

# [E-business amazon](https://assignbuster.com/e-business-amazon/)

[](https://assignbuster.com/)[Business](https://assignbuster.com/essay-subjects/business/)

E-business dates back to the early 1970s at the advent of the information superhighway. Cyberspace is the highway for transport of data and information across interconnected computers across the globe. When the need to communicate between different network protocols became rife, the internet concept emerged. E-commerce is an internet-based method of conducting business. In this case, buyers and sellers communicate via computers.

Other names for e-business include online trading, e-commerce or internet trading. At its early stages, e-business was conducted via e-mail links or through placing an order online. This method was found to be inefficient and costly and, thus, the modern day e-business was developed. Information technology was integrated into business towards the end of the last century. Many authors track this back to the invention of the telephone.

E-commerce come later on with Electronic data interchange (EDI) viewed as the advent it. E-commerce is the connectivity of business communities and the digitization of business information. E-commerce as a term which initially meant transportation of commercial documents. Presently, e-commerce includes activities that are called ‘ web commerce’ (Brian 25). Web commerce is the process by which people buy goods and services through the World Wide Web, through secure servers such as HTTPs with electronic pay services and e-shopping carts. This is what is presently termed by many as Electronic business as it involves processing of transaction electronically.

Strengths of E – businessAmazon. com. Amazon’s profitability has been on the rise in the recent past, after breaking, even from its hug initial set up costs. This profitability serves as a major strength for Amazon. com. Its cost cutting strategy has worked well for the company’s profitability. The promotions that offered a reduction in delivery costs to customers are no more, and this strategy is working well for the company. The company’s increasing client base is also an indicator of better profits in the future. Information Technology (IT) and Customer Relationship Management (CRM) are a major drive to Amazon. It has a good record of customer buyer behavior that enables it to offer tailor made goods and services based on the past experiences, preferences of the customer (Amanda 12).

The company enjoys a stable information technology edge over its competitors in the US and across the globe. Amazons global brand enjoys a stable reputation all over the world. During the last ten years the firm has develop a client base of approximately 30 million (Amazon. com). The company being the first exploiter of online technologies in e-business has made this possible. In essence, the first online retailers traded in Amazon.

Its choice of products like books and now electronics, games, toys, DIY and more have helped built the company’s reputation. E-business amazon. com helps in reducing business cycle time. Business cycle starts from production of goods to marketing then selling. It is hard to get staff who can locate the right product and right supplier.

E-commerce works on easy procurement enquiries based on the search criteria. E-business, unlike e-catalog system, is able to handle effectively a large number of orders through their automated client information and order retrieval from online dataabases. An advantage of E-business over other systems as used in Amazon is that it supports many EDI functions, hence, transforming transactions into paperless operations quickening operations and maintaining accuracy, efficiency and reliability (Canzer 53). Enhanced customer service is a major business strategy for Amazon. The company employs a B2C that deals with business to customer relation, unlike the B2B. This enables the company to serve customers efficiently.

This enables the company use ‘ disintermediation’ that helps it to cut the costs of intermediaries. Through browsing Amazon e-business site, a customer will inquire about products, order, even make payments faster, and conveniently while at home. Amazon has made it possible to facilitate customization of goods and services. B2C relationship in the company is enhanced by using the suggestions that the customers post on their site or specifications that are included in their online order form (Li 62). This will help bring more ideas on product/ service modification that fits the demands of the market cum customer.

This is what drives the business of Amazon giving it a competitive edge over the rest. Team working and improved staff empowerment is a key role of E-business to an organization. Amazon e-business enables connectivity between business locations irrespective of how remote they are and guidance of the management team. All that is required in such connectivity is a frequent result report exchange. E-business can also be applied at departmental level in that a push of a button connects the departments.

This helps promote employee confidence besides improving employee’s relationships.