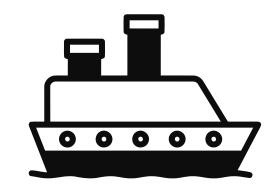
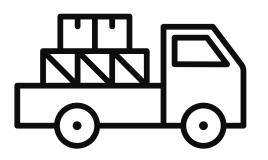


Final Project by Team Cobra

Bootcamp Data Science Rakamin Academy - Batch 31

Product Shipment Delivery Prediction







Meet the Team



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Fariyatul Ainiyah



Mezky Matthew Yandito



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Muhammad Raffi Yudhistira

Data

Source

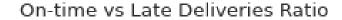
E-Commerce Shipping Data (<u>Kaggle</u>)

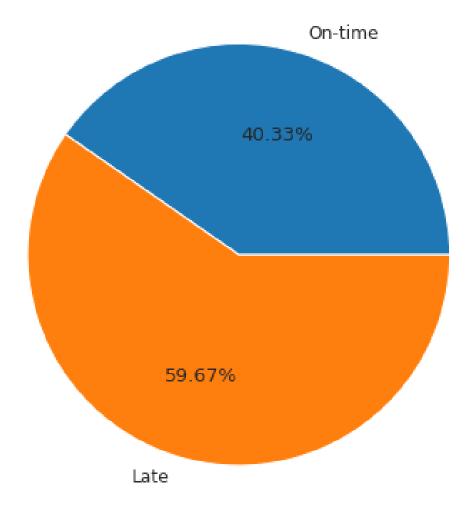
Context

An international e-commerce company based wants to discover key insights from their customer database. They want to use some of the most advanced machine learning techniques to study their customers. The company sells electronic products.



What is the Problem?

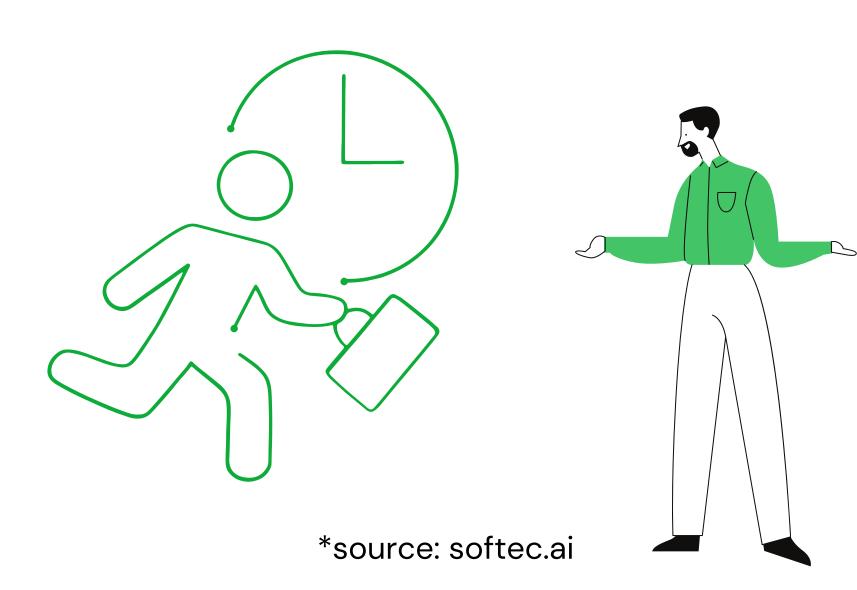




Pada suatu perusahaan e-commerce sering terjadi **keterlambatan pengiriman barang,** lebih banyak dibandingkan pengiriman yang tepat waktu

Impacts of Late Deliveries*:

- Decrease in Customer Retention Rate & Customer Lifetime Value
- Additional shipping costs
- Tarnished company **reputation**



What Can We Do?

Objective

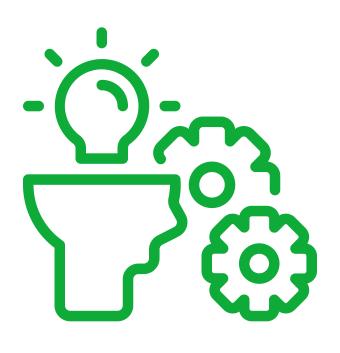
 Mengurangi rasio barang yang terlambat menjadi dibawah 30% dari total pengiriman

Goals

- Mencari faktor yang dapat mempengaruhi keterlambatan pengiriman
- Membentuk model Machine Learning (ML) untuk memprediksi keterlambatan pengiriman
- Memberikan rekomendasi yang terkait pengiriman barang

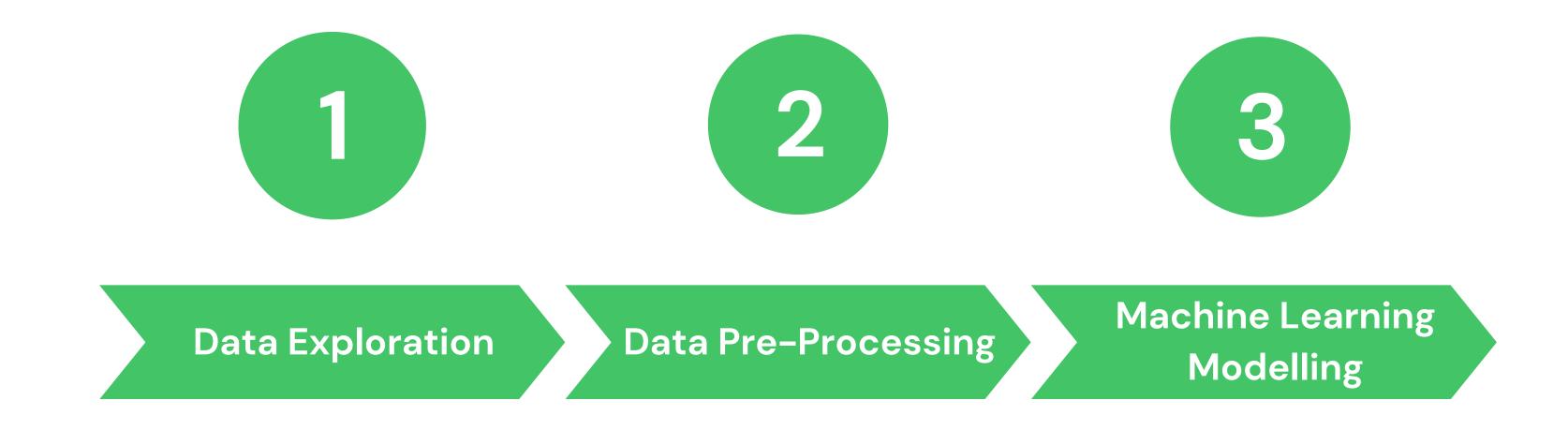
Business Metrics

- Main metric: Delivery on time ratio
- Supporting metric: Customer satisfaction



Process

Flow Modeling



Describe the Dataset

Features and Target



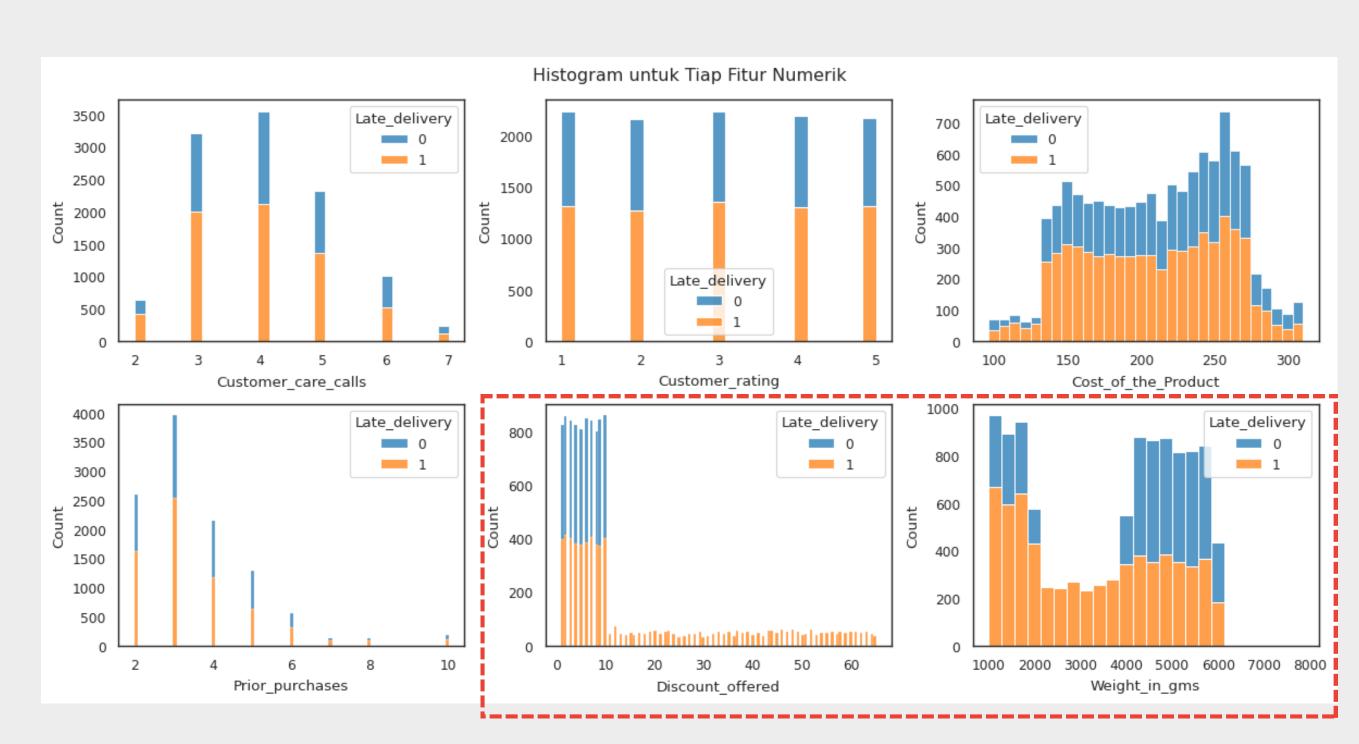


- Jumlah baris data: 10999 baris
- 8 kolom tipe numerik (termasuk target) & 4 kolom tipe object/string
- Nama kolom Reached.on.Time_Y.N diubah menjadi Late_delivery untuk membuat penamaan lebih intuitif
- Kolom Late_delivery dijadikan sebagai kolom target
- Tidak ada null values, setiap ID unik

Exploratory Data Analysis (EDA)

Distributions with Target as Hue

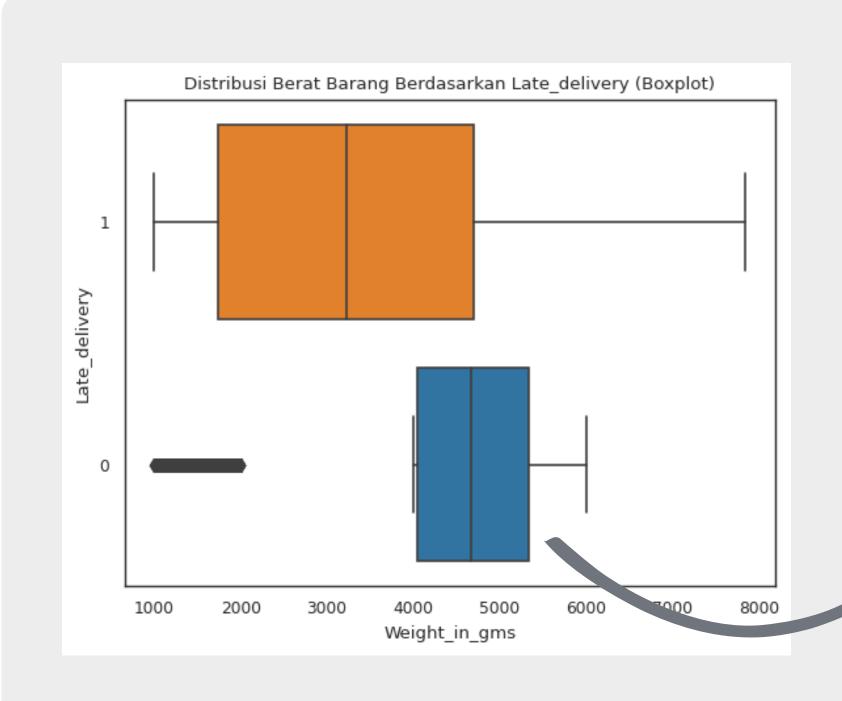


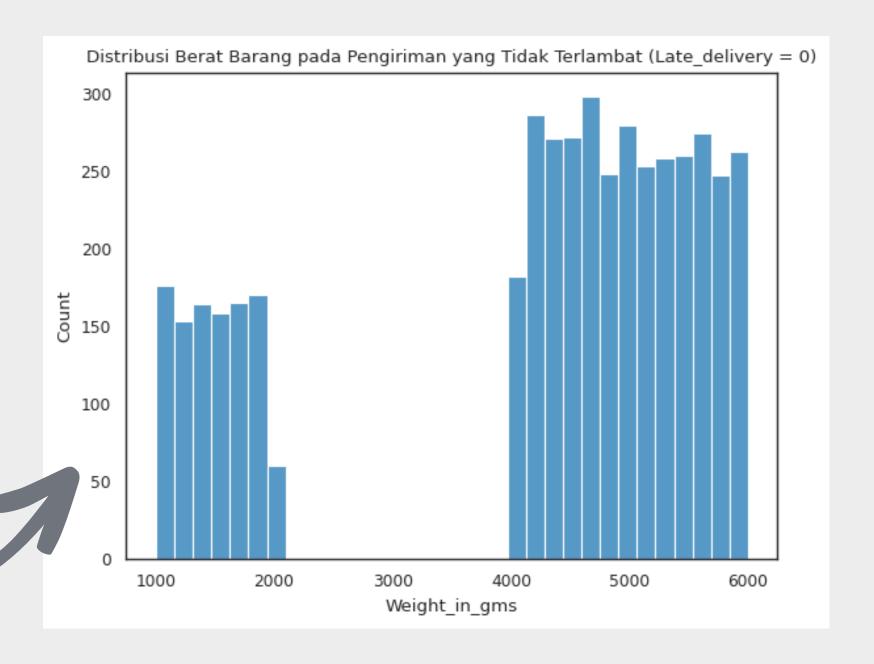


- Barang yang diberikan diskon lebih dari 10% tidak ada yang pengirimannya tepat waktu
- Barang yang pengirimannya tepat waktu hanya terjadi pada barang yang beratnya ada di bawah 2000 gram atau di antara 4000-6000 gram.

Product Weight on Items Delivered Late

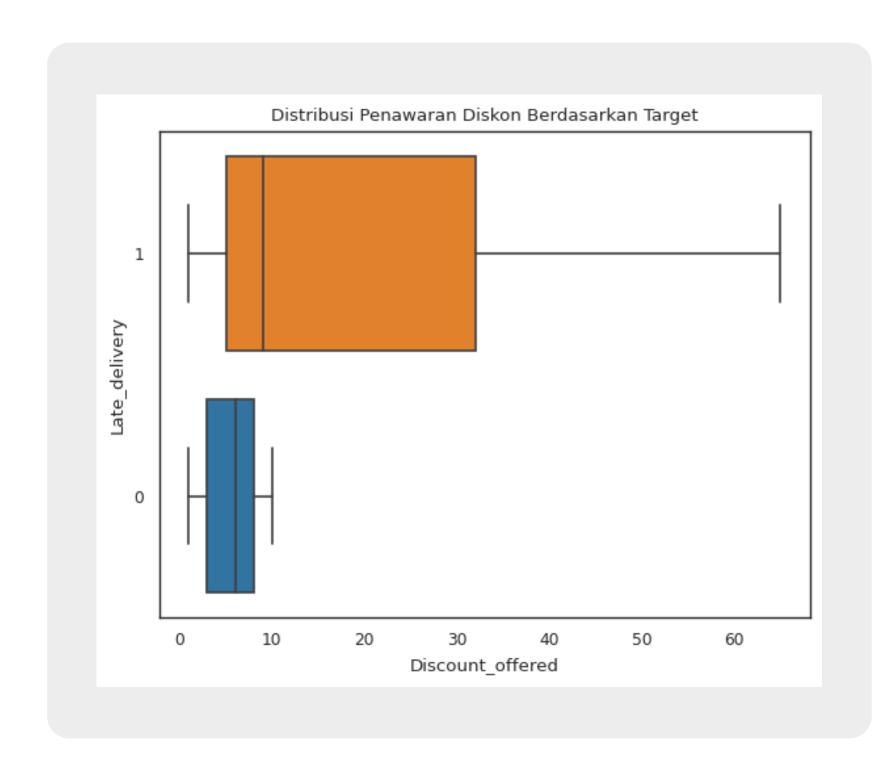


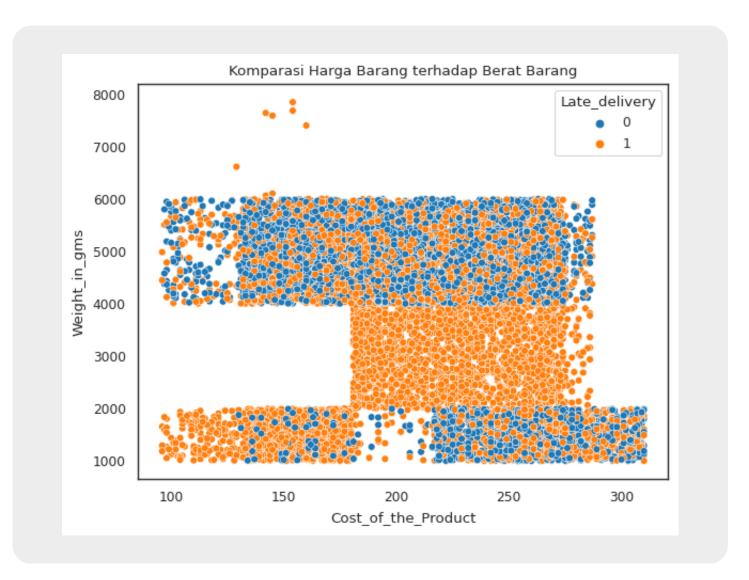




Discount Offered & Cost of Product







Pada pembentukan model, barang dipisah berdasarkan tiga kategori baru: **apakah barang diberikan diskon di atas 10% atau tidak, kategori berat barang,** dan **kategori harga**

Data Preprocessing (Pipeline)



Split Data Train & Data Test

Missing Values & Duplicate Data

Outliers

Feature Transformation

Feature Encoding

Handle Imbalance

80:20

None

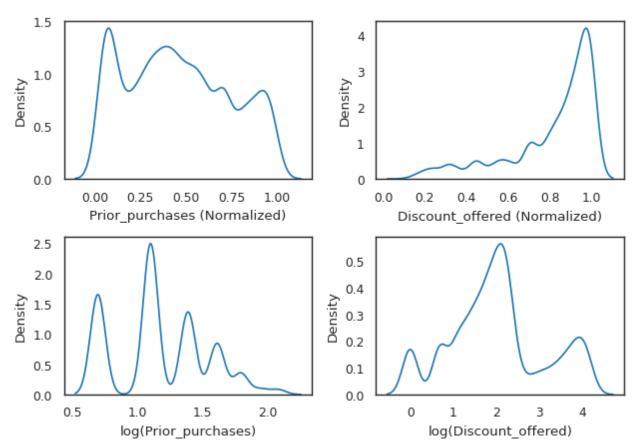
z-score

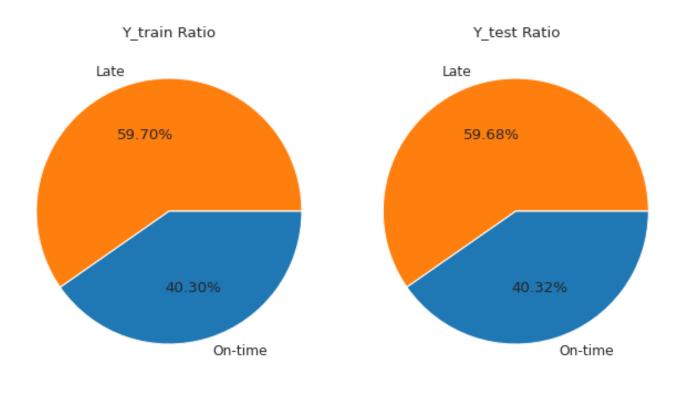
MinMaxScaler

Ordinal & OHE

None

Perbandingan Transformasi Normalizer dan Log Transformation





Model

1

2



Machine Learning
Modelling

Cross Validation and Tuning

Metrik yang digunakan: Recall

Model	Training Accuracy	CV Accuracy (mean)	CV Accuracy (std)	Training Precision	CV Precision (mean)	CV Precision (std)	Training Recall	CV Recall (mean)	CV Recall (std)
Decision Tree	1.000	0.644	0.006	1.000	0.702	0.004	1.000	0.703	0.014
Random Forest	1.000	0.653	0.007	1.000	0.753	0.003	1.000	0.624	0.013
Logistic Regression	0.679	0.675	0.011	0.841	0.835	0.021	0.570	0.568	0.024
KNN	0.777	0.646	0.009	0.836	0.718	0.009	0.779	0.671	0.010
XGBoost	0.891	0.654	0.016	0.950	0.736	0.022	0.863	0.658	0.017
SVM	0.692	0.681	0.011	0.963	0.931	0.021	0.503	0.504	0.020

Setelah Hyperparameter Tuning Decision Tree:

Recall score data TRAIN : 64.343 %
Recall score data TEST : 62.833 %

Other Scores (based on test data):

Accuracy score : 66.5 % F-1 score : 69.124 %

Precision score : 76.816 %

Predicted
On-time,
Actually
On-time

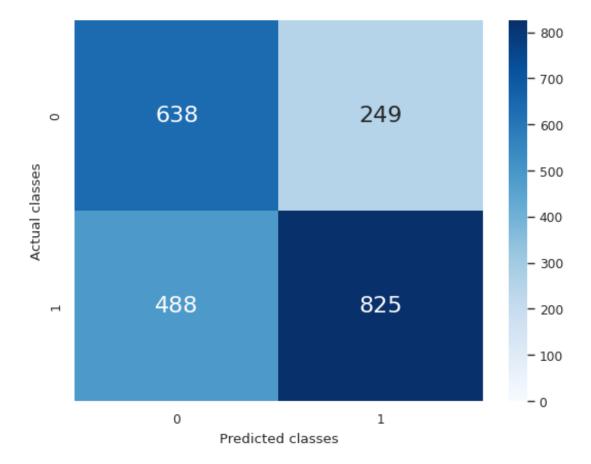
Predicted
Late,
Actually
On-time

Predicted
On-time,
Actually
Late

Predicted Late, Actually Late

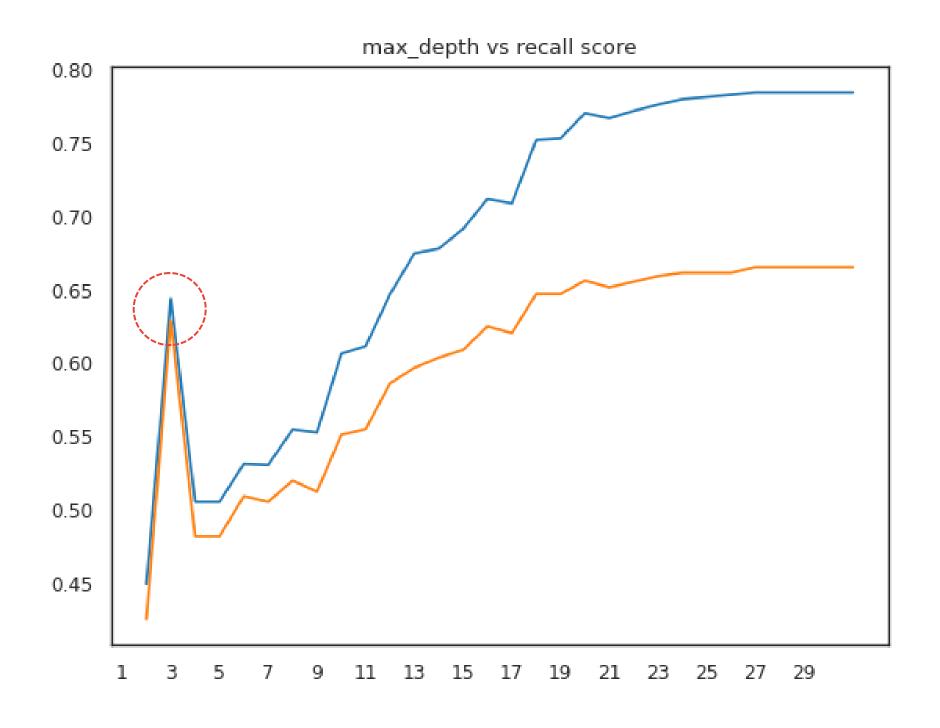
Model Results

Recall Score Evaluation



Total Pengiriman	10999
Persentase Keterlambatan	59,67%
Total Pengiriman Terlambat	6563
Recall	63%
Total Pengiriman Terlambat yang Bisa Diprediksi	4135





Model

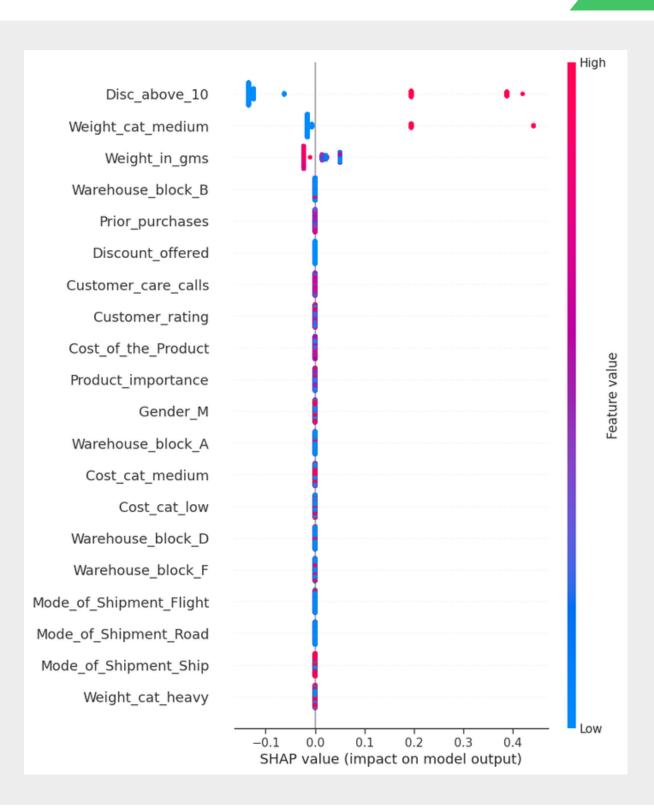
Feature Importance

1 2 3

Machine Learning
Modelling



Berat Barang





Insights & Recommendations

Insights

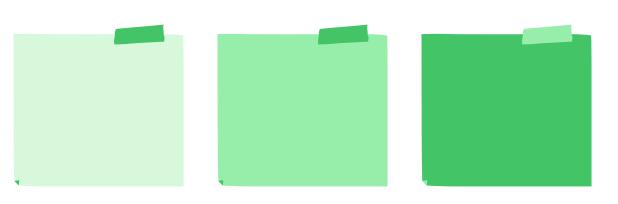
- Pengiriman barang tepat waktu hanya terjadi pada barang yang beratnya ada di kategori ringan (1000-2000 gram) dan berat (4000-6000 gram)
- Pengiriman barang tepat waktu hanya terjadi pada barang yang memiliki nilai diskon yang ditawarkan sebesar 10% atau lebih kecil
- Fitur yang paling penting pada model yang dibentuk adalah fitur-fitur terkait besar diskon yang ditawarkan dan berat barang





"Correlation does not imply causation"

Insights, Compared to Literatures



What Causes Delay In Delivery?



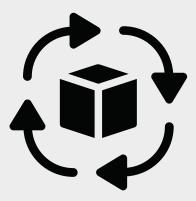
Last-Mile Logistics

(Source: Deloitte, "Last-Mile Delivery: The Future of eCommerce," 2017)



Peak Demand Periods

(Source: Parcel Monitor, "4 Strategies to Prevent Late Deliveries During Peak Season," 2018)



Supply Chain Disruptions

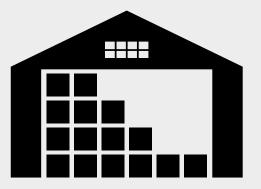
(Source: McKinsey & Company, "Supply-chain resilience: the missing link in disaster recovery," 2013)



Customer Address

Issue

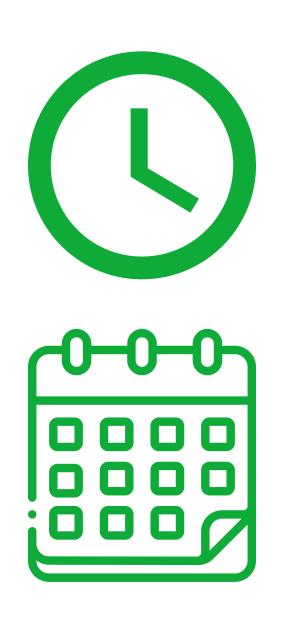
(Source: Multichannel Merchant, "3 Common Reasons for Late Deliveries and How to Prevent Them," 2019)



Warehouse Operations

(Source: Supply Chain Dive, "5 warehouse management issues causing shipping delays," 2019)

Recommendations



Pengumpulan Data Tambahan

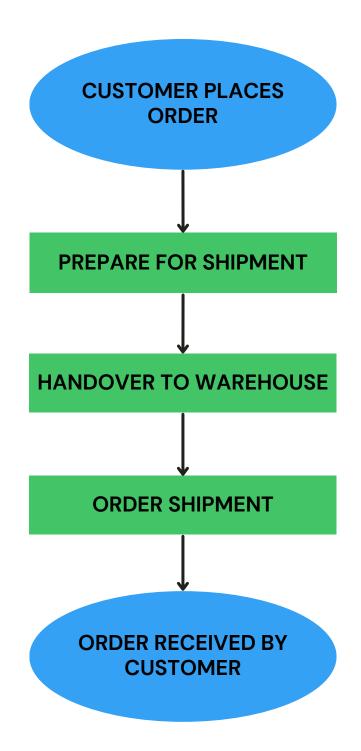
- Waktu Keterlambatan
- Tanggal Pengiriman
- Wilayah Pengiriman
- Jenis/Jasa Kurir
- Jenis promo/diskon yang ditawarkan
- Tipe/kategori barang elektronik yang dijual

Deployment Model ke Sistem E-Commerce

- Model dapat digunakan untuk mendeteksi keterlambatan sebelum kejadian
- Penanganan dapat dilakukan untuk barang yang diprediksi akan terlambat
- Bentuk penanganan: pelanggan dan tim logistik akan diberikan notifikasi, dan pengiriman dapat diprioritaskan



Before Model Deployment



After Model Deployment CUSTOMER PLACES PREPARE FOR SHIPMENT **ORDER** PREDICT DELIVERY USING MACHINE LEARNING MODEL **Business Flow** WARN LOGISTIC TEAM AND/OR **CUSTOMER** PREDICTED LATE? Yes **(BY NOTIFICATION ALERT)** Simulation **PRIORITIZE ORDER &** No **PACKAGE ALLOCATION** HANDOVER TO WAREHOUSE **ORDER RECEIVED BY ORDER SHIPMENT CUSTOMER**

Thank you for participating. Have a great day ahead.

We're done!