

Strategic planning

Business



**ASSIGN
BUSTER**

History Background & Development Jeff Bezos was researching the Internet in the early 90s when he realized that book sales would be a perfect fit with e-commerce because book distributors already kept meticulous electronic lists.

Bezos founded Amazon. Com in 1994. After months of preparation, he launched a Web site in July 1995 and had sales of \$20, 000 a week by September. Bezos and his team kept working with the site, such as one-click shopping, customer reviews, and e-mail order verification.

Amazon. Com went public in 1997. Moves to cement the Amazon. Com brand included becoming the sole book retailer on America Online's public Web site and Netscape commercial channel. In 1998, the company launched its online music and video stores, and it began to sell toys and electronics.

By midyear, Amazon. Com had attracted so much attention that its market capitalization equaled the combined values of rivals Barnes & Noble and Borders Group, even though their combined sales were far greater than Amazon's.

As part of a deal to expand their marketing fourth quarter of 2001 Amazon. Com reported its first profit ever. **SWOT Analysis**

Strength Global presence Inventory provided on consignment Location of business o No sales tax o Close to distribution centers o Desirable area will attract employees Quality technological processes and procedures Repeat customer's **Weakness** Lack of marketing expertise New area of business/ management lacks experience Rapid growth Has yet to make a profit .

Opportunity Internet is a developing market. Mergers, Joint ventures or strategic alliances Move into new market segments that offer improved profits International market Use brand name recognition Threat Competitors Price wars with competitors Changing tastes of customers 4. Evaluation of SOOT Analysis Amazon has a great opportunity for growth and to continue to be a leader in the world of Internet shopping.

Amazon's huge debt and lack of experience may prove to be disastrous for the company and overall I believe that its future does not look bright. 5.

Analyze Corporate Strategy To be the best online bookstore in the world. 6. Analyze Business-level Strategy 7. Analyze Structure and Control Systems 8. Recommendations If Amazon continues accumulating debt and making little profit its future is limited.

I recommend expansion of this company's product line, paying off the long-term debt, and to remain focused on becoming the best Internet retailer in the industry.