

*Application of Information System in Amazon: Issue and  
Prespectives*

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*Abstract: With the emerging trend in industry, especially in the E commerce industry, it is being necessary for all the organization to have the Information System. In E commerce industry, the organization keeps their customer data regarding their tastes, preferences, trading, purchases and all of their transaction in past as well as in present. This is helping the organization to take decision in future with the help of analyzing these previous data's. The Amazon uses the Management Information System (MIS) as an important and vibrant tool for the competitive strategy. This report contains the application of uniqueness of Managements Information System through the technology, process and the system that Amazon has adopted and initiated. The report also involves the discussion on recommendation and suggestion for Amazon in order to enhance the existing Management Information System at last.*

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## I. INTRODUCTION

Organization which comes under the E commerce industry is sought to attain the high core competence. The high core competence means the advantages of the organization they have, that is by they are able to survive in the emerging market. Every organization that is under the E commerce has a unique way to collect their customer's personal information. This report involves the Amazon Management Information System and their way of uniqueness and how they are using their Information System. It also involves their issues and the perspectives of the Amazon.

Management Information System is the process and the way where the organization can store, get, and retain their data's regarding the customers, companies, trading, transaction records, files and database. Management Information can be used in many ways for Operating the system as well as for the Management System. The Management System helps the management to take the decision from the existing as well as from the past data, by providing the Information as they want and how to implement their decision and executive their decision. Whereas, the Operating System helps the organization to do their transaction process, control their process etc...

With increasing the number of the softwares in the e commerce, has changed the expectations and outcomes of the uses of the softwares. Softwares and Hardware are considered the essential tool for the organization to control the entire softwares project the company life cycle.

The Management Information System of the Amazon also helps the organization to maintain their Customer Relationship Management. As customer is one of the most important prospectuses of the organization. And for Amazon, Yes the Customer Relationship is an important factor. The Amazon has developed a software, where they can store their regular customers data as

well as others customers data. And the customer can able to connect to the Amazon at 24\*7 hours at any point of time through their feedback and emails. Amazon E commerce has developed in a much wide range that, their approach is being increasing across the world. That's why, with the help of customer's personal information data; they are able to suggest the products to their consumers while showing advertisement in Amazon website of the consumer as per their likes, dislikes, taste and preferences.

## II. STUDY ON AMAZON

An American Multinational E Trade Company, Amazon has became one of the leading online retailer, service provider and also offers the services of the cloud computer services. Currently, the Amazon is focusing on their two major integration parts; which is the Customer Relationship Management and the Information System for the better growth of business in further. Now Amazon is using every perspectives of the Information Technology for the more increases of their business. For the better serve for the customer Amazon id adopting each elements and fundamentals of the Information System, whether it is big or small. The software the Amazon uses makes them to attain and attract he consumer and market, along with that they gets some strongest coverage which covers under the fundamentals of the Information System, i.e. support of operation and process, decision making, strategies of competitive advantage, shown in Fig.1.

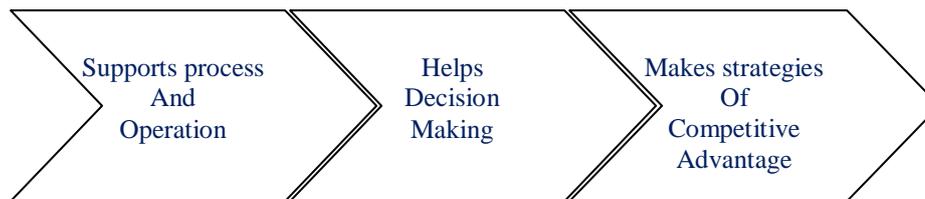


Figure 1: Building a Fundamental Base through Information System

With all the help for data Technology, Amazon need assembled an immense warehouse; saves information that have been concentrated starting with the Different operational, external, Also different databases which they generally need. It is, no doubt a focal wellspring for information that need been cleaned, transformed, and more cataloged, thus that they get a chance to be used to analyses those information which makes the organization for furthermore data of the choice making. The information's and information they get, it get put away over endeavor information warehouse, starting with which they make moved under information marts alternately should an explanatory information store that holds information Previously, more functional type for certain sorts (**Data Marts**) of information that characterizes the information in the information warehouse. These data's are being extracted from various operational analysis, decision support and transformation. [1], [10]

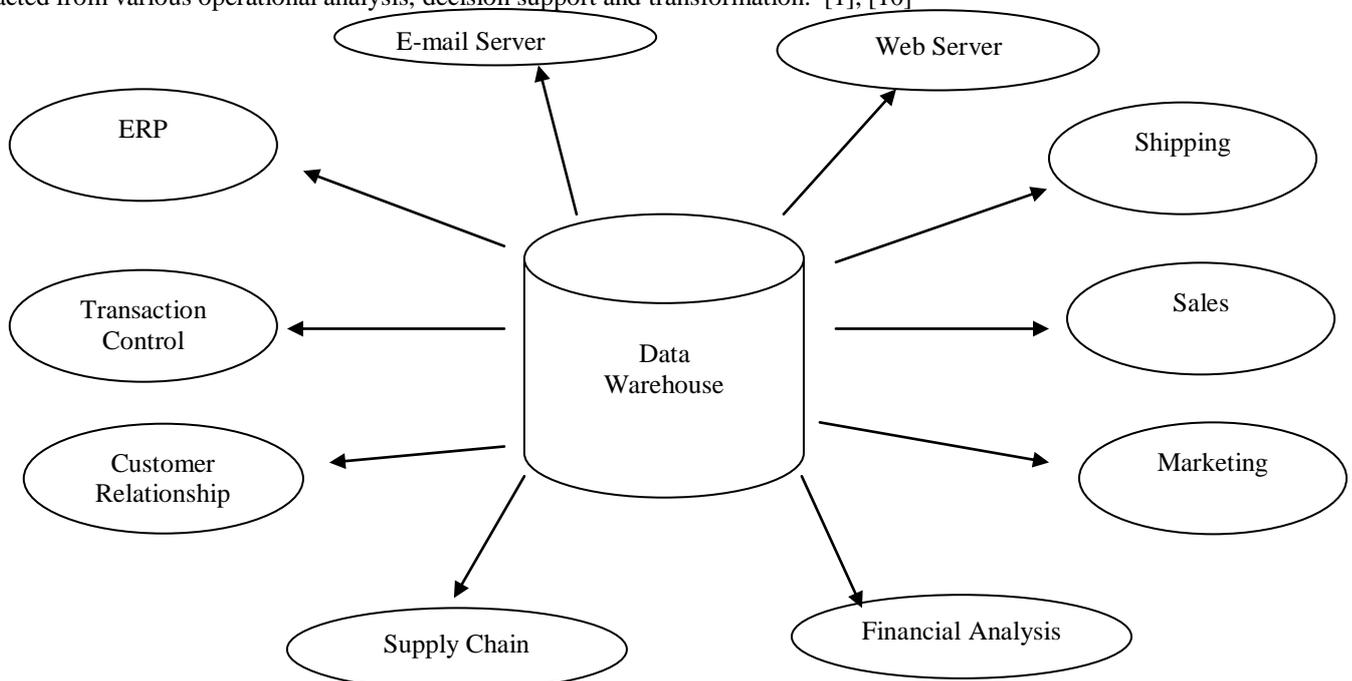


Figure 2: Data Warehouse, Building the e-empire

**1.1 Shopping and Track the order:** Amazon has got a personalized content to customers which are helpful for tracking the current actions of the customers. Since it is an online shopping, the customer are entitled to add any number of products as per they want. Although, the customer can save the product in their website; which they had created in Amazon website. They can save the products and do trading in future as per they want. All this information is get stored in an Infomediary model of the Management Information System.

Along with that Amazon has created a platform of the social network within their own website which offers more interactivity. The customer can go through the history what they have been searched and also track the order which they had purchased. Along with that, when the new user is coming for the online shopping in website, the Amazon tries to collect the new user information, which will directly link to the same Infomediary Model. So, that when the next time the user enters into the website, they will recommend the products as per his taste and as per his/her last searched products. And Amazon also provide a discount and bumper sale offers at the time of festivals and certain occasion, and also do a bumper offer period at very low price of the products for consumer. This is a part of the marketing to attract the customers much more as they can. [2]



Figure 3: Amazon E- marketing

**1.2 Shipping Address of the Products:** Website solicitations with offer those shipping deliver of the purchaser for the item will be should make sent. The customer can send the products to another person while adding their shipping address. But by default, the website at first shows the authorized person address for the time saving. If a person wants to purchase products for himself only, then the address is already being saved in the website at the time of registration. If he wants to send goods to another person, then he can modify or add a different address of the person. [9]

**1.3 Payment process offer to the Customer:** The Amazon offer the payment process in a convenient way to their customer. The customer can do the online payment which is using by the Debit Card and the Credit Card or can do offline which is called as Cash on Delivery. This is being made when the customer receives their goods in their hand. The customer can purchase the goods in an EMI form also, where they can pay the amount in an installation bases under some certain banks.

While having the payment process, the customers fills their information, by which the Information System stores their data for the further usage. While having the payment process the website also provides a tracking number, by which customer can track their order status that where it has reaches and when they will get. The Amazon also provides a specific estimated date of receiving the goods to the customer while purchasing the product.

At the time of payment of products the Amazon Information System is being considered in this manner that the website will show the advertisement of the related goods which a customer is being purchasing. Amazon uses the Virtual storefronts to attract the huge number of customers to the website. Through this, Amazon is being able to hold their exciting customer as well as also able to attract the new customers also because of their wide approach, while increasing the marketing strategy and the by gaining the customer loyalty.

With the payment process, the website also contains the various offers and gift vouchers for their regular customers. It is all being done in the Management Information System of the Amazon. The system stores the information that how many times a person purchases the products from the Amazon site and on those bases the system only evaluates the regular customer and irregular customer. It is already being set up in the software that what the system is supposed to do for the regular customer and irregular customer. The site will offer new products to the irregular customer while various offers. And for the regular customer sometimes they offer the gift voucher and special offer etc...

The image shows two side-by-side screenshots of the Amazon payment process. The left screenshot is titled "How would you like to pay?" and features the Amazon logo at the top. It lists "Your credit and debit cards" with a visible MasterCard ending in "ir". Below this, it offers "More payment options" including "Credit or Debit Cards" (with fields for card number, name, and expiration date), "Gift Cards & Promotional Codes" (with an "Apply" button), and "Amazon.com Store Card" (with an "Apply now" button). The right screenshot is titled "amazonpayments™ A-to-z Guarantee" and "Pay using your Amazon account". It includes a "Payment Summary" table with the following details:

Payment Summary	
Payment Method: <a href="#">Change</a>	Billing Address: <a href="#">Change</a>
Visa: ***-8661	***-2*** *** HOSKINS LN SAN RAMON, CA 94582-**** United States
Details: IGG 100 Points Card Pay: IGG.COM	Total Amount: \$5.50

At the bottom of the right screenshot, there is a "Confirm" button and a disclaimer: "By clicking 'Confirm', you agree to the Amazon Payments User Agreement and Privacy Notice. Click here to return to IGG.COM". The footer of the right screenshot reads "© 2009 Amazon.com, Inc. or its affiliates".

Figure 4: Payment Process

**1.4 Customer Relationship:** Amazon is focusing much more on maintain the valuable relation among the customers. Because for the E commerce industry, the customers plays a vital role for the success of the business. To maintain a better relationship with their customers Amazon updates their customer's information system, and tries to do a connection with the customers by some sort of offers with the help of the customer's data. Amazon keeps on updating the customer's data, because customer is rational and their taste and behaviour gets changes as per the wants and needs. So, Amazon keeps on updating that what consumer is buying and suggest them to give ratings and feedback. So, that they can work on those queries and make the customers feels important to them. In this also, the Amazon uses the Information System, because they have to keep on updating the information of the customer data in the system and have to record in that. [6],[7]

**1.5 Innovation of the Information System:** Now Amazon is working more on innovating their software's and their Information System. The Amazon has opened a new Physical Store Shop in New York, where they tries to provide all the sufficient products to their customers. But the main point is little bit different. The customer doesn't needs to pay while purchasing. Yes, it is true. the Amazon have created a software in which the customer have to register and install the Amazon app, and have to link it with the bank account of the customers. So while entering into the shop, the customer should access the app and keep it open, then the app will provide a bar code which will access the customer to get inside. Whatever products the customer pickup, it will automatically added to the cart of their list through the sensor of the app. If the person put back those things, then it will automatically get remove from the cart. The person doesn't have to worry about anything. He doesn't have to do anything, just pick the product and can move out, it will automatically added to the cart. When the person comes out from the shop, his bar code will automatically shows that he comes out, and the price of the product will deduct from the bank account automatically. The customer can check their account at any point of time, they can check immediately or later on. So, this kind of innovation is doing by the Amazon in their system and software to make the customers comfortable and to attract the consumers. [5],[4]



Figure 5: Amazon Physical Store

### III. RECOMMENDATION

- a. **Implementing Artificial Intelligence System:** Using of the AI system will leads Amazon to look further more towards the future perspectives and for upgrading the bonding with the their customers in a more sense. The AI will make Amazon to be a long run in the business. Using of the AI in system, Amazon can upgrade their Management Information System, which will definitely help them to analyze their problems in much more easier way. More good changes in the Information System in the Amazon can make a good e- strategy and also can analyze a flexible changing demand and needs of the customer taste and preferences.
- b. **Customer Relationship in Amazon:** There is no problem of customer relationship in Amazon. But they can upgrade their Information System of the Customers and to be more innovative. Because there are many competitors for the Amazon like Flip kart, Snap deal etc... in which they also tries to maintain their customer relation in same manner like what other companies do; by getting feedback, maintain customers record. Which is one of the major issues that Amazon id facing currently. So in that sense, Amazon should focus on upgrading their software as well as their Information System, and should comes out with new innovative things which can be done through their software's and the Management Information System, which can helps them to do better in the market and can gain much more customer attention.
- c. **Eliminating the gap between the marketing and the sales activity:** Amazon should be much more focusing on the sales activity areas. Because currently, they are facing a couple gap between their marketing segment their sales activity. At some points they do marketing for the selected segments like aged persons, but when the sales activity comes, Amazon is not able to sell those products to the particular segments which they are being targeted in marketing. Marketing is all about the manipulating, for instance- a person sees a magic. He knows that it is not real, it is imaginary thing. Then also he pays for that and enjoys it. The same thing is in marketing, the customers knows that it is advertising, but then also they watch it and purchase the product, all about that matter is Amazon should choose the right segment for their marketing which can be relate to their sales activity. So, that the consumers can get attract and Amazon can increase their sales. But all can be possible only, if Amazon upgrade their Management Information System and to keep it up-to-date and then they can analyze in a proper manner.[8]

### IV. CONCLUSION

The report examines that the present Information System of the Amazon. They have the potential and the enough resources for the scope of further increment in their business by building strong customer relationship bond through a better Information System and proper storage of the Data in Data warehouse, and doing data mining in a proper manner. Amazon should work more on eliminating the gap between the marketing and the sales activity. It is being evaluated from the report that they are trying their best to reduce the gap by upgrading their Information System and bringing up the new innovating ideas by developing the new software's and app store platform to the customers by opening a physical store.

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