

Amazon.com: pioneering online book store

Business, E-Commerce



The internet is therefore effectively closing the gap between the buyer and the seller by eliminating the intermediaries or the middlemen. Almost every type of product or service is now available on the net. Be it the airlines, travel industry, books, groceries, toiletries, tax consultants, news media, health care services, etc. they are all available on the net, allowing the user to compare different offers and select the best one without actually going to the market place. The term¹ " e-business" was coined by Lou Gerstner, CEO of IBM. Today leading online stores and companies have moved beyond the 'one-size-fits-all' approach to 'customization' and internet relationship.

Amazon. com, the online book store seems to have adopted this approach quite well in an endeavor to reach out to the book lovers from all over the world.

Amazon. com aspires to be² 'earth's most customer-centric company; to build a place where people can come to find and discover anything they might want to buy online. Having started its journey since July 1995, the company has earned a distinct identity for itself in online retailing. Since the reach of the internet knows no boundaries, it helped amazon. com in diversifying its range of offerings, which further helped in strengthening its image internationally. A strong brand image helps in taking on the competition and also provides a competitive edge to the company in the online retail industry and helps in attracting more dedicated as well as curious customer traffic. Amazon's ranking amongst the top 100 global brands ranking has consistently improved over the years from 68 in 2005 to 61 in the year 2008. Company registered similar improvements in its brand value from \$4, 248 million in 2005 to \$5, 411 million in 2007 and with a

quantum jump to \$11, 511 million in 2008. Amazon has put in a lot of efforts towards the personalization of online shopping experience. The online search-find-obtain experience is one such innovation from Amazon. com. To further strengthen its brand value, the company has started exploring overseas markets as well. It has a strategically localized presence in Canada, France, Germany, China, Japan, and the UK, catering to local and adjacent markets. Amazon not only supports the retail consumer by way of its B2C approach, but it also has planned tie-ups with other companies and corporate houses, which helps the company in effectively carrying out B2B operations as well. Amazon has also entered into partnership agreements with other reputed brands like Canon, Nikon, Sony, Panasonic, Blackberry, Casio, Fuji, HP, Olympus, etc. which not only makes it a reliable online marketplace but establishes it as a company offering quality at reasonable prices. The company keeps updating its customers about new offerings and also helps in customizing the offers. Saren and Tzokas (1997) highlight the importance of 'relationship management' with the customer and client base. Saren and Tzokas (1997) term this process as a dynamic one with the objective of creating 'relationship climate' thus setting the stage for developing the relations with individual customers. Amazon. com seems to follow this trend quite well.

References:

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