Vidyavardhini's College of Engineering & Technology

Department of Computer Engineering

Experiment No. 5
Apply appropriate Unsupervised Learning Technique on the Wholesale Customers Dataset
Date of Performance: 21-08-2023
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Aim: Apply appropriate Unsupervised Learning Technique on the Wholesale Customers Dataset.

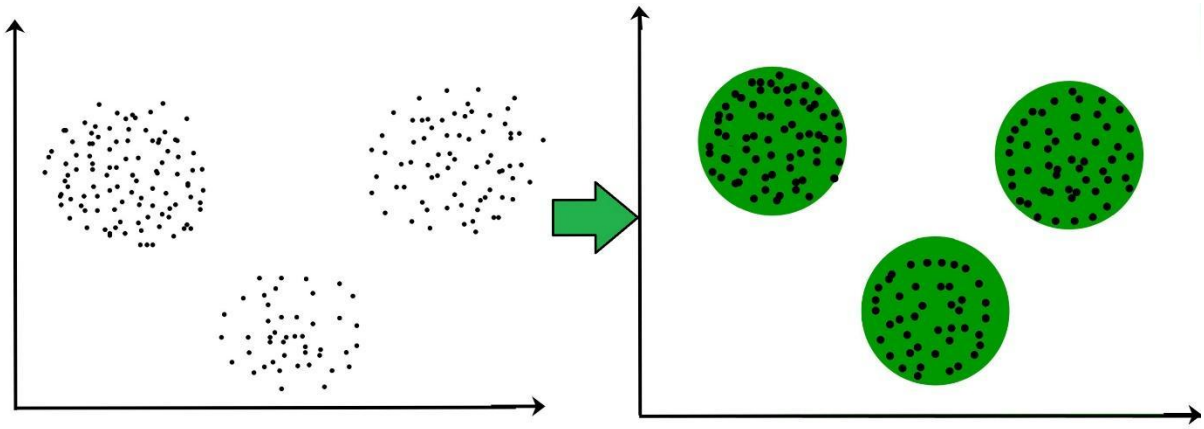
Objective: Able to perform various feature engineering tasks, apply Clustering Algorithm on the given dataset.

Theory:

It is basically a type of unsupervised learning method. An unsupervised learning method is a method in which we draw references from datasets consisting of input data without labeled responses. Generally, it is used as a process to find meaningful structure, explanatory underlying processes, generative features, and groupings inherent in a set of examples.

Clustering is the task of dividing the population or data points into a number of groups such that data points in the same groups are more similar to other data points in the same group and dissimilar to the data points in other groups. It is basically a collection of objects on the basis of similarity and dissimilarity between them.

For example: The data points in the graph below clustered together can be classified into one single group. We can distinguish the clusters, and we can identify that there are 3 clusters in the below picture.



Dataset:

This data set refers to clients of a wholesale distributor. It includes the annual spending in monetary units (m.u.) on diverse product categories. The wholesale distributor operating in different regions of Portugal has information on annual spending of several items in their stores across different regions and channels. The dataset consist of 440 large retailers annual spending on 6 different varieties of product in 3 different regions (lisbon , oporto, other) and across different sales channel (Hotel, channel)

Detailed overview of dataset

Records in the dataset = 440 ROWS

Columns in the dataset = 8 COLUMNS

FRESH: annual spending (m.u.) on fresh products (Continuous)

MILK:- annual spending (m.u.) on milk products (Continuous)

GROCERY:- annual spending (m.u.) on grocery products (Continuous)

FROZEN:- annual spending (m.u.) on frozen products (Continuous)

DETERGENTS_PAPER :- annual spending (m.u.) on detergents and paper products (Continuous)

DELICATESSEN:- annual spending (m.u.)on and delicatessen products (Continuous);

CHANNEL: - sales channel Hotel and Retailer

REGION:- three regions (Lisbon, Oporto, Other)

```
import numpy as np # linear algebra
import pandas as pd # data processing, CSV file I/O (e.g. pd.read_csv)

# Input data files are available in the read-only "../input/" directory
# For example, running this (by clicking run or pressing Shift+Enter) will list all files under the input directory

import os
for dirname, _, filenames in os.walk('WCD.csv'):
    for filename in filenames:
        print(os.path.join(dirname, filename))



import numpy as nm
import matplotlib.pyplot as mtp
import pandas as pd


dataset = pd.read_csv('WCD.csv')
dataset.head()
```

	Channel	Region	Fresh	Milk	Grocery	Frozen	Detergents_Paper	Delicassen
0	2	3	12669	9656	7561	214	2674	1338
1	2	3	7057	9810	9568	1762	3293	1776
2	2	3	6353	8808	7684	2405	3516	7844
3	1	3	13265	1196	4221	6404	507	1788
4	2	3	22615	5410	7198	3915	1777	5185

```
x = dataset.iloc[:, [3, 4]].values



from sklearn.cluster import KMeans
wcss_list= []  #Initializing the list for the values of WCSS

for i in range(1, 11):
    kmeans = KMeans(n_clusters=i, init='k-means++', random_state= 42)
    kmeans.fit(x)
    wcss_list.append(kmeans.inertia_)

mtp.plot(range(1, 11), wcss_list)
mtp.title('The Elobw Method Graph')
mtp.xlabel('Number of Clusters, K')
mtp.ylabel('wcss_list')
mtp.show()
```

```
/usr/local/lib/python3.10/dist-packages/sklearn/cluster/_kmeans.py:870: FutureWarn
  warnings.warn(
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  warnings.warn(
/usr/local/lib/python3.10/dist-packages/sklearn/cluster/_kmeans.py:870: FutureWarn
```
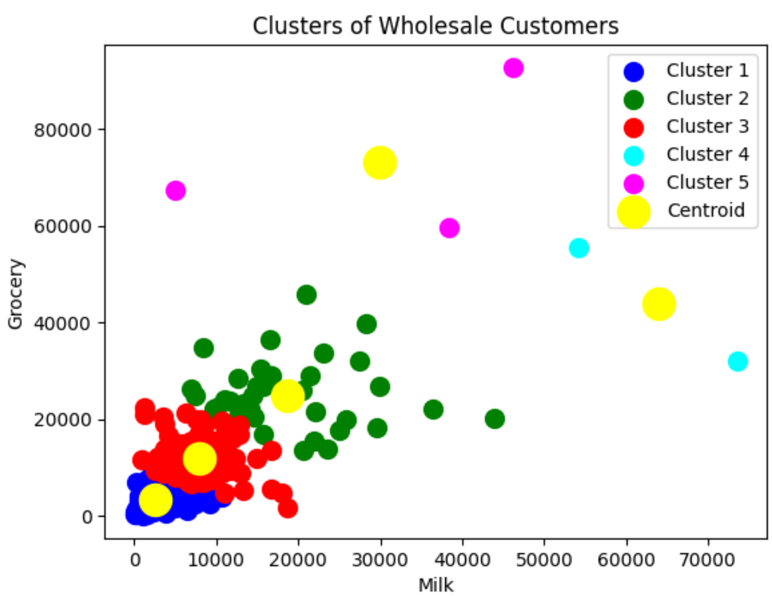

```
kmeans = KMeans(n_clusters=5, init='k-means++', random_state= 42)
y_predict= kmeans.fit_predict(x)
```

```
/usr/local/lib/python3.10/dist-packages/sklearn/cluster/_kmeans.py:870: FutureWarning: The default value of `n_init` will change from 10
  warnings.warn(
```

```
mtp.scatter(x[y_predict == 0, 0], x[y_predict == 0, 1], s = 100, c = 'blue', label = 'Cluster 1') #for first cluster
mtp.scatter(x[y_predict == 1, 0], x[y_predict == 1, 1], s = 100, c = 'green', label = 'Cluster 2') #for second cluster
mtp.scatter(x[y_predict== 2, 0], x[y_predict == 2, 1], s = 100, c = 'red', label = 'Cluster 3') #for third cluster
mtp.scatter(x[y_predict == 3, 0], x[y_predict == 3, 1], s = 100, c = 'cyan', label = 'Cluster 4') #for fourth cluster
mtp.scatter(x[y_predict == 4, 0], x[y_predict == 4, 1], s = 100, c = 'magenta', label = 'Cluster 5') #for fifth cluster
mtp.scatter(kmeans.cluster_centers_[:, 0], kmeans.cluster_centers_[:, 1], s = 300, c = 'yellow', label = 'Centroid')
mtp.title('Clusters of Wholesale Customers')
mtp.xlabel('Milk')
mtp.ylabel('Grocery')
mtp.legend()
mtp.show()
```



Conclusion:

Clustered data refers to a dataset in which the individual data points are grouped or clustered together based on certain similarities or patterns. These clusters can be identified through various clustering algorithms and techniques.

Clustered data is a valuable asset in the realm of data analysis and machine learning.

Ultimately, clustered data plays a vital role in revealing insights, simplifying complex data, and facilitating informed decision-making.

Whether identifying customer segments in marketing, partitioning image regions in computer vision, or detecting communities in social networks, clustering empowers data analysts and machine learning