

### Model Deployment G2M Case Study

21-March-2023

# Agenda

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**Summary** 

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### **Executive Summary**

In EDA phase, I found some key factors to invest cab company. It include advantage of place, the number of users, and seasonal trends. For further analysis, I deployed clustering model for customer. By deploying this model, I can detect primary customer that cab company has to focus on.



### Dataset

### Original datasets

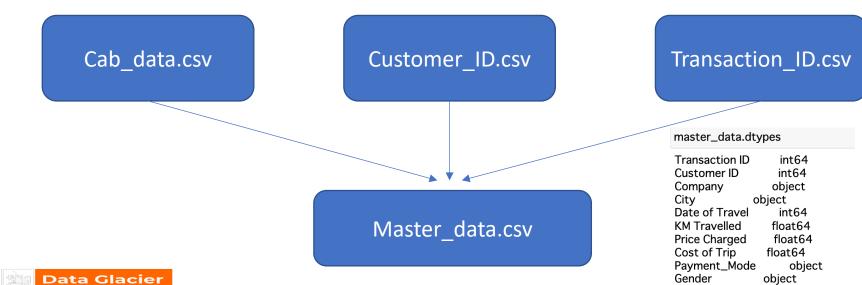
- Cab\_data.csv
- Customer\_ID.csv
- Transaction\_ID.csv
- City.csv

#### **Processed Datasets**

- Master\_data.csv
- City.csv

int64

Income (USD/Month) dtype: object

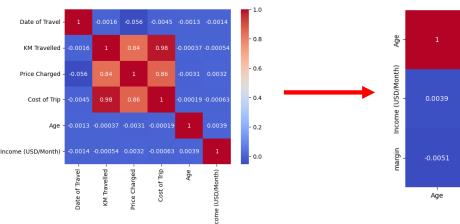


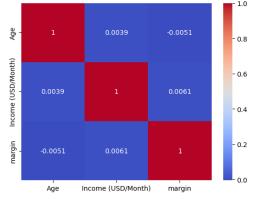
To conduct analysis, merge three datasets with IDs and named it master data.

### Feature Selection

	KM Travelled	Price Charged	Cost of Trip	Payment_Mode	Gender	Age	Income (USD/Month)
0	30.45	370.95	313.635	Card	Male	28	10813
1	28.62	358.52	334.854	Card	Male	27	9237
2	9.04	125.20	97.632	Cash	Male	53	11242
3	33.17	377.40	351.602	Cash	Male	23	23327
4	8.73	114.62	97.776	Card	Male	33	8536

	Age	Income (USD/Month)	margin
0	28	10813	57.315
1	27	9237	23.666
2	53	11242	27.568
3	23	23327	25.798
4	33	8536	16.844





### Check correlation with heatmap

Multicollinearity may violate clustering model. To avoid this, Put Price charged and Cost of Trip together as margin, and remove KM Travelled. Payment Mode, Gender, are not used in this model.



# Model Summary

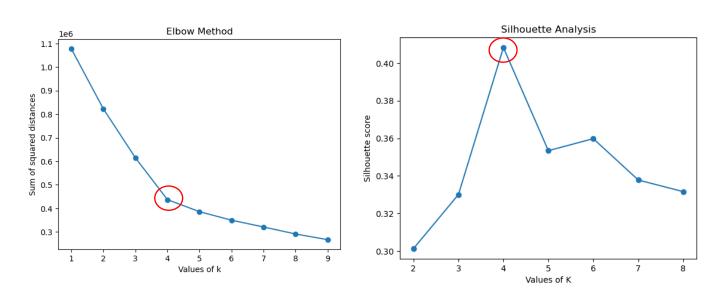
### **KMeans**

- Categorize each data for into K group by calculating distance of each other. Each features need to be standardized to match scale.
- Kmeans need to find optimal K which means how many groups are desirable. I used some methods to detect optimal K.
  - 1. Elbow method
  - 2. Shilhouette method





# Model Summary

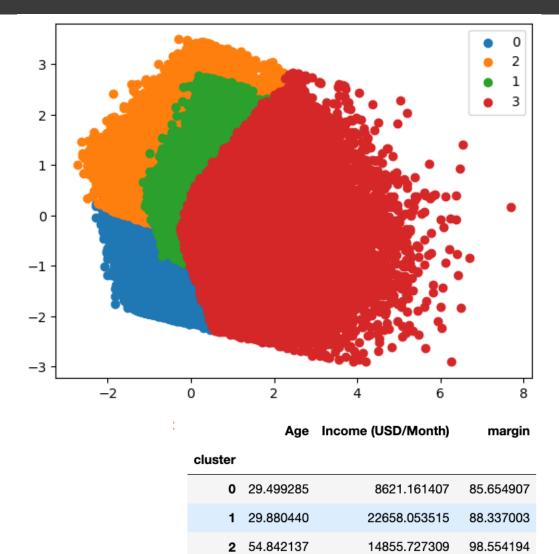


- Elbow method
   Optimal K is defined by the point which
   most reduce sum of spared distances.
   Optimal K is 4 according to Elbow method.
- Shilhouette method
   Silhouette score is between -1 and 1. 1 is best
   ,meaning the K is most optimal. The point that
   values of K is 4 maximized silhouette score.

4 clusters is optimal in this model.



## Model Deployment



33.902115

14980.631554 479.921335

Data Glacier

Customers were separated as follows,

- Cluster 0
   Mean of Age is 29. Income and margin
   are lowest.
- Cluster 1
   Mean of Age is same as cluster 0.
   However, this group has highest income but they don't use cab much.
- Cluster 2
   Mean of Age is 54. Income is third
   highest and margin is second highest.
- Cluster 3
   Mean of Age is 33. Income is second highest. They use cab frequently.

## Result Summary

- There are two types of customer in mean of 29. One is lowest income, the other is higher income. Both customer types don't use cab much.
- Elderly people use cab more than group of 29 years old.
- The primary customer for cab is middle senior. Cab company can get more than 4 times as much margin as the other groups.



### Recommendations

- People which are average 33 years old are primary users of cab so We can get more profit by taking an action to these customer.
- We may need to start campaign for people who are young and have income. By doing so, We can get more profit.



# Appendix

### Code for this analysis:

https://github.com/KHUC1998/G2M-market/blob/main/Untitled.ipynb

programming language: Python

Used software:

Jupyter notebook Tableau



# Thank You

