

Amazon upbeat on Prime Day, despite early glitches

July 17 2018, by Anne D'innocenzio



In this Aug. 3, 2017, file photo, Myrtice Harris applies tape to a package before shipment at an Amazon fulfillment center in Baltimore. Amazon's Prime Day starts July 16, 2018, and will be six hours longer than last year's and will launch new products. (AP Photo/Patrick Semansky, File)

Amazon is hoping customers don't see any more dogs, after early problems on Prime Day meant people trying to shop got only images of cute canines delivering an apologetic message.

The snags Monday on its much-hyped Prime Day were an embarrassment for the tech company on the shopping holiday it created, and people took to social media to complain that they couldn't order items.

Amazon said it was resolving the glitches and in a tweet Tuesday lauded Prime Day growth in the first ten hours compared to last year. The event is in four new countries this year and it's running longer.

The hiccups, though, could have sent shoppers elsewhere during a key period when Amazon signs up new Prime members. Many other chains offered sales and promotions to try to capitalize on the Prime Day spending.

"I am shocked this caught them off guard," analyst Sucharita Mulpuru-Kodali at Forrester Research wrote in an email. "But I guess the lesson is to not have a big unveil during the middle of the day when everyone comes to your site all at once."

Amazon, which recently announced that Prime membership would be getting more expensive, was hoping to lure in shoppers by focusing on new products and having Whole Foods be part of the process. It was also hoping parents would use the deals event to jump start back-to-school shopping.



In this Aug. 3, 2017, file photo, packages pass through a scanner at an Amazon fulfillment center in Baltimore. Amazon's Prime Day starts July 16, 2018, and will be six hours longer than last year's and will launch new products. (Photo/Patrick Semansky, File)

Jason Goldberg, [senior vice president](#) of commerce at Publicis.Sapient, noted that it's easy for Amazon to extend deals on its own devices and brands, but trickier for it to extend deals for its third-party sellers because they signed up for different promotional slots.

While Amazon doesn't disclose sales figures for Prime Day, Deborah Weinswig, CEO of Coresight Research, had estimated before it began that it will generate \$3.4 billion in sales worldwide, up from an estimated \$2.4 billion last year. Prime Day also lasts six hours longer than last year.

In Europe, Amazon employees were using Prime Day to draw attention

to their complaints against the company. Unions in Spain said most of the company's 2,000 permanent staff there were on a three-day strike on Tuesday.

Amazon created Prime Day in 2015 to mark its 20th anniversary, and its success has inspired other e-commerce companies to invent shopping holidays. Online furniture seller Wayfair introduced Way Day in April, becoming its biggest revenue day ever.

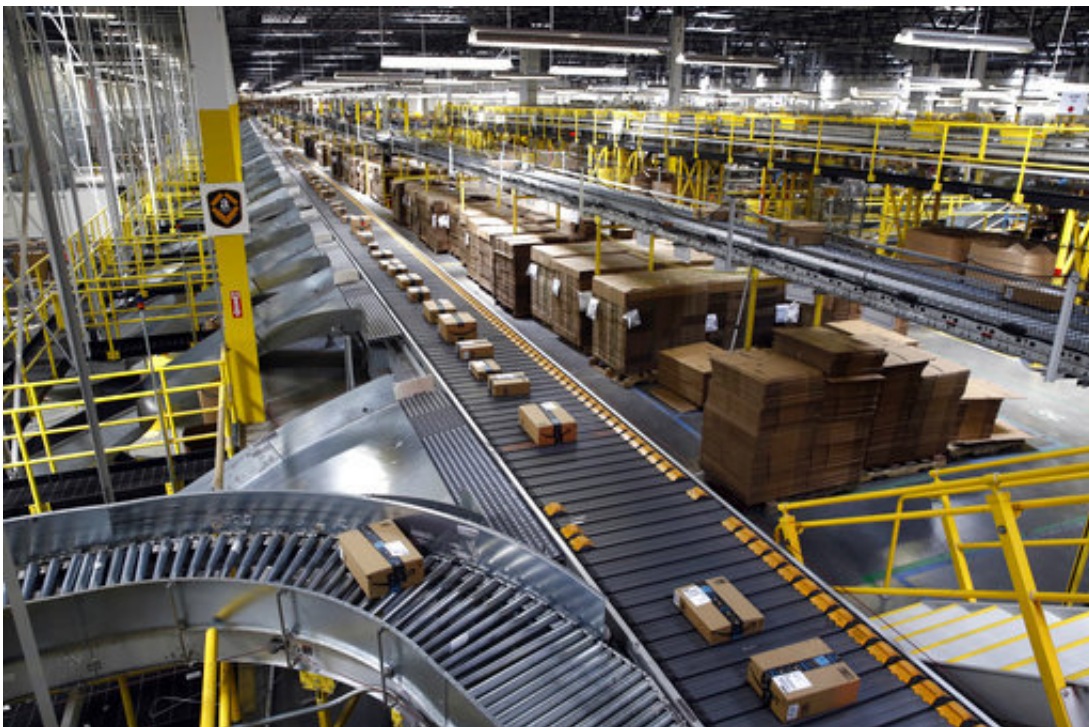


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Prime Day also usually helps boost the number of Prime memberships. Amazon disclosed for the first time this year that it had more than 100

million paid Prime members worldwide. It's hoping to keep Prime attractive for current and would-be subscribers after raising the U.S. annual membership fee by 20 percent to \$119 and to \$12.99 for the month-to-month option.

"It has been one of the best vehicles" for signing up members, said Goldberg.



In this Aug. 3, 2017, file photo, packages ride on a conveyor system at an Amazon fulfillment center in Baltimore. Amazon's Prime Day starts July 16, 2018, and will be six hours longer than last year's and will launch new products. (AP Photo/Patrick Semansky, File)

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