

The background of the image features a dark blue gradient on the left, transitioning into a large, vibrant, abstract shape on the right. This shape is composed of overlapping curved segments in shades of orange, pink, and purple, creating a dynamic, modern aesthetic.

AWS re:Invent

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SEG105

Driving profitable growth with innovative products

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Transformation
Amazon



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Economic conditions pressure profitable growth

2022:

- [Rule of 40](#): Prioritize growth
- Growing R&D
- New customer growth
- Refactoring/modernization

Now:

- Rule of 40: Improve net profit margin
- Steady-state R&D with green shoots
- Customer retention and enrichment
- Lingering focus on cost optimization

A formula for increasing software innovation

$$F = ma$$

How much market
innovation impact can
you generate? (*F*)

What resources do
you have to invest?
(*m*)

How quickly can
you apply your
resources? (*a*)

For more information, please visit: <https://aws.amazon.com/executive-insights/content/lessons-from-digital-native-businesses/?executive-insights-cards.sort-by=item.additionalFields.sortDate&executive-insights-cards.sort-order=desc>

Product differentiation: Best practices

Thinking big with new products

Improving customer experience

Differentiating with data

Flexible process automation

Putting AI/ML to work

Thinking big to increase market differentiation

Some recent conversations:

- Integration as a service platform for banks
- A global managed security operations center
- The digital intersection of the future
- Creating blue oceans in home monitoring



Source: <https://stablediffusionweb.com/#demo>,
<https://nacto.org/publication/urban-street-design-guide/intersection-design-elements/>

Differentiate with innovative customer experience

Improving day-to-day product usage

Reducing onboarding time

Adding natural language capability

Generating insights from data

Increasing automation

Differentiate products with AI/ML

Assess AI disruptors/opportunities for your products and markets

- Where do we process content and data?
- What useful patterns/entities/events can we detect/extract?
- Where do we create content?
- Where do we own data that holds unique value?

Rethink CX: Let customers express their intent and adapt to their context

Embed in digital products via predictions, “nudges” and pattern detection

“

We've achieved more in the last 4 weeks than we have in last 2 years.

Innovation Director at a global insurance company

If you're a start-up, having a big brother doesn't hurt

Tim Attia, CEO at Slice

Source: <https://www.wsj.com/articles/microsoft-seeks-startup-partnerships-in-battle-with-amazon-over-cloud-11600077601>

Top-line growth: Best practices

Geographic expansion

Portfolio expansion via M&A

Adjacent market entry

Transition to product-led growth

Strengthen net dollar retention

“

Based on a globally consistent technology architecture and unified deployment strategy, Canva.cn was launched in just a few months. We rely on AWS's strong tech capabilities to introduce more new features tailor-made for Chinese customers.

Jim Tyrrell, Head of Infrastructure

Canva

Source: <https://aws.amazon.com/cn/solutions/case-studies/canva-2019/>



“

**Listing in AWS Marketplace
increased profits by \$15 million
within three months.**

Michael Musselman

Senior Director Technology & Strategic Alliances, Lacework,
Incorporated

Product acceleration: Best practices

Strengthen development culture/process/org

Improve experimentation capacity

DevOps/MLOps automation via an IDP

Shift-left security assessment

Resilience engineering

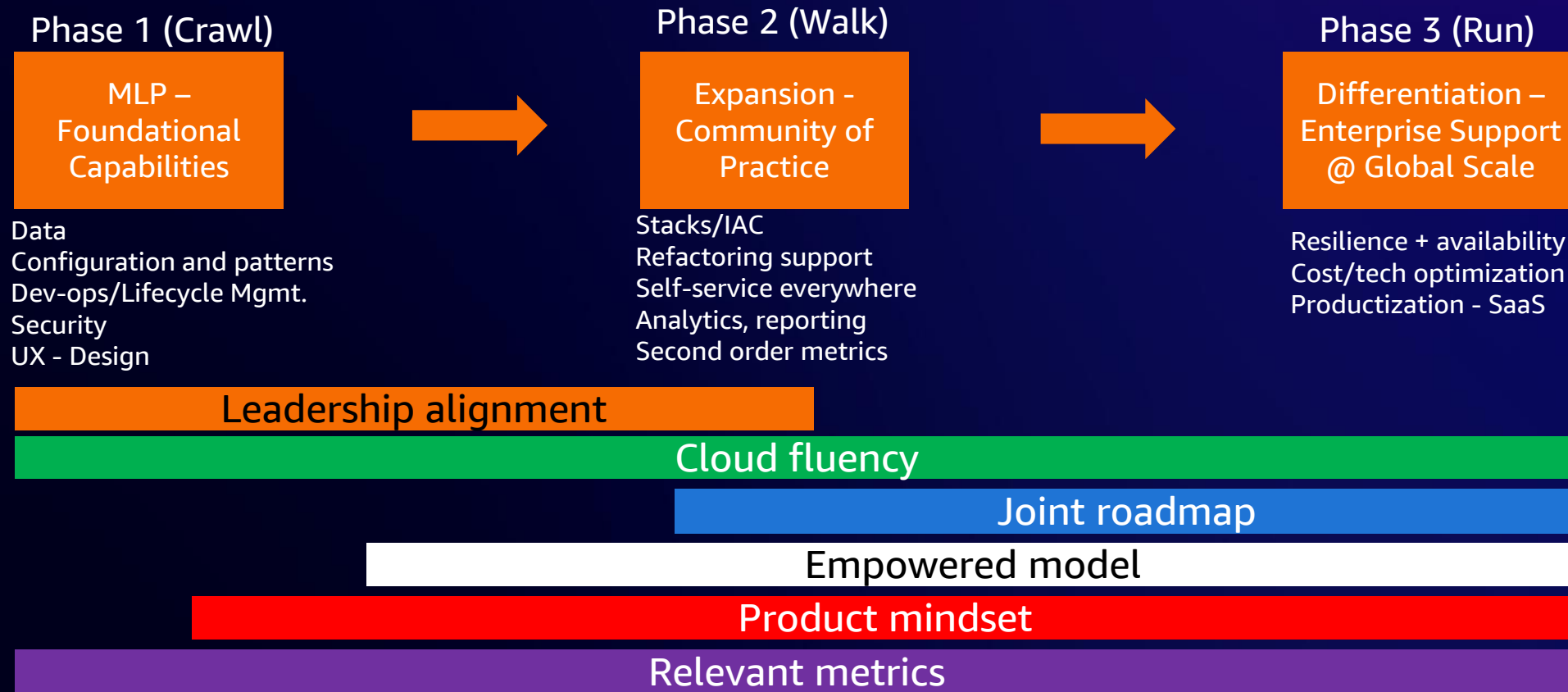
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Organizations who design systems are constrained to produce designs which are copies of the communication structures of these organizations.”

Melvin Conway (1967)

Organization operating models and platform services scale in tandem

A common set of platform services can help teams scale faster by reducing cognitive load for product teams, reducing undifferentiated code, and accelerating delivery velocity



“

We can think bigger and more creatively working on AWS. We have a much better product because of our ability to innovate.

Adam Pehas, Director of Development
QsrSoft

Source: <https://aws.amazon.com/solutions/case-studies/qsrsoft-case-study/>



Operational excellence: Best practices

Cost optimization

Technology optimization

Managed service abstraction

Migration to SaaS

SaaS Anywhere architecture

Where are the optimization opportunities?

Focus on growth and differentiation: Does the code we maintain drive growth and differentiate us?

New levers and capabilities: Can we leverage new cloud services to accelerate new product development?

Scaling services and profits: Can our core products help fund our future products?

Can teams develop new digital products quickly? Does our technical debt slow our innovation?

Innovation vs. commodity paradox



“

After DriveWealth successfully migrated the production workload to Aurora PostgreSQL, we improved our read/write throughput up to 5X, enhanced data consistency, and achieved an 80% cost reduction. We were impressed with the AWS team's ability to resolve our challenges from working with previous vendors. They earned our immediate trust by recommending Aurora.

The logo for DriveWealth, featuring the word "DRIVE" in dark grey and "WEALTH" in yellow, with a stylized yellow "W" connecting the two words.

Venkat Vadlamudi

Engineering, Data and Analytics Leader – DriveWealth

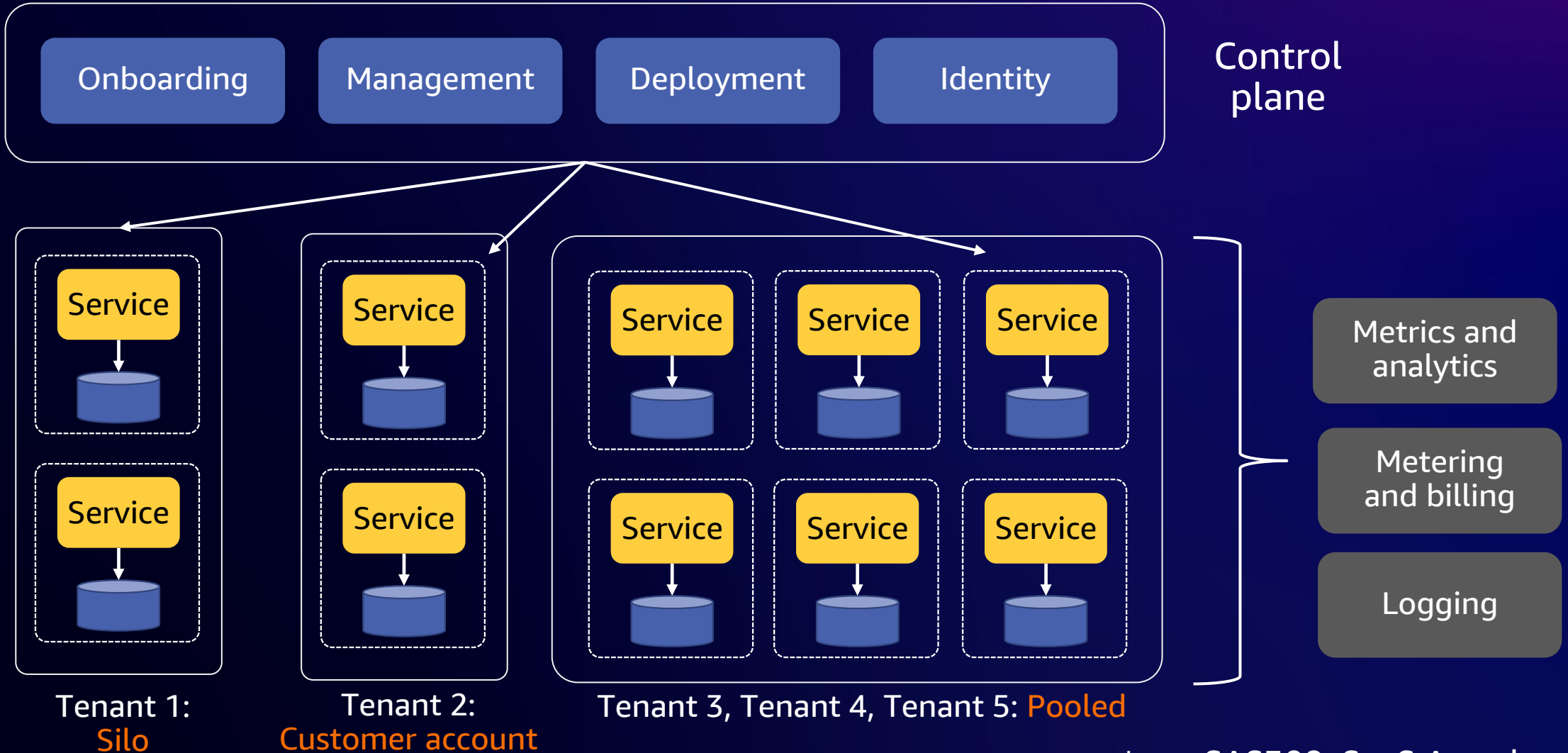
Source: <https://aws.amazon.com/rds/aurora/customers/>



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Evolving to cloud-native, SaaS Anywhere*

SILOED INFRASTRUCTURE, ONE PANE OF GLASS



“

AWS SaaS Factory helped us to validate and accelerate SaaS development during CyberArk's company-wide shift to subscription business models and reduce our time to market by 30%.

Asaf Miron, Sr. Product Manager
CyberArk

Source <https://aws.amazon.com/blogs/apn/cyberark-launches-saas-identity-security-platform-on-aws-with-support-from-aws-saas-factory/>

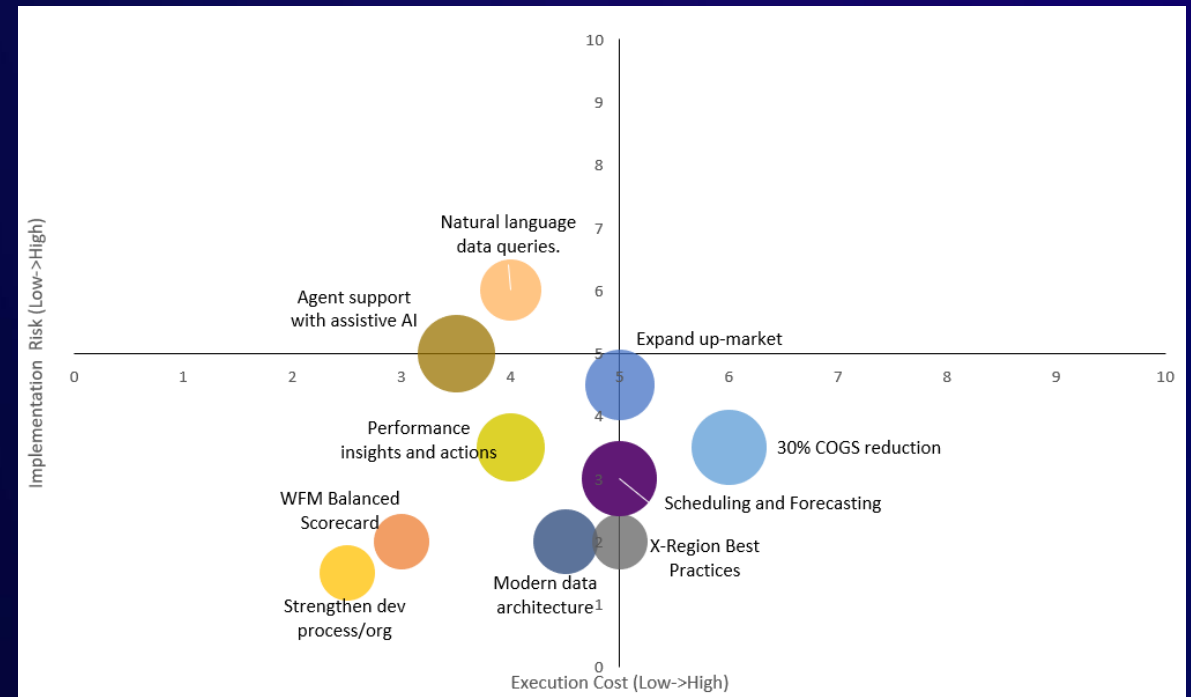


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Assess your best options for profitable growth

Which of the 20 best practices detailed above have:

1. High strategic alignment
2. Reasonable execution costs
3. Manageable implementation risk



Roadmap acceleration program: Opportunity graph

Thank you!

Jeffrey Hammond

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survey in the mobile app

