



Day-to-day responsibilities: Servers unable to properly prioritize tasks during a rush without knowing how much a table will reward them



Applicants: Unable to determine their potential salary





Hiring managers: Unable to properly advertise job openings

### Who might care?

Current waitstaff

Job applicants

Hiring managers







# What factors might affect a table's tips?

#### Quantitative Data (Kaggle Dataset)

- Table size
- Smoker present in group?
- Gender of person paying
- Total bill amount
- Day of week and time of day

Qualitative Data (may not be necessary)

- Customer service quality
- Customer satisfaction

### Data Information



Data acquired over a few months



One server, one restaurant



Published in 1995



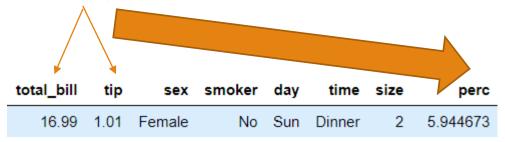
Number of records: 244



Number of fields: 7

# Engineering Tip Percentage Amounts Feature From Tips Data

Divide tip amount from total bill amount



## Data Exploration

Correlations

Pairplots

Sex

Smoker

Day

Time

Size



## Correlations

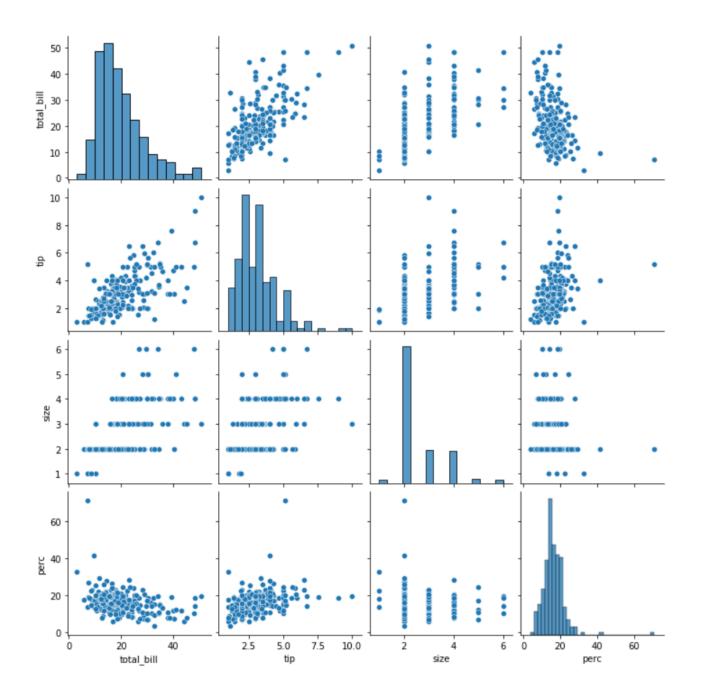
Moderate correlation between tips and total bill

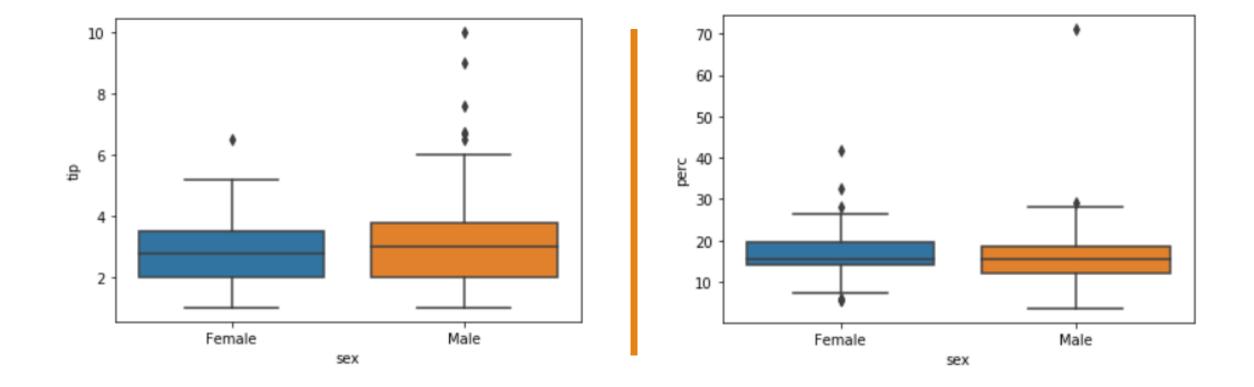
Weak correlation between group size and tip percentage

## Pairplots

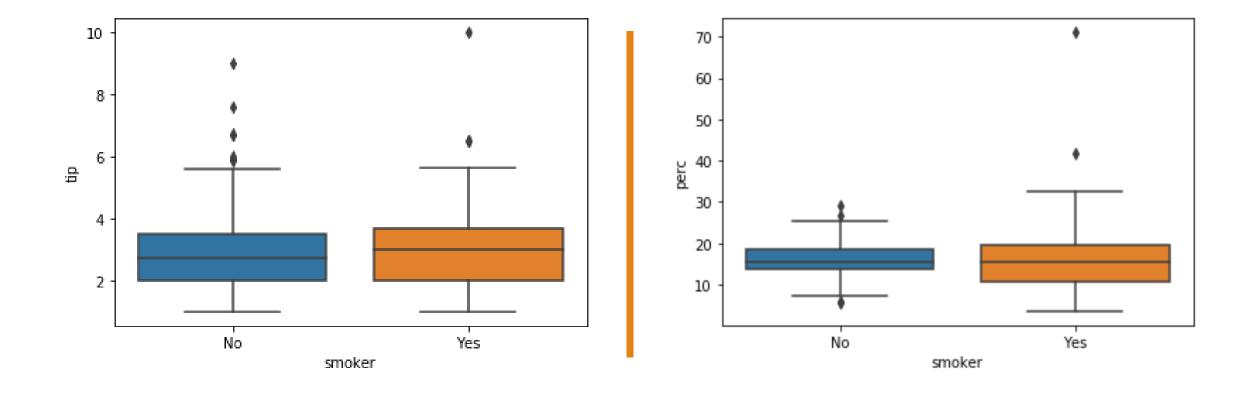
All numerical features skew right

Tips increase as total bill increases



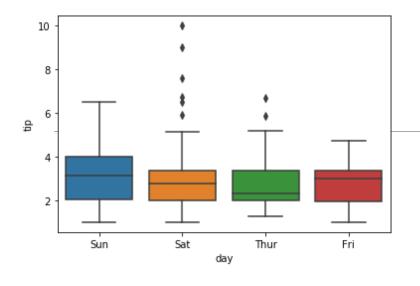


# Sex



# Smoker

NO SIGNIFICANT DIFFERENCES IN EITHER TIP AMOUNT OF PERCENTAGES



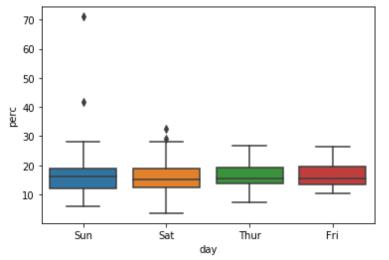
Day

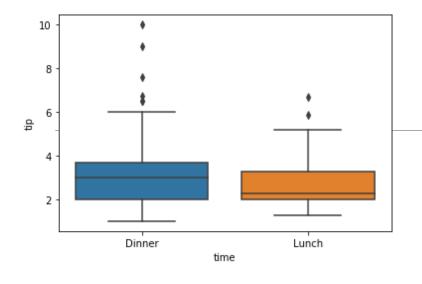


Significant difference found in tip amounts between different days



No significant differences found in tip percentages between different days





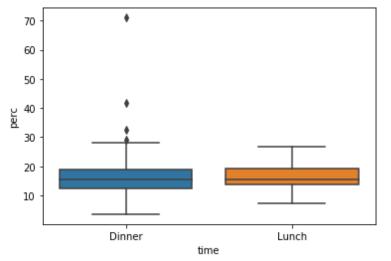
Time

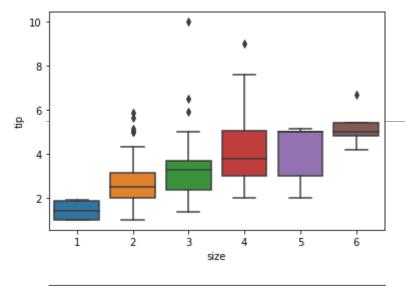


Significant difference found in tip amounts between different shifts



No significant differences found in tip percentages between different shifts





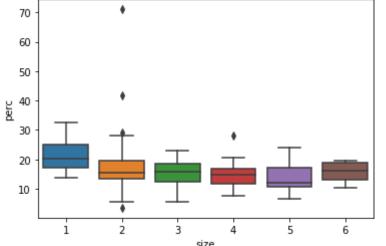
Size



Significant difference found in tip amounts between different sizes



No significant differences found in tip percentages between different sizes





Type: Supervised learning

## Machine Learning Modeling



Tools: Python's scikit-learn



Low amount of data: Bootstrapping reqiured

# Modeling Steps

#### Pipeline

- Data Pre-Processing
  - 1. One-hot encoding
  - 2. Data splitting into training and test sets (80%-20%)
  - 3. Scaling
- Cross-Validation (CV) for Hyperparameter Tuning
  - 1. 5 fold CV
  - 2. Using scikit-learn's grid search method
  - 3. Evaluation metric: Mean absolute error



Performance evaluation using holdout dataset (20% of whole data)

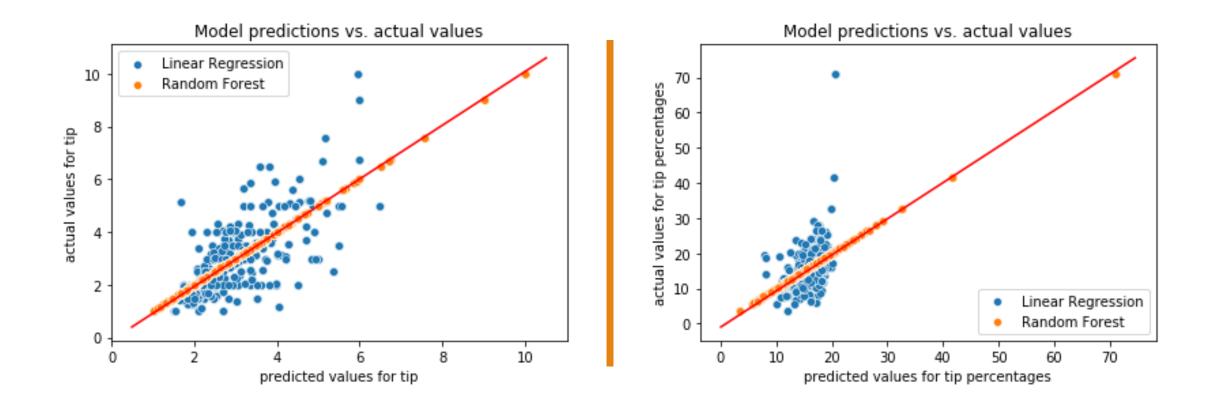
### Regression Algorithms Used



1. Linear Regression



2. Random Forest Regression



# Model Comparisons

| Model                              | Mean Absolute Error |
|------------------------------------|---------------------|
| Linear Regression - tips           | ~0.74               |
| Random Forest - tips               | almost zero         |
| Linear Regression - tip percentage | ~3.78               |
| Random Forest - tip percentage     | almost zero         |

# Model Comparisons

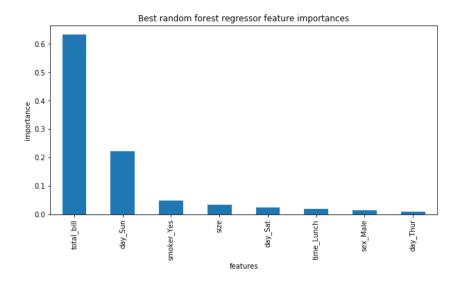
### Some Details on the Best Model

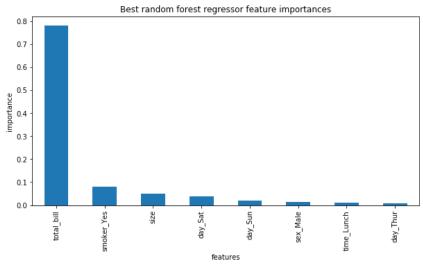


Best estimators: 10



**Standard Scaling** 

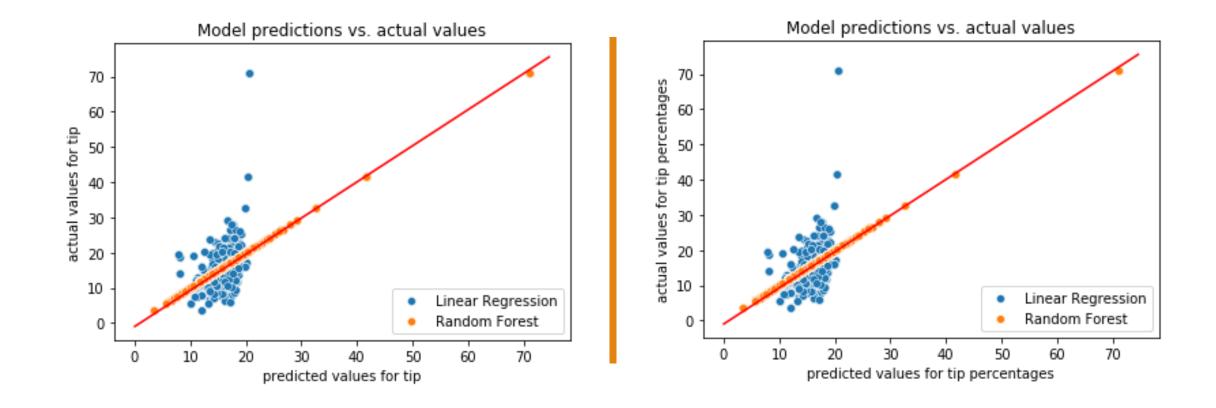




# Some Details on the Best Model

Total bill is most important feature for predicting tip amounts

Total bill and Day (Sunday) are best features for predicting tip percentages



# Testing on Under-Sampled Test Data

| Model                              | Mean Absolute Error |
|------------------------------------|---------------------|
| Linear Regression - tips           | ~0.72               |
| Random Forest - tips               | almost zero         |
| Linear Regression - tip percentage | ~3.74               |
| Random Forest - tip percentage     | almost zero         |

# Testing on Under-Sampled Test Data

Input features used in Random Forest regression model

Use model pipeline on new data and predict tip amounts and tip percentages

# Using the Model

| Tip Percentage |                 |
|----------------|-----------------|
| < 10%          | Bottom priority |
| 10% – 15%      | Low Priority    |
| 15% – 18%      | Medium Priority |
| 18% - 20%      | High Priority   |
| > 20%          | Top Priority    |

An Example of Model Usage: Possible Recommendations

# Assumptions, Limitations, and Disclaimers







WE ASSUME THAT ALL TABLES ARE INDEPENDENT, THOUGH THAT WOULD NOT BE THE CASE FOR REGULARS

USED ONLY ONE SERVER'S DATA FROM ONE RESTAURANT OVER THE COURSE OF A FEW MONTHS THE MODEL MAY BEHAVE POORLY IF WE TRY TO PREDICT TIPS AND TIP PERCENTAGES OF OTHER RESTAURANTS

| Diversify | Diversify information from a wider variety of establishments (casual, high-end, eateries) |
|-----------|-------------------------------------------------------------------------------------------|
| Extract   | Extract information from more servers/bartenders                                          |
| Include   | Include dates so monthly/annual salaries can be calculated from tips predictions          |

More Ideas to Improve the Model in the Future



Saint Gau

Email: transaintgau@gmail.com

https://www.linkedin.com/in/saintgau/

https://github.com/transaint/Professional-Portfolio

Final project report: <a href="https://github.com/transaint/Springboard-">https://github.com/transaint/Springboard-</a>

Projects/blob/master/Springboard%20Projects/Predicting%20a%20Table's%20Tips/Final%20Proj

ect%20Report.ipynb