

Summary

The demand for a product or service keeps changing from time to time. No business can improve its financial performance without estimating customer demand and future sales of products/services accurately. Sales forecasting refers to the process of estimating demand for or sales of a particular product over a specific period of time. In this article I will show you how **machine learning** can be used to **predict sales** on a real-world business problem . This case study solves everything right from scratch. So, you will get to see each and every phase of how in the real world a case study is solved.

Problem Statement

Rossmann operates over 3,000 drug stores in 7 European countries. Currently, Rossmann store managers are tasked with *predicting their daily sales for up to six weeks in advance*. Store sales are influenced by many factors, including promotions, competition, school and state holidays, seasonality, and locality. With thousands of individual

managers predicting sales based on their unique circumstances, the accuracy of results can be quite varied.

The problem is that to improve the sales for Rossman for store managers for the next six months, this can be solved by Machine Learning by taking the insights of data . As the data scientists can solve it by using various tools like python , and various algorithms .

In the day to day life the competition is growing higher for retailers due to the stay nearby various retail stores have high markets and some come down. This is mainly caused by some of the factors they are

1.seasonal changes

2.audience

3.sales of a product in particular time period

The basic factors which cause a lot of heavy loss is due to the Holidays and bandhs. This is one of the major causes and the people

who are loyal to retail shops may cause destruction with the competitors as we presently see the rise of Dmart which causes a big loss for other retail stores .

Here given in the problem is the same said above, that is the audience who are key for profit attracting them. Due to the holidays there is a loss as we should grow we should spend money for marketing and other factors which raise and let sit at the top of mind for a person such they would attract that Store sales are influenced by many factors, including promotions, competition, school and state holidays, seasonality, and locality. With thousands of individual managers predicting sales based on their unique circumstances, the accuracy of results can be quite varied.

Due to the changes in climate also brings profit or loss to the retail store.