

Nominal / One Hot Encoding Techniques

Nominal encoding is a technique used to transform categorical variables that have no intrinsic ordering into numerical values that can be used in machine learning models. One common method for nominal encoding is one-hot encoding, which creates a binary vector for each category in the variable.

House Price (DATASET)

Location → OHE

<u>No. of Rooms</u>	<u>House Size</u>	<u>Location</u>	<u>Price</u>	<u>Bangalore</u>	<u>Delhi</u>	<u>Noida</u>
		Bangalore		[1	0	0]
		Noida		0	0	1
		Delhi		0	1	0
		Bangalore		1	0	0
		Delhi		0	1	0
		Noida				

Disadvantage

[10 location]

① Sparse matrix [overfitting]

② 1000 features [1000 categories]



It will increase the number of the features