# TRAINING PROJECT REPORT



# **E-commerce Product Demand & Sales Analysis**

Data Engineering: Batch 4









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### 1. Project Overview

In the dynamic landscape of e-commerce, accurate demand forecasting is paramount for optimizing inventory management, supply chain efficiency, and marketing strategies. This project establishes a robust, end-to-end data and MLOps pipeline designed to address these challenges. The primary objective is to ingest raw e-commerce transaction data, transform it into a refined format, apply advanced machine learning models for predicting future demand, and automate the entire model lifecycle from training to deployment. The ultimate goal is to provide actionable insights through accessible visualizations, enabling data-driven decision-making for business stakeholders.

#### 2. Solution Architecture and Workflow

The solution employs a modern data architecture, adhering to the principles of the **medallion architecture** (Bronze, Silver, Gold layers) to ensure data quality, scalability, and accessibility. This is complemented by a robust MLOps framework for continuous integration and continuous delivery (CI/CD) of machine learning models, all orchestrated within the Azure cloud ecosystem.

#### **Architectural Components:**

- Azure Data Lake Storage Gen2 (ADLS Gen2): Serves as the central data lake, hosting the Bronze, Silver, and Gold layers. Its hierarchical namespace and HDFS compatibility make it ideal for big data analytics.
- Azure Databricks: The core compute engine for data ingestion, transformation, and machine learning model development. Its Apache Spark-based environment provides scalable processing capabilities.
- **MLflow:** Integrated within Databricks, MLflow is used for tracking machine learning experiments, managing model versions, and registering models for deployment.
- Azure Data Factory (ADF): The orchestration service responsible for scheduling and managing the end-to-end data pipeline, ensuring data flows smoothly between layers and triggering notebook executions.
- Azure DevOps: Facilitates the CI/CD pipeline for machine learning models, automating the promotion of models through various stages in the MLflow Model Registry.
- Azure Data Explorer (ADX): A fast, fully managed data analytics service optimized for ad-hoc queries and interactive dashboards on large volumes of data, used here for visualizing the final forecasts.

#### Workflow Overview:

- Data Ingestion (Bronze Layer): Raw e-commerce data is securely brought into ADLS Gen2.
- 2. **Data Transformation (Silver Layer):** Raw data undergoes cleansing, enrichment, and aggregation, transforming it into a structured, queryable format.

- 3. **Forecasting & MLflow Tracking (Gold Layer):** Machine learning models consume the Silver layer data to generate demand forecasts. All model training details and artifacts are meticulously tracked in MLflow.
- 4. **Model Promotion (MLOps CI/CD):** A streamlined process, automated by Azure DevOps, moves validated models from development to production stages.
- 5. **Pipeline Orchestration:** Azure Data Factory ensures the sequential and scheduled execution of all data processing and model training steps.
- 6. **Data Visualization:** The final, curated forecasts from the Gold layer are ingested into Azure Data Explorer for interactive analysis and dashboarding, providing business users with actionable insights.

# 3. Detailed Project Phases

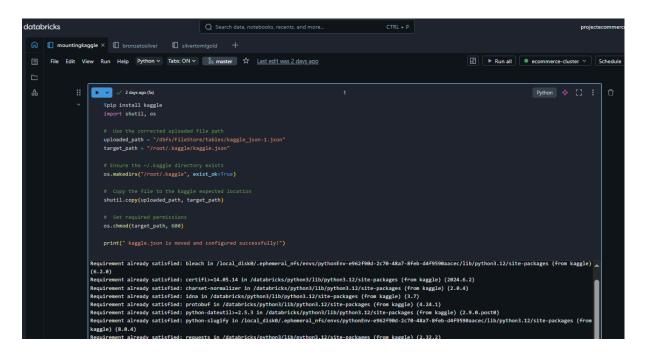
#### 3.1. Data Ingestion (Databricks Notebook: mountingkaggle)

This initial phase is responsible for acquiring the raw e-commerce dataset and establishing the **Bronze Layer** in Azure Data Lake Storage Gen2. The Bronze layer serves as a raw data landing zone, preserving the original state of the ingested data for auditability and future reprocessing.

- **Objective:** Securely download the RetailRocket e-commerce dataset from Kaggle and upload its constituent parts (events, item properties, category tree) into designated folders within the bronzelayer container in Azure Blob Storage.
- **Dataset Context:** The RetailRocket dataset is a well-known public dataset for e-commerce, containing user behavior data (events like views, add-to-cart, transactions) and item metadata. Its structure (multiple CSV files) necessitates careful handling during ingestion.
- Key Steps and Technical Details:
  - Kaggle API Integration: The kaggle Python library is installed and configured within the Databricks environment. This involves placing the kaggle.json API token securely in the /root/.kaggle/directory and setting appropriate file permissions (os.chmod(target\_path, 600)) to ensure secure authentication.
  - Data Download: The kaggle.api.dataset\_download\_files() function is used to download the retailrocket/ecommerce-dataset to a temporary location (/dbfs/tmp/) within the Databricks file system (DBFS). The unzip=False parameter is initially used to download the main zip file.
  - File Extraction: The downloaded .zip file is then extracted using Python's zipfile module to a dedicated directory (/dbfs/tmp/ecommerce\_dataset) to access the individual CSV files.
  - Azure Storage Configuration: The Azure Storage account name (storageecommerce) and its access key (storage\_account\_key) are configured using spark.conf.set(). This grants Spark clusters the necessary permissions to read from and write to ADLS Gen2.

- Data Upload to Bronze: A Python loop iterates through the extracted CSV files (events.csv, item\_properties\_part1.csv, item\_properties\_part2.csv, category\_tree.csv). For each file, dbutils.fs.cp() is used to copy the data from the temporary DBFS path to its corresponding folder within the bronzelayer container in Azure Blob Storage (e.g., wasbs://bronzelayer@storageecommerce.blob.core.windows.ne
  - wasbs://bronzelayer@storageecommerce.blob.core.windows.ne t/events/events.csv). This ensures data is organized logically within the raw layer.
- **Tools Used:** Azure Databricks, Python (with kaggle, shutil, os, zipfile libraries), Azure Blob Storage (Bronze Layer).

#### Notebook: mountingkaggle



```
import shutil, os

# Make sure the config directory exists
os.makedirs("/root/.config/kaggle", exist_ok=True)

# Copy kaggle.json to the expected location
shutil.copy("/root/.kaggle/kaggle.json", "/root/.config/kaggle/kaggle.json")

# Optional: reset permissions again
os.cheod("/root/.config/kaggle/kaggle.json", 600)

print(" kaggle.json copied to /root/.config/kaggle/")

kaggle.json copied to /root/.config/kaggle/
```

```
import kaggle

# Re-authenticate
kaggle.api.authenticate()

# Download RetailRocket dataset
kaggle.api.dataset_download_files(
    'retailrocket/ecommerce-dataset',
    path='/dbfs/tmp/',
    unzip=False
)

print(" Dataset downloaded successfully!")

Dataset URL: https://www.kaggle.com/datasets/retailrocket/ecommerce-dataset
Dataset downloaded successfully!
```

```
Python  

import zipfile

zip_path = "/dbfs/tmp/ecommerce-dataset.zip"
extract_path = "/dbfs/tmp/ecommerce_dataset"

# Unzip all contents
with zipfile.Zipfile(zip_path, 'n') as zip_ref:
    zip_ref.extractall(extract_path)

print(" Files extracted to", extract_path)

Files extracted to /dbfs/tmp/ecommerce_dataset
```

```
# Set your Azure Storage config

storage_account_name = "storageecommerce"

storage_account_key = "CLZSIPRieeBvBCfFN8y1jkxg0Tp28faTS2n109LrBnfA8tFgcSbM0XZKAPFLh01XZkBymz88mZsq+AStuynfMg=="

# Spark config to allow writing to ADLS Gen2

spark.conf.set(

f"fs.azure.account.key.(storage_account_name}.blob.core.windows.net",

storage_account_key

}

# Define local-to-ADLS path mappings

files_to_upload = {

    "events.csv": "events",

    "item_properties_part1.csv": "item_properties",

    "atem_properties_part2.csv": "item_properties",

    "atem_properties_part2.csv": "item_properties",

    "category_tree.csv": "category"

}

# Upload each CSV to the correct Bronze folder

for filename, folder in files_to_upload.items():

local_path = f"/dbfs/tmp/ecommerce_dataset/filename}'

adls_path = f"wasbs://bronzelayer@storage.account_name}.blob.core.windows.net/folder}/{filename}''

print(f" Uploading (filename) = {adls_path}")

dbutils.fs.cp(f"file:{local_path}", adls_path)

Uploading events.csv + wasbs://bronzelayer@storageecommerce.blob.core.windows.net/events/events.csv

Uploading item_properties_part1.csv + wasbs://bronzelayer@storageecommerce.blob.core.windows.net/item_properties/item_properties_part1.csv

Uploading item_properties_part1.csv + wasbs://bronzelayer@storageecommerce.blob.core.windows.net/item_properties_part1.csv

Uploading item_properties_part2.csv + wasbs://bronzelayer@storageecommerce.blob.core.windows.net/item_properties_part2.csv

Uploading item_properties_part2.csv + wasbs://bronzelayer@storageecommerce.blob.core.windows.net/item_properties_part2.csv

Uploading category_tree.csv + wasbs://bronzelayer@storageecommerce.blob.core.windows.net/item_properties_part2.csv

Uploading item_properties_part2.csv
```

#### 3.2. Data Transformation (Databricks Notebook: bronzetosilver)

This phase is critical for transforming the raw, potentially messy data from the Bronze layer into a clean, structured, and query-optimized format in the **Silver Layer**. The Silver layer is designed for enterprise-wide consumption, providing a single source of truth for refined data.

- **Objective:** Process the raw e-commerce events and item properties to derive meaningful features, specifically calculating daily sales counts per item, and store this in a Delta Lake format in the Silver layer.
- Key Steps and Technical Details:
  - Azure Storage Configuration: Similar to the ingestion notebook, Azure
     Storage account details are configured for Spark to access the Bronze layer.
  - Reading Bronze Data: Raw CSV files from the bronzelayer are read into PySpark DataFrames using spark.read.option("header", True).csv(). This includes events.csv, category\_tree.csv, and the two parts of item\_properties.csv.
  - Data Combination and Deduplication: The two item\_properties
     DataFrames (item\_props1\_df, item\_props2\_df) are combined using union(). Duplicate records based on itemid, property, and timestamp are removed using dropDuplicates() to ensure data integrity.
  - Transaction Filtering: The events\_df is filtered to isolate only "transaction" events using col("event") == "transaction", as these are directly relevant to sales demand.
  - Date Conversion: The timestamp column in the transactions\_df is converted to a date type using withColumn("event\_date", to\_date("timestamp")). This standardizes the date format for subsequent daily aggregations.
  - Item-Category Mapping Extraction: From the combined item\_props\_df, records where property == 'categoryid' are filtered to extract the itemid and its corresponding categoryid, creating item\_category\_df. This provides a lookup for item categorization.
  - Data Joining:
    - transactions\_df is joined with item\_category\_df on itemid using a left join to enrich transaction data with category information.
    - This intermediate DataFrame (tx\_item\_df) is then optionally joined with category\_df (from category\_tree.csv) on categoryid to get the full category hierarchy, if needed for deeper analysis.
  - Daily Demand Aggregation: The core transformation involves grouping the enriched transaction data by itemid and event\_date. Aggregations are performed to calculate:
    - daily\_sales\_count: Using count("\*") to count the number of transactions for each item on a given day.
    - categoryid: Using max("categoryid") (assuming a single category ID per item per day after joins).

- Saving to Silver Layer (Delta Format): The resulting daily\_demand\_df is saved to the silverlayer in Azure Blob Storage using the Delta Lake format
  - (.write.format("delta").mode("overwrite").save(silver\_pat h)). Delta Lake provides ACID properties, schema enforcement, and versioning, making the Silver layer reliable and performant for downstream analytics.
- **Tools Used:** Azure Databricks, PySpark (with pyspark.sql.functions), Pandas, Azure Blob Storage (Silver Layer Delta Lake).

#### Notebook: bronzetosilver

```
| Set storage configs | Storage configs | Storage account_name = "storage ecomerce" | Storage_account_key = "CLZSIPRiceBv8CffR8y]sixpdfp28faTS2n109Lr8nfA8tFgcSb80XZXAPFLh01XZk8ymz88mZsqxAStuywHkg==" | Storage_account_key = "CLZSIPRiceBv8CffR8y]sixpdfp28faTS2n109Lr8nfA8tFgcSb80XZXAPFLh01XZk8ymz88mZsqxAStuywHkg==" | Storage_account_key | Storage_account_name | Shlob.core.windows.net" | Storage_account_key | Storage_account_key | Storage_account_name | Shlob.core.windows.net" | Storage_account_key | Storage_account_name | Storage_account_nam
```

```
▶ (10) Spark Jobs
• 📾 daily_demand_df: pyspark.sql.dataframe.DataFrame = [itemid: string, event_date: date ... 2 more fields]
▶ 🖃 item_category_df: pyspark.sql.dataframe.DataFrame = [itemid: string, categoryid: string]
• 🔳 item_props_df: pyspark.sql.dataframe.DataFrame = [timestamp: string, itemid: string ... 2 more fields]
• 📾 transactions_df: pyspark.sql.dataframe.DataFrame = [timestamp: string, visitorid: string ... 4 more fields]
> 🖃 tx_item_cat_df: pyspark.sql.dataframe.DataFrame = [categoryid: string, itemid: string ... 6 more fields]
• 🖃 tx_item_df: pyspark.sql.dataframe.DataFrame = [itemid: string, timestamp: string ... 5 more fields]
|itemid|event_date|daily_sales_count|categoryid|
234169
              NULL
                                    18
                                               822
18726
              NULL
                                               249
298135
              NULL
                                              618
|303517|
              NULL
                                    36
                                               869
176424
              NULL
                                               56
369112
              NULL
                                              1542
281281
              NULL
                                              1643
              NULL
                                              330
29539
                                     4
65892
              NULL
                                     1
                                              1645
423457
              NULL
                                     1
                                               844
only showing top 10 rows
```

```
> / 2days ago (45a) 3

silver_path = f"wasbs://silverlayer@{storage_account_name}.blob.core.windows.net/daily_demand/"

daily_demand_df.write.format("delta").mode("overwrite").save(silver_path)

print(" Silver layer written to ADLS!")

> (5) Spark Jobs

Silver layer written to ADLS!
```

# 3.3. Forecasting Model Development (Databricks Notebook: silvertomlgold)

This phase focuses on applying machine learning models to generate demand forecasts and meticulously tracking these models using MLflow. The output is stored in the **Gold Layer**, which is optimized for direct consumption by business intelligence tools and applications.

- Objective: Generate 7-day demand forecasts for the top 5 most active e-commerce items using the ARIMA model (with a fallback/alternative of Simple Moving Average) and store these forecasts in the Gold Layer, while ensuring all model training details are logged with MLflow.
- Key Steps and Technical Details:
  - Configuration and Data Loading: Azure Storage configuration and paths for Silver and Gold layers are defined. The daily\_demand data is loaded from the Silver layer (Delta format), selecting itemid, event\_date, and daily\_sales\_count.
  - Data Preparation for Forecasting:
    - The loaded data is grouped by event\_date and itemid to get daily\_sales\_count (y), and event\_date is aliased as ds. itemid is aliased as group to align with common time series forecasting library conventions.
    - item\_day\_counts is calculated to identify the top 5 most active items (those with the most recorded sales days). This ensures forecasting focuses on relevant, frequently transacted items.
    - The daily\_df is then filtered to include only these top\_items.
  - ARIMA Forecast Function (arima\_forecast): This is a Pandas UDF (applyInPandas) designed to run the ARIMA model for each group (itemid).
    - Input Handling: It receives a Pandas DataFrame (pdf) for a specific item. The ds column is explicitly converted to pd.to\_datetime() and then set as the index for time series operations, ensuring statsmodels compatibility.
    - Data Sufficiency Check: A crucial check if len(ts) < 2: is included. ARIMA models require a minimum number of data points (at least 2, but more for meaningful forecasts) to fit. If insufficient data, the function gracefully returns a DataFrame with NaN values for yhat, preventing pipeline failures and indicating missing forecasts.
    - ARIMA Model Training: An ARIMA(1,1,1) model is instantiated and fitted (model.fit()) to the time series (ts). The (1,1,1) order implies:
      - p=1 (AR order): Uses one lagged observation in the model.
      - **d=1 (Differencing order):** The time series is differenced once to make it stationary.
      - **q=1 (MA order):** Uses one lagged forecast error in the model.
      - This order is a common starting point for many time series.

- Forecast Generation: model\_fit.forecast(steps=7) generates predictions for the next 7 days.
- Future Dates Generation: future\_dates are generated as Pandas Timestamps, extending from the last date in the historical series.
- **Result DataFrame Construction:** A Pandas DataFrame result is created with group, ds (future dates), and yhat (forecasted values).
- MLflow Tracking: This is a core MLOps component.
  - with
    mlflow.start\_run(run\_name=f"ARIMA\_{group}"):
    creates a new MLflow run for each item's forecast.
  - mlflow.log\_param(): Logs model type ("ARIMA"), order ("(1,1,1)"), and the specific group (item ID).
  - mlflow.log\_metric("train\_count", len(ts)):
     Records the number of data points used for training.
  - mlflow.sklearn.log\_model(model\_fit, f"model\_arima\_{group}"): Logs the trained model\_fit object as an MLflow artifact, making it reproducible and ready for deployment.
- Error Handling: A try-except block catches any exceptions during ARIMA fitting or forecasting, printing an error message and returning NaN forecasts for that specific item.
- Application of ARIMA: The arima\_forecast Pandas UDF is applied to the filtered\_df grouped by group (itemid) using applyInPandas().
   This efficiently distributes the forecasting task across the Spark cluster.
- Final Date Casting: The forecast\_df undergoes a final cast of the ds column to DateType (col("ds").cast("date")) to ensure compatibility with Spark's date handling, resolving previous NULL issues by ensuring the Pandas Timestamps are correctly interpreted.
- Data Saving to Gold Layer: The final forecast\_df containing the 7-day forecasts is saved to the goldlayer in Azure Blob Storage in two formats:
  - Delta format:
    - (.write.format("delta").mode("overwrite").save(gold\_
      path)) for analytical consumption and future pipeline stages.
  - CSV format: (.write.option("header",
    "true").mode("overwrite").csv(gold\_csv\_path)) for easy
    human readability and consumption by tools that prefer flat files.
- Simple Moving Average Method (Baseline): As an alternative or baseline, a simple moving average forecasting method is also implemented. This calculates the average daily sales for each top item and uses this average as the forecast for the next 7 days. This provides a quick, interpretable benchmark.
- Tools Used: Azure Databricks, PySpark, Pandas, statsmodels.tsa.arima.model.ARIMA, MLflow, Azure Blob Storage (Gold Layer Delta and CSV).

#### Notebook: silvertomlgold

# Using ARIMA model I how ago (m) from pyspark.sql.functions import col, to\_date, sum as spark\_sum, count as spark\_count from pyspark.sql.types import StructType, StructField, StringType, DateType, DoubleType import pandas as pd from statsmodels.tsa.arima.model import ARIMA import datetime # Azure Storage Config storage\_account\_name = "storageecommerce" storage\_account\_key = "CLZSIPRiee8v8CfFN8y1jWxg9Tp28faTS2n109Lr8nfA8tFgc5bW8XZKAPFLh01XZkBymz88mZsq+AStuywHWg==" spark.conf.set( f\*f5.azure.account\_key.{storage\_account\_name}.blob.core.windows.net", storage\_account\_key }

```
model = ARIMA(ts, order=(1, 1, 1))
    model_fit = model.fit()
    forecast = model_fit.forecast(steps=7)
    last_date = ts.index[-1]
    future_dates = [last_date + pd.Timedelta(days=i) for i in range(1, 8)]
    result = pd.DataFrame({
        "group": [group] * 7,
        "ds": future_dates,
        "yhat": forecast.values
    with mlflow.start_run(run_name=f"ARIMA_{group}"):
       mlflow.log_param("model", "ARIMA")
       mlflow.log_param("order", "(1,1,1)")
       mlflow.log_param("group", group)
       mlflow.log_metric("train_count", len(ts))
       mlflow.sklearn.log_model(model_fit, f"model_arima_{group}")
print(f" Model for item {group} logged to MLflow.")
    return result
except Exception as e:
    print(f" ARIMA failed for item {group}: {e}")
    return pd.DataFrame(columns=["group", "ds", "yhat"])
```

```
forecast_df = filtered_df.groupBy("group").applyInPandas(arima_forecast, schema=schema)

# Final cast for ds column

forecast_df = forecast_df.withColumn("ds", col("ds").cast("date"))

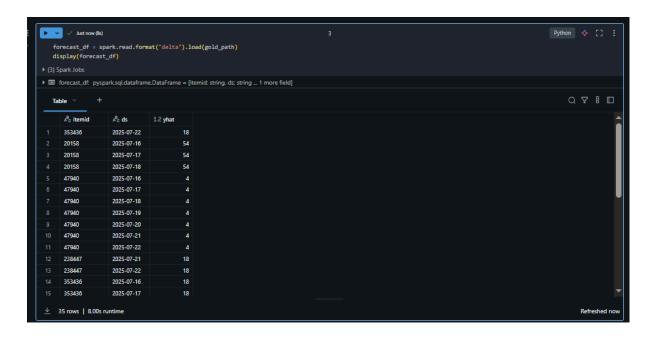
# Save to Gold Layer (Delta + CSV)

forecast_df.write.format("delta").mode("overwrite").save(gold_path)
    forecast_df.write.option("header", "true").mode("overwrite").csv(gold_csv_path)

print(" ARIMA item-level forecast saved to Gold Layer.")
    forecast_df.show()
```

```
• 📾 daily_df: pyspark.sql.dataframe.DataFrame = [group: string, ds: date ... 1 more field]
 • 🖃 df. pyspark.sql.dataframe.DataFrame = [itemid: string, event_date: date ... 1 more field]
 ▶ 📾 filtered_df: pyspark.sql.dataframe.DataFrame = [group: string, ds: date ... 1 more field]
 • 🖃 forecast_df: pyspark.sql.dataframe.DataFrame = [group: string, ds: date ... 1 more field]
nts: pyspark.sql.dataframe.DataFrame = [group: string, active_days: long]
  20158|NULL|54.0|
| 20158|NULL|54.0|
| 20158|NULL|54.0|
 20158|NULL|54.0|
| 20158|NULL|54.0|
 |
|238447|NULL|18.0|
[238447 | NULL | 18.0 |
|238447|NULL|18.0|
|238447|NULL|18.0|
238447 NULL 18.0
 238447|NULL|18.0
|238447|NULL|18.0|
|280029|NULL|18.0|
|280029|NULL|18.0|
280029 NULL 18.0
|280029|NULL|18.0|
[280029]NULL[18.0]
|280029|NULL|18.0|
only showing top 20 rows
```

Method 2: Using Simple moving averages to reduce time complexity and job runs



#### 3.4. ML CI/CD Pipeline (Azure DevOps & MLflow Model Registry)

This phase is a cornerstone of MLOps, demonstrating how to automate the promotion of trained machine learning models through different lifecycle stages using Azure DevOps.

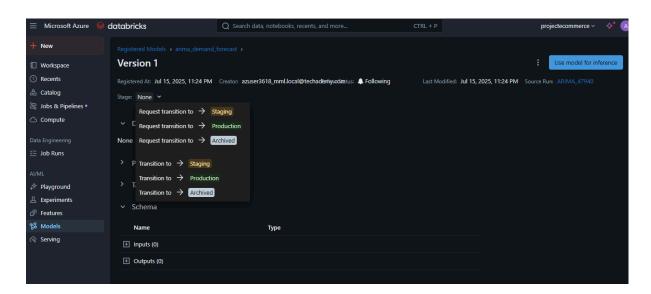
- Objective: Implement an automated pipeline in Azure DevOps that transitions the trained ARIMA model (Version 1) from the "Staging" to the "Production" stage within the MLflow Model Registry.
- Key Steps and Technical Details:
  - Model Registration in MLflow: After successful training in the silvertomlgold notebook, the ARIMA model is registered in the MLflow Model Registry under a specific name (e.g., arima\_demand\_forecast). This creates a versioned entry for the model.
  - Manual Stage Transition (Initial Setup for Approval Workflow): To simulate a real-world MLOps workflow, the model (Version 1) is initially transitioned manually:
    - From "None" to "Staging" in the Databricks MLflow UI (e.g., for testing/QA).
    - A request is then made to transition it from "Staging" to "Production," which is subsequently approved. This sets up the model in a state where the automated pipeline can take over.
  - Azure DevOps Pipeline Creation (azure-pipelines.yml):
    - A new YAML pipeline is created in Azure DevOps, linked to the project's Azure Repos Git repository (devopsecommerce).
    - **trigger:** main: Configures the pipeline to automatically run whenever changes are pushed to the main branch, enabling continuous integration.
    - pool: vmImage: ubuntu-latest: Specifies that the pipeline jobs will run on a Microsoft-hosted Ubuntu agent, providing a managed execution environment.
    - variables:
      - DATABRICKS\_HOST: The URL of the Databricks workspace (e.g., https://adb-xxxx.azuredatabricks.net).
      - DATABRICKS\_TOKEN: A highly sensitive Databricks personal access token. This variable is configured as a secret variable in Azure DevOps Pipeline settings to prevent its value from being exposed in logs.
      - MODEL\_NAME: The registered name of the MLflow model (arima\_demand\_forecast).
      - MODEL\_VERSION: The specific version of the model to be promoted (1).
      - STAGE: The target stage for promotion (Production).
    - jobs (PromoteModel):
      - Contains a script step that executes a curl command.

- curl -X POST
  "\$DATABRICKS\_HOST/api/2.0/mlflow/model-version
  s/transition-stage": This command directly calls the
  MLflow Model Registry REST API.
- -H "Authorization: Bearer \$DATABRICKS\_TOKEN":
  Authenticates the request using the securely stored Databricks token
- -H "Content-Type: application/json": Specifies the request body format.
- -d '{...}': The JSON payload containing the name (model name), version, stage (target stage), and archive\_existing\_versions (set to false to keep previous versions).
- displayName: 'Promote Model to Production': Provides a clear name for the step in the pipeline logs.

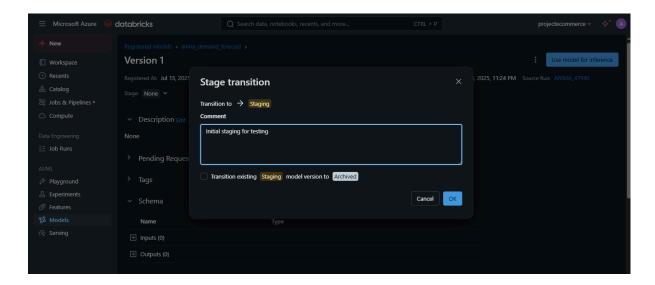
#### Pipeline Execution & Troubleshooting:

- Initial attempts to run the pipeline resulted in a common Azure DevOps error: "No hosted parallelism has been granted." This is a security measure for new Azure DevOps organizations.
- Resolution: This required submitting a request form (https://aka.ms/azpipelines-parallelism-request) to Microsoft to grant free hosted parallelism. The pipeline could only succeed after this approval was received.
- Tools Used: MLflow Model Registry (Databricks), Azure DevOps Pipelines (YAML), curl (for REST API interaction), Azure Repos Git.

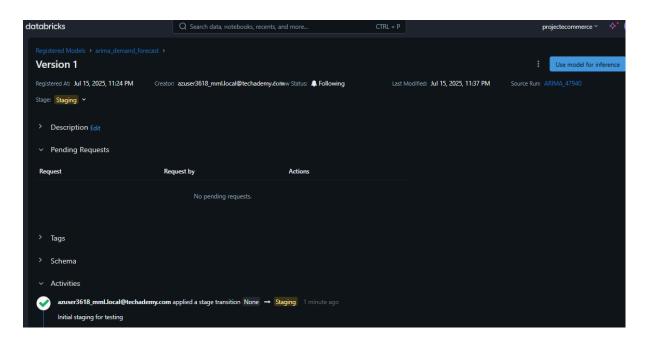
#### Creating a model in MLflow Databricks:



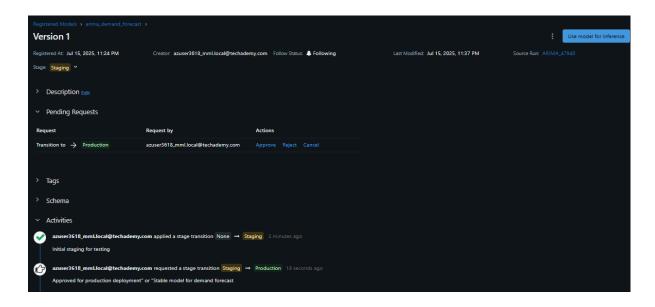
Setting the version1 arima\_demanded\_forecast model to staging:



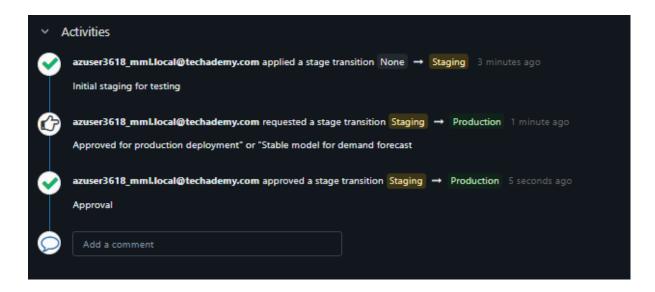
Model is now at staging phase(Testing or Quality Assurance):



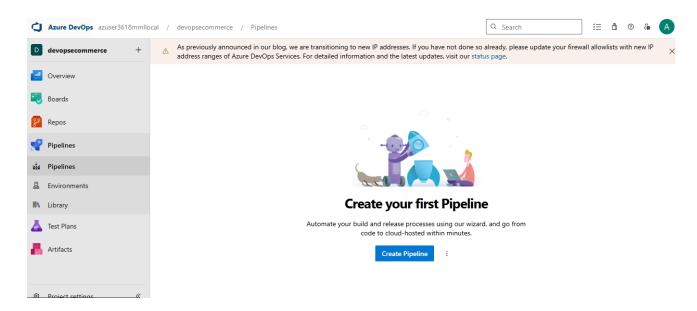
Requesting to change it for production(Ready for Deployment) change:



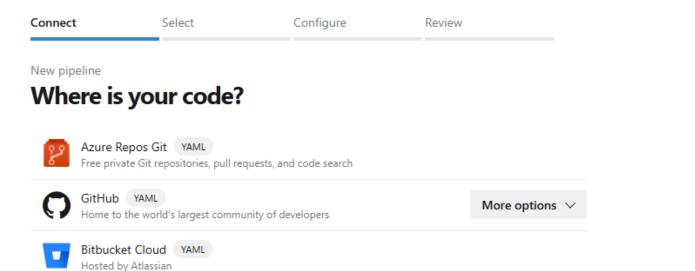
#### Approved for production phase:



#### Creating Azure devops release pipeline:



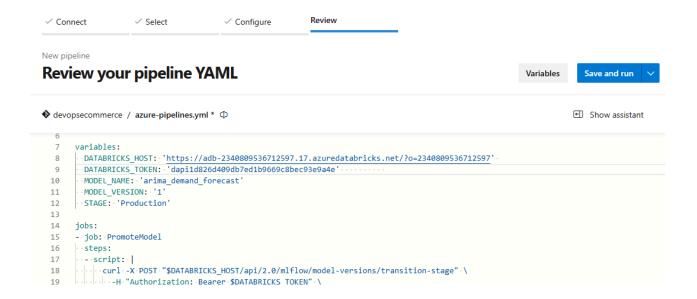
#### Our source is Azure repos git:



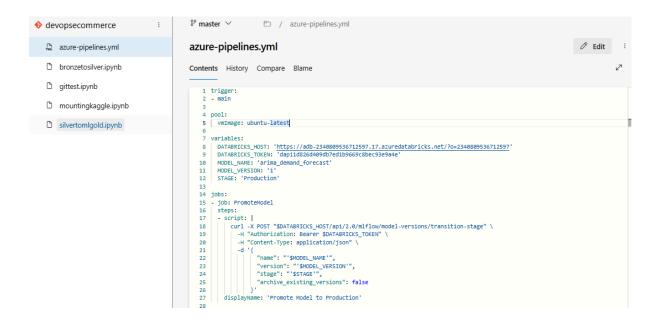
#### Our project is devopsecommerce:



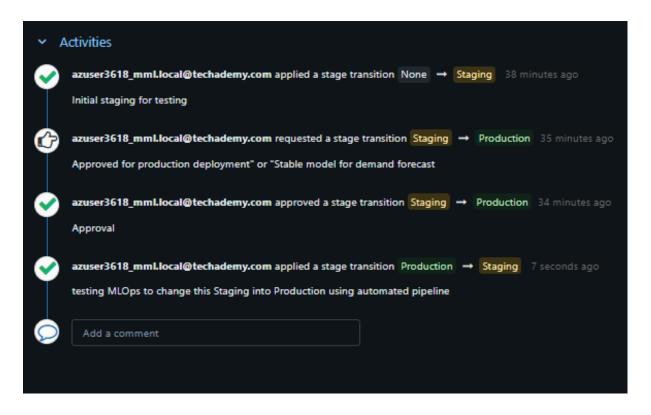
#### Editing our custom YAML code with our Databricks token:



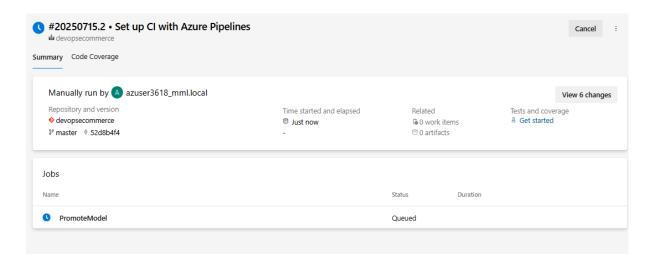
#### Saving the YAML file:



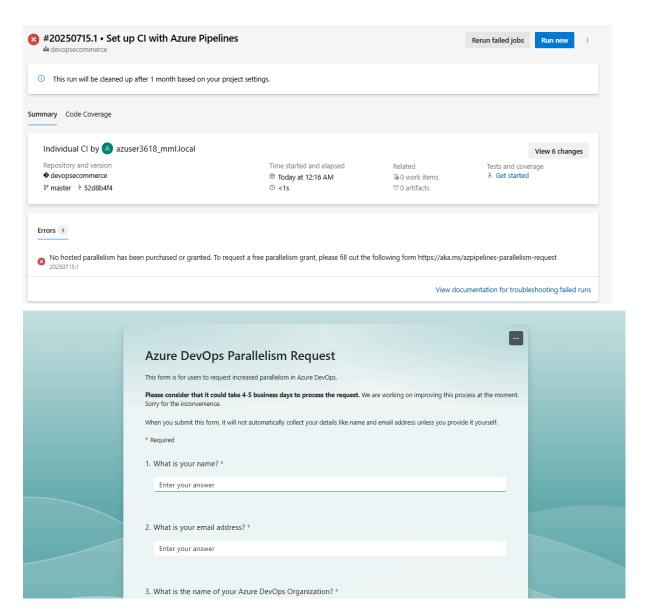
#### Changing the production to staging for testing the pipeline:



#### Saving and Running by CI/CD pipeline:



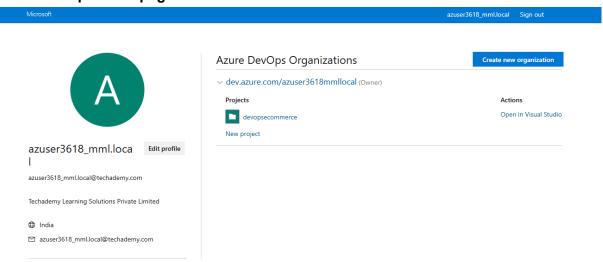
#### Azure pipeline fails:



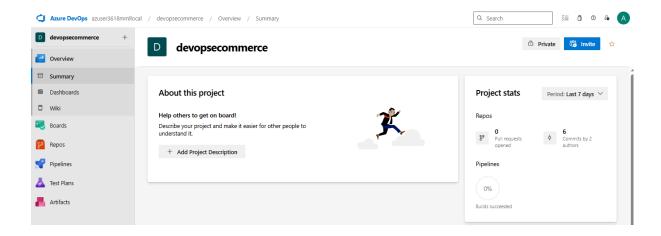
- The error message:
  - "No hosted parallelism has been granted or granted. To request a free parallelism grant, please fill out the following form https://aka.ms/azpipelines-parallelism-request"
- Filling out the form with our azure credentials
- Waiting for Approval: Microsoft reviews these requests, and it can take some time to receive an email notification once your request is approved.
- Rerun the Pipeline: Once you receive confirmation that parallelism has been granted, we can rerun the pipeline by "Run new" or "Rerun failed jobs".
- Without this grant, our pipelines cannot run on Microsoft-hosted agents

Proceeding with the Azure Data Factory for pipeline as Devops takes time to grant permission:

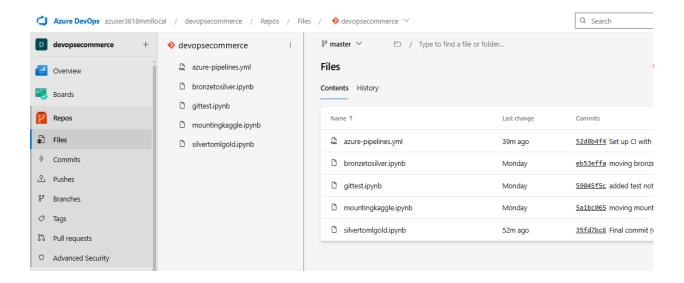
#### **Azure Devops Homepage:**



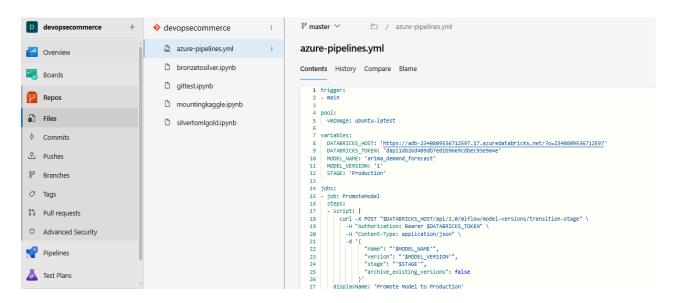
#### Project named as "devopsecommerce":



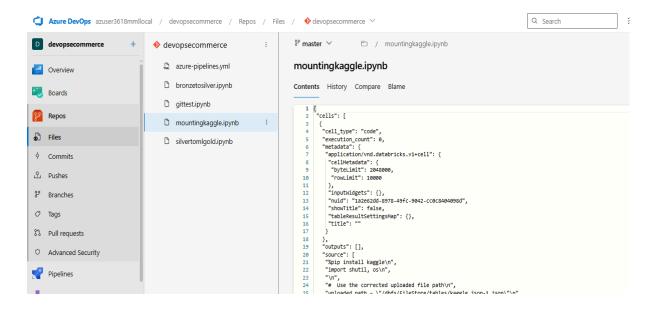
#### Files inside "ecommerce":



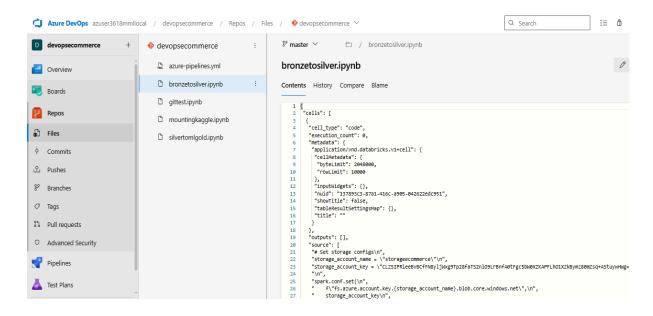
#### azure-pipeline.yml file:



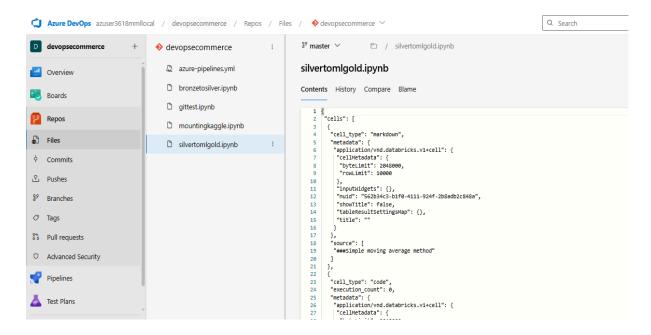
#### mountingkaggle.ipynb file:



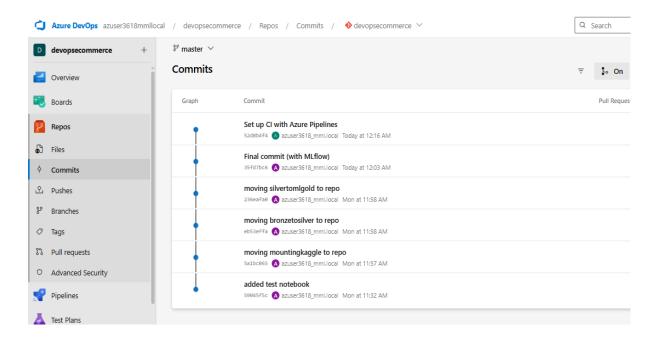
#### bronzetosilver.ipynb file:



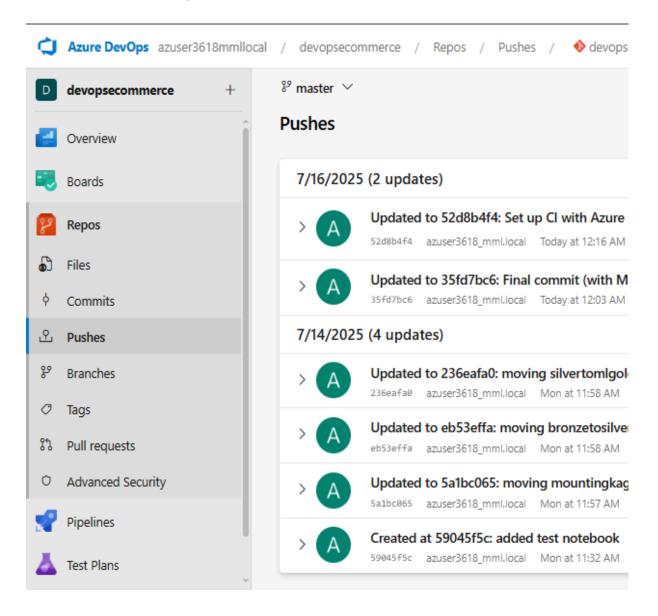
#### silvertomlgold.ipynb file:



#### Commits done to the project:



#### Pushes done to the project:

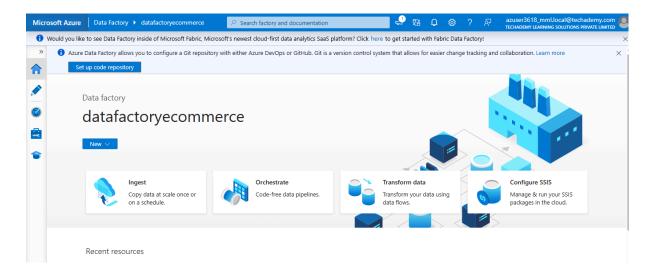


#### 3.5. Data Orchestration (Azure Data Factory)

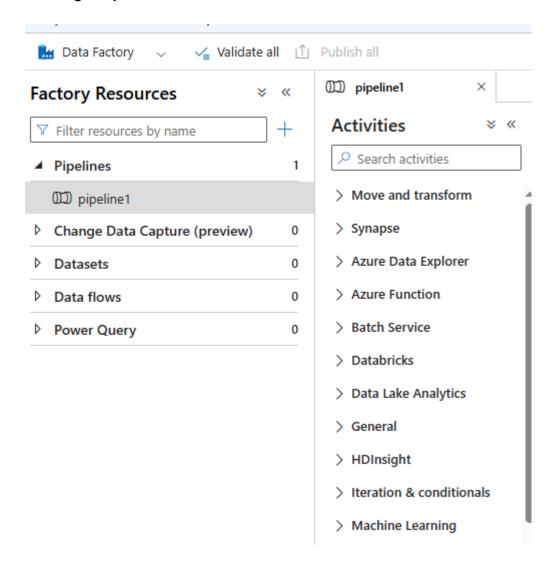
Azure Data Factory (ADF) acts as the central orchestrator, tying together the various Databricks notebooks into a cohesive and scheduled data pipeline.

- Objective: Design and implement an ADF pipeline to sequentially execute the Databricks notebooks, ensuring a smooth flow of data from raw ingestion to final forecast generation.
- Key Steps and Technical Details:
  - Creation of ADF Pipeline: A new pipeline (pipeline1) is created within the Azure Data Factory Studio.
  - Adding Databricks Notebook Activities:
    - Three **Notebook activities** are added to the pipeline canvas, each configured to point to a specific Databricks notebook:
      - kaggletodadlsgen2 (for data ingestion into Bronze).
      - runbronzetosilver (for data transformation to Silver).
      - silvertomlgold (for forecasting and saving to Gold).
    - Each Notebook activity is configured with the appropriate Databricks linked service (connecting ADF to your Databricks workspace) and the path to the notebook.
  - Chaining Activities: Success dependencies (green arrows) are drawn between the Notebook activities. This ensures that runbronzetosilver only starts after kaggletodadlsgen2 successfully completes, and silvertomlgold only starts after runbronzetosilver succeeds. This sequential execution is critical for maintaining data integrity across the medallion layers.
  - Monitoring Pipeline Runs: ADF provides comprehensive monitoring capabilities. The "Pipeline runs" view allows tracking the status, duration, and logs of each activity within the pipeline, enabling quick identification and troubleshooting of any failures.
- Tools Used: Azure Data Factory, Azure Databricks Notebook Activity.

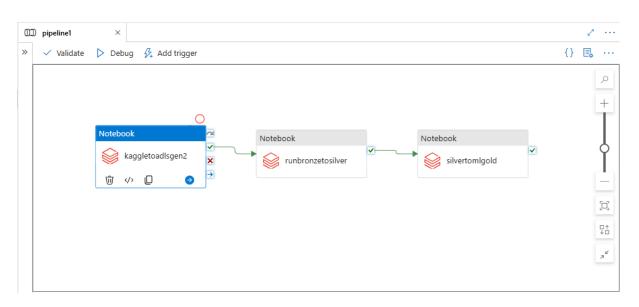
#### **Data Factory Homepage:**



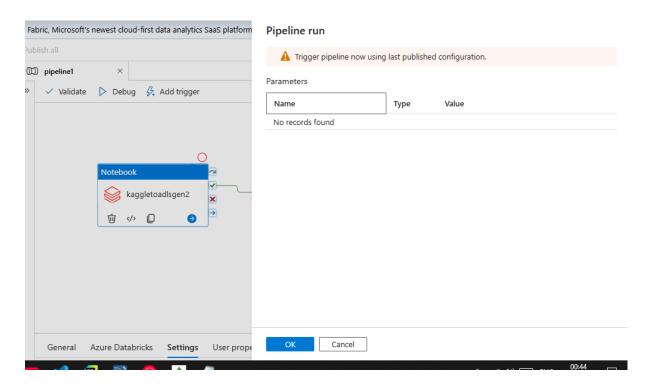
#### Creating a Pipeline to orchestrate workflow:



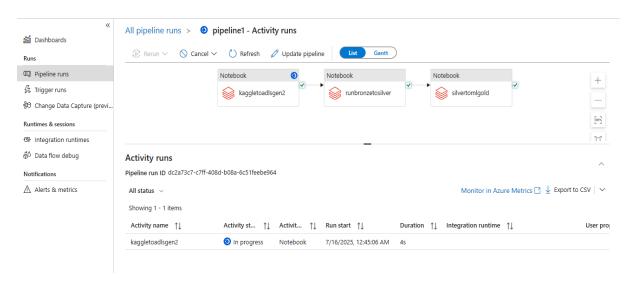
#### **Connecting the 3 notebooks from databricks to Azure Data Factory:**



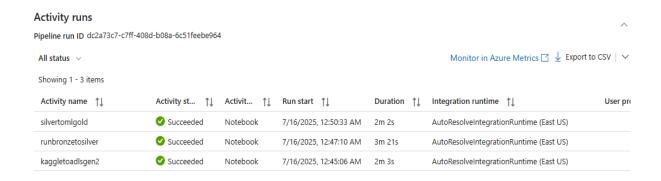
#### Running the pipeline:



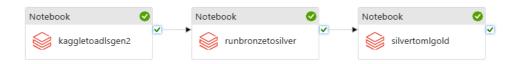
#### **Created Pipeline is running:**



#### Pipeline Run is Successful:



#### **Succeeded Pipeline:**

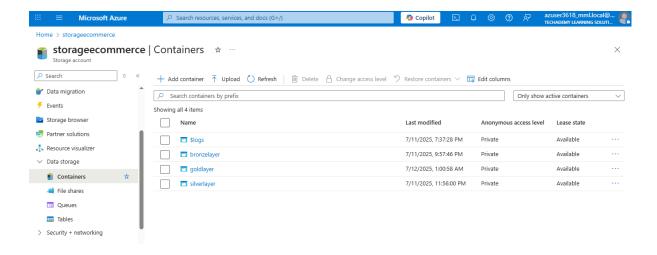


#### 3.6. Data Storage Overview (Azure Blob Storage ADLS Gen 2)

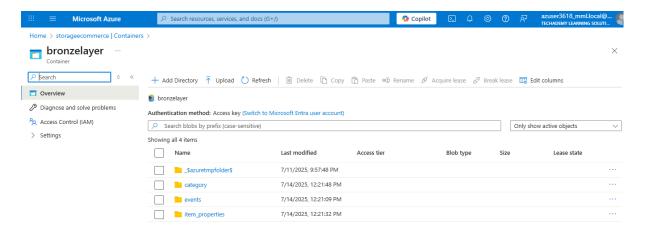
The project leverages Azure Blob Storage, specifically its Data Lake Storage Gen2 capabilities, to implement a robust **medallion architecture**. This layered approach improves data quality, manageability, and accessibility.

- **Objective:** Store data in distinct layers (Bronze, Silver, Gold) within Azure Blob Storage, optimizing for different stages of data processing and consumption.
- Key Layers and Their Purpose:
  - Bronze Layer (bronzelayer container):
    - Purpose: Raw, immutable landing zone for source data. Data is stored in its original format (e.g., CSVs downloaded from Kaggle).
    - **Benefits:** Provides data lineage, auditability, and allows for reprocessing from raw sources if transformations need to change. It's the "single source of truth" for raw data.
  - Silver Layer (silverlayer container):
    - **Purpose:** Refined, cleaned, and conformed data. Data undergoes transformations, deduplication, and aggregation (e.g., daily\_demand in Delta format).
    - Benefits: Ready for analytical use cases and feature engineering. Data is consistent and reliable. The use of Delta Lake format (.delta extension) provides ACID transactions, schema enforcement, schema evolution, and time travel capabilities, significantly enhancing data reliability and performance for Spark-based workloads.
  - Gold Layer (goldlayer container):
    - **Purpose:** Highly curated, aggregated, and business-ready data, optimized for direct consumption by business intelligence tools and applications. This includes the final demand forecasts.
    - **Benefits:** Provides a simplified view for end-users, optimized for reporting and dashboarding. Forecasts are available in both **Delta** (for programmatic access) and **CSV** (for broad compatibility) formats.
- Tools Used: Azure Blob Storage Containers, Delta Lake format.

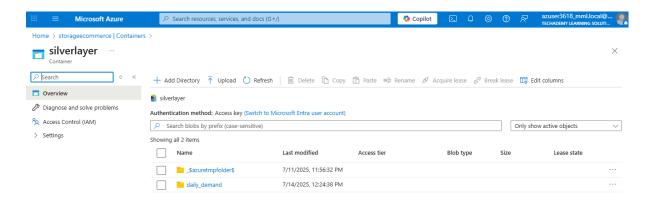
**Containers inside Storage account (Created by Automation):** 



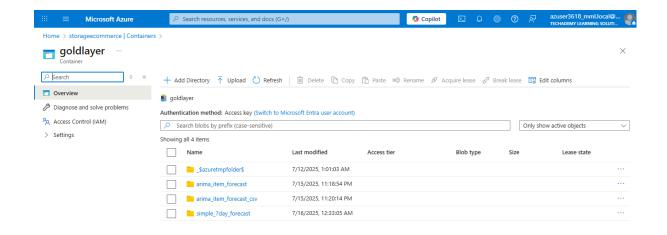
#### Files inside bronze layer:



#### Files inside silver layer:



#### Files inside Gold layer:



# 3.7. Azure Data Explorer:(Optional: Additional Functionality):

The final phase focuses on making the generated demand forecasts accessible and actionable through interactive visualizations. Azure Data Explorer (ADX) is chosen for its speed, scalability, and powerful Kusto Query Language (KQL).

- **Objective:** Ingest the forecasted data from the Gold Layer into an Azure Data Explorer cluster and create interactive dashboards for business insights.
- Key Steps and Technical Details:
  - Azure Data Explorer Cluster and Database Setup: An ADX cluster (ecommerceviz.centralindia) and a dedicated database (forecasted db) are provisioned in Azure. The cluster is optimized for high-volume, high-velocity data ingestion and guerying.
  - Data Ingestion from Gold Layer:
    - The forecasted data (CSV or Parquet files from goldlayer/arima\_item\_forecast\_csv/ or goldlayer/arima\_item\_forecast/) is ingested into a new table (e.g., ARIMAForecasts) within the forecasted db using the ADX Web UI's ingestion wizard.
    - Crucial Troubleshooting: A common issue encountered was garbled output during initial queries, indicating incorrect data parsing. This was resolved by meticulously ensuring the correct file format (CSV or Parquet) was selected in the ADX ingestion wizard, matching the actual format of the files in the Azure Storage Gold layer. This ensures ADX correctly interprets the file structure.
  - Querying Data with Kusto Query Language (KQL):
    - In the ADX Web UI's "Query" tab, KQL is used to interact with the ingested data.
    - Basic queries like ARIMAForecasts | take 10 are used to inspect the raw data and confirm successful ingestion.
    - Analytical Queries: KQL's powerful operators are used for aggregations and transformations, such as summarize AverageForecast = avg(yhat) by group to calculate average forecasts per item.

#### Creating Visualizations:

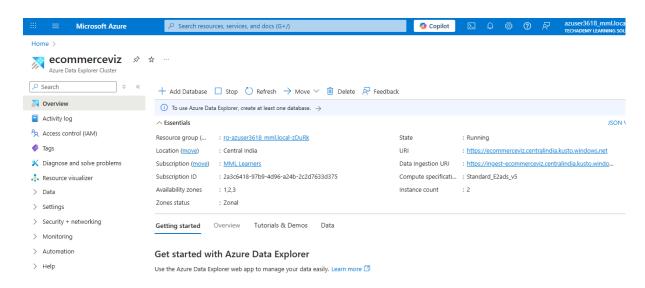
- The render operator in KQL is used to transform query results into various chart types directly within the ADX Web UI. For instance, | render barchart with (title="Average Forecasted Sales per Item", yaxis="Average Forecast", xaxis="Item ID") creates a clear bar chart.
- While the ds (date) column was removed from the final output for simplicity in the Python script, if it were present and correctly ingested as datetime type, KQL's timechart would be used to visualize trends over time.

#### Dashboarding:

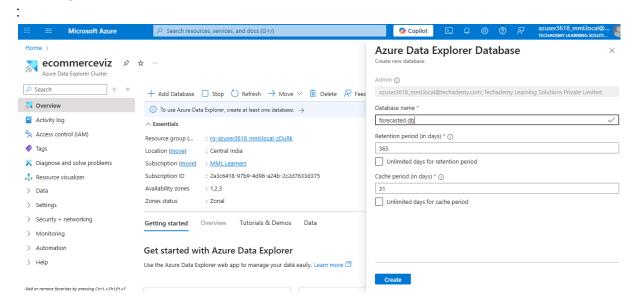
■ Individual visualizations are pinned to new or existing Azure Data Explorer Dashboards.

- These dashboards provide an interactive, shareable interface for business users to monitor demand forecasts without needing direct access to the underlying data or query language. They can be configured with auto-refresh for near real-time insights.
- Tools Used: Azure Data Explorer (Kusto Web UI), Kusto Query Language (KQL), ADX Dashboards.

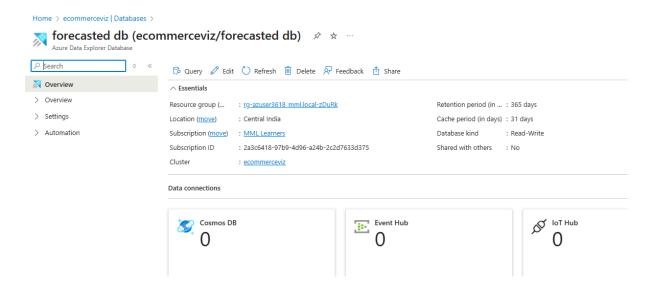
#### Creating Data Explorer named "ecommerceviz":



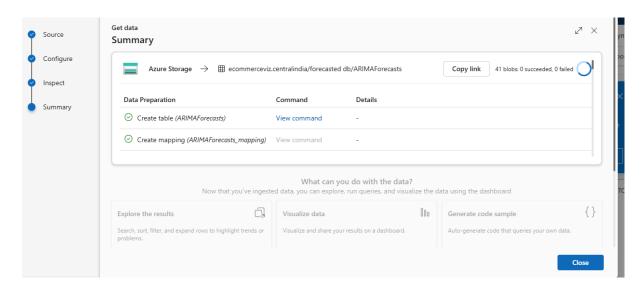
#### Creating a database inside ecommerceviz

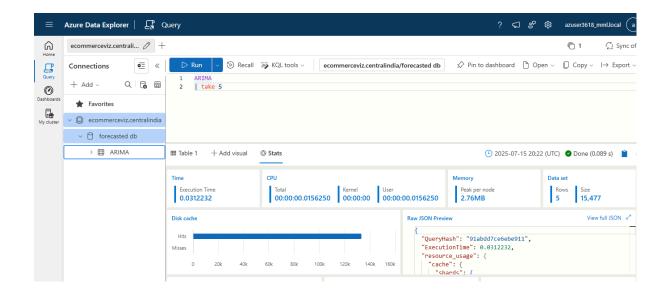


#### **Created Database:**



#### Ingesting the dataset from Gold layer:





#### 4. Conclusion

This project successfully implements a comprehensive and robust end-to-end data and MLOps pipeline for e-commerce demand forecasting within the Azure cloud. By leveraging Azure Databricks for scalable data processing, MLflow for experiment tracking and model management, Azure DevOps for automated CI/CD, Azure Data Factory for orchestration, and Azure Data Explorer for visualization, the solution provides:

- **Scalable Data Processing:** Efficient handling of large volumes of e-commerce data through a medallion architecture.
- **Automated Machine Learning Lifecycle:** Streamlined training, versioning, and promotion of forecasting models, reducing manual effort and improving reliability.
- Actionable Insights: Accessible and interactive dashboards that empower business
  users to make informed decisions regarding inventory, supply chain, and sales
  strategies.
- Reproducibility and Auditability: Through versioned data layers and MLflow tracking, the entire process is transparent and reproducible.

This end-to-end solution serves as a strong framework for managing and deploying machine learning models in a production environment, driving significant value for e-commerce operations.

#### mountingkaggle.py

kaggle.api.dataset\_download\_files(

```
%pip install kaggle
import shutil, os
# Use the corrected uploaded file path
uploaded path = "/dbfs/FileStore/tables/kaggle json-1.json"
target_path = "/root/.kaggle/kaggle.json"
# Ensure the ~/.kaggle directory exists
os.makedirs("/root/.kaggle", exist_ok=True)
# Copy the file to the Kaggle expected location
shutil.copy(uploaded_path, target_path)
# Set required permissions
os.chmod(target path, 600)
print(" kaggle.json is moved and configured successfully!")
import shutil, os
# Make sure the config directory exists
os.makedirs("/root/.config/kaggle", exist ok=True)
# Copy kaggle.json to the expected location
shutil.copy("/root/.kaggle/kaggle.json", "/root/.config/kaggle/kaggle.json")
# reset permissions again
os.chmod("/root/.config/kaggle/kaggle.json", 600)
print(" kaggle.json copied to /root/.config/kaggle/")
Import kaggle
# Re-authenticate
kaggle.api.authenticate()
# Download RetailRocket dataset
```

```
'retailrocket/ecommerce-dataset',
       path='/dbfs/tmp/',
       unzip=False
)
print("Dataset downloaded succesfully")
import zipfile
zip_path = "/dbfs/tmp/ecommerce-dataset.zip"
extract_path = "/dbfs/tmp/ecommerce_dataset"
# Unzip all contents
with zipfile.ZipFile(zip_path, 'r') as zip_ref:
  zip_ref.extractall(extract_path)
print(" Files extracted to", extract_path)
# Set your Azure Storage config
storage_account_name = "storageecommerce"
storage account key =
"CLZSIPRieeBvBCfFN8yljWxg9Tp28faTS2nlO9LrBnfA0tFgc5bW0XZKAPFLhO1XZkBymz8
0mZsq+AStuywHWg=="
# Spark config to allow writing to ADLS Gen2
spark.conf.set(
 f"fs.azure.account.key.{storage_account_name}.blob.core.windows.net",
 storage_account_key
# Define local-to-ADLS path mappings
files_to_upload = {
  "events.csv": "events",
  "item_properties_part1.csv": "item_properties",
  "item_properties_part2.csv": "item_properties",
  "category_tree.csv": "category"
}
# Upload each CSV to the correct Bronze folder
```

```
for filename, folder in files_to_upload.items():
  local_path = f"/dbfs/tmp/ecommerce_dataset/{filename}"
  adls path =
f"wasbs://bronzelayer@{storage_account_name}.blob.core.windows.net/{folder}/{filename}"
  print(f" Uploading {filename} → {adls path}")
  dbutils.fs.cp(f"file:{local_path}", adls_path)
bronzetosilver.py
# Set storage configs
storage_account_name = "storageecommerce"
storage account key =
"CLZSIPRieeBvBCFFN8y1jwxg9Tp28faTS2n109LrBnfA8tFgc5bw@XZKAPFLhO1XZkBy@z
8@mZsq+AStuywtwg="
spark.conf.set(
"fs.azure.account.key.(storage_account_name}.blob.core.windows.net",
storage_account_key
# Bronze ADLS paths
Base = f"wasbs://bronzelayer@{storage account name}.blob.core.windows.net"
events path = f"{base}/events/events.csv"
cat path= f{base}/category/category tree.csv"
prop1 path= f"{base}/item properties/item properties part1.csv"
prop2_path = f"{base}/item_properties/item_properties part2.csv"
# Read the files
events_df spark.read.option("header", True).csv(events_path)
category df spark.read.option("header", True).csv(cat_path)
item_props1_df spark.read.option("header", True).csv(prop1_path)
item_props2_df spark.read.option("header", True).csv (prop2_path)
from pyspark.sql.functions import col, to_date, count, max
# Combine both item properties parts
item_props_df = item_props1_df.union(item_props2_df)
# Remove duplicates
item_props_df = item_props_df.dropDuplicates(["itemid", "property", "timestamp"])
```

```
# Filter only transactions from events.csv
transactions df = events df.filter(col("event") == "transaction")
# Convert timestamp to date for daily grouping
transactions_df = transactions_df.withColumn("event_date", to_date("timestamp"))
# Extract item-category mapping from item properties
# Assuming rows where `property == 'categoryid'` contain the actual categoryid in `value`
item category df = item props df.filter(col("property") == "categoryid") \
  .select(col("itemid"), col("value").alias("categoryid"))
# Join transactions with item-category mapping
tx_item_df = transactions_df.join(item_category_df, on="itemid", how="left")
# Join with category_tree to get full hierarchy (optional)
tx_item_cat_df = tx_item_df.join(category_df, on="categoryid", how="left")
# Group by item and date to get daily demand
daily_demand_df = tx_item_cat_df.groupBy("itemid", "event_date").agg(
  count("*").alias("daily sales count"),
  max("categoryid").alias("categoryid")
)
# Show result
daily_demand_df.show(10)
# Save to Silver Zone
silver_path =
f"wasbs://silver@{storage_account_name}.blob.core.windows.net/daily_demand/"
daily_demand_df.write.format("delta").mode("overwrite").save(silver_path)
# Writing silverlayer to ADLS
silver path =
f"wasbs://silverlayer@{storage_account_name}.blob.core.windows.net/daily_demand/"
daily_demand_df.write.format("delta").mode("overwrite").save(silver_path)
print(" Silver layer written to ADLS!")
```

## silvertomlgold.py

#### Using ARIMA ML model:

```
from pyspark.sql.functions import col, to_date, sum as spark_sum, count as spark_count
from pyspark.sql.types import StructType, StructField, StringType, DateType, DoubleType
import pandas as pd
from statsmodels.tsa.arima.model import ARIMA
import datetime
# Azure Storage Config
storage_account_name = "storageecommerce"
storage account key =
"CLZSIPRieeBvBCfFN8yljWxg9Tp28faTS2nlO9LrBnfA0tFgc5bW0XZKAPFLhO1XZkBymz8
0mZsq+AStuywHWg=="
spark.conf.set(
  f"fs.azure.account.key.{storage_account_name}.blob.core.windows.net",
  storage account key
)
# Define Paths
silver path
f"wasbs://silverlayer@{storage_account_name}.blob.core.windows.net/daily_demand/"
gold path
f"wasbs://goldlayer@{storage_account_name}.blob.core.windows.net/arima_item_forecast/"
gold_csv_path
f"wasbs://goldlayer@{storage_account_name}.blob.core.windows.net/arima_item_forecast
csv/"
# Load Silver Layer
df = spark.read.format("delta").load(silver_path).select("itemid", "event_date",
"daily_sales_count")
# Daily sales per item per day
daily_df = df.groupBy("event_date", "itemid") \
  .agg(spark sum("daily sales count").alias("y")) \
  .withColumn("ds", to_date("event_date")) \
  .select("itemid", "ds", "y") \
  .withColumnRenamed("itemid", "group")
# Find top 5 most active items
item_day_counts = daily_df.groupBy("group").agg(spark_count("ds").alias("active_days"))
top items = item day counts.orderBy(col("active days").desc()).limit(5).rdd.map(lambda
row: row["group"]).collect()
print(" Top active itemids:", top_items)
# Filter for top items
filtered df = daily df.filter(col("group").isin(top items))
```

```
# Define ARIMA forecast schema
schema = StructType([
  StructField("group", StringType(), True),
  StructField("ds", DateType(), True), # Expecting Python datetime.date objects
  StructField("yhat", DoubleType(), True)
])
#Define ARIMA forecast 'schema
from pyspark.sql.types import TimestampType
schema=StructType([
       StructField("group", StringType(), True),
       StructField("ds", Timestamp Type(), True),
       StructField("yhat", DoubleType(), True)
1)
#ARIMA Forecast Function (with MLflow)
def arima forecast(pdf: pd.DataFrame) -> pd.DataFrame:
       import mlflow
       import mlflow.sklearn
       group = str(pdf.iloc[0]["group"])
       try:
          pdf['ds'] = pd.to datetime(pdf['ds'])
          ts = pdf.sort_values("ds").set_index("ds")["y"]
# Train ARIMA
model = ARIMA(ts, order(1, 1, 1))
model fit = model.fit()
forecast = model_fit.forecast(steps=7)
last date = ts.index[-1]
future_dates = [last_date + pd.Timedelta (days=1) for i in range(1, 8)]
result = pd.DataFrame({
       "group": [group] 7,
       "ds": future_dates,
       "yhat": forecast.values
})
#MLflow Tracking
with mlflow.start_run(run_name = "ARIMA_{group}"):
       mlflow.log_param("model", "ARIMA")
       mlflow.log_param("order", "(1,1,1)")
       mlflow.log_param("group", group)
       mlflow.log metric("train count", len(ts))
       mlflow.sklearn.log model(model_fit, f"model_arima_{group}")
       print(f" Model for item {group} logged to MLflow.")
```

return result

```
except Exception as e:
       print(f" ARIMA failed for item (group): ()")
       return pd.DataFrame(columns["group", "ds", "yhat"])
# Apply ARIMA per item
forecast df = filtered df.groupBy("group").applyInPandas(arima forecast, schema=schema)
# Final cast for ds column (might be redundant but safe to keep)
forecast_df = forecast_df.withColumn("ds", col("ds").cast("date"))
# Save to Gold Layer (Delta + CSV)
forecast df.write.format("delta").mode("overwrite").save(gold path)
forecast_df.write.option("header", "true").mode("overwrite").csv(gold_csv_path)
print(" ARIMA item-level forecast saved to Gold Layer.")
forecast_df.show()
Simple moving average method:
from pyspark.sql.functions import col, avg, lit
import datetime
# Config
storage account name = "storageecommerce"
storage_account_key =
"CLZSIPRieeBvBCFFN8y1jWxg9Tp28faTS2109LrBnAtFgc5bW8XZKPFLh01XZkBymz88mZ
sq+AStuywHWg=="
spark.conf.set(
       f"fs.azure.account.key.{storage account name}.blob.core.windows.net",
       storage_account_key
)
silver path =
f"wasbs://silverlayer@{storage account name}.blob.core.windows.net/daily demand/"
gold path =
f"wasbs://goldlayer@{storage account name}.blob.core.windows.net/simple 7day forecast/
# Load data
df = spark.read.format("delta").load(silver_path).select("itemid", "event_date",
"daily_sales_count")
# Get top 5 items (any frequency)
top_items= df.groupBy("itemid").count().orderBy(col("count").desc()).limit(5) \
.rdd.flatMap(lambda x: [x["itemid"]]).collect()
```

```
# Calculate average daily sales for each item
avg df = df.filter(col("itemid").isin(top items)) \
.groupBy("itemid") \
.agg(avg("daily sales count").alias("yhat"))
# Generate next 7 days for each item
today = datetime.date.today() future rows = []
for row in avg_df.collect():
       item = row["itemid"]
       yhat = row["yhat"]
       for i in range(1, 8):
              forecast_date = today + datetime.timedelta(days=i)
              future_rows.append((item, forecast_date.strftime('%Y-%m-%d'), yhat))
# Create DataFrame and save
future_df = spark.createDataFrame(future_rows, ["itemid", "ds", "yhat"])
future_df.write.format("delta").mode("overwrite").save(gold_path)
print(" 7-day naive forecast saved to Gold layer.")
forecast_df = spark.read.format("delta").load(gold_path)
display(forecast_df)
azure-pipelines.yml
trigger:
- main
pool:
 vmlmage: ubuntu-latest
variables:
 DATABRICKS HOST:
```

'https://adb-2340809536712597.17.azuredatabricks.net/?o=2340809536712597'

curl -X POST "\$DATABRICKS\_HOST/api/2.0/mlflow/model-versions/transition-stage" \

DATABRICKS TOKEN: 'dapi1d826d409db7ed1b9669c8bec93e9a4e'

-H "Authorization: Bearer \$DATABRICKS TOKEN" \

MODEL NAME: 'arima demand forecast'

MODEL\_VERSION: '1' STAGE: 'Production'

- job: PromoteModel

jobs:

steps:
- script: |

```
-H "Content-Type: application/json" \
-d '{
        "name": "'$MODEL_NAME'",
        "version": "'$MODEL_VERSION'",
        "stage": "'$STAGE"',
        "archive_existing_versions": false
    }'
displayName: 'Promote Model to Production'
```