AMZN

Social context

Amazon A-Z: Data

"Many of these companies just scoop up as much data as they can without knowing how it will be used – all they know is that more information is better," says in an interview for "The Guardian" Alastair Mactaggart, an activist and one of the social advocats of the California State Consumer Privacy Act. This act forced major technology companies – including Amazon – in early 2020 to disclose to customers on request all data that was collected about them.

So what data can Amazon register? Jodi Kantor and David StreitfeldIts of the "New York Times" write: "Its perpetual flow of real-time, ultradetailed metrics allows the company to measure nearly everything its customers do: what they put in their shopping carts, but do not buy; when readers reach the "abandon point" in a Kindle book; and what they will stream based on previous purchases. It can also tell when engineers are not building pages that load quickly enough, or when a vendor manager does not have enough gardening gloves in stock."

So under pressure from the data – visible or hidden – everyone is there: from customers, through employees, to suppliers. In return, the former often get what they love most about Amazon: low prices and convenience, personalized shopping options and ease of purchase. A single click (patented by Amazon in 1999) or a voice command to Alexa, the digital assistant installed in a special device or application – called by some an eavesdropping device. When Amazon bought Ring, a company that produces smart doorbells and home security camera kits, in 2018, the cloud of data on consumers' bahaviour was extended with moving image.

Now everyone can feel like a worker of Amazon's fulfillment center, whose every second of work is measured and tracked by special software. The screens at some of the workstations not only display instructions on the next steps to be taken, but also count down the time it should be done. Each delay can affect one's productivity, conscientiously recorded by the electronic system under the acronym ADAPT. "We measure everything known to man," admits Tina Okakley, HR manager at Amazon in the UK, in an interview with "People Management" magazine. "We also use AI behind the scenes. We can begin to predict if



someone is thinking about leaving, looking at triggers of certain behaviours."

In 1997, Jeff Bezos told his closest associates that he wanted to introduce a "culture of metrics" to the company. He recognized the potential of the sales data he collected relatively quickly. When Amazon enabled third parties to sell through its Marketplace in 2000, even more data began to emerge. In the years that followed, the company used the information about what products sold best to introduce its own, sometimes confusingly similar to the popular ones. Although officially such use is a prohibited practice in the company, the former employees referred to by "The Wall Street Journal" admit that it was quite common.

But all this is just the tip of the iceberg. At the bottom of it is the data describing the flows of goods between and within warehouses, governing supply chains or stored on servers of Amazon Web Services, a subsidiary of Amazon, the world's largest player in the cloud computing market.

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