# 204_Tsoi Yiu Chik_1047report

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Report of Online Sales Revenue of Amazon and Alibaba from 2016 to 2019

## Introduction

Since internet technology is becoming facilitated, online commercial method has become a popular option for both companies and costumers. Amazon and Alibaba are the leading sheep of this business. By observing the pattern of the online sales statistic, company can figure out the best time spot to adjust online commercial strategies. This report compares the online sales revenue of Amazon and Alibaba from the first quarter of 2016 to the fourth quarter of 2019.

## Results

Figure 1 shows the online sales revenue of Amazon and Alibaba from the first quarter of 2016 to the fourth quarter of 2019. Clearly, Amazon's online sales revenue is always better than Alibaba. In both companies, sales revenue was grown steadily from 2016 to 2019. Compare to Alibaba, Amazon's sales revenue of the first quarter was 25.5 billion U.S. dollars more, which is 29.1 billion U.S. dollars. In the fourth quarter of 2019, Amazon had 87.4 billion U.S. dollars as their online sales revenue, when Alibaba gains 24.2 billion U.S. dollars sales revenue. In addition, the graph also shows a distinct sales increase difference of Amazon and Alibaba. For Amazon, the company gained 58.3 billion U.S. dollars sales revenue increase in the period from 2016-2019. But for Alibaba, the company only gained 20.6 billion U.S. dollars as the increase of revenue.

Moreover, for both Alibaba and Amazon, online sales revenue peaked in every fourth quarter of the year, which is remarkable and worthy for further discussion. In first fourth-quarter, 43.7 and 8 billion U.S. dollars of sales revenue has gained by Amazon

and Alibaba, and the value has been grown to 87.4 and 24.2 billion U.S. dollar in the last fourth quarter.

## Discussion

First, in every fourth quarter of the year, both Alibaba and Amazon's online sales revenue increased to the top of the year. Consumers' shopping desire is usually triggered by advertisements on online platform, such as social. Significant events and festivals such as Christmas in western culture and the winter festivals in china are usually a selling point for company advertising their products to consumers. According to Johannes (2015), social media users generally accept advertisements on related platform. This can explain the reason of the sales revenue increase in the graph, as the costumers get persuade by those advertisements.

Moreover, the sales revenue difference is also in the scope of discussion. Amazon and Alibaba face to different types of costumers. Amazon majorly serve western consumers and Alibaba mostly serve Asian. As known as Asian prefer saving money for their further life experience, such as marriage. In another side, people live in western culture are likely to enhance their life quality by having variety of experience on different products, that means consuming is performing a crucial part of western culture. By those reasons, Amazon has much online sale revenue than Alibaba as their culture differences.

## Conclusion

As mentioned above, online sales revenue involve Amazon and Alibaba were scaling since 2016 to 2019. These companies demonstrate how online commercial activities will evolve and it is predicted that the sales venue should be keeping increase and peaking in the fourth quarter of the year. Moreover, based on the culture differences

between Asian and western, Amazon's sales revenue should remain higher than

Alibaba. (550 words)

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