

A STEP WISE APPROACH TO CREATE A MACHINE LEARNING MODEL FOR AVOCADO DATASET

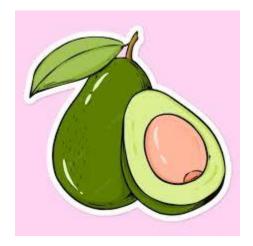
A Classification & Regression model building approach



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Introduction & Background



It is a well-known fact that Millennials LOVE Avocado Toast. It's also a well-known fact that all Millennials live in their parents' basements.

Clearly, they aren't buying home because they are buying too much Avocado Toast!

But maybe there's hope... if a Millennial could find a city with cheap avocados, they could live out the Millennial American Dream.

The aim of this blog is to help you understand how to create a Machine learning model & what are the necessary steps to predict the regions based on the dataset available at this link.

(This blog is written with the assumption that the reader has preliminary understanding of machine learning terminologies & basic libraries machine learning libraries & intermediate level of understanding of python programming language.)

We will understand all the necessary steps needed to clean & manipulate data & build ML model. So, lets go & dive into it...

Problem Definition.

The dataset represents weekly 2018 retail scan data for National retail volume (units) and price. Retail scan data comes directly from retailers' cash registers based on actual retail sales of Hass avocados. Starting in 2013, the dataset reflects an expanded, multi-outlet retail data set. Multi-outlet reporting includes an aggregation of the following channels: grocery, mass, club, drug, dollar and military. The Average Price (of avocados) in the table reflects a per unit (per avocado) cost, even when multiple units (avocados) are sold in bags. The Product Lookup codes (PLU's) in the table are only for Hass avocados. Other varieties of avocados (e.g., green skins) are not included in this dataset.

Some relevant columns in the dataset:

- Date The date of the observation
- AveragePrice the average price of a single avocado
- type conventional or organic
- year the year
- Region the city or region of the observation
- Total Volume Total number of avocados sold
- 4046 Total number of avocados with PLU 4046 sold
- 4225 Total number of avocados with PLU 4225 sold
- 4770 Total number of avocados with PLU 4770 sold

We will create one Classification model for predicting the region where avocados are sold & one regression model for predicting the average price for each avocado, type, year, volume, bag size and other features in the dataset.

We will import following machine learning libraries necessary for the model creation & validation;

```
import pandas as pd
    import numpy as np
   import matplotlib.pyplot as plt
 5 %matplotlib inline
 6 sns.set_style('darkgrid')
 8 import statsmodels.api as sm
 9 from collections import Counter
11 from sklearn.preprocessing import StandardScaler
12 from sklearn.model selection import train test split, cross val score, StratifiedKFold, GridSearchCV
14 #logistic Regression
15 from sklearn.linear model import LogisticRegression
17 # Random Forest Classifier & Gradient Boostina Classifier
18 from sklearn.ensemble import RandomForestClassifier, ExtraTreesClassifier
20 # Decision Tree Classifier
21 from sklearn.tree import DecisionTreeClassifier
23 # K Neighbors Classifier
24 from sklearn.neighbors import KNeighborsClassifier
26 #Classification model Evaluation metrics
27 from sklearn.metrics import confusion_matrix, classification_report, f1_score
28 from sklearn.metrics import roc_auc_score, accuracy_score, roc_curve, auc
32 import warnings
33 warnings.filterwarnings('ignore')
37 from sklearn.linear_model import LinearRegression, Ridge, Lasso
38 from sklearn.ensemble import RandomForestRegressor, AdaBoostRegressor, GradientBoostingRegressor from sklearn.tree import DecisionTreeRegressor
40 from sklearn.neighbors import KNeighborsRegressor
41 from xgboost import XGBRegressor
43 #Regression evaluation metrics
44 from sklearn.metrics import mean squared error, mean absolute error, r2 score
```

Exploratory Data Analysis.

Initial Data Analysis

We will load the data using pandas 'pd.read_csv()' method.

```
1 data_url = "avocado.csv"
2 data0 = pd.read_csv(data_url)
```

- Reading the first & last 5 rows of data

	Unnamed: 0	Date	AveragePrice	Total Volume	4046	4225	4770	Total Bags	Small Bags	Large Bags	XLarge Bags	type	year	region
0	0	2015-12- 27	1.33	64236.62	1036.74	54454.85	48.16	8696.87	8603.62	93.25	0.0	conventional	2015	Albany
1	1	2015-12- 20	1.35	54876.98	674.28	44638.81	58.33	9505.56	9408.07	97.49	0.0	conventional	2015	Albany
2	2	2015-12- 13	0.93	118220.22	794.70	109149.67	130.50	8145.35	8042.21	103.14	0.0	conventional	2015	Albany
3	3	2015-12- 06	1.08	78992.15	1132.00	71976.41	72.58	5811.16	5677.40	133.76	0.0	conventional	2015	Albany
4	4	2015-11- 29	1.28	51039.60	941.48	43838.39	75.78	6183.95	5986.26	197.69	0.0	conventional	2015	Albany

	Unnamed: 0	Date	AveragePrice	Total Volume	4046	4225	4770	Total Bags	Small Bags	Large Bags	XLarge Bags	type	year	region
18244	7	2018- 02-04	1.63	17074.83	2046.96	1529.20	0.00	13498.67	13066.82	431.85	0.0	organic	2018	WestTexNewMexico
18245	8	2018- 01-28	1.71	13888.04	1191.70	3431.50	0.00	9264.84	8940.04	324.80	0.0	organic	2018	WestTexNewMexico
18246	9	2018- 01-21	1.87	13766.76	1191.92	2452.79	727.94	9394.11	9351.80	42.31	0.0	organic	2018	WestTexNewMexico
18247	10	2018- 01-14	1.93	16205.22	1527.63	2981.04	727.01	10969.54	10919.54	50.00	0.0	organic	2018	WestTexNewMexico
18248	11	2018- 01-07	1.62	17489.58	2894.77	2356.13	224.53	12014.15	11988.14	26.01	0.0	organic	2018	WestTexNewMexico

Observation:

Here we see there are total 14 columns, out of which 'region' is our target/label column or dependent variable. We also see that there is a column named 'Unnamed:', it is an observation number from a specific region (you can check this using data0.head(55) & data0.sample(15)). Observations are taken on every 7th day from the last observation. We will remove this column as it brings no meaning our model.

Let's understand our label column,

```
1 data0.region.nunique()
54
```

There are total 54 unique entries in target column, following are the values;

From above we see that, amongst the city name we also see there is an entry as 'TotalUS'. this means some observations were entered using total of all the regions in US. These entries should be dropped as we are predicting individual regions.

Going ahead with the next step we will check missing entries, data types, total number of unique entries in all features, column names & data size;

```
1 data0.info()
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 18249 entries, 0 to 18248
Data columns (total 14 columns):
# Column
                Non-Null Count Dtype
0
    Unnamed: 0 18249 non-null int64
1
    Date
                 18249 non-null object
    AveragePrice 18249 non-null float64
    Total Volume 18249 non-null float64
4
   4046
                18249 non-null float64
5 4225
                18249 non-null float64
   4770
                 18249 non-null float64
    Total Bags 18249 non-null float64
8 Small Bags 18249 non-null float64
9 Large Bags 18249 non-null float64
10 XLarge Bags 18249 non-null float64
11 type
                 18249 non-null object
12 year
                 18249 non-null int64
               18249 non-null object
13 region
dtypes: float64(9), int64(2), object(3) memory usage: 1.9+ MB
 1 data0.nunique()
Unnamed: 0
Date
                169
AveragePrice
                259
Total Volume
              18237
              17702
4046
4225
              18103
4770
              12071
Total Bags
              18097
Small Bags
              17321
Large Bags
              15082
XLarge Bags
               5588
                2
type
year
                  4
region
dtype: int64
 1 data0.columns
dtype='object')
 1 data0.shape
(18249, 14)
```

- There are total 18249 observations in dataset & 14 columns, & at initial level there are no missing entries.
- Date is formatted as object datatype, we will convert it into week number & month number, which will be helpful for visualization. The data was gathered during 169 unique days spanned over 4 years.
- Average price is continuous type of numerical data.
- **type** is an object data type & it has 2 unique entries.
- type, year & region are the 3 categorical features from the dataset. from this we will remove year column as date is also there in the dataset.
- except Unnamed: 0, Date, type year & region all other features are float type continuous data.

Descriptive Statistics of numerical data

```
data0.drop(columns = ['Unnamed: 0', 'year', 'Date', 'type', 'region']).describe().T
                                                     25%
                                                               50%
                                                                        75%
                                                                                   max
AveragePrice 18249.0 1.405978 4.026766e-01 0.44
                                                  1.10
                                                             1.37
                                                                       1.66
                                                                                   3 25
Total Volume 18249.0 850644.013009 3.453545e+06 84.56 10838.58 107376.76 432962.29 62505646.52
  4046 18249.0 293008.424531 1.264989e+06 0.00 854.07 8645.30 111020.20 22743616.17
      4225 18249.0 295154.568356 1.204120e+06 0.00 3008.78 29061.02 150206.86 20470572.61
      4770 18249.0 22839.735993 1.074641e+05 0.00 0.00
                                                           184.99 6243.42 2546439.11
  Total Bags 18249.0 239639.202060 9.862424e+05 0.00 5088.64 39743.83 110783.37 19373134.37
 Small Bags 18249.0 182194.686696 7.461785e+05 0.00 2849.42 26362.82 83337.67 13384586.80
 Large Bags 18249.0 54338.088145 2.439660e+05 0.00 127.47 2647.71 22029.25 5719096.61
XLarge Bags 18249.0 3106.426507 1.769289e+04 0.00
                                                  0.00
                                                                    132.50
```

Observation:

- We see no missing observation from count. every feature has 18249 number of entries.
- There are some entries/observations where the minimum value of features was 0.0.

```
1 #percentage difference between mean & median
     (abs((data0.drop(columns = ['Unnamed: 0', 'year', 'Date', 'type', 'region']).describe().T['mean']
    data0.drop(columns = ['Unnamed: 0', 'year', 'Date', 'type', 'region']).describe().T['50%'])*
            100/data0.drop(columns = ['Unnamed: 0', 'year', 'Date', 'type', 'region']).describe().T['mean'])).sort_values()
 4
AveragePrice
                       2.558959
                       83.415138
Total Bags
Small Bags
                      85.530412
Total Volume
                       87.377004
4225
                       90.153966
Large Bags
                       95.127341
4046
                      97.049471
4770
                       99.190052
XLarge Bags
                    100.000000
dtype: float64
 1 #percentage difference between 75% quantile & max
 2 ((data0.drop(columns = ['Unnamed: 0', 'year', 'Date', 'type', 'region']).describe().T['max'] -
3 data0.drop(columns = ['Unnamed: 0', 'year', 'Date', 'type', 'region']).describe().T['75%'])*
4 100/data0.drop(columns = ['Unnamed: 0', 'year', 'Date', 'type', 'region']).describe().T['max']).sort_values()
AveragePrice
                     48.923077
4225
                     99.266230
Total Volume
                     99.307323
Small Bags
                     99.377361
Total Bags
4046
                     99.511862
Large Bags
                     99.614812
4770
                     99.754818
XLarge Bags
                     99.975983
dtype: float64
```

- The mean & median % difference for all columns is more than 50% implying skewness in the dataset, except AveragePrice.
- features with % difference between 75% quantile & maximum value, more than 99% indicate possible outliers.

Dropping the 'Unnamed: 0' column & checking for duplicate & checking zero entry count.

Checking for duplicate entries...

```
#dropping the unnamed & year column from the dataset.
data0.drop('Unnamed: 0', axis = 1, inplace =True)

data0.duplicated().sum()
```

Observations:

1. No Duplicate entries

Checking entries with ZERO Value...

```
1 data0[data0 == 0.0].count()#*100/data0.shape[0]
Date
AveragePrice
Total Volume
4046
                 242
4225
4770
Total Bags
                 15
Small Bags
                 159
Large Bags
XLarge Bags
               12048
type
                   0
year
region
dtype: int64
```

Observation:

- 1. PLU 4046, 4225, & 4770 has 242, 61 & 5497 entries as zero respectively.
- 2. XLarge bags has 12048 entries with zero value, highest of the all features. Small, large & total bags also have zero entries.

We will rename all the columns to be able to easily understand & remove whitespaces. (This step is not necessary but I like to do it, whenever I see whitespace in column names)

renaming column names to remove whitespaces...

Now we will copy the input data frame & do feature engineering for Date column on the copied dataframe as follows:

```
#Copying dataframe
data1 = data0.copy()

data1['date'] = pd.to_datetime(data1['date'], errors='raise')
data1['week_number'] = data1['date'].dt.week
data1['month_number'] = data1['date'].dt.month
data1['year'] = data1['date'].dt.year

data1.drop('date', axis=1, inplace=True)
```

The new dataframe looks like as follows:

1 d	ata1	a1												
	averageprice	total_volume	plu_4046	plu_4225	plu_4770	total_bags	small_bags	large_bags	xlarge_bags	type	year	region	week_number	month_number
0	1.33	64236.62	1036.74	54454.85	48.16	8696.87	8603.62	93.25	0.0	conventional	2015	Albany	52	12
1	1.35	54876.98	674.28	44638.81	58.33	9505.56	9408.07	97.49	0.0	conventional	2015	Albany	51	12
2	0.93	118220.22	794.70	109149.67	130.50	8145.35	8042.21	103.14	0.0	conventional	2015	Albany	50	12
3	1.08	78992.15	1132.00	71976.41	72.58	5811.16	5677.40	133.76	0.0	conventional	2015	Albany	49	12
4	1.28	51039.60	941.48	43838.39	75.78	6183.95	5986.26	197.69	0.0	conventional	2015	Albany	48	11
	***					***	***	***	***					
18244	1.63	17074.83	2046.96	1529.20	0.00	13498.67	13066.82	431.85	0.0	organic	2018	WestTexNewMexico	5	2
18245	1.71	13888.04	1191.70	3431.50	0.00	9264.84	8940.04	324.80	0.0	organic	2018	WestTexNewMexico	4	1
18246	1.87	13766.76	1191.92	2452.79	727.94	9394.11	9351.80	42.31	0.0	organic	2018	WestTexNewMexico	3	1
18247	1.93	16205.22	1527.63	2981.04	727.01	10969.54	10919.54	50.00	0.0	organic	2018	WestTexNewMexico	2	1
18248	1.62	17489.58	2894.77	2356.13	224.53	12014.15	11988.14	26.01	0.0	organic	2018	WestTexNewMexico	1	1

18249 rows × 14 columns

Data Visualization

We will make two group for data visualization purpose;

Numerical features:

- 1. averageprice
- 2. total_volume
- 3. plu_4046
- 4. plu_4225
- 5. plu 4770
- 6. total_bags
- 7. small_bags
- 8. large_bags
- 9. xlarge_bags

Categorical features:

- 1. type
- 2. year
- 3. region
- 4. week number
- 5. month_number

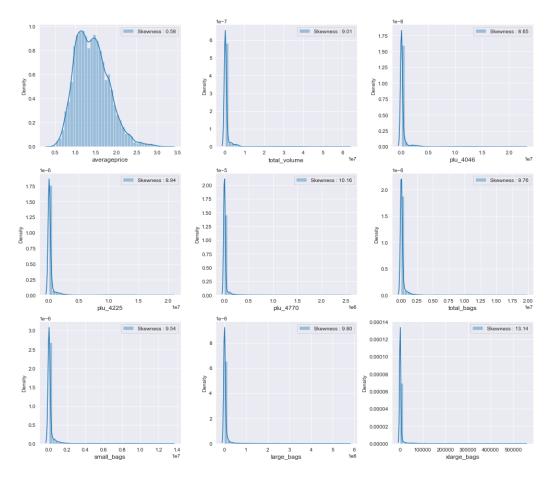
Converting Some of the features in to proper data type for visualization purpose. & Creating two dataframes for numerical features & categorical features;

Univariate Analysis

For Numerical features:

```
#distribution of numerical features..
i=0
plt.figure(figsize=(14,12))
for column in data1_num.columns:
    plt.subplot(3,3,i+1)
    sns.distplot(data1_num[column], bins=40, label="Skewness : %.2f"%(data1_num[column].skew())).legend(loc="best")
    plt.xlabel(column,fontsize=12)
    i+=1

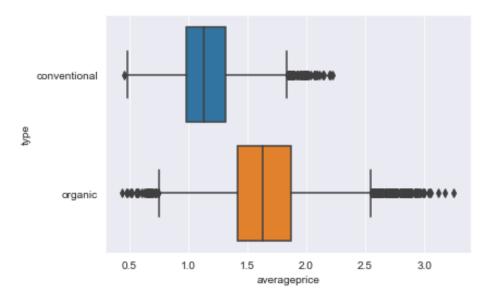
plt.tight_layout()
```



Observation:

 All the numerical features except average price are skewed & it is evident from the above distribution plots.

For categorical features:



Observation:

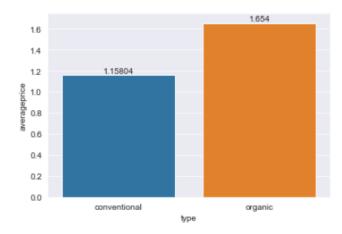
- We can say that Conventional type Avocados are cheaper than the Organic type of Avocado
- Organic type of avocado has average price ranging from 0.4 to 3.3, with mean value close to 1.65.
- Conventional type of avocado has avg price within 0.4 to 2.4, & mean being closer to
 1 15

Average price of avocado sold of each type

tvpe

conventional 1.158040 organic 1.653999

Name: averageprice, dtype: float64

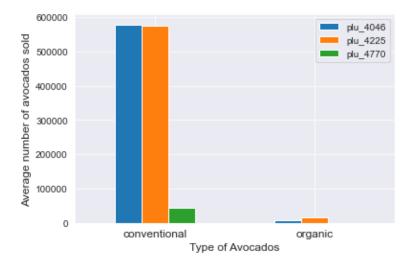


Observation:

• An organic type of Avocado is about 50 cents costlier than conventional type.

Bivariate Analysis

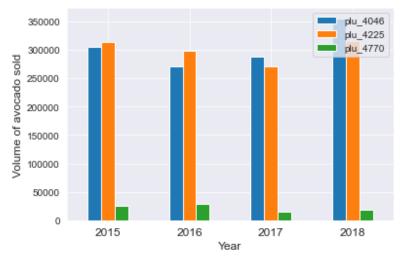
1. Average number of avocados sold based on product lookup codes of each type;



	plu_4046	plu_4225	plu_4770
type			
conventional	578611.649925	574805.318859	45405.796798
organic	7311.281600	15411.857724	266.254582

Observation:

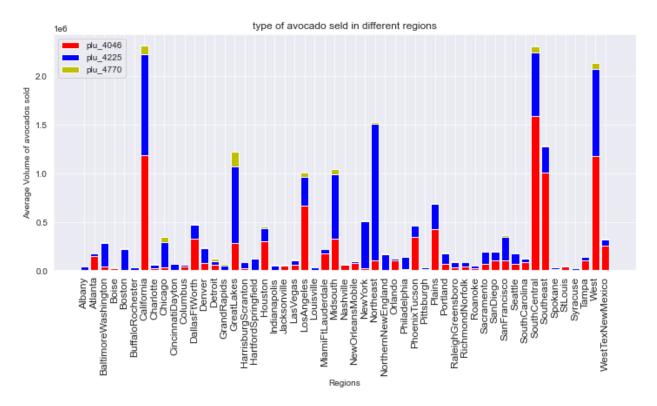
- Mostly Conventional type of avocados with package label 4046 & 4225 are sold.
- 2. Average number of avocados sold based on bags size of each year



Observation:

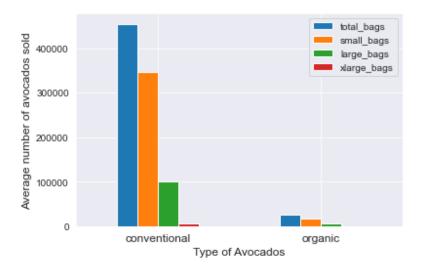
• In all year of the data available, we see Conventional type of avocados with package label 4046 & 4225 are sold most in terms of volumes.

3. Average volume of avocado sold in different regions based on package label type;



observation:

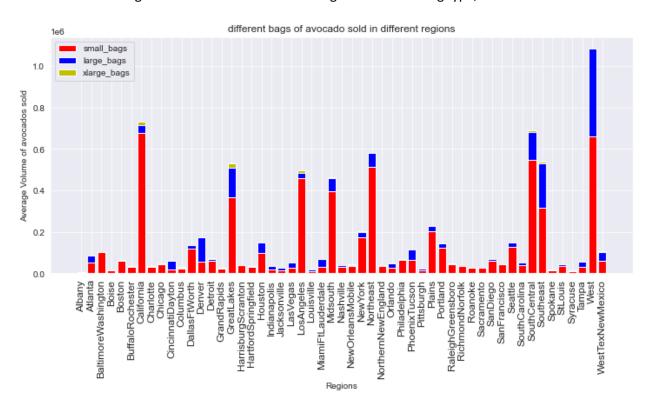
- California, South central, South east & west regions are the regions with most consumption of avocados. i.e., higher demand from these 4 regions.
- 4. Average number of avocados sold based on bags size of each type;



observation:

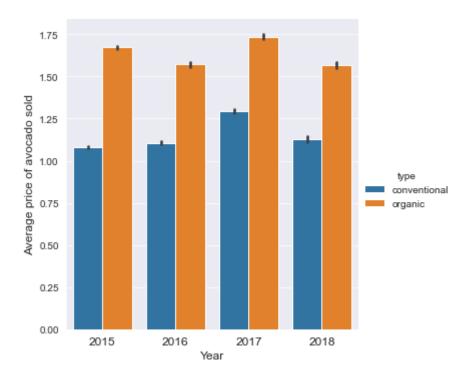
- Organic type of avocado is very less consumptive but higher price.
- Conventional type of avocado is sold heavily with higher volume & lower price.
- Smaller bags of conventional avocado is sold in much bigger volume than other bag sizes.

5. Different bags of avocado sold in different regions based on bag type;

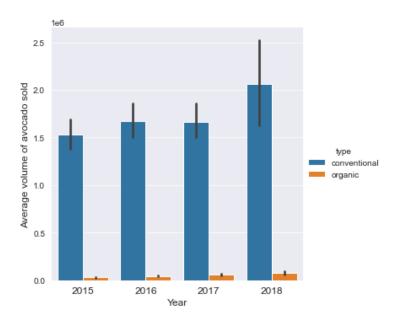


Observation:

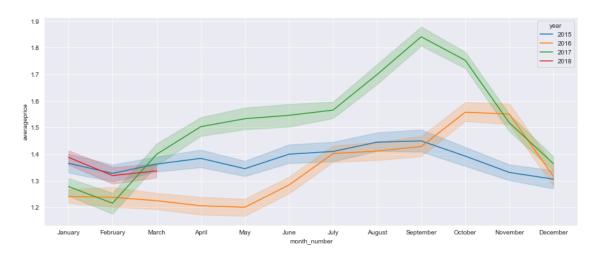
- Smaller bags of avocados are sold heavily in all the regions.
- 6. Average price of each type of avocado sold each year;



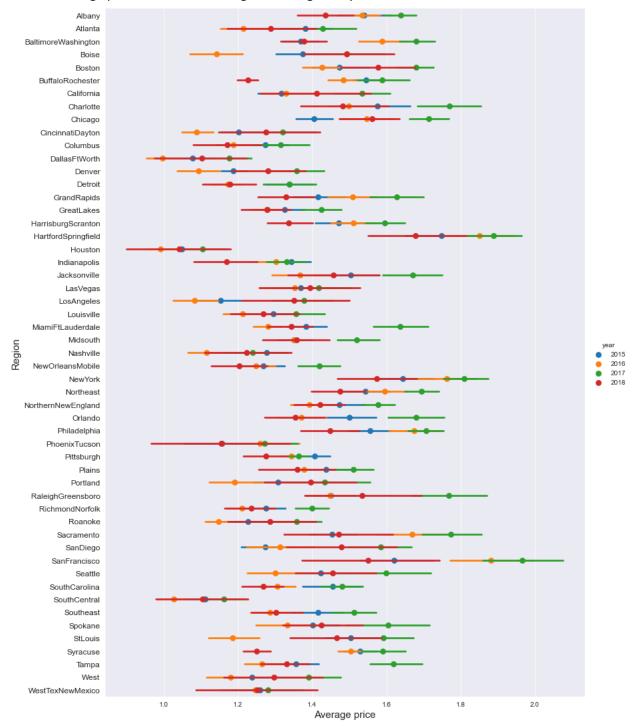
7. Average number of each type of avocado sold each year;



8. Average price variation during each year



9. Average price variation in all regions during each year



In 2015:

- average price of avocado was higher in Hart fort Springfield, New York, San Francisco, charlotte,
 philly. price was above 1.5 per unit.
- Houston, Dallas. South Central & LA had lower price per unit.
- Volume consumption was higher in California, West & South-central regions

In 2016:

- average price of avocado was higher in Hart fort Springfield, New York, San Francisco, philly, Sacramento & Northeast regions. price was above 1.6 per unit.
- Houston, Dallas. South Central & LA had lower price per unit.
- Volume consumption was higher in California, West & South-central regions

In 2017:

- average price of avocado was higher in hart fort Springfield, New York, San Francisco, charlotte, Sacramento regions. price was above 1.75 per unit.
- Houston, Dallas. South Central & Nashville had lower price per unit.
- Volume consumption was higher in California, West & South-central regions

In 2018:

- Data was only of 3 months, so it won't make sense to compare with other years data.
- 10. Correlation matrix of numerical features;



Observation:

 All Numerical features seem to have very low correlation with target variable 'Average Price' & high correlation with each other, hinting about multicollinearity.

Pre-Processing Data.

1. In this step we will make week number, month number & year as categorical datatypes.

Copying the dataframe & converting all the necessary features in to proper datatypes;

```
#Copying dataframe
data2 = data0.copy()

data2['date'] = pd.to_datetime(data2['date'], errors='raise')
data2['week_number'] = data2['date'].dt.week
data2['month_number'] = data2['date'].dt.month
data2['year'] = data2['date'].dt.year

data2.drop('date', axis=1, inplace=True)

data2['year'] = data2['year'].astype('str')
data2['week_number'] = data2['week_number'].astype('str')
data2['month_number'] = data2['month_number'].astype('str')
```

2. Checking Skewness & Removing using Power transformation

```
total_volume
           9.007687
plu_4046
           8.648220
plu_4225
          8.942466
plu_4770
          10.159396
total_bags
          9.756072
           9.540660
small_bags
           9.796455
large_bags
dtype: float64
```

Observation

1. All the numerical features have skewness. we will remove it using yeo-johnson transformation

```
1 x = data2[['total_volume', 'plu_4046', 'plu_4225', 'plu_4770',
          'total_bags', 'small_bags', 'large_bags']]
 1 from sklearn.preprocessing import PowerTransformer
 pt = PowerTransformer(method='yeo-johnson', standardize=True)
 4 x pt = pt.fit transform(x)
 5 x_pt = pd.DataFrame(x_pt, columns = x.columns)
 1 num_feat = ['total_volume', 'plu_4046', 'plu_4225', 'plu_4770', 'total_bags', 'small_bags', 'large_bags']
 2 for col in num_feat:
      data2[col]=x_pt[col]
total_volume 0.011171
plu_4046
             -0.022679
plu_4225
             -0.017740
plu_4770
             0.032184
total_bags
             -0.001626
small_bags
             0.007058
large_bags
             -0.073809
dtype: float64
```

Observation

1. skewness in all numerical features is removed & are well within skewness of +/-0.5

3. Checking outliers & removing if any using IQR Method

```
1 data3 = data2.copy()
   data_out.iloc[:,:].boxplot(figsize = (16,8))
plt.subplots_adjust(bottom=0.25)
   plt.show()
                       plu_4046
25 # creating a function to remove outliers using inter quantile range...
26 def get_outliers_iqr(data):
27
28
       q1 = data.quantile(0.25)
29
       q3 = data.quantile(0.75)
       iqr = q3-q1
30
32
       #empty list to store index values
33
       all_indices = []
34
35
       \textbf{for} \  \, \text{column} \  \, \textbf{in} \  \, \text{data.columns:}
36
           lower, upper = (q1[column] - (1.5*iqr[column])), (q3[column] + (1.5*iqr[column]))
37
38
           index = np.where((data[column] < lower) | (data [column] > upper))
39
40
           all_indices.extend(index[0])
41
42
       set_res = set(all_indices)
43
       indices_to_remove = np.array(list(set_res))
44
       return indices_to_remove
1 to_remove_iqr = get_outliers_iqr(data_out)
2 data_out = data_out.drop(data_out.index[to_remove_iqr])
3 data3_iqr = data3.drop(data3.index[to_remove_iqr])
1 total_data_loss = (data3.shape[0] - data3_iqr.shape[0])*100/data3.shape[0]
2 print('Total Data loss after removing Outliers : ', round(total_data_loss,2))
```

Total Data loss after removing Outliers : 1.9

Observation:

• We see that total data loss after removing outliers was 1.9%.

```
data_out.iloc[:,:].boxplot(figsize = (16,8))
plt.subplots_adjust(bottom=0.25)
plt.show()

3
2
1
0
-1
-2
-3
bbls_volume plu_4046 plu_4225 plu_4770 bbls_bags small_bags large_bags
```

- 1. using IQR Method, outliers removed from all the columns
- 2. Data loss after removing outliers using IQR is : 1.9%

4. We will Remove all the observations where region column has 'TotalUS' entry;

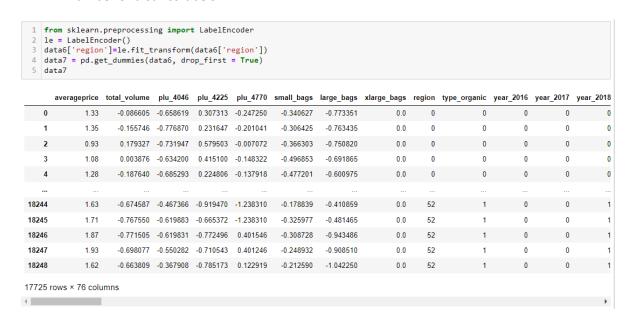
```
data5 = data3_iqr.copy()
data6 = data5.drop(columns = ['total_bags'])
data6 = data6.loc[data6['region'] != 'TotalUS']
data6
```

	averageprice	total_volume	plu_4046	plu_4225	plu_4770	small_bags	large_bags	xlarge_bags	type	year	region	week_number	ı
0	1.33	-0.086605	-0.658619	0.307313	-0.247250	-0.340627	-0.773351	0.0	conventional	2015	Albany	52	
1	1.35	-0.155746	-0.776870	0.231647	-0.201041	-0.306425	-0.763435	0.0	conventional	2015	Albany	51	
2	0.93	0.179327	-0.731947	0.579503	-0.007072	-0.366303	-0.750820	0.0	conventional	2015	Albany	50	
3	1.08	0.003876	-0.634200	0.415100	-0.148322	-0.496853	-0.691865	0.0	conventional	2015	Albany	49	
4	1.28	-0.187640	-0.685293	0.224806	-0.137918	-0.477201	-0.600975	0.0	conventional	2015	Albany	48	
18244	1.63	-0.674587	-0.467366	-0.919470	-1.238310	-0.178839	-0.410859	0.0	organic	2018	WestTexNewMexico	5	
18245	1.71	-0.767550	-0.619883	-0.665372	-1.238310	-0.325977	-0.481465	0.0	organic	2018	WestTexNewMexico	4	
18246	1.87	-0.771505	-0.619831	-0.772496	0.401546	-0.308728	-0.943486	0.0	organic	2018	WestTexNewMexico	3	
18247	1.93	-0.698077	-0.550282	-0.710543	0.401246	-0.248932	-0.908510	0.0	organic	2018	WestTexNewMexico	2	
18248	1.62	-0.663809	-0.367908	-0.785173	0.122919	-0.212590	-1.042250	0.0	organic	2018	WestTexNewMexico	1	

17725 rows × 13 columns

5. Using Label encoder for encoding region column.

Sklearn provides a very efficient tool for encoding the levels of categorical features into numeric values. Label Encoder encode labels with a value between 0 and n_classes-1 where n is the number of distinct labels.



6. We will check for correlation & Multicollinearity using .corr() method & VIF resply.

```
1 x_check = data7[['total_volume','plu_4046','plu_4225','plu_4770','small_bags','large_bags','xlarge_bags','averageprice']]
   x check.corr()
  plt.figure(figsize=(8,5))
  sns.heatmap(x_check.corr(),annot=True, fmt = ".2f", annot_kws={'size':12});
5 plt.show()
total_volume 1.00
                                   0.92
 plu_4046
          0.89
                 1.00
                                                        -0.56
 plu_4225
                       1.00
 plu_4770
                                                                   - 0.2
small_bags
          0.92
                                    1.00
                                                                   - 0.0
                                           1.00
 large_bags
                                                                   - -0.2
                                                  1.00
xlarge_bags
                -0.56
                                                        1.00
```

Observation:

 We see there are some features with highly correlated with each other, We will confirm the same using Statsmodels' OLS result as follows.

```
model = sm.OLS(x_check['averageprice'], sm.add_constant(x_check.drop('averageprice', axis=1))).fit()
  2 print(model.summary())
                                  OLS Regression Results
______
Dep. Variable:
                            averageprice R-squared:
          OLS Adj. R-squared:
Least Squares F-statistic:
Wed, 05 Oct 2022 Prob (F-statistic):
                                           OLS Adj. R-squared:
Model:
                                                                                               0.438
                                                                                             1973.
Method:
0.00
-3935.4
                                                                                              7887
                                                                                              7949.
Covariance Type:
                                  nonrobust
______
                       coef std err t P>|t| [0.025 0.975]

        const
        1.3947
        0.002
        592.150
        0.000
        1.390
        1.399

        total_volume
        -0.6076
        0.014
        -44.473
        0.000
        -0.634
        -0.581

        plu_4046
        0.0260
        0.006
        4.656
        0.000
        0.015
        0.037

        plu_4225
        0.3082
        0.007
        42.910
        0.000
        0.294
        0.322

        plu_4770
        -0.0721
        0.004
        -17.143
        0.000
        -0.080
        -0.064

        small_bags
        0.1650
        0.007
        23.515
        0.000
        0.151
        0.179

        large_bags
        -0.0506
        0.003
        -15.377
        0.000
        -0.057
        -0.044

        xlarge_bags
        1.907e-06
        3.03e-07
        6.303
        0.000
        1.31e-06
        2.5e-06

                       1712.926 Durbin-Watson:
 ------
                                                                              2638.681
Omnibus:
             us): 0.000 Jarque-Bera (JB):
0.728 Prob(JB):
4.206 Cond. No.
Prob(Omnibus):
                                                    Prob(JB):
Skew:
                                                                                         6.00e+04
Kurtosis:
______
```

- [1] Standard Errors assume that the covariance matrix of the errors is correctly specified.
- [2] The condition number is large, 6e+04. This might indicate that there are strong multicollinearity or other numerical problems.

- Condition number is more than 10, this indicate there is multicollinearity issue.
- 7. We will remove multicollinearity using Variance inflation factor

```
1 \hspace{0.1in} \textbf{from} \hspace{0.1in} \textbf{statsmodels.stats.outliers\_influence} \hspace{0.1in} \textbf{import} \hspace{0.1in} \textbf{variance\_inflation\_factor}
2 df_feat = x_check.drop('averageprice', axis=1)
3 df_tgt = x_check['averageprice']
5 vif = pd.DataFrame()
6 vif["variables"] = df_feat.columns
7 vif["VIF"] = [variance_inflation_factor(df_feat.values, i) for i in range(df_feat.shape[1])]
8 vif.sort_values(by = 'VIF', ascending = False)
```

	variables	VIF
0	total_volume	34.198010
2	plu_4225	9.428277
4	small_bags	8.120107
1	plu_4046	5.774840
3	plu_4770	3.349894
5	large_bags	1.986215
6	xlarge_bags	1.184613

Observation:

We will remove total volume as it shows VIF more than 10.

```
df_feat = x_check.drop(['averageprice', 'total_volume'], axis=1)
df_tgt = x_check['averageprice']

vif = pd.DataFrame()
vif["variables"] = df_feat.columns
vif["VIF"] = [variance_inflation_factor(df_feat.values, i) for i in range(df_feat.shape[1])]
vif.sort_values(by = 'VIF', ascending = False)
```

1	plu_4225	4.020856
3	small_bags	3.862361
0	plu_4046	3.432350
2	plu_4770	3.349892
4	large_bags	1.763164
5	xlarge_bags	1.164698

VIF

variables

Observation

- 1. Multicollinearity is removed.. VIF for all the features is within 10.
 - Final data preparation for model training.
 We will separate dependant & independent features.

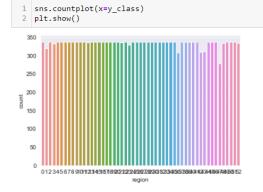
Preparing data for ML model

```
1 x = data7.drop(columns = ['region', 'averageprice', 'total_volume'])
2 y_class = data7['region']
3 y_reg = data7['averageprice']
1 x
```

	plu_4046	plu_4225	plu_4770	small_bags	large_bags	xlarge_bags	type_organic	year_2016	year_2017	year_2018	week_number_10	week_number_11
0	-0.658619	0.307313	-0.247250	-0.340627	-0.773351	0.0	0	0	0	0	0	(
1	-0.776870	0.231647	-0.201041	-0.306425	-0.763435	0.0	0	0	0	0	0	(
2	-0.731947	0.579503	-0.007072	-0.366303	-0.750820	0.0	0	0	0	0	0	(
3	-0.634200	0.415100	-0.148322	-0.496853	-0.691865	0.0	0	0	0	0	0	(
4	-0.685293	0.224806	-0.137918	-0.477201	-0.600975	0.0	0	0	0	0	0	(
18244	-0.467366	-0.919470	-1.238310	-0.178839	-0.410859	0.0	1	0	0	1	0	(
18245	-0.619883	-0.665372	-1.238310	-0.325977	-0.481465	0.0	1	0	0	1	0	(
18246	-0.619831	-0.772496	0.401546	-0.308728	-0.943486	0.0	1	0	0	1	0	C
18247	-0.550282	-0.710543	0.401246	-0.248932	-0.908510	0.0	1	0	0	1	0	(
18248	-0.367908	-0.785173	0.122919	-0.212590	-1.042250	0.0	1	0	0	1	0	(

17725 rows × 73 columns

9. Checking data imbalence for classification problem



No need to do use SMOTE method as the data is perfectly balenced.

10. Applying Standard Scaling to Independent features

using Standard Scaler to standardize the data

```
#Transforming data into Standard Norma Distribution
from sklearn.preprocessing import StandardScaler
sc = StandardScaler()
```

```
1  X = pd.DataFrame(sc.fit_transform(x), columns=x.columns)
2  X
```

		plu_4046	plu_4225	plu_4770	small_bags	large_bags	xlarge_bags	type_organic	year_2016	year_2017	year_2018	week_number_10	week_number_11
	0	-0.647482	0.347429	-0.234376	-0.358974	-0.764661	-0.241634	-0.989393	-0.668535	-0.680842	-0.278049	-0.1556	-0.155409
	1	-0.768411	0.269506	-0.187556	-0.321898	-0.754458	-0.241634	-0.989393	-0.668535	-0.680842	-0.278049	-0.1556	-0.155409
	2	-0.722471	0.627737	0.008975	-0.386808	-0.741477	-0.241634	-0.989393	-0.668535	-0.680842	-0.278049	-0.1556	-0.155409
	3	-0.622510	0.458430	-0.134141	-0.528330	-0.680813	-0.241634	-0.989393	-0.668535	-0.680842	-0.278049	-0.1556	-0.155409
	4	-0.674761	0.262461	-0.123600	-0.507026	-0.587286	-0.241634	-0.989393	-0.668535	-0.680842	-0.278049	-0.1556	-0.155409
1	7720	-0.451898	-0.915943	-1.238529	-0.183588	-0.391655	-0.241634	1.010720	-0.668535	-0.680842	3.596491	-0.1556	-0.155409
1	7721	-0.607869	-0.654267	-1.238529	-0.343093	-0.464309	-0.241634	1.010720	-0.668535	-0.680842	3.596491	-0.1556	-0.155409
1	7722	-0.607816	-0.764586	0.422992	-0.324393	-0.939732	-0.241634	1.010720	-0.668535	-0.680842	3.596491	-0.1556	-0.155409
1	772 3	-0.536692	-0.700785	0.422687	-0.259572	-0.903741	-0.241634	1.010720	-0.668535	-0.680842	3.596491	-0.1556	-0.155409
1	7724	-0.350187	-0.777641	0.140683	-0.220177	-1.041360	-0.241634	1.010720	-0.668535	-0.680842	3.596491	-0.1556	-0.155409

17725 rows × 73 columns

Building Machine Learning Models.

Please refer the notebook in the github link for detailed codes:

For Classification model;

We will test the following models (the detailed code has all algorithm run in a loop to get best random state & best cross validation fold). The code will generate a table consisting best random state & Cross validation fold & all related evaluation metrics of the respective model.

```
1 dtc = DecisionTreeClassifier()
   2 etc = ExtraTreesClassifier()
  3 knc = KNeighborsClassifier()
   4 | lgr = LogisticRegression(multi_class='ovr')
  5 rfc = RandomForestClassifier()
# TO print classification report, confusion matrx, roc-auc curve
\begin{tabular}{ll} \beg
       if train:
               y_pred = clf.predict(x_train)
               print(f"Accuracy score for Train : {accuracy_score(y_train,y_pred) * 100:.2f}%")
                return round(accuracy_score(y_train,y_pred)*100,2)
                   print('\n \n Train Classification report \n', classification_report(y_train,y_pred, digits=2))
       elif train==False:
                y_pred = clf.predict(x_test)
                acc = round(accuracy_score(y_test,y_pred)*100,2)
                print(f"Accuracy score for Test : {accuracy_score(y_test,y_pred) * 100:.2f}%")
                confusion_matrix_c(y_test, y_pred)
                print('\n \n Test Classification report \n', classification_report(y_test, y_pred, digits=2))
                best_cv = []
                for j in range(3, 12):
                         cv_score = round(cross_val_score(clf, X, y_class, cv=j, scoring="accuracy").mean()*100,2)
                         diff.append(abs(cv_score - acc))
                        best cv.append(i)
                 k_f = best_cv[diff.index(min(diff))]
                cv_score = cross_val_score(clf,X, y_class, cv=k_f, scoring="accuracy").mean()
                print(f"Cross\ Validation\ score\ at\ best\ cv=\{k\_f\}\ is\ :\ \{cv\_score*100:.2f\}\%")
                 return acc,k_f, min(diff),cv_score*100
models = [dtc,etc,knc,lgr,rfc]
models_name = ['DecisionTreeClassifier', 'ExtraTreesClassifier', 'KNeighborsClassifier',
                               'LogisticRegression', 'RandomForestClassifier']
dummy_count = 0 #dummy variable for count purpose
for model in models:
   ### splitting with best random state
     x_train, x_test, y_train, y_test = train_test_split(X, y_class, random_state=best_i, test_size=.2, stratify=y_class)
   ### training the model
      model.fit(x_train, y_train)
       algo.append(models_name[dummy_count])
   tr_ac = print_score(model, x_train, x_test, y_train, y_test, train=True)
```

	algo	best random state	train_accuracy	test_accuracy	Score_diff	best cv fold	cross_val_score
3	LogisticRegression	78	40.97	30.69	0.20	9	30.894866
2	KNeighborsClassifier	60	22.03	0.20	9.54	3	9.737851
0	DecisionTreeClassifier	49	100.00	79.10	15.10	11	63.773091
4	RandomForestClassifier	82	100.00	85.42	15.72	11	69.453270
1	ExtraTreesClassifier	123	100.00	77.04	15.91	11	60.838086

Observation:

- we will select Random Forest classifier as it has higher test accuracy & lower difference between test accuracy & Cross value score amongst all models.
- It also has higher test accuracy of all the models tested.

Hyper parameter tuning for classification model;

```
param_grid_rfr = {'n_estimators':[200,300,350,450],
                       'max_depth':[50, 65, 75, 80],
'min_samples_split':[2, 3, 5],
                       'criterion':['gini', 'entropy']
 1 rfc_tune = RandomForestClassifier()
 1 x_train, x_test, y_train, y_test = train_test_split(X, y_class, test_size = 0.2, random_state = 82, stratify=y_class)
 1 rf_grid = GridSearchCV(estimator = rfc_tune,
                             param_grid = param_grid_rfr,
                             verbose = 2,
scoring = 'accuracy')
 1 rf_grid.fit(x_train, y_train)
 1 rf_grid.best_params_
{'criterion': 'entropy',
  'max_depth': 80,
 'min_samples_split': 3,
 'n_estimators': 450}
 1 rf_grid.best_score_
0.8555007052186177
```

Using hyper parameters obtained from gridsearch for classificaion model...

Accuracy Score: 0.8750352609308886

```
confusion_matrix_c(y_test_class, y_pred)
print('\n \n Test Classification report \n', classification_report(y_test_class, y_pred, digits=2))
 cv_score = cross_val_score(rfc_tune_final,X, y_class, cv=11, scoring="accuracy").mean()
print(f"Cross Validation score at best cv = 11 is : {cv_score*100:.2f}%")
Confusion Matrix :
[[63 0 0 ... 0 0 0]
 [ 0 50 0 ... 0 0 0]
 [0 0 65 ... 0 0 0]
 [ 0 0 0 ... 23 0 0]
 [ 0 0 0 ... 0 68 0]
[ 0 0 0 ... 0 0 52]]
                                              0.88
                                                        3545
    accuracy
                 0.88
0.88
                              0.87
0.88
                                           0.87
0.87
                                                       3545
3545
   macro avg
weighted avg
Cross Validation score at best cv = 11 is : 73.17%
```

After tuning we see increase in test accuracy & cross value scores. Hence our model is good.

Saving & predicting classification model

```
filename='avocado_class.pkl'
pickle.dump(rfc_tune_final,open(filename,'wb'))

filename='avocado_reg.pkl'
pickle.dump(xgb_tune_final,open(filename,'wb'))

model =pickle.load(open('avocado_class.pkl','rb'))
pred =model.predict(x_test_class)
result = pd.DataFrame(list(zip(y_test_class, pred)), columns = ['Actual', 'Predicted'])
result
```

	Actual	Predicted
0	35	35
1	12	12
2	2	2
3	8	8
4	27	27
3540	27	27
3541	3	3
3542	33	33
3543	23	3
3544	47	47

3545 rows × 2 columns

For Regression model;

We will test the following models (the detailed code has all algorithm run in a loop to get best random state & best cross validation fold). The code will generate a table consisting best random state & Cross validation fold & all related evaluation metrics of the respective model.

```
1 lr = LinearRegression()
  2 ls = Lasso()
  3 rd = Ridge()
  4 rfr = RandomForestRegressor()
  5 abr = AdaBoostRegressor()
  6 gbr = GradientBoostingRegressor()
  7 dtr = DecisionTreeRegressor()
  8 knr = KNeighborsRegressor()
  9 xgb = XGBRegressor()
'Decision Tree Regressor', 'KNeighbors Regressor',
                  'XGB Regressor', 'Random Forest Regressor']
dummy_count = 0 #dummy variable for count purpose
for model in models:
   ### splitting the train7 set with best random state
   x_train, x_test, y_train, y_test = train_test_split(X, y_reg, random_state=best_i, test_size=.25)
 ### training the model
    model.fit(x_train, y_train)
    algo.append(models_name[dummy_count])
    ##showing the results in output
    print(':::::')
    print('
    print(' ')
    print(models_name[dummy_count] + ' Model')
    print(' ')
    print('for '+ models_name[dummy_count] + ' model, Best Random_state number for splitting the data is: ', best_i)
    print(' ')
    print('===scores for training set===')
    print('r2 score for training set')
print('r2 score for training set', r2_score(y_train, pred_train))
print('MAE for training set: ', mean_absolute_error(y_train, pred_train))
print('MSE for training set: ', mean_squared_error(y_train, pred_train))
print('SMSE for training set: ', np.sqrt(mean_squared_error(y_train, pred_train)))
    print(' ')
    print('===scores for testing set===')
    print('r2 score for testing set : ', r2_score(y_test, pred_test))
    print('MAE for testing set: ', mean_absolute_error(y_test, pred_test))
print('MSE for testing set: ', mean_squared_error(y_test, pred_test))
print('SMSE for testing set: ', np.sqrt(mean_squared_error(y_test, pred_test)))
    print(' ')
    print(' ')
```

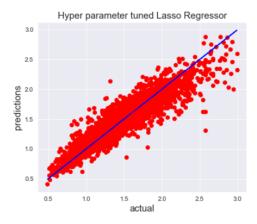
```
### printing CV Score based on best CV fold value
   k_f = best_cv[cv_diff.index(min(cv_diff))]
   cv_fold.append(k_f)
  cv_score = cross_val_score(model, X, y_reg, cv=k_f).mean()
  crossvalscore.append(round(cv_score,2))
  {\sf score\_diff.append(abs(round(cv\_score - test\_accuracy,2)))}
  print(f"Cross Validation score at best cv={k_f} is : {cv_score*100:.2f}%")
  dummy_count+=1
 print(' ')
print(' ')
                            best
                                 train_r2score test_r2score train_mae train_mse train_srmse test_mae test_mse test_srmse best.cv cross_val_score fold
                         random
No.
       Random Forest
 9
                                         0.98
                                                      0.86
                                                                 0.04
                                                                           0.00
                                                                                       0.06
                                                                                                 0.11
                                                                                                           0.02
                                                                                                                      0.15
                                                                                                                                11
                                                                                                                                              0.39
           Regressor
 8
       XGB Regressor
                                          0.93
                                                                 0.08
                                                                                                 0.12
                                                                                                           0.03
                                                                                                                      0.16
                                                                                                                                12
                                                                                                                                              0.51
        Decision Tree
                                                                                                                      0.22
                                                                                                                                              -0.17
           Regressor
     Gradient Boosting
Regressor
                                          0.71
                                                                 0.16
                                                                           0.05
                                                                                       0.22
                                                                                                 0.16
                                                                                                           0.05
                                                                                                                      0.21
                                                                                                                                 9
                                                                                                                                              0.38
          KNeighbors
                                                                                                                      0.25
                                                                                                                                12
 7
                                          0.76
                                                                           0.04
                                                                                       0.20
                                                                                                 0.18
                                                                                                           0.06
                                                                                                                                              0.33
           Regressor
 1 Linear Regression
                              20
                                          0.57
                                                      0.57
                                                                 0.21
                                                                           0.07
                                                                                       0.27
                                                                                                 0.20
                                                                                                           0.07
                                                                                                                      0.26
                                                                                                                                 9
                                                                                                                                              0.15
              Ridge
                              20
                                                                           0.07
                                                                                                                                 9
                                         0.57
                                                      0.57
                                                                 0.21
                                                                                       0.27
                                                                                                 0.20
                                                                                                           0.07
                                                                                                                      0.26
                                                                                                                                              0.15
           Ada-Boost
                              9
 4
                                          0.52
                                                      0.51
                                                                 0.22
                                                                           0.08
                                                                                       0.28
                                                                                                 0.23
                                                                                                           0.08
                                                                                                                      0.28
                                                                                                                                10
                                                                                                                                              -0.16
           Regressor
              Lasso
                                                      -0.00
                                                                 0.32
                                                                           0.16
                                                                                       0.40
                                                                                                 0.33
                                                                                                           0.16
                                                                                                                      0.40
                                                                                                                                              -1.18
```

- we will select XGB Regressor as it has higher test & Cross validation scores, also it has lower MAE value.
- Random forest has higher test score but cross value score is very less. Hence, we will
 use XGB Regressor.

Hyper parameter tuning for regression model;

Using hyper parameters obtained from gridsearch for regression model...

```
1 x_train, x_test_reg, y_train, y_test_reg = train_test_split(X, y_reg, random_state=63, test_size=.25)
 1 xgb_tune_final = XGBRegressor(learning_rate= 0.1, max_depth=8, n_estimators=800)
 1 xgb_tune_final.fit(x_train,y_train)
 2 y_pred=xgb_tune_final.predict(x_test_reg)
 1 print('r2 score for testing set : ', r2_score(y_test_reg, y_pred))
 print('MAE for testing set: ', mean_absolute_error(y_test_reg, y_pred))
print('MSE for testing set: ', mean_squared_error(y_test_reg, y_pred))
print('SMSE for testing set: ', np.sqrt(mean_squared_error(y_test_reg, y_pred)))
r2 score for testing set : 0.874351595012883
MAE for testing set: 0.10166876581386539
MSE for testing set: 0.02122898504075049
SMSE for testing set: 0.14570169882589046
 1 ##plotting the graph with bestfit line, actual & predicted values
 plt.figure(figsize = (6,5))
 3 plt.scatter(x =y_test_reg, y=y_pred, color = 'r')
 4 plt.plot(y_test_reg, y_test_reg, color = 'b')
 plt.xlabel('actual', fontsize = 15)
plt.ylabel('predictions', fontsize = 15)
 7 plt.title('Hyper parameter tuned Lasso Regressor', fontsize = 15)
 8 plt.show()
```



```
cross_val_score(xgb_tune_final, X, y_reg, cv = 12, scoring ='r2').mean()
```

0.5139095135730846

observation:

After tuning we see increase in test score & cross value scores. Hence our model is good.

Saving & predicting regression model

```
model =pickle.load(open('avocado_reg.pkl','rb'))
pred =model.predict(x_test_reg)
result = pd.DataFrame(list(zip(y_test_reg, pred)), columns = ['Actual', 'Predicted'])
result
```

	Actual	Predicted
0	1.60	1.655651
1	1.05	1.003266
2	1.78	1.507349
3	1.61	1.596217
4	1.60	1.697207
4427	1.26	1.178945
4428	1.26	1.179238
4429	1.55	1.754191
4430	1.17	1.011211
4431	1.70	1.568804

4432 rows × 2 columns