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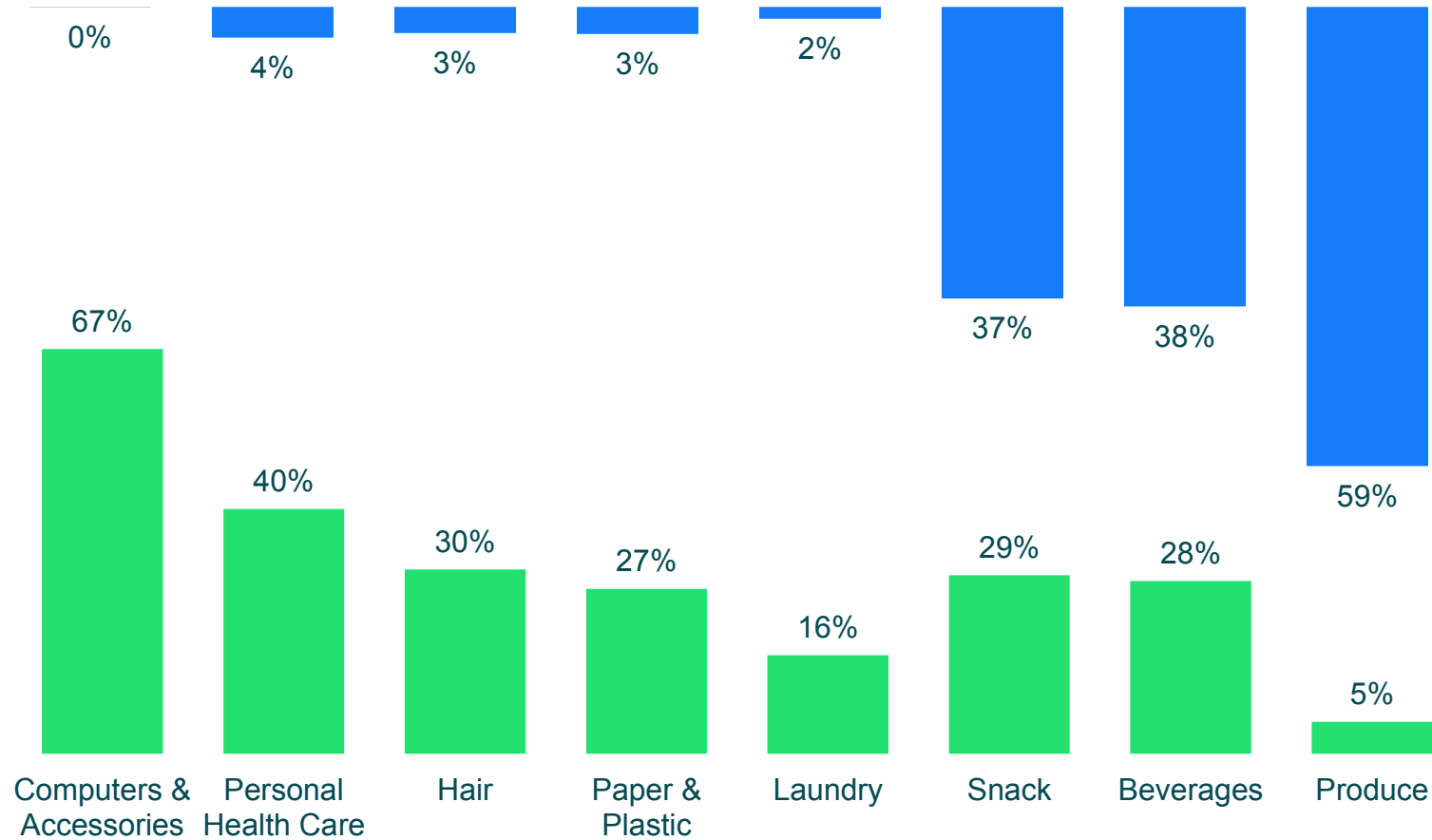
NEW FRONTIERS

**Win Once, Win the Shopper:
The Amazon Revolution**

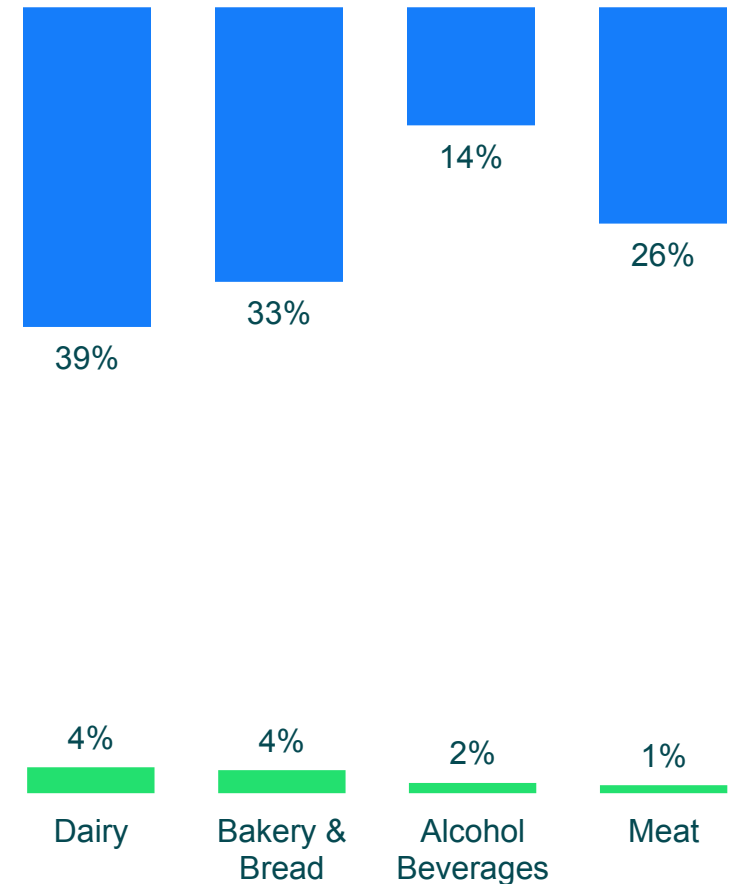
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Amazon Had a Grocery-Gap

Amazon Prime Member Closure Rates



Whole Foods Closure Rates



So, they bought a grocery store

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Amazon to buy Whole Foods for \$13.7 billion, wielding online might in brick-and-mortar world

Lauren Hirsch, Jeffrey Dastin

6 MIN READ



(Reuters) - Amazon.com Inc said on Friday it would buy Whole Foods Market Inc for \$13.7 billion, in an embrace of brick-and-mortar stores that could turn the high-end grocer into a mass-market merchant and upend the already struggling U.S. retail industry.





CONWAY G. GITTENS

This Impacts Multiple Channels, Especially Mass and Drug

Prime Members New-to-Whole-Foods, Share of Wallet, by Channel and Store

% of Total Spend among Prime Members New-to-Whole-Foods, Post-Price Drop Period between 09-01-2017 and 06-30-2018

	FOOD	ONLINE	MASS	CLUB	DRUG	HOME IMPROVEMENT
% Change in Share of Wallet (by channel)	+0.7%	+1.0%	-1.2%	+0.4%	-0.3%	-%
% Change in Share of Wallet (by key retailer)	 -0.2%	 +1.8%	 -0.6%	 +0.5%	 -0.3%	 +0.2%
	 +0.6%		 -0.4%	 -%	 -0.1%	 -0.2%

Amazon Brought Lower Prices to a Premium Retailer



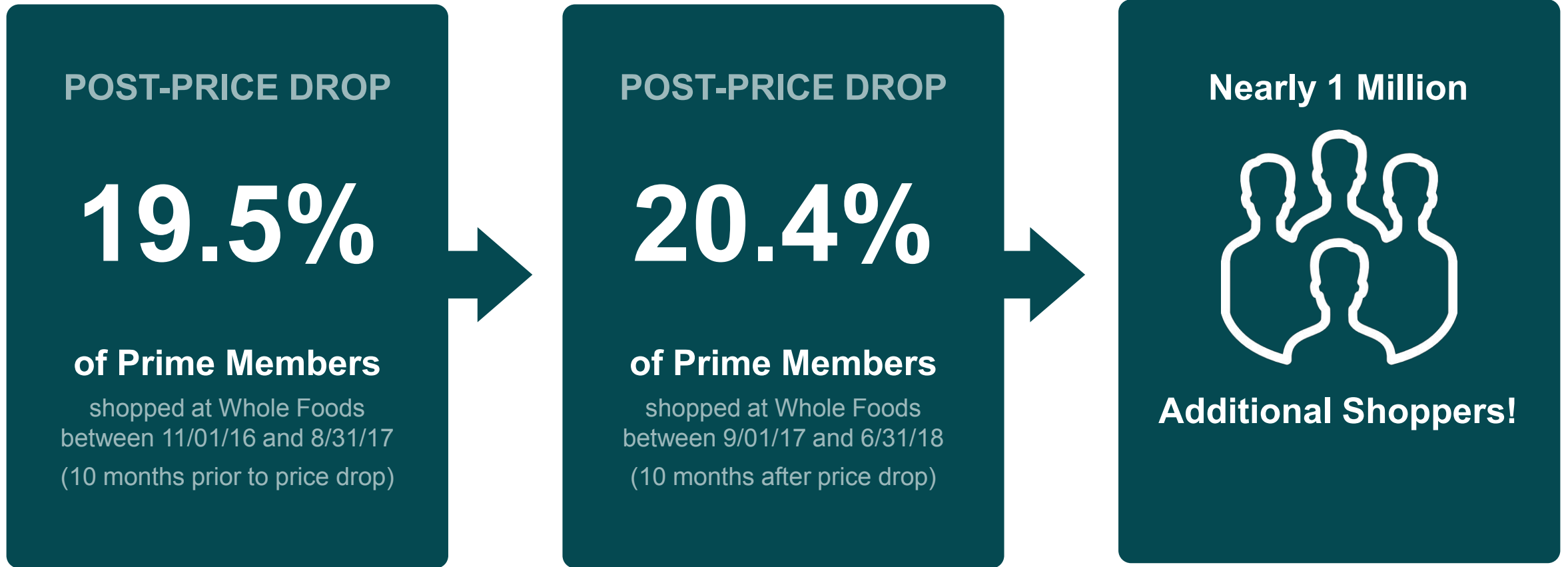
“Starting on Monday, August 27, Customers will enjoy lower prices on products...”

“Technology teams will begin to integrate Amazon Prime into the Whole Foods Market point-of-sale system... Prime members will receive special savings and in-store benefits.”

PRODUCT	AUG. 24	AUG. 28
Banana	\$0.79	\$0.49
Avocados	\$2.79	\$1.99
Brown Eggs	\$4.29	\$3.99
Salmon	\$14.99	\$9.99
Tilapia	\$11.99	\$7.99

What impact did the price reduction have on shopper behavior?

Well, the Strategy Attracted More Shoppers



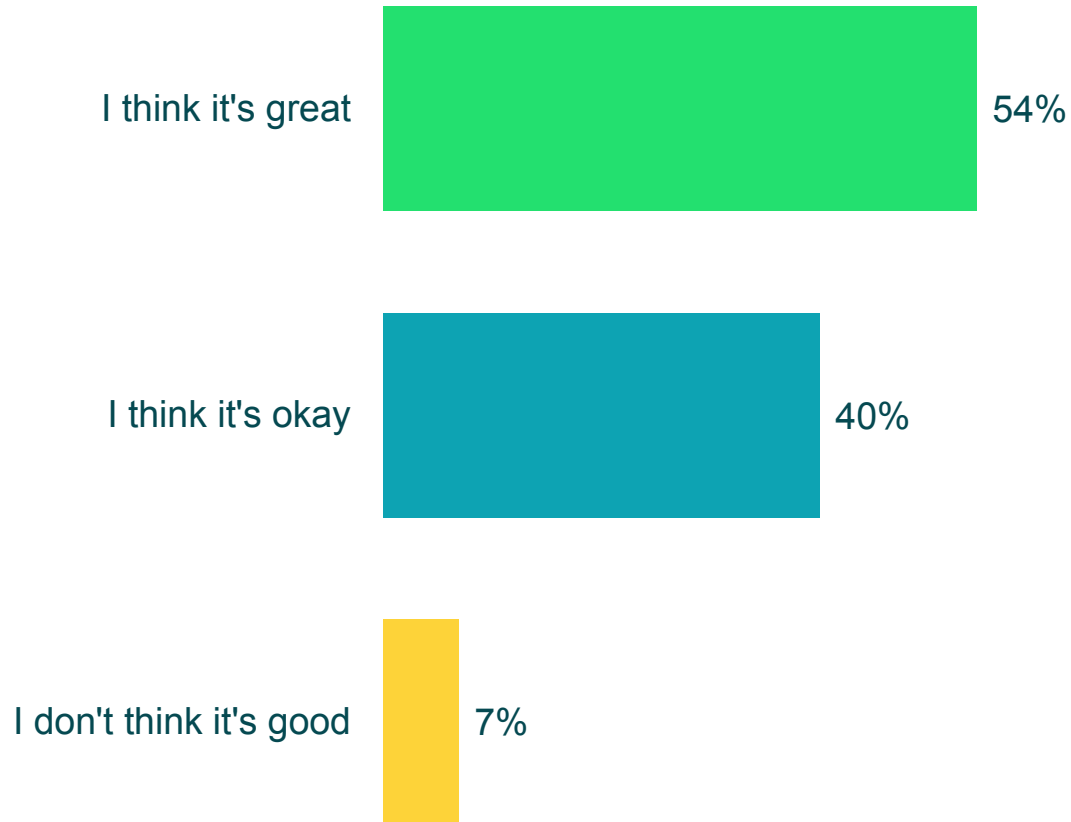
Source Numerator Panel Analysis, July 2018; Prime Whole Foods Shoppers between 11-01-2016 and 08-31-2017 (pre-price drop) n=3,470; Prime Whole Foods Shoppers between 09-01-2017 and 06-30-2018 (post-price drop) n = 5,153

What do consumers want from Amazon?

Shoppers Would Welcome Amazon in Many Areas of Life

Like expanded Amazon offerings?

% of Amazon Shoppers



“ I Love Amazon!

Amazon is easy, reliable, I trust them
It's convenient, everything in one place
It would save me time
Amazon makes life easier
Amazon changes every industry it enters
Amazon has great customer service

“ I don't want a monopoly, competition is good

Amazon is taking over
I am worried Amazon will kill small businesses
I'd have to test it out

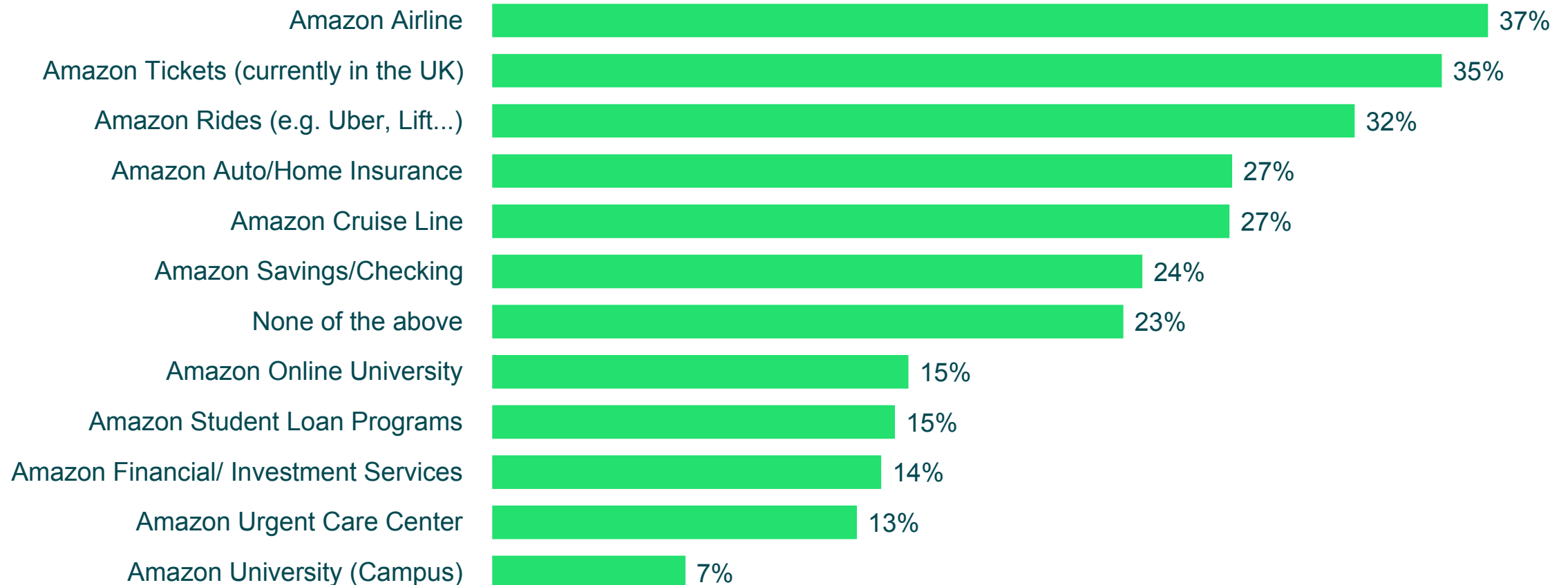
“ I do not like to depend on only one company

I like competitive markets

Amazon's Brand: Services and Experiences

Which Potential Amazon Services would interest you?

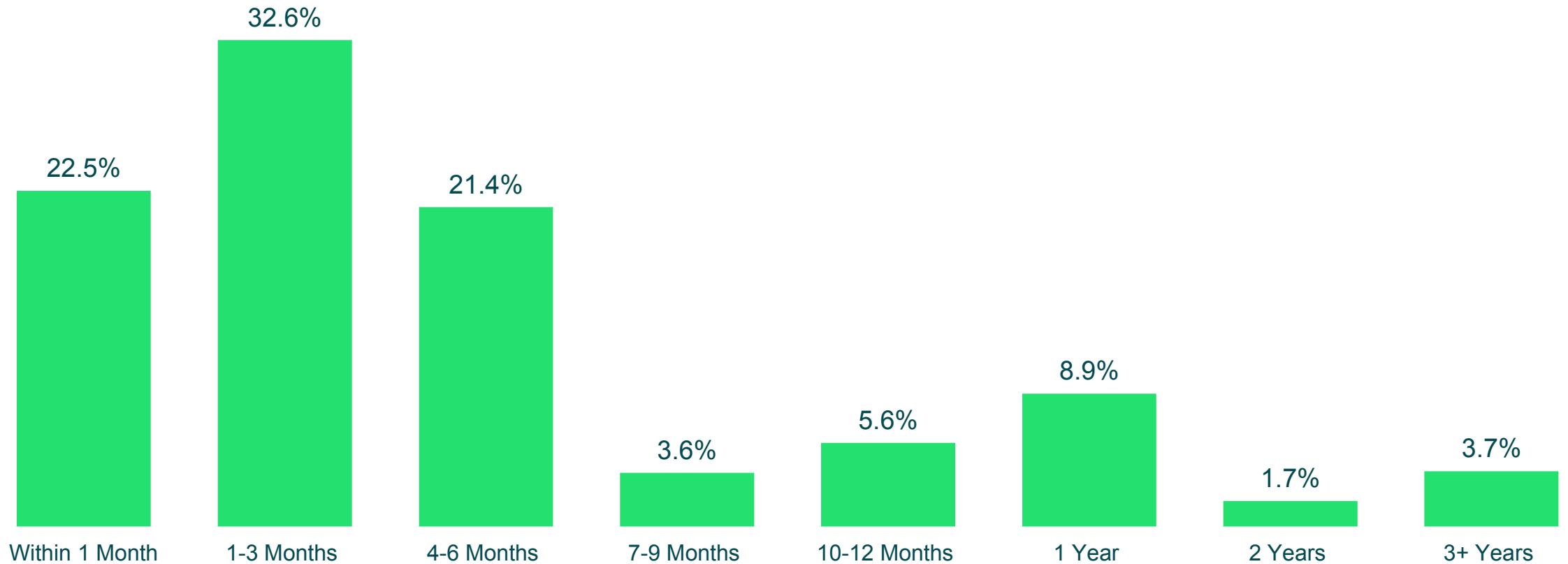
% of Amazon Shoppers



Shoppers Would Switch Quickly to an 'All-Amazon' World

How long would it take to switch your product/service purchases to a single supplier?

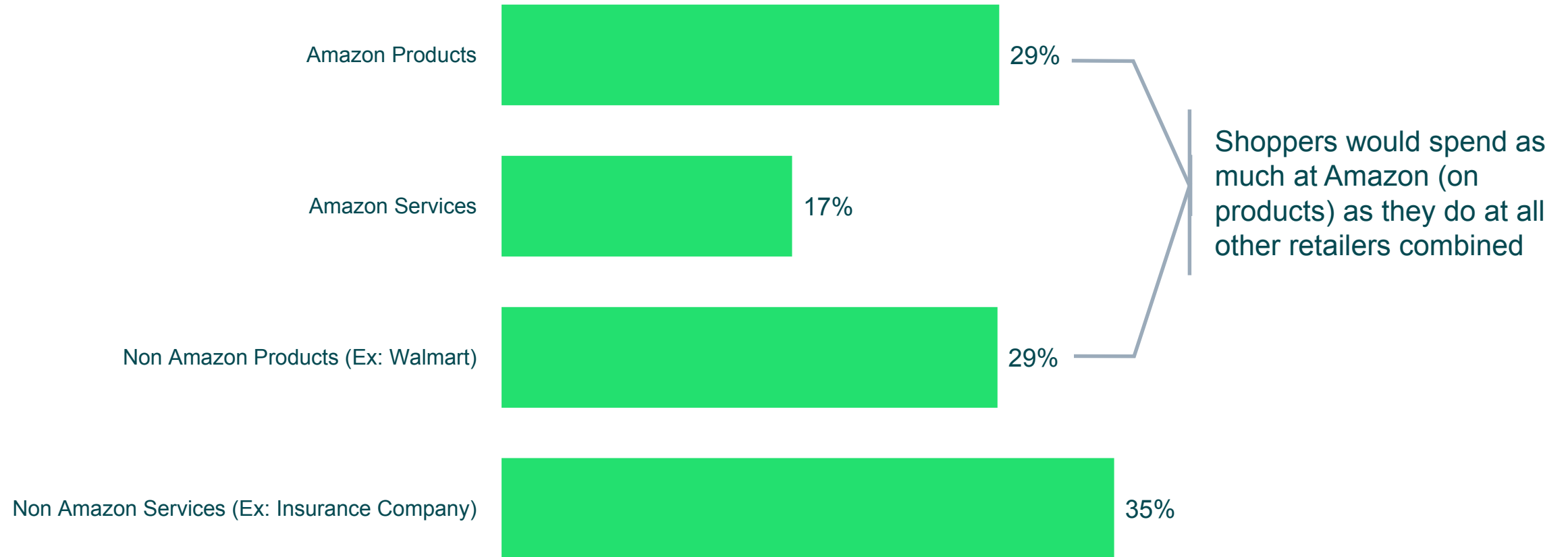
% of Amazon Shoppers



Amazon Can Win 45% of Consumer Spending!

How much of your monthly budget (%) would you spend on the following?

% Amazon Shoppers



Learn more about how Numerator can help your
business compete with Amazon.

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