Carrefour part1 and 2

2022-08-01

Specifying the question

To determine the most relevant sales strategies for the marketing team at Carrefour.

Defining metric for success

To be able to create recommendations for the sales team, at Carrefour

Understanding the context

Attaching package: 'caret'

lift

##

The following object is masked from 'package:purrr':

THis is a business that is in the field of retail and would therefore need an analyst to review their sales and identify trends that would lead them to increase their sales.

```
library(data.table) # High-performance data frame package
library(tidyverse) # A Data exploration & visualization Package
```

```
## -- Attaching packages ------ 1.3.2 --
## v ggplot2 3.3.6
               v purrr
                         0.3.4
## v tibble 3.1.8
                 v dplyr
                         1.0.9
## v tidyr 1.2.0 v stringr 1.4.0
## v readr 2.1.2 v forcats 0.5.1
## -- Conflicts ----- tidyverse conflicts() --
## x dplyr::between() masks data.table::between()
## x dplyr::filter() masks stats::filter()
## x purrr::transpose() masks data.table::transpose()
library(corrr) # A Correlation package
library(dplyr) # A Data Manipulation package
library(caret) # regression and correlation
## Loading required package: lattice
##
```

```
library(corrplot)# visual exploration
## corrplot 0.92 loaded
library(clustvarsel) # variable selection
## Loading required package: mclust
## Package 'mclust' version 5.4.10
## Type 'citation("mclust")' for citing this R package in publications.
## Attaching package: 'mclust'
## The following object is masked from 'package:purrr':
##
##
      map
##
## Package 'clustvarsel' version 2.3.4
## Type 'citation("clustvarsel")' for citing this R package in publications.
df<- read.csv("http://bit.ly/CarreFourDataset")</pre>
head(df)
##
     Invoice.ID Branch Customer.type Gender
                                                     Product.line Unit.price
## 1 750-67-8428
                 Α
                            Member Female
                                               Health and beauty
                                                                      74.69
                            Normal Female Electronic accessories
## 2 226-31-3081
                    C
                                                                      15.28
## 3 631-41-3108
                    Α
                             Normal Male Home and lifestyle
                                                                      46.33
## 4 123-19-1176
                   Α
                             Member Male
                                               Health and beauty
                                                                      58.22
## 5 373-73-7910
                             Normal Male
                                                Sports and travel
                                                                      86.31
                   Α
                             Normal Male Electronic accessories
## 6 699-14-3026
                   С
                                                                      85.39
                                     Payment
                         Date Time
                                                  cogs gross.margin.percentage
##
    Quantity
                 Tax
## 1
       7 26.1415 1/5/2019 13:08
                                        Ewallet 522.83
                                                                     4.761905
## 2
          5 3.8200 3/8/2019 10:29
                                           Cash 76.40
                                                                     4.761905
## 3
          7 16.2155 3/3/2019 13:23 Credit card 324.31
                                                                     4.761905
## 4
           8 23.2880 1/27/2019 20:33
                                     Ewallet 465.76
                                                                     4.761905
## 5
           7 30.2085 2/8/2019 10:37
                                      Ewallet 604.17
                                                                     4.761905
           7 29.8865 3/25/2019 18:30
                                     Ewallet 597.73
                                                                     4.761905
## gross.income Rating
                           Total
## 1
         26.1415
                    9.1 548.9715
## 2
         3.8200
                    9.6 80.2200
## 3
         16.2155
                    7.4 340.5255
## 4
         23.2880
                    8.4 489.0480
## 5
         30.2085
                   5.3 634.3785
## 6
         29.8865
                    4.1 627.6165
# shape of our data set
dim(df)
```

[1] 1000 16

```
str(df)
## 'data.frame':
                     1000 obs. of 16 variables:
                                      "750-67-8428" "226-31-3081" "631-41-3108" "123-19-1176" ...
## $ Invoice.ID
                              : chr
                                      "A" "C" "A" "A" ...
## $ Branch
                               : chr
## $ Customer.type
                               : chr
                                       "Member" "Normal" "Member" ...
## $ Gender
                                       "Female" "Female" "Male" ...
                               : chr
## $ Product.line
                               : chr
                                      "Health and beauty" "Electronic accessories" "Home and lifestyle" "
## $ Unit.price
                                      74.7 15.3 46.3 58.2 86.3 ...
                              : num
## $ Quantity
                                      7 5 7 8 7 7 6 10 2 3 ...
                              : int
                                      26.14 3.82 16.22 23.29 30.21 ...
## $ Tax
                               : num
## $ Date
                              : chr
                                      "1/5/2019" "3/8/2019" "3/3/2019" "1/27/2019" ...
                                      "13:08" "10:29" "13:23" "20:33" ...
## $ Time
                              : chr
## $ Payment
                                      "Ewallet" "Cash" "Credit card" "Ewallet" ...
                               : chr
## $ cogs
                                      522.8 76.4 324.3 465.8 604.2 ...
                               : num
## $ gross.margin.percentage: num
                                      4.76 4.76 4.76 4.76 ...
## $ gross.income
                                      26.14 3.82 16.22 23.29 30.21 ...
                       : num
## $ Rating
                               : num 9.1 9.6 7.4 8.4 5.3 4.1 5.8 8 7.2 5.9 ...
## $ Total
                               : num 549 80.2 340.5 489 634.4 ...
# convert the data into a tibble
df_sales<-as_tibble(df)</pre>
df_sales
## # A tibble: 1,000 x 16
      Invoice.ID Branch Custome~1 Gender Produ~2 Unit.~3 Quant~4
                                                                         Tax Date Time
##
                  <chr> <chr>
                                     <chr> <chr> <chr> <dbl> <int> <dbl> <chr> <chr>
##
       <chr>>
                                                                    7 26.1 1/5/~ 13:08
                                                        74.7
## 1 750-67-8428 A Member
                                     Female Health~
                        Normal Female Electr~ 15.3
## 2 226-31-3081 C
                                                                    5 3.82 3/8/~ 10:29
## 2 226-31-3081 C Normal Female Electr 15.3

## 3 631-41-3108 A Normal Male Home a~ 46.3

## 4 123-19-1176 A Member Male Health 58.2

## 5 373-73-7910 A Normal Male Sports 86.3

## 6 699-14-3026 C Normal Male Electr 85.4

## 7 355-53-5943 A Member Female Electr 68.8

## 8 315-22-5665 C Normal Female Home a~ 73.6
                                                                    7 16.2 3/3/~ 13:23
                                                                    8 23.3 1/27~ 20:33
                                                                    7 30.2 2/8/~ 10:37
                                                                   7 29.9 3/25~ 18:30
                                                                   6 20.7 2/25~ 14:36
                                                                 10 36.8 2/24~ 11:38
                                     Female Health~ 36.3
## 9 665-32-9167 A
                           Member
                                                                    2 3.63 1/10~ 17:15
## 10 692-92-5582 B
                          Member Female Food a~ 54.8
                                                                    3 8.23 2/20~ 13:27
## # ... with 990 more rows, 6 more variables: Payment <chr>, cogs <dbl>,
       gross.margin.percentage <dbl>, gross.income <dbl>, Rating <dbl>,
       Total <dbl>, and abbreviated variable names 1: Customer.type,
       2: Product.line, 3: Unit.price, 4: Quantity
## # i Use 'print(n = ...)' to see more rows, and 'colnames()' to see all variable names
# dataset summary
summary(df_sales)
     Invoice.ID
                            Branch
                                             Customer.type
                                                                    Gender
## Length:1000
                         Length: 1000
                                             Length: 1000
                                                                 Length: 1000
                                             Class :character
## Class :character
                        Class :character
                                                                 Class : character
## Mode :character Mode :character
                                             Mode : character
                                                                 Mode :character
##
```

information about our data set

```
##
##
                                           Quantity
##
   Product.line
                         Unit.price
                                                             Tax
                       Min. :10.08
                                             : 1.00
                                                               : 0.5085
   Length:1000
                                       Min.
##
                                                        Min.
##
   Class : character
                       1st Qu.:32.88
                                       1st Qu.: 3.00
                                                        1st Qu.: 5.9249
   Mode :character
                       Median :55.23
                                       Median: 5.00
                                                        Median :12.0880
##
##
                       Mean :55.67
                                       Mean : 5.51
                                                        Mean
                                                             :15.3794
##
                       3rd Qu.:77.94
                                       3rd Qu.: 8.00
                                                        3rd Qu.:22.4453
                                              :10.00
##
                       Max.
                              :99.96
                                       Max.
                                                        Max.
                                                               :49.6500
##
        Date
                           Time
                                             Payment
                                                                   cogs
                                          Length:1000
   Length: 1000
                       Length: 1000
                                                              Min. : 10.17
   Class : character
                       Class : character
                                           Class : character
                                                              1st Qu.:118.50
##
   Mode :character
                       Mode :character
                                          Mode :character
                                                              Median :241.76
##
                                                              Mean
                                                                    :307.59
##
                                                              3rd Qu.:448.90
##
                                                              Max.
                                                                     :993.00
##
                                                   Rating
                                                                    Total
   gross.margin.percentage gross.income
   Min.
          :4.762
                            Min. : 0.5085
                                               Min.
                                                     : 4.000
                                                                Min.
                                                                       : 10.68
   1st Qu.:4.762
                            1st Qu.: 5.9249
                                               1st Qu.: 5.500
                                                                1st Qu.: 124.42
                                               Median : 7.000
## Median :4.762
                            Median :12.0880
                                                                Median: 253.85
##
  Mean
           :4.762
                            Mean
                                   :15.3794
                                               Mean
                                                     : 6.973
                                                                Mean
                                                                       : 322.97
   3rd Qu.:4.762
                            3rd Qu.:22.4453
                                               3rd Qu.: 8.500
                                                                3rd Qu.: 471.35
           :4.762
##
  Max.
                            Max.
                                   :49.6500
                                                      :10.000
                                                                Max.
                                                                       :1042.65
                                               Max.
# check for missing values
colSums(is.na(df_sales))
##
                Invoice.ID
                                             Branch
                                                              Customer.type
##
                         0
##
                    Gender
                                      Product.line
                                                                 Unit.price
##
                         0
##
                  Quantity
                                                Tax
                                                                       Date
##
                         0
                                                  0
                                                                          0
##
                      Time
                                            Payment
                                                                       cogs
                                                                          0
##
  gross.margin.percentage
                                      gross.income
                                                                     Rating
                         0
##
                     Total
##
                         0
df_sales[!complete.cases(df_sales),]
## # A tibble: 0 x 16
## # ... with 16 variables: Invoice.ID <chr>, Branch <chr>, Customer.type <chr>,
       Gender <chr>, Product.line <chr>, Unit.price <dbl>, Quantity <int>,
       Tax <dbl>, Date <chr>, Time <chr>, Payment <chr>, cogs <dbl>,
       gross.margin.percentage <dbl>, gross.income <dbl>, Rating <dbl>,
       Total <dbl>
## # i Use 'colnames()' to see all variable names
```

```
# Identifying Duplicated Data
# No duplicate values found
anyDuplicated(df_sales)
```

[1] O

```
# Checking for numeric data types
#
Numeric<- df_sales %>% select_if(is.numeric)
Numeric
```

```
## # A tibble: 1,000 x 8
##
     Unit.price Quantity
                           Tax cogs gross.margin.percentage gross.~1 Rating Total
##
                   <int> <dbl> <dbl>
                                                       <dbl>
                                                                <dbl> <dbl> <dbl>
## 1
           74.7
                       7 26.1 523.
                                                        4.76
                                                               26.1
                                                                        9.1 549.
                       5 3.82 76.4
## 2
           15.3
                                                        4.76
                                                                3.82
                                                                        9.6 80.2
## 3
           46.3
                       7 16.2 324.
                                                               16.2
                                                                        7.4 341.
                                                       4.76
## 4
           58.2
                       8 23.3 466.
                                                        4.76
                                                               23.3
                                                                        8.4 489.
## 5
                       7 30.2 604.
                                                        4.76
                                                               30.2
                                                                        5.3 634.
           86.3
## 6
           85.4
                       7 29.9 598.
                                                        4.76
                                                               29.9
                                                                        4.1 628.
## 7
                       6 20.7 413.
                                                                        5.8 434.
           68.8
                                                       4.76
                                                               20.7
                      10 36.8 736.
                                                        4.76
## 8
           73.6
                                                               36.8
                                                                        8
                                                                            772.
## 9
           36.3
                       2 3.63 72.5
                                                        4.76
                                                                        7.2 76.1
                                                                3.63
## 10
           54.8
                       3 8.23 165.
                                                        4.76
                                                                8.23
                                                                        5.9 173.
## # ... with 990 more rows, and abbreviated variable name 1: gross.income
## # i Use 'print(n = ...)' to see more rows
```

Part 1: Dimensional Reduction

This section we will be reducing our data set to a low dimensional data set using the t-SNE algorithm or PCA.

Principal Component Analysis (PCA)

```
# Selecting the numerical data
# PCA only works with numerical values, thus the selection of numerical variables from the dataset
numeric <- df_sales[,c(6:8,12:16)]
head(numeric)</pre>
```

```
## # A tibble: 6 x 8
    Unit.price Quantity Tax cogs gross.margin.percentage gross.i~1 Rating Total
##
         <dbl>
                   <int> <dbl> <dbl>
                                                       <dbl>
                                                                 <dbl> <dbl> <dbl>
                      7 26.1 523.
## 1
          74.7
                                                        4.76
                                                                 26.1
                                                                          9.1 549.
## 2
          15.3
                      5 3.82 76.4
                                                        4.76
                                                                  3.82
                                                                          9.6 80.2
## 3
          46.3
                      7 16.2 324.
                                                        4.76
                                                                 16.2
                                                                          7.4 341.
## 4
          58.2
                      8 23.3 466.
                                                        4.76
                                                                 23.3
                                                                          8.4 489.
## 5
          86.3
                       7 30.2 604.
                                                        4.76
                                                                 30.2
                                                                          5.3 634.
## 6
          85.4
                       7 29.9 598.
                                                        4.76
                                                                 29.9
                                                                          4.1 628.
## # ... with abbreviated variable name 1: gross.income
```

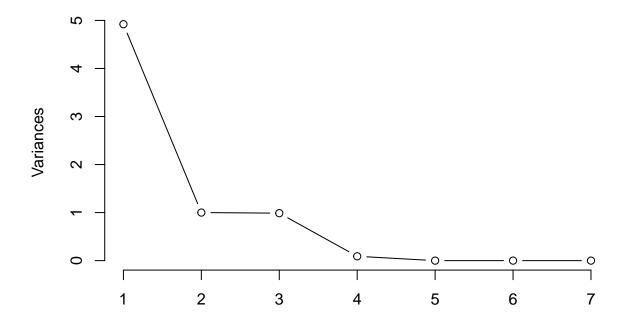
```
# Checking the variance
non_zero_var <- numeric[ , which(apply(numeric, 2, var) != 0)]</pre>
head(non zero var)
## # A tibble: 6 x 7
     Unit.price Quantity
                           Tax cogs gross.income Rating Total
                                             <dbl> <dbl> <dbl>
##
          <dbl>
                   <int> <dbl> <dbl>
## 1
           74.7
                       7 26.1 523.
                                             26.1
                                                       9.1 549.
## 2
           15.3
                       5 3.82 76.4
                                             3.82
                                                       9.6 80.2
## 3
           46.3
                       7 16.2 324.
                                             16.2
                                                       7.4 341.
## 4
           58.2
                       8 23.3 466.
                                             23.3
                                                       8.4 489.
## 5
           86.3
                       7 30.2 604.
                                             30.2
                                                       5.3 634.
                       7 29.9 598.
## 6
           85.4
                                             29.9
                                                       4.1 628.
apply function is used instead of center to ensure there is no zero variance It also ensuring no column has
zero mean. Therefore gross.margin.percentage column was removed.
# now carrying out PCA with scale set to true
pca_sales <- prcomp(non_zero_var,scale=TRUE)</pre>
# previewing our PCA summary
summary(pca_sales)
## Importance of components:
                              PC1
                                     PC2
                                            PC3
                                                     PC4
## Standard deviation
                           2.2185 1.0002 0.9939 0.30001 3.132e-16 1.457e-16
## Proportion of Variance 0.7031 0.1429 0.1411 0.01286 0.000e+00 0.000e+00
## Cumulative Proportion 0.7031 0.8460 0.9871 1.00000 1.000e+00 1.000e+00
                                 PC7
##
## Standard deviation
                           3.219e-17
## Proportion of Variance 0.000e+00
## Cumulative Proportion 1.000e+00
# PC1 describes 70.31% of the total variation of the dataset, PC2 describes 14.29%, and so on. PC1 has
```

6

#plotting of pca

plot(pca_sales,type = '1')

pca_sales



#Most of the variability in our data are in the first and second component of our PCA, Variance explain

Part 2: Feature Selection We will perform feature selection using unsupervised learning Filter Method

```
# dataset to be used for feature selection
feature<- df_sales
head(feature)</pre>
```

```
## # A tibble: 6 x 16
     Invoice.ID
                 Branch Customer~1 Gender Produ~2 Unit.~3 Quant~4
                                                                      Tax Date Time
##
     <chr>>
                 <chr>
                         <chr>
                                    <chr>
                                           <chr>
                                                      <dbl>
                                                              <int> <dbl> <chr> <chr>
## 1 750-67-8428 A
                         Member
                                    Female Health~
                                                      74.7
                                                                  7 26.1
                                                                          1/5/~ 13:08
## 2 226-31-3081 C
                         Normal
                                    Female Electr~
                                                       15.3
                                                                     3.82 3/8/~ 10:29
## 3 631-41-3108 A
                         Normal
                                    Male
                                                       46.3
                                                                  7 16.2
                                                                          3/3/~ 13:23
                                           Home a~
                                                                          1/27~ 20:33
## 4 123-19-1176 A
                        Member
                                    Male
                                                      58.2
                                                                  8 23.3
                                           Health~
## 5 373-73-7910 A
                        Normal
                                    Male
                                           Sports~
                                                       86.3
                                                                  7 30.2
                                                                          2/8/~ 10:37
## 6 699-14-3026 C
                                    Male
                                                                  7 29.9 3/25~ 18:30
                        Normal
                                           Electr~
    ... with 6 more variables: Payment <chr>, cogs <dbl>,
       gross.margin.percentage <dbl>, gross.income <dbl>, Rating <dbl>,
       Total <dbl>, and abbreviated variable names 1: Customer.type,
       2: Product.line, 3: Unit.price, 4: Quantity
## # i Use 'colnames()' to see all variable names
```

```
feature_num<- feature %>% select_if(is.numeric)
feature num
## # A tibble: 1,000 x 8
##
      Unit.price Quantity
                           Tax cogs gross.margin.percentage gross.~1 Rating Total
##
                   <int> <dbl> <dbl>
                                                        <dbl>
                                                                 <dbl> <dbl> <dbl>
           74.7
                       7 26.1 523.
                                                         4.76
                                                                 26.1
                                                                          9.1 549.
## 1
##
   2
           15.3
                        5 3.82 76.4
                                                         4.76
                                                                 3.82
                                                                          9.6 80.2
## 3
           46.3
                       7 16.2 324.
                                                         4.76
                                                                 16.2
                                                                          7.4 341.
## 4
           58.2
                        8 23.3 466.
                                                         4.76
                                                                 23.3
                                                                          8.4 489.
                                                                          5.3 634.
## 5
           86.3
                       7 30.2 604.
                                                         4.76
                                                                 30.2
                       7 29.9 598.
                                                                 29.9
                                                                          4.1 628.
## 6
           85.4
                                                         4.76
                                                                          5.8 434.
## 7
           68.8
                        6 20.7 413.
                                                         4.76
                                                                 20.7
## 8
           73.6
                       10 36.8 736.
                                                         4.76
                                                                 36.8
                                                                          8
                                                                              772.
## 9
           36.3
                       2 3.63 72.5
                                                         4.76
                                                                 3.63
                                                                          7.2 76.1
                        3 8.23 165.
                                                                  8.23
                                                                          5.9 173.
## 10
            54.8
                                                         4.76
## # ... with 990 more rows, and abbreviated variable name 1: gross.income
## # i Use 'print(n = ...)' to see more rows
# just like in pca, gross.margin.percentage column is dropped because it has a constant value
to_drop <- c("gross.margin.percentage")</pre>
#dropping the highly correlated columns
feature_num <- feature_num[, !names(feature_num) %in% to_drop]</pre>
head(feature num)
## # A tibble: 6 x 7
##
    Unit.price Quantity
                          Tax cogs gross.income Rating Total
                   <int> <dbl> <dbl>
##
          <dbl>
                                            <dbl> <dbl> <dbl>
                       7 26.1 523.
                                                     9.1 549.
## 1
          74.7
                                            26.1
## 2
          15.3
                       5 3.82 76.4
                                            3.82
                                                     9.6 80.2
## 3
          46.3
                       7 16.2 324.
                                            16.2
                                                    7.4 341.
## 4
          58.2
                       8 23.3 466.
                                            23.3
                                                     8.4 489.
                       7 30.2 604.
                                            30.2
                                                     5.3 634.
## 5
          86.3
## 6
          85.4
                      7 29.9 598.
                                            29.9
                                                     4.1 628.
# Calculating the correlation matrix
cor_Matrix <- cor(feature_num)</pre>
cor_Matrix
                                                          cogs gross.income
##
                 Unit.price
                                Quantity
                                                Tax
## Unit.price
                 1.000000000 0.01077756 0.6339621 0.6339621
                                                                  0.6339621
## Quantity
                 0.010777564
                             1.00000000 0.7055102 0.7055102
                                                                  0.7055102
## Tax
                 0.633962089
                             0.70551019
                                          1.0000000 1.0000000
                                                                  1.0000000
## cogs
                0.633962089 0.70551019 1.0000000 1.0000000
                                                                  1.0000000
## gross.income 0.633962089 0.70551019 1.0000000 1.0000000
                                                                  1.0000000
                -0.008777507 -0.01581490 -0.0364417 -0.0364417
                                                                 -0.0364417
## Rating
## Total
                0.633962089 0.70551019 1.0000000 1.0000000
                                                                  1.0000000
##
                     Rating
                                  Total
## Unit.price -0.008777507 0.6339621
## Quantity
               -0.015814905 0.7055102
```

#Checking the columns with numeric datatypes

```
## Tax
              -0.036441705 1.0000000
## cogs
              -0.036441705 1.0000000
## gross.income -0.036441705 1.0000000
            1.000000000 -0.0364417
## Rating
               -0.036441705 1.0000000
## Total
# Find attributes that are highly correlated
high_cor <- findCorrelation(cor_Matrix, cutoff=0.75)</pre>
high_cor
## [1] 4 7 3
# Finding highly correlated columns
names(feature_num[,high_cor])
## [1] "cogs" "Total" "Tax"
# Columns cogs, total and tax are highly correlated
# We can remove the variables with a higher correlation
high_cor2<-feature_num[-high_cor]
high_cor2
## # A tibble: 1,000 x 4
##
     Unit.price Quantity gross.income Rating
##
          <dbl>
                <int>
                               <dbl> <dbl>
           74.7
                               26.1
## 1
                    7
                                        9.1
## 2
          15.3
                     5
                               3.82
                                        9.6
## 3
          46.3
                      7
                               16.2
                                        7.4
## 4
          58.2
                      8
                               23.3
                                        8.4
## 5
          86.3
                     7
                               30.2
                                        5.3
## 6
          85.4
                     7
                               29.9
                                        4.1
## 7
                     6
                               20.7
           68.8
                                        5.8
## 8
           73.6
                    10
                               36.8
                                        8
## 9
           36.3
                      2
                                3.63
                                       7.2
## 10
           54.8
                       3
                                8.23
                                        5.9
## # ... with 990 more rows
## # i Use 'print(n = ...)' to see more rows
# Four columns remained after removing the highly correlated ones
# Performing our graphical comparison
par(mfrow = c(1, 2))
corrplot(cor_Matrix, order = "hclust")
corrplot(cor(high_cor2), order = "hclust")
```



#The final features that contribute the most information to the dataset are Unit.price, Quantity, and g

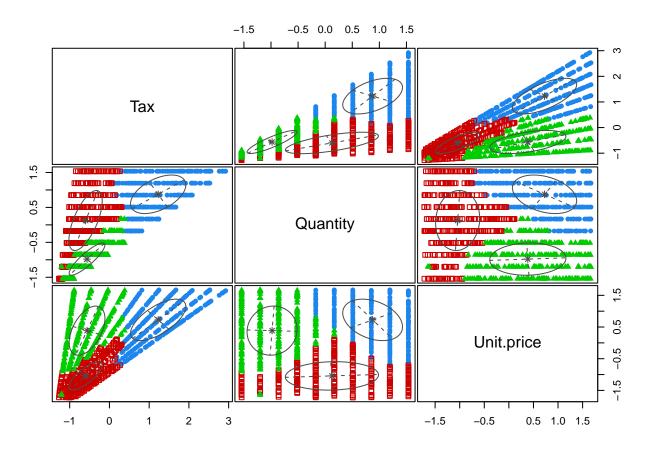
Wrapper Method

```
#getting the dataset
wrapper <- df_sales
#
#checking the dateset
#
head(wrapper)</pre>
```

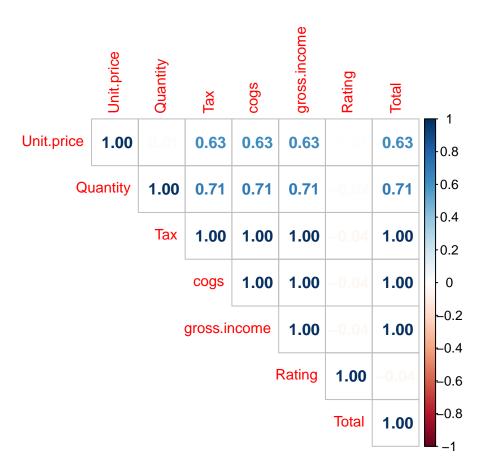
```
## # A tibble: 6 x 16
##
     Invoice.ID Branch Customer~1 Gender Produ~2 Unit.~3 Quant~4
                                                                     Tax Date Time
     <chr>>
                 <chr>
                        <chr>>
                                   <chr> <chr>
                                                    <dbl>
                                                             <int> <dbl> <chr> <chr>
##
## 1 750-67-8428 A
                                                                 7 26.1 1/5/~ 13:08
                        Member
                                   Female Health~
                                                      74.7
## 2 226-31-3081 C
                                   Female Electr~
                                                      15.3
                                                                   3.82 3/8/~ 10:29
                        Normal
## 3 631-41-3108 A
                        Normal
                                   Male
                                          Home a~
                                                      46.3
                                                                 7 16.2 3/3/~ 13:23
## 4 123-19-1176 A
                        Member
                                   Male
                                          Health~
                                                      58.2
                                                                 8 23.3
                                                                        1/27~ 20:33
## 5 373-73-7910 A
                        Normal
                                   Male
                                                      86.3
                                                                 7 30.2 2/8/~ 10:37
                                          Sports~
## 6 699-14-3026 C
                                                      85.4
                                                                 7 29.9 3/25~ 18:30
                        Normal
                                   Male
## # ... with 6 more variables: Payment <chr>, cogs <dbl>,
       gross.margin.percentage <dbl>, gross.income <dbl>, Rating <dbl>,
       Total <dbl>, and abbreviated variable names 1: Customer.type,
       2: Product.line, 3: Unit.price, 4: Quantity
## # i Use 'colnames()' to see all variable names
```

```
# Selecting the numerical data
wrapper_num <- wrapper[,c(6:8,12:16)]</pre>
head(wrapper num)
## # A tibble: 6 x 8
    Unit.price Quantity Tax cogs gross.margin.percentage gross.i~1 Rating Total
                                                                <dbl> <dbl> <dbl>
##
         <dbl>
                 <int> <dbl> <dbl>
                                                      <dbl>
## 1
          74.7
                      7 26.1 523.
                                                       4.76
                                                                26.1
                                                                        9.1 549.
## 2
          15.3
                      5 3.82 76.4
                                                       4.76
                                                                3.82
                                                                        9.6 80.2
## 3
          46.3
                      7 16.2 324.
                                                       4.76
                                                                16.2
                                                                        7.4 341.
## 4
          58.2
                      8 23.3 466.
                                                       4.76
                                                                23.3
                                                                        8.4 489.
## 5
                      7 30.2 604.
                                                       4.76
                                                               30.2
                                                                        5.3 634.
          86.3
## 6
          85.4
                      7 29.9 598.
                                                       4.76
                                                                29.9
                                                                        4.1 628.
## # ... with abbreviated variable name 1: gross.income
# selecting highly correlated columns to be dropped
to drop <- c("gross.margin.percentage")</pre>
#dropping the column
wrapper_num <- wrapper_num[, !names(wrapper_num) %in% to_drop]</pre>
head(wrapper_num)
## # A tibble: 6 x 7
##
    Unit.price Quantity Tax cogs gross.income Rating Total
##
         <dbl>
                  <int> <dbl> <dbl> <dbl> <dbl><</pre>
## 1
          74.7
                      7 26.1 523.
                                          26.1
                                                    9.1 549.
## 2
          15.3
                      5 3.82 76.4
                                          3.82
                                                    9.6 80.2
                                                    7.4 341.
                      7 16.2 324.
                                          16.2
## 3
          46.3
                                           23.3
## 4
          58.2
                      8 23.3 466.
                                                    8.4 489.
## 5
          86.3
                      7 30.2 604.
                                           30.2
                                                    5.3 634.
## 6
          85.4
                      7 29.9 598.
                                           29.9
                                                    4.1 628.
# normalizing our dataset by use of scale function.
# Previewing the scaled dataset
wrapper_norm <- as.data.frame(scale(wrapper_num))</pre>
head(wrapper_norm)
##
                                   Tax
     Unit.price
                  Quantity
                                              cogs gross.income
                                                                   Rating
## 1 0.71780097 0.5096752 0.91914693 0.91914693 0.91914693 1.2378240
## 2 -1.52454035 -0.1744526 -0.98723557 -0.98723557 -0.98723557 1.5287619
## 3 -0.35260468 0.5096752 0.07141032 0.07141032
                                                     0.07141032 0.2486355
## 4 0.09616553 0.8517391 0.67544187 0.67544187
                                                     0.67544187 0.8305111
## 5 1.15638044 0.5096752 1.26649176 1.26649176
                                                     1.26649176 -0.9733034
## 6 1.12165642 0.5096752 1.23899114 1.23899114 1.23899114 -1.6715541
##
          Total
## 1 0.91914693
## 2 -0.98723557
## 3 0.07141032
## 4 0.67544187
## 5 1.26649176
## 6 1.23899114
```

```
#Selecting the best features
out = clustvarsel(wrapper_norm, G = 1:7)
## -----
## Variable selection for Gaussian model-based clustering
## Stepwise (forward/backward) greedy search
## -----
## Variable proposed Type of step BICclust Model G BICdiff Decision
          Tax Add -2460.877 V 4 389.8147 Accepted Quantity Add -3640.069 VEV 7 989.7613 Accepted Unit.price Add -1510.703 EVV 7 3474.0832 Accepted Unit.price Remove -3640.069 VEV 7 3474.0832 Rejected Rating Add -4599.859 EVV 7 -238.4641 Rejected Unit.price Remove -3640.069 VEV 7 3474.0832 Rejected Unit.price Remove -3640.069 VEV 7 3474.0832 Rejected
##
##
##
##
##
##
## Selected subset: Tax, Quantity, Unit.price
# The variable selected include Tax, Quantity, and unit price.
# building the clustering model:
Subset1 = wrapper_norm[out$subset]
mod = Mclust(Subset1, G = 1:3)
summary(mod)
## -----
## Gaussian finite mixture model fitted by EM algorithm
## -----
##
## Mclust EVV (ellipsoidal, equal volume) model with 3 components:
##
## log-likelihood n df BIC
         -1846.246 1000 27 -3879.002 -3986.31
##
## Clustering table:
## 1 2 3
## 319 357 324
plot(mod,c("classification"))
```



A corrplot to show the features
corrplot(cor(wrapper_norm), type = 'upper', method = 'number', tl.cex = 0.9)



Unit price determines how an item is popular by 63% while Quantity by 71% This can be uselful in identifying the goods to stock up by the supermarket. These two features have also ranked top during our feature selection therefore great determinants.