Prime Day In Review

PODEAN MARKETPLACE MARKETING®

Amazon Prime Day Sales Numbers

Bar chart — Amazon Prime Day Sales (in Billions USD):
- 2016: $0.99
- 2017: $1.59
- 2018: $2.62
- 2019: $4.32
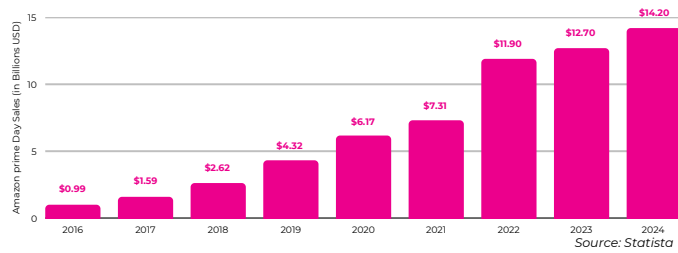- 2020: $6.17
- 2021: $7.31
- 2022: $11.90
- 2023: $12.70
- 2024: $14.20

Source: Statista

2024 Callouts

- Continued trend of setting sales records each year, +12% vs 2023
- Drove US Prime Membership over 180 million customers
- Average shopper was *Suburban Female Aged 35-44*
- 76% of customers made at least one purchase from a small or medium sized business, and 60% of households that shopped placed 2+ orders
- 1/3 of customers discovered new products/brands during the event
- Over 200 million items were bought during the event
- *Health and Beauty was a leading category, 1st in sales growth (+16%), and tied for 2nd in highest deal discount/participation among brands (21%).*

2025 Considerations

- Prime Day is rumored to be **extending from 2 Days to 4 Days this year**, the longest event in its history.
- H1 trends are indicating customers are adjusting behaviors based on the macroeconomic outlook, with **many customers planning to make purchase decisions or stocking up on essentials in advance of expected price increases** (due to tariffs and/or inflation).
- The above augments an already highly competitive event, which will lead to **further reliance upon deal participation to stand out** and gain incremental sales.
- **We are already seeing significant receive backlogs**, impacting planning and stockup considerations heading closer to the event.
- **Deal requirements are changing prior to the event** (ex. participation fees for Lightning and Best deals increasing, Coupons being factored into historical pricing).
- While too early to call a trend, many brands are discussing contingencies and possible plans to pull back budgets/forgo participation based on macroeconomic fears or lean in more heavily to try to recoup some losses/maintain brand share. Brands willing and able to invest may see larger gains for conservative brands to exhibit more pause.

Best Practices and Strategic Recommendations

General and Retail

- **Establish goals** and the approach well in advance (market share vs sales growth vs new customer acquisition vs increasing subscriptions) and cater actions accordingly.
- Perform a T90 price analysis and P&L for participating products to **ensure channel alignment and deal eligibility** based on promo "Lowest Price" and other requirements.
- Align on **Promotion Strategy** early to lock in participation in advance and provide ample time to send in inventory, accounting for sales increases and receive delays.
- Be **proactive and conservative with inventory allocations** given historical precedence with receive delays and processing backlogs. Do not wait for recommended cutoff dates. **Leverage FBM for inventory backup** in the event of prolonged delays or sellouts.
- **Consider off-platform traffic drivers** to offset rising costs of advertising, target relevant audiences, and track attribution / referral bonus eligibility to offset deal funding.
- Plan for post-event **Brand Tailored Promotions** to retarget audience groups who were reached but failed to convert during the event.
- **Monitor buybox, pricing, and deal status** leading up to and through the event to allow for quick pivots in the event issues or disruptions occur.

Advertising and Media

- Establish budgets as early as possible and build flight to account for **4 days of increased traffic levels during Prime Day** (ex. brands spend 320% more during PD than average).
- Reallocate budgets to **push appropriate products** (on promo, high margin, and/or high converting).
- Solidify creative copy and image shifts **2 weeks prior** to event.
- Build a consideration/awareness plan prior to event to **unlock expanded retargeting** during event.

Content and Creative

- Create a Prime Day subpage on your Brand Store to **merchandise all focus products/promotions** and serve as a **curated landing page** for traffic.
- Leverage Brand Story to **drive additional traffic** to priority product and brand store pages.
- Leverage Amazon Posts leading up to the event to **feature products that will be discounted**.
- Refresh **PDP copy and backend keywords** leading into the peak traffic periods.
- Ensure **imagery, A+, and Brand Stories** are refreshed and up to date.

General Timeline

3 Months Prior (April)
- Secure strategy, promotion plan, and inventory forecasts/allocations
- Initiate PDP audits/optimizations

2 Months Prior (May)
- Initiate shipments to send in event inventory

1 Month Prior (June)
- Approve incremental budgets and finalize off-Amazon plans
- Publish PD-agnostic content updates (images, copy, keywords)

~2 Weeks Prior (July)
- Set up Amazon attribution, schedule/adjust any last minute plans
- Schedule PD-specific updates (Brand Store, Brand Story, etc)

Week of
- Monitor daily spend and optimize/adjust budgets
- Post on socials directing to Amazon
- Track promo status and inventory sellthrough to react as needed
- Publish PD-specific updates (Brand Store, Brand Story, etc)