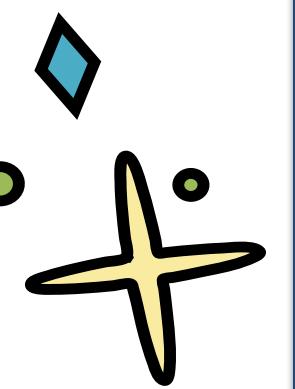


WELCOME TO OUR PRESENTATION



Presented by: Group 7





Group 7

K19460C



Nguyễn Thị Duyên

K194060845



Phan Thị Hiền Mai

K194060855



Hoàng Thị Tân Thanh

K194060870



Nguyễn Thu Vân

K194060880

THE FINAL PROJECT

BUSINESS ANALYTICS



Subject: Management Information System

Lecturer: PhD. Ho Trung Thanh

Tutor: Miss. Huynh Tieu Yen

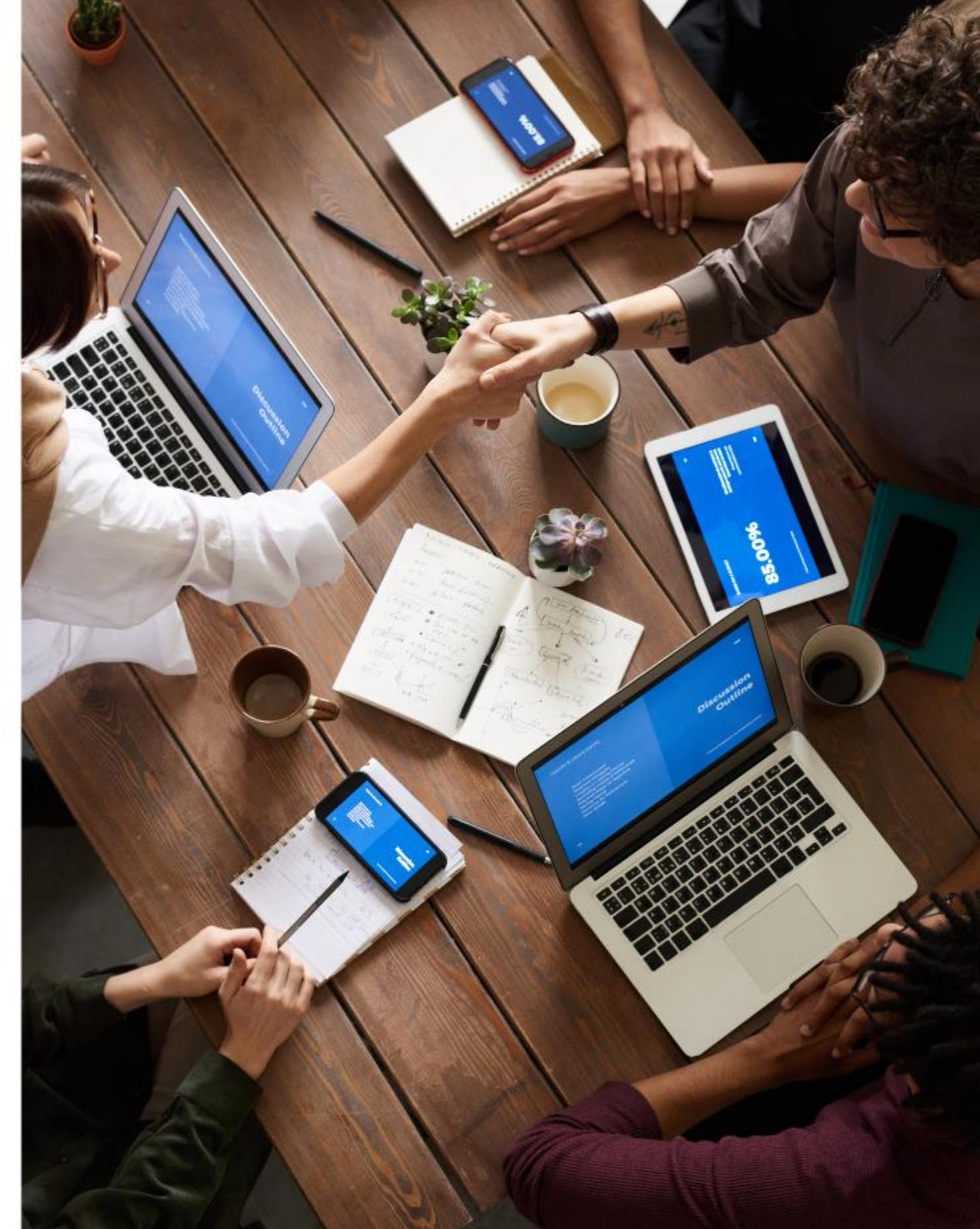


Table of Content



Part 1: Introduction to Amazon

Part 2: Amazon Porter's Five Competitive Forces Model

Part 3: Some MIS solutions implemented by Amazon

Part 4: How Amazon takes advantage of IS to deal with competitive forces?

Part 5: Business Analytics

Part 6: Amazon Business Value Chain

PART 1



An American online business and cloud computing company.

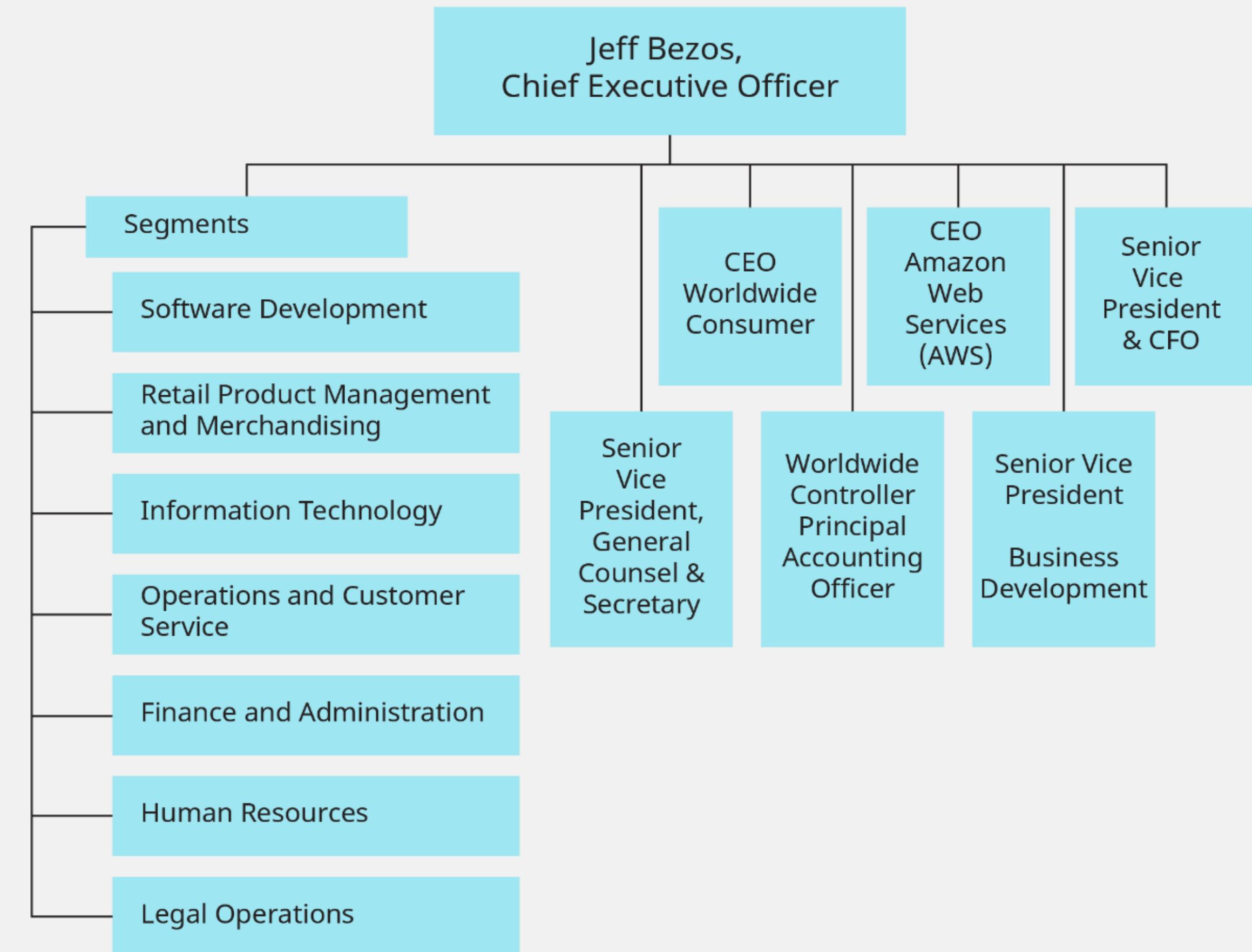
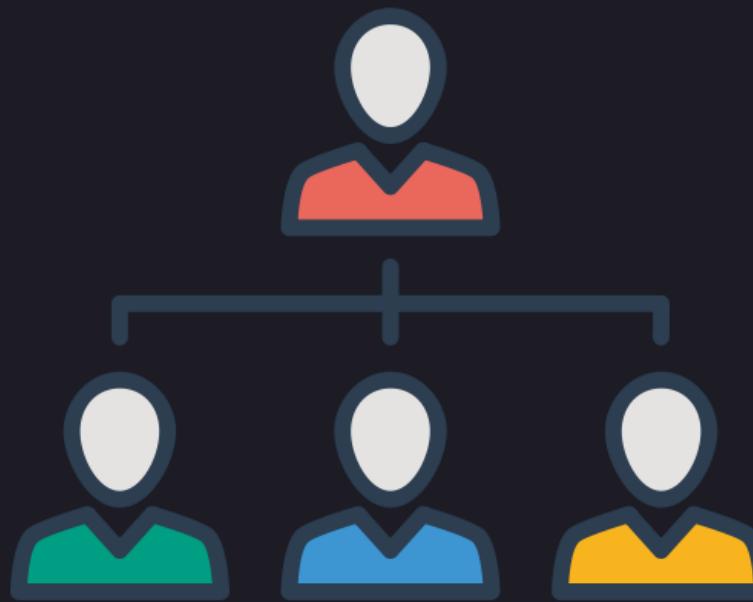


Jeff Bezos



Founded on July 16, 1995

ORGANIZATIONAL STRUCTURE



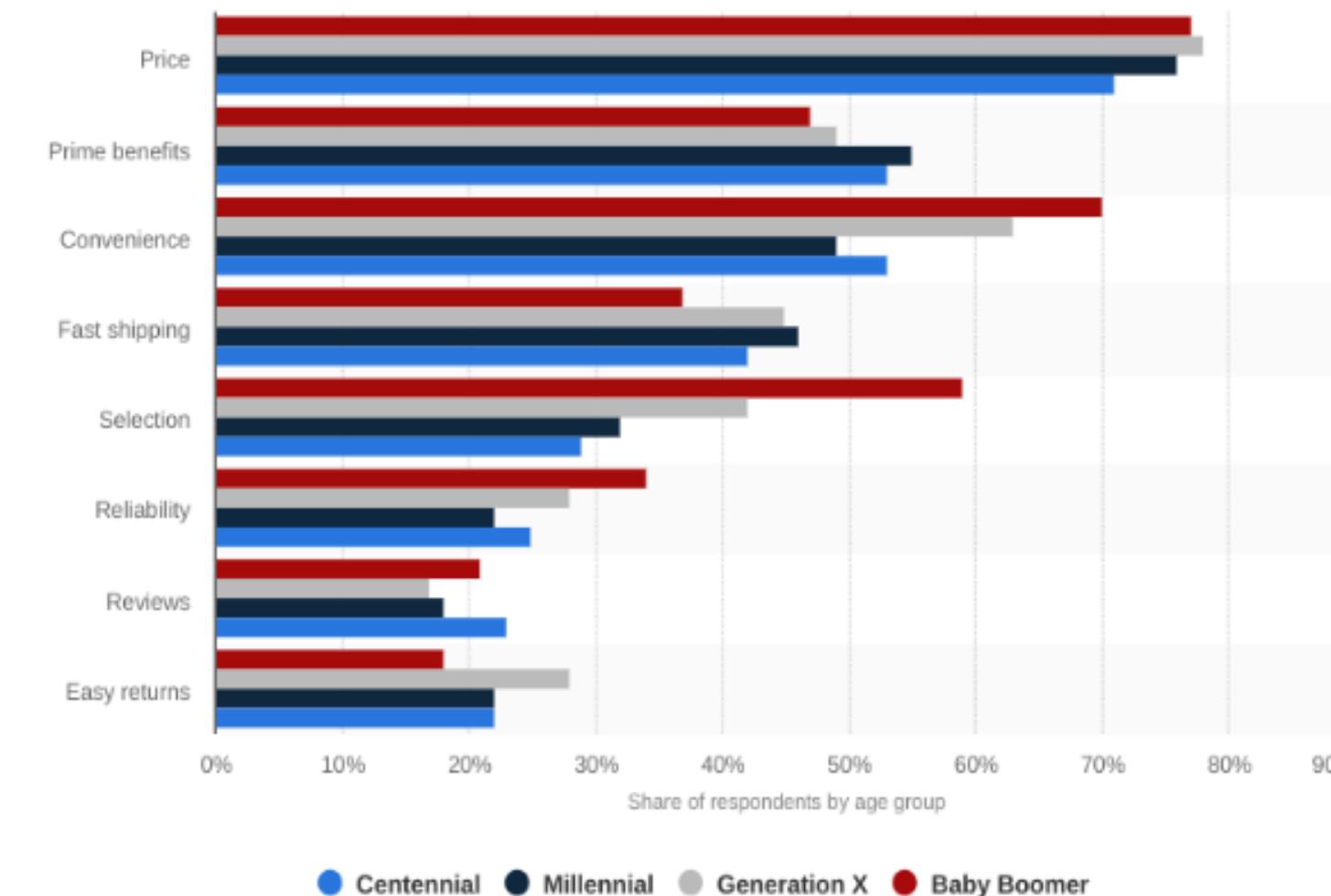
About Amazon

It is the largest Internet-based store and one of the most successful brand in the world



Customers choose Amazon for 3 main reasons:

What factors drive you do purchase on Amazon?



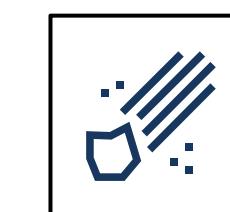
Low prices

Amazon brings accurate pricing, product to meet the needs of shoppers



Vast selection

Customers can see almost every possible purchase option in one place



Fast delivery speed

Amazon Prime

Deliver to
Vietnam

All



USA

Hello, Thanh
Account & ListsReturns
& Orders

≡ All Today's Deals Customer Service Thanh's Amazon.com Registry Gift Cards Buy Again Browsing History Sell

Amazon's response to COVID-19

We ship over 45 million products around the world



Hi, Thanh

Recommendations for you



Your Orders



Electronics

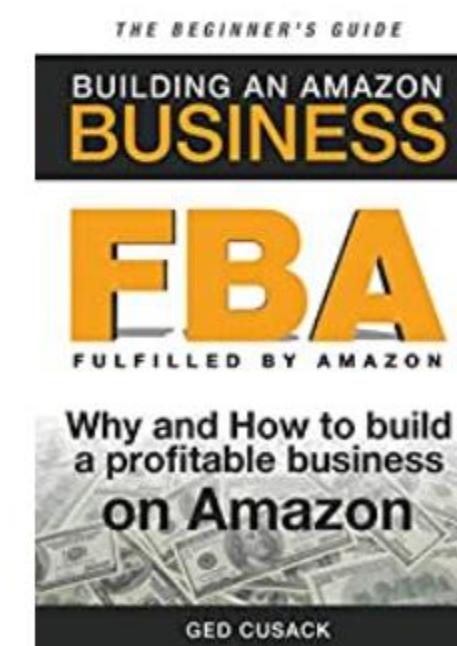


Computers & Accessories



Home & Kitchen

Recently viewed



Today

See your browsing history

Shop by Category



Computers & Accessories



Video Games



Baby



Toys & Games

Shop top categories



See more

9

About Amazon

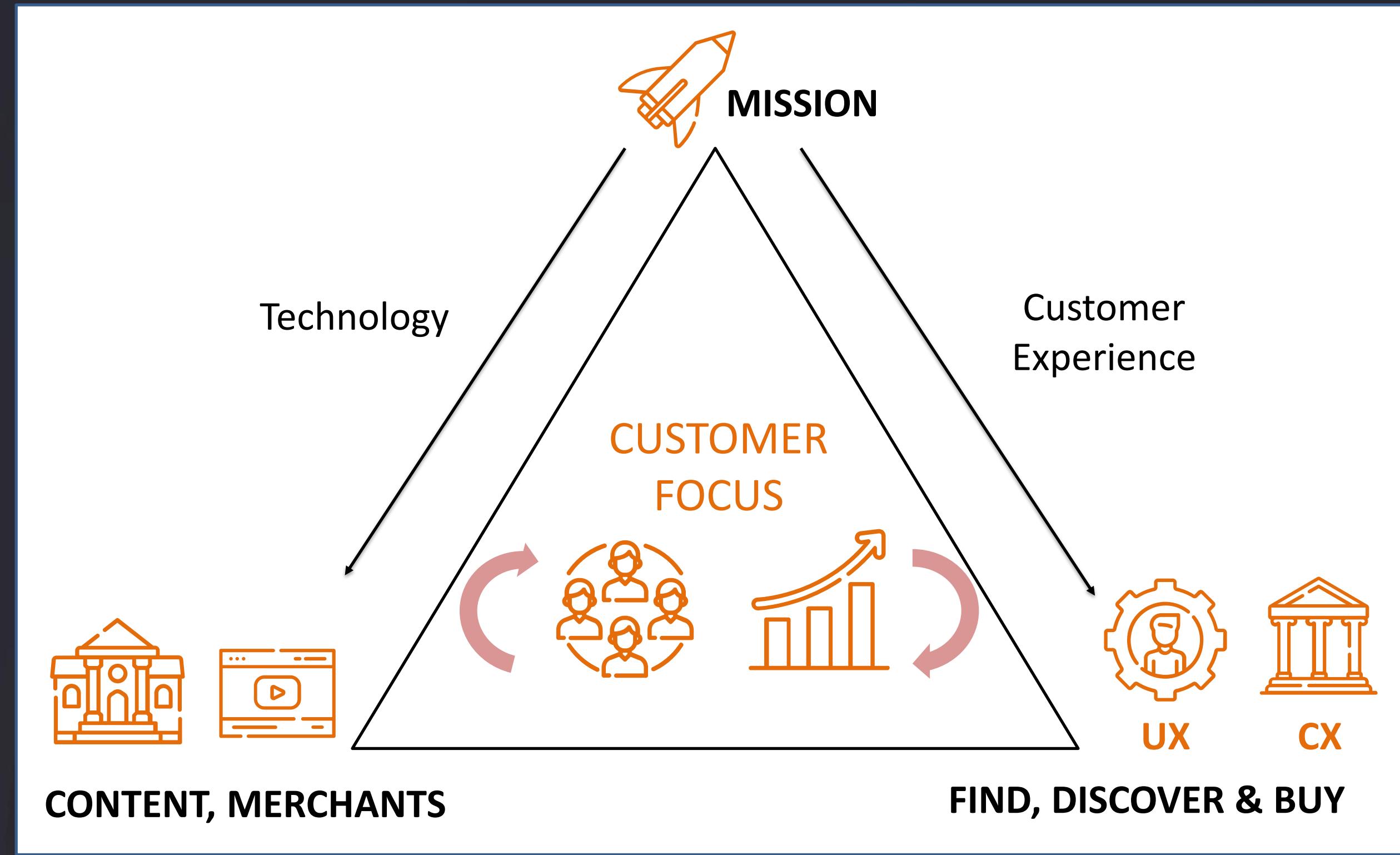
MISSION STATEMENT

“ Serve consumers through online and physical stores and focus on selection, price, and convenience. ”

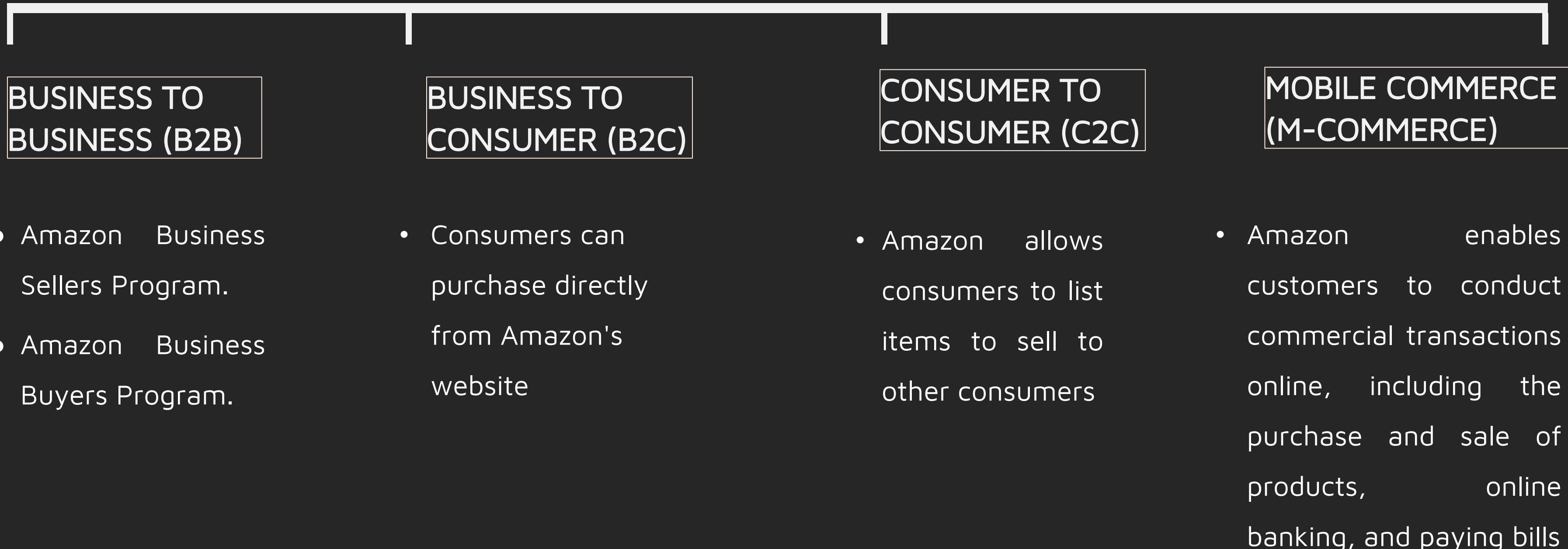
VISION STATEMENT

“ To be Earth’s most customer-centric company, where customers can find and discover anything they might want to buy online, and endeavors to offer its customers the lowest possible prices.” ”

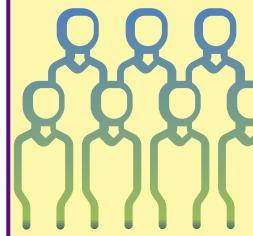
About Amazon



E-Business model of Amazon



Part 2



Traditional Competitors



Threat of New Entrants

Porter's Five Forces Competitive



Threat of Substitutes



Customers



Suppliers

TRADITIONAL COMPETITORS

Main competitors

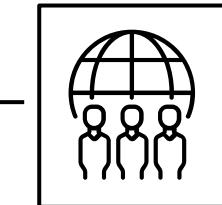


Others

The other retailers, small scale brand, and startups and also many local brands



The threat is high



The World's Largest Retailers

Top 10 retailers based on estimated global retail sales in 2020*



* all figures are estimates based on FY2019 results and YTD 2020 results
(primarily reported in March/April 2020)

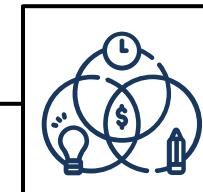
Source: Kantar



statista

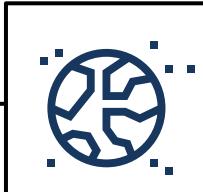
NEW MARKET ENTRANTS

Huge Investment



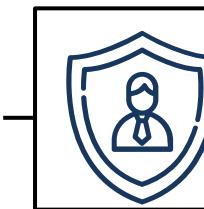
It would require billions of dollar investment and, years of patience, to compete with Amazon.

Economies of Scale



New players can't potentially use economies of scale at the same extent as Amazon

Customer Loyalty

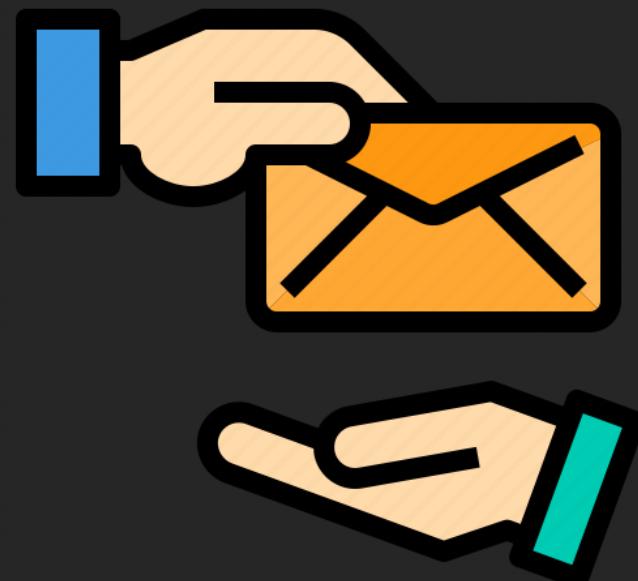


Amazon invested heavily in customer experience to give them the best experience in the market



The threat is *low*

Substitute Products & Services



- Amazon **competes** with substitutes in **the online retail** as well as with **the offline retail market**.
- The **low switching cost** in the industry, the easy availability of substitutes at a ***cheap rate***.

→ **The threat is *high***

- * *Switching costs* are the costs that **a consumer** incurs as a result of **changing brands, suppliers, or products**.

Customers



- **Customers** generally have **high bargaining power** because of the intense competition in *the retail industry*.
- **Customers** tend to be **price sensitive**. If Amazon does not provide them with high-quality service at **the best price**, they will go for its **substitute** in the market.



The threat is **high**

Suppliers



- Amazon is the *most prominent player* in the industry
- Amazon wants to ensure that the suppliers it is purchasing are following ethical working principles. The switching cost for suppliers is almost negligible.

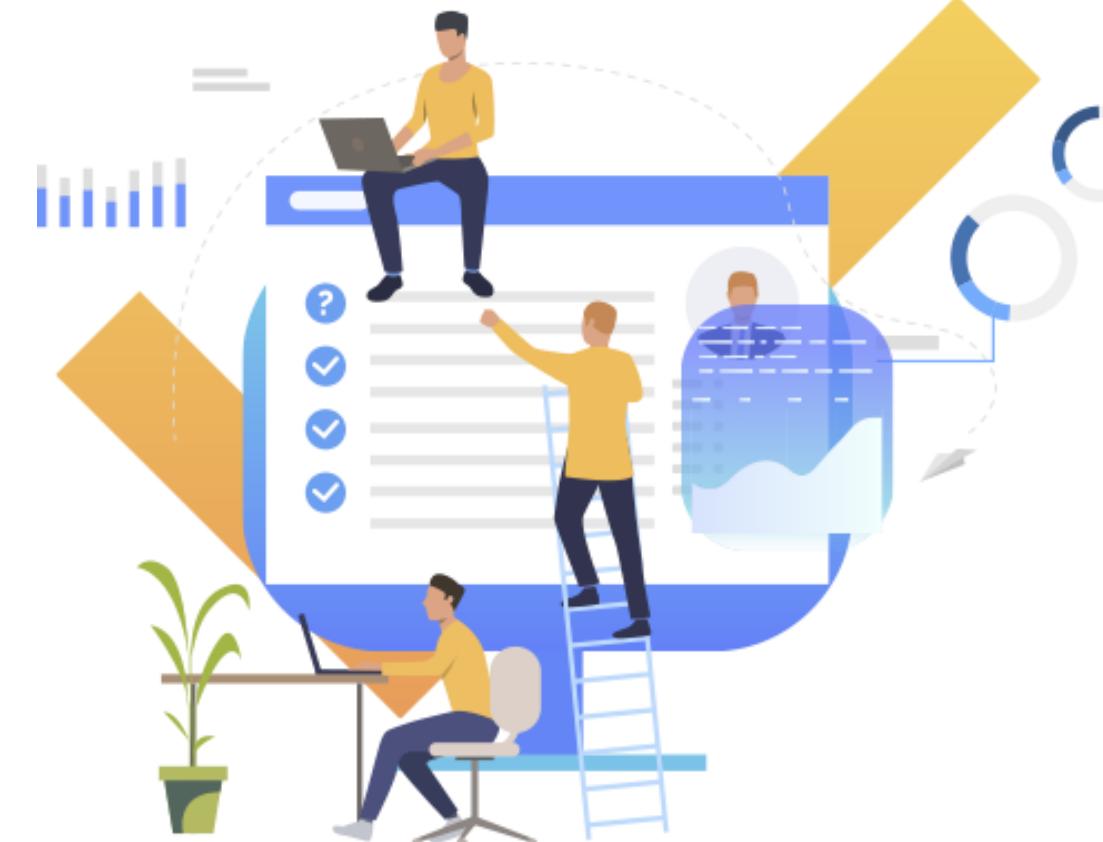
→ **The threat is low to moderate**

- * *Switching costs are the costs that a consumer incurs as a result of changing brands, suppliers, or products.*

Part 3

MIS SOLUTIONS

amazon



Enterprise Resource Planning



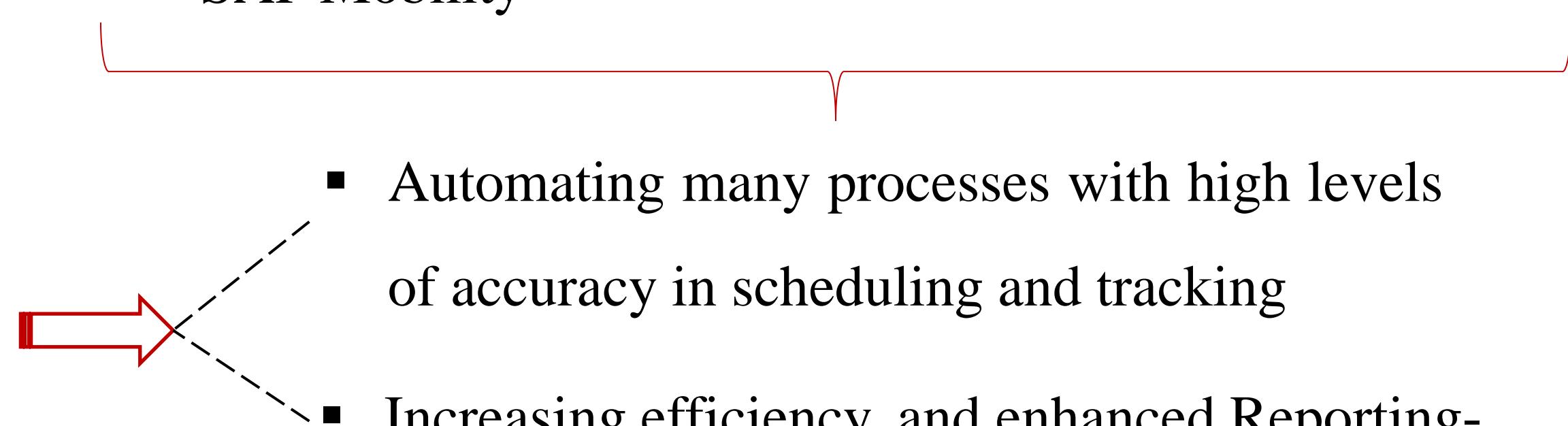
Customer Relationship Management



Supply Chain Management

Enterprise Resource Planning



- Amazon has been using **SAP** as its **ERP system** for its business processes.
 - SAP Basis / NetWeaver Administration
 - SAP Business Suite
 - SAP BusinessObjects
 - SAP HANA
 - SAP Mobility
- 
- Automating many processes with high levels of accuracy in scheduling and tracking
 - Increasing efficiency, and enhanced Reporting-Planning process

Customer Relationship Management



- Amazon is using **Salesforce** to collect **customer data** such as the credit card information, transaction history, and order records, then use that data to instantly **modify** and **customize** a user's overall on-site experience

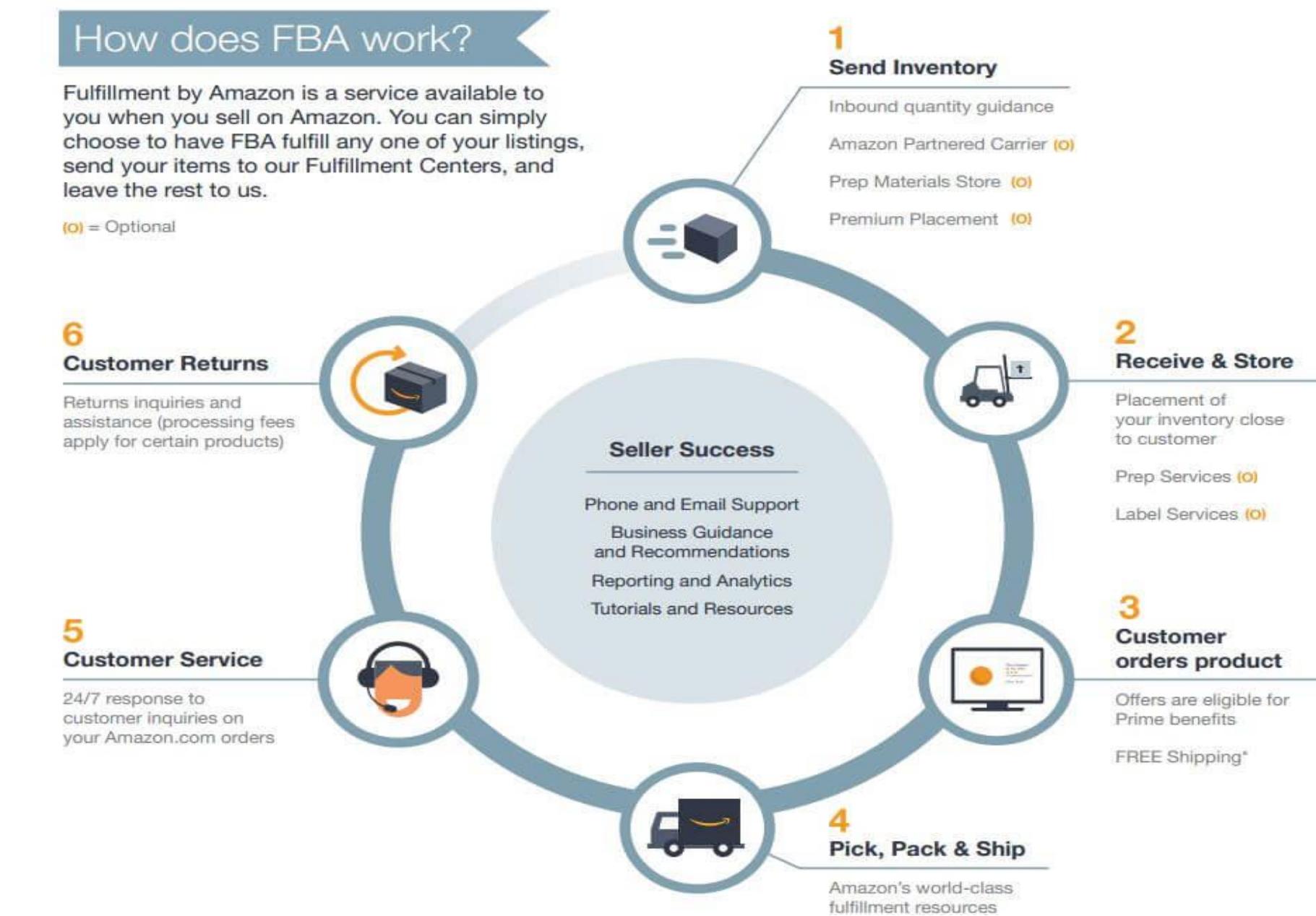
AWS uses other Salesforce products and partners to boost their business including:

- Custom Apps for budget management
- Communities for educational outreach

Supply Chain Management



- Amazon has different fulfillment options to choose from:
 - **Fulfillment by Amazon (FBA)** – Sellers leverage Amazon's fulfillment for products sold on the Amazon Marketplace
 - **Or sell using your own fulfillment (FBM)** – Sellers handle fulfillment for their products sold on the Amazon Marketplace



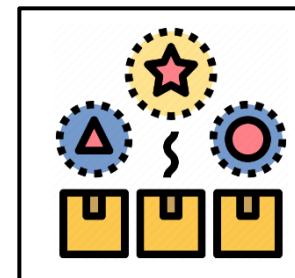
IS STRATEGIES TO DEAL WITH COMPETITIVE FORCES



Part 4



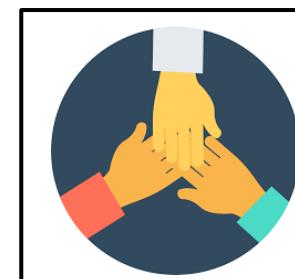
Low-cost Leadership



Product Differentiation



Focus on Market Niche



Strengthen Customer and
Supplier Intimacy

IS STRATEGIES TO DEAL WITH COMPETITIVE FORCES

01

Low-cost Leadership

- **Maximize operational efficiency** and automation in operational processes.
- **Minimize the cost** of its online retail and other services

02

Product Differentiation

- **Prime Delivery:** Amazon gives customers fast and free shipping through *Prime Now* and *Prime Air*
- **One-Click Purchase:** Amazon allows customers to purchase by one-click, which is easy and fast

IS STRATEGIES TO DEAL WITH COMPETITIVE FORCES

03

Focus on Market Niche

- Amazon uses **Business Analytics** to **analyze** customer information
→ Pitching suitable advertising and marketing campaign to *target markets*

04

Strengthen Customer and Supplier Intimacy

- Amazon implemented **CRM** to **collect** **customer data** to customize *users' online experience*
- Amazon **optimizes** the supply chain – from warehousing and inventory management to delivery *times and prices*

Part 5

BUSINESS ANALYTICS



Definition



Different types

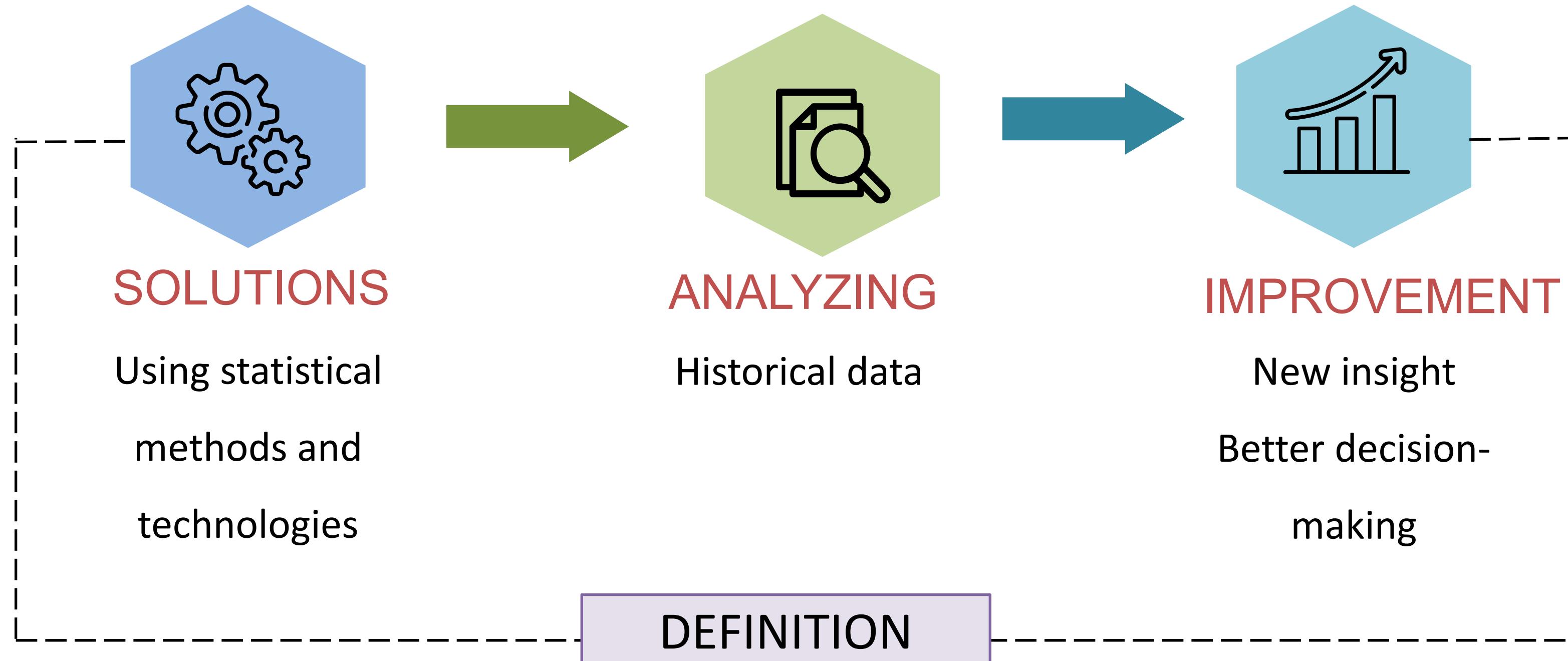


Process

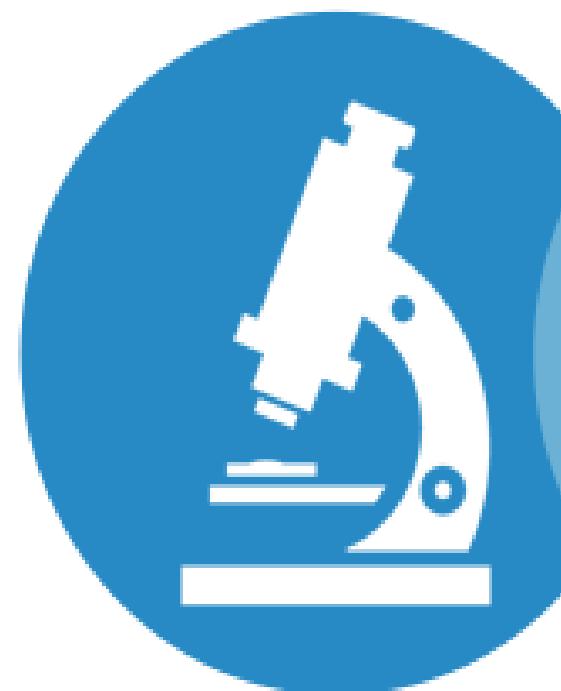


Implementation

BUSINESS ANALYTICS

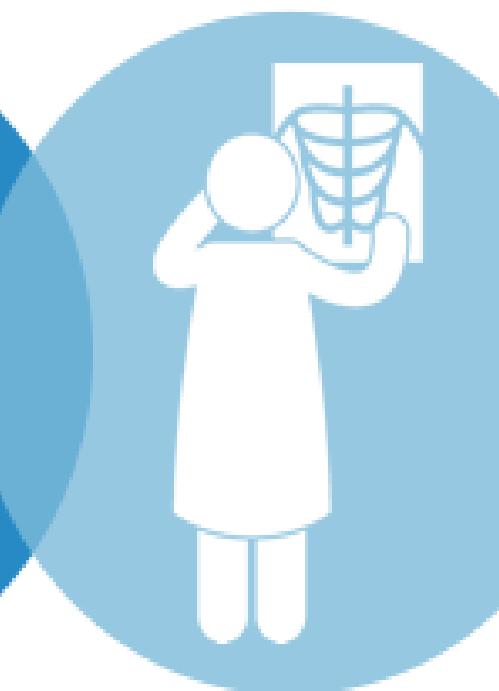


BUSINESS ANALYTICS



Descriptive

Explains what happened.



Diagnostic

Explains why it happened.



Predictive

Forecasts what might happen.

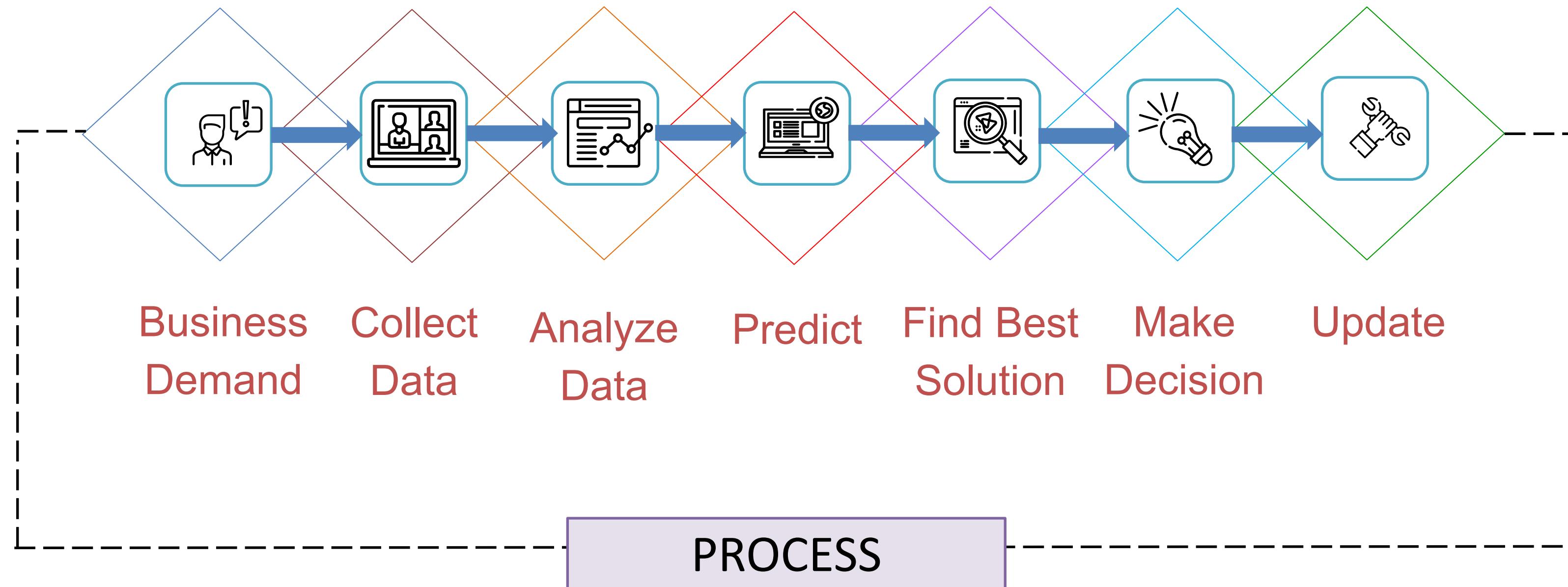


Prescriptive

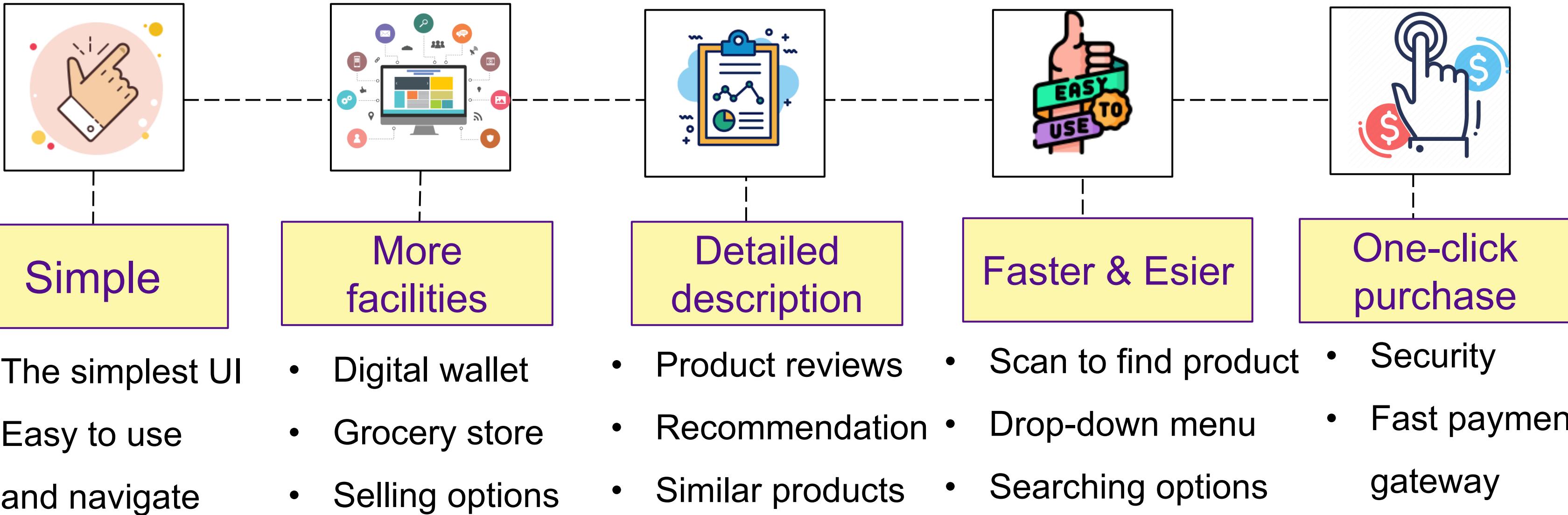
Recommends an action based on the forecast.

DIFFERENT TYPES

BUSINESS ANALYTICS



UX/UI OF **amazon**



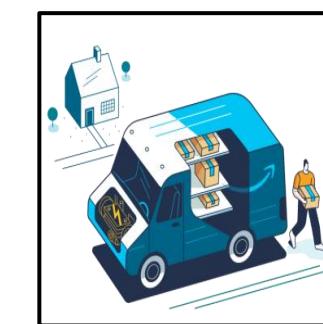
BUSINESS ANALYTICS IMPLMENTATION in AMAZON



Sales and Marketing

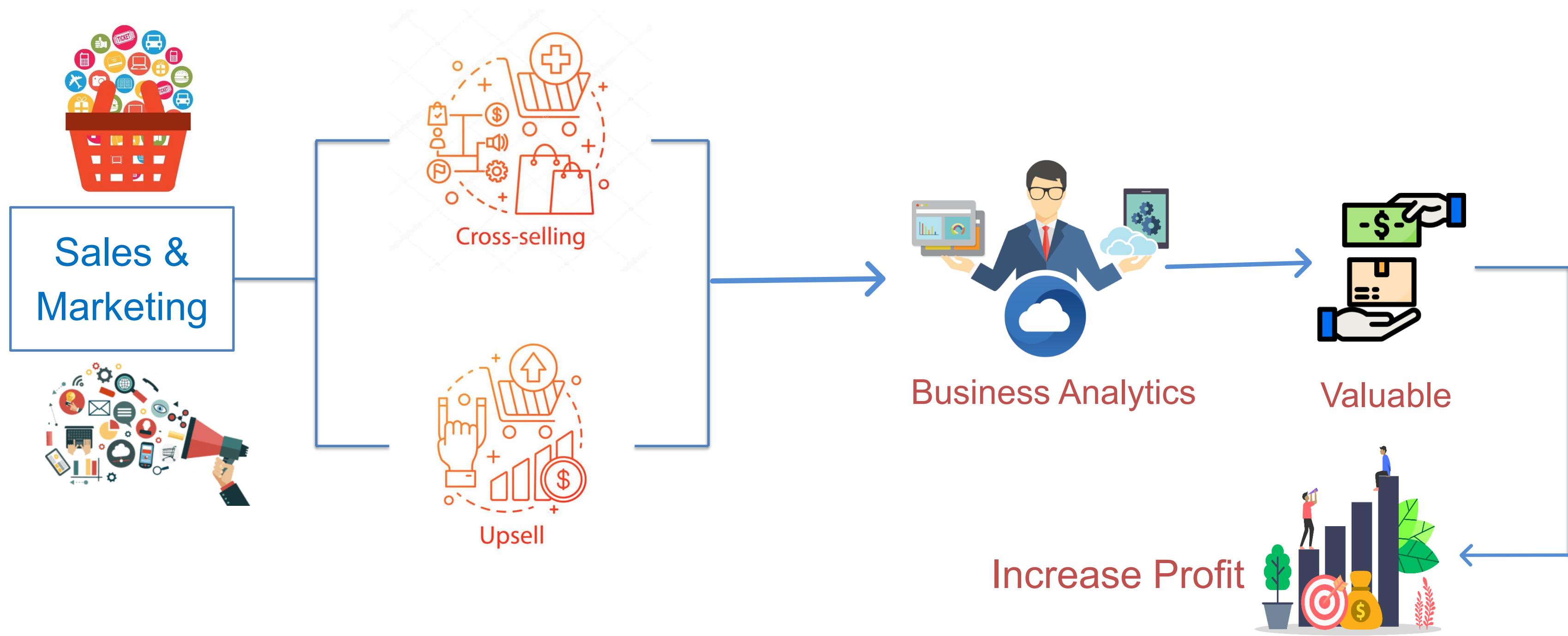


Understanding Customer



Shipping Products

BUSINESS ANALYTICS in SALES & MARKETING



BUSINESS ANALYTICS in SALES & MARKETING



Roll over image to zoom in

32 GB 64 GB 128 GB

In Stock.
Ships from and sold by Amazon.com.

Want it TODAY, July 28? Order within 56 mins and choose Same-Day Delivery at checkout. Details

3 used from \$479.99

Learn More Trade in now

Share

Customers Who Bought This Item Also Bought

Page 1 of 15

Product Image	Product Name	Rating	Price
	Galaxy S6 Case, Spigen [METALLIZED BUTTONS] Neo Hybrid Series Case for Samsung Galaxy S6	★★★★★ 563	\$18.99 ✓Prime
	Spigen Galaxy S6 Case, Spigen [AIR CUSHION] Slim Armor Case [KICK-STAND] for Samsung Galaxy S6	★★★★★ 206	\$16.77 ✓Prime
	Samsung Wireless Charging Pad w/ 2A Wall Charger - Retail Packaging - Black Sapphires, Part # 2000-000000000000	★★★★★ 66	\$29.45 ✓Prime
	Galaxy S6 Case, MoKo (Heavy Duty) Full Body Rugged Holster Cover Case with Swivel Belt Clip - Black	★★★★★ 67	\$6.99 ✓Prime
	OtterBox DEFENDER SERIES for Samsung Galaxy S6 - Frustration-Free Packaging - Black	★★★★★ 258	\$49.95 ✓Prime
	Otterbox COMMUTER SERIES for Samsung Galaxy S6 - Retail Packaging - Black	★★★★★ 271	\$25.33 ✓Prime

FOR EXAMPLE

BUSINESS ANALYTICS in SALES & MARKETING



Frequently Bought Together



Total price: \$94.90

Add both to Cart

Add both to List

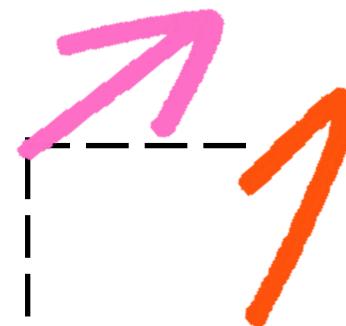
- This item: Rumble Roller - Textured Muscle Foam Roller Manipulates Soft Tissue Like A Massage Therapist \$69.95
- Rumble Roller X-Firm Beastie and Base - Extra Firm Spiky Massage Ball - Comes With Base For... \$24.95 (\$3.12 / oz)

FOR EXAMPLE

BUSINESS ANALYTICS in SALES & MARKETING



Frequently bought together



+



+



Total price: \$25.78

Add all three to Cart

Add all three to List

- This item: AmazonBasics Pre-sharpened Wood Cased #2 HB Pencils, 150 Pack **\$12.49**
- Elmer's All Purpose School Glue Sticks, Washable, 7 Gram, 30 Count **\$9.00**
- Paper Mate Pink Pearl Erasers, Large, 12 Count **\$4.29**

FOR EXAMPLE

BUSINESS ANALYTICS in UNDERSTANDING CUSTOMER



Utilise business
analytics

Purchasing
Patterns of
Customer

Suggest
additional or
related items

Persuading
customer to buy
more products

Account for **35%**
company *annual*
sales

BUSINESS ANALYTICS in UNDERSTANDING CUSTOMER



Recommended for you, Thomas

Category	Items
Literature & Fiction	62 ITEMS
Exercise & Fitness Equipment	8 ITEMS
Health, Fitness & Dieting Books	37 ITEMS
Tableware	12 ITEMS
Prime Video – Unlimited Streaming for Prime Members	12 ITEMS
Coffee, Tea & Espresso	98 ITEMS
Biographies & Memoirs	17 ITEMS
Engineering Books	7 ITEMS

FOR EXAMPLE

BUSINESS ANALYTICS in UNDERSTANDING CUSTOMER



In 2013, Amazon integrated the social networking service of roughly **25 million users** with some **Kindle functions**. This enabled the users to **highlight words and notes**. The company **benefited** from this to regularly **monitor the highlighted words** in Kindle to know about *the interest of the readers*. They **analyze** this data to **recommend ebooks** to their customers and also to enhance the reading experience.

FOR EXAMPLE

BUSINESS ANALYTICS in SHIPPING PRODUCT



ANTICIPATORY SHIPPING

Utilise business analytics

PREDICT

The probability to buy product of customer

PREPARE

Package and dispatch the product to a local warehouse until a real order has arrived



ANALYZE

Customer historical shopping data

PREScribe

Ship the product to customer with an expected order date

DELIVERY

The product is delivered to the customer – almost instantaneously

Part 6

AMAZON BUSINESS VALUE CHAIN





THANKS FOR
LISTENING

Presented by: Group 7

GROUP ASSIGNMENT

42

Task Title	Performer	Status	Timeline
Choose the topic: Business Analytics	All	Done	Mar 29
Find out about BA and choose company: Amazon	All	Done	Mar 30 - Apr 2
Assigned work for members + Content	Vân	Done	Apr 3 - 7
Introduction about team and project	Mai	Done	Apr 8 - 10
About the company: Amazon	Duyên	Done	Apr 10 - 13
Analyze Porter' 5 competitive forces	Vân	Done	Apr 13 - 16
General MIS implementation in Amazon	Thanh	Done	Apr 16 - 21
4 Strategies to deal with competitive forces	Duyên	Done	Apr 16 - 19
UX/UI of Amazon	Mai	Done	Apr 19 - 20
Analyze Business analytics in Amazon	Vân ,Mai	Done	Apr 20 - 28
Business value chain model	Duyên, Thanh	Done	Apr 28 - 30
Project evaluation process	All	Done	May 2 - 4
Review content and aggregate in one file word	Vân	Done	May 5
Design powerpoint	Thanh	Done	May 5 - 11
Practice present	All	Done	May 12 - 15
Check the product	All	Working on it	May 19
Report	All	Working on it	May 21

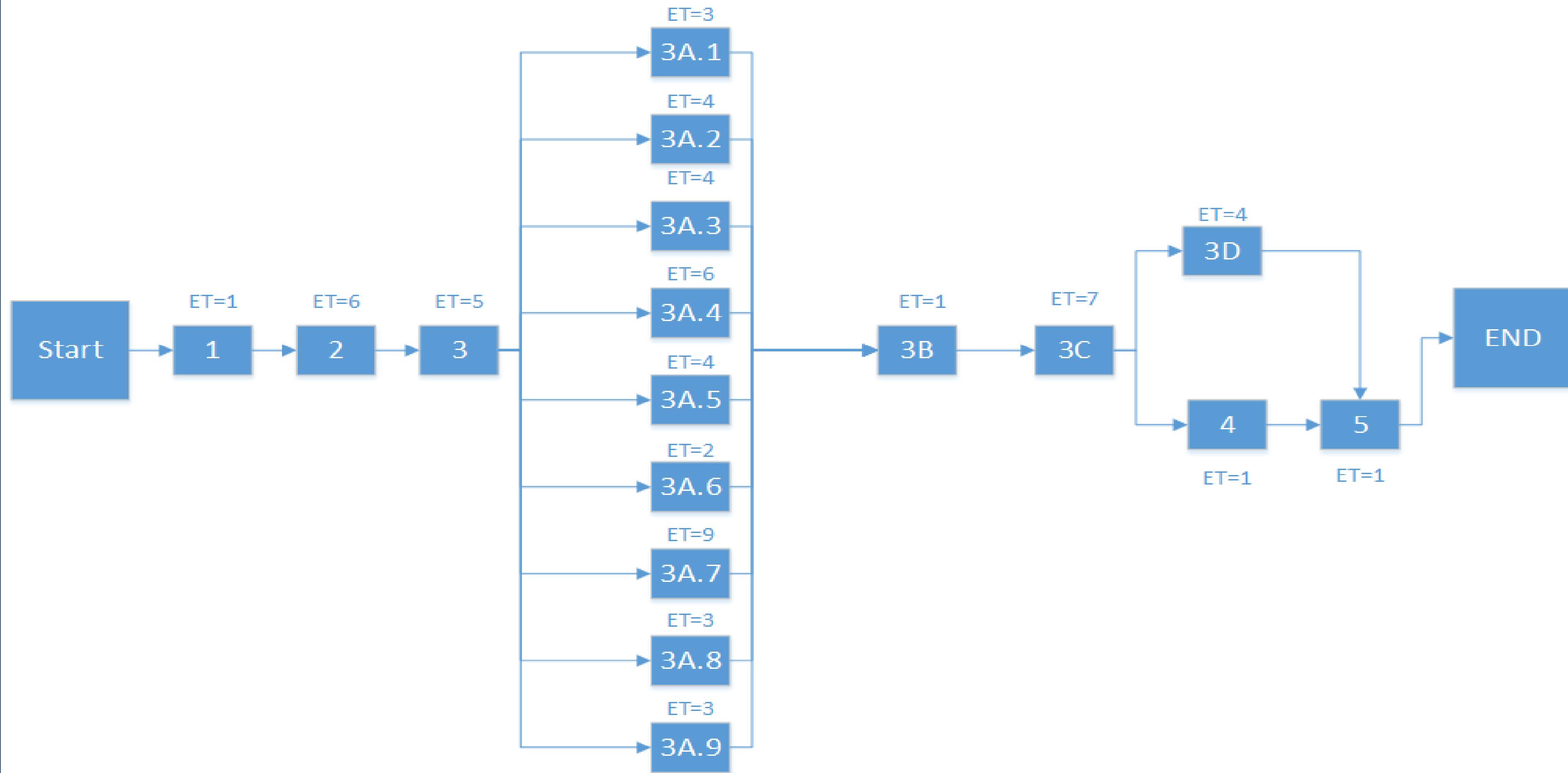
CALCULATION TIME

43

Task Title	Timeline	Order	Relationship	o	r	p	ET
Choose the topic: Business Analytics		1		1	1	1	1
Find out about BA and choose company: Amaz...		2	1	5	6	7	6
Assigned work for members + Content		3	2	4	4	7	5
Introduction about team and project		3A.1	3	3	3	3	3
About the company: Amazon	Mar 10-13	3A.2	3	3	4	5	4
Analyze Porter' 5 competitive forces		3A.3	3	4	4	5	4
General MIS implementation in Amazon		3A.4	3	5	6	7	6
4 Strategies to deal with competitive forces		3A.5	3	2	4	5	4
UX/UI of Amazon	Apr 19-20	3A.6	3	2	2	3	2
Analyze Business analytics in Amazon		3A.7	3	8	9	10	9
Business value chain model	Mar 26-30	3A.8	3	3	3	4	3
Project evaluation process	May 2-5	3A.9	3	2	3	3	3
Review content and aggregate in one file word		3B	3A	1	1	2	1
Design powerpoint	May 5-11	3C	3B	6	7	8	7
Practice present	May 12-15	3D	3C	3	4	5	4
Check the product	May 19	4	3C	1	1	6	Activate
Report	May 21	5	3D,4	1	1	3	Go to Settings

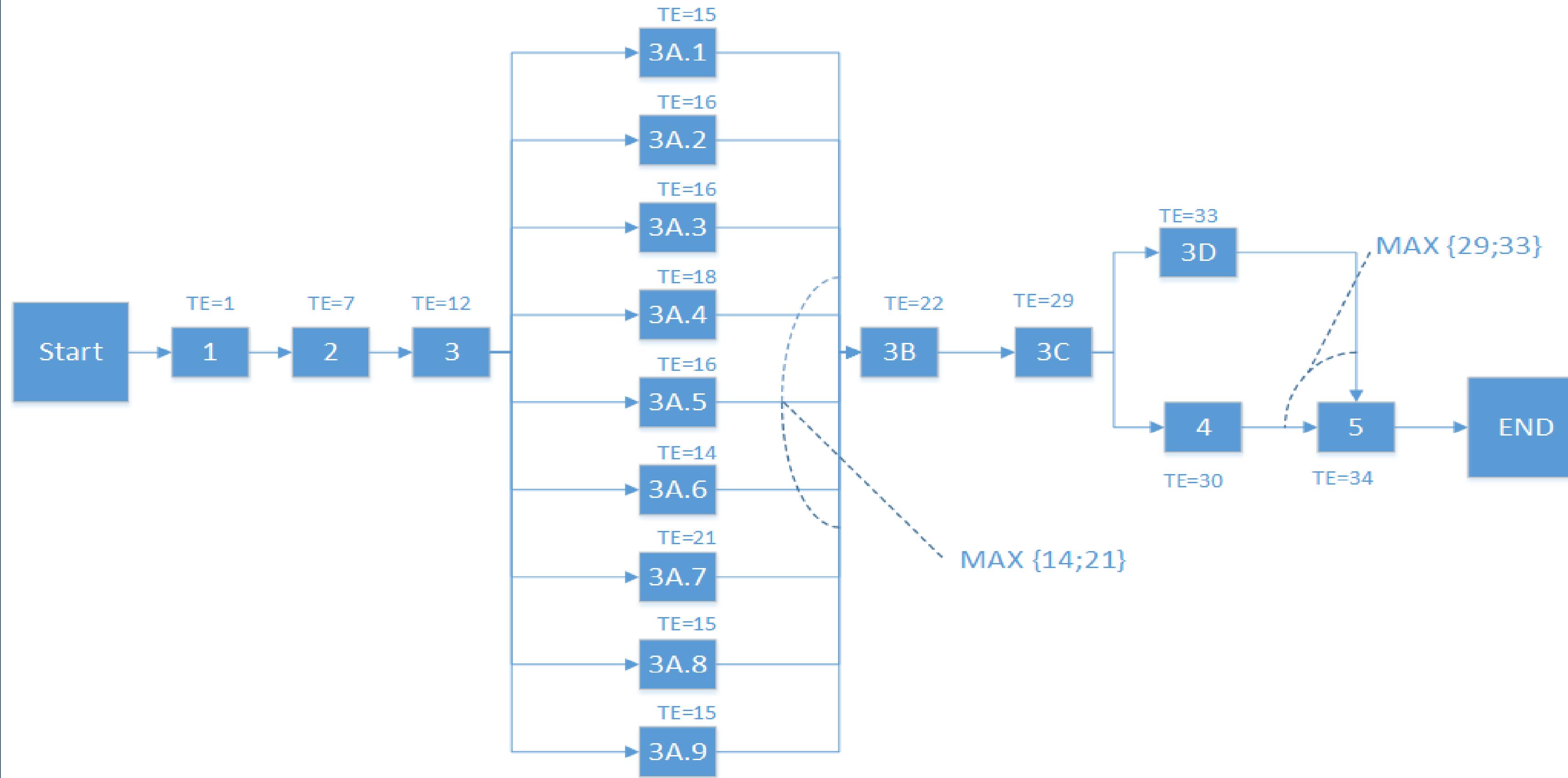
PERT MODEL

44



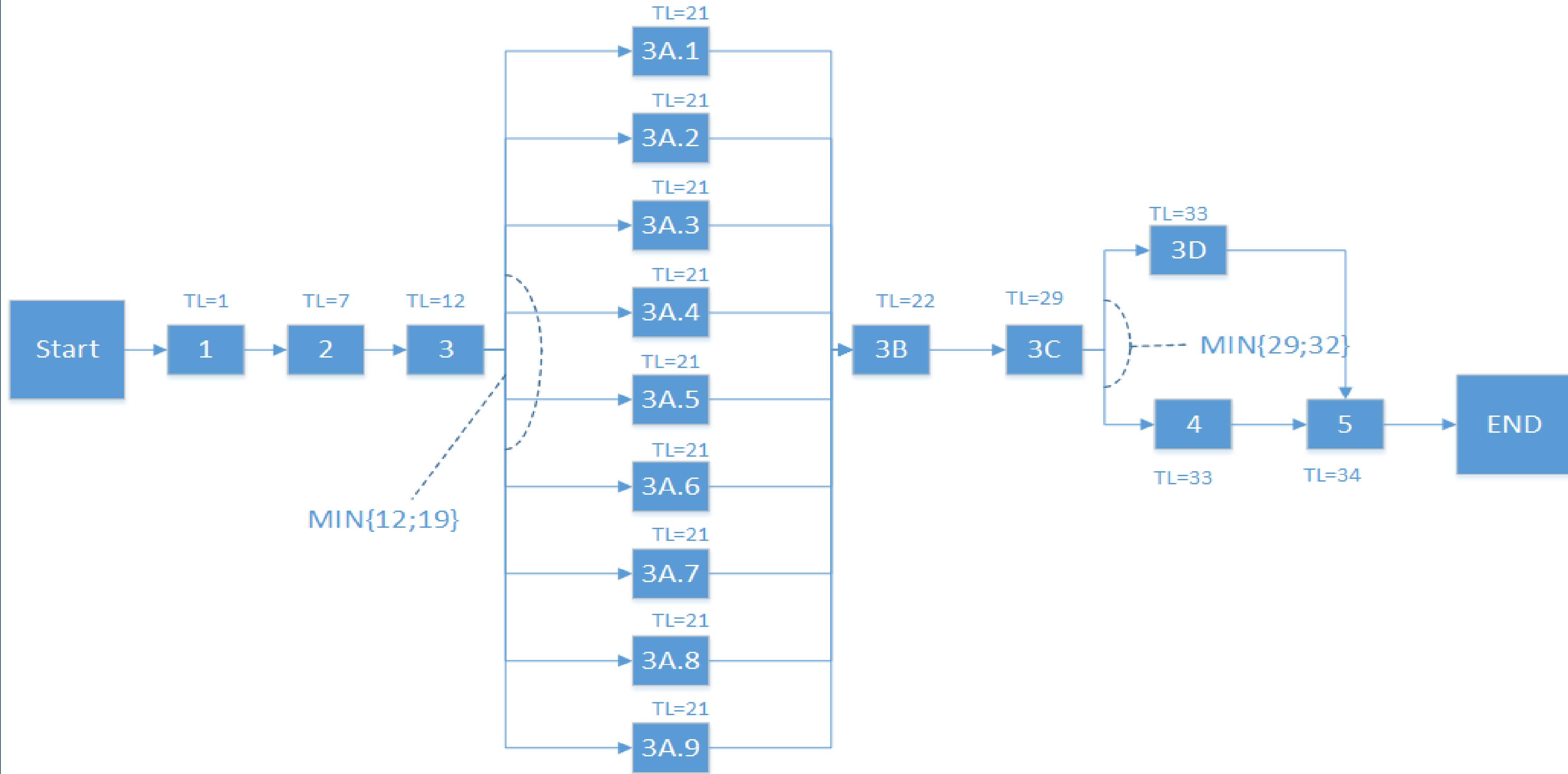
PERT MODEL

45



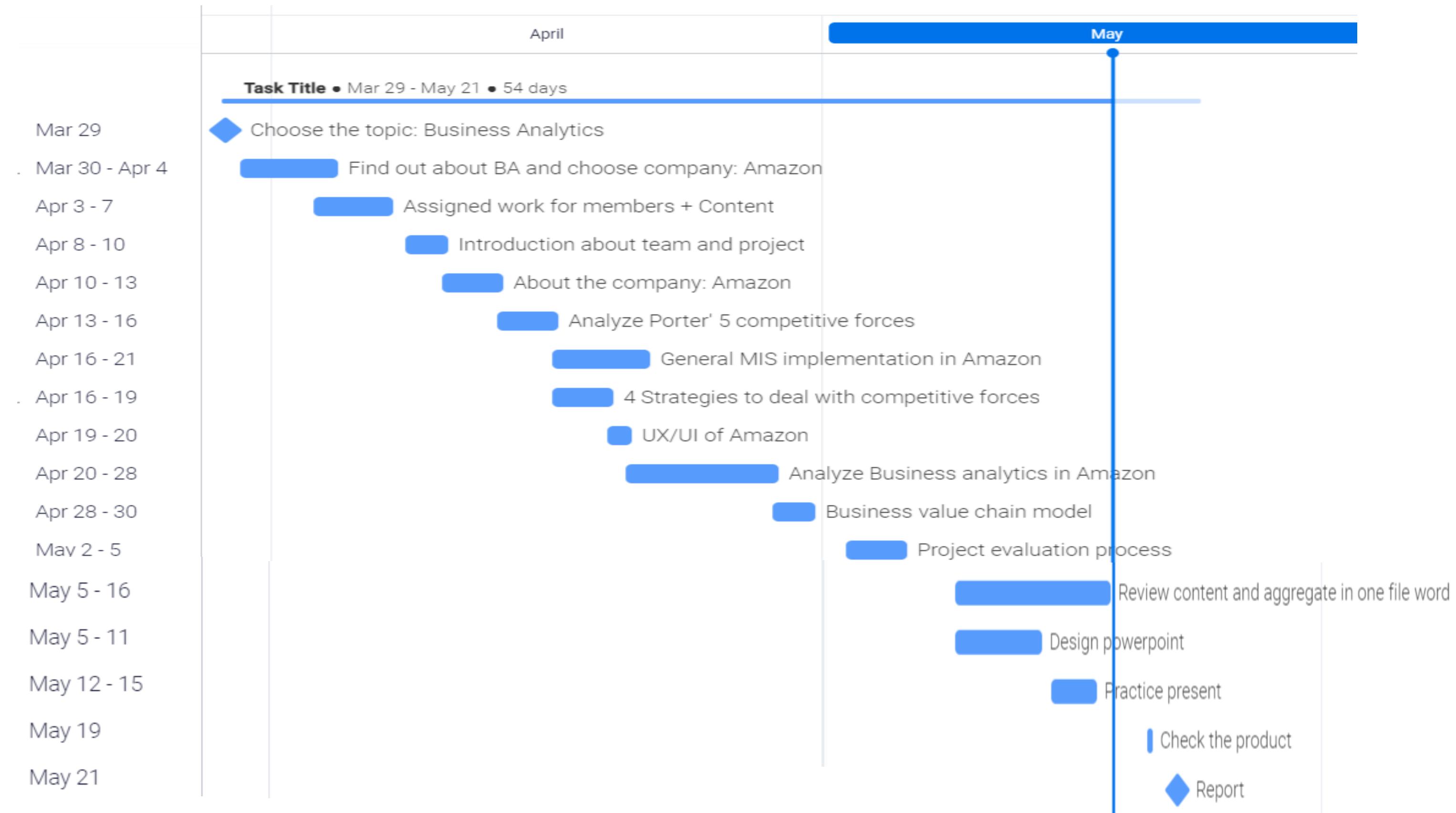
PERT MODEL

46



GANTT MODEL

47



REFERENCES

- [1]. Tara Johnson, “How the Amazon Supply Chain Strategy Works”, Feb 19, 2020
<https://tinuiti.com/blog/amazon/amazon-supply-chain/>
- [2]. Atul Chakrawarty, “Amazon’s Customer Relationship Management Strategy”, December 13, 2017
<https://www.linkedin.com/pulse/amazons-customer-relationship-management-strategy-atul-chakrawarty>
- [3]. Salesforce, “Discover how Amazon Web Services keeps their customers flying high”, 2020
<https://www.salesforce.com/customer-success-stories/aws/>
- [4]. John Dudovskiy, “Amazon Value Chain Analysis”, April 2, 2020
<https://research-methodology.net/amazon-value-chain-analysis-2/>
- [5]. Nupur Pal, “How Amazon’s UI UX design has made it one of the most glorified online shopping destinations?”
, Oct 10, 2020
<https://www.cronj.com/blog/usable-features-of-amazons-ui-ux-design/>
- [6]. Bernard Marr, “How Amazon uses Big Data in practice”, 2020
<https://www.bernardmarr.com/default.asp?contentID=712>

REFERENCES

- [7]. Amazon, “What is Business Analytics?”, 2020
<https://aws.amazon.com/vi/business-analytics/>
- [8]. Rahul Sachdeva, "Prescriptive Analytics: The Next Leap", Aug 29, 2014
<https://m.grazitti.com/blog/prescriptive-analytics-the-next-leap/>
- [9]. Christopher McFadden, “A Very Brief History of Amazon: The Everything Store”, Feb 17, 2021
<https://interestingengineering.com/a-very-brief-history-of-amazon-the-everything-store>
- [10]. Gary Fox, “Amazon Business Model”, February 4, 2020.
<https://www.garyfox.co/amazon-business-model/>
- [11]. Roberta Greenspan, “Amazon.com Inc. Five Forces Analysis & Recommendations (Porter’s Model)”, Feb 24,2019
<http://panmore.com/amazon-com-inc-five-forces-analysis-recommendations-porters-model>
- [12]. Marketing10, “Porter’s Five Forces Analysis of Amazon”, July 4, 2020
<https://www.marketing10.in/porters-five-forces-analysis-of-amazon/>