

Ajeet K. Jain, M. Narsimlu
(ML TEAM)- SONET, KMIT, Hyderabad

Session – 28



This session deals with

Normalization

Sklearn

Categorical Data

Encoding Categorical Data

Data Science Project Life cycle

Introduction to Case Study

Normalization

It is the process of reorganizing data in a dataset so that it meets two basic requirements:

- (1) There is no redundancy of data (all data is stored in only one place), and
- (2) data dependencies are logical (all related data items are stored together)

Normalizing in scikit-learn refers to rescaling each observation (row) to have a length of 1 (called a unit norm in linear algebra).

This preprocessing can be useful for sparse datasets (lots of zeros) with attributes of varying scales when using algorithms that weight input values such as neural networks and algorithms that use distance measures such as K-Nearest Neighbors.



Normalizing in scikit-learn refers to rescaling each observation (row) to have a length of 0 to 1

Read the Loan dataset and normalize the “Term” categorical variable

```
import pandas as pd
data=pd.read_csv("loan.csv")
km_tab=pd.crosstab(index=data["Term"],columns="count",
                    normalize=True)
print(km_tab)
```



col_0	count
Term	
Long Term	0.27792
Short Term	0.72208

Exercise-1



Read the Loan dataset and perform the following tasks:

1. Create a one way table on “Loan Status” categorical variable and normalize it
2. Create a one way table on “Purpose” categorical variable and normalize it

1.Solution

```
import pandas as pd
data=pd.read_csv("loan.csv")
loan_status=pd.crosstab(index=data["Loan Status"],columns="count",
                        normalize=True)
print(loan_status)
```

col_0	count
Term	
Long Term	0.27792
Short Term	0.72208



Business Loan	0.01569
Buy House	0.00678
Buy a Car	0.01265
Debt Consolidation	0.78552
Educational Expenses	0.00099
Home Improvements	0.05839
Medical Bills	0.01127
Other	0.03250
Take a Trip	0.00573
major_purchase	0.00352
moving	0.00150
other	0.06037
renewable_energy	0.00010
small_business	0.00283
vacation	0.00101
wedding	0.00115

Machine Learning library

Designed to inter-operate with Numpy and SciPy

Scikit-learn provides a range of supervised and unsupervised learning algorithms via a consistent interface in Python.

The library is built upon the SciPy (Scientific Python)

Extensions or modules for SciPy are conventionally named SciKits.
As such, the module provides learning algorithms and is named scikit-learn.

What are the features



Clustering: for grouping unlabeled data such as KMeans.

Cross Validation: for estimating the performance of supervised models on unseen data.

Datasets: for test datasets and for generating datasets with specific properties for investigating model behavior.

Dimensionality Reduction: for reducing the number of attributes in data for summarization, visualization and feature selection such as Principal component analysis

What are the features



Ensemble methods: for combining the predictions of multiple supervised models.

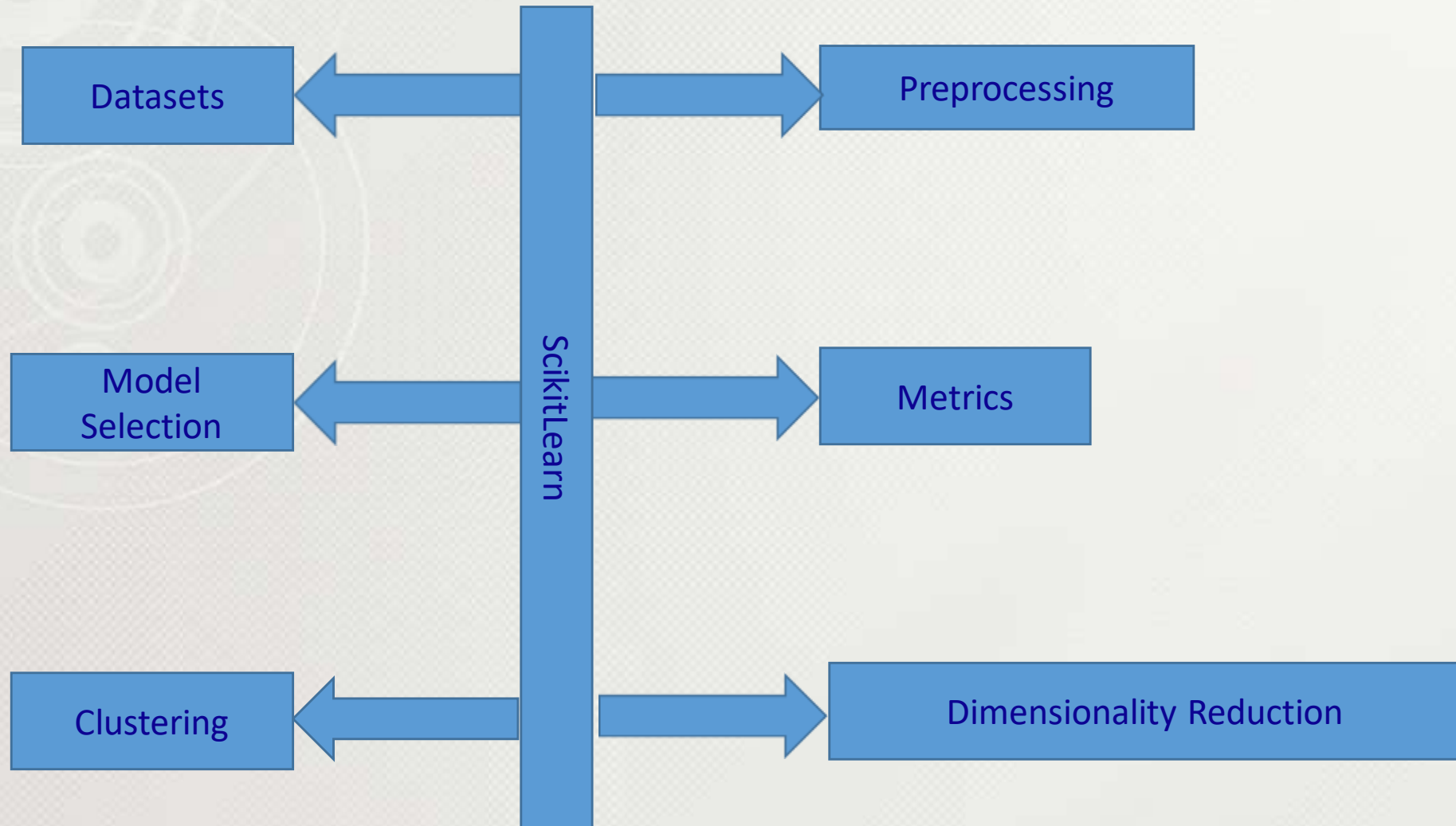
Feature extraction: for defining attributes in image and text data.

Feature selection: for identifying meaningful attributes from which to create supervised models.

Hyperparameter Tuning: for getting the most out of supervised models.

Manifold Learning: For summarizing and depicting complex multi-dimensional data.

Supervised Models: a vast array not limited to generalized linear models, discriminant analysis, naive bayes, lazy methods, neural networks, support vector machines and decision trees.



Pre-Processing

Function	Description
<code>sklearn.preprocessing.StandardScaler</code>	Standardize features by removing the mean and scaling to unit variance
<code>sklearn.preprocessing.Imputer</code>	Imputation transformer for completing missing values
<code>sklearn.preprocessing.LabelBinarizer</code>	Binarize labels in a one-vs-all fashion
<code>sklearn.preprocessing.OneHotEncoder</code>	Encode categorical integer features using a one-hot a.k.a one-of-K scheme
<code>sklearn.preprocessing.PolynomialFeatures</code>	Generate polynomial and interaction features

Loading Datasets:

scikit-learn comes with a few standard datasets, for instance the **iris** and **digits datasets** for classification and the **Boston house prices** dataset for regression.

```
In [26]: from sklearn import datasets
import pandas as pd
iris_data=datasets.load_iris()
```

Available Datasets:

scikit-learn comes with a few small standard datasets that do not require to download any file from some external website.

load_boston([return_X_y]) Load and return the boston house-prices dataset (regression)

load_iris([return_X_y]) Load and return the iris dataset (classification).

load_diabetes([return_X_y]) Load and return the diabetes dataset (regression).

load_digits([n_class, return_X_y]) Load and return the digits dataset (classification).

load_linnerud([return_X_y]) Load and return the linnerud dataset (multivariate regression)

load_wine([return_X_y]) Load and return the wine dataset (classification).

load_breast_cancer([return_X_y]) Load and return the breast cancer wisconsin dataset (classification).

ScikitLearn Libraries



Regression	
Function	Description
<code>sklearn.tree.DecisionTreeRegressor</code>	A decision tree regressor
<code>sklearn.svm.SVR</code>	Epsilon-Support Vector Regression
<code>sklearn.linear_model.LinearRegression</code>	Ordinary least squares Linear Regression
<code>sklearn.linear_model.Lasso</code>	Linear Model trained with L1 prior as regularized (a.k.a the lasso)
<code>sklearn.linear_model.SGDRegressor</code>	Linear model fitted by minimizing a regularized empirical loss with SGD
<code>sklearn.linear_model.ElasticNet</code>	Linear regression with combined L1 and L2 priors as regularizer
<code>sklearn.ensemble.RandomForestRegressor</code>	A random forest regressor
<code>sklearn.ensemble.GradientBoostingRegressor</code>	Gradient Boosting for regression
<code>sklearn.neural_network.MLPRegressor</code>	Multi-layer Perceptron regressor

ScikitLearn Libraries

classification

Function	Description
<code>sklearn.neural_network.MLPClassifier</code>	Multi-layer Perceptron classifier
<code>sklearn.tree.DecisionTreeClassifier</code>	A decision tree classifier
<code>sklearn.svm.SVC</code>	C-Support Vector Classification
<code>sklearn.linear_model.LogisticRegression</code>	Logistic Regression (a.k.a logit, Max Ent) classifier
<code>sklearn.linear_model.SGDClassifier</code>	Linear classifiers (SVM, logistic regression, a.o.) with SGD training
<code>sklearn.naive_bayes.GaussianNB</code>	Gaussain Naïve Bayes
<code>sklearn.neighbors.KNeighborsClassifier</code>	Classifier implementing the k-nearest neighbors vote
<code>sklearn.ensemble.RandomForestClassifier</code>	A random forest classifier
<code>sklearn.ensemble.GradientBoostingClassifier</code>	Gradient Boosting for classification

ScikitLearn Libraries



Clustering	
Function	Description
<code>sklearn.cluster.Kmeans</code>	K-Means clustering
<code>sklearn.cluster.DBSCAN</code>	perform DBSCAN clustering from vector array or distance matrix
<code>sklearn.cluster.AgglomerativeClustering</code>	Agglomerative clustering
<code>sklearn.cluster.SpectralBiclustering</code>	Spectral bi-clustering

ScikitLearn Libraries



Model Selection	
Function	Description
<code>sklearn.model_selection.Kfold</code>	K-Folds cross-validator
<code>sklearn.model_selection.StratifiedKFold</code>	Stratified K-Folds cross-validator
<code>sklearn.model_selection.TimeSeriesSplit</code>	Time Series cross-validator
<code>sklearn.model_selection.train_test_split</code>	Split arrays or matrices into random train and test subsets
<code>sklearn.model_selection.GridSearchCV</code>	Exhaustive search over specified parameter value for an estimator
<code>sklearn.model_selection.cross_val_score</code>	Evaluate a score by cross-validation

ScikitLearn Libraries



Dimensionality Reduction	
Function	Description
<code>sklearn.decomposition.PCA</code>	Principal component analysis (PCA)
<code>sklearn.decomposition.LatentDirichletAllocation</code>	Latent Dirichlet Allocation with online variational Bayes algorithm
<code>sklearn.decomposition.SparseCoder</code>	Sparse coding
<code>sklearn.decomposition.DictionaryLearning</code>	Dictionary learning



Metric	
Function	Description
<code>sklearn.metrics.accuracy_score</code>	Classification Metric: Accuracy classification score
<code>sklearn.metrics.log_loss</code>	Classification Metric: Log loss, a.k.a logistic loss or cross-entropy loss
<code>sklearn.metrics.roc_auc_score</code>	Classification Metric: Compute Receiver operating characteristics ROC
<code>sklearn.metrics.mean_absolute_error</code>	Regression Metric: Mean absolute error regression loss
<code>sklearn.metrics.r2_score</code>	Regression Metric: R^2 (coefficient of determination) regression score
<code>sklearn.metrics.label_ranking_loss</code>	Ranking Metric: Compute Ranking loss measure
<code>sklearn.metrics.mutual_info_score</code>	Clustering Metric: Mutual Information between two clustering.

Categorical data

Categorical Attributes –

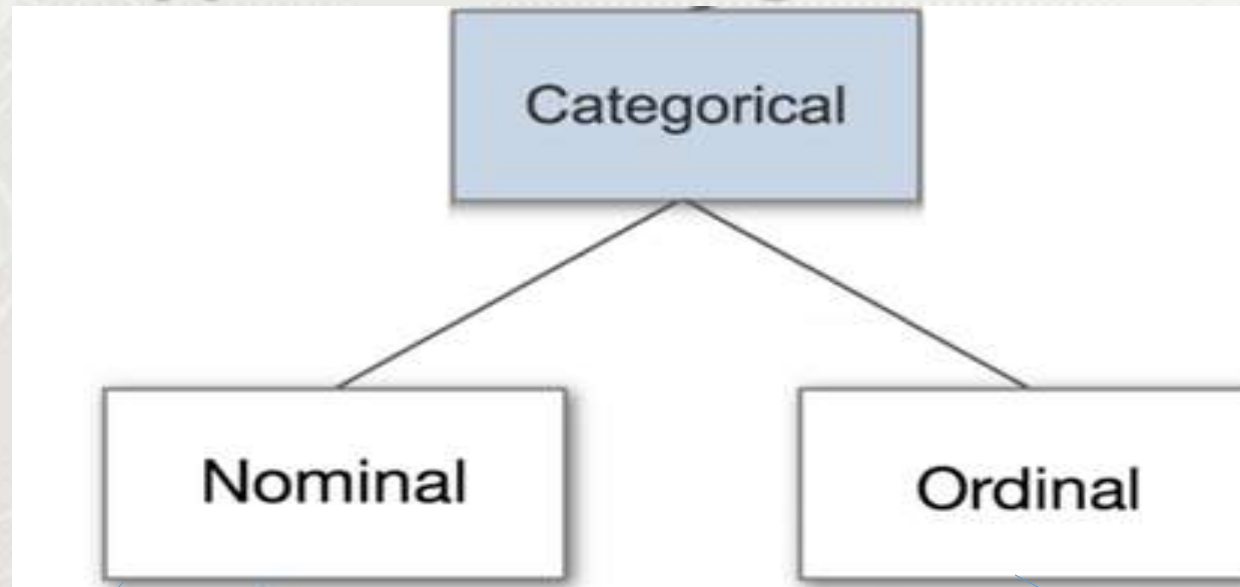
- When the number unique values in a categorical column are too high, check the value counts of each of those values. Replace rarely occurring values together into a single value like 'Other' before encoding.
- When number of unique values is huge and even the values are equally distributed, try to find some related values and see if the multiple categorical values can be clubbed into single (grouping), thereby reducing the count of categorical values.

Related Attributes –

- If there multiple attributes with same information with different granularity, like city and state, it's better to keep columns like state and delete city column. Additionally, keeping both columns and assessing feature importance might help in eliminating one column.



Types of Categorical Data



Gender : Male, Female

Car Color: Brown, red, blue, orange, white

Railway Reservation Tickets : 1 class, 2 class, 3 class

Feedback on machine learning: average, good, very good, excellent

Education : Kindergarden, School, Undergraduate, bachelor, master, doctoral

Types of Data

Categorical data:

- It represents characteristics.
- Therefore it can represent things like a person's gender, language etc.

1. Nominal Data

Nominal values represent discrete units and are used to label variables, that have no quantitative value.

- nominal data that has no order.
- Used to “name,” or label a series of values.

EX: what's your favourite movie

- Spider man
- Ant man
- Iron man

Types of Data

2.Ordinal Data

Ordinal values represent discrete and ordered units. It is therefore nearly the same as nominal data, “except that it’s ordering matters”.

➡ Ordinal scales provide good information about the order of choices.

Ex1:

What’s your rating for Avengers Infinity War?

- ☐ *
- ☐ **
- ☐ ***
- ☐ ****
- ☐ *****

- Perform the following steps to identify categorical data
- Load the data
- Describe the data set columns
- Identify the categorical data

- Read the loan Data set and identify the categorical data

```
import pandas as pd
import numpy as np
df_loan=pd.read_csv("D:/Narsimlu/Courses/DataScience/datasets/loan.csv")
#display the data set
print(df_loan)
#find the type of data
obj_df = df_loan.select_dtypes(include=['object']).copy()
print(obj_df.head())
#Nominal data
print("Nominal Data")
print(obj_df["Loan Status"].value_counts())
#ordinal data
print("Ordinal Data")
print(obj_df["Term"].value_counts())
print(obj_df["Years in current job"].value_counts())
```

Output



Nominal Data

Fully Paid 77361

Charged Off 22639

Name: Loan Status, dtype: int64

Ordinal Data

Short Term 72208

Long Term 27792

Name: Term, dtype: int64

10+ years 31121

2 years 9134

3 years 8169

< 1 year 8164

5 years 6787

1 year 6460

4 years 6143

6 years 5686

7 years 5577

8 years 4582

9 years 3955

Name: Years in current job, dtype: int64

Data Encoding

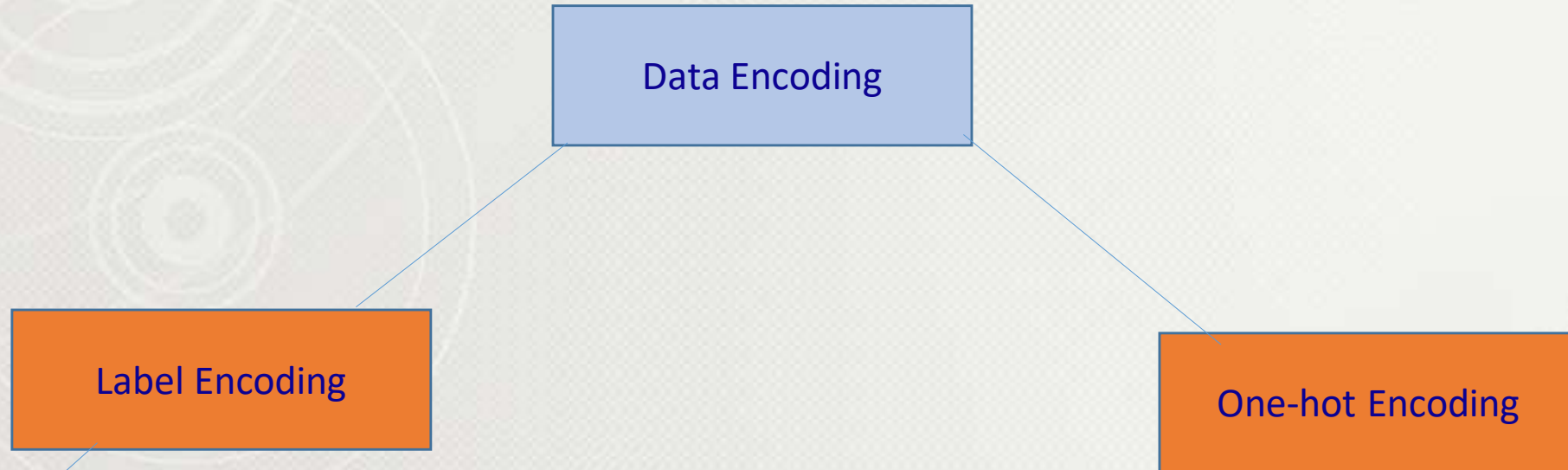


- Many machine learning algorithms cannot operate on label data directly. They require all input variables and output variables to be numeric.
- In general, this is mostly a constraint of the efficient implementation of machine learning algorithms rather than hard limitations on the algorithms themselves.
- This means that categorical data must be converted to a numerical form.

Label Encoding

- Numerical variable will to assign a unique number to each possible outcome of the variable and replace the variables values with its corresponding number.
- Ex:

Purpose	loan_purpose_cat
Business loan	0
Buy house	1
Buy a car	2
Debt Consolidation	3
Educational Expenses	4



Ex: Business loan->0,Buy house->1,Buy a car->2 etc..

Home Ownership	H_Rent	H_H_Mort	H_Own Home
Rent	1	0	0
Rent	0	1	0
Own Home	1	0	0
Home Mortgage	0	0	1
Home Mortgage	0	0	1



Label Encoding Example

```
print("label encoding")
print(obj_df["Purpose"].dtype)
print(obj_df["Purpose"].head(10))
obj_df["Purpose"] = obj_df["Purpose"].astype('category')
print(obj_df["Purpose"].dtype)
obj_df["loan_purpose_cat"] = obj_df["Purpose"].cat.codes
print(obj_df["loan_purpose_cat"].head(10))
```

Output

```
label encoding
object
0      Home Improvements
1      Debt Consolidation
2      Debt Consolidation
3      Debt Consolidation
4      Debt Consolidation
5      Debt Consolidation
6      Debt Consolidation
7              Buy House
8      Debt Consolidation
9      Debt Consolidation
Name: Purpose, dtype: object
```

```
category
0      5
1      3
2      3
3      3
4      3
5      3
6      3
7      1
8      3
9      3
Name: loan_purpose_cat, dtype: int8
```

```
import pandas as pd
import numpy as np
df_loan=pd.read_csv("D:/Narsimlu/Courses/DataScience/datasets/loan.csv")
#one hot encoding
print(df_loan["Home Ownership"].head())
df_loan["Home Ownership"] = df_loan["Home Ownership"].astype('category')
df_one_hot=pd.get_dummies(df_loan["Home Ownership"],prefix=["Home"])
print(df_one_hot.head())
#apply the data preprocessing
print(df_one_hot.isnull().sum())
```


Output

```

0      Home Mortgage
1      Home Mortgage
2              Own Home
3              Own Home
4              Rent
Name: Home Ownership, dtype: object
      ['Home']_HaveMortgage      ...      ['Home']_Rent
0              0      ...      0
1              0      ...      0
2              0      ...      0
3              0      ...      0
4              0      ...      1

[5 rows x 4 columns]
['Home']_HaveMortgage      0
['Home']_Home Mortgage      0

```

Categorical data



Label Encoder	One Hot Encoder
Numeric representation, ordinals	Binary representation
Loses uniqueness of values, single dimension in vector space	Individual values expressed as a different dimension in orthogonal vector space
Suitable with categorical values that are ordinal in nature, like – fog_level (low, medium, high)	Suitable with non-ordinal types of categorical attributes, like – car_type (hatchback, sedan, SUV, etc.)
Label encoded categorical attributes don't pose any further challenges	One hot encoded categorical attributes might dramatically increase the feature space (curse of dimensionality). When One hot encoding is used, it's often followed by PCA to tackle high-dimensionality

Conclusion

You are aware of
Data Preprocessing

We will proceed with
Case Study



**THANK
YOU**