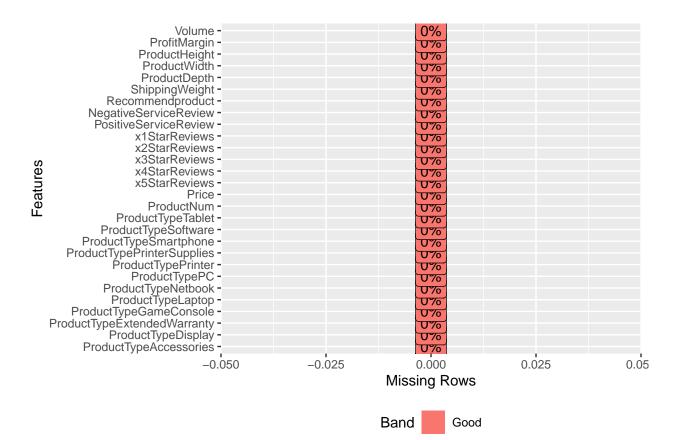
M3T3.R.

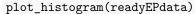
christiancobollogomez

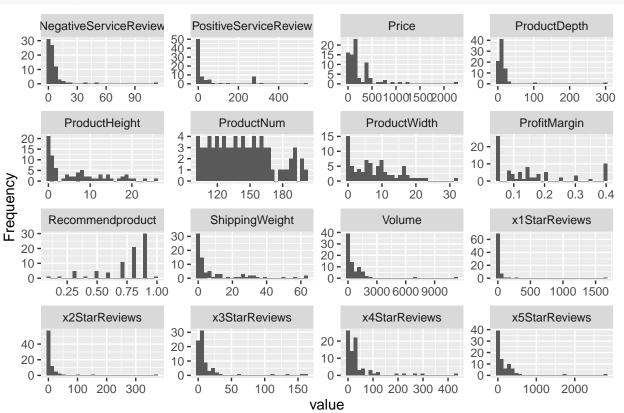
2021-12-12

```
# Module 3 Task 3: Predicting Customers Preference
library(corrplot)
## corrplot 0.92 loaded
library(caret)
## Loading required package: ggplot2
## Loading required package: lattice
library(gbm)
## Loaded gbm 2.1.8
library(reshape2) # Heatmap with melt()
library(ggplot2)
library(DataExplorer) # quick EDA package
set.seed(998)
existing_products<- read.csv("existingproductattributes2017.csv")</pre>
summary(existing_products) # Shows that in BestSellersRank we have NA's.
                                                      x5StarReviews
## ProductType
                       ProductNum
                                         Price
## Length:80
                            :101.0
                                     Min.
                                          :
                                               3.60
                                                      Min. :
                                                                 0.0
## Class :character
                      1st Qu.:120.8
                                     1st Qu.: 52.66
                                                     1st Qu.: 10.0
## Mode :character
                     Median :140.5
                                     Median: 132.72
                                                      Median: 50.0
##
                      Mean
                            :142.6
                                     Mean
                                           : 247.25
                                                      Mean
                                                            : 176.2
##
                      3rd Qu.:160.2
                                     3rd Qu.: 352.49
                                                      3rd Qu.: 306.5
                            :200.0
##
                      Max.
                                     Max.
                                            :2249.99
                                                      Max.
                                                             :2801.0
##
  x4StarReviews
                    x3StarReviews
                                    x2StarReviews
                                                    x1StarReviews
##
## Min. : 0.00
                   Min. : 0.00
                                    Min. : 0.00
                                                    Min. :
                                                               0.00
## 1st Qu.: 2.75
                    1st Qu.: 2.00
                                    1st Qu.: 1.00
                                                    1st Qu.:
                                                               2.00
                   Median: 7.00
                                   Median: 3.00
## Median : 22.00
                                                    Median :
                                                              8.50
                    Mean : 14.79
                                    Mean : 13.79
## Mean : 40.20
                                                    Mean : 37.67
## 3rd Qu.: 33.00
                    3rd Qu.: 11.25
                                    3rd Qu.: 7.00
                                                    3rd Qu.: 15.25
## Max.
         :431.00
                   Max.
                         :162.00
                                    Max.
                                          :370.00
                                                    Max.
                                                           :1654.00
##
## PositiveServiceReview NegativeServiceReview Recommendproduct BestSellersRank
## Min. : 0.00
                        Min.
                              : 0.000
                                             Min.
                                                    :0.100
                                                              Min.
```

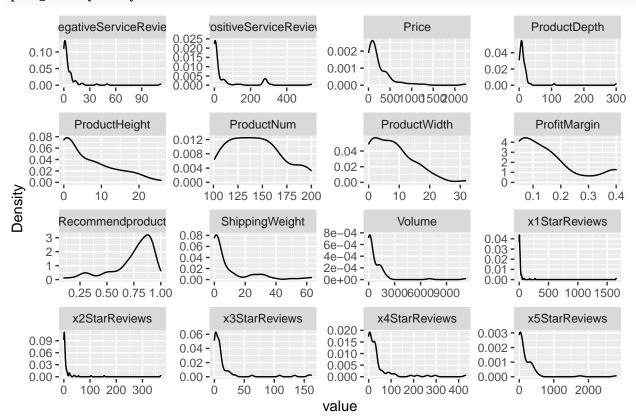
```
## 1st Qu.: 2.00
                       1st Qu.: 1.000
                                            1st Qu.:0.700
                                                           1st Qu.:
## Median : 5.50
                       Median : 3.000
                                            Median :0.800
                                                           Median :
                                                                      27
## Mean : 51.75
                       Mean : 6.225
                                            Mean :0.745
                                                           Mean : 1126
## 3rd Qu.: 42.00
                       3rd Qu.: 6.250
                                            3rd Qu.:0.900
                                                            3rd Qu.: 281
## Max. :536.00
                       Max. :112.000
                                            Max. :1.000
                                                            Max. :17502
                                                            NA's
##
                                                                  :15
## ShippingWeight
                   ProductDepth
                                    ProductWidth ProductHeight
## Min. : 0.0100 Min. : 0.000
                                    Min. : 0.000 Min.
                                                           : 0.000
## 1st Qu.: 0.5125
                   1st Qu.: 4.775
                                    1st Qu.: 1.750 1st Qu.: 0.400
## Median : 2.1000 Median : 7.950
                                    Median: 6.800 Median: 3.950
## Mean : 9.6681 Mean : 14.425
                                    Mean
                                          : 7.819 Mean
                                                          : 6.259
                    3rd Qu.: 15.025
## 3rd Qu.:11.2050
                                    3rd Qu.:11.275
                                                    3rd Qu.:10.300
        :63.0000
                    Max. :300.000
                                    Max. :31.750 Max. :25.800
## Max.
##
##
   ProfitMargin
                      Volume
## Min.
          :0.0500
                   Min. :
## 1st Qu.:0.0500
                   1st Qu.:
                             40
## Median :0.1200
                   Median: 200
## Mean
        :0.1545
                   Mean : 705
                   3rd Qu.: 1226
## 3rd Qu.:0.2000
## Max. :0.4000
                   Max. :11204
##
# Delete the attribute with missing data:
existing_products$BestSellersRank<-NULL</pre>
# dummify the data
EPdata <- dummyVars(" ~ .", data = existing_products)</pre>
readyEPdata <- data.frame(predict(EPdata, newdata = existing_products))</pre>
# quick EDA:
plot_str(readyEPdata)
plot_missing(readyEPdata)
```





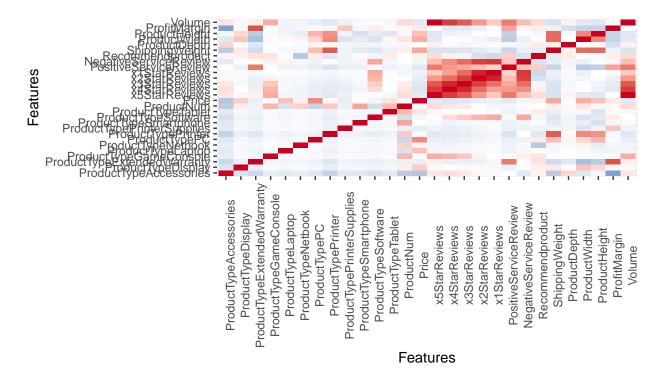


plot_density(readyEPdata)



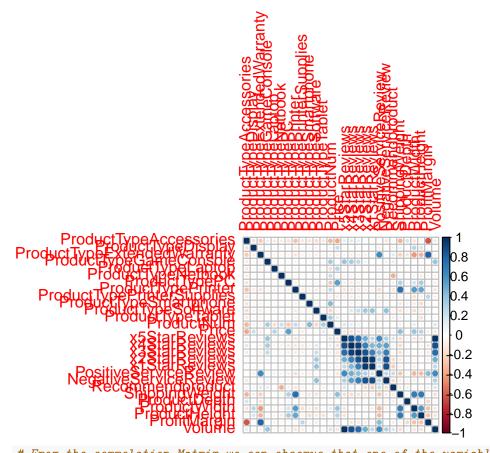
 $\hbox{\it\#plot correlation matrix in two different ways:}$

plot_correlation(readyEPdata, type = 'continuous')



Correlation Meter -1.0 -0.5 0.0 0.5 1.0

```
# We compute correlation
corrData <- cor(readyEPdata)</pre>
melted_cormat <- melt(corrData)</pre>
head(melted_cormat)
##
                             Var1
                                                     Var2
                                                               value
## 1
          ProductTypeAccessories ProductTypeAccessories 1.0000000
## 2
              ProductTypeDisplay ProductTypeAccessories -0.1791613
## 3 ProductTypeExtendedWarranty ProductTypeAccessories -0.2622653
## 4
          ProductTypeGameConsole ProductTypeAccessories -0.1111111
## 5
               ProductTypeLaptop ProductTypeAccessories -0.1369636
              ProductTypeNetbook ProductTypeAccessories -0.1111111
#ggplot(data = melted_cormat, aes(x=Var1, y=Var2, fill=value)) +
 # geom_tile()
corrplot(corrData) # heat map correlation matrix.
```



- # From the correlation Matrix we can observe that one of the variables # that has a higher value from the positive correlation is the x5StarReviews.
- # We may want to build the linear model using this as a feature:

###############################

Linear Model 1: Predicting Volume using 5 Star Reviews

Data<-readyEPdata

We select the features according to variable importance and the correlation matrix.

Data<-Data[c("x5StarReviews","x4StarReviews","x3StarReviews","x2StarReviews","x1StarReviews","PositiveS

trainSize<-round(nrow(Data)*0.7)</pre>

testSize <- nrow (Data) - trainSize

trainSize

[1] 56

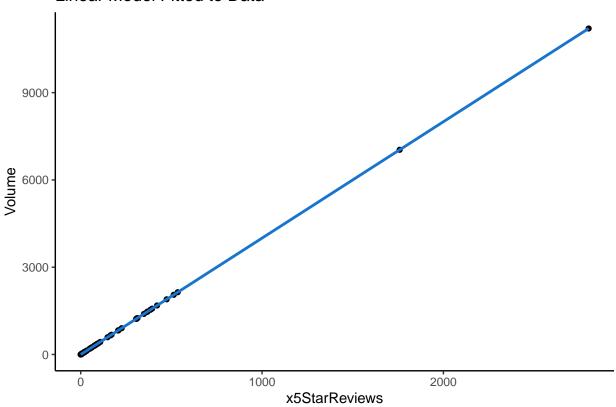
 ${\tt testSize}$

[1] 24

```
training_indices<-sample(seq_len(nrow(Data)),size =trainSize)</pre>
trainSet<-Data[training_indices,]</pre>
testSet<-Data[-training_indices,]</pre>
LRmodel<-lm(Volume~ x5StarReviews, trainSet)</pre>
summary(LRmodel)
## Warning in summary.lm(LRmodel): essentially perfect fit: summary may be
## unreliable
##
## Call:
## lm(formula = Volume ~ x5StarReviews, data = trainSet)
## Residuals:
##
                      1Q
                             Median
                                             3Q
                                                       Max
## -1.217e-12 -1.935e-13 -1.665e-13 -1.429e-13 9.638e-12
##
## Coefficients:
                  Estimate Std. Error
##
                                        t value Pr(>|t|)
                 4.861e-13 1.917e-13 2.536e+00 0.0141 *
## (Intercept)
## x5StarReviews 4.000e+00 4.705e-16 8.502e+15 <2e-16 ***
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 1.334e-12 on 54 degrees of freedom
## Multiple R-squared:
                            1, Adjusted R-squared:
## F-statistic: 7.228e+31 on 1 and 54 DF, p-value: < 2.2e-16
PredictLR <- predict(LRmodel,testSet)</pre>
PredictLR
                              23
##
     12
          13
               14
                    20
                         22
                                   24
                                         25
                                              26
                                                   31
                                                        33
                                                             39
                                                                  44
                                                                        48
                                                                             52
                                                                                  53
##
   300
                    80 1576 2052
                                                        20 1232 368 2140
          40 1252
                                  116
                                        308 1224
                                                   20
                                                                           204 1896
##
     56
          57
               59
                    63
                         65
                              73
                                   75
                                         80
## 360
         656
               84
                    32
                         80 7036
                                   12 1684
## We represent the model vs the scatter plot of the data.
ggplot(data = Data, aes(x = x5StarReviews, y = Volume)) +
  geom_point() +
  stat_smooth(method = "lm", col = "dodgerblue3") +
  theme(panel.background = element_rect(fill = "white"),
        axis.line.x=element line(),
        axis.line.y=element_line()) +
  ggtitle("Linear Model Fitted to Data")
```

`geom_smooth()` using formula 'y ~ x'



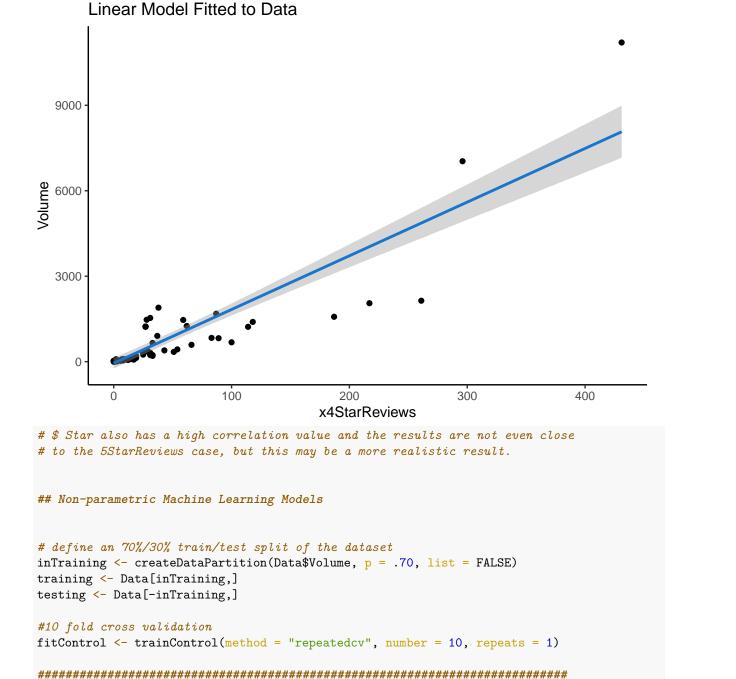


```
# Apparently there is nothing wrong, but it is very suspicious having practically perfect
# scores even using only one variable (even though, the correlation matrix
# show a very high value of positive correlation). It may be a case of overfitting.
# Linear Model 2: Predicting Volume using 4 Star Reviews
LRmodel<-lm(Volume~ x4StarReviews, trainSet)</pre>
summary(LRmodel)
```

```
##
## lm(formula = Volume ~ x4StarReviews, data = trainSet)
## Residuals:
                       Median
                                             Max
        Min
                  1Q
                                     3Q
## -1563.02 -186.55
                        86.75
                                143.85 1166.39
##
## Coefficients:
##
                 Estimate Std. Error t value Pr(>|t|)
```

```
## (Intercept) -111.846
                            81.376 -1.374
                                              0.175
                              1.208 19.499
## x4StarReviews
                  23.549
                                              <2e-16 ***
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 544.1 on 54 degrees of freedom
## Multiple R-squared: 0.8756, Adjusted R-squared: 0.8733
## F-statistic: 380.2 on 1 and 54 DF, p-value: < 2.2e-16
PredictLR <- predict(LRmodel,testSet)</pre>
PredictLR
          12
                     13
                                14
                                           20
                                                      22
                                                                 23
                                                                            24
               76.54298 1348.16901
                                   -64.74880 4291.74779 4998.20669 312.02928
##
   476.86969
##
                                                      39
          25
                     26
                                31
                                           33
                                                                 44
##
  618.16147 2572.69778 -111.84606 -111.84606 523.96695 571.06421 6034.34642
          52
                     53
                                56
                                           57
                                                      59
                                                                 63
  665.25873
              783.00188 523.96695
##
                                   665.25873 123.64024 -41.20017 194.28613
##
          73
                     75
## 6858.54848 -88.29743 1936.88476
## We represent the model vs the scatter plot of the data.
ggplot(data = Data, aes(x = x4StarReviews, y = Volume)) +
 geom_point() +
 stat_smooth(method = "lm", col = "dodgerblue3") +
 theme(panel.background = element_rect(fill = "white"),
       axis.line.x=element line(),
       axis.line.y=element_line()) +
 ggtitle("Linear Model Fitted to Data")
```

`geom_smooth()` using formula 'y ~ x'



```
SVMfit1
## Support Vector Machines with Linear Kernel
##
## 57 samples
## 7 predictor
```

#train model with a tuneLenght = 5 (trains with 5 mtry value for SVM)

Support Vector Machines (SVM)

SVMfit1 <- train(Volume~., data = training, method = "svmLinear", trControl=fitControl, tuneLength = 5)

```
##
## No pre-processing
## Resampling: Cross-Validated (10 fold, repeated 1 times)
## Summary of sample sizes: 52, 52, 51, 50, 51, 52, ...
## Resampling results:
##
##
    RMSE
              Rsquared
##
     128.197 0.9915989 89.78558
## Tuning parameter 'C' was held constant at a value of 1
summary(SVMfit1) # Shows the relative influence of each variable in the model.
## Length Class
                   Mode
                     S4
##
        1
            ksvm
VarImpSVM<-varImp(SVMfit1,numTrees = NULL) # variable importance</pre>
VarImpSVM
## loess r-squared variable importance
##
##
                         Overall
## x5StarReviews
                           100.00
## x4StarReviews
                           93.97
                           86.96
## PositiveServiceReview
## x2StarReviews
                           73.08
## x3StarReviews
                           56.03
## NegativeServiceReview
                           29.33
## x1StarReviews
                            0.00
# First, we will evaulate on the testing set to evaluate
SVMpred1 <- predict(SVMfit1,testing)</pre>
SVMpred1 # It predicts negative values of Volumes, which is impossible. We should
##
                       3
                                   8
                                             11
                                                         28
                                                                    32
                                                                               37
    -60.55569
              -58.67490
                           68.70480
                                       10.58997
                                                  21.37841
                                                            -75.82039 1194.28238
##
                                                         45
           40
                      42
                                  43
                                             44
                                                                    46
                10.69556
                           32.61904
                                      309.01604 1394.56702 1379.94315
## 1194.28238
                                                                        293.16816
##
           60
                      62
                                  63
                                             67
                                                         69
                                                                    70
                          -37.51256 735.00203 329.05710 -69.16386 6783.11289
##
    238.35294
               -57.69371
##
           76
   195.21420 1589.00531
# discard this model
summary(SVMpred1)
      Min. 1st Qu. Median
                               Mean 3rd Qu.
## -75.82 -13.46 195.21 670.42 964.64 6783.11
ResultsSVM1<-postResample(SVMpred1,testing$Volume)#</pre>
ResultsSVM1 # #Rsquared is very high, but RMSE and MAE may be suspicious.
         RMSE
                Rsquared
                                 MAE
## 89.1214820 0.9997906 78.4534667
```

```
## Random Forest
#train model with a tuneLenght = 5 (trains with 5 mtry value for Random Forest)
RFfit1 <- train(Volume~., data = training, method = "rf", trControl=fitControl, tuneLength = 5);</pre>
RFfit1
## Random Forest
##
## 57 samples
## 7 predictor
##
## No pre-processing
## Resampling: Cross-Validated (10 fold, repeated 1 times)
## Summary of sample sizes: 52, 51, 51, 52, 50, 50, ...
## Resampling results across tuning parameters:
##
##
    mtry RMSE
                   Rsquared
##
    2
          696.2914 0.9674234 355.7056
##
          635.2545 0.9801397 315.0501
         627.9415 0.9826814 310.3012
##
##
    5
         604.7272 0.9844233 298.2291
         590.4946 0.9889196 287.8835
##
## RMSE was used to select the optimal model using the smallest value.
## The final value used for the model was mtry = 7.
```

<pre>summary(RFfit1)</pre>	#	Shows	the	relative	in	fluence	of	each	variable	in	the	model.
----------------------------	---	-------	-----	----------	----	---------	----	------	----------	----	-----	--------

##		Length	Class	Mode		
##	call	4	-none-	call		
##	type	1	-none-	character		
##	predicted	57	-none-	numeric		
##	mse	500	-none-	numeric		
##	rsq	500	-none-	numeric		
##	oob.times	57	-none-	numeric		
##	importance	7	-none-	numeric		
##	importanceSD	0	-none-	NULL		
##	${\tt localImportance}$	0	-none-	NULL		
##	proximity	0	-none-	NULL		
##	ntree	1	-none-	numeric		
##	mtry	1	-none-	numeric		
##	forest	11	-none-	list		
##	coefs	0	-none-	NULL		
##	У	57	-none-	numeric		
##	test	0	-none-	NULL		
##	inbag	0	-none-	NULL		
##	xNames	7	-none-	character		
##	problemType	1	-none-	character		
##	tuneValue	1	${\tt data.frame}$	list		
##	obsLevels	1	-none-	logical		
##	param	0	-none-	list		

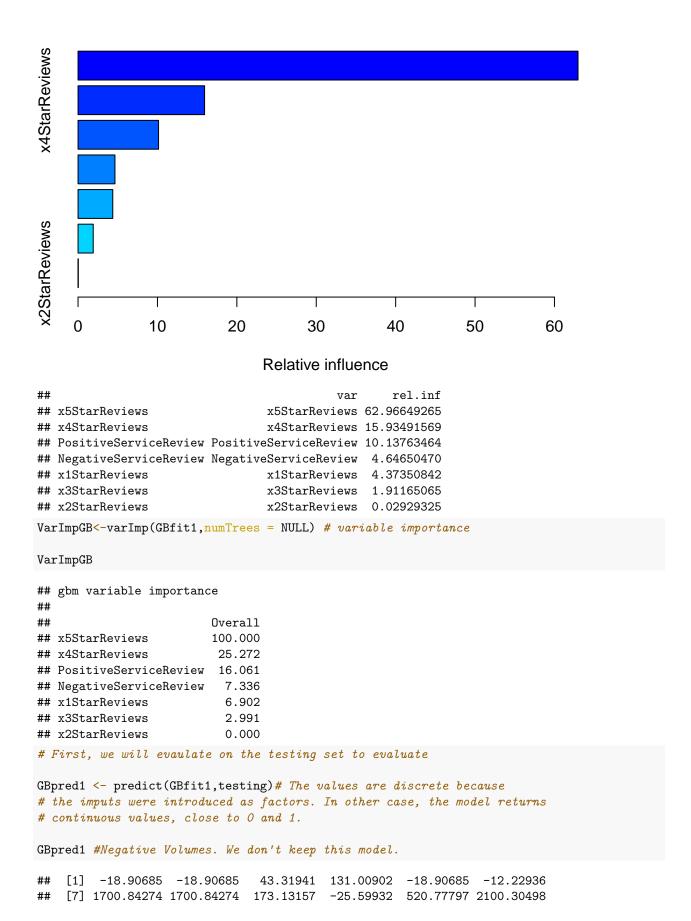
```
VarImpRF<-varImp(RFfit1,numTrees = NULL) # variable importance</pre>
VarImpRF
## rf variable importance
##
##
                         Overall
                        100.0000
## x5StarReviews
## PositiveServiceReview 36.5442
## x4StarReviews
                         33.9747
## x1StarReviews
                         8.8308
## x2StarReviews
                          6.1680
## x3StarReviews
                          0.8417
## NegativeServiceReview 0.0000
# First, we will evaulate on the testing set to evaluate
RFpred1 <- predict(RFfit1,testing)</pre>
RFpred1 # Every volume predicted is a positive number, as it should be.
##
           2
                                8
                                                     28
                                                                32
                                                                           37
                      3
                                          11
##
     9.52040
              16.89933 156.65667
                                    75.15853
                                               74.05773
                                                          10.93213 1232.48813
##
          40
                     42
                               43
                                          44
                                                     45
                                                                46
## 1232.48813
              80.98547
                          93.07493 343.69960 1449.84400 1422.69640 323.36467
                               63
                                                                70
##
          60
                     62
                                                     69
                                          67
## 293.69240
              15.34627
                          33.63467 1277.22000 397.11040 4.35600 4040.75707
##
## 240.90053 1528.49200
summary(RFpred1)
##
      Min. 1st Qu.
                      Median
                                 Mean 3rd Qu.
     4.356 53.846 240.901 624.060 1232.488 4040.757
##
ResultsRF1<-postResample(RFpred1,testing$Volume)#
ResultsRF1 #
         RMSE
                                 MAE
                 Rsquared
## 632.9109656
                0.9289243 168.6689623
## Gradient Boosting
#train model with a tuneLenght = 5 (trains with 5 mtry value for Random Forest)
GBfit1<-train(Volume~., data = training, method = "gbm", trControl=fitControl, tuneLength = 5, verbose=F
## Stochastic Gradient Boosting
##
## 57 samples
## 7 predictor
```

##

No pre-processing

```
## Resampling: Cross-Validated (10 fold, repeated 1 times)
## Summary of sample sizes: 51, 53, 52, 52, 50, 52, ...
## Resampling results across tuning parameters:
##
##
     interaction.depth n.trees
                                  RMSE
                                            Rsquared
##
                                                       510.3453
                         50
                                  839.3976
                                            0.8517723
     1
##
                         100
                                            0.8100929
     1
                                  872.9437
                                                       520.0436
##
     1
                         150
                                  855.9724
                                            0.8102823
                                                       521.9233
##
     1
                         200
                                  927.4407
                                            0.7960992
                                                       575.9741
##
     1
                         250
                                  942.5258
                                            0.7567870
                                                       581.6163
##
     2
                         50
                                  844.8608
                                            0.8590836
                                                       524.9232
##
     2
                         100
                                  855.7702
                                            0.8244638
                                                       531.9524
##
     2
                         150
                                  869.5934
                                            0.8065430
                                                       540.3207
##
     2
                                  924.9816
                                                       575.1151
                         200
                                            0.7710412
##
     2
                         250
                                  923.2832
                                            0.7690634
                                                       568.5782
##
     3
                         50
                                  825.2804
                                            0.8563175
                                                       507.6042
##
     3
                         100
                                  860.7717
                                            0.8249499
                                                       524.8827
##
     3
                         150
                                  901.9480
                                            0.8112257
                                                       564.6943
                                            0.7903811 559.6767
##
     3
                        200
                                  912.0463
##
     3
                         250
                                  946.5058
                                            0.7926152
                                                       591.6768
##
     4
                         50
                                  794.4756
                                            0.8532225
                                                       489.1598
##
                         100
                                  846.8452
                                            0.8314044
                                                       530.2877
     4
##
                                            0.8082610
     4
                         150
                                  851.1168
                                                       529.9923
##
                         200
                                  881.4377
                                            0.8039912
     4
                                                       551.6418
##
     4
                         250
                                  922.3068
                                            0.7790274
                                                       580.0237
##
     5
                         50
                                  830.7915
                                            0.8561415
                                                       510.0523
##
     5
                         100
                                  831.1536
                                            0.8498755
                                                       510.1181
##
     5
                         150
                                  861.2729
                                            0.8318469
                                                       527.3245
##
     5
                         200
                                  900.9535
                                            0.8215679
                                                       569.7378
     5
##
                         250
                                  929.3953 0.8123446 574.2867
##
## Tuning parameter 'shrinkage' was held constant at a value of 0.1
##
## Tuning parameter 'n.minobsinnode' was held constant at a value of 10
## RMSE was used to select the optimal model using the smallest value.
## The final values used for the model were n.trees = 50, interaction.depth =
   4, shrinkage = 0.1 and n.minobsinnode = 10.
```

summary(GBfit1) # Shows the relative influence of each variable in the model.



```
## [13] 2282.47726
                    33.86956
                              88.98957 -18.90685 -18.90685 1833.09890
## [19] 874.45856 -18.90685 2282.47726 256.43911 2282.47726
summary(GBpred1)
     Min. 1st Qu. Median
                            Mean 3rd Qu.
                                            Max.
   -25.60 -18.91 131.01 702.32 1700.84 2282.48
ResultsGB1<-postResample(GBpred1,testing$Volume)#
ResultsGB1 #
          RMSE
##
                   Rsquared
                                    MAF.
## 1060.1573183
                  0.4688859 455.5858295
# Random Forest is the only one that does not predict any negative Volumes,
# and has one of the better performance. Thus, we will use Random Forest to
# do the final prediction.
new_products<- read.csv("newproductattributes2017.csv")</pre>
summary(new_products) # Shows that in BestSellersRank we have NA's.
   ProductType
                        ProductNum
                                         Price
                                                      x5StarReviews
                                                8.5
                                                                0.00
##
  Length:24
                      Min.
                            :171.0
                                     Min. :
                                                     Min. :
  Class : character
                      1st Qu.:179.5
                                     1st Qu.: 130.0
                                                     1st Qu.: 16.00
  Mode :character
                     Median :193.5
                                     Median : 275.0
                                                     Median: 46.00
##
                      Mean
                            :219.5
                                     Mean : 425.6
                                                     Mean : 178.50
##
                      3rd Qu.:301.2
                                     3rd Qu.: 486.5
                                                     3rd Qu.: 99.25
##
                     Max.
                            :307.0 Max.
                                            :1999.0
                                                    Max.
                                                            :1525.00
##
   x4StarReviews
                    x3StarReviews
                                    x2StarReviews
                                                     x1StarReviews
   Min. : 0.00
                   Min. : 0.00 Min. : 0.00
                                                    Min. : 0.00
                    1st Qu.: 1.75
   1st Qu.: 2.00
                                    1st Qu.: 1.00
                                                     1st Qu.: 1.75
  Median : 10.50
                    Median : 4.50
                                    Median: 4.00
                                                    Median : 13.00
## Mean : 48.04
                    Mean : 21.92
                                    Mean : 17.50
                                                          : 27.58
                                                     Mean
##
   3rd Qu.: 26.00
                    3rd Qu.: 16.75
                                    3rd Qu.: 20.25
                                                     3rd Qu.: 35.25
## Max.
                                          :160.00
          :437.00
                    Max.
                          :224.00
                                    Max.
                                                     Max.
                                                           :247.00
## PositiveServiceReview NegativeServiceReview Recommendproduct
## Min. : 0.00
                        Min. : 0.000
                                              Min.
                                                     :0.3000
##
   1st Qu.: 2.00
                        1st Qu.: 1.000
                                              1st Qu.:0.6000
## Median: 5.00
                        Median : 3.500
                                              Median :0.7000
                        Mean : 5.667
## Mean
         :13.46
                                              Mean
                                                     :0.6708
                        3rd Qu.: 7.500
##
   3rd Qu.:12.50
                                              3rd Qu.:0.8000
## Max.
          :90.00
                        Max. :23.000
                                              Max.
                                                     :1.0000
   BestSellersRank
                      ShippingWeight
                                       ProductDepth
                                                       ProductWidth
                     Min. : 0.200
                                      Min. : 0.000 Min.
                                                            : 0.000
##
  \mathtt{Min.} :
               1.00
                                      1st Qu.: 5.225
                                                      1st Qu.: 5.832
   1st Qu.:
              93.25
                      1st Qu.: 0.900
## Median : 750.50
                     Median : 4.450
                                      Median : 8.000
                                                      Median: 9.950
## Mean : 3957.62
                     Mean : 7.802
                                      Mean : 9.094
                                                      Mean
                                                            :10.408
## 3rd Qu.: 3150.00
                      3rd Qu.: 9.575
                                      3rd Qu.:11.425
                                                      3rd Qu.:12.875
## Max.
          :44465.00
                     Max.
                            :42.000
                                      Max.
                                            :21.890
                                                      Max. :27.010
## ProductHeight
                     ProfitMargin
                                        Volume
## Min. : 0.000
                          :0.0500
                                    Min.
                                           :0
                    Min.
```

1st Qu.:0

1st Qu.:0.0975

1st Qu.: 0.400

```
## Median : 0.985
                    Median: 0.1150 Median: 0
## Mean : 3.541 Mean
                           :0.1817 Mean
                    3rd Qu.:0.2000 3rd Qu.:0
## 3rd Qu.: 2.888
## Max.
          :25.800
                            :0.9000 Max.
                    Max.
# Delete the attribute with missing data:
new_products$BestSellersRank<-NULL
new_products$Volume<-NULL #Delete the empty Volume Variable</pre>
# dummify the data
NPdata <- dummyVars(" ~ .", data = new_products)</pre>
readyNPdata <- data.frame(predict(NPdata, newdata = new_products))</pre>
Ndata<-readyNPdata[c("x5StarReviews","x4StarReviews","x3StarReviews","x2StarReviews","x1StarReviews","P
FinalPred <- predict(RFfit1,Ndata) # We predict with RF model.
FinalPred<-round(FinalPred)
FinalPred
                         5
##
                3
                    4
                              6
                                    7
                                         8
                                              9
                                                  10
                                                       11
                                                            12
                                                                 13
                                                                     14
                                                                           15
                                                                                16
  420 190 309
                   28
                         7
                             74 1241 156
                                             12 1208 4369 439 504 138 223 1737
##
    17
         18
                   20
                        21
                              22
                                   23
               19
                                  11 1867
    16
         92
              90 117 260
                              19
## Prepare the output. We will leave the original file intact, adding the predictions.
output<-read.csv("newproductattributes2017.csv")</pre>
output$predictions<-FinalPred
write.csv(output, file="C2.T3output.csv", row.names = TRUE)
################################
## Conclusions:
# In the correlation matrix we could appreciate that the reviews and opinions of
# the customers have a great impact on the Volume of sales. Specifically,
# the 5 4 and 3 Stars reviews and the Positive Service Reviews. Accordingly, those
# are the variables with high relative importance when building the models.
# We can get nice results by reducing the number of features. As it is shown by
# the correlation matrix, the majority of the variables are just very minorly
# related with sales Volumes.
# A sample of 80 to test is not so big. We may want a bigger dataframe.
# Linear Regression, GBM and SVM were used and even provided very nice Rsquare values.
# but were rejected because overfitting or predicting negative volumes.
```

```
# RF provided 0.92 Rsquared and apparently good results. Also, every prediction
# was a non-negative value.

# We focus on PC, laptops, Netbooks and SmartPhones. In the final .csv output
# with Excel we can seethe predictions on the volums of this and other products:

# Total Volumes Smartphones: 1304. The Product Number 194 has 504 of volume sales.

# Total Volumes Netbooks: 1483. ProdNum 180 has a predicted volume of 1241, so apparently
# it will be nice product to sell. Probably because it is the cheapest Netbook.

# 9% Margin of profit.

# Total Volumes Laptop: 344. The product number 173 has 309 predicted sells. 10%,
# the smalles profit margin on laptops.

# Total Volumes PC: 610. The product number 171 has 420 sales by its own, and
# also has a 25% of profit margin. Very nice product from the economic perspective.
```