Airbnb w factors

Idaly Ferrales

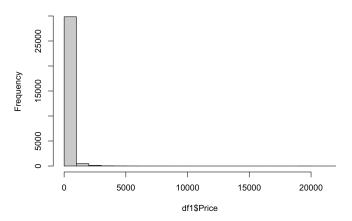
2023-07-15

```
#Adding libraries and loading file
getwd()
## [1] "/Users/idalyferrales/OMSA folder"
setwd("/Users/idalyferrales/OMSA folder")
getwd()
## [1] "/Users/idalyferrales/OMSA folder"
#Import the Airbnb dataset
list.files(path=".", pattern=".csv", all.files=TRUE,
          full.names=TRUE)
## [1] "./Airbnb_clean_dataset.csv"
## [2] "./Airbnb_Data_USA.csv"
## [3] "./Airbnb_dataset_eda.csv"
## [4] "./Airbnb_with_factors.csv"
## [5] "./airbnb_with_fips.csv"
## [6] "./Berkshire.csv"
## [7] "./binary_1.csv"
## [8] "./binary_midterm.csv.numbers"
## [9] "./binary.csv"
## [10] "./contrafund_.csv"
## [11] "./contrafund_Exam.csv"
## [12] "./contrafund_final.csv"
## [13] "./contrafund.csv"
## [14] "./Factor_HiTech_Midterm.csv"
## [15] "./factors.csv"
## [16] "./final_data.csv"
## [17] "./github.gatech.edu_raw_MGT-6203-Summer-2023-Canvas_Team-71_main_Brainstorm_walkability_impact_walkabili
ty_index.csv_token=GHSAT0AAAAAAAACWL4HSO7TEOBS7D4WNS5IZFJ3MCQ.txt"
## [18] "./Grades_Data.csv"
## [19] "./sample_airbnb_data_filtered_usa.csv"
## [20] "./UPS_KO_Exam.csv"
data <- read.csv("./Airbnb_with_factors.csv")</pre>
library(dplyr)
## Attaching package: 'dplyr'
## The following objects are masked from 'package:stats':
      filter, lag
## The following objects are masked from 'package:base':
      intersect, setdiff, setequal, union
library(MASS)
## Attaching package: 'MASS'
## The following object is masked from 'package:dplyr':
##
      select
```

Converting our data file to a dataframe
df1 <- data.frame(data)</pre>

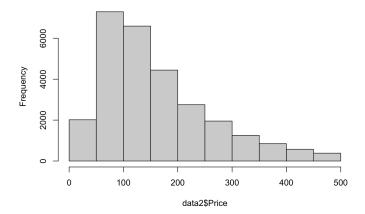
 $\begin{tabular}{ll} \# Histogram \ of \ price \ with \ no \ data \ manipulation \\ hist(dfl$Price) \end{tabular}$

Histogram of df1\$Price



#Storing our dataset under name 'data2' for price less than zero
data2 = data[data\$Price < 500,]
hist(data2\$Price)</pre>

Histogram of data2\$Price



 $\label{lem:manipulation} \textit{#Manipulation of data on variables number of reviews with zero values $$ data2$number_of_reviews_ltm[data2$number_of_reviews_ltm == 0] <- 1 $$ head(data2)$$

```
city Price availability_365 minimum_nights number_of_reviews_ltm
## 1 Asheville 79
                         29
## 3 Asheville 79
                          362
                                        2
## 4 Asheville 196
                          158
                                        1
                                                          19
## 5 Asheville 72
                          168
                                         1
                                                          43
## 6 Asheville 150
                          204
                                        28
                                                          6
## 7 Asheville 149
                          362
                                        1
                                                          19
        Room_type calculated_host_listings_count walk_index Avg.rent
## 1 Entire home/apt
                                       1 14.333333
                                                      947
## 3 Private room
                                       1 14.333330
                                                       947
                                       1 14.333333
## 4 Entire home/apt
                                                      947
## 5 Entire home/apt
                                     13 8.666667
                                                      947
## 6 Entire home/apt
                                      5 17.666667
                                                      947
                                       13 8.666667
## 7 Entire home/apt
                                                      947
## Avg.hotel.price Avg.Home.Value Avg.Salary
## 1
            122
                   306450
                                49930
## 3
            122
                      306450
                                 49930
                   306450
                                 49930
## 5
           122
                   306450
                                 49930
## 6
             122
                      306450
                                 49930
## 7
             122
                      306450
                                 49930
```

set.seed(379) #setting seed

 $ind <- \ sample(2, \ nrow(data2), \ replace = \ TRUE, \ prob = c(0.7, \ 0.3)) \ \# splitting \ data \ 70/30 \ for \ our \ linear \ regression \ model$

train2 <- data2[ind==1,] #This is our train set

test2 <- data2[ind==2,] #This is our test set

#Started with log linear model with availability_365, walkability index, number of review last 12 months, room ty pe, city, minimum nights and calculated listings count

log_lin_all_except_avg = lm(log(Price) ~ availability_365+ walk_index + number_of_reviews_ltm + Room_type + city
+ minimum_nights + calculated_host_listings_count, data=train2)

summary(log_lin_all_except_avg)

```
## Call:
## lm(formula = log(Price) ~ availability_365 + walk_index + number_of_reviews_ltm +
    Room type + city + minimum nights + calculated host listings count,
     data = train2)
##
## Residuals:
## Min
             1Q Median 3Q Max
## -2.4850 -0.3549 -0.0366 0.3421 3.8000
## Coefficients:
                           Estimate Std. Error t value Pr(>|t|)
## (Intercept) 4.919e+00 3.203e-02 153.581 < 2e-16 ***
availability_365 2.789e-04 3.131e-05 8.907 < 2e-16 ***
## walk_index 3.105e-03 1.253e-03 2.478 0.01324 *
## number_of_reviews_ltm -1.718e-03 1.497e-04 -11.478 < 2e-16 ***
## Room_typeHotel room 9.837e-02 6.248e-02 1.575 0.11536
## Room_typeHotel room
## Room_typePrivate room -7.343e-01 8.521e-03 -86.173 < 2e-16 ***
## minimum nights
                           -4.010e-03 1.660e-04 -24.154 < 2e-16 ***
## calculated host listings count 1.973e-04 3.469e-05 5.689 1.29e-08 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 0.5081 on 19797 degrees of freedom
## Multiple R-squared: 0.3541, Adjusted R-squared: 0.353
## F-statistic: 319.3 on 34 and 19797 DF, p-value: < 2.2e-16
```

```
#log-log model of certain variables
regression_log_log_subset = lm(log(Price) ~ log(availability_365)+ log(walk_index) + log(number_of_reviews_ltm) ,
data=train2)
summary(regression_log_log_subset)
```

```
## Call:
## lm(formula = log(Price) ~ log(availability_365) + log(walk_index) +
## log(number_of_reviews_ltm), data = train2)
## Residuals:
## Min
              1Q Median 3Q Max
## -2.62723 -0.41634 0.01218 0.45832 1.41962
## Coefficients:
                        Estimate Std. Error t value Pr(>|t|)
               4.841873 0.050297 96.266 < 2e-16 ***
## (Intercept)
## log(availability_365) 0.026088 0.004546 5.738 9.69e-09 ***
## log(walk_index) -0.036688 0.016755 -2.190 0.0286 *
## log(number_of_reviews_ltm) 0.017871 0.002992 5.973 2.37e-09 ***
## Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 0.6307 on 19828 degrees of freedom
## Multiple R-squared: 0.00338, Adjusted R-squared: 0.00323
## F-statistic: 22.42 on 3 and 19828 DF, p-value: 1.746e-14
```

#Linear linear model of availability, walkability index, number of reviews, room type and city
lin_lin = lm(Price ~ availability_365+ walk_index + number_of_reviews_ltm + Room_type + city, data=train2)
summary(lin_lin)

```
## Call:
## lm(formula = Price ~ availability_365 + walk_index + number_of_reviews_ltm +
    Room type + city, data = train2)
## Residuals:
## Min 1Q Median 3Q Max
## -222.39 -58.98 -21.10 37.77 406.66
##
## Coefficients:
                        Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                      1.608e+02 5.606e+00 28.686 < 2e-16 ***
## availability_365 3.332e-02 5.413e-03 6.157 7.58e-10 ***
## walk index
                       5.600e-02 2.194e-01 0.255 0.798571
## number_of_reviews_ltm -2.537e-01 2.558e-02 -9.921 < 2e-16 ***
## Room_typeHotel room 2.813e+01 1.094e+01 2.571 0.010144 *
## Room typePrivate room -9.109e+01 1.488e+00 -61.223 < 2e-16 ***
## Room typeShared room -1.405e+02 6.677e+00 -21.043 < 2e-16 ***
## cityAustin 3.988e+01 5.840e+00 6.829 8.80e-12 ***
                 2.015e+01 6.885e+00 2.927 0.003427 **
4.479e+01 1.085e+01 4.126 3.70e-05 ***
-5.943e+00 5.618e+00 -1.058 0.290135
## cityBoston
## cityCambridge
## cityChicago
## cityClark County 3.787e+01 5.293e+00 7.154 8.73e-13 ***
## cityColumbus
                       -2.495e+01 7.383e+00 -3.379 0.000729 ***
## cityDenver
                       -1.232e+01 6.863e+00 -1.795 0.072710 .
## cityFort Lauderdale 5.001e+01 5.350e+00 9.349 < 2e-16 ***
## cityJersey City -7.595e+00 9.623e+00 -0.789 0.429995
## cityLos Angeles 2.384e+01 5.026e+00 4.744 2.12e-06 ***
## cityMonterrey 1.028e+02 2.279e+01 4.511 6.50e-06 ***
## cityNashville 5.152e+01 5.766e+00 8.935 < 2e-16 ***
## cityNew Orleans 3.493e+01 5.704e+00 6.124 9.28e-10 ***
## cityNew York City 2.148e+01 5.024e+00 4.277 1.90e-05 ***
## cityOakland
                      -1.001e+01 7.097e+00 -1.411 0.158231
## cityPortland
                      -2.985e+01 6.427e+00 -4.645 3.43e-06 ***
## cityRhode Island 6.786e+01 6.079e+00 11.162 < 2e-16 ***
## citySalem
                       -2.071e+01 1.540e+01 -1.345 0.178740
                       4.211e+01 5.591e+00 7.532 5.19e-14 ***
## citySan Diego
## citySan Francisco 3.015e+01 6.171e+00 4.886 1.04e-06 ***
## citySan Mateo County 3.590e+01 8.356e+00 4.297 1.74e-05 ***
## citySanta Clara County 9.486e+00 6.007e+00 1.579 0.114321
## citySanta Cruz County 7.431e+01 1.147e+01 6.480 9.36e-11 ***
## citySeattle
                    -2.706e+00 6.336e+00 -0.427 0.669347
## cityTwin Cities MSA -5.716e+00 6.358e+00 -0.899 0.368660
## cityWashington D.C. 9.837e+00 6.194e+00 1.588 0.112258
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 89 on 19799 degrees of freedom
## Multiple R-squared: 0.2198, Adjusted R-squared: 0.2185
## F-statistic: 174.3 on 32 and 19799 DF, p-value: < 2.2e-16
```

#Interacting with variables using a log_log model, however not every variable was transformed, only numeric
regression1 = lm(log(Price) ~ log(availability_365)+ log(walk_index) + number_of_reviews_ltm + Room_type + city,
data=train2)
summary(regression1)

```
## Call:
## lm(formula = log(Price) ~ log(availability_365) + log(walk_index) +
    number of reviews ltm + Room type + city, data = train2)
## Residuals:
   Min
               1Q Median
                               3Q
## -2.55925 -0.36235 -0.03091 0.35148 2.30080
## Coefficients:
                        Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                      4.8333048 0.0485975 99.456 < 2e-16 ***
## log(availability_365) 0.0245396 0.0037391 6.563 5.40e-11 ***
## log(walk index) 0.0060483 0.0145867 0.415 0.678404
## number_of_reviews_ltm -0.0010547 0.0001479 -7.133 1.02e-12 ***
## Room_typeHotel room 0.1275705 0.0634125 2.012 0.044259 *
## Room typePrivate room -0.7267699 0.0086183 -84.329 < 2e-16 ***
## Room typeShared room -1.4236301 0.0386947 -36.791 < 2e-16 ***
## cityAustin 0.2368619 0.0339112 6.985 2.94e-12 ***
                      0.1335477 0.0399757 3.341 0.000837 ***
## cityBoston
                    0.3361171 0.0629579 5.339 9.46e-08 ***
                 ## cityCambridge
## cityChicago
## cityClark County 0.2207637 0.0307460 7.180 7.21e-13 ***
                      -0.1858439 0.0428487 -4.337 1.45e-05 ***
## cityColumbus
## cityDenver
                      -0.0858762 0.0398645 -2.154 0.031236 *
## cityFort Lauderdale 0.3005270 0.0310542 9.677 < 2e-16 ***
## cityJersey City -0.0708988 0.0558336 -1.270 0.204163
## cityLos Angeles 0.1641115 0.0292092 5.618 1.95e-08 ***
## cityMonterrey 0.5877617 0.1320791 4.450 8.63e-06 ***
## cityNashville 0.3107172 0.0334445 9.291 < 2e-16 ***
## cityNew Orleans 0.2279453 0.0331526 6.876 6.35e-12 ***
## cityNew York City 0.1621248 0.0292148 5.549 2.90e-08 ***
## citvOakland
                     -0.0346680 0.0411959 -0.842 0.400055
## cityPortland
                     -0.1902655 0.0372864 -5.103 3.38e-07 ***
## cityRhode Island 0.4036004 0.0352505 11.449 < 2e-16 ***
## citySalem
                      -0.0583245 0.0893035 -0.653 0.513697
                      0.2622007 0.0324772 8.073 7.23e-16 ***
## citySan Diego
## citySan Francisco 0.2314608 0.0358352 6.459 1.08e-10 ***
## citySan Mateo County 0.2413859 0.0484118 4.986 6.21e-07 ***
## citySanta Clara County 0.0654409 0.0348778 1.876 0.060630 .
## citySanta Cruz County 0.3843608 0.0665023 5.780 7.60e-09 ***
## citySeattle
                   -0.0047167 0.0367878 -0.128 0.897981
## cityTwin Cities MSA -0.0706548 0.0368757 -1.916 0.055376 .
## cityWashington D.C. 0.0736865 0.0359921 2.047 0.040642 *
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 0.5159 on 19799 degrees of freedom
## Multiple R-squared: 0.3341, Adjusted R-squared: 0.3331
## F-statistic: 310.5 on 32 and 19799 DF, p-value: < 2.2e-16
```

#Log linear model with availability, walkability index, number of reviews, room type and city
log_lin = lm(log(Price) ~ availability_365+ walk_index + number_of_reviews_ltm + Room_type + city, data=train2)
summary(log_lin)

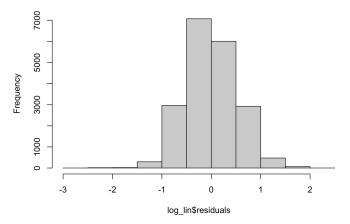
```
## Call:
## lm(formula = log(Price) ~ availability_365 + walk_index + number_of_reviews_ltm +
    Room type + city, data = train2)
## Residuals:
   Min
               1Q Median
## -2.57045 -0.36082 -0.03155 0.35031 2.32072
## Coefficients:
                        Estimate Std. Error t value Pr(>|t|)
                       4.891e+00 3.248e-02 150.598 < 2e-16 ***
## (Intercept)
## availability_365 2.362e-04 3.136e-05 7.530 5.27e-14 ***
## walk index
                       2.601e-03 1.271e-03 2.046 0.04076 *
## number_of_reviews_ltm -1.014e-03 1.482e-04 -6.840 8.13e-12 ***
## Room_typeHotel room 1.206e-01 6.340e-02 1.902 0.05719 .
## Room typePrivate room -7.277e-01 8.621e-03 -84.416 < 2e-16 ***
## Room typeShared room -1.427e+00 3.868e-02 -36.901 < 2e-16 ***
## cityAustin 2.323e-01 3.384e-02 6.865 6.82e-12 ***
                     1.258e-01 3.989e-02 3.155 0.00161 **
3.305e-01 6.288e-02 5.255 1.49e-07 ***
## cityBoston
## cityCambridge
                    -6.810e-02 3.255e-02 -2.092 0.03642 *
## cityChicago
## cityClark County 2.190e-01 3.067e-02 7.139 9.69e-13 ***
## cityColumbus
                       -1.916e-01 4.278e-02 -4.479 7.54e-06 ***
## cityDenver
                       -9.036e-02 3.977e-02 -2.272 0.02308 *
## cityFort Lauderdale 2.957e-01 3.100e-02 9.540 < 2e-16 ***
## cityJersey City -7.485e-02 5.575e-02 -1.343 0.17942
## cityLos Angeles 1.568e-01 2.912e-02 5.383 7.43e-08 ***
## cityMonterrey 5.825e-01 1.320e-01 4.413 1.03e-05 ***
                   3.074e-01 3.341e-02 9.202 < 2e-16 ***
2.227e-01 3.305e-02 6.737 1.66e-11 ***
## citvNashville
## cityNew Orleans
## cityNew York City 1.566e-01 2.911e-02 5.380 7.52e-08 ***
## citvOakland
                      -4.011e-02 4.112e-02 -0.976 0.32931
## cityPortland
                     -1.985e-01 3.724e-02 -5.331 9.87e-08 ***
## cityRhode Island 4.032e-01 3.522e-02 11.448 < 2e-16 ***
## citySalem
                       -6.399e-02 8.924e-02 -0.717 0.47332
                       2.572e-01 3.239e-02 7.940 2.13e-15 ***
## citySan Diego
## citySan Francisco 2.235e-01 3.575e-02 6.250 4.19e-10 ***
## citySan Mateo County 2.466e-01 4.841e-02 5.094 3.54e-07 ***
## citySanta Clara County 6.111e-02 3.480e-02 1.756 0.07913 .
## citySanta Cruz County 3.890e-01 6.644e-02 5.855 4.85e-09 ***
## citySeattle
                     -1.160e-02 3.671e-02 -0.316 0.75204
## cityTwin Cities MSA -7.193e-02 3.684e-02 -1.953 0.05086 .
## cityWashington D.C. 6.742e-02 3.589e-02 1.879 0.06031 .
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 0.5157 on 19799 degrees of freedom
## Multiple R-squared: 0.3347, Adjusted R-squared: 0.3337
## F-statistic: 311.3 on 32 and 19799 DF, p-value: < 2.2e-16
```

```
#log linear with all variables
log_lin_all = lm(log(Price) ~ ., data=train2)
summary(log_lin_all)
```

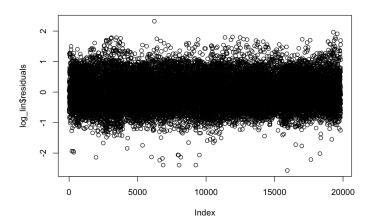
```
## Call:
## lm(formula = log(Price) ~ ., data = train2)
## Residuals:
## Min
             1Q Median 3Q Max
## -2.4850 -0.3549 -0.0366 0.3421 3.8000
## Coefficients: (4 not defined because of singularities)
                               Estimate Std. Error t value Pr(>|t|)
                              4.919e+00 3.203e-02 153.581 < 2e-16 ***
## (Intercept)
## cityAustin
                            2.328e-01 3.334e-02 6.982 2.99e-12 ***
## cityBoston
                            1.889e-01 3.941e-02 4.793 1.66e-06 ***
                             3.988e-01 6.204e-02 6.429 1.32e-10 ***
## cityCambridge
## cityChicago
                             -6.186e-02 3.210e-02 -1.927 0.05399 .
## cityClark County
                             2.182e-01 3.022e-02 7.221 5.36e-13 ***
                             -1.980e-01 4.215e-02 -4.697 2.65e-06 ***
## cityColumbus
## cityDenver
                             -6.727e-02 3.920e-02 -1.716 0.08610 .
## cityFort Lauderdale
                             2.793e-01 3.055e-02 9.142 < 2e-16 ***
                              -4.687e-03 5.501e-02 -0.085 0.93211
## cityJersey City
## cityLos Angeles
                              1.836e-01 2.876e-02 6.383 1.77e-10 ***
## cityMonterrey
                             6.197e-01 1.301e-01 4.763 1.92e-06 ***
## cityNashville
                            3.007e-01 3.292e-02 9.133 < 2e-16 ***
## cityNew Orleans
                            2.284e-01 3.257e-02 7.014 2.38e-12 ***
## cityNew York City
                              1.811e-01 2.870e-02 6.309 2.87e-10 ***
## cityOakland
                             -3.996e-02 4.052e-02 -0.986 0.32403
## cityPortland
                             -1.973e-01 3.669e-02 -5.377 7.65e-08 ***
## cityRhode Island
                             3.945e-01 3.471e-02 11.367 < 2e-16 ***
## citySalem
                             -7.673e-02 8.794e-02 -0.873 0.38290
## citySan Diego
                             2.562e-01 3.192e-02 8.027 1.05e-15 ***
## citySan Francisco
                              2.762e-01 3.530e-02 7.824 5.37e-15 ***
                            2.551e-01 4.771e-02 5.348 8.99e-08 ***
## citySan Mateo County
## citySanta Clara County
                            6.505e-02 3.431e-02 1.896 0.05796 .
## citySanta Cruz County
                            3.892e-01 6.546e-02 5.946 2.79e-09 ***
                             -1.414e-03 3.617e-02 -0.039 0.96881
## citySeattle
## cityTwin Cities MSA
                              -7.767e-02 3.630e-02 -2.140 0.03238 *
## cityWashington D.C.
                             1.024e-01 3.539e-02 2.893 0.00382 **
## availability 365
                            2.789e-04 3.131e-05 8.907 < 2e-16 ***
## minimum nights
                             -4.010e-03 1.660e-04 -24.154 < 2e-16 ***
## number_of_reviews_ltm
                             -1.718e-03 1.497e-04 -11.478 < 2e-16 ***
## Room typeHotel room
                             9.837e-02 6.248e-02 1.575 0.11536
## Room_typePrivate room
                             -7.343e-01 8.521e-03 -86.173 < 2e-16 ***
                             -1.430e+00 3.812e-02 -37.517 < 2e-16 ***
## Room typeShared room
## calculated host listings count 1.973e-04 3.469e-05 5.689 1.29e-08 ***
## walk_index
                             3.105e-03 1.253e-03 2.478 0.01324 *
## Avg.rent
                                NA
                                              NA
                                                     NA
                                                              NA
## Avg.hotel.price
                                     NA
                                               NA
                                                     NA
                                                              NA
                                               NA NA
## Avg.Home.Value
                                     NA
                                                              NA
## Avg.Salary
                                     NA
                                               NA
                                                              NA
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 0.5081 on 19797 degrees of freedom
## Multiple R-squared: 0.3541, Adjusted R-squared: 0.353
## F-statistic: 319.3 on 34 and 19797 DF, p-value: < 2.2e-16
```

```
##log-linear model, plot training errors
hist(log_lin$residuals, breaks = 10)
```

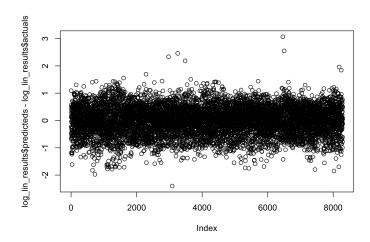
Histogram of log_lin\$residuals



plot(log_lin\$residuals)



#get test errors and plot
log_lin_pred <- predict(log_lin, test2)
log_lin_results <- data.frame(cbind(actuals=log(test2\$Price), predicteds=log_lin_pred))
plot(log_lin_results\$predicteds-log_lin_results\$actuals)</pre>



rmse <- sqrt(sum((exp(log_lin_results) - test2\$Price)^2)/length(test2\$Price))</pre>

 $\begin{tabular}{ll} \it{\#The RMSE of our model}\\ \it{rmse} \end{tabular}$

[1] 92.28303