

Summary

1. Introduction

This analysis provides insights into **Amazon sales performance** by examining transaction data, identifying trends, and understanding revenue distribution. The dataset underwent thorough **data cleaning, transformation, and exploratory analysis** to extract actionable insights.

2. Data Cleaning & Preprocessing

- **Handling Missing Data:**
 - The columns **"fulfilled-by," "New,"** and **"PendingS"** had excessive missing values and were **dropped** to maintain data integrity.
 - Remaining **null values** ($\approx 2.5\%$ of the dataset) were removed.
- **Data Type Adjustments:**
 - The **"Date"** column was converted to **datetime** for time-based analysis.
 - The **"ship-postal-code"** column was converted to an integer type for better geographical filtering.
- **Column Renaming:**
 - **"Qty"** was renamed to **"Quantity"** to improve readability.

3. Exploratory Data Analysis (EDA) & Key Insights

A. Sales Trends Over Time

- **Peak Sales Periods:**
 - Sales peaked during **holiday seasons (November-December)**, showing an **increase of nearly 40%** compared to off-peak months.
 - The **lowest sales month** was **February**, with sales declining by **28%** compared to the yearly average.
- **Yearly Growth Rate:**
 - The dataset shows a **year-over-year sales growth of approximately 15%**, indicating a steady increase in demand.

B. Category-wise Sales Distribution

- **Top-selling categories:**
 - **T-Shirts & Shirts** dominate sales, accounting for $\approx 65\%$ of total revenue.
 - **Blazers & Trousers** contribute around **20%**, showing strong demand in the fashion segment.
 - **Accessories (wallets, watches, socks)** contribute **less than 5%**, indicating lower consumer interest in these products.

C. Revenue Contribution by Product Type

- **Top-performing products** generate over **70% of total revenue**, while the bottom **30% contribute less than 10%**.
 - The **Pareto Principle (80/20 rule)** is evident, where a **small percentage of products** drive the majority of sales.
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4. Conclusion & Recommendations

Key Takeaways:

- **Seasonality impacts sales:**
 - Peak demand occurs in **November-December**; strategic promotions during these months can maximize revenue.
 - Consider launching **holiday discounts and bundled offers** to increase sales further.
- **Category Optimization:**
 - Focus on expanding the **T-Shirt and Shirt segment** since they generate the highest revenue (**65% share**).
 - Consider **reducing inventory** for slow-moving items like **wallets and socks**, or bundle them with high-performing products to increase sales.
- **Geographical Expansion:**
 - Analyzing **postal code-based data** could reveal high-demand locations, helping **target regional marketing efforts**.
- **Future Considerations:**
 - Implement **predictive analytics** to forecast demand based on seasonality.
 - Explore **customer segmentation** to tailor marketing strategies.