



amazon.com™

# *‘Amazonification’*

- 아마존.com의 성공 신화 - @c교수-



*Prof. Choi, Jaehong (Gangneung Wonju Nat'l Univ.)*

*smart\_phone@daum.net, smart\_phone@naver.com, smartphone.choi@gmail.com  
smartphone\_choi@, www.facebook.com/MobileChoi*

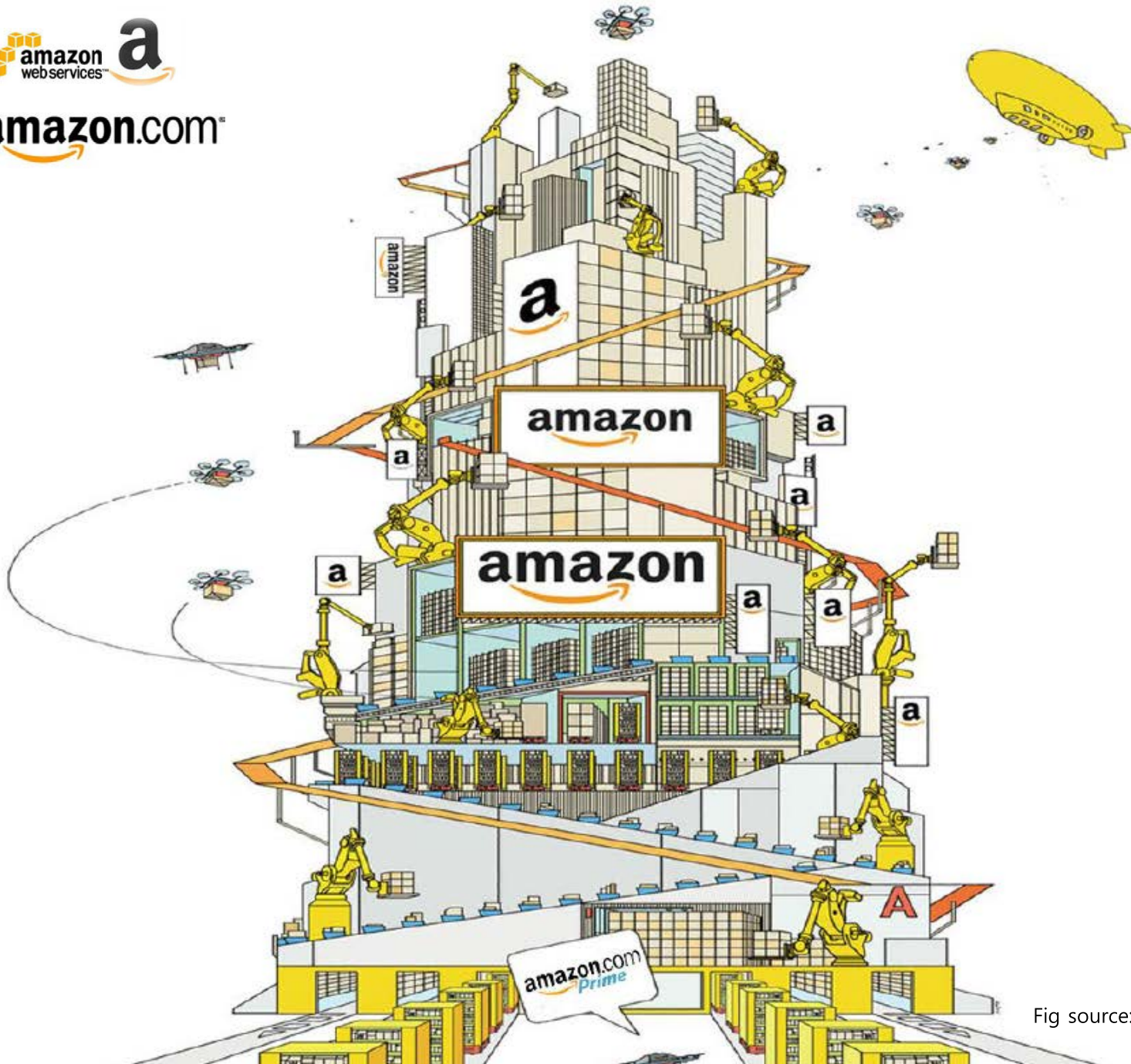
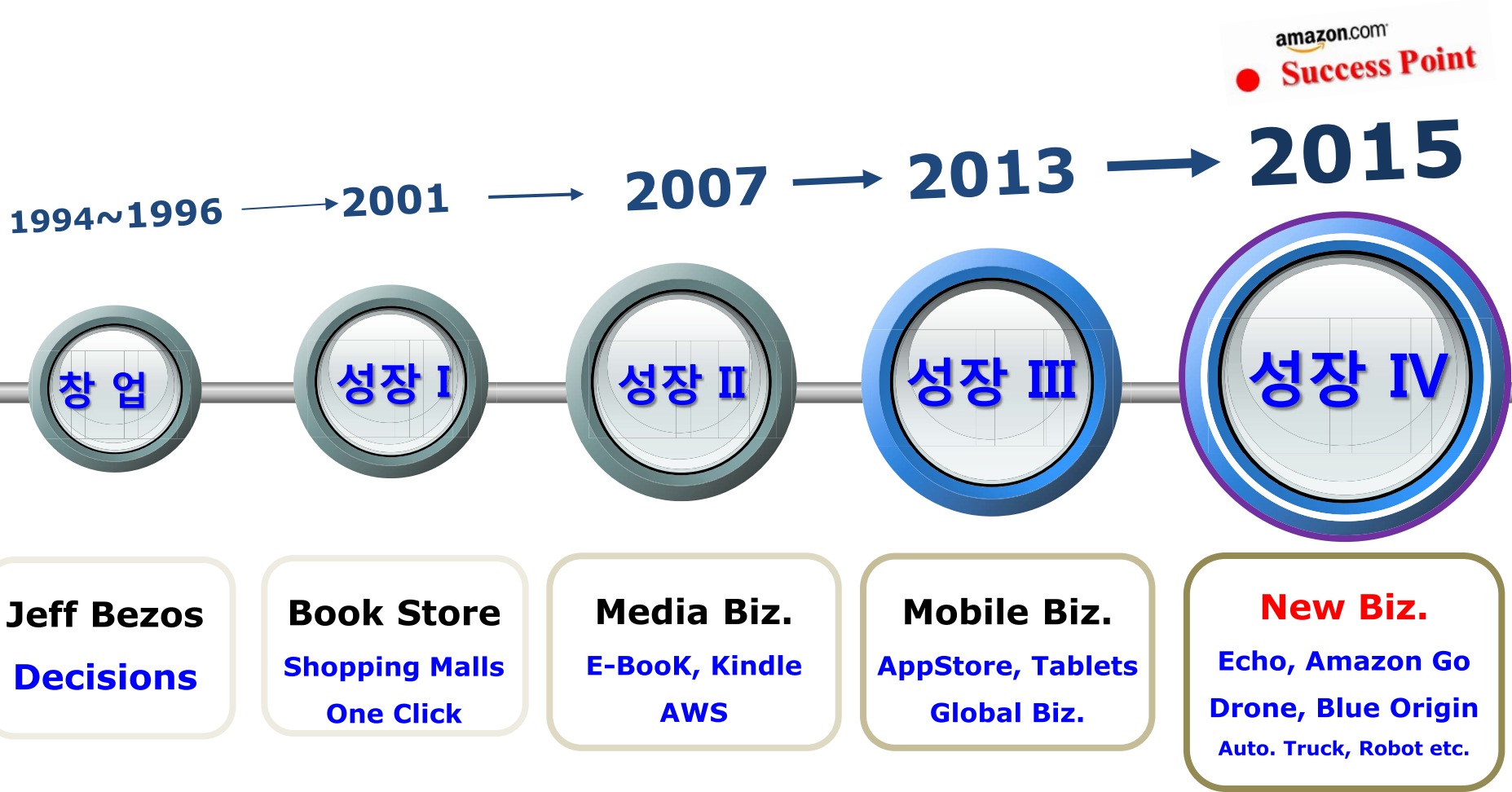


Fig source: 유진투자증권

a  
amazon





May 23, 1997 - Jul 26, 2017 +1051.07 (60843.56%)



Volume (mil / 1wk)  
**e-Commerce Expansion**

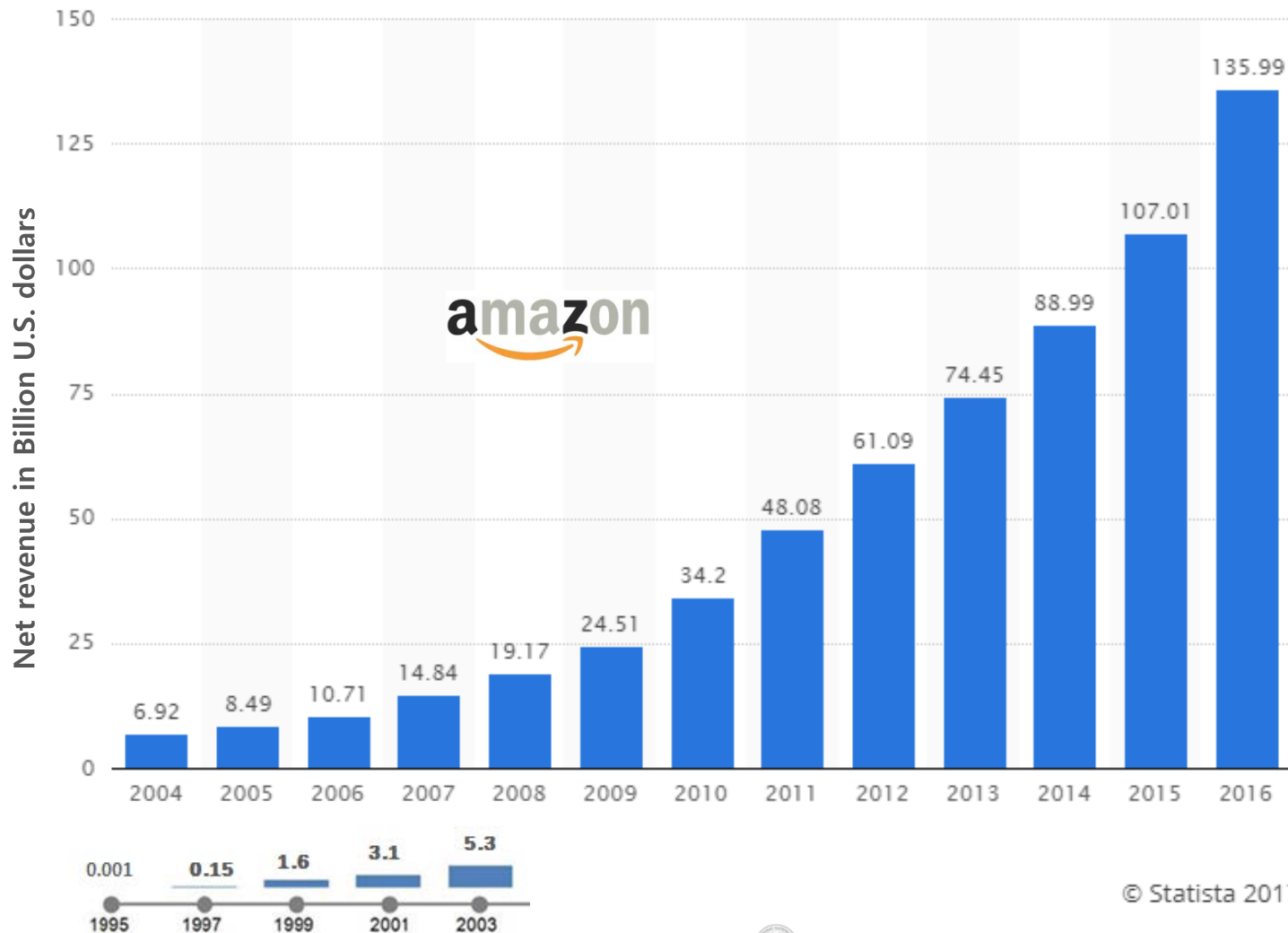
**Digital-Commerce Expansion**

**m-Commerce Expansion**

**New-Biz**

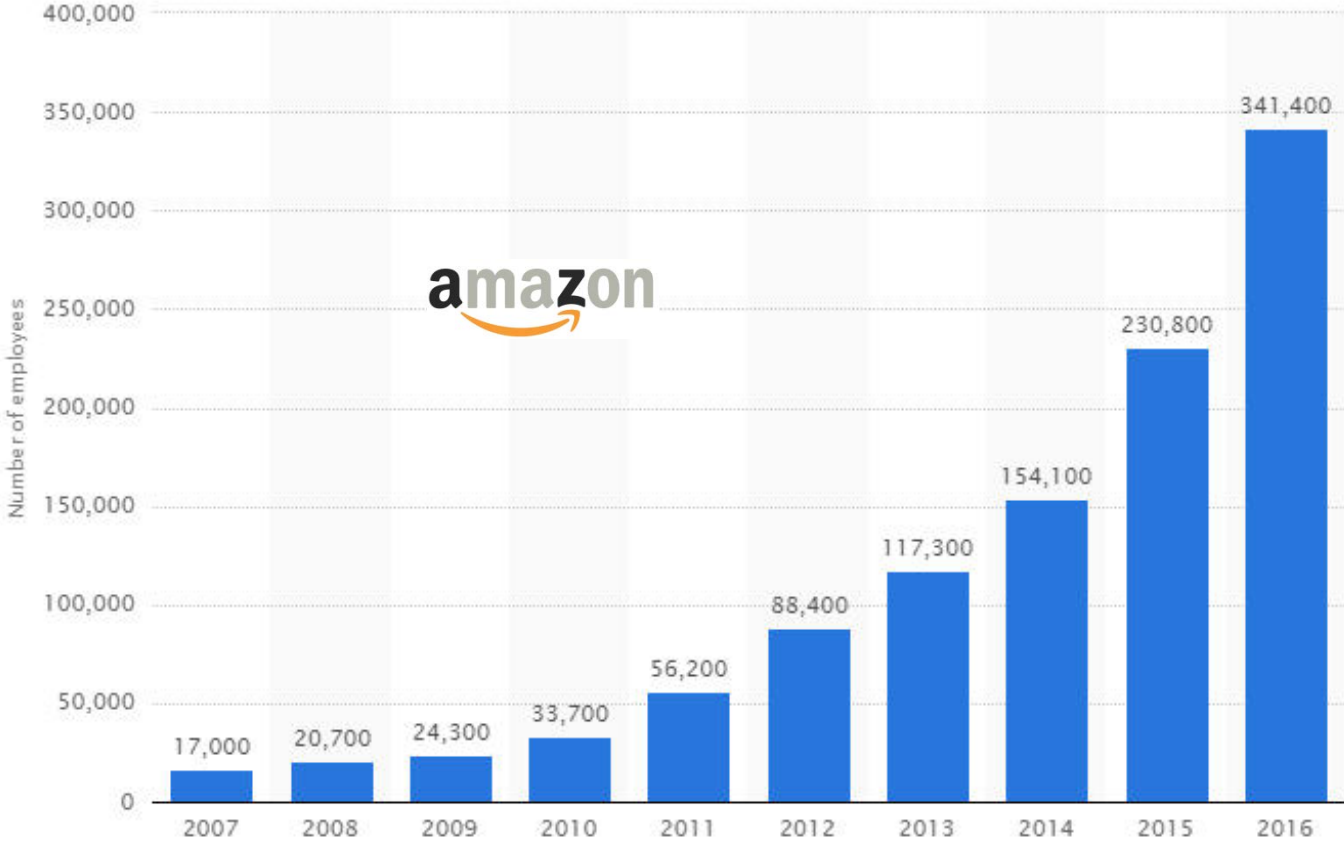
Graph Source : Google Finance

## Net sales revenue of Amazon from 2004 to 2016 (in billion U.S. dollars)

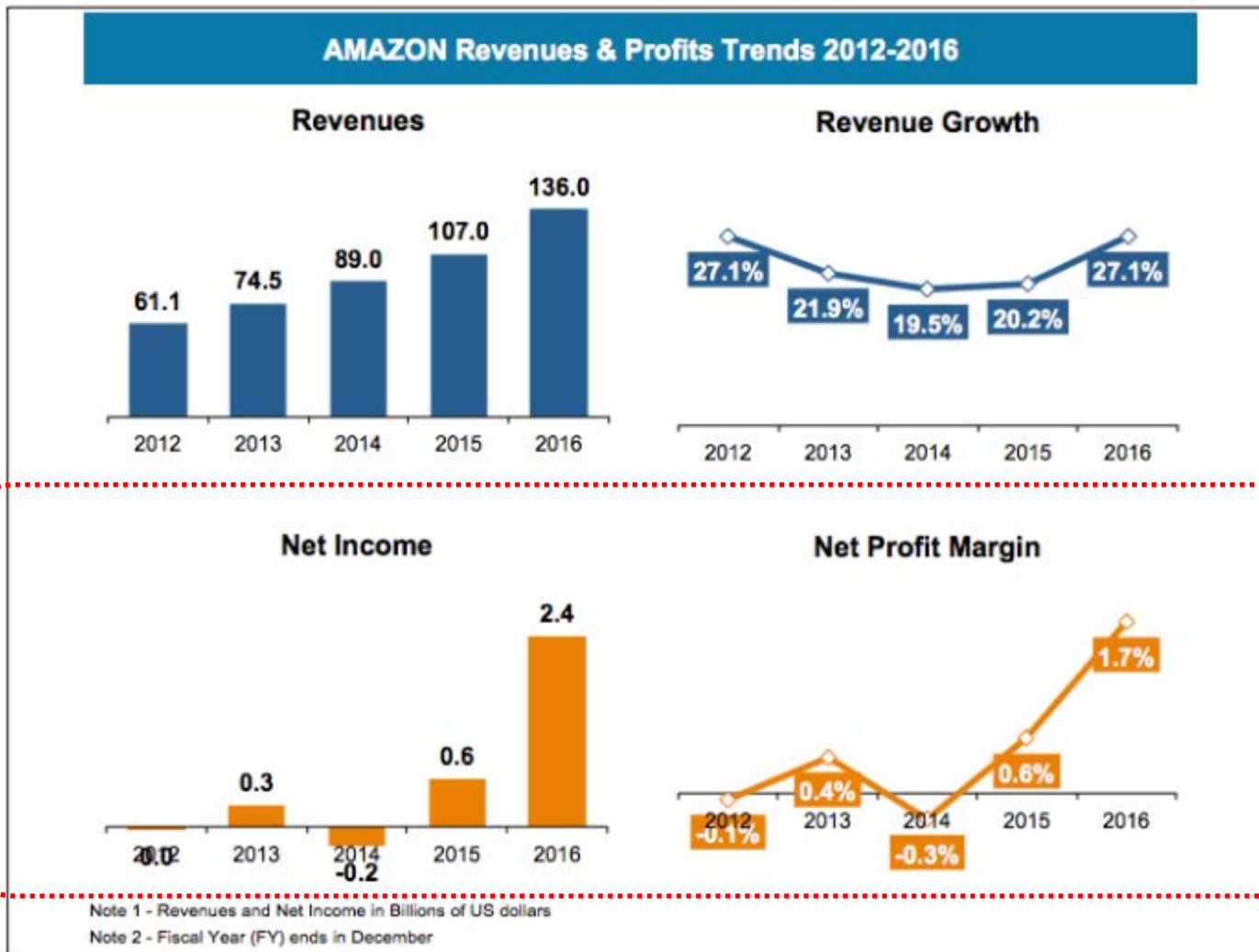




# Number of Amazon.com employees from 2007 to 2016



Source : Statista

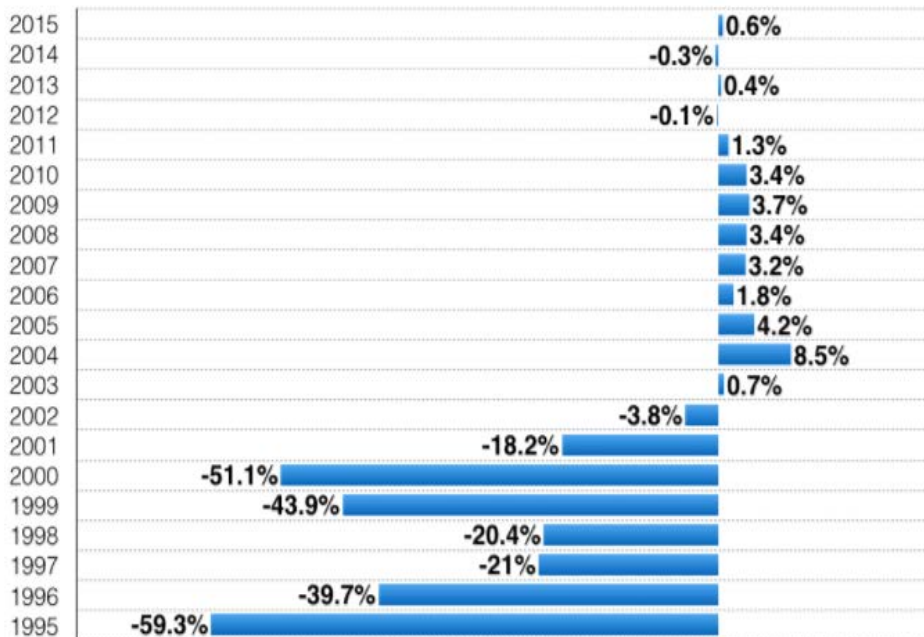


Source : <https://revenuesandprofits.com>

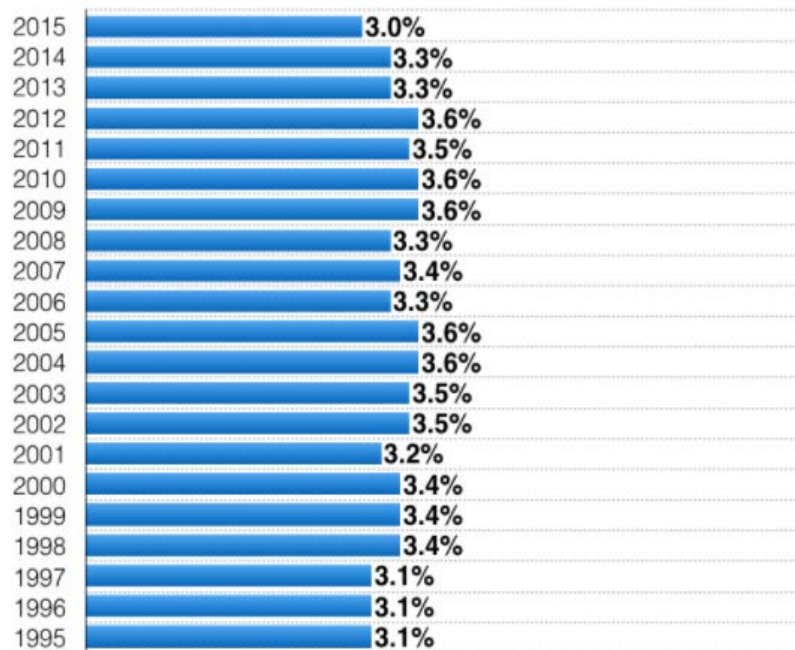




### Amazon Net Profit Margins



### Walmart Net Profit Margins





# Tech companies lead in R&D spending



Amazon is No. 1.

Source: FactSet, 2017

## TOP 10 GLOBAL 500 BRANDS

	<b>1</b> 2017 BV: \$109,470m <b>Brand rating: AAA+</b>	2016: <b>2</b> ↑ BV: \$88,173m <b>+24%</b>		<b>6</b> 2017 BV: \$66,219m <b>Brand rating: AAA-</b>	2016: <b>7</b> ↑ BV: \$58,619m <b>+13%</b>
	<b>2</b> BV: \$107,141m <b>Brand rating: AAA</b>	<b>1</b> ↓ BV: \$145,918m <b>-27%</b>		<b>7</b> BV: \$65,875m <b>Brand rating: AAA-</b>	<b>5</b> ↓ BV: \$63,116m <b>-4%</b>
	<b>3</b> BV: \$106,369m <b>Brand rating: AAA-</b>	<b>3</b> → BV: \$69,642m <b>+53%</b>		<b>8</b> BV: \$62,496m <b>Brand rating: AA+</b>	<b>8</b> → BV: \$53,657m <b>+16%</b>
	<b>4</b> BV: \$87,016m <b>Brand rating: AAA</b>	<b>6</b> ↑ BV: \$59,904m <b>+45%</b>		<b>9</b> BV: \$61,998m <b>Brand rating: AAA</b>	<b>17</b> ↑ BV: \$34,002m <b>+82%</b>
	<b>5</b> BV: \$76,265m <b>Brand rating: AAA</b>	<b>4</b> ↑ BV: \$67,258m <b>+13%</b>		<b>10</b> BV: \$47,832m <b>Brand rating: AAA</b>	<b>1</b> ↑ BV: \$36,334m <b>+32%</b>

Source: Brand Finance

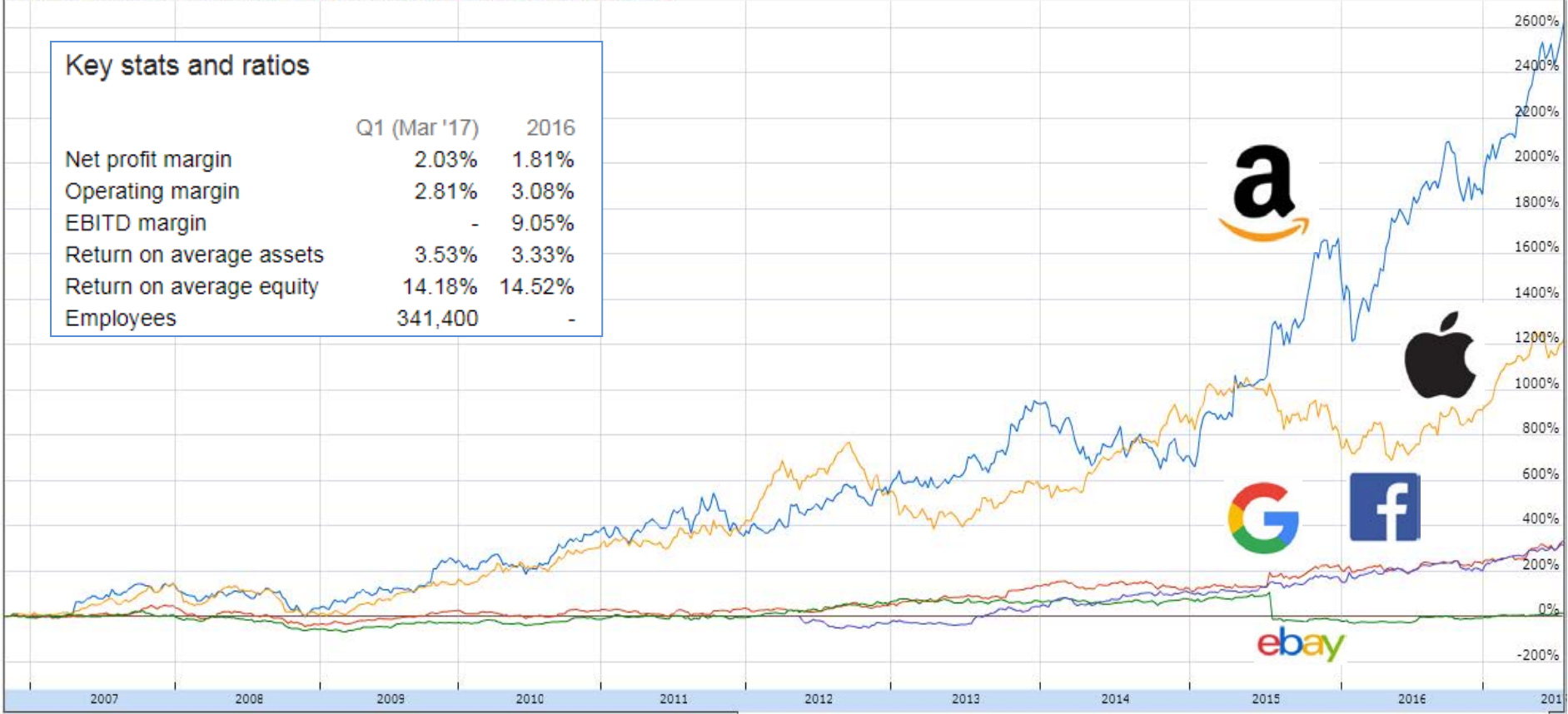
Feb 05, 2010 - Jul 26, 2017

● **NASDAQ:FB** +333.17% 
 ● **EBAY** +60.89% 
 ● **AAPL** +459.30% 
 ● **GOOGL** +263.93% 
 ● **AMZN** +739.49%

Nov 03, 2006 - Jul 26, 2017

● **NASDAQ:FB** +333.17% 
 ● **EBAY** +15.50% 
 ● **AAPL** +1235.59% 
 ● **GOOGL** +305.87% 
 ● **AMZN** +2653.13%

Key stats and ratios		
	Q1 (Mar '17)	2016
Net profit margin	2.03%	1.81%
Operating margin	2.81%	3.08%
EBITD margin	-	9.05%
Return on average assets	3.53%	3.33%
Return on average equity	14.18%	14.52%
Employees	341,400	-



Graph Source : Goole Finance



*Success Points ??*



# ✓ *'No Regrets !'*

1

*" I knew that when I was 80, I was not going to regret having tried this."*  
*@Jeff Bezos*



Source : [www.youtube.com](http://www.youtube.com)



# REGRET MINIMIZATION FRAMEWORK !!!



The framework I found which made the decision incredibly easy was what I called – which only a nerd would call – a ‘regret minimization framework’. So I wanted to project myself forward to age 80 and say, ‘Okay, now I’m looking back on my life. I want to have minimized the number of regrets I have.

— Jeff Bezos —

AZ QUOTES

## The Legend of the Amazon Door Desk

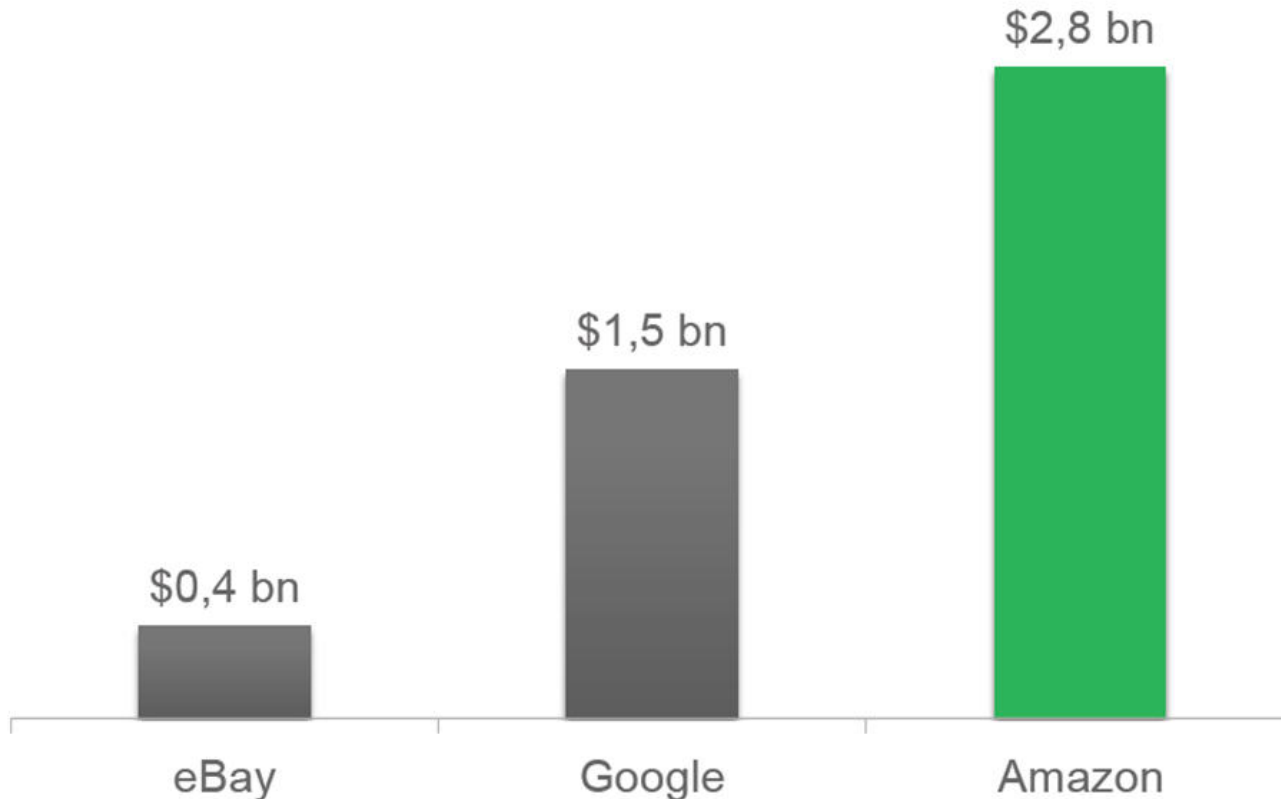


Fig. Source : google.com

# Did you know: Amazon has had one of the fastest growths in the Internet's history...



Revenues reached within first 5 years



✓ *'Great Team !'*

2

Working in  
Feature or  
Pizza Teams



“

If you can't feed a team  
with two pizzas, it's too  
large.

- Jeff Bezos, CEO, Amazon



*Jeff Bezos & Mackenzie Bezos*



Fig. Source : google.com

*Hire and Develop The Best ... '최고를 채용하고 육성한다'*



Fig source: Amazon, 2017





# ✓ *'Customer First !'*

3

**“We've had three big ideas at Amazon that we've stuck with for 18 years, and they're the reason we're successful:**

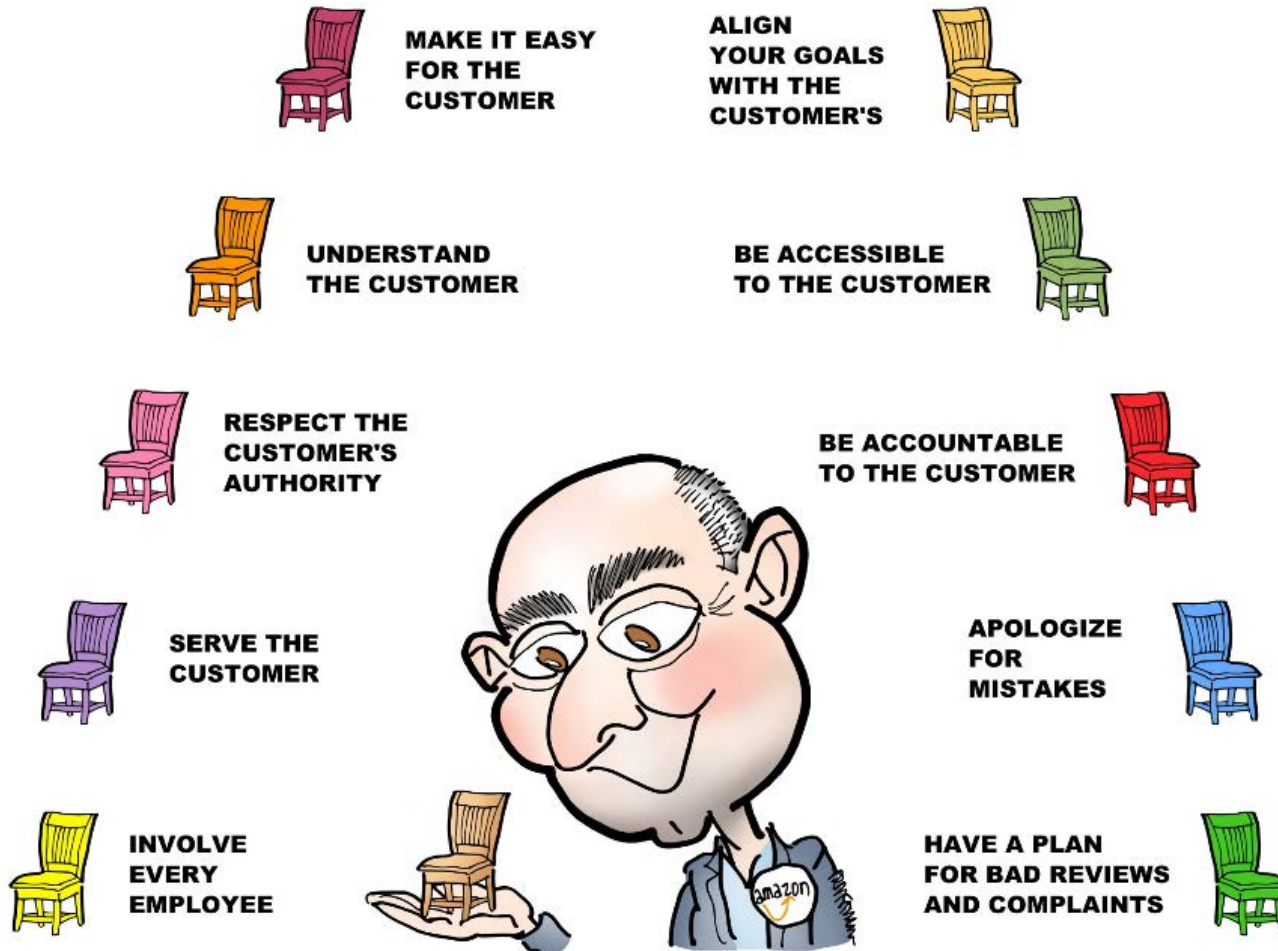
**Put the customer first.  
Invent.  
And be patient.**

Jeff Bezos



**JEFF BEZOS QUOTE TELLING THE 3  
THINGS THAT MAKE AMAZON  
SUCCESSFUL...**

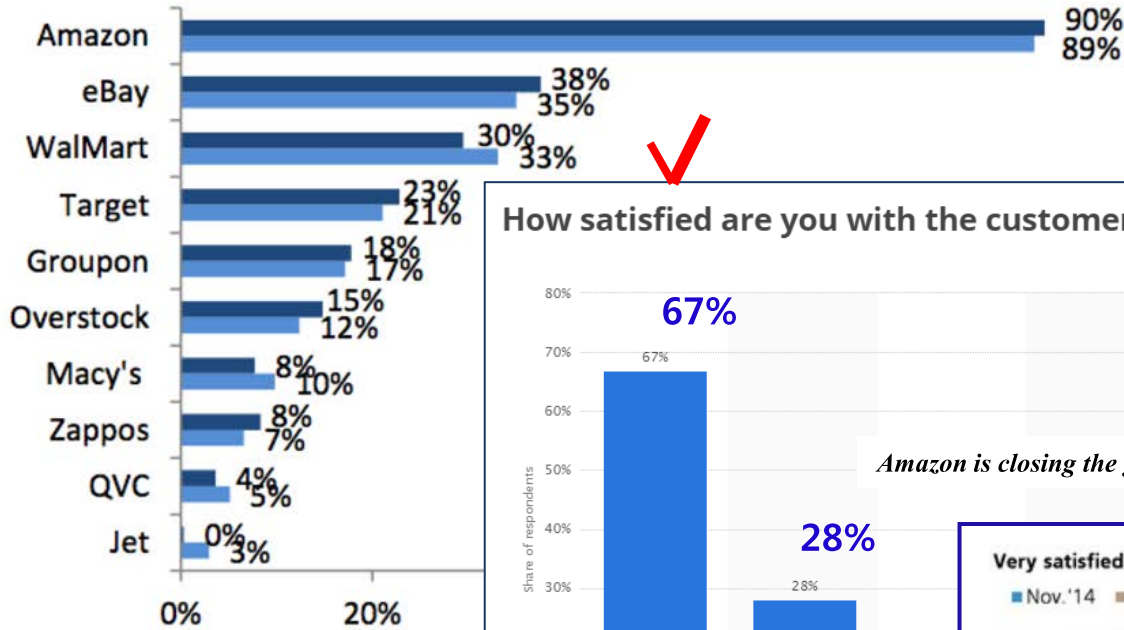
## Customer Chair



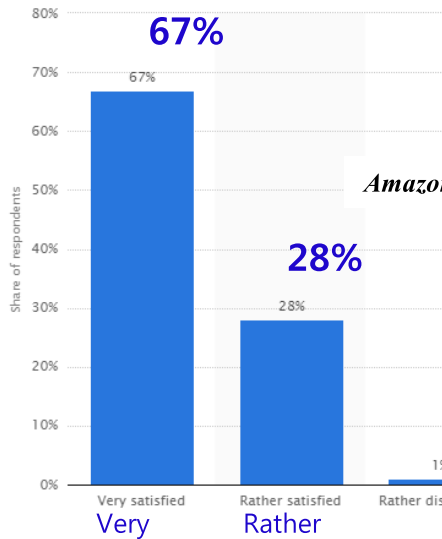
‘Amazon CEO Jeff Bezos is famous for having an empty chair at meetings. It presents Customer ‘



When shopping online, what sites do you most commonly use?

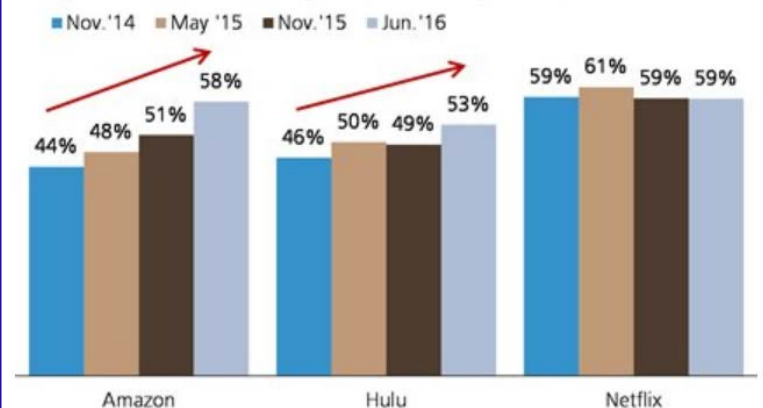


How satisfied are you with the customer service of Amazon?

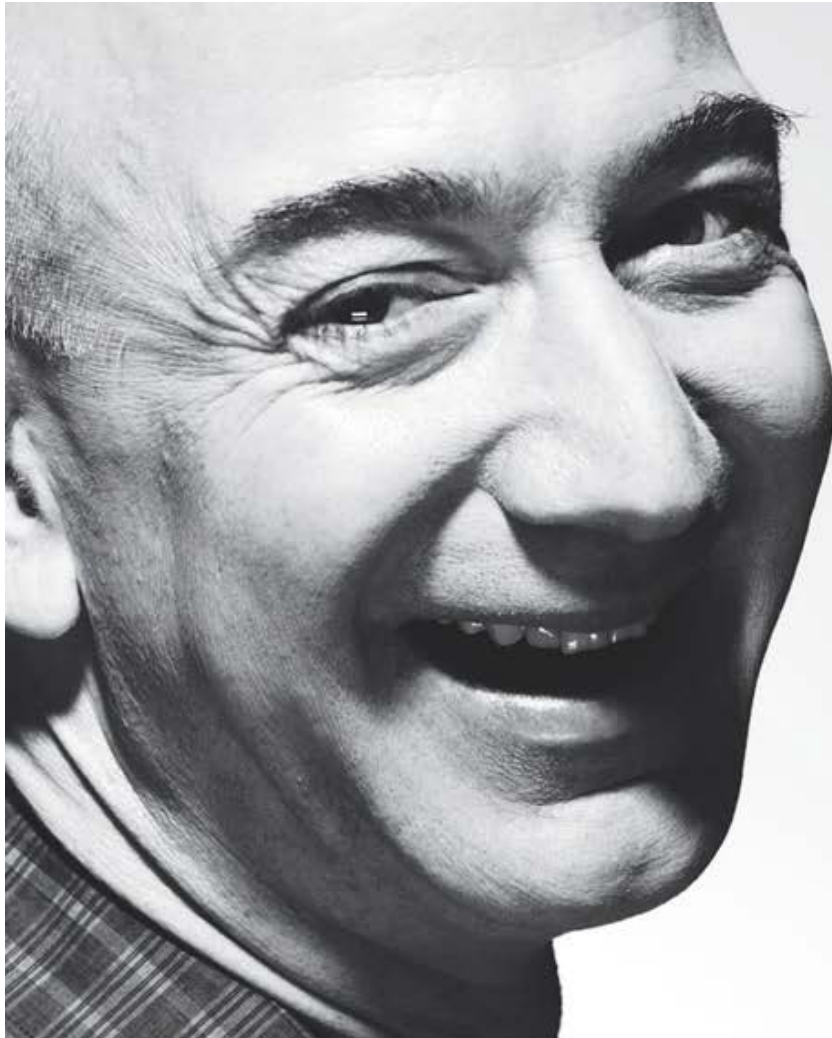


Amazon is closing the gap with Netflix in overall consumer satisfaction in the US.

Very satisfied with streaming service (% of respondents)



Source: RBC Capital Markets; Proprietary survey of 1,845 re



“ The most important single thing is to focus obsessively on the customer. Our goal is to be earth’s most customer-centric company.”

**Jeff Bezos**

CEO & President [amazon.com](https://www.amazon.com)

# ✓ 'Get Big Fast !'

4

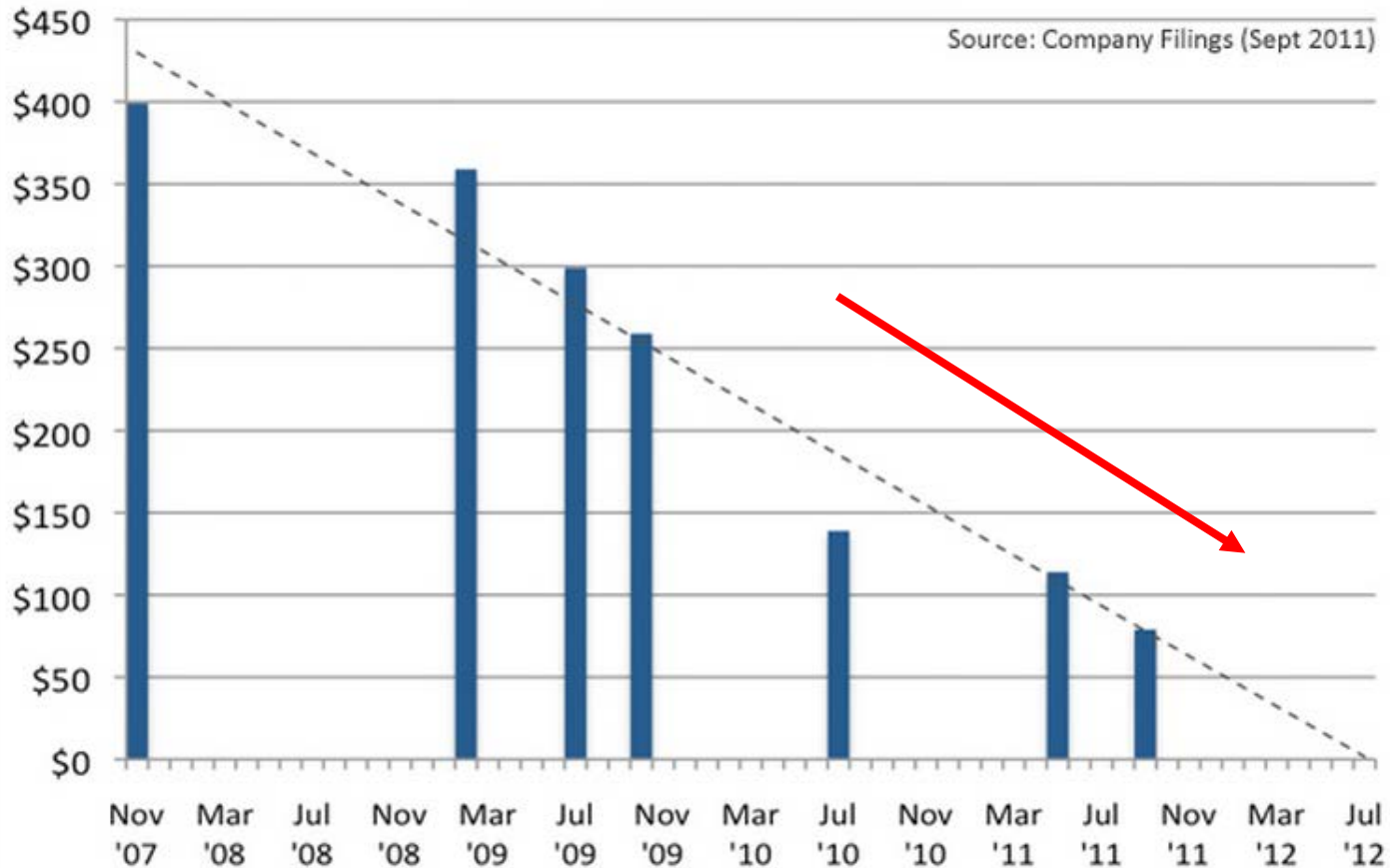


Jeff Bezos  
Napkin Diagram



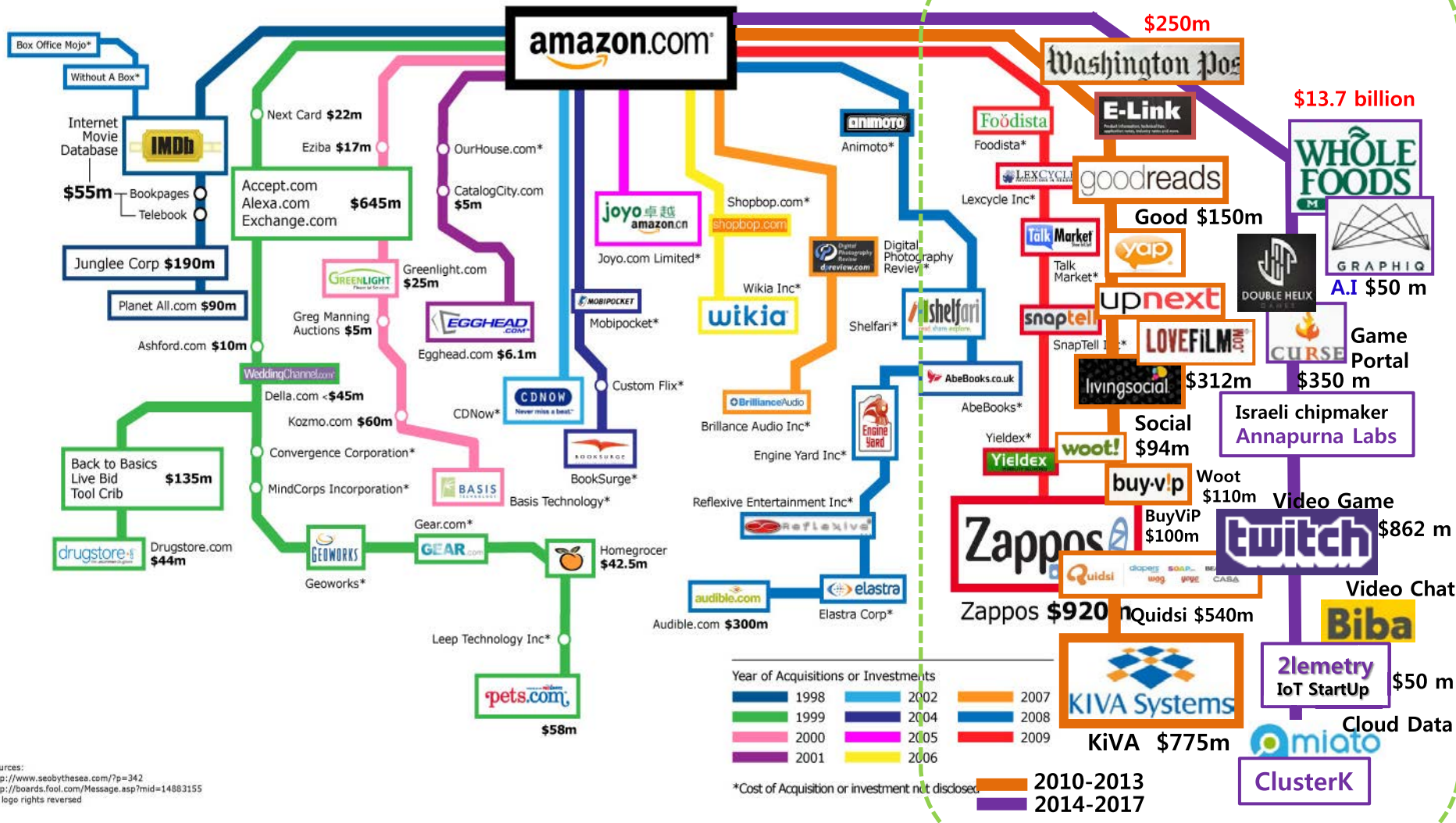


## The Price Of A Kindle



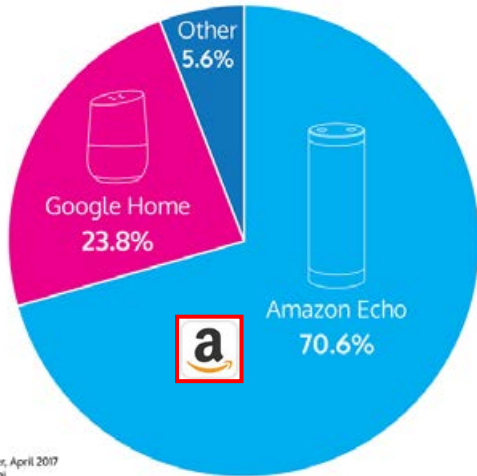
Source: Company Filings

# Amazon Acquisitions and Investments



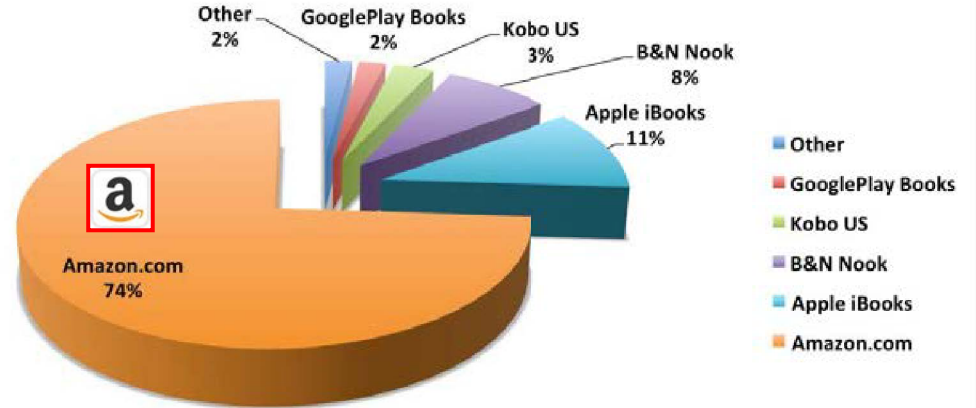
Sources:  
<http://www.seobythesea.com/?p=342>  
<http://boards.fool.com/Message.asp?mid=14883155>  
 All logo rights reversed

US Voice-Enabled Speaker User Share by Player, 2017



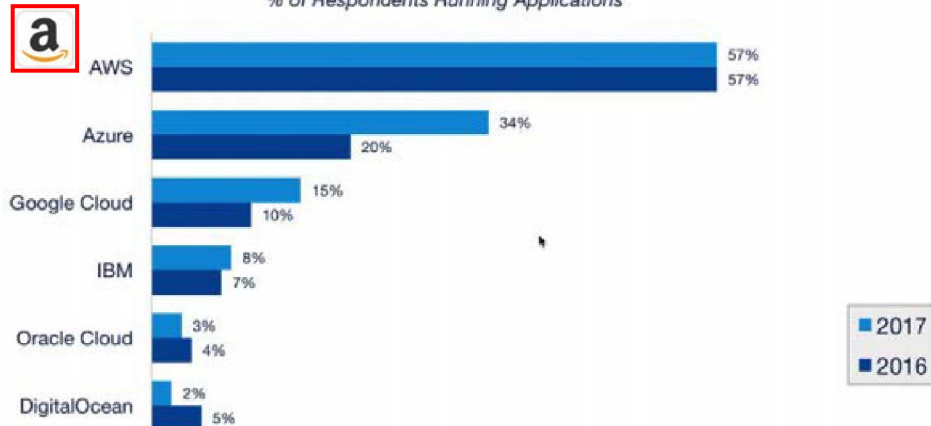
Source: eMarketer, April 2017  
 Image: Voicebot.ai

Market share of overall US eBook unit sales held by each retailer (including non-traditionally published ebooks without ISBNs)



**Public Cloud Adoption 2017 vs. 2016**

% of Respondents Running Applications



Source: RightScale 2017 State of the Cloud Report

Where do you have the most reviews?



sell BOX.

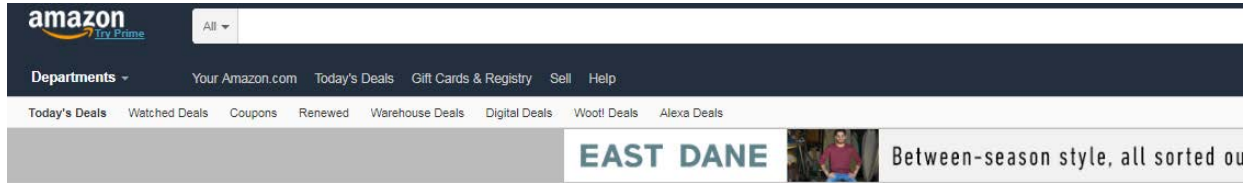
Sellbox.com



# 'Calculate Calculate !'

5


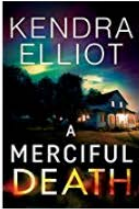
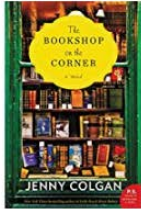
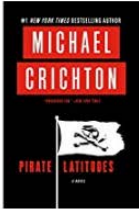

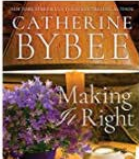
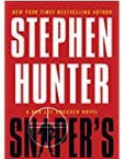
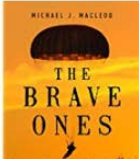
Amazon Bookstore



## Today's Deals

New deals. Every day. Shop our Deal of the Day, Lightning Deals and more daily deals and limited-time sales. See deals you're watching here, or let the deals come to you by receiving our daily deals email.

Showing 1-30 of 30 results for Books : Active or Missed x

<p><b>Department</b> Clear</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Amazon Devices</li> <li><input type="checkbox"/> Amazon Home Services</li> <li><input type="checkbox"/> Amazon Video</li> <li><input type="checkbox"/> Arts, Crafts &amp; Sewing</li> <li><input type="checkbox"/> Automotive &amp; Motorcycle</li> <li><input type="checkbox"/> Baby</li> <li><input type="checkbox"/> Baby Clothing &amp; Accessories</li> <li><input type="checkbox"/> Beauty</li> <li><input checked="" type="checkbox"/> Books</li> <li><input type="checkbox"/> Boys' Fashion</li> <li><input type="checkbox"/> Camera &amp; Photo</li> <li><input type="checkbox"/> Cell Phones &amp; Accessories</li> <li><a href="#">See more</a></li> </ul> <p><b>Deal Type</b></p> <ul style="list-style-type: none"> <li>Deal of the Day</li> <li>Lightning Deals</li> <li>Savings &amp; Sales</li> <li>Coupons</li> <li>Prime Early Access Deals</li> </ul> <p><b>Availability</b> Clear</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Active</li> <li><input type="checkbox"/> Upcoming</li> <li><input checked="" type="checkbox"/> Missed</li> </ul> <p><b>Price</b> Under \$25</p>	 <p>Kindle monthly book deals, up to 80% off select best sellers</p> <p><a href="#">See details</a></p>	 <p>Kindle monthly deals, up to 80% off Mystery, Thriller &amp; Suspense books</p> <p><a href="#">See details</a></p>	 <p>"The Bookshop on the Corner" by Jenny Colgan for \$1.99</p> <p><a href="#">See details</a></p>	 <p>"Pirate Latitudes" by Michael Crichton for \$1.99</p> <p><a href="#">See details</a></p>
				

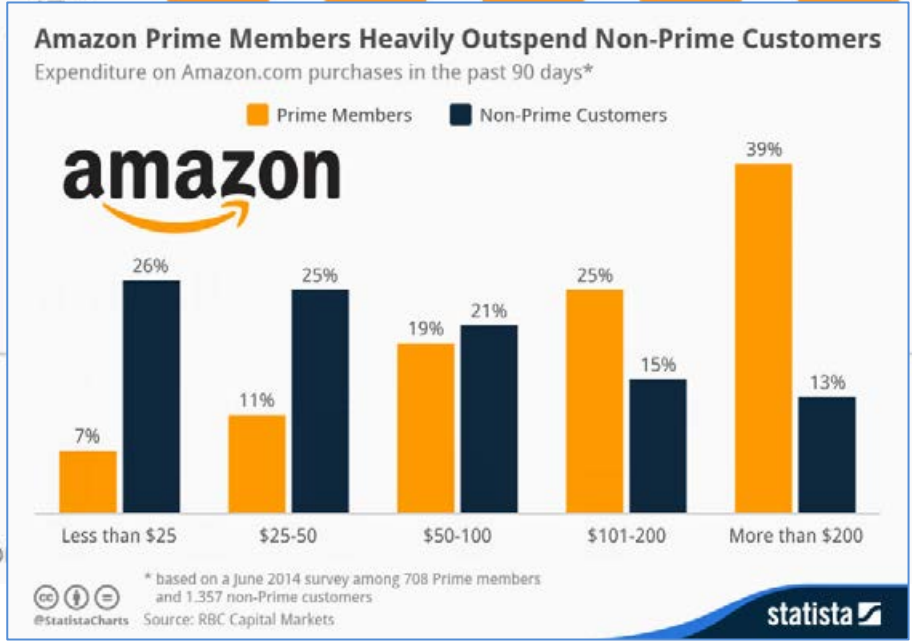


# Amazon Reaches 85 Million Prime Members in the U.S.

Estimated number of Amazon Prime members in the United States

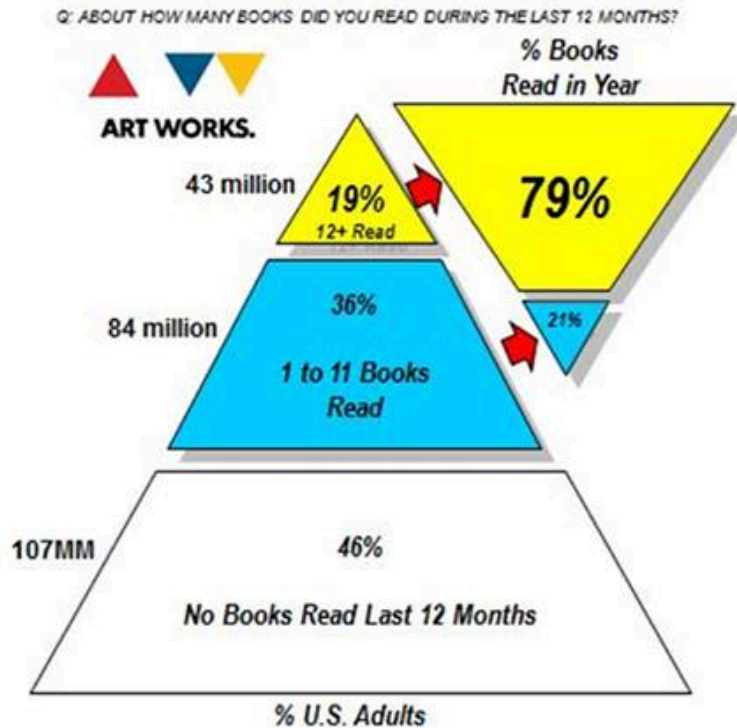


## Average spending per year





## Amazon의 계산적 인수합병의 예, Goodreads

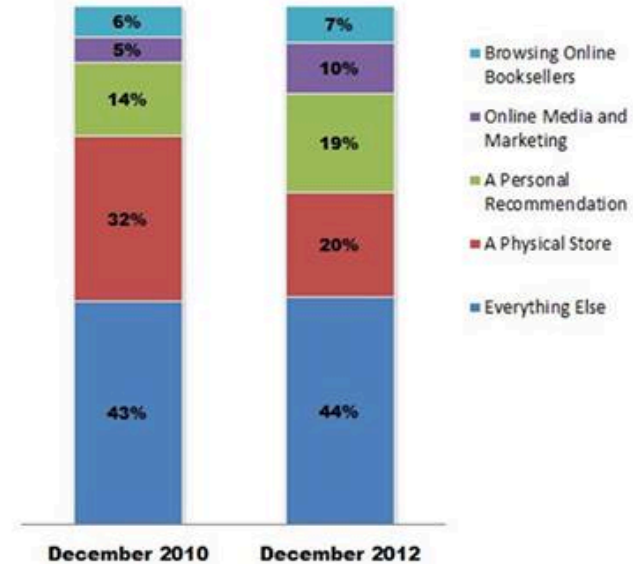


- 1년 12권 이상 책을 읽은 인구가 79%의 책 구매
- 11권 이하의 책을 읽은 인구의 책 구매는 21%뿐
- 1억명 넘는 인구는 한권도 안 읽음

Prof. Choi, Jaehong (Gangneung-Wonju Nat'l Univ.)

### How Readers Discovered the Last Book They Purchased

(Codex Group, 2013)



- 책방은 급격히 사라지는 추세
- 책은 지인의 추천, 온라인 미디어 통한 구매비율 상승
- 개인추천도 서평에서 시작
- 11%의 독서가가 책 서평의 46%의 서평을 생산

- 아마존의 Goodreads의 인수(1억5천만 달러 인수)
- GoodReades 에서 추천 받은 책은 29% 구매로 연결
- 이용자 10배나 많은 Facebook 보다 더 효과적인 방법

# Amazon Japan



m-Commerce  
e-Book



Prof. Choi, Jaehong (Gangnung Wonju Nat'l Univ.)

# ✓ 'Do It, Right Now !'

6

## Risk Management



The painful transition from growth to profits: Amazon's stock price, 1997-2001.



○ The Washington Post



○ **amazon**  
*Prime Air*



○ **KIVA Systems**



○ **BLUE ORIGIN**

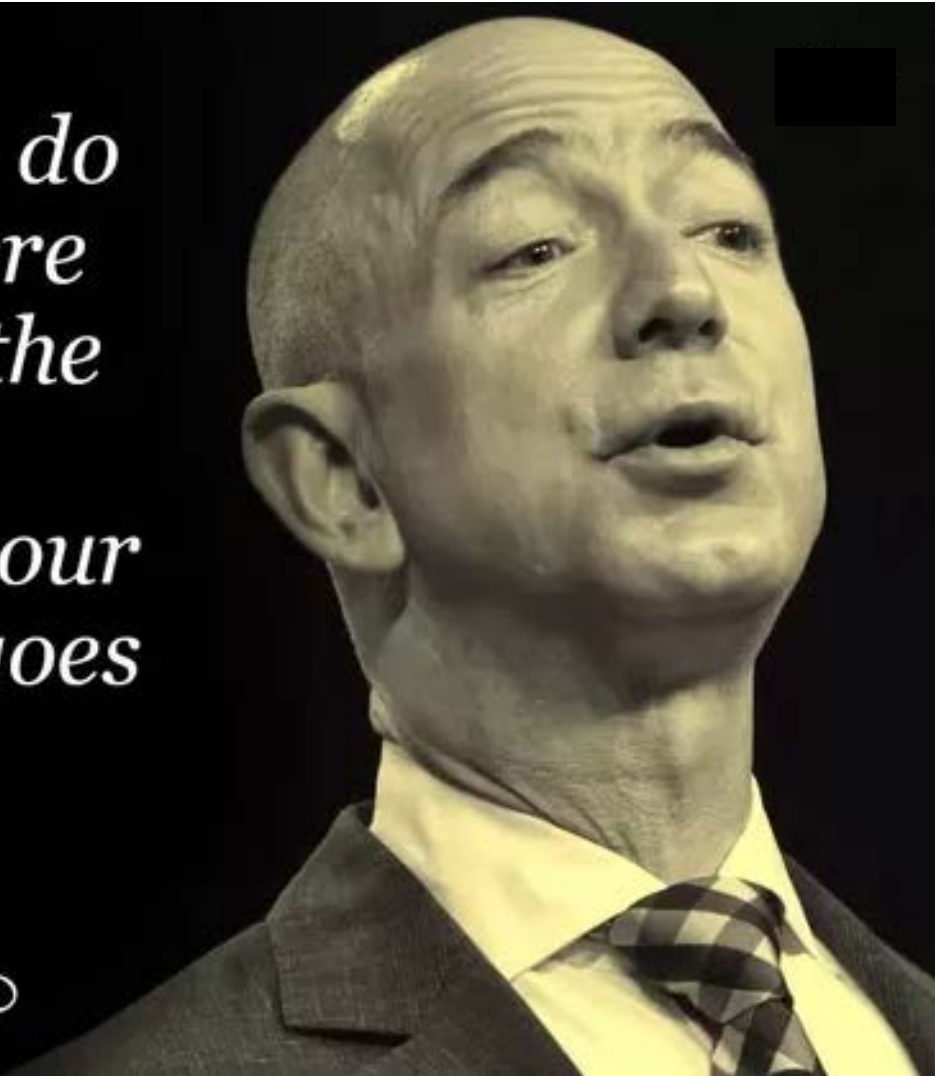


Source : Google Images

*If you only do things where you know the answer in advance, your company goes away.*

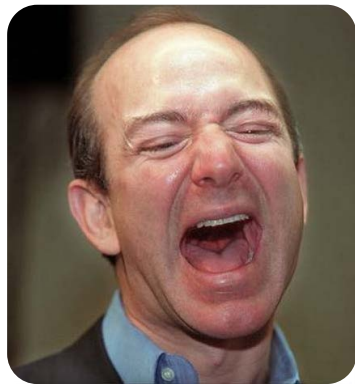
Jeff Bezos

[www.ELITECOLUMN.com](http://www.ELITECOLUMN.com)





Amazon의 한국 진출시 .....



**Book Store, e-Book**  
 Yes24 KyoBo Aladin  
 Interpark Bandinlunis



**Contents**  
 Music melon Soribada  
 Bugs Tving



**CDN**  
 IDC  
 Storage Service



**Logistics**  
 CJ GS molttail WizWid  
 Hanjin



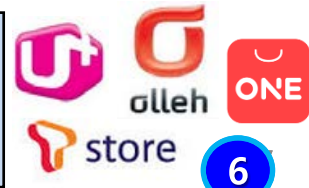
**Shopping Mall**  
 Auction G market  
 11Street Coupang  
 interpark



**Device**  
 Gal-Tab Sam Crema



**Advertizing**  
**Telecom Store**  
 Mobile Searching



# ✓ *'Trojan Horse Biz !'*



Photo by Joe Klamar/AFP/GettyImages

## Case study: the newly-released “Kindle Fire” is Amazon’s Trojan Horse ...

The Kindle Fire can be **used to purchase** e-books but also games, movies, and potentially **anything that Amazon sells on its website.**



**From Commerce to  
Hardware**

AMAZON - *Kindle Fire*

Source: Amazonwhitepaper

e books



Rare books



kindle fire



Amazon Appstore

for Android Phones and Tablets

Enjoy a great selection of your favourite apps and games—including a paid app for free everyday.



amazon  
Prime Air

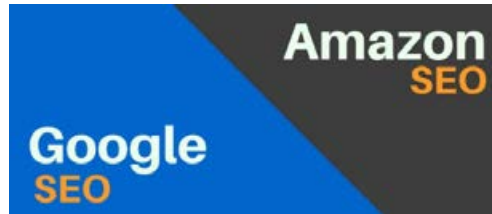
echo  
amazon



Cloud







## Search : “ Portable Speakers “

Google

portable speakers

All Images Videos News Maps More Settings

About 131,000,000 results (0.60 seconds)

**The best Bluetooth speaker available today | TechRadar**  
[www.techradar.com/news/audio/portable-audio/10-best-portable-speakers-1069079](http://www.techradar.com/news/audio/portable-audio/10-best-portable-speakers-1069079)  
Jul 14, 2017 - Our guide to the best Bluetooth speaker is a constantly updated list of the best speakers around. So whether you want to buy a ...  
UE Boom 2 · JBL Charge 3 · Bose SoundLink Mini II · Fugoo Style

**22 Best Bluetooth Wireless Speaker Reviews 2017 - Portable ...**  
[www.bestproducts.com/tech/gadgets/g217/top-portable-bluetooth-speakers/](http://www.bestproducts.com/tech/gadgets/g217/top-portable-bluetooth-speakers/)  
May 22, 2017 - From sub-\$20 picks, all the way to ultra premium offerings with high price tag Bluetooth speaker for every taste and budget.

**Best Bluetooth Speakers 2017: The 9 you should consider | Truste**  
[www.trustedreviews.com/best-bluetooth-speakers\\_round-up](http://www.trustedreviews.com/best-bluetooth-speakers_round-up)  
4 days ago - We've listened to dozens of great, and not so great, wireless speakers. Here a we think are worth your money from ultra-portable, ...  
Bose SoundLink Mini II · Jam Heavy Metal HX-P920 · Harman Kardon Go + Play 2

**Portable Speakers - Best Buy**  
[www.bestbuy.com](http://www.bestbuy.com) > Audio > Bluetooth & Wireless Speakers  
Best Buy Top Picks: Bluetooth Speakers. We make it easy to find the right wireless Bluetooth for your needs. See our Bluetooth speaker top picks > ...

**Best Bluetooth Speakers of 2017 - CNET**  
<https://www.cnet.com/topics/speakers/best-speakers/bluetooth/>  
Jun 21, 2017 - UE Megaboom. Top indoor/outdoor portable Bluetooth sp... The UE Megaboom Bluetooth speaker one-ups its little brother with a range of ...

amazon Try Prime

All portable speakers

Departments Your Amazon.com Today's Deals Gift Cards & Registry

1-24 of 50,040 results for Electronics : "portable speakers"

Show results for

Any Category  
**Electronics**  
MP3 & MP4 Player Accessories  
Computer Speakers  
Portable Speakers & Docks  
Portable Bluetooth Speakers  
Home Audio Speakers  
Portable Line-In Speakers  
Cases  
Car Audio Speakers & Subwoofers  
Accessories & Supplies  
Home Audio  
See more


Refine by

International Shipping  
 Ship to Korea, Republic of


Amazon Prime

Showing results in Electronics. Show instead results in All

SPONSORED BY VICTSING  
**2017 high-grade speakers**  
Shop now



Sponsored ⓘ  
**Best Seller**  
**Cambridge Sc Wireless Blue**  
by Cambridge Sour  
\$27<sup>99</sup> \$59.99  
Get it by **Monday, J**  
FREE Shipping on e





## ✓ '실패로 배우는 성공!'

8

*"If you never want to be criticized, for goodness' sake don't anything new.".... @Jeff Bezos*





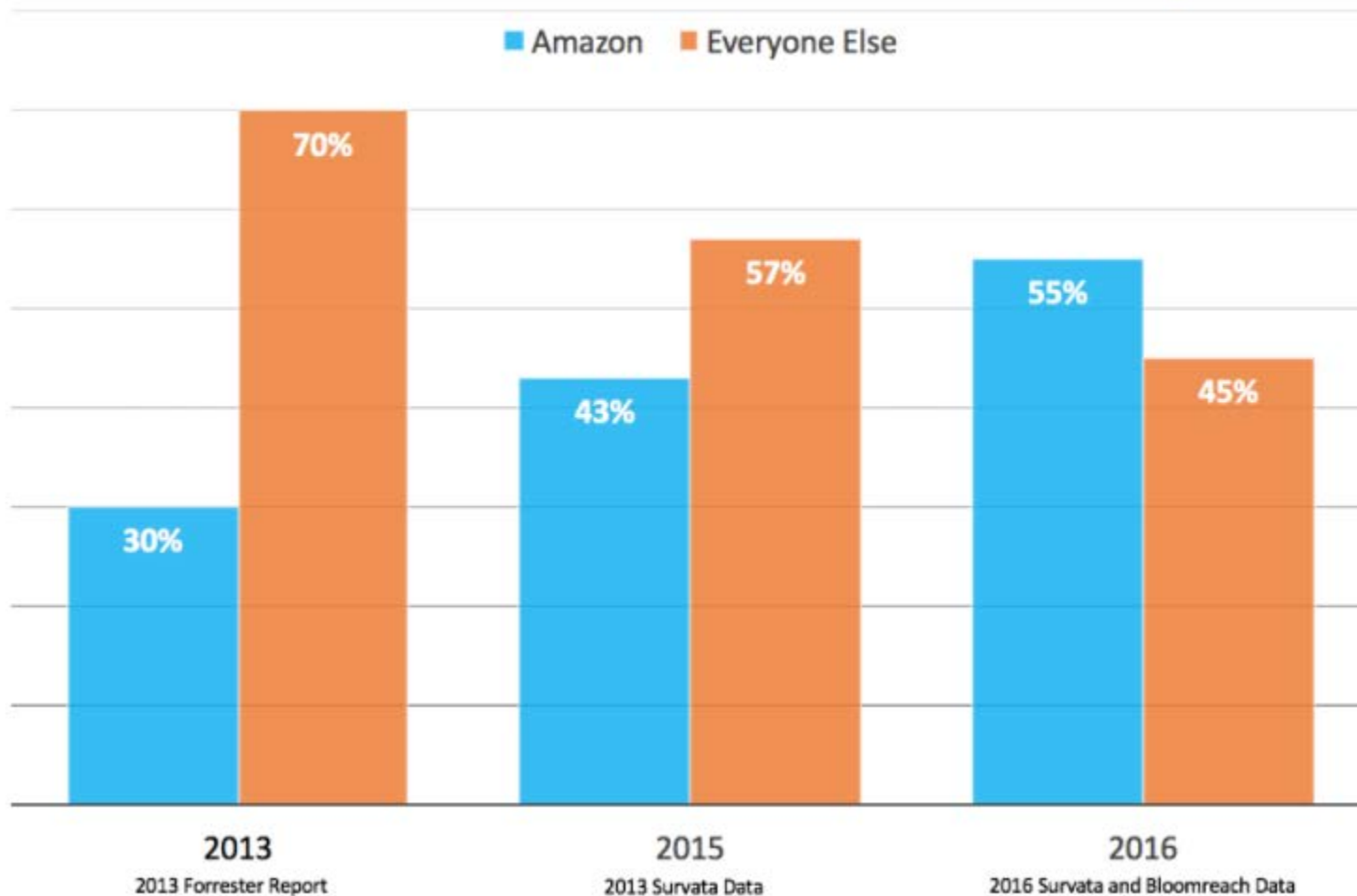
“ 실패와 혁신은 쌍둥이입니다. ”

이것이 우리가 1000억달러(약 109조원)의  
매출을 내면서도 끊임없이 실패에  
도전하는 이유입니다.

그래서 나는 아마존을 가장 성공한  
회사보다도 가장 편하게 실패할 수 있는  
회사로 만들고자 합니다.

(제프 베조스, 2016.4.9, 주주들에게 보낸 연례서한)

## Where Shoppers Begin Searching For Products



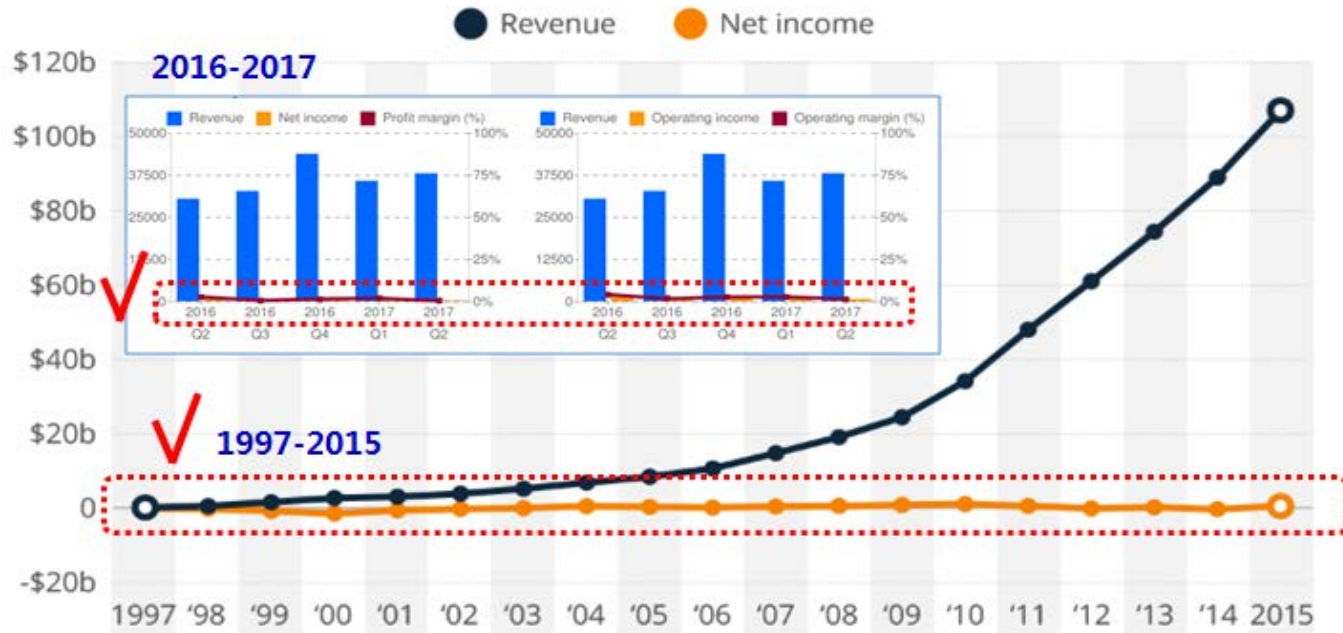


# ✓ 'A Long Term View !'

*"A company shouldn't get addicted to being shiny, because shiny doesn't last."*  
@Jeff Bezos

## Amazon's Long-Term Growth

Amazon's revenue and net income from 1997 through 2015 (in billion U.S. dollars)

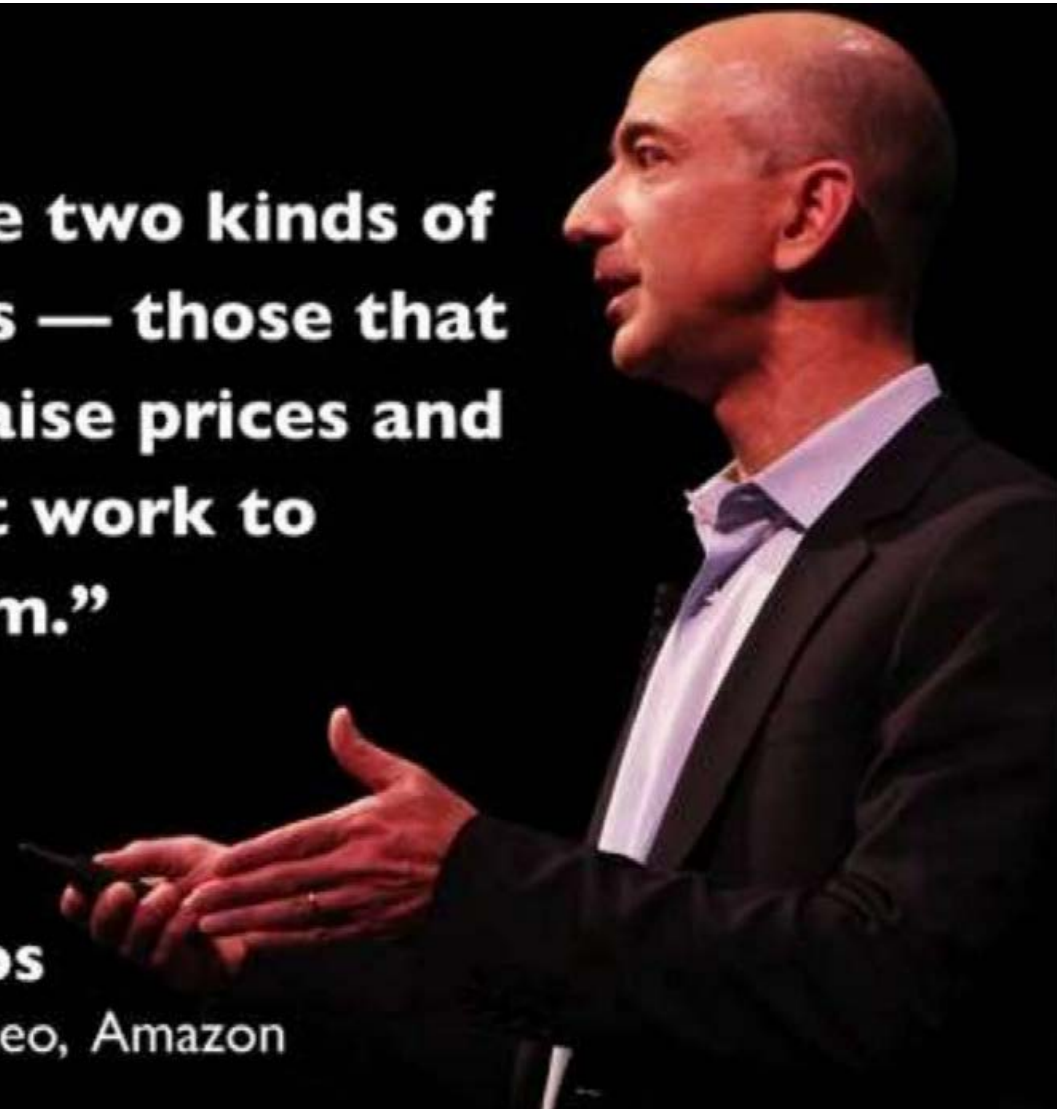


Source : [www.google.com/finance](http://www.google.com/finance)



Prof. Choi, Jaehong (Gangneung Wonju Nat'l Univ.)



A photograph of Jeff Bezos, founder and CEO of Amazon, speaking on a stage. He is shown in profile, facing left, wearing a dark suit jacket over a light-colored shirt. He is gesturing with his hands as if in the middle of a presentation. The background is dark, and the lighting is focused on him.

**"There are two kinds of companies — those that work to raise prices and those that work to lower them."**

**Jeff Bezos**  
founder & ceo, Amazon

Amazon.com lost a staggering **\$3 bn** between 1995 and 2003



**amazon**  
*Success Point*  
*A Long Term View3*

**amazon echo**

Always ready, connected, and fast. Just ask.



**echo dot**

Add Alexa to any room



**echo show**

Now Alexa can show you things

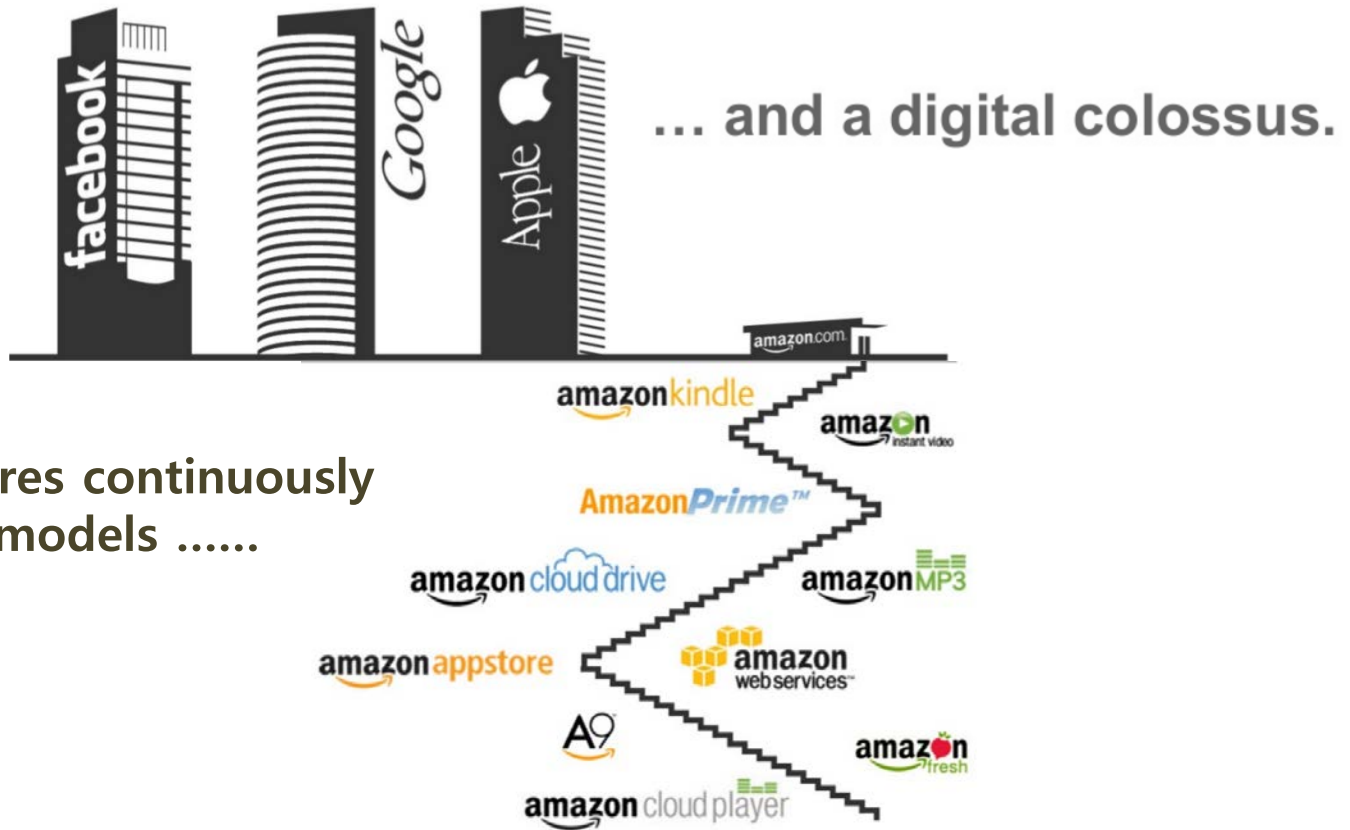


< Skill Kit >



# ✓ *'The Hidden Empire !'*

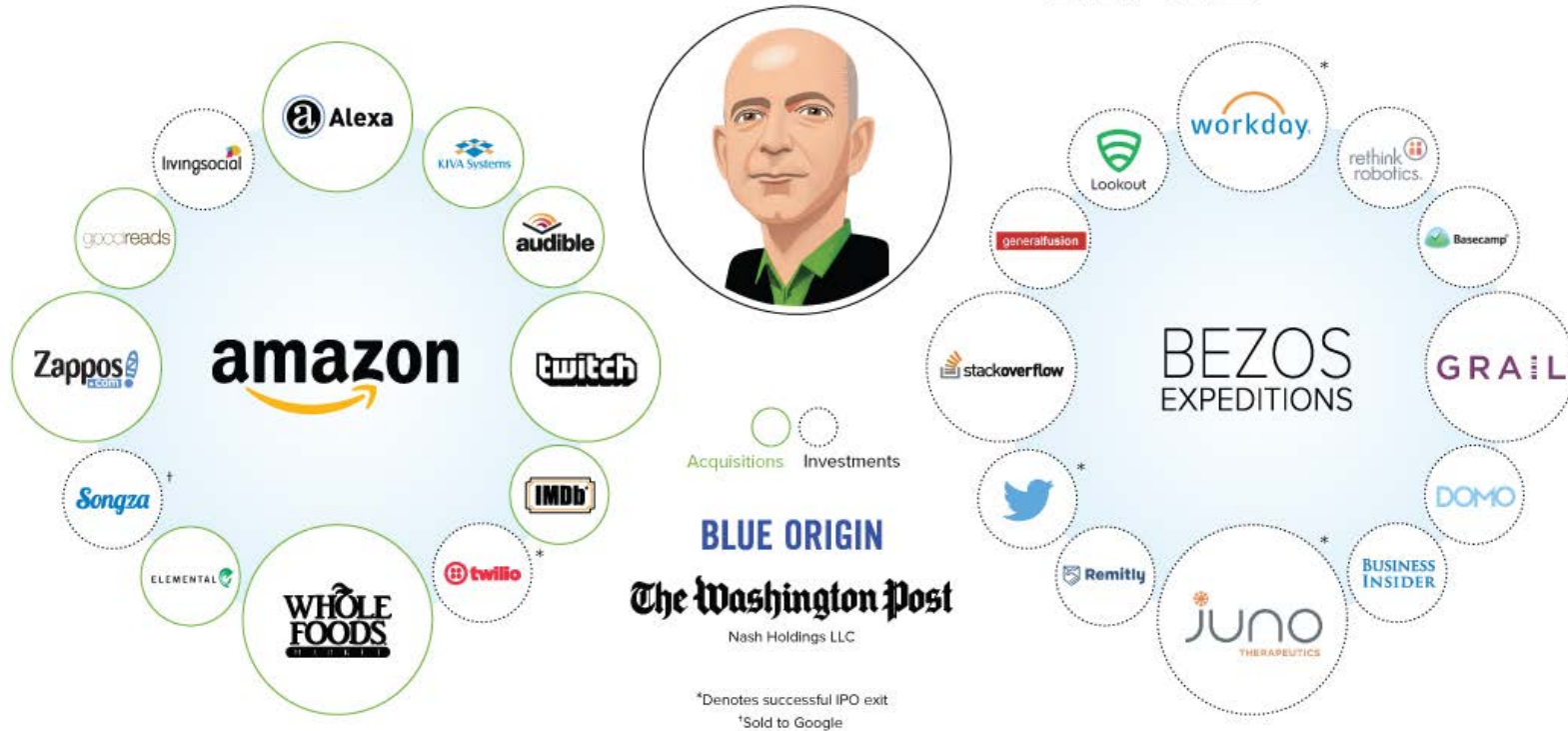
Amazon.com:  
a digital shop around the corner...



Amazon explores continuously  
new business models .....



Amazon explores continuously new business models .....



Source: [www.marketwatch.com](http://www.marketwatch.com)



Amazon explores continuously new business models .....

What it would take to make Bezos the richest on the planet



Source: Bloomberg, Getty Images

Amazon explores continuously new business models .....



Source : Google Image



***Success Points ??***

**성공의 마스터 키**

## Three pillars of Amazon.com

- Prime
- Marketplace
- AWS



Source: Bala Iyer, Amazon 2016



And to conclude ...  
Master Key



'CEO'



Jeffrey P. Bezos

Founder and CEO, Amazon.com



# 'CEO'

## THE EVOLUTION OF JEFF BEZOS



<-- same person -->



Source : [www.cnn.com](http://www.cnn.com)

# *Thank You*

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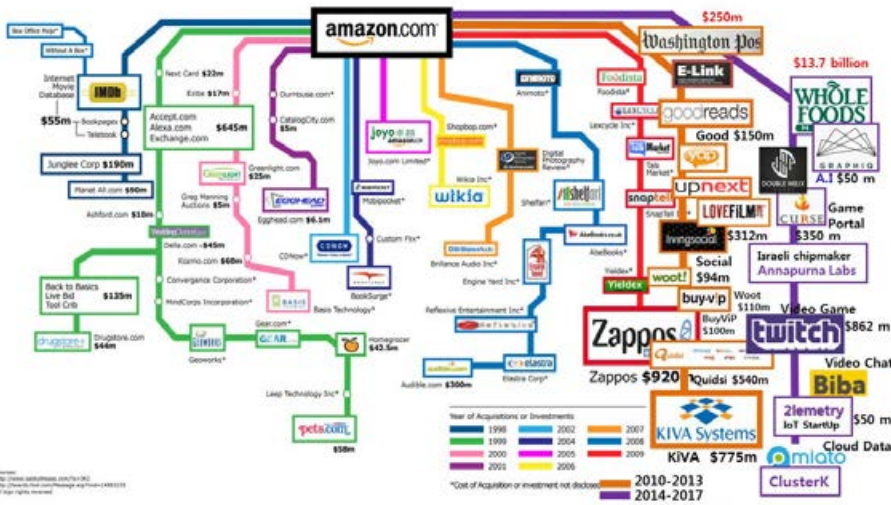


# Ex-Reference

amazon  
Success Point  
Trojan Horse Biz 2

Meet the Boss

## Amazon Acquisitions and Investments



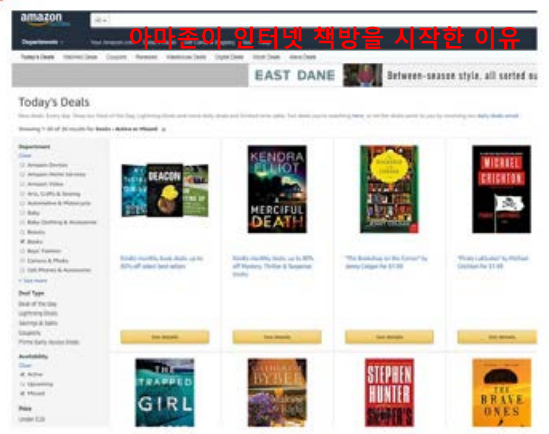
아마존은 다른 방법의 경쟁

- 아마존이 반즈앤노블과의 경쟁은 ..... 희귀한 책으로..
- 온라인 서점이 많아지면서 ..... eBook으로..
- 모바일 기기에 열광을 하니가..... 아마존 앱과 킨드(파이어)로...
- 연말이 다가오니가... 드론을 통한 배송 이벤트로 브랜드와 매출을...
- 구글 검색이 세계를 지배하면서 ..... 상품검색으로..
- IoT와 AI 세상으로 가는 와중에서 ..... 길목 지키는 음성인식 에코로..

amazon  
Success Point  
5

Calculate Calculate !

Amazon Bookstore



## Case study: ... and shows Apple-like strategy

From Commerce to Hardware  
AMAZON - Kindle Fire



From Hardware to Commerce  
APPLE - iPad



Source: Amazonwhitepaper

1. 보고서에 해마다 2,300%의 인터넷관련 성장과 16%만이 인터넷을 사용한다는데 놀랐다.
2. 북미에서 출판사 중에 300만권의 책이 출판되는데 시장점유 10%이상 차지하는 절대강자가 거의 없었다.
3. 캐나다에서 이메일을 통하여 책을 판매하는 사이트가 있었으나 온라인 검색, 구매 사이트가 전부했다.
4. 온라인 책방은 광고가 필요 없고, 재고를 안지 않고 검색이 가능하여 룬테일 마켓을 만들 수 있었다.
5. 물건의 취급이 간편하여 파손이나 훼손 등의 부담이 적고 유통,배송을 규격화할 수 있다.