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### **Income Level Prediction**

### Overview

#### Data:

- Extraction of 1994 US census database
- Approximately 32,000 observations with 14 variables
- Source: <a href="http://archive.ics.uci.edu/ml/datasets/Adult">http://archive.ics.uci.edu/ml/datasets/Adult</a>

#### Objective:

 To predict whether a person makes over 50K a year.

#### Data

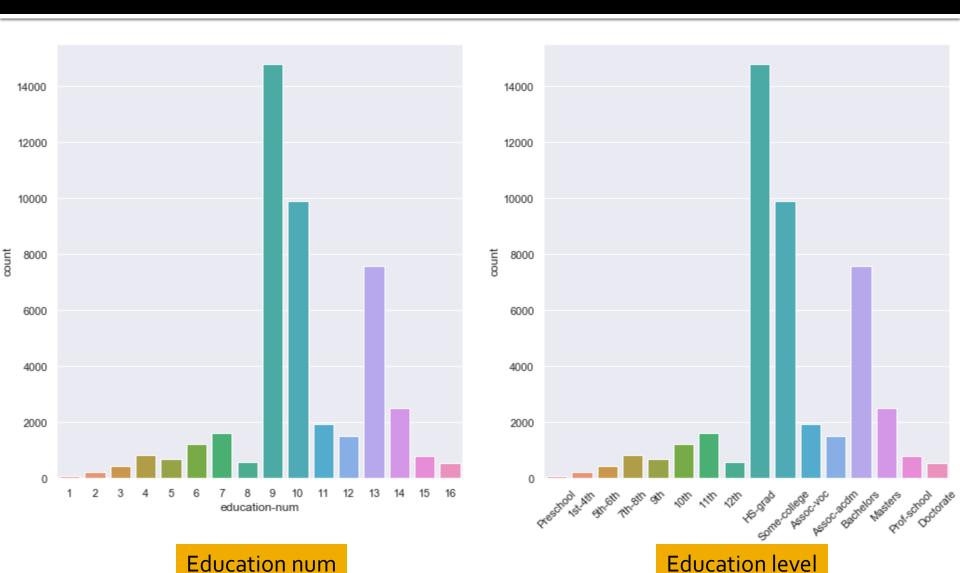
age	workclass	Education _level	educa tion- num	marital-status	occupation	relationship	race	sex	capita I-gain	capita I-loss	hours -per- week	native- country	income
int	object	object	float	object	object	object	object	object	float	float	float	object	object
39	State-gov	Bachelors	13	Never-married	Adm-clerical	Not-in-family	White	Male	2174	0	40	United- States	<=50K
50	Self-emp- not-inc	Bachelors	13	Married-civ-spouse	Exec-managerial	Husband	White	Male	0	0	13	United- States	<=50K
38	Private	HS-grad	9	Divorced	Handlers-cleaners	Not-in-family	White	Male	0	0	40	United- States	<=50K
53	Private	11th	7	Married-civ-spouse	Handlers-cleaners	Husband	Black		0	0	40	United- States	<=50K
28	Private	Bachelors	13	Married-civ-spouse	Prof-specialty	Wife	Black	Femal e	0	0	40	Cuba	<=50K

14 Variables: 1 int64 + 4 float64 + 9 object

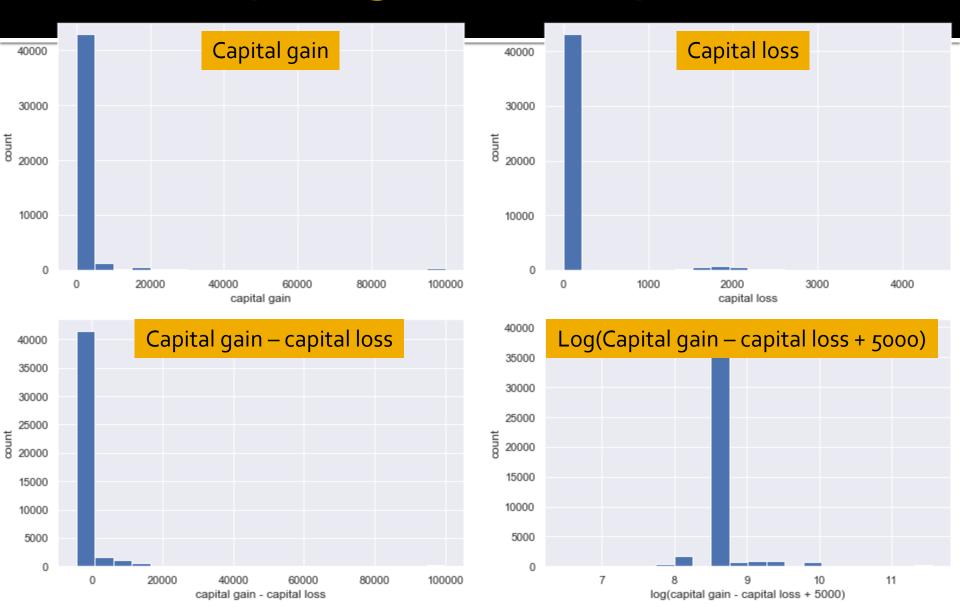
## EDA: Education, age, and hours per work



## EDA: Education num and education level

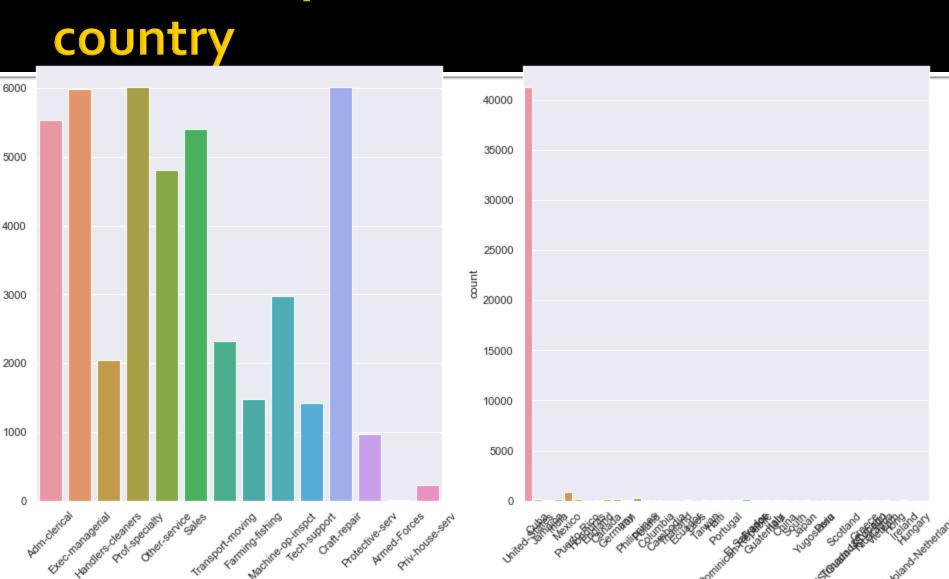


### EDA: Capital gain and capital loss



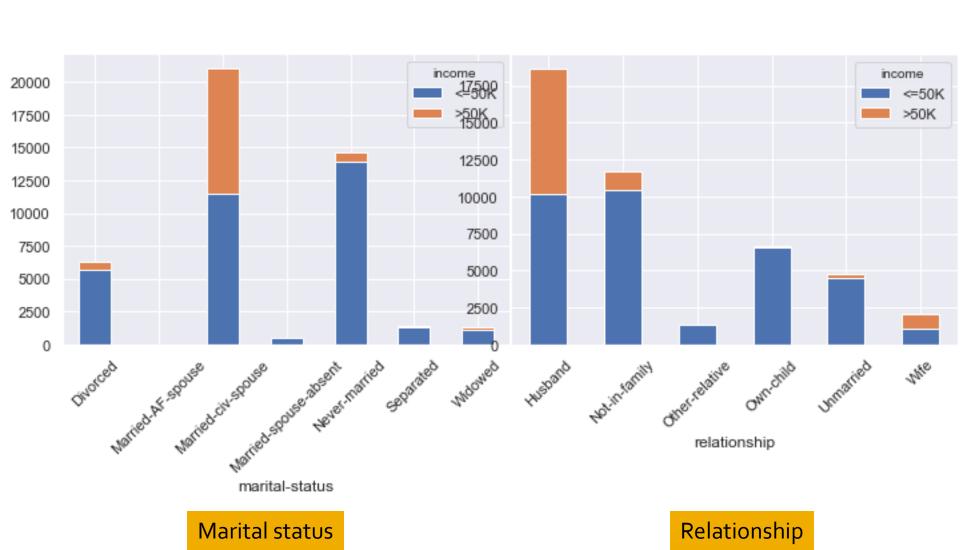
## EDA: Occupation and native

occupation

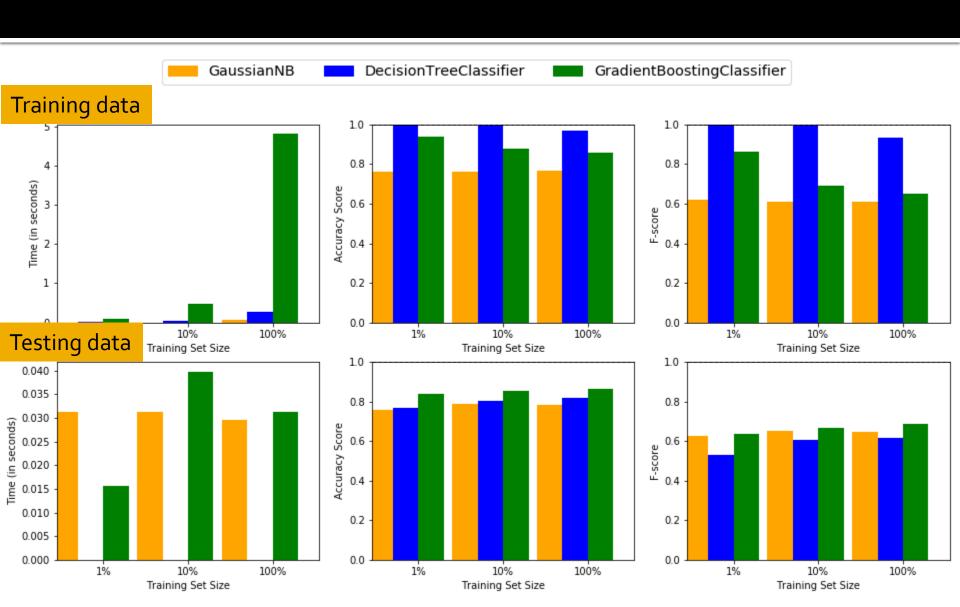


Occupation Native country

# EDA: Marital status and relationship



### **Model Selection**



### Feature Engineering

Initial

Initial model with raw features

Education

Discard duplicate feature education level

Capital

Combine capital gain and capital loss

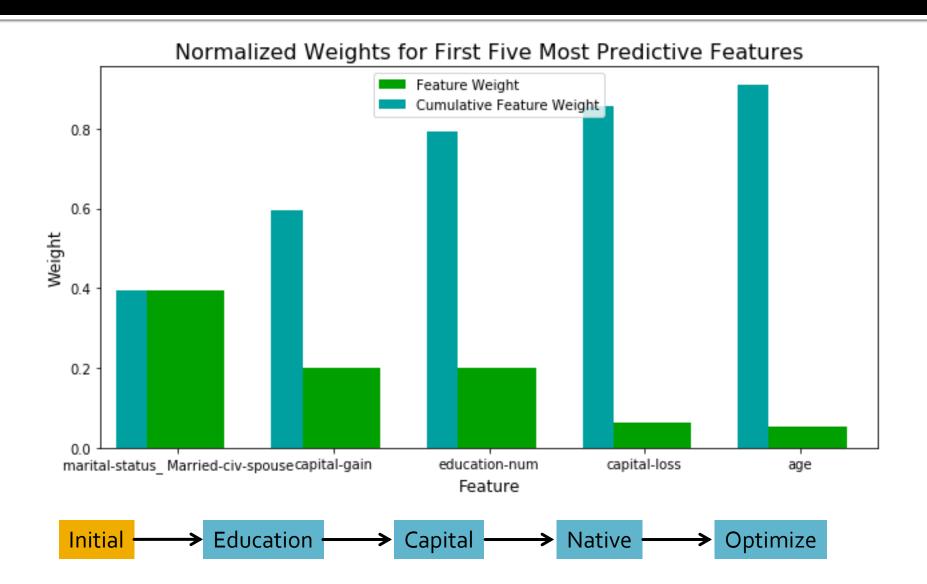
Native

Encode native country as U.S. and other

Optimize

Optimize hyper-parameters

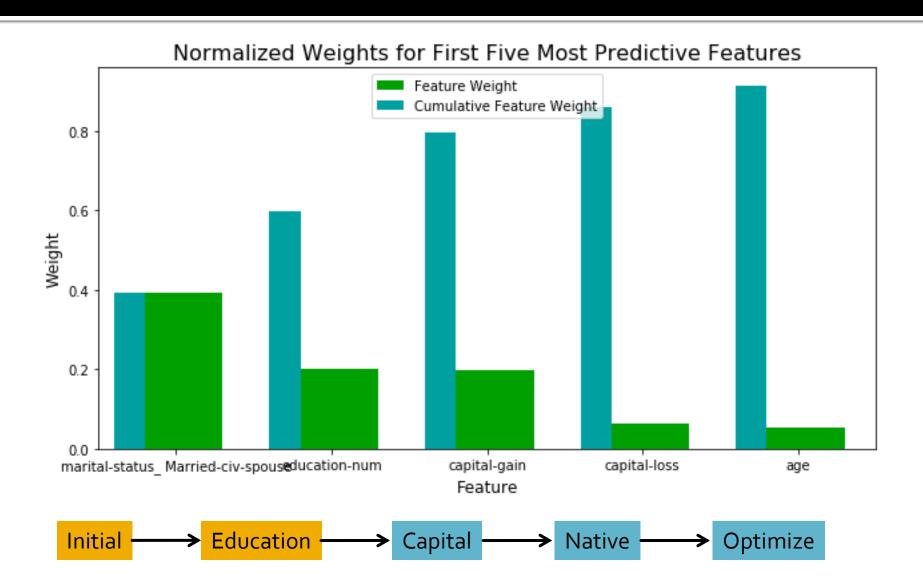
Accuracy 0.8630
Precision 0.7821
Recall 0.6073



Accuracy 0.8636

Precision 0.7831

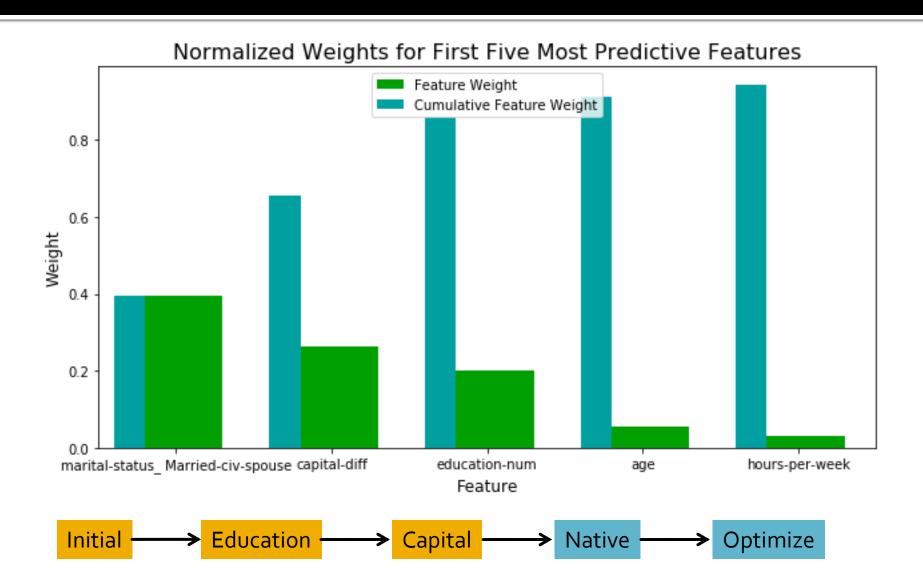
Recall 0.6091



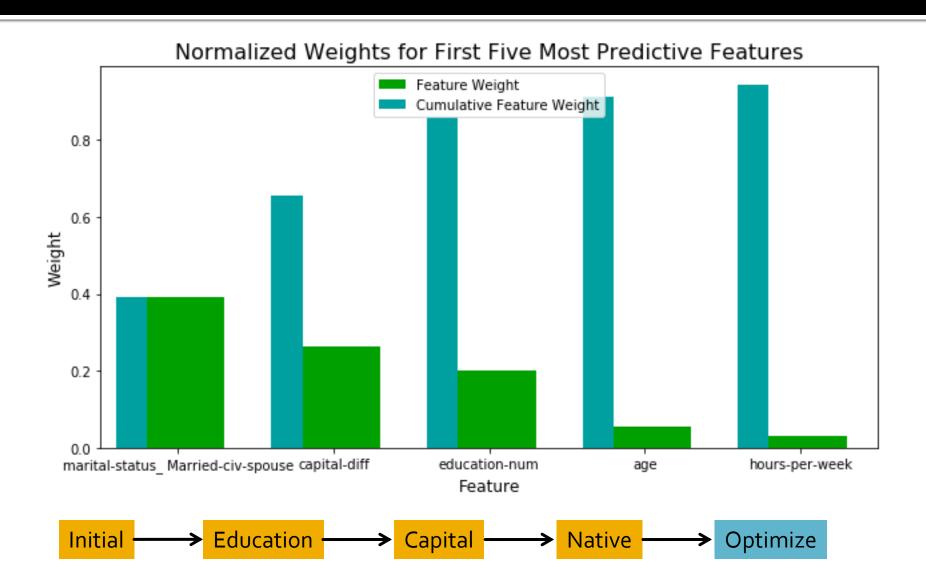
Accuracy 0.8636

Precision 0.7831

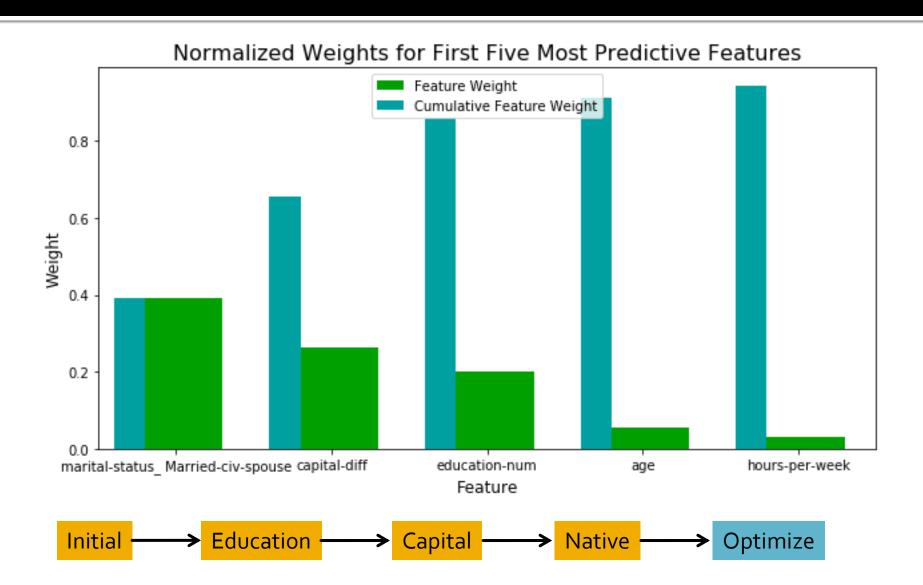
Recall 0.6091



Accuracy 0.8640
Precision 0.7849
Recall 0.6091



Accuracy	0.8714
Precision	0.7853
Recall	0.6503



### Summary

- Gradient Boosting is selected over Gaussian Naïve Bayes and Decision Tree based on running time, accuracy, and F score.
- Model is improved/simplified progressively by feature engineering:
  - Discarding education level
  - Combining capital gain & capital loss
  - Encoding of native country