

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA
PGDM / PGDM (M) / PGDM (SM) (G1, G2, G3)
SIXTH TRIMESTER (Batch 2022-24)
END TERM EXAMINATIONS, APRIL 2024

Course Name	Strategic Marketing	Course Code	20136
Max. Time	2 hours	Max. Marks	40 MM

INSTRUCTIONS:

- a. Read the given case and attempt all the questions.**
- b. Please write in bullets/diagrams for impactful answers.**
- c. Use strategic tools to support the arguments. Data may be assumed wherever needed.**

Case Study: Amazon's Strategic Marketing Challenge

Background:

Amazon, a global leader in e-commerce, has successfully expanded into various markets and product categories. However, the company faces intense competition from both established retailers and emerging online platforms. Despite its extensive product range, logistics network, and customer service, Amazon's market share growth has started to plateau in certain key segments.

Current Situation:

The retail landscape is rapidly changing with increasing consumer expectations for faster delivery, better customer service, and more personalized shopping experiences. Additionally, environmental sustainability has become a significant factor in influencing consumer purchase decisions. Amazon has recognized these shifts and is looking to adapt its strategies accordingly.

New Product Launch:

Amazon introduces a new, environmentally friendly product line that includes a range of sustainable goods, from clothing to household items. Amazon is launching Climate Pledge Friendly, a new program to help make it easy for customers to discover and shop for more sustainable products. Customers will now see the Climate Pledge Friendly label when searching for more than 25,000 products to signify that the products have one or more of 19 different sustainability certifications that help preserve the natural world, such as reducing the carbon footprint of shipments to customers (Figure 1). The company aims to leverage its vast data on customer preferences and shopping habits to tailor this initiative. Amazon intends to market these products under a new brand that emphasizes sustainability and ethical consumerism.

Challenges:

Amazon must decide how best to segment its market and position its new eco-friendly product line. The company also faces challenges in balancing its reputation for fast delivery with the environmental impact of expedited shipping options. Additionally, Amazon needs to determine the most effective marketing channels to promote its new brand and how to integrate this with its existing platform.



Figure 1. Amazon's page on climate friendly products

Leaders vision:

Jeff Bezos says, "Climate Pledge Friendly is a simple way for customers to discover more sustainable products that help preserve the natural world". With this new initiative, Amazon aims to increase its share in the eco-friendly product market, enhance its brand image concerning sustainability, and address the growing demand for environmentally responsible products. The Climate Pledge Friendly initiative supports Amazon's commitment to reach the Paris Agreement ten years early and be net zero carbon by 2040. The company is on a path to powering our operations with 100% renewable energy by 2025, ordered over 100,000 fully-electric delivery vehicles, and plans to invest \$100 million in reforestation projects around the world. Amazon also launched the Climate Pledge Fund, a \$2 billion fund to back visionary companies whose products and services will facilitate the transition to a low-carbon economy. Building on these actions, Amazon will now make it easier for customers to access product choices that align with our commitment to a more sustainable future.

(Reference: <https://www.aboutamazon.com/news/sustainability/amazon-launches-climate-pledge-friendly-program>)

Questions

1. Using Porter's Industry analysis framework, **evaluate** the advantages and disadvantages of Amazon launching its eco-friendly product line. (5 + 5 = 10 Marks)
2. Sustainability is the new trend of the day. **Explain** how Amazon can reflect sustainability as a means to achieve competitive advantage using strategic tools of internal analysis. Elaborate on two potential market segments that Amazon could target with its new range of value proposition of eco-friendly products. (5 + 5 = 10 Marks)
3. **Design** a comprehensive promotion strategy by highlighting the positioning challenges Amazon might face as it introduces eco-friendly products. Compare the digital and traditional marketing tactics suitable for Amazon's. (5 + 5 = 10 Marks)

4. Assume you are hired by BCG for the Amazon project as a consultant. You are required to enlist the steps of strategic marketing communication referring Figure 2. Also, suggest improvement in current strategic marketing communication flow along with alternative solutions with proper justification. (5 + 5 = 10 Marks)

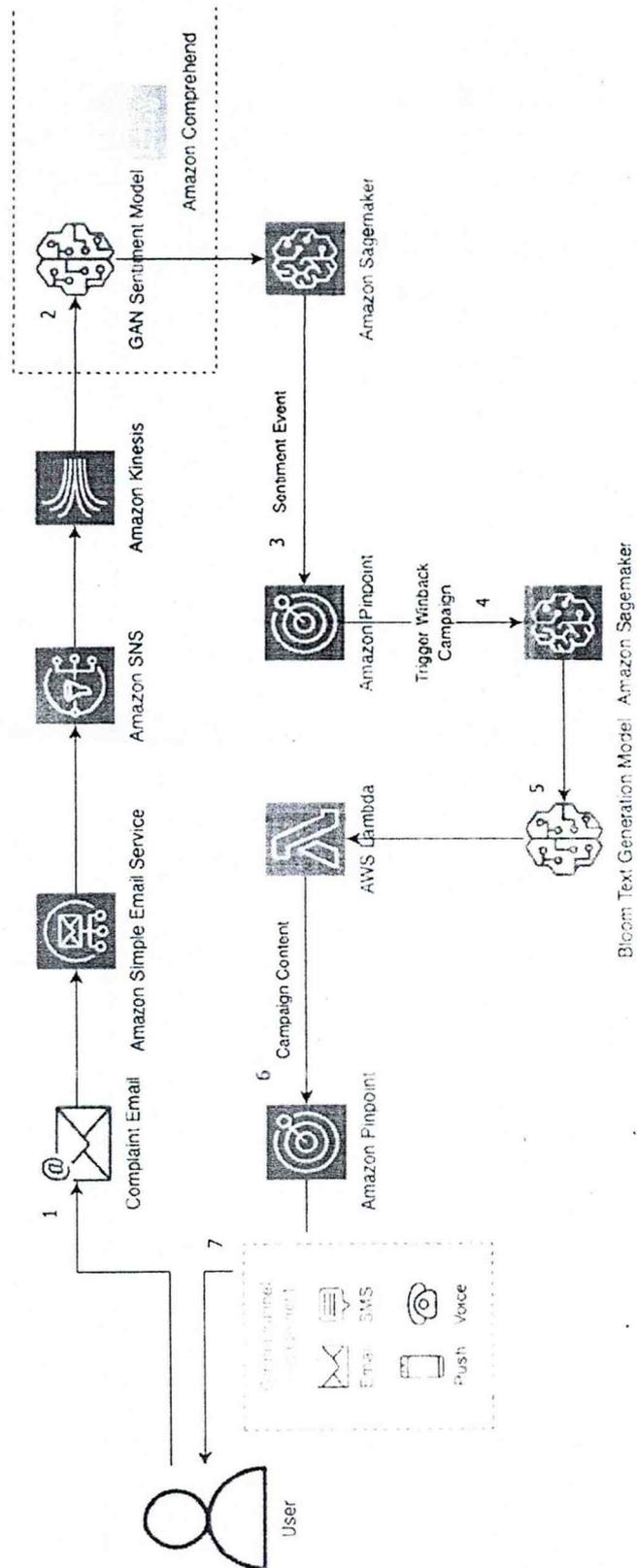


Figure 2. Use of AI for answering customer complaints at Amazon