

## MEMORANDUM

TO: Amazon Employees

FROM: Jocelin Wright, Amazon Intern

DATE: August 12, 2020

SUBJECT: Amazon competitive position analysis

I'm writing to inform you of Amazon's competitive position in the markets for e-commerce, digital media players, cloud computing, and content creation and streaming.

As our company continues to grow we will sustain being a successful company in e-commerce, and cloud-based computing, improving our position in portable media devices and streaming of digital media, and recommendation about potential new areas for diversification.

Please let me know if you have any questions. In the meantime, I'd appreciate your cooperation as Amazon continues to accelerate and grow.

Our chief elements in our competitive strategy is having worldwide selections for customers to choose from, high confidence levels, and the ability to advance technology. All three of these work together to allow us to put our customers first to retain customer loyalty. We are able to fulfill a great experience for our customers while being adamant about our innovation and continuing to evolve for them. We will continue to start with the customer and work backwards. Our business strategy is best described as cost leadership. It operates with thin profit margins that allow the company to be successful because of business diversification and constant innovation. Our business strategy is guided by customer obsession rather than competitor focus, passion for invention, commitment to operational excellence and long term thinking.

E-Commerce is a strong element for Amazon, because of Bezos long term vision and belief that nothing lasts forever we continue to evolve and engage in new ventures. Our key elements to our strategy is reinvesting our free cash flow into the business and creating more value for our customers. We have been able to grow because we have been able to center our focus on the value of creation and expending our selection, with fast delivery to our customers. The launch of Amazon Prime in 2005, a membership service that offered two-day free shipping and other benefits built a loyalty of customers like no other. Even this service continues to evolve into offers to access to their music streaming service called Amazon Music, and much more.

Our strong competitive and well advanced technology skills, along with our customer base, great reputation, great customer experience, allows for us to be a competitive strength in the e-commerce business compared to other business. We have been able to use today's natural rapidity growing world in the technological industry to help us succeed. From starting in the garage to then developing into an online bookstore and then granted the ability to continue to grow into an online business being the reason why we now want to form and venture into cloud

based computing. This will now allow others to build off of our success. This is a smart move because business know we have a strong foundation that is stable to build off of.

The E-Commerce and cloud based services are much stronger than their personal media and digital streaming services. Their streaming services are on the same playing field as Netflix and Hulu however they just have not excelled at the same rate. Our cloud-based service is by far our largest platform for profits. This area is a great opportunity for us as a company for continued evolution and engagement.

In 2015, we were confronted with issue of international growth. This meaning how are we going to adjust to relative local markets? What's working for us international and what's not working for us international? Also we need to pay attention to our competitors such as online, offline and multichannel retailers, publishers and vendors, also publishers of physical, digital and interactive media, also web search engines, social networks, shopping websites, and companies that provide e-commerce services as well as companies that provide information technology services or products.

At this time we also came to dominate almost everything and the concern then became whether or not we could continue at this pace. Many thought that our time might be complete. Amazon, quickly responded with Amazon prime which changed the narrative of the retail giant. This literally secured many customers to shop with us. We quickly rebounded and surprised the entire business world. We are able to continually bounce back from setbacks due to our commitment to the philosophy of efficiency over profits. We will continue to do this through authentic long term planning.