

How Amazon Continues to Raise the Bar - US - August 2019

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This report looks at the following areas:

- A self-fulfilling prophecy
- The more the merrier
- From clicks back to bricks
- Who's holding out?

Amazon does have a number of unique advantages other companies will likely find difficult to match. First, it has taken an integrated approach that provides it with close control over most aspects of its supply chain and allows it to adopt many innovations that can drive speed and productivity. Second, it has a diversified business model that has helped it grow even more quickly, and also intensify its support amongst both consumers and investors. And finally, it's been able to take advantage of both of these strengths to achieve vast economies of scale.

As a result, a growing number of companies far beyond retail – including everything from cargo shippers to vitamin makers to movie studios – are now finding that Amazon has become their competition as well. Meanwhile, consumers have been able to raise their expectations for how they shop for an incredibly diverse range of goods, both online and, increasingly, in stores. Still, there are groups of people that have largely resisted Amazon's siren call. And while it may be difficult to imagine what might stop Amazon today, other companies have thought the same in the past – until someone like Amazon came along.



"Amazon has raised the bar for retailers in ways big and small. Indeed, more than half of consumers agree that Amazon excels over other companies when it comes to making it easy to find what you want; offering a broad selection of products and brands; and creating an easy to use checkout process."

- Vince DiGirolamo, Director of Retail Research

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