Amazon.com

The mission and vision of Amazon.com is “Our vision is to be earth's most customer-centric company; to build a place where people can come to find and discover anything they might want to buy online.”

The company I choose is Amazon.com. Amazon is a website that offers a number of things like; products, services, memberships. It also provides an option for third party sellers to sell their product. The first thing ever sold on Amazon.com was the book "Fluid Concepts and Creative Analogies: Computer Models of the Fundamental Mechanisms of Thought." It was ordered by John Wainwright on April 3, 1995, Loretha Lyon (2016). Amazon was founded in July 1994 by Jeffrey P. Bezos who now serves as Chairman of the Board; President, and Chief Executive Officer of Amazon.com Inc.

According to Schneider (2016), they started out as an online bookstore and then quickly diversified by adding other items, such as VHS tapes and DVDs, music CDs, software, video games, electronics, MP3s, clothing, furniture, toys and even food items. Amazon offers different services such as Handmade (products handcrafted by artisans). They also offer Prime (a monthly membership in which you get free shipping on some items and free video streaming). Home Services (available in 30 cities, it makes it easy to find a handy man if you need something fixed or even for yard work) with a lot more services to offer. It meets the needs of the customer through its retail website with a focus on convenience, price, and selection.

The four primary customer sets that Amazon servers are consumers (a person or organization), enterprises ( business or company), content creators (someone who is actively creating and publishing original content) and sellers. According to Bhasin (2016), Amazon targets the middle class & upper class people who have got hands-on experience in the basic technology but don’t have the time or prefer convenience over shopping from the physical outlets. I believe it’s for everyone who wants great prices, fantastic customer service, and good quality products. Amazon is devoted to pleasing the consumers no matter the cost, and they aim for customer loyalty.

I selected Amazon.com because I am a mother of 2, I go to school, work and have to keep up with the house, so I do not have time go shopping. Amazon is a life saver, and it is convenient when it comes to Christmas, birthday’s gifts, party planning, or anything other items I need. I also chose Amazon because I believe you get the most out of your money, especially if you have Amazon prime. But overall I chose Amazon because of the great customer service I have received in the past and most of the time you can’t beat the price.

What I would like to learn from this project is how Amazon handles complaints. I would also like to know what the fastest way to get in contact with customer service if you have a problem with an ordered.

Amazon is the most customer friendly company I have worked with, offering the widest variety of products and services. What started as a small business has expanded to reach every aspect of someone’s life at home and the workplace. This widely applies to my life as well.

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Introduction

Located in Seattle, Washington, Amazon Inc. has been one of the fascinating firms in the world. It operates in the field of e-commerce, an area that has witnessed tremendous growth in the recent time. The area has provided convenience to clients as they can have their products delivered to them at a minimal fee. Amazon Inc. deals in numerous products including audio books, software, online bookstore, electronics and cloud computing in additional to other products. The firm got formed on July 5th, 1994. Its founder Jeff Bezos did a commendable job as the business well established in the current market. It has its operations in numerous nations namely USA, Canada, U K, Japan, Germany, China and much more, (Christopher, 2016).

Discussion

The concept of supply chain management

Supply chain management entails the movement of products along the entire chain until they reach the consumer. It consists of controlling the flow of finances, material as well as information. Use of the software is the latest trend in this field as it makes sure that only accurate information gets transmitted. The software also reduces the costs of management hence increasing efficiency. This move benefits most companies, (Christopher, 2016).

The business model of Amazon. Inc.

The firm occupies the firm position in the field of online retail. In this area, it sells products directly to its clients. The firm gets driven by its vision “To be Earth’s most customer-centric company, where customers can find and discover anything they might want to buy online”This move is possible through its humongous online store. Small inventory rests in it massive warehouses located at various strategic locations. The clients believe that the goods are less costly readily available without delays. Apart from this approach, the firm also allows other retailers to sell their products to the clients through its well-established platform. The company uses this method to selling products that are either highly priced or in the sale of items that are uncommon. This approach aims to minimize loss. Rather than charging firms that list their products on this platform, the company gets a commission on the products sold. The company also has a subscription model. This approach allows customers to either pay the annual fee or get access to promotions such as same-day shipping, or free day shipping. A good example of such services is Amazon Prime services. The firm also sells eBook through mobile application platforms to different clients, (Christopher, 2016).

Amazon Inc. supplies chain strategy

In the recent years, the company has been primarily aiming at reducing a time taken for its products to reach the customers. Its approach has been targeting same day delivery. A Recent approach to introducing drones into its supply chain proves that the firm is serious in its endeavor. Another remarkable approach is the introduction of Dash button to enhance service delivery. In the recent days, the firm has become more of a logistics company. This move arises from the fact that it takes goods from a third party, stores them and presents them to the customers for sale. Another strategy is that the firm ensures that it places its warehouses in a strategic location to facilitate fast movement of inventory. In this supply chain, a client places an order which sends a message to the store team to know that a prescription got made. The warehouse team places the product in crates on a conveyor. The products land onto a box, with the barcode depicting the client’s order. The product takes 1 to 7 days, while shipped through US postal service. The economies of scale enable the firm to sell products cheaply. The firm has five storage areas to store products each area storing a different product. This move makes it easy to ship the product to the clients and hence maximize sale. Use of advanced software helps the firm monitor the inventory levels and hence helps in the decision-making process, (Kumar, Tiffany, & Vaidya, 2016).

The client faces numerous challenges in its bid to become a global giant. The first challenge that faces this firm is an inventory problem. This issue is severe when the business is getting into a new market as it does not know how much products to sell to that particular market. Another challenge that faces this company is predicting sales with certainty to prepare products for shipment. Such a move brings problems as using previous sales to predict future sales proved very inefficient. The firm also faces challenges of handling bulk orders as such laws may cause delays hence inconveniencing the clients, (Kumar, Tiffany, & Vaidya, 2016).

Conclusion

Aggregate planning plays a critical role in the supply chain strategy. For the case of Amazon Inc., this planning will help the firm plan and satisfy demand focus with ease. Since it involves analyzing the sales focus and inventory and production levels, the firm can be able to determine the best approach to satisfy demand focus. This move will help Amazon Inc. balance the resources available hence maximize profits. On the other hand, Demand Forecast entails using data from various historical sources to determine the probable demand. This approach might prove to be very helpful to Amazon Inc. It will help the firm predict its demand and hence liaise with the suppliers to produce such applications. This approach aims to make sure that products are available to the clients for sale while avoiding keeping too much inventory. Promotions serve a crucial role in creating an increase in demand for a product. Most of the times customers feel honored to pay less money for the same product and hence purchase even more products. Amazon Inc. has numerous promotions which it offers to its clients at times. This strategy makes customers buy many products. However, such an approach could lead to losses on the firm and at the same time make consumers numb to discount. Most of them will expect the company to offer the bigger discount to stimulate demand, a move that can negatively affect the firm.

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