

## **“Sustainability and Amazon” – A Case Study on Amazon**

### **Company**

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### **ABSTRACT**

Man, compared to all other species on the planet, is an intelligent creature. He developed numerous, showing his skill, strength, intellect, and make-up of the whole universe from home to moon. But he lives in an atmosphere that he can't ignore. The massive development of industry, trade, and commerce resulted in the growth of the environment in which he lives, but indirectly which effects the environment. The atmosphere is deteriorating day by day. This covers both physical and biological elements. Air pollution, water pollution, pollution of the natural surroundings, etc. The incredible change of all these will endanger the health and survival of every living species of the world in the future. It is, therefore, necessary for the prospective generation to safeguard and maintain a healthy environment. This case study analyzes Amazon company's environmental sustainability methods, societal well being business practices and shows a wide range of possible economic friendly planning for environmental sustainability. Amazoncompany is the major e-retailer in the world to celebrate the Silver Jubilee in 2019. With e-commerce, cloud computing, artificial intelligence, electronic consumer products, electronic distribution industries. Their service is widely dispersed. Amazon believes that CSR is not just its responsibility, but also its environmental responsibility. The research is focused on secondary data from newspapers, websites, the journals, and the Amazon Company's annual report.

**Key words:** E-retailer, societal wellbeing, prospective generation, environmental sustainability.

## **Introduction of Amazon Company**

Amazon is an American multinational company situated in Washington. The company is dedicated to e-commerce, cloud computing, digital streaming and artificial intelligence. It is one of the four Big Four technology enterprises together with Google, Facebook and Apple. Amazon is the world's largest selling company through internet. It is the United States ' second biggest private employer and one of the most successful businesses worldwide. Amazon is the second biggest technology innovation company.

On 5 July 1994, Jeff Bezos created Amazon in Bellevue, Washington. The business initially began as a book-market online, but then expanded into computers, electronics, video games, appliances, food, toys and jewellery. Amazon became America's most profitable retailer, beating Walmart with the capitalization of the market in 2015. Throughout 2017, Amazon raised \$13.4 billion from Amazon's retail food market. Amazon's brick and mortar footprint was greatly enhanced. Back in 2018, Bezos announced Amazon Prime, its two day service, had reached 100 million worldwide subscribers.

## **Theoretical framework of societal wellbeing or environmental friendly business practices**

Green marketing has been described as ' all activities designed to generate and encourage exchanges that satisfy human needs or that aim to meet these needs and desires, with minimal adverse environmental impacts ' (Polonsky (2011)). "Green' is the maxim of the current generation that is becoming popular. Many companies, such as Wal-Mart to drive public bodies like the London government's congestion charge into the idea of organic food, are designed to increase the environment by selling' green' goods (McKinsey, 2007). Additionally green marketing requires companies to develop and maintain strong connections with all their vendors, business intermediaries and customers. (Chan et al., 2012) Green marketing is a marketing feature and therefore shared many aspects such as costs, promotions, goods and location with traditional marketing. Even green marketing requires companies to develop and maintain strong ties with all their vendors, business intermediaries and customers significantly. (Chan et al., 2012). Eco labelling is an effective measure which helps in bridging the gap between vendors and purchaser by providing information on two

aspects: Information functions presenting intangible quality measures including product quality and Value function which presents the recyclability and CSR related brand prestige (Sammer and Wustenhagen 2006).

## **Objective of the case study**

- To know the societal wellbeing business practices of Amazon Company and to know its impact.
- To know the need for economic friendly practices by the business in general.
- Aims to identify the future planning towards environmental sustainability by the company.

## **Case Methods**

Exhaustive literature review regarding the concept and theories has been done through collecting latest Journals from Google Scholar. This paper is based on the secondary data. The Secondary data has been collected from various like books, journals, annual report of Amazon company, websites of Amazon Company, magazine, and newspapers.

## **Limitation of the study**

The study focused only on the societal well-being business practices of the Amazon Company, the study is not concentrated on other business practices handled by the company.

## **Sustainability and Amazon**

Sustainability is, without impacting the future generation, to meet the needs of the present. It has economic, environmental and social elements. With its ground-breaking sustainable projects, Amazon has a history of sustainability engagement, and sustainable development addresses today's needs without impacting the future. Amazon has a long history of sustainable development through creative initiatives. In the business alone, over 200 scientist and engineering professionals and product designers are dedicated exclusively to inventing new ways to enhance our reach for customers and the world. The effort of a company to develop, encourage, pay price and sell goods in a way that promotes environmental protection can be described in environmental marketing, which is more commonly known as green marketing or sustainable marketing. (Polonsky, 2011).

## **Sustainability as a responsibility**

Amazon started Right Now Climate Fund, in collaboration with The Nature Conservancy, which is committing US\$ 100 million to preserving and protecting forests, wetlands and

tourism worldwide. The interest shown by marketing academics and practitioners in the promotion and preservation of the ecological balance has been increasing considerably. (Chammaro et al., 2009; Bhattacharya 2011)

The right now Climate Fund will contribute to the removal of millions of tons of carbon from the climate throughout the project life and will provide thousands of people with financial opportunity. Amazon is recognized as an innovator that drives real change. It is appreciable that Amazon's Climate Pledge and their aggressive ambition to achieve net zero carbon emissions by 2040 and look forward to our high-impact collaboration.

## **Sustainability as a passion**

Items like the classic bottle have been turned into a whole new format, which the customer has neither seen nor used, it is a huge challenge, After all, the orange bottle stands out on a busy shelf. However the extra packaging used to ship a large plastic bottle just indicates more waste in an environment where consumers progressively buy products like Tide online. As the size or shelf appearance of the product being sold online is meaningless, it is also possible for engineers, using less energy, to re-mix the detergent formula to make the product small and lighter.

It is a huge win for the community to design this out of a commodity and to start with something which needs no secondary package and is delivered in its own container. As a result of this is the new Tide Eco-Box which uses 60% less plastic and 30% less water than the bottle model. Four pounds lighter is also the new box.

## **Sustainability as a strategy**

Without plastic base layer, binding and other needless packaging features, Frustration-Free Packaging is built so that the "wrap-rage" can be quickly opened and 100 percent recycled for consumers. It has shown that consumers are conscious and willing to pay more for 'going green.' Research on the effect of green marketing on emerging economy consumers like India has been limited (Bhattacharya, 2011; Prakash, 2002).

Items approved as ready to be shipped under the Frustration free Packaging Program will be delivered without any extra packaging and will be delivered to customers unaffected. Over the last 10 years, more than 244,000 tons of packing materials. 500 million boxes shipping packets have been eliminated by sustainable packaging initiatives. The projects have 16 percent decreased packaging waste and 305 million shipping boxes have been avoided in 2017. Damaged products frustrate buyers, produce waste and cost-intensive, so

company work hard to protect the commodity to its destination. It is proved as a strategy to attract the consumers and to gain competition.

## **Sustainability as a commitment**

Company in collaboration with manufacturers worldwide to assist them in innovating and enhancing their packaging, waste reduction and cost cutting across the supply chain. In the laboratory, brand owners and packaging team will start with specific performance data and metrologic on each product produced with Amazon and work together in order to develop and test a new packaging for a specific product.

If consumer expectations were not fulfilled, this feedback is reviewed by packaging team and works with producers to continuously improve the design and delivery of packaging. Consumerism may be described as a movement that initially started as a mechanism to protect consumers from deceptive marketing practices. Through time, it has grown and expanded. When the current Consumer Activism agenda is taken into account, it can be remembered that environmental protection is the most important aspect (Dono et al., 2010)

## **Sustainability as a long term goal**

Amazon has a long-term goal to use 100% renewable energy for global infrastructure and to make strong progress. For the first time developing electric vehicles, bio-fuel aircraft, recycled packaging and renewable energy. a path to net zero carbon supply for customers now and to reach 50 percent of all Amazon Net Zero Carbon shipments by 2030 as an ambitious goal. "Shipment Zero" is the prototype.

The climate pledge to reach the Paris Agreement ten years in advance was revealed by Amazon and Global Optimism. The first signatory of this project is the Amazon. The Climate Pledge calls on the signatories in their companies to have net carbon emissions by 2040, a decade before the 2050 Paris Convention. Through signing The Climate Pledge, signatories will play a critical part through raising investment to produce the low-carbon goods and technologies needed for businesses to comply with its agreement, and in committing to decarbonize in faster timescales.

Beginning in the 2022, Amazon plans to have 10,000 new vehicles and 100,000 on the roads by 2030—saving 4 million metric tons of carbon per year by 2030.

## **80% Renewable power by 2024 and 100% Renewable Energy By 2030**

Amazon has dedicated itself two years ago to 100 percent renewable energy sources for its global infrastructure. In its path to zero carbon by 2040, Amazon now underlines that it will

reach 80% for renewable before 2024 and 100% for renewable before 2030. Big renewable energy projects are a crucial step towards reducing the global carbon footprint. To date, Amazon has implemented fifteen wind and solar-powered renewable, with a capacity of more than 1,300 MW and an estimated clean-energy output of more than 3.8 million MWh, adequate for 368,000 US households. More than 50 solar roofs have also been mounted on completion centers and sorting centers around the globe.

## Conclusions

From the above discussions regarding the various plans and policies of the company, it's clear that only those companies can survive and enhance their business, when they focus on societal wellbeing and sustainability in all the aspects of business like passion, long term goals, and commitment and as a strategy. And also the company has projected various plans for the future, which not only develops the company but also to the ecological balance of the environment, thereby contributing to the societal wellbeing.

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