

Case Study 2 EDA

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R Markdown

This is an R Markdown document. Markdown is a simple formatting syntax for authoring HTML, PDF, and MS Word documents. For more details on using R Markdown see <http://rmarkdown.rstudio.com>.

When you click the **Knit** button a document will be generated that includes both content as well as the output of any embedded R code chunks within the document. You can embed an R code chunk like this:

```
library(ggplot2)
library(dplyr)
```

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

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

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

```
library(gridExtra)
```

```
##
## Attaching package: 'gridExtra'

## The following object is masked from 'package:dplyr':
##
##   combine
```

```
library(tidyr)
```

```
AB<-read.csv("AB_NYC_2019.csv") %>% filter(grepl("2018",last_review)==TRUE)
colMeans(is.na(AB))
```

```
##              id              name
##              0              0
##      host_id      host_name
##              0              0
## neighbourhood_group neighbourhood
##              0              0
##      latitude      longitude
##              0              0
##      room_type      price
##              0              0
## minimum_nights  number_of_reviews
```

```
##                0                0
##          last_review      reviews_per_month
##                0                0
## calculated_host_listings_count      availability_365
##                0                0
```

The only category with missing data is the reviews per month variable. There doesn't seem to be an obvious pattern to the missingness; the neighborhoods with more missing data are the neighborhoods which have more listings AND there is no missing data if the date of the last review is recent (i.e. more than 2018). We're interested in current trends anyways, so we can get rid of data where the last review is before 2018.

```
# AB %>% filter(reviews_per_month %>% is.na()) %>% group_by(neighbourhood) %>% summarise(count=n(),med_price=median(price))
AB %>% group_by(neighbourhood) %>% summarise(count=n(),med_price=median(price)) %>% arrange(desc(count))
```

```
## # A tibble: 170 x 3
##   neighbourhood      count med_price
##   <fct>             <int>   <dbl>
## 1 Williamsburg       535     100
## 2 Bedford-Stuyvesant  433      75
## 3 Harlem              368    87.5
## 4 Bushwick           359      60
## 5 Upper West Side    257    145
## 6 Upper East Side    240    135
## 7 Crown Heights     224      85
## 8 East Village       217    149
## 9 Hell's Kitchen     199    146
## 10 Midtown           167    185
## # ... with 160 more rows
```

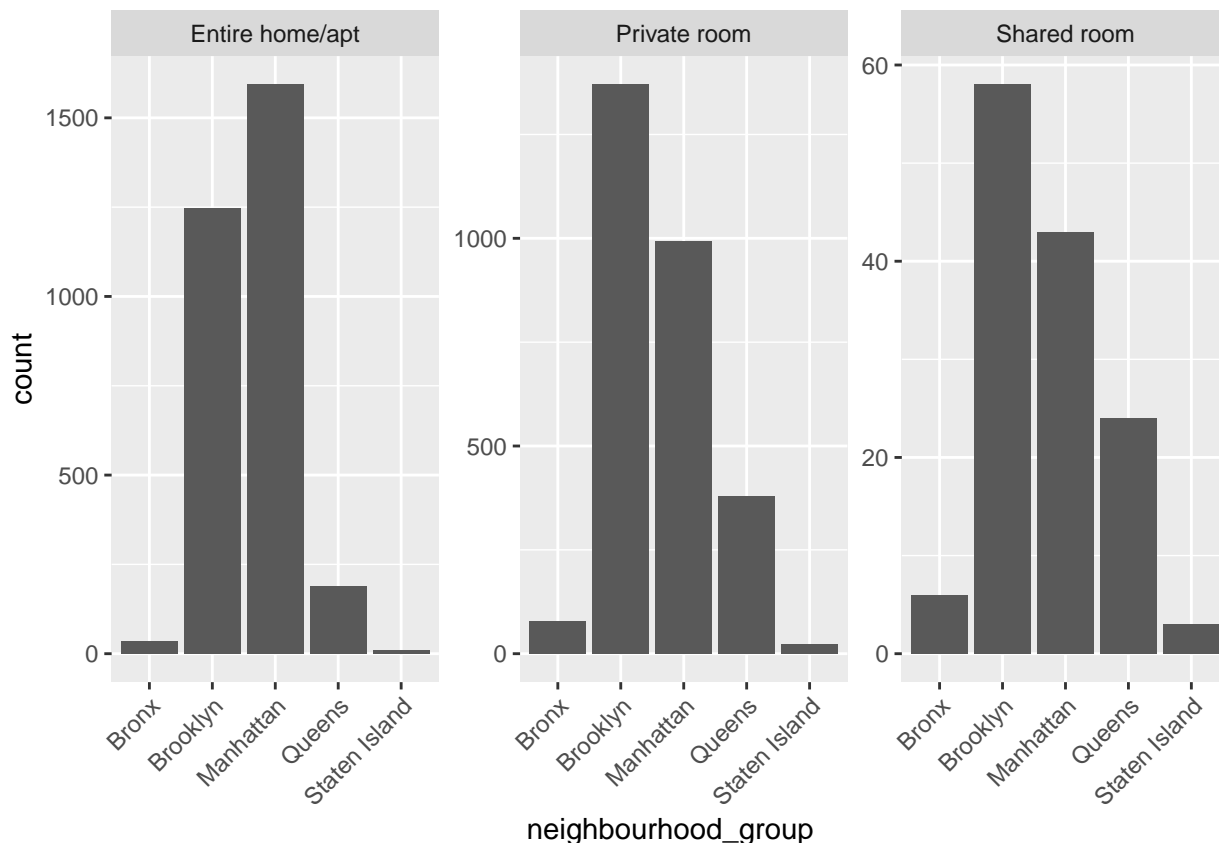
```
# AB %>%
#   group_by(neighbourhood) %>%
#   summarise(n = count(is.na(reviews_per_month))) %>%
#   mutate(freq = n / sum(n))

# AB %>% group_by(neighbourhood) %>% group_by(neighbourhood) %>% summarise(y=count(is.na(reviews_per_month)))
```

Including Plots

```
ggplot(AB,aes(x=neighbourhood_group))+
  geom_histogram(stat = "count") +
  facet_wrap(~room_type,scale="free") +
  theme(axis.text.x = element_text(angle = 45, hjust = 1))
```

```
## Warning: Ignoring unknown parameters: binwidth, bins, pad
```



```
AB_w_couples<-AB %>% mutate(couples=ifelse(grepl("and |AND |And | \\& ",host_name),1,0))
```

Leased entire houses/apartments are the most common room type Airbnb offers in Manhattan, while in Brooklyn where living space tends to be larger, private rooms are also common offer. Queens offers mostly private rooms.

The median price of housing listed under couples is about the same as those listed under singles.

```
AB_w_couples %>%
  group_by(neighbourhood) %>%
  summarise(median_price=median(price), q25=quantile(price,.25),q75=quantile(price,.75),count=n()) %>%
  arrange(desc(median_price)) %>%
  filter(count>50)
```

```
## # A tibble: 33 x 5
##   neighbourhood median_price q25 q75 count
##   <fct>          <dbl> <dbl> <dbl> <int>
## 1 West Village    197  158.  250    92
## 2 Midtown         185  138.  258.   167
## 3 Greenwich Village 180  125  250    57
## 4 Chelsea         175  121.  250   110
## 5 Financial District 175  118.  240    62
## 6 Murray Hill     162.  134.  200.    58
## 7 Kips Bay        150  100  176.    70
## 8 East Village    149  103  199   217
## 9 Hell's Kitchen   146   99  200   199
## 10 Upper West Side 145   99  200   257
## # ... with 23 more rows
```

```

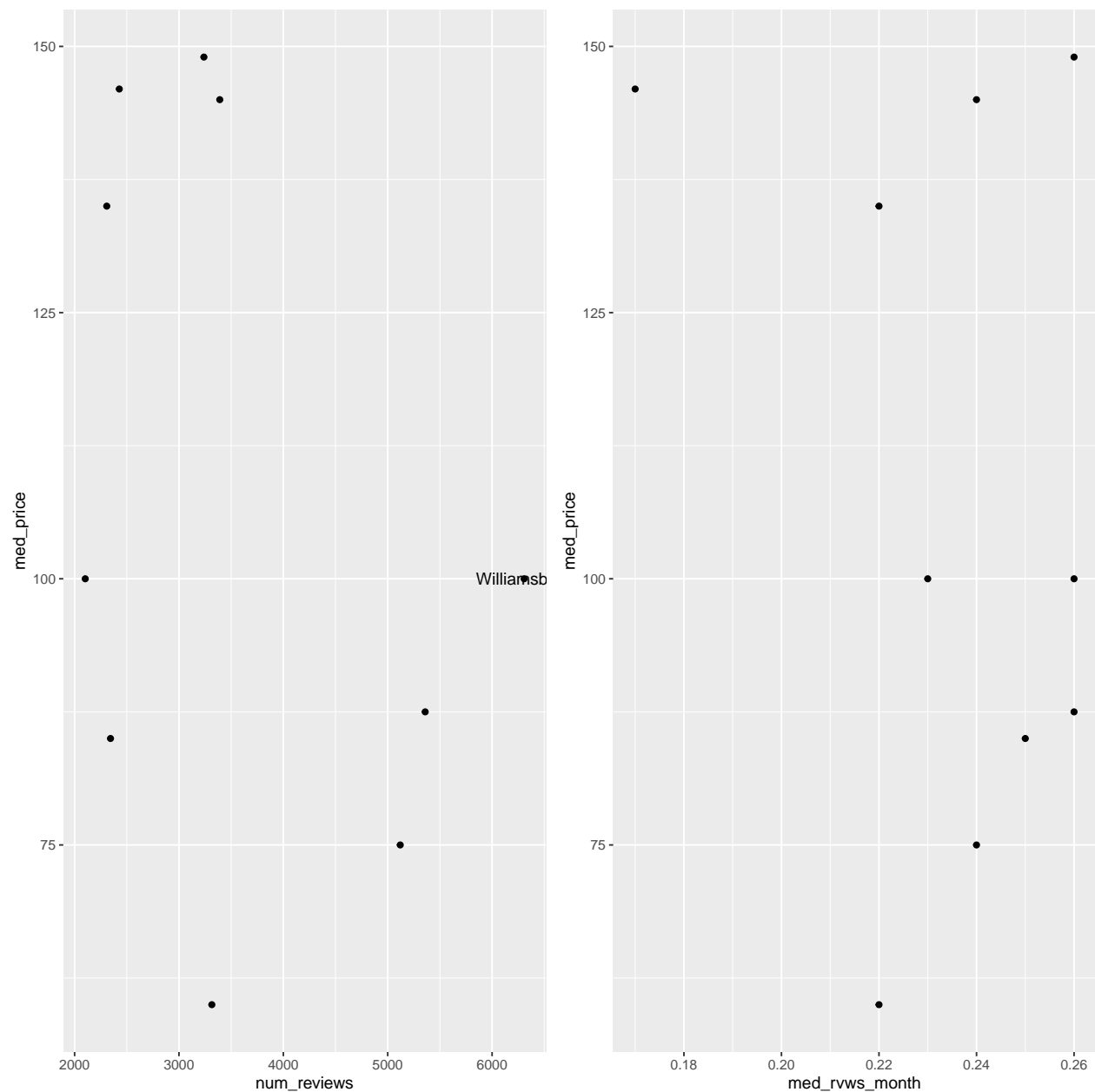
most_pop_neighborhoods<-AB %>% drop_na() %>% group_by(neighbourhood) %>%
  summarise(num_reviews=sum(number_of_reviews),med_price=median(price),med_rvws_month=median(reviews_per_month))
  filter(num_reviews>2000)

total_rvws_plot<-most_pop_neighborhoods %>% ggplot(aes(x=num_reviews,y=med_price))+geom_point()+
  geom_text(data=subset(most_pop_neighborhoods, num_reviews>quantile(num_reviews,.9) | med_price>150),aes(x=num_reviews,y=med_price),size=10)

per_month_rvws_plot<-most_pop_neighborhoods %>% ggplot(aes(x=med_rvws_month,y=med_price))+geom_point()+
  geom_text(data=subset(most_pop_neighborhoods, med_rvws_month>quantile(med_rvws_month,.9) | med_price>150),aes(x=med_rvws_month,y=med_price),size=10)

grid.arrange(total_rvws_plot,per_month_rvws_plot,ncol=2)

```



```
most_pop_neighborhoods %>% filter(num_reviews>quantile(num_reviews,.9))

## # A tibble: 1 x 6
##   neighbourhood num_reviews med_price med_rvws_month district available
##   <fct>          <int>      <dbl>      <dbl> <fct>      <dbl>
## 1 Williamsburg     6307        100        0.23 Brooklyn         0

most_pop_neighborhoods %>% filter(med_rvws_month>quantile(med_rvws_month,.9))

## # A tibble: 0 x 6
## # ... with 6 variables: neighbourhood <fct>, num_reviews <int>,
## #   med_price <dbl>, med_rvws_month <dbl>, district <fct>, available <dbl>
```

There seems to be a correlation between number of reviews per month and number of reviews, but it is not absolute. Perhaps the reviews per month is more indicative of up-and-coming neighborhoods than the total number (which may include Airbnbs which have been on the market for a long time). Looking at the total number of reviews versus median reviews per month, we can see that we have expensive rentals with relatively low numbers of reviews; these also unsurprisingly correspond to low numbers of reviews per month.

Things get interesting when we look at the neighborhoods with most total number of reviews (mostly in Brooklyn and Manhattan) and neighborhoods with the most reviews per month (mostly in Queens).

Manhattan/Brooklyn has quite a few renters who usually have available full-apartment space to rent for two or three months every year; we'd assume that they are likely people who rent out the spaces they live in while they're on vacation. Queens has quite a few renters who are renting private rooms or full apartments for a much larger portion of the year for cheaper; they probably have designated rooms for renting out. now does days available correspond to types of rooms? maybe a better profit metric is dollars per review per day available.

This is a hierarchical model: important metrics seem to be neighborhood_group, possibly the metric described above,