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CLASS : BSC CS – ‘ B ’

SUBJECT : DESIGN THINKING

REG.NO : 20BSC132

PROJECT TITLE : AMAZON CASE STUDY

TEAM NO : 6

STRATEGIES-AMAZON

INTRO :

Amazon is an American international e-commerce company. It was started by Jeffrey P. Bezos in the year 1994. And it was launched in India in June 2013. Three years back, Amazon had no infrastructure in India, and now it dominates the Indian markets. At the very start it was perception of investors that in India It will not go long like China as in the year 2004 when Amazon entered in China it hasn't seen much success there with Alibaba, its Chinese competitor, dominating the e-commerce market. After its bad run in China, Bezos is going all in for India. Fact behind formation of Amazon in India was its huge number of headcounts i.e. 1.25 billion four times as big as the U.S.'s and more than doubles Europe's. Of these, 500 million, around 35 percent, are internet users. As per researches the yearly growth rate of internet users is highest in India around six million users join every month. Researchers expect the online shopping market in India to reach \$15 billion by 2016 up from only \$35 million in 2014.

CHALLENGES :

Amazon has consumer market in United States but it is a growing online consumer market in India having different challenges. The first and foremost challenge in India faced by the amazon was restrictions on foreign companies using e-commerce to sell their products directly to the Indian consumer. The Indian government, however, plans to allow foreign companies that manufacture their products in the country to sell them directly to consumers over the Internet. But Amazon would have to start making its products in India to take advantage of the change in the law. Another difficulty that Amazon India faced was the limited infrastructure available to get the goods to consumers. In India, less than 12% of people uses plastic cards i.e. credit or debit cards, so Amazon has had to adapt to a "Cash on Delivery" model, which isn't yet available in all the areas. There is no shortage of goods produced by Indians, but most vendors in the country are small. Three years ago, relatively few retailers there sold their products online because they believed e-commerce to be too complex and time consuming. And India's cash economy did not facilitate online transactions.

AMAZON WORK MODEL :

First of all, Portals shows the Sellers List who sell the desired portfolio products and then get customers browsing through those products. After matching seller and customers it creates appealing discounts after that Customer

Shops for the desired products and then Seller ships the product to customer . If Product Accepted and Not returned back then Seller gets his agreed price of the product minus the commission charged by Amazon for doing everything they do. Thus the core bread and butter of the Model is **“X% commission on the total sale value given to the seller”**.

STATERGIES FOR SELLER :

Amazon moved out a program **“Amazon Chai Cart”** these are the mobile tea carts that navigated city streets, serving refreshments to small-business owners and teach them the benefits of e-commerce. The Chai Cart team reportedly traveled more than 9,400 miles across 31 cities and engaged with more than 10,000 sellers .