Classification of Online Shoppers Purchasing Intention

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Abstract—The primary objective of this paper is to analyse the intention/behaviour of online shoppers using machine learning techniques on the given dataset. Utilising Classification methods including K-nearest Neighbour, Naïve Bayes, Decision Trees and Random Forest, a comparison is drawn from the results and a conclusion is formulated on the most suitable method. Python programming language was used to implement techniques and algorithms utilizing machine learning repositories, prediction results and algorithm performance measures were obtained, and visualized for comparison and discussion.

Keywords— machine learning; Classification; python; categorical data; decision tree; k-nearest neighbour; random forest, k- nearest.

Key: ML = Machine Learning, KNN = k-Nearest Neighbor, Random Forest = RF, PLT = Matplotlib

I. INTRODUCTION

With the boom in internet access across the world, the normal retail shopping has been rapidly shifting to E-commerce or online shopping and as a result, the shopping dynamics have been continuously changing and has already become a major part of the retail market. A typical customer prefers shopping online in their own comfort as compared to travelling to a physical shop and buying the products. Resulting in Businesses to start implementing various online marketing techniques to lure customers to their shopping portal. Customers who visit these web portals might not make any purchases at all. This could be for a variety of reasons, like high product pricing or window shopping. There have been multiple studies (Santini 2018) that imply that retention strategies such as an appropriate recommendation system play a critical role in converting sales. For example, if the ML solution predicts a strong customer purchase intention, the recommend system may suggest a higher quality or more expensive product because it can be inferred that the user is ready to consider a better or more expensive product if their intent to buy a particular item is very strong. If the solution forecasts a lower intention to buy, the recommendation system may suggest discounted products or products with special deals. Cambridge Analytica used similar strategies, although on a larger scale, to influence voter decisions in American elections (The Guardian, 2018). This demonstrates the strength of a proper machine learning technique if applied effectively could vary a majority population's intent.

II. OBJECTIVE

This project intends to make advantage of information that customers may leave behind in the form of browsing history data or user information when they browse an ecommerce platform. Utilizing clickstream and activity data information, the study seeks to forecast online buyers' purchasing intentions using this information. The research intends to build a machine learning model based on this data to forecast client purchasing intentions. The project's goal is to create a Machine Learning model that can anticipate customer purchase intent as accurate as possible.

III. DATASET

The dataset used in the project was obtained from UCI machine learning. The dataset has been provided by Authors Sakar and Y. Kastro (Sakar et al., 2018).

The data has 12330 instances, each with 18 characteristics and no missing data. Each instance represents a single person's visit to the site. When a repeat consumer visits the site several times, only the initial visit from the time frame examined is taken into account, with subsequent visits being excluded. The first 17 attributes are visitor-related features that include 10 numerical values and 7 categorical elements. The last 18th attribute that is 'Revenue' reflects the category if the visit resulted in revenue or not, which means that if the visitor made a purchase, it is labelled as True or False.

The categorical and numerical features used in the prediction model are shown in Tables 1 and 2, respectively.

Table 1. Categorical Features

Attribute Name	Description	Number of values
OperatingSystems	Visitor's Operating System	8
Browser	Visitor's Browser type	19
Region	Geographical Region of the visitor	9
TrafficType	Source of redirect by visitor	20
VisitorType	Type of Visitor ("New", "Returning", "Other")	3
Weekend	Indicating if the day of visit is a weekend or not by True/False	2
Month	Month of visit	10
Revenue	Boolean to indicate if revenue was generated	2

Table 2. Numerical Values

Attribute Name	Description	Number of values
Administrative	Number of pages visited by the visitor	12330
Administrative_Duration	Total amount of time (in seconds) spent by the visitor	12330
Informational	Number of pages visited by the visitor about Web site, communication and address information of the shopping site	12330
Informational_Duration	Total amount of time (in seconds) spent by the visitor on informational pages	12330
ProductRelated	Number of pages visited by visitor about product related pages	12330
ProductRelated_Duration	Total amount of time (in seconds) spent by the visitor on product related pages	12330
BounceRates	Average bounce rate value of the pages visited by the visitor	12330
ExitRates	Average exit rate value of the pages visited by the visitor	12330
PageValues	Average page value of the pages visited by the visitor	12330
SpecialDay	-	12330

IV. DATA CLEANING

The dataset is available in a good condition with no null values and some minor issues which we decided not to handle beforehand.

V. EXPLORATORY DATA ANALYSIS (EDA)

In this section we have thoroughly explored and analysed the data to summarize the main characteristics. We have divided this section into three parts: 1. Univariate Analysis – analyses of every column in the dataset, we managed to extract some useful information about each column such as the skewness, data distribution etc., 2. Bi-variate analysis – In this section we have compared each variable or column to the target variable ('Revenue') and managed to extract some useful information such as the distribution, outliers etc., 3. Multivariate analysis – in this section we have tried to encompass the simultaneous observation and analysis of more than one outcome variable. The dataset has both numerical and categorical variables. The "BounceRates," "ExitRates," and "PageValues" features, among others, depict the metrics for every session. In this section Our data analysis yielded the following major findings:

The sample is imbalanced, with only 15% of visits resulting in a purchase. There is huge number of outliers in the data. PageValues may be the most critical feature in predicting purchase conversion.

Data Imbalance -

This dataset is skewed, with only 15% of visits resulting in a purchase. While 15% is not a severely imbalanced dataset, we can still investigate strategies or algorithms which are more effective at dealing with it.

PageValue Importance –

PageValues is described as the average page value of the user's pages visited. Values are typically allocated to essential pages in an e-commerce setting, such as checkout pages or pages following the checkouts.



Figure 1. Distribution of Revenue generation

As illustrated in Fig 2, a PageValues greater than 5 enhances the likelihood of sales conversion. As a result, the PageValues feature gives an excellent indication of whether the visitor will buy something.

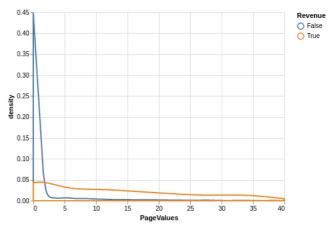


Figure 2. PageValues Density Plot

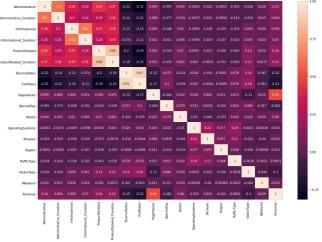


Figure 3. Heatmap of the dataset

From Fig 3, We can depict that Administrative and Administrative_Duration are correlated. ExitRates, Information, ProductRelated and BounceRates show similar properties. Page Value appears to have a stronger relationship with Revenue.

Right-Skewness of the data -

Finally, we discovered that most of numerical features have right-skewed ends. This is typical in e-commerce environments, where some individuals have a disproportionately high utilisation rate. We can test whether removing outliers or using feature transformations like Box-Cox can improve model performance.

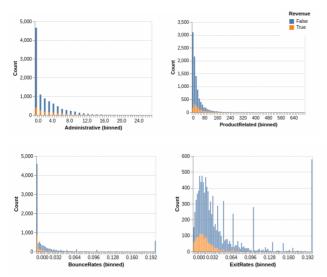


Figure 4. Right Skewness of the data

VI. STATISTICAL TESTS

In this section we have performed various statistical tests to analyse if the variable is significant or not. This section is divided into two sections:

1. Categorical column vs target column

For comparing categorical columns with the target column we are performing chi-squared test. A chi-squared test is a hypothesis tests which is used to compare the observed results with expected result, the main purpose of this test is to determine if a difference between observed data and expected data is due to chance or if it is due to a relationship between the variables that we are studying. Basically, we will check if our target column 'Revenue' is getting influenced by any categorical column or not. Our null hypothesis (Ho) is that the proportion of revenue across the category is same and our alternative hypothesis (Ha) is proportion of revenue at least in two categories is different. We reject the null hypothesis if p-value < 0.05. Here are the observations:

Table 3. P-value of Categorical Features

	Feature	P-Value	Significance
0	Administrative	0.0000	*
1	Informational	0.0000	•
2	ProductRelated	0.0000	
3	Month	0.0000	•
4	OperatingSystems	0.0000	*
5	Browser	0.0061	*
6	Region	0.3214	**
7	TrafficType	0.0000	•
8	VisitorType	0.0000	
9	Weekend	0.0013	
10	SpecialDay	0.0000	•

From table 3 we can conclude that only one column i.e., Region is not significant, therefore, we can say that the proportion of revenue across the categories are not the same.

2. Numerical column vs Target column

For comparing numerical columns with target columns we will be performing Shapiro-wilk test. It is a statistical test that is used to check if the continuous variables/columns follows the normal distribution or not. Here, our null hypothesis (Ho) is that data is normally distributed and alternative hypothesis (Ha) is that the data is not normally distributed. We reject the null hypothesis if p-value < 0.05. Here are the observations:

Table 4. P-value of Numerical features

	Feature	P-Value	Significance
0	Administrative_Duration	0.0	
1	Informational_Duration	0.0	•
2	ProductRelated_Duration	0.0	•
3	BounceRates	0.0	•
4	ExitRates	0.0	
5	PageValues	0.0	

We can conclude that our data is not normally distributed.

Before moving ahead and transforming our data we are also going to check the outliers. Outliers are the data points that significantly differs from other observations, in other word the data that lies outside the other values in the set.

Table 5. Outliers in the dataset

	Feature	% Of Outliers
4	ExitRates	5.782644
3	BounceRates	5.742092
5	PageValues	2.100568
0	Administrative_Duration	1.881590
1	Informational_Duration	1.865369
2	ProductRelated_Duration	1.776156

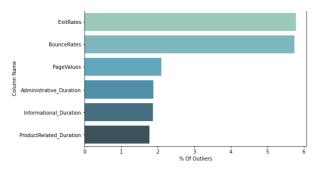


Figure 5. Outlier percentage

As per our above observation we can see that most pf the outliers are in the column 'ExitRates' and 'BounceRates', therefore, we are going to handle it manually.

We are going to transform our data using a method called Box-Cox. The Box-Cox method helps to address the nonnormally distributes data by transforming to normalize the data

Distribution before transformation:

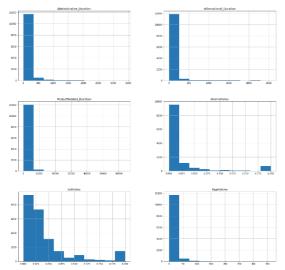


Figure 6. Data Distribution (Pre-Transformation)

Distribution after transformation:

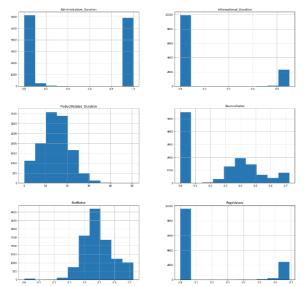


Figure 7. Data Distribution (Post-Transformation)

So we can conclude, there are significant changes in the distribution of the data.

VII. DATA PRE-PROCESSING

Data pre-processing is manipulation of the data before feeding into any model to enhance the performance. This includes cleaning and transforming the data. As per our previous observations there are no null values in our data, therefore, we will go ahead and transform the necessary column. In our dataset we have 10 numerical columns and 8 categorical. We will convert our categorical columns into numerical because machine learning models requires all input variables to be numeric. We are going to use LabelEncoder to convert it, LabelEncoder replaces the categorical value with a numeric value between 0 and number of classes-1.

VIII. FEATURE ENGINEERING

The process of changing raw information into features that better describe the underlying problem to prediction models is known as feature engineering, sometimes known as feature extraction. To begin, we will scale our data. Scaling is an important strategy that is used to standardise the usefulness of the data set; typically, it fits inside a specified scale such as 0-100 or 0-1. We will use StandardScalar on the data because the ranges in our dataset varies substantially. The mean is removed, and the data is scaled here to unit variance. The underlying premise is that variables measured at various scales do not contribute equally to the model's fit and learning function and may result in bias, hence it is required to scale it before incorporating it into the ML model.

IX. DATA MODELLING

We have divided our scaled data into train and test. Now we are going to feed it into our machine learning models but before that there's an important point of observation. Our target variable 'Revenue' is highly imbalance as per the figure below.

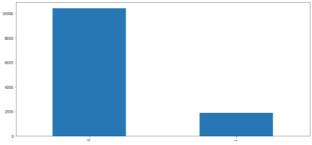


Figure 8. Data modelling (Revenue)

Therefore, we are going to use a technique called SMOTE (Synthetic Minority Oversampling Technique) to solve this problem. SMOTE is basically an improved alternative for oversampling that performs data augmentation by creating synthetic data points based on the original data points. In this section we are going to feed our scaled data, firstly without using SMOTE and then after using SMOTE and we will compare the accuracy.

1. Without SMOTE

A. Logistic Regression

Logistic Regression is used to predict the probabilities for categorization issues with two probable outcomes. Essentially, the linear regression model employs the nonlinear function to squeeze the result of a system of equations between 0 and 1.

Train score: 0.8693083072645117 Test score: 0.8680724520140578

Figure 9. Accuracy for Logistic regression

F1 Score: 0.3527851458885942
Kappa Score: 0.3005713648047649
Classification report:

	precision	recall	f1-score	support
0	0.88	0.98	0.93	3127
1	0.73	0.23	0.35	572
accuracy			0.87	3699
macro avg weighted avg	0.80 0.85	0.61 0.87	0.64	3699 3699

Figure 10. Metrics for Logistic Regression

We have got a train score of 86% and a test score of 86% as well but the F1-score is only 35% and Kappa score is 30% which is not very good.

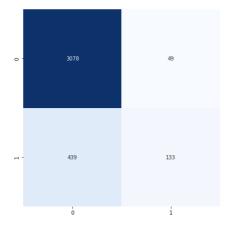
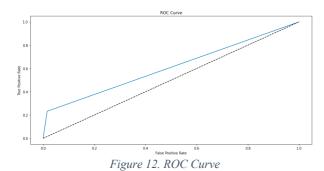


Figure 11. Confusion matrix



The Confusion Matrix and ROC curve indicates the moderate performance of our algorithm.

B. Decision Tree

Decision Trees are a type of non- parametric supervised learning method that can be used for both regression and classification. This generates a prediction model that predicts the value of the target variable by inferring simple decision rules from data attributes.

Train score: 0.9139149577105782 Test score: 0.8988915923222492

Figure 13. Accuracy for Decision Tree

F1	Sco	re:	0.6	5382	9787	2340	4256
Kar	ppa	Scor	œ:	0.5	8030	1543	7598862

Classification	precision	recall	f1-score	support
0	0.93	0.96	0.94	3127
1	0.71	0.58	0.64	572
accuracy			0.90	3699
macro avg	0.82	0.77	0.79	3699
weighted avg	0.89	0.90	0.89	3699

Figure 14. Metrics for Decision Tree

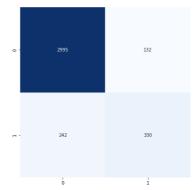


Figure 15. Confusion Matrix

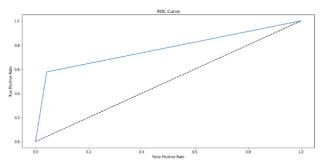


Figure 16. ROC Curve

C. Random Forest

Random forest is a classification algorithm consisting on various decision trees. It is great with high dimensional data and faster to train than decision tree since it only works on subsets of data.

Below are the outcomes of Random Forest

Train score: 0.9142625419997683 Test score: 0.8978102189781022

Figure 17. Accuracy for Random Forest

F1 Score: 0.5970149253731343 Kappa Score: 0.5417105053560226

Classification	precision	recall	f1-score	support
0	0.91	0.97	0.94	3127
1	0.77	0.49	0.60	572
accuracy			0.90	3699
macro avg	0.84	0.73	0.77	3699
weighted avg	0.89	0.90	0.89	3699

Figure 18. Metrics for Random Forest

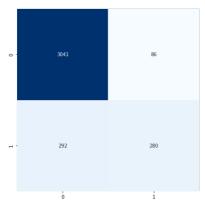
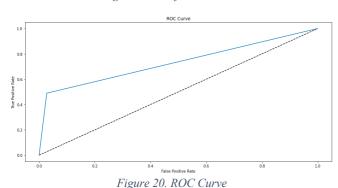


Figure 19. Confusion Matrix



D. Naïve Bayes

A probabilistic classifier that relies on the Naïve Bayes Theorem's strong independence assumptions is the Bayes classification algorithm. It is a classification algorithm that is quick and easy to use, suited for datasets with a lot of dimensions.

Below are the outcomes of the algorithm:

Train score: 0.8367512455103696 Test score: 0.8432008650986753

Figure 21. Accuracy for Naive Bayes

F1 Score: 0.5970149253731343
Kappa Score: 0.5417105053560226
Classification report:

Classification	precision	recall	f1-score	support
0	0.91	0.97	0.94	3127
1	0.77	0.49	0.60	572
accuracy			0.90	3699
macro avg	0.84	0.73	0.77	3699
weighted avg	0.89	0.90	0.89	3699

Figure 22. Metrics for Naive Bayes

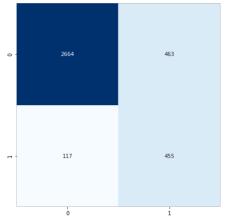


Figure 23. Confusion Matrix

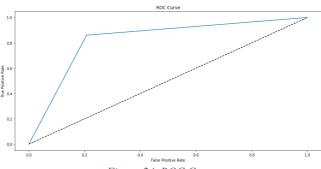


Figure 24. ROC Curve

2. With SMOTE

Imbalance classification involves creating predictive machine learning models for classification datasets with significant class imbalance.

Working with unbalanced datasets presents a challenge because most ML algorithms will underperform on the minority class, despite the fact that this class's performance is typically the most crucial.

One way to handle imbalanced datasets is to oversample the minority class. The simplest approach entails copying examples from the minority class, despite the fact that these examples don't provide any new insight into the model. Instead, new examples can be created by combining existing ones. The SMOTE(Synthetic Minority Oversampling Technique), is a type of data augmentation for the minority class

Let's apply SMOTE on our dataset here.

0 72951 1336

Name: Revenue, dtype: int64

Figure 25. Train datasets count pre-SMOTE

0 7295
1 7295
Name: Revenue, dtype: int64

Figure 26. Train datasets count post-SMOTE

A. Logistic Regression -

Accuracy of the model -

Train score: 0.8603740330950749 Test score: 0.8578935343842815

Metrics of the Model -

F1 Score: 0.8551467163483931 Kappa Score: 0.7157997522206814

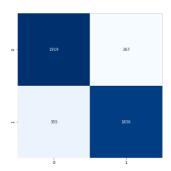


Figure 27. Confusion Matrix

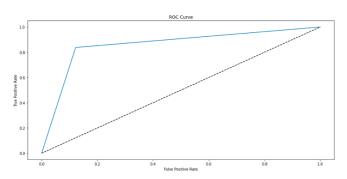


Figure 28.ROC Curve

B. Naïve Bayes -

Accuracy of the model -

Train score: 0.8272789581905414 Test score: 0.8265935572309802

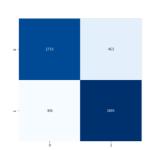


Figure 29. Confusion Matrix

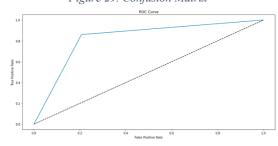


Figure 30. ROC Curve

After creating a model using different classification algorithms Post SMOTE, we got following result –

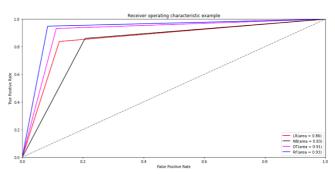


Figure 31. Combined ROC curve of all algorithms

From Fig 31. We have the red line for Logistic Regression, Black line represents Naïve Bayes, Pink represents Decision tree, and the Blue is for Random Forest algorithm.

Random Forest is best among all as it gives 98% area under, F1 score as 0.90

Transformation improved accuracies for Logistic and Naïve Bayes but it hardly improved Random Forest and Decision Tree. So, we go ahead without transformations as it hardly improves any accuracy.

KNN is a classification technique but due to less computational power we were able to use it. Also, KNN takes more time to

Random Forest was used for feature selection and the important features given by Random Forest are supported by the EDA analysis done.

X. RESULTS AND CONCLUSION

As per our above observation through accuracy metrics and ROC, we have managed to conclude that Random Forest is giving us the best result, it's 93% area under the curve and F1-score as 0.90. Although, transformation improved certain accuracies for logistic regression and Naïve Bayes, but Random Forest and Decision tree were almost the same.

We can suggest some business insights:

- a. To maximise sales, we advise offering a discount three to four days before the special day.
- b. To make some money, Jan. & April. need special attention. Although February contains special days, overall revenue is quite modest, thus it is important to take use of them.
- Since there are users of non-mainstream browsers, advertising on those browsers will help to reach new consumers.
- Region Because we have a wide geographic reach, a large market will aid in creating income in lowproducing areas.
- e. We must create strategies to capitalise on the new tourists' spending power.

- f. Due of the extremely low weekend revenue, special weekend offers must be promoted.
- g. Since we currently have a high exit rate in the months of July, June, May, and August, lowering the bounce rate during those months could boost revenue.
- h. Special planning must be created for additional channels in addition to the typical traffic generators.
- i. Many pages have low page values, hence we propose improving the product search algorithm to raise page values.

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XI. APPENDIX -

Source Code and the dataset have been uploaded on OneDrive - https://livecoventryac-

my.sharepoint.com/:f:/g/personal/mathurs2 uni coventry ac uk/Eo om7Y -IJpBt8xpfc2s5qABdG1P5hqkTOy0kqkGQsSCUg?e=kO2q1C