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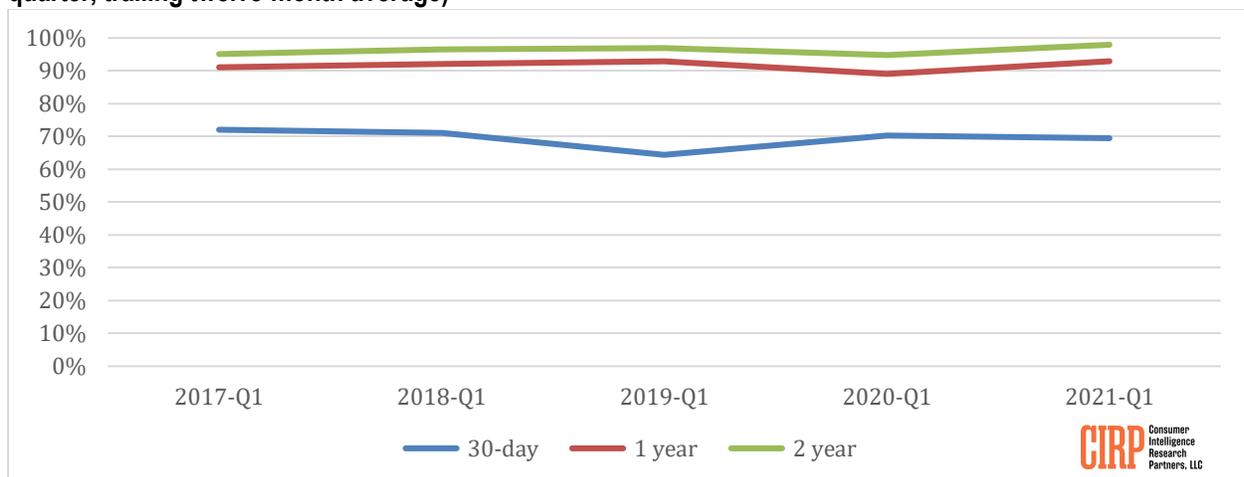
Amazon Prime Grows Through Retention

Amazon Adds 30 Million Prime Members in US During Pandemic

CHICAGO, IL – Thursday, April 15, 2021 - Consumer Intelligence Research Partners, LLC (CIRP) today released analysis of buyer shopping patterns for Amazon, Inc. (NASDAQ:AMZN) for the first quarter of 2021.

As of March 31, 2021, CIRP estimates in the US, Amazon Prime increased conversion and retention rates compared to the March 2020 quarter and earlier quarters. In the March 2021 quarter, Amazon Prime had a 30-day conversion rate of 69%, a first-year renewal rate of 93%, and renewal rate of 98% after the first year (Chart 1).

Chart 1: Amazon Prime retention rate (percent of members ending each membership term in indicated quarter, trailing twelve-month average)

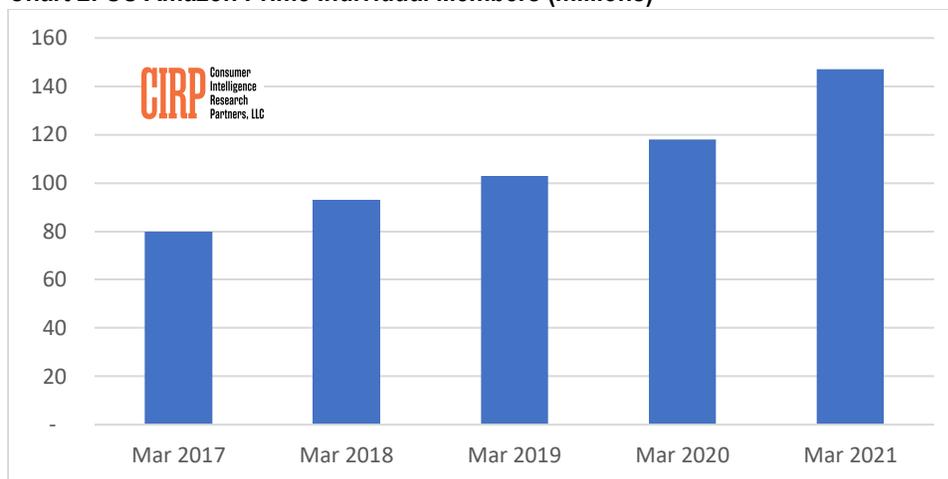


“As we’ve studied Amazon Prime, the renewal rate for existing members has remained high, and even increased slightly in the past year” said Josh Lowitz, Partner and Co-Founder of CIRP. “The central growth equation for Amazon Prime is add new members while minimizing the loss of existing ones. New members are added when they convert

from a 30-day free trial to paying for membership. That conversion rate has varied over the years and improved recently. This conversion rate recovered once Amazon allowed members the flexibility of paying monthly. The renewal rates measure how well Amazon keeps Prime members. It's largely a function of how useful members find the various benefits, such as faster free shipping or streaming video and music. Clearly, the COVID-19 pandemic made shipping benefits more valuable and helped boost renewals, now at the highest levels we've seen in the eight years we've studied the program."

Amazon Prime membership grew in the March 2021 quarter, to 147 million members in the US (Chart 2). While the number of Amazon customers grew, 61% of them reported having an Amazon Prime membership, which is consistent with past quarters.

Chart 2: US Amazon Prime Individual Members (millions)



"In the full year of pandemic shopping, Amazon Prime boosted membership at a faster rate than in the past few years," added Mike Levin, Partner and Co-Founder of CIRP. "Amazon added about 30 million US members in the past year, as home-bound consumers found the shipping benefits and other features highly relevant. The elevated renewal rates allowed Amazon to keep even more customers and reduce 'churn'. And, as the conversion rate from trial to paid membership recovers from lower levels a year or two ago, Amazon is adding more members without losing existing ones."

CIRP bases its findings on surveys of 500 US subjects who made a purchase at Amazon.com in the period from January-March 2021. 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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