

Flipkart Marketplace Performance & Operational Insights

Analysis of Products, Sellers, Pricing, and Operations

PAGE 1: Performance Overview

Top 20 Products by Revenue (Table):

- **Key Finding:** The 10 products that sell the most bring in a very large share of all revenue, showing that just a few products drive most of the marketplace's income. This means that these few products are extremely important for the business. If they sell well, the marketplace does well. If they have issues, overall revenue could drop.

Recommendation:

- Short-term: Make sure these top products are always available and visible to customers.
- Medium-term: Regularly check their prices and sellers to keep them performing well.

Revenue and Units Sold by Category (Combo Column Chart):

- **Key Finding:** Toys sell the most products and bring in the most revenue, while Beauty products earn a lot of money but sell fewer items. Premium categories like Beauty and Fashion make money per item but could sell more if promoted better.

Recommendation:

- Short-Term: Promote Beauty products to increase the number of items sold.
- Medium-Term: Promote Beauty products to increase the number of items sold.

Top 5 Brands by Revenue (Bar Chart):

- **Key Finding:** A few brands, like Nike, Adidas, Puma, bring in most of the revenue, while smaller brands contribute less. Top brands are very important for overall sales. Their performance has a big impact on the marketplace.

Recommendation:

- Give marketing support and ensure stock for top brands to keep revenue high
- Monitor smaller brands to see if they need support or if some products should be replaced.

Revenue by Seller City (Map Chart):

- **Key Finding:** Pune and New Delhi generate the highest revenue, while Bengaluru and Kolkata generate the lowest. Some cities are bringing in much more money than others. Cities with lower sales may need extra attention to grow revenue.

Recommendation:

- Short-term: Run special campaigns or offer seller incentives in lower-revenue cities like Bengaluru and Kolkata.
- Medium-term: Expand seller networks and improve product availability in underperforming cities.

PAGE 2: Pricing and Seller Performance

How Does Discounting Affects Product Ratings and Units Sold?

- **Key Finding:** Products with a moderate discount of 10–30% receive the highest customer ratings, while very low (0–10%) or very high (31–50%) discounts tend to have lower ratings. Offering a moderate discount seems to increase customer satisfaction, while extremely small or very high discounts may not be perceived positively by buyers.

Recommendation:

- Short-term: Focus on giving moderate discounts (around 10–30%) to improve customer satisfaction.
- Medium-term: Avoid very high discounts unless necessary, as they do not consistently increase ratings.

When Does Discounts Stop Driving Revenue?

Key Finding: Revenue and units sold are highest when discounts are low (0–10%). Revenue drops sharply for discounts above 10%, and the highest discount range (41–50%) shows the lowest revenue. Heavy discounts do not always lead to more sales or revenue. Customers may respond better to moderate pricing or occasional promotions rather than extreme discounts.

Recommendation:

- Short-term: Avoid large blanket discounts, as they reduce overall revenue.
- Medium-term: Use small, targeted discounts to drive sales without harming profitability.

Where Discounting Creates the Most Return Risk by Price Segment:

Key Finding: Products with high discounts (**31–40%**) and mid pricing segments tend to have slightly higher return risks, while high-priced or very high discount products show lower return risk. Return risk is influenced by both discount level and pricing segment. Extreme discounts or pricing may not always increase returns, but mid-range pricing with certain discounts can be riskier.

Recommendation:

- Short-term: Focus on managing returns for mid-range pricing with moderate discounts.
- Medium-term: Adjust discount strategies based on product segment to minimize return risks.

Seller Rating vs Return Risk and Revenue:

Key Finding: Sellers with **very low ratings** have products that are returned more often and generate the least revenue. High-rated sellers have the lowest return risk and the highest revenue. Seller quality is directly linked to both customer satisfaction and revenue. Poorly rated sellers negatively impact the marketplace, while highly rated sellers boost sales and reduce returns

Recommendation:

- Short-term: Monitor low-rated sellers closely and provide guidance to reduce returns.
- Medium-term: Boost high-rated sellers with better visibility or promotions to maximize revenue.

PAGE 3: Operations and Product Analysis

Products at risk of Underperformance:

Key Finding: Thousands of products are already showing warning signs of poor performance. Using product quality, delivery speed, and seller reliability, we grouped every product into Low Risk, Medium Risk, High Risk, and Critical. About **4,000 products are classified as Critical**, meaning they score poorly across multiple areas at once. These products are the most likely to generate returns, bad reviews, and customer complaints. This risk table allows operations teams to filter and instantly see which products and sellers need urgent attention.

Recommendation:

- Short-term: Immediately review and intervene on **Critical and High-Risk products** (check stock condition, delivery delays, and seller behavior). To know Which products should be discounted, fixed, or removed.
- Medium-term: Set automatic monitoring rules so products that fall into high-risk categories are flagged before they hurt customer experience.

Return Risk and Ratings Across Shipping Weight:

Key Finding: Medium-weight products have the highest return risk and the lowest ratings, while lightweight products have the lowest return risk and highest ratings. This shows that medium-weight products are more likely to be damaged in transit or be inconvenient for customers, leading to more returns and worse reviews.

Recommendation:

- Short-term: Improve packaging and handling for medium-weight products.
- Medium-term: Introduce stricter quality and shipping standards for these products.

Does Offering Returns Increase Sales and Ratings?

- **Key Finding:** Products that are returnable sell more units and receive higher ratings than non-returnable products. Returnability increases customer confidence rather than encouraging abuse.

Recommendation:

- Short-term: Prioritize making high-value and popular products returnable.
- Medium-term: Encourage sellers to enable returns to improve trust and sales.

How Shipping Speed and Warranty Drive Customer Satisfaction:

Key Finding: Products delivered in **1–2 days** with a warranty receive the highest percentage of high ratings. Slow delivery and no warranty consistently lead to worse customer feedback.

Recommendation:

- Short-term: Prioritize fast-shipping, warranty-backed products in listing.
- Medium-term: Set seller SLAs that link faster delivery speed and warranty to visibility and promotion.

Warranty Coverage vs Return Risk:

Key Finding: Products with **6 months or 1 year** warranty have the lowest return risk.

Products with **2-year** warranties show the highest return risk, suggesting long warranties are often used to compensate for lower product quality.

Recommendation:

- Short-term: Promote products with 6–12 Months warranties
- Medium-term: Review products offering long warranties to identify quality problems.

PAGE 4: Sales Momentum & Product Ageing

What the Key Performance Indicator (KPIs) Mean:

Average Sales Velocity: The average number of units a product sells per day since it was listed.

Launch Velocity (0–30 Days): How fast new products sell in their first month.

Velocity Decay: How much sales speed drops after products become old.

How Quickly Sales Drop After Products Are Listed:

Key Finding: New products sell extremely fast in their first 30 days. On average, a product sells **348 units per day** when newly listed. After 30 days, sales speed drops sharply.

Recommendation:

- Short-term: Push new products aggressively in their first 30 days using promotions, ads, and featured placements.
- Medium-term: Retire, discount, or refresh old listings that have lost momentum.

Which Categories Have the Strongest Launch Performance:

Key Finding: Every category shows the same pattern: Sales are strongest in the first 30 days and collapse after that. But some categories like Fashion, Toys, Home & Kitchen and Electronics launch much stronger:

Even these strong categories fall to about 2–3 units per day after one year, meaning age kills performance across all products.

Recommendation:

- Short-term: Prioritize visibility for new Fashion, Toys, Electronics, and Home & Kitchen products
- Medium-term: Introduce listing refresh or re-launch strategies so old products can regain momentum.