# Waiter's Tips Prediction using Machine learning

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## **AGENDA**

- ✓ PROJECT STATEMENT
- ✓ PROJECT OVERVIEWPROJECT MODELLING
- **✓ RESULTS**
- ✓ SOLUTION AND ITS PROPOSITIONS
- ✓ WOWS IN MY SOLUTION
- ✓ APPLICATION AREAS



## PROJECT STATEMENT

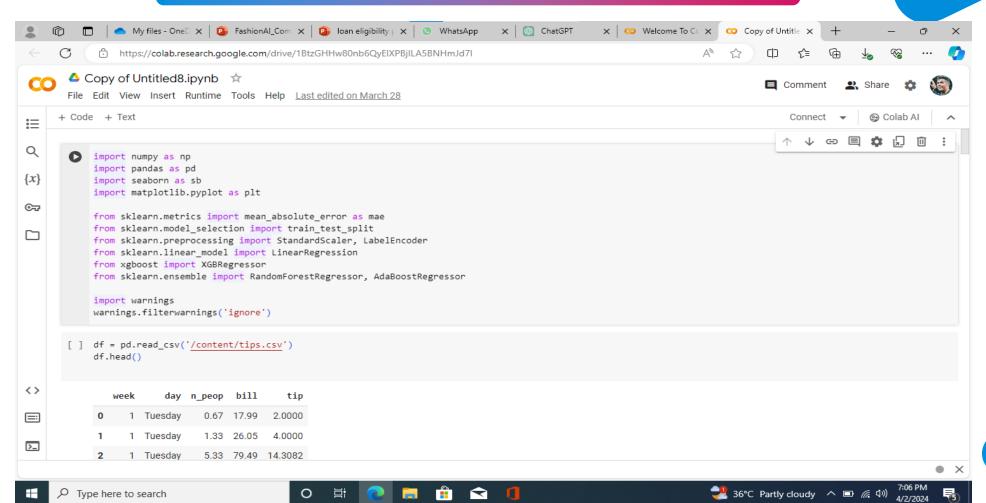
- in the restaurant industry, tipping plays a significant role in the income of waitstaff. However, predicting the amount of tips a waiter will receive can be challenging due to various factors such as meal cost, time of day, size of the party, and service quality. To optimize staffing levels, enhance customer satisfaction, and improve overall operational efficiency, the restaurant management seeks to develop a machine learning model that accurately predicts waiter's tips based on relevant factors.
- The goal of this project is to build a regression model capable of predicting the tip amount a waiter is likely to receive for a given meal transaction. By leveraging historical data on meal transactions and corresponding tip amounts, the model should be able to generalize well to unseen data and provide reliable predictions in real-time.

## PROJECT OVERVIEW

- Data Collection and Understanding
- Exploratory Data Preprocessing
- Data Analysis (EDA)
- Model Selection and Training
- Model Evaluation
- Model Deployment and Integration
- Interpretability and Explanation
- Ethical Considerations and Privacy
- Documentation and Reporting
- Conclusion

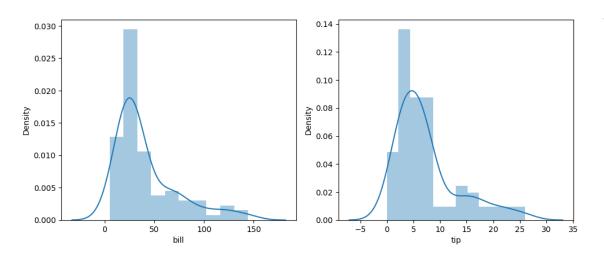


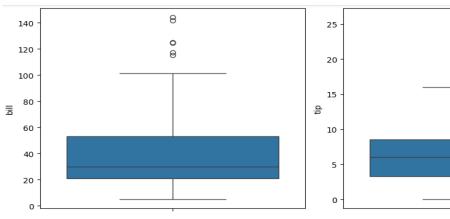
## PROJECT MODELING



## **RESULT**

The result of a waiter tip prediction would depend on the specific ML model used, the quality of the data, and the features included in the prediction. Here's an example of what the result might look like:





## **SOLUTION AND ITS PROPOSITIONS**

#### **Feature Selection:**

Experiment with different combinations of features to identify the most influential factors affecting tip amounts. Consider incorporating additional features such as customer demographics, waiter performance metrics, restaurant ambiance, and special promotions/events.

#### **Advanced ML Models:**

Explore more sophisticated machine learning algorithms such as gradient boosting machines

#### **Domain Knowledge Integration:**

Incorporate domain knowledge and insights from experts in the restaurant industry to guide feature selection, model development, and interpretation of results.

#### Real-Time Feedback Mechanism:

Implement a feedback loop system where predictions are continuously evaluated against actual tip amounts, and the model is updated periodically to adapt to changing patterns and preferences.

## **WOWS IN MY SOLUTION**



- 1. Predictive Upselling: Leverage predictive models to identify opportunities for upselling additional menu items or services to customers who are likely to tip generously, thereby maximizing revenue potential for the restaurant.
- 2. Automatic Gratuity Adjustment: Implement a system that automatically adjusts gratuity percentages based on factors such as party size, special occasions, or VIP status, ensuring fair compensation for waitstaff while maintaining transparency for customers.
- **3. Ethical Considerations:** Ensure that the predictive models and algorithms used for tip prediction prioritize fairness, transparency, and ethical considerations, such as avoiding biases based on demographics or discriminatory practices.
- 4. Predictive Analytics Dashboard: Build a comprehensive analytics dashboard for restaurant managers and owners, showcasing insights such as peak tipping hours, popular menu items with high tipping rates, and correlations between service quality metrics and tip amounts.
- 5. Sentiment Analysis: Integrate sentiment analysis techniques to analyze customer reviews and feedback in real-time, extracting insights about customer satisfaction levels and predicting potential tipping behavior based on sentiment.

## **APPLICATION AREA**

- ❖ Restaurant Management: Predicting waiter tips can help restaurant managers optimize staffing levels and allocate resources more effectively based on anticipated tip amounts during different shifts or time periods.
- ❖ Performance Evaluation: Waiter tip prediction models can serve as objective metrics for evaluating the performance of waitstaff, identifying top performers, and providing targeted training.
- **❖Customer Service Enhancement:** Anticipating tip amounts can empower waitstaff to deliver more attentive and personalized service, anticipate customer needs.





## REFERENCE

<u>Tips-prediction-/Copy\_of\_Untitled8.ipynb at main · Yog0sh/Tips-prediction- (github.com)</u>

# THANK YOU