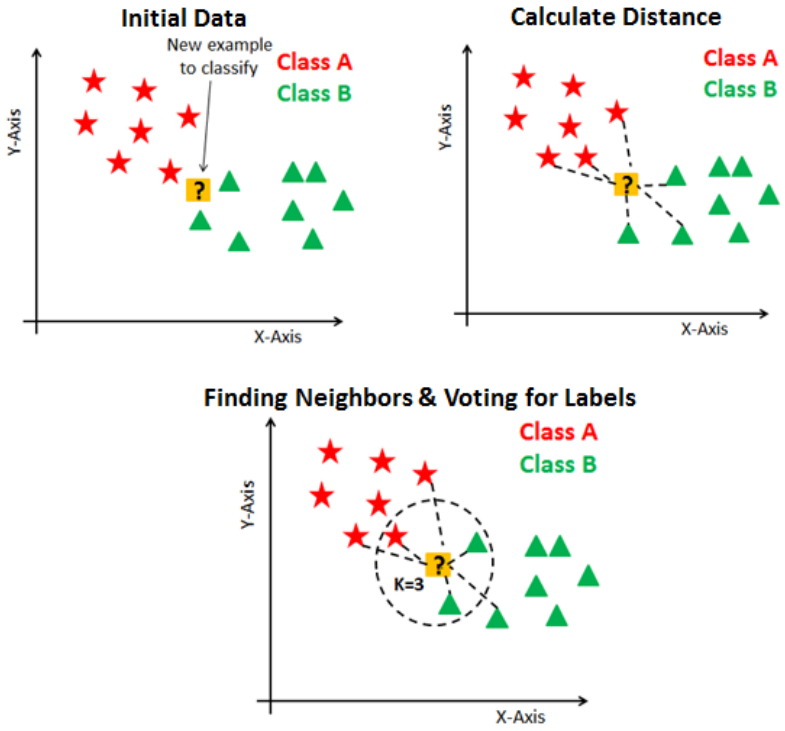
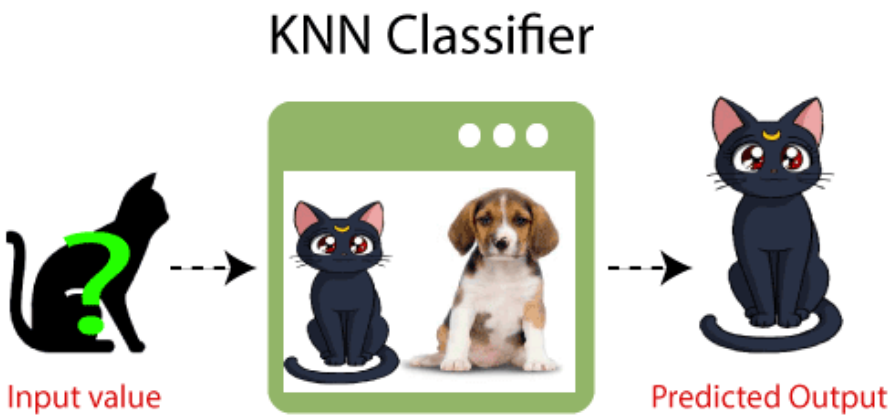
K-Nearest Neighbor(KNN)

KNN used in the variety of applications such as finance, healthcare, political science, handwriting detection, image recognition and video recognition. In Credit ratings, financial institutes will predict the credit rating of customers. In loan disbursement, banking institutes will predict whether the loan is safe or risky. In political science, classifying potential voters in two classes will vote or won't vote. KNN algorithm used for both classification and regression problems. KNN algorithm based on feature similarity approach.



- K-Nearest Neighbour is one of the simplest Machine Learning algorithms based on Supervised Learning technique.
- K-NN algorithm assumes the similarity between the new case/data and available cases and put the new case into the category that is most similar to the available categories.
- K-NN algorithm stores all the available data and classifies a new data point based on the similarity. This means when new data appears then it can be easily classified into a well suite category by using K- NN algorithm.
- K-NN algorithm can be used for Regression as well as for Classification but mostly it is used for the Classification problems.
- K-NN is a **non-parametric algorithm**, which means it does not make any assumption on underlying data.
- It is also called a **lazy learner algorithm** because it does not learn from the training set immediately instead it stores the dataset and at the time of classification, it performs an action on the dataset.
- KNN algorithm at the training phase just stores the dataset and when it gets new data, then it classifies that data into a category that is much similar to the new data.

- **Example:** Suppose, we have an image of a creature that looks similar to cat and dog, but we want to know either it is a cat or dog. So for this identification, we can use the KNN algorithm, as it works on a similarity measure. Our KNN model will find the similar features of the new data set to the cats and dogs images and based on the most similar features it will put it in either cat or dog category.



Pros

- The training phase of K-nearest neighbor classification is much faster compared to other classification algorithms. There is no need to train a model for generalization, That is why KNN is known as the simple and instance-based learning algorithm. KNN can be useful in case of nonlinear data. It can be used with the regression problem. Output value for the object is computed by the average of k closest neighbors value.

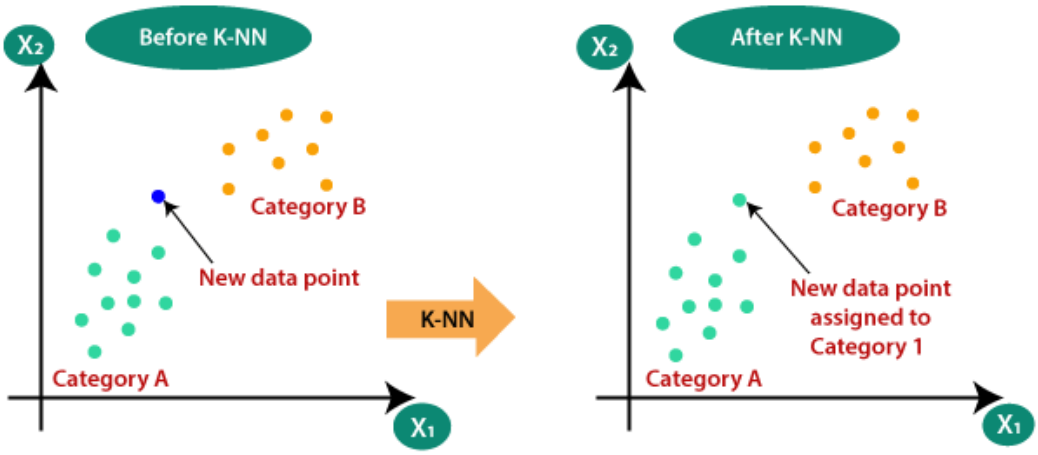
Cons

- The testing phase of K-nearest neighbor classification is slower and costlier in terms of time and memory. It requires large memory for storing the entire training dataset for prediction. KNN requires scaling of data because KNN uses the Euclidean distance between two data points to find nearest neighbors. Euclidean distance is sensitive to magnitudes. The features with high magnitudes will weight more than features with low magnitudes. KNN also not suitable for large dimensional data.

- For better results, normalizing data on the same scale is highly recommended. Generally, the normalization range considered between 0 and 1. KNN is not suitable for the large dimensional data. In such cases, dimension needs to reduce to improve the performance. Also, handling missing values will help us in improving results.

Why do we need a K-NN Algorithm?

Suppose there are two categories, i.e., Category A and Category B, and we have a new data point x1, so this data point will lie in which of these categories. To solve this type of problem, we need a K-NN algorithm. With the help of K-NN, we can easily identify the category or class of a particular dataset. Consider the below diagram:

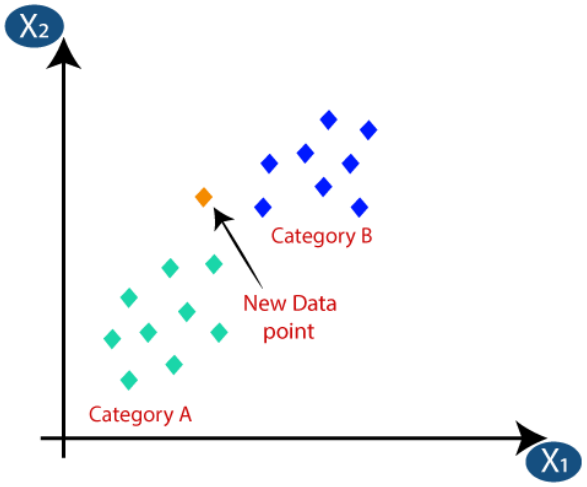


How does K-NN work?

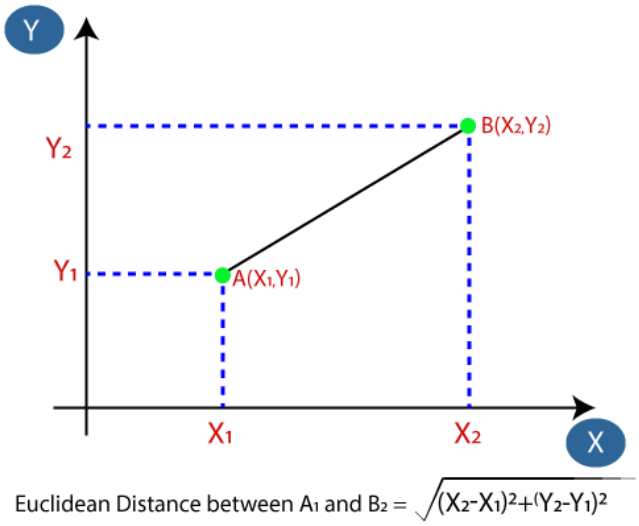
The K-NN working can be explained on the basis of the below algorithm:

- **Step-1:** Select the number K of the neighbors
- **Step-2:** Calculate the Euclidean distance of **K number of neighbors**
- **Step-3:** Take the K nearest neighbors as per the calculated Euclidean distance.
- **Step-4:** Among these k neighbors, count the number of the data points in each category.
- **Step-5:** Assign the new data points to that category for which the number of the neighbor is maximum.
- **Step-6:** Our model is ready.

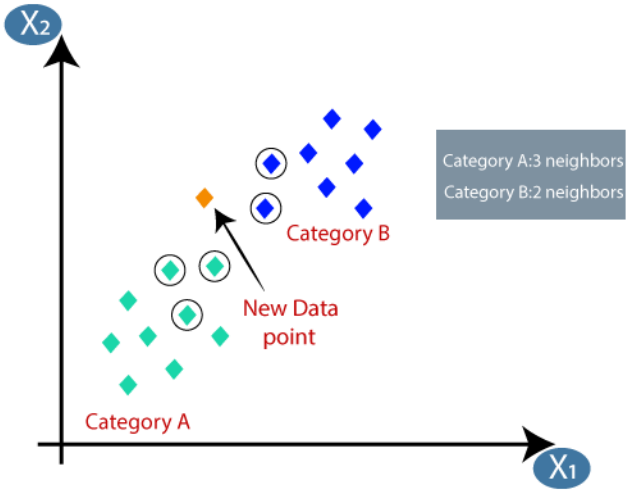
Suppose we have a new data point and we need to put it in the required category. Consider the below image:



- Firstly, we will choose the number of neighbors, so we will choose the k=5.
- Next, we will calculate the **Euclidean distance** between the data points. The Euclidean distance is the distance between two points, which we have already studied in geometry. It can be calculated as:



- By calculating the Euclidean distance we got the nearest neighbors, as three nearest neighbors in category A and two nearest neighbors in category B. Consider the below image:



- As we can see the 3 nearest neighbors are from category A, hence this new data point must belong to category A.

How to select the value of K in the K-NN Algorithm?

Below are some points to remember while selecting the value of K in the K-NN algorithm:

- There is no particular way to determine the best value for "K", so we need to try some values to find the best out of them. The most preferred value for K is 5.
- A very low value for K such as K=1 or K=2, can be noisy and lead to the effects of outliers in the model.
- Large values for K are good, but it may find some difficulties.

Advantages of KNN Algorithm:

- It is simple to implement.
- It is robust to the noisy training data
- It can be more effective if the training data is large.

Disadvantages of KNN Algorithm:

- Always needs to determine the value of K which may be complex some time.
- The computation cost is high because of calculating the distance between the data points for all the training samples.

Python implementation of the KNN algorithm

In [1]:
```
import pandas as pd
```

In [3]:
```
df =  pd.read_csv('d:gini_index.csv')
df
```

Out[3]:

	outlook	temp	humidity	wind	decision
0	sunny	hot	high	weak	no
1	sunny	hot	high	strong	no
2	overcast	hot	high	weak	yes
3	rain	mild	high	weak	yes
4	rain	cool	normal	weak	yes
5	rain	cool	normal	strong	no
6	overcast	cool	normal	strong	yes
7	sunny	mild	high	weak	no
8	sunny	cool	normal	weak	yes
9	rain	mild	normal	weak	yes
10	sunny	mild	normal	strong	yes
11	overcast	mild	high	strong	yes
12	overcast	hot	normal	weak	yes
13	rain	mild	high	strong	no

In [4]:
```
# change the categorical column into numerical
from sklearn.preprocessing import LabelEncoder
le = LabelEncoder()
for i in df.columns:
    df[i]=le.fit_transform(df[i])
```

In [8]:
```
x = df.drop('decision',axis=1)
y = df['decision']
```

In [9]:
```
from sklearn.model_selection import train_test_split
x_train,x_test,y_train,y_test = train_test_split(x,y,test_size=0.20)
```

In [10]:
```
from sklearn.neighbors import KNeighborsClassifier
model = KNeighborsClassifier()
```

In [11]:
```
model.fit(x_train,y_train)
```

Out[11]:
```
KNeighborsClassifier()
```

In [13]:
```
ypre = model.predict(x_test)
```

In [14]:
```
data = pd.DataFrame({'actual':y_test,'predicted':ypre})
```

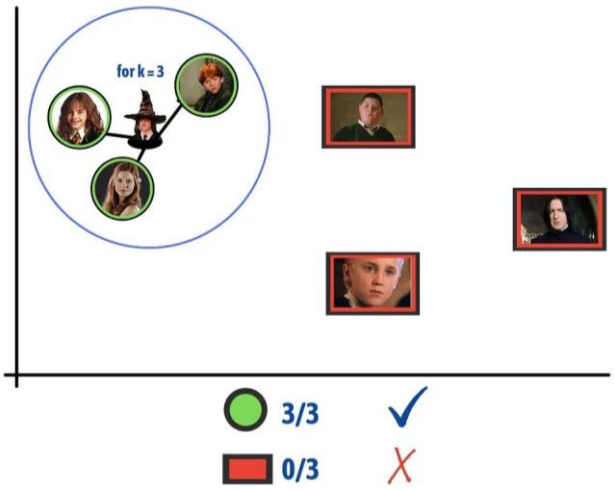
In [15]:
```
data
```

Out[15]:

	actual	predicted
7	0	0
12	1	1
10	1	0

In [16]:
```
from sklearn.metrics import accuracy_score
accuracy_score(y_test,ypre)
```

Out[16]:
```
0.6666666666666666
```



- It can be used for both classification and regression problem .
- However, it is more widely used in classification problems in the industry.
- K nearest neighbors is a simple algorithm that stores all the data points and predict the new data point by looking at the K nearest neighbors measured by a distance function.
- K-nearest neighbors are computed using a distance function.
- These distance functions can be **Eucildean, Manhattan, Minkowski, and Hamming distance.**
- The first three functions are used for continuous variables and the fourth one (Hamming) for categorical variables.
- If K =1, then the case is simple assigned to the class of its nearest neighbour. At times, choosing K turns out to be a challenge while performing kNN modelling.
- KNN can easily be mapped to our real lives. If you want to learn about a person, of whom you have no information, you might like to find out about his close friends and the circles he moves in and gain access to his/her information.

Things to consider before selecting KNN:

- KNN is computationally expensive
- Variable should be normalized else higher range variables can bias it
- Works on pre-processing stage more before going for kNN like an outlier, noise removal