Problem Definition:

When a company enters a market, the distribution strategy and channel it uses are keys to its success in the market, as well as market know-how and customer knowledge and understanding. Because an effective distribution strategy under efficient supply-chain management opens doors for attaining competitive advantage and strong brand equity in the market, it is a component of the marketing mix that cannot be ignored.

The distribution strategy and the channel design have to be right the first time. The case study of Sales channel includes the detailed study of TV, radio and newspaper channel. The predict the total sales generated from all the sales channel.

Data Analysis

Load Dataset: - The first step is to define the functions and classes we intend to use in this project.

I use Numpy and Pandas and seaborn library

import pandas as pd

import numpy as np

import seaborn as sns

Importing Dataset

df=pd.read_csv("Advertising.csv")

df

| | Unnamed: 0 | TV | radio | newspaper | sales | | |
|---|------------|-------|-------|-----------|-------|--|--|
| 0 | 1 | 230.1 | 37.8 | 69.2 | 22.1 | | |
| 1 | 2 | 44.5 | 39.3 | 45.1 | 10.4 | | |
| 2 | 3 | 17.2 | 45.9 | 69.3 | 9.3 | | |
| 3 | 4 | 151.5 | 41.3 | 58.5 | 18.5 | | |

| | Unnamed: 0 | TV | radio | newspaper | sales | | |
|-----|------------|-------|-------|-----------|-------|--|--|
| 4 | 5 | 180.8 | 10.8 | 58.4 | 12.9 | | |
| | | | | | | | |
| 195 | 196 | 38.2 | 3.7 | 13.8 | 7.6 | | |
| 196 | 197 | 94.2 | 4.9 | 8.1 | 9.7 | | |
| 197 | 198 | 177.0 | 9.3 | 6.4 | 12.8 | | |
| 198 | 199 | 283.6 | 42.0 | 66.2 | 25.5 | | |
| 199 | 200 | 232.1 | 8.6 | 8.7 | 13.4 | | |

200 rows x 5 columns

The data set has total 200 rows and 5 columns.

In this dataset the target variable is "sales" and input variables are "TV", "radio" and "newspaper".

Now I checked is there any null value bye using following code

df.isnull().sum()

Unnamed: 0 0
TV 0
radio 0
newspaper 0
sales 0
dtype: int64

so there is no null value.

Now I checked what is the type of variables

df.dtypes

Unnamed: 0 int64
TV float64
radio float64
newspaper float64
sales float64

dtype: object

EDA Concluding Remark

Visualization of the Data:

```
df_visualization=df[['TV','radio','newspaper','sales']].copy()
ax = sns.countplot(x="TV", data=df_visualization)
print(df_visualization["TV"].value_counts())
197.6
237.4
          2
177.0
          2
76.4
          2
          2
222.4
18.8
          1
19.4
          1
26.8
          1
139.2
44.5
Name: TV, Length: 190, dtype: int64
    2.00 -
    1.75
    1.50
    1.25
   1.00
    0.75
    0.50
    0.25
    0.00
```

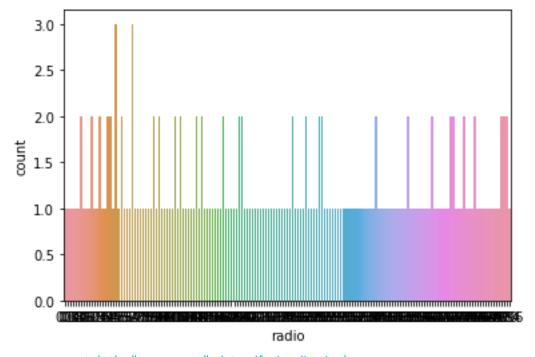
ax = sns.countplot(x="radio", data=df_visualization)

print(df_visualization["radio"].value_counts())

```
5.7 3
4.1 3
26.7 2
```

```
18.1 2
43.0 2
...
37.6 1
26.9 1
40.6 1
34.3 1
24.0 1
```

Name: radio, Length: 167, dtype: int64

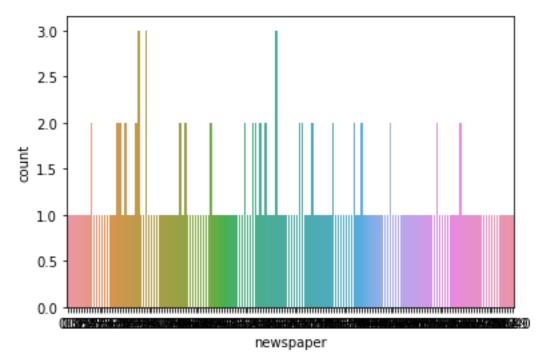


ax = sns.countplot(x="newspaper", data=df_visualization)

print(df_visualization["newspaper"].value_counts())

```
8.7
        3
25.6
        3
9.3
        3
14.2
        2
45.1
        2
43.1
        1
49.3
        1
31.3
        1
44.3
        1
58.5
```

Name: newspaper, Length: 172, dtype: int64

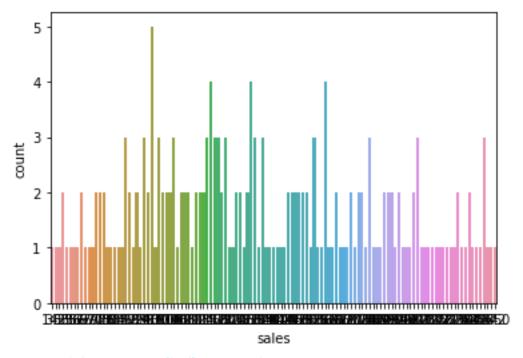


ax = sns.countplot(x="sales", data=df_visualization)

print(df_visualization["sales"].value_counts())

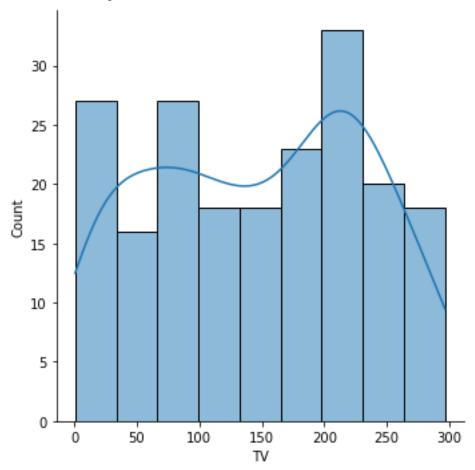
```
9.7
        5
12.9
        4
11.7
        4
15.9
        4
25.4
        3
15.7
        1
14.2
        1
        1
11.2
19.4
        1
18.5
```

Name: sales, Length: 121, dtype: int64



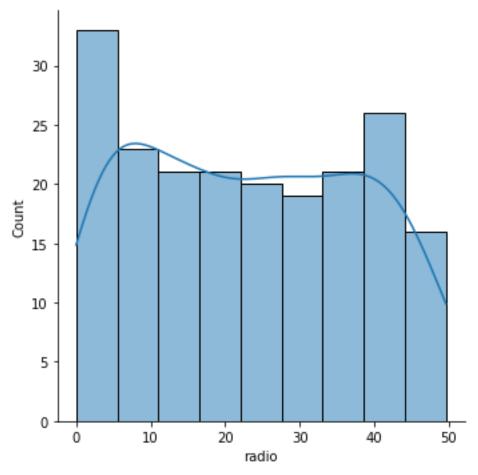
sns.displot(df_visualization['TV'], kde=True)

<seaborn.axisgrid.FacetGrid at 0x17435e50ee0>



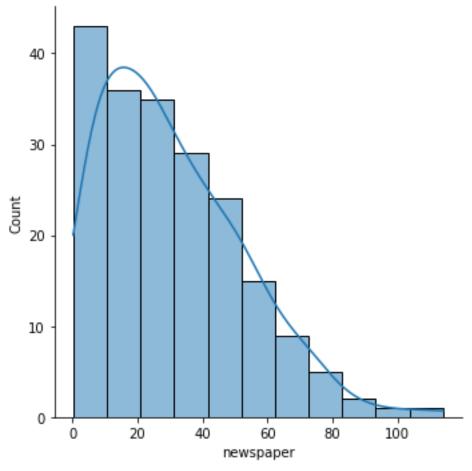
sns.displot(df_visualization['radio'], kde=True)

<seaborn.axisgrid.FacetGrid at 0x17436040c10>



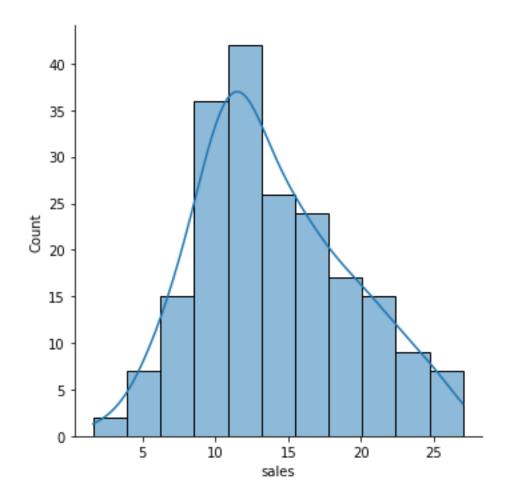
sns.displot(df_visualization['newspaper'], kde=True)

<seaborn.axisgrid.FacetGrid at 0x174357fcca0>



sns.displot(df_visualization['sales'], kde=True)

<seaborn.axisgrid.FacetGrid at 0x174362aa6d0>



Visualization of data set is done dis plot and count plot created

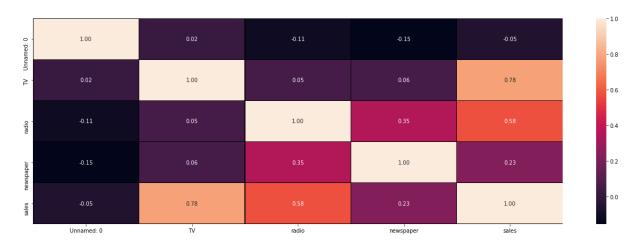
Heat map of Describe

<AxesSubplot:>



Heat map corelation

<AxesSubplot:>

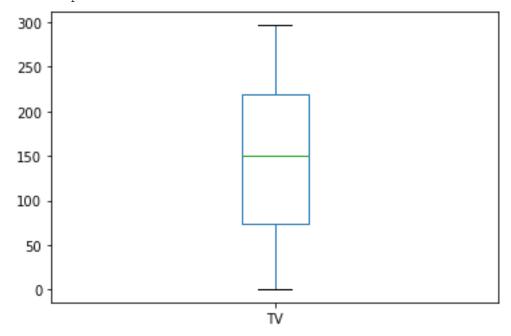


Pre-Processing Pipeline.

Outlier Checking

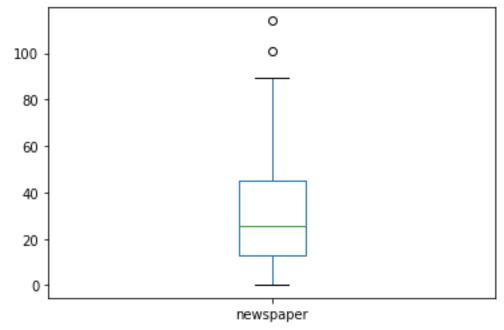
df['TV'].plot.box()

<AxesSubplot:>



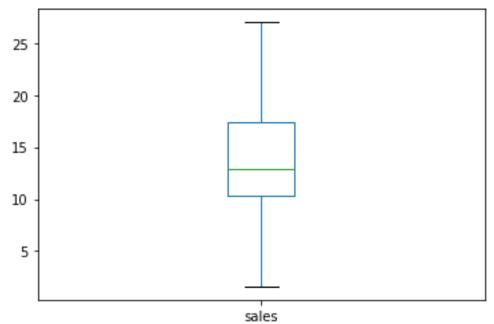
df['newspaper'].plot.box()

<AxesSubplot:>



df['sales'].plot.box()

<AxesSubplot:>



Considering the outlier removal 1

from scipy.stats import zscore

import numpy as np

z=np.abs(zscore(df))

threshold=3

np.where(z>3)

df_new_z=df[(z<3).all(axis=1)]

df_new_z

(array([16, 101], dtype=int64), array([3, 3], dtype=int64))

| | Unnamed: 0 | TV | radio | newspaper | sales | |
|-----|------------|-------|-------|-----------|-------|--|
| 0 | 1 | 230.1 | 37.8 | 69.2 | 22.1 | |
| 1 | 2 | 44.5 | 39.3 | 45.1 | 10.4 | |
| 2 | 3 | 17.2 | 45.9 | 69.3 | 9.3 | |
| 3 | 4 | 151.5 | 41.3 | 58.5 | 18.5 | |
| 4 | 5 | 180.8 | 10.8 | 58.4 | 12.9 | |
| | | | | | | |
| 195 | 196 | 38.2 | 3.7 | 13.8 | 7.6 | |
| 196 | 197 | 94.2 | 4.9 | 8.1 | 9.7 | |
| 197 | 198 | 177.0 | 9.3 | 6.4 | 12.8 | |
| 198 | 199 | 283.6 | 42.0 | 66.2 | 25.5 | |
| 199 | 200 | 232.1 | 8.6 | 8.7 | 13.4 | |

198 rows × 5 columns data_loss=((200-198)/200)*100

data_loss

1

Outlier is removed and as data loss is less than 1 we can go ahead

Separating the columns into features and target

features=df.drop("sales",axis=1)

target=df["sales"]

Target column is sales

Building Machine Learning Models.

```
pred_test=Ir.predict(features_test)
print(r2_score(target_test,pred_test))
0.8989530886907349
cv_score=cross_val_score(Ir,features,target,cv=5)
cv_mean=cv_score.mean()
cv mean
0.8827160786305974
parameters = {'alpha':[.0001, .001, .01, .1, 1, 10], 'random_state':list(range(0,10))}
Is = Lasso()
clf = GridSearchCV(ls,parameters)
clf.fit(features_train,target_train)
print(clf.best_params_)
{'alpha': 1, 'random state': 0}
ls = Lasso(alpha=1,random_state=0)
ls.fit(features_train,target_train)
ls.score(features_train,target_train)
pred_ls = ls.predict(features_test)
lss = r2_score(target_test,pred_ls)
Iss
0.899358362447154
cv_score=cross_val_score(ls,features,target,cv=5)
cv_mean=cv_score.mean()
cv_mean
0.8844838672207616
```

```
parameters = {'alpha':[.0001, .001, .01, .1, 1, 10], 'random_state':list(range(0,10))}
rd = Ridge()
clf = GridSearchCV(rd,parameters)
clf.fit(features_train,target_train)
print(clf.best_params_)
{'alpha': 10, 'random state': 0}
rd = Ridge(alpha=1,random_state=0)
rd.fit(features_train,target_train)
rd.score(features_train,target_train)
pred_rd = rd.predict(features_test)
rds = r2_score(target_test,pred_rd)
rds
0.8989527832410423
cv_score=cross_val_score(rd,features,target,cv=5)
cv_mean=cv_score.mean()
cv_mean
0.8827165526421137
We use linear regressor, lasso and ridge these 3 regressor techniques h
Now we are considering ensemble techniques.
Ensemble technique: ¶
rf= RandomForestRegressor(criterion="mse",max_features="auto")
rf.fit(features_train, target_train)
rf.score(features_train, target_train)
pred_decision = rf.predict(features_test)
rfs = r2_score(target_test,pred_decision)
print('R2 Score:',rfs*100)
```

rfscore = cross_val_score(rf,features,target,cv=5)

rfc = rfscore.mean()

print('Cross Val Score:',rfc*100)

R2 Score: 98.02086937309616 Cross Val Score: 97.2329678861501

We are getting model r2 score and cross validation as 98.02% and 97.21% which shows our model is performing extremely well¶

Conclusion:

loaded_model = pickle.load(open('bb.pkl', 'rb'))

result = loaded_model.score(features_test, target_test)

print(result)

0.9802086937309616

conclusion=pd.DataFrame([loaded_model.predict(features_test)[:],pred_decision[:]],index=["Predict
ed","Orginal"])

| 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | 3 0 | 3 1 | 3 2 | 3 3 | 3 4 | 3 5 | 3 6 | 3 7 | 3 8 | 3 9 | |
|-----------------------|------------------------|------------------------|------------------|------------------------|------------------------|------------------|-------------------|------------------------|------------------------|------------------------|--------|------------------------|------------------------|-------------|------------------------|------------------|------------------------|------------------|------------------------|-------------------|-------------------|
| Pr edi cte d | 1 8. 8 8 3 | 1 6. 7 9 7 | 1 0 5 2 | 1 7. 5 5 5 | 1 5. 6 5 | 6 8 5 4 | 1 6. 9 9 | 1 5. 4 3 8 | 1 2. 7 6 3 | 1 9. 9 3 2 | | 1 1. 1 6 3 | 1 9. 6 6 5 | 2 1 4 | 1 1. 9 3 2 | 1 4 0 1 | 1 1. 3 1 6 | 7 0 5 4 | 1 5. 5 9 4 | 2 2. 3 9 | 1 6. 1 7 |
| Or gin al | 1 8. 8 8 | 1 6. 7 9 7 | 1 0 5 2 | 1 7. 5 5 5 | 1 5. 6 5 4 | 6 8 5 4 | 1 6. 9 9 | 1 5. 4 3 8 | 1 2. 7 6 3 | 1 9. 9 3 2 | | 1 1. 1 6 3 | 1 9. 6 6 5 | 2 1 4 | 1 1. 9 3 2 | 1 4 0 1 | 1 1. 3 1 6 | 7 0 5 4 | 1 5. 5 9 4 | 2 2. 3 9 | 1 6. 1 7 |

2 rows x 40 columns

So the model is done.

Request is given to predict sales , now as per my model it is giving 98% accuracy , I have input in different media tv , radio and newspaper and all the given some deferent data regarding sales and I analysis all those things and I create a data frame which is showing up.

This model is good to go.