

## Prime Day Is Becoming a Shopping Event for Retailers

The competition is attempting to ride Amazon's coattails

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mazon Prime Day has become bigger and bolder since its 2015 inception. The shopping event has also taken on a life of its own, prompting other retailers to offer competing sales even if they never make mention of Prime Day specifically.

According to RetailMeNot, the number of retailers offering Prime Day deals on its platform rose from 27 in 2016 to 119 in 2017, and 54% planned to hold sales during this year's event. Department store Macy's has been holding "Black Friday in July" sales, while online electronics retailer Newegg is launching a four-day "FantasTech" sale today.

Target is getting into the act this year with discounts across multiple product categories, free two-day shipping on orders over \$35 and a free six-month membership for same-day delivery with Shipt if you spend \$100 or more. Minus the shipping deals, Target always runs sales so it's to be seen how today is different from any other day, though the retailer did promise up to 30% off Google products, which Amazon does not carry.

Google devices appear to be a differentiator for other retailers as well. eBay is offering a free Google Home Mini to those spending at least \$119 on its site, and Lowe's is throwing in a Mini with purchases of \$150 of more.



Awareness of Prime Day is fairly high. According to a July 2018 survey by Internet Retailer, 76% of consumers had heard of it, though only 30% planned to shop on Amazon today. Roughly the same amount (31%) said they planned to comparison shop at other retailers on Amazon Prime Day, with nearly an equal number (32%) saying they might. It's not clear if these comparison shoppers are just price-checking Amazon's deals, but it's easy to imagine they would bite if they found better prices or other enticing items.

According to a July 2018 AlixPartners survey, 31% of US internet users made a purchase from a different retailer on Amazon Prime Day last year, and 39% plan to do that this year. Apparel and footwear is the top category respondents plan to shop for on Amazon and elsewhere during Prime Day. But Amazon holds the edge over different retailers (20% vs. 12%). The second most popular category to purchase at other retailers on Prime Day is groceries (11%), besting the number who plan to do the same on Amazon (9%). But the percentage of shoppers who plan to buy groceries on Amazon is up from 8% last year.

<b>Product Categories that US Internet Users Have</b>		
Purchased* vs. Plan to Purchase** from a Different		
Retailer on Amazon Prime Day, July 2018		
04 = 5		

% of respondents

July 9, 2018

	Purchased*	Plan to purchase**
Apparel & footwear	10%	12%
Toys	10%	9%
Health/beauty/cosmetics	9%	10%
Groceries	8%	11%
Jewelry & watches	8%	7%
Consumer electronics (non-Amazon device)	7%	9%
Media (books, music, movies)	7%	9%
Sporting goods	7%	7%
Home furnishing	7%	7%
Small & large appliances	6%	7%
DIY/hardware	5%	5%
Luggage, handbags, briefcases	4%	5%
Did not make a purchase from a different retailer and don't plan on shopping at a different retailer	69%	61%

Note: ages 18+; \*in 2017 from another retailer who offered a deal; \*\*in 2018 Source: AlixPartners, "Amazon Prime Day Consumer Survey and Outlook,"

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This grocery boost is presumably due to Whole Foods Market. This survey was conducted before the supermarket began advertising \$10



credits for Prime Day shopping to Prime members who spend \$10 or more at Whole Foods from July 11–17, among other discounts. But 45% of respondents said that it would be "likely" or "very likely" that Whole Foods would be offering Prime Day deals.

Incongruously, though, 52% of respondents were aware that Amazon now owns Whole Foods. Today's event marks the first Prime Day since Amazon bought the grocer in August 2017.

eMarketer PRO subscribers can read more about the ecommerce giant's efforts, as well as what marketers need to know about the upcoming Amazon Prime Day, in our newly released report "Amazon Prime Day 2018."

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And check back in the coming weeks for more coverage on Amazon, featuring our latest estimates.

