

Amazon, Brian Lawley, Software Bugs, the Angel & the Devil
(or how I almost made a Million dollars)

I had an interesting and amusing thing happen to me a few months ago and I thought I would share the story to illustrate how software bugs can potentially cost a company a large amount of money.

Back in the Spring I released the [Expert Product Management Toolkit Bundle](#). The product includes a copy of my book and four of the related toolkits with templates and training covering product launches, product roadmaps, beta programs and getting great product reviews. It is priced at \$349 (a \$70 savings), and is available through the 280 Group website and also through the standard book channel.

Amazon listed the book for \$349 and began selling it. We sold a few copies and it shot way up in Amazon rank (when you sell one copy you go from ranking 2 million to 1 million), and I was happy. I had made some money, promoted the book and gotten some visibility. Everything went along just fine for the first few weeks.

Not long after that my publisher called me. He discovered that Amazon had decided to discount the product and was selling it for quite a bargain. Apparently Amazon has some kind of software that automatically sets a discount on a book after a certain period of time in order to test price elasticity and/or spur additional sales. The only problem was that the software had set the price to \$34.95 (a 90% discount!) It appears that since Amazon rarely deals with high-priced books there was a problem with the algorithm and the price was incorrectly changed.

Quickly do the numbers and you realize that this presented an interesting situation for me. First, for every copy that was purchased at \$34.95 my publisher and I made several hundred dollars of profit from Amazon, so I could have purchased several hundred copies myself and made quite a tidy profit. Second, Amazon was losing several hundred dollars for each copy sold.

This was the point where the angel and devil appeared (you know, the angel on one shoulder and the devil on the other both talking to you.)

The devil did a quick calculation. He told me that I could email about 80,000 people who would be interested in purchasing the book within the next 24 hours if I acted immediately. With a 5% response rate I would sell 4,000 copies and make a million dollars. Not only that, I might spark a viral movement and make even more, and my book would become a bestseller on Amazon for sure.

The angel then appeared and helped me do a reality check. Would the Amazon lawyers let me get away with this if they found out (which they surely would if I emailed 80,000 people)? Was there a clause somewhere in the contract between my distributor that if Amazon made a big mistake they wouldn't pay? Would my publisher and distributors (not to mention Amazon) drop my book? And what about my professional reputation and the 280 Group brand I have worked so hard over the last ten years to develop?

In the end I opted to have my publisher contact Amazon and correct the problem (which took quite a long time to do.) Should I have listened to the devil and gone for the money? Nah – my reputation is worth more than that. But it sure was tempting.

The moral of the story: When testing your software if there is a “Corner Case” that has a small probability of occurring yet a large potential loss associated with it make sure you include it in the testing matrix!

Brian Lawley is the CEO and founder of the [280 Group](#), which provides consulting, contractors, training and templates. During the last twenty years of his career he has focused on Product Management and Product Marketing and has shipped more than fifty successful products. He is the former President of the Silicon Valley Product Management Association, won the 2008 AIPMM award for Excellence in Thought Leadership for Product Management and is the author of the best-selling book, Expert Product Management. Mr. Lawley has been featured on CNBC's World Business Review and the Silicon Valley Business Report and writes articles for a variety of publications including the Product Management 2.0 newsletter and Blog.