Strategic Management Plan

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Vision and Objectives

Amazon has evolved into one of the best online retail firms in the globe. It has excelled and thrived for a long time in a landscape that is characterized by constant change. The firm was founded almost three decades ago and has witnessed tremendous growth of clients from all corners of the globe. There is no doubt that Amazon can attribute its success to the strategic set of its vision statement and objectives. The vision statement of Amazon is to be the central destination of customers in the globe where customers from different regions can discover and find anything that they need to purchase online. The company has made various initiatives to achieve this vision, and it has so far achieved significant milestones. For example, it has reached a global presence with an overwhelming influence in different markets around the globe. Moreover, it has developed its platforms in a way that places its customers at the front seat through attractive promotions and deals and also rewards to its loyal customers (Thompson, 2015). A high level of convenience also characterizes the company because customers can find what they want to purchase from the comfort of their seats. The company has also ensured that it has a broad selection of products and affordable prices without compromising the quality that the customers get.

One of the main objectives of Amazon is to increase its market share on food and beverages to 1.1% and overtake its main rival, Wall-Mart. This type of increase is a broad objective because it aims to increase its market share in a very competitive market, which has several strong players who have invested intensively to create loyal customers. Amazon can achieve this objective by offering their products at lower prices lower than Wall-Mart and other competitors. Typically, shoppers look for low and affordable prices, and they are most likely to purchase from the company that offers the lowest prices. It can also achieve this by increasing its selection of products and services so that its customers can buy more products from the firm (Stone, 2013). The other objective is to create around 3,500 new jobs in the United Kingdom. The company can achieve this by opening new distribution facilities in different regions around the region. The other objective is to reduce its use of non-renewable energy by 40%. The company can achieve this by investing in a windmill farm and solar energy. The last objective is to increase its revenue by about 10%. It can accomplish this by enlarging its business in all its categories to achieve higher sales volume.

**SWOT Analysis**

**Strengths**

Being a significant player in the online retail industry, Amazon has numerous strengths that make it have a competitive advantage over its rivals. Amazon has a reliable brand name that is known all over the globe. Being an e-commerce giant still has significant value even if the industry changes because it will use its strong brand to expand in other regions. Amazon is also customer-oriented, and its low prices make customers flock in its online platforms (Ratnasingham, 2018). The lower prices make it possible for the company to retain its customers because it is a customer-oriented brand. Cost leadership is another indispensable strength. This strategy makes it difficult for any other firm to replicate the business model of Amazon business without having to take profit cuts. Lastly, frequent acquisitions will still add value because it will increase its market share and revenues.

**Weaknesses**

The company also has several weaknesses to address. One of the weaknesses is the problematic imitation by competitors. Competitor imitation can be reduced by using different packaging, and giving differentiated offers unique from those potential newcomers and rivals (Majed, 2018). Another area of weakness is product failures and flops. Carrying out intensive research before product development and launching can reduce the amount and frequency of these failures. Amazon is also experiencing a loss of margins in several areas, such as in India. An increase in marketing and advertisement could ensure that the company thrives in various markets.

**Opportunities**

Amazon has the opportunity of expanding to developing markets. This opportunity is feasible because there are several markets in different markets around the globe that are viable. The company can also increase its physical stores, and this can enable it to increase its competitiveness against various big-box retailers, and thus it is highly viable (Majed, 2018). It also has the chance to improve technology measures, and this will enable it to reduce and deal with imitators and counterfeit sales. Amazon also has the opportunity to produce its own branded products. In so doing, it will have eliminated many intermediaries, and this will mean that it will be easier to generate more profit margins.

**Threats**

Amazon faces increased cybercrime risks and cybercrime projected to increase in the future. It can improve its cybersecurity by upgrading its network systems. The company also faces aggressive competition from major players in the industry, and it can differentiate its products and services to counter the threat. Government regulation is another hurdle that the venture is facing. Regulations should always be treated the same way—by confining all operations within the scope of existing laws and policies. (Ratnasingham, 2018). The other threat is imitation, which can be mitigated by advancing its technology measures.

**Importance of the Analysis**

This analysis is beneficial to developing a plan for the future because it presents different aspects of the firm that reflect its current status as well as areas of concern. With the strengths and opportunities discussed, the company can be able to establish expansion strategies. With the weaknesses and threats addressed, the company can strengthen its brand and fill different loopholes in its business model. Lastly, this will affect the workforce positively because it will increase job security and employee motivation.

References

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