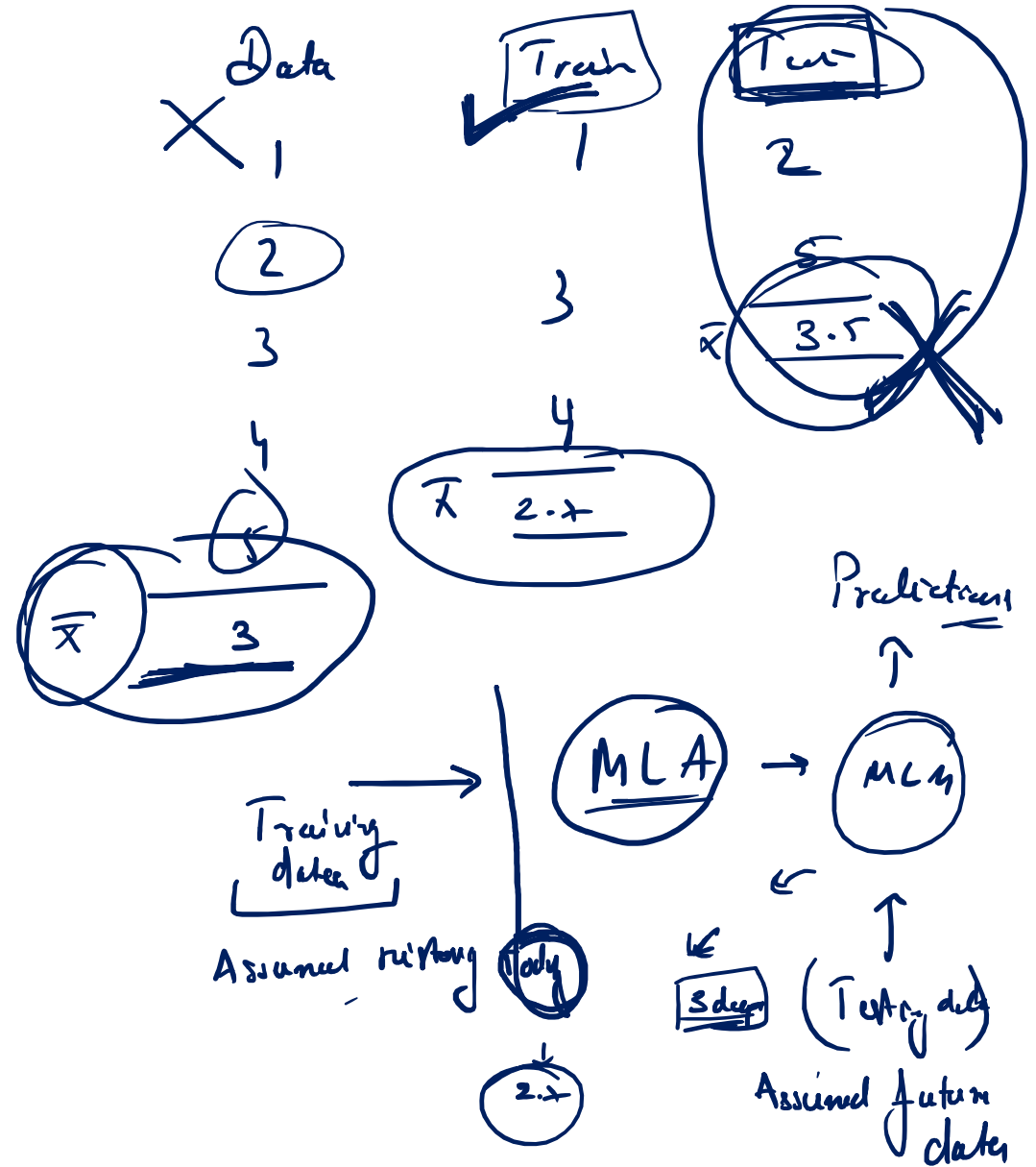


08:29PM

Data preprocessing

- ① Import libraries
- ② Load the data into python Env.
- ③ Making sure the dtypes are correct.
- ④ Extract target & features
- ⑤ Split the data into Train & Test
- ⑥ - Data Cleaning



→ Data Cleaning

1000 <

① Missing value Treatment

↳ excluded col-wise

→ If missing value $\leq 5\%$ → Impute / replacing the value

mean → continuous data | median → clustered data | mode = Categorical data

→ If missing values $\geq 10\%$ → Drop the col | random Imputation (IQR)
↳ Business logic to replace

6%.

Q1.

If missing value b/w 5% - 10%

then it is up to the data scientist

to choose from any above case

If col A has
var = 2
↳ col B

② Outlier Treatment

- Outlier is good → Noting to be done fraud detection
- Outlier is bad → generalization

If outliers $\geq 10\%$ → split the dataset rowwise & Create 2 models

with out → w/o outlier
w/ outlier → w/o outlier



If outliers $\leq 5\%$ → Impute / replace the with either LL or UL

Median method

$$LL = Q_1 - 1.5(IQR)$$

$$UL = Q_3 + 1.5(IQR)$$

mean method

$$LL = \mu - 3\sigma$$

$$UL = \mu + 3\sigma$$

If outlier is b/w $5\% - 10\%$, then up to the data scientist to decide

⑦ → Analyze the Statistical Summary

⑧ → Feature Selection (Corr Analysis)

⑨ → OPTIONAL STEP → Data Scaling

$$(\mu, \sigma) \rightarrow \underline{\underline{fit()}}$$

a) Standard Scaler → Z-Score $\Rightarrow \frac{x - \mu}{\sigma}$ → To bring data points in close Proximity
→ Convert your data in a Standardized → N.D. $(0, 1)$
 $\mu \quad \sigma$

b) Min-Max Scaler →

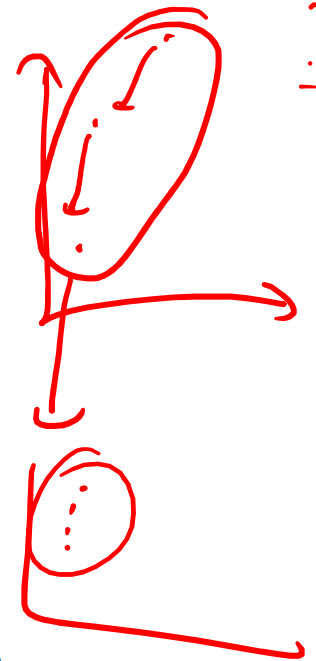
$$(x_{\min}, x_{\max}) \rightarrow \underline{\underline{fit()}}$$

Normalization

↳ into a range of $[0, 1]$

$$\frac{x - x_{\min}}{x_{\max} - x_{\min}} \Rightarrow [0, 1]$$

↳ Apply is done thru transform()



→ Data Encoding → Convert categorical cols to Numerical values
such that the meaning is not impacted

Label Encoding → ~~only for target~~
→ label Encoder → Alphabetic order
→ Map() → Custom order

Categorical Variable
↓
Ordinal Nominal

↓
has an in-built Rank

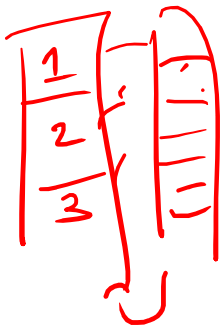
↓
No in-built Rank

1 { High Rating 3
2 { Medium Rating 2
3 { Low Rating 1

Numerical

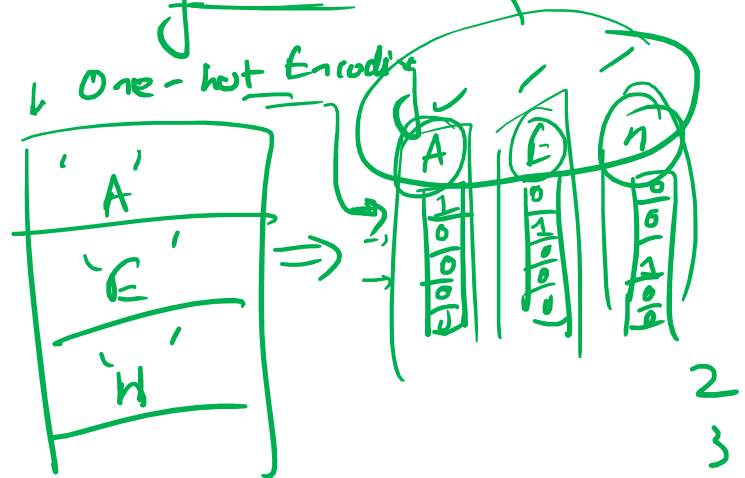
→ just use
the rank

Label Encoding



Dummy Variables

→ One-hot Encoding



No
Revision

A
B
C

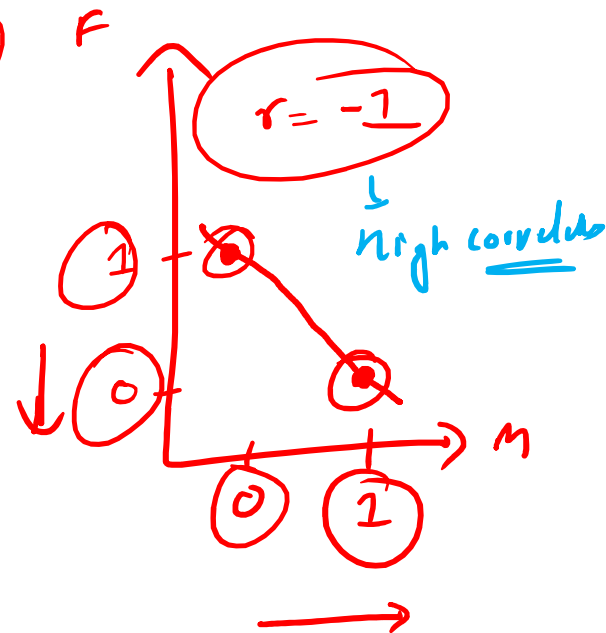
A	B	C
1	0	0
0	1	0
0	0	1

Joe

M
F
F
F
M
M

Joe

1	—	0
0	—	1
0	—	1
0	—	1
1	—	0
1	—	0



$$r \rightarrow [-1, +1]$$

High corr \Rightarrow
 $(-0.7, -1)$
 $(0.7, +1)$

No corr $| r \rightarrow \approx 0$
 $(-0.1, +0.1)$
 Weak corr $| r \rightarrow (-0.7, -0.1)$
 $(0.1, 0.7)$