Amazon Buy with Prime: An Independent Review of the Pros and Cons

February 21, 2024 @ 2pm EST

Russ Dieringer Founder & CEO





Raj Sapru Chief Strategy Officer





WHAT STRATABLY DOES

SUBSCRIPTION RESEARCH ON AMAZON, WALMART, RETAIL MEDIA, DIGITAL CAPABILITIES & MORE



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Combine benchmarking, consumer insights, financial forecasts, and qualitative industry inputs



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Weekly insights, live events, sharegroups, and one-to-one discussions



BROAD REACH

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HOUSEKEEPING

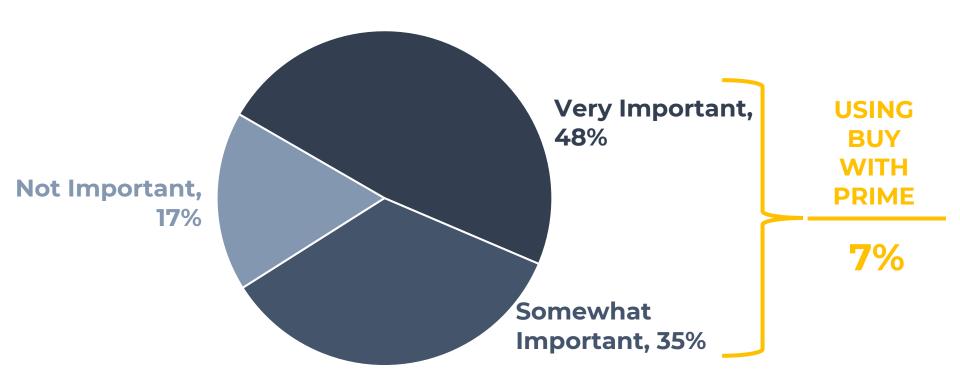
ASK QUESTIONS

Take advantage of our time together today and ask your questions

REPLAYS

Replay and recap
will be available to
Stratably's
Premium Individual
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Subscribers

What best characterizes the strategic importance of DTC for your organization?







KEY CHALLENGES FOR BRANDRUNNERS



SILOED ORGS

Basic digital success, including Amazon, DTC, and other digital retail, require strategies and tactics that cut across traditional boundaries for sales, marketing, and operations.



PROFIT + GROWTH

Both growth and savings opportunities should be on the table, and they also require alignment across key functions. If you can't do that, you've capped your opportunity.



SHORTTERMISM

Higher value customers cost less and need to be nurtured over time.

MAPPING TO COMPETITIVE EDGE DIAGRAM Above category profit

Amazon-aware assortment

Rapid commercialization of products

Videos on PDP

Inspire

SAS

Posts

AMC: custom queries

Offsite traffic to Amazon

SFP

Dropship

Stream

AMC: Pre-built queries

Attribution Flex Hybrid accounts

Transparency Streaming TV ads Vide

Project Zero Direct Import

Store Analytics Relationship w/ VM
Pallet Program Placement in quides

Brand Tailored Promos
Customer Loyalty Analytics
Pan EU agreements

GenAl for PDPs or reviews MYCE

Thursday Nia

Thursday Night Football Ads Streaming music ads

Fresh store distribution

Commitment Program Influencers

Amazon Live

Alexa interactive ads

Style store distribution

High Impact Exec. buy-in to prioritize Amazon High Sponsored Products in-stock rates SBV **Sponsored Brands** DSP Marketplace Optimized PDPs control Amazon-specific supply chain ops Sponsored Display Review & O&A Analysis Sales, share, shelf analytics **Brand Stores** Born to Run Coupons/discounts **Brand Analytics Brand Registry** Vine Chargeback Mitigation Prime Day A++ High

Marketing packages

Climate badge

ow Impact

Big sales events

Stratably

Low Adoption

Adoption



Above category profit

Amazon-aware assortment

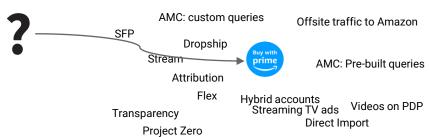
Rapid commercialization of products

Relationship w/ VM

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Adoption

WHAT IS IT

An Amazon program that brings together:



a few other things like a custom portal and integration app and some code



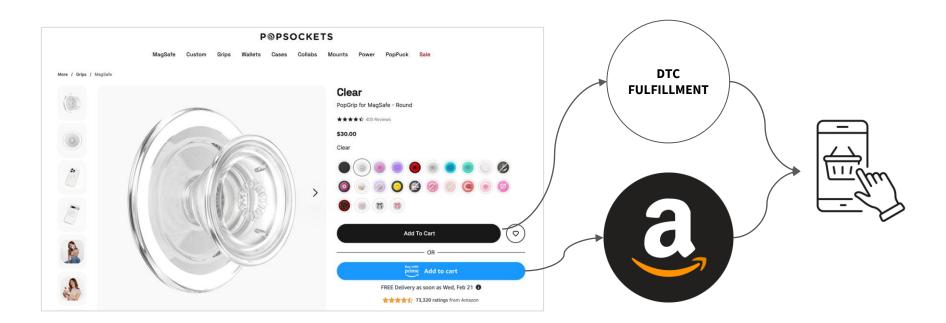
MOST RELEVANT FOR

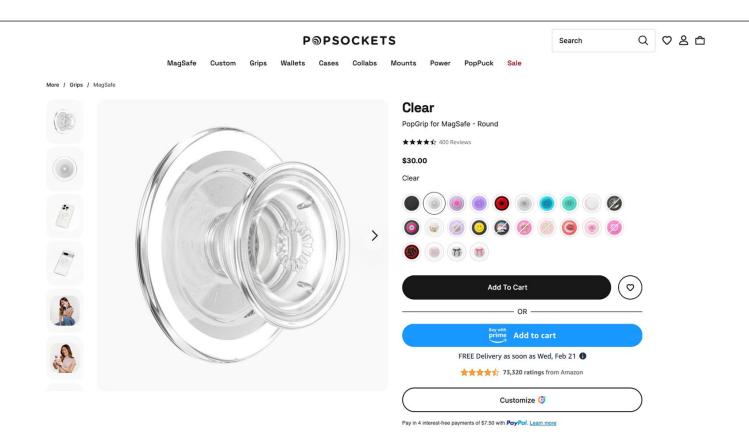
Brands with DTC websites

Amazon flows available for Merchant & Vendor (**3P**/1P)

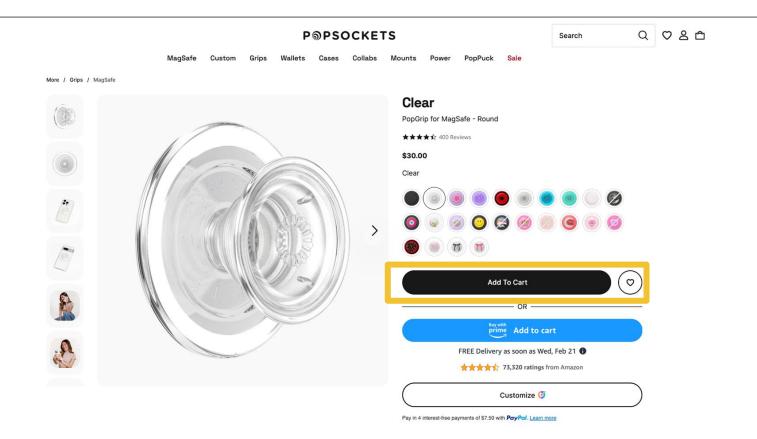
Brands that value customer connection

WHAT IS IT

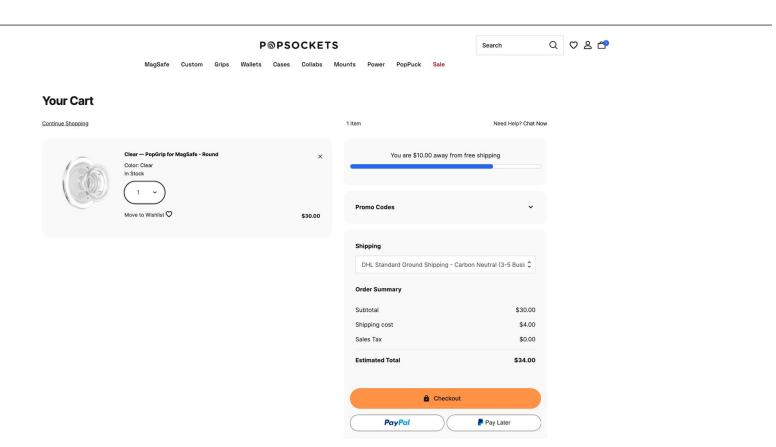




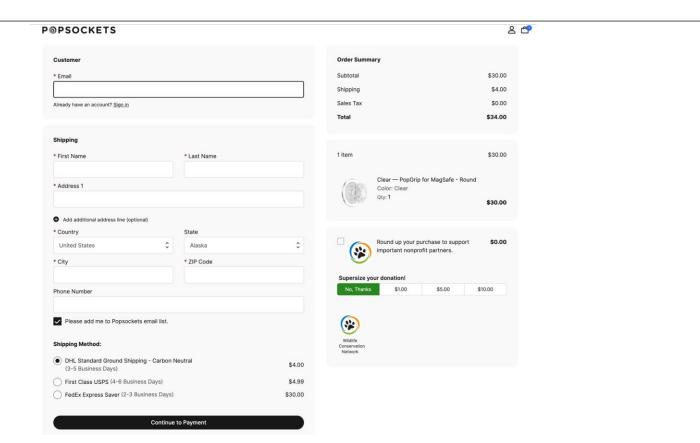




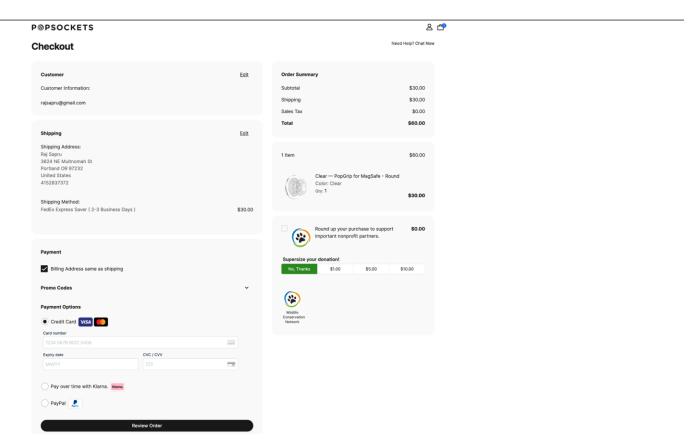




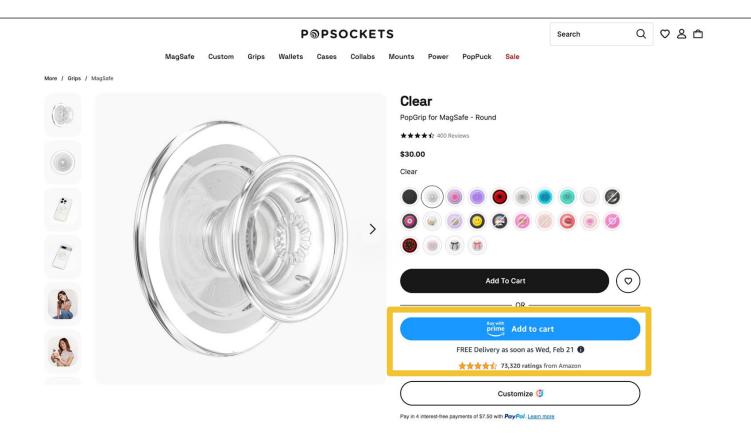


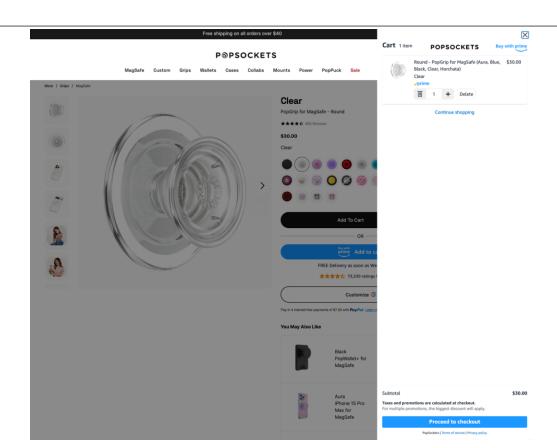
















Hello, Raj ~

PopSockets

Shipping address

Change

Raj Sapru 3624 NE MULTNOMAH ST, PORTLAND, OR 97232-1915 United States

Payment method

Change



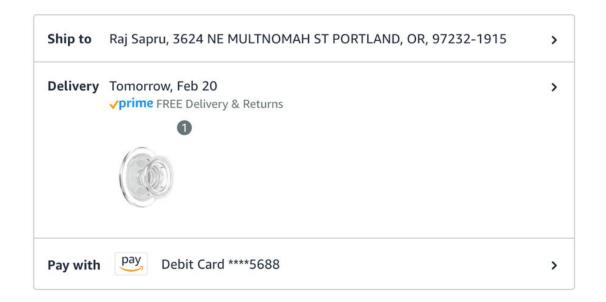
Chase Debit Card ending in 5688

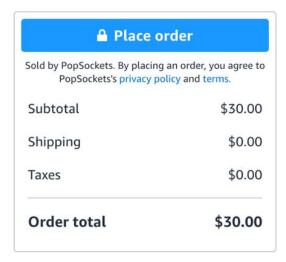
Continue to checkout

By continuing, you agree to Amazon's conditions of use and privacy notice. You also agree to allow PopSockets to access your name, email, address and phone number, and the last 4 digits of your payment method used during checkout. PopSockets has agreed to use this information in accordance with its privacy policy.

Cancel Amazon Pay checkout and return to merchant >

POPSOCKETS





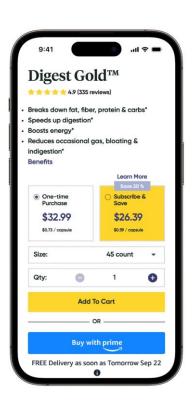
Add a promo code



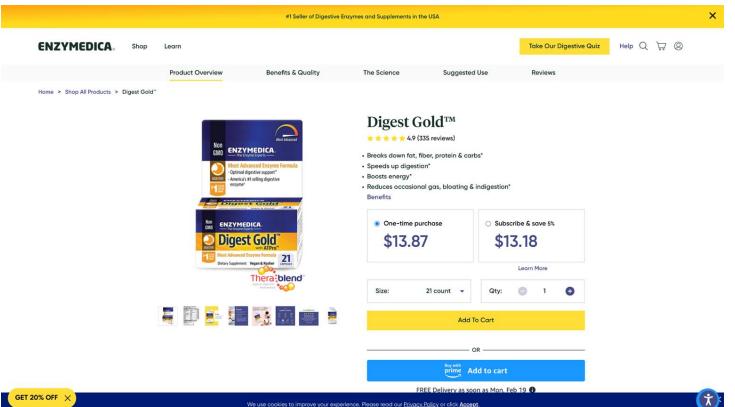
ASSESSING THE THREE KEY FLOWS

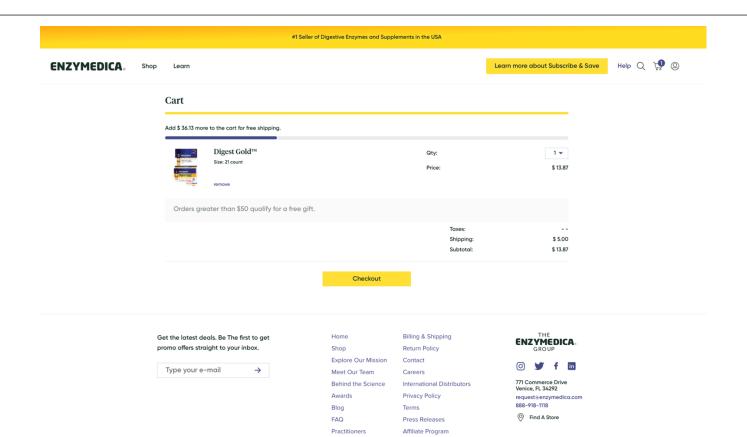
	Traditional DTC	Buy with Prime
Inventory	From brand or 3PL	Ships from Amazon MCF/FBA
Money	Collect through commerce site shopping cart payment system	Amazon Pay
Data	Commerce site	Buy with Prime portal. App syncs Buy with Prime order and customer data with your ecommerce site.

EXAMPLE: ENZYMEDICA

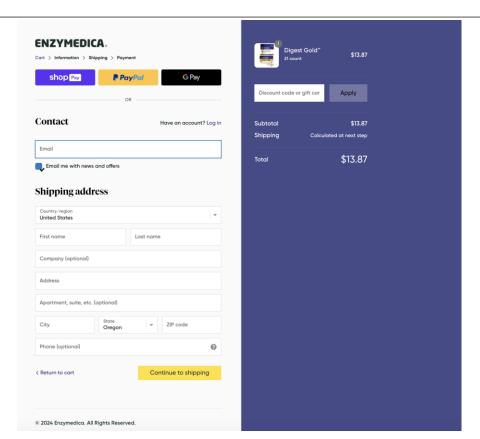


Started in April 2023 Learned alongside Amazon Learning many things along the way

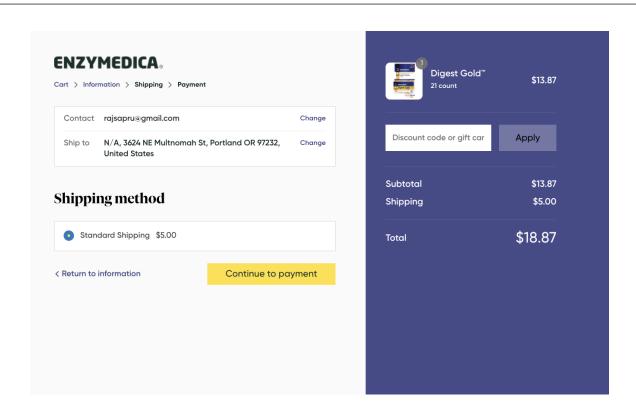


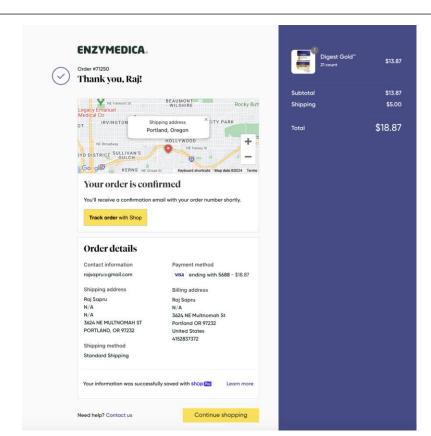






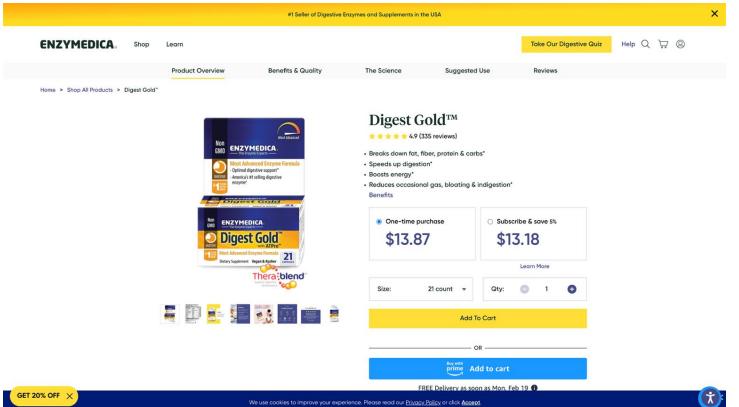






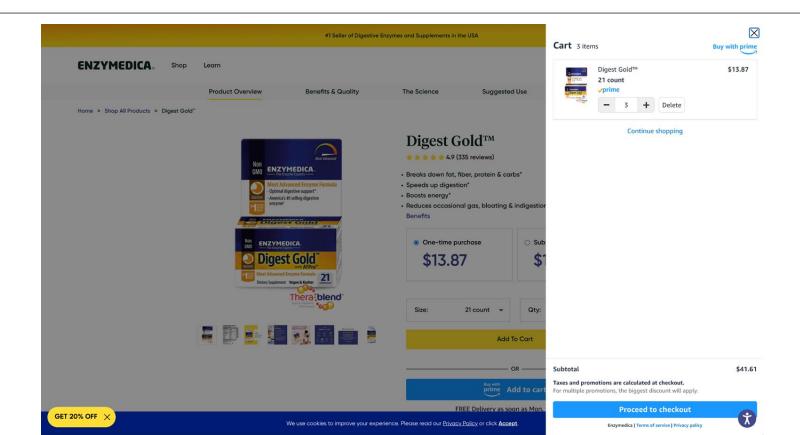


EXAMPLE: ENZYMEDICA BUY WITH PRIME EXPERIENCE





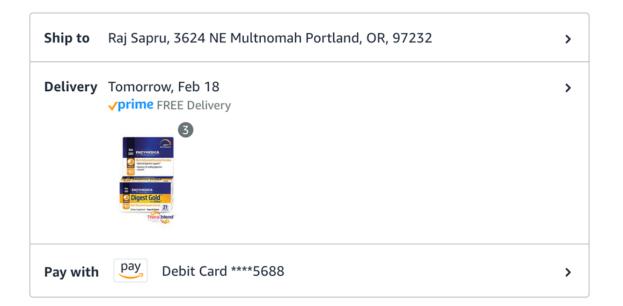
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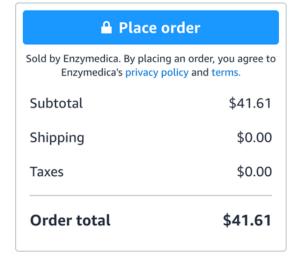




EXAMPLE: ENZYMEDICA BUY WITH PRIME EXPERIENCE

Enzymedica





Add a promo code

FACT CHECK

Area	Claim	Reality
Conversion	Increase shopper conversion by an average of 25%	Saw a > 25% average. 34% increase in the Enzymedica case. (w/ 81% increase in "new-to-brand" customers) Should have more than 50k monthly site visits
Commitment	No setup fees, No contract, No cancellation fees, No penalties	True
Cost	 3% of order value, \$1.00 per order minimum Standard rate card (Starting \$5.33 per unit fulfilled and \$0.87 per cubic foot stored per month) 2.4% of order value and \$0.30 per transaction 	True Shipping is more than FBA and overall transaction cost is lower than an Amazon sale. Very often better than current DTC rates when taking service level into account.
Ease	45 minute setup	1 hour prep 1 hour setup 1 hour follow-up Needs website tech to help

SUMMARY

What's Interesting



- Amazon is invested
- Data is preserved
- Instant 2-day (or better) shipping
- Represents where we believe brands need to go - customer centric

How To Sell It



- A way to increase DTC conversion
- Opportunity to align Amazon and DTC

Getting started

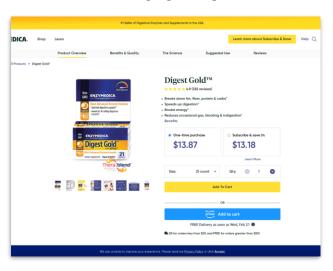


- Have a DTC site and Amazon 3P/FBA?
- Brand website redirects to Amazon from the product pages?
- 1P Amazon and a DTC site?
- Curious?



THINKING AHEAD

This is DTC



This is DTC



Q&A

What didn't we cover about that you need to know?

Do you need more clarity on anything presented today?



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buywithprime.amazon.com

