# Part 1

# **Airline Passenger Satisfaction**



## **Introduction:**

Since India being the most populous country in the world, transportation plays an important role in the Indian economy. Among different modes of transportation aviation is a fast growing sector. In upcoming years the majority of the Indian population is going to travel by air as it is fast and efficient. Air travelers in India are looking for an airline which is affordable and with the most satisfying services. Even across the globe people expect the same. Not only price, services associated with air travel also play an important role in successful running of civilian aviation.

## **Objective:**

- To construct an Exploratory Data Analysis for the data
- What factors lead to customer satisfaction in air travel?
- How much do these factors influence the satisfaction level?
- Predicting passenger satisfaction based on different factors.
- Building logistic regression and decision tree and comparing them.

## Statistical tool used in analysis:



R is a programming language for statistical computing and graphics supported by the R Core Team and the R Foundation for Statistical Computing. Created by statisticians Ross Ihaka and Robert Gentleman, R is used among data miners, bioinformaticians and statisticians for data analysis and developing statistical software. Users have created packages to augment the functions of the R language. According to user surveys and studies of scholarly literature databases, R is one of the most commonly used programming languages used in data mining.

## **Data collection:**

Data obtained from an open sourced data repository.

# Defining the variables in the dataset:

Gender	Gender of the passengers (Female, Male)
Customer Type	The customer type (Loyal customer, disloyal customer)
Age	The actual age of the passengers
Type of Travel	Purpose of the flight of the passengers (Personal Travel, Business Travel)
Class	Travel class in the plane of the passengers (Business, Eco, Eco Plus)
Flight distance	The flight distance of this journey
Inflight wifi service	Satisfaction level of the inflight wifi service
Departure/Arrival time convenient	Satisfaction level of Departure/Arrival time convenient
Ease of Online booking	Satisfaction level of online booking
Gate location	Satisfaction level of Gate location
Food and drink:	Satisfaction level of Food and drink
Online boarding	Satisfaction level of online boarding
Seat comfort	Satisfaction level of Seat comfort

Inflight entertainment	Satisfaction level of inflight entertainment
On-board service	Satisfaction level of On-board service
Leg room service	Satisfaction level of Leg room service
Baggage handling	Satisfaction level of baggage handling
Check-in service	Satisfaction level of Check-in service
Inflight service	Satisfaction level of inflight service
Cleanliness	Satisfaction level of Cleanliness
Departure Delay in Minutes	Minutes delayed when departure
Arrival Delay in Minutes:	Minutes delayed when Arrival
Satisfaction:	Airline satisfaction level (Satisfaction, dissatisfaction)

## Methodology:

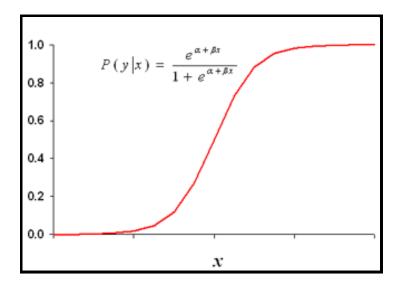
Predict the satisfaction of passengers using logistic regression and decision tree. And comparing the two models.

## 1)Logistic regression

Logistic regression is a statistical analysis method to predict a binary outcome, such as yes or no, based on prior observations of a data set.

A logistic regression model predicts a dependent data variable by analyzing the relationship between one or more existing independent variables. For example, a logistic regression could be used to predict whether an airline customer will be satisfied or not based on factors like gender, age, travel class, etc.

Logistic regression has become an important tool in the discipline of machine learning. It allows algorithms used in machine learning applications to classify incoming data based on historical data. As additional relevant data comes in, the algorithms get better at predicting classifications within data sets.



## • Sensitivity and Specificity?

This is what a confusion matrix looks like:

Confusion Matrix				
	Actually Positive (1)	Actually Negative (0)		
Predicted Positive (1)	True Positives (TPs)	False Positives (FPs)		
Predicted Negative (0)	False Negatives (FNs)	True Negatives (TNs)		

From the confusion matrix, it can derive some important metrics.

Sensitivity / True Positive Rate

$$Sensitivity = \frac{TP}{TP + FN}$$

Sensitivity tells what proportion of the positive class got correctly classified

False Negative Rate

$$FNR = \frac{FN}{TP + FN}$$

False Negative Rate (FNR) tells us what proportion of the positive class got incorrectly classified by the classifier.

A higher TPR and a lower FNR is desirable since we want to correctly classify the positive class.

## Specificity / True Negative Rate

$$Specificity = \frac{TN}{TN + FP}$$

Specificity tells us what proportion of the negative class got correctly classified.

### False Positive Rate

$$FPR = \frac{FP}{TN + FP} = 1 - Specificity$$

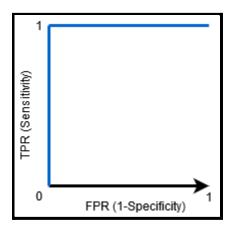
FPR tells us what proportion of the negative class got incorrectly classified by the classifier.

A higher TNR and a lower FPR is desirable since we want to correctly classify the negative class.

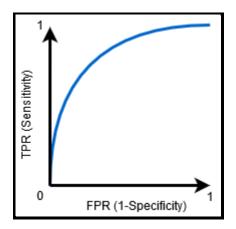
#### ROC curve and AUC

The Receiver Operator Characteristic (ROC) curve is an evaluation metric for binary classification problems. It is a probability curve that plots the TPR against FPR at various threshold values and essentially separates the 'signal' from the 'noise'. The Area Under the Curve (AUC) is the measure of the ability of a classifier to distinguish between classes and is used as a summary of the ROC curve.

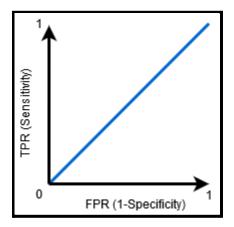
The higher the AUC, the better the performance of the model at distinguishing between the positive and negative classes.



When AUC = 1, then the classifier is able to perfectly distinguish between all the Positive and the Negative class points correctly. If, however, the AUC had been 0, then the classifier would be predicting all Negatives as Positives, and all Positives as Negatives.



When 0.5<AUC<1, there is a high chance that the classifier will be able to distinguish the positive class values from the negative class values. This is so because the classifier is able to detect more numbers of True positives and True negatives than False negatives and False positives.



When AUC=0.5, then the classifier is not able to distinguish between Positive and Negative class points. Meaning either the classifier is predicting random class or constant class for all the data points.

So, the higher the AUC value for a classifier, the better its ability to distinguish between positive and negative classes.

## 2) Decision Tree

#### • Introduction on decision tree:

Classification is a two-step process, learning step and prediction step, in machine learning. In the learning step, the model is developed based on given training data. In the prediction step, the model is used to predict the response for given data. Decision Tree is one of the easiest and popular classification algorithms to understand and interpret.

## • Decision Tree Algorithm

The Decision Tree algorithm belongs to the family of supervised learning algorithms. Unlike other supervised learning algorithms, the decision tree algorithm can be used for solving regression and classification problems too.

The goal of using a Decision Tree is to create a training model that can be used to predict the class or value of the target variable by learning simple decision rules inferred from prior data(training data).

In Decision Trees, for predicting a class label for a record we start from the root of the tree. We compare the values of the root attribute with the record's attribute. On the basis of comparison, we follow the branch corresponding to that value and jump to the next node.

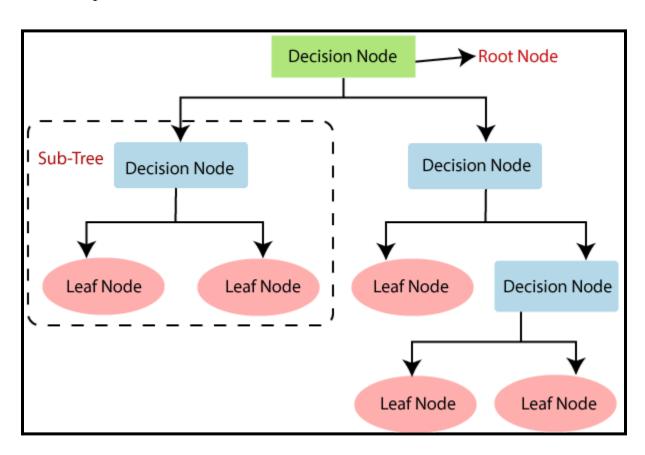
## • Types of Decision Trees

Types of decision trees are based on the type of target variable we have. It can be of two types:

- 1. Categorical Variable Decision Tree: Decision Tree which has a categorical target variable then it is called a Categorical variable decision tree.
- 2. Continuous Variable Decision Tree: Decision Tree has a continuous target variable then it is called Continuous Variable Decision Tree.

## • Important Terminology related to Decision Trees

- 1. Root Node: It represents the entire population or sample and this further gets divided into two or more homogeneous sets.
- 2. Splitting: It is a process of dividing a node into two or more sub-nodes.
- 3. Decision Node: When a sub-node splits into further sub-nodes, then it is called the decision node.
- 4. Leaf / Terminal Node: Nodes that do not split are called Leaf or Terminal nodes.
- 5. Pruning: When we remove sub-nodes of a decision node, this process is called pruning. You can say the opposite process of splitting.
- 6. Branch / Sub-Tree: A subsection of the entire tree is called branch or sub-tree.
- 7. Parent and Child Node: A node, which is divided into sub-nodes is called a parent node of sub-nodes whereas sub-nodes are the child of a parent node.



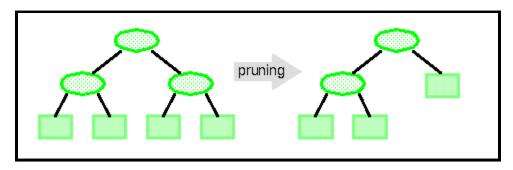
Decision trees classify the examples by sorting them down the tree from the root to some leaf/terminal node, with the leaf/terminal node providing the classification of the example.

Each node in the tree acts as a test case for some attribute, and each edge descending from the node corresponds to the possible answers to the test case. This process is recursive in nature and is repeated for every subtree rooted at the new node.

## • Pruning Decision Trees:

The splitting process results in fully grown trees until the stopping criteria are reached. But, the fully grown tree is likely to overfit the data, leading to poor accuracy on unseen data.

In pruning, you trim off the branches of the tree, i.e., remove the decision nodes starting from the leaf node such that the overall accuracy is not disturbed. This is done by segregating the actual training set into two sets: training data set and testing data set. Prepare the decision tree using the segregated training data set. Then continue trimming the tree accordingly to optimize the accuracy of the training data set.



#### • Auc in decision tree:

AUC means Area Under Curve; you can calculate the area under various curves though. Common is the ROC curve which is about the tradeoff between true positives and false positives at different thresholds. This AUC value can be used as an evaluation metric, especially when there are imbalanced classes.

The AUC score is simply the area under the curve which can be calculated with Simpson's Rule. The bigger the AUC score the better our classifier is.

# **DATA ANALYSIS**

#### **IMPORTING DATASET INTO R STUDIO:**

#### Columns in raw data

```
> colnames(data)
                                                "id"
 [1] "X"
 [1] X
[3] "Gender"
[5] "Age"
[7] "Class"
[9] "Inflight.wifi.service"
                                                "Customer.Type"
                                                "Type.of.Travel"
                                              "Flight.Distance"
                                              "Departure.Arrival.time.convenient"
                                              "Gate.location"
[11] "Ease. of. Online. booking"
[13] "Food. and. drink"
                                                "Online.boarding"
[15] "Seat.comfort"
                                                "Inflight.entertainment"
[17] "On. board. service"
                                                "Leg.room.service"
[19] "Baggage.handling"
                                                "Checkin.service"
[21] "Inflight.service" "Cleanliness"
[23] "Departure.Delay.in.Minutes" "Arrival.Delay.in.Minutes"
[25] "satisfaction"
```

#### **DATA CLEANING:**

Dropping columns 'X' and 'id' which has no use in the analysis

```
> data <- subset(data, select = -X)
> data <- subset(data, select = -id)
> |
```

For convenient column names are renames to lowercase

```
> colnames(data) <- c('gender', 'customer_type', 'age', 'travel_type', 'class', 'flight_distance',
+ 'inflight_wifi_service', 'departure_arrival_time_convenient', 'ease_of_online_booking',
+ 'gate_location', 'food_and_drink', 'online_boarding', 'seat_comfort', 'inflight_entertainment',
+ 'on_board_service', 'leg_room_service', 'baggage_handling', 'checkin_service', 'inflight_service',
+ 'cleanliness', 'departure_delay_in_minutes', 'arrival_delay_in_minutes', 'satisfaction')</pre>
```

Checking for null values and removing null values

```
> sum(is.na(data))
[1] 393
> data = na.omit(data)
> sum(is.na(data))
[1] 0
```

#### Rows and columns

```
> nrow(data)
[1] 129487
> ncol(data)
[1] 23
```

Data has 129487 observation and 23 variables after removing null values Converting categorical variables content to lowercase:

```
> data$gender = tolower(data$gender)
> data$customer_type = tolower(data$customer_type)
> data$travel_type = tolower(data$travel_type)
> data$class = tolower(data$class)
```

Converting data types of categorical and integer variables to factor type and continuous variables to numeric type:

```
> for (i in colnames(data)){
+    if (i == "age"){next}
+    if (i == "flight_distance"){next}
+    if (i == "departure_delay_in_minutes"){next}
+    if (i == "arrival_delay_in_minutes"){next}
+    data[[i]] = as.factor(data[[i]])}
>    
>    data$age <- as.numeric(data$age)
> data$flight_distance <- as.numeric(data$flight_distance)
> data$departure_delay_in_minutes <- as.numeric(data$arrival_delay_in_minutes)
> data$arrival_delay_in_minutes <- as.numeric(data$arrival_delay_in_minutes)</pre>
```

## Data types of the each variables:

#### EXPLORATORY DATA ANALYSIS

## Displaying first 5 rows of the data

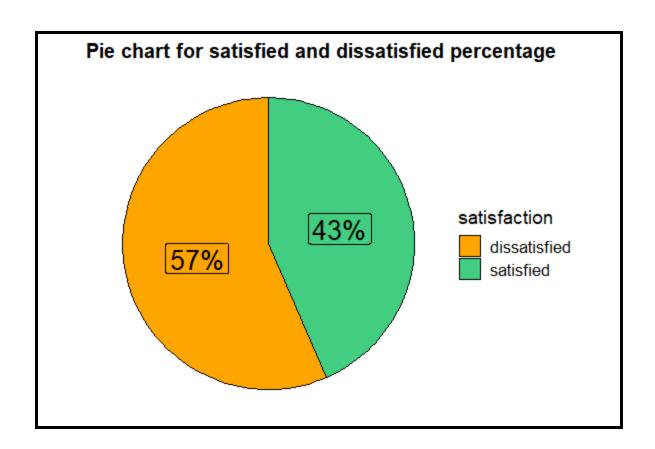
```
> head(data)
 gender
             customer_type age
                                    travel_type
                                                  class flight_distance inflight_wifi_service departure_arrival_time_convenient ease_of_online_booking
  male
            loyal customer 13 personal travel eco plus
                                                                      460
   male disloyal customer 25 business travel business
                                                                      235
3 female
            loyal customer 26 business travel business
                                                                     1142
4 female
            loyal customer 25 business travel business
                                                                      562
            loyal customer 61 business travel business loyal customer 26 personal travel eco
  male
                                                                      214
6 female
                                                                     1180
 gate_location food_and_drink online_boarding seat_comfort inflight_entertainment on_board_service leg_room_service baggage_handling checkin_service
4
5
              3
                             4
                                              5
                                                                                                                       4
6
                                                                                   1
  inflight_service cleanliness departure_delay_in_minutes arrival_delay_in_minutes satisfaction
                                                                                  18 dissatisfied
                                                        25
                                                                                    6 dissatisfied
                             1
                                                         1
                                                                                        satisfied
                                                                                    0
                                                                                   9 dissatisfied
                                                         11
                                                          0
                                                                                        satisfied
                                                                                    0 dissatisfied
```

## Summary of data:

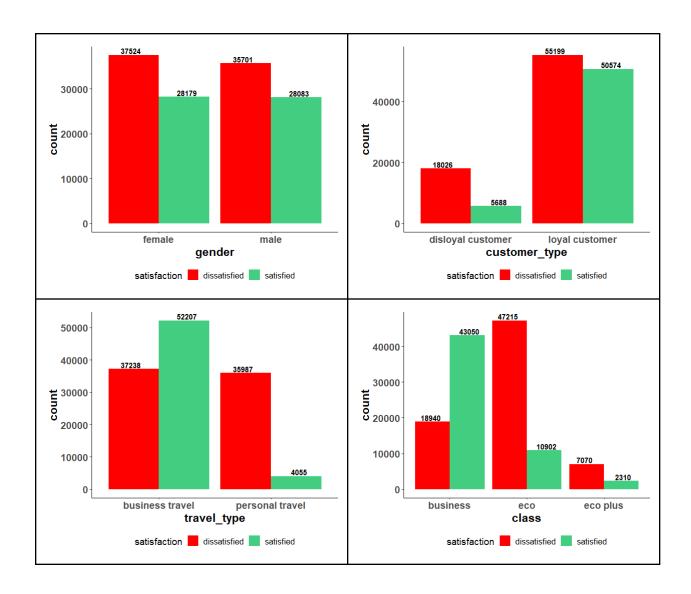
```
> summary(data)
   gender
                      customer_type
                                                           travel_type
                                         age
female:65703 disloyal customer: 23714
                                     Min. : 7.00
                                                   business travel:89445
                                                                         business:61990
                                                                                        Min. : 31
male :63784 loyal customer :105773
                                     1st Qu.:27.00
                                                   personal travel:40042
                                                                         eco
                                                                               :58117
                                                                                        1st Qu.: 414
                                     Median :40.00
                                                                         eco plus: 9380
                                                                                        Median: 844
                                     Mean :39.43
                                                                                        Mean :1190
                                     3rd Qu.:51.00
                                                                                        3rd Qu.:1744
                                     Max. :85.00
                                                                                        Max.
1:22250
                    1:19351
                                                  1:21808
                                                                      1:21926
                                                                                  1:16010
2:32236
                    2:21478
                                                  2:29983
                                                                      2:24219
                                                                                  2:27293
                                                                                                2:21866
3:32087
                    3:22302
                                                  3:30297
                                                                      3:35611
                                                                                  3:27712
                                                                                                3:27040
4:24702
                                                  4:24362
                                                                      4:30376
                                                                                  4:30477
                    4:31786
                                                                                                4:38353
5:14304
                    5:27906
                                                  5:17371
                                                                      5:17354
                                                                                  5:27865
                                                                                                5:25941
seat_comfort inflight_entertainment on_board_service leg_room_service baggage_handling checkin_service inflight_service cleanliness
                                0: 5
0: 1
            0: 18
                                               0: 596
                                                              1: 9008
                                                                             0: 1
                                                                                           0: 5
                                                                                                          0: 14
            1:15634
                                1:14738
                                                                                           1: 8838
1:15059
                                               1:12846
                                                                             1:16058
                                                                                                          1:16680
                                                              2:14316
                                2:18290
                                                                                           2:14252
2:18462
            2:21897
                                               2:24469
                                                              3:25771
                                                                             2:16056
                                                                                                          2:20049
                                               3:24982
                                                              4:46631
3:23258
            3:23805
                                3:28460
                                                                             3:35343
                                                                                           3:25232
                                                                                                          3:30552
4:39651
            4:36682
                                4:38587
                                               4:35779
                                                              5:33761
                                                                             4:36229
                                                                                           4:47198
                                                                                                          4:33871
                                5:29407
5:33056
            5:31451
                                               5:30815
                                                                             5:25800
                                                                                           5:33962
                                                                                                          5:28321
departure_delay_in_minutes arrival_delay_in_minutes
                                                  satisfaction
                        Min. : 0.00
1st Qu.: 0.00
                                         dissatisfied:73225
Min. : 0.00
1st Qu.:
         0.00
                                              satisfied :56262
Median: 0.00
                        Median: 0.00
Mean : 14.64
                        Mean : 15.09
3rd Qu.: 12.00
                        3rd Qu.: 13.00
Max. :1592.00
                             :1584.00
```

#### **DATA VISUALIZATION:**

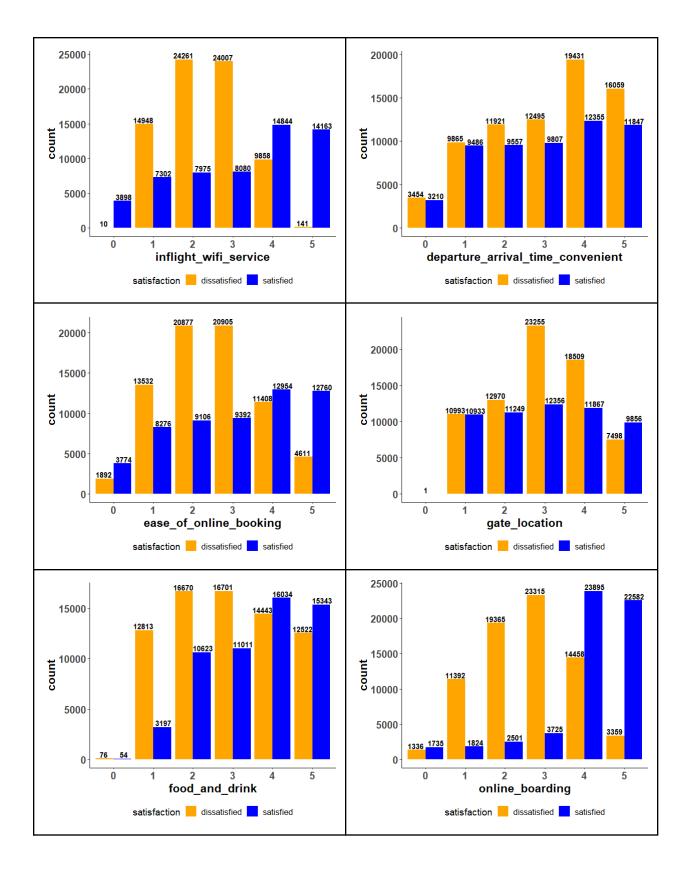
#### Pie chart:

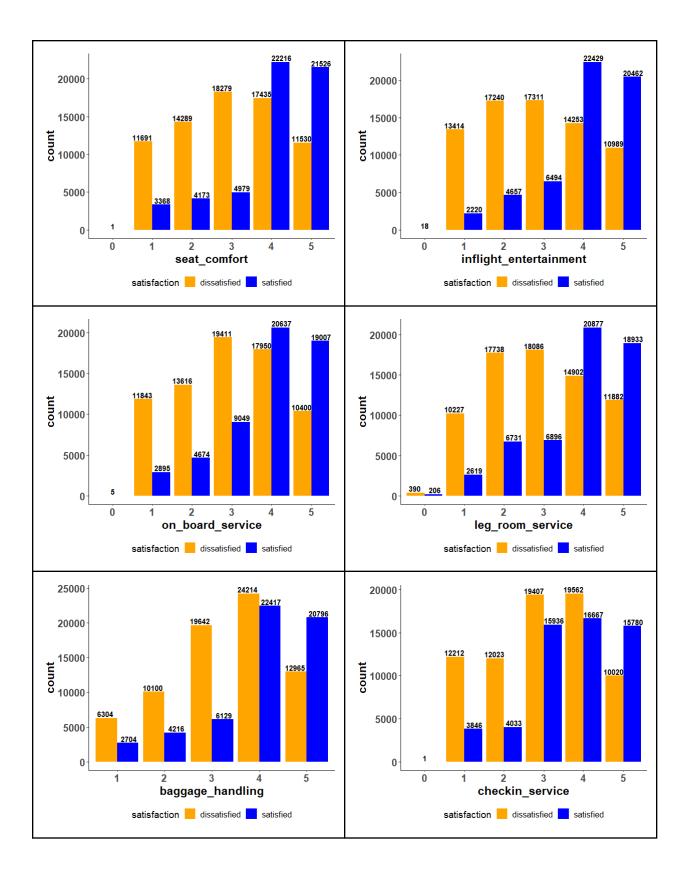


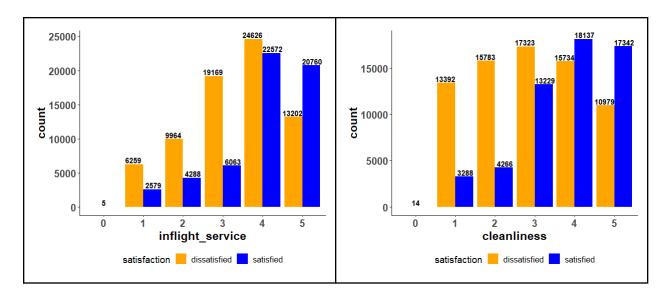
## Bar plot for categorical variables:



## Barplot for rating given to airline services:







**Interpretation:** For rating variables as rating increases from 0 to 5 no of satisfied in satisfaction also increases.

#### **MODEL BUILDING:**

## 1)Logistic Regression:

## Splitting dataset into training and testing sets:

# Training data 80%

# Testing data 20%

Dependent variable: satisfaction (satisfied(1), dissatisfied (0))

*Independent variables*: customer type + age + travel type + class + departure delay in minutes + arrival delay in minutes.

Variables with ratings ie (0 to 5) such as inflight wifi service, departure/arrival time convenient, ease of online booking, gate location, food and drink, online boarding, seat comfort, inflight entertainment, on-board service, on-board service, baggage handling, check-in service, inflight service, cleanliness were not included in the model because dependent variable 'satisfaction' is a direct function of these variables.

And variables gender and flight distance were not included in the model because these variables were insignificant i.e. p value > 0.05.

Therefore, logistic regression model built with significant variables:

```
> #logistic regression:
> logistic <- glm(satisfaction ~ customer_type + age + travel_type +</pre>
                   class + departure_delay_in_minutes +
                   arrival_delay_in_minutes, data=train, family="binomial")
> summary(logistic)
glm(formula = satisfaction ~ customer_type + age + travel_type +
    class + departure_delay_in_minutes + arrival_delay_in_minutes,
   family = "binomial", data = train)
Deviance Residuals:
Min 1Q Median 3Q Max
-1.8626 -0.5848 -0.4243 0.6936 2.9587
Coefficients:
                           Estimate Std. Error z value Pr(>|z|)
           -0.4042885 0.0270679 -14.936 < 2e-16 ***
(Intercept)
customer_typeloyal customer 1.7514423 0.0219717 79.713 < 2e-16 ***
                   -0.0007899 0.0005861 -1.348 0.178
travel_typepersonal travel -2.2920696 0.0235450 -97.348 < 2e-16 ***
              -1.2482947 0.0185171 -67.413 < 2e-16 ***
-1.3963494 0.0317733 -43.947 < 2e-16 ***
classeco
classeco plus
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' '1
(Dispersion parameter for binomial family taken to be 1)
   Null deviance: 141955 on 103674 degrees of freedom
Residual deviance: 99804 on 103667 degrees of freedom
AIC: 99820
Number of Fisher Scoring iterations: 4
```

## **Exp of coefficients from the model**

```
> print('Exp')
[1] "Exp"
> exp(-0.4042885195) #intercept
[1] 0.6674515
 exp(1.7514423082 ) #customer_type loyal customer
[1] 5.762909
> exp(-0.0007898689) #age
[1] 0.9992104
> exp(-2.2920695774) #travel_type personal travel
[1] 0.1010571
> exp(-1.2482946730) #class eco
[1] 0.2869938
> exp(-1.3963493577) #class eco plus
[1] 0.2474988
> exp(0.0048764152) #departure delay in minutes
[1] 1.004888
> exp(-0.0094140084) #arrival delay in minutes
[1] 0.9906302
```

## **Interpretation form above summary:**

- From the intercept it is clear the odds for satisfaction are generally low.
- Compared to disloyal customers, loyal customers have a very high feeling of satisfaction.
- As age increases by one unit, odds for satisfaction reduce slightly.
- Compared to business travel, the odds for satisfaction among personal travel is 90% lower. This may be because business travel usually occurs in the business class section where facilities and comfort are more compared to economy section.
- Compared to business class the odds for satisfaction among economy class passengers is 71% lower.
- Compared to business class the odds for satisfaction among economy plus class passengers is 75% lower.
- For one unit increase in departure delay in minutes odds for satisfaction is slightly higher, almost negligible. This could be because a few minutes delay in departure time will allow the passengers who arrive late to boarding gates to board the flight. But a delay of several hours will also occur due to harsh weather conditions such as thunderstorms,

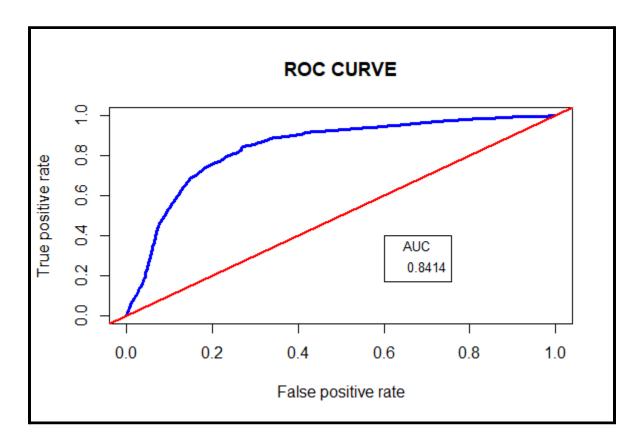
lightning, rain, fog, wind and snow. And these types of issues will be understood by the passengers as flying in bad weather can be dangerous, and no one wants to risk their life.

• For one unit increase in arrival delay in minutes odd for satisfaction is 1% lower. So passengers want to land at the exact arrival time and they can't accept any delay in it.

#### **ROC** curve and AUC:

```
> library('ROCR')
> pred = predict(logistic, test, type = 'response')
> rocr_pred = prediction(pred, test$satisfaction)
> rocr_perf = performance(rocr_pred, 'tpr', 'fpr')
> plot(rocr_perf, col = 'blue', main = 'ROC CURVE', lwd = 3 )
> abline(0,1,col = 'red', lwd = 2)
> auc = performance(rocr_pred, 'auc')
> auc = unlist(slot(auc, 'y.values'))
> auc
[1] 0.841434
> legend(.6,.4,round(auc,4), cex = 0.8, title = 'AUC')
```

Area under the curve is found to be 0.8414



## Finding optimum cut value:

True positive rate and true negative rate is computed for cut values (0 to1) and absolute difference between each TPR and TNR is calculated. Finally optimum cut value is chosen for which the corresponding absolute difference between each TPR and TNR is minimum.

```
> actual = ifelse(train$satisfaction == 'satisfied', 1, 0)
> predprob = predict(logistic, train, type = 'response')
> getTPRFPR=function(actual, predProb, cutoff){
    if(cutoff==1){tpr=0; fpr=0}else{
      if(cutoff==0){tpr=1; fpr=1}else{
       predClass=ifelse(predProb<cutoff,0,1); tab=table(actual, predClass)</pre>
       tpr=tab[2,2]/ ( tab[2,2]+tab[2,1] )
tnr=tab[1,1]/ ( tab[1,1]+tab[1,2] ); fpr=1-tnr
   return(c(TPR=tpr, TNR=tnr))
> cutoff_values=seq(0.3,0.7,0.01)->TPR->TNR
> for(i in 1: length(TPR)){
   metrics=getTPRFPR(train$satisfaction,logistic$fitted.values,cutoff_values[i])
    TPR[i]=metrics[1]
    TNR[i]=metrics[2]
+ }
> cut = data.frame((cbind(cutoff_values, TPR, TNR)))
> cut$abs_diff= abs(cut$TPR-cut$TNR)
```

```
> cut
   cutoff_values
                       TPR
                                  TNR
                                         abs_diff
            0.30 0.8880311 0.6649147 0.223116384
            0.31 0.8875430 0.6660068 0.221536158
            0.32 0.8867887 0.6670137 0.219775034
            0.33 0.8857016 0.6683447 0.217356899
5
            0.34 0.8841708 0.6704437 0.213727140
            0.35 0.8826179 0.6724744 0.210143456
            0.36 0.8805768 0.6755631 0.205013676
8
            0.37 0.8774043 0.6792662 0.198138115
            0.38 0.8734332 0.6851365 0.188296648
10
            0.39 0.8666223 0.6944369 0.172185436
            0.40 0.8287743 0.7380034 0.090770852
11
            0.41 0.8228730 0.7432082 0.079664798
12
13
            0.42 0.8206545 0.7455973 0.075057195
            0.43 0.8191237 0.7474573 0.071666345
15
            0.44 0.8173710 0.7498805 0.067490502
            0.45 0.8150860 0.7528498 0.062236138
16
17
            0.46 0.8120466 0.7571331 0.054913483
            0.47 0.8073655 0.7625768 0.044788710
19
            0.48 0.7935219 0.7745392 0.018982659
            0.49 0.7780366 0.7868089 0.008772268
20
21
            0.50 0.7719800 0.7943174 0.022337373
22
            0.51 0.7642374 0.8022867 0.038049307
23
            0.52 0.7041819 0.8412287 0.137046750
24
            0.53 0.6948197 0.8486007 0.153780938
25
            0.54 0.6929784 0.8500512 0.157072825
            0.55 0.6924903 0.8503413 0.157851003
27
            0.56 0.6919578 0.8504437 0.158485838
28
            0.57 0.6916473 0.8506143 0.158967080
29
            0.58 0.6911814 0.8507167 0.159535359
30
            0.59 0.6906933 0.8509044 0.160211148
31
            0.60 0.6900055 0.8511604 0.161154863
32
            0.61 0.6892956 0.8513652 0.162069569
33
            0.62 0.6884526 0.8516212 0.163168581
            0.63 0.6875208 0.8520819 0.164561113
35
            0.64 0.6861897 0.8524744 0.166284719
36
            0.65 0.6850361 0.8529693 0.167933232
37
            0.66 0.6833943 0.8536348 0.170240470
38
            0.67 0.6814199 0.8540956 0.172675707
39
            0.68 0.6792235 0.8548976 0.175674095
            0.69 0.6765835 0.8557167 0.179133252
            0.70 0.6732113 0.8566382 0.183426911
> cut[cut$abs_diff == min(cut$abs_diff),]
   cutoff_values
                       TPR
                                 TNR
                                         abs_diff
20
            0.49 0.7780366 0.7868089 0.008772268
> |
```

Optimum cut value is found to be = 0.49 (logistic regression)

## Applying optimum cut value in testing dataset:

Confusion matrix is built using optimum cut value

$$Sensitivity = \frac{True\ Positives}{True\ Positives + False\ Negatives}$$

$$Specificity = \frac{True\ Negatives}{True\ Negatives + False\ Positives}$$

• Sensitivity = 8618 / (8618 + 2569) = 0.77

From the logistic regression model using optimum cut value 0.49, sensitivity is found to be 0.77, so 77% of satisfied in satisfaction variable can be clearly classified.

• Specificity = 11488 / (11488 + 3137) = 0.785

From the logistic regression model using optimum cut value 0.49, specificity is found to be 0.785, so 78.5% of dissatisfied in satisfaction variable can be clearly classified.

### 2) Decision tree:

## Splitting dataset into training and testing sets:

Dependent variable: satisfaction (satisfied, dissatisfied)

*Independent variables*: gender + customer type + age + travel type + class + flight distance + departure delay in minutes + arrival delay in minutes.

Variables with ratings ie (0 to 5) such as inflight wifi service, departure/arrival time convenient, ease of online booking, gate location, food and drink, online boarding, seat comfort, inflight entertainment, on-board service, on-board service, baggage handling, check-in service, inflight service, cleanliness were not included in the model because dependent variable 'satisfaction' is a direct function of these variables.

Therefore, decision tree ie (classification tree) is built,

#### > ctree[["cptable"]] CP nsplit rel error xerror 4.292180e-01 0 1.0000000 1.0000000 0.003541147 3.515252e-02 1 0.5707820 0.5707820 0.003085531 3 0.5004770 0.5004770 0.002947409 2.072102e-02 4 0.4797560 0.4797560 0.002902315 5.627658e-03 7 0.4628730 0.4628730 0.002863980 1.601775e-03 1.530782e-03 12 0.4548641 0.4561952 0.002848409 7.764836e-04 15 0.4488963 0.4506711 0.002835348 6.655574e-04 17 0.4473433 0.4502718 0.002834398 18 0.4466778 0.4496062 0.002832812 9 3.993344e-04 10 3.216861e-04 19 0.4462784 0.4492734 0.002832018 21 0.4456351 0.4486301 0.002830481 11 2.884082e-04 12 2.773156e-04 22 0.4453466 0.4484748 0.002830110 24 0.4447920 0.4480976 0.002829208 13 2.218525e-04 14 1.996672e-04 27 0.4441265 0.4478536 0.002828624 30 0.4435275 0.4481420 0.002829314 15 1.885746e-04 16 1.663894e-04 32 0.4431503 0.4478758 0.002828677 34 0.4428175 0.4482529 0.002829579 17 1.552967e-04 18 1.508597e-04 36 0.4425069 0.4484748 0.002830110 19 1.497504e-04 41 0.4417526 0.4484526 0.002830057 20 1.442041e-04 47 0.4405990 0.4483860 0.002829898 21 1.331115e-04 49 0.4403106 0.4484969 0.002830163 56 0.4393788 0.4487854 0.002830852 22 1.220189e-04 66 0.4379590 0.4485191 0.002830216 23 9.983361e-05 24 9.428730e-05 71 0.4374487 0.4480532 0.002829102 25 8.874099e-05 75 0.4370715 0.4480754 0.002829155 86 0.4360732 0.4491403 0.002831700 26 8.134590e-05 94 0.4353411 0.4490072 0.002831382 27 7.764836e-05 128 0.4320799 0.4489407 0.002831223 28 7.395082e-05 29 7.289438e-05 146 0.4304382 0.4499612 0.002833658 178 0.4269107 0.4499612 0.002833658 30 7.210205e-05 182 0.4266223 0.4499612 0.002833658 31 7.099279e-05 187 0.4262673 0.4500499 0.002833869 32 6.655574e-05 33 6.211869e-05 234 0.4229839 0.4519578 0.002838405 734 0.4272032 0.431237/0 0.007030403 )) 0.4TT003E-01 34 6.100943e-05 267 0.4200333 0.4535108 0.002842083 35 5.916066e-05 274 0.4195674 0.4535108 0.002842083 36 5.768164e-05 305 0.4173489 0.4539989 0.002843236 315 0.4167277 0.4543760 0.002844126 37 5.546312e-05 38 5.324459e-05 394 0.4116251 0.4552413 0.002846165 39 5.176558e-05 404 0.4110926 0.4558181 0.002847522 40 5.042102e-05 432 0.4096062 0.4560621 0.002848096 41 4.991681e-05 447 0.4087854 0.4560621 0.002848096 42 4.753981e-05 471 0.4071436 0.4575485 0.002851584 43 4.437049e-05 490 0.4060122 0.4575485 0.002851584 44 4.159734e-05 675 0.3968497 0.4587909 0.002854490 45 3.882418e-05 706 0.3952080 0.4612091 0.002860122 46 3.697541e-05 720 0.3944759 0.4616306 0.002861101 47 3.549639e-05 743 0.3935663 0.4634276 0.002865263 48 3.327787e-05 762 0.3928564 0.4639601 0.002866493

```
49 3.142910e-05
                  882 0.3882418 0.4661786 0.002871602
50 3.105935e-05
                  901 0.3874653 0.4665336 0.002872417
51 2.958033e-05
                  929 0.3859789 0.4667998 0.002873028
52 2.852389e-05
                  1021 0.3828286 0.4677759 0.002875264
53 2.773156e-05
                 1028 0.3826290 0.4686190 0.002877192
54 2.535457e-05
                 1045 0.3820965 0.4691736 0.002878458
                 1070 0.3813866 0.4759401 0.002893778
55 2.218525e-05
56 1.848771e-05
                 1431 0.3720022 0.4784914 0.002899494
57 1.774820e-05
                 1454 0.3714920 0.4829063 0.002909308
58 1.696519e-05
                 1460 0.3713810 0.4839268 0.002911563
59 1.663894e-05
                  1477 0.3710926 0.4842818 0.002912345
60 1.584660e-05
                 1536 0.3700277 0.4874764 0.002919364
61 1.552967e-05
                 1566 0.3693844 0.4875430 0.002919510
62 1.479016e-05
                 1580 0.3691403 0.4876983 0.002919850
63 1.386578e-05
                 1650 0.3678758 0.4889850 0.002922661
64 1.331115e-05
                 1661 0.3677205 0.4895840 0.002923967
65 1.267728e-05
                  1688 0.3673211 0.4898946 0.002924643
66 1.232514e-05
                  1790 0.3652357 0.4898946 0.002924643
67 1.109262e-05
                  1799 0.3651248 0.4955740 0.002936929
68 1.035312e-05
                  1942 0.3634831 0.4977038 0.002941496
69 9.507963e-06 1957 0.3633278 0.4982585 0.002942681
70 8.874099e-06 1977 0.3631059 0.4998558 0.002946088
71 8.319468e-06 2005 0.3628397 0.5008541 0.002948211
72 7.395082e-06
                  2013 0.3627732 0.5046478 0.002956233
73 6.655574e-06
                  2126 0.3617748 0.5058902 0.002958846
                  2145 0.3616195 0.5059567 0.002958986
74 6.338642e-06
75 5.546312e-06 2159 0.3615308 0.5091958 0.002965761
76 4.930055e-06 2255 0.3608209 0.5099057 0.002967239
77 4.753981e-06 2273 0.3607321 0.5114143 0.002970373
78 4.437049e-06 2292 0.3606212 0.5114809 0.002970511
79 4.033681e-06 2442 0.3598003 0.5116140 0.002970787
80 3.697541e-06
                  2453 0.3597560 0.5124126 0.002972441
81 3.169321e-06
                  2503 0.3595563 0.5134332 0.002974550
82 2.773156e-06
                  2510 0.3595341 0.5140765 0.002975877
83 2.465027e-06
                  2526 0.3594897 0.5145646 0.002976883
84 1.848771e-06
                  2544 0.3594454 0.5149196 0.002977613
85 1.386578e-06
                  2568 0.3594010 0.5152745 0.002978343
86 1.232514e-06
                  2584 0.3593788 0.5152745 0.002978343
                  2602 0.3593566 0.5152745 0.002978343
87 0.000000e+00
> cpvalues<-ctree$cptable[,1]
```

There are 87 cp values for each number of splits. Among these 87 cp values optimum cp value is needed.

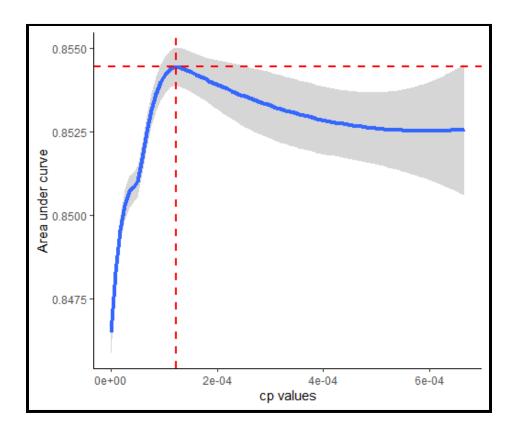
For each cp value model is built on a training dataset and scored using testing dataset. Then optimum cp value is selected for which corresponding auc value of test data is maximum.

```
> auc_test = numeric(87)
> for (i in 1:87)
      tr = rpart(satisfaction ~ gender + customer_type + age + travel_type +
                 class + flight_distance + departure_delay_in_minutes +
                 arrival_delay_in_minutes,train1, cp = cpvalues[i])
    pred <- predict(tr, test1, type = 'prob')</pre>
   test_dv <- ifelse(test1$satisfaction=="satisfied",1,0)</pre>
   pred2 = cbind(pred[,2], test_dv)
names(pred2) <- c("prob","test_dv")</pre>
  pred3 <- prediction(pred2[,1], pred2[,2])</pre>
   pef_measure <- performance(pred3, "auc")</pre>
   auc_test[i] <- pef_measure@y.values[[1]]</pre>
> cp_auc = data.frame(cpvalues,auc_test)
> cp_auc
       cpvalues auc_test
1 4.292180e-01 0.5000000
2 3.515252e-02 0.7528170
3 2.072102e-02 0.7893817
4 5.627658e-03 0.7918908
5 1.601775e-03 0.8372072
6 1.530782e-03 0.8517650
  7.764836e-04 0.8524871
8 6.655574e-04 0.8525902
9 3.993344e-04 0.8525975
10 3.216861e-04 0.8526435
11 2.884082e-04 0.8528766
12 2.773156e-04 0.8529457
13 2.218525e-04 0.8529478
14 1.996672e-04 0.8530151
15 1.885746e-04 0.8535673
16 1.663894e-04 0.8536148
17 1.552967e-04 0.8535689
18 1.508597e-04 0.8535357
19 1.497504e-04 0.8539048
20 1.442041e-04 0.8539105
21 1.331115e-04 0.8539721
22 1.220189e-04 0.8544407
23 9.983361e-05 0.8544271
24 9.428730e-05 0.8544160
25 8.874099e-05 0.8544330
26 8.134590e-05 0.8542264
27 7.764836e-05 0.8543042
28 7.395082e-05 0.8536195
29 7.289438e-05 0.8534302
30 7.210205e-05 0.8532140
31 7.099279e-05 0.8532283
32 6.655574e-05 0.8530457
```

33 6.211869e-05 0.8527394 34 6.100943e-05 0.8522661 35 5.916066e-05 0.8522740 36 5.768164e-05 0.8517243 37 5.546312e-05 0.8515684 38 5.324459e-05 0.8507740 39 5.176558e-05 0.8507684 40 5.042102e-05 0.8503585 41 4.991681e-05 0.8500107 42 4.753981e-05 0.8496893 43 4.437049e-05 0.8517494 44 4.159734e-05 0.8506121 45 3.882418e-05 0.8501839 46 3.697541e-05 0.8500652 47 3.549639e-05 0.8500167 48 3.327787e-05 0.8497587 49 3.142910e-05 0.8487448 50 3.105935e-05 0.8487431 51 2.958033e-05 0.8484862 52 2.852389e-05 0.8515186 53 2.773156e-05 0.8514722 54 2.535457e-05 0.8513973 55 2.218525e-05 0.8514289 56 1.848771e-05 0.8519677 57 1.774820e-05 0.8516691 58 1.696519e-05 0.8516360 59 1.663894e-05 0.8511299 60 1.584660e-05 0.8504765 61 1.552967e-05 0.8505472 62 1.479016e-05 0.8505522 63 1.386578e-05 0.8494881 64 1.331115e-05 0.8494490 65 1.267728e-05 0.8495159 66 1.232514e-05 0.8491210 67 1.109262e-05 0.8491092 68 1.035312e-05 0.8471413 69 9.507963e-06 0.8475041 70 8.874099e-06 0.8476017 71 8.319468e-06 0.8470223 72 7.395082e-06 0.8469595 73 6.655574e-06 0.8460814 74 6.338642e-06 0.8459916 75 5.546312e-06 0.8461588 76 4.930055e-06 0.8489351 77 4.753981e-06 0.8486758 78 4.437049e-06 0.8487237 79 4.033681e-06 0.8472976 80 3.697541e-06 0.8473301 81 3.169321e-06 0.8468940 82 2.773156e-06 0.8468818 83 2.465027e-06 0.8468189 84 1.848771e-06 0.8469278 85 1.386578e-06 0.8469422 86 1.232514e-06 0.8467333 87 0.000000e+00 0.8468031

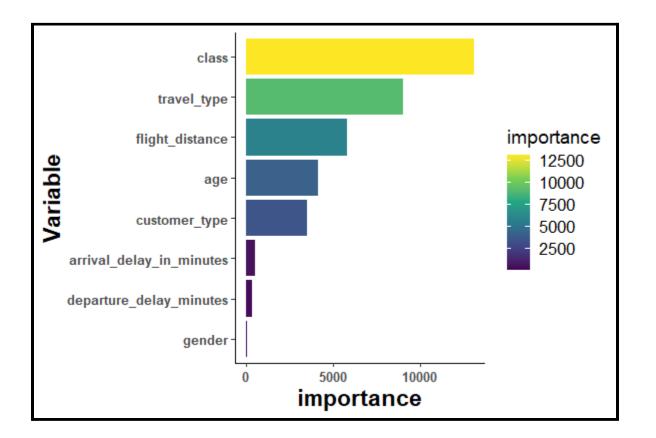
Here among 87 cp values optimum cp value is 0.0001220189 for which corresponding auc test score is maximum i.e. 0.8544407.

Cp values vs auc test graph:



Based on the optimum cp value final tree is built:

Variable importance chart in for tree with optimum cp value:



The above clearly shows the importance of each variable in the decision tree.

## Finding optimum cut value:

True positive rate and true negative rate is computed for cut values (0 to1) and absolute difference between each TPR and TNR is calculated. Finally optimum cut value is chosen for which the corresponding absolute difference between each TPR and TNR is minimum.

```
> actual = ifelse(train1$satisfaction == 'satisfied', 1, 0)
> predprob = predict(final_tree, train1, type = 'prob')[,2]
> getTPRFPR=function(actual, predProb, cutoff){
   if(cutoff==1){tpr=0; fpr=0}else{
     if(cutoff==0){tpr=1; fpr=1}else{
      predClass=ifelse(predProb<cutoff,0,1); tab=table(actual, predClass)</pre>
       tpr=tab[2,2]/(tab[2,2]+tab[2,1])
       tnr=tab[1,1]/(tab[1,1]+tab[1,2]); fpr=1-tnr
   return(c(TPR=tpr, TNR=tnr))
> cutoff_values=seq(0.3,0.7,0.01)->TPR->TNR
> for(i in 1: length(TPR)){
   metrics=getTPRFPR(train1$satisfaction,predprob,cutoff_values[i])
   TPR[i]=metrics[1]
   TNR[i]=metrics[2]
> cut = data.frame((cbind(cutoff_values, TPR, TNR)))
> cut$abs_diff= abs(cut$TPR-cut$TNR)
                              TNR
   cutoff_values TPR
            0.30 0.8698613 0.7217577 0.1481036630
            0.31 0.8698613 0.7217577 0.1481036630
3
            0.32 0.8698613 0.7217577 0.1481036630
            0.33 0.8659124 0.7280546 0.1378577608
5
            0.34 0.8659124 0.7280546 0.1378577608
            0.35 0.8659124 0.7280546 0.1378577608
7
            0.36 0.8615419 0.7342491 0.1272927279
8
            0.37 0.8071880 0.8068430 0.0003450166
9
            0.38 0.8065890 0.8076109 0.0010219032
10
            0.39 0.8058791 0.8084983 0.0026192031
            0.40 0.8052801 0.8092150 0.0039349283
11
12
            0.41 0.8039712 0.8106655 0.0066943698
13
           0.42 0.8022185 0.8125597 0.0103412023
           0.43 0.8022185 0.8125597 0.0103412023
           0.44 0.7952080 0.8195563 0.0243483273
15
16
            0.45 0.7952080 0.8195563 0.0243483273
17
            0.46 0.7952080 0.8195563 0.0243483273
18
            0.47 0.7952080 0.8195563 0.0243483273
19
            0.48 0.7952080 0.8195563 0.0243483273
20
            0.49 0.7952080 0.8195563 0.0243483273
```

```
0.50 0.7952080 0.8195563 0.0243483273
           0.51 0.7952080 0.8195563 0.0243483273
23
           0.52 0.7952080 0.8195563 0.0243483273
           0.53 0.7855130 0.8261945 0.0406815054
          0.54 0.7810094 0.8292321 0.0482226532
          0.55 0.7790349 0.8304949 0.0514599388
26
27
          0.56 0.7760399 0.8323720 0.0563320802
28
           0.57 0.7733777 0.8339590 0.0605813405
29
          0.58 0.7722463 0.8345904 0.0623441874
30
          0.59 0.7282307 0.8586348 0.1304040857
31
          0.60 0.7282307 0.8586348 0.1304040857
          0.61 0.6837049 0.8807679 0.1970629819
33
          0.62 0.6774709 0.8837372 0.2062663195
34
           0.63 0.6736994 0.8854778 0.2117784258
35
          0.64 0.6686633 0.8876792 0.2190158420
          0.65 0.6686633 0.8876792 0.2190158420
36
37
           0.66 0.6667332 0.8884471 0.2217138766
          0.67 0.6667332 0.8884471 0.2217138766
          0.68 0.6662230 0.8886348 0.2224118506
40
          0.69 0.6451692 0.8962287 0.2510595064
          0.70 0.6451692 0.8962287 0.2510595064
> cut[cut$abs_diff == min(cut$abs_diff),]
  cutoff_values TPR TNR
          0.37 0.807188 0.806843 0.0003450166
```

Optimum cut value is found to be = 0.37 (decision tree)

#### Applying optimum cut value in testing dataset:

Confusion matrix is built using optimum cut value

• Sensitivity = 8966/(8966+2221) = 0.801

From the decision tree model using optimum cut value 0.37, sensitivity is found to be 0.801, so 80.1% of satisfied in satisfaction variable can be clearly classified.

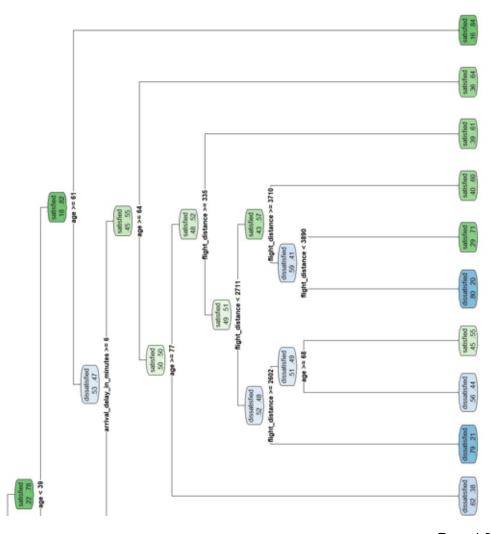
• Specificity = 11707/(11707+2918) = 0.800 From the decision model using optimum cut value 0.37, specificity is found to be 0.800, so 80% of dissatisfied in satisfaction variable can be clearly classified.

# Comparison of two models ie (Logistic Regression and decision tree):

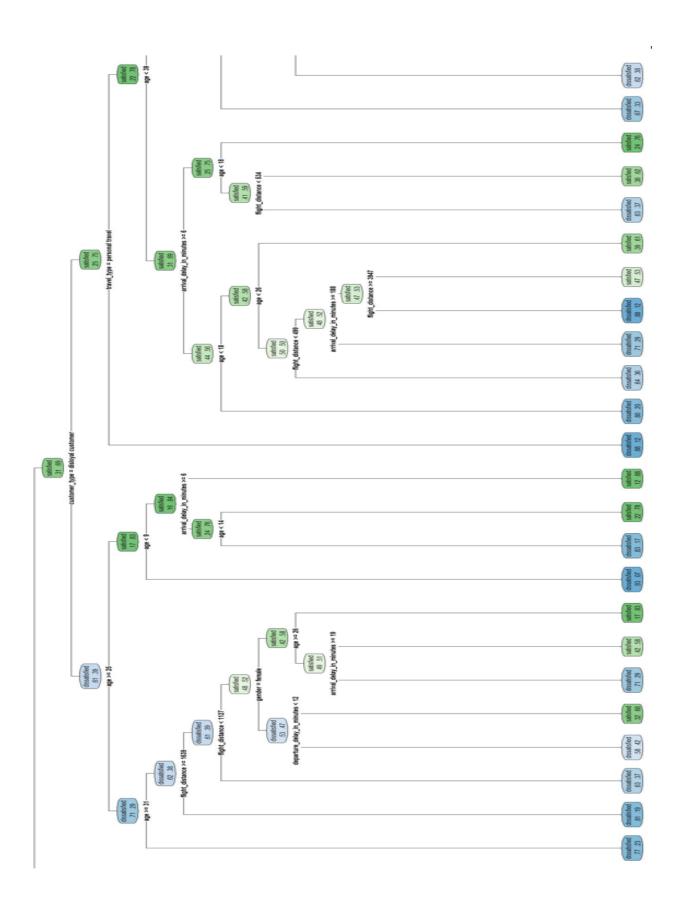
Auc for logistic regression (test dataset) = 0.8414Auc for decision tree (test dataset) = 0.8544

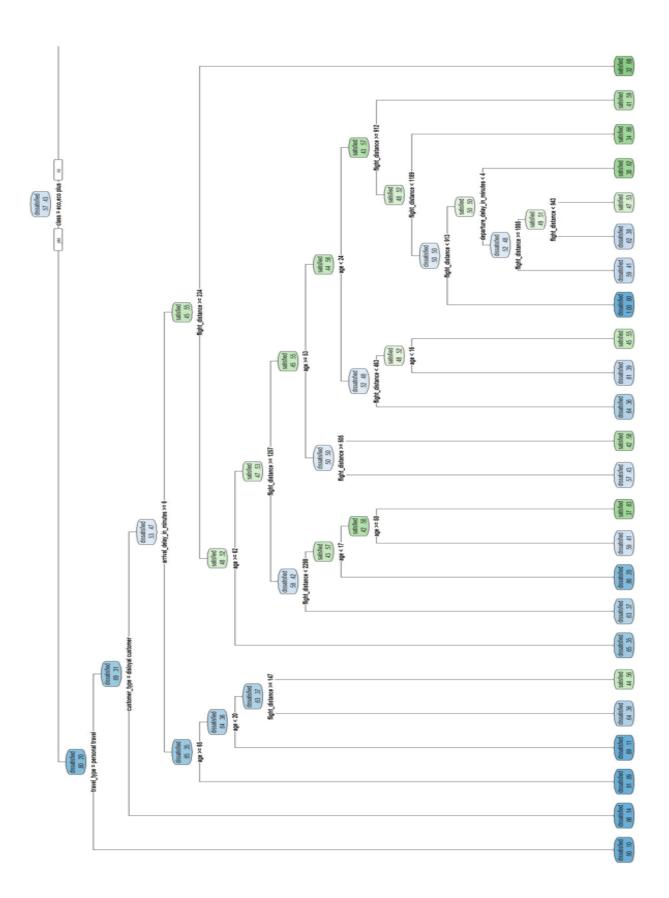
So comparing the auc of two models it can be said that decision tree is a better model compared to logistic regression in predicting satisfaction of airline passengers.

## **Decision tree plot:**



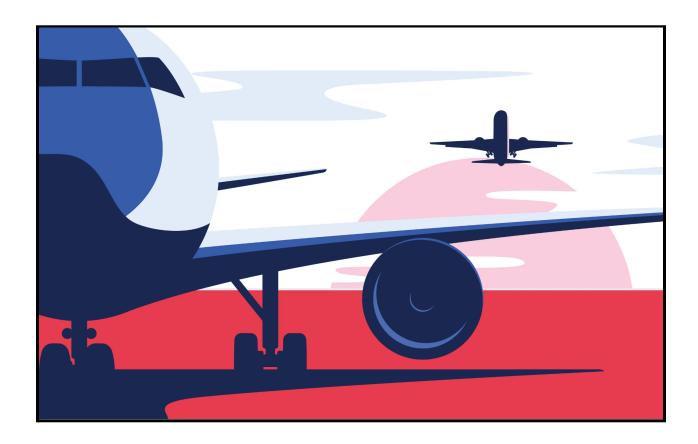
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## Part 2

## Airline price prediction



## **Introduction:**

Since India being the most populous country in the world, transportation plays an important role in the Indian economy. Among different modes of transportation aviation is a fast growing sector. In upcoming years the majority of the Indian population is going to travel by air as it is fast and efficient. Air travelers in India are looking for an airline which is affordable and with the most satisfying services. Even across the globe people expect the same. Price has a significant role in making a customer determine what airline one has to travel from source to destination.

## **Objective:**

- To construct an Exploratory Data Analysis for the dataset.
- Predict price for per hour travel in an airline from source to destination city.
- Calculate MAPE for multiple regression model

## **Data collection:**

Data obtained from an open sourced data repository.

## Defining variable in the data:

Airline	The name of the airline company is stored in the airline column. It is a categorical feature having 6 different airlines
Flight	Flight stores information regarding the plane's flight code. It is a categorical feature.
Source City	City from which the flight takes off. It is a categorical feature having 6 unique cities
Departure Time	This is a derived categorical feature obtained by grouping time periods into bins. It stores information about the departure time and has 6 unique time labels.
Stops	A categorical feature with 3 distinct values that stores the number of stops between the source and destination cities.
Arrival Time	This is a derived categorical feature created by grouping time intervals into bins. It has six distinct time labels and keeps information about the arrival time.

Destination City	City where the flight will land. It is a categorical feature having 6 unique cities.
Class	A categorical feature that contains information on seat class; it has two distinct values: Business and Economy.
Duration	A continuous feature that displays the overall amount of time it takes to travel between cities in hours.
Days Left	This is a derived characteristic that is calculated by subtracting the trip date by the booking date.
Price	Target variable stores information of the ticket price.

## Methodology:

#### 1) Multiple Linear Regression:

Multiple linear regression (MLR), also known simply as multiple regression, is a statistical technique that uses several explanatory variables to predict the outcome of a response variable. The goal of multiple linear regression is to model the linear relationship between the explanatory (independent) variables and response (dependent) variables. In essence, multiple regression is the extension of ordinary least-squares (OLS) regression because it involves more than one explanatory variable.

## Formula and Calculation of Multiple Linear Regression

$$y_i = \beta_0 + \beta_1 x_{i1} + \beta_2 x_{i2} + \dots + \beta_p x_{ip} + \epsilon$$

where, for i = n observations:

 $y_i = \text{dependent variable}$ 

 $x_i = \text{explanatory variables}$ 

 $\beta_0 = y$ -intercept (constant term)

 $\beta_p = \text{slope coefficients for each explanatory variable}$ 

 $\epsilon$  = the model's error term (also known as the residuals)

#### • Mean Absolute Percentage Error (MAPE)

MAPE is a statistical measure to define the accuracy of a machine learning algorithm on a particular dataset. MAPE can be considered as a loss function to define the error termed by the model evaluation. Using MAPE, we can estimate the accuracy in terms of the differences in the actual v/s estimated values.

$$MAPE = \frac{1}{n} \sum_{t=1}^{n} \left| \frac{A_t - F_t}{A_t} \right|$$

As seen above, in MAPE, we initially calculate the absolute difference between the Actual Value (A) and the Estimated/Forecast value (F). Further, we apply the mean function on the result to get the MAPE value.MAPE can also be expressed in terms of percentage. Lower the MAPE, better fit is the model.

Data analysis

#### **IMPORTING DATASET INTO R STUDIO:**

```
> df = read.csv('C:/Users/aaa/Desktop/bsc project/flightdata.csv',
+ header = T)
```

#### **DATA CLEANING:**

Initial columns in the data

Removing columns 'X' and 'flight' which are not necessary for the analysis.

```
> df <- subset(df, select = -X)
> df = subset(df , select = -flight)
> |
```

#### Checking for null values

```
> sum(is.na(data))
[1] 0
```

Data has no null values

#### Dimension of the data

```
> nrow(df)
[1] 300153
> ncol(df)
[1] 10
```

Data has 300153 observations and 10 variables

Changing categorical variables data types to factor type

```
> df$airline = as.factor(df$airline)
> df$source_city = as.factor(df$source_city)
> df$departure_time = as.factor(df$departure_time)
> df$stops = as.factor(df$stops)
> df$arrival_time = as.factor(df$arrival_time)
> df$destination_city = as.factor(df$destination_city)
> df$class = as.factor(df$class)
```

## Changing integer variables data types to numeric type

```
> df$duration = as.numeric(df$duration)
> df$days_left = as.numeric(df$days_left)
> df$price = as.numeric(df$price)
> |
```

For convenient categorical variables are converted to lowercase

```
> for (i in names(df)){
+    if (i == 'price'){next}
+    if (i == 'duration'){next}
+    if (i == 'days_left'){next}
+    df[[i]] = tolower(df[[i]])}
```

#### Data types of each variable

Creating a new variable called travel route by combining source and destination city.

```
> df$travel_route = paste(df$source_city, df$destination_city, sep="-")
> head(df['travel_route'])
   travel_route
1 delhi-mumbai
2 delhi-mumbai
3 delhi-mumbai
4 delhi-mumbai
5 delhi-mumbai
6 delhi-mumbai
```

#### EXPLORATORY DATA ANALYSIS

Displaying first 10 observation from the dataset

```
airline source_city departure_time stops arrival_time destination_city
                                                                                 class duration days_left
                                                                 mumbai economy
  spicejet
                  de1hi
                                                       night
                                evening zero
                                                                                             2.17
                  delhi early_morning
                                                                        mumbai economy
                                                     morning
  spicejet
                                          zero
                                                                                             2.33
                                         zero early_morning
                  delhi early_morning
   airasia
                                                                        mumbai economy
                                                                                             2.17
             delhi
delhi
delhi
delhi
delhi
delhi
delhi
4
    vistara
                          morning zero afternoon
                                                                      mumbai economy
                                                                                             2.25
   vistara
                                morning zero
                                                    morning
                                                                        mumbai economy
                                                                                             2.33
                                                afternoon
                                                                       mumbai economy
   vistara
                              morning zero
                                                                                             2.33
                  delhi morning zero morning
delhi afternoon zero evening
delhi early_morning zero morning
delhi afternoon zero evening
                                                                                             2.08
    vistara
                                                                        mumbai econom∨
                                                                       mumbai economy
                                                                                             2.17
   vistara
  go_first
                                                                        mumbai economy
                                                                                             2.17
10 go_first
                                                                       mumbai economy
   price travel_route
   5953 delhi-mumbai
    5953 delhi-mumbai
    5956 delhi-mumbai
4
    5955 delhi-mumbai
    5955 delhi-mumbai
    5955 delhi-mumbai
    6060 delhi-mumbai
   6060 delhi-mumbai
    5954 delhi-mumbai
10
  5954 delhi-mumbai
```

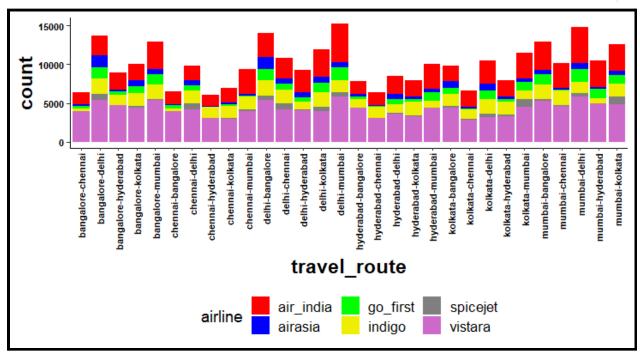
#### Summary of the data

```
> summary(df)
      airline
                       source_city
                                            departure_time
                                                                     stops
                                                                        :250863
 air_india: 80892
                    bangalore:52061
                                      afternoon
                                                    :47794
                                                             one
 airasia : 16098
                    chennai :38700
                                      early_morning:66790
                                                             two_or_more: 13286
 go_first : 23173
                    delhi
                             :61343
                                      evening
                                                   :65102
                                                             zero
                    hyderabad:40806
 indigo
          : 43120
                                      late_night
                                                    : 1306
 spicejet : 9011
                    kolkata :46347
                                      morning
                                                    :71146
 vistara :127859
                   mumbai
                             :60896
                                                    :48015
        arrival_time
                        destination_city
                                              class
                                                               duration
                                                                              days_left
             :38139
                                                                            Min.
 afternoon
                       bangalore:51068
                                         business: 93487
                                                            Min. : 0.83
                                                                                  : 1
 early_morning:15417
                       chennai :40368
                                         economy :206666
                                                            1st Qu.: 6.83
                                                                            1st Ou.:15
 evening
             :78323
                       delhi
                                :57360
                                                            Median :11.25
                                                                            Median:26
                       hyderabad:42726
 late_night
              :14001
                                                            Mean
                                                                  :12.22
                                                                            Mean :26
 morning
              :62735
                       kolkata :49534
                                                                            3rd Qu.:38
                                                            3rd Qu.:16.17
              :91538
 night
                       mumbai
                                                            Max. :49.83
                                                                            Max. :49
    price
                  travel_route
 Min.
      : 1105
                  Length: 300153
1st Qu.: 4783
Median : 7425
                 class :character
                  Mode :character
 Mean : 20890
 3rd Qu.: 42521
Max.
        :123071
```

#### **DATA VISUALIZATION:**

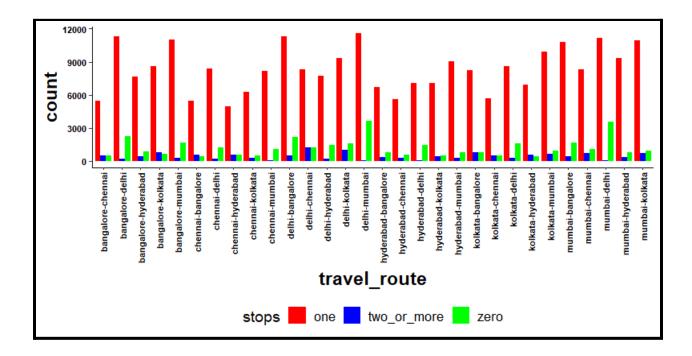
#### Number of airline services in each route

```
> ggplot(df, aes(x = travel_route, fill = airline))+geom_bar(stat = 'count')+
+ theme_classic()+scale_fill_manual(values=c("red1","blue",'green1', 'yellow2', 'grey50','orch
id3')) +
+ theme(axis.text = element_text(face = 'bold', size = 8, color = 'black'),
+ axis.title = element_text(face = "bold", size = 17),
+ legend.title = element_text(size=14),
+ legend.text = element_text(size=13),
+ legend.position = "bottom")+
+ theme(axis.text.x = element_text(angle = 90, vjust = 0.5, hjust=1))
> |
```



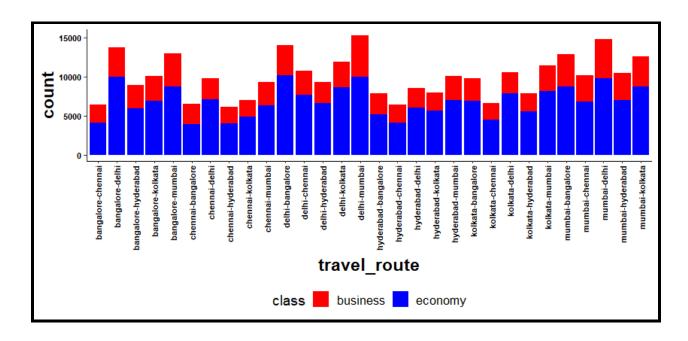
Number of stops a flight takes in each route:

```
> ggplot(df, aes(x = travel_route, fill = stops))+geom_bar(stat = 'count', position = 'dodge')+
+ theme_classic()+scale_fill_manual(values=c("red1","blue",'green1')) +
+ theme(axis.text = element_text(face = 'bold', size = 8, color = 'black'),
+ axis.title = element_text(face = "bold", size = 17),
+ legend.title = element_text(size=14),
+ legend.text = element_text(size=13),
+ legend.position = "bottom")+
+ theme(axis.text.x = element_text(angle = 90, vjust = 0.5, hjust=1))
```



Business and economy class passengers traveled in each route

```
> ggplot(df, aes(x = travel_route, fill = class))+geom_bar(stat = 'count')+
+ theme_classic()+scale_fill_manual(values=c("red1","blue")) +
+ theme(axis.text = element_text(face = 'bold', size = 8, color ='black'),
+ axis.title = element_text(face = "bold", size = 17),
+ legend.title = element_text(size=14),
+ legend.text = element_text(size=13),
+ legend.position = "bottom")+
+ theme(axis.text.x = element_text(angle = 90, vjust = 0.5, hjust=1))
> |
```

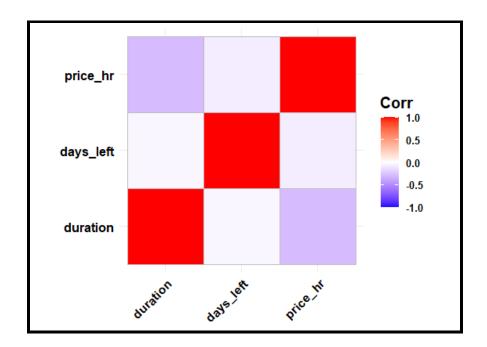


#### Converting price to price per hour:

```
> df$price_hr = df$price / df$duration
> df = subset(df , select = -price)
> head(df['price_hr'],10)
   price_hr
1
  2743.318
  2554.936
2
3
  2744.700
4
  2646.667
5
  2555.794
6
  2555.794
7
   2913.462
8
  2792.627
9
  2743.779
10 2646.222
>
```

#### Correlation heatmap for numeric columns:

```
> library(ggcorrplot)
> c = df[c('duration', 'days_left', 'price_hr')]
> ggcorrplot::ggcorrplot(cor(c)) +
+ theme(legend.title=element_text(size=15, face = 'bold'),
+ legend.text=element_text(size=10, face = 'bold'),
+ axis.text = element_text(size=15, face= "bold",
+ color = 'black'))
> |
```



To take log transformation price per hour column is change to log base e and then price per hour column is removed

```
> for (i in df['price_hr']){
+ df['price_hr_log'] = log(i)}
> df = subset(df , select = -price_hr)
> head(df['price_hr_log'],10)
    price_hr_log
1
         7.916923
2
        7.845782
        7.917427
4
        7.881056
5
         7.846118
6
         7.846118
7
        7.977097
8
        7.934738
9
        7.917091
10
        7.880888
```

Removing column 'travel\_route' which has no further use in analysis.

```
> 
> df = subset(df, select = -travel_route)
> |
```

#### **MODEL FITTING:**

#### Splitting dataset into training and testing sets:

#### **Multiple linear regression:**

Dependent variable: price per hr

*Independent variable*: airline + source\_city + departure timing + stop + arrival timing + departure timing + class + duration +days\_left

Log transformation is taken for price per hour ie dependent variable

```
> regm = lm(price_hr_log~.,data = train2)
> summary(regm)
lm(formula = price_hr_log ~ ., data = train2)
Residuals:
                     1Q Median
                                               30
-1.57108 -0.22484 -0.01087 0.20790 2.03836
Coefficients:
Estimate Std. Error t value Pr(>|t|)

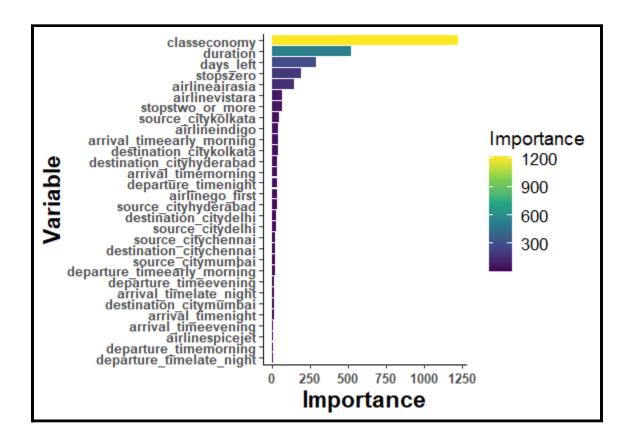
(Intercept) 9.655e+00 4.546e-03 2123.960 < 2e-16 ***
airlineairasia -4.996e-01 3.443e-03 -145.078 < 2e-16 ***
airlinego_first -9.628e-02 2.988e-03 -32.225 < 2e-16 ***
airlineindigo -9.971e-02 2.591e-03 -38.489 < 2e-16 ***
airlinespicejet -2.237e-02 4.218e-03 -5.303 1.14e-07 ***
airlinevistara 1.133e-01 1.705e-03 66.444 1.32 16.774
airlinevistara 1.133e-01 1.705e-03 66.444 < Ze-10 ---- source_citychennai -5.022e-02 2.537e-03 -19.795 < Ze-16 *** source_citydelhi -4.852e-02 2.301e-03 -21.085 < Ze-16 *** source_cityhyderabad -7.093e-02 2.514e-03 -28.213 < Ze-16 *** source_citykolkata 1.059e-01 2.436e-03 43.481 < Ze-16 *** source_citymumbai -4.133e-02 2.290e-03 -18.048 < Ze-16 ***
departure_timenight -8.134e-UZ 2.302

stopstwo_or_more 2.114e-O1 3.396e-O3 62.249 < Ze-IO 4.686e-O1 2.513e-O3 186.459 < Ze-IO *** 3.626e-O3 -37.396 < Ze-IO ***
classeconomy
                                     -2.012e+00 1.650e-03 -1219.186 < 2e-16 ***
                                      -6.667e-02 1.284e-04 -519.242 < 2e-16 ***
duration
                                       -1.440e-02 4.992e-05 -288.453 < 2e-16 ***
days_left
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
Residual standard error: 0.331 on 240017 degrees of freedom
Multiple R-squared: 0.9136, Adjusted R-squared: 0.9135
F-statistic: 8.455e+04 on 30 and 240017 DF, p-value: < 2.2e-16
```

All variables in the model are significant at 5% significance level.

#### Variable importance chart:

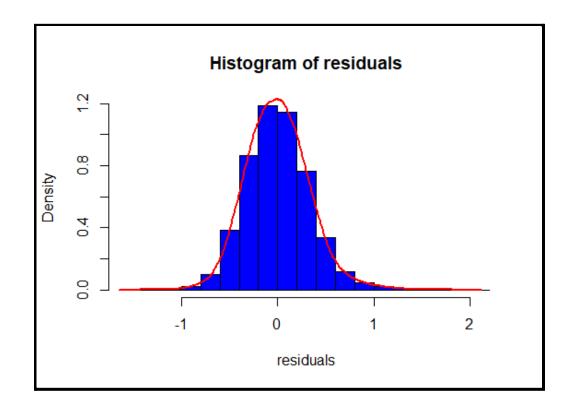
```
> library(caret)
> V = caret::varImp(regm)
> ggplot2::ggplot(V, aes(x=reorder(rownames(V),Overall), y=Overall, fill = Overall))+
+ scale_fill_viridis_c('Importance')+ylab('Importance')+
+ geom_col()+ coord_flip()+xlab('Variable')+ theme_classic()+
+ theme(axis.text = element_text(face = "bold",size = 10),
+ axis.title = element_text(face = "bold",size = 17),
+ legend.title = element_text(size=14),
+ legend.text = element_text(size=13))
> |
```



The above plot clearly shows the importance of each variable in multiple regression model

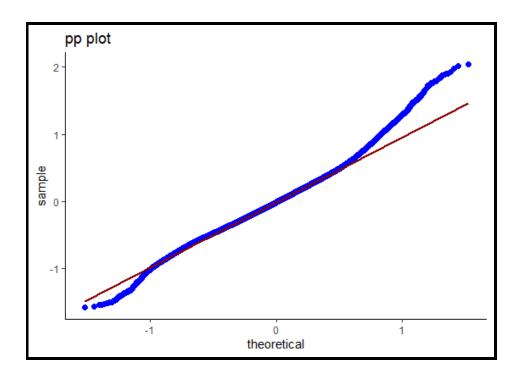
## Residual plot:

```
> hist(regm$residuals,
+ col="blue",
+ border="black",
+ prob = TRUE,
+ xlab = "residuals",
+ main = "Histogram of residuals")
> lines(density(regm$residuals),
+ lwd = 2,
+ col = "red")
> |
```



## PP plot for residuals:

```
> library(ggplot2)
> library(qqplotr)
> ggplot(mapping = aes(sample = regm$residuals)) +
+ stat_qq_point(size = 2,color = "blue")+theme_classic()+
+ stat_qq_line(color="darkred")+xlab('theoretical')+
+ ylab('sample')+ggtitle('pp plot')
> |
```



#### **KS-test for residuals**

Since p value (2.2e-16)< 0.05. At 5% significant it can be said that residuals do not follow a normal distribution.

#### Mean absolute percentage error:

## MAPE for training dataset:

```
> predm = predict(regm, train2)
> ap = data.frame(predm)
> for (i in train2['price_hr_log']){
   ap['actual price per hr'] = exp(i)}
> for (i in ap['predm']){
  ap['predicted price per hr'] = exp(i)}
> ap = subset(ap, select = -predm)
> print(head(ap,10))
  actual price per hr predicted price per hr
             2743.318
1
                                  2449.093
2
            2554.936
                                  2263.897
           2744.700
2555.794
2792.627
                                  1346.612
3
                                  2673.447
5
                                  3001.326
8
9
            2743.779
                                  2125.150
10
           2646.222
                                  2420.982
11
            2646.222
                                  2420.982
12
            2555.365
                                  2354.742
13
            2744.240
                                  2117.867
> mean(abs((ap[,1]-ap[,2])/ap[,1])) * 100
[1] 26.5587
```

#### MAPE for testing dataset:

```
> predm = predict(regm, test2)
> ap = data.frame(predm)
> for (i in test2['price_hr_log']){
   ap['actual price per hr'] = exp(i)}
> for (i in ap['predm']){
   ap['predicted price per hr'] = exp(i)}
> ap = subset(ap, select = -predm)
> print(head(ap,10))
  actual price per hr predicted price per hr
         2646.6667
4
                                  2919.2080
           2555.7940
6
                                  2903.6800
         2913.4615
2744.2396
506.7234
4403.4335
7
                                  2718.3784
                                 2339.9335
18
21
                                  773.4219
                                773.4219
2423.1077
29
35
                                 593.6886
            675.0000
           1104.5455
41
                                  779.3238
52
            583.8202
                                  395.9279
61
            687.6923
                                   504.7739
> mean(abs((ap[,1]-ap[,2])/ap[,1])) * 100
[1] 26.73932
```

#### **CONCLUSION:**

For both training and testing datasets the mean absolute percentage error is approximately 26%. So that the expected average percentage error in the fitted multiple linear model is 26.6%.