# Abstract:

# Netflix Movies and TV show clustering

### Shivam Pandey

### Data science trainee Intern,

**Alma Better, Bangalore**

Highlights the platform's focus on original

The Netflix TV shows clustering project aims to develop a machine learning model that can group TV shows on Netflix based on their popularity and audience preferences. The project will involve data collection and preprocessing, feature engineering, clustering, and evaluation. The dataset will consist of TV show features such as genre, rating, cast, production budget, and release year. Various clustering algorithms such as K-means, hierarchical clustering, and DBSCAN will be applied to the dataset to group TV shows based on their similarities. The effectiveness of the clustering will be evaluated using metrics such as silhouette score and inertia. The project aims to help Netflix users discover new TV shows that align with their viewing preferences by providing them with curated groups of similar shows based on their attributes.

1. **Problem Statement**

This dataset contains a wealth of information on TV shows and movies available on the popular streaming platform Netflix, as of 2019. The dataset was collected from Fixable, a third-party Netflix search engine. With the proliferation of streaming services, Netflix has become a key player in the entertainment industry. In fact, a report released by the company in 2018 showed that the number of TV shows on the platform had almost tripled since 2010, while the number of movies had decreased by over 2,000 titles. This

Programming, which has helped to solidify its position as a leading streaming service. This dataset offers a unique opportunity to explore and gain insights into the type of content available on Netflix. The dataset includes a wide range of variables, including title, director, cast, country, rating, genre, and more. By analyzing this data, we can uncover trends in the types of content that are popular on the platform, as well as explore the characteristics of highly rated movies and TV shows. This information can be valuable for content creators, producers, and marketers looking to understand consumer preferences and improve their offerings. Additionally, this dataset can be used to build predictive models that can help to anticipate the success of future content on the platform. Overall, this dataset offers a wealth of possibilities for exploration and analysis, and can provide valuable insights into the rapidly-evolving entertainment industry.

## Introduction

For a Netflix movies and TV shows clustering project, the goal is to build a model that can group movies and TV shows based on their similarities in terms of various features and attributes. The model would take into account factors such as genre, rating, cast, production budget, release year, and other features that affect

Audience preferences and popularity. The model would analyze these features and use unsupervised learning algorithms, such as K-means, hierarchical clustering, or DBSCAN, to group movies and TV shows into clusters based on their similarities. The clusters would be labeled according to their characteristics, such as "action movies," "romantic comedies," or "sci-fi TV shows," allowing users to easily find content that aligns with their preferences. Similar to the

Personalized recommendation algorithm, the Netflix movies and TV shows clustering model would also be dynamic, adjusting the clusters based on the latest viewer trends and feedback. The output of the model would be a set of clusters, each containing movies and TV shows that share similar characteristics, which could be communicated to the user. The model would be trained on a dataset containing various movies and TV shows and their corresponding features and attributes. This dataset would be used to train the model using unsupervised learning algorithms to group similar movies and TV shows into clusters. Once the model is trained and validated, it can be deployed as an application or integrated into the Netflix platform, allowing users to easily discover and explore new content that aligns with their viewing preferences. This could lead to increased viewer satisfaction and engagement, and ultimately, higher retention rates for the platform.

## Static vs Dynamic Pricing: Choosing the Right Strategy for Your Industry

In the context of Netflix movies and TV show clustering, companies may use different pricing strategies to set the prices for their streaming services. Static pricing is a fixed pricing scheme that remains the same regardless of changes in demand or supply. This pricing strategy is often used in traditional media settings where the cost of content production and distribution is relatively stable. Dynamic pricing, on the other hand, is a flexible pricing strategy that adjusts prices in real-time based on changes in demand and supply. This strategy is becoming increasingly popular in the streaming industry as companies seek to optimize revenue and meet the needs of customers in real-time. Similar to surge pricing in the taxi industry, dynamic pricing in the streaming industry adjusts prices based on fluctuations in demand, supply, and other external factors such as promotions, competitors' pricing, and consumer behavior. By leveraging data and analytics to track market trends, companies can make strategic pricing decisions and optimize revenue. Overall, understanding the pros and cons of static and dynamic pricing can help companies develop effective pricing strategies and stay competitive in a rapidly evolving market for streaming services.

## Price Drivers.

Factors Affecting Netflix Content Clustering. In the context of Netflix content clustering, there are several factors that can influence how movies and TV shows are categorized and recommended to users. These include: Genre: The genre of a movie or TV show, such as action, comedy, drama, or sci-fi, can

impact how it is categorized and recommended to users.

Ratings and reviews: User ratings and reviews can also influence how content is categorized and recommended. Content with higher ratings and positive reviews may be recommended more frequently to users.

Viewer demographics: The age, gender, and viewing history of a user can also impact how content is categorized and recommended. For example, if a user frequently watches romantic comedies, they may be recommended more content in that genre.

Popularity: Popular content with high viewership may be recommended more frequently to users, even if it does not align with their viewing history or preferences. Release date: The release date of a movie or TV show can also impact how it is categorized and recommended. For example, content that has recently been released may be promoted more heavily to users.

Overall, understanding these factors can help Netflix develop more effective content clustering and recommendation strategies, ultimately improving the user experience and increasing user engagement.

3.

1. **Managing Demand for Netflix** Content In the context of Netflix movies and TV show clustering, sudden changes in demand can also impact content availability and pricing. When a particular movie or TV show suddenly becomes popular, there may not be enough streaming capacity to meet the demand. This can lead to an increase in prices as consumers compete for access to the limited supply of content. Factors that

can contribute to sudden changes in demand for a particular movie or TV show may include critical acclaim, social media buzz, or a sudden change in consumer preferences. To mitigate the impact of sudden demand surges, Netflix may implement strategies such as promoting alternative content or investing in additional streaming capacity to meet the increased demand. Understanding demand patterns and being able to anticipate changes in consumer preferences can help Netflix better manage their pricing strategies and optimize their content distribution operations.

## Dynamic Pricing in Netflix Movie and TV Show Clustering

In the context of Netflix movie and TV show clustering, dynamic pricing can also play a role in optimizing revenue and meeting customer needs. Netflix uses personalized pricing strategies, which means that prices are tailored to individual users based on their past viewing habits, preferences, and behavior. For example, a user who frequently watches action movies may be shown a higher price point for an action movie than a user who rarely watches that genre. This personalized pricing strategy helps Netflix optimize revenue and offer tailored recommendations to users.

Netflix also uses dynamic pricing to adjust prices based on external factors such as market demand, competitor pricing, and seasonality. For example, during the holiday season, prices for popular movies and TV shows may increase due to higher demand. Similarly, if a competitor lowers their prices, Netflix may choose to adjust their prices in response to remain competitive. By leveraging data and analytics to track market

trends and consumer behavior, Netflix can make strategic pricing decisions and optimize revenue. This ultimately helps Netflix better serve the needs of their customers by offering personalized pricing and tailored recommendations while still remaining competitive in a rapidly evolving market

* **Data collection and preparation:** The first step is to collect and prepare the data. In this case, we need to collect information about Netflix movies and TV shows such as their titles, descriptions, genres, release year, and ratings. We also need to preprocess the data by removing any duplicates, missing values, and irrelevant information.
* **Feature engineering:**Next, we need to extract features from the data that will be used in the clustering process. This may involve transforming categorical features into numerical values, scaling numerical features, and creating new features based on the existing ones.
* **Exploratory data analysis:** Before clustering the data, it is important to perform exploratory data analysis to gain insights into the characteristics of the data. This may involve visualizing the data using plots and graphs, identifying patterns, and detecting outliers.
* **Choosing the clustering algorithm:** There are several clustering algorithms that can be used, including k-means, hierarchical clustering, and DBSCAN. The choice of algorithm depends on the size of the dataset, the nature of the features, and the desired outcome.
* **Choosing the number of clusters:** The next step is to choose the number of clusters. This can be done using various methods such as the elbow method, silhouette analysis, and gap statistics. The goal is to find the optimal number of clusters that can accurately represent the underlying structure of the data.
* **Clustering**: Once the algorithm and number of clusters are determined, we can perform clustering on the data. This involves assigning each movie or TV show to a cluster based on its features.
* **Interpreting the clusters:** After clustering, we need to interpret the results and understand what each cluster represents. This may involve analyzing the features that are most important in each cluster, identifying common characteristics of the movies and TV shows within each cluster, and assigning labels to the clusters based on their characteristics.
* **Evaluation and visualization:** Finally, we need to evaluate the clustering results and visualize them using plots and graphs. This may involve measuring the within-cluster and between-cluster variation, comparing the clustering results with the ground truth (if available), and visualizing the clusters using t-SNE or PCA plots.

# Clustering:

**K-Means Clustering:** K-means clustering is a popular unsupervised machine learning algorithm used for clustering similar data points together. It partitions the dataset into k number of clusters, where k is predefined by the user.

The algorithm randomly selects k initial centroids and then assigns each data point to the nearest centroid. After that, the algorithm recalculates the centroids by taking the mean of all the data points in each cluster. This process continues until the centroids no longer change or a specified number of iterations have been reached.

**Hierarchical Clustering**: Hierarchical clustering is another unsupervised machine learning algorithm used for grouping similar data points into clusters. Unlike k-means clustering, it doesn't require the user to define the number of clusters beforehand. It starts with each data point as its own cluster and then recursively merges the two closest clusters until only one cluster remains. The result is a hierarchical tree-like structure known as a dendrogram, where each leaf node represents an individual data point, and the internal nodes represent clusters. The user can choose the number of clusters by selecting a cut-off point on the dendrogram.

## Conclusion

Welcome to our exciting journey of exploring the world of Netflix shows! Our goal was to cluster the shows into groups based on their similarities and differences, ultimately creating a content-based recommender system that suggests 10 shows based on the user's viewing history.

With over 7787 records and 11 attributes, we began our adventure by delving into the dataset's missing values and performing exploratory data analysis (EDA). Our findings revealed that Netflix boasts more movies than TV shows, with a rapidly

growing collection of shows from the United States.

To cluster the shows, we focused on six key attributes: director, cast, country, genre, rating, and description. We transformed these attributes into a 10000-feature TFIDF vectorization, then used Principal Component Analysis (PCA) to tackle the curse of dimensionality. By reducing the components to 3000, we were able to capture more than 80% of the variance.

Next, we used two clustering algorithms, K- Means and Agglomerative clustering, to group the shows. K-Means determined that the optimal number of clusters was 5, as confirmed by the elbow method and Silhouette score analysis. Meanwhile, Agglomerative clustering suggested 7 clusters, which we visualized using a dendrogram.

But we didn't stop there. We then created a content-based recommender system using the similarity matrix obtained through cosine similarity. This system provides personalized recommendations based on the type of show the user has watched, giving them 10 top-notch suggestions to explore.

Join us in discovering the diverse world of Netflix shows, and let our recommender system guide you to your next binge-worthy obsession.

### References-

* + 1. Coursera
    2. Kaggle
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