

Ministry of Education and Science of Ukraine
Ukrainian-American Concordia University
Department of International Economic Relations, Business & Management

Bachelor's Qualification Work

Advertising policy of the enterprise in the international market

(on the basis of Amazon)

Bachelor's student of
Field of Study 07 – Management
and Administration
Specialty 073 – Management
Educ. program – Management

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Kyiv – 2022

Сучасний світ бізнесу багатогранний і постійно змінюється, так само і реклама в нашому світі постійно змінюється, утворюються нові правила, особисто складно зараз розробляти рекламу для міжнародного бізнесу, бо ти постійно повинен слідкувати за новинами, новими правилами, щоб твій бренд ненароком нікого не образити, та всі сприйняли його на достойному рівні. В даний час ми живемо в надзвичайно лояльному середовищі і навіть маленька реклама повинна відповідати нормам суспільства, так як вона є невід'ємною частиною нашого життя. Зараз міжнародна реклама виконує функцію індикатора економіки. Тому що стан ринка реклами на пряму залежить від економічного стану у країні та світу. Ця робота аналізує сферу та нюанси рекламної політики на міжнародному ринку, показує які базові помилки допускає компанія, та їх рішення.

Ключові слова: реклама, поліпшення рекламної політики в інтернаціональному бізнесі, міжнародна реклама, аналіз рекламної політики, нюанси міжнародної реклами і її правила.

The modern world of business is multifaceted and constantly changing, as well as advertising in our world is constantly changing, new rules are being formed, it is personally difficult to develop advertising for international business, because you must constantly follow the news, new rules so that your brand does not inadvertently offend anyone. and all perceived it at a decent level. We now live in an extremely loyal environment, and even small advertising must meet the standards of society, as it is an integral part of our lives. Now international advertising serves as an indicator of the economy. Because the state of the advertising market directly depends on the economic situation in the country and the world. This paper analyzes the scope and nuances of advertising policy in the international market, shows what basic mistakes the company makes, and their solutions.

Key words: advertising, improvement of advertising policy in international business, international advertising, analysis of advertising policy, nuances of international advertising and its rules.

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APPROVED

Head of Department _____

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**TASK
FOR BACHELOR’S QUALIFICATION WORK**

Makhun Anastasiia

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1. Topic of the work

Advertising policy of the enterprise in the international market

Supervisor of the work Bielova Olena, PhD in Economics, Associate professor

(surname, name, degree, academic rank)

Which approved by Order of University from “22” **December 2022 №22-12/2022- 1c**

2. Deadline for bachelor’s qualification work submission “19” **May 2022**

3. Data-out to the bachelor’s qualification work materials from the official reporting of financial and economic activities of the enterprise, including the international aspect, were taken from open access on the Internet




4. Contents of the explanatory note (list of issues to be developed) There are three main aspects, that need to be developed by a student. First - theoretical aspects of advertising policy of the enterprise in the international market. Second - practical aspects of advertising policy of the enterprise in the international market on the example of Amazon company. Third - recommendations for improving advertising policy of the enterprise in the international market on the example of Amazon company

∧

5. List of graphic material (with exact indication of any mandatory drawings) Graphs and figures for analysis of economical and statistical information on the company and its development, characteristic of organizational structure of the company, visualization of mechanism of development etc.

∧

6. Consultants for parts of the work

Part of the project	Surname, name, position	Signature, date	
		Given	Accepted
1	Bielova Olena		
2	Bielova Olena		
3	Bielova Olena		

7. Date of issue of the assignment

Time Schedule

№	The title of the parts of the bachelor's qualification work	Deadlines	Notes

1.	I chapter	14.02-13.03.2022	in time
2.	II chapter	14.03-10.04.2022	in time
3.	III chapter	11.04-24.04.2022	in time
4.	Introduction, conclusions, summary	25.04 – 01.05.2022	in time
5.	Pre-defense	07.06.2022	in time

Student _____

(signature)

Supervisor _____

(signature)

Conclusions: Bachelor graduate work is designed in accordance with the requirements. The paper contains theoretical aspects of the research topic, practical aspects and recommendations for improvement, including the international aspect. In terms of content and design, the work complies with the rules and is recommended for defense

∴

Supervisor _____

(signature)

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INTRODUCTION

In our world, advertising is an integral part of our life, we see it every day when visiting websites, applications, games, etc.

The **relevance** of my topic is degraded by the fact that advertising on the international market has not been fully explored. Because it does not have specific rules for each country, and standards for creating advertising. Each country is unique in its own way in its rules, mentality, standard of living, traditions, culture, people's behavior in different situations, values, preferences, etc. All this is important to consider and analyze for each country. Also relevant in my topic is the correctness of the translation. Because every city in the world has its own dialect, and every country has idioms, sayings, proverbs, puns that are often used in advertising slogans, if translated into different languages of the world, the meaning of this will constantly change, and for some nations, it will not be understood.

Therefore, it is important for international companies to be attentive and analyze the country in order to avoid mistakes in advertising.

For a full-fledged theoretical and research approach to collecting information, a global company that specializes in international advertising policy, such as Amazon, was chosen. The consolidated knowledge and experience from the university were applied by me during an internship at the Eurasia Foundation investment fund, in which there is no international advertising policy department on the internal structures.

The **purpose** of my work is to analyze the business and find out what mistakes it makes. To show how important my topic is in any international business that includes advertising or builds a company on it. Show them what they needed to do to make their advertising correct and accepted in different countries. Show on the

graph how sales will be affected and what will be the effectiveness of my improvements. In my work is about what advertising is, and about its methodological approaches, about how even a small gesture can affect the effectiveness of advertising and its perception.

To reach the purpose of the work, following **tasks** were solved:

- explore the essence of advertising
- discover methodological approaches in advertising
- show the features of advertising policy in foreign countries
- make an analysis of the advertising policy in the Amazon enterprise
- evaluate the effectiveness of the advertising policy at the Amazon enterprise
- show the strengths and weaknesses of Amazon's advertising business policy
- talk about ways to fix the shortcomings of advertising on Amazon
- how is the organization of the process of implementation of the Improvements of the advertising policy in “Amazon”
- show the effectiveness of the implementation of the program to improve the advertising policy in the Amazon enterprise

Base of this work is Amazon, because it has an unusual policy in advertising, and it also conducts its own advertising business, which attracts the majority of sellers, thus this company increases the range, sales, popularity and recognition in the market. But at the same time, this company also has problems that it hides, I will show you how to get rid of them, which will make this company more convenient to use and inspire more confidence in their potential customers.

Work is based on the knowledge gained at the university and additional literature, all conclusions and suggestions are made through analytical analysis.

This work consists of an introduction, 3 chapters, conclusion, list of references. Work is carried out on 75 sheets, containing 4 tables and 11 figures. References include 47 literature sources.

CHAPTER 1 THEORETICAL ASPECTS OF ADVERTISING IN BUSINESS

1.1 Essence of advertising in international business

In everyday life, we see advertisements every day and do not even imagine what is happening in our brain at this moment, and why different advertisements affect us in different ways. But for us and for people who own business, it serves differently. For consumers, advertising is information that in the future may influence us in choosing a product, or vice versa.

Advertising in business serves to maintain a reputation, as well as to bring the company to a new level. If the company is international, it needs to take into account the rules and laws of other countries, and adjust advertising for each country in which the company is distributed.

Advertising is part of the job that should encourage the audience to buy your product, it should be bright and memorable. Some ads attract customers and bring long-term success to companies, while others fail. But it is very difficult to predict the reaction of people in advance, you can have an ad that, in your opinion, can hook your target audience, but in the end will turn out to be a failure. At the moment, there are many ads that should be of interest to us, but there are so many that it is impossible to single out any one, because different companies make the same type of advertising.

There are also tricks in advertising that can subconsciously manipulate our choice. The first is emotions. Negative emotions are the strongest lever of action. All people have emotions and fears, for example, most people are afraid to change something or just something new. Many advertisements now play mainly on our

emotions, using it for their own purposes. Amazon shows us low prices in their ads, which affects our fear of spending more than you plan, thus encouraging us to buy from them.

Also in advertising, the images that are used for them are important. They use images of their potential buyers so that they can see for what or for whom the advertised product is provided. [1]

Advertising is first and foremost the face of the company. In it, you must show the beneficial aspects of the company, or show an interesting story in order to interest the client. Advertising makes people think what you want. To do this, you need to use everything that can create an impression or generalize an opinion. The great power of advertising allows you to put certain ideas into people's heads, and it will seem to them that they have always had them. The consumer almost always makes purchases, subconsciously relying on the prescriptions of an authority, which he willingly consults and respects. Advertising is based on marketing. The main goal of marketing and marketers is to influence buyers. There are a lot of marketing techniques. Marketing has many directions and functions, and all of them are aimed at ensuring that your target audience not only sees your product, but also wants to buy it again and again. Neuromarketing is very popular right now, it's the kind of marketing that affects the buyer's brain and makes your product not only desirable, but also addictive. There are only four main steps that work well with any

product.

At the first is trigger. They come in two types internal and external. This is what the buyer first of all pays attention to. An external trigger is, for example, icons. Internal is a trigger that is formed on the subconscious of a person. For example, a girl who often sits on Instagram, this is her favorite network, which has become an internal trigger. Through frequent repetition of actions, a connection was formed between the need to photograph everything around her and Instagram. Negative emotions are a powerful trigger. Boredom, loneliness, irritation, etc. very

often create an unpleasant pain that you want to lose. For example, this girl is annoyed when she did not have time to take a picture of some moment that will never happen again, she has a feeling of discomfort, which lies on the subconscious. Amazon has these two triggers. First, a bright enticing icon and a beautiful user-friendly website. Second, Online and offline store allows you to avoid negative emotions. You can be in a convenient place for yourself and order everything you need without going outside and without standing in lines. And offline stores allow you to quickly and easily buy groceries, without standing in line, and without turning the whole bag inside in search of a wallet.

This allows you to attract more customers and increase sales, which is important for any business, because thanks to customers, the company increases its popularity and recognition in the market.

The second is Actions. Behavior that suggests the expectation of reward. Because there are many theories about what drives people's behavior, Dr. BJ Fogg, director of the Stanford University Laboratory of Technology, has developed a model that helps us understand what makes us act. There are three elements needed to initiate a behavior. First is consumers must have the necessary motivation (Motivation). Second is the consumer must be able to complete the desired action (Ability). Third you need a trigger (Trigger) in order to activate the behavior.

It must all be at the same time, then the action can be carried out.

Amazon skillfully put it all together, first the consumer wants to buy something, but he has no motivation to leave the house, an online store comes to the rescue and the motivation to buy from him does not disappear. In advertising their online store, they make additional motivation, as it is shown that anything can be in your possession in a matter of minutes, and it will not be difficult to buy it. Then the buyer, having looked at it, can simply go to the site and not willingly buy something, even if it is something not expensive. Second most likely the consumer will complete the action when it is literally in two clicks, because many people do

not have much time for shopping. Amazon has it, on their website you can place an order by adding it to the cart and pay with electronic banking Simple and Quick. This is success. Third, I have already written above about Amazon triggers, everything is simple, a bright interface that is difficult to pass by, and a modern design, especially for the target audience.

It turns out that in order to achieve the desired result, the consumer must have the motivation, desire and opportunity to take action, and these actions should not take much effort and time.

In third, variable remuneration. It has three stages first stage is social reward. Eagerness for social approval that lives by maintaining connections with other people. Second stage is hunter reward - Zeal for the possession of material resources and information. Third stage is personal reward - The zeal for inner pleasure from one's own skill, abilities and the completion of some business.

Amazon has a variable fee. It manifests itself in the unexpectedness of the findings. When you go to the site for a certain product, different offers are displayed in the feed, you click on what you needed, and at the bottom you have a sign "buy with this product" you never know what they will offer you, which makes consumers scroll through others products.

Thus, the company achieves success by addressing three rewards at once, that a person, having accidentally found some kind of thing, will receive social approval if he buys it, since Amazon is number one on the market, the second is that he wants to read about the find and find out more information, and the third is that he found the thing he needed for a penny.

The fourth part is investments. An investment is when a consumer invests something in your product, it can be money, time, photos, invitations of friends, etc. When a person invests something in your product, they are more likely to return, your product begins to have more value for them and visit your site or game more often. [2]

For a company that sells goods at prices lower than others, the consumer has a desire to visit their site more often in search of new interesting things.

After that, your product will become a habit for consumers and they will return to it again and again. And gradually they will begin to like it and drag them out for the whole day. After that, a powerful advertising mechanism will follow, which the consumer will do himself, talking about your product to his friends, acquaintances, relatives, etc.

The steps that I described are very similar to the manipulation of people, but in fact, after them a healthy habit is developed, this is when people themselves want to use your product, they feel that your product solves their problems. And the manipulation works so that a person feels discomfort and that he was used for his own purposes, but he did not want it. The Amazon company was able to successfully implement all the steps that led them to success, despite all the problems that they have within the company, they remain number one with most buyers.

At this time, the evolution of advertising has resulted in the transformation of all advertising operations into a unique social institution that meets the public's need for advertising services. This institute's production base is a collection of activities that is typically characterized by the term "advertising industry." [15]

The development of various types of advertising enterprises that produce an advertising product or provide only advertising services forms a professional community involved in the advertising process of various subjects of economic interaction - all these are the characteristics of structural advertising, which makes advertising an industrial system.

At the moment, there are three types of advertising that use the Internet: placement of advertising information on websites, attracting visitors to the advertiser's website, search for customers of goods and services among the Internet audience. [16]

At the present time, there are four main trends. The first trend is that in the modern market everything is based on the world economy, or rather on globalization. The activity of transnational and multinational enterprises in the world market, in turn, launched integration processes. This was manifested in the expansion of industrial and technological ties, the sharing of resources, the creation of favorable conditions for economic activity, and the removal of mutual barriers. These processes have led to the fact that brands promoted international companies have become leaders in the world market of consumer goods, the turnover of which is equal to the budgets of many states. Leading global advertisers dominate the markets of many countries around the world, and their advertising spending is a significant part of the national advertising markets.

The second trend is the development of advertising agencies on a global level. Advertising has become transnational and as a result of this dynamic, advertising agencies have become multinational. New forms of organization, coordination of activities and inter-organizational communication, known as "networks", are being used to share risks, increase efficiency and optimize the regulatory system.

The third trend is that the modern advertising business is characterized by the takeover of small advertising firms by large advertising agencies and the development of holdings. This allows advertising firms to keep costs low by offering a wide range of advertising services. Almost every advertising agency now operates on a global scale.

Increased market competition and the complexity of advertising activities are the fourth trend. This allows advertising market subjects to act in multiple market sectors, protecting them from an unanticipated degradation in one of them and allowing them to quickly react to changes. [15]

Judging by these trends, we can say that international advertising is not just a brand promotion, but also an indicator of the economy. Because the state of the

advertising market directly depends on the general economic situation in the country and in the world.

1.2 Features of advertising policy in foreign countries

At the moment, there is a huge amount of different advertising in the world, both in domestic markets and in foreign ones. You have probably seen more than once international companies that conquer a larger marketplace and expand every year. And it would seem that every person is able to make such an advertisement, but no, resources and knowledge have been invested in the development of such advertising, which must be taken into account with each advertisement for the international market.

There are certain features for it, such features are: successful activities in foreign markets require more significant and focused efforts, more thorough promotional activities than in the domestic market, because the understanding of people can vary in each country, and the same advertisement can be perceived differently.

The study of foreign markets is required - unlike the study of the domestic market, this process is longer and laborious;
When a company does not know the mentality of people, culture, behavior in different situations, this advertisement may turn out to be ineffective.

It is required to use advertising methods creatively and flexibly; as a rule, there are no ready-made recipes for action for each situation: in different countries, in different conditions, appropriate behaviors are needed when carrying out advertising activities;

After the corporation has studied the country and its features, it can already understand how it would be better for it to convey information to its product. It is necessary to follow the requirements of the world market.

It should be kept in mind that in order to identify the features of international advertising, a deep understanding of the socio-economic and national-cultural conditions that exist in a particular country with which the advertising activities of an international company will be associated is required. [17]

The most pressing problem of advertising in international marketing is the choice between the strategy of its standardization or adaptation.

But some companies decide to make the same slogan, design and characters for different countries, regardless of the cultural characteristics of people. In any case, when a company has international advertising, it must take into account the specifics of the translation. Since the message should be the same, and the slogan of the company should be clear to everyone. The structure of the language also affects how consumers perceive information, how information is remembered. For example, Chinese stimulates the memorization of visual images, and English stimulates the memorization of sound combinations. This fact explains to us the reason why English-language advertising slogans often use wordplay, rearranging letters and syllables for memorization.

When a company has international advertising, it must take into account the peculiarities of the translation. Since the message should be the same, and the slogan of the company should be clear to everyone. The structure of the language also affects the perception of consumers; the way information is remembered. For example, Chinese stimulates the memorization of visual images, and English stimulates the memorization of sound combinations. This fact explains to us the reason why English-language advertising slogans often use wordplay, rearranging letters and syllables for memorization. Also, companies must take into account the legislation in the field of advertising in different countries. For example:

Prescription drug advertising and comparative advertising are prohibited in Germany. Saudi Arabia bans ads featuring women, and Iraq bans ads for imported goods. France bans alcohol advertising. Advertising of tobacco products on radio and television is prohibited in Germany, Belgium, Great Britain, France. Belgium bans advertisements for children. In Italy, the use of a combination of national colors - white and green - is not allowed in advertising. In Brazil, the image of the national emblem cannot be placed in advertising messages.

But many international companies use universal values: family protection, honesty, health, self-respect, self-confidence, justice, freedom, friendship, erudition. They help get their message across cultural differences. The goals of advertising standardization are aimed at creating a brand / product image on a global scale, reducing advertising production costs, ensuring recognition and accelerating market entry in different countries. But there are also reasons why companies should tailor their ads to different countries. These are the need for adequate translation of advertising messages, different levels of economic development of countries, legal restrictions in the field of advertising, cultural and behavioral differences. The adaptation strategy is based on taking into account differences in consumer audiences and is aimed at localizing advertising in a different cultural environment. A company can adapt its product strategy and creative promotion strategy in such a way that the same brand is unrecognizable in different markets.

In different countries, they are also attentive to gestures, facial expressions, manner of presentation and postures when developing advertising. For example, an American's finger gesture "ok" may be perceived by a Japanese as a symbol of a coin, and a Frenchman will see a zero in it.

Print advertising in magazines also differs from country to country. Magazines are the main medium of advertising in Italy but play a very minor role in Austria. In the UK, newspapers are the vehicle for nationwide advertising, while in Spain they are local. In Japan, TV viewing averages 8 hours a day, while in the UK it is only 3

hours. Therefore, in order for your advertising to be effective, you need to look at how appropriate it will look in magazines in different countries. Therefore, in order for your advertising to be effective, you need to look at how appropriate it will look in magazines in different countries. Also, one should not forget about the religious rules of the country. In Muslim countries, there are a number of rules regarding advertising. [5]

As we understand, advertising policy in different countries is a delicate topic, which is conditioned by culture, traditions, mentality, realities of life, market requirements, etc. Advertising in different countries also has its own characteristic differences. To better understand them, I will talk about advertising in several countries and their features.

United States. American advertising is the most rational and logical. The consumer will not think about the advertising message, because the message will be read from the very first seconds. Also, advertising in the United States is distinguished by the promotion of family values. Very often on advertising posters you can see template pictures that depict holidays with the family or family time together. Also, the

Americans in their advertising show loyalty to the LGBT community, and often make advertisements with their participation.

United Kingdom. Advertising in the UK is distinguished by subtle and intelligent English humor, elegance, and restraint. You will see typical English people in the lead roles, and red double-decker buses and telephone booths in the background.

France. The high aesthetics of this country is reflected in advertising, which operates with visual images, hazy and seductive. She is beautiful and perfect in itself, elegant, associated with luxury. On the example of French advertising, important values of French culture can be traced - love and romantic relationships. For the Frenchman, the enjoyment of advertising is in itself sufficient reason to buy

the advertised product. Advertising of this country is focused on images and creativity, creativity with a twist.

Germany. German advertising gravitates towards arguments and facts, towards the logic of persuasion. This is largely informational advertising, it talks about numbers, details, technical characteristics. In Germany, an important trend is the focus on a healthy lifestyle and the environment. In addition, it is distinguished by great responsibility. Minimum emotion, maximum authenticity.

Holland. Advertising comes from the Netherlands - something between German, with its love of order and cleanliness, and English, with its respect for traditions. A small European country has managed to become quite noticeable in the global creative market.

Brazil. The main distinguishing feature is bright posters, juicy and colorful, filled with life, in the spirit of the “Brazilian carnival”.

Japan. Japanese advertising is impossible not to recognize. Quite often it is complete madness. Sometimes it is even difficult to determine the product that is being advertised.

Thailand is the factory of the craziest creativity in the world. Their brains seem to be arranged in a completely different way - Thais shoot simple, funny advertisements, bringing almost everything in it to the point of absurdity. [4]

When creating a new advertisement, one should not forget that in each country the rules, requirements for advertising, etc. may change. Every time you develop an advertisement for another country, you have to analyze the state of the country and look at what people currently lack. The adaptation strategy is most suitable in the creation of international advertising, because there are a number of reasons, such as differences in legislative norms and features of the macro-environment of international marketing. The most relevant factors are economic, social, linguistic, cultural, technical, legal nature, so that the target audience understands the main message that was conceived by the advertiser and reacts to it. Legal adaptation is

related to the legal requirements for the advertising practices of national and foreign advertisers. For example, comparative advertising is prohibited in the UK, Germany, France, Sweden and Italy. In a number of countries there are various restrictions on advertising of products for children. In particular, in Italy it is forbidden to show children at meals, in Sweden it is not allowed to show children in dangerous situations. An international advertising campaign is a set of promotional activities carried out outside the country of the advertiser - the manufacturer or seller of the goods. Participants in a large-scale international advertising campaign, in addition to the advertiser, are usually an advertising agency located in the same country where the campaign is being carried out, as well as organizations of the distribution network commercial agents (national, regional), distributors, dealers.

[17]

1.3 Methodical approaches in advertising in international business

At present, there are many different ways to reach your audience through advertising, but not everyone knows how to use them correctly. The first thing to do is to understand what the psychology of advertising is.

Advertising psychology is a discipline of psychology concerned with the evaluation of users' wants and expectations, and has an impact on the means, strategies, and ways of locating individuals in order to sell goods or services. Because advertising, unlike other forms of communication, is of a public nature, the psychology of advertising must, in practice, address the problem of a mass nature by examining individual qualities and requirements. The goal of advertising psychology is to maintain a productive dialogue between the advertiser and the advertising consumer, resulting in the sale of a product or service.

Advertising evolves, develops, and improves in response to time, technology, consumer requirements, and global trends, and because of its widespread dissemination, it has a significant impact on people's choices, beliefs, and perceptions of the world around them. Simultaneously, many people are unaware of or reluctant to acknowledge the underlying influence of advertising on their choices and opinions. As a result, advertising: generates and promotes stereotypes, impacts the production of positive and negative images, creates patterns of behavior in various situations. [18]

Next, I will show what methods are used in advertising and how they affect the consumer.

The main purpose of advertising is to stimulate sales of certain goods or services at the moment or in the future. To this end, advertising influences the buyer and facilitates the acquisition of the advertised goods or services. This influence uses various methods and techniques aimed at working with various mental structures, both at the conscious and unconscious levels. If we can talk about the brand and its value, breaking through the "blurred" peripheral view of the consumer, the advertising work will be much more effective. By the fact that advertising will act even when the consumer focuses on something else, for example, on the road, or on an article. Our advertising will be effective communication and will increase the likelihood that the buyer will pay attention to it. The consumer's autopilot refers to the shape, color and size of the product.

The first method in advertising is *informational*. Despite the fact that this method is aimed at providing the necessary information about the product, some psychological tricks are still used in it. So, for example, very often a certain price of a product or service is indicated in advance, which is obviously overpriced. This price serves as a so-called deceptive anchor, to which the consumer is attached even before getting acquainted directly with the product. When the product is released to the market, the price is lower than previously mentioned, which leads to the fact that

consumers begin to believe that they are benefiting by buying this product. In fact, at the price indicated at first, no one was going to sell the product, but seeing first a high price and then an allegedly reduced one, the consumer remains convinced that this is a very profitable and reasonable purchase. Also, this method can use a trap in the form of a discount on a product, because when advertising uses discounts on a product, you need to pay attention to the placement of the price. The greater the horizontal distance between the discount price and the main price, the greater the perceived difference between them. Due to the physical distance, the estimated size of the discount increases, and at the same time the attractiveness of the offer and the likelihood of a purchase. People perceive numbers faster and easier in a horizontal form than in a vertical one. As for large amounts, it will be more difficult with them, because if the car costs \$10,060, then the discount for consumers of \$50 will not be so big. For a discount to really increase sales, you need contrast. For example, a shoe that was \$100 discounted would cost \$50, in which case the discount would benefit the consumer as there is contrast. Minor interface changes can have a disproportionate impact on the perceived net worth of a product as well as sales. Experts from Kernel University conducted a study on how the way pricing affects restaurant sales.

They represented menu prices in three different ways: numbers with the euro sign, numbers without the euro sign, and words. As a result, the version without the euro badge provided more sales. Each table that received a menu with these prices spent 5 euros more than other customers. People perceived such prices as lower than others. This restaurant decided to keep this menu and provided the restaurant with a good profit.

The next move is *emotional*. This is one of the commonly used methods of psychological influence, which aims to evoke certain emotions in the consumer when viewing advertising. For this, familiar and familiar symbols are used that evoke the associations necessary for the manufacturer. It can be the creation of

opportunities and the promise of fictitious, symbolic satisfaction, which forms the framework of real consequences with the product. Thus, the consumer, thanks to the formed associations, has a feeling of pleasure in his mind when he uses your product. In advertising, you can show the pleasure of the product and a fictional reality. For example, Amazon, which is known for its fast delivery and whose Z logo has a smile that lasts from A to Z, gives consumers the feeling that everything is there and after buyers order the product they need, they will definitely be happy about it, like a smiley from advertising.

Thus, a fictional reality is created, which makes you close your eyes to the real problems of the company, and also fictitious trust appears. And every time a consumer searches for something, he will first go to the Amazon marketplace. But not only Amazon uses such tricks, but also many other companies that play with the feelings of consumers.

The next method is *patriotic*, this method is similar to the emotional one, since it substitutes and manipulates the emotions of the consumer, only the purpose of this method is to influence a specific emotion of a person and this is patriotism and love for the motherland. Often, such a technique is used during the advertising of strong alcoholic beverages, where manufacturers focus on the national product and its features. But there are still such situations when absolutely any company can use this method, and it will be appropriate. The greatest effectiveness of such advertising will be during the war, because all people become as united as possible and want something to unite them in any corner of the world and country. Many companies create patriotic outfits, bank cards on the phone take on the appearance of slogans and patriotic pictures, some companies simply limit themselves to banners on their website in support of the country, which makes the people more trust in the brand. There are also unscrupulous brands that, under the guise of what they collect to help the army, raise prices and keep this percentage for themselves.

This method is effective in normal times, but not as much as in wartime, so not everyone uses this method in peacetime.

The next method is the awakening of fears and *negative emotions*. This method is designed to create in the minds of consumers some kind of threat of what might happen if they do not use the product offered. Awakening fears is very effective when advertising medicines or when a new product enters a market where there are a lot of competitors. All negative emotions inside a person are the strongest lever to action, and any sane person, having seen the “solution” to his problem, will want to ease his pain, even the smallest one. In such advertisements, the emphasis is not on satisfying any needs, but on solving problems that arise. That is, chewing gum can be advertised based on the need to chew, or it can be based on the problem of bad breath or fear of caries. Accordingly, the emphasis here is not on the function of the product, but on its quality "eliminating the problem." Anything can be a problem, from tooth decay to general life dissatisfaction and a dirty sink. Moreover, the problem can be exaggerated to the point of complete absurdity, as is often done. And, of course, the advertised product or product acts as a solution to the problem. Also, this method can be disguised in advertising, and you won't understand it directly, but it will work at a certain moment.

The next method is *suggestion*, unlike persuasion, suggestion does not require a critical perception of information, on the contrary, a superficial acquaintance and assimilation of the data obtained is sufficient. If the persuasion is addressed to the logic and reason of a person, then the suggestion is aimed at the readiness of the consumer to trust, without any verification, to perceive the proposed information. Suggestion is a subtle process of influencing the human psyche, the result of which largely depends on the personal characteristics of the person himself: life experience, level of knowledge, competence. The lower these indicators, the higher the suggestibility. In order for the reception of suggestion to have the necessary effect on the consumer, it is necessary to adhere to some rules: In an advertising

message, only those words should be used, the meaning of which is clear and specific, abstract and vague concepts that reduce the effect of suggestion should be avoided. Do not use negative statements, the use of such particles as “no” and “not” is alarming and doubtful, because at a subconscious level, every person resists denial. Adding qualitative characteristics when describing a product or service will greatly increase the suggestion, as this method enriches the impression of the consumer. Two more methods "affirmative statements" and "selective selection of information" come from these rules.

The "affirmative statement" strategy is employing statements that are presented to the customer as fact, with the notion that these claims are self-evident and do not require confirmation of their own reality. This is how the majority of advertising is done. Often, comments made to the buyer from a rational standpoint and apart from advertising appear to be exaggerated. For example, like instant delivery in a matter of minutes, such companies usually deliver goods a little faster than their competitors, but in choosing a delivery, we will still rely on them, and thereby confirm the influence of these slogans on us.

The "selective selection of information" strategy is based on the careful selection and utilization of only those facts that favorably portray the promoted product. You'll notice the same result with this strategy, because by presenting the goods in a positive light and concealing problems, you'll persuade your potential buyer that your product is 100 percent superior than the competition's.

There are two sides to these methods, one is bad and the other is good. It's like a lottery, by advertising a product in this way you risk your reputation and customers. If the client bought the product after your advertisement, and he did not get the desired effect from it, trust in your brand will disappear, and a bad reputation may even appear, as the client may complain about you and tell all his friends about how he was deceived, as a result, your sales will decrease.

The next method is the use of *slogans*. Advertising frequently use a wide range of slogans. This lets the consumer to concentrate on the promoted product's major qualities, name, or appearance, all while remembering a single easy-to-remember word. The strategy has the advantage that when the slogan is used, not only the attributes of the promoted goods, but also its favorable image are recalled. It is critical to establish a clear link between the brand and the slogan when employing slogans. The name of the marketed brand or firm might be included in the slogan to accomplish this. Short, rhyming sentences might be used to improve the effect. Slogans from advertising in our brain often get stuck, and perhaps after watching some kind of advertising when you go to the store, you will make a choice in the direction of this product.

The next method is the *winning side*. It uses authorities or groups of influence. Well-known TV presenters, actors, cultural figures, politicians, etc. can act as such "groups of influence". This leads to a more loyal perception of advertising, on which a positive image of an authoritative person is transferred to a fairly strong extent, and the statements themselves, therefore, are perceived with greater confidence. Such a technique for the advertiser will cost a lot of money, but this advertisement will cause more trust among potential buyers, and the brand will be recognizable. Our brain tends to work in such a way that the faces it once saw are perceived by it faster than new ones. Accordingly, advertising on which a famous person will be depicted will be perceived by the human brain faster, and it will also process information better. The choice that follows from this is that if you want to make your brand recognizable, you need a face.

And the next method is a *picture that the consumer easily remembers*. This method is based on our peripheral vision and autopilot. A person in most of his time relies on these two factors. Even when a tired person goes home after work, he relies on the autopilot and can open the door with peripheral vision. So in advertising, good advertising will act on your autopilot so that among forty sites you

will still go to the one you are already used to, and even in blurry form you will recognize the logo.

For example, Amazon affects our peripheral vision. Even if you completely blur the logo and put it in line with others, you can easily recognize it. The fact is that our visual system is programmed to identify and focus on contrasts, without contrasts we will not be able to distinguish an object from the general background. If we want to direct the consumer's attention to our product, we need to take care of a noticeable contrast. Advertising uses a focus on a specific product, but if the product does not stand out enough, it can be corrected with color correction, or you can take a background on which the product will look brighter and more effective. Don't forget about the details, marketing professors Ryan Elder and Arhan Krishna did a study they had two photos of a cake with a fork, one picture of a fork on the left side and the other on the right. The picture where the fork on the right side caused 20% more buying intent (the study was conducted among right-handed participants)

Why this happened, the fact is that the image of a cake with a fork on the right personifies better the image that consumers (right-handed) usually perceive. For familiar images, less effort is needed to process it, so the autopilot rates them higher, which causes more trust and desire to purchase the product.

The next method is to *use the human face* because it is valuable to the human brain. A picture of a beautiful face activates the pleasure center in the brain. It can also be animals, cartoon characters, emoticons or a brand logo. The brain also perceives such images as a face, even if they are barely similar. Given the potential for enjoyment, we automatically pay attention to the face. Therefore, the use of a face in advertising guarantees the attention of the audience. If you want to draw attention in advertising to your product, then you can use the person who will look at it, using the effect of joint attention. At Amazon, the face of the company is a smiley face on their logo, which subconsciously encourages potential consumers to

make a purchase from them, since digging seems to them more attractive than its closest competitor.

The techniques I wrote surround you every day, and are still used in advertising to this day. All of them work on our subconscious, we are under their influence, without even realizing it. In this chapter, we have analyzed what methods are, what advertising is, and how to create effective advertising for an international company, and what nuances should be taken into account when creating it. [3] [19] [20]

CHAPTER 2. ANALYSIS OF ADVERTISING IN INTERNATIONAL BUSINESS ON THE EXAMPLE OF “AMAZON” CORPORATION

2.1 Analysis of advertising policy in international company Amazon enterprise

To evaluate an organization's advertising policy, researchers must first examine the organization's aims, objectives, and construction system, and then assess how effective the selected method is. The fundamental indication for arranging advertising policy management is performance evaluation. [23]

Amazon makes about half of all internet sales in the United States. They now wish to enter the online advertising sector. Advertisers constantly seek assistance from the corporation, which has a large amount of data on its users. Amazon has a large database and understands what their customers want. Along with e-commerce and cloud computing, advertising is now considered Amazon's third core business. Amazon is catching up to industry titans Google and Facebook in its video or

display advertising sector. Amazon knows where people live, what credit cards they use, how old their children are, who is sick, and so on. And it's now increasing self-service solutions for ad agencies and companies to take advantage of client data. Amazon has opened up a self-service mechanism for advertisers and agencies to conduct their own targeted ads across many sites. This method allows users to select from hundreds of automated audience segments. Some of Amazon's targeting options are based on demographics or shopping habits. Others are determined by the media content viewed. Amazon released a technology last year that tracks how particular adverts displayed on other websites influence product views or purchases on Amazon. Moreover, under the "Garage" area of the site, users exchange personal information with the corporation. This section's data was utilized to assist the auto insurer in serving adverts to particular buyers. Amazon is working on ways for businesses to reach out to their own customers. Advertisers can submit their own client lists, which Amazon will compare to its own database and show advertising to those consumers and others with similar interests. [6]

However, the corporation does not overlook its advertising; before integrating something new into their advertising, they test it and observe consumer reaction without deterring them from making sales. Amazon isn't forgetting about advertising optimization; it's aiming for a target advertising cost of goods sold, or ACoS - Advertising Cost of Sales.

Amazon is well aware of its advertising priorities, which include presenting relevant products with low ratings and reviews, and companies must cut back on wasted advertising and reinvest the savings in order to improve sales. [7]

Amazon's policy is the same both in the company and in advertising, the main thing for them is customer focus. Most often, they use online advertising relying on users' cookies and their data that they leave on the site. Recently, data collection has reached a new level and now the company learns about the desires of its consumers through the "Alexa Assistant", which is built into the Echo smart speakers. Amazon

tracks your interactions with Alexa and shares them with 41 advertising partners. This data is then used to "determine the interests of users" and "provide targeted advertising on the platform as well as beyond". This type of data is in high demand, causing advertisers to bid "up to 30 times the bids". Amazon has confirmed that it uses voice data from interactions with Alexa to inform relevant ads displayed on Amazon or other sites where Amazon advertises. The company also confirmed the presence of targeted ads on its smart speakers. It does not share the personal information of its clients with outside professionals without the consent of the client. The company also allows Alexa users to opt out of ad targeting. [8] Amazon needs to be careful with user data, and share only the information that is needed, respecting the privacy policy.

The Kantar Media agency released a ranking of the world's largest marketers in early February 2019. According to CNBC, Amazon's advertising spends increased by 72.5 percent, the highest rise among the top 10. Despite Jeff Bezos, the company's founder and CEO, having a negative attitude toward advertising, the online retailer is actively engaging in the marketing of its goods and services. Table 2.1 depicts this.

Table 2.1

Top 10 parent company advertisers of 2018 in Amazon

2018 Rank	Parent Company	Ad Spend in Millions		% Change
		2018	2017	
1	Procter & Gamble	\$2,882	\$2,752	4.7%
2	AT&T	\$2,212	\$2,356	-6.1%
3	Berkshire Hathaway	\$2,038	\$1,944	4.8%
4	Comcast	\$1,878	\$1,552	21.0%
5	Amazon.com	\$1,841	\$1,067	72.5%
6	General Motors	\$1,641	\$1,641	0.0%
7	Pfizer	\$1,517	\$1,599	-5.1%
8	Verizon Communications	\$1,228	\$1,126	9.1%
9	L'Oreal	\$1,220	\$1,220	0.0%
10	Deutsche Telekom	\$1,162	\$1,220	-4.8%

Source: [21]

Advertising, according to Bezos, is "the price you pay when your product is ordinary." True, however the CEO afterwards changed his mind.

Amazon was one of the top five advertisers in 2018, with a spend of \$1.8 billion, when it was not even in the top 20 in 2015.

Amazon aired at least two videos during the 2019 Super Bowl, which took place on February 3, 2019. According to CNBC, posting a single 30-second film during this athletic event costs \$5.25 million, or \$175,000 every second. According to Amazon's financial report for 2018, the company's marketing expenses reached a

new high of \$13.8 billion, up 37 percent from the previous year. These costs accounted for 5.9% of Amazon's income, the first time this has happened in 18 years.

In 2018, the marketing budget included \$8.2 billion in "advertising and other costs for product promotion" (for example, a fee for each attracted client), up from \$6.3 billion in 2017. [21]

Amazon spent \$11 billion in a year at the end of 2019, accounting for over 2% of the whole global advertising spend. Fig. 2.2 depicts this.

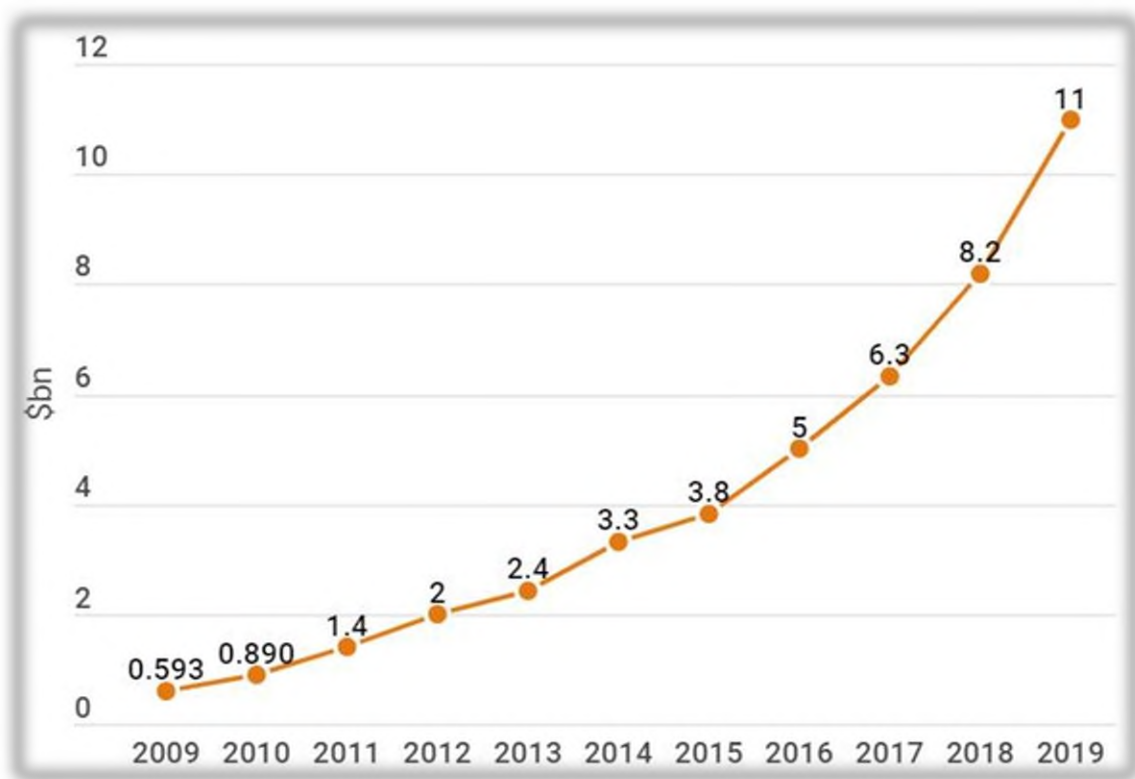


Figure 2.2 Amazon advertising expenses (2009-2019)

Source: [22]

Total marketing spending was \$18.9 billion, according to the company's annual report, including \$11 billion for advertising and around \$7.9 billion for miscellaneous expenses. "Advertising and payroll expenditures, as well as related

expenses for marketing and sales employees, including sales commissions linked with Amazon Web Services," according to the report.

Amazon has become a big media owner in recent years by giving advertising space on its website.

The business also claimed it made \$14.1 billion in income "mainly" from ad sales, while that figure includes revenue from "certain additional service offerings" and is up 39 percent year over year. [22]

According to this facts, the firm is expanding and developing effectively every year, and its marketing and promotion are becoming more successful as their spending increase year after year.

According to the site traffic indicators displayed in Fig 2.3, Amazon's advertising and advertising business is still works not bad; traffic has not changed on the table for 2020-2021, and the firm is ranked sixth. Perhaps this is due to the fact that, owing to the coronavirus, Joseph Bezos resigned as CEO and was replaced by Andy Jassy, who essentially does not invest in advertising for the company and instead pushes the advertising business.[21]

2020	US.	2021
Google.com	1	TikTok.com
Facebook.com	2	Google.com
Microsoft.com	3	Facebook.com
Apple.com	4	Microsoft.com
Netflix.com	5	Apple.com
Amazon.com	6	Amazon.com
TikTok.com	7	Netflix.com
YouTube.com	8	YouTube.com
Instagram.com	9	Twitter.com
Twitter.com	10	WhatsApp.com

Figure 2.3 2021`s internet traffic rankings

Source: [21]

If Andy Jassy had put more effort into the site's development and advertising, Amazon would have risen to one of the top three sites in terms of traffic. We can notice numerous additional corporations in this image that are still investing in their marketing to this day; we frequently see their adverts on various websites, videos, and social media networks because they know precisely where their target audience is.

Amazon is currently hidden in the shadows; the corporation is now concentrating on its own advertising business rather than its own advertising. This advertising firm is a wonderful concept; in addition to advertising their suppliers' goods, they also

advertise themselves. This Amazon branch is quite popular among new Amazon sellers, and it offers six ad serving alternatives. [21]

Promotional products. Help customers find your products by quickly creating ads that show up on relevant shopping results and product pages.

This ad to be a pay-per-click (CPC) ad; it produces advertisements from your product listings and provides automated targeting, allowing you to begin advertising without any prior expertise. Pay-per-click (CPC) advertisements are those in which you only pay when people click on your adverts. You may also decide on your own advertising budget and cost per click.

Additionally, this sort of advertising allows you to track sales and performance metrics, allowing you to directly influence the impact of your advertising on your company. You may raise purchases by 40% and the number of views by 54% with this type of advertising. [26]

This is the most popular type of ad since it can be personalized in a variety of ways and you won't have to pay more for advertising that no one will see.

Sponsored brands. Through innovative ads that show in relevant Amazon shopping results, sponsored brands may help buyers discover more about your brand and goods. Sponsored advertising provides more complex features, such as the ability to personalize your titles, post videos, and pick and alter your picture. Pay-per-click advertising is also used in this form of marketing. Such consumers may also customize the look and feel of their commercials, and when a potential buyer clicks on your ad, he will be sent to the brand's website. When compared to advertisers who just utilized one sponsored brand ad format, marketers who used a combination of sponsored brand custom image formats and store spotlight advertising saw a 57.8% boost in conversion rates. In addition, advertisers that ran video advertisements saw a 108.1 percent boost in click through rate (CTR).[27]

This type of advertising is similar to the previous one, but it provides more alternatives and is not appropriate for everyone, since it will be most beneficial for firms who have their own website.

Sponsor display. In it, you can use Amazon's extensive shopping and contextual signals to help increase brand awareness, attention, purchase, or even loyalty to the relevant audience. Use intuitive, retail-focused controls for your unique campaign needs. Sponsorship display with your ad will shine not only on Amazon, but also on various sites and applications. This will help you focus and reach multiple audiences at once.[28]

This style is suitable for new sellers who do not know how to show themselves and what advertising to choose.

Audio Announcements: These adverts allow you to engage with potential clients while they are not looking at their phones and are minding their own business. You have additional chances with this approach; you may speak about your business to the audience with audio advertising that run 10 to 30 seconds and are played intermittently in between content. You may also use Alex's speaker to voice your adverts in audio books and broadcast them on emerging radio channels. Because just 32% of the US population pays for a streaming subscription, many listeners rely on free music with adverts, and more than a third of US customers own smart speakers, with 85 percent using them to play sound during average weeks, your advertising will be successful.[29]

This style is suitable for those who want to talk about their brand and want to increase its awareness among the population, it does not require pictures and videos, so advertising costs will be less.

Streaming TV and video advertising on the Internet: You may highlight your brand alongside your customers' favorite movies, TV shows, news, and sports. Advertisers may target and interact with unique audiences on premium streaming TV content such as Freevee, Twitch, live sports on Prime Video, major TV

networks, and broadcast apps via streaming TV advertisements. At the same time, incorporating streaming TV advertisements into your marketing plan will result in a +90% improvement in purchase speed.[30]

You may promote a range of adverts, display your goods from advantageous perspectives, and explain about it using this sort of advertising. It is excellent for many categories and ages of consumers.

Individual advertising solutions: Amazon produces end-to-end creative campaigns that leverage Amazon purchase data to determine the best method to get your message out to your audience at the right time and in the right way in these advertisements. Similarly, if a corporation identifies a way for a brand to improve the customer experience that is not already available in its advertising goods, it will collaborate with technologists and designers to develop it. Amazon also runs efforts to encourage people become more aware of the brand and connect with it. Its team integrates Amazon retail data with information supplied by the advertiser in the creative brief to come up with thoughts and implementations that benefit both your brand and your customers. [31]

Branded Amazon boxes with an image or design of your company might be used for such promotion.

This approach is appropriate for bigger worldwide businesses since it is no longer merely marketing; for these advertisements, they come up with significant ideas that undergo production adjustments.

Judging by the variety of advertising plans, we can say that Amazon is now fully developing its business built on advertising, thereby advertising itself too. The business focuses on its clients and assists them in developing their own brands. According to the analyses offered in each type of advertising, we can conclude that advertising is quite powerful, and that even if you are unfamiliar with how advertising works or how to register on the site, you will be able to advertise your goods. Amazon offers webinars in which you may address any of your concerns.

The client is always first for Amazon; therefore, they do all they can to make it as easy as possible for you to take advantage of their offerings.

2.2 Strengths and weaknesses of Amazon's advertising business policy

Every business has its strengths and weaknesses, and sometimes the impact of weaknesses significantly reduces the level of the company. Amazon is a multifunctional company, but in my work, I deal exclusively with advertising and its advertising business. After analyzing the company, we saw that Amazon had both jumps and downturns in its popularity, this tells us about the internal problems of the company, which are not unimportant in any business. It also affects the effectiveness of its advertising, which equals popularity. But in any case, this is normal for international business, since it is difficult to manage such a large-scale enterprise, and it is impossible to keep track of everything.

Problems have not bypassed the Amazon advertising business; it has its own peculiarity for sellers who buy ads, they say that it's not worth turning off the RK in principle, otherwise the ad will fail and in order to continue to advertise the product, you will need to spend much more money than without stopping. What tells us about the shortcomings of the advertising service, this moment threatens the company with a massive rejection of advertising, because sellers, setting their price for advertising, calculate the approximate cost before that, and when the price changes due to unforeseen circumstances, brands may simply not have enough money for it or they will earn less than spend, respectively, they will go into the red. Because Amazon advertises itself as a customer-centric firm, it needs to address this issue.

There is also a feature of the Amazon advertising account - advertising reports are limited to three months, so for comparison, it is worth downloading all available reports every week or month. In addition, depending on the product, advertising can

pay off in a month, but more often it takes about 2-3 months. But the only way to track your sales growth trend is by downloading a report every month and comparing everything manually, Amazon has not taken care of brands in this regard, although statistics for them is an important part of their work. If the site could view its statistics for the year, it would be better, as brands would be able to track the level of sales, and determine which stage was the best and sales grew. If the product is good and gets frequent purchases, then it gets more reviews and more credibility from Amazon - and as a result, clicks become cheaper and there are more of them. This is a plus, but it is not finalized, it does not take into account the problem that I described above, that if you turn off the computer, the clicks go back up in price.

The advertising that sellers buy plays a big role, because the more people see his product in the search results, the more they buy it, and the more reviews they leave, and the number of reviews in the Amazon rating plays a big role, they greatly increase the degree of trust and therefore such goods sell better. [11]

The credibility of Amazon in your business grows with every ad you buy from them, and by showing your ad you can raise the level and recognition of your company, plus you can see reviews about your product from your target audience, and mistakes are easy to fix. As we learned after the Company Analysis, the products of other sellers who ordered ads from Amazon are shown not only on the company's website, but also on various other sites, with the consumer first seeing the Amazon icon, and then the product.

Amazon is also redesigning the ads for phones and laptops as shown in Fig 2.4

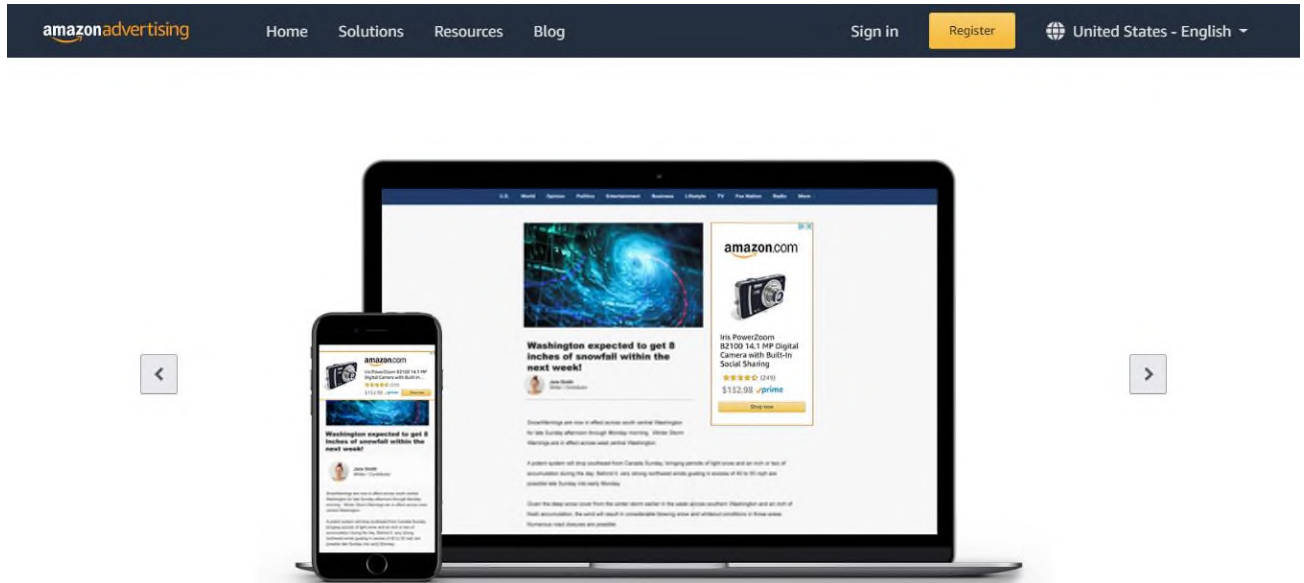


Figure 2.4 Advertising model for laptop and mobile phone

Source: [24]

Here we see that the advertisement for the phone is shown at the top of the screen, this is done in order not to cover the rest of the goods for you, since the phone has a small diagonal, on other sites you can accidentally touch the advertisement that you do not want to see and which you not interested.

For a laptop, advertising occupies the sidebar of the screen, which is also quite convenient, such advertising does not immediately catch your eye and looks completely appropriate on the site, and does not take up much space.

This picture shows an Amazon ad on another site, so Amazon has made it easy for you to read the information without straining your eyes with bright and catchy signs, as you can do in different online stores.

Amazon did not stop at upgrading the site only for a laptop and a phone, he considered it necessary to make a separate design for advertising for personal computers, where the screen size would be larger. This is shown in figure 2.5

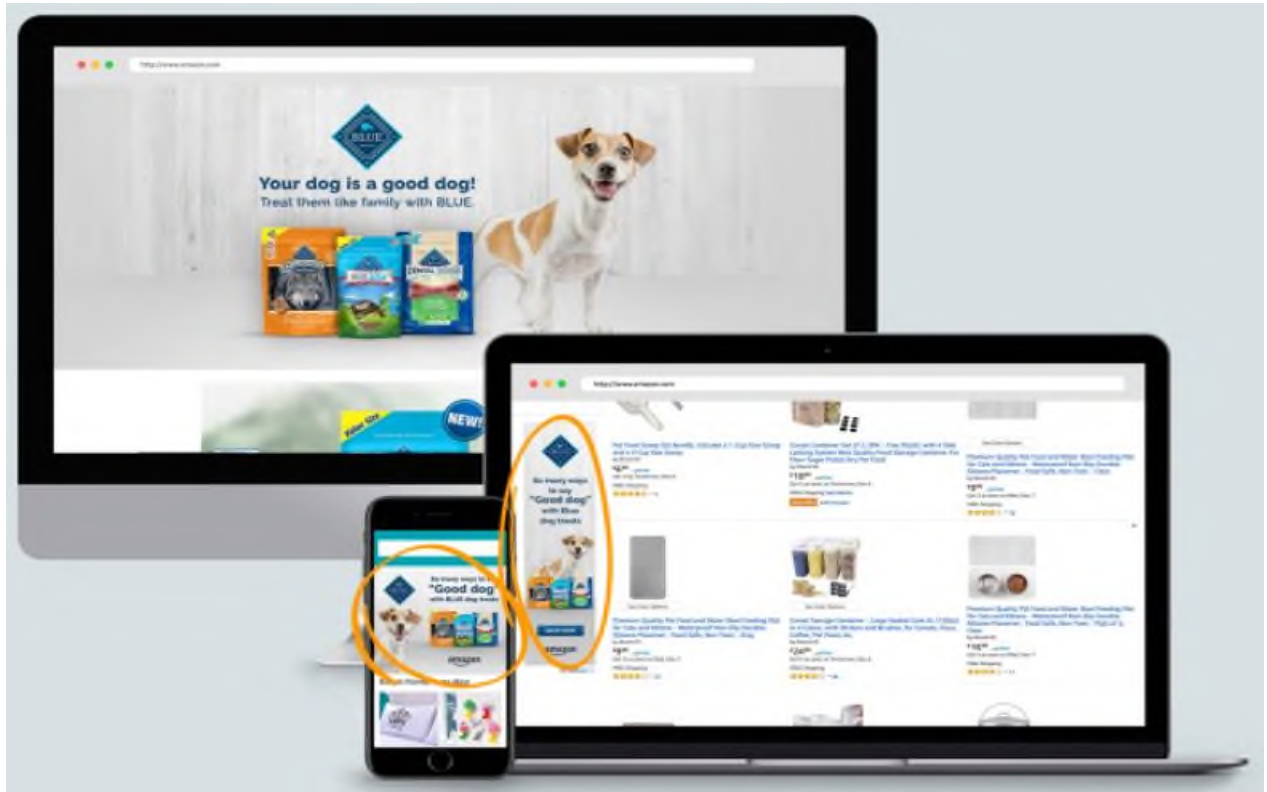


Figure 2.5 Desktop advertising model

Source: [25]

In this figure, we see that the advertisement has become larger and is located at the top of the site, for a PC this arrangement is very well suited, since you most often sit at a computer at a distance, and you can see such an advertisement well and at the same time it will not interfere. Whereas we keep phones and laptops close to us, and such ads would take up your entire view, which would make it difficult to use the site. It is important to make such modifications on any site so that the user can use it comfortably on any device, and not download many applications. It will also help win over users, as they will feel that their desires are taken into account when developing advertising.

The next thing to mention is that at the moment Amazon is not engaged in its own advertising, because of which it may lose its fame and recognition. This

suggests a 7% decline in 2021, due to the slow but steady reopening of the offline world and commerce. In 2020, a traffic surge of more than 80% will cause increased sensitivity and dynamics in e-commerce in general. More and more companies went online as in many cases it was their only way to apply products during their search. [32] This is shown in Fig 2.6

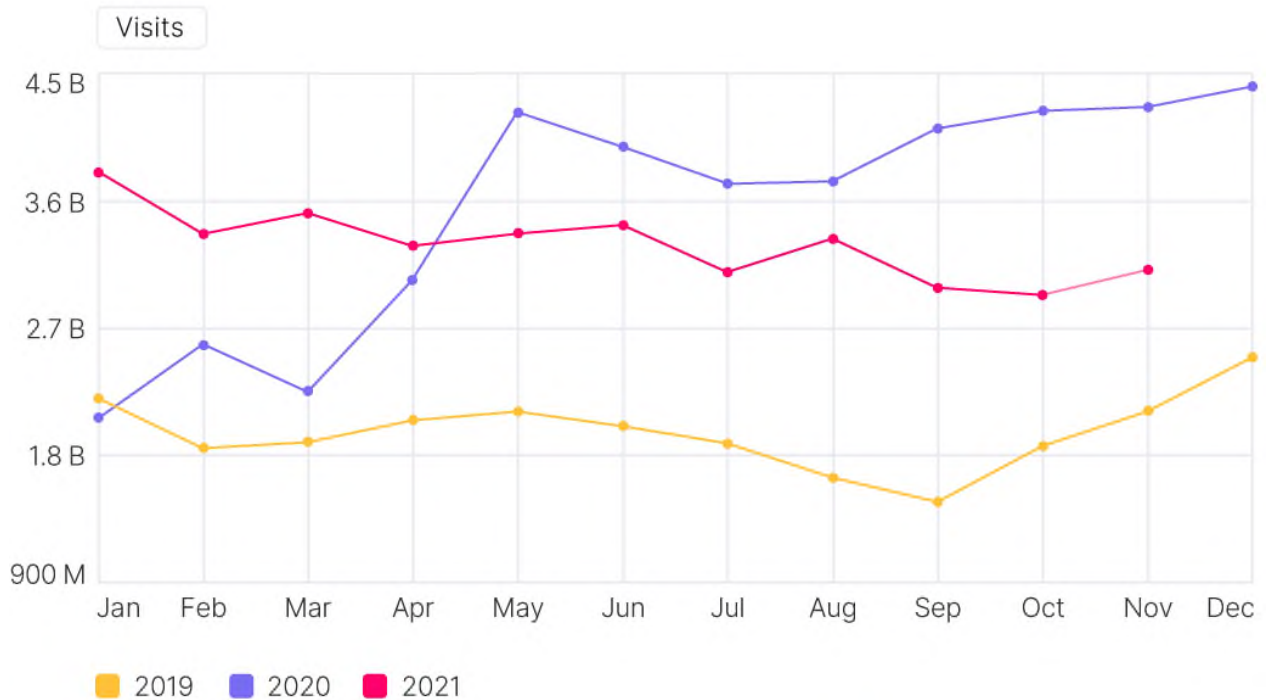


Figure 2.6 Amazon Traffic Trends 2019-2021

Source: [32]

In this graph, we see that there was a sharp jump in May 2020, when restrictions related to Covid-19 began to operate, and then gradually the traffic began to drop the following year, for Amazon, the traffic that they had in 2021 is normal, but there is a risk that at such a pace and leaps, it will go down, as every year more and more competitors appear in the e-commerce market.

The usage of Amazon Advertisement system has reached its top point of 27000+ sellers that use Amazon’s Advertisement system and is slowly declining, this is shown on the Fig 2.7

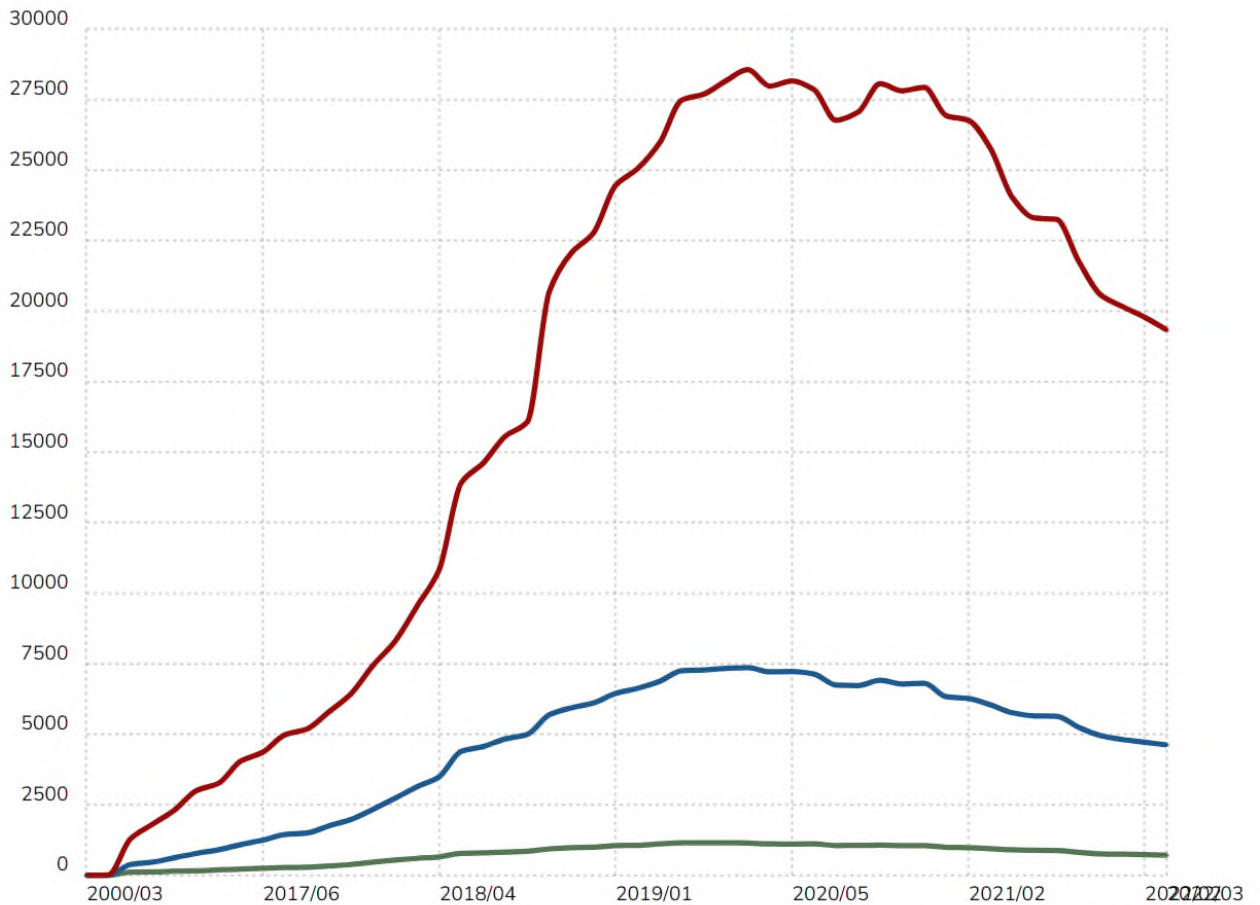


Figure 2.7 Amazon Ad System Usage

Source: [40]

In order to prevent recessions, the company must remind itself, not only through advertising of brands of other sellers, but also through their own advertising, but for this they must show why they should be chosen as an online store. In our world, a trend such as Update Loggy is now very popular, many companies create it in order for people to see that work on bugs is seen every day, and the company sees and listens to all the suggestions of its consumers, this helps companies to be closer to their customers and increase their confidence. Because the client will understand that the developer will share his work with him and inform him of every new step, thus communicating with the consumer and listening to him

even at the early stages. If Amazon introduces such information into its profile, and also creates a community that will help them in development, the company will be able to tell about it in its advertising, which will first excite potential customers, and then interest them, since this format is completely new and the client wants to take part in it.[32]

In 2020, Amazon's cost-per-click (CPC) dropped significantly as many merchants reduced their ad expenditure to save operational expenses owing to pandemic fears. Merchants, on the other hand, have begun to gradually boost their ad expenditure in 2021. The cost per clicks skyrocketed as a result of this. In comparison to 2020, the company's average CPC increased by 26% in 2021. And Advertisement spending has grown by 34% of retailers. [32] Fig 2.8 depicts this.

AVERAGE CPC FOR AMAZON ADVERTISING

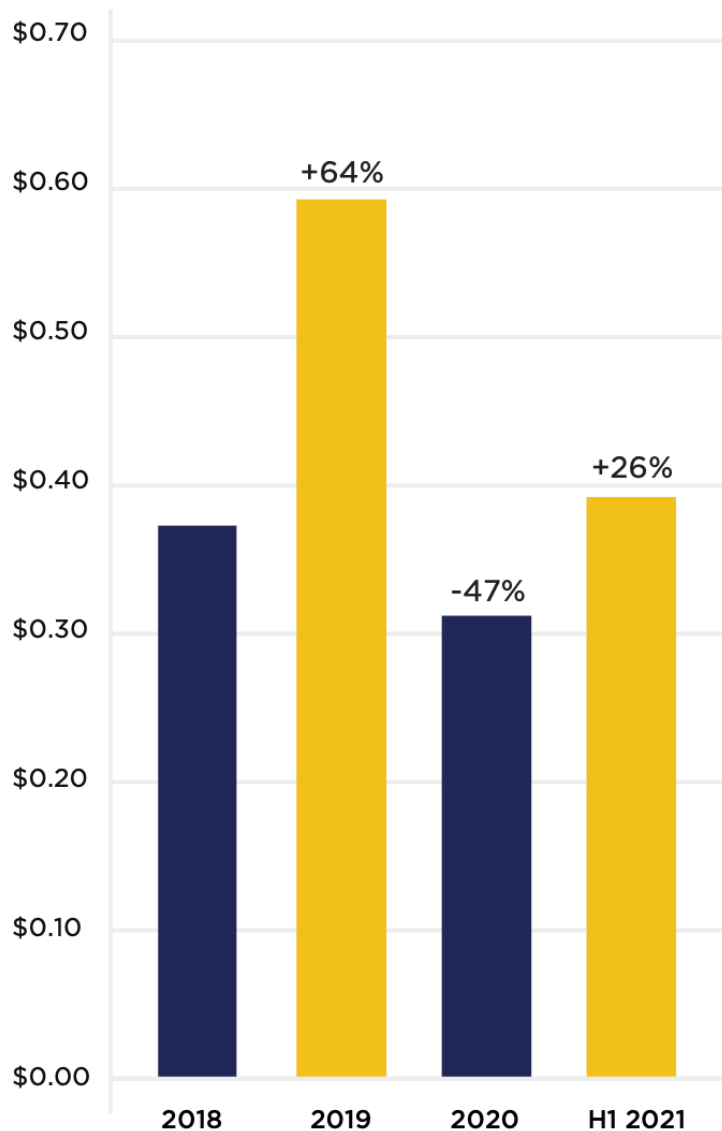


Figure 2.8 Average CPC for Amazon Advertising

Source: [32]

On the chart, we can see that the average cost per clicks in 2019 was +64%, which is about \$0.60, after which in 2020 the price decreased by -47% relative to the average cost, which is a little more than \$0.30, and in the first quarter of 2021, the price started again evened out and increased by +26%, which is almost \$0.40.

Such trends are due to people's fears during the corona virus, as everyone switched to remote work, and it was not profitable to spend a lot of money, since offline stores were closed. Since Amazon allows consumers to pick how much they want to pay on advertisements, many people have been bidding as little as possible in order to make the most money.

2.3 Evaluating the effectiveness of advertising policy at the Amazon enterprise

Amazon's advertising tools work with this audience by picking up items at the same frequency as the buyer makes a purchase. use a huge amount of consumer data, analysts predict that Amazon uses in the digital advertising field. Thanks to this, Amazon can create ads that are effective enough for you to promote your brand, showing a product that your customers may be interested in at the moment.

Today, Amazon is emerging as the third largest digital advertising platform in the US, and is increasingly in the fight against digital advertising on Google and Facebook. Earlier in 2019, eMarketer said it expects Amazon to generate revenue from 8.8% of all digital advertising spend from US businesses in 2019, up from 6.8% in 2018, while Google expects the share to decline. from 38.2% to 37.2%.

Amazon's net sales in its "other revenue" category, which consists primarily of advertising sales, totaled \$2.72 billion in the first quarter. The success of the Prime Day sale also confirms the effectiveness of the company's advertising tools. During Prime Day, the company sold over 175 million items. According to preliminary estimates, Amazon earned about \$7.16 billion, beating the forecast of \$6 billion. This figure represents an increase of 71% compared to the amount of \$4.19 billion received by during Amazon's 48-hour Premiere Day in 2018. What does it say about the effectiveness of advertising in 2019, since all sellers have Prime Amazon, as well as more than half of potential buyers. This is confirmed by the information that

about the increase in new registered Prime members in the United States for the entire history of July 15, 2019. [33]

And Amazon's recent acquisition of major US advertising company Sizmek confirms the company's ambition to compete in the digital advertising market, with its products helping to personalize ads using data.

At the moment, the Amazon campaign is focusing on its advertising business using these tools.

Amazon's 2022 ad revenue figures show the business' performance, hitting \$7.9 billion last quarter, an 83% year-on-year increase from \$3 billion just two years ago. Thus, Amazon's share of the global advertising market from 3.8% in 2019 increased to 5.2% in 2020, and in 2023 this figure could reach 7.1%. Amazon is expected to generate \$26 billion in advertising revenue in 2022, and that figure is projected to increase to \$85 billion by 2026. At this level, Amazon's advertising business will account for a very significant 9% of the company's total revenue, and the company's total revenue will be 944 billion dollars.

Amazon offers advertisers on its site "paid" places - the most profitable banners for advertising in terms of location. At the same time, the advertiser who offered the highest price for placing his advertisement receives the best places. Accordingly, its advertising will be more effective, since its location will be the most attractive.

Advertisers pay "per click" - only when their ad is clicked on. As a result of this advertising mechanism, a user who visits Amazon's website and searches for a specific brand of product, such as an "ISA keyboard", may be the first to see non-ISA products.

Advertisers can also buy ads for general queries, showing consumers their brand choice first. One of the advantages of these types of advertisements is that they are not like traditional advertisements. This ad does not interfere with wandering around the site in search of the goods you need, at some points it will

even be interesting for you to click on it and find out more about another product, it is located at the edges of the site, as shown in Figure 2.9, such advertising will be effective for beginners, since such an arrangement for new goods will be successful.

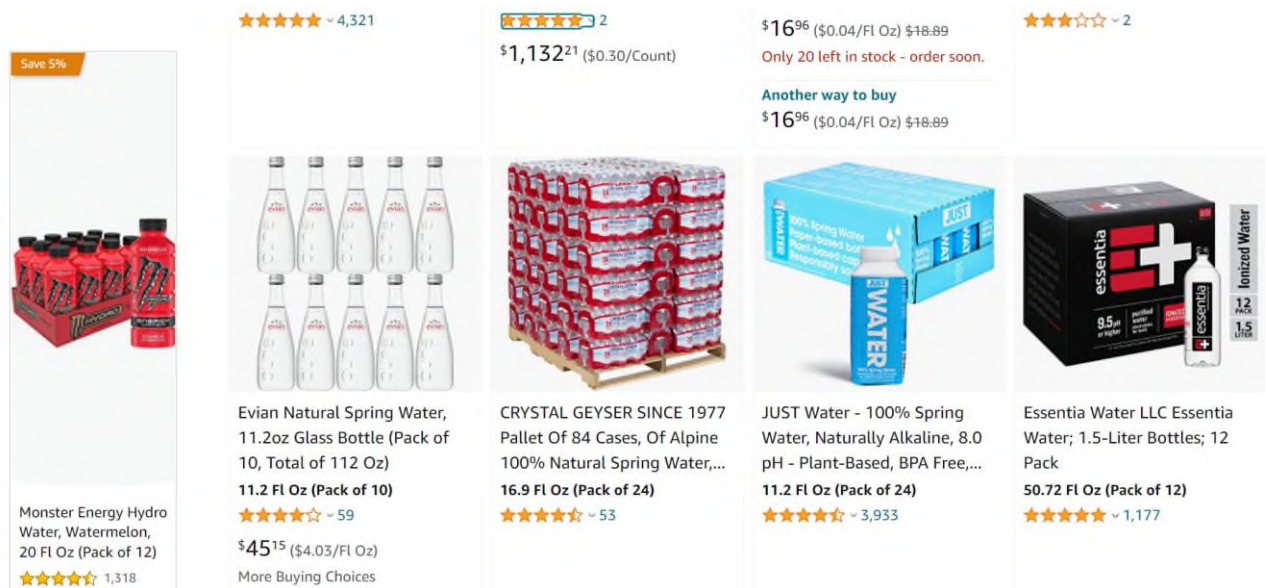


Figure 2.9 How does the ad look on the side of the screen on the site

Source: [41]

As we can see in the figure, the advertisement of the product is displayed from the side in a thin gray frame, where the amount that you can save is written on the edge. Going to this product you will see its description, characteristics, etc. After that, when you want to know the price of the product, you are transferred to the brand's website, where the price of the product is even less than the estimated cost. This option is effective, since the advertisement itself does not display ordinary products from the brand, which cannot leave you indifferent.

Advertising that positions itself under the name Prime is placed differently, and can meet you throughout the entire time. It is shown in figure 2.10. This ad will be effective for more expensive products, as it constantly flashes before your eyes, and if it hooks you, but at the moment you cannot afford it, you will have two options,

you can add it to your wish list, and another option is just to go to the site after a while, and it will not change until the seller cancels the ad.

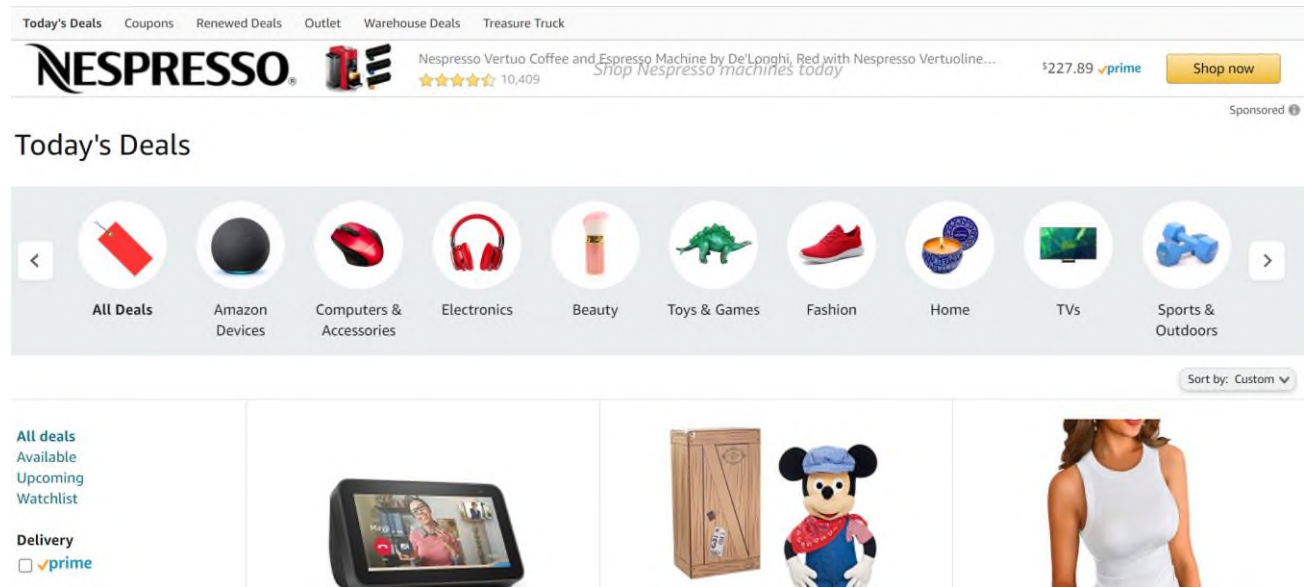


Figure 2.10 Prime Advertising

Source: [41]

As we can see in this picture, this ad is located at the top of the screen that they go to when they want to find something specific, and every time they search, they will come across this ad. The effectiveness of this ad will be less because it contains high-value products that cannot be bought immediately, because of this, most people will simply ignore it. But if some bright product was placed there, at a low price, people would pay attention to it. [9]

Amazon's advertising business is now generating \$31 billion for the company. The retailer posted revenue of \$31.2 billion in 2021, with sales up 32% in the fourth quarter, according to the retailer's fourth-quarter earnings report. Amazon's advertising business is larger than several other online advertising companies, including cloud computing rival Microsoft. Ads bring in twice as much revenue to Amazon as physical stores, and it's more significant than the company's subscription services, which include a Prime membership. But Amazon does not disclose

operating income for its advertising services segment. While the division's growth rate was 33% excluding foreign exchange rates in the fourth quarter, it was much higher at 88% in the second quarter. The second quarter included the Amazon Prime Day event, which offers consumers many discounts and comes with a lot of advertising. [10]

Amazon Over the Top Ads users have many options to get their ads to the right audience. Amazon tries to do everything for its customers and their service and even save on advertising if buyers do not use it.

Page per visit for ads offered on Amazon declined by 12.5 percent between 2020 and 2021, resulting in an effectiveness slump.

This might be due to a number of factors: offline shopping is resuming as many places reopen following the outbreak. There's a good chance that customers will discover a viable alternative to Amazon among the plethora of new e-commerce sites that were opened in 2020. On a brighter side, the average visit time has grown by more than 5% over the previous year. This show in Fig 2.11

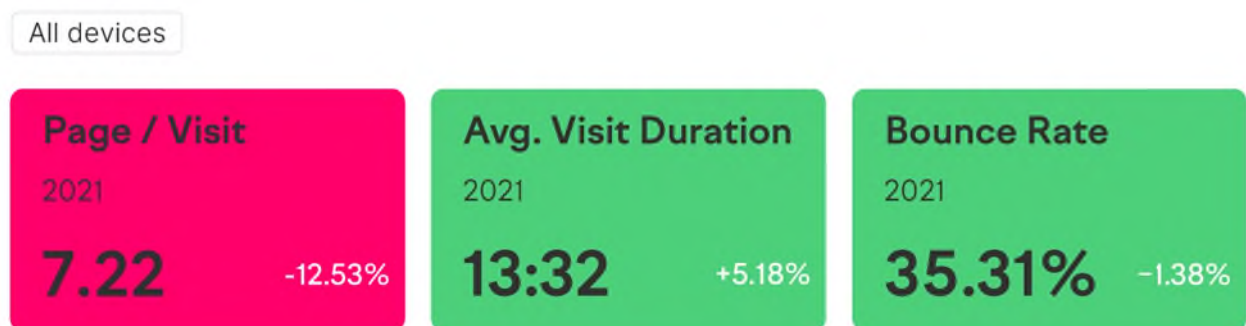


Figure 2.11 Amazon User Engagement Metrics in 2021

Source: [32]

This graph shows us that the number of pages visited on the site has become 7 per session, and the duration of these sessions has become an average of 13:32. Bonus rate on Amazon decreased by 1.38%. This means that people visiting the site

began to search for specific products more often, not paying attention to the ads offered by Amazon. [32]

After looking at all the data on the effectiveness of Amazon's advertising policy, we can conclude that at the moment the effectiveness of advertising is starting to grow back compared to previous years, but still, this is not enough, Amazon has to work on improving its advertising effectiveness. In the pictures, we could see what ads look like in different styles that use only product photos. But in my opinion, such advertising also lacks innovation.

On the Internet, there are a plethora of various markets; there are excellent and poor ones, but no perfect ones. Even the most successful organizations in the selling of their services fail to keep watch of some aspects, which may become the primary cause for their clients' rejection in the future. Amazon's advertising business also has certain flaws, which we'll go through in the following chapter. Amazon's advertising business is now increasing and improving year after year. Based on my data, we can conclude that the site's sales and popularity are closely related to the advertising and numerous services provided on the site.

CHAPTER 3. WAYS OF IMPROVEMENT OF ADVERTISEMENT POLICY OF "AMAZON" CORPORATION

3.1 Ways to fix the Weaknesses of Amazon Advertising

There are many shortcomings in online advertising, and there are at least two exceptions for each type of advertising. Nowadays, the global problem in advertising is its style and intrusiveness, on almost every site you can find annoying ads that can be installed on the website. Sometimes, even when visiting a site, we may not see what it is, since 80% of the entire page is blocked by ads, which can lead to a search. Probably, everyone has had such that when watching a movie, an ad with sound turns on in the background, and you get lost, not understanding where the sound is going, and how the ad itself showed itself to be turned on. So many ads on free bases that people who highlight sites pay a lot of money for its domain, which allows you to make the site effective, each ad view helps to find the site. If a consumer doesn't want to see ads and run them every time they visit a site, they just need to buy a monthly plan that takes all the ads. The problem with advertising on most sites is its intrusiveness. Obsession kills the desire to even look at the product that is advertised there, the only thing you want to do is just close it. This results in a new problem of advertising - this is not the right presentation, advertising should offer you something, and not be imposed, for this it is worth making a minimalist modern design that will be pleasant to look at, but at the same time it will not distract you from watching the movie, information, product search, etc. And after you finish your business, leaving the site, you can pay attention to it, and perhaps it

will even interest you. Amazon is a great example of such advertising, it is minimalist, does not impose its patients and does not interfere with meetings of sites, as it is located on the screen scale, as in Fig 2.8, and also has an extension for each device separately, as was shown in the Fig. 2.5. Therefore, the effectiveness of such advertising increased, but began to decline after it became available for offline stores in 2020, but at the moment the effectiveness of advertising is growing, this is due to the fact that at the end of 2021, Amazon created new types of advertising, expanding thus the circle of its circles. customer discovery, which is very important for advertising on your own brand. As I said earlier in a global society, every detail and the smallest mistakes are often chosen, as such companies first of all repeat global restrictions and turn a blind eye to details. But in the future, they can be the main reason for the refusal of their customers. The most important such events in the Amazon company begin with the registration of new sellers, who will subsequently order advertising of their brands from the company.

New users must first register and post their goods before they may advertise on Amazon. However, there are a few intricacies to this, which we'll go into now.

A large investment may be the first thing a new user encounter. A large investment may be the first thing a new user encounter. To produce a new product under your own brand, you need to invest about \$20,000. At the same time, there were instances in which \$10,000 was sufficient. It is important to remember that the majority of the dollars are spent on promotion rather than buying.

You'll also need to buy advertisements to help your product develop and spread quicker, as well as an Amazon Prime membership, after which you'll get feedback on your product and be able to correct it, and your ads will appear on the front page next to the search engine items.

In order to fix the problem for Amazon, make a more loyal subscription and make some bonuses for newbies, or offer a more budgetary option for subscribing to advertising, for example, if you are a new seller and immediately buy advertising,

you will receive a 10% discount on it. Since a person cannot be sure that his product will be sold and the money will be returned to negative times from sales. Losing money for a young business is a big problem that can lead to more serious consequences, such as loans.

High competition is the second issue that a new vendor may encounter.

The site Amazon is extremely popular with buyers, and the number of vendors is steadily increasing. Their number has already risen to 9.7 million, with 1.9 million of them working full-time. New user will need to put in a lot of work to break out on the top page and get yourself known, since competition is increasing every day. Because there are so many sellers currently, some newcomers may create phony reviews and write misleading product descriptions in order to seem better among rivals, either because they can't get into the ranks otherwise or because they want to save money. Such tactics have the potential to harm Amazon's brand and undermine its trustworthiness. To avoid this, Amazon may state in its advertising and standards that all vendors and reviews are thoroughly scrutinized. People who wish to buy advertising and disseminate their goods will be wary of spreading misleading information if they encounter such a warning. People with a proclivity for deception will be wary of infractions on the subconscious level, knowing that they can be tested. However, in order to prevent such persons from being dishonest, stringent measures of breaching the regulations, such as "shadow ban" must be implemented.

A shadow ban is when ads are shown less and the product does not appear in offers for purchase.

The third issue is registration difficulty. To begin working with Amazon, you must first learn how to finish the registration process. Every year, Amazon tightens the regulations and procedures for new vendors registering on its platform. The majority of registration issues are caused by erroneous bank statements, and the majority of registrations fail. The issue is that Amazon uses bank statements from the United States and Europe as a model, although the Amazon brand is well-known

in practically every country. Additionally, while enrolling, Amazon demands a phone number and email address that have never been used on the site before. This complicates things for new vendors because not everyone has authentic paperwork in a foreign language or various phone numbers. Amazon may lose some advertising revenue as a result of this, but it is not a significant loss. In order to extend their firm and complement it with new items, they need examine and create separate document verification forms for other nations, such as Ukraine. Otherwise, sellers who can afford to work with Amazon simply will not be registered.

Permanent bans are the fourth issue that newcomers face.

Permanent bans are the fourth issue that newcomers face. This is owing to the fact that Amazon has the ability to ban you and demand papers at any time. When Amazon goes overboard, it might take a long time to recover access, even if you have all of the appropriate paperwork. There are also mass bans many times a year, which are often unjustified. As a result, you must be prepared for the possibility that you will need to contact the support service on a regular basis, but no one can reimburse you for the money you have lost. Most of the time, such restrictions are imposed as a result of new security measures, since some merchants falsify paperwork, offer low-quality items, infringe rights, and so on. To overcome this problem, Amazon must first give a user agreement for its consumers, and it's best to make it a pop-up flag rather than blocking everyone and requiring paperwork when the rules change. And people who are suspected of being put in a shadowban, and when the company confirms their guesses about the seller, they will simply limit his account and send a letter explaining why they did it. Thus, they will give sellers the confidence that they cannot be removed from the marketplace for no reason, and this will increase the flow of sellers and, accordingly, orders for advertising, because almost every seller understands that without advertising in a new place it will be difficult to lure customers to buy them products.

The fifth thing a seller may encounter when working with advertising and promoting their product on Amazon is the language barrier. Not understanding the language can be a major issue at initially, especially if the seller wants to speak with the customer service team. Basic English knowledge will be enough in most cases, but an Indian accent, for example, might be difficult to detect for someone who does not live in an English-speaking nation. Amazon must realize that support must come from people who speak clearly and can be understood in every country. Because some people are unable to solve the challenge due to their accent, there are a number of solutions available. The first option is to find someone who speaks clearly, legibly, and slowly enough to be understood. The second is to wait until the person asks a question and answer him in writing by mail if something was not clear to him. [12]

These recommendations can increase loyalty and show that the company cares about its customers. Amazon doesn't do advertising on its own, but it provides it to others, and through those people it remains popular and in demand. Therefore, she must take care of them and provide them with comfortable working conditions. If such difficulties continue, the company may be left with nothing.

Such initial problems can turn off new sellers who want to work with Amazon and buy ads from them to promote their brands. These minor concerns impede the flow of advertising acquisition frequency, and some brands operating in such an environment may shift their business to their nearest competitors, lowering the company's competitiveness.

Amazon also has issues at the following level, when a new seller must pick an advertisement through which to promote his goods after registering. On Amazon, there are six different sorts of adverts, some of which are brand new, but each has its own set of advantages and disadvantages. In any case, each advertising may be enhanced in some way to make it more practical, convenient, or appealing to the eye.

Contextual advertising will be the first type in which we will look at the flaws. Promotional Products, Sponsored Ads, and Sponsored Screen are the three forms of PPC ads available on Amazon.

This sort of advertising employs advertisements that appear in various areas of the Amazon website as well as on other websites. These three types of advertising combine quick results, customization accuracy, and payment transparency; such advertising primarily attracts brands in need of a good start, but there are minor issues with cost, competition, constant correction, and duration in these seemingly innocuous advertising styles effect.

The competition is the next issue with this type of advertising. Because such advertising is cost-effective for many people, and because the seller may choose the cost per click, competition for this type of advertising is increasing. Because when looking for a given product on the Amazon website, one advertisement may appear, and because there are so many sellers, adverts are presented according to the seller's rating, which generates competition.

The ongoing adjustment of advertising is the next point worth highlighting. When purchasing such an advertisement, the seller must constantly monitor his statistics and adjust the advertising settings for it, because if you are a new seller and don't know what keywords to write to you in order for your advertisement to be effective, you will need to adjust and select keywords on a regular basis to ensure that your advertising money is well spent.

Another issue with such advertising is that it only has a short-term effect, lasting just as long as the vendor puts money in it. [34]

In order for Amazon to increase contextual advertising, it can offer assistance to newcomers to the Amazon advertising company, such as keyword selection, making it simpler for the seller to become acquainted with the market.

Media advertising is the second type of advertising. This type of advertising also includes sponsored screens, Internet video advertising, and individual

advertising solutions, all of which are linked through the use of banners, teasers, videos, animations, interactive blocks, branding, and other elements. These forms of advertisements are more suited to individuals who do not require immediate brand awareness or promotion. This style also has a variety of issues that have a negative impact on the brand. [35]

The first issue is that this type of marketing has a long-term impact on brand awareness efforts. Because brand recognition in brick-and-mortar stores comes from the corporate emblem, which is frequently featured at the end of video advertising, which potential customers may not necessarily watch to the finish. This may be seen in table 3.1, which displays information on the percentage of video advertising that have been seen.

Table 3.1

Statistics of ads viewed to the end

View percentage	View Percentage Explained
100%	100% of ten users continued browsing after 5 seconds of video.
100%	100% of ten users continued browsing after 10 seconds.
50%	50% of ten users continued browsing after 15 seconds.
20%	20% (2 out of 10) of users watched the ad to the end.

Source: [35]

This table shows that video ads are not effective if they are longer than 10 seconds, because viewers will simply turn off the video and continue watching what

they are interested in, since only 20% of people watch the ad to the end, causing the brand to lose money.

Obsession is the next issue with such advertising tactics. Users are frequently unwilling to accept further advertising when visiting the site, believing it to be improper and invasive. Especially when there are a lot of adverts and the consumer can't ignore them even if they aren't relevant.

The next issue is "Banner Blindness" and program blocking. This issue is related to the prior one. People tend to ignore display adverts and typically use tools and plugins like Adblock. People are wary of advertisements, and before installing the extension, they couldn't skip advertising that weren't relevant to them.

To enhance this type of advertising, Amazon would have to set video length restrictions depending on watching efficiency, because video of this duration aren't bothersome and are easily accepted by potential purchasers.

Ads from Amazon may also be found on the radio, audiobooks, and music. This is a new ad type that allows retailers to play advertising even while the user is not looking at their devices. When compared to other forms, the youthful format has a few drawbacks.

The first issue with this type of promotion is that potential customers will be unable to perceive your brand, i.e., they will be unable to recognize it on shop shelves. However, if your brand awareness is strong enough, such advertising will only be beneficial because it reaches a broader audience than other forms of advertising.

The second issue with this style is that it is common to see this type of advertising on the Alex column that people in the United States have at home. That example, advertising aimed at an American audience is appropriate for this medium.

To address errors in this type of advertising, it may be expanded and played on a variety of streaming platforms in addition to Amazon's services.

Following an examination of the Amazon company, we can see that the company's advertising policy has increased by 83 percent. This is due to Amazon's release of new ad types, which most sellers elect to try for themselves. Additionally, in order to maintain or increase this figure, the company should upgrade its advertising design to one that is more modern and distinctive, so that it can once again bring attention to its website and offers.

3.2. Organization of the process of implementation of Improvements for Advertising Policy in “Amazon”

The implementation of improvements in any company is a whole process where every stage of preparation is important for effective work.

Before implementing improvements in the company, you need to: plan the work, select the business process that the company is going to improve, decide on the tasks and scope of the changes, and then assemble a team of employees with whom you will work on improvements in the future. Analyze and carefully study the business process that needs to be improved. Determine all the pros and cons of the area over which you have to work. It is also necessary to take into account in the analysis, the desires of consumers and their criticism. Decide what improvements need to be made. This can make it difficult for teamwork. Therefore, it will be possible to decide this by voting or by various other methods in order to come to a common decision. Ensure that the personnel, equipment and other resources needed to implement the intended changes are available. For example, it can be the Internet or a graphics tablet for drawing new advertisements. Make the necessary changes. Before that, you can still test your improvements by introducing them gradually, and then it will be possible to see how consumers will react to them. Regularly evaluate

the effectiveness of the selected process and make additional changes as necessary. To make your learnings easier and more convenient to use, you will have to constantly correct your mistakes.

If all these steps are completed in the correct order, the chance of success will be higher. But Amazon may not be able to do this because they have big internal problems with the staff. Amazon has a very rigid corporate culture. Employees are forced to work in a highly competitive environment, managers behave tactlessly with their subordinates, and negativity prevails in communication with top management. People complain that they are not encouraged for their achievements and humiliated for their failures, and that they are not provided with benefits. At the same time, there is an acute imbalance between work and personal life.

In order to implement improvements in this company, they need to establish contact with employees and change the corporate culture. Because people who work day and night under strict management cannot physically think creatively and analyze normally. Then follow the steps to implement improvements.

For advertising policy, Amazon will have to implement the following improvements: Customers should be notified of new restrictions, and user accounts should not be blocked for no reason. Controlling your vendors and checking the product and description for a fake is preferable. Allow new merchants to move up at a discounted rate, or create a newbie loyalty program. Improve contextual advertising and provide assistance to newcomers in the field of advertising with keyword selection. Limit the length of videos in video advertising. Expand and play audio advertising on Amazon services as well as other streaming platforms. Change the look of your ad to something more modern and unique.

New rules. After the introduction of new rules, Amazon likes to ban all sellers who then lose significant amounts. The company should analyze this situation and make a plan to correct it. Since at the expense of these sellers Amazon advertises both for them and for itself, the company must make sure that they do not leave and

provide them with a normal and comfortable place to earn money. If the company has doubts about several sellers, it can temporarily hide their ads and write them an email saying that "Their ads are hidden and products are not shown because they doubt the veracity of the information. In order to return to the site, they need to provide full information and product statements. So there will be more trust in Amazon from sellers and people will be more loyal to the company, because they will consider it reliable. After that, Amazon can increase its advertising business. Since people who want to order advertising in the company and sell their goods will be sure that they will not be banned for honest business.

Quality control. Almost every day, Amazon is confronted with counterfeit products or fake reviews. In order to prevent this, the company must create a group of people who will check and register new goods, while checking the documents for the goods and sales receipts. This is very important for maintaining reputation, because when a potential buyer encounters fake products, most likely he will not buy anything else on this marketplace. Advertising fake products is strictly prohibited by law. You should never take a fake product, it is of much lower quality than the original, and it is not known where and how it is assembled, which can lead to serious problems for the health of the consumer and long legal proceedings. If the fake product is clothing, it will be made of poor materials that can cause allergies on your skin or not let air through to the body. But you will learn about this after purchasing the product, since the composition of the product will be indicated as on the original.

Separate space products, medicines and equipment are very dangerous for the consumer. If such products are admitted to the Amazon marketplace, Amazon may lose its advertising business forever, because by advertising them, the company will support the distribution of low-quality products, which in some cases can lead to death. In order to prevent this, the company must create a headquarters of workers to study the site, after which Amazon will have to close its website for some time in

order to remove such sellers and their fake products from there in order to ensure the safety of their customers. Fake comments are another way of deceiving potential buyers. People are accustomed to trusting reviews, and not disassembling the composition of the product before buying it. Therefore, in order to secure the credibility of its company, Amazon must carefully monitor this as well.

Support for new sellers. As we know, starting a business with Amazon is not cheap. New sellers simply do not have the opportunity to enter the market and start promoting their product. The company must support its new customers and provide them with a loyalty system, otherwise the sellers under their products will start writing fake reviews to buy from them. Amazon should analyze their prices and try to give a discount on the first advertisement to newcomers to prevent their illegal methods. Even a small discount on advertising will already give you a chance to buy it right away, and get some real reviews and sales. That will help new sellers to continue to pay for the promotion of their product, and improve it. Amazon will get even more goods and advertising from this, because advertising is not only in the pictures, but also between friends. Which works twice as well and will bring more customers.

Contextual advertising should be improved. New sellers are typically at a loss when it comes to deciding which ads to work with, so they opt for the easiest option first, one with a clear sequence of activities, such as "Promotional Products" or "Sponsored Ads." New sellers, on the other hand, often want to include advertisements right away, without even knowing the rules of keywords, and so can waste a lot of money on keyword selection. As a result, Amazon may develop a program or warning window for certain terms, causing sellers to pause for a lengthy time and search the site for keywords that suit them.

In video commercials, limit the length of the video. In order for an advertisement to be effective, it must have a time restriction. Based on our estimates, videos that are more than 15 seconds long have a better chance of being

watched all the way through. This will increase the number of times people click on the link, as well as make the brand more identifiable.

Expand and play audio advertising on Amazon services as well as other streaming platforms. The new Amazon style of audio advertising has already attracted a considerable number of customers, but there is one catch: this format is only available on Amazon's audio resources (e-books, radio, music platforms, and so on). This restricts the spread of knowledge to a broad audience.

Change the look of your ad to something more modern and unique. The fact is that Amazon's advertising design hasn't been updated in a long time, and those who view it practically every day just don't notice it, reducing the impact of advertising. To reclaim the audience's interest, the company must make design adjustments.

Any improvement must be implemented and made to work according to a plan. Not only in advertising, but also in the company's internal structure, Amazon has a lot of potential for improvement. This international corporation is still focusing on improving its business and increasing efficiency, as evidenced by the current rise in comparison to 2021.

3.3 Effectiveness the improvement program implementation of advertising policy at the Amazon enterprise

Performance indicators are numerical measures of performance that assist in determining how well goals or processes are being met.

The company will have to re-evaluate the metrics and their impact on consumers after the improvement is implemented. It will be easy to determine which areas work favorably and which ones work adversely by comparing the data before and after the improvements. You'll also need to look at the financial report and figure out how much money you made following the innovation.

If these changes are made in the company, the advertising effectiveness, the number of new visitors, the time spent on the site, the number of pages opened each session, and the brand's trustworthiness will all improve.

In this thread, we'll look at what steps need to be taken to improve Amazon, such as notifying customers of new rules, better controlling your sellers and checking the product and description for fakes, allowing new sellers to move up at a low price, providing keyword research assistance to newcomers, setting limits on video length in video ads, expanding and playing audio ads not only on Amazon services but also on various streaming platforms, and updating the design of their ad units.

New rules. The effectiveness of this method can be calculated by analyzing some points: **Time consumption.** This item will allow you to find out how much more time it takes to send out information about the new rules, and how quickly people accept them and continue to work. **Number of new sellers.** This point will show us how many more customers have begun to trust Amazon with their business, without fear of losing money. If the number of sellers increases, the company's profit will also increase. **Advertising sales.** This item will show the company how many more people are interested in selling and promoting their business on the marketplace. Because every seller who trusts Amazon with their business and money will be interested in buying ads. Accordingly, the effectiveness of advertising will grow. **Company finances.** This point is important in the performance indicator, if the improvements work correctly, finances will grow, the main thing is to see the difference before and after innovation.

Quality control. You can calculate the effectiveness of this improvement using these points: **Time consumption.** How quickly can the quality control department cope with its task, and how much more effective will it be in eliminating the sale of unqualified products. **The number of fake things.** This item will show how much fewer sellers with fake products and fake reviews have become. Thus, it will be

possible to look at the effectiveness of bans and the work of the team. The number of complaints on the marketplace. This item is the most important thing for any site, the more complaints it has, the worse its reputation. Thus, we can see how much Amazon's reputation and customer confidence have grown. Finance. This will show us how profitable it is to keep an entire anti-fake department. The company will have to compare how much the company's income has grown or fallen from the fact that there are fewer low-quality goods.

Support for new sellers. The effectiveness of this method is calculated by the following points: Number of new sellers. After introducing a loyalty program, you need to look at how many people want to do business with Amazon. This can be calculated by comparing the number of new sellers for the last quarter and this one. Advertising sales. When the purchasing power of new sellers is greater, the effectiveness of advertising sales will increase. This can be seen by comparing how many sellers bought advertising before the loyalty program. Company finances. Amazon may lose a small amount of money at first, but when newbies get comfortable in a new place, they will buy more different features, as they will trust this marketplace, and having earned the first money from sales, they will want to earn even more. The company's finances can be compared after some time has elapsed, for example, half a year, and then it will be possible to look at the effectiveness of the method with the loyalty program.

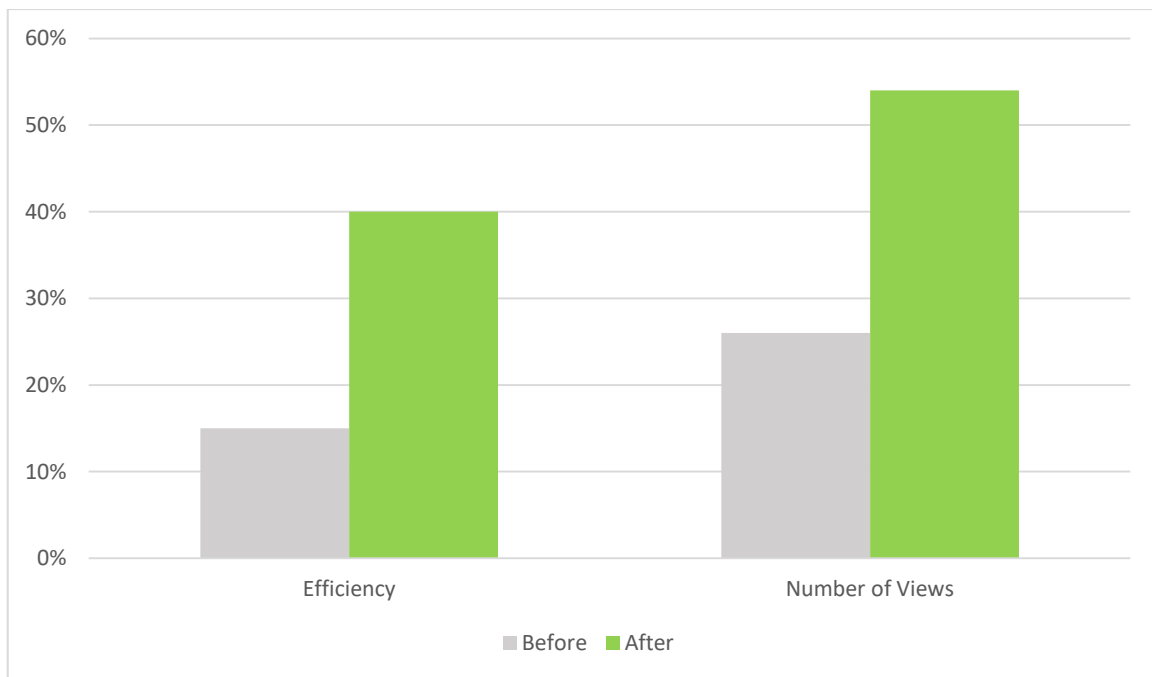
Evaluation of the effectiveness of enterprise improvement is different for everyone, because different improvements affect different areas in which changes will occur. This is important to take into account when planning and analyzing performance.

Keywords for beginners, this is one of the methods to improve the style of contextual advertising, because judging by the data that tells us that thanks to this style of advertising, you can increase sales by 40%, and increase the number of views by 54%, but this will happen while if the advertisement is set up correctly,

which is not always possible for beginners, their effectiveness at first is somewhere around 10-20% increase in sales, and the number of views is about 26% as shown in Table 3.2

Table 3.2

Statistics of increase in sales volume and number of views



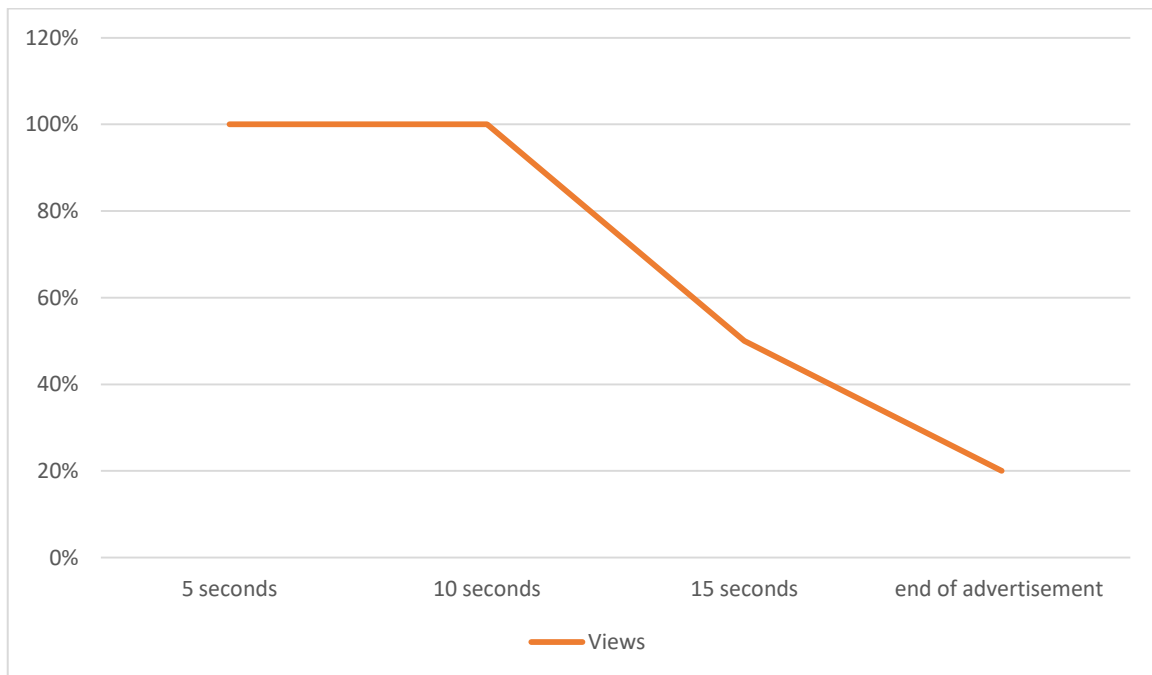
Source: made by the author

In this graph, we can see that new sellers need help with advertising, because without certain knowledge they have the parameters of sales volume and number of views, they will not be able to grow when choosing advertising keywords.

Video length limits in video ads. Due to the fact that Amazon displays video ads on its resources, and allows sellers to upload promotional videos at a length that sellers choose themselves, it risks losing the effectiveness of viewing such ads and user engagement. With an average scenario, 50% of potential customers inspect ads to the end, and with a bad scenario, 2% of people will inspect it. This is shown in Table 3.3. Therefore, it is better for the company to set limits of 10 seconds for advertising, since, according to statistics, 100% of users watch it.

Table 3.3

Advertising viewing statistics to the end



Source: Made by the author

Thanks to these statistics, we know that the most optimal video size is 10 seconds, if Amazon adds such a limit to itself, its advertising will be more effective and brands more recognizable.

Expand and play audio ads not only on Amazon services. The problem is that Amazon's new ad format seems to be effective for the most part in the US. As shown in Fig 3.4, which illustrates the spread of smart speakers, we can see what the estimated percentage of coverage from the Amazon Echo column and its platforms we can get, as well as what percentage we could get if audio advertising covered more than one segment.

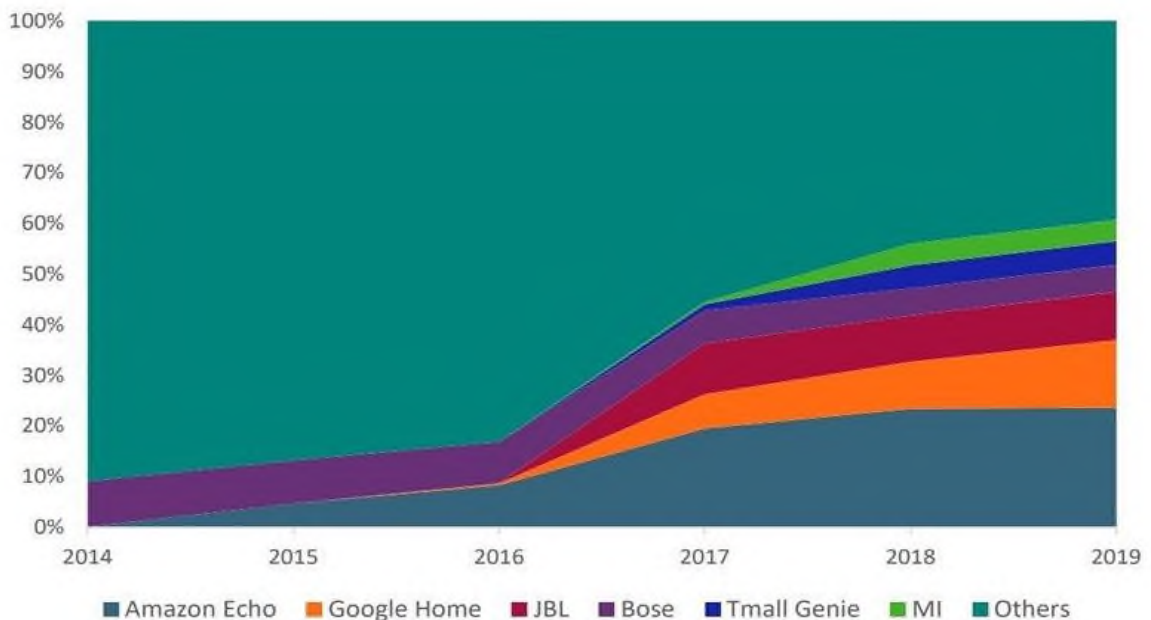


Figure 3.4 World Wireless Speaker Volume Brands Share

Source: [21]

In this figure, we can see that Xiaomi (“MI”) smart speakers have the largest percentage of the market share, and Amazon speakers cover the smallest percentage

of the market, so we can see that audio advertising is not very effective and reaches the smallest audience compared to competitors.

Based on all the graphs based on data from my work, it can be said that all the improvements I proposed will make Amazon advertising more effective, which will increase their brand reputation and the number of future customers who want to contact Amazon.

CONCLUSION

Advertising is an integral part of any company that wants to reach a new level and get more audience coverage. There are four basic steps to getting an ad hooked: trigger, action, variable reward, and investment. Advertising allows you to create an illusion in a person's head, which, when I see your product, will automatically appear in it. We also found out that playing on negative emotions is a direct lever to action, because negative emotions are the strongest, and if a person thinks that your product will ease his pain, then there will be more chances to purchase it. At the moment, the development of advertising has led to the fact that all advertising activities have been transformed into a special social institution that provides the public need for advertising services. International advertising is not just brand promotion, but also an indicator of the economy, because the state of the advertising market directly depends on the general economic situation in the country and in the world.

Advertising in different countries has its own characteristics. When developing advertising for other countries, it is necessary to take into account: a foreign

religion, culture, traditions, mentality, market requirements, characteristics of people's lives, values, habits and their policies. This is necessary in order for the target audience to understand the main message that was conceived by the advertiser and respond to it. Print advertising is also different in different countries, there are countries that focus only on it, and there are those who do not read magazines at all.

It is also necessary to take into account the peculiarities of translations; advertising slogans often use idioms that lose their meaning after translation. Many international companies use universal values to create international advertising.

The primary purpose of advertising is to increase current or future sales of specific products or services. To this end, advertising influences the buyer and facilitates the acquisition of the advertised goods or services. In the implementation of this, various methods and techniques are used, aimed at psychology, both at the conscious and at the unconscious level. If we can talk about the brand and its value, breaking through the "foggy" peripheral perception of the consumer, advertising work will be much more effective. The fact that advertising will work even when the consumer focuses on something else, for example, on the road, or on the product. Our advertising will become effective communication and increase the likelihood that the buyer will pay attention to it. The consumer's autopilot refers to the shape, color and size of the product.

Amazon focuses on online advertising. This company has a huge amount of information, so it knows exactly what their potential buyers need. Taking advantage of this, they made their own advertising business. Amazon allows the use of customer data by other companies that buy ads from it. The company has released a tool that tracks how certain ads shown on other sites affect views or purchases of an item on Amazon, and also collects information about buyers using Alex's artificial intelligence. Amazon needs to be careful with user data and only share the information they need while respecting their privacy policy. Amazon ads are reviewed and reviewed by consumers before being released to the market, without

preventing them from making purchases. Amazon clearly knows its priorities in advertising. The main thing for the company is customer orientation. Now Amazon provides 6 types of ads for sale, some types are completely new on the market, and have a number of disadvantages.

The main ad on Amazon is an ad product. Advertising on Amazon gives people who want to promote their product a number of options. In the ad settings, you can set the total budget for the entire time the ad is displayed. Advertising on Amazon has its own peculiarity - the RK cannot be turned off, otherwise the ad will fail, and in order to continue advertising the product, you will need to spend much more money than without stopping. And the peculiarity of the Amazon advertising account is that advertising reports are limited to three months, so for comparison, it is worth downloading all available reports every week or month. Profitability is a key indicator of HR quality. On Amazon, this indicator is labeled ACoS. Other indicators also affect the conversion of advertising - a good listing, the number of positive reviews about the product, adding the product to the wish list - all this increases the rating of the product. The credibility of Amazon in your business grows with every ad you buy from them, and by showing your ad you can raise the level and recognition of your company, plus you can see reviews about your product from your target audience, and mistakes are easy to fix. Amazon, by advertising other sellers on various sites, raises its popularity, because if you click on the product link, you will immediately get to their site, the company advertises itself with the help of other sellers. Amazon changes ads for phones, tablets, desktops and laptops on its website.

Amazon's advertising tools work with the exact target audience, offering the product at the frequency with which the buyer makes purchases. Amazon has advantages in terms of the amount of data about consumer preferences on its platform, as well as the display of non-intrusive ads, unlike other platforms.

Amazon's 2022 ad revenue data shows that the business's performance was \$7.9 billion last quarter, up 83% from last year.

Every day, Amazon makes discounts on some products, which in the end turn out to be cheaper than the manufacturer, due to this, many people prefer this particular online store. The company also offers advertisers on its site "paid" places, the most profitable in terms of placing banners for advertising. Amazon advertising does not impose or prevent you from searching for products, and the selection of advertising for each user is separate, if you recently bought headphones from them, they will not offer them to you. Amazon has a personal DSP program that allows you to advertise on multiple sites at once for a specific audience. The company also allows other sellers to sell products on the Amazon website and place ads with the ability to link to the seller's official website. After evaluating the effectiveness of advertising, according to the data that I had on the charts, we can conclude that the company is effective and it is growing every year. Amazon also has various programs to attract buyers, one of them is called Prime Day, which allows buyers with a subscription to buy goods for an amount lower than from the seller.

Amazon should make a more loyal subscription and make some bonuses for newcomers. Also, in order to prevent unscrupulous sellers who write fake reviews and false characteristics, you need to introduce strict methods of breaking the rules, for example, "shadow ban".

Companies need to expand verification measures, add document formats for different countries, because now they accept only one form of verification - these are original documents in a foreign language or several numbers. Amazon, introducing new rules, should not have banned all users, but made an agreement with the rules a pop-up window, and put people they suspect of fraud in a shadowban, until their violations are confirmed. Thanks to this, the company will increase the trust of sellers, as well as their number. Amazon also needs to take care of language barriers and recruit more unaccented employees because most people

have to call customer support by phone and many don't understand the Indian accent, which outweighs their support. For ad styles, improvements have been proposed such as expanding and playing audio ads not only on Amazon services, but also on various streaming platforms and setting limits on the length of the video in video ads, since short video ads are more effective for viewing.

Before implementing improvements at Amazon, they need to choose what they will work on, develop a plan carefully, plan work, assign roles, etc. Then develop and implement changes. In terms of advertising policy, Amazon will have to implement the following improvements: alerting customers of new rules, improving quality control, allowing new sellers to move up at a low price, or introducing a loyalty program for newcomers. And also introduce limits for video advertising, expand audio advertising to different services, and make training for beginners in the selection of keywords so that their advertising is effective.

In order to evaluate the performance of the company, it will be necessary to compare the data before and after the implementation of improvements. After that, the company will have to calculate its finances and calculate the profits and losses after innovations. For advertising styles, it was necessary to analyze the market and statistics. When the improvements I proposed for the corporation work, the efficiency and credibility of the company will increase.

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