Online Shoppers Purchasing Intention

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Goal

Identifying customer online purchasing behavior based on various attributes

Determining types of customers based on pages visited and bounce rates – Are customers less likely to have a high bounce rate if they have spent a considerable amount of time on the site?

Dependent Variable: Page Value (\$)

Independent Variables:

- Administrative Pages Visited
 - Administrative Duration
- Informational Pages Visited
 - Informational Duration
- Product Related Pages Visited
 - Product Related Duration
 - Bounce Rates
 - Exit Rates

New Independent Variables:

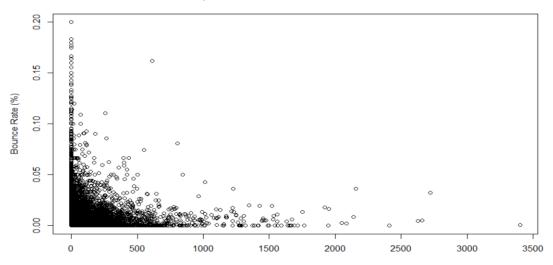
- Average Session Duration
- Average Different Page Visited
- Minutes Spent on Product Related Page

Information about the Dataset

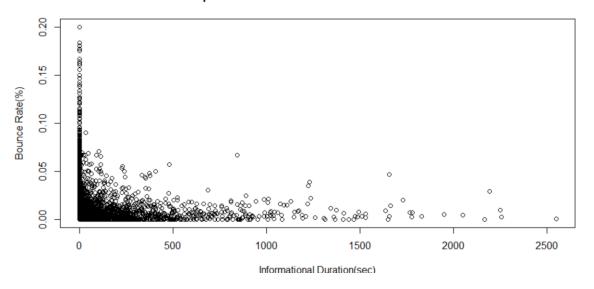
- The dataset consists of 10 numerical and 8 categorical attributes
- "Administrative", "Administrative Duration", "Informational", "Informational Duration", "Product Related" and "Product Related Duration"
 - These all represent the no of diff types of pages visited by the visitor in that session and total time spent in each of these page categories
- "Bounce Rate", "Exit Rate" and "Page Value"
 - These represent metrics measured by "Google Analytics" for each page in the e-commerce site
- Bounce rate= % of visitors who enter the site from that page and then leave ("bounce") without triggering any other requests
- "Page Value" = the avg value for a web page that a user visited before completing an e-commerce transaction

Pages Relationship with Bounce Rates

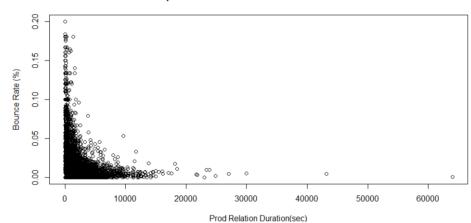
Relationship between Admin Duration and Bounce Rates



Relationship between Informational Duration and Bounce Rate

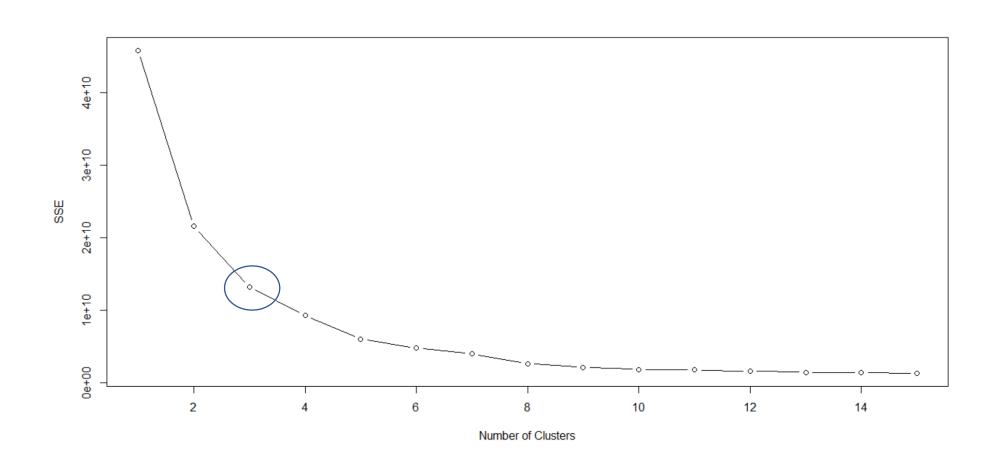


Relationship between Prod Related Duration and Bounce Rate

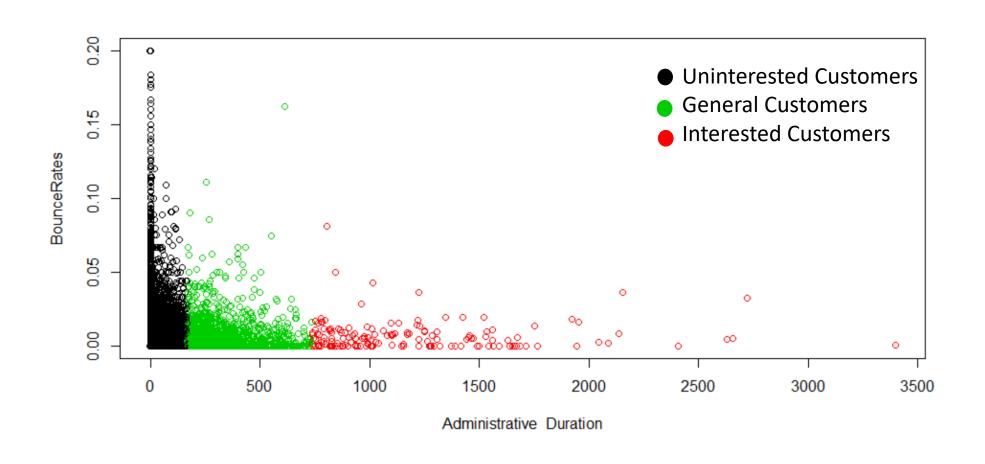


All three graphs demonstrate similar behavior where customers who generally spent more time on a page were less likely to leave the website from the landing page without browsing further

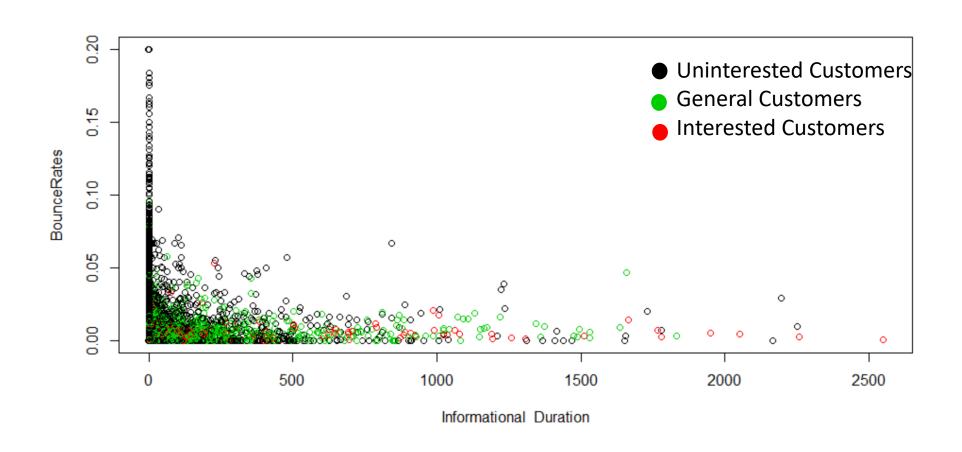
Determining Number of K Clusters (Elbow curve)



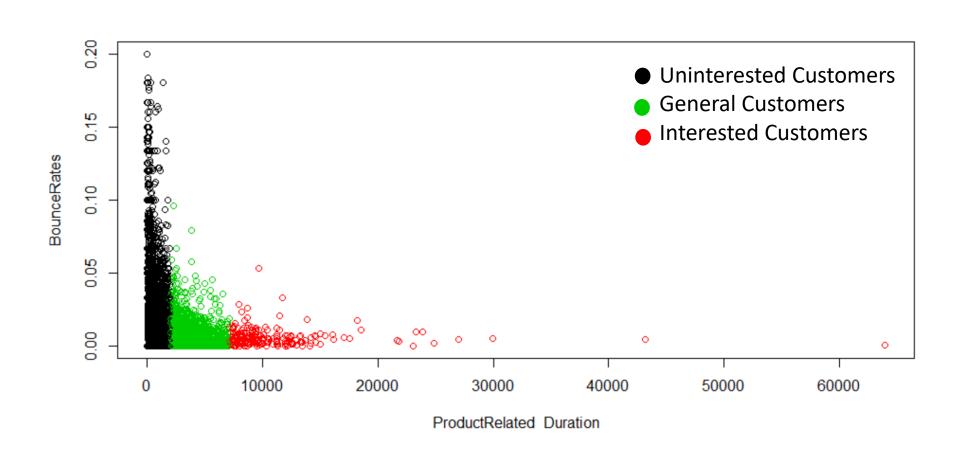
Types of Customers Clustering - Administrative Page



Types of Customers Clustering - Informational Page

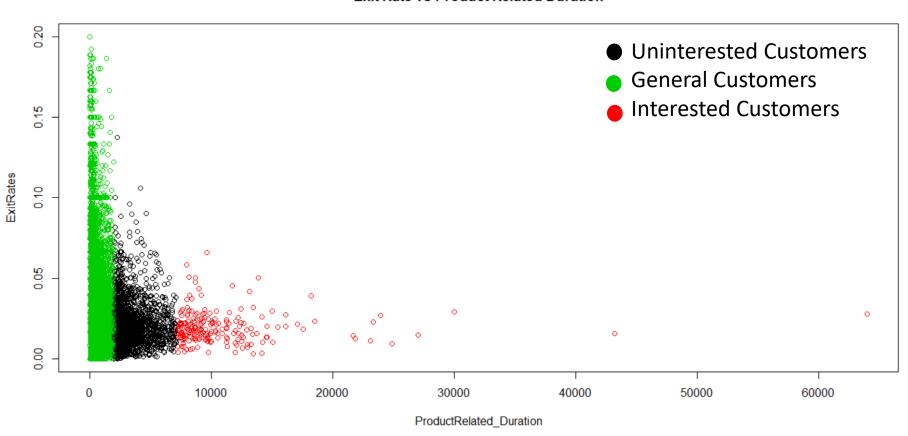


Types of Customers Clustering- Product Related Page



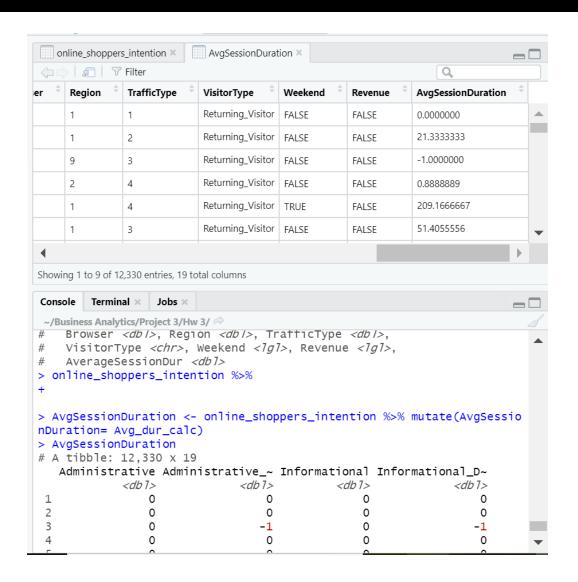
Types of Customers Clustering -Exit Rate

Exit Rate vs Product Related Duration



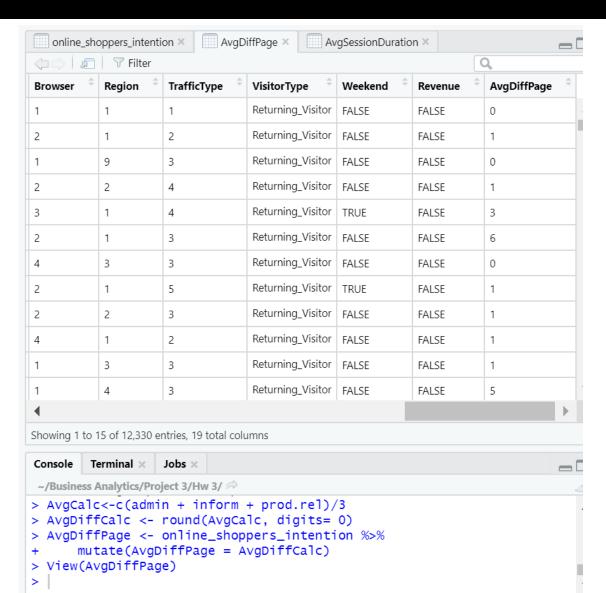
1st New Independent Variable – Average Session Duration

```
> Avg_dur_calc <- c(admin_dur + inform_dur + prod.rel.dur)/3</pre>
> Avg_dur_calc
          0.0000000
                       21.3333333
                                     -1.0000000
                                                   0.8888889
        209.1666667
                       51.4055556
                                     -1.0000000
                                                  -1.0000000
   [9]
         12.3333333
                      246.0000000
                                    131.6666667
                                                 135.9166667
  [13]
         93.5000000
                       32.6666667
                                     22,6666667
                                                 573.7617063
  [17]
         -1.0000000
                                    10.6666667
                                                 993.7222223
                      111.6555556
  [21]
         45.3888889
                       -1.0000000
                                     35.0000000
                                                   5.0000000
  [25]
         -1.0000000
                       52.0000000
                                    400.0148147
                                                  25.3333333
  [29]
         21.0000000
                      529.5833333
                                    11.6666667
                                                  26.0000000
  [33]
         69.8333333
                       61.2222222
                                   126.8333333
                                                 695.4142857
```

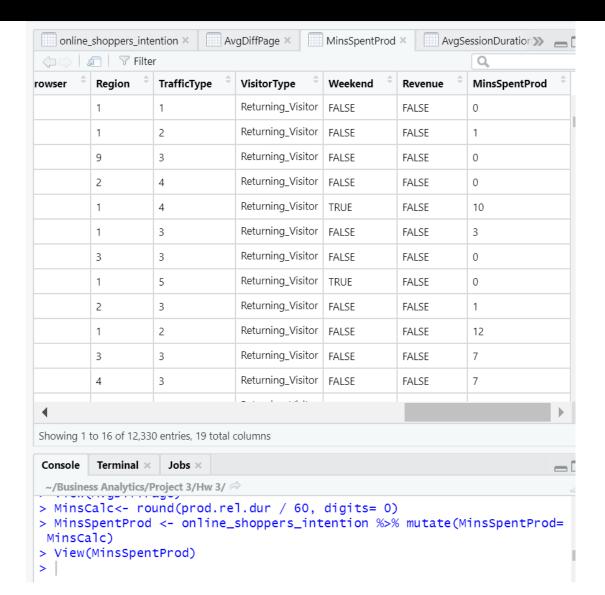


2nd New Independent Variable – Average Different Page Visited

```
> AvgCalc<-c(admin + inform + prod.rel)/3
> AvgDiffCalc <- round(AvgCalc, digits= 0)
> AvgDiffPage <- online_shoppers_intention %>%
+ mutate(AvgDiffPage = AvgDiffCalc)
> |
```



3rd New Independent Variable – Minutes Spent on Product Duration Page



Cluster Analysis

```
"withinss"
[1] "cluster"
                   "centers"
                                   "totss"
                                   "size"
                                                  "iter"
[5] "tot.withinss" "betweenss"
[9] "ifault"
> Cluster <- subset(ecommerce.data, select=c(1:9))</pre>
> kmeans(Cluster, 3)
K-means clustering with 3 clusters of sizes 10134, 207, 1975
Cluster means:
  Administrative Administrative_Duration Informational
        1.821985
                                 62.10943
                                              0.3275113
        7.439614
                                295.36489
                                              2.7487923
        4.325063
                                154.87748
                                              1.1741772
  Informational_Duration ProductRelated ProductRelated_Duration
                19.98624
                               18.63173
                                                         577.3255
               266.72309
                               236.10628
                                                      10886.1744
                84.67262
                               77.72962
                                                        3355.1075
  BounceRates ExitRates PageValues
1 0.025411677 0.04763612
                           5.511318
2 0.005939756 0.01968831
                           4.521370
3 0.007128234 0.02167056
                           8.013634
Clustering vector:
[249] 1 3 3 3 1 1 1 1 1 1 1 1 1 1 1 1 1 3 1 1 1 1 1 1 1 1 1 1 1 3 1
```

```
In storage.mode(x) <- "double" : NAs introduced by co</pre>
  > Cluster <- subset(ecommerce.data, select=c(1:9))</pre>
  > Results <- kmeans(Cluster, 3)</pre>
  > Results
[1] "cluster"
                                          "withinss"
                "centers"
                             "totss"
                                                       "tot.withinss"
[6] "betweenss"
                "size"
                             "iter"
                                          "ifault"
> Results$size
[1] 10134 207 1975
 Results$cluster
```

Cluster Analysis

~~	∑ Filter					
n [‡]	ProductRelated	ProductRelated_Duration	BounceRates [‡]	ExitRates [‡]	PageValues	segment
	1	0.000000	0.200000000	0.200000000	0.00000	1
	2	64.000000	0.000000000	0.100000000	0.00000	1
	1	-1.000000	0.200000000	0.200000000	0.00000	1
	2	2.666667	0.050000000	0.140000000	0.00000	1
	10	627.500000	0.020000000	0.050000000	0.00000	1
	19	154.216667	0.015789474	0.024561404	0.00000	1
1		-1.000000	0.200000000	0.200000000	0.00000	1
1		-1.000000	0.200000000	0.200000000	0.00000	1
(
Conso ~/Bu	ole Terminal × .	Jobs × ect 3/Hw 3/ ≈				
> <mark>se</mark> > cl > cl Erro	gment<-Results uster <- cbing uster <- cbing r in cbind(Clu ject 'Clusters	Tallsed column: 'clast sscluster d(Cluster, segment) d(Cluster, Clustersegnuster, Clustersegment) segment' not found d(Cluster, segment)	ment)			

Creating New Data Frames based on Clusters

```
> Seg1<- Cluster %>% filter(Cluster$segment ==0)
> Seg1<- Cluster %>% filter(Cluster$segment ==1)
> View(Seg1)
> df1 <- data.frame(Seg1)
> View(df1)
> Seg2 <- Cluster %>% filter(Cluster$segment ==2)
> df2 <- data.frame(Seg2)
> Seg3 <- Cluster %>% filter(Cluster$segment ==3)
> df3 <- data.fram(Seg3)
Error in data.fram(Seg3) : could not find function "data.fram"
> df3 <- data.frame(Seg3)</pre>
```

tional_Duration 🗘	ProductRelated [‡]	ProductRelated_Duration	BounceRates [‡]	ExitRates [‡]	PageValues [‡]	segment	
	1	0.000000	0.200000000	0.200000000	0.00000	1	
	2	64.000000	0.000000000	0.100000000	0.00000	1	
	1	-1.000000	0.200000000	0.200000000	0.00000	1	
	2	2.666667	0.050000000	0.140000000	0.00000	1	
	10	627.500000	0.020000000	0.050000000	0.00000	1	
	19	154.216667	0.015789474	0.024561404	0.00000	1	
	1	-1.000000	0.200000000	0.200000000	0.00000	1	
	1	-1.000000	0.200000000	0.200000000	0.00000	1	

Data Frame 1- Multivariate Linear Regression Analysis

```
Call:
lm(formula = df1$PageValues ~ df1$Administrative + df1$Administrative_Duration +
   df1$Informational + df1$Informational_Duration + df1$ProductRelated_Duration +
   df1$ProductRelated + df1$BounceRates + df1$ExitRates)
Residuals:
  Min
         10 Median 30 Max
-14.31 -7.41 -4.79 1.21 353.46
Coefficients:
                           Estimate Std. Error t value Pr(>|t|)
                7.436e+00 4.931e-01 15.080 < 2e-16 ***
(Intercept)
df1$Administrative
                  9.431e-02 8.953e-02 1.053 0.2922
df1$Administrative_Duration 3.914e-04 1.633e-03 0.240 0.8107
df1$Informational
                   -3.100e-01 2.449e-01 -1.266 0.2057
df1$Informational_Duration 1.068e-03 2.269e-03 0.471 0.6380
df1$ProductRelated_Duration 4.019e-03 5.320e-04 7.555 4.54e-14 ***
df1$ProductRelated -3.545e-02 1.622e-02 -2.186 0.0288
df1$BounceRates 7.319e+01 8.833e+00 8.285 < 2e-16
                         -1.167e+02 9.587e+00 -12.175 < 2e-16 ***
df1$ExitRates
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
Residual standard error: 18.28 on 10125 degrees of freedom
Multiple R-squared: 0.04697, Adjusted R-squared: 0.04622
F-statistic: 62.38 on 8 and 10125 DF, p-value: < 2.2e-16
```

Multiple Linear Regression Equation:

```
Page Value ($) = 7.436e+00 + 9.431e-02(x1) + 3.914e-04(x2) + (-3.100e-01(x3)) + 1.068e-03(x4) + 4.019e-03(x5) + (-3.545e-02(x6)) + <math>7.319e+01(x7) + (-1.167e+02(x8))
```

Data Frame 2- Multivariate Linear Regression Analysis

```
Call:
lm(formula = df2$PageValues ~ df2$Administrative + df2$Administrative_Duration +
   df2$Informational + df2$Informational_Duration + df2$ProductRelated_Duration +
   df2$ProductRelated + df2$BounceRates + df2$ExitRates)
Residuals:
  Min
          10 Median
                       3Q
                            Max
-9.745 -4.294 -1.988 1.485 50.509
Coefficients:
                         Estimate Std. Error t value Pr(>|t|)
(Intercept)
              1.021e+01 2.311e+00 4.421 1.62e-05 ***
                         2.955e-01 1.287e-01 2.296 0.02271 *
df2$Administrative
df2$Administrative_Duration -3.674e-04 2.277e-03 -0.161 0.87198
df2$Informational
                        5.233e-02 2.444e-01 0.214 0.83065
df2$Informational Duration -8.012e-04 1.698e-03 -0.472 0.63745
df2$ProductRelated_Duration 1.116e-04 2.049e-04 0.544 0.58681
df2$ProductRelated -1.569e-02 7.808e-03 -2.009 0.04589 *
df2$BounceRates 8.964e+01 1.610e+02 0.557 0.57829
df2$ExitRates
                    -2.924e+02 1.057e+02 -2.767 0.00619 **
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
Residual standard error: 8.321 on 198 degrees of freedom
Multiple R-squared: 0.1082, Adjusted R-squared: 0.07212
F-statistic: 3.001 on 8 and 198 DF, p-value: 0.003362
```

Data Frame 3- Multivariate Linear Regression Analysis

```
Call:
lm(formula = df3$PageValues ~ df3$Administrative + df3$Administrative_Duration +
   df3$Informational + df3$Informational_Duration + df3$ProductRelated_Duration +
   df3$ProductRelated + df3$BounceRates + df3$ExitRates)
Residuals:
   Min
            10 Median
                           30
                                  Max
-18.059 -8.831 -4.588 1.476 232.038
Coefficients:
                          Estimate Std. Error t value Pr(>|t|)
(Intercept)
                         1.633e+01 1.422e+00 11.481 < 2e-16 ***
df3$Administrative
                           3.042e-01 1.200e-01 2.535 0.011312 *
df3$Administrative Duration -2.734e-04 1.988e-03 -0.138 0.890616
df3$Informational
                    6.758e-01 2.850e-01 2.371 0.017830 *
df3$Informational_Duration -1.836e-03 2.421e-03 -0.758 0.448332
df3$ProductRelated_Duration 1.036e-04 4.021e-04 0.258 0.796615
df3$ProductRelated
                      -4.608e-02 1.184e-02 -3.893 0.000102 ***
                       1.234e+02 7.525e+01 1.640 0.101074
df3$BounceRates
df3$ExitRates
                          -3.632e+02 4.829e+01 -7.520 8.29e-14 ***
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
Residual standard error: 17.91 on 1966 degrees of freedom
Multiple R-squared: 0.06636, Adjusted R-squared: 0.06256
F-statistic: 17.47 on 8 and 1966 DF, p-value: < 2.2e-16
```

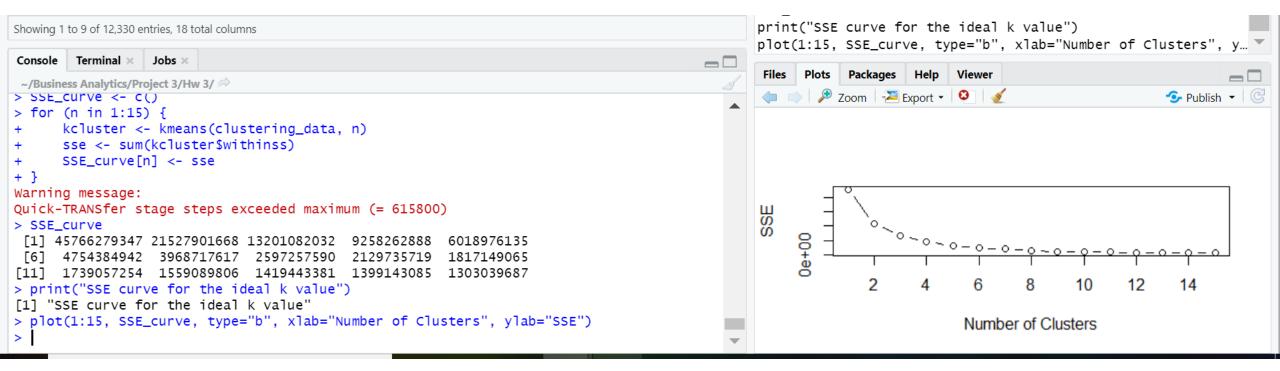
Key Insights

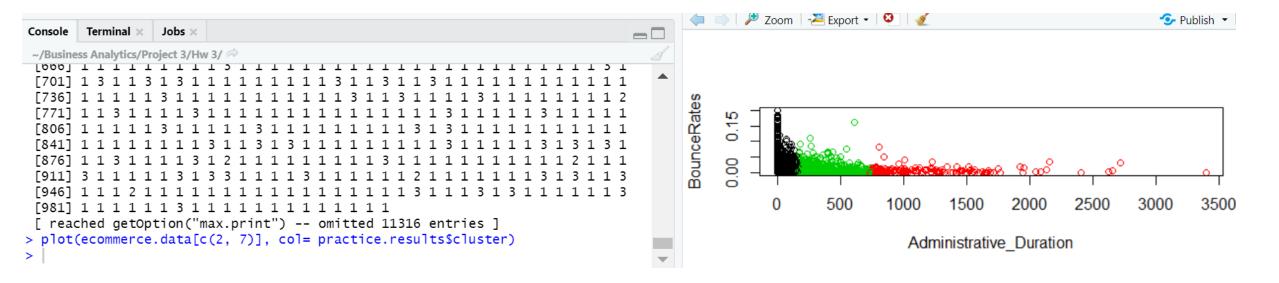
- All three graphs on Page 5 demonstrate similar behavior where customers who generally spent more time on a page were
 less likely to leave the website from the landing page without browsing further
 - There seems to be a slight negative relationship
- Based on the clustering graphs on Pages 6-8, customers can be categorized into 3 groups:
 - Interested Customers → these customers stayed on the administrative page and product related pages for a
 considerable amount of time. Moreover, these customers are less likely to bounce from a page, thus they should be
 targeted more heavily
 - General Customers
 - Unsatisfied Customers → these customers showed little to no interested as they left the site early on. These types customers require more analysis as to why they were dissatisfied with their visit
- The cluster analysis revealed the total amount of observations to be categorized into 3 clusters. The first cluster had a considerably larger group of 10,134 observations, whereas the second cluster had 207 and the third cluster has 1975
 - The multivariate linear regression also revealed significant p-values with certain variables which could ascertain that that users completed an eCommerce transaction based on spending considerable time on product related and administrative pages.
 - On Google Analytics, the company can assign a monetary goal value (e.g. \$10) to a certain page, this allows one to identify which pages as most valuable for the business
 - One can then promote low traffic pages and high page values to increase conversion rates

Appendix

```
> ecommerce.data <- na.omit(online_shoppers_intention)</pre>
> complete.cases(ecommerce.data)
```

[reached getOption("max.print") -- omitted 11316 entries]





```
+ dTL$InTormational + dTL$InTormational_Duration + dTL$ProductKelated_Duration + dTL$Pr
oductRelated + df1$BounceRates + df1$ExitRates)
> summary(model)
Call:
lm(formula = df1$PageValues ~ df1$Administrative + df1$Administrative_Duration +
   df1$Informational + df1$Informational_Duration + df1$ProductRelated_Duration +
   df1$ProductRelated + df1$BounceRates + df1$ExitRates)
Residuals:
  Min 10 Median 30 Max
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df1$Administrative_Duration 3.914e-04 1.633e-03 0.240 0.8107
df1$Informational -3.100e-01 2.449e-01 -1.266 0.2057
df1$Informational_Duration 1.068e-03 2.269e-03 0.471 0.6380
df1$ProductRelated_Duration 4.019e-03 5.320e-04 7.555 4.54e-14 ***
df1$ProductRelated -3.545e-02 1.622e-02 -2.186 0.0288 *
df1$BounceRates 7.319e+01 8.833e+00 8.285 < 2e-16 ***
               -1.167e+02 9.587e+00 -12.175 < 2e-16 ***
df1$ExitRates
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' '1
Residual standard error: 18.28 on 10125 degrees of freedom
Multiple R-squared: 0.04697, Adjusted R-squared: 0.04622
F-statistic: 62.38 on 8 and 10125 DF, p-value: < 2.2e-16
```

