

# Assessing Amazon: Post-Prime, Pre-Holiday 2020

Prior to the pandemic, Amazon won the trust of millions of consumers; when the situation turned into a scramble for essentials, those shoppers relied on Amazon. That trend has snowballed into mammoth earnings. Prime Day, though delayed, was 35% bigger than last year; notably, however, Amazon did not report that it surpassed Black Friday/Cyber Monday 2019, a stat they have stated in years prior. In this piece we take a step back and look at Amazon's position in 2020, while highlighting Prime Day lessons for brands looking to capitalize on a highly digital holiday.



**PROFIT NEARLY TRIPLED IN Q3**

To **\$6.3B**

- **\$96.1B = Q3 sales** (a 37% YoY increase) (even without Prime Day)
- 250,000 employees were also hired in Q3; **workers exceed 1M for the first time**

## NEXT FORECAST: \$121B IN Q4 SALES

What's fueling that expectation?

- **73%** of U.S. consumers plan to **shop online more** this holiday season
- Prime Day occurred in Q4; also, Amazon used the event to convert new members who will drive conversions throughout holiday



## PANDEMIC PRIME DAY

- **35% sales increase YoY**
- **3P sellers surpassed \$3.5B** in Prime Day sales, a 60% YoY increase
- Participation from 19 countries



## A LITTLE COMPETITION

- **Sales for other retailers increased 76%** during Prime Day vs. LY, while conversion rates rose 16%
- Even still, **Amazon held 91.6% of market share** during the first 30 hours of Prime Day



## BIG (AD) SPENDERS

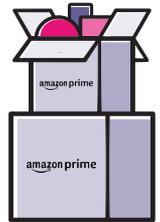
- Advertising revenue was **up 38% during Prime Week** when compared to an average week



**53%**

## STELLAR RESULTS

- **Stella's Amazon clients averaged a week's worth of sales during the 48-hour event**
- On average, Stella Clients saw:
  - A **3.7x lift** during the two Prime Days compared to an average day in the past 30 days
  - A **2.4x lift** during Prime Week compared to LY



## THE BIG TAKEAWAY FOR HOLIDAY SUCCESS

- **External traffic drivers are key: utilize PR and social**



- During Prime Day:
  - Brands with mentions in PR and social saw a **6x lift** vs. average
  - Traffic to Brand Stores saw a **9x lift** from social media during Prime Days

Sources: Marketing Land, "What Prime Day signals for holiday retail" 21 October 2020, eMarketer, "Holiday Shopping 2020," 22 October 2020, The New York Times, "Amazon's profits keep surging during the pandemic," 29 October 2020, Fortune, "Amazon's Prime Day sales jumped 36%—signaling a blockbuster holiday for e-commerce," 16 October 2020, Amazon Day One Blog, Stella Rising Internal Data