

Understanding and Engaging in the Customer Experience (BMSW5103_LON)

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Table of Contents

1.0 Introduction.....	3
2.0 The company.....	3
3.0 The theories which will be utilized in the assignment.....	4
3.1 Marketing mix.....	4
3.2 Stakeholder mapping.....	4
3.3 Porter's 5 forces.....	5
3.4 Ansoff matrix.....	6
4.0 Task 1.....	7
4.1 External factors through porter's 5 forces.....	7
4.2 Internal factors.....	8
5.0 Task 2.....	10
6.0 Conclusion.....	13
Reference list.....	15

1.0 Introduction

A vital transformation in consumer needs as an outcome of the shift to online purchasing is the assumption of 24-hour consumer support. Consumers now place orders from online retailers at all periods of each day as well as night, and they anticipate that customer care representatives will always be ready to answer their questions. In this research, we'll look at the manner by which a company can provide around-the-clock customer support while still maximizing consumer value. The company chosen for this analysis is Amazon, a global technology giant which works in digital streaming, e-commerce, cloud computing, and artificial intelligence, among other fields. The industry standard for consumer care in the e-commerce sector has been established by Amazon, which is renowned for its client-centric philosophy. To enable Amazon to provide 24-hour consumer support, this assignment will first analyze the manners by which internal as well as outer aspects have affected its quality systems and controls. The assignment will also detail the manners by which Amazon can establish and manage positive consumer links around-the-clock in order to meet new consumer needs and accomplish its company objectives. The marketing approach, stakeholder mapping, and artificial intelligence are among the marketing as well as consumer link management theories which will serve as the assignment's theoretical foundation.

2.0 The company

Seattle, Washington serves as the corporate headquarters of Amazon, a global technology company (Varia and Mathew, 2014). Since its inception in 1994, Amazon has expanded into a variety of businesses, like digital streaming, e-commerce, cloud computing, and artificial intelligence. The company began as an online bookstore. With a market valuation of over \$1 trillion, Amazon has established itself as a vital player in the e-commerce sector. The company is identified effectively for its consumer-oriented strategy, which has become the sector standard for consumer service in e-commerce. Amazon's success is based on its capacity to offer consumers a large selection of things at affordable rates, together with quick and dependable delivery. Low margins as well as substantial volume are the foundation of Amazon's service structure, which has allowed the company to expand quickly and remain profitable. Today, Amazon employs over 1.3 M individuals worldwide and conducts services in more than 20 countries. The company's goal is to become the most consumer-oriented

organization on the planet, where customers can search for and learn about any product they might wish to purchase online.

3.0 The theories which will be utilized in the assignment

3.1 Marketing mix

The structure for creating a marketing plan for a service and product is the marketing mix, sometimes referred to as the 4Ps of marketing. The 4 main parts are the product, pricing, place, and promotion (Dominici, 2009). Products include aesthetics, performance, features, and packaging as well as the good or service being supplied. Price, which contains aspects, like discounts, promotions, and price strategies, refers to the cost charged for the products and service. The word "place" describes the methods of delivery that are used to make a good or a service accessible to consumers, such as brick-and-mortar storefronts, internet markets, and direct sales. Marketing, advertising for sales, and public relations are examples of promotional tactics utilized to increase awareness and boost sales. The structure of the marketing mix enables companies to pinpoint vital aspects of their marketing plans and ensures that all four elements function in harmony to successfully reach and influence the target audience. Companies can create a marketing mix which complements their business goals, appeals to their consumers, and gives them a competitive edge in the market by taking in consideration each of the 4Ps. A fundamental concept in marketing, the marketing mix is continuously utilized by companies of all sizes and in all sectors to establish and enhance their marketing strategy.

3.2 Stakeholder mapping

The process of mapping stakeholders involves locating, evaluating, and classifying them according to their level of involvement and impact in a certain project, programme, or organization. It is a tactical tool used by companies, nonprofits, and governments to effectively identify important stakeholders and create effective engagement and communication plans (Walker *et al.* 2018). Identification, analysis, visualisation, and engagement are the four processes that commonly make up the stakeholder mapping process. Finding every vital stakeholder who could be affected by the project or company is the first stage. This encompasses both internal and external stakeholders, containing consumers,

suppliers, governmental organizations, and community organizations, apart from that, internal stakeholders like employees, shareholders, and management. The analysis of each stakeholder's level of influence and interest comes in second place. This makes it easier to identify which stakeholders are the most vital and which could require more and less consideration. In the third stage, the stakeholders are mapped out on a grid and matrix, often with interest on one side and effect on the other. This gives a visual depiction of the stakeholders as well as aids in the identification of important groups, such as those with a high level of influence and/or interest, like consumers and governmental organizations. Establishing and carrying out engagement approaches for every stakeholder group is the fourth step. This could entail multiple types of outreach and participation, such as polls, focus groups, town halls, or one-on-one conversations. Companies could comprehend their stakeholders and create interaction and engagement strategies which work by adopting stakeholder mapping. All parties involved may benefit from this by enhancing trust, managing expectations, and eventually achieving better results. Stakeholder mapping can also assist companies in identifying possible risks and opportunities so that they can take proactive measures to address them before they become issues.

3.3 Porter's 5 forces

A framework called Porter's Five Forces can be used to evaluate a sector's level of competitiveness and potential for profitability. A popular strategy for strategic analysis in companies, the approach was created by Harvard Business School professor Michael E. Porter.

- **Threat of New Entrants:** The outcome is the potential entry of new rivals into the market, which could raise competition and lower profitability. The degree of entry barriers, like, large capital needs or legislative restrictions, and the level of market saturation are factors that affect the danger of new entrants.
- **Bargaining Power of Suppliers:** The capability of suppliers to affect the cost and calibre of inputs, like labour or raw materials, is referred to as their "bargaining power". The concentration of vendors, the accessibility of alternative inputs, and the effectiveness of the inputs to the sector are all aspects which affect the bargaining strength of suppliers.
- **Bargaining Power of purchasers:** The capability of purchasers to affect the cost and calibre of goods or services is referred to as their "bargaining power." The

concentration of customers, the accessibility of replacement goods or services, and the significance of the goods or services to the consumers are all factors that affect the bargaining power of the purchasers.

- **Threat of Substitute:** This force alludes to the potential for customers to move to alternative goods or services that provide the same advantages at a cheaper cost. The accessibility of replacements, the trade-off between substitutes' price and performance, as well as the switching costs for customers are all aspects that affect the threat of substitutes.
- **Competition:** This force describes how fiercely existing businesses in the sector compete with each other (CISA and CFE, 2012). The quantity and size of rivals, the level of differentiation between products and services, as well as the rate of industry expansion are all aspects which affect the level of competition.

Companies can identify the main competitive forces in their sector and create plans to strengthen their competitive advantage by analyzing these 5 forces. For instance, a business could concentrate on lowering the power of suppliers by vertically linking its supply chain and on enhancing purchaser power by providing customers with exclusive features or perks. Overall, firms can analyze their sector and make strategic choices relying on their competitive environment utilizing the Porter's 5 Forces framework.

3.4 Ansoff matrix

A marketing planning approach identified as the Ansoff Matrix is utilized to identify and assess effective possibilities for an organization's expansion strategy. By taking into account the potential risks and advantages of each choice, it offers a framework for analyzing effective new markets as well as product aspects. The matrix comprises 4 distinct growth strategies: diversification, product enhancement, market penetration, and market enhancement. Market development entails entering new markets with current products, whereas market penetration entails growing market share within already-existing markets. Product diversification entails making new items for new markets, while product enhancement concentrates on making new products for markets that already exist.

4.0 Task 1

4.1 External factors through porter's 5 forces

A structure identified as Porter's 5 Forces is utilized to analyze the outer aspects which have an effect on a company's services and market success. A company can better comprehend its competitive environment as well as make strategic decisions effectively which enhance its situation by looking at these effects. The outside elements affecting Amazon's quality systems as well as controls for consumers are:

- **Threat of new entrants:** As an outcome of the large entry barriers, the e-commerce market is considerably less vulnerable to new competitors. Amazon has made significant investments in marketing, technology, and logistics, making it challenging for new competitors to compete on a significant scale. It is difficult for new companies to gain a foothold in the industry due to Amazon's enormous advantages, containing its economies of scale as well as powerful image.
- **Supplier's bargaining power:** In the situation of Amazon, suppliers have little leverage. Amazon is able to negotiate favourable terms and situations with suppliers thanks to its enormous size and market share. Additionally, Amazon has created private label products and services to lessen its reliance on outside vendors.
- **Consumer negotiating power:** In the e-commerce market, the customer bargaining power is comparatively high (Meldrum *et al.* 1995). Consumers have access to a variety of options and can easily switch between platforms. To keep customers loyal and lower churn, Amazon needs to make sure that its quality procedures and controls are effective.
- **Threat of substitutes:** In the e-commerce market, the threat of substitutes is comparatively strong. Customers can buy goods directly from manufacturers, in physical stores, or through other online marketplaces. To be competitive, draw in new customers, and keep existing ones, Amazon must constantly innovate and offer distinctive services.
- **Competition:** Amazon competes against powerful competitors, like Walmart, Alibaba, as well as eBay for market share in a fiercely competitive sector. To stand out from rivals and keep its monopoly on the market, Amazon needs to have strong quality systems and controls.

In conclusion, Amazon works in a difficult external environment that necessitates constant creativity and enhancement of its quality controls and procedures in order to maintain competitiveness (Anton *et al.* 2015). Despite having a significant competitive advantage over suppliers and newcomers, Amazon needs to continue to pay close attention to customer needs and the shifting market. Amazon is capable to comprehend its competitive environment as well as creating successful strategies to maintain its place in the market by analyzing Porter's 5 Forces.

4.2 Internal factors

There are a number of internal factors like customer-centricity, continuous improvement culture, and significant investment in technology and innovation (such as the ML algorithm of SageMaker), which have created an impact on Amazon quality systems and controls for customers. On the other hand, the Customer relationship management has been another important aspect of quality control and satisfaction of the customers where the company has used a range of approaches which can be described in the present section as follows:

Firstly, Focusing on the needs of the client is one of the main internal aspects that affects Amazon's quality systems and controls for customers. Amazon prioritises the needs of its customers and bases its business decisions on data and client input. In the mission statement of the business, it is stated that "Our vision is to be Earth's most customer-centric company." By focusing on the demands of its customers, Amazon has been able to gain a thorough grasp of their preferences and needs, allowing it to modify its goods and services accordingly. In order to understand the aspect better, the use of the Customer Satisfaction Theory by Reichheld (2006) can be done here. The theory was developed through the study of 25000 customers between 1998 to 2003. According to Reichheld's (2006) Customer Satisfaction Theory, customer satisfaction is the most important factor in determining a customer's loyalty and advocacy. According to Reichheld, clients who are pleased with their interactions are more inclined to stick with a business and refer it to others, which boosts sales and profits for the enterprise. Amazon has put in place a number of initiatives showing its dedication to customer centricity and the value of customer pleasure. For instance, the business offers a feature-rich customer feedback system that lets customers score and comment on goods and services (Barr, 2021). The quality of the goods and services that Amazon offers is then enhanced using these reviews. The corporation has a policy of providing free returns on qualifying items in an effort to boost customer satisfaction and lower the possibility that

customers would be unhappy with their purchases. Additionally, Amazon has a policy of replacement or refund to customers if they have any problem regarding their order (Sadq et al., 2018). Additionally, there is the Prime membership programme of Amazon which provides users with a number of advantages like free and quick shipping, access to streaming services, and special discounts. Customers are therefore rewarded with more values which result in the development of loyalty and the customer satisfaction which has been one of the keys of success for Amazon.

Secondly, Amazon has made significant investments to further enhance its customer-centricity through technology and innovation. As an example, the company Amazon has developed SageMaker which has been a machine learning service aimed at quickly helping, training, and developing high quality models of Machine Learning. The customers like 3M, General Electric, Vanguard, NFL and others had preferred the integrated capabilities of the system (Slater, 2022). The operation of the same is done through the suggestions of the customers and by running them through the use of algorithms of Machine Learning.

Thirdly, A key element of Amazon's business strategy is their customer-centric approach to innovation, and they have established a customer-centric culture that guarantees the customer is at the centre of everything they do. To avoid developing technologies or products for their own purpose or in isolation, Amazon's innovation activities are focused on their consumers. They stay in regular contact with their clients and concentrate on aspects that they are confident will be valued by clients in the long run, including cost-effectiveness, performance, security, and the broad range of the capabilities of AWS's cloud services. Additionally, Amazon aggressively seeks out user feedback and considers it when creating new goods and services. For instance, 90% of everything AWS creates is influenced by what its customers tell the company matters to them. Additionally, even though they aren't expressing it, they read between the lines and create on their behalf by foreseeing their needs and wishes. Amazon's leadership is strong and top-down when it comes to fostering a culture of consumer-centricity, with an emphasis on making risky bets based on concepts motivated by customer requirements. They plant numerous seeds and have the patience to nurture them, taking calculated risks and inventing outside of their business's core capabilities. Even though Amazon acknowledges that many projects will fail, it will use the lessons it learns to improve its next customer-focused product.

Lastly, Amazon has a thorough quality management system established that has earned ISO 9001:2015 accreditation. The quality management system is accessible within AWS Artefact via customer accounts in the AWS dashboard and covers a certain range of AWS services

and Regions of operations. The software development process utilised by AWS is client-centred, managed through a project management tool, and involves multiple disciplinary input. Each service goes through a number of quality checks before going live, including vulnerability/penetration testing, threat modelling, secure code reviews, and security risk assessment. AWS integrates freely available software or customised code into its offerings, subject to the Open Source Group's evaluation and permission.

All documentation, including the source code, system records, and operational rules and procedures, are covered by quality procedures. AWS follows formally established, documented standards and practises for both operations and data security. Designing new services or making significant changes to existing ones adheres to secure software development practises and is overseen by a project management system with input from several disciplines. In addition to a structured audit programme that involves ongoing, independent internal and external examinations, AWS has built information security operations that are coordinated with clearly defined framework, reporting lines, and responsibilities. AWS maintains a capacity planning model to evaluate infrastructure consumption and demands and continually monitors usage of services to project infrastructure needs to satisfy availability commitments and requirements. AWS complies with regulations for computer systems that support GxP-regulated operations by producing, editing, maintaining, archiving, retrieving, or distributing digital documents and electronic signatures.

5.0 Task 2

24/7/365 customer management is now a crucial component of customer care in today's businesses. Customers expect to be able to receive help 24/7, 365 days a year, thanks to the growing usage of technology and online services. In order to fulfil these expectations and keep customers happy, businesses must make sure they offer 24/7 customer care. Putting in place 24/7/365 customer management calls for a mix of staffing tactics and technological solutions. Organisations can use shift workers to give help around-the-clock, or they can use locations throughout the world in various time zones to provide service in various regions during business hours. Cloud technology can be utilised to match clients with staff members who are available, ensuring that assistance is always accessible when needed. Banks, telecom service providers, and software companies are a few examples of businesses that use 24/7/365 customer management. For instance, a bank might offer a toll-free number for

consumers to contact in the event that an online bill payment transaction fails, whereas telecom service providers might offer call centre services for specific questions or issues. Similar to this, software providers might allow remote access to fix bugs, deliver updates, and troubleshoot problems. Customer management that is available 24/7/365 is a critical component of modern company that helps companies to offer dependable and continuous support to their clients. Organisations can exceed customer expectations and uphold high levels of customer satisfaction by putting different workforce methods and technological solutions into practice (Engdahl, 2018).

The role of chatbots, artificial intelligence (AI), and Interactive Voice Response (IVR) systems in creating effective customer support strategies have been prevalent in the strategic approach of Amazon. Three AWS Contact Centre Intelligence (AWS CCI) Partners share their perspectives in this post, offering helpful advice for creating automated customer service systems. With the help of these technologies, businesses can offer their clients high-quality service around-the-clock while also cutting expenses and boosting client happiness. Secondary sources emphasise that while businesses struggle with the price and resources required to deliver high-quality, highly accessible, live-agent solutions, customers want excellent customer service. Self-serve, automated solutions relieve some of the workload from live agents so they can handle the more difficult tasks. Additionally, automated solutions are preferable for clients who demand a 24/7/365 experience, particularly for routine jobs they can complete without an agent. The COVID-19 epidemic has had a substantial effect on chatbot interest. As shelter-in-place regulations impacted both consumers' access to locations and live agents' ability to operate in the same contact centre, the demand for automated solutions surged (Engdahl, 2018). Consumers and agents who work from home have both benefited from chatbots. Automated solutions assist agents with security, compliance, and even VPN issues connected to working from home, offloading more of their workload. Starting with simple use cases that have a big impact, there are five suggested practices for developing automated solutions. To more fully comprehend the user's intent and context, the panellists advise providing multimodal channels and managing fallbacks graciously. IVR systems, chatbots, and virtual assistants are crucial elements of effective customer support strategy. Businesses that use automated solutions can increase customer happiness, cut expenses, and offer quality service around-the-clock (Engdahl, 2018).

Because it places the client at the centre of everything the business does, Amazon's customer management strategy is cutting edge. As indicated by its mission statement, which seeks to be

"earth's most customer-centric company," Amazon's commitment to the customer has led to the development of a customer service strategy that is deeply established in the company's culture. By implementing a number of experience and customer service initiatives, Amazon has succeeded in achieving this goal. Creating a business culture that responds to consumers is one of the important techniques. From entry-level to executive level personnel, Amazon makes sure that everyone attends call centre education to learn how to listen to consumers. Understanding consumer wants will enable the right actions to be done to satisfy them. Providing customers with the option of DIY service is another cutting-edge tactic. Customers at Amazon can quickly and effectively find their own solutions thanks to the company's very comprehensive and user-friendly help centre. Customers benefit from the time savings and sense of empowerment. Amazon has also established a network of other customer service providers. Amazon has made it simple for customers to access the wisdom of the crowd for customer service by hosting a number of forums. This has provided people the comfort of thinking they are a part of a community and enables Amazon's customer support professionals to resolve customer requests more quickly (Morgan, 2016).

The business has also made it simple to engage in personal contacts. If Amazon's self-service FAQs or community forums are unable to resolve the issue, customers have the choice of speaking with a real person. For owners of Amazon Fire tablets, Amazon has also launched a free customer care service named "Mayday". With this service, clients may instantly connect via video with a tech advisor for a more individualised experience. Another creative tactic is Amazon's mobile-first strategy. The business' website is well-organised and simple to use, with helpful search and categorization features. Shopping is made easier with features including auto-fill, Prime, one-click ordering, and others. Additionally, Amazon has promoted interactions between consumers and brands by standing up for the customer when there is an issue with a vendor's goods or delivery method. Finally, client demands are what motivate Amazon's innovation strategy. To address the content needs of its customers, the business has branched out into other products and services and developed its own goods and services, such as Amazon Prime, the Kindle, and Alexa. Amazon recognises that consumer preferences are always changing and relies on them to guide its innovation. Overall, Amazon's customer service strategy is novel since it prioritises the client in all business decisions and uses a variety of techniques to deliver a superior client experience (Morgan, 2016).

Through its creative application of technology to deliver smooth and straightforward consumer experiences, Amazon has emerged as a leader in revolutionising the customer

experience market. Only a small number of businesses, including Amazon, have made full use of all the technology at their disposal to let customers interact with the brand using the same technology they use on a daily basis in their personal lives (Morgan, 2016). The launch of the Amazon Echo and Alexa, which enables users to engage with Amazon's goods and services via voice commands, is one of the company's largest innovations in this area. Customers may simply buy things or inquire about goods using their voice thanks to this feature, which eliminates the need to go through a convoluted website or customer care process. In addition to utilising technology, Amazon has made progress in streamlining its return and customer assistance procedures. Customers can quickly request a return for an item they bought on Amazon, for instance, and Amazon will send the item back with a pre-paid postage label. In contrast to many other merchants, which need customers to call in and go through a difficult customer service process in order to start a return, this approach is significantly less straightforward.

Despite these developments, Amazon may still make improvements in a number of areas. Companies can innovate in the areas of personalised content and buyer experience to give customers a more specialised experience (Morgan, 2016). Through the use of tailored advertising and product recommendations, Amazon is making progress in this area, but there may yet be room for improvement. Additionally, even if Amazon's use of technology has in general enhanced the customer experience, there may still be opportunity for development in certain areas, such as social networking and mobile messaging. Amazon might continue to develop its support technology to offer better options for customers who want self-service since younger customers are less likely to reach out to brands and prefer self-service.

With its creative use of technology, Amazon has been a pioneer in upending the customer experience landscape. Other businesses may take a lot of inspiration from the company's strategy in many ways. However, there is always space for improvement as customer service technology continues to advance (Morgan, 2016).

6.0 Conclusion

In conclusion, the transition to internet purchasing has boosted demand for customer support that is available around-the-clock. The internal as well as outer aspects can affect an organization's capacity to maximize consumer value. Companies can better understand these aspects and create strategies to manage them by using a variety of marketing theories, like the Marketing Mix, Stakeholder Mapping, Ansoff Matrix, as well as Porter's 5 Forces. According

to Porter's 5 Forces analysis, Amazon faces intense rivalry in the e-commerce sector and as an outcome, needs to continuously be creative and set itself apart to preserve a competitive edge. Threats from competitors as well as new entrants also serve as a reminder of how crucial it is for Amazon to keep up consumer-oriented procedures and safeguards of the highest calibre. In conclusion, businesses must regularly assess the internal as well as external variables that affect their capacity to provide top-notch customer service. Companies are capable to comprehend as well as regulate these aspects by applying pertinent marketing theories, thereby maximizing consumer value and attaining their company goals. 24/7/365 In today's enterprises, managing customers has become an essential part of providing excellent customer service. To meet consumer expectations, firms are using a combination of workforce strategies and technological advancements. Artificial intelligence (AI), chatbots, and IVR (interactive voice response) systems have grown in popularity and can assist companies in offering 24/7 high-quality support while lowering costs and increasing customer happiness. Because the company puts the client at the centre of everything it does, Amazon's client management strategy is cutting edge. In order to offer its customers individualised and superior customer service, Amazon has developed a number of initiatives including DIY service, Mayday service, hosting discussions, a mobile-first approach, and others. Due to Amazon's dedication to its customers, its customer service approach has become ingrained in its corporate culture, resulting in a company culture that caters to the demands of customers.

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