

# Product Recommendation Systems

#### **Domain** - E-commerce

**Context** - Everyday a million products are being recommended to users based on popularity and other metrics on e-commerce websites. The most popular e-commerce website boosts average order value by 50%, increases revenues by 300%, and improves conversion. In addition to being a powerful tool for increasing revenues, product recommendations are so essential that customers now expect to see similar features on all other eCommerce sites.

### **Data Description** -

Data columns- First three columns are **userId**, **productId**, **and ratings** and the fourth column is timestamp. You can discard the timestamp column as in this case you may not need to use it.

**Source** - Amazon Reviews data (http://jmcauley.ucsd.edu/data/amazon/) The repository has several datasets. For this case study, we are using the Electronics dataset.

### **Learning Outcomes** -

- Exploratory Data Analysis
- Data Wrangling
- Build a Popularity recommender model
- Build Collaborative Filtering model

**Objective** - To make a recommendation system that recommends at least five(5) new products based on the user's habits.



## Steps and tasks -

- 1. Read and explore the given dataset. (Rename column/add headers, plot histograms, find data characteristics) (3 Marks)
- 2. Take a subset of the dataset to make it less sparse/ denser. (For example, keep the users only who has given 50 or more number of ratings) -(5 Marks)
- 3. Build Popularity Recommender model. (15 marks)
- 4. Split the data randomly into a train and test dataset. (For example, split it in 70/30 ratio) (2 marks)
- 5. Build Collaborative Filtering model. (20 marks)
- 6. Evaluate the above model. (Once the model is trained on the training data, it can be used to compute the error (like RMSE) on predictions made on the test data.) You can also use a different method to evaluate the models. (5 marks)
- 7. Get top K ( K = 5) recommendations. Since our goal is to recommend new products to each user based on his/her habits, we will recommend 5 new products. ( 10 marks)
- 8. Summarise your insights. (10 marks)

#### Please Note -

- If you are facing any memory issue while working on this project, create a small subset (Let's say 10% of data) and work on it.
- If you are stuck at the model evaluation part of this project.

Please refer to below links -

- 1. <a href="https://surprise.readthedocs.io/en/stable/accuracy.html">https://surprise.readthedocs.io/en/stable/accuracy.html</a>
- 2. <a href="http://surpriselib.com/">http://surpriselib.com/</a> Getting started, example





• MAE (mean absolute error)

predicted	actual
2.3	2
4.2	3
4.8	5
2.1	4
3.5	1
3.8	4

$$\mathit{MAE} = \frac{1}{n} \sum_{i=1}^{n} |a_i - p_i|$$

• RMSE (root mean square error)

$$RMSE = \sqrt{\frac{1}{n}\sum_{i=1}^{n}(a_i - p_i)^2}$$