Department of Computer Science and Engineering (Data Science)

Subject: Machine Learning – I (DJ19DSC402)

AY: 2022-23

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Colab Link: https://colab.research.google.com/drive/1XPme7jyd-ly_GtXfdAjB1hYkZQKiwYPQ?usp=sharing

Importing Libraries and Data:

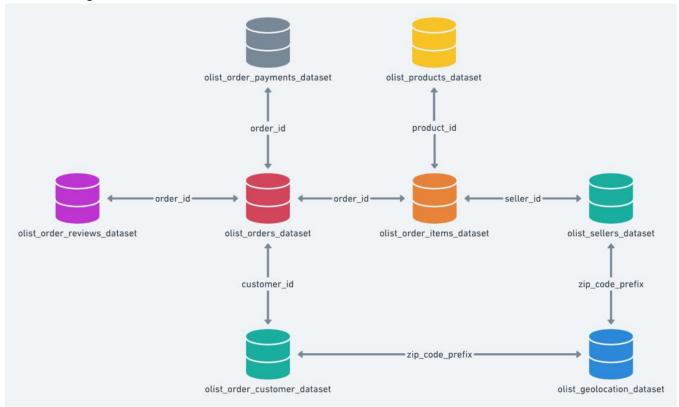
```
In [1]: import pandas as pd
   import seaborn as sns
   import matplotlib.pyplot as plt

In [2]: path = './data/'
   olist_customer = pd.read_csv(path + 'olist_customers_dataset.csv')
   olist_geolocation = pd.read_csv(path + 'olist_geolocation_dataset.csv')
   olist_order_items = pd.read_csv(path + 'olist_order_items_dataset.csv')
   olist_order_payments = pd.read_csv(path + 'olist_order_payments_dataset.csv')
   olist_order_reviews = pd.read_csv(path + 'olist_order_reviews_dataset.csv')
   olist_order_se_d.read_csv(path + 'olist_order_dataset.csv')
   olist_products = pd.read_csv(path + 'olist_order_dataset.csv')
   olist_products = pd.read_csv(path + 'olist_order_dataset.csv')
   olist_sellers = pd.read_csv(path + 'olist_sellers_dataset.csv')
   olist_sellers = pd.read_csv(path + 'olist_sellers_dataset.csv')
   olist_translation = pd.read_csv(path + 'product_category_name_translation.csv')
```

Viewing attributes of all the datasets:

```
In [3]: dfs = [olist_customer, olist_geolocation, olist_order_items, olist_order_payments, olist_order_reviews, olist_orders, olist_order_s, olist_orde
                      j = 0
for i in dfs:
    print (dfs_names[j])
    j = j+1
    print(i.shape)
    print(i.columns)
    print()
                     4
                       olist_order_items
                      olist_orders
                       olist_products
                       olist sellers
                       (3095, 4)
Index(['seller_id', 'seller_zip_code_prefix', 'seller_city', 'seller_state'], dtype='object')
                       olist_translation
(71, 2)
Index(['product_category_name', 'product_category_name_english'], dtype='object')
```

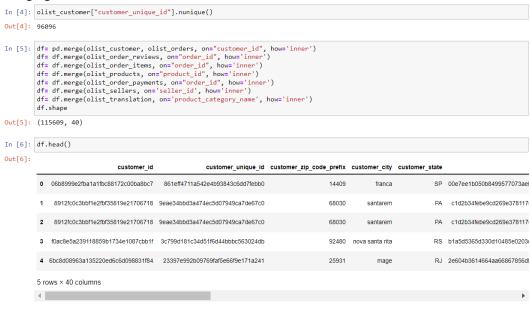
Understanding the DataScehma:



Number of unique customer ordering on olist:

```
In [4]: olist_customer["customer_unique_id"].nunique()
Out[4]: 96096
```

Merging datasets based on the above DataSchema:



Re-assigning appropriate datatypes and Renaming misspelled feature names:

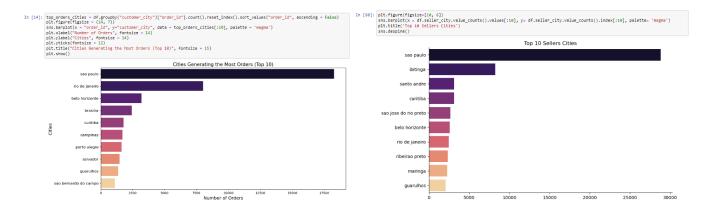
```
In [7]: df.info()
        <class 'pandas.core.frame.DataFrame'>
        Int64Index: 115609 entries, 0 to 115608
       Data columns (total 40 columns):
        # Column
                                        Non-Null Count
                                                        Dtype
        ---
            -----
                                        115609 non-null object
        0
           customer id
            customer_unique_id
                                        115609 non-null object
        2
            customer_zip_code_prefix
                                        115609 non-null int64
            customer_city
                                        115609 non-null
                                                        object
            customer_state
                                        115609 non-null object
                                        115609 non-null object
        5
            order id
                                        115609 non-null object
        6
            order_status
            order_purchase_timestamp
                                        115609 non-null
                                                        object
                                        115595 non-null object
           order_approved_at
            order_delivered_carrier_date 114414 non-null
                                                        object
        10 order_delivered_customer_date 113209 non-null object
        11 order_estimated_delivery_date 115609 non-null
                                                        object
                                        115609 non-null object
        12 review id
           review_score
                                        115609 non-null int64
        13
        14 review comment title
                                        13801 non-null
                                                        object
        15 review_comment_message
                                        48906 non-null
                                                        object
        16
           review creation date
                                        115609 non-null object
            review_answer_timestamp
                                        115609 non-null
                                                        object
        18 order item id
                                        115609 non-null int64
                                        115609 non-null
            product id
                                                        object
        19
                                        115609 non-null
            seller id
        21
            shipping_limit_date
                                        115609 non-null
                                                        object
        22
           price
                                        115609 non-null float64
        23
            freight value
                                        115609 non-null
                                                        float64
                                        115609 non-null object
            product_category_name
                                        115609 non-null
            product_name_lenght
                                                        float64
            product_description_lenght
                                        115609 non-null float64
            product_photos_qty
                                        115609 non-null
                                                        float64
            product_weight_g
                                        115608 non-null float64
                                        115608 non-null
            product_length_cm
                                                        float64
           product_height_cm
                                       115608 non-null
                                                        float64
            product_width_cm
                                        115608 non-null
                                                        float64
            payment_sequential
                                       115609 non-null
                                                        int64
            payment_type
        33
                                        115609 non-null
                                                        object
        34 payment_installments
                                       115609 non-null
                                                        int64
                                        115609 non-null
                                                        float64
            payment_value
                                                        int64
            seller_zip_code_prefix
                                        115609 non-null
        37 seller_city
                                        115609 non-null
                                                        object
        38 seller_state
                                        115609 non-null object
        39 product_category_name_english 115609 non-null object
       dtypes: float64(10), int64(6), object(24)
       memory usage: 36.2+ MB
'review_creation_date', 'review_answer_timestamp']:
           df[feature] = pd.to_datetime(df[feature], errors = 'raise', utc = False)
In [9]: df.rename(columns = {'product_name_lenght':'product_name_length',
                             'product_description_lenght':'product_description_length'}, inplace = True)
```

Missing Value Analysis and Removal:

We see that 100% of the data is present for most of the important features and the missing data is mostly due to customers choosing not to leave a review for the products they purchased and some failed deliveries. Thus, Dropping the features with high percentage of missing values

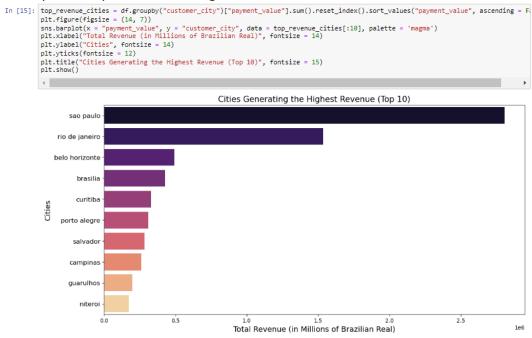
```
In [11]: df.shape
Out[11]: (115609, 40)
In [12]: Total = df.isnull().sum().sort_values(ascending = False)
         Percent = (df.isnull().sum()*100/df.isnull().count()).sort_values(ascending = False)
         missing_data = pd.concat([Total, Percent], axis = 1)
        print(missing_data)
                                        0
        review_comment_title 101808 88.062348 review_comment_message 66703 57.0000
                                                    1
        order_delivered_customer_date 2400 2.075963
order_delivered_carrier_date 1195 1.033657
                             14 0.012110
        order_approved_at
                                         1 0.000865
        product_height_cm
                                        1 0.000865
        product_weight_g
                                        1 0.000865
1 0.000865
        product_length_cm
         product_width_cm
                                         0 0.000000
        0 0.000000
        payment_sequential
         freight_value
                                      0 0.000000
0 0.000000
0 0.000000
        payment_type
        payment_installments
         payment_value
                                      0 0.000000
0 0.000000
        seller_zip_code_prefix
        seller_city
                                        0 0.000000
0 0.000000
         seller_state
        product_category_name
        seller_id
                                         0 0.000000
                                          0 0.000000
         price
        0 0.000000
        customer_state
         order_id
                                         0 0.000000
        order_status
                                          0.000000
                                        0 0.000000
0 0.000000
        order_purchase_timestamp
         review_id
                                       0 0.000000
0 0.000000
0 0.000000
0 0.000000
0 0.000000
         shipping_limit_date
        review_score
         review_creation_date
         review_answer_timestamp
        order_item_id
         product_id
                                         0 0.000000
         customer_unique_id
                                          0.000000
         product_category_name_english
                                         0 0.000000
In [13]: df.drop(['review_comment_title', 'review_comment_message'], axis = 1, inplace = True)
```

Knowing and understanding your major markets can be a huge deal for e-commerce businesses and thus we plot the top 10 cities that are generating the highest orders



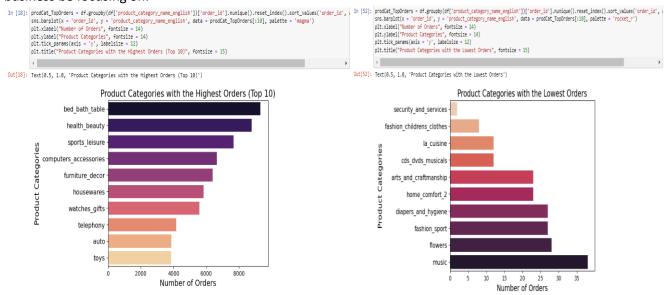
We can clearly see that most of the orders are coming from Brazil's biggest metropolitan cities - Sao Paulo and Rio de Janerio, while most sellers are located in sao paulo and ibitinga, this can be a major insight to improve logistical operations.

Similarly lets analyse the cities that generate most revenue



As expected, the cities that generated the most orders, also generated the most revenue.

Understanding Product categories can be of great importance so as to understand which products should the business be focusing on:

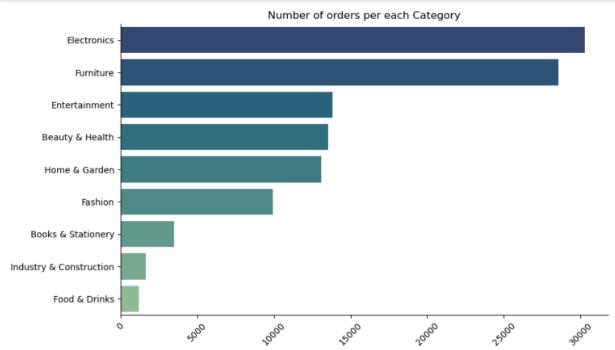


The best Product category are bed_bath_table and the worst is security_and_services. But since here many categories can be grouped into one major category to simplify our understanding we do so manually.

```
In [20]: def classify_cat(x):
              if x in ['office_furniture', 'furniture_decor', 'furniture_living_room', 'kitchen_dining_laundry_garden_furniture', 'bed_bat
                 return 'Furniture'
             elif x in ['auto', 'computers_accessories', 'musical_instruments', 'consoles_games', 'watches_gifts', 'air_conditioning', 'te
                 return 'Electronics
              elif x in ['fashio_female_clothing', 'fashion_male_clothing', 'fashion_bags_accessories', 'fashion_shoes', 'fashion_sport',
                 return 'Fashion
             elif x in ['housewares', 'home_confort', 'home_appliances', 'home_appliances_2', 'flowers', 'costruction_tools_garden', 'gardent'
return 'Home & Garden'
             elif x in ['sports_leisure', 'toys', 'cds_dvds_musicals', 'music', 'dvds_blu_ray', 'cine_photo', 'party_supplies', 'christma
                 return 'Entertainment
             elif x in ['health_beauty', 'perfumery', 'diapers_and_hygiene']:
                 return 'Beauty & Health'
             elif x in ['food_drink', 'drinks', 'food']:
                 return 'Food & Drinks'
             elif x in ['books_general_interest', 'books_technical', 'books_imported', 'stationery']:
                 return 'Books & Stationery'
             elif x in ['construction_tools_construction', 'construction_tools_safety', 'industry_commerce_and_business', 'agro_industry_
                 return 'Industry & Construction'
         df['product_category'] = df.product_category_name_english.apply(classify_cat)
```

Now we can observe in the below bar chart that the Electronics is the best performing category followed by Furniture while Foods and Drinks have the least amount of orders on the E-commerce platform





Analysing times at which the customer is likely to order from the platform



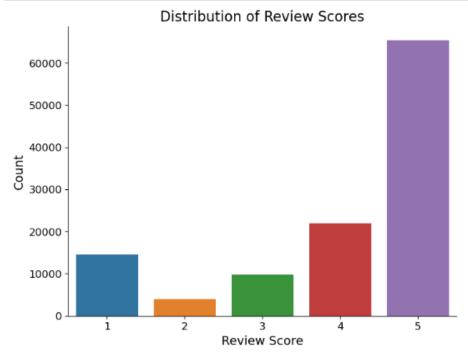
We observe that the amount of orders pouring in on Monday to Wednesday is significantly larger than the remaining half of the week.

This can be a useful insight when arranging the logistics for delivery.

And the hourly engagement of orders can be useful if the E-commerce platform focuses on increasing its Food&Drink Product Category by providing one-day or faster deliverys

While we are on the matter of delivery lets take into account reviews and Delivery times, as these are some quantitative factors that affect customer satisfaction:

```
In [24]: # Distribution of review scores
plt.figure(figsize=(8, 6))
sns.countplot(x='review_score', data=df)
plt.title('Distribution of Review Scores', fontsize=16)
plt.xlabel('Review Score', fontsize=14)
plt.ylabel('Count', fontsize=14)
plt.tick_params(axis='both', which='major', labelsize=12)
sns.despine()
plt.show()
```

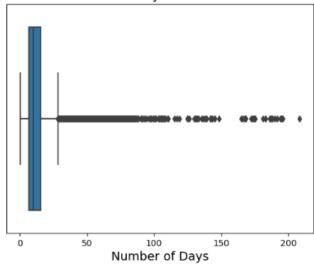


We can observe that customers are mostly satisfied as there are large number of 4 and 5 Star reviews

To measure Delivery times,

```
In [28]: |deliveryTime = (df["order_delivered_customer_date"] - df["order_purchase_timestamp"])
          deliveryTime_Seconds = deliveryTime.apply(lambda x: x.total_seconds())
df['deliveryTime_Days'] = round(deliveryTime_Seconds/86400, 2)
In [29]: df['deliveryTime_Days'].describe()
Out[29]: count
                     113209.000000
                         12.442129
           std
                          9.356006
                          0.530000
           25%
                          6.740000
           50%
                         10.190000
           75%
                         15.500000
                        208.350000
           Name: deliveryTime_Days, dtype: float64
In [30]: sns.boxplot(df.deliveryTime_Days, orient = 'h', showfliers = True)
          plt.xlabel("Number of Days", fontsize = 14)
plt.yticks([])
           plt.title('Distribution of Delivery Time Across All Orders', fontsize = 15)
           plt.show()
```

Distribution of Delivery Time Across All Orders



We can some to the conclusion from the Box and Whisker Plot, that on an average a delivery takes 12 days to reach the customer, which is significantly slower by modern standards.

We can also observe a huge amount of Outliers in the Box Plot pointing towards inconsistent Delivery Times

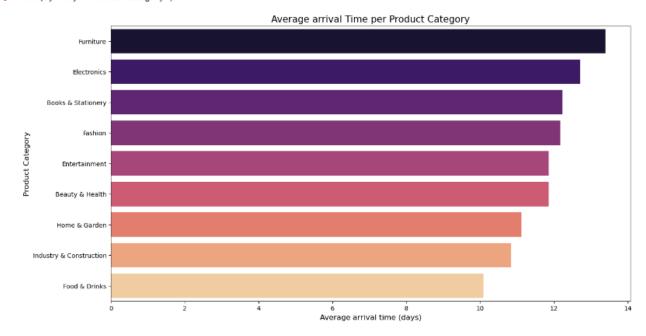
Plotting Average arrival / Delivery times for each product Category:

```
In [86]: df['arrival_days'] = (df['order_delivered_customer_date'].dt.date - df['order_purchase_timestamp'].dt.date).dt.days

# Group product category by average arrival time
ship_per_cat = df.groupby('product_category')[['arrival_days']].mean().sort_values(by='arrival_days', ascending=False)
ship_per_cat.reset_index(inplace=True)

plt.figure(figsize=[15, 8])
sns.barplot(x = ship_per_cat.arrival_days, y= ship_per_cat.product_category, palette= 'magma')

plt.title('Average arrival Time per Product Category', fontsize= 15)
plt.xlabel('Average arrival time (days)',fontsize= 12)
plt.ylabel('Product Category', fontsize= 12)
Out[86]: Text(0, 0.5, 'Product Category')
```



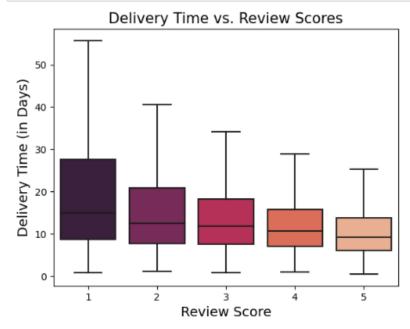
We can observe that the Best Performing Categories of Furniture and Electronics have Delivery times equal to or greater than the average, this could be a huge drawback going further as many of the customers will be experiencing slow delivery times.

Also to increase orders and thus revenue from the Food&Drinks Category we need to significantly shorten delivery durations to deliver foods that can be perceived fresh by the customer,

Also faster delivery times in this category would mean customers will more likely to be order Food & Drinks to satisfy their impulsive cravings, thus boosting revenue.

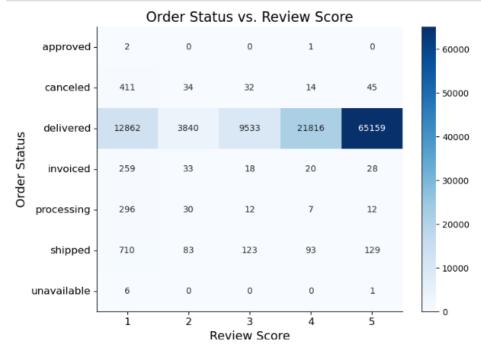
Now lets take a look at how Delivery time affect Review Scores:

```
In [33]: sns.boxplot(x = "review_score", y = "deliveryTime_Days", data = df, showfliers = False, palette = 'rocket')
plt.xlabel("Review Score", fontsize = 14)
plt.ylabel("Delivery Time (in Days)", fontsize = 14)
plt.title("Delivery Time vs. Review Scores", fontsize = 15)
plt.show()
```



As observed in the above Box Plot, there's a slight correlation between delivery times and review scores. The longer it takes for an order to be delivered, the more likely it is to receive a low review score.

```
In [78]: # Contingency table of order status vs. review score
cont_table = pd.crosstab(df['order_status'], df['review_score'])
plt.figure(figsize=(8, 6))
sns.heatmap(cont_table, cmap='Blues', annot=True, fmt='d')
plt.title('Order Status vs. Review Score', fontsize=16)
plt.xlabel('Review Score', fontsize=14)
plt.ylabel('Order Status', fontsize=14)
plt.tick_params(axis='both', which='major', labelsize=12)
sns.despine()
plt.show()
```



We can observe that the proportion of negative reviews for a cancelled order or a order that shows shipped/invoiced/processing as its order status is significantly high and is a sign of unsatisfied customers.

On classifying the delivers into On-time and Late we can observe that 91.7% of deliveries only make it on time, which is a number that needs improvement to improve customer retention:

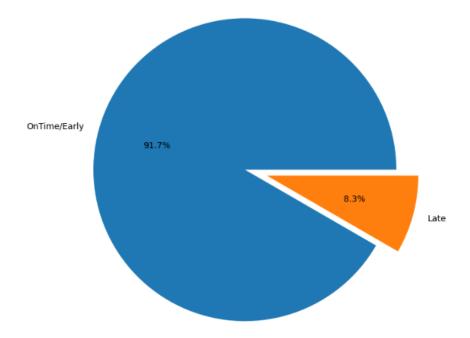
```
In [34]: df['seller_to_carrier_status'] = (df['shipping_limit_date'].dt.date - df['order_delivered_carrier_date'].dt.date).dt.days

# Now calssify the duration into 'OnTime/Early' & 'Late'
df['seller_to_carrier_status'] = df['seller_to_carrier_status'].apply(lambda x : 'OnTime/Early' if x >=0 else 'Late')

In [35]: # First get difference between estimated delivery date and actual delivery date in days
df['arrival_status'] = (df['order_estimated_delivery_date'].dt.date - df['order_delivered_customer_date'].dt.date).dt.days

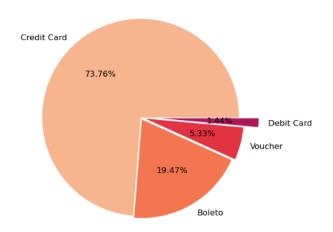
# Now Classify the duration in 'OnTime/Early' & 'Late'
df['arrival_status'] = df['arrival_status'].apply(lambda x : 'OnTime/Early' if x >=0 else 'Late')

In [36]: plt.figure(figsize=[30,8])
Values = df.arrival_status.value_counts().values
Labels = df.arrival_status.value_counts().index
plt.pie(Values, explode=(0.05, 0.1), labels= ['OnTime/Early', 'Late'], autopct='%1.1f%%')
plt.show()
```

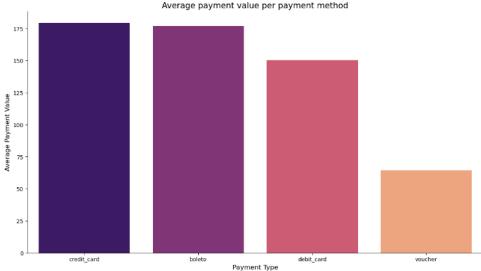


The e-commerce platform has multiple payment methods available, the way in which customers pay can indicate customer preferences and point out customer traits:

Payment Methods

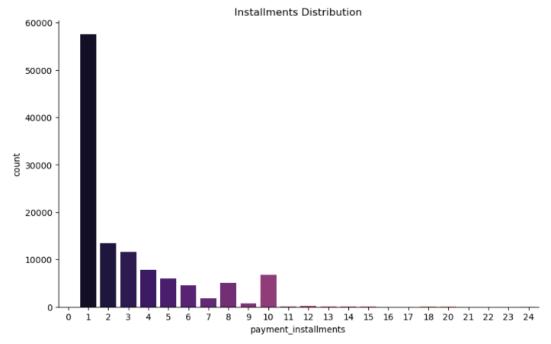






We can observe that the even though a significantly more amount of customers pay via credit_card over Boleto, the average payment value per payment method is approximately the same for both but credit_card fees that are payable to the service providers are likely to eat away a chunk of the profits.

```
In [79]: plt.figure(figsize=[10, 6])
    sns.countplot(x = df.payment_installments, palette= 'magma')
    plt.title('Installments Distribution')
    sns.despine()
```



We can observe here that a significant number of customer pay in installments ranging from 1-12

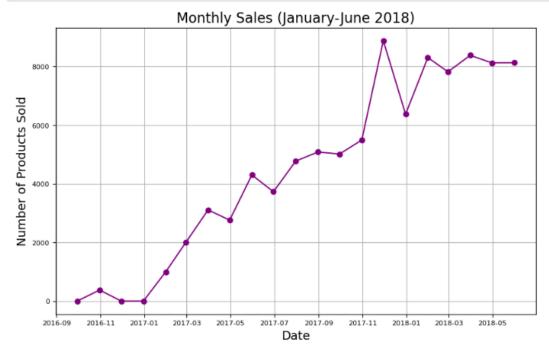
Analysing Revenue and Sales:

```
In [40]: monthly_sales = df.resample('M', on='order_purchase_timestamp')['order_item_id'].count()
    monthly_sales = monthly_sales['2016-01':'2018-05']

plt.figure(figsize=(10,6))
    plt.plot(monthly_sales.index, monthly_sales.values, '-o', color='purple')

plt.title('Sales', fontsize=16)
    plt.xlabel('Date', fontsize=14)
    plt.ylabel('Number of Products Sold', fontsize=14)

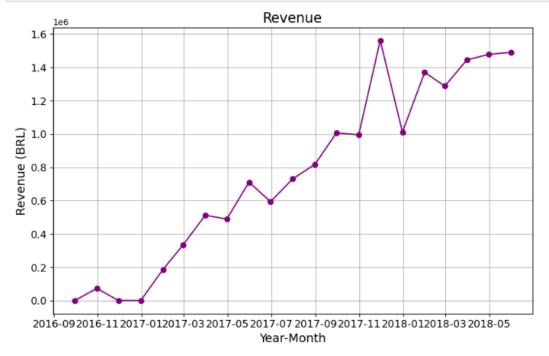
plt.grid(True)
```



There was a huge growth in the sales from 2016 to 2017, hitting its peak in the end of 2017 after which the sales fell down and became inconsistent.

With a major hit in sales observed in the start of a 2018 right after the company made record sales.

A similar trend can be observed in the Revenue:



Although Revenue is constantly growing after the dip in the beginning of 2018/04 to 2018/06 in spite of a sales being a little low throughout this period, this might indicate organizational efficiency and improved margins in the business.