

Module 4: Data Preparation and Modeling

Day on the life of a Data Scientist Workshop

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After completing this module, you will be able to do the following:

- Write queries in SQL, Python, and R to transform data and use it to build a model
- Discuss Data Science Process as applicable



Topics

- Introduction
- House Pricing Model
 - Data Science Process
 - SQL
 - Python
 - R
- Summary and Review



Current Topic – Introduction

- Introduction
- House Pricing Model
 - Data Science Process
 - SQL
 - Python
 - R
- Summary and Review



Introduction

 In this module, we will be using various analytic functions in SQL, Python, and R related to computer hardware data

 We will first prepare our source data by removing outliers and scaling certain variables. We will then build a Model to predict the prices for Houses in Colombia. Lastly, we will quantify the accuracy of the Model.

Current Topic – House Pricing Model: Data Science Process

- Introduction
- House Pricing Model
 - Data Science Process
 - SQL
 - Python
 - R
- Summary and Review



- 1. You must be clear on the business goal of the analytic request, the success criteria and Data Science goal(s)
- 6. Operationalize and revisit over time. Should it be operationalized? Once you have followed your companies process for operationalizing, you need to consider these monitoring and maintenance questions: Has data changed? Has new data become available? Is the model still predicting accurately? Etc.
- 5. Compare models / analysis techniques (e.g. using Vantage statistical functions) and select best results. Does it meet your business goals/success criteria? Should it be visualized and/or operationalized?

Business Data **Understanding Understanding** 3 Data **Preparation** 6 Deployment Data Modelina **Evaluation** CRISP-DM

2. You must know the underlying data. Size (#rows)? What's in the data (Columns)? Data sources? Schema type - structured or unstructured? Verify data quality. Use Vantage functions and other tools/techniques to examine the data

- 3. Does the data need preparing? Yes/No? Remove outliers? Missing data? Scale? Transform? Organize by geolocation? Perform data preparation using Vantage data preparation functions
- 4. Which predictive/analytic functions? Which arguments? Based on function, does data need further cleaning/preparing? Execute Vantage ML functions to create models/analyses
- Build supervised/predictive model(s) on training set, validate on test set, and use Vantage statistical functions to assess accuracy of results
- Perform unsupervised/descriptive analytics on full data set and assess reasonableness of results visually
- Make sure to experiment. Use visualization to assist in model/analysis assessment.
 Keep track of peripheral findings

Step 1. Business Understanding Data Science Process for the House Pricing Model

Step	Description	Activities	Comments
1	Business Understanding	Business goal? Success criteria? DS goal?	We are a real estate company, and we would like to build a model that accurately predicts the prices for houses in Colombia. In this case study, we will use SQL, Python, and R
2	Data Understanding	What does the data show? Where is it located? Is it complete/correct?	Data resides in Precio_Casas_Col , which contains detailed information of various ads in a home sales website. We will illustrate how to remove outliers and perform scaling
3	Data Preparation	Outliers? Scale? Organize by geolocation?	We will remove outliers and perform scaling on chosen variables
4	Modeling/ Analysis	Which functions? Which arguments? Experiment! Assess and compare models/analyses	Use available algorithms in VAL
5	Evaluation	Are your business goals and criteria being met? Visualize? Pick best performers	Analyze the results and how accurately our model predicts published prices
6	Deployment	Operationalize and revisit over time.	Plan to operationalize the analytic results varies by customer and is not covered in this course.

Current Topic – House Pricing Model with Data Science Process (SQL)

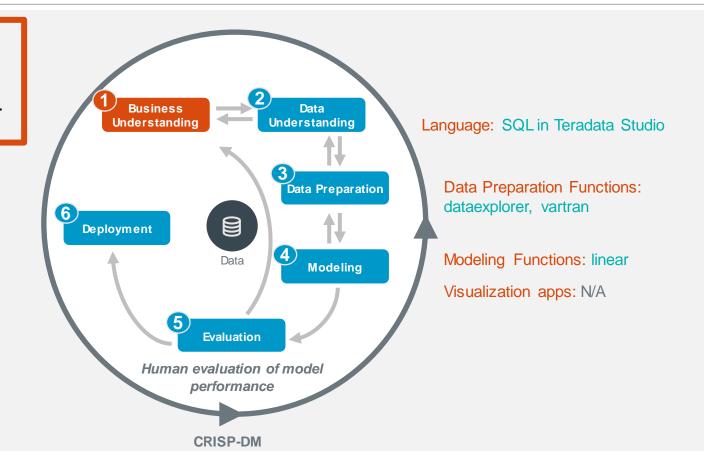
- Introduction
- House Pricing Model
 - Data Science Process
 - SQL
 - Python
 - R
- Summary and Review



Business Objective:

Step 1. Business Understanding

Build a Model that accurately predicts published House Prices. Prepare data first





Step 2. Data Understanding Lab 01: View the Raw Data

Business Objective: Build a **Linear Regression** Model to predict House Prices. Prepare data by first modifying Outlier values and Transforming the data

SELECT * FROM Precio_Casas_Col;

	banos	s ba	. co	. cua	r c	u	dep	dep	estrato	est	ga	gar	gim	habitaciones	ha	instala	jac	jar	latitud	longitud	nu	ра	pis	pla	porter	remo	salonc	sau	terraza	tiempodeconstr	tipodegaraj	valor
1	2	null	Si	null	r	null	1	1	4	null	Si	1	Si	1	null	Natural	null	null	4.63965	-74.06217	1	null	null	null	24hrs	No	null	null	null	Entre 0 y 5 años	Independier	e 270675000.00000
2	2	null	nul	null	r	null	null	null	4	null	Si	2	Si	2	null	null	null	null	4.72317	-74.03037	1	null	null	null	null	No	null	null	Balcón	Entre 0 y 5 años	Independier	e 430000000.00000
3	1	null	Si	null	r	null	null	null	5	null	Si	1	null	1	null	null	null	null	4.71076	-74.04765	null	null	null	null	null	No	null	null	null	Entre 0 y 5 años	Propio	300000000.00000
4	2	null	nul	null	r	null	1	1	4	null	Si	2	null	1	null	Natural	null	null	4.64847	-74.05513	2	null	null	null	24hrs	No	Si	null	Balcón	Entre 0 y 5 años	Servidumbre	430000000.00000
5	2	null	nul	null	r	null	1	1	5	null	Si	2	null	2	null	Natural	null	null	4.69499	-74.06491	null	null	null	null	null	No	null	null	Ninguno	Entre 0 y 5 años	Servidumbre	430000000.00000
6	2	null	nul	null	r	null	1	1	5	null	Si	1	Si	1	null	Natural	null	null	4.71950	-74.05031	1	null	null	null	24hrs	No	Si	null	Balcón	Entre 0 y 5 años	Independier	e 285000000.00000
7	3	null	Si	null	9	ii	1	1	4	null	Si	2	Si	3	Si	Natural	null	null	4.72420	-74.03983	1	null	null	null	24hrs	No	Si	null	null	Entre 0 y 5 años	Propio	380000000.00000
8	3	null	nul	null	r	null	null	null	null	null	null	null	null	3	null	null	null	null	4.69297	-74.05210	null	null	null	null	null	No	null	null	null	Entre 0 y 5 años	null	1049334000.0000
9	2	null	nul	null	r	null	null	null	4	null	Si	2	null	2	Si	Natural	null	null	4.71787	-74.06957	null	null	null	null	24hrs	No	Si	null	null	Entre 0 y 5 años	null	390000000.00000
10	4	null	Si	null	9	i	1	1	6	Si	Si	3	null	3	Si	Natural	null	null	4.71267	-74.02573	1	null	null	null	24hrs	No	null	null	null	Más de 20 años	Propio	1590000000.0000

- Describe and explore data
- Verify data adequacy/quality

Table houses various characteristics related to houses. The id is the unique identifier. Our dependent variable is valor

Yes, data is adequate for analysis task Complete? – Yes, covers all cases required Correct? – Yes, no missing values or errors

Step 3. Data Preparation

a) Does data require Cleaning? Does data need to be Scaled? Do Outliers need to be removed?

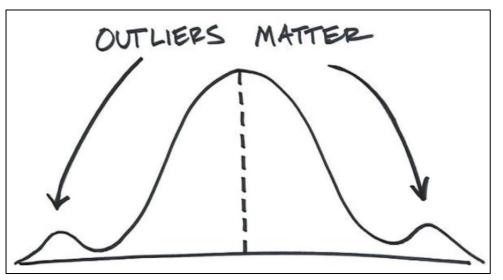
Yes. We will remove outliers and scale desired variables



Step 3. Data Preparation Identify Outliers

- Detecting and handling outliers becomes critical for certain statistical measures
- Analysis of data may not be meaningful if outliers are in the data





The **DataExplorer**, **Values**, **Statistics** options might be useful to detect abnormal and missing values; e.g., it could be useful for identifying the very best of your customers, it could be used to detect fraudulent activity, etc.

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Step 3. Data Preparation Values Syntax

```
call td_analyze(fvalues),
'database = val_source;
Tablename = customer;
Columns = all;');
```



Step 3. Data Preparation Lab 02a: Exploring the Dataset

```
-- Exploring the Values in the dataset
call TRNG_XSP.td_analyze (
  'values',
  'database = ADLSLSAMER_MS_AZ;
tablename = Precio_Casas_Col;
columns = all;');
```

 We can see the count of nulls, unique values, positive, negative, zeros, etc.

	xdb	xtbl	xcol ▼	xtype	xcnt	xnull	xunique	xblank	xzero	xpos	xneg
1	ADLSLSAMER_MS_AZ	Precio_Casas_Col	zonasverdes	VARCHAR(2) CHARACTER SET LATIN	145552.00000	95643.00000	1.00000	0.00000	null	null	null
2	ADLSLSAMER_MS_AZ	Precio_Casas_Col	zonaninos	VARCHAR(2) CHARACTER SET LATIN	145552.00000	91479.00000	1.00000	0.00000	null	null	null
3	ADLSLSAMER_MS_AZ	Precio_Casas_Col	zonadelavanderia	VARCHAR(2) CHARACTER SET LATIN	145552.00000	46704.00000	1.00000	0.00000	null	null	null
4	ADLSLSAMER_MS_AZ	Precio_Casas_Col	zona_de_bbq	VARCHAR(2) CHARACTER SET LATIN	145552.00000	120685.00000	1.00000	0.00000	null	null	null
5	ADLSLSAMER_MS_AZ	Precio_Casas_Col	vista	VARCHAR(10) CHARACTER SET LATIN	145552.00000	66782.00000	2.00000	0.00000	null	null	null
6	ADLSLSAMER_MS_AZ	Precio_Casas_Col	vigilancia	VARCHAR(10) CHARACTER SET LATIN	145552.00000	46454.00000	3.00000	0.00000	null	null	null
7	ADLSLSAMER_MS_AZ	Precio_Casas_Col	valorventa	NUMBER(38,2)	145552.00000	0.00000	3384.00000	null	2.00000	145550.00000	0.00000
8	ADLSLSAMER_MS_AZ	Precio_Casas_Col	valor	NUMBER(38,2)	145552.00000	0.00000	3384.00000	null	2.00000	145550.00000	0.00000
9	ADLSLSAMER_MS_AZ	Precio_Casas_Col	tipodegaraje	VARCHAR(15) CHARACTER SET LATIN	145552.00000	74957.00000	4.00000	0.00000	null	null	null
10	ADLSLSAMER_MS_AZ	Precio_Casas_Col	tiempodeconstruido	VARCHAR(20) CHARACTER SET LATIN	145552.00000	0.00000	4.00000	0.00000	null	null	null
11	ADLSLSAMER_MS_AZ	Precio_Casas_Col	terraza	VARCHAR(10) CHARACTER SET LATIN	145552.00000	72280.00000	4.00000	0.00000	null	null	null
12	ADLSLSAMER_MS_AZ	Precio_Casas_Col	sauna_yo_turco	VARCHAR(2) CHARACTER SET LATIN	145552.00000	135416.00000	1.00000	0.00000	null	null	null
13	ADLSLSAMER_MS_AZ	Precio_Casas_Col	saloncomunal	VARCHAR(2) CHARACTER SET LATIN	145552.00000	64681.00000	1.00000	0.00000	null	null	null
14	ADLSLSAMER_MS_AZ	Precio_Casas_Col	remodelado	VARCHAR(2) CHARACTER SET LATIN	145552.00000	0.00000	2.00000	0.00000	null	null	null
15	ADLSLSAMER_MS_AZ	Precio_Casas_Col	porteriaovigilancia	VARCHAR(10) CHARACTER SET LATIN	145552.00000	55760.00000	3.00000	0.00000	null	null	null
16	ADLSLSAMER_MS_AZ	Precio_Casas_Col	plantaelectrica	VARCHAR(2) CHARACTER SET LATIN	145552.00000	143274.00000	1.00000	0.00000	null	null	null
17	ADLSLSAMER_MS_AZ	Precio_Casas_Col	piscina	VARCHAR(2) CHARACTER SET LATIN	145552.00000	133205.00000	1.00000	0.00000	null	null	null
18	ADLSLSAMER_MS_AZ	Precio_Casas_Col	parqueaderovisitantes	VARCHAR(2) CHARACTER SET LATIN	145552.00000	127987.00000	1.00000	0.00000	null	null	null
19	ADLSLSAMER_MS_AZ	Precio_Casas_Col	numeroascensores	SMALLINT	145552.00000	61917.00000	4.00000	null	0.00000	83635.00000	0.00000

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Step 3. Data Preparation DataExplorer Syntax

```
call td_analyze('dataexplorer',
  'database = val_source;

Tablename = customer;
Outputdatabase = val_results;
Optional Parameters;');
```



Step 3. Data Preparation Lab 02b: Exploring the Dataset

```
-- Exploring the Values in the dataset
call TRNG_XSP.td_analyze (
  'values',
  'database = ADLSLSAMER_MS_AZ;
tablename = Precio_Casas_Col;
columns = all;');
```

 We can see the count of nulls, unique values, positive, negative, zeros, etc.

	xdb	xtbl	xcol ▼	xtype	xcnt	xnull	xunique	xblank	xzero	xpos	xneg
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2	ADLSLSAMER_MS_AZ	Precio_Casas_Col	zonaninos	VARCHAR(2) CHARACTER SET LATIN	145552.00000	91479.00000	1.00000	0.00000	null	null	null
3	ADLSLSAMER_MS_AZ	Precio_Casas_Col	zonadelavanderia	VARCHAR(2) CHARACTER SET LATIN	145552.00000	46704.00000	1.00000	0.00000	null	null	null
4	ADLSLSAMER_MS_AZ	Precio_Casas_Col	zona_de_bbq	VARCHAR(2) CHARACTER SET LATIN	145552.00000	120685.00000	1.00000	0.00000	null	null	null
5	ADLSLSAMER_MS_AZ	Precio_Casas_Col	vista	VARCHAR(10) CHARACTER SET LATIN	145552.00000	66782.00000	2.00000	0.00000	null	null	null
6	ADLSLSAMER_MS_AZ	Precio_Casas_Col	vigilancia	VARCHAR(10) CHARACTER SET LATIN	145552.00000	46454.00000	3.00000	0.00000	null	null	null
7	ADLSLSAMER_MS_AZ	Precio_Casas_Col	valorventa	NUMBER(38,2)	145552.00000	0.00000	3384.00000	null	2.00000	145550.00000	0.00000
8	ADLSLSAMER_MS_AZ	Precio_Casas_Col	valor	NUMBER(38,2)	145552.00000	0.00000	3384.00000	null	2.00000	145550.00000	0.00000
9	ADLSLSAMER_MS_AZ	Precio_Casas_Col	tipodegaraje	VARCHAR(15) CHARACTER SET LATIN	145552.00000	74957.00000	4.00000	0.00000	null	null	null
10	ADLSLSAMER_MS_AZ	Precio_Casas_Col	tiempodeconstruido	VARCHAR(20) CHARACTER SET LATIN	145552.00000	0.00000	4.00000	0.00000	null	null	null
11	ADLSLSAMER_MS_AZ	Precio_Casas_Col	terraza	VARCHAR(10) CHARACTER SET LATIN	145552.00000	72280.00000	4.00000	0.00000	null	null	null
12	ADLSLSAMER_MS_AZ	Precio_Casas_Col	sauna_yo_turco	VARCHAR(2) CHARACTER SET LATIN	145552.00000	135416.00000	1.00000	0.00000	null	null	null
13	ADLSLSAMER_MS_AZ	Precio_Casas_Col	saloncomunal	VARCHAR(2) CHARACTER SET LATIN	145552.00000	64681.00000	1.00000	0.00000	null	null	null
14	ADLSLSAMER_MS_AZ	Precio_Casas_Col	remodelado	VARCHAR(2) CHARACTER SET LATIN	145552.00000	0.00000	2.00000	0.00000	null	null	null
15	ADLSLSAMER_MS_AZ	Precio_Casas_Col	porteria ovigilancia	VARCHAR(10) CHARACTER SET LATIN	145552.00000	55760.00000	3.00000	0.00000	null	null	null
16	ADLSLSAMER_MS_AZ	Precio_Casas_Col	plantaelectrica	VARCHAR(2) CHARACTER SET LATIN	145552.00000	143274.00000	1.00000	0.00000	null	null	null
17	ADLSLSAMER_MS_AZ	Precio_Casas_Col	piscina	VARCHAR(2) CHARACTER SET LATIN	145552.00000	133205.00000	1.00000	0.00000	null	null	null
18	ADLSLSAMER_MS_AZ	Precio_Casas_Col	parqueaderovisitantes	VARCHAR(2) CHARACTER SET LATIN	145552.00000	127987.00000	1.00000	0.00000	null	null	null
19	ADLSLSAMER_MS_AZ	Precio_Casas_Col	numeroascensores	SMALLINT	145552.00000	61917.00000	4.00000	null	0.00000	83635.00000	0.00000

Step 3. Data Preparation Transforming Data

- We will now use the Vartran function to prepare data, so it is ready for further analysis in other functions
- Note these functions only work on columns whose data type is numeric

The Variable Transformation functions include:

- Bin Code
- Derive
- Design Code
- Null Replacement
- Recode
- Rescale
- Retain
- Sigmoid
- Z-Score

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Step 3. Data Preparation Why Transform?

- Sometimes the variables have very skewed distributions. To get linear relationships is necessary to transform them.
- There are many possible transformations. The best option is to test various methods to find the better one.

Potencia	Transformación	Descripción
$\lambda_1 = 2$	$Y' = Y^2$	Cuadrado
$\lambda_1 = 1$	Y' = Y	Datos sin Transformar
$\lambda_1 = 0.5$	$Y' = \sqrt{Y}$	Raíz Cuadrada
$\lambda_1 = 0.333$	$Y' = \sqrt[3]{Y}$	Raíz Cúbica
$\lambda_1 = 0$	$Y' = \ln(Y)$	Logaritmo
$\lambda_1 = -0.5$	$Y' = \frac{1}{\sqrt{Y}}$	Raíz Cuadrada Inversa
$\lambda_1 = -1$	$Y' = \frac{1}{Y}$	Reciproco



Step 3. Data Preparation Lab 03a: Transform and Recode

```
call TRNG XSP.td analyze('vartran',

    We can use this option

'database=ADLSLSAMER MS AZ;
                                                 to transform features
tablename=Precio Casas Col;
outputstyle=table;
outputdatabase=ADLSLSAMER_MS_AZ;
outputtablename=trans;
keycolumns=id;
index=id;
designcode={designstyle(dummycode),designvalues(Entre 10 y 20
años/ant10 20, Entre 0 y 5 años/ant0 5, Entre 5 y 10 años/ant5 10,
Más de 20 años/ant20 mas), columns(antiguedad original)};
derive={formula(sqrt(x)), arguments(valor), outputname(rvalor)};');
```



Step 3. Data Preparation

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Lab 3b: Transform, Recode, Impute, Filter and Sampling

```
CREATE TABLE precios AS (
select id, area, habitaciones,
CASE WHEN antiguedad original='Entre 0 y 5 años' THEN 1 ELSE 0 END AS ant0 5,
CASE WHEN antiguedad original='Entre 5 y 10 años' THEN 1 ELSE 0 END AS ant5 10,
CASE WHEN antiguedad_original='Entre 10 y 20 años' THEN 1 ELSE 0 END AS ant10_20,
CASE WHEN antiguedad original='Más de 20 años' THEN 1 ELSE 0 END AS ant20 mas,
CASE WHEN antiguedad original='Menos de 1 año' THEN 1 ELSE 0 END AS ant1 menos,
CASE WHEN antiguedad original='1 a 8 años' THEN 1 ELSE 0 END AS ant1 8,
CASE WHEN antiguedad_original='9 a 15 años' THEN 1 ELSE 0 END AS ant9_15,
CASE WHEN antiguedad original='16 a 30 años' THEN 1 ELSE 0 END AS ant16 30,
CASE WHEN antiguedad original='Más de 30 años' THEN 1 ELSE 0 END AS ant30 mas,
CASE WHEN banos is null then 0 else banos end as banos,
CASE WHEN garajes is null then 0 else garajes end as garajes,
CASE WHEN estrato is null then 0 else estrato end as estrato, SQRT(valor) as rvalor,
SAMPLEID as sid
FROM Precio Casas Col
WHERE area between 20 and 2000 and valor between 50000000 and 5000000000
SAMPLE RANDOMIZED ALLOCATION 0.7, 0.3
) WITH DATA
PRIMARY INDEX (id);
```

Sometimes, single SQL code is useful to implement various transformations

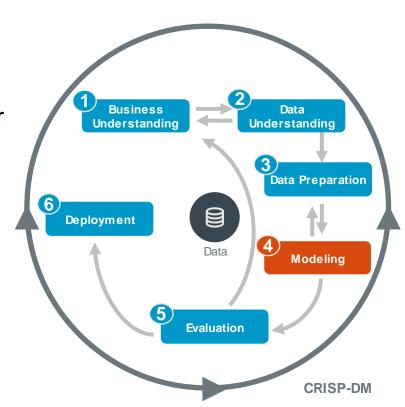
Step 4. Modeling

a) If ML, which Function (algorithms) and which order of execution?

Linear: (Linear Regression Model)
Formulates a model by discovering the linear relationships between independent and dependent variables.

LinearScore: Uses the previous output to predict the dependent variable against unknown data

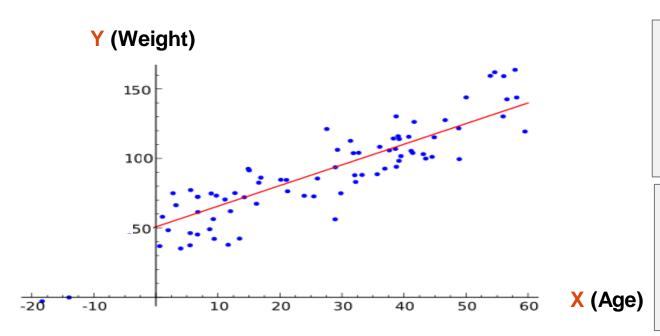
b) Does data require more Cleaning for the function to process?No



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Step 4. Modeling Linear Description

The Linear Regression Model enables the linear equation to relate to the dependent variables by a Link function.



Formula for Predicting Y:

$$Y = a + bX$$

Y = Value being predicted (Weight)

a = Y-intercept (50)

b = Slope of line (.3)

X = Value you know (Age)

Note: The line is fit such that the sum of all the squared residuals (distances between each actual datapoint's y-value and the line's same y-value) is as small as possible

In Cause and Effect, the Independent variable (X) is the Cause and the Dependent variable (Y) is the Effect



Step 4. Modeling Lab 04: Create TRAIN and TEST Tables

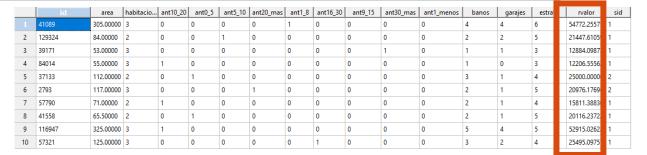
```
-- SAMPLE data into 2 tables

CREATE MULTISET TABLE tch_train AS (
SELECT * FROM precios WHERE SID = 1
) WITH DATA

PRIMARY INDEX (id);
```

```
CREATE MULTISET TABLE tch_test AS (
SELECT * FROM precios WHERE SID = 2
) WITH DATA
PRIMARY INDEX (id);
```

- We create a TRAIN and TEST table from the precios table (so Outliers have been resolved and Scaling performed)
- We will use the Linear function to build a Model for predicting rvalor (the square root of the published price for a house)



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Step 4. Modeling Linear Syntax

```
call td_analyze('linear',
  'database = val_database;
Tablename = tablename;
Columns = c1, c2;
Dependent = c0;
Groupby = c3, c4;
Outputdatabase = val_out_db;
Outputtablename = val_out_tbl;
Constant = true;
Optional Parameters;');
```



```
call TRNG_XSP.td_analyze('linear',
'database=ADLSLSAMER MS AZ;
tablename=tch train;
columns= all;
columnstoexclude=id,sid;
dependent=rvalor;
statstable=true;
stepwise=true;
outputdatabase=ADLSLSAMER MS AZ;
outputtablename=linearmodel;');
```

				_	
	Column Name	B Coefficient	Standard Error	T Statistic	P-Value
1	(Constant)	7773.21359	116.16625	66.91456	0.00000
2	ant0_5	623.36157	105.50324	5.90846	0.00000
3	ant1_8	-412.72735	112.10057	-3.68176	0.00023
4	ant1_menos	642.28020	143.20291	4.48511	0.00001
5	ant10_20	-1266.36810	104.88542	-12.07382	0.00000
6	ant16_30	-1951.35734	113.82492	-17.14350	0.00000
7	ant20_mas	-1687.62400	109.91202	-15.35432	0.00000
8	ant30_mas	-1315.23379	140.96906	-9.32995	0.00000
9	ant5_10	-509.27420	106.53567	-4.78032	0.00000
10	ant9_15	-1224.16156	116.80606	-10.48029	0.00000
11	area	79.64339	0.27095	293.94481	0.00000
12	banos	1399.47085	19.30932	72.47645	0.00000
13	estrato	794.48328	9.91947	80.09332	0.00000
14	garajes	2222.22479	20.37773	109.05163	0.00000
15	habitaciones	-1002.33398	17.88066	-56.05688	0.00000

The Dependent column must be of a numeric data type

Step 4. Modeling LinearScore Syntax

```
call td_analyze( linearscore',
'database = db;
Tablename = tbl;
                                        Note: The function may fail if you have NULL
Outputdatabase = out db;
                                             values present in your input table
Outputtablename = out tbl;
Modeldatabase = model db;
Modeltablename = model tbl;
Index = i1, i2, i3;
Retain = r1, r2, r3;
Scoringmethod = { score| evaluate| scoreandevaluate};
Residual = res;
Predicted = pre;
Optional Parameters;');
```



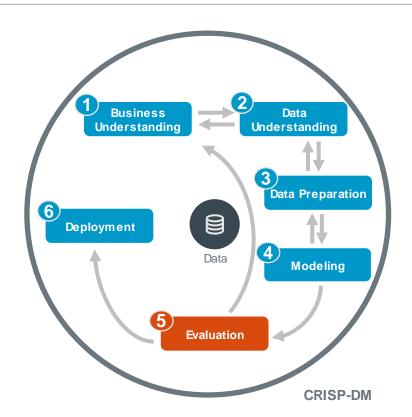
```
call TRNG_XSP.td_analyze('linearscore',
'database=ADLSLSAMER MS AZ;
tablename=tch test;
modeldatabase=ADLSLSAMER MS AZ;
modeltablename=linearmodel;
outputdatabase=ADLSLSAMER MS AZ;
outputtablename=linearmodelval;
predicted=valor estimado;
retain=valor;
samplescoresize=10;
scoringmethod=scoreandevaluate;');
```

		Actual	Prediction	
	id	rvalor	rvalor_estimado	Residual
1	107882	14832.39697	16838.37395	-2005.97697
2	70976	12449.89960	11026.00345	1423.89615
3	4895	27568.09750	26787.33594	780.76157
4	10408	23600.84744	24457.04617	-856.19873
5	42247	19104.97317	20166.04391	-1061.07074
6	71517	18708.28693	20053.37047	-1345.08354
7	13180	30000.00000	34377.27935	-4377.27935
8	84973	20663.97832	20322.50958	341.46874
9	140887	20248.45673	20218.83499	29.62174
10	103066	27018.51217	26268.18507	750.32710

Step 5. Evaluation

- 5. Evaluation Assessing the business value of the model/analysis output
 - a) Is Output Actionable (sufficiently meet business goals/success criteria), nice to know or new starting point?

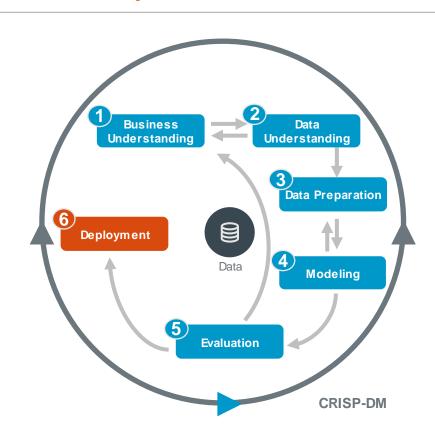
Let's Evaluate the Output...



- Our Model does a very poor job at meeting our stated business goal and predicting the chosen dependent variable
- Next steps could include one or more of the following:
 - Re-confirm that source data is complete and correct
 - Re-run the model with different arguments
 - Re-run the model without removing outliers
 - Re-run the model without scaling the data
 - Build other models using different predictive functions
 - Re-assess how important the stated business goal actually is

- 6. Deployment The end goal is to "operationalize" the analytic findings. Taking analytics from insight to impact – the process of getting analytics out to business stakeholders for use/reuse to meet business goals
 - a) Plan deployment (how to operationalize)

Note: This varies by customer and is not covered in this course



teradata.

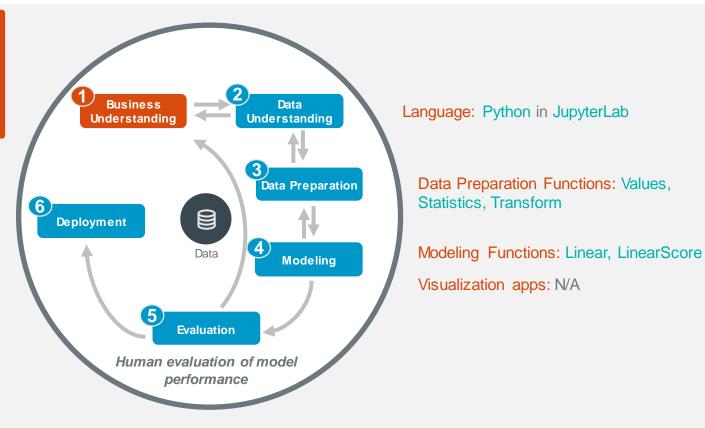
Current Topic – House Pricing Model with Data Science Process (Python)

- Introduction
- House Pricing Model
 - Data Science Process
 - SQL
 - Python
 - R
- Summary and Review



Business Objective:

Build a Model that accurately predicts House Prices. Prepare data first



CRISP-DM



Open JupyterLab

- 1. Open file: Demo_Price_Model_Python.ipynb
- 2. Highlight the 1st Cell (you'll get a blue vertical bar for that Cell)

Modelo de Estimación del Precio de Viviendas

Step 1: Business Understanding

Este dataset contiene información recolectada de precios y características de 142 mil viviendas en Colombia. La información se encuentra disponible públicamente en el repositorio Kaggle: https://www.kaggle.com/datasets/danieleduardofajardo/colombia-house-prediction

Cargamos las librerías

```
[1]: from teradataml import create_context, DataFrame, get_context, copy_to_sql, in_schema, remove_context
    from teradataml.dataframe.sql_functions import case
    import tdconnect
    import pandas as pd
    import numpy as np
    import getpass as gp

from teradataml import *
    from teradataml.analytics.valib import *
    configure.val_install_location = "TRNG_XSP"
```



Lab 00: Import Python Libraries

- 1. Highlight Cell 1 (you'll get a blue vertical bar for that Cell)
- 2. Click Run button . Kernel indicator circle will fill in. When finished it will be White again (sometimes it happens so fast won't see circle fill in)
- 3. Run Cell 2 to Display all Python code as SQL code

Cargamos las librerías

```
[1]: fro teradataml it port create_context, DataFrame, get_context, copy_to_sql, in_schema, remove_context
    from teradataml.dataframe.sql_functions import case
    import tdconnect
    import pandas as pd
    import numpy as np
    import getpass as gp

from teradataml import *
    from teradataml.analytics.valib import *
    configure.val_install_location = "TRNG_XSP"
```



Step 2. Data Understanding Lab 01: Load/View the Raw Data

Business Objective: Build a Model to predict House Prices. Prepare data by first modifying Outlier values and Normalizing the data

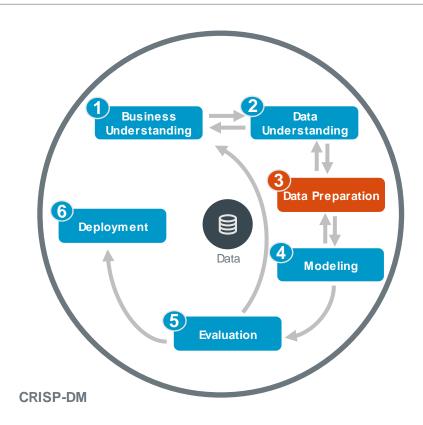
	antiguedad_original	area	areabalcon	areaconstruida	areaterraza	balcon	banos	banoservicio	conjuntocerrado	cuarto_de_escoltas	 tiem pode construido	tipodegaraje	valor
id													
112194	Entre 10 y 20 años	179	None	179	None	Ninguno	3.0	None	None	None	 Entre 10 y 20 años	None	1150000000
88784	Entre 0 y 5 años	65	None	65	None	Balcón	2.0	None	None	None	 Entre 0 y 5 años	Independiente	560500000
60011	Entre 0 y 5 años	38	None	38	None	Ninguno	1.0	None	Si	None	 Entre 0 y 5 años	None	165000000
2669	Entre 0 y 5 años	124	32	124	32	Terraza	3.0	None	Si	None	 Entre 0 y 5 años	Servidumbre	855000000
44921	Entre 10 y 20 años	61	None	61	None	Terraza	2.0	None	None	None	 Entre 10 y 20 años	None	310000000
70207	Entre 0 y 5 años	62	None	62	None	Balcón	2.0	None	Si	None	 Entre 0 y 5 años	None	330000000
115681	Más de 20 años	97	None	97	None	None	3.0	None	Si	None	 Más de 20 años	Independiente	320000000
30565	Entre 10 y 20 años	257	None	257	None	Ninguno	3.0	None	Si	None	 Entre 10 y 20 años	None	1800000000
85297	Entre 10 y 20 años	57	None	57	None	None	1.0	None	None	None	 Entre 10 y 20 años	None	195000000

- Describe and explore data
- Table houses various characteristics related to houses. The id is the unique identifier. Our dependent variable is valor Yes, data is adequate for analysis task (Complete/Correct)
- Verify data adequacy/quality

Step 3. Data Preparation

a) Does data require Cleaning? Does data need to be Scaled? Do Outliers need to be removed?

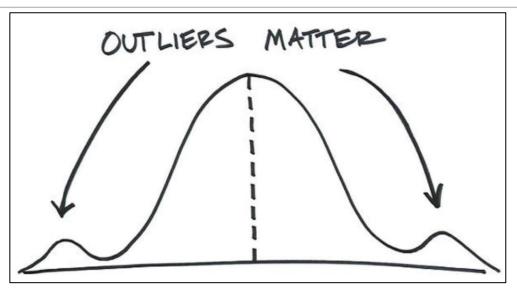
Yes. We will remove Outliers and Scale desired variables



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Step 3. Data Preparation Identify Outliers





- Detecting and handling outliers becomes critical for certain statistical measures
- Analysis of data may not be meaningful if outliers are in the data

The **DataExplorer**, **Values**, **Statistics** options might be useful to detect abnormal and missing values; e.g., is could be useful for identifying the very best of your customers, it could be used to detect fraudulent activity, etc.

```
explor = valib.Values(data=tdPrecios,
columns="all")
explor.result.to_pandas()
```

To identify nulls, positive, negative, missing values, etc.

explor = valib.Values(data=tdPrecios, columns="all") explor.result.to_pandas()														
			xtype	xcnt	xnull	xunique	xblank	xzero	xpos	xneg				
xdb	xtbl	xcol												
ADLSLSAMER_MS_AZ	Precio_Casas_Col	vista	VARCHAR(10) CHARACTER SET LATIN	145552.0	66782.0	2.0	0.0	NaN	NaN	NaN				
		id	INTEGER	145552.0	0.0	145552.0	NaN	1.0	145551.0	0.0				
		garajes	SMALLINT	145552.0	13864.0	9.0	NaN	0.0	131688.0	0.0				
		saloncomunal	VARCHAR(2) CHARACTER SET LATIN	145552.0	64681.0	1.0	0.0	NaN	NaN	NaN				
		areabalcon	NUMBER(8,2)	145552.0	121195.0	336.0	NaN	11.0	24346.0	0.0				
		porteria ovigilancia	VARCHAR(10) CHARACTER SET LATIN	145552.0	55760.0	3.0	0.0	NaN	NaN	NaN				
		estrato	SMALLINT	145552.0	6667.0	7.0	NaN	0.0	138885.0	0.0				
		cuartodeservicio	VARCHAR(2) CHARACTER SET LATIN	145552.0	117209.0	1.0	0.0	NaN	NaN	NaN				
		depositoocuartoutil	VARCHAR(10) CHARACTER SET LATIN	145552.0	88096.0	4.0	0.0	NaN	NaN	NaN				
		numeroascensores	SMALLINT	145552.0	61917.0	4.0	NaN	0.0	83635.0	0.0				

```
out = valib.Statistics(data=tdPrecios,
columns=["area", "valor"],
extended_options="quantiles")
out.result.to_pandas()
```

To detect Outliers with Percentile Option

	<pre>out = valib.Statistics(data=tdPrecios, columns=["area", "valor"], extended_options="quantiles") out.result.to_pandas()</pre>															
	xcnt	xmin	xmax	xmean	xstd	xpctile0	xpctile1	xpctile2	xpctile3	xpctile4		xpctile91	xpctile92	xpctile93	xpctile94	xpctile95
xcol																
valor	145552.0	0.0	4.100000e+12	1.401152e+09	2.829426e+10	0.0	115000000.0	130000000.0	145000000.0	150000000.0		1.478000e+09	1.550000e+09	1.600000e+09	1.750000e+09	1.900000e+09
area	145528.0	0.0	5.700000e+05	1.370333e+02	2.130737e+03	0.0	32.0	38.0	41.0	44.0		2.140000e+02	2.250000e+02	2.380000e+02	2.500000e+02	2.650000e+02

Step 3. Data Preparation Lab 03a: Transforming with SQL

```
ndf = DataFrame.from_query("select id, area, habitaciones,
CASE WHEN antiguedad_original='Entre 10 y 20 años' THEN 1 ELSE 0 END AS ant10_20,
CASE WHEN antiguedad_original='Entre 0 y 5 años' THEN 1 ELSE 0 END AS ant0_5,
CASE WHEN antiguedad_original='Entre 5 y 10 años' THEN 1 ELSE 0 END AS ant5_10,
CASE WHEN antiguedad_original='Más de 20 años' THEN 1 ELSE 0 END AS ant20_mas,
CASE WHEN antiguedad_original='1 a 8 años' THEN 1 ELSE 0 END AS ant1_8,
CASE WHEN antiguedad_original='16 a 30 años' THEN 1 ELSE 0 END AS ant16_30,
CASE WHEN antiguedad_original='9 a 15 años' THEN 1 ELSE 0 END AS ant9_15,
CASE WHEN antiguedad_original='Más de 30 años' THEN 1 ELSE 0 END AS ant30_mas,
CASE WHEN antiguedad_original='Menos de 1 año' THEN 1 ELSE 0 END AS ant1_menos,
banos, garajes, estrato, valor, SAMPLEID as sid
FROM ADLSLSAMER_MS_AZ.Precio_Casas_Col
WHERE area between 20 and 2000 and valor between 500000000 and 5000000000
SAMPLE RANDOMIZED ALLOCATION 0.7, 0.3", True, "id")
```

- Is it possible to build a query and store it on a TeradataML Data Frame
- It helps to simplify the transformation process



Step 3. Data Preparation Lab 03b: Transformations with 'Transform'

```
fn_1 = FillNa(style="literal", value=0, columns="garajes")
fn_2 = FillNa(style="literal", value=0, columns="estrato")
fn_3 = FillNa(style="literal", value=0, columns="banos")
```

```
derive = Derive(formula="sqrt(x)", columns="valor", out_column="rvalor")
```

```
retain = Retain(columns=["habitaciones",
   "area", "ant0_5", "ant5_10", "ant10_20", "ant20_mas", "ant1_menos", "ant1_8",
   "ant9_15", "ant16_30", "ant30_mas", "sid"])
```

```
matriz = valib.Transform data=ndf, fillna=[fn_1, fn_2, fn_3], derive=derive,
retain=retain, key_columns="id", index_columns="id")
```

Step 4. Modeling

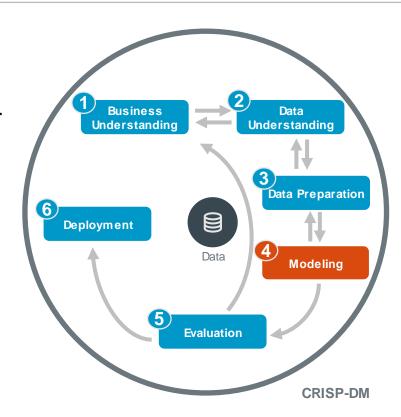
a) If ML, which Function (algorithms) and which order of execution?

Linear: (Linear Regression Model)
Formulates a model by discovering the linear relationships between independent and dependent variables.

LinearScore: Uses the previous output to predict the dependent variable against unknown data

b) Does data require more Cleaning for the function to process?

No





Step 2. Data Understanding Lab 03: View Prepped Dataframes

```
tbl_train=matriz.result[matriz.result["sid"]==1]
tbl_test=matriz.result[matriz.result["sid"]==2]
```

- Here, we view our TRAIN set and TEST Dataframes
- We will use the Linear Regression algorithm to build a Model to predict the House Prices

 We can use feature selection algorithms, despite Scikit-Learn

	B Coefficient	Standard Error	T Statistic	P-Value	Lower	Upper	Standard Coefficient	Incremental R-Squared
Column Name								
ant10_20	-1252.157310	104.279709	-12.007679	3.411702e-33	-1456.544239	-1047.770381	-0.058506	0.823224
ant16_30	-1976.882952	113.547119	-17.410243	8.674452e-68	-2199.433890	-1754.332014	-0.049794	0.823001
(Constant)	7378.714421	115.801885	63.718431	0.000000e+00	7151.744170	7605.684671	0.000000	0.000000
ant0_5	690.657957	104.981707	6.578841	4.764389e-11	484.895121	896.420792	0.031054	0.811712
ant30_mas	-1293.317418	139.206210	-9.290659	1.562617e-20	-1566.159853	-1020.474983	-0.017852	0.823433
ant1_menos	694.376851	143.804907	4.828603	1.376952e-06	412.521026	976.232676	0.008967	0.822066
ant20_mas	-1653.428861	109.248482	-15.134571	1.092252e-51	-1867.554523	-1439.303199	-0.051083	0.823178
banos	1258.267216	19.254005	65.350933	0.000000e+00	1220.529605	1296.004826	0.138237	0.816933
estrato	821.623526	9.931604	82.728183	0.000000e+00	802.157707	841.089345	0.130373	0.804314
habitaciones	-766.888197	18.150366	-42.251941	0.000000e+00	-802.462689	-731.313706	-0.069330	0.820687
ant1_8	-408.872748	111.596433	-3.663851	2.485782e-04	-627.600365	-190.145131	-0.011265	0.822722
area	78.215542	0.269210	290.537213	0.000000e+00	77.687893	78.743190	0.606413	0.722179
ant9_15	-1202.414236	116.430822	-10.327285	5.458667e-25	-1430.617194	-974.211278	-0.027261	0.823282
garajes	2312.012685	20.469241	112.950583	0.000000e+00	2271.893229	2352.132142	0.218030	0.786930
ant5_10	-459.052575	105.967585	-4.332009	1.478973e-05	-666.747720	-251.357430	-0.018224	0.821456

The ResponseColumn must be of a numeric data type



tdModel statistical measures to pandas()

tdModel.sta	tdModel.statistical_measures.to_pandas()														
Total Sum of Squares			Adjusted R- Squared	Standard Error of Estimate	_	Regression Degrees of Freedom	Regression Mean- Square	Regression F Ratio	Regression P-Value	Residual Sum of Squares	Residual Degrees of Freedom	Residual Mean- Square	Output Database		
9.035680e+12	0.907432	0.823433	0.823409	3979.07728	7.440278e+12	14.0	5.314484e+11	33565.752847	0.0	1.595402e+12	100764.0	1.583306e+07	LC250058		

• The Adjusted R-Square is 82.34%



Step 4. Modeling/ Step 5. Evaluation Lab 06: Validate Accuracy

```
valib.LinRegEvaluator data=tbl_test, model=tdModel.model)
```

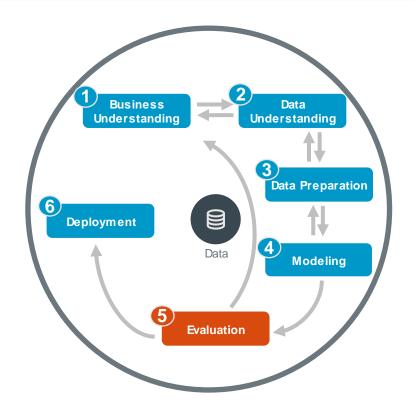
Note: We can use the Test Sample to Validate the Model

Minimum Absolute Error Maxmum Absolute Error Average Absolute Error Standard Error of Estimate
0.010003 150234.526457 2513.567227 3937.149252

Step 5. Evaluation

- 5. Evaluation Assessing the business value of the model/analysis output
 - a) Is Output Actionable (sufficiently meet business goals/success criteria), nice to know or new starting point?

Let's Evaluate the Output...



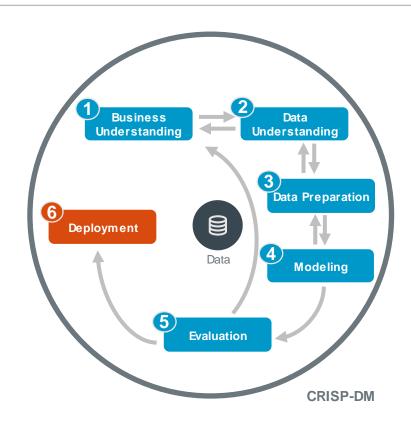
teradata.

Step 5. Evaluation Model Output – Is It Actionable?

- Our Model does a very poor job at meeting our stated business goal and predicting the chosen dependent variable
- Next steps could include one or more of the following:
 - Re-confirm that source data is complete and correct
 - Re-run the model with different arguments
 - Re-run the model without removing outliers
 - Re-run the model without scaling the data
 - Build other models using different predictive functions
 - Re-assess how important the stated business goal actually is

- 6. Deployment The end goal is to "operationalize" the analytic findings. Taking analytics from insight to impact – the process of getting analytics out to business stakeholders for use/reuse to meet business goals
 - a) Plan deployment (how to operationalize)

Note: This varies by customer and is not covered in this course





LinRegPredict Function

```
tdScore = valib.LinRegPredict(data=tbl_test,
model=tdModel.model, response_column="rvalue_estim")
```

Transform the response into the original scale for Prices

```
derive = Derive(formula="x*x", columns="rvalue_estim",
  out_column="valor_estim")
ScoreFinal = valib.Transform(data=tdScore.result,
  derive=derive, key_columns="id", index_columns="id")
```

Store the final dataset into Vantage

```
ScoreFinal.result.to_sql(schema_name="ADLSLSAMER_MS_AZ", table_name="Precio_Score")
```

Current Topic – House Pricing Model with Data Science Process (R)

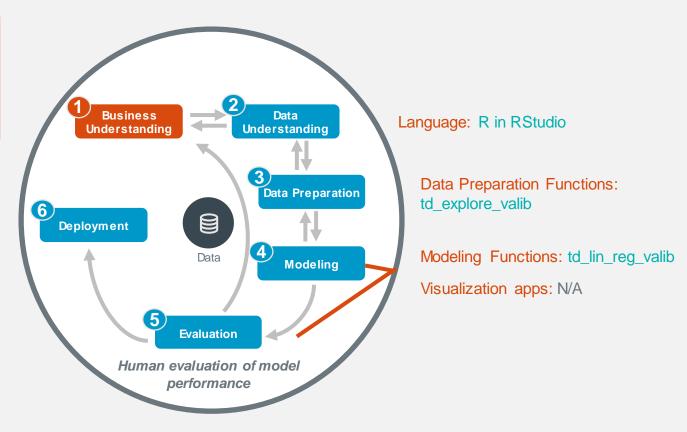
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- Introduction
- House Pricing Model
 - Data Science Process
 - SQL
 - Python
 - R
- Summary and Review



Business Objective:

Build a Model that accurately predicts House Prices. Prepare data first



CRISP-DM



Lab 00: Load Libraries

Load Dependent R Libraries followed by 'tdplyr'

```
# Load Libraries
LoadPackages <- function() {
library(getPass)
library(dbplyr)
library(DBI)
library(tidyverse)
library(teradatasql)
library(tdplyr)
 Suppress Package Detailed Information
"suppressPackageStartupMessages(LoadPackages())
```



Lab 00: Create and Set Teradata Vantage Context

```
# Create Vantage Context
con <- td_create_context (</pre>
          host = "host_name",
          uid = "user_id",
          pwd = getpass(),
          dType = "native",
           logmech = "LDAP")
 Connect to Vantage
td set context(con)
```

Your code may vary slightly from this Generic example

Create a variable name con

- 1. Use the td_create_context function
- 2. Input the appropriate information for the remaining arguments.
- Input the con variable as the parameter using the td set context function





Step 2. Data Understanding Lab 01: Load/View the Raw Data

Business Objective: Build a Model to predict House Prices. Prepare data by first modifying Outlier values and Transforming the data

```
tdPrecios <- tbl(con,dplyr::sql("SELECT * FROM
ADLSLSAMER_MS_AZ.Precio_Casas_Col"))
as.data.frame(head(tdPrecios))</pre>
```

id	area	habitaciones	ant10_20	ant0_5	ant5_10	ant20_mas	ant1_8	ant16_30	ant9_15	ant30_mas	ant1_menos	banos	garajes	estrato	valor	sid
<int></int>	<dbl></dbl>	<int></int>	<int></int>	<int></int>	<int></int>	<int></int>	<int></int>	<int></int>	<int></int>	<int></int>	<int></int>	<int></int>	<int></int>	<int></int>	<dbl></dbl>	<int></int>
63906	98	3	0	1	0	0	0	0	0	0	0	2	1	NA	4.50e+08	2
11050	44	2	0	0	0	0	0	0	1	0	0	2	NA	3	1.90e+08	1
29566	71	2	0	0	0	1	0	0	0	0	0	2	2	6	4.40e+08	1
133993	60	2	1	0	0	0	0	0	0	0	0	1	1	4	2.60e+08	1
24998	53	3	0	1	0	0	0	0	0	0	0	2	NA	2	1.50e+08	1
23530	67	2	1	0	0	0	0	0	0	0	0	1	1	3	1.85e+08	1

- Describe and explore data
- Verify data adequacy/quality

Table houses various characteristics related to houses. The id is the unique identifier. Our dependent variable is valor Yes, data is adequate for analysis task (Complete/Correct)

Step 3. Data Preparation

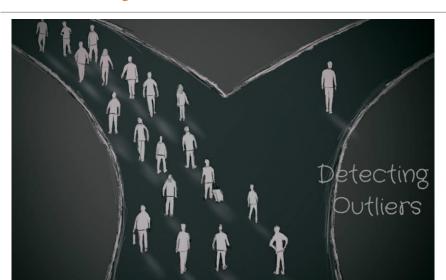
a) Does data require Cleaning? Does data need to be Scaled? Do Outliers need to be removed?

Yes. We will remove outliers and scale desired variables

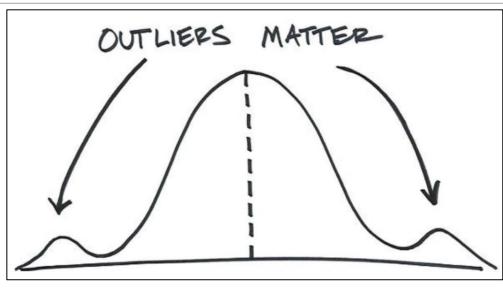


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Identify Outliers



Step 3. Data Preparation



- Detecting and handling outliers becomes critical for certain statistical measures
- Analysis of data may not be meaningful if outliers are in the data

The **DataExplorer**, **Values**, **Statistics** options might be useful to detect abnormal and missing values; e.g., is could be useful for identifying the very best of your customers, it could be used to detect fraudulent activity, etc.



Step 3. Data Preparation Lab 02: Explore Features

```
# Run td explore valib
eda01 <- td explore valib (data=tdPrecios)
# Values
arrange (as.data.frame (eda01$values.output),xcol)
# Statistics
arrange (as.data.frame (eda01$statistics.output),xcol)
 Frequency
arrange (as.data.frame (eda01$frequency.output),xcol,xval)
# Histogram
arrange (as.data.frame (eda01$histogram.output),xcol,xbin)
```

Step 4. Modeling

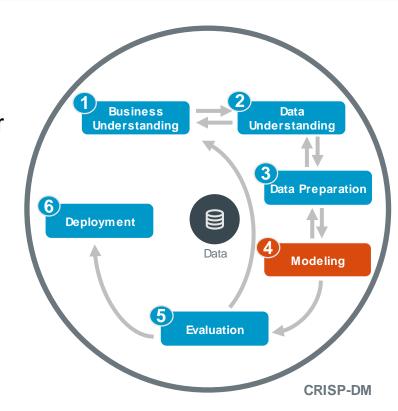
a) If ML, which Function (algorithms) and which order of execution?

Linear: (Linear Regression Model)
Formulates a model by discovering the linear relationships between independent and dependent variables.

LinearScore: Uses the previous output to predict the dependent variable against unknown data

b) Does data require more Cleaning for the function to process?

No



Business Objective: Build a Model to predict House Prices. But prepare data by first modifying Outlier values and Transforming the data

- We will next run a Linear model against the table, which has been pre-populated for you and is based on your previously-created tibble, which had already been treated for Outliers and Transformed
- The same holds true for the model table, for when we run LinearScore

```
-- Samples
tbl_train <- filter(tdPrecios, sid == 1)
tbl_test <- filter(tdPrecios, sid == 2)</pre>
```

The training function for Linear Regression

The ResponseColumn must be of a numeric data type

Step 4. Modeling/Step 5. Evaluation Lab 05: Validate Accuracy

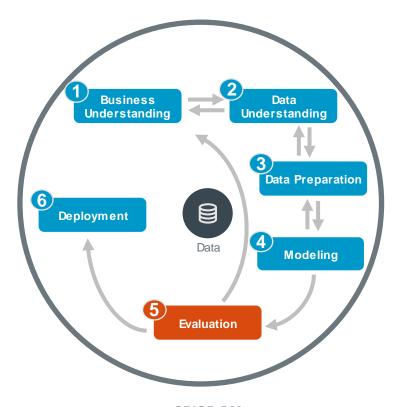
```
# Model Statistics
print(tdModel$statistical.measures)
# Model Evaluation
tdEval <- td_lin_reg_evaluator_valib(data=tbl_test, model=tdModel$model)</pre>
```

Note: Here we are validating the Accuracy of the Model. We are using math to calculate how far off each prediction is from the actual value, both from a "raw" value perspective as well as from a "percentage" perspective

Step 5. Evaluation

- 5. Evaluation Assessing the business value of the model/analysis output
 - a) Is Output Actionable (sufficiently meet business goals/success criteria), nice to know or new starting point?

Let's Evaluate the Output...

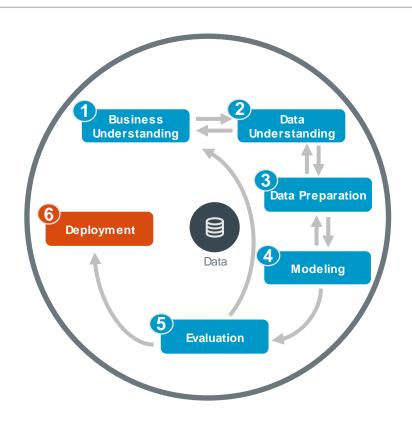


Step 5. Evaluation Model Output – Is It Actionable?

- Our model does a very poor job at meeting our stated business goal and predicting the chosen dependent variable
- Next steps could include one or more of the following:
 - Re-confirm that source data is complete and correct
 - Re-run the model with different arguments
 - Re-run the model without removing outliers
 - Re-run the model without scaling the data
 - Build other models using different predictive functions
 - Re-assess how important the stated business goal actually is

- 6. Deployment The end goal is to "operationalize" the analytic findings. Taking analytics from insight to impact the process of getting analytics out to business stakeholders for use/reuse to meet business goals.
 - a) Plan deployment (how to operationalize)

Note: This varies by customer and is not covered in this course





```
# Score New Dataset
tdScore <- td_lin_reg_predict_valib(data=tbl_test, model=tdModel$model,
response.column="valor_estim")</pre>
```

Current Topic – Summary and Review

- Introduction
- House Pricing Model
 - Data Science Process
 - SQL
 - Python
 - R
- Summary and Review



In this module, you learned how to:

- Write queries in SQL, Python, and R using the following analytic functions:
 - Vartran
 - Values
 - DataExplorer
 - Matrix
 - Linear
 - LinearScore
- Discuss the Data Science Process as applicable

Thank you.

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