

Assignment 03-Naive Bayes

Chathurani Ekanayake

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```
library(readxl)
UniversalBank <- read_excel("F:/1st sem/ML/Assignment 03/UniversalBank.xlsx")
View(UniversalBank)
```

```
install.packages(class) install.packages(e1071) install.packages("reshape") install.packages("reshape2")
install.packages("reshape2") install.packages("gmodels") install.packages("fastDummies")
```

```
library(class)
library(e1071)
library(reshape)
```

```
##
## Attaching package: 'reshape'
```

```
## The following object is masked from 'package:class':
##
##      condense
```

```
library(reshape2)
```

```
##
## Attaching package: 'reshape2'
```

```
## The following objects are masked from 'package:reshape':
##
##      colsplit, melt, recast
```

```
library(gmodels)
library(fastDummies)
library(caret)
```

```
## Loading required package: ggplot2
```

```
## Loading required package: lattice
```

```
library(readr)
library(dplyr)
```

```
##
## Attaching package: 'dplyr'
```

```
## The following object is masked from 'package:reshape':
##
##      rename
```

```
## The following objects are masked from 'package:stats':
##
##      filter, lag
```

```
## The following objects are masked from 'package:base':
##
##      intersect, setdiff, setequal, union
```

```
library(ISLR)
```

#Select the required variables

```
UniversalBank<-UniversalBank[,c(10,13,14)]
t(t(names(UniversalBank)))
```

```
##      [,1]
## [1,] "Personal Loan"
## [2,] "Online"
## [3,] "CreditCard"
```

#Change the column names

```
colnames(UniversalBank)[1]="Loan"
colnames(UniversalBank)[3]="CC"
t(t(names(UniversalBank)))
```

```
##      [,1]
## [1,] "Loan"
## [2,] "Online"
## [3,] "CC"
```

#use 60% of the data in training set & 40% for validation set

```
set.seed(123)
Train_data<-createDataPartition(UniversalBank$Loan,p=.6, list = FALSE)
Train_UB1<-UniversalBank[Train_data,]
```

```
Valid_UB1=UniversalBank[-Train_data, ]
attach(UniversalBank)
```

A. Create a Pivot table

```
fable(CC,Loan,Online)
```

```
##           Online      0      1
## CC Loan
## 0  0           1300 1893
##   1           128  209
## 1  0           527  800
##   1           61   82
```

B. The probability of customer accepts loan offer

```
P0<-82/882
```

C. Creating two pivot tables: (Loan, Online) & (Loan,CC)

```
addmargins(table(Loan,Online))
```

```
##           Online
## Loan      0      1  Sum
##  0    1827 2693 4520
##  1     189  291  480
##  Sum   2016 2984 5000
```

```
addmargins(table(Loan,CC))
```

```
##      CC
## Loan    0    1  Sum
##    0  3193 1327 4520
##    1   337  143  480
##    Sum 3530 1470 5000
```

D. Calculate different probabilities of A given B

```
##1. p(CC=1 | Loan = 1)
P1 <- 143/480

##2. P(Online = 1 | Loan = 1)
P2 <- 291/480

##3. P(Loan = 1)
addmargins(table(Loan))
```

```
## Loan
##    0    1  Sum
## 4520  480 5000
```

```
p3 <- 480/5000

##4. P(CC = 1 | Loan = 0)
p4 <- 1327/4520

##5. P(Online = 1 | Loan = 0)
p5 <- 2693/4520

##6. P(Loan = 0)
p6 <- 4520/5000
```

E. Naive Bayes of y $P(\text{Loan} = 1 \mid \text{CC} = 1, \text{Online} = 1)$.

```
P7 = ((P1*P2)*p3)/((P1*P2)*p3+(p4*p5)*p6))
P7
```

```
## [1] 0.09881706
```

F. Compare this value with the one obtained from the pivot table in (b)

#Answer: The value for $P_7 = 0.098$ & $P_0 = 0.092$ Due to decimals those two values are slightly different, the two values for E. and B. are almost same. Naive Bayes method does not need the exact same independent variable as do by the other method of B. So this cause for this slight difference of values.

G. Run naive Bayes on the data & Compare this to the number you obtained in (e).

```
P8 <- naiveBayes(Loan~.,data = Train_UB1)
P8
```

```
##
## Naive Bayes Classifier for Discrete Predictors
##
## Call:
## naiveBayes.default(x = X, y = Y, laplace = laplace)
##
## A-priori probabilities:
## Y
##           0           1
## 0.90733333 0.09266667
##
## Conditional probabilities:
##   Online
## Y      [,1]      [,2]
## 0 0.5951506 0.4909531
## 1 0.6438849 0.4797134
##
##   CC
## Y      [,1]      [,2]
## 0 0.2909625 0.4542897
## 1 0.3273381 0.4700881
```

Answer :Here, the Naive Bayes provides the same answer as in question (E) .09