

Knowledge Information MGT- AMAZON

Executive Summary

- The objective of this report is to examine how critical knowledge and information management is to Amazon success as a top online retailer. The research examines the many knowledge management theories, models, and concepts that can be used by Amazon.com and how they can aid the organisation in achieving its goals.
- In order to stay competitive, the paper looks at how information is ingrained in Amazon goods and services and how the corporation may further enhance its knowledge management procedures. The Wiig Model, the Bukowitz and Williams Model, and the SECI Model are just a few of the knowledge management theories and frameworks that the study draws from. The results show that Amazon.com has information ingrained into its standard operating processes, giving it a competitive edge over its competitors and a superior online purchasing experience. The knowledge management techniques do have some drawbacks, such as problems with tacit knowledge management.

Introduction

- The biggest online store in the world, Amazon.com provides a wide range of goods and services, such as cloud computing, digital streaming, and e-commerce. The world's largest online retailer, Amazon.com, was established by Jeff Bezos in 1994 (Mazrekaj, Shabani, and Sejdin, 2016). It is important to provide information on how knowledge and information management may be used to improve corporate performance and customer satisfaction in the e-commerce sector. This report looks at the significance of knowledge and information management for Amazon.com, a major online retailer. The case study on Amazon.com reflects how good knowledge management techniques may give businesses a competitive edge in the marketplace. Substantively, the research seeks to offer a thorough examination of the advantages and drawbacks of knowledge management for online retailers like Amazon.com and to make recommendations for ways to advance knowledge management practices going forward.

Background of Amazon

A number of knowledge management theories and models, such as the Wiig Model, the Bukowitz and Williams Model, and the SECI Model, will be referenced. These models will be used to look at how knowledge has been incorporated into Amazon.com goods and services and how the corporation may further develop its knowledge management procedures to remain competitive. Due to its broad range of offerings, which include cloud computing, digital streaming, and online retail, the company has become well-known. Amazon.com's capacity to offer customers a superior online purchasing experience, supported by its substantial knowledge and information management systems, has been the foundation of its success (Correll et al., 2023). The foundation of Amazon's business strategy is its extensive data and knowledge management capabilities. To streamline its operations and enhance the overall customer experience, the business gathers information on consumer behaviour, product preferences, and shopping patterns. As an illustration, Shank (2015) cites Amazon as using data to personalise product recommendations, optimise price, and enhance delivery logistics.

Knowledge Management

- In order to support their business goals, organisations must develop, capture, store, share, and use knowledge and information. This is known as knowledge and information management (Dalkir, 2017). Identification, creation, and utilisation of information and expertise inside an organisation are all parts of knowledge management, which helps it perform better and accomplish its objectives. Both explicit (knowledge that can be easily documented and communicated) and tacit (knowledge that is difficult to describe and transfer) information are included in this. In order to effectively manage knowledge, an organisation must foster a culture of cooperation and information sharing (Hislop, Bosua, and Helms, 2018).
- Essentially, information management refers to the procedure of gathering, organising, storing, retrieving, and disseminating information within a company. To ensure the timely and accurate flow of information throughout an organisation, this entails managing data and documents as well as creating systems and processes. The security and privacy of sensitive information must also be maintained as part of information management (Liu, Wang, and Lin, 2017).
- The foundation for efficient decision-making and innovation inside organisations is provided by knowledge and information management working together. Organisations can boost performance, increase competitiveness, and accomplish their strategic goals by utilising knowledge and information efficiently (Lateef and Omatayo, 2019).

The Role of KM in Customers' Satisfaction

- Following are some ways that efficient knowledge and information management can assist organisations in increasing customer satisfaction:
1. Personalization: By gathering and analysing data on consumer preferences, behaviour, and purchase habits, knowledge and information management can assist organisations in personalising the customer experience. This enables businesses to offer more pertinent product recommendations, focused advertisements, and specialised services that are tailored to each customer's demands (Rita, Oliveira, and Farisa, 2019).
2. Reliable information that is up to date: Customers anticipate receiving precise and recent information regarding goods and services, costs, availability, and delivery schedules. Customers may easily access this information through a variety of channels, including online platforms, mobile apps, and customer care centres, thanks to effective knowledge and information management (Duarte, Costa e Silva, and Ferreira, 2018).
3. Quick issue resolution: Knowledge and information management can assist businesses in locating and effectively resolving client issues. Organisations can detect trends and patterns that allow them to take preventative action to stop the occurrence of related problems in the future by collecting and analysing data on customer complaints, comments, and inquiries (Shujahat et al., 2019).
4. Improved customer service: Organisations can offer more effective and efficient customer service by employing knowledge and information management. For instance, businesses can improve their understanding of customer needs, preferences, and pain points by gathering and analysing data on customer interactions across a variety of touchpoints, such as social media, email, and phone (Iglesias, Markovic, and Rialp, 2019). This allows businesses to better cater to their customers' needs.

The Role of KM in Competitive Advantage

- In the e-commerce sector, where businesses like Amazon and eBay operate, knowledge management can benefit businesses in a number of ways (Mao et al., 2016). Here are some ways that efficient knowledge management can assist businesses in successfully competing with their rivals:
1. Product and service innovation: Knowledge management may assist businesses in finding fresh prospects for product and service innovation. Companies can acquire insights that help them develop and offer new and improved products and services that fulfil customer needs better than their competitors by recording and analysing data on customer needs and preferences, market trends, and industry advancements (Lateef and Omatayo, 2019).
2. Customer experience and loyalty: Companies that effectively manage their knowledge can improve customer experiences, which in turn increases customer loyalty and retention. Companies can acquire insights that help them provide personalised services, swiftly and effectively address customer concerns, and provide consumers with pertinent information and support by collecting and analysing data on customer behaviour, feedback, and preferences (Kumar and Pansari, 2016).
- 3.
4. Supply chain optimisation: Knowledge management can assist businesses in streamlining their supply chains, which lowers costs and boosts productivity. Companies can gain insights that help them make better decisions about sourcing, inventory management, and logistics, which can help them operate more efficiently than their competitors, by collecting and analysing data on supplier performance, inventory levels, and logistics data (Muthuveloo, Shanmugam, and Teoh, 2017).
- 5.
6. Competitive intelligence: Companies that use effective knowledge management may obtain and examine data about their competitors, giving them an understanding of their plans and vulnerabilities. Companies can acquire insights that help them find areas for improvement and create plans to compete more successfully by keeping an eye on rival behaviour (Lim et al., 2017).
- 7.
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Embedding knowledge in products and services using KM Models

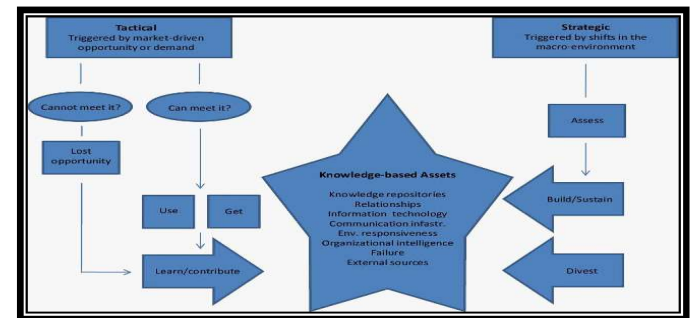
Understanding how knowledge is ingrained in products and service concepts through tacit knowledge of humans, including staff and customers, is particularly helpful when using Polanyi's Tacit and Explicit Knowledge Model (Mohajan, 2016).

Tactic knowledge, according to Polanyi, is knowledge that is challenging to express or transmit, such as abilities and experience. Tacit knowledge can be ingrained in the skills and knowledge of customers and employees in the context of product and service concepts, which can influence the creation and provision of goods and services (Kambhampati, 2021). For instance, Amazon makes extensive use of consumer information to customise each customer's buying experience. Customers' tacit knowledge of their preferences, requirements, and behaviours is reflected in this data, which is produced through interactions between them and the platform (Magnier-Watanabe and Benton, 2017). Similar to this, employees' implicit knowledge can influence how products and services are designed and developed. For instance, the customer support staff at Amazon may have knowledge of typical customer problems and grievances, which might help in the development of new goods and services to address these problems (Nonaka and Hirose Nishihara, 2017).

The tacit knowledge that can be transformed into explicit knowledge and ingrained in conceptions for goods and services is also clarified by the SECI model created by Nonaka and Takeuchi. Socialisation, externalisation, combination, and internalisation are the four steps of the model (Kaur, 2015). Through social interactions between people, such as those between coworkers and customers, tacit knowledge is transmitted during the socialisation stage. Through articulation and documentation, tacit knowledge is transformed into explicit knowledge during the externalisation stage. Explicit knowledge is coupled with additional explicit knowledge in the combination step to produce new knowledge. The last stage is internalisation, where new knowledge is assimilated and included into the organization's knowledge base, as well as its conceptions for products and services (Natek and Zwilling, 2016).

Systematic approach (Management Information Systems) in Exchanging knowledge-Base across the organisation

A knowledge management paradigm called the Bukowitz and Williams Model focuses on fostering a culture of information sharing inside an organisation. According to Jokanovi, Okanovi, and Lali (2018), the approach emphasises the value of organisational culture, leadership, and infrastructure in fostering knowledge sharing and exchange



The diagrammatic representation of Bukowitz and Williams Model (Novita et al., 2022).

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