

# Amazon in e-commerce

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



Question 1: How has Amazon. com and their use of internet changed the retailing industry? Give examples.

Answer: 1

Amazon. com has revolutionized the selling and purchasing of all products over the internet. It started with selling books over the internet and progressed in selling almost all consumer goods within a short p of time. Its engineering and quality principals make sure that all the various standard compliances are met and justified for improving the system behavior for its customers.

Customers have now moved from the brick and mortars model, a traditional model for purchase of products, to the click and mortars model for ease of access, anytime anywhere access, take part in auctions and avail several promotion offers and gifts. The very perspective towards retail buying has been changed by Amazon. com. The virtual store concept is quite likely followed by many retailers after the success of Amazon. com and they have created a benchmark for its products and selling models define the very success over the long period since its inception.

Question 2: Comparisons have been made by giant bookstore retailer Barnes & Nobles and Amazon. com. Barnes and Noble operate dozens of bookstores in many local communities. Yet Amazon. com's reach goes anywhere and everywhere with the Web. What, in your opinion, should Barnes and Nobles do to compete with Amazon. com?

Answer 2:

Barnes and Nobles must identify the very future requirements for its physical bookstores and come up with “click and mortar” model for fetching the right customer focus and model. Identifying the competition around and the changing outlook of the customers towards decision making for purchasing products is the greatest differentiator for change. The decision making for taking the business of Barnes & Nobles over the internet would make sure that all the various present disadvantages would be capitalized upon.

The brand mark of Barnes & Nobles makes sure that every activity towards the envelopment of skyrocketing technologies would develop into a mammoth in promoting its success and growth. Only setting up the website is not enough. The representation model, sound engineering techniques, quality standards and affiliation techniques makes sure that its representation over the internet is strong and makes a presence really promising.

Question 3: In order to more quickly realize and sustain its profitability should Amazon. com have remained a solely clicks based e-business (without warehouses) selling only books? Why or why not?

Answer 3:

Amazon’s decision to cater to several products would definitely move its primary base of selling books to other products. This is a sort of erosion of its primary brand which it created for selling books. The very brand creation and sustenance for selling books online had created a larger market share for book selling. The various bookstores at that time were in greater risk

concerning their sales as Amazon grew in its market share for selling books. It was a brand which no one could deny. Its decision towards clicks business for selling other products over books makes sure that monopoly was broken to some extent and other small to medium sellers in the market found opportunity to make some business.

These created a balanced view for existence in the marketplace allowing every dimension of sellers and customers to interact for good. Another reason for making the right move is for long term business continuity and spreading its wing to several other products which did not make it to the internet in that era. Amazon's decision to be clicks based business must be changed into "clicks and mortars" business model for improving its supply chain by making it efficient and effective.

The effective supply chain would cut down extra costs of transportation and shipping and would in turn create trust for its safety and quality policies. Warehouses would make sure that timely delivery of products can be made at lesser costs, which otherwise would create a sense of misunderstanding and evolve privacy and security aspects to a larger scale.

Question 4: How can Amazon. com complete Bezos's vision? What do they need to do to individualize their services to 25 million customers?

Answer: 4

Amazon. com must fetch the customers according to their tastes and product liking. The following can be the various options that can be exercised:

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Provide a survey with questionnaires of what is important, how it can be bettered, what else is desired and so on. The survey questions would serve quite helpful in fetching the right suggestion from its customers to in turn get them everything they desire.

The adoption of B2B and C2C model where various sellers and buyers can meet for selling the products of their choice. This would help users to customize according to their preferences so that more number of customers is fetched for purpose.

The customer logs must be duly analyzed for fetching the right decision and data mining approaches to the vast data can be devised for getting the facts out for better customization of products and services.

Request boxes and techniques must be presented so that in case a customer fails to find exactly what he desires, he can make a request for the new product. This would help to fetch the needs in micro detail for better capturing of the customer base.

The above approaches would enhance Bezos's vision to cater to individual needs and demands.

Amazon is a virtual reseller, one of the main new intermediaries (Sarkar, 1996.) They are an electronic-commerce only intermediary; business and customer relationship management (CRM) is conducted purely via their website; a virtual marketplace with no direct contact between buyers and sellers. Amazon have created a virtualized value system through their accelerated ordering, delivery and payment of goods and services, while

reducing operating and inventory costs associated with traditional bricks and mortar stores. This model demands a change to bring every buyer and seller to meet for catering individualized services.

## **References**

Sarkar, M., Butler, B. & Steinfield, C. (1996) Intermediaries & Cybermediaries.