

A Study of Amazon's Online Reputation Virtual Business Project April 2022

TABLE OF CONTENTS

3 Executive Summary 4
Introduction

5Background and Methods

6-8Analysis and Recommendations

QConclusion

10 Bibliography

11Appendix

12
Team Member
Contributions

Executive Summary

Problem Statement

Because of highly developed technologies, the rapid distribution and high accessibility of the internet, and a diffusing of open-mindedness, the behavior of current and potential customers and their ability and desire to engage in the services and products of a company has changed. The buying interest is displaced from the classic catalog to store and internet shopping. The customer is also more interested in the behavior of the company they want to buy from and takes that into account while purchasing certain products. Knowing this, the companies have had to change their strategies to persuade the potential customer into buying something by investing more into electronic commerce. In addition, they also have to reach as many potential customers as possible using social media platforms to convince them that they are a reliable company and a reasonable addition to the cultural, political, and social environment.

Therefore, the consulting case study of the Virtual Business Project of the Marshall School of Business at the University of Southern California, addresses the online presence of well-known companies. As one of the three companies who cooperates with this project, Amazon's online presence through the social media platforms Facebook, Twitter, and Instagram are analyzed and the results are presented in the following report.

Results

After examining the mentioned social media platforms, Amazon is focused on addressing its followers as current and general users of each platform as a prospective customer. As a consequence, Amazon's reputation in regards to their "customer obsession" as one of their principles, is "built-in". But their other principles are "bolted-on" because the information that is presented about the company on its social media does not match how it wants to be seen.

Recommendations

To have a "built-in" reputation for all of Amazon's principles, certain strategies are suggested that it needs to employ. Some of these strategies include improving its customer convenience, paying more attention to customer's questions and concerns, posting content that helps customers know more about its core values, and narrowing down some of its accounts to focus on the most important and most frequently visited ones.

Introduction

The report focuses on Amazon's reputation through the social media platforms Facebook, Twitter, and Instagram, which were chosen by the consulting team 24, who carried out the case study and are the authors of the report.

Furthermore, the report points out the strengths and weaknesses and contributes opportunities for maintaining and strengthening Amazon's online presence. To be more precise, the quality of the social media platforms, Facebook, Twitter, and Instagram, regarding the building and maintaining of their reputations, will be classified and evaluated and recommendations for improving the online presence of each platform will be presented.

Including this Introduction, the report consists of four chapters such as the Background and Methods, the Analysis and Recommendations, and the Conclusion. The Introduction as the first chapter states the purpose of the study and contributes a brief preview of the chapters in the report. The second chapter provides information about the background of the study, points out key questions and answers them. In addition, the methods and materials that were used for the analysis are explained. In the third chapter, the social media platforms Facebook, Twitter, and Instagram will each be analyzed. Furthermore, every social media platform will get a recommendation that will offer certain improvements to continue building and maintaining, as well as to provide certain suggestions to optimize their reputation. The report finishes with a conclusion as the fourth chapter, where the result of the analysis is summarized, and meaningful recommendations are pointed out so Amazon's public relations and/or reputation management department is able to formulate and implement certain strategies to enhance their company's online presence.

Background & Methods

While analyzing Amazon, the team was focused on whether or not the mission statement on their "About" page matched with what they were posting on their social media. According to Amazon's "About" page, the company has four main principles: customer obsession, passion for invention, commitment to operational excellence, and long-term thinking. The company also states that it strives to be "Earth's best employer", "Earth most customer centric company", and "Earth's safest place to work". While analyzing Amazon, we focused on the company's ability to establish itself as the latter three. The team decided to focus on Amazon's social media instead of its other platforms, like its webpage, because social media is extremely important to companies as it is part of their advertisement. We mainly analyzed Facebook, Twitter, and Instagram as they are currently the most important social media platforms and most widely used today.

While analyzing a specific post, the team analyzed the content that was posted along with its caption, and then decided what part of Amazon's principles the post showcased, if any. For example, two of Amazon's most important principles according to their "About" page are being "Earth's most customer centric company" and "Earth's best employer". So, a post can showcase one of those principles. We then examined which kinds of posts were posted the most, which lets us know which of Amazon's principles were being focused on on that social media platform and which were lacking. The team also noted which principle was showcased the most across our chosen social media platforms.

Through this analysis, the team determined the principles Amazon focused on, and which ones were neglected. Our recommendations are based on what principles were neglected and how Amazon can include them on its social media platforms.

Overall, we analyzed whether or not Amazon's reputation was "built-in" or "bolted-on". According to the paper "Corporate Reputation: Built-In Or Bolted-On?" a company's reputation is either "built-in" or "bolted-on". "Built-in" means that the company's reputation aligns with its intended message and its outside sources' representation of the company match how the company wants to be perceived. "Bolted-on" refers to a company with a reputation that does not match its intended message.



Analysis

At a glance, one can tell that Amazon's Facebook page is famous. The page has a verified badge that confirms the page is authentic and has many followers. To be exact, they have 29,844,169 followers as of April 8th, 2022. The National Retail Federation, or NRF for short, is a group that stands up for retail by genuinely standing up for the rules, regulations, people, and ideas that help retail thrive. They have posted that among the top 100 retail companies around the world, Amazon is second, next to Walmart. This evidence shows that Amazon's reputation on behalf of their Facebook page is "built-in". Their strategy has a better chance of providing high-quality products and services to a wide variety of customers with different backgrounds and needs with a sustainable competitive advantage that can compete with other retail companies and stay on top.

Despite their big following, when comparing their followers to the engagement on their page, it clearly shows that most of their followers aren't engaging with it. This is evident by the number of likes, comments, and shares compared to the number of followers. Looking at their posts, they post fairly often, especially when special holidays are coming up; their page is successful at posting seasonal advertisements. In each post they make, regardless of the content, you could find a positive comment here and there, but most of the comments are complaints about the company or their package. Individuals complained about how their parcel was packed or delivered, and they would have videos or photos to prove their complaints. Amazon's Facebook page would respond by first apologizing and then sending a link to where the customers could complain or file their reports.

The team observed that the Facebook page doesn't talk about the company much in the "About" section. You'll only find a link to their official Amazon website. This is quite inconvenient if a first-time customer is trying to learn about Amazon through their Facebook page. This makes the company look "bolted-on" with the argument that they use their Facebook page to make sales. But, as we looked through the page, the team observed that Amazon strives to offer customers the lowest prices possible, providing a good variety of choice brands, and offering convenience for the customers. So, going back to their mission statement, based on their Facebook page, we can affirm that two out of the three ideas are met. Yes, the company offers customers the lowest possible prices and the best available selection of different brands, but they need to improve their customer convenience.

Recommendations

As Amazon's Facebook page needs to improve in customer service, more attention is needed for the customers' questions, concerns, or returns. There would need to be accountable employees ready to help and serve, as the group observed that their responses to such comments regarding questions and concerns are poor. It would be better for them to have those who could filter out inquiries to "frequently asked questions" and provide accurate and direct answers to such questions through links or a post instead of leaving most of them unnoticed.

In regards to the "About" section on Amazon's Facebook page, it would be wise to include their company's mission and vision to help others get to know more about their company and understand how their reputation is "built-in", as well as attaching a link to their website. And, since Facebook has Facebook Marketplace, it would be wise for Amazon to use that feature as part of their social media platform to sell or advertise.



Analysis

After analyzing Amazon's Twitter account, we found that the corporate reputation is "built-in" instead of "bolted-on" (see appendix for some examples to illustrate and support our argument). We found topics of various kinds; posts about women entrepreneurs where the main focus is feminism, the rejection of racism, and more current issues such as the Russian-Ukrainian war. Regarding this last topic, Amazon has published several tweets referring to an article explaining the measures that they have been taking to help Ukrainians in one way or another (Staff).

Amazon tries to publish content that is relevant to users and varies between posting tweets with text, videos, images, and surveys. On the other hand, Twitter's audience is very broad and there is no specific target audience to direct its content to. However, this social network is characterized by adding touches of humor without losing its professional tone.

Amazon tries to keep customers informed through its Twitter account by informing them about offers, its latest products, special campaigns, as well as events and actions relevant to society. Through their posts, we can see that Amazon cares about its reputation and is concerned about what its customers think. On another note, we can also see that Twitter is the platform on which the company interacts most with the user and generates the most responses. On platforms such as Instagram or Facebook, we can see that they do not usually respond to comments on publications, but on Twitter, interaction with the user is essential.

Recommendations

From our analysis, it is evident that Amazon's values are "built-in" if we take into account its Twitter page. We believe that through this social media platform it reinforces its core values, and although it is true that it publishes posts on topics of social interest, there is still more that could be done. On the website, we can find its mission and the values Amazon wants to represent, but on Twitter they are not so visible. In addition, many times it only shares posts from other social networks on Twitter, or links that redirect to another website. But, it doesn't use the essence of Twitter by publishing through short text messages in order to create a better reputation with its customers. While it is interesting that it uses humor to reach a wider audience, as well as a more informal style to have a closer relationship with the user, it would be interesting to publish more content on this particular platform that lets followers know a little more about the values and causes for which this company fights.



Analysis

Amazon utilizes their Instagram page through posting video reels and images, as well as using the "story" feature and adding links to their website to buy items directly. They also tap into the widely used technique of influencer marketing and brand deals. Influencers from a variety of niches will promote items on their personal pages that can be found through an Amazon link which then promotes website traffic.

Visually, Amazon promotes its products and values through a very colorful and attention-grabbing scale of hues. Video clips are vibrant and have upbeat background music to listen to as it plays. However, the feed, while displaying aspects of the company, is a bit random with videos scattered between a scale of different products and a few clips of the prime trucks on their way to deliver packages.

Amazon has many sectors of its company, therefore, along with its main Instagram page, there are many other accounts such as a separate Amazon Prime account as well as Amazon Home and more. By doing this, Amazon is able to instill their values as a company throughout each, while allowing them to more specifically promote to a very specific consumer profile. Amazon's reputation, on behalf of their Instagram, is "built-in" through their promotions of easy and affordable products. Each account focuses on customer centricity and how they can pull-in the ideal loyal consumer.

Recommendations

One of the issues in Amazon's online presence through Instagram is the overload of numerous niche Amazon accounts. There are well above 30 different variations of the same idea. Due to this technique, some information is diluted and it's a bit harder to find what you're looking for without following multiple accounts. It would help to narrow down the account focus to the most important and most visited accounts.

Another concern for Amazon's Instagram is the comment section. While Amazon does respond to a few comments about personal issues or concerns with the company, they are almost always negative. The comments are not direct customer service lines so they are not of much help and instead make Amazon look like they are not as capable or on top of deadlines. It could help if the company had more resourceful feedback to share in the comments or have a link to file a customer service complaint. This would make the process easier in the future. It is also crucial that followers continue to stay engaged with the content or followers will decrease.

Conclusion

Amazon states that it has four main principles: customer obsession, passion for invention, commitment to operational excellence, and long-term thinking. It also states that it strives to be Earth's best employer, Earth's most customer centric company, and Earth's safest place to work. Through a careful analysis of Amazon's top social media platforms: Facebook, Twitter, and Instagram, our team has analyzed whether or not these principles appear to be "built-in" or "bolted-on" and have provided meaningful recommendations and suggestions to help Amazon's public relations and/or reputation management department have access to the information needed to formulate and implement certain strategies to enhance their company's online presence and continue to build and maintain their reputation.

In summary, Amazon's Facebook page appears to be "bolted-on" due to the fact that Amazon uses it to make sales, but doesn't talk too much about the company in its "About" section. This was stated to be inconvenient for first time customers who are trying to learn about Amazon through their Facebook page. Our recommendation is that Amazon improves its customer convenience and pay more attention to its customer's questions, concerns, and return inquiries on its Facebook page.

Amazon tries to keep customers up to date through its Twitter account by informing them about offers, its latest products, special campaigns, and events and actions relevant to society. From our analysis, it is evident that Amazon's values are "built-in" as they relate to its Twitter account. However, we believe there is still more Amazon could do to help reinforce its core values through what it posts on Twitter. On Amazon's website, it's easy to find information about its mission and the values it wishes to represent, however, on Twitter, these values are not so visible. Our recommendation is that Amazon posts more content that helps customers know a little bit more about the values and causes it believes in and fights for.

Amazon's reputation on its Instagram also appears to be "built-in" through its promotions on easy and affordable products. Each Instagram account Amazon owns focuses on customer centricity and how to pull in the ideal loyal consumer. However, one issue is the overload of numerous niche Amazon accounts. Due to having so many accounts, some information about the company appears to be diluted and it's harder to find what you are looking for amidst all of the various posts. Our recommendation is that Amazon narrow down some of its accounts to focus more on the most important and most frequently visited accounts. We believe that this approach will help the company provide better service and more resourceful feedback to customers.

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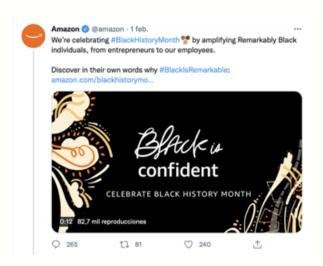
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Appendix







Team Member Contributions

Caroline Horton: Title Page

Enis Isa Gök, Alyssa Larney, Amele Kouassi: Executive Summary

Enis Isa Gök: Introduction

Amele Kouassi: Background and Methods

Ganer Nayusan: Analysis & Recommendations - Facebook

Alejandro Aparicio Pérez: Analysis & Recommendations - Twitter

Caroline Horton: Analysis & Recommendations - Instagram

Alyssa Larney: Conclusion, Editing, Formatting, Layout, and Design