

Amazon's Bezos to be 'bold' despite failures

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Amazon CEO Jeff Bezos introduces new Kindle products during a press conference in Santa Monica, California, September 6, 2012

Amazon founder Jeff Bezos acknowledged Tuesday missteps which have cost the tech giant billions, but said that is the price for taking "bold bets."

"I've made billions of dollars of failures at Amazon.com," Bezos told a New York conference sponsored by the news website Business Insider.

"My job is to encourage people to be bold... If you're going to take bold

bets, there's going to be experiments."

He added that "experiments are by their very nature prone to failure. But a few big successes compensate for dozens and dozens of things that didn't work."

The comments came after what appeared to be a disastrous introduction of Amazon's Fire smartphone, which has failed to gain traction with consumers and led to a loss of \$437 million in the past quarter.

Asked specifically about the smartphone, Bezos said "it's really early" to judge its success or failure, and added that "some of these things need iteration."

When questioned about whether Amazon can be profitable, he replied, "Yes. In fact we have in the past."

He maintained that Amazon is "a collection of several businesses and initiatives," some of which are quite profitable and others which are still finding their way.

Amazon's stock price has slumped some 20 percent since hitting a record high in January, amid investor impatience over Amazon's strategy of heavy investment at the expense of profits.

In addition to the smartphone, Amazon this year unveiled an upgraded line of Kindle tablet computers and introduced a streaming media player.

The company bolstered its online content with new original programs and ordered a second season of its dark comedy "Transparent," a move that boosts its challenge to video rivals such as Netflix.

The Seattle-based company bolstered its online gaming presence with a

\$970-million acquisition of the game platform Twitch, and expanded its "Amazon Fresh" grocery delivery service.

"If you focus on long term, you get better results," Bezos said.

"We're a large company, but in many ways, because of our emerging businesses we're also a startup. There's always a lot of volatility in startups."

Drones and red tape

Bezos said he hopes to move forward on plans to use drones for delivery of goods, but said this could be delayed by red tape. US authorities are currently considering proposals for commercial drone use.

"It's sad but possible that the US could be late (for drone deliveries), that other countries will have it first," Bezos said.

Bezos also spoke of his ideas for space travel, in which he has invested his personal funds.

"My vision is that I want to see millions of people living and working in space," he said.

He also addressed the thorny dispute with book publisher Hachette over ebook and print sales that became a public row involving top authors.

"Rarely does it break through into a kind of a public fight," Bezos said.

"But it's an essential job of any retailer to negotiate hard on behalf of customers. Making reading more affordable is going to make authors more money."

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