#### INSTRUCTIONS ON RUNNING THIS NOTEBOOK

- It requires nltk and tries to download it using !pip install command
- It by default it is using a large training set so the model tuning and feature importance calcluations can be accurate
- It is by default set to NOT, REPEAT NOT, RUN TIME CONSUMING CALCULATIONS.
- As you work throught the notebook, some cells will ask you to manually set OK\_TO\_RUN\_TUNING or OK\_TO\_RUN\_FEAT\_IMPORT to True.
- Doing so will trigger the lengthy calcuations up to an hour
- I have included images of the key charts in the README.MD file and in this notebook if you want to see the results without running the full notebook
- With the default OK\_TO\_RUN\_TUNING or OK\_TO\_RUN\_FEAT\_IMPORT set to False, the notebook runs in about 20 seconds

```
In [1]: # KEY CONFIGURATION VALUES
    # Change this to fun for specific states (less run time)
    # Example: STATE_FILTER = ['tx']
    STATE_FILTER = []

BEST_ALPHA = 1 # DEFAULT ALPHA FOR RIDGE() but value can be changed if tuning is ru

# Set this False to skip tuning, especially if you don't have a state filter. It ma
OK_TO_RUN_TUNING = True

# Set this to Flase to skip basic feature importance calcuation, especially if you
OK_TO_RUN_FEAT_IMPORT = True

# Set this to False to skip more advanced intensive feature importance calcuations,
OK_TO_RUN_FEAT_IMPORT_ADDITIONAL = False
```

## What drives the price of a car?

#### **OVERVIEW**

In this application, you will explore a dataset from kaggle. The original dataset contained information on 3 million used cars. The provided dataset contains information on 426K cars to ensure speed of processing. Your goal is to understand what factors make a car more or less expensive. As a result of your analysis, you should provide clear recommendations to your client -- a used car dealership -- as to what consumers value in a used car.

#### **CRISP-DM Framework**

No description has been provided for this image

To frame the task, throughout our practical applications we will refer back to a standard process in industry for data projects called CRISP-DM. This process provides a framework for working through a data problem. Your first step in this application will be to read through a brief overview of CRISP-DM here. After reading the overview, answer the questions below.

### **Business Understanding**

From a business perspective, we are tasked with identifying key drivers for used car prices. In the CRISP-DM overview, we are asked to convert this business framing to a data problem definition. Using a few sentences, reframe the task as a data task with the appropriate technical vocabulary.

**Background**: Used car sales dealerships want to fine tune their inventory to improve profits. Their strategy is to identify what factors make a car more or less expensive. Implicit in this strategy is understanding profit margin and return on investment, not just selling more and higher priced vehicles. However, the focus of this study is on understanding what features in a car customers value. We make the assumption that customers express this 'value' by paying a higher price for cars with more valuable features versus those with less valuable features.

#### **Data Problem Definition:**

Business Objective:

- Identify the car features in the data that have the strongest positive correlation with selling price.
- The ability to identify these corelations should be part of a bigger discussion with stakeholders about the wider business project goals. Assuming ROI of investment in inventory is the ultimate goal, clarify that developing a causal-based model and subsequently factoring in profit margins of car features would be important 2nd and 3rd stages of the project.
- This correlation study, along with future causal and profit-margin analysis projects can enable dealers to optimize the ROI of their businesses by more systematically choosing their inventory of cars to sell.

Data Analytics Objective: Develop a model and process to ingest used car data, analyze it and rank the most significant features of a car and the least significant features of a car. These rankings will be made based on how they impact the price at which the car sells. Use the most significant features to predict the price that customers would pay for a given set of features.

Data Sources: Kaggle data set of information about 426K used cars

Key Performance Indicators (KPIs): % of rows of data with valid data in most feature columns: If too much data is missing or invalid, then steps to address this issue must be taken prior to

successfully completing the project

Feature Importance: Relative feature importance using the coefficients of a linear regression model tuned and regularized for this context

Change in Error by Feature: Differences in mean squared error for several linear regression models using different subsets of features

Error for Optimized Model: Mean squared error of the best performing linear regression model

Overfitting Check: Difference in training error vs validation error across multiple hyper parameters

#### Success Criteria:

- The ranking process identifies the top 5 MOST significant features correlated to sale price of a car based on above KPIs
- The optimized model has a test data MSE less than 5% of the average price of the cars in inventory

Our result at this stage will be a correlation study. An additional success criteria for this stage is that the analysis guides the efficient design of a randomized control experiments to determine causal impact of features on sale price.

In [ ]:

## **Data Understanding**

After considering the business understanding, we want to get familiar with our data. Write down some steps that you would take to get to know the dataset and identify any quality issues within. Take time to get to know the dataset and explore what information it contains and how this could be used to inform your business understanding.

#### Steps to take to gain understanding:

- Evaluate total number of rows and also number of rows per various categorical groupings.
- Is there a massive amount of data to be managed such that simple queries, regressions and etc will be time-consuming and expensive?
- Examine the schema (structure and type) of the data. Identify the sales price numerical field(s).
- Are any fields compound or nested data that needs to be further processed (denormalized, flattended) to be understood?

- Is the data spread out across many data sources such as a relational datamodel with foreign keys?
- Does the data need to be concatenated over multiple similar data sources?
- Visually review the data distribution and range of values of the data. Look for obvious patterns using histograms and box plots.
- Compare subsets of the data by feature columns grouping to look for relationships like correlation.
- Note if there are major imbalances in the category groupings of the data.
- Look for nulls, suspicious duplicates, outliers, and invalid values.
- Look for data mistakes/inconsistencies in which two domain values are different on different rows, but likely meant to be the same value. Example: 'Blue' and 'blue'.
- Look at mode, frequency and averages of the total and a variety of subgroups of the data, especially in regards to the fields holding the sale price.
- Identify if the data has a time-series aspects like date of sale. Examine the range and distribution of sales price along these time-series axes.

## Code and observations regarding data structure and size

```
In [2]: # All imports needed to run this notebook code
        import pandas as pd
        import seaborn as sns
        import matplotlib.pyplot as plt
        import numpy as np
        from sklearn.calibration import LabelEncoder
        from sklearn.pipeline import Pipeline
        from sklearn.model_selection import StratifiedKFold, cross_val_score, train_test_sp
        from sklearn.linear_model import LinearRegression
        from sklearn.preprocessing import StandardScaler
        from sklearn.model_selection import train_test_split
        from sklearn.feature_selection import SequentialFeatureSelector, SelectFromModel
        from sklearn.model_selection import GridSearchCV
        import math
        import re
        import string
        import itertools
        import time
        import random
        from sklearn.preprocessing import PolynomialFeatures
        from sklearn.preprocessing import OneHotEncoder
        from sklearn.compose import make column transformer
        from sklearn.linear_model import Lasso
        from sklearn.linear_model import Ridge
        from sklearn.metrics import mean_squared_error
        #!pip install statsmodels
        from statsmodels.stats.outliers_influence import variance_inflation_factor
        from sklearn.decomposition import PCA
        from sklearn.feature_selection import VarianceThreshold, SelectKBest, f_classif
        import pickle
        #!pip install nltk
        import nltk
```

```
from sklearn.preprocessing import FunctionTransformer
         from sklearn.inspection import permutation_importance
         from sklearn.base import BaseEstimator, TransformerMixin
         from sklearn.compose import ColumnTransformer
         from sklearn.pipeline import make_pipeline
         from sklearn import set_config
         import winsound # Remove this if not on windows machine. Using to signal when a lon
In [3]: def beep():
           winsound.Beep(frequency=1000, duration=7000)
In [4]: car_df = pd.read_csv('data/vehicles.csv')
In [5]: print(f"Car df number of rows: {car_df.shape[0]} and column count: {car_df.shape[1]
       Car df number of rows: 426880 and column count: 18
In [6]: car_df.info()
       <class 'pandas.core.frame.DataFrame'>
       RangeIndex: 426880 entries, 0 to 426879
       Data columns (total 18 columns):
        # Column Non-Null Count Dtype
        ---
                           -----
                          426880 non-null int64
        0 id
        1 region 426880 non-null object
2 price 426880 non-null int64
3 year 425675 non-null float64
        4
            manufacturer 409234 non-null object
        5 model 421603 non-null object
6 condition 252776 non-null object
7 cylinders 249202 non-null object
8 fuel 423867 non-null object
9 odometer 422480 non-null float64
        10 title_status 418638 non-null object
        11 transmission 424324 non-null object
        12 VIN 265838 non-null object
13 drive 296313 non-null object
14 size 120519 non-null object
15 type 334022 non-null object
        16 paint_color 296677 non-null object
17 state 426880 non-null object
       dtypes: float64(2), int64(2), object(14)
       memory usage: 58.6+ MB
print("@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@)
         print("@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@
         #print(f"EXPERIMENT FILTERING TO A SINGLE TYPE")
         if len(STATE_FILTER) > 0:
             state_filter = STATE_FILTER
             print(f"Running by State of {state_filter}")
             car_state_df = car_df[car_df['state'].isin(state_filter)]
             car_df = car_state_df
             print("running as normal")
```

#### Comments on the structure:

- The 'id' fields looks to be a unique value per row
- 'price' seems to be the target value and the rest besides ID are features
- The structure of the data source is simple one file. No need for joins, concatenation or integrations
- There are a reasonable number of rows and columns. Not too many to work with using standard tools.

## Code block to help with visual analysis of distribution

```
In [8]: # eval_col_counts() gives a sense of the distribution of different distinct values
        # For columns with less distinct values less than max detail(default=15), a bar cha
        # with that value of that column is show for each distinct value.
        # For columns with more than max_detail distinct values, it shows the top max_detai
        # It also creates a column 'Rest of values' and shows the count of the remaining va
        # This approach lets us get a sense of the distribution visually even for categorie
        # You can sort the bar chart by the highest count or by the column value (e.g., sho
        # To do the latter, set sort by col parameter to True
        import pandas as pd
        def get value counts(data, column name, sort by col=False):
          # Use value_counts() to get the counts and reset the index to create a DataFrame
          if sort by col:
              return data[column_name].value_counts().reset_index(name='count').sort_values
              return data[column_name].value_counts().reset_index(name='count')
        def get_all_value_counts(data, col_list):
            # Assuming your data is loaded into a pandas DataFrame named 'df'
            for column_to_count in col_list:
                value_counts_df = get_value_counts(car_df, column_to_count)
                print(value_counts_df)
        def eval_col_counts(data, col_list, max_detail = 15, sort_by_col = False):
            for column_to_count in col_list:
                value_counts_df = get_value_counts(data, column_to_count, sort_by_col)
                unq_count = value_counts_df.shape[0]
                print(f"{column_to_count} has {unq_count} distinct values")
```

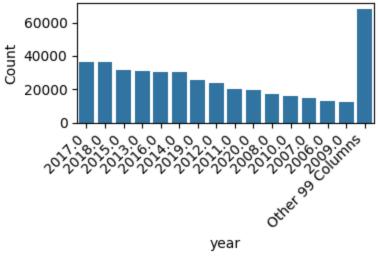
```
disp_count = min(max_detail,unq_count)
print(f"See {disp_count} of them")
print(value_counts_df.head(disp_count))
if unq_count < 10:</pre>
   plt_title = f'Distribution of {column_to_count}'
   plt_data = value_counts_df.copy()
else:
   plt_title = f'Distribution of top {max_detail} items of {column_to_coun
   plt data slice = value counts df.head(max detail)
   plt_data = plt_data_slice.copy()
   plt_data_sum = sum(plt_data['count'])
   all_data_sum = sum(value_counts_df['count'])
   rest_data_sum = all_data_sum - plt_data_sum
   print(f'Count of the rest of the values not shown: {rest_data_sum}')
   # Create a dictionary for the new row
   #new_row = pd.Series({column_to_count: 'Other Columns', 'count': rest_d
   plt_data.loc[len(plt_data)] = [f'Other {unq_count-max_detail} Columns',
plt.figure(figsize=(4, 3)) # Adjust figure size as needed
sns.barplot(x=column_to_count, y="count", data=plt_data)
plt.xlabel(column_to_count)
plt.ylabel('Count')
plt.title(plt_title)
plt.xticks(rotation=45, ha='right') # Rotate category labels for readabili
plt.tight_layout() # Adjust spacing between elements
plt.show()
print("----")
```

#### Distribution of data charts

```
year has 114 distinct values
See 15 of them
     year
          count
0
   2017.0 36420
   2018.0 36369
1
2
   2015.0 31538
3
   2013.0 30794
   2016.0 30434
4
5
 2014.0 30283
6 2019.0 25375
7
   2012.0 23898
8
   2011.0 20341
9
   2020.0 19298
10 2008.0 17150
11 2010.0 15829
12 2007.0 14873
13 2006.0 12763
14 2009.0 12185
```

Count of the rest of the values not shown: 68125

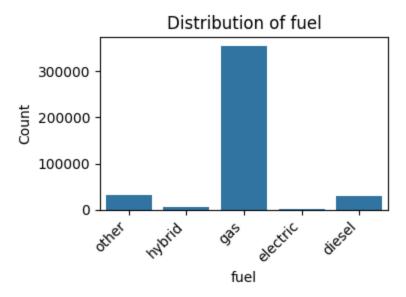
## Distribution of top 15 items of year by count



----

fuel has 5 distinct values
See 5 of them
fuel count
1 other 30728
3 hybrid 5170
0 gas 356209

4 electric 1698 2 diesel 30062



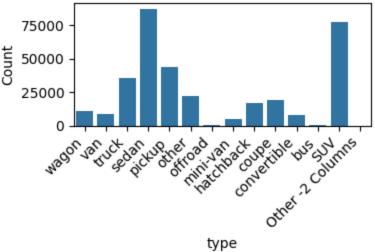
- - - -

type has 13 distinct values See 13 of them

266	15 Of Citem	
	type	count
7	wagon	10751
8	van	8548
3	truck	35279
0	sedan	87056
2	pickup	43510
4	other	22110
11	offroad	609
10	mini-van	4825
6	hatchback	16598
5	coupe	19204
9	convertible	7731
12	bus	517
1	SUV	77284

Count of the rest of the values not shown: 0

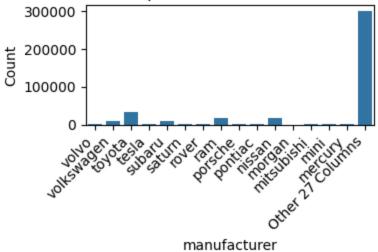
## Distribution of top 15 items of type by count



manu	facturer has	42 distinct values			
See 15 of them					
m	anufacturer	count			
24	volvo	3374			
13	volkswagen	9345			
2	toyota	34202			
34	tesla	868			
12	subaru	9495			
32	saturn	1090			
28	rover	2113			
6	ram	18342			
30	porsche	1384			
27	pontiac	2288			
4	nissan	19067			
41	morgan	3			
25	mitsubishi	3292			
26	mini	2376			
31	mercurv	1184			

Count of the rest of the values not shown: 300811

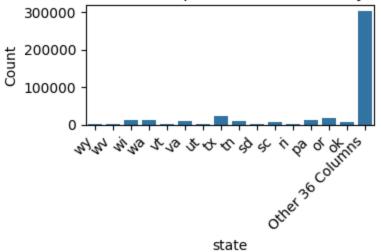
## Distribution of top 15 items of manufacturer by count



```
state has 51 distinct values
See 15 of them
  state count
49
     wy
           610
45
         1052
     WV
10
     wi 11398
     wa 13861
41
     vt
          2513
13
     va 10732
44
     ut
         1150
2
     tx 22945
12
     tn 11066
43
         1302
     sd
23
     sc 6327
42
     ri
        2320
9
     pa 13753
5
     or 17104
         6792
```

Count of the rest of the values not shown: 303955

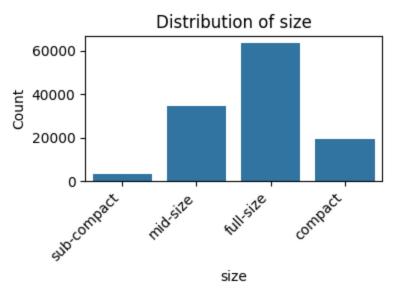
## Distribution of top 15 items of state by count



----

size has 4 distinct values
See 4 of them
size count
3 sub-compact 3194
1 mid-size 34476
0 full-size 63465

2 compact 19384



# Code block to show relationship of price to each feature column

```
In [10]: # support functions for eval_col_avg_price()
         def get_average_car_price(data, col):
             average_price_per_category = data.groupby(col)['price'].mean().reset_index()
             return average_price_per_category.sort_values(by=['price','count'], ascending=F
         def get_average_and_count_car_price(data, col):
             average_price_per_category = data.groupby(col).agg(price=('price', 'mean'), cou
             return average_price_per_category.sort_values(by='price', ascending=False)
         def filter_by_price_quantile(data, lower_price_q, upper_price_q):
             price_quantiles = data['price'].quantile([lower_price_q, upper_price_q])
             price_lower_bound = price_quantiles[lower_price_q]
             price_upper_bound = price_quantiles[upper_price_q]
             # Filter DataFrame
             filtered_df = data[(data['price'] >= price_lower_bound) & (data['price'] <= pri</pre>
             return filtered df
         def filter_by_price_and_count_quantile(data, lower_price_q, upper_price_q, lower_co
             price quantiles = data['price'].quantile([lower_price_q, upper_price_q])
             price_lower_bound = price_quantiles[lower_price_q]
             price_upper_bound = price_quantiles[upper_price_q]
             # Calculate quantiles for count
             count_quantiles = data['count'].quantile([lower_count_q, upper_count_q])
             count_lower_bound = count_quantiles[lower_count_q]
             count_upper_bound = count_quantiles[upper_count_q]
```

```
# Filter DataFrame
    filtered_df = data[(data['price'] >= price_lower_bound) & (data['price'] <= pri</pre>
                 (data['count'] >= count lower bound) & (data['count'] <= count upp</pre>
    return filtered_df
def drop_outlier(data, target_col, IQR_mult):
    # Calculate Interquartile Range (IQR) for price
    Q1 = data[target col].quantile(0.25)
    Q3 = data[target_col].quantile(0.75)
    IQR = Q3 - Q1
    # Define outlier threshold (1.5 times IQR)
    threshold = IQR_mult * IQR
    # Identify outliers (outside lower and upper bounds)
    lower_bound = Q1 - threshold
    upper_bound = Q3 + threshold
    outliers = data[(data[target_col] < lower_bound) | (data[target_col] > upper_bo
    print(f"drop_outlier(): lower bound = {lower_bound}")
    print(f"drop_outlier(): upper bound = {upper_bound}")
    # Drop outliers (consider alternative approaches if needed)
    return data.drop(outliers.index)
def handle_extreme_min_max(data_slice, column_to_get_avg, categories, subtitle, siz
        sample_avg = data_slice['price'].mean()
        # min
        min_value_index = data_slice["price"].idxmin()
        category_w_min_value = data_slice.loc[min_value_index][column_to_get_avg]
        min_value = data_slice.loc[min_value_index]["price"]
        max_value_index = data_slice["price"].idxmax()
        category w max value = data slice.loc[max value index][column to get avg]
        max_value = data_slice.loc[max_value_index]["price"]
        show min = min value > size mult*sample avg
        show_max = max_value < size_mult*sample_avg</pre>
        if not show_min:
            if len(subtitle)>0:
                subtitle = subtitle + '\n'
            if prefix is None:
                subtitle = f"{subtitle} MIN is not shown: {category w min value} =
            else:
               subtitle = f"{subtitle} {prefix} not shown: {category_w_min_value} =
        if not show_max:
            if len(subtitle)>0:
                subtitle = subtitle + '\n'
            if prefix is None:
                subtitle = f"{subtitle} MAX is not shown: {category_w_max_value} =
            else:
                subtitle = f"{subtitle} {prefix} is not shown: {category_w_min_valu
```

```
plt_categories = []
        for category in categories:
           ok to add = True
           if category == category_w_min_value:
                ok_to_add = show_min
           if category == category_w_max_value:
               ok_to_add = show_max
           if ok_to_add:
                plt_categories.append(category)
        return plt_categories, subtitle
def show_min_max_calc(full_avg_data, sample_data_slice, column_to_get_avg, categori
       # min
       min_value_index = full_avg_data["price"].idxmin()
        category_w_min_value = full_avg_data.loc[min_value_index][column_to_get_avg
       min_value = full_avg_data.loc[min_value_index]["price"]
       min_row = full_avg_data.loc[min_value_index]
       # max
       max_value_index = full_avg_data["price"].idxmax()
       category_w_max_value = full_avg_data.loc[max_value_index][column_to_get_avg
       max_value = full_avg_data.loc[max_value_index]["price"]
       max_row = full_avg_data.loc[max_value_index]
        sample_plus_min_max = sample_data_slice.copy()
        sample_plus_min_max.loc[len(sample_plus_min_max)] = min_row
        sample_plus_min_max.loc[len(sample_plus_min_max)] = max_row
        sample avg = sample plus min max['price'].mean()
        show min = min value > size mult*sample avg
        show_max = max_value < size_mult*sample_avg</pre>
        plt categories = []
        if not show min:
           if len(subtitle)>0:
                subtitle = subtitle + '\n'
           subtitle = f"{subtitle} MIN is not shown: {category_w_min_value} = {min
        else:
           plt_categories.append(category_w_min_value)
        if not show_max:
           if len(subtitle)>0:
                subtitle = subtitle + '\n'
           subtitle = f"{subtitle} MAX is not shown: {category_w_max_value} = {max
        else:
           plt_categories.append(category_w_max_value)
        for category in categories:
           ok_to_add = True
           if category == category_w_min_value:
                ok_to_add = show_min
           if category == category_w_max_value:
```

```
if ok_to_add:
                         plt categories.append(category)
                 return plt_categories, subtitle
         def handle_many_distinct_averages(data, column_to_get_avg, value_avg_df, subtitle):
                 plt title = f'Average price and spread of min avg, max avg and sample of {m
                 # too many categoires to show on a chart so get a sample of max_detail of t
                 # sample 2 more than I need so I can drop ones that might put out of scale
                 sample_data_slice = value_avg_df.sample(max_detail).sort_values(by='price')
                 initial_len = sample_data_slice.shape[0]
                 sample data slice = sample data slice[1:initial len-1]
                 sample_categories = sample_data_slice[column_to_get_avg]
                 # add overall min and max but handlife if it so vastly different than sampl
                 plt_categories, subtitle = show_min_max_calc(value_avg_df, sample_data_slid
                 plt_data = data[data[column_to_get_avg].isin(plt_categories)]
                 return plt_data, plt_title, subtitle
In [11]: # eval_col_avg_price() routine helps get a sense of the rawnge of values for each of
         # For columns with less than max_detail(default=15) distinct values, it shows each
         # For columns with more, it shows the min, max and a sample of 13 values.
         # Specifically, it finds the average for each distinct column into a separate dataf
         # then it samples (max detail - 2) columnns from that set of averages
         # finally it shows the box plot for the min, the samples, and the max average.
         # By default it does not include outliers in the chart but passing a parameter can
         # Note 1: outliers can scale the chart such that it hard to read for other boxplots
         # Note 2: For the column values corresponding to the min/max average are less/more
         # the boxplot for it is not shown but the average is shown in a subtitle of the plo
         # This solution reduces the chance of big mis matches in scale for boxplots shown.
         # If the sampling of averages hits a particularly high or low value, the chart will
         def draw_box_plot(plt_data_orig, column_to_get_avg, showfliers_flag, subtitle, plt
             plt_data = plt_data_orig.copy()
             plt_data[column_to_get_avg] = plt_data[column_to_get_avg].astype(str).str[:30].
             plt.figure(figsize=(8, 5)) # Adjust figure size as needed
             sns.boxplot(
                 x = column_to_get_avg,
                 y = "price",
                 showmeans=True, # Add means (optional)
                 showfliers = showfliers_flag,
                 data=plt_data)
             plt.xlabel(column_to_get_avg)
             plt.ylabel('Average Price')
             plt.title(subtitle)
             plt.suptitle(plt_title)
             plt.xticks(rotation=45, ha='right') # Rotate category labels for readability
             plt.tight_layout() # Adjust spacing between elements
```

ok\_to\_add = show\_max

```
plt.show()
    plt.cla()
    plt.clf()
def draw_price_and_count_plot(plt_data_orig, column_to_get_avg, title, subtitle, ma
    # next check if need to downsample
    print("Processing Avg Price and Count Chart - May take up to 30 seconds for som
    skip_data_msg = ""
    orig_row_count = plt_data_orig.shape[0]
    if orig_row_count > 2000:
        skip_amount = plt_data_orig.shape[0] // 2000
        plt_data = plt_data_orig.iloc[::skip_amount]
        row count w skip = plt data.shape[0]
        skip_data_msg = f"\nLarge # of values({orig_row_count:,.0f}), charting even
    else:
        plt_data = plt_data_orig
    duplicates = plt_data[column_to_get_avg].duplicated()
    has_duplicates = plt_data[column_to_get_avg].duplicated().any()
    if has_duplicates:
        print("has duplicates")
    else:
        print("no duplicates")
    # Create the plot
    fig, ax1 = plt.subplots(figsize=(5, 3))
    #Line plot for value1 (left y-axis)
    if plt_data.shape[0] <max_detail:</pre>
            ax1.plot(
                plt_data[column_to_get_avg].astype(str).str[:30].replace('$', ' ',
                plt_data["price"], label='Average Price', marker= 'o')
    else:
        if len(skip_data_msg)>0:
             ax1.plot(
                plt_data[column_to_get_avg],
                #plt_data[column_to_get_avg],
                plt_data["price"], label='Average Price')
        else:
                ax1.plot(
                plt_data[column_to_get_avg].astype(str).str[:30].replace('$', ' ',
                #plt_data[column_to_get_avg],
                plt_data["price"], label='Average Price')
    ax1.set_ylabel('Average Price', color='b')
    ax1.tick_params(axis='y', labelcolor='b')
    if plt data.shape[0] <= max detail:</pre>
        ax1.tick_params(axis='x', rotation=45) # Rotate x-axis labels
    else:
        plt.xticks([])
    # Bar chart for value2 (right y-axis)
    ax2 = ax1.twinx() # Create a twin axes for value2
```

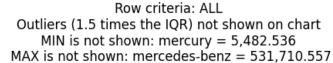
```
ax2.bar(plt_data[column_to_get_avg].astype(str).str[:30].replace('$', ' ', rege
    ax2.set_ylabel('Count', color='g')
    ax2.tick_params(axis='y', labelcolor='g')
    # Customize the plot
    plt.title(f"{subtitle}" + skip_data_msg )
    plt.suptitle(title)
    plt.xlabel(column_to_get_avg)
    if plt_data.shape[0] <= max_detail:</pre>
        ax2.tick params(axis='x', rotation=45) # Rotate x-axis labels
    else:
        plt.xticks([])
    lines1, labels1 = ax1.get_legend_handles_labels()
    lines2, labels2 = ax2.get_legend_handles_labels()
    plt.legend(lines1 + lines2, labels1 + labels2, loc='upper center')
    plt.tight_layout()
    # show
    plt.show()
    # release shared mem related to plotting
    plt.cla()
    plt.clf()
def set_base_box_subtitle(showfliers_flag,
                        lower_price_q, upper_price_q, lower_count_q, upper_count_q)
    if lower price q == 0 and upper price q == 1 and lower count q == 0 and upper co
        box subtitle = "Row criteria: ALL"
    else:
        box_subtitle = f"Price criteria: start % = {lower_price_q:.2%}, end % = {up
        box_subtitle = box_subtitle + f"\nCount criteria: start % = {lower_count_q:
    if showfliers_flag:
        box_subtitle = box_subtitle + "\nOutliers (1.5 times the IQR) shown"
        box_subtitle = box_subtitle + "\nOutliers (1.5 times the IQR) not shown on
    return box_subtitle
def get_quantile(data, column_name, value, data_max, data_quantiles):
  if value < data quantiles[0.25]:</pre>
    return 'Zero to 25th quantile'
 elif value < data_quantiles[0.5]:</pre>
    return 'Above 25th to 50th quantile'
  elif value < data_quantiles[0.75]:</pre>
    return 'Above 50th to 75th quantile'
    return 'Above 75th to 100th quantile'
def eval_col_avg_price(data, col_list, max_detail = 15, showfliers_flag = False,
                        lower_price_q = 0, upper_price_q = 1, lower_count_q = 0, up
    for column_to_get_avg in col_list:
        base box subtitle = set base box subtitle(showfliers flag,
```

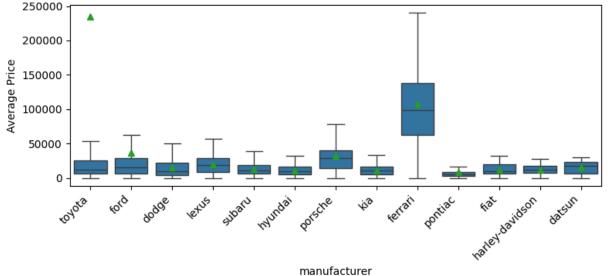
```
lower_price_q, upper_price_q, lower_count_q, upper_count_q)
# aggregate primary data to get avg price and count
value_avg_df_orig = get_average_and_count_car_price(data, column_to_get_avg
# apply percentile criteria to value averages.
# goal is to filter by quantiles so to reduce the number of categories incl
# goal is NOT to limit/filter the core price data set by quantile for the c
value avg df = filter by price and count quantile(value avg df orig,
                lower_price_q, upper_price_q, lower_count_q, upper_count_q)
# Saving to database to manually reivew for bad data set in excel
#value_avg_df.to_csv(f'saved_output/{column_to_get_avg}_avg_prices.csv')
# share some basic info about the column
unq count = value avg df.shape[0]
print(f"{column_to_get_avg} has {unq_count} distinct values")
disp_count = min(max_detail,unq_count)
print(f"See {disp_count} of them")
top_of_value_avg_df = value_avg_df.head(disp_count)
top_of_value_avg_df = top_of_value_avg_df.copy()
top_of_value_avg_df['price'] = top_of_value_avg_df['price'].apply(lambda x:
print(top_of_value_avg_df)
# prepare to plot the box plot
if disp count != 0:
   if unq_count < max_detail:</pre>
        box_plt_title = f'Average price and spread of {column_to_get_avg}'
        categories = value_avg_df[column_to_get_avg]
        plt_categories, box_subtitle = handle_extreme_min_max(value_avg_df,
        print("Will display all categories:")
        print(plt_categories)
        plt_data = data[data[column_to_get_avg].isin(plt_categories)]
   else:
        plt_data, box_plt_title, box_subtitle = handle_many_distinct_averag
    # draw boxplot of price for category
   draw_box_plot(plt_data, column_to_get_avg, showfliers_flag, box_subtit
   # prepare to plot both average price and count per category value on sa
    # first get a version without outlier averages
   IQR mult = 1.5
   data_no_outlier = drop_outlier(value_avg_df, "price", IQR_mult)
   print(f"Potential outliers for {column_to_get_avg} = {value_avg_df.shap
   # set title
   multi_title = f"Plot of Avg Price and Count for {column_to_get_avg}"
   multi_subtitle = base_box_subtitle
   draw_price_and_count_plot(data_no_outlier, column_to_get_avg, multi_tit
else:
    print(f"****No values of {column_to_get_avg} are in the given critera s
print("----")
```

## Charts relating price to feature columns

```
col_list = ['manufacturer','condition','fuel',
In [12]:
                     'state', 'year']
         eval_col_avg_price(car_df, col_list,
                             lower_price_q = 0.0, upper_price_q = 1, lower_count_q = 0.0, up
        manufacturer has 42 distinct values
        See 15 of them
             manufacturer
                             price count
        26
           mercedes-benz $531,711 11817
        41
                   volvo $383,755
                                     3374
        39
                  toyota $234,295 34202
        20
                     jeep $150,718 19014
        7
                chevrolet $115,676 55064
        11
                 ferrari $107,439
                                       95
                           $53,495
        2
             aston-martin
                                       24
        38
                   tesla
                           $38,354
                                      868
                                    5501
        5
                   buick
                           $36,785
        13
                    ford
                           $36,412 70985
        33
                           $31,946
                 porsche
                                    1384
        14
                           $30,406 16785
                      gmc
                           $28,237
        1
               alfa-romeo
                                      897
        34
                           $27,728 18342
                      ram
        35
                           $27,183
                   rover
                                     2113
```

Average price and spread of min avg, max avg and sample of 13 items of manufacturer





```
drop_outlier(): lower bound = -16357.821852737696
drop_outlier(): upper bound = 60312.317671952274
Potential outliers for manufacturer = 6
Processing Avg Price and Count Chart - May take up to 30 seconds for some charts no duplicates
<Figure size 640x480 with 0 Axes>
```

## Plot of Avg Price and Count for manufacturer

Row criteria: ALL Outliers (1.5 times the IQR) not shown on chart



----

condition has 6 distinct values
See 6 of them

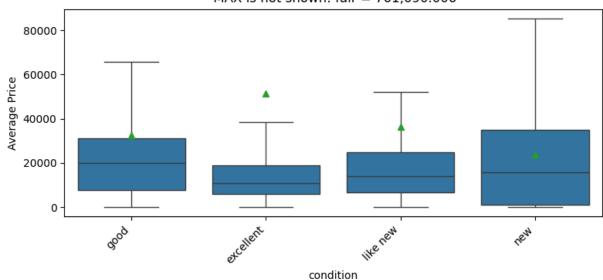
	condition	price	count		
1	fair	\$761,090	6769		
0	excellent	\$51,347	101467		
3	like new	\$36,402	21178		
2	good	\$32,545	121456		
4	new	\$23,657	1305		
5	salvage	\$3,606	601		
Will display all categories:					
['excellent' 'like new' 'good' '					

['excellent', 'like new', 'good', 'new']

<Figure size 640x480 with 0 Axes>

#### Average price and spread of condition

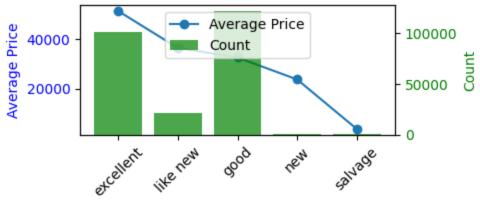
Row criteria: ALL
Outliers (1.5 times the IQR) not shown on chart
MIN is not shown: salvage = 3,605.534
MAX is not shown: fair = 761,090.006



drop\_outlier(): lower bound = -6717.818000021456 drop\_outlier(): upper bound = 80207.69873494114 Potential outliers for condition = 1 Processing Avg Price and Count Chart - May take up to 30 seconds for some charts no duplicates <Figure size 640x480 with 0 Axes>

## Plot of Avg Price and Count for condition

Row criteria: ALL Outliers (1.5 times the IQR) not shown on chart



fuel has 5 distinct values

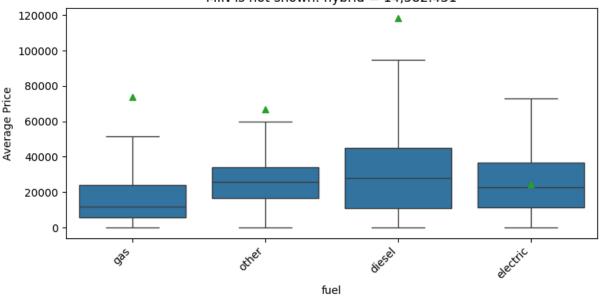
See 5 of them

fuel price count 0 diesel \$118,178 30062 gas \$73,902 356209 2 4 other \$66,811 30728 \$24,648 1 electric 1698 hybrid \$14,582 5170 Will display all categories: ['diesel', 'gas', 'other', 'electric']

<Figure size 640x480 with 0 Axes>

#### Average price and spread of fuel

Row criteria: ALL
Outliers (1.5 times the IQR) not shown on chart
MIN is not shown: hybrid = 14,582.431



drop\_outlier(): lower bound = -49232.48401200412
drop\_outlier(): upper bound = 147783.10586217412

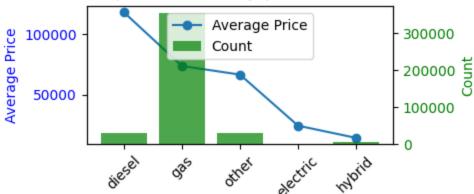
Potential outliers for fuel = 0

Processing Avg Price and Count Chart - May take up to 30 seconds for some charts no duplicates

<Figure size 640x480 with 0 Axes>

## Plot of Avg Price and Count for fuel

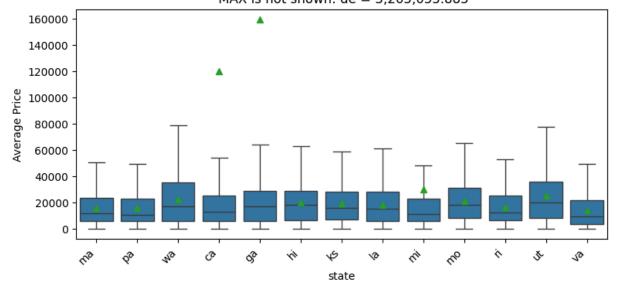
Row criteria: ALL Outliers (1.5 times the IQR) not shown on chart



state	has	51	distin	ct	valı	ıes	5
See 1	5 of	the	em				
st	ate		pric	e	cour	nt	
8	de	\$3,	,205,05	6	94	19	
42	tn	9	369,34	8	1106	56	
31	nj	9	325,45	7	974	12	
20	md	9	312,34	0	477	78	
1	al	9	\$239,64	3	495	55	
15	in	9	\$235,83	3	576	94	
37	or	9	\$234,16	9	1716	94	
10	ga	9	159,26	1	700	93	
4	ca	4	\$120,12	1	5061	14	
36	ok		\$36,20	7	679	92	
13	id		\$35,63	8	896	51	
27	nc		\$32,82	9	1527	77	
22	mi		\$30,07	3	1696	90	
35	oh		\$26,83	4	1769	96	
44	ut		\$25,10	0	115	50	
<figu< td=""><td>re s</td><td>ize</td><td>640x48</td><td>0 w</td><td>ith</td><td>0</td><td>Axes&gt;</td></figu<>	re s	ize	640x48	0 w	ith	0	Axes>

Average price and spread of min avg, max avg and sample of 13 items of state

Row criteria: ALL
Outliers (1.5 times the IQR) not shown on chart
MIN is not shown: me = 13,782.824
MAX is not shown: de = 3,205,055.885



drop\_outlier(): lower bound = 553.1469334329231
drop\_outlier(): upper bound = 45193.09295804804

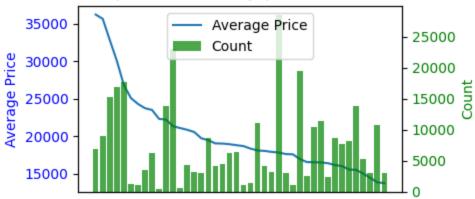
Potential outliers for state = 9

Processing Avg Price and Count Chart - May take up to 30 seconds for some charts no duplicates

<Figure size 640x480 with 0 Axes>

## Plot of Avg Price and Count for state

Row criteria: ALL Outliers (1.5 times the IQR) not shown on chart

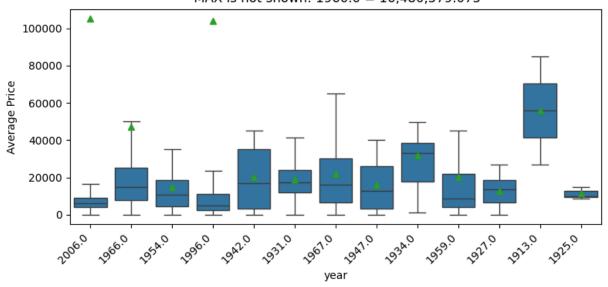


----

year has 114 distinct values See 15 of them

266	וט כב	ieiii	
	year	price	count
51	1960.0	\$16,480,579	120
80	1989.0	\$2,478,353	571
91	2000.0	\$1,700,951	3572
2	1902.0	\$1,666,666	1
90	1999.0	\$1,615,212	3094
112	2021.0	\$1,338,055	2396
71	1980.0	\$428,606	272
56	1965.0	\$359,413	365
98	2007.0	\$261,163	14873
84	1993.0	\$149,827	712
97	2006.0	\$105,033	12763
87	1996.0	\$103,956	1302
111	2020.0	\$91,898	19298
46	1955.0	\$86,121	226
7	1913.0	\$56,000	2
<figure size<="" td=""><td>e 640x480 with</td><td>0 Axes&gt;</td></figure>		e 640x480 with	0 Axes>

Row criteria: ALL
Outliers (1.5 times the IQR) not shown on chart
MIN is not shown: 1903.0 = 0.000
MAX is not shown: 1960.0 = 16,480,579.075



drop\_outlier(): lower bound = -10329.854234136907
drop\_outlier(): upper bound = 44930.20825086217

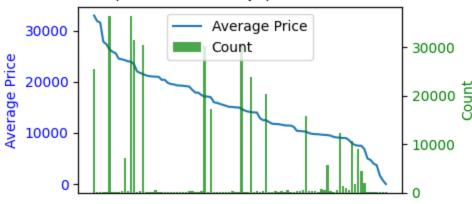
Potential outliers for year = 18

Processing Avg Price and Count Chart - May take up to 30 seconds for some charts no duplicates

<Figure size 640x480 with 0 Axes>

### Plot of Avg Price and Count for year

Row criteria: ALL Outliers (1.5 times the IQR) not shown on chart



<Figure size 640x480 with 0 Axes>

## Observations from chart analysis

Task: Visually review the data distribution and range of values of the data. Look for obvious patterns using histograms and box plots.

The following features look to have interesting combination of high volume of sales and at a high price:

- feature: cylinders, value = 6
- feature: title status, value = lien
- feature: drive, value = 4wd
- feature: type, value = SUV
- feature: paint\_color, values: (Black, White)
- feature: manufacturer, value: will drill down but one manufacturer has a relatively high avg price and very high volume

NOTE: There are other more obvious relationship of high volume and price combinations not mentioned (like condition:excellent)

- There are many price-volume variations for features state, manufacturer, model and year. However, there are so many distinct values of each of these features that it is hard to visualize pattern.
- So I have built into the visualizations a way to slice the data by quantiles of price and sales volume(count) and look at those charts. Will do so after clean-up.

## Task: Note if there are major imbalances in the category groupings of the data.

The most non-obvious category data imbalances are:

- condition: fair has very low volume compared to good and excellent. I expected 'fair' to be lower but it is several times lower volume
- paint\_color: Both black and white are significantly more popular than other colors.

NOTE: Will redo these charts after the outlier and null data clean-up

## **Data Preparation**

After our initial exploration and fine tuning of the business understanding, it is time to construct our final dataset prior to modeling. Here, we want to make sure to handle any integrity issues and cleaning, the engineering of new features, any transformations that we believe should happen (scaling, logarithms, normalization, etc.), and general preparation for modeling with sklearn.

#### Remove VIN feature

- VIN is a unique number per vehicle (per row)
- We will drop this row from our modeling analysis because it will not have general predictive power

#### Data with nulls

#### Code to identify trade off of null data and number of features

```
In [15]: def nan_count_in_a_col(data, col):
    return data[col].isnull().sum()

def nan_count_by_col(data):
    nans_df = pd.DataFrame(columns=['src_col', 'nan_count'])
    for col in data.columns:
        nan_count = nan_count_in_a_col(data, col)
        new_row = {'src_col': col, 'nan_count':nan_count}
        nans_df.loc[len(nans_df)] = new_row
    nans_df = nans_df.sort_values(by='nan_count', ascending = False)

    return nans_df
```

```
In [ ]:
In [16]: def find_feat_to_max_non_null_rows(car_df, start_count, end_count,
                                                            col_list = ['region', 'manufactur
                                                            'title_status', 'transmission','d
                                                            use_previous_run = True):
             # Uses itertools.combinations() to search for the best combinations of features
             # It finds combinations of length start_count to end_count
             # Returns two lists: max_non_null_count, max_non_null_combo
             # NOTE: The run time for this function is over an hour when used with start_cou
             # Therefore, I have a hard-coded list for that size and a flag to use that cach
             if use_previous_run == True:
                 final_list_counts_from_previous_run = [426880, 426880, 425675, 423187, 4210
                 final list_features_from_previous_run = [['region'], ['region', 'state'], [
                                                           ['region', 'fuel', 'transmission',
                                                           ['region', 'model', 'fuel', 'trans
                                                           ['region', 'manufacturer', 'model'
                                                            'paint_color', 'state', 'odometer
                                                           ['region', 'manufacturer', 'model'
                                                            'type', 'paint color', 'state', '
                 return final_list_counts_from_previous_run,final_list_features_from_previou
             else:
                 # longer run-time branch so use print() statements to keep user informed
                 cur_non_null_row_count = []
```

```
max_non_null_combo = []
                  col list = ['region', 'manufacturer', 'model', 'condition', 'cylinders','fu
                              'title_status', 'transmission', 'drive', 'size', 'type', 'paint_col
                 total_rows = car_df.shape[0]
                  start_count = 0
                  end_count = 15
                  cur_non_null_row_count = [None]*(end_count)
                 max non null count = [None]*(end count)
                 max_non_null_combo = [None]*(end_count)
                  for col_len in range(start_count,end_count):
                          print("new outer loop")
                          print(col_len)
                          #cur_non_null_row_count.append(None)
                          #max non null count.append(None)
                          #max_non_null_combo.append(None)
                          combinations = list(itertools.combinations(col_list, col_len+1))
                          print(f"Combos to process: {len(combinations)}")
                          start time = time.time()
                          for combo in combinations:
                              combo_list = list(combo)
                              #print(f"new combo: {combo list}")
                              cur_count_of_rows_wth_nulls = car_df[car_df[combo_list].isnull(
                              cur_non_null_row_count[col_len] = total_rows - cur_count_of_row
                              if max_non_null_count[col_len] is None or cur_non_null_row_coun
                                  max_non_null_count[col_len] = cur_non_null_row_count[col_le
                                  max_non_null_combo[col_len] = combo_list
                          end time = time.time()
                          elapsed_time = end_time - start_time
                          print("Elapsed time:", elapsed_time, "seconds")
                          print("---")
                  print(max_non_null_count)
                  print(max non null combo)
                  return max_non_null_count, max_non_null_combo
         #rows with nulls = car df[combo][car df[combo].isnull().any(axis=1)].reset index()
         #rows_with_nulls.rename(columns={'index': 'src_index'}, inplace=True)
In [17]: | max_non_null_count, max_non_null_combo = find_feat_to_max_non_null_rows(car_df,0,15
In [18]: def chart_features_vs_non_null_rows(max_non_null_count, max_non_null_combo):
             final_list = zip(max_non_null_count, max_non_null_combo)
             feature_choices = pd.DataFrame(final_list, columns = ['non_null_row_count', 'fe
             f_c = feature_choices[feature_choices['features'].notnull()]
             f_c = f_c \cdot copy()
             f_c['p_features'] = f_c['features'].shift(periods=1,fill_value = ['no features']
             f_c['feature_change'] = f_c.apply(lambda row: list(set(row['features']) - set(r
             f_c['feature_change_desc'] = f_c.apply(lambda row: "Add " + " , ".join(row['feature_change_desc'])
             f_c
             sns.barplot(x='feature_change_desc', y='non_null_row_count', data=f_c)
             plt.xlabel('Feature added to previous feature list')
             plt.ylabel('Rows without Nulls for this feature set')
             plt.suptitle('Impact of feature inclusion on non-null row count')
             plt.title('Read left to right. \nEach bar ads a feature to the data set')
```

max\_non\_null\_count = []

```
plt.xticks(rotation=45, ha='right') # Rotate category labels for readability
plt.tight_layout() # Adjust spacing between elements
plt.show()
plt.cla()
plt.clf()
```

## Charts to identify trade off of null data and number of features

```
In [19]: print(nan_count_by_col(car_df))
                src_col nan_count
       14
                   size
                           306361
       7
              cylinders
                           177678
              condition
                           174104
       6
       12
                    VIN
                           161042
       13
                  drive
                           130567
       16 paint_color
                           130203
       15
                           92858
                   type
       4
                            17646
           manufacturer
       10 title_status
                             8242
                             5277
       5
                  model
       9
               odometer
                             4400
                   fuel
                             3013
       11 transmission
                             2556
                             1205
       3
                   year
       0
                    id
                                0
                                0
       1
                 region
       2
                  price
                                0
       17
                  state
                                0
In [20]: chart_features_vs_non_null_rows(max_non_null_count, max_non_null_combo)
```

### Impact of feature inclusion on non-null row count

Read left to right.
Each bar ads a feature to the data set

400000

200000

1000000

Add take year ision add the part and a feature to the data set

Add transmission add the part and a feature to the data set

Add transmission add the part and a feature to the data set

Feature added to previous feature list

<Figure size 640x480 with 0 Axes>

## Strategy to handle null data

The above chart (Imapct of feature inclusion...) is a useful tool I created to make practical decisions about outliers. If there is value in including all the above features, then our total data set shrinks from over 400K rows to under 100K rows. While 100K rows is significant, losing 300K+ rows of information could easily degrade predictive capabilities. This chart helps evaluate the combinations that manage this trade-off.

We won't know until we run actual modeling how valuable a given feature is. However, looking at the price-volume charts in the previous section we can estimate the potential of size, condition, cylinders, drive, paint color and type. Each of these columns significantly reduce the number of non-null rows.

- size has good price and volumne variation but the most null values
- drive, fuel, cylinders, and condition do not have strong variation in BOTH price and volume and they significantly reduce rows available for training and testing.
- type and paint color are attractive to keep because they do have strong price and volume variation while reducing the number of available rows less significantly than others.

Thus, our best initial estimates of features to explore further are including up to paint\_color in our main data set. Making for a feature list as follows:

- region, state, year, transmission, fuel, odometer, model, title\_status, manufacturer, type, paint\_color
- This will give us rows of data 252,977 a loss of 40% of the rows available
- Note this won't be a good choice if there is significant collinearity of paint\_color and type with region, state, year, transmission, fuel, odometer, model, title\_status, or manufacturer. This will show up when we do linear regression. Therefore, we will start with this column list and revisit as needed

NOTE: Time permitting and as needed, we will also repeat the modeling assuming we have all features (79,195 rows) and also assuming we have only up to manufacturer (drop type and paint color for total of 389,604 rows)

#### Code to remove outliers

```
In [21]: balanced_col = ['region', 'manufacturer', 'model', 'fuel', 'title_status', 'transmi
         print(f"original dataframe row count = {car_df.shape[0]}")
         balanced_col_keep = balanced_col.copy()
         balanced col keep.append('id')
         balanced_col_keep.append('price')
         car_df_no_nulls_balanced = car_df[balanced_col_keep][car_df[balanced_col].notnull()
         print(f"balanced dataframe row count = {car_df_no_nulls_balanced.shape[0]}")
         print(car_df_no_nulls_balanced.columns)
         # for later try more rows and less features
         more_rows_col = ['region', 'manufacturer', 'model', 'fuel', 'title_status', 'transm'
         more_rows_col_keep = more_rows_col.copy()
         more_rows_col_keep.append('id')
         more_rows_col_keep.append('price')
         car_df_no_nulls_more_rows = car_df[more_rows_col_keep][car_df[more_rows_col].notnul
         print(f"'more rows' dataframe row count = {car_df_no_nulls_more_rows.shape[0]}")
         # Try these if time or if above doesn't perform well
         # don't use 'size' in any case. probably overlap with type and cylinder and cuts to
         more_feat_col = ['region', 'manufacturer', 'model', 'condition', 'cylinders', 'fu
                                                           'type', 'paint_color', 'state', '
         more feat col keep = more feat col.copy()
         more_feat_col_keep.append('id')
         more_feat_col_keep.append('price')
         car_df_no_nulls_more_feat = car_df[more_feat_col_keep][car_df[more_feat_col].notnul
         print(f"'more features' dataframe row count = {car_df_no_nulls_more_feat.shape[0]}"
```

```
original dataframe row count = 426880
     balanced dataframe row count = 252977
     Index(['region', 'manufacturer', 'model', 'fuel', 'title_status',
         'transmission', 'type', 'paint_color', 'state', 'odometer', 'year',
         'id', 'price'],
         dtype='object')
     'more rows' dataframe row count = 389604
     'more features' dataframe row count = 115988
print("Choice of null data strategy")
      print("I choose 'balanced'")
      cars_no_nulls = car_df_no_nulls_balanced
      #print("I choose 'more_feat'")
      #cars_no_nulls = car_df_no_nulls_more_feat
      print(cars_no_nulls.info())
      print("cars_no_nulls row count:")
      print(cars_no_nulls.shape[0])
```

```
^^^^^^
^^^^^
^^^^^^
^^^^^^
Choice of null data strategy
I choose 'balanced'
^^^^^^
^^^^^
^^^^^^
^^^^^^
<class 'pandas.core.frame.DataFrame'>
Index: 252977 entries, 27 to 426878
Data columns (total 13 columns):
# Column Non-Null Count Dtype
                -----
--- -----
0 region 252977 non-null object
1 manufacturer 252977 non-null object
2 model 252977 non-null object
3 fuel 252977 non-null object
4 title_status 252977 non-null object
 5 transmission 252977 non-null object
6 type 252977 non-null object
7 paint_color 252977 non-null object
8 state 252977 non-null object
9 odometer 252977 non-null float64
10 year 252977 non-null float64
11 id 252977 non-null int64
12 price 252977 non-null int64
dtypes: float64(2), int64(2), object(9)
memory usage: 27.0+ MB
None
cars no nulls row count:
252977
```

#### **Outliers**

Typical approach is to look at 1.5 times the IQR

- For this project we will model twice: once using 1.5 X IQR and again using 3.0 X IQR
- Important to understand if there are traunches or clusters of outliers. This could be legitimate data when data gets segregated by a particular feature combination
- For example, Ferraris cost far more than Mercuries. The Ferrari price might seem like an outlier but compared to other luxury manufacturers it will be legitimate data

For category fields with a manageable range of distinct values we will try to manually review all outliers and decide based on judgment

Lastly, an outlier may be a bad data point or it may be a datapoint with a typo or other recognizable mistake that if corrected would no longer be an outlier.

We will try to identify these situations

#### Code to analyze outlier removal process

```
In [23]: def plot_outliers_vs_orig(orig, no_nulls, outlier_level1_removed, outlier_level2_re
           plt.figure(figsize=(5, 3))
           # assumption we would never plot 10 million points
           cur_{min} = 1000000
           if samp size == 'All' and ids to use is None:
               if 1 in plots:
                   cur_min = min(orig.shape[0], cur_min)
               if 2 in plots:
                   cur_min = min(no_nulls.shape[0], cur_min)
               if 3 in plots:
                   cur_min = min(outlier_level1_removed.shape[0], cur_min)
               if 4 in plots:
                   cur_min = min(outlier_level2_removed.shape[0], cur_min)
               plt_samp_size = cur_min
               if ids_to_use is None:
                   plt_samp_size = samp_size
               else:
                   plt_samp_size = ids_to_use.shape[0]
           if ids to use is None:
               plt_id = orig.sample(plt_samp_size)
           else:
               plt_id = ids_to_use
           plt_orig = pd.merge(plt_id["id"], orig, on='id', how='left')
           plt_no_nulls = pd.merge(plt_id["id"], no_nulls, on='id', how='left')
           plt_outlier_level1_removed = pd.merge(plt_id["id"], outlier_level1_removed, on='i
           plt_outlier_level2_removed = pd.merge(plt_id["id"], outlier_level2_removed, on='i
           plt_orig = plt_orig.sort_values(by="id")
           plt_no_nulls = plt_no_nulls.sort_values(by="id")
           plt outlier level1 removed = plt outlier level1 removed.sort values(by="id")
           plt_outlier_level2_removed = plt_outlier_level2_removed.sort_values(by="id")
           # adjust values so less overlap
           adj_range = 0
           plt_orig_a = plt_orig.copy()
           plt_orig_a['price'] = plt_orig_a['price'] + random.randint(-adj_range, adj_range)
           plt_no_nulls_a = plt_no_nulls.copy()
           plt_no_nulls_a['price'] = plt_no_nulls_a['price'] + random.randint(-adj_range, ad
           plt_outlier_level1_removed_a = plt_outlier_level1_removed.copy()
           plt_outlier_level1_removed_a['price'] = plt_outlier_level1_removed_a['price'] + r
           plt_outlier_level2_removed_a = plt_outlier_level2_removed.copy()
           plt_outlier_level2_removed_a['price'] = plt_outlier_level2_removed_a['price'] + r
           # Plot each DataFrame with a different color
           if 1 in plots:
               plt.plot(plt_orig_a['id'], plt_orig_a['price'], label='orig', color='black')
           if 2 in plots:
               plt.plot(plt_no_nulls_a['id'], plt_no_nulls_a['price'], label='Before outlier
           if 3 in plots:
               plt.plot(plt_outlier_level1_removed_a['id'], plt_outlier_level1_removed_a['pr
           if 4 in plots:
```

```
plt.plot(plt_outlier_level2_removed_a['id'], plt_outlier_level2_removed_a['pr

# Add LabeLs and title
plt.xlabel('ID')
plt.ylabel('Price')
plt.title(f'Comparison of Prices \n(Sample Size = {plt_samp_size})')

# Add Legend
plt.legend()

plt.show()
return ids_to_use
```

#### Data and charts about outlier removal

```
In [24]: # drop price outliers 1.5 and 2.0 IOR
         # base assumption of outliers
         IQR mult1=1.5
         car df no outliers 1 IQR = drop outlier(cars no nulls, 'price', IQR mult1)
         rows_removed1 = cars_no_nulls.shape[0] - car_df_no_outliers_1_IQR.shape[0]
         rows_removed_pct1 = rows_removed1/cars_no_nulls.shape[0]
         # 2nd assumption: keep more outliers in the analysis
         IQR_mult2=3
         # chart with sample size equal to all the rows after dropping nulls
         car_df_no_outliers_2_IQR = drop_outlier(cars_no_nulls, 'price', IQR mult2)
         rows_removed2 = cars_no_nulls.shape[0] - car_df_no_outliers_2_IQR.shape[0]
         rows_removed_pct2 = rows_removed2/cars_no_nulls.shape[0]
         print(f"Rows before outlier removal = {cars_no_nulls.shape[0]}")
         print(f"With IQR*{IQR_mult1} assumption, {rows_removed1} rows are removed ({rows_re
         print(f"With IQR*{IQR mult2} assumption, {rows removed2} rows are removed ({rows re
         ids_to_use1 = cars_no_nulls.sample(cars_no_nulls.shape[0])
         #plot_outliers_vs_orig(car_df, cars_no_nulls,car_df_no_outliers_1_IQR,car_df_no_out
         #plot_outliers_vs_orig(car_df, cars_no_nulls,car_df_no_outliers_1_IQR,car_df_no_out
         #plot_outliers_vs_orig(car_df, cars_no_nulls,car_df_no_outliers_1_IQR,car_df_no_out
         #plot outliers vs orig(car df, cars no nulls,car df no outliers 1 IQR,car df no out
         # now show smaller sample size to get a better feel
         ids_to_use2 = car_df_no_nulls_balanced.sample(min(1000,car_df_no_nulls_balanced.sha
         #plot_outliers_vs_orig(car_df, cars_no_nulls,car_df_no_outliers_1_IQR,car_df_no_out
         #plot_outliers_vs_orig(car_df, cars_no_nulls,car_df_no_outliers_1_IQR,car_df_no_out
         #plot_outliers_vs_orig(car_df, cars_no_nulls,car_df_no_outliers_1_IQR,car_df_no_out
         #plot_outliers_vs_orig(car_df, cars_no_nulls,car_df_no_outliers_1_IQR,car_df_no_out
         #plot_outliers_vs_orig(car_df, cars_no_nulls,car_df_no_outliers_1_IQR,car_df_no_out
         #ids_used = plot_outliers_vs_orig(car_df, cars_no_nulls,car_df_no_outliers_1_IQR,ca
```

```
drop_outlier(): lower bound = -23897.5
drop_outlier(): upper bound = 58482.5
drop_outlier(): lower bound = -54790.0
drop_outlier(): upper bound = 89375.0
Rows before outlier removal = 252977
With IQR*1.5 assumption, 4134 rows are removed (1.63%) leaving 248843 rows in data s et
With IQR*3 assumption, 364 rows are removed (0.14%) leaving 252613 rows in data set
```

#### Make choice on outlier strategy

- choice IQR 1(mult is 1.5) or IQR 2(mult is 3)
- CHOOSING IQR 1

```
In [25]: car_df_no_outliers = car_df_no_outliers_1_IQR
```

### **Unrealistically low prices**

The above outlier approach used InterQuartileRange approach to identifying outliers. We should also look at unrealistic prices from a business perspective. Prices for a car less then \$100 are most likely invalid transactions/bad data

```
In [26]: # find prices less than $100
         car_w_price_lt_100 = car_df_no_outliers[car_df_no_outliers['price'] < 100]</pre>
         car_w_price_lt_100.sample(10)
         count_car_w_price_lt_100 = car_w_price_lt_100.shape[0]
         print(f'count of cars with price less than $100 = {count_car_w_price_lt_100:,.0f}')
        count of cars with price less than $100 = 17,845
In [27]: # Let's analyze these very cheap cars
         # use the commented col_list to see all columns
         #col_list = car_w_price_lt_100.columns
         # I ran this and most look very 'normal' in terms of count distribution
         # See manufacturer
         col_list = ['manufacturer']
         max detail = 15
         #eval_col_counts(car_w_price_lt_100, col_list, max_detail = max_detail, sort_by_col
         col list = ['year']
         max detail = 15
         #eval_col_counts(car_w_price_lt_100, col_list, max_detail = max_detail, sort_by_col
In [28]: def plot_cars_data(data, samp_size = 'All', title = 'Price chart', ids_to_use=None)
           plt.figure(figsize=(10, 6))
           if samp_size == 'All' and ids_to_use is None:
               plt_samp_size = data.shape[0]
           else:
               if ids_to_use is None:
                   plt_samp_size = samp_size
               else:
```

plt\_samp\_size = ids\_to\_use.shape[0]

```
if ids_to_use is None:
               plt id = data.sample(plt samp size)
           else:
               plt_id = ids_to_use
           plt_data = pd.merge(plt_id["id"], data, on='id', how='left')
           plt_data = plt_data.sort_values(by="id")
           # Plot each DataFrame with a different color
           plt.plot(plt_data['id'], plt_data['price'], label='Price', color='black')
           # Add labels and title
           plt.xlabel('ID')
           plt.ylabel('Price')
           plt.title(f'{title} \n(Sample Size = {plt_samp_size})')
           # Add Legend
           plt.legend()
           plt.show()
           return ids_to_use
In [29]: cars_clean_df = car_df_no_outliers_1_IQR[car_df_no_outliers_1_IQR['price'] >= 100]
         print(f'By dropping rows that have price less than $100, we now have {cars_clean_df
         print(cars_clean_df.columns)
         #plot_cars_data(cars_clean_df)
         #plot_cars_data(cars_clean_df, samp_size = 1000)
         print(cars_clean_df.isnull().any().sum())
         print(cars_clean_df['year'])
        By dropping rows that have price less than $100, we now have 230,998 rows in the pri
        mary data set
        Index(['region', 'manufacturer', 'model', 'fuel', 'title_status',
               'transmission', 'type', 'paint_color', 'state', 'odometer', 'year',
               'id', 'price'],
              dtype='object')
        0
        27
                  2014.0
        28
                  2010.0
        29
                  2020.0
        30
                  2017.0
        31
                  2013.0
                   . . .
        426873
                  2018.0
        426874 2018.0
        426876
                  2020.0
        426877
               2020.0
        426878
                  2018.0
        Name: year, Length: 230998, dtype: float64
```

#### Decision about cars less than \$100

• I will drop these cars from the analysis for now.

- I do not see a clear pattern or justification for the price being so low for a vehicle in the USA
- Keeping these would skew the data analysis (and may have already skewed the IQR outlier analysis)
- For now we will not redo the IQR outlier analysis
- The cleanest data set so far is now called 'cars\_clean\_df'

# Recap of price outlier removal

I will use IQR times 1.5 on the price column to remove outliers

• They are mostly large unrealistic numbers. Even if they are real, they are rare situations and not helpful to the core project goals of managing overall inventory optimally

I will drop prices less than \$100, reducing available rows

The cleanest data set so far is now called 'cars\_clean\_df'

## Unusual characters analysis

```
In [30]: def detect_unusual_chars(df, allowed_chars=None):
    if allowed_chars is None:
        allowed_chars = string.ascii_letters + string.digits + string.punctuation + '

    def has_unusual_chars(text):
        return bool(re.search(f'[^{allowed_chars}]', text))

    string_cols = df.select_dtypes(include=['object'])
    mask = string_cols.apply(lambda col: col.map(has_unusual_chars))
    mask = mask.any(axis=1)

    return df[mask]
```

```
In [31]: # find unusual characters in string columns
fld = 'model'
u_df = detect_unusual_chars(car_df[[fld]].astype(str))
unique = u_df[fld].unique()
print(f"{len(unique)} rows have unusual charaters in the column {fld}:")
print(unique)
print()
# find characters with $ embedded in string columns
dollar_rows = car_df[car_df[fld].astype(str).str.contains('\$')]
print(f"Number of rows with $ in field {fld} is {dollar_rows.shape[0]}")
```

```
50 rows have unusual charaters in the column model:

['♠GMC Sierra 1500 SLE♠ 4X4♠' 'altima 'corolla '50's'
'c-class c 43 amg®' '12' flatbed atruck' '1937 Willy's'
'flex sel sport - 3rd row' 'Plymouth Volaré' '300 touring édition'
'corolla "s"' 'Mercedes &enz mℓ 350' 'VMI-CHRYSLER- 'S' 'S vmi'
'\u200b\u200bsorento lx' '/ vmi / 's' '* vmi * 's' 'elantra\u200b gls'
'/ vmi 's' 'CHRYSLER-VMI 'S' 'vmi 's' '// vmi 's' 'f150 xlt 4×4'
'// vmi // 'S' 'CHRYSLER-VMI- 'S' 'VMI-CHRYSLER 'S' 'S' 'sonata limitede'
'1500 4×4' 'protégé 5' 'lesabre limitede' '♠ALL TADES WELCOME!♠'
'coupe devilleo' 'liberty sport 4×4' 'corvette coupe lt1 '*'
'escalade esvæ' 'X5M' 'montereyæ' 'f-100 ×2' '350 4×4 dauly'
'89' geo tracker' 'c-class c 63 amg®' '1970 Plymouth'Cuda'
'hd3500 diésel' '2500 diésel 4×4' 'charger '$ $ 'Expedición'
'1968 Rolls Royceæ' 'eldoradoæ' 'willy's']
```

Number of rows with \$ in field model is 226

#### Decision about unusual characters

- We will keep the unusual characters discovered in the 'model' feature. This feature has almost 30,000 unique values and in its current form cannot be very helpful in our analysis (see section 'Interpreting the Model Feature' further down in this notebook )
- We will keep the '\$' in the model feature but will need to account for it while doing string parsing code routines.
- The other features in the data set do not have unusual characters

# Quality of the domain of feature values

All feature field domains (range of distinct values) have been manually reviewed

The 'region' field has some potential duplicates or at minimum unclear values:

- 'bloomington' and 'bloomington-normal'
- 'kansas city' and 'kansas city/MO'
- 'florence' and 'florence / muscle shoals'

The 'drive' field has approximately 50,000 rows with value 'rwd':

This may be a typo as I assume it means 'rear wheel drive' which every car has

We will keep these values in the data set until we see the impact of them on the regression. They are not neccessarily wrong but unclear.

The other fields besides 'model' and 'drive' have reasonable values upon visual inspection of each .csv file generated

# Revisit price and count charts after clean-up

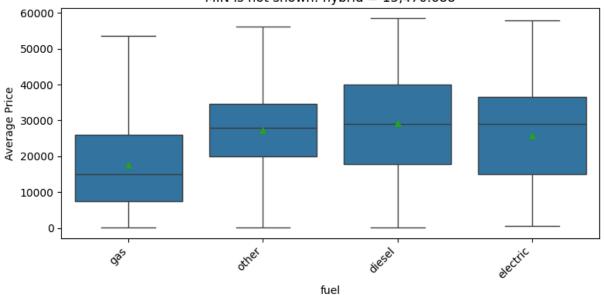
```
In [32]: col_list = ['fuel','year']
```

fuel has 5 distinct values

See 5 of them fuel price count 0 diesel \$29,165 10755 4 other \$27,306 19550 1 electric \$25,873 1021 2 gas \$17,486 196481 hybrid \$15,471 3 3191 Will display all categories: ['diesel', 'other', 'electric', 'gas']

Average price and spread of fuel

# Row criteria: ALL Outliers (1.5 times the IQR) not shown on chart MIN is not shown: hybrid = 15,470.688



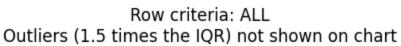
drop\_outlier(): lower bound = 2755.0265078632747
drop\_outlier(): upper bound = 42036.929547967455

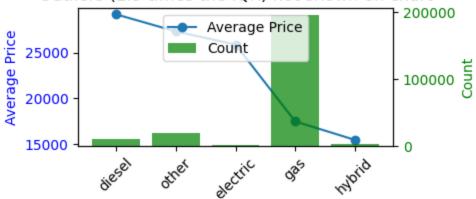
Potential outliers for fuel = 0

Processing Avg Price and Count Chart - May take up to 30 seconds for some charts no duplicates

<Figure size 640x480 with 0 Axes>

# Plot of Avg Price and Count for fuel



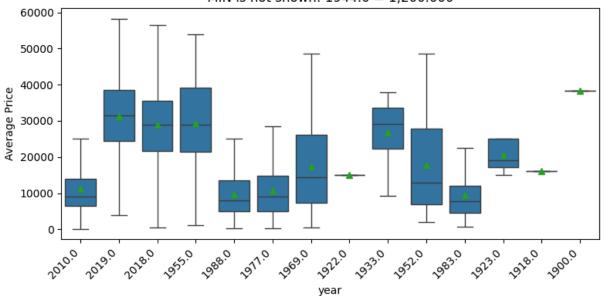


----

year has 103 distinct values See 15 of them

266	1) (	,	CIII		
	١	/ear	price	count	
0	196	0.0	\$38,250	1	
16	193	34.0	\$36,702	16	
100	202	20.0	\$34,103	11455	
14	193	32.0	\$33,688	21	
101	202	21.0	\$33,429	563	
99	201	19.0	\$31,364	14315	
35	195	55.0	\$29,441	63	
98	201	18.0	\$28,842	20739	
19	193	37.0	\$28,441	14	
10	192	28.0	\$28,075	17	
17	193	35.0	\$27,780	5	
22	194	10.0	\$27,364	21	
12	193	30.0	\$27,112	24	
2	1913.0		\$27,000	1	
15	193	33.0	\$26,775	6	
<figure size<="" td=""><td>640x480</td><td>with 0</td><td>Axes&gt;</td></figure>		640x480	with 0	Axes>	

Row criteria: ALL
Outliers (1.5 times the IQR) not shown on chart
MIN is not shown: 1944.0 = 1,200.000



drop\_outlier(): lower bound = -7315.322124352817
drop\_outlier(): upper bound = 37693.76470318312

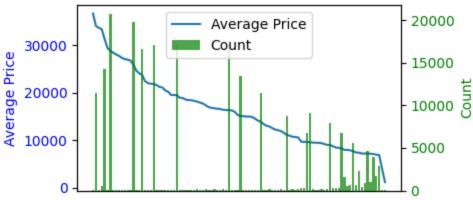
Potential outliers for year = 1

Processing Avg Price and Count Chart - May take up to 30 seconds for some charts no duplicates

<Figure size 640x480 with 0 Axes>

# Plot of Avg Price and Count for year

Row criteria: ALL Outliers (1.5 times the IQR) not shown on chart



<Figure size 640x480 with 0 Axes>

## Let's drill down on data where avg price is high and count is also high

- Simplistically, these would seem to be valuable cars to the dealer
- This rule might help us understand data and get some intuition about features that drive revenue

interactive tool to use
Uncomment to run if want to explore different quantiles

#### Recap of charts drilling down to top 30% in price and top 60% in volume

- Diesel fel and type pick-ups and trucks seem to sell in this high price-high volume range
- White and black color seem popular
- GMC, audi, and cadilac are more common manufacturers in this range
- States from middle and southern part of the USA have highest volume in this range

```
In [34]: cars_clean_df['paint_color']
Out[34]: 27
                     white
          28
                      blue
          29
                       red
          30
                       red
          31
                     black
          426873
                     white
          426874
                     white
          426876
                       red
          426877
                     white
          426878
                    silver
          Name: paint color, Length: 230998, dtype: object
```

#### Recap of outlier section

Prices outliers have been removed based on IQR and how close price is to \$0 (<\$100 removed)

The cleanest data set is called 'cars\_clean\_df' with 230,998 rows and 10 feature columns

#### Data Split

- I need a hold our or test data set to test our final model
- I will use a k-fold cross-validation technique for hyperparamter tuning (cv=5)
- However, to also vary the feature set, we have an explicit valiation set of 10% also
- We will use 70% of data for training, 10% for feature validation, and cross-validation and 20% for final testing

```
In [35]: def train_val_test_split(X, y, test_size=0.2, val_size=0.1, random_state=42):
    # Split into train and test sets
    X_train, X_test, y_train, y_test = train_test_split(X, y, test_size=test_size, ra
    # Split the training set into train and validation sets
    X_train, X_val, y_train, y_val = train_test_split(X_train, y_train, test_size=val)
    return X_train, X_val, X_test, y_train, y_val, y_test
```

#### Feature engineering and hyperparamter tuning

To improve our ability to predict car prices form the input data we will:

- Create useful columns from categorical columns (OneHotEncoding)
- Create standard scaled polynomial features for numerical columns

There are many, many other options but will focus on tools discussed to this point (Module 11) in the course

```
In [37]: # Create one hot columns from the words in the model column.

# Use nltk to parse into lower case punctuation-free words without stop words.

# Also make sure the resulting list does not repeat values in the 'type' and 'manuf

# Use this list and resulting histogram count to create a large number of one_hot_c

# if a given wword has a count more than 50 in the given data frame (X_train usuall

# 
# Keep a separate list one_hot_cols of these columns to instruct the system's prepr

# Eventually could
```

```
In [38]: nltk.download('stopwords')
    from nltk.corpus import stopwords

the_stop_words = stopwords.words('english')
    def identify_model_keywords( X_df, sample_size=1000000, src_col_name = 'model', st
        #todo: 7000 min for testing - move to 50
        # custom feature for model column for now
        if stop_words is None:
            print("stop words invalid")
        col_to_clean = src_col_name
        act_sample_size = min(sample_size,X_df.shape[0])
        df = X_df[col_to_clean].reset_index().sample(act_sample_size).copy()
        #print(df.head())
```

```
# Define stopwords list (includes 'the')
stop_words = stop_words
#print(f"the available df columns are: {X df.columns}")
type_words_set = set(X_df['type'])
type_words = list(type_words_set)
manufacturer_words_set = set(X_df['manufacturer'])
manufacturer_words = list(manufacturer_words_set)
# as we find one hots that have low importance can add here to officially drop
learned_low_value_words = []
# Function to clean text and remove stopwords
# Assumes inner function can see variables in outer scope
def clean_text(text):
 # Lowercase text
 text = text.lower()
 # Remove punctuation
 text = re.sub(r'[^\w\s]', '', text)
 # Tokenize words
 words = text.split()
 # Remove stopwords
 filtered_words1 = [word for word in words if word not in stop_words]
 filtered_words2 = [word for word in filtered_words1 if word not in type_words
 filtered_words3 = [word for word in filtered_words2 if word not in manufactur
 filtered_words4 = [word for word in filtered_words3 if word not in learned_lo
  return filtered_words4
# Apply cleaning function to 'text' column
df['cleaned_text'] = df[col_to_clean].apply(clean_text)
# Combine all cleaned text into a single list
all words = []
for words in df['cleaned text']:
 all_words.extend(words)
# Create a dictionary to store word frequencies
word_counts = {}
for word in all_words:
  if word not in word counts:
   word_counts[word] = 0
 word_counts[word] += 1
# Filter out low-frequency words (optional)
min_count = min_occurrence # Adjust minimum count as needed
filtered_counts = {word: count for word, count in word_counts.items() if count
if verbose:
    print(f"word count is {len(filtered_counts)} using minimum occurrence level
return filtered_counts
```

```
def plot_model_keyword(filtered_counts_df):
             # Create a histogram
             plt.bar(filtered_counts_df.index, filtered_counts_df['word_count'])
             plt.xlabel("Word From Model feature")
             plt.ylabel("Frequency")
             plt.title("Histogram of Words (excluding stopwords, types, and manufacturers)")
             if filtered_counts_df.shape[0] > 30:
                 plt.xticks([])
             else:
                 plt.xticks(rotation=90) # Rotate x-axis labels for better readability
             plt.show()
             plt.cla()
             plt.clf()
         def get_expected_one_hot_cols(filtered_counts):
             return ['my_one_hot_' + word for word in filtered_counts.keys()]
        [nltk_data] Downloading package stopwords to
                      C:\Users\bbfor\AppData\Roaming\nltk_data...
        [nltk_data]
        [nltk_data] Package stopwords is already up-to-date!
In [39]: class ModelofCarTransformer(TransformerMixin, BaseEstimator):
             def __init__(self, column_names, stop_words, min_occurrence = 4000, max_one_hot
                 self.column_names = column_names # it better be called 'model'!
                 self.transformed_feature_names = []
                 self.min occurrence = min occurrence
                 self.max_one_hots = max_one_hots
                 self.valid_words = valid_words # normally and recommended created by fit()
                 # requires nltk only lightly for stopwords. could pickle?
                 self.stop_words = stop_words
                 self.my_one_hot_prefix = 'my_one_hot_col_'
                 self.already_fit = False
             def identify_model_keywords( self, X_df, min_occurrence = 7000, sample_size=100
                 #print("in ModelofCarTransformer, calling identify_model_keywords()")
                 return identify_model_keywords( X_df, sample_size, src_col_name, stop_words
             # Create one hot features from the model field
             def gen_model_one_hots( self, data, filtered_counts, valid_words):
                 # Function for replacement
                 def remove_special_chars(text):
                     return re.sub(r'[^\w\s]', '', text)
                 # Function to check if word exists (vectorized for efficiency)
                 def check_for_word(text, word):
                   # added Lower case conversion
                   return text.str.lower().str.contains(word, case=False)
                 df = data.copy()
                 new_col_and_data = []
                 new_col_list = []
                 new_data_list = []
```

#todo: get rid of this one after we get things working

```
count = 1
df['model_w_o_special'] = 0
sorted filtered words list = sorted(filtered counts.keys(), key=lambda x: x
for word_to_find in sorted_filtered_words_list:
   if count > self.max_one_hots:
        break
   if word_to_find in valid_words:
        #print(f'preparing {word_to_find} to be a one_hot_col')
       #new col array bool = empty array = np.empty(min(self.max one hots,
        #new_col_array_int = empty_array = np.empty(min(self.max_one_hots,
        new_col_array_bool = np.empty(df.shape[0])
        new_col_array_int = np.empty(df.shape[0])
       # Apply the function with vectorized operations
        df['model_w_o_special'] = df['model'].apply(remove_special_chars)
        new_col_array_bool = check_for_word(df['model_w_o_special'], word_t
        # Convert the boolean column to 0 or 1 (optional)
        new_col_array_int = new_col_array_bool.astype(int)
        # make sure you found some non-zero values
        condition = new_col_array_int == 1
        non_zeros = np.where(condition)
        if len(non zeros[0]) > 0:
            # create a dictionoary of the column name and the associated ar
            # todo: check for characters of word_to_find that can't be used
            new_col_name = self.my_one_hot_prefix+ word_to_find
            new_col_dict = {'new_col_name': new_col_name, 'new_col_one_hot'
            new_col_and_data.append(new_col_dict)
            new col list.append(new col name)
            new_data_list.append(new_col_array_int)
        else:
            #todo: raise exception here
            print(f"****************************all zeros for : {wo
            # for debug reasons
            print(f"non zeros : {non zeros}")
            print(f"new_col_array_int : {new_col_array_int}")
            print(f"new_col_array_bool : {new_col_array_bool}")
   else:
        print(f"skipping {word_to_find}")
#print("in fit,gen_model, df rows = ", df.shape[0])
if len(new_data_list)>0:
   #print("length of new_data_list", len(new_data_list))
   #print("df",np.shape(df))
   #print("df columns:", df.columns)
   # Stack arrays horizontally
   data_array = np.column_stack(new_data_list)
   #print("data_array",np.shape(data_array))
   df_merge_cols = [col for col in df.columns]
   for col in new_col_list:
        df merge cols.append(col)
```

```
df_merged = pd.DataFrame(np.column_stack([df.to_numpy(), data_array]),
        #print("df final",np.shape(df merged))
        df_final = df_merged.copy()
        #print("df_final",np.shape(df_final))
        #print("df_final cols", list(df_final.columns))
    else:
        df final = df
    return df_final
def fit(self, X, y=None):
    if 'model' in X.columns:
        X df = pd.DataFrame(X)
        if self.already_fit:
            print("Already fit but refitting")
        #print("in ModelofCarTransformer.fit(), calling identify_model_keywords
        filtered_counts =self.identify_model_keywords(X_df)
        self.valid_words = filtered_counts.keys()
    else:
        self.valid_words = None
    return self
def rationalize_cols(self, X_w_some_one_hots):
    #print("In rationalize_cols()")
    new_zero_col_list = []
    for col in self.cols_after_fit:
        if not col in X w some one hots:
            if self.my_one_hot_prefix in col:
                #print(f"adding {col} to rationalize shape to the original fit"
                new_zero_col_list.append(col)
    if len(new_zero_col_list)>0:
        #print(f"shape to create zeros col array {X_w_some_one_hots.shape[0]} ,
        new_zero_col_array = np.zeros((X_w_some_one_hots.shape[0],len(new_zero_
        X_w_some_one_hot_rationalized = X_w_some_one_hots.copy()
        #print("length of new_data_list", len(new_zero_col_list))
        #print("X_w some_one_hot_rationalized",np.shape(X_w_some_one_hot_ration
        #print("X_w_some_one_hot_rationalized columns:", X_w_some_one_hot_ratio
        #print("new_zero_col_array", np. shape(new_zero_col_array))
        df_merge_cols = [col for col in X_w_some_one_hot_rationalized.columns]
        for col in new_zero_col_list:
            df_merge_cols.append(col)
        df_merged = pd.DataFrame(np.column_stack([X_w_some_one_hot_rationalized
        #print("df final",np.shape(df merged))
        df_final = df_merged.copy()
        #print("df_final cols", list(df_final.columns))
    else:
        df_final = X_w_some_one_hots
    return df final
```

```
X transformed = X.copy() # Copy the input DataFrame to avoid modifying the
                 if 'model' in X.columns:
                     #print("in ModelofCarTransformer, transform()")
                     X_transformed = X.copy() # Copy the input DataFrame to avoid modifying
                     #print("in ModelofCarTransformer.transform(), calling identify_model_ke
                     filtered_counts =self.identify_model_keywords(X_transformed)
                     #todo: should raise or warn if valid words is empty
                     X_w_one_hots = self.gen_model_one_hots(X_transformed, filtered_counts,
                     X_w_one_hots = X_w_one_hots.drop(['model_w_o_special'], axis=1)
                     for col in self.column names:
                         X_w_one_hots = X_w_one_hots.drop([col], axis=1)
                 else:
                     print("^^^^^^^^^^^^^ NO MODEL COL ^^^^^^^^^^^^^^^^^^
                     X_transformed['model_inactive'] = 1
                     X_w_one_hots = X_transformed[X_transformed['model_inactive']]
                 self.transformed_feature_names = X_w_one_hots.columns
                 if not self.already fit:
                     self.cols_after_fit = X_w_one_hots.columns
                     self.already_fit = True
                 else:
                     # rationalize_columns creates any one_hot columns that were missing fro
                     # column set of my_one_hots matches what was there at fit
                     # Set them to zeros (because we know we didn't see any of these values
                     X_w_one_hots = self.rationalize_cols(X_w_one_hots)
                 #X w one hots.to csv("saved output/last transform.csv")
                 #print(f"I was transformed: {self.transformed feature names} columns now")
                 print("in modelofcartransform, X_w_one_hots shape",np.shape(X_w_one_hots))
                 return X_w_one_hots
             def get_feature_names_out(self, input_features):
                 return self.transformed feature names
In [40]: def set_up_one_hot_preprocessors(custom_model_cols, categorical_cols, numerical_col
             my_model_of_car_transformer = ModelofCarTransformer(column_names=['model','manu
             #todo: target_col
             my_one_hot_preprocessor = make_column_transformer(
                 (my_model_of_car_transformer, custom_model_cols),
                 (Pipeline([
                     ('scaler', StandardScaler()),
                     ('poly', PolynomialFeatures(degree=degrees))
                 ]), numerical_cols),
                 (OneHotEncoder(sparse_output=False,drop='first', handle_unknown='ignore'),
                 remainder="drop"
             return my_one_hot_preprocessor
         def set_up_pipeline(preprocessor, alpha=None):
```

def transform(self, X):

```
if alpha is None:
                 pipeline1 = Pipeline([
                 ('preprocessor', preprocessor),
                 ('selector', SelectFromModel(Lasso(max_iter = 3000, alpha = 100))),
                 ('regressor', Ridge(max_iter=1000))
                 1)
             else:
                 pipeline1 = Pipeline([
                 ('preprocessor', preprocessor),
                 ('selector', SelectFromModel(Lasso(max_iter = 3000, alpha = 100))),
                 ('regressor', Ridge(alpha=alpha, max_iter = 1000))
                 1)
             return pipeline1
In [41]: # Default global. Set by gridsearch to discovered value
         def run_gridsearchcv(pipeline1, X_train,y_train, param_grid = {'regressor__alpha':
             grid_search = GridSearchCV(pipeline1, param_grid, scoring='neg_mean_squared_err
             grid_search.fit(X_train, y_train)
             best_alpha = grid_search.best_params_['regressor__alpha']
             print("best alpha", best_alpha)
             return grid search, best alpha
In [42]: def prep_to_save_grid_search_details(grid_search, categorical_cols, numerical_cols,
             # Get the best model and its coefficients
             best_model = grid_search.best_estimator_
             best_lasso = best_model.named_steps['regressor']
             best_coef = best_lasso.coef_
             #print(best_coef)
             # Get feature names
             feature_names_in = categorical_cols + numerical_cols
             feat_names_preprocessor = grid_search.best_estimator_.named_steps['preprocessor']
             feat_names_selector = grid_search.best_estimator_.named_steps['selector'].get_f
             # Get the best score
             best_score = grid_search.best_score_
             print("Best score:", best_score)
             # get mse
             best_model = grid_search.best_estimator_
             y pred = best model.predict(X val)
             mse = mean_squared_error(y_val, y_pred)
             print("mse:",mse)
             # Calculate RMSE
             rmse_train = np.sqrt(mse_train)
             print("RMSE train:", rmse_train)
             rmse_val = np.sqrt(mse_val)
             print("RMSE val:", rmse_val)
             alpha = grid_search.best_params_['regressor__alpha']
             print("alpha:", alpha)
```

```
# Set global BEST ALPHA
             BEST_ALPHA = alpha
             details = {'alpha':alpha, 'best_score': best_score,'best_model': best_model, \
                         'feature_names_in': feature_names_in, \
                         'feat_names_preprocessor': feat_names_preprocessor, 'feat_names_sele
                         'mse_train': mse_train, 'mse_val': mse_val, \
                         'rmse_train': rmse_train, 'rmse_val': rmse_val}
             return details
In [43]: def run_pipe_and_predict(pipeline2, X_train, y_train, X_val, y_val, verbose=True):
             if verbose:
                 print("Running fit")
             pipeline2.fit(X_train, y_train)
             if verbose:
                 print("running predict for X train")
             train_pred = pipeline2.predict(X_train)
             if verbose:
                 print("running predict for X_val")
             val_pred = pipeline2.predict(X_val)
             mse_train = mean_squared_error(y_train, train_pred)
             mse_val = mean_squared_error(y_val, val_pred)
             if verbose:
                 print(f"model predict rmse_train: {np.sqrt(mse_train):,f}")
                 print(f"model predict rmse_val: {np.sqrt(mse_val):,f}")
                 print(f"model predict rmse gap :{abs(np.sqrt(mse_train)-np.sqrt(mse_val));,
             return mse_train, mse_val
In [44]: | def run_grid_search_experiment(categorical_cols, numerical_cols, target_col, X_trai
             try:
                 details = None
                 best_alpha = None
                 set_config(transform_output="default")
                 start time = time.time()
                 time_struct = time.localtime(start_time)
                 formatted time = time.strftime("%I:%M:%S", time struct)
                 print(f'Starting experiment {exp_id} at {formatted_time}')
                 details_list = []
                 model_cols = ['manufacturer', 'type', 'model']
                 preprocessor = set_up_one_hot_preprocessors(model_cols, categorical_cols, n
                 pipeline1 = set_up_pipeline(preprocessor)
                 param grid = {'regressor alpha': [ 1e4, 1, 1e2, 1e-2, 1e-1]}
                 grid_search, best_alpha = run_gridsearchcv(pipeline1, X_train,y_train, para
                 if best_alpha is None:
                     best_alpha = 1
                 end_time = time.time()
                 elapsed_time = end_time - start_time
```

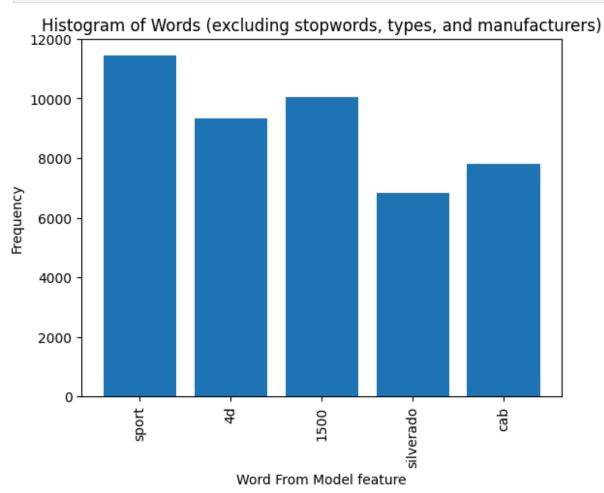
```
print(f"Grid Search done. Elapsed_time: {elapsed_time}")
                 pipeline2 = set_up_pipeline(preprocessor, best_alpha)
                 mse_train, mse_val = run_pipe_and_predict(pipeline2, X_train, y_train, X_va
                 end_time = time.time()
                 elapsed_time = end_time - start_time
                 print(f"Pipe and Predict done. Elapsed_time: {elapsed_time}")
                 print("train ",mse_train, " val", mse_val)
                 details = prep to save grid search details(grid search, categorical cols, n
                 details_list.append(details)
                 if dump_to_pickle:
                     with open(f"saved_output/{exp_id}_details.pickle", "wb") as f:
                       # Pickle the list and write it to the file
                       pickle.dump(details, f)
                 end_time = time.time()
                 elapsed_time = end_time - start_time
                 print(f"finished experiment elapsed_time: {elapsed_time}")
             finally:
                 set_config(transform_output="default")
             return details
In [45]: print(cars clean df.columns)
         print(X_train.shape)
         print(X_test.shape)
        Index(['region', 'manufacturer', 'model', 'fuel', 'title_status',
               'transmission', 'type', 'paint_color', 'state', 'odometer', 'year',
               'id', 'price'],
              dtype='object')
        (161698, 11)
        (46200, 11)
```

# We created a dynamic one-hot encoding based on phrase in the model field

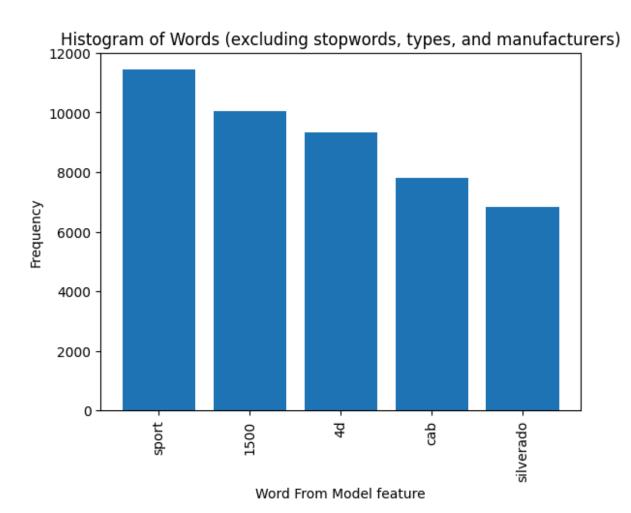
 The above process uses them but if you want to see examples of popular words used to encode, use this cell below

```
In []:
In [46]: # Set min_occurrence to different values to see the distribution of popular words i
    # % of rows in X_train
    pct_tuning_min_occurrence = 4
    tuning_min_occurrence = round(pct_tuning_min_occurrence/100*X_train.shape[0]) #
    filtered_counts = identify_model_keywords(X_train, min_occurrence = tuning_min_occur
    filtered_counts_df = pd.DataFrame.from_dict(filtered_counts, orient='index', column
    plot_model_keyword(filtered_counts_df)
    print("number of one hots to be created for model", filtered_counts_df.shape[0])
```

```
df_sorted = filtered_counts_df.sort_values(by='word_count', ascending=False)
top_values_df = df_sorted.iloc[:15]
plot_model_keyword(top_values_df)
```



number of one hots to be created for model 5



<Figure size 640x480 with 0 Axes>

## THIS CODE WILL TAKE MANY MINUTES TO RUN.

# SET OK\_TO\_RUN\_TUNING = True, if you want to run it

```
In [47]:
    #categorical_cols = ['region', 'manufacturer', 'model', 'fuel', 'title_status',
    #categorical_cols = ['region', 'manufacturer', 'model', 'condition', 'cylinder
    # 'type', 'paint_color', 'stat

#categorical_cols = [ 'manufacturer', 'model', 'fuel', 'title_status', 'transm
    # 'type', 'paint_color', 'stat

#categorical_cols = ['state', 'type', 'manufacturer', 'paint_color', 'fuel', 'tit
#categorical_cols = ['state', 'type', 'manufacturer', 'paint_color', 'fuel', 'tit
#categorical_cols = ['state', 'type', 'manufacturer', 'paint_color', 'fuel', 'tit
#categorical_cols = ['state', 'type', 'manufacturer', 'fuel', 'title_status', 't
categorical_cols = ['type', 'state', 'manufacturer', 'fuel', 'title_status', 'tr

numerical_cols = ['year']
#numerical_cols = ['year']
#numerical_cols = []
```

```
target_col = 'price'
     details = run_grid_search_experiment(categorical_cols, numerical_cols, target_c
     #beep()
Starting experiment 1 at 12:13:19
Fitting 2 folds for each of 5 candidates, totalling 10 fits
in modelofcartransform, X_w_one_hots shape (80849, 0)
in modelofcartransform, X_w_one_hots shape (80849, 0)
C:\Users\bbfor\AppData\Local\Programs\Python\Python311\Lib\site-packages\sklearn\pre
processing\_encoders.py:242: UserWarning: Found unknown categories in columns [2, 7]
during transform. These unknown categories will be encoded as all zeros
 warnings.warn(
[CV] END .....regressor_alpha=10000.0; total time= 2.7min
in modelofcartransform, X_w_one_hots shape (80849, 0)
in modelofcartransform, X_w_one_hots shape (80849, 0)
[CV] END .....regressor_alpha=10000.0; total time= 3.4min
in modelofcartransform, X_w_one_hots shape (80849, 0)
in modelofcartransform, X_w_one_hots shape (80849, 0)
C:\Users\bbfor\AppData\Local\Programs\Python\Python311\Lib\site-packages\sklearn\pre
processing\_encoders.py:242: UserWarning: Found unknown categories in columns [2, 7]
during transform. These unknown categories will be encoded as all zeros
 warnings.warn(
[CV] END .....regressor_alpha=1; total time= 3.1min
in modelofcartransform, X_w_one_hots shape (80849, 0)
in modelofcartransform, X_w_one_hots shape (80849, 0)
[CV] END .....regressor_alpha=1; total time= 3.1min
in modelofcartransform, X w one hots shape (80849, 0)
in modelofcartransform, X_w_one_hots shape (80849, 0)
C:\Users\bbfor\AppData\Local\Programs\Python\Python311\Lib\site-packages\sklearn\pre
processing\ encoders.py:242: UserWarning: Found unknown categories in columns [2, 7]
during transform. These unknown categories will be encoded as all zeros
 warnings.warn(
[CV] END .....regressor_alpha=100.0; total time= 3.1min
in modelofcartransform, X_w_one_hots shape (80849, 0)
in modelofcartransform, X_w_one_hots shape (80849, 0)
[CV] END .....regressor_alpha=100.0; total time= 3.3min
in modelofcartransform, X_w_one_hots shape (80849, 0)
in modelofcartransform, X_w_one_hots shape (80849, 0)
C:\Users\bbfor\AppData\Local\Programs\Python\Python311\Lib\site-packages\sklearn\pre
processing\_encoders.py:242: UserWarning: Found unknown categories in columns [2, 7]
during transform. These unknown categories will be encoded as all zeros
 warnings.warn(
[CV] END .....regressor_alpha=0.01; total time= 3.0min
in modelofcartransform, X w one hots shape (80849, 0)
in modelofcartransform, X_w_one_hots shape (80849, 0)
[CV] END .....regressor_alpha=0.01; total time= 3.3min
in modelofcartransform, X_w_one_hots shape (80849, 0)
in modelofcartransform, X_w_one_hots shape (80849, 0)
C:\Users\bbfor\AppData\Local\Programs\Python\Python311\Lib\site-packages\sklearn\pre
processing\_encoders.py:242: UserWarning: Found unknown categories in columns [2, 7]
during transform. These unknown categories will be encoded as all zeros
 warnings.warn(
```

```
[CV] END .....regressor_alpha=0.1; total time= 3.1min
       in modelofcartransform, X_w_one_hots shape (80849, 0)
       in modelofcartransform, X w one hots shape (80849, 0)
       [CV] END .....regressor_alpha=0.1; total time= 3.3min
       in modelofcartransform, X_w_one_hots shape (161698, 5)
       best alpha 1
       Grid Search done. Elapsed_time: 2151.41307926178
       Running fit
       in modelofcartransform, X w one hots shape (161698, 5)
       running predict for X_train
       in modelofcartransform, X_w_one_hots shape (161698, 5)
       running predict for X_val
       in modelofcartransform, X_w_one_hots shape (23100, 5)
       model predict rmse_train: 7,308.044497
       model predict rmse val: 7,371.475785
       model predict rmse gap :63.431287
       Pipe and Predict done. Elapsed_time: 2417.599880218506
       train 53407514.37474363 val 54338655.24387697
       Best score: -53458274.96133304
       in modelofcartransform, X_w_one_hots shape (23100, 5)
       mse: 54338655.24387697
       RMSE train: 7308.044497315519
       RMSE val: 7371.47578466327
       alpha: 1
       finished experiment elapsed time: 2418.06142783165
In [48]: #details
In [ ]:
```

# Modeling

With your (almost?) final dataset in hand, it is now time to build some models. Here, you should build a number of different regression models with the price as the target. In building your models, you should explore different parameters and be sure to cross-validate your findings.

#### **Feature Selection**

I will let the lasso regularization decide the feature selection through linear regression coefficients

I will use the GridSearchCV to find the optimal lasso regression hyperparameter

To improve our ability to predict car prices form the input data we will generate 3 types of features: polynomial, interaction (x1\*x2) and exponential.

There are many, many other options but will focus on tools discussed to this point (Module 11) in the course

```
In [ ]:
In [ ]:
In [53]: # feat import after encoding
         def get_importance_by_partial_match(feat_map, search_string):
             print(feat_map)
             matching_keys = [key for key in feat_map.keys() if search_string in key]
             feat_impt = 0
             for a_match in matching_keys:
                 feat_impt = feat_impt + feat_map[a_match]
             return feat_impt
         def run_feat_importance_perm(X_train, y_train, X_val, y_val, feat_cols, preprocesso
             X_train_cols = X_train[feat_cols]
             X_val_cols = X_val[feat_cols]
             if verbose:
                 print('X_train passed in cols',X_train.columns)
                 print('X_train feature cols',X_train_cols.columns)
             pipeline = set_up_pipeline(preprocessor, alpha = alpha)
             #pipeline.fit(X_train_cols, y_train)
             pipeline.fit(X_train, y_train)
             if verbose:
                 print("original feature names")
                 print(feat_cols)
                 print("---")
                 print(f"Number original features is {len(X_train.columns)}")
             preprocessor_feature_names = pipeline.named_steps['preprocessor'].get_feature_n
             selector_feature_names = pipeline.named_steps['selector'].get_feature_names_out
             if verbose:
                 print(f"Number features in preprocessor step (feature engineering) is {len(
                 print("Number of features sent to model after feature selection is ", len(s
                 print("---")
                 print("Run with all features to get MSE and RMSE")
             mse_train, mse_val = run_pipe_and_predict(pipeline, X_train_cols, y_train, X_va
             if verbose:
                 print(f"MSE train: {mse_train:,.0f}")
                 print(f"MSE val: {mse_val:,.0f}")
             print("----")
```

```
print("Calculating permutations to find feature importance per feature")
# Calculate permutation importance using the pipeline
feat_import_results = permutation_importance(estimator=pipeline, X=X_val_cols,
return feat_import_results, pipeline, mse_train, mse_val
```

```
In [54]: def prep_to_save_feat_import_details(feat_import_results, pipeline, feat_cols, targ
             print("Feature columns with mean - 2*std GREATER THAN 0")
             for i in feat import results.importances mean.argsort()[::-1]:
                 if feat_import_results.importances_mean[i] - 2 * feat_import_results.import
                     print(f"{feat_cols[i]:<40}"</pre>
                           f"{feat import results.importances mean[i]:,.0f}"
                           f" +/- {feat_import_results.importances_std[i]:,.0f}")
             print("----")
             if verbose:
                 print("Feature columns with mean - 2*std LESS THAN OR EQUAL TO 0")
                 for i in feat_import_results.importances_mean.argsort()[::-1]:
                     if feat_import_results.importances_mean[i] - 2 * feat_import_results.im
                          print(f"{feat cols[i]:<40}"</pre>
                                f"{feat_import_results.importances_mean[i]:,.0f}"
                               f" +/- {feat_import_results.importances_std[i]:,.0f}")
             # capture the change in rmse of the model field
             for i in feat_import_results.importances_mean.argsort()[::-1]:
                 if feat cols[i] == 'model':
                     if math.isnan(feat_import_results.importances_mean[i]):
                         mean = 0
                     else:
                          mean = feat_import_results.importances_mean[i]
                     if math.isnan(feat import results.importances std[i]):
                         std = 0
                     else:
                          std = feat_import_results.importances_std[i]
                     mean_change_rmse_for_model_field = np.sqrt(abs(mean))
                     std_change_rmse_for_model_field = np.sqrt(abs(std))
             importance_map = dict(zip(feat_cols, feat_import_results.importances mean))
             if verbose:
                 print("Full list of feature columns")
                 for orig_feat in feat_cols:
                     orig_impt = importance_map[orig_feat]
                     print(f"Original Feature: {orig_feat}, Average Importance (MSE change):
                 # Get feature names
             preprocessor_feature_names = pipeline.named_steps['preprocessor'].get_feature_n
             selector_feature_names = pipeline.named_steps['selector'].get_feature_names_out
```

```
# Calculate RMSE
             rmse_train = np.sqrt(mse_train)
             print("RMSE train:", rmse_train)
             rmse_val = np.sqrt(mse_val)
             print("RMSE val:", rmse_val)
             details = {'alpha':alpha, 'min occurrence': min occurrence,
                      'feature_names_in': feat_cols,
                      'preprocessor_feature_names': preprocessor_feature_names, 'selector fea
                      'mse_train': mse_train, 'mse_val': mse_val,
                      'rmse_train': rmse_train, 'rmse_val': rmse_val,
                      'orig_feat_importance_map': importance_map,
                      'raw_feat_importance_mean' : feat_import_results.importances_mean,
                      'raw_feat_importance_std' : feat_import_results.importances_std,
                      'mean_change_rmse_for_model_field' : mean_change_rmse_for_model_field,
                      'std_change_rmse_for_model_field' : std_change_rmse_for_model_field
                     }
             return details
In [55]: | def run_feat_import_experiment(categorical_cols, numerical_cols, target_col, X_trai
                                         y_train, X_val, y_val, alpha, min_occurrence = None,
             start_time = time.time()
             time_struct = time.localtime(start_time)
             formatted_time = time.strftime("%I:%M:%S", time_struct)
             print(f'Starting experiment {xp_id} at {formatted_time}')
             if verbose:
                 print("rows in training data", X train.shape[0])
                 print("rows in validation data", X_val.shape[0])
             model_cols = ['manufacturer','model', 'type']
             if verbose:
                 print(min_occurrence)
             if min occurrence is not None:
                 preprocessor = set_up_one_hot_preprocessors(model_cols, categorical_cols, n
             else:
                 preprocessor = set_up_one_hot_preprocessors(model_cols, categorical_cols, n
             feat_cols = categorical_cols + numerical_cols
             for col in model_cols:
```

feat\_import\_results, pipeline, mse\_train, mse\_val = run\_feat\_importance\_perm(X\_

details = prep\_to\_save\_feat\_import\_details(feat\_import\_results, pipeline, feat\_

with open(f"saved\_output/{xp\_id}\_feat\_import\_details.pickle", "wb") as f:

# Pickle the list and write it to the file

if col not in feat\_cols:
 feat\_cols.append(col)

pickle.dump(details, f)

elapsed\_time = end\_time - start\_time

if dump\_to\_pickle:

end\_time = time.time()

```
print(f"finished experiment {xp_id} in elapsed_time: {elapsed_time}")
return details
```

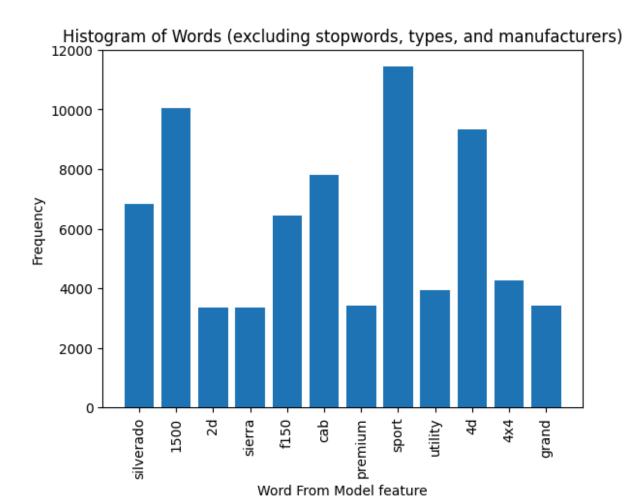
#### **Evaluation**

With some modeling accomplished, we aim to reflect on what we identify as a high quality model and what we are able to learn from this. We should review our business objective and explore how well we can provide meaningful insight on drivers of used car prices. Your goal now is to distill your findings and determine whether the earlier phases need revisitation and adjustment or if you have information of value to bring back to your client.

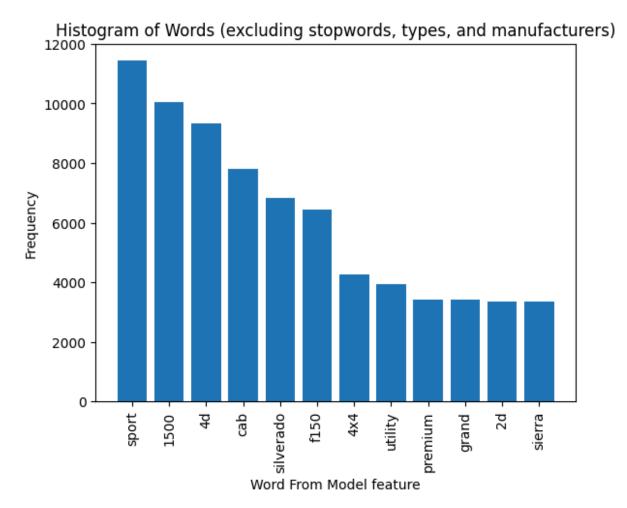
# This code may run for many tens of minutes or more depending on data size.

• Set OK\_TO\_RUN\_FEAT\_IMPORT = True, if you want to run it

```
In [57]: # Set min_occurrence to different values to see the distribution of popular words i
    # % of rows in X_train
    pct_feat_import_min_occurrence = 2
    feat_import_min_occurrence = round(pct_feat_import_min_occurrence/100*X_train.shape
    filtered_counts = identify_model_keywords(X_train, min_occurrence = feat_import_min_
    filtered_counts_df = pd.DataFrame.from_dict(filtered_counts, orient='index', column
    plot_model_keyword(filtered_counts_df)
    print("number of one hots to be created for model", filtered_counts_df.shape[0])
    df_sorted = filtered_counts_df.sort_values(by='word_count', ascending=False)
    top_values_df = df_sorted.iloc[:15]
    plot_model_keyword(top_values_df)
```



number of one hots to be created for model 12



<Figure size 640x480 with 0 Axes>

```
if OK_TO_RUN_FEAT_IMPORT:
    categorical_cols = ['type', 'state', 'manufacturer', 'fuel','title_status', 'tr
    #one_hot_cols = [col for col in df2.columns if col.startswith('my_one')]
    numerical_cols = ['year']
    target_col = 'price'
    alpha = BEST_ALPHA
    feat_import_details = run_feat_import_experiment(categorical_cols, numerical_cols, y_test, y_test)
```

```
Starting experiment default at 02:50:38
in modelofcartransform, X_w_one_hots shape (161698, 12)
Running fit
in modelofcartransform, X_w_one_hots shape (161698, 12)
running predict for X_train
in modelofcartransform, X_w_one_hots shape (161698, 12)
running predict for X_val
in modelofcartransform, X_w_one_hots shape (46200, 12)
model predict rmse train: 7,308.044497
model predict rmse_val: 7,321.352984
model predict rmse gap :13.308487
Calculating permutations to find feature importance per feature
in modelofcartransform, X_w_one_hots shape (46200, 12)
Feature columns with mean - 2*std GREATER THAN 0
year
                                        126,074,178 +/- 765,389
                                        37,320,989 +/- 251,973
type
                                        8,502,581 +/- 161,971
manufacturer
fuel
                                        5,782,596 +/- 143,481
transmission
                                        3,629,142 +/- 96,402
state
                                        1,091,588 +/- 41,338
paint color
                                        99,058 +/- 10,778
RMSE train: 7308.044497315519
RMSE val: 7321.352984300726
finished experiment default in elapsed_time: 659.7278189659119
```

## This code may run for more than an hour depending on data size.

• Set OK\_TO\_RUN\_FEAT\_IMPORT\_ADDITIONAL = True, if you want to run it

```
In [59]: if OK_TO_RUN_FEAT_IMPORT_ADDITIONAL:
           # run for several alpha values and chart rmse
           alphas = [1e-2,1e-1,1,BEST_ALPHA, 1e1,1e2,1e3]
           alphas = list(set(alphas))
           alphas.sort()
           exp_alphas = []
           for alpha in alphas:
              xp id = "exp alpha "+f"{alpha}"
              print(f"Running experiment {xp_id} for alpha: {alpha:,.4f}")
              feat_import_details = run_feat_import_experiment(categorical_cols, numerica
                                                     X_train, y_train, X_test, y_te
              rmse_train = feat_import_details['rmse_train']
              rmse val = feat import details['rmse val']
              exp_dict = {'alpha':alpha, 'rmse_train':rmse_train, 'rmse_val':rmse_val}
              exp_alphas.append(exp_dict)
              print('')
In [ ]: details
In [ ]: def overfit_plot_check(df, x, y_train,y_test, xlabel, ylabel, xlog=False):
           # Create the lineplot
```

```
sns.lineplot(df,x=x,y=y_train, label='Train Error', marker='o')
            sns.lineplot(df, x=x, y=y_test, label='Test Error', marker='o')
            # Customize plot (optional)
            plt.legend() # Add a Legend
            if xlog:
               xlabel = xlabel + '(log scale)'
                plt.xscale('log')
            # Add labels and title
            plt.xlabel(xlabel)
            plt.ylabel(ylabel)
            plt.title('Check for overfitting. RMSE vs Alpha hyperparameter values')
            # Show the plot
            plt.show()
            plt.cla()
            plt.clf()
In [ ]: if OK_TO_RUN_FEAT_IMPORT_ADDITIONAL:
            df = pd.DataFrame(exp_alphas)
            overfit_plot_check(df, 'alpha', 'rmse_train', 'rmse_val', 'Alpha', 'RMSE', xlog
In [ ]: if OK_TO_RUN_FEAT_IMPORT_ADDITIONAL:
            # minimumn occurrence settings as a function of the percent size of the X_t
            min_occurrences = [max(2, round((i/100)*X_train.shape[0])) for i in [0.05,0.5,1,
            min_occurrences = list(set(min_occurrences))
            print(min_occurrences)
In [ ]: # run for several min_occurence values and chart rmse
        min_occurrences = [max(2, round((i/100)*X_train.shape[0])) for i in [0.25,0.5,1,2,3,
        min_occurrences = list(set(min_occurrences))
        print(f"Running experiments for this range of minimum occurrences: {min_occurrences
        exp_min_o = []
        if OK_TO_RUN_FEAT_IMPORT_ADDITIONAL:
            for min_occurrence in min_occurrences:
                xp_id = "exp_min_occurrence_"+f"{min_occurrence}"
                print(f"Running experiment {xp_id} for min_occurrence: {min_occurrence:,.4f
                feat_import_details = run_feat_import_experiment(categorical_cols, numerica
                                                           X_train, y_train, X_test, y_te
                rmse_train = feat_import_details['rmse_train']
                rmse_val = feat_import_details['rmse_val']
                mean_change_rmse_for_model_field = feat_import_details['mean_change_rmse_fo
                std_change_rmse_for_model_field = feat_import_details['std_change_rmse_for_
                exp_dict = {'min_occurrence':min_occurrence, 'rmse_train':rmse_train, 'rmse
                            'mean_change_rmse_for_model_field':mean_change_rmse_for_model_f
                            'std_change_rmse_for_model_field':std_change_rmse_for_model_fie
                exp_min_o.append(exp_dict)
```

```
print('')
In [ ]: if OK_TO_RUN_FEAT_IMPORT_ADDITIONAL:
           df = pd.DataFrame(exp_min_o)
           overfit_plot_check(df, 'min_occurrence', 'rmse_train', 'rmse_val', 'Minimum Occ
In [ ]: def feat_import_check_plot_w_std(x, y_mean, y_err, xlabel, ylabel, xlog=False):
           # Create the error bar plot
           plt.errorbar(x, y_mean, yerr=y_err, fmt='o-', capsize=5)
           # Add labels and title
           plt.title(f'Mean Plot with Standard Deviation for {xlabel}')
           # Customize plot (optional)
           if xlog:
               xlabel = xlabel + '(log scale)'
               plt.xscale('log')
           # Add labels and title
           plt.xlabel(xlabel)
           plt.ylabel(ylabel)
           plt.axhline(y=0, color='red', linestyle='--', linewidth=2) # Adjust styles as
           # Show the plot
           plt.show()
           plt.cla()
           plt.clf()
In [ ]: if OK_TO_RUN_FEAT_IMPORT_ADDITIONAL:
           df.fillna(0, inplace=True)
           df = df.sort_values(by='min_occurrence', ascending=True)
           feat_import_check_plot_w_std(df['min_occurrence'], df['mean_change_rmse_for_mod
           df_non_zero = df[df['mean_change_rmse_for_model_field'] != 0]
           feat_import_check_plot_w_std(df_non_zero['min_occurrence'], df_non_zero['mean_c
In [ ]: beep()
In [ ]:
```