

BUSINESS INTELLIGENCE LABORATORY

Practice on a Classification Problem

Dataset

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- `ee_dataset.arff`
- A dataset of 7.500 customers of a German electric power company
- Some customers intend to cancel their subscription (attribute `canceler`)
- A special promotion consisting of a discount on the price of electricity must be planned to prevent cancelers to abandon.

Task 1: Preprocessing

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- Split the dataset into training and test
- Investigate the meaning of attributes from the provided documentation
- Study the distribution of data and the relevance of attributes
- If needed, create derived attributes

Task2: Classification

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- Address the classification problem maximizing the following **gain function** instead of accuracy:

	No offer sent	Offer sent
Non Canceler	72,00 Euro	66,30 Euro
Canceler	0 Euro	43,80 Euro

Task 3: Lift Chart

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- Assume to have **limited amount of resources**, so that at most 250 offers can be sent out. How many cancelers does your classifier can reach?

Task 4: Validation set

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- Answer to the tasks using as test set a totally new set of data ([ee_validation.arff](#)). How do the performances of your classifier change?