

Introduction to amazon com marketing essay



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The trends of competition in electronic businesses is multifaceted and dynamic, firms cannot rely merely on their so called competitive advantage as competition is strong and companies need to come up with some exceptional tactics and strategies to make their position safe and secure from the competition threats all what a company need to pursue is customer loyalty through superior value creation for them and developing constant means of grooming their competitive reputation through meaningful strategy lets scrutinize the dynamics of amazon. com in this regard

Among the leading online sellers amozon. com is providing its best variety of heterogeneous product line. Amazon is residing in Seattle, and is having a customer pool in all 50 states of USA and other 160 countries as well around the globe. The product offering includes books, CD's DVD's computer hardware software, electronics, home based products and many more are made visible to the customer through online websites and other international websites. Company seeks to pursue the vision of being the customer centered company and to build a place where people can find and discover anything they might want to buy online.

Amazon is having a healthy brand reputation as it stands 43rd among the best brands around the globe in year 2009. Amazon believes that innovation is the force to bring change in the world so it constantly innovate to attract customers, to

enhance their merchandise, to stimulate the developers following Amazon's infrastructure for creation of businesses and boosting the creative capability of their product creators. Amazon made it easy for the customers to avail

online shopping in an instinctively friendly environment that leads to healthier and proficient retailing as compared to conventional shopping.

Being the initiators of procedures online Amazon. com strives to offer compelling value through broad selection, high-quality content, a high level of customer service, competitive pricing, personalized services, and innovative use of technology. Apart from product offerings the variety of services proposed by company has assisted the company to generate healthy revenues. Amazon is chasing its competitive edge and creating value through customer relationship management techniques engrossing customers and enhancing their brand image along with financial well being.

SIGNIFICANCE OF THE STUDY

Companies operating electronically expand their competitive lead through provision of remarkable consumer choices. Amazon. com pursues to be the most customer oriented firm of globe. This study addresses how Amazon hunts to gain and sustain its competitive advantage seeking best line of inimitable customer offerings. The study provides an overall view of how Amazon is chasing to create superior customer value and sustaining its image through plethora of its product chain. The study explores how Amazon has built its global reputation electronically by incorporating affiliation strategy in its operation. The study present that by attaining the first mover advantage Amazon is enjoying its strong brand reputation, enormous customer data base and outstanding customer trust thus enhancing the superiority of values creation for their customers by offering individualized products that triggers customer loyalty and repeat purchases.

This study will in depth scrutinize what efforts has been made by amazon. com in building its online reputation and being the first mover in the world of online retailing what tactic have led to its prominent presence on world wide web . this study will be a positive approach and effort to serve as a guide for future studies as it will probably covers the highlighting areas of strategic intent , competitive advantages of amazon. com and what efforts it is making to be the most customer oriented firm in e-business world. This study will serve as a positive guide to identify the areas where Amazon is lagging behind or running short of efforts to enhance the stability of its, revenues, loyalty of customers, enhancement of its alliances and what other alternatives should it pursue to sustain the increasing competition in e-business. Being the celebrity brand and initiator of trend setter what positive steps it needs to follow to foster the means of interacting with its customer not only online but also to make its offline presence that will substantially assist it in meeting its strategic goals of gaining the potential position in the market

2. 0 LITERATURE REVIEW:

COMPETITIVE ADVANTAGE:

Competitive advantage of a firm that cannot be imitated by any other firms is its reduced cost efforts, maximum utilization of market trends along with overcoming challenges put forth by competitors (Newbert, 2008). Amazon tactics for development and its strategic intent lies basically in its ability to scrutinize and being ingenious in every perspective of its online retailing (Schlegelmilch, et al., 2003). Amazon. com is motivated to be the potential online retailer pursuing the strategy to boost its market share in online

business scenario (Amit and Zott, 2001). Amazon is identified as a reputed and well known company presenting assorted products to potential customers (Mahajan, et al., 2002) where its strong setting of competitive advantage has led its competitors to set it as a benchmark (Schlegelmilch, et al., 2003).

In order to achieve competitive advantage, they lay their efforts in maximizing their revenues rather than boosting profits (Mahajan, et al., 2002). They have trapped the consumer trust factor by creating a trust based online retailing and provision of constant positive opinions (Javalgi and Radulovich, 2005). Amazon. com in order to sustain the competitive edge has fostered its online presence more visible by making coalitions (Marchewka & Towell 2000)

SUPERIOR CUSTOMER VALUE

Customer value is discrepancy between the customer perception about a product and what he actually gets out of a product (Humphrey, 2006). To achieve the dignity and fame of being the superior online retailer around the globe, Amazon is chasing success merging its effort to yield not its core value of revenue generation but also enhanced competitive reputation and this is done through creating value for customers (Amit and Zott, 2001). Striving for the best reviews from customer amazon. com is providing individualized service and fulfilling orders directly (Mellahi and Johnson, 2000)

Amazon is making the best move in winning customer's heart by offering them the authentic product of what they show while online surfing along with

that a consumer buying more than a prescribed limit is offered cut-rate price thus fostering the consumer responses toward product procurement (Amblee and Bui, 2008), along with the provision of credit card security while they make purchases (Marchewka & Towell 2000)

At Amazon. com the strategic intent is to uphold broadening customer support mingling customers mind with low pricing strategy (Marchewka & Towell 2000) and to sustain cost factor moderate Amazon's affiliation strategy is very helpful that has led to a prominent reputation of Amazon in online businesses (Marchewka & Towell 2000).

In order to make its presence viable Amazon. com is surfing market to know the unknown of their customer and forecasting their need that they may generate in near future (Schlegelmilch, 2010).

STRATEGIC INTENT AND ITS SUSTAINABILITY AT AMAZON

At Amazon laying down a strategy depends upon a vigilant, growth oriented and diagnostic approach(Schlegelmilch, et al., 2003) The selection of low price tactics in order to grab the customers online is the mastermind strategy of Amazone. com (Marchewka & Towell 2000). Amazone. com has made wise decision in making strong coalitions with online searchers have enabled to make best use of affiliation strategy with the purpose of making its online attendance far more apparent. (Marchewka & Towell 2000).

In order to sustain its strategic position Amazon like other successful players of online retailing has pursued to achieve best recognition for its brand name

to win consumer loyalty by elimination of all chaotic factors associated with its online retailing. (Javalgi, et al., 2005).

In order to maintain and sustain its strategic presence Amazon has well collaborated the mix of its strategy, competitive advantage by maintain the equilibrium through coalition strategy to provide widened and broadened product base to its customer that builds a reliable atmosphere online through provision of customized, individualized service and getting reviews and feedbacks to stay in touch with them. (Javalgi, et al., 2005).