Our world is evolving and technology is taking over. Amazon is a perfect example of a company that has not only embraced this for their own business model, but has also made it their business to help the world do the same. Through forward-thinking and innovative ideas, Amazon has managed to shape what the modern shopping experience has become. Consumers now crave it, and investors stake it.

(2) Amazon was founded in 1994, but not exactly as we know it today. Originally the company was called “Cadabara.com” but was later changed to “Amazon” after founder Jeff Bezos decided he wanted a name that would show up early when searching in alphabetical order. The company was founded after Bezos left his Wall Street firm after reading an article that projected web commerce to grow by over 2,000% per year in the near future. With this idea at hand, Bezos moved to Washington and opened up for business by fulfilling book orders on the website from out of his garage. Books were the only product chosen to be sold after a narrow list of options was considered, because they could have an almost unlimited virtual selection since they dealt directly with the actual product makers instead of just being limited by what’s on-hand like a brick&mortar type of bookstore. With this resourceful idea at-hand, the small business began to blossom and in just two short months the company was already achieving $20,000 in sales per week. This led to re-incorporation in other states and ultimately enabled Amazon to begin offering public stock in 1997.

(3) Shortly after becoming available for public trading, and with help from investors, Amazon began rapid expansion in many areas of its business. The launch of international websites in both the UK and Germany less than 4 years after selling books out of a garage was one of the first large steps towards help growing the business globally. To help back this expansion, the sale of diversified products was set in place, beginning with video sales in 1998. Amazon’s aspirations and persistence to grow and diversify helped them survive the dot-come bubble of the late 1990s, in which an overabundance of aspiring web sites and ideas flooded the Internet and ultimately caused many sites to become defunct and unsuccessful because there was suddenly so much competition. Continuing its success and forward-progress, Amazon posted its first net profit in 2001 and by 2003 had a product line ranging from kitchen goods to personal care. In 2005 Amazon reported that 108 million items were sold during its holiday shopping season, and not even the great recession of 2008 could stop growth of the online retail – which Amazon helped grow by 11% the year after the recession began. All along, Amazon kept strong support in place for fulfilling these orders by ultimately building over 80 warehouses worldwide spanning 12 different countries.

(4) Without a strong, reliable virtual shopping experience, the company could not have risen to such heights. Its strong web presence and innovative shopping features are a large reason why Amazon.com now receives over 600 million visitors annually. Approximately 65 million customers make purchases monthly on Amazon, which is more than twice the amount that a large competitor like Walmart receives. Another factor in the company experiencing such large volumes of activity each year is the fact that it now has an online presence on 5 different continents, with each appropriately varying in selection and pricing. The strong user review system that the website uses is a driving force in why so many people now trust and use the site. It allows customers to rate products on a scale from 1 to 5 stars and also allows them to type written comments and reviews detailing products, which can be upvoted or downvoted based on helpfulness. All of this may sound commonplace by today’s standards, but this sort of user review system became popularized thanks in large part to Amazon.

(5) Along with user reviews and specialized searching functions used on Amazon’s website, another large part of what makes the website so innovative and useful is the ability for third-party sellers to list items for sale on the website. This function helps serve two purposes: Amazon receives a percentage of the sales and *also* receives exponential marketing and advertising by serving as a platform for so many other sellers and businesses. Through the Amazon Associates program, websites can also earn commission by linking to Amazon. The Amazon Marketplace has come a long way since it was created as a means for users to sell old books, and now accounts for nearly 40% of all the company’s sales.

(6) The launch of Amazon Prime in 2005 was revolutionary in the campaign to cater to today’s shopper. By paying the membership fee of $79 per year, an Amazon Prime member receives free two-day shipping on millions of products sold by the company. There are other benefits to the service as well, such as discounted one-day shipping, access to Amazon’s instant video streaming service, as well as access to the Kindle Lending Library which lets users borrow one new e-book per month. These membership fees are what allow Amazon to sell products almost at-cost. Amazon has developed and added other services as well to add to their offerings, some of which are AmazonWireless which sells mobile phones and plans from major carriers and Amazon Local which provides daily, local and community-based deals.

(7) E-readers existed before Amazon made them famous… but, that’s exactly what they did in 2007 with the release of the Amazon Kindle! With the release of a cost-friendly, efficient e-reader, Amazon helped establish themselves as a staple of entertainment and smart-business-thinking. The Kindle sparked a boom in digital sales, and with the release of the Kindle Fire, which was the company’s first venture into computer tablets, this notion extended even further. Books, movies, music, and apps… Amazon sells it all, and their unique products serve as platform to further increase customer activity in the virtual world.

(8) Jeff Bezos created Amazon on the basis that it would not be immediately profitable because he would take virtually all revenues and apply them to continued growth of the company. As you’ve seen, Amazon has ballooned into a multifaceted, multinational giant over its short lifetime, and this is no accident. Because Amazon was always one step ahead of its current demand in the early days, when a sudden spike in interest and success came in the late ‘90s they were not caught off guard and left in the dust like some other start-up companies at that time. This attitude of always-evolving and always thinking ahead has kept them at the forefront of online retail to this day.

(9) As referenced in the previous slide, this graph indicates how Amazon’s revenue increases year-to-year, yet their net profit now hardly accounts for a tenth of their overall revenue. This is because Amazon, with the permission of its investors, continues to keep expanding and growing. The company uses a large portion of its revenues on new expenditures in order to always be ahead of demand – a creed that hasn’t changed with success.

(10) Online shopping is supposed to be a means of both choice and convenience. With the inception of Amazon Prime in 2005, then AmazonFresh in 2007, Amazon has made clear that they plan to root these two doctrines deep into the framework of the online shopping experience. Staying with their consistent and revolutionary flow of ideas, Amazon recently announced that they plan to establish a fleet of air drones for delivery service, coined as “Amazon Air.” Amazon hopes that this service will be approved by the FAA and that all provisions will be in place by 2015, but admits that it may take some time to fully realize the scope of this service and what they aim for it be. These drones will be capable of delivering small packages up to 5lbs in as little as 30 minutes after ordering, and Amazon even claims that these vehicles will one day be as normal as seeing mail trucks on the road today!

(11) It will be very hard for any competitor to catch up with Amazon in the global race to provide as fast-as-possible service for delivering your online orders. With the support of its investors, Amazon will continue to spend nearly every dollar it makes on adding new shipping centers and developing new products and services. With the announcement of its Air Drone, Amazon once again shows why it’s at the top of the rapidly growing online shopping experience. Amazon pioneered this industry, and they are continuing to revolutionize it – now, and moving forward.