# project-online-retail

#### September 17, 2024

## 0.1 importing Libraries

```
[1]: import pandas as pd
     import numpy as np
     import matplotlib.pyplot as plt
[2]: df=pd.read_csv('OnlineRetail.csv',encoding='ISO-8859-1')
     df.head()
[2]:
       InvoiceNo StockCode
                                                    Description Quantity
                             WHITE HANGING HEART T-LIGHT HOLDER
          536365
                    85123A
     0
                                                                         6
          536365
                     71053
                                            WHITE METAL LANTERN
                                                                         6
     1
     2
          536365
                    84406B
                                 CREAM CUPID HEARTS COAT HANGER
                                                                         8
     3
          536365
                    84029G
                            KNITTED UNION FLAG HOT WATER BOTTLE
                                                                         6
                    84029E
                                 RED WOOLLY HOTTIE WHITE HEART.
          536365
                                                                         6
           InvoiceDate UnitPrice
                                   CustomerID
                                                       Country
      12/1/2010 8:26
                             2.55
                                      17850.0
                                              United Kingdom
     1 12/1/2010 8:26
                             3.39
                                      17850.0 United Kingdom
     2 12/1/2010 8:26
                             2.75
                                      17850.0
                                               United Kingdom
     3 12/1/2010 8:26
                             3.39
                                      17850.0 United Kingdom
     4 12/1/2010 8:26
                             3.39
                                      17850.0 United Kingdom
[3]: df.keys()
               # viewing all coloumns
[3]: Index(['InvoiceNo', 'StockCode', 'Description', 'Quantity', 'InvoiceDate',
            'UnitPrice', 'CustomerID', 'Country'],
           dtype='object')
    df.shape # finding no. of rows and columns
[4]: (541909, 8)
[5]: df.describe() # viewing basic details
[5]:
                                             CustomerID
                 Quantity
                               UnitPrice
           541909.000000 541909.000000
                                          406829.000000
     count
     mean
                 9.552250
                                4.611114
                                           15287.690570
```

```
std
                218.081158
                                96.759853
                                              1713.600303
      min
             -80995.000000
                            -11062.060000
                                             12346.000000
      25%
                  1.000000
                                  1.250000
                                             13953.000000
      50%
                  3.000000
                                  2.080000
                                             15152.000000
      75%
                 10.000000
                                 4.130000
                                             16791.000000
              80995.000000
                             38970.000000
                                             18287.000000
      max
 [6]: df=df.loc[df['Quantity'] > 0] # removing the redundancy
      df.shape # viewing shape
 [6]: (531285, 8)
      df.describe()
 [7]:
                  Quantity
                                UnitPrice
                                               CustomerID
             531285.000000
                                            397924.000000
      count
                            531285.000000
                 10.655262
      mean
                                  3.857296
                                             15294.315171
      std
                156.830323
                                 41.810047
                                              1713.169877
      min
                  1.000000
                            -11062.060000
                                             12346.000000
      25%
                  1.000000
                                  1.250000
                                             13969.000000
      50%
                  3.000000
                                  2.080000
                                             15159.000000
      75%
                 10.000000
                                  4.130000
                                             16795.000000
     max
              80995.000000
                             13541.330000
                                             18287.000000
 [8]: df.head()
      df.info()
     <class 'pandas.core.frame.DataFrame'>
     Index: 531285 entries, 0 to 541908
     Data columns (total 8 columns):
      #
          Column
                       Non-Null Count
                                         Dtype
          _____
                        _____
     ___
      0
          InvoiceNo
                       531285 non-null object
      1
          StockCode
                       531285 non-null object
      2
          Description 530693 non-null object
      3
          Quantity
                       531285 non-null int64
      4
          InvoiceDate 531285 non-null object
      5
          UnitPrice
                       531285 non-null float64
      6
          CustomerID
                       397924 non-null float64
          Country
                       531285 non-null
     dtypes: float64(2), int64(1), object(5)
     memory usage: 36.5+ MB
 [9]: df['InvoiceDate']=pd.to_datetime(df['InvoiceDate']) # converting InvoiceDate_
       ⇒into datetime
[10]: df.info()
```

```
Index: 531285 entries, 0 to 541908
     Data columns (total 8 columns):
          Column
                       Non-Null Count
                                        Dtype
          _____
                       _____
          InvoiceNo
      0
                       531285 non-null
                                        object
      1
          StockCode
                       531285 non-null object
      2
          Description 530693 non-null object
      3
          Quantity
                       531285 non-null int64
          InvoiceDate 531285 non-null datetime64[ns]
      4
          UnitPrice
      5
                       531285 non-null float64
          CustomerID
                       397924 non-null float64
      7
          Country
                       531285 non-null object
     dtypes: datetime64[ns](1), float64(2), int64(1), object(4)
     memory usage: 36.5+ MB
[11]: df['Sales']=df.Quantity * df.UnitPrice # creating a column of sale
[12]: df.head()
        InvoiceNo StockCode
[12]:
                                                     Description Quantity
           536365
                     85123A
                              WHITE HANGING HEART T-LIGHT HOLDER
                                                                         6
      0
      1
           536365
                     71053
                                             WHITE METAL LANTERN
                                                                         6
      2
          536365
                     84406B
                                  CREAM CUPID HEARTS COAT HANGER
                                                                         8
      3
           536365
                     84029G
                             KNITTED UNION FLAG HOT WATER BOTTLE
                                                                         6
           536365
                     84029E
                                  RED WOOLLY HOTTIE WHITE HEART.
                InvoiceDate UnitPrice
                                        CustomerID
                                                           Country Sales
      0 2010-12-01 08:26:00
                                  2.55
                                           17850.0 United Kingdom
                                                                   15.30
      1 2010-12-01 08:26:00
                                  3.39
                                           17850.0 United Kingdom 20.34
      2 2010-12-01 08:26:00
                                  2.75
                                           17850.0 United Kingdom 22.00
      3 2010-12-01 08:26:00
                                  3.39
                                           17850.0 United Kingdom
                                                                    20.34
      4 2010-12-01 08:26:00
                                  3.39
                                           17850.0 United Kingdom
                                                                    20.34
[13]: monetary = df.groupby('CustomerID').Sales.sum() # getting monetary value
[14]: monetary = monetary.reset_index()
[15]:
     monetary.head()
[15]:
         CustomerID
                        Sales
      0
            12346.0 77183.60
      1
            12347.0
                      4310.00
      2
            12348.0
                      1797.24
      3
            12349.0
                      1757.55
            12350.0
                      334.40
```

<class 'pandas.core.frame.DataFrame'>

# 0.2 Now calculating frequency of dataset

```
[16]: frequency = df.groupby('CustomerID').InvoiceNo.count() # calculating frequency
[17]: frequency=frequency.reset_index()
[18]: frequency.head()
「18]:
         CustomerID InvoiceNo
      0
            12346.0
                             1
      1
            12347.0
                           182
      2
            12348.0
                            31
      3
            12349.0
                            73
            12350.0
                            17
     0.3 Now calculateing recency value
[19]: LastDate = max(df.InvoiceDate) # calculating last date
[20]: LastDate
[20]: Timestamp('2011-12-09 12:50:00')
[21]: LastDate = LastDate + pd.DateOffset(days=1) # adding day to lastdate and
       \rightarrow invoicedate
[22]: LastDate
[22]: Timestamp('2011-12-10 12:50:00')
[23]: df['Diff']=LastDate-df.InvoiceDate # calculatin diff
[24]: recency = df.groupby('CustomerID').Diff.min()
      recency = recency.reset_index()
[25]: recency.head()
[25]:
         CustomerID
                                 Diff
      0
            12346.0 326 days 02:49:00
      1
                      2 days 20:58:00
            12347.0
            12348.0 75 days 23:37:00
      2
      3
            12349.0 19 days 02:59:00
            12350.0 310 days 20:49:00
```

### 0.4 Now create a combined data frame

```
[26]: rmf = monetary.merge(frequency, on = 'CustomerID')
[27]: rmf= rmf.merge(recency, on = 'CustomerID')
[66]: rmf.columns = ['CustomerID', 'Monetary', 'Frequency', 'Recency']
[67]: rmf
[67]:
            CustomerID
                        Monetary Frequency
                                                        Recency
                        77183.60
               12346.0
                                           1 326 days 02:49:00
      1
               12347.0
                         4310.00
                                         182
                                                2 days 20:58:00
      2
                          1797.24
                                             75 days 23:37:00
               12348.0
                                          31
      3
                                          73 19 days 02:59:00
               12349.0
                          1757.55
      4
               12350.0
                          334.40
                                          17 310 days 20:49:00
      4334
               18280.0
                          180.60
                                          10 278 days 02:58:00
      4335
                                           7 181 days 01:57:00
               18281.0
                           80.82
      4336
               18282.0
                          178.05
                                          12
                                               8 days 01:07:00
      4337
               18283.0
                          2094.88
                                         756
                                               4 days 00:48:00
      4338
               18287.0
                          1837.28
                                          70 43 days 03:21:00
      [4339 rows x 4 columns]
[68]: RMF1 = rmf.drop('CustomerID',axis=1) # dropping customerid on axis 1
[69]: RMF1.Recency = RMF1.Recency.dt.days
[70]: RMF1
[70]:
            Monetary Frequency
                                  Recency
      0
            77183.60
                               1
                                      326
      1
             4310.00
                             182
                                        2
      2
             1797.24
                              31
                                       75
      3
             1757.55
                              73
                                       19
      4
              334.40
                              17
                                      310
               •••
      4334
              180.60
                              10
                                      278
      4335
               80.82
                               7
                                      181
      4336
              178.05
                                        8
                              12
      4337
             2094.88
                             756
                                        4
             1837.28
      4338
                              70
                                       43
      [4339 rows x 3 columns]
[71]: rmf
```

```
[71]:
            CustomerID Monetary Frequency
                                                       Recency
      0
               12346.0 77183.60
                                           1 326 days 02:49:00
      1
               12347.0
                         4310.00
                                               2 days 20:58:00
                                         182
      2
               12348.0
                         1797.24
                                          31 75 days 23:37:00
      3
               12349.0
                         1757.55
                                         73 19 days 02:59:00
      4
                                          17 310 days 20:49:00
               12350.0
                          334.40
      4334
               18280.0
                         180.60
                                          10 278 days 02:58:00
      4335
               18281.0
                          80.82
                                          7 181 days 01:57:00
      4336
               18282.0
                          178.05
                                          12
                                              8 days 01:07:00
      4337
               18283.0
                         2094.88
                                         756
                                              4 days 00:48:00
      4338
               18287.0
                                         70 43 days 03:21:00
                         1837.28
```

[4339 rows x 4 columns]

## 0.5 KMeans Algorithm

```
[72]: from sklearn.cluster import KMeans
[73]: RMF1 = RMF1.dropna()
[74]: ssd = []
      for k in range(1,20):
          km = KMeans(n_clusters=k)
          km.fit(RMF1)
          ssd.append(km.inertia_)
     C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
     FutureWarning: The default value of `n init` will change from 10 to 'auto' in
     1.4. Set the value of `n_init` explicitly to suppress the warning
       warnings.warn(
     C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
     FutureWarning: The default value of `n_init` will change from 10 to 'auto' in
     1.4. Set the value of `n_init` explicitly to suppress the warning
       warnings.warn(
     C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
     FutureWarning: The default value of `n_init` will change from 10 to 'auto' in
     1.4. Set the value of `n_init` explicitly to suppress the warning
       warnings.warn(
     C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
     FutureWarning: The default value of `n_init` will change from 10 to 'auto' in
     1.4. Set the value of `n_init` explicitly to suppress the warning
       warnings.warn(
     C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
     FutureWarning: The default value of `n init` will change from 10 to 'auto' in
     1.4. Set the value of `n_init` explicitly to suppress the warning
       warnings.warn(
```

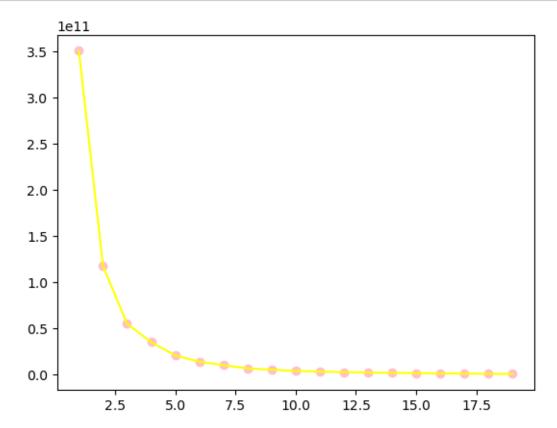
```
C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
FutureWarning: The default value of `n_init` will change from 10 to 'auto' in
1.4. Set the value of `n_init` explicitly to suppress the warning
  warnings.warn(
C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\ kmeans.py:870:
FutureWarning: The default value of `n_init` will change from 10 to 'auto' in
1.4. Set the value of `n init` explicitly to suppress the warning
  warnings.warn(
C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
FutureWarning: The default value of `n_init` will change from 10 to 'auto' in
1.4. Set the value of `n_init` explicitly to suppress the warning
  warnings.warn(
C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
FutureWarning: The default value of `n init` will change from 10 to 'auto' in
1.4. Set the value of `n_init` explicitly to suppress the warning
  warnings.warn(
C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
FutureWarning: The default value of `n init` will change from 10 to 'auto' in
1.4. Set the value of `n_init` explicitly to suppress the warning
  warnings.warn(
C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\ kmeans.py:870:
FutureWarning: The default value of `n_init` will change from 10 to 'auto' in
1.4. Set the value of `n_init` explicitly to suppress the warning
  warnings.warn(
C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
FutureWarning: The default value of `n init` will change from 10 to 'auto' in
1.4. Set the value of `n_init` explicitly to suppress the warning
  warnings.warn(
C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
FutureWarning: The default value of `n_init` will change from 10 to 'auto' in
1.4. Set the value of `n_init` explicitly to suppress the warning
  warnings.warn(
C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
FutureWarning: The default value of `n_init` will change from 10 to 'auto' in
1.4. Set the value of `n_init` explicitly to suppress the warning
  warnings.warn(
C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\ kmeans.py:870:
FutureWarning: The default value of `n_init` will change from 10 to 'auto' in
1.4. Set the value of `n_init` explicitly to suppress the warning
  warnings.warn(
C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
FutureWarning: The default value of `n init` will change from 10 to 'auto' in
1.4. Set the value of `n_init` explicitly to suppress the warning
  warnings.warn(
C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\_kmeans.py:870:
FutureWarning: The default value of `n_init` will change from 10 to 'auto' in
1.4. Set the value of `n_init` explicitly to suppress the warning
```

warnings.warn(

C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\\_kmeans.py:870:
FutureWarning: The default value of `n\_init` will change from 10 to 'auto' in
1.4. Set the value of `n\_init` explicitly to suppress the warning
 warnings.warn(

C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\\_kmeans.py:870:
FutureWarning: The default value of `n\_init` will change from 10 to 'auto' in
1.4. Set the value of `n\_init` explicitly to suppress the warning
 warnings.warn(

```
[75]: plt.plot(np.arange(1,20),ssd,color='yellow')
plt.scatter(np.arange(1,20),ssd,color='pink')
plt.show()
```



```
[76]: model = KMeans(n_clusters=5)
ClusterID= model.fit_predict(RMF1)
```

C:\Users\vishal\anaconda3\Lib\site-packages\sklearn\cluster\\_kmeans.py:870:
FutureWarning: The default value of `n\_init` will change from 10 to 'auto' in
1.4. Set the value of `n\_init` explicitly to suppress the warning
 warnings.warn(

[77]: ClusterID

```
[77]: array([2, 0, 0, ..., 0, 0, 0])
[78]: RMF1['ClusterID'] = ClusterID
      RMF1
                                           ClusterID
[78]:
            Monetary
                      Frequency
                                  Recency
            77183.60
                                      326
                                                    2
      1
             4310.00
                             182
                                        2
                                                    0
      2
             1797.24
                              31
                                       75
                                                    0
      3
             1757.55
                              73
                                       19
                                                    0
      4
              334.40
                              17
                                      310
                                                    0
                                                    0
      4334
              180.60
                                      278
                              10
      4335
                               7
               80.82
                                      181
                                                    0
      4336
              178.05
                              12
                                        8
                                                    0
      4337
             2094.88
                             756
                                        4
                                                    0
      4338
             1837.28
                              70
                                       43
      [4339 rows x 4 columns]
     0.6 Data Visualization
[79]: km_cluster_sale = RMF1.groupby('ClusterID').Monetary.mean()
[80]: km_recency_sale = RMF1.groupby('ClusterID').Recency.mean()
[81]: km frequency sale = RMF1.groupby('ClusterID').Frequency.mean()
[82]: km_cluster_sale
[82]: ClusterID
      0
             1049.274575
      1
           149828.502000
      2
            51858.727500
      3
           269931.660000
            10022.790242
      Name: Monetary, dtype: float64
[83]: import seaborn as sns
[88]: fig,axs=plt.subplots(1,3, figsize = (15,5))
      sns.barplot(x=[0,1,2,3,4], y=km_cluster_sale, ax=axs[0])
      sns.barplot(x=[0,1,2,3,4], y=km\_recency\_sale, ax=axs[1])
      sns.barplot(x=[0,1,2,3,4], y=km_frequency_sale, ax=axs[2])
```

C:\Users\vishal\anaconda3\Lib\site-packages\seaborn\\_oldcore.py:1765: FutureWarning: unique with argument that is not not a Series, Index,

ExtensionArray, or np.ndarray is deprecated and will raise in a future version.
 order = pd.unique(vector)

C:\Users\vishal\anaconda3\Lib\site-packages\seaborn\\_oldcore.py:1765:

FutureWarning: unique with argument that is not not a Series, Index,

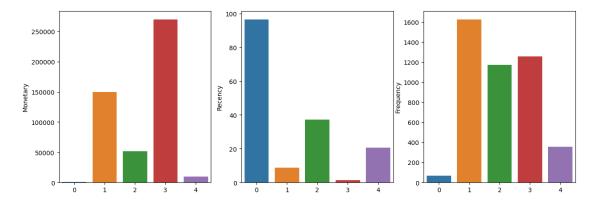
ExtensionArray, or np.ndarray is deprecated and will raise in a future version.
 order = pd.unique(vector)

C:\Users\vishal\anaconda3\Lib\site-packages\seaborn\\_oldcore.py:1765:

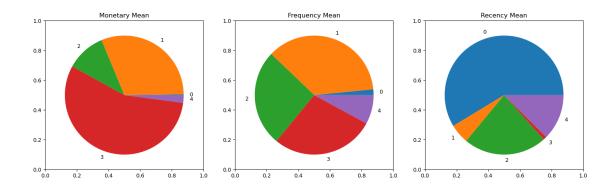
FutureWarning: unique with argument that is not not a Series, Index,

ExtensionArray, or np.ndarray is deprecated and will raise in a future version.
 order = pd.unique(vector)

#### [88]: <Axes: ylabel='Frequency'>



```
[91]: fig, axs = plt.subplots(1,3, figsize=(18,5))
    ax1=fig.add_subplot(1,3,1)
    plt.title('Monetary Mean')
    ax1.pie(km_cluster_sale, labels=[0,1,2,3,4])
    ax1=fig.add_subplot(1,3,2)
    plt.title('Frequency Mean')
    ax1.pie(km_frequency_sale, labels=[0,1,2,3,4])
    ax1=fig.add_subplot(1,3,3)
    plt.title('Recency Mean')
    ax1.pie(km_recency_sale, labels=[0,1,2,3,4])
    ax1.pie(km_recency_sale, labels=[0,1,2,3,4])
    ax1.axis('off')
    plt.show()
```



[]: