



Approach

Problem Statement

- Understanding of **issue** in practical context
- Definition of **business goal** for the implementation of ML algorithms

Dataset Introduction

• Understanding of underlying numerical and categorical predictors

ML Model Selection

- ML modelling approach
- Choice of ML models for solving the problem

Model Evaluation & Feature Importance

- Interpretation of **performance metrics** of the model
- Extraction of **feature importance** to determine most relevant predictors

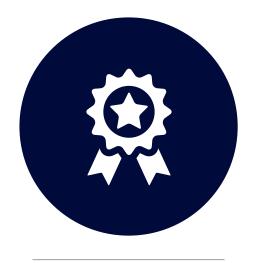
Impact

- Suggestion of key measures to implement going forward
- Application of ML models withing a dashboard

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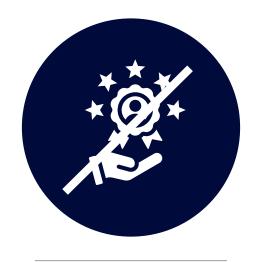


Dissatisfied customers have detrimental consequences



Negative Impact on Reputation

Bad reviews, damaged brand image



Decreased Customer Loyalty

Loss of repeat business, higher customer acquisition costs



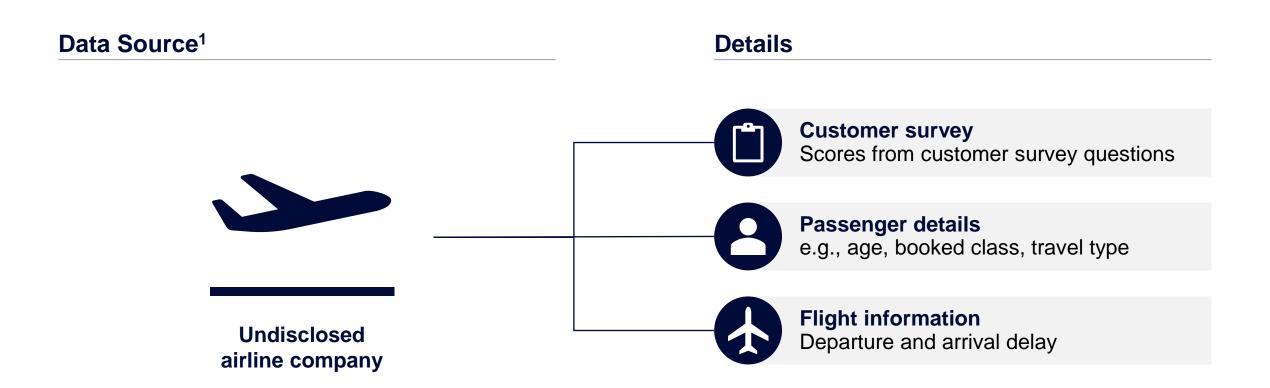
Negative Financial Consequences

Refunds, compensation, costly operational adjustments

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Our dataset is sourced from an undisclosed airline



¹ Source: <u>https://www.kaggle.com/datasets/raminhuseyn/airline-customer-satisfaction</u>



In our models, we rely on 19 flight-related predictors

Numerical Predictors Categorical Predictors Customer type Flight experience Seat comfort Flight distance Type of travel Leg room service Inflight entertainment Class **Inflight WIFI service** Food and drink **Cleanliness On-board service Service efficiency Check-in services Online boarding Departure delay Arrival delay Baggage handling** Age **Digital experiences** Online support Ease of online booking

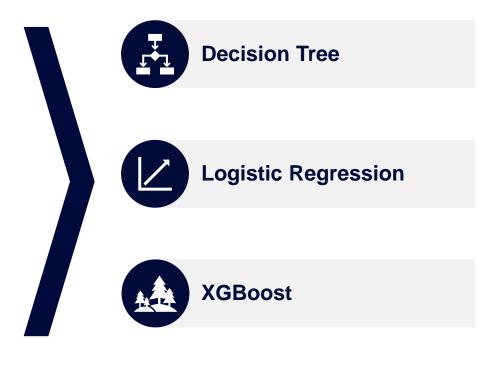
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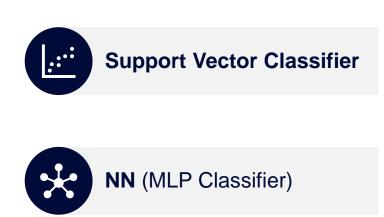


We decided to compare 6 different ML model algorithms

Binary classification

Will a customer be satisfied or dissatisfied after the flight?







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XGBoost performs best with a Validation AUC of 0.992

Criterion: Validation AUC (Area under curve)

- AUC is **independent of setting a classification threshold**, which makes it robust even when the threshold is not known
- 2 AUC considers both the True Positive Rate (Sensitivity) and the False Positive Rate (Specificity), ensuring that the model performs well in identifying both satisfied and dissatisfied customers, which is relevant in our business context
- AUC evaluates how well the model distinguishes between the two classes regardless of their distribution, making it **robust against** class imbalance

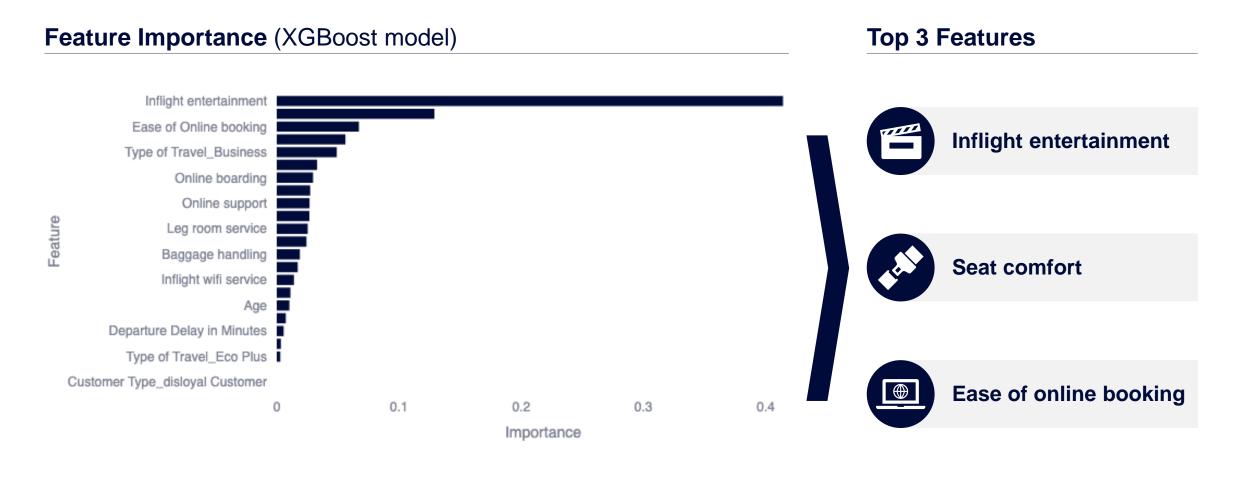
Validation
-
AUC
AGG

Rank

XGBoost	NN	AutoML (XGBClassifier)	svc	Decision Tree	Logistic Regression
0.992	0.991	0.988	0.986	0.974	0.900
1	2	3	4	5	6



Top 3: entertainment, seat comfort & online booking



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Airlines can focus on 3 main areas of improvement





Seat comfort

Ease of online booking

Action Items:

- Expand variety of content
 available to cater to wider passenger preferences (incl. different age groups, languages)
- 2 Invest in high-quality screens with better resolution and responsiveness and user interfaces
- 3 Update the entertainment content regularly to include the latest content

Action Items:

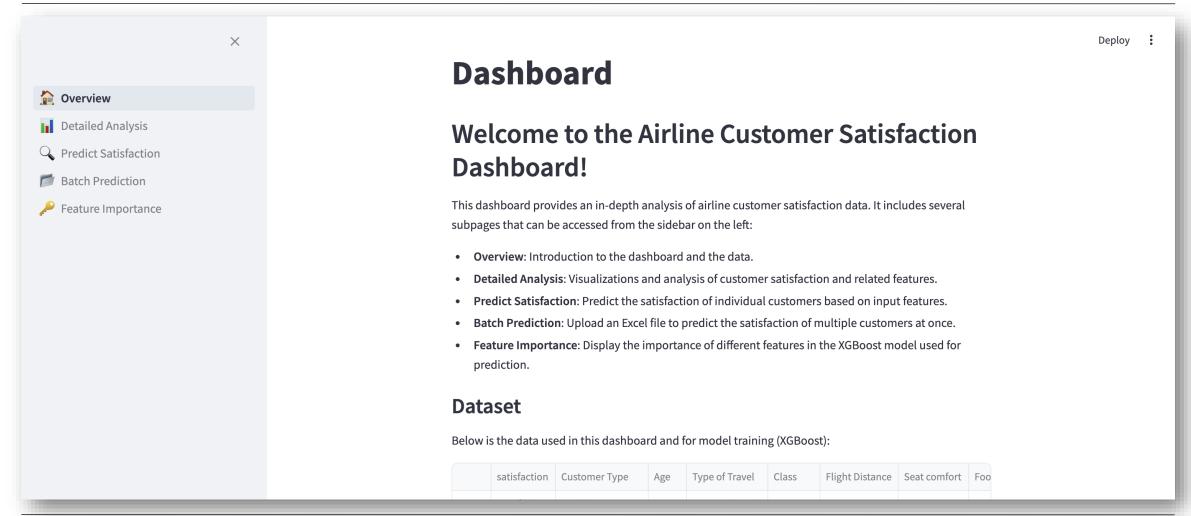
- Work with seat manufacturers to design more ergonomic seats that provide better lumbar support and adjustable features like headrests
- Reconfigure the seating layout to offer more legroom, especially in economy class
- Use higher-quality, more comfortable seat cushions that offer better support during long flights

Action Items:

- Simplify the online booking interface to reduce the number of steps required to complete the booking
- 2 Ensure the online booking system is fully optimized for mobile devices, including through an own app
- Integrate real-time customer support options, such as chatbots and live chat, withing the booking process



A dashboard serves as insight hub to airline managers







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