

Example of case study on will amazon still be a great company 10 years from now

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



- How does Amazon try to create life time customers, loyalty and increase visits and sales

The modern society has extensively affected life and lifestyles all round. It is hard for an individual to live in the olden day styles and lifestyles as one quickly finds him or herself floating the world of new happenings. For instance, Amazon is one of the new faces of the market, which has extensively introduced buying and selling at a new level to both the buyer and seller. It is thus critical to have a clear understanding of how things work in this new era of online trading. With a history of consistent growth and management of business, Amazon has changed strategy from one time to another in order to curb its customers and maintain business at its climax in season and out of season.

It is one of the companies that have continued to strike people's attentions and other businesses as it has taken a different turn contrary to other businesses. Amazon has shown a repeated pattern of growth in its revenue from \$ 4 billion in 2002 to remarkable values of \$ 20 billion in 2008. The transformational growth of this company wholly relied on the incomparable strategy within the cluster of online business. Hence, in order to survive the harsh competition and the ever growing clientele in the internet circle, Amazon developed an " innovative business model", which enhanced constant contribution and visitation of customers to their site. Basing from the idea that the company begun business with selling books, they considered the variation and clientele and the incoming products, which changed with time and introduced a new scheme that enhanced full contribution from all consumers in the internet market.

A closer look at Amazon's market input from the time it joined the online market, the company has constant evolved with time from the old age to the new century. Amazon has maintained ensured that they move with the client in to the modern world. In this case, it begun only with the sale of books online especially for the ' book warmers' where consumers would pay to read books found in the sight. The strategy changed once they realized that operation and significance of the digital effect. Subsequently, Amazon embraced the digital wave and introduced other products that sold knowledge to the customers such as DVD and CDs. The company primarily turned its focus to the dotcom ideology of using software features and other " easily shippable consumer goods." More strategies have been put to operation such as selling used books the third party seller schemes. This has evidently played a major role in the inclusion of customers from all financial backgrounds and social status. Therefore, it can be noted that the company has gone a step ahead to prepare a platform, which consolidates and presents products that are fit for all people from all lifestyles.

Strategy reached its height in 2007, when Amazon came up with Kindle as one its best products on the digital platform. This is a product, which has not only been unique, but has also attracted clients from across the globe.

Kindle, best described as a disruption innovative strategy brought in other exceptional products including the e-book reader and itunes digital media.

With such outstanding patterns of innovation, Amazon has continually stayed at the top of its market domain with its business strategy giving it its highest business advantage over its competitors.

Amazon has been known for keeping their word in terms of promising

customers concerning new products and availability too. Once they have made an announcement of the arrival of certain product, it is guaranteed to the clients that on the said date, the product will be available. In this way, they have built a trust worthy relationship with the customer, which is imperative as the clients can trust them and hold on to the time of launching of a product. In so doing they have maintained their customers over the years. This notion gives the surety of having deliveries of products. On the other hand, the same provides the opportunity and guarantee that the company will always be growing and expanding.

- What 3 main macro-environmental forces might play a major role in the next 5 years

The economic environment is a critical aspect that will affect the output of Amazon in terms of business prosperity. This online-based company just like any other will require regular input of funds in order to facilitate all operations. In this case, having sufficient income will enhance this development and contribute to the development of the laid out strategies. On the other hand, the level of economy in the market and world at large is likely to interfere with its progress. Although this may not be significant, it is a factor, which may alter the market input by the company. For instance, all productions are affected by the current market financial positions and standards.

The need for books information and knowledge compares directly to the growth and flourishing of Amazon. Educational standards and literacy is major factor that can with hold this adventure to flourish well in the next ten years. However, the same ha the power to cause it to grow to new heights

and establish much more than what is already in existence. Having a clientele, which is prepared to buy a product is fundamental to all business agenda. In this case, literate people present the need to sell and buy books, which is the primary business plan at Amazon. In this case, it is critical that the organization takes its product closer to customers who are easy to engage. On the contrary, lack of literate people or uneducated customer is likely to slow down the business. Subsequently, Amazon's success in the next 5 years relies on the rate of literacy and education across the globe.

Population growth is another paramount feature that directly influences the growth and prosperity of any business. It is evident that customers are the most important aspect of a business entity. These are the people that determine whether a business will prosper or fail. In this case, having a large population comes in handy especially in developing a high business advantage. Consequently, Amazon may have to focus more on obtaining a wide clientele in order to enhance business growth. The larger the consumer base, the higher the chances of profiting from the business in the next ten years.

- How would you suggest going about estimating future demand for their a. Kindle E-Reader, b. e-books - is this even possible?

First in order to estimate the demand for the Amazon products including Kindle e-reader and e-books is best done through comparison of the sales by competitor products. In this case, Amazon can be compared to other products such as Nooks. By noticing and studying their sales patterns, it becomes evident to note the demand for the same whether it is higher, lower than the competitor products, or lower and requires a boost in the

market.

Secondly is by making comparison alongside demographic factors such as population numbers and economic status. This way, the marketers of these products can tell whether the products are being sold at a reasonable speed or below average as compared to the figures of population and economic rates. For instance, if economic figures are low and most of populates in the consumer demographics state that the majority are middle-income earners then it can explain low sales. However, having better figures can indicate high sales.

Such statistics have been used in the past to develop marketing plans and strategies. Although these figure do not give the perfect results, they can best portray the position of a given product in the market in order to understand market trends. Despite having estimates, the same have outstanding impression that can help figure out the way forward in the same.

- Questionnaire to a future affiliate on Amazon Products
- Are you between the age of
 - 10-20(b) 20-30
 - (c) 30-40(d) 40-50
 - (e) 50 –and above
- Are you
 - Male (b) female
- Do you know Amazon? Yes No
- How many products of Amazon do you know? Yes No
- Have you ever used Amazon to do any of your academic works or personal

reading? Yes No

- If yes, for how long have you used Amazon products?
- How would you rate Amazon products
- Excellent
- Good
- Satisfactory
- Unsatisfactory
- Other
- How would you want the products improved
- .
- Will Amazon still be a great company 10 years from now,

It depends on

- The ability of the company and organization leadership to maintain its standards in terms of meeting with the clients demands. In this regard, it is critical that the company maintains its reputation as it has in the past with consistency in releasing quality products. It is also evident that customers are keen on having products that are worth the price by which they pay for while buying. Hence, it is crucial to ensure excellence and perfection in production.
- Innovation is a key to the release of new products, which stirs up uniqueness that stands against competitor products. This means that the company has to ensure that they produce new products that meet with the demand of the customers. On the other hand, re-establishing and remaking their old products to fit in the current need in the society can as well play a leading role in keeping the company on the lead in the next couple of years.

<https://assignbuster.com/example-of-case-study-on-will-amazon-still-be-a-great-company-10-years-from-now/>

- Having the ability to incorporate the clients' ideas in to their product innovation and making can best help in maintaining their clients. This means that the company will be finding out the wants of their consumers and using their suggestions to come up with appropriate products for the.
- It is important to find out the type of clients that already exist in the market for their products. Additionally, finding out the missing clients in terms of demographics can play a major role in making a strategy that can bring them in to business. This means that the marketing teams can improvise products that will attract more customers at the online platform. Again having products that appreciate diversity can come in handy in maintain Amazon as the leading brand name within its market segment.
- Increasing product diversity from books, electronics, games, toys, etc as displayed in the website will pull in more clients and increase revenue too.

Work cited

Amazon. com <http://www.amazon.com/>

Cook, John. Jeff Bezos on innovation: Amazon 'willing to be misunderstood for long periods of time'. Geek Wire. June 7, 2011. <http://www.geekwire.com/2011/amazons-bezos-innovation/>

Curtis, Sophie. The Innovations That Took Amazon From Online Bookseller To Dominant Global Marketplace. Business Insider. Oct. 15, 2013. <http://www.businessinsider.com/the-innovations-that-took-amazon-from-online-bookseller-to-dominant-global-marketplace-2013-10>

Johnson, Mark W. Amazon's Smart Innovation Strategy.

BloombergBusinessweek. April 12, 2010. <http://www.businessweek.com>

<https://assignbuster.com/example-of-case-study-on-will-amazon-still-be-a-great-company-10-years-from-now/>

[com/innovate/content/apr2010/id20100412_520351. htm](http://com/innovate/content/apr2010/id20100412_520351.htm)

Rao, Venkatesh. Why Amazon Is The Best Strategic Player In Tech. Forbes. 12/14/2011. [http://www. forbes. com/sites/venkateshrao/2011/12/14/the-amazon-playbook/](http://www.forbes.com/sites/venkateshrao/2011/12/14/the-amazon-playbook/)

The Voice of DotMySpot. Analysing Amazon. com: Macro Environment and Competitive Forces. Yahoo Voices. Dec 18, 2006. [http://voices. yahoo. com/analysing-amazoncom-macro-environment-competitive-138171. html](http://voices.yahoo.com/analysing-amazoncom-macro-environment-competitive-138171.html)

Wohlsen, Marcus. This Bot-Powered Store Could Halt Amazon in Its Tracks. Wired. com. [http://www. wired. com/business/? p= 79656](http://www.wired.com/business/?p=79656)