

Competing with Amazon - US - June 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



Amazon is top of mind with online shoppers and other retailers and with good reason. Amazon's popular Prime membership boasts over 100 million members worldwide and keeps those members coming back with perks like free shipping and streaming video in exchange for a monthly or annual fee.

- Matt Lindner, Senior eCommerce Analyst

This report looks at the following areas:

Meanwhile, Amazon keeps innovating, forcing online and offline retailers to re-examine their own offerings to figure out how to better compete with Amazon.

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Competing with Amazon - US - June 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

What you need to know
Definition

Executive Summary

The role of physical stores
Amazon sets table stakes for eCommerce Industry
The Impact of Prime
Amazon makes inroads in online grocery
Not everyone wants to shop on Amazon

Retailer Overview

If Amazon builds it, other retailers will follow
Prime time
Joining forces
Grocers are catering more to online shoppers
Faster delivery

Amazon Initiatives

Prime's perks and influence keep growing
Figure 1: Amazon Prime membership, by online shopping frequency, March 2018
Figure 2: Amazon Prime Now usage, by frequency of shopping on Amazon, April 2018
Figure 3: Amazon offerings used, by frequency of shopping on Amazon, April 2018
Figure 4: Attitudes toward Amazon Prime membership renewal, by age, March 2018
Figure 5: Attitudes toward television among pay TV subscribers, by age and income, August 2017

Prime Day is now a midsummer retail holiday
Figure 6: Sample Amazon Prime Day 2017 marketing email, July 2017

Whole Foods acquisition
Figure 7: Amazon/Whole Foods promotional email, April 2018
Figure 8: Frequency of online purchasing, by product category, February 2018

Pickup locations
Figure 9: Attitudes toward shopping on Amazon, by gender and age, April 2018

Digital assistants put Amazon in consumers' homes
Figure 10: Methods of shopping on Amazon, April 2018
Figure 11: Methods of shopping on Amazon – Alexa enabled device, by various demographics, April 2018

Partnerships with Kohl's and Best Buy

How Retailers Are Responding to Amazon

Paid membership programs
Figure 12: Bed Bath & Beyond BEYOND+ email sample

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | China +86 (21) 6032 7300
APAC +61 (0) 2 8284 8100 |
EMAIL: reports@mintel.com

Competing with Amazon - US - June 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 13: Walmart two-day free shipping email, January 2017

Putting a spin on Prime Day

Figure 14: Sears Summer Splash marketing email, July 2017

Figure 15: Wayfair Way Day marketing email, April 2018

Stepping up shipping speed

Figure 16: Purchase drivers – Same-day delivery, by product category, March 2018

Using stores to appeal to online shoppers

Figure 17: Walmart Pickup Discount email, June 2017

Figure 18: Factors that would influence an Amazon shopper to buy from another retailer, by Amazon shopping frequency, April 2018

Grocery retailers invest more in online

Figure 19: Frequency of purchasing food/drink products on Amazon, by Amazon shopping frequency, April 2018

If you can't beat 'em, partner with 'em

Exclusive, hard-to-find, and private label brands

Amazon Shoppers – What You Need to Know

Parents are twice as likely as non-parents to shop on Amazon on a weekly basis

Millennials are more likely to shop at Amazon now that Amazon owns Whole Foods

Baby products, personal care products are popular with Amazon shoppers

Online Shopping Behavior

Amazon versus the field

Figure 20: Online retailers shopped, April 2018

Heavy Amazon shoppers are not limiting their online shopping to Amazon

Figure 21: Online shopping frequency, by Amazon frequency, April 2018

Parents are twice as likely as non-parents to shop on Amazon twice a week

Figure 22: Amazon.com shopping frequency, by parental status, April 2018

Figure 23: Attitudes toward shopping on Amazon, April 2018

Figure 24: Online retailer shopping frequency, by parental status, April 2018

Amazon has succeeded in reaching older online shoppers

Figure 25: Online retailers shopped, by age

Men are much more likely to shop on electronics sites than mass merchandisers

Figure 26: Online retailers shopped, by gender

Heavy Amazon shoppers are online grocery shoppers

Figure 27: Online retailers shopped, by Amazon.com shopping frequency, April 2018

How Consumers Perceive Amazon Versus Other Retailers – In Their Words

Online shoppers view retailers as being friends, and not just brands

Figure 28: Online shopping frequency, by retailer and Amazon shopping frequency, April 2018

Amazon shoppers generally think of Amazon as being younger and hipper

Walmart.com is viewed as being middle-aged, more working-class status

Target.com is viewed as being a stylish woman

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Competing with Amazon - US - June 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

What Consumers Are Buying on Amazon

Baby products, personal care products are the most regularly bought items on Amazon

Figure 29: Frequency of purchasing products on Amazon, April 2018

How retailers can appeal to frequent Amazon shoppers

Figure 30: Target Restock promotional email, May 2018

Amazon looks to get more plugged in to shoppers

Figure 31: Frequency of purchasing products on Amazon, April 2018

Shoppers are turning to Amazon to build their closets

Figure 32: Amazon Prime Wardrobe marketing email, May 2018

Shoppers are buying furniture on Amazon

Figure 33: Frequency of purchasing furniture on Amazon, by gender, parental status, April 2018

Figure 34: IKEA TaskRabbit promotional email, May 2018

How Consumers are Shopping on Amazon – In Their Words

Amazon shoppers read reviews, expect more product information

Shopping for apparel on Amazon

General Amazon shopping trip

Attitudes toward Shopping on Amazon

Amazon shoppers like Amazon and tend to start their online shopping journey there

Figure 35: Attitudes toward shopping on Amazon, April 2018

Figure 36: Attitudes toward shopping on Amazon, by amazon shopping frequency, April 2018

Amazon's impact on in-store shopping

Figure 37: Attitudes toward shopping on Amazon, by generation and parental status, April 2018

Figure 38: Attitudes toward shopping on Amazon, by parental status and age of children, April 2018

Figure 39: Attitudes toward shopping on Amazon, by generation and parental status, April 2018

Figure 40: Attitudes toward shopping on Amazon, by parental status and age of children, April 2018

The Whole Foods effect

Figure 41: Attitudes toward shopping on Amazon, by generation, April 2018

Figure 42: Attitudes toward shopping on Amazon, by parental status, geographic location, April 2018

Some consumers find it difficult to find products on Amazon

Figure 43: Attitudes toward shopping on Amazon, by age, April 2018

Amazon is too big for some Amazon shoppers

Figure 44: Attitudes toward shopping on Amazon, by gender, parental status, April 2018

Amazon shoppers want flexible delivery options

Figure 45: Attitudes toward shopping on Amazon, by gender, parental status, and area, April 2018

Why Consumers Buy on Amazon

Consumers shop Amazon for deals and fast delivery

Figure 46: Reasons for shopping on Amazon, April 2018

Reasons for shopping on Amazon vary by Amazon shopping frequency

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Competing with Amazon - US - June 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 47: Reasons for shopping on Amazon, by shopping frequency, April 2018

The trust factor

Figure 48: Reasons for buying on Amazon, by household income, April 2018

Figure 49: Amazon Prime participation, by household income, March 2018

Younger consumers want their products faster, while older consumers want to find a deal

Figure 50: Reasons for shopping on Amazon, by generation, April 2018

Younger women are making use of product reviews

Figure 51: Reasons for shopping on Amazon, by gender, and gender and age, April 2018

Issues with Amazon

Prime is both a strength and a weakness for Amazon

Figure 52: Frustrations when shopping on Amazon, April 2018

Figure 53: Frustrations when shopping on Amazon, by Amazon shopping frequency, April 2018

A little customer service can go a long way

Stores still matter, especially to consumers who don't shop on Amazon

Figure 54: Reasons for not shopping on Amazon, April 2018

Motivators to Buy from Another Retailer

Hard to find products help retailers win business from Amazon

Figure 55: Reasons for buying from another online retailer instead of Amazon, April 2018

Light Amazon shoppers are more likely to be won over by free shipping

Figure 56: Reasons for buying from another online retailer instead of Amazon, by Amazon shopping frequency, April 2018

Amazon shoppers want products they can't find elsewhere

Figure 57: Reasons for buying from another online retailer instead of Amazon, by select demographics, April 2018

Figure 58: Ulta POPSUGAR marketing email, March 2018

Younger Amazon shoppers want same-day in-store pickup

Figure 59: Reasons for buying from another online retailer instead of Amazon, by generation, April 2018

Figure 60: Amazon Instant Pickup customer acquisition email, August 2017

Going above and beyond to help the customer

Figure 61: Reasons for buying from another online retailer instead of Amazon, by gender, parental status, April 2018

Competing with Amazon in the Future

Voice commerce is on the horizon

Figure 62: Shopping on Amazon via a voice-activated device, by Amazon shopping frequency, April 2018

Figure 63: Shopping on Amazon via a voice-activated device, by gender, by parental status by gender, April 2018

Future interest in voice shopping is high among dads, Hispanic consumers

Figure 64: Future online shopping behavior, by Amazon shopping frequency, April 2018

Figure 65: Future interest in shopping via voice-activated device, by gender, parental status by gender, April 2018

Figure 66: Shopping on Amazon via a voice-activated device, by Hispanic origin, April 2018

Figure 67: Future interest in shopping via voice-activated device, by Hispanic origin, April 2018

Appendix – Data Sources and Abbreviations

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Competing with Amazon - US - June 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Data sources

Consumer survey data

Consumer qualitative research

Direct marketing creative

Abbreviations and terms

Abbreviations

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com