3 lessons Jeff Bezos taught me about running a startup

Nov 18, 2014, 10:13am EST

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In the mid-1990s, website producer Maryam Mohit decided to start an online bookstore.

She'd just moved to Seattle, and she shared her idea with a friend who suggested she meet with "a guy named Jeff" who was working on a similar business.

So she met with him — Jeff Bezos.

"He said, 'Wow, can you make this website interactive?' " Mohit recalls.

Should she go work for this guy? Mohit hesitated. At the time, Amazon had only 25 employees. Mohit was in her 20s, and her friends told her she should work for an agency and get a feel for the Seattle tech community before settling on a startup.

Plus, people will never feel comfortable entering their credit card information online, they argued.

Mohit went with her gut: She took the job, becoming Amazon's first web producer.

As the company grew, so did Mohit's responsibilities. Eventually she was running a 200-person site development department at Amazon, the largest Internet-based company in the U.S.
And her boss, Amazon founder and CEO Jeff Bezos, had showed her how to build a business from idea to execution.

These days, Mohit, 47, is running a startup called GemShare with her co-founder, Claudine Ryan. It's an iOS app (Android coming soon) that allows users to collect and share recommendations on the best local services from friends and friends of friends. Think Yelp — for everything from physical therapists to plumbers, gardeners to piano teachers — but you’re only reading recommendations from the people whose opinions you trust.

Thousands in the San Francisco area are using the app, and Mohit and Ryan plan to move into other markets in the coming months.

But to see where the company is now, it's important to see where their skills came from. And Mohit credits a lot of her startup savvy to years spent watching Bezos build his empire. Here are three business lessons he taught her:

1. From execs to new hires, every employee should know how the business is done.

**At Amazon:** In the early days of the company, the holiday rush hit Amazon like a Mack Truck.

"We didn't have the logistical act together to handle the crush," Mohit said. "We could not hire enough people to work in the warehouse. ...We all went down and packaged books. We brought in friends. We brought in boyfriends. We all did it."

But as the company got more organized, they still maintained the presence of full-time employees in the warehouses. It became a standard part of the holidays: Employees, "from the highest exec down to the newest employees," would travel to different warehouses around the country for two-week stints.

Mohit usually ended up at the warehouse in Reno, working the graveyard shift, from 6 p.m. to 6 a.m.

"Some would grumble, 'I wasn't hired to work in a warehouse,' but I, personally, always really loved it," Mohit said.

And though she "overdosed on gift-wrapping" — these days she only gives presents in gift bags — Mohit says her time in the warehouse showed her how her daily work impacted the company's most basic operations. And someone in corporate should know those things.

**At GemShare:** Because GemShare is a startup, it's inevitable that Mohit and Ryan will have their hands involved in everything. But Mohit says that even though they have a small staff, they still do the necessary grunt work.

Thursday morning, in fact, an employee was headed to an event and needed GemShare fliers. Mohit went to the printer, made the copies and dropped them off with her staffer.
The same goes for when the company is trying to submit a new release to the Apple app store. It's often late, the engineering team is exhausted, and inevitably some problem arises.

"Let's say there are a bunch of files that are misnamed and need to be renamed," Mohit said. "I'm not going to say, 'Oh, my minions, go deal with that problem.' You're just going to do it because it's got to get done."

2. Show customers that the company is run by real people who understand their concerns.

Mohit says that when Amazon first added its shopping-cart button, it made people nervous.

"People were so unused to buying anything online that they thought if you did the add-to-cart button, it would automatically charge your credit card," Mohit said.

Because of that and because of Bezos' relentless commitment to customer service, the Amazon team responded directly to that concern by putting a little note in parentheses beneath the shopping cart that said, "You can always remove this later."

"It made a big difference to people," she recalled. "Instead of being this faceless computer-generated website, you could tell it was created by people who were thinking about you and what your concerns may be."

At GemShare: Now, Mohit and Ryan use a similar approach. Because the company is centered around connecting people socially to drive engagement and content creation, it's important that people use the search their Facebook friends in the app.

The only problem, Mohit said, is that people have been burned by "find friends" options on other sites and apps. (Candy Crush, anyone?) Often when people click that button, all of their friends are automatically send a notification or invitation.

So like at Amazon, Mohit and Ryan made sure GemShare had a snippet of text calming users' fears.

"With the 'find friend' feature, we put a snippet of text that says, 'Don't worry, this will not spam your friends or post anything to Facebook. We loathe those rude apps as much as you do.'"

Even little touches like that go a long way in engendering loyalty in users. According to Mohit and Ryan, GemShare has a user retention rate of more than 70 percent, and nearly half of users are regularly contributing content.

3. Don't let your big goals squash your customer's micro-sized needs:

Mohit says one of Bezos' defining qualities was his ability to constantly assess what was and wasn't working on Amazon.com. "He always had an eagle eye," Mohit said. And even if the Amazon team couldn't attack all of the issues at once, they maintained an all-inclusive running list.
And he was committed to hiring "extraordinarily over-qualified people" for the customer service department, Mohit said.

Once, for an entire year, Bezos enlisted employees to study a huge sampling of customer service calls and emails, log them and chart them out. The end result: a number of new customer service tools, including the "estimated day of delivery" option.

**At GemShare:** Mohit and Ryan have a feedback document of their own: an Excel spreadsheet with every customer's complaints or suggestions.

Then they take it one step further. When they roll out a change an individual asked for, the GemShare team writes the user a note saying, "We want you to know this is a change rolling out because you suggested it. Let us know what you think."