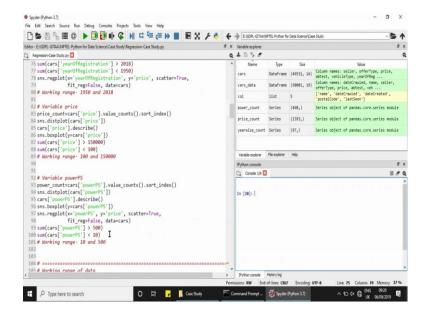
## Python for Data Science Department of Computer Science and Engineering Indian Institute of Technology, Madras

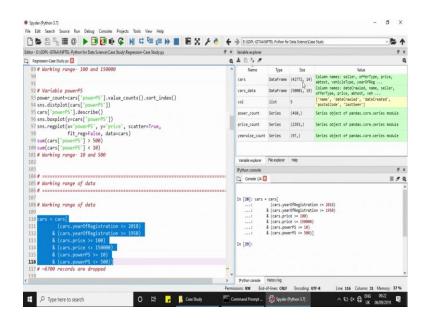
# Lecture – 27 Case study on regression Part II

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So, now let us incorporate these cleaning ranges.

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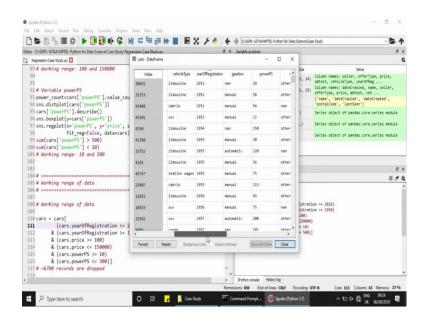


So, what I am trying to do here is from the cars data I am accessing yearOfRegistration and putting a bound on it. The upper bound for yearOfRegistration is 2018 and the lower

bound is 1950, both ranges inclusive. So, from cars I have accessed yearOfRegistration. Now, earlier I have used square braces this is the other way of accessing it this is also fine or if you are comfortable with the other way of accessing then that is also fine.

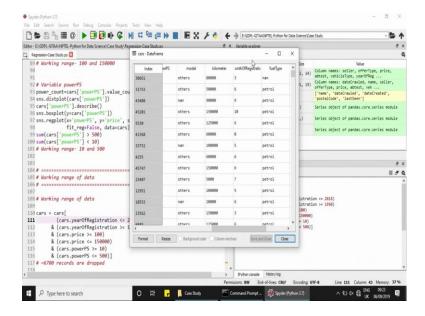
So, next is price, the lower bound for price is 100 and the upper bound for price is 1,50,000 and similarly for powerPS the lower bound is 10 and the upper bound is 500. So, if you see here, we started with around 49531 after removing duplicates; and now let us see how many records are we losing after this. So, we are roughly losing about 6700 records here. So, all these changes have been affected into cars. Also with yearOfRegistration it is hard to find out what is the age of the car.

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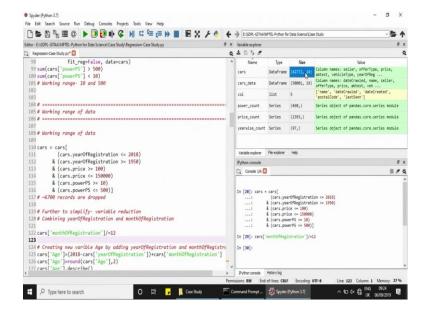
So, what we are going to do is we are going to subtract the yearOfRegistration from 2018 and add the monthOfRegistration.

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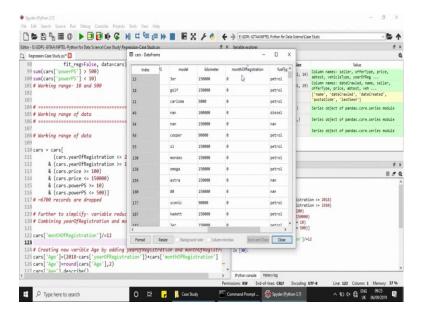
So, the monthOfRegistration we are going to divide it by 12 which gives you months in decimals, and I am going to create another variable called age that will contain the difference between the year 2018 and the yearOfRegistration. Now, that is the first step. So, I am going to subtract the yearOfRegistration from the year 2018 and then I am going to add the monthOfRegistration which is monthOfRegistration by 12. So, let us start by doing this.

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So, first we are going to divide the monthOfRegistration by 12. So, let us just do that and see if the changes are reflected.

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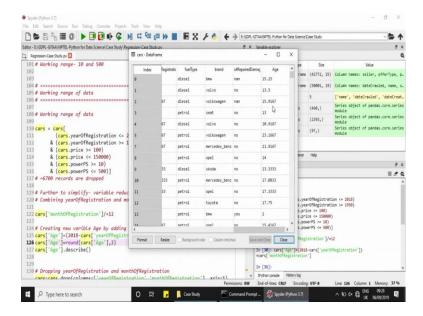
So, whichever entries were 0 earlier in terms of integer, they become 0 with decimal. So, again when you add your yearOfRegistration the difference between 2018 and the yearOfRegistration, when you add it with the monthOfRegistration these entries will again be reflected as 0 under age. So, indirectly we are actually reducing the effect of 0 because if you try and use the monthOfRegistration as integer itself. Because if you try and use the monthOfRegistration as integer itself it is going to create some problems because 0 is not a valid integer to represent any of the month and the months are being represented by numbers 1 to 12, right.

So, because we wanted to get rid of 0s, we are trying to divide each of the entries by 12 which means any entry which has a monthOfRegistration of 0 will automatically remain a 0 and that when you add it with the age which is a difference between the year 2018 and the yearOfRegistration and that will eventually go off, right.

So, we are not letting go of observations which are marked as 0 under monthOfRegistration, at the same time you are also making sure that it does not affect our analysis. So, we have converted the monthOfRegistration as decimals. So, I have just divided by 12. Now, I am going to create a new variable called age in line 125 and it is

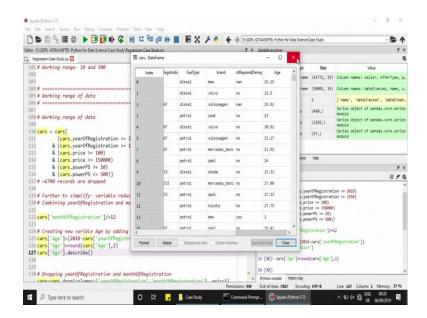
the difference between the year 2018 minus the yearOfRegistration for that particular record and I am adding the monthOfRegistration here.

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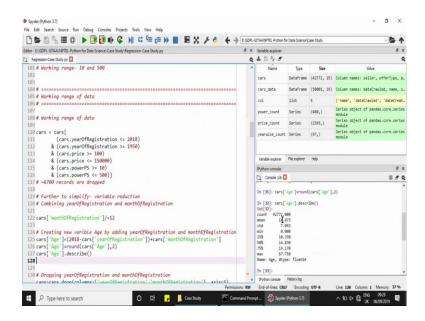
You will see that an extra column gets added to cars and here you will see the different values of age, because we have added the months here you will see values which are in decimals. So, we are going to round off the decimal places to 2, using the round function. So, the input to the round function is the column that you want to round off and to how many places do you want to round it off to.

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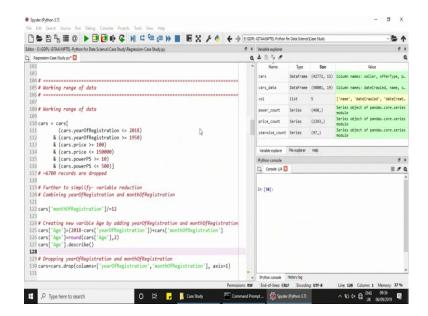
I am effecting these changes in the same column itself. So, again let us just open and see, yes. So, all these values have been rounded off to 2 decimal places. So, let us just quickly do a.describe.

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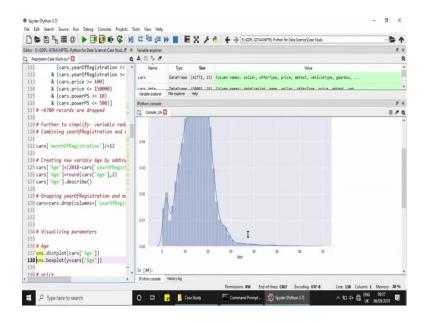
So, you will see that the count is again 42772 and the mean and the mean age or the average of age is 14.87 with a standard deviation of 7 and minimum is 0, maximum is 67, and the median lies at 14.83. So, the mean and the median are not very far off, the mean is at 14.87 and the median is at 14.83. So, we know the data is not very skewed.

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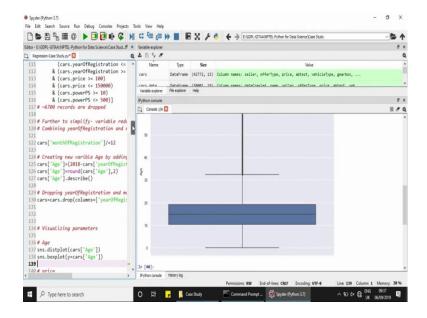
So, now that we have incorporated the information of yearOfRegistration and monthOfRegistration into 8. We can drop off these columns because adding them is only going to make it very redundant. So, I am going to use the cars.drop function to clear. So, I am going to use the cars.drop function to drop them and I am giving the column names as a list, and I am giving access is equal to 1 because these are because these are columns. Now, once you drop them you can see that the number of columns have reduced by 2 and the year and monthOfRegistration have disappeared, right.

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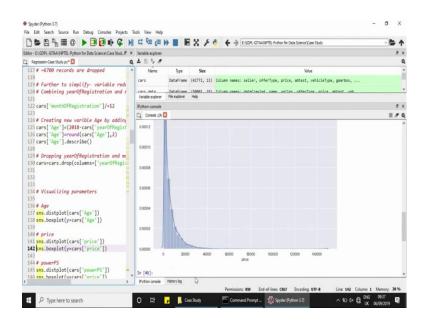
So, now let us start by visualizing parameters I am going to first start with visualizing age. So, let us see how does the histogram look for age. So, if you look at age here you can see a slightly skewed distribution, it is not extremely skewed, let me just drag let me just drag the box to show you how does the distribution look. Again you can fit a density curve over it. So, now, again let us plot a box plot here for age.

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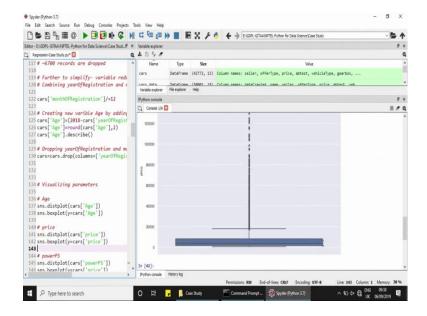
Now, we can see a clear cut box here, though above the whiskers there are a few extreme values or outliers, right. But even this was not possible in the earlier case.

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So, let us now look at the histogram for price. Now, for price here you will see histogram, even this was not seen earlier, but now we are able to see a few more ranges.

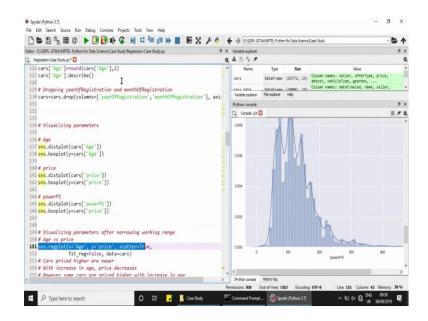
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And if you plot the box plot for the variable price you will see a small box here, earlier what we could really see was just a line, right. Now, this is better, but again you still have a few extreme values outside the whiskers.

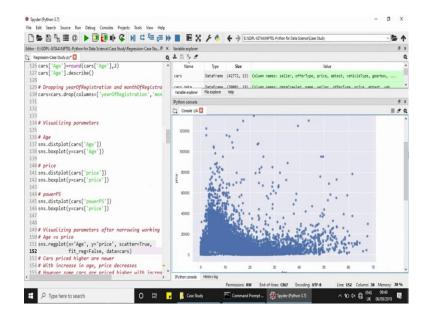
If you look at powerPS; if you look at powerPS you will see that the histogram is now better, better than earlier definitely because earlier it was all bundled up to one side and you can see that the density curve is also being fit here and you will see more ranges to powerPS than it was earlier.

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So, now, that we have seen the individual distributions and we have seen the individual histograms and box plot for the 3 variables, let us see what their effect is on price. So, let us start by plotting. So, let us start by plotting age versus price here. I am using the regplot that is under c1 package again here.

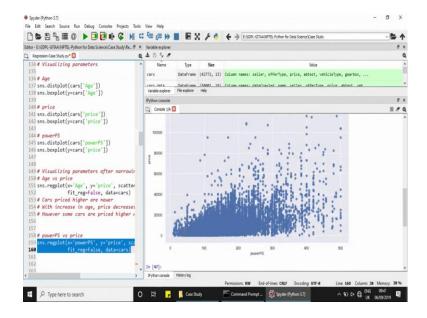
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So, let me just drag this output window to the left to show you how does the plot look. So, you can see that it is a scatter plot and so you can see that it is a scatter plot; earlier when you try to plot yearOfRegistration versus price you would have seen that all these values were bunched up together in one end and we could not really see a clear cut effect of age on price, but here it is much better.

We can see that cars which are priced higher are fairly newer, so you have age on the x axis price on the y axis and cars which are priced higher are fairly new. But cars, but there are cars which are priced a little higher and are still older, so we can treat them as vintage. And on a on a very general note with increase in age the price also drops, right. So, this is the effect of age on price. Yes, it does affect a price to a great deal. But now, let us see the effect of powerPS versus price.

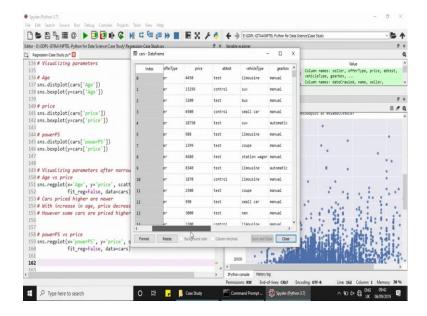
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So, I am again using the same plot to plot powerPS with price. My power is on the x axis and my price is again on the y axis. So, here we can see with increase in power the price increases and that is very very clear from this plot because earlier we were not able to infer the effect of powerPS on price, we were not sure, but now that we have arrived at a very very narrow range of working values we can see an effect of powerPS on price. So, with increase in powerPS, the price eventually increases.

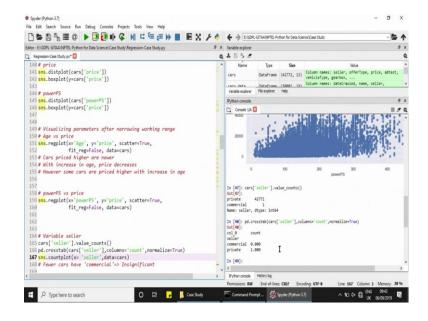
So, these were the effect of powerPS, age on price. Of course, age is a combination of yearOfRegistration and monthOfRegistration. So, two variables have been incorporated into a single in the form of a single variable. Now, having done this we are also going to check what are the effect of other variables on price, right.

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But before that we have to even narrow down if these variables, if these, but mostly the categorical variables if they have enough if there are enough categories or if there is enough count under each category for us to even retain them. So, you again have seller offer type then you have abtest and vehicleType gearbox and there are many more categorical variables. So, now let us see what is the individual frequency count under each of these categories.

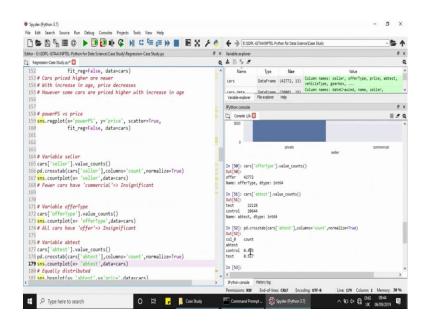
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So, I first I am, so I first taken seller the variable seller and if you look at the value count you will see private is 42771 and commercial is only 1. So, the seller variable has two categories, private and commercial, but one of the category has only one observation. So, we are going to drop it and if you are interested from a proportion point of view then you can clearly see that private almost accounts for 100 percent of the proportion.

So, now that we have seen all this, we can clearly say that the variable seller is insignificant. So, we will also see how to remove it later on, but just let us identify all the variables which are insignificant and remove them together.

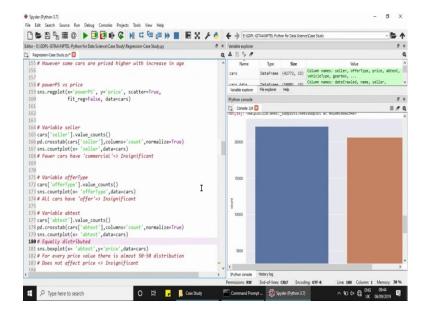
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So, the next variable is offer type. So, in your earlier data you would have seen two offer type, one is offer, the other is request. And in this case all the 4 all the 42772 records are of the type offer, so we do not have any of the records under request. So, again this variable is again going to be insignificant.

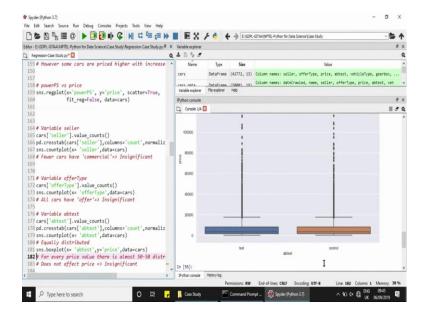
Now, moving further let us look at the variable abtest. So, under abtest if you do a value count you can see there is an equal split between the categories, test and control, right. And from a proportion point of view 51 percent, roughly about 52 percent is under test and the remaining 48 percent is under control, right. So, this is more or less, it is a closed cut its more or less equal and that can also be seen from the bar graph here, right.

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It is cutting very very closely both the categories. So, both the categories are cutting very very closely. So, they are more or less equally distributed, but let us say their effect on price

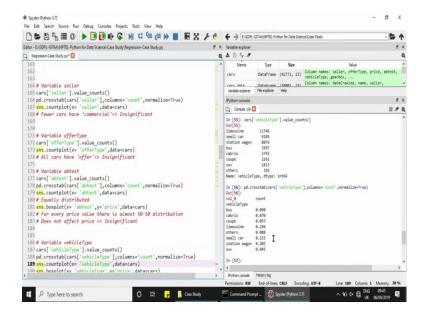
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But even from the box plot it seems like the effect is more or less the same. So, there is nothing much you can tell whether between categories test and control. They seem to have the same median or, they seem to have the same median for price. So, there is nothing much that we can infer even from the box plot. So, for every price value there is

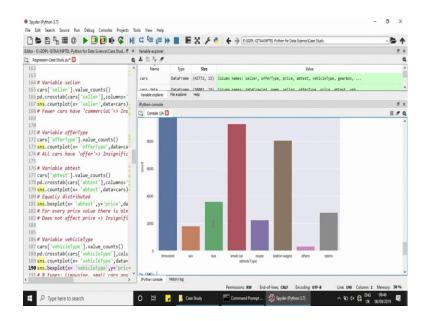
almost a 50-50 distribution. So, we cannot really conclude anything from abtest. So, we are going to treat it in significant.

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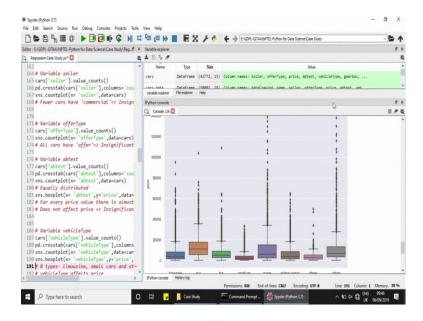
This is vehicleType and if you do a value counts for them you will see that the category topping the charts is limousine, followed by that you have small car, and then station wagon, and then you have bus, and cabrio, coupe and others, SUV, and then others, right. So, for a very proportion based account you can see that limousine is the highest with about 29 percent and let us just try to understand the proportion or the frequency better.

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From the products see more easier to understand that limousine is contributing the most and followed by that you have small cars, station wagon and bus, right. So, this is the order. It is more easier to understand from the plot than from the proportion count when under each variable you have several categories, ok.

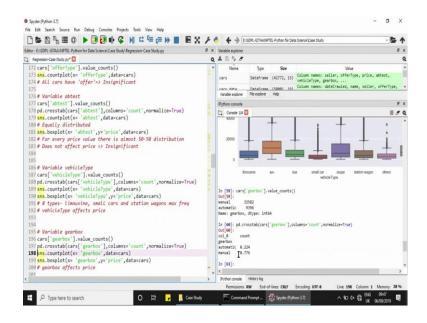
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So, let us just see its effect on price. So, I am plotting a box plot of vehicleType with price. I have just dragged the output window to show you how does the screen look. So, for different categories under vehicleType, you can see that there are different price

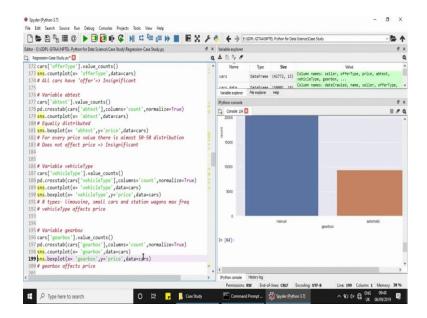
ranges, right. So, it is all it is all different, there is nothing constant about each category and limousine again is very very different from you know coupe or the bus or station wagon. So, the price are different for different categories. So, yes, vehicleType does affect price and we are going to retain it in our model.

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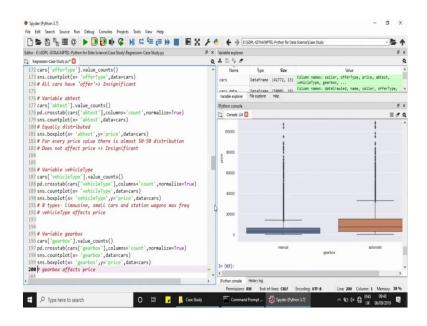
So, the next variable is gearbox. Let us look at the count for gearbox. You have 32582 records under manual and the remaining 9396 under automatic and these are the two categories that are available. And if you want a proportion based view you can see that manual counts for about 78 percent roughly and automatic accounts for roughly about 22 percent, right. And again we can; and again we can do a count plot for it which will also show you that manual gearbox are the most frequent.

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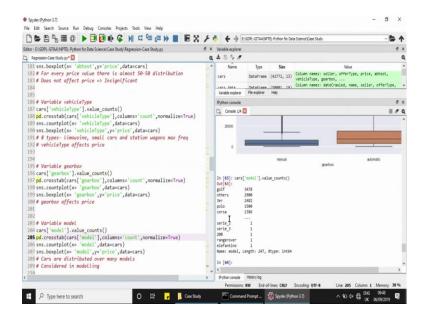
And from your box plot let us see if the gearbox has an effect on price.

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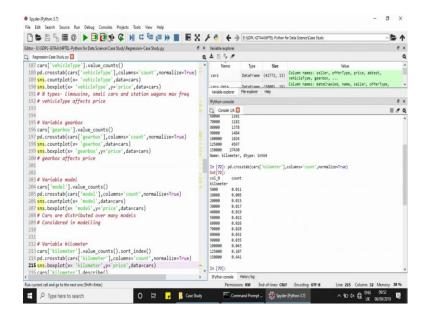
And yes, it does because manual is priced lower compared to automatic, right and that is evident from the box plot itself. So, yes, gearbox does affect price and we are going to retain gearbox in our final model.

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The next is the variable model which is the model of the car and if you look at the frequency count you can see that you have about 247 models, right and of course, we cannot know the value count for all, but the model golf seems to be the most frequently occurring. So, moving further we are going to look into the variable kilometer.

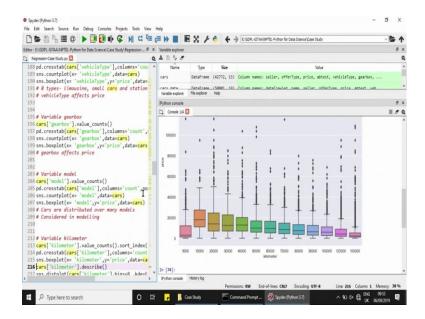
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Now, to check the value counts I have sorted out the kilometers in the increasing order based on the index using the sort index function and you can see that the kilometer which is equal to 150000 contributes the maximum and in terms of and in terms of proportion if

you see it contributes to about roughly 64 percent. So, it is the most frequently occurring kilometer. So, most of the cars have a kilometer of 150000. And let us see if its effect on price and I am doing a boxplot for it.

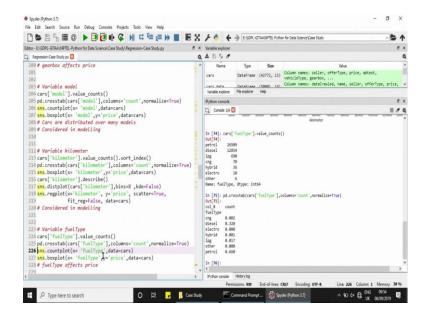
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So, you can see here that different kilometers affect the price in a very very different sense and kilometers, so if cars that have traveled lower kilometers like 10000 and 20000 are going for are being sold or go to rent, lease for a much higher price. But whereas, cars which have gone whereas, cars which have had traveled for a lot of kilometers eventually their price drops, except for this one variable, except for this one case where the kilometer is at 5000 and the median of the price is very very less.

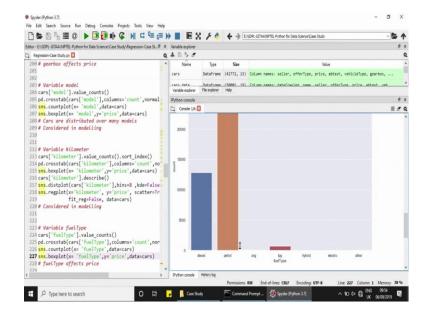
So, this is the only outlier in terms of the behavior, but otherwise with increase in kilometer you will see that the price also decreases. So, eventually when the car has traveled more, you will see that there is more wear and tear, and hence the price drops, ok. So, this is a take home message with this variable.

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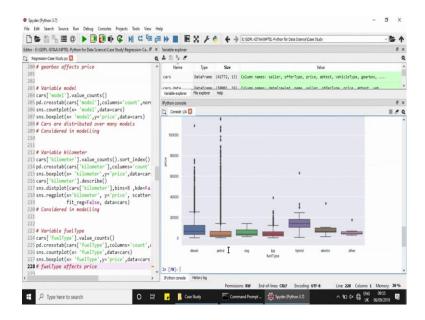
So, let us now look at the variable fuelType. So, we are going to retain kilometer and now let us look at the variable fuelType, and if you do a value counts for it you will see that petrol is topping with a frequency of over 26500, followed by that you have diesel and then you have LPG and then you have CNG, CNG hybrid electro and others, they all contribute for very very small fraction. And in terms of proportion, you will see petrol is leading with about 66 percent.

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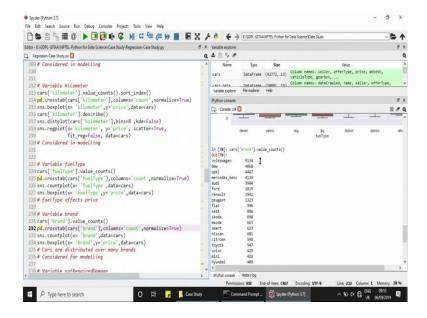
Now, let us just understand this better in terms of a bar plot. On my right you have the bar plot. So, you can see that here diesel, you can see here that petrol is contributing the maximum followed by that you have diesel and then you have LPG, but we cannot even see the bars for the others because they are very very less. And the effect of and the count of petrol and diesel is actually smearing out the effect of others which is obvious. So, now, let us just try to understand if fuelType affects price.

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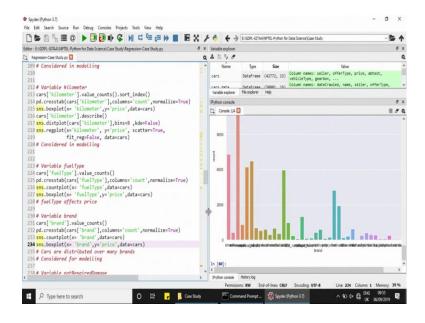
Now, definitely it does, so from the. So, definitely it affects price and that is clear from the box plot because different categories of fuelTypes has different price ranges and that is very very clear from the boxplot itself. So, yes, we are going to retain fuelType in our modeling. Let us move on to the variable brand.

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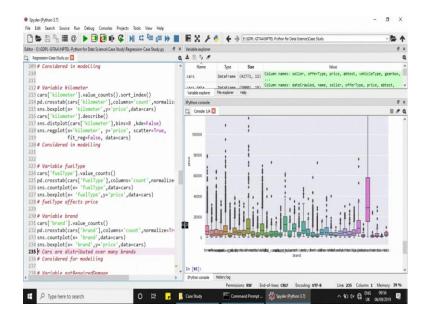
So, if you do a frequency count you will see a whole lot of brands here, but the one that stopping the chart is Volkswagen with about 9134 occurrences and followed by that you have BMW and Opel and Mercedes Benz and so on and so forth, right.

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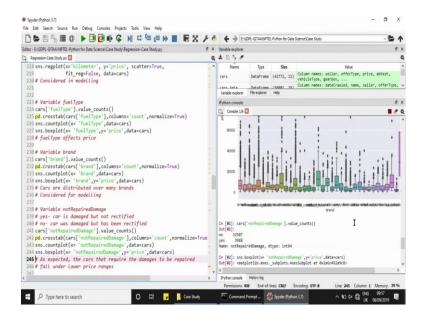
So, again if you do a count plot you will see different ranges for it. This is how the count plot looks for all the brands and to understand if brand would it definitely affect price, we are doing going for a box plot.

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It is very very clear from the box plot that all the brands do have an effect, but were not able to see which of the boxes correspond to which brand that is not evident from the box plot, but on an overall note we can see that different brands have different price ranges. So, the last variable that we are going to look into is not repaired or damaged.

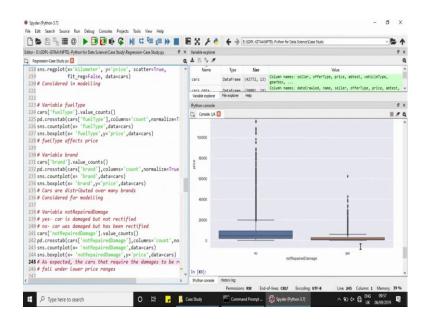
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Now, since these are secondhand cars, there is already some damage that has happened to these cars. Now, this variable will tell you whether has that damage being rectified or has that damage is just being retained and not looked after, right. Now, if there are two

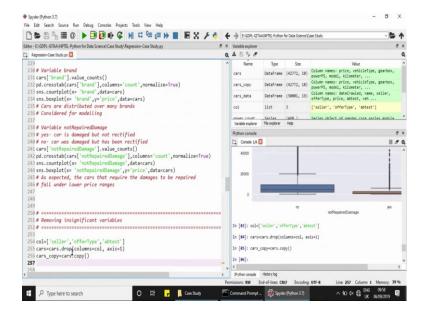
levels to, so there are two categories to this variable, one is yes, the other is no. When you have yes, it means that the car was damaged, but the damage has not been rectified and the second category says that no the car was damaged, but the damage has been looked after, right. So, these are the two levels. So, let us look at the value counts for this. So, the category with no is 32507 and the category yes is 30988.

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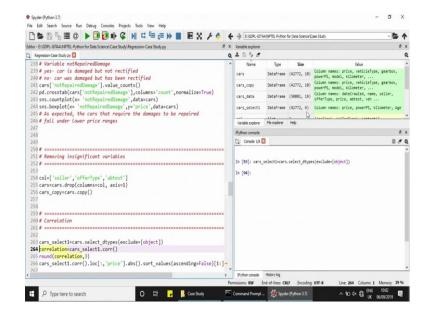
But if you want to see their effect on price you will have to do a box plot which eventually tells you that cars where the damage has not been rectified are under the category yes and they have a lower price range. So, cars which where the damage has not been looked after too, are going are being sold or quoted for a lower price range compared to the cars where the damage has been rectified. So, there is a clear cut difference between the two categories and their effect on price, and hence we are going to retain the variable notRepairedDamage, right.

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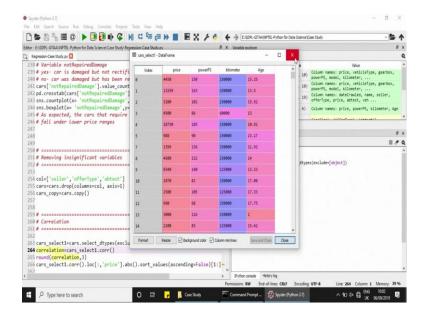
So, now, I am going to just remove this insignificant variables here which are seller offer type and abtest from the car. So, I am just collecting their names as a list and I am using that cars.drop function, and you can see that from 13 we are down to 10 and that is from the cars data frame, right. So, before we go further let us just make a copy of this data here. So, this is just to make sure that we do not end up losing the analysis that we have done till now.

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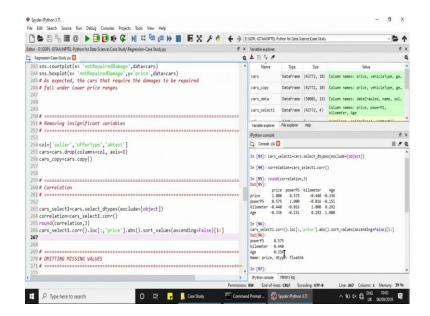
So, before we move further let us look at the correlation between our numerical variables and I am using select underscore d types which will select a certain ranges of data based on the data type that we have, and for this under the exclude parameter I am excluding all variables which are of the type object.

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Once I do that you can see that cars underscore select 1 gets displayed and we have 4, columns which are price, powerPS, kilometer and age and I want to calculate the correlation between them.

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So, I am using the corr function for this and I am rounding off the correlation to 3 decimal places. So, you have the variables again on the x and on the y axis, you have the same variables, it is a matrix, it is a correlation matrix and from here it is little hard to interpret which of the variables have the highest correlation value.

So, I have cars underscore select.corr which returns the correlation and I am from there I am doing a location function based on the price, right and this just returns the price and the first column. So, all that returns is the first column, right. And I am just taking the absolute value of it and I am just sorting them in descending order.

So, I want values after price and you can see that this is the correlation and powerPS has the highest correlation which is about 0.575 followed by that you have kilometer at 0.44 and age is correlated to price by the value of 0.336, right. These values are not high except for powerPS which shows a reasonable correlation. This is only, this method was to only check if there is some, if there is a heavy dependency of one of these variables or one of these numerical variables with price and that was the only reason to check the correlation.

So, except for probably powerPS, the other two variables do not have a very very heavy influence on price. Again the value of the powerPS, again the correlation value of powerPS and price is less, but it is not too less, it is referring about 0.57 and that is ok, but it is not very very strongly correlated to price.