Introduction:

Ecommerce business is a goliath industry. So it is no big surprise that individuals are continually getting some information about the fate of the Ecommerce business. It is changing the world significantly nowadays. Most of the businesses are now based on Ecommerce platforms.The particular product I want to order is a Playstation 5. There are so many different ecommerce websites or platforms for business where people can purchase products or services online whereas different ecommerce websites provide their service in a different way. Some are like to provide service directly to the customer (Amazon, Alibaba, eBay etc.) and some websites provide their service as a third party (rightmove.co.uk, envelopes.com etc.). Here I am doing the evaluation of 2 of my ecommerce organisations and the business strategy.

My 1st ecommerce business organisation is Argos. This will directly deal with the customers. It will be a one click and mortar service. Market is an online shopping website where people can do their daily shopping. According to them, “We give business people the platform for selling their product. We directly contact the customers. We take the responsibilities of our products.” I found a lot of interesting aspects to share what make them successful. One very important thing to share at the very beginning of my finding is their business model. We will use a very unique and successful business model for our business known as click and mortar. It is used to identify a business that uses both conventional stores and internal stores to sell its product or services. Without further delay , I will be discussing it. People who need the services must have an account. Once they have the account they can access the websites and are able to do the shopping. There will be a shopping cart where people can have their shopping. By adding the billing information and shipping details people can purchase that product. The orders come to the warehouse of the shop. Once the orders are received they do the packing and dispatch it for shipping. Customers will also have the option to track their orders.

My 2nd ecommerce business plan is the online version on Amazon, which basically gives a platform to both customers and sellers. This will work as a broker. It is basically an online shopping site where people or companies can list up the product with the details. They do the digital marketing of the properties which need to be sold. Individuals who are listed for their product needs to give their product details. Basically People who need their services must have an account with them. Once they have the account they can access the websites and are able to do the shopping. There will be a shopping cart where people can have their shopping. By adding the billing information and shipping details people can purchase that product. The orders come to our warehouse. Once we get the orders we do the packing and dispatch it for shipping. Customers will also have the option to track their orders. I will be discussing it below.

Evaluation of Argos’s business strategy:

Firstly I would like to evaluate the business strategy of Argos. Argos is one of the leading retail chain brands based out of the UK. It also has its own special few brands, for instance, Challenge, Cook works, Visit, Pro health, etc. Starting late in 2018, it again changed its logo to join more tones to guarantee it as an enthusiastic brand serving a wide collection of things. While its things in the 20th century were confined, so Argos added an extent of new things as a bit of its displaying mix thing portfolio. The catalogue is made two times each year and they have around 1600 pages.

It has similarly moved into furniture and coolers and modified consideration, for instance, pet organizations and security. Argos have the photographs of the thing, a little portrayal, the expense and the rundown number.

It changed its logo in 1998 to change the acknowledgement from being seen as debilitating. The primary evaluating methodology of Argos has been on giving low costs. The primary wellspring of advancement has been immediate promotion. It has a few items diversely evaluated in Ireland when contrasted with the United Kingdom. Low value DVDs and CDs likewise reinforce this methodology by supervisory group. Argos likewise distributes advertisements through print media, online standards, web-based media commitment and so on Argos lists highlight a scope of items with depictions and costs of the items. Other wellspring of advancement would be the informal. At last, Argos keeps up cosy associations with providers to benefit least expenses to its low selling costs. When the request is made either over telephone or on the web, the request goes to the vendor who at that point affirms it. At that point the conveyance division cares for the shipment and obtainment prompting a quicker and more secure method of appearance. Argos depends on great special procedures to guarantee clients know about its contributions. The latest add on the Argos business strategy is click and collect. Argos have refreshed their conveyance and assortment alternative. They have added the click and collect alternative to their variety of conveyance choices accessible in the United Kingdom. With the new Argos click and collect, you would now be able to put in your request on the web and get your requests at a few assortment focuses and Argos stores that are inside Sainsbury's market.

PEST analysis of Argos:

Political factors of Argos:

In the UK, the government's rules, tax assessment charge evaluation systems, orders, principles of organization, and work rules are outstandingly versatile for business. The UK is one of the most reassuring business places with extraordinary advancement in the corporate world. The association has misused the ideal UK money related condition to develop its market strength. The consistent economy of the UK has been a draw factor for the association's things since the purchasing power of countless of its potential customers is high, especially for its stores.

In any case, when completing its business, the Argos Company needs to remember that it needs to follow all the business laws of the UK and government laws also.

Economic factors of Argos:

Despite the overall money related crisis in 2009, the economy of the UK has recovered from these effects and is at present one of the primary monetary powerhouses in Europe. The continuous time of success in the UK has happened into advancement of various associations in view of extended revenue for things and services. Being one of the most intentionally discovered associations, the Argos Company arranged to benefit by the economies of scale and improved salaries since it incorporates a couple of brands inside the UK and Ireland

Social factors of Argos:

Various social issues impact any business territory or industry. In any case, the Argos Company has changed its organizations to the target market needs by successfully looking into plans of corporate social obligation exercises.

Additionally, the things and media organizations outfitted by the firm are agreed with the socio-social prerequisites of customers in the UK and Ireland. By and by, the firm is placing assets into areas where socio-social factors advance its business, for instance, the Argos TV.

Technological factors of Argos:

The Argos Company has adequately solidified online activities inside its exercises. As one of the principle retailers in the UK, the association has dispatched the Argos charge card, electronic shopping passageway, and live buyer maintenance centre. Since most of its exercises rely upon the availability and convenience of information advancement, the business has applied open development to make and keep up the market boss status. All pieces of the firm, for instance, bargains, purchases, displaying, the board, and exercises have been acclimated to appropriate and practical advancement.

Evaluation of Argos based on reviews and reports:

Based on experience any company has both positive and negative reviews. I have found a positive review such as: “Easy to order online. Delivered within time frame provided and delivery man very helpful putting package where best for us.” Negative review such as: “absolutely disgusting DAYLIGHT ROBBERY…absolutely disgusting DAYLIGHT ROBBERY tried extremely hard early this morning and finally checked out with a ps5 and they took the money out of my account and then said there was a mistake and that it was not in stock so i would have to wait up to 30 days for a refund absolutely appalling i called them and they could only "apologise" but that's not good enough taking that much money when the product was not in stock, will NOT order again.”

Based on news reports, customers are furious regarding Argos for not being able to supply ps5 and having to wait for a refund. In the news article of theSun it is said: “ARGOS customers are fuming after finally managing to buy new PlayStation5 consoles, only to be told moments later that the console is out of stock and refunds will take a week to process.”

Shareholders of Argos are also not happy because of stock price drops. Thus we can say that as a company Argos does not provide good enough service.

Impact of covid19 and Brexit in Argos:

All the huge undertakings of the world are by and by dealing with the stunning effects of COVID-19 (or the Covid19). From gathering to promoting, 2020 has seen moves in the way in which associations and affiliations work in the wake of the savage disease. Sainsbury's, owners of Argos, announced yesterday it will dispense with almost 3,500 positions, most of which will be associated with the finish of 120 Argos stores. It comes as another significant hit to the British more respectable option which has been assaulted by the COVID-19 pandemic and move in client behaviour. Overall, 420 Argos stores are set to close by 2024, which implies there may connect with 100 autonomous stores left over the UK.

Most UK associations fear that the Covid19 pandemic will enhance the negative impact of a no-deal Brexit on their business, a diagram has found. Since the beginning of the scene, there has been a hypothesis that Brexiteers will be spared brief deficiency for any interference when the UK changes to its new relationship with the EU at the completion of 2020, because its impact will be hidden by the colossal social and financial mischief of coronavirus. Leaving without a course of action would mean the UK moving to World Trade Organization terms, with enormous tolls on various items imported and conveyed with its European neighbours . Argos has urged customers to check thing costs online before visiting a store to purchase a thing. The retailer has irregularly changed its record costs previously yet these expenses would be diminished to outperform contention. The exhortation is accepted to be the initial gone through a retailer has totally educated on the contacts with respect to Brexit uncertainty. Argos has advised its customers on the possibility of Brexit weakness achieving more noteworthy expenses. The British retailer advised customers on this possibility on the essential page of its Christmas stock. “At the hour of printing we hope to keep up our expenses at or underneath the printed cost, in any case, given the weakness around the UK leaving the EU we keep up all positions to change our costs”, Argos told its customers.

Evaluation of Amazon’s business strategy:

Amazon.com is an iconic example of electronic commerce, online retailer, manufacturer of electronic book readers and web services provider. Mainly it follows four basic principles such as customer obsession rather than competitor focus, passion for invention, commitment to operational excellence and long-term thinking. As it focuses on the selection, price and convenience, it’s retail strategy was dominated by its acquisition of Whole Foods and a nationwide search for a second headquarters in 2018. Amazon largely gives importance on the customer satisfaction rather than the competitor as the CEO of Amazon Jeff Bezos states that “We’re not satisfied until it’s 100%” for him and customers are the most important person in the room. As a result, they emphasise on preventing any delays like product delivery, web page loading, keeping low prices within the business as much as possible and also providing ideal training to the managers for better customer experience.

For two decades Amazon expanded and competed in almost every industry like electronics, music, toys, clothes etc and also became a leader in book sales.Furthermore, renting data storage and cloud computing web services are provided by it. In fact the sales of Amazon have acquired the 100 billion mark in 22 years.

PEST Analysis of Amazon:

Political factors of Amazon: Amazon is an e-commerce which offers online catalog for users in many countries around the world.So, it has to maintain political and legal rules and regulation in individual regions which can sometime become a threat. It mostly depends on the government support for distributing and profit making. As a result, it faces political influences that can easily have an effect on the success.

Economic factors of Amazon: Many critics stated that Amazon is reducing jobs with technology. In fact in May 2019 they offer a significant amount to the employess who want to quit the job. Moreover, Amazon is playing a role in terms of increasing stock market uncertainty by the expansion into the grocery sector. Flourishing retail industry is also a threat for Amazon as it increases the competition in the market.

Social factors of Amazon: Amazon offers users the facility to receive products without leaving the houses which is considered as comfort for the users. But on the other hand, this facility has increased the obsession among users more than before. Furthermore, people do not feel the need to go outside for their food as Amazon is providing grocery facility to the doorsteps of users which may lead to a negative impact on the public's mind.

Technological factors of Amazon: Amazon depends on technology to distribute their products, providing web services like cloud computing and for various purposes. In Fact they are trying to use the technology to the fullest for the delivery system by introducing drones and for ensuring this they are trying to manage different authorities. The idea is great as building a sound air traffic management system but there are lots of difficulties and factors involved to implement and successfully imply the new delivery system. Besides, Cybercrime is also a threat to Amazon as consumers are concerned about their personal data stored in the Amazon website.

Evaluation of Amazon based on reviews and reports:

Amazon usually acts as a third party and buyer and sellers are the customers themselves. According to one review: “I use Amazon.com often, and 99% of the time, they do an excellent job. With the volume of business they do, it is understandable that occasionally problems will arise. Recently, I ordered a twin size bed, which is a bulky item and more pricey than my normal orders. It had a delivery date of two weeks later (most of my orders I received in a few days). When the item was not delivered on the date it should have been, Amazon's tracking info stated I would have to contact the delivery company, which I did. They never received the item from Amazon. So, I went to Amazon directly and found that the item made it to my city, but not to the delivery company. It was marked as lost.” According to another review: “With Amazon you can leisurely shop in the comfort of your own home for just about anything. Amazon automatically shows other items for you to compare so you don't have to keep searching for a better price, etc. Shipping costs are usually free or very inexpensive. They save items you previously viewed. You can add items to a wish list or cart to purchase a later date. You can review all of your past orders. Your payment methods are stored securely in your account.” According to these reviews, sometimes the company makes a mistake but ultimately the customer receives the product ordered.

According to the stock market, the shareholders are very happy since the stock price is increasing gradually. All in all, the company has a very good reputation and the customers are also pleased.

Impact of covid19 and Brexit in the Amazon:

Despite being one of the best e-commerce organizations the pandemic had an impact on the business of Amazon. They had to be focused and reacted quickly to the issues. In fact it was one of the first retailers to implement “price gouging” defense measures, and today continues its efforts in key categories such as hand sanitiser and masks, where some sellers were raising prices, or where the out of stocks led to higher price points as lower priced items sold out and came off the platform, Amazon took some measures so that they can monitor the sellers who are misusing the pandemic situation and only trying to make profit. Furthermore, it also prioritized essential products by taking off the delivery for non-essential products. Because of the huge demands of products they announced to hire more employees and ensured a safe working place and wages for the sick workers. Besides, they broke records of the previous highest sales period of Prime Day 2019 and Cyber Weak 2019.

From January1, 2021 when the UK's withdrawal from the EU will complete, UK’s business will be no longer free for the European single market and because of this the sellers of Amazon will be affected. The impact of brexit will be that Amazon has to split their business by sending products directly to the centres UK and EU separately. By taking this step they will be able to avoid tariffs. However because of this step there might be different cost implications. Furthermore, Brexit will definitely affect the rules of product standards as they will be different and also Amazon may need to register for VAT separately for both the UK and EU.

From the evaluation, both positive and negative factors are noticed for the two e-commerce organizations. Both of the organizations provide easy to order, low cost price and fast delivery system but from the reviews it is clear that in some cases Argos failed the strategy to deliver on time whereas Amazon always prioritizes their customers convenience and getting popular day by day with the implementation of new technologies and more facilities in different sectors.

There are some good practices that I have identified. The number one characteristic that an e-commerce business should have is customer satisfaction. If a customer is satisfied with the service provided, then not only will he be a returning customer, he will also influence others to buy from the online shop. Another characteristic I have identified is delivery time. Amazon has a ‘prime’ policy of delivering a product within one day or one week given the extra amount a customer pays for fast delivery. Timely delivery should be a key characteristic of any e-commerce business. Last but not the least, ensuring that the customer has received a product and a small review by the customer would be a nice addition to the features that make a successful e-commerce business.

Links:

<https://www.customer.com/blog/retail-marketing/amazon-business-strategy/>

<https://profitworks.ca/small-business-sales-and-marketing-resources/blog/marketing-strategy/543-amazon-business-strategy-leadership-online-retailing.html>

<https://www.thesun.co.uk/tech/13371901/argos-ps5-orders-cancelled-refund/>

<https://www.trustpilot.com/review/www.argos.co.uk>

<https://www.londonstockexchange.com/stock/ARG/argos-resources-limited/company-page?lang=en>

<https://www.consumeraffairs.com/online/amazon.html>

<https://www.londonstockexchange.com/market-stock/0R1O/amazon-com-inc/overview?lang=en>

<https://www.customer.com/blog/retail-marketing/amazon-business-strategy/>

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<https://www.thesun.co.uk/tech/13371901/argos-ps5-orders-cancelled-refund/>

<https://www.trustpilot.com/review/www.argos.co.uk>

<https://www.londonstockexchange.com/stock/ARG/argos-resources-limited/company-page?lang=en>

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<https://www.londonstockexchange.com/market-stock/0R1O/amazon-com-inc/overview?lang=en>