

IS517 - Methods of Data Science

Project : Online Shoppers Intention



Introduction

- E-commerce is a 5 trillion dollars industry.
- Customer tracking metrics are key for success of E Commerce business
- customer dynamics is of paramount importance for the firm, is widely used, and is less known to the general masses
- Example: Google Analytics, Heap, Hubspot



Dataset Description

- Rows: 12330, Columns: 18
- The dataset consists of feature vectors belonging to 12,330 sessions.
- The dataset was formed so that each session would belong to a different user in a 1-year period to avoid any tendency to a specific campaign, special day, user,profile, or period.
- The dataset consists of 10 numerical and 8 categorical attributes.
- The 'Revenue' attribute used as the class label.



Research Question

1) Given the information about an online shopping session can we predict if revenue will be generated in that session.

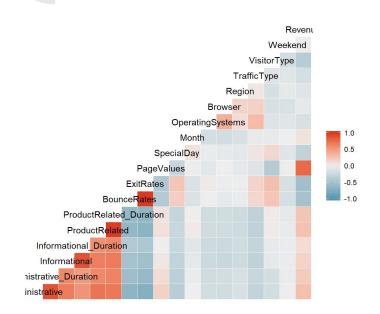
This will be a binary classification problem and we will attempt to employ different feature engineering techniques as well as numerous machine learning models to determine which approach provides the best classification results.

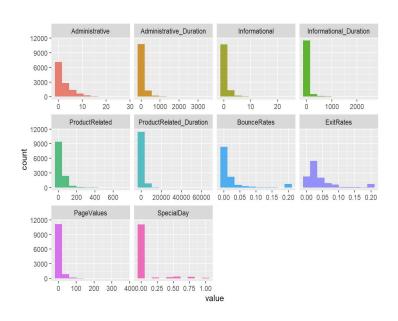
2) What are the important attributes that indicate the customer is most likely to purchase (create revenue) during an online session?

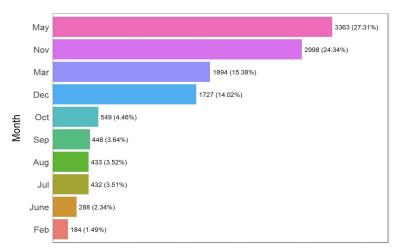
Any E-commerce firm would enjoy having highly accurate models that can predict if there is going to be a sale during a given session. But, at the same point, it is important for them to understand what factors are playing a role in generating revenue.



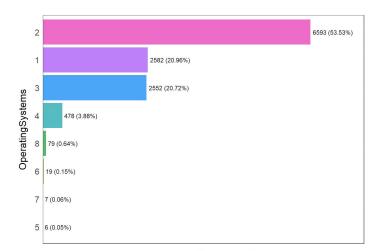
Exploratory Data Analysis



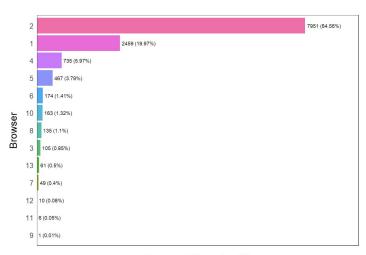




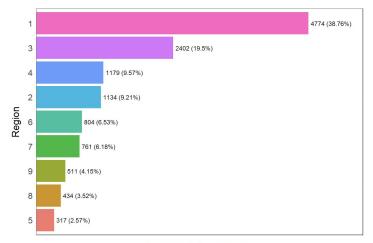




Frequency / (Percentage %)

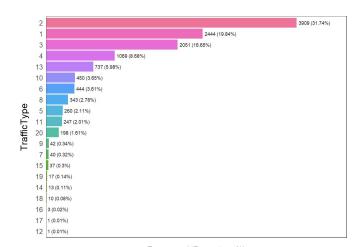


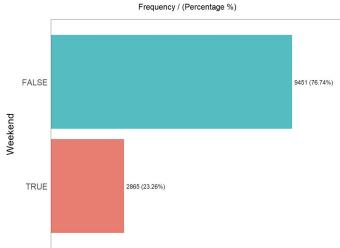
Frequency / (Percentage %)



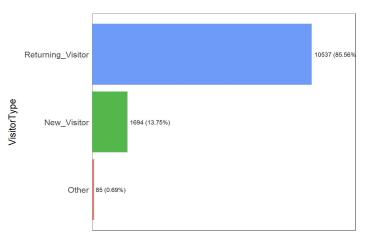
Frequency / (Percentage %)



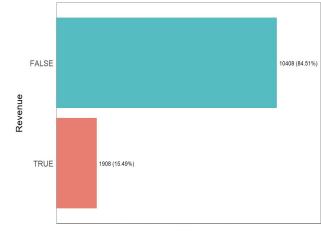




Frequency / (Percentage %)







Frequency / (Percentage %)



RQ 1

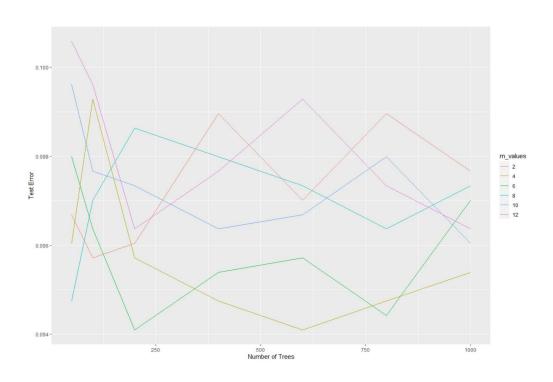
Given the information about an online shopping session can we predict if revenue will be generated in that session.

- Logistic Regression
- KNN
- Naive Bayes Classifier
- Decision Tree
- Bagging
- Random Forest
- Boosting

- SVM
- Neural Networks



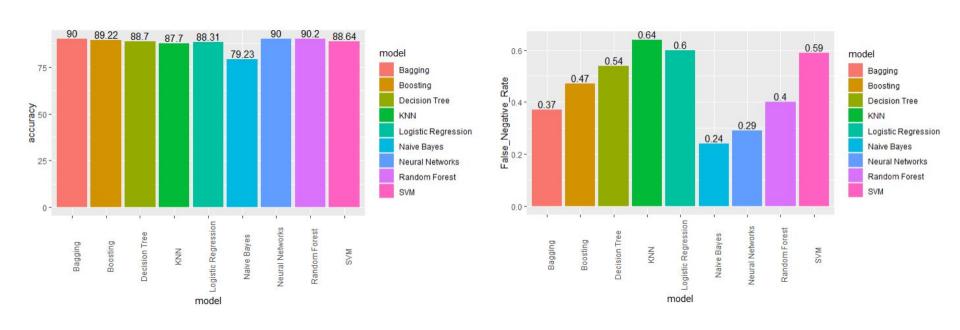








Model vs Accuracy vs False Negative Rate





RQ 2:

What are the important attributes that indicate the customer is most likely to purchase (create revenue) during an online session?

- Logistic Regression
- Bagging





RQ 2: Logistic Regression

Summary uses Wald-test.

Also tells us about how each feature affects odds.

ANOVA tests the explanatory power of the predictor.

Important predictors are:

- 1. PageValues
- 2. BounceRates
- 3. ProductRelated_Duration
- ExitRates
- 5. Month
- 6. TrafficType
- 7. SpecialDay

```
Estimate Std. Error z value Pr(>|z|)
                             -1.720e+00 2.442e-01 -7.044 1.86e-12 ***
Informational
                              3.926e-02
                                        3.157e-02
Informational_Duration
                             -7.799e-05
                                        2.658e-04
                                                    -0.293 0.769232
ProductRelated_Duration
                             1.053e-04
                                        1.798e-05
                                                     5.857 4.72e-09
                             -1.322e+00
                                        3.596e+00
                                                    -0.368 0.713167
ExitRates
                             -1.439e+01
                                        2.746e+00
                                                    -5.241 1.60e-07
PageValues
                             8.209e-02
                                        2.825e-03
                                                   29.057 < 2e-16 ***
SpecialDay
                             -8.285e-02
                                        2.776e-01
                                                    -0.298 0.765374
MonthDec
                             -8.770e-01
                                        2.136e-01
                                                   -4.107 4.02e-05 ***
MonthFeb
MonthJul
                              5.302e-02 2.505e-01
                                                     0.212 0.832361
MonthJune
                             -4.430e-01
                                        3.147e-01
                             -7.562e-01
                                        2.109e-01
                                                    -3.586 0.000336 ***
MonthMay
                             -6.728e-01
                                        1.997e-01
                                                    -3.369 0.000755 ***
MonthNov
                             3.932e-01
                                        1.893e-01
                                                     2.077 0.037824
Monthoct
                             -1.450e-01
                                        2.318e-01
                                                    -0.626 0.531540
MonthSep
                              4.652e-02
                                        2.406e-01
                                                     0.193 0.846705
                              2.806e-01
                                        1.901e-01
OperatingSystems3
                              5.132e-02
                                        2.045e-01
                                                     0.251 0.801829
                              1.083e-01
                              3.660e-01
                                        1.363e+00
                                                     0.269 0.788237
                             -5.273e-01
                                        1.047e+00
OperatingSystems7
                              1.349e+00
                                        1.168e+00
                                                     1.155 0.248022
OperatingSystems8
                             -2.784e-01
                                        9.326e-01
                                                    -0.298 0.765352
                             -1.805e-01 1.918e-01
                                                    -0.941 0.346666
Browser3
                             -1.523e+00
                                        7.676e-01
Browser4
                             -1.216e-01 2.406e-01
                                                    -0.506 0.613161
Browser5
                              1.303e-02
                                        2.620e-01
Browser6
                             -6.026e-01 4.025e-01
                                                   -1.497 0.134340
Browser7
                             -1.299e-01
                                        5.660e-01
Browser8
                              3.208e-01 3.560e-01
                                                    0.901 0.367544
Browser9
                             -1.210e+01 1.455e+03
                                                   -0.008 0.993367
```

: Model Summary

Analysis of Deviance Table						
Model: binomial, link: logit						
Response: Revenue						
Terms added sequentially (first to last)						
	Df	Deviance	Resid. Df	Resid. Dev	Pr(>Chi)	
NULL			9247	7968.8		
Informational	1	72.70	9246		< 2.2e-16	***
Informational_Duration	1	0.39	9245		0.5343	
ProductRelated_Duration	1	146.01	9244	7749.7	< 2.2e-16	***
BounceRates	1	322.05	9243	7427.6	< 2.2e-16	***
ExitRates	1	233.74	9242	7193.9	< 2.2e-16	***
PageValues	1	1565.36	9241	5628.5	< 2.2e-16	र्थर र्थर र्थर
SpecialDay	1	17.47	9240	5611.0	2.925e-05	***
Month	9	215.80	9231	5395.2	< 2.2e-16	***
OperatingSystems	7	10.77	9224	5384.5	0.1489	
Browser	11	15.76	9213	5368.7	0.1504	
Region	8	4.62	9205	5364.1	0.7969	
TrafficType	19	53.06	9186	5311.0	4.586e-05	***
VisitorType	- 2	3.71	9184	5307.3	0.1567	
Weekend	1	0.15	9183	5307.2	0.6981	
Signif, codes: 0 '***'	0.0	001 '**'	0.01 '*' 0.	.05 '.' 0.1	' ' 1	

: Anova





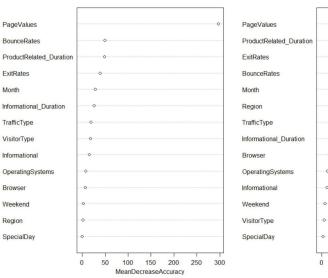
RQ 2: Bagging

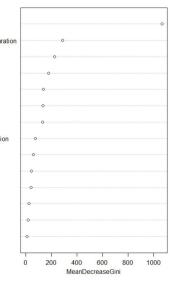
Two measures MeanDecreaseAccuracy and MeanDecreaseGini

Quantify Impact of the predictors

Top 5 predictors:

- 1. PageValues
- 2. BounceRates
- 3. ProductRelated_Duration
- 4. ExitRates
- 5. Month







Conclusion & Future Direction

Conclusion

- 1. Non-Linear Models seem to perform better. Fine tuning increased the accuracy significantly for some models.
- 2. Model selection should not be done solely on accuracy.
- 3. Firms can focus research more into the important predictors to better understand the consumer purchase dynamics.

Future Work

- 1. Months and special days impact revenue. Thus using different temporal aspect can be interesting.
- 2. Trying similar analysis on different dataset as a regression problem may lead to new insights.
- 3. Larger Datasets and various other Ensemble/ Neural Network techniques can be tried for higher accuracy.



Thank You