Customer Orientation: The Soul of Amazon

<u>Customer orientation</u> is making Amazon the everything store

Amazon has become everything store by focusing on customer orientation and responding innovatively to create and serve market. Amazon has treated customer as the soul with the following steps.

- Amazon founder, Jeff Bezos connects to the customer directly with his public e-mail ID
 <u>jeff@amazon.com</u> to listen to the customer voice. He forwards the customer mail to the
 concerned employee with a question mark to demand the response in few hours.
- Customer response is considered as an audit on internal processes. Every bit of customer feedback is treated as precious source of business intelligence.
- Every decision is measured against metrics whether the new process roots out inefficiency or not while serving customer.
- Amazon has become the 'Everything Store' with \$75 billion annual revenue and \$140 billion market value to serve all types of customers.

Customer orientation is defined as an approach to sales and customer-relations in which staff focus on helping customers to meet their long-term needs and wants. Firms constantly need to change and modify their products, to satisfy the varying needs and preferences of the customer.



Bezos simplifies the message. He takes a red pen to press releases, product descriptions,
 speeches and strikes off unnecessary stuff for easy customer comprehension

- Bezos's dream venture is 'Blue Origin', rocket ship Company, to offer space travel to widest target customers at affordable cost.
- Amazon has a clandestine group which focuses on purchasing large volume of goods from competitors to measure quality and speed of service to better serve customers.
- Amazon follows 14 leadership principles: *customer obsession*; ownership; invent and simplify; are right, a lot (leaders are right a lot); hire and develop the best; insist on the highest standards; think big; bias for action; frugality; vocally self critical; earn trust of others; dive deep; have backbone, disagree and commit; deliver results
- Employees file patents and there is a fierce competitiveness what they do to provide better customer value
- Amazon had been nurtured by Bezos for surviving 20 years with low profit margins and severe competition to better retain customers.

Source: Stone, Brad (2013), The Secrets of Bezos: How Amazon Became the Everything Store, Bloomberg Business Week, Oct 10, 2013.