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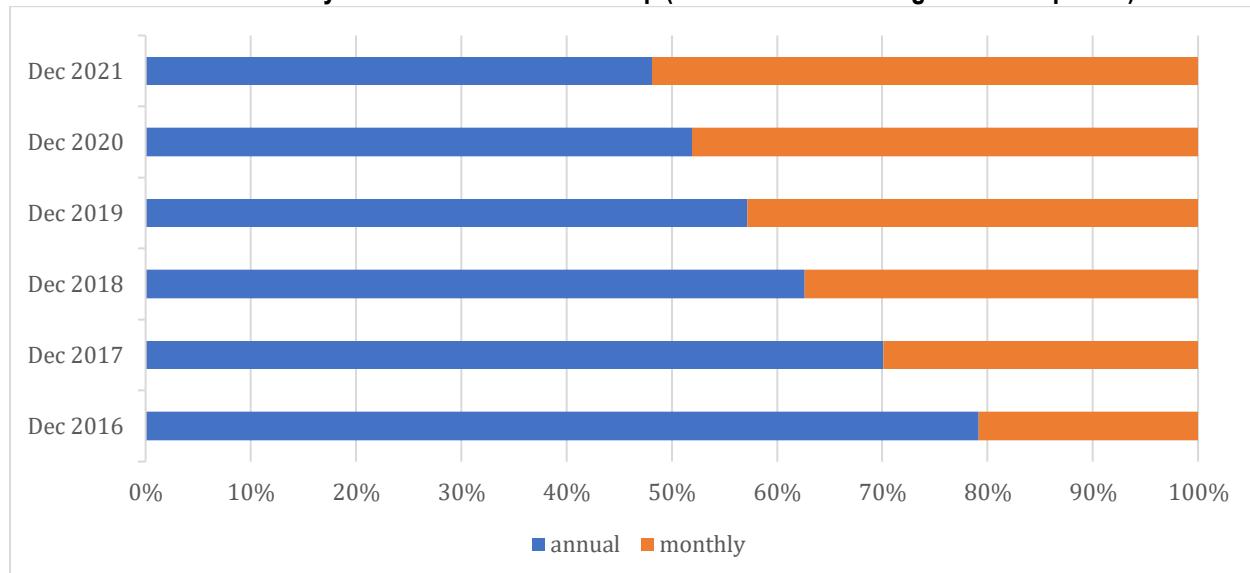
Amazon Prime Price Increase Won't Hurt

Monthly Payment Plan Expands Access to Membership

CHICAGO, IL – Friday, February 4, 2022: Consumer Intelligence Research Partners, LLC (CIRP) today released analysis of Amazon, Inc. (NASDAQ:AMZN) as of the fourth quarter of 2021.

CIRP finds that monthly membership in Amazon Prime has increased steadily since Amazon introduced the payment option in April 2016. As of December 2021, 52% of Amazon Prime members pay for membership monthly rather than annually (Chart 1).

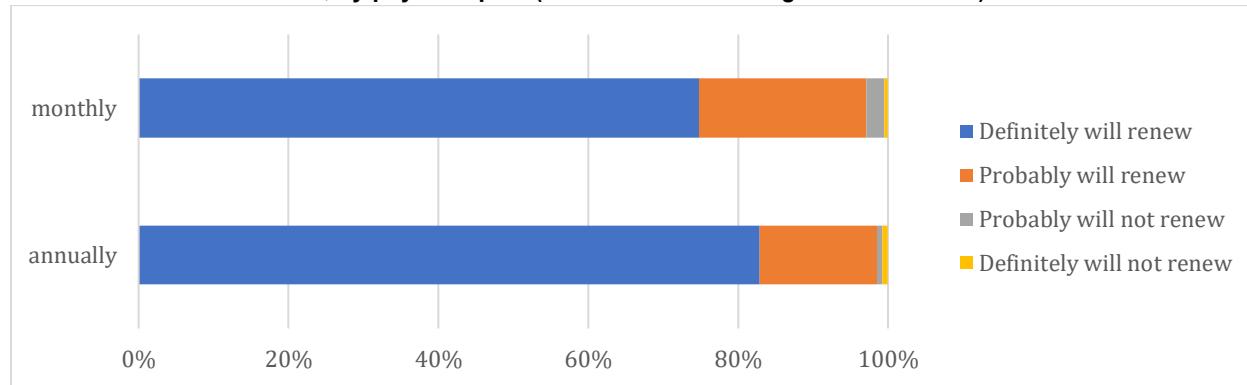
Chart 1: Annual and Monthly Amazon Prime Membership (twelve months ending indicated quarter)



“Amazon announced the first price increase in Prime membership since 2018, and our analyses suggests membership will remain robust” said Josh Lowitz, CIRP Partner and Co-Founder. “The monthly membership plan definitely helps, now accounting for over half of Prime members. Even though monthly members pay somewhat more on an annual basis, members like that they have a smaller cash outlay and the perceived flexibility. Despite the option to pause and re-start monthly membership, our data suggests that only a very small percentage truly cherry-pick their Amazon Prime months.”

Monthly plan members are only slightly less likely to expect to renew an Amazon Prime membership. Over 95% of monthly and annual plan members either “definitely” or “probably” will renew their membership, although somewhat more annual members say they “definitely” will renew compared to monthly members (Chart 2).

Chart 2: Renewal likelihood, by payment plan (twelve months ending December 2021)



“Prime members are better customers for Amazon, spending more as they order more frequently.” said Mike Levin, CIRP Partner and Co-Founder. “We think committing to membership motivates Amazon Prime customers to shop Amazon first, as they try to amortize their membership fee. Monthly and annual pay Amazon Prime members exhibit similar shipping patterns and their similar propensity to renew confirms that common commitment. In fact, higher Amazon Prime membership fees may motivate even more Amazon shopping, as some members try to ‘use up’ the price increase by purchasing more often.”

CIRP bases its findings on quarterly surveys of US subjects, with 500 subjects per survey, who made a purchase at Amazon.com in each quarter. For additional information, please contact Mike Levin (mike@cirpllc.com) or Josh Lowitz (josh@cirpllc.com) at 312.344.3664. Further information on CIRP, which provides securities research to the investment community using advanced consumer market research strategies, methods, and techniques, is at www.cirpllc.com.

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