

## Amazon's two-day shipping is more like 13, thanks to Hurricane Irma

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Amazon, which has trained all of us to expect packages delivered in two days or fewer, has finally met its match—Hurricane Irma.

Florida residents have been receiving cancelation notices from Amazon, due to the severity of the hurricane, and Amazon isn't saying when it will be able to follow through with delivery.

More than half a million Florida residents are being asked to evacuate, and the ones who are staying behind are desperate to get water and food. Many turned to what's become the go-to source for them—Amazon, where a \$99 yearly subscription gets them guaranteed two-day delivery.

Until now.

"Due to severe weather conditions as a result of Hurricane Irma, deliveries are experiencing delays," said Amazon in a statement. "We apologize for the inconvenience."

Google Express, the shopping delivery service started by Amazon's rival, is also pulling back. "Due to inclement weather in Florida, you may see limited deliveries and delays," said Google on its website.

Shopping for water on Walmart.com wasn't any easier. A case of 10 bottles is available for \$4.99, plus \$5 shipping, but wouldn't arrive until next Friday, nearly a week after expected landfall.



Amazon was accused earlier in the week of enabling price gougers after customers noticed its third-party sellers advertising cases of water for \$100 a piece. But a Friday check showed water prices back in check, with a 24-bottle case of Fiji water, for instance, selling for \$23.99 and free shipping.

However, customers in Florida couldn't get delivery when they needed it, which is now. Instead of the normal two-day delivery, Amazon quoted 13 days, with arrival on September 21.

Amazon has built an \$136 billion e-commerce juggernaut on the back of a rapidly expanding network of fulfillment centers, which make its two-day free shipping to its 85 million Prime members possible. It's been steadily whittling away at <u>delivery</u> times, to same day or even two-hour windows, on Sundays and last year, Christmas day.

That availability, combined with features aimed at the grocery shopper like Dash buttons for easy-reordering, has made Amazon an even more powerful threat to retail brick and mortar.

The hurricane showed that there's still a need for retail stores. Grocery chains and warehouse stores sold out of bottled water and other hurricane prep items as Floridians stockpiled during the final days before Irma was to hit.

But it won't slow the massive shift toward ecommerce. In fact, as more <u>retail stores</u> close, due to increased competition from Amazon and other e-commerce retailers, Forrester Research analyst James McQuivey expects sell-out situations will only get worse during emergencies, with fewer physical stores to stock supplies.

In five years time, if there's a massive hurricane, McQuivey predicts Amazon will be more than ready to pick up the slack.



"Their artificial intelligence will be able to anticipate that you'll need emergency supplies, and pre-fetch the order."

The moment the <u>hurricane</u> warnings start to go out, Amazon will ship out <u>water</u> and other supplies, and they'll just show up at your door, McQuivey says.

"Call that Prime Plus," he adds.

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