Product Analysis

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Install and load necessary packages.

I'll use "tidyverse" package because of there a lot of important packages include dplyr package wich we will use data manipulation.

```
require("tidyverse")
#install.packages("tidyverse")
#install.packages("maniar") # for dealing missing data (NA) data
#install.packages("SmartEDA")
#install.packages("ggcorrplot")

# Load necessary library
library("tidyverse")
library("lubridate")
library("magrittr") # provides pipe operator, %>%, which allows you to chain functions together
library("naniar") # exploring and dealing missing data
#library("dlookr") # To visualizes the histogram of numeric data or relationship to specific categoric
library("SmartEDA")
library("ggcorrplot")
```

LET'S LOAD THE DATASET

```
# read the data
store <-read.csv("Data/DEPARTMENTAL_STORE.csv")
head(store)</pre>
```

##		UNIQUE_ID	PRODUCT_NAME	COMPANY	PRODUCT_TYPE	PRODUCT_CATEGORY
##	1	GSK01	A Masks	A	hygiene	mask
##	2	GSK02	N hand sanitizer,350 ml	N	hygiene	sanitizer
##	3	GSK03	G Channa Dal, 1kG	G	foodgrains&spices	<pre>pulses(dal)</pre>
##	4	GSK04	I Organic Raisins,100g	I	Organic food	Dry Fruits
##	5	GSK05	S Body oil	S	beauty products	bodycare
##	6	GSK06	S AloeverS Gel	S	beauty products	bodycare
##		COST_PRICE	E SELLING_PRICE QUANTITY_	_DEMANDED		
##	1	160.00	200.00	890		
##	2	248.00	400.00	800		
##	3	162.00	180.00	456		
##	4	77.14	133.00	100		
##	5	494.50	593.40	111		
##	6	445.0	5 534.06	111		

Let's Manipulate and Transform data

let's glimpse the data to know more about the structure of the data

```
str(store)
## 'data.frame': 550 obs. of 8 variables:
## $ UNIQUE ID
                       : chr "GSK01" "GSK02" "GSK03" "GSK04" ...
                              "A Masks" "N hand sanitizer, 350 ml" "G Channa Dal, 1kG" "I Organic Raisin
## $ PRODUCT NAME
                       : chr
## $ COMPANY
                       : chr
                              "A" "N" "G" "I" ...
## $ PRODUCT_TYPE
                              "hygiene" "hygiene" "foodgrains&spices" "Organic food" ...
                       : chr
                              "mask" "sanitizer" "pulses(dal)" "Dry Fruits" \dots
## $ PRODUCT_CATEGORY : chr
## $ COST_PRICE
                              160 248 162 77.1 494.5 ...
                       : num
                              200 400 180 133 593 ...
## $ SELLING_PRICE
                       : num
  $ QUANTITY_DEMANDED: int 890 800 456 100 111 111 360 52 27 353 ...
glimpse(store)
## Rows: 550
## Columns: 8
## $ UNIQUE_ID
                       <chr> "GSK01", "GSK02", "GSK03", "GSK04", "GSK05", "GSK06"~
## $ PRODUCT_NAME
                       <chr> "A Masks", "N hand sanitizer, 350 ml", "G Channa Dal,~
                       <chr> "A", "N", "G", "I", "S", "S", "S", "G", "Z", "A", "Z~
## $ COMPANY
                       <chr> "hygiene", "hygiene", "foodgrains&spices", "Organic ~
## $ PRODUCT_TYPE
## $ PRODUCT_CATEGORY <chr> "mask", "sanitizer", "pulses(dal)", "Dry Fruits", "b~
## $ COST PRICE
                       <dbl> 160.00, 248.00, 162.00, 77.14, 494.50, 445.05, 270.0~
                       <dbl> 200.000, 400.000, 180.000, 133.000, 593.400, 534.060~
## $ SELLING_PRICE
## $ QUANTITY_DEMANDED <int> 890, 800, 456, 100, 111, 111, 360, 52, 27, 353, 500,~
dim(store)
## [1] 550
There is 550 rows and 8 variables. 'COMPANY' and 'PRODUCT' TYPE' variables are chr type instead of
factor, let's convert into factor type.
store$COMPANY <- as.factor(store$COMPANY)</pre>
store$PRODUCT_TYPE <- as.factor(store$PRODUCT_TYPE)</pre>
# let's view the data type
glimpse(store) # both now are factor type
## Rows: 550
## Columns: 8
## $ UNIQUE_ID
                       <chr> "GSK01", "GSK02", "GSK03", "GSK04", "GSK05", "GSK06"~
## $ PRODUCT NAME
                       <chr> "A Masks", "N hand sanitizer, 350 ml", "G Channa Dal,~
                       <fct> A, N, G, I, S, S, S, G, Z, A, Z, I, E, N, A, J, Z, Z~
## $ COMPANY
                       <fct> hygiene, hygiene, foodgrains&spices, Organic food, b~
## $ PRODUCT TYPE
## $ PRODUCT_CATEGORY <chr> "mask", "sanitizer", "pulses(dal)", "Dry Fruits", "b~
## $ COST PRICE
                       <dbl> 160.00, 248.00, 162.00, 77.14, 494.50, 445.05, 270.0~
                       <dbl> 200.000, 400.000, 180.000, 133.000, 593.400, 534.060~
## $ SELLING_PRICE
## $ QUANTITY_DEMANDED <int> 890, 800, 456, 100, 111, 111, 360, 52, 27, 353, 500,~
```

Now the two variables are factor type.

Adding columns in data

The data contains details of products from May, 2020, a period marked by covid-19. there is no date variable, so let's create datetime column from May 1 to May 30 2020 hour interval. I used 550 values since their is 744 hours in the month to match rows of the data.

```
# Define start and end dates
start_date <- ymd_hms("2020-05-01 00:00:00")
end_date <- ymd_hms("2020-05-31 23:00:00")

# Generate sequence of datetime values in hourly intervals
datetime_sequence <- seq(start_date, end_date, by = "hour")

#create datetime column in store
store <- mutate(store, Datetime = datetime_sequence[1:550])
head(store)</pre>
```

```
PRODUCT NAME COMPANY
                                                      PRODUCT_TYPE PRODUCT_CATEGORY
##
     UNIQUE ID
## 1
         GSK01
                                A Masks
                                              Α
                                                           hygiene
                                                                                mask
## 2
         GSK02 N hand sanitizer,350 ml
                                              N
                                                           hygiene
                                                                          sanitizer
## 3
         GSK03
                     G Channa Dal, 1kG
                                              G foodgrains&spices
                                                                        pulses(dal)
         GSK04 I Organic Raisins, 100g
                                                      Organic food
                                                                         Dry Fruits
## 4
                                              Ι
## 5
         GSK05
                             S Body oil
                                              S
                                                   beauty products
                                                                            bodycare
                        S AloeverS Gel
## 6
         GSK06
                                              S
                                                   beauty products
                                                                            bodycare
     COST_PRICE SELLING_PRICE QUANTITY_DEMANDED
##
                                                             Datetime
## 1
         160.00
                       200.00
                                             890 2020-05-01 00:00:00
## 2
         248.00
                       400.00
                                             800 2020-05-01 01:00:00
## 3
         162.00
                       180.00
                                             456 2020-05-01 02:00:00
          77.14
## 4
                       133.00
                                             100 2020-05-01 03:00:00
## 5
         494.50
                       593.40
                                             111 2020-05-01 04:00:00
## 6
         445.05
                                             111 2020-05-01 05:00:00
                       534.06
```

```
# add column to show the profit
store <- store %>% mutate(PROFIT= SELLING_PRICE - COST_PRICE)

# add column to show the profit percent
store <- store %>% mutate(PROFIT_PERCENT= (PROFIT / COST_PRICE) *100)

# add column to show the net profit
store <- store %>% mutate(NET_PROFIT=PROFIT*QUANTITY_DEMANDED)
head(store)
```

let's add one more columns to show profit, profit percent, and net profit of the products.

```
PRODUCT_NAME COMPANY
                                                       PRODUCT_TYPE PRODUCT_CATEGORY
##
     UNIQUE_ID
## 1
         GSK01
                                 A Masks
                                               Α
                                                                                  {\tt mask}
                                                            hygiene
## 2
         GSK02 N hand sanitizer, 350 ml
                                               N
                                                            hygiene
                                                                            sanitizer
## 3
         GSK03
                      G Channa Dal, 1kG
                                               G foodgrains&spices
                                                                          pulses(dal)
         GSK04 I Organic Raisins, 100g
## 4
                                                       Organic food
                                                                           Dry Fruits
```

```
## 5
         GSK05
                             S Body oil
                                               S
                                                    beauty products
                                                                             bodycare
## 6
         GSK06
                         S AloeverS Gel
                                               S
                                                    beauty products
                                                                             bodycare
                                                              Datetime PROFIT
##
     COST PRICE SELLING PRICE QUANTITY DEMANDED
## 1
                        200.00
                                              890 2020-05-01 00:00:00 40.00
         160.00
## 2
         248.00
                        400.00
                                              800 2020-05-01 01:00:00 152.00
## 3
                                                                         18.00
         162.00
                        180.00
                                              456 2020-05-01 02:00:00
## 4
          77.14
                        133.00
                                              100 2020-05-01 03:00:00
                                                                         55.86
         494.50
## 5
                        593.40
                                              111 2020-05-01 04:00:00
                                                                         98.90
## 6
         445.05
                        534.06
                                              111 2020-05-01 05:00:00
                                                                        89.01
##
     PROFIT_PERCENT NET_PROFIT
## 1
           25.00000
                       35600.00
## 2
           61.29032
                      121600.00
## 3
           11.11111
                        8208.00
## 4
           72.41379
                        5586.00
## 5
           20.00000
                       10977.90
## 6
           20.00000
                        9880.11
```

Rearrarange Columns Order Using dplyr's Relocate Function.

Rearranging columns in a meaningful order can make analyses simpler. Let's put datetime column in the first column.

```
store <- store %>% relocate(Datetime, .before = UNIQUE_ID)
head(store)
```

```
##
                 Datetime UNIQUE_ID
                                                PRODUCT_NAME COMPANY
## 1 2020-05-01 00:00:00
                              GSK01
                                                      A Masks
                                                                     Α
## 2 2020-05-01 01:00:00
                              GSK02 N hand sanitizer,350 ml
                                                                     N
                                                                     G
## 3 2020-05-01 02:00:00
                              GSK03
                                           G Channa Dal, 1kG
                                      I Organic Raisins, 100g
## 4 2020-05-01 03:00:00
                              GSK04
                                                                     Ι
                                                                     S
## 5 2020-05-01 04:00:00
                              GSK05
                                                   S Body oil
  6 2020-05-01 05:00:00
                              GSK06
                                              S AloeverS Gel
                                                                     S
##
##
          PRODUCT TYPE PRODUCT CATEGORY COST PRICE SELLING PRICE QUANTITY DEMANDED
## 1
               hygiene
                                                             200.00
                                     mask
                                              160.00
                                                                                    890
## 2
               hygiene
                               sanitizer
                                              248.00
                                                             400.00
                                                                                    800
## 3 foodgrains&spices
                                                                                    456
                             pulses(dal)
                                              162.00
                                                             180.00
          Organic food
                              Dry Fruits
                                               77.14
                                                             133.00
                                                                                    100
## 4
## 5
       beauty products
                                 bodycare
                                              494.50
                                                             593.40
                                                                                    111
## 6
       beauty products
                                 bodycare
                                              445.05
                                                             534.06
                                                                                    111
##
     PROFIT PROFIT_PERCENT NET_PROFIT
## 1
      40.00
                   25.00000
                              35600.00
## 2 152.00
                   61.29032
                             121600.00
## 3
      18.00
                               8208.00
                   11.11111
## 4
      55.86
                   72.41379
                               5586.00
## 5
      98.90
                   20.00000
                              10977.90
## 6
      89.01
                   20.00000
                               9880.11
```

DEALING WITH MISSING VALUE

Identifying the Pattern of Missing Values When exploring a new dataset, it's worthwhile to identify the pattern of missing values. The summary() includes the number of missing values for each column along with the summary statistics.

summary(store)

```
##
      Datetime
                                 UNIQUE_ID
                                                   PRODUCT_NAME
## Min.
          :2020-05-01 00:00:00
                                Length:550
                                                   Length:550
  1st Qu.:2020-05-06 17:15:00
                                Class : character
                                                   Class : character
## Median :2020-05-12 10:30:00
                                Mode :character
                                                   Mode : character
         :2020-05-12 10:30:00
## Mean
   3rd Qu.:2020-05-18 03:45:00
##
  Max. :2020-05-23 21:00:00
##
##
      COMPANY
                           PRODUCT_TYPE PRODUCT_CATEGORY
                                                             COST_PRICE
##
          : 97
                 beauty products :100
  S
                                        Length:550
                                                           Min. : 9.00
                                        Class :character
##
  G
          : 84
                 foodgrains&spices: 91
                                                           1st Qu.: 72.97
## Z
          : 66
                 Packed Food
                                 : 84
                                        Mode :character
                                                           Median :180.06
##
   Α
          : 57
                 Organic food
                                 : 82
                                                           Mean
                                                                :216.53
##
  В
          : 53
                 snacks
                                 : 64
                                                           3rd Qu.:320.54
##
  Ι
          : 36
                 hygiene
                                 : 54
                                                           Max. :912.00
                                 : 75
##
  (Other):157
                 (Other)
                                                      PROFIT PERCENT
## SELLING PRICE
                    QUANTITY DEMANDED
                                         PROFIT
## Min.
         : 10.0
                    Min. : 2.0
                                     Min. : 0.66
                                                     Min. : 5.00
  1st Qu.: 98.5
                    1st Qu.: 120.0
                                     1st Qu.: 18.71
                                                      1st Qu.:15.00
## Median : 229.0
                    Median : 316.0
                                     Median : 41.16
                                                     Median :20.00
## Mean : 274.9
                    Mean : 327.2
                                     Mean : 58.41
                                                      Mean :29.82
   3rd Qu.: 422.0
                    3rd Qu.: 500.0
##
                                     3rd Qu.: 80.81
                                                      3rd Qu.:31.58
  Max. :1200.0
                    Max. :1100.0
                                     Max. :288.00
                                                      Max. :90.00
##
##
     NET_PROFIT
## Min.
              223.4
         :
  1st Qu.: 4299.4
## Median: 9350.0
## Mean
         : 12092.5
## 3rd Qu.: 13661.9
## Max. :136800.0
##
# find to of missing values
sum_missing_values <- sum(is.na(store))</pre>
print(paste("The total of missing values are:", sum_missing_values)) # 0
## [1] "The total of missing values are: 0"
# summary of missing variables
miss var summary(store)
## # A tibble: 12 x 3
##
     variable
                       n_miss pct_miss
##
     <chr>
                        <int>
                                <num>
## 1 Datetime
                                    0
                           0
## 2 UNIQUE ID
                           0
                                    0
## 3 PRODUCT_NAME
                           0
                                    0
## 4 COMPANY
                           0
                                    0
## 5 PRODUCT TYPE
                           0
                                    0
```

```
6 PRODUCT CATEGORY
                                       0
## 7 COST PRICE
                              0
                                       0
## 8 SELLING PRICE
                              0
                                       0
## 9 QUANTITY_DEMANDED
                              0
                                       0
## 10 PROFIT
                              0
                                       0
## 11 PROFIT PERCENT
                              0
                                       0
## 12 NET PROFIT
                                       0
```

As shown the result, there is no missing values. If a column has a large percentage of missing values, then you may want to consider dropping that column all together. However, if you are really interested in the effect of that column, then a better idea is to remove the observations that have missing values.

Identifying Distinct Values Using dplyr's Distinct Function

The distinct function returns only the unique values from a column.

```
dim(distinct(store))
## [1] 550 12
```

As shown the result, all the values are unique.

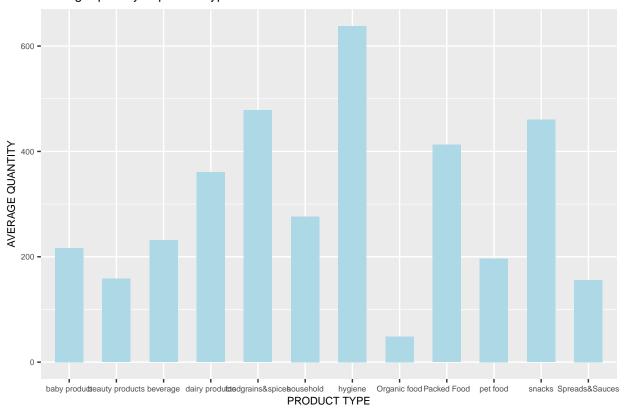
Save the updates file

```
# Save up the updates for reusing. Uncomment if want to run
#write.table(store, file = "Updated_store_data.csv", sep=",")
```

Let's Spot patterns and problems using graphs and visualizations

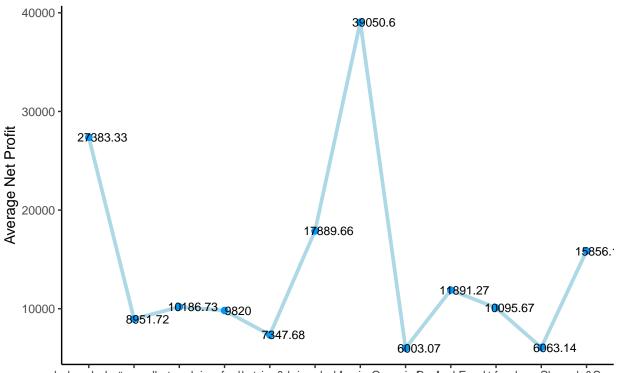
What is the AVERAGE_QUANTITY of PRODUCT_TYPE

Average quantity of product type



Let's plot the Average Net Profit of Product Type

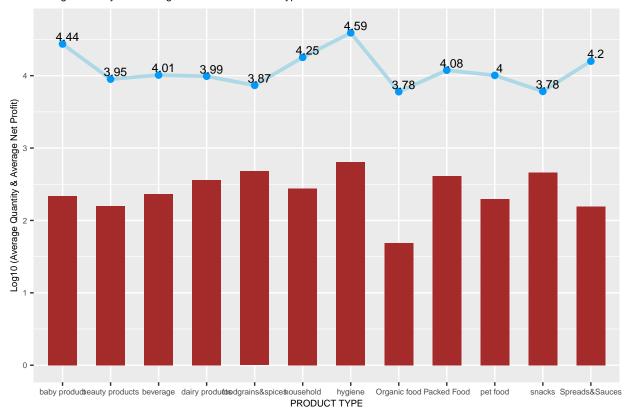




baby placehuntly productseradgery promothyrains & straices eholdhygier@rganic Randked Formet food sna@laseads & Sauc Product Type

Let's plot the Average Quantity and Average Net Profit of Product Type

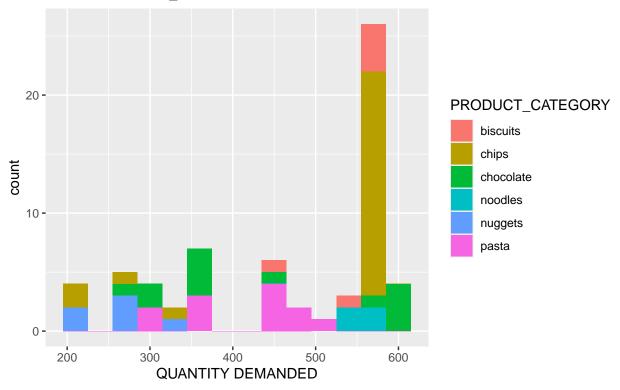
Average Quantity and Average Net Profit of Product Type



Plot histogram for QUANTITY DEMANDED of PRODUCT CATEGORY where PRODUCT TYPE is "snacks" $\,$

QUANTITY DEMANDED of PRODUCT CATEGORY

Where: PRODUCT_TYPE = 'snacks'



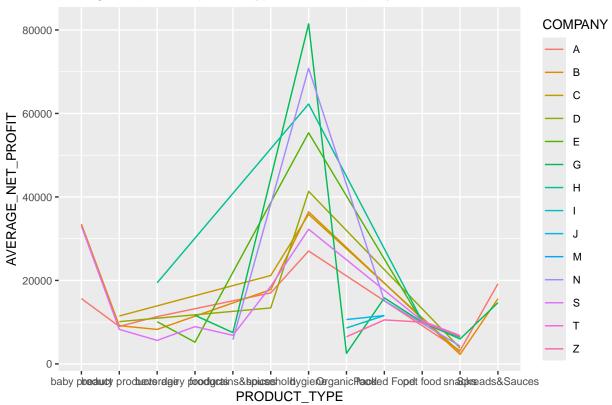
Plot average net profit for product type in each company

```
# PLOT FOR AVERAGE_NET_PROFIT & COMPANY

store %>% group_by(PRODUCT_TYPE, COMPANY) %>%
  summarise(AVERAGE_NET_PROFIT=mean(NET_PROFIT, na.rm=TRUE)) %>%
  ggplot(aes(x=PRODUCT_TYPE, y=AVERAGE_NET_PROFIT, group=COMPANY, colour = COMPANY))+
  geom_line()+ theme(text= element_text(size=9.5))+
  ggtitle("Average net profit for product type in each company")
```

'summarise()' has grouped output by 'PRODUCT_TYPE'. You can override using the
'.groups' argument.

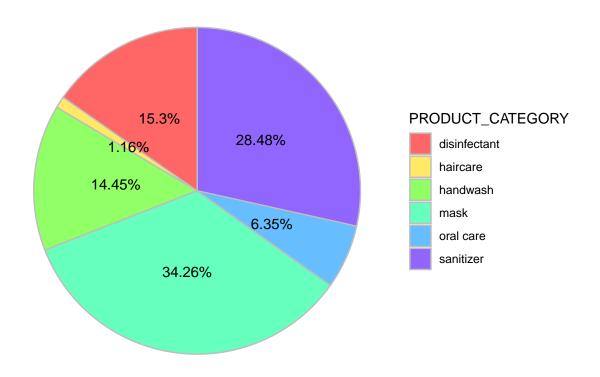




Let's make a pie chart for each HYGIENE PRODUCT'S QUANTITY DEMANDED

```
#LET'S PREPARE REQUIRD DATA
hygiene_prod <- store %>% filter(PRODUCT_TYPE=="hygiene")%>%
  group_by(PRODUCT_CATEGORY)%>%
  summarise(QUANTITY_DEMANDED=sum(QUANTITY_DEMANDED))
# LET'S CALCULATE PERCENTAGE OF EACH PRODUCT
hygiene_prod_perc <- hygiene_prod %>%
  arrange(desc(PRODUCT CATEGORY)) %>%
  mutate(percentage=round(QUANTITY_DEMANDED*100/sum(QUANTITY_DEMANDED),2)) %>%
  mutate(y_pos = cumsum(percentage)-0.5*percentage)
# LET'S CREATE THE PIE CHART
hygiene_prod_perc %>% ggplot(aes(x="", percentage, fill = PRODUCT_CATEGORY))+
  geom_bar(width = 1, stat = "identity", color="grey", alpha=0.6)+
  coord_polar("y", start = 0)+
  geom_text(aes(y=y_pos, label = paste0(percentage, "%")), color="black")+
  scale_fill_manual(values = rainbow(7))+
  ggtitle("PERCENTAGE OF HYGIENE PRODUCT'S QUANTITY DEMANDED")+
  theme_void()
```

PERCENTAGE OF HYGIENE PRODUCT'S QUANTITY DEMANDED

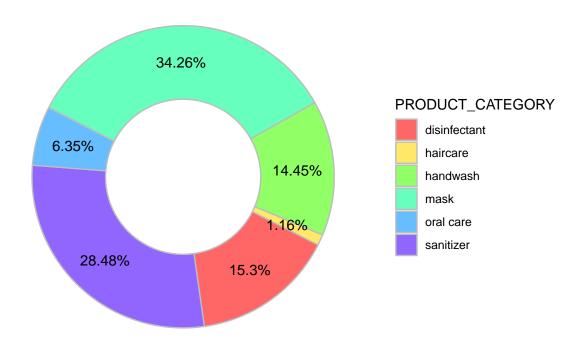


Plot a donut chart for same data

```
# LET'S MAKE A DONUT FOR THE SAME DATA

hygiene_prod_perc %>% ggplot(aes(x=2, percentage, fill = PRODUCT_CATEGORY))+
  geom_bar(stat = "identity", color="grey", alpha=0.6)+
  coord_polar(theta = "y", start = 3)+
  geom_text(aes(y=y_pos, label = paste0(percentage, "%")), color="black")+
  ggtitle("A DONUT CHART OF HYGIENE PRODUCT'S QUANTITY DEMANDED")+
  scale_fill_manual(values = rainbow(7))+ theme_void() + xlim(0.6,2.6)
```

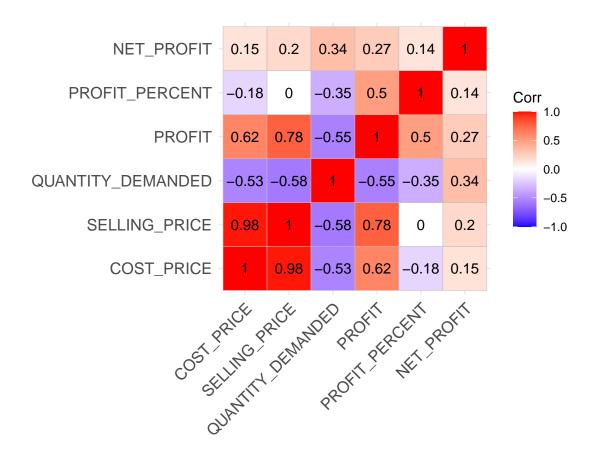
A DONUT CHART OF HYGIENE PRODUCT'S QUANTITY DEMANDED



Correlation refers to the statistical concept that studies the relationship between two quantitative variables. Let's find and plot the correlation martix of numerical variables using ggcorrplot package.

```
numeric_var<- select_if(store, is.numeric) # get numerical features
r_corr<-cor(numeric_var, use = "complete.obs")

#PLOT THE CORRELATION MATRIX (HEAT MAP)
ggcorrplot(r_corr, lab = TRUE)</pre>
```



PLOT THE SORTED UPPER TRIANGLE HEAT MAP
ggcorrplot(r_corr,hc.order = TRUE, type = "upper", lab = TRUE)

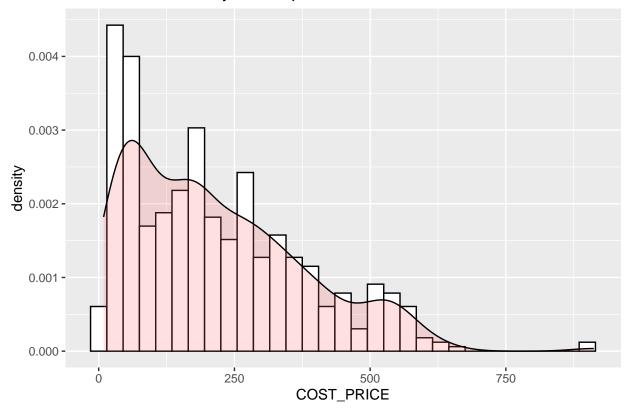


Let's know the distribution of some numerical variables.

```
# plot histogram & density of cost_price
ggplot(store, aes(x= COST_PRICE))+
    geom_histogram(aes(y=..density..), binwidth=30, colour="black", fill="white")+
    geom_density(alpha=.2, fill="#FF6666")+
    ggtitle("Distribution & Density of cost price")

## Warning: The dot-dot notation ('..density..') was deprecated in ggplot2 3.4.0.
## i Please use 'after_stat(density)' instead.
## This warning is displayed once every 8 hours.
## Call 'lifecycle::last_lifecycle_warnings()' to see where this warning was
## generated.
```

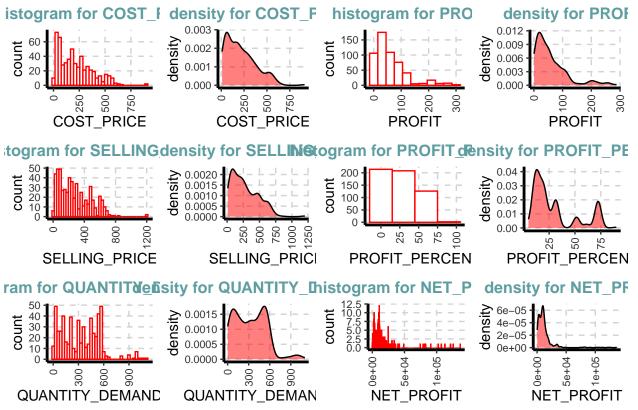
Distribution & Density of cost price



Density and Distribution of numerical variables

\$'0'

page 1 of 1



Let's dive more about statistics in numerical variables using ExpNumStat() function in smartEDA package.

ExpNumStat(store)

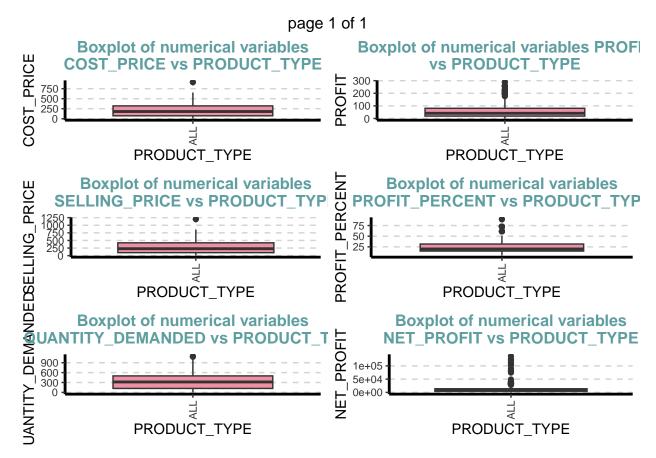
##					Group	TN	nNeg	nZero	nPos	NegInf	PosInf	${\tt NA_Value}$	
##	1	CC	OST_PRI	CE	All	550	0	0	550	C	0	0	
##	6	NE	ET_PROF	ΊŢ	All	550	0	0	550	C	0	0	
##	4		PROF	ΊŢ	All	550	0	0	550	C	0	0	
##	5	PROFIT	Γ_PERCE	NT	All	550	0	0	550	C	0	0	
##	3	QUANTITY_	_DEMAND	ED	All	550	0	0	550	C	0	0	
##	2	SELLI	ING_PRI	CE	All	550	0	0	550	C	0	0	
##		Per_of_Mi	issing		S	um	min	max		mean	median	SD	CV
##	1		0	11	19091.	37	9.00	912	2	16.530	180.06	161.829	0.747
##	6		0	665	50871.	60 2	23.44	136800	1209	92.494	9350.00	15220.272	1.259
##	4		0	3	32126.	38	0.66	288	; {	58.412	41.16	56.666	0.970
##	5		0	1	16402.	13	5.00	90) :	29.822	20.00	21.719	0.728
##	3		0	17	79944.	00	2.00	1100	32	27.171	316.00	224.432	0.686
##	2		0	15	51217.	75	10.00	1200	2	74.941	229.00	202.085	0.735
##		IQR	Skewne	ss	Kurto	sis							
##	1	247.570	0.8	76	0.4	469							
##	6	9362.496	4.8	307	28.	880							
##	4	62.103	1.7	75	3.	195							
##	5	16.579	1.0	95	-0.	240							
##	3	380.000	0.5	64	0.3	230							
##	2	323.500	0.8		0.	547							

The distribution of all numeric variables are right-tail distribution. As shown histogram and density in the above graph, there is other two ways I can confirm this claim. First, all mean of numerical variables are greater than their median, this indicates that the distribution is right-tailed. Secondly, all the skewness values are greater than 0, this shows this right-tailed distribution. There is highly positive skewness variables such NET_PROFIT_PERCENT , and PROFIT. and moderate skewness variables include COST_PRICE, SELLING_PRICE, and QUANTITY_DEMANDED.

In addition, the Kurtosis indicates the presence of outliers. Until now, there is one variable which have high Kurtosis value (NET_PROFIT). This shows there is more outliers in this variable, but I'll confirm by plotting boxplot using smartEDA package.

ExpNumViz(store, target = "PRODUCT_TYPE", type = 3, Page = c(3,2), gtitle = "Boxplot of numerical variab"

\$'0'



As the result above shows, NET_PROFIT, PROFIT_PERCENT, and PROFIT have more outliers than other variables. Specially, NET_PROFIT variable contain most outliers compared with others. This confirm the fact that NET_PROFIT has high Kurtosis value (28.8).

Note: If you are preparing this data for modeling, you need to solve and transform some of issues in variables like skewness of numerical variables and remove outliers.