

Digital Skills and Research Methods

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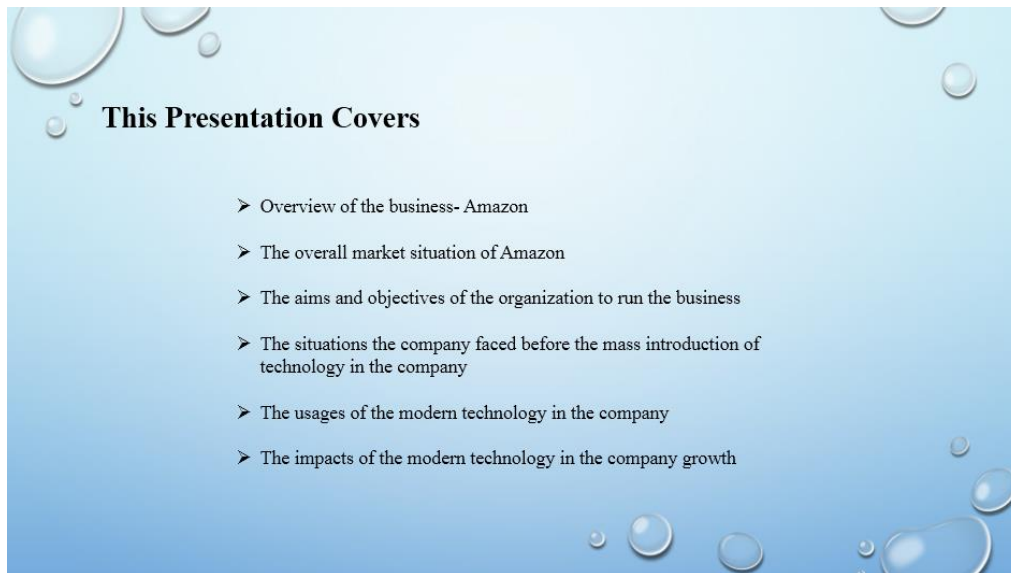
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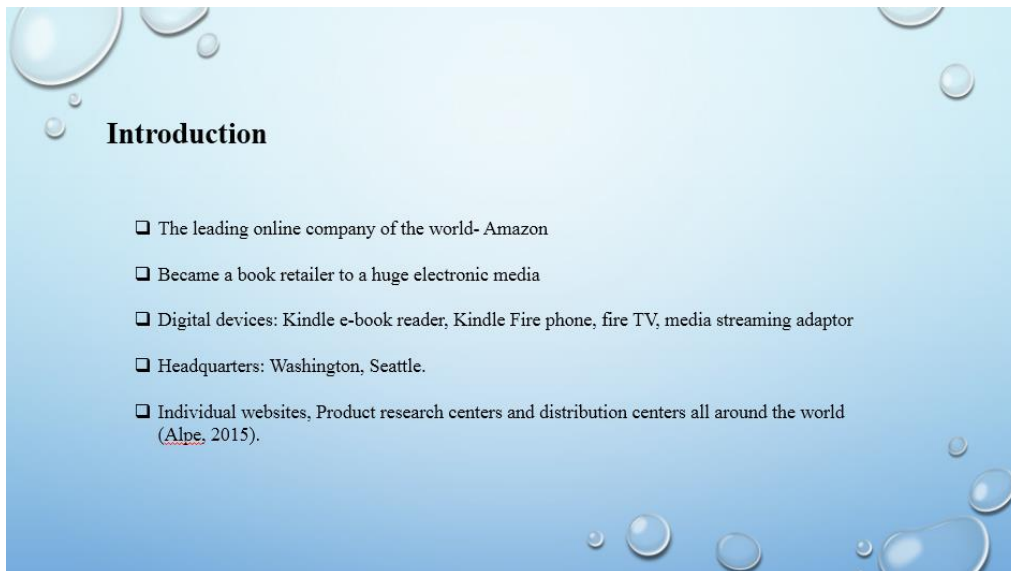
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In this presentation report, the usages of modern technology in the company- Amazon is being portrayed. The development of the organization in times that have been shown in the report. Also, the overall market condition of the organization has been discussed. The obstacles faced by the firm in its initial period of operations has been stated. Moreover, the impacts of modern technology in the business have been discussed here.



Amazon (Amazon.com) is the leading internet-based company on the planet and a major bargainer of cloud computing services.

Primarily a retailer of books, the company has extended to market area a huge amount of consumer products and electronic media and also its own digital devices, such as the Kindle Fire phone, a media streaming adaptor, Kindle e-book reader and Fire TV (Alpe,2015).

Overview of the Amazon

- ❑ Started in 1994 as a book shop and launched website in 1995
- ❑ About 310 million unique users and 100 million subscribers worldwide
- ❑ Achievement of numerous milestones, splendid profits and great publishes.
- ❑ Marvelous growth of Amazon Web Services (AWS) (Amazon Global Selling, 2016)
- ❑ Amazon's Elastic Compute Cloud (EC2) and Simple Storage Service (S3) – essential parts of the business



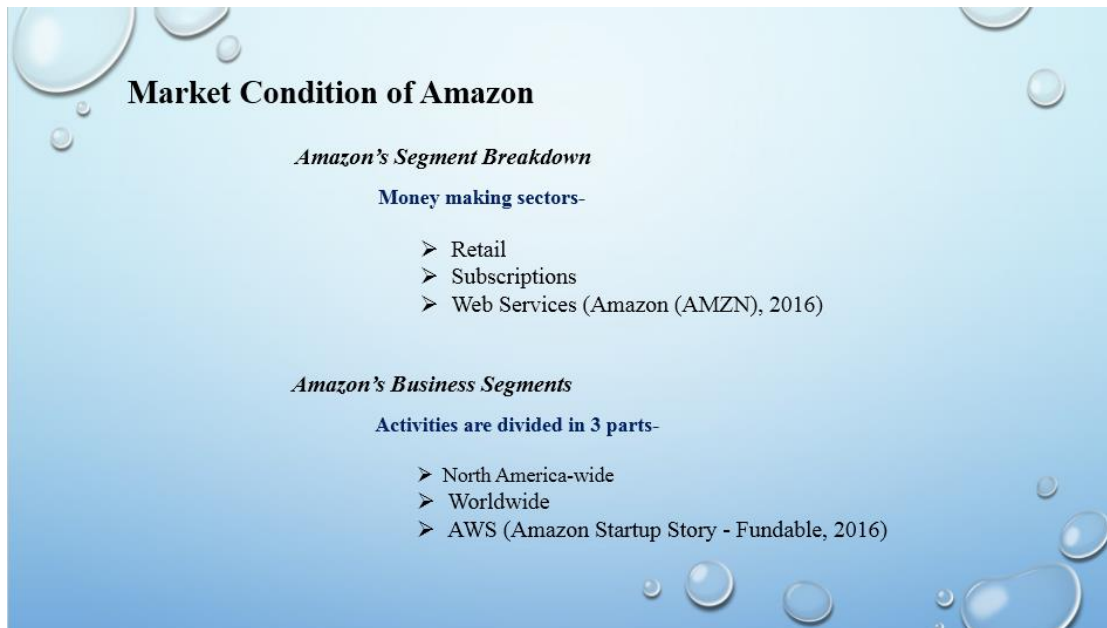
Head Quarter of Amazon.Com

Amazon has headquarters in Washington, Seattle. The company has separate websites, product research centers, distribution centers, customer support centers throughout different countries around the world.

In 1994 Jeff Bezos laid the groundwork for Amazon. He started the firm named Cadabra (1994) which eventually transformed into Amazon (1995) due to the launch of the website. The business initially started with an online library but quickly became a leading online seller providing almost anything from A to Z just as its logo states (Amazon Global Selling, 2016).

Having more than 310 million unique consumers globally and 100 million subscribers, the prominence of Amazon seems to be widespread across the globe. Being the biggest online store on the planet, Amazon achieves lots of milestones, great incomes, and positive releases.

Amazon Web Services(AWS) is a robust cloud technology platform that is growing. The very first AWS products to include online infrastructure for websites and customer-side apps were introduced in 2006. Amazon's Elastic Compute Cloud (EC2) and Simple Storage Service (S3) are the core of the business's vast and increasing Online services series.



Amazon Segment Breakdown

Among other ways, Amazon makes money through its retail, subscriptions, and web services. Retail is the primary source of sales for Amazon, with the largest share being the online and physical stores. Amazon Advertising Services is one of the rapidly growing sectors of the organization (Amazon (AMZN),2016).

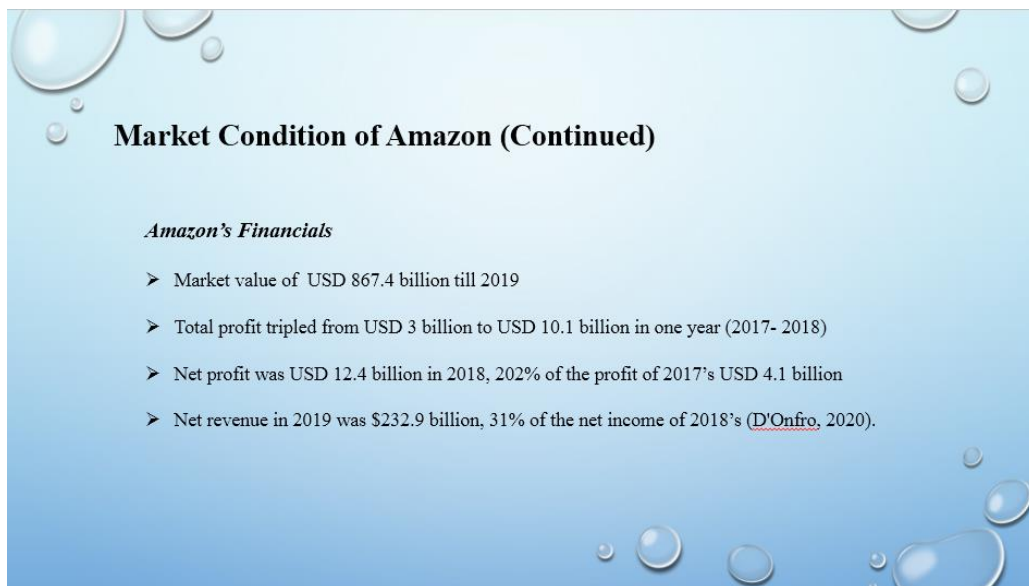
Amazon's Business Segments

Amazon splits its activities into three parts: North America, Worldwide, and AWS. The first two of those categories, North America and Global, apply to Amazon's retail sector regional outages. They produce income from retail sales in North America and the whole world, as well as rentals and export revenues for those regions. Business-wide, online retailers accounted for revenue of around \$123 billion in 2018, or 52.8% of net revenues, while production of physical stores' sales was \$17.2 billion, or 7.4% of net revenue (Amazon Startup Story- Fundable,2016).

Amazon is the largest e-retailer in the United States of America with a net income of nearly 280.5 billion US dollars (2019), as per the latest industry estimates. Most of the business's sales are produced by electronics and other goods e-retail sales, followed by income from third-party sellers, streaming services, and AWS operations.

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Alex Woldeghebriel (1916091)



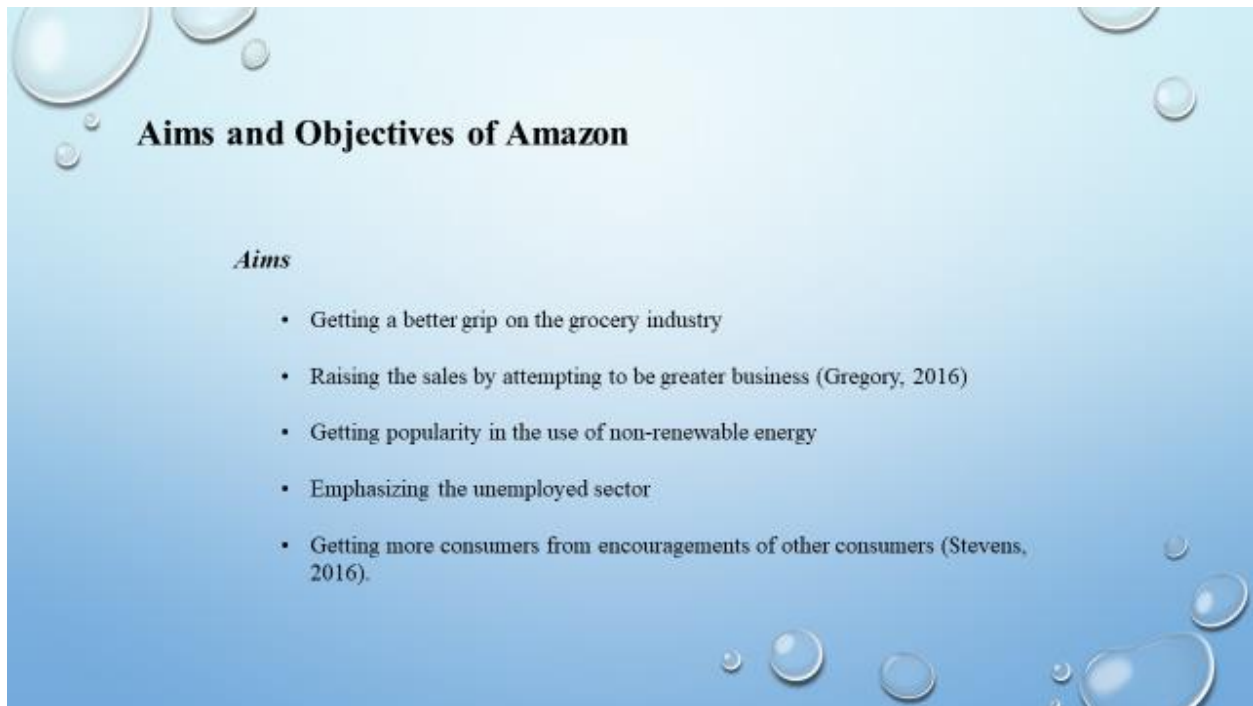
Market Condition of Amazon (Continued)

Amazon's Financials

- Market value of USD 867.4 billion till 2019
- Total profit tripled from USD 3 billion to USD 10.1 billion in one year (2017- 2018)
- Net profit was USD 12.4 billion in 2018, 202% of the profit of 2017's USD 4.1 billion
- Net revenue in 2019 was \$232.9 billion, 31% of the net income of 2018's (D'Onfro, 2020).

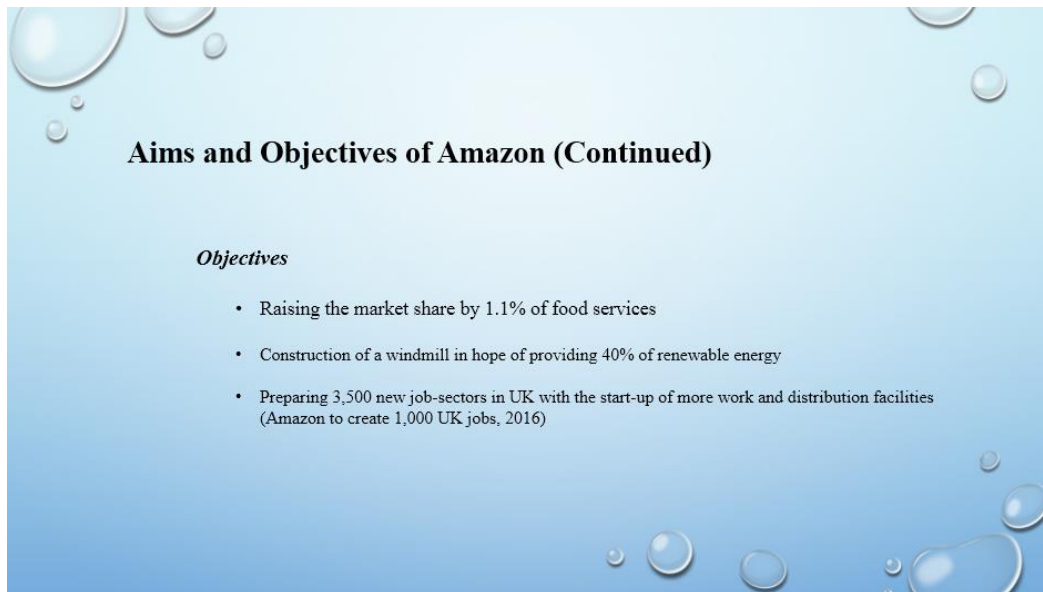
Amazon's Financials

Amazon lists, by market value, as one of the biggest businesses on the whole earth. Having a market value of \$867.4 billion, as on 5th December 2019, Amazon shows its booming flourishing in its sectors of business. The firm's total profit in fiscal year (FY) 2018 more than tripled year-over-year (YOY), from \$3 billion to \$10.1 billion in the years 2017 to 2018. The financial year 2018 net profit was \$12.4 billion, more than 202% from FY 2017's \$4.1 billion. Amazon's net income in the year 2019 amounted to \$232.9 billion, approximately 31% YOY (D'Onfro,2020).



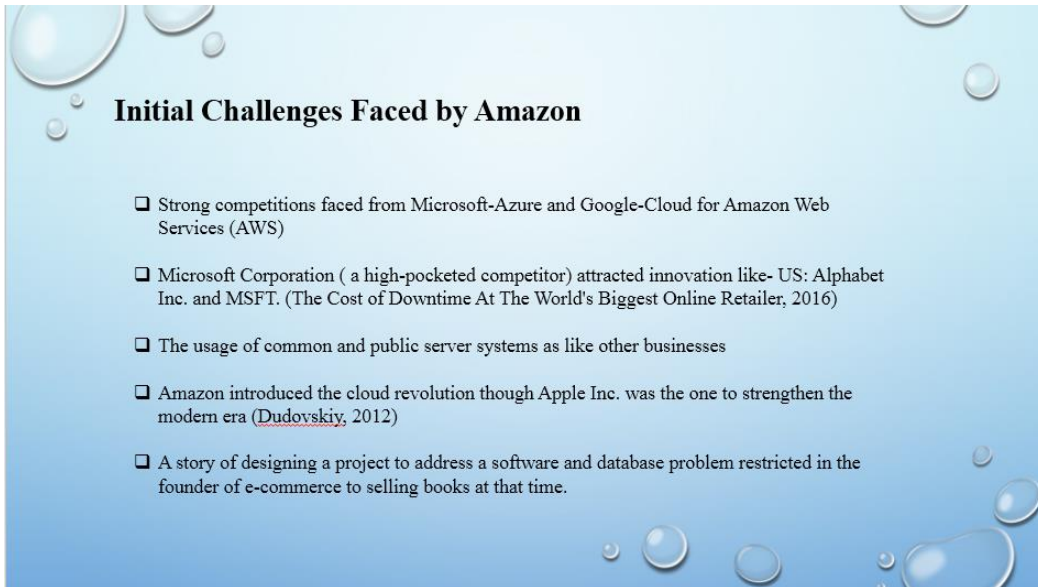
Aims

- One of the goals of the Amazon is to gain a stronger grip on the grocery sales industry, to have growth, and to get a bigger industry able to combat with other grocery sales firms. (Laura, 2016)
- Like other corporations, Amazon targets to raise sales by attempting to be an ever huge company in its categories every other year. It is trying to popularize their use of anti-renewable energy (Gregory, 2016).
- Increasing the level of positions available to the unemployed is also one of Amazon's aims.
- It is also a major aim of Amazon to offer all that consumers may need to encourage more consumers to find the product they need (Stevens, 2016).



Objectives

- Another of Amazon's goals is to raise the existing market share by 1.1 percent of foodservice revenue by 2018, thereby meeting or even increasing the current stock position of 17.3 percent in Wall-Mart.
- Amazon is also preparing to construct a wind turbine project by the later part of 2017, with the aspiration of supplying a minimum of 40% of renewable energy for commercial usage (Amazon to create 1,000 UK jobs,2016).
- Another business goal for Amazon, by the beginning of more Amazon job/distribution activities, is to build 3,500 fresh and permanent job areas in the UK by the end of 2017. (BBC, 2016)
- Amazon projects to boost its sales at a minimum of £20,000 by the later part of 2017.



Initial Challenges Faced by Amazon

- ❑ Strong competitions faced from Microsoft-Azure and Google-Cloud for Amazon Web Services (AWS)
- ❑ Microsoft Corporation (a high-pocketed competitor) attracted innovation like- US: Alphabet Inc. and MSFT. (The Cost of Downtime At The World's Biggest Online Retailer, 2016)
- ❑ The usage of common and public server systems as like other businesses
- ❑ Amazon introduced the cloud revolution though Apple Inc. was the one to strengthen the modern era (Dudovskiy, 2012)
- ❑ A story of designing a project to address a software and database problem restricted in the founder of e-commerce to selling books at that time.

AWS is the leading player in the multi-billion-dollar virtualization industry, but Microsoft Azure and Google Cloud are under rising pressure. AWS's popularity has generated a multibillion-dollar cloud sector that Amazon quite strongly dominates, but high-pocketed competitors such as Microsoft Corp. have attracted innovation. US: Alphabet Inc. and MSFT. GOOGL US: GOOGL (The Cost of Downtime At The World's Biggest Online Retailer, 2016).

SEATTLE – 20 years earlier, Amazon.com Inc. had been an online retailer operated by the same servers and systems that were used by other businesses. In the beginning, AWS's origins go back as soon as 2000, while Amazon was an e-commerce business that coped with volume problems (Dudovskiy,2012).

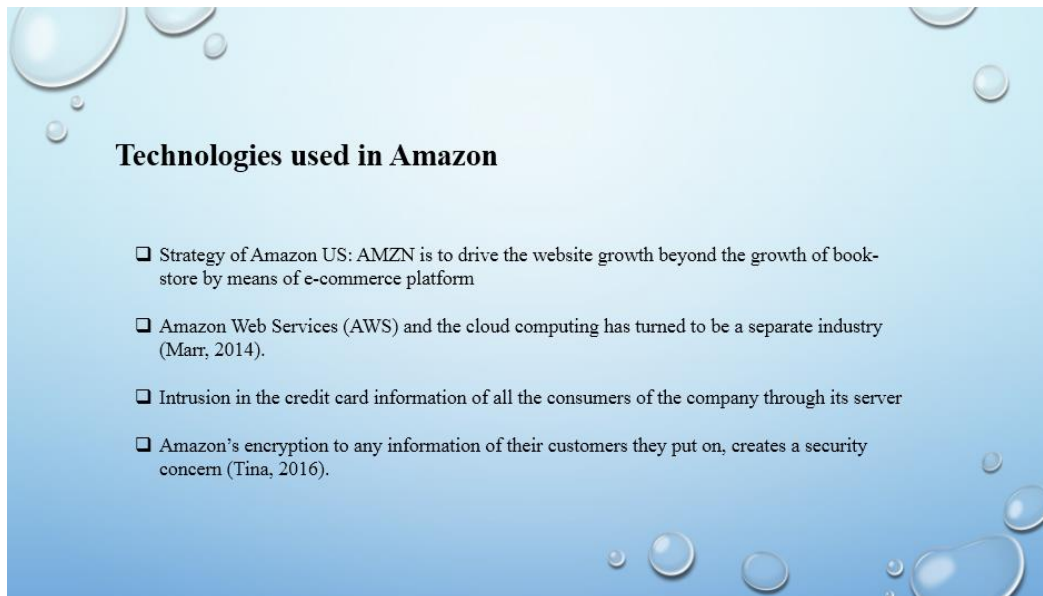
Apple Inc. released the year before. US: AAPL launched the iPhone, and AWS has equally outsized technology. Apple strengthened the modern age, but it was Amazon that inaugurated the cloud revolution, which transformed the way companies use technologies in the same drastic way that smartphones transformed the technology habits of customers.

This is the plotline of a project designed to address a software and database problem that restricted the founder of e-commerce to selling books at that period. Further than encouraging Amazon to

incredible growth throughout books, AWS has grown into an industry-shifting platform that enables corporations to rent computing resources and to sell services over the internet to corporations and other organizations.

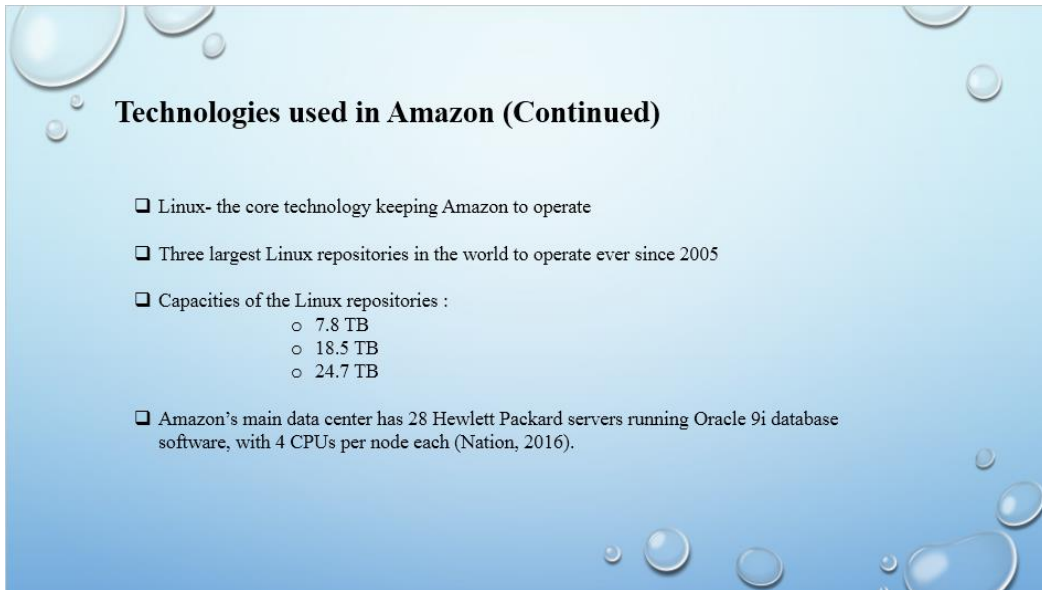
Slide 9

Ridwan Ajala (1916036)



Amazon US: AMZN has built a new strategy to drive its website by seeking to grow beyond books, driving it to the most important e-commerce platform of the new millennium. By doing so, it has created Amazon Web Services, also the entire cloud computing system as an industry, that could go down as Amazon's most successful breakthrough ever managed (Marr, 2014).

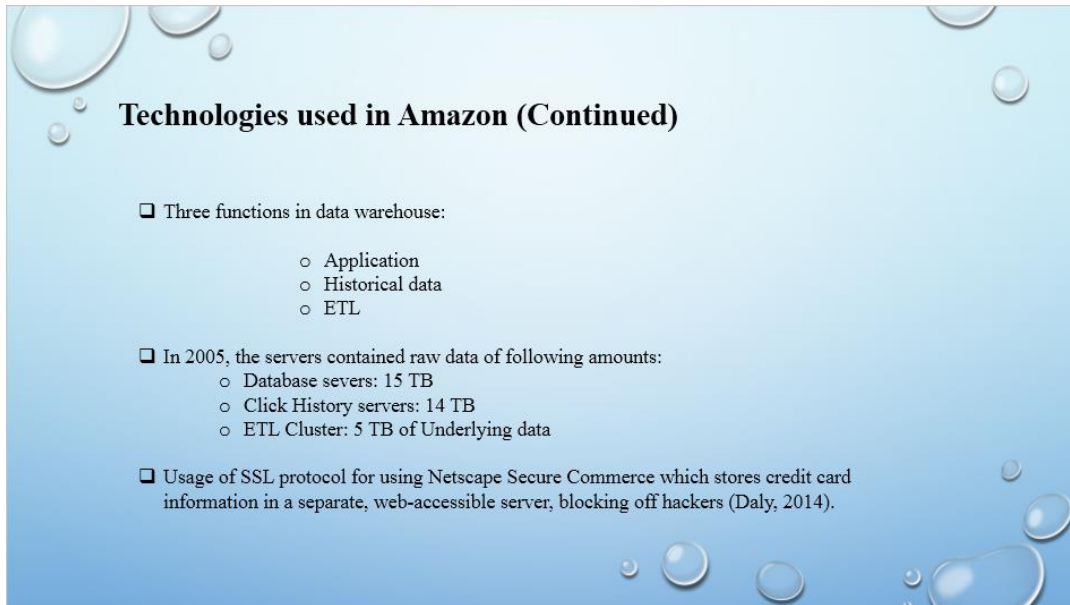
The transaction volume of Amazon means more than thousands of people submit the information of their credit card every day to Amazon's servers and safety is certainly a big issue. Amazon lets customers opt for encryption of any data they insert, as such their username and gender, address, and so on along with automated encryption of credit card numbers throughout the checkout phase (Tina, 2016).



Technologies used in Amazon (Continued)

- ❑ Linux- the core technology keeping Amazon to operate
- ❑ Three largest Linux repositories in the world to operate ever since 2005
- ❑ Capacities of the Linux repositories :
 - 7.8 TB
 - 18.5 TB
 - 24.7 TB
- ❑ Amazon's main data center has 28 Hewlett Packard servers running Oracle 9i database software, with 4 CPUs per node each (Nation, 2016).

The huge core technology which lets Amazon operating is completely Linux-based. It has three largest Linux repositories in the entire planet since 2005, with capacities of 18.5 TB, 24.7 TB, and 7.8 TB respectively. Amazon's main data center includes 28 Hewlett Packard servers, running Oracle 9i database software, with four CPUs per node each (Nation, 2016).

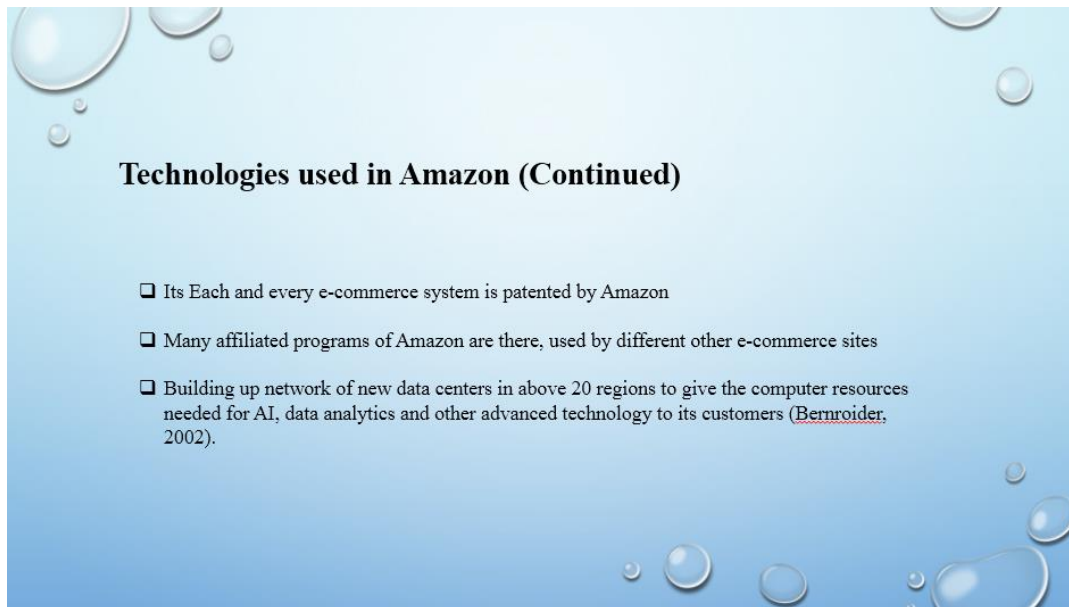


Technologies used in Amazon (Continued)

- ❑ Three functions in data warehouse:
 - Application
 - Historical data
 - ETL
- ❑ In 2005, the servers contained raw data of following amounts:
 - Database servers: 15 TB
 - Click History servers: 14 TB
 - ETL Cluster: 5 TB of Underlying data
- ❑ Usage of SSL protocol for using Netscape Secure Commerce which stores credit card information in a separate, web-accessible server, blocking off hackers (Daly, 2014).

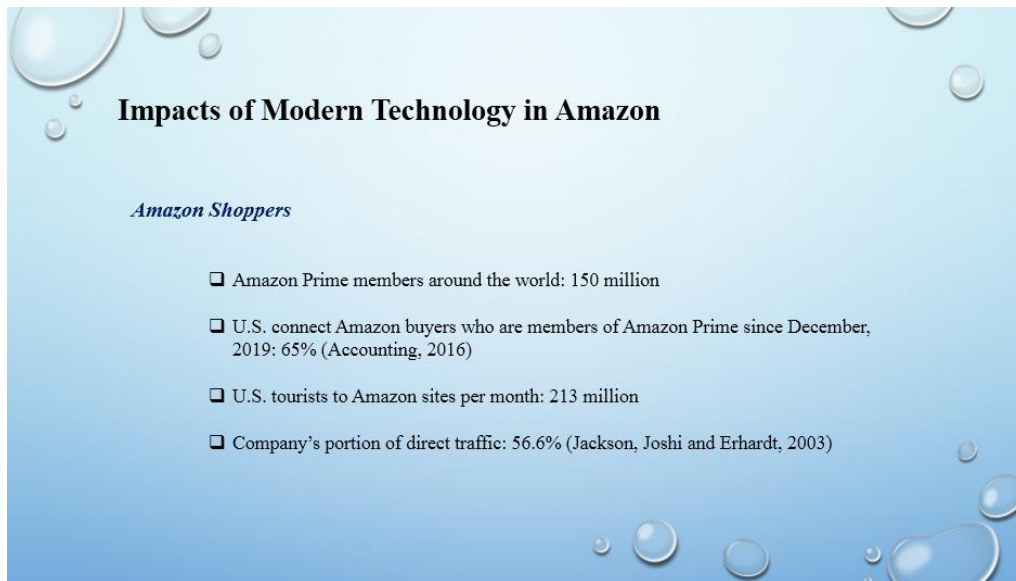
There are approximately three functions in the data warehouse: application, historical data, and ETL. In 2005, the database servers contain 15 TB of raw data which have the capacity of 24.7 TB; the click history servers carry 14 TB of raw data which have the capacity of 18.5 TB; and the ETL cluster holds 5 TB of underlying data which have 7.8 TB capacity (Daly, 2014).

Amazon uses the SSL (secure socket layer) protocol to use Netscape Secure Commerce. It reserves all information on credit cards in a different, web-accessible server, blocking off hackers from the potential gateway.



Almost all the parts of the e-commerce system of the company have been patented by Amazon, causing a bit of criticism for the affiliate software patent, it received whilst in 2000. Many e-commerce sites have reportedly also been using affiliate software, sites, or systems that looked more like the ones Amazon created and patented.

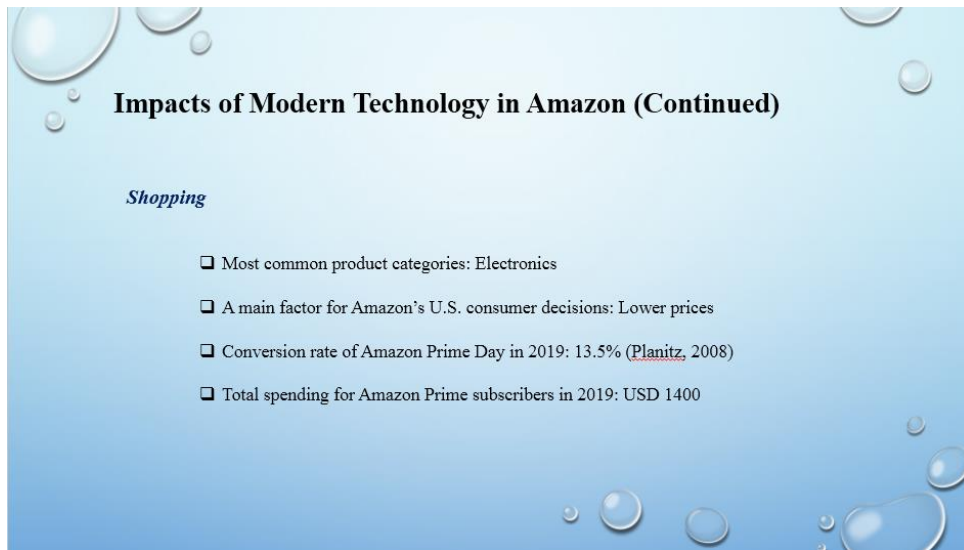
Amazon has built a network of new data centers in more than 20 geographic regions to provide the computer resources required for AI, data analytics, and other advanced technology to its customers (Bernroider,2002).



The most significant main figures include a concise overview of the "Amazon" subject and will take you directly to the related details.

AMAZON SHOPPERS

Amount of Amazon Prime members paying around the world: 150 m. The U.S. connects Amazon buyers that have been members of Amazon Prime since December 2019: 65% (Accounting, 2016). Specific U.S. tourists to the Amazon sites per month: 213 m. Amazon.com's portion of direct traffic: 56.6 percent (Jackson, Joshi and Erhardt, 2003).



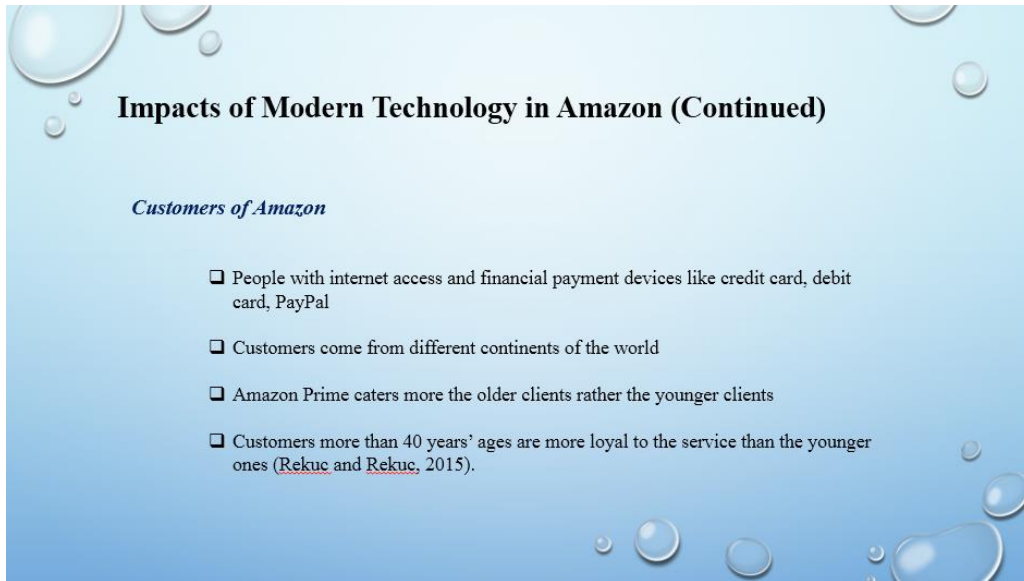
Impacts of Modern Technology in Amazon (Continued)

Shopping

- ❑ Most common product categories: Electronics
- ❑ A main factor for Amazon's U.S. consumer decisions: Lower prices
- ❑ Conversion rate of Amazon Prime Day in 2019: 13.5% (Planitz, 2008)
- ❑ Total spending for Amazon Prime subscribers in 2019: USD 1400

SHOPPING

As of February 2019 the most common Amazon shopper's product categories: electronics. Any of the main factors behind Amazon's U.S. consumer decisions: cheaper price. A.S. Conversion rate for Amazon Prime Day in 2019: 13.5 percent. Total expenditure for Amazon Prime subscribers in 2019: USD 1,400 (Planitz,2008).



Impacts of Modern Technology in Amazon (Continued)

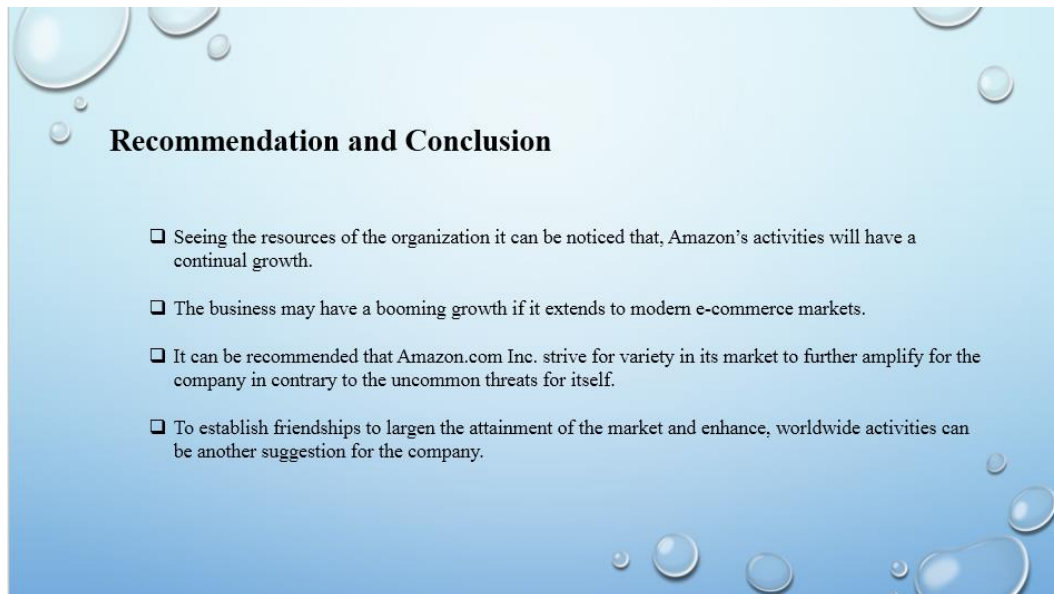
Customers of Amazon

- ☐ People with internet access and financial payment devices like credit card, debit card, PayPal
- ☐ Customers come from different continents of the world
- ☐ Amazon Prime caters more the older clients rather the younger clients
- ☐ Customers more than 40 years' ages are more loyal to the service than the younger ones (Rekuc and Rekuc, 2015).

Amazon's main clients are people with Internet access and financial payment devices like a credit card, debit card, PayPal, etc. Furthermore, the customers of the company are not remaining in the United States alone. Amazon has reached out to online customers from other continents. Furthermore, the Prime system of the organization tends to cater more to older customers than to younger ones, as data indicates that individuals 40 years of age or older are more loyal to the service than those under 40 years of age (Smith, 2015).

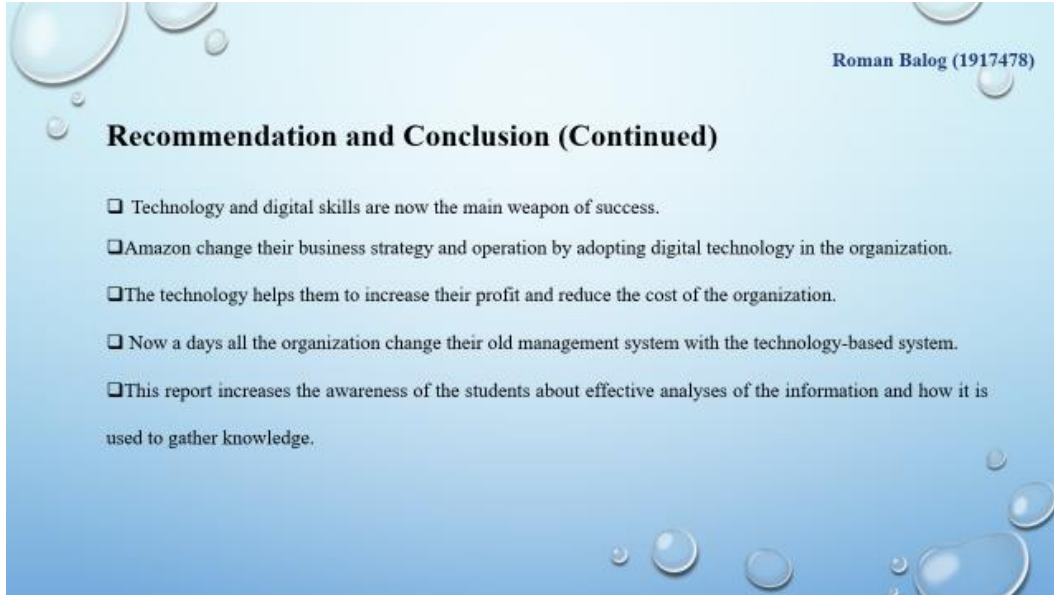
The explanation for this is that younger consumers have not as much financial leverage as older ones do. Besides, younger consumers may be busier with work, whilst older customers may be more comfortable and have more free time. But the older customers want to use the Amazon Prime program more than just the younger generations.

Note of caution to be considered is the marketing strategies of Amazon as successful. The explanation is it can always be seen the results that are linked to Amazon each time it's searched an item on the internet. Worldwide, there are more than three billion Internet users. If we believe that these people are seeing results from Amazon on Google, the income can be massive. The organization also doesn't need to use its human capital to create promotional campaigns. Amazon will pay a small portion of its revenue to people from all over the world to draw more clients to its platform (Rekuc and Rekuc, 2015).



Based on the market climate opportunities and the resources of the organization, Amazon's activities will be growing. By expansion of modern e-commerce sectors, the business may have grown, particularly in the developing economies of high-growth. To tackle external and internal influences, it is suggested that Amazon.com Inc. strive for varieties in its market to further amplify for the company is contrary to the uncommon threats for itself.

Another recommendation is to establish new friendships to extend the attainment of the market and enhance worldwide activities of Amazon facing rivalry and related competitive obstacles.



Roman Balog (1917478)

Recommendation and Conclusion (Continued)

- ❑ Technology and digital skills are now the main weapon of success.
- ❑ Amazon change their business strategy and operation by adopting digital technology in the organization.
- ❑ The technology helps them to increase their profit and reduce the cost of the organization.
- ❑ Now a days all the organization change their old management system with the technology-based system.
- ❑ This report increases the awareness of the students about effective analyses of the information and how it is used to gather knowledge.

Technology and digital skills are now the main weapon of success. Amazon change their business strategy and operation by adopting digital technology in the organization. The technology helps them to increase their profit and reduce the cost of the organization. Now a days all the organization change their old management system with the technology-based system. This report increases the awareness of the students about effective analyses of the information and how it is used to gather knowledge. In the later part we discuss the evaluation of the information source and how to sue information and check its source for any purpose.

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