

How big will Amazon get?

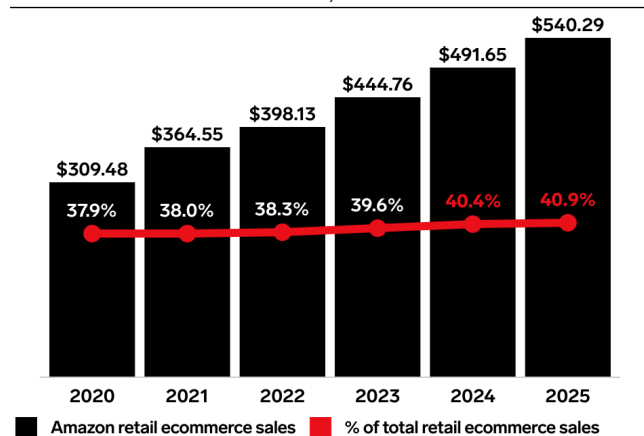
Article

- **After appearing to plateau, Amazon has regained its ecommerce momentum.** Amazon's US ecommerce business struggled to gain market share in recent years and showed signs of approaching its ceiling. But the business rebounded in 2023, outselling competitors in key product categories like health, personal care, and beauty. In the coming years, Amazon will face an uphill battle to sustain this growth—namely, stronger sales in fast-growing ecommerce categories including food and beverage and auto and parts.
- **The ecommerce giant finished the year on a high note.** Amazon spent much of 2023 revitalizing its core business units, including ecommerce. With a renewed focus on improving delivery speeds and expanding consideration sets, the company boosted both order frequency and Prime membership growth. Amazon boasted a “record-breaking” [holiday season](#), with sales volumes at an all-time high.

- **Amazon bested the competition.** Its US ecommerce sales grew 11.7% in 2023, 3.6 percentage points higher than the total US ecommerce sales. This marked the first year since 2019 that Amazon significantly outperformed the market.
- **But competitors still threaten Amazon’s ability to gain market share.** Walmart and Instacart are outperforming Amazon in [digital grocery](#), which could prevent the company from market share gains in food and beverage and health/personal care/beauty. So far, Amazon has held off competition from Temu and Shein, but the upstarts could stunt future growth in categories like apparel, footwear, and accessories.

Amazon Will Surpass 40% of US Ecommerce Sales in 2024

billions in US Amazon retail ecommerce sales and % of total retail ecommerce sales, 2020-2025



Note: represents the gross value of products or services sold on amazon.com (browser or app), regardless of the method of payment or fulfillment; excludes travel and event tickets, Amazon Web Services (AWS) sales, advertising services, and credit card agreements; includes direct and marketplace sales; excludes Amazon Business sales
Source: EMARKETER Forecast, Feb 2024

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Read the full report, [US Amazon Ecommerce Forecast 2024](#).

Report by Blake Droesch Apr 04, 2024

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