Business Strategy Of Amazon In Thailand And South Korea

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Target Customer:

Multi-Segment Positioning:

Multi-segment means more than one segment. Thus, it is a marketing strategy that is used by marketers to target more than one segment of customers. Amazon is a business that sells almost everything to customers, and everyone is delighted with it. As Amazon offers a lot of product categories, it can target different consumer segments depending on their needs and wants.

Customer segmentation:

Amazon can target consumers in Thailand and South Korea based on demographic, geographic, psychographic, and other behavioral segmentation. Therefore, it is important in geographic segmentation to be aware of where consumers live. Amazon has to consider the region of its targeted consumer in South Korea and Thailand. Demographic segmentation illustrates the basic profiles of the targeted consumer. It includes age, family, occupation, salary, family size, gender, etc. Amazon has to consider the demographic factors of Thailand and South Korea so that business can be offered in an efficient way. Behavioral segmentation illustrates people’s behavior, how they consume things, and in what way. Thus, the last one is psychographic segmentation, which focuses on the values and beliefs of people living in South Korea and Thailand. These segmentation factors must be considered by Amazon to start a business in South Korea and Thailand. Every country has its own beliefs and ethics. Amazon is also a huge business that targets a wide range of regions. Sixty-eight million people are living in Thailand now. Thus, it is a huge population. Therefore, it is efficient to use multi-segment positioning in Thailand by Amazon. South Korea is highly based on homogeneous factors. Therefore, the culture is quite different, as the language is Korean; also, the birthrate is extremely low. Amazon should take these factors into consideration when conducting multiple segmentation.

Marketing Recommendation:

Amazon must follow these seven marketing recommendations in order to start a business in South Korea and Thailand:

Clarifies the global factor and makes it clear which factors are managed locally:

The global market does not indicate that you will neglect the local market, marketing plan, and several initiatives. So, first, decide which factors Amazon sets globally and locally in order to start a business in South Korea and Thailand.

Adopt a collaborative approach and understand the needs of the local market:

If needs and wants are not specifically clear, the market cannot be targeted effectively. Thus, when Amazon starts a business globally, such as in Thailand and South Korea, it adopts the collaborative approach and starts doing research. Trust people in order to gain confidence.

Set the development of a global marketing plan early:

Always research the market while going globally. So, Amazon has to set a plan accurately in order to target the markets of South Korea and Thailand.

Campaign management:

Appoint a campaign manager so that he can communicate, coordinate, and collaborate with you. Also, he has a better understanding of the time zone as well.

Tracking and results of the campaign:

It can only be done through a campaign manager. Amazon can become aware of different responses through the campaign manager. Tracking the result is recommended so that better decisions can be made.

Coordinate the results:

After launching campaigns, start comparing which things are done and which things are not. Focus on weaknesses and opportunities and end up with smart results.

Communication tool:

Communication is the only tool that can give Amazon better and more efficient results at the right times. So, make sure that different campaigns and brand managers communicate properly.

Legal Obligations Regarding Marketing In South Korea:

South Korea is making transparency policies to clarify that laws in the country are not discriminatory. The laws and regulations are very unique as the laws flow through the national assembly and are declared.

The foreign investment criterion is very sensitive in Korea. Restricted industries include nuclear fuel processing systems, telecommunication and radio, meat and food, transportation, and other various publication papers. Foreign Investment Promotion Act (FIPA) takes the report on this foreign investment.

South Korea cannot do business with North Korea and Iran. Hence, it is obligated by the National Security Act.

The flow of foreign exchange transactions includes the measurement of regulation for the purpose of foreign exchange. There must be a complete reporting requirement, which must be accounted for by FX banks. Also, MOSF must be involved in the registration requirements.

Tax can be minimized in these foreign countries as they are investing in high-technology businesses and other industries. As a result, investors can be entertained through tax exemption policies.

The business vehicles in South Korea include partnerships, limited partnerships and liability, stock, and limited companies. Capital Market and Finance Marketing Business Act will take care of the trust factors in investments.

If the company wants an option for joint stock, focus on subscriptions to shares, payment of subscriptions, and draft articles. Taxes such as license and registration taxes can be applied, including 0.4 to 1.2 percent paid-up capital. Other taxes are local education tax (20%) and fees for the registration process of incorporation.

Share Capital Is Purely Negligible In South Korea:

Amazon must consider these legal obligations in order to start marketing in South Korea. The legal and lawful boundaries can be taken into consideration in order to avoid threats and gain maximum market value in South Korea.

Legal Obligations Regarding Marketing In Thailand:

The government gazette published the amendments for Thailand on May 17, 2017. These amendments are workable on 15 September 2017.

Direct marketing is the main strategy that is considered by amendments. It illustrates the offering of goods or services through communication. As a result, consumers can be delighted through goods and services. Partnerships and companies are also introduced through amendments.

For direct sales registration, specific requirements are made. It involves the juristic personnel that is applicable to direct sales as well as direct marketing. The amount that is predefined for paid-up capital for a company is THB 1 million, and for a partnership, it is THB 500,000 (Amazon.com, Inc., n.d.).

Operators are assigned to submit business reports. Any type of change that the operator is willing to make must be reported within 15 days (Amazon.com, Inc., n.d.).

Consumers are protected and entertained if they receive goods that contain defects or any other issues. Hence, operators are answerable to various consumers for wrong instructions or defects of products or services.

The registrar will monitor the activities correctly. If any kind of violation occurs, he will charge a fine or assign imprisonment depending upon the violation.

Exchange Control Act 1942 will monitor foreign exchange transactions. Tax and non-tax incentives are offered to investors.

The board of directors will manage the private corporation. Basically, this is the management style for the selection of private limited companies. Also, the requirement of nationality by directors is not even mandatory (Bright & Cortes, 2019).

Marketing in Thailand can only be done effectively and efficiently if all legal obligations are fulfilled. Otherwise, violations occur, which will harm certain businesses of the owner. Amazon is a big business holder and must take care of all these legal obligations in order to achieve high market targets and delighted customers in Thailand.

Promotional Channel In Thailand:

Advertisement plays an important role in marketing. When we talk about Thailand, Amazon must use advertising media to promote its products or services. Through advertisement, consumers who are targeted, as well as potential consumers in Thailand, will come to know about Amazon's business. Hence, advertisement is a strong medium for generating responses and consumers. It is favorable in the Thai market to advertise products or services properly.

Internet, trade, and commercial promotion are also equally important in Thailand's marketing. Amazon has to use these mediums to promote its products or services. The Internet is a very cost-effective strategy, as you can grab the attention of the audience at no cost. Through trading, Amazon can expand its business and make it remarkable. Hence, promotional strategies are very important in order to create awareness in the targeted consumer's mind. As a result, the marketing mix gets strong and favorable in the desirable market.

Promotional Channel In South Korea:

A favorable factor to be considered in this regard is the import and export phenomena. Amazon can start exporting or importing with South Korea in order to generate high sales and customers. Thus, for several years, South Koreans have launched trade shows. So, it is a good opportunity for Amazon to promote its business through this medium.

Advertising, which is in the form of online advertising, can be taken into account by Amazon in Thailand since advertising is a rich source for grabbing consumer attention. Amazon can avail of this channel and offer various packages for its product in order to gain a large market in Thailand. Advertisements can be made through television, a huge source of information. Amazon can take these factors into account while promoting itself in Thailand and South Korea. It can be a very effective way to gain the attention of the market and profits.

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