

Waze Project Proposal

Overview

Waze leadership has asked the data team to build a machine learning model to predict user churn. The model is based on data collected from users of the Waze app.

Milestones	Tasks	Deliverables/Reports
1	Establish structure for project workflow (PACE)	Global-level project document
1a	Write a project proposal	
2	Compile summary information about the data	Data files ready for EDA
2 a	Begin exploring the data	
3	Data exploration and cleaning	EDA report
3a	Visualization building	Tableau dashboard/visualizations
4	Compute descriptive statistics	Analysis of testing results between two important variables
4a	Conduct hypothesis testing	
5	Build a regression model	



5a	Evaluate the model	Determine the success of the model
6	Build a machine learning model	Final model
6a	Communicate final insights with stakeholders	Report to all stakeholders



WAZE Data Dictionary:

This project uses a dataset called waze_dataset.csv. It contains synthetic data created for this project in partnership with Waze.

The dataset contains:

14,999 rows – each row represents one unique user

12 columns

Column name	Туре	Description
label	obj	Binary target variable ("retained" vs "churned") for if a
	,	user has churned anytime during the course of the month
sessions	int	The number of occurrence of a user opening the app
363310113	1110	during the month
drives	int	An occurrence of driving at least 1 km during the month
device	obj	The type of device a user starts a session with
total sossions	float	A model estimate of the total number of sessions since a
total_sessions	HOat	user has onboarded
n_days_after_onboarding	int	The number of days since a user signed up for the app
total navigations faul	int	Total navigations since onboarding to the user's favorite
total_navigations_fav1	1110	place 1
total navigations fav?	int	Total navigations since onboarding to the user's favorite
total_navigations_fav2	IIIL	place 2
driven_km_drives	float	Total kilometers driven during the month
duration_minutes_drives	float	Total duration driven in minutes during the month
activity_days	int	Number of days the user opens the app during the month
driving days	int	Number of days the user drives (at least 1 km) during the
driving_days	1111	month

Waze Project

Milestone 2 / 2a - Compile information about the data. Begin exploring the data.

Inspect and analyze data

The purpose of this project is to investigate and understand the data provided.

The goal is to use a dataframe contructed within Python to perform a cursory inspection of the provided dataset.

This notebook has two parts:

Part 1: Summary Information

Part 2: Initial Churned vs. Retained exploration

Identify data types and compile summary information

Imports and data loading

```
In [1]: # Import packages for data manipulation
   import pandas as pd
   import numpy as np

In [2]: # Load dataset into dataframe
   df = pd.read_csv('waze_dataset.csv')
```

Summary information

In [3]:	df.head(10)												
Out[3]:		ID	label	sessions	drives	total_sessions	n_days_after_onboarding	total_navigations_fav1	total_navigation				
	0	0	retained	283	226	296.748273	2276	208					
	1	1	retained	133	107	326.896596	1225	19					
	2	2	retained	114	95	135.522926	2651	0					
	3	3	retained	49	40	67.589221	15	322					
	4	4	retained	84	68	168.247020	1562	166					
	5	5	retained	113	103	279.544437	2637	0					
	6	6	retained	3	2	236.725314	360	185					
	7	7	retained	39	35	176.072845	2999	0					
	8	8	retained	57	46	183.532018	424	0					
	9	9	churned	84	68	244.802115	2997	72					

```
In [4]: df.info()
        <class 'pandas.core.frame.DataFrame'>
        RangeIndex: 14999 entries, 0 to 14998
        Data columns (total 13 columns):
              Column
                                        Non-Null Count Dtype
             ----
              TD
         0
                                        14999 non-null int64
         1
             label
                                        14299 non-null object
                                        14999 non-null int64
         2
            sessions
         3
             drives
                                        14999 non-null int64
                                       14999 non-null float64
         4
            total_sessions
         5
            n_days_after_onboarding 14999 non-null int64
             total_navigations_fav1 14999 non-null int64
             total_navigations_fav2 14999 non-null int64
         7
             driven_km_drives
                                        14999 non-null float64
              duration_minutes_drives 14999 non-null float64
                                        14999 non-null int64
         10 activity_days
                                       14999 non-null int64
         11 driving_days
         12 device
                                        14999 non-null object
         dtypes: float64(3), int64(8), object(2)
        memory usage: 1.5+ MB
        Null values and summary statistics
In [5]: # Isolate rows with null values
         null_df = df[df['label'].isnull()]
         # Display summary stats of rows with null values
         null_df.describe()
Out[5]:
                        ID
                             sessions
                                         drives total sessions in days after onboarding total navigations fav1 t
                700.000000 700.000000 700.000000
                                                   700.000000
                                                                        700.000000
                                                                                            700.000000
         count
         mean
                7405.584286
                            80.837143
                                      67.798571
                                                   198.483348
                                                                       1709.295714
                                                                                            118.717143
           std
                4306.900234
                            79.987440
                                      65.271926
                                                   140.561715
                                                                       1005.306562
                                                                                            156.308140
          min
                 77.000000
                             0.000000
                                       0.000000
                                                    5.582648
                                                                         16.000000
                                                                                             0.000000
          25%
                3744.500000
                            23.000000
                                      20.000000
                                                   94.056340
                                                                        869.000000
                                                                                             4.000000
          50%
                7443.000000
                            56.000000
                                      47.500000
                                                   177.255925
                                                                       1650.500000
                                                                                             62.500000
          75% 11007.000000 112.250000
                                      94.000000
                                                   266.058022
                                                                       2508.750000
                                                                                            169.250000
          max 14993.000000 556.000000 445.000000
                                                  1076.879741
                                                                       3498.000000
                                                                                           1096.000000
        # Isolate rows without null values
         not_null_df = df[~df['label'].isnull()]
         # Display summary stats of rows without null values
         not_null_df.describe()
```

```
In [6]:
```

Out[6]:	ID		sessions	drives	total_sessions	n_days_after_onboarding	total_navigations_fav
	count	14299.000000	14299.000000	14299.000000	14299.000000	14299.000000	14299.00000
	mean	7503.573117	80.623820	67.255822	189.547409	1751.822505	121.74739
	std	4331.207621	80.736502	65.947295	136.189764	1008.663834	147.71342
	min	0.000000	0.000000	0.000000	0.220211	4.000000	0.00000
	25%	3749.500000	23.000000	20.000000	90.457733	878.500000	10.00000
	50%	7504.000000	56.000000	48.000000	158.718571	1749.000000	71.00000
	75%	11257.500000	111.000000	93.000000	253.540450	2627.500000	178.00000

max 14998.000000 743.000000 596.000000 1216.154633 3500.000000 1236.00000

Null values - device counts

```
In [7]: # Get count of null values by device
        null_df['device'].value_counts()
```

iPhone 447 Out[7]: Android 253

Name: device, dtype: int64

Of the 700 rows with null values, 447 were iPhone users and 253 were Android users.

```
# Calculate % of iPhone nulls and Android nulls
In [8]:
        null_df['device'].value_counts(normalize=True)
```

0.638571 iPhone Out[8]: Android 0.361429

Name: device, dtype: float64

```
In [9]: # Calculate % of iPhone users and Android users in full dataset
        df['device'].value_counts(normalize=True)
```

iPhone 0.644843 Out[9]: Android 0.355157

Name: device, dtype: float64

The distribution of missing values across different devices aligns with their overall presence in the data, suggesting no indication of a systematic reason behind the missing data.

Churned vs. Retained

```
# Calculate counts of churned vs. retained
In [10]:
         print(df['label'].value_counts())
         print()
         print(df['label'].value_counts(normalize=True))
         retained
                     11763
         churned
                      2536
         Name: label, dtype: int64
         retained
                     0.822645
         churned
                     0.177355
         Name: label, dtype: float64
```

This dataset contains approximately 82% retained users and 18% churned users.

```
# Calculate median values of all columns for churned and retained users
In [11]:
         df.groupby('label').median(numeric_only=True)
```

Out[11]:		ID	sessions	drives	total_sessions	n_days_after_onboarding	total_navigations_fav1	total_naviga
	label							
	churned	7477.5	59.0	50.0	164.339042	1321.0	84.5	
	retained	7509.0	56.0	47.0	157.586756	1843.0	68.0	

A few interesting observations jump out from this quick comparions.

Churned users averaged significantly fewer activity days and driving days than the retained users, yet they also averaged slightly more drives, kms driven, and minutes driven.

Churned vs. Retained - drive comparisons

```
In [12]: # Group data by `label` and calculate the medians
medians_by_label = df.groupby('label').median(numeric_only=True)
print('Median kilometers per drive:')
# Divide the median distance by median number of drives
medians_by_label['driven_km_drives'] / medians_by_label['drives']

Median kilometers per drive:
label
churned 73.053113
retained 73.716694
dtype: float64

There is not a significant difference between churned and retained median kilometers per dri. They both
```

averaged ~73 km/drive. How many kilometers per driving day was this?

```
In [13]: # Divide the median distance by median number of driving days

print('Median kilometers per driving day:')

medians_by_label['driven_km_drives'] / medians_by_label['driving_days']

Median kilometers per driving day:

label

churned 608.775944

retained 247.477472

dtype: float64
```

Calculate the median number of drives per driving day for each group.

churned 8.333333 retained 3.357143 dtype: float64

The median churned user traveled an average of 608 kilometers per driving day last month, which is nearly 2.5 times the distance covered by retained users on each drive day. Additionally, the median churned user had a disproportionately higher number of drives per drive day compared to retained users.

Churned vs. Retained - device type comparison

```
In [15]:
         # For each label, calculate the number of Android users and iPhone users
         df.groupby(['label', 'device']).size()
         label
                   device
Out[15]:
         churned
                   Android
                               891
                   iPhone
                              1645
         retained Android
                              4183
                   iPhone
                              7580
         dtype: int64
         # For each label, calculate the percentage of Android users and iPhone users
In [16]:
         df.groupby('label')['device'].value_counts(normalize=True)
```

Out[16]: label device churned iPhone 0.648659 Android 0.351341 retained iPhone 0.644393 Android 0.355607

Name: device, dtype: float64

The proportion of iPhone users to Android users remains consistent within both the churned and retained groups, and these ratios align with the overall dataset.

Conclusion

- The dataset contains 700 missing values, and there is no discernible pattern to these missing values.
- Within the dataset, around 36% of the users were Android users, whereas approximately 64% were iPhone users.
- The median churned user traveled an average of 608 kilometers per driving day last month, which is nearly 2.5 times the distance covered by retained users on each drive day.
- The median churned user had a disproportionately higher number of drives per drive day compared to retained users.
- In general, churned users covered similar distances but had longer durations of driving within a shorter span of days compared to retained users.
- Churned users utilized the app approximately half as frequently as retained users during the same time frame
- Churn rate for both iPhone and Android users differed by less than one percentage point. There is no indication of any correlation between device type and churn, suggesting that device choice does not play a significant role in the churn rate.

Waze Project

Milestone 3 / 3a - Data exploration and cleaning. Visualization building

Exploratory data analysis

The purpose of this project is to conduct exploratory data analysis (EDA) on a provided dataset.

The goal is to continue the examination of the data, adding relevant visualizations that help communicate the story that the data tells.

This notebook has 4 parts:

Part 1: Imports, links, and loading

Part 2: Data Cleaning and Exploration

Part 3: Building visualizations

Part 4: Evaluating and Conclusion

Imports and data loading

```
In [1]: import pandas as pd
   import matplotlib.pyplot as plt
   import numpy as np
   import seaborn as sns
In [2]: # Load the dataset into a dataframe
```

df = pd.read_csv('waze_dataset.csv')

Data cleaning and exploration

df.head(10)												
	ID	label	sessions	drives	total_sessions	n_days_after_onboarding	total_navigations_fav1	total_navigation				
0	0	retained	283	226	296.748273	2276	208					
1	1	retained	133	107	326.896596	1225	19					
2	2	retained	114	95	135.522926	2651	0					
3	3	retained	49	40	67.589221	15	322					
4	4	retained	84	68	168.247020	1562	166					
5	5	retained	113	103	279.544437	2637	0					
6	6	retained	3	2	236.725314	360	185					
7	7	retained	39	35	176.072845	2999	0					
g	8	retained	57	46	183 532018	424	0					

```
In [5]:
           df.size
          194987
Out[5]:
In [6]:
           df.describe()
                            ID
                                     sessions
                                                      drives
                                                             total_sessions
                                                                            n_days_after_onboarding total_navigations_fav
Out[6]:
           count 14999.000000
                                14999.000000
                                               14999.000000
                                                               14999.000000
                                                                                         14999.000000
                                                                                                                14999.00000
                   7499.000000
                                    80.633776
                                                  67.281152
                                                                 189.964447
                                                                                          1749.837789
                                                                                                                  121.60597
           mean
                                    80.699065
                   4329.982679
                                                  65.913872
                                                                 136.405128
                                                                                          1008.513876
                                                                                                                  148.12154
             std
            min
                      0.000000
                                     0.000000
                                                   0.000000
                                                                   0.220211
                                                                                             4.000000
                                                                                                                    0.00000
                                                                  90.661156
            25%
                   3749.500000
                                    23.000000
                                                  20.000000
                                                                                           878.000000
                                                                                                                    9.00000
            50%
                   7499.000000
                                    56.000000
                                                  48.000000
                                                                 159.568115
                                                                                          1741.000000
                                                                                                                   71.00000
            75%
                  11248.500000
                                   112.000000
                                                  93.000000
                                                                 254.192341
                                                                                          2623.500000
                                                                                                                  178.00000
            max 14998.000000
                                                                1216.154633
                                                                                                                 1236.00000
                                   743.000000
                                                 596.000000
                                                                                          3500.000000
```

2997

244.802115

```
In [7]: df.info()
```

9 churned

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 14999 entries, 0 to 14998
Data columns (total 13 columns):
```

#	Column	Non-Null Count	Dtype
0	ID	14999 non-null	int64
1	label	14299 non-null	object
2	sessions	14999 non-null	int64
3	drives	14999 non-null	int64
4	total_sessions	14999 non-null	float64
5	n_days_after_onboarding	14999 non-null	int64
6	total_navigations_fav1	14999 non-null	int64
7	total_navigations_fav2	14999 non-null	int64
8	driven_km_drives	14999 non-null	float64
9	duration_minutes_drives	14999 non-null	float64
10	activity_days	14999 non-null	int64
11	driving_days	14999 non-null	int64
12	device	14999 non-null	object
dtype	es: float64(3), int64(8),	object(2)	

Visualizations

memory usage: 1.5+ MB

'Sessions' EDA

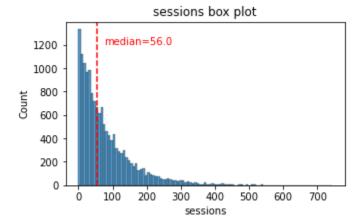
sessions

The number of occurrence of a user opening the app during the month

```
In [8]: # Box plot
plt.figure(figsize=(5,1))
sns.boxplot(x=df['sessions'], fliersize=1)
plt.title('sessions box plot');
```

```
0 100 200 300 400 500 600 700 sessions
```

```
In [9]: # Histogram
   plt.figure(figsize=(5,3))
    sns.histplot(x=df['sessions'])
   median = df['sessions'].median()
   plt.axvline(median, color='red', linestyle='--')
   plt.text(75,1200, 'median=56.0', color='red')
   plt.title('sessions box plot');
```



The **sessions** variable exhibits a skewed distribution to the right, where approximately 50% of the observations consist of 56 sessions or fewer. However, the boxplot reveals that a subset of users has more than 700 sessions.

'Drives' EDA

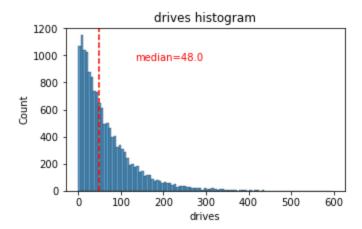
drives

An occurrence of driving at least 1 km during the month

```
In [10]: # Box plot
    plt.figure(figsize=(5,1))
    sns.boxplot(x=df['drives'], fliersize=1)
    plt.title('drives box plot');
```

```
0 100 200 300 400 500 600 drives
```

```
In [12]: # Histogram
histogrammer('drives')
```



The **drives** data exhibits a distribution resembling that of the **sessions** variable. It is right-skewed, resembles a log-normal distribution, with a median of 48. However, a subset of drivers recorded over 400 drives in the last month.

'Total Sessions' EDA

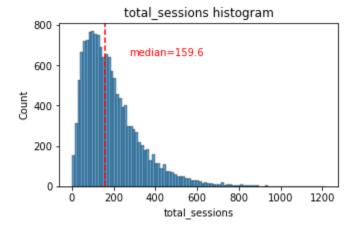
total_sessions

A model estimate of the total number of sessions since a user has onboarded

```
In [13]: # Box plot
  plt.figure(figsize=(5,1))
  sns.boxplot(x=df['total_sessions'], fliersize=1)
  plt.title('total_sessions box plot');
```

```
0 200 400 600 800 1000 1200 total sessions
```

```
In [14]: # Histogram
histogrammer('total_sessions')
```



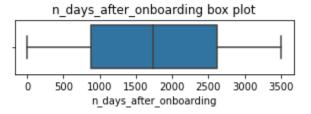
The distribution of total_sessions is right-skewed, appearing closer to a normal distribution compared to the previous variables. The median total number of sessions is approximately 159.6. This observation is noteworthy because if the median number of sessions in the last month was 48 and the median total sessions was around 160, it suggests that a significant proportion of a user's overall sessions possibly occurred within the last month.

'n Days After Onboarding' EDA

n_days_after_onboarding

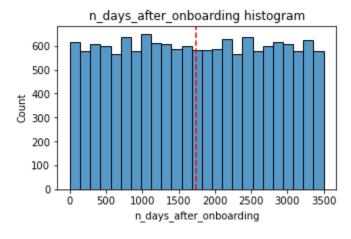
The number of days since a user signed up for the app

```
In [15]: # Box plot
plt.figure(figsize=(5,1))
sns.boxplot(x=df['n_days_after_onboarding'], fliersize=1)
plt.title('n_days_after_onboarding box plot');
```



```
In [16]: # Histogram
histogrammer('n_days_after_onboarding', median_text=False)
```

Median: 1741.0

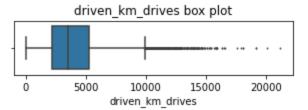


The total user tenure is a uniform distribution with values ranging from near-zero to ~3,500 days, or roughly 9.5 years.

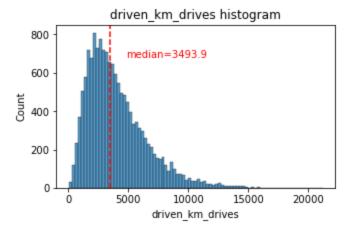
driven km drives

Total kilometers driven during the month

```
In [17]: # Box plot
  plt.figure(figsize=(5,1))
  sns.boxplot(x=df['driven_km_drives'], fliersize=1)
  plt.title('driven_km_drives box plot');
```



```
In [18]: # Histogram
histogrammer('driven_km_drives')
```



The distribution of drives completed by each user in the last month exhibits right-skewed normal distribution. Roughly 50% of users drove fewer than 3,495 kilometers during that period.

'Duration Minutes Drives' EDA

duration_minutes_drives

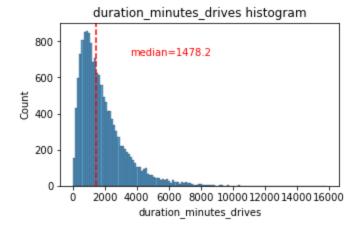
Total duration driven in minutes during the month

```
In [19]: # Box plot
    plt.figure(figsize=(5,1))
    sns.boxplot(x=df['duration_minutes_drives'], fliersize=1)
    plt.title('duration_minutes_drives box plot');
```

```
duration_minutes_drives box plot

0 2000 4000 6000 8000 10000 12000 14000 16000 duration minutes drives
```

```
In [20]: # Histogram
histogrammer('duration_minutes_drives')
```



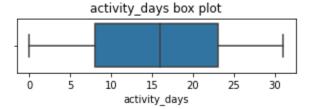
The duration_minutes_drives variable has a normalish distribution with a heavily skewed right tail. Around 50% of the users had a driving duration of less than 1,478 minutes (equivalent to about 25 hours), while certain users recorded over 250 hours of driving time throughout the month.

'Activity Days' EDA

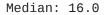
activity_days

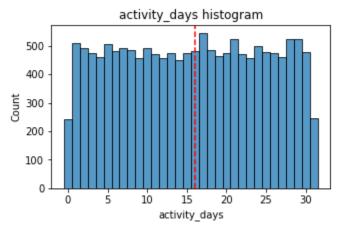
Number of days the user opens the app during the month

```
In [21]: # Box plot
   plt.figure(figsize=(5,1))
   sns.boxplot(x=df['activity_days'], fliersize=1)
   plt.title('activity_days box plot');
```



```
In [22]: # Histogram
histogrammer('activity_days', median_text=False, discrete=True)
```





In the past month, users had a median of 16 app openings. The box plot displays a distribution that is centered. The histogram indicates a relatively uniform pattern with approximately 500 individuals opening the app on each day count. However, there are approximately 250 users who did not open the app at all, while another 250 users opened it every day throughout the month.

This distribution is of interest because it does not align with the distribution of sessions, which one might assume would be closely related to activity_days.

'Driving Days' EDA

driving_days

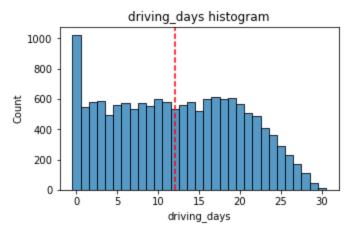
Number of days the user drives (at least 1 km) during the month

```
In [23]: # Box plot
   plt.figure(figsize=(5,1))
   sns.boxplot(x=df['driving_days'], fliersize=1)
   plt.title('driving_days box plot');
```



```
In [24]: # Histogram
histogrammer('driving_days', median_text=False, discrete=True)
```

Median: 12.0



The frequency of users driving each month shows a relatively uniform pattern, closely aligned with the number of days they accessed the app within the same period. However, it's worth noting that the distribution of **driving_days** skews towards lower values.

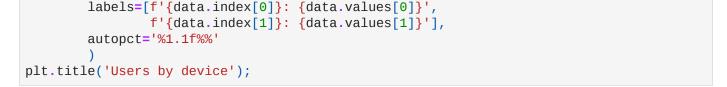
Interestingly, there were nearly twice as many users (~1,000 versus ~550) who didn't engage in any driving activity throughout the month. This is interesting when considering the information provided about **activity_days** .

'Device' EDA

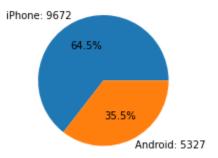
device

The type of device a user starts a session with

```
In [25]: # Pie chart
fig = plt.figure(figsize=(3,3))
data=df['device'].value_counts()
plt.pie(data,
```



Users by device



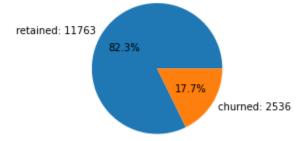
There are almost twice as many iPhone users as Android users.

'Label' EDA

label

Binary target variable ("retained" vs "churned") for if a user has churned anytime during the course of the month

Count of retained vs. churned

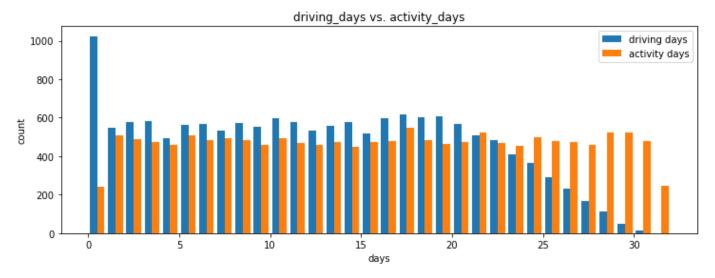


Most of the users were retained. Less than 18% of the users churned.

Driving Days vs Activity Days EDA

driving days vs. activity days

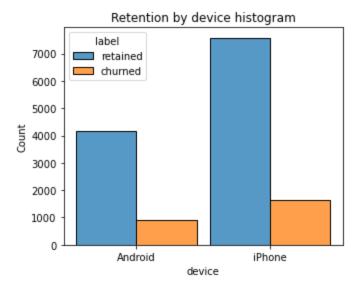
```
label=label)
plt.xlabel('days')
plt.ylabel('count')
plt.legend()
plt.title('driving_days vs. activity_days');
```



This is interesting. Initially, more users had an increase in driving_days compared to activity_days. They two stayed fairly consistent through until around day 21. Then, driving_days steadily declined, while activity_days remained near its previous levels. This would suggest that though users weren't driving as much, they were still opening and using the app.

Retention by device EDA

Device: iPhone vs Android

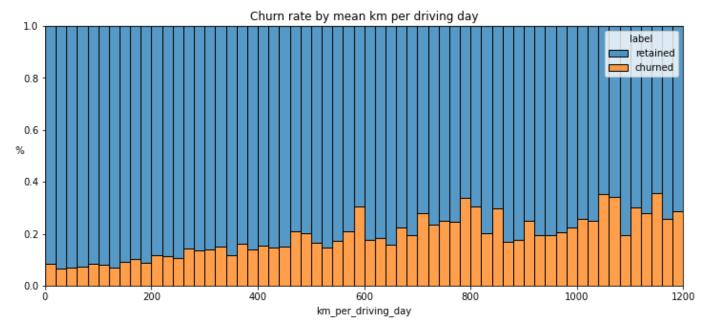


The ratio of users who churned to those who were retained remains consistent across both Android and iPhone devices. It is worth noting that iPhone users had higher numbers of churn and retention, thought that

is likely due to the popularity of the iPhone.

Retention by kilometers driven per driving day EDA

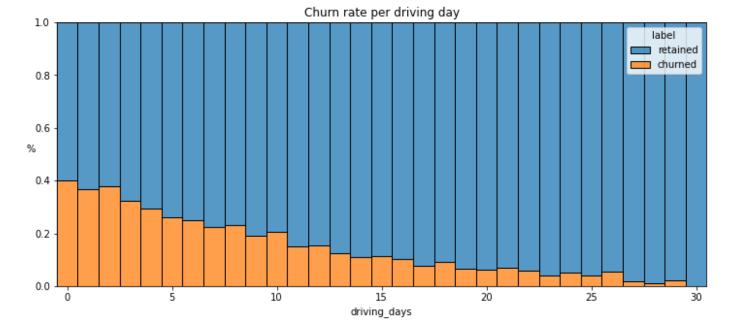
km_per_driving_day



As the average daily distance driven increases, the churn rate also tends to rise. It would be valuable to delve deeper into the reasons why users who cover longer distances choose to discontinue using the app.

Churn rate per number of driving days EDA

driving days



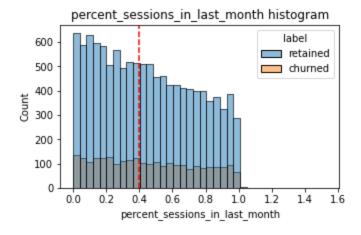
The likelihood of churn decreased as the frequency of app usage increased. Among users who did not use the app at all in the last month, 40% churned, whereas none of the users who used the app for 30 days experienced churn.

Proportion of sessions that occurred in the last month EDA

```
In [34]: df['percent_sessions_in_last_month'] = df['sessions'] / df['total_sessions']
In [35]: df['percent_sessions_in_last_month'].median()
Out[35]: 0.42309702992763176

In [36]: # Histogram histogrammer('percent_sessions_in_last_month', hue=df['label'], multiple='layer', median_text=False)
```

Median: 0.4

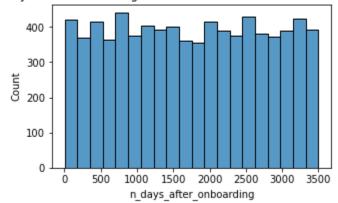


```
In [37]: df['n_days_after_onboarding'].median()
Out[37]: 1741.0
```

Around half of the users included in the dataset had 40% or more of their sessions concentrated solely in the last month. Despite this, the median time elapsed since their initial onboarding is 4.77 years.

```
In [38]: # Histogram
   data = df.loc[df['percent_sessions_in_last_month']>=0.4]
   plt.figure(figsize=(5,3))
   sns.histplot(x=data['n_days_after_onboarding'])
   plt.title('Num. days after onboarding for users with >=40% sessions in last month');
```

Num. days after onboarding for users with >=40% sessions in last month



The number of days since users onboarded, who have experienced 40% or more of their total sessions within the last month, conforms to a uniform distribution. This is an interesting observation. Why the sudden surge in app usage by these longstanding users during the recent month?

Outliers due to skew

```
In [39]:
         def outlier_imputer(column_name, percentile):
             # Calculate threshold
             threshold = df[column_name].quantile(percentile)
             # Impute threshold for values > than threshold
             df.loc[df[column_name] > threshold, column_name] = threshold
             print('{:>25} | percentile: {} | threshold: {}'.format(column_name, percentile, thre
         for column in ['sessions', 'drives', 'total_sessions',
                         'driven_km_drives', 'duration_minutes_drives']:
                         outlier_imputer(column, 0.95)
                          sessions | percentile: 0.95 | threshold: 243.0
                            drives | percentile: 0.95 | threshold: 201.0
                    total_sessions | percentile: 0.95 | threshold: 454.3632037399997
                  driven_km_drives | percentile: 0.95 | threshold: 8889.7942356
           duration_minutes_drives | percentile: 0.95 | threshold: 4668.899348999999
         df.describe()
In [41]:
Out[41]:
```

	ID	sessions	drives	total_sessions	n_days_after_onboarding	total_navigations_fav
count	14999.000000	14999.000000	14999.000000	14999.000000	14999.000000	14999.00000
mean	7499.000000	76.568705	64.058204	184.031320	1749.837789	121.60597
std	4329.982679	67.297958	55.306924	118.600463	1008.513876	148.12154
min	0.000000	0.000000	0.000000	0.220211	4.000000	0.00000
25%	3749.500000	23.000000	20.000000	90.661156	878.000000	9.00000
50%	7499.000000	56.000000	48.000000	159.568115	1741.000000	71.00000
75%	11248.500000	112.000000	93.000000	254.192341	2623.500000	178.00000
max	14998.000000	243.000000	201.000000	454.363204	3500.000000	1236.00000

Conclusion

Types of distributions noticed in the variables:

The majority of variables displayed either a strong right-skewness or a uniform distribution. In the case
of right-skewed distributions, this indicates that a significant portion of users had values concentrated
towards the lower end of the variable's range. Conversely, for variables exhibiting a uniform distribution,
users had an approximately equal likelihood of possessing values across the entire range of that
variable.

Indications the data may be erroneous or problematic:

• The majority of the data exhibited no issues, and there was no clear indication that any particular variable was entirely erroneous. However, a few variables contained highly unlikely or potentially impossible outlier values, such as driven_km_drives. Additionally, certain monthly variables, such as activity_days and driving_days, raise concerns as they possess conflicting maximum values of 31 and 30, respectively. This discrepancy suggests that data collection might not have been conducted within the same month for both of these variables, warranting further investigation.

Further questions that need to be explored or asked to the Waze team:

I would like to inquire with the Waze data team to validate whether the monthly variables were collected
within the same month, considering the discrepancy in maximum values—some variables indicating 30
days while others reflecting 31 days. Furthermore, I am interested in understanding the underlying
reasons behind the sudden surge in app usage by a significant number of long-time users specifically
within the last month. It would be valuable to investigate whether any changes occurred during that
period that could have triggered such behavioral shifts.

Percentage of users churned and what percentage were retained:

• The churn rate among users was below 18%, while the majority, approximately 82%, were retained.

Factors that correlated with user churn?

• There was a positive correlation between the distance driven per driving day and user churn. In other words, the farther a user drove on each driving day, the higher the likelihood of churn. Conversely, the number of driving days exhibited a negative correlation with churn. Users who had a higher frequency of driving days within the last month were less likely to churn.

Representation of varying tenure lengths in the dataset:

• The data includes users spanning a range of tenures, from brand new to approximately 10 years, and they are fairly evenly represented. This observation is supported by the histogram depicting the distribution of n days after onboarding, which demonstrates a uniform pattern for this variable.

Waze Project

Milestone 4 / 4a - Compute descriptive statistics. Conduct hypothesis testing

Data exploration and hypothesis testing

The purpose of this project is to compute descriptive statistics and conduct a two-sample hypothesis test.

The goal is to apply descriptive statistics and hypothesis testing in Python.

This notebook has four parts:

Part 1: Imports and data loading

Part 2: Data exploration

Part 3: Conduct hypothesis testing

Part 3: Communicate insights

Data exploration and hypothesis testing

"Do drivers who open the application using an iPhone have the same number of drives on average as drivers who use Android devices?"

Task 1. Imports and data loading

```
In [1]: # Import any relevant packages or libraries
   import pandas as pd
   from scipy import stats

In [2]: # Load dataset into dataframe
   df = pd.read_csv('waze_dataset.csv')
```

Task 2. Data exploration

Using descriptive statistics to conduct exploratory data analysis (EDA).

```
In [3]: # 1. Create `map_dictionary`
map_dictionary = {'Android': 2, 'iPhone': 1}

# 2. Create new `device_type` column
df['device_type'] = df['device']

# 3. Map the new column to the dictionary
df['device_type'] = df['device_type'].map(map_dictionary)

df['device_type'].head()
```

```
1    1
2    2
3    1
4    2
Name: device_type, dtype: int64
```

Average number of drives for each device type

```
In [4]: df.groupby('device_type')['drives'].mean()
Out[4]: device_type
    1    67.859078
    2    66.231838
    Name: drives, dtype: float64
```

Given the displayed averages, it seems that iPhone device users tend to have a higher average number of drives when interacting with the application. However, it's important to consider that this disparity may be a result of random sampling rather than an actual difference in the number of drives. To determine if the distinction is statistically significant, we can perform a hypothesis test.

Task 3. Hypothesis testing

The goal is to conduct a two-sample t-test.

- 1. State the null hypothesis and the alternative hypothesis
- 2. Choose a signficance level
- 3. Find the p-value
- 4. Reject or fail to reject the null hypothesis

Note: This is a t-test for two independent samples. This is the appropriate test since the two groups are independent (Android users vs. iPhone users).

Hypotheses:

*H*0 : There is no difference in average number of drives between drivers who use iPhone devices and drivers who use Androids.

HA: There is a difference in average number of drives between drivers who use iPhone devices and drivers who use Androids.

Two-sample test with 5% as the significance level with a two-sample t-test.

```
In [5]: # 1. Isolate the `drives` column for iPhone users.
    iPhone = df[df['device_type'] == 1]['drives']

# 2. Isolate the `drives` column for Android users.
    Android = df[df['device_type'] == 2]['drives']

# 3. Perform the t-test
    stats.ttest_ind(a=iPhone, b=Android, equal_var=False)
```

Out[5]: Ttest_indResult(statistic=1.4635232068852353, pvalue=0.1433519726802059)

p Value = 0.143...

As the p-value exceeds the selected significance level of 5%, we fail to reject the null hypothesis. This

indicates that there is no statistically significant distinction in the average number of drives between iPhone users and Android users.

Task 4. Insights

The significant business insight is that, on average, drivers who utilize iPhone devices have a comparable number of drives to those using Androids.

One potential subsequent action is to investigate additional factors that influence the variation in the number of drives. Conducting additional hypothesis tests can help gain further insights into user behavior. Temporary alterations in marketing strategies or user interface for the Waze app could yield more data to examine churn patterns.

Waze Project

Milestone 5 / 5a - Regression analysis: Build a regression model. Evaluate the model

Regression modeling

The purpose of this project is to conduct exploratory data analysis (EDA) and build a binomial logistic regression model.

The goal is to build a binomial logistic regression model and evaluate the model's performance.

This notebook has three parts:

Part 1: EDA & Checking Model Assumptions

Part 2: Model Building, Results, and Evaluation

Part 3: Conclusions, Insights, and Recommendations

Imports and data loading

```
In [1]: # Packages for numerics + dataframes
    import pandas as pd
    import numpy as np

# Packages for visualization
    import matplotlib.pyplot as plt
    import seaborn as sns

# Packages for Logistic Regression & Confusion Matrix
    from sklearn.preprocessing import StandardScaler, OneHotEncoder
    from sklearn.model_selection import train_test_split
    from sklearn.metrics import classification_report, accuracy_score, precision_score, \
        recall_score, f1_score, confusion_matrix, ConfusionMatrixDisplay
    from sklearn.linear_model import LogisticRegression
```

```
In [4]: # Load the dataset by running this cell
    df = pd.read_csv('https://raw.githubusercontent.com/adacert/waze/main/Synthetic_Waze_Dat
```

Part 1. Explore data with EDA & Checking model assumptions

```
1
   label
                            14299 non-null object
2
   sessions
                            14999 non-null int64
3
   drives
                            14999 non-null int64
4
   total_sessions
                            14999 non-null float64
5
   n_days_after_onboarding 14999 non-null int64
6
   total_navigations_fav1 14999 non-null int64
7
   total_navigations_fav2 14999 non-null int64
                            14999 non-null float64
8
   driven_km_drives
9
   duration_minutes_drives 14999 non-null float64
10 activity_days
                            14999 non-null int64
11 driving_days
                            14999 non-null int64
12 device
                            14999 non-null object
```

dtypes: float64(3), int64(8), object(2)

memory usage: 1.5+ MB

Out

The label column is missing 700 values

In [6]:	<pre>df.head()</pre>

[6]:		ID	label	sessions	drives	total_sessions	n_days_after_onboarding	total_navigations_fav1	total_navigation
	0	0	retained	283	226	296.748273	2276	208	
	1	1	retained	133	107	326.896596	1225	19	
	2	2	retained	114	95	135.522926	2651	0	
	3	3	retained	49	40	67.589221	15	322	
	4	4	retained	84	68	168.247020	1562	166	

Remove the ID column since we don't need this information.

```
df = df.drop('ID', axis=1)
In [7]:
```

Class balance of the dependent (target) variable, label.

```
df['label'].value_counts(normalize=True)
In [8]:
```

retained 0.822645 Out[8]: churned 0.177355

Name: label, dtype: float64

df.describe() In [9]:

Out[9]:	sessions		drives	total_sessions	n_days_after_onboarding	total_navigations_fav1	total_naviga
	count	14999.000000	14999.000000	14999.000000	14999.000000	14999.000000	14!
	mean	80.633776	67.281152	189.964447	1749.837789	121.605974	
	std	80.699065	65.913872	136.405128	1008.513876	148.121544	
	min	0.000000	0.000000	0.220211	4.000000	0.000000	
	25%	23.000000	20.000000	90.661156	878.000000	9.000000	
	50%	56.000000	48.000000	159.568115	1741.000000	71.000000	
	75%	112.000000	93.000000	254.192341	2623.500000	178.000000	
	max	743.000000	596.000000	1216.154633	3500.000000	1236.000000	,

The following columns all seem to have outliers:

sessions, drives, total_sessions, total_navigations_fav1, total_navigations_fav2, driven_km_drives, duration_minutes_drives

The maximum values of all these columns surpass the 75th percentile by multiple standard deviations, suggesting the presence of potential outliers in these variables.

Create features

```
# 1. Create `km_per_driving_day` column
In [10]:
         df['km_per_driving_day'] = df['driven_km_drives'] / df['driving_days']
         # 2. Call `describe()` on the new column
         df['km_per_driving_day'].describe()
         count
                  1.499900e+04
Out[10]:
                           inf
         mean
         std
                           NaN
                  3.022063e+00
         min
         25%
                  1.672804e+02
         50%
                  3.231459e+02
                  7.579257e+02
         75%
         max
                            inf
         Name: km_per_driving_day, dtype: float64
```

Note that some values are infinite. This is the result of there being values of zero in the driving_days column.

```
# 1. Convert infinite values to zero
In [11]:
         df.loc[df['km_per_driving_day']==np.inf, 'km_per_driving_day'] = 0
         # 2. Confirm that it worked
         df['km_per_driving_day'].describe()
                  14999.000000
         count
Out[11]:
                   578.963113
         mean
         std
                  1030.094384
         min
                      0.000000
         25%
                   136.238895
         50%
                   272.889272
         75%
                   558.686918
                  15420.234110
         max
         Name: km_per_driving_day, dtype: float64
```

professional_driver

Creates a new, binary feature called professional_driver that is a 1 for users who had 100 or more drives **and** drove on 20+ days in the last month.

Note: The objective is to create a new feature that separates professional drivers from other drivers.

```
In [12]: # Create `professional_driver` column
    df['professional_driver'] = np.where((df['drives'] >= 60) & (df['driving_days'] >= 15),

In [13]: # 1. Check count of professionals and non-professionals
    print(df['professional_driver'].value_counts())

# 2. Check in-class churn rate
    df.groupby(['professional_driver'])['label'].value_counts(normalize=True)

0    12405
```

```
1 2594
Name: professional_driver, dtype: int64

Out[13]: 0 retained 0.801202
churned 0.198798
1 retained 0.924437
churned 0.075563
Name: label, dtype: float64
```

The churn rate among professional drivers stands at 7.6%, whereas non-professionals experience a churn rate of 19.9%. This observation appears to contribute a valuable predictive signal to the model.

Preparing variables

```
In [14]: df.info()
         <class 'pandas.core.frame.DataFrame'>
         RangeIndex: 14999 entries, 0 to 14998
         Data columns (total 14 columns):
             Column
                                      Non-Null Count Dtype
         - - -
          0
             label
                                      14299 non-null object
                                      14999 non-null int64
          1
            sessions
          2
            drives
                                      14999 non-null int64
          3
            total_sessions
                                     14999 non-null float64
          4
            n_days_after_onboarding 14999 non-null int64
                                      14999 non-null int64
             total_navigations_fav1
          6
            total_navigations_fav2 14999 non-null int64
          7
             driven_km_drives
                                     14999 non-null float64
             duration_minutes_drives 14999 non-null float64
          8
             activity_days
                                      14999 non-null int64
          10 driving_days
                                     14999 non-null int64
          11 device
                                     14999 non-null object
          12 km_per_driving_day
                                     14999 non-null float64
          13 professional_driver
                                      14999 non-null int64
         dtypes: float64(4), int64(8), object(2)
         memory usage: 1.6+ MB
In [15]:
         # Drop rows with missing data in `label` column
         df = df.dropna(subset=['label'])
```

Impute outliers

std

min

67.243178

0.000000

55.127927

0.000000

```
Calculate the 95th percentile of each column and change to this value any value in the column that
          exceeds it.
In [16]:
          # Impute outliers
          for column in ['sessions', 'drives', 'total_sessions', 'total_navigations_fav1',
                            'total_navigations_fav2', 'driven_km_drives', 'duration_minutes_drives']:
               threshold = df[column].quantile(0.95)
               df.loc[df[column] > threshold, column] = threshold
          df.describe()
In [17]:
                                          total_sessions n_days_after_onboarding total_navigations_fav1 total_naviga
                     sessions
                                    drives
Out[17]:
          count 14299.000000 14299.000000
                                                                                        14299.000000
                                                                                                            14:
                                            14299.000000
                                                                   14299.000000
           mean
                    76.539688
                                 63.964683
                                              183.717304
                                                                    1751.822505
                                                                                          114.562767
```

1008.663834

4.000000

124.378550

0.000000

118.720520

0.220211

25%	23.000000	20.000000	90.457733	878.500000	10.000000	
50%	56.000000	48.000000	158.718571	1749.000000	71.000000	
75%	111.000000	93.000000	253.540450	2627.500000	178.000000	
max	243.000000	200.000000	455.439492	3500.000000	422.000000	:

Encode categorical variables

```
In [18]: # Create binary `label2` column

df['label2'] = np.where(df['label']=='churned', 1, 0)

df[['label', 'label2']].tail()
```

Out[18]:		label	label2
	14994	retained	0
	14995	retained	0
	14996	retained	0
	14997	churned	1
	14998	retained	0

Checking assumptions

The following are the assumptions for this logistic regression:

- Independent observations
- · No extreme outliers
- Little to no multicollinearity among X predictors
- Linear relationship between X and the **logit** of y

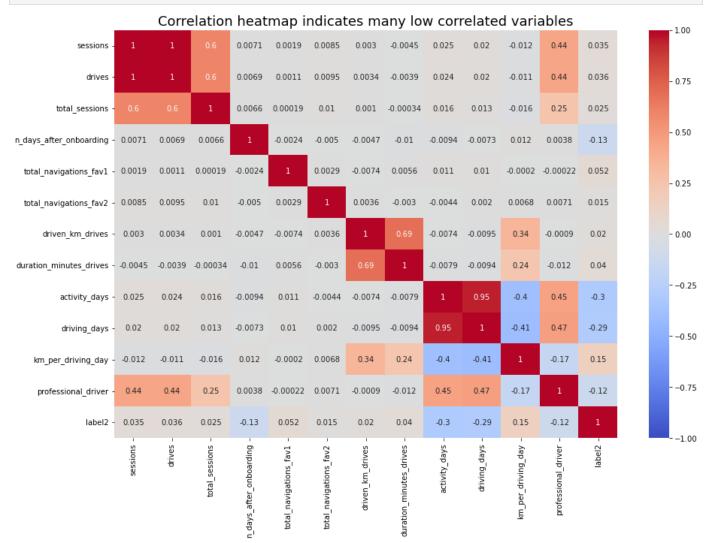
Collinearity

```
In [20]: # Generate a correlation matrix
    df.corr(method='pearson')
```

Out[20]:		sessions	drives	total_sessions	n_days_after_onboarding	total_navigations_fav1
	sessions	1.000000	0.996942	0.597189	0.007101	0.001858
	drives	0.996942	1.000000	0.595285	0.006940	0.001058
	total_sessions	0.597189	0.595285	1.000000	0.006596	0.000187
	n_days_after_onboarding	0.007101	0.006940	0.006596	1.000000	-0.002450
	total_navigations_fav1	0.001858	0.001058	0.000187	-0.002450	1.000000
	total_navigations_fav2	0.008536	0.009505	0.010371	-0.004968	0.002866
	driven_km_drives	0.002996	0.003445	0.001016	-0.004652	-0.007368
	duration_minutes_drives	-0.004545	-0.003889	-0.000338	-0.010167	0.005646
	activity_days	0.025113	0.024357	0.015755	-0.009418	0.010902
	driving_days	0.020294	0.019608	0.012953	-0.007321	0.010419
	km_per_driving_day	-0.011569	-0.010989	-0.016167	0.011764	-0.000197

```
        professional_driver
        0.443654
        0.444425
        0.254433
        0.003770
        -0.000224

        label2
        0.034911
        0.035865
        0.024568
        -0.129263
        0.052322
```



Variables that are multicollinear with each other?

- · sessions and drives: 1.0
- driving days and activity days: 0.95

Create dummies

Creates a new, binary column called device2 that encodes user devices as follows:

- Android -> 0
- iPhone -> 1

```
In [23]: # Create new `device2` variable
df['device2'] = np.where(df['device']=='Android', 0, 1)
df[['device', 'device2']].tail()
```

```
device device2
Out[23]:
           14994
                  iPhone
                                1
           14995 Android
                                0
           14996
                  iPhone
                                1
           14997
                   iPhone
                                1
           14998
                  iPhone
                                1
```

Part 2. Model building, Results, and Evaluation

Assign predictor variables and target

```
In [24]: # Isolate predictor variables
         X = df.drop(columns = ['label', 'label2', 'device', 'sessions', 'driving_days'])
In [25]: # Isolate target variable
         y = df['label2']
```

Split the data

```
In [26]: # Perform the train-test split
         X_train, X_test, y_train, y_test = train_test_split(X, y, stratify=y, random_state=42)
In [27]: # Use .head()
         X_train.head()
```

ut[27]:		drives	total_sessions	n_days_after_onboarding	total_navigations_fav1	total_navigations_fav2	driven_kn
	152	108	186.192746	3116	243	124	8898
	11899	2	3.487590	794	114	18	3286
	10937	139	347.106403	331	4	7	7400
	669	108	455.439492	2320	11	4	6566
	8406	10	89.475821	2478	135	0	127:

Instantiate a logistic regression model

Add the argument penalty = None.

We add penalty = None since the predictors are unscaled.

```
model = LogisticRegression(penalty='none', max_iter=400)
In [30]:
         model.fit(X_train, y_train)
         LogisticRegression(C=1.0, class_weight=None, dual=False, fit_intercept=True,
Out[30]:
                            intercept_scaling=1, l1_ratio=None, max_iter=400,
                            multi_class='auto', n_jobs=None, penalty='none',
                            random_state=None, solver='lbfgs', tol=0.0001, verbose=0,
                            warm_start=False)
         pd.Series(model.coef_[0], index=X.columns)
```

```
0.001913
         drives
Out[31]:
          total_sessions
                                      0.000327
```

In [31]:

-0.000406

0.001232

0.000931

-0.000015

Check final assumption

n_days_after_onboarding

total_navigations_fav1

total_navigations_fav2

driven_km_drives

Verifies the linear relationship between X and the estimated log odds (known as logits) by making a regplot.

```
In [33]: # Get the predicted probabilities of the training data
    training_probabilities = model.predict_proba(X_train)
    training_probabilities

Out[33]: array([[0.93963483, 0.06036517],
        [0.61967304, 0.38032696],
        [0.76463181, 0.23536819],
        ...,
        [0.91909641, 0.08090359],
        [0.85092112, 0.14907888],
        [0.93516293, 0.06483707]])
```

Below creates a dataframe called logit_data that is a copy of df.

Below also creates a new column called logit in the logit_data dataframe. The data in this column should represent the logit for each user.

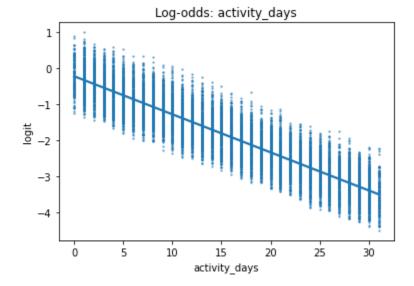
```
In [34]: # 1. Copy the `X_train` dataframe and assign to `logit_data`
logit_data = X_train.copy()

# 2. Create a new `logit` column in the `logit_data` df
logit_data['logit'] = [np.log(prob[1] / prob[0]) for prob in training_probabilities]
```

Below creates a dataframe called logit_data that is a copy of df.

Below also creates a new column called logit in the logit_data dataframe. The data in this column should represent the logit for each user.

```
In [35]: # Plot regplot of `activity_days` log-odds
sns.regplot(x='activity_days', y='logit', data=logit_data, scatter_kws={'s': 2, 'alpha':
plt.title('Log-odds: activity_days');
```



Results and evaluation

If the logistic assumptions are met, the model results can be appropriately interpreted.

Below we will make predictions on the test data.

```
In [36]: # Generate predictions on X_test
y_preds = model.predict(X_test)
```

Accuracy of the model

```
In [37]: # Score the model (accuracy) on the test data model.score(X_test, y_test)

0.8237762237762237
```

Out[37]: 0.8237762237762237

Results shown with a confusion matrix

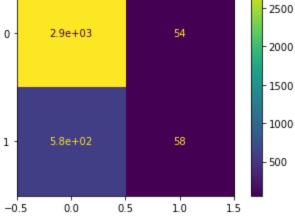
```
In [53]: cm = confusion_matrix(y_test, y_preds)
```

The below confusion matrix shows an error, but displays correctly.

```
In [54]: disp = ConfusionMatrixDisplay(confusion_matrix=cm, display_labels=None)
disp.plot()
```

```
Traceback (most recent call last)
<ipython-input-54-5be7a6a26f01> in <module>
      1 disp = ConfusionMatrixDisplay(confusion_matrix=cm, display_labels=None)
----> 2 disp.plot()
/opt/conda/lib/python3.7/site-packages/sklearn/metrics/_plot/confusion_matrix.py in plot
(self, include_values, cmap, xticks_rotation, values_format, ax)
    107
                       yticklabels=self.display_labels,
   108
                       ylabel="True label",
--> 109
                       xlabel="Predicted label")
   110
    111
                ax.set_ylim((n_classes - 0.5, -0.5))
/opt/conda/lib/python3.7/site-packages/matplotlib/artist.py in set(self, **kwargs)
   1099
                    sorted(kwargs.items(), reverse=True,
   1100
                           key=lambda x: (self._prop_order.get(x[0], 0), x[0])))
```

```
-> 1101
                return self.update(props)
   1102
   1103
            def findobj(self, match=None, include_self=True):
/opt/conda/lib/python3.7/site-packages/matplotlib/artist.py in update(self, props)
   1004
   1005
                with cbook._setattr_cm(self, eventson=False):
-> 1006
                    ret = [_update_property(self, k, v) for k, v in props.items()]
   1007
                if len(ret):
   1008
/opt/conda/lib/python3.7/site-packages/matplotlib/artist.py in <listcomp>(.0)
   1004
   1005
                with cbook._setattr_cm(self, eventson=False):
-> 1006
                    ret = [_update_property(self, k, v) for k, v in props.items()]
   1007
   1008
                if len(ret):
/opt/conda/lib/python3.7/site-packages/matplotlib/artist.py in _update_property(self, k,
 V)
                             raise AttributeError('{!r} object has no property {!r}'
   1001
   1002
                                                  .format(type(self).__name__, k))
-> 1003
                         return func(v)
   1004
   1005
                with cbook._setattr_cm(self, eventson=False):
/opt/conda/lib/python3.7/site-packages/matplotlib/axes/_base.py in set_yticklabels(self,
 labels, fontdict, minor, **kwargs)
   3774
                    kwargs.update(fontdict)
   3775
                return self.yaxis.set_ticklabels(labels,
-> 3776
                                                  minor=minor, **kwargs)
   3777
   3778
            def xaxis_date(self, tz=None):
/opt/conda/lib/python3.7/site-packages/matplotlib/axis.py in set_ticklabels(self, tickla
bels, minor, *args, **kwargs)
                         "3.1; passing them will raise a TypeError in Matplotlib 3.3.")
   1714
   1715
                get_labels = []
-> 1716
                for t in ticklabels:
   1717
                    # try calling get_text() to check whether it is Text object
                    # if it is Text, get label content
   1718
TypeError: 'NoneType' object is not iterable
                                   2500
      2.9e+03
                       54
0
                                   2000
                                   - 1500
                                  - 1000
```



Precision

```
In [55]:
         # Calculate precision manually
         precision = cm[1,1] / (cm[0, 1] + cm[1, 1])
         precision
```

Out[55]: 0.5178571428571429

Recall

```
In [56]: # Calculate recall manually
  recall = cm[1,1] / (cm[1, 0] + cm[1, 1])
  recall
Out[56]: 0.0914826498422713
```

Classification Report

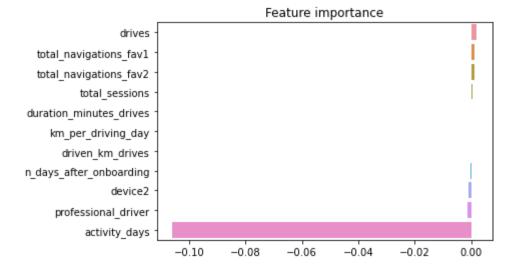
```
In [57]: # Create a classification report
    target_labels = ['retained', 'churned']
    print(classification_report(y_test, y_preds, target_names=target_labels))
```

	precision	recall	f1-score	support
retained	0.83	0.98	0.90	2941
churned	0.52	0.09	0.16	634
accuracy			0.82	3575
macro avg	0.68	0.54	0.53	3575
weighted avg	0.78	0.82	0.77	3575

Although the model demonstrates reasonable precision, its recall is extremely low, indicating a high number of false negative predictions. Consequently, it fails to identify and capture users who are likely to churn.

Visual representation of the importance of the model's features

```
# Create a list of (column_name, coefficient) tuples
In [58]:
         feature_importance = list(zip(X_train.columns, model.coef_[0]))
         # Sort the list by coefficient value
         feature_importance = sorted(feature_importance, key=lambda x: x[1], reverse=True)
         feature_importance
         [('drives', 0.001913369447769776),
Out[58]:
          ('total_navigations_fav1', 0.001231754741616306),
          ('total_navigations_fav2', 0.0009314786513814626),
          ('total_sessions', 0.00032707088819142904),
          ('duration_minutes_drives', 0.00010909343558951453),
          ('km_per_driving_day', 1.8223094015325207e-05),
          ('driven_km_drives', -1.4860453424647997e-05),
          ('n_days_after_onboarding', -0.00040647763730561445),
          ('device2', -0.0010412175209008018),
          ('professional_driver', -0.0015285041567402024),
          ('activity_days', -0.10603196504385491)]
In [59]: # Plot the feature importances
         import seaborn as sns
         sns.barplot(x=[x[1] for x in feature_importance],
                     y=[x[0] for x in feature_importance],
                     orient='h')
         plt.title('Feature importance');
```



Part 3: Conclusions, Insights, and Recommendations

Variables that most influenced the model's prediction:

Among all the features in the model, "activity_days" emerged as the most significant one, exhibiting a
negative correlation with user churn. This finding is not unexpected since "activity_days" is highly
correlated with "driving_days," which was already identified during the exploratory data analysis (EDA)
to have a negative correlation with churn.

Variables expected to be stronger predictors than they were:

• During the exploratory data analysis (EDA), it was observed that the user churn rate rose in conjunction with increasing values in "km_per_driving_day." The correlation heatmap in this notebook further confirmed this observation, indicating that this variable exhibited the highest positive correlation with churn among all the predictor variables, surpassing others by a significant margin. Surprisingly, in the model, "km_per_driving_day" ranked as the second-least important variable.

Why might a variable thought to be important not be important in the model?

• In a multiple logistic regression model, the presence of feature interactions can lead to relationships that may appear counterintuitive. This phenomenon represents both a strength and a weakness of predictive models. On one hand, capturing these interactions enhances the predictive capabilities of the model. On the other hand, it complicates the model's interpretability, making it more challenging to explain the underlying relationships.

Is it recommended that Waze use this model?

The usefulness of the model depends on its intended purpose. If the model is employed to inform
critical business decisions, its performance may not be sufficiently strong, particularly evident from its
low recall score. However, if the model is primarily utilized to guide further exploratory efforts and
provide insights, it can still offer value in that context.

Steps that can be taken to improve this model:

 By leveraging domain knowledge, it is possible to engineer new features aimed at improving predictive signal. In the context of this model, one of the engineered features, namely "professional_driver," emerged as the third-most influential predictor. Additionally, scaling the predictor variables and reconstructing the model using different combinations of predictors can be beneficial in minimizing noise stemming from unpromising features.

Additional features that would be needed to help improve the model:

• It would be beneficial to possess drive-level specifics for individual users, such as drive times and geographic locations. Furthermore, obtaining more detailed information regarding how users engage with the app would likely provide valuable insights. For instance, understanding the frequency at which they report or confirm road hazard alerts. Finally, having knowledge of the monthly count of distinct starting and ending locations inputted by each driver could offer valuable additional information.

Waze Project

Milestone 6 / 6A - Build a machine learning model. Communicate final insights

Build a machine learning model

The purpose of this model is to find factors that drive user churn.

The goal of this model is to predict whether or not a Waze user is retained or churned.

This notebook has four parts:

Part 1: Imports and Data Loading

Part 2: Feature engineering

Part 3: Modeling

Part 4: Insights and Conclusion

Part 1: Imports and data loading

```
In [1]: # Import packages for data manipulation
        import numpy as np
        import pandas as pd
        # Import packages for data visualization
        import matplotlib.pyplot as plt
        # This lets us see all of the columns, preventing Juptyer from redacting them.
        pd.set_option('display.max_columns', None)
        # Import packages for data modeling
        from sklearn.model_selection import GridSearchCV, train_test_split
        from sklearn.metrics import roc_auc_score, roc_curve, auc
        from sklearn.metrics import accuracy_score, precision_score, recall_score,\
        f1_score, confusion_matrix, ConfusionMatrixDisplay, RocCurveDisplay, PrecisionRecallDisp
        from sklearn.ensemble import RandomForestClassifier
        from xgboost import XGBClassifier
        # This is the function that helps plot feature importance
        from xgboost import plot_importance
        # This module lets us save our models once we fit them.
        import pickle
        # from google.colab import drive
        # drive.mount('/content/drive', force_remount=True)
```

```
In [2]: # Import dataset
df0 = pd.read_csv('waze_dataset.csv')
```

```
In [3]: # Inspect the first five rows
df0.head()
```

Out[3]:		ID	label	sessions	drives	total_sessions	n_days_after_onboarding	total_navigations_fav1	total_navigation
	0	0	retained	283	226	296.748273	2276	208	
	1	1	retained	133	107	326.896596	1225	19	
	2	2	retained	114	95	135.522926	2651	0	
	3	3	retained	49	40	67.589221	15	322	
	4	4	retained	84	68	168.247020	1562	166	

Part 2: Feature engineering

```
In [4]: # Copy the df0 dataframe
        df = df0.copy()
       df.info()
In [5]:
        <class 'pandas.core.frame.DataFrame'>
        RangeIndex: 14999 entries, 0 to 14998
        Data columns (total 13 columns):
            Column
                                    Non-Null Count Dtype
        - - -
         0
            ID
                                     14999 non-null int64
         1
            label
                                    14299 non-null object
         2
           sessions
                                    14999 non-null int64
         3
           drives
                                    14999 non-null int64
                                    14999 non-null float64
         4
            total_sessions
           n_days_after_onboarding 14999 non-null int64
         5
         6 total_navigations_fav1 14999 non-null int64
         7
            total_navigations_fav2 14999 non-null int64
                              14999 non-null float64
         8
            driven_km_drives
            duration_minutes_drives 14999 non-null float64
         10 activity_days
                                   14999 non-null int64
         11 driving_days
                                    14999 non-null int64
         12 device
                                    14999 non-null object
        dtypes: float64(3), int64(8), object(2)
        memory usage: 1.5+ MB
```

km_per_driving_day

Creates a feature representing the mean number of kilometers driven on each driving day in the last month for each user.

```
In [6]: |
        # 1. Create `km_per_driving_day` feature
        df['km_per_driving_day'] = df['driven_km_drives'] / df['driving_days']
        # 2. Get descriptive stats
        df['km_per_driving_day'].describe()
                  1.499900e+04
        count
Out[6]:
                           inf
        mean
        std
                           NaN
        min
                 3.022063e+00
        25%
                 1,672804e+02
        50%
                 3.231459e+02
        75%
                 7.579257e+02
        Name: km_per_driving_day, dtype: float64
        # 1. Convert infinite values to zero
```

df.loc[df['km_per_driving_day']==np.inf, 'km_per_driving_day'] = 0

```
# 2. Confirm that it worked
        df['km_per_driving_day'].describe()
                 14999.000000
        count
Out[7]:
        mean
                   578.963113
        std
                   1030.094384
        min
                      0.000000
        25%
                   136.238895
        50%
                   272.889272
        75%
                   558.686918
        max
                 15420.234110
        Name: km_per_driving_day, dtype: float64
```

percent_sessions_in_last_month

Creates a new column percent_sessions_in_last_month that represents the percentage of each user's total sessions that were logged in their last month of use.

```
In [8]: # 1. Create `percent_sessions_in_last_month` feature
        df['percent_sessions_in_last_month'] = df['sessions'] / df['total_sessions']
        # 2. Get descriptive stats
        df['percent_sessions_in_last_month'].describe()
        count
                 14999.000000
Out[8]:
        mean
                     0.449255
        std
                     0.286919
        min
                     0.000000
        25%
                     0.196221
        50%
                     0.423097
        75%
                     0.687216
                     1.530637
        max
        Name: percent_sessions_in_last_month, dtype: float64
```

professional_driver

Creates a new, binary feature called professional_driver that is a 1 for users who had 100 or more drives **and** drove on 20+ days in the last month.

```
In [9]: # Create `professional_driver` feature
    df['professional_driver'] = np.where((df['drives'] >= 60) & (df['driving_days'] >= 15),
```

total_sessions_per_day

0.216269

75%

Creates a new column that represents the mean number of sessions per day since onboarding.

```
In [10]:
         # Create `total_sessions_per_day` feature
         df['total_sessions_per_day'] = df['total_sessions'] / df['n_days_after_onboarding']
         # Get descriptive stats
In [11]:
         df['total_sessions_per_day'].describe()
         count
                  14999.000000
Out[11]:
                      0.338698
         mean
                      1.314333
         std
         min
                      0.000298
                      0.051037
         25%
         50%
                      0.100775
```

max 39.763874 Name: total_sessions_per_day, dtype: float64

km_per_hour

Creates a column representing the mean kilometers per hour driven in the last month.

```
In [12]:
         # Create `km_per_hour` feature
         df['km_per_hour'] = df['driven_km_drives'] / df['duration_minutes_drives'] / 60
         df['km_per_hour'].describe()
                  14999.000000
         count
Out[12]:
         mean
                      0.052887
                      0.092965
         std
         min
                      0.020004
         25%
                      0.025196
         50%
                      0.033995
         75%
                      0.053647
         max
                      6.567478
         Name: km_per_hour, dtype: float64
```

km_per_drive

Creates a column representing the mean number of kilometers per drive made in the last month for each user.

```
In [13]:
         # Create `km_per_drive` feature
         df['km_per_drive'] = df['driven_km_drives'] / df['drives']
         df['km_per_drive'].describe()
                  1.499900e+04
         count
Out[13]:
         mean
                           inf
         std
                           NaN
         min
                  1.008775e+00
         25%
                  3.323065e+01
                  7.488006e+01
         50%
         75%
                  1.854667e+02
                           inf
         max
         Name: km_per_drive, dtype: float64
         # 1. Convert infinite values to zero
In [14]:
         df.loc[df['km_per_drive']==np.inf, 'km_per_drive'] = 0
         # 2. Confirm that it worked
         df['km_per_drive'].describe()
         count
                  14999.000000
Out[14]:
         mean
                    232.817946
         std
                    620.622351
         min
                      0.000000
         25%
                     32.424301
         50%
                     72.854343
         75%
                    179.347527
         max
                  15777.426560
         Name: km_per_drive, dtype: float64
```

percent_of_sessions_to_favorite

Creates a new column that represents the percentage of total sessions that were used to navigate to one of the users' favorite places.

This serves as a substitute indicator for the percentage of all drives that are made to a preferred location.

As the dataset lacks information on the total number of drives since the initial use, the total number of sessions can be considered a reasonable estimate.

Individuals who have a higher proportion of drives to non-preferred destinations in relation to their total trips may exhibit a lower likelihood of churn, as they are driving to unfamiliar places more frequently.

```
In [15]: # Create `percent_of_sessions_to_favorite` feature
         df['percent_of_drives_to_favorite'] = (
             df['total_navigations_fav1'] + df['total_navigations_fav2']) / df['total_sessions']
         # Get descriptive stats
         df['percent_of_drives_to_favorite'].describe()
         count
                  14999.000000
Out[15]:
         mean
                      1.665439
         std
                      8.865666
                      0.000000
         min
         25%
                      0.203471
         50%
                      0.649818
         75%
                      1.638526
                    777.563629
         max
         Name: percent_of_drives_to_favorite, dtype: float64
```

Drop missing values

```
In [16]: # Drop rows with missing values
df = df.dropna(subset=['label'])
```

Outliers

Tree-based models are resilient to outliers, so there is no need to make any imputations.

Variable encoding

Dummying features

Creates a new, binary column called device2 that encodes user devices as follows:

```
• Android -> 0
```

```
• iPhone -> 1
```

```
In [17]: # Create new `device2` variable
    df['device2'] = np.where(df['device']=='Android', 0, 1)
    df[['device', 'device2']].tail()
```

```
        Out[17]:
        device
        device2

        14994
        iPhone
        1

        14995
        Android
        0

        14996
        iPhone
        1

        14997
        iPhone
        1

        14998
        iPhone
        1
```

Target encoding

Changes the data type of the label column to be binary. This change is needed to train the models.

Assigns a 0 for all retained users.

Assigns a 1 for all churned users.

Variables saved as label2 so as not to overwrite the original label variable.

```
In [18]: # Create binary `label2` column
         df['label2'] = np.where(df['label']=='churned', 1, 0)
         df[['label', 'label2']].tail()
```

```
Out[18]:
                     label label2
           14994 retained
                                0
           14995 retained
           14996 retained
                                0
           14997 churned
           14998 retained
```

Feature selection

The only feature that can be cut is ID, since it doesn't contain any information relevant to churn.

device won't be used simply because it's a copy of device2.

Drops ID from the df dataframe.

```
# Drop `ID` column
In [19]:
         df = df.drop(['ID'], axis=1)
```

Evaluation metric

churned

Examines the class balance of the target variable.

```
# Get class balance of 'label' col
In [20]:
         df['label'].value_counts(normalize=True)
         label
Out[20]:
         retained
                     0.822645
```

Around 18% of the users included in this dataset experienced churn. Although the dataset is imbalanced, it can be still modeled without requiring any class rebalancing.

We will select the model based on recall.

0.177355 Name: proportion, dtype: float64

Modeling workflow and model selection process

The final modeling dataset contains 14,299 samples. This is towards the lower end of what might be considered sufficient to conduct a robust model selection process, but still doable.

1. Split the data into train/validation/test sets (60/20/20)

- 2. Fit models and tune hyperparameters on the training set
- 3. Perform final model selection on the validation set
- 4. Assess the champion model's performance on the test set

Split the data

- 1. Defines a variable X that isolates the features.
- 2. Defines a variable y that isolates the target variable (label2).
- 3. Splits the data 80/20 into an interim training set and a test set.
- 4. Splits the interim training set 75/25 into a training set and a validation set, yielding a final ratio of 60/20/20 for training/validation/test sets.

2860 2860

This is consistent with what was expected.

Part 3: Modeling

Random forest

8579

Begin with using GridSearchCV to tune a random forest model.

- 1. Instantiates the random forest classifier rf and sets the random state.
- 2. Creates a dictionary cv_params of any of the following hyperparameters and their corresponding values to tune.
 - max_depth
 - max_features
 - max_samples
 - min_samples_leaf
 - min_samples_split
 - n_estimators

- 3. Defines a dictionary scoring of scoring metrics for GridSearch to capture (precision, recall, F1 score, and accuracy).
- 4. Instantiates the GridSearchCV object rf_cv . Passes to it as arguments:
 - estimator= rf
 - param grid= cv_params
 - scoring= scoring
 - cv: define the number of cross-validation folds you want (cv=_)
 - refit: indicate which evaluation metric you want to use to select the model ($refit=_$)

refit should be set to 'recall'.

```
In [23]: # 1. Instantiate the random forest classifier
         rf = RandomForestClassifier(random_state=42)
         # 2. Create a dictionary of hyperparameters to tune
         cv_params = {'max_depth': [None],
                       'max_features': [1.0],
                       'max_samples': [1.0],
                       'min_samples_leaf': [2],
                      'min_samples_split': [2],
                       'n_estimators': [300],
                      }
         # 3. Define a dictionary of scoring metrics to capture
         scoring = {'accuracy', 'precision', 'recall', 'f1'}
         # 4. Instantiate the GridSearchCV object
         rf_cv = GridSearchCV(rf, cv_params, scoring=scoring, cv=4, refit='recall')
In [24]:
         %%time
         rf_cv.fit(X_train, y_train)
         CPU times: user 1min 56s, sys: 27.3 ms, total: 1min 56s
         Wall time: 1min 56s
                       GridSearchCV
Out[24]:
          □ estimator: RandomForestClassifier
                □ RandomForestClassifier
```

The best average score across all the validation folds.

```
In [25]: # Examine best score rf_cv.best_score_
Out[25]: 0.12678201409034398
```

The best combination of hyperparameters.

```
In [26]: # Examine best hyperparameter combo
    rf_cv.best_params_

Out[26]: {'max_depth': None,
        'max_features': 1.0,
        'max_samples': 1.0,
        'min_samples_leaf': 2,
```

```
'min_samples_split': 2,
'n_estimators': 300}
```

Creates a make_results() function to output all of the scores of the model.

```
In [27]:
         def make_results(model_name:str, model_object, metric:str):
             Arguments:
                 model_name (string): what you want the model to be called in the output table
                 model_object: a fit GridSearchCV object
                 metric (string): precision, recall, f1, or accuracy
             Returns a pandas df with the F1, recall, precision, and accuracy scores
             for the model with the best mean 'metric' score across all validation folds.
             # Create dictionary that maps input metric to actual metric name in GridSearchCV
             metric_dict = {'precision': 'mean_test_precision',
                             'recall': 'mean_test_recall',
                             'f1': 'mean_test_f1',
                             'accuracy': 'mean_test_accuracy',
             # Get all the results from the CV and put them in a df
             cv_results = pd.DataFrame(model_object.cv_results_)
             # Isolate the row of the df with the max(metric) score
             best_estimator_results = cv_results.iloc[cv_results[metric_dict[metric]].idxmax(), :
             # Extract accuracy, precision, recall, and f1 score from that row
             f1 = best_estimator_results.mean_test_f1
             recall = best_estimator_results.mean_test_recall
             precision = best_estimator_results.mean_test_precision
             accuracy = best_estimator_results.mean_test_accuracy
             # Create table of results
             table = pd.DataFrame({'model': [model_name],
                                    'precision': [precision],
                                    'recall': [recall],
                                    'F1': [f1],
                                    'accuracy': [accuracy],
                                   },
             return table
```

Passes the GridSearch object to the make_results() function.

Apart from the accuracy, the scores are not particularly impressive. It is worth noting that with the previously constructed logistic regression model, the recall was approximately 0.09. This indicates that the current model exhibits a 33% improvement in recall while maintaining a similar level of accuracy, despite being trained on a smaller dataset.

We could fine-tune the hyperparameters in an attempt to achieve a higher score. There is a possibility of making slight improvements to the model.

XGBoost

- 1. Instantiates the XGBoost classifier xgb and set objective='binary:logistic'. Also sets the random state.
- 2. Creates a dictionary cv_params of the following hyperparameters and their corresponding values to tune:
 - max_depth
 - min_child_weight
 - learning_rate
 - n_estimators
- 3. Defines a dictionary scoring of scoring metrics for grid search to capture (precision, recall, F1 score, and accuracy).
- 4. Instantiates the GridSearchCV object xgb_cv . Passes to it as arguments:
 - estimator= xgb
 - param grid= cv_params
 - scoring= scoring
 - cv: define the number of cross-validation folds you want (cv=_)
 - refit: indicate which evaluation metric you want to use to select the model (refit='recall')

Fits the model to the X_train and y_train data.

The best score from this model.

```
xgb_cv.best_score_
Out[31]:
0.1734683657963807
```

The best parameters.

```
In [32]: # Examine best parameters
xgb_cv.best_params_

Out[32]: {'learning_rate': 0.1,
   'max_depth': 12,
   'min_child_weight': 3,
   'n_estimators': 300}
```

Uses the make_results() function to output all of the scores of the model.

```
In [33]: # Call 'make_results()' on the GridSearch object
    xgb_cv_results = make_results('XGB cv', xgb_cv, 'recall')
    results = pd.concat([results, xgb_cv_results], axis=0)
    results
```

```
        Out[33]:
        model
        precision
        recall
        F1
        accuracy

        0
        RF cv
        0.458198
        0.126782
        0.198534
        0.818626

        0
        XGB cv
        0.442586
        0.173468
        0.248972
        0.814780
```

This model not only outperformed the random forest model in terms of data fitting, but it also achieved a recall score that is nearly twice as high as the recall score obtained by the logistic regression model. It also demonstrates an improvement of almost 50% in recall compared to the random forest model, while maintaining similar levels of accuracy and precision.

Model selection

Random forest

```
In [34]: # Use random forest model to predict on validation data
    rf_val_preds = rf_cv.best_estimator_.predict(X_val)
```

Uses the <code>get_test_scores()</code> function to generate a table of scores from the predictions on the validation data.

```
In [36]: # Get validation scores for RF model
    rf_val_scores = get_test_scores('RF val', rf_val_preds, y_val)

# Append to the results table
    results = pd.concat([results, rf_val_scores], axis=0)
    results
```

```
        Out[36]:
        model
        precision
        recall
        F1
        accuracy

        0
        RF cv
        0.458198
        0.126782
        0.198534
        0.818626

        0
        XGB cv
        0.442586
        0.173468
        0.248972
        0.814780

        0
        RF val
        0.445255
        0.120316
        0.189441
        0.817483
```

The scores experienced a slight decrease compared to the training scores across all metrics, though with minimal deviation. This suggests that the model did not exhibit overfitting to the training data.

XGBoost

```
In [37]: # Use XGBoost model to predict on validation data
    xgb_val_preds = xgb_cv.best_estimator_.predict(X_val)

# Get validation scores for XGBoost model
    xgb_val_scores = get_test_scores('XGB val', xgb_val_preds, y_val)

# Append to the results table
    results = pd.concat([results, xgb_val_scores], axis=0)
    results
```

```
        Out[37]:
        model
        precision
        recall
        F1
        accuracy

        0
        RF cv
        0.458198
        0.126782
        0.198534
        0.818626

        0
        XGB cv
        0.442586
        0.173468
        0.248972
        0.814780

        0
        RF val
        0.445255
        0.120316
        0.189441
        0.817483

        0
        XGB val
        0.430769
        0.165680
        0.239316
        0.813287
```

Just like the random forest model, the XGBoost model exhibited slightly lower validation scores. However, it still emerges as the clear champion.

Using the champion model(XGBoost) to predict on test data

```
In [38]: # Use XGBoost model to predict on test data
    xgb_test_preds = xgb_cv.best_estimator_.predict(X_test)

# Get test scores for XGBoost model
    xgb_test_scores = get_test_scores('XGB test', xgb_test_preds, y_test)

# Append to the results table
```

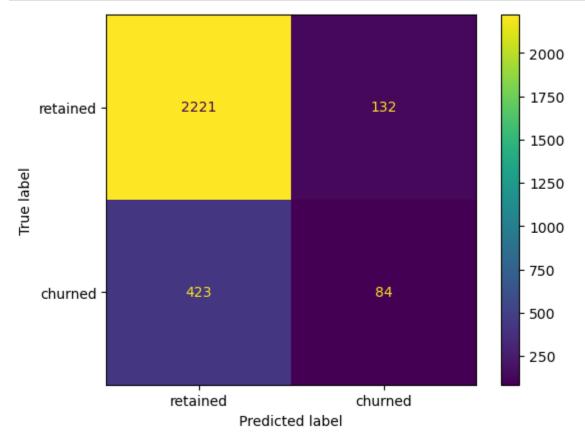
```
results = pd.concat([results, xgb_test_scores], axis=0)
results
```

:		model	precision	recall	F1	accuracy
(0	RF cv	0.458198	0.126782	0.198534	0.818626
	0	XGB cv	0.442586	0.173468	0.248972	0.814780
	0	RF val	0.445255	0.120316	0.189441	0.817483
	0	XGB val	0.430769	0.165680	0.239316	0.813287
	0	XGB test	0.388889	0.165680	0.232365	0.805944

Out[38]

The recall remained unchanged from the validation data, while the precision experienced a significant decline, resulting in a slight drop in all other scores. Nevertheless, these variations fall within an acceptable range for performance disparities between validation and test scores.

Task 13. Confusion matrix

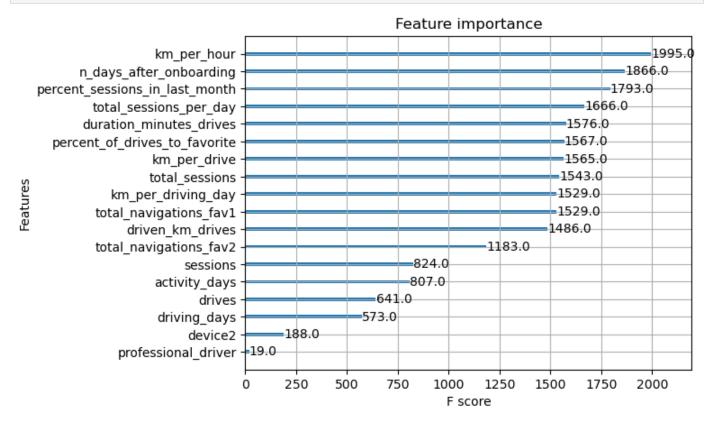


The model's false negatives outnumbered false positives by a factor of three, and it accurately identified only 16.6% of the users who churned.

Feature importance

Uses the plot_importance function to inspect the most important features of the final model.

```
In [40]: plot_importance(xgb_cv.best_estimator_);
```



The XGBoost model utilized a greater number of features compared to the logistic regression model. In particular, the logistic regression model heavily relied on a single feature, namely "activity_days," for its final prediction.

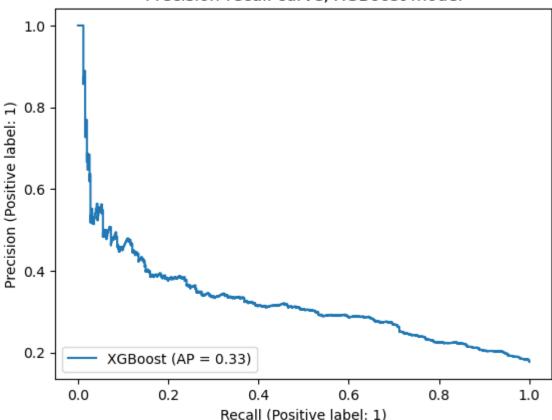
This further emphasizes the significance of feature engineering, as the engineered features played a significant role. They comprised six out of the top 10 features, including three out of the top five.

Additionally, it is worth noting that the selection of important features can vary between different models. Such disparities in selected features are often a result of intricate interactions among features, highlighting the complexity involved in feature selection.

Finding threshold to increase recall

Identify an optimal decision threshold

Precision-recall curve, XGBoost model



```
In [42]: # Get predicted probabilities on the test data
    predicted_probabilities = xgb_cv.best_estimator_.predict_proba(X_test)
    predicted_probabilities

Out[42]: array([[0.9765248 , 0.0234752 ],
        [0.5623678 , 0.43763223],
        [0.9964199 , 0.00358006],
        ...,
        [0.80931014, 0.19068986],
        [0.9623124 , 0.03768761],
        [0.64760244, 0.35239756]], dtype=float32)
```

The <code>predict_proba()</code> method returns a 2-D array of probabilities where each row represents a user. The first number in the row is the probability of belonging to the negative class, the second number in the row is the probability of belonging to the positive class. (Notice that the two numbers in each row are complimentary to each other and sum to one.)

You can generate new predictions based on this array of probabilities by changing the decision threshold for what is considered a positive response. For example, the following code converts the predicted probabilities to $\{0, 1\}$ predictions with a threshold of 0.4. In other words, any users who have a value ≥ 0.4 in the second column will get assigned a prediction of 1, indicating that they churned.

```
In [43]: # Create a list of just the second column values (probability of target)
probs = [x[1] for x in predicted_probabilities]

# Create an array of new predictions that assigns a 1 to any value >= 0.4
new_preds = np.array([1 if x >= 0.4 else 0 for x in probs])
new_preds

Out[43]:
Out[43]:
```

Evaluation metrics when threshold is 0.4

```
In [44]: # Get evaluation metrics for when the threshold is 0.4
get_test_scores('XGB, threshold = 0.4', new_preds, y_test)
Out[44]: model precision recall F1 accuracy
```

Previous models for comparison.

0 XGB, threshold = 0.4 0.383333 0.226824 0.285006 0.798252

```
Out[45]: results

Out[45]: model precision recall F1 accuracy

O RF cv 0.458198 0.126782 0.198534 0.818626

O XGB cv 0.442586 0.173468 0.248972 0.814780

O RF val 0.445255 0.120316 0.189441 0.817483

O XGB val 0.430769 0.165680 0.239316 0.813287

O XGB test 0.388889 0.165680 0.232365 0.805944
```

Recall and F1 score increased significantly, while precision and accuracy decreased.

```
def threshold_finder(y_test_data, probabilities, desired_recall):
In [46]:
             Find the threshold that most closely yields a desired recall score.
             Inputs:
                 y_test_data: Array of true y values
                 probabilities: The results of the `predict_proba()` model method
                 desired_recall: The recall that you want the model to have
             Outputs:
                 threshold: The threshold that most closely yields the desired recall
                 recall: The exact recall score associated with `threshold`
             probs = [x[1] for x in probabilities] # Isolate second column of `probabilities`
             thresholds = np.arange(0, 1, 0.001) # Set a grid of 1,000 thresholds to test
             scores = []
             for threshold in thresholds:
                 # Create a new array of {0, 1} predictions based on new threshold
                 preds = np.array([1 if x >= threshold else 0 for x in probs])
                 # Calculate recall score for that threshold
                 recall = recall_score(y_test_data, preds)
                 # Append the threshold and its corresponding recall score as a tuple to `scores`
                 scores.append((threshold, recall))
             distances = []
             for idx, score in enumerate(scores):
                 # Calculate how close each actual score is to the desired score
                 distance = abs(score[1] - desired_recall)
                 # Append the (index#, distance) tuple to `distances`
                 distances.append((idx, distance))
             # Sort `distances` by the second value in each of its tuples (least to greatest)
             sorted_distances = sorted(distances, key=lambda x: x[1], reverse=False)
             # Identify the tuple with the actual recall closest to desired recall
             best = sorted_distances[0]
             # Isolate the index of the threshold with the closest recall score
             best_idx = best[0]
             # Retrieve the threshold and actual recall score closest to desired recall
             threshold, recall = scores[best_idx]
```

```
return threshold, recall
```

Tests the function to find the threshold that results in a recall score closest to 0.5.

```
In [47]: # Get the predicted probabilities from the champion model
    probabilities = xgb_cv.best_estimator_.predict_proba(X_test)

# Call the function
    threshold_finder(y_test, probabilities, 0.5)
Out[47]: (0.124, 0.5029585798816568)
```

By establishing a threshold of 0.124, the recall comes in at 0.503.

According to the precision-recall curve, a recall score of 0.5 should correspond to a precision value of approximately 0.3.

```
In [48]: # Create an array of new predictions that assigns a 1 to any value >= 0.124
    new_preds = np.array([1 if x >= 0.124 else 0 for x in probs])

# Get evaluation metrics for when the threshold is 0.124
    get_test_scores('XGB, threshold = 0.124', new_preds, y_test)
Out[48]: model precision recall F1 accuracy

O XGB, threshold = 0.124  0.304296  0.502959  0.379182  0.708042
```

Part 4: Insights and Conclusion

Questions:

Recommendation to use or not use this model for churn prediction:

• If the model is utilized for significant business decisions, then it falls short in being a robust predictor, as evidenced by its low recall score. However, if the model is solely employed to guide exploratory efforts, it can provide value.

Tradeoffs made by splitting the data into training, validation, and test sets as opposed to just training and test sets:

Although dividing the data into three sets results in less data available for model training compared to a
two-way split, conducting model selection on a separate validation set allows for testing the champion
model exclusively on the test set. This approach provides a better estimation of future performance
compared to a two-way split where the champion model is selected based on performance on the test
data.

Benefits of using a logistic regression model over an ensemble of tree-based models for classification tasks:

• Logistic regression models offer easier interpretability due to the assignment of coefficients to predictor variables. This reveals not only the most influential features in the final predictions but also the directionality of their impact. It indicates whether each feature is positively or negatively correlated with the target in the model's final prediction.

Benefits of using an ensemble of tree-based models over a logistic regression model for classification tasks:

Tree-based model ensembles generally excel in predictive power. If the primary concern is the model's
predictive performance, tree-based modeling tends to outperform logistic regression. Tree-based
models also require less data cleaning and make fewer assumptions about the underlying distributions
of predictor variables, making them more convenient to work with.

Improvements that could be made to this model:

• Introducing new features could enhance the model's predictive capabilities, particularly when domain knowledge is leveraged. In the case of this model, engineered features accounted for over half of the top 10 most-predictive features employed by the model. Reconstructing the model using different combinations of predictor variables can help reduce noise originating from non-predictive features.

Additional features that could help improve the model:

 Having drive-level information for each user, such as drive times and geographic locations, would be beneficial. More detailed data providing insights into user interactions with the app, such as the frequency of reporting or confirming road hazard alerts, would be valuable. Also, knowing the monthly count of unique starting and ending locations provided by each driver could offer further assistance.



USER CHURN ANALYSIS

EDA AND MACHINE LEARNING MODELLING

PROJECT OVERVIEW AND GOALS

- Waze leadership has asked the data team to build a machine learning model to predict user churn. The model is based on data collected from users of the Waze app.
- We will achieve this through a series of milestones:
 - EDA and Data Visualizations
 - Computing descriptive statistics and conducting hypothesis testing
 - Building a regression model(for comparison) and evaluating that model
 - Building a machine learning model
- Based on the data, communicate final insights and any recommendations

METHODOLOGY AND TECHNOLOGY

Data Sources:

■ Waze User Data(one-month) via <u>waze dataset.csv</u>

Data Cleaning:

Dataset was cleaned using Python pandas and numpy

Exploratory Data Analysis:

■ EDA performed using Python pandas, numpy, pyplot, and seaborn

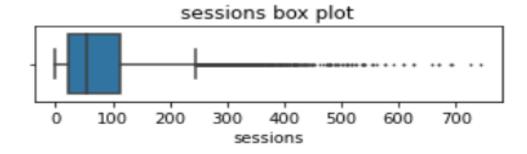
Hypothesis Testing:

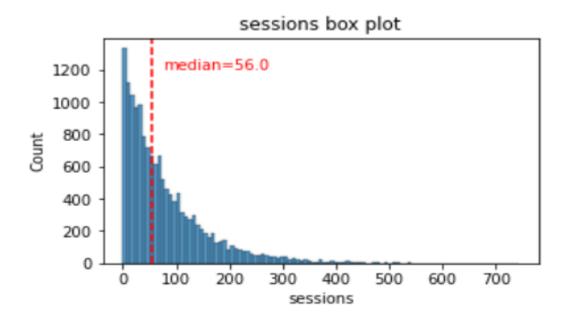
Hypothesis testing performed with Python pandas and scipy stats

Model Building and Evaluation:

Models built using Python sklearn.linear_model, RandomForestClassifier, XGBClassifier

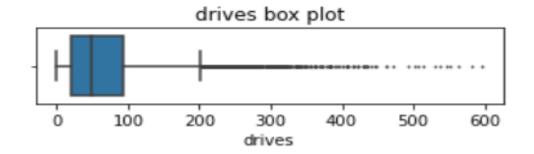
SESSIONS

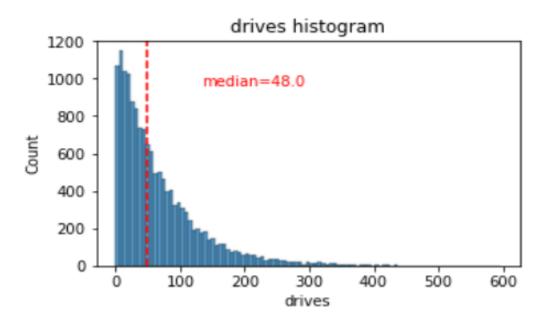




- The boxplot reveals that a subset of users has more than 700 sessions.
- The median number of session is 56.
- The sessions variable exhibits a skewed distribution to the right, where approximately 50% of the observations consist of 56 sessions or fewer.

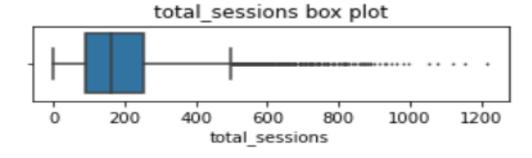
DRIVES

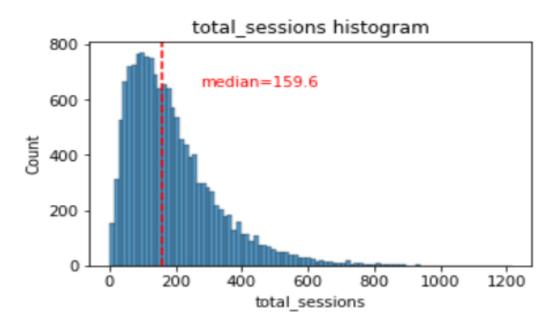




- The drives data exhibits a distribution resembling that of the 'sessions' variable.
- It is **right-skewed**, resembles a **log-normal distribution**, with a **median** of 48 **drives**.
- However, a subset of drivers recorded over 400 drives in the last month.

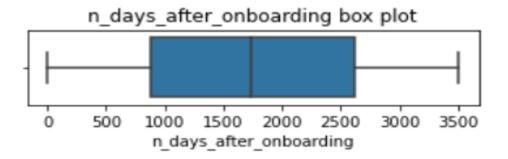
TOTAL SESSIONS



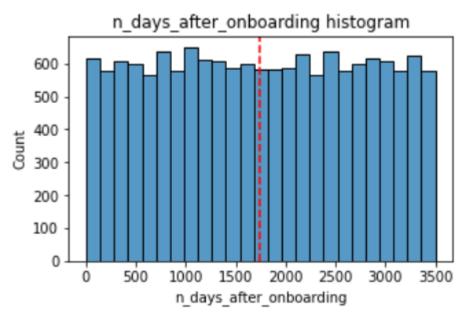


- The distribution of total_sessions is **right-skewed**, appearing closer to a normal distribution compared to the previous variables.
- The **median** total number of sessions is approximately **159.6.**
- If the median number of sessions in the last month was 48 and the median total sessions was around 160, it suggests that a significant proportion of a user's overall sessions possibly occurred within the last month.

NUMBER OF DAYS AFTER ONBOARDING

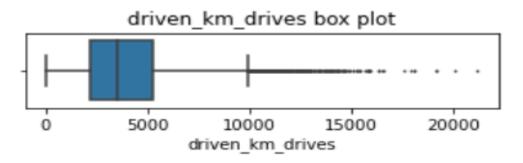


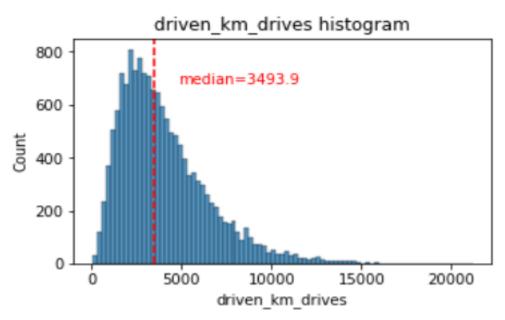
Median: 1741.0



- The total user tenure is a **uniform distribution** with values rangin from near-zero to ~3500 days, or roughly **9.5 years.**
- The median number of days since a user signed up for the app is 1741 days, or roughly 4.8 years.

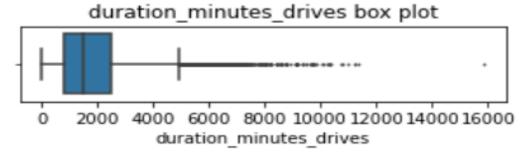
TOTAL KM DRIVEN DURING THE MONTH

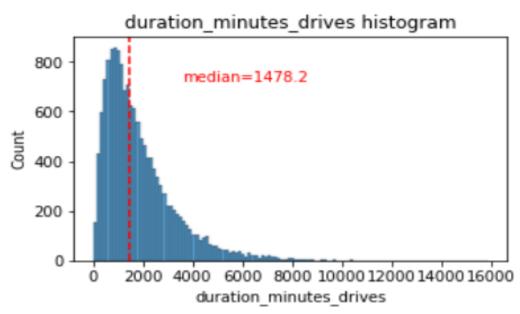




- The distribution of drives completed by each user in the last month exhibits **right-skewed normal distribution.**
- Roughly 50% of users drove fewer than
 3,495 kilometers during that period.
- The **median** number of total kilometers driven during the month 3494 km.

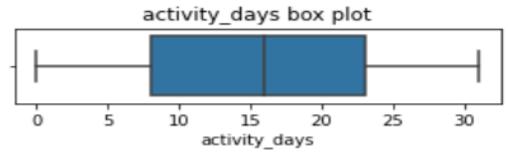
TOTAL DURATION DRIVEN DURING THE MONTH



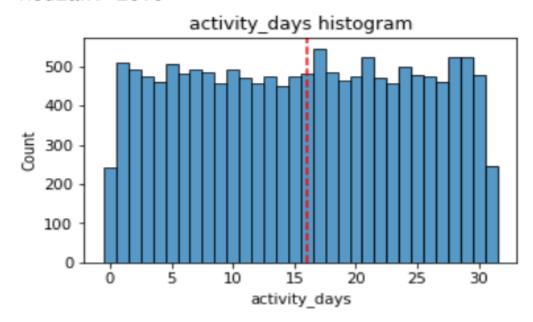


- The duration_minutes_drives variable has a normalish distribution with a heavily skewed right tail.
- Around 50% of the users had a driving duration of less than the median of 1,478 minutes (equivalent to about 25 hours), while certain users recorded over 250 hours of driving time throughout the month.

ACTIVITY DAYS

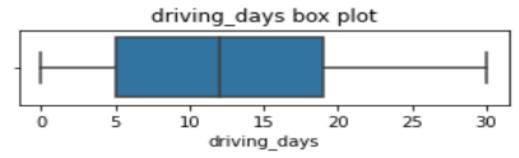


Median: 16.0

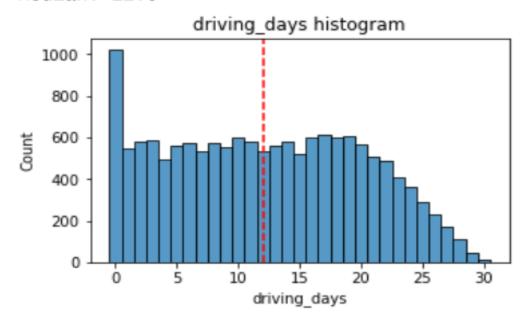


- In the past month, users had a median of 16 app openings.
- The box plot displays a distribution that is centered.
- The histogram indicates a **relatively uniform pattern** with approximately **500 individuals opening the app on each day.**
- However, there are approximately 250 users who did not open the app at all, while another 250 users opened it every day throughout the month.

DRIVING DAYS

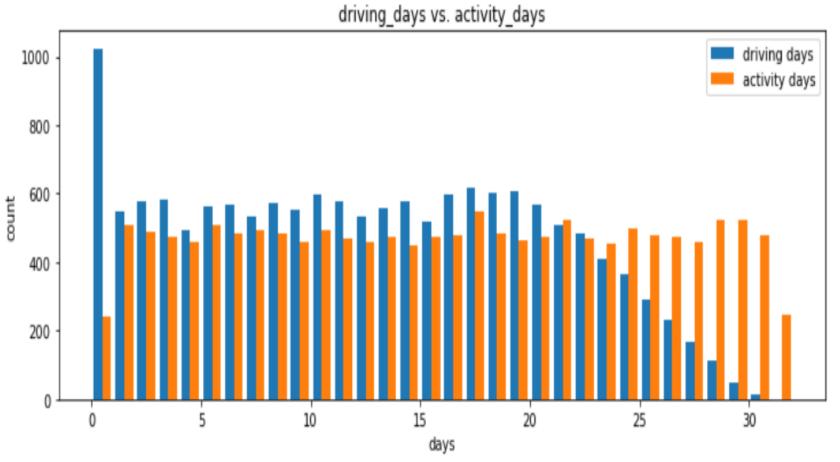


Median: 12.0



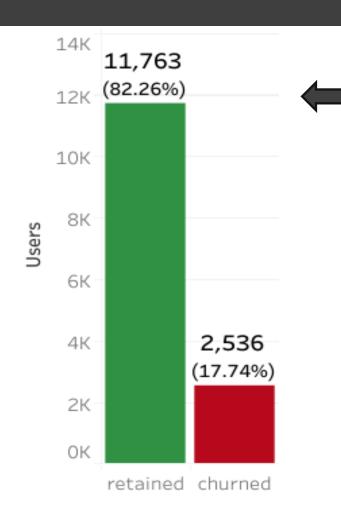
- The **median** number of days the users drove in the last month is **I2** days.
- The frequency of users driving each month shows a relatively uniform pattern, closely aligned with the number of days they accessed the app within the same period.
- The distribution of driving_days skews towards lower values.
- Interestingly, there were nearly twice as many users
 (~I,000 versus ~550) who didn't engage in any
 driving activity throughout the month..

DRIVING DAYS VS. ACTIVITY DAYS



- Initially, more users had an increase in driving_days.
- The two variables stayed fairly consistent until around day 21.
- After day 21, driving_days steadily declined, while activity_days remained near its previous levels.
- This would suggest that though users weren't driving as much, they were still opening and using the app.

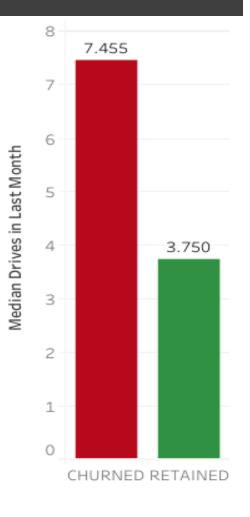
CHURN VS. RETAINED USERS

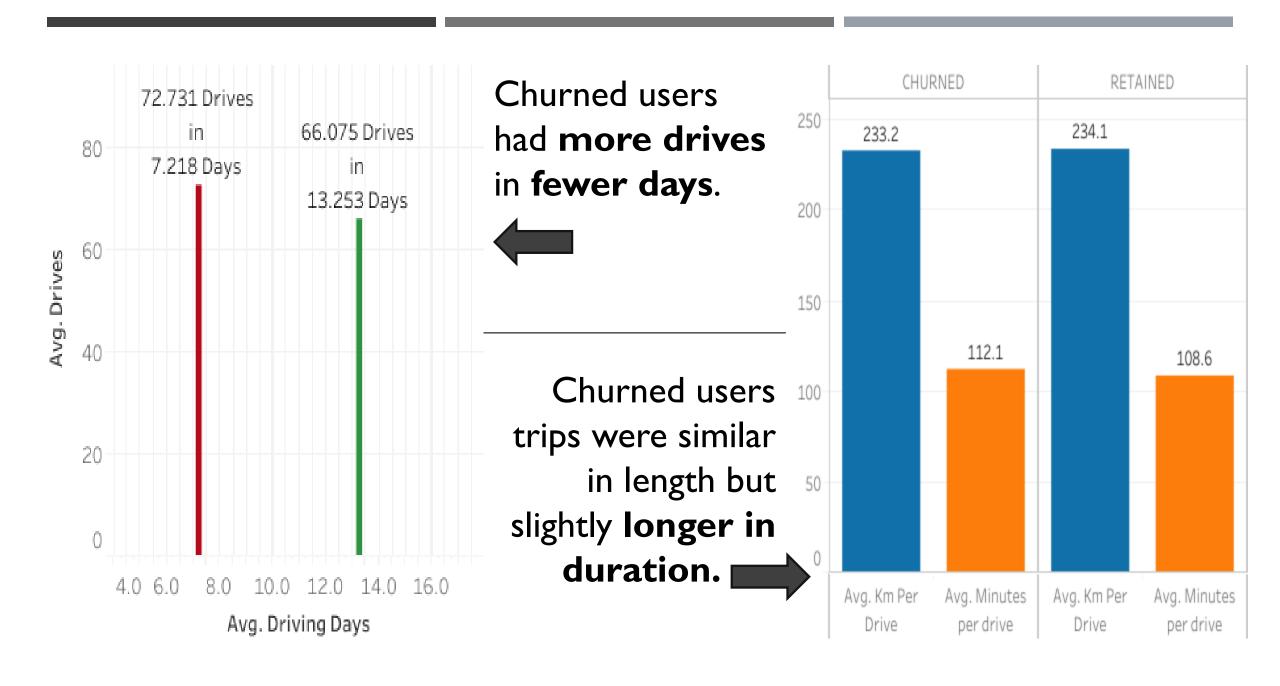


This dataset contains 82% retained users and 18% churned users.

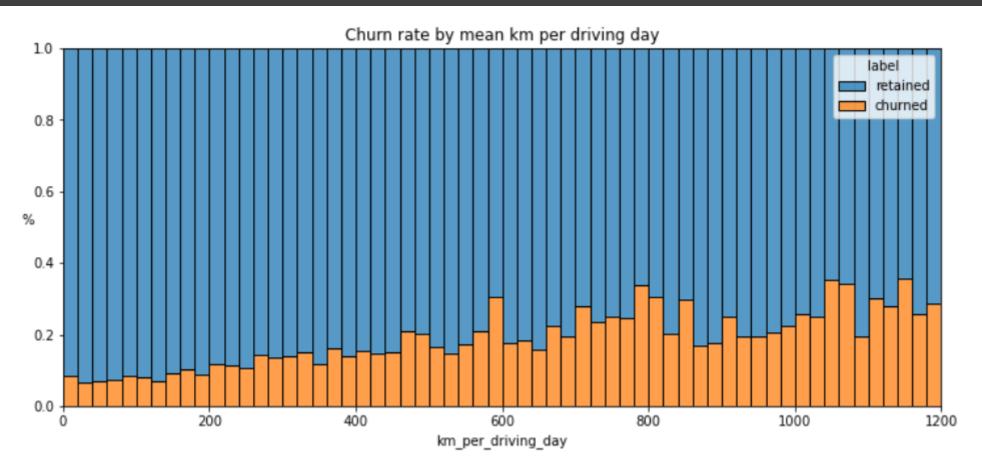
Churned users averaged
~3 more drives in the last
month than retained users.





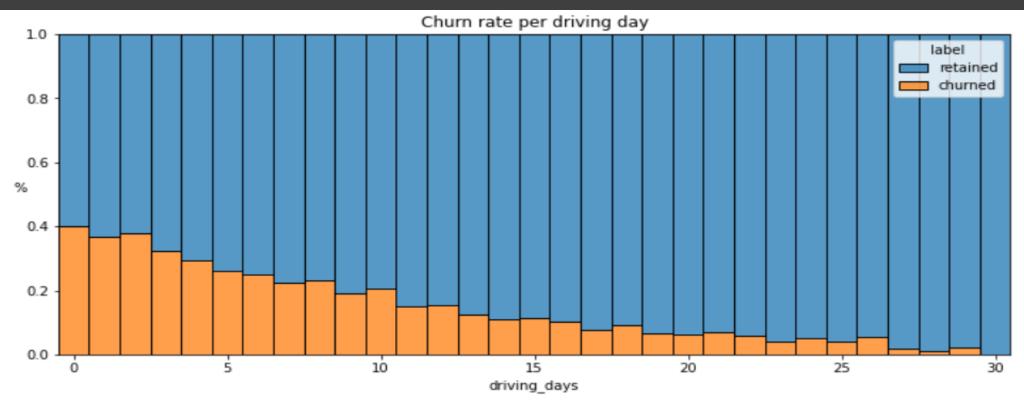


RETENTION BY KM DRIVEN PER DRIVING DAY



As the average daily distance driven increases, the churn rate also tends to rise.

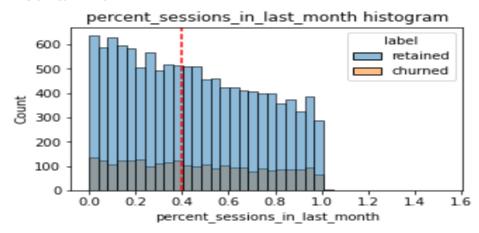
CHURN RATE PER NUMBER OF DRIVING DAYS



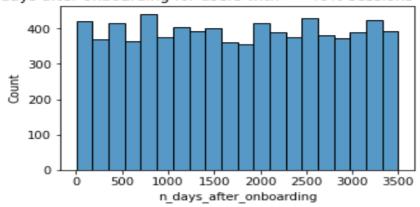
The likelihood of churn decreased as the frequency of app usage increased. Among users who did not use the app at all in the last month, 40% churned, whereas none of the users who used the app for 30 days experienced churn.

SESSIONS PROPORTIONS AND SURGE IN ACTIVITY FOR LONGSTANDING USERS

Median: 0.4

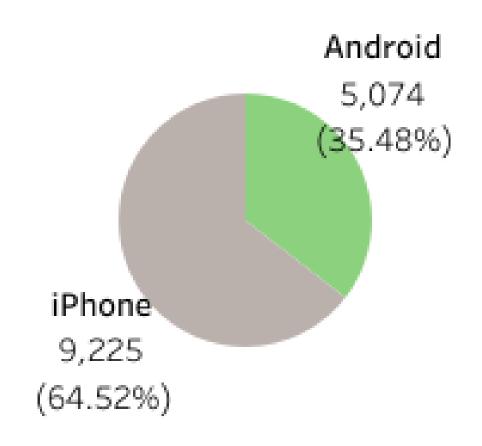


Num. days after onboarding for users with >=40% sessions



- Around half of the users included in the dataset had 40% or more of their sessions concentrated solely in the last month.
- The number of days since users onboarded, who have experienced 40% or more of their total sessions within the last month, conforms to a uniform distribution.
- Why the sudden surge in app usage by these longstanding users during the recent month?

DEVICES: ANDROID VS. IPHONE



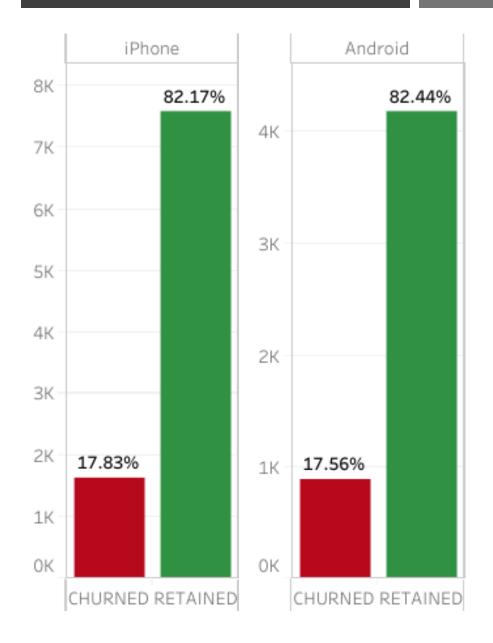
· iPhone devices

make up a majority

of the users in this

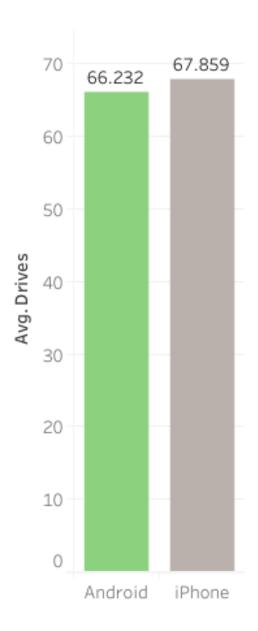
dataset.

Android devices
 account for roughly
 a third of all users.



The **proportion** of iPhone users to Android users remains **consistent** within both the churned and retained user groups.

 There is no indication of any correlation between device type and churn.



- Given the displayed averages, it seems that iPhone device users tend to have a higher average number of drives when using the application.
- However, it's important to consider that this disparity may be a result of random sampling rather than an actual difference in the number of drives.
- To determine if the distinction is statistically significant, I performed a hypothesis test.

DEVICE HYPOTHESIS TESTING

Hypotheses:

- H0: There is no difference in average number of drives between drivers who use iPhone devices and drivers who use Androids.
- HA: There is a difference in average number of drives between drivers who use iPhone devices and drivers who use Androids.

Two-sample test with 5% as the significance level with a two-sample t-test.

```
# 1. Isolate the `drives` column for iPhone users.
iPhone = df[df['device_type'] == 1]['drives']

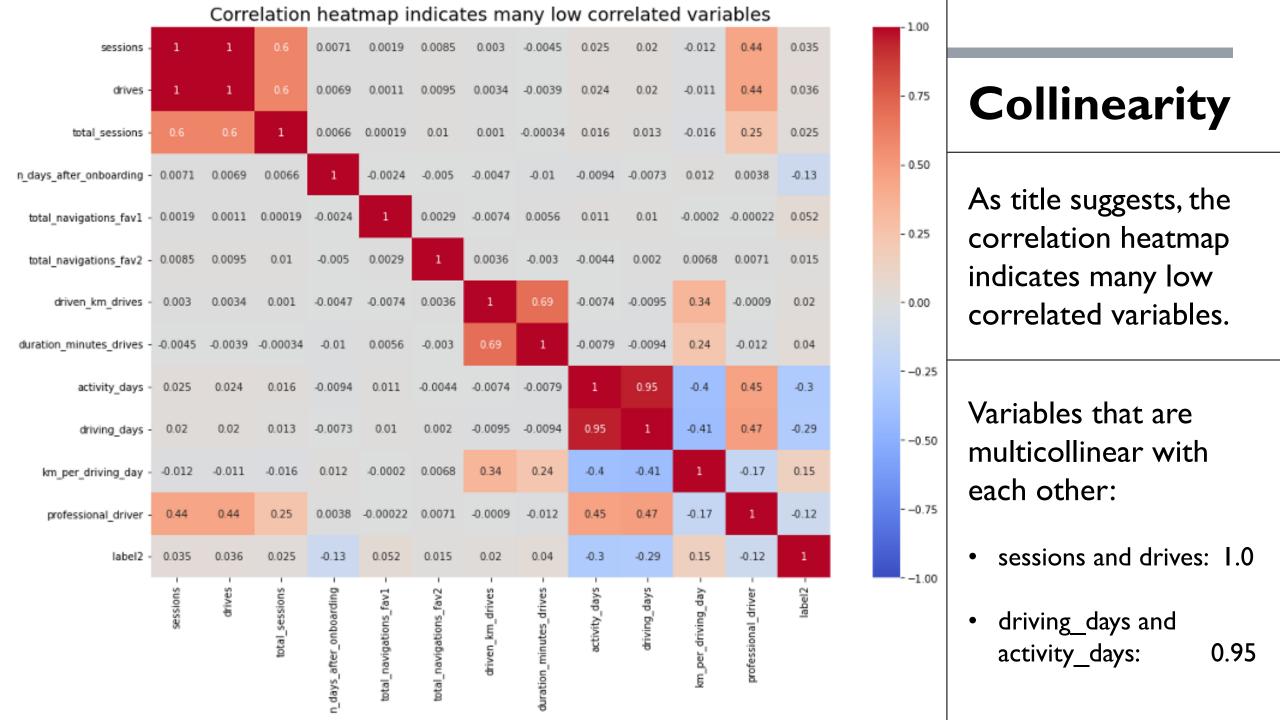
# 2. Isolate the `drives` column for Android users.
Android = df[df['device_type'] == 2]['drives']

# 3. Perform the t-test
stats.ttest_ind(a=iPhone, b=Android, equal_var=False)
```

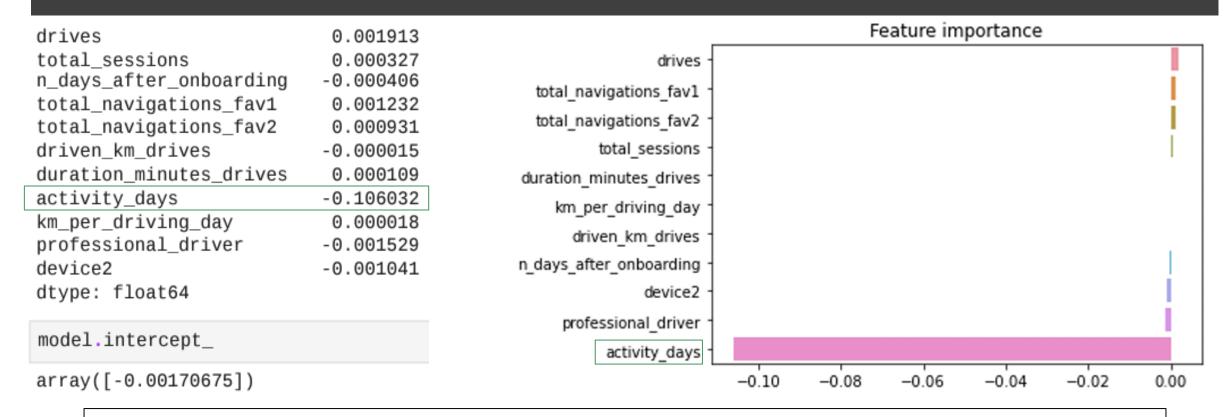
Ttest_indResult(statistic=1.4635232068852353, pvalue=0.1433519726802059)

p Value = 0.143...

As the p-value exceeds the selected significance level of 5%, we fail to reject the null hypothesis. This indicates that there is **no statistically significant distinction in** the average number of drives between iPhone users and Android users.

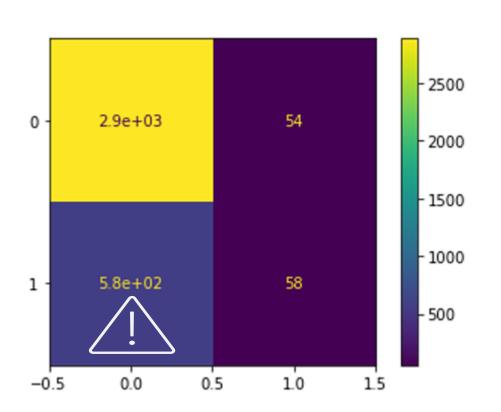


LOGISTIC REGRESSION MODEL



Among all the features in the model, "activity_days" emerged as the most significant one, exhibiting a negative correlation with user churn.

LOGISTIC REGRESSION MODEL



	precision	recall	f1-score
retained churned	0.83 0.52	0.98	0.90 0.16
accuracy macro avg weighted avg	0.68 0.78	0.54 0.82	0.82 0.53 0.77

Although the model demonstrates reasonable precision, its recall is <u>extremely low</u>, indicating a **high number of false negative predictions.**

Consequently, it fails to identify and capture users who are likely to churn.

LOGISTIC REGRESSION MODEL INSIGHTS

- "Activity_days" emerged as the most significant feature, exhibiting a negative correlation with user churn.
 - This finding is not unexpected since "activity_days" is highly correlated with "driving_days,"
 which was already identified to have a negative correlation with churn.
- During EDA, the user churn rate rose in conjunction with increasing values in "km_per_driving_day."
 - The correlation heatmap confirmed this observation, indicating that this variable exhibited the highest positive correlation with churn among all the predictor variables.
 - Surprisingly, in the model, "km_per_driving_day" ranked as the second-least important variable.

LOGISTIC REGRESSION MODEL IMPROVEMENTS

- By leveraging domain knowledge, it is possible to engineer new features aimed at improving predictive signal.
 - In the context of this model, one of the engineered features, namely "professional_driver," emerged as the third-most influential predictor.
 - Scaling the predictor variables and reconstructing the model using different combinations of predictors can be beneficial in minimizing noise stemming from unpromising features.
- Possessing drive-level specifics for individual users, such as drive times and geographic locations would be beneficial.
- Obtaining more detailed information regarding how users engage with the app would likely provide valuable insights.
- Having knowledge of the monthly count of distinct starting and ending locations inputted by each driver could offer valuable additional information.

LOGISTIC REGRESSION MODEL RECOMMENDATION

The usefulness of the model depends on its intended purpose.

- If the model is employed to inform critical business decisions, its performance may not be sufficiently strong, particularly evident from its low recall score.
- If the model is primarily utilized to guide further exploratory efforts and provide insights, it can still offer value in that context.

MACHINE LEARNING MODEL RANDOMFOREST VS. XGBOOST

	model	precision	recall	F1	accuracy
0	RF cv	0.458198	0.126782	0.198534	0.818626
0	XGB cv	0.442586	0.173468	0.248972	0.814780

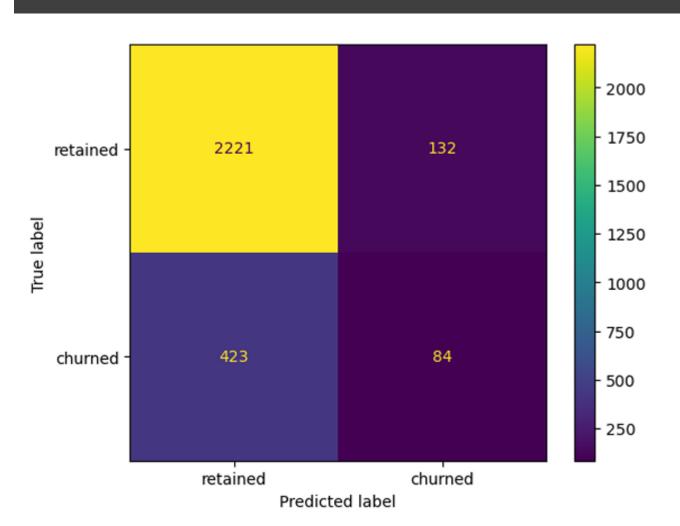
- The XGBoost model not only outperformed the random forest model in terms of data fitting, but it also achieved a recall score that is nearly twice as high as the recall score obtained by the logistic regression model.
- It also demonstrates an improvement of almost 50% in recall compared to the random forest model, while maintaining similar levels of accuracy and precision.

MACHINE LEARNING MODEL VALIDATION AND TEST

	model	precision	recall	F1	accuracy
0	RF cv	0.458198	0.126782	0.198534	0.818626
0	XGB cv	0.442586	0.173468	0.248972	0.814780
0	RF val	0.445255	0.120316	0.189441	0.817483
0	XGB val	0.430769	0.165680	0.239316	0.813287
0	XGB test	0.388889	0.165680	0.232365	0.805944

- The recall remained unchanged from the validation data, while the precision experienced a significant decline, resulting in a slight drop in all other scores.
 - Nevertheless, these variations fall within an acceptable range for performance disparities between validation and test scores.

MACHINE LEARNING MODEL VALIDATION AND TEST

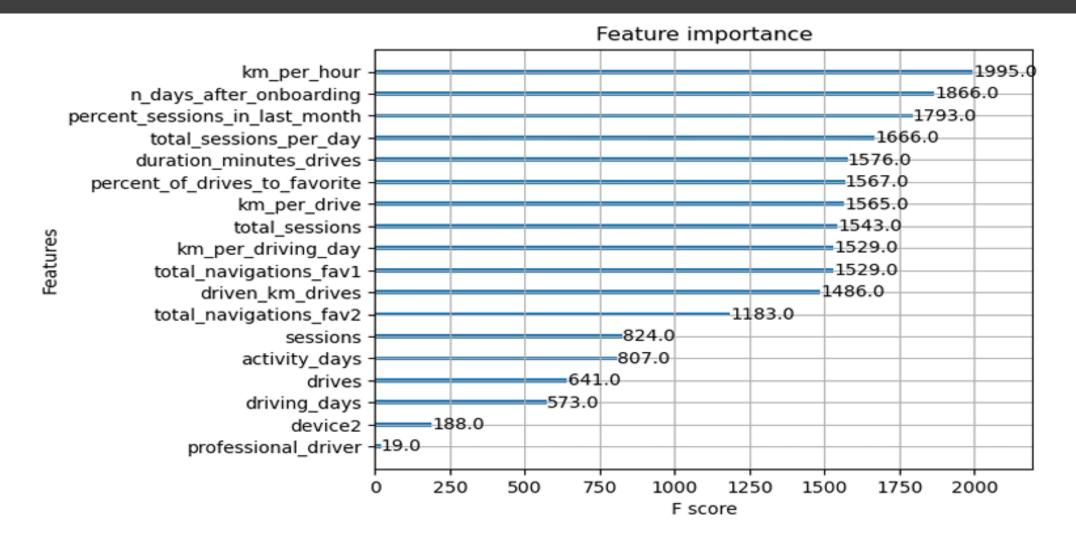


The model's false
 negatives outnumbered
 false positives by a factor
 of three.

 It accurately identified only 16.6% of the users who churned.

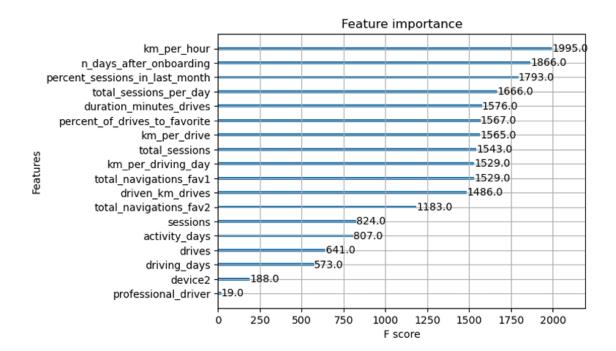
MACHINE LEARNING MODEL

FEATURE IMPORTANCE



Top Five Most Important Features That Impact Churn:

- I. km_per_hour
- 2. n_days_after_onboarding
- 3. percent_sessions_in_last_month
- 4. total_sessions_per_day
- 5. duration_minutes_drives



- The XGBoost model utilized a greater number of features compared to the logistic regression model.
- Engineered features comprised six out of the top 10 features, including three out of the top five.
- It is worth noting that the selection of important features can vary between different models due to the complexity involved in feature selection.

MACHINE LEARNING MODEL IMPROVEMENTS THAT CAN BE MADE

- Introducing new features could enhance the model's predictive capabilities, particularly with better domain knowledge.
- In the case of this model, engineered features accounted for over half of the top 10 most-predictive features employed by the model.
- Reconstructing the model using different combinations of predictor variables can help reduce noise originating from nonpredictive features.

MACHINE LEARNING MODEL ADDITIONAL FEATURES THAT COULD HELP IMPROVE THE MODEL

- Having drive-level information for each user, such as drive times and geographic locations, would be beneficial.
- More detailed data providing insights into user interactions with the app would be valuable.
- Knowing the monthly count of unique starting and ending locations provided by each driver could offer further assistance.

FINAL RECOMMENDATION

- If the model is to be utilized for significant business decisions, then it falls short in being an ideal predictor, as evidenced by its low recall score.
- If the model is solely employed to guide exploratory efforts, it can provide value.
- The model could be more predictive if we gather more drive level data as mentioned previously, as well as exploring different engineered features.

```
### ALL WAZE USER CHURN CODE
# Waze 2 code----
# Import packages for data manipulation
import pandas as pd
import numpy as np
# Load dataset into dataframe
df = pd.read csv('waze dataset.csv')
df.head(10)
df.info()
# Isolate rows with null values
null df = df[df['label'].isnull()]
# Display summary stats of rows with null values
null df.describe()
# Isolate rows without null values
not null df = df[~df['label'].isnull()]
# Display summary stats of rows without null values
not null df.describe()
# Get count of null values by device
null df['device'].value counts()
# Calculate % of iPhone nulls and Android nulls
null df['device'].value counts(normalize=True)
# Calculate % of iPhone users and Android users in full dataset
df['device'].value counts(normalize=True)
# Calculate counts of churned vs. retained
print(df['label'].value_counts())
print()
print(df['label'].value counts(normalize=True))
# Calculate median values of all columns for churned and retained users
df.groupby('label').median(numeric only=True)
# Group data by `label` and calculate the medians
medians_by_label = df.groupby('label').median(numeric_only=True)
print('Median kilometers per drive:')
# Divide the median distance by median number of drives
medians by label['driven km drives'] / medians by label['drives']
# Divide the median distance by median number of driving days
print('Median kilometers per driving day:')
medians_by_label['driven_km_drives'] / medians_by_label['driving_days']
# Divide the median number of drives by median number of driving days
print('Median drives per driving day:')
medians_by_label['drives'] / medians_by_label['driving_days']
# For each label, calculate the number of Android users and iPhone users
df.groupby(['label', 'device']).size()
# For each label, calculate the percentage of Android users and iPhone users
df.groupby('label')['device'].value_counts(normalize=True)
# Waze 3 code--
import pandas as pd
import matplotlib.pyplot as plt
import numpy as np
import seaborn as sns
# Load the dataset into a dataframe
df = pd.read csv('waze dataset.csv')
df.head(10)
df.size
df.describe()
df.info()
# Box plot
plt.figure(figsize=(5,1))
sns.boxplot(x=df['sessions'], fliersize=1)
plt.title('sessions box plot');
# Histogram
```

```
plt.figure(figsize=(5,3))
sns.histplot(x=df['sessions'])
median = df['sessions'].median()
plt.axvline(median, color='red', linestyle='--')
plt.text(75,1200, 'median=56.0', color='red')
plt.title('sessions box plot');
# Box plot
plt.figure(figsize=(5,1))
sns.boxplot(x=df['drives'], fliersize=1)
plt.title('drives box plot');
# Helper function to plot histograms based on the
# format of the `sessions` histogram
def histogrammer(column str, median text=True, **kwargs):
                                                               # **kwargs = any keyword arguments
                                                               # from the sns.histplot() function
    median=round(df[column str].median(), 1)
    plt.figure(figsize=(5,3))
    ax = sns.histplot(x=df[column str], **kwargs)
                                                               # Plot the histogram
    plt.axvline(median, color='red', linestyle='--')
                                                               # Plot the median line
    if median text==True:
                                                               # Add median text unless set to False
        ax.text(0.25, 0.85, f'median={median}', color='red',
            ha="left", va="top", transform=ax.transAxes)
       print('Median:', median)
    plt.title(f'{column_str} histogram');
# Histogram
histogrammer('drives')
# Box plot
plt.figure(figsize=(5,1))
sns.boxplot(x=df['total_sessions'], fliersize=1)
plt.title('total sessions box plot');
# Histogram
histogrammer('total sessions')
# Box plot
plt.figure(figsize=(5,1))
\verb|sns.boxplot(x=df['n\_days\_after\_onboarding'], fliersize=1)|\\
plt.title('n_days_after_onboarding box plot');
histogrammer('n days after onboarding', median text=False)
# Box plot
plt.figure(figsize=(5,1))
sns.boxplot(x=df['driven_km_drives'], fliersize=1)
plt.title('driven_km_drives box plot');
# Histogram
histogrammer('driven km drives')
# Box plot
plt.figure(figsize=(5,1))
sns.boxplot(x=df['duration_minutes_drives'], fliersize=1)
plt.title('duration_minutes_drives box plot');
# Histogram
histogrammer('duration minutes drives')
# Box plot
plt.figure(figsize=(5,1))
sns.boxplot(x=df['activity_days'], fliersize=1)
plt.title('activity_days box plot');
# Histogram
histogrammer('activity days', median text=False, discrete=True)
# Box plot
plt.figure(figsize=(5,1))
sns.boxplot(x=df['driving_days'], fliersize=1)
plt.title('driving_days box plot');
# Histogram
histogrammer('driving days', median text=False, discrete=True)
# Pie chart
fig = plt.figure(figsize=(3,3))
data=df['device'].value_counts()
plt.pie(data,
 labels=[f'{data.index[0]}: {data.values[0]}',
```

```
f'{data.index[1]}: {data.values[1]}'],
        autopct='%1.1f%%'
plt.title('Users by device');
# Pie chart
fig = plt.figure(figsize=(3,3))
data=df['label'].value_counts()
plt.pie(data,
        labels=[f'{data.index[0]}: {data.values[0]}',
                f'{data.index[1]}: {data.values[1]}'],
        autopct='%1.1f%%'
plt.title('Count of retained vs. churned');
# Histogram
plt.figure(figsize=(12,4))
label=['driving days', 'activity days']
plt.hist([df['driving_days'], df['activity_days']],
         bins=range(0,33),
         label=label)
plt.xlabel('days')
plt.ylabel('count')
plt.legend()
plt.title('driving days vs. activity days');
# Histogram
plt.figure(figsize=(5,4))
sns.histplot(data=df,
             x='device'
             hue='label',
             multiple='dodge',
             shrink=0.9
plt.title('Retention by device histogram');
# 1. Create `km per driving day` column
df['km_per_driving_day'] = df['driven_km_drives'] / df['driving_days']
# Histogram
plt.figure(figsize=(12,5))
sns.histplot(data=df,
             x='km_per_driving_day',
            bins=range(0,1201,20),
            hue='label',
             multiple='fill')
plt.ylabel('%', rotation=0)
plt.title('Churn rate by mean km per driving day');
# Histogram
plt.figure(figsize=(12,5))
sns.histplot(data=df,
             x='driving_days',
             bins=range(1,32),
             hue='label',
             multiple='fill',
             discrete=True)
plt.ylabel('%', rotation=0)
plt.title('Churn rate per driving day');
df['percent_sessions_in_last_month'] = df['sessions'] / df['total_sessions']
df['percent sessions in last month'].median()
# Histogram
multiple='layer',
             median_text=False)
df['n days after onboarding'].median()
# Histogram
data = df.loc[df['percent_sessions_in_last_month']>=0.4]
plt.figure(figsize=(5,3))
\verb|sns.histplot(x=data['n\_days\_after\_onboarding'])| \\
plt.title('Num. days after onboarding for users with >=40% sessions in last month');
def outlier imputer(column name, percentile):
    # Calculate threshold
    threshold = df[column_name].quantile(percentile)
    # Impute threshold for values > than threshold
    df.loc[df[column_name] > threshold, column_name] = threshold
    print('{:>25} | percentile: {} | threshold: {}'.format(column_name, percentile, threshold))
for column in ['sessions', 'drives', 'total sessions',
```

```
'driven_km_drives', 'duration_minutes_drives']:
               outlier imputer (column, 0.95)
df.describe()
# Waze 4 code--
import pandas as pd
from scipy import stats
# Load dataset into dataframe
df = pd.read_csv('waze_dataset.csv')
# 1. Create `map_dictionary`
map_dictionary = {'Android': 2, 'iPhone': 1}
# 2. Create new `device type` column
df['device type'] = df['device']
# 3. Map the new column to the dictionary
df['device_type'] = df['device_type'].map(map_dictionary)
df['device type'].head()
df.groupby('device type')['drives'].mean()
# 1. Isolate the `drives` column for iPhone users.
iPhone = df[df['device type'] == 1]['drives']
# 2. Isolate the `drives` column for Android users.
Android = df[df['device type'] == 2]['drives']
# 3. Perform the t-test
stats.ttest ind(a=iPhone, b=Android, equal var=False)
# Waze 5 code----
import pandas as pd
import numpy as np
# Packages for visualization
import matplotlib.pyplot as plt
import seaborn as sns
# Packages for Logistic Regression & Confusion Matrix
from sklearn.preprocessing import StandardScaler, OneHotEncoder
from sklearn.model_selection import train test split
from sklearn.metrics import classification_report, accuracy_score, precision_score, \
recall score, f1 score, confusion matrix, ConfusionMatrixDisplay
from sklearn.linear_model import LogisticRegression
# Load the dataset by running this cell
df = pd.read_csv('https://raw.githubusercontent.com/adacert/waze/main/Synthetic_Waze_Data_14999%20-%20Fictional_Waze_Data_14999.csv')
print(df.shape)
df.info()
df.head()
df = df.drop('ID', axis=1)
df['label'].value_counts(normalize=True)
df.describe()
# 1. Create `km_per_driving_day` column
df['km_per_driving_day'] = df['driven_km_drives'] / df['driving_days']
# 2. Call `describe()` on the new column
df['km_per_driving_day'].describe()
# 1. Convert infinite values to zero
df.loc[df['km_per_driving_day']==np.inf, 'km_per_driving_day'] = 0
# 2. Confirm that it worked
df['km_per_driving_day'].describe()
# Create `professional_driver` column
df['professional driver'] = np.where((df['drives'] >= 60) & (df['driving days'] >= 15), 1, 0)
# 1. Check count of professionals and non-professionals
print(df['professional_driver'].value_counts())
# 2. Check in-class churn rate
df.groupby(['professional_driver'])['label'].value_counts(normalize=True)
df.info()
```

```
# Drop rows with missing data in `label` column
df = df.dropna(subset=['label'])
# Impute outliers
for column in ['sessions', 'drives', 'total_sessions', 'total_navigations_fav1',
                'total_navigations_fav2', 'driven_km_drives', 'duration_minutes_drives']:
    threshold = df[column].quantile(0.95)
    df.loc[df[column] > threshold, column] = threshold
df.describe()
# Create binary `label2` column
df['label2'] = np.where(df['label']=='churned', 1, 0)
df[['label', 'label2']].tail()
# Generate a correlation matrix
df.corr(method='pearson')
# Plot correlation heatmap
plt.figure(figsize=(15,10))
sns.heatmap(df.corr(method='pearson'), vmin=-1, vmax=1, annot=True, cmap='coolwarm')
plt.title('Correlation heatmap indicates many low correlated variables',
          fontsize=18)
plt.show();
# Create new `device2` variable
df['device2'] = np.where(df['device']=='Android', 0, 1)
df[['device', 'device2']].tail()
# Isolate predictor variables
X = df.drop(columns = ['label', 'label2', 'device', 'sessions', 'driving days'])
# Isolate target variable
y = df['label2']
# Perform the train-test split
 \textbf{X\_train, X\_test, y\_train, y\_test = train\_test\_split(X, y, stratify=y, random\_state=42) } 
# Use .head()
X train.head()
model = LogisticRegression(penalty='none', max iter=400)
model.fit(X train, y train)
pd.Series(model.coef [0], index=X.columns)
model.intercept
# Get the predicted probabilities of the training data
training_probabilities = model.predict_proba(X_train)
training_probabilities
# 1. Copy the `X train` dataframe and assign to `logit data`
logit data = X train.copy()
# 2. Create a new `logit` column in the `logit_data` df
logit_data['logit'] = [np.log(prob[1] / prob[0]) for prob in training_probabilities]
# Plot regplot of `activity_days` log-odds
sns.regplot(x='activity days', y='logit', data=logit data, scatter kws={'s': 2, 'alpha': 0.5})
plt.title('Log-odds: activity_days');
\# Generate predictions on X_{\_}test
y_preds = model.predict(X_test)
# Score the model (accuracy) on the test data
model.score(X_test, y_test)
cm = confusion_matrix(y_test, y_preds)
disp = ConfusionMatrixDisplay(confusion_matrix=cm, display_labels=None)
disp.plot()
# Calculate precision manually
precision = cm[1,1] / (cm[0, 1] + cm[1, 1])
precision
# Calculate recall manually
recall = cm[1,1] / (cm[1, 0] + cm[1, 1])
recall.
# Create a classification report
target_labels = ['retained', 'churned']
print(classification_report(y_test, y_preds, target_names=target_labels))
```

```
# Create a list of (column name, coefficient) tuples
feature importance = list(zip(X_train.columns, model.coef_[0]))
# Sort the list by coefficient value
\texttt{feature\_importance} = \texttt{sorted(feature\_importance, key=} \texttt{lambda} \ x \colon \ x[\texttt{1}] \texttt{, reverse=} \texttt{True)}
feature_importance
# Plot the feature importances
import seaborn as sns
sns.barplot(x=[x[1] for x in feature_importance],
            y=[x[0] for x in feature importance],
            orient='h')
plt.title('Feature importance');
# Waze 6 code--
import numpy as np
import pandas as pd
# Import packages for data visualization
import matplotlib.pyplot as plt
# This lets us see all of the columns, preventing Juptyer from redacting them.
pd.set option('display.max columns', None)
# Import packages for data modeling
from sklearn.model_selection import GridSearchCV, train test split
from sklearn.metrics import roc_auc_score, roc_curve, auc
from sklearn.metrics import accuracy score, precision score, recall score, \
fl_score, confusion_matrix, ConfusionMatrixDisplay, RocCurveDisplay, PrecisionRecallDisplay
from sklearn.ensemble import RandomForestClassifier
from xgboost import XGBClassifier
# This is the function that helps plot feature importance
from xgboost import plot_importance
# This module lets us save our models once we fit them.
import pickle
# from google.colab import drive
# drive.mount('/content/drive', force remount=True)
# Import dataset
df0 = pd.read csv('waze dataset.csv')
# Inspect the first five rows
df0.head()
# Copy the df0 dataframe
df = df0.copy()
df.info()
# 1. Create `km per driving day` feature
df['km_per_driving_day'] = df['driven_km_drives'] / df['driving_days']
# 2. Get descriptive stats
df['km_per_driving_day'].describe()
# 1. Convert infinite values to zero
df.loc[df['km_per_driving_day']==np.inf, 'km_per_driving_day'] = 0
# 2. Confirm that it worked
df['km_per_driving_day'].describe()
# 1. Create `percent_sessions_in_last_month` feature
df['percent_sessions_in_last_month'] = df['sessions'] / df['total_sessions']
# 2. Get descriptive stats
df['percent sessions in last month'].describe()
# Create `professional driver` feature
df['professional_driver'] = np.where((df['drives'] >= 60) & (df['driving_days'] >= 15), 1, 0)
# Create `total_sessions_per_day` feature
df['total_sessions_per_day'] = df['total_sessions'] / df['n_days_after_onboarding']
# Get descriptive stats
df['total_sessions_per_day'].describe()
# Create `km per hour` feature
df['km_per_hour'] = df['driven_km_drives'] / df['duration_minutes_drives'] / 60
df['km_per_hour'].describe()
# Create `km_per_drive` feature
df['km per drive'] = df['driven km drives'] / df['drives']
```

```
df['km_per_drive'].describe()
# 1. Convert infinite values to zero
df.loc[df['km_per_drive'] == np.inf, 'km_per_drive'] = 0
# 2. Confirm that it worked
df['km_per_drive'].describe()
# Create `percent_of_sessions_to_favorite` feature
df['percent of drives to favorite'] = (
    df['total_navigations_fav1'] + df['total_navigations_fav2']) / df['total_sessions']
# Get descriptive stats
df['percent_of_drives_to_favorite'].describe()
# Drop rows with missing values
df = df.dropna(subset=['label'])
# Create new `device2` variable
df['device2'] = np.where(df['device'] == 'Android', 0, 1)
df[['device', 'device2']].tail()
# Create binary `label2` column
df['label2'] = np.where(df['label']=='churned', 1, 0)
df[['label', 'label2']].tail()
# Drop `ID` column
df = df.drop(['ID'], axis=1)
# Get class balance of 'label' col
df['label'].value counts(normalize=True)
# 1. Isolate X variables
X = df.drop(columns=['label', 'label2', 'device'])
# 2. Isolate y variable
y = df['label2']
# 3. Split into train and test sets
X_tr, X_test, y_tr, y_test = train_test_split(X, y, stratify=y,
                                              test size=0.2, random state=42)
# 4. Split into train and validate sets
X_train, X_val, y_train, y_val = train_test_split(X_tr, y_tr, stratify=y_tr,
                                                   test size=0.25, random state=42)
for x in [X train, X val, X test]:
    print(len(x))
# 1. Instantiate the random forest classifier
rf = RandomForestClassifier(random state=42)
# 2. Create a dictionary of hyperparameters to tune
cv_params = {'max_depth': [None],
              'max features': [1.0],
             'max samples': [1.0],
             'min_samples_leaf': [2],
             'min_samples_split': [2],
             'n_estimators': [300],
             }
# 3. Define a dictionary of scoring metrics to capture
scoring = {'accuracy', 'precision', 'recall', 'f1'}
# 4. Instantiate the GridSearchCV object
rf_cv = GridSearchCV(rf, cv_params, scoring=scoring, cv=4, refit='recall')
%%time
rf_cv.fit(X_train, y_train)
# Examine best score
rf_cv.best_score_
# Examine best hyperparameter combo
rf_cv.best_params_
def make_results(model_name:str, model_object, metric:str):
        model name (string): what you want the model to be called in the output table
        model object: a fit GridSearchCV object
        metric (string): precision, recall, f1, or accuracy
    Returns a pandas of with the F1, recall, precision, and accuracy scores {\cal P}
    for the model with the best mean 'metric' score across all validation folds.
```

```
# Create dictionary that maps input metric to actual metric name in GridSearchCV
    metric dict = {'precision': 'mean test precision',
                   'recall': 'mean_test_recall',
                   'f1': 'mean_test_f1',
                   'accuracy': 'mean_test_accuracy',
    # Get all the results from the CV and put them in a df
    cv_results = pd.DataFrame(model_object.cv_results_)
    # Isolate the row of the df with the max(metric) score
    best_estimator_results = cv_results.iloc[cv_results[metric_dict[metric]].idxmax(), :]
    # Extract accuracy, precision, recall, and fl score from that row
    f1 = best estimator results.mean test f1
    recall = best estimator results.mean test recall
    precision = best estimator results.mean test precision
    accuracy = best estimator results.mean test accuracy
    # Create table of results
    table = pd.DataFrame({'model': [model name],
                          'precision': [precision],
                          'recall': [recall],
                          'F1': [f1],
                          'accuracy': [accuracy],
                          },
                         )
    return table
results = make results('RF cv', rf cv, 'recall')
results
# 1. Instantiate the XGBoost classifier
xgb = XGBClassifier(objective='binary:logistic', random_state=42)
# 2. Create a dictionary of hyperparameters to tune
cv_params = {'max_depth': [6, 12],
             'min child weight': [3, 5],
             'learning rate': [0.01, 0.1],
             'n estimators': [300]
# 3. Define a dictionary of scoring metrics to capture
scoring = {'accuracy', 'precision', 'recall', 'f1'}
# 4. Instantiate the GridSearchCV object
xgb cv = GridSearchCV(xgb, cv params, scoring=scoring, cv=4, refit='recall')
%%time
xgb cv.fit(X train, y train)
# Examine best score
xgb_cv.best_score_
# Examine best parameters
xgb_cv.best_params_
# Call 'make_results()' on the GridSearch object
xgb_cv_results = make_results('XGB cv', xgb_cv, 'recall')
results = pd.concat([results, xgb_cv_results], axis=0)
# Use random forest model to predict on validation data
rf val_preds = rf_cv.best_estimator_.predict(X_val)
def get_test_scores(model_name:str, preds, y_test_data):
    Generate a table of test scores.
    In:
        model name (string): Your choice: how the model will be named in the output table
        preds: numpy array of test predictions
        y_test_data: numpy array of y_test data
        table: a pandas df of precision, recall, f1, and accuracy scores for your model
    accuracy = accuracy score(y test data, preds)
    precision = precision_score(y_test_data, preds)
    recall = recall_score(y_test_data, preds)
    f1 = f1_score(y_test_data, preds)
    table = pd.DataFrame({'model': [model_name],
                          'precision': [precision],
                          'recall': [recall],
                          'F1': [f1],
```

```
'accuracy': [accuracy]
                          })
    return table
# Get validation scores for RF model
rf_val_scores = get_test_scores('RF val', rf_val_preds, y_val)
# Append to the results table
results = pd.concat([results, rf_val_scores], axis=0)
results
# Use XGBoost model to predict on validation data
xgb_val_preds = xgb_cv.best_estimator_.predict(X_val)
# Get validation scores for XGBoost model
xgb val scores = get test scores('XGB val', xgb val preds, y val)
# Append to the results table
results = pd.concat([results, xgb_val_scores], axis=0)
results
# Use XGBoost model to predict on test data
xgb test preds = xgb cv.best estimator .predict(X test)
# Get test scores for XGBoost model
xgb_test_scores = get_test_scores('XGB test', xgb_test preds, y test)
# Append to the results table
results = pd.concat([results, xgb_test_scores], axis=0)
results
# Generate array of values for confusion matrix
cm = confusion_matrix(y_test, xgb_test_preds, labels=xgb_cv.classes_)
# Plot confusion matrix
disp = ConfusionMatrixDisplay(confusion matrix=cm,
                             display_labels=['retained', 'churned'])
disp.plot();
plot importance(xgb cv.best estimator);
# Plot precision-recall curve
display = PrecisionRecallDisplay.from estimator(
    xgb_cv.best_estimator_, X_test, y_test, name='XGBoost'
plt.title('Precision-recall curve, XGBoost model');
# Get predicted probabilities on the test data
predicted probabilities = xgb cv.best estimator .predict proba(X test)
predicted_probabilities
# Create a list of just the second column values (probability of target)
probs = [x[1] for x in predicted_probabilities]
# Create an array of new predictions that assigns a 1 to any value >= 0.4
new_preds = np.array([1 if x >= 0.4 else 0 for x in probs])
new preds
# Get evaluation metrics for when the threshold is 0.4
get_test_scores('XGB, threshold = 0.4', new_preds, y test)
results
def threshold_finder(y_test_data, probabilities, desired_recall):
    Find the threshold that most closely yields a desired recall score.
        y_test_data: Array of true y values
        probabilities: The results of the `predict proba()` model method
        desired recall: The recall that you want the model to have
    Outputs:
        threshold: The threshold that most closely yields the desired recall
        recall: The exact recall score associated with `threshold
    probs = [x[1] for x in probabilities] # Isolate second column of `probabilities`
                                           # Set a grid of 1,000 thresholds to test
    thresholds = np.arange(0, 1, 0.001)
    scores = []
    for threshold in thresholds:
        \# Create a new array of {0, 1} predictions based on new threshold
        preds = np.array([1 if x \ge threshold else 0 for x in probs])
        # Calculate recall score for that threshold
        recall = recall_score(y_test_data, preds)
        # Append the threshold and its corresponding recall score as a tuple to `scores'
```

```
scores.append((threshold, recall))
    distances = []
    for idx, score in enumerate(scores):
       # Calculate how close each actual score is to the desired score
        distance = abs(score[1] - desired_recall)
        # Append the (index#, distance) tuple to `distances`
        distances.append((idx, distance))
    # Sort `distances` by the second value in each of its tuples (least to greatest)
   sorted_distances = sorted(distances, key=lambda x: x[1], reverse=False) # Identify the tuple with the actual recall closest to desired recall
    best = sorted_distances[0]
    \# Isolate the index of the threshold with the closest recall score
    best idx = best[0]
    # Retrieve the threshold and actual recall score closest to desired recall
    threshold, recall = scores[best idx]
    return threshold, recall
# Get the predicted probabilities from the champion model
probabilities = xgb cv.best estimator .predict proba(X test)
# Call the function
threshold_finder(y_test, probabilities, 0.5)
\# Create an array of new predictions that assigns a 1 to any value >= 0.124
new_preds = np.array([1 if x >= 0.124 else 0 for x in probs])
# Get evaluation metrics for when the threshold is 0.124
get test scores('XGB, threshold = 0.124', new preds, y test)
```