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FOR IMMEDIATE RELEASE

Amazon Prime Hits New Highs

Prime Membership Rises To 40 Million Higher-Spending US Members

Amazon Visa Steady, While Amazon Electronics Sales Uneven

CHICAGO, IL – Tuesday, January 27, 2015 - Consumer Intelligence Research Partners, LLC (CIRP) today released analysis of buyer shopping patterns for Amazon, Inc. (NASDAQ:AMZN) for the October-December 2014 quarter.

This analysis indicates that Amazon Prime now has 40 million US members, spending on average about \$1,500 per year, compared to about \$625 per year for non-members.

As of December 31, 2014, CIRP estimates that in the US, 45% of Amazon customers are Prime members, which translates to about 40 million Prime members (Chart 1).



Chart 1: US Amazon Customer Affiliations - Fourth Quarter 2014

"Amazon Prime membership increased significantly in the holiday quarter," said Josh Lowitz, Partner and Co-Founder of CIRP. "Amazon announced that 10 million customers joined the program over the holidays, which is reflected in our estimate. So, Amazon grew Amazon Prime from an estimated 29 million members at the end of September 2014, on the strength of trial memberships started by holiday shoppers. And,



as we've shown earlier, Amazon Prime members spend more than other customers, on average shopping 50% more frequently, and buying more expensive items each time."

39% of Amazon customers in the US own Kindle devices (tablet or e-reader), while 7% of Amazon customers own a Kindle Fire TV box or stick, and less than one percent of Amazon customers own an Amazon Fire smartphone. Amazon Kindle owners are almost as productive as Amazon Prime members, spending \$1,450 per year compared to \$725 per year for customers who do not own a Kindle e-reader or Fire tablet.

"Similar to Amazon Prime members, Amazon Kindle owners are better customers," said Mike Levin, Partner and Co-Founder of CIRP. "They also shop more frequently, and also buy more expensive items on average. It is too early to measure the purchasing propensity of Amazon Fire TV owners, and at this point there are far too few Amazon Fire phone owners to matter."

Amazon Visa cardholder participation has remained steady at around 15% of total US customers. "Amazon Visa cardholders are even better Amazon customers than Prime members, spending even more probably because of the associated credit card rewards" said Lowitz.

CIRP bases its findings on surveys of 500 US subjects who made a purchase at Amazon.com in the period from October-December 2014. 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.