

# Data Preparation

(Label Encoding, Column Transformer, Scaling,...)



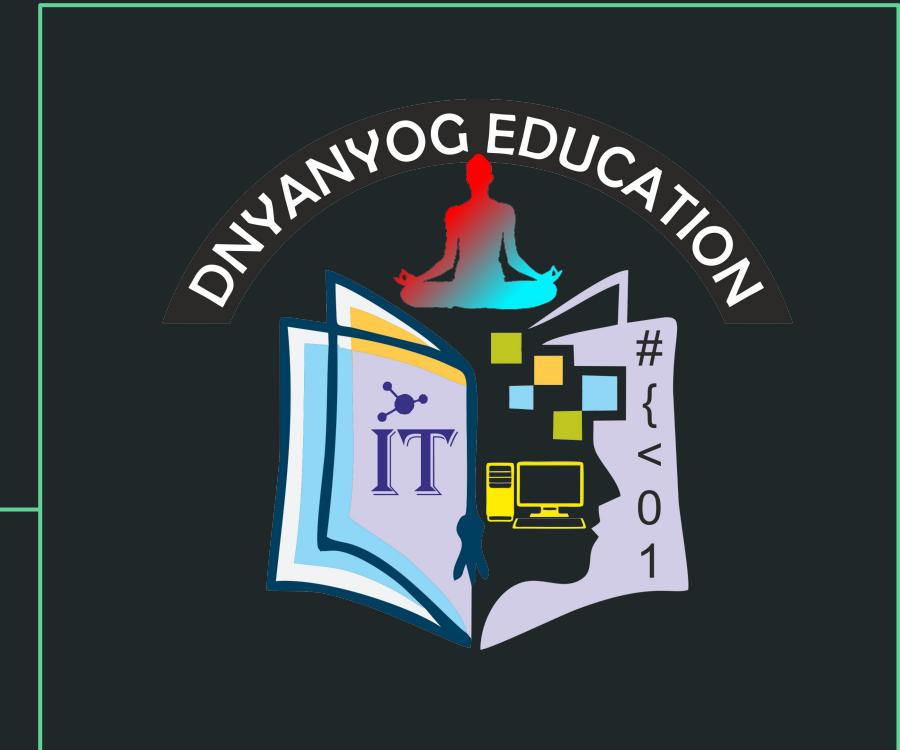
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# Problems with Data ?



Given RAW data may not be direct fit to train the model, because, it might...

- Contains **missing** values
- Has **categorical** features (text, labels, categories, *Refer slide Types of Features*)
- Has different **scales** (salary in lakhs vs. age in years)
- Has **irrelevant** or **redundant** columns

If we don't prepare data properly, the model:

- Might **misinterpret** categories as **numeric orders** (label encoding issue)
- Could get **biased** toward features with large scales
- May perform **poorly** or fail to converge



# Data Pre Processing



## Handling Missing Data

Models can't handle NaN or NULL values.

Drop missing rows/columns (if few).

Impute values (mean, median, most-frequent, or ML-based imputation).

Ref: <https://github.com/zodgevaibhav/gen-ai-learning/blob/main/1.1.SupervisedLearning/1.RegressionAnalysis/2.2.DataPreparationExample/3.DataImputing.py>

## Encoding Categorical Variables

Models needs number and they don't work with Text

**Label Encoding** – assigns numbers (Toyota=0, BMW=1). Works for ordinal features.

Ref: <https://github.com/zodgevaibhav/gen-ai-learning/blob/main/1.1.SupervisedLearning/1.RegressionAnalysis/2.2.DataPreparationExample/1.LabelEncoding.py>

**One-Hot Encoding** – creates binary columns (Toyota=1, BMW=0). Works for nominal (unordered) features.

Magnitude of Categorical Labels may create problem. Ex. Model might try to relate 1 & 0 as weight or importance

Hence need to find way that model will not get the encoded number in the considerable format

Ref: <https://github.com/zodgevaibhav/gen-ai-learning/blob/main/1.1.SupervisedLearning/1.RegressionAnalysis/2.2.DataPreparationExample/2.2.OneHotEncoding.py>

Target Encoding / Frequency Encoding – replaces with target mean or frequency.

## Feature Scaling

Some models (like Linear Regression, KNN, Neural Networks) are sensitive to feature scales.

Meaning, age = 20 & Salary=30,000, due to "Salary having numerical large size, model may think Salary more important

**MinMax Scaler** - MinMaxScaler (Normalization) : Scales data to a fixed range - usually 0 to 1

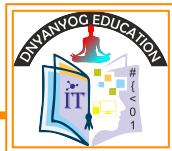
**StandardScaler** (Standardization) : Scales data to have mean=0 and variance=1

Which means it centers the data around 0 and scales it based on standard deviation. Example : If mean=50 and std=10, then value 60 will be transformed to  $(60-50)/10 = 1$

Ref : [https://github.com/zodgevaibhav/gen-ai-learning/blob/main/1.1.SupervisedLearning/1.RegressionAnalysis/2.2.DataPreparationExample/4.DataScalingMinMax\\_Standard.py](https://github.com/zodgevaibhav/gen-ai-learning/blob/main/1.1.SupervisedLearning/1.RegressionAnalysis/2.2.DataPreparationExample/4.DataScalingMinMax_Standard.py)



# Data Pre Processing



## Handling Missing Data

Models can't handle NaN or NULL values.

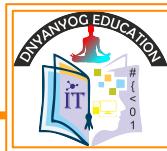
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Impute values (mean, median, most-frequent, or ML-based imputation).

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# Data Pre Processing



## Splitting Data

- A model is first trained on the training dataset.
- After training, we need to evaluate its performance using data where the correct outputs (labels) are already known.
- To achieve this, we split the available dataset into two parts:
- Training set – used by the model to learn patterns.
- Testing set – used to check how well the model performs on unseen data.
- This ensures that we are not just memorizing the training data but actually generalizing to new data.
- Sometimes, we also use a validation set (or cross-validation) for hyperparameter tuning before testing.
- The key idea is: Train → Validate → Test to build a reliable model.

Ref: <https://github.com/zodgevaibhav/gen-ai-learning/blob/main/1.1.SupervisedLearning/1.RegressionAnalysis/2.2.DataPreparationExample/5.TrainTestData.py>



# Others

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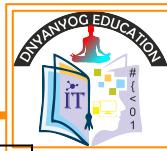
**Remove redundant, irrelevant data**

**Remove vague data**

**Combine multiple data (if relevant)**

**Balance data (reduce bias or dominant data)**

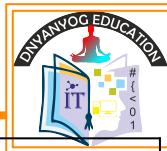
# Types of Features



Feature Type	Subtype	Description	When to Use / Problem it Solves
Categorical	Nominal	Categories with no order. Ex: City = {Paris, Tokyo}	Used when classes are just labels. Need One-Hot encoding to avoid false order.
	Ordinal	Categories with natural order. Ex: Rating = {Poor < Good < Excellent}	Useful when rank matters but distances are not equal. Use Label/Ordinal encoding.
	High-cardinality	Many unique categories (e.g. zipcode, user_id)	Handle with target encoding, embeddings, or frequency encoding to avoid sparse features.
	Multi-label	One record belongs to multiple categories. Ex: Movie genres = {Action, Comedy}	Used when multiple classes apply simultaneously. Requires multi-hot encoding.
Numerical	Discrete	Countable integers. Ex: number_of_children	Useful for count data, often modeled with Poisson/Count models.
	Continuous	Values within a range. Ex: height = 170.2 cm	Standard ML input. Often scaled (Standard/MinMax) for algorithms sensitive to magnitude.
	Interval	Continuous values without true zero. Ex: year, Celsius temp	Differences matter, but ratios don't. Handle carefully in scaling.
	Ratio	Continuous values with true zero. Ex: weight, salary	Ratios are meaningful, scaling often applied. Standard in regression.
Binary	Boolean	{True, False} or {0,1}. Ex: Clicked Ad = {Yes, No}	Directly used as 0/1. No special encoding needed.
	Dichotomous Categorical	Two categories like {Male, Female}	Can map to 0/1. Often merged into binary features.



# Types of Features



<b>Text</b>	<b>Unstructured</b>	Raw sentences. Ex: "I love this product!"	Requires NLP preprocessing: tokenization, cleaning.
	<b>Structured tokens</b>	Bag-of-Words, TF-IDF	Converts text into numeric vectors. Good for ML models.
	<b>Embeddings</b>	Dense representation (Word2Vec, BERT)	Captures semantic meaning of text for deep learning/NLP tasks.
<b>Date/Time</b>	<b>Date only</b>	Calendar date. Ex: <b>2025-08-30</b>	Use for seasonal analysis, trends. Extract year/month/day.
	<b>Time only</b>	Clock time. Ex: <b>14:25:33</b>	Useful in patterns like business hours, peak times.
	<b>Datetime/Timestamp</b>	Full datetime value	Use to derive cyclical features (hour, weekday).
	<b>Cyclical features</b>	Transform periodic data (e.g., sine/cosine for hours)	Helps ML understand circular data (e.g., 23:00 close to 01:00).
<b>Derived / Engineered</b>	<b>Mathematical transformations</b>	$\log(x)$ , $\sqrt{x}$ , polynomial terms	Used to stabilize variance, handle skewed data.
	<b>Aggregates</b>	Moving avg, rolling sum, cumulative count	Used in time-series, finance, sensor data.
	<b>Interaction features</b>	$\text{Feature1} \times \text{Feature2}$	Used when relation between features is important.
<b>Special Modalities</b>	<b>Image</b>	Pixels, CNN embeddings	For computer vision problems.
	<b>Audio</b>	Spectrogram, MFCCs	For speech/music recognition.
	<b>Time-series / Sensor</b>	Sequential signals (IoT, ECG, stock prices)	Used in forecasting, anomaly detection.

