

MADHOUSE HP ANALYTICS



Unleash the Power of Data at Madhouse: HP Analytics – Revolutionizing Inventory Management and Forecasting!

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DATA PIPELINE

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01

PREPROCESS

- Data cleaning (e.g.: drop NAs for both sales and inventory NAs)
- Feature extraction (e.g.: yearweek => year and week)



02

EXPLORATORY DATA ANALYSIS

- Understand and analyse data patterns (like for each product, segment etc.)
- Exploring vendor correlations per product and period



03

CLUSTERING

- To identify potential new groupings due to the product categories/segment not being as representative
- Applied both K-Means & Gaussian Mixture Models

DATA PIPELINE

04

TRANSFORMATION

- Apply transformation (log) for both sales and inventory units to deal with skewed distribution (outliers)



05

DATA IMPUTATION

- Firstly, tested basic imputation methods (mean, median)
- Then, used KNN to impute missing values where either sales or inventory were null



06

VENDOR & CLUSTER AGGREGATION

- Aggregate (sum) sales & inventory for all vendors per product & week
- Aggregate (median) per cluster as well

07

TIME SERIES FORECASTING

- Converted data to a time-series dataset (indexing on date, i.e. x-axis and sales/inventory on y-axis)
- Train and validation split before testing on provided test data for the next 13 weeks
- Analyze trend, seasonality and overall pattern for each (cluster, sales/inventory)
- Applied two levels of differencing to deal with trends and any existing seasonality
- Used ADF test to confirm stationarity of time-series
- Checked ACF and PACF plots for identifying order of MA and AR
- Used Auto-ARIMA to loop through many combinations of ARIMA orders, and identify best model by reducing AIC and BIC
- Predicted validation set and calculated RMSE
- Aggregated RMSEs over all clusters and sales/inventory to obtain our model's final RMSE

WEB APPLICATION

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- ✓ USER FRIENDLY INTERFACE
- ✓ EASY TO DEPLOY CONTAINER APPLICATION
- ✓ TWO-IN-ONE DASHBOARD FOR HISTORICAL OVERVIEW AND FORECASTING
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- ✓ SIMPLE GRAPH VISUALISATIONS FOR DATA EXPLORATORY AND ANALYSIS