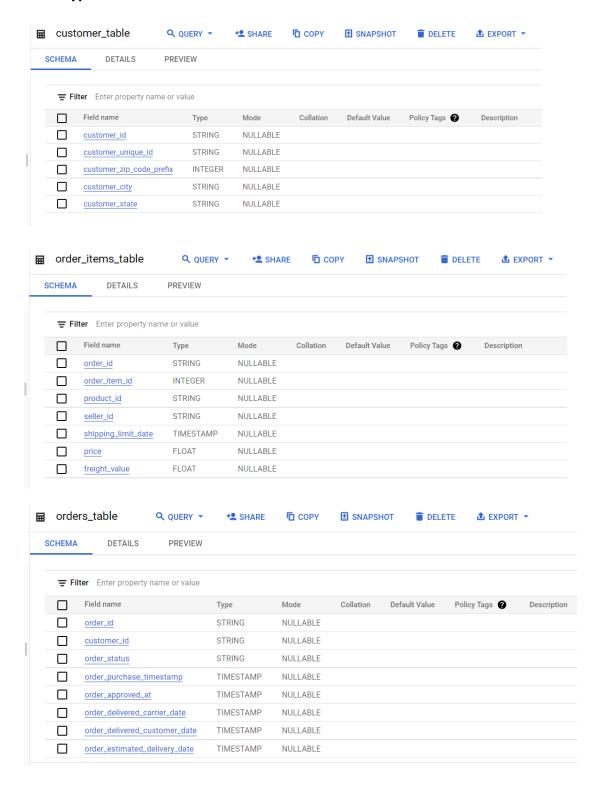
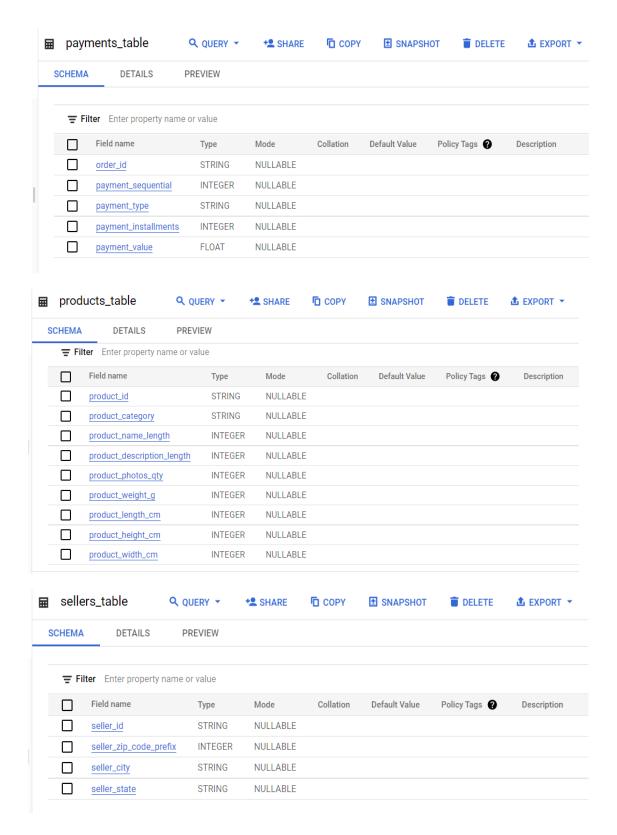
## **Business Case: Target SQL**

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





#### Time period for which the data is given

SELECT min(order\_purchase\_timestamp) AS first\_order\_date,
max(order\_purchase\_timestamp) AS last\_order\_date FROM Target.orders\_table;

Row	first_order_date	last_order_date
1	2016-09-04 21:15:19 UTC	2018-10-17 17:30:18 UTC

### • Cities and States of customers ordered during the given period

SELECT c.customer\_city, c.customer\_state FROM Target.customer\_table c JOIN
Target.orders\_table o ON c.customer\_id = o.customer\_id GROUP BY 1,2 ORDER BY 1,2;

Row	customer_city	customer_state
1	abadia dos dourados	MG
2	abadiania	GO
3	abaete	MG
4	abaetetuba	PA
5	abaiara	CE
6	abaira	BA
7	abare	BA
8	abatia	PR
9	abdon batista	SC
10	abelardo luz	SC
11	abrantes	BA
12	abre campo	MG

## 2. In-depth Exploration:

• Is there a growing trend on e-commerce in Brazil? How can we describe a complete scenario? Can we see some seasonality with peaks at specific months?

SELECT extract(month from order\_purchase\_timestamp) AS month, extract(year from order\_purchase\_timestamp) AS year, count(distinct order\_id) AS no\_of\_orders FROM Target.orders\_table GROUP BY 1,2 ORDER BY 2,1;

Row	month //	year //	no_of_orders //
1	9	2016	4
2	10	2016	324
3	12	2016	1
4	1	2017	800
5	2	2017	1780
6	3	2017	2682
7	4	2017	2404
8	5	2017	3700
9	6	2017	3245
10	7	2017	4026
11	8	2017	4331
12	9	2017	4285
13	10	2017	4631

Row	month //	year //	no_of_orders //
13	10	2017	4631
14	11	2017	7544
15	12	2017	5673
16	1	2018	7269
17	2	2018	6728
18	3	2018	7211
19	4	2018	6939
20	5	2018	6873
21	6	2018	6167
22	7	2018	6292
23	8	2018	6512
24	9	2018	16
25	10	2018	4

# • What time do Brazilian customers tend to buy (Dawn, Morning, Afternoon or Night)?

SELECT time\_of\_the\_day, count(\*) AS count FROM (SELECT hour, CASE WHEN hour>=0 AND hour<6 THEN 'Dawn' WHEN hour>=6 AND hour<12 THEN 'Morning' WHEN hour>=12 AND hour<18 THEN 'Afternoon' WHEN hour>=18 AND hour<=23 THEN 'Night' END AS time\_of\_the\_day FROM (SELECT extract(hour from order\_purchase\_timestamp) AS hour FROM 'Target.orders\_table') abc) mno GROUP BY 1 ORDER BY 2 DESC;

Row	time_of_the_day //	count
1	Afternoon	38361
2	Night	34100
3	Morning	22240
4	Dawn	4740

From the above result, we can safely say that the Brazilian customers tend to buy mostly in Afternoon (in between 12 noon and 6 pm), followed by in Night, and they buy the least in Dawn.

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

#### Get month on month orders by states

SELECT extract(month from o.order\_purchase\_timestamp) AS month, extract(year from o.order\_purchase\_timestamp) AS year, c.customer\_state, count(distinct o.order\_id) AS no\_of\_orders FROM Target.orders\_table o JOIN Target.customer\_table c ON o.customer\_id = c.customer\_id GROUP BY 1,2,3 ORDER BY 2,1,3;

Row	month //	year //	customer_state	no_of_orders
1	9	2016	RR	1
2	9	2016	RS	1
3	9	2016	SP	2
4	10	2016	AL	2
5	10	2016	BA	4
6	10	2016	CE	8
7	10	2016	DF	6
8	10	2016	ES	4
9	10	2016	GO	9
10	10	2016	MA	4
11	10	2016	MG	40
12	10	2016	MT	3

#### • Distribution of customers across the states in Brazil

SELECT c.customer\_state, count(distinct c.customer\_id) AS no\_of\_customers FROM
Target.customer\_table c JOIN Target.orders\_table o ON c.customer\_id = o.customer\_id
GROUP BY 1 ORDER BY 1;

Row	customer_state	no_of_customers
1	AC	81
2	AL	413
3	AM	148
4	AP	68
5	BA	3380
6	CE	1336
7	DF	2140
8	ES	2033
9	GO	2020
10	MA	747
11	MG	11635
12	MS	715

- 4. Impact on Economy: Analyze the money movement by e-commerce by looking at order prices, freight and others.
  - Get % increase in cost of orders from 2017 to 2018 (include months between Jan to Aug only) You can use "payment value" column in payments table

SELECT round(((tcop18-tcop17)/tcop17)\*100,2) AS percent\_increase FROM (SELECT tcop17, lead(tcop17,1) over (order by year asc) AS tcop18 FROM (SELECT year, sum(payment\_value) AS tcop17 FROM (SELECT \*, extract(month from o.order\_purchase\_timestamp) AS month, extract(year from o.order\_purchase\_timestamp) AS year FROM `Target.payments\_table` p JOIN `Target.orders\_table` o ON p.order\_id = o.order\_id) abc WHERE (month>=1 AND month<=8) AND (year IN (2017, 2018)) GROUP BY 1 ORDER BY 1) mno LIMIT 1) pqr



Mean & Sum of price and freight value by customer state

SELECT c.customer\_state, avg(ot.price) AS mop, sum(ot.price) AS sop, avg(ot.freight\_value) AS mofv, sum(ot.freight\_value) AS sofv FROM `Target.order\_items\_table` ot JOIN `Target.orders\_table` o ON ot.order\_id = o.order\_id JOIN `Target.customer\_table` c ON c.customer id = o.customer id GROUP BY 1 ORDER BY 1;

Row	customer_state	mop	sop	mofv	sofv
1	AC	173.727717	15982.9499	40.0733695	3686.74999
2	AL	180.889211	80314.81	35.8436711	15914.5899
3	AM	135.496000	22356.8400	33.2053939	5478.88999
4	AP	164.320731	13474.2999	34.0060975	2788.50000
5	BA	134.601208	511349.990	26.3639589	100156.679
6	CE	153.758261	227254.709	32.7142016	48351.5899
7	DF	125.770548	302603.939	21.0413549	50625.4999
8	ES	121.913701	275037.309	22.0587765	49764.5999
9	GO	126.271731	294591.949	22.7668152	53114.9799
10	MA	145.204150	119648.219	38.2570024	31523.7700
11	MG	120.748574	1585308.02	20.6301668	270853.460
12	MS	142.628376	116812.639	23.3748840	19144.0300

## 5. Analysis on sales, freight and delivery time

- Calculate days between purchasing, delivering and estimated delivery
- > Find time\_to\_delivery & diff\_estimated\_delivery.

SELECT timestamp\_diff(order\_purchase\_timestamp, order\_delivered\_customer\_date, day)
AS time\_to\_delivery, timestamp\_diff(order\_estimated\_delivery\_date,
order\_delivered\_customer\_date, day) AS diff\_estimated\_delivery FROM
`Target.orders\_table`;

Row	time_to_delivery	diff_estimated_delivery //
1	-30	-12
2	-30	28
3	-35	16
4	-30	1
5	-32	0
6	-29	1
7	-43	-4
8	-40	-4
9	-37	-1
10	-33	-5
11	-38	-6
12	-36	-2
13	-34	0

 Group data by state, take mean of freight\_value, time\_to\_delivery, diff\_estimated\_delivery SELECT customer\_state, avg(freight\_value) AS mofv, avg(time\_to\_delivery) AS mttd, avg(diff\_estimated\_delivery) AS mded FROM (SELECT \*, timestamp\_diff(o.order\_purchase\_timestamp, o.order\_delivered\_customer\_date, day) AS time\_to\_delivery, timestamp\_diff(o.order\_estimated\_delivery\_date, o.order\_delivered\_customer\_date, day) AS diff\_estimated\_delivery FROM `Target.order\_items\_table` ot JOIN `Target.orders\_table` o ON o.order\_id = ot.order\_id JOIN `Target.customer\_table` c ON c.customer\_id = o.customer\_id) abc GROUP BY 1 ORDER BY 1;

Row	customer_state	mofv /	mttd //	mded //
1	AC	40.0733695	-20.329670	20.0109890
2	AL	35.8436711	-23.992974	7.97658079
3	AM	33.2053939	-25.963190	18.9754601
4	AP	34.0060975	-27.753086	17.4444444
5	BA	26.3639589	-18.774640	10.1194678
6	CE	32.7142016	-20.537166	10.2566619
7	DF	21.0413549	-12.501486	11.2747346
8	ES	22.0587765	-15.192808	9.76853932
9	GO	22.7668152	-14.948177	11.3728590
10	MA	38.2570024	-21.203750	9.10999999
11	MG	20.6301668	-11.515522	12.3971510
12	MS	23.3748840	-15.107274	10.3378545

## • Sort the data to get the following:

## > Top 5 states with highest/lowest average freight value - sort in desc/asc limit 5

#### **Highest**

SELECT c.customer\_state, avg(ot.freight\_value) AS average\_freight\_value FROM
`Target.order\_items\_table` ot JOIN `Target.orders\_table` o ON o.order\_id = ot.order\_id JOIN
`Target.customer\_table` c ON c.customer\_id = o.customer\_id GROUP BY 1 ORDER BY 2 DESC
LIMIT 5;

Row	customer_state	average_freight_value
1	RR	42.984423076923093
2	PB	42.723803986710941
3	RO	41.069712230215842
4	AC	40.073369565217405
5	PI	39.147970479704767

#### **Lowest**

SELECT c.customer\_state, avg(ot.freight\_value) AS average\_freight\_value FROM `Target.order\_items\_table` ot JOIN `Target.orders\_table` o ON o.order\_id = ot.order\_id JOIN `Target.customer\_table` c ON c.customer\_id = o.customer\_id GROUP BY 1 ORDER BY 2 LIMIT 5;

Row	customer_state	average_freight_value
1	SP	15.147275390419132
2	PR	20.531651567944269
3	MG	20.630166806306651
4	RJ	20.960923931682483
5	DF	21.041354945968422

### Top 5 states with highest/lowest average time to delivery

#### **Highest**

SELECT c.customer\_state, avg(timestamp\_diff(o.order\_purchase\_timestamp, o.order\_delivered\_customer\_date, day)) AS average\_time\_to\_delivery\_days FROM `Target.order\_items\_table` ot JOIN `Target.orders\_table` o ON o.order\_id = ot.order\_id JOIN `Target.customer\_table` c ON c.customer\_id = o.customer\_id GROUP BY 1 ORDER BY 2 LIMIT 5;

Row	customer_state //	average_time_to_delivery_days
1	RR	-27.826086956521738
2	AP	-27.753086419753075
3	AM	-25.963190184049076
4	AL	-23.992974238875881
5	PA	-23.301707779886126

#### **Lowest**

SELECT c.customer\_state, avg(timestamp\_diff(o.order\_purchase\_timestamp, o.order\_delivered\_customer\_date, day)) AS average\_time\_to\_delivery\_days FROM `Target.order\_items\_table` ot JOIN `Target.orders\_table` o ON o.order\_id = ot.order\_id JOIN `Target.customer\_table` c ON c.customer\_id = o.customer\_id GROUP BY 1 ORDER BY 2 DESC LIMIT 5;

Row	customer_state	average_time_to_delivery_days
1	SP	-8.25960855241909
2	PR	-11.480793060718735
3	MG	-11.515522180072811
4	DF	-12.501486199575384
5	SC	-14.520985846754517

## > Top 5 states where delivery is really fast/not so fast compared to estimated date

#### Fast

SELECT c.customer\_state, avg(timestamp\_diff(o.order\_estimated\_delivery\_date, o.order\_delivered\_customer\_date, day)) AS time\_days FROM `Target.order\_items\_table` ot JOIN `Target.orders\_table` o ON o.order\_id = ot.order\_id JOIN `Target.customer\_table` c ON c.customer\_id = o.customer\_id GROUP BY 1 ORDER BY 2 DESC LIMIT 5;

Row	customer_state	time_days
1	AC	20.0109890
2	RO	19.0805860
3	AM	18.9754601
4	AP	17.4444444
5	RR	17.4347826

#### Not so fast

SELECT c.customer\_state, avg(timestamp\_diff(o.order\_estimated\_delivery\_date, o.order\_delivered\_customer\_date, day)) AS time\_days FROM `Target.order\_items\_table` ot JOIN `Target.orders\_table` o ON o.order\_id = ot.order\_id JOIN `Target.customer\_table` c ON c.customer\_id = o.customer\_id GROUP BY 1 ORDER BY 2 LIMIT 5;

Row	customer_state	time_days
1	AL	7.97658079
2	MA	9.10999999
3	SE	9.16533333
4	ES	9.76853932
5	BA	10.1194678

## 6. Payment type analysis:

• Month over Month count of orders for different payment types

SELECT extract(month from o.order\_purchase\_timestamp) AS month, extract(year from o.order\_purchase\_timestamp) AS year, p.payment\_type, count(o.order\_id) AS count\_of\_orders FROM `Target.orders\_table` o JOIN `Target.payments\_table` p ON o.order\_id = p.order\_id GROUP BY 1,2,3 ORDER BY 2,1;

Row	month	year //	payment_type //	count_of_orders //
1	9	2016	credit_card	3
2	10	2016	credit_card	254
3	10	2016	UPI	63
4	10	2016	voucher	23
5	10	2016	debit_card	2
6	12	2016	credit_card	1
7	1	2017	credit_card	583
8	1	2017	UPI	197
9	1	2017	voucher	61
10	1	2017	debit_card	9
11	2	2017	credit_card	1356
12	2	2017	UPI	398

## • Count of orders based on the no. of payment installments

SELECT p.payment\_installments, count(\*) AS count\_of\_orders FROM
`Target.payments\_table` p JOIN `Target.orders\_table` o ON p.order\_id = o.order\_id GROUP
BY 1 ORDER BY 1;

Row	payment_installments //	count_of_orders //
1	0	2
2	1	52546
3	2	12413
4	3	10461
5	4	7098
6	5	5239
7	6	3920
8	7	1626
9	8	4268
10	9	644
11	10	5328
12	11	23
13	12	133

## **Actionable Insights:**

From the given dataset, we can draw some interesting actionable insights regarding the sales at Target (a US based retail industry). The dataset requires us to study the orders at Target for the Brazilian market between the time period September 2016 and October 2018.

For the given data, the first order was placed on September 4th ,2016 followed by 3 more orders in the same month, following which we can see an upward trend in the number of orders placed by distinct customers every month till the second half of 2018. The final order was placed on October 17th, 2018. The customers range from 4310 different cities in Brazil, which in-turn includes several municipalities. These cities form a part of all 27 states in Brazil. Therefore, the customers from every state of Brazil has placed an order at least once in the given timeframe.

There is a robust growing trend of e-commerce in Brazil as observed from the dataset. The number of customers have increased considerably as witnessed by the increase in the number of distinct order ids every subsequent month. There is a dramatic increase in the orders placed in the month of November in 2017 to 7544 orders, mainly because of the Christmas season next month all the way up to the new year, when the company also introduces offers to increase their sales. Alternatively, in the month of March 2017 we can clearly see the peak orders placed, crossing 7k mark yet again. This is because the month of April houses various public holidays and festivals in Brazil such as Good Friday, Orthodox Easter, and Tiradentes Day. The maximum orders were placed in the Afternoon (during the time between 12 noon and 6pm) followed by in the Night, which indicates that customers are usually active in the second half of the day as during this period they mostly get some leisure time from their daily work. At Dawn, the customers are usually inactive, which is evident by the fact that the lowest number of orders are placed in between 12am and 6am.

The state that recorded the highest number of orders placed in any given month is Sao Paulo (SP). Sao Paulo is a major industrial hub of Brazil and holds the 33% share in Brazil's GDP. Therefore, it can be understood that due to the increased economic activity, Sao Paulo's population would have greater share in retail shopping. Apart from that, the state of Minas Gerais (MG) holds the largest customer base of Target, accounting to 11635 customers. One possible reason is that MG is the most populous state of Brazil, and though the economic activity is less compared to that of Sao Paulo, the customer base is large.

Alternatively, there is a sharp increase of approximately 137% in the cost of orders from 2017 first half to 2018 first half. As more number of customers have joined in, leading to the large number of orders placed, we can conclude that the Target's recognition and trust has risen steeply in Brazil. The mean freight value in the state of Roraima (RR) is highest among all the states in Brazil. This is because Roraima is the most logistically and geographically isolated state in the country, thereby increasing the logistics cost.

The orders on average are delivered in 2 weeks from the time of order placed. Also, the orders are delivered almost 10 days prior to the estimated delivery date. This shows that Target is working efficiently in Brazil and is catering to the customer needs in a well organized manner. The lowest average freight value and average time to delivery is of the Sao Paulo state largely because of the high economic activity in the state rendering low logistics cost, and being the business hub of Brazil.

Finally on part of payment analysis, most of the customers of Target preferred payments through credit card, followed by UPI. Credit card seems to be the most feasible option for payments all over the world and the case of Brazil is no different. In the recent years, we

have seen a tremendous rise of UPI payments as it is fast, secure and almost effortless. Therefore, it is no surprise that Target has received a lot of orders through UPI payments as well. A large number of orders are made through first installment of payments signifying that for retail shopping customers prefer having no due as the cost of most orders is low. As the cost increases, the payment installment also increases.

#### Recommendations

Target has most of its bases covered but the retail giant can further increase its revenue by filling up some grey areas. During the festive season in Brazil such as the months of December and April, the month prior to these observe a large influx of orders. To further accommodate such large orders, it would be conducive to restock the products, add up new maintenance lines, increase the manpower, etc. during this time of the year. Apart from that, we also saw that the majority of orders were placed in the second half of the day. To get more orders, Target can try sending recommendations to its customers during the second half of the day, mainly because during that time the customers sign off from their work and enjoy their personal time online. This measure will proportionally boost Target's sales.

Target can build more stores in the states which have high economic activity largely in Sao Paulo and Minas Gerais. These states have a large customer base, which is constantly increasing with time. Adding more stores will also create new supply chains which will reduce the logistics cost, thereby further increasing the new customers in these states. The cost of orders have risen sharply by 137% from the first half of 2017 to the first half of 2018. To add more value to this, Target should launch online marketing campaigns and advertisement so that more and more people can become aware of Target in Brazil.

Target should build more warehouses in Brazil to cater large demand of its products. This will bring down the delivery time from 2 weeks to less especially in the border states. The 2 weeks time to product delivery is comparatively higher for retail businesses, and therefore it can only be reduced if Target has more warehouses.