# p2822004\_p2822007

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- 0.1 Master of Science in Business Analytics
- 0.2 Department of Management Science and Technology
- 0.3 Athens University of Economics and Business
- 0.4 Mining Big Datasets
- 0.5 1st Assignment

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The goal of this assignment is to calculate the similarity between supermarket customers, using the demographic characteristics of 10.000 customers along with a list of groceries they bought. The workflow used in order to compute his/her 10 most similar customers. Moreover, we implemented a classification algorithm in order to predict his rating to the supermarket.

• Before we proceed to anything we had to import the appropriate libraries and connect to our google-colab account.

```
[1]: #libraries
import pandas as pd
import matplotlib.pyplot as plt
import numpy as np
import sklearn as sk
import statistics as st
import itertools
%matplotlib inline
```

#### 0.5.1 Question 1: Import and pre-process the dataset with customers

• After that, we downloaded the file groceries.csv and we proceeded in the creation of a dataframe.

```
[2]: groceries=pd.read_csv('groceries.csv', sep=';')
groceries
```

```
[2]:
                                  Sex Marital_Status
                                                         Education Income
            Customer_ID Age
     0
                       1
                          75
                                 male
                                              married
                                                           primary
                                                                     20000
     1
                       2
                          61
                                                         secondary
                               female
                                                single
                                                                     28000
     2
                       3
                          32
                                 male
                                                         secondary
                                                                     34000
                                                single
                                                           primary
     3
                       4
                          62
                                 male
                                               married
                                                                     31000
     4
                       5
                          66
                               female
                                               married
                                                         secondary
                                                                     19000
     9995
                    9996
                          54
                                 male
                                              married
                                                           primary
                                                                     15000
     9996
                    9997
                          73
                                 male
                                                          tertiary
                                                                     30000
                                              divorced
     9997
                    9998
                          38
                                 male
                                              married
                                                           primary
                                                                     46000
                          44
     9998
                                                         secondary
                                                                     23000
                    9999
                               female
                                              married
     9999
                   10000
                          59
                                 male
                                               married
                                                          tertiary
                                                                     21000
                              Persons_in_Household
           Customer_Rating
                                                          Occupation
     0
                 very_good
                                                   3
                                                             retired
     1
                                                   1
                                                           housemaid
                       good
     2
                                                   1
                                                         blue-collar
                 very_good
                 very_good
                                                         blue-collar
     3
                                                   3
     4
                                                   3
                                                             retired
                       good
     9995
                                                   3
                                                          unemployed
                       good
     9996
                                                   1
                                                             retired
                       good
     9997
                       fair
                                                   4
                                                         blue-collar
     9998
                                                   4
                                                           housemaid
                       poor
     9999
                                                   2
                                                      self-employed
                       good
                                                         Groceries
     0
            citrus fruit, semi-finished bread, margarine, rea...
     1
                                    tropical fruit, yogurt, coffee
     2
                                                        whole milk
     3
                    pip fruit, yogurt, cream cheese, meat spreads
     4
            other vegetables, whole milk, condensed milk, lon...
            berries, root vegetables, whole milk, butter, roll...
     9995
            meat, other vegetables, whole milk, beverages, rol...
     9996
     9997
                                                              soda
     9998
            sausage, citrus fruit, tropical fruit, pip fruit, ...
     9999
            soft cheese, cream cheese, rolls/buns, soda, speci...
```

### [10000 rows x 10 columns]

• We saved the average of the columns Age and Income in two variables in order to use them later. For that computation we had to use only those cells that did not contain missing values.

```
[3]: avg_age = str(int(divmod(np.asarray(groceries[groceries['Age'].str.isspace() == 

→False]['Age'], dtype=np.int).mean(),1)[0]))
avg_inc = str(int(divmod(np.asarray(groceries[groceries['Income'].str.isspace() 

→== False]['Income'], dtype=np.int).mean(),1)[0]))
```

```
print(avg_age)
     avg_inc
    53
[3]: '30036'
       • Later, we converted all the columns into string format, so as to make the transforming of
         the data easier.
[4]: headers = groceries.columns.tolist()
     data_types = { header: np.str for header in headers }
     data_types
[4]: {'Customer_ID': str,
      'Age': str,
      'Sex': str,
      'Marital_Status': str,
      'Education': str,
      'Income': str,
      'Customer_Rating': str,
      'Persons in Household': str,
      'Occupation': str,
      'Groceries': str}
[5]: groceries = groceries.astype(data_types)
     groceries.head()
[5]:
                            Sex Marital_Status Education Income Customer_Rating \
       Customer ID Age
                 1
                    75
                           male
                                       married
                                                   primary
                                                             20000
                                                                         very_good
                 2 61 female
     1
                                         single secondary
                                                            28000
                                                                               good
     2
                 3 32
                           male
                                         single
                                                 secondary
                                                            34000
                                                                         very_good
     3
                 4 62
                           male
                                       married
                                                   primary
                                                            31000
                                                                         very_good
                 5
                    66
                        female
                                                secondary
                                                            19000
                                       married
                                                                               good
       Persons_in_Household
                               Occupation
     0
                                  retired
     1
                           1
                                housemaid
     2
                              blue-collar
                              blue-collar
     3
                           3
     4
                           3
                                  retired
                                                  Groceries
        citrus fruit, semi-finished bread, margarine, rea...
     0
     1
                              tropical fruit, yogurt, coffee
     2
                                                 whole milk
     3
               pip fruit, yogurt, cream cheese, meat spreads
       other vegetables, whole milk, condensed milk, lon...
```

• In order to fill the missing values it was necessary to locate them and replace the whitespaces with the means we found earlier. So, after that we had only to convert the columns into integer type and set the variable Customer\_ID as index of our final data-frame.

```
[6]: #fill nas
     groceries['Age'] = groceries['Age'].str.replace(' ', avg_age, regex=False).
      →astype('int64')
     groceries['Income'] = groceries['Income'].str.replace(' ', avg_inc,_
      →regex=False).astype('int64')
     groceries['Customer_ID'] = groceries['Customer_ID'].astype('int64')
     groceries['Persons_in_Household'] = groceries['Persons_in_Household'].
      →astype('int64')
     groceries = groceries.set_index('Customer_ID')
     groceries.head()
[6]:
                                                            Income Customer_Rating \
                  Age
                           Sex Marital_Status
                                                Education
     Customer ID
     1
                    75
                          male
                                      married
                                                  primary
                                                             20000
                                                                         very_good
     2
                        female
                                                secondary
                                                             28000
                    61
                                        single
                                                                               good
     3
                    32
                          male
                                        single
                                                secondary
                                                             34000
                                                                         very_good
     4
                    62
                                                                         very_good
                          male
                                      married
                                                  primary
                                                             31000
     5
                    66
                       female
                                      married
                                                secondary
                                                             19000
                                                                               good
                  Persons_in_Household
                                           Occupation \
     Customer_ID
     1
                                       3
                                              retired
     2
                                       1
                                            housemaid
     3
                                          blue-collar
                                       1
     4
                                       3
                                          blue-collar
     5
                                       3
                                              retired
                                                             Groceries
     Customer_ID
     1
                  citrus fruit, semi-finished bread, margarine, rea...
     2
                                         tropical fruit, yogurt, coffee
     3
                                                            whole milk
     4
                          pip fruit, yogurt, cream cheese, meat spreads
     5
                  other vegetables, whole milk, condensed milk, lon...
```

• Check that everything gone well:

```
Customer_Rating 0
Persons_in_Household 0
Occupation 0
Groceries 0
dtype: int64
```

### 0.5.2 Question 2: Compute data (dis-)similarity

We have 4 types of data and for each one of them we computed the similarity according to the following types.

• numeric dissimilarity:

$$d(a,b) = |a-b|/maxvalue - minvalue$$

• nominal\_dissimilarity:

$$d(a,b) = 0$$
 if  $a = b$ , 1 otherwise

• ordinal\_dissimilarity:

$$d(a,b) = |rank(a) - rank(b)| / maxrank - maxrank$$

• set dissimilarity: (using Jaccard similarity)

$$1 - intersection/union$$

Types of Data

- Numeric: Age, Income, Person in Household
- Nominal: Sex, Marital Status, Occupation
- Ordinal: Education, Customer Rating
- Set: Groceries
- We could create an m\*m dissimilarity matrices, where m is the number of observations(m=10.000) for each of the variables (we have 9 variables), but this is very resource-intensive, so we decided to do the computations on-the-fly, for specific pairs of customers.
- According to all of these, we created a function called dissimilarityFunction in which we compute the dissimilarity of each attribute of every pair of customers.
- So, first, we convert the ordinal variables into numeric.

```
[8]: #map ordinal variables
    print(groceries.Education.unique())
    print(groceries.Customer_Rating.unique())
    mapping1 = {'poor': 1, 'fair': 2, 'good': 3, 'very_good': 4, 'excellent': 5}
    mapping2 = {'primary': 1, 'secondary': 2, 'tertiary': 3}
    groceries['Customer_Rating'] = groceries['Customer_Rating'].map(mapping1)
    groceries['Education'] = groceries['Education'].map(mapping2)
    groceries.head()
```

```
['primary' 'secondary' 'tertiary']
['very_good' 'good' 'fair' 'excellent' 'poor']
```

```
[8]:
                            Sex Marital_Status Education Income Customer_Rating \
                   Age
     Customer_ID
                          male
                                                              20000
                                                                                     4
     1
                    75
                                       married
                                                          1
     2
                    61
                        female
                                        single
                                                          2
                                                              28000
                                                                                     3
     3
                                                          2
                                                                                     4
                    32
                          male
                                        single
                                                              34000
     4
                    62
                          male
                                       married
                                                          1
                                                              31000
                                                                                     4
     5
                    66
                        female
                                       married
                                                          2
                                                              19000
                                                                                     3
                   Persons_in_Household
                                            Occupation \
     Customer_ID
                                        3
     1
                                               retired
     2
                                        1
                                             housemaid
     3
                                          blue-collar
                                        1
     4
                                        3
                                           blue-collar
     5
                                               retired
                                                              Groceries
     Customer_ID
     1
                   citrus fruit, semi-finished bread, margarine, rea...
     2
                                          tropical fruit, yogurt, coffee
     3
                                                             whole milk
     4
                           pip fruit, yogurt, cream cheese, meat spreads
     5
                   other vegetables, whole milk, condensed milk, lon...
[9]: groceries = groceries.reset_index()
```

• Next, we create the function in which we calculate the dissimilarity, according to the previous types. This function takes as input the ids of 2 customers and returns each dissimilarity.

```
[10]: #dissimilarityFunction
      def dissimilarityFunction(a, b):
           # Age
           age1 = groceries['Age'].loc[groceries['Customer_ID'] == a].values[0]
           age2 = groceries['Age'].loc[groceries['Customer_ID'] == b].values[0]
           AgeDissimilarity=(abs(age1 - age2)) /(max(groceries['Age']) -__
       →min(groceries['Age']))
           #sex
           sexa = groceries['Sex'].loc[groceries['Customer_ID'] == a].values[0]
           sexb = groceries['Sex'].loc[groceries['Customer_ID'] == b].values[0]
           if (sexa==sexb):
              SexSimilarity = 1
           else:
              SexSimilarity = 0
           SexDissimilarity = 1 - SexSimilarity
           #martital
```

```
martitala = groceries['Marital Status'].loc[groceries['Customer ID'] == a].
→values[0]
   martitalb = groceries['Marital_Status'].loc[groceries['Customer_ID'] == b].
→values[0]
    if (martitala==martitalb):
      MartitalSimilarity = 1
    else:
      MartitalSimilarity= 0
    MartitalDissimilarity = 1 - MartitalSimilarity
    # Education
    educationa = groceries['Education'].loc[groceries['Customer_ID'] == a].
→values[0]
    educationb = groceries['Education'].loc[groceries['Customer_ID'] == b].
→values[0]
   EducationDissimilarity= abs(educationa - educationb) /
#income
    incomea = groceries['Income'].loc[groceries['Customer_ID'] == a].values[0]
    incomeb = groceries['Income'].loc[groceries['Customer_ID'] == b].values[0]
    IncomeDissimilarity=(abs(incomea - incomeb)) /(max(groceries['Income']) -__
→min(groceries['Income']))
    #customer rating
   ratinga = groceries['Customer_Rating'].loc[groceries['Customer_ID'] == a].
→values[0]
   ratingb = groceries['Customer_Rating'].loc[groceries['Customer_ID'] == b].
→values[0]
    RatingDissimilarity= abs(ratinga - ratingb) / ___
→ (max(groceries['Customer_Rating']) - min(groceries['Customer_Rating']))
    #Persons_in_Household
   personsa = groceries['Persons_in_Household'].loc[groceries['Customer_ID']_
\rightarrow == a].values[0]
   personsb = groceries['Persons_in_Household'].loc[groceries['Customer_ID']__
\rightarrow == b].values[0]
    Persons_in_HouseholdDissimilarity=(abs(personsa - personsb)) /

→min(groceries['Persons in Household']))
    #Occupation
```

```
occupationa = groceries['Occupation'].loc[groceries['Customer_ID'] == a].
→values[0]
             occupationb = groceries['Occupation'].loc[groceries['Customer_ID'] == b].
→values[0]
             if (occupationa==occupationb):
                      OccupationSimilarity = 1
             else:
                      OccupationSimilarity = 0
             OccupationDissimilarity = 1 - OccupationSimilarity
             #Groceries
             list1= groceries['Groceries'].loc[groceries['Customer_ID'] == a].values[0]
             list2= groceries['Groceries'].loc[groceries['Customer_ID'] == b].values[0]
             intersection = len(list(set (list1).intersection(list2)))
             union = (len(set (list1)) + len(set (list2))) - intersection
             JaccardSimilarity= float(intersection) / union
             JaccardDissimilarity   1- JaccardSimilarity
             avgDissimilarity=_
→ (AgeDissimilarity+SexDissimilarity+MartitalDissimilarity+
 \verb|--EducationDissimilarity+IncomeDissimilarity+RatingDissimilarity+Persons_in_HouseholdDissimilarity+RatingDissimilarity+Persons_in_HouseholdDissimilarity+RatingDissimilarity+Persons_in_HouseholdDissimilarity+RatingDissimilarity+Persons_in_HouseholdDissimilarity+RatingDissimilarity+Persons_in_HouseholdDissimilarity+RatingDissimilarity+Persons_in_HouseholdDissimilarity+RatingDissimilarity+Persons_in_HouseholdDissimilarity+RatingDissimilarity+Persons_in_HouseholdDissimilarity+RatingDissimilarity+RatingDissimilarity+Persons_in_HouseholdDissimilarity+RatingDissimilarity+Persons_in_HouseholdDissimilarity+RatingDissimilarity+Persons_in_HouseholdDissimilarity+RatingDissimilarity+Persons_in_HouseholdDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDissimilarity+RatingDi
→/ 9
             return (avgDissimilarity.round(3))
```

• Now, we can compute the dissimilarity for each pair of customers.

```
[11]: dissimilarityFunction(1,3)
```

[11]: 0.502

• If the input is the id of the same customer, it returns 0.

```
[12]: dissimilarityFunction(1,1)
```

[12]: 0.0

• Now, we create a symmetric matrix to calculate the dissimilarity between the first 5 customers.

```
[13]: dismatrix = pd.DataFrame(index=np.arange(5), columns=np.arange(5))
      dismatrix.index += 1
      dismatrix.columns += 1
      dismatrix.head()
```

```
[13]:
           1
                     3
                               5
      1 NaN NaN
                  {\tt NaN}
                        NaN NaN
      2 NaN NaN
                  NaN
                        NaN NaN
```

```
4 NaN NaN NaN NaN NaN NaN
5 NaN NaN NaN NaN NaN
[14]: #compute disimilarity of 5 customers
for i in range(1, 6):
    for j in range(1, 6):
        if i<=j:
            dismatrix.loc[i,j] = dissimilarityFunction(i,j)</pre>
```

```
[15]: dismatrix
```

```
[15]:
                   2
           1
                           3
                                          5
              0.539
      1
         0.0
                      0.502
                             0.167
                                     0.234
      2 NaN
                 0.0
                      0.391
                              0.497
                                     0.332
      3 NaN
                             0.347
                                     0.558
                 NaN
                        0.0
      4 NaN
                 NaN
                        NaN
                                0.0
                                      0.36
      5 NaN
                 NaN
                        NaN
                                NaN
                                        0.0
```

3 NaN

 ${\tt NaN}$ 

pass

NaN

NaN

NaN

### 0.5.3 Question 3: Nearest Neighbor(NN) search

To compute the Nearest Neighbor algorithm, we create a new function that takes as input
the id of a customer and returns the 10 most similar customers. To do that, it computes
the similarity with all of the customers according to the previous function(similarity = 1
- dissimilarity) and it sorts the result.

```
[18]: NN(73)
```

```
[18]: Customer_ID Similarity_Score
0 1291 0.959
1 1846 0.951
2 1627 0.943
```

```
3
          4488
                            0.929
4
                            0.924
          3953
5
          5922
                            0.923
6
          4663
                            0.922
7
          7933
                            0.918
8
          9404
                            0.917
9
                            0.914
          5195
```

- The previous table shows that the customer with id = 1291 is more close to customer 73, next is the customer with id = 1841, and so on and so forth.
- And as we can see in the next lines, these 2 customers(with id 73 & 1291) have very similar characteristics.

```
groceries.loc[groceries['Customer_ID'] ==73]
[19]:
          Customer ID
                                Sex Marital Status Education
                                                                 Income
                        Age
                         78
                                                                  32000
      72
                    73
                             female
                                           divorced
                           Persons_in_Household Occupation \
          Customer_Rating
      72
                                                2
                                                      retired
                                                    Groceries
      72 frankfurter, citrus fruit, whole milk, domestic e...
     groceries.loc[groceries['Customer ID'] ==1291]
[20]:
[20]:
                                   Sex Marital_Status
            Customer_ID
                          Age
                                                       Education
                                                                   Income \
      1290
                                                                     30000
                    1291
                           79
                              female
                                             divorced
                                                                3
            Customer_Rating Persons_in_Household Occupation \
      1290
                           4
                                                  1
                                                        retired
                                                Groceries
            pork, beef, whole milk, curd, rolls/buns, pastry
        • Next, we calculate the 10 nearest neighbors for the customers with the following ids.
[21]: nn = (563, 1603, 2200, 3703, 4263, 5300, 6129, 7800, 8555)
      for i in nn:
        print('10 NN for Customer ', i)
```

```
print(NN(i))
  print()
10 NN for Customer
                     563
  Customer_ID Similarity_Score
0
         3634
                          0.931
         6168
                          0.923
1
                          0.908
2
         6196
3
         2766
                          0.907
```

4	1277	0.899
5	419	0.899
6	4311	0.897
7	8270	0.895
8	7202	0.893
9	7049	0.893
10	NN for Customer 1603	
(	Tustomer ID Similarity	Score

	Customer_ID	Similarity_Score
0	7345	0.945
1	4814	0.927
2	7335	0.925
3	568	0.923
4	8959	0.921
5	168	0.916
6	8591	0.909
7	6841	0.898
8	6751	0.891
9	9260	0.89

# 10 NN for Customer 2200

	Customer_ID	Similarity_Score
0	403	0.897
1	7497	0.882
2	6722	0.867
3	8884	0.864
4	3551	0.861
5	5160	0.861
6	5330	0.859
7	4928	0.835
8	6942	0.833
9	2667	0.83

# 10 NN for Customer 3703

	Customer_ID	Similarity_Score
0	9942	0.962
1	374	0.956
2	3352	0.95
3	9419	0.944
4	1604	0.944
5	1837	0.944
6	6587	0.942
7	5853	0.936
8	4838	0.935
9	7847	0.931

10 NN for Customer 4263 Customer\_ID Similarity\_Score

0	5427	0.923
1	2195	0.922
2	9536	0.922
3	3822	0.921
4	5829	0.92
5	4990	0.919
6	9051	0.916
7	1896	0.911
8	2832	0.9
9	2972	0.897

### 10 NN for Customer 5300 Customer ID Similarity So

	Customer_ID	Similarity_Score
0	2110	0.95
1	8711	0.949
2	8497	0.946
3	3039	0.945
4	8068	0.944
5	3470	0.941
6	326	0.939
7	3533	0.939
8	7542	0.937
9	8982	0.936

### 10 NN for Customer 6129

	Customer_ID	Similarity_Score
0	1082	0.952
1	7870	0.941
2	6387	0.938
3	5301	0.934
4	7563	0.926
5	4933	0.924
6	4856	0.922
7	7837	0.922
8	7557	0.921
9	980	0.917

### 10 NN for Customer 7800

	Customer_ID	Similarity_Score
0	2126	0.914
1	186	0.912
2	2342	0.87
3	9116	0.863
4	7470	0.863
5	8293	0.858
6	673	0.854
7	2506	0.844
8	1847	0.838

```
9
         8212
                          0.835
10 NN for Customer 8555
  Customer_ID Similarity_Score
         1486
                          0.933
0
1
         6823
                          0.925
2
         8732
                            0.92
3
         3894
                          0.918
4
         7964
                          0.917
5
         3012
                          0.913
6
         7203
                          0.912
7
         4406
                            0.91
8
                            0.91
         6092
9
         2458
                            0.91
```

#### 0.5.4 Question 4: Customer rating prediction

#### Part 1:

• For calculating the prediction of the Custumer Rating attribute, we had to create, again, another function, similar to the one in the second question (dissimilarityFunction), in order to calculate the dissimilarity in all the variables except the one above (Custumer Rating).

```
[22]: #dissimilarityFunction
      def dissimilarityFunction_Prediction(a, b):
           age1 = groceries['Age'].loc[groceries['Customer_ID'] == a].values[0]
           age2 = b['Age']
           AgeDissimilarity=(abs(age1 - age2)) /(max(groceries['Age']) -__
       →min(groceries['Age']))
           #sex
           sexa = groceries['Sex'].loc[groceries['Customer_ID'] == a].values[0]
           sexb = b['Sex']
           if (sexa==sexb):
              SexSimilarity = 1
           else:
              SexSimilarity = 0
           SexDissimilarity = 1 - SexSimilarity
           #martital
           martitala = groceries['Marital_Status'].loc[groceries['Customer_ID'] == a].
       →values[0]
           martitalb = b['Marital_Status']
           if (martitala==martitalb):
              MartitalSimilarity = 1
```

```
else:
      MartitalSimilarity= 0
    MartitalDissimilarity = 1 - MartitalSimilarity
    # Education
    educationa = groceries['Education'].loc[groceries['Customer_ID'] == a].
→values[0]
    educationb = b['Education']
    EducationDissimilarity= abs(educationa - educationb) / ___
#income
    incomea = groceries['Income'].loc[groceries['Customer_ID'] == a].values[0]
    incomeb = b['Income']
    IncomeDissimilarity=(abs(incomea - incomeb)) /(max(groceries['Income']) -
→min(groceries['Income']))
   #Persons_in_Household
   personsa = groceries['Persons_in_Household'].loc[groceries['Customer_ID']_
\rightarrow == a].values[0]
   personsb = b['Persons_in_Household']
   Persons_in_HouseholdDissimilarity=(abs(personsa - personsb)) /

→ (max(groceries['Persons_in_Household']) - □
→min(groceries['Persons_in_Household']))
    #Occupation
   occupationa = groceries['Occupation'].loc[groceries['Customer_ID'] == a].
→values[0]
    occupationb = b['Occupation']
    if (occupationa==occupationb):
      OccupationSimilarity = 1
    else:
      OccupationSimilarity = 0
    OccupationDissimilarity = 1 - OccupationSimilarity
    #Groceries
    list1= groceries['Groceries'].loc[groceries['Customer_ID'] == a].values[0]
    list2= b['Groceries']
    intersection = len(list(set(list1).intersection(list2)))
    union = (len(set (list1)) + len(set (list2))) - intersection
    JaccardSimilarity= float(intersection) / union
    JaccardDissimilarity   1- JaccardSimilarity
```

• Later, we made a function called CRP (Customer Rating Prediction), that takes as argument a customer and produces another one with the 10 first more similar to him customers. So, in the end, we have a dataframe showing for that specific customer which other, are less dis-similar from him (more similar).

This function looks like the NN() created above.

• Next, we designed a function for generating the predicted rating for one customer, based on its 10th nearest neighbors.

```
[24]: def predict(df):
    cr = list()
    for i in df.iloc[:,0]:
        cr.append(groceries['Customer_Rating'].loc[groceries['Customer_ID'] == i].
        →values[0])

    kv = [key for key, values in mapping1.items() if values == round(sum(cr)/
        →len(cr))]
    return kv
```

• So, in the end we have the prediction of a customer based on the average rating of the 10 most similar customers.

### Part 2:

• For calculating the prediction of customer rating, we had to use the weighted average rating of the 10 most similar customers, taking also into account the already having rating. So, we constructed a function called weight in order to predict this rating. The referring function takes a customer from the groceries dataframe, finds its 10 most nearest neighbors from the function created in the previous question (CRP), adds a new column in this dataframe

containing the rating of its neighbors (column named rating) and then return the predicted value (weighted average).

#### **Evaluation**

• For the evaluation of the above classification algorithms we had to use the 50 first records of the groceries dataset and predicted the rating for them. Then, we calculated the Mean Prediction Error (MPE) for both prediction methods.

```
[28]: eval = groceries[:50]
eval.head()
```

```
[28]:
         Customer_ID
                       Age
                                Sex Marital_Status
                                                      Education
                                                                  Income
                        75
                               male
                                            married
                                                                   20000
      0
                    1
                                                              1
      1
                    2
                        61 female
                                             single
                                                                   28000
                    3
      2
                        32
                               male
                                             single
                                                               2
                                                                   34000
      3
                    4
                        62
                               male
                                            married
                                                               1
                                                                   31000
      4
                    5
                                                               2
                                                                   19000
                        66
                            female
                                            married
                           Persons_in_Household
         Customer_Rating
                                                     Occupation
      0
                         4
                                                3
                                                        retired
      1
                         3
                                                 1
                                                      housemaid
                                                   blue-collar
      2
                         4
      3
                         4
                                                3
                                                    blue-collar
                         3
                                                3
                                                        retired
      4
                                                     Groceries
         citrus fruit, semi-finished bread, margarine, rea...
      1
                                tropical fruit, yogurt, coffee
      2
      3
                 pip fruit, yogurt, cream cheese, meat spreads
         other vegetables, whole milk, condensed milk, lon...
[27]: mpe1 = list()
      mpe2 = list()
      for i in range(len(eval.iloc[:,1])):
```

```
pr = predict(CRP(eval.iloc[i,[0,1,2,3,4,5,7,8,9]]))
  mpe1.append(abs(mapping1[pr[0]] - eval['Customer_Rating'][i]))
  mpe2.append(abs(mapping1[weight(eval.iloc[i,[0,1,2,3,4,5,7,8,9]])[0]] - eval['Customer_Rating'][i]))

mpe_fin1 = sum(mpe1)/len(eval.iloc[:,1])
mpe_fin2 = sum(mpe2)/len(eval.iloc[:,1])
print('Mean Prediction Error for the 1st Method:', mpe_fin1)
print('Mean Prediction Error for the 2nd Method:', mpe_fin2)
```

Mean Prediction Error for the 1st Method: 0.7 Mean Prediction Error for the 2nd Method: 0.72

• As we can observe from the output of the above script, the Mean Prediction Error for both the two methods is nearly the same. In the first case is nearly 0,7 and in the second is 0,72. This error shows, on average, how much deviation the expected values of a customer rating have from their actual values. The bigger it is, the worse. So, the values found earlier are good indications of well predicted methods. Because of the fact that if we round these predictors will not exceed the 1 unit, we can also conclude that if the actual rating of a customer to a supermarket is good then the predictors will give us either good, fair or very good.

#### Conclusions

The above script is a useful tool for one company, such as supermarket, in order to predict the rating of its customers, based on their demographic characteristics. If in this company a new client is going to be added, then based on the other customers and how similar they are with him, we can predict his/her rating with really big precision. This tool adds big value to a company, because by exploiting it, it could take various decisions concerning the marketing field, such as more directed advertisement.

Finally, it would be a good idea if the company evolves this script by adding more methods like clustering of the customers. But, before doing this, the company should consider its resources, because each computation in order to run correctly needs a lot of time.