McKinsey & Company

When science meets business

The e-commerce challenge: sales forecasting

HACKUPC

Participants handbook

Where to find us?

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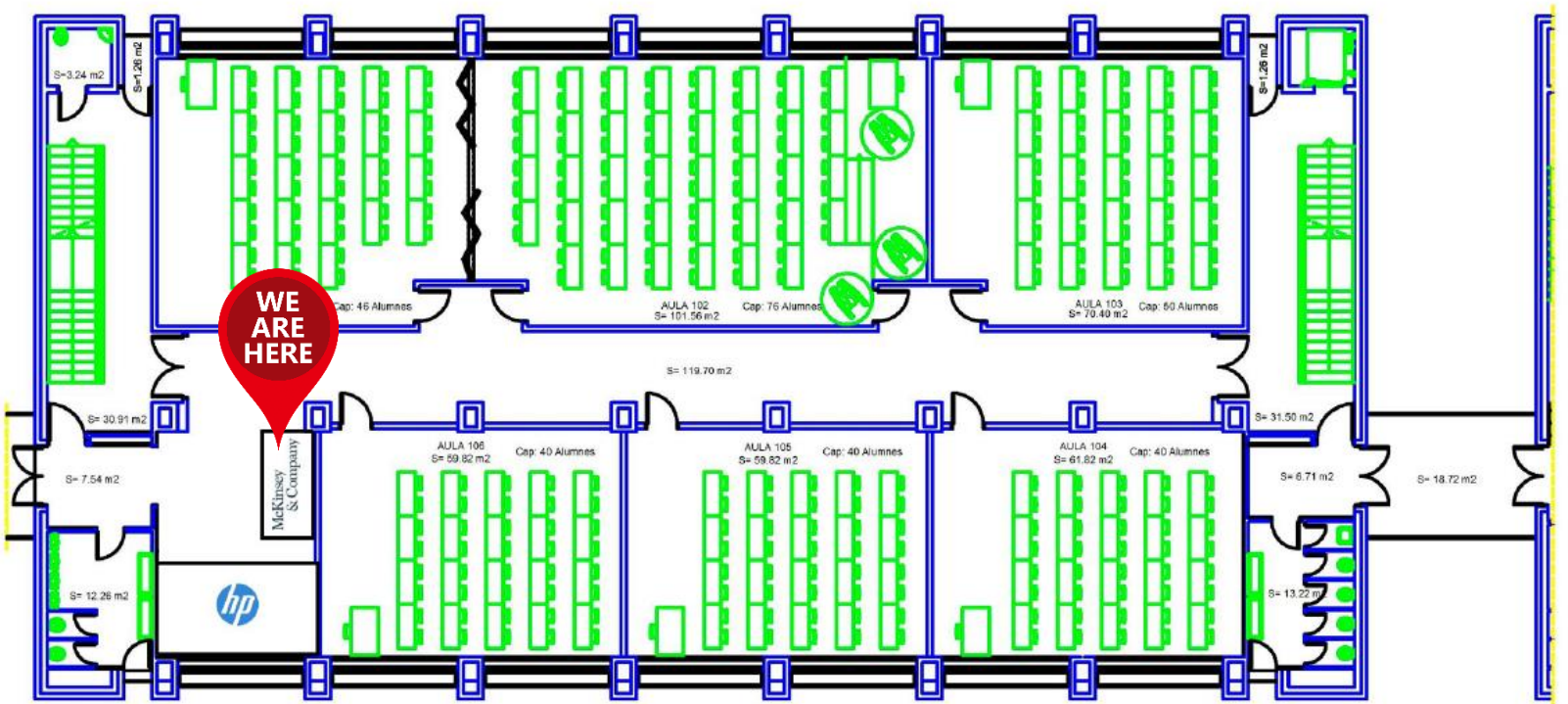
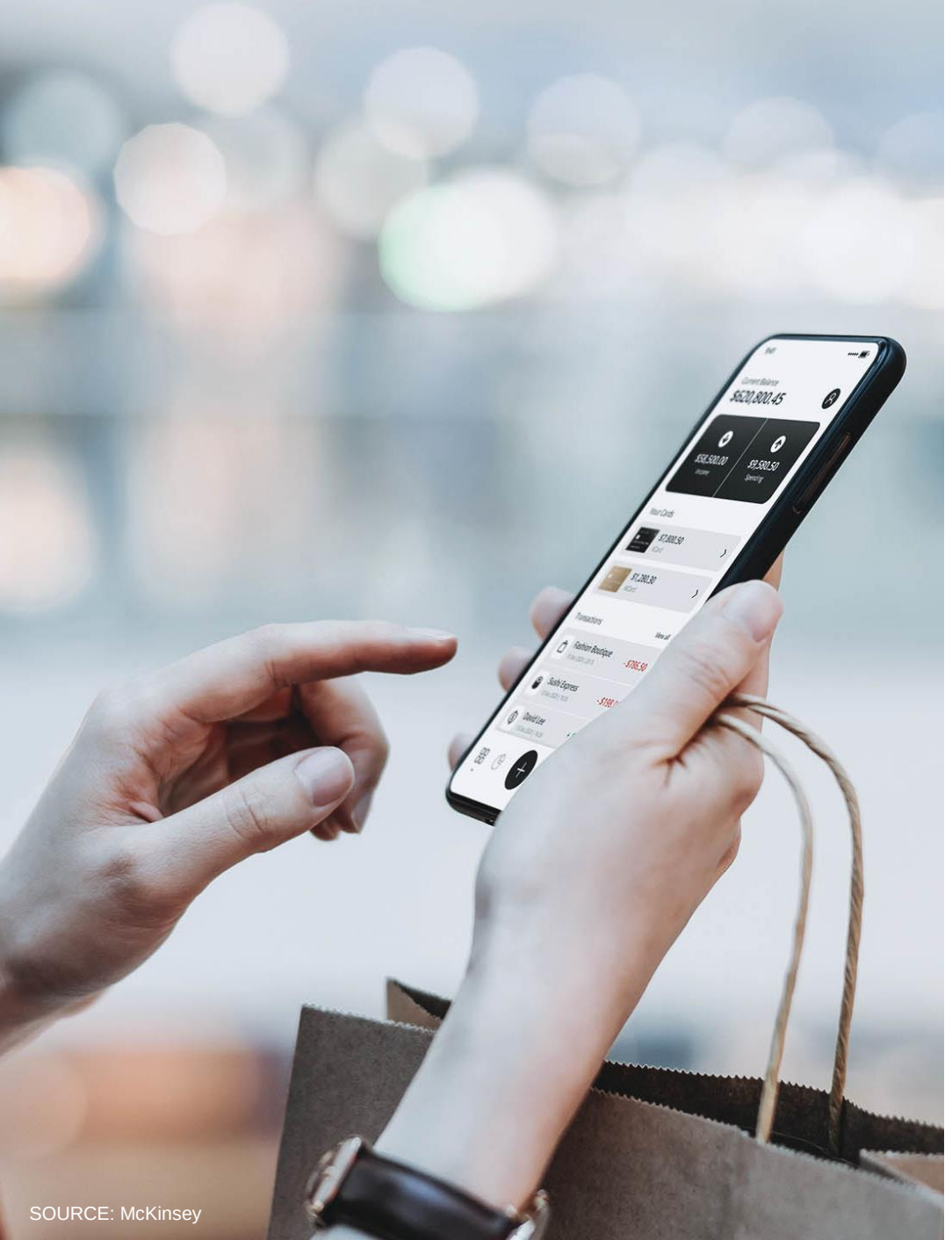
Data Scientist



A5 - 1st floor

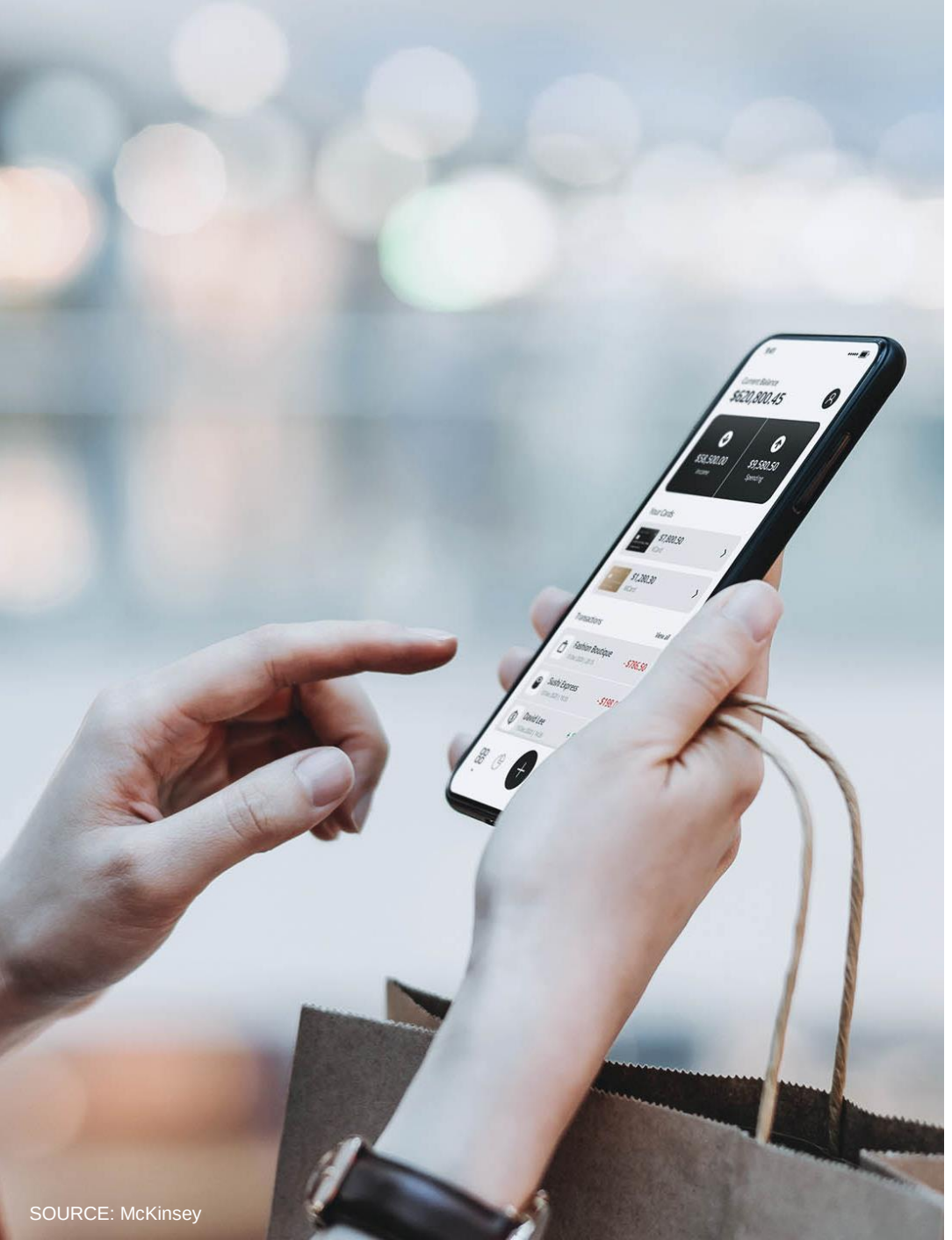


SOURCE: McKinsey

Problem statement

Grocery e-commerce is getting very popular in big cities. The huge growth experienced in the last years supposes a great problem for some platforms: **it is a real challenge to meet all the orders**

McKinsey has been asked to help to solve this problem by developing a **model for sales forecasting and use it to improve their performance**. For that task, they need the best data scientist – that is you



SOURCE: McKinsey

Problem statement

As data scientist, you are now responsible for developing a **model predicting sales** based on:

- Previous sales
- Product properties
- Price
- Any other data source you want to add

Predicting future sales will **help the client to meet all the users demands.** It will also allow to plan the production, set the prices or stablish logistics among others

Next steps

1. Retrieve data from “Drive”

What can you find in our drive folder?

Data

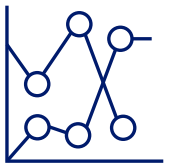
This Booklet

2. Deliver your solution

1. Your model’s solution to the test data
2. Insights & learnings
3. Present your solution in front of the team!

Send us your work and be ready to present!

1 Include your predictions in the “test.csv” file



- Include future sales in the **column called “Sales”** of the “*test.csv*” file
- Rename the file as “*TEAM_NAME_hackupc.csv*”
- Send the file to “*hackupcmckinsey@gmail.com*”

2 Share your insights & learnings with us*

- Gather all the findings in the **format that makes you more comfortable**: power point, word doc, jupyter notebook, create apps…
- Send the file(s) to “*hackupcmckinsey@gmail.com*”

3 Present your work

- Explain why you have decided to use your approach
- Present your solution and your findings
- Describe how can your solution **help the business**

*Optional deliverable

Evaluation metrics

The solution will be evaluated in the following dimensions

Profitability

On private test dataset, how much **money** will be lost due to the model error?

Clarity

Is the **documentation structured** in a concise and readable way?

Novelty

How novel is the solution in terms of feature engineering, modelling, validation, etc?

Insights & learnings

What insights are discovered during the hackathon? E.g., How to interpreted the learned model parameters? What are the **actionable points** to make the model useful in production? What are your **takeaways** from the challenge? Given more time what are the top approaches that you would try to get a better score?

Remember what is at stake…

3-day trip to a European Capital for all the team members

**all travel and hotel expenses covered!*

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Good luck!

In case of any doubts please reach out via slack