

# How amazon run their business

[Business](#), [Company](#)



In 1960 electronic commerce was presented before the world. Later the overview of e - commerce, by the support of transmission data goods were credited and vended. Buying and selling of goods through broadcast data was made possible only with the establishment of the electronic data interchange. E - Commerce introduced a new technique of trade and purchasing of a commodity.

Currently internet had made a huge impact on people. Internet has made differences in almost every sector, there are many examples. Business is one of those examples

Amazon. com started selling books online in July 1995. They received a very positive response as in a very short time the sold a spam of book in all 50 states of U. S. A. and 45 countries. Presently amazon offers music, movies, toys, electronics, home appliances and clothes for all (boy, girls etc.).

Amazon has seven different international websites with distributed consumer service center in seven countries. More than 17000 people work for amazon worldwide. Today almost 100 e- commerce websites provide various types of online services worldwide. An e- commerce has provided a global market for the consumers and the buyers. It helps the consumer by providing various variants in size, color, price, brand etc. for the same commodity. Online comparing facilities benefit the consumer in choosing the right merchandise. The biggest benefit of e- commerce is that it is available 24\*7 and the customer can shop anything within his/her comfort zone. Now, the customer can buy anything by just sitting in his office, room, house, or while traveling.

E- Commerce can be termed marketing and purchasing of facilities and products through the support of internet. E- Commerce was introduced in the completion of 1970 and became popular in 90s in the western countries like U. S. A. and U. K. E- commerce showed the new scope for trading and attracted many customers and sellers towards it. It provided a better and huge platform for the buyers. It created a market where anybody can sell and people from all over the world can buy according to their need and taste.

### **The E- Commerce works on this process**

Search the product → Select product to cart → Process online payment or select the mode of payment → Add name, address and the required details asked for → confirm the order → Order is ready and shipped → Delivery

E- Commerce provides various facilities and products through websites, a buyer just has to stopover the websites and search for various products, and a customer can search for various offers and can add things in his shopping cart. Once the shopping is done the customer proceeds to payment section where they are provided with various options like debit card, credit card, net banking, cash on delivery etc. as soon as the customer finishes the payment process he/she receives order confirmation notification and the order is shipped and delivered to the provided address.

### **Company profile**

Amazon. com, Inc., is doing its commerce as amazon is an American based business which is located in Seattle, Washington. It was founded by Jeff Bezos on July 5, 1994. On the basis of revenue and market capitalization

Amazon has converted to the prime internet dealer in the sphere. It is the second largest in sales after Alibaba group. For some countries like United Kingdom, Ireland, France, Canada, Germany, Italy, are United States, Spain, Netherlands, Australia, Brazil, japan, china, India, Mexico Amazon has started separate retail websites. In 2016 German Amazon website also launched Dutch, Polish and Turkish language version. In 2015 Walmart was surpassed by amazon as a most valuable retailer in United States. Amazon is the fourth most valuable retailer in the world and the largest international company for revenue and secured the second place for largest employees in United States. In 2017 amazon captured whole food market for \$ 13. 4 billion. In 2018 for the first time Jeff Bezos released in amazon shareholder numbers of amazon prime subscribers, which were about 100 million, it means approx. 64% of households in United States.

### **Literature review**

Martin Dodges (1999) concluded that e-commerce has become one of the most promising companies and has grown rapidly by providing quality services.

Miyazaki and Fernandez (2001) concluded that to establish a profitable and successful web store its necessary to understand consumers need. It should be kept in mind that the product in web stores should be cheaper compared to traditional stores.

Sharma and Mittal (2009) concluded that India is growing very fast in E-Commerce. The cost of real states have become very high. E- Commerce is

taking a very important place in everybody daily life. E- Commerce provides a large variety of products and services.

D. K. Gangeshwar (2013) concluded that E- commerce has some drawbacks like security, privacy, dependence on technology but still has a bright future in India.

Pooja Gupta (2015) concluded that earlier people perception for quantity, feature etc. was high. Today women are more active in virtual shopping than men.

K Francis Sudhakar (2016) concluded that through the consumption of internet many companies have set up industry of online taking demand, selling products, payment methods, and distribution is known as e - commerce.

## **Research methodology**

### **Objective**

- To understand the factors that affects the consumers while choosing e-commerce sites.
- To understand the tactics used by Amazon and other e commerce websites to grab customers.
- To know how consumers evaluate e-commerce sites for their purchases.
- To know Amazon policies for customer satisfaction.

## **Research design**

### **Exploratory research**

It helps to determine best research design, data collection method. It relies on secondary research.

### **Descriptive research**

It describes the Characteristics of various aspects. Example market potential for a product/ company. It even examine the attitude of consumer who are going to buy he product on the bases of primary data collected.

### **Data collection**

Its goal is to capture quality evidence that can translate to rich data analysis and giving creditable answers to the posted questions.

### **Primary data**

It is collected from various people about their capabilities and thinking around e-commerce websites. For this question were asked to know their experiences and their preferences towards their used company.

### **Secondary data**

To make primary data more specific secondary data is useful. It helps to understand the problem. It is collected from different company websites and published articles.

## **Data tabulation analysis and result**

### **Method of data analysis**

It was performed to determine the correlation between the variable and highly correlated variables are combined and represented by a factor. This is

to ensure data reduction instead of several variables they are represented by few factors.

### **How often respondent shop online**

It has become the habit of young people to select online shopping than brick and mortar shopping. According to research papers almost 30% of people do online shopping at least once in every month. This opens new opportunities of success to the e-commerce people.

### **Preferred online site by the respondent**

Almost 82.9% choose Amazon and flipkart equally. And rest are like Snapdeal 8.6% and Paytm 4.3% are too low to grasp the objective of Amazon and flipkart.

### **Respondent payment technique**

E-commerce has gain success in giving security to its customers regarding sensitive data. While asked for payment mode most of the users select cash on delivery which is 62.9%. Through survey we can to know that most of the people believe is cash on delivery rather than any other mode. Cash on delivery is simple and safe. Now the delivery boys cash swipe machine that is even making the payment easier. In cash delivery there is less fear of loss of money and can be done through any person.

### **Respondent is most overwhelmed with which e – commerce site**

Defendant are most impressed with amazon. Amazon is leading with 47.1% whereas flipkart has 40% of respondent interest. Hence, amazon is leading among all the e – commerce sites in India.

**Respondent choosing manner of e – commerce site**

According to the research papers around 40% of respondent reached e – commerce sites on the recommendation of their friends. Whereas only 20% of the respondent tried e – commerce sites after observing the commercial. And around 40% of respondent tried these e – commerce after analyzing the online review. So, 80% respondent tried e – commerce sites after their friends recommended and on the basis of online review.

**Respondent is more satisfied with which site pricing**

Purchasing depend on price. Everyone now a days do shopping from e – commerce sites because they provide the same product as in the market but in reasonable prices and varieties. According to the research papers 35. 7% of the respondent is fascinated through the rating of amazon. Although with a slight difference 34. 3% respondent like the price of flipkart. And 17. 1% respondent like the price of paytm. Whereas only 10% and 2. 9% like the price of snap deal and others respectively.

**Respondent would like to suggest to others**

From the above researches we came to know that 40% of respondent tried these sites on the suggestion of their friends and family. So, 37. 1% of respondent were ready to suggest amazon to their family and friends. And 28. 6% of respondent choose flipkart as for the recommendation. Whereas 14. 3% of the respondent went in the favor of snap deal. Only 12. 9% and 7. 1% of the respondent choose paytm and others respectively.

**Occasions preferred by respondent to do shopping**

From the research papers we came to know 54. 3% of the respondent preferred shopping when various offers are provided. Whereas 10% prefer



shopping for festivals and only 8.6% prefer shopping to buy gifts. And only 7.1% and 20% of the respondent prefer shopping for wedding and others respectively. So, we came up with the conclusion that people prefer to do shopping when offers and discounts are provided.

### **Respondent faced problem with**

41.4% of the respondent faced the problem in the quality of product provided to them. The product which is provided to them is of cheap quality. Followed by 21.4% of respondent faced the problem of late delivery, they got their product after the given time. 14.3% of the respondent face the problem of product damaged, they got the damaged product. And 10% and 12.9% of the respondent faced the problem of non-delivery and others respectively.

### **Respondent opinion on amazon customer care**

35.7% of respondent are happy with the response of amazon customer care. Whereas 30% of respondent are very happy and satisfied with amazon customer care. 20% of defendant are neither happy nor dissatisfied by the customer care services provided by amazon. 8.6% and 5.7% of respondent disagree and strongly disagree with the customer care.

### **Findings**

- Females are seen more active and interested to do shopping from e-commerce than men.
- Customers prefer good quality products even if the price of the product is bit high.
- Amazon is giving a tough competition to flipkart in India.

- Amazon is providing good services in every aspects whether price, quality, variety or any other thing.
- Amazon is providing good services and has captured a loyal customers. It has a great impact on its customers so they already suggest amazon to their friends.
- Amazon has a good advertising strategy, they are spending a good amount of money for promotions.
- Offers provided by amazon is a good idea to attract customers. As all the people are attracts towards offers and discounts whether they have the need or not.

### **Conclusions**

The study consisted of all the work flow of amazon. How they are performing and how they run their business was described. The innovative thinking used by amazon to attract extra customers is appreciable. Their aim was to reach more and more customers and for this they increased their setup through the passage of interval. This made easier for their consumers to reach them. Amazon is an American based company but it understood the root of Indian market and is now ruling the market.