H&M Products Recommendation System

Introduction

The H&M Products Recommendation System aims to build a personalized recommendation engine for H&M customers. The goal is to recommend relevant products based on customers' past purchase history and product metadata. This project uses two primary recommendation techniques: **Collaborative Filtering (CF)** and **Content-Based Filtering (CB)**. Additionally, an **Autoencoder-based collaborative filtering model** is implemented to address matrix sparsity and cold start problems. The system can be deployed to recommend products through a user-friendly interface, ensuring that customers receive personalized suggestions based on their preferences.

Data Sets Provided

The dataset consists of three main files:

- articles.csv: Contains detailed information about each article available for purchase.
- **customers.csv**: Contains customer-level data, including customer demographics, club membership status, and other attributes.
- **transactions_train.csv**: Contains the transaction history of customers, including the date of purchase, article purchased, and price.

Data Exploration

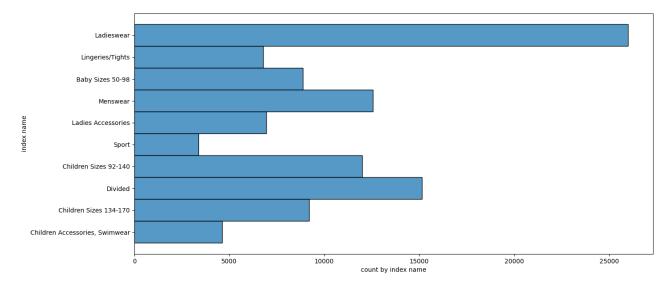
Articles Dataframe

The articles dataframe contains all H&M articles with detailed information such as product type, color group, garment group, and more. Key columns include:

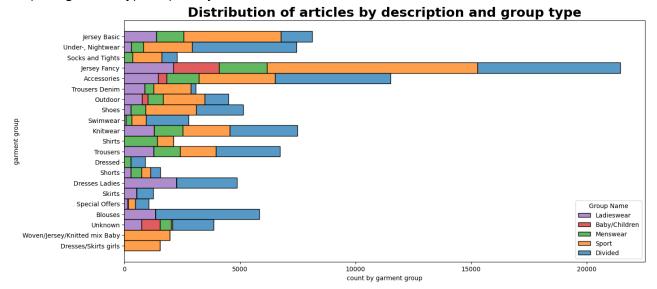
- article_id: Unique identifier for each article.
- product_code, prod_name: Product code and name.
- product_type_no, product_type_name: Grouping of products by type.
- colour_group_code, colour_group_name: Grouping of articles by color.
- department_no, department_name: Department information for each product.

Key Insights:

1. A histogram of article types shows that **Ladieswear** accounts for a significant portion of the articles, while **Sportswear** has the least representation.



2. A stacked histogram of garment group names by index group reveals that **Jersey fancy** is the most frequent garment type, especially for women and children.



3. The structure of groups shows that Ladieswear and Children/Baby categories have subgroups with diverse product offerings.

index_group_name	index_name		
Baby/Children	Baby Sizes 50-98	8875	
	Children Accessories, Swimwear	4615	
	Children Sizes 134-170	9214	
	Children Sizes 92-140	12007	
Divided	Divided	15149	
Ladieswear	Ladies Accessories	6961	
	Ladieswear	26001	
	Lingeries/Tights	6775	
Menswear	Menswear	12553	
Sport	Sport	3392	

^{4.} The product group-product structure. Accessories are really various, the most numerous: bags, earrings and hats.

product_group_name	product_type_name	<u> </u>
Accessories	Accessories set	7
	Alice band	6
	Baby Bib	3
	Bag	1280
	Beanie	56
	Belt	458
	Bracelet	180
	Braces	3
	Bucket hat	7
	Сар	13
	Cap/peaked	573
	Dog Wear	20
	Earring	1159
	Earrings	11
	Eyeglasses	2
	Felt hat	10
	Giftbox	15
	Gloves	367
	Hair clip	244
	Hair string	238
	Hair ties	24
	Hair/alice band	854
	Hairband	2
	Hat/beanie	1349

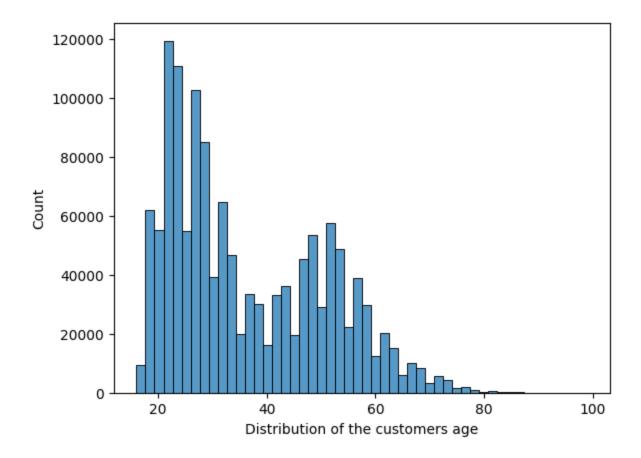
Customer Dataframe

The customer dataframe provides demographic data about H&M customers. Key columns include:

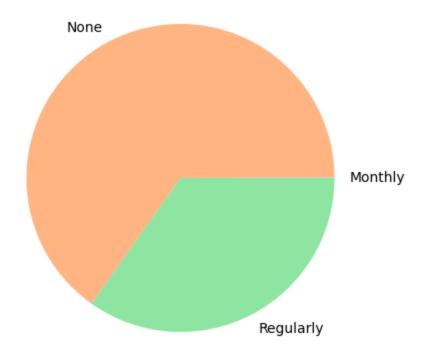
- customer_id: Unique identifier for each customer.
- club_member_status: Indicates whether a customer is part of H&M's club membership program.
- fashion_news_frequency: How often the customer receives fashion news updates from H&M.

Key Insights:

1. The age distribution of customers shows a concentration in the 20–40 age range, indicating that H&M's primary target audience is young adults(GenZ).



2. A pie chart shows the distribution of fashion news frequency among customers, with most customers receiving updates regularly or monthly.



Distribution of fashion news frequency

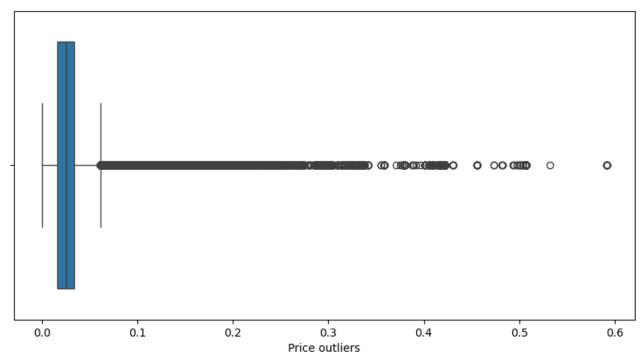
Transactions Dataframe

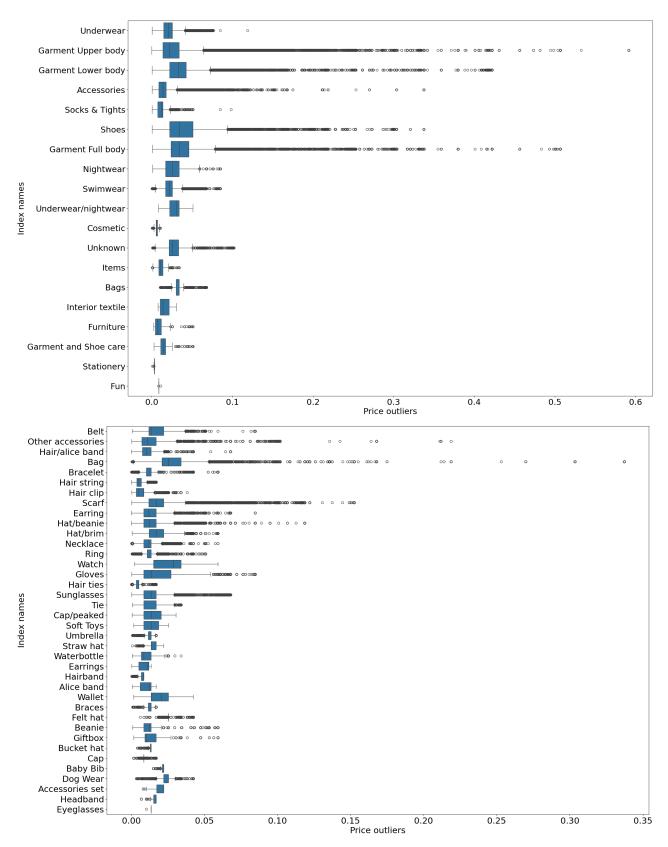
The transactions dataframe contains historical purchase data. Key columns include:

- t_dat: Date of transaction.
- customer_id: Customer who made the purchase.
- article_id: Article purchased.
- price: Price paid for the article.

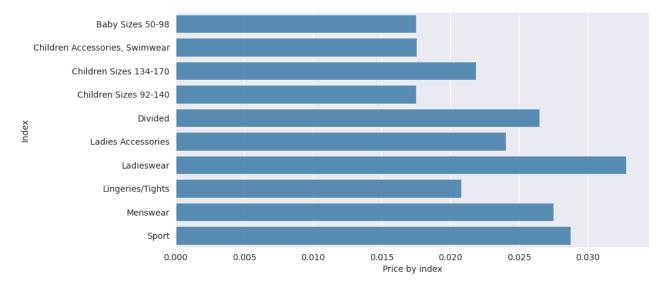
Key Insights:

1. Price outliers are plotted using boxplots to identify high-priced items across different categories. Accessories like bags show significant price variance compared to other categories like trousers or shoes.

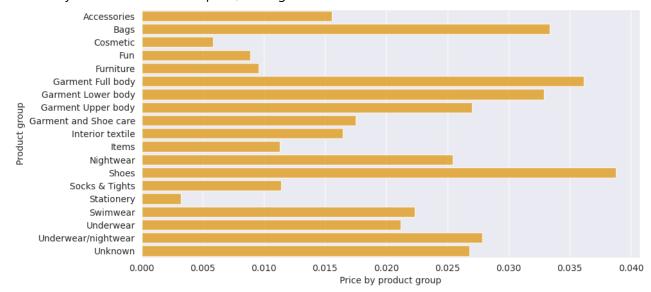




2. The index group with the highest mean price is Ladieswear, while Children's wear has the lowest mean price.



3. Stationery has the lowest mean price, the highest - shoes.



Modelling

Collaborative Filtering (CF)

Collaborative Filtering is used to recommend articles based on historical transaction data. The model identifies similar users based on their past purchases and recommends items that similar users have bought.

Model Details:

- 1. The CF model uses a tuned SVD (Singular Value Decomposition) algorithm to decompose the user-item interaction matrix into latent factors representing user preferences and item characteristics.
- 2. The final model achieved an RMSE (Root Mean Squared Error) score of 0.0115 during training.

Usage:

The CF system takes a customer's unique ID as input and returns a list of recommended articles based on their

purchase history in comparison with other users.

CustomerID: 002611889659ab1051fc3e4e870f2b603c3aaa902ffe6ab59e83461c76c879dc How many recommendations? 10

	article_id	Product Name	Product Type Name	Product Group Name	Index Group Name	Garment Group Name
0	626813003	Syrup ISW 19	Blouse	Garment Upper body	Ladieswear	Blouses
1	777229004	Rick cardigan	Cardigan	Garment Upper body	Menswear	Knitwear
2	867837005	APRIL TIE BLOUSE S.L	Vest top	Garment Upper body	Baby/Children	Dresses/Skirts girls
3	609176002	Maja sneaker NEW	Sneakers	Shoes	Divided	Shoes
4	692834007	TP Tom chino shorts	Shorts	Garment Lower body	Baby/Children	Shorts
5	877429001	Sally shopper	Bag	Accessories	Ladieswear	Accessories
6	735751004	Milan Fringe	Jacket	Garment Upper body	Divided	Outdoor
7	874351004	Tyron waist chino	Trousers	Garment Lower body	Baby/Children	Woven/Jersey/Knitted mix Baby
8	702198004	cleo tunic	Blouse	Garment Upper body	Baby/Children	Dresses/Skirts girls
9	510684017	Lory sweatpants	Trousers	Garment Lower body	Divided	Jersey Fancy

Content-Based Filtering (CB)

Content-Based Filtering recommends articles based on their metadata (e.g., garment group name, product type). It uses article features to find similar items to those previously purchased by the customer.

Model Details:

- 1. Metadata such as garment group name, product group name, and index group name are used to build item profiles.
- 2. The CB system returns recommendations based on similarity between item profiles using cosine similarity or other distance metrics.

Usage:

The CB system takes an article ID as input and returns similar articles based on shared features.

	article_id	Product Name	Product Type Name	Product Group Name	Index Group Name	Garment Group Name
C	760158001	DIV Rachel denim	Trousers	Garment Lower body	Divided	Unknown
1	760214002	Semide tie dress	Dress	Garment Full body	Ladieswear	Dresses Ladies
2	760208001	Class Cleo bracelet	Bracelet	Accessories	Ladieswear	Accessories
3	760195006	FLORA turtle neck	T-shirt	Garment Upper body	Baby/Children	Jersey Basic
4	760195005	FLORA turtle neck	T-shirt	Garment Upper body	Baby/Children	Jersey Basic
5	760195004	FLORA turtle neck	T-shirt	Garment Upper body	Baby/Children	Jersey Basic
6	760195003	FLORA turtle neck	T-shirt	Garment Upper body	Baby/Children	Jersey Basic
7	760195002	FLORA turtle neck	T-shirt	Garment Upper body	Baby/Children	Jersey Basic
8	760195001	FLORA turtle neck	Тор	Garment Upper body	Baby/Children	Jersey Basic
g	760184002	Attila Boot SB	Boots	Shoes	Baby/Children	Shoes

Cold Start & Matrix Sparsity

To address cold start issues (when new users or items enter the system without prior interaction data), we employ a dual approach:

- 1. **Cold Start for Users**: Content-based filtering can be used for new users by recommending items similar to those they initially browse or interact with.
- 2. **Cold Start for Items**: New items can be recommended using metadata in content-based filtering until enough transaction data is available for collaborative filtering.

Matrix sparsity is addressed through matrix factorization techniques like SVD in collaborative filtering models and autoencoders in advanced models to fill in missing interactions in sparse datasets.

Evaluation

Evaluation Metrics

To evaluate both collaborative filtering and content-based models, we use metrics like Precision@K, Recall@K, and F1-score@K:

- Precision@K: Measures how many of the top-K recommended items are relevant.
- **Recall@K**: Measures how many relevant items were retrieved from all possible relevant items.
- F1-score@K: Harmonic mean of precision and recall; balances both metrics.

Collaborative Filtering Results:

• Precision@5: 0.80

• Recall@5: 1.00

• F1-score@5: 0.89

Content-Based Filtering Results:

• Precision@5: 0.60

• Recall@5: 1.00

• F1-score@5: 0.75

Advanced Model: Autoencoder-Based Collaborative Filtering

An autoencoder-based collaborative filtering model was implemented to improve performance further by learning complex patterns in user-item interactions.

Model Architecture:

- 1. An autoencoder neural network was built with an encoder-decoder structure to compress user-item interactions into latent representations.
- 2. The encoder consists of fully connected layers with SELU activation functions followed by dropout layers to prevent overfitting.
- 3. The decoder reconstructs the original input from latent space representations.

Training & Validation:

The model was trained using Mean Squared Error (MSE) loss with an Adam optimizer to minimize reconstruction errors between predicted interactions and actual interactions.

Closing Remarks

This project successfully built a recommendation system using both collaborative filtering and content-based approaches while addressing cold start problems through hybrid modeling techniques like autoencoders.