Week 3 Assignment 1

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**Introduction**

A strategy is a set of coordinated idea and commitments that are aimed at giving a company a competitive advantage in the market while still being competent and effective. When a company achieves strategic competitiveness, it means that it is ready to expand and go global. Strategy planning determines the way forward of a company and the effects it will have on the economy. In this paper, we will be looking at the strategic management within Amazon.com a big company in the United States and the effect globalization has on the company. There are several Amazon.com stores around the globe.

**Globalization**

Despite not being the leading retail store in the United States, amazon.com is found in several markets around the world. It has branched out in Europe and Asia. Its main base is in the United States. Over the years, this corporation has been building to expand its horizons in a bid to provide for all. Amazon.com is an online corporation, and it depends highly on the internet. The newest attempt into pushing globalization is the amazon. Prime air which is aiming at doing deliveries via drones. The theory was tested out a while ago in the United Kingdom where they ran a trail. Seeing as it is an online shop, its products delivery to the customer and having drones as delivery machines improve on the delivery.

However, a drone has got no issues with traffic,which saves more time. We are still waiting for the idea to be put in action. Between 2017 and 2018, the company launched retail shops and a third market offering in Australia (Hitt, 2016). Within the same period, it also introduced prime to states like Singapore and Netherlands. All these are in a bid to increase the incoming revenue, which in March 31, 2019 was at $241.545 billion a 25.03%, increase from the previous year.

**Technology**

Given thatAmazon is an online shop; technology has a great hold on how it functions. Initially, it started as a bookselling platform in 1995, but over the years it has become retail where one can find almost everything they want. Technology advancement came to the aid of the corporations as most of its business is online. The introduction of social media also came as a way to easily market the corporation at times without even trying. Customers share experiences; reviews refer their friends to amazon, which increased their sales. Introduction of devices like mobile phones made amazon more accessible to their customers. In addition to benefiting from the technology, amazon also took steps to improve their services by inventing technologies like Artificial intelligence known as a flywheel. The flywheel enables for energy saving as the energy is kept constant and spreading anytime of the day (Hitt, 2016). When Amazon first introduced Alexa under Amazon AI echo, there was uproar and many objections against the virtual assistant. However, as of now,very many companies are open to this idea. The vast data phones and shopping platforms provide Amazon with an opportunity to track the shopping trends and analyze them, forming a personalized list of what is in demand.

**Industrial Organization Model**

The industrial-organizational model adopts then the idea that companies should use the external factors surrounding them positively to gain an advantage in the market. The economy around the United States has been increasing, which means that with the right strategies, amazon can maximize on this and advance their revenue. Additionally, there is more disposable income among the citizens which the corporation can use to its advantages. Technology constitutes the external environment and amazon being e-commerce; it should use the technological advancements around to increase its network (Hitt, 2016). Over the years, other companies have entered the retail e-commerce market, and this is competition to amazon. Amazon has the competitive advantage as it has already established its brand around the states, but even then it should have strategies and new initiatives to ensure that they remain at the top and increase the market value which is at $728 billion by coming up with future objectives enables their stay ahead in the market.

**Resource-Based Model**

The resource-based model includes the internal resources, within the firm, which gives them an advantage over their competitors. Amazon has an advantage over other online retail firms as it has already its established market as well as the several branches around the globe. So far, it has managed to come up with technologies that they use in facilitating its value around the market. With the technologies and future objectives like the use of drones for delivery, it can maximize these and increase their sales and revenue. Additionally, amazon stores its credit cards in a platform that cannot be accessed via the internet, meaning that it is secure, unlike other e-commerce platforms. Amazon also allows all the customers to encrypt any information they put in their account, which enhances security.

**Vision**

Amazon’s visionis “to be Earth’s most customer-centric company, where customers can find and discover anything they might want to buy online.”The reference to earth shows that the company acknowledges that it must continue expanding until it is accessible in all parts of the globe. It drives them in their quest to achieve global leadership in the e-commerce platform and as a retail market. Additionally, it focuses on the customer service, to provide for the customer by offering a variety of products which it has achieved. It also acknowledges social responsibility strategies by ensuring that the customers get what they want. Being open and considerate to what the customer needs to ensure that amazon is always ready to expand on its product mix (Amazon, 2015). From the vision, we can tell that the firm is true to it as over the years it has expanded to other countries like India and is still expanding. Therefore, we can define a vision as what a company aims at achieving.

**Mission**

A mission is a definition of what a firm aims at competing and the specified target market. The amazon’s mission is: “We strive to offer our customers the lowest possible prices, the best available selection, and the utmost convenience.’’ We have the provision of lowest possible prices which will be affordable to the customers. The low prices enable more customers to afford the products offered and increase the popularity of the firm. The prices make the website easily accessible and more appealing to the customers’ eye (Amazon, 2015). Amazon has a variety of products that the customer gets to choose from, and this is objective to the mission statement. The firm being an online platform enables the customers to easily access the website and purchase the products present, which is what they have stated in their mission.

**Stakeholders**

Stakeholders are groups of people or individuals who are affected by the outcome of the strategic planning of a firm (Hitt, 2016). The stakeholders include both external and internal. In the internal perspective, we have the employees, the managers and the owners of the firm, in this case, the CEO Jeff Benzos. The main shareholders include the Blackrock Inc., the vanguard group. In the case that the company incurs losses,and then the shareholders suffer a great deal as their dividends are cut low.

Additionally, the organizational stakeholders are directly affected; especially if the firm incurs problems, then the workers suffer first hand as they also get the wrath of their supervisors. The host communities also pride in the firmbeing part of their environment. They benefit when the firm decides to invest in the community.

**References**

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