**Strengths**
- Best-in-class capabilities in online retailing, customer service, fulfillment, distribution
- Lower advertising, marketing costs compared to traditional retailers
- Excess capacity available to scale-up their operations
- Visionary management, hiring top executives across departments
- First mover advantage in many product categories and almost having a monopoly in the online e-commerce industry

**Weaknesses**
- Need to leverage existing capabilities to enter new markets
- Building popularity/Marketing new product categories to create awareness is currently a slow process (Groceries)
- Net revenue is growing at an excellent pace, but profits are tough!
- Operating costs for holding inventory is expensive

**Opportunities**
- Expansion in multiple categories such as Electronics, Toys, Home & Garden
- Strong brand appeal, multiple loyal customers, long-tail of products
- Existing retail players desire entry into the online market, but lack the resources to do so (for example, Toys ‘R’ Us partnership)
- Online sales expected to grow at 60%+
- Amazon could explore long-distance Gifting opportunities

**Threats**
- Increasing complexity of online transaction model
- Other online retailers exiting from the market, causing an added load on Amazon
- Existing competition from the traditional retailers
- Pressure from investors/shareholders to generate more profits