AMAZON COFFEE TABLES

Analysis of Amazon top coffee table listings
Barbara Chen
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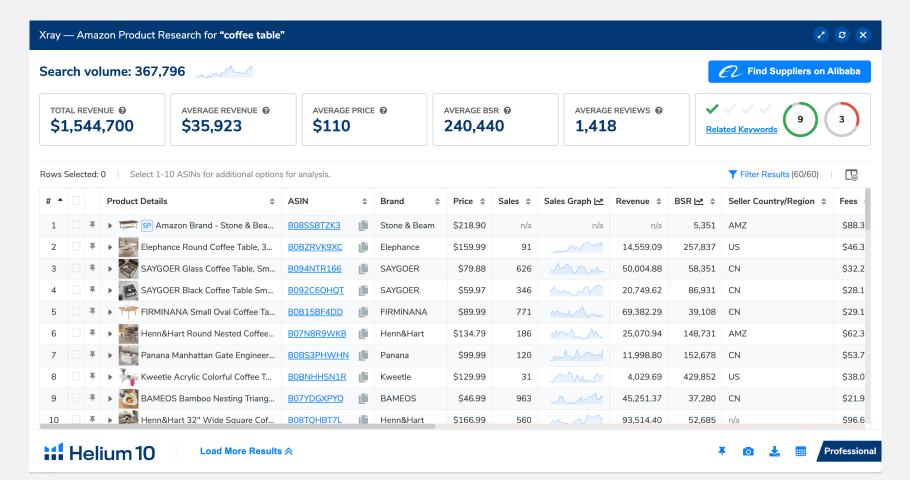
BACKGROUND

- A dear friend plans to establish a new Amazon business to sell furniture, with the first line of product being coffee tables.
- She asked me to analyze the top product listings related to coffee tables identify common features shared by products which generate high revenue.

DATA

- Source: Amazon & Helium Xray (popular tool used by many Amazon sellers)
- Helium Sales Xray data on the top 120 results for 8 different search terms
 - Search terms: "coffee table", "nightstand", "side table", "end table", "bedside table", "sofa table", "living room table", "accent table"
 - Xray data: price, sales, revenue, ratings, number of reviews, etc.
- Product dimension and color

search term	search volume	
coffee table	358,200	
nightstand	182,946	
side table	124,688	
end table	84,740	
bedside table	45,397	
sofa table	24,978	
living room table	17,572	
accent table	11,560	



DATA LIMITATIONS

- Revenue is an estimation provided by Helium IO Xray
- Missing revenue estimation for certain products
- No detailed customer review (only ratings)
- Search result may change from day to day

PROCESS

- Divide products based on their revenue
- Identify differences between revenue groups
 - Primary focus: price, dimension, color/material, effective search terms

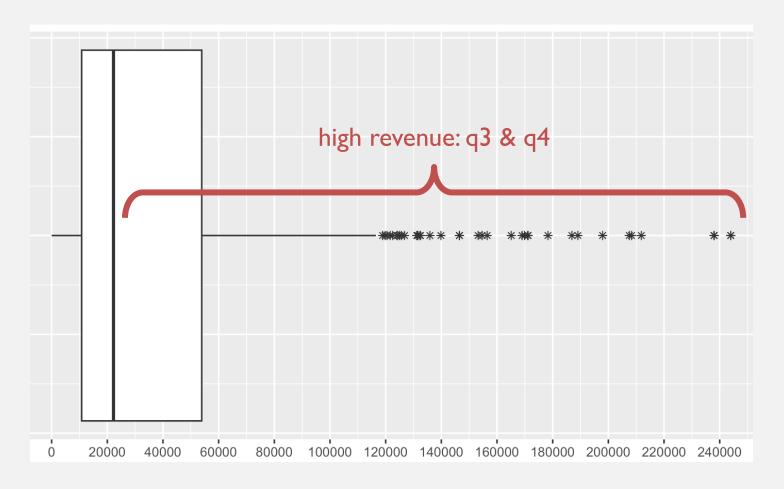
FINDINGS

- There is no **one** significant feature that distinguishes products in different revenue groups.
- Popularity does not equate high revenue.

REVENUE

- Several extremely high revenue (outliers)
- Separate products based on revenue quartiles
 - Center of the data less affected by extreme outliers
- Define: high revenue = q3 & q4

revenue group	revenue range	
q l (lowest 25%)	~ \$11200	
q2 (25%~50%)	~ \$23300	
q3 (50%~75%)	~ \$56450	
q 4 (top 75%)	~ \$951600	

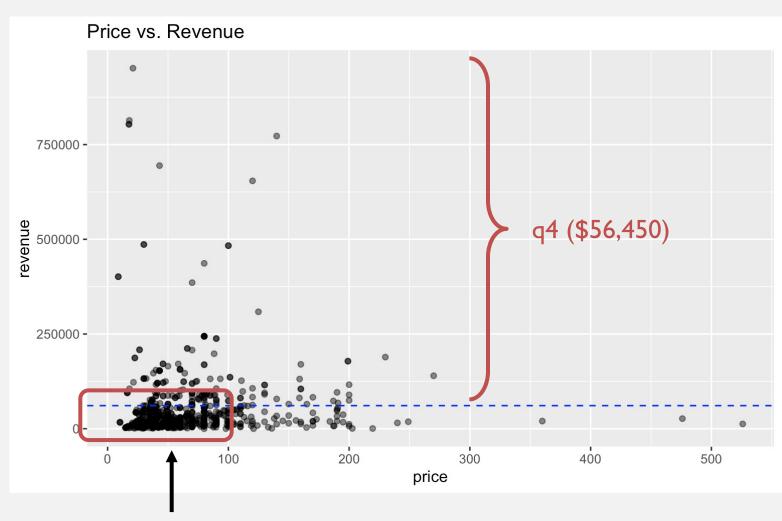


PRICE

- No correlation between price and revenue
- A cluster of products with low prices and low revenue
- Looking at q4, there is a wide range of prices

Hypothesis:

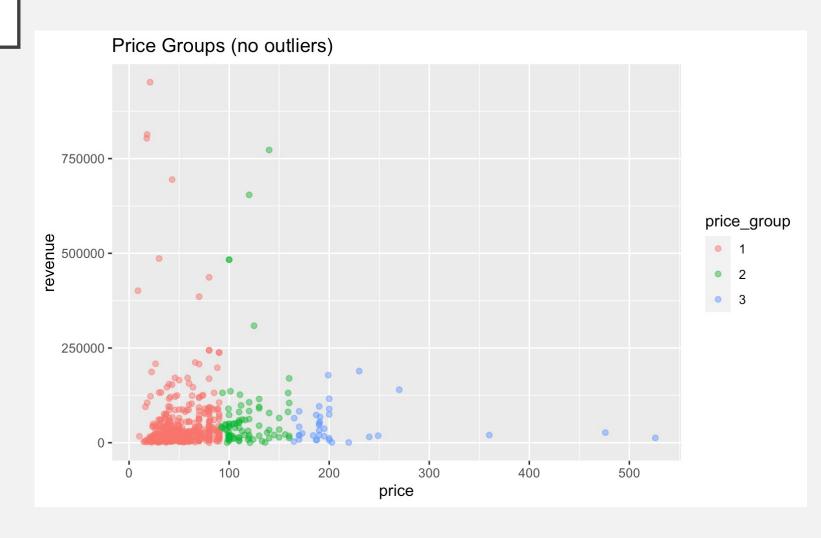
Because the majority of the prooducts are less than \$100, there is a lot of competition. Instead, focus on mid-high price range (\$90-\$160).



Lot's of competition with low-priced items

PRICE

price group	price range	listings
 (lower 75%)	\$0 - \$90	392
2 (75%~90%, no outliers)	\$90 - \$160	85
3 (outliers)	\$160 +	44

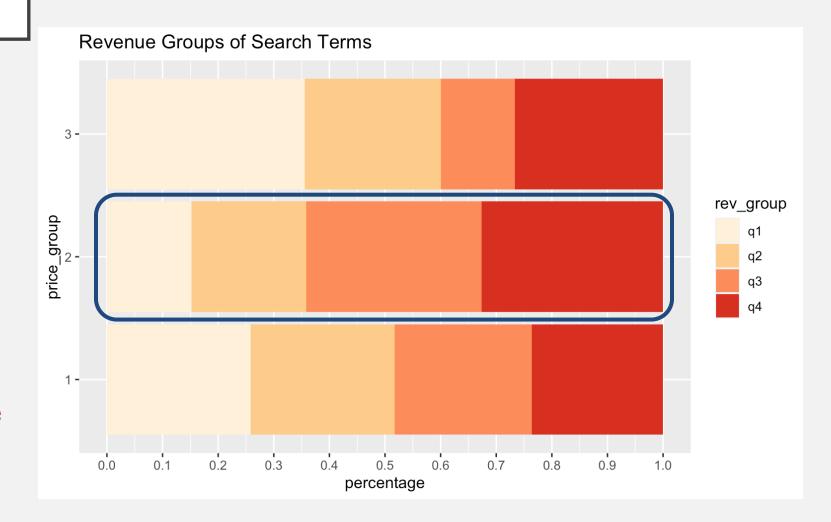


PRICE

- group I
 - 50% with high revenue
- group 2
 - **65**% with high revenue
 - Only 15% in q1
- group 3
 - 40% with high revenue
 - 25% in q1

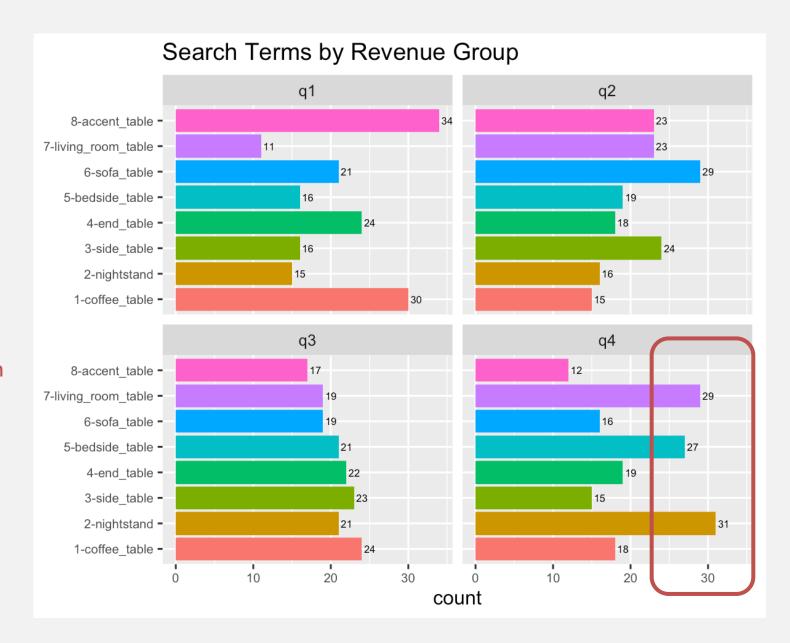
Conclusion:

Price group 2 (\$90-\$160) is the best performing in terms of revenue.



SEARCH TERM

- Despite being the most popular search term, 'coffee table' is not the best performing in terms of revenue
 - 30 products in q1
 - Only 18 products in q4
- Most effective search terms:
 - Nightstand, bedside table, living room table
 - Search terms with by far the most products in q4

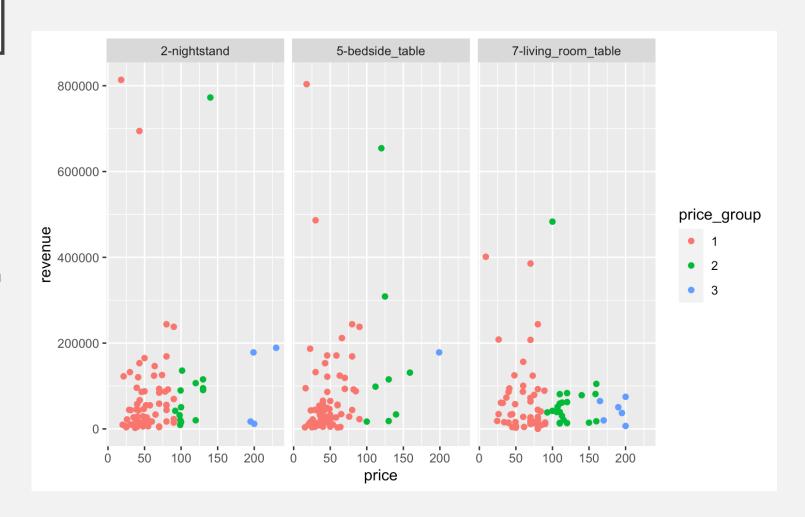


SEARCH TERM

- Nightstand & bedside table
 - Lower prices
 - Few products in price group 2
- Living room table
 - Higher prices
 - More products in price group 2 than the other search terms

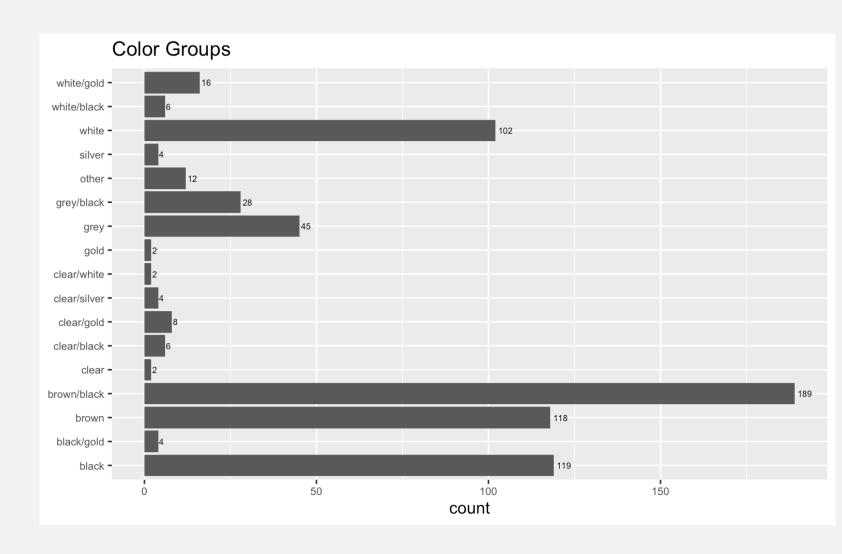
Conclusion:

'Living room table' is the most effective search term for midhigh price range.



COLOR

- Most popular colors:
 - I. Brown/black (wood + metal)
 - 2. Black
 - 3. Brown
 - 4. White
 - 5. Grey
 - 6. Grey/black
- Focus on these six colors

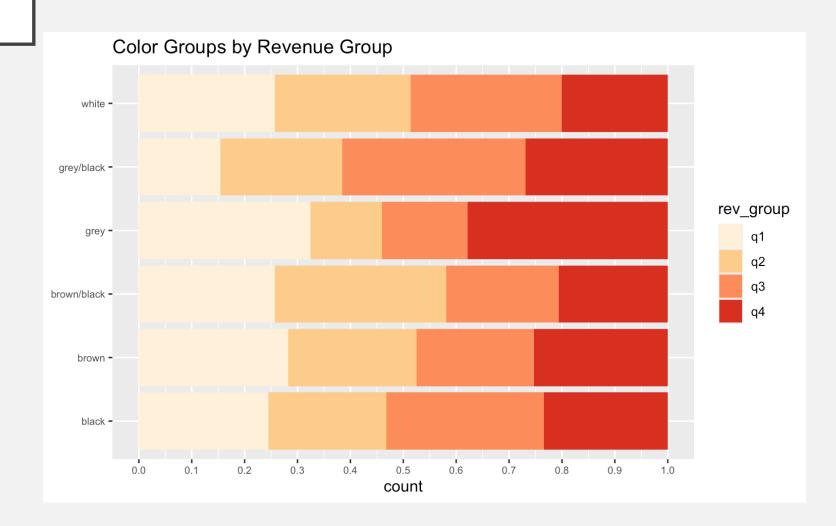


COLOR

- Grey and grey/black
 - Least common colors among this group
 - Over 50% with high revenue
 - Risky: 30% of grey in q1
- Black
 - Pretty even distribution among all revenue groups
- Brown/black and brown
 - Most common color but not necessarily high revenue

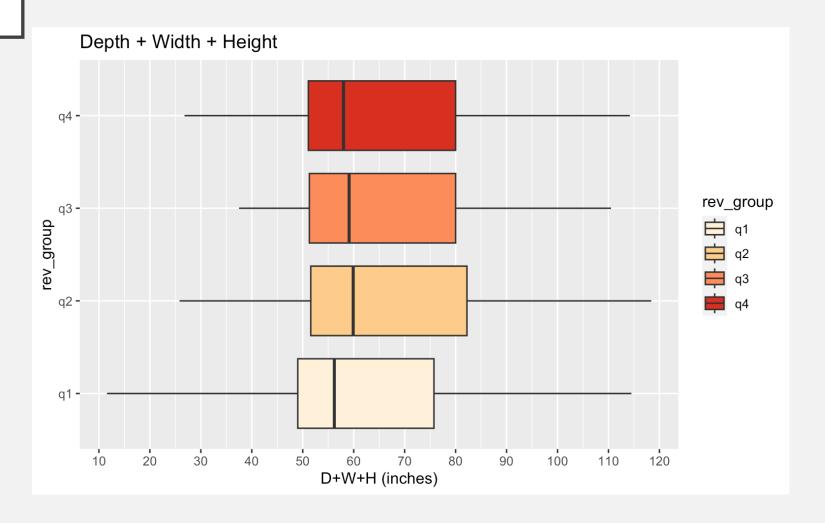
Conclusion:

Grey/black or black could be good colors. Grey is also a good option though a bit risky.



SIZE

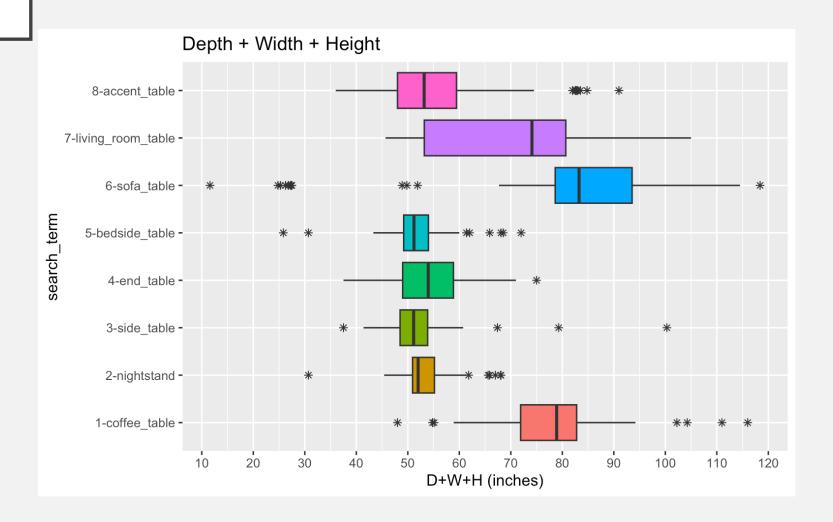
- No correlation between size and revenue
- D+W+H: 50~80 inches



SIZE

Focusing on key search terms:

- Living room table:
 - Wide range of sizes
 - D+W+H: 50~80 inches
- Bedside table and nightstand:
 - Smaller range of sizes and tends to be on the small end
 - D+W+H: 50~60 inches



RECOMMENDATIONS

- Mid to high price range (\$90-\$160)
- Avoid the most popular feature as there is too much competition. Instead, focus on smaller markets and target less popular search terms.
 - Recommended search term: living room table, nightstand
 - Recommended color: grey, grey/black, black
 - Recommended size: D+W+H: 50~80 inches