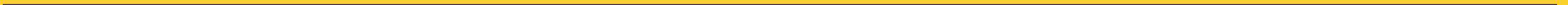


Product Teardown - Personalization and Search



What is Amazon?

- Amazon is an online retailer that sells a wide variety of products, including books, electronics, apparel, home goods, and more. Amazon also offers a variety of services, such as Prime, which provides free two-day shipping on eligible items.
- Amazon shopping is easy and convenient. Customers can browse through millions of products, read reviews, and compare prices. Amazon shipping is fast and reliable. Most items shipped by Amazon are eligible for free two-day shipping for Prime members.
- Amazon customer service is excellent. Amazon is known for its responsive customer service and its willingness to go the extra mile to help customers.

>310 Million
Active Users
Worldwide

45% US
Market
Share

200 Million
Prime
Subscribers

User Persona

Name: Sarah
Age: 19
Student
Pittsburgh



Background

- Confident and independent student.
- Values of equality and empowerment
- Have just shifted to college from home and is adjusting to the new environment.

Pain Points

- Being a new city, it is difficult for her to travel for basic items as she also has to attend orientations.
- Also as she is new, she is not aware of good shops nearby.
- Also travelling much is not cheap

Goals

- She wants to manage her college without getting hassled for basic items.
- Hence, she now uses Amazon to make her experience very smooth

Name: Alex
Age: 42
Software Engineer
California



Background

- A creative and open-minded individual
- Has been married for 10 years but just got first child
- Managing work and family has become difficult

Pain Points

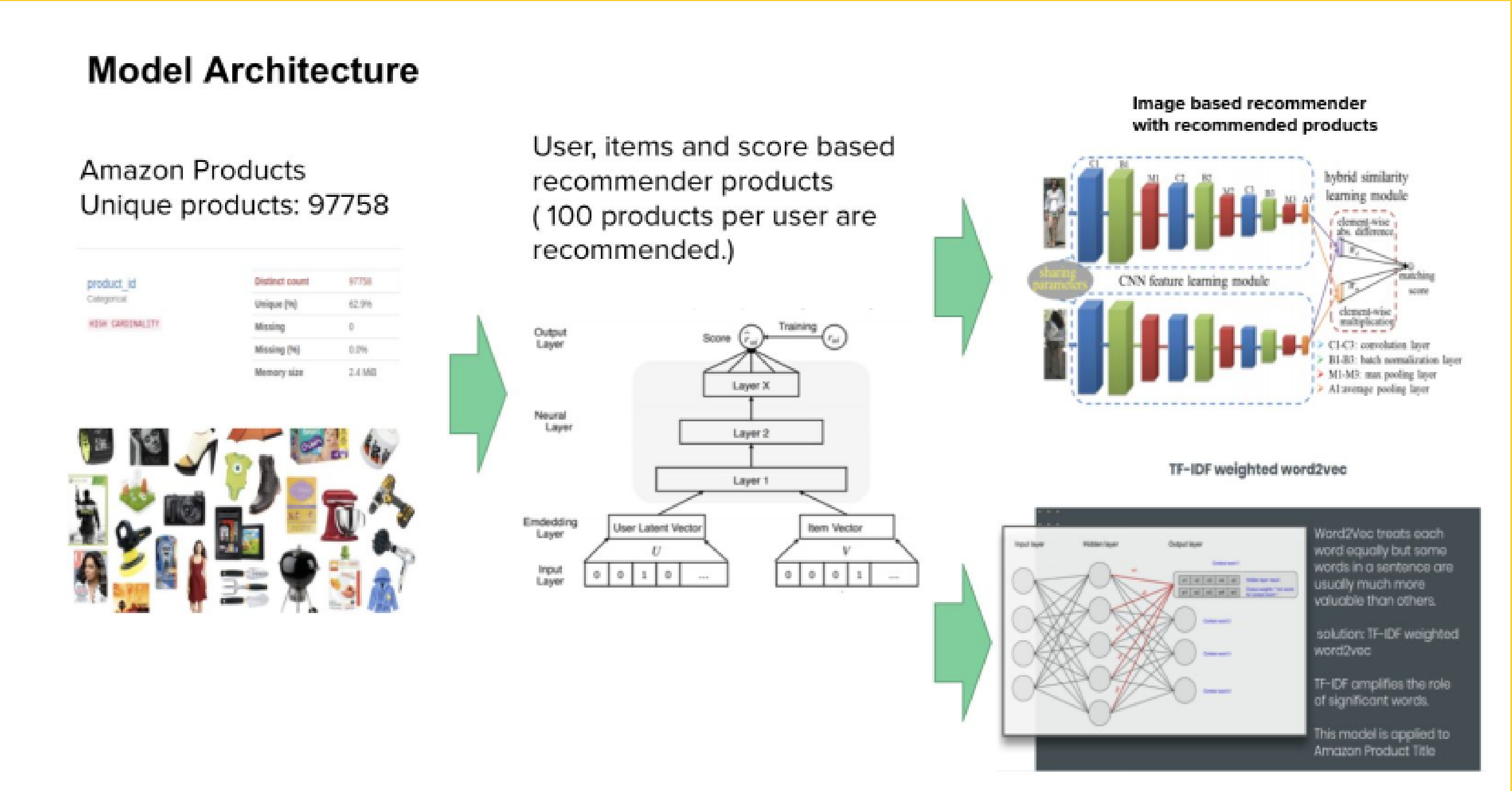
- With child, a lot of shopping needs to be done.
- However, difficult financial times in the Valley have made work life more strenuous
- Nonetheless, on a daily basis, a lot of items are required now.

Goals

- Amazon comes to the rescue as he can order all the required items using one click payments
- He can even discuss with his wife and order
- A lot of items are returnable, making it easier

How does Amazon Recommend ?

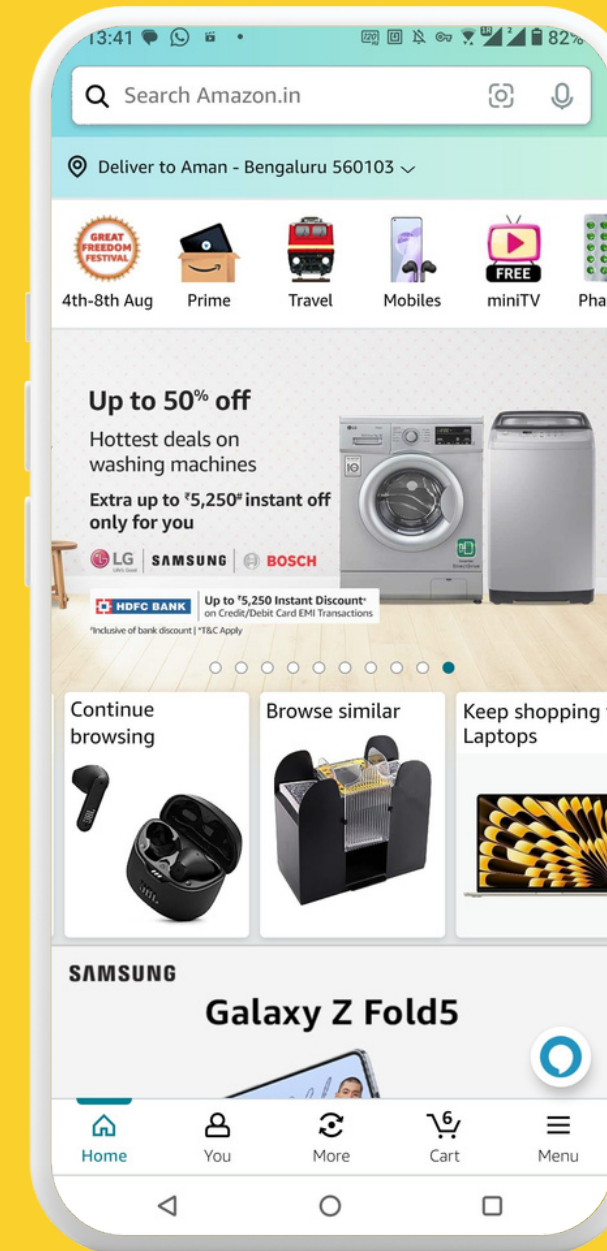
- Amazon's recommendation system utilizes **collaborative filtering** and **content-based filtering**.
- Collaborative filtering finds similarities between users and items based on interactions
- Content-based filtering suggests items based on their attributes.
- These methods, powered by ML provide highly personalized product recommendations for users.



Personalization and Search



As soon as Sarah opens Amazon app, she is reminded of various items she was searching for last time



Sarah not just option to continue browsing from exact same article but also the ones she might have browsed before

Personalization and Search



The app not just shows her catalogue of items but specifies top picks and also deals for each of items



Apart from just recommending the same categories, it also recommends similar categories.

Umbrella -> Raincoat
Headphones -> Speaker

Key Metrics

MAU

L1 Metrics

- GMV
- Revenue
- Number of Orders
- Conversion Rate
- CLV

L2 Metrics

- Average Order Value
- Customer Acquisition Cost
- Customer Retention Rate
- Retention Rate
- Customer Satisfaction