Problem Statement:

A cloth manufacturing company is interested to know about the segment or attributes causes high sale. Approach - A decision tree can be built with target variable Sale (we will first convert it in categorical variable) & all other variable will be independent in the analysis.

```
from google.colab import drive
drive.mount('/content/drive')
```

Mounted at /content/drive

Importing Libraries

```
import pandas as pd
import numpy as np
import matplotlib.pyplot as plt
import seaborn as sns

df = pd.read_csv("/content/drive/MyDrive/Colab Notebooks/Company_Data.csv")

df.head()
```

	Sales	CompPrice	Income	Advertising	Population	Price	ShelveLoc	Age	Education	Urban	US
0	9.50	138	73	11	276	120	Bad	42	17	Yes	Yes
1	11.22	111	48	16	260	83	Good	65	10	Yes	Yes
2	10.06	113	35	10	269	80	Medium	59	12	Yes	Yes
3	7.40	117	100	4	466	97	Medium	55	14	Yes	Yes
4	4.15	141	64	3	340	128	Bad	38	13	Yes	No

df.describe()

	Sales	CompPrice	Income	Advertising	Population	Price	Age	Education
count	400.000000	400.000000	400.000000	400.000000	400.000000	400.000000	400.000000	400.000000
mean	7.496325	124.975000	68.657500	6.635000	264.840000	115.795000	53.322500	13.900000
std	2.824115	15.334512	27.986037	6.650364	147.376436	23.676664	16.200297	2.620528
min	0.000000	77.000000	21.000000	0.000000	10.000000	24.000000	25.000000	10.000000
25%	5.390000	115.000000	42.750000	0.000000	139.000000	100.000000	39.750000	12.000000
50%	7.490000	125.000000	69.000000	5.000000	272.000000	117.000000	54.500000	14.000000
75%	9.320000	135.000000	91.000000	12.000000	398.500000	131.000000	66.000000	16.000000
max	16.270000	175.000000	120.000000	29.000000	509.000000	191.000000	80.000000	18.000000

df.info()

<class 'pandas.core.frame.DataFrame'> RangeIndex: 400 entries, 0 to 399 Data columns (total 11 columns): Non-Null Count Dtype # Column 0 Sales 400 non-null float64 400 non-null CompPrice int64 1 Income 400 non-null int64 Advertising 400 non-null int64 Population 400 non-null int64 400 non-null Price int64 ShelveLoc 400 non-null object 400 non-null Age int64 8 Education 400 non-null int64 9 Urban 400 non-null object 10 US 400 non-null object

```
dtypes: float64(1), int64(7), object(3)
     memory usage: 34.5+ KB
df.isnull().sum()
     Sales
     CompPrice
                    0
     Income
                    0
     Advertising
                    0
     Population
     Price
                    0
     ShelveLoc
                    0
     Education
                    0
     Urban
                    0
     US
                    0
     dtype: int64
df.isnull().count()
     Sales
                    400
     CompPrice
                    400
     Income
     Advertising
                    400
     Population
                    400
     Price
                    400
     ShelveLoc
                    400
     Age
                    400
     Education
                    400
     Urban
                    400
     US
                    400
     dtype: int64
df['ShelveLoc'].unique()
     array(['Bad', 'Good', 'Medium'], dtype=object)
df['ShelveLoc'].value_counts()
     Medium
               219
     Bad
                96
     Good
               85
     Name: ShelveLoc, dtype: int64
df['US'].unique()
     array(['Yes', 'No'], dtype=object)
```

Convert categorical variables into numerical value

```
from sklearn.preprocessing import LabelEncoder

ls = LabelEncoder()

df['Urban'] = ls.fit_transform(df['Urban'])

df['US'] = ls.fit_transform(df['US'])

df['ShelveLoc'] = ls.fit_transform(df['ShelveLoc'])

df.drop(columns='US')
```

	Sales	CompPrice	Income	Advertising	Population	Price	ShelveLoc	Age	Education	Urban
0	9.50	138	73	11	276	120	0	42	17	1
1	11.22	111	48	16	260	83	1	65	10	1
2	10.06	113	35	10	269	80	2	59	12	1
3	7.40	117	100	4	466	97	2	55	14	1
4	115	111	61	ာ	240	100	^	20	10	1

Split The Data

397 7 41 162 26 12 368 159 2 40 18 4 X = df[['Sales', 'CompPrice', 'Income', 'Population', 'Price', 'Urban']] y = df['ShelveLoc'] 399 9.71 134 37 U 27 12U 1 49 10 1

	Sales	CompPrice	Income	Population	Price	Urban
0	9.50	138	73	276	120	1
1	11.22	111	48	260	83	1
2	10.06	113	35	269	80	1
3	7.40	117	100	466	97	1
4	4.15	141	64	340	128	1
395	12.57	138	108	203	128	1
396	6.14	139	23	37	120	0
397	7.41	162	26	368	159	1
398	5.94	100	79	284	95	1
399	9.71	134	37	27	120	1

400 rows × 6 columns

from sklearn.model_selection import train_test_split

X_test, X_train, y_test, y_train = train_test_split(X, y, test_size = 0.25, random_state=100)

X_train

	Sales	CompPrice	Income	Population	Price	Urban
248	5.36	111	52	12	101	1
318	10.08	116	72	456	130	0
173	6.38	135	91	207	128	1
285	7.60	146	26	261	131	1
184	9.95	132	33	35	97	0
380	9.64	106	64	17	89	1
311	6.15	146	68	328	132	1
110	9.00	128	62	125	116	1
90	5.33	115	22	491	103	0
6	6.63	115	105	45	108	1

100 rows × 6 columns

Train the model

Checking the accuracy of Training Model

```
from sklearn.metrics import accuracy_score
predict_train = clf.predict(X_train)
accuracy_train = accuracy_score(y_train, predict_train)
accuracy_train
1.0
```

training dataset accuracy > test dataset

hence our model is overfitted.

Decision tree

```
from sklearn import tree
plt.figure(figsize=(15,10))
tree.plot_tree(clf, filled = True)
plt.show()
```

