SW3 - Marketing, Sales & Promotions

Identify a company that uses the Internet for marketing, sales, and promotions. Answer the following questions for the company of your choice.

1. What is the name of the company? Provide the company logo.

Amazon



2. What is the URL of the company home page?

Amazon.com

3. History:

---- a. Who founded it and when?

Amazon was founded by Jeff Bezos

---- b. Initial products/services and markets?

The amazon.com website started as an online <u>bookstore</u> and later diversified to sell <u>video</u> downloads/streaming, <u>MP3</u> downloads/streaming, <u>audiobook</u>downloads/streaming, <u>software</u>, <u>video games</u>, <u>electronics</u>, apparel, furniture, food, toys, and jewelry.

---- c. Private or public?

Amazon is the <u>fourth most valuable public company</u> in the world, the <u>largest Internet</u> company by revenue in the world, and the eighth largest employer in the United States.

---- d. E-company or brick and mortar? (E-company: purely online business // brick and mortar: with a physical store/office but maintains online presence)

In 2017, Amazon acquired Whole Foods Market for \$13.4 billion, which vastly increased Amazon's presence as a physical retailer. The acquisition was interpreted by some as a direct attempt to challenge Walmart and their brick-and-mortar stores.

4. Financials:

---- a. Most recent year's revenues?

US\$135.98 billion (2016)

---- b. Most recent year's profits?

Amazon posted a profit of \$197 million for the quarter, a massive 77% drop from the \$857 million profit it reported in the same period a year earlier.

5. What are its main products and services?

- Retail goods
- Amazon Prime
- Consumer electronics
- Digital content
- Amazon Art
- Amazon Video
- Amazon Drive
- · Private labels and exclusive marketing arrangements
- Amazon Studios
- Amazon Web Services
- New book content production
- Donations
- Amazon Local
- AmazonWireless
- · AmazonFresh and Amazon Prime Pantry
- Amazon Dash
- Amazon Prime Air
- Prime Now
- Amazon Go
- Amazon Supply

- Video Direct
- Amazon Music Unlimited
- Amazon Tickets
- STEM Club
- Amazon Books
- Amazon Home Services
- Amazon Destinations
- Handmade by Amazon

6. What is its target market and who are its customers?

Amazon customers consist of upper & middle class social groups who have inclination towards using E-commerce portals and are comfortable with online shopping. Majority of the customers are professionals or businessmen who are busy with their business/Job & find it convenient to purchase anything online rather than visiting the physical outlet in order to save time & money.

Furthermore, the customers might also be the ones who are searching for deals. Due to this, the portal is known to have specific days where they give massive discounts to their buyers.

7. Who are its main competitors?

<u>Apple</u> would be the largest competitor when considering book or content related delivery such as books, movies, magazines, and audiobooks. The <u>itunes</u> store will always be a threat to the amazon store because of Apples devices like the <u>ipad</u>, <u>iphone</u>, and Macbook. When considering web services <u>Google</u> would emerge as the largest competitor.

<u>Walmart</u> is the biggest threat to Amazon in US as reports roll in of various attempts to compete with the large online retailer.

References

Bhasin, H. (2017, December 15). *Marketing strategy of Amazon – Amazon marketing strategy*. Retrieved from Market 91: https://www.marketing91.com/marketing-strategy-of-amazon/

Fiegerman, S. (2017, July 27). *Amazon stock falls as profit declines 77%.* Retrieved from CNN tech: http://money.cnn.com/2017/07/27/technology/business/amazon-earnings/index.html

Wikipedia. (2018, January 4). *Amazon (company)*. Retrieved from Wikepedia The Free Encyclopdia: https://en.wikipedia.org/wiki/Amazon_(company)#Website