

# Capstone- marketing-and- retail-analytics



**By Amit Kumar**



# AGENDA

- Objective
- Background
- Key findings
- Recommendations
- Appendix:
  - Data sources
  - Data methodology

# OBJECTIVE

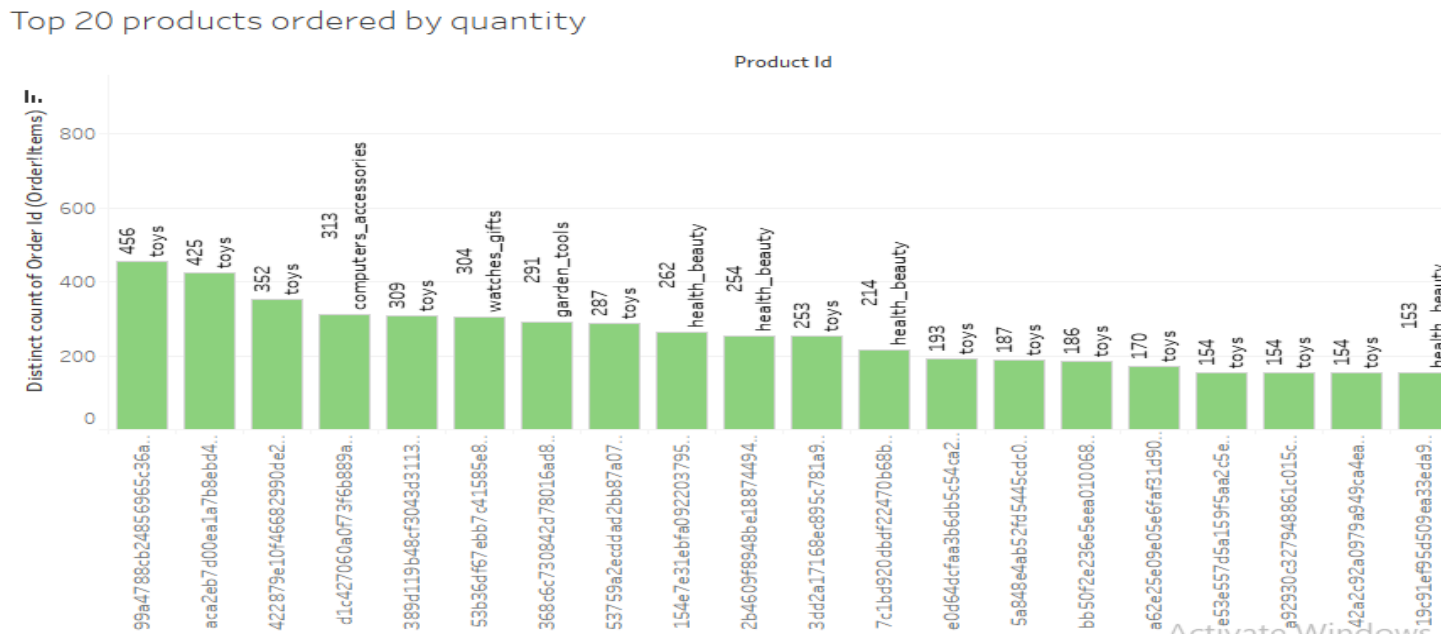
- Analyze e-commerce company dataset.
- Extract key insights from the dataset to understand the demands of the customers.
- Figure out fast-moving products and slow-moving products from the inventory which contribute to the revenue.
- Find out what items are more likely to be purchased individually or in combination with some other products
- Provide recommendations of products to manage OList e-commerce company inventory.

# BACKGROUND

- OList is one such e-commerce company that has faced some losses recently and they want to manage their inventory very well so as to reduce any unnecessary costs that they might be bearing.
- To meet the demands of the customers, any e-commerce company would obviously need to store tons and tons of products in warehouses.
- The products being stored incurs a cost to the company in terms of space and maintenance.
- We must have to manage the inventory cost of Olist Store here.

# Top 20 products ordered by quantity

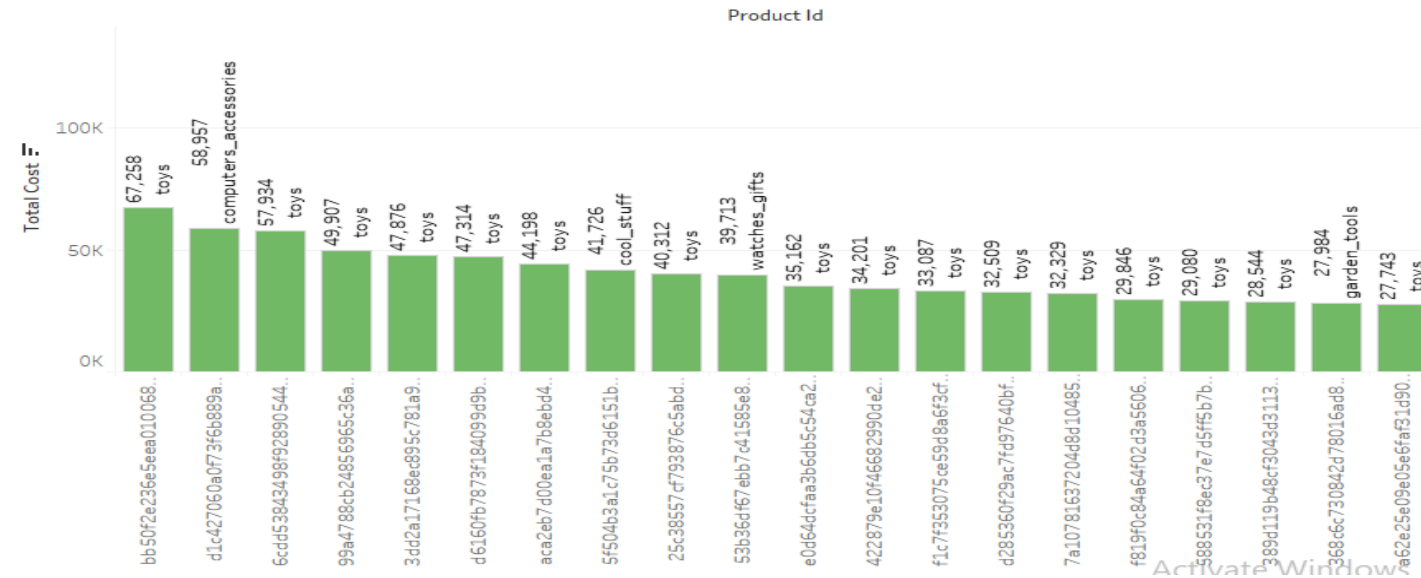
- The product from 'Toy' category are on top three position in the list .
- Next product from category are Computer\_accessories and Watches\_gifts.



# Top 20 products ordered by revenue

- The product from 'Toy' category are on top six position in the list .
- Computer\_accessories product category is only on 2<sup>nd</sup> position.

Top 20 products ordered by revenue



# Percentage running totals by revenue

- The percentage running totals by revenue and number of orders are depicted.

Revenue and Order chart

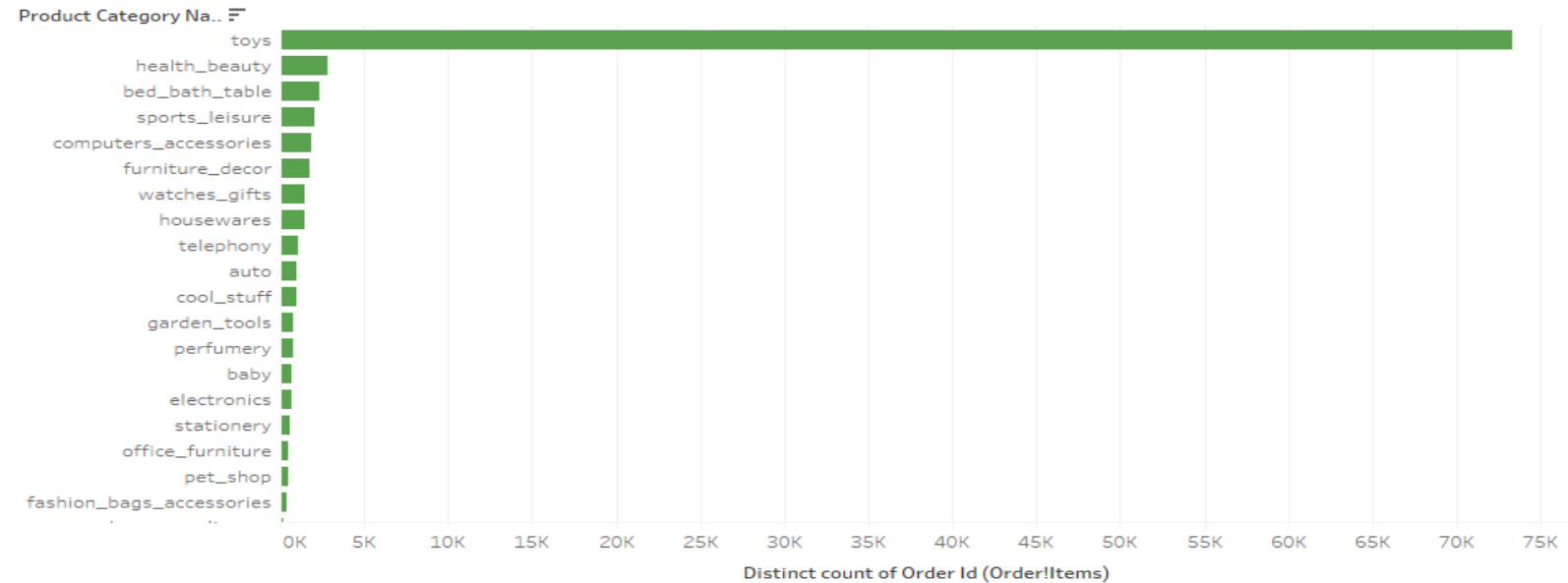
Product Id	% of Total Distinct count of Order Id..	Count of orders_delivered	% of Total Running Sum of Total Co..	Total Cost
bb50f2e23..	0.19%	194	0.44%	67,258
d1c427060..	0.32%	332	0.82%	58,957
6cdd53843..	0.15%	153	1.19%	57,934
99a4788cb..	0.47%	477	1.52%	49,908
3dd2a1716..	0.26%	272	1.83%	47,876
d6160fb78..	0.03%	33	2.14%	47,314
aca2eb7d0..	0.44%	520	2.42%	44,198
5f504b3a1c..	0.07%	63	2.69%	41,726
25c38557cf..	0.04%	38	2.95%	40,312
53b36df67..	0.32%	321	3.21%	39,713
e0d64dcfaa..	0.20%	193	3.44%	35,162
422879e10..	0.36%	484	3.66%	34,201
f1c7f35307..	0.15%	153	3.88%	33,087
d285360f2..	0.12%	119	4.09%	32,509
7a1078163..	0.15%	141	4.30%	32,329
f819f0c84a..	0.05%	44	4.49%	29,846
588531f8ec..	0.02%	20	4.68%	29,080
389d119b4..	0.32%	390	4.86%	28,544
368c6c730..	0.30%	388	5.05%	27,984
a62e25e09..	0.18%	224	5.22%	27,743
53759a2ec..	0.30%	373	5.40%	27,268
16c4e87b9..	0.01%	13	5.57%	26,630

# Market Basket Analysis - product categories

- The product categories which are ordered more than 5 times are identified in ascending order. Top 3 are listed below :-

- Toys
- Health\_beauty
- Bed\_bath\_table

Category wise orders



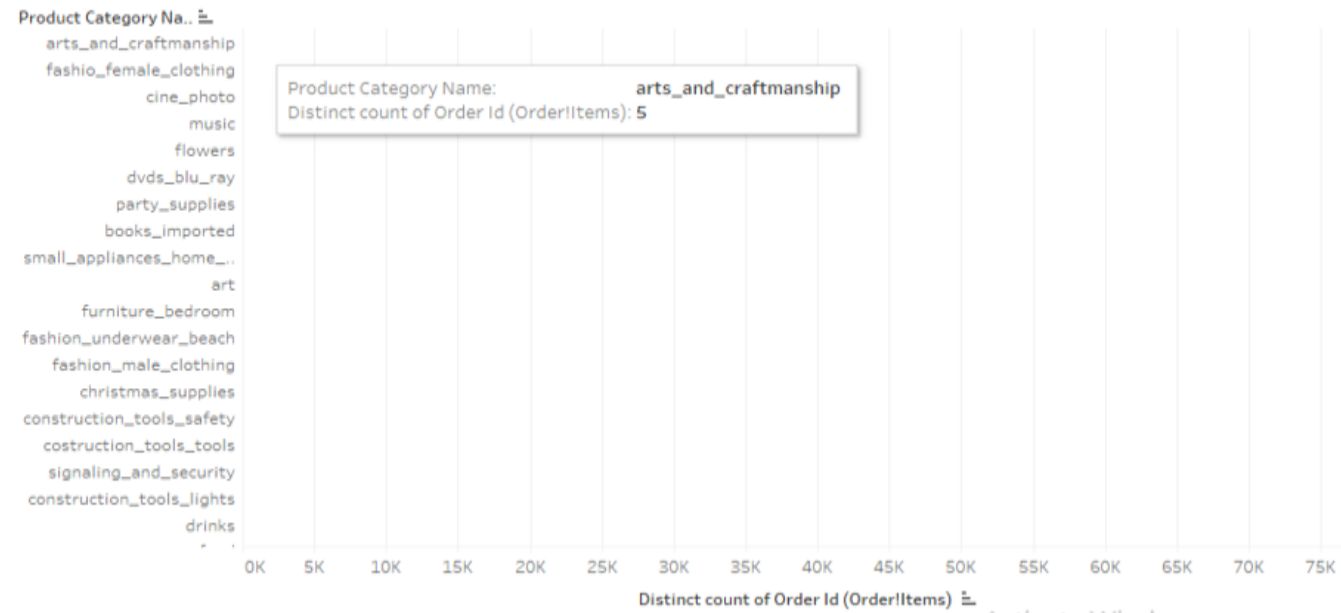
Activate Windows



# Market Basket Analysis - product categories

- The product categories which are ordered more than 5 times are identified in descending order. Top 3 are listed below :-
- Art\_and\_craftsmanship
- Fashion\_female\_cloathing
- Cine\_photo

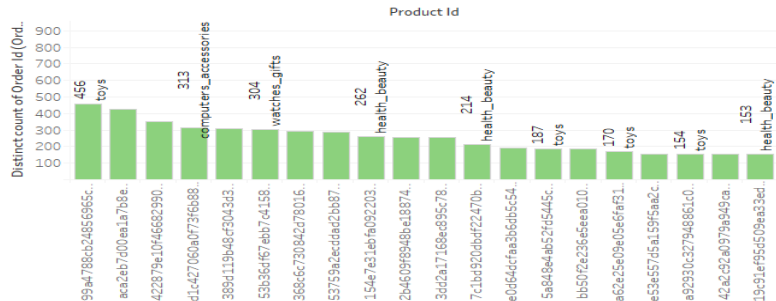
Category wise orders



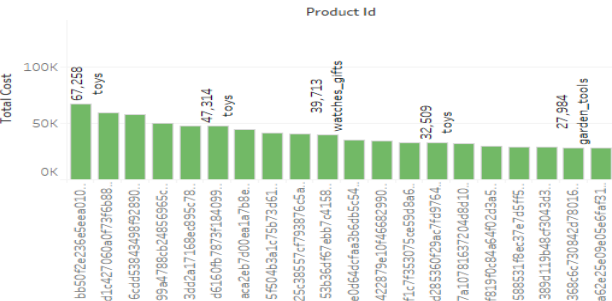
# Dashboard

- Below dashboard show all the analysis together.
- Note- Just we change 'category wise orders' graph in treemaps to represent.

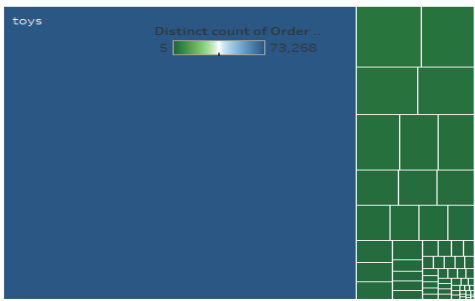
Top 20 products ordered by quantity



Top 20 products ordered by revenue



Category wise orders



Revenue and Order chart

Product Id	% of Total Distinct count of Order Id (OrderItems) along Pr...	% of Total Running Sum of Total Cost along Product Id	Count of orders_delivered	Total Cost
bb50f2e236e5eea010068...	0.19%	0.44%	194	67,258
d1c427060a0f73f6b889a...	0.32%	0.82%	332	58,957
6cdd53843498f92890544...	0.15%	1.19%	153	57,934
99a4788cb2485695c36a...	0.47%	1.52%	477	49,908
3dd2a17168ec895c781a9...	0.26%	1.83%	272	47,876
d6160fb7873f184099d9b...	0.03%	2.14%	33	47,314
aca2ab7d00ea1a7b8ebd4...	0.44%	2.42%	520	44,198
5f504b3a1c75b73d6151b...	0.07%	2.69%	63	41,726
25c38557cf793876c5abd...	0.04%	2.95%	38	40,312
53b36df67ebb7c41585e8...	0.32%	3.21%	321	39,713
e0d64dcfaa3b6db5c54ca...	0.20%	3.44%	193	35,162
422879e10f46682990de2...	0.36%	3.66%	484	34,201
f1c7f353075ce59d8a6f3c...	0.15%	3.88%	153	33,087
d285360f29ac7fd97640b...	0.12%	4.09%	119	32,509
7a10781637204d8d1048...	0.15%	4.30%	141	32,329
f819f0c84a64f02d3a560...	0.05%	4.49%	44	29,846

# Market Basket Analysis : Combinations of product categories which are frequently ordered together

### Combinations of product categories

Count of Order Id (OrderItems1) broken down by Product Category Name vs. Product Category Name (OrderItems1)

# Market Basket Analysis : Combinations of product categories which are frequently ordered together

- *Finding from the market basket analysis is as follow :-*

- 1) Bed\_bath\_table, Furniture\_decore and Health\_beauty are the category of product which are frequent bought together with Toy category.

- 2) Sports\_leisure and office\_furniture are the product which frequent bought together.

- 3) Furniture\_decore and garden\_tools are the product which frequent bought together.

- 4) Bed\_bath\_table and Furniture\_decore are the product which frequent bought together.

# Recommendations

- We will maintain our inventory in such a manner that we will always have lot many product from Toy category because this is the most selling item.
- Toy, Bed\_bath\_table, Furniture\_decore, Health\_beauty, garden\_tools, Sports\_leisure and office\_furniture are the category of product which are frequent bought together with each other. So, we will have to store the product from these category in our inventory .
- After toy category most selling product category is Computer\_accessories and Watches\_gifts that contribute to the revenue. So, we will store the product from these category more in our inventory.
- By using all the above recommendation, we will able to place fast-moving products and remove slow-moving products from the inventory; which will directly contribute toward the revenue of bussiness.

# APPENDIX - DATA SOURCES:

- Here is a snapshot of our data dictionary.
- The cleaned up data source which is used for creating visualizations and drawing insights are having `order_status = 'delivered'` only.

Dataset name	Column Name	Description
orders	order_id	Unique identifier for an order, acts as the primary key of this table
orders	customer_id	Unique identifier for a customer, however, this table wont be unique at this level
orders	order_status	Indicates the status of an order, for example: delivered, cancelled, processing etc.
orders	order_purchase_timestamp	Timestamp when the order was made from the customer
orders	order_approved_at	Timestamp when the order was approved from the sellers' side
orders	order_delivered_timestamp	Timestamp when the order was delivered at customer's location
orders	order_estimated_delivery_date	Estimated date of delivery shared with the customer while placing the order
order_items	order_id	Unique identifier for an order
order_items	order_item_id	Item number in each order. Order_id along with this column acts as the primary key of this table
order_items	product_id	Unique identifier for a product
order_items	seller_id	Unique identifier for the seller
order_items	price	selling price of the product
order_items	shipping_charges	charges associated with the shipping of the product
customers	customer_id	Unique identifier for a customer, acts as the primary key of this table
customers	customer_zip_code_prefix	Customer's Zip code
customers	customer_city	Customer's Zip city
customers	customer_state	Customer's Zip state
payments	order_id	Unique identifier for an order, this table can have duplicates in this column
payments	payment_sequential	Provides the info of the sequence of payments for the given order
payments	payment_type	Type of payment like credit_card, debit_card etc.
payments	payment_installments	Payment instalment number in case of credit cards
payments	payment_value	Transaction value
products	product_id	Unique identifier for each product, acts as the primary key of this table
products	product_category_name	Name of the category the product belongs to
products	product_weight_g	Product weight in grams
products	product_length_cm	Product length in centimeters
products	product_height_cm	Product height in centimeters
products	product_width_cm	Product width in centimeters

# APPENDIX - DATA METHODOLOGY

- We conducted a thorough analysis of the OList dataset with respect to Inventory product availability. The process included:
  - Cleaning the data set and treat missing values in data.
  - Data types of the different columns were checked for any anomalies .
  - Tableau was used for plotting the different visualizations post cleaning the data using Python .

The Python file used to clean the data, analyze the data and visualize the data is attached below:



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op\Amit\Upgrad\F

Thank You