Real Time Bidding Project

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Valassis Digital has run a digital advertising campaign for one of our clients, targeting mobile users in the Southeast. The goal of the campaign was to drive conversions - users clicking through the ad and accepting our client's offer. To execute this campaign, we built an audience of target users based on historical information about the likelihood to convert.

The goal of this project is to exploratory the distributions related to requests and the users targeted, to analyze the possibility to convert between test and control groups, to evaluate the chance to convert retargeting users, and finally to predict the convert possibility by using machine learning models.

As ever, the contents of this project are listed as below:

1. Sourcing and Loading

- Import packages
- Load data
- Explore the data

2. Cleaning, Transforming and Visualizing

- 2.1 EDA Date Analysis
- 2.2 EDA Geographic Analysis
- 2.3 Further EDA General Distribution Analysis for Targeted Users
 - 2.3.1 Age Comparison
 - 2.3.2 Gender Comparison
 - 2.3.3 Location Comparison
 - 2.3.4 Bid Request Ratio Overall
- 2.4 Further EDA Convert Effectiveness Analysis Control/Test Groups
- 2.5 Further EDA Retargeting Analysis

3. Modeling

- 3.1 Train/test split
- 3.2 Imbalanced Process Upsampling
- 3.3 Logistic Regression 3.4 Random Forest Model

4. Evaluating and Concluding

1 Sourcing and loading

```
[781]: import re
      import pandas as pd
      import matplotlib
      import matplotlib.pyplot as plt
      import seaborn as sns
      from sklearn.preprocessing import scale, StandardScaler
      from pathlib import Path
      import numpy as np
      import re
      from sklearn.metrics import accuracy_score
      import math
      import imblearn
      from sklearn.linear_model import LogisticRegression
      import ast
[83]: # import user_attributes.csv
      df_user = pd.read_csv('./user_attributes.csv/user_attributes.csv')
      df_attributes = pd.DataFrame([ast.literal_eval(i) for i in df_user['attributes'].
      df_user= df_user.join(df_attributes).drop(['attributes'], axis = 1)
      df_user.head()
[83]:
                                   user_id
                                           age gender location
      0 00003e3b9e5336685200ae85d21b4f5e
                                                    F
                                            33
                                                            FL
                                                                    1
      1 000053b1e684c9e7ea73727b2238ce18
                                            26
                                                             ΑL
                                                                    1
      2 00029153d12ae1c9abe59c17ff2e0895
                                           29
                                                    F
                                                             AR
      3 0002ac0d783338cfeab0b2bdbd872cda
                                            29
                                                             SC
                                                    Μ
      4 0004d0b59e19461ff126e3a08a814c33
                                            27
                                                    F
                                                             AR
                                                                    1
[84]: # import bid_requests.csv
      df_bid = pd.read_csv('./bid_requests.csv/bid_requests.csv',__
       →parse_dates=['timestamp'])
      df_bid.head()
                                              user_id bid
[84]:
         timestamp
                                                           win conversion
      0 2017-01-01 be7485be5b6eb3690efcbc9e95e8f15a
      1 2017-01-01 26c5dca2512a4c7fe8810bd04191b1b3
                                                                          0
      2 2017-01-01 2121376a323507c01c5e92c39ae8ccd4
                                                                          0
      3 2017-01-01 fa6a0925d911185338b0acc93c66dc92
                                                                          0
                                                             0
      4 2017-01-01 4299f209da83da82b711f1d631cc607b
                                                                          0
[85]: # combine user_attributes.csv and bid_requests.csv
      df = df_user.merge(df_bid, on = 'user_id')
      df = df[['timestamp', 'user_id', 'age', 'gender', 'location', 'test', 'bid',
              'win', 'conversion']]
```

df.head() [85]: age gender location timestamp user_id 0 2017-01-01 13:43:00 00003e3b9e5336685200ae85d21b4f5e 33 F FLF 1 2017-01-04 03:59:00 00003e3b9e5336685200ae85d21b4f5e 33 FL2 2017-01-04 17:41:00 00003e3b9e5336685200ae85d21b4f5e 33 F FLF 3 2017-01-07 04:02:00 00003e3b9e5336685200ae85d21b4f5e 33 FL4 2017-01-08 09:05:00 00003e3b9e5336685200ae85d21b4f5e 33 F FLtest bid win conversion 0 1 0 0 1 1 1 0 0 0 2 0 1 1 1 3 0 1 1 1 4 1 0 1 0 [86]: df.info() df.describe() <class 'pandas.core.frame.DataFrame'> Int64Index: 600000 entries, 0 to 599999 Data columns (total 9 columns): Non-Null Count Column Dtype _____ _____ ____ _ _ _ 0 timestamp 600000 non-null datetime64[ns] 1 user_id 600000 non-null object 2 age 600000 non-null int64 3 600000 non-null object gender 4 location 600000 non-null object 5 test 600000 non-null int64 600000 non-null int64 6 bid 7 600000 non-null int64 win conversion 600000 non-null int64 dtypes: datetime64[ns](1), int64(5), object(3) memory usage: 45.8+ MB [86]: bid age test win 600000.000000 600000.000000 600000.000000 600000.000000 count mean 25.506995 0.563155 0.499735 0.250265 std 4.599157 0.495996 0.500000 0.433166 min 18.000000 0.000000 0.000000 0.000000 25% 22,000000 0.000000 0.000000 0.000000 50% 25.000000 1.000000 0.000000 0.000000 75% 29.000000 1.000000 1.000000 1.000000 33.000000 1.000000 1.000000 max 1.000000 conversion

600000.000000

count

```
0.010192
      mean
      std
                  0.100438
      min
                  0.000000
      25%
                  0.000000
      50%
                  0.000000
      75%
                  0.000000
                  1.000000
      max
 [9]: df["age"].value_counts().sort_index(ascending=False)
 [9]: 33
            37981
      32
            36432
      31
            38235
      30
            37203
      29
            37268
      28
            37351
      27
            37770
      26
            37727
      25
            37893
      24
            37362
      23
            38013
      22
            37418
      21
            37943
      20
            37750
      19
            37250
            36404
      18
      Name: age, dtype: int64
[10]: df["gender"].value_counts()
[10]: M
           300126
           299874
      Name: gender, dtype: int64
[11]: df["location"].value_counts()
[11]: KY
            55222
            55153
      TN
            55106
      AR
      NC
            55084
      SC
            55021
      ΑL
            54889
      VA
            54237
            54173
      MS
      FL
            53860
      LA
            53630
      GΑ
            53625
```

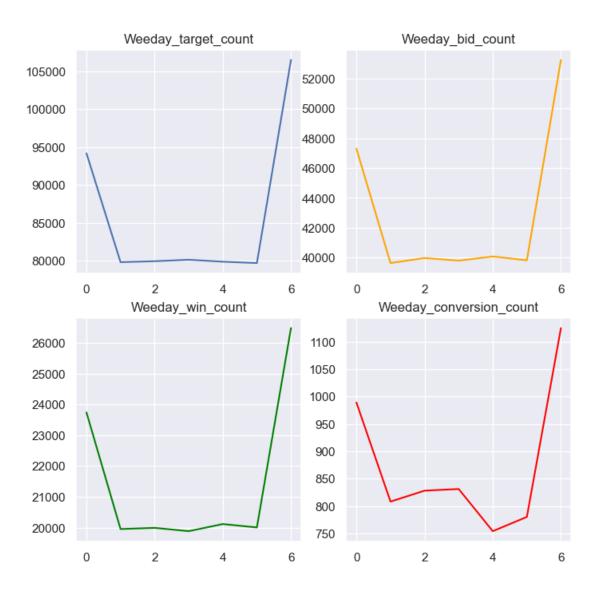
```
[12]: pd.DataFrame(df["test"].value_counts())
[12]:
           test
      1 337893
      0 262107
[13]: pd.DataFrame(df["bid"].value_counts()).join(pd.DataFrame(df["win"].
        →value_counts())).join(pd.DataFrame(df["conversion"].value_counts()))
[13]:
             bid
                     win conversion
      0 300159 449841
                              593885
      1 299841 150159
                                6115
          Cleaning, Transforming and Visualizing
      2.1 EDA - Date Analysis
[337]: df["timestamp"].value_counts()
[337]: 2017-01-14 22:15:00
                              37
      2017-01-07 02:37:00
                              36
      2017-01-20 20:45:00
                              34
      2017-01-07 05:35:00
                              33
      2017-01-20 03:32:00
                              33
                              . .
      2017-01-04 06:57:00
      2017-01-19 05:42:00
      2017-01-23 13:19:00
                               8
      2017-01-23 01:34:00
                               8
      2017-01-22 07:58:00
                               7
      Name: timestamp, Length: 32480, dtype: int64
[339]: df["date_cat"] = df["timestamp"].astype("category")
      df["date_weekday"] = df['date_cat'].dt.dayofweek
      df["date_day"] = df['date_cat'].dt.day
      df["date_hour"] = df['date_cat'].dt.hour
      print(df.groupby("date_weekday").size())
      print(df.groupby("date_day").size())
      print(df.groupby("date_hour").size())
      date_weekday
      0
            94171
      1
            79789
      2
            79914
      3
            80109
```

Name: location, dtype: int64

79848

```
24264
      19
      20
           24240
           24287
      21
      22
           24083
      23
           24380
      dtype: int64
[276]: # Weekday Analysis
      df_date_weekday = df.loc[:, ["date_weekday", "bid", 'win', 'conversion']].
       -groupby(["date_weekday"]).agg({'date_weekday': 'count', 'bid': 'sum', 'win':⊔
       fig, ax = plt.subplots(figsize=(8, 8))
      ax1 = plt.subplot(221)
      ax1.plot(df_date_weekday.index, df_date_weekday['date_weekday'])
      ax1.set_title("Weeday_target_count")
      ax2 = plt.subplot(222)
      ax2.plot(df_date_weekday.index, df_date_weekday['bid'], c = 'orange')
      ax2.set_title("Weeday_bid_count")
      ax3 = plt.subplot(223)
      ax3.plot(df_date_weekday.index, df_date_weekday['win'], c = 'green')
      ax3.set_title("Weeday_win_count")
      ax4 = plt.subplot(224)
      ax4.plot(df_date_weekday.index, df_date_weekday['conversion'], c = 'red')
      ax4.set_title("Weeday_conversion_count")
```

[276]: Text(0.5, 1.0, 'Weeday_conversion_count')

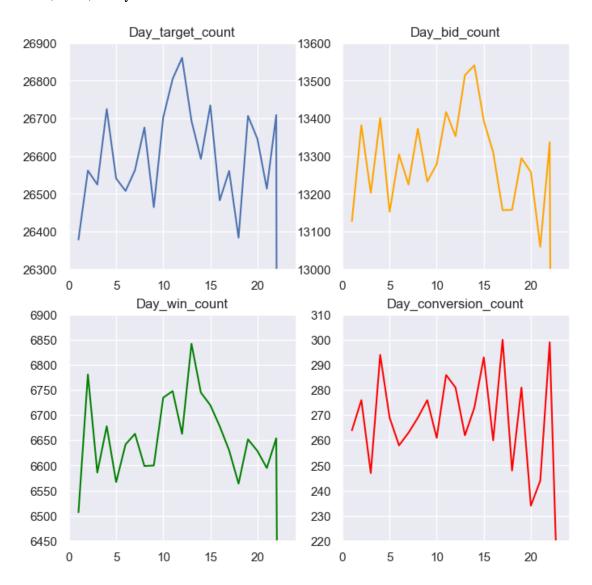


```
ax2.set_ylim([13000, 13600])
ax2.set_title("Day_bid_count")

ax3 = plt.subplot(223)
ax3.plot(df_date_day.index, df_date_day['win'], c = 'green')
ax3.set_ylim([6450, 6900])
ax3.set_title("Day_win_count")

ax4 = plt.subplot(224)
ax4.plot(df_date_day.index, df_date_day['conversion'], c = 'red')
ax4.set_ylim([220, 310])
ax4.set_title("Day_conversion_count")
```

[284]: Text(0.5, 1.0, 'Day_conversion_count')

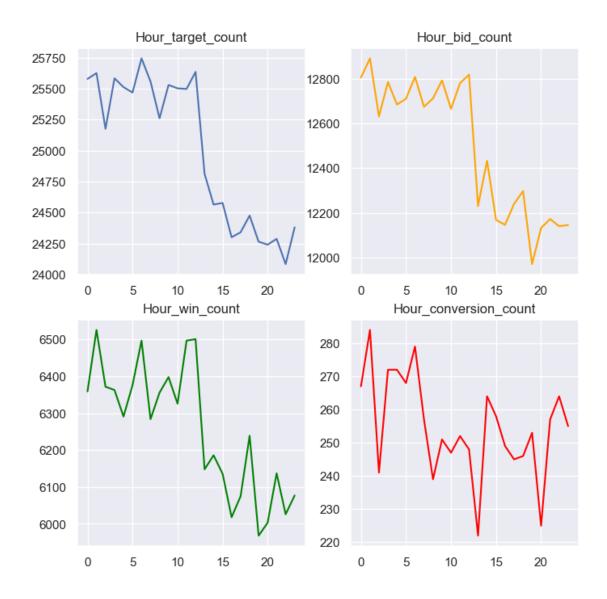


```
[285]: # HourofDay Analysis
      df_date_hour = df.loc[:, ["date_hour", "bid", 'win', 'conversion']].

→groupby(["date_hour"]).agg({'date_hour': 'count', 'bid': 'sum', 'win': 'sum',

       fig, ax = plt.subplots(figsize=(8, 8))
      ax1 = plt.subplot(221)
      ax1.plot(df_date_hour.index, df_date_hour['date_hour'])
      # ax1.set_ylim([26300, 27000])
      ax1.set_title("Hour_target_count")
      ax2 = plt.subplot(222)
      ax2.plot(df_date_hour.index, df_date_hour['bid'], c = 'orange')
      # ax2.set_ylim([13000, 13600])
      ax2.set_title("Hour_bid_count")
      ax3 = plt.subplot(223)
      ax3.plot(df_date_hour.index, df_date_hour['win'], c = 'green')
      # ax3.set_ylim([220, 310])
      ax3.set_title("Hour_win_count")
      ax4 = plt.subplot(224)
      ax4.plot(df_date_hour.index, df_date_hour['conversion'], c = 'red')
      # ax3.set_ylim([220, 310])
      ax4.set_title("Hour_conversion_count")
```

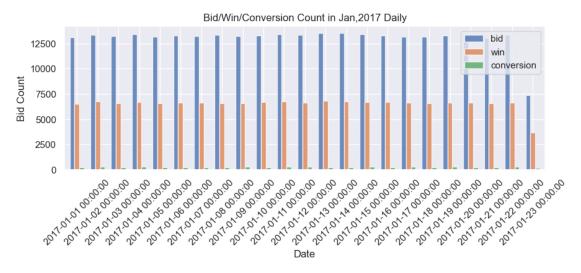
[285]: Text(0.5, 1.0, 'Hour_conversion_count')

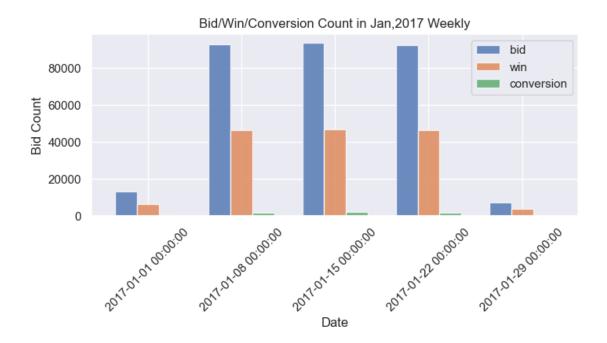


```
title="Bid/Win/Conversion Count in Jan,2017 Daily")

# Rotate tick marks on x-axis
plt.setp(ax.get_xticklabels(), rotation=45)

plt.show()
```





Section 2.1

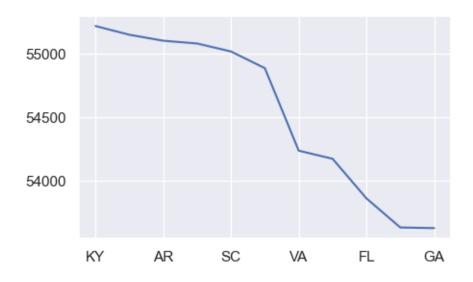
Summary 1: On weekly basis, the counts of taget users/bid/win/conversion, every Monday and Sunday are showing the highest rate.

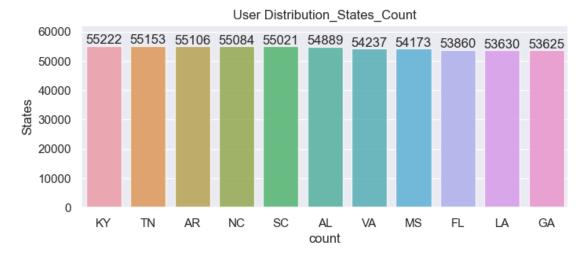
Summary 2: On daily basis, the counts of taget users/bid, in the middle of the month between 10~15th, are showing the highest rate.

Summary 3: On hourly basis, the counts of taget users/bid/win/conversion, every day in the monring before 12pm, are showing the highest rate. Only the conversion rate are slightly higher between 13:00 ~ 19:00 in the afternoon/evening.

2.2 EDA - Geographic Analysis

```
[143]: fig.set_size_inches(5, 3)
    df["location"].value_counts().plot()
    plt.show()
```





```
[16]: # Code Block
      def stateNames(stateAbbreviation):
          states = {
                   'AK': 'Alaska',
                   'AL': 'Alabama',
                   'AR': 'Arkansas',
                   'AS': 'American Samoa',
                   'AZ': 'Arizona',
                   'CA': 'California',
                   'CO': 'Colorado',
                   'CT': 'Connecticut',
                   'DC': 'District of Columbia',
                   'DE': 'Delaware',
                   'FL': 'Florida',
                   'GA': 'Georgia',
                   'GU': 'Guam',
                   'HI': 'Hawaii',
                   'IA': 'Iowa',
                   'ID': 'Idaho',
                   'IL': 'Illinois',
                   'IN': 'Indiana',
                   'KS': 'Kansas',
                   'KY': 'Kentucky',
                   'LA': 'Louisiana',
                   'MA': 'Massachusetts',
                   'MD': 'Maryland',
                   'ME': 'Maine',
                   'MI': 'Michigan',
                   'MN': 'Minnesota',
                   'MO': 'Missouri',
                   'MP': 'Northern Mariana Islands',
                   'MS': 'Mississippi',
                   'MT': 'Montana',
                   'NA': 'National',
                   'NC': 'North Carolina',
                   'ND': 'North Dakota',
                   'NE': 'Nebraska',
                   'NH': 'New Hampshire',
                   'NJ': 'New Jersey',
                   'NM': 'New Mexico',
                   'NV': 'Nevada',
                   'NY': 'New York',
                   'OH': 'Ohio',
                   'OK': 'Oklahoma',
                   'OR': 'Oregon',
```

```
'PA': 'Pennsylvania',
            'PR': 'Puerto Rico',
            'RI': 'Rhode Island',
            'SC': 'South Carolina',
            'SD': 'South Dakota',
            'TN': 'Tennessee',
            'TX': 'Texas',
            'UT': 'Utah',
            'VA': 'Virginia',
            'VI': 'Virgin Islands',
            'VT': 'Vermont',
            'WA': 'Washington',
            'WI': 'Wisconsin',
            'WV': 'West Virginia',
            'WY': 'Wyoming'
    }
    if stateAbbreviation is not None:
        if stateAbbreviation in states:
            return states[stateAbbreviation]
        else:
            return None
    else:
        return None
# Convert State Abbreviation
state_list = list(df["location"].value_counts().index)
state_list = [stateNames(state) for state in state_list]
```

```
[123]: import matplotlib.pyplot as plt
    # import geopandas
    import os
import os
import conda
    #os.environ["PROJ_LIB"] = r'C:\ProgramData\Anaconda3\Library\share\proj'

conda_file_dir = conda.__file__
    conda_dir = conda_file_dir.split('lib')[0]
    proj_lib = os.path.join(os.path.join(os.path.join(conda_dir, 'Library'), \under 'share'), 'proj')

os.environ["PROJ_LIB"] = proj_lib

from mpl_toolkits.basemap import Basemap
from geopy.geocoders import Nominatim
```

```
states = [['Kentucky',55222],
          ['Tennessee',55153],
          ['Arkansas',55106],
          ['North Carolina',55084],
          ['South Carolina',55021],
          ['Alabama',54889],
          ['Virginia',54237],
          ['Mississippi',54173],
          ['Florida',53860],
          ['Louisiana',53630],
          ['Georgia',53625]]
map = Basemap(llcrnrlon=-119,llcrnrlat=22,urcrnrlon=-64,urcrnrlat=49,
        projection='lcc',lat_1=32,lat_2=45,lon_0=-95)
# load the shapefile, use the name 'states'
plt.figure(figsize=(8,3))
map.readshapefile('st99_d00', name='states', drawbounds=True)
# Get the location of each city and plot it
geolocator = Nominatim(user_agent="http")
for (state,count) in states:
    loc = geolocator.geocode(state)
    x, y = map(loc.longitude, loc.latitude)
    map.plot(x,y,marker='o',color='Red',markersize=int((count-50000)/500))
plt.show()
```



```
[18]: # Relationship User_count with State Population
states_url = 'https://simple.wikipedia.org/wiki/List_of_U.S._states'
usa_states = pd.read_html(states_url)
```

```
usa_states.head()
[18]:
        Name &postal abbs. [1]
                                                           Unnamed: 2_level_0
        Name &postal abbs. [1] Name &postal abbs. [1].1 Unnamed: 2_level_1
                        Alabama
      0
                                                       NaN
      1
                         Alaska
                                                       NaN
                                                                             AK
      2
                        Arizona
                                                       NaN
                                                                             AZ
      3
                                                       NaN
                                                                             AR
                       Arkansas
      4
                     California
                                                       NaN
                                                                             CA
               Cities
                                                   Established[A] Population[B][3]
             Capital Largest (by population)[5] Established[A] Population[B][3]
          Montgomery
                                       Birmingham
                                                     Dec 14, 1819
                                                                             4903185
      0
               Juneau
                                        Anchorage
                                                      Jan 3, 1959
      1
                                                                              731545
      2
             Phoenix
                                          Phoenix
                                                     Feb 14, 1912
                                                                             7278717
      3
        Little Rock
                                      Little Rock
                                                     Jun 15, 1836
                                                                             3017804
          Sacramento
                                      Los Angeles
                                                      Sep 9, 1850
                                                                            39512223
        Total area[4]
                                 Land area[4]
                                                        Water area[4]
                   mi2
                            km2
                                          mi2
                                                    km2
                                                                   mi2
                                                                            km2
      0
                 52420
                         135767
                                        50645
                                                 131171
                                                                  1775
                                                                           4597
                        1723337
      1
                665384
                                       570641
                                               1477953
                                                                 94743
                                                                        245384
      2
                113990
                         295234
                                       113594
                                                 294207
                                                                           1026
                                                                   396
      3
                 53179
                         137732
                                        52035
                                                 134771
                                                                  1143
                                                                           2961
                163695
                         423967
                                       155779
                                                 403466
                                                                  7916
                                                                          20501
        Number of Reps.
        Number of Reps.
      0
      1
                      1
      2
                      9
      3
                      4
      4
                     53
[19]: usa_states_sub = usa_states.iloc[:, [0,6]].copy()
      usa_states_sub.columns = ['state', 'state_population']
      # usa_states_sub['state'] = usa_states_sub['state'].str.replace('[C]','',_
       \rightarrow regex=True)
      usa_states_sub.head()
[19]:
               state
                      state_population
      0
            Alabama
                                4903185
             Alaska
      1
                                 731545
      2
            Arizona
                                7278717
      3
           Arkansas
                                3017804
        California
                               39512223
```

usa_states = usa_states[0]

```
[62]: import warnings
      warnings.filterwarnings('ignore')
      df_location_pop = pd.DataFrame(df["location"].value_counts())
      df_location_pop.columns = ['count']
      state_list = list(df["location"].value_counts().index)
      df_location_pop['state'] = [stateNames(state) for state in state_list]
      df_location_pop = df_location_pop.reset_index()
      df_location_pop = df_location_pop.merge(usa_states_sub, on = 'state', how = __
       →'left')
      df_location_pop.loc[df_location_pop['state'] == 'Kentucky', 'state_population']__
      df_location_pop.loc[df_location_pop['state'] == 'Virginia', 'state_population']__
       →= 8535519
      df_location_pop['state_population'] = df_location_pop['state_population'].
       →astype(int)
      df_location_pop['ratio_target/pop(1000)'] = df_location_pop['count']/
       →df_location_pop['state_population'] * 1000
      state_count_request = pd.DataFrame(df["location"][df['bid'] == 1].value_counts())
      state_count_request = state_count_request.reset_index()
      state_count_request.columns = ['index', 'bid_count']
      state_count_conversion = pd.DataFrame(df["location"][df['conversion'] == 1].
      →value_counts())
      state_count_conversion = state_count_conversion.reset_index()
      state_count_conversion.columns = ['index', 'conversion_count']
      df_location_pop = df_location_pop.merge(state_count_request, on = 'index', how = __
      →'left')
      df_location_pop = df_location_pop.merge(state_count_conversion, on = 'index', |
       →how = 'left')
      df_location_pop = df_location_pop[['index', 'count', 'bid_count', __
       'ratio_target/pop(1000)']]
      df_location_pop['ratio_bid/pop(1000)'] = df_location_pop['bid_count']/
       →df_location_pop['state_population'] * 1000
      df_location_pop['ratio_conversion/pop(1000)'] = __
       df_location_pop['conversion_count']/df_location_pop['state_population'] * 1000
      df_location_pop
[62]:
        index count bid_count conversion_count
                                                            state \
           KY 55222
                          27433
                                              755
                                                         Kentucky
      1
           TN 55153
                          27741
                                              274
                                                        Tennessee
      2
           AR 55106
                                              756
                          27339
                                                         Arkansas
      3
           NC 55084
                          27540
                                              193 North Carolina
```

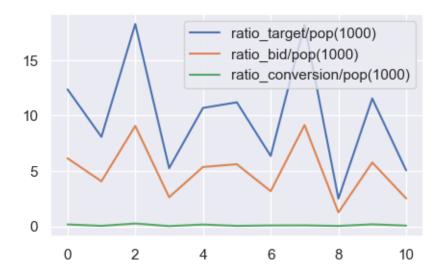
SC 55021

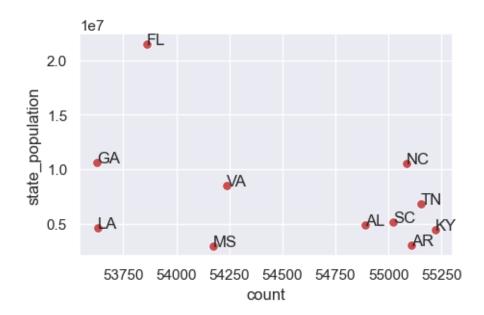
27584

830 South Carolina

```
54889
       5
                                                184
             ΑL
                            27476
                                                             Alabama
       6
             VA
                54237
                            27067
                                                671
                                                            Virginia
       7
            MS
                                                252
                                                        Mississippi
                 54173
                            27202
       8
                 53860
                                                682
                                                             Florida
                            26941
       9
             LA
                 53630
                            26779
                                                830
                                                          Louisiana
       10
             GA
                53625
                            26739
                                                688
                                                            Georgia
           state_population ratio_target/pop(1000)
                                                     ratio_bid/pop(1000) \
      0
                    4467673
                                                                 6.140333
                                          12.360350
       1
                    6829174
                                           8.076087
                                                                 4.062131
       2
                    3017804
                                          18.260298
                                                                 9.059236
       3
                   10488084
                                           5.252056
                                                                 2.625837
       4
                    5148714
                                          10.686358
                                                                 5.357454
       5
                    4903185
                                                                 5.603705
                                          11.194560
       6
                    8535519
                                           6.354271
                                                                 3.171102
       7
                                                                 9.139999
                    2976149
                                          18.202382
       8
                   21477737
                                           2.507713
                                                                 1.254369
       9
                    4648794
                                          11.536325
                                                                 5.760419
       10
                   10617423
                                           5.050661
                                                                 2.518408
           ratio_conversion/pop(1000)
      0
                             0.168992
       1
                             0.040122
       2
                             0.250513
       3
                             0.018402
       4
                             0.161205
       5
                             0.037527
       6
                             0.078613
       7
                             0.084673
       8
                             0.031754
       9
                             0.178541
       10
                             0.064799
[341]: df_location_pop[['index','ratio_target/pop(1000)', 'ratio_bid/pop(1000)',
```

[341]: <matplotlib.axes._subplots.AxesSubplot at 0x19e1b214be0>



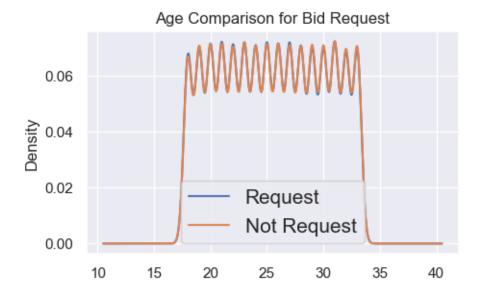


Section 2.2 - Summary: The ratio of targeted people/bid/conversion per 1000 population of Arkansas is the highest while Florida has the lowest ratios.

2.3 Further EDA - General Distribution Analysis for Targeted Users

2.3.1 Age Comparison

```
[751]: # Visualization Age Distribution
plt.figure(figsize=(5,3))
df_request = df[df['bid'] == 1]
plt.title('Age Comparison for Bid Request')
# plt.axis([0, 1, 0, 4.5])
df['age'][df['bid'] == 1].plot.kde(label='Request')
df['age'][df['bid'] == 0].plot.kde(label='Not Request')
plt.legend(prop={'size': 15})
plt.grid()
plt.show()
```



```
[389]: print("Average Age for Users Not Request:", df['age'][df['bid'] == 0].mean())
    print("Average Age for Users Request:", df['age'][df['bid'] == 1].mean())

Average Age for Users Not Request: 25.519138190092583
    Average Age for Users Request: 25.494838931300254

[351]: # Age Comparison
    # sns.axlabel(xlabel=df['bid'], ylabel="Age", fontsize=16)
    sns.boxplot(data=[df['age'][df['bid'] == 0], df['age'][df['bid'] == 1]],
        palette=[sns.xkcd_rgb["pale yellow"], sns.xkcd_rgb["medium blue"]],
        showmeans=True)

# sns.swarmplot(data=[df['age'][df['bid'] == 0], df['age'][df['bid'] == 1]],
        --size=6, edgecolor="black", linewidth=.9)
    plt.title("Age Comparison for Bid Request")
```

[351]: Text(0.5, 1.0, 'Age Comparison for Bid Request')



For Question 1: Summary 1: The users at younger age group, has higher chance to open websites.

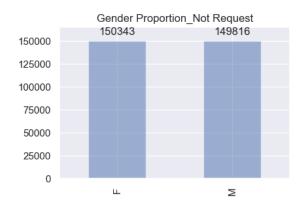
2.3.2 Gender Comparison

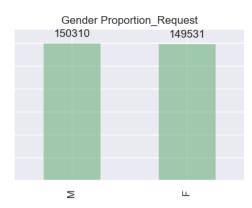
```
[363]: gender_count_nrequest = df['gender'][df['bid'] == 0].value_counts()
      gender_count_request = df['gender'][df['bid'] == 1].value_counts()
       # Investigation on Gender Comparison Not Request & Request
      fig, axes = plt.subplots(1, 2, figsize=(10, 3), sharey=True)
      # Investigation on Gender for Not Request
      g = gender_count_nrequest.plot(ax=axes[0], kind='bar', title='Gender_
       →Proportion_Not Request', alpha = 0.5)
      for p in g.patches:
          g.annotate("%.0f" % p.get_height(), (p.get_x() + p.get_width() / 2., p.
       →get_height()),
          ha='center', va='center', xytext=(0, 10), textcoords='offset points')
       →#vertical bars
      g.set_ylim(0, 165000)
      # Investigation on Gender for Request
      g = gender_count_request.plot(ax=axes[1], kind='bar', title='Gender_
       →Proportion_Request', color = 'g', alpha = 0.5)
      for p in g.patches:
          g.annotate("%.0f" % p.get_height(), (p.get_x() + p.get_width() / 2., p.
        →get_height()),
```

```
ha='center', va='center', xytext=(0, 10), textcoords='offset points') ⊔

→#vertical bars
g.set_ylim(0, 165000)
```

[363]: (0.0, 165000.0)





```
[364]: Count_Not Request Count_Request Request_Percent

M 149816 150310 0.500823

F 150343 149531 0.498646
```

For Question 1:

Summary 2: There is no distinct preference differentiated from genders in targeted group to open websites.

Summary 3: The female group is slightly higher chance to open websites than male group.

2.3.3 Location Comparison

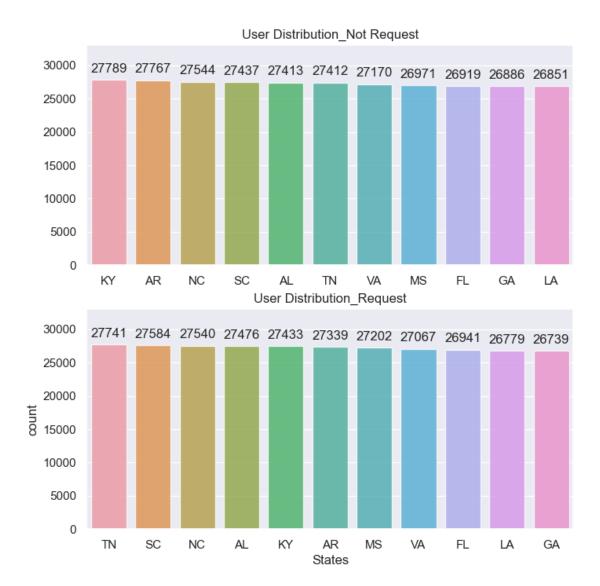
```
[149]: # Location Analysis for Users Comparison Not Request & Request
fig, axes = plt.subplots(2, 1, figsize=(8, 8), sharey=True)

# Location Analysis for Users Not Request
state_count_nrequest = df["location"][df['bid'] == 0].value_counts()
```

```
g = sns.barplot(ax=axes[0], x = state_count_nrequest.index, y = ___
⇔state_count_nrequest.values, alpha=0.8)
axes[0].set_title('User Distribution_Not Request')
plt.xlabel('States', fontsize=12)
plt.ylabel('count', fontsize=12)
for p in g.patches:
    g.annotate("%.0f" % p.get_height(), (p.get_x() + p.get_width() / 2., p.
→get_height()),
    ha='center', va='center', xytext=(0, 10), textcoords='offset points') u
→#vertical bars
g.set_ylim(0, 33000)
# Location Analysis for Users Request
state_count_request = df["location"][df['bid'] == 1].value_counts()
g = sns.barplot(ax=axes[1], x = state_count_request.index, y = ___

⇒state_count_request.values, alpha=0.8)
axes[1].set_title('User Distribution_Request')
plt.xlabel('States', fontsize=12)
plt.ylabel('count', fontsize=12)
for p in g.patches:
    g.annotate("%.0f" % p.get_height(), (p.get_x() + p.get_width() / 2., p.
→get_height()),
    ha='center', va='center', xytext=(0, 10), textcoords='offset points') u
→#vertical bars
g.set_ylim(0, 33000)
```

[149]: (0.0, 33000.0)



[359]:	Count_Not Request	${\tt Count_Request}$	Request_Percent
TN	27412	27741	0.502983
MS	26971	27202	0.502132
SC	27437	27584	0.501336
AL	27413	27476	0.500574
FL	26919	26941	0.500204
NC	27544	27540	0.499964
LA	26851	26779	0.499329
VA	27170	27067	0.499050
GA	26886	26739	0.498629
KY	27789	27433	0.496777
AR	27767	27339	0.496117

For Question 1:

Summary 4: There is no distinct difference from states in targeted group to open websites. Summary 5: Target Users located in Tennessee state is slightly higher chance to open websites, while users in Arizona is lower chance.

2.3.4 Bid Request Ratio - Overall

```
[294]: # Chance to send bid request
df[df['bid'] == 1].shape[0]/df.shape[0]
```

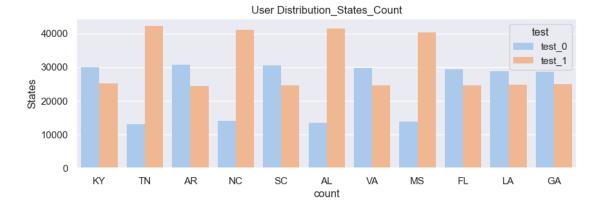
[294]: 0.499735

For Question 1:

Summary 6: Overall 49% of the targeted group is to open websites.

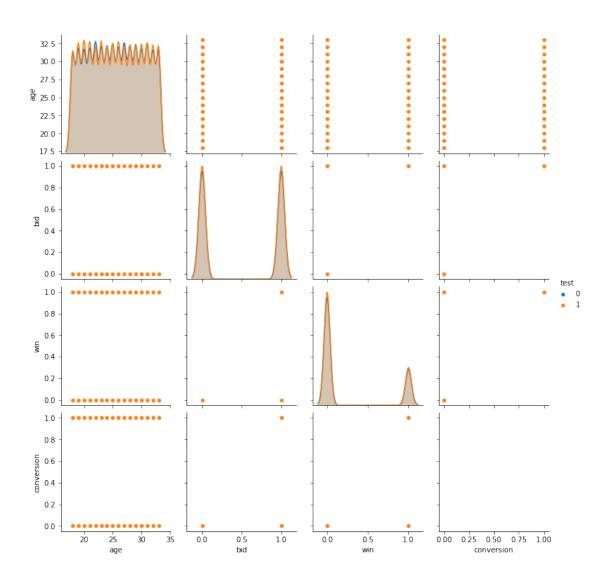
2.4 Further EDA - Convert Effectiveness Analysis - Control/Test Groups

```
[754]: df_location = df_location.reset_index()
      df_location_melt = pd.melt(df_location, id_vars="index", var_name="test", u
       →value_name="count")
      df_location_melt.head()
[754]:
        index
                 test count
           KY test_0 30010
      1
           TN test_0 12994
           AR test_0 30787
      2
      3
           NC test_0 14118
      4
           SC test_0 30446
      sns.barplot(df_location_melt["index"], df_location_melt["count"].values,
```



```
[206]: # Normalized and visulization
# Normalization metric1 ~ metric9
import warnings
warnings.filterwarnings('ignore')
sns.pairplot(df, hue='test', height=2.5)
```

[206]: <seaborn.axisgrid.PairGrid at 0x23cd4a8bee0>



```
7879f860900cb332158c7d086275b70d
                                                NaN
                                                              18.0
     d6cd1caa0374b57ed756e93e72d9b496
                                                NaN
                                                              13.0
     8b542d5e68088d7345fc31d92c8013db
                                                NaN
                                                              11.0
                                       sum_conversion_test0 sum_conversion_test1 \
     user_id
     54f07ff91a4441b2de263b955ab8a6a0
                                                       NaN
                                                                            5.0
     5206920a9e23ad2413f349c1390b748e
                                                       NaN
                                                                            3.0
     7879f860900cb332158c7d086275b70d
                                                       NaN
                                                                            3.0
     d6cd1caa0374b57ed756e93e72d9b496
                                                       NaN
                                                                            3.0
     8b542d5e68088d7345fc31d92c8013db
                                                                            3.0
                                                       NaN
                                       count_user_id_test0 count_user_id_test1 \
     user id
     54f07ff91a4441b2de263b955ab8a6a0
                                                      {\tt NaN}
                                                                          27.0
     5206920a9e23ad2413f349c1390b748e
                                                      NaN
                                                                          32.0
     7879f860900cb332158c7d086275b70d
                                                      NaN
                                                                          30.0
     d6cd1caa0374b57ed756e93e72d9b496
                                                      {\tt NaN}
                                                                          28.0
     8b542d5e68088d7345fc31d92c8013db
                                                      NaN
                                                                         26.0
                                       sum_win_test0 sum_win_test1
     user_id
     54f07ff91a4441b2de263b955ab8a6a0
                                                {\tt NaN}
                                                              15.0
     5206920a9e23ad2413f349c1390b748e
                                                NaN
                                                              12.0
     7879f860900cb332158c7d086275b70d
                                                NaN
                                                              10.0
     d6cd1caa0374b57ed756e93e72d9b496
                                                NaN
                                                              10.0
     8b542d5e68088d7345fc31d92c8013db
                                                              10.0
                                                NaN
[757]: # Pivot Table for Test 0
      df_pivot_control = df_pivot[['sum_bid_test0', 'sum_win_test0',_
       dropna().sort_values(by='sum_conversion_test0',_
       →ascending=False)
      df_pivot_control['ratio_c/b'] = (df_pivot_control['sum_conversion_test0']/

→df_pivot_control['sum_bid_test0']).round(decimals=2)
      df pivot control['ratio w/b'] = (df pivot control['sum win test0']/
       →df_pivot_control['sum_bid_test0']).round(decimals=2)
      print("df_pivot_control", df_pivot_control.head())
      print(df_pivot_control.describe())
      #Pivot Table for Test 1
      df_pivot_test = df_pivot[['sum_bid_test1', 'sum_win_test1', '
       dropna().sort_values(by='sum_conversion_test1',__
       →ascending=False)
      df_pivot_test['ratio_c/b'] = (df_pivot_test['sum_conversion_test1']/

→df_pivot_test['sum_bid_test1']).round(decimals=2)
```

```
df_pivot_test['ratio_w/b'] = (df_pivot_test['sum_win_test1']/

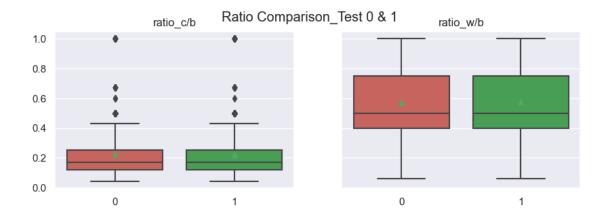
→df_pivot_test['sum_bid_test1']).round(decimals=2)
print("df_pivot_test", df_pivot_test.head())
print(df_pivot_test.describe())
df_pivot_control
                                                     sum_bid_test0
                                                                    sum_win_test0
user id
e879bd196b9b3e4db974b8716c6f896e
                                            22.0
                                                            17.0
9570efef719d705326f0ff817ef084e6
                                            13.0
                                                             9.0
bb55408ead5dcb75a28618dbc998a0a9
                                             9.0
                                                             7.0
2bc33f317d4f25b10e2a2a55392b11cb
                                            11.0
                                                             9.0
797134c3e42371bb4979a462eb2f042a
                                            13.0
                                                            10.0
                                   sum_conversion_test0 count_user_id_test0 \
user id
e879bd196b9b3e4db974b8716c6f896e
                                                     5.0
                                                                          32.0
                                                     4.0
9570efef719d705326f0ff817ef084e6
                                                                          18.0
bb55408ead5dcb75a28618dbc998a0a9
                                                     3.0
                                                                          15.0
2bc33f317d4f25b10e2a2a55392b11cb
                                                     3.0
                                                                          25.0
797134c3e42371bb4979a462eb2f042a
                                                     3.0
                                                                          30.0
                                   ratio_c/b ratio_w/b
user id
e879bd196b9b3e4db974b8716c6f896e
                                        0.23
                                                    0.77
9570efef719d705326f0ff817ef084e6
                                        0.31
                                                    0.69
bb55408ead5dcb75a28618dbc998a0a9
                                        0.33
                                                    0.78
2bc33f317d4f25b10e2a2a55392b11cb
                                        0.27
                                                    0.82
                                        0.23
                                                    0.77
797134c3e42371bb4979a462eb2f042a
       sum_bid_test0 sum_win_test0
                                      sum_conversion_test0
count
        27608.000000
                        27608.000000
                                               27608.000000
                                                   0.098631
mean
            4.744820
                            2.374819
std
            3.256593
                            2.025353
                                                   0.327467
min
            0.000000
                            0.000000
                                                   0.000000
25%
            2.000000
                            1.000000
                                                   0.000000
50%
            4.000000
                            2.000000
                                                   0.000000
75%
            6.000000
                            3.000000
                                                   0.000000
           28.000000
                           18.000000
                                                   5.000000
max
       count_user_id_test0
                                ratio_c/b
                                              ratio_w/b
              27608.000000
                             26808.000000
                                           26808.000000
count
                  9.493879
                                 0.021056
                                               0.500328
mean
                  5.760776
                                 0.084210
                                               0.295857
std
                                 0.000000
                                               0.000000
min
                  1.000000
25%
                  5.000000
                                 0.000000
                                               0.330000
50%
                  8.000000
                                 0.000000
                                               0.500000
75%
                 12.000000
                                 0.000000
                                               0.670000
                 48.000000
                                 1.000000
                                               1.000000
max
```

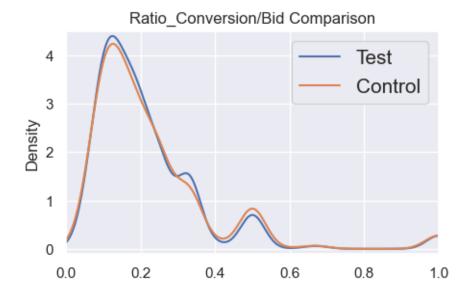
```
sum_bid_test1 sum_win_test1 \
      df_pivot_test
      user id
                                                                  15.0
      54f07ff91a4441b2de263b955ab8a6a0
                                                   18.0
      03994ecbaa046cb05a924a0a72aa6913
                                                   11.0
                                                                   4.0
      5206920a9e23ad2413f349c1390b748e
                                                                  12.0
                                                   20.0
      40001eb613ebc80a610670c0187b0153
                                                   3.0
                                                                   3.0
      7d40f910bbd18715587677b383d11dbe
                                                   7.0
                                                                   5.0
                                         sum_conversion_test1 count_user_id_test1 \
      user_id
      54f07ff91a4441b2de263b955ab8a6a0
                                                           5.0
                                                                                27.0
                                                           3.0
      03994ecbaa046cb05a924a0a72aa6913
                                                                               16.0
      5206920a9e23ad2413f349c1390b748e
                                                           3.0
                                                                               32.0
      40001eb613ebc80a610670c0187b0153
                                                                                6.0
                                                           3.0
      7d40f910bbd18715587677b383d11dbe
                                                           3.0
                                                                                10.0
                                         ratio_c/b ratio_w/b
      user id
      54f07ff91a4441b2de263b955ab8a6a0
                                              0.28
                                                          0.83
      03994ecbaa046cb05a924a0a72aa6913
                                              0.27
                                                          0.36
      5206920a9e23ad2413f349c1390b748e
                                              0.15
                                                          0.60
                                              1.00
                                                          1.00
      40001eb613ebc80a610670c0187b0153
      7d40f910bbd18715587677b383d11dbe
                                              0.43
                                                          0.71
             sum_bid_test1 sum_win_test1 sum_conversion_test1 \
      count
              35529.000000
                              35529.000000
                                                    35529.000000
                                                         0.095471
                  4.752343
                                  2.381013
      mean
                  3.254852
                                  2.026724
                                                         0.321933
      std
      min
                  0.000000
                                  0.000000
                                                         0.000000
      25%
                  2.000000
                                  1.000000
                                                         0.000000
      50%
                  4.000000
                                  2.000000
                                                         0.000000
      75%
                  6.000000
                                  3.000000
                                                         0.000000
                                 16.000000
                 26.000000
                                                         5.000000
      max
             count_user_id_test1
                                      ratio_c/b
                                                    ratio_w/b
                    35529.000000 34497.000000 34497.000000
      count
      mean
                         9.510344
                                       0.019727
                                                     0.501375
      std
                         5.757558
                                       0.079539
                                                     0.297046
      min
                         1.000000
                                       0.000000
                                                     0.000000
      25%
                         5.000000
                                       0.000000
                                                     0.330000
      50%
                         8.000000
                                       0.000000
                                                     0.500000
      75%
                        12.000000
                                       0.000000
                                                     0.670000
                        50.000000
                                       1.000000
                                                     1.000000
      max
[373]: | # Visualization Boxplot Ratio_Conversion/Bid & Ratio_Win/Bid
       fig, axes = plt.subplots(1, 2, figsize=(10, 3), sharey=True)
       fig.suptitle('Ratio Comparison_Test 0 & 1')
```

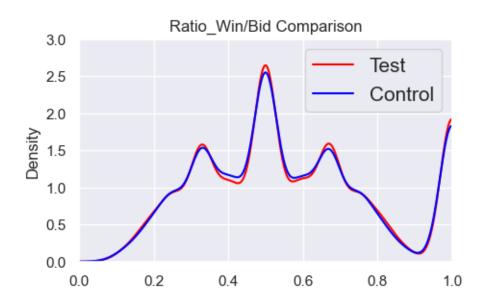
```
sns.boxplot(ax=axes[0],
    data=[df_pivot_control[df_pivot_control["ratio_c/b"]>0.01]["ratio_c/b"],
    ddf_pivot_test[df_pivot_test["ratio_c/b"]>0.01]["ratio_c/b"]],
    palette=[sns.xkcd_rgb["pale red"], sns.xkcd_rgb["medium green"]],
    showmeans=True,
)
axes[0].set_title("ratio_c/b")

sns.boxplot(ax=axes[1],
    data=[df_pivot_control[df_pivot_control["ratio_w/b"]>0.01]["ratio_w/b"],
    df_pivot_test[df_pivot_test["ratio_w/b"]>0.01]["ratio_w/b"]],
    palette=[sns.xkcd_rgb["pale red"], sns.xkcd_rgb["medium green"]],
    showmeans=True,
)
axes[1].set_title("ratio_w/b")
```

[373]: Text(0.5, 1.0, 'ratio_w/b')









For Question 2:

Summary 1: The average of ratio_conversion/bid of the control group is 0.021016, which is greater than test group 0.019727. It shows that the users in the control group are slightly easier to convert.

Summary 2: The average of ratio_win/bid of the test group is 0.501375, which is greater than control group 0.500328. It shows that the users in the test group are more chance to win.

2.5 Further EDA - Retargeting Analysis

4233 3724 1

Name: conversion, dtype: int64

[444]:		count	bid	win	conversion
	user_id				
	e879bd196b9b3e4db974b8716c6f896e	32	22	17	5
	54f07ff91a4441b2de263b955ab8a6a0	27	18	15	5
	9570efef719d705326f0ff817ef084e6	18	13	9	4
	ec151b6ecbb40275f4ac68bc99635554	21	12	8	3
	0e4c11f657de720a1b7aeb04e2ba810e	20	11	7	3
	f0b875eb6cff6fd5f491e6b6521c7510	9	5	4	2
	3d79ce2378da226ffbcf28b59647431d	10	4	2	2
	a588b762d68fe60225d3de3c647a52b9	23	16	6	2
	1501b0c827e8fd20504d9eef796bb530	12	9	7	2
	2c08e0bc5a77c595c881d7b8a189d05a	7	5	2	2

[463 rows x 4 columns]

```
[489]: retarget_list = list(df_retarget_filter.index)
       df_ori = df[df['user_id'].isin(retarget_list)]
       df ori
[489]:
                                                                          age gender
                         timestamp
                                                                user_id
              2017-01-02 08:19:00
       1044
                                    0070d23b06b1486a538c0eaa45dd167a
                                                                           28
                                                                                   F
                                                                                   F
       1045
              2017-01-03 06:11:00
                                     0070d23b06b1486a538c0eaa45dd167a
                                                                           28
                                                                                   F
       1046
               2017-01-03 07:27:00
                                     0070d23b06b1486a538c0eaa45dd167a
                                                                           28
       1047
               2017-01-03 13:55:00
                                     0070d23b06b1486a538c0eaa45dd167a
                                                                           28
                                                                                   F
       1048
               2017-01-03 21:53:00
                                     0070d23b06b1486a538c0eaa45dd167a
                                                                           28
                                                                                   F
       . . .
                                                                          . . .
       599566 2017-01-15 00:39:00
                                    ffcf3174be79160cd4f3eb50bc76d034
                                                                           24
                                                                                   F
       599567 2017-01-15 16:19:00
                                    ffcf3174be79160cd4f3eb50bc76d034
                                                                                   F
                                                                           24
       599568 2017-01-20 09:18:00
                                     ffcf3174be79160cd4f3eb50bc76d034
                                                                           24
                                                                                   F
       599569 2017-01-21 23:56:00
                                                                                   F
                                     ffcf3174be79160cd4f3eb50bc76d034
                                                                           24
       599570 2017-01-23 00:16:00
                                     ffcf3174be79160cd4f3eb50bc76d034
                                                                                   F
                                                                           24
                               bid
                                    win conversion
                                                                  date_cat date_weekday
              location test
                                                    0 2017-01-02 08:19:00
       1044
                     AR.
                            0
                                  1
                                       1
                                                                                         0
       1045
                     AR
                            0
                                  0
                                       0
                                                    0 2017-01-03 06:11:00
                                                                                         1
       1046
                                  1
                                                    0 2017-01-03 07:27:00
                     AR.
                            0
                                       1
                                                                                         1
                                  0
                                                    0 2017-01-03 13:55:00
       1047
                     AR
                            0
                                       0
                                                                                         1
                                  0
                                                    0 2017-01-03 21:53:00
       1048
                     AR
                            0
                                       0
                                                                                         1
                    . . .
                           . . .
                                . . .
                                                                                       . . .
       599566
                     FL
                            0
                                  1
                                       1
                                                    1 2017-01-15 00:39:00
                                                                                         6
                     FL
                                                    0 2017-01-15 16:19:00
       599567
                            0
                                  1
                                       0
                                                                                         6
       599568
                     FL
                            0
                                  1
                                                    0 2017-01-20 09:18:00
                                                                                         4
                                       1
       599569
                     FL
                                  0
                                                    0 2017-01-21 23:56:00
                                                                                         5
                            0
                                       0
       599570
                     FL
                                                    1 2017-01-23 00:16:00
                                                                                         0
                            0
                                  1
                                       1
                date_day
                          date hour
       1044
                       2
       1045
                       3
                                   6
       1046
                       3
                                   7
                       3
       1047
                                  13
       1048
                       3
                                  21
       599566
                      15
                                   0
       599567
                      15
                                  16
       599568
                      20
                                   9
       599569
                      21
                                  23
       599570
                      23
                                   0
       [7461 rows x 13 columns]
[488]: fig, ax = plt.subplots(figsize=(12, 8))
       ax1 = plt.subplot(231)
```

```
ax1.plot(df_ori[df_ori['user_id'] ==_

df_retarget_filter[df_retarget_filter['conversion'] == 5].index[0]].index,

         df_ori[df_ori['user_id'] ==_

→df_retarget_filter[df_retarget_filter['conversion'] == 5].
 →index[0]]['conversion'])
ax1.set title("conversion 5")
ax2 = plt.subplot(232)
ax2.plot(df_ori[df_ori['user_id'] ==_

df_retarget_filter[df_retarget_filter['conversion'] == 5].index[1]].index,

         df_ori[df_ori['user_id'] ==_

→df_retarget_filter[df_retarget_filter['conversion'] == 5].
→index[1]]['conversion'], c = 'orange')
ax2.set title("conversion 5")
ax3 = plt.subplot(233)
ax3.plot(df_ori[df_ori['user_id'] ==_

df_retarget_filter[df_retarget_filter['conversion'] == 4].index[0]].index,
         df_ori[df_ori['user_id'] ==_

→df_retarget_filter[df_retarget_filter['conversion'] == 4].

→index[0]]['conversion'], c = 'green')
ax3.set_title("conversion_4")
ax4 = plt.subplot(234)
ax4.plot(df_ori[df_ori['user_id'] ==_
df_retarget_filter[df_retarget_filter['conversion'] == 3].index[0]].index,
         df_ori[df_ori['user_id'] ==_

→df_retarget_filter[df_retarget_filter['conversion'] == 3].
 →index[0]]['conversion'], c = 'red')
ax4.set_title("conversion_3")
ax5 = plt.subplot(235)
ax5.plot(df_ori[df_ori['user_id'] ==_

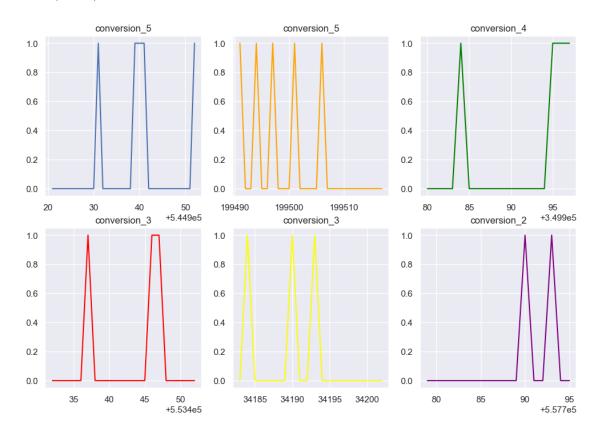
¬df_retarget_filter[df_retarget_filter['conversion'] == 3].index[1]].index,
         df_ori[df_ori['user_id'] ==_

→df_retarget_filter[df_retarget_filter['conversion'] == 3].
 →index[1]]['conversion'], c = 'yellow')
ax5.set_title("conversion_3")
ax6 = plt.subplot(236)
ax6.plot(df_ori[df_ori['user_id'] ==_
df_retarget_filter[df_retarget_filter['conversion'] == 2].index[0]].index,
         df_ori[df_ori['user_id'] ==__

→df_retarget_filter[df_retarget_filter['conversion'] == 2].

 →index[0]]['conversion'], c = 'purple')
ax6.set_title("conversion_2")
```

[488]: Text(0.5, 1.0, 'conversion_2')



```
[514]: # Ratio to convert the user more than 1
       df_retarget_filter_1 = df_retarget[df_retarget['conversion'] >= 1]
       ratio_retarget_morethan2 = df_retarget_filter.shape[0]/df_retarget_filter_1.
        →shape[0]
       print('ratio_retarget_morethan2:')
       print(df_retarget_filter_1.shape)
       print(df_retarget_filter.shape)
       print('ratio_retarget_morethan2', ratio_retarget_morethan2)
       ratio_retarget_random = df_retarget_filter_1.shape[0]/df_retarget.shape[0]
       print('ratio_retarget_random:')
       print(df_retarget.shape)
       print(df_retarget_filter_1.shape)
       print('ratio_retarget_random', ratio_retarget_random)
       # ratio_retarget_perbid = df_retarget_filter.shape[0]/
        \rightarrow df_retarget[df_retarget['bid'] != 0].shape[0]
       # print(df_retarget[df_retarget['bid'] != 0].shape)
       # print(df_retarget_filter.shape)
```

print('ratio_retarget_perbid', ratio_retarget_perbid)

```
ratio_retarget_morethan2:
(5607, 4)
(463, 4)
ratio_retarget_morethan2 0.08257535223827359
ratio_retarget_random:
(63137, 4)
(5607, 4)
ratio_retarget_random 0.08880688027622471
```

For Question 3:

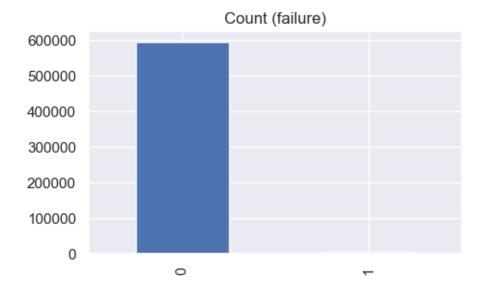
Summary 1: There are total 463 users converted more than once, which takes 8.25% of total previous converted user. If not regarting the previous converted user, the ratio is about 8.89% to convert new users on a random basis. Therefore the percentage is not higher to retarget the previous converted users.

3 Modelling

3.1 Train/test split

```
[518]: # Investigation
    target_count = df.conversion.value_counts()
    print('Class 0:', target_count[0])
    print('Class 1:', target_count[1])
    print('Proportion:', round(target_count[0] / target_count[1], 2), ': 1')
    target_count.plot(kind='bar', title='Count (failure)');
```

Class 0: 593885 Class 1: 6115 Proportion: 97.12 : 1

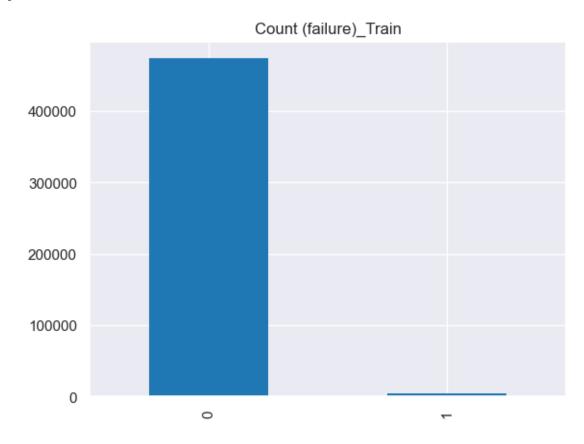


```
[519]: df.head()
[519]:
                 timestamp
                                                 user_id age gender location \
      0 2017-01-01 13:43:00 00003e3b9e5336685200ae85d21b4f5e
                                                          33
                                                                 F
                                                                        FL
      1 2017-01-04 03:59:00 00003e3b9e5336685200ae85d21b4f5e
                                                          33
                                                                 F
                                                                        FL
                          00003e3b9e5336685200ae85d21b4f5e
                                                                 F
      2 2017-01-04 17:41:00
                                                          33
                                                                        FL
      3 2017-01-07 04:02:00 00003e3b9e5336685200ae85d21b4f5e
                                                          33
                                                                 F
                                                                        FL
      4 2017-01-08 09:05:00 00003e3b9e5336685200ae85d21b4f5e
                                                          33
                                                                 F
                                                                        FL
        test bid win conversion
                                           date_cat date_weekday date_day \
      0
                1
                    0
                               0 2017-01-01 13:43:00
           1
                                                             6
                               0 2017-01-04 03:59:00
                                                              2
                                                                       4
      1
           1
                0
                    0
                                                             2
                                                                       4
      2
           1
                    1
                               0 2017-01-04 17:41:00
      3
           1
                    1
                               0 2017-01-07 04:02:00
                                                              5
           1
                1
                               0 2017-01-08 09:05:00
        date_hour
      0
               13
                3
      1
               17
      2
      3
                4
[773]: # GroupShuffleSplit
      from sklearn.model_selection import GroupShuffleSplit
      train_inds, test_inds = next(GroupShuffleSplit(test_size=.20, n_splits=2,_
       →random_state = 7).split(df[['age', 'gender',
             'location', 'test', 'bid', 'win', 'date_weekday', 'date_day',
       →'win', 'date_weekday', 'date_day', 'date_hour']]
      train_y = df.iloc[train_inds]['conversion']
      test_X = df.iloc[test_inds][['age', 'gender', 'location', 'test', 'bid', 'win', __
      test_y = df.iloc[test_inds]['conversion']
      # train_y = train_y.astype('int')
      \# test_y = test_y.astype('int')
```

```
# Investigation
target_count = train_y.value_counts()
print('Class 0:', target_count[0])
print('Class 1:', target_count[1])
print('Proportion:', round(target_count[0] / target_count[1], 2), ': 1')
target_count.plot(kind='bar', title='Count (failure)_Train')
plt.grid()
```

Class 0: 473924 Class 1: 4923

Proportion: 96.27 : 1

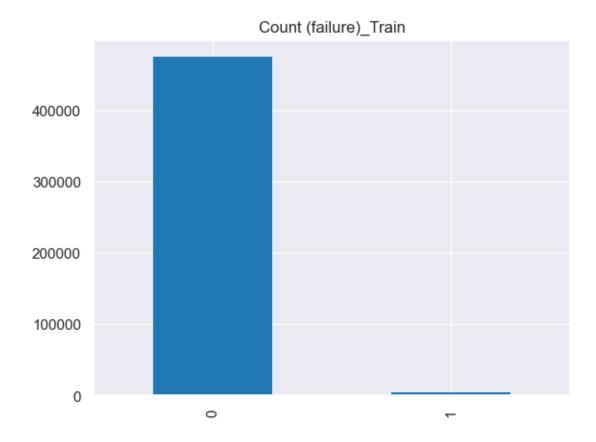


```
X_train = pd.DataFrame(X_train, columns = ['age', 'gender', 'location', 'test', | ]
'date_hour'])
X_test = pd.DataFrame(X_test, columns = ['age', 'gender', 'location', 'test', __

→'bid', 'win', 'date_weekday', 'date_day',
                 'date_hour'])
y_train = y_train.astype('int')
y_test = y_test.astype('int')
y_train = pd.Series(y_train)
y_test = pd.Series(y_test)
# y_train.name = "failure"
# y_test.name = "failure"
# Investigation
target_count = y_train.value_counts()
print('Class 0:', target_count[0])
print('Class 1:', target_count[1])
print('Proportion:', round(target_count[0] / target_count[1], 2), ': 1')
target_count.plot(kind='bar', title='Count (failure)_Train')
plt.grid()
```

Class 0: 475134 Class 1: 4866

Proportion: 97.64 : 1



3.2 Imbalanced Process - Upsampling

```
[774]: # train_X = X_train
# train_y = y_train
# test_X = X_test
# test_y = y_test

# LabelEncoder for train_X
from sklearn import preprocessing
le = preprocessing.LabelEncoder()
train_X['location_encoder'] = le.fit_transform(train_X['location'])
train_X['gender_encoder'] = le.fit_transform(train_X['gender'])
train_X = train_X.drop(['location', 'gender'], axis=1)
[775]: # LabelEncoder for test_X
test_X['location_encoder'] = le.fit_transform(test_X['location'])
test_X['gender_encoder'] = le.fit_transform(test_X['gender'])
test_X = test_X.drop(['location', 'gender'], axis=1)
```

```
[776]: import imblearn
       from collections import Counter
       X = train_X
       y = train_y
       counter = Counter(y)
       print(counter)
       def plot_2d_space(X, y, label='Classes'):
           colors = ['#1F77B4', '#FF7F0E']
           markers = ['o', 's']
           for 1, c, m in zip(np.unique(y), colors, markers):
               plt.scatter(
                   X[y==1, 0],
                   X[y==1, 1],
                   c=c, label=1, marker=m
           plt.title(label)
           plt.legend(loc='upper right')
           plt.show()
```

Counter({0: 473924, 1: 4923})

470268 new random picked points

```
[777]: # Method 2 - Upsampling all - SMOTE
y = pd.DataFrame(train_y)
from imblearn.over_sampling import SMOTE
smote = SMOTE(sampling_strategy=1, random_state=7)
X_sm, y_sm = smote.fit_resample(X, y)
train_resample= X_sm.join(y_sm, how='left')
```

Counter({'conversion': 1})

```
[785]: # Method 3 - Upsampling on target user basis
      from imblearn.over_sampling import SMOTE
      from imblearn.over_sampling import RandomOverSampler
      y = pd.DataFrame(train_y, columns = ['conversion'])
      user_name = df.loc[train_X.index, 'user_id'].unique()
      df_over_sampling_X = pd.DataFrame(columns=['age', 'test', 'bid', 'win', _
       'location_encoder', 'gender_encoder'])
      df_over_sampling_y = pd.DataFrame(columns=['conversion'])
      n_new_rows = 0
      for user in user_name:
          data = train_X.loc[df[df["user_id"] == user].index, :]
          data_y = y.loc[df[df["user_id"] == user].index, 'conversion']
          X_single = data[['age', 'test', 'bid', 'win', 'date_weekday', 'date_day',

    date_hour',

              'location_encoder', 'gender_encoder']]
          y_single = pd.DataFrame(data_y, columns = ['conversion'])
          if len(data_y.unique()) == 2:
              ros = RandomOverSampler()
              X_ros, y_ros = ros.fit_resample(X_single, y_single)
              n_new_rows += X_ros.shape[0] - X_single.shape[0]
              df_over_sampling_X = pd.concat([df_over_sampling_X, X_ros])
              df_over_sampling_y = pd.concat([df_over_sampling_y, y_ros])
          else:
              df_over_sampling_X = pd.concat([df_over_sampling_X, X_single])
              df_over_sampling_y = pd.concat([df_over_sampling_y, y_single])
      print("n_new_rows", n_new_rows)
      train_resample= pd.concat([df_over_sampling_X,df_over_sampling_y], axis = 1)
```

number of new rows create: 48868

3.3 Logistic Regression Model

```
[724]: import matplotlib.pyplot as plt
plt.rcParams['figure.figsize'] = (2, 2)
plt.style.use('default')
```

```
[725]: # Logistic Regression Model - Shuffle
      from sklearn.linear_model import LogisticRegression
      from sklearn.metrics import accuracy_score
      from sklearn.metrics import confusion_matrix
      from sklearn.metrics import plot_confusion_matrix
      from sklearn.metrics import precision_score, recall_score, f1_score,
       →matthews corrcoef
      from sklearn.metrics import precision_recall_curve, roc_curve, auc, roc_auc_score
      from sklearn.preprocessing import label_binarize
      from sklearn.metrics import classification_report
      LR = LogisticRegression(max_iter=1000, class_weight='balanced')
       # Fit the model on the training data.
      LR.fit(train_resample_X_method3, train_resample_y_method3.values.ravel())
       # Print the accuracy, precision, recall from the testing data.
      print("Accuracy: ", accuracy_score(test_y, LR.predict(test_X)))
      print("Precision: ", precision_score(test_y, LR.predict(test_X)))
      print("Recall: ", recall_score(test_y, LR.predict(test_X)))
      print("F1 score: ", f1_score(test_y, LR.predict(test_X)))
      print("MCC score: ", matthews_corrcoef(test_y, LR.predict(test_X)))
      print(classification_report(test_y, LR.predict(test_X), target_names=['Class 0_u
       →Fail to Convert:', 'Class 1 Suceed to Convert:']))
       # Plot Confusion Matrix
      print("Confusion matrix: ", confusion_matrix(test_y, LR.predict(test_X)))
      cm=confusion_matrix(test_y, LR.predict(test_X))
      plot_confusion_matrix(LR, test_X, test_y, cmap=plt.cm.Blues)
      plt.show()
```

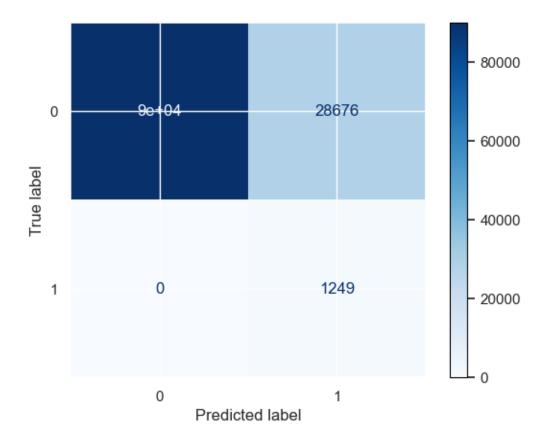
 Recall: 1.0

F1 score: 0.08013087829601591 MCC score: 0.1779293684678036

	precision	recall	f1-score	support
Class O Fail to Convert:	1.00	0.76	0.86	118751
Class 1 Suceed to Convert:	0.04	1.00	0.08	1249
accuracy			0.76	120000
macro avg	0.52	0.88	0.47	120000
weighted avg	0.99	0.76	0.85	120000

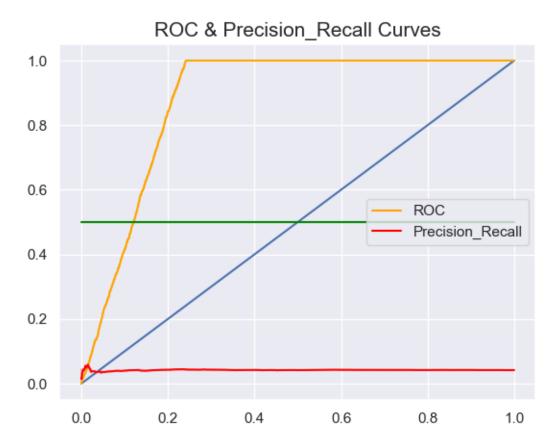
Confusion matrix: [[90075 28676]

[0 1249]]



```
[743]: # Plot ROC Curve - Shuffle
probs = LR.predict_proba(test_X)
probs = probs[:,1]
fpr, tpr, thresholds = roc_curve(test_y, probs)
sns.lineplot([0,1], [0, 1])
plt = sns.lineplot(fpr, tpr, legend='full', label=str("ROC"), c = 'orange')
```

AUC_ROC: 0.880 AUC_PR: 0.042



Section 3.3 - Summary: Based on the confusion matrix, the false postive is still high. Further analysis of re-sampling, test/train split will need to investigate further.

3.4 Random Forest Model

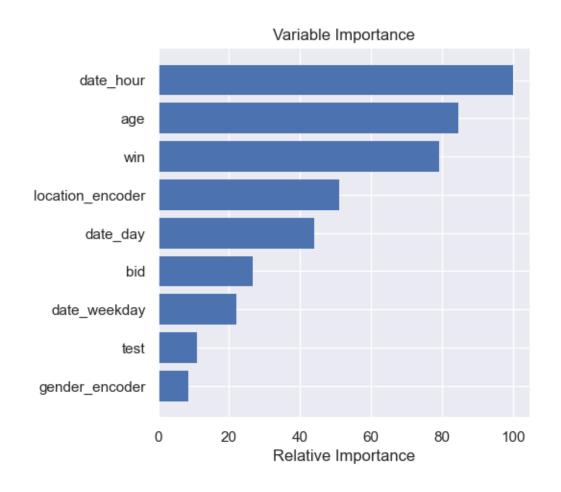
```
[780]: import matplotlib.pyplot as plt

feature_importance = RF.feature_importances_
# make importances relative to max importance
feature_importance = 100.0 * (feature_importance / feature_importance.max())[:30]

sorted_idx = np.argsort(feature_importance)[:30]

pos = np.arange(sorted_idx.shape[0]) + .5
print(pos.size)
sorted_idx.size
plt.figure(figsize=(5,5))
plt.barh(pos, feature_importance[sorted_idx], align='center')
plt.yticks(pos, X.columns[sorted_idx])
plt.xlabel('Relative Importance')
plt.title('Variable Importance')
plt.show()
```

9



Section 3.4:

Summary: The day of hour rate, the age and the win rate are the top 3 critical features to impact final conversion rate.

4 Evaluating and Concluding

For Question 1:

Summary 1: The users at younger age group, has higher chance to open websites.

Summary 2: There is no distinct preference differentiated from genders in targeted group to open websites.

Summary 3: The female group is slightly higher chance to open websites than male group.

Summary 4: There is no distinct difference from states in targeted group to open websites.

Summary 5: Target Users located in Tennessee state is slightly higher chance to open websites, while users in Arizona is lower chance.

Summary 6: Overall 49% of the targeted group is to open websites.

For Question 2:

Summary 1: The average of ratio_conversion/bid of the control group is 0.021016, which is greater than test group 0.019727. It shows that the users in the control group are slightly easier to convert. Summary 2: The average of ratio_win/bid of the test group is 0.501375, which is greater than the control group with 0.500328. It shows that the users in the test group are more chance to win.

For Question 3:

Summary 1: There are total 463 users converted more than once, which takes 8.25% of total previous converted user. If not regarting the previous converted user, the ratio is about 8.89% to convert new users on a random basis. Therefore the percentage is not higher to retarget the previous converted users.