Building Tomorrow’s Reality

-The Amazon Way

John Rossman
What would Jeff do?
Your Principles — *Make Them Real*

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**Our Leadership Principles**

Our Leadership Principles aren’t just a pretty inspirational wall hanging. These Principles work hard, just like we do. Amazonians use them, every day, whether they’re discussing ideas for new projects, deciding on the best solution for a customer’s problem, or interviewing candidates. It’s just one of the things that makes Amazon peculiar.
1. Customer Obsession

“The No. 1 determining factor on whether a consumer chose to make a purchase online was trust, not selection or price, but trust. Trust is paramount to digital shoppers”

-- Patrick Gauthier, VP of Amazon Payments
3. Invent & Simplify

Simple.
SIMPLIFY THE WORST CUSTOMER EXPERIENCE
“There’s so much stuff that has yet to be invented. There’s so much new that’s going to happen.

People don’t have any idea yet how impactful the Internet is going to be and that this is still Day 1 in such a big way.”

Jeff Bezos
Instrumentation –
A CORE DESIGN REQUIREMENT

Real Time Metrics For:
- Customer experience
- Processes
- All system components
- Financial drivers
Example: Perfect Order Percentage (POP)

Measures percentage of orders that are perfectly accepted, processed and fulfilled.
The Two Pizza Team
Process vs. Bureaucracy

- Bureaucracy
- Process
7. Think BIG

Thinking small is a self-fulfilling prophecy. Leaders create and communicate a bold vision that inspires results. They think differently and look around corners for ways to serve customers.
13. HAVE BACKBONE;

DISAGREE AND COMMIT
A FORCING FUNCTION IS AN APPROACH FOR SYSTEMATICALLY ENFORCING A STRATEGY
No PowerPoint
Start Projects with a Future Press Release
14. Deliver Results

We Deliver!
Manage Your Dependencies

- Shift “assumptions” to “facts”
- Manage via SLAs
- Dive Deep on Critical Path
- Voice of Customer
- Instill Ownership
Questions to Innovate —
The Amazon Way

1. Can the need (step, contact, etc.) be eliminated?
2. Can the experience be across a long value chain?
3. Can the provisioning or scaling be on demand?
4. Can I measure the process (on a real-time basis)?
5. Can the service be “when I want” and real-time?
6. What is the “worst customer experience”?
7. What are the durable customer values?
8. How would a platform strategy leverage my assets?
9. What is the systems dynamic model of my ecosystem?
10. What are the things that are “hard”, that should be simpler, and how do we create a virtuous cycle with partners?
Questions to Improve & Re-Invent

1. Can the need (step, contact, etc.) be eliminated?
2. Can the experience be integrated?
3. Can the provisioning or service be automated?
4. Can I measure the process (on a daily basis)?
5. Can the service be “when I want”?
6. What is the “worst customer experience”?
7. How could “the internet of things” change the value proposition?
8. Is the service or process good enough to have external customers?
9. Is customer experience “omni-channel”?
10. How would a disruptor act?
THE ECONOMIC VALUE ADD FROM IOT

PREDICTIONS FOR 2020

Gartner
• 26 billion endpoints
• $1.9 trillion in economic value-add

Cisco
• 50 billion endpoints
• $14.4 trillion of value

IDC
• 212 billion endpoints
• $8.9 trillion market

ENDPOINT = CONNECTED THING (TVS, SMART PHONES, SENSORS, CARS, ETC.)
SENSORS

- Optical
- Proximity
- Motion
- Temperature
- Humidity
- Sound
- Magnetic
- Levels / Leaks
- Pressure
- Flow
- Chemical / Gas
IMPROVING CUSTOMER EXPERIENCE WITH IOT
--THE AMAZON WAY

Shopping made simple.

Friction Free.

New Interfaces.
IMPROVING CUSTOMER EXPERIENCE WITH IOT

- Assisting Usage
- Auto-Replenishment
- Coordinated Delivery
Not automated work, but human-machine teams
BUILD NEW BUSINESS MODELS WITH IOT
ROLLS ROYCE – ENGINES AS-A-SERVICE
“The death knell for any enterprise is to glorify the past – no matter how good it was.”
THANK YOU!

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(download the poster here!)