



# Numerator

## Amazon's Private Label Proliferation

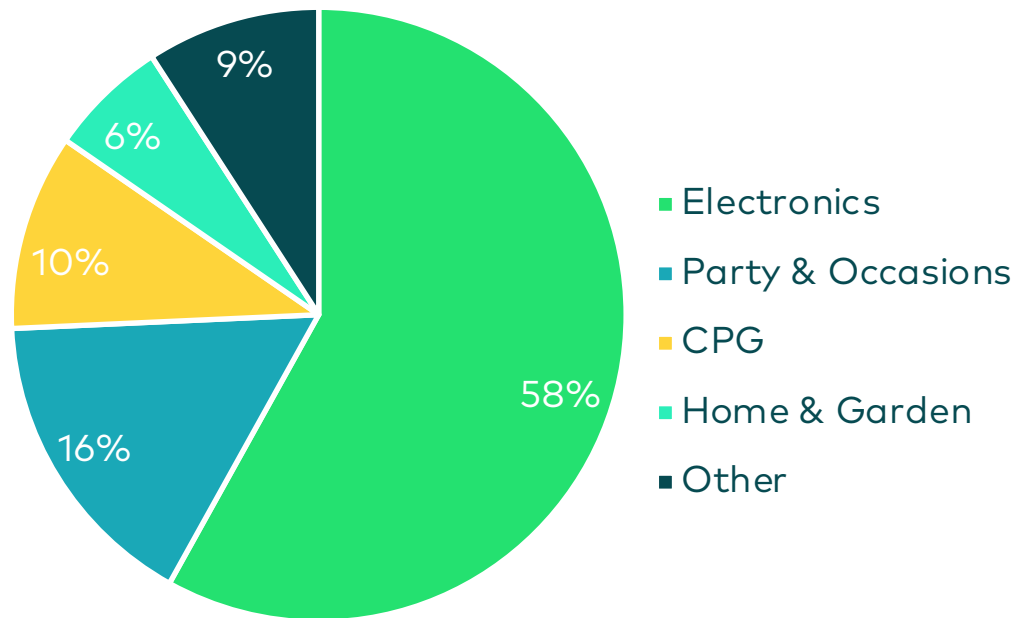
April 2019

# Amazon Private Label

Amazon private label sales were up 2% in 2018, with 74% of dollars coming from electronics and party & occasions.\* But while sales of Amazon-branded items in these top two sectors were down 10% from the year before, sales in smaller areas, particularly CPG, experienced significant growth.

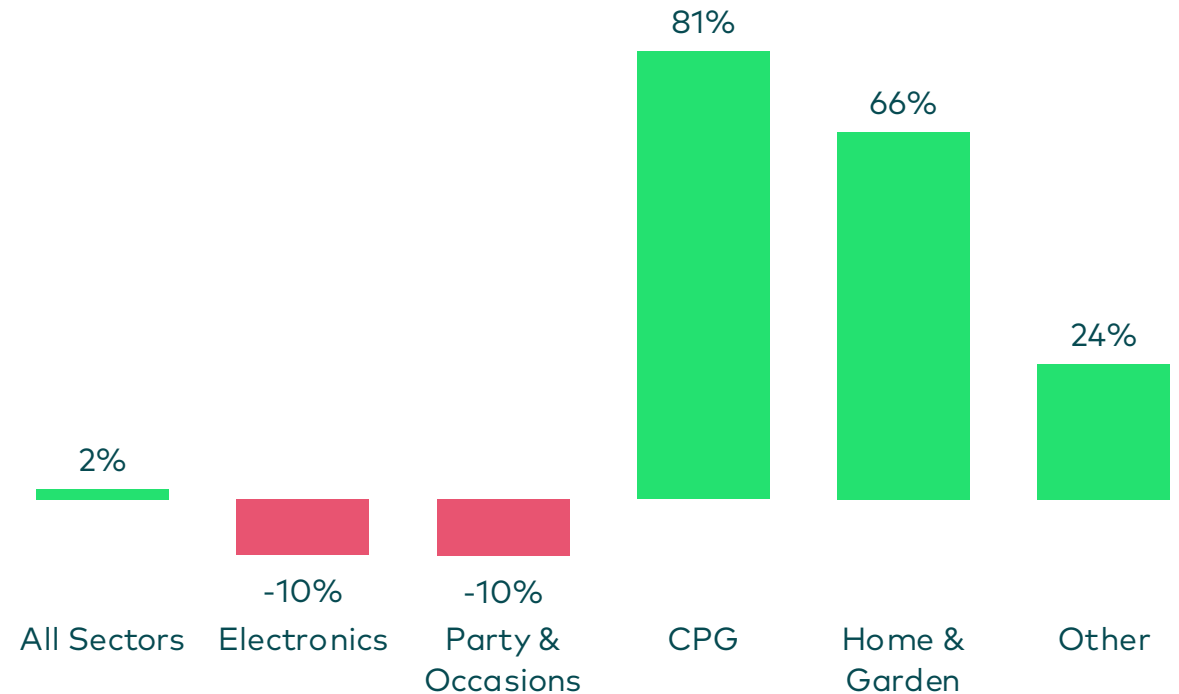
## Sales by Sector

Share of Amazon PL Dollar Sales 2018



## Sector Growth

Amazon PL Dollar Growth vs. Year Ago



Source: Numerator Insights, 12 months ending 12/31/2018

\*Party & Occasions primarily comprised of gift boxes and gift cards

**81%**

**Growth of Amazon  
Private Label CPG Sales**

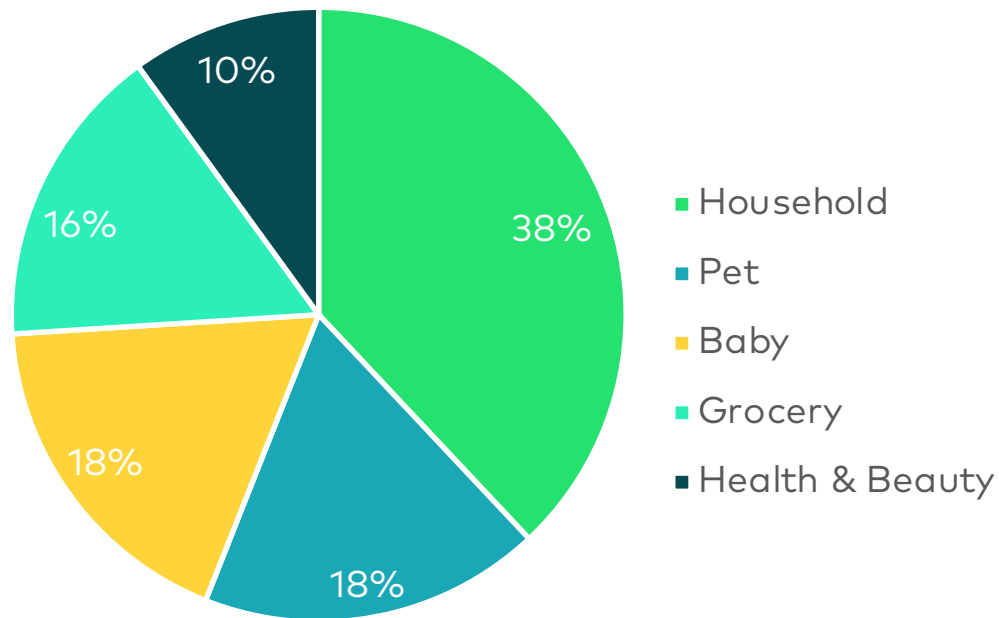
Source: Numerator Insights, 12 months ending 12/31/2018,  
Limited to sales within Baby, Grocery, Health & Beauty, Household and Pet

# Amazon Private Label – CPG Focus

Sales in core CPG sectors grew 81% in 2018, with every sector within the grouping experiencing this rapid growth. Household products maintained a strong lead in share of sales, though grocery and health & beauty did grow nearly twice as fast as other sectors.

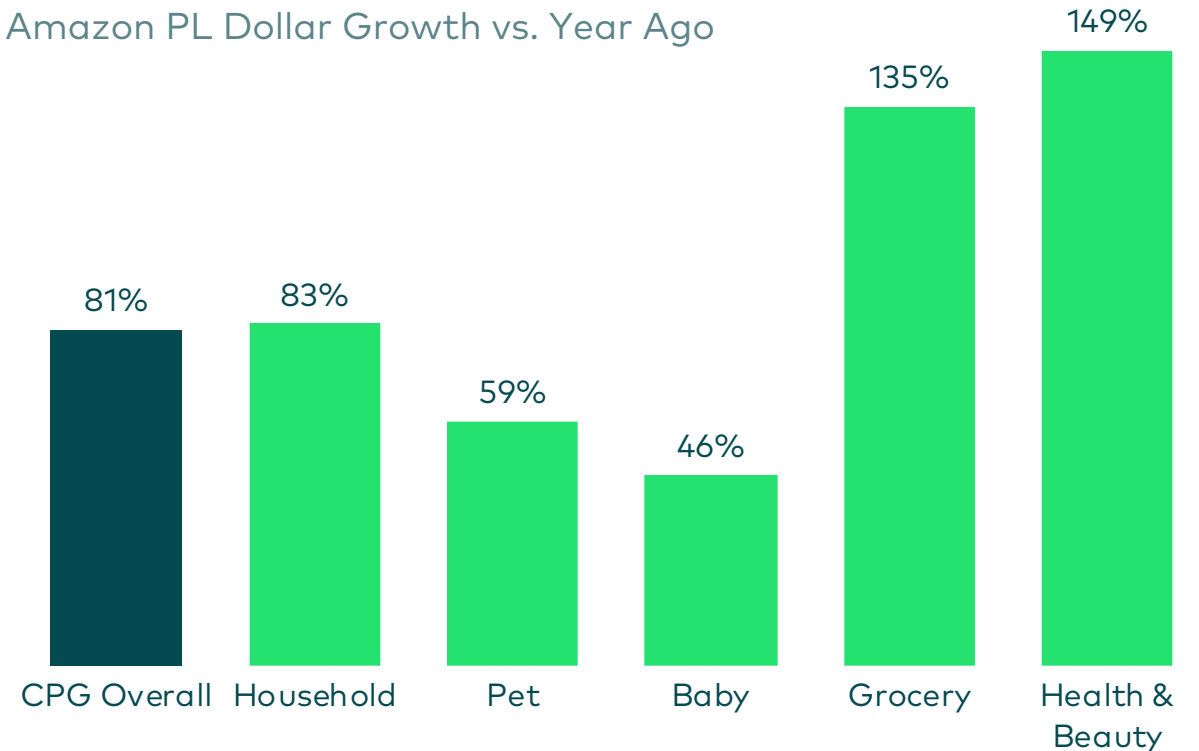
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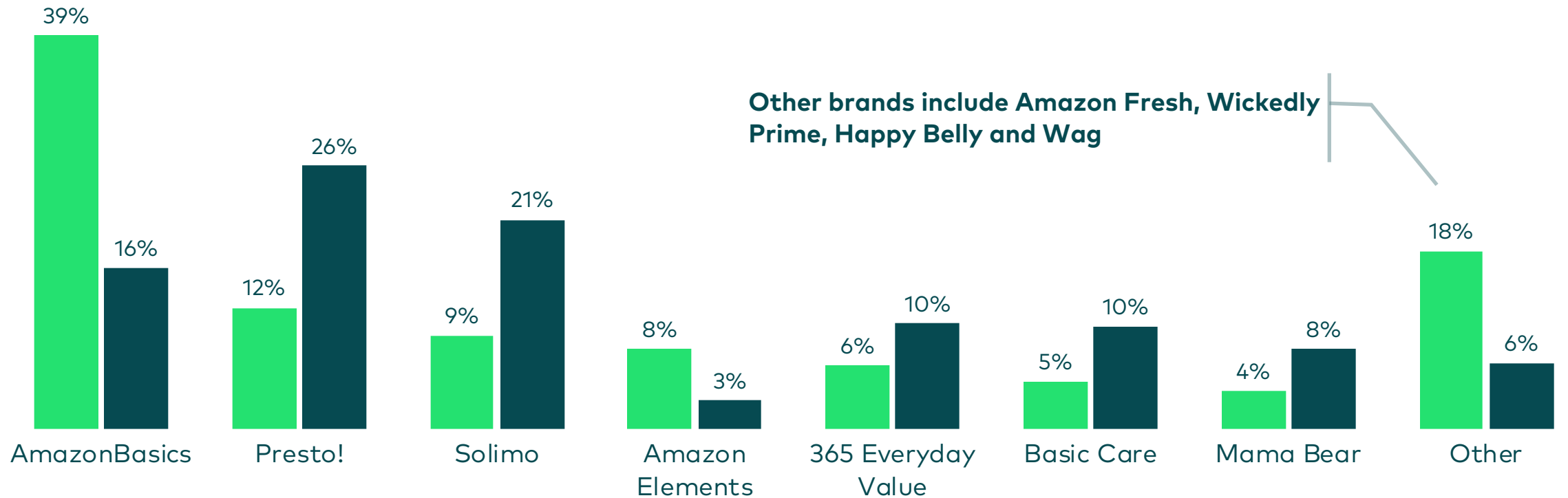
# Amazon Private Label CPG Brands

Amazon Basics is by far the largest of Amazon's private label brands. However, the most significant growth came from brands Presto! and Solimo, which accounted for a combined 47% of Amazon CPG private label growth.

## Amazon CPG Brands

Share of Sales + Contribution to Growth

- Share of Amazon Private Label CPG Sales
- Contribution to Amazon Private Label CPG Growth



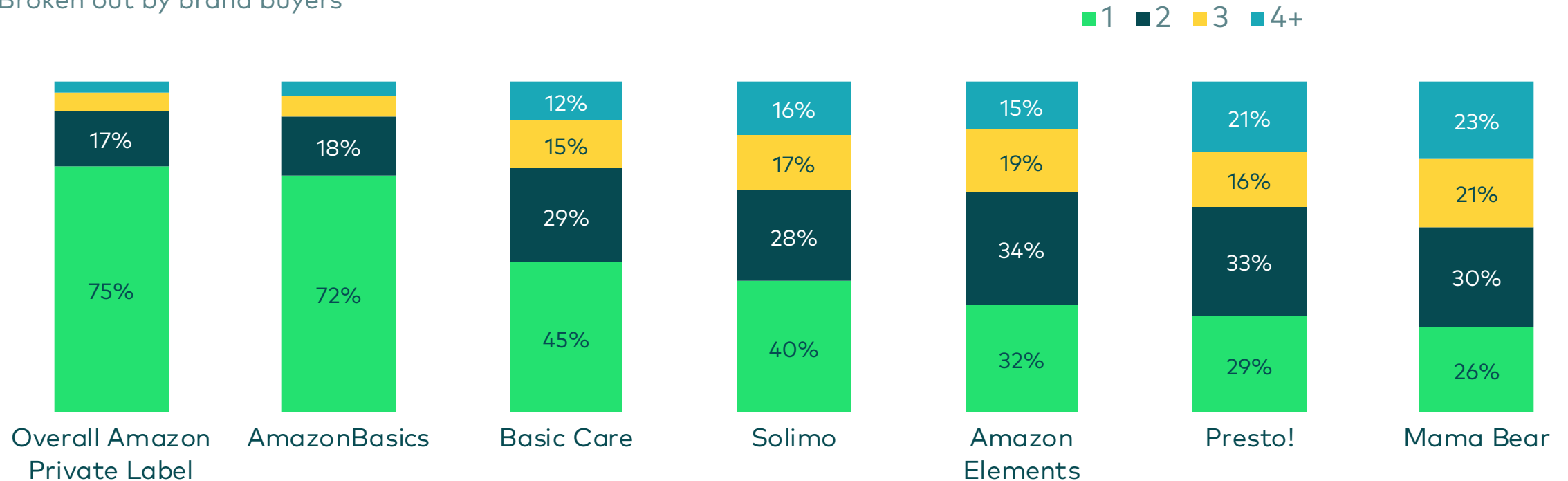
Source: Numerator Insights, 12 months ending 12/31/2018, Limited to sales within Baby, Grocery, Health & Beauty, Household and Pet

# Amazon Private Label Brand Crossovers

The majority of buyers only purchase one Amazon private label brand, primarily driven by AmazonBasics. Buyers of high growth brands like Presto! and Solimo are more likely to buy multiple Amazon brands, adding to or switching up their existing repertoire with these newer brands.

## Number of Amazon Brands Purchased

Broken out by brand buyers



# Amazon Private Label Brand Crossovers

Two of the biggest crossovers are with Presto! buyers purchasing AmazonBasics and Mama Bear Buyers purchasing Amazon Elements. These brands offer similar or complementary products, like Mama Bear diapers and Amazon Element baby wipes.

## Top Shopper Crossover

Amazon Private Label Brands



# Category Specifics

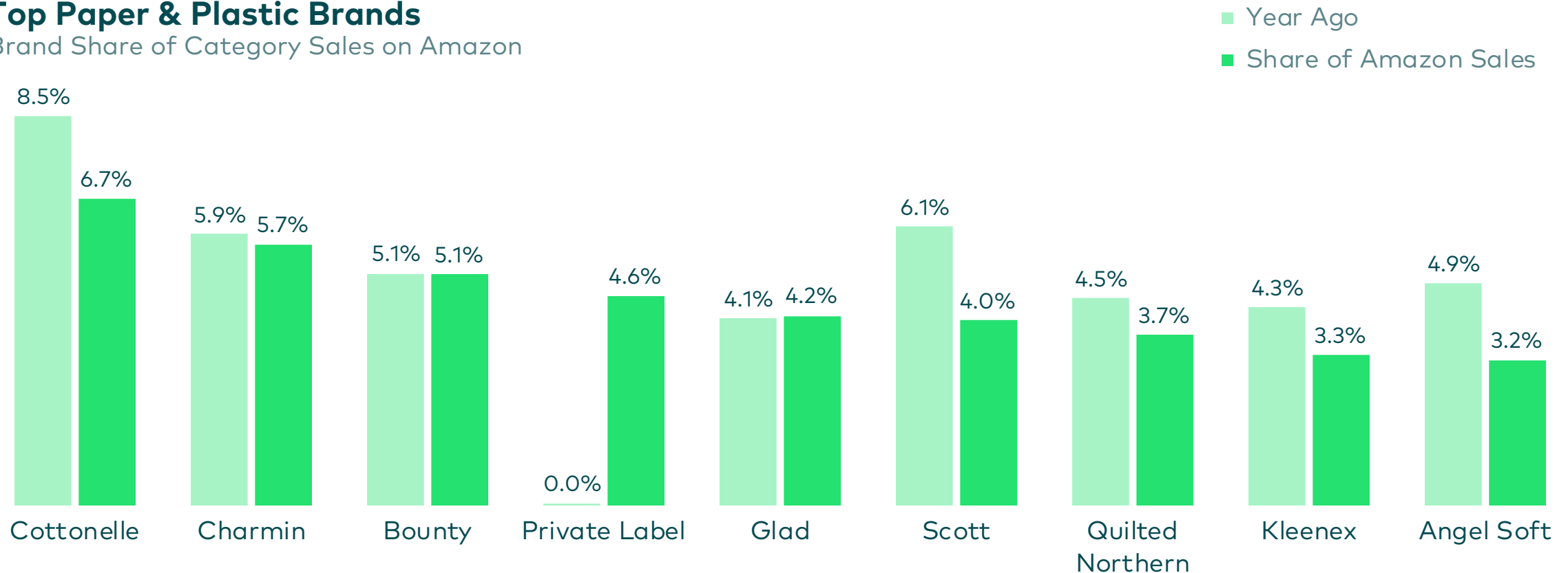


# Paper & Plastic

Amazon sales within the paper & plastic category increased about 12% last year. Their private label brands experienced the most growth, with Presto! accounting for 80% of those sales. Glad was the only name brand to experience an increase in share, and although Charmin and Bounty did grow their dollar sales slightly, it didn't outpace the growth seen by private label.

## Top Paper & Plastic Brands

Brand Share of Category Sales on Amazon



# Baby

Compared to the average Amazon-shopping households with children under five, those buying Amazon private label baby items are younger and have higher incomes. They purchase the category more frequently and spend more than twice as much on baby products.

## Amazon Private Label Baby Buyers

Index vs. Amazon Shopping HH's with Children 0-5

### Baby Category Buying Habits



GENERATION

**Millennial**

HHs: 74%, Index: **133**



INCOME

**Over \$80k**

HHs: 46%, Index: **122**



BUY RATE

**\$1,080**

Index: **207**



FREQUENCY

**41.2 trips**

Index: **165**



TOP RETAILER

**Amazon**

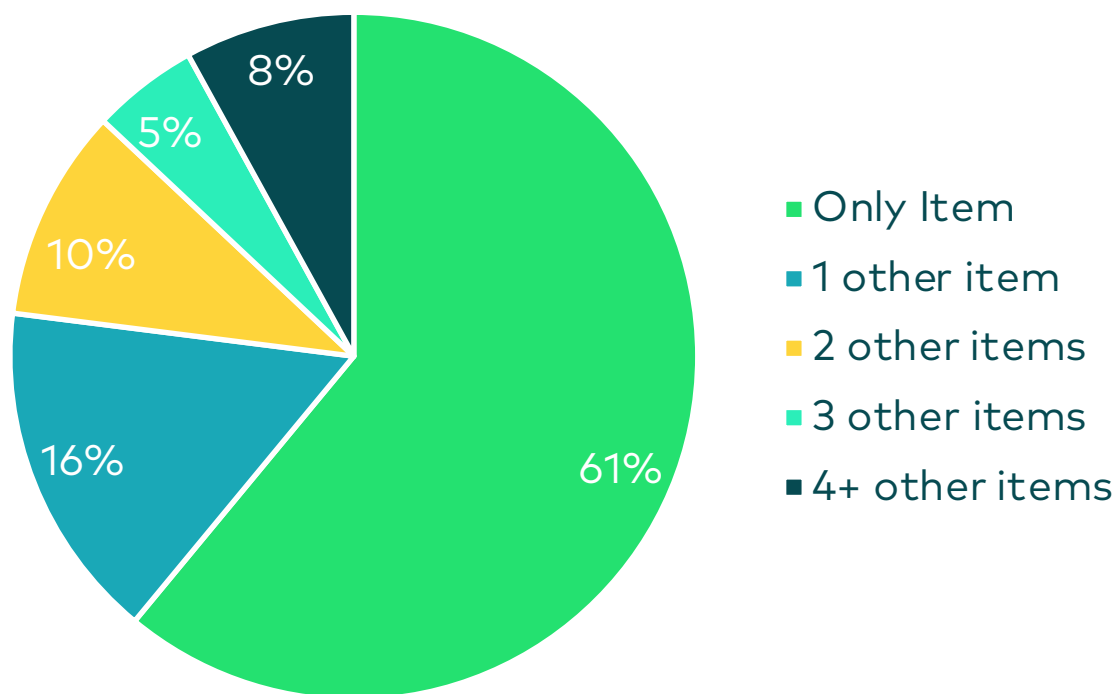
50% of Spend, Index: **236**

# Batteries

Battery sales on Amazon have been a widely covered topic, with their AmazonBasics line holding the #1 share of online battery sales (22%). In 61% of cases, these batteries are the only item in a given Amazon order. Products ordered in tandem are most frequently items that need batteries, making the battery add one of convenience.

## # Items Purchased Alongside Amazon Basics Batteries

Percent of Trips containing additional items



## Items most commonly purchased with Amazon Basics batteries

DEPARTMENT	AFFINITY INDEX
Safety & Security	343
Electronics Accessories	295
Lighting & Ceiling Fans	203
Hardware	154
Outdoors	149

# Amazon vs. Others CPG Private Label Sales

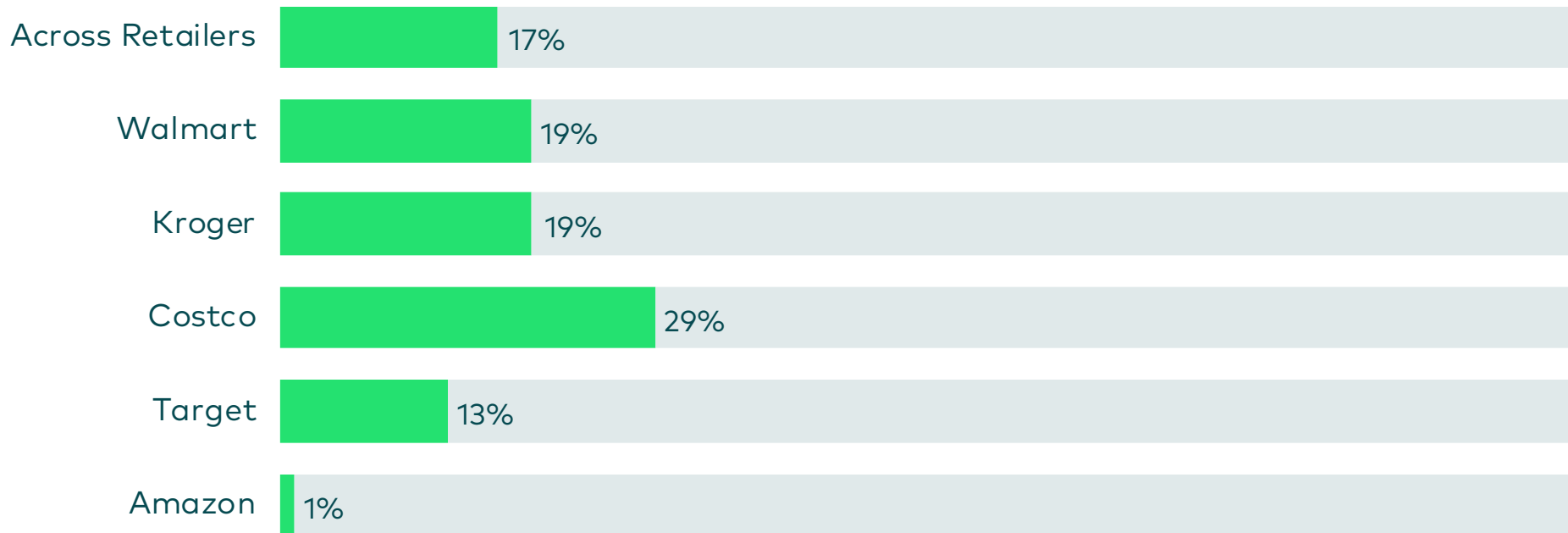
# Retailer Private Label Sales

Though Amazon private label CPG sales are growing rapidly (+81%), they still only make up about 1% of total CPG sales on Amazon. Reaching the same 17-83 split seen at other top retailers would mean roughly **\$4 billion** additional private label dollars for the e-tail giant.

## CPG Sales Across Retailers

Percent Private Label

■ Private Label ■ Name Brands



Want to understand how Amazon Private Label is  
impacting your business? Contact us at  
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