### Project 2.1: Data Cleanup

Make a copy of this document. Complete each section. When you are ready, save your file as a PDF document and submit it here:

https://classroom.udacity.com/nanodegrees/nd008/parts/8d60a887-d4c1-4b0e-8873-b2f36435eb39/project

## Step 1: Business and Data Understanding

Provide an explanation of the key decisions that need to be made. (250 word limit)

#### **Key Decisions:**

Answer these questions

1. What decisions needs to be made?

The city for Pawdacity's newest store, based on predicted yearly sales.

2. What data is needed to inform those decisions?

Outcome variable: Total Pawdacity Sales (by year).

Potential predictors: Census population, household with under 18, land area, population density, total families.

# Step 2: Building the Training Set

Build your training set given the data provided to you. Your column sums of your dataset should match the sums in the table below.

In addition provide the averages on your data set here to help reviewers check your work. You should round up to two decimal places, ex: 1.24

| Column                   | Sum       | Average    |
|--------------------------|-----------|------------|
| Census Population        | 213,862   | 19,442.00  |
| Total Pawdacity Sales    | 3,773,304 | 343,027.60 |
| Households with Under 18 | 34,064    | 3,096.73   |
| Land Area                | 33,071    | 3,006.49   |
| Population Density       | 63        | 5.71       |
| Total Families           | 62,653    | 5,695.71   |

## Step 3: Dealing with Outliers

Answer these questions

Are there any cities that are outliers in the training set? Which outlier have you chosen to remove or impute? Because this dataset is a small data set (11 cities), **you should only remove or impute one outlier**. Please explain your reasoning.

Outliers in the training set:

+ Cheyenne city: Population census, Total sales, Population density, Total Families.

- + Gillette city: Total sales.
- + Rock Springs city: Land area.

Because the data set is small, I will retain the record of those cities and make imputation for all the outliers based on median value. I will not impute the outliers by mean value because standard distribution is not guaranteed.

## Before you Submit

Please check your answers against the requirements of the project dictated by the <u>rubric</u> here. Reviewers will use this rubric to grade your project.