

# Travel Package Purchase Prediction Project 5



# **Objectives**

- To predict which customer is more likely to purchase the newly introduced travel package.
- Identify which variables are most significant.
- Analyze the customers' data and information to provide recommendations to the Policy Maker and Marketing Team
  and build a model to predict the potential customer who is going to purchase the newly introduced travel package.



# **Data Information**

# Customer details:

Variable	Description			
CustomerID	Unique customer ID			
ProdTaken	Whether the customer has purchased a package or not (0: No, 1: Yes)			
Age	Age of customer			
TypeofContact	How customer was contacted (Company Invited or Self Inquiry)			
CityTier	City tier depends on the development of a city, population, facilities, and living standards. The categories are ordered i.e. Tier 1 > Tier 2 > Tier 3			
Occupation	Occupation of customer			
Gender	Gender of customer			
NumberOfPersonVisiting	Total number of persons planning to take the trip with the customer			
PreferredPropertyStar	Preferred hotel property rating by customer			
MaritalStatus	Marital status of customer			
NumberOfTrips	Average number of trips in a year by customer			
Passport	The customer has a passport or not (0: No, 1: Yes)			
OwnCar	Whether the customers own a car or not (0: No, 1: Yes)			
NumberOfChildrenVisiting	Total number of children with age less than 5 planning to take the trip with the customer			
Designation	Designation of the customer in the current organization			
MonthlyIncome	Gross monthly income of the customer			

# Customer interaction data:

Variable	Description
PitchSatisfactionScore	Sales pitch satisfaction score
ProductPitched	Product pitched by the salesperson
NumberOfFellowupe	Total number of follow-ups has been done by
NumberOfFollowups	the salesperson after the sales pitch
DurationOfPitch	Duration of the pitch by a salesperson to the
DurationOfFilen	customer

Observations	Variables	
4888	20	

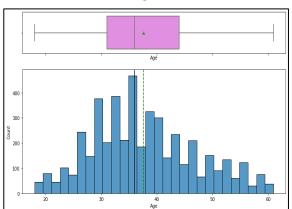
#### Note:

- There are 8 variables with missing values:
- [Age, TypeofContact, DurationOfPitch, NumberOfFollowups, PreferredPropertyStar, NumberOfTrips, NumberOfChildrenVisiting, MonthlyIncome]
- We noticed two spellings for 'Female'
- The CustomerID attribute does not add any information to our analysis as all the values are unique. We can neglect this information for our model prediction.
- We will be changing the TypeofContact column to categorical to make our analysis easier



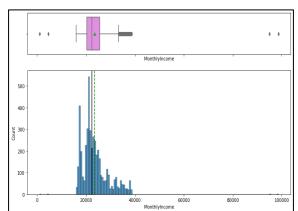
# Exploratory Data Analysis – Age, Monthly Income, Duration of Pitch





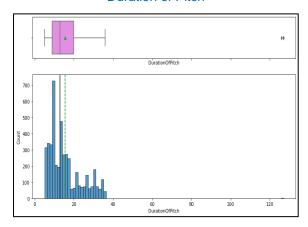
- The distribution of Age is mostly normally distributed.
- The mean and median are fairly close.
- There is a slight tail on the right.

# Monthly Income



- The distribution of monthly income appears to be mostly normally distributed.
- The distribution has outliers on both ends.
- The mean and the median are very close together.

#### **Duration of Pitch**

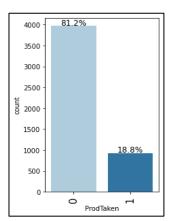


- The distribution of Duration of Pitch is skewed to left.
- There are outliers to the left of the distribution.
- The mean and the median are also close together.



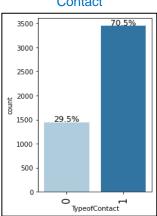
# Exploratory Data Analysis – ProductTaken, TypeofContact, CityTier, Occupation, Gender

#### **Product Taken**



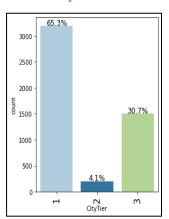
 18.8% of customers did buy the vacation package.

Type of Contact



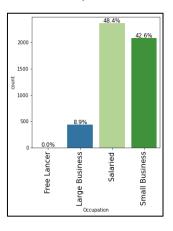
 70.5% of customers reached out themselves about information on travel packages.

City Tier



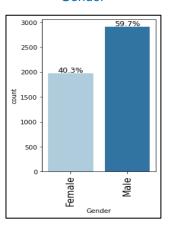
- 65.3% of customers are from tier 1 cities.30.7% of customers
- 30.7% of customers are from tier 3 cities.

## Occupation



- 48.4% of customers are salaried.
- 42.6% of customers own small businesses
- Free Lancer had 0.0% of customers (2 customers)

Gender

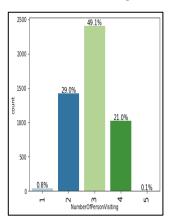


 59.7% of customers are male.



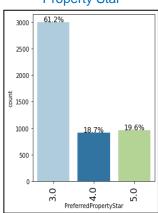
# Exploratory Data Analysis – NumberOfPeopleVisiting, PreferredPropertyStar, MaritalStatus, Occupation, Passport

Number of Person Visiting



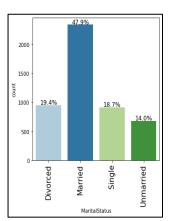
- Most customers have 3 people visiting at 49.1%.
- The next highest number of people visiting are 2 people at 29.0%.

Preferred Property Star



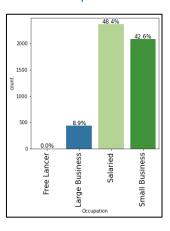
- Most customers prefer 3 star properties at 61.8%.
- This suggests most customers might prefer a more budget friendly property.

**Marital Status** 



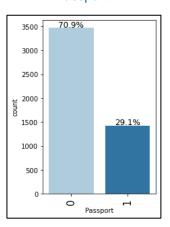
- Almost half of the customers are married at 47.9%.
- Other customer marital status are almost evenly distributed.

Occupation



- 48.4% of customers are salaried.
- 42.6% of customers own small businesses
- Free Lancer had 0.0% of customers (2 customers)

**Passport** 

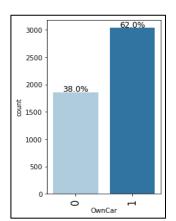


 A majority of customers do not have a passport at 70.9%.



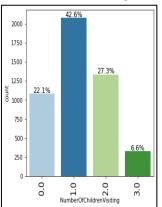
# Exploratory Data Analysis – OwnCar, NumberofChildrenVisiting, Designation, PitchSatisfactionScore

Own Car



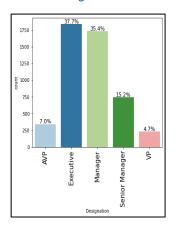
Most customers own a car at 62.0%.

Number of Children Visiting



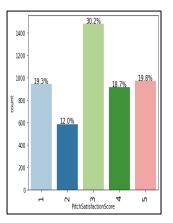
- Most customers have 1 child visiting at 43.9%.
- 27.3% of customers have 2 children visiting.
- 22.1% of customers do not have any children visiting.

Designation



 Most customers are either Executive or Manager at 37.7% and 35.4% respectively.

Pitch Satisfaction Score

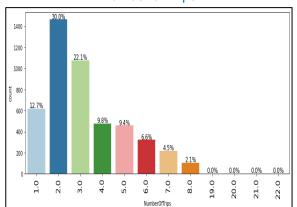


- Most customers gave a satisfaction score of 3 at 30.2%
- 19.3% of customers gave a rating of 1.
- The amount of low satisfaction is concerning; we will note factors in our analysis.



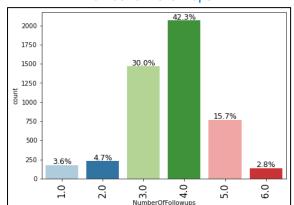
# Exploratory Data Analysis – NumberOfTrips, NumberOfFollowups, ProductPitched

## **Number of Trips**



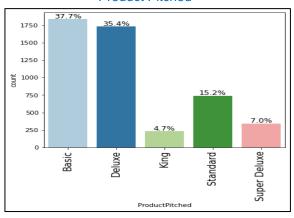
 The distribution of personal loans by the number of family members is almost evenly distributed

# Number of Follow-ups



 Most customers receive 3 or 4 follow ups at 30.0% and 43.2% respectively.

#### **Product Pitched**

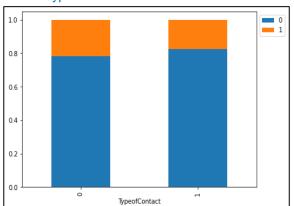


- Most customers were pitched the basic and deluxe package at 37.7% and 35.4%.
- Most salespeople pitch the more budget friendly options.



# Exploratory Data Analysis – TypeOfContact, CityTier, Occupation vs ProductTaken

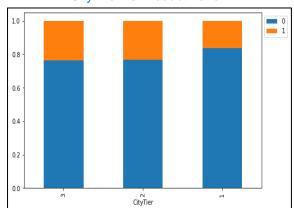
## Type of Contact vs Product Taken



ProdTaken	0	1	All
TypeofContact			
All	3968	920	4888
1	2837	607	3444
0	1131	313	1444

 Almost 2/3rd of customers who self inquired on information also took the travel package

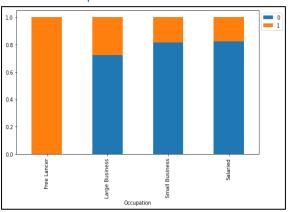
City Tier vs Product Taken



ProdTaken	0	1	All
CityTier			
All	3968	920	4888
1	2670	520	3190
3	1146	354	1500
2	152	46	198

- There were more customers in city tier
   1 that took the travel package
- · This could be interesting to investigate

## Occupation vs Product Taken



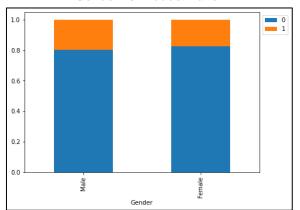
ProdTaken	0	1	Al
Occupation			
All	3968	920	488
Salaried	1954	414	236
Small Business	1700	384	208
Large Business	314	120	43
Free Lancer	0	2	

- Most of the customers who took the travel package were either salaried or small business owners.
- All free lancer customers bought the travel package but there were only two free lancers in the data set.



# Exploratory Data Analysis – Gender, NumberOfPersonVisiting, PreferredPropertyStar vs ProductTaken

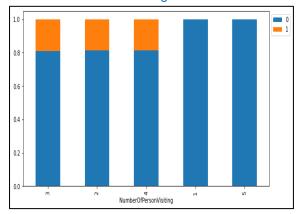
Gender vs Product Taken



ProdTaken	0	1	All
Gender			
All	3968	920	4888
Male	2338	578	2916
Female	1630	342	1972

 The data suggests that more male customers take the travel package

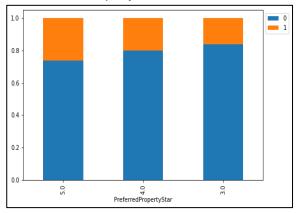
Number of Person Visiting vs Product Taken



ProdTaken	0	1	A11	
NumberOfPersonVisiting				
All	3968	920	4888	
3	1942	460	2402	
2	1151	267	1418	
4	833	193	1026	
1	39	0	39	
5	3	a	3	

 Customers who have one or five visitors do not take the travel package

## Preferred Property Star vs Product Taken



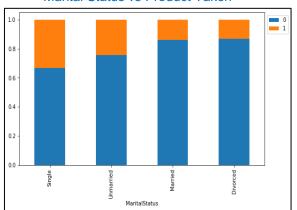
ProdTaken	0	1	All
PreferredPropertyStar			
All	3948	914	4862
3.0	2511	482	2993
5.0	706	250	956
4 0	731	182	913

- Most customers prefer 3 star properties compared to higher star properties
- This could suggest that more budget friendly properties are more appealing



# Exploratory Data Analysis – MaritalStatus, NumberOfTrips, Passport vs ProductTaken

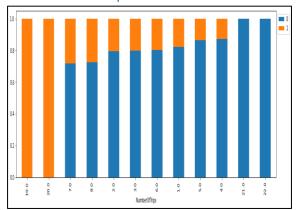
#### Marital Status vs Product Taken



ProdTaken	0	1	All	
MaritalStatus				
All	3968	920	4888	
Married	2014	326	2340	
Single	612	304	916	
Unmarried	516	166	682	
Divorced	826	124	950	

 Most customers who take the travel package are either Single or Married

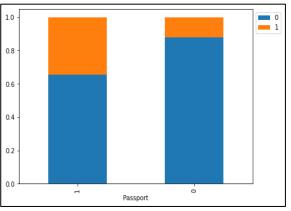
# Number of Trips vs Product Taken



ProdTaken	0	1	A11
NumberOfTrips			
A11	3840	908	4748
2.0	1165	299	1464
3.0	862	217	1079
1.0	508	112	620
6.0	258	64	322
5.0	396	62	458
7.0	156	62	218
4.0	417	61	478
8.0	76	29	105
19.0	0	1	1
20.0	0	1	1
21.0	1	0	1
22.0	1	0	1

 Customers who take two or three trips are more likely to take the travel package according to this sample.

# Passport vs Product Taken



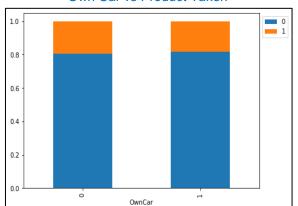
ProdTaken	0	1	All
Passport			
All	3968	920	4888
1	928	494	1422
0	3040	426	3466

 The number of customers who took the travel package are almost evenly split between customers who have a passport and customers who do not.



# Exploratory Data Analysis – OwnCar, NumberOfChildrenVisiting, Designation vs ProductTaken

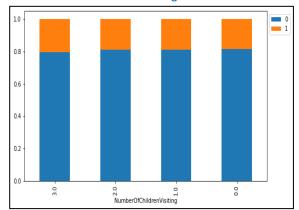
#### Own Car vs Product Taken



ProdTaken	0	1	A11
OwnCar			
All	3968	920	4888
1	2472	560	3032
0	1496	360	1856

 More customers who own a car also took the travel package.

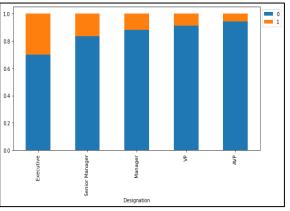
# Number of Children Visiting vs Product Taken



ProdTaken NumberOfChildrenVisiting	0	1	All
All	3909	913	4822
1.0	1688	392	2080
2.0	1082	253	1335
0.0	880	202	1082
3.0	259	66	325

- More customers with one child visiting also bought a travel package
- Less customers with three children bought a travel package

# Designation vs Product Taken



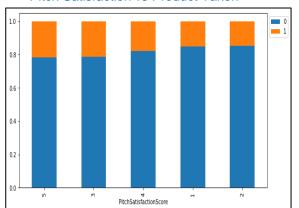
ProdTaken	0	1	A11
Designation			
A11	3968	920	4888
Executive	1290	552	1842
Manager	1528	204	1732
Senior Manager	618	124	742
AVP	322	20	342
VP	210	20	230

- There were more customers who were executives that bought a travel package
- AVP and VP had the least number of customers who bought packages, but they also had significantly smaller representation.



# Exploratory Data Analysis – PitchSatisfactionScore, ProductPitched, NumberOfFollowups vs ProductTaken

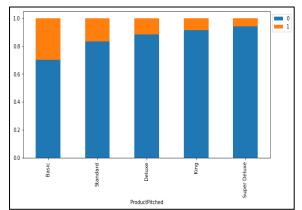
#### Pitch Satisfaction vs Product Taken



ProdTaken	0	1	A11	
PitchSatisfactionScore				
All	3968	920	4888	
3	1162	316	1478	
5	760	210	970	
4	750	162	912	
1	798	144	942	
2	198	22	586	

 On average most pitch scores were 3 for satisfaction

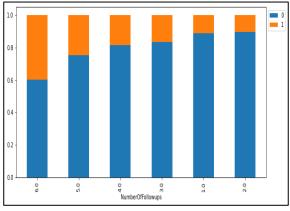
Product Pitched vs Product Taken



ProdTaken	0	1	A11
ProductPitched			
All	3968	920	4888
Basic	1290	552	1842
Deluxe	1528	204	1732
Standard	618	124	742
King	210	20	230
Super Deluxe	322	20	342

- Customers who were pitched the Basic or Deluxe package were more likely to buy the package
- Less customers who were pitched the higher end packages were less likely to buy the travel package

## Number of Follow-ups vs Product Taken



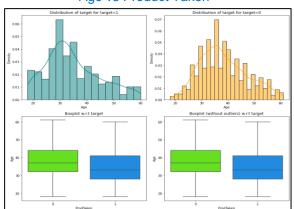
ProdTaken	0	1	A1
NumberOfFollowups			
All	3931	912	484
4.0	1689	379	206
3.0	1222	244	146
5.0	577	191	76
6.0	82	54	13
2.0	205	24	22
1.0	156	20	17

- Customers who had three to four follow ups bought travel package.
- The data would suggest that more follow ups are required to increase the likelihood of a package being purchased.



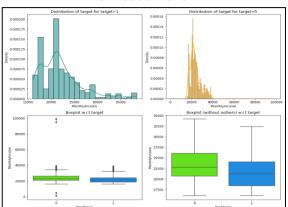
# **Exploratory Data Analysis**

## Age vs Product Taken



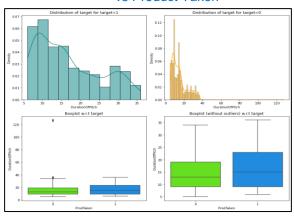
- The distribution for both outcomes are similarly distributed
- There are more customers with median age who did not take the product

# Personal Monthly Income vs Product Taken



- There is a wider spread of the data for customers who took the product.
- Customers who did not take the product are mostly centered around a specific range of income.

# Personal Duration of Pitch vs Product Taken

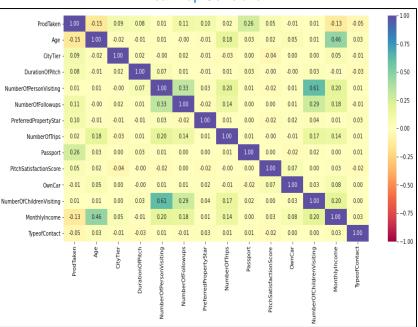


- The duration of the sales pitch for customers who took the product was within a narrow range.
- There was a much wider range for customers who did not take the product with a large concentration that overlapped the duration for customers who did take the product.



# **Exploratory Data Analysis – Correlation**

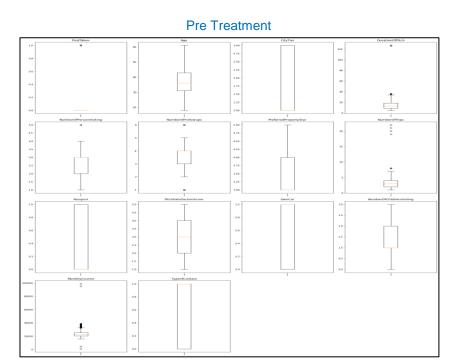
# Heat Map Correlation



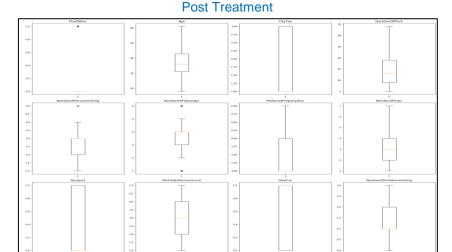
- Number of people visiting and the number of children visiting are highly correlated.
   There could be overlap in these two variables.
- · We do also notice some correlation between monthly income and age.
- Monthly income and product taken have a negative correlation of -0.13.



# **Outlier Treatment**



- Three of our variables appear to have outliers: Duration of Pitch, Number of Trips, and Monthly Income
- · We will treat only these three variable for outliers.
- We will exclude the other variables as they either do not have outliers or they have values of 1 or 0.



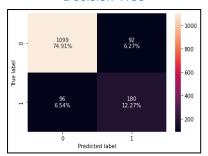
- · All numerical variables that had outliers have been treated.
- Only the target variables have been treated for outliers.

# **Model Evaluation Criteron**



- · The model can make wrong predictions as:
- 1. Predicting a customer will buy a travel package when they did not buy a travel package.
- Predicting a customer will not buy a travel package when they did buy a travel package.
- · Which case is more important?
- 1. If the model predicts a customer won't buy a travel package but it the customer indeed would then the company would incur the loss of a customer.
- 2. If the model predicts a customer will buy a travel package but the customer does not the company would lose time and resources that could be focused on potential customers.
- Which metric to optimize?
- We would want F1-Score to be maximized, the greater the F1-Score higher the chances of predicting both the classes correctly.

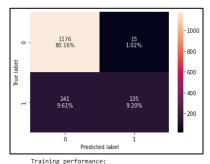
#### **Decision Tree**



- Training performance:
   Accuracy Recall Precision F1
  0 1.0 1.0 1.0 1.0

  Testing performance:
   Accuracy Recall Precision F1
  0 0.871847 0.652174 0.661765 0.656934
- The decision tree is overfitting the training data.
- We will try hyperparameter tuning and see if the model performance improves.

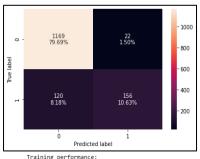
#### Random Forest





- Random forest is overfitting the training data as there is a huge difference between training and test scores for most of the metrics.
- The test recall is even lower than the decision tree but has a higher test precision.

# **Bagging Classifier**

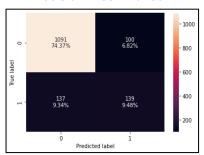


- Accuracy Recall Precision F
  0 0.994154 0.970497 0.998403 0.984252
  Testing performance:
  Accuracy Recall Precision F
  0 0.993204 0.565217 0.876404 0.687225
- •Bagging classifier giving a similar performance as random forest.
- •The Bagging classifier is not overfitting the training as much as the random forest or the decision tree.
- •It is also overfitting the training data but higher test recall than decision trees.



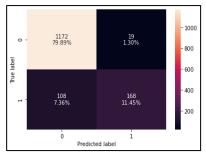
# Hypertuning the models

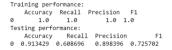
#### Decision Tree - Tuned



- The test recall has decreased significantly after hyperparameter tuning and the decision tree is giving a generalized performance.

#### Random Forest - Tuned





- We can see that random forest's performance has increased as compared to the random forest model with default parameters.
- Model is still overfitting the data but not as much as the tuned bagging classifier.
- The test recall is still very low but improved compared to the random forest with the default parameters.

# **Bagging Classifier - Tuned**

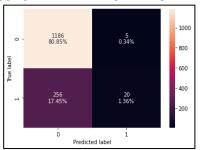


- We can see that train accuracy and recall for the bagging classifier have mostly remained the same.
- •The model is overfitting the data, as train recall are much higher than the test recall.



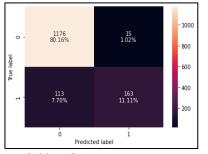
# Logistic regression for Bagging Classifier and weighted class for Random Forest

# Bagging Classifier – logistic regression



- Bagging classifier with logistic regression as base\_estimator is not overfitting the data but the test recall is low.
- Ensemble models are less interpretable than decision tree but bagging classifier is even less interpretable than random forest. It does not even have a feature importance attribute.

# Random Forest – class\_weights

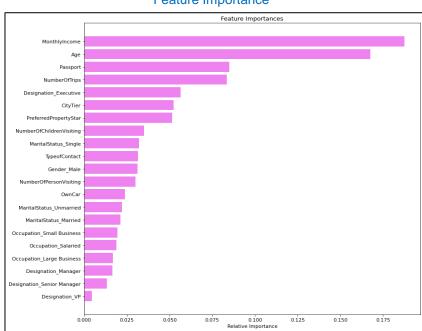


- The model accuracy has mostly remained the same and is overall still overfitting.
- We see improved test precision and a drop in recall.



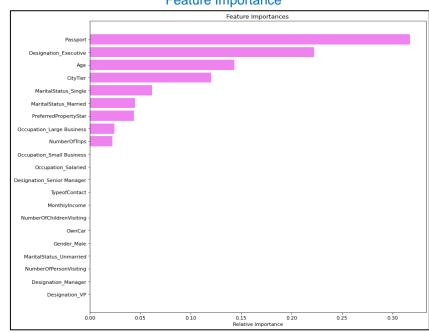
# **Feature Importance**

## Feature Importance



• Monthly income, age, and passport are the top 3 features.

# Decision Tree Feature Importance



Passport, designation - executive, and age are the top 3 features.



# Comparing all the models

# Train Comparison Table

	Bagging classifier with default parameters	Tuned Bagging Classifier	Bagging classifier with base_estimator=LR	Decision Tree with default parameters	Tuned Decision Tree Classifier	Random Forest with deafult parameters	Tuned Random Forest Classifier	Random Forest with class_weights
Accuracy	0.994154	0.825490	0.825490	1.0	0.824320	1.0	1.0	1.0
Recall	0.970497	0.082298	0.082298	1.0	0.487578	1.0	1.0	1.0
Precision	0.998403	0.898305	0.898305	1.0	0.536752	1.0	1.0	1.0
F1	0.984252	0.150782	0.150782	1.0	0.510985	1.0	1.0	1.0

## **Test Comparison Table**

	Bagging classifier with default parameters	Tuned Bagging Classifier	Bagging classifier with base_estimator=LR	Decision Tree with default parameters	Tuned Decision Tree Classifier	Random Forest with deafult parameters	Tuned Random Forest Classifier	Random Forest with class_weights
Accuracy	0.903204	0.822086	0.822086	0.871847	0.838446	0.893661	0.913429	0.912747
Recall	0.565217	0.072464	0.072464	0.652174	0.503623	0.489130	0.608696	0.590580
Precision	0.876404	0.800000	0.800000	0.661765	0.581590	0.900000	0.898396	0.915730
F1	0.687225	0.132890	0.132890	0.656934	0.539806	0.633803	0.725702	0.718062

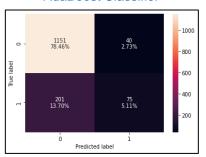
#### **Conclusion:**

- We can see that three variables Passport, Age, and Monthly Income are the most important factors in identifying persons who are likely to buy a travel package. Other variables' importance is not as significant.
- Identifying what features influence customers to purchase travel packages will help identify and focus sales to certain demographics of customers.
- This will help sales reduce wasted time pitching to customers who are less likely to purchase a travel package.
- · As per the decision tree business rules:
- Customers who do not have a passport and who are not single and who live in a city tier >1 and who prefer property star >4 and are age > 43 are more likely to buy a travel package.
- Customers who do not have a passport who are single and are age <32 who own large business are more likely to buy a travel package.</li>
- Customers with a passport who are executives are likely to buy a travel package regardless of their age
- · Based on the above analysis, we can say that:
- · Middle-aged to older customers who are looking to stay at a higher rated property are more likely to purchase a travel package.
- Younger single customers without a passport find travel packages more appealing and are more likely to purchase one if they own a large business.
- Customers who are executives and own a passport are highly likely to buy a travel package.



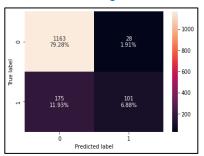
# **Boosting Classifier**

#### AdaBoost Classifier



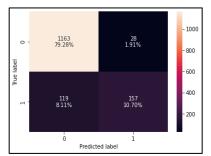
- Adaboost is giving more generalized performance than previous models but the test f1score is too low.

# **Gradient Boosting Classifier**



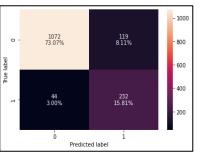
- Training performance:
  Accuracy Recall Precision F1
  0 0.879567 0.43323 0.855828 0.575258
  Testing performance:
  Accuracy Recall Precision F1
  0 0.861622 0.365942 0.782946 0.498765
- The gradient boosting classifier is overfitting the training data slightly.
- F1 scores are still low.

#### XGBoost Classifier



- Xgboost classifier is slightly overfitting the training data.
  We will try hyperparameter tuning and see if the model performance improves.

## Stacking Classifier

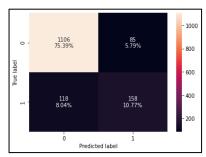


- The stacking classifier is giving a similar performance as compared to XGBoost with slightly less overfitting.



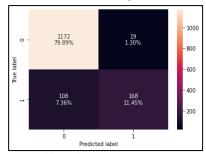
# Hypertuning the models

#### AdaBoost - Tuned



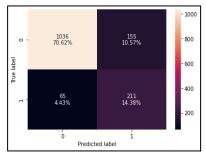
- Accuracy Recall Precision F1 0 0.975738 0.903727 0.965174 0.93344 Accuracy Recall Precision F1 0 0.861622 0.572464 0.650206 0.608863
- The model performance has increased slightly but the model has started to overfit the training data.

## **Gradient Boosting - Tuned**



- The gradient boosting classifier is overfitting the training data slightly.
- · F1 scores are still low.

## XGBoost - Tuned



- Training performance:
  Accuracy Recall Precision F1
  0.940953 0.968944 0.774194 0.86669
  Testing performance:
  Accuracy Recall Precision F:
  0.859034 0.764493 0.576593 0.657321
- The overfitting has reduced slightly.
- •Testing recall has increased while testing precision has decreased.



# Comparing all the models

# **Train Comparison Table**

	Decision Tree	Decision Tree Estimator	Random Forest Estimator	Random Forest Tuned	Bagging Classifier	Bagging Estimator Tuned	Adaboost Classifier	Adabosst Classifier Tuned	Gradient Boost Classifier	Gradient Boost Classifier Tuned	XGBoost Classifier	XGBoost Classifier Tuned	Stacking Classifier
Accuracy	1.0	0.824320	1.0	1.0	0.994154	0.825490	0.844782	0.975738	0.879567	0.902952	0.997077	0.940953	0.997077
Recall	1.0	0.487578	1.0	1.0	0.970497	0.082298	0.277950	0.903727	0.433230	0.538820	0.984472	0.968944	1.000000
Precision	1.0	0.536752	1.0	1.0	0.998403	0.898305	0.730612	0.965174	0.855828	0.908377	1.000000	0.774194	0.984709
F1	1.0	0.510985	1.0	1.0	0.984252	0.150782	0.402700	0.933440	0.575258	0.676413	0.992175	0.860690	0.992296

# **Test Comparison Table**

	Decision Tree	Decision Tree Estimator	Random Forest Estimator	Random Forest Tuned	Bagging Classifier	Bagging Estimator Tuned	Adaboost Classifier	Adabosst Classifier Tuned	Gradient Boost Classifier	Gradient Boost Classifier Tuned	XGBoost Classifier	XGBoost Classifier Tuned	Stacking Classifier
Accuracy	0.871847	0.838446	0.893661	0.913429	0.903204	0.822086	0.835719	0.861622	0.861622	0.875937	0.899796	0.850034	0.888889
Recall	0.652174	0.503623	0.489130	0.608696	0.565217	0.072464	0.271739	0.572464	0.365942	0.438406	0.568841	0.764493	0.840580
Precision	0.661765	0.581590	0.900000	0.898396	0.876404	0.800000	0.652174	0.650206	0.782946	0.817568	0.848649	0.576503	0.660969
F1	0.656934	0.539806	0.633803	0.725702	0.687225	0.132890	0.383632	0.608863	0.498765	0.570755	0.681128	0.657321	0.740032

- The majority of the models are overfitting the training data.
- The staking classifier is giving the highest f1-score on the test data and is giving more generalized performance.
- The tuned random forest has given the second-highest test f1-score but is overfitting the training data..



# Conclusion

# After all the analysis, we have been able to conclude:

- The CustomerID attribute does not add any information to our analysis as all the values are unique. There is no association between a person's customer ID and ProdTaken, also it does not provide any general conclusion for future potential travel package customers. We can neglect this information for our model prediction.
- We notice several missing values that need to be treated in 8 different columns. Income, CC Average, and Mortgage had outliers that were treated.
- We can see that three variables Passport, Age, and Monthly Income are the most important factors in identifying persons who are likely
  to buy a travel package. Other variables' importance is not as significant.
- Identifying what features influence customers to purchase travel packages will help identify and focus sales to certain demographics of customers.
- This will help sales reduce wasted time pitching to customers who are less likely to purchase a travel package.
- Customers who do not have a passport and who are not single and who live in a city tier >1 and who prefer property star >4 and are age > 43 are more likely to buy a travel package.
- Customers who do not have a passport who are single and are age <32 who own large business are more likely to buy a travel package.
- Customers with a passport who are executives are likely to buy a travel package regardless of their age
- Middle-aged to older customers who are looking to stay at a higher rated property are more likely to purchase a travel package.
- Younger single customers without a passport find travel packages more appealing and are more likely to purchase one if they own a large business.
- Customers who are executives and own a passport are highly likely to buy a travel package.
- The majority of the models are overfitting the training data.
- The staking classifier is giving the highest f1-score on the test data and is giving more generalized performance.
- The tuned random forest has given the second-highest test f1-score but is overfitting the training data.



# Recommendations

# After all the analysis, we suggest the following recommendations:

- Based on the different models, we would recommend the stacking classifier model as well as the decision tree model for making business decisions.
- We saw our analysis that customers who do not have a passport, not single, in a city tier of >1, prefer a property star of >4 and are Age >43 but <46 are more likely to purchase a travel package.
- Also, customers who do not have a passport who are single, age <=31, and own a large business are more likely to buy a
  travel package.</li>
- Based on the above two points, if the customer does not have a passport, they should take the age factor and if they are single into consideration.
- If a customer has a passport, the sales team should focus on executive of any age. Based on the decision tree feature importance, they are more likely to purchase a travel package.
- Also unmarried customers who have a passport and are in a city tier >1 are more likely to purchase a travel package.
- It would appear customers with passports are more likely to purchase a travel package.
- As a result, the company should target customers with passports.
- Sales team should also avoid customers who are in city tier 1.

# greatlearning Power Ahead

Happy Learning!

