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How Data Science has helped Amazon to be the world's PRIME?

Do you think you know about data science? See how Amazon has a whole business model based on it!

It's being four months since you bought that top. I saw this notification while working in the office when my phone beeped and then what happened was obvious. I found myself deprived of self-love and thought of ordering the one which is there in my carts since ages(okay.. a week :p).

According to the sources, more than half of new businesses fail during the first year. 50% startup during the first five and 66% of them in the first 10. The main reason for this failure is that Startups involves huge risk and there is a lack of innovation by the employees as well as the employer(sometimes).

Talking about Amazon, it is an American multinational technology company based in Seattle, Washington. Its focus is on e-commerce, cloud computing, digital streaming and artificial intelligence. It is the part of one the Big Four Technology companies along with Google, Apple and Facebook and the main reason for all these companies to rule the world is INNOVATION. Unlike, any other company, it is always two steps ahead and understand the customers.

How Amazon uses Data Science:-


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How Amazon uses Data Science

Uses
recommendation
based system(RBS)

Tracking the user
to understand
the mindset

Understands
the technicalities
(habits)

Faster process
of shipping

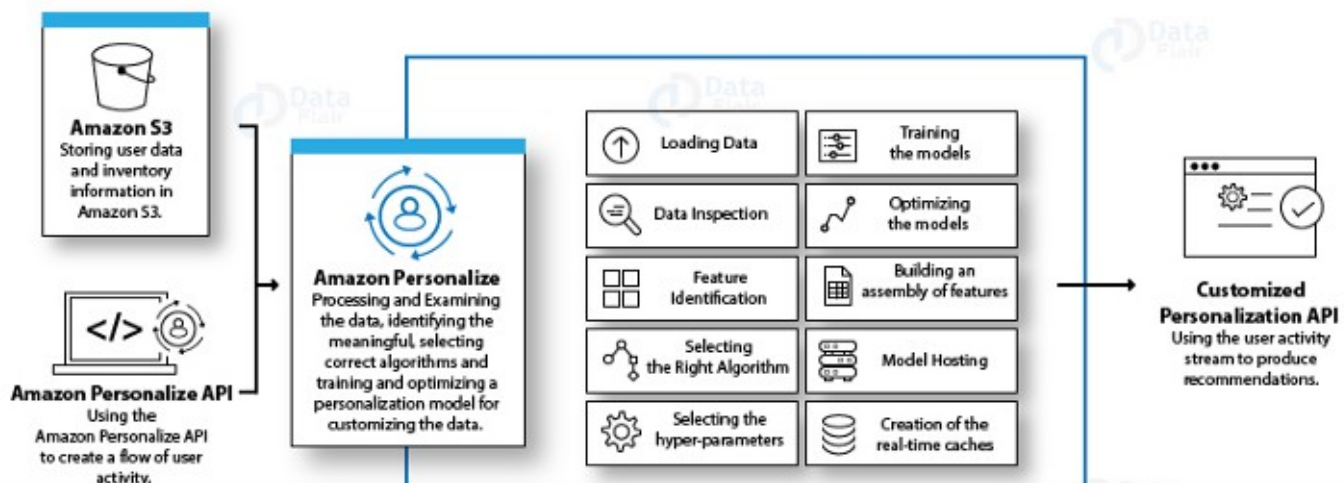
Predictive analytics
Drones



1) Uses recommendation based system(RBS) -

Through this technology, it gathers data from their customers (Can also be called Big Data). The more data they have the better it is for them because once they understand what the user wants, they then streamline the process and try to encourage the customers to purchase the products. RBS seeks and predicts the “rating” or “preference” a user would give to an item.

Amazon's Recommendation Engine



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done with the help of collaborative filtering. It tries to build a profile of you while you search for the products. It has many such profiles and through the help of collaborative filtering, it serves you with the product that similar profile people have purchased.

You can also study **how the top 5 companies (apart from Amazon) are implementing the Data Science Technology**. Check out [Data Science Use Cases that are Changing the World](#).

(2) Tracking the user to understand the mindset-

It has track of almost everything- starting from your needs, what you have searched , what you will need in future, your personal details (like contact number and address) and through the address it also tries to understand the income level of the user, so that it can understand what products to offer and what not. It also keeps a check on the feedback habits and studies that as well.

(3) Understands the technicalities(habits)-

Amazon tries to understand the habits and the time one devotes to each platform for browsing. The external database is also being used. All this is handled from its central data warehouse of Amazon.

(4) Faster process of shipping-

Amazon has made the process of shipping a lot easier. Through the help of big data analytics insights, it has reached through a position where it can predict who will order what and when. This has increased the experience of online shopping. The reason for this is that Amazon wants to be able to deliver products faster. This is done by:

(I) Predictive analytics:

This helps to ensure that the right items are in stock, based on past buying patterns as well as social media analytics and weather predictions. This has definitely made

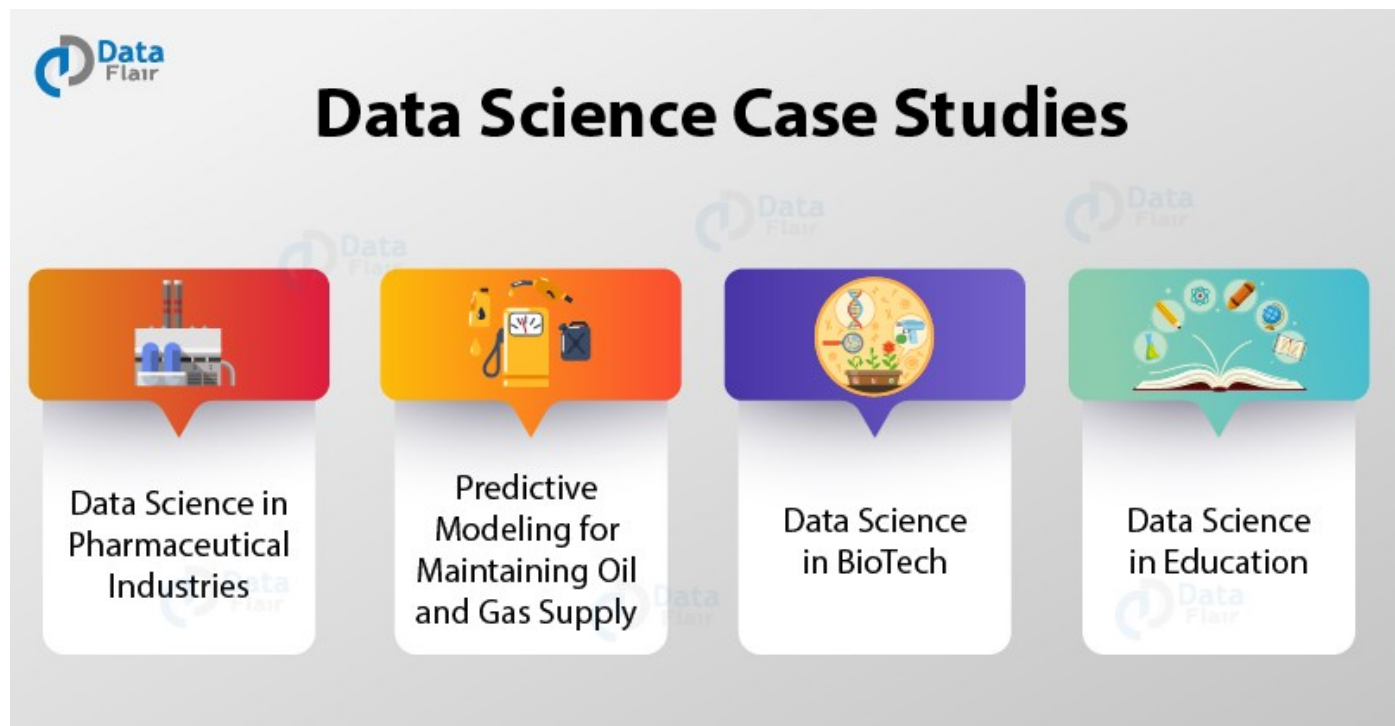
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This “air mail” has yet to reach the mainstream but as with everyone, there is some roadblock to its success. The cost is high, all we can do it is to wait for the new technology and keep looking up in the sky.

It is the right time to explore more about Big Data — [Learn everything about Big Data through industry experts.](#)

This shows how Data Science technology is taking over and how commercial companies can make predictions which are accurate. The products which one will order will be delivered to him/her in no time.

It is not only e-commerce that is gaining advantage from this technology. There are many industries which are also using this technology in the most efficient way. You can learn about them by reading this- [Data Science Case Studies.](#)



News from Amazon India stated that it is going to hire for more than 2,000 roles-tech and non-tech roles will be offered across its various divisions in the country. This will include Amazon.com, Amazon Web Services, Amazon.in and its Devices division.

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But, like every coin has two sides, so does this e-commerce website. The thing which freaks me out as an individual is that I am concerned to tell a company what is on my phone. Here you might raise a question that many other companies are aware of your data. But, telling some companies about your friend's list and your music choices is far more different than sharing your spending habits (**Dwell here for a moment!**).

You can also check out [Data Science at Netflix](#) for some more Gyaan.:D

Clear with the concept? Tell me your thoughts on this through comments.

Don't forget to give me your 🙌 !

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