# Adding predictive variables

INTERMEDIATE PREDICTIVE ANALYTICS IN PYTHON



**Nele Verbiest** 

Senior Data Scientist
@PythonPredictions

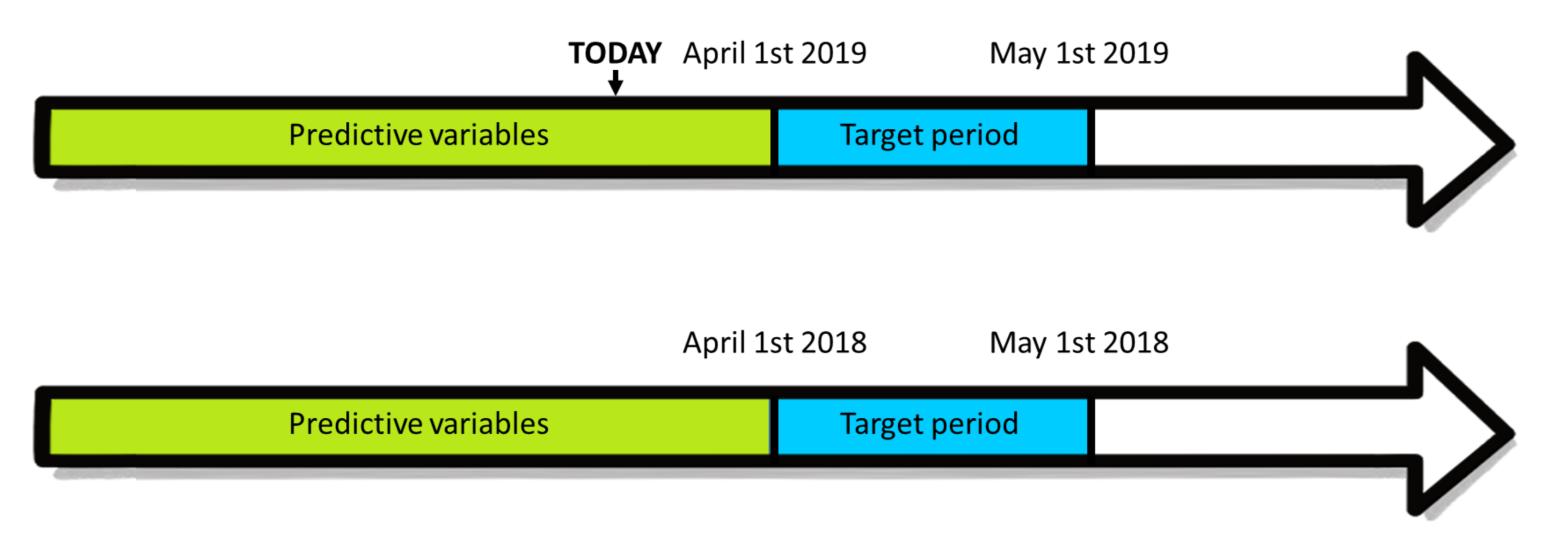


#### **Predictive variables**

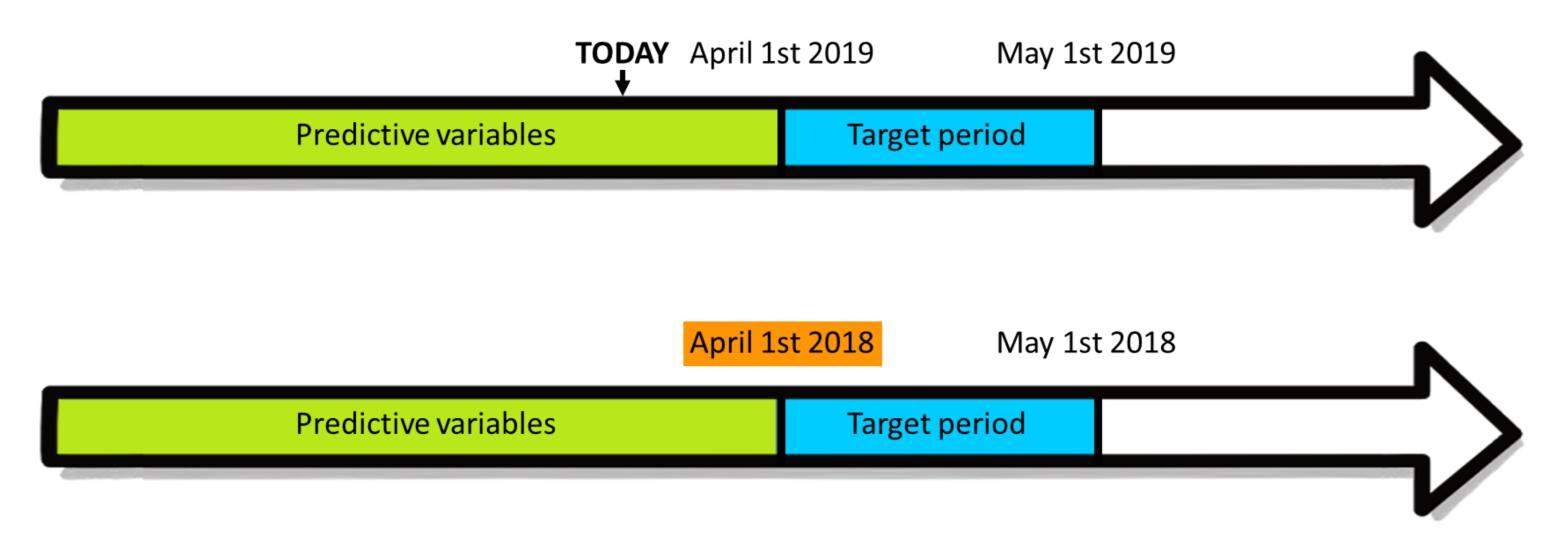
- Demographics:
  - Age
  - Gender
  - Living place
- Spending behaviour
- Watching behaviour
- Product usage
- Surfing behaviour
- Payment information



### Timeline compliant predictive variables (1)



### Timeline compliant predictive variables (2)



#### Adding lifetime



```
# Reference date
reference_date = datetime.date(2018,4,1)
# Add lifetime to the basetable
basetable["lifetime"] = reference_date - basetable["member_since"]
print(basetable.head())
```

#### Adding preferred contact channel (1)



```
        donor_id
        start_valid_date
        end_valid_date
        contact_channel

        1
        2014-02-03
        2016-03-04
        "phone"

        1
        2016-03-04
        2016-05-08
        "e-mail"

        2
        2016-02-23
        2026-02-23
        "e-mail"
```



#### Adding preferred contact channel (2)



```
# Add contact channel place to the basetable
basetable =
   pd.merge(
    basetable,
    living_places_reference_date[["donor_ID","contact_channel"]],
    on="donor_ID"
   )
print(basetable.head())
```

```
donor_id contact_channel

1    "phone"

2    "phone"

3    "e-mail"
```



## Let's practice!

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## Adding aggregated variables

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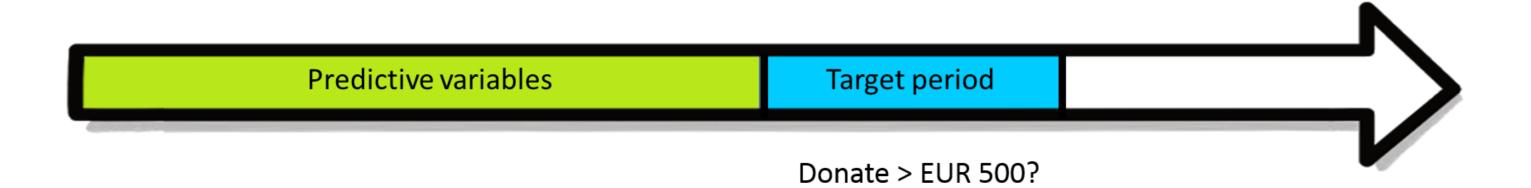


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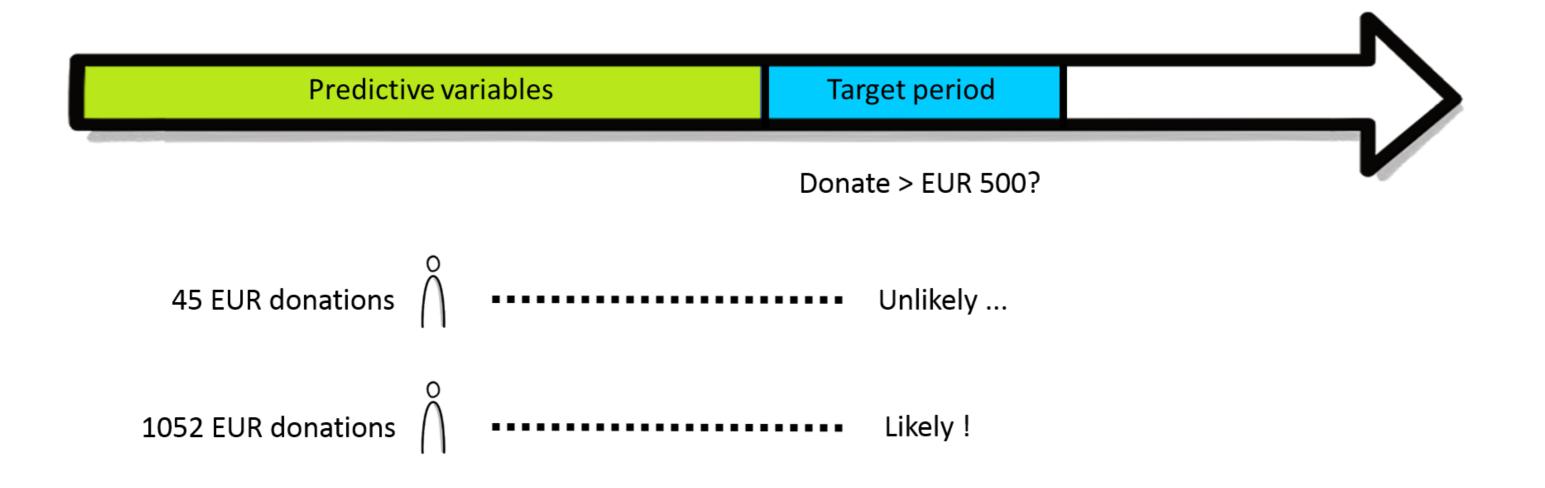


#### Motivation for aggregated variables (1)





#### Motivation for aggregated variables (2)





#### Adding total value last year (1)

January 1st 2016 January 1st 2017 February 1st 2017

Predictive variables Target period

```
id date amount

1 2015-10-16 75

1 2014-02-11 111

2 2012-03-28 93
```

```
# Start and end date of the aggregation period
start_date = datetime.date(2016,1,1)
end_date = datetime.date(2017,1,1)
# Select gifts made in 2016
gifts_2016 = gifts[(gifts["date"] >= start_date) & (gifts["date"] <= end_date)]</pre>
```



#### Adding total value last year (2)

January 1st 2016 January 1st 2017 February 1st 2017

Predictive variables Target period

```
# Sum of gifts per donor in 2016
gifts_2016_bydonor = gifts_2016.groupby(["id"])["amount"].sum().reset_index()
gifts_2016_bydonor.columns = ["donor_ID", "sum_2016"]
# Add sum of gifts to the basetable
basetable = pd.merge(basetable, gifts_2016_bydonor, how = "left", on = "donor_ID")
print(basetable.head())
```

```
donor_id sum_2016
1 837
2 29
3 682
```



#### Adding number of donations to the basetable

```
# Number of gifts per donor in 2016
gifts_2016_bydonor = gifts_2016.groupby(["id"]).size().reset_index()
gifts_2016_bydonor.columns = ["donor_ID","count_2016"]
# Add number of gifts to the basetable
basetable = pd.merge(basetable, gifts_2016_bydonor, how = "left", on = "donor_ID")
print(basetable.head())
```

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## Adding evolutions

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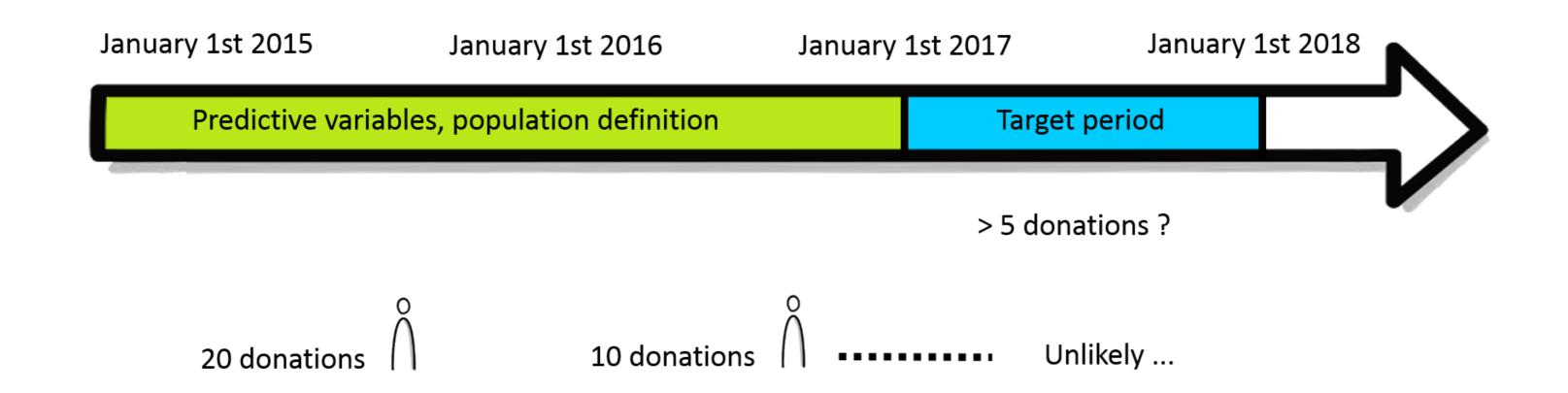
#### **Motivation for evolutions (1)**

January 1st 2015 January 1st 2016 January 1st 2017 January 1st 2018

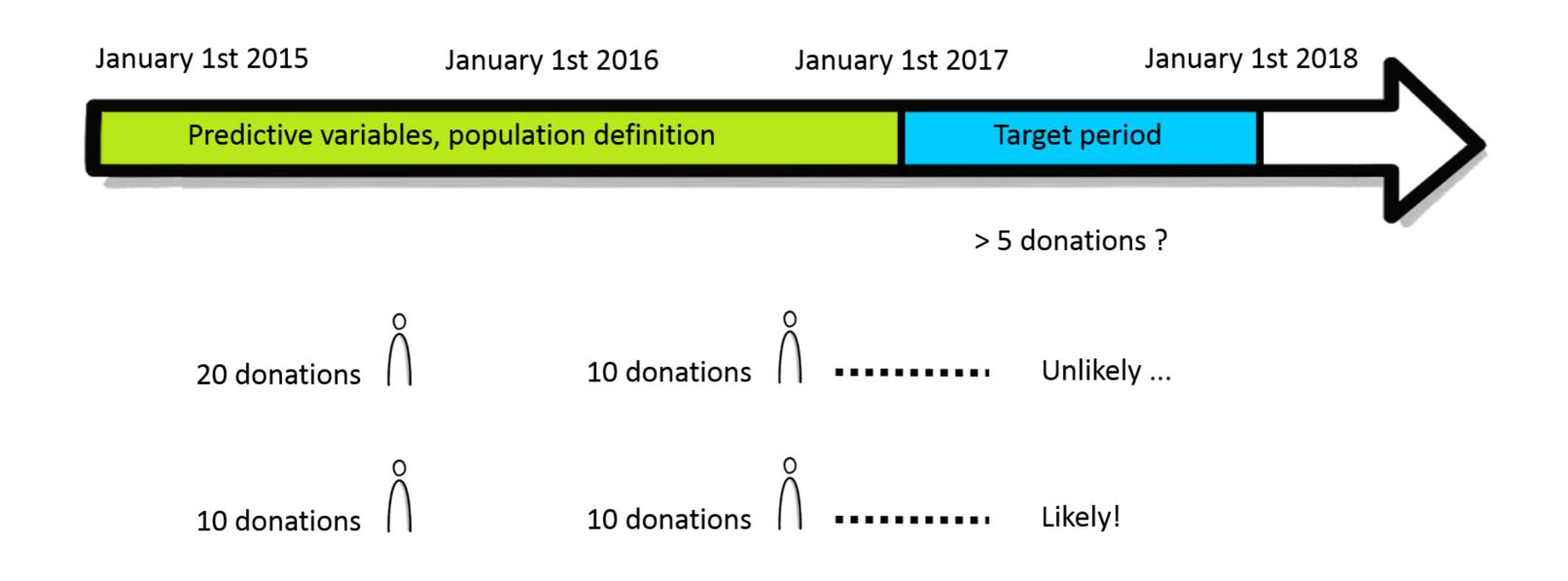
Predictive variables, population definition Target period

> 5 donations ?

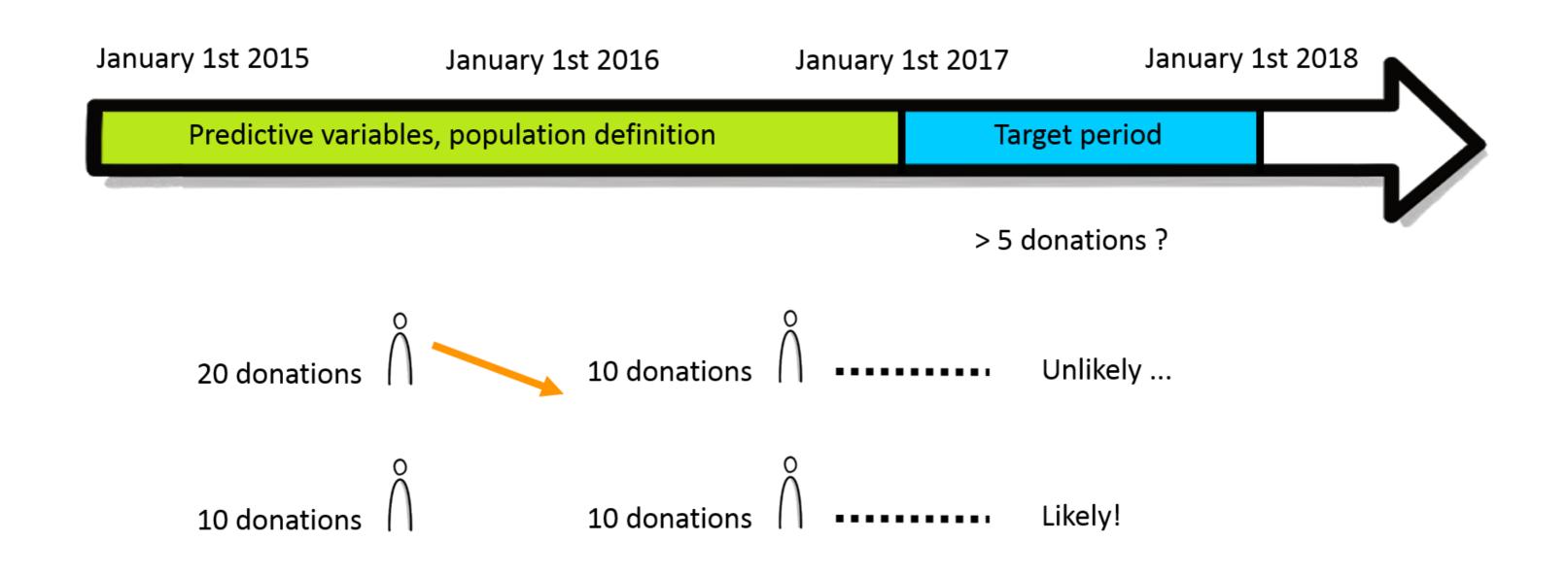
#### Motivation for evolutions (2)



#### Motivation for evolutions (3)

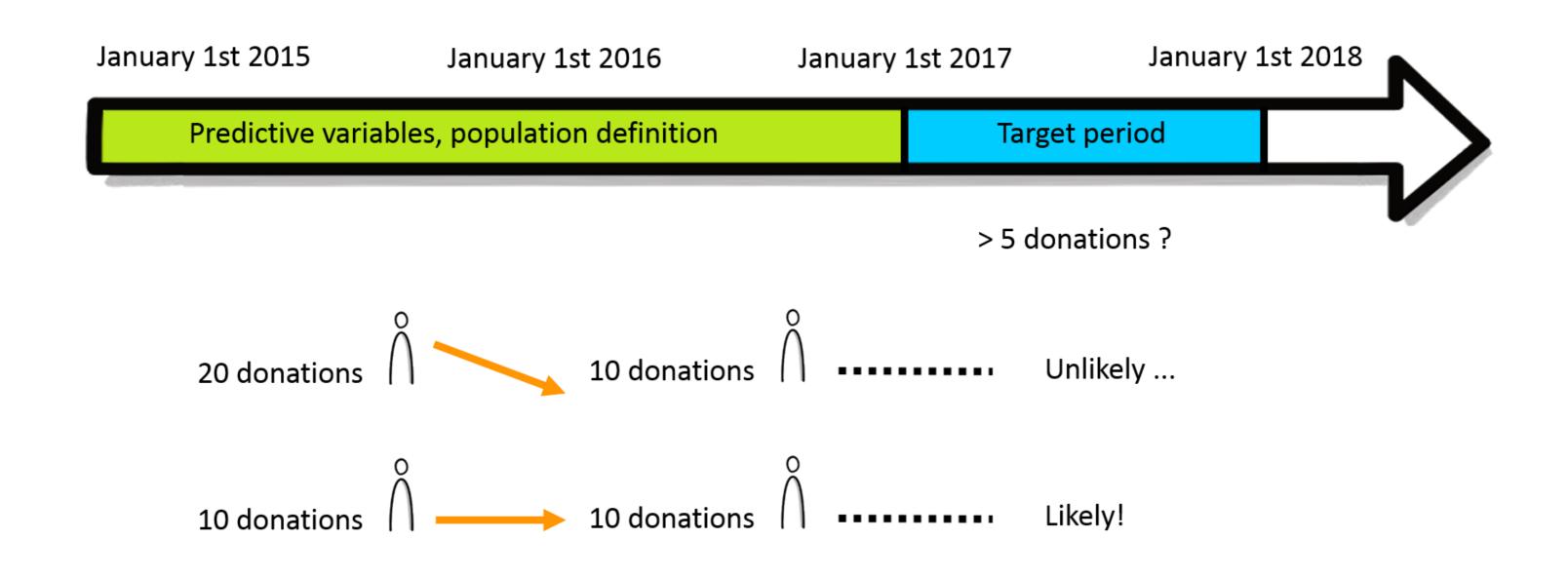


#### Motivation for evolutions (4)





#### Motivation for evolutions (5)



#### Adding evolutions to the basetable (1)

```
# Reference dates
start_2017 = datetime.date(2017,1,1)
start_2016 = datetime.date(2016,1,1)
start_2015 = datetime.date(2015,1,1)
# Gifts last month and last year
gifts_2016 = gifts[
   (gifts["date"]<start_2017)
    & (gifts["date"]>=start_2016)]
gifts_2015_and_2016 = gifts[
   (gifts["date"]<start_2017)
    & (gifts["date"]>=start_2015)]
```

#### Adding evolutions to the basetable (2)

```
# Number of gifts in these periods per donor
number_gifts_2016 = gifts_2016.groupby("id")["amount"].size().reset_index()
number_gifts_2016.columns = ["donor_ID", "number_gifts_2016"]
number_gifts_2015_and_2016 =
    gifts_2015_and_2016 .groupby("id")["amount"].size().reset_index()
number_gifts_2015_and_2016.columns = ["donor_ID", "number_gifts_2015_and_2016"]
```

#### Adding evolutions to the basetable (3)

```
# Add these numbers to the basetable
basetable = pd.merge(basetable,
                     number_gifts_2016,
                     on="donor_ID",
                     how = "left")
basetable = pd.merge(basetable,
                     number_gifts_2015_and_2016,
                     on="donor_ID",
                     how = "left")
# Calculate ratio of last month's and last year's average
basetable["ratio_2015_to_2015_and_2016"] =
    basetable["number_gifts_2016"] /
    basetable["number_gifts_2015_and_2016"]
```

#### Adding evolutions to the basetable (4)

```
print(basetable.head())
```

```
      donor_id
      number_gifts_2016
      number_gifts_2015_and_2016
      ratio_2015_to_2015_and_2016

      1
      Na
      5
      Na

      2
      9
      12
      0.75

      3
      3
      6
      0.5
```

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# Using evolution variables

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#### **Building predictive models**

```
# Import the linear_model module
from sklearn import linear_model
# Predictive variables
variables = ["gender","age", "donations_last_year", "ratio_month_year"]
# Select predictors and target
X = basetable[variables]
y = basetable[["target"]]
# Construct the logistic regression model
logreg = linear_model.LogisticRegression()
logreg.fit(X, y)
```

#### Making predictions

```
# Import the linear_model module
from sklearn import linear_model
# Predictive variables
variables = ["gender","age", "donations_last_year", "ratio_month_year"]
# Select predictors and target
X = basetable[variables]
y = basetable[["target"]]
# Construct the logistic regression model
logreg = linear_model.LogisticRegression()
logreg.fit(X, y)
# Make predictions
predictions = logreg.predict_proba(X)[:,1]
```



#### Evaluating predictive models using AUC

```
# Import roc_auc_score module from sklearn.metrics
from sklearn.metrics import roc_auc_score
# Calculate the AUC
auc= roc_auc_score(y, predictions)
print(round(auc,2))
```

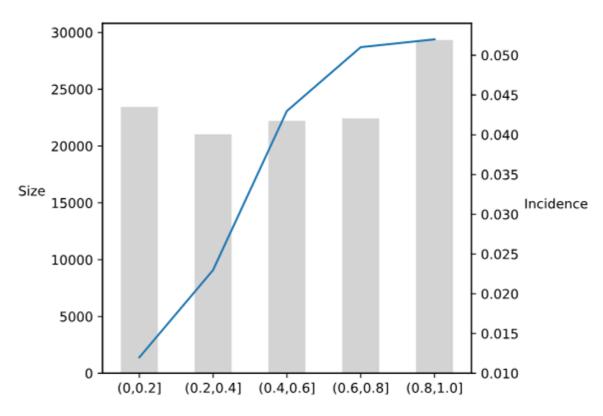
0.56

#### The predictor insight graph

```
# Discretize the variable in 5 bins and add to the basetable
basetable["ratio_month_year_disc"] = pd.qcut(basetable["ratio_month_year"], 5)
# Construct the predictor insight graph table
pig_table = create_pig_table(basetable, "target", "ratio_month_year_disc")

```{python}
# Plot the predictor insight graph
plot_pig(pig_table, "ratio_month_year_disc")
```

#### Predictor insight graph interpretation



Donations last month / Donations last year



## Let's practice!

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