

The image shows a large white sign mounted on a building with vertical corrugated metal siding. The sign features the word "amazon" in a bold, black, lowercase sans-serif font. Below the text is the Amazon smile logo, a curved orange arrow pointing from the 'a' to the 'z'. The building's roofline is visible at the top, with several white light fixtures mounted on it. The sky is clear and blue.

amazon

BY:

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Introduction

- **Amazon, Inc.** is an American based multinational electronic commerce company.
- Headquartered ---Seattle, Washington.
- Jeff Bezos founded Amazon.com, Inc. in July 5, 1994 as Cadabra and launched it online as amazon.com In 1995. It started as an online bookstore.
- Amazon (Amazon) is one of the first online shopping sites launched in 1995
- Since its inception, it has been consistently ranked as one of the best retail sites on the Internet and is regarded as the universal model for successful Internet retailing.

Introduction...



- In March 1998, Amazon was ranked among the top 20 internet sites in almost all the major market surveys.
- According to an analyst, "When you think of web shopping, you think of Amazon first."
- The Forrester Power Rankings in 2000, ranked Amazon as the best online shopping site.
- With 2.5 million titles, it became the "Earth's Biggest Bookstore".

Websites

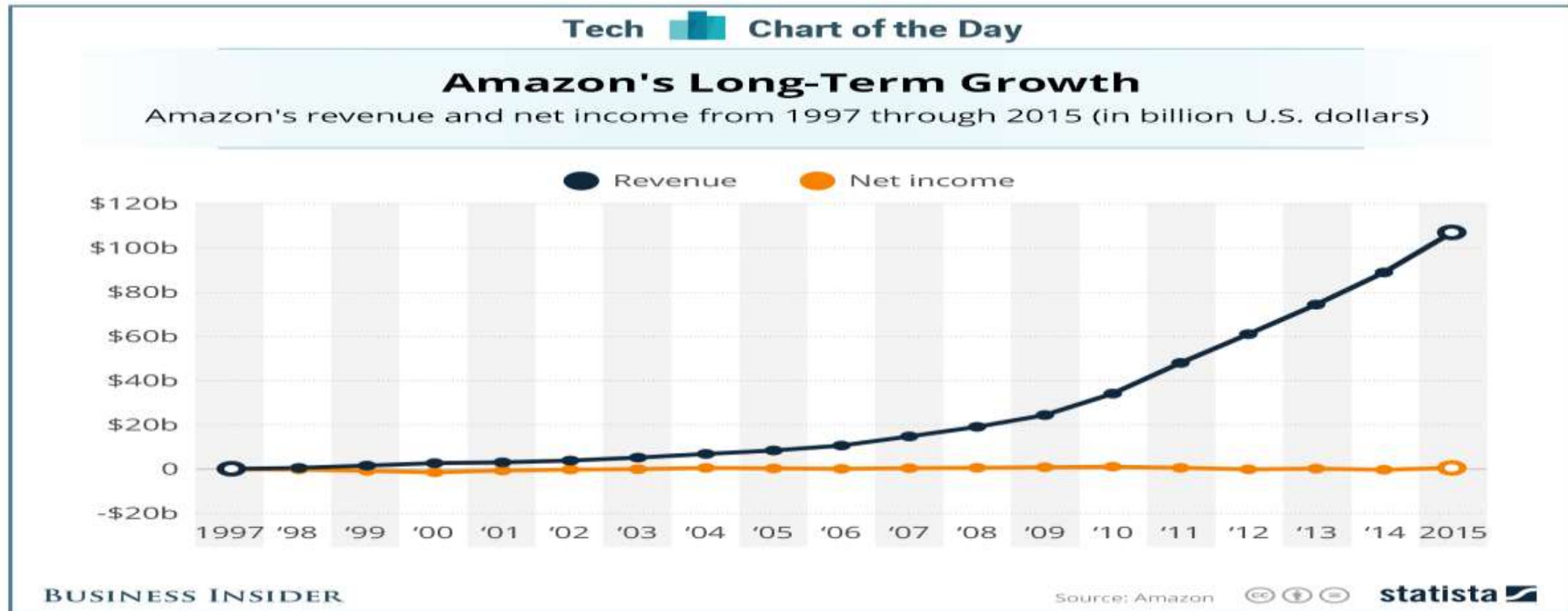


Region	Sovereignty	Domain name
Asia	 China	amazon.cn
	 India	amazon.in
	 Japan	amazon.co.jp
Europe	 France	amazon.fr
	 Germany	amazon.de
	 Italy	amazon.it
	 Netherlands	amazon.nl
	 Spain	amazon.es
	 United Kingdom	amazon.co.uk
North America	 Canada	amazon.ca
	 Mexico	amazon.com.mx
	 United States	amazon.com
Oceania	 Australia	amazon.com.au
South America	 Brazil	amazon.com.br

Statics



Amazon reported net income of \$857 million in its most recent quarter, the third quarter in a row in which it has shown a record profit.



Timeline



Amazon.com launch	1995	
Music & video store launch	1998	Planetall, jungle.com, bookpages.co.in
	1999	IMDB
3 rd party selling	2003	CDnow
Partner toysRU	2004	Joyo.com
Amazon publisher	2005	Booksurge
Borders bookstore	2007	Shopmob
Amazon auction	2008	DPreview
Kindle lunch	2009	Abebooks, audible.com,bookfinder.com
Homegrocer-amazon fresh	2010	Zappos, drugstore.com
Carsdirect.com	2011	Bookfinder.com, woot, quidsi
	2012	Kiva systems

These companies are belongs to amazon



Strategic Partners of Amazon



Amazon will use P&G's warehouses for faster and economical product distribution.



Amazon will use Future Group's strong product knowledge, extensive brand portfolio and sourcing base.



State Bank of India

Amazon will use SBI's smooth & trusted payment solutions for small businesses and end customers



Vision of company

From 1994, Jeff Bezos knew he could create a retail website **that would not have** the limitations physical businesses encounter.

“You could build a store online that simply could not exist in any other way.

You could build a true superstore with exhaustive selection; and customers value selection.”

Jeff Bezos





Not that disruptive of a model: “sell and deliver stuff to customers”

Amazon perfectly understood the **old-economy retail cocktail**:
low prices, large selection, convenience/customer experience.



“I can't imagine that ten years from now [customers] are going to say: 'I really love Amazon, but I wish their prices were a **little higher**'”

Jeff Bezos





Jeff Bezos' 3 big ideas



- 1 Digital enables limitless inventory
- 2 Digital boosts customer care
- 3 Digital allows high margin, lowest prices



Key Success strategies

- Knowing the market and industry
- Focus on value-adding for customers
- Logistics
- Use of acquisitions, alliances and strategic partnership

Products



- Books
- Movie, Music and Games
- Digital Download
- Kindle
- Computer And Office
- Electronics
- Home and garden
- Grocery, Health and beauty
- Toys, kids and baby
- Clothing, Shoes and jewelry
- Sports and outdoors
- Tools, Auto and industrial

Business Model



- Amazon-to-Buyer Sale Approach
- Multi level E-Commerce
- Customer Tracking
- It operates 7 websites that support their business operation globally and offers 20 million items for sale.

How deals the supply chains with fluctuating demand?

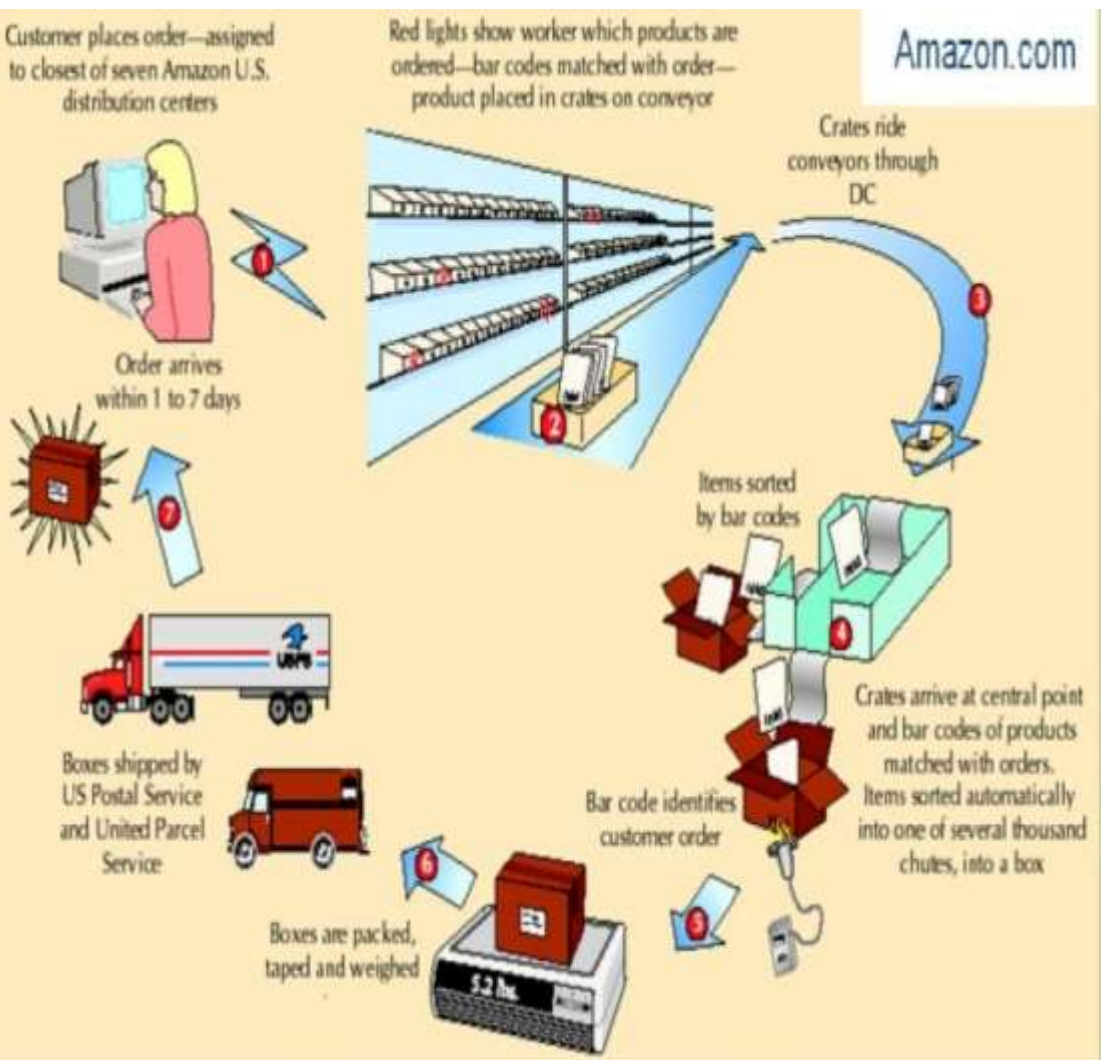


Amazon.com carries high-demand title in inventory, whereas it purchases low-demand titles from distributor in response to a customer orders .

Reduction in various costs like ;-

- Inventory cost
- Facility cost
- Transportation costs
- Information costs

Supply chain diagram



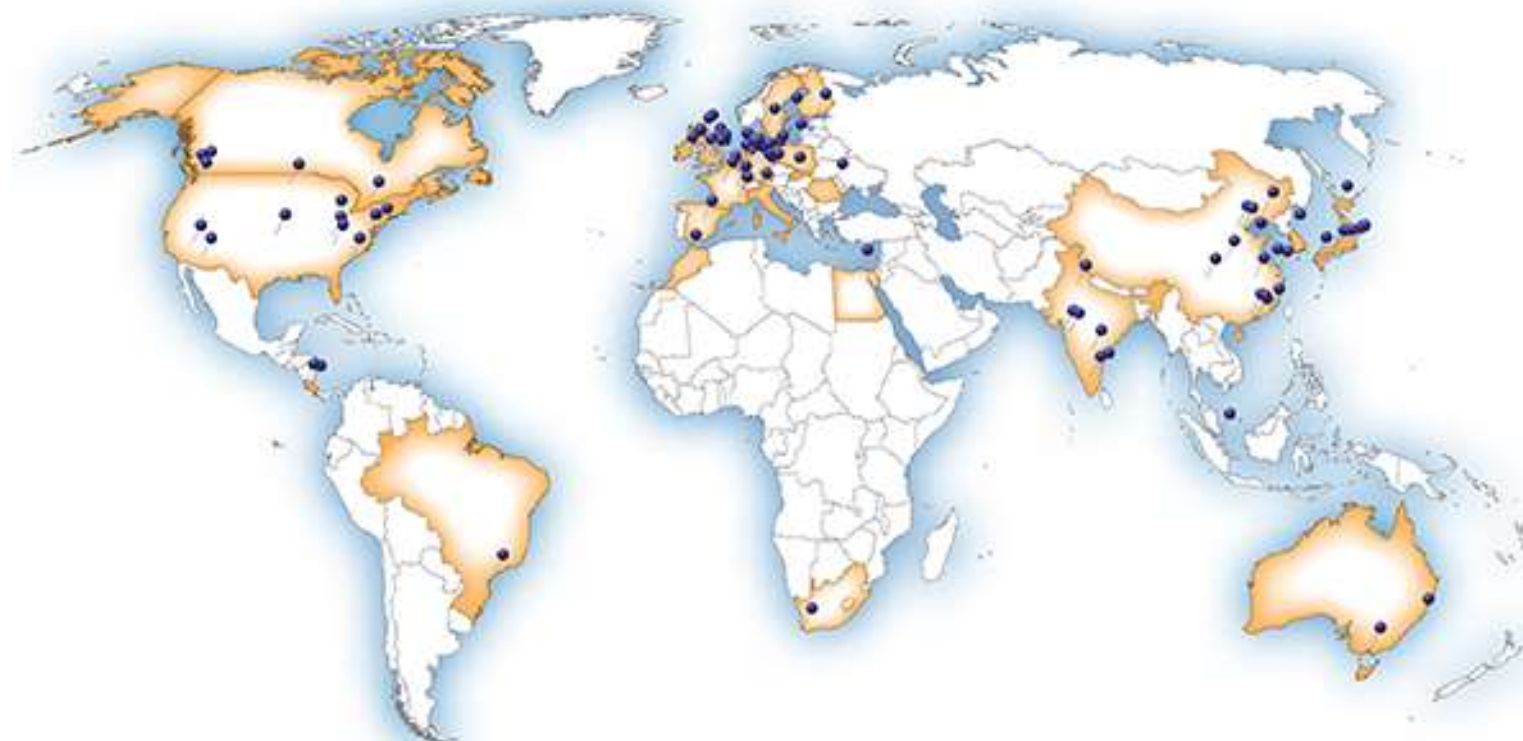
Supply chain drivers



- Facilities:
 - warehousing and order-fulfillment for third-party sellers
 - 49 fulfillment centers across globe
 - United States – 14 spread across 14 states
 - Canada – 2
 - France – 3
 - Germany – 7
 - Italy – 1
 - United Kingdom – 8
 - China – 8
 - Japan – 6
 - India -- 7



World-Wide warehouses and Fulfillment Centers

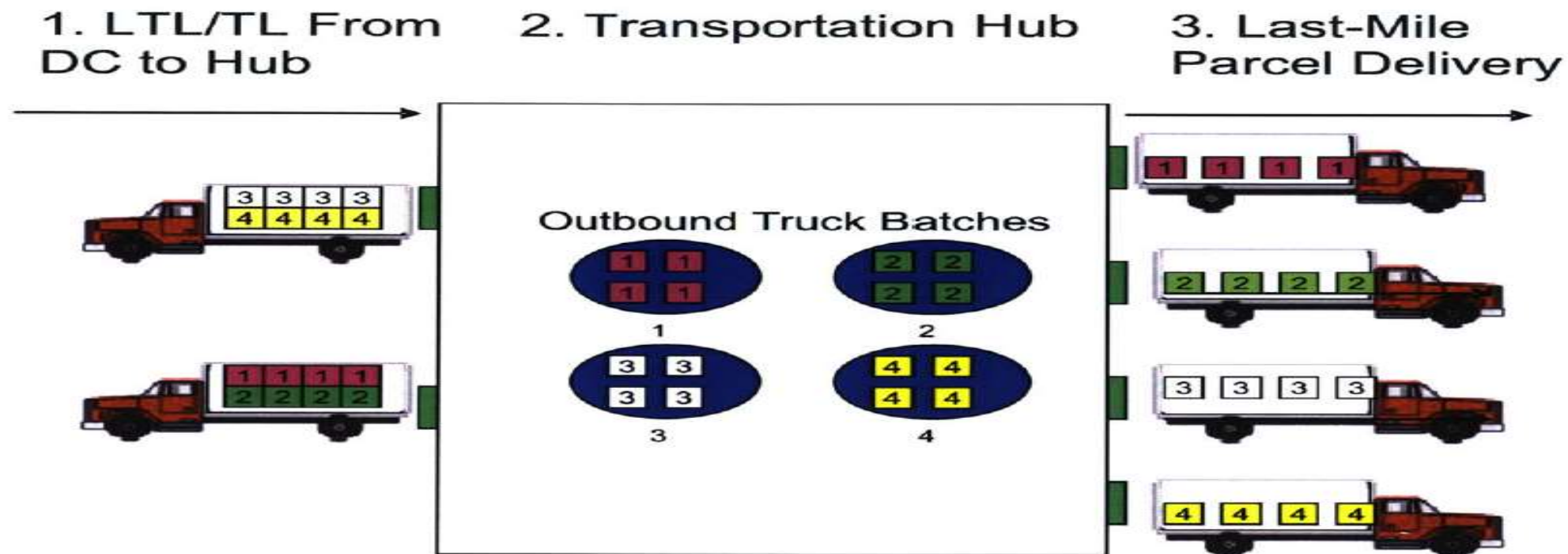




Transportation

rely primarily on national parcel couriers

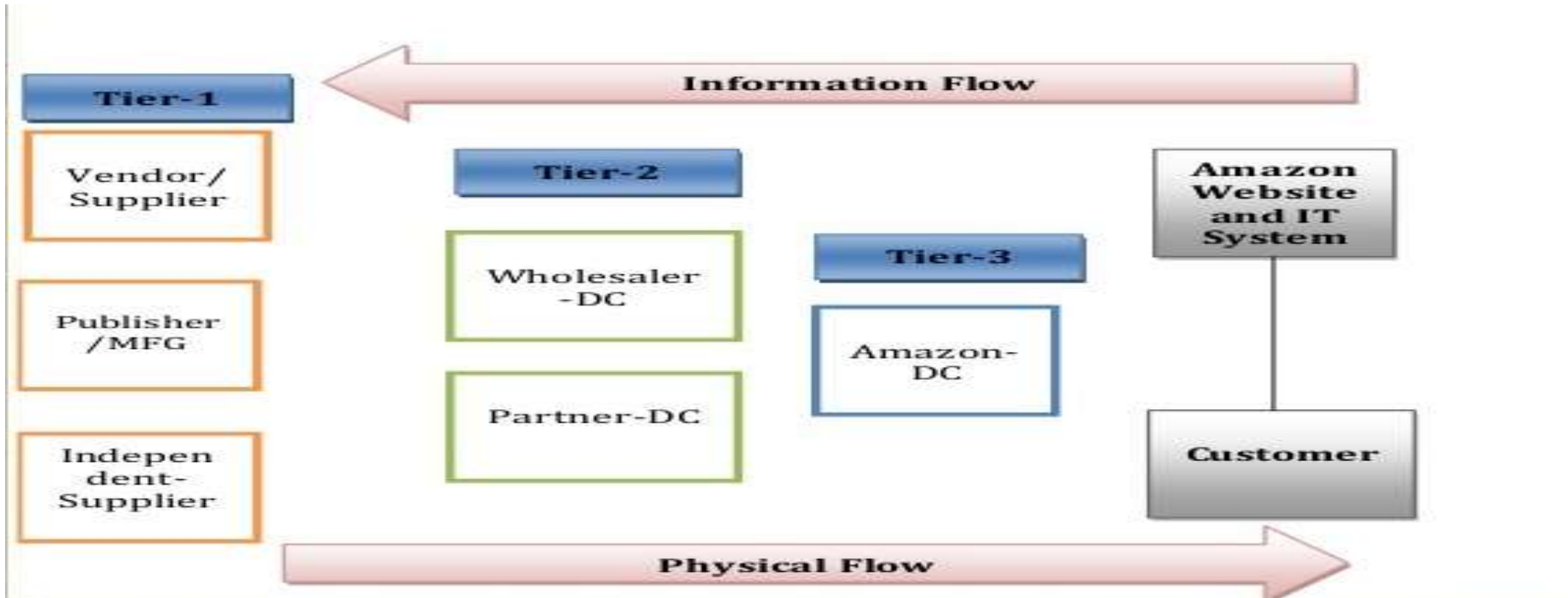
- UPS, FedEx, Indian post, DTDC, Blue Dart etc..
- Own logistics network



Source: Industry Experts

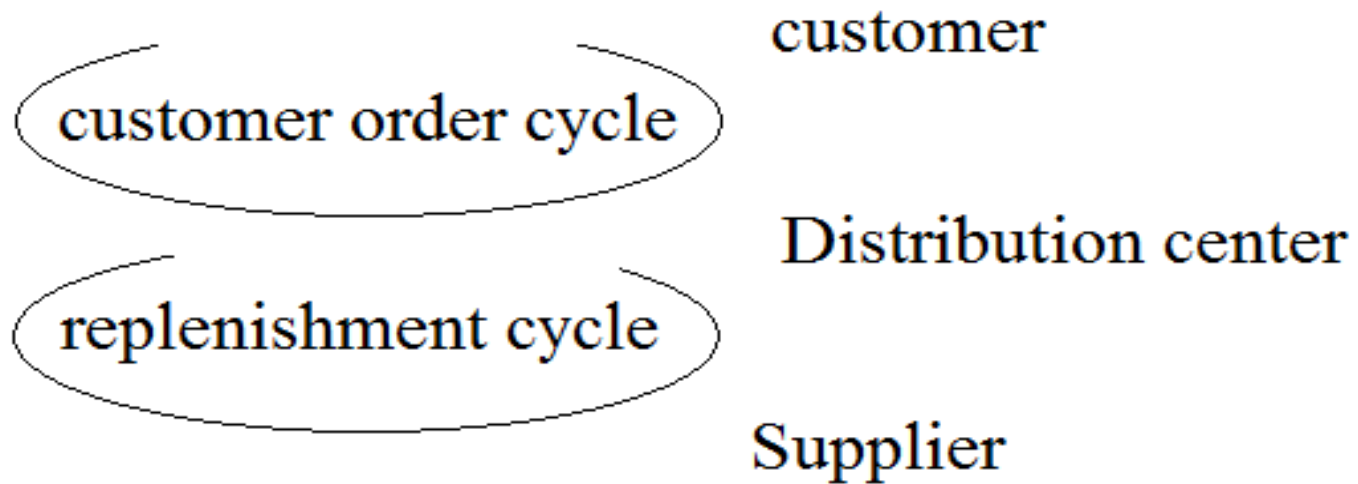
Inventory

- High inventory
- Multi-tire inventory network.





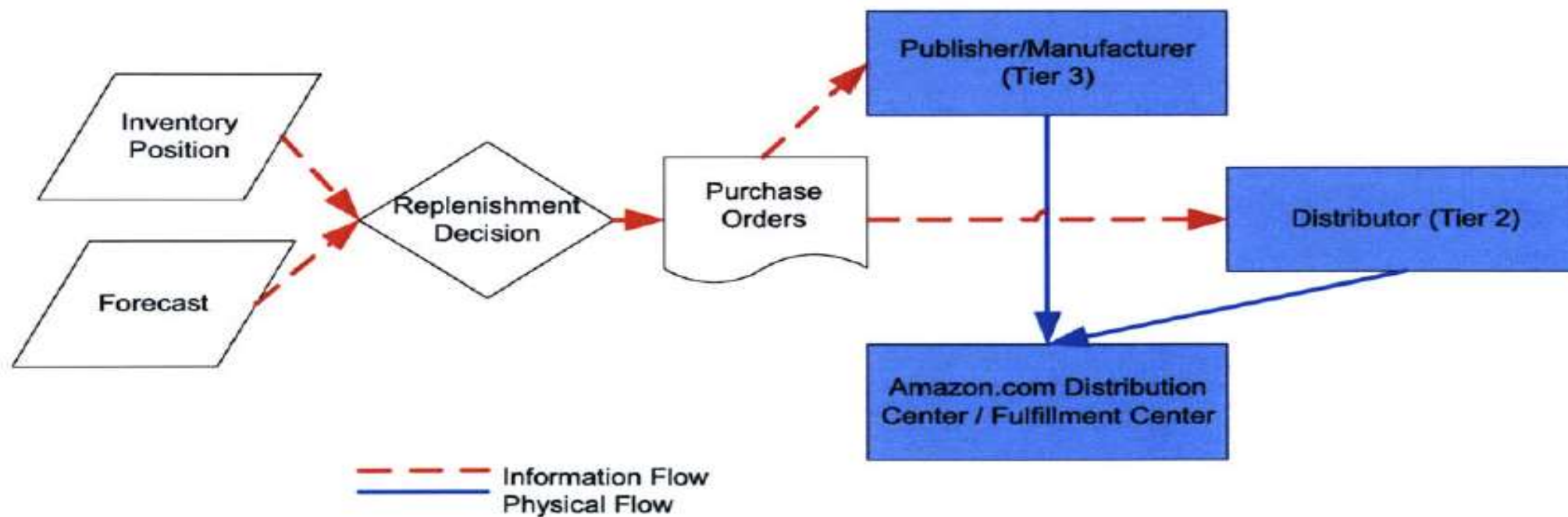
Cyclic view





Replenishment

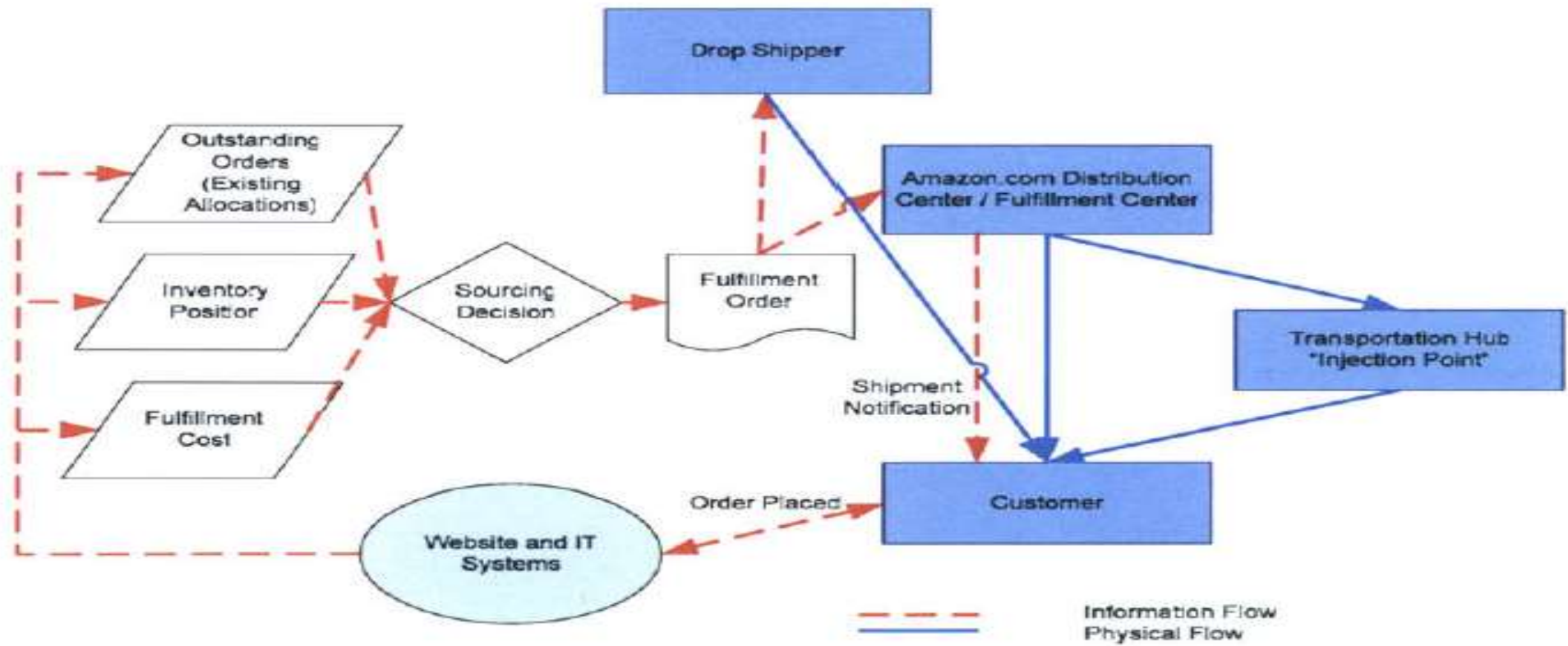
Amazon.com DC Replenishment Process





Customer order

Amazon.com Distribution Process



Fulfillment By Amazon (FBA)



1. Sellers send products to an Amazon fulfillment center or schedule a pickup



2. Amazon stores Sellers' products – from a single unit to your entire inventory



3. Customers order Sellers' products from Amazon, often with fast, free delivery



4. Amazon packs and ships Seller's products from fulfillment center to the customer

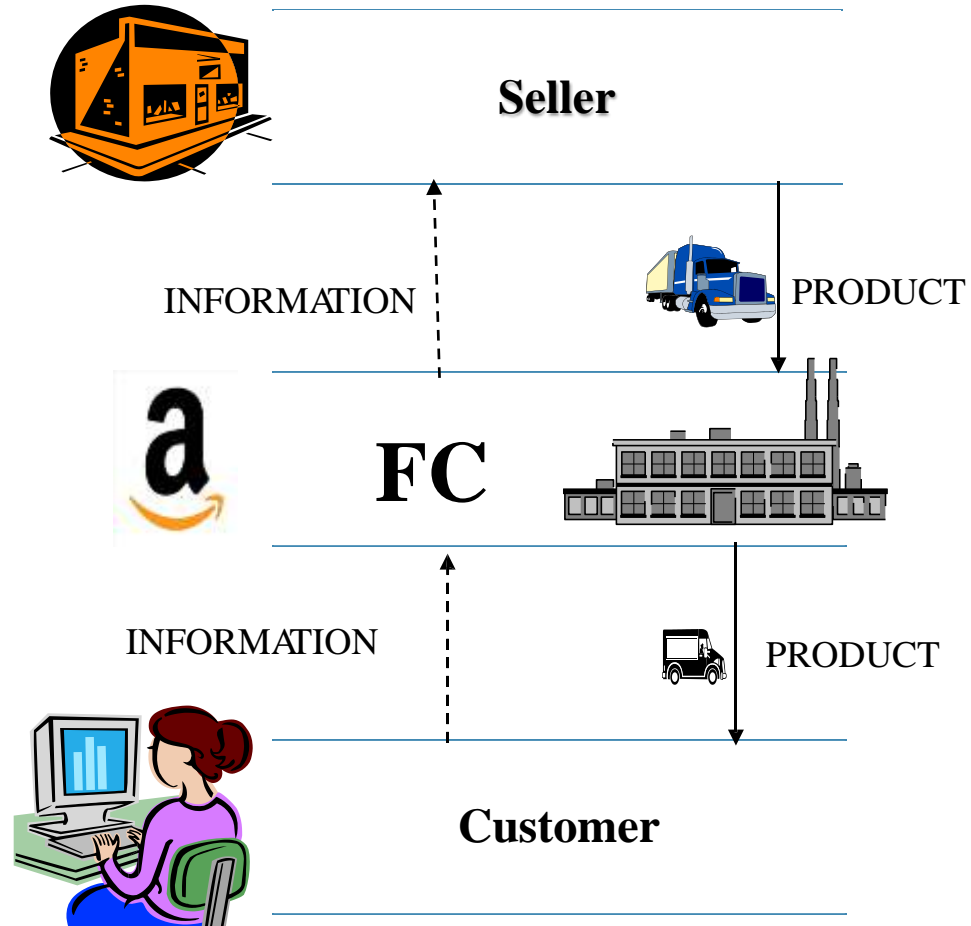


5. Amazon's customer service and delivery creates loyal, happy customers

Aim of FBA

**MAKE-MORE-MONEY-AND-
GROW-YOUR-BUSINESS-FAST-
AND-SAVE-TIME-AND-
DELIGHT-YOUR-CUSTOMERS-
BY-AMAZON**

Fulfillment By Amazon (FBA)



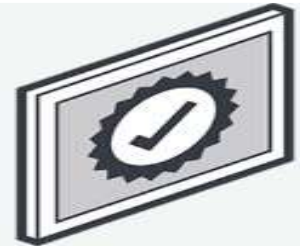
Advantages of FBA- “You sell it, we ship it.”



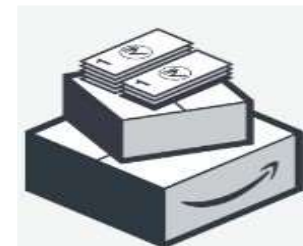
**Focus on your
business**



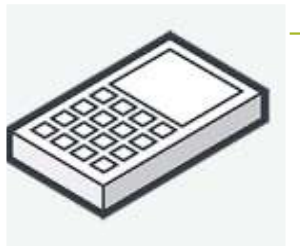
**Customers keep
coming back for
more**



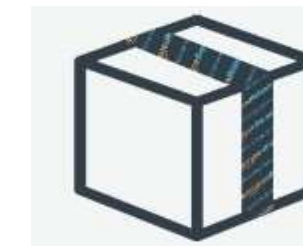
Build Trust



**Cash on delivery
payments**



Pay as you go



Amazon Prime

Amazon Easy Ship



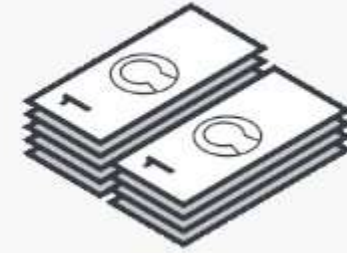
1. Customer orders from Sellers using Pay with Amazon. Sellers get a notification of the order via email, Seller Central.



2. Sellers schedule the pickup and keep the product packaged and ready.



3. Amazon Easy Ship delivery associate picks up the package from Sellers' doorstep.



4. Amazon Easy Ship delivers the package to the customer and picks up Cash on Delivery (COD) payments.

Amazon Global Selling



Expand business to the US and other International Market



Showcase products to millions of customers



Increase sales by tapping into the US & International holiday season

Selling on Amazon & Fulfillment by Amazon

- Customers order Seller's products on Amazon.com
- Sellers can either choose to fulfil those orders on their own or use Fulfillment by Amazon (FBA).
- Fulfil orders on their own:** sellers will fulfil orders from India when a customer buys sellers' products on Amazon.com
- FBA:** sellers store their products in Amazon's fulfilment centres, and Amazon will pick, pack, ship, and provide customer service for these products.

FC, New FC and Delivery Station of Amazon



	BOM1	Bhiwandi, Mumbai, Maharashtra, India, 250000	150,000	July 2012
	BLR5	Bengaluru, Bangalore, Karnataka, India	150,000	February 2014
	BLR6	Bengaluru, Bangalore, Karnataka, India	52,500	November 2014
	DEL2	Delhi, India 16000	52,500	August 2014
	SBOA	Mumbai, Maharashtra, India	52,500	August 2014
	SDEA	A-43, Ground Floor, Mohan Cooperative Industrial Estate, Main Mathura Road, Badarpur, South Delhi, Delhi, India	52,500	August 2014
	SMAA	Chennai, Tamil Nadu, India	52,500	July 2014
	SJAA	Jaipur, Rajasthan, India	7,000	August 2014
	SAMA	Ahmadabad, Gujarat, India	52,500	2015
	DEL3	Tauru, Haryana, India	52,500	2015
	HYD1	Penjrala, Mahbubnagar District Kothur, Hyderabad, Telangana, India	280,000	May 2015

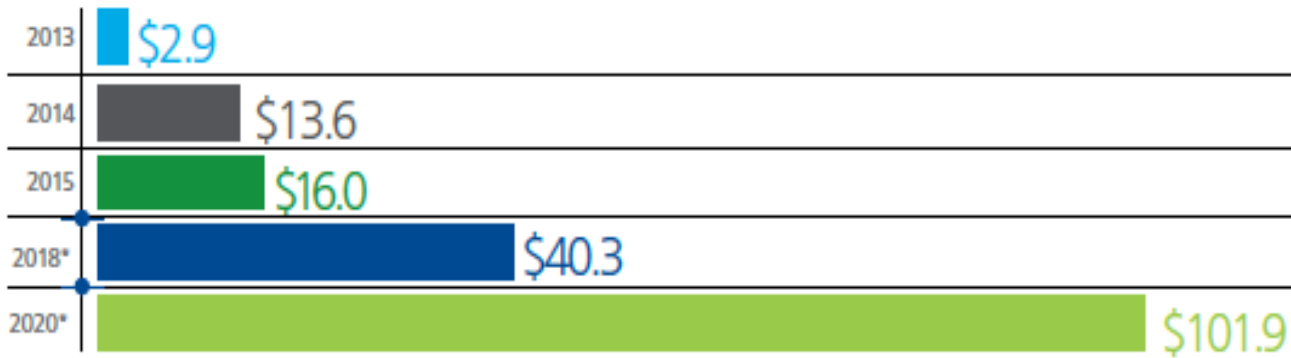
	LUH1	Doraha, Ludhiana, Punjab, India	50,000	June 2015
		Ahmedabad, Gujarat, India	78,600	September 2015
		Delhi, Delhi, India	78,600	September 2015
		Srirampore in Bengal's Hooghly district, Kolkata, West Bengal, India	83,000	October 2015
		Nagpur, Maharashtra, India	78,600	September 2015
		Gurgaon, Haryana, India	78,600	September 2015
		Pune, Maharashtra, India	55,000	October 2015
		Mumbai, Maharashtra, India	78,600	September 2015
		Sonipat, Haryana, India	200,000	July 2016
		Gachibowli Hyderabad, Telangana, India	2,900,000	July 2016

		Virugambakkam Chennai, Tamil Nadu, India	-	July 2016
		Coimbatore, Tamil Nadu, India	-	July 2016
		Delhi, Delhi, India	-	July 2016
		Jaipur, Rajasthan, India	-	July 2016
		Mumbai, Maharashtra, India	-	July 2016
		Amazon Now Station Bangalore, Bangalore, Karnataka, India,	-	February 2016
		Amazon Now Station Kulathoor, Thiruvananthapuram, Kulathoor, Kerala, India,	-	March 2016
		Amazon Now Station Chennai, Guindy, Chennai, Tamil Nadu, India,	-	March 2016
		Amazon Now Station Kerela, Kochi, Kerala, India,	-	April 2016

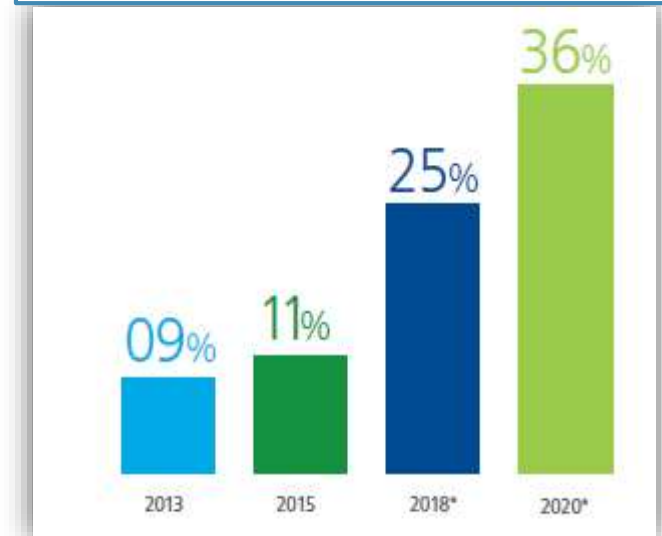


India: The Big Opportunity for Amazon

Total E-Commerce Size (\$ Billion)



Online Shoppers of Total Internet Users (as a %)



Average Spending per Online Shopper in India



Investment Over \$5 Billion

Evaluation of Amazon India's Supply Chain



Hybrid Logistics Model

- Delivers some of the products itself, while delivering some products sold by suppliers on its marketplace using other logistics firms.

Amazon SCOT (Supply Chain Optimization Technology)

- “Innovating to get customers what they want, when they want it.”
- Using machine learning, data analytics, and complex simulations.

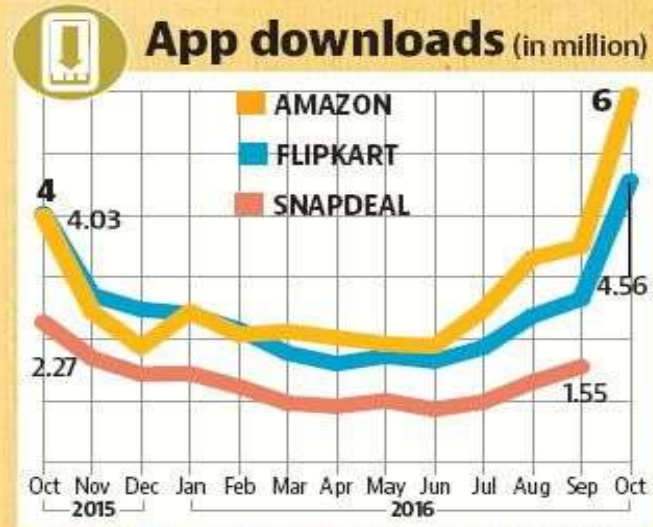
Managed Marketplace Model

- Seller is free to choose self-fulfilment or marketplace-fulfilment.
- Infused inventory-led in a marketplace by having operational control over seller entities like Cloudtail (Amazon).

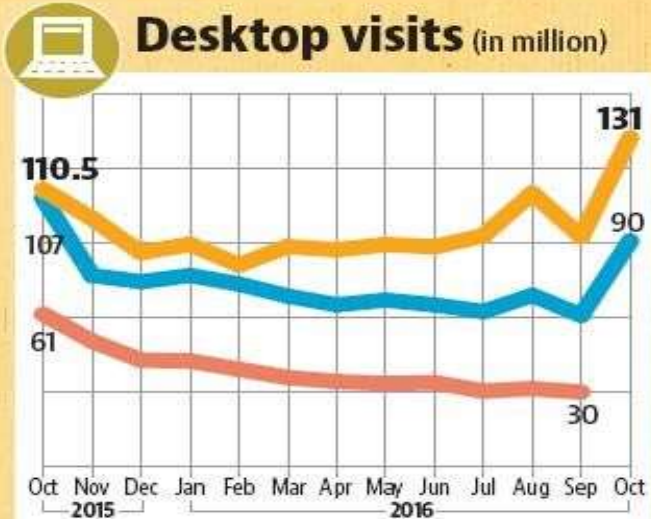
The Game Plan of Amazon India: Wining India



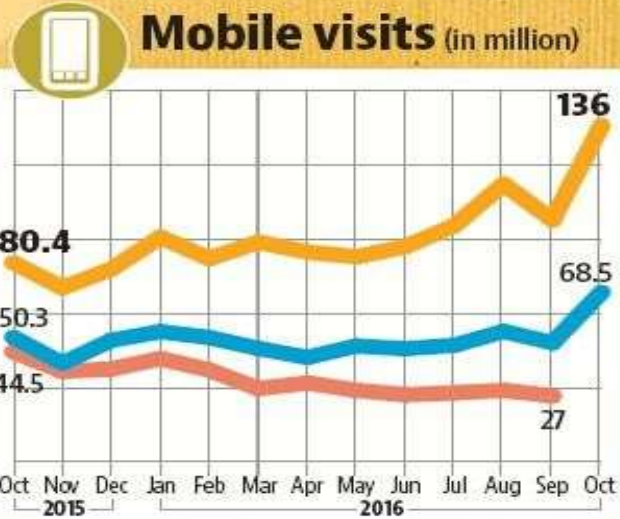
THE RISE AND RISE OF AMAZON



SOURCE: APP ANNIE



SOURCE: SIMILAR WEB



SOURCE: SIMILAR WEB

- 65 % Orders (2015) are from Tier II & III cities
- Engaged in Pilot Project of Rural Delivery Network in Tier III & IV cities with Connect India E-Commerce Pvt. Ltd. (of Basix Group)

It setup a business incubator to get more small merchants online

The company reduced the time between merchant registration and listing the first product; almost 2-3 weeks quicker than

Similarly, a pilot program is being tested in Bangalore to allow in-store pick-ups from local kirana stores

Amazon India: Wining India



Amazon Chai Cart

- Three-wheeled mobile carts to navigate in a city's business districts, serve tea, water, and lemon juice to small business owners and teach them about selling online.
- Team travelled 15,280 km across 31 cities, served 37,200 cups of tea, engaged with over 10,000 sellers (in 4 Months)

Amazon Tatkal

- A studio-on-wheels offering a suite of launch services.
- Enables small businesses to get online in less than 60 minutes.

Easy Ship

- Deliver products in over 19,000 pin codes using Amazon Transportation Services, Blue Dart, and India Post.
- Most penetrated e-commerce platform in the country.



Conclusion

- A large part of Amazon's success is its ability to integrate the flow of information with the quality and speed of physical delivery
- Amazon's management is committed to decreasing cost and increasing profitability
- Bargaining with suppliers
- Investing in technology to build capacity and capability
- Continuous process improvements



“Be afraid of Our Customers, because those are the folks who have the money. Our Competitors are never going to send us money” Jeff Bezos

Amazon's long term bold vision

#1

ANYTHING

#2

ANYWHERE

#3

ANYTIME

Supply Chain of Amazon

Ready with

**EVERYTHING
EVERYWHERE
EVERYTIME**



thank you

