THE UN

ANALYSIS PROPOSAL ON: AMAZON
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Group Project Company Analysis

Case Study: Amazon Prime

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Focus of the Project

Founded in Seattle, 1994 by Jeff Bezos, Amazon.com is a multi-billion dollar company that has not only disrupted the retail industry but also sustains itself by investing in novel technologies and market segments. Amazon is the biggest E-commerce company with a valuation estimated to be $1.08 Trillion (Coppola, 2022). Amazon's strong capital structure allows them to differentiate from its peers through active investments in research and development. We aim to evaluate the technology strategies of Amazon Prime, a subscription based service, launched in 2005. It provides services such as free-shipping, express deliveries, streaming services, kindle books, and exclusive Prime day offers.

Areas To Investigate Further

Amazon Prime's framework can be categorized into three main segments: E-commerce, Entertainment and Lifestyle. They are focusing on becoming fully consumer centric. Hence, we will be analyzing Amazon Prime's technological innovations in each of the segments.

E-commerce is the foundation of Amazon's operations. We aim to understand how Amazon has evolved from a typical cyber business to a tech-giant. Hence, the focus of this research paper will serve the purpose of studying the current advancements of Amazon Prime, with potential ways of innovation. Additionally, we want to analyze the challenges that plague them, and give a response to the issues that were faced. Finally, we want to establish a layout plan for the E-Commerce section through deliberation on a forward-looking action plan for Amazon Prime.

Entertainment subscription has been on the rise for the past decade, ever since the advent of streaming services (Jain, 2022). In response to this, Amazon began incorporating entertainment through Prime, reaching markets from film making to video games. We aim to unravel the

strategies employed and challenges faced by Amazon. We conclude by determining if Amazon Prime is truly attractive enough against its numerous rivals today.

Lifestyle is a market that Amazon has recently penetrated. From healthcare to household products, we seek to understand what advantages Amazon can procure by entering this market segment as well as the current and potential challenges they may face in the future. The analysis will also include potential areas to improve and ideas towards future innovation.

Sources of Information

Both primary and secondary research would be conducted to ascertain our study. Primarily to assess the challenge, we will try to reach out to current employees to gain insights of their innovation and technological processes. We will create a questionnaire to gather insights on consumer experience when using Amazon Prime, focusing on technologically unique products. We will conduct our primary research via social media platforms such as LinkedIn and Twitter, with identifying specific demographics from friends and family. Additionally, secondary sources ranging from scientific and scholarly articles (NUS Libraries, Harvard Business Review) to news reports. This will be accompanied with the assessment of Amazon Prime's annual report to substantiate our findings and uncover influences on innovation.

Other Information Ready At This Stage

Initially, we found that Amazon Prime competes across two main markets: **consumer subscription** and **ecommerce** (Diagram 1 & 2). With positions across industries, Amazon Prime is a tool used to package products in these industries to add value across different demographics. We will also refer to historical data collected from their annual reports to establish their year-to-year growth, and potential for future development.

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https://nus.summon.serialssolutions.com/search?s.q=AMazon%20Prime&s.fvf[]=ContentType,Newspaper%20Article,t&s.fvf[]=ContentType,Book%20Review,t&s.fvf[]=Library,ScholarBank@NUS,t#!/search?ho=t&include.ft.matches=t&fvf=ContentType,Newspaper%20Article,t%7CCon

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Diagrams

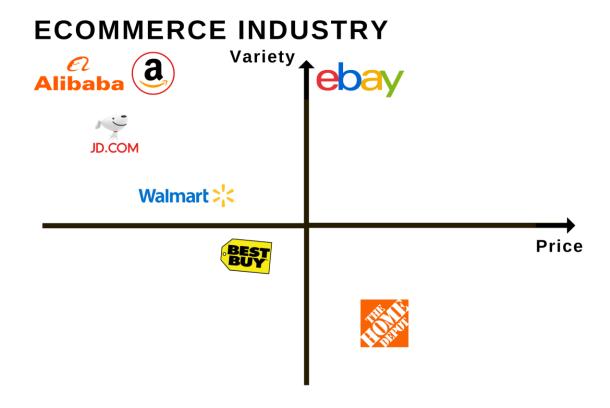Diagram 1 Competitors positioning in e-commerce

Diagram 2 Segmentation, Targeting and Positioning Analysis (STP) competitors

Company	Low Price	Wide Variety	Specialized	High Technology Use
Amazon	✓	✓	-	✓
Alibaba	✓	✓	-	✓
JD	✓	✓	-	-
Walmart	✓	✓	-	-
Best Buy	-	-	✓	-
Home Depot	-	-	✓	-
Ebay	-	✓	-	-