

CLASSIFICATION (kNN)

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Data Mining

Higher Diploma in Data Analytics

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Part 2: 40 Marks

Using a dataset of your choice create a classification or regression model using RStudio. Clearly document the code. The chosen dataset must have a minimum of 10000 records. Provide a report of your finding and an evaluation of the performance of your model. The final report should not include the code and be clearly sectioned, correctly referenced and not exceed 1000 words. Code must be uploaded using the dedicated link.

PART 2: Supervised Machine Learning - Classification - kNN

1. Executive Summary

When a user navigates through the website with the intention to buy have different patterns than a user that is merely navigating with informational intent. The goal of the project is to be able to classify user sessions based on 17 variables in order to know if the user will perform a purchase or not. This information is highly valuable as can help to predict users that are close to a purchase.

The data is first analysed and prepared for exploration. Then a second data manipulation (normalizing and creating dummy variables for categorical data) is needed to be able to apply the kNN algorithm. Finally, the model accuracy is tested to understand if it can be used to classify users based on different variables related to the user session.

2. Data Exploration and Preparation

The data set "Online Shoppers Purchasing Intention Dataset" found at (Kastro, n.d.) contains 12,330 records, each of them being a user session. The data represents one year period and each session is for different users. There are 10 numerical variables and 8 categorical, for more detailed information see [pag.13, Appendix I]. The data set has no empty values [Fig.1].

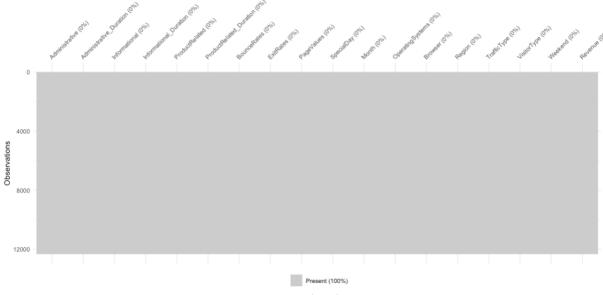


Figure 1: Complete dataset

The categorical variables, which are set as integers, characters and Boolean [Fig.2], are converted into factors [Fig. 3] and then are plotted to see the distribution [Fig. 4]. The data is split into sessions with purchase and sessions without, then the variables are plotted again for each segment [Fig. 5][Fig. 6]. The distribution of the data is similar in both segments with and without purchase.

There are a total number of 10,422 records without purchase and 1,908 records with purchase.

```
12330 obs. of 18 variables:
                      : int 0000000100 ...
$ Administrative
$ Administrative_Duration: num 0 0 0 0 0 0 0 0 0 0 ...
                           00000000000...
$ Informational
 Informational_Duration : num
                            00000000000
$ ProductRelated
                            1 2 1 2 10 19 1 0 2 3 ...
0.2 0 0.2 0.05 0.02 ...
$ BounceRates
                      : num
$ ExitRates
                      : num 0.2 0.1 0.2 0.14 0.05 ...
$ PageValues
                            00000000000.
                            0 0 0 0 0 0 0 0.4 0 0.8 0.4 ...
$ SpecialDay
                      : num
                            "Feb" "Feb" "Feb" "Feb" ...
$ Month
                      : chr
                            1 2 4 3 3 2 2 1 2 2 ...
$ OperatingSystems
                            1 2 1 2 3 2 4 2 2 4 ...
$ Browser
$ Region
                      : int
$ TrafficType
                      : int
                            "Returning_Visitor" "Returning_Visitor" "Returning_Visitor" "Returning_Visitor" ...
$ VisitorType
                             FALSE FALSE FALSE TRUE FALSE
$ Weekend
                        logi
                             FALSE FALSE FALSE FALSE FALSE
 Revenue
                      : logi
```

Figure 2: Structure of dataset just imported into R

```
$ Administrative
                                   : int 0000000100
$ Administrative_Duration: num 0000000000000...
                                   : int 00000000000...
$ Informational
                                            000000000000...
$ Informational_Duration : num
                                            1 2 1 2 10 19 1 0 2 3 .
$ ProductRelated
                                   : int
$ ProductRelated_Duration: num
                                            0 64 0 2.67 627.5 .
$ BounceRates
                                   : num 0.2 0 0.2 0.05 0.02
  ExitRates
                                            0.2 0.1 0.2 0.14 0.05 ..
                                            00000000000.
  PageValues
$ SpecialDay
                                   : num 0000000.400.80.4..
                                   : num 0 0 0 0 0 0 0.4 0 0.8 0.4 ...

: Factor w/ 12 levels "Jan", "Feb", "Mar", ...: 2 2 2 2 2 2 2 2 2 2 2 2 ...

: Factor w/ 8 levels "1", "2", "3", "4", ...: 1 2 4 3 3 2 2 1 2 2 ...

: Factor w/ 13 levels "1", "2", "3", "4", ...: 1 2 1 2 3 2 4 2 2 4 ...

: Factor w/ 9 levels "1", "2", "3", "4", ...: 1 1 9 2 1 1 3 1 2 1 ...

: Factor w/ 20 levels "1", "2", "3", "4", ...: 1 2 3 4 4 3 3 5 3 2 ...

: Factor w/ 3 levels "New_Visitor", ...: 3 3 3 3 3 3 3 3 3 3 3 ...
$ Month
$ OperatingSystems
$ Browser
$ Region
$ TrafficType
                                   VisitorType
  Weekend
   Revenue
```

Figure 3: Structure of dataset after transformation of categorical variables into factors

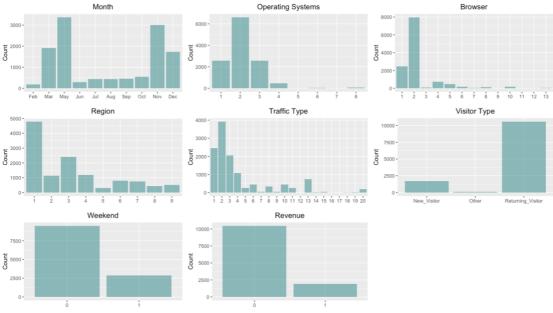


Figure 4: Categorical variables transformed into factors (Bar Plot)

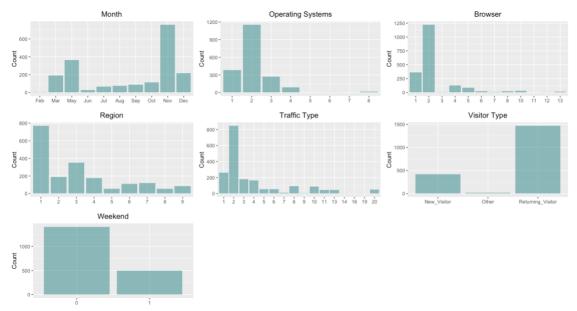


Figure 5: Categorical variables transformed into factors (with Purchase)(Bar Plot)

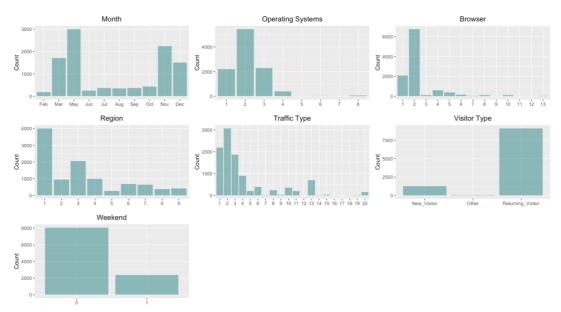


Figure 6: Categorical variables transformed into factors (without Purchase)(Bar Plot)

The distribution of the numerical variables is also analysed using box plots [Fig. 7]. Then the data is split into sessions with and without purchase and plotted again [Fig. 8][Fig. 9]. Again doesn't seem to be any major difference between both segments.

Within the categorical variables, some categories have really few sessions and the same happens with the numerical variables, contains many outliers. Even if both segments (with and without purchase) contain outliers, in this case, the consideration is to include those outliers as might be relevant for the categorization.

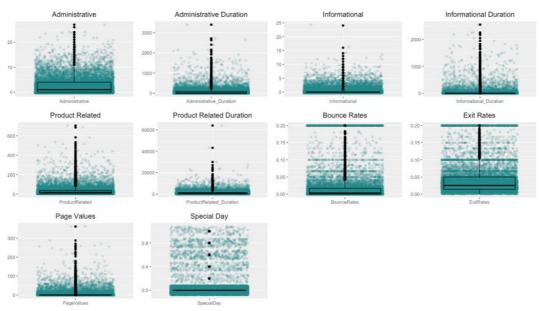


Figure 7: Numerical variables (Box Plot)

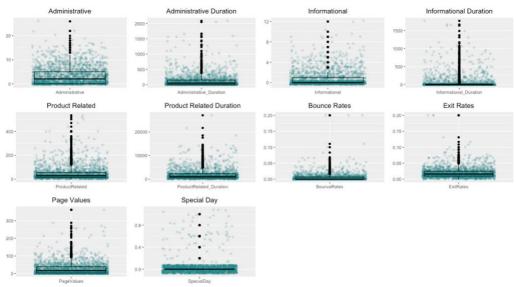


Figure 8: Numerical variables (with Purchase) (Box Plot)

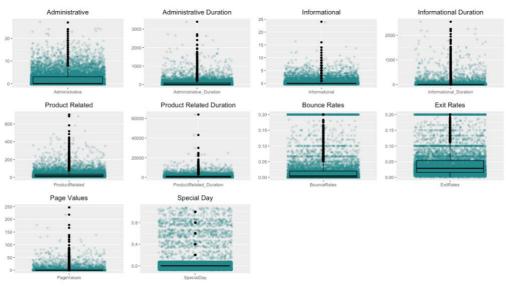


Figure 9: Numerical variables (without Purchase)(Box Plot)

Administrative	Administrative_Du	ration Informa	tional	Informat	ional_Duration	n ProductRelated	ProductRelate	d_Duration BounceRates	ExitRates
Min. : 0.000	Min. : 0.00	Min.	0.0000	Min. :	0.00	Min. : 0.00	Min. : 0	.0 Min. :0.000000	Min. :0.00000
1st Qu.: 0.000	1st Qu.: 0.00	1st Qu.	0.0000	1st Qu.:	0.00	1st Qu.: 7.00	1st Qu.: 184	.1 1st Qu.:0.000000	1st Qu.:0.01429
Median : 1.000	Median : 7.50	Median	0.0000	Median :	0.00	Median : 18.00	Median : 598	.9 Median :0.003112	Median :0.02516
Mean : 2.315	Mean : 80.82	Mean	0.5036	Mean :	34.47	Mean : 31.73	Mean : 1194	.8 Mean :0.022191	. Mean :0.04307
3rd Qu.: 4.000	3rd Qu.: 93.26	3rd Qu.	0.0000	3rd Qu.:	0.00	3rd Qu.: 38.00	3rd Qu.: 1464	.2 3rd Qu.:0.016813	3rd Qu.:0.05000
Max. :27.000	Max. :3398.75	Max.	24.0000	Max. :	2549.38	Max. :705.00	Max. :63973	.5 Max. :0.200000	Max. :0.20000
PageValues	SpecialDay	Month	Operat	ingSystems	Browser	Region	TrafficType	VisitorType	Weekend Revenue
Min. : 0.000	Min. :0.00000	May :3364		:6601	2 :7961	1 :4780	2 :3913	New_Visitor : 1694	0:9462 0:10422
1st Qu.: 0.000	1st Qu.:0.00000	Nov :2998		:2585	1 :2462	3 :2403	1 :2451	Other : 85	1:2868 1: 1908
Median : 0.000	Median :0.00000	Mar :1907		:2555	4 : 736	4 :1182	3 :2052	Returning_Visitor:10551	
Mean : 5.889	Mean :0.06143	Dec :1727		: 478	5 : 467	2 :1136	4 :1069		
3rd Qu.: 0.000	3rd Qu.:0.00000	Oct : 549	8	: 79	6 : 174	6 : 805	13 : 738		
Max. :361.764	Max. :1.00000	Sep : 448		: 19	10 : 163	7 : 761	10 : 450		
		(Other):1337	(Other): 13	(Other): 367	(Other):1263	(Other):1657		

Figure 10: Dataset Summary

As seen in [Fig. 10] the numerical variables have different scales, which can make the classification not accurate, as the distances between elements wouldn't be comparable. In order to overcome this obstacle, the numerical variables are normalized (Data Science Tutorials, 2017).

Administrative	Administrative_Du	ration Informa	tional	Informa	rtional_Du	ration	n Product	Related	ProductRe	lated_Duration	BounceRates	E	xitRates
Min. :0.00000	Min. :0.000000	Min.	:0.00000	Min.	:0.00000		Min.	:0.000000	Min. :0	.000000	Min. :0.00	1000 Min	. :0.00000
1st Qu.:0.00000	1st Qu.:0.000000	1st Qu.	:0.00000	1st Qu.	:0.00000		1st Qu.	:0.009929	1st Qu.:0	.002878	1st Qu.:0.00	0000 1st	Qu.:0.07143
Median :0.03704	Median :0.002207	Median	:0.00000	Median	:0.00000		Median	:0.025532	Median :0	.009362	Median :0.01	556 Med	lian :0.12578
Mean :0.08575	Mean :0.023779	Mean	:0.02098	Mean	:0.01352		Mean	:0.045009	Mean :0	.018676	Mean :0.11	1096 Mea	in :0.21536
3rd Qu.:0.14815	3rd Qu.:0.027438	3rd Qu.	:0.00000	3rd Qu.	:0.00000		3rd Qu.	:0.053901	3rd Qu.:0	.022887	3rd Qu.:0.08	406 3rd	Qu.:0.25000
Max. :1.00000	Max. :1.000000	Max.	:1.00000	Max.	:1.00000		Max.	:1.000000	Max. :1	.000000	Max. :1.00	0000 Max	:. :1.00000
PageValues	SpecialDay	Month	Operati	ngSystems	Brows	er	Reg	ion	TrafficType	٧	isitorType	Weekend	Revenue
Min. :0.00000	Min. :0.00000	May :3364		:6601		7961		:4780 2	:3913	New_Visitor	: 1694	0:9462	0:10422
1st Qu.:0.00000	1st Qu.:0.00000	Nov :2998		:2585		2462		:2403 1	:2451	Other	: 85	1:2868	1: 1908
Median :0.00000	Median :0.00000	Mar :1907		: 2555		736		:1182 3	:2052	Returning_Vi	sitor:10551		
Mean :0.01628	Mean :0.06143	Dec :1727		: 478		467		:1136 4	:1069				
3rd Qu.:0.00000	3rd Qu.:0.00000	0ct : 549		: 79		174		: 805 1	3 : 738				
Max. :1.00000	Max. :1.00000	Sep : 448		: 19	10 :	163		: 761 1	0 : 450				
		(Other):1337	(Other)	: 13	(Other):	367	(Other)	:1263 (Other):1657				

Figure 11: Dataset Summary after normalization of numerical variables

As kNN calculate distances between a pair of elements in order to classify them, all the variables need to be numerical.

Weekend is transformed from factor to numerical and the rest of categorical variables with more than 2 levels are transformed into dummy variables (Quant Dev, n.d.). For each level of the category new variables are created with 0 and 1 values. They are transformed outside the data frame and then combined again into it, ensuring the old variable is deleted. Now the data set contains 77 variables [Fig. 12][Fig.13][Fig.14].

Figure 12: Dataset structure with new dummy variables (1)

Figure 13: Dataset structure with new dummy variables (2)

Figure 14: Dataset structure with new dummy variables (3)

The variable used as "class", in this case, "Revenue" needs to be a factor.

As kNN is a supervised algorithm the dataset needs to be split into two segments, one for training and one for the validation of the model. The chosen threshold is that 80% of the records are used to train the model (8,338 records without purchase and 1,527 with purchase), and the rest 20% to validate it (2,084 records without purchase and 381 with purchase).

3. kNN and Model Evaluation

The chosen method to predict the classification is the non-parametric kNN (k nearest neighbours) algorithm. Receives this name as the classification of an element within the dataset is based in the class of the majority of elements which are nearby, or neighbours. The distance between the element and its neighbours is calculated using the Euclidian distance, as default, even if other distance methods can also be applied instead. The number of neighbours to include can be chosen (k).

Depending on the number of neighbours taken into consideration the result can change. If the K is too big small patterns can be missed and if it is too small irrelevant elements can be taken into consideration. kNN was tested for different values and the one with optimal result, in this case is 13 [Fig. 15].

Accuracy Plot

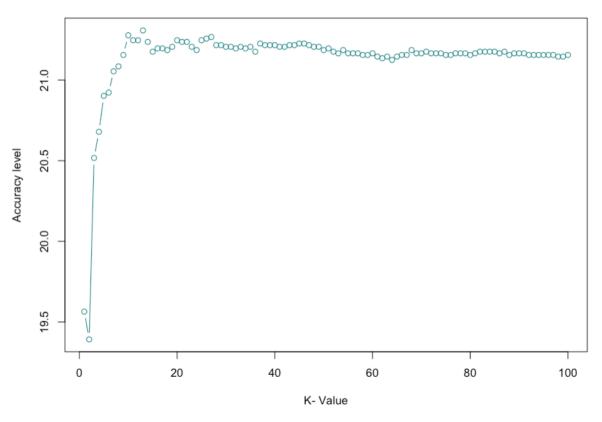


Figure 15: Accuracy Plot

The results of kNN with a K of 13 can be seen in the confusion matrix [Fig. 16].

The overall accuracy is 0.8523 (DataCamp, 2016), which are the correctly classified sessions, 2,066 true negatives and 35 true positives. However, there are 346 false negative (Type II error) and 18 false positive (Type I error). The model has a hard time recognising sessions with Purchase as only predicted correctly 35 out of the total 381 (low sensitivity of 0.09. The original data has a higher number of sessions without purchase, and this can be a reason why the classifier is having a hard time classifying sessions with purchase.

Even though the overall model looks like can predict with accuracy, it would not be a reliable model as the purpose is to predict true positives, which can be confirmed by looking at the 0.13 kappa.

Precision(Pos Pred Value) = TP/(TP+FP) = 35/(35+18) = 0.66038 Recall (Sensitivity) = TP/(TP+FN) = 35/(35+346) = 0.09186 F-measure = (2* precision * recall)/(recall + precision) = (2*0.66038*0.09186)/(0.09186+0.66038) = 0.16128

```
Confusion Matrix and Statistics
         Reference
Prediction FALSE TRUE
    FALSE 2066 346
    TRUE
             18 35
              Accuracy : 0.8523
                95% CI: (0.8377, 0.8661)
   No Information Rate : 0.8454
   P-Value [Acc > NIR] : 0.1792
                 Kappa : 0.1284
Mcnemar's Test P-Value : <2e-16
           Sensitivity: 0.09186
           Specificity: 0.99136
        Pos Pred Value : 0.66038
        Neg Pred Value : 0.85655
            Prevalence: 0.15456
        Detection Rate : 0.01420
  Detection Prevalence : 0.02150
     Balanced Accuracy: 0.54161
       'Positive' Class : TRUE
```

Figure 16: Confusion Matrix kNN

4. Summary

kNN doesn't seem the right choice to be able to predict users which will perform a purchase.

The next steps are trying different classification algorithms as Decision Trees / Random Forest [pag. 13, Appendix II], Naïves Bayes, C4.5 (Karim Baati, 2020), Support Vector Machine or Logistic Regression among others and find out which can be the most efficient. The F-score can be used to compare those different type of models.

Appendix I – About the data

The information about the data set is described at the data set source (Kastro, n.d.). The data set contains 10 numerical variables and 8 categorical:

Numerical Variables

- "Administrative", "Informational" and "Product Related" represent the number of pages the user visited of this type.
- "Administrative Duration", "Informational Duration" and "Product Related Duration" represent the time spent in each of those category pages.
- "Bounce Rate" represents the users that landed on a page coming from the SERPs and then leave the website without visiting another page.
- "Exit Rate" is a measure applied to a page, it calculates the number of times the page was the exit point for the website divided by the total number of times the page was viewed by a user, as per (Google, n.d.). In this case, probably an average for all the pages visited during the session was calculated.
- Same as "Exit Rate", "Page Value" is a measure applied to a page, it tries to estimate how much value a page has based on how contributes to revenue or other possible established goals for the website, as per (Google, n.d.). In this case, probably an average for all the pages visited during the session was calculated.
- "Special Day", is represented by numerical value which represents the closeness to a special day in the calendar.

Categorical Variables

- "Operating System", informs about the operating systems that the user was using during the session. There are 8 different operating systems within the data set.
- "Browser", informs about the browser that the user was using during the session. There are 13 different browsers within the data set.
- "Region" informs about the Region from the one the user is at the moment of the session. There are 8 different Regions within the data set.
- "Traffic Type", indicate the type of channel the user used to access the site and initiate the session. There are 20 different types as per the data set. Some example of traffic type will be for example organic, paid, social media, ...
- "Visitor Type", informs if the user was a "Returning Visitor", a "New Visitor" or "Other".
- "Weekend", informs if the session was during the weekend.
- "Month", reveal the Month when the session was performed.
- "Revenue", indicate if the was a purchase or no during the session.

Appendix II – Decision Tree and Random Forest

Using the same transformed data, used for the kNN model a decision tree is created [Fig. 17]. Some of the key variables seem to be the type of pages visited by the user, especially is the page has a high bounce rate and the value of the page. November seems to be an important month as per the data. Even though in November is the "Black Friday" sales is not related to food, should be studied.

The performance of the decision tree compared to the kNN model is much higher.

F-measure = (2* precision * recall)/(recall + precision) = (2*0.76125*0.57743)/(0.57743+0.76125) = 0.65672

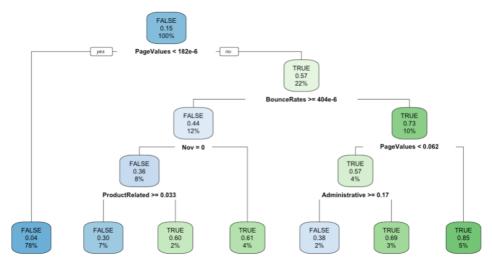


Figure 17: Decision Tree

```
Confusion Matrix and Statistics
         Reference
Prediction FALSE TRUE
    FALSE 2015
    TRUE
             69
                220
              Accuracy: 0.9067
                95% CI: (0.8945, 0.9179)
   No Information Rate : 0.8454
   P-Value [Acc > NIR] : < 2.2e-16
                 Kappa: 0.6039
Mcnemar's Test P-Value : 1.969e-09
           Sensitivity: 0.57743
           Specificity: 0.96689
        Pos Pred Value : 0.76125
        Neg Pred Value: 0.92601
            Prevalence : 0.15456
        Detection Rate: 0.08925
  Detection Prevalence : 0.11724
     Balanced Accuracy: 0.77216
      'Positive' Class : TRUE
```

Figure 18: Confusion Matrix Decision Tree

By applying then Random Forest (which uses bagging) to the same partition used for the decision tree, the accuracy of the model improves but not the overall F-measure.

In this case, the page value is the most relevant variable followed by the exit rate.

F-measure = (2* precision * recall)/(recall + precision) = (2*0.82329*0.53806)/(0.53806+0.82329) = 0.65079

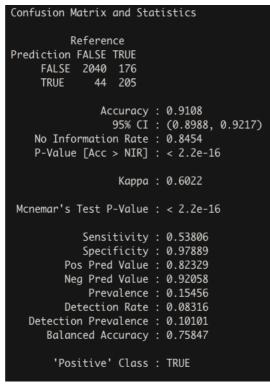


Figure 19: Confusion Matrix Random Forest

Contribution of variables to the Model

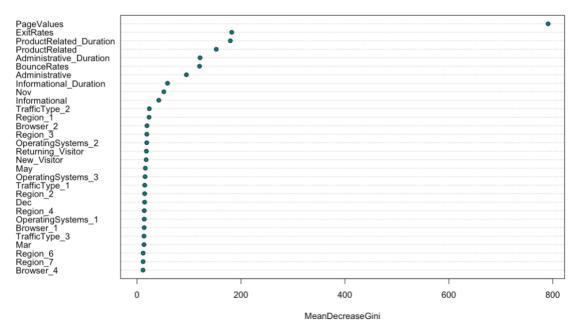


Figure 20: Importance of variables in the performance of the model

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