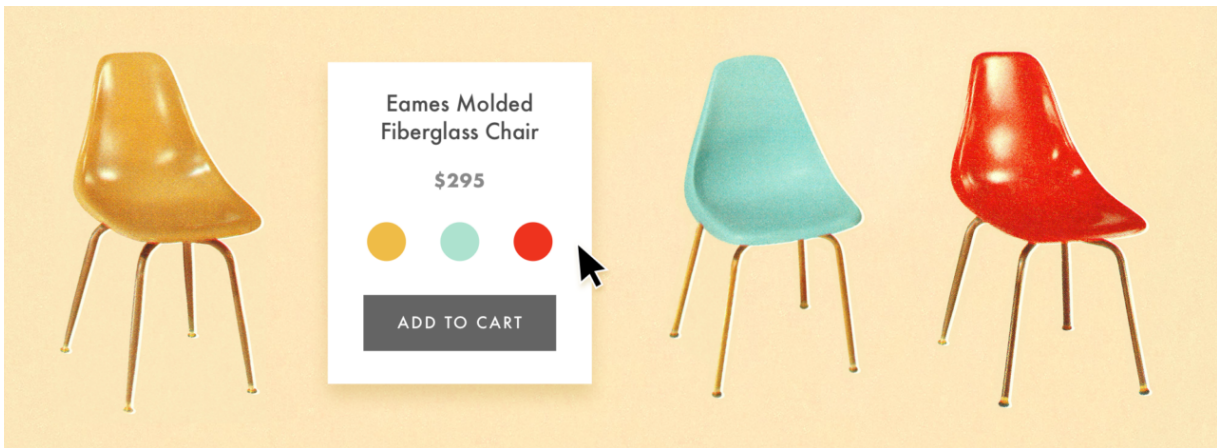


Amazon Statistics You Should Know: Opportunities to Make the Most of America's Top Online Marketplace



In the world of ecommerce, Amazon is a tool that online sellers simply [cannot afford to ignore](#).

In the 25 years since its creation, Amazon has grown to become *the* [top ecommerce platform](#) in the country.

Each month [more than 197 million people](#) around the world get on their devices and visit Amazon.com.

That's more than the entire population of Russia.

In 2018, Amazon's share of the [US ecommerce market hit 49%](#). That's 5% of all retail spent across the entire country.

To put things in perspective, this is more than Amazon's top three competitors *combined*, with eBay coming in at 6.6%, Apple at 3.9% and Walmart at 3.7%.

Needless to say, [Amazon is the leader in online sales](#), with no sign of slowing down anytime soon.

As we kick off 2019, many sellers are asking themselves how they can get a bigger piece of the lucrative Amazon pie.

Well, it all starts by understanding the platform's key areas of opportunity, as well as acknowledging the issues and hurdles Amazon sellers face.

Here, we will highlight some of Amazon's [big wins from 2018](#), trends we are beginning to see form and things for sellers to watch out for moving forward. In the end, you will have a comprehensive understanding of the current state of the Amazon marketplace and have the tools you need to maximize your Amazon presence in the upcoming year.

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10 Fascinating Amazon Statistics Sellers Need To Know in 2020

1. 9 out of 10 consumers price check a product on Amazon. ([source](#))
2. 2% of Echo owners have purchased a product via Alexa. ([source](#))
3. Amazon sells more than 12 million products. ([source](#))
4. Amazon sells over 1.1 million home improvement products. ([source](#))
5. 95 million people have Amazon Prime memberships in the US. ([source](#))
6. \$1.4K is the average spent by Amazon Prime members each year. ([source](#))
7. FBA gives sellers a 30-50% increase in sales. ([source](#))
8. Amazon shipped over 5 billion items worldwide in 2017. ([source](#))
9. More than 50% of all Amazon sales come from third-party sellers. ([source](#))
10. 80% of sellers also sell on other platforms outside of Amazon. ([source](#))

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A Shopping Experience Beyond Compare

In the [fast-paced world of ecommerce](#), the way consumers shop online is always changing. Just think about how different online shopping is now than it was when Amazon launched back in 1994 – or even how different things are now than they were 10 years ago.

As [consumers' online shopping behaviors](#) continue to change and new technology is introduced, let's take a look at how customers are shopping on Amazon and ultimately making their purchasing decisions.

1. 9 out of 10 consumers price check a product on Amazon.

Dominating nearly half of the US ecommerce market, Amazon is one of the first places consumers turn to when searching for and comparing products.

Even after finding a product on a competitor's website, 90% of people will head to Amazon and search for the same product.

Why? Because Amazon is known for its [competitive pricing](#), [speed-of-light shipping](#), and [reliable customer service](#).

If consumers, especially those who are Amazon Prime members, can find the product they are looking for on Amazon, they are much more likely to make a purchase there than with other online retailers.

2. 2% of Echo owners have purchased a product via Alexa.

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Since its release in 2015, [more than 50 million](#) Amazon Echos have been sold. But while Alexa, Echo's voice-operated assistant, allows users to make purchases, check the current status of their Amazon orders and suggest products using nothing but their voice, very few consumers are actually making purchases this way.

Just 2%, or around 1 million, of Echo owners have actually made an Amazon purchase through their smart speaker.

It seems that while Alexa's voice-activated functionality undoubtedly simplifies the shopping process, consumers still like to see products and view their shopping carts before following through with a purchase.

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Amazon: Everything to Everybody

As the nation's [largest online marketplace](#), Amazon has a nearly endless variety of products to choose from.

Every day, customers search for and sift through millions of products in search of the one that will meet their needs. As Amazon's product offering continues to grow, let's explore how this is affecting sellers, both on- and off-line.

3. Amazon sells more than 12 million products.

“Our vision is to be earth’s most customer-centric company; to build a place where people can come to find and discover anything they might want to buy online.” This is Amazon’s mission statement.

As part of its mission to help customers “discover anything they might want to buy online,” it is crucial for Amazon to sell as many different products as possible, across as many industries as possible.

In its quest to be all things to all people, Amazon has built an unbelievable catalog of more than [12 million](#) products, books, media, wine, and services.

If you expand this to Amazon Marketplace sellers, as well, the number is closer to more than 350 million products.

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This is great for Amazon but is also quite daunting for sellers. On a platform that is endlessly seeking to increase its product offerings, the competitive climate is at an all-time high.

4. Amazon sells over 1.1 million home improvement products.

For some time, the home improvement industry was believed to be immune to the dreaded “Amazon Effect.”

The spontaneous nature of many home improvement projects and comfort of having a professional help you pinpoint the perfect product continued to drive shoppers to major brick-and-mortar stores like Home Depot and Lowe’s.

However, a [recent report by Jumpshot](#) shows that Amazon has more than 80% market share across the home improvement industry, and its growth continues to outpace everyone else in the category.

Home improvement sales are a clear indication that more and more shoppers are transitioning to ecommerce, even in industries previously thought to be dominated by [brick-and-mortar stores](#).

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Getting the Prime Treatment

When Amazon Prime first launched in 2005, members paid \$79 per year for free 2-day shipping on eligible purchases.

Since then, the list of benefits for Amazon Prime members has grown tremendously, including perks like early access to lightning deals, free monthly e-books, unlimited video streaming and even discounts at brick-and-mortar Whole Foods stores.

As Amazon Prime offerings have grown, its membership has grown as well.

In fact, Amazon now has more active Prime members than it does non-Prime members.

Find out how Amazon Prime is growing and impacting both consumer behavior and sales.

5. 95 million people have Amazon Prime memberships in the US.

By the end of 2018, Amazon Prime memberships had reached a staggering total of [95 million](#) in the US alone.

This is up from 85 million in 2017, and now accounts for 59% of Amazon's total US customers.

These are customers who not only shop on Amazon, but pay a monthly fee for exclusive benefits and [faster shipping](#).

With Amazon Prime, the platform has built a massive community of 95 million loyal Amazon shoppers.

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By selling on Amazon, sellers are able to tap into this network of dedicated shoppers who are committed to making a purchase from the platform.

It is the kind of reach and [access to loyal consumers](#) that brands dream of.

6. \$1.4K is spent by Amazon Prime members each year.

In 2018, Prime members spent an average of \$1,400 on Amazon, whereas non-Prime members spent around \$600.

That means Prime members have more than 2x the annual spend of non-Prime buyers.

If you think about it, this stat is not all that surprising. Prime members tend to be loyal Amazon shoppers, those that are already more likely to shop on Amazon on a regular basis.

But if you approach this from a psychological perspective, you can see an even more interesting reason why this stat may have come to be.

With an annual fee of more than \$100 a year, many Amazon Prime members feel the need to justify their subscription.

Essentially, the more an Amazon Prime member shops on Amazon, the more they are getting out of their [subscription](#) and the less guilt they feel over the cost.

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Whatever the reason, this stat is evidence of the importance to sellers of achieving Prime-eligible status.

Those who do so open themselves up to a pool of 95 million US shoppers who are much more ready to buy than the typical Amazon customer.

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FBA for the W-I-N

Efficient shipping is a key component of any online business or marketplace.

Amazon has been aware of this since its inception and always hung its hat on its ability to quickly get orders to its customers.

As part of its effort to put shoppers first, Amazon continues to strive to create a better experience for its customers and get items to them even faster.

See how Amazon's continued efforts to improve shipping impact the ways in which shoppers and sellers do business on the platform.

7. FBA gives sellers a 30-50% increase in sales.

[Enrolling in FBA](#) is shown to both increase the conversion rate of your SKUs and boost your sales.

A big part of this has to do with the Amazon Prime program.

As a general rule, online shoppers hate to pay for shipping.

Prime users receive free 2-day shipping on any Prime-eligible products, making them much more likely to buy products with that Prime check mark.

Another factor is the trust that Amazon has built up with its customers.

When a shopper sees that a product is “Shipped By Amazon” they are much more likely to purchase it than if the item was sold and shipped by a merchant they have never heard of.

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The borrowed Amazon equity sellers receive through FBA is a massive advantage that cannot be overstated.

8. Amazon shipped over 5 billion items worldwide in 2017.

For [most sellers](#), the biggest draw of FBA is that Amazon handles shipping – as well as any shipping-related customer service issues.

And for good reason. Amazon is *the* expert when it comes to shipping.

From its large number of nationwide warehouses to its extensive network of logistics partners and delivery drivers, Amazon has gone to great lengths to give customers the fastest and most reliable online shipping.

When it comes down to it, the average seller simply cannot match Amazon's shipping capabilities. So why try?

Amazon has nearly perfected efficient, cost-effective shipping, and FBA gives sellers the opportunity to capitalize on that.

It cuts down on the time and resources required by sellers to handle their own shipments and orders get to customers faster. Customers are happy.

Their trust in Amazon is affirmed. And they have had a positive buying experience with the seller. Everyone wins.

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Battle of the Brands

Amazon offers sellers two different ways to do business. Either as a first-party, wholesale seller or third-party, [direct-to-consumer seller](#).

Over time, more and more businesses have opted to do business as third-party sellers.

As these third-party sellers start to take over Amazon, see how fewer wholesale and more direct-to-consumer sellers are impacting the platform.

9. More than 50% of all Amazon sales come from third-party sellers.

Third-party sellers continue to flock to Amazon, a trend that has seen upward growth for several years and does not seem to be slowing down anytime soon.

In fact, the percentage of third-party sellers on Amazon has been increasing steadily over the past 5 years, rising from 40% in 2013 to [53%](#) at the end of 2018.

This is great news for Amazon, which brought in [more than \\$9.3 billion](#) in revenue from third-party sellers in the first quarter of 2018 alone thanks to FBA, commissions and other seller service fees. But what does this mean for sellers?

It means that more and more sellers are operating on Amazon as direct-to-consumer businesses, instead of handing the reins over to Amazon as first-party sellers.

This offers sellers greater control and ownership over their business but takes a toll as they struggle with poor seller service, a lack of customer data and an ever-changing marketplace.

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10. 80% of sellers also sell on other platforms outside of Amazon.

No seller can overlook the incredible opportunity Amazon provides to reach a massive audience. For this reason, many sellers feel that an Amazon presence is crucial to the growth and prosperity of their business.

But it is not the only opportunity.

In fact, upwards of 80% of sellers look to other online platforms, including their own websites, to conduct ecommerce business.

The operational struggles for third-party sellers, as mentioned above, definitely account for part of the reason sellers are hesitant to limit their business solely to Amazon. But another, maybe even more important, factor is competition.

Yes, from other sellers, but also from Amazon itself.

As Amazon continues to launch more and more of its own private-label brands, third-party sellers are becoming increasingly concerned about competition from Amazon and more likely to seek out other ecommerce channels.

It is important to note that these sellers are not abandoning the platform – they are simply less likely to put all their eggs into one Amazon basket.

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Executive Summary: What This Means for Amazon Sellers

Amazon is a dominating platform that is full of opportunities for sellers from just about every industry.

Here's a recap of the major benefits we covered above:

1. Amazon is one of the first places consumers go to compare products.
2. Its catalog of products is ever-growing.
3. The platform continues to steal market share from brick-and-mortar stores.
4. Prime members are active and outspending other shoppers.
5. Amazon offers opportunities for sellers to improve their shipping.

But Amazon is also quickly becoming a place where those looking for an easy way to [make a passive income](#) are no longer finding success.

Some of the most prosperous companies have established branded products that solve real problems or provide unique selling propositions that no one else has.

Conversions and sales now have to be bought and earned, not only by high-quality products but through more creative avenues.

Here's what you can do to boost your Amazon business in 2020:

1. Differentiate yourself from the competition by having something unique to offer, solving a problem, improving on an existing product, etc. Find that thing you do better or differently than other sellers and put it at the forefront of your listing.
2. Work with an [Amazon consultant](#) to optimize your listings' titles, bullet points, descriptions, Enhanced Brand Content and keyword banks to achieve greater conversions while optimizing

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PPC campaigns.

3. Develop a brand, if you have not done so already. Get a trademark, build a website and establish a brand following and awareness, both on and off Amazon.
4. Invest in marketing and promotion of your product on and off the platform. Be ready to spend real ad dollars to compete in an increasingly crowded and competitive marketplace.
5. Invest in sophisticated seller tools, software and partnerships, like those offered by [BigCommerce](#), to help you appear in front of customers and drive more conversions.

In the end, Amazon is like anything else in business.

It takes a well thought out strategy, creative marketing and a real investment of time, energy and resources to compete.

It is true that Amazon is no longer a quick way to make an easy buck. But for committed sellers, it can result in monumental sales and drive your business through the roof.

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