Amazon Team Case Q2

***How is QOO10 performing relative to Amazon? What should Amazon do to better compete with QOO10?***

Estimated to be about US$1.4 billion in 2017, Singapore’s e-commerce market was projected to grow to US$2.2 billion by 2023 (eMarketer, 2019). Meanwhile, homegrown Qoo10 is a runner-up in Singapore market share, Amazon follows it by being 8th in the country. (SBR, May 2019)

Working on the case, to make a comparison between Amazon and Qoo10 regarding the customer satisfactions, we have created a regression model using Qoo10 data and compare it with the regression results on Amazon data. We also used average ratings on the variable to compare Amazon and Qoo10. Reading the case, we have seen that Amazon is staying behind in terms of available product offerings, delivery issues and range, ease of navigating the website or app. So, in our analysis we have focused on those variables to give Amazon recommendations in regards beating Qoo10.

Analyzing the average ratings between Amazon and Qoo10, we observed that Qoo10 beats Amazon on variety of products, availability of products, clear information on delivery methods, ease of tracking orders, and time taking to receive product. *Please see table #3 in the appendix for the results.* Later, we observed the same variables on the regression analysis to see which ones are more significant. We observed that, variety of products that meet buyers’ needs is significant for the Amazon regression model. Also, range of delivery options and time taking for delivery are significant for Amazon Regression model. Given this information, we would recommend Amazon the following:

* Improving inventory in Singapore to give more product availability.
* Giving different type of delivery options such as pick up options.
* Improving estimated product arrivals.

We have also created the Qoo10 regression model to see which variables are significant and giving Qoo10 advantage. We observed that ease of finding the products, availability of products, sufficiency of product information, ease of comparing products (highest gradient), and ease of managing shopping chart are significant for Qoo10. *Please see table #2 in the appendix*. Given this information we would recommend Amazon the following:

* Giving a better interface experience within the Amazon app or the website to improve product comparisons and better options editing shopping charts.

Summing it up, Amazon is not doing too bad comparing Qoo10 regarding customer satisfaction. There are small differences and if Amazon takes the recommendations above generated using regression models and mean averages, could fairly compete with Qoo10 in the Singapore e-commerce market in terms of customer satisfaction.

References:

* SBR, May 2019 - Which are the go-to e-commerce sites for Singaporeans? (<https://sbr.com.sg/retail/news/which-are-go-e-commerce-sites-singaporeans>)
* eMarketer, “ Retail and eCommerce Sales Singapore”, 2019, .https://forecasts- na1.emarketer.com/5a4ffffed8690c0c28d1f4d5/5a4ffb44d8690c0c28d1f49b, accessed December 2019.

Table #2: Customer Satisfaction Regression Analysis for QOO10

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Correlation | Gradient | p-value | Description of Variable |
| VN\_1009\_TP04 | 0.534715808 | 0.136306614 | 0.040800845 | Ease of finding the products you need |
| VN\_1009\_TP05 | 0.530102973 | 0.187276542 | 0.000791889 | Availability of products |
| VN\_1009\_TP07 | 0.570024402 | 0.112542941 | 0.038787549 | Sufficiency of Product information |
| VN\_1009\_TP08 | 0.61793377 | 0.235546056 | 0.000007749 | Ease of comparing products |
| VN\_1009\_TP10 | 0.49571365 | 0.120397481 | 0.036670322 | Ease of managing your shopping cart |

Table #3: Customer Satisfaction Averages comparison / Amazon vs. QOO10

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | VN\_1009\_TP01 | VN\_1009\_TP02 | VN\_1009\_TP05 | VN\_1009\_TP13 | VN\_1009\_TP15 | VN\_1009\_TP16 |
| Amazon | 7.905 | 7.505 | 7.585 | 7.48 | 20.125 | 7.49 |
| QOO10 | 8.04 | 7.55 | 7.59 | 7.575 | 21.3 | 7.8 |