

Amazon.com

Business



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Case Study Amazon. com Case Study Amazon. com The Rise of Amazon. com's Business Platform Introduction Amazon. com is a private online retail company that deals in marketing of books, music, videos, electronics and kitchen. Amazon. com's founding C. E. O, Benzos, had major aim of capitalizing on business opportunity in online-based marketing.

Executive summary

Summary statement

The main interest of Bezos was to turn Amazon. com into a consistent moneymaking business in instant, midway and long -term frames, while maintaining pursue of commercial objectives of expansion at balanced costs.

Summary statement of the recommended solution

The best solution was relying on the opportunity in online business, which had no best-established players.

The situation

Analysis of the situation

1. Management

Strategy

Creation of flexibility in management

Increase market share and offer superior customer services.

Proving viability of Amazon business model, through research on products to offer for sale and better approaches in integrating them in other sales model

Reduce operating profit by cutting down on expenses such that on advertisement through elimination of expensive adverts.

2. Operations

Amazon. com divides its operation into four segments

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The main operations are online from marketing to auctioning and daily sales.

3. Marketing

The company advertises through media such as television and online advertisement.

4. Finance

The initial capital for the company were savings from his previous employment adding with accumulated profits,
Financial position sacrifice profit to improve growth

5. Administration (Human Resources)

Benzos, the executive manager of Amazons. com oversees operations of the companys personnel.

6. SWOT

Strengths

The company has satisfactory technical capability of fulfilling customers' broad communication, entertainment info commercial needs and desires. It has a competitive advantage over traditional companies that are physically based. Contrary to its online businesses, Amazon operates online and, has access to a large market. It has a strong financial and computer technology background. It has strength in partnership and affiliations with other businesses. A strong customer care service is an important aspect explored by the company to gain market dominance (Wheelen & Hunger, 2008).

Weaknesses

Most customers are not familiar with web-based sources of bookstore. In some situations, the company may undertake poor market analysis causing wasteful investment in online retail as pets. com , drugv store. com and

home grosa. com that were never successful.

Opportunities

Online retail business has the potential of generating high operating profits. There is growth in the number of household accessing the internet and, therefore, increased market dominance. Presence of new product lines in the market promotes entrance of new customers for the company.

Threats

There is pressure from financial markets to abandon the companies stated goals, of sacrificing short time profit. There are existing book-selling companies established in the market that present competition to Amazon. com. Competition is from established home page websites such eBay and yahoo. Poor economic environment such as high sales tax on eco-mass transactions affects the company's performance (Wheelen & Hunger, 2008).

7. Products or services

Products provided by the company include books, music, video, toys, electronics, tools, kitchen, and apparel. It provides services such as partnerships, online auctions, web services and retail shop service.

Problem definition

The main problem faced by Amazon. com is increased operating expenses through advertisement. The best to address Amazon. com's problem is cutting down on expenses based on the advertisement by collaborating with affiliate companies to help share the cost of internet.

Reference

Wheelen, T., & Hunger, J. (2008). Strategic Management and Business Policy. Upper Saddle River, NJ: Prentice Hall.