

# AMOZON Prime Day 2023

A snapshot of the biggest sales event ever from the world's second biggest retailer

"Prime Day has become one of the biggest ecommerce moments of the year." - Vivek Pandya, Lead Analyst, Adobe Digital Insights

**Amazon Prime Day July 11-12** 

Amazon Prime Day took place in mid-July in most markets (apart from India, where it ran July 15-16).

The event is essentially a "Black Friday in July" online sale event, run exclusively for Amazon Prime members.

It's important because of Amazon's size and influence - the world's second biggest retailer (behind Walmart) has effectively created a new marker in the annual shopping calendar. And for Amazon itself, the event generates a significant sales spike, provides proof of value for existing Prime Members, and critically drives member acquisition.

Prime Day saw flat to marginal sales increases in mature Amazon markets (when inflation is taken into

account the UK was even in reverse), and were significantly higher in newer and emerging markets. Nevertheless, Day 1 of Prime Day was the biggest sales day ever for Amazon in many regions - including the US, Brazil and Australia. VMLY&R COMMERCE was there to track the results as Prime Day happened - and this document provides

key stats, takeaways and trends. Note: the data is primarily from the US unless otherwise stated.

## Running the numbers on Prime Day 2023



\$54.05

Average household spend US

of shoppers ordered 2 items or more

(Source: Numerator)

65%

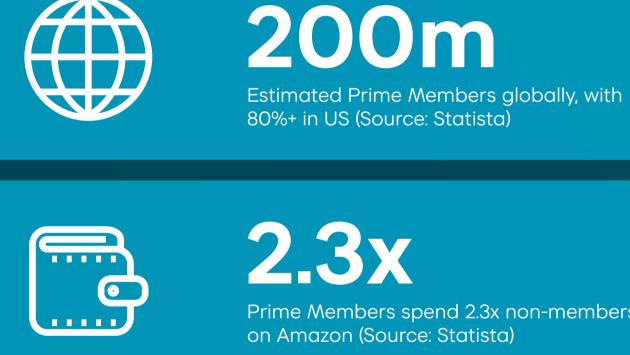
(Source: Numerator)











Prime Members spend 2.3x non-members



UK Prime Day sales, up 2.4% on 2022. (Source: Adobe Analytics UK) Still significant, but going backwards

when inflation taken into account.

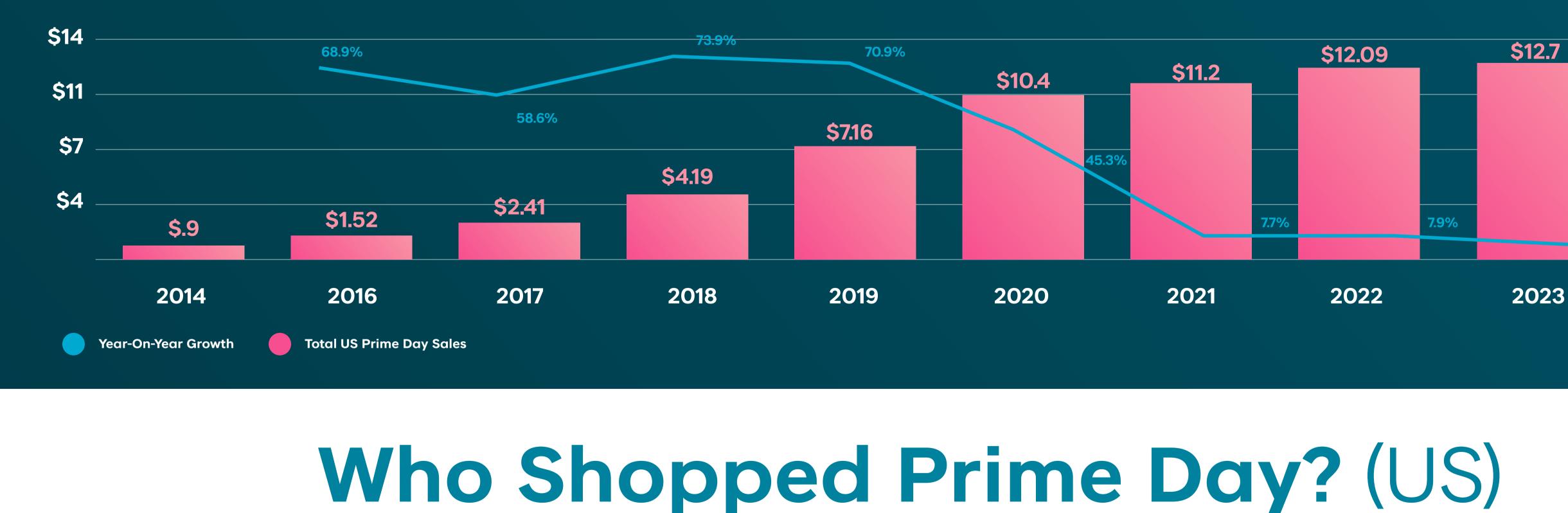


year-on-year (Source: Amazon)

Prime Day Revenue Note how growth has flattened in Amazon's most mature market, the US. Growth must come from new and emerging Amazon regions.

Source: Statista (2023

data is Adobe Analytics)





### The typical profile of an Amazon Prime Day shopper is a suburban, female, higher income, Millennial Amazon Prime Member. But particularly in a market like the US, shopping Prime Day crosses socio-economic groups and generations.

**SUBURBAN FEMALES LOYAL PRIME MEMBERS** 

HIGHER INCOME 55%

35-44 AGE RANGE

**GEN Z AND MILLENNIALS SHOW THE LARGEST AMAZON SHARE BOOST ON PRIME DAY** Source: Numerator

**FEMALE** 

**MEMBERS** 

**AMAZON PRIME** 

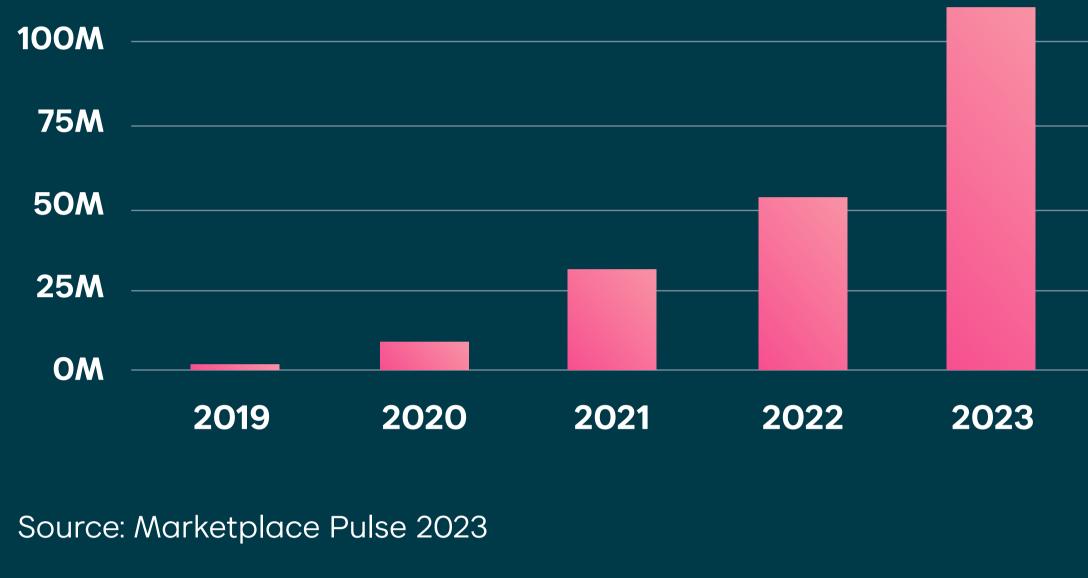
**PRIME MEMBERS HAVE SHOPPED PRIME** 80%

SAID PRIME DAY WAS THE MAIN 55% **REASON FOR SHOPPING** 

### How did they find out about Prime Day deals? (US) While mainstream media still played a role in promoting Prime Day, there was a big growth in social, influencer and celebrity marketing. TikTok views of Prime Day

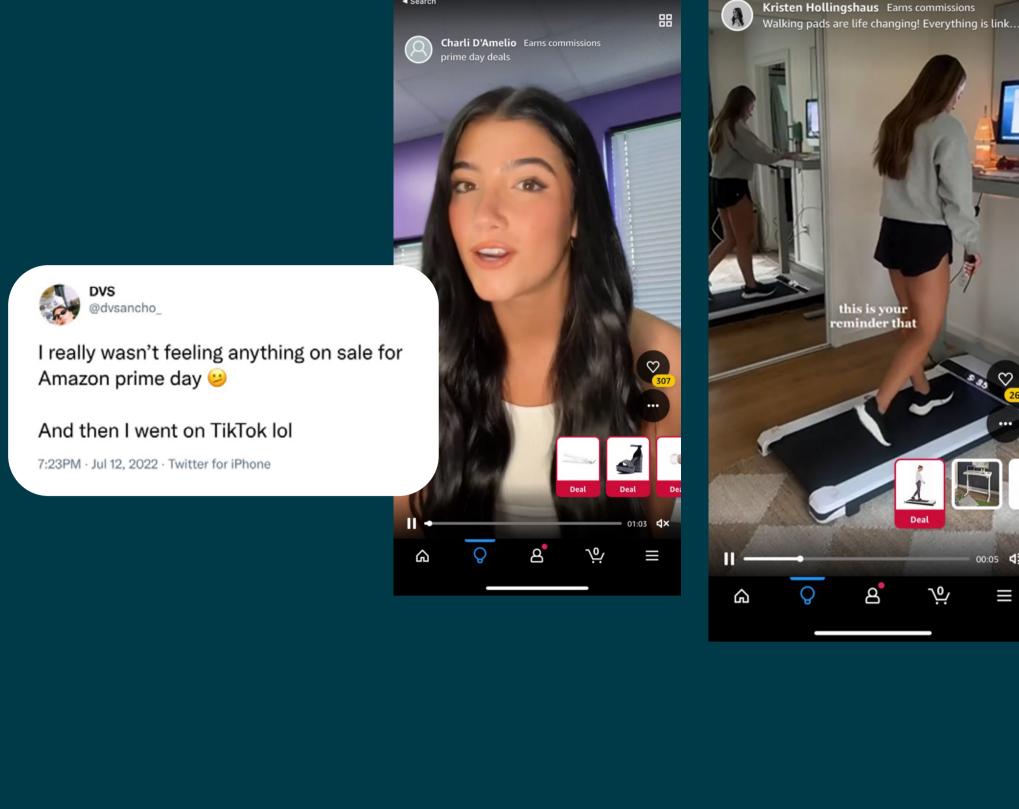
hashtags soared, and Amazon showcased influencers on their new in-app platform "Inspire", which featured product demos and links to purchase. Celebrity endorsements also featured strongly. Tiktok has effectively become a trusted source of information and in a hugely competitive space empowers brands that offer a true sense of "value" to stand out on the shelf and cut through. PRIME DAY VIEWS ON TIKTOK (#PRIMEDAY2023 + #AMAZONPRIMEDAY2023)

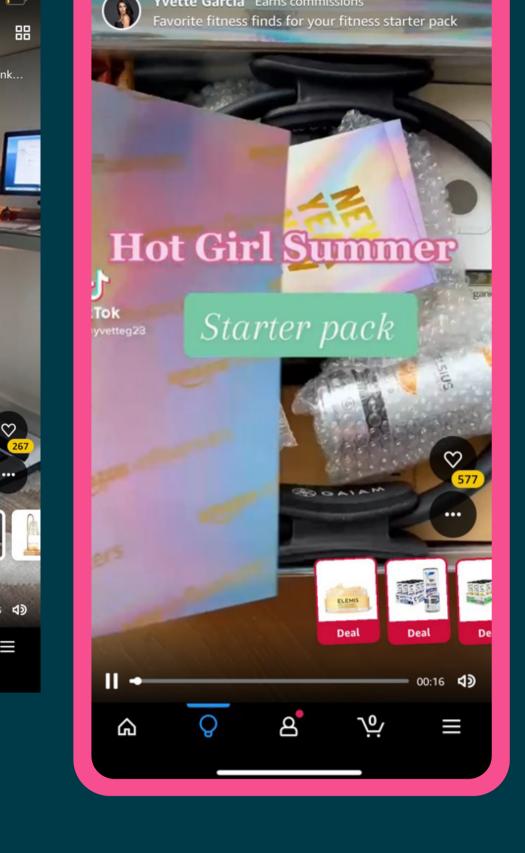
125M



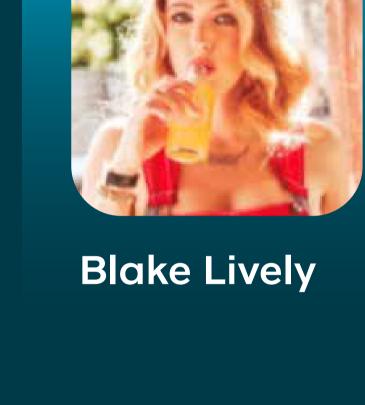
What did they shop? (US)

Amazon Inspire was big on Prime Day





Celebrity picks: Prime Day Favorites









Alix Earle

Temptations

Items (US) Strong showing by brands and Amazon electronics

Top Five









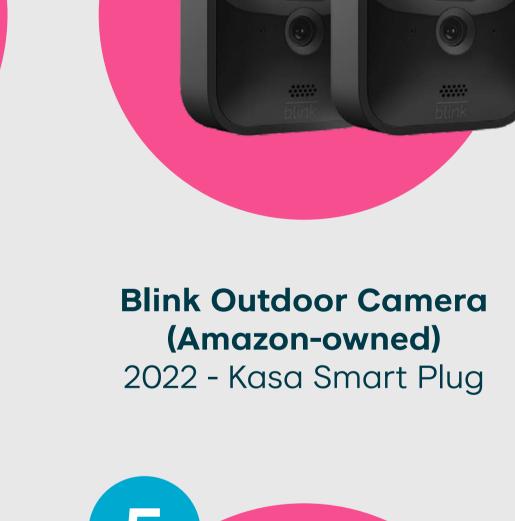
How did other retailers react? (US)



HYDRATION MULTIPLIE







## Renewed focus on the home

Top Five

Categories









Y.o.Y. (Source: Salesforce)





#### the offerings) and it seems more retailers went early this year to get ahead of Prime Hungry for value, 54% of all shoppers said they'd compare prices with other retailers with 34% checking Target and 33% checking Walmart. (Source: Numerator) Day. (Source: Numerator)

Don't miss these

patio deals

What's New Pickup & Delivery What can we help any first **Ocircle**. Deals on now week

Major retailers jumped on the bandwagon around Prime Day - for example, Walmart

(Walmart+ Week), Target (Circle Week) and Best Buy (Black Friday in July). Walmart &

Amazon has a 53.1% share of all retail subscription models. (Source: Insider Intelligence)

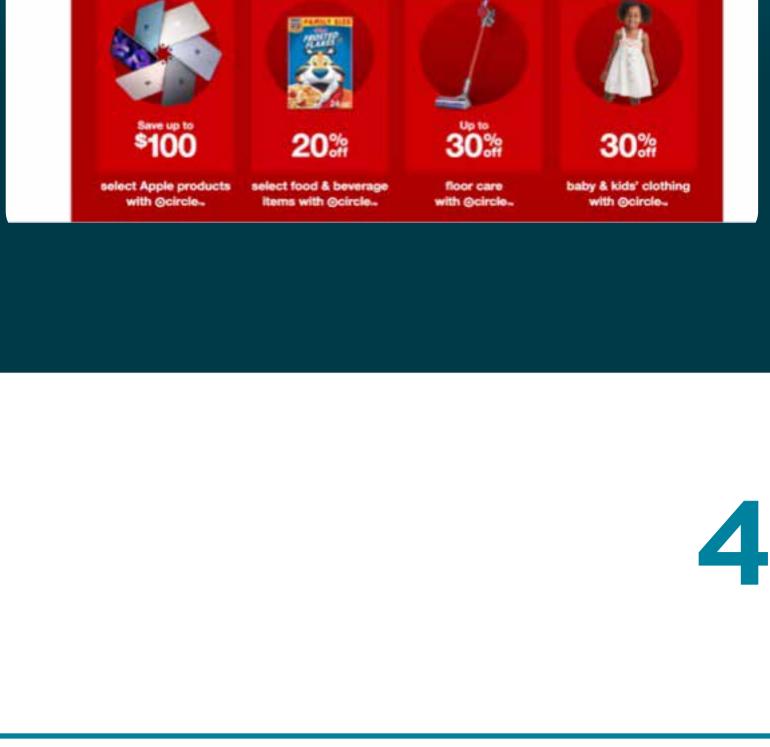
Target were aiming to drive their own membership subscription in a space where

**Black Friday** 

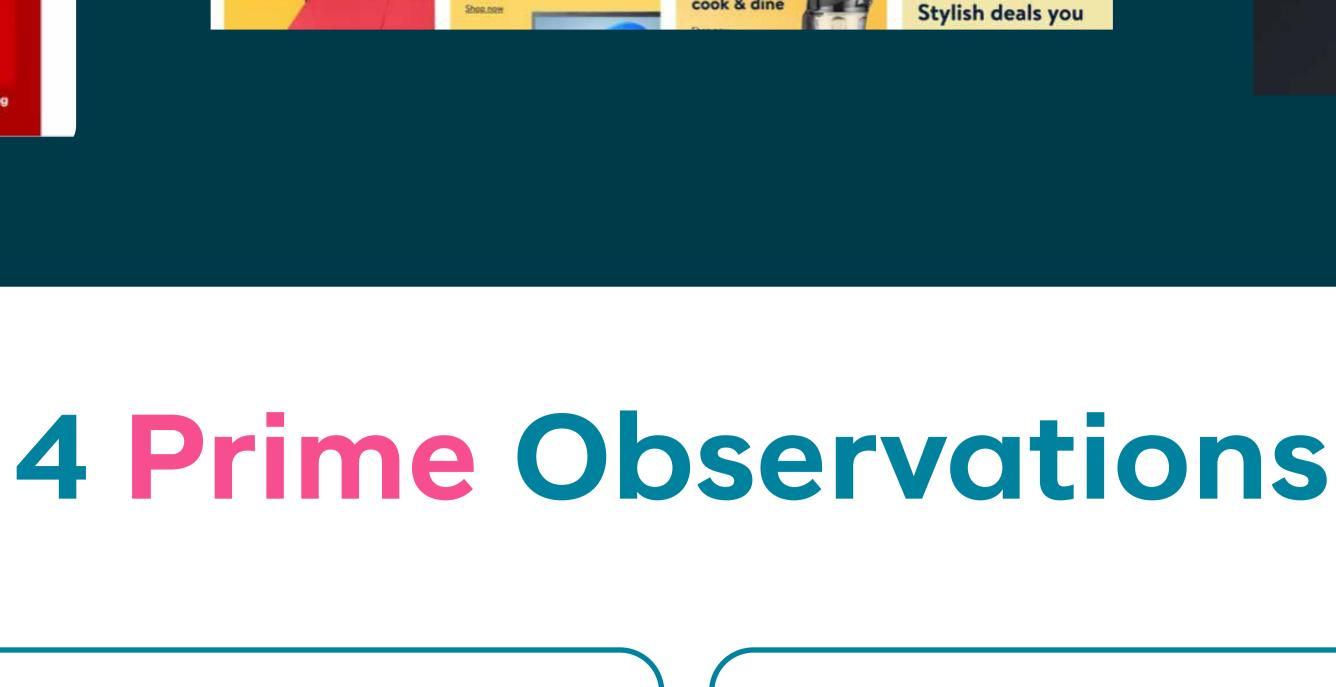
However, in total sales were down -10% Y.o.Y outside of Amazon driven by

substantially less promo activity (-7.4% Y.o.Y) (Digital Commerce 360) and depth (-17%

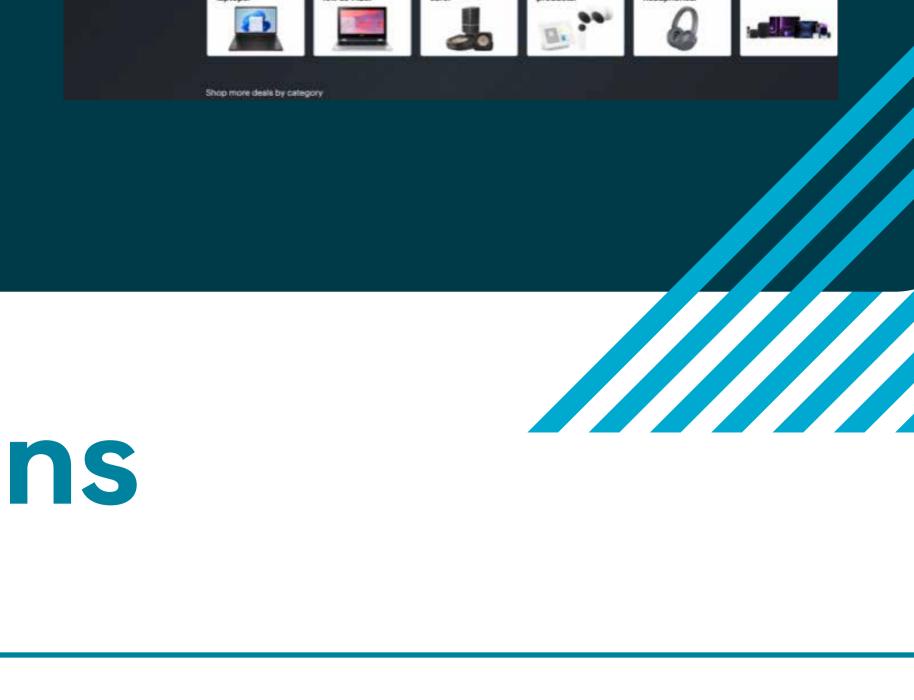
Shoppers were happy with Amazon deals (66% either extremely or very happy with



**AFFORDABILITY RULES** 



Up to 20% off tech



#### rather than serving up generic offers. including the return of "Wow" deals (lightning offers and new deals every 30 minutes), and for the first time ever, "Invite Only" specials. "Buy Now Pay Later" also played a major role - orders up +19.5% year-on-year (Adobe).

#### There was more emphasis on engaging shoppers, particularly through Amazon Inspire (Amazon's answer to TikTok) an in-app feature (introduced in the US) with video of influencers showcasing

Amazon is too important a retailer for brands to ignore, and Prime Day is not an event

drive awareness at the point of contact and drive purchase across the full ecosystem.

activating around Prime Day, think about what your cross-retailer strategy should be.

you should sit out. Prime Day can be the key to unlocking penetration and will both

Start planning for Prime Day 2024 now. At the same time, with more retailers

products and links to purchase. TikTok itself was also used widely.

With shoppers under financial pressure, and Prime Membership fees rising

(+20% UK, +17% US), deals had to be genuine to compete with ever present

private label offerings and they were delivered in multiple formats -

**INSPIRATION AS WELL AS INFORMATION** 

#### Beyond product and price, Amazon Prime Day also provided an opportunity to score a discount on hotel bookings, via a first-time partnership with travel company Priceline. For shoppers, this was a chance to save on experiences, for Amazon, the initiative generated incremental revenue and crucially bottom line accretive profit.

**NEW PRIME PARTNERS** 

Walmart.com

YouTube

**Facebook** 

Instagram

**AMAZON GETS (EVEN MORE) PERSONAL** 

executed on a hyper-personal level. Deal tiles were

personalized, based on purchase habits and behavior,

While Amazon Prime Day was a mass market event, it was

4 Prime Opportunities A. SOURCE OF EDUCATION **Search Starts on Amazon AMAZON PLUS** Amazon **Search Engine** 

### TikTok 11% Other social media platform Other

Brands that succeed best in Prime Day work hard to stand out on the digital shelf. Think creatively about how you drive shoppers to Prime Day - for example, by using Amazon Inspire.

THE REAL DEAL

Shoppers can spot a fake deal a mile off. In order to gain traction on transactions, it's essential to engineer genuine savings on deals specifically for Prime Day, and time box your offers to a window of the program - e.g. the 48 hours of Prime Day itself.

THE ROLE OF SUBSCRIBE & SAVE

**EMBRACE CREATIVE COMMERCE** 

THINK RELATIONAL NOT TRANSACTIONAL -

If you're a brand with a replenishable product, consider linking an additional Prime Day incentive to a "Subscribe & Save" offer. In our experience, if executed well, brands can get a sales spike on Prime Day, see the algorithm benefit halo into the follow up period, and then an ongoing sales stream which can in some categories represent up to 45% of all

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revenue on Amazon.

**James Galland** 

Global Commerce Director, Amazon & Marketplace

C. SOURCE OF GREAT EXPERIENCE Amazon is the least stressful shopping experience amazon Publix chewy (H-E-B) **O TARGET.** 

**Amazon Sales** 

15% Other brand or retailer's website

B. SOURCE OF INFLUENCE

**Paid Amazon Display** 

**Amazon sales** 

Non Amazon Sales

Amazon unlocks growth across the ecosystem

**Paid Amazon Search** 

+23%

43%

39%

36%

36%

# Like to know more? Contact.

Amazon Prime Day analysis by James Galland and Alex Dubowitz, part of the global commerce team, based in London