

GRUPO BIMBO INVENTORY DEMAND

BY JUAN SERRANO, GIOVANNY MORENO AND NICOLAS GUEVARA

GATHERING DATA

The dataset for this competition was primarily sourced from Kaggle. Additionally, we utilized web scraping techniques to augment our data with external variables. Specifically, we collected biweekly inflation rates and consumer confidence indices from an API. These additional variables were gathered for the period from March 31st to June 1st, 2016.



EXPLORATION DATA

We perform an inspection in the features in the dataset, counting the total of missing values, unique values, and cardinality. Then we proceed to merge the different dataframes in our disposal in one unique big dataset

PREPROCESSING

We change the columns type to the one needed, and fill the missing values if its required

FEATURE ENGINEERING

HOW DID WE DECIDE:

Upon exploring the dataset we realized that were several columns that were of the type "object" something that we needed to avoid since a regression ML model was used, also, we also evaluated wich columns were relevant to pass to the model so we could get an accurate prediction.



MODEL BUILDING

We separated our original dataset in test and training files that were fitted in the XGB model and RandomForest model

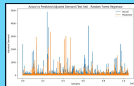
TRAINING MODEL

Upon training the model, the results showed a 28% margin of error

MODEL EVALUATION

WICH MODEL TO USE?

Since we need a numerical answer from the data it was decided that a Regression Machine Learning Model. At first we evaluated between RandomForest and XGBoost. After measuring the performance of each one of them, we decided to opt for the RandomForest model



BUSINESS QUESTIONS

The study aimed to address several business questions related to inventory management and demand forecasting:

- What are our best and worst customers?
- What is the relationship between sales growth rates (1 and 2) and adjusted demand?
- How are our sales going against the returns, and our adjusted demand?
- What are our most used routes?

REFERENCE

<https://www.kaggle.com/competitions/grupo-bimbo-inventory-demand/overview>