

Covid and Post covid
Analysis of
E-Commerce
“AMAZON”

NAME- Khushi Sahu

MBA 1st Year

Division 2

FACULTY COORDINATOR –
Mrs. Puja Gavande Ma'am.

FOUNDER OF AMAZON

Jeff Bezos founded Amazon.com in 1994.

Jeffrey Preston Bezos is an American entrepreneur, media proprietor, investor, and commercial astronaut. He is the founder, executive chairman, and former president and CEO of Amazon.

MISSION AND VISION OF AMAZON

- Amazon's mission statement is to “serve consumers through online and physical stores and focus on selection, price, and convenience.”
- Amazon's vision statement is “to be Earth's most customer-centric company, where customers can find and discover anything they might want to buy online, and endeavors to offer its customers the lowest possible prices.”

QUALITY POLICY

"Quality is remembered even after the price is forgotten."

That's why quality is important; to make a long-lasting impact. People may forget everything about your products, but not the quality. This drives them back to buy more.

Buyers prefer quality above anything else, even price.

Big brands can sell the same products at a higher price because they ensure quality. Poor quality products ruin the brand reputation.

MANAGEMENT STRUCTURE OF AMAZON

Amazon management structure can be classified as hierarchical. Senior management team include three CEOs and three senior vice presidents responsible for various vital aspects of the business reporting directly to CEO Andy Jassy.

Amazon management structure has the following four key features:

Hierarchical corporate structure. Hierarchical structure at Amazon has developed due to the immense size of the business. The largest internet retailer in the world by revenue employs more than 1,3 million people worldwide.

Hybrid project groups. Amazon corporate structure integrates hybrid project groups when developing new products and services. Specialists from various departments are attracted according to their skills and competencies required for the project. These employees can be attracted part-time reporting to both, the head of their departments and project leaders, or they can engage in the project full-time reporting to project manager only for the duration of the project.

Flexibility of the business. It is important to note that despite its large size, unlike many other companies with hierarchical organizational structure, Amazon remains highly flexible to adapt to frequent changes in the external marketplace. Moreover, the online retail giant leads changes in external business environment; it has caused disruptive innovation in e-commerce and currently it is about to cause a disruptive innovation in global logistics industry. Successful organization of hybrid project groups plays an instrumental role in maintaining flexibility of the business.

Stability in the top management. Stability is one of the key features of Amazon. Specifically, the largest internet company by revenue experiences “very little turnover among its most important power players, with many of them having been at the company for years, if not decades.” This is rather unusual for contemporary companies, where changes in senior management team have become a frequent phenomenon.

FINANCIAL STATEMENT

AMAZON.COM, INC.
CONSOLIDATED BALANCE SHEETS
(in millions, except per share data)

	December 31, 2021	March 31, 2022 (unaudited)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 36,220	\$ 36,393
Marketable securities	59,829	29,992
Inventories	32,640	34,987
Accounts receivable, net and other	32,891	32,504
Total current assets	161,580	133,876
Property and equipment, net	160,281	168,468
Operating leases	56,082	56,161
Goodwill	15,371	20,229
Other assets	27,235	32,033
Total assets	\$ 420,549	\$ 410,767
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 78,664	\$ 68,547
Accrued expenses and other	51,775	58,141
Unearned revenue	11,827	12,820
Total current liabilities	142,266	139,508
Long-term lease liabilities	67,651	65,731
Long-term debt	48,744	47,556
Other long-term liabilities	23,643	23,971
Commitments and contingencies (Note 4)		
Stockholders' equity:		
Preferred stock, \$0.01 par value:		
Authorized shares — 500		
Issued and outstanding shares — none	—	—
Common stock, \$0.01 par value:		
Authorized shares — 5,000		
Issued shares — 532 and 533		
Outstanding shares — 509 and 509	5	5
Treasury stock, at cost	(1,837)	(4,503)
Additional paid-in capital	55,538	58,793
Accumulated other comprehensive income (loss)	(1,376)	(2,365)
Retained earnings	85,915	82,071
Total stockholders' equity	138,245	134,001
Total liabilities and stockholders' equity	\$ 420,549	\$ 410,767

See accompanying notes to consolidated financial statements.

Supplemental Cash Flow Information

The following table shows supplemental cash flow information (in millions):

	Three Months Ended March 31,		Twelve Months Ended March 31,	
	2021	2022	2021	2022
SUPPLEMENTAL CASH FLOW INFORMATION:				
Cash paid for interest on debt	\$ 276	\$ 279	\$ 902	\$ 1,101
Cash paid for operating leases	1,640	2,367	5,086	7,449
Cash paid for interest on finance leases	157	107	601	471
Cash paid for interest on financing obligations	33	58	113	178
Cash paid for income taxes, net of refunds	801	453	2,209	3,340
Assets acquired under operating leases	3,536	2,175	17,345	24,008
Property and equipment acquired under finance leases	2,067	166	11,489	5,160
Property and equipment acquired under build-to-suit lease arrangements	887	1,332	2,775	6,061

SALES FORECASTING AT THE TIME OF COVID

- Amazon said it lost money during the first quarter and gave a forecast that said it may see another loss in the current period. Sales will be as much as \$121 billion in the three months ending in June, missing analysts' average estimate of \$125 billion.

SALES DURING COVID AND POST COVID

Amazon profits increased nearly 200% since start of covid-19 pandemic.

Before the COVID-19 pandemic rocked the world, small businesses and retailers were already at a disadvantage trying to remain competitive with e-commerce companies that could offer low prices and fast deliveries. Convenience is king.

When COVID-19 forced physical shops to close and consumers to stay home, online shops, specifically Amazon, were in a prime spot to capitalize.

Amazon founder Jeff Bezos has seen his net worth soar. According to numbers from [USA Today](#), Bezos' net worth in March 2020 was US\$113 billion. As of November, the 56-year-old CEO is valued at over US\$203 billion.

Bezos is nearly 80% richer (79.8%) than he was before the pandemic, as his personal wealth increased by US\$90.1 billion since March 2020.

HOW THE COMPANY HANDLED IT'S EMPLOYEES AT THE TIME OF THE COVID?

- The top priority is ensuring the health and safety of employees, which is why Amazon invested over \$11.5 billion in 2020 on COVID-related initiatives to keep employees safe and get products to customers.
- This includes investments related to COVID-19 safety measures such as personal protective equipment, enhanced cleaning of our facilities, processes that allow for effective social distancing, higher wages for hourly teams, and developing our own COVID-19 testing capabilities, etc.

Some of the precise numbers so far are:

Provided 100 million+ masks to sites

Added 2,298 handwashing stations

Added 5,765+ janitorial staffers to our typical teams

Provided an additional 34 million gloves

Added 48 million ounces of hand sanitizer

Added 93 million sanitizing spray and wipes

Procured more than 31,000 thermometers and 1,115+ thermal cameras

They're also spending over \$85 million redeploying team members from their typical roles to perform safety related tasks and audits at sites around the world. This includes team members who are "social distancing ambassadors" helping with temperature checks.



**THANK
YOU**