Five Ways Businesses Can Use Amazon’s Mission Statement as a Growth Strategy

July 4, 2021 5 min read

Opinions expressed by *Entrepreneur* contributors are their own.

The famous words of hotelier Cesar Ritz, “the customer is never wrong,” are as true today as they were over 100 years ago. Although the sentiment has remained consistent throughout the decades, strategies and tactics to establish a customer-centric model are constantly evolving, and companies that fail to understand their customers can’t remain competitive in a packed digital ecosystem for too long.

It would be tough to find an organization with a better strategic model than Amazon.

Amazon’s current mission statement is, “To be Earth’s most customer-centric company, where customers can find and discover anything they might want to buy online, and endeavours to offer its customers the lowest possible prices.” The company’s goals have always been customer-centric. In 1997, Jeff Bezos promised Amazon would “focus relentlessly on our customers.” He also said, “We see our customers as guests to a party, and we are the hosts. It’s our job every day to make every important aspect of the customer experience a little bit better.”

Here are five ways businesses can benefit from the Amazon customer-centric growth strategy.

1. Make the customer your central focus

The customer is at the heart of everything Amazon does. In a 2013 interview, Bezos said, “I would define Amazon by our big ideas, which are customer centricity, putting the customer at the center of everything we do, invention.”

If you consider some of the things Amazon offers, such as Prime delivery, one-click ordering, recommendations, special deals, and real-time assistance, all of them serve to benefit the customer.

2. Release new products specific to your customers’ needs

When Amazon first started in 1994, the idea of making a digital purchase was still new. There was a long way to building customer trust in buying things online, which Amazon met because of the emphasis on customer service. Since then, the company has expanded into other products and services that all meet the consumer’s needs. Preferences will constantly change, and your products need to evolve with them.

Always focus on “who” and “why” when creating a product with your target audience at the center of everything. Test it, talk to your customers about it, and make sure it solves a problem for them. The starting point for a product definition is a customer-centric document that doesn’t concern itself with technical details. If you can’t tell customers why they need your product, it probably isn’t going to sell.

Related: **10 Ways to Learn About Your Target Audience**

3. Invest in research and development to provide more customer satisfaction

It turns out that customers are quite willing to tell us what they want if we ask them about it and listen. Investment in research and development to understand the customer's needs is crucial to a customer-centric growth strategy. In 2019, Amazon spent $42.7 billion on research and development (which they call technology and content). The costs reflect how the company wants to invest in numerous areas of technology and content to enhance the customer experience continually and improve process efficiency through rapid technology developments.

Customer surveys, focus groups, and review platforms are all ways that small and medium-sized enterprises can start investing in R&D. Experimentation can be initiated by employees at all levels within the company to create new knowledge, which is what R&D is all about. For every idea, ask how it will make things easier for your customers, and if there is a clear answer, it's one worth driving forwards.

Related: **Why Your R&D Budget Should Be the Last Place You Cut**

4. Diversify into new trending markets

Over the last two decades, the Amazon has become a constantly changing ecosystem of products and systems, including the Kindle, Alexa, Amazon Web Services (AWS), and the purchase of Wholefoods. AWS alone is thought to produce around 50 percent of Amazon profits, emphasizing how diversifying into new markets can positively impact revenue. Always keep one eye on new markets so you can meet your customers wherever they are.

It will foster loyalty and appreciation to ensure market diversification is a success.

5. Use innovation and creation to increase your audience

Every business should want to innovate its customer experience and continue to be unique by offering something that your competition cannot. Of course, innovation does not happen overnight, but keeping up with trends and encouraging creativity should be at the core of a customer-centric growth strategy.

Amazon responded to the “now” economy with Amazon Prime delivery to give customers free shipping on thousands of products. They also pioneered one-click ordering using pre-set options. Amazon Lockers allow customers to pick up items from numerous locations worldwide. The @AmazonHelp Twitter account handles customer queries seven days a week in seven languages. Recently, Amazon Go has introduced a checkout-less store.

The list of innovations from Amazon still goes on, whilst the customer is at the center of each and differentiates Amazon from its competition. Amazon is a multi-billion dollar business that has had several years to develop and perfect its customer-centric model. Although the capabilities of the tech conglomerate are out of the reach of the average business, these five aspects of the customer-centric model can offer inspiration from which any business can benefit.

Related: Starting a Business? Here’s How Innovation Will Take You Ahead

https://www.entrepreneur.com/article/373491