BUSA8001 Team21 Final

November 4, 2022

BUSA8001 Group Assignment - Predicting Airbnb Listing Prices in Melbourne

Kaggle Competition Ends: Friday, 4 November 2022 @ 3:00pm (Week 13) Assignment Due Date on iLearn: Friday, 4 November 2022 @ 11.59pm (Week 13)

Overview:

- In the group assignment you will form a team of up to 3 students (minimum 2) and participate in a forecasting competition on Kaggle
- The goal is to predict listed prices of Airbnb properties in Melbourne based on various Airbnb characteristics and regression models
- You will:
 - Write a problem statement and perform Exploratory Data Analysis
 - Clean up data, deal with categorical features and missing observations, and create new variables (feature engineering)
 - Construct and tune forecasting models, produce forecasts and submit your predictions to Kaggle
 - Each member of the team will record a video presentation of their work
 - Marks will be awarded producing a prediction in the top 5 positions of their unit as well as for reaching the highest ranking on Kaggle amongst all teams.

Instructions:

- Form a team of 3 students (minimum 2 students)
- Each team member needs to join https://www.kaggle.com
- Choose a team leader and form a team in the competition https://www.kaggle.com/t/ 0854c07cc3ac4037920a9fa4cdebacd1
 - Team leader to click on team and join and invite other team members to join
 - Your team's name must start with your unit code, for instance you could have a team called BUSA8001_masterful_geniuses
- All team members should work on all the tasks listed below however

 Choose a team member who will be responsible for one of each of the 3 tasks listed below

Marks:

- Total Marks: 40
- Your individual mark will consist of:
 - 50% x overall assignment mark + 45% x mark for the task that you are responsible for + 5% x mark received from your teammates for your effort in group work
- 7 marks will be deducted from each Task for which there is no video presentation

Competition Marks:

- 2 marks: Ranking in the top 5 places of your unit on Kaggle (make sure you name your team as instructed above)
- 2 marks: Reaching the first place in your unit (make sure you name your team as instructed above)

Submissions:

- 1. On Kaggle: submit your team's forecast in order to be ranked by Kaggle
 - Can do this as many times as necessary while building their model
- 2. On iLearn only team leader to submit this Jupyter notebook re-named Group_Assignment_Team_Name.ipynb where Team_Name is your team's name on Kaggle
 - The Jupyter notebook must contain team members names/ID numbers, and team name in the competition
 - Provide answers to the 3 Tasks below in the allocated cells including all codes/outputs/writeups
 - One 15 minute video recording of your work
 - Each team member to provide a 5 minute presentation of the Task that they led (it is best to jointly record your video using Zoom)
 - When recording your video make sure your face is visible, that you share your Jupyter Notebook and explain everything you've done in the submitted Jupyter notebook on screen
 - 7 marks will be deducted from each Task for which there is no video presentation or if you don't follow the above instructions
- 3. On iLearn each student needs to submit a file with their teammates' names, ID number and a mark for their group effort (out of 100%)

Fill out the following information

For each team member provide name, Student ID number and which task is performed below

- Team Name on Kaggle: BUSA8001_Team21
- Team Leader and Team Member 1: Michelle Melisa Flood 47106905 (Worked on all 3 tasks)
- Team Member 2: Smriti Pradhananga 46188290 (Worked on all 3 tasks)
- Team Member 3: Nishant Somani 46308326 (Worked on all 3 tasks)

Task 1: Problem Description and Initial Data Analysis

- 1. Read the Competition Overview on Kaggle https://www.kaggle.com/t/0854c07cc3ac4037920a9fa4cdebacd1
- 2. Referring to Competition Overview and the data provided on Kaggle write about a 500 words **Problem Description** focusing on key points that will need to be addressed as first steps in Tasks 2 and 3 below, using the following headings:
 - Forecasting Problem
 - Evaluation Criteria
 - Types of Variables/Features
 - Data summary and main data characteristics
 - Missing Values (only explain what you found at this stage)
 - Note: you should **not** discuss any specific predictive algorithms at this stage.

Total Marks: 12

0.0.1 Problem Description

This analysis aims to examine the data of Melbourne Airbnb in regards to several characteristics of the already listed properties and determine prices for new properties.

Forecasting Problem

- One of the main problem during the forecasting of price is that there are 61 variables in the dataset including the price. Due to which, the accuracy of predicting price will decrease.
- Another problem includes the large volume of the dataset. There are 7000 training entries and 3000 entries requires to be predicted.

Evaluation Criteria The prediction accuracy of the dataset is evaluated in terms of root-mean-square error (RMSE). RMSE is the residuals' standard deviation (prediction errors). Residuals are a measure of how far away data points are from the regression line. It is a measure of how spread out these residuals are. In other words, it indicates how concentrated the data is around the best fit line.

Types of Variables/Features

Data Summary and main data characteristics

Missing Val	lues			

Task 2: Data Cleaning, Missing Observations and Feature Engineering

- In this task you will follow a set of instructions/questions listed below.
- Make sure you **explain** each step you do both in Markdown text and on your video.
 - Do not just read out your commands without exaplaining what they do and why you used them

Total Marks: 12

```
[1]: #importing libraries
             import pandas as pd
             import numpy as np
             import seaborn as sns
             import matplotlib.pyplot as plt
             import math
             #hide warnings
             import warnings
             warnings.filterwarnings('ignore')
[2]: #reading the files
             df_train = pd.read_csv('data/train.csv')
             df_test = pd.read_csv('data/test.csv')
           Minimum and Maximum nights
[3]: #looking into minimum and maximum nights
             df_train[['minimum_nights', 'maximum_nights', 'minimum_minimum_nights', 'minimum_nights', 'minimum_nig
                [3]:
                                                                              minimum_nights
                                                                                                                        maximum_nights
            minimum_nights
                                                                                              1.000000
                                                                                                                                          0.006795
             maximum_nights
                                                                                              0.006795
                                                                                                                                          1.000000
            minimum_minimum_nights
                                                                                              0.888391
                                                                                                                                          0.006888
             maximum_minimum_nights
                                                                                              0.988808
                                                                                                                                          0.005681
             minimum_nights_avg_ntm
                                                                                              0.988371
                                                                                                                                          0.006277
                                                                                                                                               maximum_minimum_nights
                                                                              minimum_minimum_nights
            minimum nights
                                                                                                                    0.888391
                                                                                                                                                                                      0.988808
            maximum nights
                                                                                                                    0.006888
                                                                                                                                                                                      0.005681
            minimum minimum nights
                                                                                                                    1.000000
                                                                                                                                                                                      0.880834
            maximum_minimum_nights
                                                                                                                    0.880834
                                                                                                                                                                                      1.000000
            minimum_nights_avg_ntm
                                                                                                                    0.937815
                                                                                                                                                                                      0.985033
                                                                              minimum_nights_avg_ntm
                                                                                                                    0.988371
            minimum_nights
            maximum_nights
                                                                                                                    0.006277
            minimum_minimum_nights
                                                                                                                    0.937815
            maximum_minimum_nights
                                                                                                                    0.985033
            minimum_nights_avg_ntm
                                                                                                                    1.000000
```

Various columns for minimum and maximum night stays are included in the dataset. Out of which, two main night stays will be used, due to minor differences amongst each other. For instance, minimum_nights and minimum_minimum_nights, here, the latter supposedly refers to the fact that minimum and maximum night stays can differ throughout the year. Therefore, only the default

(i.e. most frequently used) min/max night stay values will be used.

```
[4]: #dropping highly correlated maximum and minimum nights

cols_to_drop = ['minimum_minimum_nights', 'maximum_minimum_nights',

→'minimum_maximum_nights',

'maximum_maximum_nights', 'minimum_nights_avg_ntm',

→'maximum_nights_avg_ntm']

df_train = df_train.drop(cols_to_drop, axis = 1)

df_test = df_test.drop(cols_to_drop, axis = 1)
```

Availability

```
[5]: #availablity columns

df_train[['availability_30', 'availability_60', 'availability_90',

→'availability_365']].corr()
```

```
[5]:
                       availability_30 availability_60 availability_90 \
                               1.000000
                                                0.917517
                                                                  0.844934
     availability_30
     availability_60
                              0.917517
                                                1.000000
                                                                 0.961328
                                                                  1.000000
     availability_90
                              0.844934
                                                0.961328
     availability 365
                                                0.507560
                                                                  0.545400
                              0.451333
                       availability_365
     availability_30
                               0.451333
     availability 60
                               0.507560
     availability_90
                               0.545400
     availability_365
                               1.000000
```

Likewise, there are numerous measures of availability that highly correlates with each other. Thus, one will be kept, and it will be keep availability_365 as this one is the less correlated with other variables.

```
[6]: #dropping highly correlated availability
cols_to_drop = ['availability_30', 'availability_60', 'availability_90']
df_train = df_train.drop(cols_to_drop, axis = 1)
df_test = df_test.drop(cols_to_drop, axis = 1)
```

Reviews

```
[7]: #review columns

df_train[['number_of_reviews_ltm', 'reviews_per_month',

→'number_of_reviews', 'number_of_reviews_l30d']].corr()
```

```
[7]: number_of_reviews_ltm reviews_per_month \
number_of_reviews_ltm 1.000000 0.894179
reviews_per_month 0.894179 1.000000
number_of_reviews 0.622978 0.684857
number_of_reviews_l30d 0.789573 0.731521
```

```
      number_of_reviews
      number_of_reviews_130d

      number_of_reviews_ltm
      0.622978
      0.789573

      reviews_per_month
      0.684857
      0.731521

      number_of_reviews
      1.000000
      0.498111

      number_of_reviews_130d
      0.498111
      1.000000
```

number_of_reviews_ltm and reviews_per_month will be highly correlated with number_of_reviews and thus will be dropped.

```
[8]: #dropping highly correlated review columns

cols_to_drop = ['number_of_reviews_ltm', 'number_of_reviews_l30d',

→'reviews_per_month']

df_train = df_train.drop(cols_to_drop, axis = 1)

df_test = df_test.drop(cols_to_drop, axis = 1)
```

Dropping irrelevant columns There are many variables that relates to host and not the property, so we will be dropping them. Likewise, there are irrelevant information on source, description etc. which would not predict the price accurately.

Task 2, Question 1:

Clean **all** numerical features and the target variable **price** so that they can be used in training algorithms. For instance, **host_response_rate** feature is in object format containing both numerical values and text. Extract numerical values (or equivalently eliminate the text) so that the numerical values can be used as a regular feature. (2 marks)

Price

```
[10]: #replacing string characters from the price column
    df_train['price'] = df_train['price'].str.replace('$','')
    df_train['price'] = df_train['price'].str.replace(',','')

#converting the price column into numeric
    df_train["price"] = pd.to_numeric(df_train["price"])
```

Host Response Rate and Host Acceptance Rate

Task 2, Question 2 Create at least 4 new features from existing features which contain multiple items of information, e.g. creating email, phone, work_email, etc. from feature host_verifications. (2 marks)

Bathroom

```
[13]: #split bathrooms into 2 new columns called num_bathrooms and private_bathroom

df_train[['num_bathrooms','private_bathroom','column3']] = df_train.bathrooms.

⇒str.split(" ", expand = True)

df_test[['num_bathrooms','private_bathroom','column3']] = df_test.bathrooms.str.

⇒split(" ", expand = True)

#drop excess column

del df_train['column3']

del df_test['column3']
```

```
#encode values so shared bathroom shows 0 and private bathroom shows 1 in the
→ private_bathroom column (not mentioned also indicates 1)
df_train['private_bathroom'] = df_train['private_bathroom'].replace(['shared',_
→'bath', 'baths', 'private', None], [0, 1, 1, 1, 1])
df train['private bathroom'][df train.num bathrooms == 'Private'] = 1
df_train['private_bathroom'][df_train.num_bathrooms == 'Shared'] = 0
#change the num bathrooms of rows that its bathrooms variable does not start
\rightarrow with a number
df_train['num_bathrooms'] = df_train['num_bathrooms'].replace(['Half-bath',__
#do the same for the testing dataset
df_test['private_bathroom'] = df_test['private_bathroom'].replace(['shared',_
→'bath', 'baths', 'private', None], [0, 1, 1, 1])
df_test['private_bathroom'][df_test.num_bathrooms == 'Private'] = 1
df test['private bathroom'][df test.num bathrooms == 'Shared'] = 0
df_test['num_bathrooms'] = df_test['num_bathrooms'].replace(['Half-bath',__
#convert to a suitable data type
df_train['num_bathrooms'] = pd.to_numeric(df_train['num_bathrooms'])
df train['private bathroom'] = df train['private bathroom'].astype(int)
df_test['num_bathrooms'] = pd.to_numeric(df_test['num_bathrooms'])
df_test['private_bathroom'] = df_test['private_bathroom'].astype(int)
```

Review columns

```
[14]: #adding the review colums and getting their average
      sum_review_train = df_train['review_scores_rating'] +__

→df_train['review_scores_accuracy'] + df_train['review_scores_cleanliness'] +

      →df_train['review_scores_checkin'] + df_train['review_scores_communication'] |
      →+ df_train['review_scores_location'] + df_train['review_scores_value']
      average_review_train = sum_review_train/7
      average_review_train = average_review_train.to_frame(name = 'average_review')
      df_train = df_train.join(average_review_train)
      #do the same for testing dataset
      sum_review_test = df_test['review_scores_rating'] +__
      →df_test['review_scores_accuracy'] + df_test['review_scores_cleanliness'] +
      →df_test['review_scores_checkin'] + df_test['review_scores_communication'] +
      df_test['review_scores_location'] + df_test['review_scores_value']
      average_review_test = sum_review_test/7
      average_review_test = average_review_test.to_frame(name = 'average_review')
      df_test = df_test.join(average_review_test)
```

Amenities

```
[15]: #create new amenities columns
     df_train.loc[df_train['amenities'].str.contains('Air conditioning|Central air_
      df_train.loc[df_train['amenities'].str.contains('BBQ grill|Fire pit|Propane_
      ⇔barbeque'), 'bbq'] = 1
     df_train.loc[df_train['amenities'].str.contains('Beach view|Beachfront|Lake_
      →access | Mountain view | Ski-in/Ski-out | Waterfront'), 'nature and views'] = 1
     df_train.loc[df_train['amenities'].str.contains('Breakfast'), 'breakfast'] = 1
     df_train.loc[df_train['amenities'].str.contains('Cooking basics'),__
      df_train.loc[df_train['amenities'].str.contains('Dishwasher|Dryer|Washer'), ___
      \hookrightarrow 'appliance'] = 1
     df_train.loc[df_train['amenities'].str.contains('Exercise equipment|Gym|gym'), u
      \hookrightarrow'gym'] = 1
     df_train.loc[df_train['amenities'].str.contains('Family/kid_

→friendly|Children|children'), 'child_friendly'] = 1
     df_train.loc[df_train['amenities'].str.contains('parking'), 'parking'] = 1
     df_train.loc[df_train['amenities'].str.contains('Garden|Outdoor|Sun_
      →loungers|Terrace|Balcony|Patio'), 'outdoor_space'] = 1
     df_train.loc[df_train['amenities'].str.contains('Hot tub|Jetted tub|hot...
      →tub|Sauna|Pool|pool'), 'hot_tub_sauna_or_pool'] = 1
      #replacing nulls with zeros for new amenities columns and changing the data_
      \rightarrow type to int
     cols_to_replace_nulls = df_train.iloc[:,32:].columns
     df_train[cols_to_replace_nulls] = df_train[cols_to_replace_nulls].fillna(0)
     df_train[cols_to_replace_nulls] = df_train[cols_to_replace_nulls].astype(int)
      #do the same for the testing dataset
     df_test.loc[df_test['amenities'].str.contains('Air conditioning|Central air__
      df test.loc[df test['amenities'].str.contains('BBQ grill|Fire pit|Propane,
      ⇔barbeque'), 'bbq'] = 1
     df_test.loc[df_test['amenities'].str.contains('Beach view|Beachfront|Lake_|
      →access|Mountain view|Ski-in/Ski-out|Waterfront'), 'nature_and_views'] = 1
     df_test.loc[df_test['amenities'].str.contains('Breakfast'), 'breakfast'] = 1
     df_test.loc[df_test['amenities'].str.contains('Cooking basics'),__
      df_test.loc[df_test['amenities'].str.contains('Dishwasher|Dryer|Washer'),
      \hookrightarrow 'appliance'] = 1
     df_test.loc[df_test['amenities'].str.contains('Exercise equipment|Gym|gym'),_
      \hookrightarrow 'gym'] = 1
     df_test.loc[df_test['amenities'].str.contains('Family/kid_

¬friendly|Children|children'), 'child_friendly'] = 1
```

```
[16]: #sum the total number of main amenities
    df_train['sum_amenities'] = df_train['air_conditioning'] + df_train['bbq'] +

→df_train['nature_and_views'] + df_train['breakfast'] +

→df_train['child_friendly'] + df_train['parking'] + df_train['outdoor_space']
□
     →+ df_train['hot_tub_sauna_or_pool']
    df_test['sum_amenities'] = df_test['air_conditioning'] + df_test['bbq'] +

→df test['nature and views'] + df test['breakfast'] +

→df_test['cooking_basics'] + df_test['appliance'] + df_test['gym'] +

→df_test['child_friendly'] + df_test['parking'] + df_test['outdoor_space'] +

→df_test['hot_tub_sauna_or_pool']
    #drop columns after encoding
    'child friendly', 'parking', 'outdoor space',
     df_train = df_train.drop(cols_to_drop2, axis=1)
    df_test = df_test.drop(cols_to_drop2, axis=1)
```

```
'review_scores_communication', 'review_scores_location',

→'review_scores_value', 'amenities']

df_train = df_train.drop(cols_to_drop3, axis=1)

df_test = df_test.drop(cols_to_drop3, axis=1)
```

Review Dates

Task 2, Question 3: Impute missing values for all features in both training and test datasets. (3 marks)

Filling missing values from the dataset

Task 2, Question 4: Encode all categorical variables appropriately as discussed in class.

Where a categorical feature contains more than 5 unique values, map the features into 5 most frequent values + 'other' and then encode appropriately. For instance, you could group then map property_type into 5 basic types + 'other': [entire rental unit, private room, entire room, entire

towehouse, shared room, other] and then encode. (2 marks)

Property type

Neighbourhood Cleansed

Host Response Time

```
[22]: #mapping integer to host_response_time
host_response_time_mapping = {'within an hour':4, 'within a few hours':3,

→'within a day':2, 'a few days or more':1}

df_train['host_response_time'] = df_train['host_response_time'].

→map(host_response_time_mapping)

df_test['host_response_time'] = df_test['host_response_time'].

→map(host_response_time_mapping)
```

```
'neighbourhood_cleansed_Stonnington':'Stonnington',
                           'neighbourhood_cleansed_OtherNeighbourhood':
→'OtherNeighbourhood'}, inplace = True)
df train = pd.concat([df train, one hot3], axis=1)
#do the same for testing dataset
one_hot4 = pd.get_dummies(df_test[['neighbourhood_cleansed']])
one_hot4.rename(columns = {'neighbourhood_cleansed_Melbourne':'Melbourne',
                           'neighbourhood_cleansed_Port Phillip':'Port Phillip',
                           'neighbourhood_cleansed_Yarra Ranges':'Yarra Ranges',
                           'neighbourhood_cleansed_Yarra':'Yarra',
                           'neighbourhood_cleansed_Stonnington':'Stonnington',
                           'neighbourhood_cleansed_OtherNeighbourhood':
→'OtherNeighbourhood'}, inplace = True)
df_test = pd.concat([df_test, one_hot4], axis=1)
#drop columns after encoding
df_train = df_train.drop(['neighbourhood_cleansed'], axis=1)
df_test = df_test.drop(['neighbourhood_cleansed'], axis=1)
```

Room type

Property type

```
'property_type_Entire rental unit':'Entire rental ⊔

unit',
                                 'property_type_OtherPropertyType':
      →'OtherPropertyType',
                                 'property_type_Private room in home':'Private room__
      →in home',
                                 'property_type_Private room in rental unit':'Private⊔
      →room in rental unit'}, inplace = True)
     df_test = pd.concat([df_test, one_hot2], axis=1)
     #drop columns after encoding
     df_train = df_train.drop(['property_type'], axis=1)
     df_test = df_test.drop(['property_type'], axis=1)
[26]: df_train['Entire home']=np.where(df_train['Entire home'] ==1, 5,

→df_train['Entire home'])
     df_train['Entire rental unit']=np.where(df_train['Entire rental unit'] ==1, 5, ___

→df_train['Entire rental unit'])
     df_train['Private room in home']=np.where(df_train['Private room in home'] ==1,__
      →3, df_train['Private room in home'])
     df_train['Private room in rental unit']=np.where(df_train['Private room in__
      →rental unit'] ==1, 4, df_train['Private room in rental unit'])
     df train['Sum property type']=df train['Entire home']+df train['Entire rental,
      →unit']+df_train['Private room in home']+df_train['Private room in rental_
      →unit']+df_train['OtherPropertyType']
      #print(df_train['Sum_property_type'])
     df_test['Entire home'] = np.where(df_test['Entire home'] == 1, 5, df_test['Entire_
      →home'l)
     df_test['Entire rental unit'] = np.where(df_test['Entire rental unit'] == 1, 5, ___

→df_test['Entire rental unit'])
     df_test['Private room in home'] == 1, u
      →3, df_test['Private room in home'])
     df test['Private room in rental unit']=np.where(df test['Private room in rental,,
      →unit'] ==1, 4, df_test['Private room in rental unit'])
     df_test['Sum_property_type']=df_test['Entire home']+df_test['Entire rental__
      →unit']+df_test['Private room in home']+df_test['Private room in rental_
      →unit']+df_test['OtherPropertyType']
      #print(df_test['Sum_property_type'])
     df_train.drop(['Entire home', 'Entire rental unit', 'Private room in_
      →home','Private room in rental,,

¬unit','OtherPropertyType','Sum_property_type'],axis=1)

     df_test.drop(['Entire home', 'Entire rental unit', 'Private room in__
      ⇔home','Private room in rental
       →unit','OtherPropertyType','Sum_property_type'],axis=1)
```

```
[26]:
               ID
                    host_response_time
                                         host_response_rate host_acceptance_rate \
      0
             7000
                                                            5.0
                                                                                    5.00
      1
             7001
                                       4
                                                            5.0
                                                                                    4.55
      2
             7002
                                       2
                                                            3.0
                                                                                    4.35
                                                                                    5.00
      3
             7003
                                       4
                                                            5.0
      4
             7004
                                       4
                                                            5.0
                                                                                    4.90
                                                                                    4.90
      2995
             9995
                                       4
                                                            5.0
      2996
            9996
                                       4
                                                            5.0
                                                                                    4.90
      2997
             9997
                                       4
                                                                                    4.90
                                                            5.0
                                                                                    4.90
      2998
             9998
                                       4
                                                            5.0
      2999
             9999
                                       4
                                                            5.0
                                                                                    4.90
             host_is_superhost
                                   host_listings_count
                                                          host_identity_verified
      0
                               0
                                                     6.0
                                                                                   1
                               1
                                                     1.0
                                                                                  1
      1
      2
                               0
                                                     1.0
                                                                                  1
      3
                               0
                                                     6.0
                                                                                  1
      4
                               1
                                                    12.0
                                                                                  1
      2995
                               0
                                                     2.0
                                                                                  1
      2996
                               0
                                                     1.0
                                                                                   1
      2997
                               0
                                                     1.0
                                                                                   1
      2998
                               0
                                                     1.0
                                                                                  1
      2999
                               0
                                                     1.0
                                                                                  0
                          accommodates
                                         bedrooms
                                                        average_review
             room_type
                                                                          sum_amenities
                      2
                                      2
                                                                                        4
      0
                                                               4.937143
                                               1.0
                                      2
                                                                                        3
      1
                      4
                                               1.0
                                                               4.954286
      2
                      4
                                      2
                                               1.0
                                                               4.744286
                                                                                        4
                                      2
      3
                      2
                                                                                        4
                                               1.0
                                                               4.285714
      4
                      4
                                      2
                                               1.0
                                                               4.778571
                                                                                        4
      2995
                      2
                                      2
                                               1.0
                                                               4.964286
                                                                                        4
      2996
                      2
                                      2
                                               1.0
                                                               4.902857
                                                                                        5
                      2
                                                                                        2
      2997
                                      1
                                               1.0
                                                               4.898571
                                      2
                                                                                        3
      2998
                      4
                                               1.0
                                                               4.945714
      2999
                                      6
                                               4.0
                                                               5.000000
                                                                                        3
                            since_last_review Melbourne OtherNeighbourhood
             n_amenities
      0
                       57
                                         107.0
                                                           0
                                                                                0
                       51
                                           59.0
                                                           0
      1
      2
                       40
                                           72.0
                                                           0
                                                                                1
      3
                                                           0
                       50
                                         335.0
                                                                                1
      4
                       49
                                           73.0
                                                           0
                                                                                0
      2995
                       13
                                        1537.0
                                                           1
                                                                                0
```

2996	29	959.0	1	0
2997	14	1625.0	0	0
2998	20	960.0	0	0
2999	20	1035.0	1	0

	Port	Phillip	Stonnington	Yarra	Yarra Ranges
0		0	0	0	0
1		0	0	1	0
2		0	0	0	0
3		0	0	0	0
4		1	0	0	0
		•••			•••
2995		0	0	0	0
2996		0	0	0	0
2997		0	0	1	0
2998		0	0	1	0
2999		0	0	0	0

[3000 rows x 29 columns]

Task 2, Question 5: Perform any other actions you think need to be done on the data before constructing predictive models, and clearly explain what you have done. (1 marks)

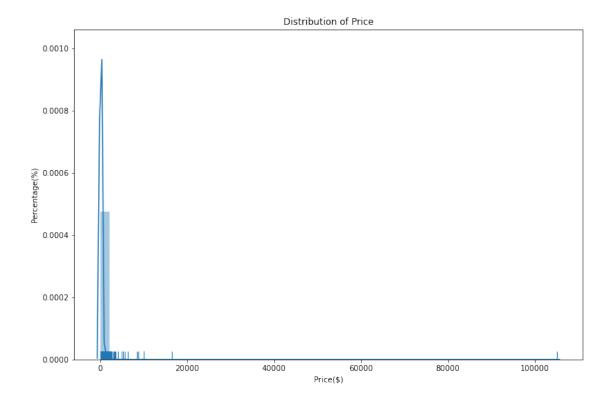
Task 2, Question 6: Perform exploratory data analysis to measure the relationship between the features and the target and write up your findings. (2 marks)

Distribution of price

With price being our target variable, we shall see the distribution of price in the dataset.

```
[27]: plt.figure(figsize=(12,8))
    sns.distplot(df_train['price'],rug=True)
    plt.title('Distribution of Price')
    plt.xlabel('Price($)')
    plt.ylabel('Percentage(%)')
```

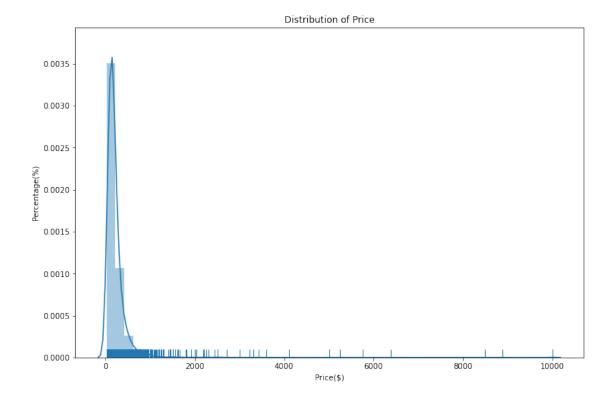
[27]: Text(0, 0.5, 'Percentage(%)')



Here, the lines represents the price in those coordinates. We observe that there are few outliers in the dataset and thus we shall drop these rows containing the outliers.

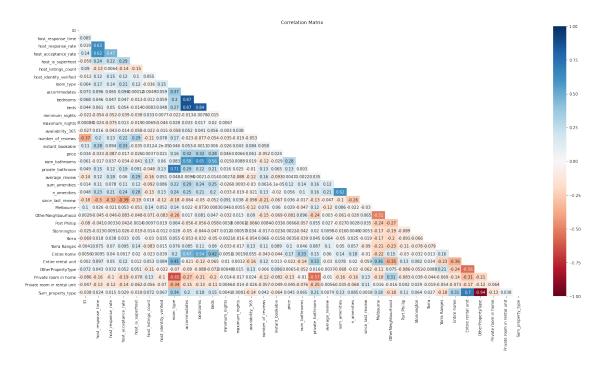
```
[28]: #drop price outliers
    df_train.drop(df_train[df_train.price > 10000].index, inplace=True)

[29]: plt.figure(figsize=(12,8))
    sns.distplot(df_train['price'],rug=True)
    plt.title('Distribution of Price')
    plt.xlabel('Price($)')
    plt.ylabel('Percentage(%)')
[29]: Text(0, 0.5, 'Percentage(%)')
```



Now, we can observe the distribution of price much better. We still see the varying of price range but we shall not consider them as outliers as the property type contained in the dataset are worth the prices.

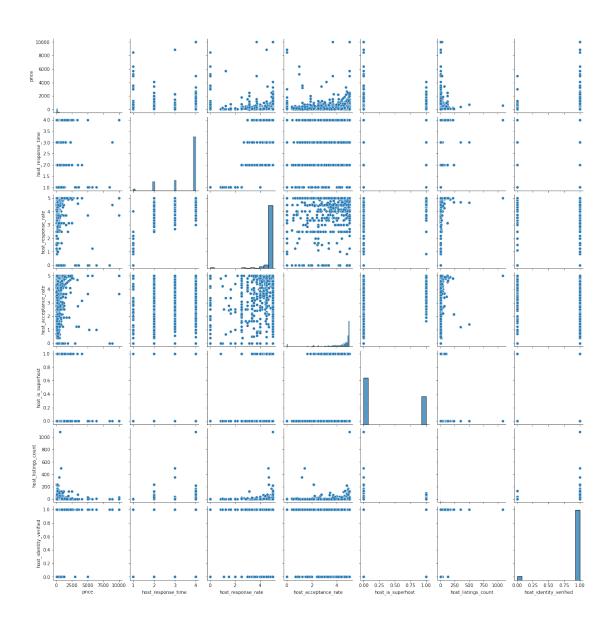
Correlation Matrix



The figure above shows us the correlation matrix among the variables in the dataset. Here we can observe that Sum_property_type and OtherPropertyType has the lowest (-0.94) correlation. Whereas, accommodates and beds have the highest correlation of 0.87, which makes sense as we need more beds if more people would like to stay at the property. We know that correlation matrix does not define non-linear relationships well, so we shall plot the variables to have a further clarification on the variables.

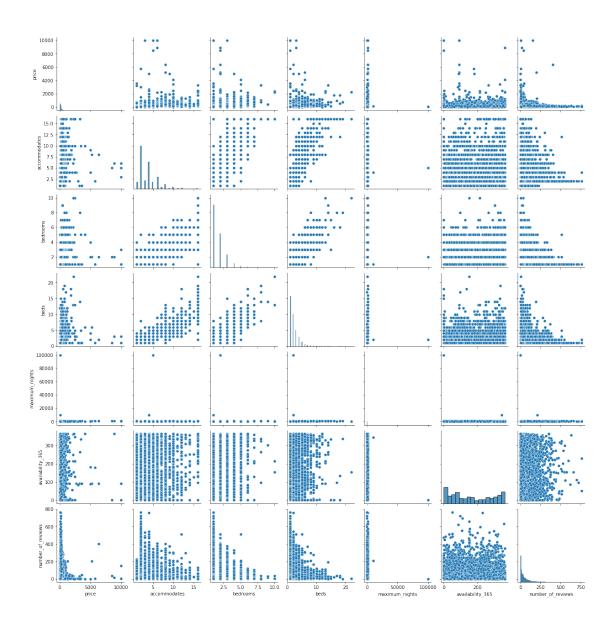
Pair plots

<Figure size 432x288 with 0 Axes>



```
[56]: cols = co
```

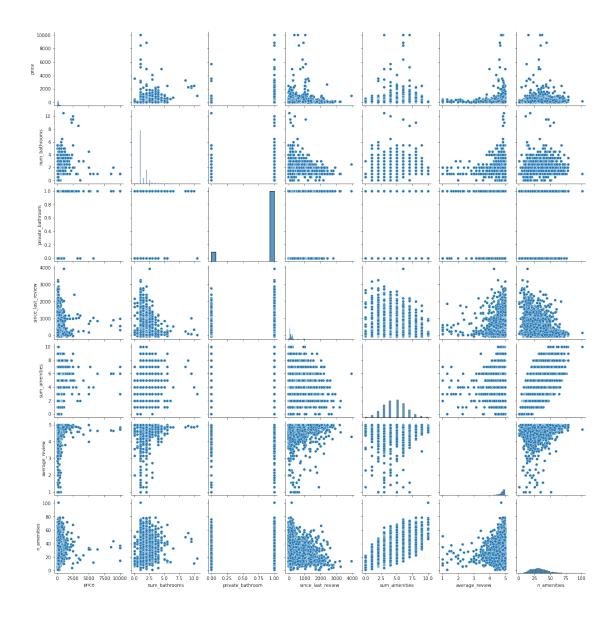
<Figure size 432x288 with 0 Axes>



```
[57]: cols = column  

sns.pairplot(df_train[cols])  
plt.show()
```

<Figure size 432x288 with 0 Axes>



From the three plots above, we see that there is not a significant linear relationship among price and the variables, but has mostly spread throughout. With this in mind, during the modelling we shall use non-linear models to impute the value of price.

Task 3: Fit and tune a forecasting model/Submit predictions/Report score and ranking

Make sure you clearly explain each step you do, both in text and on the recoded video.

- 1. Build a machine learning (ML) regression model taking into account the outcomes of Tasks 1 & 2 (Explain carefully)
- 2. Fit the model and tune hyperparameters via cross-validation: make sure you comment and explain each step clearly

- 3. Create predictions using the test dataset and submit your predictions on Kaggle's competition page
- 4. Provide Kaggle ranking and score (screenshot your best submission) and Comment
- 5. Make sure your Python code works, so that a marker that can replicate your all of your results and obtain the same RMSE from Kaggle
- Hint: to perform well you will need to iterate Task 3, building and tuning various models in order to find the best one.

Total Marks: 12

[34]: df_train.info() # df_train.to_excel('data_clean_train.xlsx', header=True)

<class 'pandas.core.frame.DataFrame'>
Int64Index: 6998 entries, 0 to 6999
Data columns (total 36 columns):

Data	columns (total so columns).		
#	Column	Non-Null Count	Dtype
0	ID	6998 non-null	int64
1	host_response_time	6998 non-null	int64
2	host_response_rate	6998 non-null	float64
3	host_acceptance_rate	6998 non-null	float64
4	host_is_superhost	6998 non-null	int64
5	host_listings_count	6998 non-null	int64
6	host_identity_verified	6998 non-null	int64
7	room_type	6998 non-null	int64
8	accommodates	6998 non-null	int64
9	bedrooms	6998 non-null	float64
10	beds	6998 non-null	float64
11	minimum_nights	6998 non-null	int64
12	maximum_nights	6998 non-null	int64
13	availability_365	6998 non-null	float64
14	number_of_reviews	6998 non-null	int64
15	last_review	6998 non-null	datetime64[ns]
16	instant_bookable	6998 non-null	int64
17	price	6998 non-null	float64
18	num_bathrooms	6998 non-null	float64
19	<pre>private_bathroom</pre>	6998 non-null	int64
20	average_review	6971 non-null	float64
21	sum_amenities	6998 non-null	int64
22	n_amenities	6998 non-null	int64
23	since_last_review	6998 non-null	float64
24	Melbourne	6998 non-null	uint8
25	OtherNeighbourhood	6998 non-null	uint8
26	Port Phillip	6998 non-null	uint8
27	Stonnington	6998 non-null	uint8
28	Yarra	6998 non-null	uint8
29	Yarra Ranges	6998 non-null	uint8

```
30 Entire home
                                6998 non-null
                                                uint8
 31 Entire rental unit
                                6998 non-null
                                                uint8
 32 OtherPropertyType
                                6998 non-null
                                                uint8
33 Private room in home
                                6998 non-null
                                                uint8
 34 Private room in rental unit 6998 non-null
                                                uint8
 35 Sum_property_type
                                6998 non-null
                                                uint8
dtypes: datetime64[ns](1), float64(9), int64(14), uint8(12)
memory usage: 1.4 MB
```

[35]: df_test.info() # df_test.to_excel('data_clean_test.xlsx', header=True)

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 3000 entries, 0 to 2999
Data columns (total 35 columns):

#	Column	Non-Null Count	Dtype
0	ID	3000 non-null	int64
1	host_response_time	3000 non-null	int64
2	host_response_rate	3000 non-null	float64
3	host_acceptance_rate	3000 non-null	float64
4	host_is_superhost	3000 non-null	int64
5	host_listings_count	3000 non-null	float64
6	host_identity_verified	3000 non-null	int64
7	room_type	3000 non-null	int64
8	accommodates	3000 non-null	int64
9	bedrooms	3000 non-null	float64
10	beds	3000 non-null	float64
11	minimum_nights	3000 non-null	int64
12	maximum_nights	3000 non-null	int64
13	availability_365	3000 non-null	float64
14	number_of_reviews	3000 non-null	int64
15	last_review	2877 non-null	datetime64[ns]
16	instant_bookable	3000 non-null	int64
17	num_bathrooms	3000 non-null	float64
18	<pre>private_bathroom</pre>	3000 non-null	int64
19	average_review	2858 non-null	float64
20	sum_amenities	3000 non-null	int64
21	n_amenities	3000 non-null	int64
22	since_last_review	3000 non-null	float64
23	Melbourne	3000 non-null	uint8
24	OtherNeighbourhood	3000 non-null	uint8
25	Port Phillip	3000 non-null	uint8
26	Stonnington	3000 non-null	uint8
27	Yarra	3000 non-null	uint8
28	Yarra Ranges	3000 non-null	uint8
29	Entire home	3000 non-null	uint8
30	Entire rental unit	3000 non-null	uint8

```
31 OtherPropertyType
     32 Private room in home
                                    3000 non-null
                                                  uint8
     33 Private room in rental unit 3000 non-null
                                                  uint8
     34 Sum_property_type
                                    3000 non-null
                                                   uint8
    dtypes: datetime64[ns](1), float64(9), int64(13), uint8(12)
    memory usage: 574.3 KB
[36]: #from above, we can still see irrelevant columns so dropping them
     cols_to_drop1 = ['Stonnington', 'Port Phillip', 'OtherNeighbourhood', __
      df_train = df_train.drop(cols_to_drop1, axis = 1)
     df test = df test.drop(cols to drop1, axis = 1)
[37]: #preparing training and testing datasets
     X_train = df_train.drop(['price','ID', 'average_review', 'maximum_nights'],
      →axis=1).values
     y_train = df_train.price.values
```

X_test = df_test.drop(['ID', 'average_review', 'maximum_nights'], axis=1).values

3000 non-null

uint8

Importing libraries for prediction models

```
[38]: #importing libraries
      from sklearn.preprocessing import StandardScaler
      from sklearn.decomposition import PCA
      from sklearn.model_selection import cross_val_score
      from sklearn.model_selection import validation_curve
      from sklearn.metrics import mean_squared_error
      from sklearn.model selection import GridSearchCV, KFold
      from sklearn.linear model import LinearRegression
      from sklearn.linear_model import RANSACRegressor
      from sklearn.linear model import Ridge
      from sklearn.linear_model import Lasso
      from sklearn.linear_model import ElasticNet
      from sklearn.ensemble import RandomForestRegressor
      from sklearn.svm import SVR
      from sklearn.pipeline import make_pipeline
      #scaling data
      sc = StandardScaler()
      X_train_scaled = sc.fit_transform(X_train)
      X_test_scaled = sc.transform(X_test)
```

After several runs of the algorithms, we found that scaling the data did not increase the accuracy so we shall not be using the scaled data.

Simple Linear Regression

```
[39]: | slr = LinearRegression().fit(X_train, y_train)
      #Create grid for Linear Regression
      slr_param_grid = {'fit_intercept': ['False', 'True'],
                       'normalize': ['False', True]}
      # K-fold on training
      slr_grid_search = GridSearchCV(slr, slr_param_grid, cv=KFold(n_splits=10,_
       →random_state=8,shuffle=True), return_train_score=True)
      slr_grid_search.fit(X_train, y_train)
      slr_predicted = slr_grid_search.predict(X_test)
      # Evaluation
      print('Best fit_intercept: ' + slr_grid_search.best_params_['fit_intercept'])
      print('Best normalize: ' , slr_grid_search.best_params_['normalize'])
     Best fit_intercept: False
     Best normalize: True
[40]: #use Linear Regression
      slr = LinearRegression(fit_intercept=False, normalize=True)
      slr.fit(X_train, y_train)
      y_train_pred_slr = slr.predict(X_train)
      print(f'RMSE train: {math.sqrt(mean_squared_error(y_train, y_train_pred_slr)):.
      →3f}')
      # y_test_pred_slr = slr.predict(X_test)
```

RMSE train: 330.098

RANSAC Regression

RMSE train: 344.633

Ridge Regression

```
[42]: ridge = Ridge()
      #Create grid for Ridge
      ridge_param_grid = {'alpha': [0.001, 0.01, 0.1, 1, 10, 100]}
      # K-fold on training
      ridge_grid_search = GridSearchCV(ridge, ridge_param_grid, cv=KFold(n_splits=10,_
      →random_state=8,shuffle=True), return_train_score=True)
      ridge_grid_search.fit(X_train, y_train)
      ridge_predicted = ridge_grid_search.predict(X_test)
      # Evaluation
      print('Best alpha: ' + str(ridge_grid_search.best_params_['alpha']))
     Best alpha: 100
[43]: | #use Ridge Regressor
     ridge = Ridge(alpha=100)
      ridge.fit(X_train, y_train)
      y_train_pred_ridge = ridge.predict(X_train)
      print(f'RMSE train: {math.sqrt(mean_squared_error(y_train, y_train_pred_ridge)):
      →.3f}')
      # y_test_pred_ridge = ridge.predict(X_test)
     RMSE train: 330.167
     Lasso Regression
[44]: lasso = Lasso()
      #Create grid for lasso
      lasso_param_grid = {'alpha': [0.001, 0.01, 0.1, 1, 10, 100]}
      # K-fold on training
      lasso_grid_search = GridSearchCV(lasso, lasso_param_grid, cv=KFold(n_splits=10,_
      →random_state=8,shuffle=True), return_train_score=True)
      lasso_grid_search.fit(X_train, y_train)
      lasso_predicted = lasso_grid_search.predict(X_test)
      # Evaluation
      print('Best alpha: ' + str(lasso_grid_search.best_params_['alpha']))
     Best alpha: 1
[45]: #use Lasso Regressor
      lasso = Lasso(alpha=1)
      lasso.fit(X_train, y_train)
```

```
y_train_pred_lasso = lasso.predict(X_train)
      print(f'RMSE train: {math.sqrt(mean_squared error(y_train, y_train_pred_lasso)):
       → .3f}')
      # y_test_pred_lasso = lasso.predict(X_test)
     RMSE train: 330.224
     Elastic Net
[46]: elasticnet = ElasticNet()
      #Create grid for ElasticNet
      elasticnet_param_grid = {'alpha': [0.001, 0.01, 0.1, 1, 10, 100],
                              'l1_ratio': [0.001, 0.01, 0.1, 1, 10, 100]}
      # K-fold on training
      elasticnet_grid_search = GridSearchCV(elasticnet, elasticnet_param_grid,_
      →cv=KFold(n_splits=10, random_state=8,shuffle=True), return_train_score=True)
      elasticnet_grid_search.fit(X_train, y_train)
      elasticnet_predicted = elasticnet_grid_search.predict(X_test)
      # Fivaluation
      print('Best alpha: ' + str(elasticnet_grid_search.best_params_['alpha']))
      print('Best 11_ratio: ' + str(elasticnet_grid_search.best_params_['11_ratio']))
     Best alpha: 1
     Best 11_ratio: 1
[47]: #use ElasticNet Regressor
      elasticnet = ElasticNet(alpha=1, l1_ratio=1)
      elasticnet.fit(X_train, y_train)
      y_train_pred_elasticnet = elasticnet.predict(X_train)
      print(f'RMSE train: {math.sqrt(mean_squared_error(y_train,__
      →y_train_pred_elasticnet)):.3f}')
      # y_test_pred_elasticnet = elasticnet.predict(X_test)
     RMSE train: 330.224
     Support Vector Machines (SVMs)
[48]: from sklearn import svm
      from sklearn.svm import SVC
      from sklearn.metrics import mean_absolute_percentage_error
      from sklearn.metrics import mean_absolute_error
      from sklearn.model_selection import train_test_split
```

```
model_SVR = svm.SVR()
model_SVR.fit(X_train,y_train)
Y_pred = model_SVR.predict(X_train)
print(f'RMSE train: {math.sqrt(mean_squared_error(y_train, Y_pred)):.3f}')
Y_pred = model_SVR.predict(X_test)
RMSE train: 362.819
Stacking Regressor
```

```
[49]: #!pip install mlxtend

forest = RandomForestRegressor()

from mlxtend.regressor import StackingCVRegressor

models = [elasticnet, ridge, forest]

stack = StackingCVRegressor(models, meta_regressor = Ridge(), cv=10)
stack.fit(X_train, y_train)
```

```
[50]: stack_predicted = stack.predict(X_test)
print(stack.get_params)
#print('Training set score: {:.04f}'.format(stack.best_score_))
```

RMSE train: 203.132

Random Forest Regressor

```
'min_samples_leaf': [1, 5, 10],
                     'max_leaf_nodes': ['None', 5, 20]}
      # # Instantiate the grid search model
      # forest_grid_search = GridSearchCV(forest, forest_param_grid)
      # forest_grid_search.fit(X_train, y_train)
      # forest_predicted = forest_grid_search.predict(X_test)
[53]: #use RandomForest Regressor
      forest = RandomForestRegressor(n_estimators=1000,
                                     criterion='mse',
                                     n_jobs=-1, random_state=1)
      forest.fit(X_train, y_train)
      y_train_pred_forest = forest.predict(X_train)
      print(f'RMSE train: {math.sqrt(mean_squared_error(y_train,__

    y_train_pred_forest)):.3f}')
      y_test_pred_forest = forest.predict(X_test)
     RMSE train: 121.826
[54]: #import result
      df = pd.DataFrame(y_test_pred_forest, columns = ['price'])
      df['ID'] = df_test['ID']
      def swap_columns(df, col1, col2):
          col_list = list(df.columns)
          x, y = col_list.index(col1), col_list.index(col2)
          col_list[y], col_list[x] = col_list[x], col_list[y]
          df = df[col list]
          return df
      df = swap_columns(df, 'price', 'ID')
      df['price'] = round(df.price, 2)
      df.to_csv('result.csv', index=False)
```