

**Travel With Us**

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# Business Problem Overview and Solution Approach

- 'Visit With Us' is a tourism company that currently offers five types of packages to its customers, namely Basic, Standard, Deluxe, Super Deluxe and King. The Policy Makers of the company want to establish a viable business model to expand the customer base by introducing a new travel package, the 'Wellness Tourism Package'
- Build Ensemble Technique ML models using the data of the existing customers
- Use the models to target potential customers (including new customers) who are more likely to purchase the new package

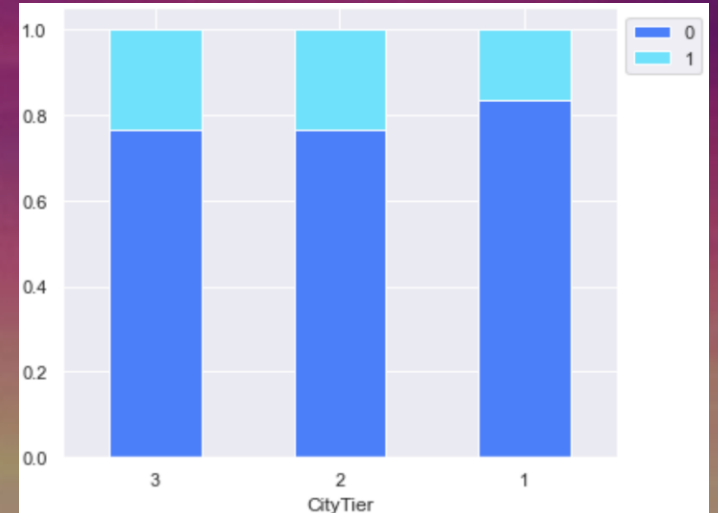
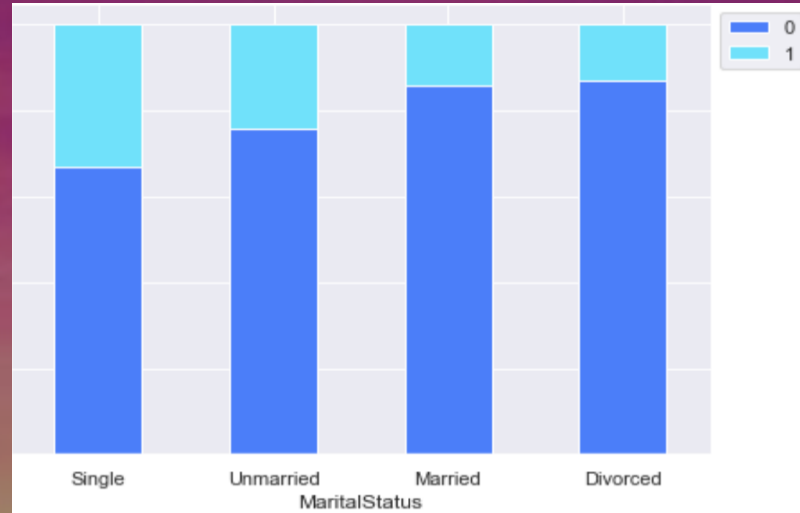
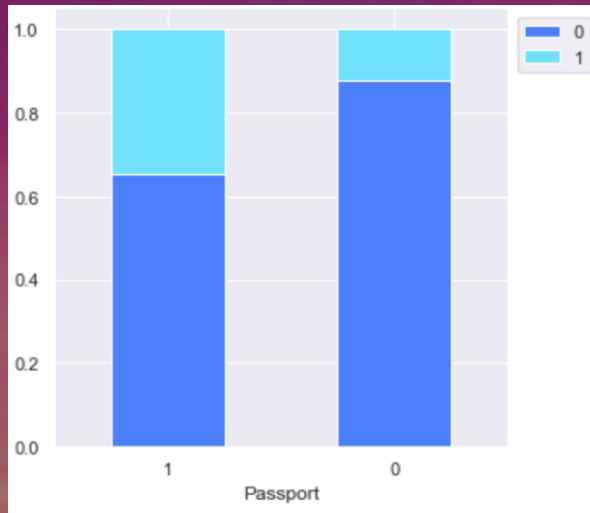


# Data Overview

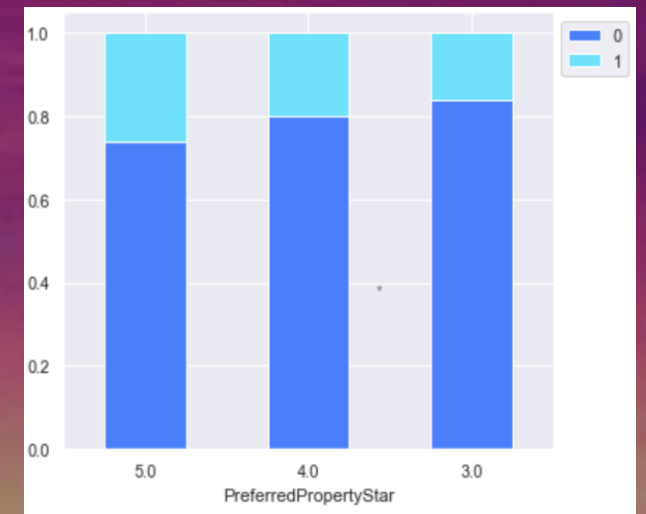
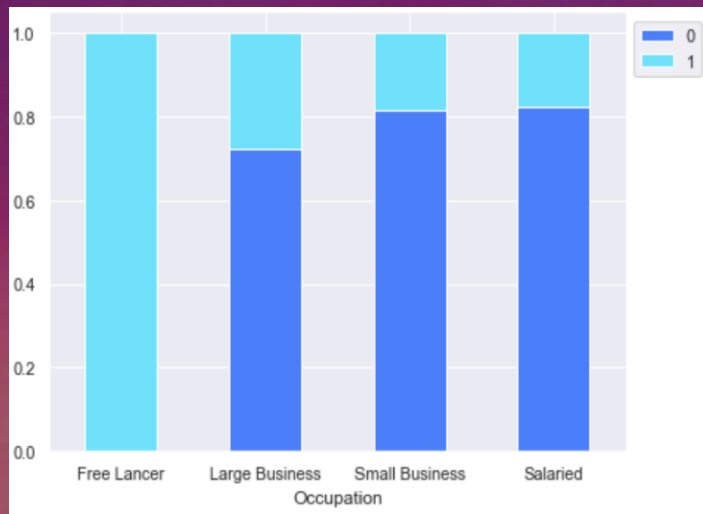
- The data contains information of 4888 customers
- Customer information include age, gender, occupation, designation, marital status, monthly income, city tier, whether or not the customer owns a car, passport and also if the customer purchased the package in the previous year
- Customer interaction data with the salesperson
- Fixed the data entry error in Gender column
- Imputed missing values in columns Age, Type of contact, Preferred property star, Number of children visiting and Monthly income
- Excluded the customer interaction data while model building as this information will not be available for potential new customers

# Exploratory Data Analysis

- Customers with passport are more likely to buy a package
- Single and Unmarried customers tend to buy the product more
- Customers who bought the package are higher in number from CityTier 2 and CityTier 3



- Large business customers are more likely to buy the package
- Customers who buy the product are largely designated as Executives
- Customers who bought the package mostly prefer properties with 3 star and above





# Key Insights from EDA

Customers more interested in purchasing the travel package are :

- aged between the late 20s and early 40s
- travel in a group of 2 to 4 which includes one child (on average)
- from Tier2 and Tier3 cities
- own a passport
- mostly Executives and Managers
- Female customers with a higher designation seem to be interested in the 'King' package, whereas Male customers show interest in the 'Super Deluxe'
- Single, unmarried and divorced customers highly prefer 'Basic' package while married customers prefer more expensive packages, comparatively
- who were followed up three times and above with a higher duration of pitch

- On average, customers who tend to travel three times and above, annually
- customers with an average monthly income ranging between 20K - 25K opt opt for Basic and Standard packages, 23K - 30K opt for Deluxe and Super Deluxe packages and above 33K prefer the King package
- Gender, Number of children visiting, and Own car - these factors do not add any significance to the chances of the product being purchased



# Customer Profile based on Packages

## Basic

Early 20s to late 30s

Self-Enquiry

Salaried, Executives

CityTier1

Male, Single

2 to 3 persons, 1 child avg

50% have passport and car

3 star property & above

1 to 20 trips a year

Avg 20K per month

## Standard

Early 30s to late 40s

Self-Enquiry

Small business

Salaried, Senior Managers

CityTier3

Male, Married

2 to 3 persons, 1 child avg

50% do not have passport / car

3 star property & above

1 to 8 trips a year

Avg 26K per month

## Deluxe

Early 30s to late 50s

Self-Enquiry only

Small business

Managers

CityTier3

Male, Married

3 persons, 1 child avg

50% do not have passport

75% own a car

3 star property & above

1 to 8 trips a year

Avg 23K per month

### **Super Deluxe**

Early 30s to late 40s

Company Invited

Salaried, AVP

CityTier3

Male, Single

2 to 3 persons, 1 child avg

Mostly have passport and car

3 star property & above

1 to 8 trips a year

Avg 29K per month

### **King**

Early 40s to late 50s

Self-Enquiry

Small business , VP

CityTier3

Female, Single

3 persons, 1 child avg

Mostly have passport & car

4 star property & above

1 to 7 trips a year

Avg 34K per month

# Model Evaluation Criterion

**Model can make mistakes such as :**

- Predicting a customer will purchase a travel package but in reality the customer does not purchase one.
- Predicting a customer will not purchase a travel package but in reality the customer will purchase the travel package.

**Prediction of concern :**

- The second prediction is our major concern as the 'Visit With Us' travel company plans to launch a new tourism package and wants to harness the available data to make the marketing expenditure more efficient. In order to do so, mistakes in the second prediction (i.e. False negatives) have to be considerably reduced.

**How to reduce False Negatives :**

- **Recall** score should be maximized. Greater the Recall score, higher the chances of predicting the potential customers who may purchase the new travel package.



# Model Performance - Bagging

Metric / Classifier	Train Accuracy	Test Accuracy	Train Recall	Test Recall	Train Precision	Test Precision	Train F1	Test F1
<b>Decision Tree</b>	1.0	0.873892	1.0	0.677536	1.0	0.660777	1.0	0.669052
<b>Tuned dtree</b>	0.748027	0.751193	0.681677	0.702899	0.400547	0.406709	0.504598	0.515272
<b>Bagging</b>	0.992400	0.901159	0.962733	0.550725	0.996785	0.878613	0.979463	0.677060
<b>Bagging with tuned Decision Tree as base</b>	0.802105	0.796864	0.673913	0.637681	0.481687	0.470588	0.561812	0.541538
<b>Tuned Bagging Classifier</b>	0.486407	0.475801	0.889752	0.923913	0.253652	0.254237	0.394764	0.398749
<b>Random Forest</b>	1.0	0.892297	1.0	0.478261	1.0	0.904110	1.0	0.625592
<b>Tuned Random Forest</b>	0.890968	0.867757	0.476708	0.380435	0.895044	0.820312	0.622087	0.519802

- Tuned Bagging Classifier gives the highest Recall in the test set
- The business may choose tuned Decision Tree for a good Recall with a better Precision score

# Model Performance - Boosting

Metric / Classifier	Train Accuracy	Test Accuracy	Train Recall	Test Recall	Train Precision	Test Precision	Train F1	Test F1
<b>AdaBoost</b>	0.841859	0.837764	0.270186	0.278986	0.710204	0.663793	0.391451	0.392857
<b>Tuned AdaBoost</b>	0.972523	0.871847	0.885093	0.565217	0.966102	0.696429	0.923825	0.624000
<b>Gradient Boost</b>	0.879275	0.862986	0.428571	0.358696	0.859813	0.804878	0.572021	0.496241
<b>Tuned Gradient Boost</b>	0.903829	0.876619	0.546584	0.449275	0.904884	0.810458	0.681510	0.578089
<b>XGBoost</b>	0.991662	0.901159	0.987578	0.597826	1.000000	0.829146	0.993750	0.694737
<b>Tuned XGBoost</b>	0.918737	0.846626	0.958075	0.793478	0.738780	0.565891	0.738780	0.660633
<b>Stacking</b>	0.933061	0.829584	0.996894	0.858696	0.738780	0.529018	0.848645	0.654696

- AdaBoost classifier and Gradient Boost Classifier are most generalized models but, they perform poorly in terms of Recall
- XGBoost and Stacking models are little overfit but they are giving the highest Recall scores in the test set

# Business Insights & Recommendations

- The business can use this predictive model to
  - identify potential customers who may purchase the travel packages
  - potential new customers who may purchase the packages that are offered / packages that are newly launched
  - the features that drive the customer to buy the package
- Features that impact Product taken are
  - Passport
  - Designation
  - Marital Status
  - City Tier
  - Monthly Income
  - Age
  - Number of trips annually



- customers who own a passport show more interesting in buying the product
- customers with Designation Executive, Marital Status single and City Tier 3 should be our target customers
- customers with Monthly Income 15K to 25K, Age 25 to 40 show more interest in buying a travel package
- larger the number of trips taken by a customer annually, higher is the chances of customer buying the package
- The marketing team should focus on
  - higher duration of pitch by salesperson with the customer
  - do multiple followups with the customer
  - encourage customers to get passport
  - market and company invite customers for 'King' package
- Once the 'Wellness Package' is launched, the business can collect data on customer information, their preference, product satisfaction and customer interaction so as to enable data analysis for better results

**Thank You**