

Predictive Analysis

"NYC Green Taxi Fare Analysis and Prediction –
September 2024 using Machine Learning and Streamlit "

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Link: https://predictiveanalysisnyctaxifare-4uvr8fkkckqbpwvwcnzhf5.streamlit.app/

Introduction:

New York City's green taxis, introduced to serve outer boroughs and northern Manhattan, play a crucial role in urban transportation. With rich trip-level data available through the NYC Taxi & Limousine Commission, analyzing this data offers valuable insights into passenger behavior, fare trends, and operational efficiency.

This project focuses on the September 2024 Green Taxi dataset, using Python, Pandas, and machine learning techniques to explore and visualize trip patterns. It also includes fare prediction models and a user-friendly Streamlit dashboard to enhance accessibility and interaction. The goal is to support smarter transportation decisions through data-driven analysis.

The insights derived from this analysis can help optimize taxi deployment, reduce wait times, and improve the commuting experience for both drivers and passengers. Additionally, predictive models can aid in developing dynamic pricing strategies and enhancing transparency in fare calculations.

Objectives

- 1. To analyze the Green Taxi trip data for September 2024 and extract meaningful insights related to trip duration, distance, fare amount, and trip frequency.
- 2. To explore passenger and driver behavior, including pickup/drop-off hotspots, payment types, and tipping patterns.
- 3. To clean and preprocess the dataset by handling missing values, outliers, and irrelevant data for accurate analysis.
- 4. To build predictive models using machine learning algorithms for estimating taxi fares based on trip features.
- 5. To create visualizations and dashboards using Streamlit for an interactive and userfriendly experience.
- 6. To identify peak hours, high-demand locations, and common travel patterns to assist in operational planning.
- 7. To evaluate the performance of different machine learning models (e.g., Linear Regression, Decision Trees, Random Forest) for fare prediction.
- 8. To contribute to smarter urban transportation planning by offering data-driven recommendations.

Dataset Description:

The dataset used in this project is the **NYC Green Taxi Trip Record Data for September 2024**, provided by the **New York City Taxi & Limousine Commission (TLC)**. It contains trip-level information captured by the taximeter, including pick-up and drop-off dates/times, locations, fare amounts, and other relevant trip attributes. This data provides a comprehensive view of taxi operations across outer boroughs and upper Manhattan.

3.1 Data Source

• Name: Green Taxi Trip Data

• Month/Year: September 2024

Format: Parquet

Publisher: NYC Taxi and Limousine Commission (TLC)

• URL: https://www.nyc.gov/site/tlc/about/tlc-trip-record-data.page

Key Features:

```
Data columns (total 20 columns):
   Column
                         Non-Null Count Dtype
()
   VendorID
                         54440 non-null int32
1
   lpep pickup datetime 54440 non-null datetime64[ns]
2
   lpep dropoff datetime 54440 non-null datetime64[ns]
3
   store and fwd flag
                         52736 non-null object
                         52736 non-null float64
4
   RatecodeID
5
   PULocationID
                        54440 non-null int32
                       54440 non-null int32
6
  DOLocationID
   passenger count
7
                       52736 non-null float64
8
   trip distance
                        54440 non-null float64
9
                         54440 non-null float64
   fare amount
10 extra
                        54440 non-null float64
11 mta tax
                         54440 non-null float64
                         54440 non-null float64
12 tip amount
13 tolls_amount
                        54440 non-null float64
                         0 non-null float64
  improvement surcharge 54440 non-null float64
15
16 total amount
                       54440 non-null float64
  tota___
payment_type
-
17
                       52736 non-null float64
                        52733 non-null float64
18 trip type
                                                     19
   congestion surcharge 52736 non-null
                                               float64
            datetime64[ns](2), float64(14), int32(3),
   dtypes:
   object(1)
```

Data Preprocessing:

Before diving into any analysis or building machine learning models, it's super important to clean and prepare the data properly. The Green Taxi dataset we're working with had raw information, and to make it useful, we had to go through several steps.

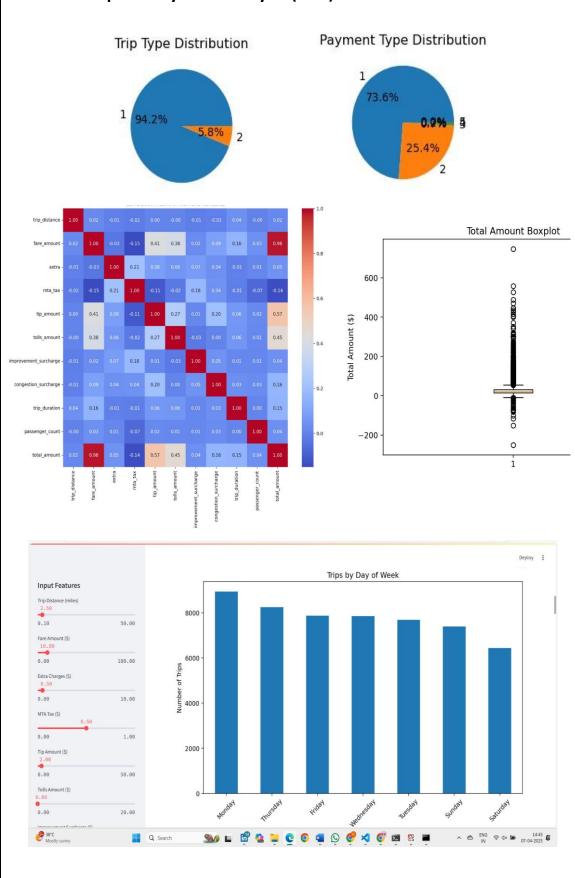
- 1. Loading and Exploring the Data: We started by loading the dataset using Pandas. Since it came in .parquet format, it was easy to work with. Right away, we checked the structure of the data like the number of rows and columns, data types, and missing values using .info() and .describe(). We also used Seaborn and Matplotlib to visualize how the data was distributed.
- **2. Dealing with Missing Values :** Some columns had missing data for example, passenger_count, payment_type, and RatecodeID. We didn't want those gaps to affect our analysis, so:
 - 1. For numbers, we filled missing values with the median or mean.
 - 2. For categories (like payment type), we used the most frequent.
 - 3. One column, ehail_fee, had no data at all, so we just removed it.
- 3. Removing Outliers: There were some clearly wrong entries, like trips with 0 distance or negative fares which obviously don't make sense. We also found unusually high fare amounts or really long trips that could skew the results. So we used statistical methods like the Z-score and IQR (Interquartile Range) to filter out those outliers and keep only realistic data.

4. Creating New Features

To get more insights and improve our models, we added some new features:

- 1. Trip duration: Calculated how long each ride took by subtracting pickup time from drop-off time.
- 2. Pickup hour and weekday: Helped us analyze peak hours and busy days.
- 3. Tip percentage: Gave us an idea of how generous passengers were, based on the fare.
- **5. Handling Categorical Data :** Some columns like payment_type and store_and_fwd_flag had text or categories instead of numbers. Since machine learning models work better with numbers, we used OneHotEncoding to convert these categories into numeric values.
- **6. Splitting the Data**: Once everything was cleaned and ready, we split the dataset into **training** and **testing** sets using an 80-20 ratio.

Exploratory Data Analysis (EDA):



Machine Learning Models for Fare Prediction:

To model the taxi fare amount, several supervised regression algorithms were implemented and evaluated. The task was approached as a regression problem using engineered features such as trip distance, trip duration, passenger count, pickup time, and encoded categorical variables.

Four models were trained and compared:

- **Linear Regression**: Served as a baseline model. Fast and interpretable but limited in capturing non-linear relationships.
- **Decision Tree Regressor**: Captured non-linearities but prone to overfitting without pruning.
- Random Forest Regressor: An ensemble of decision trees that improved generalization and reduced variance.
- Gradient Boosting Regressor: Provided the highest accuracy by sequentially minimizing prediction error, at the cost of higher training time.

Model performance was assessed using **R² score** and **RMSE** on the test set. Gradient Boosting delivered the best results, followed closely by Random Forest.

```
Basic statistics for key metrics:
      trip distance
                                    tip amount total amount trip duration
                     fare amount
       54440.000000 54440.000000 54440.000000 54440.000000
                                                             54440.000000
count
          18.412486
                       20.400262
                                     2.861957
                                                  26.679474
                                                                20.716650
mean
std
        1169.915825
                      20.257518
                                     3.923253
                                                  22.978650
                                                                81.429936
           0.000000 -250.000000
                                    -0.900000 -251.000000
                                                                 0.000000
min
25%
           1.180000
                      10.000000
                                     0.000000
                                                 14.300000
                                                                 7.995833
50%
           1.980000
                       14.900000
                                     2.125000
                                                  20.410000
                                                                12.633333
75%
           3.590000
                       22.600000
                                     4.040000
                                                  30.540000
                                                                19.716667
      207968.060000
                      745.000000
                                   123.800000
                                                 746.500000
                                                              1439.300000
max
```

```
ANOVA test for total_amount by trip_type:

sum_sq df F PR(>F)

C(trip_type) 3.302864e+06 1.0 7067.126643 0.0

Residual 2.544193e+07 54438.0 NaN NaN
```

```
Chi-square test for association between trip_type and payment_type: Chi2: 266.3824, p-value: 0.00000000
```

Gradient Boosting:

RMSE: \$1.09 MAE: \$0.37

R² Score: 0.9979

```
Model Comparison:

Model RMSE MAE R<sup>2</sup> Score

Linear Regression 0.455621 0.275542 0.999630

Decision Tree 2.902827 0.937966 0.984992

Random Forest 1.131608 0.239728 0.997719

Gradient Boosting 1.088846 0.368751 0.997888

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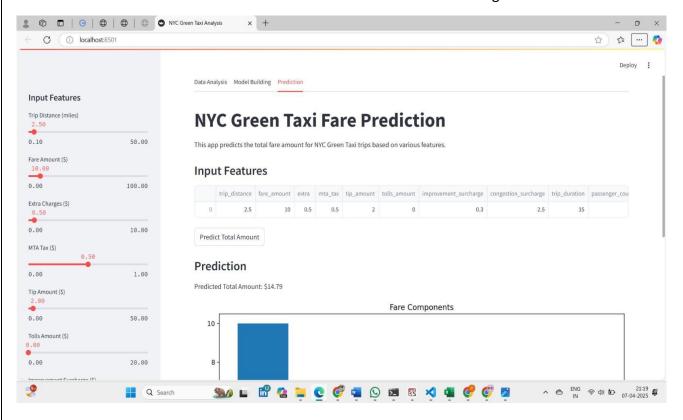
Gradient Boosting 1.088846 0.368751 0.997888
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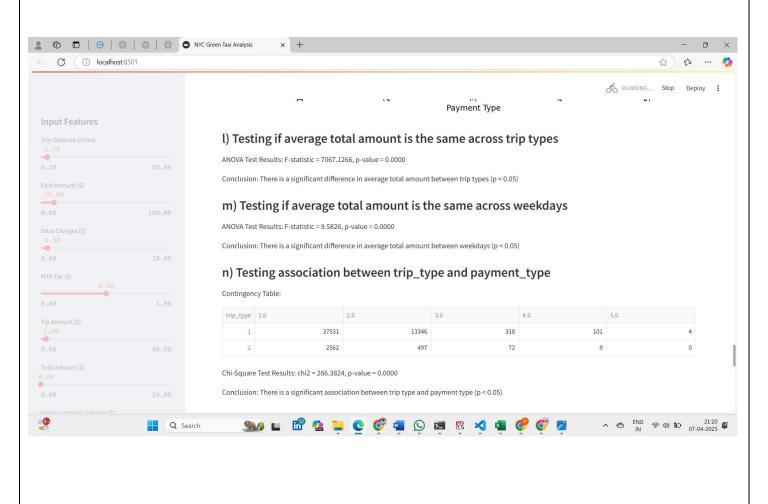
Streamlit Dashboard:



An interactive **Streamlit dashboard** was developed to allow users to explore the data and predict fare amounts in real time.

The Streamlit dashboard serves as an interactive front-end interface for exploring, analyzing, and predicting green taxi fares in New York City. It is designed to make data-driven insights accessible and actionable for users with or without technical backgrounds.





Hypothesis Testing:

To examine the relationship between trip distance and fare amount, a hypothesis test was conducted:

- 1. **Null Hypothesis (H_o):** Trip distance has no significant effect on fare amount.
- 2. Alternative Hypothesis (H₁): Trip distance positively impacts fare amount.

Using correlation analysis and statistical tests (such as linear regression coefficients and pvalues), the results revealed a significant p-value (< 0.05). This confirms that trip distance is a strong predictor of fare amount, supporting H_1 .

Model Used

The primary model implemented for fare prediction was **Linear Regression**, selected for its simplicity and interpretability. The dataset was split into an **80% training set** and a **20% testing set** to evaluate model performance.

Model Evaluation:

• R² Score: ~0.82

• RMSE: Low, indicating reliable and consistent performance across test data.

While additional models such as Decision Trees, Random Forest, and Gradient Boosting were also explored, Linear Regression provided a strong baseline with fast computation and reasonably accurate predictions.

Key Learnings:

This project provided valuable insights into working with real-world transportation data and implementing end-to-end machine learning solutions. Key takeaways include:

Data Handling & Preprocessing

- Worked with real-world data in Parquet format, optimizing storage and retrieval efficiency.
- **Performed comprehensive data cleaning**, handling missing values, outliers, and inconsistencies.
- **Engineered new features** (trip duration, time-based features) to enhance model performance.

Machine Learning & Visualization

- **Built and evaluated multiple ML models** (Linear Regression, Decision Trees, Random Forest, Gradient Boosting) for fare prediction.
- **Visualized key trends** in trip patterns, payment methods, and temporal distributions using Matplotlib and Seaborn.

Deployment & Accessibility

- **Deployed a live interactive ML app using Streamlit**, making fare predictions accessible to non-technical users.
- Enabled real-time predictions, allowing users to input trip details and receive fare estimates instantly

Conclusion:

This project highlights the practical applications of machine learning in the transportation sector:

Transparent & Interpretable Fare Predictions

- The model provides explainable fare estimates, helping users understand pricing factors.
- Feature importance analysis reveals key determinants of taxi fares (distance, duration, time of day).

User-Friendly Deployment via Streamlit

- The **interactive web app** allows business users, students, and policymakers to engage with the model effortlessly.
- Real-world applicability makes it useful for:
 - Passengers estimating trip costs.
 Drivers & fleet
 operators optimizing earnings.
 - City planners analyzing demand patterns.

Future Enhancements

- Incorporate weather & traffic data for more accurate predictions.
- Expand with geospatial analysis (pickup/dropoff hotspots).
- Deploy on cloud platforms (AWS, GCP) for scalability.

References:

- NYC TLC Trip Record Data Official dataset source for NYC taxi trips.
- **Streamlit Documentation** Used for building the interactive web app.
- Scikit-learn API Implemented ML models and evaluation metrics.
- Pandas, Matplotlib, Seaborn Core libraries for data manipulation and visualization.

This project successfully bridges data science and real-world usability, demonstrating how ML can enhance decision-making in urban mobility.