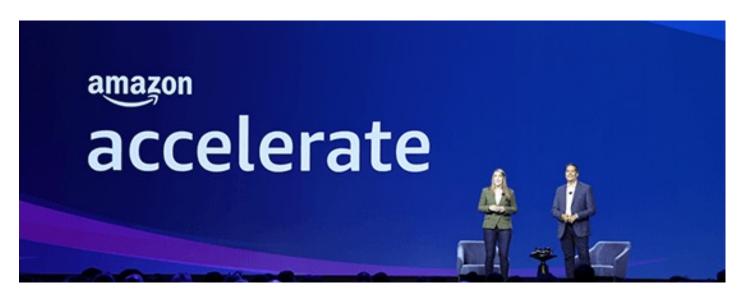


3 Key Takeaways from Amazon's Accelerate Conference

BY JUSTIN FLONES, TRANSACT OCTOBER 2023



The investments Amazon has made across their Marketplace business came to the forefront at the two-day event tailored to Amazon's seller community, who now account for 60% of Amazon's total GMV¹.

While the event was geared toward Sellers, there are several key takeaways for all brands, regardless of their selling model with Amazon. The emphasis on self-service tools and supply-chain-as-a-service demonstrates Amazon's intent to continue its path toward hands-off-the-wheel management of its retail business. There will be more opportunity for Vendors to begin using insights and pulling levers that were previously only accessible by Amazon as these tools and insights are further democratized.

1 The launch of Supply Chain by Amazon

The launch of Supply Chain by Amazon consolidates existing and new programs into services Amazon can sell into companies using 1P Vendor, 3P Seller, or those with no selling relationship to Amazon at all. These services are built to monetize Amazon's fulfillment infrastructure and latent capacity across various steps in the supply chain that Amazon previously considered 'upstream' of its fulfillment network. As these services become a business, and as that business scales, Amazon will look to service all brands, beginning to blur the distinction between Vendor and Seller.



2 Al-supported item creation and listing optimization

Amazon's Sellers are now able to use native AI-supported tools to optimize existing listings by adding missing product attributes and search-optimized copy. Among Amazon's broader collection of AI-supported initiatives, we believe this focus on catalog management will be most relevant to Vendors, who today, are required to review multiple (and sometimes conflicting) data sources to optimize listing quality. Search-optimized listings are a win-winwin for Amazon, Brands, and their shared customers. AI-supported self-serve tools scale the accuracy and completeness of Amazon's global catalog. Whether Amazon brings that tech to Vendor Central, or arms Support staff with the same tools behind the scenes, remains to be seen.

3 New KPIs and dashboards available in Brand Analytics

As more brands prioritize measurement considering their increasing retail media investments, Amazon is providing new analytics and KPIs that help brands see trends across segment customer groups. They segment customer cohorts based on RFM analysis, while providing new metrics like Customer Lifetime Value (CLV). These metrics are not only informative, but they are actionable when paired with tools like Brand Tailored Promotions, which allows brands segmented promotional offers. These new analytics announced at Accelerate point to Amazon's focus on providing self-service insights and levers that brands can pull to drive their own success on the platform, and we expect it won't be long until these same insights are available to Amazon's Retail Vendors.



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