

# Technical Appendix

## Polo SKU Productivity Modelling

### Introduction

The purpose of this project was to determine the key attributes that influence SKU productivity. To do this, we developed a classification modeling system to measure the marginal impact that individual levels within a given attribute (i.e., red is a level in the attribute super color) have on the overall predicted probability of productivity.

To achieve this, we iterated through numerous different forms of classification modeling to find a balance between interpretability and accuracy, ending on a Random Forest model for men's tops, men's bottoms, women's tops, and women's bottoms. An XG-Boost model was used for outerwear as its performance was higher. These models were chosen due to their ability to effectively deal with categorical and binary variables of which the dataset included much of.

The following appendix will begin by detailing the specific attributes and levels included in each model and give a brief explanation of the data cleaning and preparation process. It will then include key metrics and graphs related to model performance giving an overview of the effectiveness of each model. Finally, we will outline the most impactful levels within each model for making predictions and present partial dependence plots depicting how each level within the most important attributes affects the probability of productivity on average.

### Data Preparation Process

As the initial data was already relatively clean and complete, there was not a significant amount of work involved in this process. Due to the number of categorical variables containing a large number of levels, time was spent combing through each attribute individually to ensure only levels with a significant number of products attached were used within the model. For example, under fiber content for men's tops, leather contained only 1 product while cotton contained 8010. To not impact the performance of the model, levels such as leather were removed. In addition, string detection was utilized to parse thought variables with thousands of unique levels such as march fabrication to group them into more usable levels such as "Oxford", "Denim" or "Terry". Finally, a binary variable to check for productivity was created that was assigned 1 if a products global SKU score was a 1,2,3 or 4 and 0 if it wasn't.

This data cleaning process took place for 5 distinct categories including Mens tops, Mens bottoms, Women's tops, Women's bottoms, and Mens Outerwear to account for differences in important attributes within different product categories (i.e., neckline for tops vs length for pants).

### Target Exploration

If we have anything for here

### Men Tops

#### **Used Variables**

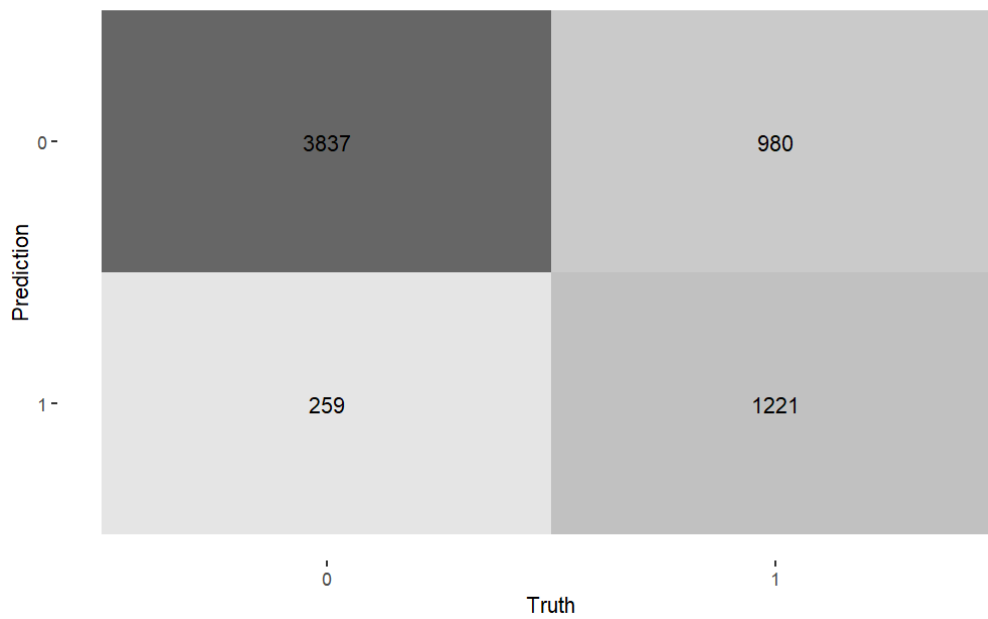
- **Fashion Degree:** seasonal, seasonal core, core
- **Fiber Content:** cotton linen, nylon, polyester, silk, wool, cashmere
- **Global Plan L4:** polo shirt, sport shirts, sweat shirt, sweaters, t-shirts, knits
- **Logo:** branded, label, monogram, no logo, other branding, polo bear, polo sport, small player, rl embroidery
- **Material Group:** sweaters, wovens, knits
- **Neckline:** collar, crew neck, hoodie, mock neck, not applicable, other, polo knit collar, polo self-collar, spread collar, turtleneck, v neck, button down collar
- **Pricing:** good, better, best, luxury
- **Style Pattern:** stripe, solid, print, plaid/check, novelty, heather/mélange
- **Merch Fabrication:** jersey, mesh, interlock, twill, fleece, oxford, cotton, dbl knit, denim, terry, poplin, wool, seersucker, cashmere, linen, corduroy, nylon, chambray
- **Super Color**

#### **Final Model**

Random Forest, trees = 1599, min\_n = 2

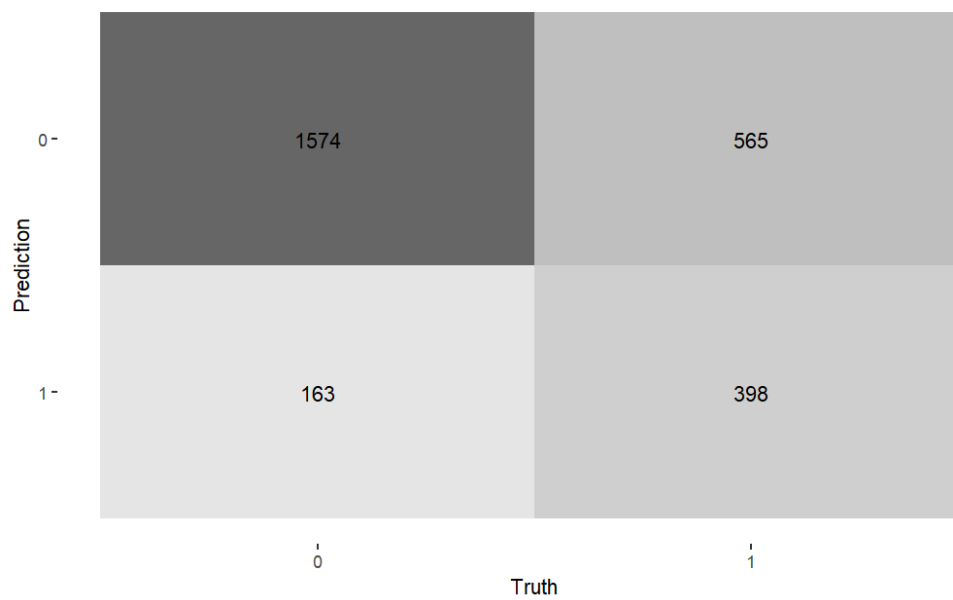
#### **Training Set Metrics & Confusion Matrix:**

<b>.metric</b> <chr>	<b>.estimator</b> <chr>	<b>.estimate</b> <dbl>
accuracy	binary	0.8032396
kap	binary	0.5318145
mn_log_loss	binary	0.4467290
roc_auc	binary	0.8924504

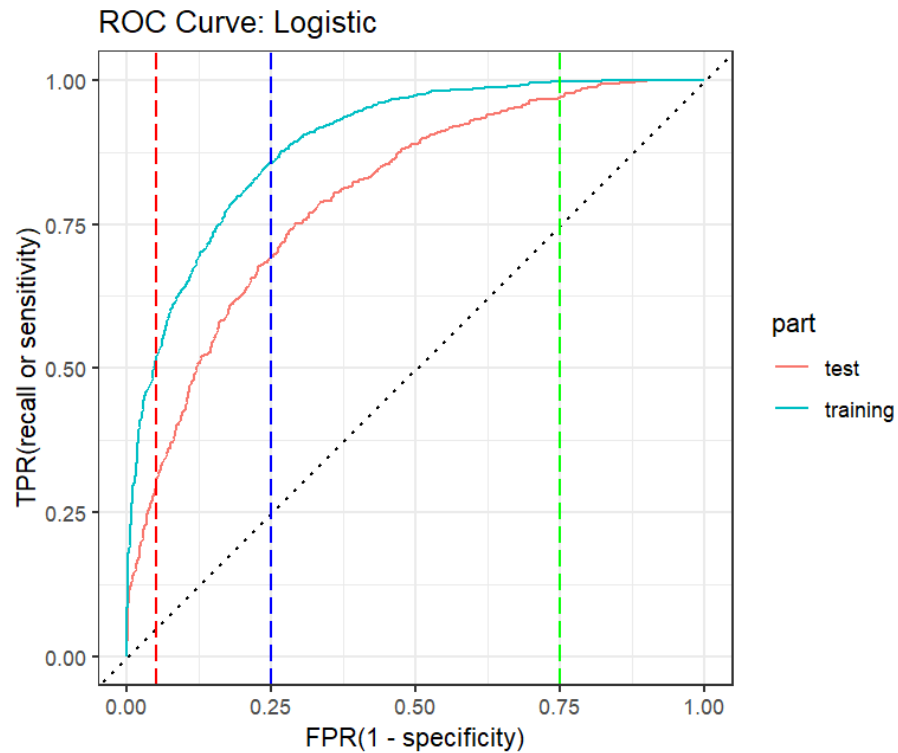


### Testing Set Metrics & Confusion Matrix:

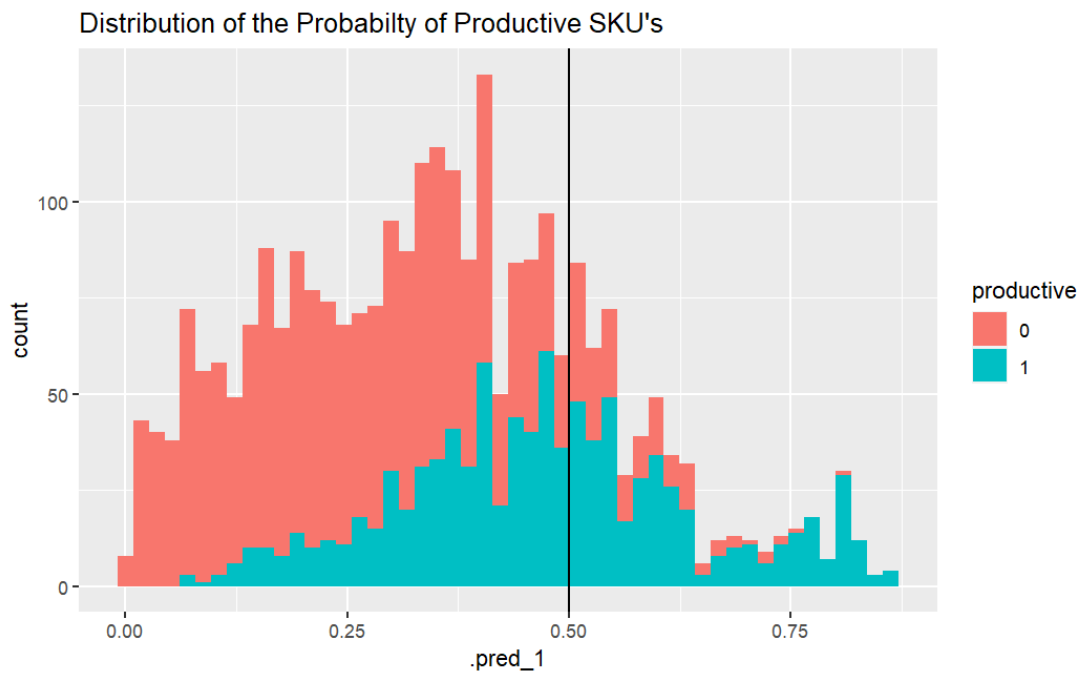
<b>.metric</b> <chr>	<b>.estimator</b> <chr>	<b>.estimate</b> <dbl>
accuracy	binary	0.7303704
kap	binary	0.3522094
mn_log_loss	binary	0.5202201
roc_auc	binary	0.8000195



**ROC Curve (False Positive Rate on X Axis, True Positive Rate on Y Axis):**



**Distribution of Productive Probabilities:**

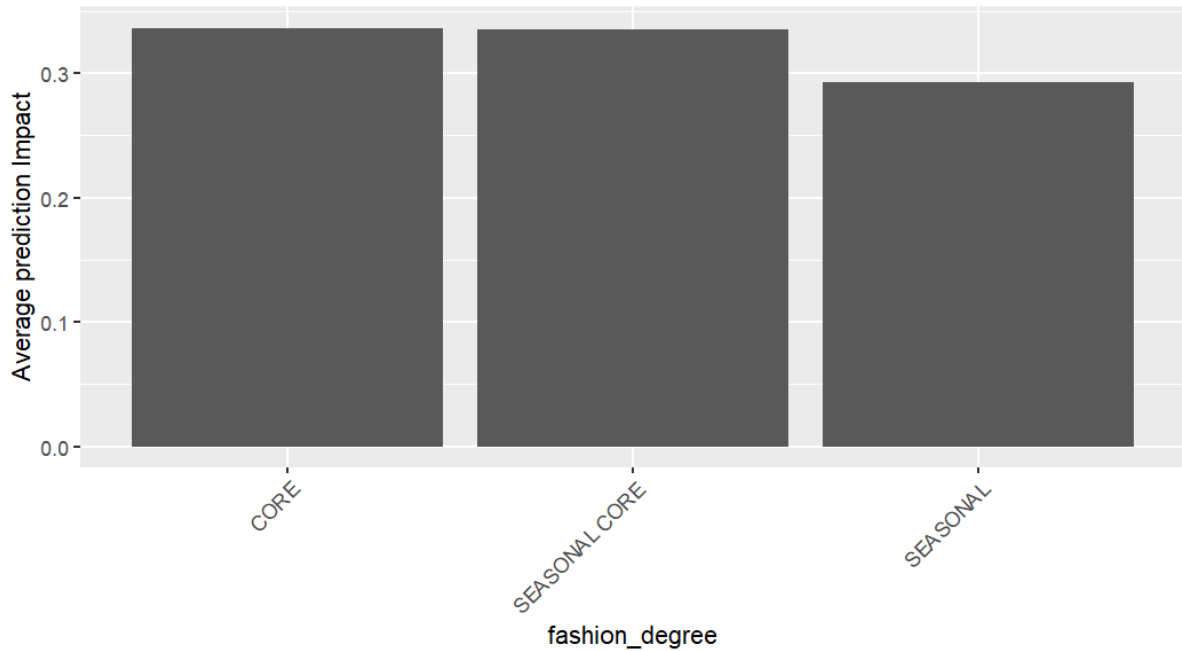


- `pred_1` is the probability of productivity while the fill indicates the score of the product (1 for productive, 0 for unproductive)

## Partial Dependency Plots:

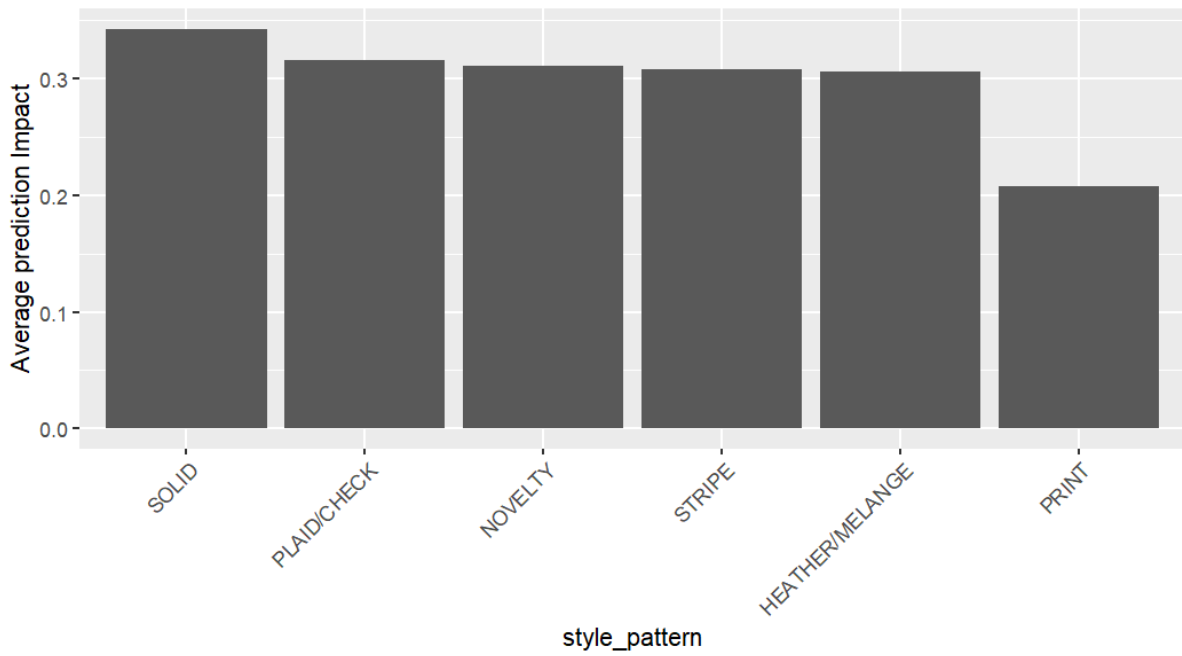
Partial dependence plot on fashion\_degree

How does fashion\_degree impact predictions (on average)



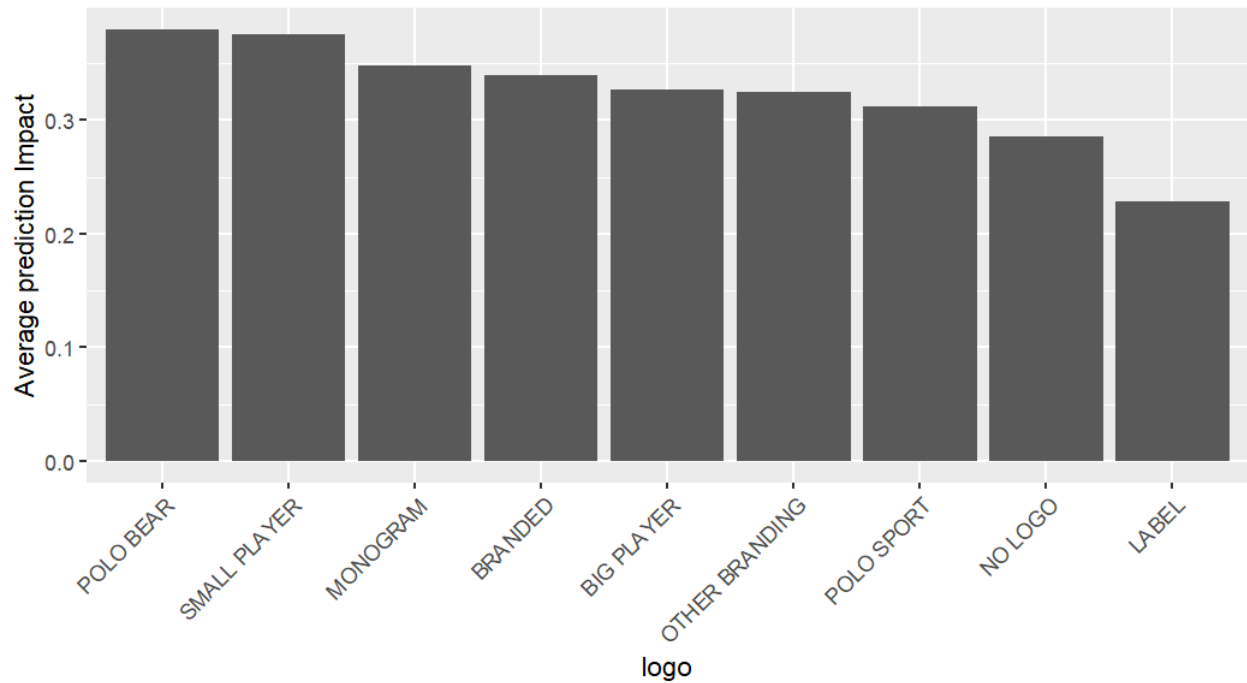
Partial dependence plot on style\_pattern

How does style\_pattern impact predictions (on average)



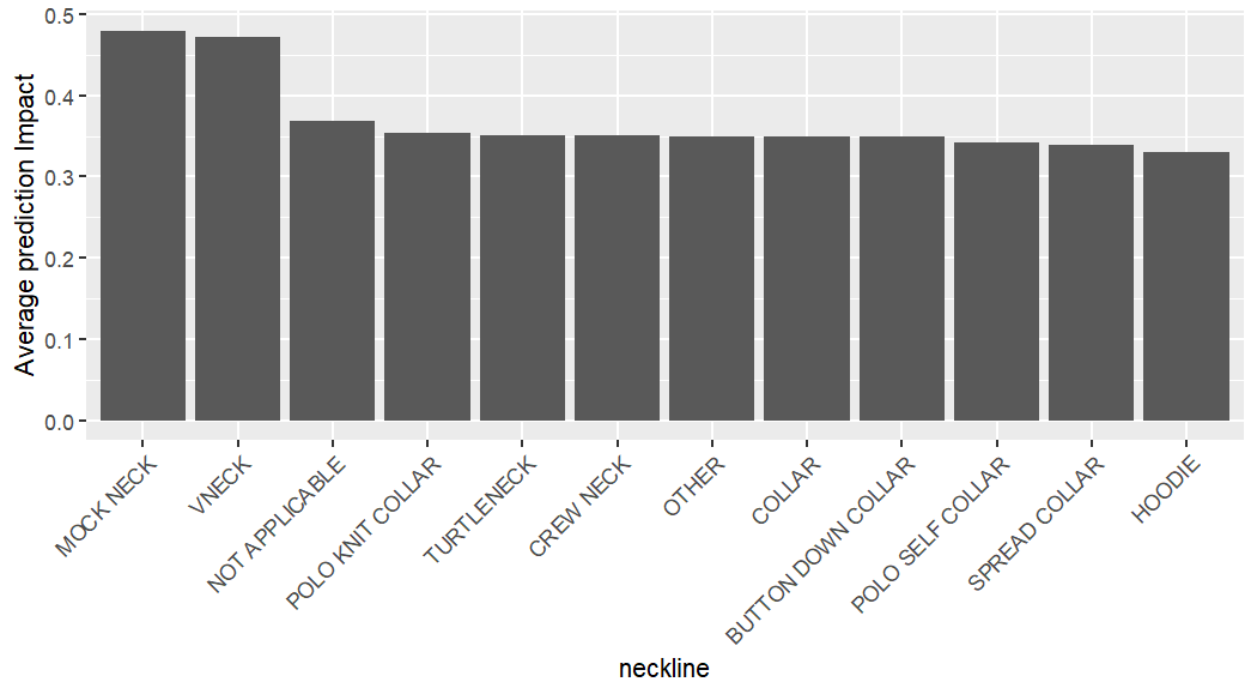
### Partial dependence plot on logo

How does logo impact predictions (on average)

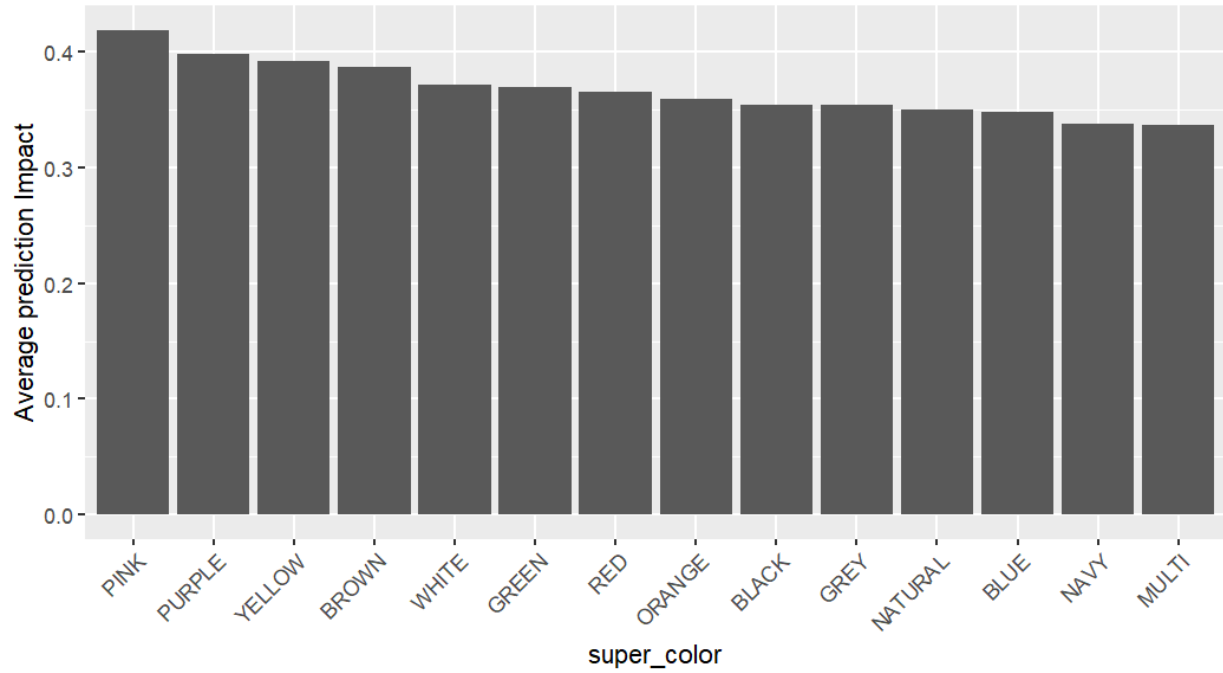


### Partial dependence plot on neckline

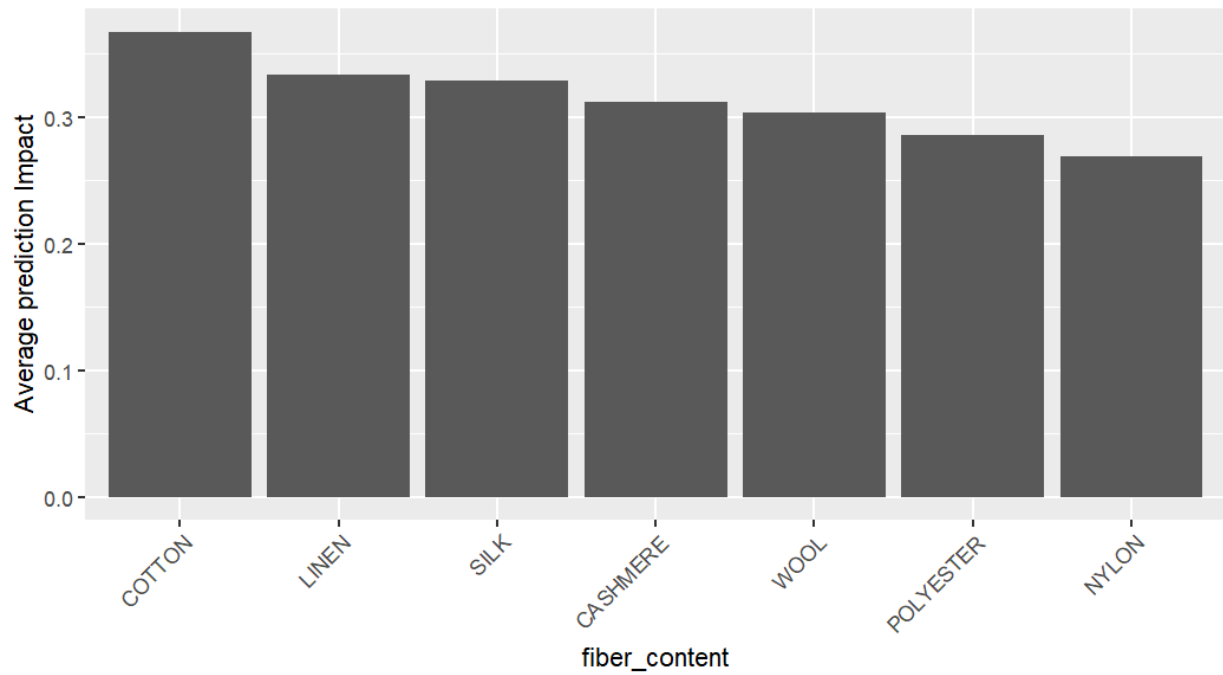
How does neckline impact predictions (on average)



Partial dependence plot on super\_color  
How does super\_color impact predictions (on average)



Partial dependence plot on fiber\_content  
How does fiber\_content impact predictions (on average)



The above plots show the average probability of productivity of a specific level within an attribute, holding all else constant. For example, looking at super color we can see that on average, **purple** men's tops have a 40% probability of having a global SKU productivity score of 1, 2, 3 or 4 according to the model. When compared to **blue** men's tops which on average have a 35% probability of being productive, we can conclude that purple men's tops have a 5% higher probability of being productive than blue tops on average. It is important to remember that this is an aggregation. There will be numerous purple tops that are not productive as well as numerous blue tops which are, this method simply looks at the score assigned to each product within a category holding every other attribute (fiber content, fashion degree etc.) constant and takes an average of that score. It is incredibly useful for decoding more complex "black box" machine learning methods such as the random forest model.



## Men Bottoms

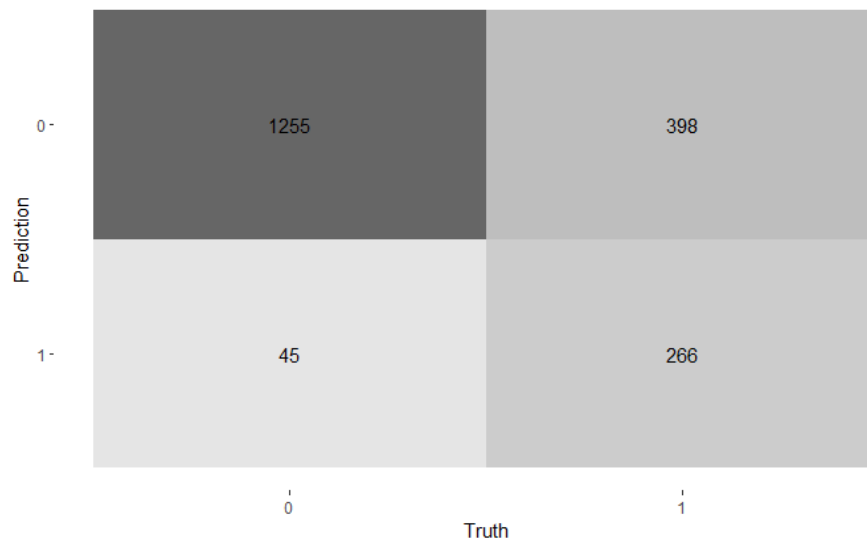
### Used Variables

- **Fashion Degree:** seasonal, seasonal core, core
- **Fiber Content:** cotton, linen, polyester
- **Global Plan L4:** pants, jeans, trousers, shorts
- **Logo:** big player, branded, label, monogram, no logo, polo sport, rl (embroidery), small player
- **Pricing:** good, better, best, luxury
- **Style Pattern:** stripe, solid, print, novelty, mixed media
- **Super Color**

### Final Model

Random Forest trees=80, min\_n=15

#### Training Set Metrics & Confusion Matrix:

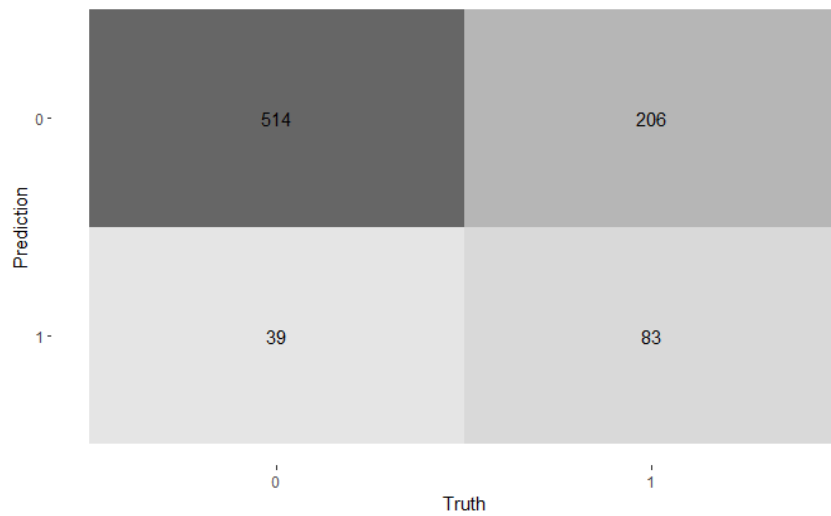


Precision: 0.7592257

Recall: 0.9653846

Accuracy: 0.7744399

#### Test Set Metrics & Confusion Matrix:

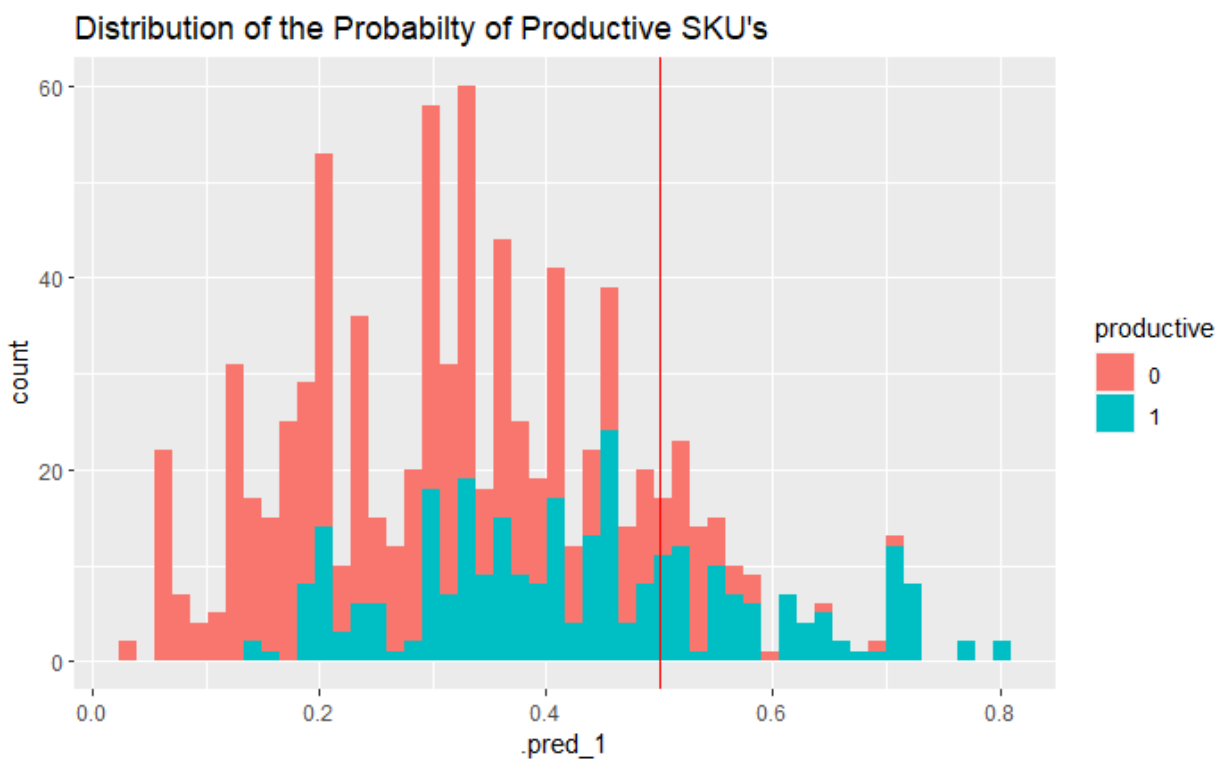


Precision: 0.7138889

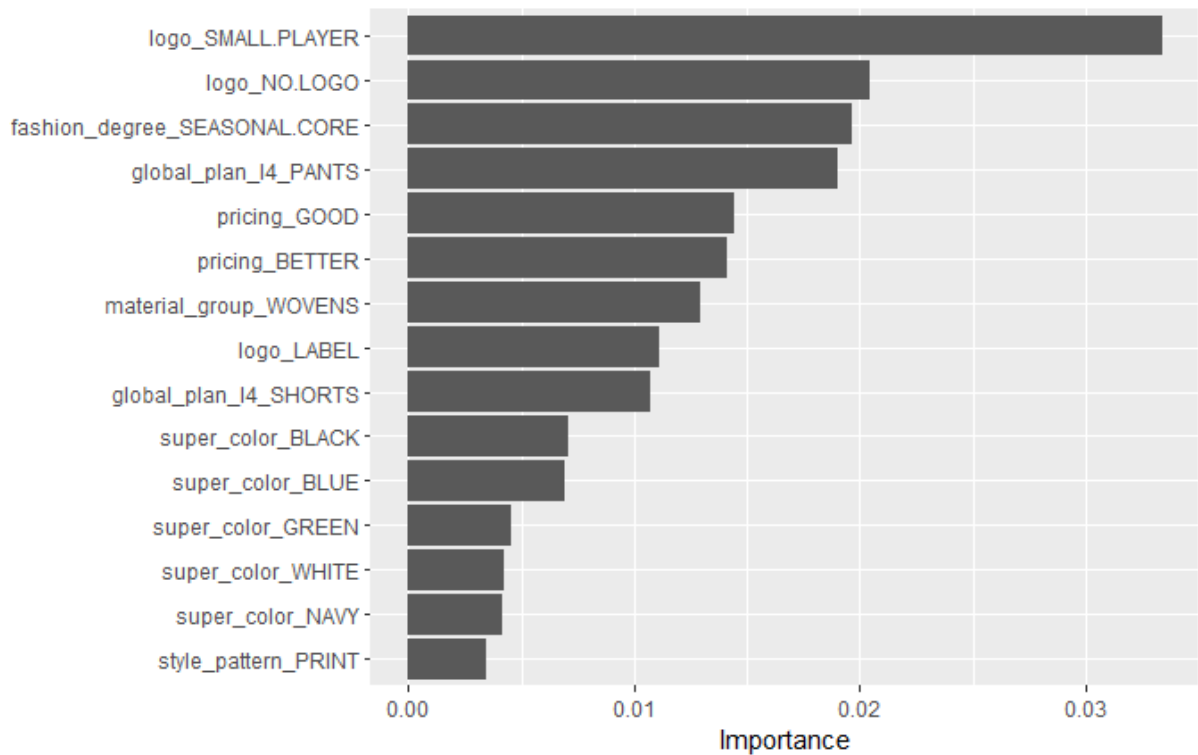
Recall: 0.9294756

Accuracy: 0.7090261

Distribution of Productive Probabilities:



### Variable Importance:



The chart above shows the attributes that correlated the most with whether a unique SKU was found to be productive or not. This shows the variable importance for the analysis. The logo being the small player was far and away the most important variable when it came to men's bottoms being productive SKUs. This could be something that Polo does regularly with men's bottoms (a logo on the backside of the pants.) Bottoms having no logo were also found to be an important factor for men's bottoms (perhaps both small logo and no logo are related to productive SKUs). Among fashion degrees, we can see that the fashion degree of seasonal core was related to productive SKUs. When it comes to unique and uncommon colors for pants, blue and green both stood out as variables that are related to productive SKUs.

## Womens Tops

### Used Variables

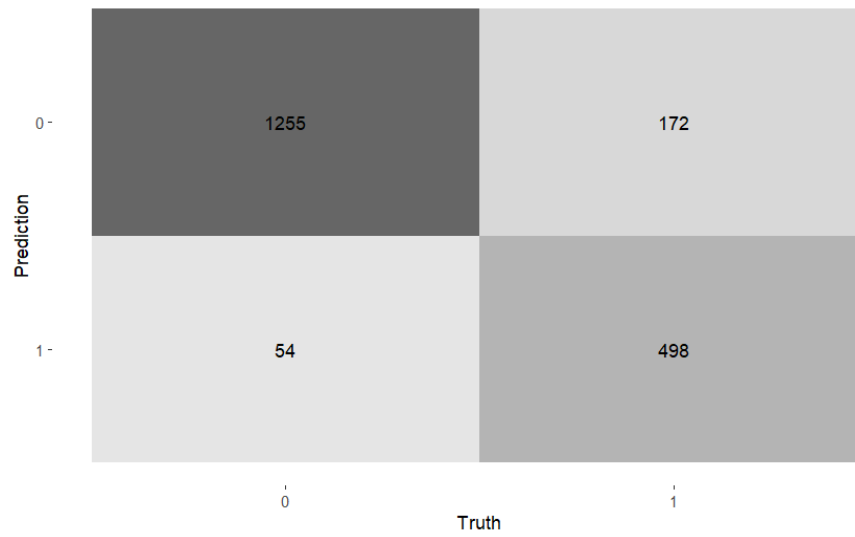
- **Fashion Degree:** seasonal, seasonal core, core
- **Fiber Content:** cotton, modal, linen, polyester, silk, leather/su, wool, cashmere, viscose
- **Global Plan L4:** polo shirt, sweaters, t-shirts, shirts
- **Logo:** rl metal, monogram, no logo, rl embroidery, branded, lrl monogram, novelty, other branding, small player, big player, polo bear, ranch brand,
- **Material Group:** sweaters, wovens, knits
- **Neckline:** crew neck, boat neck, turtle neck, polo knit collar, collar, not applicable, other, v neck, button down collar, tie, shawl collar, mock neck, band collar, polo self collar, split, square neck, scoop neck, ruffled, asymmetric, crew neck henley, hoodie, spread collar
- **Pricing:** good, better, best, luxury
- **Style Pattern:** solid, stripe, plaid/check, print, novelty, mixed media, heather/mélange, non-printed pattern, colorblock
- **Merch Fabrication:** jersey, mesh, interlock, twill, fleece, oxford, cotton, dbl knit, denim, terry, leather, poplin, wool, seersucker, cashmere, linen, corduroy, polyester, nylon, elastane, chambray
- **Super Color**

### Final Model

Random Forest, trees = 1230, min\_n = 2

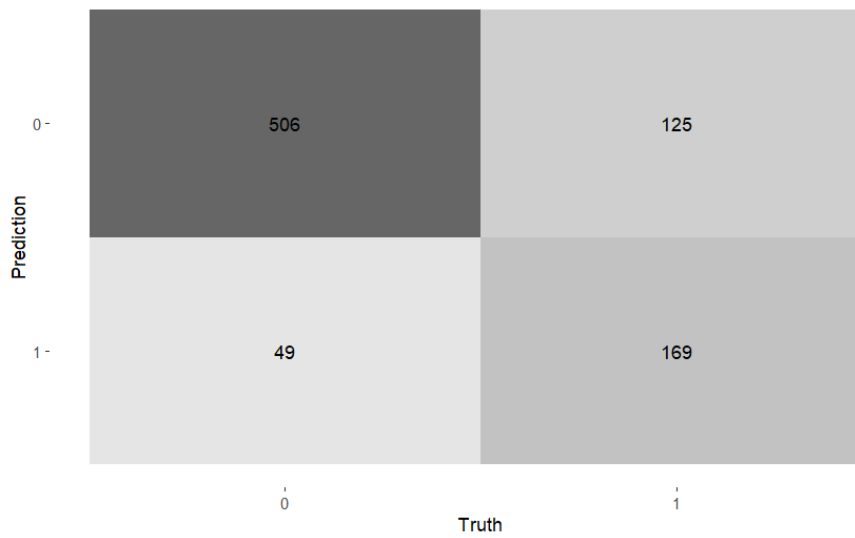
### Training Set Metrics & Confusion Matrix

<b>.metric</b> <chr>	<b>.estimator</b> <chr>	<b>.estimate</b> <dbl>
accuracy	binary	0.8858009
kap	binary	0.7335645
mn_log_loss	binary	0.3515841
roc_auc	binary	0.9547735

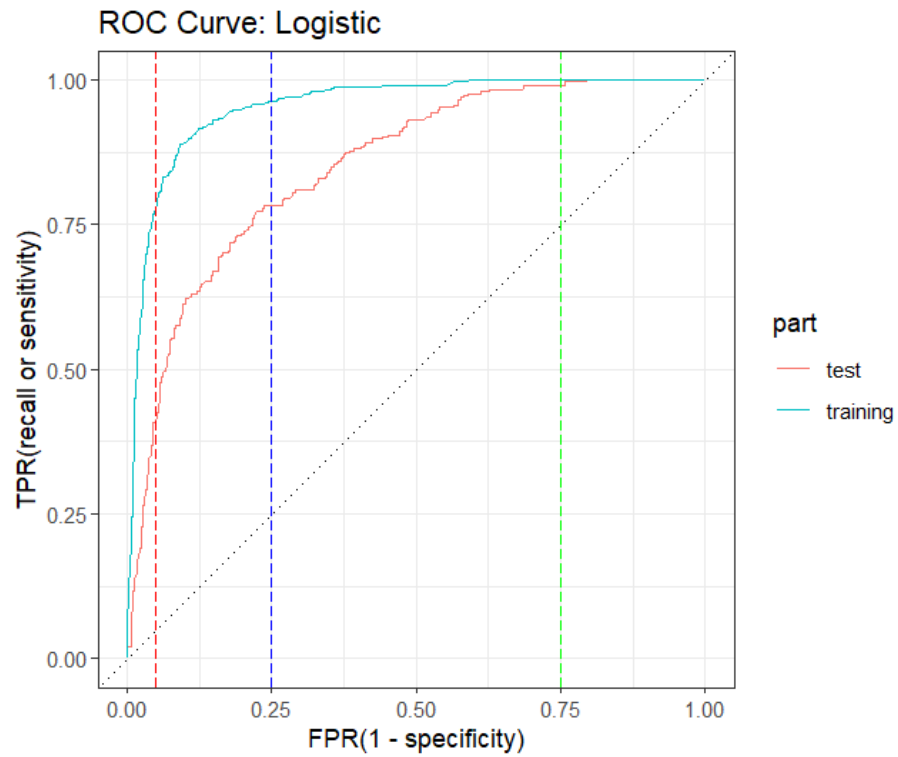


### Testing Set Metrics & Confusion Matrix:

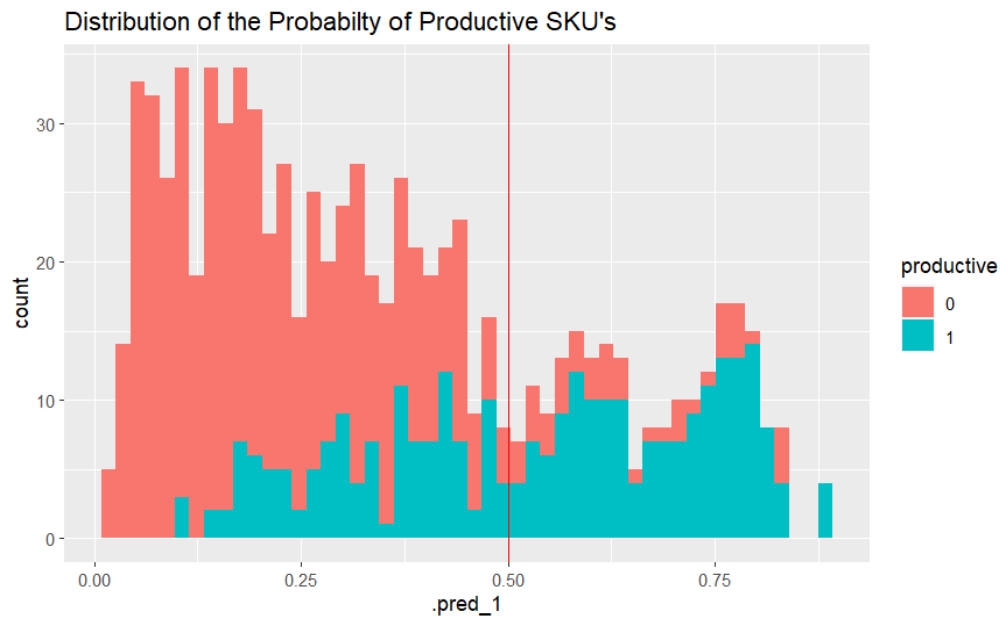
<b>.metric</b> <chr>	<b>.estimator</b> <chr>	<b>.estimate</b> <dbl>
accuracy	binary	0.8858009
kap	binary	0.7335645
mn_log_loss	binary	0.3515841
roc_auc	binary	0.9547735



**ROC Curve (False Positive Rate on X Axis, True Positive Rate on Y Axis):**

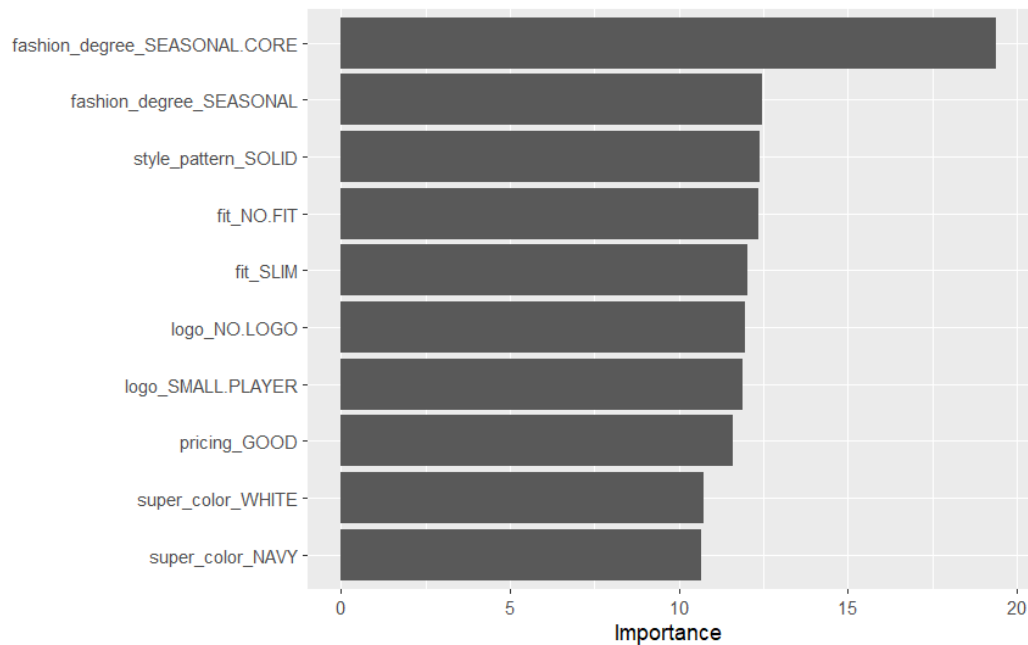


**Distribution of Productive Probabilities:**



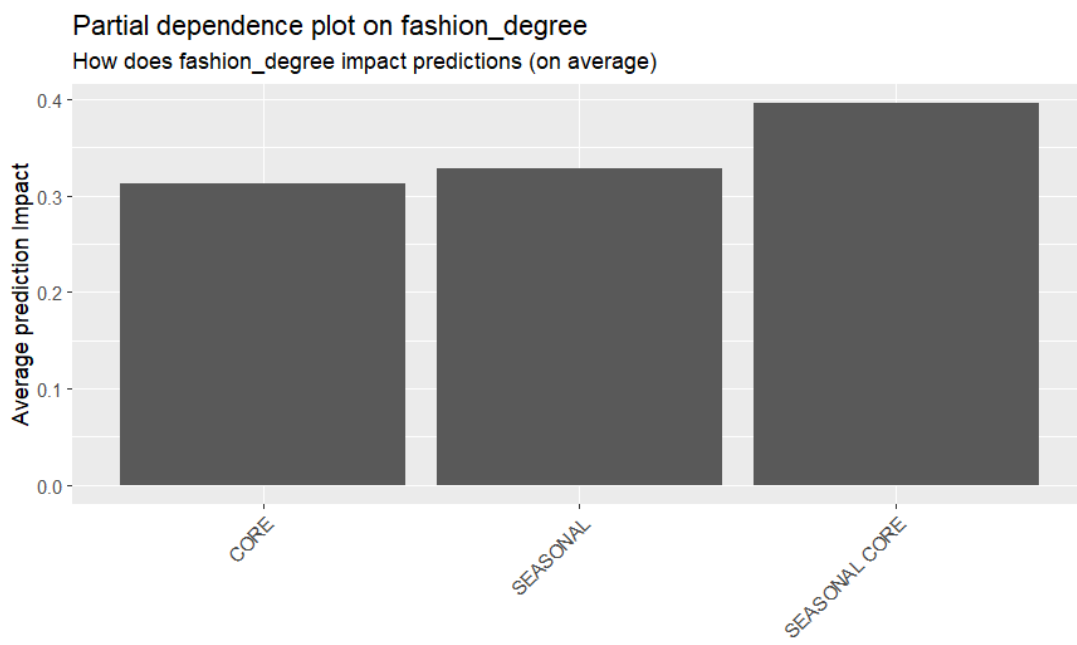
- pred\_1 is the probability of productivity while the fill indicates the score of the product (1 for productive, 0 for unproductive)

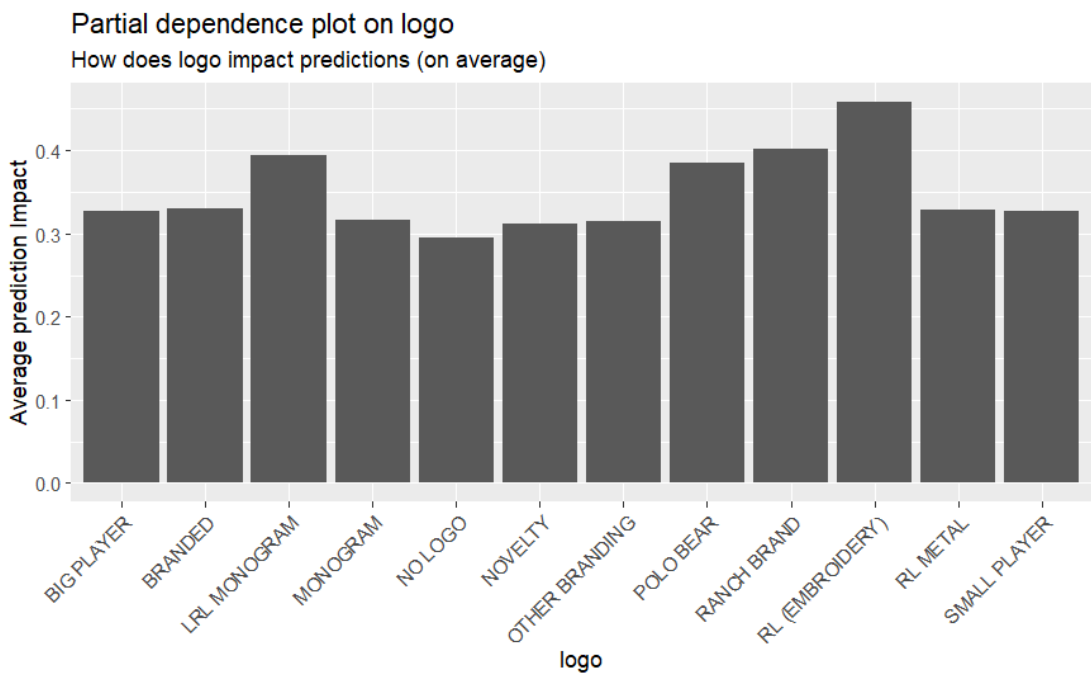
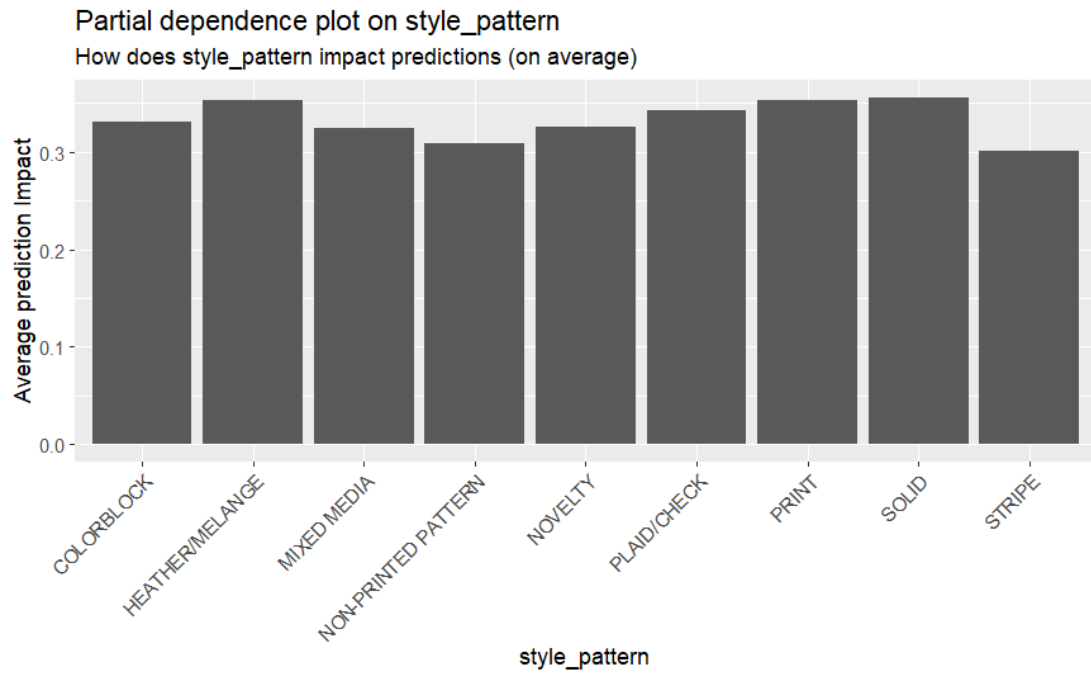
## Variable Importance:



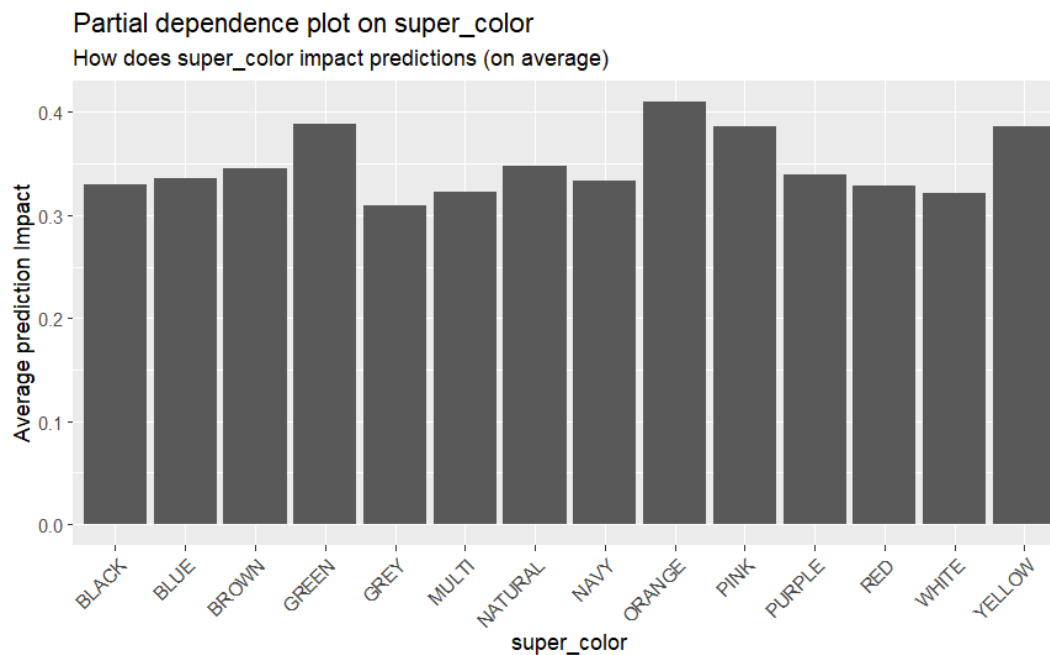
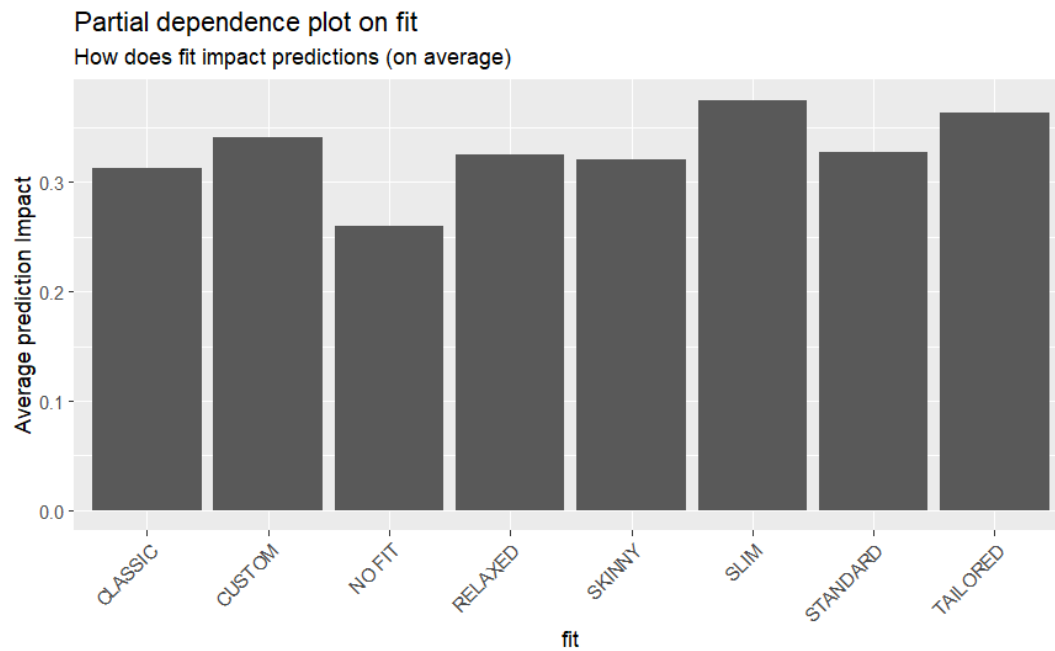
The chart above illustrates the variable importance and it's used to identify important features or variables in a dataset that contribute significantly to the prediction performance of a machine learning model.. It highlights the attributes that have the highest correlation with productivity. According to the graph, women's tops are highly influenced by seasonal trends, with solid to be the style pattern. Additionally, no logo, small player logo, or white and navy super color are generally more favorable in terms of productivity.

## Partial Dependency Plots:

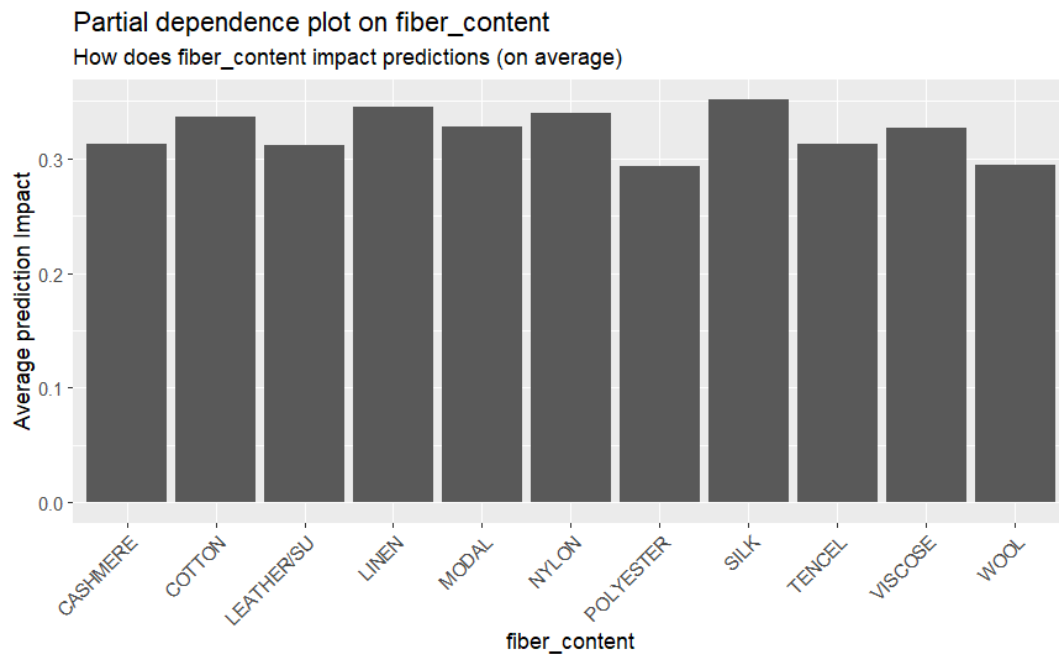






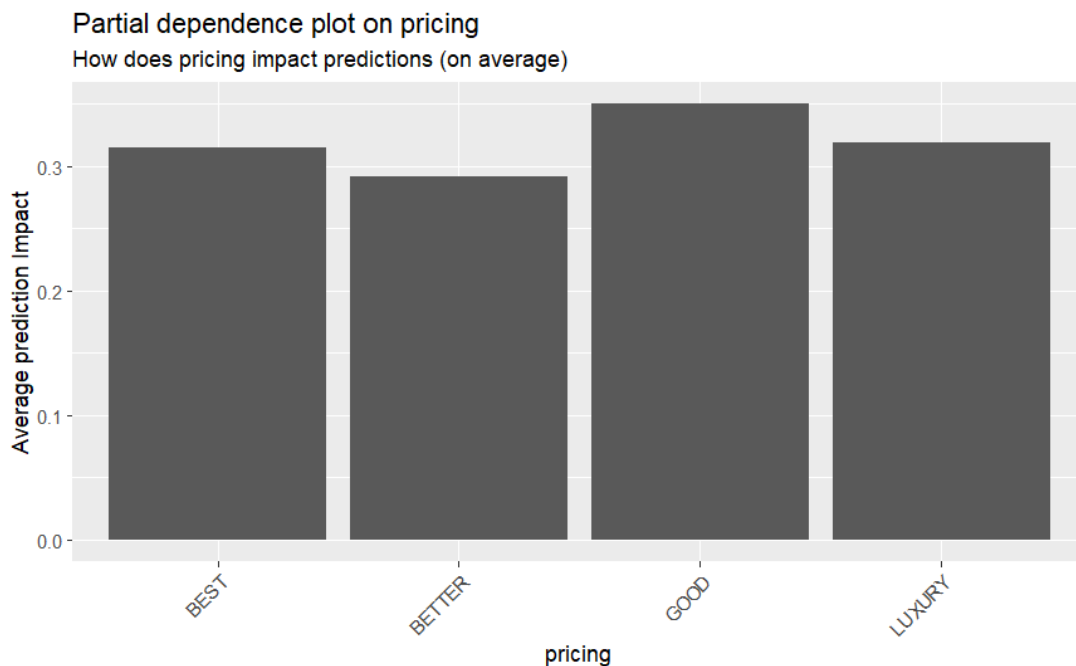


The plots above illustrate the mean likelihood of achieving a certain level of productivity within a specific attribute, while keeping all other variables constant. For example, the super color plot shows that orange women's tops have an average 41% probability of achieving a global SKU score of 1, 2, 3, or 4, according to the model. By comparison, yellow and green women's tops have a 38% probability of being productive. This suggests that, on average, orange tops have a 3% higher likelihood of being productive



than yellow and green tops.

It's important to note that this is a summary view, where each product in a category is scored while holding all other attributes constant, and then an average of those scores is



taken. This method is particularly useful in visualizing complex machine learning techniques, such as random forests, that can be difficult to interpret.

## Womens Bottoms

### Used Variables

- **Fashion Degree:** seasonal, seasonal core, core
- **Fiber Content:** acetate, cashmere, cotton, leather, linen, nylon, polyester, silk, tencel, viscose, wool
- **Material Group:** wovens, sweaters, knits, skins
- **Global Plan L4:** pants, jeans
- **Logo:** big player, branded, label, monogram, no logo, novelty, other branding, rl (embroidery), small player
- **Pricing:** good, better, best, luxury
- **Style Pattern:** colorblock, heather/melange, non-printed pattern, novelty, plaid/check, print, solid, stripe
- **Super Color**

### Final Model

Random Forest trees= 1472, min\_n= 2

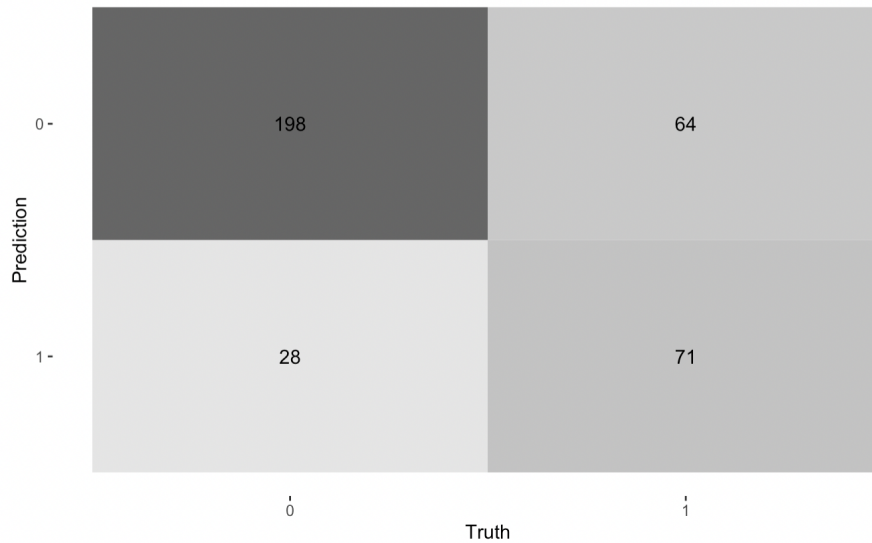
#### Training Set Metrics & Confusion Matrix:

.metric <chr>	.estimator <chr>	.estimate <dbl>
accuracy	binary	0.8194774
kap	binary	0.5888936
mn_log_loss	binary	0.4081952
roc_auc	binary	0.9136023

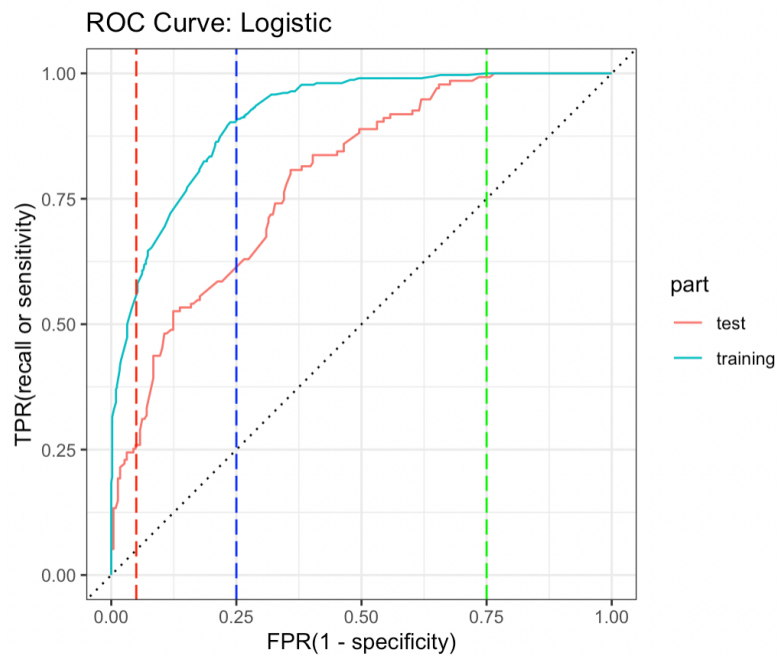
Prediction	0 -	497	115
	1 -	37	193
		0	1
		Truth	

## Test Set Metrics & Confusion Matrix:

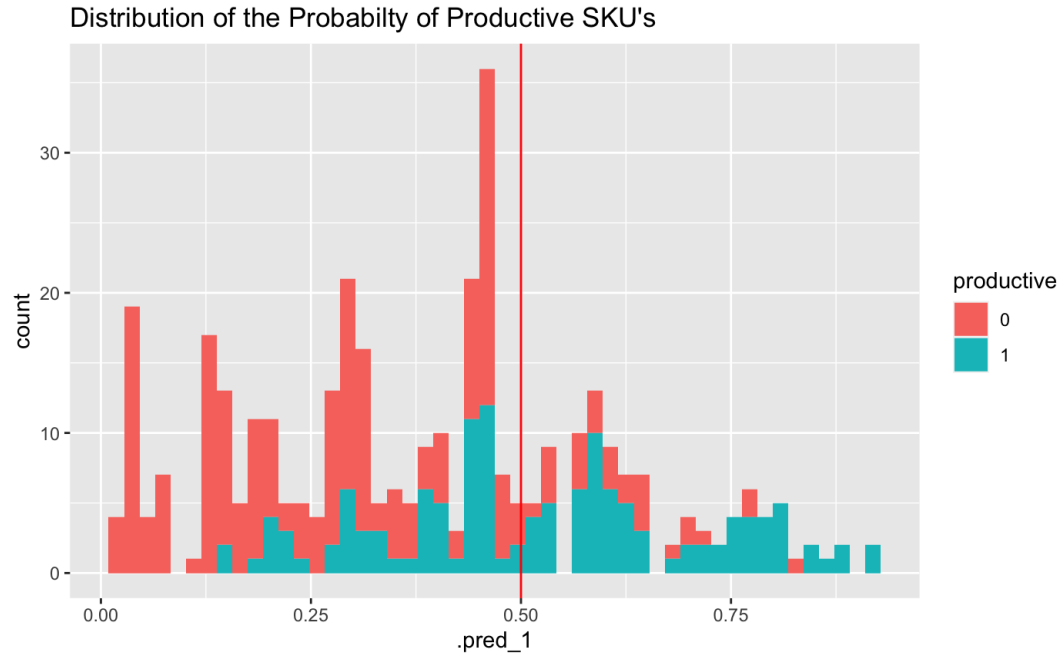
<b>.metric</b> <chr>	<b>.estimator</b> <chr>	<b>.estimate</b> <dbl>
accuracy	binary	0.7451524
kap	binary	0.4248407
mn_log_loss	binary	0.5208396
roc_auc	binary	0.7896100



## ROC Curve (False Positive Rate on X Axis, True Positive Rate on Y Axis):

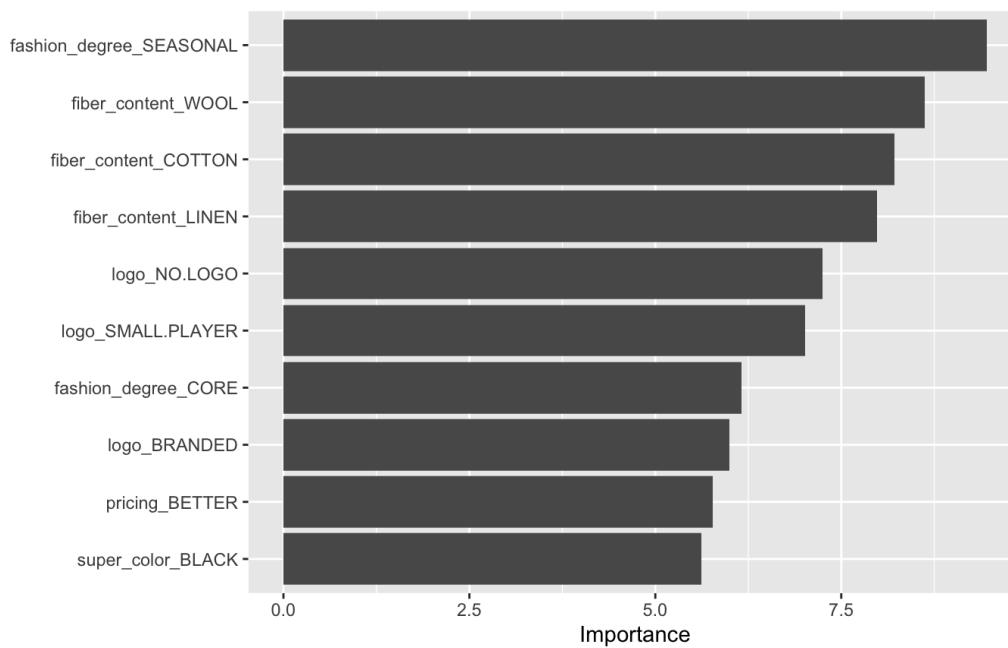


## Distribution of Productive Probabilities:



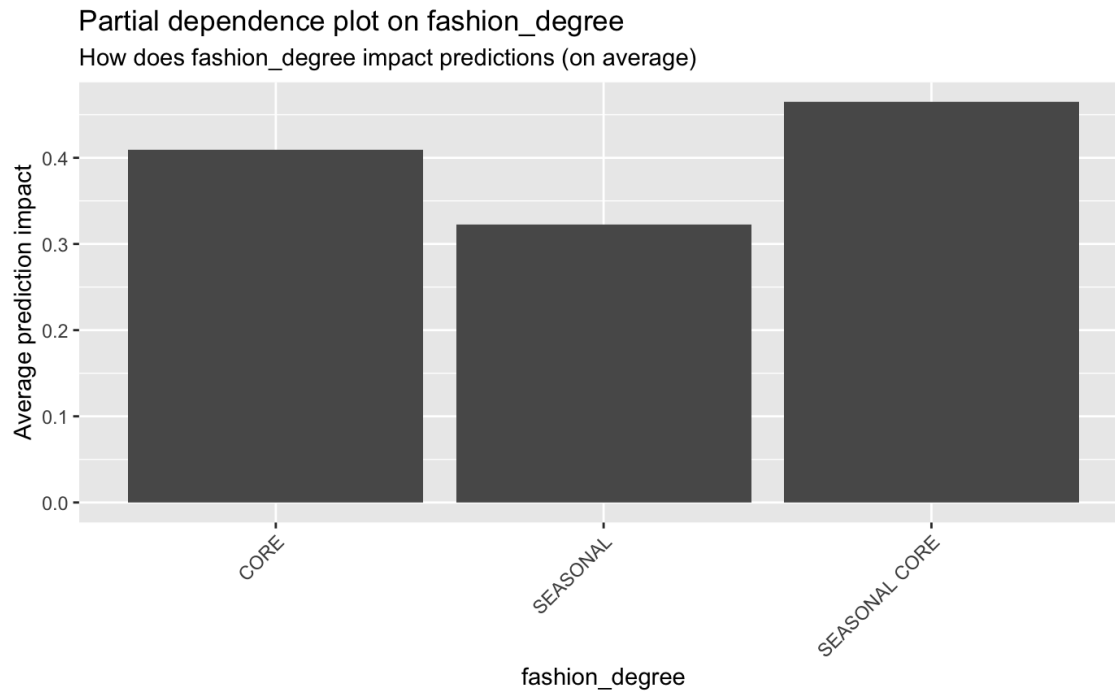
- `pred_1` is the probability of productivity while the fill indicates the score of the product (1 for productive, 0 for unproductive)

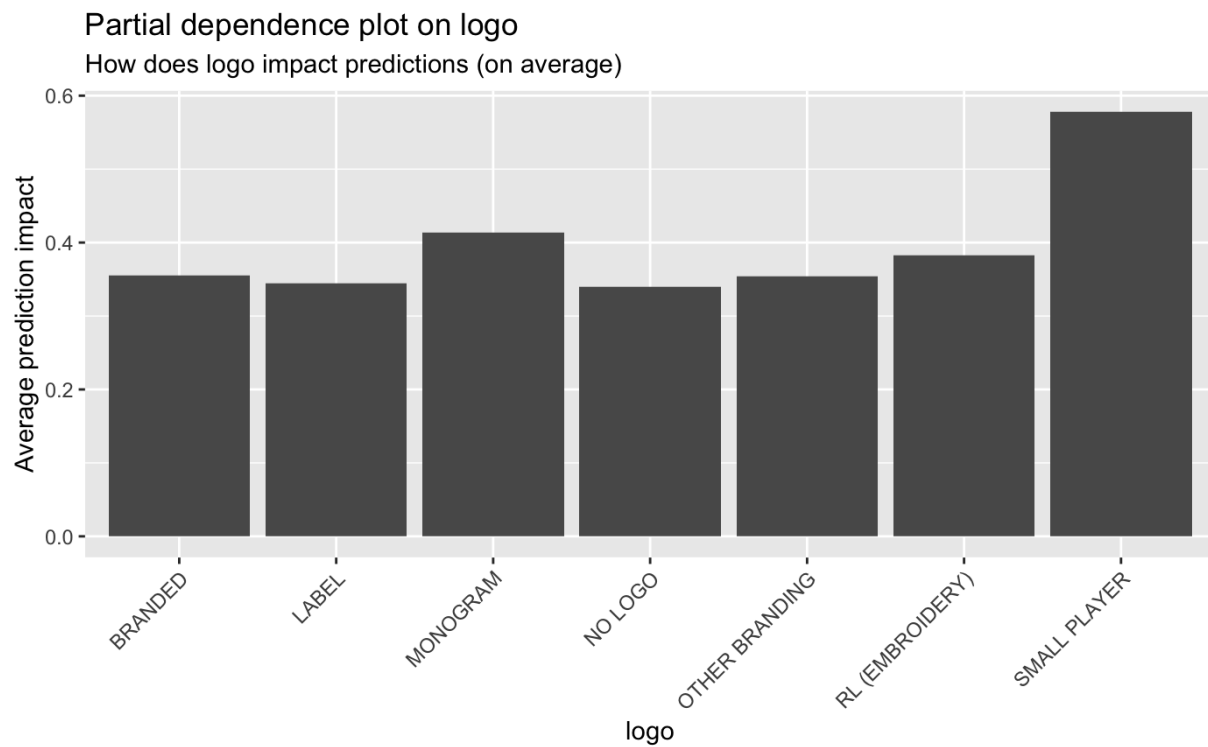
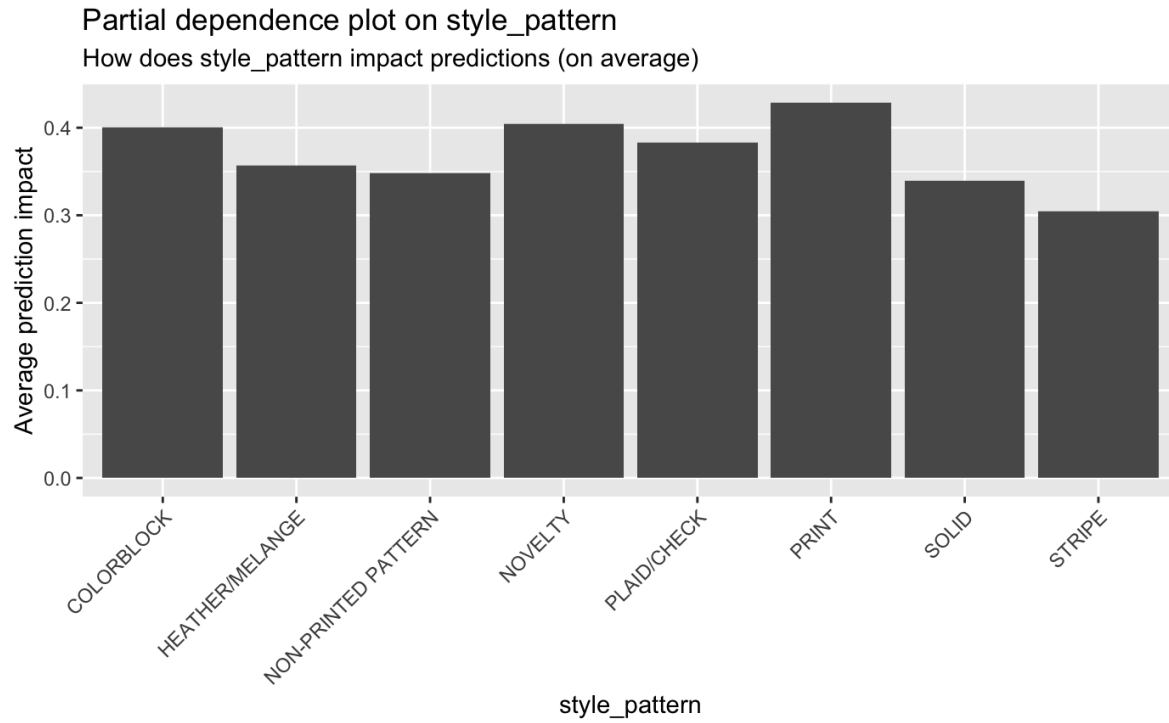
## Variable Importance:



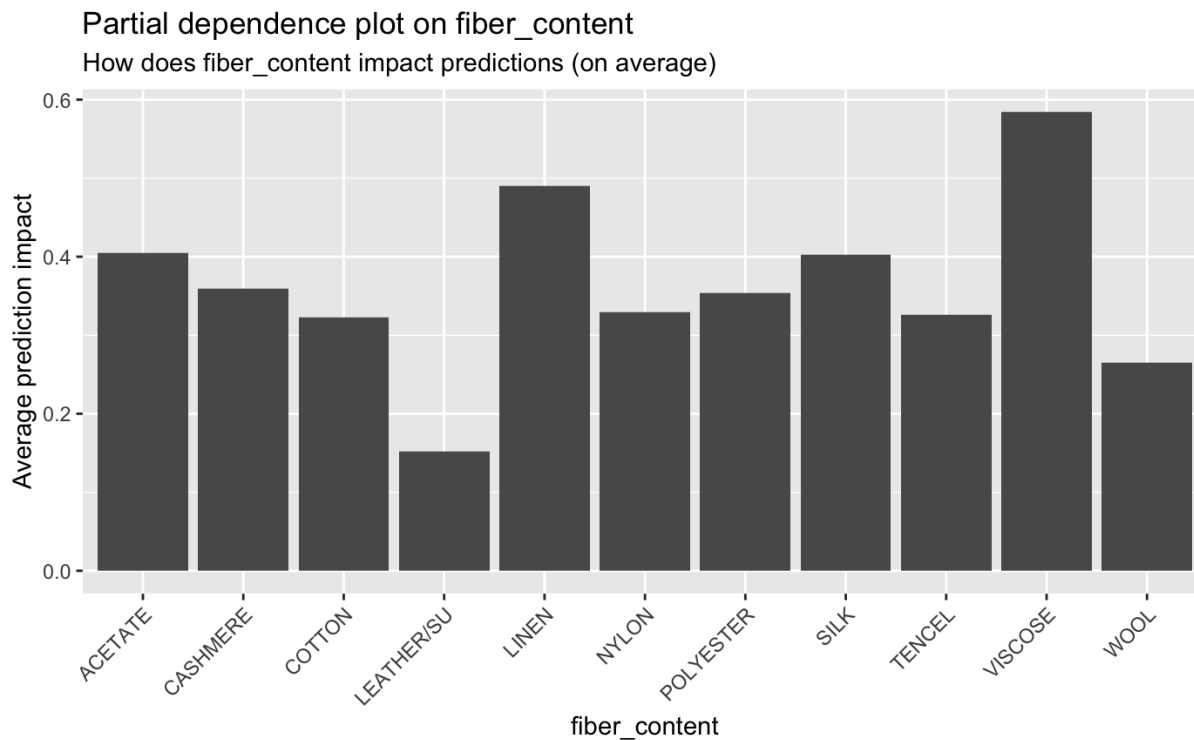
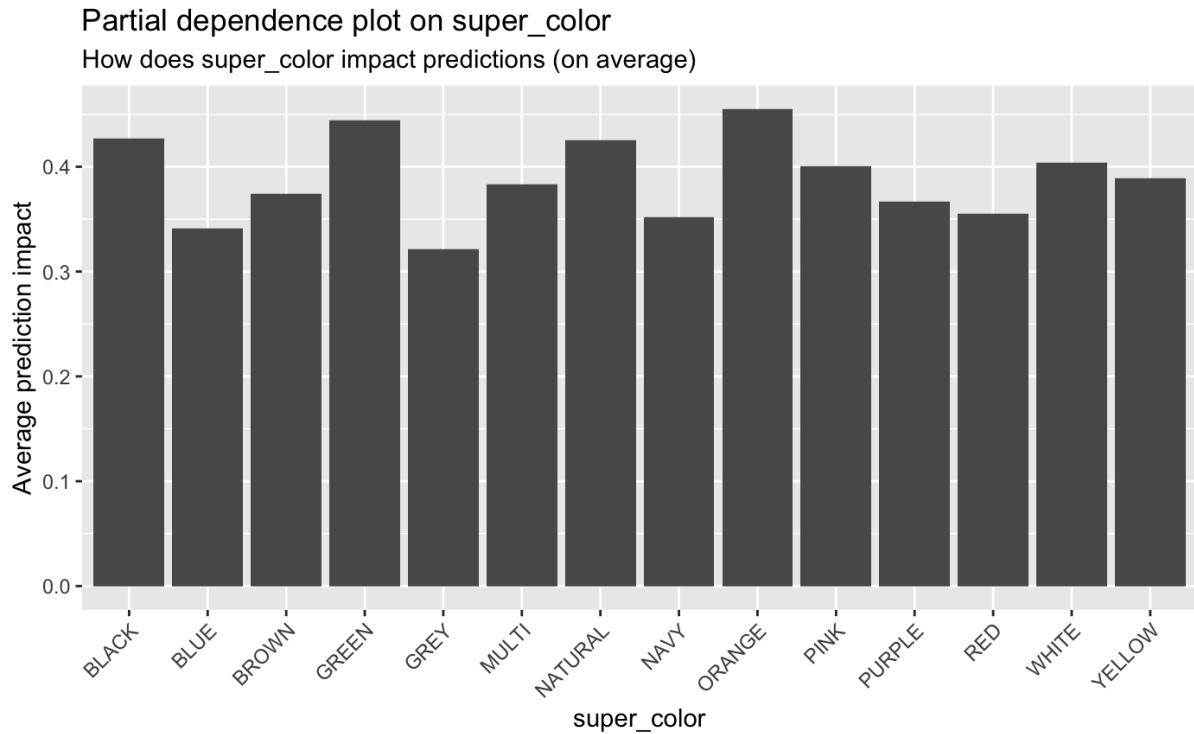
The chart above illustrates the variable importance in determining whether a unique SKU is productive or not. It highlights the attributes that have the highest correlation with productivity. According to the graph, women's bottoms are highly influenced by seasonal trends, with wool, cotton, and linen being the most productive fiber contents. Additionally, no logo, small logo, or branded designs are generally more favorable in terms of productivity.

### Partial Dependency Plots:









The above plots display the average probability of productivity of a specific level within an attribute while keeping all other factors constant. For instance, looking at the super color plot, we can observe that, on average, pink women's bottoms have a 40% probability of achieving a

global SKU score of 1, 2, 3, or 4 based on the model. In comparison, orange women's bottoms have a 45% probability of being productive. Therefore, we can infer that orange bottoms have a 5% higher probability of being productive than pink bottoms on average.

Again, it is important to note that this is an aggregate view. There are many orange bottoms that are not productive, just as there are many pink bottoms that are. This method examines the score assigned to each product within a category while holding every other attribute constant and takes an average of that score. It's particularly valuable in deciphering complex "black box" machine learning techniques, such as the random forest.

## Growth Market: Men Outerwear

### Used Variables

- **Fashion Degree:** seasonal, seasonal core, core
- **Fiber Content:** leather, polyethylene, nylon, polyester, linen, wool, cotton
- **Global Plan L4:** outerwear
- **Fit:** No fit, standard, custom slim, classic
- **Material Group:** wovens, sweaters, knits, skins
- **Logo:** big player, branded, label, monogram, no logo, novelty, other branding, rl (embroidery), small player
- **Merch Fabrication:** twill, poplin, chamray, herringbone, denim, ripstop
- **Pricing:** good, better, best, luxury
- **Style Pattern:** colorblock, heather/melange, non-printed pattern, novelty, plaid/check, print, solid, stripe
- **Super Color**

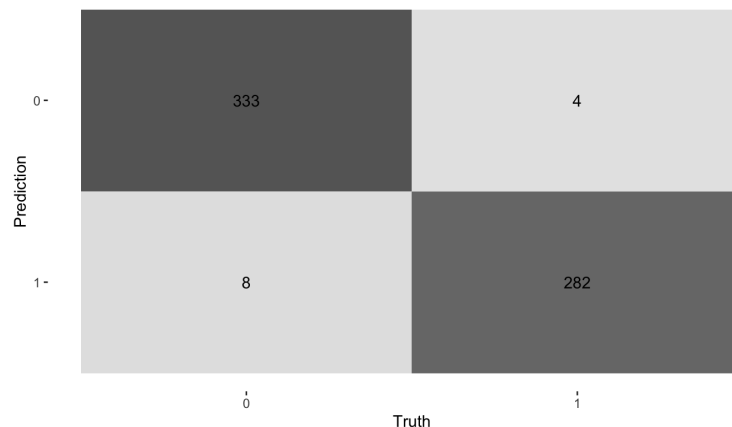
### Final Model

XGBoost trees = 200, learn rate = 0.3103493

#### Training Set Metrics & Confusion Matrix:

.estimator <chr>	part <chr>	accuracy <dbl>	kap <dbl>	mn_log_loss <dbl>	roc_auc <dbl>
binary	training	0.9808612	0.9614691	0.08074392	0.9981800

Train Confusion Matrix

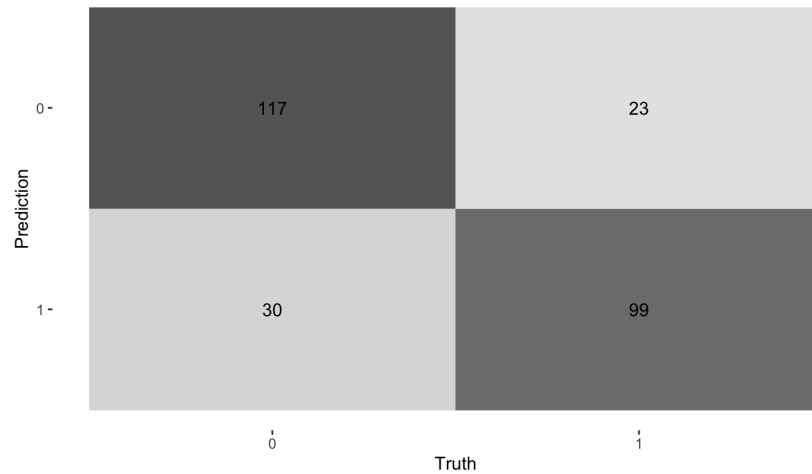


#### Test Set Metrics & Confusion Matrix:

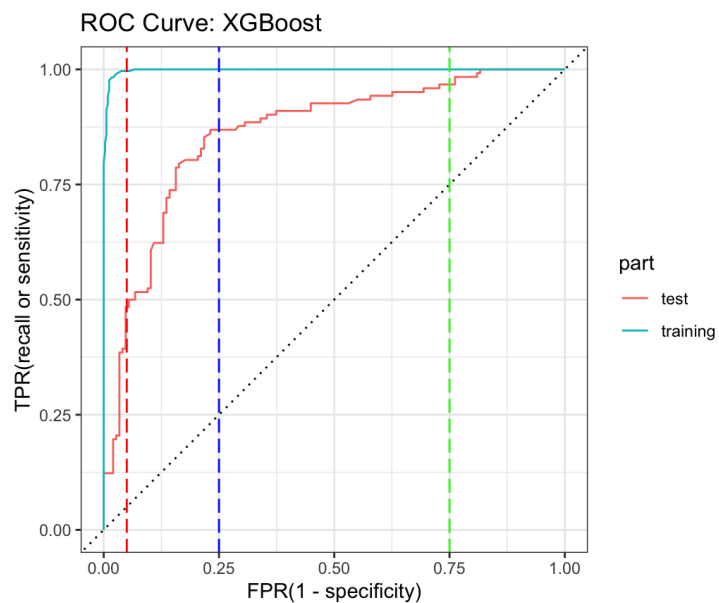
.estimator <chr>	part <chr>	accuracy <dbl>	kap <dbl>	mn_log_loss <dbl>	roc_auc <dbl>
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binary	testing	0.8029740	0.6044447	0.54430517	0.8619382
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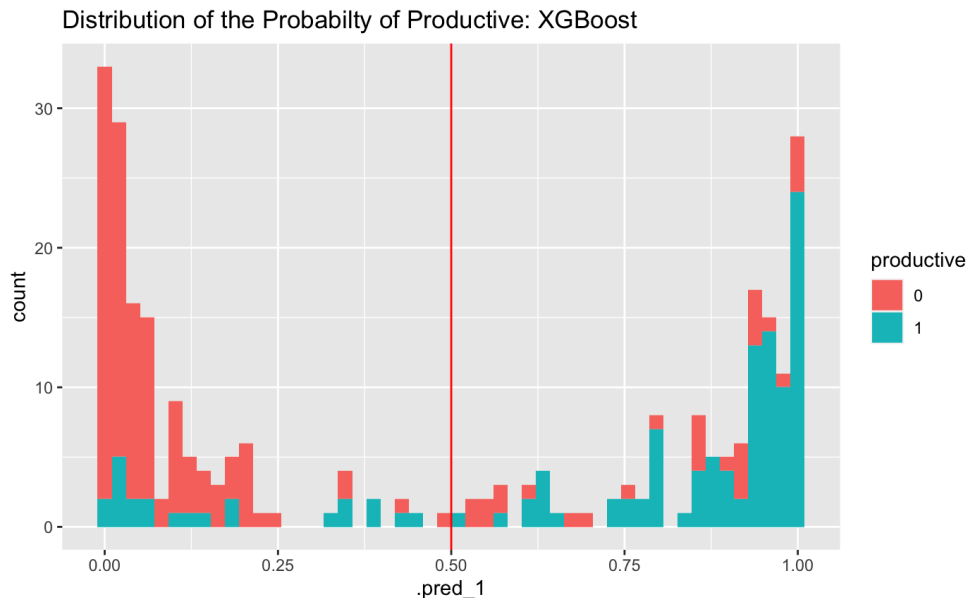
Test Confusion Matrix



ROC Curve (False Positive Rate on X Axis, True Positive Rate on Y Axis):

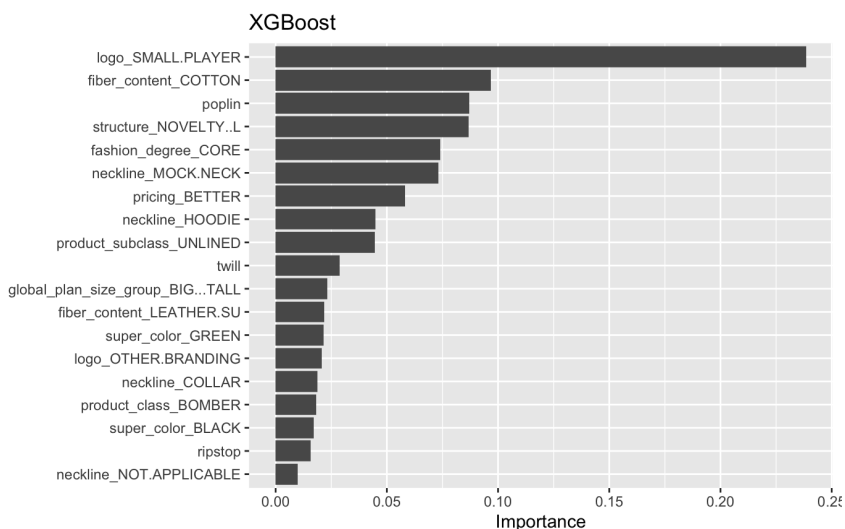


## Distribution of Productive Probabilities:



- `pred_1` is the probability of productivity while the fill indicates the score of the product (1 for productive, 0 for unproductive)

## Variable Importance:

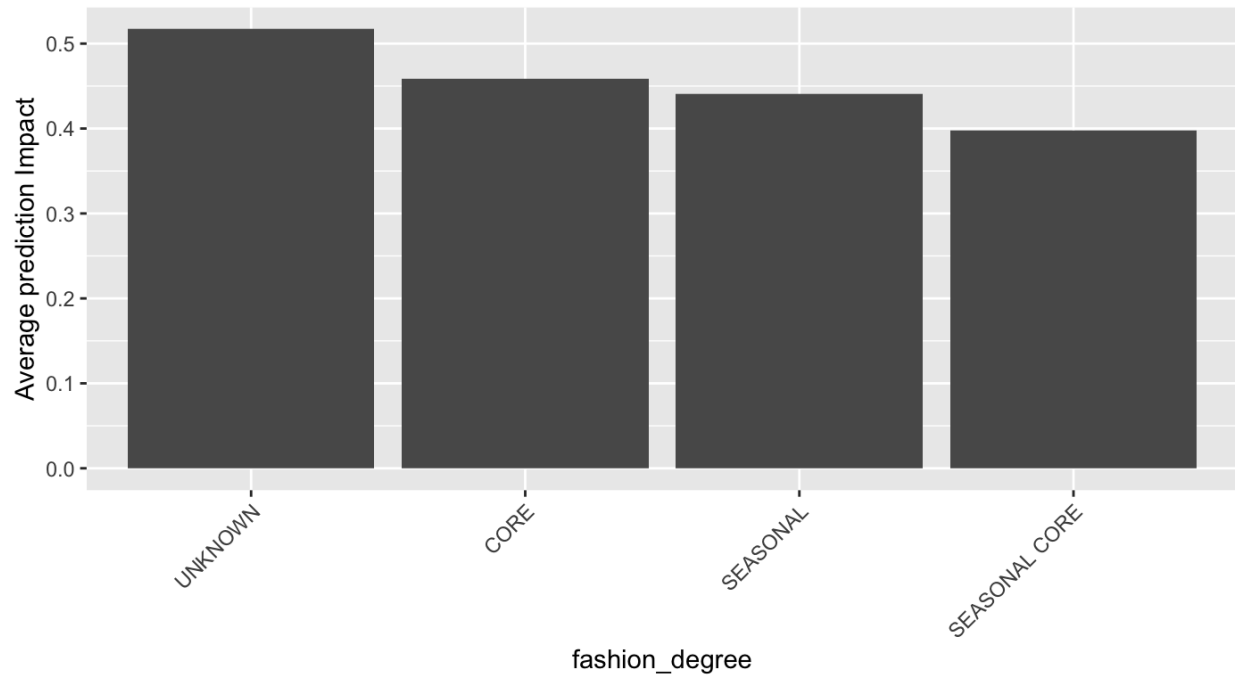


The chart above illustrates the variable importance in determining whether a unique SKU is productive or not. It highlights the attributes that have the highest correlation with productivity. According to the graph, men's outerwears are highly influenced by logo and fiber contents, with core, poplin, and mock neck being the most productive features. Additionally, better pricing, hoodie, or twill designs are generally more favorable in terms of productivity.

## Partial Dependency Plots:

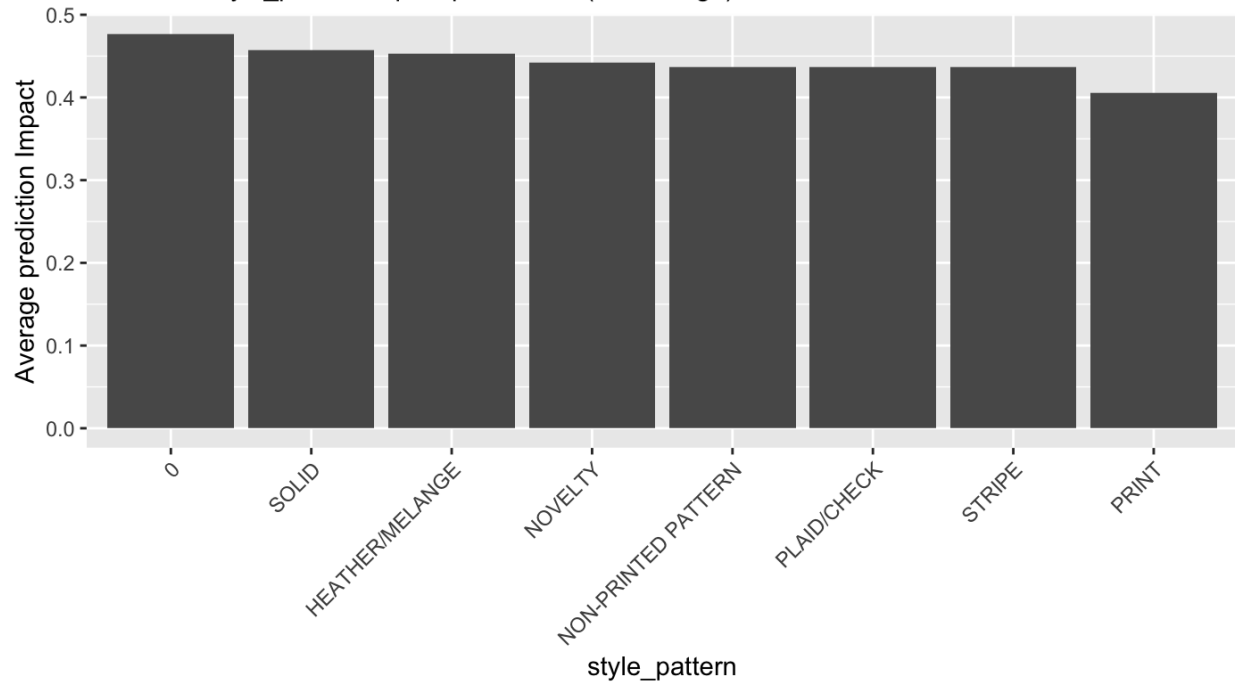
### Partial dependence plot on fashion\_degree

How does fashion\_degree impact predictions (on average)



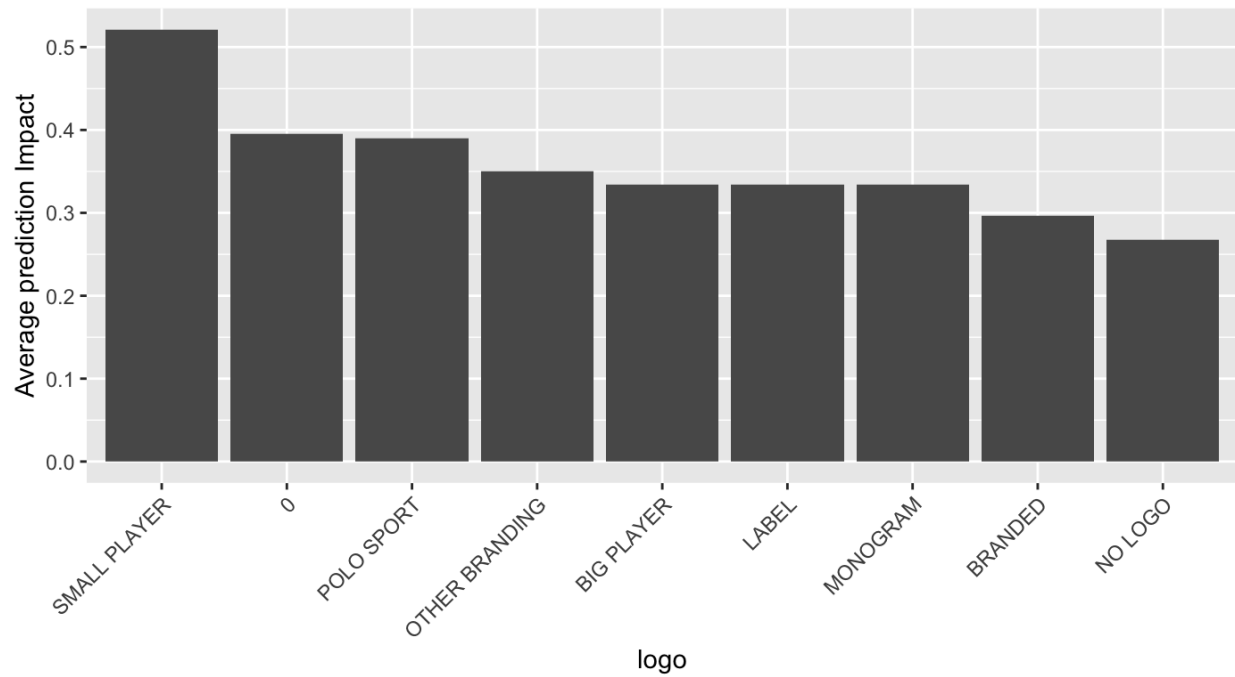
### Partial dependence plot on style\_pattern

How does style\_pattern impact predictions (on average)



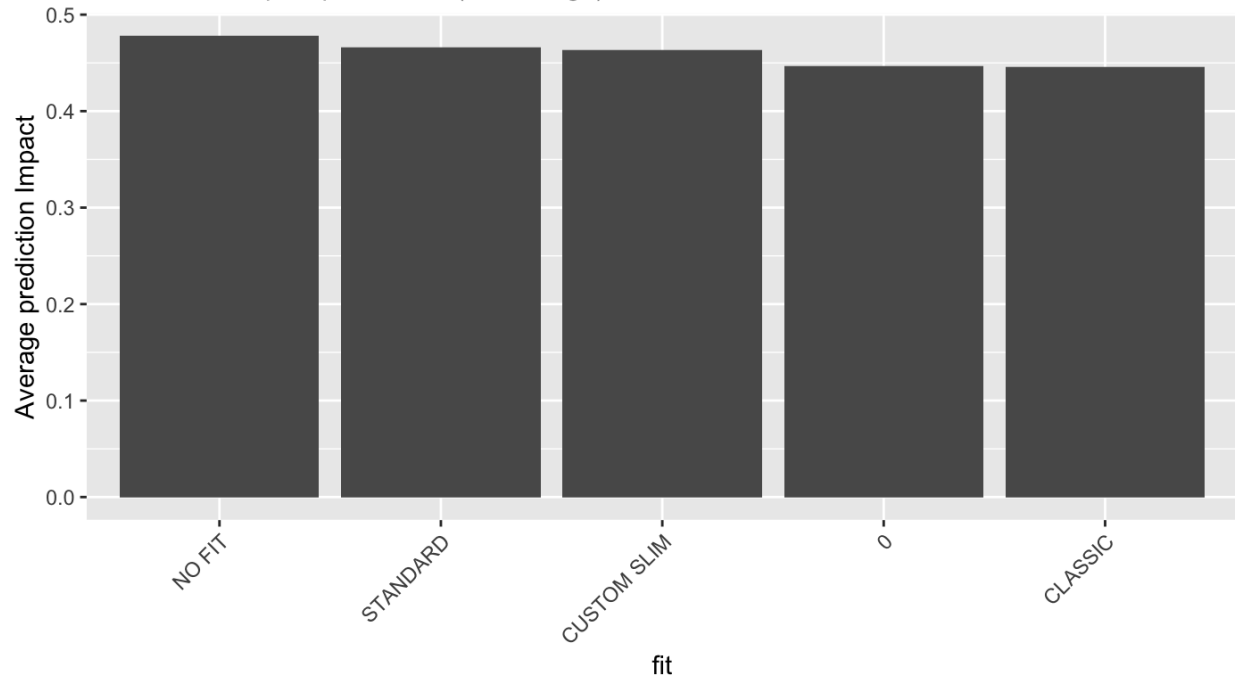
### Partial dependence plot on logo

How does logo impact predictions (on average)

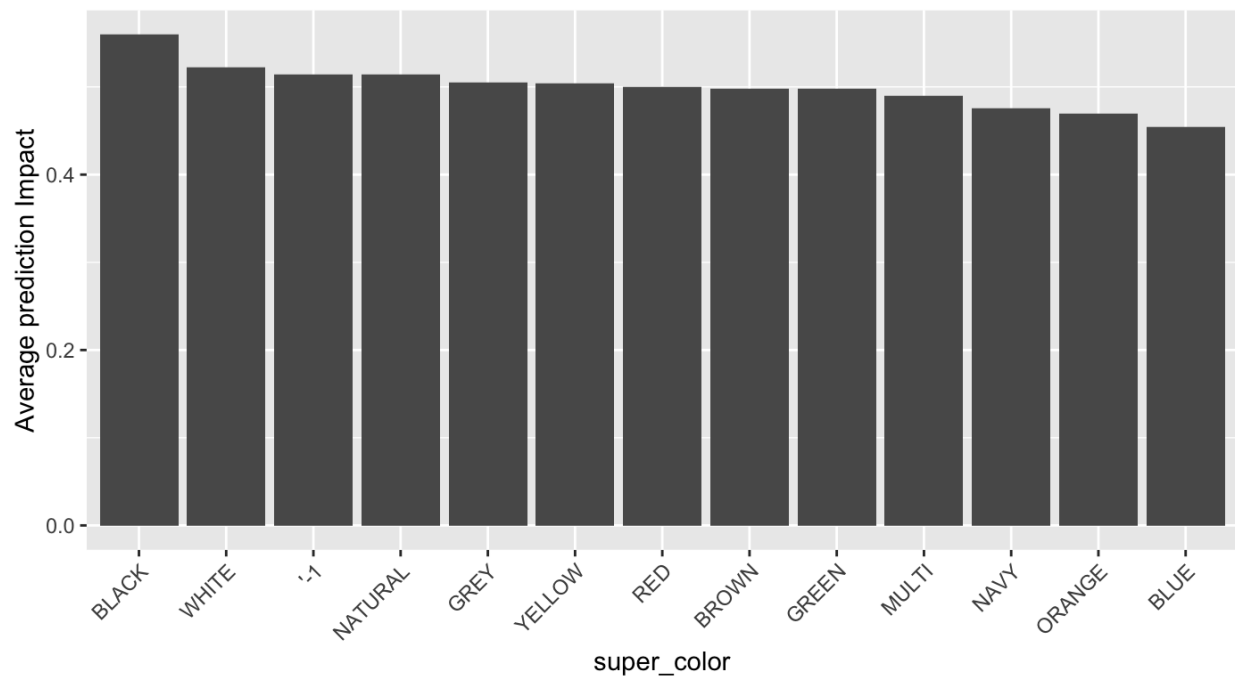


### Partial dependence plot on fit

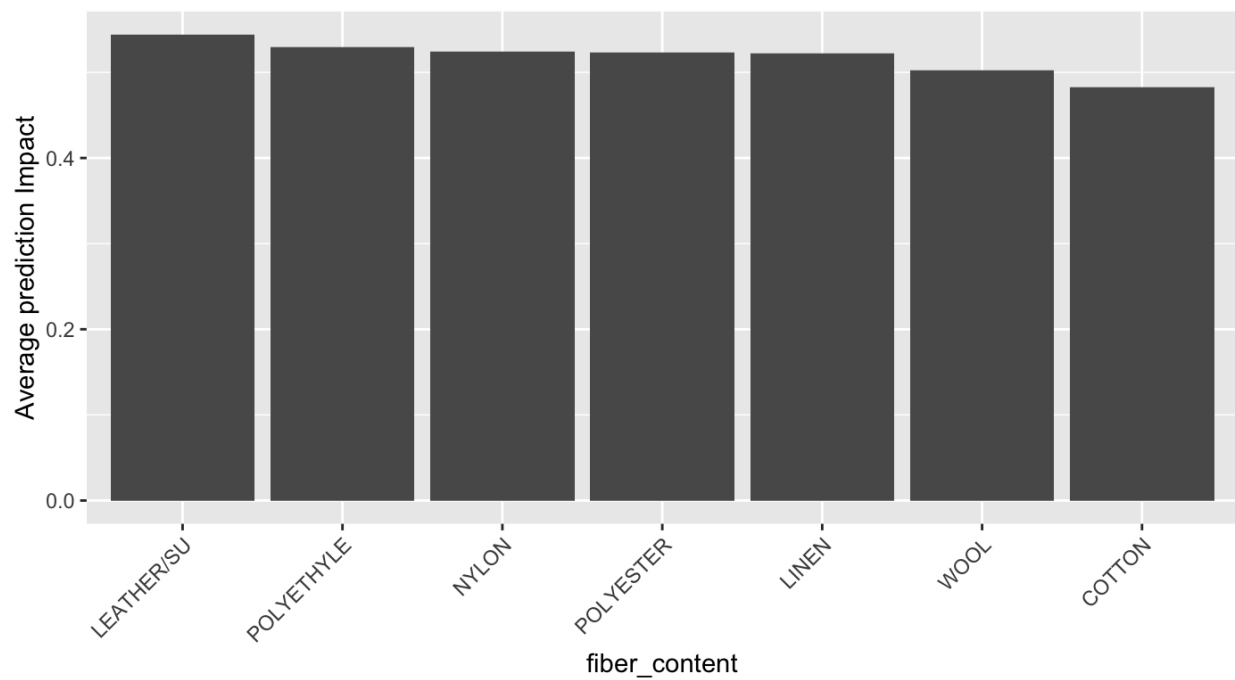
How does fit impact predictions (on average)



Partial dependence plot on super\_color  
How does super\_color impact predictions (on average)



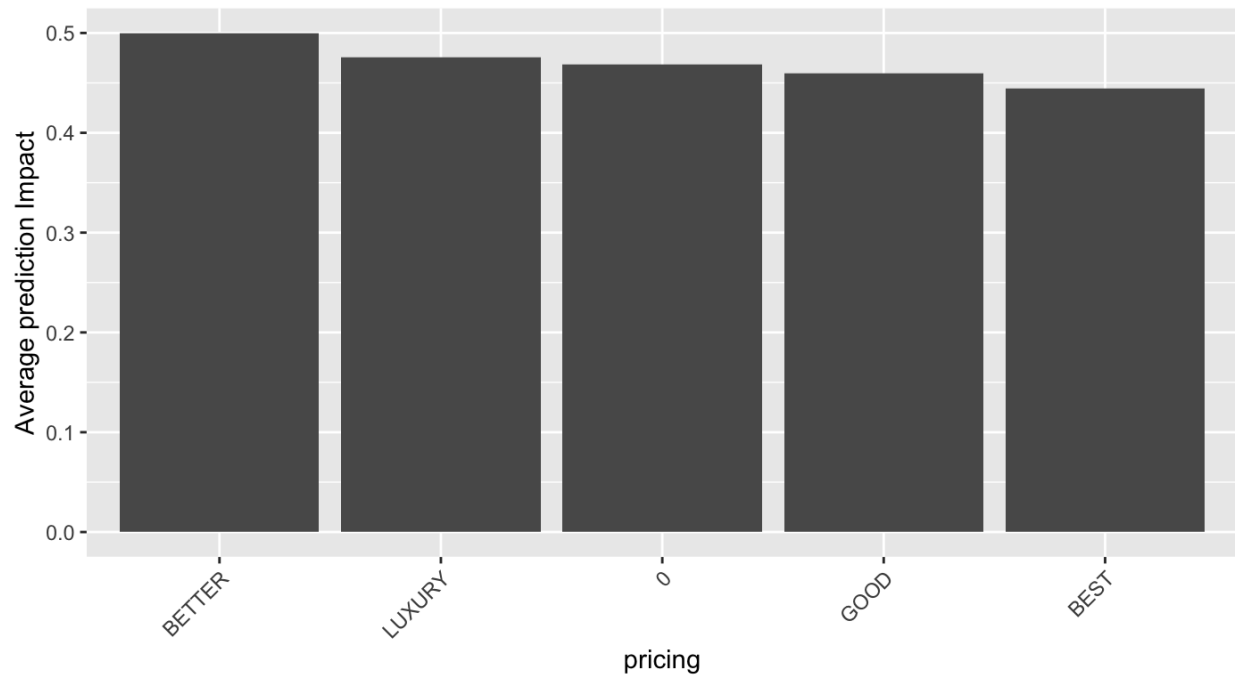
Partial dependence plot on fiber\_content  
How does fiber\_content impact predictions (on average)





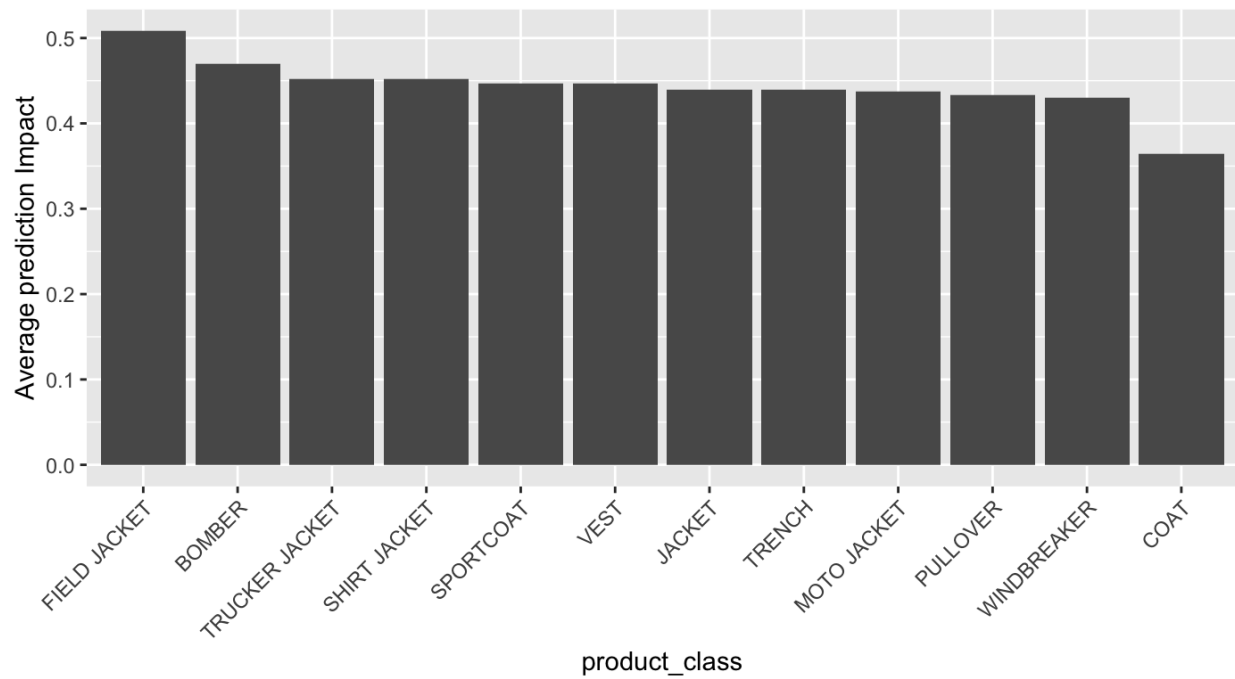
### Partial dependence plot on pricing

How does pricing impact predictions (on average)



### Partial dependence plot on product\_class

How does product\_class impact predictions (on average)



The above plots display the average probability of productivity of a specific level within an attribute while keeping all other factors constant. For instance, looking at the super color plot, we can observe that, on average, black men's outerwears have a >50% probability of achieving a global SKU score of 1, 2, 3, or 4 based on the model. In comparison, orange men's outerwears have a ~42% probability of being productive. Therefore, we can infer that black men's outerwears have a ~8% higher probability of being productive than orange men's outerwears on average.

Again, it is important to note that this is an aggregate view. There are many black men's outerwear that are not productive, just as there are many orange men's outerwears that are. This method examines the score assigned to each product within a category while holding every other attribute constant and takes an average of that score. It's particularly valuable in deciphering complex "black box" machine learning techniques, such as the XGBoost.

## Growth Market: Women Outerwear

### Used Variables

- **Fashion Degree:** seasonal, seasonal core, core
- **Fiber Content:** cowhide, acetate, walnut, cashmere, silk, leather, polyethylene, nylon, polyester, linen, wool, cotton
- **Global Plan L4:** outerwear
- **Fit:** active, no fit, standard, custom slim, classic, relaxed
- **Material Group:** wovens, sweaters, knits, skins
- **Logo:** big player, branded, label, monogram, no logo, novelty, other branding, rl (embroidery), small player
- **Merch Fabrication:** twill, poplin, chamray, herringbone, denim, ripstop
- **Pricing:** good, better, best, luxury
- **Style Pattern:** colorblock, non-printed pattern, novelty, plaid/check, print, solid, stripe
- **Product Class:** field jacket, vest, shirt jacket, bomber, blazer, windbreaker, moto jacket, poncho, pullover, trench, trucker jacket, coat
- **Neckline:** collar, crew neck, hoodie, mock neck, not applicable, other, polo knit collar, polo self-collar, spread collar, turtleneck, v neck, button down collar
- **Super Color**

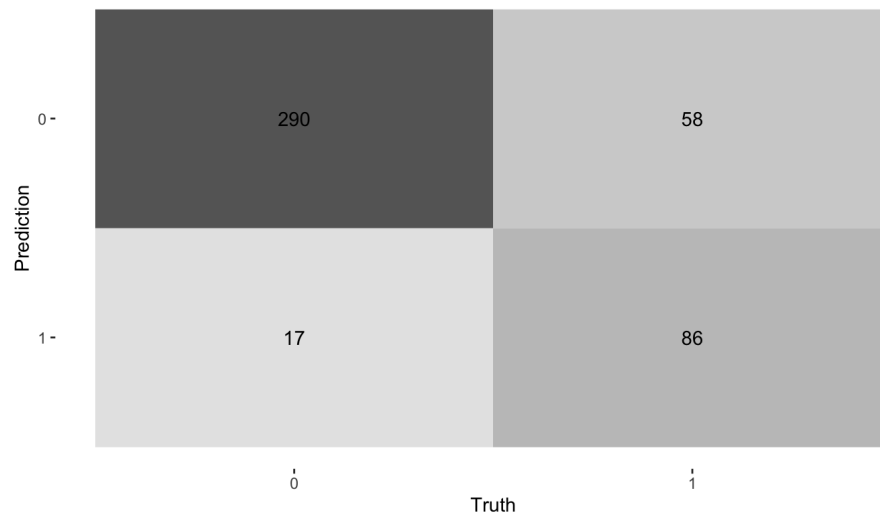
### Final Model

XGBoost trees = 11, learn rate = 0.04380312

### Training Set Metrics & Confusion Matrix:

<b>.estimator</b> <chr>	<b>part</b> <chr>	<b>accuracy</b> <dbl>	<b>kap</b> <dbl>	<b>mn_log_loss</b> <dbl>	<b>roc_auc</b> <dbl>
binary	training	0.8337029	0.5861525	0.5364732	0.9381447

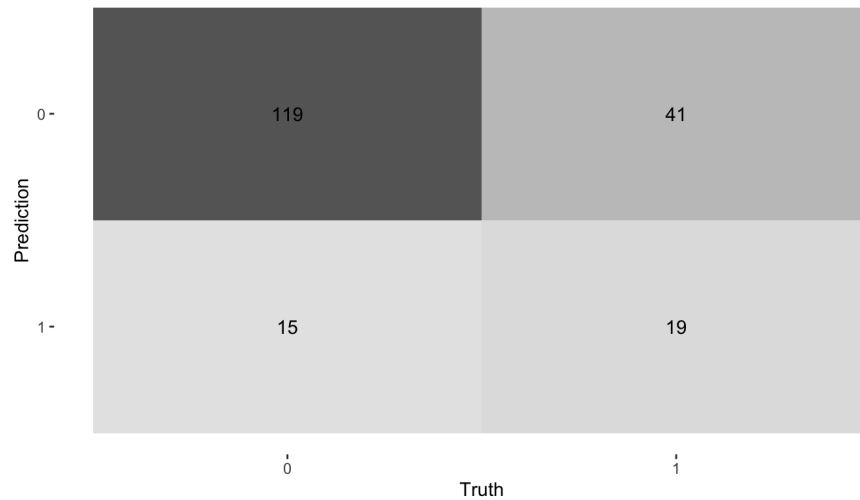
Train Confusion Matrix



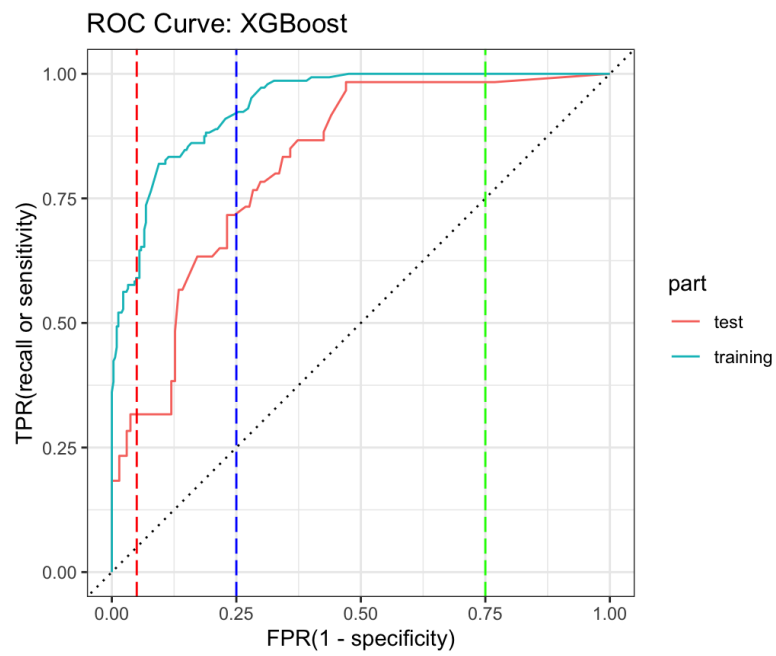
## Test Set Metrics & Confusion Matrix:

<b>.estimator</b> <chr>	<b>part</b> <chr>	<b>accuracy</b> <dbl>	<b>kap</b> <dbl>	<b>mn_log_loss</b> <dbl>	<b>roc_auc</b> <dbl>
binary	testing	0.7113402	0.2325516	0.5747873	0.8215796

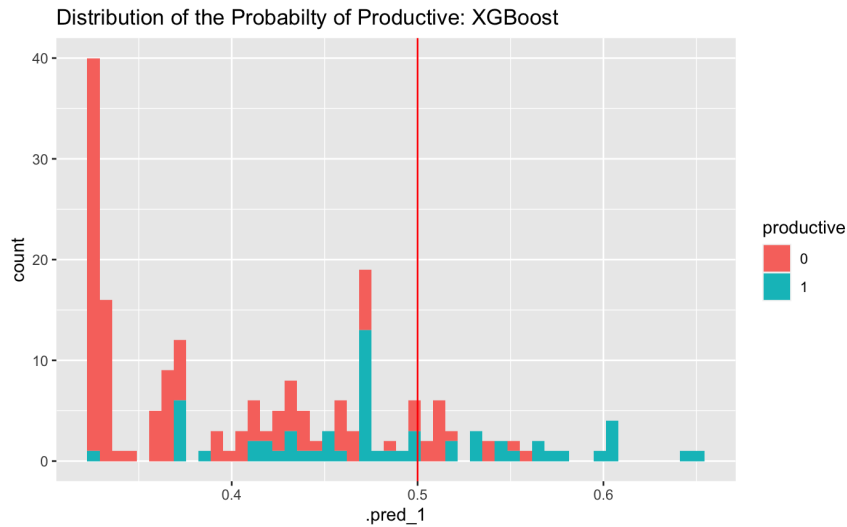
Test Confusion Matrix



## ROC Curve (False Positive Rate on X Axis, True Positive Rate on Y Axis):

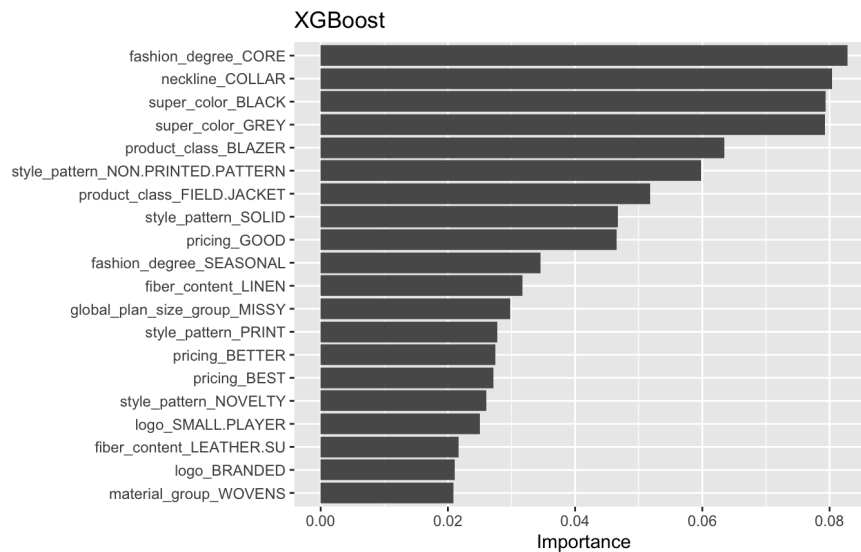


## Distribution of Productive Probabilities:



- pred\_1 is the probability of productivity while the fill indicates the score of the product (1 for productive, 0 for unproductive)

## Variable Importance:

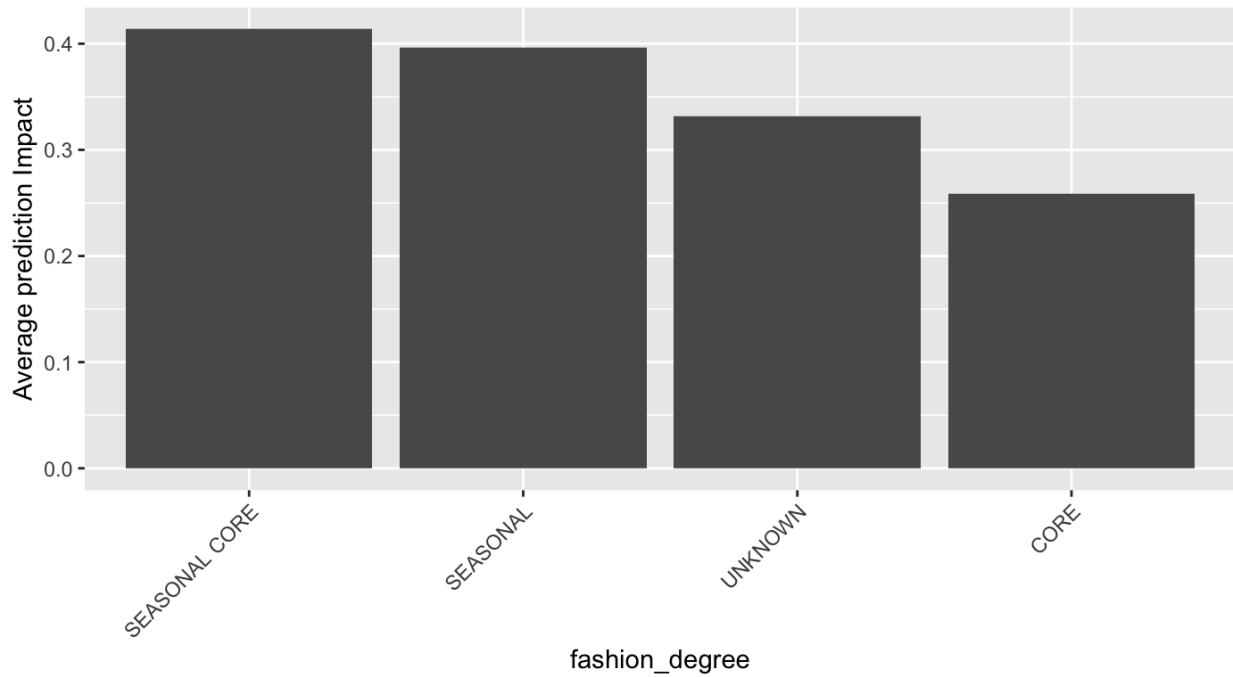


The chart above illustrates the variable importance in determining whether a unique SKU is productive or not. It highlights the attributes that have the highest correlation with productivity. According to the graph, women's outerwears are highly influenced by core trends, with collar, black, and grey being the most productive features. Additionally, blazer, non print pattern, or field jacket designs are generally more favorable in terms of productivity.

## Partial Dependency Plots:

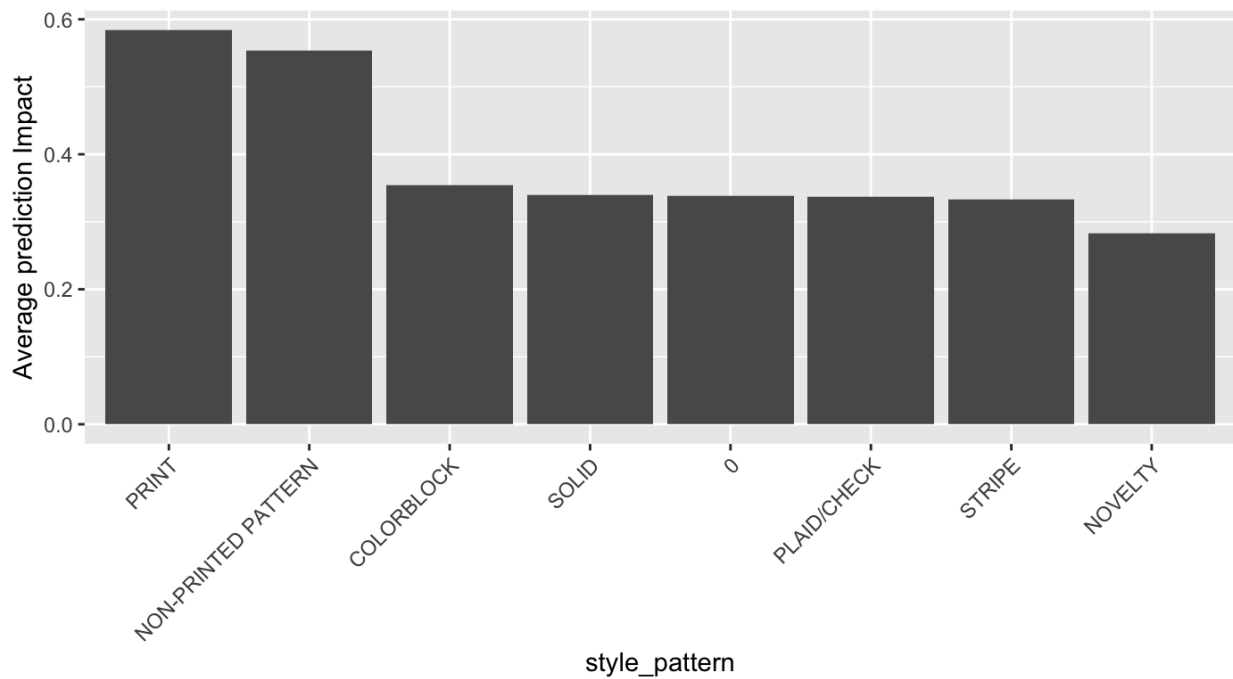
### Partial dependence plot on fashion\_degree

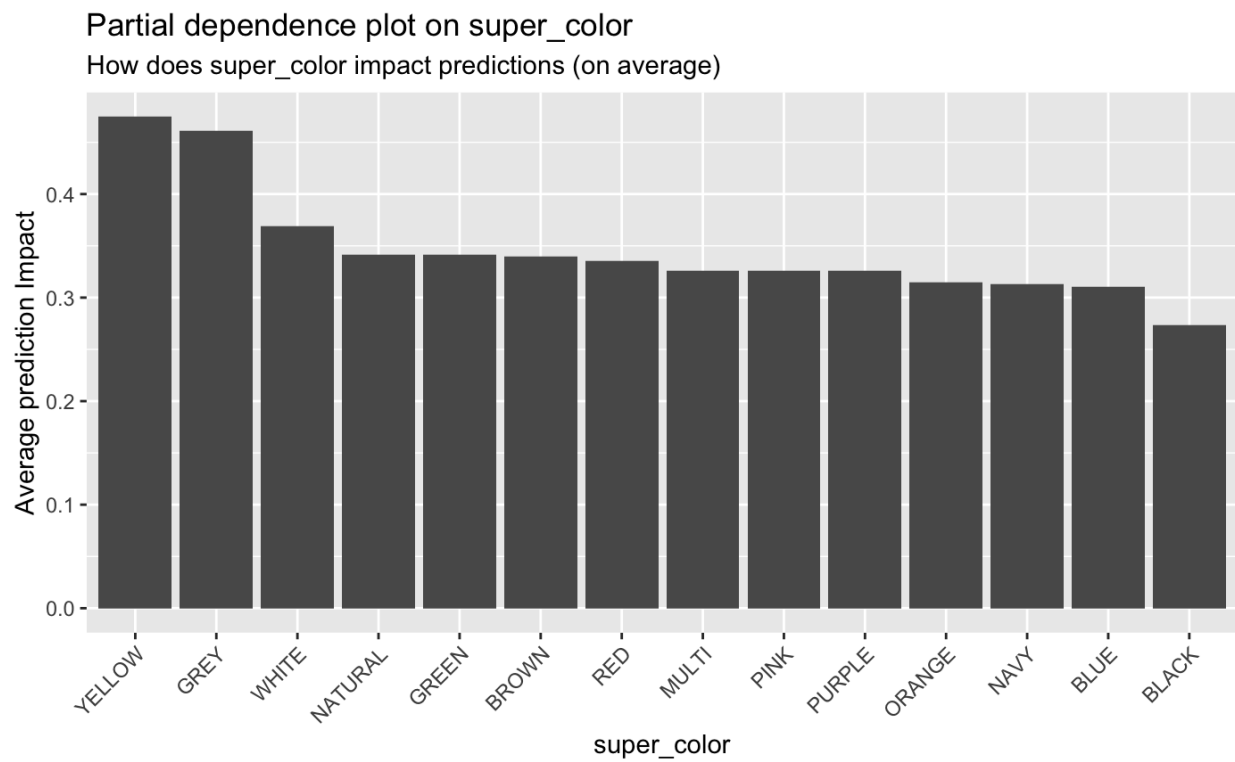
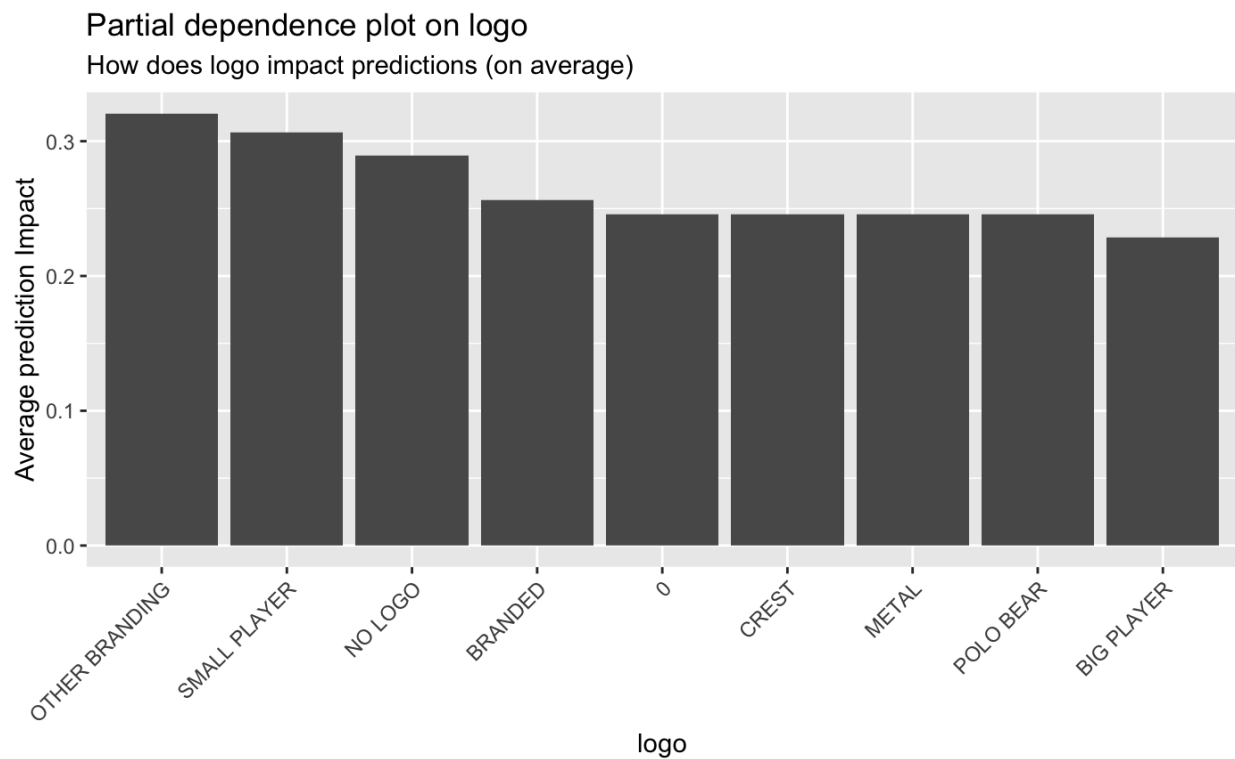
How does fashion\_degree impact predictions (on average)



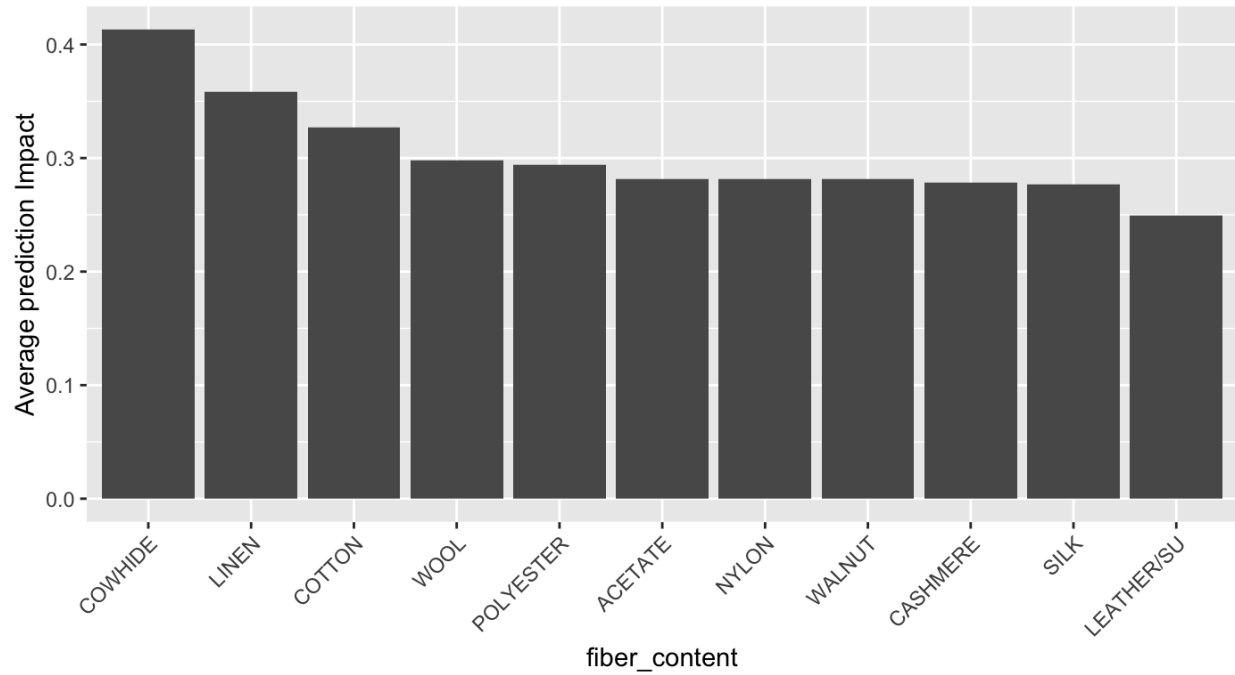
### Partial dependence plot on style\_pattern

How does style\_pattern impact predictions (on average)

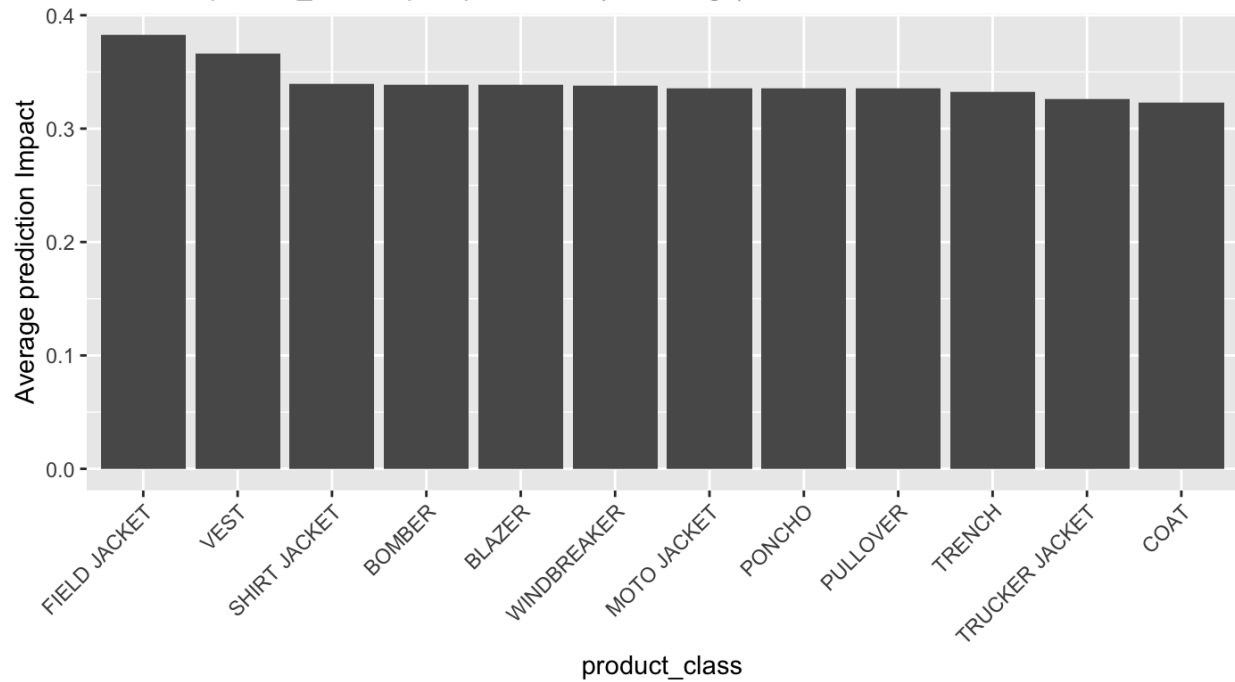




Partial dependence plot on fiber\_content  
How does fiber\_content impact predictions (on average)



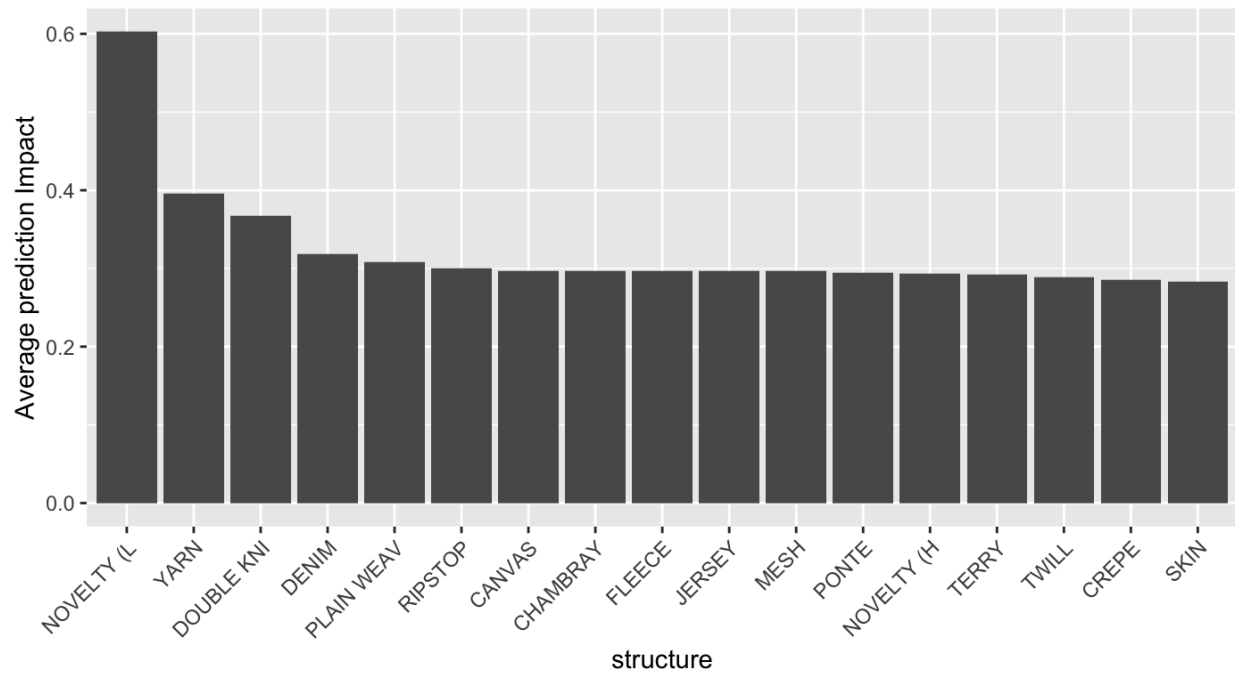
Partial dependence plot on product\_class  
How does product\_class impact predictions (on average)





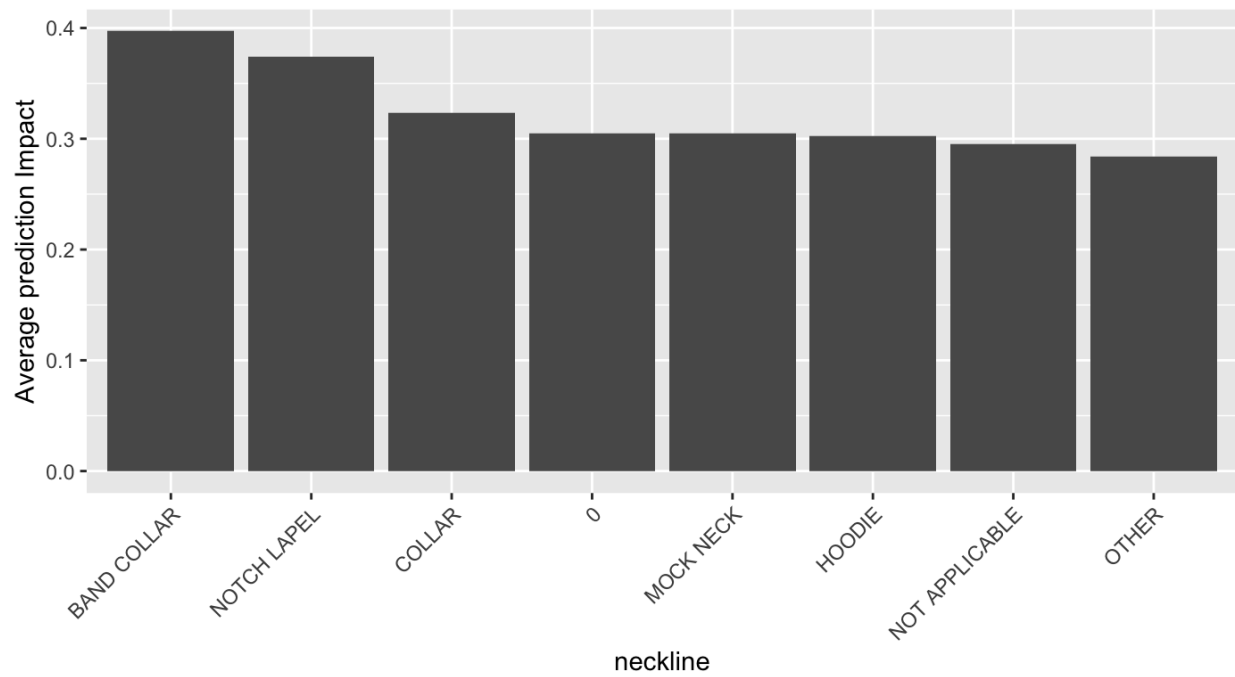
### Partial dependence plot on structure

How does structure impact predictions (on average)



### Partial dependence plot on neckline

How does neckline impact predictions (on average)



The above plots display the average probability of productivity of a specific level within an attribute while keeping all other factors constant. For instance, looking at the super color plot, we can observe that, on average, grey women's outerwears have a >50% probability of achieving a global SKU score of 1, 2, 3, or 4 based on the model. In comparison, black women's outerwears have a <30% probability of being productive. Therefore, we can infer that grey women's outerwears have a >20% higher probability of being productive than black women's outerwears on average.

Again, it is important to note that this is an aggregate view. There are many grey women's outerwear that are not productive, just as there are many black women's outerwears that are. This method examines the score assigned to each product within a category while holding every other attribute constant and takes an average of that score. It's particularly valuable in deciphering complex "black box" machine learning techniques, such as the XGBoost.