

Business of amazon.com



Information system can be any organised combination of people, hardware, software, communication networks, and data resources that collects, transforms, and disseminates information in an organisation. Like any other system operates within an environment, information system and technology are very important in contemporary business, because they have become a significant component for success in any organisation, such as university, healthcare centre and company. However these are the most important and vital in internet business area because it cannot be managed without information system and technology. In addition internet business can increase their sales and profits by implicating efficient and effective e-commerce which is one of major parts of information system.

In this paper, I would analyse Amazon. com which is well-know Internet Company and examine their success in the business due to the appropriate e-commerce scenario. After then, I will also evaluate challenges which have great impact on the ability of the Amazon. com to maintain benefits from e-commerce followed by an investigation of risks involved for the company with risk management literatures and its limitation.

Amazon. com Introduction Amazon. com is an American based electronic commerce company which is primarily based in Washington, Seattle. It was one of the first online companies to sell goods on the internet during the 1990 era during the dot. com bubbles. After the bubble burst, it faced a lot of criticism regarding its business structure but the profit it kept earning even after the start of the millennium displays the customer base that it has developed over the years.

The size of the online existence can be assessed by the fact that it own Alexa Internet, A9. com and Internet Movie Database (IMDb). Amazon. com has grown so big in size that it has even indulged into marketing the products it offers which is not usual for many internet based organizations.

“ Current participants in the Amazon Associates program include large, well-known sites, niche content sites and blogs, comparison shopping engines, search engine marketers, and everything in between” (Join Associates, 2007). Amazon. com has developed a wide business to customer market over the years with separate areas being handled by different centers placed at various locations in America, Japan and China. However, the customers in United Kingdom only have the website to fall back to and answer their queries. Their website is very user friendly hence provoking the customer to visit the site from time and again which might encourage him to shop. Amazon.

com has expanded within the last eight to ten years and offers variety of products and services. Initially it started of with just a book store with an online presence but later it expanded into other physical products, online services and information content as it is associated with different search engines. Although all its offerings are not for every country but it has modified its products as per the preference of different countries. There are still some countries that are left to be catered and hence Amazon. com service is not present in those areas.

a) Goods, products, ecommerce solution: It started off as a book store with an online presence but later on it kept on adding products in its portfolio and

now they have different categories in which they divide their products into such as ' Books, Music and Movies', ' Clothing and Accessories', ' Computer & Office', ' Consumer Electronics', ' Food and Household', ' Health and Beauty', ' Home and Garden', ' Kids and Toys', ' Sports and Fitness', ' Tools and Automotives', ' Bargains' and ' Gifts and List'. There are further bifurcations within these categories as well which offers further variety to the customers. There services are divided into the categories of ' Make Money', ' For the Community', ' For Developers', ' For Advertisers' and ' Partner Services'. . A9.

com caters to the information content requirement which is a search engine present directly on the Amazon. com. (Amazon, 2007). b) Performance and services: The existence of the website over this long period of time indicates its efficiency and the level of customer satisfaction. The website is very well put together so that the customer can easily find their way through to their desired destination." Amazon.

com, BN. com, and Half. com aren't getting any complaints at all because they are very simple to use and to understand. Each of these web sites are made for the computer illiterate or just plain lazy" (B2C e-commerce design and performance for Amazon.

com, BN. com, & Half. com, n. d.). c) Personalization: The site lay out of the website is also user friendly and it takes no time to find where one wants to go unlike the complicated sites which are hard to browse.

It offers the customer to personalize by offering a shopping cart just like an actual shopping mall to create a sense of personalization. They have many

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products and services and “ different categories of all their items. They also have the option to make “ Your Store,” this is where they store all the information that you like the best and what products you are most interested in” (B2C e-commerce design and performance for Amazon. com, BN. com, & Half. com, n.

d.). This gives a sense of individuality to the customers wanting them to come back for a visit. d) Communities and Look and Feel: Amazon.

com also offers chat forums for the customers in order to discuss their views and opinions. This is also one reason for the customers to visit the website. ‘ Internet Chat Headset Forum’ is one of the examples of their chat forums and virtual customer online communities. The storefront of Amazon. com has been rated high as it offers a number of varieties on the page and also provides clear layout for the customer to assess where they are required to go.