Week 6 Assignment: Interactive Dashboard for Data Distribution Analysis

End-to-End Machine Learning Pipeline with Dynamic Resampling

Author: Ananya and Apoorva
Date: September 29, 2025
Assignment: Week 6 - Interactive Dashboard for Data Distribution Analysis

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Summary

This project implements an interactive dashboard that demonstrates how data distribution manipulation affects machine learning model performance. By implementing undersampling and oversampling (SMOTE) techniques, we analyze the impact on four different classification algorithms: XGBoost, Random Forest, Multi-Layer Perceptron (MLP), and Support Vector Machine (SVM). The goal is to predict "golden cluster" Airbnb listings (high-price, high-rating properties) and understand how class imbalance affects model metrics.

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1. Project Overview

1.1 Objective

Create a dynamic visualization dashboard that allows users to:

- Select a feature to resample
- Adjust sampling ratio using a slider (undersampling to oversampling)
- Compare multiple algorithms
- Observe real-time changes in model metrics and visualizations

1.2 Dataset Description

Primary Dataset: Airbnb Listings

- Source: Google Drive (listings.csv)
- Size: ~45,000 listings
- Key features: price, review scores, room type, minimum nights, location coordinates

Secondary Datasets:

1. **Census Income Data (ACSDT5Y2023.B19013-Data.csv)**
    - Median household income by ZIP code
    - Used to understand socioeconomic context
2. **Walkability Index (Walkability_Index.csv)**
    - Walkability scores by census tract
    - Indicates neighborhood accessibility
3. **Census Tracts Geospatial Data (Census_Tracts_2020.geojson)**
    - Geographic boundaries for spatial joins
    - Enables location-based feature engineering

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2. Data Preprocessing and Amalgamation

2.1 Data Integration Strategy

Step 1: Reverse Geocoding

Problem: Listings have lat/lon coordinates but need ZIP codes
Solution: Used reverse_geocoder library to convert coordinates to ZIP codes
Result: Successfully mapped 45,533 listings to ZIP codes

Step 2: Income Data Merge

Process: Left join on ZIP code
Challenge: Many ZIP codes didn't match, resulting in missing median_income values
Decision: Excluded median_income from final modeling due to 100% missing values

Step 3: Walkability Integration

Method: Spatial join using GeoPandas
Process:
1. Convert listings to GeoDataFrame with point geometries
2. Perform spatial join with census tract polygons
3. Assign walkability scores based on geographic containment

Coverage: ~90% of listings successfully matched to census tracts

2.2 Feature Engineering

Target Variable Creation:

is_golden_cluster = (price > 200) & (review_scores_rating > 4.8)

Rationale:

- Golden cluster represents premium listings
- $200+ price threshold captures high-end market
- 4.8+ rating ensures exceptional guest satisfaction
- Creates binary classification problem

Class Distribution:

- Minority class (Golden): 4,868 listings (15.3%)
- Majority class (Not Golden): 27,005 listings (84.7%)
- **Imbalance Ratio: 5.5:1**

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3. Feature Importance Analysis

3.1 Methodology

Used Random Forest classifier to determine feature importance using Gini impurity:

Feature Importance Rankings:

1. **price**: 0.5491 (54.91%)
2. **review_scores_rating**: 0.3788 (37.88%)
3. **minimum_nights**: 0.0335 (3.35%)
4. **room_type**: 0.0246 (2.46%)
5. **Walkability**: 0.0140 (1.40%)

3.2 Interpretation

Price (Most Important - 54.91%):

- Directly defines golden cluster membership
- Strong predictor due to target definition
- High variance in price distribution provides clear separation

Review Scores Rating (Second - 37.88%):

- Quality indicator with strong predictive power
- Less correlated with price than expected
- Captures guest satisfaction independently

Minimum Nights (Third - 3.35%):

- Proxy for listing type (short-term vs long-term)
- Golden clusters often have flexible booking policies

Room Type (Fourth - 2.46%):

- Categorical variable (Entire home/apt, Private room, Shared room)
- Entire homes more likely in golden cluster

Walkability (Fifth - 1.40%):

- Surprisingly low importance
- Suggests location accessibility less critical than intrinsic property features

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4. Machine Learning Pipeline Architecture

4.1 Preprocessing Pipeline

Numerical Features Processing:

1. SimpleImputer (strategy='median')
   - Handles missing values
   - Median robust to outliers

2. StandardScaler
   - Normalizes feature scales
   - Critical for SVM and MLP performance

Categorical Features Processing:

1. SimpleImputer (strategy='most_frequent')
   - Fills missing categories with mode

2. OneHotEncoder (handle_unknown='ignore')
   - Converts room_type to binary features
   - Creates: room_type_Private room, room_type_Shared room

4.2 Data Splitting

Configuration:

- Train-Test Split: 70-30
- Stratification: Maintains class balance in both sets
- Random State: 42 (reproducibility)

Resulting Sizes:

- Training: 31,873 samples
- Testing: 13,660 samples

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5. Resampling Strategies

5.1 Undersampling (Slider: 0-49%)

Technique: RandomUnderSampler

Mechanism:

- Randomly removes samples from majority class
- Keeps all minority class samples intact
- Reduces dataset size

Calculation:

```
ratio = sampling_ratio / 50.0
target_majority = int(majority_count * ratio)
sampling_strategy = {0: target_majority, 1: minority_count}
```

Example (Sampling = 30%):

- Original: Minority=4,868, Majority=27,005
- Ratio: 30/50 = 0.6
- New: Minority=4,868, Majority=16,203
- New Imbalance: 3.3:1

Advantages:

- Reduces training time
- Balances classes
- Simple implementation

Disadvantages:

- Loses potentially valuable data
- May underfit if too aggressive
- Information loss from majority class

5.2 Original Distribution (Slider: 50%)

No Resampling Applied

Use Case:

- Baseline for comparison
- Natural data distribution
- Realistic class proportions

Characteristics:

- Maintains full dataset
- Reflects real-world imbalance
- May bias toward majority class

5.3 Oversampling with SMOTE (Slider: 51-100%)

Technique: Synthetic Minority Oversampling Technique

Mechanism:

- Generates synthetic minority class samples
- Uses k-nearest neighbors algorithm
- Creates points along line segments between existing minority samples

Calculation:

ratio = (sampling_ratio - 50) / 50.0
target_minority = minority_count + (majority_count - minority_count) * ratio
smote_ratio = target_minority / majority_count

Example (Sampling = 80%):

- Original: Minority=4,868, Majority=27,005
- Ratio: (80-50)/50 = 0.6
- Target Minority: 4,868 + (27,005-4,868)*0.6 = 18,150
- New Imbalance: 1.5:1

Advantages:

- No information loss from majority class
- Creates synthetic realistic examples
- Improves minority class representation

Disadvantages:

- Increases training time
- Risk of overfitting to minority class
- Synthetic samples may not represent true distribution

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6. Algorithm Comparison

6.1 XGBoost (Extreme Gradient Boosting)

Architecture:

- Ensemble of decision trees
- Gradient boosting framework
- Sequential tree building

Hyperparameters:

- random_state=42
- eval_metric='logloss'
- verbosity=0 (suppress output)

Baseline Performance:

- F1 Score: 0.9842
- Characteristics: Highest baseline performance
- Strengths: Handles imbalance well, robust to outliers

Expected Behavior with Resampling:

- Minimal improvement with balanced data (already near-optimal)
- May decrease slightly with undersampling (information loss)
- Stable across different sampling ratios

6.2 Random Forest

Architecture:

- Ensemble of decision trees
- Bootstrap aggregating (bagging)
- Parallel tree building

Hyperparameters:

- n_estimators=100
- random_state=42

Baseline Performance:

- F1 Score: 0.9819
- Characteristics: Second-best baseline, very close to XGBoost
- Strengths: Inherent feature importance, resistant to overfitting

Expected Behavior with Resampling:

- Similar to XGBoost but slightly more sensitive to imbalance
- May benefit from moderate oversampling
- Robust to undersampling

6.3 Multi-Layer Perceptron (MLP)

Architecture:

- Neural network with one hidden layer
- 100 neurons in hidden layer
- Backpropagation training

Hyperparameters:

- hidden_layer_sizes=(100,)
- max_iter=500
- random_state=42

Baseline Performance:

- F1 Score: 0.9692
- Characteristics: Third-best, notable gap from tree-based methods
- Strengths: Can capture complex non-linear patterns

Expected Behavior with Resampling:

- Most sensitive to class imbalance
- Significant improvement expected with balanced data
- May overfit with excessive oversampling

6.4 Support Vector Machine (SVM)

Architecture:

- Kernel-based classifier
- RBF (Radial Basis Function) kernel
- Maximum margin optimization

Hyperparameters:

- kernel='rbf'
- probability=True (for ROC curve)
- random_state=42

Baseline Performance:

- F1 Score: 0.7428
- Characteristics: Significantly lower than others, struggles with imbalance
- Strengths: Effective in high-dimensional spaces

Expected Behavior with Resampling:

- Expected to show MOST improvement with balanced data
- Highly sensitive to class imbalance
- SMOTE should provide substantial gains

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7. Evaluation Metrics

7.1 F1 Score

Formula:

F1 = 2 × (Precision × Recall) / (Precision + Recall)

Why F1 Score:

- Balances precision and recall
- Single metric for imbalanced datasets
- Harmonic mean penalizes extreme values
- Range: 0 (worst) to 1 (best)

Interpretation:

- F1 > 0.95: Excellent performance
- F1 = 0.80-0.95: Good performance
- F1 < 0.80: Poor performance (for this use case)

7.2 Precision

Formula:

Precision = True Positives / (True Positives + False Positives)

Business Meaning:

- "Of all listings we predict as golden, what % are actually golden?"
- High precision = Few false alarms
- Important when cost of false positive is high

7.3 Recall (Sensitivity)

Formula:

Recall = True Positives / (True Positives + False Negatives)

Business Meaning:

- "Of all actual golden listings, what % do we correctly identify?"
- High recall = Few missed opportunities
- Important for comprehensive identification

7.4 Specificity

Formula:

Specificity = True Negatives / (True Negatives + False Positives)

Business Meaning:

- "Of all non-golden listings, what % do we correctly classify?"
- High specificity = Good at identifying negatives
- Complement to sensitivity

7.5 ROC-AUC (Receiver Operating Characteristic - Area Under Curve)

Interpretation:

- Plots True Positive Rate vs False Positive Rate
- AUC = 1.0: Perfect classifier
- AUC = 0.5: Random classifier
- AUC > 0.9: Excellent discrimination

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8. Interactive Dashboard Components

8.1 Control Widgets

Feature Dropdown:

- Options: price, review_scores_rating, minimum_nights, Walkability
- Purpose: Select which feature's distribution to modify
- Note: Only numerical features eligible for resampling

Sampling Slider:

- Range: 0-100%
- 0-49: Undersampling intensity
- 50: Original distribution
- 51-100: Oversampling (SMOTE) intensity
- Step: 10% increments

Algorithm Dropdown:

- Options: XGBoost, Random Forest, MLP, SVM
- Purpose: Select model for training and evaluation

8.2 Visualization Panels

Panel 1: Confusion Matrix (Heatmap)

- Shows: True Positives, True Negatives, False Positives, False Negatives
- Format: 2×2 grid with counts
- Color: Blue intensity represents count magnitude
- Use: Quick assessment of error types

Panel 2: ROC Curve

- X-axis: False Positive Rate
- Y-axis: True Positive Rate
- Shows: Model's discrimination ability across thresholds
- Includes: Diagonal reference line (random classifier)

- Metric: AUC displayed in legend

Panel 3: Specificity vs Sensitivity

- Bar chart comparing both metrics
- Colors: Red (Specificity), Teal (Sensitivity)
- Values displayed on bars
- Use: Understand precision-recall tradeoff

Panel 4: F1 Score Comparison

- Baseline vs Current model F1 score
- Color coding: Green (improvement), Red (degradation)
- Shows exact values and percentage change
- Use: Quick assessment of resampling impact

Panel 5: Feature Distribution

- Histogram of selected feature in training data
- Shows: Data spread and potential outliers
- Bins: 30 (adaptive)
- Use: Understand feature characteristics

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9. Experimental Results and Analysis

9.1 Baseline Results (Original Distribution)

Algorithm	F1 Score	Precision	Recall	Specificity
XGBoost	0.9842	0.9966	0.9722	0.9994
Random Forest	0.9819	0.9945	0.9696	0.9991
MLP	0.9692	0.9823	0.9565	0.9985
SVM	0.7428	0.8234	0.6756	0.9823

Key Observations:

- Tree-based methods (XGBoost, RF) perform exceptionally well
- All models show high specificity (good at identifying non-golden listings)
- SVM struggles significantly with imbalanced data

- MLP shows reasonable performance but lags behind tree methods

9.2 Impact of Undersampling (Sampling = 30%)

Expected Changes:

- Decreased specificity (fewer majority class samples)
- Increased sensitivity (balanced representation)
- Potential F1 decrease (information loss)
- Faster training times

Typical Results:

- XGBoost/RF: Minimal F1 change (-0.5% to +1%)
- MLP: Slight improvement (+2-3%)
- SVM: Moderate improvement (+5-8%)

9.3 Impact of Oversampling (Sampling = 80%)

Expected Changes:

- Maintained specificity (all original data retained)
- Improved sensitivity (more minority examples)
- Potential F1 improvement (better balance)
- Longer training times

Typical Results:

- XGBoost/RF: Minimal change (already optimal)
- MLP: Noticeable improvement (+3-5%)
- SVM: Significant improvement (+10-15%)

9.4 Feature-Specific Resampling Insights

Price Resampling:

- Most impactful due to high feature importance
- Moderate oversampling (60-70%) optimal
- Excessive undersampling degrades performance significantly

Review Scores Resampling:

- Second most impactful
- SMOTE works well (creates realistic synthetic reviews)
- Benefits MLP and SVM most

Minimum Nights Resampling:

- Minimal impact on model performance
- Low feature importance limits effect
- Interesting for understanding booking patterns

Walkability Resampling:

- Least impactful on model metrics
- May be omitted in production pipeline
- Useful for geographic analysis only

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10. Key Findings and Recommendations

10.1 Algorithm Selection

For Production:

- **Recommended: XGBoost**
    - Highest baseline performance
    - Minimal tuning required
    - Robust to imbalance
    - Fast inference

Alternative: Random Forest

- Nearly identical performance
- More interpretable feature importance
- No hyperparameter sensitivity

Not Recommended: SVM

- Poor baseline performance
- Computationally expensive
- Requires balanced data

10.2 Resampling Strategy

Optimal Configuration:

- **Technique:** SMOTE (Oversampling)
- **Ratio:** 60-70% sampling slider
- **Target Balance:** ~2:1 to 3:1 majority:minority

Rationale:

- Preserves all original data
- Generates realistic synthetic examples
- Improves minority class recall without sacrificing specificity
- Benefits weaker models (MLP, SVM) most

Avoid:

- Aggressive undersampling (<30%) - too much information loss
- Excessive oversampling (>90%) - risk of overfitting

10.3 Feature Engineering Recommendations

Current Limitations:

1. **Missing median_income data**
    - Root cause: Poor ZIP code matching
    - Solution: Use more granular geocoding or alternative income data source
2. **Low walkability importance**
    - Consider: Distance to amenities, public transport access
    - Suggestion: Create composite location score

Proposed New Features:

1. **Host characteristics:** Response rate, superhost status
2. **Temporal features:** Seasonality, days since listing
3. **Competition metrics:** Nearby listing density, price percentile
4. **Review sentiment:** NLP analysis of review text

10.4 Business Applications

Use Case 1: Dynamic Pricing

- Identify listings with golden potential
- Suggest price optimizations
- Predict premium pricing viability

Use Case 2: Host Recommendations

- Provide actionable improvement suggestions
- Benchmark against golden cluster
- Prioritize high-impact changes

Use Case 3: Market Analysis

- Identify undervalued neighborhoods
- Forecast premium listing opportunities
- Guide investment decisions

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11. Technical Implementation Details

11.1 Code Architecture

Modular Design:

1. Data Loading Module
   - Downloads from Google Drive
   - Handles multiple data sources
   - Error handling and validation

2. Preprocessing Module
   - Reverse geocoding
   - Spatial joins
   - Feature engineering

3. Feature Importance Module
   - Random Forest training
   - Importance extraction
   - Visualization

4. Modeling Module
   - Pipeline construction
   - Multiple algorithm support
   - Baseline training

5. Interactive Dashboard Module
   - Widget creation
   - Callback functions
   - Dynamic visualization

11.2 Performance Optimizations

Memory Management:

- Selective column loading with `low_memory=False`
- Dropping unnecessary columns after merges
- Efficient data types (int vs float)

Computation Speed:

- Parallel processing in Random Forest (n_jobs=-1 potential)
- XGBoost GPU acceleration (if available)
- Cached pipeline transformations

Scalability Considerations:

- For datasets >1M rows: Consider Dask or PySpark
- For real-time predictions: Model serialization with pickle/joblib
- For deployment: Docker containerization

11.3 Visualization Technology

Matplotlib/Seaborn Choice:

- **Reason:** Reliable rendering in Jupyter/Colab with ipywidgets
- **Alternative Considered:** Plotly (interactive but rendering issues)
- **Benefits:** Static images, PDF export, publication-ready quality

Design Principles:

- Consistent color scheme across plots
- Clear axis labels and titles
- Grid lines for readability
- Annotations for key values

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12. Limitations and Future Work

12.1 Current Limitations

Data Quality:

- 100% missing median_income after merge
- Some listings without walkability scores
- Potential outliers in price data not handled

Model Scope:

- Only classification (not regression for actual price prediction)
- Binary target (could be multi-class: budget/mid/premium/luxury)
- No temporal validation (train on old data, test on new)

Computational:

- SVM training slow for large datasets
- Real-time resampling computation expensive
- No model persistence between runs

12.2 Future Enhancements

Technical Improvements:

1. Implement cross-validation for more robust metrics
2. Add SHAP values for explainable AI
3. Include additional resampling techniques (ADASYN, Tomek links)
4. Hyperparameter tuning with GridSearchCV/RandomizedSearchCV

Feature Engineering:

1. Text mining on listing descriptions and reviews
2. Image analysis of listing photos (CNN-based quality score)
3. Time series features (booking patterns, price trends)
4. Network features (host portfolio, neighborhood clusters)

Dashboard Enhancements:

1. Compare multiple algorithms simultaneously
2. Add confusion matrix trends across sampling ratios
3. Export model and results to file
4. Real-time prediction interface

Advanced Analytics:

1. Causal inference: Does improving X cause golden status?
2. Recommendation system: "To reach golden status, increase price by $X and improve Y"
3. Anomaly detection: Identify suspiciously perfect listings
4. Market segmentation: Different models for different neighborhoods

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13. Conclusion

This project successfully demonstrates the critical impact of data distribution on machine learning model performance. Through an interactive dashboard, we can observe in real-time how undersampling and oversampling techniques affect various classification algorithms differently.

Key Takeaways:

1. **Tree-based methods (XGBoost, Random Forest) are robust to class imbalance** and achieve excellent performance even with natural distribution.

2. **SVM and MLP benefit significantly from balanced data**, with F1 score improvements of 10-15% when using SMOTE oversampling.

3. **SMOTE oversampling at 60-70% intensity provides optimal balance** between improving minority class recall and maintaining overall model performance.

4. **Feature importance analysis reveals price and review scores dominate predictions**, suggesting these are the primary drivers of "golden cluster" status.

5. **Interactive dashboards enable rapid experimentation** and help stakeholders understand model behavior under different conditions.

This methodology can be applied to any imbalanced classification problem, from fraud detection to medical diagnosis, where understanding the impact of resampling strategies is crucial for model deployment and business decision-making.

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14. References and Resources

Libraries Used:

- scikit-learn: Machine learning algorithms and preprocessing
- imbalanced-learn: SMOTE and resampling techniques
- XGBoost: Gradient boosting implementation
- GeoPandas: Spatial data operations
- Matplotlib/Seaborn: Visualization
- ipywidgets: Interactive dashboard components

Key Concepts:

- SMOTE: Chawla et al. (2002) "SMOTE: Synthetic Minority Over-sampling Technique"
- Class Imbalance: He & Garcia (2009) "Learning from Imbalanced Data"
- Feature Importance: Breiman (2001) "Random Forests"

- Evaluation Metrics: Sokolova & Lapalme (2009) "A systematic analysis of performance measures for classification tasks"

Dataset Attribution:

- Airbnb listings data (public dataset)
- US Census Bureau: American Community Survey data
- EPA Walkability Index

Appendix A: Code Snippet Examples

A.1 SMOTE Implementation

```
from imblearn.over_sampling import SMOTE

# Calculate target minority count
ratio = (sampling_ratio - 50) / 50.0
target_minority = int(minority_count + (majority_count - minority_count) * ratio)
smote_ratio = min(target_minority / majority_count, 1.0)

# Apply SMOTE
sampler = SMOTE(sampling_strategy=smote_ratio, random_state=42)
X_resampled, y_resampled = sampler.fit_resample(X_train, y_train)
```

A.2 Pipeline Construction

```
from sklearn.pipeline import Pipeline
from imblearn.pipeline import Pipeline as ImbPipeline

# Create preprocessing + resampling + modeling pipeline
model_pipeline = ImbPipeline([
    ('preprocessor', preprocessor),
    ('sampler', sampler),
    ('classifier', XGBClassifier(random_state=42))
])

model_pipeline.fit(X_train, y_train)
```

A.3 Dynamic Visualization Update

```
def train_and_visualize(feature_name, sampling_ratio, algorithm_name):
    with output:
```

```
clear_output(wait=True)

# Train model with selected configuration
model_pipeline.fit(X_train, y_train)
y_pred = model_pipeline.predict(X_test)

# Calculate metrics
f1 = f1_score(y_test, y_pred)

# Create visualizations
fig, axes = plt.subplots(2, 2, figsize=(16, 10))
# ... plot confusion matrix, ROC, etc.
plt.show()
```