

# ML Project: Regression and Clustering

Rakamin Academy x Kalbe Nutritionals

Created by: Yashinta Nilam Sari On September 2023





## Yashinta Nilam Sari

#### **About**

An enthusiastic undergraduate Statistics student at Universitas Padjadjaran who has strong interest in data science. Constantly look forward to learn new things in order to improve self-quality.

#### **Experiences**

Machine Learning Cohorts

(Feb - Jul 2023)

Bangkit Academy by Google, GoTo,
Traveloka

**Head of Multimedia** 

(Feb - Dec 2022) Forum Kajian Statistika Unpad

**Staff of Finance Department** 

(Feb - Dec 2022) BE Himpunan Mahasiswa Statistika Unpad



**CHALLENGE** 

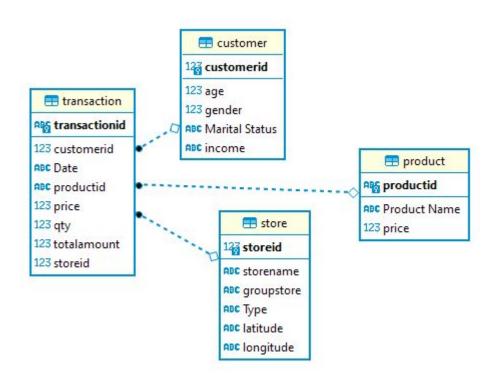


# Data Ingestion and EDA

Tools:







## ER-Diagram

```
select
    "Marital Status",
    round(avg(age),2) as "Average Age"

from
    customer

group by
    "Marital Status";
```

## **Query 1:** Berapa rata-rata umur *customer* jika dilihat dari *marital status*-nya?

	ABC Marital Status	123 Average Age
1		31.33
2	Married	43.04
3	Single	29.38

**Query 2:** Berapa rata-rata umur *customer* jika dilihat dari *gender*-nya?

<u>a</u>	ABC Gender 🔻	123 Average Age
1	Wanita	40.33
2	Pria	39.14

```
select
    s.storename,
    sum(t.qty) as "Total Quantity"

from
    "transaction" as t
inner join
    "store" as s
on
    t.storeid = s.storeid
group by
    s.storename
order by
    "Total Quantity" desc
limit 3;
```

### **Query 3:** Tentukan nama *store* dengan *total quantity* terbanyak!

	ABC storename -	123 Total Quantity
1	Lingga	2,777
2	Sinar Harapan	2,588
3	Prestasi Utama	1,395

```
select
    p."Product Name",
    sum(t.totalamount) as "Total Amount"

from
    "transaction" as t
inner join
    "product" as p
on
    t.productid = p.productid
group by
    p."Product Name"
order by
    "Total Amount" desc
limit 3:
```

**Query 4:** Tentukan nama produk terlaris dengan *total amount* terbanyak!

	ABC Product Name	123 Total Amount
1	Cheese Stick	27,615,000
2	Choco Bar	21,190,400
3	Coffee Candy	19,711,800



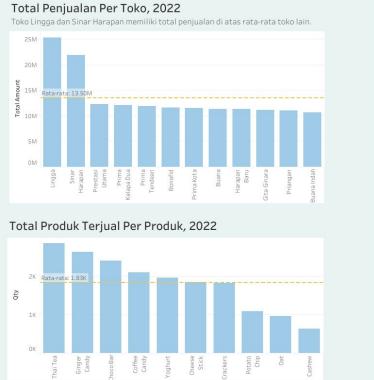
**CHALLENGE** 

# Data Visualization





Day of Date [2022]



Dashboard Tableau: Click Here



**CHALLENGE** 

3

ML Regression

Tools:







### **Problem Statements**

Goal

Know the estimated quantity of products sold, so that the inventory team can make sufficient daily inventory stock.

**Objective** 

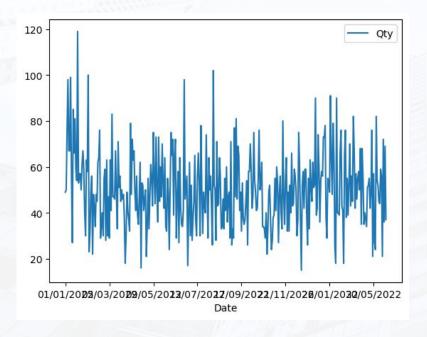
Forecast 7-day-ahead total quantity of products sold using LSTM.

**Dataset** 

Daily total quantity of products sold during 2022.

#### **INPUT DATA**





Visualization of daily total Quantity during 2022 Dataset is splitted into training and validation set (85:15) and then normalized with Min Max Scaler.

#### **MODELLING**

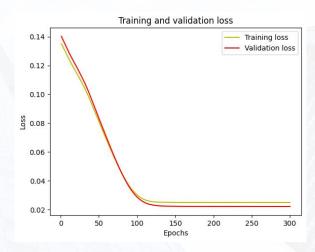


Layer (type)	Output Shape	Param
lstm (LSTM)	(None, 7, 128	) 66560
lstm_1 (LSTM)	(None, 64)	49408
dense (Dense)	(None, 128)	8320
dense_1 (Dense)	(None, 64)	8256
dense_2 (Dense)	(None, 1)	65

#### **Model architecture**

#### **Training hyperparameters**

Optimizer: AdamLearning rate: 1e-6

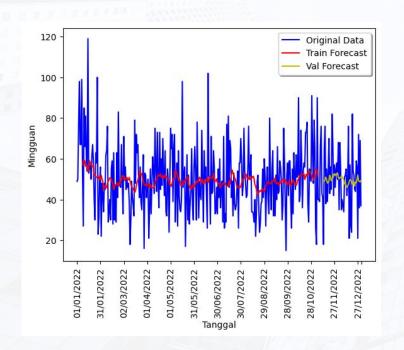


**Training and validation loss** 

Epoch: 300Batch size: 3

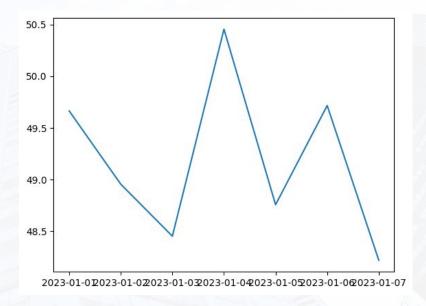
#### **RESULTS**





**Actual vs Predicted Value** 

MAE for validation set: 12.56 units



Forecasting 7-day ahead daily total quantity of products sold



**CHALLENGE** 

ML Clustering

Tools:







### **Problem Statements**

Goal

Create customer segmentation that will be used by the marketing team to provide personalized promotion and sales treatment.

**Objective** 

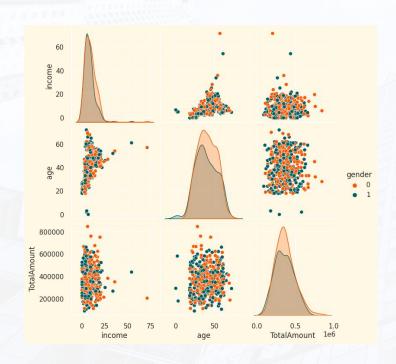
Apply K-means clustering algorithm to create customers segmentation based on their similarities.

**Dataset** 

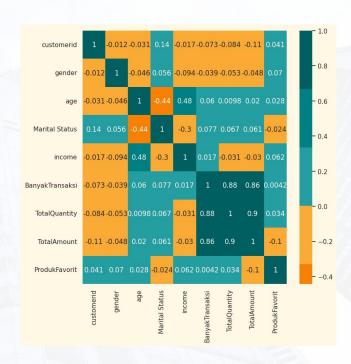
Transaction data which is merged with customer and product data. (447 rows, 1 unique identifier, 6 numerical columns, 2 categorical columns)

#### **DATA VISUALIZATION**





Distribution and scatter plots among several features



**Correlation matrix** 

#### **DATA PREPROCESSING**



#### Data Cleaning

Checking missing value

#### Data Transformation

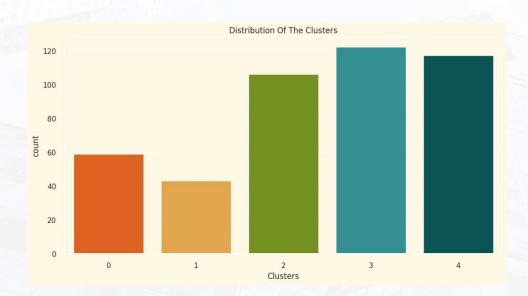
Label encoding, standardizing

## Dimensionality Reduction

PCA

#### **K-MEANS CLUSTERING**

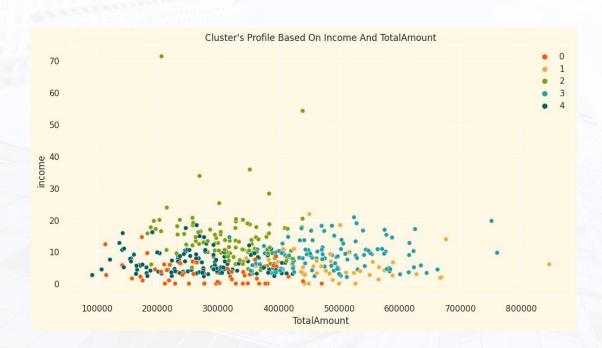




The optimal number of clusters using Elbow Methods is **5 clusters** with WCSS value of 2363.679.

#### **K-MEANS CLUSTERING**





- Low income, low to medium spending (cluster 0)
- Low to medium income, low to medium spending (cluster 4)
- Medium to high income, medium spending (cluster 2)
- Low income, high spending (cluster 1)
- Medium income, high spending (cluster 3)

#### **CLUSTER PROFILING**



# **CLUSTER 1 PROFILE**

#### TRANSACTION CHARACTERISTICS

- Number of transactions: 15 (± 2) times
- Total Quantity: 55 (± 9) products
- **Total Amount**: Rp502,081.4 (± Rp96,591.8)
- Favorite Product: Cheese Stick (12/43), Thai Tea (11/43)

#### **CUSTOMER CHARACTERISTICS**

- **Income**: 5.72 (± 4.63) million IDR
- Age: 30.07 (± 9.87) years
- Marital Status: Single (40/43)
- Gender: 25 Female, 18 Male

#### **CLUSTER PROFILING**



# **CLUSTER 3 PROFILE**

#### TRANSACTION CHARACTERISTICS

- Number of transactions: 15 (± 3) times
- **Total Quantity**: 54 (± 9) products
- **Total Amount**: Rp480,642.62 (± Rp85,498.98)
- Favorite Product: Thai Tea (21/122), Cheese Stick (20/122)

#### **CUSTOMER CHARACTERISTICS**

- **Income**: 8.72 (± 4.36) million IDR
- Age: 42.20 (± 11.40) years
- Marital Status: Married (122/122)
- Gender: 69 Female, 53 Male



#### References

- https://stackoverflow.com/questions/70420155/how-to-predict-actual-future-values
   -after-testing-the-trained-lstm-model/70421046#70421046
- https://www.kaggle.com/code/karnikakapoor/customer-segmentation-clustering
- <a href="https://www.mikulskibartosz.name/pca-how-to-choose-the-number-of-components/">https://www.mikulskibartosz.name/pca-how-to-choose-the-number-of-components/</a>

### **GitHub Repository**

https://github.com/yashintans/VIXKalbe-final-task

# **Thank You**





