



Source. Pexels, 2024.

Semantic Analysis and Trends in Annual Reports

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This problem situation was written by Julio César Borja Medina (julio.cesar.borja@tec.mx), with the purpose of serving as discussion material in classes and does not aim to illustrate good or bad administrative practices. The story on this document is based on different people's experiences; some data has been modified at the request of the people and institutions involved.

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Introduction

Amazon, one of the most iconic and revolutionary companies of the 21st century, was founded by Jeff Bezos in 1994 in Seattle, Washington. What began as a modest online bookstore has evolved under Bezos's visionary leadership into a global tech giant. From the start, Bezos knew that Amazon's success would not solely depend on selling books but on its ability to diversify and expand into new markets (Álvarez Melendo, 2023).

Amazon's initial strategy was focused on creating an efficient and reliable platform for buying books online, something that was innovative and risky at the time. However, the true transformation of Amazon began when Bezos decided to broaden the range of products and services offered. This strategic move allowed Amazon to venture into numerous categories, from electronics to clothing and beyond (Álvarez Melendo, 2023).

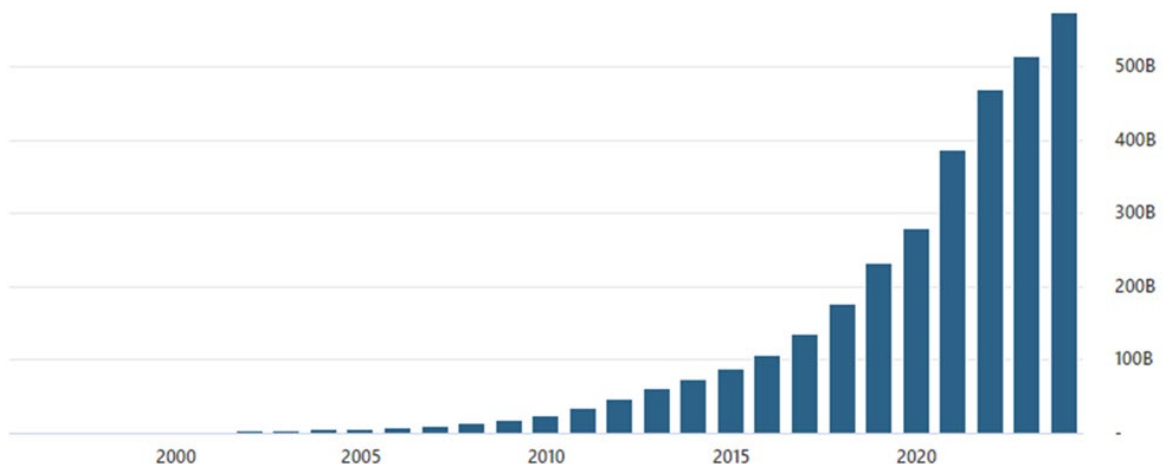
Under Bezos's guidance, Amazon not only diversified its products but also its operations. The company ventured into areas such as cloud computing with Amazon Web Services (AWS), which has become a critical backbone for many businesses worldwide. Additionally, Amazon has invested in artificial intelligence and logistics, developing technologies like Alexa, and revolutionizing the distribution model with its logistics centers and rapid delivery services (Álvarez Melendo, 2023).

This impressive expansion is clearly reflected in Amazon's annual revenues, which have grown exponentially. In 2000, Amazon generated less than a billion dollars (USD) in annual revenue. However, by 2024, its revenue had surpassed 500 billion dollars (USD), demonstrating an extraordinary growth trajectory. The attached chart illustrates this remarkable increase, showcasing how Amazon has solidified its position as one of the world's most influential tech giants (Álvarez Melendo, 2023).

See Amazon revenue [HERE](#)

See Amazon Annual Report [HERE](#)

Graph. Stock Analysis. Annual revenue of Amazon.



Source. Annual revenue of Amazon, 2024.

Amazon's ability to adapt and lead in multiple sectors is a testament to Jeff Bezos's vision and his focus on constant innovation and customer satisfaction. Under his leadership, Amazon has not only remained relevant in a highly competitive market but has also defined and transformed the industries in which it operates.

Situation Description

In 2024, the CEO of a company competing with Amazon has decided to study the retail giant to gain an overview of its strategy and its financial and operational concerns since its founding. The CEO has requested that the Innovation and Strategy Manager presents the management team with a qualitative analysis summarizing Amazon's long-term strategy, the emotional aspects of its decision-making, and its most relevant innovation projects.

The presentation will be held at a meeting scheduled for next week, aiming to enrich the Annual Strategic Planning and incorporate the most important findings. The challenge involves analyzing Amazon's strategies through its most significant events and evaluating the emotional context that has prevailed under Jeff Bezos's leadership. The research will focus on a semantic analysis of Amazon's annual reports to identify the main trends and emotions that have characterized each period.

Wells, Danskin, and Ellsworth (2018) highlight several key events in Amazon's evolution that have marked its trajectory, including:

- 1995: Launch of the Amazon.com website.
- 1997: Initial Public Offering (IPO).
- 1999: Expansion of the product catalog.
- 2001: First profitable quarter.
- 2002: Launch of Amazon Web Services (AWS).
- 2005: Launch of Amazon Prime.
- 2007: Launch of the Kindle.
- 2014: Introduction of Alexa and Amazon Echo.
- 2015: Surpassing Walmart in market capitalization.
- 2017: Acquisition of Whole Foods.
- 2019: Testing of Amazon Prime Air.
- 2020: Revenue increase during the pandemic.

These events not only reflect Amazon's operational and financial evolution but also provide a framework for understanding its strategic decisions and the innovations that have cemented its market leadership.

The analysis must connect these events with the strategies and narratives found in Amazon's annual reports, offering a comprehensive view of how the company has managed and communicated its challenges and achievements over time. These reports are essential to identify the prevailing trends and emotions in each period.

The Innovation and Strategy team will analyze all of Amazon's annual reports since its founding, aiming to provide a detailed understanding of how the company has faced its challenges and communicated its successes. This semantic analysis will be presented to the board of directors in a short timeframe, highlighting key strategies and emotions.



Source. Pexels, 2024.

Expected Results

The analysis of Amazon's annual reports and the connection of its key events with the company's strategies and decisions will provide a deep understanding of Amazon's evolution since its inception. The expected results of this qualitative research will not only reveal the main trends and emotions present in the company's narrative but also how Amazon has managed and communicated its challenges and achievements over time.

The resulting executive report should offer key insights into Amazon's long-term strategy, highlighting the emotional aspects of its decisions and the innovation projects that have defined its market leadership. This report will include effective charts and visualizations that will enable the board of directors to interpret the trends and emotions identified in the reports with ease. Additionally, the findings of this semantic analysis are expected to help the company enrich its own Annual Strategic Planning, identifying applicable opportunities and lessons for its own strategies.

Finally, presenting the analysis to the board of directors will enable the company's leaders to understand the internal dynamics and strategic decisions that have guided Amazon in a better way, providing a valuable framework for future decision-making and strengthening the company's competitiveness in the market.

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