TITLE: Business Case Study – TARGET SQL

Context:

Target is a globally renowned brand and a prominent retailer in the United States. Target makes itself a preferred shopping destination by offering outstanding value, inspiration, innovation and an exceptional guest experience that no other retailer can deliver.

This business case focuses on the operations of Target in Brazil and provides insightful information about 100,000 orders placed between 2016 and 2018. The dataset offers a comprehensive view of various dimensions including the order status, price, payment and freight performance, customer location, product attributes, and customer reviews.

By analysing this extensive dataset, it becomes possible to gain valuable insights into Target's operations in Brazil. The information can shed light on various aspects of the business, such as order processing, pricing strategies, payment and shipping efficiency, customer demographics, product characteristics, and customer satisfaction levels.

Problem Statement:

Assuming you are a data analyst/ scientist at Target, you have been assigned the task of analysing the given dataset to extract valuable insights and provide actionable recommendations.

What does 'good' look like?

- 1. Import the dataset and do usual exploratory analysis steps like checking the structure & characteristics of the dataset:
 - 1. Data type of all columns in the "customers" table.

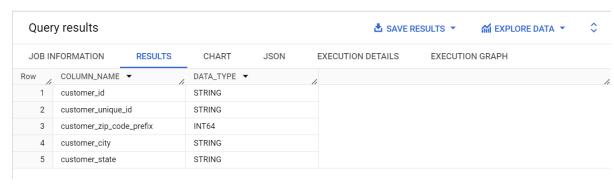
Query:

SELECT COLUMN_NAME, DATA_TYPE

FROM `Project1TargetSQL.INFORMATION_SCHEMA.COLUMNS`

WHERE TABLE_NAME = 'customers'

Output screenshot:



Insights:

All columns in this example are saved as strings (VARCHAR), except customer_zip_code_prefix which is integer. This implies that the data might mostly be textual in nature, and that any values relating to dates or numbers are probably saved as strings

Recommendations: NA

2. Get the time range between which the orders were placed.

Query:

Output screenshot:



Insights:

- 1. The orders in this case were placed between 2016-09-04 and 2018-10-17.
- 2. To analyze trends, seasonality, and overall order patterns over a certain time, it can be helpful to know the time range of the orders.

Recommendations: NA

3. Count the Cities & States of customers who ordered during the given period.

Query:

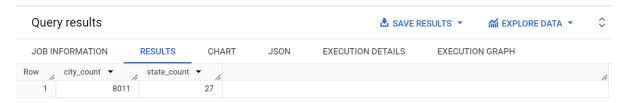
SELECT

```
count(distinct geolocation_city) as city_count ,count(distinct
geolocation_state) as state_count
```

FROM

`Project1TargetSQL.geolocation`

Output screenshot:



Insights:

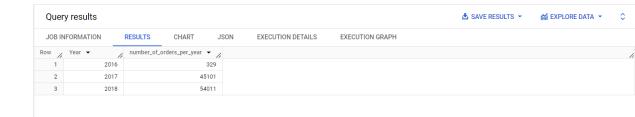
- 1. The dataset in this example has **27** distinct states and **8011** distinct cities. These figures can aid in our comprehension of the geographic distribution of our clientele or the scope of our dataset.
- 2. Analysing the distribution of cities and states might reveal information about the diversity or concentration of our clientele in various geographic areas. It might be helpful for regional analysis, figuring out hotspots, or figuring out how far our company has spread across the nation or the globe.

Recommendations: NA

2. In-depth Exploration:

1. Is there a growing trend in the no. of orders placed over the past years?

Query:



1. There has been an upward trend in the number of orders over the past few years after examining the results. A favourable trend can be seen if the order number regularly rises year over year. If there are variations or a negative tendency, however, it points to a different pattern.

Recommendations:

- 1. With an increasing number of orders, it's crucial to optimize inventory management. Ensure that the inventory levels are sufficient to meet the growing demand while avoiding overstocking.
- 2. Use the historical order data to improve forecasting and planning.
- 2. Can we see some kind of monthly seasonality in terms of the no. of orders being placed?

Query

```
select
```

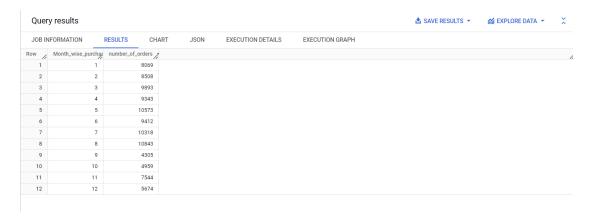
```
extract(month from order_purchase_timestamp) as Month_wise_purchase,
count(order_id) as number_of_orders
```

from

`Project1TargetSQL.orders`

group by Month_wise_purchase

order by 1



We see high purchase during May, June, July and August and a decline during October to December.

Recommendations:

- 1.Plan and execute targeted marketing campaigns during the peak months (May to August) to capitalize on the high purchase behaviour.
- 2.Tailor promotions, discounts, or special offers to attract and retain customers during these months.
- 3. During the months of lower purchasing activity (October to December), implement targeted promotions to stimulate sales.
- 4.Consider clearance sales, holiday promotions, or other incentives to maintain customer interest.
- 3. During what time of the day, do the Brazilian customers mostly place their orders? (Dawn, Morning, Afternoon or Night)

1. 0-6 hrs: Dawn

2. 7-12 hrs: Mornings3. 13-18 hrs: Afternoon

4. 19-23 hrs: Night

Query:

SELECT

CASE

WHEN EXTRACT(HOUR FROM order_purchase_timestamp) BETWEEN 0 AND 6 THEN 'Dawn'

WHEN EXTRACT(HOUR FROM order_purchase_timestamp) BETWEEN 7 AND 12 THEN 'Morning'

WHEN EXTRACT(HOUR FROM order_purchase_timestamp) BETWEEN 13 AND 18 THEN 'Afternoon'

```
WHEN EXTRACT(HOUR FROM order_purchase_timestamp) BETWEEN 19 AND 23 THEN 'Night'
```

END AS order_time_interval,

COUNT(*) AS order count

FROM 'Project1TargetSQL.orders'

GROUP BY order_time_interval

ORDER BY order_count DESC

Output screenshot:

Que	ry results				SAVE RESULTS ▼	
JOB II	NFORMATION RESULTS	CHART JSON	EXECUTION DETAILS	EXECUTION GRAPH		
Row /	order_time_interval ▼	order_count ▼ //				
1	Afternoon	38135				
2	Night	28331				
3	Morning	27733				
4	Dawn	5242				

Insights:

- 1. The highest order count is observed during the "Afternoon" time interval, indicating that this period is the peak time for placing orders.
- 2.There is a significant difference in order counts between the highest (Afternoon) and lowest (Dawn) time intervals, suggesting variability in customer ordering behaviour throughout the day
- 3.The "Night" and "Morning" time intervals have relatively high order counts, although not as high as the "Afternoon." This may indicate that there is substantial ordering activity during both early morning and late-night hours

- 1.Businesses may consider strategizing promotions, marketing, or order fulfillment processes based on the observed time intervals. For instance, during the peak afternoon period, ensuring efficient order processing and customer service may be crucial.
- 2.The insights can be used to make operational adjustments, such as optimizing staffing levels, inventory management, and marketing efforts to align with the observed ordering patterns.
- 3.Implementing time-sensitive marketing strategies, such as flash sales or exclusive offers during specific time intervals, could capitalize on the observed ordering trends.

4.Enhance the user experience during peak ordering times, ensuring that website/app performance, customer support, and order processing are optimized.

3. Evolution of E-commerce orders in the Brazil region:

1. Get the month-on-month no. of orders placed in each state.

Query:

```
SELECT
```

EXTRACT(MONTH FROM o.order_purchase_timestamp) AS order_month, c.customer_state,

COUNT(*) AS number_of_order

FROM

`Project1TargetSQL.orders` AS o

JOIN

`Project1TargetSQL.customers` AS c

ON

o.customer_id = c.customer_id

GROUP BY

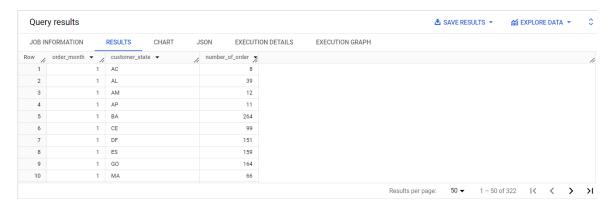
order_month,

c.customer_state

ORDER BY

order_month,

c.customer_state



Same output ordered by number_of_orders in desc :

Quer	ry results				ė	SAVE RESULTS	▼	PLORE DATA	~	\$
JOB IN	NFORMATION	RESULTS CHART	JSON EXECUTION DETAILS	S EXECUTION GRAPH						
Row /	order_month ▼	customer_state ▼	number_of_order >							1,
1	8	SP	4982							
2	5	SP	4632							
3	7	SP	4381							
4	6	SP	4104							
5	3	SP	4047							
6	4	SP	3967							
7	2	SP	3357							
8	1	SP	3351							
9	11	SP	3012							
10	12	SP	2357							
11	10	on.	1000							
					Results per page:	50 ▼ 1 -	50 of 322	K <	>	>1

Insights:

- 1. We can learn more about the monthly order count for each state by examining the query's results. Over time, we can spot trends, patterns, or seasonality in the order volume for various states. We can use it to determine which states have consistently high order volumes and to pinpoint any months or states where order counts have significantly changed. Here in our data, we can find that for every month the state called **SP** has the **highest** number of orders.
- 2. States with lower population density, such as AC and AP have relatively lower order counts

Recommendations:

- 1. Concentrate marketing efforts and resources on states with consistently high order counts, such as SP and RJ. Implement targeted campaigns to maintain and potentially expand market share in these regions.
- 2.Explore opportunities for market penetration in less populated states, such as AC and AP. Develop strategies to increase brand awareness, customer engagement, and market share in these regions.
- 2. How are the customers distributed across all the states?



Insights:

- 1.SP,RJ, and MG have the highest numbers of customers, indicating a concentrated market presence in these states. Businesses should strategically focus on these states for marketing initiatives, customer engagement, and product/service optimization.
- 2. States like RS, PR, SC, and BA have a moderate number of customers.

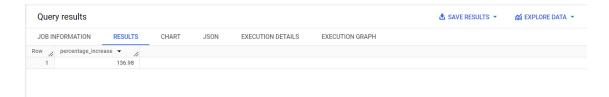
Businesses may find growth opportunities by targeting these states with tailored marketing strategies.

3.For states with a lower number of customers, such as AC, AP, RR, and others, businesses should consider implementing targeted strategies to increase market share and customer engagement.

- 1.Prioritize states with higher customer counts (SP, RJ, MG) for more significant investments.
- 2.Tailor marketing strategies to cater to the unique characteristics and preferences of customers in each state. Consider regional nuances, cultural factors, and local trends when designing campaigns.
- 3.Develop targeted market expansion plans for states with lower customer counts. Explore untapped markets by conducting market research and understanding the specific needs of customers in these regions.
- 4.Explore partnerships with local businesses or influencers in each state. Collaborations can help increase brand visibility and credibility within specific regions.
- 4. Impact on Economy: Analyze the money movement by e-commerce by looking at order prices, freight and others.
 - Get the % increase in the cost of orders from year 2017 to 2018 (include months between Jan to Aug only).
 You can use the "payment value" column in the payments table to get the cost of orders.

```
Query:
```

```
with cte as (
       select
               format_datetime('%Y-%m',order_purchase_timestamp) as
               date_month_order,
               p.order_id,
               p.payment_value
       from
               `Project1TargetSQL.payments` p
       Join
                `Project1TargetSQL.orders` o
       on
               p.order_id = o.order_id
),
final as (
       select
               sum (
               case when date_month_order between '2017-01' and '2017-08'
               then payment_value
               end ) as total_pay_2017,
               sum (
               case when date_month_order between '2018-01' and '2018-08'
               then payment_value
               end ) as total_pay_2018
               from cte
        )
       select
       round(((total_pay_2018-total_pay_2017)/total_pay_2017 * 100),2) as
       percentage_increase
       from final
```



- 1. For both 2017 and 2018, only orders placed from January to August are considered.
- 2. To get the % increase, the query analyses the monthly prices between 2017 and 2018.
- 3. The findings tell us a growth rate of approximately 137% from 2017 to 2018.

Recommendations:

- 1.Conduct a detailed analysis to identify the factors contributing to the observed growth rate. Explore whether the increase is driven by higher order volumes, increased prices, or a combination of both.
- 2.Perform a product-level analysis to understand which products experienced the most significant price increases or contributed the most to the overall growth. This insight can guide inventory management and pricing strategies.
- 3.Capitalize on the significant growth rate of approximately 137% from 2017 to 2018. Use this positive trend to inform marketing, sales, and business development strategies, showcasing the company's success and attracting stakeholders.
- 2. Calculate the Total & Average value of order price for each state.

Query:

JOIN

```
customer_state,

ROUND(SUM(p.payment_value),2) AS total_order_price,

ROUND(AVG(p.payment_value),2) AS average_order_price

FROM

'Project1TargetSQL.payments' p

JOIN

'Project1TargetSQL.orders' o

ON

p.order_id = o.order_id
```

```
`Project1TargetSQL.customers` c
```

ON

o.customer_id = c.customer_id

GROUP BY

customer_state

ORDER BY

total_order_price DESC

Output screenshot:

Quer	y results						 SAVE RESULTS	~	EXPLOR	E DATA	
JOB IN	NFORMATION	RESULTS	CHART	JSON EXECUTI	ON DETAILS	EXECUTION GRAPH					
Row /	customer_state ▼	//	total_order_price	average_order_price							
1	SP		5998226.96	137.5							
2	RJ		2144379.69	158.53							
3	MG		1872257.26	154.71							
4	RS		890898.54	157.18							
5	PR		811156.38	154.15							
6	SC		623086.43	165.98							
7	BA		616645.82	170.82							
8	DF		355141.08	161.13							
9	GO		350092.31	165.76							
10	ES		325967.55	154.71							
11	DE		204050 44	107.00							

Insights:

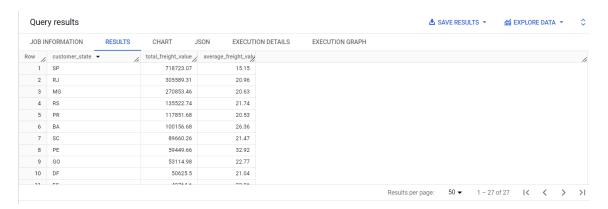
- 1.SP has the highest total order price, indicating a significant contribution to overall revenue. Businesses should continue to focus on optimizing operations and marketing efforts in this high-revenue state.
- 2.While SP has the highest total order price, PB has the highest average order price. Analyze the factors contributing to higher average order prices in specific states to understand customer behavior and preferences.
- 3.States like MA and RR show potential for growth, with relatively lower total order prices. Explore strategies to increase market share in these states, such as targeted marketing campaigns or promotions.

- 1. Allocate resources and marketing efforts to states with both high total order prices and high average order prices, such as SP and PB.
- 2. Analyze and optimize pricing strategies in states with lower average order prices to enhance overall revenue. Consider competitive pricing and promotional adjustments.
- 3.Develop regionalized marketing campaigns tailored to each state's preferences, focusing on customer segmentation and enhancing the overall customer experience.

3. Calculate the Total & Average value of order freight for each state.

```
Query:
```

```
SELECT
        customer_state,
        ROUND(SUM(oi.freight_value),2) AS total_freight_value,
        ROUND(AVG(oi.freight_value),2) AS average_freight_value
FROM
        `Project1TargetSQL.order_items` oi
JOIN
        `Project1TargetSQL.orders` o
ON
        oi.order_id = o.order_id
JOIN
        `Project1TargetSQL.customers` c
ON
        o.customer_id = c.customer_id
GROUP BY
        customer_state
ORDER BY
        total_freight_value DESC
```



- 1.SP incurs the highest total freight cost, suggesting a significant portion of shipping expenses originates from this state.
- 2. Average freight costs vary among states, with PB having the highest average. Understanding regional differences can inform logistics and pricing strategies.

Recommendations:

- 1. Consider strategic pricing adjustments in states with higher average freight costs to maintain competitiveness and balance overall cost-effectiveness.
- 2.Explore ways to optimize logistics and shipping processes in states with higher freight costs, such as MA and RR, to potentially reduce overall expenses.
- 5. Analysis based on sales, freight and delivery time.
 - 1. Find the no. of days taken to deliver each order from the order's purchase date as delivery time.

Also, calculate the difference (in days) between the estimated & actual delivery date of an order.

Do this in a single query.

You can calculate the delivery time and the difference between the estimated & actual delivery date using the given formula:

- time_to_deliver = order_delivered_customer_date order_purchase_timestamp
- diff_estimated_delivery = order_delivered_customer_date order_estimated_delivery_date

Query:

select

order_id,

```
date_diff(date(order_delivered_customer_date),
date(order_purchase_timestamp),day) as time_to_deliver,
    date_diff(date(order_estimated_delivery_date), date(order_delivered_custo
mer_date),day) as diff_estimated_delivery

from
    Project1TargetSQL.orders
where
    order_status = 'delivered' AND order_delivered_customer_date IS NOT NULL
order by
    diff_estimated_delivery desc
```

Row	order_id ▼	time_to_deliver ▼	diff_estimated_delive
1	0607f0efea4b566f1eb8f7d3c2	3	147
2	c72727d29cde4cf870d569bf6	7	140
3	eec7f369423b033e549c02f3c	21	135
4	c2bb89b5c1dd978d507284be	17	124
5	40dc2ba6f322a17626aac6244	8	109
6	1a695d543b7302aa9446c8d5f	12	84
7	39e0115911bf404857e14baa7	12	83
8	38930f76efb00b138f4d632e4d	11	78
9	c5132855100a12d63ed4e8ae0	12	78
10	559eea5a72341a4c82dbce988	13	78
11	ofo010006007000400000d47	1.4	77

Insights:

- 1. Insights into the effectiveness of the delivery process, including any delays or early deliveries compared to the projected timeframe, can be gained by analyzing the delivery_time and diff_estimated_delivery columns.
- 2. These columns can be further examined to find trends, outliers, or elements that affect delivery times or discrepancies between estimated and actual delivery dates.
- 3. These insights can be applied to manage customer expectations, enhance customer satisfaction, optimize the delivery process, and improve logistics operations.

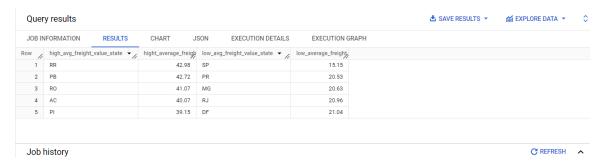
- 1.Conduct a detailed analysis of the delivery_time and diff_estimated_delivery columns to assess the overall effectiveness of the delivery process. Identify patterns, delays, or instances of early deliveries to gain comprehensive insights into the delivery timeline.
- 2.Apply the gained insights to manage customer expectations effectively. Communicate realistic delivery timelines based on the analysis, reducing the likelihood of discrepancies between estimated and actual delivery dates and enhancing overall customer satisfaction.

3. Establish a continuous monitoring system to track delivery performance over time. Regularly revisit the analysis to adapt strategies as needed, ensuring ongoing improvement and alignment with changing customer expectations and market dynamics.

2. Find out the top 5 states with the highest & lowest average freight value.

```
WITH
 high_value_state AS (
 SELECT
       customer_state AS high_avg_freight_value_state,
       ROUND(AVG(oi.freight_value),2) AS hight_average_freight_value,
       ROW_NUMBER() OVER (ORDER BY ROUND(AVG(oi.freight_value),2) DESC) as
rw_numb1
 FROM
        `Project1TargetSQL.order_items` oi
 JOIN
       `Project1TargetSQL.orders` o
 ON
       oi.order_id = o.order_id
 JOIN
       `Project1TargetSQL.customers` c
 ON
       o.customer_id = c.customer_id
 GROUP BY
       customer_state
 ORDER BY
       hight_average_freight_value DESC
 LIMIT 5),
 low value state AS (
 SELECT
```

```
customer_state AS low_avg_freight_value_state,
        ROUND(AVG(oi.freight_value),2) AS low_average_freight_value,
        ROW_NUMBER() OVER (ORDER BY ROUND(AVG(oi.freight_value),2) ASC) as
rw_numb2
 FROM
       `Project1TargetSQL.order_items` oi
 JOIN
       `Project1TargetSQL.orders` o
 ON
       oi.order_id = o.order_id
 JOIN
       `Project1TargetSQL.customers` c
 ON
        o.customer_id = c.customer_id
 GROUP BY
       customer_state
 ORDER BY
       low_average_freight_value ASC
 LIMIT 5)
SELECT
       high_avg_freight_value_state,
       hight_average_freight_value,
       low_avg_freight_value_state,
       low_average_freight_value
FROM
       high_value_state hvs
JOIN
       low_value_state lvs
ON
       hvs.rw_numb1 = lvs.rw_numb2
```



Insights:

- 1. The states with the highest average freight values like states called RR and PB may experience greater shipping prices due to reasons like remote locations, higher transportation costs, or supply chain difficulties.
- 2. It might be useful for our company to try to optimize logistics operations or save costs to locate places with relatively reduced shipping prices by looking at the states with the lowest average freight values like states such as SP and PR.

Recommendations:

- 1.Implement strategic cost management initiatives for states with higher average freight values, such as RR and PB. This could involve negotiating freight costs, optimizing logistics operations, or exploring alternative transportation solutions to mitigate the impact of remote locations or higher transportation costs.
- 2.Develop focused cost reduction initiatives based on the insights gained from the data. This might include negotiating favorable terms with carriers, exploring bulk shipping discounts, or identifying supply chain efficiencies to minimize shipping costs.
- 3. Find out the top 5 states with the highest & lowest average delivery time.

```
WHERE
       order_status = 'delivered' AND order_delivered_customer_date IS NOT NULL
ORDER BY
       order_purchase_timestamp
) t
JOIN
        `Project1TargetSQL.customers` c
ON
       t.customer_id = c.customer_id
group by
       c.customer_state
),
high_state as (
select
        state as high_state,
       avg_delivery as high_avg_delivery,
        row_number() over (order by avg_delivery desc ) as rnk1
from cte),
low_state as (
       select
               state as low_state,
               avg_delivery as low_avg_delivery,
               row_number() over (order by avg_delivery asc ) as rnk2
from cte )
select
        high_state,
        round(high_avg_delivery,2) as high_avg_delivery,
        low_state,
```

Query results								₫ SAVE RESULTS ▼	\$
JOB IN	IFORMATION	RESULTS	CHART J	SON	EXECUTION DETAILS	EXECUTION	GRAPH		
Row /	high_state ▼	11	high_avg_delivery /	low_state	· //	low_avg_delivery			/
1	RR		28.98	SP		8.3			
2	AP		26.73	PR		11.53			
3	AM		25.99	MG		11.54			
4	AL		24.04	DF		12.51			
5	PA		23.32	SC		14.48			

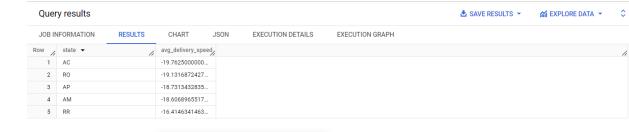
Insights:

- 1. Finding areas with effective delivery operations, quicker transit times, or solid logistics networks can be done by looking at the states like SP and PR with the lowest average delivery times and states called RR and AP with highest average delivery times.
- 2. These insights can be helpful for our company looking to improve customer satisfaction, operational efficiency, delivery process optimization, and setting reasonable expectations for customers based on regional delivery time patterns.

- 1.Collaborate with local stakeholders, including carriers and distribution partners, to optimize delivery operations in specific regions. Local insights and partnerships can contribute to more effective and tailored solutions.
- 2.Utilize insights to improve customer satisfaction by setting realistic delivery expectations based on regional patterns. Communicate transparently with customers about delivery times, and consider implementing initiatives to further enhance the delivery process.
- 4. Find out the top 5 states where the order delivery is really fast as compared to the estimated date of delivery.

You can use the difference between the averages of actual & estimated delivery date to figure out how fast the delivery was for each state.

```
Query:
with cte as (
select
       customer_state as state,
       avg(date_diff(order_delivered_customer_date,
       order_estimated_delivery_date,day)) as avg_delivery_speed,
       row_number() over (order by avg(
       date_diff(order_delivered_customer_date,order_estimated_delivery_date,
       day)) asc) as rnk
from
       `Project1TargetSQL.orders` o
join
       `Project1TargetSQL.customers` c
on
       o.customer_id = c.customer_id
WHERE
       o.order_delivered_customer_date IS NOT NULL AND
       o.order_estimated_delivery_date IS NOT NULL
group by
       customer_state
)
select
       state,
       avg_delivery_speed
from cte
where rnk <= 5
```



- 1. Company operating in these states called AC, RO, AP, and AM where average delivery speed is highest as negative indicates it deliver before the actual date of delivery. We can take advantage of the quicker delivery times by highlighting their rapid and dependable service, thereby drawing more clients, and boosting client satisfaction.
- 2. These data can help us improve our operations, enhance customer experience, optimize logistics, or look for expansion prospects in areas with a track record of quick order delivery.

Recommendations:

- 1. Highlighting the rapid and dependable service in marketing campaigns can attract more clients and significantly boost customer satisfaction.
- 2.Position the brand as synonymous with speed and reliability. Incorporate the quick delivery times into the company's brand messaging, emphasizing the commitment to efficient service and meeting or exceeding customer expectations.

6. Analysis based on the payments:

1. Find the month on month no. of orders placed using different payment types.

Months,
p.payment_type
order by
Months

Output screenshot:

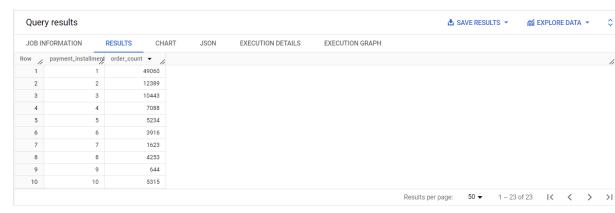


Insights:

- 1.We identify credit card as a payment method was mostly used followed by UPI , Vouchers , debit card then other.
- 2. Credit card as a payment method was most used in November 2017
- 3.Based on the payment preferences noticed during various months, these insights might help firms optimize their payment procedures, customize marketing campaigns, or enhance customer experiences.

Recommendations:

- 1.Customize marketing campaigns based on the popularity of payment methods. Tailor promotions, discounts, or loyalty programs that specifically target users of credit cards, UPI, Vouchers, and debit cards to maximize engagement and conversion.
- 2.Explore opportunities for promotional offers and partnerships with financial institutions or payment service providers. Collaborate to offer exclusive discounts, cashback, or incentives for users of popular payment methods, thereby encouraging customer loyalty and increasing transaction volumes.
- 2. Find the no. of orders placed on the basis of the payment installments that have been paid.



Insights:

- 1. The majority of orders (49,060) are made with a single instalment, indicating that a significant portion of customers prefers or has the financial capacity to make one-time payments for their orders.
- 2.As the number of instalments increases, the order count gradually decreases. This suggests that a decreasing proportion of customers opt for multiple instalments, with fewer customers choosing to spread payments across several periods.

- 1.Launch targeted promotions to encourage customers to opt for multiple instalments. Consider offering discounts, cashback, or exclusive incentives for orders with two or more instalments to attract a larger audience.
- 2.Offer flexible instalment plans that cater to varying financial capacities. Provide options for 2, 3, or 4 instalments to accommodate different budget preferences,

ensuring that customers can choose plans that align with their financial circumstances.