

**Electronic Commerce: The Strategic Perspective
Amazon as a model**

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Received:04/04/2019

Accepted:02/06/2019

Published: 21/06/2019

Abstract : The study aims to clarify the strategic importance of electronic commerce focus on experience the Amazon; The advantage of focusing on the virtual market is one of the advantages not addressed by the leaders of the strategy in their writings directly, but it was an extension of their ideas associated with the search for excellence in an environment where technological developments are accelerating; To achieve the objective of the study, the theoretical frameworks related to e-commerce were presented and then the strategic approach to them. To move to the presentation of the historical development of Amazon's development and the related concepts, and then the statistical reading of the costs of Amazon site and its turnover, And to its customers and the State, on the other hand, by contributing to the gross national product; the study will present the most important results reached and discussed.

Keywords: electronic commerce; e-commerce Strategy; Amazon.

Jel Classification Codes: L81, L10

المخلص: تهدف الدراسة إلى توضيح الأهمية الاستراتيجية للتجارة الإلكترونية بالتركيز على تجربة موقع أمازون؛ ميزة التركيز على السوق الافتراضي هي من المزايا التي لم يتطرق لها رواد الاستراتيجية في كتاباتهم مباشرة غير أنها كانت امتداد لأفكارهم المرتبطة بالبحث عن التميز في بيئة تتسارع فيها التطورات التكنولوجية؛ لتحقيق الهدف من الدراسة تم عرض الأطر النظرية المرتبطة بالتجارة الإلكترونية ثم المقارنة الاستراتيجية لها؛ ليتم الانتقال إلى عرض التطور التاريخي لنشأة أمازون والمفاهيم المرتبطة به ثم القراءة الإحصائية لتكاليف موقع أمازون إيراداته ورقم أعماله، هذه الإحصائيات أكدت على أهمية اعتماد التجارة الإلكترونية لتحقيق الأرباح للمؤسسات من جهة وللأفراد المتعاملين معها وللدولة من جهة أخرى من خلال المساهمة في الناتج الوطني الخام؛ في الدراسة سيتم عرض أهم النتائج المتوصل لها ومناقشتها.

الكلمات المفتاحية: التجارة الإلكترونية؛ استراتيجية التجارة الإلكترونية؛ أمازون.

تصنيف Jel: L81، L10.

1. Introduction:

Michael Porter in his book competitive strategy in 1985 to competitive advantages for businesses based primarily on cost and quality and focus on the market these pilot centers institutions gave advantages in production and trade activities;

Focus on a particular market with high quality or focus on a particular market at a lower cost is also one of the elements that I noticed a lot of institutions which assisted in raising competitiveness, other institutions targeted by another unknown parts of the market and its products, all these institutions tried to exploit gaps No longer competitive advantages that many institutions have adopted, but Transmission market concept known as: place into what is known as b: space is not a lot of concepts which became known as the business of e-commerce;

E-commerce concepts that emerged with the advent of the Internet has evolved with the development of what is known as the world of technology and Informatics for this was an important outlet for doing business and proved successful in Western countries generally and on Fed commercial thought the Arab world public and private Algerian In order to emphasize the importance of electronic commerce in profits will focus on Amazon's experience and about the returns achieved by the commercial activities through cyberspace from this perspective could be asking: **what is the strategic importance of electronic commerce in the Amazon?** The following questions can be asked:

- What is the difference between E-business and e-commerce?
- What is Strategic approach to e-commerce?
- What is Amazon?
- What is Amazon's relationship with e-commerce?
- What is the reality of the Gross Profit from electronic trading activity Amazon?

In order to answer the problematic sub questions and research study was divided into two parts the first abstract: electronic commerce, which addressed the following elements:E-business and e-commerce, e-commerce, Categories of e-commerce; Part II:Strategic approach to e-commerce;

Applied part turning to: history of Amazon, The concept of Amazon, History of the Amazon Logo, Amazon Revenue and Cost of Goods Sold and Gross Profit 2005-2018, And here was relying on descriptive analysis of theoretical and practical framework.

2. General concepts about e-commerce

In this field we have the following elements: E-business and e-commerce, E-commerce, Categories of e-commerce

2.1 E-business and e-commerce

The Internet technologies (World Wide Web, intranet, extranet etc.) and the knowledge on how to implement them in the business area, Is the starting point for the concept underlying the symbiosis between technology and business, bearing the name of e-business. To be more specifically, what is the definition of e-business? According to IBM, which has defined this concept in 1997,"e-business can be the key in transforming business processes using Internet technologies." Analyzed from a general perspective, e-business may gather under its umbrella three major components:(Mirescu, 2010, pp. 1-12)

- The human dimension that includes processes and activities related to research, development, marketing, manufacturing, logistics, management, etc.
- The technological-only component, akin to information-related technologies.
- Commercial or e-commerce component, taken as a whole and perceived primarily as a phenomenon – having a different meaning than the term known e-commerce, basically the purchase of goods and services through Internet technologies.

At first, closely linked (the confusion was unavoidable most of the time) to the concept of e- business was the notion of e-commerce which later on had differentiated itself, now being seen as an integral part of the first. Most definitions emphasize e-commerce as being the type of transaction in which the parties interact primarily through electronic media.

2.2 E-commerce

Electronic commerce, or e-commerce, is the buying and selling of goods and services on the Internet. Other than buying and selling, many people use Internet as a source of information to compare prices or look at the latest products on offer before making a purchase online or at a traditional store. E- Business is sometimes used as another term for the same process. More often, though, it is used to define a broader process of how the Internet is changing the way companies do business, of the way they relate to their customers and suppliers, and of the way they think about such functions as marketing and logistics(Khan, 2016, p. 19).Electronic commerce framework is comprised of three levels that this framework is needed to for successful electronic commerce(Nanehkaran, 1959, p. 191).

2.3Categories of e-commerce

- Business-To-Business e-commerce

The largest category of e-commerce is business-to-business (B2B) commerce. This involves companies conducting e-procurement, supply chain management, network alliances, and negotiating purchase transactions over the internet. Businesses use e-commerce to lower transaction costs of conducting business and to make savings in terms of time and effort when conducting business.

- Business-To-Consumer e-commerce

Business-to-consumer (B2C) e-commerce involves businesses introducing products and services to consumers via internet technologies. This includes companies selling software and hardware through the internet, taking orders for products that are subsequently delivered to the consumer, and providing digital services such as online magazines and search engines.

- Business processes

Business process refers to the use of e-commerce to tailor the internal activities of a business in order to maximize their efficiency and effectiveness. Through the use of e-commerce, businesses can fine-tune supply chains, provide advanced consumer relations management systems, and reduce transaction costs.

- Consumer-To-Consumer e-commerce

Consumer-to-consumer (C2C) e-commerce is concerned with the use of e-commerce by individuals to trade and exchange information with other individuals. There has been a huge growth in consumer-

to- consumer auctions sites such as e-Bay and sites enabling consumers to offer goods and services to other consumers on an individual basis.

- **Business-To-Government e-commerce**

Business-to-government (B2G) e-commerce is concerned with the need for business to sell goods or services to governments or government agencies. Such activities include supplying the army, police force, hospitals and schools with products and services. Furthermore, businesses will often compete in an online environment for contracts to provide services to the public on behalf of the government. Such services may include the collection of taxes, and the supply of public services(hene-Djan-j, 2008, pp. 8-9).

3.Strategic approach to e-commerce

Five different approaches are advanced here through which one may view electronic commerce(Wigand, 1997, pp. 7-12):

3.1Transaction Cost Theory

Economists have classified transactions among and within organizations as those that (a) support coordination between buyers and sellers, that is, market transactions, and those (b) supporting coordination within the firm. Williamson (1981b) points out that the choice of transaction depends on a number of factors, including asset specificity, the parties' interests in the transaction, and ambiguity and uncertainty in describing the transaction. Transactions may then be broken down into production and coordination costs.

In this context, coordination costs include the transaction (governance) costs of the information processing necessary to coordinate the work of people and machines performing primary processes. Transaction costs may be viewed as the economic equivalent of friction in a physical system-that is, if friction is too great, no or at least impeded movement will occur- suggesting that if transaction costs are high, no or little economic activity is likely to occur. These costs are comprised of the following four types:

- Search costs-the cost of searching for products, sellers, and buyers ·
- Contracting costs- the cost of setting up and carrying out the contract ·

- Monitoring costs- the cost ensuring that the terms of the contract have been met ·
- Adaptation costs-the cost incurred in making changes during the life of the contract

Firms will choose transactions that economize on coordination costs. As information technology continues its rapid cost performance improvement, the unit cost of coordination transactions will approach zero, thus enabling the design of innovative coordination transactions to fit new business needs. The ever-increasing and innovative use of the World Wide Web (WWW) to conduct business and WWW-related forms of electronic commerce are clear examples of firms' desires to economize on transaction costs.

3.2Marketing

All marketing efforts are based on the basic premise that there is a specific consumer audience. Consumers are specific firms or individuals within an industry who have needs that can be filled by other firms operating within a specific market. Three main foci of orientation within the marketing effort are identified: customerorientation, product orientation, and profit orientation. A customer orientation denotes (a) an attitude and a pattern of conduct, as well as (b) the extent to which a firm tries to determine what its customers want and then gives them what they want. A product orientation is predicated on the view that consumers will recognize and appreciate products for superior merit and bestow their patronage on firms. A profit orientation denotes the clear identification of products, services, and related activities that distinguish themselves by (a) high demand among customers and (b) high levels of profitability.

The basic challenge faced by a firm, then, is to identify needs and provide linkagesbetween the firm and its customers. In order to maximize such linkages and relationships to customers, a firm needs to form hypotheses and understanding about present and potential customers, addressing such questions as:

- What affects customer behavior?
- Which channels (face-to-face, advertising, WWW, publications, etc.) reach customers?What is the degree or strength of need or desire for the product or service?

- What are the appropriate appeals (or arguments) to which customers are most responsive? What is the customers' responsiveness to different types of sales devices?

After these questions have been answered, the marketing dimension entails five general activities:

- Identifying and selecting the type of customer whom the firm chooses to cultivate and learning the firm's requirements.
- Designing products, know-how, and services that the firm can bring to market in conformity with customer desires.
- Persuading customers to acquire and adopt products, know-how, and services.
- Displaying, moving, and to some extent storing products, know-how, and services after they have been developed by the firm.
- Identifying potential products and services and their applications.

In designing products, acquiring and developing know-how, and deciding how much and what specific services to offer, firms will unquestionably benefit from having a clear picture of their target customer. Electronic commerce can provide a direct linkage; an electronic marketing and information channel, between these target customers and the firm. Considerable rethinking has occurred based on such a customer-centric perspective as it enables new forms of relationship marketing. The term liquid marketing suggests it-self as a suitable and appropriate descriptor of this evolving setting. It denotes the disinter mediated, frictionless, personalized, individually accessible, customer-centric, immediate, cooperative, dynamic, rapid, fluid, computer-to-computer or -person, on-line, and interactive nature of this new form of relationship marketing.

Moreover, the concept of liquid marketing is enabled by the Internet's use and whilebeing interactive with those individuals within the target group: It allows for customized, almost interpersonal-like interaction, if one uses the interactive multimedia cooperative, and feedback capabilities of the WWW, coupled with for example, the application of such features as agents, avatars network dynamic functions, cookies, caching, and the customer's willingness to complete profile information forms. This potential for interactivity certainly makes the medium highly attractive as requests, requirements, etc. certainly can be customized. Truly dynamic webs are expected by 1999, enabling virtual applications

logic applications, collaboration, interaction, dynamic transactions and entertainment. Moreover, such interactivity, sometimes called interactability, makes possible the often missing feedback loop in this communication process. Feedback, in turn, allows one to shape and incrementally customize the very next step in the diffusion and communication process reflecting the target customer's needs. Such customization is almost impossible when viewing the diffusion process via traditional advertising as a communication channel. Future electronic commerce marketing strategies may demand that we attempt to bring in the buyers and hook them to products and services offered such that it is very difficult for customers to leave or switch, resulting in competitive advantage.

3.3Diffusion

Diffusion is the social process by which an innovation is communicated through certain channels over time among members of a social system. This process clearly resembles the task at hand in the electronic commerce setting; that is, a task or transaction needs to be communicated to a set of firms or customers (members of a social system) within a market or an industry. The communication channel typically chosen for the present purposes is that of an electronic connection in the form of electronic data interchange (EDI), the use of the Internet, or the WWW. From a diffusion perspective, in which time, speed, and cost vis-vis effectiveness are of essence, such electronic diffusion means are indeed timely, cost-effective, and focused methods and channels of reaching target customers described earlier. The rate of diffusion or adoption is determined by the characteristics of the innovation (e.g., the relative advantage, compatibility, complexity, trial ability, and observability). The communication channel chosen determines, in part, the likelihood of making successful linkage with the target customer. General diffusion principles posit that, ideally, successful communication occurs in a face-to-face setting with the target audience or customer. However, this is often impracticable or too expensive. Substitutes for face-to-face settings are chosen and the mass media come into play. The use of mass media for advertising purposes is often a vague undertaking, since one cannot be sure that one's message truly reaches the intended target. Mass media follow a passive one-to-many communication model whereby a firm reaches many current and potential customers through efforts that allow the customer limited forms of feedback. Often a compromise

between the two extremes is desirable, such as the use of the mass media, followed up by a face-to-face meeting within smaller groups, etc. The Internet and WWW facilitate an interactive multimedia, one-to-many communication model, where feedback from the customer plays an ever-increasing important role.

Electronic messaging via the Internet comes close to this ideal that is, using a cost-effective one-to-many medium while still reaching specific, targeted individuals, assuming a critical mass of users of this medium. Internet and WWW capabilities require the development and application of new concepts and models for diffusing and marketing products and services.

3.4 Information Retrieval

Firms tend to be overwhelmed with information stored in central databases, as well as dispersed documents (e.g., correspondence) in various places throughout the organization. In electronic dissemination, it is obvious that the users can readily retrieve information once the information is stored on the system. Many databases are available within firms that could be accessed through the Internet. The Gartner Group reports, for example, that firms produce 3 billion pages of printout daily in the United States alone. In 1995 600 billion report pages were produced at an estimated cost of over \$30 billion. This was done to "freeze" digital information into a form that cannot be modified or searched, loses its timeliness rapidly, and requires a massive infrastructure for storage and retrieval (Bair, 1996). At the same time, Yahoo, the WWW directory company, adds 7000 new Web sites to its directory each day.

Most numeric data are already on line and are being exploited extensively by such trends as data mining for various applications. This information glut needs to be made available, if appropriate of course, in a format conducive for use by outside users, that is, customers and suppliers. The design of such information, databases, etc. often determines their successful use. In this sense, a customer or end-user orientation must be employed in the design of the system. Unless such design is inviting, encouraging, timely, informative, and user-friendly, the success of the system is highly questionable. Text and document retrieval experts face considerable challenges by finding means to search and retrieve both structured and unstructured information on-line while making needed information available

instantly whenever and wherever it is needed. Presently, we still search by going separately to several different search tools, although meta-search engines, that is, universal finders, have surfaced. It appears that one can envision a future soon in which the user enters an inquiry from a universal finder to search all enterprise databases asking common language questions such as, ^a Find all sales from 1990 to present for our five top grossing products, broken down by sales region and which products and reports demanded EPA considerations.

3.5 Strategic Networking

Networking, that is, the deliberate design and deployment of networks enabling new organizational forms, includes all four of the preceding topics, without which networks could not take place. Networking in this sense goes beyond the traditional means of reaching the target customer. This importance was already demonstrated in an empirical National Science Foundation-funded study by Wigand within the microelectronics industry and the role of industry, government, and universities. This approach enables interaction with customers and suppliers that is simultaneous, almost fluid, efficient, flexible, interactive, may be collaborative, conducive to innovation, and adds value to processes and the firm. Electronic networking suggests the use of listservs, electronic bulletin boards, direct electronic inquiries, transaction-capable and interactive websites, and others.

4. Amazon as a model

In this field we have the following elements: the history of Amazon, Amazon, Revenue, Cost of Goods Sold, Gross Profit 2005-2018 | AMZN;

4.1 What is the history of Amazon?

Amazon is one of the most popular online marketplaces used by both individual as well as businesses, and the site is available in many different countries and languages. Amazon Kindle is one of its most popular products as well as the Amazon app store. Lastly, Amazon offers software and infrastructure solutions for business and individuals.

Amazon was begun in 1994 in Seattle Washington by Jeff Bezos, and was initially little more than an online bookstore. From those

humble beginnings, Amazon has become the largest online e-commerce retailer, and one of the most powerful brands in the world. Not only has it expanded its offerings of goods and services, but it also participates in the streaming video marketplace, the cloud computing marketplace, and most recently Amazon has entered into banking.

Not only is Amazon the most valuable internet retailer in the world, it is the most valuable retailer period, having surpassed Wal-Mart back in 2015. It is also the fourth most valuable company in the world, topped only by Alphabet, Apple and Microsoft. It has often taken a low profit margin approach to new product offerings to capture market share, and this strategy has worked amazingly for Amazon as they have come to dominate many of the markets in which they participate.

Amazon has storefront website for over a dozen different countries, and ships to nearly every country in the world. It also hosts the retail websites of brands such as Sears Canada, Marks & Spencer, Lacoste and others. It also owns over 40 subsidiary brands such as Zappos, Diapers.com, Goodreads, IMDb, and many more(<https://ecommerce-platforms.com/glossary/amazon>, 2019).

4.2 What is Amazon?

Amazon is a massive online retailer that has a market capitalization as of June 2018 that is in excess of \$268 billion U.S. As well as being an online retailer, Amazon allows for individuals and business to sell and display products for sale on line. It is the largest internet retailer in the world by revenue, with 2017 revenues of more than \$177 billion(<https://ecommerce-platforms.com/glossary/amazon>, 2019).

4.3 History of the Amazon Logo



The Amazon logo has had three different iterations over the years, but neither of the first two stuck around for very long. The company's first logo was simply the word Amazon.com spelled out

in black font with a larger, yellow font used for the “o”. This design was later replaced with a logo that featured the company name with a near-straight yellow line beneath it. On top of the word Amazon.com, the words, “Books, Music & More” were spelled out in light grey font. This design stuck around until 2000, when Jeff Bezo rolled out the logo that the company has been using ever since, the famous Amazon.com with a curved arrow beneath it.

If you’ve ever ordered a package from Amazon you’ve seen their logo. Every Amazon package comes with the famous logo proudly displayed across the box, and Amazon even advertises themselves as “delivering smiles to customers’ doorsteps”. Since packages from Amazon are often so readily available, the boxes are many times reused by customers to ship other items, only further advertising the Amazon brand. It’s one of the most effective ways Amazon makes use of their logo and is an example of the importance that packaging plays in branding.

A good logo also opens the door for good slogans, and as already mentioned, Amazon has built one of their best slogans around the design of their logo. The company also has the smile program, a charitable branch of the company that donates money to a variety of different organizations and serves as another example of how Amazon has built a segment of their branding around their logo’s design.

Of the companies in the world today to study, Amazon is certainly one of the most exciting, and it will be interesting to see what innovations they spearhead in the coming years. Likewise, as a company that is still relatively new when compared to retail giants such as Wal-Mart and Target, Amazon has plenty of room left to continue defining their brand. It will be interesting to see what changes they make going forward and how they will continue to use their logo as a part of their unique branding strategy(<http://blog.logomyway.com/history-amazon-logo-design/>, 2019).

Schedule 01:Amazon Revenue 2005-2018 | AMZN

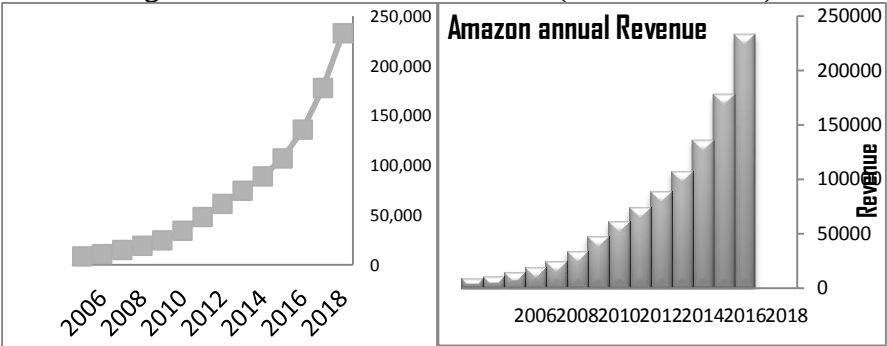
<u>the year</u>	<u>Revenue</u>
2018	\$232,887

2017	\$177,866
2016	\$135,987
2015	\$107,006
2014	\$88,988
2013	\$74,452
2012	\$61,093
2011	\$48,077
2010	\$34,204
2009	\$24,509
2008	\$19,166
2007	\$14,835
2006	\$10,711
2005	\$8,490

Source: Available at:

<https://www.macrotrends.net/stocks/charts/AMZN/amazon/revenue>, See it
Day: 17-03-2019.

Figure 01: Amazon Annual Revenue (Millions of US \$)



Source: depending on excel output

Amazon annual/quarterly revenue history and growth rate from 2006 to 2018. Revenue can be defined as the amount of money a company receives from its customers in exchange for the sales of goods or services. Revenue is the top line item on an income statement from which all costs and expenses are subtracted to arrive at net income; Amazon revenue for the quarter ending December 31, 2018 was \$72.383B, a 19.73% increase year-over-year, Amazon revenue for the twelve months ending December 31, 2018 was \$232.887B, a 30.93% increase year-over-year; Amazon annual revenue for 2018 was \$232.887B, a 30.93% increase from 2017, Amazon annual revenue for 2017 was \$177.866B, a 30.8% increase from 2016, Amazon annual revenue for 2016 was \$135.987B, a 27.08% increase from 2015.

Schedule 02:Amazon Cost of Goods Sold 2006-2018 | AMZN

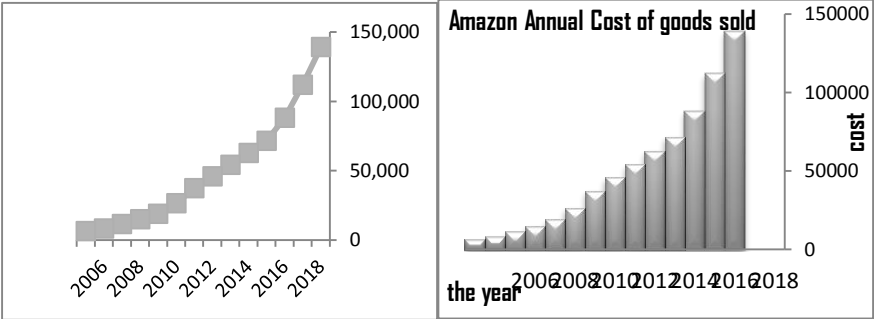
the year	Cost of Goods Sold
2018	\$139,156
2017	\$111,934
2016	\$88,265
2015	\$71,651
2014	\$62,752
2013	\$54,181
2012	\$45,971
2011	\$37,288
2010	\$26,561
2009	\$18,978
2008	\$14,896
2007	\$11,482
2006	\$8,255
2005	\$6,451

Source: Available at:

<https://www.macrotrends.net/stocks/charts/AMZN/amazon/cost-goods-sold>,

See it Day: 17-03-2019.

Figure 02:Amazon Cost of Goods Sold 2006-2018 | AMZN



Source: depending on excel output

Amazon annual/quarterly cost of goods sold history and growth rate from 2006 to 2018. Cost of goods sold can be defined as the difference between beginning and ending inventories for tangible products resulting in an expense that reflects production and sales costs, Amazon cost of goods sold for the quarter ending December 31, 2018 was \$44.786B, a 16.35% increase year-over-year, Amazon cost of goods sold for the twelve months ending December 31, 2018 was \$139.156B, a 24.32% increase year-over-year, Amazon annual cost of goods sold for 2018 was \$139.156B, a 24.32% increase from 2017, Amazon annual cost of goods sold for 2017 was \$111.934B, a

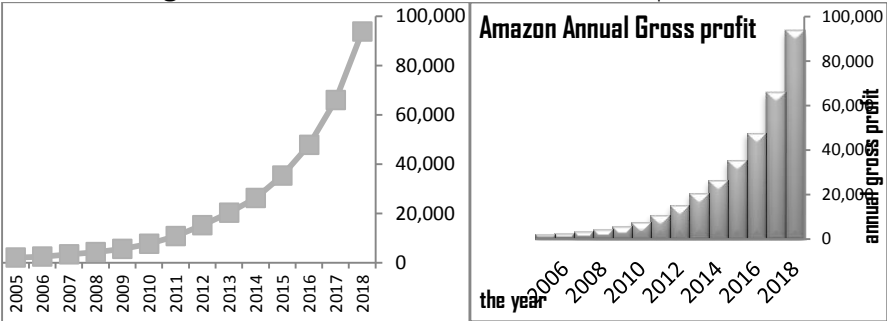
26.82% increase from 2016, Amazon annual cost of goods sold for 2016 was \$88.265B, a 23.19% increase from 2015.

Schedule 03:Amazon Gross Profit 2006-2018 | AMZN

<u>the year</u>	<u>Gross Profit</u>
2018	\$93,731
2017	\$65,932
2016	\$47,722
2015	\$35,355
2014	\$26,236
2013	\$20,271
2012	\$15,122
2011	\$10,789
2010	\$7,643
2009	\$5,531
2008	\$4,270
2007	\$3,353
2006	\$2,456
2005	\$2,039

Source: Available
at:<https://www.macrotrends.net/stocks/charts/AMZN/amazon/gross-profit>,
See it Day: 17-03-2019.

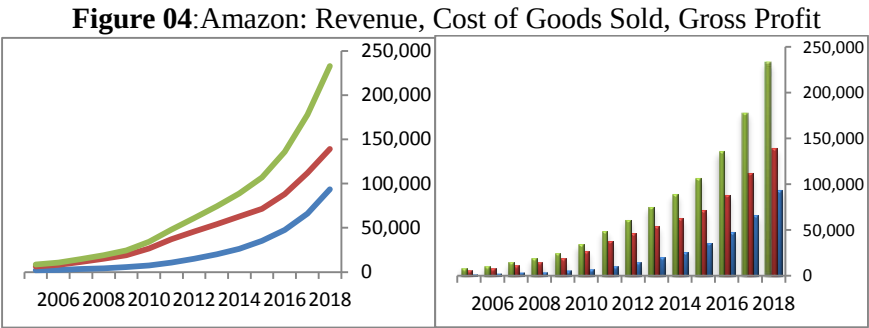
Figure 03:Amazon Gross Profit 2006-2018 | AMZN



Source: depending on excel output

Amazon annual/quarterly gross profit history and growth rate from 2006 to 2018. Gross profit can be defined as the profit a company makes after deducting the variable costs directly associated with making and selling its products or providing its services. Amazon gross profit for the quarter ending December 31, 2018 was \$27.597B, a 25.68% increase year-over-year, Amazon gross profit for the twelve months ending December 31, 2018 was \$93.731B, a 42.16% increase year-over-year, Amazon annual gross

profit for 2018 was \$93.731B, a 42.16% increase from 2017, Amazon annual gross profit for 2017 was \$65.932B, a 38.16% increase from 2016, Amazon annual gross profit for 2016 was \$47.722B, a 34.98% increase from 2015.



Source: depending on excel output

The figure reflected continuing high costs for Amazon in the same side there is a rise in revenue and it shows continuing high turnover site illustrating the importance of relying on electronic commerce raise a Gross Profit despite rising cost for continuous height .

5. Conclusion and discussion of the results

By viewing the theoretical and applied research side proved its strategic importance of e-commerce as a competitive advantage to keep pace with technological developments, focusing on users of the Internet for shopping and also worth noting that such kind of profitable trade for both individual and organization is: Electronic commerce has reduced the time between the payment of money and get products and services, Allowing electronic commerce to complete work from home, this reduces congestion, Provided an opportunity for many people to work from their homes and enabled them to work and develop the business without capital to make them huge profits in hard currency; By another study questions answered as follows:

The first question was posed by the study: What is the difference between E-business and e-commerce? At first, closely linked (the confusion was unavoidable most of the time) to the concept of e-business was the notion of e-commerce which later on had differentiated itself, now being seen as an integral part of the first. Most definitions emphasize e-commerce as being the type of

transaction in which the parties interact primarily through electronic media;

The second question was posed by the study: What is Strategic approach to e-commerce? the deliberate design and deployment of networks enabling new organizational forms: Information Retrieval, Diffusion, Marketing, Transaction Cost Theory; without which networking could not take place. Networking in this sense goes beyond the traditional means of reaching the target customer. This importance was already demonstrated in an empirical National Science Foundation-funded study by Wigand within the microelectronics industry and the role of industry, government, and universities, This approach enables interaction with customers and suppliers that is simultaneous, almost fluid, efficient, flexible, interactive, may be collaborative, conducive to innovation, and adds value to processes and the firm. Electronic networking suggests the use of listservs, electronic bulletin boards, direct electronic inquiries, transaction-capable and interactive websites, and others;

The third question was posed by the study: What is Amazon? Amazon is a massive online retailer that has a market capitalization as of June 2018 that is in excess of \$268 billion U.S. As well as being an online retailer, Amazon allows for individuals and business to sell and display products for sale on line. It is the largest internet retailer in the world by revenue, with 2017 revenues of more than \$177 billion;

The fourth question was posed by the study: What is Amazon's relationship with e-commerce? Amazon is dependent on the Internet as a market where the item Viewer with recipients and this confirms that Amazon knows trade scholarship;

The fifth question was posed by the study: What is the reality of the Gross Profit from electronic trading activity Amazon? The statistics that: Revenue, Cost of Goods Sold, Gross Profit 2005-2018 | AMZN, In constant evolution since the year 2005 until last year 2018 this confirms that e-commerce profitable and can be relied upon by individuals in developing countries to identify their particular GNP and commerce today kept pace with the evolution of Darwin's writing The origin of species and stressed the importance of adaptation, technological developments today put us in front of

the challenge of mastering the technology on the one hand and on the other the importance of adopting this kind of trade for proof.

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