

# Amazon kindle report essay sample



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This report briefly focuses on Kindle, e-reader product of Amazon. com, one of the leading online retailers in the world. Kindle has advantages over other e-readers in many aspects and have become the most popular e-reader since its launch at 2007. However, facing with competition of Sony e-reader and Apple iPad, the market share of Kindle has been decreasing these years. After analysing the internal and external situation and position of Kindle in the market, it appears that defects of function, inadequacy of promotion and trouble with price policy are the reasons led to the decreasing of Kindle's market share. Based on these findings, this report gives recommendations on technology development of device and marketing strategy.

## Introduction

An e-book reader, also called an e-book device or e-reader, is an electronic device that is designed primarily for the purpose of reading digital books. The main advantages of these devices are portability, readability of their screens in bright sunlight, and long battery life.

By the turn of 1990s, e-books entered the markets as consumers by large started preferring them over the traditional printed books. In the first decade of the 21st century, new devices for reading, e-readers, entered the markets and threaten the survival of the publishing industry.

The trending data by the Book Industry Study Group presented at the conference shows that in November, 2009, 34% of e-book purchasers said that they were buying fewer physical books, and by December that number was at 43% (Wieckowski, 2010). That means content providers need to find

new ways of satisfying readers. The publishing industry is undergoing transformation.

## Background

E-books are more popular than ever, that is why the e-book readers market is no longer a niche market and it is now a mainstream iconic product. E-readers help book lovers to access a wide range of books, articles and magazines. The first e-reader to be launched in the market was “ Sony PRS 500” by a giant Sony. One year later, Amazon introduced an e-book reader named “ Kindle”. In the last two years, Amazon has presented 3 more models of Kindle, which are Kindle 2, Kindle DX and Kindle 3.

With the concrete support from the e-books in Kindle store (more than 670,000 books and other articles) provided by Amazon. com, Kindle has become the most wanted, the most popular e-reader in the market. Analysts estimated that Amazon had sold more than 60 per cent of the roughly 10m e-readers in the US today. Sony was estimated to have sold about 1. 5m Readers, with Barnes & Noble close behind (Gelles, 2010). Kindle is offering reading materials like e-books, journals and magazines to its customers a fairly lower price than its competitors. Therefore, it was even considered by a few analysts as the iPod of the publishing industry.

Although Kindle is now an iconic e-reader device, it is facing a big threat of losing market share to the new comers. There are now more and more models of e-reader, from high-end to low-end market. The biggest rivals of Amazon’s Kindle are Sony Reader, Apple’s iPad, Barne&Noble Nook e-reader. In addition to those big competitors, there are several cheap and simple task

e-readers in the market which account for a small market share. Serbinis, CEO of Kobo Inc, estimated that there are 60 companies making and selling e-readers, although analysts predict a huge amount of consolidation and reshuffling in coming months (Hamblen, 2010).

## Methodology

In the process of analyzing and solving this Kindle's case, both quantitative and qualitative data are used. On the quantitative side, data about publishing industry and e-reader market share and sales figures were collected from the internet and from the provided academic documentation.

The qualitative side was based on the internet, provided academic documentation, and the arguments from analysts.

## Findings

### Defects of Reading Device

Even though Kindle has been one of the best devices for readers, some defects have negative impacts for Kindle to maintain its market share.

Since Kindle was launched, one of its selling points is e-ink screen, which mimic the real book and can read on the sunshine without uncomfortable glare. However, this kind of white-black screen probably cannot display color pages and pictures which make some magazine lovers back to the traditional magazines, and business people to tablets, such as iPad when they need colorful graph to show their business models.

Moreover, some out-of-dated functions make Kindle inflexible to operate. The latest Kindles still do not have touch ability. Users can not turn over the page and take note on the Kindle just like they do when reading paper books.

Without backlight in the Kindle, reading e-books in the Kindle in dark is impossible. By contrast, Sony e-readers and Apple's iPad have touch screen and also allowing users reading books at night. Apart from that, to fashion its products, voice is added into Kindle.

Unfortunately, those voices are electronic sound, having odd peculiar inflections and pronunciations and incapable of expressing emotion.

Furthermore, tablets such as iPad and some cell phones have multi-function which not only can be used as an e-reader, but also allow users browse websites, watch Videos, send emails so on so forth, whereas the functions of Kindle is limited, which probably only can be used to read black words.