

## Basic Data Preprocessing

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### working with data frame in pandas

```
# read from csv
df = pd.read_csv("./customers.csv", sep=";")

# inspect first 3 rows of dataframe
df.head(3)

# inspect the shape of the data
df.shape

# inspect column names
df.columns

# inspect the column data types
df.dtypes

# get summary of variable
df["MonthlyCharges"].describe()

# get summary statistics of all numeric variables
df.describe()

# get the mean of the MonthlyCharges variable
df["MonthlyCharges"].mean()

# get the unique categories of the InternetService variable
df["InternetService"].unique()

# check if the InternetService variable only contains unique values
df["InternetService"].is_unique()

# convert to numeric
pd.to_numeric(df_1["Postal_Code"])

# convert to date format
pd.to_datetime(df_2["dates"], format="%d/%m/%Y")

# sort based on Scores from big to small
df_1.sort_values(by="Scores", ascending=False)

# select row 2 and column 3
df_sub = df.iloc[1, 2]

# select rows 2, 5, 6 and column 4, 5
df_sub = df.iloc[[1, 4, 5], [3, 4]]

# select rows 10 until 30 and column 3 until 5
df_sub = df.iloc[10:30, 3:5]

# select the gender and tenure columns
df_sub = df[["gender", "tenure"]]

# select all the rows where gender equals Male
df_sub = df[df["gender"] == "Male"]

# select all the rows where tenure equals 1, 2 or 3
df_sub = df[df["tenure"].isin([1, 2, 3])]
```

```
# select all the rows where gender equals Male and OnlineSecurity equals Yes
df_sub = df[(df["gender"] == "Male") & (df["OnlineSecurity"] == "Yes")]

# group by gender and calculate mean of monthlycharegs for them
df.groupby("gender")["MonthlyCharges"].mean()

# group by gender and apply function
agg_dict = {"tenure": [np.mean, np.sum], "MonthlyCharges": [np.min, np.max]}
df.groupby("gender").agg(agg_dict)
```

	MonthlyCharges		tenure	
	amin	amax	mean	sum
gender				
Female	18.40	118.75	32.244553	112469
Male	18.25	118.35	32.495359	115521

```
# merge two dataframe
pd.merge(left=df_1, right=df_2, on=key, how="outer"/"inner"/"left" / "right")

# Drop every duplicate row, The subset parameter allows you to drop duplicates
based on a subset of columns instead of all columns
df.drop_duplicates(subset=[columns])

# Drop one or multiple columns from a DataFrame
df.drop(columns=[columns])

# Define a function that will be applied on the specified column of each row and
call it in the apply() function:
def replace_negative_values(column_obs):
    if column_obs < 0:
        return(0)
    else:
        return(column_obs)

df_1["Spending"].apply(replace_negative_values)

# Use the lambda expression in the apply() function
df_1["Spending"].apply(lambda x: 0 if x < 0 else x)
```

## EDA: STATISTICAL DATA EXPLORATION

Univariate summary statistics:

- Mean
- Median
- Mode
- Interquartile range:  $IQR = Q_3 - Q_1$
- Standard deviation  $s = \sqrt{\frac{1}{N-1} \sum_{i=1}^N (x_i - \bar{x})^2}$

Bivariate summary statistics:

- Pearson's correlation coefficient:  $r = \frac{\sum_{i=1}^n (x_i - \bar{x})(y_i - \bar{y})}{\sqrt{\sum_{i=1}^n (x_i - \bar{x})^2} \sqrt{\sum_{i=1}^n (y_i - \bar{y})^2}}$ 
  - strength of linear relationship between X and Y
  - $r \in [-1, 1]$

*# calculate the median of tenure*

```
np.median(df["tenure"])
```

*# calculate the first quartile such that 25% of the observations are lower than the first quartile*

```
np.percentile(df["tenure"], q=25)
```

*# calculate the minimum of MonthlyCharges*

```
np.min(df["MonthlyCharges"])
```

*# calculate the range of MonthlyCharges( difference between the maximum and minimum)*

```
np.ptp(df["MonthlyCharges"])
```

*# calculate the covariance between this two*

```
np.cov([df["MonthlyCharges"], df["tenure"]])
```

*# calculate the covariance matrix for all numeric variables*

```
df.cov(numeric_only=True)
```



## Covariance Formula

For Population

$$\text{Cov}(x,y) = \frac{\sum (x_i - \bar{x}) * (y_i - \bar{y})}{N}$$

For Sample

$$\text{Cov}(x,y) = \frac{\sum (x_i - \bar{x}) * (y_i - \bar{y})}{(N-1)}$$

*# calculate the correlation between this two (standardizes the covariance)*

```
np.corrcoef([df["SeniorCitizen"], df["tenure"]])
```

*# calculate the correlation matrix for all numeric variables*

```
df.corr(numeric_only=True)
```

*# measures how much each category occurred in a categorical variable*

```
df["Partner"].value_counts()
No    3641
Yes   3402
Name: Partner, dtype: int64
```

*# measures the relative proportion of each category of a categorical variable*

```
df["Partner"].value_counts(normalize=True)
```

*# calculate the correlation matrix for all numeric variables*

```
df["Partner"].mode()
```

*# crosstab is a table that is used to aggregate and jointly display the distribution of two or more categorical variables*

```
pd.crosstab(df["gender"], df["Partner"])
```

## Basic Data Preprocessing

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### Data cleaning

#### 1. missing value

```
# check if the InternetService variable have any null
df["InternetService"].isnull()

# see how many null this variable has
df["InternetService"].isnull().sum()

# Drop every row with one or more NaNs
df_1.dropna()

# Drop every row with NaNs for every column
df_1.dropna(how="all")

# Drop rows where the 'InternetService' column has NaN
df.dropna(subset=["InternetService"], inplace=True)

# Impute missing data with user-defined values
column_imputations = {"Name": "UNKNOWN", "Spend": 0}
df_1.fillna(value=column_imputations)
```

*it is good to add flag to indicate imputation for one row*

*Impute with constant from training set → avoid data leakage*

Table: Missing values: imputation

Height		Height	Height_missing
64		64	FALSE
73	→	73	FALSE
59		59	FALSE
NA		65	TRUE
64		64	FALSE

#### 2.outlier

Types of outliers:

- Valid vs invalid observations  
e.g. income of \$1,000,000 vs age of user is 120 years
- Univariate vs multivariate outliers:  
outlying on 1 dimension vs outlying on multiple dimensions

##### 2,1: Detecting univariate outliers:

- Numerically:
  - Min and max values
  - Z-scores:  $z_i = \frac{x_i - \mu}{\sigma}$   
outlier if  $|z_i| > 3$
- Graphically:
  - Histograms
  - Boxplots:  
outlier if observation outside whiskers of box

# Min and max values

```
min_value = df["InternetService"].min()
```

```
max_value = df["InternetService"].max()
```

# Z-scores calculation

```
mean_value = df["InternetService"].mean()
```

```
std_dev = df["InternetService"].std()
```

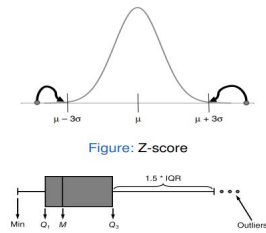
```
df['z_score'] = (df["InternetService"] - mean_value) / std_dev
```

# Plotting Histograms

```
df["InternetService"].hist(bins=20)
```

# Plotting Boxplots

```
df.boxplot(column=["InternetService"])
```



##### 2,1: Detecting multivariate outliers:

from sklearn.ensemble import IsolationForest

# Fit Isolation Forest model

```
clf = IsolationForest(contamination=0.1) # contamination is the proportion of outliers
```

```
clf.fit(X)
```

# Predict outliers

```
outliers = clf.predict(X)
```

# -1 indicates outlier, 1 indicates normal

```
print(outliers)
```

*Only apply this to the training set*

**Handling:** Invalid observations: treat outlier as missing value  
Valid observations: truncation → impose lower and upper limit on values (+ indicator), based on ... Z-score:  $|z_i| = 3$  Expert opinion

*Nonparametric models (e.g. DT, NN, SVM) often insensitive to outliers*

*Parametric models (e.g. LinR, LogR) often sensitive to outliers.*

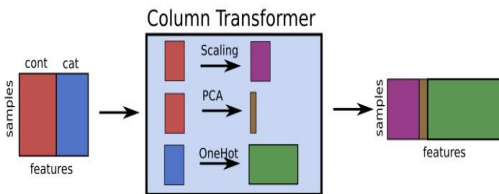
*(Nonparametric models are a type of statistical model that do not assume a specific form for the underlying data distribution.)*

### 3.STRING MANIPULATION

# Apply the replacement using regex on the 'PhoneNumber' column

```
df['PhoneNumber'] = df['PhoneNumber'].str.replace(pattern, replacement, regex=True)
```

## FEATURE ENGINEERING



Feature engineering techniques:

- Categorical predictors
  - dummy encoding
  - integer encoding
- Numeric predictors
  - feature scaling
  - feature transformations
  - feature interactions

## CATEGORICAL DATA: ENCODING

Table: Integer encoding drinks

Original value	Integer variable
"not at all"	0
"rarely"	1
"socially"	2
"often"	3
"very often"	4
"desperately"	5

Table: Integer encoding has\_link

Original value	Integer variable
FALSE	0
TRUE	1

```
# Integer Encoding
```

```
df['Category_Encoded'] =
df['Category'].astype('category').cat.codes
```

```
# Define the order of the categories
```

```
category_order = {'High School': 1, 'Bachelor': 2, 'Master': 3, 'PhD': 4}
```

```
df['EducationLevel_Encoded'] =
df['EducationLevel'].map(category_order)
```

Table: Dummy encoding status

Original value	Dummy variables			
	is_single	is_available	is_seeing_someone	is_married
"single"	1	0	0	0
"available"	0	1	0	0
"seeing someone"	0	0	1	0
"married"	0	0	0	1
"unknown"	0	0	0	0

```
# One-Hot Encoding using get_dummies
```

```
df_encoded = pd.get_dummies(df, columns=['Category'], prefix='Category')
```

*Nominal features with high cardinality (> 10): select OHE categories with top frequency*

*Need same categories in train & test set*

*Be aware of the dummy variable trap!*

## NUMERICAL DATA: FEATURE SCALING

*Not needed for linear/logistic regression, but scaling makes coefficients more interpretable*

*Necessary for models with penalization term (ridge/lasso)*

*Important (but not necessary) for models based on Euclidean distances (SVM, KNN)*

*Critical when performing PCA*

*Tree-based models scale-invariant*

Scaling: making sure all numerical features have same scale

Two methods:

1 Normalization (min-max scaling)

- values are shifted and rescaled such that they end up ranging from 0 to 1

$$X_{new} = \frac{x_{old} - \min(x_{old})}{\max(x_{old}) - \min(x_{old})}$$

2 Standardization (standard scaling):

- values are centered and rescaled to fit a standard normal distribution  $\mathcal{N}(\mu = 0, \sigma = 1)$

$$X_{new} = \frac{x_{old} - \mu}{\sigma}$$

from sklearn.preprocessing import MinMaxScaler, StandardScaler

```
# 1. Normalization (Min-Max Scaling)
```

```
min_max_scaler = MinMaxScaler()
```

```
df_normalized = pd.DataFrame(min_max_scaler.fit_transform(df),
columns=df.columns)
```

```
# 2. Standardization (Standard Scaling)
```

```
standard_scaler = StandardScaler()
```

```
df_standardized = pd.DataFrame(standard_scaler.fit_transform(df),
columns=df.columns)
```