AWS Digital Innovation Program

How customers can learn to innovate like Amazon

Feras Alsamawi, Digital Innovation Programs EMEA

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Digital Innovation - What are the challenges?

Most of apps to be mobile in 2017

90% of the world’s data created in last 2 years

75B of devices connected to internet by 2020

Customer expectations & evolving markets
Amazon is innovating across many domains

- Drone Development
- Video Streaming
- Kindle
- In-house Entertainment
- Grocery Delivery
- Advanced Shopping
- Cloud Computing
- Home Automation
Culture
Amazon Leadership Principles

Customer Obsession
Ownership
Invent and Simplify
Are Right, A Lot
Hire and Develop the Best
Insist on the Highest Standards
Think Big
Bias for Action
Frugality
Learn and Be Curious
Earn Trust
Dive Deep
Have Backbone; Disagree and Commit
Deliver Results
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High velocity decision making

“…most decisions should probably be made with somewhere around 70% of the information you wish you had. If you wait for 90%, in most cases, you’re probably being slow”

“If you’re good at course correcting, being wrong may be less costly than you think, whereas being slow is going to be expensive for sure.”

Letter to Shareholders - April 12, 2017
Mechanisms
“WE’RE NOT COMPETITOR OBSESSED, WE’RE CUSTOMER OBSESSED. WE START WITH WHAT THE CUSTOMER NEEDS AND WE WORK BACKWARDS.”
The Working Backwards process

1. Identify
   - Identify Needs
   - Generate Ideas
   - Evaluate Opportunity

2. Innovate
   - Discover Solutions
   - Select Solution
   - Refine Solution

3. Implement
   - Finalize Solution
   - Production & Distribution
   - Transition to Operations & Scale

Start with the customer, brainstorm, answer the 5 questions, iterate, create PR, FAQs, visuals, continually revisit PR, FAQs, visuals.

Press Release

When you write your press release, imagine that your customer is going to read it. It’s a one-page narrative explaining your vision using customer-centric language.

- No Marketing Buzz Words (e.g. simple, easy, fast). The reader decides if it's “easy” to use.
- The most important info first. No one reads past the first paragraph.
- Only metrics and data that matters to the customer (e.g. their time, their money).
Organisation & Architecture
“If you can’t feed a team with two pizzas, it’s too large”
- Jeff Bezos, Amazon
2 PIZZA TEAMS

Outcome-based
Iterative
Optimize for Responsiveness
Empowerment & Autonomy
Feedback & Learning
Safety & Trust

Characteristics
Characteristics

**Outcome-based** (Customer-Obsession)

**Iterative** (Are Right, A Lot)

**Optimize for Responsiveness** (Bias for Action)

**Empowerment & Autonomy** (Ownership)

**Feedback & Learning** (Learn and Be Curious)

**Safety & Trust** (Invent and Simplify)
How to share with our customers?
Digital Innovation means reinvention of core offerings & processes or invention of new ones through digital technologies

- Changing customer relationship or experience
- Improve internal processes
- Create an entirely new value proposition
The Digital Innovation Program by AWS is an offer to share Amazon’s best practices – the DNA of Digital Business – with our customers. Ultimately, customers will be enabled to execute on their own Digital Agenda.

Changing customer relationship or experience

Improve internal processes

Create an entirely new value proposition
| Digital Vision | Customer (Board, C-Suite) defines the overall agenda for Digital Innovation | Business Model, Organisational Structure and Culture |
| Digital Offering | Defined Working Backwards with the customer. AWS facilitates the process and can support with Go-To Market scenarios (ie: Amazon Partnership) | Core offering through Digital Technology |
| Cloud Native Architecture | AWS provides best practices to build, test deploy and release applications knowing the core element of a modern digital platform (automation, analytics, data-lakes & microservices) | Architecture, Technology Stack and Platform Attributes |
| Operating model | AWS shares cultural and methodological best practices on how to create multi disciplinary team that operates in an agile fashion (DevOps, scrum) | Collaboration of Business and IT |
At Amazon, we always work backwards from the customer
Design thinking – Framing a problem

Working Backwards - PR

How would a disrupter approach this problem?
How does this raise the bar for our customers?

Circulate widely for feedback & signoff

WORKSHOP
DRAFT 1
DRAFT 2
FINAL DRAFT

DAY 1
DAY 10
DAY 20
1+ MONTH
Press Release – building the next Digital Offering

Beacon Project

A Digital Offering

Aligned with your vision

That we can leverage for enabling your team
Digital Innovation – Cloud Native Architecture

Microservices & Automation

Serverless Analysis
Digital Innovation – Operating Model
Do you want to start innovating like Amazon?

The Digital Innovation Program will kick start your journey…

• Based on your Digital Vision
• We will work backwards with you to scope your next Digital Offering
• And – via selected partners - enable your teams to develop Cloud-Native applications the Amazon way
• This way we will support you to transform processes, structure, people and culture in concert.

Vision
Offering
Cloud Native Arch
Operating Model

Executive commitment
Working Backwards
PRFAQ
Enable
MVP
Iterate /Scale
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...three complementing DNA’s

**Vision**
- Think Tank leveraging innovation and collaboration techniques
- Creative and user-centric approach to develop business visions and product concepts
- Strategically facilitating a culture of innovation

**Solution**
- Solutions provider with over 12 years of agile software development experience
- Knowledge leader in software development methodologies, technology and architecture
- Fostering innovation with own startups and an innovative culture

**Platform**
- Market leading cloud provider
- Born from a culture of agility and innovation
- Providing a breadth global platform full of innovative services and building blocks
Filling in the Digital Innovation Framework

**Digital Vision**

The Black Frame

The right setting, process and tooling to uncover ideas and make them actionable

**Digital Offering**

Digital Labs

Fastest customer feedback to validate your business ideas
Just add your product manager and go

**Cloud Native Architecture**

Digital Enablement

Learn how to implement digitization solutions
Shared teams for knowhow transfer
Phase out as you learn

**Operating Model**

Digital eXperience

Robust, secure and scalable digitization solutions
Fast feedback cycles for continuous value creation
Just add your product manager and go

*Image credit: codecentric*
Thank you!

Feras Alsamawi – Digital Innovation Programs EMEA
alsamawi@amazon.com