



Reading the Data

Univariate Analysis

Missing Value Treatment

Variable Transformation

Variable Identification

Univariate Analysis

Missing Value Treatment

Variable Transformation

Treatment

Treatment



Reading the Data Univariate Analysis Missing Value Treatment Variable Transformation

Variable Identification Bivariate Analysis Outlier Treatment

Topics to be covered Analysis Institute Analysis Instit

- 3. Identifying Outliers

Types of Outliers

4. Different methods to deal with Outliers



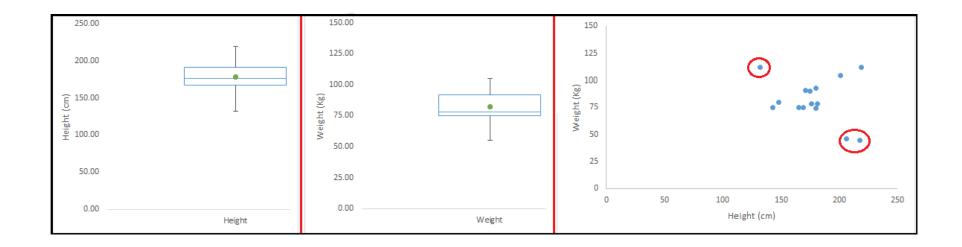
Learn everything about analytics

Reasons for Outliers

- 1. Data Entry Errors: Entering salary of a professional as \$1000,000 instead of \$100,000
- 2. Measurement Errors: Measuring some particular data in km instead of m.
- 3. Processing Errors
- 4. Change in the underlying population



Types of Outliers



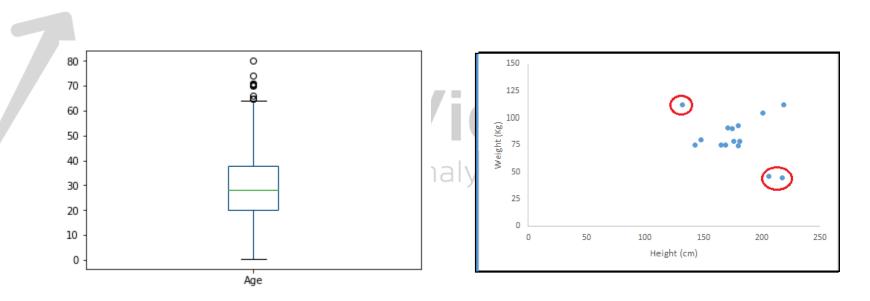
Univariate Outliers

Bivariate Outliers



Identifying Outliers

Graphical Methods



Boxplot

Scatter plot



Identifying Outliers

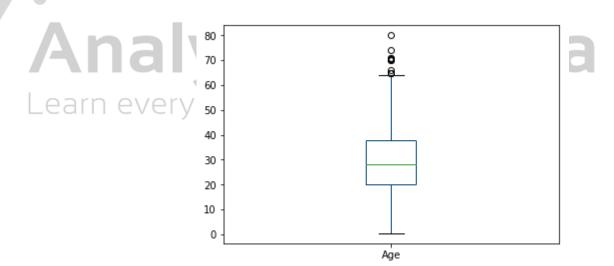
Formula Methods

< Q1 - 1.5 * IQR or > Q3 + 1.5 * IQR

Where IQR = Q3 - Q1,

Q3 = Value at 3rd quartile

Q1 = Value at 2nd Quartile





Treating Outliers

- 1. Deleting Observations
- 2. Transforming and Binning Values
- 3. Imputing Outliers like Missing Values
- 4. Treat them as separately

