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The Free Encyclopedia

Amazon (company)

Amazon.com, Inc.,^[1] doing business as **Amazon** (/ˈæməzɒn/, *AM-ə-zon*; UK also /ˈæməzən/, *AM-ə-zən*), is an American multinational technology company, engaged in e-commerce, cloud computing, online advertising, digital streaming, and artificial intelligence.^[5] It is considered one of the Big Five American technology companies; the other four are Alphabet (parent company of Google), Apple, Meta (parent company of Facebook), and Microsoft.

Amazon was founded on July 5, 1994, by Jeff Bezos in Bellevue, Washington.^[6] The company originally started as an online marketplace for books but gradually expanded its offerings to include a wide range of product categories. This diversification led to it being referred to as "The Everything Store".^[7]

The company has multiple subsidiaries, including Amazon Web Services, providing cloud computing, Zoox, a self-driving car division, Kuiper Systems, a satellite Internet provider, and Amazon Lab126, a computer hardware R&D provider. Other subsidiaries include Ring, Twitch, IMDb, and Whole Foods Market. Its acquisition of Whole Foods in August 2017 for US\$13.4 billion substantially increased its market share and presence as a physical retailer.^[8]

Amazon has a reputation as a disruptor of industries through technological innovation and aggressive reinvestment of profits into capital expenditures.^{[9][10][11][12]} As of 2023, it is the world's largest online retailer and marketplace, smart speaker provider, cloud computing service through AWS,^[13] live-streaming service through Twitch, and Internet company as measured by revenue and market share.^[14] In 2021, it surpassed Walmart as the world's largest retailer outside of China, driven in large part by its paid subscription plan, Amazon Prime, which has close to 200 million subscribers worldwide.^{[15][16]} It is the second-largest private employer in the United States.^[17]

As of October 2023, Amazon is the 12th-most visited website in the world and 82% of its traffic comes from the United States.^{[18][19]}

Amazon.com, Inc.



Logo used since January 2000



Amazon's headquarters, the Doppler

Trade name	Amazon
Formerly	Cadabra, Inc. (1994–1995)
Company type	Public
Traded as	Nasdaq: AMZN (https://www.nasdaq.com/market-activity/stocks/amzn) <div>Nasdaq-100 component</div> DJIA componentS&P 100 componentS&P 500 component
ISIN	US0231351067 (https://isin.toolforge.org/?language=en&isin=US0231351067)
Industry	Conglomerate

Amazon also distributes a variety of downloadable and streaming content through its [Amazon Prime Video](#), [MGM+](#), [Amazon Music](#), [Twitch](#), [Audible](#) and [Wondery](#)^[20] units. It publishes books through its publishing arm, [Amazon Publishing](#), film and television content through [Amazon MGM Studios](#), including the [Metro-Goldwyn-Mayer](#) studio which acquired in March 2022. It also produces consumer electronics—most notably, [Kindle](#) e-readers, [Echo](#) devices, [Fire](#) tablets, and [Fire TVs](#).

Amazon has been criticized for customer data collection practices,^[21] a toxic work culture,^[22] censorship,^{[23][24][25][26][27]} tax avoidance,^{[28][29]} and anti-competitive behavior.^{[30][31]}

History

1994–2009

Amazon was founded on July 5, 1994, by [Jeff Bezos](#), who chose the [Seattle](#) area for its abundance of technical talent, as [Microsoft](#) was in the area.^[32]

Amazon went public in May 1997. It began selling music and videos in 1998, and began international operations by acquiring online sellers of books in the United Kingdom and Germany. In the subsequent year, it initiated the sale of a diverse range of products, including music, video games, consumer electronics, home improvement items, software, games, and toys.^{[33][34]}

In 2002, it launched [Amazon Web Services](#) (AWS), which initially focused on providing APIs for web developers to build web applications on top of Amazon's ecommerce platform.^{[35][36]} In 2004, AWS was expanded to provide website popularity statistics and web crawler data from the [Alexa Web Information Service](#).^[37] AWS later shifted toward providing enterprise services with [Simple Storage Service](#) (S3) in 2006,^[38] and [Elastic Compute Cloud](#) (EC2) in 2008,^[39] allowing companies to rent data storage and computing power from Amazon. In 2006, Amazon also launched the *Fulfillment by Amazon* program, which allowed individuals and small companies (called "third-party sellers") to sell products through Amazon's warehouses and fulfillment infrastructure.^[40]

2010–present

Founded	July 5, 1994 , in Bellevue, Washington, U.S.
Founder	Jeff Bezos
Headquarters	Seattle, Washington and Arlington, Virginia, U.S.
Area served	Worldwide
Key people	Jeff Bezos (executive chairman) Andy Jassy (president and CEO)
Products	Echo · Fire Tablet · Fire TV · Fire OS · Kindle
Services	Amazon.com Amazon Alexa Amazon Appstore Amazon Clinic Amazon Inspire Amazon Luna Amazon Music Amazon Pay Amazon Prime Amazon Prime Video MGM+ One Medical Twitch Ring Amazon Web Services Amazon Robotics
Revenue	▲ US\$574.8 billion (2023)
Operating income	▲ US\$36.85 billion (2023)
Net income	▲ US\$30.43 billion (2023)
Total assets	▲ US\$527.9 billion (2023)
Total equity	▲ US\$201.9 billion (2023)
Owner	Jeff Bezos (9.8%)
Number of employees	≈ 1,525,000 (2023)
Subsidiaries	List

Amazon purchased the Whole Foods Market supermarket chain in 2017.^[41] It is the leading e-retailer in the United States with approximately US\$178 billion net sales in 2017. It has over 300 million active customer accounts globally.^[42]

Amazon saw large growth during the COVID-19 pandemic, hiring more than 100,000 staff in the United States and Canada.^[43] Some Amazon workers in the US, France, and Italy protested the company's decision to "run normal shifts" due to COVID-19's ease of spread in warehouses.^{[44][45]} In Spain, the company faced legal complaints over its policies,^[46] while a group of US Senators wrote an open letter to Bezos expressing concerns about workplace safety.^[47]

On February 2, 2021, Bezos announced that he would step down as CEO to become executive chair of Amazon's board. The transition officially took place on July 5, 2021, with former CEO of AWS Andy Jassy replacing him as CEO.^{[48][49]} In January 2023, Amazon cut over 18,000 jobs, primarily in consumer retail and its human resources division in an attempt to cut costs.^[50]

On November 8, 2023, a plan was adopted for Jeff Bezos to sell approximately 50 million shares of the company over the next year (the deadline for the entire sales plan is January 31, 2025). The first step was the sale of 12 million shares for about \$2 billion.^[51]

Products and services

Amazon.com

Amazon.com is an e-commerce platform that sells many product lines, including media (books, movies, music, and software), apparel, baby products, consumer electronics, beauty products, gourmet food, groceries, health and personal care products, industrial & scientific supplies, kitchen items, jewelry, watches, lawn and garden items, musical instruments, sporting goods, tools, automotive items, toys and games, and farm supplies^[53] and consulting services.^[54] Amazon websites are country-specific (for example, amazon.com for the US and amazon.co.uk for UK) though some offer international shipping.^[55]

Visits to *amazon.com* grew from 615 million annual visitors in 2008,^[56] to more than 2 billion per month in 2022.^[57] The e-commerce platform is the 14th

- [A9.com](#)
- [AbeBooks](#)
- [Alexa Internet](#)
- [Amazon.com](#)
- [Amazon Air](#)
- [Amazon Books](#)
- [Amazon Fresh](#)
- [Amazon Games](#)
- [Amazon Lab126](#)
- [Amazon Logistics](#)
- [Amazon Pharmacy](#)
- [Amazon Publishing](#)
- [Amazon Robotics](#)
- [Amazon MGM Studios](#)
- [AWS](#)
- [Audible](#)
- [Blink](#)
- [Body Labs](#)
- [Book Depository](#)
- [ComiXology](#)
- [Eero LLC](#)
- [Goodreads](#)
- [Graphiq](#)
- [IMDb](#)
- [Kuiper Systems](#)
- [PillPack](#)
- [Ring](#)
- [Souq.com](#)
- [Twitch Interactive](#)
- [Whole Foods Market](#)
- [Woot](#)
- [Zappos](#)
- [Zoox](#)

Website [amazon.com \(https://www.amazon.com/\)](https://www.amazon.com/)

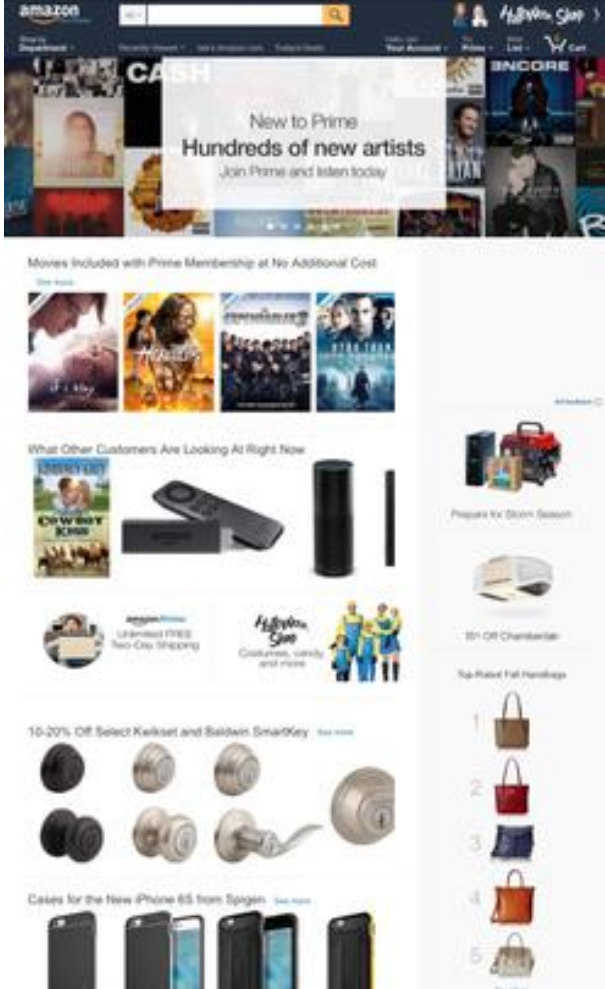
Footnotes / references
^{[1][2][3][4]}

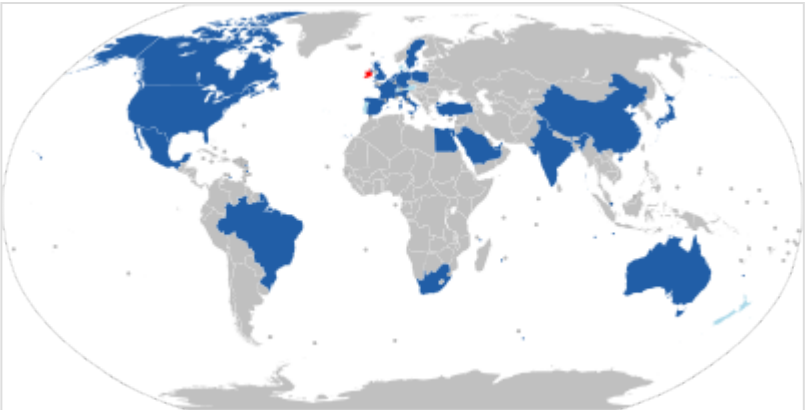


Screenshot

most visited website in the world.^[58]

Results generated by Amazon's search engine are partly determined by promotional fees.^[59] The company's localized storefronts, which differ in selection and prices, are differentiated by top-level domain and country code:

 <p>Homepage</p>	
Type of site	<u>E-commerce</u>
Available in	Arabic • Chinese • Dutch • English • French • German • Hindi • Italian • Japanese • Polish • Portuguese • Spanish • Swedish • Turkish
Owner	Amazon
URL	<u>amazon.com</u> (<u>http://Amazon.com</u>) (original US site)
Commercial	Yes
Registration	Optional
Launched	1995
Current status	Active
Written in	<u>C++</u> and <u>Java</u>
<p>[52]</p>	



Amazon Marketplaces worldwide

- Top-Level Domain
- Served by neighboring Domain
- Confirmed launch, currently served by neighboring domain

Sales by country
(2023)^[60]

Country	share
United States	69.3%
Germany	6.5%
United Kingdom	5.8%
Japan	4.8%
Other	13.6%

Region	Country	Domain name	Since	Languages	Notes
Africa	Egypt	amazon. <u>eg</u>	September 2021	Arabic, English	Formerly known as <u>Souq.com</u> Egypt
	South Africa	amazon.co. <u>za</u>	May 2024	English	
Americas	Brazil	amazon.com. <u>br</u>	December 2012	Portuguese	
	Canada	amazon. <u>ca</u>	June 2002	English, French	
	Mexico	amazon.com. <u>mx</u>	August 2013	Spanish	
	United States	amazon. <u>com</u>	July 1995	English, Spanish, Arabic, German, Hebrew, Korean, Portuguese, Chinese (Simplified), Chinese (Traditional)	International customers without a localized Amazon website may purchase eBooks from the <u>Kindle Store</u> on Amazon US. ^[61]
Asia	China	amazon. <u>cn</u>	September 2004	Chinese (Simplified)	Formerly known as <u>Joyo.com</u> CHN
	India	amazon. <u>in</u>	June 2013	English, Hindi, Tamil, Telugu, Kannada, Malayalam, Bengali, Marathi	
	Japan	amazon.co. <u>jp</u>	November 2000	Japanese, English, Chinese (Simplified)	
	Saudi Arabia	amazon. <u>sa</u>	June 2020	Arabic, English	Formerly known as <u>Souq.com</u> KSA
	Singapore	amazon. <u>sg</u>	July 2017	English	
	Turkey	amazon.com. <u>tr</u>	September 2018	Turkish	
	United Arab Emirates	amazon. <u>ae</u>	May 2019	Arabic, English	Formerly known as <u>Souq.com</u> UAE
Europe	Belgium	amazon.com. <u>be</u>	October 2022	Dutch, French, English	
	France	amazon. <u>fr</u>	August 2000	French	
	Germany	amazon. <u>de</u>	October 1998	German, English, Czech, Dutch, Polish, Turkish	Also serves Austria, ^[62] Denmark ^[63] and Switzerland ^[64]

	Italy	amazon. <u>it</u>	November 2010	Italian	
	Netherlands	amazon. <u>nl</u>	November 2014	Dutch, English	Initially only books & e-books, full shop opened March 2020 ^[65]
	Poland	amazon. <u>pl</u>	March 2021	Polish	
	Spain	amazon. <u>es</u>	September 2011	Spanish, Portuguese	Also serves Portugal ^[66]
	Sweden	amazon. <u>se</u>	October 2020	Swedish, English	
	United Kingdom	amazon.co. <u>uk</u>	October 1998	English	Also serves Ireland ^[67]
Oceania	Australia	amazon.com. <u>au</u>	November 2017	English	Also serves New Zealand ^[68]
Confirmed launch					
Europe	Ireland	amazon. <u>ie</u>	2025 ^[69]	English	Currently served by amazon.co.uk

Merchant partnerships

In 2000, US toy retailer Toys "R" Us entered into a 10-year agreement with Amazon, valued at \$50 million per year plus a cut of sales, under which Toys "R" Us would be the exclusive supplier of toys and baby products on the service, and the chain's website would redirect to Amazon's Toys & Games category. In 2004, Toys "R" Us sued Amazon, claiming that because of a perceived lack of variety in Toys "R" Us stock, Amazon had knowingly allowed third-party sellers to offer items on the service in categories that Toys "R" Us had been granted exclusivity. In 2006, a court ruled in favor of Toys "R" Us, giving it the right to unwind its agreement with Amazon and establish its independent e-commerce website. The company was later awarded \$51 million in damages.^{[70][71][72]}

In 2001, Amazon entered into a similar agreement with Borders Group, under which Amazon would comanage Borders.com as a co-branded service.^[73] Borders pulled out of the arrangement in 2007, with plans to also launch its own online store.^[74]

On October 18, 2011, Amazon.com announced a partnership with DC Comics for the exclusive digital rights to many popular comics, including Superman, Batman, Green Lantern, The Sandman, and Watchmen. The partnership has caused well-known bookstores like Barnes & Noble to remove these titles from their shelves.^[75]

In November 2013, Amazon announced a partnership with the United States Postal Service to begin delivering orders on Sundays. The service, included in Amazon's standard shipping rates, initiated in metropolitan areas of Los Angeles and New York because of the high-volume and inability to deliver in a timely way, with plans to expand into Dallas, Houston, New Orleans and Phoenix by 2014.^[76]

In June 2017, Nike agreed to sell products through Amazon in exchange for better policing of counterfeit goods.^{[77][78]} This proved unsuccessful and Nike withdrew from the partnership in November 2019.^{[78][79]} Companies including IKEA and Birkenstock also stopped selling through Amazon around the same time, citing similar frustrations over business practices and counterfeit goods.^[80]

In September 2017, Amazon ventured with one of its sellers JV Appario Retail owned by Patni Group which has recorded a total income of US\$ 104.44 million (₹759 crore) in financial year 2017–2018.^[81]

As of October 11, 2017, AmazonFresh sold a range of Booths branded products for home delivery in selected areas.^[82]

In November 2018, Amazon reached an agreement with Apple Inc. to sell selected products through the service, via the company and selected Apple Authorized Resellers. As a result of this partnership, only Apple Authorized Resellers may sell Apple products on Amazon effective January 4, 2019.^{[83][84]}

Private-label products

Amazon sells many products under its own brand names, including phone chargers, batteries, and diaper wipes. The AmazonBasics brand was introduced in 2009, and now features hundreds of product lines, including smartphone cases, computer mice, batteries, dumbbells, and dog crates. Amazon owned 34 private-label brands as of 2019. These brands account for 0.15% of Amazon's global sales, whereas the average for other large retailers is 18%.^[85] Other Amazon retail brands include Presto!, Mama Bear, and Amazon Essentials.^[86]

Third-party sellers

Amazon derives many of its sales (around 40% in 2008) from third-party sellers who sell products on Amazon.^[87] Some other large e-commerce sellers use Amazon to sell their products in addition to selling them through their websites. The sales are processed through Amazon.com and end up at individual sellers for processing and order fulfillment and Amazon leases space for these retailers. Small sellers of used and new goods go to Amazon Marketplace to offer goods at a fixed price.^[88]

Affiliate program

Publishers can sign up as affiliates and receive a commission for referring customers to Amazon by placing links to Amazon on their websites if the referral results in a sale. Worldwide, Amazon has "over 900,000 members" in its affiliate programs.^[89] In the middle of 2014, the Amazon Affiliate Program is used by 1.2% of all websites and it is the second most popular advertising network after Google Ads.^[90] It is frequently used by websites and non-profits to provide a way for supporters to earn them a commission.^[91]

Associates can access the Amazon catalog directly on their websites by using the Amazon Web Services (AWS) XML service. A new affiliate product, aStore, allows Associates to embed a subset of Amazon products within another website, or linked to another website. In June 2010, Amazon Seller Product Suggestions was launched to provide more transparency to sellers by recommending specific products to third-party sellers to sell on Amazon. Products suggested are based on customers' browsing history.^[92]

Product reviews

Amazon allows users to submit reviews to the web page of each product. Reviewers must rate the product on a rating scale from one to five stars. Amazon provides a badging option for reviewers which indicates the real name of the reviewer (based on confirmation of a credit card account) or which indicates that the reviewer is one of the top reviewers by popularity. As of December 16, 2020, Amazon removed the ability of sellers and customers to comment on product reviews and purged their websites of all posted product review comments. In an email to sellers Amazon gave its rationale for removing this feature: "... *the comments feature on customer reviews was rarely used.*" The remaining review response options are to indicate whether the reader finds the review helpful or to report that it violates Amazon policies (abuse). If a review is given enough "helpful" hits, it appears on the front page of the product. In 2010, Amazon was reported as being the largest single source of Internet consumer reviews.^[93]

When publishers asked Bezos why Amazon would publish negative reviews, he defended the practice by claiming that Amazon.com was "taking a different approach ... we want to make every book available—the good, the bad and the ugly ... to let truth loose".^[94]

There have been cases of positive reviews being written and posted by public relations companies on behalf of their clients^[95] and instances of writers using pseudonyms to leave negative reviews of their rivals' works.

Amazon sales rank

The Amazon sales rank (ASR) indicates the popularity of a product sold on any Amazon locale. It is a relative indicator of popularity that is updated hourly. Effectively, it is a "best sellers list" for the millions of products stocked by Amazon.^[96] While the ASR has no direct effect on the sales of a product, it is used by Amazon to determine which products to include in its bestsellers lists.^[96] Products that appear in these lists enjoy additional exposure on the Amazon website and this may lead to an increase in sales. In particular, products that experience large jumps (up or down) in their sales ranks may be included within Amazon's lists of "movers and shakers"; such a listing provides additional exposure that might lead to an increase in sales.^[97] For competitive reasons, Amazon does not release actual sales figures to the public. However, Amazon has now begun to release point of sale data via the Nielsen BookScan service to verified authors.^[98] While the ASR has been the source of much speculation by publishers, manufacturers, and marketers, Amazon itself does not release the details of its sales rank calculation algorithm. Some companies have analyzed Amazon sales data to generate sales estimates based on the ASR,^[99] though Amazon states:

Please keep in mind that our sales rank figures are simply meant to be a guide of general interest for the customer and not definitive sales information for publishers—we assume you have this information regularly from your distribution sources

—Amazon.com Help^[100]

Physical stores

In November 2015, Amazon opened a physical Amazon Books store in University Village in Seattle. The store was 5,500 square feet and prices for all products match those on its website.^[101] Amazon opened its tenth physical book store in 2017;^[102] media speculation at the time suggested that Amazon planned to eventually roll out 300 to 400 bookstores around the country.^[101] All of its locations were closed in 2022 along with other retail locations under the "Amazon 4-Star" brand.^[103]

In July 2016, the company announced that it was opening a 1,100,000 ft (335,280.0 m) square foot facility in Palmer Township in the Lehigh Valley region of eastern Pennsylvania. As of 2024, Amazon is Lehigh Valley region's third-largest employer.^{[104][105]}

In August 2019, Amazon applied to have a liquor store in San Francisco, as a means to ship beer and alcohol within the city.^[106]

In 2020, Amazon Fresh opened several physical stores in the U.S. and the United Kingdom.^[107]

Hardware and services

Amazon has a number of products and services available, including its digital assistant Alexa, Amazon Music, and Prime Video for music and videos respectively, the Amazon Appstore for Android apps, the Kindle line of eink e-readers, Fire and Fire HD color LCD tablets. Audible provides audiobooks for purchase and listening.

In September 2021, Amazon announced the launch of Astro, its first household robot, powered by its Alexa smart home technology. This can be remote-controlled when not at home, to check on pets, people, or home security. It will send owners a notification if it detects something unusual.^[108]

In January 2023, Amazon announced the launch of RXPass, a prescription drug delivery service. It allows U.S. Amazon Prime members to pay a \$5 monthly fee for access to 60 medications. The service was launched immediately after the announcement except in states with specific prescription delivery requirements. Beneficiaries of government healthcare programs such as Medicare and Medicaid will not be able to sign up for RXPass.^[109]

Subsidiaries

Amazon owns over 100 subsidiaries, including Amazon Web Services, Audible, Diapers.com, Goodreads, IMDb, Kiva Systems (now Amazon Robotics), One Medical, Shopbop, Teachstreet, Twitch, Zappos, and Zoox.^[110]

Amazon Web Services

Amazon Web Services (AWS) is a subsidiary of that provides on-demand cloud computing platforms and APIs to individuals, companies, and governments, on a metered pay-as-you-go basis. These cloud computing web services provide distributed computing processing capacity and software tools via AWS server farms. As of 2021 Q4, AWS has 33% market share for cloud infrastructure while the next two competitors Microsoft Azure and Google Cloud have 21%, and 10% respectively, according to Synergy Group.^{[111][112]}

Audible

Audible is a seller and producer of spoken audio entertainment, information, and educational programming on the Internet. Audible sells digital audiobooks, radio and television programs, and audio versions of magazines and newspapers. Through its production arm, Audible Studios, Audible has also become the