

# Is selling on Amazon genuinely a profitable endeavor?

*Given the following key points, it appears that selling on Amazon can be efficient:*

## 1. Promotion and Payment Behavior:

- Amazon's most popular promotion is free shipping, which influences customer purchasing decisions.
- Promotion-related cancellations are low, indicating overall customer satisfaction.
- The application of promotions increases the average order value, suggesting that promotions effectively encourage customers to make purchases.

## 2. Product Insights:

- The top-selling categories are sets, kurtas, and western dresses.
- Understanding the top-selling products and sizes within each category is crucial for inventory management and marketing strategies.

## 3. Delivery and Order Management:

- The majority of orders are successfully delivered by Amazon, with a low cancellation rate.
- Business users and customer users have distinct order placement patterns, indicating the need for tailored marketing strategies for each segment.

#### **4. Customer Segmentation and Location Insights:**

- Strong positive correlations between states and sales indicate potential regional preferences that businesses can leverage for targeted marketing.
- Analyzing high and low volume segments can guide businesses in tailoring marketing strategies for different customer segments.

#### **5. Revenue Insights:**

- Understanding the distribution of transaction amounts and average order values provides insights into customer behavior and preferences.
- Higher transaction amounts for high-volume orders suggest opportunities for promoting larger purchases.
- The right-skewed nature of the distribution indicates that the majority of customers tend to have lower average transaction amounts.
- However, there is a segment of customers with higher average amounts, representing an opportunity for businesses to target and potentially upsell to this group.

## 7. Correlation between Quantity Sold and Total Sales:

- The strong positive correlation of 0.94 between quantity sold and total sales per category implies that as the quantity of products sold increases, there is a substantial increase in total sales.
- This suggests that focusing on selling more units within each category can directly impact the overall sales revenue.