

# Key success factors for amazon assignment

[Business](#), [Marketing](#)



MARKETING MANAGEMENT (ASSIGNMENT) Discuss the key factors for Amazon. com Amazon . com is an online merchant that was founded by Jeff Bezos in 1995 and has entered into many businesses beyond books (e. g toy, music, auction, electronic and video). The company has used acquisitions, alliances and strategic partnership to grow some improved services and bring in new customers. Those competitive capabilities, market achievement, competencies and strategic elements that made amazon. com to be a success will be discussed below AMAZON. COM Key success factors E-BUSINESS The founder of amazon. om studied the book market before choosing it as a starting place for amazon. com, but more importantly was his understanding of internet and willingness to invest in the latest internet technology to make shopping online faster, easier and more personally rewarding. Jeff Bezos saw an opportunity that other booksellers couldn't see, as observed in Business week " what Bezos understood before mostly was the ability of the web to connect almost anyone with any product , meant that he could do things that couldn't be done in the physical world, such as selling 3 million books in a single store".

In a nut shell, Amazon. com gained the first mover advantage CONTINUOUS INNOVATION Another success factor for amazon. com is the company's ability to innovate. The words of saunders said that Amazon. com is " technology company" aside being a retail company. Bezos knows that there are no sustainable technological advantages and it has to be an ongoing strategy. Technology is a tool which one programmer can create and another can copy, so to keep leading, Amazon. com has to keep innovating.

The areas of innovation shown by amazon was the use of collaborative filter technologies which allows customers to evaluate books on a one to five star rating system and browsers can rate which reviews are helpful and which are not. The site offers peep into books contents index and beginning pages with “ a search inside the book” feature that allows customers search the entire text of 120 000 books- about as many times as are in Barnes & Nobles bookstore. Amazon’s . com one click shopping lets buyers make purchase with one click

Another innovation is the syndicated selling networks. Through this network or association, amazon. com has a cross product programme that enables those who visit those associate sites to purchase several titles across multiples product lines, from single source. In addition, almost all web search engines are members of the associate programme with hotlinks on the entry of every research page, it’s like amazom. com has a store on every major mall around the wall, i. e. clever advertising Amazon . om has also established itself as an electronic market place enabling merchants of all kinds to sell items on amazon. com. It powers and operates retail websites for Target, the NBA, Timex, Marks and Spencer. Amazon. com cards offers every visitor the ability to send free cards to friends from its web site, these creates an opportunity to set new customers as well as keep current customer happy, because the recipients of the those cards must visit Amazon’s website to view the personalized messages. VALUE ADDED SERVICE TO CUSTOMERS In a competitive environment, amazon. om has scaled through as a firm with the offer of value added service as its competitive advantage which includes courteous, personalised customer

services. Amazon. com personalised the storefronts for each customer by providing more useful information and more choices that could not be found in neighbourhood bookstore. This Allows customers communication flows, information site on products, quality, praise, complaints, rating, featuring, description, reviews, comparison, discussion, problem report, information statistics, ranking prices, discount, e. . c thereby building its customer relationship management (CRM). Through this (CRM) Amazon were able to record customers reading habits, buying habits and buying trend, which allows Amzon. com to offer different promotion and selling strategies tailored to meet customers demand and needs. Amazons diversification into other types of services (music, video, home improvement and auction) also enhances their competitive advantage because all other services links back to them faster than their competitors can duplicate. Amazon. om offers services beyond discount, for example; the ability of the site to allow students search book of related topics for their projects, search for books in foreign languages or out-of-print, provides information about its products— editorial contents in the form of reviews, interviews, excerpts, purchases', circles and related recommendation made for deeper exploration of the site, provide information for those who can't remember a book or video or are looking for a sound bit , but don't remember exactly what they want.

**UNBEATBLE LOGISTICS** Amazon. com offering for fast, inexpensive shipping has helped the firm to overcome the lag between purchase and delivery of a product. For a \$79 annual fee, Amazon. com prime offers unlimited free express shipping for most items. At amzon. com customers orders are handled in-house and to achieve this they established distribution centres

and each distribution centre is equipped with the latest material-handling equipment technology.

For instance, each distribution centre has a pick-to-light system which uses a terminal display mechanism to guide a worker through the picking and packing process; frequency technology is used to direct workers to warehouse locations with a radio signal, and voice technologies which allows computers to communicate instructions to workers. Others include strong network of retail distribution, Accurate filing of buyer orders, national distribution capability and short time delivery capability. GLOBALIZATION Amazon. com has brought a change in 21st century market through the E-business.

As an online store, it has made business across national borders to become easy. Network partners and suppliers around the world takes place 24 hours per day. Amazon. com understand the essence of wide reach and has spread its tentacles by establishing separate web sites for Canada, the united kingdom, Germany, Austria, France, China and Japan and also moved into the black in 2003 and this increased their revenue. STRONG BRAND NAME In order to get people to its site, Amazon. com has spent considerable sum to get its name with the market place and build brand awareness.

This money has gone into several institutions including building partnership with search engines like yahoo, purchasing banners on portals like AOL; creating a variety of offline promotional activities. Bibliography www. amazon. com Rebecca Saunder " Business the Amazon . com Way: Secrets of the World's Most Astonishing Web" George Anders, (1999) " Amazon. com

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