Data Challenge

The purpose of this challenge is to let you demonstrate the way you think and work. You shouldn't spend more than 8 hours to complete the exercise.

The <u>dataset</u> we are providing contains the orders made by customers in one of our applications. Here's the description of each column:

- customer code: unique id of a customer;
- branch id: the branch id where this order was made;
- sales channel: the sales channel this order was made;
- seller code: seller that made this order;
- register_date: date of the order;
- total_price: total price of the order (sum of all items);
- order_id: id of this order;
- quantity: quantity of items, given by item code, were bought;
- item total price: total price of items, i.e., quantity* price;
- unit_price: unit price of this item;
- group code: which group this customer belongs;
- segment code: segment this client belongs;
- is churn: if this client is set as a churn.

Question 1 (10 Points)

List as many use cases for the dataset as possible.

Question 2 (10 Points)

Pick one of the use cases you listed in question 1 and describe how building a statistical model based on the dataset could best be used to improve the business this data comes from.

Question 3 (20 Points)

Implement the model you described in question 2, preferably in Python. The code has to retrieve the data, train and test a statistical model, and report relevant performance criteria. Ideally, we should be able to replicate your analysis from your submitted source-code, so please explicit the versions of the tools and packages you are using.

Question 4 (60 Points)

- 1. Explain each and every of your design choices, you can use jupyter notebooks. (e.g., preprocessing, model selection, hyper parameters, evaluation criteria). Compare and contrast your choices with alternative methodologies.
- 2. Describe how you would improve the model in Question 3 if you had more time.