Time series Analysis - Assignment 3 - Predicting Sales for Superstore

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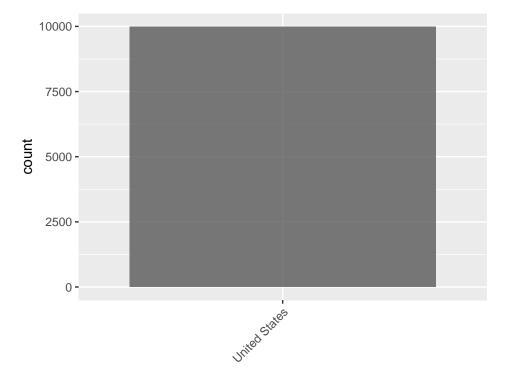
Contents

```
0.0.1 Time Series Analysis
# Load in the raw data
data=read.csv(file.choose(), header = TRUE, na.strings = c("NA","","#NA"))
# Create a copy of the data
copy_data = data
# Delete Columns
raw_data2 = copy_data[, -c(6,7,12,15,18)]
# Specify columns as dates
raw_data2$Order.Date = as.Date(raw_data2$Order.Date,"%d/%m/%Y")
raw_data2$Ship.Date = as.Date(raw_data2$Ship.Date,"%d/%m/%Y")
Number of rows and columns
#check # of rows
ncol(raw_data2)
## [1] 19
nrow(raw_data2)
## [1] 51290
Plot of US sales
library(dplyr)
##
## Attaching package: 'dplyr'
## The following objects are masked from 'package:stats':
##
##
      filter, lag
## The following objects are masked from 'package:base':
##
##
      intersect, setdiff, setequal, union
```

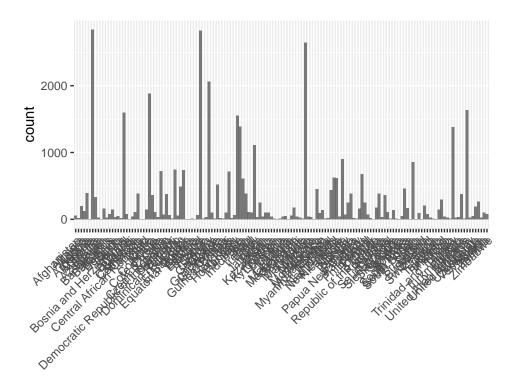
```
library(ggplot2)

p1 <- raw_data2 %>%
  filter(Country == "United States") %>%
  ggplot(aes(x = "United States", fill = Sales)) +
    geom_bar(alpha = 0.8) +
    theme(axis.text.x = element_text(angle = 45, vjust = 1, hjust = 1)) +
    guides(fill = FALSE) +
    labs(x = "")

p1
```



Sales of countries other than the US



The main customer base is the US

We will remove the countries under a certain level of sales.

The range of sales is:

range(raw_data2\$Sales)

[1] 0.444 22638.480

Remove the rows which have Sales below 5000

```
select_raw_data2<-subset(raw_data2, Sales >= 5000)
head(select_raw_data2)
```

```
##
        Row. ID
                       Order.ID Order.Date
                                             Ship.Date
                                                             Ship.Mode
                                                                           Segment
                CA-2011-139892 2011-09-08 2011-09-12 Standard Class
                                                                          Consumer
  2274
         13560 ES-2011-3248922 2011-09-08 2011-09-11
                                                         Second Class
                                                                         Corporate
                                                  <NA> Standard Class
## 2757
         27720
                  ID-2011-64599 2011-02-10
                                                                         Corporate
  2858
         12051 ES-2011-2257437 2011-08-10
                                                  <NA> Standard Class
                                                                          Consumer
   2859
         49997
                   IV-2011-9090 2011-08-10
                                                  <NA> Standard Class
                                                                          Consumer
##
   3189
         27407
                 IN-2011-35178 2011-11-11
                                                  <NA> Standard Class Home Office
                                                                        Category
##
               City
                        State
                                     Country Market
                                                         Region
## 2256 San Antonio
                        Texas
                               United States
                                                  US
                                                        Central
                                                                      Technology
## 2274
               Lugo Galicia
                                        Spain
                                                  EU
                                                          South Office Supplies
## 2757
               Fuji Shizuoka
                                        Japan
                                                APAC North Asia
                                                                      Technology
## 2858
             London
                     England United Kingdom
                                                  EU
                                                          North
                                                                      Technology
## 2859
            Abidjan
                               Cote d'Ivoire Africa
                                                         Africa
                    Lagunes
                                                                      Technology
   3189
             Suzhou
                        Gansu
                                       China
                                                APAC North Asia
                                                                      Technology
##
        Sub.Category
                         Sales Quantity Discount
                                                     Profit Shipping.Cost
## 2256
            Machines 8159.952
                                      8
                                              0.4 - 1359.992
                                                                    342.11
## 2274
          Appliances 6517.080
                                      12
                                              0.0
                                                  2476.440
                                                                     28.74
```

```
## 2757
              Phones 6998.640
                                             0.0 2939.310
                                                                   413.80
                                     11
## 2858
              Phones 5276.988
                                     9
                                             0.1 1758.888
                                                                   454.81
              Phones 5100.000
                                     8
                                                                    85.22
## 2859
                                             0.0 1428.000
## 3189
              Phones 5725.350
                                     9
                                             0.0 1602.990
                                                                   302.61
        Order.Priority
## 2256
                Medium
## 2274
              Critical
                Medium
## 2757
## 2858
                Medium
## 2859
                Medium
## 3189
                Medium
```

The new range of Sales and countries that have sales above 5000

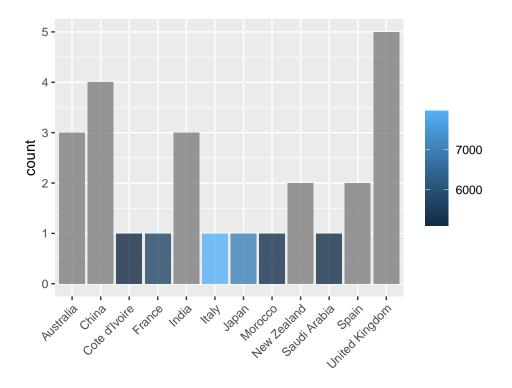
```
range(select_raw_data2$Sales)
```

```
## [1] 5049.00 22638.48
```

```
#unique countries
unique(select_raw_data2$Country)
```

```
## [1] "United States" "Spain" "Japan" "United Kingdom"
## [5] "Cote d'Ivoire" "China" "Australia" "India"
## [9] "Italy" "New Zealand" "France" "Saudi Arabia"
## [13] "Morocco"
```

Sales in countries other than the US with sales ≥ 5000



Generate Time series plot of the entire dataset '

```
library(zoo)
```

```
##
## Attaching package: 'zoo'
## The following objects are masked from 'package:base':
##
## as.Date, as.Date.numeric
select_raw_data2$Order.Date <- as.yearmon(select_raw_data2$Order.Date)
head(select_raw_data2)</pre>
```

```
##
        Row. ID
                       Order.ID Order.Date Ship.Date
                                                            Ship.Mode
                                                                           Segment
## 2256
         31462
               CA-2011-139892
                                  Sep 2011 2011-09-12 Standard Class
                                                                          Consumer
## 2274
         13560 ES-2011-3248922
                                  Sep 2011 2011-09-11
                                                         Second Class
                                                                         Corporate
  2757
         27720
                 ID-2011-64599
                                  Feb 2011
                                                  <NA> Standard Class
                                                                         Corporate
  2858
         12051 ES-2011-2257437
                                  Aug 2011
                                                  <NA> Standard Class
                                                                          Consumer
## 2859
         49997
                                  Aug 2011
                                                  <NA> Standard Class
                                                                          Consumer
                  IV-2011-9090
##
   3189
         27407
                 IN-2011-35178
                                  Nov 2011
                                                  <NA> Standard Class Home Office
                                     Country Market
##
               City
                        State
                                                         Region
                                                                        Category
                                                                      Technology
## 2256 San Antonio
                        Texas
                              United States
                                                  US
                                                        Central
## 2274
                     Galicia
                                       Spain
                                                  EU
                                                          South Office Supplies
               Lugo
               Fuji Shizuoka
## 2757
                                        Japan
                                                APAC North Asia
                                                                      Technology
## 2858
                                                  EU
                                                          North
             London
                    England United Kingdom
                                                                      Technology
## 2859
            Abidjan
                    Lagunes
                               Cote d'Ivoire Africa
                                                         Africa
                                                                      Technology
##
  3189
             Suzhou
                        Gansu
                                       China
                                                APAC North Asia
                                                                      Technology
##
        Sub.Category
                         Sales Quantity Discount
                                                     Profit Shipping.Cost
## 2256
            Machines 8159.952
                                              0.4 -1359.992
                                      8
                                                                    342.11
```

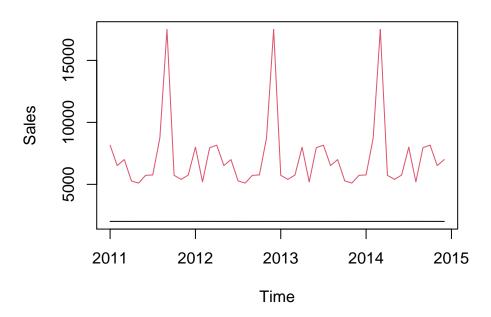
```
Appliances 6517.080
## 2274
                                     12
                                              0.0 2476.440
                                                                     28.74
## 2757
              Phones 6998.640
                                     11
                                              0.0 2939.310
                                                                    413.80
                                              0.1 1758.888
                                                                    454.81
## 2858
              Phones 5276.988
                                      9
## 2859
              Phones 5100.000
                                      8
                                              0.0 1428.000
                                                                     85.22
## 3189
              Phones 5725.350
                                      9
                                              0.0 1602.990
                                                                    302.61
##
        Order.Priority
## 2256
                Medium
## 2274
              Critical
## 2757
                Medium
## 2858
                Medium
## 2859
                Medium
## 3189
                Medium
Filter the Order.Date and Sales to used for the timeseries
summary <- select_raw_data2 %>%
  select(Order.Date, Sales) %>%
 filter(Order.Date >= "2011-01-01") %>%
  filter(Order.Date <= "2014-12-31")
head(summary)
##
     Order.Date
                   Sales
## 1
       Sep 2011 8159.952
       Sep 2011 6517.080
## 3
       Feb 2011 6998.640
       Aug 2011 5276.988
## 4
## 5
       Aug 2011 5100.000
       Nov 2011 5725.350
tseries \leftarrow ts(summary, start = c(2011, 1), end = c(2014,12), frequency = 12)
Check the start, end, frequency of the time series
## [1] 2011
               1
## [1] 2014
              12
## [1] 0.08333333
## [1] 12
##
             Jan
                       Feb
                                Mar
                                          Apr
                                                   May
                                                             Jun
                                                                      Jul
## 2011 2011.000 2011.083 2011.167 2011.250 2011.333 2011.417 2011.500 2011.583
## 2012 2012.000 2012.083 2012.167 2012.250 2012.333 2012.417 2012.500 2012.583
## 2013 2013.000 2013.083 2013.167 2013.250 2013.333 2013.417 2013.500 2013.583
## 2014 2014.000 2014.083 2014.167 2014.250 2014.333 2014.417 2014.500 2014.583
##
             Sep
                       Oct
                                Nov
## 2011 2011.667 2011.750 2011.833 2011.917
## 2012 2012.667 2012.750 2012.833 2012.917
## 2013 2013.667 2013.750 2013.833 2013.917
## 2014 2014.667 2014.750 2014.833 2014.917
##
        Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
## 2011
          1
              2
                  3
                       4
                           5
                               6
                                   7
                                       8
                                            9
                                               10
                                                   11
## 2012
              2
                  3
                       4
                           5
                               6
                                   7
                                            9
                                               10
          1
                                        8
                                                   11
                                                      12
              2
                           5
                                   7
## 2013
          1
                  3
                       4
                               6
                                        8
                                            9
                                               10
                                                   11
## 2014
              2
                  3
                       4
                           5
                               6
                                   7
                                            9
                                               10
          1
                                        8
                                                   11
                                                       12
```

```
Order.Date
                           Sales
## Jan 2011
              2011.667 8159.952
## Feb 2011
              2011.667
                        6517.080
## Mar 2011
              2011.083
                        6998.640
## Apr 2011
              2011.583
                        5276.988
## May 2011
              2011.583
                        5100.000
## Jun 2011
              2011.833
                        5725.350
## Jul 2011
              2012.583
                        5759.964
## Aug 2011
              2013.083 8749.950
## Sep 2011
              2013.750 17499.950
## Oct 2011
              2013.417
                        5726.160
## Nov 2011
              2013.750
                        5399.910
## Dec 2011
              2013.417
                        5751.540
## Jan 2012
              2014.833
                        7999.980
## Feb 2012
              2014.750
                        5199.960
## Mar 2012
              2014.667
                        7958.580
## Apr 2012
              2011.667
                        8159.952
## May 2012
              2011.667
                        6517.080
## Jun 2012
              2011.083
                        6998.640
## Jul 2012
              2011.583
                        5276.988
## Aug 2012
              2011.583
                        5100.000
## Sep 2012
              2011.833
                        5725.350
## Oct 2012
              2012.583
                        5759.964
## Nov 2012
              2013.083
                        8749.950
## Dec 2012
              2013.750 17499.950
## Jan 2013
              2013.417
                        5726.160
## Feb 2013
              2013.750
                        5399.910
## Mar 2013
              2013.417
                        5751.540
## Apr 2013
              2014.833
                        7999.980
## May 2013
              2014.750
                        5199.960
## Jun 2013
              2014.667
                        7958.580
## Jul 2013
              2011.667
                        8159.952
## Aug 2013
              2011.667
                        6517.080
## Sep 2013
              2011.083
                        6998.640
## Oct 2013
              2011.583
                        5276.988
## Nov 2013
              2011.583
                        5100.000
## Dec 2013
              2011.833
                        5725.350
## Jan 2014
              2012.583
                        5759.964
## Feb 2014
              2013.083 8749.950
## Mar 2014
              2013.750 17499.950
## Apr 2014
              2013.417
                        5726.160
## May 2014
              2013.750
                        5399.910
## Jun 2014
              2013.417
                        5751.540
## Jul 2014
              2014.833
                        7999.980
## Aug 2014
              2014.750
                        5199.960
## Sep 2014
              2014.667
                        7958.580
## Oct 2014
              2011.667
                        8159.952
## Nov 2014
              2011.667
                        6517.080
## Dec 2014
              2011.083
                        6998.640
```

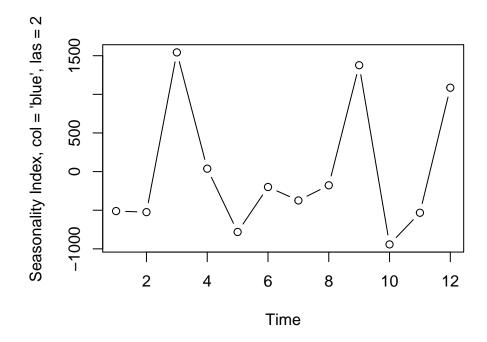
Plotting the time series for 2011-2014 to know the Seasonality

```
# Use ts.plot
ts.plot(tseries, col = 1:4, xlab = "Time", ylab = "Sales", main = "Seasonality - Sales 2011 to 2014 ")
```

Seasonality - Sales 2011 to 2014

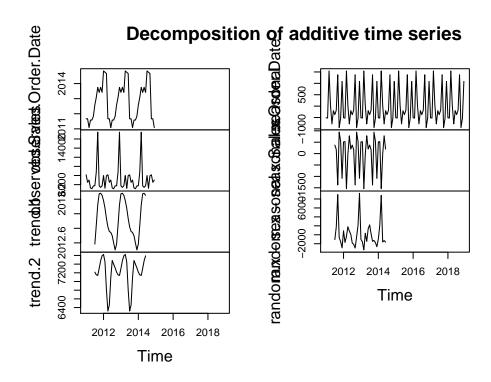


Decompose the series



Random, seasonal, trend,

observed plots
plot(decomp)



Auto regressive integrated moving average arima()

```
library(forecast)

## Warning: package 'forecast' was built under R version 4.0.3

## Registered S3 method overwritten by 'quantmod':

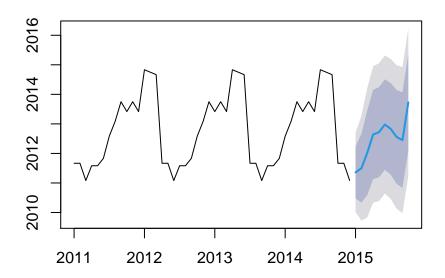
## method from

## as.zoo.data.frame zoo

arima_fit = auto.arima(tseries[,1])
 arima_forecast = forecast(arima_fit, h = 10)

plot(arima_forecast)
```

Forecasts from ARIMA(3,0,0)(0,0,1)[12] with non-zero r



```
\#acf(tseries, pl=FALSE) \#acf(tseries, lag.max= 12, main=("Corelleogram for 2011 - 2014"))
```

Now we explore time series data for each year separately

Get the rows for sales in 2011

```
summary2011 <- select_raw_data2 %>%
  select(Order.Date, Sales) %>%
  filter(Order.Date >= "2011-01-01") %>%
  filter(Order.Date <= "2011-12-31")</pre>
View(summary2011)
```

Get only the year and month from the Order Date

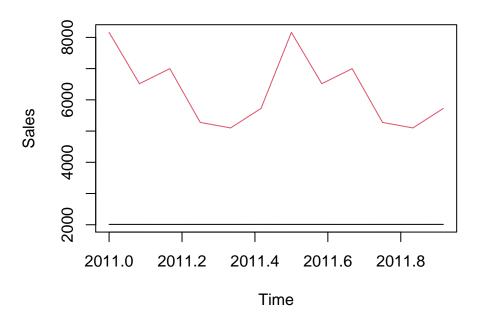
```
library(zoo)
summary2011$Order.Date <- as.yearmon(summary2011$Order.Date)</pre>
```

```
head(summary2011)
     Order.Date
                   Sales
##
## 1
       Sep 2011 8159.952
       Sep 2011 6517.080
      Feb 2011 6998.640
## 3
## 4
      Aug 2011 5276.988
## 5
      Aug 2011 5100.000
      Nov 2011 5725.350
## 6
# Check whether data_vector and time_series are ts objects
is.ts(summary2011)
## [1] FALSE
Convert to time series object Time series object for 2011 sales
tseries2011 \leftarrow ts(summary2011, start = c(2011, 1), end = c(2011, 12), frequency = 12)
print(tseries2011)
##
            Order.Date
                           Sales
## Jan 2011
             2011.667 8159.952
## Feb 2011
             2011.667 6517.080
## Mar 2011 2011.083 6998.640
## Apr 2011 2011.583 5276.988
## May 2011 2011.583 5100.000
## Jun 2011
              2011.833 5725.350
## Jul 2011 2011.667 8159.952
## Aug 2011
              2011.667 6517.080
## Sep 2011
              2011.083 6998.640
## Oct 2011
              2011.583 5276.988
## Nov 2011
              2011.583 5100.000
## Dec 2011
              2011.833 5725.350
is.ts(tseries2011)
## [1] TRUE
Check the start, end , frequency of the time series
start(tseries2011)
## [1] 2011
end(tseries2011)
## [1] 2011
              12
deltat(tseries2011)
## [1] 0.08333333
frequency(tseries2011)
## [1] 12
time(tseries2011)
##
                      Feb
                                Mar
                                         Apr
                                                  May
                                                            Jun
                                                                     Jul
                                                                              Aug
```

2011 2011.000 2011.083 2011.167 2011.250 2011.333 2011.417 2011.500 2011.583

```
Sep
                    Oct
                             Nov
## 2011 2011.667 2011.750 2011.833 2011.917
cycle(tseries2011)
       Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
## 2011 1 2 3 4 5 6 7 8 9 10 11 12
print(tseries2011)
           Order.Date
##
                        Sales
## Jan 2011 2011.667 8159.952
## Feb 2011 2011.667 6517.080
## Mar 2011 2011.083 6998.640
## Apr 2011 2011.583 5276.988
## May 2011 2011.583 5100.000
## Jun 2011 2011.833 5725.350
## Jul 2011 2011.667 8159.952
## Aug 2011 2011.667 6517.080
## Sep 2011 2011.083 6998.640
## Oct 2011
             2011.583 5276.988
## Nov 2011 2011.583 5100.000
## Dec 2011 2011.833 5725.350
# Check whether is a ts object
is.ts(tseries2011)
## [1] TRUE
Plotting the time series for 2011 to show the Trend in 2011
# Use ts.plot
ts.plot(tseries2011, col = 1:4, xlab = "Time", ylab = "Sales", main = "Trend of Sales in 2011")
```

Trend of Sales in 2011



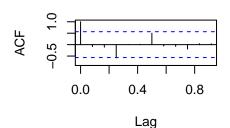
acf(tseries2011, pl=FALSE)

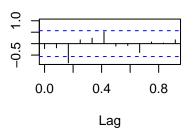
```
##
## Autocorrelations of series 'tseries2011', by lag
##
##
   , , Order.Date
##
##
                     Sales
   Order.Date
    1.000 ( 0.0000) -0.215 ( 0.0000)
##
##
    -0.086 ( 0.0833) 0.542 (-0.0833)
    -0.109 ( 0.1667) 0.393 (-0.1667)
##
##
    -0.579 ( 0.2500) 0.114 (-0.2500)
    0.008 ( 0.3333) -0.506 (-0.3333)
##
     0.016 ( 0.4167) -0.120 (-0.4167)
##
##
    0.500 ( 0.5000) -0.108 (-0.5000)
    -0.063 ( 0.5833) 0.188 (-0.5833)
##
##
##
   , , Sales
##
##
   Order.Date
                     Sales
   -0.215 ( 0.0000) 1.000 ( 0.0000)
##
    -0.184 ( 0.0833) 0.179 ( 0.0833)
##
   -0.839 ( 0.1667) -0.052 ( 0.1667)
##
    0.165 ( 0.2500) -0.565 ( 0.2500)
##
    0.239 ( 0.3333) -0.285 ( 0.3333)
##
##
    0.519 ( 0.4167) -0.028 ( 0.4167)
  -0.108 ( 0.5000) 0.500 ( 0.5000)
## -0.083 ( 0.5833) 0.129 ( 0.5833)
```

```
acf(tseries2011, lag.max= 12, main=("Corelleogram for 2011"))
```

Corelleogram for 2011

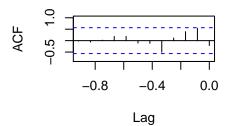
Corelleogram for 2011

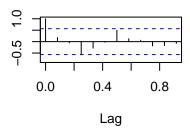




Corelleogram for 2011

Corelleogram for 2011





Autocorrelation measures the relationship between a variable's current values and its historical values.

Trend refers to the increasing or decreasing values in a given time series.

```
summary2012 <- raw_data2 %>%
    select(Order.Date, Sales) %>%
    filter(Order.Date >= "2011-12-31") %>%
    filter(Order.Date <= "2012-12-31")

View(summary2012)

tseries2012 <- ts(summary2012, start = c(2012, 1), end = c(2012,12), frequency = 12)

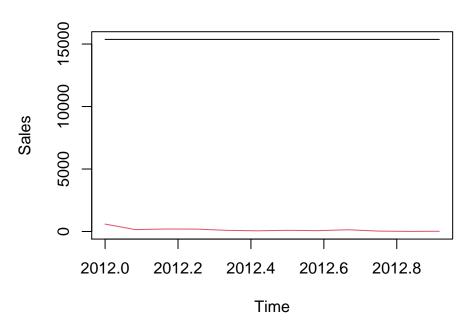
print(tseries2012)</pre>
```

```
Order.Date
                           Sales
                 15371 593.9895
## Jan 2012
## Feb 2012
                 15371 151.9200
## Mar 2012
                 15371 200.1600
## Apr 2012
                 15371 192.8800
## May 2012
                         94.0200
                 15371
## Jun 2012
                         57.0000
                 15371
## Jul 2012
                         95.5170
                 15371
## Aug 2012
                 15371
                         69.5544
## Sep 2012
                 15371 139.5900
## Oct 2012
                 15371
                         33.1200
## Nov 2012
                 15371
                          8.9640
## Dec 2012
                 15371 18.5400
```

```
Check the start, end of the time series
```

```
start(tseries2012)
## [1] 2012
end(tseries2012)
## [1] 2012
              12
deltat(tseries2012)
## [1] 0.08333333
frequency(tseries2012)
## [1] 12
time(tseries2012)
             Jan
                      Feb
                               Mar
                                        Apr
                                                 May
                                                          Jun
                                                                    Jul
                                                                             Aug
## 2012 2012.000 2012.083 2012.167 2012.250 2012.333 2012.417 2012.500 2012.583
             Sep
                      Oct
                               Nov
                                        Dec
## 2012 2012.667 2012.750 2012.833 2012.917
cycle(tseries2012)
        Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
## 2012
        1 2
                     4 5 6 7 8 9 10 11 12
print(tseries2012)
            Order.Date
                          Sales
## Jan 2012
                 15371 593.9895
## Feb 2012
                 15371 151.9200
## Mar 2012
                 15371 200.1600
## Apr 2012
                 15371 192.8800
## May 2012
                 15371 94.0200
## Jun 2012
                 15371 57.0000
## Jul 2012
                 15371 95.5170
## Aug 2012
                 15371 69.5544
## Sep 2012
                 15371 139.5900
## Oct 2012
                 15371 33.1200
## Nov 2012
                 15371
                         8.9640
                 15371 18.5400
## Dec 2012
Plotting the time series for 2011 to show the Trend in 2011 \,
# Use ts.plot
ts.plot(tseries2012, col = 1:4, xlab = "Time", ylab = "Sales", main = "Trend of Sales in 2012")
```

Trend of Sales in 2012



2013

Get the rows for sales in 2013

```
summary2013 <- raw_data2 %>%
  select(Order.Date, Sales) %>%
  filter(Order.Date >= "2012-12-31") %>%
  filter(Order.Date <= "2013-12-31")</pre>
View(summary2013)
```

Get only the year and month form the Order Date

```
library(zoo)
summary2013$Order.Date <- as.yearmon(summary2013$Order.Date)
head(summary2013)</pre>
```

```
Order.Date
##
                   Sales
## 1
       Jan 2013 1649.214
       Jan 2013 1358.280
## 2
       Jan 2013 728.568
## 4
       Jan 2013 2189.520
## 5
       Jan 2013 1362.060
       Jan 2013 299.052
## 6
# Check whether data_vector and time_series are ts objects
is.ts(summary2013)
```

[1] FALSE

Convert to time series object Time series object for 2013 sales

```
tseries2013 \leftarrow ts(summary2013, start = c(2013, 1), end = c(2013, 12), frequency = 12)
print(tseries2013)
           Order.Date
                         Sales
## Jan 2013
                 2013 1649.214
## Feb 2013
                 2013 1358.280
## Mar 2013
                 2013 728.568
## Apr 2013
                 2013 2189.520
## May 2013
                 2013 1362.060
## Jun 2013
                 2013 299.052
## Jul 2013
                 2013 246.120
## Aug 2013
                 2013 155.034
                 2013 242.250
## Sep 2013
## Oct 2013
                 2013 416.664
## Nov 2013
                 2013 85.428
## Dec 2013
                 2013 94.980
is.ts(tseries2013)
## [1] TRUE
Check the start, end of the time series
start(tseries2013)
## [1] 2013
end(tseries2013)
## [1] 2013
deltat(tseries2013)
## [1] 0.08333333
frequency(tseries2013)
## [1] 12
time(tseries2013)
                              Mar
            Jan
                     Feb
                                       Apr
                                               May
                                                        Jun
                                                                  Jul
                                                                          Aug
## 2013 2013.000 2013.083 2013.167 2013.250 2013.333 2013.417 2013.500 2013.583
            Sep
                     Oct
                              Nov
                                       Dec
## 2013 2013.667 2013.750 2013.833 2013.917
cycle(tseries2013)
        Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
## 2013 1
             2
                 3
                    4 5 6 7 8 9 10 11 12
print(tseries2013)
           Order.Date
                         Sales
## Jan 2013
                 2013 1649.214
## Feb 2013
                 2013 1358.280
## Mar 2013
                 2013 728.568
## Apr 2013
                 2013 2189.520
## May 2013
                 2013 1362.060
## Jun 2013
                 2013 299.052
```

```
## Jul 2013
                  2013 246.120
## Aug 2013
                  2013 155.034
## Sep 2013
                  2013
                       242.250
## Oct 2013
                       416.664
                  2013
## Nov 2013
                         85.428
                  2013
                         94.980
## Dec 2013
                  2013
```

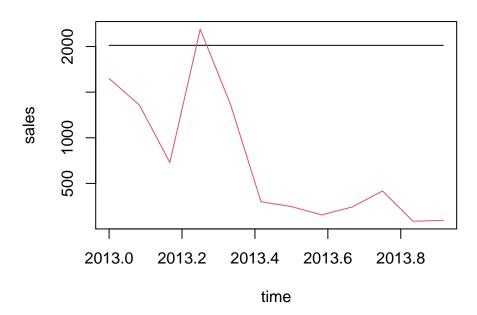
Check if the time series object was generated

```
# Check whether is a ts object
is.ts(tseries2013)

## [1] TRUE

# Use ts.plot
ts.plot(tseries2013, col = 1:4, xlab = "time", ylab = "sales", main = "sales")
```

sales

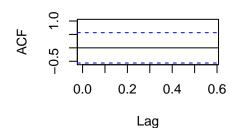


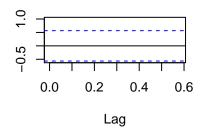
When the autocorrelation in a time series is high, it becomes easy to predict future values by simply referring to past values.

```
acf(tseries2013, main=("Corelleogram"))
```

Corelleogram

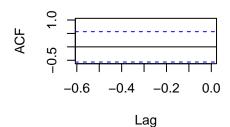
Corelleogram

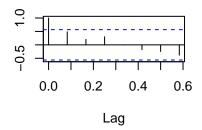




Corelleogram

Corelleogram





2014

Get the rows for sales in 2014

```
summary2014 <- select_raw_data2 %>%
  select(Order.Date, Sales) %>%
  filter(Order.Date >= "2014-01-01") %>%
  filter(Order.Date <= "2014-12-31")</pre>
View(summary2014)
```

Get only the year and month form the Order Date

```
library(zoo)
summary2014$Order.Date <- as.yearmon(summary2014$Order.Date)
head(summary2014)</pre>
```

```
## Order.Date Sales
## 1 Nov 2014 7999.98
## 2 Oct 2014 5199.96
## 3 Sep 2014 7958.58
# Check whether data_vector and time_series are ts objects
is.ts(summary2014)
```

[1] FALSE

Convert to time series object Time series object for 2014 sales

```
tseries2014 <- ts(summary2014, start = c(2014, 1), end = c(2014,12), frequency = 12)
```

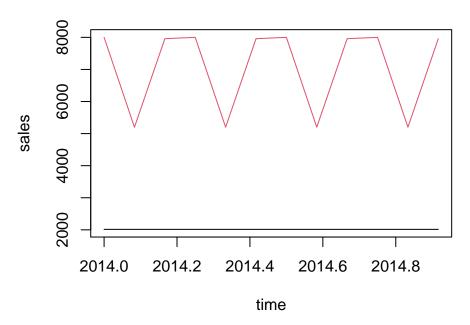
```
print(tseries2014)
          Order.Date Sales
## Jan 2014 2014.833 7999.98
## Feb 2014 2014.750 5199.96
## Mar 2014 2014.667 7958.58
## Apr 2014 2014.833 7999.98
## May 2014 2014.750 5199.96
## Jun 2014 2014.667 7958.58
## Jul 2014 2014.833 7999.98
## Aug 2014 2014.750 5199.96
## Sep 2014 2014.667 7958.58
## Oct 2014 2014.833 7999.98
## Nov 2014 2014.750 5199.96
## Dec 2014 2014.667 7958.58
is.ts(tseries2014)
## [1] TRUE
Check the start, end of the time series
start(tseries2014)
## [1] 2014
end(tseries2014)
## [1] 2014
deltat(tseries2014)
## [1] 0.08333333
frequency(tseries2014)
## [1] 12
time(tseries2014)
            Jan
                    Feb
                             Mar
                                      Apr
                                              May
                                                       Jun
                                                                Jul
## 2014 2014.000 2014.083 2014.167 2014.250 2014.333 2014.417 2014.500 2014.583
                    Oct Nov
            Sep
                                      Dec
## 2014 2014.667 2014.750 2014.833 2014.917
cycle(tseries2014)
       Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
## 2014 1 2 3 4 5 6 7 8 9 10 11 12
print(tseries2014)
           Order.Date Sales
## Jan 2014 2014.833 7999.98
## Feb 2014
           2014.750 5199.96
## Mar 2014 2014.667 7958.58
## Apr 2014 2014.833 7999.98
## May 2014 2014.750 5199.96
## Jun 2014 2014.667 7958.58
## Jul 2014 2014.833 7999.98
## Aug 2014 2014.750 5199.96
```

```
## Sep 2014
              2014.667 7958.58
## Oct 2014
              2014.833 7999.98
## Nov 2014
              2014.750 5199.96
## Dec 2014
              2014.667 7958.58
```

Check if the time series object was generated

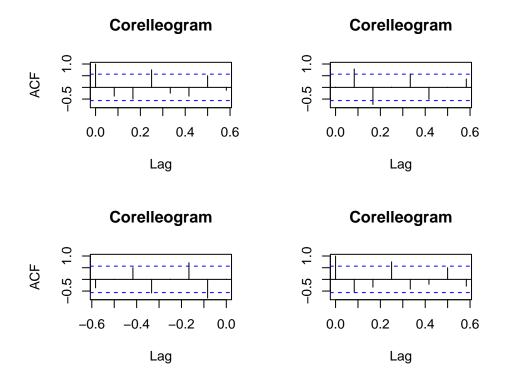
```
# Check whether is a ts object
is.ts(tseries2014)
## [1] TRUE
# Use ts.plot with eu_stocks
ts.plot(tseries2014, col = 1:4, xlab = "time", ylab = "sales", main = "Sales in 2014")
```

Sales in 2014



When the autocorrelation in a time series is high, it becomes easy to predict future values by simply referring to past values.

```
acf(tseries2014, main=("Corelleogram"))
```



We have plotted the timeseries to look for Seasonality in the 4 year and trends in each on the 4 years, and forecasted sales for the next year.

Also, we have plotted the autocorrelation function to try and dig more into the data.