

# Consumers Still Love Amazon Prime Despite Price Hike

## ARTICLE |

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**H**ow much of an impact has Amazon's annual Prime membership increase *really* had on consumers? Not that much, according to a recent survey by [AlixPartners](#), which polled 1,124 US internet users in July.

Amazon announced in April that it was raising the [price of its Prime subscription](#) by roughly 20% to \$119 per year. The ecommerce giant last bumped up the price in 2014.

### Impact of Amazon Prime Membership Fee Increase\* on Their Subscription According to US Internet Users, July 2018

% of respondents



Note: ages 18+; \*in May 2018, Amazon increased the price of their Prime membership from \$99 to \$119 annually  
Source: AlixPartners, "Amazon Prime Day Consumer Survey and Outlook," July 9, 2018

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More than half of the respondents in the AlixPartners survey said the change hasn't impacted their subscription at all. Most interestingly, nearly a quarter weren't even aware there was a price change.

Overall, few were deterred by it—just 9% said they plan to cancel their plan, while another 6% said they've already done so. And for a few others (8%), the new cost of the membership was a reason they chose not to join.

We expect the number of Amazon Prime households in the US will total 56.4 million this year, or 45.5% of all households. When looking at Amazon Prime users—those who aren't necessarily the account holder—the number will reach 105.2 million. We estimate the number of Prime households will increase by 7.8% in 2019, though these figures were calculated in February, before the announced price hike.

What's more, Amazon will drive 80% of ecommerce growth this year, according to eMarketer's latest forecast. Total US Amazon retail ecommerce sales (gross merchandise value) are expected to hit \$258.22 billion in 2018, up 29% over 2017—far exceeding total US retail ecommerce's growth of 16%.

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.