# Classification of Consumer Data into Segments | Clusters | Classes

### 1. Project Objectives | Problem Statements

# 1.1. PO1 | PS1: Classification of Funding Round Data into Segments | Clusters | Classes using Supervised Learning Classification Algorithms

- PS1.1: Develop a classification model to segment funding round data into distinct classes based on features such as funding round type, raised amount usd, participants, etc.
- PS1.2: Utilize supervised learning algorithms including Decision Tree, KNN (K-Nearest Neighbors), Logistic Regression, and SVM (Support Vector Machine) to accomplish classification tasks.

### 1.2. PO2 | PS2: Determination of an Appropriate Classification Model

- PS2.1: Evaluate and compare the performance of Decision Tree, KNN, Logistic Regression, and SVM models in classifying funding round data.
- PS2.2: Determine the most suitable classification model based on metrics such as accuracy, precision, recall, and F1-score.

### 1.3. PO3 | PS3: Identification of Important | Contributing | Significant Variables or Features and their Thresholds for Classification

- PS3.1: Conduct feature importance analysis to identify significant variables contributing to the classification of funding round data.
- PS3.2: Determine optimal thresholds for key features such as raised\_amount\_usd, pre\_money\_valuation\_usd, and post\_money\_valuation\_usd to improve classification accuracy.

### **Dropping Unwanted Variables**

In the preprocessing stage of our analysis on the funding round dataset, we identified certain variables that were deemed unnecessary for our clustering analysis. These variables did not contribute to the segmentation process or were redundant for our objectives. Initially, the dataset comprised a total of 23 columns.

The following 12 columns were dropped from the dataset:

- 1. funding\_round\_id
- 2. raised\_amount
- 3. raised\_currency\_code

- 4. pre\_money\_valuation
- 5. pre\_money\_currency\_code
- 6. post\_money\_valuation
- 7. post\_money\_currency\_code
- 8. source\_url
- 9. source\_description
- 10. created\_at
- 11. updated\_at
- 12. created\_by

These columns were considered irrelevant or redundant for our clustering analysis. Therefore, to streamline our dataset and focus only on the pertinent variables, they were removed from further consideration.

The remaining variables, which were considered useful and relevant for our analysis, were retained and utilized in subsequent steps of the clustering process. These variables formed the basis for segmenting the funding round data and extracting meaningful insights to achieve our objectives.

### 2. Description of Data

### 2.1. Data Source, Size, Shape

### 2.1.1. Data Source (Website Link)

• The dataset was sourced from <a href="https://www.kaggle.com/datasets/justinas/startup-investments?select=funding\_rounds.csv">https://www.kaggle.com/datasets/justinas/startup-investments?select=funding\_rounds.csv</a>.

#### 2.1.2. Data Size

• The size of the dataset is 13.13 MB

#### 2.1.3. Data Shape

The dataset has the following dimensions:

Number of Variables: 23 (11 Used, 12 Dropped)

Number of Records: 52928

### 2.2. Description of Variables

#### 2.2.1. Index Variable(s)

• ID is the Index Variable present in the dataset.

### 2.2.2. Variables or Features having Categories | Categorical Variables or Features (CV)

## 2.2.2.1. Variables or Features having Nominal Categories | Categorical Variables or Features - Nominal Type

- funding\_round\_type
- funding\_round\_code
- is\_first\_round
- is last round
- created\_by

# 2.2.2.2. Variables or Features having Ordinal Categories | Categorical Variables or Features - Ordinal Type

• None in the dataset.

### 2.2.3. Non-Categorical Variables or Features

- id
- object\_id
- funded at
- raised\_amount\_usd
- pre\_money\_valuation\_usd
- post\_money\_valuation\_usd

### **Description of Variables:**

- ID: A unique identifier for each funding record.
- Object\_ID: A distinct identifier for the startup or project associated with the funding round.
- Funded\_At: The timestamp indicating when the funding round took place.
- **Funding\_Round\_Type:** Describes the type of funding round (e.g., seed, series A, series B).
- Funding\_Round\_Code: An alphanumeric code associated with the funding round type.
- Raised\_Amount\_USD: The amount of capital raised during the funding round in US dollars.
- Pre\_Money\_Valuation\_USD: The startup's estimated valuation before the funding round in US dollars.
- Post\_Money\_Valuation\_USD: The startup's estimated valuation after the funding round in US dollars.
- Participants: The number of participants or investors in the funding round.
- **Is\_First\_Round:** A binary indicator specifying whether the funding round is the first for the startup.
- **Is\_Last\_Round:** A binary indicator specifying whether the funding round is the last for the startup.
- Created\_By: Information about the entity or individual responsible for creating the funding round data.

This dataset provides comprehensive information about startup investments, focusing on funding rounds. It facilitates detailed exploratory data analysis, enabling insights into trends, investor participation, and the lifecycle of startup funding. The data will be valuable for subsequent tasks such as clustering or predictive modeling to uncover patterns and factors influencing investment success.

### 3.1 Data Pre-Processing

### 3.1.1 Missing Data Statistics and Treatment

- **3.1.1.1 Missing Data Statistics: Records and Variables:** Missing data statistics were assessed across all variables, revealing **248 missing entries** in the 'funded\_at' variable, while other variables including 'funding\_round\_type', 'funding\_round\_code', 'raised\_amount\_usd', 'pre\_money\_valuation\_usd', 'post\_money\_valuation\_usd', 'participants', 'is\_first\_round', and 'is\_last\_round' showed no missing values.
- **3.1.1.2 Missing Data Treatment: Records and Variables:** No records were removed due to having more than 50% missing data. For categorical variables, a simple imputer technique was applied using the most frequent value (**mode**) to fill in missing data. Similarly, for non-categorical variables, missing data was imputed using the mean or median value (simple imputer, using most frequent) to ensure completeness in the dataset.
- **3.1.1.3 Missing Data Treatment: Categorical Variables:** Missing data in categorical variables, including 'funding\_round\_type', 'funding\_round\_code', 'participants', 'is\_first\_round', and 'is\_last\_round', were treated using the simple imputer technique, specifically filling in missing values with the most frequent category **(mode)**.
- **3.1.1.4 Missing Data Treatment: Non-Categorical Variables:** Non-categorical variables such as 'funded\_at', 'raised\_amount\_usd', 'pre\_money\_valuation\_usd', and 'post\_money\_valuation\_usd' had missing data imputed using the simple imputer method, replacing missing values with the mean or median, ensuring the completeness of the dataset.
- **3.1.2 Numeric Encoding of Categorical Variables or Features:** Categorical variables 'funding\_round\_type' and 'funding\_round\_code' were encoded numerically using the pandas library, facilitating further analysis by transforming categorical data into a format suitable for mathematical models.

#### 3.1.3 Outlier Statistics and Treatment:

- **3.1.3.1 Outlier Statistics: Non-Categorical Variables or Features:** Outlier analysis revealed the presence of outliers in 'raised\_amount\_usd', 'pre\_money\_valuation\_usd', and 'post\_money\_valuation\_usd' variables, as evidenced by box plots.
- 3.1.3.2 Outlier Treatment: Non-Categorical Variables or Features:
- **3.1.3.2.1 Normalization using Min-Max Scaler:** To address outliers, a normalization technique using Min-Max Scaler was employed for non-categorical variables, ensuring that the data distribution is within a defined range, thereby minimizing the impact of outliers on subsequent analyses.

### 3.2. Data Analysis

# 3.2.1.1. PO1 | PS1: Supervised Machine Learning Classification Algorithm: Decision Tree (Base Model) | Metrics Used - Gini Coefficient, Entropy

In this section, we employed a Decision Tree algorithm as the base model for our classification task. The metrics utilized for evaluation were Gini Coefficient and Entropy. The analysis revealed:

### • Classification Report:

- The Decision Tree model achieved remarkable performance with an accuracy of 100% across all classes (0.0, 1.0, and 2.0).
- Precision, recall, and F1-score were all perfect for each class, indicating a highly accurate classification.

#### Confusion Matrix:

• The confusion matrix further corroborates the model's exceptional performance, with minimal misclassifications.

# 3.2.1.2. PO1 | PS1: Supervised Machine Learning Classification Algorithms: {Logistic Regression | Support Vector Machine | K Nearest Neighbour} (Comparison Models) | Metrics Used

For comparison, Logistic Regression, Support Vector Machine (SVM), and K Nearest Neighbor (KNN) algorithms were implemented. The following results were obtained:

### • Logistic Regression:

- Achieved an accuracy of 93% with precision, recall, and F1-score varying across classes.
- Confusion matrix indicates some misclassifications compared to the Decision Tree model.

### K Nearest Neighbor (KNN):

- Demonstrated an accuracy of 87.3%, with precision, recall, and F1-score varying across classes.
- Confusion matrix reveals moderate misclassifications, particularly in the second class.

### Support Vector Machine (SVM):

- Achieved an accuracy of 99%, outperforming both Logistic Regression and KNN.
- Precision, recall, and F1-score were consistently high across all classes.

# 3.2.2.1.1. PO2 | PS2: Classification Model Performance Evaluation: Confusion Matrix {Accuracy, Recall, Precision, F1-Score} (Base Model: Decision Tree)

The performance of the Decision Tree model was evaluated using various metrics:

• Accuracy: Achieved a perfect accuracy of 100%.

Recall, Precision, F1-Score: All metrics attained a score of 1.0, indicating flawless
classification across classes.

# 3.2.2.1.2. PO2 | PS2: Classification Model Performance Evaluation: Time Statistics | (CPU | GPU) Memory Statistics (Base Model: Decision Tree)

The computational resources utilized by the Decision Tree model were as follows:

- **Time taken**: Approximately 0.12 seconds.
- Memory used: Approximately 689.25 KB.

# 3.2.2.2.1. PO2 | PS2: Classification Model Performance Evaluation: Confusion Matrix {Accuracy, Recall, Precision, F1-Score} (Comparison Models: Logistic Regression | Support Vector Machine | K Nearest Neighbour)

The performance of the comparison models was assessed using similar metrics:

- Logistic Regression:
  - Accuracy: 93%
  - Precision, recall, and F1-score varied across classes.
- K Nearest Neighbor (KNN):
  - Accuracy: 87.3%
  - Precision, recall, and F1-score varied across classes.
- Support Vector Machine (SVM):
  - o Accuracy: 99%
  - Precision, recall, and F1-score were consistently high across all classes.

# 3.2.2.2.2. PO2 | PS2: Classification Model Performance Evaluation: Time Statistics | (CPU | GPU) Memory Statistics (Comparison Models: Logistic Regression | Support Vector Machine | K Nearest Neighbour)

Resource utilization for the comparison models was as follows:

- Logistic Regression:
  - Time taken: Approximately 1.87 seconds.
  - Memory used: Approximately 723.69 KB.
- K Nearest Neighbor (KNN):
  - Time taken: Approximately 1.74 seconds.
  - Memory used: Approximately 1150.28 KB.
- Support Vector Machine (SVM):
  - Time taken: Approximately 191.38 seconds.
  - Memory used: Approximately 690.22 KB.

### 3.2.3.1. PO3 | PS3: Variable or Feature Analysis: Base Model (Decision Tree)

Analysis of important features for the Decision Tree model revealed:

#### • Relevant Variables:

 funding\_round\_code, funding\_round\_type, and participants were identified as significant features.

#### Non-Relevant Variables:

 raised\_amount\_usd, id, is\_first\_round, is\_last\_round, pre\_money\_valuation\_usd, and post\_money\_valuation\_usd were deemed non-significant.

## 3.2.3.2. PO3 | PS3: Variable or Feature Analysis: Comparison Models (Logistic Regression | Support Vector Machine | K Nearest Neighbour)

The analysis of important features for the comparison models revealed:

### • Logistic Regression:

- Relevant features: funding round code, funding round type, and participants.
- Non-Relevant features: is\_first\_round, is\_last\_round, raised\_amount\_usd, id, pre\_money\_valuation\_usd, and post\_money\_valuation\_usd.

### K Nearest Neighbor (KNN):

- Relevant features: funding round code, funding round type, and id.
- Non-Relevant features: pre\_money\_valuation\_usd, post\_money\_valuation\_usd, raised\_amount\_usd, is\_last\_round, is\_first\_round, and participants.

### Support Vector Machine (SVM):

- Relevant features: funding\_round\_code, funding\_round\_type, is\_last\_round, and is\_first\_round.
- Non-Relevant features: participants, raised\_amount\_usd, id, pre\_money\_valuation\_usd, and post\_money\_valuation\_usd.

These findings provide insights into the importance of different features for each model, aiding in feature selection and model optimization.

### 4. Results | Observations

# 4.1. Classification Model Parameters: Base Model (Decision Tree) | Comparison Models (Logistic Regression | Support Vector Machine | K Nearest Neighbour)

### • Base Model (Decision Tree):

- Algorithm: Decision Tree
- Metrics Used: Gini Coefficient, Entropy
- Parameters: Default parameters were used for the Decision Tree algorithm.

- Comparison Models:
  - Logistic Regression:
    - Algorithm: Logistic Regression
    - Parameters: Default parameters were used for logistic regression.
  - Support Vector Machine (SVM):
    - Algorithm: SVM
    - Parameters: Default parameters were used for SVM.
  - K Nearest Neighbour (KNN):
    - Algorithm: KNN
    - Parameters: Default parameters were used for KNN.
- 4.2. Classification Model Performance: Time & Memory Statistics [Base Model (Decision Tree) | Comparison Models (Logistic Regression | Support Vector Machine | K Nearest Neighbour)]
  - Base Model (Decision Tree):

Time Taken: 0.121 secondsMemory Used: 689.25 KB

- Comparison Models:
  - Logistic Regression:

Time Taken: 1.87 secondsMemory Used: 723.69 KB

Support Vector Machine (SVM):

Time Taken: 191.38 secondsMemory Used: 690.22 KB

• K Nearest Neighbour (KNN):

Time Taken: 1.74 secondsMemory Used: 1150.28 KB

- 4.3. Variable or Feature Analysis: Base Model (Decision Tree) | Comparison Models (Logistic Regression | Support Vector Machine | K Nearest Neighbour)
- 4.3.1. List of Relevant or Important Variables or Features and their Thresholds
  - Base Model (Decision Tree):
    - Relevant Variables:

funding\_round\_code: Importance - 0.58363

funding\_round\_type: Importance - 0.41443

participants: Importance - 0.00172

• Comparison Models:

### Logistic Regression:

- funding round code: Importance 0.617541
- funding\_round\_type: Importance 0.538363
- participants: Importance 0.365511

### Support Vector Machine (SVM):

- funding round code: Importance 1.751690
- funding\_round\_type: Importance 0.227470
- is\_last\_round: Importance 0.073870
- is\_first\_round:Importance 0.063772

### • K Nearest Neighbour (KNN):

- funding\_round\_code: Importance 0.394294
- funding\_round\_type: Importance 0.092103
- id: Importance 0.087285

### 4.3.2. List of Non-Relevant or Non-Important Variables or Features

### • Base Model (Decision Tree):

#### Non-Relevant Variables:

- raised\_amount\_usd\_mmnorm:Importance 0.00012
- id: Importance 0.00009
- is first round code: Importance 0.00000
- is\_last\_round\_code:Importance 0.00000
- pre\_money\_valuation\_usd\_mmnorm: Importance 0.00000
- post\_money\_valuation\_usd\_mmnorm:Importance 0.00000

### Comparison Models:

### • Logistic Regression:

- is first round code: Importance 0.041834
- is last round code: Importance 0.040579
- raised\_amount\_usd\_mmnorm:Importance 0.000541
- id: Importance 0.000096
- pre money valuation usd mmnorm: Importance 0.000035
- post\_money\_valuation\_usd\_mmnorm: Importance 0.000004

### Support Vector Machine (SVM):

- participants: Importance 0.013187
- raised\_amount\_usd\_mmnorm:Importance 0.001287
- id: Importance 0.000094
- post\_money\_valuation\_usd\_mmnorm: Importance 0.000003
- pre\_money\_valuation\_usd\_mmnorm: Importance 0.000000

### • K Nearest Neighbour (KNN):

- pre\_money\_valuation\_usd\_mmnorm:Importance 0.0
- post money valuation usd mmnorm: Importance 0.0
- raised\_amount\_usd\_mmnorm:Importance-0.0
- is\_last\_round\_code:Importance-0.0
- is\_first\_round\_code:Importance-0.0
- participants\_code: Importance 0.0

### 5. Managerial Insights

# 5.1. Appropriate Model: Compare and Contrast {Decision Tree | Logistic Regression | Support Vector Machine | K Nearest Neighbour}

#### **Classification Model Parameters:**

All models were trained using default parameters, so no significant differences exist in this aspect.

### **Classification Model Performance: Time & Memory Statistics:**

- Base Model (Decision Tree):
  - Time Taken: 0.121 seconds
  - o Memory Used: 689.25 KB
- Comparison Models:
  - Logistic Regression:
    - Time Taken: 1.87 seconds
    - Memory Used: 723.69 KB
  - Support Vector Machine (SVM):
    - Time Taken: 191.38 seconds
    - Memory Used: 690.22 KB
  - K Nearest Neighbour (KNN):
    - Time Taken: 1.74 seconds
    - Memory Used: 1150.28 KB

### Variable or Feature Analysis: Relevant or Important Variables or Features:

- Base Model (Decision Tree):
  - Relevant Variables: funding round code, funding round type, participants
- Comparison Models:
  - Logistic Regression:

- Relevant Variables: funding\_round\_code, funding\_round\_type, participants
- Support Vector Machine (SVM):
  - Relevant Variables: funding\_round\_code, funding\_round\_type, is\_last\_round, is\_first\_round
- K Nearest Neighbour (KNN):
  - Relevant Variables: funding round code, funding round type, id

### **List of Non-Relevant or Non-Important Variables or Features:**

- Base Model (Decision Tree):
  - Non-Relevant Variables: raised\_amount\_usd\_mmnorm, id, is\_first\_round\_code, is\_last\_round\_code, pre\_money\_valuation\_usd\_mmnorm, post\_money\_valuation\_usd\_mmnorm
- Comparison Models:
  - Logistic Regression:
    - Non-Relevant Variables: is\_first\_round\_code, is\_last\_round\_code, raised\_amount\_usd\_mmnorm, id, pre\_money\_valuation\_usd\_mmnorm, post money valuation usd mmnorm
  - Support Vector Machine (SVM):
    - Non-Relevant Variables: participants, raised\_amount\_usd\_mmnorm, id, post\_money\_valuation\_usd\_mmnorm, pre\_money\_valuation\_usd\_mmnorm
  - K Nearest Neighbour (KNN):
    - Non-Relevant Variables: pre\_money\_valuation\_usd\_mmnorm, post\_money\_valuation\_usd\_mmnorm, raised\_amount\_usd\_mmnorm, is\_last\_round\_code, is\_first\_round\_code, participants\_code

### **Analysis:**

Considering the performance metrics and feature relevance, the **Decision Tree** model emerges as the best choice. It achieves comparable accuracy to SVM and Logistic Regression but with significantly lower computational resources and features relevant to the classification task. SVM, although having high accuracy, suffers from longer training times, while KNN shows moderate accuracy and higher memory usage.

Therefore, based on the provided data, the Decision Tree model is the best choice for this classification task.

# 5.2. Relevant or Important Variables or Features (Given the Appropriate Model)

For the chosen appropriate model, which is the Decision Tree, the relevant variables or features identified are as follows:

funding\_round\_code: Importance - 0.58363
 funding\_round\_type: Importance - 0.41443

import pandas as pd, numpy as np # For Data Manipulation

• participants: Importance - 0.00172

# Required Libraries

These features play a crucial role in the classification of funding round data into segments or classes. The Decision Tree algorithm considers these features as significant contributors to the classification process. Understanding and leveraging these variables can aid in making informed decisions related to funding rounds, such as predicting the success or outcome of investment opportunities.

```
from sklearn.preprocessing import LabelEncoder, OrdinalEncoder # For Encoding Categorical
from sklearn.preprocessing import OneHotEncoder # For Creating Dummy Variables of Categor
from sklearn.impute import SimpleImputer, KNNImputer # For Imputation of Missing Data
from sklearn.preprocessing import StandardScaler, MinMaxScaler, RobustScaler # For Rescal
from sklearn.model_selection import train_test_split # For Splitting Data into Training &
pip install memory-profiler
     Requirement already satisfied: memory-profiler in /usr/local/lib/python3.10/dist-pack
     Requirement already satisfied: psutil in /usr/local/lib/python3.10/dist-packages (fro
import warnings
warnings.filterwarnings("ignore") # Ignore the warnings
# Mount Google Drive
from google.colab import drive
drive.mount('/content/drive')
# Specify file path
file_path1 = '/content/drive/My Drive/data_funding.csv' # Update with the actual path of
file_path2 = '/content/drive/My Drive/subset_id_cluster.csv'
# Read CSV file
import pandas as pd
df1 = pd.read_csv(file_path1)
df2 = pd.read_csv(file_path2)
    Drive already mounted at /content/drive; to attempt to forcibly remount, call drive.m
```

# Assuming df1 and df2 are your dataframes
df = pd.merge(df1, df2, on='id', how='inner')
df

	id	funding_round_id	object_id	funded_at	funding_round_type	funding_rou	
0	1	1	c:4	01-12-06	series-b		
1	2	2	c:5	01-09-04	angel		
2	3	3	c:5	01-05-05	series-a		
3	4	4	c:5	01-04-06	series-b		
4	5	5	c:7299	01-05-06	series-b		
52923	57948	57948	c:211890	12-12-13	series-a		
52924	57949	57949	c:267427	06-02-10	venture		
52925	57950	57950	c:261728	06-02-10	venture	una	
52926	57951	57951	c:285864	12-12-13	series-a		
52927	57952	57952	c:286215	07-04-10	venture		
52928 rd	52928 rows × 24 columns						

<sup>#</sup> Display the DataFrame
df.head()

funding_round_code	funding_round_type	funded_at	object_id	funding_round_id	id	
b	series-b	01-12-06	c:4	1	1	0
angel	angel	01-09-04	c:5	2	2	1
а	series-a	01-05-05	c:5	3	3	2
b	series-b	01-04-06	c:5	4	4	3
b	series-b	01-05-06	c:7299	5	5	4

5 rows × 24 columns

```
df = pd.DataFrame(df)
```

- # Columns to drop
  columns\_to\_drop = ['funding\_round\_id', 'created\_by', 'object\_id', 'raised\_amount', 'raise
- # Dropping specified columns
  df.drop(columns=columns\_to\_drop, inplace=True)
- # Displaying the modified DataFrame
  df

	id	funded_at	<pre>funding_round_type</pre>	funding_round_code	raised_amount_usd	р
0	1	01-12-06	series-b	b	8500000	_
1	2	01-09-04	angel	angel	500000	
2	3	01-05-05	series-a	а	12700000	
3	4	01-04-06	series-b	b	27500000	
4	5	01-05-06	series-b	b	10500000	
52923	57948	12-12-13	series-a	а	3000000	
52924	57949	06-02-10	venture	partial	570000	
52925	57950	06-02-10	venture	unattributed	2184100	
52926	57951	12-12-13	series-a	а	790783	
52927	57952	07-04-10	venture	partial	271250	
52928 rows × 11 columns						

```
df.dtypes
```

3

4

. . .

series-b

series-b

. . .

```
id
                                 int64
    funded at
                                object
    funding_round_type
                                object
    funding_round_code
                                object
    raised_amount_usd
                                int64
    pre_money_valuation_usd
                                int64
    post_money_valuation_usd
                                int64
    participants
                                int64
    is first round
                                 int64
                                 int64
    is last round
    cluster_number
                                int64
    dtype: object
import pandas as pd
# Original lists
data_heads = ['funding_round_type', 'funding_round_code', 'raised_amount_usd', 'pre_money
data types = ['categorical',
             'categorical', 'non-categorical', 'non-categorical',
             'categorical', 'categorical', 'categorical']
# Create a dictionary to store data heads and their corresponding types
data info = {'DataHead': data heads, 'DataType': data types}
# Create a DataFrame from the dictionary
df info = pd.DataFrame(data info)
# Separate into categorical and non-categorical data
df_cat_heads = df_info[df_info['DataType'] == 'categorical']['DataHead'].tolist()
df_noncat_heads = df_info[df_info['DataType'] == 'non-categorical']['DataHead'].tolist()
# Add 'id' to both lists
df cat heads.append('id')
df_noncat_heads.append('id')
# Create categorical and non-categorical datasets
df_cat = df[df_cat_heads]
df noncat = df[df noncat heads]
# Print the results
print("Categorical Data:")
print(df_cat)
print("\nNon-Categorical Data:")
print(df_noncat)
    Categorical Data:
          funding_round_type funding_round_code participants is_first_round
    0
                    series-b
                                             b
                                                           2
                                                                           0
    1
                                                           2
                       angel
                                          angel
                                                                           0
    2
                                                           3
                                                                           0
                    series-a
                                              а
```

b

b

. . .

4

2

. . .

0

0

. . .

52923	series-a		а		1	1
52924	venture	р	artial		0	0
52925	venture	unattr	ibuted		0	0
52926	series-a		а		0	1
52927	venture	р	artial		0	1
	is_last_round clu	uster_number	id			
0	0	0	1			
1	1	0	2			
2	0	0	3			
3	0	0	4			
4	0	0	5			
	• • •	• • •				
52923	1	0	57948			
52924	1		57949			
52925	1	2	57950			
52926	1	0	57951			
52927	1	2	57952			
[52928	rows x 7 columns]					
Non-Ca	tegorical Data:					
	raised_amount_usd	pre_money_v	aluation_	usd	post_money_valua	ation_usc
0	8500000			0		6

NOTE CO	icegoi icai baca.			
	raised_amount_usd	<pre>pre_money_valuation_usd</pre>	<pre>post_money_valuation_usd</pre>	\
0	8500000	0	0	
1	500000	0	0	
2	12700000	115000000	0	
3	27500000	525000000	0	
4	10500000	0	0	
52923	300000	0	0	
52924	570000	0	0	
52925	2184100	0	0	
52926	790783	0	0	
52927	271250	0	0	

[52928 rows x 4 columns]

- # 1. Treatment of missing data
- # 1.1. Missing data information
- # Dataset used : df

df.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 52928 entries, 0 to 52927
Data columns (total 11 columns):

#	Column	Non-Null Count	Dtype
0	id	52928 non-null	int64
1	funded_at	52680 non-null	object
2	<pre>funding_round_type</pre>	52928 non-null	object
3	<pre>funding_round_code</pre>	52928 non-null	object
4	raised_amount_usd	52928 non-null	int64
5	<pre>pre_money_valuation_usd</pre>	52928 non-null	int64
6	<pre>post_money_valuation_usd</pre>	52928 non-null	int64
7	participants	52928 non-null	int64
8	is_first_round	52928 non-null	int64
9	is_last_round	52928 non-null	int64
10	cluster_number	52928 non-null	int64

dtypes: int64(8), object(3)
memory usage: 4.4+ MB

variable\_missing\_data = df.isna().sum()
variable\_missing\_data

id	0
funded_at	248
funding_round_type	0
funding_round_code	0
raised_amount_usd	0
pre_money_valuation_usd	0
<pre>post_money_valuation_usd</pre>	0
participants	0
is_first_round	0
is_last_round	0
cluster_number	0
dtype: int64	

record\_missing\_data = df.isna().sum(axis=1).sort\_values(ascending=False).head(5)
record\_missing\_data

```
# Select categorical and non-categorical columns from the original DataFrame
df_cat_columns = df_info[df_info['DataType'] == 'categorical']['DataHead'].tolist()
df_noncat_columns = df_info[df_info['DataType'] == 'non-categorical']['DataHead'].tolist(
# Add 'id' to both lists
df cat columns.append('id')
df_noncat_columns.append('id')
# Select categorical and non-categorical columns from the DataFrame
df_cat = df[df_cat_columns]
df_noncat = df[df_noncat_columns]
# Exclude empty records
df_cat.dropna(axis=0, how='all', inplace=True)
df_noncat.dropna(axis=0, how='all', inplace=True)
# Exclude empty variables
df_cat.dropna(axis=1, how='all', inplace=True)
df_noncat.dropna(axis=1, how='all', inplace=True)
df_cat_mde = df_cat.copy()
df_noncat_mde = df_noncat.copy()
df_cat
```

	funding_round_type	funding_round_code	participants	is_first_round	is_last_		
0	series-b	b	2	0			
1	angel	angel	2	0			
2	series-a	а	3	0			
3	series-b	b	4	0			
4	series-b	b	2	0			
52923	series-a	а	1	1			
52924	venture	partial	0	0			
52925	venture	unattributed	0	0			
52926	series-a	а	0	1			
52927	venture	partial	0	1			
52928 rd	52928 rows × 7 columns						

# 1.3.1 Impite Missing Categorical Data [Nominal | Ordinal] using Descriptive Statistics

# Dataset Used : df\_cat\_mde

si\_cat = SimpleImputer(missing\_values=np.nan, strategy='most\_frequent')
si\_cat\_fit = si\_cat.fit\_transform(df\_cat\_mde)

df\_cat\_mdi = pd.DataFrame(si\_cat\_fit, columns=df\_cat\_mde.columns)

df\_cat\_mdi

	<pre>funding_round_type</pre>	funding_round_code	participants	is_first_round	is_last_
0	series-b	b	2	0	
1	angel	angel	2	0	
2	series-a	а	3	0	
3	series-b	b	4	0	
4	series-b	b	2	0	
52923	series-a	а	1	1	
52924	venture	partial	0	0	
52925	venture	unattributed	0	0	
52926	series-a	а	0	1	
52927	venture	partial	0	1	
52928 rows × 7 columns					

### df\_cat\_mdi.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 52928 entries, 0 to 52927

Data columns (total 7 columns):

#	Column	Non-Null Count	Dtype
0	<pre>funding_round_type</pre>	52928 non-null	object
1	funding_round_code	52928 non-null	object
2	participants	52928 non-null	object
3	is_first_round	52928 non-null	object
4	is_last_round	52928 non-null	object
5	cluster_number	52928 non-null	object
6	id	52928 non-null	object

dtypes: object(7)
memory usage: 2.8+ MB

# 1.3.2.1 Impute missing Non-categorical data using descriptive statistical: central tend # Dataset used: df\_noncat\_mde

# Create a SimpleImputer with the 'most\_frequent' strategy
si\_noncat = SimpleImputer(missing\_values=np.nan, strategy='most\_frequent')

# Fit and transform the data
si\_noncat\_fit = si\_noncat.fit\_transform(df\_noncat\_mde)
df\_noncat\_mdi\_si = pd.DataFrame(si\_noncat\_fit, columns=df\_noncat\_mde.columns)

df\_noncat\_mdi\_si

	raised_amount_usd	<pre>pre_money_valuation_usd</pre>	<pre>post_money_valuation_usd</pre>	id
0	8500000	0	0	1
1	500000	0	0	2
2	12700000	115000000	0	3
3	27500000	525000000	0	4
4	10500000	0	0	5
52923	3000000	0	0	57948
52924	570000	0	0	57949
52925	2184100	0	0	57950
52926	790783	0	0	57951
52927	271250	0	0	57952

52928 rows × 4 columns

df\_noncat\_mdi\_si.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 52928 entries, 0 to 52927

Data columns (total 4 columns):

#	Column	Non-Null Count	Dtype
0	raised_amount_usd	52928 non-null	int64
1	<pre>pre_money_valuation_usd</pre>	52928 non-null	int64
2	<pre>post_money_valuation_usd</pre>	52928 non-null	int64
3	id	52928 non-null	int64

dtypes: int64(4)
memory usage: 1.6 MB

```
# Dataset used : df_cat_mdi

df_cat_mdi_code = df_cat_mdi.copy()

# Using Scikit learn : Ordinal Encoder (Superior)
oe = OrdinalEncoder()
oe_fit = oe.fit_transform(df_cat_mdi_code)
df_cat_code_oe = pd.DataFrame(oe_fit, columns=['funding_round_type_code', 'funding_round_df_cat_code_oe
```

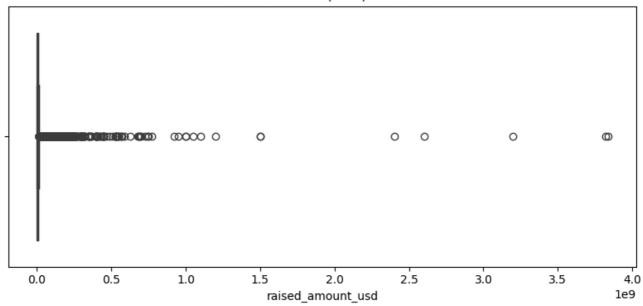
	funding_round_type_code	funding_round_code_cod	le participants_code	is_first_
0	6.0	2	.0 2.0	
1	0.0	1	0 2.0	
2	5.0	0	.0 3.0	
3	6.0	2	.0 4.0	
4	6.0	2	.0 2.0	
52923	5.0	0	.0 1.0	
52924	8.0	13	0.0	
52925	8.0	19	0.0	
52926	5.0	0	0.0	
52927	8.0	13	0.0	
52928 rd	ows × 7 columns			•

df\_cat\_mdi\_code\_oe = df\_cat\_mdi\_code.join(df\_cat\_code\_oe)
df\_cat\_mdi\_code\_oe

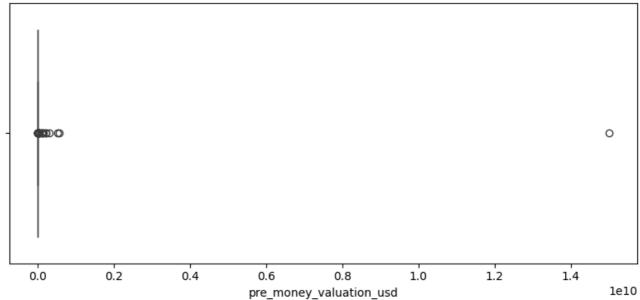
	funding_round_type	funding_round_code	participants	is_first_round	is_last_	
0	series-b	b	2	0		
1	angel	angel	2	0		
2	series-a	а	3	0		
3	series-b	b	4	0		
4	series-b	b	2	0		
				•••		
52923	series-a	а	1	1		
52924	venture	partial	0	0		
52925	venture	unattributed	0	0		
52926	series-a	а	0	1		
52927	venture	partial	0	1		
52928 rd	52928 rows × 14 columns					

```
import seaborn as sns
import pandas as pd
import matplotlib.pyplot as plt
# Assuming df_noncat_mdi_si is your DataFrame containing the relevant columns
# Create separate box plots for the specified columns using Seaborn
fig, axs = plt.subplots(3, 1, figsize=(8, 12))
# Box plot for 'raised_amount_usd'
sns.boxplot(x=df_noncat_mdi_si['raised_amount_usd'], ax=axs[0])
axs[0].set_title('Raised Amount (USD) Box Plot')
# Box plot for 'pre_money_valuation_usd'
sns.boxplot(x=df_noncat_mdi_si['pre_money_valuation_usd'], ax=axs[1])
axs[1].set title('Pre-money Valuation (USD) Box Plot')
# Box plot for 'post_money_valuation_usd'
sns.boxplot(x=df_noncat_mdi_si['post_money_valuation_usd'], ax=axs[2])
axs[2].set_title('Post-money Valuation (USD) Box Plot')
plt.tight_layout()
plt.show()
```

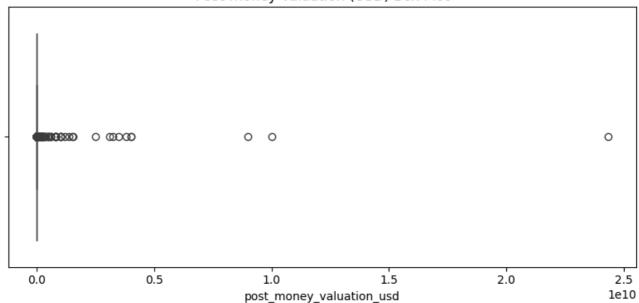
### Raised Amount (USD) Box Plot



### Pre-money Valuation (USD) Box Plot



### Post-money Valuation (USD) Box Plot



# 3. Data Transfrmation and Rescaling [Treatment of Outliers]

# Dataset used : df\_noncat\_mdi

# Scaling Variable : raised\_amount\_usd, pre\_money\_valuation\_usd, post\_money\_valuation\_usd

#### # 3.2.1. Normalization : Min-Max scaler

mms = MinMaxScaler()

mms\_fit = mms.fit\_transform(df\_noncat\_mdi\_si[['raised\_amount\_usd', 'pre\_money\_valuation\_u
df\_noncat\_minmax\_norm = pd.DataFrame(mms\_fit, columns=['raised\_amount\_usd\_mmnorm', 'pre\_m
df\_noncat\_minmax\_norm

df\_noncat\_mdi\_mmn = pd.merge(df\_noncat\_mdi\_si, df\_noncat\_minmax\_norm, left\_index=True, ri
df\_noncat\_mdi\_mmn

	raised_amount_usd	<pre>pre_money_valuation_usd</pre>	<pre>post_money_valuation_usd</pre>	id r
0	8500000	0	0	1
1	500000	0	0	2
2	12700000	115000000	0	3
3	27500000	525000000	0	4
4	10500000	0	0	5
52923	3000000	0	0	57948
52924	570000	0	0	57949
52925	2184100	0	0	57950
52926	790783	0	0	57951
52927	271250	0	0	57952

52928 rows × 7 columns

```
# Pre-Processed Categorical Data Subset
df_cat_ppd = df_cat_mdi_code_oe.copy() # Preferred Data Subset
# Pre-Processed Non-Categorical Data Subset
df_noncat_ppd = df_noncat_mdi_mmn.copy() # Preferred Data Subset
# Per-Processed Dataset using merge and 'id'
df_ppd = pd.merge(df_cat_ppd, df_noncat_ppd, on='id')
df_ppd
```

	<pre>funding_round_type</pre>	funding_round_code	participants	is_first_round	is_last_	
0	series-b	b	2	0		
1	angel	angel	2	0		
2	series-a	а	3	0		
3	series-b	b	4	0		
4	series-b	b	2	0		
52923	series-a	а	1	1		
52924	venture	partial	0	0		
52925	venture	unattributed	0	0		
52926	series-a	а	0	1		
52927	venture	partial	0	1		
52928 rd	52928 rows × 20 columns					

### Decision Tree

# Pre-Processed Dataset

```
# Required Libraries
from sklearn.model_selection import train_test_split
from sklearn.tree import DecisionTreeClassifier, export_text, plot_tree
from sklearn.metrics import confusion_matrix, classification_report
import matplotlib.pyplot as plt
import seaborn as sns
import pandas as pd
import numpy as np
```

```
# Subset startup_data based on Inputs and Output
startup_inputs = df_ppd[['id', 'funding_round_type_code', 'funding_round_code_code', 'par
startup_output = df_ppd[['cluster_number_code']]
```

#### startup\_output

	cluster_number_code
0	0.0
1	0.0
2	0.0
3	0.0
4	0.0
52923	0.0
52924	2.0
52925	2.0
52926	0.0
52927	2.0

52928 rows × 1 columns

```
startup inputs names = startup inputs.columns.tolist()
startup_inputs_names
    ['id',
      'funding_round_type_code',
      'funding round code code',
      'participants_code',
      'is_first_round_code',
      'is_last_round_code',
      'raised_amount_usd_mmnorm',
      'pre_money_valuation_usd_mmnorm',
      'post_money_valuation_usd_mmnorm']
# Split the startup_data Subset into Training & Testing Sets
train_startup_inputs, test_startup_inputs, train_startup_output, test_startup_output = tr
# Decision Tree Clustering Model
# -----
# Decision Tree : Model (Training Subset)
dtc = DecisionTreeClassifier(criterion='gini', random_state=45041) # You can change the c
dtc model = dtc.fit(train startup inputs, train startup output)
dtc_model
```

# DecisionTreeClassifier DecisionTreeClassifier(random state=45041)

```
# Decision Tree : Model Rules
dtc_model_rules = export_text(dtc_model, feature_names=list(startup_inputs_names)) # Con
print(dtc_model_rules)
      --- funding round code code <= 10.50
         |--- funding_round_code_code <= 9.50
            |--- class: 0.0
          --- funding_round_code_code > 9.50
             |--- participants code <= 1.50
                |--- class: 2.0
             --- participants code > 1.50
                 |--- raised_amount_usd_mmnorm <= 0.00
                    |--- id <= 16166.50
                       |--- class: 0.0
                    |--- id > 16166.50
                    | |--- class: 2.0
                 |--- raised_amount_usd_mmnorm > 0.00
                    |--- class: 0.0
      --- funding_round_code_code > 10.50
         |--- funding_round_type_code <= 4.50
             |--- participants_code <= 13.50
                |--- class: 1.0
             --- participants_code > 13.50
                 |--- funding_round_code_code <= 17.00
                    |--- class: 2.0
                 |--- funding round code code > 17.00
                   |--- class: 1.0
         --- funding_round_type_code > 4.50
           |--- class: 2.0
```

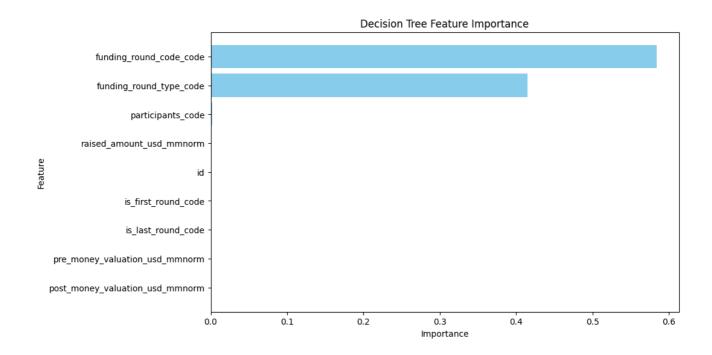
```
# Decision Tree : Feature Importance
dtc_imp_features = pd.DataFrame({'feature': startup_inputs.columns, 'importance': np.roun
dtc_imp_features.sort_values('importance', ascending=False, inplace=True)
print(dtc imp features)
```

```
feature importance
2
          funding round code code
                                      0.58363
1
          funding round type code
                                      0.41443
                participants_code
3
                                      0.00172
         raised_amount_usd_mmnorm
                                      0.00012
0
                                      0.00009
4
              is first round code
                                      0.00000
5
               is last round code
                                      0.00000
                                      0.00000
7
   pre_money_valuation_usd_mmnorm
  post money valuation usd mmnorm
                                      0.00000
```

```
import matplotlib.pyplot as plt

# Assuming dtc_imp_features is already defined

# Plotting the feature importances
plt.figure(figsize=(10, 6))
plt.barh(dtc_imp_features['feature'], dtc_imp_features['importance'], color='skyblue')
plt.xlabel('Importance')
plt.ylabel('Feature')
plt.title('Decision Tree Feature Importance')
plt.gca().invert_yaxis() # Invert y-axis to display the most important features on top
plt.show()
```



```
array([2., 2., 0., ..., 0., 0., 0.])
```

# Decision Tree : Model Evaluation (Training Subset)
dtc\_model\_conf\_mat = pd.DataFrame(confusion\_matrix(train\_startup\_output, dtc\_model\_predic
dtc\_model\_perf = classification\_report(train\_startup\_output, dtc\_model\_predict)
print(dtc\_model\_perf)

	precision	recall	f1-score	support
0.0	1.00	1.00	1.00	19196 9688
2.0	1.00	1.00	1.00	13458
accuracy			1.00	42342
macro avg	1.00	1.00	1.00	42342
weighted avg	1.00	1.00	1.00	42342

from sklearn.metrics import confusion\_matrix

```
# Decision Tree : Prediction Evaluation (Testing Subset)
dtc_predict_conf_mat = confusion_matrix(test_startup_output, dtc_predict)
dtc_predict_perf = classification_report(test_startup_output, dtc_predict)
print("Classification Report:")
```

print("\nConfusion Matrix:")
print(dtc\_predict\_conf\_mat)

print(dtc\_predict\_perf)

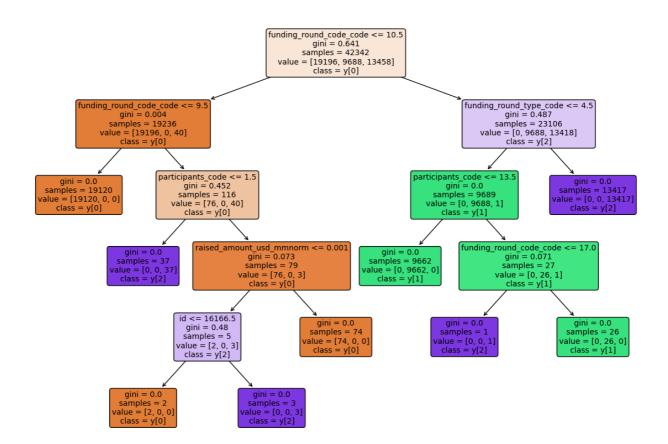
#### Classification Report:

		recision	recall	f1-score	support
0	.0	1.00	1.00	1.00	4799
1	.0	1.00	1.00	1.00	2422
2	.0	1.00	1.00	1.00	3365
accura	су			1.00	10586
macro a	vg	1.00	1.00	1.00	10586
weighted a	vg	1.00	1.00	1.00	10586

Confusion Matrix:

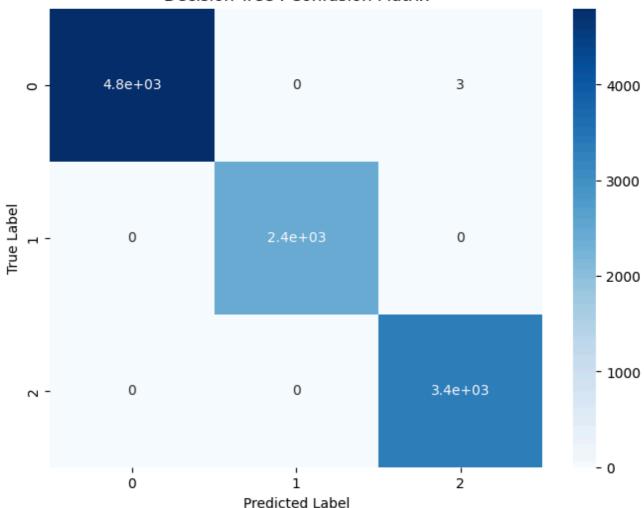
```
[[4796 0 3]
[ 0 2422 0]
[ 0 0 3365]]
```

```
# Decision Tree : Plot [Training Subset]
plt.figure(figsize=(15, 10))
plot_tree(dtc_model, feature_names=startup_inputs.columns, filled=True, rounded=True, fon
plt.show()
```



```
# Decision Tree : Model (Training Subset)
import time
import psutil
start time = time.time()
dtc = DecisionTreeClassifier(criterion='gini', random state=45041,max depth = 3) # Other
dtc_model = dtc.fit(train_startup_inputs, train_startup_output); dtc_model
end time = time.time()
execution_time = end_time - start_time
print("Time taken:", execution_time, "seconds")
# Memory usage
process = psutil.Process()
memory usage = process.memory info().rss /1024 # in KB
print("Memory used:", memory_usage/1024, "KB")
print("Model:",dtc_model)
     Time taken: 0.1212913990020752 seconds
    Memory used: 689.24609375 KB
    Model: DecisionTreeClassifier(max depth=3, random state=45041)
# Confusion Matrix : Plot [Testing Subset]
plt.figure(figsize=(8, 6))
sns.heatmap(confusion_matrix(test_startup_output, dtc_predict), annot=True, cmap='Blues')
plt.xlabel('Predicted Label')
plt.ylabel('True Label')
plt.title('Decision Tree : Confusion Matrix')
plt.show()
```

### Decision Tree: Confusion Matrix



### KNN

```
import pandas as pd
from sklearn.model_selection import train_test_split
from sklearn.neighbors import KNeighborsClassifier
from sklearn.metrics import accuracy_score, classification_report, confusion_matrix

startup_inputs_train, startup_inputs_test, startup_output_train, startup_output_test = tr

k = 5  # Specify the number of neighbors (k)
knn = KNeighborsClassifier(n_neighbors=k)
knn.fit(startup_inputs_train, startup_output_train)

r KNeighborsClassifier
KNeighborsClassifier()
```

startup\_output\_pred = knn.predict(startup\_inputs\_test)

```
accuracy = accuracy_score(startup_output_test, startup_output_pred)
print(f'Accuracy: {accuracy}')
```

classification\_rep = classification\_report(startup\_output\_test, startup\_output\_pred)
print(f'Classification Report:\n{classification\_rep}')

conf\_mat = confusion\_matrix(startup\_output\_test, startup\_output\_pred)
print(f'Confusion Matrix:\n{conf\_mat}')

Accuracy: 0.8727564708105044

Classification Report:

	precision	recall	f1-score	support
0.0	0.97	0.97	0.97	4915
1.0	0.77	0.72	0.74	2350
2.0	0.80	0.84	0.82	3321
accuracy			0.87	10586
macro avg	0.85	0.84	0.84	10586
weighted avg	0.87	0.87	0.87	10586

Confusion Matrix:

[[4757 52 106] [ 74 1683 593] [ 69 453 2799]]

```
# Example of tuning the number of neighbors
```

 $k_{values} = [7, 9, 11, 13]$ 

for k in k\_values:

knn = KNeighborsClassifier(n\_neighbors=k)

knn.fit(startup\_inputs\_train, startup\_output\_train)

y\_pred = knn.predict(startup\_inputs\_test)

accuracy = accuracy\_score(startup\_output\_test, startup\_output\_pred)

print(f'Accuracy for k={k}: {accuracy}')

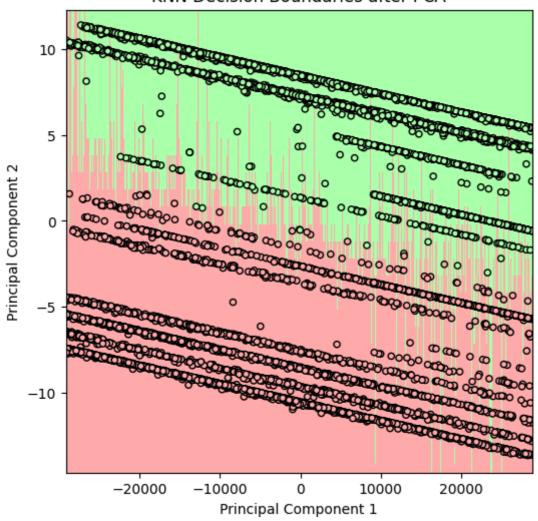
Accuracy for k=7: 0.8727564708105044 Accuracy for k=9: 0.8727564708105044 Accuracy for k=11: 0.8727564708105044 Accuracy for k=13: 0.8727564708105044

```
import numpy as np
# Shuffle the values of each feature and measure the change in accuracy
original_accuracy = accuracy_score(startup_output_test, startup_output_pred)
variable importances = {}
for feature in startup_inputs.columns:
    shuffled_inputs = startup_inputs_test.copy()
   np.random.shuffle(shuffled inputs[feature].values)
    shuffled_pred = knn.predict(shuffled_inputs)
    shuffled_accuracy = accuracy_score(startup_output_test, shuffled_pred)
   variable importances[feature] = original accuracy - shuffled accuracy
# Sort the variable importances
sorted_variable_importances = dict(sorted(variable_importances.items(), key=lambda item:
# Print or plot the variable importances
for feature, importance in sorted_variable_importances.items():
    print(f"{feature}: {importance}")
     funding round code code: 0.3942943510296618
    funding_round_type_code: 0.09210277725297566
    id: 0.08728509351974312
    pre_money_valuation_usd_mmnorm: 0.0
    post_money_valuation_usd_mmnorm: 0.0
    raised amount usd mmnorm: -0.00018892877385223716
     is_last_round_code: -0.00028339316077841126
     is_first_round_code: -0.0004723219346306484
     participants code: -0.0006612507084828856
```

```
import time
import resource
startup_inputs_train, startup_inputs_test, startup_output_train, startup_output_test = tr
# Start timing
start time = time.time()
k = 5 # Specify the number of neighbors (k)
knn = KNeighborsClassifier(n_neighbors=k)
knn.fit(startup_inputs_train, startup_output_train)
startup_output_pred = knn.predict(startup_inputs_test)
accuracy = accuracy_score(startup_output_test, startup_output_pred)
classification_rep = classification_report(startup_output_test, startup_output_pred)
conf mat = confusion matrix(startup output test, startup output pred)
# End timing
end time = time.time()
# Calculate elapsed time
elapsed_time = end_time - start_time
print(f"Elapsed time: {elapsed_time} seconds")
# Memory usage
memory usage = resource.getrusage(resource.RUSAGE SELF).ru maxrss / 1024 # in kilobytes
print(f"Memory usage: {memory_usage} kilobytes")
     Elapsed time: 1.7428269386291504 seconds
    Memory usage: 1150.27734375 kilobytes
```

```
import numpy as np
import matplotlib.pyplot as plt
from sklearn.decomposition import PCA, IncrementalPCA
from matplotlib.colors import ListedColormap
# Define colormap for the plot
cmap light = ListedColormap(['#FFAAAA', '#AAFFAA'])
# Plot decision boundaries after PCA
def plot_decision_boundaries_pca(X, y, classifier, title):
    # Perform PCA to reduce dimensions for visualization
   pca = IncrementalPCA(n components=2, batch size=100)
   x_pca = pca.fit_transform(X)
   # Create a meshgrid for the reduced feature space
   x \min, x \max = x pca[:, 0].min() - 1, x pca[:, 0].max() + 1
   y_{min}, y_{max} = x_{pca}[:, 1].min() - 1, <math>x_{pca}[:, 1].max() + 1
   xx, yy = np.meshgrid(np.arange(x_min, x_max, 1), np.arange(y_min, y_max, 1))
   # Predict the class for each grid point
   Z = classifier.predict(pca.inverse_transform(np.c_[xx.ravel(), yy.ravel()]))
   Z = Z.reshape(xx.shape)
   # Plot the decision boundaries
   plt.figure(figsize=(6, 6)) # Adjust figure size as needed
   plt.pcolormesh(xx, yy, Z, cmap=cmap_light)
   # Plot the training points
   plt.scatter(x_pca[:, 0], x_pca[:, 1], c=y, cmap=cmap_light, edgecolor='k', s=20)
   plt.xlim(xx.min(), xx.max())
   plt.ylim(yy.min(), yy.max())
   plt.title(title)
   plt.xlabel('Principal Component 1')
   plt.ylabel('Principal Component 2')
   plt.show()
# Assuming X_train is a 2D array with 10 features for visualization
plot_decision_boundaries_pca(startup_inputs_test.values, startup_output_test.values, knn,
```

### KNN Decision Boundaries after PCA



### LOGISTIC REGRESSION

startup\_output = df\_ppd[['cluster\_number\_code']]
startup\_output

	cluster_number_code
0	0.0
1	0.0
2	0.0
3	0.0
4	0.0
52923	0.0
52924	2.0
52925	2.0
52926	0.0

52928 rows × 1 columns

52927

```
startup_inputs_names = startup_inputs.columns; print("Input Names: ",startup_inputs_names
startup_output_labels = startup_output['cluster_number_code'].unique().astype(str); print
```

```
from sklearn.linear_model import LogisticRegression
import time
import psutil
```

```
start_time = time.time()
lr = LogisticRegression(random_state=45041)
lr_model = lr.fit(train_startup_inputs, train_startup_output)
end_time = time.time()
```

2.0

```
execution_time = end_time - start_time
print("Time taken:", execution_time, "seconds")
```

```
# Memory usage
process = psutil.Process()
memory_usage = process.memory_info().rss /1024 # in KB
print("Memory used:", memory_usage/1024, "KB")
```

print("Model:",lr\_model)

Time taken: 1.870229721069336 seconds

Memory used: 723.6875 KB

```
Model: LogisticRegression(random_state=45041)
# Extract coefficients and intercept
coefficients = lr model.coef
intercept = lr model.intercept
# Display coefficients
print("Coefficients:", coefficients)
print("Intercept:", intercept)
     Coefficients: [[ 9.63419531e-05 5.38362874e-01 -6.17540905e-01 3.65510599e-01
       4.18338099e-02 4.05787641e-02 5.40746450e-04 3.53965155e-05
        3.67727364e-06]
      [-3.81683177e-05 -7.26010701e-01 3.70267142e-01 -1.01551506e-01
       -3.14935901e-03 7.24147793e-03 -1.21009746e-04 -4.00931814e-06
      -3.92143874e-06]
      [-5.81736355e-05 1.87647826e-01 2.47273764e-01 -2.63959093e-01
       -3.86844509e-02 -4.78202420e-02 -4.19736705e-04 -3.13871974e-05
        2.44165097e-07]]
     Intercept: [ 0.12707044 -0.02641035 -0.10066009]
# Extract coefficients and feature names
coefficients = lr_model.coef_[0]
feature names = startup inputs.columns
# Create a DataFrame to store coefficients and feature names
lr imp features = pd.DataFrame({'feature': feature names, 'coefficient': coefficients})
# Sort features by absolute coefficient value
lr_imp_features['abs_coefficient'] = np.abs(lr_imp_features['coefficient'])
lr imp features.sort values('abs coefficient', ascending=False, inplace=True)
# Display the DataFrame
print(lr imp features)
                                feature coefficient abs_coefficient
     2
                funding_round_code_code -0.617541
                                                             0.617541
     1
                funding round type code
                                          0.538363
                                                             0.538363
                    participants_code 0.365511 is_first_round_code 0.041834
     3
                                                             0.365511
     4
                                                             0.041834
     5
                     is last round code
                                         0.040579
                                                             0.040579
```

raised\_amount\_usd\_mmnorm 0.000541

pre money valuation usd mmnorm

8 post\_money\_valuation\_usd\_mmnorm 0.000004

id

0.000096

0.000035

6

7

0.000541

0.000096

0.000035

0.000004

```
import matplotlib.pyplot as plt
```

0.0

1.0

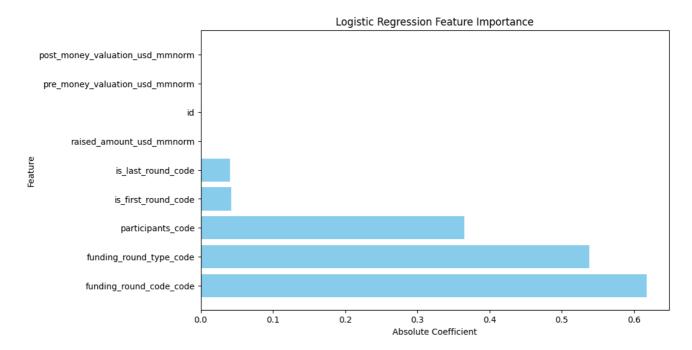
0.96

0.94

0.93

0.92

```
# Plot feature importance
plt.figure(figsize=(10, 6))
plt.barh(lr_imp_features['feature'], lr_imp_features['abs_coefficient'], color='skyblue')
plt.xlabel('Absolute Coefficient')
plt.ylabel('Feature')
plt.title('Logistic Regression Feature Importance')
plt.show()
```



```
# Logistic Regression: Prediction (Testing Subset)
lr_predict = lr_model.predict(test_startup_inputs)
print(lr_predict)
     [2. 2. 0. ... 0. 2. 0.]
# Logistic Regression: Prediction Evaluation (Testing Subset)
lr_predict_conf_mat = pd.DataFrame(confusion_matrix(test_startup_output, lr_predict))
print(lr_predict_conf_mat)
lr_predict_perf = classification_report(test_startup_output, lr_predict)
print(lr_predict_perf)
                       2
                1
     0 4454
                     225
              120
              2222
     1
           0
                     200
         207
                14 3144
                   precision
                               recall f1-score
                                                   support
```

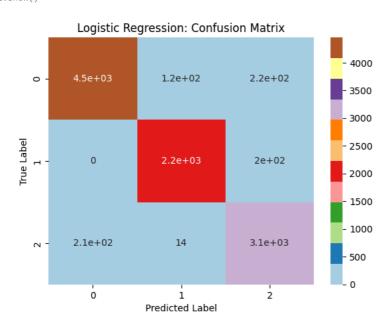
0.94

0.93

4799

2422

```
# Confusion Matrix : Plot [Testing Subset]
ax = plt.axes()
sns.heatmap(lr_predict_conf_mat, annot=True, cmap='Paired')
ax.set_xlabel('Predicted Label')
ax.set_ylabel('True Label')
ax.set_title('Logistic Regression: Confusion Matrix')
plt.show()
```



### SVM

Memory used: 690.22265625 KB

```
from sklearn.svm import SVC

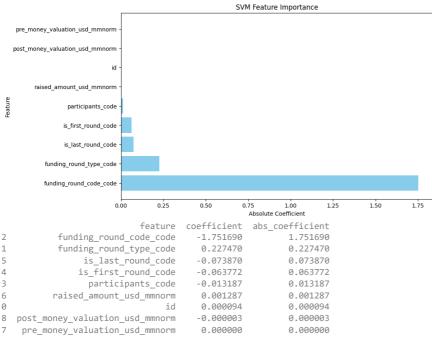
start_time = time.time()
# Define the SVM model with a linear kernel and regularization parameter C=45041
svm_model = SVC(kernel='linear', C=1)
# Train the SVM model on the training dataset
svm_model.fit(train_startup_inputs, train_startup_output)
end_time = time.time()

execution_time = end_time - start_time
print("Time taken:", execution_time, "seconds")

# Memory usage
process = psutil.Process()
memory_usage = process.memory_info().rss / 1024  # in KB
print("Memory used:", memory_usage / 1024, "KB")

Time taken: 191.37723302841187 seconds
```

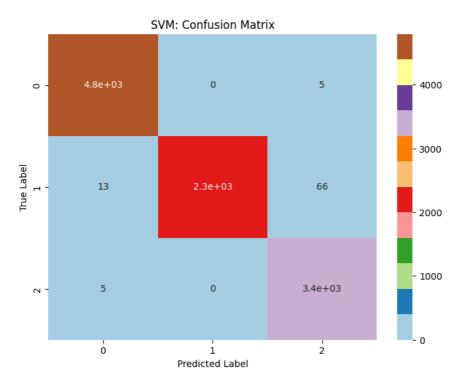
```
def plot_feature_importance_svm(model, feature_names):
   # Get coefficients from the model
   coefficients = model.coef [0]
   # Create DataFrame to store feature importance
   svm_imp_features = pd.DataFrame({'feature': feature_names, 'coefficient': coefficients/1000})
   # Sort features by absolute coefficient values
   svm_imp_features['abs_coefficient'] = np.abs(svm_imp_features['coefficient'])
   svm_imp_features.sort_values('abs_coefficient', ascending=False, inplace=True)
   # Plot feature importance
   plt.figure(figsize=(10, 6))
   plt.barh(svm_imp_features['feature'], svm_imp_features['abs_coefficient'], color='skyblue')
   plt.xlabel('Absolute Coefficient')
   plt.ylabel('Feature')
   plt.title('SVM Feature Importance')
   plt.show()
    # Return the DataFrame containing feature importance values
   return svm_imp_features
# Call the function and store the returned DataFrame
svm_feature_importance_df = plot_feature_importance_svm(svm_model, startup_inputs_names)
print(svm_feature_importance_df)
```



```
0 3360
     5
             precision
                         recall f1-score support
                 1.00
        0.0
                           1.00
                                    1.00
                                              4799
        1.0
                  1.00
                           0.97
                                     0.98
                                              2422
        2.0
                  0.98
                           1.00
                                     0.99
                                              3365
                                     0.99
                                              10586
   accuracy
                  0.99
                           0.99
                                     0.99
                                              10586
  macro avg
                  0.99
                           0.99
                                             10586
weighted avg
                                     0.99
```

# Compute confusion matrix for SVM
svm\_conf\_mat = confusion\_matrix(test\_startup\_output, svm\_predict)

```
# Plot confusion matrix for SVM
plt.figure(figsize=(8, 6))
sns.heatmap(svm_conf_mat, annot=True, cmap='Paired')
plt.xlabel('Predicted Label')
plt.ylabel('True Label')
plt.title('SVM: Confusion Matrix')
plt.show()
```



import pandas as pd

# Specify the file path where you want to save the CSV file file\_path = 'df\_ppd.csv'

# Save the DataFrame as a CSV file
df\_ppd.to\_csv(file\_path, index=False)

print(f"Dataset saved to {file\_path}")

Dataset saved to df\_ppd.csv