First look: Inside Amazon Books on Santana Row, its first Bay Area store

If you've ever wondered which books are most beloved in the Bay Area, Amazon knows, and the company has a special section for the category at its new Santana Row store — the first to open in the region.

The 5,100-square-foot Amazon Books shop at 333 Santana Row in San Jose is the ninth book store that the Seattle-based tech giant has opened in the U.S. and the second in California.

"From Amazon.com, we know that people in this area read a lot. It's also a beautiful outdoor mall, so it's very conducive to having a book store," said Jennifer Cast, vice president for Amazon Books, who gave the Silicon Valley Business Journal a tour of the new store during its Santana Row soft opening.

Based in Seattle, Cast has helped shape what Amazon's physical book store presence looks like today, taking on her role in 2014, ahead of the company's first brick-and-mortar store opening in late 2015.

"We've now been around with the book stores starting in Seattle about 20 months," she said. "As we've learned more and more about our customers in various areas, we'll get better and better at choosing books that they will love."

The physical world is a new, albeit growing part of the industry for Amazon. It plans to open dozens of Amazon Books stores around the country. It's also experimenting with "instant pickup" locations and recently opened its first of those stores in the Bay Area near UC Berkeley.

That all comes ahead of Amazon's massive push into the physical grocery world with its planned $13.7 billion acquisition of Whole Foods.

Each new Amazon Books location is an iteration on its previous stores, Cast said. The first Amazon Books in California opened in San Diego last year. It's currently working on a Walnut Creek store it plans to open before the end of 2017.

How it works
The physical stores tap into vast intelligence Amazon has on its online customers' browsing, buying and reviewing habits.

The Santana Row store holds about 3,500 titles in all and employs 15 people.

The store isn't especially large, Cast acknowledged Tuesday. That means the company needs to be choosy about which books make the short-list to physical form in the store, using a mix of online reviews and a set of company curators.

“That's not to say they are all best-sellers ... that's not it at all,” she said. “What we do is we use the information about what people read, how they read and why they read and take that information to select the books.”

That data is powerful. Inside the shop, it's easy to get sucked in.

Looking for a page-turner? Amazon's new store has a section for books that readers on its Kindle digital devices typically finished in three days or less.

Not sure what kids' books are popular anymore? The store's children's section, which takes up roughly a fourth of the space in the shop, is stocked with the most popular kids books on Amazon.com. Every book in the store is paired with a placard that shows the book's rating on Amazon.com and a review from a reader.

Like the online version of Amazon Books, the store offers suggestions to customers based on their interests — as well as a physical store can. If a shopper spots a book they know they liked, often a sign on the shelf lets them know the four to five books next to it are suggested reading.

Perhaps the most striking difference between a traditional bookstore and Amazon Books is that the books all sit cover-out on the shelves. That takes up more room on the shelves, but democratizes the experience, Cast said, adding that in earlier iterations of Amazon Book stores around the country, the titles that sat spine-out didn't sell as well as the those that showed the full cover of the book.

“We like to say we give them the opportunity to communicate their own essence,” she said. “It also gives us the opportunity to put a review card underneath.”

Shoppers can scan the cover of the book or the barcode using a kiosk or with their phone using the Amazon mobile application to find out more about their potential purchase, including its price.

The app points out in big, red lettering that Amazon Prime members get 40 percent off.

In the middle of the store, Amazon electronics or products compatible with Amazon products line long tables. Among them the Kindle, the company's Echo smart speaker and a handful of third-party smart-home products that integrate with Echo.

The art of location

And though nearly every part of the store has been curated like a science, using Amazon's vast trove of online data, picking out a location is still very much an art and a learning process, Cast said.

Amazon Books joins a spate of online-first retailers at Santana Row including luxury electric carmaker Tesla, eyeglass retailer Warby Parker and audio speaker company Libratone, which is also branching out from an online-only model.

Amazon Books in Walnut Creek will also include a cafe. An exact opening date for the East Bay store hasn't been released, but it's on Amazon's list of 2017 store openings, which also includes Bellevue, Wash., New York City and Los Angeles. Cast wouldn't provide further details on planned store openings beyond those already announced.
“We’re just getting started … and you can imagine as time goes on we’ll be in a lot of different places,” she said. “We’re learning about geographies, we are learning about the many different characteristics of customers and we’re learning about what kind of locations are strongest for our customers and people who love to read.”

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