



Will Amazon Pass its COVID-19 Test?

COVID-19 is testing Amazon's status as America's Sweetheart. Consumers have been able to count on Amazon for near-immediate gratification for years now, getting just about anything we need with free shipping in two days (or less). But COVID-19 has meant unique challenges for the online powerhouse as the sudden surge in business has forced it to prioritize the most in-demand items for consumers and medical personnel.

POOR AMAZON EXPERIENCES COULD MEAN A BIG OPPORTUNITY FOR COMPETITORS

As Amazon **struggles to meet the consumer expectations they've created**, they're leaving room at the table for previously dismissed or underused channels to capture a bigger share of consumers' hearts and wallets.

"Shopping online, everything I would like to order is no longer available or sold out. I'm forced to look at the store app more frequently during the day to see if by chance the items are back in stock and everything is normal. It's probably more of a hope than a reality. Shopping is much much more difficult. Amazon delivery times are non-Prime and Walmart won't ship groceries to rural areas. Its been very difficult." (Boomer, female)

Even some of the most dedicated Amazon users are **turning to alternative retailers** as they encounter long shipping times, out of stock notifications, and poor control over price gouging.

"I've been an ecommerce gal for a long time. Been banking online, buying garden supplies and plants, my usual specialty foods. Haven't changed anything – yet. But I don't like that Amazon is deciding what is 'non-essential' and delaying shipment for a month(!). Maybe I consider it essential!" (Boomer, female)

...BUT CAN ANY COMPETITOR RISE TO THE CHALLENGE?

"Amazon Prime, Fresh, Video and Music have saved me so far, and imagine they will in the days to come even more. [Shopping has been] easier, actually. Never realized just how many things can be sent to my door, so it's been educational." (Gen X, male)

The key is that – at least right now - **other retailers are only ever able to match the Amazon experience, but almost never beat it.** Even as competitors manage to meet customers' needs when Amazon fails, they're still only pulling even.

How long can Amazon underperform and still retain its top dog status? There is **potential for the retail playing board to change** as consumers' new habits become established—if a competing e-retailer can offer a consistently superior experience that outlasts our current toilet paper-hoarding frenzy. Yet **Amazon may emerge from this crisis even stronger**, as consumers realize how many everyday items they can order online—and if they're reluctant to give up this new level of convenience when they're free to continue shopping the way they did before.

"Buying books has become more difficult as Amazon has changed their delivery date [on] non-essential items, so I had to find an alternative book source! Alibris books and ebay seem to be working. Although not as fast as the old Amazon, at least it doesn't take a month!" (Gen X, male)