



THE 2018 AMAZON SHOPPER BEHAVIOR STUDY

How Shoppers Will Browse and Buy on Amazon in 2018

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Introduction

2018 will be a pivotal year for retailers, and as usual, Amazon's at the steering wheel.

Advertising on Amazon is reaching full maturity, and [JP Morgan estimates](#) advertising revenue on the platform could skyrocket to \$4.5 billion in 2018, a 61% increase from \$2.8 billion in 2017.

Content optimization is king, and brands who aren't taking advantage of A+ or Enhanced Brand Content are already falling behind.

Voice-enabled devices have taken over, hinting at a screenless shopping future where retailers and brands will soon be vying to become Alexa's ultimate choice.

In this year's Amazon Shopper Study, we doubled down and asked 1500 U.S. Amazon shoppers prominent questions including:

- ✓ How often do you use Amazon to discover new products or brands?
- ✓ Are you concerned about counterfeit products on Amazon?
- ✓ What's the biggest factor in your decision to buy a product on Amazon?
- ✓ ...And plenty more.

Some of the results drastically differ from our [2017 Amazon Shopper Survey](#), and well—some things never change. Take a look into the crystal ball, and let it shape your strategy for 2018 and beyond.



The Brands



The Brands

Nearly 80% of Shoppers Use Amazon to Discover New Products or Brands

[Last year](#), nearly 50% of Amazon shoppers reported they were open to “occasionally” or “frequently” trying new products or brands on Amazon.

This year, that number jumped to nearly 80%.

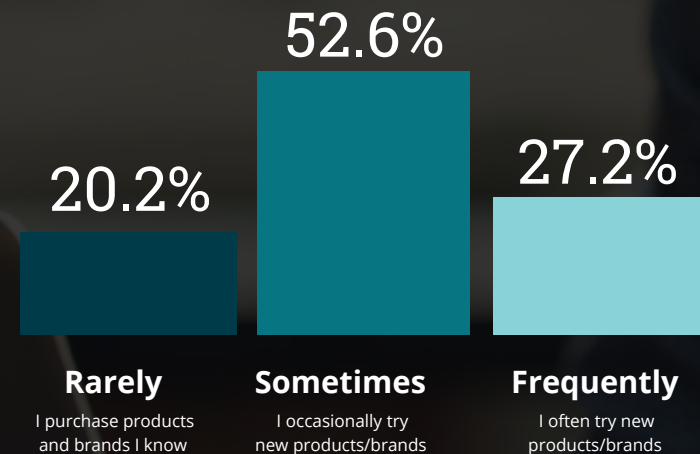
Over the last few years, Amazon has made it a point to do two things:

- ✓ Get established brands to buy in as vendors and/or third-party sellers
- ✓ [Launch more of their own private labels](#)

The first goal lends Amazon credibility and could potentially open doors for even more desirable brands.

Nike is a notable giant who just started selling on the platform, but there are still others in apparel such as [Rolex](#), [Vans](#), [Patagonia](#), [The North Face](#), and [Ralph Lauren](#), that haven't. And that could be a problem.

How often do you use Amazon to discover new products or brands?





This isn't just a call to arms for bigger brands to consider their Amazon strategy, it also means smaller brands have the opportunity to break into verticals that had previously been impenetrable—creating even more competition.

We aren't saying that every brand must be on Amazon—that's dependent on your business goals. However, you can't ignore the fact that your loyal customers are most likely shopping on Amazon, and 80% of them might not be as loyal as you thought.

"The lack of large brands in certain verticals allows for smaller brands to flex their might larger than they would be able to in traditional brick and mortars. All the customer cares about is quality (reviews), information (content), availability (Prime), and affordability, which will only increase with competition."

"Smaller indie brands are able to bid on branded keywords, gain high organic rank, and receive large amounts of sales volume because a lot of bigger brands are afraid to buy into Amazon as vendors. [Those larger brands] are concerned Amazon will damage their brand equity. However, they will eventually have to change their way of thinking and look to Amazon as an additional channel of income as we continue to shift out of brick and mortar and to ecommerce."



Stuart Dooley
Marketplace Channel Analyst
CPC Strategy



Jordan Berry
Marketplace Channel Analyst
CPC Strategy





Roughly 53% of Amazon Shoppers Feel More Comfortable Buying an Unfamiliar Brand on Amazon Than Anywhere Else

Taking our previous stat a bit further, we found that **53.4% of shoppers are more willing to buy a brand they're not familiar with on Amazon than they would be on any other store.**

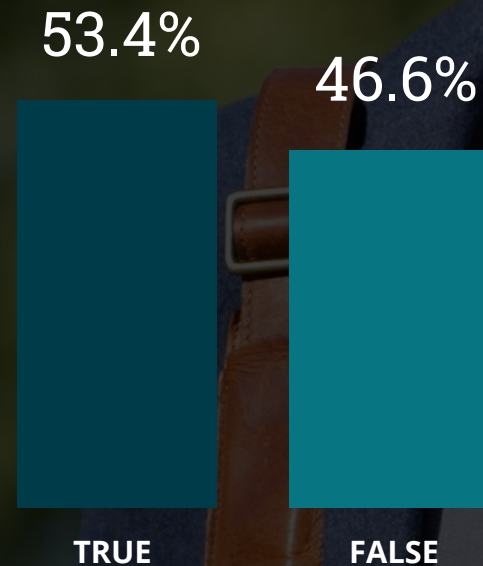
This isn't necessarily just a brand problem. This is also a retailer problem.

Granted, there are some big exceptions. REI and Costco are two examples of companies that have worked hard to build up consumer trust in their names, which gives customers the confidence to trust the new products they put on their shelves. *(If it isn't a sound product, why would Costco load in pallets full of it?)*

But if ~50% of Amazon shoppers believe in Amazon's good name, enough to confidently say they'd risk purchasing from a brand they've never heard of before over places like Walmart.com, that's a big deal.

And it's an even bigger reason to believe that more small and midsize brands on the platform will gain unprecedented market share via Amazon in 2019.

True/False:
I am more willing to buy a brand I am not familiar with on Amazon than any other store



“If we know one thing, it’s that Amazon is customer-first in everything they do - and this new poll confirms their strategy is working. A guaranteed 30-day return window, hundreds of customer reviews, and dependable customer service are all reasons why Amazon shoppers are willing to leave their comfort zone and try new brands. This poses a threat for big brands that have established a name by placing their products on retail store shelves. Amazon is changing the game, forcing products to be high quality and affordable—regardless of whether it’s a known brand or small private labeler.”



Ryan Burgess
Marketplace Channel Analyst
CPC Strategy

“Amazon’s platform is largely a ruthless meritocracy, meaning new products have the chance to appear on page one of a coveted SERP as long as they are selling at a velocity and a price which warrants that position. However, established brands still have advantage of customer loyalty and familiarity among shoppers, giving them an edge in consideration and conversion assuming all else is equal. Lead brands also typically have the scale and budget to dominate paid placements relative to challenger brands with smaller budgets.”



Pat Petriello
Head of Marketplace Strategy
CPC Strategy

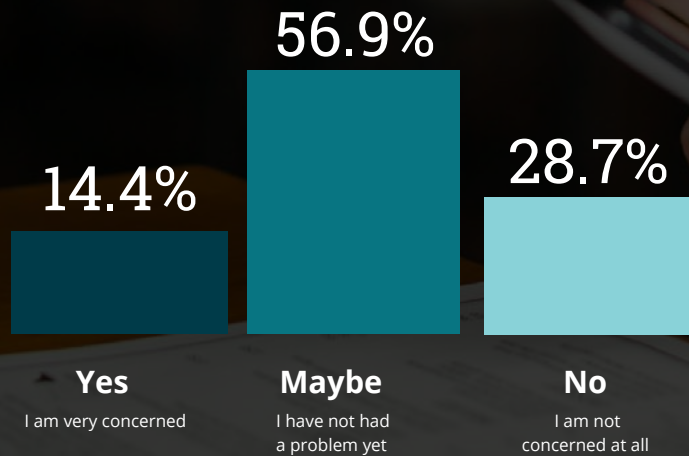
“Reviews and FBA (Prime shipping) are some of the core aspects shoppers look at when purchasing an item on Amazon. This gives small to mid-sized brands the opportunity to compete with larger brands on Amazon, which is usually not the case offline.”



Tanya Zadoorian
Marketplace Channel Analyst
CPC Strategy



Are you concerned about counterfeit products on Amazon?



Why It's Way Too Easy to Sell Counterfeit Goods on Amazon

The e-commerce giant knows it has a counterfeit problem. Sellers say it's not doing nearly enough to solve it.

Nearly 70% of Amazon Shoppers are Either 'Moderately' or 'Very' Concerned About Counterfeit Products on Amazon

Counterfeit products have been a thorn in Amazon's side. Once the press picked up what they called a "counterfeit problem" in 2016, the stories picked up steam, particularly with the public departure of Birkenstock.

Birkenstock's USA CEO David Kahan [pointed to the problems with Amazon's "open market"](#), which made it possible for other brands to jeopardize the Birkenstock name by selling cheap imitations.

Needless to say, consumers have caught wind. While Amazon has cracked down on counterfeiters since then and put measures in place to protect brands, clearly, there are still consumers who are wary of opening up a box full of frauds.





"The most important thing brands can do is take responsibility and actively police their own brands—understanding that Amazon is not going to do it for them. The vast majority of brand protection issues we see on the Marketplace are not actually counterfeit. They are unauthorized sellers of authentic products, which is a big difference. Sellers tend to use the term "counterfeit" to refer to anything that they don't like or didn't authorize, but if another Seller is able to accrue authentic inventory of a brand's product, then it's because that brand has leakage in their supply chain. Active monitoring, cease and desist letters, properly written and policed limited distribution agreements, and ardent legal action are all arrows in the quiver of a truly committed brand."

"My best advice to third party sellers: Don't co-mingle inventory, and control your distribution."

**Pat Petriello**

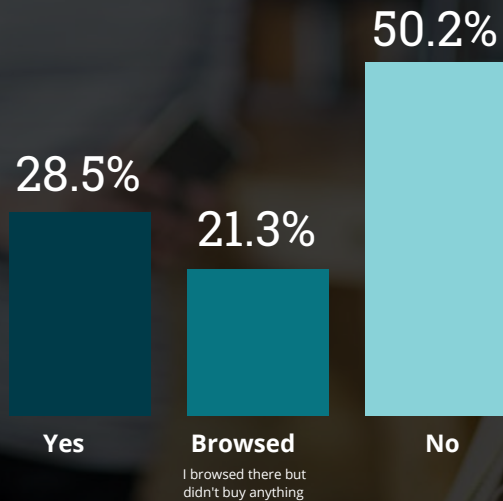
Head of Marketplace Strategy
CPC Strategy

**Stuart Dooley**

Marketplace Channel Analyst
CPC Strategy



Did you buy anything on Amazon over Black Friday weekend in 2017?



50% of Amazon Shoppers Either Bought or Browsed on Amazon During Black Friday Weekend 2017

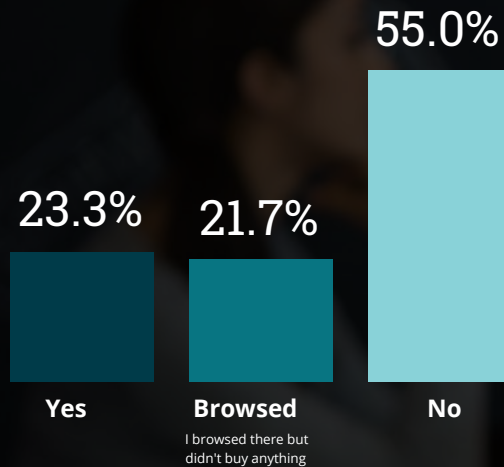
Black Friday weekend in 2016 wasn't a big deal for survey respondents in 2017—66.6% claimed they didn't make any purchases on Amazon during that time.

This year, about half of our shoppers either made a purchase (28.5%) or simply browsed, but didn't make a final purchase (21.3%)—a total of about 50%.

We saw similar results when we asked Amazon shoppers about Prime Day—about 45% either browsed or bought during Prime Day.



Did you buy anything on Amazon on Prime Day in 2017?



However, when we look at general marketplace data we see that Prime Day was even bigger than our data indicates—probably just because only a portion of our respondents were Prime members.

[Some reports](#) showed that 2017 Amazon Prime Day sales surpassed Black Friday and Cyber Monday (2016) and the event grew by more than 60 percent over 2016. (Read more about Prime Day 2017 in our [blog recap](#)).

A trend that has apparently paid off? Extending the dates. Prime “Day” actually went on for 30 hours, and Black Friday weekend turned into Black Friday month.

We don’t anticipate Black Friday weekend will slow down significantly, but it’s likely that Prime Day will be the leader every year. Needless to say, it’s crucial to have a solid strategy around both Prime Day *and* Black Friday.





"Prime Day is an Amazon-only holiday, so as an advertiser you do not have to compete with resources going to other channels, and as a retailer you don't have to compete with customers buying from other channels."



Stuart Dooley

Marketplace Channel Analyst
CPC Strategy

"Prime Day—now unfolding into Prime Week—is gaining popularity, and I anticipate it will grow in volume and reach the exposure Single's Day does in China. I recommend sellers put a greater emphasis on promotions, coupons, and Lightning Deals on Prime Day. Shoppers are looking for deals, and if a retailer has an enticing offer, it will sell well."



Tanya Zadoorian

Marketplace Channel Analyst
CPC Strategy

"Black Friday is still heavily associated with brick and mortar stores, and shopping intent on the web is still growing on Black Friday, I expect it takes a couple more years for Black Friday to exceed or even come close to sales for Prime Day."



Jordan Berry

Marketplace Channel Analyst
CPC Strategy



The Device



The Device

About 67% of Amazon Shoppers Prefer to Shop Using Their Desktop Computer or Laptop

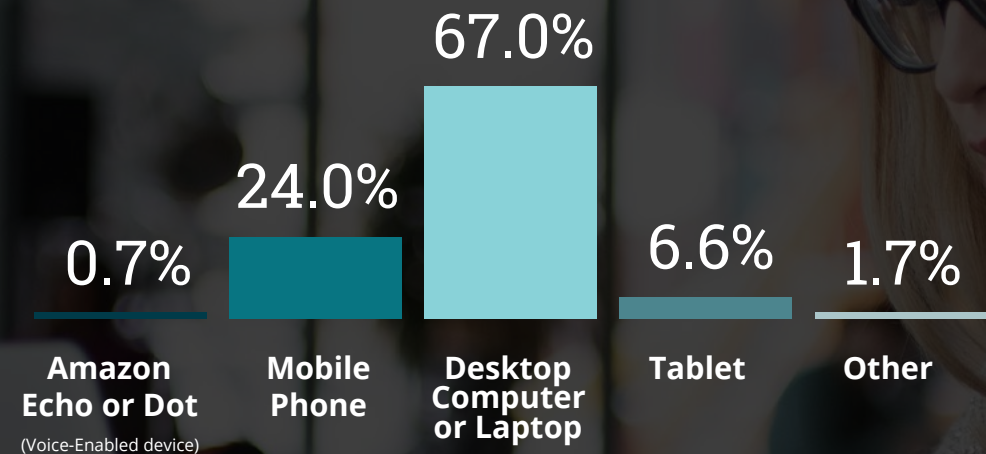
67% of our survey respondents preferred to shop on desktop computer or laptop.

Amazon's app saw MAUs (Monthly Average Users) up to 30 million in 2016 [[PDF Report](#)].

So at a time when 50% of internet traffic is mobile, why are only 24% of respondents shopping on Amazon from the palm of their hand?

There are two factors that could influence this statistic.

Which device do you usually use when you buy something on Amazon?





1 The age of the survey respondents

When we dig deeper into the survey results, we can see the significantly different answers across age groups:

Age Range	Amazon Echo or Dot	Mobile Phone	Desktop/Laptop	Tablet	Other	Totals
18 to 24	—	25%	8%	5%	4%	12%
25 to 34	27%	29%	8%	15%	8%	14%
35 to 44	9%	23%	14%	19%	17%	16%
45 to 54	18%	12%	22%	22%	25%	19%
55 to 64	36%	7%	23%	24%	29%	19%
65+	9%	4%	26%	15%	17%	19%
Totals	11	361	1009	100	24	1505

There was a greater correlation between those 55+ voting in favor of desktop or laptop, while the majority of the 35 and under set opted for mobile.





2 The wording of the survey question

In this survey question, we specifically used the word “buy” instead of “browse” or “shop.” This may not seem like a significant difference, but other studies have shown that [shoppers are more likely to browse on mobile and buy on desktop](#).

This brings us to our next point.

Nearly 70% of Amazon Shoppers “Window Shop” on Amazon

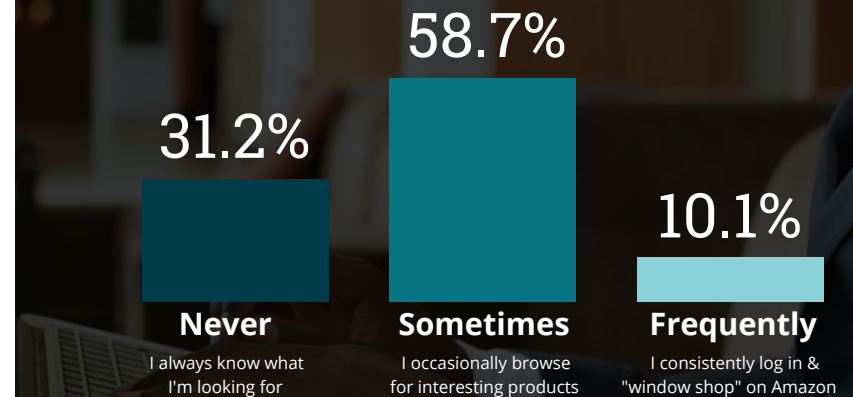
This year’s number of desktop shoppers is higher than last year’s, and it’s difficult to argue with a 95% margin of error.

However, we believe mobile will continue to become a significant part of Amazon’s buyer journey, ushering users from browse to buy.

Current investments in AR and frequent app updates geared towards faster purchases (swipe-to-buy) are some big hints.

With a baseline of 30 MAU, it’s tough for any other retailer or brand with an ecommerce app to compete for that Amazon-shaped space on a shopper’s phone.

How many hours per week do you spend browsing Amazon without a specific product in mind?





“I would not be surprised if Amazon breaks out ad bidding by platform—for instance, website versus mobile app.”



Jordan Gisch
Senior Marketplace Channel Analyst
CPC Strategy

“I could see Amazon using their 30 Monthly Average Users (MAU) base to target more ‘Mobile Only’ deals—essentially Lightning Deals or Deals of the Day that are only available on the mobile app. Additionally, it’s very likely that Amazon will introduce new ad placements for mobile and allow advertisers on Amazon Marketing Services and Seller Central to bid differently based on platform. They’re already doing this with Video Search Ads.”



Ryan Burgess
Marketplace Channel Analyst
CPC Strategy





14.2% of Amazon Shoppers Made a Purchase Via a Voice-Enabled Device in the Last Six Months

Voice enabled devices aren't just cute places to get your weather and music—they're also becoming a driving force for Prime members towards Amazon's cart.

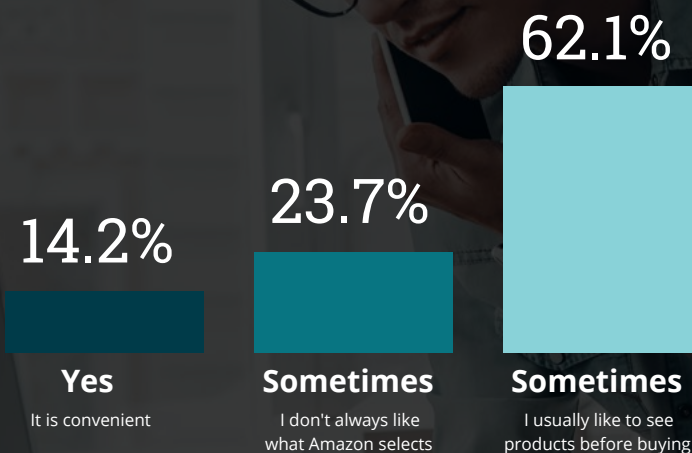
Voice shopping is expected to jump from \$2 billion today to \$40 billion by 2022. According to a [study from OC&C Strategy Consultants](#), this surge will be driven by a growth in the number of smart speakers in homes, rising from 13% today to 55%.

Many brands, [particularly those in the Consumer Packaged Goods sector](#), are getting concerned about the fact that consumers are starting to turn more to Alexa for shopping suggestions. They probably should be, because voice-enabled shopping is growing even faster than we thought.

14.2% of survey respondents claimed they had made purchases on Amazon via a voice-enabled device in the last six months and did so because it was "convenient".

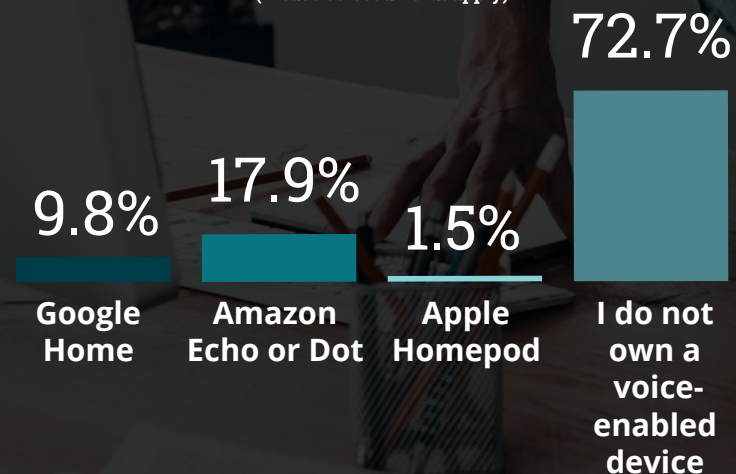
Of course, there was no "I did not buy via voice" selection, so we can get a better idea of who's actually purchasing via voice by seeing exactly how many respondents have an Echo or Dot below.

Have you purchased anything with a voice-enabled device in the last 6 months?



Which of the following voice-enabled devices do you own?

(Please select all that apply)





Out of those who own a voice enabled device (a total of 439 respondents):

- ✓ 61.3% own an Amazon Echo or Dot
- ✓ 33.7% own a Google Home
- ✓ 5% own an Apple Homepod

When you consider that 14.2% of our survey respondents have made a purchase with just their voice in the last six months, it becomes apparent which brand is making the biggest strides in voice-enabled shopping.

"This definitely shows that the battle for ultimate marketplace dominance isn't over, but Amazon is off to an early lead."

In a world where [some analysts estimate](#) that by 2020 30% of web browsing will be done without a screen and 100 million consumers will shop using AR, this stat seems to fit the trends.

"We know that having Amazon's Choice leads to purchases from Alexa, but how to stand out is unknown. I think voice-enabled shopping will separate the pack into 'Amazon's Choice', which will most likely be vendor offers, and non-Amazon Choice. At this point, there is a large gap in knowledge regarding how sellers can prepare."



Nii Ahene
COO & Co-founder
CPC Strategy



Stuart Dooley
Marketplace Channel Analyst
CPC Strategy



The Search Experience



The Search Experience

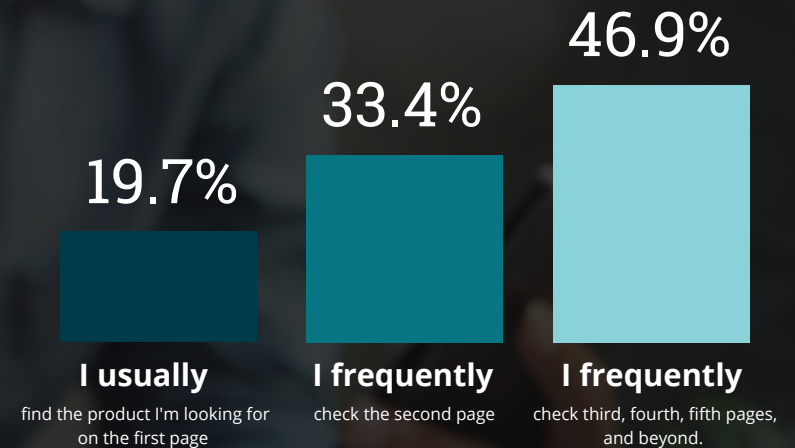
Over 50% of Amazon Shoppers Aren't Willing to Go Beyond the Second Page

These results are deceptively simple. Amazon's data shows a far higher number of customers who don't go beyond the first page:

- ✓ 70% of Amazon customers never click past the first page of search results.
- ✓ 35% of Amazon shoppers click on the first product featured on a search page
- ✓ The first three items displayed in search results account for 64% of clicks
- ✓ 81% of clicks are on brands on the first page of search results

Amazon's answers are based on their own proprietary data. So why were our answers so different?

When you shop on Amazon, how far are you willing to browse beyond the first page of results?





There are several factors that play into the answers. First, our question did not specify:

- ✓ Whether the shopper was looking for an unfamiliar product/brand or one they've purchased before
- ✓ What device the shopper would be using
- ✓ Whether the shopper was looking for something specific or just browsing

Therefore, we believe this number should be much higher—but 50% should still make everyone on page 2+ concerned.

After all, we've seen this play out in other search engines such as Google, where research shows [75% of people never make it past the first page](#).

"Shoppers trust Amazon to provide the top products pertaining to a user's search criteria on the first page. If a shopper does not find what they are looking for on the first page, they will edit their search criteria and start the search process over until they find what they are looking for."

"It all comes down to the consumer's trust that Amazon will serve the most relevant products possible at the top of the SERP for any given search."



Tanya Zadoorian
Marketplace Channel Analyst
CPC Strategy



Jordan Gisch
Senior Marketplace Channel Analyst
CPC Strategy





About 75% of Amazon Shoppers Still Price Check on Other Sites

75% of Amazon shoppers claimed they still “occasionally” or “always” check Amazon prices against other sites.

We saw [similar results last year](#).

While it seems as though this answer shows Amazon shoppers don't trust Amazon's prices, what this actually does is reinforce the simple fact that Amazon shoppers are simply very price-conscious (more on that later).

How often do you make purchases on Amazon without comparing prices on other sites?

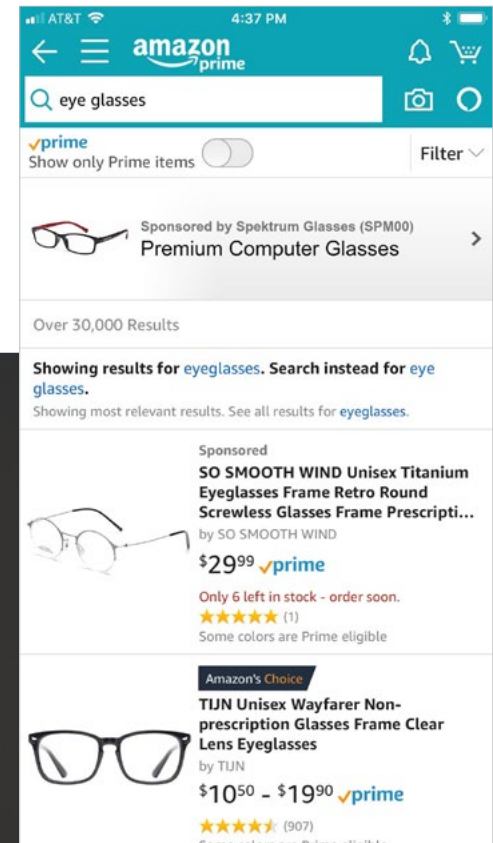


A Whopping 90% of Amazon Shoppers Either ‘Don’t Notice Ads’ on Amazon or Find Them ‘Useful and Relevant’

This is native advertising in its best form. If you’re an advertiser, this is probably the most significant stat you’ll see in this study.

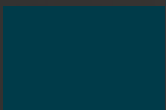
If 65% of your customers don’t notice you’re serving them an ad and another 25% of your customers actually *like* the ads you’re serving up—that’s a winning scenario.

The future of ads on Amazon is bright, and could potentially extend beyond mobile and desktop into other formats. As we mentioned before, Amazon’s [ad revenue is only going to grow](#)—perhaps up to \$6.6 billion in 2019.



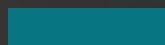
Which of the following best describes how you feel about ads on Amazon?

25.4%



Amazon Ads are useful & relevant

9.6%



I do not trust ads on Amazon

65%



I rarely notice ads on Amazon



The Decision



The Decision

For 41.9% of Amazon Shoppers, Price is Still King

Price, shipping, and reviews hold the key to Amazon shoppers' hearts.

We weren't surprised to see that Amazon shoppers still value these factors above product descriptions or experience with the product or brand they're purchasing from.

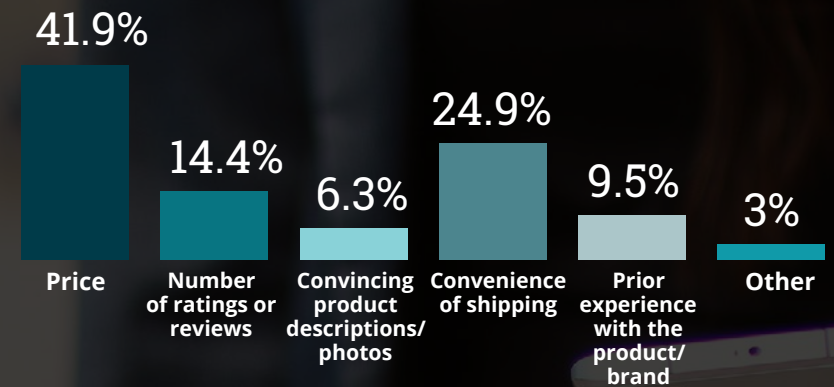
What we did want to know is how much Amazon shoppers' opinions about product reviews had changed since the [review debacle in 2017](#).

So we asked another question, and found a result that did surprise us.

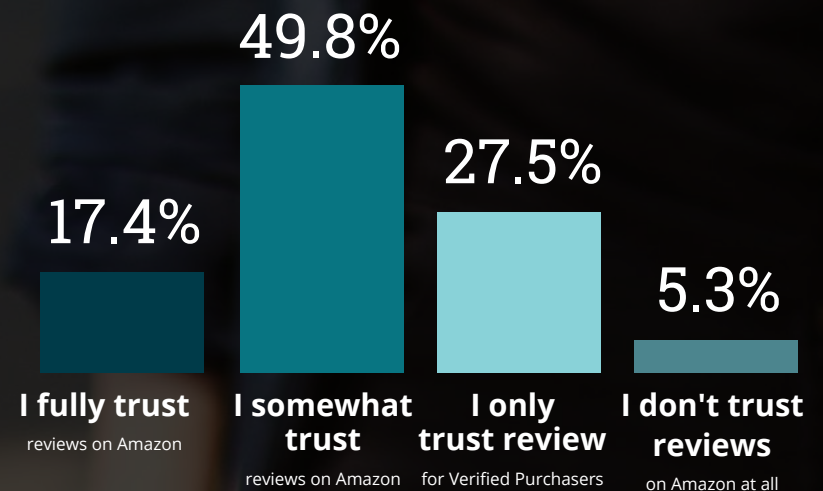
Around 80% of Amazon Shoppers Don't Entirely Trust Reviews on Amazon

While it may seem dramatic to claim that nearly 80% of Amazon shoppers don't entirely trust Amazon product reviews, keep in mind about 15% of our respondents said it was *the most important* factor in their decision to make a purchase.

The last time you made a purchase on Amazon, what was the biggest factor in your decision?



Which of the following best describes how you feel about reviews on Amazon?





Amazon customers also showed they are more savvy when it comes to parsing reviews, with nearly 30% claiming they only trust reviews from Verified Purchasers. And coming in at the very bottom, still significant—5.3% of our respondents don't trust Amazon reviews at all.

Are reviews still important?

Absolutely.

But do they hold the sway over a shopper's decision the way they probably did pre-2017? Probably not. And unfortunately, sellers no longer have the option to spring for incentivized reviews.

If you're selling on Amazon, now is the time to invest in what you can control—price adjustments, premium content (A+ and Enhanced Brand Content are always good investments) and brand building off Amazon.

"With increased competition in the space, brand building off Amazon can provide additional avenues to increase brand awareness and draw users back to Amazon for a conversion."

And if you're not selling on Amazon, these are all things your customer probably values, too—make sure your bases are covered.



Tanya Zadoorian
Marketplace Channel Analyst
CPC Strategy



The Bottom Line



The Bottom Line

We know—there’s a lot of data to absorb here. It can be tough to distill it all into a few short paragraphs, but here we go:

Market Share for Big Brands Will Erode

Trends from 2018 will continue, and even more brands will have the opportunity to steal market share from big brands. This change will be driven by the average Amazon shopper’s openness to new brands and price-conscious nature.

More Shoppers Will Rely on Alexa

There’s still a lot of uncertainty with brands with what to do with voice search, but coming from the words of Bezos himself - Amazon is going to “double down” on the Alexa consumer experience.

Amazon’s Native Ads Will Get Even Better

Amazon will continue to improve their native advertising experience for shoppers, ensuring they’re helping consumers to find the right product, for the right price, at the right time. Sellers will reap the benefits, but only if they have the right strategy.

From changes in advertising to the emergence of an entirely new shopping channel (voice), Amazon sellers will need to be ready for anything this year. **We can help.**



Methodology Details

This survey was commissioned by CPC Strategy and conducted by Survata, an independent research firm in San Francisco. Survata interviewed 1500 online respondents between February 07, 2018 and February 09, 2018. Percentages have been adjusted to reflect five actual additional survey respondents (1505 total). All respondents were between the ages of 18-65+, and located within the U.S. Respondents were screened with the following question: “Did you buy a product on Amazon in the past six months?” and were reached across the Survata publisher network, where they take a survey to unlock premium content, like articles and ebooks. Respondents received no cash compensation for their participation. More information on Survata’s methodology can be found at survata.com/methodology



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We Turn Browsers Into Buyers