Artificial Intelligence - Group

B.kameshwaran 211121104027

Market Basket Insights

Problem Definition: The problem is to perform market basket analysis on a provided dataset to unveil hidden patterns and associations between products. The goal is to understand customer purchasing behavior and identify potential cross-selling opportunities for a retail business. This project involves using association analysis techniques, such as Apriori algorithm, to find frequently co-occurring products and generate insights for business optimization.

Design Thinking:

Step: 1 Data Source Selection

- - Choose a dataset that represents real- world sale data, similar as deals records from a retail store,e-commerce platform, or point- of- trade system.
- - insure that the dataset contains applicable information, including sale IDs, timestamps, and lists of bought products.
- - Consider the size of the dataset, as a larger dataset may give further comprehensive perceptivity but may also bear further computational coffers.
- - corroborate the quality and integrity of the data, addressing issues like missing values, outliers, and data thickness.
- - Understand the source of the data, its update frequence, and whether it aligns with the objects of the request handbasket analysis.

Step: 2 Data Preprocessing

- - Remove indistinguishable deals to insure that each sale is counted only formerly.
- - Handle missing product information by attributing missing values or banning deals with missing data if they're negligible.
- - Render categorical variables, similar as product names, into a format suitable for the Apriori algorithm, like double or one-hot encoding.
- - Explore and fantasize introductory statistics and patterns in the data, similar as sale frequence, popular products, and seasonality.
- - homogenize or gauge the data if necessary to alleviate the impact of varying sale sizes.

Step: 3 Association Analysis(Apriori Algorithm)

- - Configure the minimal support threshold, specifying the minimum frequence that an itemset must meet to be considered" frequent."
- - Set the minimal confidence threshold, indicating the position of certainty needed for an association rule to be considered significant.
- - induce frequent itemsets by applying the Apriori algorithm, which employs alevel-wise hunt approach.
- - pare occasional itemsets to optimize computational effectiveness and concentrate on applicable associations.
- - induce association rules that detail product connections grounded on support, confidence, and lift values.

Step: 4 perceptivity Generation

- - dissect association rules to identify meaningful patterns and product associations.
- - Focus on high- confidence rules, which indicate strong associations between products.
- - probe lift values to distinguish between arbitrary associations and those with factual significance.
- - Consider the directionality of association rules(e.g., A-> B and B-> A) to understand the inflow of product purchases.
- - Explore the size and imbrication of itemsets to gain perceptivity into the complexity of client geste .

Step: 5 Visualization

- - produce bar maps or histograms to fantasize the frequence of product combinations.
- - figure heatmaps to represent the strength and direction of associations between products.
- - Construct network plates to show interconnections between products in a visually intuitive way.
- - Use pie maps or word shadows to punctuate the most common product dyads or associations.
- - Consider interactive dashboards for stakeholders to explore the data and perceptivity stoutly.

Step: 6 Business Recommendations

- - Knitter recommendations to specific business objects, similar as adding deals, optimizing force, or perfecting marketing strategies.
- - give practicable perceptivity on which products to rush together forcross-selling openings.
- - Suggest strategies for product placement within the store or one-commerce platforms grounded on association findings.

- - Recommend substantiated marketing juggernauts targeting guests who constantly buy certain product combinations.
- - estimate the implicit impact of enforcing these recommendations and estimate ROI(Return on Investment) when possible.