Documentation for Project Contributions and Implementation

1. Data Preprocessing

Purpose:

Prepare raw data for exploratory analysis and modeling by ensuring it is clean, structured, and feature-rich.

Steps Taken:

Loading Data:

- Used load_data.py to read and validate the input data (CSV files).
- o Checked for duplicate rows and columns to eliminate redundancy.

• Handling Missing Values:

- Missing entries in CompetitionDistance were filled with the median distance.
- For categorical columns like PromoInterval, missing values were encoded as

Outlier Detection and Treatment:

- Used the Interquartile Range (IQR) method to identify outliers in Sales and Customers.
- Applied capping for extreme values to maintain dataset integrity.

• Feature Engineering:

- Extracted new date-based features, such as DayOfWeek, IsWeekend, IsHoliday, and DaysToHoliday.
- Created boolean flags for special occasions and store reopening events.

2. Exploratory Data Analysis (EDA)

Purpose:

Gain insights into the data and uncover relationships between features.

Key Contributions:

Understanding Customer Behavior:

- Visualized trends in Sales before, during, and after holidays using line plots.
- Assessed how promotions influenced sales across store types with grouped bar charts.

Correlation Analysis:

• Heatmaps revealed a strong correlation (0.85) between Sales and Customers.

• Holiday Impact:

 Analyzed the impact of StateHoliday and SchoolHoliday on sales using boxplots.

• Competitor Influence:

 Explored how CompetitionDistance and CompetitionOpenSinceYear affect sales trends.

Tools and Code:

- EDA. ipynb: Contains detailed analysis and plots.
- data_visualization.py: Encapsulates reusable functions for generating plots.

3. Modular Design and Reproducibility

Purpose:

Ensure the project can scale, adapt to new data, and be easily reproduced by other team members.

Key Features:

• Sklearn Pipelines:

- o Integrated feature scaling and model building into a unified pipeline.
- Simplified preprocessing and regression tasks with modular steps.

Logging:

 Employed Python's logging library to capture each step in preprocessing, EDA, and modeling.

Version Control:

• Timestamped serialized models (.pk1) for traceability and comparison.

4. Modeling Setup

Purpose:

Build robust regression models and test deep learning architectures for sales prediction.

Current Progress:

- Explored tree-based algorithms like Random Forest for initial modeling.
- Conducted preliminary feature importance analysis to refine future modeling efforts.

5. Deployment

Purpose:

Serve models for real-time predictions via a REST API.

Implementation Plan:

- Use FastAPI for building lightweight and scalable endpoints.
- Serialize and load models dynamically to support multiple predictions per day.

Future Steps:

- Refine feature selection based on current insights.
- Train and evaluate a Long Short-Term Memory (LSTM) model for time series prediction.
- Finalize API deployment for serving predictions to stakeholders.