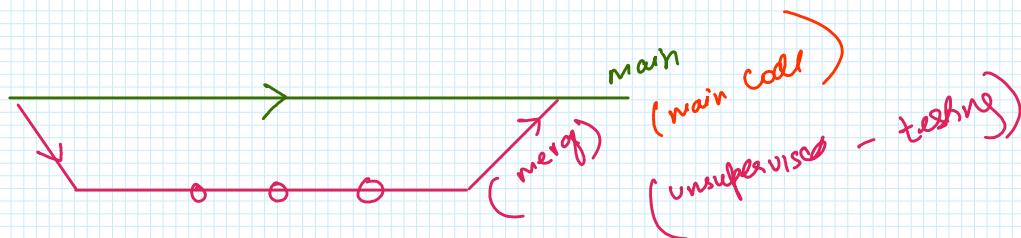
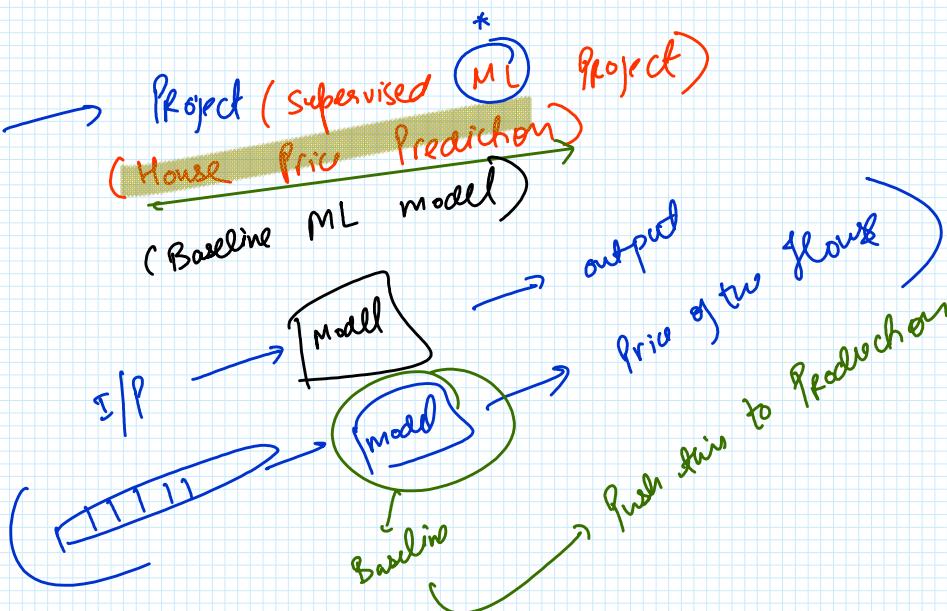
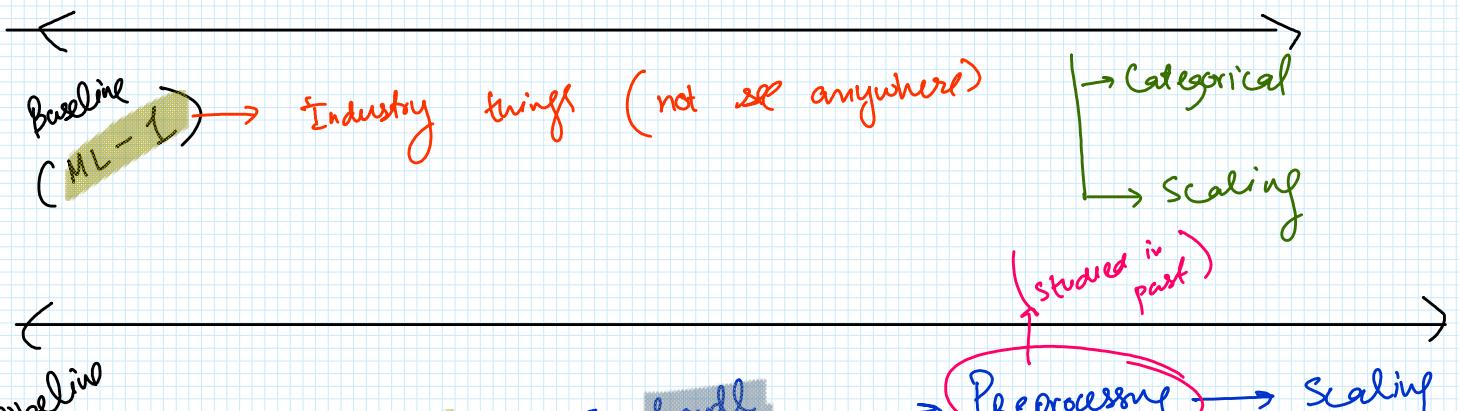
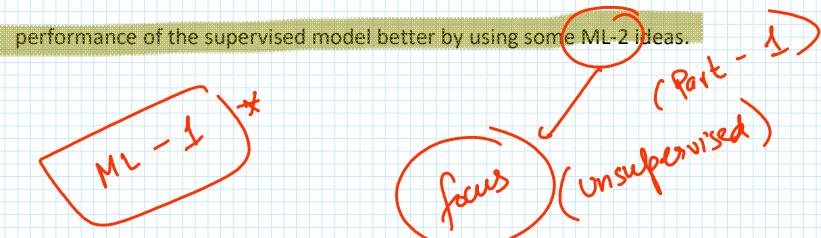


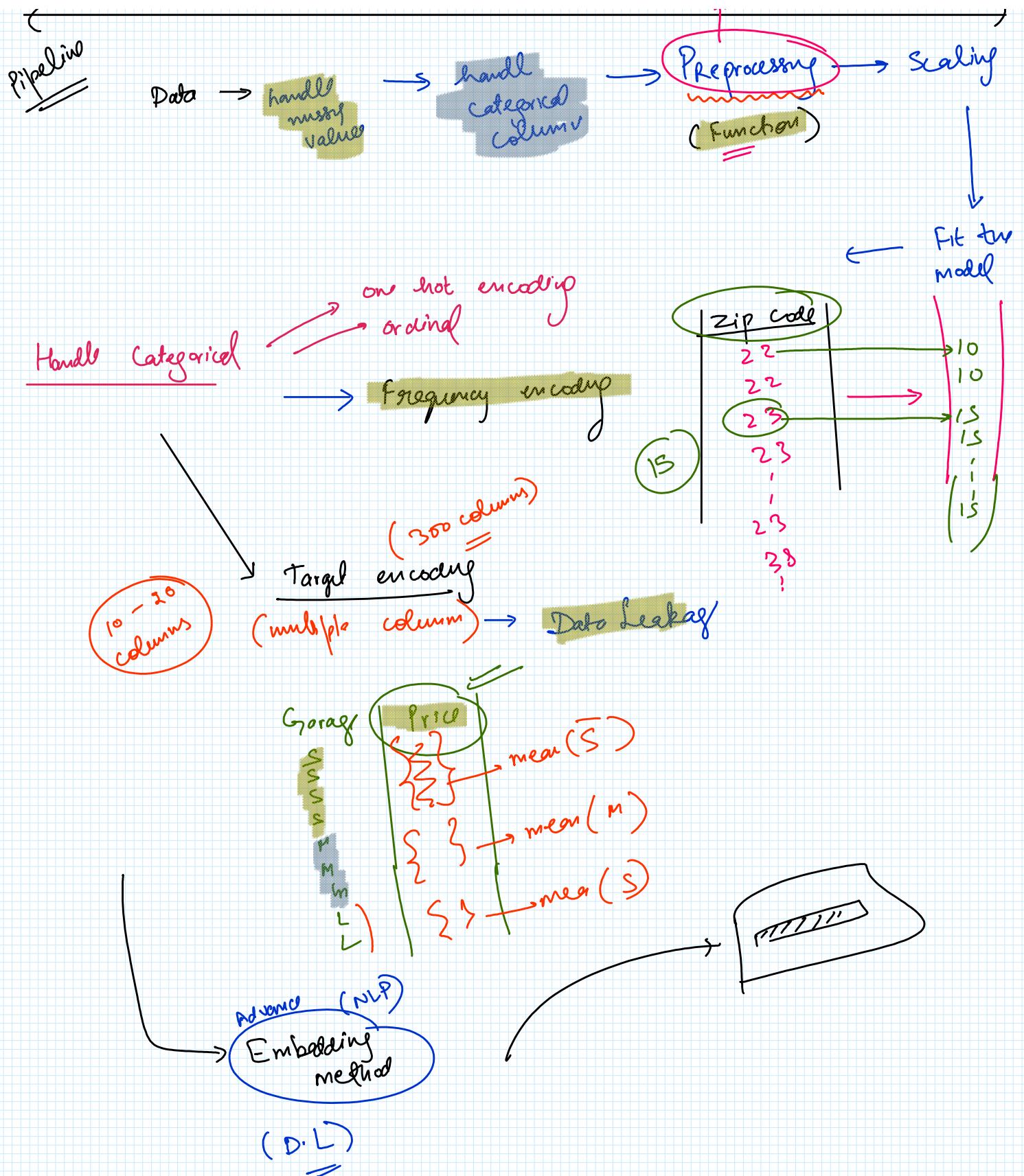
Agenda

(Can we try something better?)
 ↗ (Unsupervised)
 ↗ Problem Statement

Given a set of features, predict the prices of the houses.

ML → Supervised
 ML-2 Unsupr.





Handling Categorical Features

Categorical features can be **ordinal** (have a meaningful order) or **nominal** (no intrinsic order). The approach depends on the type:

1. Nominal Features

Examples: City, House Style, or Neighborhood.

- **One-Hot Encoding:**

Converts each category into a binary column. Suitable when the number of categories is small. Use libraries like `pandas.get_dummies()` or `OneHotEncoder` from `sklearn`.

- **Frequency Encoding:**

Replace each category with the frequency of its occurrence. This helps reduce dimensionality compared to one-hot encoding.

- **Target Encoding:**

Replace categories with the mean of the target variable (e.g., average house price). Useful when there's a strong correlation between the category and the target. Beware of **data leakage**, so apply it carefully with cross-validation.

- **Embedding Methods:**

Use embeddings to map categories into dense vectors. Useful when you have a large number of unique categories.

2. Ordinal Features

Examples: Quality Ratings (Low, Medium, High).

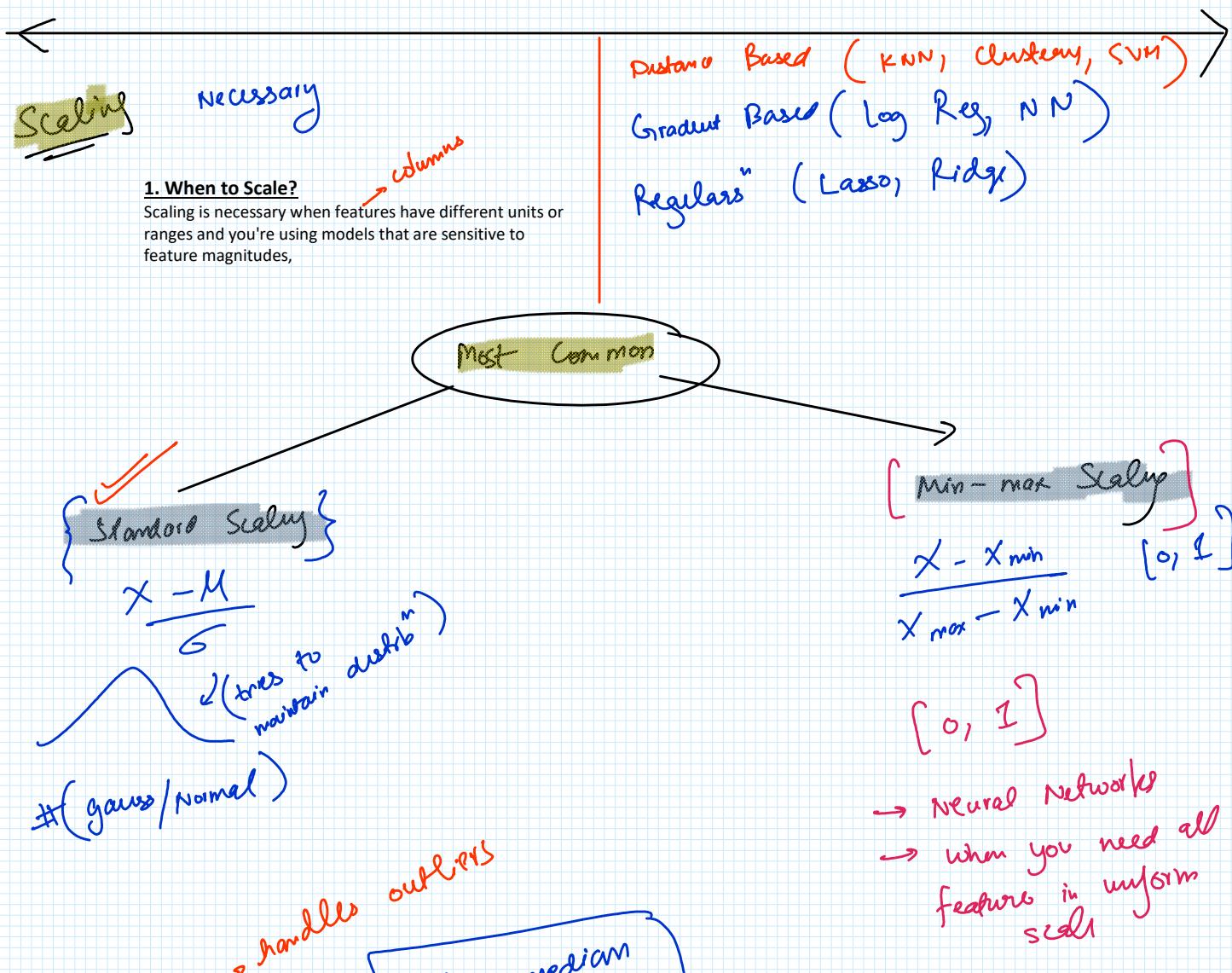
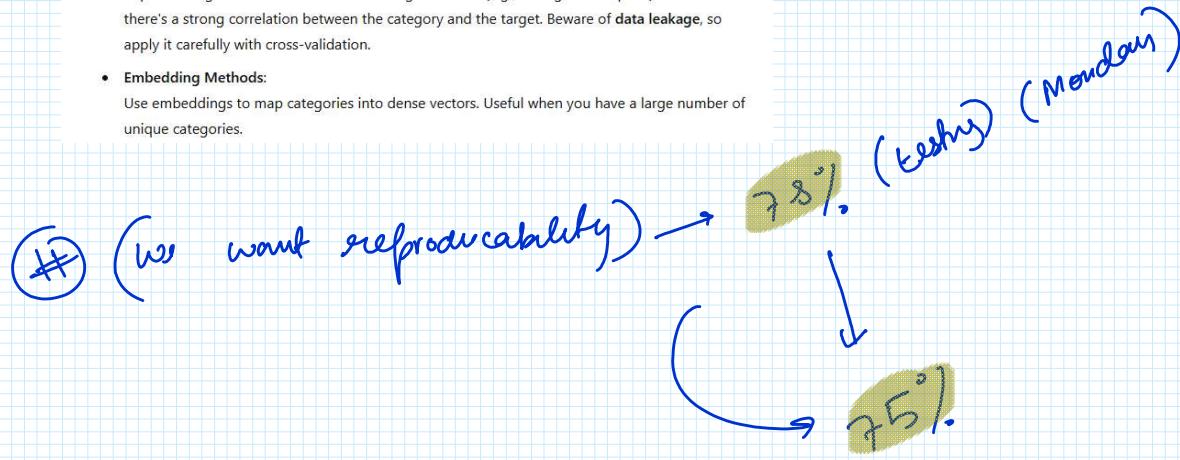
- **Label Encoding:**

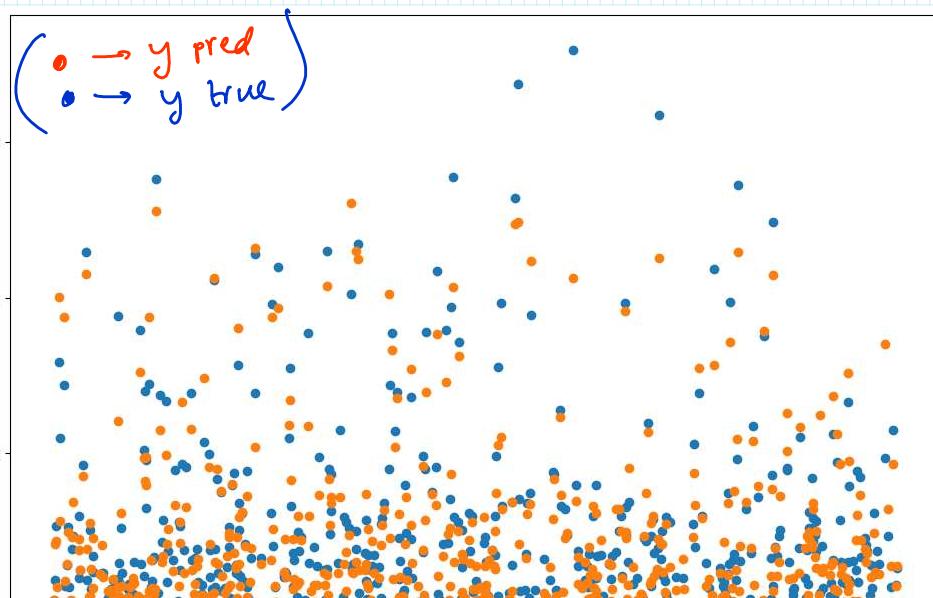
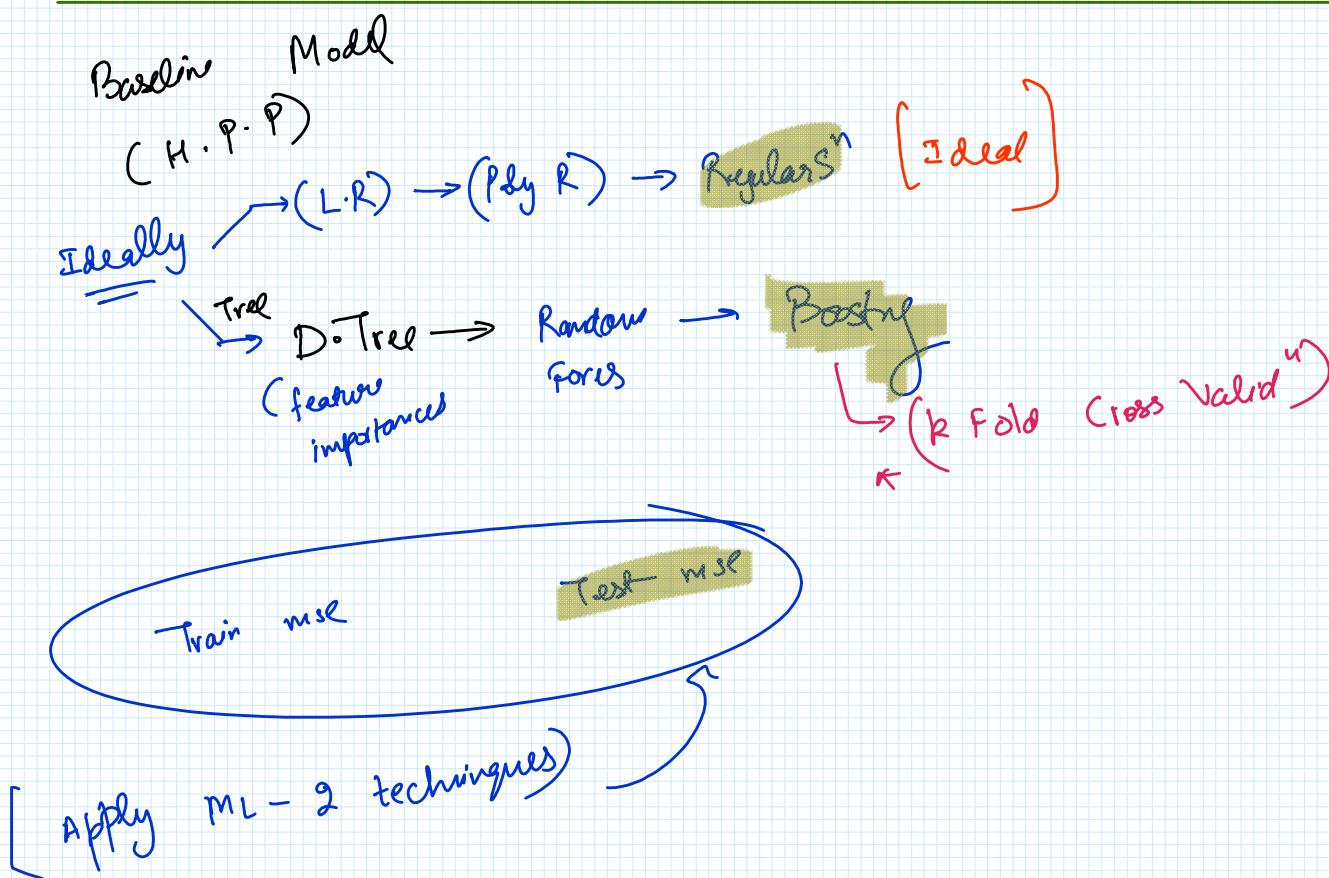
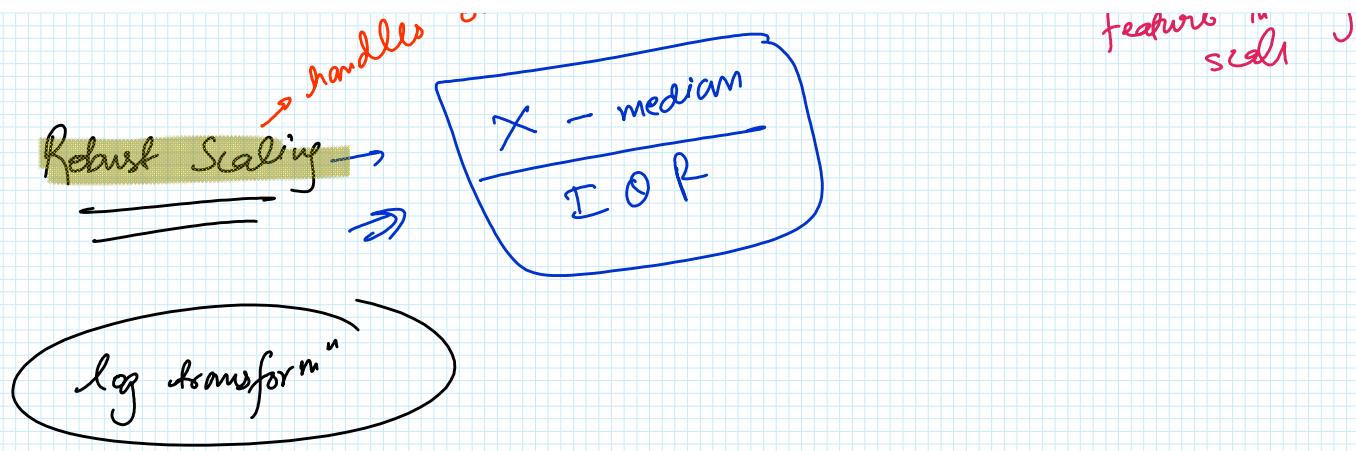
Assign integer values to categories based on their rank or logical order (e.g., Low=1, Medium=2, High=3). Use `LabelEncoder` from `sklearn`.

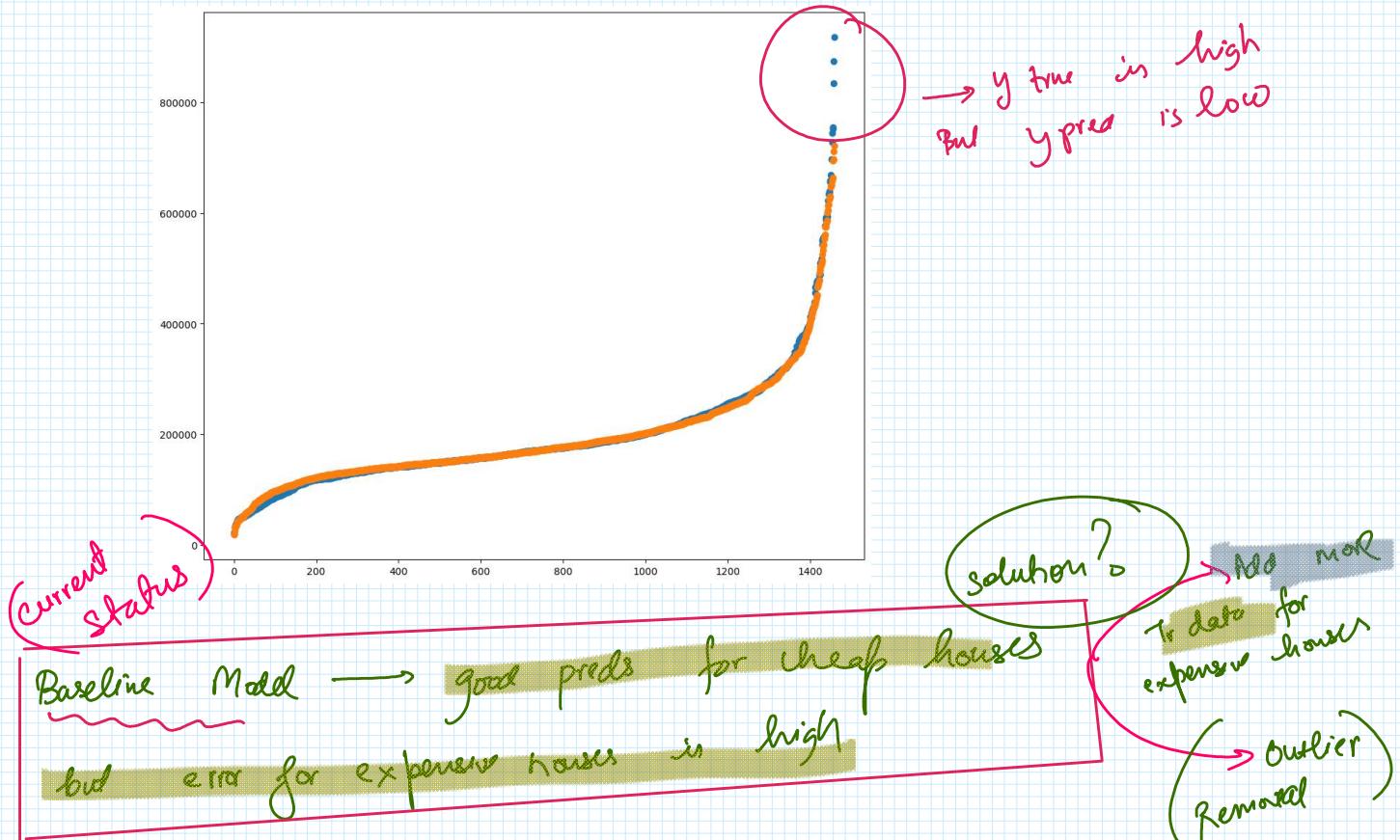
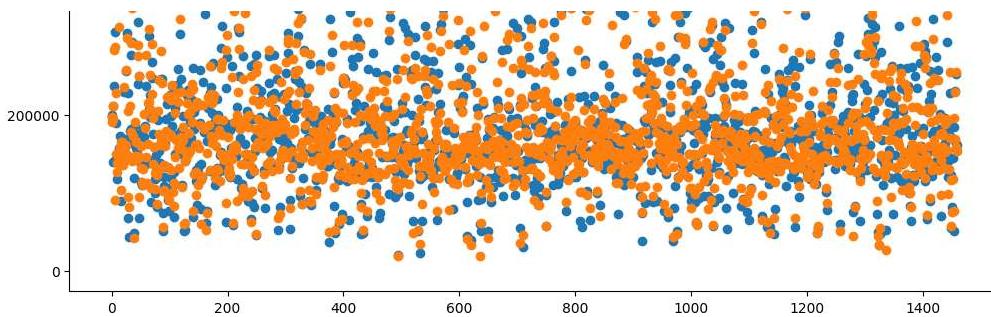
Ensure the order is meaningful; otherwise, consider other encodings.

- **Map to Numeric Scales:**

If the categories represent intervals (e.g., Bad=1, Good=3, Excellent=5), map them directly to these numeric values.





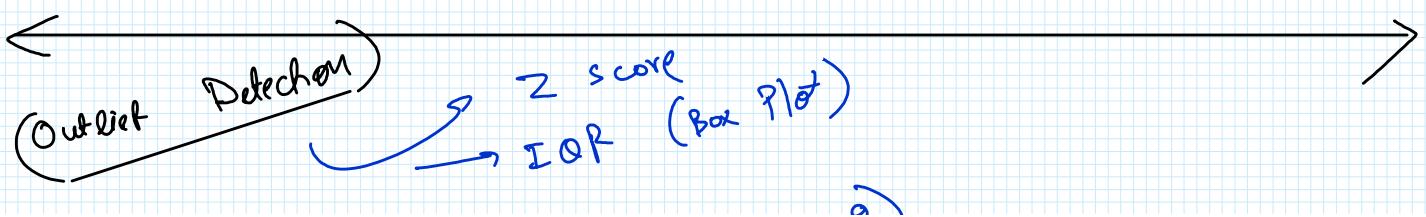
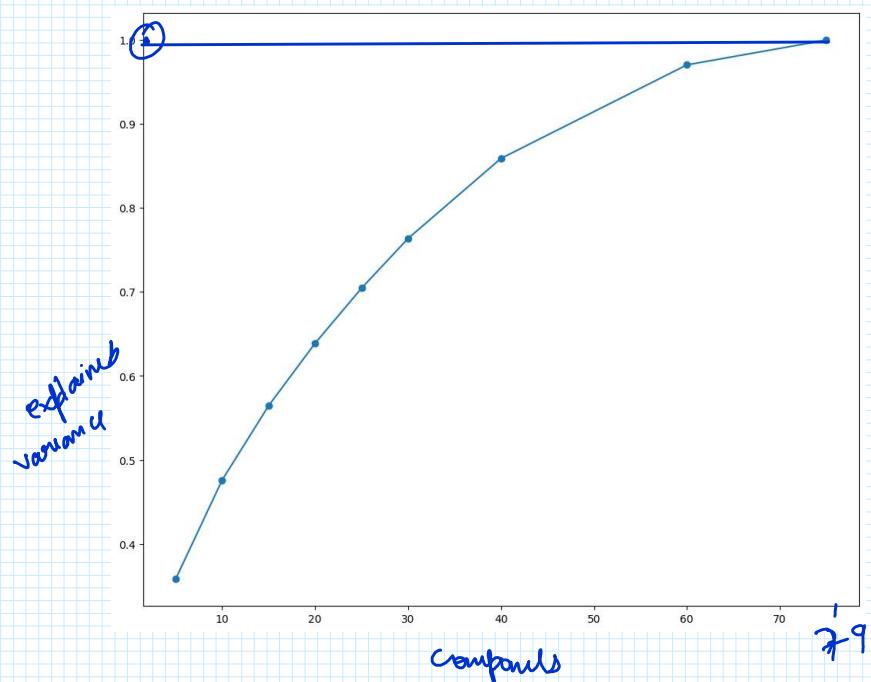
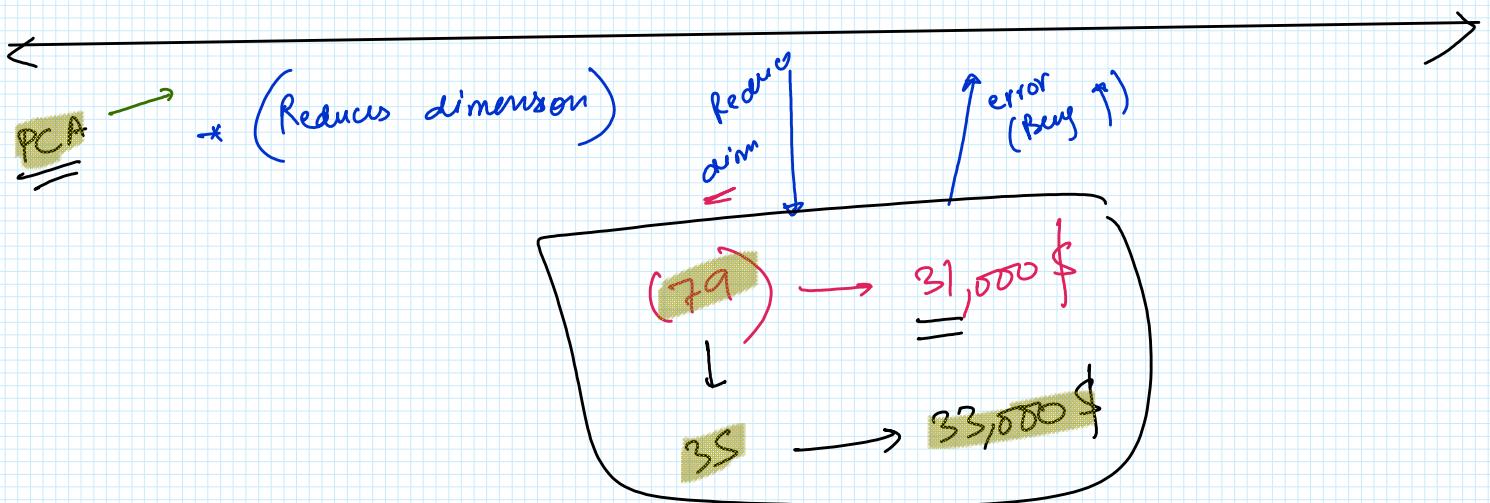
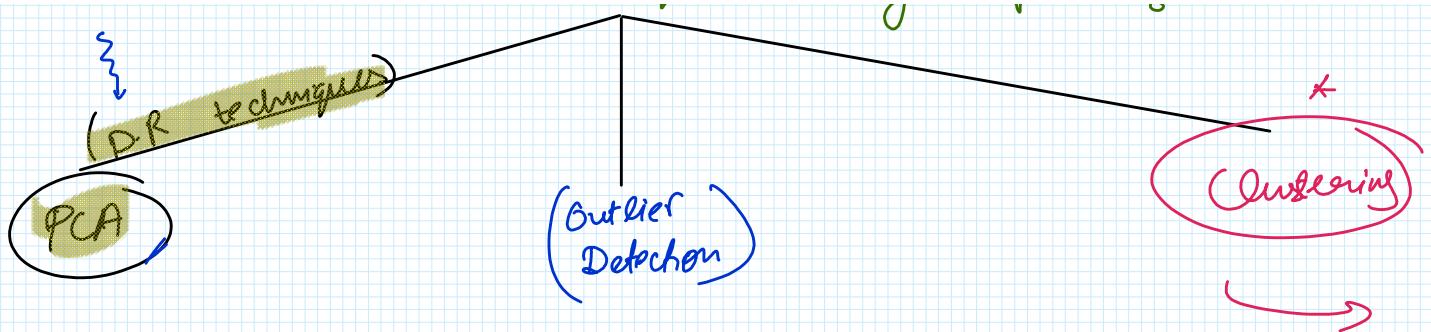


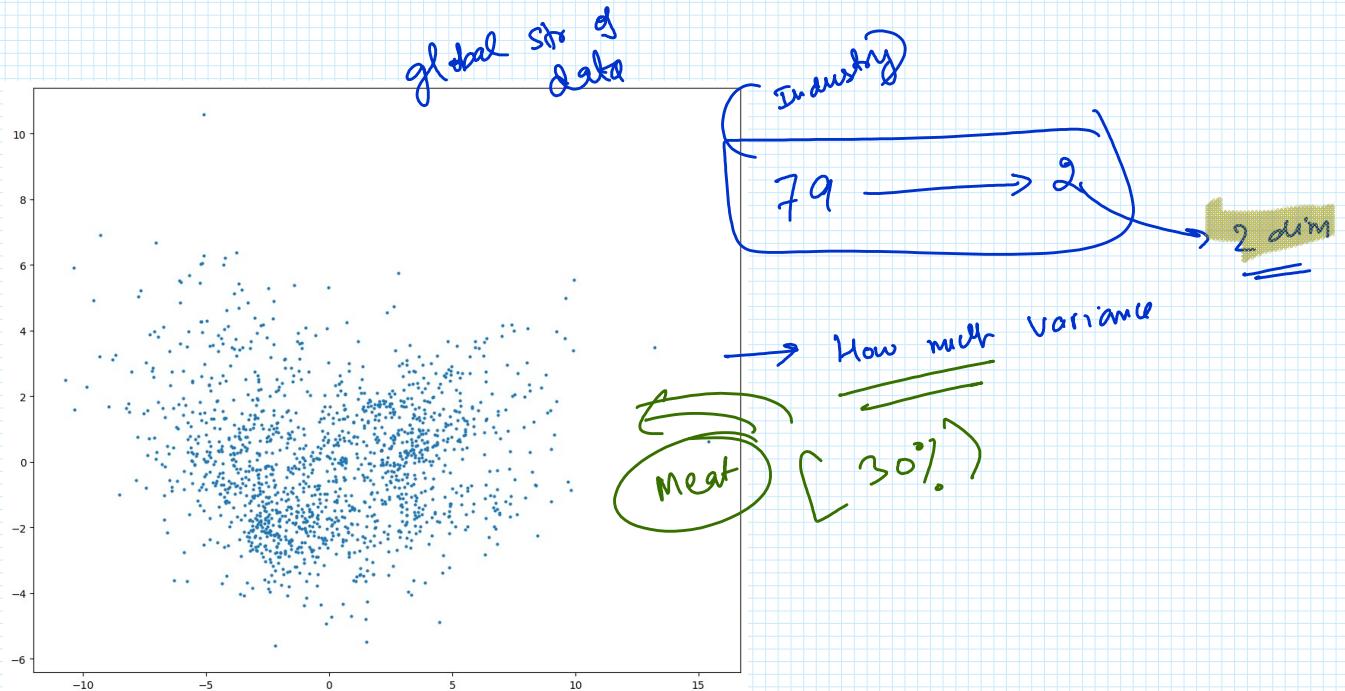
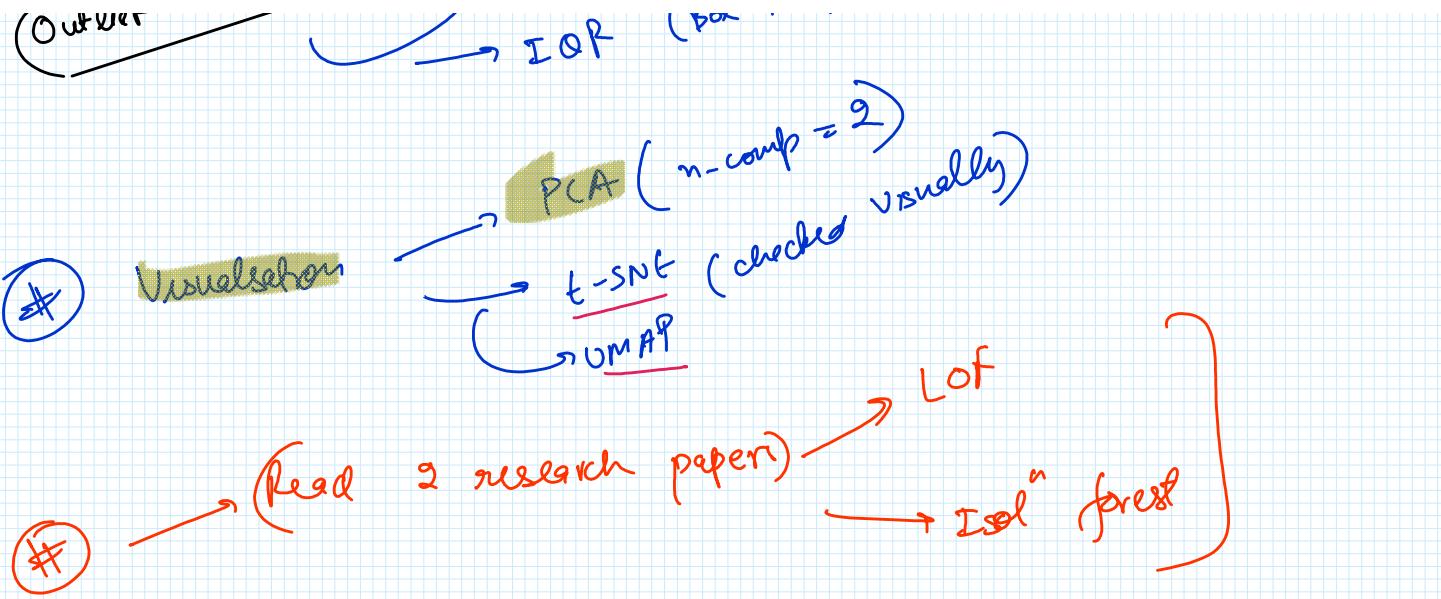
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← ML-2 (use ML-2 techniques & try to improve the RMSE)
* (There is no guarantee)

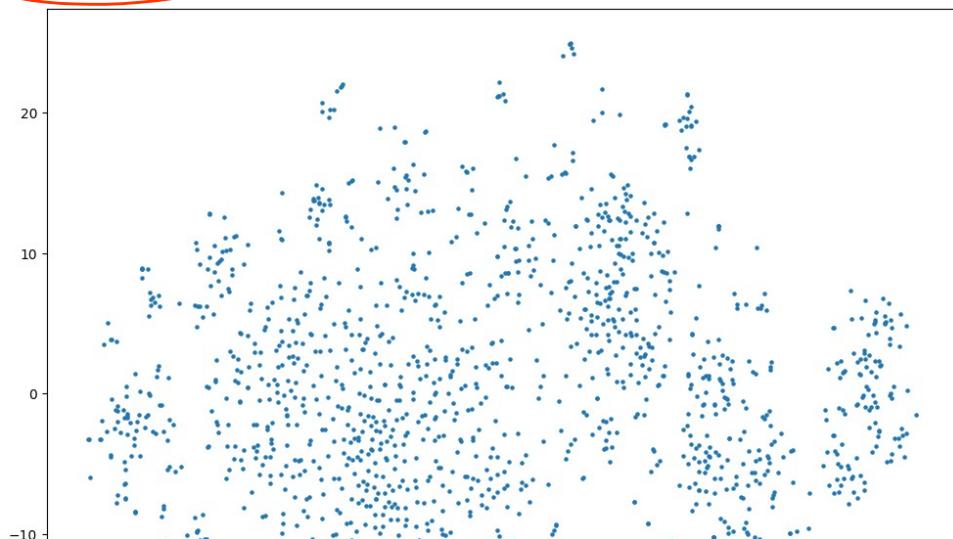
What techniques do you know? ↗

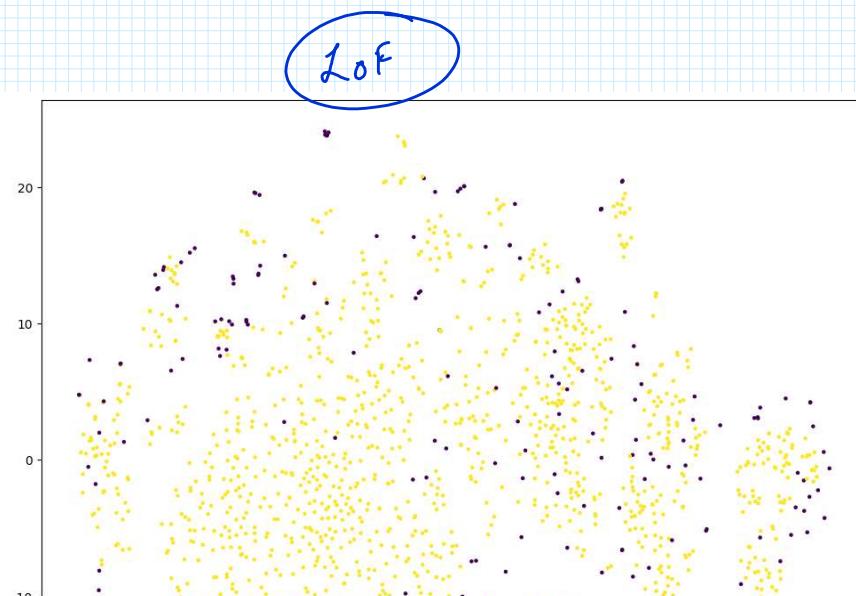
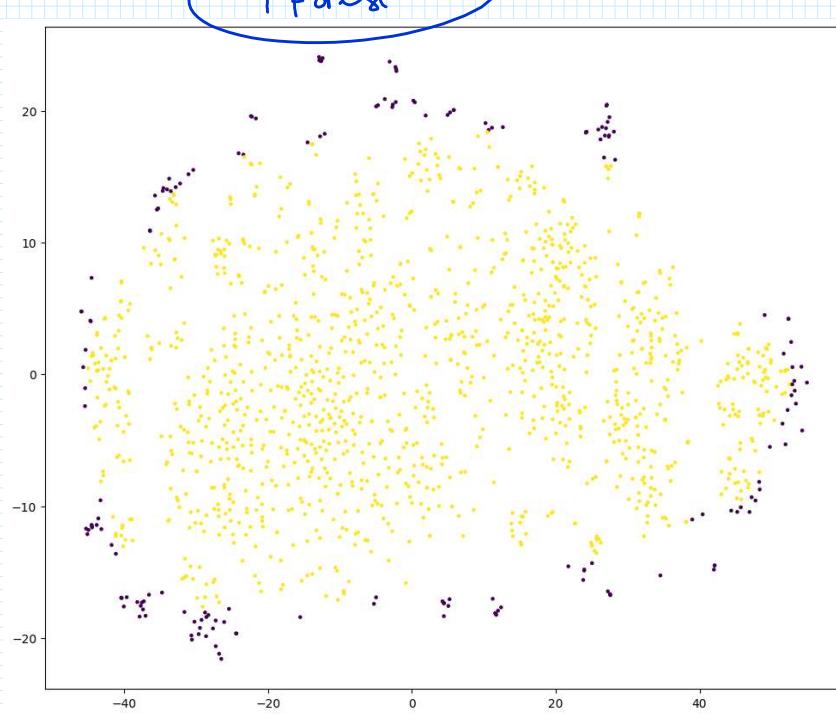
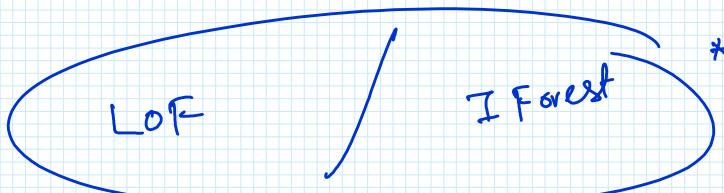
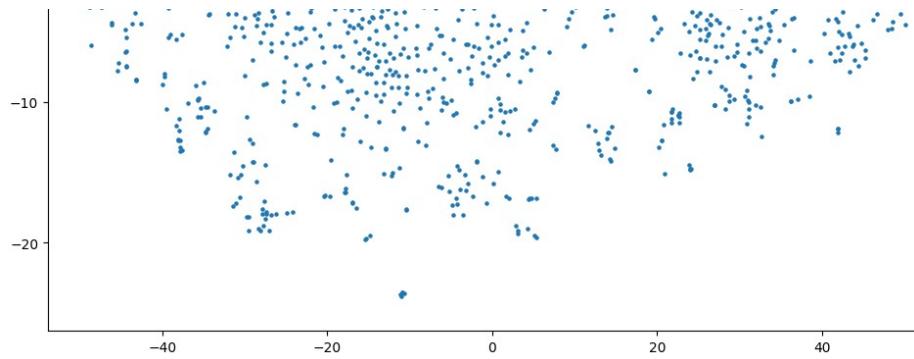
{ ... }

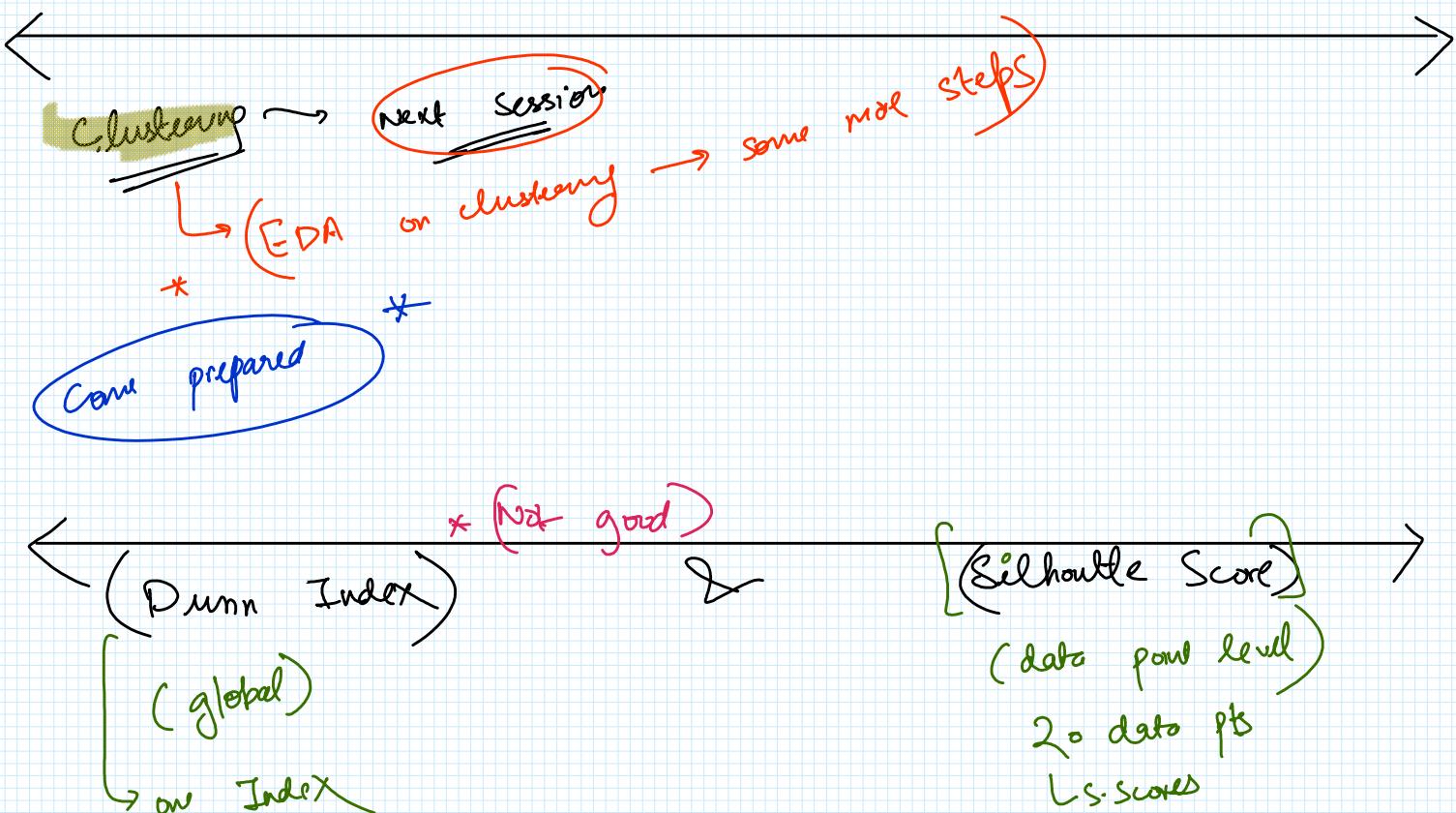
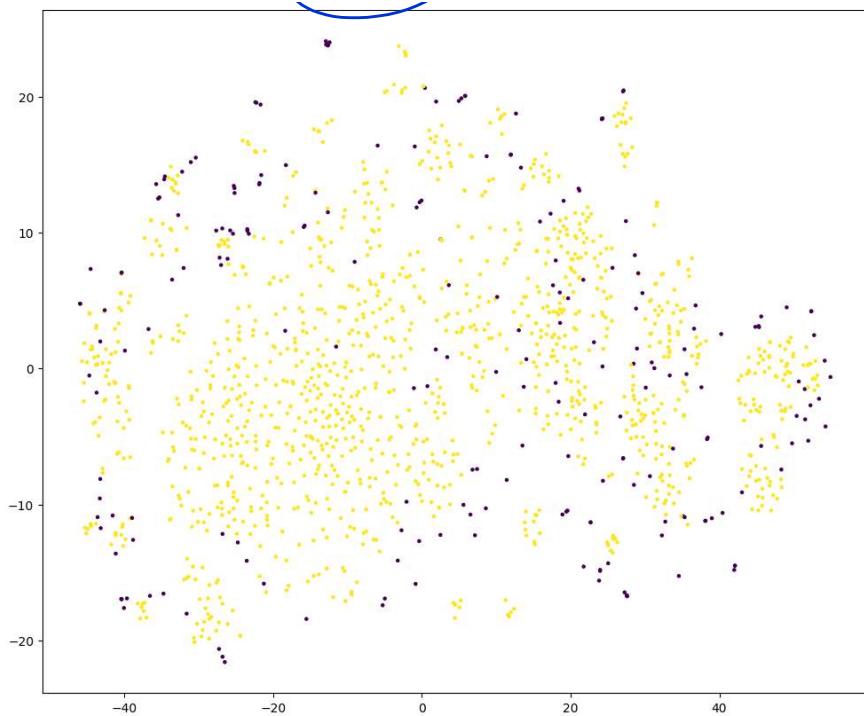




t-SNE







Dunn Index

The Dunn Index evaluates the compactness and separation of clusters

$$D = \frac{\min(\text{Inter-cluster})}{\max(\text{Intra-cluster distance})}$$

(> 1)

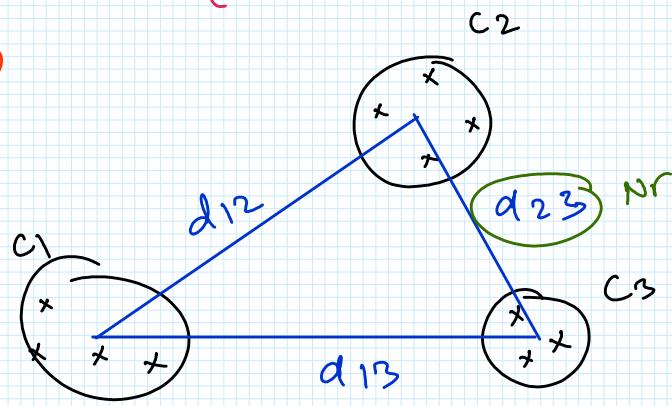
Compact Cluster

well separated clusters

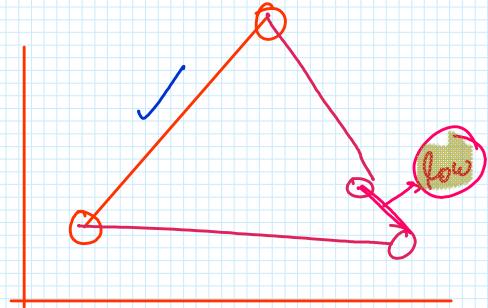
$\begin{cases} > 1 \\ \rightarrow 2 \\ \text{(good)} \\ \text{Inter} \\ \text{(different)} \end{cases}$

$\max(\text{Intra cluster distance})$

Intra
(same)

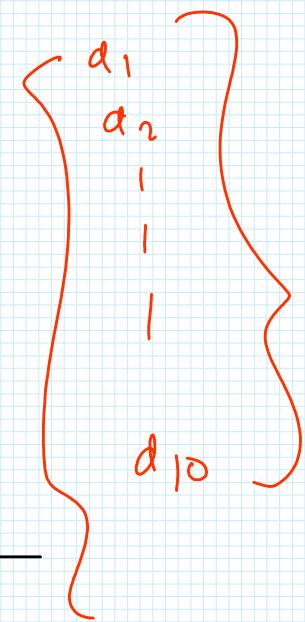
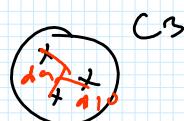
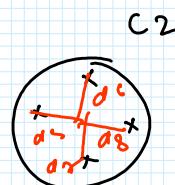
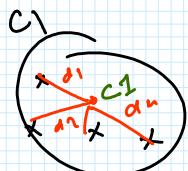


Wk cluster



Inter
(different)

Inter
(different)



Silhouette Score

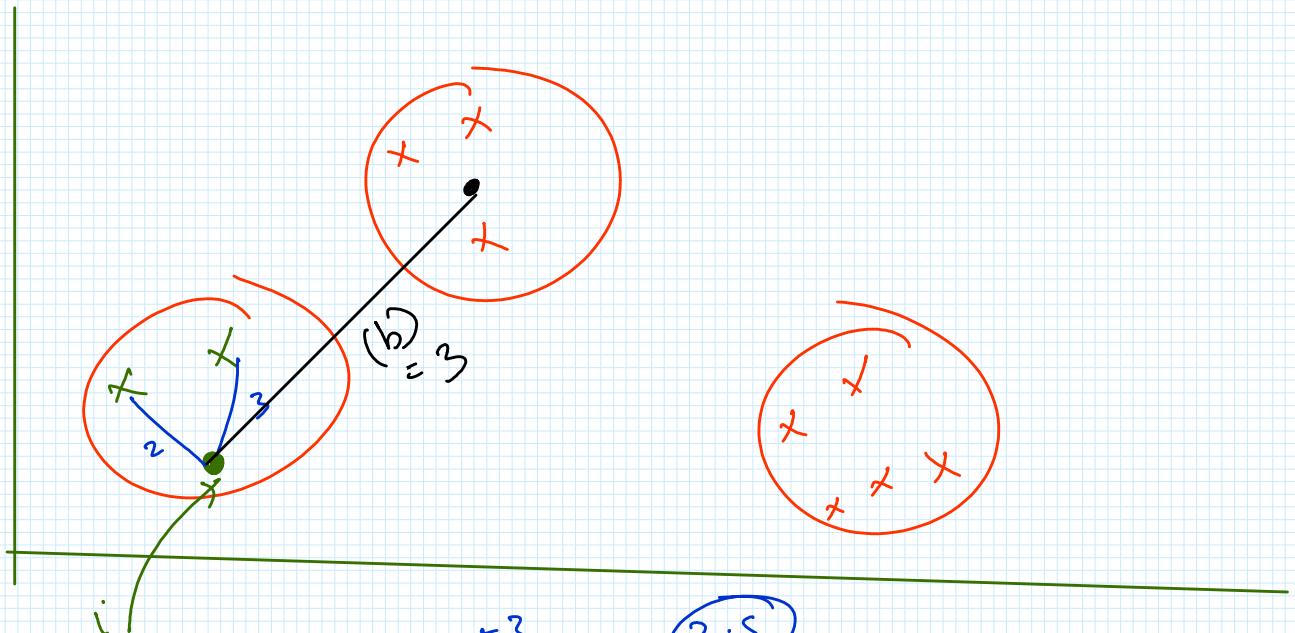
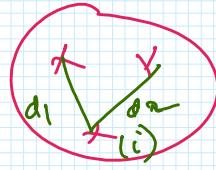
(-1, 1)

$$S(i) = \frac{b(i) - a(i)}{\max(b, a)}$$

b = inter cluster distance of that pt i to nearest cluster

$a = \text{Intra cluster distance}$

$$a = \frac{d_1 + d_2}{2}$$



$$(a) \rightarrow \frac{d_1 + d_2}{2} = 2 \cdot S$$

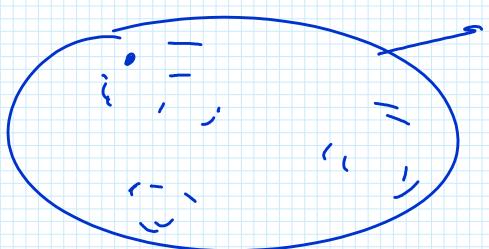
$$(b) \rightarrow d_3$$

$$S \cdot S(i) \approx \frac{d_3 - d_1}{\max(d_1, d_3)} = \frac{3 - 2 \cdot S}{3} = \frac{0 \cdot S}{3}$$

$$[-1, 1]$$

$S(i)$: Silhouette score for point i .

- $\underline{S(i) \approx 1}$: Point is well-matched to its own cluster and far from other clusters.
- $S(i) \approx 0$: Point is on the boundary between two clusters.
- $\underline{S(i) < 0}$: Point is closer to another cluster than its own.



Final S.S = avg(all S.S for i data pts)



