



Sri Lanka Institute of Information Technology

Assignment 01

BCG Matrix analysis to Amazon

Governance and Cyber Law Clinic - IE4072

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Stars

- Amazon Web Services (AWS)
- Amazon Prime Video
- Amazon Music

Justification

AWS, Prime Video, and Amazon Music are all high-growth products with high market shares. AWS is the leading cloud computing platform, with a market share of over 30% [1]. Prime Video is the second-largest video streaming service, with over 200 million subscribers [2]. Amazon Music is the fourth-largest music streaming service, with over 70 million subscribers [3].

These products and services are all important drivers of Amazon's growth. AWS is the fastest-growing segment of Amazon's business, and it is expected to continue to grow rapidly in the coming years. Prime Video and Amazon Music are also growing rapidly, and they are helping Amazon to expand its reach into the media and entertainment industry.

Question Marks

- Amazon Alexa
- Kindle
- Fire TV

Justification

Statista's report on the global smart speaker market estimates that Alexa is the leading virtual assistant platform, with a market share of over 25%. However, the report also estimates that Google Assistant and Apple Siri are the second- and third-leading virtual assistant platforms, respectively [4]. Statista's report on the global e-reader market estimates that Kindle is the leading e-reader platform, with a market share of over 60%. However, the report also estimates that tablets and smartphones are increasingly competing with e-readers [5]. Statista's report on the global streaming media device market estimates that Fire TV is the leading streaming media device platform, with a market share of over 30%. However, the report also estimates that Roku and Chromecast are the second- and third-leading streaming media device platforms, respectively [6].

So Alexa, Kindle, and Fire TV are all high-growth products with lower market shares than AWS, Prime Video, and Amazon Music. Alexa is the leading virtual assistant platform, but it faces competition from Google Assistant and Apple Siri. Kindle is the leading e-reader platform, but it faces competition from tablets and smartphones. Fire TV is the leading streaming media device platform, but it faces competition from Roku and Chromecast.

These products and services are important to Amazon, but they are also facing increasing competition. Amazon needs to continue to invest in these products and services to maintain its market leadership positions.

Cash Cows

- Amazon Marketplace
- Amazon Advertising

Justification

Amazon Marketplace and Amazon Advertising are mature products with lower growth rates. However, they are both very profitable businesses [7]. Amazon Marketplace is the world's largest online marketplace, and it generates a significant portion of Amazon's revenue [8]. Amazon Advertising is the world's third-largest online advertising platform, and it is growing rapidly. These products and services are important to Amazon's cash flow. Amazon can use the profits from these businesses to invest in its high-growth products and services.

Dogs

- Kindle Fire

Justification

The Kindle Fire is a low-cost tablet that was originally released in 2011. It was initially popular, but its market share has declined in recent years. This is due to a number of factors, including the increasing popularity of smartphones and the availability of more affordable tablets from other manufacturers. The Kindle Fire is still sold by Amazon, but it is no longer a major product for the company. It is possible that Amazon could decide to discontinue the Kindle Fire in the future if it continues to lose market share and become unprofitable.

References

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