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

A leading pet (retail) store chain named "Pawdacity" in Wyoming, USA has 13 stores across the state and would like to expand and open a 14th store in same state. Objective is to analyze historic data, make yearly sales prediction and recommend a new location (city) for chain's newest store.

Listed below is criteria for choosing the right city:

- The new store should be located in a new city; that means there should be no existing Pawdacity store in that city.
- The total sales for the entire competition in this new city should be less than \$500,000.
- The new city where we want to recommend this new store must have a population over 4,000 people (based upon the 2014 US Census estimate).
- The predicted yearly sales for this city must be over \$200,000.
- The recommended city must have highest predicted sales from all options available.

Key Decisions:

Answer these questions

1. What decisions needs to be made?

Pawdacity, a leading pet store chain in Wyoming, needs recommendation on where to open its 14th store

2. What data is needed to inform those decisions?

Some of the data required in order to inform this decision are,

- 1. City,
- 2. 2010 census population,
- 3. Pawdacity sales in other stores,
- 4. Competitor sales,
- 5. Household with under 18,
- 6. Land area,
- 7. Population density and
- 8. 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.

After the data cleaning activities the following training dataset was found. The R script attached was used to clean the data.

	city	county	land_area	Households. with.Under.18	Population. Density	Total.Families	total_sales	X2010.Census
1	Gillette	Campbell	2748.853	4052	5.8	7189.43	543132	29,087
2	Douglas	Converse	1829.465	832	1.46	1744.08	208008	6,120
3	Riverton	Fremont	4796.86	2680	2.34	5556.49	303264	10,615
4	Buffalo	Johnson	3115.508	746	1.55	1819.5	185328	4,585
5	Cheyenne	Laramie	1500.178	7158	20.34	14612.64	917892	59,466
6	Casper	Natrona	3894.309	7788	11.16	8756.32	317736	35,316
7	Cody	Park	2998.957	1403	1.82	3515.62	218376	9,520
8	Powell	Park	2673.575	1251	1.62	3134.18	233928	6,314
9	Sheridan	Sheridan	1893.977	2646	8.98	6039.71	308232	17,444
10	Rock Springs	Sweetwater	6620.202	4022	2.78	7572.18	253584	23,036
11	Evanston	Uinta	999.4971	1486	4.95	2712.64	283824	12,359

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

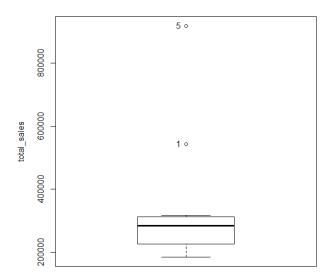
Column	Sum	Average
Census Population	213,862	19,442
Total Pawdacity Sales	3,773,304	343,027.63
Households with Under 18	34,064	3096.72
Land Area	33,071	3006.48
Population Density	63	5.70
Total Families	62,653	5695.70

Step 3: Dealing with Outliers

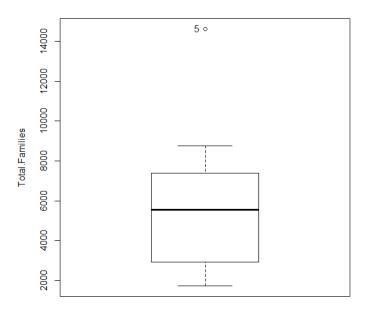
Answer these questions

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.

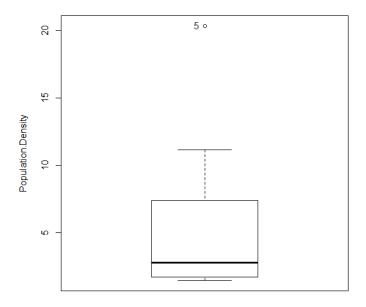
Investigation of outliers are carried out by box plots as follows,



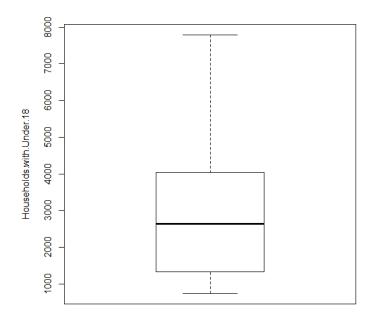
Total sales two outliers, data set 1 and 5 corresponding to cities, Gillette & Cheyenne.



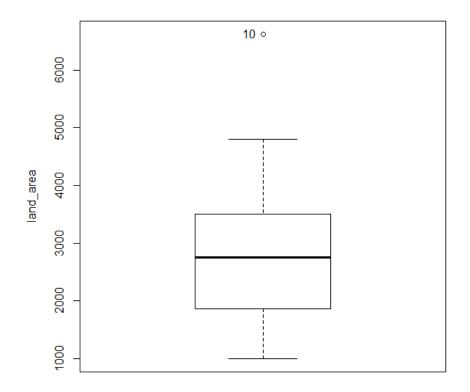
Total Families, one outlier, data set 5 corresponding to city Cheyenne.



Population Density, one outlier, data set 5 corresponding to city Rock Springs.



No outliers for House hold under 18.



Land Area, one outlier, data set 10, corresponding to city Cheyenne.

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.