

# Shopping With Amazon

## *Predictive Model Implementation*

*For: Amazon Inc.*

*By: JE Consulting*

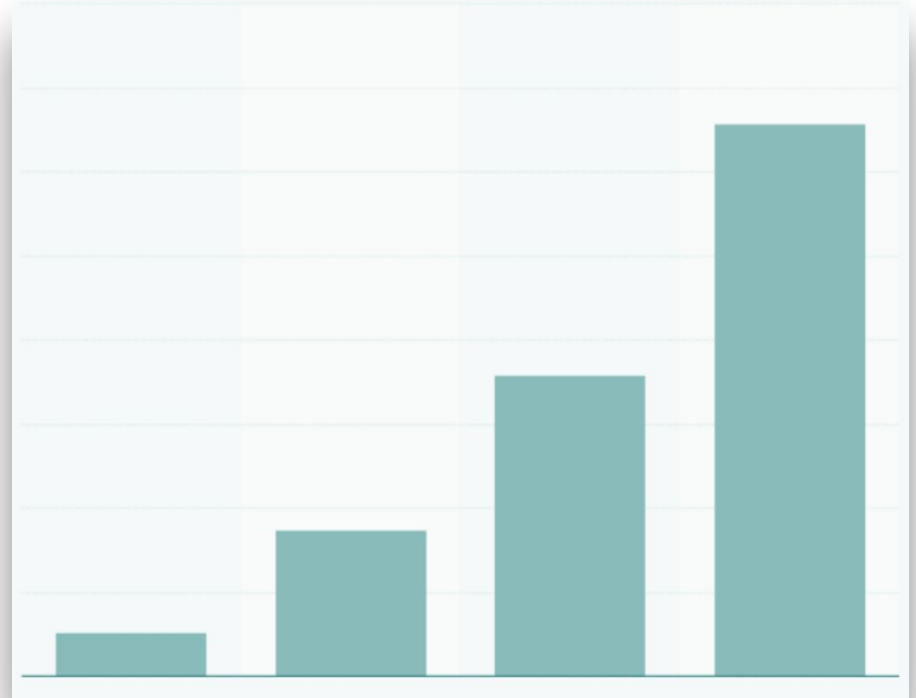


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## The Question

Can Amazon further maximize revenue with the implementation of a classifier algorithm?





## The Idea

- Real-time analytics
- Model predictions
- Promotional Offers: Yes, No

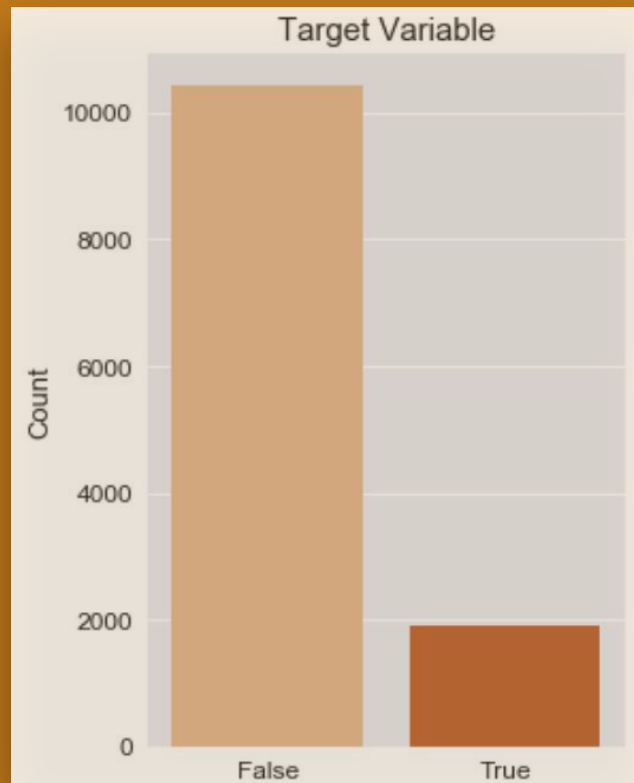


# The Data

## Key Features:

- *Product Related and Product Related Duration*
- *Special Day*
- *Operating System*
- *Browser*
- *Region*
- *Visitor Type: returning or new visitors*

**Target:** *Revenue*



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# The Model



*Binary Classification*



## The Cost Benefit

We assessed Amazon Inc. will benefit from the implementation of a classification model via the following :

- \$23.89 on average of additional revenue per shopping session
- Roughly \$286,680 of additional revenue per the next 12,000 shopping sessions

Caveats:

- Above figures do not factor in development and implementation costs
- Above figures are based upon loose financial analysis
- Above figures are based on provided training data



# The Recommendations

## Extract Further Visitor Data:

- Visitor location based on IP address
  - Or visitor zip codes
- Visitor purchase history, i.e., has this user made purchases in the past X number of days, weeks, months
- Visitor login history
- Visitor age & sex
- Returning visitors previous transaction size

## Further Financial Analysis

## Careful Consideration with Implementation

*\* Run Additional Classifier Algorithms*



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# The End Questions?



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