

Objective

We want to understand the annual breakdown of shortages in the provided dataset.

Key Definitions

1. Shortage: A shortage occurs when Amazon believes that the supplier did not send the full inventory ordered by Amazon. As a result, Amazon will only pay part of the invoice

- Example: If Amazon ordered 100 units, but the supplier only sent 90, Amazon would not pay for the missing 10 units. This means there is a 10-unit shortage on that specific purchase order (PO) and invoice.

2. Shortage Categories:

- Current Shortages: Shortages that occurred within the last 90 calendar days past the due date.

- Aged Shortages: Shortages that are older than 90 calendar days past the due date.

Context of This Analysis

This is a very frequent case we work on, as our client is Amazon's supplier. We strongly believe that our client shipped all units, and our job is to prove to Amazon that those units were indeed shipped. Our ultimate goal is to ensure that our client receives payment for all items they have sent. The higher the recovered payment amount, the better job we have done. This case study reflects a real example of our day-to-day activities in helping our client secure full payment for their shipments.

What We Need From You

1. Total Shortage Amount (in dollars) from the dataset.
2. Annual Breakdown of Shortages to understand trends over time. (The breakdown is done annually, based on the payment due date as the year indicator.)
3. Aged Shortages Amount per year.

Next Steps

- Please analyze the data based on the criteria above using Python or R.
- Submit your findings along with your proposed solution.
- Let us know if you have any questions along the way.

Good luck, and we look forward to your insights!

Datasets: [Here](#)