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**Title**

**Use the Amazon and Alibaba platforms as a case study and then:**

**1) Write a marketing plan for each. The marketing plan should include the following elements: competitors, competitive environment, competitive advantage, and customer profiling; and advertising.**

**2) Compare the Amazon and Alibaba platforms based on the following features:**

**- CRM tools.**

**- the method of payment or payment;**

**-shopping cart;**

**Product segmentation.**

**Safety methods.**

**Customer registration system.**

**Students names**

Khaled Mutlaq Al-Faqeer 411001127

BAKER ABDULAZIZ ALKUWKBI 411003704

Abdul Rahman Marzouq Al-Qahtani 411006380

**Amazon marketing plan**

Amazon.com Inc. uses its marketing mix as a powerful approach to attract consumers to its e-commerce website. A company’s marketing mix or 4Ps (Product, Place, Promotion and Price) is the combination of strategies and tactics used to implement a marketing plan. In this regard, Amazon reaches out to its target online market through its marketing mix, which focuses on the place and price components as major selling points. As the biggest e-commerce organization in the world, Amazon continually faces increasing competition, which can reduce the company’s market share and global growth potential. To address this issue, the company must ensure that its marketing mix is up-to-date relative to market trends. Through a suitable marketing mix, the company enables organizational resilience while supporting innovation for long-term competitiveness of its online retail business.

*Amazon’s marketing mix (4Ps) is designed to take advantage of the online nature of the company’s e-commerce operations. The components of this marketing mix enable competitiveness and international growth while Amazon.com Inc. innovates its services.*

**Amazon.com Inc.’s Products (Product Mix)**

In this component of the marketing mix, Amazon’s products or product mix is considered. As the top player in the online retail industry, the company offers a wide selection of products. Such a product mix supports [Amazon.com Inc.’s mission statement and vision statement](https://panmore.com/amazon-com-inc-vision-statement-mission-statement-analysis). Through continued expansion and diversification, the company’s products now include not just online retail, but also a variety of other products that address market needs:

1. Retail service
2. Retail goods
3. Amazon Prime
4. Consumer electronics
5. Digital content distribution service
6. Amazon Video
7. Amazon Web Services (AWS)
8. Amazon Publishing
9. AmazonFresh
10. Amazon Prime Pantry
11. Amazon Dash
12. Video Direct

Amazon is primarily an online retail business. As such, its main product is retail service. The company provides such service through its e-commerce website. Some of the retail goods available on the website are also the company’s, such as those sold under the AmazonBasics brand. In addition, the firm offers Amazon Prime, which is a membership product that includes shipping service for purchases on Amazon’s online retail website. The company has also expanded its product mix to include consumer electronics like the Amazon Kindle e-book reader and the Kindle Fire tablet. Such expansion led to an improvement of the effectiveness of the company’s marketing mix in getting a bigger share of the e-commerce market. Further broadening of the firm’s product mix involved the distribution of digital content, including music and e-books. Amazon Video is an on-demand video streaming service offered to customers in some locations in the United States, Europe and Japan. On the other hand, Amazon Web Services (AWS) is a set of online services, including cloud storage. Amazon Publishing offers book-publishing service using a number of imprints. Moreover, AmazonFresh and Amazon Prime Pantry are the company’s services for orders and delivery of grocery items. Furthermore, the company has integrated additional technology in the purchasing process. For example, Amazon Dash involves a device that enables customers to purchase household items by simply clicking a button that connects to the Internet. Video Direct enables sale or ad-supported free viewing of user-generated videos. These product lines indicate the company’s efforts in continually broadening its product mix. Amazon.com Inc.’s marketing mix increases in effectiveness as more products are added to these e-commerce offerings.

**Place/Distribution in Amazon’s Marketing Mix**

The venues used to reach target customers are identified in this component of the marketing mix. Amazon.com Inc. is a mainly online business organization. Nonetheless, the company uses the following places to reach its e-commerce customers:

1. Official e-commerce websites
2. Amazon Books
3. Others

Amazon uses its official e-commerce websites as its primary places for transacting with customers. These websites include Amazon.com, Audible.com (a subsidiary), and a number of other sites with specific target markets. In addition, the company operates a physical bookstore named Amazon Books in Seattle. This location enables the company to reach out to customers who want to physically evaluate products before purchase. Moreover, the firm uses other venues to temporarily transact with customers. For example, the annual Amazon Web Services (AWS) Summit held in various locations enable the company to reach potential customers and persuade them to pay for its e-commerce services. In this regard, Amazon’s marketing mix significantly relies on the strong online presence of the organization in reaching its target customers.

**Amazon’s Promotion (Promotional Mix)**

This component of the marketing mix involves the strategies and tactics that a company uses to communicate with its target market. Amazon.com Inc. aims to persuade its customers to visit its websites and pay for its online services. The following strategies and tactics are used in such promotional mix, arranged according to importance in the company’s e-commerce business:

1. Advertising (most important)
2. Sales promotions
3. Public relations
4. Direct marketing

Advertising functions as the primary means for Amazon to communicate with its target market. For example, the company has an affiliate program for website owners or online publishers to earn revenues by displaying advertisements and corresponding links to products sold on the Amazon.com website. This strategy widens the company’s market reach. Also, Amazon.com Inc. applies sales promotion as a secondary strategy to attract customers and persuade them to purchase goods and services on the website. For example, the company occasionally uses discounts and special offers to generate more sales. On the other hand, the firm strengthens its brand image through public relations programs, such as Amazon Smile, which donates a percentage of sales to charitable organizations. These programs enhance consumer perception about the corporation [Read: [Amazon’s Stakeholders & Corporate Social Responsibility Strategy](https://panmore.com/amazon-com-inc-stakeholders-corporate-social-responsibility-analysis)]. Moreover, in using direct marketing, the company directly communicates with businesses to offer its online services, such as publishing and digital content distribution. In this component of Amazon.com Inc.’s marketing mix, advertising is the main determinant of the organization’s marketing communication effectiveness.

**Amazon’s Prices and Pricing Strategies**

This component of the marketing mix focuses on the price levels and pricing strategies a firm uses in selling its products. Amazon.com Inc. uses low prices as a way of attracting customers to its e-commerce website and product offerings. Nonetheless, given the variety of the company’s products, the following pricing strategies are used:

1. Market-oriented pricing strategy
2. Price discrimination strategy
3. Value-based pricing strategy

Amazon uses market-oriented pricing as its primary pricing strategy. For example, the company evaluates competitors’ prices as basis for pricing AmazonBasics products. The advantage of this pricing strategy is that it makes selling prices more competitive, affordable and attractive to target consumers. On the other hand, the price discrimination strategy involves setting different prices for the same product. Amazon applies this pricing strategy through its different websites. For instance, the company’s prices for the same products are different between the United States and the United Kingdom, which has its own Amazon website (amazon.co.uk). This strategy is advantageous because it enables the company to adjust its prices based on national market conditions, perceived value of products, and consumer preferences and expectations. In relation, Amazon.com Inc. uses the value-based pricing strategy, which involves price levels based on product value, considering consumers’ perception of value. Thus, the company’s marketing mix reflects flexibility in adjusting to current market prices.

**Alibaba marketing plan**

**Marketing Plan**

|  |  |
| --- | --- |
| Product | Alibaba is selling everything |
| Target Marketing | Consumers of individuals, professionals and families, who mainly prefer online shopping |
| Mission | Alibaba strive to deliver high quality of merchandises to consumers who need the convenience of products without driving to the retailer stores physically |
| Goals |  |
| Pricing Strategy |  |
| Place/Location Strategy |  |
| Promotional Strategy |  |
| Research Strategy |  |
| Advertising Strategy: |  |

**Company Background**

Open Sesame, a well-known line that has been engrained in pop culture references and vocabulary since the tale of those memorable words. Even more so is the story from which it came from, the journey of a poor man who stole money from a magical cave. The man’s name is apart the famous medieval Arabic literature *Ali Baba and the Forty Thieves*. The story of the man with the infamous name has been told throughout the world. However, now his name is synonymous with the global company, a privately owned Internet based E-Commerce businesses that cover B2B online marketplaces, retail and payment platforms, shopping search engine and data-centric cloud computing service.

The founder Jack Ma was born in Hang Zhou in 1964. When he was 12, he became interested in learning to speak English. In order to practice his English, he pretended to be a free tour guide in the Hang Zhou West Lake district for foreigners. The eight years in the West Lake district help him broaden his mind on the world. Ma entered the Hang Zhou Teacher University in 1988 and soon became an English teacher after he graduated. By then his English was superbly sufficient that he started a translation company that help to create some of the first business relations with China and the United States. Soon he traveled to the US in 1995 as an interpreter. Ma did not know particularly much about the Internet until he visited his friend in Seattle. He was so inspired from his time using the Internet. When he searches for beer on the Internet, he found several results. However, when he searches for China, he did not receive any in his search results. His time spent on EBay, motivated him to make a similar platform for Chinese citizens. From that point, he had discovered the many business opportunities the Internet could have for China. Later on in 1995 he set up the web yellow pages in China. He competed with China Telecom for about a year and set up a joint venture with them. He was then later able to sell the business to China Telecom. He soon starts the B2B e-commerce company Alibaba.com in 1999. He chose the name after getting some coffee in San Francisco and realized that it was already a memorable name, after speaking with patrons he realized that it was not only easy to spell and say, but already universally well-known from literature. With the gathered support from 17 staff members, he started the business with US $60,000 capitals.

Alibaba has become one of the largest business-to-business platforms in the world and also is the flagship company of the Alibaba Group. It main focus is operating as the premier B2B marketplace for retail and payment platforms. This company is about 40% owned by Yahoo. Alibaba.com is able to connect Chinese manufactures with overseas buyers, better than any other site within China. Since its inception in 1999, Alibaba.com has sold over a billion products and has 20 most visited sites globally. One of their business objectives is to help the SMEs to make money. Alibaba.com is the online middleman, which provide trade platform to allow the SME to trade online with companies and people in China. SME have the opportunity to list their business features and functions such as, what they supply or produce, their contact information, and other useful information easy to find for the potential buyer. The information of the SME is divided in to different categories of the industry. The users of Alibaba.com are able to search through the user-friendly platform to identify potential trading partners, and interact with other companies to conduct business. In fact, Alibaba has four business-to-business marketplaces, which including the company’s international marketplace, the China marketplace, the Japanese marketplace and the AliExpress marketplace. First, the china marketplace is mainly focus on the business-to-business trade in China. Second, the Japanese marketplace is focus on transactions trade to and from Japan. Third, the company’s international marketplace is developed for business-to-business trade from importers and exporters in more 240 countries or regions. The last one is AliExpress marketplace, which mainly focus on the small quantities of products with fast shipment method.

In addition, their payment method is an online third party platform, AliPayment that provides an escrow service, where customers are able to verify whether they are happy with goods brought before paying the seller. Similar to eBay, Alibaba’sAlipay teamed up with Visa, MasterCard, and over 100 financial institutions and other major credit card companies to provide payment solutions to all of their companies within their network of websites, called Alibaba Group. Alibaba Group is the world’s biggest e-commerce company comprised of Tabao.com launched in 2003, Ma strategy moved towards a more consumer approach, an auction site that is particularly similar to eBay, however, quickly bested eBay as China’s homegrown favorite. Other networks include, Taobao Mall, China’s leading business to the consumer market online for quality name brand products. ETao, the comprehensive search engine comparable to Google, and of course China’s own China Yahoo, one of their leading search engine portals. “Alibaba Cloud Computing, a developer of advanced data-centric cloud computing services and technologies.”(Business Wire, 2012) Alisoft, which is the provider of web services to the Chinese SME marketplace. Alimama serves as an online advertising exchange company, which allows web publishers and advertisers to trade online advertising inventory. China Civillink, a firm that provides domain name registration, and lastly Alipay. Altogether Alibaba Group consists of 25 business units and is focused on fostering the development of an open, collaborative and prosperous e-commerce ecosystem. (Alibaba.com, n.d)

**Mission Statement**

Alibaba’s mission is “to make it easy to do business anywhere.”(Alibaba.com, n, d) Their vision includes, “becoming the first platform of choice for sharing data, to be an enterprise that has the happiest employees, and to last at least 102 years.”(Alibaba.com, n.d) Alibaba follows a set of core values that differentiate them from other global companies by focusing on SMEs. Also, their imitative to put customers first, have good teamwork within their working environments, embrace change within the fast paced moving industry and economy, integrity of the company to deliver on their commitments, passion for their work, and commitment for the company and employees to continually strive for excellence and professionalism in every aspect of the business. Moreover, Alibaba also aimed to deliver products to consumers with high-speed shipment and competitive prices in both China and internationally such as United States. At the meanwhile, Alibaba also aimed at introduce its online shopping platform to consumers in other countries and allow them recognize this company in order to attract more consumers and guard against competitors who attempt to provide similar services or products. Their outlined core values, mission, and vision statement are what drive the company to continue to grow and expand within the market.

**Situational Analysis**

The SWOT analysis presents an overall drawing of the company’s position in the marketplace. Alibaba has built some essential strength while looking forward to new opportunities internationally. However, as Alibaba considers attract more customers in China and entrance into new markets, the company will have to provide more benefits to consumers so that prevent from the entrant of strong competitors in the marketplace.

|  |  |
| --- | --- |
| Internal Factors | |
| Strengths | Weaknesses |
| · Strong relationships with world leaders.  · The reputation of success.  · Effective growth strategies, such as utilizing the Internet to reach business & customers have allowed Alibaba to grow rapidly.  · Alibaba has their global marketplaces—Ecommerce market.  · Better brand recognition and brand loyalty in the market. | · Low-level technology existing in the company system.  · Labor-intensive expense—large volume of employees in the company.  · Greater Chinese cultural influences—not well known in the United States.  · Have competitors in the market as well as the world marketplace. |

|  |  |
| --- | --- |
| External Factors | |
| Opportunities | Threats |
| · Growth in profits—largest e-commerce organization in the world & expanding portfolio of different business units.  · The market share in the United States—entered the market earlier than most global companies and US.  · Better style of business, high quality in the website, excellent marketing and advertisements in the marketplace. | · The growth of the e-commerce industry in China.  · Too much highly competitive company.  · The global economic crises—lose volume of sales, numbers of customers, decrease of growth rate as well as profits. |

**Marketing Strategy**

**Growth Strategy**

One of its recent strategic moves was the acquisition of Yahoo China. This was expected to have a large impact and allow the companies to integrate and join forces with their combined resources that will with time lead to growth. A restructuring strategy of Yahoo China began after Yahoo failed to generate profits. In December 2007, Yahoo China removed the three original departments: new media, network search and communications departments. In turn two new departments: website operating and mailbox departments.  Merging of network search and e-business and digging into the potential of network search will be the future direction for development within Yahoo! China. E-business search technology will also be a main focus because the company believes that developing this technology will lead to greater profits (Kerin, 2012). This strategy is extremely focused because Alibaba realizes that the acquisition of Yahoo represents an overwhelming opportunity to grow and gain a larger market share because Yahoo is such a recognized company. The company realizes that for optimal results changes within the company has to take place. Restructuring of Yahoo is a step in the right direction.

Alibaba is very focused on expanding overseas Mr. Wei, chief executive at the company, continued to explain that his strategic move is to attract more clients in markets including India and Japan, because according to Wei “more suppliers outside China will look for new markets like China.” At present, about 4% of its 400,000 users Alibaba have chosen to look more outwardly to Chinese markets. To show how committed the company was to broaden its boarders, and it announced a joint venture with Japan’s Softbank Corp. This together with other international alliances has helped to elevate this company into the Global marketplace.

Another of Alibaba’s main strategies involves capitalizing on its international consumer base and driving a large successful marketplace between businesses. The company’s leaders have shown that they know how to seize market opportunities and to expand its strategy to the small and medium sized enterprises (SME) economic growth throughout Asia, USA, Europe and South America. In order to achieve this, the company uses its strengths. The combination of Eastern wisdom, western operational techniques and international capital invested in the global market reflect the power that this company manages to maintain in the industry (Kerin, 2012). This strategy allows the company to be more flexible and efficient. Alibaba understands change and the ever evolving of the external environment in which it competes and thanks to environmental studies and expectation studies the company is well aware of these changes. Today, the company can fairly be referred to as a giant global trade market because the company is one of the most active in B2B marketplaces (Kerin, 2012). Its main goal is to make conducting business easier for small businesses around the world, which makes sure that each business capitalizes on all the advantages of having an international business. Furthermore, Alibaba operating as an Asian company wants to still be known as an inter-cultural organization that has an inter-cultural management team and thus focus.

Alibaba is constantly working on ways to make business easier for its members. It recently unveiled a new pricing model to draw more members. They launched a starter package for Gold Suppliers, which offers fewer services for a 60% discount. Alibaba.com David Wei says that the program is interested in increasing website’s customers even at a risk of set backing its profit margins. He stated in an interview, “We believe if we increase our customers, we will increase our revenue later and the process will take care of itself.” This strategy is more of a long-term one that illustrates that the company understands that creating a loyal customer/supplier base is what’s most important because loyal suppliers will eventually raise profits from the raised sales revenue. When this first strategy was introduced, signs pointed to a positive result in the first period under the new pricing model, total sales were higher than what the company usually receives in a month. Analysts seem to like the new pricing model. Citigroup says it expects the company to decline in 2009, but 2010 should be a rebounding year because” it should benefit from a more sustainable model, delivering a faster growth and higher margins.”

**Differentiation Strategy**

It has already been noted that Alibaba.com is presently the world leader in business-to-business e-commerce. This is something that the company has capitalized on in the most unique way. Alibaba.com targets small to medium sized businesses. It focuses on buying and selling among small and midsized organizations, and it has more than five million suppliers. Alibaba.com has successfully recognized that it could fill a gaping market need that China has. The country has virtually no printed directories or electronic databases that allow companies to describe their products and help buyers and sellers find one another while still providing a certain level of comfort that these companies are on the up and up. Alibaba.com focuses on small family type businesses in China of which are many in number.

According to Yuxin Chen, a marketing professor at New York University’s stern school of Business, “Alibaba’s major advantage is that it is located in a country that has emerged as the manufacturing base of the world.” Most companies in China are these small businesses and Alibaba has put itself in the position to take advantage of this.  Most companies exporting in China are not big companies, so for these companies Alibaba provides a platform. To continue to provide for this market of small businesses, access to Alibaba’s portals is mostly free of charge. Membership fees are charged ranging from $300-$8000 and various membership programs is offered which provide different membership opportunities.

**Price Strategy**

Alibaba’s primary revenue is derived from charging customers for value-added services and from subscription fees, listing fees and secondarily through advertising avenues. In terms of the price (membership fees) paid by B2B clients, the business buyers and supplier who want to find potential trading partners via e-commerce marketplaces have available to them certain membership packages to appeal to the most varied amount of businesses.  Fee-paying members can enjoy “priority placement of supplier storefront”, priority listings in the industry directory and advanced search results at Alibaba.com marketplaces.  Alibaba.com promises price savings that can’t be found through more traditional forms of business. The marketplaces provide many advantages to businesses; businesses can get access to the active global buyer community and vice versa for buyers, businesses can launch marketing activities to potential buyers in a economical way, buyers can get access to high quality and organizational information on products, potential sellers, and additionally the convenience which is real time and 24 hours services for both the buyers and the sellers (Kerin, 2012).

One specific pricing strategy that Alibaba has put in place is the Gold supplier premium membership. This is a certification that the site offers to specific supplier companies which gives them the opportunity to post an unlimited number of products online. Gold suppliers also have more of an advantage with global trade because of the certification Alibaba has provided showing that this organization is authenticated. This means much more access to customers than the businessman who doesn’t have a paid membership. Testimonials from gold suppliers speak to the effectiveness of this pricing strategy. Customers believe that the price for the membership, which varies, is a small cost to pay for the services that are available as a registered member. The realm of possibility is great which makes global trade a possibility for small companies who wouldn’t have this opportunity otherwise. Customers are jumping at the opportunity to sign up to be a Gold supplier, which gives Alibaba the upper hand and the opportunity to create revenue. Many spin off’s of the gold supplier membership have provided other services and benefits at lower cost to the customer but with fewer benefits. The gold supplier tag is more prominent still.

**Organizational Structure & Personnel Needed**

Alibaba is a governance structure company, which is a dual-class voting structure for company’s shares with 28-partner control structure that to set company’s strategic course without being influenced by the fluctuating attitudes of the capital markets to protect company’s long-term interest of its customers, company itself, and all shareholders.

Alibaba group was originally comprised of 5 subsidiaries including Alibaba B2B Operation (Alibaba.com), Taobao, Alipay, Alibaba Cloud Computing and Yahoo! China. Since 2011, Alibabagoup has made three major changes to reorganize its organizational structure.

1. In 2011, Alibaba Group reorganized Taobao into three separate companies – Tmall.com, Taobao Marketplace and e Tao – to better adapt to China’s fast-growing B2C market for a e-commerce in June.
2. In July 2012, Alibaba Group reorganized into seven business groups which Jack Ma called the “seven swords”. They are Alibaba B2B International Operations, Alibaba B2B China Operations, Taobao Marketplace, Tmall.com, Juhuasuan, eTao and Alibaba Cloud Computing. Alipay was separated from Alibaba Group and became an affiliate of Alibaba Group.
3. In 2013, Alibaba Group reorganized again into 25 business units. Alibaba Small and Micro Financial Services Group, which include Alipay, insurance, loans and guarantee services to small businesses was formally founded in March 2013.

**Personnel Needed**

For Alibaba, they think the customer always be the first, then followed by employee second, and shareholder third. Company wants its employees work for their dreams, shared values, naturally optimistic and happy, enjoy work and can turn stress and challenges into innovation, and be smart to work together. Alibaba seeks the people who have strong professional skills, which characteristics are even more important in deciding whether a person will join, stay, and enjoy working in the company. Here is the Alibaba group’s six core values to guide its operations, which are fundamental to its culture and an integral component of

Alibaba Group’s DNA:

|  |  |
| --- | --- |
| Customer always be the First | The paying members and the interests of company group of users must be our first priority. |
| Teamwork | Expect the employees to collaborate as a team in pursuit of our shared mission. To believe teamwork enables ordinary people to achieve extraordinary things. |
| Embrace Change | To operate in a fast-evolving industry. Ask the employees of the company to maintain flexibility, continue to innovate, and adapt to new business conditions and practice. |
| Integrity | The heart of the company is Integrity. And the company expects its employees to uphold the highest standards of integrity and to deliver on their commitments. |
| Passion | The employees of Alibaba group are encouraged to maintain a positive attitude towards their work and never give up doing what they believe is right. |
| Commitment | Company expects its employees to demonstrate professionalism and continuously strive for excellence. |

**Budget $ financials**

The marketing plan of the alibaba.com will be delivered to ensure that the company gets value for the investment.  Since its inception, Alibaba.com has enjoyed stable patronage from the many customers that have preferred to purchase goods online as opposed to driving to the stores to buy the goods physically. The table below shows the projected sales of the company for the period of one year. It will include the additional expenses that will be brought by the implementation of the marketing plan.

The projected budget of the Alibaba.com is estimated to increase by about 16% as a result of the activities of the brand awareness that will be undertaken especially in the new markets. Alibaba.com is very focused on expanding overseas to explain that his strategic move is to attract more clients in markets including India and Japan, because the company needs to be the more preferred choice of all business to business transactions outside china. But in the long run, the effective implementation of this plan will result in not only increased sales but also revenue (Kotler & Keller, 2012).

In Alibaba.com business plan, E-business search technology will also be main focus because the company believes that developing this technology will lead to greater profits. This strategy is extremely focused because Alibaba.com realizes that the acquisition of Yahoo represents an overwhelming opportunity to grow and gain a larger market share because Yahoo is such a recognized company

Alibaba.com strategy is to make business easier for its members. This is what informed the new pricing model known as that is known as the Gold starter package to draw more members. As a result, members will be given 60% discount on some transactions.

**Budget summery plan**

|  |  |  |
| --- | --- | --- |
|  | Dollars | % |
| advertising | 163410 | 28 |
| Promotional costs | 9600 | 1.66 |
| Sales costs | 400000 | 69.44 |
| Research costs | 3000 | 0.52 |
| Total cost | 173010 | 100 |

**Outline implementation steps**

The implementation of the growth and the efforts to make the company started with the acquisition of the Yahoo china. The new mail box department is expected to make the company make more of its advertisement online. Alibaba.com is expected to shift its business to the E business technology that will enable it to be more profitable.

Since alibaba.com is a recognized world leader in business to business E-commerce, the marketing strategy will capitalize on this strength to increase its user base.

In implementing this marketing plan, the direct mail and Facebook advertisement will be tailored towards the small and the medium term business organization. Alibaba.com currently has more than five million SME suppliers.

The TV advertisement in china, India and USA will be very effective in filling the gap Market needed by the Chinese business people. China has no printed directory or electronic data base that can be used by the small and medium scale companies to describe their product and therefore enable the buyers and the sellers to find each other and conduct business.

The newspaper advertisement will mainly be done to target the small family type business in china. Alibaba.com will increase the awareness of its products to these large communities of the business people to tap into the global market.

In a strategic move to extend the market share on the international market, Alibaba.com will conduct aggressive marketing campaign in USA, India, Japan and china. The advertisement will be done to grow the number of customers who are able to use the services to increase their business transactions overseas.

So as to capitalize on the international consumer base and drive the competitive market place business between businesses. The TV advertisements will be tailored to target the Asian SMEs who are the core of economic growth not only in Asia USA but also Europe and South America.

The strategy undertaken by the firm to increase sales is meant to make it easy for the members to make transactions. This is reflected in the new pricing model that was adopted to even draw more members. The Gold suppliers offer services for 60% discount to the customers. This is a long time strategy that is targeted at increasing the customer base and creates loyal suppliers that will eventually lead to an increase in the sale revenue.

**Compare between Amazon and Alibaba platforms based on the following features:**

**CRM Tools:**

Amazon:

Amazon provides a comprehensive and powerful CRM system for sellers on its platform.

The CRM tools offered by Amazon allow sellers to manage customer relationships effectively.

Sellers can analyze customer data, track sales performance, and create personalized experiences for customers.

Amazon's CRM tools provide features such as customer segmentation, order management, and communication tools.

Alibaba:

Alibaba also offers CRM tools for sellers on its platform.

The CRM system provided by Alibaba allows sellers to manage customer relationships and enhance customer satisfaction.

Sellers can analyze customer data, track sales performance, and improve marketing strategies.

Alibaba's CRM tools provide features such as customer profiling, order tracking, and customer support services.

Overall, both Amazon and Alibaba offer CRM tools that enable sellers to effectively manage customer relationships and optimize their sales and marketing efforts. However, the specific features and capabilities of the CRM tools may vary, and it's important for sellers to evaluate their specific needs and preferences when choosing between the two platforms.

**Payment Methods:**

Amazon:

Amazon offers a wide range of payment methods for customers, including credit cards, debit cards, and bank transfers.

It has its own payment system called Amazon Pay, which allows customers to make purchases using their Amazon accounts.

Amazon also supports alternative payment options such as digital wallets and gift cards.

The platform ensures secure transactions and offers buyer protection policies.

Alibaba:

Alibaba provides various payment methods tailored to different regions and countries.

The most prominent payment method on Alibaba is Alipay, a widely used digital payment platform in China.

Alipay supports multiple forms of payment, including credit cards, bank transfers, and online banking.

Alibaba also offers other payment options like WeChat Pay and local payment methods specific to certain countries.

Both Amazon and Alibaba platforms offer diverse payment options to accommodate the needs and preferences of their customers. However, it's important to note that the availability of specific payment methods may vary depending on the region and country of operation. Users should check the respective platforms' websites for detailed information on the payment methods available in their specific location.

**Shopping Cart:**

Amazon:

Amazon provides a user-friendly and intuitive shopping cart feature.

Users can easily add items to their cart while browsing the platform.

The cart allows users to review and modify their selected items before proceeding to checkout.

Amazon's shopping cart supports features like saving items for later, quantity adjustments, and the ability to apply promotional codes or discounts.

It offers a seamless shopping experience with a streamlined checkout process.

Alibaba:

Alibaba also offers a shopping cart feature for users.

The shopping cart allows users to collect products from various sellers and consolidate them for checkout.

Users can review and manage the items in their cart, adjust quantities, and calculate shipping costs.

Alibaba's cart supports features like adding notes or instructions for the seller and saving carts for future reference.

It provides a convenient way for users to organize their shopping and proceed with the purchase.

Both Amazon and Alibaba platforms provide shopping cart functionality to enhance the user's shopping experience. While they share similar core features, there may be slight differences in terms of additional features and customization options. Users can compare and choose based on their specific needs and preferences.

**Product Fragmentation:**

Amazon:

Amazon offers a diverse range of products from various sellers, both large brands and individual sellers.

Users can find a wide selection of products across multiple categories, including electronics, clothing, home goods, and more.

The platform provides a centralized marketplace where users can purchase products from different sellers and benefit from consolidated shipping.

Amazon's product fragmentation allows users to explore a vast catalog and compare prices and reviews from different sellers.

Alibaba:

Alibaba also offers a diverse range of products, with a focus on connecting buyers and sellers primarily in China.

The platform features a wide range of products, including electronics, fashion, machinery, and more.

Alibaba's product fragmentation enables users to access a vast network of Chinese suppliers and manufacturers.

Users can find unique and specialized products from a variety of sellers on the platform.

While both Amazon and Alibaba offer product fragmentation, there are differences in terms of regional focus and the types of sellers available. Amazon has a broader international presence and offers products from sellers worldwide, while Alibaba's primary focus is on Chinese sellers and manufacturers. Users should consider their specific needs and preferences when choosing between the two platforms for product fragmentation.

**Security Measures:**

Amazon:

Amazon places a strong emphasis on security measures to protect user transactions and data.

The platform utilizes advanced encryption technologies to secure sensitive information.

Amazon employs multi-factor authentication methods to ensure secure access to user accounts.

It implements robust security protocols to safeguard personal data from unauthorized access.

Amazon also has buyer protection policies in place to address any issues related to fraudulent transactions or unauthorized activity.

Alibaba:

Alibaba prioritizes security measures to protect user transactions and data as well.

The platform employs encryption techniques to secure sensitive information during transactions.

Alibaba implements measures to protect users' personal information from unauthorized access.

It utilizes various security mechanisms to prevent fraud and unauthorized transactions.

Alibaba also offers dispute resolution and buyer protection services to address security concerns.

Both Amazon and Alibaba platforms take security seriously and have implemented measures to protect user transactions and data. While the specific security protocols and technologies used may differ, both platforms strive to provide a secure online shopping experience for their users. It's important for users to follow best practices such as using strong passwords, keeping their account information secure, and being cautious of potential phishing attempts to further enhance their own security when using these platforms.

**Customer Registration System:**

Comparison between Amazon and Alibaba platforms based on Customer Registration System:

Amazon:

Amazon provides a comprehensive customer registration system.

Users can easily create personal accounts on Amazon's platform.

The registration process typically requires basic personal information and a valid email address.

Amazon allows users to manage their account settings, including payment methods, shipping addresses, and communication preferences.

Users can track their orders, view order history, and access customer support through their registered accounts.

Alibaba:

Alibaba also offers a customer registration system.

Users can create accounts on Alibaba's platform by providing necessary personal information.

The registration process may vary depending on the specific Alibaba platform (e.g., Alibaba.com, AliExpress, Tmall).

Alibaba allows users to manage their account settings, such as contact information and shipping addresses.

Users can track their orders, communicate with sellers, and access support services through their registered accounts.

Both Amazon and Alibaba platforms provide customer registration systems that allow users to create accounts and manage their information. The registration process and account management features may vary slightly depending on the platform and specific services offered. Users should review the registration process and account management options on each platform to understand the features and functionalities available to them. **It's important to note that these features may vary between platforms based on countries, regions, and specific services. Users are advised to visit the websites of each platform to obtain more details and understand the services available in their specific region.**

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