

Marketing information systems

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E-commerce made its first major impact by registering on the economic horizon in 1998. In that year, Amazon made \$1 billion. In an article in The Economist on the 19th of August 2006, Amazon.com is credited as being the pioneer in teaching the world how to shop online. Today, Amazon's product range is anything from travel (the biggest seller), to computer equipment and software to cars, clothing and home furnishings in that order of magnitude.

Technology (by way of one-click shopping) has been of great assistance in collecting data based on buyer preferences and past buying behavior. Search boxes, pre-ordering capability are some of the ways Amazon collects customer information.

Information gathered includes birthdays, interests, wish lists, location and past purchases.

Good marketing information systems reward online behavior with rewards that make customers feel pampered. They also give great user experience and evolve with customer needs. Amazon has just added "Search Suggestions" as another way of gathering information by requesting customers, authors and sellers to make recommendations that they feel are linked to search keywords. This should result in the company building up a comprehensive database for gaining and retaining customer loyalty.

This information is used mainly to cultivate buyer loyalty. A typical example is the Amazon practice of tempting shoppers by making recommendations based on what others who have bought the same product bought also and based on the buyer's previous shopping style.

After gathering the necessary information, Amazon also makes buying from them attractive with such enticements like extensive selection, free shipping and excellent customer service (you actually get to speak with a real person within seconds if you use the click-to-call button and provide your telephone number).

References

1. “ Click to download - Amazon. com”, The Economist (US), August 19, 2006. Volume 380, Issue 8491, p 58.
2. Fernando, Angelo, “ Why punish, when you can reward? Online or off-line, there are simple steps you can take to make your customers feel valued”, CommunicationWorld, Sept-Oct 2006, Volume 23, Issue 5, p14-15.