



Stanford eCorner

Amazon Global Operations

Diego Piacentini, *Amazon*

November 03, 2010

Video URL: <http://ecorner.stanford.edu/videos/2557/Amazon-Global-Operations>

With seven global websites and half of its revenue coming from outside North America, Amazon Senior VP of International Retail Diego Piacentini discusses the company's global operations and strategy. The challenge, he says, is providing the same customer experience everywhere on the globe. To achieve this, Amazon utilizes a global network of call centers, fulfillment centers, and websites that cater to regional customers.



Transcript

This is Amazon's gateway page in 1995. The company, by the way, is 15 years old. And it started by selling only books. The most watchful people in the audience might know this one thing that Amazon.com did not have when it was launched. There is no search box. You could not search books. You had to browse. And it was a million books. Now, the search thing was added a few days later. But it was funny that when they decided to launch, they were behind with the search technology.

But they decided to launch anyway because there's not much search around in Internet, anyway. So, the second piece of the point. Today Amazon has seven global sites; dotcom, UK, Germany, France, Japan and Canada. As I said, almost half of the revenue comes from the countries outside the North America. There is one thing in common among all those websites. Although you might think that Europe and Asia and the US, they all have different cultures, different ways to purchase products, what we've been able to build in all those 15 years is a very common technology, customer experience and shopping experience across the sites. You see, they have pretty much the same look and feel. There is the same underlying technology. It's really all the same. I'm going to talk about this, how you can achieve this in a company that has now today 40,000 people, especially how you can keep, as I said and I emphasize, innovating in those countries.

Other piece. Amazon is a global company. And the first thing you want to understand, by the way, the boxes are where the fulfillment centers are, the phones are the customer service and the A's is where the corporate offices are. What you're noticing is, although we are in the countries that I mentioned, we have lots of operations in other countries. For example, we have a customer service operation in Costa Rica. We have a development center in South Africa. We have several thousand employees in India, where we have customer service, software development, back office, retail activity. None of them is outsourced. Those are Amazon employees living in those countries. So, we have several operations in countries where we actually do not have maybe a website.

There's also customer service in Ireland. It's a little hidden by all of the things there.