Modeling Product #7

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Set up

Taking a sample of the whole dataset

```
df <- readRDS("swire_no_nas.rds") #inject the data and we will sub-sample</pre>
regions_joinme <- read.csv("states_summary.csv")</pre>
unique(regions_joinme$REGION)
    [1] "NORTHERN"
                      "DESERT SW"
                                    "PRAIRIE"
                                                  "CALI NEVADA" "MOUNTAIN"
   [6] "SOCAL"
                      "ARIZONA"
                                                  "NOCAL"
                                                               "COLORADO"
                                    "NEWMEXICO"
## [11] "KANSAS"
# "NORTHERN"
                "DESERT SW" "PRAIRIE"
                                            "CALI_NEVADA"
                                                                                   "ARIZONA"
                                                           "MOUNTAIN"
                                                                         "SOCAL"
"NEWMEXICO"
             "NOCAL" "COLORADO" "KANSAS"
str(regions joinme)
                   200 obs. of 2 variables:
## 'data.frame':
## $ MARKET KEY: int 13 70 179 197 272 352 32 33 44 50 ...
## $ REGION : chr "NORTHERN" "NORTHERN" "DESERT_SW" "DESERT_SW" ...
# Perform a left join using the merge() function
df <- merge(df, regions_joinme[, c("MARKET_KEY", "REGION")], by = "MARKET_KEY", all.x = TRUE)</pre>
rm(regions_joinme)
```

Quick imputations

```
# Update CALORIC_SEGMENT values: 0 if 'DIET/LIGHT', otherwise 1
df$CALORIC_SEGMENT <- ifelse(df$CALORIC_SEGMENT == "DIET/LIGHT", 0, 1)</pre>
```

```
df$MARKET_KEY <- as.character(df$MARKET_KEY)
df <- df %>%
  mutate(
    MONTH = as.numeric(substr(DATE, 6, 7)),  # Extract the month from YYYY-MM-DD format
    SEASON = case_when(
        MONTH %in% c(12, 01, 02) ~ "WINTER",
        MONTH %in% c(03, 04, 05) ~ "SPRING",
        MONTH %in% c(06, 07, 08) ~ "SUMMER",
        MONTH %in% c(09, 10, 11) ~ "FALL",
        TRUE ~ NA_character_ # This is just in case there are any undefined values
    )
)
```

```
str(df)
```

```
## 'data.frame':
                 24461424 obs. of 13 variables:
## $ MARKET_KEY
                  : chr "1" "1" "1" "1" ...
            : chr "2021-10-16" "2022-06-04" "2022-02-05" "2022-10-08" ...
## $ DATE
## $ CALORIC SEGMENT: num 0 0 1 0 0 1 0 0 1 0 ...
              : chr "ENERGY" "SSD" "SSD" "SSD" ...
## $ CATEGORY
## $ UNIT SALES : num 434 28 42 1 26 161 6 5 68 90 ...
## $ DOLLAR SALES : num 924.04 147.77 25.13 0.99 94.56 ...
## $ MANUFACTURER : chr "PONYS" "SWIRE-CC" "COCOS" "JOLLYS" ...
## $ BRAND
               : chr "MYTHICAL BEVERAGE ULTRA" "DIET PEPPY CF" "HANSENIZZLE'S ECO" "DIET
PAPI" ...
## $ PACKAGE : chr "16SMALL MULTI CUP" "12SMALL 120NE CUP" "12SMALL 60NE CUP" "12SMALL
60NE CUP" ...
                   : chr "MYTHICAL BEVERAGE ULTRA SUNRISE ENERGY DRINK UNFLAVORED ZERO SUGAR
## $ ITEM
CUP 16 LIQUID SMALL" "DIET PEPPY CAFFEINE FREE GENTLE DRINK RED PEPPER COLA DIET CUP 12 LIQUID
SMALL X12" "HANSENIZZLE'S ECO GENTLE DRINK MANDARIN DURIAN CUP 12 LIQUID SMALL" "DIET PAPI
GENTLE DRINK COLA DIET CUP 12 LIQUID SMALL" ...
## $ REGION : chr "NORTHERN" "NORTHERN" "NORTHERN" ...
                  : num 10 6 2 10 7 9 9 6 10 5 ...
## $ MONTH
                  : chr "FALL" "SUMMER" "WINTER" "FALL" ...
## $ SEASON
```

Making a 10% sample of the data to shrink it

```
# Assuming df is your dataframe
set.seed(123) # Set a random seed for reproducibility
sampled_df <- df[sample(1:nrow(df), 2446143), ]
rm(df)

df <- sampled_df
rm(sampled_df)

#skim(df)</pre>
```

```
summary(df)
```

```
##
                                        Mean :0.5025
##
                                        3rd Qu.:1.0000
##
                                        Max.
                                              :1.0000
##
     UNIT_SALES
                     DOLLAR SALES
                                        MANUFACTURER
                                                             BRAND
             0.04
##
   Min. :
                     Min. :
                                0.0
                                       Length:2446143
                                                          Length: 2446143
##
   1st Qu.:
            11.00
                     1st Qu.:
                                36.5
                                       Class :character Class :character
                                                          Mode :character
##
   Median : 40.00
                     Median :
                              135.1
                                       Mode :character
   Mean
         : 173.43
                     Mean
                                587.4
##
   3rd Qu.: 126.00
##
                     3rd Qu.:
                                427.4
          :91778.00
                           :409159.3
##
   Max.
                     Max.
##
    PACKAGE
                         ITEM
                                          REGION
                                                             MONTH
                                       Length: 2446143
                                                          Min. : 1.000
##
   Length: 2446143
                     Length: 2446143
   Class :character
                     Class :character Class :character
                                                          1st Qu.: 3.000
##
   Mode :character Mode :character
                                       Mode :character
                                                          Median : 6.000
##
##
                                                          Mean : 6.283
##
                                                          3rd Qu.: 9.000
##
                                                          Max. :12.000
##
      SEASON
##
   Length: 2446143
   Class : character
##
   Mode :character
##
##
##
##
```

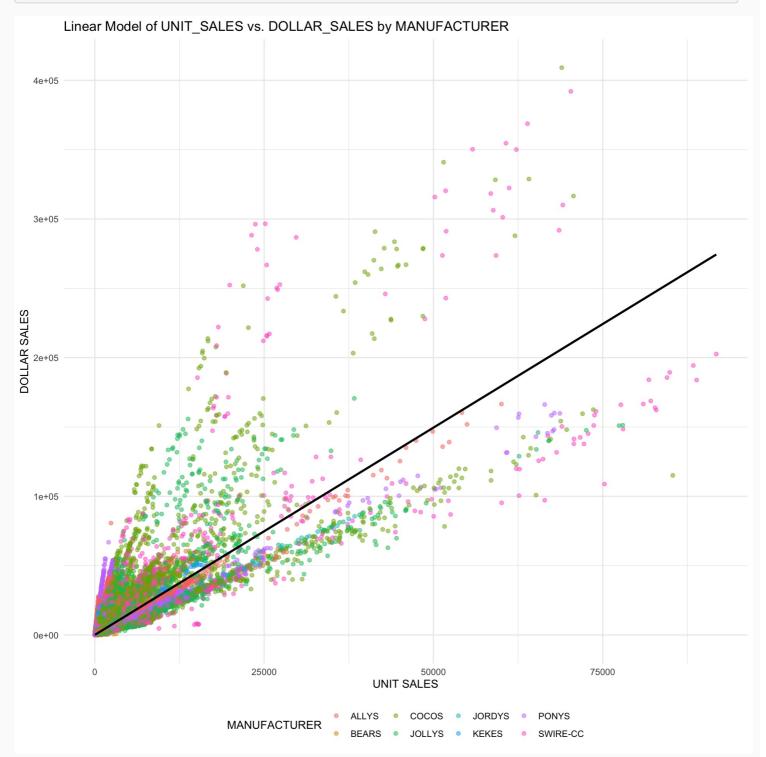
Linear model on sampled data looks the same largely

```
# Perform a linear regression with UNIT_SALES as the dependent variable
# and PRICE (or your chosen variable) as the independent variable
linear_model <- lm(DOLLAR_SALES ~ UNIT_SALES, data = df)
# Print the summary of the linear model to see the results
summary(linear_model)</pre>
```

```
##
## Call:
## lm(formula = DOLLAR SALES ~ UNIT SALES, data = df)
##
## Residuals:
               10 Median
                              30
##
      Min
                                     Max
## -140089
             -117 -68
                              -3 225329
##
## Coefficients:
##
               Estimate Std. Error t value Pr(>|t|)
## (Intercept) 69.056096
                        1.023439
                                    67.47
                                          <2e-16 ***
## UNIT SALES 2.989060 0.001201 2489.17
                                            <2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 1567 on 2446141 degrees of freedom
## Multiple R-squared: 0.717, Adjusted R-squared: 0.717
## F-statistic: 6.196e+06 on 1 and 2446141 DF, p-value: < 2.2e-16
```

```
# Create a scatter plot with the regression line, colored by MANUFACTURER
ggplot(df, aes(x = UNIT_SALES, y = DOLLAR_SALES, color = MANUFACTURER)) +
```

```
## `geom_smooth()` using formula = 'y ~ x'
```



```
# create a table of total values by brand
brand_summary <- df %>%
  group_by(BRAND) %>%
  summarise(
   total_units_sold = sum(UNIT_SALES),
```

```
total_revenue = sum(DOLLAR_SALES),
    avg_price = total_revenue / total_units_sold,
    total_days_sold = n() # Count the number of rows for each brand
) %>%
    arrange(desc(total_units_sold)) %>% # Order by revenue in descending order
    mutate(rank = row_number())

summary(brand_summary)
```

```
##
      BRAND
                    total_units_sold
                                      total_revenue
                                                          avg_price
                    Min. : 1
                                      Min. :
                                                        Min. : 0.5315
##
   Length: 288
                                                    1
                    1st Qu.:
                                      1st Qu.:
                                                7563 1st Qu.: 2.0861
##
   Class :character
                               2310
   Mode :character
                    Median : 94691
                                                266075
                                                        Median : 3.0291
                                      Median :
##
##
                    Mean : 1473003
                                      Mean : 4989427
                                                        Mean : 3.2661
##
                    3rd Qu.: 651385
                                      3rd Qu.: 2161764
                                                        3rd Qu.: 3.7252
##
                    Max. :40414038
                                      Max. :159387186
                                                        Max. :42.9378
##
   total_days_sold
                         rank
   Min. :
              1.0
                    Min. : 1.00
##
   1st Qu.: 121.8
                    1st Qu.: 72.75
##
   Median : 1988.0
                    Median :144.50
##
##
   Mean : 8493.5
                    Mean :144.50
##
   3rd Qu.: 8075.8
                    3rd Qu.:216.25
   Max. :124603.0
                    Max. :288.00
```

```
print(brand_summary[brand_summary$BRAND == "PEPPY", ])
```

Peppy is a hugly popular brand coming in at 3rd in total revenue and 3rd in total units sold

Take a look at your brand..

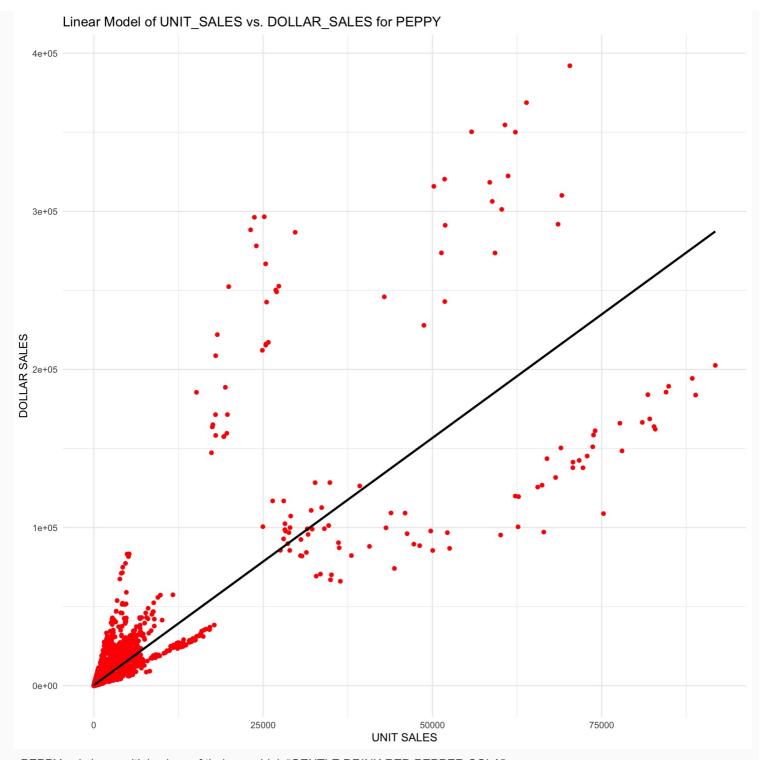
```
# Filter the dataframe for only 'PEPPY'
filtered_df <- df %>%
  filter(BRAND == "PEPPY")

summary(filtered_df)
```

```
##
    MARKET KEY
                          DATE
                                        CALORIC SEGMENT
                                                          CATEGORY
##
   Length: 39613
                      Length: 39613
                                        Min. :1
                                                        Length: 39613
##
   Class :character
                      Class :character
                                        1st Qu.:1
                                                        Class : character
   Mode :character
                      Mode :character
                                        Median :1
                                                        Mode :character
##
##
                                        Mean :1
##
                                        3rd Qu.:1
##
                                        Max. :1
##
     UNIT SALES
                      DOLLAR SALES
                                        MANUFACTURER
                                                              BRAND
##
   Min. : 0.17
                      Min. :
                                 0.2
                                        Length: 39613
                                                           Length: 39613
   1st Qu.:
##
             56.00
                      1st Qu.:
                                190.7
                                        Class :character
                                                           Class : character
##
   Median : 154.00
                      Median : 588.6
                                        Mode :character Mode :character
   Mean : 608.86
                      Mean : 2259.7
```

```
3rd Qu.: 481.00
                     3rd Qu.: 1824.8
##
  Max.
         :91778.00
                    Max. :392062.7
##
    PACKAGE
                        ITEM
                                         REGION
                                                           MONTH
##
## Length:39613
                     Length:39613
                                     Length:39613
                                                        Min. : 1.000
##
  Class :character
                     Class :character Class :character
                                                        1st Qu.: 3.000
   Mode :character
                    Mode :character
                                      Mode :character
                                                        Median : 6.000
##
                                                        Mean : 6.306
##
##
                                                        3rd Qu.: 9.000
##
                                                        Max. :12.000
##
      SEASON
## Length: 39613
  Class :character
##
## Mode :character
##
##
##
```

```
## `geom_smooth()` using formula = 'y ~ x'
```



>PEPPY only has multiple sizes of their one drink "GENTLE DRINK RED PEPPER COLA"

```
## # A tibble: 38 × 3
##
      ITEM
                                                    Date Difference Total Unit Sales
                                                    <drtn>
                                                                                <dbl>
##
      <chr>
    1 PEPPY GENTLE DRINK RED PEPPER COLA CUP 8 L...
                                                      0 weeks
                                                                                     1
##
   2 PEPPY GENTLE DRINK RED PEPPER COLA JUG 12....
                                                      0 weeks
                                                                                     1
    3 PEPPY GENTLE DRINK RED PEPPER COLA CUP 12 ... 71 weeks
                                                                                     2
    4 PEPPY GENTLE DRINK RED PEPPER COLA JUG 16 ... 74 weeks
                                                                                   18
```

```
## 5 PEPPY GENTLE DRINK RED PEPPER COLA JUG 12 ... 83 weeks 326

## 6 PEPPY GENTLE DRINK RED PEPPER COLA JUG 13... 104 weeks 17234

## 7 PEPPY GENTLE DRINK RED PEPPER COLA JUG 67... 113 weeks 7818

## 8 PEPPY GENTLE DRINK RED PEPPER COLA CUP 7.5... 120 weeks 20545

## 9 PEPPY GENTLE DRINK RED PEPPER COLA CUP 12 ... 128 weeks 524

## 10 PEPPY GENTLE DRINK RED PEPPER COLA JUG 12 ... 134 weeks 104

## # i 28 more rows
```

Peppy only has 2 products that could be considered innovation products, but they each were only sold once and each only sold 1 unit.

```
#check for Pink woodsy flavor sales
sales_by_pink_woodsy <- df %>%
  filter(str_detect(ITEM, "PINK") & str_detect(ITEM, "WOODSY"))
```

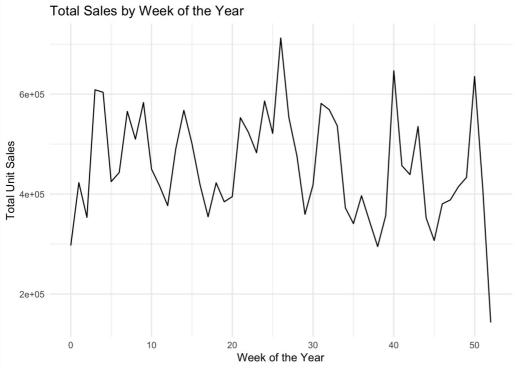
there are no current sales around pink woodsy flavored data.

```
##
                       DATE CALORIC SEGMENT CATEGORY UNIT SALES DOLLAR SALES
      MARKET KEY
## 1
             132 2023-01-28
                                           1
                                                  SSD
                                                                1
                                                                          1.50
## 2
               6 2023-07-08
                                           1
                                                  SSD
                                                                1
                                                                          1.50
## 3
            1172 2023-02-04
                                           1
                                                  SSD
                                                                1
                                                                          1.50
            1172 2022-02-12
                                                                1
## 4
                                           1
                                                  SSD
                                                                          1.25
                                                                1
            1135 2021-04-10
                                           1
## 5
                                                  SSD
                                                                          1.00
## 6
             817 2023-02-18
                                           1
                                                  SSD
                                                                1
                                                                          1.50
## 7
            1172 2022-08-27
                                           1
                                                  SSD
                                                                1
                                                                          1.25
                                                                2
## 8
            399 2023-01-28
                                           1
                                                  SSD
                                                                          3.00
## 9
             535 2021-10-16
                                           1
                                                  SSD
                                                                2
                                                                          2.00
             216 2022-04-09
                                           1
                                                                1
## 10
                                                  SSD
                                                                          1.25
      MANUFACTURER
##
                           BRAND
                                         PACKAGE
## 1
            JOLLYS HILL MOISTURE 1.5L MULTI JUG
## 2
                             PAPI 1.5L MULTI JUG
## 3
            JOLLYS HILL MOISTURE 1.5L MULTI JUG
            JOLLYS HILL MOISTURE 1.5L MULTI JUG
## 4
## 5
          SWIRE-CC
                           SMASH 1.5L MULTI JUG
## 6
            JOLLYS HILL MOISTURE 1.5L MULTI JUG
            JOLLYS
                             PAPI 1.5L MULTI JUG
## 7
            JOLLYS HILL MOISTURE 1.5L MULTI JUG
## 8
## 9
            JOLLYS
                             PAPI 1.5L MULTI JUG
## 10
            JOLLYS HILL MOISTURE 1.5L MULTI JUG
##
                                                      ITEM
                                                                 REGION MONTH SEASON
      RAINING GENTLE DRINK AVOCADO JUG 50.7 LIQUID SMALL CALI NEVADA
## 1
                                                                            1 WINTER
## 2
             PAPI GENTLE DRINK COLA JUG 50.7 LIQUID SMALL
                                                               NORTHERN
                                                                            7 SUMMER
## 3
      RAINING GENTLE DRINK AVOCADO JUG 50.7 LIQUID SMALL
                                                                 KANSAS
                                                                            2 WINTER
## 4
     RAINING GENTLE DRINK AVOCADO JUG 50.7 LIQUID SMALL
                                                                 KANSAS
                                                                            2 WINTER
         SMASH GENTLE DRINK SUNSET
                                    JUG 50.7 LIQUID SMALL
## 5
                                                                PRAIRIE
                                                                            4 SPRING
## 6
      RAINING GENTLE DRINK AVOCADO JUG 50.7 LIQUID SMALL
                                                               COLORADO
                                                                            2 WINTER
## 7
             PAPI GENTLE DRINK COLA JUG 50.7 LIQUID SMALL
                                                                 KANSAS
                                                                            8 SUMMER
     RAINING GENTLE DRINK AVOCADO JUG 50.7 LIQUID SMALL
                                                               MOUNTAIN
                                                                            1 WINTER
```

9 PAPI GENTLE DRINK COLA JUG 50.7 LIQUID SMALL NEWMEXICO 10 FALL
10 RAINING GENTLE DRINK AVOCADO JUG 50.7 LIQUID SMALL DESERT_SW 4 SPRING

there is currently no sales of .5LJUG

Sales by Week of the year



mutate(WEEK = as.integer(format(DATE, "%U"))) %>%

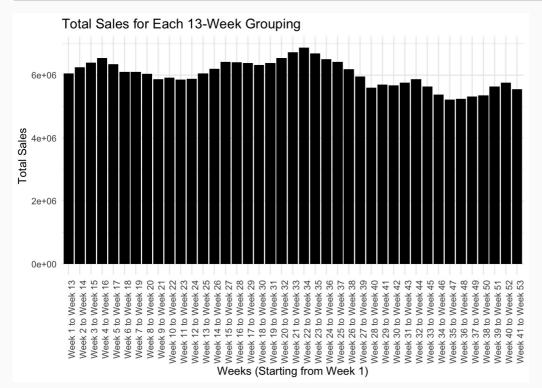
group by(WEEK) %>%

```
#find the best 13 weeks
library(zoo)

##
## Attaching package: 'zoo'

## The following objects are masked from 'package:base':
##
## as.Date, as.Date.numeric

# Calculate total sales for each group of 13 consecutive weeks
sales_by_group <- filtered_df %>%
mutate(DATE = as.Date(DATE)) %>%
```



From this graph we see that weeks 21 to 34 historically have the highest unit sales of PEPPY

Made a new smaller "innovation" data fram

```
##
    [1] "FANTASMIC GENTLE DRINK PINK
                                     CUP 12 LIQUID SMALL X12"
    [2] "KOOL! FLUFFY GENTLE DRINK KIWANO PINK CUP 12 LIQUID SMALL"
##
    [3] "MOONLIT GENTLE DRINK PINK ADE CUP 7.5 LIQUID SMALL X6"
##
    [4] "FANTASMIC GENTLE DRINK PINK
                                     JUG 12 LIQUID SMALL"
##
##
    [5] "FANTASMIC GENTLE DRINK PINK
                                      JUG 20 LIQUID SMALL"
##
    [6] "MOONLIT GENTLE DRINK PINK
                                   ADE
                                         JUG 20 LIQUID SMALL"
    [7] "MOONLIT GENTLE DRINK PINK ADE CUP 12 LIQUID SMALL X12"
##
```

```
## [8] "SMASH GENTLE DRINK PINK JUG 12 LIQUID SMALL X4"
## [9] "MOONLIT GENTLE DRINK PINK JUG 20 LIQUID SMALL"
## [10] "RAINING COASTAL BLAST GENTLE DRINK WOODSY DURIAN CUP 7.5 LIQUID SMALL X10"
## [11] "ZIZZLES GENTLE DRINK PINK JUG 67.6 LIQUID SMALL"
## [12] "RAINING KICK DARK ENERGY DRINK PINK SUPER-JUICE CUP 16 LIQUID SMALL"
## [13] "SMASH GENTLE DRINK PINK CUP 12 LIQUID SMALL X12"
## [14] "SMASH GENTLE DRINK PINK JUG 67.6 LIQUID SMALL"
## [15] "FANTASMIC GENTLE DRINK PINK JUG 67.6 LIQUID SMALL"
## [16] "MOONLIT GENTLE DRINK PINK JUG 67.6 LIQUID SMALL"
## [17] "RAINING COASTAL BLAST GENTLE DRINK WOODSY DURIAN AVOCADO CUP 12 LIQUID SMALL X12"
## [18] "SMASH GENTLE DRINK PINK 290 CALORIES PER JUG JUG 20 LIQUID SMALL"
## [19] "MOONLIT GENTLE DRINK PINK ADE JUG 67.6 LIQUID SMALL"
## [20] "RAINING COASTAL PITAYA GENTLE DRINK WOODSY DURIAN AVOCADO CUP 12 LIQUID SMALL X12"
## [21] "ZIZZLES GENTLE DRINK KEKE PINK CUP 12 LIQUID SMALL X12"
## [22] "RAINING COASTAL PITAYA GENTLE DRINK WOODSY DURIAN AVOCADO JUG 20 LIQUID SMALL"
## [23] "ELF BUBBLES GENTLE DRINK SUPER-JUICE DURIAN WOODSY MIX JUG 20 LIQUID SMALL"
## [24] "RAINING COASTAL BLAST GENTLE DRINK WOODSY DURIAN AVOCADO JUG 20 LIQUID SMALL"
## [25] "RAINING COASTAL BLAST GENTLE DRINK WOODSY DURIAN AVOCADO JUG 16.9 LIQUID SMALL X6"
## [26] "MOONLIT GENTLE DRINK PINK CUP 12 LIQUID SMALL X12"
## [27] "RAINING COASTAL BLAST GENTLE DRINK WOODSY DURIAN AVOCADO CUP 12 LIQUID SMALL"
## [28] "RAINING COASTAL BLAST GENTLE DRINK WOODSY DURIAN AVOCADO CUP 12 LIQUID SMALL X36"
## [29] "GO-DAY GENTLE DRINK PINK JUG 20 LIQUID SMALL"
## [30] "RAINING COASTAL BLAST GENTLE DRINK WOODSY DURIAN AVOCADO JUG 33.8 LIQUID SMALL"
## [31] "FANTASMIC GENTLE DRINK PINK CUP 12 LIQUID SMALL"
## [32] "WILDWOOD GENTLE DRINK PINK JUG 20 LIQUID SMALL"
## [33] "ZIZZLES GENTLE DRINK KEKE PINK CUP 12 LIQUID SMALL"
## [34] "WOODSY YAWN GENTLE DRINK WOODSY CUP 12 LIQUID SMALL X12"
## [35] "WOODSY YAWN GENTLE DRINK WOODSY JUG 20 LIQUID SMALL"
## [36] "SMASH GENTLE DRINK PINK 170 CALORIES PER CUP CUP 12 LIQUID SMALL"
## [37] "ZIZZLES GENTLE DRINK PINK JUG 84.5 LIQUID SMALL"
## [38] "SMASH GENTLE DRINK PINK JUG 16.9 LIQUID SMALL X6"
## [39] "GO-DAY RED POP! GENTLE DRINK PINK JUG 24 LIQUID SMALL"
## [40] "FANTASMIC GENTLE DRINK PINK CUP 7.5 LIQUID SMALL X6"
## [41] "GO-DAY RED POP! GENTLE DRINK PINK CUP 12 LIQUID SMALL"
## [42] "HANSENIZZLE'S ECO GENTLE DRINK KEKE PINK CUP 12 LIQUID SMALL"
## [43] "RAINING COASTAL BLAST GENTLE DRINK WOODSY DURIAN AVOCADO CUP 12 LIQUID SMALL X24"
## [44] "PINK TINGLE GENTLE DRINK SPARKLING PURPLE TROPPY JUG 10.14 LIQUID SMALL"
## [45] "ZIZZLES GENTLE DRINK PINK CUP 12 LIQUID SMALL"
## [46] "WOODSY YAWN GENTLE DRINK SUPER-JUICE DURIAN WOODSY CUP 16 LIQUID SMALL"
```

- ## [47] "ZIZZLES GENTLE DRINK PINK CUP 12 LIQUID SMALL X12"
- ## [48] "GO-DAY RED POP! GENTLE DRINK PINK JUG 12 LIQUID SMALL"
- ## [49] "MOONLIT GENTLE DRINK PINK ADE CUP 12 LIQUID SMALL"
- ## [50] "RAINING COASTAL BLAST GENTLE DRINK WOODSY DURIAN AVOCADO JUG 24 LIQUID SMALL"
- ## [51] "GO-DAY RED POP! GENTLE DRINK PINK JUG 84.5 LIQUID SMALL"
- ## [52] "FANTASMIC GENTLE DRINK PINK JUG 12 LIQUID SMALL X24"
- ## [53] "ELF BUBBLES GENTLE DRINK SUPER-JUICE DURIAN WOODSY JUG 20 LIQUID SMALL"
- ## [54] "PAPI SUMMER MIX GENTLE DRINK WOODSY TROPPY COLA JUG 20 LIQUID SMALL"
- ## [55] "GO-DAY GENTLE DRINK KEKE PINK CUP 12 LIQUID SMALL"
- ## [56] "AZURE HORIZON GENTLE DRINK WILD PINK CUP 12 LIQUID SMALL"
- ## [57] "GO-DAY GENTLE DRINK PINK CUP 12 LIQUID SMALL X12"
- ## [58] "GO-DAY RED POP! GENTLE DRINK PINK JUG 67.6 LIQUID SMALL"
- ## [59] "FANTASMIC GENTLE DRINK PINK JUG 16 LIQUID SMALL"
- ## [60] "HANSENIZZLE'S ECO CUPE REFRESHER GENTLE DRINK KEKE PINK CUP 12 LIQUID SMALL"

```
#Add a month Date factor
library(dplyr)
library(lubridate)
innovation <- innovation %>%
 mutate(
   MONTH = month(ymd(DATE)), # Extract month using lubridate's ymd function
   MONTH = as.factor(MONTH) # Convert the extracted month into a factor
 )
str(innovation)
## 'data.frame': 31460 obs. of 13 variables:
                  : chr "187" "583" "61" "32" ...
## $ MARKET KEY
                   : chr "2022-09-10" "2022-09-17" "2022-12-24" "2021-03-20" ...
## $ DATE
## $ CALORIC SEGMENT: num 1 1 1 1 1 1 1 1 1 1 ...
## $ CATEGORY : chr "SSD" "SSD" "SSD" "SSD" ...
```

```
## $ UNIT SALES
                  : num 65 6 5 31 119 20 12 1 5 13 ...
## $ DOLLAR SALES : num 348.7 15.9 20.9 40 274.6 ...
## $ MANUFACTURER : chr "COCOS" "COCOS" "SWIRE-CC" "COCOS" ...
## $ BRAND
               : chr "FANTASMIC" "FLUFFY'S LIMITED EDITION KOOL!" "MOONLIT" "MEXICAN
FANTASMIC" ...
               : chr "12SMALL 120NE CUP" "12SMALL MLT BUMPY CUP" "7.5SMALL 60NE CUP"
## $ PACKAGE
"12SMALL MLT PLASTICS JUG" ...
               : chr "FANTASMIC GENTLE DRINK PINK CUP 12 LIQUID SMALL X12" "KOOL!
## $ ITEM
FLUFFY GENTLE DRINK KIWANO PINK CUP 12 LIQUID SMALL" "MOONLIT GENTLE DRINK PINK ADE CUP 7.5
LIQUID SMALL X6" "FANTASMIC GENTLE DRINK PINK JUG 12 LIQUID SMALL" ...
                  : chr "NORTHERN" "NOCAL" "NORTHERN" "NORTHERN" ...
## $ REGION
                   : Factor w/ 12 levels "1","2","3","4",..: 9 9 12 3 8 8 8 1 4 4 ...
## $ MONTH
## $ SEASON
                  : chr "FALL" "FALL" "WINTER" "SPRING" ...
# Assuming 'innovation' is your data frame
model <- lm(DOLLAR SALES ~ UNIT SALES + CALORIC SEGMENT + PACKAGE + SEASON + REGION, data =
```

```
innovation)
summary(model)
```

```
##
## Call:
## lm(formula = DOLLAR_SALES ~ UNIT_SALES + CALORIC_SEGMENT + PACKAGE +
      SEASON + REGION, data = innovation)
##
## Residuals:
      Min 1Q Median
                            30
                                  Max
## -9653.6 -92.1 14.0 66.4 24621.9
##
## Coefficients: (1 not defined because of singularities)
##
                                   Estimate Std. Error t value Pr(>|t|)
                                  5.089e+01 1.625e+01 3.132 0.001735 **
## (Intercept)
                                  2.542e+00 9.985e-03 254.532 < 2e-16 ***
## UNIT SALES
                                               NA
                                                          NA
## CALORIC SEGMENT
                                         NA
                                                                   NA
## PACKAGE12SMALL 120NE CUP
                                  1.249e+02 1.556e+01 8.029 1.02e-15 ***
                                   2.942e+02 1.405e+02 2.093 0.036342 *
## PACKAGE12SMALL 240NE CUP
## PACKAGE12SMALL 240NE PLASTICS JUG -5.699e+01 2.421e+02 -0.235 0.813940
## PACKAGE12SMALL 360NE CUP
                                  1.396e+03 5.216e+01 26.768 < 2e-16 ***
## PACKAGE12SMALL 40NE PLASTICS JUG -9.412e+01 2.591e+01 -3.633 0.000280 ***
```

```
## PACKAGE12SMALL 60NE CUP
                                    -1.556e+02 2.574e+01 -6.044 1.52e-09 ***
## PACKAGE12SMALL MLT BUMPY CUP
                                    -1.124e+02 2.146e+01 -5.239 1.62e-07 ***
                                    -1.041e+02 1.963e+01 -5.305 1.14e-07 ***
## PACKAGE12SMALL MLT PLASTICS JUG
## PACKAGE16SMALL MLT SHADYES JUG
                                    -5.426e+01 4.187e+02 -0.130 0.896897
## PACKAGE16SMALL MULTI CUP
                                    -2.802e+02 7.710e+01 -3.634 0.000279 ***
## PACKAGE1L MULTI JUG
                                    -1.647e+02 7.232e+01 -2.277 0.022792 *
## PACKAGE20SMALL MULTI JUG
                                    -1.518e+02 1.565e+01 -9.698 < 2e-16 ***
## PACKAGE24SMALL MLT SHADYES JUG
                                    -1.060e+02 5.313e+01 -1.994 0.046151 *
## PACKAGE2L MULTI JUG
                                    -1.676e+02 1.574e+01 -10.643 < 2e-16 ***
## PACKAGE7.5SMALL 100NE CUP
                                    -4.654e+01 3.437e+01 -1.354 0.175692
## PACKAGE7.5SMALL 60NE CUP
                                    -6.977e+01 1.832e+01 -3.808 0.000140 ***
## PACKAGEALL OTHER ONES
                                    -6.006e+01 5.974e+01 -1.005 0.314734
## SEASONSPRING
                                    1.773e+00 7.034e+00 0.252 0.800953
## SEASONSUMMER
                                     4.245e+01 6.569e+00 6.462 1.05e-10 ***
                                    -6.942e+00 7.104e+00 -0.977 0.328497
## SEASONWINTER
## REGIONCALI NEVADA
                                    1.121e+01 1.334e+01 0.840 0.400718
## REGIONCOLORADO
                                     3.355e+01 8.397e+00
                                                          3.996 6.46e-05 ***
## REGIONDESERT SW
                                     9.157e+00 9.602e+00 0.954 0.340272
## REGIONKANSAS
                                     7.939e+01 1.551e+01 5.119 3.10e-07 ***
## REGIONMOUNTAIN
                                     6.719e+01 1.079e+01 6.229 4.75e-10 ***
## REGIONNEWMEXICO
                                     2.700e+01 1.140e+01 2.368 0.017875 *
                                     8.286e+00 1.174e+01 0.706 0.480380
## REGIONNOCAL
## REGIONNORTHERN
                                    3.742e+01 7.222e+00 5.182 2.21e-07 ***
## REGIONPRAIRIE
                                     5.414e+01 1.468e+01
                                                         3.689 0.000226 ***
## REGIONSOCAL
                                    -1.091e+01 9.029e+00 -1.209 0.226720
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 418.4 on 31428 degrees of freedom
## Multiple R-squared: 0.7225, Adjusted R-squared: 0.7222
## F-statistic: 2639 on 31 and 31428 DF, p-value: < 2.2e-16
```

This model returned an R2 of .7225, which is one of the lowest of our innovation products. The strongest predictors are the differnt sized items and where they are selling.

More exploration

```
library(dplyr)

small_group <- df %>%
  filter(UNIT_SALES < 76000, DOLLAR_SALES < 500000)

skim(small_group)</pre>
```

Data summary

Name small_group

Number of rows 2446128

Number of columns 13

Column type frequency:

character 9

numeric

Group variables

None

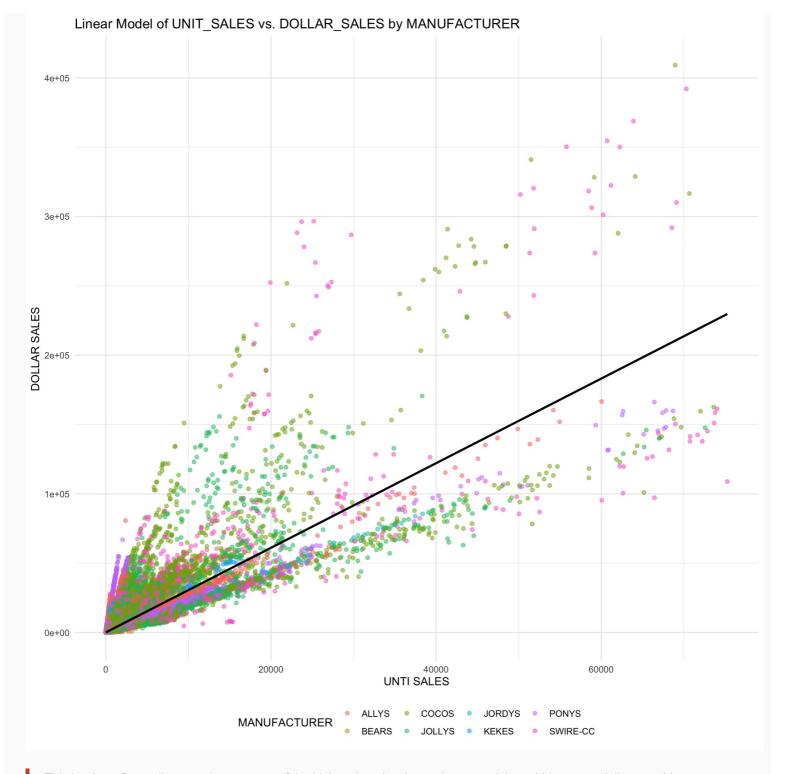
Variable type: character

skim_variable	n_missing	complete_rate	min	max	empty	n_unique	whitespace
MARKET_KEY	0	1	1	4	0	200	0
DATE	0	1	10	10	0	152	0
CATEGORY	0	1	3	18	0	5	0
MANUFACTURE	₹ 0	1	5	8	0	8	0
BRAND	0	1	4	56	0	288	0
PACKAGE	0	1	11	26	0	95	0
ITEM	0	1	26	142	0	2999	0
REGION	0	1	5	11	0	11	0
SEASON	0	1	4	6	0	4	0

Variable type: numeric

skim_varialolemis	sing	complete_	rate mean	sd	р0	p25	p50	p75	p100	hist
CALORIC_SEGME	ENOT	1	0.50	0.50	0.00	0.00	1.00	1.00	1.0	
UNIT_SALES	0	1	172.92	808.77	0.04	11.00	40.00	126.00	75266.0	
DOLLAR_SALES	0	1	586.41	2915.60	0.01	36.47	135.06	427.39	409159.3	
MONTH	0	1	6.28	3.43	1.00	3.00	6.00	9.00	12.0	

```
## geom_smooth() using formula = 'y ~ x'
```



This is where Peppy lives, as they are one of the highest in unit sales and revenue it is grabbing essentially everything.

#Make the small pink woodsy

```
pinkwoodsy_small <- df[grep("pink|woodsy", df$ITEM, ignore.case = TRUE), ]</pre>
```

skim(pinkwoodsy_small)

Data summary

Name pinkwoodsy_small

Number of rows 136043

Number of columns 13

Column type frequency:

character

numeric 4

Group variables None

Variable type: character

skim_variable	n_missing	complete_rate	min	max	empty	n_unique	whitespace
MARKET_KEY	0	1	1	4	0	200	0
DATE	0	1	10	10	0	152	0
CATEGORY	0	1	3	18	0	4	0
MANUFACTUREF	0	1	5	8	0	7	0
BRAND	0	1	5	45	0	55	0
PACKAGE	0	1	11	26	0	38	0
ITEM	0	1	45	112	0	165	0
REGION	0	1	5	11	0	11	0
SEASON	0	1	4	6	0	4	0

Variable type: numeric

skim_varial ol<u>e</u>mis s	sing	complete_	rate mean	sd	р0	p25	p50	p75	p100	hist
CALORIC_SEGME	NOT	1	0.57	0.50	0.00	0.0	1.00	1.0	1.00	
UNIT_SALES	0	1	105.66	298.79	0.04	9.0	31.00	97.0	17037.00	
DOLLAR_SALES	0	1	263.76	799.55	0.01	27.3	88.41	243.8	46442.23	
MONTH	0	1	6.37	3.37	1.00	4.0	6.00	9.0	12.00	

```
# Assuming 'innovation' is your data frame
model <- lm(DOLLAR_SALES ~ UNIT_SALES + CALORIC_SEGMENT + PACKAGE + CATEGORY + SEASON + REGION,
data = pinkwoodsy_small)
summary(model)</pre>
```

```
##
## Call:
## lm(formula = DOLLAR_SALES ~ UNIT_SALES + CALORIC_SEGMENT + PACKAGE +
##
      CATEGORY + SEASON + REGION, data = pinkwoodsy_small)
##
## Residuals:
      Min 1Q Median 3Q Max
##
## -8326.5 -50.0 3.7 55.5 25354.4
##
## Coefficients:
##
                                    Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                                   4.624e+02 1.199e+01 38.569 < 2e-16 ***
                                   2.450e+00 3.054e-03 802.428 < 2e-16 ***
## UNIT_SALES
```

```
-6.249e+01 2.535e+00 -24.647 < 2e-16 ***
## CALORIC SEGMENT
## PACKAGE.5L 60NE JUG
                                   -1.631e+02 5.820e+00 -28.024 < 2e-16 ***
## PACKAGE.5L MULTI JUG
                                   -3.273e+02 1.146e+01 -28.561 < 2e-16 ***
## PACKAGE12SMALL 120NE CUP
                                   -8.108e+01 6.486e+00 -12.502 < 2e-16 ***
## PACKAGE12SMALL 240NE CUP
                                   -3.706e+02 1.580e+01 -23.452 < 2e-16 ***
## PACKAGE12SMALL 240NE PLASTICS JUG -2.835e+02 1.664e+02 -1.703 0.0885 .
## PACKAGE12SMALL 360NE CUP
                                   1.222e+03 3.493e+01 34.968 < 2e-16 ***
## PACKAGE12SMALL 40NE PLASTICS JUG -2.833e+02 1.567e+01 -18.083 < 2e-16 ***
## PACKAGE12SMALL 60NE CUP
                                   -2.675e+02 1.208e+01 -22.139 < 2e-16 ***
## PACKAGE12SMALL 80NE BUMPY CUP
                                   -4.375e+02 2.881e+02 -1.518 0.1289
## PACKAGE12SMALL 80NE CUP
                                   -2.609e+02 1.212e+01 -21.518 < 2e-16 ***
## PACKAGE12SMALL MLT BUMPY CUP
                                   -3.360e+02 9.705e+00 -34.626 < 2e-16 ***
## PACKAGE12SMALL MLT PLASTICS JUG
                                   -3.006e+02 1.049e+01 -28.663 < 2e-16 ***
## PACKAGE12SMALL MULTI CUP
                                   -1.950e+02 1.270e+01 -15.350 < 2e-16 ***
## PACKAGE15SMALL MLT
                                   -5.264e+02 1.542e+01 -34.143 < 2e-16 ***
## PACKAGE16SMALL 120NE CUP
                                   -4.707e+02 2.241e+01 -21.007 < 2e-16 ***
## PACKAGE16SMALL 240NE CUP
                                   -4.416e+02 1.922e+01 -22.978 < 2e-16 ***
## PACKAGE16SMALL MLT SHADYES JUG
                                   -2.771e+02 2.881e+02 -0.962 0.3362
## PACKAGE16SMALL MULTI CUP
                                   -4.584e+02 1.186e+01 -38.633 < 2e-16 ***
## PACKAGE18SMALL 60NE
                                   -1.642e+02 9.041e+00 -18.166 < 2e-16 ***
                                   -2.256e+02 5.655e+00 -39.900 < 2e-16 ***
## PACKAGE18SMALL MULTI JUG
## PACKAGE1L MULTI JUG
                                   -2.266e+02 1.172e+01 -19.340 < 2e-16 ***
## PACKAGE20SMALL 120NE JUG
                                   -1.370e+02 2.241e+01 -6.112 9.88e-10 ***
## PACKAGE20SMALL MULTI JUG
                                   -3.505e+02 5.214e+00 -67.216 < 2e-16 ***
## PACKAGE24 - 25SMALL MULTI JUG
                                   -2.753e+02 6.331e+00 -43.485 < 2e-16 ***
## PACKAGE24SMALL MLT SHADYES JUG
                                   -3.066e+02 3.546e+01 -8.646 < 2e-16 ***
## PACKAGE24SMALL MULTI CUP
                                   -4.019e+02 1.796e+01 -22.377 < 2e-16 ***
## PACKAGE26-32SMALL MLT
                                   -1.264e+02 6.365e+00 -19.856 < 2e-16 ***
## PACKAGE2L MULTI JUG
                                   -3.635e+02 6.716e+00 -54.123 < 2e-16 ***
## PACKAGE3L MULTI JUG
                                   -3.482e+02 1.441e+02 -2.416 0.0157 *
## PACKAGE7.5SMALL 100NE
                                   -3.412e+02 2.883e+02 -1.184 0.2366
## PACKAGE7.5SMALL 100NE CUP
                                   -2.188e+02 2.216e+01 -9.875 < 2e-16 ***
## PACKAGE7.5SMALL 60NE CUP
                                   -2.690e+02 9.324e+00 -28.853 < 2e-16 ***
                                   -2.623e+02 1.332e+01 -19.686 < 2e-16 ***
## PACKAGE8SMALL 120NE CUP
## PACKAGE8SMALL 240NE CUP
                                   -4.076e+02 2.341e+01 -17.412 < 2e-16 ***
## PACKAGE8SMALL 40NE CUP
                                   -2.936e+02 1.283e+01 -22.878 < 2e-16 ***
## PACKAGE8SMALL MULTI CUP
                                   -4.524e+02 1.274e+01 -35.508 < 2e-16 ***
                                   -2.509e+02 1.236e+01 -20.304 < 2e-16 ***
## PACKAGEALL OTHER ONES
## CATEGORYING ENHANCED WATER
                                   -2.728e+02 1.088e+01 -25.079 < 2e-16 ***
                                   -1.181e+02 5.437e+00 -21.721 < 2e-16 ***
## CATEGORYSPARKLING WATER
## CATEGORYSSD
                                   -1.247e+02 1.089e+01 -11.452 < 2e-16 ***
## SEASONSPRING
                                   -3.895e+00 2.240e+00 -1.739 0.0820 .
                                                         1.538 0.1242
## SEASONSUMMER
                                   3.456e+00 2.247e+00
## SEASONWINTER
                                   -2.096e+00 2.284e+00 -0.918 0.3589
                                                         1.963 0.0496 *
## REGIONCALI NEVADA
                                    8.901e+00 4.534e+00
## REGIONCOLORADO
                                   1.785e+01 2.791e+00
                                                         6.394 1.62e-10 ***
## REGIONDESERT SW
                                                         0.865
                                                                  0.3873
                                    2.866e+00 3.315e+00
## REGIONKANSAS
                                   1.159e+02 5.992e+00 19.343 < 2e-16 ***
## REGIONMOUNTAIN
                                    1.330e+01 3.104e+00
                                                         4.286 1.82e-05 ***
## REGIONNEWMEXICO
                                    1.652e+01 4.059e+00 4.069 4.72e-05 ***
## REGIONNOCAL
                                    7.681e+00 4.255e+00 1.805
                                                                  0.0710 .
                                    1.120e+01 2.287e+00
## REGIONNORTHERN
                                                         4.895 9.82e-07 ***
## REGIONPRAIRIE
                                    2.146e+01 4.975e+00
                                                         4.313 1.61e-05 ***
                                   -6.204e+00 3.245e+00 -1.912 0.0559 .
## REGIONSOCAL
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
```

```
## Residual standard error: 288 on 135987 degrees of freedom
## Multiple R-squared: 0.8703, Adjusted R-squared: 0.8703
## F-statistic: 1.659e+04 on 55 and 135987 DF, p-value: < 2.2e-16</pre>
```

r2 even higher than before of .8703. This one had about 60k more ovbservations to train on.

Cleaning

Rework pinkwoodsy for more features

```
pinkwoodsy_small <- df %>%
  filter(CATEGORY == "SSD",
        CALORIC_SEGMENT == 1, # Specify each pattern separately
        REGION %in% c("NEWMEXICO", "ARIZONA", "DESERT_SW"))
pinkwoodsy small <- pinkwoodsy small %>%
 mutate(
   PACKAGE2 = str_extract(ITEM, "(CUP|JUG).*"), # Extracts the part from CUP or JUG to the
end.
   ITEM = str_replace(ITEM, "(CUP|JUG).*", "") # Replaces the CUP/JUG and everything after it
with empty string in ITEM.
pinkwoodsy small <- pinkwoodsy small %>%
 mutate(
   TEMP = str_extract(ITEM, "\d+\.?\d*.*"), # Extracts the part from the first number to
the end.
   PACKAGE2 = if_else(is.na(PACKAGE2), TEMP, paste(PACKAGE2, TEMP)), # Combines existing
PACKAGE2 with new extraction if needed.
   ITEM = str_replace(ITEM, "\d+\.?\d*.*", ""), # Removes the numeric part and everything
after it from ITEM.
   TEMP = NULL # Removes the temporary column.
  )
```

```
na_rows <- pinkwoodsy_small %>%
  filter(is.na(PACKAGE2))
#na_rows
#the above steps excised all packaging out of ITEM column
```

```
pinkwoodsy_small <- pinkwoodsy_small %>%
  mutate(
    GENTLE_DRINK = if_else(str_detect(ITEM, "GENTLE DRINK"), 1, 0), # Assigns 1 if "GENTLE
DRINK" exists, otherwise 0.
    ITEM = str_replace(ITEM, "GENTLE DRINK", "") # Removes "GENTLE DRINK" from ITEM.
)
```

```
pinkwoodsy_small <- pinkwoodsy_small %>%
  mutate(
    ENERGY_DRINK = if_else(str_detect(ITEM, "ENERGY DRINK"), 1, 0), # Assigns 1 if "ENERGY
DRINK" exists, otherwise 0.
    ITEM = str_replace(ITEM, "ENERGY DRINK", "") # Removes "ENERGY DRINK" from ITEM.
)
```

```
library(stringr)
```

```
# Define the pattern as a regular expression
pattern <- "ZERO CALORIES|ZERO CALORIE|ZERO SUGAR|SUGAR FREE|NO CALORIES"
pinkwoodsy_small <- pinkwoodsy_small %>%
 mutate(
    CALORIC SEGMENT TEXT = str extract(ITEM, pattern), # Extracts matching text based on the
pattern.
    ITEM = str replace all(ITEM, pattern, "") # Removes extracted text from ITEM.
  )
pinkwoodsy small <- pinkwoodsy small %>%
 mutate(
    CALORIC SEGMENT TEXT = if else(str detect(ITEM, "\\bDIET\\b"),
                                   if_else(is.na(CALORIC_SEGMENT_TEXT), "DIET",
paste(CALORIC_SEGMENT_TEXT, "DIET", sep=", ")),
                                   CALORIC SEGMENT TEXT)
  )
# Function to remove the second instance of any repeating word
remove second instance <- function(item) {</pre>
 words <- unlist(str split(item, "\\s+")) # Split item into words</pre>
  unique words <- unique(words) # Get unique words to check for repeats
 for (word in unique words) {
    word indices <- which(words == word) # Find all indices of the current word
    if (length(word_indices) > 1) { # If there is more than one occurrence
      words[word_indices[2]] <- "" # Remove the second occurrence</pre>
    }
 }
  return(paste(words, collapse = " ")) # Reconstruct sentence without the second instance
}
# Apply the function to the 'ITEM' column
pinkwoodsy small <- pinkwoodsy small %>%
  mutate(ITEM = sapply(ITEM, remove_second_instance))
```

head(pinkwoodsy_small)

CALORIC SEGMENT TEXT)

Remove specific columns

```
DATE CALORIC SEGMENT CATEGORY UNIT SALES DOLLAR SALES
##
     MARKET KEY
## 1
           893 2022-02-26
                                        1
                                                SSD
                                                           37
                                                                      60.74
## 2
           794 2023-07-01
                                         1
                                                SSD
                                                           512
                                                                    2854.85
## 3
           882 2020-12-12
                                        1
                                                           36
                                                                      52.48
                                                SSD
## 4
           733 2023-04-22
                                                           38
                                        1
                                                SSD
                                                                     86.28
## 5
           585 2022-04-16
                                        1
                                                           203
                                                                    715.54
                                                SSD
                                                           329
           197 2021-07-10
                                                SSD
## 6
                                        1
                                                                     380.65
    MANUFACTURER
##
                         BRAND
                                         PACKAGE
                                                                             TTEM
## 1
        SWIRE-CC
                         SMASH
                                    2L MULTI JUG
                                                                    SMASH PURPLE
        SWIRE-CC CUPADA ARID 12SMALL 120NE CUP
## 2
## 3
          JOLLYS HILL MOISTURE 16SMALL MULTI CUP
                                                                RAINING AVOCADO
## 4
        SWIRE-CC
                      RESIDENT
                                     2L MULTI JUG
                                                                 RESIDENT GINGER
           COCOS
                   ELF BUBBLES
                                     .5L 60NE JUG ELF BUBBLES SUPER-JUICE DURIAN
## 5
```

pinkwoodsy_small <- select(pinkwoodsy_small, -PACKAGE2, -GENTLE_DRINK, -ENERGY_DRINK, -</pre>

```
## 6
            COCOS
                    ELF BUBBLES
                                  1.25L MULTI JUG ELF BUBBLES SUPER-JUICE DURIAN
##
       REGION MONTH SEASON
## 1
      ARIZONA
                   2 WINTER
## 2
      ARIZONA
                   7 SUMMER
## 3
      ARIZONA
               12 WINTER
## 4
      ARIZONA
                  4 SPRING
                  4 SPRING
## 5
      ARIZONA
## 6 DESERT SW
                   7 SUMMER
```

```
write.csv(pinkwoodsy_small, "pinkwoodsy_small.csv", row.names = FALSE)
```

FINAL THOUGHTS

Thorugh our analysis of a "Pink Woodsy" flavored launch, there was very little evidance that further modeling would create a reliable prediction. As the historical data is missing many accurate features we would like to see in order do explaine variation. A few of the features from this specific innovation product that are missing are: 1. Lack of compariable flavors. Though there have been products in the past with Pink or Woodsy, there has never been any items with this combination. 2. Brand "Peppy" having no innovation product data. In our research of the brand we found they do not have any innovation data that would give us indications of how a new product would compete if launched. 3. Lack of deffinition of which regions or areas would be considered "South." For this launch. With these crucical factors either being excluded from modeling or using best estimates on the "closest" items we do not believe moving forward with prediciton of this would be advised. With a product such as this any type of trials data or directions on which items would be most comparable would help assure accuracy.