

Strategic Marketing (SMK)

STRATEGIC MARKETING ASSIGNMENT

SCENARIO

Amazon Go supermarkets in the UK.

The cashier-less supermarkets use technology to allow customers to pick up items and walk out with them, instead, charging their Amazon account so they don't have to stand in a checkout queue.

According to The Sunday Times, the retailer is looking for “a significant number” of sites sized between 4,000 square feet and 5,000 square feet across the UK.

Amazon initially launched the concept back in 2016, allowing Amazon staff to trial the new technology. Since then, it has opened five stores in the US across Seattle and Chicago.

Customers download an Amazon Go app before entering the store. They have to use the app to enter the store, which registers their Amazon account, and then they can put their phone away and start shopping.

Amazon’s “Just Walk Out Technology” uses computer vision, sensor fusion and deep learning to detect when products are taken off a shelf, or later returned.

The technology keeps track of all the items in a virtual cart so there is no scanning involved. Once customers are done shopping, they can leave the store and Amazon will charge your account.

Amazon now has five Amazon Go locations across the US.

There is a difference between having the no checkout stores strictly for Amazon customers and allowing the general public to try them out. In 2017, the Wall Street Journal reported that the technology faced problems when there were more than 20 people in the store, something Amazon has been working to correct and, as a result, has delayed the expected rollout of further locations.

At the moment, it’s unlikely that Amazon Go will arrive to compete with your local Tesco or Sainsbury’s. The stores stock ready-to-eat items for breakfast, lunch and dinner, with some grocery essential ranges too, however, stock varies depending on which store you are in.

But, when it does arrive in the UK, it will no doubt be celebrated by busy Londoners. The idea of being able to pick up some lunch and walk out of the door without queueing is a dreamy one, we admit.

Source: www.standard.co.uk/tech/amazon-go-uk-locations-scouting

Task 1 of 2 – Presentation

Instructions:

Your local small business association has read about Amazon Go and is concerned about the potential competition. They wish to offer strategic marketing advice to local businesses, have asked you to prepare a presentation in which you should analyze and evaluate key marketing concepts.

You should include:

1. Evaluate the role of culture in shaping the organizational readiness to compete with Amazon Go and identify the key cultural elements that will give local small businesses a competitive edge.
2. Identify external cultural influence that might impact the establishment of the Amazon Go business model. Categorize the external cultural influences into those that are favourable to local small businesses and those to Amazon Go.
3. Discuss different buying process and how they relate to the model of Amazon Go. A subsection will discuss ways for the local businesses to compete with Amazon Go.
4. Discuss Globalization and Protectionism in this particular scenario. Give out three reasons in support for Amazon Go global expansion efforts and three reasons for Local businesses' right to protect against it.
5. Illustrate global consumerism and how it is affecting the local businesses.

Submissions:

- 1x executive summary of the presentation (circa 500 words excluding diagrams)
- 1x PowerPoint presentation (1000 Words) (Around 25-30 Slides)

Referencing:

A comprehensive Harvard style reference list must be included at the end of the work that represents the in-text citations used in reference to the published work. (both on-slide citations and Reference list is needed)

Task 2 of 2 – Detailed Essay

Instructions:

Co-incidentally, a representative of Amazon attended your business association presentation and was impressed. The Amazon manager responsible for the introduction of Amazon Go to the UK has asked you to prepare a detailed essay on different marketing strategies including entry strategy addressing the following:

1. Identify levels of product for the Amazon Go supermarkets.
2. Present a detailed discussion of available branding strategies to Amazon Go and suggest a strategy that will work based on the consumer attitude and cultural influences identified in the first task.
3. Discuss different brand protection strategies and predict how the local business can use those strategies and how Amazon Go must prepare and counter them, one by one.
4. A section concerning the market segment. This section should
 - Discuss how the European market is different than that of the US and propose a segmentation strategy for the UK Market.
 - Discuss how Americanism will affect Amazon Go market segmentation.

- Propose and justify a brand positioning for Amazon Go for the targeted market segment within the UK market.
5. Discuss market research process and outline each stage in the case of Amazon Go in the UK market. Suggest where and what research needed to be carried out before making an entry to the UK Market.
 6. Discuss different entry strategies for Amazon Go into the UK Market. Also in this section discuss
 - Which of the identified entry strategy will be chosen with justification
 - Propose detailed sub-strategies within the chosen entry strategy including Pricing strategy, Distribution channels, Product testing and development.

Submissions:

- 1x Executive summary of the essay – 500 words
- 1x Detailed Essay (circa 3000 words) – excluding appendices.

Referencing:

A comprehensive Harvard style reference list must be included at the end of the work that represents the in-text citations used in reference to the published work. (both in-text citations and Reference list is needed)

Evidence to be submitted:

- 1x executive summary of the presentation (circa 500 words excluding diagrams)
- 1x PowerPoint presentation (1000 Words) (Around 25-30 Slides)
- 1x Executive summary of the essay – 500 words
- 1x Detailed Essay (circa 3000 words) – excluding appendices.