engineering

## Going Back



During the exploratory analysis, the average bill amount for each customer over the last 6 months was taken – a form of feature engineering

# Feature Engineering

The number of features is only limited by creativity and imagination



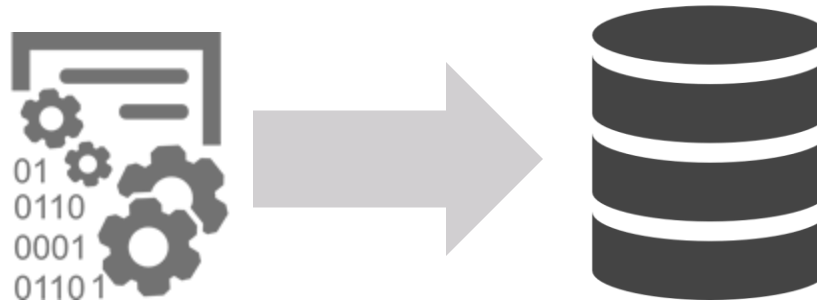
How feature engineering is performed on a data set can have a profound impact on final results



# Feature Engineering

## Starting Point

Going from seemingly unstructured data to something that is more tidy, clean and structured



# Feature Engineering

## Starting Point



Read data in Pandas

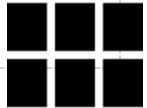
Print shape



Credit Data



29000 rows and 25 columns



**Row** – customer  
**Column** – information  
about the customer

Rectangular format  
**Tidy Data**





# Feature Engineering

## Example

Email No.	Sender in Contact List (x1)	Number of special Characters (x2)	Spam
1	YES	4	NO
2	NO	23	YES
3	YES	45	YES

3 e-mails



# Feature Engineering

## Example

Email No.	Sender in Contact List (x1)	Number of special Characters (x2)	Spam
1	YES	4	NO
2	NO	23	YES
3	YES	45	YES



Whether or not the sender is in the receiver's contact list

# Feature Engineering

## Example

Email No.	Sender in Contact List (x1)	Number of special Characters (x2)	Spam
1	YES	4	NO
2	NO	23	YES
3	YES	45	YES

**x1** is a Boolean value – it can take one of 2 possible values – **True** or **False**

# Feature Engineering

## Example

Email No.	Sender in Contact List (x1)	Number of special Characters (x2)	Spam
1	YES	4	NO
2	NO	23	YES
3	YES	45	YES

Counts the number of special characters in the e-mail, denoted by **x2**

# Feature Engineering

## Example

Email No.	Sender in Contact List (x1)	Number of special Characters (x2)	Spam
1	YES	4	NO
2	NO	23	YES
3	YES	45	YES

This is also a Boolean which marks whether the e-mail is spam



# Feature Engineering

## Example

Email No.	Sender in Contact List (x1)	Number of special Characters (x2)	Spam
1	YES	4	NO
2	NO	23	YES
3	YES	45	YES

This is the variable that needs to be predicted using Machine Learning algorithm

# Feature Engineering

## Example

Email No.	Sender in Contact List (x1)	Number of special Characters (x2)	Spam
1	YES	4	NO
2	NO	23	YES
3	YES	45	YES

This variable is called a **response**



# Feature Engineering

## Example

Email No.	Sender in Contact List (x1)	Number of special Characters (x2)	Spam
1	YES	4	NO
2	NO	23	YES
3	YES	45	YES

Also known as **Outcome** or **Dependent** variable



# Feature Engineering

## Example

Email No.	Sender in Contact List (x1)	Number of special Characters (x2)	Spam
1	YES	4	NO
2	NO	23	YES
3	YES	45	YES

Alternative terms for features are **independent variables, explanatory variables**

# Feature Engineering

## Exercise



Think of some more interesting features that you can construct from the raw data that might be useful in classifying an e-mail as spam or not

# Recap

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## Introduction to Machine Learning

What is Machine Learning?

Examples

Evolution

Getting Started

Feature Engineering

# **Next**

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**Types of Tasks, Machine Learning Algorithms and  
Linear Regression**

