PROJECT 4

Telecom Customer Churn Prediction Assessment

Customer Churn is a burning problem for Telecom companies. In this project, we simulate one such case of customer churn where we work on a data of post-paid customers with a contract. The data has information about the customer usage behaviour, contract details and the payment details. The data also indicates which were the customers who cancelled their service. Based on this past data, we need to build a model which can predict whether a customer will cancel their service in the future or not.

You are expected to do the following:

1. **EDA (16 Marks)**

- How does the data looks like, Univariate and bivariate analysis. Plots and charts which illustrate the relationships between variables (4 Marks)
- Look out for outliers and missing values (4 Marks)
- Check for multicollinearity & treat it (4 Marks)
- Summarize the insights you get from EDA (4 Marks)

2. Build Models and compare them to get to the best one (39 Marks)

- Logistic Regression (8 Marks)
- KNN (8 Marks)
- Naive Bayes (8 Marks) (is it applicable here? comment and if it is not applicable, how can you build an NB model in this case?)
- Model Comparison using Model Performance metrics & Interpretation (15 Marks)

3. Actionable Insights (5 marks)

o Interpretation & Recommendations from the best model

- 1. How does the data looks like, Univariate and bivariate analysis. Plots and charts which illustrate the relationships between variables (4 Marks)
- Look out for outliers and missing values (4 Marks)
- Check for multicollinearity & treat it (4 Marks)
- Summarize the insights you get from EDA (4 Marks)

Univariate Analysis Mean Median and Mode

```
R code:
View(cp project)
names(cp_project)
dim(cp_project)
str(cp_project)
class(cp_project)
head(cp project, n = 5)
tail(cp_project, n = 5)
summary(cp project)
View(cp_project)
> names(cp_project)
[1] "Churn"
                "AccountWeeks" "ContractRenewal" "DataPlan"
[5] "DataUsage"
                  "CustServCalls" "DayMins"
                                                 "DayCalls"
[9] "MonthlyCharge" "OverageFee" "RoamMins"
> dim(cp project)
[1] 3333 11
> str(cp_project)
Classes 'tbl df', 'tbl' and 'data.frame': 3333 obs. of 11 variables:
$ Churn
            : num 000000000...
$ AccountWeeks : num 128 107 137 84 75 118 121 147 117 141 ...
$ ContractRenewal: num 1110001010...
$ DataPlan
             : num 1100001001...
$ DataUsage : num 2.7 3.7 0 0 0 0 2.03 0 0.19 3.02 ...
```

- \$ CustServCalls : num 1102303010...
- \$ DayMins : num 265 162 243 299 167 ...
- \$ DayCalls : num 110 123 114 71 113 98 88 79 97 84 ...
- \$ MonthlyCharge: num 89 82 52 57 41 57 87.3 36 63.9 93.2 ...
- \$ OverageFee : num 9.87 9.78 6.06 3.1 7.42 ...
- \$ RoamMins : num 10 13.7 12.2 6.6 10.1 6.3 7.5 7.1 8.7 11.2 ...
- > class(cp project)
- [1] "tbl_df" "tbl" "data.frame"
- > head(cp_project, n = 5)
- # A tibble: 5 x 11

Churn AccountWeeks ContractRenewal DataPlan DataUsage CustServCalls DayMins

<dbl></dbl>		<dbl></dbl>	<db< th=""><th colspan="3"><dbl> <dbl></dbl></dbl></th><th><dbl></dbl></th><th><dbl></dbl></th></db<>	<dbl> <dbl></dbl></dbl>			<dbl></dbl>	<dbl></dbl>
1	0	128	1	1	2.7	1	265.	
2	0	107	1	1	3.7	1	162.	
3	0	137	1	0	0	0	243.	
4	0	84	0	0	0	2	299.	
5	0	75	0	0	0	3	167.	

- # ... with 4 more variables: DayCalls <dbl>, MonthlyCharge <dbl>,
- # OverageFee <dbl>, RoamMins <dbl>
- > tail(cp_project, n = 5)
- # A tibble: 5 x 11

Churn AccountWeeks ContractRenewal DataPlan DataUsage CustServCalls DayMins

<dbl></dbl>		<dbl></dbl>	<db< th=""><th> ></th><th><dbl></dbl></th><th><dbl></dbl></th><th><dbl></dbl></th><th><dbl></dbl></th></db<>	 >	<dbl></dbl>	<dbl></dbl>	<dbl></dbl>	<dbl></dbl>
1	0	192	1	1	2.67	2	156.	
2	0	68	1	0	0.34	3	231.	
3	0	28	1	0	0	2	181.	
4	0	184	0	0	0	2	214.	
5	0	74	1	1	3.7	0	234.	

- # ... with 4 more variables: DayCalls <dbl>, MonthlyCharge <dbl>,
- # OverageFee <dbl>, RoamMins <dbl>
- > summary(cp_project)

Churn AccountWeeks ContractRenewal DataPlan

Min. :0.0000 Min. : 1.0 Min. :0.0000 Min. :0.0000

1st Qu.:0.0000 1st Qu.: 74.0 1st Qu.:1.0000 1st Qu.:0.0000

Median: 0.0000 Median: 101.0 Median: 1.0000 Median: 0.0000

Mean :0.1449 Mean :101.1 Mean :0.9031 Mean :0.2766

3rd Qu.:0.0000 3rd Qu.:127.0 3rd Qu.:1.0000 3rd Qu.:1.0000

Max. :1.0000 Max. :243.0 Max. :1.0000 Max. :1.0000

DataUsage CustServCalls DayMins DayCalls Min. :0.0000 Min. :0.00 Min. : 0.0 Min. : 0.0

1st Qu.:0.0000 1st Qu.:1.000 1st Qu.:143.7 1st Qu.: 87.0

Median: 0.0000 Median: 1.000 Median: 179.4 Median: 101.0 Mean: 0.8165 Mean: 1.563 Mean: 179.8 Mean: 100.4

3rd Qu.:1.7800 3rd Qu.:2.000 3rd Qu.:216.4 3rd Qu.:114.0

Max. :5.4000 Max. :9.000 Max. :350.8 Max. :165.0

MonthlyCharge OverageFee RoamMins

Min.: 14.00 Min.: 0.00 Min.: 0.00 1st Qu.: 45.00 1st Qu.: 8.33 1st Qu.: 8.50

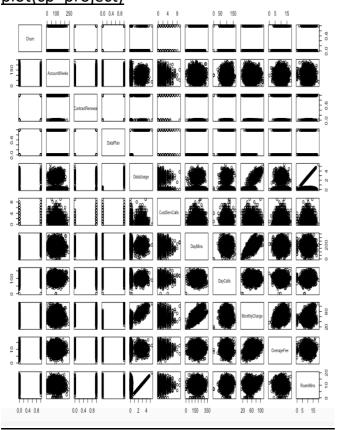
Median: 53.50 Median: 10.07 Median: 10.30

Mean: 56.31 Mean: 10.05 Mean: 10.24 3rd Qu.: 66.20 3rd Qu.: 11.77 3rd Qu.: 12.10

Max. :111.30 Max. :18.19 Max. :20.00

R code:

plot(cp_project\$`DayMins (in seconds)`) plot(cp_project)



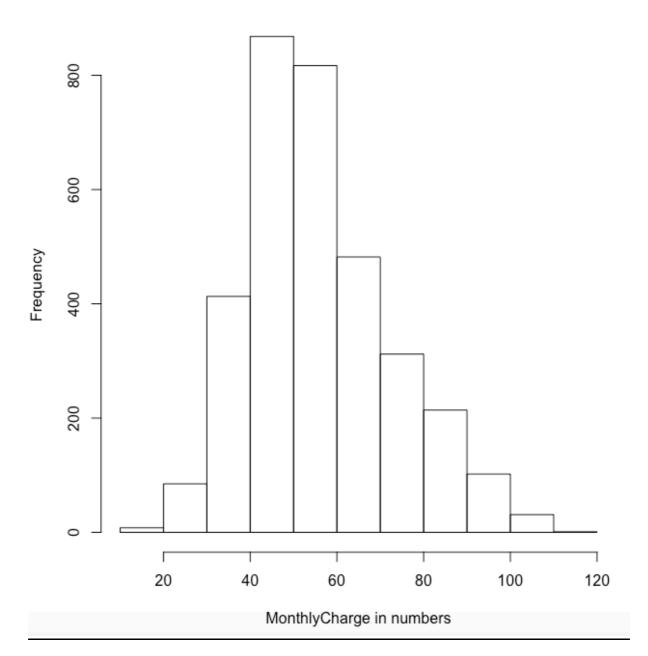
Histogram

hist(cp_project\$MonthlyCharge,

main = "Histogram of MonthlyCharge",

xlab = "MonthlyCharge in numbers")

Histogram of MonthlyCharge

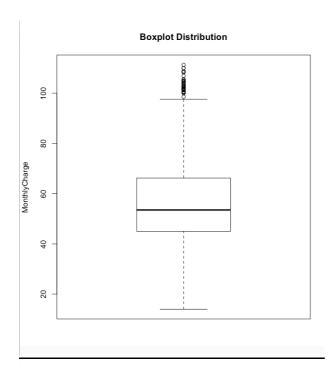


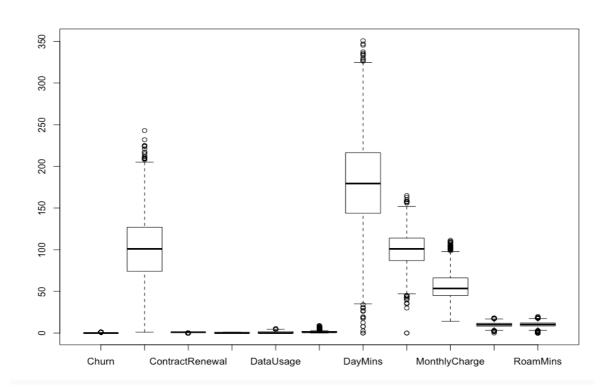
Boxplot:

boxplot(cp project\$`DayMins(in mins)`)

boxplot(cp_project\$MonthlyCharge, ylab = 'MonthlyCharge', main = 'Boxplot Distribution')

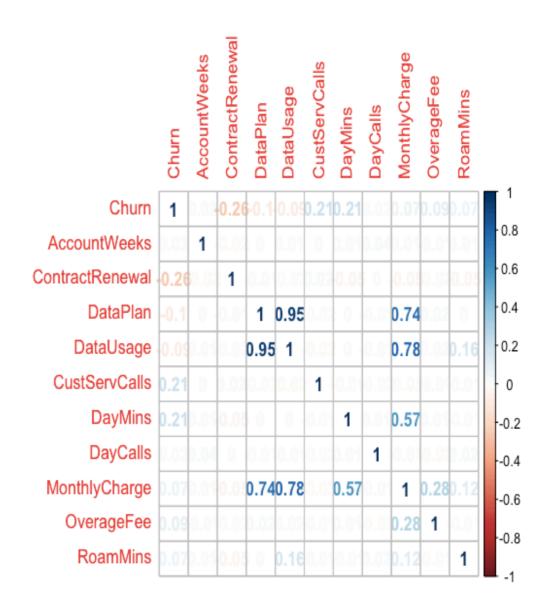
boxplot(cp project)





Correlation:

numeric.var <- sapply(cp_project,is.numeric)
corr.matrix <- cor(cp_project[,numeric.var])
corrplot(corr.matrix, main="\n\nCorrelation Plot for Numerical Variables",
method = "number")</pre>



2. i) Logistic Regression

First Normal Regression:

R code:

Regression = Im(RoamMins~DayCalls+DayMins+OverageFee) summary(Regression) predict = predict(Regression) data.frame(RoamMins, predict)

- > Regression = Im(RoamMins~DayCalls+DayMins+OverageFee)
- > summary(Regression)

Call:

Im(formula = RoamMins ~ DayCalls + DayMins + OverageFee)

Residuals:

Min 1Q Median 3Q Max -10.365 -1.745 0.045 1.846 9.837

Coefficients:

Estimate Std. Error t value Pr(>|t|)
(Intercept) 10.1485134 0.3525142 28.789 <2e-16 ***
DayCalls 0.0029782 0.0024108 1.235 0.217
DayMins -0.0005241 0.0008881 -0.590 0.555
OverageFee -0.0115520 0.0190808 -0.605 0.545

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 '' 1

Residual standard error: 2.792 on 3329 degrees of freedom

Multiple R-squared: 0.0006812, Adjusted R-squared: -0.0002194

F-statistic: 0.7564 on 3 and 3329 DF, p-value: 0.5185

- > predict = predict(Regression)
- > data.frame(RoamMins, predict)
 RoamMins predict

- 1 10.0 10.223155
- 2 13.7 10.317157
- 3 12.2 10.290454
- 4 6.6 10.167234
- 5 10.1 10.311965
- 6 6.3 10.195872
- 7 7.5 10.094882
- 8 7.1 10.241897
- 9 8.7 10.137616
- 10 11.2 10.134919
- 11 12.7 10.356825
- 12 9.1 10.333989
- 13 11.2 10.306267
- 14 12.3 10.185505
- 15 13.1 10.116289
- 16 5.4 9.990014
- 17 13.8 10.297242
- 18 8.1 10.262048
- 19 10.0 10.122737
- 20 13.0 10.206755
- 21 10.6 10.277165
- 22 5.7 10.282677
- 23 9.5 10.343994
- 24 7.7 10.318044
- 25 10.3 10.220506
- 26 15.5 10.149599
- 27 9.5 10.268933
- 28 14.7 10.205659
- 29 6.3 10.224420
- 30 11.1 10.310137
- 31 14.2 10.307982
- 32 10.3 10.226278
- 33 12.6 10.379742
- 34 11.8 10.223336
- 35 8.3 10.223169
- 36 14.7 10.145894
- 37 14.5 10.359128
- 38 10.0 10.141297
- 39 10.5 10.248978
- 40 11.1 10.197887

- 41 9.4 10.289751
- 42 14.6 10.193106
- 43 10.0 10.164318
- 44 9.2 10.237331
- 45 3.5 10.136917
- 46 8.5 10.251005
- 47 13.2 10.301235
- 48 7.4 10.368860
- 49 8.8 10.270986
- 50 11.0 10.355304
- 51 7.8 10.213745
- 52 6.8 10.080662
- 53 11.4 10.274675
- 54 9.3 10.258435
- 55 9.7 10.189607
- 56 10.2 10.112018
- 57 8.0 10.269899
- 58 5.8 10.385166
- 59 12.1 10.136563
- 60 12.0 10.232623
- 61 11.4 10.238525
- 62 11.6 10.151999
- 63 14.6 10.175804
- 64 12.6 10.219327
- 65 8.2 10.277465
- 66 6.2 10.193318
- 67 9.3 10.206497
- 68 8.3 10.240651
- 69 7.8 10.120746
- 70 13.8 10.257818
- 71 11.8 10.200217
- 72 12.1 10.210821
- 73 8.0 10.179347
- 74 7.3 10.345727
- 75 12.0 10.258753
- 76 6.1 10.205178
- 77 11.7 10.211200
- 78 8.2 10.420087
- 79 8.2 10.155774
- 80 15.0 10.261530

- 81 13.2 10.162597
- 82 12.6 10.227060
- 83 11.0 10.349370
- 84 9.8 10.168485
- 85 12.4 10.180105
- 86 8.6 10.233735
- 87 8.0 10.288939
- 88 12.0 10.267136
- 89 10.9 10.306205
- 90 13.9 10.253088
- 91 11.1 10.142132
- 92 8.9 10.229407
- 92 8.9 10.229407
- 93 7.9 10.281262 94 9.5 10.189894
- 34 3.3 10.163634
- 95 10.6 10.156006
- 96 9.8 10.271504
- 97 13.0 10.268945
- 98 8.7 10.183943
- 99 5.3 10.306544
- 100 9.8 10.112102
- 101 4.4 10.257871
- 102 14.6 10.353911
- 103 10.5 10.244484
- 104 12.5 10.266553
- 105 11.3 10.238716
- 106 11.8 10.109178
- 107 9.0 10.188013
- 108 9.8 10.381792
- 109 10.1 10.265865
- 110 9.6 10.210625
- 111 8.3 10.176640
- 112 12.6 10.270966
- 113 12.1 10.302259
- 114 13.3 10.284769
- 115 9.4 10.391958
- 116 20.0 10.163140
- 117 14.2 10.222457
- 118 9.4 10.212894
- 119 10.0 10.346342
- 120 8.7 10.271038

- 121 13.1 10.180993
- 122 7.2 10.258331
- 123 9.8 10.249272
- 124 11.6 10.351765
- 125 9.2 10.358450
- 126 12.0 10.065322
- 127 9.1 10.342075
- 128 6.4 10.334863
- 129 9.2 10.256552
- 130 9.5 10.285286
- 131 10.9 10.220448
- 132 6.1 10.342252
- 133 9.5 10.236857
- 134 7.1 10.213228
- 135 9.1 10.252865
- 136 11.2 10.313834
- 137 5.3 10.219574
- 138 12.0 10.236344
- 139 11.2 10.327706
- 140 10.2 10.254073
- 141 12.4 10.253527
- 142 10.5 10.118748
- 143 6.8 10.253258
- 144 11.7 10.046316
- 145 14.1 10.214478
- 146 14.3 10.235238
- 147 13.7 10.225043
- 148 11.7 10.140327
- 149 8.5 10.287602
- 150 11.1 10.208648
- 151 10.6 10.213902
- 152 10.1 10.329593
- 153 7.5 10.304474
- 154 6.9 10.220031
- 155 11.5 10.270198
- 156 9.8 10.231551
- 157 15.8 10.197715
- 158 13.7 10.307434
- 159 10.2 10.252408
- 160 9.6 10.337402

- 161 7.1 10.266500
- 162 12.0 10.222782
- 163 10.5 10.205652
- 164 12.2 10.325227
- 165 6.1 10.404266
- 166 12.1 10.171605
- 167 7.5 10.329910
- 168 10.9 10.205947
- 169 12.8 10.316951
- 170 6.3 10.178357
- 171 13.2 10.207806
- 172 10.6 10.226012
- 173 10.5 10.222870
- 174 14.1 10.243010
- 175 6.1 10.221329
- 176
- 11.1 10.228241
- 177 12.2 10.232458
- 178 11.5 10.216843
- 179 16.2 10.222383
- 180 0.0 10.221317
- 181 9.5 10.293533
- 182 11.9 10.317790
- 183 9.9 10.281153
- 184 14.6 10.195898
- 185 8.4 10.073302
- 186 10.8 10.312892
- 187 10.2 10.248526
- 188 10.9 10.085115
- 189 9.0 10.300657
- 190 9.1 10.243091
- 191 8.9 10.227220
- 192 9.5 10.327976
- 193 8.8 10.146141
- 194 13.4 10.310508
- 195 9.5 10.055420
- 196 6.8 10.198577
- 197 9.7 10.319221
- 198 10.7 10.075041
- 199 13.8 10.180394
- 200 13.0 10.193382

- 201 13.1 10.379549
- 202 11.2 10.164198
- 203 6.4 10.184103
- 204 6.8 10.296288
- 205 9.4 10.232403
- 206 12.1 10.197754
- 207 13.7 10.264080
- 208 10.8 10.218681
- 209 12.2 10.231539
- 210 15.8 10.225683
- 211 11.6 10.146705
- 212 11.9 10.196663
- 213 10.7 10.316035
- 214 12.2 10.409373
- 215 17.6 10.189752
- 216 11.5 10.228353
- 217 10.9 10.226558
- 218 4.7 10.162931
- 219 13.0 10.223408
- 220 7.1 10.328347
- 221 12.2 10.309616
- 222 10.2 10.300177
- 223 4.4 10.253056
- 224 8.9 10.266906
- 225 13.8 10.305970
- 226 2.7 10.231743
- 227 7.7 10.151825
- 228 9.6 10.173710
- 229 13.3 10.279274
- 230 11.9 10.114737
- 231 10.5 10.234872
- 232 11.0 10.203505
- 233 13.5 10.202634
- 234 10.9 10.221626
- 235 9.0 10.335883
- 236 10.2 10.271658
- 237 9.0 10.280464
- 238 9.8 10.341935
- 239 10.7 10.475582
- 240 9.4 10.206521

- 241 12.9 10.247103
- 242 12.3 10.283121
- 243 8.4 10.139670
- 244 7.1 10.169587
- 245 9.4 10.184638
- 246 9.5 10.313143
- 247 11.1 10.361813
- 248 10.2 10.229360
- 249 9.2 10.189470
- 250 11.8 10.246742
- 251 13.9 10.292703
- 252 14.4 10.211219
- 253 9.1 10.173479
- 254 9.5 10.254095
- 255 10.9 10.263963
- 256 14.1 10.311708
- 257 9.8 10.339634
- 258 14.5 10.311149
- 259 10.4 10.341970
- 260 8.7 10.166482
- 261 6.7 10.268740
- 262 15.4 10.257390
- 263 11.5 10.258058
- 264 12.5 10.260142
- 265 8.3 10.062386
- 266 11.4 10.125543
- 267 8.4 10.198643
- 268 13.5 10.242550
- 269 4.5 10.330101
- 270 9.9 10.329663
- 271 14.6 10.222983
- 272 7.7 10.334310
- 273 8.0 10.132592
- 274 13.0 10.221808
- 275 10.0 10.224842
- 276 9.8 10.205342
- 277 11.1 10.175726
- 278 6.5 10.263668
- 279 10.9 10.170126
- 280 10.5 10.316832

- 281 13.0 10.246592
- 282 10.4 10.199628
- 283 12.2 10.287636
- 284 9.0 10.086177
- 285 6.7 10.261545
- 286 15.6 10.237703
- 287 8.8 10.329744
- 288 14.5 10.181731
- 289 14.1 10.225315
- 290 5.3 10.121411
- 291 8.0 10.261290
- 292 9.7 10.349341
- 293 5.9 10.277197
- 294 10.3 10.265544
- 295 9.8 10.237072
- 296 9.5 10.280015
- 297 10.1 10.207659
- 298 11.9 10.307853
- 299 6.6 10.293376
- 300 6.6 10.229731
- 301 11.9 10.233012
- 302 5.9 10.171526
- 303 11.2 10.178344
- 304 9.1 10.212387
- 305 10.3 10.302266
- 306 9.1 10.206326
- 307 8.5 10.181339
- 308 11.4 10.163939
- 309 11.4 10.237449
- 310 8.9 10.261393
- 311 13.2 10.215718
- 312 9.7 10.215232
- 313 10.9 10.148290
- 314 9.8 10.342271
- 315 18.9 10.259098
- 316 12.4 10.410553
- 317 7.7 10.241624
- 318 7.6 10.135007
- 319 5.0 10.190165
- 320 9.4 10.163557

- 321 6.2 10.141676
- 322 12.9 10.215475
- 323 10.0 10.246044
- 324 11.3 10.359926
- 325 13.4 10.221510
- 326 7.1 10.300588
- 327 11.4 10.274602
- 328 9.5 10.211687
- 329 12.5 10.306293
- 330 14.4 10.190880
- 331 7.9 10.158906
- 332 9.5 10.109124
- 333 12.2 10.327730
- 334 9.3 10.201864
- 335 7.5 10.237681
- 336 8.6 10.244816
- 337 10.6 10.111431
- 338 7.0 10.305141
- 339 7.6 10.181720
- 340 14.6 10.115017
- 341 9.1 10.122500
- 342 10.8 10.246757
- 343 14.0 10.251520
- 344 0.0 10.304747
- 345 13.3 10.293308
- 346 7.2 10.298777
- 347 12.2 10.341222
- 348 10.5 10.291700
- 349 13.1 10.336343
- 350 12.8 10.218950
- 351 11.3 10.244303
- 352 10.1 10.130066
- 353 5.3 10.299951
- 354 14.7 10.217792
- 355 13.2 10.127776
- 356 12.7 10.328308
- 357 11.3 10.176324
- 358 8.5 10.199978
- 359 9.2 10.311405
- 360 5.8 10.241520
- 3.0 10.241320

- 361 8.8 9.991282
- 362 11.3 10.226652
- 363 12.0 10.300375
- 364 11.3 10.227462
- 365 10.9 10.202041
- 366 10.1 10.062911
- 367 9.1 10.180508
- 368 18.0 10.339396
- 369 7.6 10.298286
- 370 16.0 10.186158
- 371 10.3 10.154022
- 372 10.6 10.244176
- 373 12.4 10.137936
- 374 14.8 10.221155
- 375 9.2 10.162156
- 376 10.6 10.268922
- 377 11.2 10.249983
- 378 6.7 10.283069
- 379 11.5 10.146633
- 380 6.8 10.237626
- 381 14.7 10.262732
- 382 14.7 10.297966
- 383 5.7 10.231516
- 384 3.7 10.103550
- 385 7.2 10.294410
- 386 10.7 10.237096
- 387 8.9 10.103969
- 388 8.5 10.223787
- 389 10.7 10.221916
- 390 10.2 10.239502
- 391 11.1 10.291709
- 392 8.7 10.328219
- 393 12.4 10.212505
- 394 9.4 10.142548
- 395 10.8 10.141606
- 396 9.7 10.213764
- 397 7.8 10.264706
- 398 2.0 10.171035
- 399 8.5 10.362025
- 400 10.6 10.198998

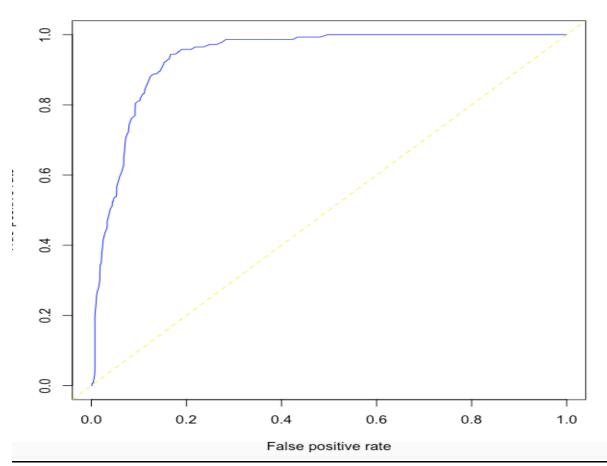
- 401 12.0 10.271313
- 402 10.6 10.337931
- 403 9.9 10.282729
- 404 11.2 10.300817
- 405 7.5 10.150868
- 406 9.3 10.188013
- 407 6.8 10.240872
- 408 8.5 10.358398
- 409 10.3 10.258231
- 410 4.8 10.263848
- 411 8.4 10.241283
- 412 10.4 10.228277
- 413 5.4 10.125485
- 414 7.0 10.232348
- 415 10.0 10.217375
- 416 8.7 9.999398
- 417 5.0 10.261054
- 418 9.8 10.171983
- 419 16.0 10.178824
- 420 7.5 10.155013
- 421 9.3 10.262610
- 422 15.3 10.250038
- 423 12.5 10.241464
- 424 10.3 10.306316
- 425 11.3 10.284768
- 426 10.9 10.330354
- 427 12.5 10.403050
- 428 9.6 10.162125
- 429 11.2 10.215082
- 430 12.4 10.133515
- 431 13.3 10.164625
- 432 11.4 10.183698
- 433 12.8 10.145027
- 434 11.8 10.281654
- 435 8.6 10.180285
- 436 11.2 10.192038
- 437 8.0 10.241005
- 438 8.3 10.127033
- 439 13.5 10.153294
- 440 6.3 10.248770

- 441 12.3 10.336197
- 442 12.4 10.190565
- 443 6.8 10.290504
- 444 12.6 10.294877
- 445 9.6 10.267283
- 446 11.1 10.275525
- 447 9.6 10.285187
- 448 6.9 10.218440
- 449 12.2 10.310337
- 450 6.3 10.128131
- 451 12.5 10.243502
- 452 9.8 10.206673
- 453 8.3 10.271171
- 454 14.3 10.115326
- 455 11.1 10.228144
- 456 14.8 10.237282
- 457 9.3 10.254813
- 458 9.7 10.207116
- 459 6.0 10.177555
- 460 11.0 10.339918
- 461 9.6 10.265092
- 462 9.6 10.263697
- 463 10.1 10.354876
- 464 5.9 10.188942
- 465 8.5 10.173057
- 466 13.6 10.294732
- 467 10.5 10.231821
- 468 11.6 10.250324
- 469 11.1 10.500458
- 470 17.2 10.086964
- 471 10.6 10.362313
- 472 9.5 10.310970
- 473 6.3 10.381963
- 474 6.2 10.091423
- 475 14.8 10.200985
- 476 9.9 10.316587
- 477 11.7 10.235704
- 478 7.6 10.309695
- 479 8.1 10.374123
- 480 11.2 10.261122

```
481
      11.6 10.228490
482
      5.3 10.327397
483
      8.1 10.311994
484
      13.3 10.204897
485
      11.0 10.291354
486
      6.7 10.324664
487
      12.8 10.204734
488
      10.5 10.170304
489
      0.0 10.275279
490
      12.3 10.290898
491
      12.8 10.247646
492
      14.3 10.170971
493
      9.4 10.266026
494
      5.9 10.234528
495
      8.2 10.215895
496
      11.1 10.302015
      8.0 10.350774
497
498
      11.9 10.166454
499
      9.7 10.158444
500
      7.5 10.186540
Logistic Regression:
Regression = Im(DataPlan~DayCalls+DayMins+OverageFee)
summary(Regression)
predict = predict(Regression)
data.frame(DataPlan, predict)
library(Imtest)
logit = glm(DataPlan~DayCalls+DayMins+OverageFee, data = cp_project, family
= binomial)
Irtest(logit)
install.packages("pscl")
library(pscl)
pR2(logit)
summary(logit)
odds = exp(coef(logit))
odds
Probability = odds/(1+odds)
Probability
predict(logit, type="response")
pred = fitted(logit)
```

```
data.frame(DataPlan,pred)
gg1 = floor(pred + 0.50)
gg1
table(Actual=DataPlan, prediction = gg1)
library(ROCR)
pred1 = prediction(gg1, DataPlan)
perf1 = performance(pred1, "tpr", "fpr")
plot(perf1, col = "Blue", main = "ROC PLOT")
abline(0,1,lty = 8, col = "yellow")
auc = performance(pred1, "auc")
auc = auc@y.valeus
auc
```





2 ii)

KNN:

```
str(cp project)
data = cp_project[,-1]
norm = function(x) \{(x-min(x)) / (max(x)-min(x))\}
norm.data = as.data.frame(lapply(data[,-1], norm))
View(data)
View(norm.data)
usable.data = cbind(data[,1], norm.data)
str(usable.data)
View(usable.data)
library(caTools)
spl = sample.split(usable.data$`data[, 1]`, SplitRatio = 0.7)
train = subset(usable.data, spl == T)
test = subset(usable.data,spl == F)
dim(train)
dim(test)
library(class)
pred = knn(train[-1], test[-1], train[,1], k=48)
table.knn = table(test[,1], pred)
table.knn
sum(diag(table.knn))/sum(table.knn)
pred = knn(train[-1], test[-1], train[,1], k=48)
table.knn = table(test[,1], pred)
table.knn
sum(diag(table.knn))/sum(table.knn)
Knn value= 90.27%
```

2.iii) In this case we won't be able to Naïve Bayes algorithm as the data provided is numeric and for Naïve Bayes the data provided must be huge and categorical. Only KNN Model can be used to build. In order to build Naïve Bayes, the data must be really huge and factorial but in this case the data provided is numerical. So, in this case we won't be able to build Naïve Bayes algorithm.

Naïve Bayes:

```
NB = naiveBayes(`data[, 1]` ~., data = train)
predNB = predict(NB, test, type = "class")
tab.NB = table(test[,1], pred)
tab.NB
sum(diag(tab.NB)/sum(tab.NB))
```

NB Value= 90.27

2. iv) Model Comparison:

```
library(caret)
library(klaR)
train_control = trainControl(method = "cv" , number = 20)
modelKNN = train(`data[, 1]`~., data = train, trControl = train_control, method
="knn")
summary(modelKNN)
print(modelKNN)
```

k-Nearest Neighbors

2336 samples 9 predictor

No pre-processing

Resampling: Cross-Validated (10 fold)

Summary of sample sizes: 2101, 2102, 2102, 2103, 2102, 2103, ...

Resampling results across tuning parameters:

```
k RMSE Rsquared MAE
5 43.74326 0.004801990 35.20971
7 42.98471 0.006386241 34.81261
9 42.57680 0.009996889 34.28788
```

RMSE was used to select the optimal model using the smallest value. The final value used for the model was k = 9.

folds <- createFolds(factor(train\$`data[, 1]`), k = 10, list = FALSE)
folds</pre>

After comparing with both models, I can conclude that KNN method is much detail oriented

3. Actionable Insights (5 marks)

o Interpretation & Recommendations from the best model

The recommended Model is KNN as it is highly effective as we can see it has a good percentage of 90.27% as compared to NB model. As in this situation NB is not possible to perform. In order to perform Naïve Bayes Model we will have to convert them into numerical character.