



# Amazon's Culture of Innovation

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**Our mission:**

**to be Earth's most  
customer-centric  
company**

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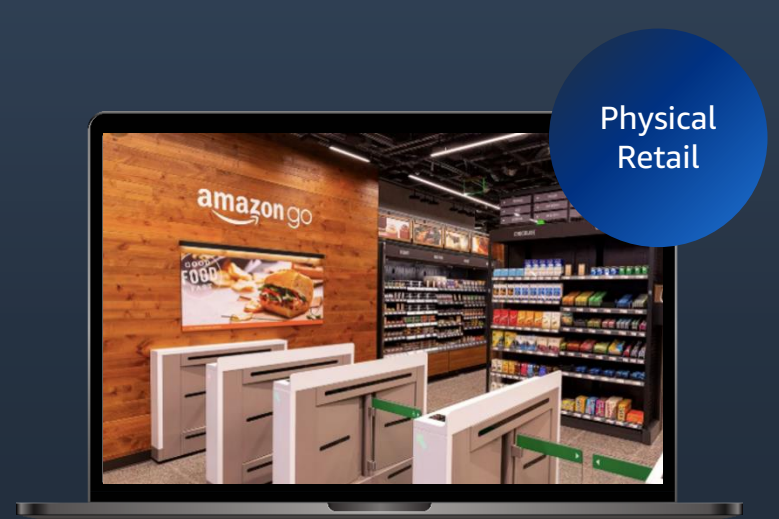
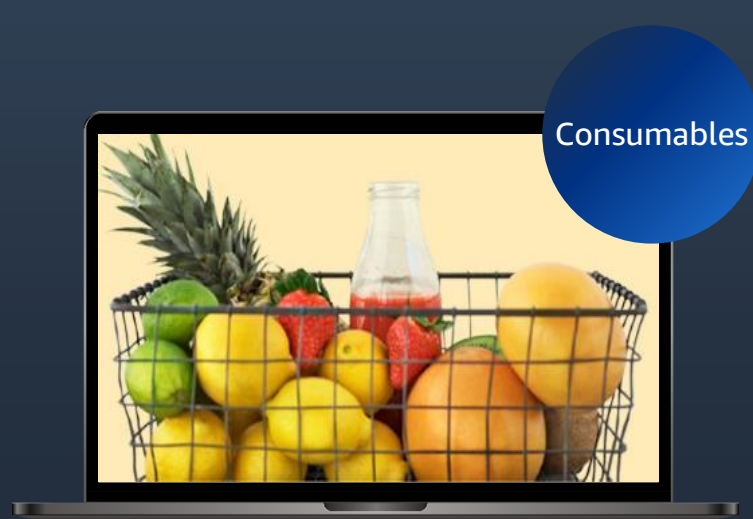
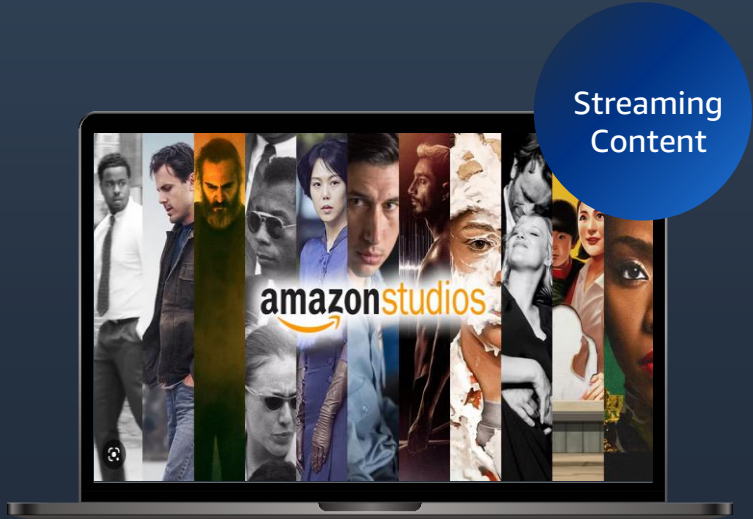
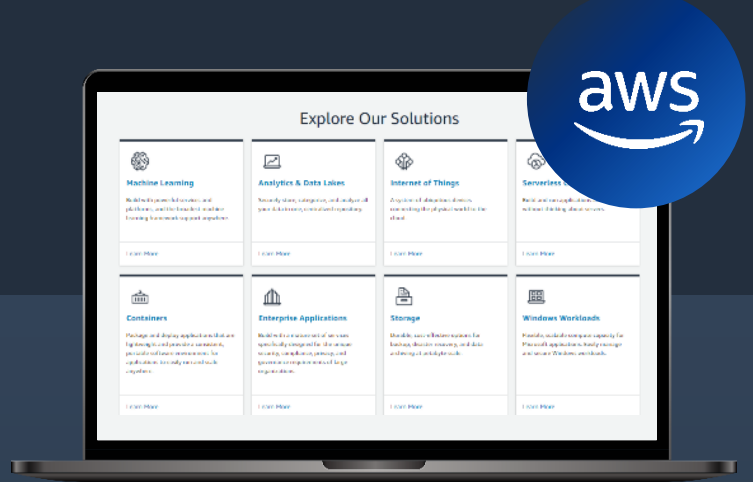
**Where innovation begins:**

start with the  
customer and work  
backwards

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# How do we organize for Innovation?

## Culture

Customer obsession, hire builders, support them with a belief system



## Architecture

Technical structure and tools that support rapid growth and change



## Mechanisms

Encoded behaviors that facilitate innovative thinking



## Organization

Small, empowered teams that own what they create



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# Our Leadership Principles

... unless you know better ones. Please be a leader.

Customer Obsession

Invent and Simplify

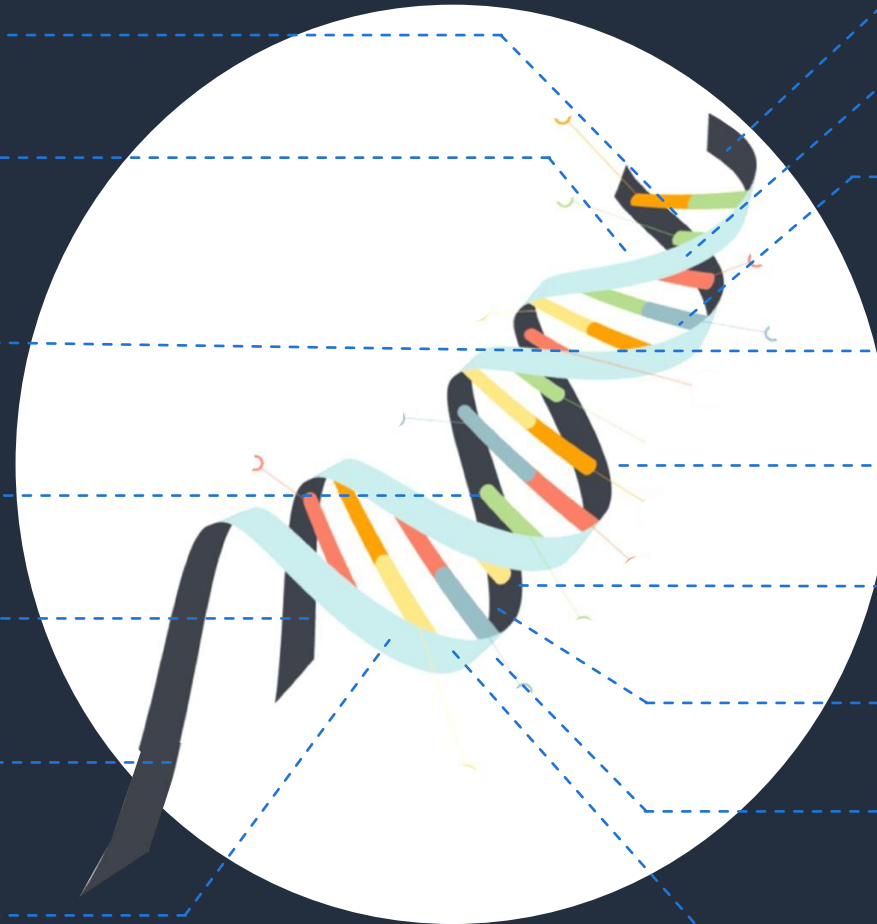
Learn and Be Curious

Insist on the Highest Standards

Bias for Action

Strive to be Earth's Best Employer

Success and Scale Bring Broad Responsibility



Ownership

Are Right, A Lot

Hire and Develop the Best

Think Big

Frugality

Earn Trust

Dive Deep

Deliver Results

Have Backbone; Disagree and Commit



# Invent and Simplify



Leaders expect and require innovation and invention from their teams and always find ways to simplify. They are externally aware, look for new ideas from everywhere, and are not limited by “not invented here.” As we do new things, **we accept that we may be misunderstood** for long periods of time.

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# Willingness to be **misunderstood** for a long time



# Bias for Action



Speed matters in business. **Many decisions and actions are reversible** and do not need extensive study. We value calculated risk taking.



Is it a **one-way** or  
a **two-way** door?



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# Working backwards: A mechanism for innovation

Use it to get clarity, not to document  
what you've already decided to do

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...diaper sizing. By signing up for a single subscription, Amazon Family customers will have the peace of mind of knowing that Amazon will send them the right sized diaper at the right time.

*Custom Benefit?*

~~Babies need an average of about 3,800 disposable diapers across seven sizes in three years, and remain in a size anywhere between a few weeks to several months. A baby might need just one box of size 1 diapers but need as many as eight boxes of size 4 diapers. To complicate matters, weight – and not age – is the best predictor of a baby’s diaper size.~~

With Amazon’s Subscribe & Save program, customers previously created diaper subscriptions in a specific size which was replenished until the customer decided it was time to move up a size. This meant that parents needed to anticipate the change in diaper size and either cancel their existing subscription to create a new one, or go to the Manage Your Subscriptions page to update the existing diaper subscription with the new size. This caused endless frustration for parents, added to the stress of having a new baby, and the experience ran counter to the concept of a subscription that should run smoothly with minimal touch points.

*Not a good name for this*

With the introduction of the new **auto-sizing feature**, customers who subscribe to diapers will be asked to provide their child’s weight, in addition to the existing child info. They will then be able to set up a single subscription that will take them through the various sizes at the right time. Customers will be notified before the next box of diapers is due to ship that it has automatically sized up – if it’s too soon, there will be a simple one-click process to keep the current size.

*World & customer really say this?*

“I love using Subscribe & Save. But for my older child, I have had to return boxes that were one size too small, which actually increased my work load,” says Mara Steiner, who has used Subscribe & Save for her baby needs for several years. “As I expect my second child, I am very excited at the thought of having the right size diapers show up at my door each month. New parents have enough to do without having to keep calculating which size of diapers they should be buying for their baby.”

~~“We want parents to always have the right sized diaper for their child at the right time,”~~ said Greg, director of Subscribe & Save. “This single subscription experience for diapers will ensure that customers can depend upon Subscribe & Save to do the work for them, and never have to worry about changing size as their children grow.”

Amazon’s Subscribe & Save ships thousands of items to their customers on a regular basis with additional discounts. With the diaper subscription service, the program has simplified the experience for new parents.

To learn more about Subscribe & Save’s diaper subscriptions auto-sizing, go to [www.amazon.com/subscribe](http://www.amazon.com/subscribe)

*What about mobile?*





# Introduction to Working Backwards

Hands-on seminar  
20.6.2023, 10.00 – 13.00  
Hotel Schweizerhof

A large, semi-transparent circular graphic with a light blue border. Inside the circle, the text 'LIMITED TICKETS AVAILABLE' is written in a bold, light blue, sans-serif font, slanted upwards to the right. The graphic is positioned over a dark blue background with a yellow and orange geometric shape on the right side.

LIMITED  
TICKETS  
AVAILABLE

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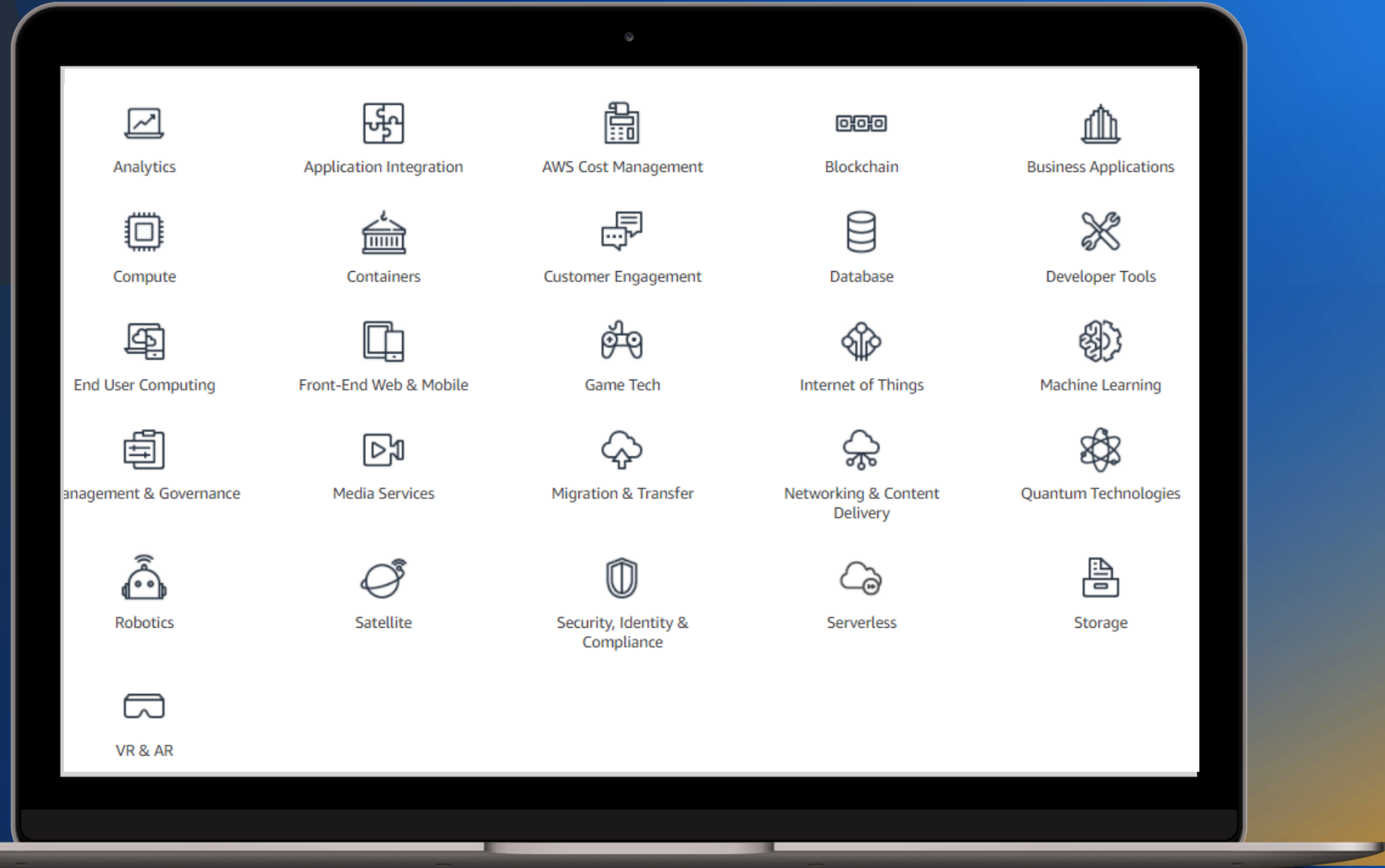


## Organization

Small, empowered teams that own what they create



# Self-service without gatekeepers





# Accelerate the pace of innovation

Our technical  
architecture:

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Allows for instant  
experimentation

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Lowers the cost  
of failure

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Enables rapid scale  
and iteration



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# Amazon hires **builders** and lets them build





# Two-pizza teams are fast and agile, fostering **ownership** and **autonomy**

Small, decentralized, nimble teams

Own and run what you build



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# Thank you!

lschmitz@amazon.de



**We value your  
feedback!**

Please scan this code with  
your smartphone to submit a  
brief 2 minute survey