

Activity__ Course 5 Automatidata project lab

June 21, 2024

1 Automatidata project

Course 5 - Regression Analysis: Simplify complex data relationships

The data consulting firm Automatidata has recently hired you as the newest member of their data analytics team. Their newest client, the NYC Taxi and Limousine Commission (New York City TLC), wants the Automatidata team to build a multiple linear regression model to predict taxi fares using existing data that was collected over the course of a year. The team is getting closer to completing the project, having completed an initial plan of action, initial Python coding work, EDA, and A/B testing.

The Automatidata team has reviewed the results of the A/B testing. Now it's time to work on predicting the taxi fare amounts. You've impressed your Automatidata colleagues with your hard work and attention to detail. The data team believes that you are ready to build the regression model and update the client New York City TLC about your progress.

A notebook was structured and prepared to help you in this project. Please complete the following questions.

2 Course 5 End-of-course project: Build a multiple linear regression model

In this activity, you will build a multiple linear regression model. As you've learned, multiple linear regression helps you estimate the linear relationship between one continuous dependent variable and two or more independent variables. For data science professionals, this is a useful skill because it allows you to consider more than one variable against the variable you're measuring against. This opens the door for much more thorough and flexible analysis to be completed.

Completing this activity will help you practice planning out and building a multiple linear regression model based on a specific business need. The structure of this activity is designed to emulate the proposals you will likely be assigned in your career as a data professional. Completing this activity will help prepare you for those career moments.

The purpose of this project is to demonstrate knowledge of EDA and a multiple linear regression model

The goal is to build a multiple linear regression model and evaluate the model *This activity has three parts:*

Part 1: EDA & Checking Model Assumptions * What are some purposes of EDA before constructing a multiple linear regression model?

Part 2: Model Building and evaluation * What resources do you find yourself using as you complete this stage?

Part 3: Interpreting Model Results

- What key insights emerged from your model(s)?
- What business recommendations do you propose based on the models built?

3 Build a multiple linear regression model

4 PACE stages

Throughout these project notebooks, you'll see references to the problem-solving framework PACE. The following notebook components are labeled with the respective PACE stage: Plan, Analyze, Construct, and Execute.

4.1 PACE: Plan

Consider the questions in your PACE Strategy Document to reflect on the Plan stage.

4.1.1 Task 1. Imports and loading

Import the packages that you've learned are needed for building linear regression models.

```
[1]: # Imports
# Packages for numerics + dataframes
import pandas as pd
import numpy as np

# Packages for visualization
import matplotlib.pyplot as plt
import seaborn as sns

# Packages for date conversions for calculating trip durations
from datetime import datetime
from datetime import date
from datetime import timedelta

# Packages for OLS, MLR, confusion matrix
from sklearn.preprocessing import StandardScaler
from sklearn.model_selection import train_test_split
import sklearn.metrics as metrics # For confusion matrix
```

```
from sklearn.linear_model import LinearRegression
from sklearn.metrics import mean_absolute_error, r2_score, mean_squared_error
```

Note: Pandas is used to load the NYC TLC dataset. As shown in this cell, the dataset has been automatically loaded in for you. You do not need to download the .csv file, or provide more code, in order to access the dataset and proceed with this lab. Please continue with this activity by completing the following instructions.

```
[2]: # Load dataset into dataframe
df0=pd.read_csv("2017_Yellow_Taxi_Trip_Data.csv")
```

4.2 PACE: Analyze

In this stage, consider the following question where applicable to complete your code response:

- What are some purposes of EDA before constructing a multiple linear regression model?

==> ENTER YOUR RESPONSE HERE

4.2.1 Task 2a. Explore data with EDA

Analyze and discover data, looking for correlations, missing data, outliers, and duplicates.

Start with `.shape` and `.info()`.

```
[3]: # Start with `.shape` and `.info()`

# Keep `df0` as the original dataframe and create a copy (df) where changes
→will go
# Can revert `df` to `df0` if needed down the line
df = df0.copy()

# Display the dataset's shape
print(df.shape)

# Display basic info about the dataset
df.info()
```

```
(22699, 18)
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 22699 entries, 0 to 22698
Data columns (total 18 columns):
#   Column                                Non-Null Count  Dtype
---  -
0   Unnamed: 0                            22699 non-null  int64
1   VendorID                             22699 non-null  int64
2   tpep_pickup_datetime                 22699 non-null  object
3   tpep_dropoff_datetime                22699 non-null  object
```

```

4  passenger_count      22699 non-null  int64
5  trip_distance        22699 non-null  float64
6  RatecodeID           22699 non-null  int64
7  store_and_fwd_flag   22699 non-null  object
8  PULocationID         22699 non-null  int64
9  DOLocationID         22699 non-null  int64
10 payment_type         22699 non-null  int64
11 fare_amount          22699 non-null  float64
12 extra                22699 non-null  float64
13 mta_tax              22699 non-null  float64
14 tip_amount           22699 non-null  float64
15 tolls_amount         22699 non-null  float64
16 improvement_surcharge 22699 non-null  float64
17 total_amount         22699 non-null  float64
dtypes: float64(8), int64(7), object(3)
memory usage: 3.1+ MB

```

Check for missing data and duplicates using `.isna()` and `.drop_duplicates()`.

```

[4]: # Check for missing data and duplicates using .isna() and .drop_duplicates()
    ## YOUR CODE HERE ##

    # Check for duplicates
    print('Shape of dataframe:', df.shape)
    print('Shape of dataframe with duplicates dropped:', df.drop_duplicates().shape)

    # Check for missing values in dataframe
    print('Total count of missing values:', df.isna().sum().sum())

    # Display missing values per column in dataframe
    print('Missing values per column:')
    df.isna().sum()

```

```

Shape of dataframe: (22699, 18)
Shape of dataframe with duplicates dropped: (22699, 18)
Total count of missing values: 0
Missing values per column:

```

```

[4]: Unnamed: 0      0
    VendorID        0
    tpep_pickup_datetime  0
    tpep_dropoff_datetime  0
    passenger_count  0
    trip_distance    0
    RatecodeID       0
    store_and_fwd_flag  0
    PULocationID     0
    DOLocationID     0

```

```

payment_type      0
fare_amount       0
extra             0
mta_tax           0
tip_amount        0
tolls_amount      0
improvement_surcharge 0
total_amount      0
dtype: int64

```

Use .describe().

```

[5]: # Use .describe()
df.describe()

```

```

[5]:      Unnamed: 0      VendorID  passenger_count  trip_distance  \
count  2.269900e+04  22699.000000      22699.000000      22699.000000
mean    5.675849e+07      1.556236          1.642319          2.913313
std     3.274493e+07      0.496838          1.285231          3.653171
min     1.212700e+04      1.000000          0.000000          0.000000
25%     2.852056e+07      1.000000          1.000000          0.990000
50%     5.673150e+07      2.000000          1.000000          1.610000
75%     8.537452e+07      2.000000          2.000000          3.060000
max     1.134863e+08      2.000000          6.000000         33.960000

      RatecodeID  PULocationID  DOLocationID  payment_type  fare_amount  \
count  22699.000000  22699.000000  22699.000000  22699.000000  22699.000000
mean      1.043394    162.412353    161.527997      1.336887     13.026629
std      0.708391     66.633373     70.139691     0.496211     13.243791
min      1.000000     1.000000     1.000000     1.000000    -120.000000
25%      1.000000    114.000000    112.000000     1.000000      6.500000
50%      1.000000    162.000000    162.000000     1.000000      9.500000
75%      1.000000    233.000000    233.000000     2.000000     14.500000
max      99.000000    265.000000    265.000000     4.000000     999.990000

      extra      mta_tax      tip_amount  tolls_amount  \
count  22699.000000  22699.000000  22699.000000  22699.000000
mean      0.333275     0.497445     1.835781     0.312542
std      0.463097     0.039465     2.800626     1.399212
min     -1.000000    -0.500000     0.000000     0.000000
25%      0.000000     0.500000     0.000000     0.000000
50%      0.000000     0.500000     1.350000     0.000000
75%      0.500000     0.500000     2.450000     0.000000
max       4.500000     0.500000    200.000000    19.100000

      improvement_surcharge  total_amount
count          22699.000000  22699.000000

```

mean	0.299551	16.310502
std	0.015673	16.097295
min	-0.300000	-120.300000
25%	0.300000	8.750000
50%	0.300000	11.800000
75%	0.300000	17.800000
max	0.300000	1200.290000

4.2.2 Task 2b. Convert pickup & dropoff columns to datetime

```
[6]: # Check the format of the data
df['tpep_dropoff_datetime'][0]
```

```
[6]: '03/25/2017 9:09:47 AM'
```

```
[7]: # Convert datetime columns to datetime
# Display data types of `tpep_pickup_datetime`, `tpep_dropoff_datetime`
print('Data type of tpep_pickup_datetime:', df['tpep_pickup_datetime'].dtype)
print('Data type of tpep_dropoff_datetime:', df['tpep_dropoff_datetime'].dtype)

# Convert `tpep_pickup_datetime` to datetime format
df['tpep_pickup_datetime'] = pd.to_datetime(df['tpep_pickup_datetime'],
→format='%m/%d/%Y %I:%M:%S %p')

# Convert `tpep_dropoff_datetime` to datetime format
df['tpep_dropoff_datetime'] = pd.to_datetime(df['tpep_dropoff_datetime'],
→format='%m/%d/%Y %I:%M:%S %p')

# Display data types of `tpep_pickup_datetime`, `tpep_dropoff_datetime`
print('Data type of tpep_pickup_datetime:', df['tpep_pickup_datetime'].dtype)
print('Data type of tpep_dropoff_datetime:', df['tpep_dropoff_datetime'].dtype)

df.head(3)
```

```
Data type of tpep_pickup_datetime: object
Data type of tpep_dropoff_datetime: object
Data type of tpep_pickup_datetime: datetime64[ns]
Data type of tpep_dropoff_datetime: datetime64[ns]
```

```
[7]: Unnamed: 0  VendorID  tpep_pickup_datetime  tpep_dropoff_datetime  \
0      24870114         2  2017-03-25 08:55:43    2017-03-25 09:09:47
1      35634249         1  2017-04-11 14:53:28    2017-04-11 15:19:58
2      106203690         1  2017-12-15 07:26:56    2017-12-15 07:34:08

passenger_count  trip_distance  RatecodeID  store_and_fwd_flag  \
0                6             3.34         1                N
```

1	1	1.80	1	N
2	1	1.00	1	N

	PULocationID	DOLocationID	payment_type	fare_amount	extra	mta_tax	\
0	100	231	1	13.0	0.0	0.5	
1	186	43	1	16.0	0.0	0.5	
2	262	236	1	6.5	0.0	0.5	

	tip_amount	tolls_amount	improvement_surcharge	total_amount
0	2.76	0.0	0.3	16.56
1	4.00	0.0	0.3	20.80
2	1.45	0.0	0.3	8.75

4.2.3 Task 2c. Create duration column

Create a new column called `duration` that represents the total number of minutes that each taxi ride took.

```
[8]: # Create `duration` column
df['duration'] = (df['tpep_dropoff_datetime'] - df['tpep_pickup_datetime'])/np.
    ↳timedelta64(1, 'm')
```

4.2.4 Outliers

Call `df.info()` to inspect the columns and decide which ones to check for outliers.

```
[9]: df.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 22699 entries, 0 to 22698
Data columns (total 19 columns):
#   Column                                Non-Null Count  Dtype
---  -
0   Unnamed: 0                            22699 non-null  int64
1   VendorID                              22699 non-null  int64
2   tpep_pickup_datetime                  22699 non-null  datetime64[ns]
3   tpep_dropoff_datetime                  22699 non-null  datetime64[ns]
4   passenger_count                        22699 non-null  int64
5   trip_distance                         22699 non-null  float64
6   RatecodeID                            22699 non-null  int64
7   store_and_fwd_flag                    22699 non-null  object
8   PULocationID                          22699 non-null  int64
9   DOLocationID                          22699 non-null  int64
10  payment_type                           22699 non-null  int64
11  fare_amount                           22699 non-null  float64
12  extra                                 22699 non-null  float64
```

```

13 mta_tax                22699 non-null float64
14 tip_amount             22699 non-null float64
15 tolls_amount           22699 non-null float64
16 improvement_surcharge  22699 non-null float64
17 total_amount           22699 non-null float64
18 duration               22699 non-null float64
dtypes: datetime64[ns](2), float64(9), int64(7), object(1)
memory usage: 3.3+ MB

```

Keeping in mind that many of the features will not be used to fit your model, the most important columns to check for outliers are likely to be: * `trip_distance` * `fare_amount` * `duration`

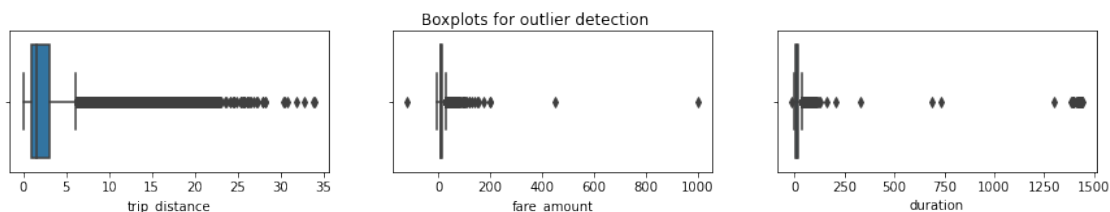
4.2.5 Task 2d. Box plots

Plot a box plot for each feature: `trip_distance`, `fare_amount`, `duration`.

```

[10]: fig, axes = plt.subplots(1, 3, figsize=(15, 2))
fig.suptitle('Boxplots for outlier detection')
sns.boxplot(ax=axes[0], x=df['trip_distance'])
sns.boxplot(ax=axes[1], x=df['fare_amount'])
sns.boxplot(ax=axes[2], x=df['duration'])
plt.show();

```



Questions: 1. Which variable(s) contains outliers?

2. Are the values in the `trip_distance` column unbelievable?

3. What about the lower end? Do distances, fares, and durations of 0 (or negative values) make sense?

==> ENTER YOUR RESPONSE HERE

4.2.6 Task 2e. Imputations

trip_distance outliers You know from the summary statistics that there are trip distances of 0. Are these reflective of erroneous data, or are they very short trips that get rounded down?

To check, sort the column values, eliminate duplicates, and inspect the least 10 values. Are they rounded values or precise values?


```
[11]: # Are trip distances of 0 bad data or very short trips rounded down?
sorted(set(df['trip_distance']))[:10]
```

```
[11]: [0.0, 0.01, 0.02, 0.03, 0.04, 0.05, 0.06, 0.07, 0.08, 0.09]
```

The distances are captured with a high degree of precision. However, it might be possible for trips to have distances of zero if a passenger summoned a taxi and then changed their mind. Besides, are there enough zero values in the data to pose a problem?

Calculate the count of rides where the `trip_distance` is zero.

```
[12]: sum(df['trip_distance']==0)
```

```
[12]: 148
```

fare_amount outliers

```
[13]: df['fare_amount'].describe()
```

```
[13]: count      22699.000000
mean         13.026629
std          13.243791
min          -120.000000
25%           6.500000
50%           9.500000
75%          14.500000
max           999.990000
Name: fare_amount, dtype: float64
```

Question: What do you notice about the values in the `fare_amount` column?

Impute values less than \$0 with 0.

```
[14]: # Impute values less than $0 with 0
df.loc[df['fare_amount'] < 0, 'fare_amount'] = 0
df['fare_amount'].min()
```

```
[14]: 0.0
```

Now impute the maximum value as $Q3 + (6 * IQR)$.

```
[15]: def outlier_imputer(column_list, iqr_factor):
    """
    Impute upper-limit values in specified columns based on their interquartile_
    →range.

    Arguments:
        column_list: A list of columns to iterate over
        iqr_factor: A number representing x in the formula:
```

*Q3 + (x * IQR). Used to determine maximum threshold, beyond which a point is considered an outlier.*

The IQR is computed for each column in column_list and values exceeding the upper threshold for each column are imputed with the upper threshold value.

```
'''  
for col in column_list:  
    # Reassign minimum to zero  
    df.loc[df[col] < 0, col] = 0  
  
    # Calculate upper threshold  
    q1 = df[col].quantile(0.25)  
    q3 = df[col].quantile(0.75)  
    iqr = q3 - q1  
    upper_threshold = q3 + (iqr_factor * iqr)  
    print(col)  
    print('q3:', q3)  
    print('upper_threshold:', upper_threshold)  
  
    # Reassign values > threshold to threshold  
    df.loc[df[col] > upper_threshold, col] = upper_threshold  
    print(df[col].describe())  
    print()
```

duration outliers

```
[17]: df['duration'].describe()
```

```
[17]: count    22699.000000  
      mean      17.013777  
      std      61.996482  
      min     -16.983333  
      25%       6.650000  
      50%      11.183333  
      75%      18.383333  
      max     1439.550000  
      Name: duration, dtype: float64
```

The duration column has problematic values at both the lower and upper extremities.

- **Low values:** There should be no values that represent negative time. Impute all negative durations with 0.
- **High values:** Impute high values the same way you imputed the high-end outliers for fares: $Q3 + (6 * IQR)$.

```
[18]: # Impute a 0 for any negative values
df.loc[df['duration'] < 0, 'duration'] = 0
df['duration'].min()
```

```
[18]: 0.0
```

```
[19]: # Impute the high outliers
outlier_imputer(['duration'], 6)
```

```
duration
q3: 18.383333333333333
upper_threshold: 88.78333333333333
count      22699.000000
mean        14.460555
std         11.947043
min          0.000000
25%          6.650000
50%         11.183333
75%         18.383333
max         88.783333
Name: duration, dtype: float64
```

4.2.7 Task 3a. Feature engineering

Create mean_distance column When deployed, the model will not know the duration of a trip until after the trip occurs, so you cannot train a model that uses this feature. However, you can use the statistics of trips you *do* know to generalize about ones you do not know.

In this step, create a column called `mean_distance` that captures the mean distance for each group of trips that share pickup and dropoff points.

For example, if your data were:

Trip	Start	End	Distance
1	A	B	1
2	C	D	2
3	A	B	1.5
4	D	C	3

The results should be:

```
A -> B: 1.25 miles
C -> D: 2 miles
D -> C: 3 miles
```

Notice that C -> D is not the same as D -> C. All trips that share a unique pair of start and end points get grouped and averaged.

Then, a new column `mean_distance` will be added where the value at each row is the average for all trips with those pickup and dropoff locations:

Trip	Start	End	Distance	mean_distance
1	A	B	1	1.25
2	C	D	2	2
3	A	B	1.5	1.25
4	D	C	3	3

Begin by creating a helper column called `pickup_dropoff`, which contains the unique combination of pickup and dropoff location IDs for each row.

One way to do this is to convert the pickup and dropoff location IDs to strings and join them, separated by a space. The space is to ensure that, for example, a trip with pickup/dropoff points of 12 & 151 gets encoded differently than a trip with points 121 & 51.

So, the new column would look like this:

Trip	Start	End	pickup_dropoff
1	A	B	'A B'
2	C	D	'C D'
3	A	B	'A B'
4	D	C	'D C'

```
[20]: # Create `pickup_dropoff` column
df['pickup_dropoff'] = df['PULocationID'].astype(str) + ' ' +
    ↪df['DOLocationID'].astype(str)
df['pickup_dropoff'].head(2)
```

```
[20]: 0    100 231
      1    186 43
      Name: pickup_dropoff, dtype: object
```

Now, use a `groupby()` statement to group each row by the new `pickup_dropoff` column, compute the mean, and capture the values only in the `trip_distance` column. Assign the results to a variable named `grouped`.

```
[21]: grouped = df.groupby('pickup_dropoff').
    ↪mean(numeric_only=True)[['trip_distance']]
grouped[:5]
```

```
[21]:          trip_distance
pickup_dropoff
1 1          2.433333
10 148       15.700000
100 1       16.890000
```

100	100	0.253333
100	107	1.180000

`grouped` is an object of the `DataFrame` class.

1. Convert it to a dictionary using the `to_dict()` method. Assign the results to a variable called `grouped_dict`. This will result in a dictionary with a key of `trip_distance` whose values are another dictionary. The inner dictionary's keys are pickup/dropoff points and its values are mean distances. This is the information you want.

Example:

```
grouped_dict = {'trip_distance': {'A B': 1.25, 'C D': 2, 'D C': 3}}
```

2. Reassign the `grouped_dict` dictionary so it contains only the inner dictionary. In other words, get rid of `trip_distance` as a key, so:

Example:

```
grouped_dict = {'A B': 1.25, 'C D': 2, 'D C': 3}
```

```
[22]: # 1. Convert `grouped` to a dictionary
grouped_dict = grouped.to_dict()

# 2. Reassign to only contain the inner dictionary
grouped_dict = grouped_dict['trip_distance']
```

1. Create a `mean_distance` column that is a copy of the `pickup_dropoff` helper column.
2. Use the `map()` method on the `mean_distance` series. Pass `grouped_dict` as its argument. Reassign the result back to the `mean_distance` series. When you pass a dictionary to the `Series.map()` method, it will replace the data in the series where that data matches the dictionary's keys. The values that get imputed are the values of the dictionary.

Example:

```
df['mean_distance']
```

mean_distance
'A B'
'C D'
'A B'
'D C'
'E F'

```
grouped_dict = {'A B': 1.25, 'C D': 2, 'D C': 3}
df['mean_distance'] = df['mean_distance'].map(grouped_dict)
df['mean_distance']
```

mean_distance
1.25
2
1.25

mean_distance
3
NaN

When used this way, the `map()` Series method is very similar to `replace()`, however, note that `map()` will impute NaN for any values in the series that do not have a corresponding key in the mapping dictionary, so be careful.

```
[23]: # 1. Create a mean_distance column that is a copy of the pickup_dropoff helper_
      ↪ column
      df['mean_distance'] = df['pickup_dropoff']

      # 2. Map `grouped_dict` to the `mean_distance` column
      df['mean_distance'] = df['mean_distance'].map(grouped_dict)

      # Confirm that it worked
      df[(df['PULocationID']==100) & (df['DOLocationID']==231)][['mean_distance']]
```

```
[23]:      mean_distance
0      3.521667
4909    3.521667
16636    3.521667
18134    3.521667
19761    3.521667
20581    3.521667
```

Create mean_duration column Repeat the process used to create the mean_distance column to create a mean_duration column.

```
[24]: grouped = df.groupby('pickup_dropoff').mean(numeric_only=True)[['duration']]
      grouped

      # Create a dictionary where keys are unique pickup_dropoffs and values are
      # mean trip duration for all trips with those pickup_dropoff combos
      grouped_dict = grouped.to_dict()
      grouped_dict = grouped_dict['duration']

      df['mean_duration'] = df['pickup_dropoff']
      df['mean_duration'] = df['mean_duration'].map(grouped_dict)

      # Confirm that it worked
      df[(df['PULocationID']==100) & (df['DOLocationID']==231)][['mean_duration']]
```

```
[24]:      mean_duration
0      22.847222
4909    22.847222
```

16636	22.847222
18134	22.847222
19761	22.847222
20581	22.847222

Create day and month columns Create two new columns, `day` (name of day) and `month` (name of month) by extracting the relevant information from the `tpep_pickup_datetime` column.

```
[25]: # Create 'day' col
df['day'] = df['tpep_pickup_datetime'].dt.day_name().str.lower()

# Create 'month' col
df['month'] = df['tpep_pickup_datetime'].dt.strftime('%b').str.lower()
```

Create rush_hour column Define rush hour as: * Any weekday (not Saturday or Sunday) AND * Either from 06:00–10:00 or from 16:00–20:00

Create a binary `rush_hour` column that contains a 1 if the ride was during rush hour and a 0 if it was not.

```
[26]: # Create 'rush_hour' col
df['rush_hour'] = df['tpep_pickup_datetime'].dt.hour

# If day is Saturday or Sunday, impute 0 in `rush_hour` column
df.loc[df['day'].isin(['saturday', 'sunday']), 'rush_hour'] = 0
```

```
[27]: def rush_hourizer(hour):
    if 6 <= hour['rush_hour'] < 10:
        val = 1
    elif 16 <= hour['rush_hour'] < 20:
        val = 1
    else:
        val = 0
    return val
```

```
[28]: # Apply the `rush_hourizer()` function to the new column
df.loc[(df.day != 'saturday') & (df.day != 'sunday'), 'rush_hour'] = df.
    ↪ apply(rush_hourizer, axis=1)
df.head()
```

```
[28]: Unnamed: 0  VendorID  tpep_pickup_datetime  tpep_dropoff_datetime  \
0      24870114         2  2017-03-25 08:55:43    2017-03-25 09:09:47
1      35634249         1  2017-04-11 14:53:28    2017-04-11 15:19:58
2      106203690         1  2017-12-15 07:26:56    2017-12-15 07:34:08
3      38942136         2  2017-05-07 13:17:59    2017-05-07 13:48:14
4      30841670         2  2017-04-15 23:32:20    2017-04-15 23:49:03
```

	passenger_count	trip_distance	RatecodeID	store_and_fwd_flag	\
0	6	3.34	1	N	
1	1	1.80	1	N	
2	1	1.00	1	N	
3	1	3.70	1	N	
4	1	4.37	1	N	

	PULocationID	DOLocationID	...	tolls_amount	improvement_surcharge	\
0	100	231	...	0.0	0.3	
1	186	43	...	0.0	0.3	
2	262	236	...	0.0	0.3	
3	188	97	...	0.0	0.3	
4	4	112	...	0.0	0.3	

	total_amount	duration	pickup_dropoff	mean_distance	mean_duration	\
0	16.56	14.066667	100 231	3.521667	22.847222	
1	20.80	26.500000	186 43	3.108889	24.470370	
2	8.75	7.200000	262 236	0.881429	7.250000	
3	27.69	30.250000	188 97	3.700000	30.250000	
4	17.80	16.716667	4 112	4.435000	14.616667	

	day	month	rush_hour
0	saturday	mar	0
1	tuesday	apr	0
2	friday	dec	1
3	sunday	may	0
4	saturday	apr	0

[5 rows x 25 columns]

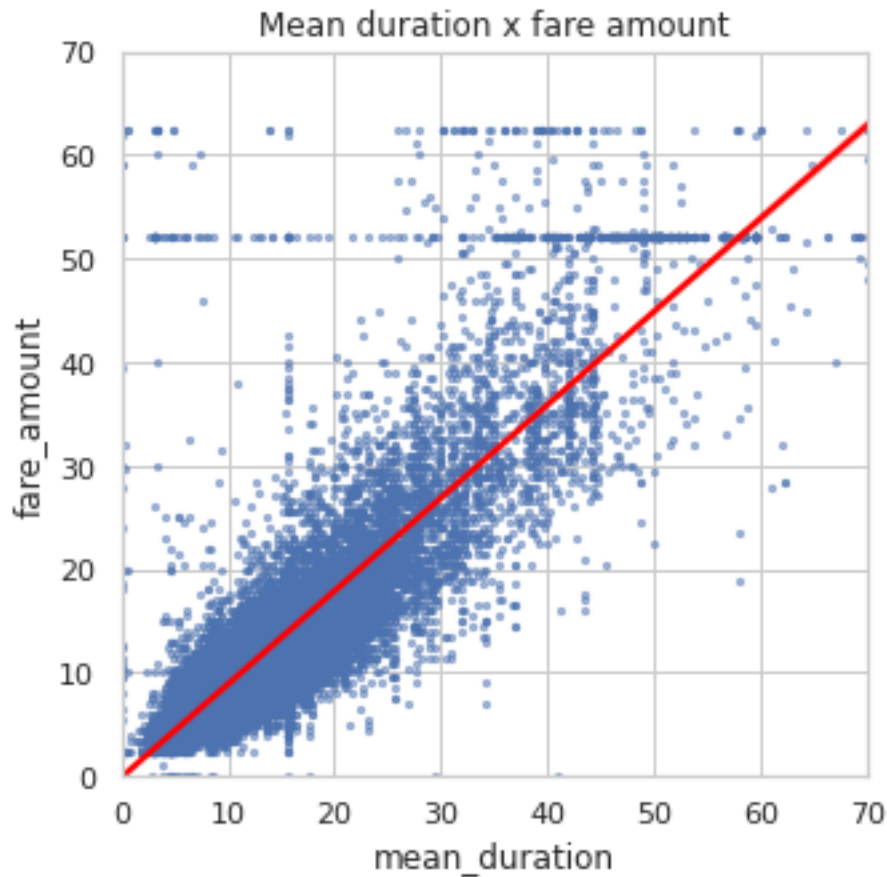
4.2.8 Task 4. Scatter plot

Create a scatterplot to visualize the relationship between `mean_duration` and `fare_amount`.

```
[29]: # Create a scatter plot of duration and trip_distance, with a line of best fit
sns.set(style='whitegrid')
f = plt.figure()
f.set_figwidth(5)
f.set_figheight(5)
sns.regplot(x=df['mean_duration'], y=df['fare_amount'],
            scatter_kws={'alpha':0.5, 's':5},
            line_kws={'color':'red'})
plt.ylim(0, 70)
plt.xlim(0, 70)
plt.title('Mean duration x fare amount')
```



```
plt.show()
```



The `mean_duration` variable correlates with the target variable. But what are the horizontal lines around fare amounts of 52 dollars and 63 dollars? What are the values and how many are there?

You know what one of the lines represents. 62 dollars and 50 cents is the maximum that was imputed for outliers, so all former outliers will now have fare amounts of \$62.50. What is the other line?

Check the value of the rides in the second horizontal line in the scatter plot.

```
[30]: df[df['fare_amount'] > 50]['fare_amount'].value_counts().head()
```

```
[30]: 52.0      514
      62.5       84
      59.0        9
      50.5         9
      57.5         8
      Name: fare_amount, dtype: int64
```

Examine the first 30 of these trips.

```
[31]: # Set pandas to display all columns
pd.set_option('display.max_columns', None)
df[df['fare_amount']==52].head(30)
```

```
[31]:      Unnamed: 0  VendorID  tpep_pickup_datetime  tpep_dropoff_datetime  \
11      18600059          2  2017-03-05 19:15:30  2017-03-05 19:52:18  \
110     47959795          1  2017-06-03 14:24:57  2017-06-03 15:31:48  \
161     95729204          2  2017-11-11 20:16:16  2017-11-11 20:17:14  \
247    103404868          2  2017-12-06 23:37:08  2017-12-07 00:06:19  \
379     80479432          2  2017-09-24 23:45:45  2017-09-25 00:15:14  \
388     16226157          1  2017-02-28 18:30:05  2017-02-28 19:09:55  \
406     55253442          2  2017-06-05 12:51:58  2017-06-05 13:07:35  \
449     65900029          2  2017-08-03 22:47:14  2017-08-03 23:32:41  \
468     80904240          2  2017-09-26 13:48:26  2017-09-26 14:31:17  \
520     33706214          2  2017-04-23 21:34:48  2017-04-23 22:46:23  \
569     99259872          2  2017-11-22 21:31:32  2017-11-22 22:00:25  \
572     61050418          2  2017-07-18 13:29:06  2017-07-18 13:29:19  \
586     54444647          2  2017-06-26 13:39:12  2017-06-26 14:34:54  \
692     94424289          2  2017-11-07 22:15:00  2017-11-07 22:45:32  \
717    103094220          1  2017-12-06 05:19:50  2017-12-06 05:53:52  \
719     66115834          1  2017-08-04 17:53:34  2017-08-04 18:50:56  \
782     55934137          2  2017-06-09 09:31:25  2017-06-09 10:24:10  \
816     13731926          2  2017-02-21 06:11:03  2017-02-21 06:59:39  \
818     52277743          2  2017-06-20 08:15:18  2017-06-20 10:24:37  \
835      2684305          2  2017-01-10 22:29:47  2017-01-10 23:06:46  \
840     90860814          2  2017-10-27 21:50:00  2017-10-27 22:35:04  \
861    106575186          1  2017-12-16 06:39:59  2017-12-16 07:07:59  \
881    110495611          2  2017-12-30 05:25:29  2017-12-30 06:01:29  \
958     87017503          1  2017-10-15 22:39:12  2017-10-15 23:14:22  \
970     12762608          2  2017-02-17 20:39:42  2017-02-17 21:13:29  \
984     71264442          1  2017-08-23 18:23:26  2017-08-23 19:18:29  \
1082    11006300          2  2017-02-07 17:20:19  2017-02-07 17:34:41  \
1097    68882036          2  2017-08-14 23:01:15  2017-08-14 23:03:35  \
1110    74720333          1  2017-09-06 10:46:17  2017-09-06 11:44:41  \
1179    51937907          2  2017-06-19 06:23:13  2017-06-19 07:03:53  \

      passenger_count  trip_distance  RatecodeID  store_and_fwd_flag  \
11                   2          18.90          2                   N  \
110                  1          18.00          2                   N  \
161                  1           0.23          2                   N  \
247                  1          18.93          2                   N  \
379                  1          17.99          2                   N  \
388                  1          18.40          2                   N  \
406                  1           4.73          2                   N  \
449                  2          18.21          2                   N  \
468                  1          17.27          2                   N  \
520                  6          18.34          2                   N  \
```

569	1	18.65	2	N
572	1	0.00	2	N
586	1	17.76	2	N
692	2	16.97	2	N
717	1	20.80	2	N
719	1	21.60	2	N
782	2	18.81	2	N
816	5	16.94	2	N
818	1	17.77	2	N
835	1	18.57	2	N
840	1	22.43	2	N
861	2	17.80	2	N
881	6	18.23	2	N
958	1	21.80	2	N
970	1	19.57	2	N
984	1	16.70	2	N
1082	1	1.09	2	N
1097	5	2.12	2	N
1110	1	19.10	2	N
1179	6	19.77	2	N

	PULocationID	DOLocationID	payment_type	fare_amount	extra	mta_tax	\
11	236	132	1	52.0	0.0	0.5	
110	132	163	1	52.0	0.0	0.5	
161	132	132	2	52.0	0.0	0.5	
247	132	79	2	52.0	0.0	0.5	
379	132	234	1	52.0	0.0	0.5	
388	132	48	2	52.0	4.5	0.5	
406	228	88	2	52.0	0.0	0.5	
449	132	48	2	52.0	0.0	0.5	
468	186	132	2	52.0	0.0	0.5	
520	132	148	1	52.0	0.0	0.5	
569	132	144	1	52.0	0.0	0.5	
572	230	161	1	52.0	0.0	0.5	
586	211	132	1	52.0	0.0	0.5	
692	132	170	1	52.0	0.0	0.5	
717	132	239	1	52.0	0.0	0.5	
719	264	264	1	52.0	4.5	0.5	
782	163	132	1	52.0	0.0	0.5	
816	132	170	1	52.0	0.0	0.5	
818	132	246	1	52.0	0.0	0.5	
835	132	48	1	52.0	0.0	0.5	
840	132	163	2	52.0	0.0	0.5	
861	75	132	1	52.0	0.0	0.5	
881	68	132	2	52.0	0.0	0.5	
958	132	261	2	52.0	0.0	0.5	
970	132	140	1	52.0	0.0	0.5	

984	132	230	1	52.0	4.5	0.5
1082	170	48	2	52.0	4.5	0.5
1097	265	265	2	52.0	0.0	0.5
1110	239	132	1	52.0	0.0	0.5
1179	238	132	1	52.0	0.0	0.5

	tip_amount	tolls_amount	improvement_surcharge	total_amount	\
11	14.58	5.54	0.3	72.92	
110	0.00	0.00	0.3	52.80	
161	0.00	0.00	0.3	52.80	
247	0.00	0.00	0.3	52.80	
379	14.64	5.76	0.3	73.20	
388	0.00	5.54	0.3	62.84	
406	0.00	5.76	0.3	58.56	
449	0.00	5.76	0.3	58.56	
468	0.00	5.76	0.3	58.56	
520	5.00	0.00	0.3	57.80	
569	10.56	0.00	0.3	63.36	
572	11.71	5.76	0.3	70.27	
586	11.71	5.76	0.3	70.27	
692	11.71	5.76	0.3	70.27	
717	5.85	5.76	0.3	64.41	
719	12.60	5.76	0.3	75.66	
782	13.20	0.00	0.3	66.00	
816	2.00	5.54	0.3	60.34	
818	11.71	5.76	0.3	70.27	
835	13.20	0.00	0.3	66.00	
840	0.00	5.76	0.3	58.56	
861	6.00	5.76	0.3	64.56	
881	0.00	0.00	0.3	52.80	
958	0.00	0.00	0.3	52.80	
970	11.67	5.54	0.3	70.01	
984	42.29	0.00	0.3	99.59	
1082	0.00	5.54	0.3	62.84	
1097	0.00	0.00	0.3	52.80	
1110	15.80	0.00	0.3	68.60	
1179	17.57	5.76	0.3	76.13	

	duration	pickup_dropoff	mean_distance	mean_duration	day	month	\
11	36.800000	236 132	19.211667	40.500000	sunday	mar	
110	66.850000	132 163	19.229000	52.941667	saturday	jun	
161	0.966667	132 132	2.255862	3.021839	saturday	nov	
247	29.183333	132 79	19.431667	47.275000	wednesday	dec	
379	29.483333	132 234	17.654000	49.833333	sunday	sep	
388	39.833333	132 48	18.761905	58.246032	tuesday	feb	
406	15.616667	228 88	4.730000	15.616667	monday	jun	
449	45.450000	132 48	18.761905	58.246032	thursday	aug	

468	42.850000	186 132	17.096000	42.920000	tuesday	sep
520	71.583333	132 148	17.994286	46.340476	sunday	apr
569	28.883333	132 144	18.537500	37.000000	wednesday	nov
572	0.216667	230 161	0.685484	7.965591	tuesday	jul
586	55.700000	211 132	16.580000	61.691667	monday	jun
692	30.533333	132 170	17.203000	37.113333	tuesday	nov
717	34.033333	132 239	20.901250	44.862500	wednesday	dec
719	57.366667	264 264	3.191516	15.618773	friday	aug
782	52.750000	163 132	17.275833	52.338889	friday	jun
816	48.600000	132 170	17.203000	37.113333	tuesday	feb
818	88.783333	132 246	18.515000	66.316667	tuesday	jun
835	36.983333	132 48	18.761905	58.246032	tuesday	jan
840	45.066667	132 163	19.229000	52.941667	friday	oct
861	28.000000	75 132	18.442500	36.204167	saturday	dec
881	36.000000	68 132	18.785000	58.041667	saturday	dec
958	35.166667	132 261	22.115000	51.493750	sunday	oct
970	33.783333	132 140	19.293333	36.791667	friday	feb
984	55.050000	132 230	18.571200	59.598000	wednesday	aug
1082	14.366667	170 48	1.265789	14.135965	tuesday	feb
1097	2.333333	265 265	0.753077	3.411538	monday	aug
1110	58.400000	239 132	19.795000	50.562500	wednesday	sep
1179	40.666667	238 132	19.470000	53.861111	monday	jun

	rush_hour
11	0
110	0
161	0
247	0
379	0
388	1
406	0
449	0
468	0
520	0
569	0
572	0
586	0
692	0
717	0
719	1
782	1
816	1
818	1
835	0
840	0
861	0
881	0

958	0
970	0
984	1
1082	1
1097	0
1110	0
1179	1

Question: What do you notice about the first 30 trips?

==> ENTER YOUR RESPONSE HERE

4.2.9 Task 5. Isolate modeling variables

Drop features that are redundant, irrelevant, or that will not be available in a deployed environment.

```
[32]: df.info()
```

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 22699 entries, 0 to 22698
Data columns (total 25 columns):
#   Column                                Non-Null Count  Dtype
---  -
0   Unnamed: 0                            22699 non-null  int64
1   VendorID                              22699 non-null  int64
2   tpep_pickup_datetime                  22699 non-null  datetime64[ns]
3   tpep_dropoff_datetime                 22699 non-null  datetime64[ns]
4   passenger_count                       22699 non-null  int64
5   trip_distance                         22699 non-null  float64
6   RatecodeID                           22699 non-null  int64
7   store_and_fwd_flag                   22699 non-null  object
8   PULocationID                         22699 non-null  int64
9   DOLocationID                         22699 non-null  int64
10  payment_type                          22699 non-null  int64
11  fare_amount                           22699 non-null  float64
12  extra                                 22699 non-null  float64
13  mta_tax                              22699 non-null  float64
14  tip_amount                           22699 non-null  float64
15  tolls_amount                          22699 non-null  float64
16  improvement_surcharge                 22699 non-null  float64
17  total_amount                         22699 non-null  float64
18  duration                             22699 non-null  float64
19  pickup_dropoff                       22699 non-null  object
20  mean_distance                         22699 non-null  float64
21  mean_duration                         22699 non-null  float64
22  day                                  22699 non-null  object
23  month                                22699 non-null  object
24  rush_hour                             22699 non-null  int64
```

```
dtypes: datetime64[ns](2), float64(11), int64(8), object(4)
memory usage: 4.3+ MB
```

```
[33]: df2 = df.copy()

df2 = df2.drop(['Unnamed: 0', 'tpep_dropoff_datetime', 'tpep_pickup_datetime',
               'trip_distance', 'RatecodeID', 'store_and_fwd_flag',
               ↪ 'PULocationID', 'DOLocationID',
               'payment_type', 'extra', 'mta_tax', 'tip_amount',
               ↪ 'tolls_amount', 'improvement_surcharge',
               'total_amount', 'tpep_dropoff_datetime', 'tpep_pickup_datetime',
               ↪ 'duration',
               'pickup_dropoff', 'day', 'month'
               ], axis=1)

df2.info()
```

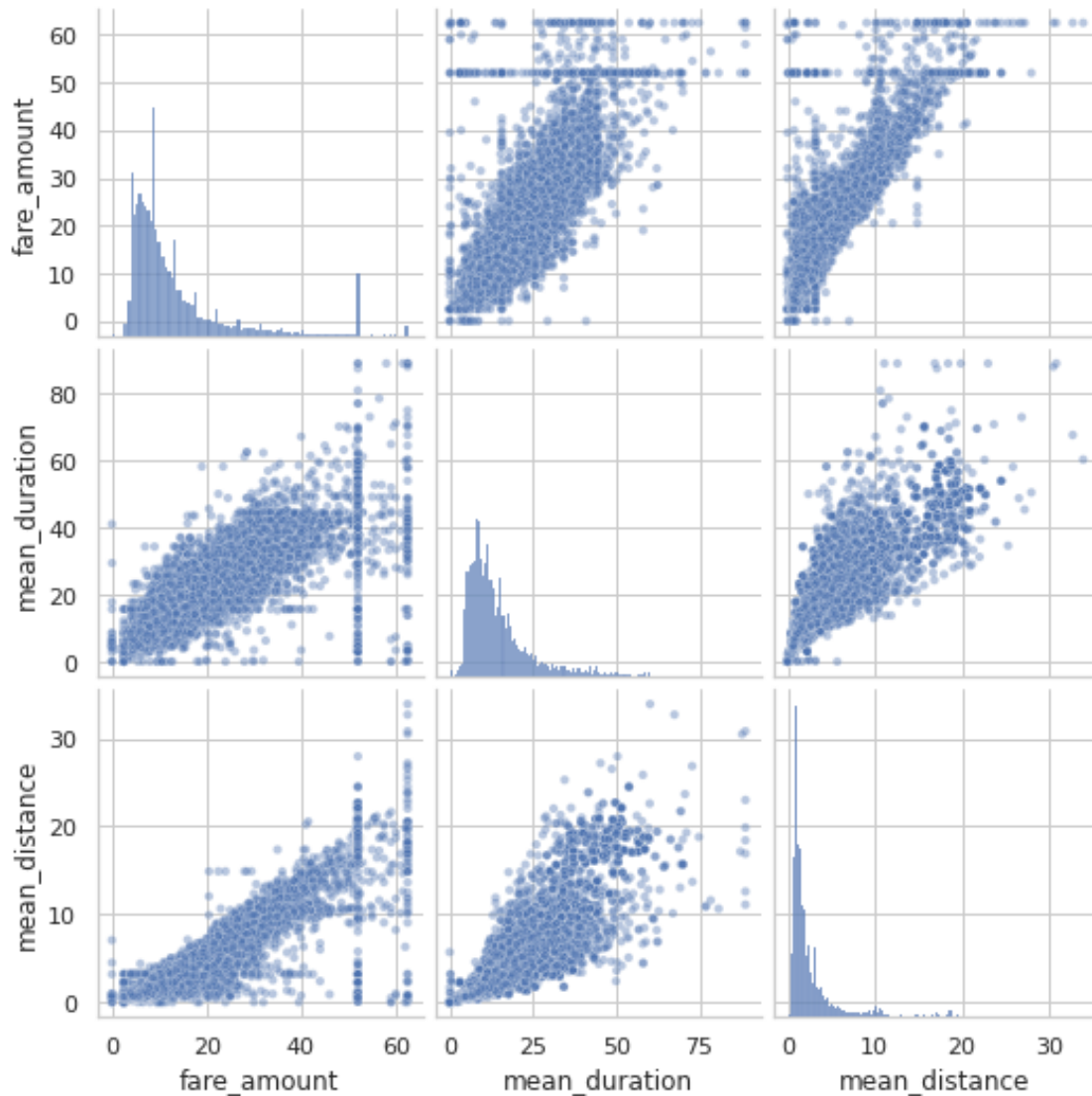
```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 22699 entries, 0 to 22698
Data columns (total 6 columns):
#   Column          Non-Null Count  Dtype
---  -
0   VendorID        22699 non-null  int64
1   passenger_count  22699 non-null  int64
2   fare_amount     22699 non-null  float64
3   mean_distance   22699 non-null  float64
4   mean_duration   22699 non-null  float64
5   rush_hour       22699 non-null  int64
dtypes: float64(3), int64(3)
memory usage: 1.0 MB
```

4.2.10 Task 6. Pair plot

Create a pairplot to visualize pairwise relationships between `fare_amount`, `mean_duration`, and `mean_distance`.

```
[34]: # Create a pairplot to visualize pairwise relationships between variables in
       ↪ the data
       ### YOUR CODE HERE ###

sns.pairplot(df2[['fare_amount', 'mean_duration', 'mean_distance']],
              plot_kws={'alpha':0.4, 'size':5},
              );
```



These variables all show linear correlation with each other. Investigate this further.

4.2.11 Task 7. Identify correlations

Next, code a correlation matrix to help determine most correlated variables.

```
[35]: # Create correlation matrix containing pairwise correlation of columns, using
      ↪ pearson correlation coefficient
      df2.corr(method='pearson')
```

```
[35]:
```

	VendorID	passenger_count	fare_amount	mean_distance	\
VendorID	1.000000	0.266463	0.001045	0.004741	
passenger_count	0.266463	1.000000	0.014942	0.013428	

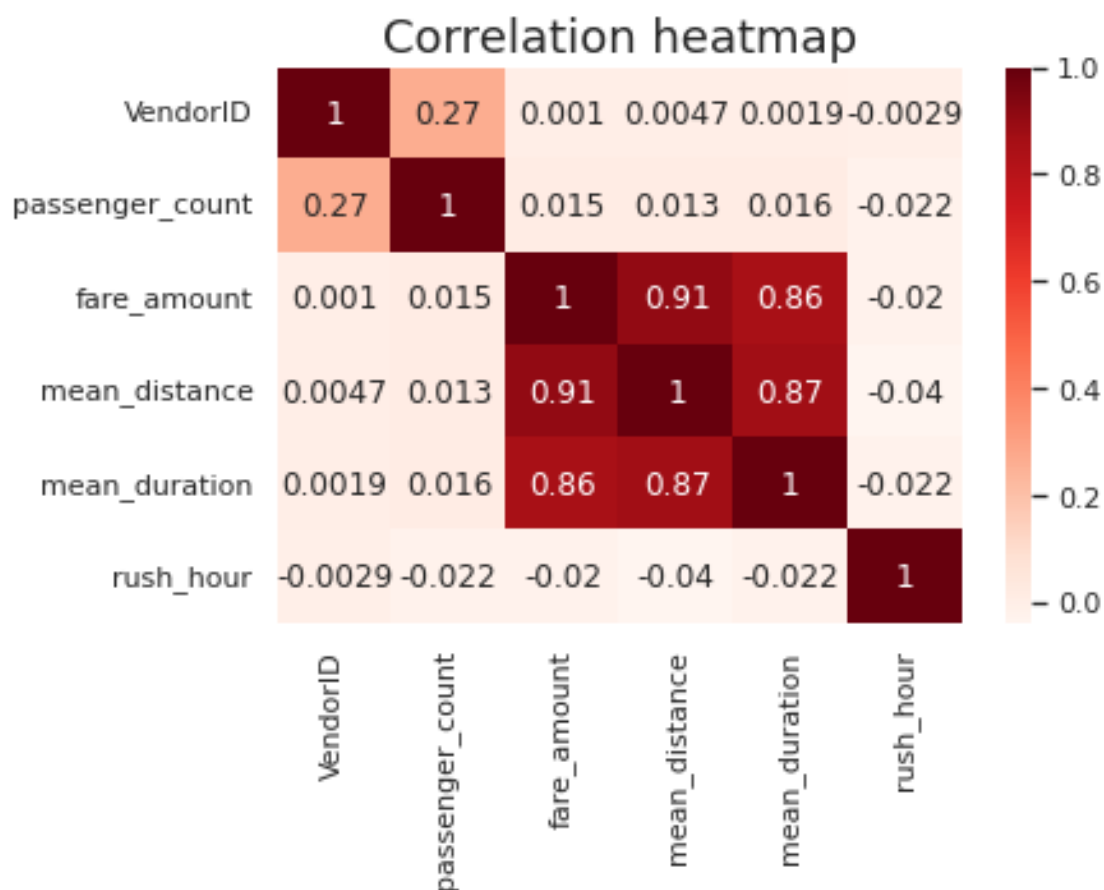
fare_amount	0.001045	0.014942	1.000000	0.910185
mean_distance	0.004741	0.013428	0.910185	1.000000
mean_duration	0.001876	0.015852	0.859105	0.874864
rush_hour	-0.002874	-0.022035	-0.020075	-0.039725

	mean_duration	rush_hour
VendorID	0.001876	-0.002874
passenger_count	0.015852	-0.022035
fare_amount	0.859105	-0.020075
mean_distance	0.874864	-0.039725
mean_duration	1.000000	-0.021583
rush_hour	-0.021583	1.000000

Visualize a correlation heatmap of the data.

```
[36]: # Create correlation heatmap

plt.figure(figsize=(6,4))
sns.heatmap(df2.corr(method='pearson'), annot=True, cmap='Reds')
plt.title('Correlation heatmap',
          fontsize=18)
plt.show()
```



Question: Which variable(s) are correlated with the target variable of `fare_amount`?

Try modeling with both variables even though they are correlated.

4.3 PACE: Construct

After analysis and deriving variables with close relationships, it is time to begin constructing the model. Consider the questions in your PACE Strategy Document to reflect on the Construct stage.

4.3.1 Task 8a. Split data into outcome variable and features

```
[37]: df2.info()
```

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 22699 entries, 0 to 22698
Data columns (total 6 columns):
 #   Column            Non-Null Count  Dtype
---  -
 0   VendorID          22699 non-null  int64
 1   passenger_count    22699 non-null  int64
 2   fare_amount        22699 non-null  float64
 3   mean_distance      22699 non-null  float64
 4   mean_duration      22699 non-null  float64
 5   rush_hour          22699 non-null  int64
dtypes: float64(3), int64(3)
memory usage: 1.0 MB
```

Set your X and y variables. X represents the features and y represents the outcome (target) variable.

```
[38]: # Remove the target column from the features
X = df2.drop(columns=['fare_amount'])

# Set y variable
y = df2[['fare_amount']]

# Display first few rows
X.head()
```

```
[38]:   VendorID  passenger_count  mean_distance  mean_duration  rush_hour
0         2                6      3.521667      22.847222         0
1         1                1      3.108889      24.470370         0
2         1                1      0.881429       7.250000         1
3         2                1      3.700000     30.250000         0
4         2                1      4.435000     14.616667         0
```

4.3.2 Task 8b. Pre-process data

Dummy encode categorical variables

```
[39]: # Convert VendorID to string
X['VendorID'] = X['VendorID'].astype(str)

# Get dummies
X = pd.get_dummies(X, drop_first=True)
X.head()
```

```
[39]:
```

	passenger_count	mean_distance	mean_duration	rush_hour	VendorID_2
0	6	3.521667	22.847222	0	1
1	1	3.108889	24.470370	0	0
2	1	0.881429	7.250000	1	0
3	1	3.700000	30.250000	0	1
4	1	4.435000	14.616667	0	1

4.3.3 Split data into training and test sets

Create training and testing sets. The test set should contain 20% of the total samples. Set `random_state=0`.

```
[40]: X_train, X_test, y_train, y_test = train_test_split(X, y, test_size=0.2,
↳ random_state=0)
```

4.3.4 Standardize the data

Use `StandardScaler()`, `fit()`, and `transform()` to standardize the `X_train` variables. Assign the results to a variable called `X_train_scaled`.

```
[41]: # Standardize the X variables
scaler = StandardScaler().fit(X_train)
X_train_scaled = scaler.transform(X_train)
print('X_train scaled:', X_train_scaled)
```

```
X_train scaled: [[-0.50301524  0.8694684   0.17616665 -0.64893329  0.89286563]
 [-0.50301524 -0.60011281 -0.69829589  1.54099045  0.89286563]
 [ 0.27331093 -0.47829156 -0.57301906 -0.64893329 -1.11998936]
 ...
 [-0.50301524 -0.45121122 -0.6788917  -0.64893329 -1.11998936]
 [-0.50301524 -0.58944763 -0.85743597  1.54099045 -1.11998936]
 [ 1.82596329  0.83673851  1.13212101 -0.64893329  0.89286563]]
```

4.3.5 Fit the model

Instantiate your model and fit it to the training data.

```
[42]: # Fit your model to the training data
lr=LinearRegression()
lr.fit(X_train_scaled, y_train)
```

```
[42]: LinearRegression(copy_X=True, fit_intercept=True, n_jobs=None, normalize=False)
```

4.3.6 Task 8c. Evaluate model

4.3.7 Train data

Evaluate your model performance by calculating the residual sum of squares and the explained variance score (R^2). Calculate the Mean Absolute Error, Mean Squared Error, and the Root Mean Squared Error.

```
[43]: # Evaluate the model performance on the training data
r_sq = lr.score(X_train_scaled, y_train)
print('Coefficient of determination:', r_sq)
y_pred_train = lr.predict(X_train_scaled)
print('R^2:', r2_score(y_train, y_pred_train))
print('MAE:', mean_absolute_error(y_train, y_pred_train))
print('MSE:', mean_squared_error(y_train, y_pred_train))
print('RMSE:', np.sqrt(mean_squared_error(y_train, y_pred_train)))
```

```
Coefficient of determination: 0.8398434585044773
```

```
R^2: 0.8398434585044773
```

```
MAE: 2.186666416775414
```

```
MSE: 17.88973296349268
```

```
RMSE: 4.229625629236313
```

4.3.8 Test data

Calculate the same metrics on the test data. Remember to scale the `X_test` data using the scaler that was fit to the training data. Do not refit the scaler to the testing data, just transform it. Call the results `X_test_scaled`.

```
[44]: # Scale the X_test data
X_test_scaled = scaler.transform(X_test)
```

```
[45]: # Evaluate the model performance on the testing data
r_sq_test = lr.score(X_test_scaled, y_test)
print('Coefficient of determination:', r_sq_test)
y_pred_test = lr.predict(X_test_scaled)
```

```
print('R^2:', r2_score(y_test, y_pred_test))
print('MAE:', mean_absolute_error(y_test, y_pred_test))
print('MSE:', mean_squared_error(y_test, y_pred_test))
print('RMSE:', np.sqrt(mean_squared_error(y_test, y_pred_test)))
```

```
Coefficient of determination: 0.8682583641795454
R^2: 0.8682583641795454
MAE: 2.1336549840593864
MSE: 14.326454156998944
RMSE: 3.785030271609323
```

4.4 PACE: Execute

Consider the questions in your PACE Strategy Document to reflect on the Execute stage.

4.4.1 Task 9a. Results

Use the code cell below to get `actual`, `predicted`, and `residual` for the testing set, and store them as columns in a `results` dataframe.

```
[46]: # Create a `results` dataframe
results = pd.DataFrame(data={'actual': y_test['fare_amount'],
                             'predicted': y_pred_test.ravel()})
results['residual'] = results['actual'] - results['predicted']
results.head()
```

```
[46]:
```

	actual	predicted	residual
5818	14.0	12.356503	1.643497
18134	28.0	16.314595	11.685405
4655	5.5	6.726789	-1.226789
7378	15.5	16.227206	-0.727206
13914	9.5	10.536408	-1.036408

4.4.2 Task 9b. Visualize model results

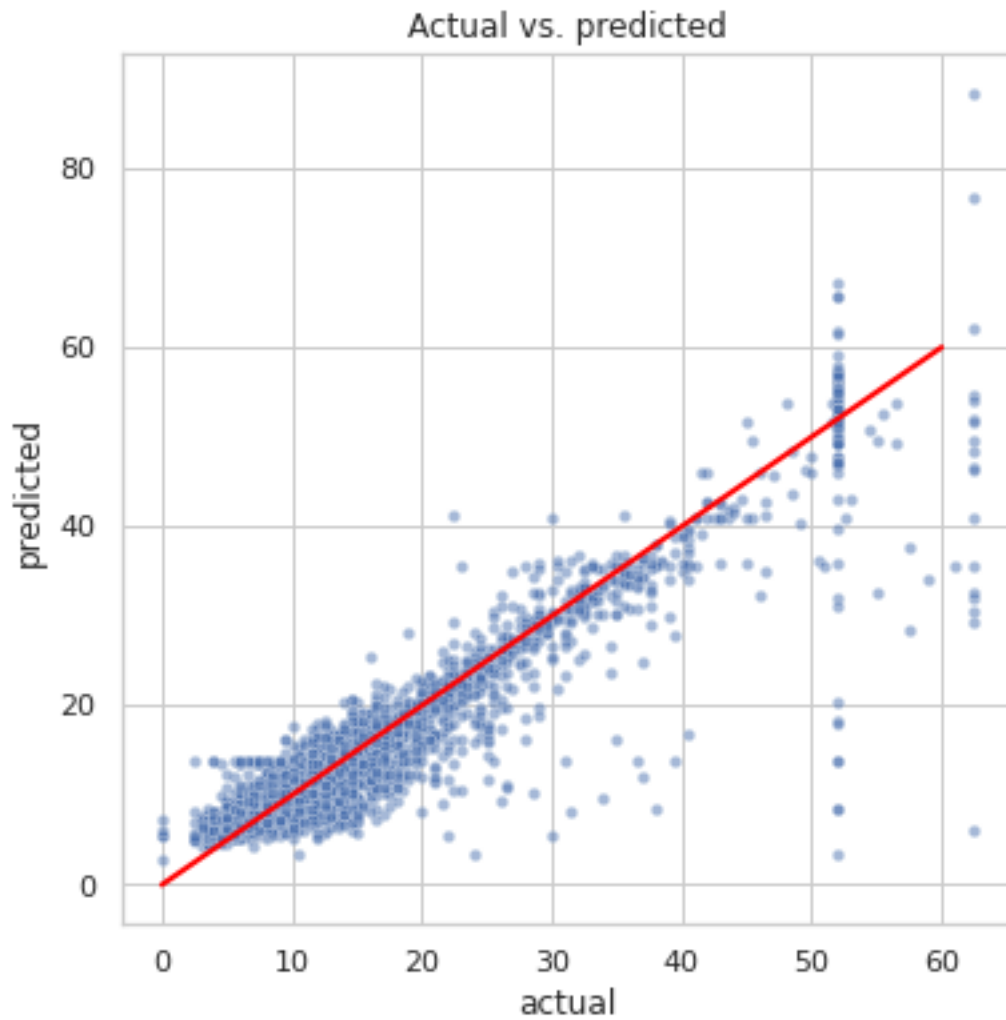
Create a scatterplot to visualize `actual` vs. `predicted`.

```
[47]: # Create a scatterplot to visualize `predicted` over `actual`
fig, ax = plt.subplots(figsize=(6, 6))
sns.set(style='whitegrid')
sns.scatterplot(x='actual',
                y='predicted',
                data=results,
                s=20,
                alpha=0.5,
```

```

ax=ax
)
# Draw an x=y line to show what the results would be if the model were perfect
plt.plot([0,60], [0,60], c='red', linewidth=2)
plt.title('Actual vs. predicted');

```

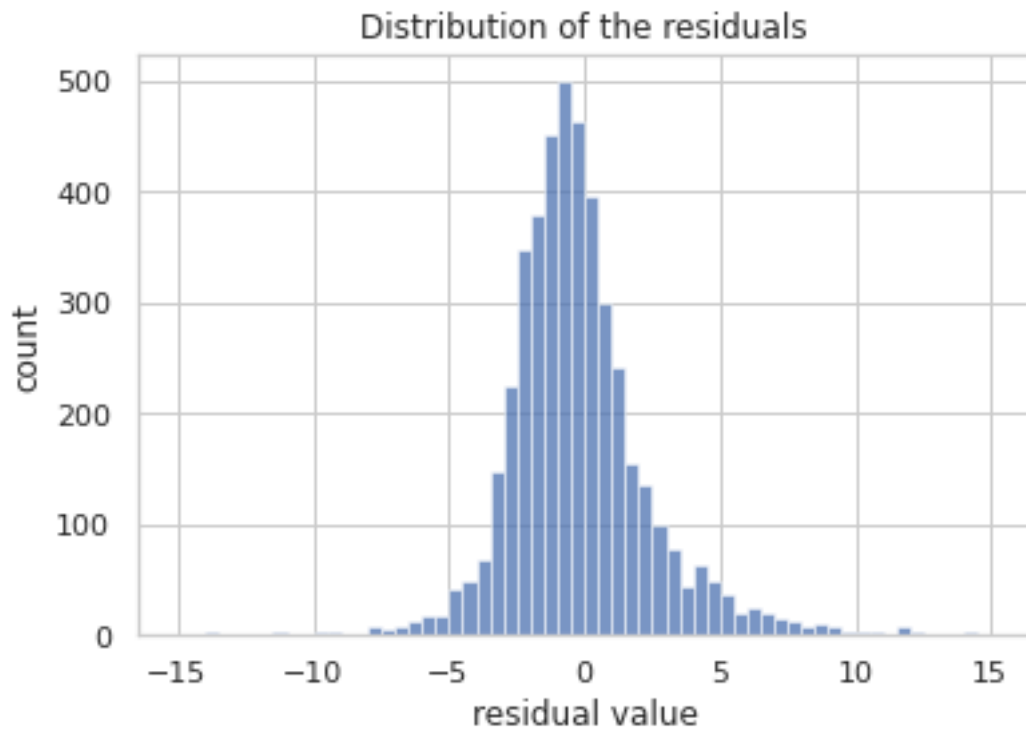


Visualize the distribution of the `residuals` using a histogram.

```

[48]: # Visualize the distribution of the `residuals`
sns.histplot(results['residual'], bins=np.arange(-15,15.5,0.5))
plt.title('Distribution of the residuals')
plt.xlabel('residual value')
plt.ylabel('count');

```

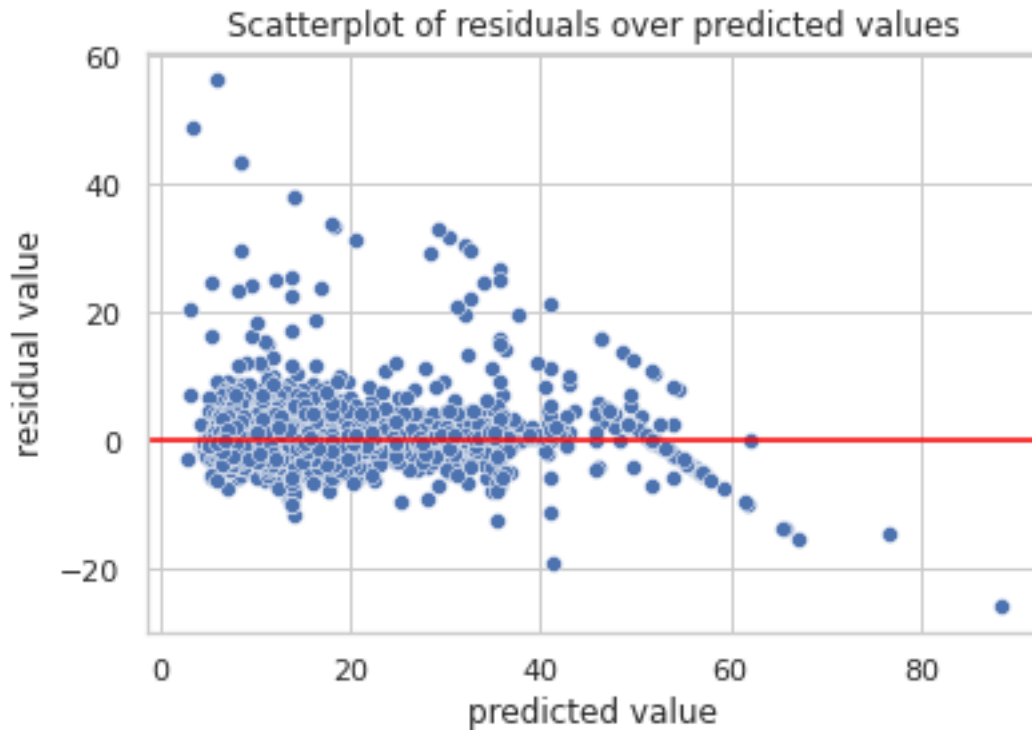


```
[49]: results['residual'].mean()
```

```
[49]: -0.01544262152868053
```

Create a scatterplot of residuals over predicted.

```
[50]: # Create a scatterplot of `residuals` over `predicted`  
  
sns.scatterplot(x='predicted', y='residual', data=results)  
plt.axhline(0, c='red')  
plt.title('Scatterplot of residuals over predicted values')  
plt.xlabel('predicted value')  
plt.ylabel('residual value')  
plt.show()
```



4.4.3 Task 9c. Coefficients

Use the `coef_` attribute to get the model's coefficients. The coefficients are output in the order of the features that were used to train the model. Which feature had the greatest effect on trip fare?

```
[51]: # Get model coefficients
coefficients = pd.DataFrame(lr.coef_, columns=X.columns)
coefficients
```

```
[51]:  passenger_count  mean_distance  mean_duration  rush_hour  VendorID_2
0          0.030825         7.133867         2.812115    0.110233    -0.054373
```

What do these coefficients mean? How should they be interpreted?

==> ENTER YOUR RESPONSE HERE

4.4.4 Task 9d. Conclusion

1. What are the key takeaways from this notebook?
2. What results can be presented from this notebook?

==> ENTER YOUR RESPONSE HERE

Congratulations! You've completed this lab. However, you may not notice a green check mark next to this item on Coursera's platform. Please continue your progress regardless of the check mark. Just click on the "save" icon at the top of this notebook to ensure your work has been logged.