

Study of Marketing Strategy in Nagpur City with Reference to Amazon

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Abstract: The main objective of a marketing strategy can serve as the foundation of a marketing plan. A marketing plan contains a set of specific actions required to successfully implement a marketing strategy. For example: "Use a low cost product to attract consumers. Once our organization, via our low cost product, has established a relationship with consumers, our organization will sell additional, higher-margin products and services that enhance the consumer's interaction with the low-cost product or service." A strategy consists of a well thought out series of tactics to make a marketing plan more effective. Marketing strategies serve as the fundamental underpinning by marketing plans designed to fill market needs and reach marketing objectives. Plans and objectives are generally tested for measurable results. This research is to study the various factors affecting the marketing strategy of Amazon. For this, a survey was conducted, questionnaires were distributed among the students of different colleges of Nagpur. In present study, primary data has been collected from students of Nagpur city. The data has been presented in the form of graphs.

Keywords: marketing strategy, internet habits, students, impulsive buying behaviour.

I. Introduction:

Amazon marketing strategy relies on the following six pillars:

1. Offering the widest range of products
2. Using a customer-friendly interface.
3. Scaling easily from small to large.
4. Exploiting affiliate products and resources.
5. Using existing communication systems.
6. Utilizing universal behaviors and mentalities.

As it is illustrated in figure below, Amazon's annual global marketing expenses have been consistently increasing during the past seven years to exceed USD 10 billion in 2017. This includes Advertising and other promotional costs that amounted to USD3.8 billion, USD5.0 billion, and USD6.3 billion in 2015, 2016, and 2017. Amazon marketing strategy integrates a number of targeted online marketing channels, such as Associates program, sponsored search, social and online advertising, television advertising, and other initiatives.

II. Literature Review:

According to Philip Kotler et al (1999) marketing strategy is the marketing logic by which the business unit hopes to achieve its marketing objectives. It is an Endeavour by a corporation (or any organization) to differentiate itself positively from its competitors, using its relative corporate strengths to better satisfy customer needs in a given environmental setting. For an organization, target consumers are at the centre of the marketing strategy. The company identifies the total market it wants to serve and divides it into smaller segments. It then selects the most promising segments and focuses on serving them. It designs a marketing mix using mechanisms under its control: product, price, place and promotion. It also engages in marketing analysis, planning, implementation and control in order to find the best marketing mix and to take action. The company uses these activities to enable it to watch and adapt to the marketing environment.

Objectives Of Study:

- To Study the marketing strategies adopted by Amazon.
- To create awareness of the product & services offered by Amazon.
- To study the brand value of Amazon in the Market.
- To study the awareness about the brand.

III. Research Methodology:

The quantitative research method is used for the present study.

Data Collection:

Both the primary and secondary method of data collection are used for the present study. Under the primary data collection method, Questionnaire, observation and in-depth interview methods are used for data collection. The secondary data for the present data includes the online research papers, websites, etc.

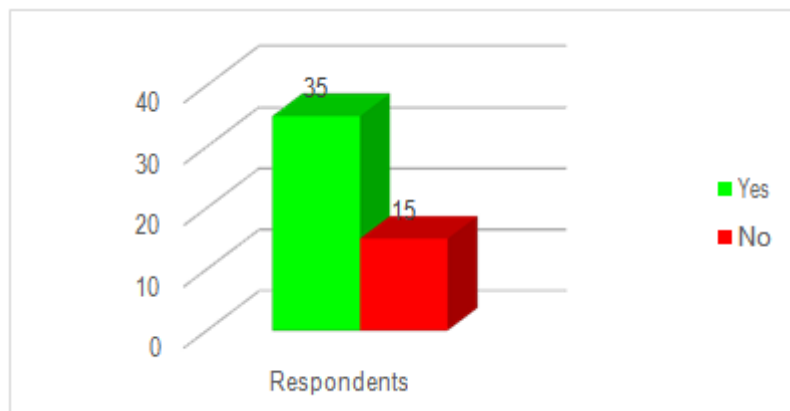
Sampling Framework:

- i. **Population Definition:** The population for the research includes marketing strategy of amazon in Nagpur city.
- ii. **Sample Size:** Keeping into consideration the limitation of time , the researcher has taken the sample of 50.
- iii. **Sampling technique:** By keeping in view the limitations of time, resources ,population researcher has decided to apply convenience sampling technique for the purpose of collecting experimental material.

IV. Data Analysis And Interpretation:

Q1. Have you ever done online shopping from Amazon ?

Responds	Respondents
Yes	35
No	15
Total	50

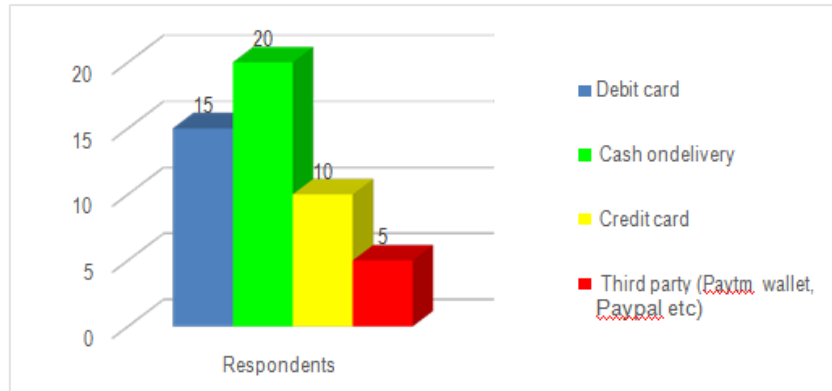


Interpretation:

From the above table shows that 35 respondents said that Yes they do online shopping from Amazon. And rest of the 15 respondents said No they don't do online shopping from Amazon.

Q4. How do you make payments when you shopping online from Amazon ?

Responds	Respondents
Debit card	15
Cash on delivery	20
Credit card	10
Third party (Paytm wallet, Paypaletc)	5
Total	50



Interpretation:

From the above table it explain that When respondent is questioned with payment method they will use while doing online shopping, most of the respondents choose cash on delivery method which is 20. After that secondly mostly payment method used by customer is Debit card , 10 respondents prefer Credit card for payment and rest of the 5 customer make payment Third party (Paytm wallet, Paypaletc)when they shopping online from Amazon.

V. Conclusions:

- Amazon started as a small online retailer for books, facing a lot of market challenges that led to its occasional loses. Being driven by long term customer marketing strategy which continued to gain importance in its marketing field, the company has become a giant in the industry. This marketing strategy has helped the company to face different threats, competitors, cut off its costs and achieve profitability. The main key factor to this success is providing customers with superior value and shopping experience, until starting some physical outlets in different locations, introducing better software and storage facilities.
- Technology and Amazon’s customer marketing strategy allowed the company to record their purchasing behaviour which the company uses to personalize its services, offer relevant product and segment the market based on preferences that customers shown when buying or visiting products. These are bases in building and managing customer relationships and loyalties