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Amazon Prime Gains on Improved Retention

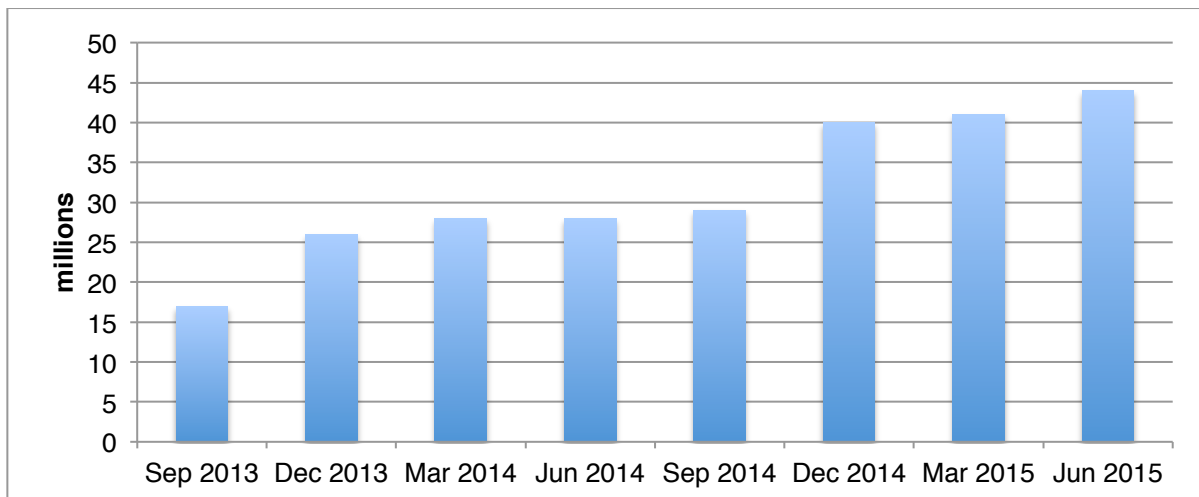
US Prime Membership Increases to 44 Million Members

CHICAGO, IL – Wednesday, July 15, 2015 - Consumer Intelligence Research Partners, LLC (CIRP) today released analysis of buyer shopping patterns for Amazon, Inc. (NASDAQ:AMZN) for the April-June 2015 quarter.

This analysis indicates that Amazon Prime now has 44 million US members, spending on average about \$1,200 per year, compared to about \$700 per year for non-members.

As of June 30, 2015, CIRP estimates that in the US, 47% of Amazon customers are Prime members, which translates to about 44 million Prime members (Chart 1).

Chart 1: US Amazon Prime Members



“US Amazon Prime membership has grown significantly since we first started measuring it in 2012,” said Josh Lowitz, Partner and Co-Founder of CIRP. “It has more than doubled in a little more than two years. Amazon adds millions of 30-day free trial members in the holiday shopping period. It then needs to convert these trial members to

paid annual members, and then persuade those members to renew for subsequent years.”

“Amazon Prime added a net 3 million members as of the end of the second quarter of 2015,” said Mike Levin, Partner and Co-Founder of CIRP. “We ascribe much of this growth to better retention of members at the one-year mark. The conversion rate from 30-day members remains steady at about 70% through the most recent quarter, but Amazon improved its paid member retention with an increased renewal rate for one-year members. In the most recent quarter, about 95% of Amazon Prime members renewed a paid membership after one year, up from under 90% in the previous two quarters. Amazon’s efforts to make the Amazon Prime membership more valuable and further integrated into customers’ lives, with enhanced video and music offerings, as well as additional shipping benefits, appears to have paid off.”

CIRP bases its findings on surveys of 500 US subjects who made a purchase at Amazon.com in the period from April-June 2015. 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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