

# Winsorization

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- Winsorization is a way to minimize the influence of outliers in our data by either by Deleting the extreme observations of our data.
- The Concept of Winsorization is based on the Concept of Normal Distribution.
- Where It Tries to find out the Most Uncommon Observations and Treat them in the most appropriate way.

# Winsorization in a Real world

1. To Analyze the data and try to find out the cause for the outliers in the dataset.
2. To Decide how much winsorization we want.

In General, We prefer the Winsorization of the top 5 percent and the bottom 5 percent of the dataset.

1. To Replace the extreme values by maximum or minimum values.