## **Customer Spending Prediction Report**

#### 1. Data Overview

- Source: Kaggle dataset (1M transactions)
- Target: Amount\_spent
- Features Used: All except Amount\_spent and Transaction\_ID
- Preprocessing:
  - Dropped null values
- Encoded categorical features
- Scaled features using GPU (cuML StandardScaler)

#### 2. Models Trained

- \*\*Linear Regression (cuML)\*\*
- MAE: ~49.28
- MSE: ~4536.75
- R2 Score: ~0.78
- \*\*Random Forest Regressor (cuML)\*\*
- Log-transformed target
- Grid Search parameters:
- n\_estimators: [100, 200, 300]
- max\_depth: [10, 15, 20]
- max\_features: [0.7, 0.8, 1.0]
- Best R<sup>2</sup> Score: ~0.8345
- Final Evaluation:
- MAE: 41.16
- MSE: 3798.34

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- R<sup>2</sup> Score: 0.8345

## 3. Performance Comparison

| Metric | Random Forest | Linear Regression |
|------|----------|
| MAE | 41.16 | 49.28 |
| MSE | 3798.34 | 4536.75 |
| R<sup>2</sup> | 0.8345 | 0.78 |

### 4. Insights & Visuals

- Correlation matrix and heatmap
- Histogram of Amount\_spent
- Scatter plot: Age vs. Amount\_spent
- Gender distribution bar chart

### **5. Model Deployment**

- Logistic Regression model and Scaler saved with joblib.
- Reloaded for prediction on X\_test.