

# Car Shipment Delay Prediction

Predicting delays and financial losses in car part shipments using Machine Learning

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### **Problem Statement**

#### **Business Problem**

 Car manufacturers often face unpredictable shipment delays due to various reasons like supplier issues, weather, holidays, and strikes. These delays can lead to production slowdowns and significant financial losses.

#### **Project Goal**

To build a system that can:

- Predict if a car shipment will be delayed
- Estimate how many days it might be delayed
- Calculate the potential financial impact of that delay

#### **Why This Matters**

By identifying delays early, the company can take **proactive steps** like adjusting schedules or sourcing from alternate suppliers to reduce losses, plan better, and improve overall supply chain efficiency.



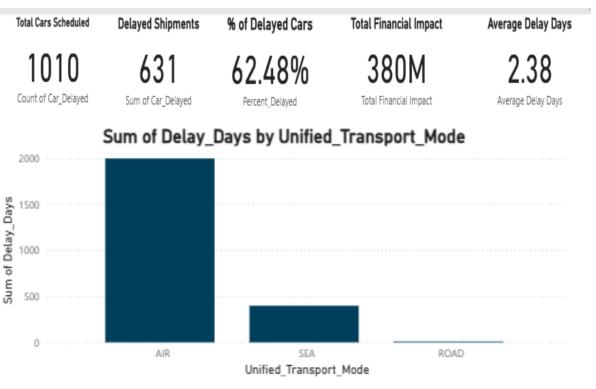
# **Understanding the Dataset**



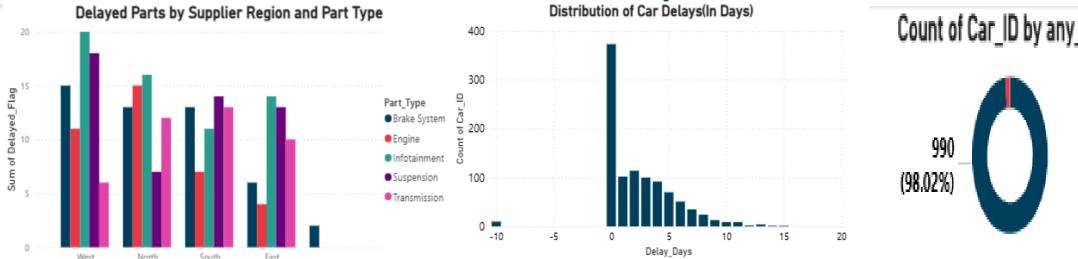
- I used an AI-generated dataset with ~1,000 car shipments, including part delivery dates, supplier info, delay reasons, and external factors like weather, strikes, and holidays.
- To avoid data leakage, I excluded Supplier\_Reliability, which could unintentionally leak future information. Instead, I used historical Supplier\_Performance\_Score.
- After cleaning and feature engineering, I used:
- 15 features for delay prediction and delay days models
- 5 features for financial impact prediction

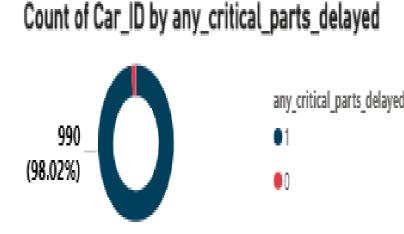
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### **Exploratory Insights into Delay Patterns**

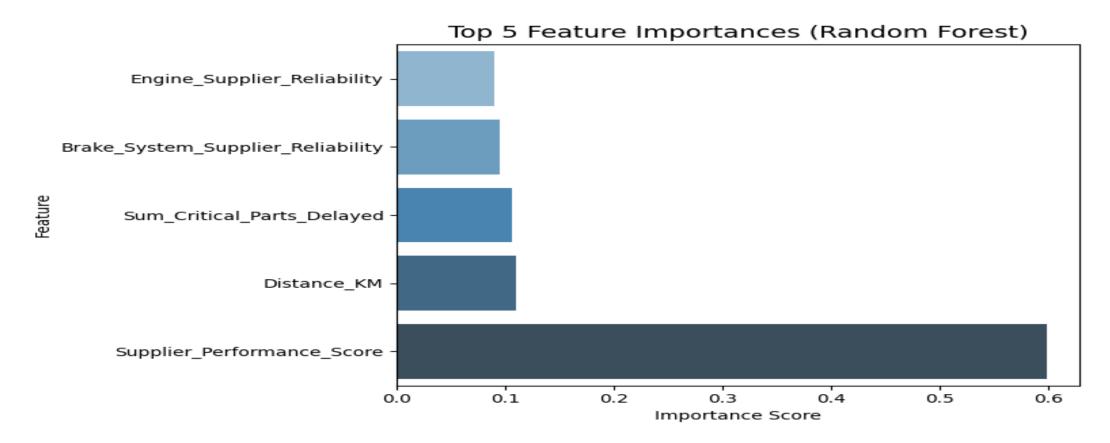


- Unreliable transport methods like air showed significantly higher cumulative delay days.
- **Certain regions and part types especially Infotainment and Suspension parts from west** zones — contributed heavily to delays.
- Most delays occurred when critical components were delayed.
- Majority of delayed cars were late by 0-5 days, but there's a long tail with extreme delays of 5-15 days.
- **62.48%** of total cars experienced shipment delays, causing 380 Million of total financial impact.



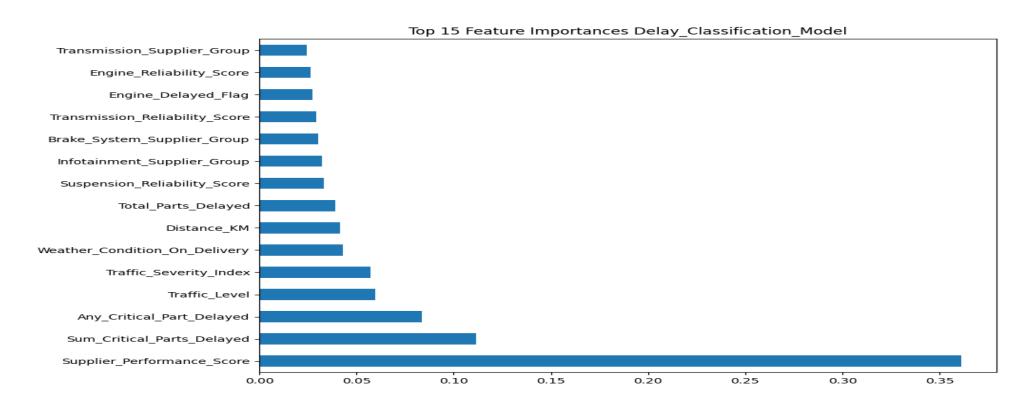


### Feature Importances of Random\_Forest\_Financial\_Impact

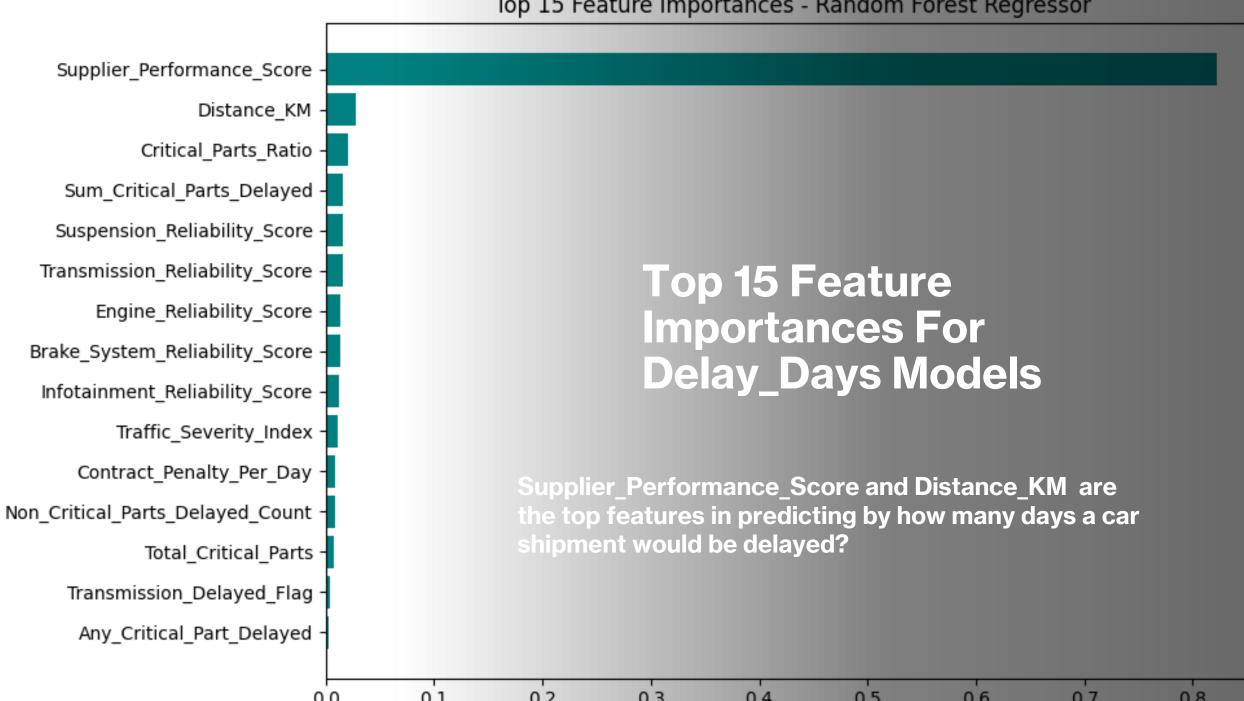


**Supplier\_Performance\_Score and Distance\_KM drive cost the most.** 

## **Top 15 Features Used in Classification Model**



Supplier\_Performance\_Score and Sum\_Critical\_Parts\_Delayed are the top features in classifying whether a car shipment would be delayed yes or no, with probability.



# **Modeling Approach**

Classification Model

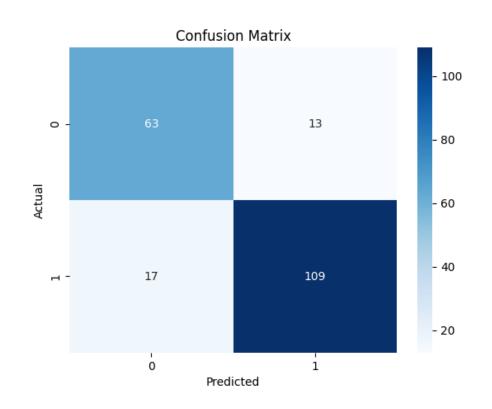
Regression - Delay Days

Regression - Financial Impact

I built **three machine learning models** to tackle different business questions:

- Will the shipment be delayed? (Classification Random Forest)
  - **If delayed, by how many days?** (Regression Random Forest)
  - What's the financial impact? (Regression Random Forest)
- For each model, I selected the top-performing features after preprocessing, label encoding, and handling missing values.
- Models were evaluated using metrics like F1-score,
   MAE, and R<sup>2</sup>, depending on the task.

# Model Performance Summary



Model	Key Metric(s)	Performan ce
Delay Classification	Accuracy / F1	85% / 0.88
Delay Days (Regressor)	MAE / R <sup>2</sup>	0.86 / 0.81
Financial Impact	MAE / R <sup>2</sup>	\$445 / 0.73

### **Interactive Delay Prediction App**

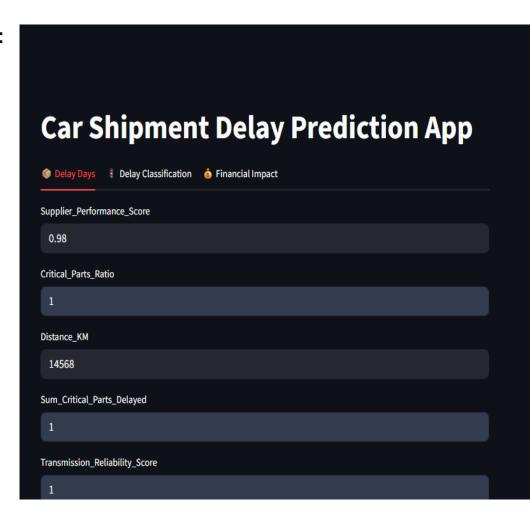
- I built a Streamlit web app that allows business users to:
- Q Predict if a car shipment will be delayed (Yes/No)
- **Estimate** the number of delay days
- Quantify the financial loss due to the delay
- The app uses 3 separate ML models behind the scenes and takes 15 key inputs.

#### **⊘** Live App URL:

https://car-shipment-delay-prediction-8gxekgz52yqxspeqtu8svv.streamlit.app/

#### GitHub Repo:

Amneetkaur24/car-shipment-delay-prediction



# **How This Project Drives Real Business Value**

#### Smarter Operations Planning

By predicting delays and their financial impact, supply chain managers can **prioritize shipments**, reroute logistics, or increase buffer stock — **before** delays happen.

#### Cost Savings up to \$450 per Vehicle

On average, the model can help **prevent \$445-\$665** in losses per delayed car, by allowing early intervention in procurement and transport planning.

#### Improved Supplier Accountability

Supplier performance metrics and delay reasons now support **data-driven negotiations** and **SLA revisions**, especially for underperforming regions or routes.

#### Executive-Level Decision Support

The Power BI dashboard and Streamlit app offer an **interactive interface** for leadership to monitor, simulate, and act on delay trends instantly.

### **Future Work**



#### **Add Real-Time Data Integration**

In future iterations, the model can integrate real-time data feeds (e.g., weather alerts, live supplier updates, strikes) to predict delays with greater accuracy and timeliness.



#### **Enhance Feature Granularity**

Current model uses part categories – future work can include **specific part codes** or **critical part tags** to precisely identify high-impact components like engine or transmission.



#### **Expand Cost Analysis**

Extend the financial impact model to include **indirect costs** (e.g., customer penalties, lost goodwill) and compare different **what-if scenarios** (e.g., fast shipping vs. delayed shipping costs).



#### **Model Optimization**

Continue tuning models (hyperparameter tuning, feature engineering) and test advanced methods like **XGBoost or SHAP** for even better performance and explainability.



### **Thank You!**

- Project: Car Shipment Delay Prediction
- Focus: Delay classification, delay days prediction, and financial impact estimation using machine learning
- **Goal:** Help manufacturing teams reduce losses and improve supply chain planning
- ♣ Thank you for your time!
  Feel free to ask about the models, app, or business insights I'd love to walk through any part in more detail

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