### Q1. Business Case: Delhivery - Feature Engineering

#### Mindset

- 1. Evaluation will be kept lenient, so make sure you attempt this case study.
- 2. It is understandable that you might struggle with getting started on this. Just brainstorm, discuss with peers, or get help from TAs.
- 3. There is no right or wrong answer. We have to become comfortable with dealing with uncertainty in business. This is exactly the skill we want to develop.

## **About Delhivery**

Delhivery is the largest and fastest-growing fully integrated player in India by revenue in Fiscal 2021. They aim to build the operating system for commerce, through a combination of world-class infrastructure, logistics operations of the highest quality, and cutting-edge engineering and technology capabilities.

The Data team builds intelligence and capabilities using this data that helps them to widen the gap between the quality, efficiency, and profitability of their business versus their competitors.

#### How can you help here?

The company wants to understand and process the data coming out of data engineering pipelines:

- Clean, sanitize and manipulate data to get useful features out of raw fields
- Make sense out of the raw data and help the data science team to build forecasting models on it

#### **Dataset**

Dataset Link: delhivery data.csv

### **Column Profiling:**

- data tells whether the data is testing or training data
- trip\_creation\_time Timestamp of trip creation
- route\_schedule\_uuid Unique Id for a particular route schedule
- route\_type Transportation type
  - FTL Full Truck Load: FTL shipments get to the destination sooner, as the truck is making no other pickups or drop-offs along the way
  - Carting: Handling system consisting of small vehicles (carts)
- trip\_uuid Unique ID given to a particular trip (A trip may include different source and destination centers)
- source\_center Source ID of trip origin

- source\_name Source Name of trip origin
- destination cente Destination ID
- destination name Destination Name
- od\_start\_time Trip start time
- od\_end\_time Trip end time
- start\_scan\_to\_end\_scan Time taken to deliver from source to destination
- is\_cutoff Unknown field
- cutoff factor Unknown field
- cutoff\_timestamp Unknown field
- actual\_distance\_to\_destination Distance in Kms between source and destination warehouse
- actual\_time Actual time taken to complete the delivery (Cumulative)
- osrm\_time An open-source routing engine time calculator which computes the shortest path between points in a given map (Includes usual traffic, distance through major and minor roads) and gives the time (Cumulative)
- osrm\_distance An open-source routing engine which computes the shortest path between points in a given map (Includes usual traffic, distance through major and minor roads) (Cumulative)
- factor Unknown field
- segment\_actual\_time This is a segment time. Time taken by the subset of the package delivery
- segment\_osrm\_time This is the OSRM segment time. Time taken by the subset of the package delivery
- segment\_osrm\_distance This is the OSRM distance. Distance covered by subset of the package delivery
- segment\_factor Unknown field

# **Concept Used:**

- Feature Creation
- Relationship between Features
- Column Normalization / Column Standardization
- Handling categorical values
- Missing values Outlier treatment / Types of outliers

### How to begin:

Since delivery details of one package are divided into several rows (think of it as connecting flights to reach a particular destination). Now think about how we should treat their fields if we combine these rows? What aggregation would make sense if we merge. What would happen to the numeric fields if we merge the rows?

**Hint:** You can use inbuilt functions like groupby and aggregations like sum(), cumsum() to merge some rows based on their 1. Trip\_uuid, Source ID and Destination ID 2. Further aggregate on the basis of just Trip\_uuid. You can also keep the first and last values for some numeric/categorical fields if aggregating them won't make sense.

### 1. Basic data cleaning and exploration:

- o Handle missing values in the data.
- o Analyze the structure of the data.
- Try merging the rows using the hint mentioned above.

# 2. Build some features to prepare the data for actual analysis. Extract features from the below fields:

- Destination Name: Split and extract features out of destination. City-placecode (State)
- Source Name: Split and extract features out of destination. City-place-code (State)
- Trip\_creation\_time: Extract features like month, year and day etc.

# 3. In-depth analysis and feature engineering:

- Calculate the time taken between od\_start\_time and od\_end\_time and keep it as a feature. Drop the original columns, if required
- Compare the difference between <u>Point a</u>. and <u>start scan to end scan</u>. Do hypothesis testing/ Visual analysis to check.
- Do hypothesis testing/ visual analysis between <u>actual\_time aggregated</u> <u>value</u> and <u>OSRM time aggregated value</u> (aggregated values are the values you'll get after merging the rows on the basis of trip\_uuid)
- Do hypothesis testing/ visual analysis between <u>actual\_time aggregated</u> <u>value</u> and <u>segment actual time aggregated value</u> (aggregated values are the <u>values you'll get after merging the rows on the basis of trip\_uuid</u>)
- Do hypothesis testing/ visual analysis between <u>osrm distance aggregated</u> <u>value</u> and <u>segment osrm distance aggregated value</u> (aggregated values are the values you'll get after merging the rows on the basis of trip\_uuid)
- Do hypothesis testing/ visual analysis between <u>osrm time aggregated</u> <u>value</u> and <u>segment osrm time aggregated value</u> (aggregated values are the <u>values you'll get after merging the rows on the basis of trip\_uuid</u>)
- Find outliers in the numerical variables (you might find outliers in almost all the variables), and check it using visual analysis
- o Handle the outliers using the IQR method.
- Do one-hot encoding of categorical variables (like route\_type)
- Normalize/ Standardize the numerical features using MinMaxScaler or StandardScaler.

# **Evaluation Criteria (100 Points):**

- 1. Define Problem Statement and perform Exploratory Data Analysis (10 points)
  - Definition of problem (as per given problem statement with additional views)
  - Observations on shape of data, data types of all the attributes, conversion of categorical attributes to 'category' (If required), missing value detection, statistical summary.
  - Visual Analysis (distribution plots of all the continuous variable(s), boxplots of all the categorical variables)
  - Insights based on EDA

- Comments on range of attributes, outliers of various attributes
- Comments on the distribution of the variables and relationship between them
- Comments for each univariate and bivariate plot
- 2. Feature Creation (10 Points)
- 3. Merging of rows and aggregation of fields (10 Points)
- 4. Comparison & Visualization of time and distance fields (10 Points)
- 5. Missing values Treatment & Outlier treatment (10 Points)
- 6. Checking relationship between aggregated fields (10 Points)
- 7. Handling categorical values (10 Points)
- 8. Column Normalization /Column Standardization (10 Points)
- 9. Business Insights **(10 Points)** Should include patterns observed in the data along with what you can infer from it. Eg:
  - Check from where most orders are coming from (State, Corridor etc)
  - o Busiest corridor, avg distance between them, avg time taken
- 10. Recommendations **(10 Points)** Actionable items for business. No technical jargon. No complications. Simple action items that everyone can understand.

#### **Submission Process:**

- Type your insights and recommendations in the text editor.
- Convert your jupyter notebook into PDF (Save as PDF using Chrome browser's Print command), upload it in your Google Drive (set the permission to allow public access), and paste that link in the text editor.
- Optionally, you may add images/graphs in the text editor by taking screenshots or saving matplotlib graphs using plt.savefig(...).
- After submitting, you will not be allowed to edit your submission.