



**amazon**  **FLEX**

Amazon Flex

Zachary Cote

**CREATING THE NEXT<sup>®</sup>**

## Amazon Flex Company Overview

Started in 2015 by Amazon

Made to support the Prime Now same day delivery

Located in the US and the UK



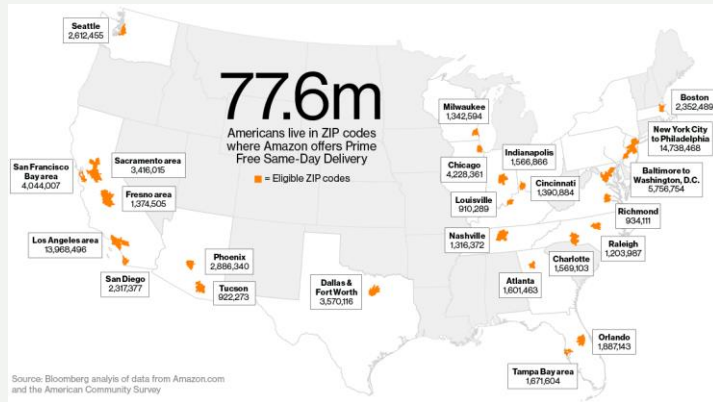
**amazon** FLEX

## Offer Pole

Available in over 30 cities across the United States and around 15 cities throughout the United Kingdom<sup>[1]</sup>

Provides intra urban same day delivery for Amazon in those cities

Uses B2C delivery - customer places order on Amazon website, couriers deliver



## Creation Pole

Amazon Prime members have the option for Prime Now on orders over \$20 with certain items

Customers order their items through [Primenow.amazon.com](https://www.primenow.amazon.com) website or the Amazon app

Customers can choose when they want their items delivered within two hour blocks

### Select Delivery Time

Continue

- Within one hour \$7.99
- 6:00 - 8:00 PM FREE
- 8:00 - 10:00 PM FREE
- 10:00 PM - 12:00 AM FREE

### Tomorrow

- 8:00 - 10:00 AM (Sun) FREE

Show all available times



**Leave it at the door**

The courier will drop off your package without calling you.

## Creation Pole

Anyone can sign up to be a driver (non professional couriers only, paid \$18-25 per hour)

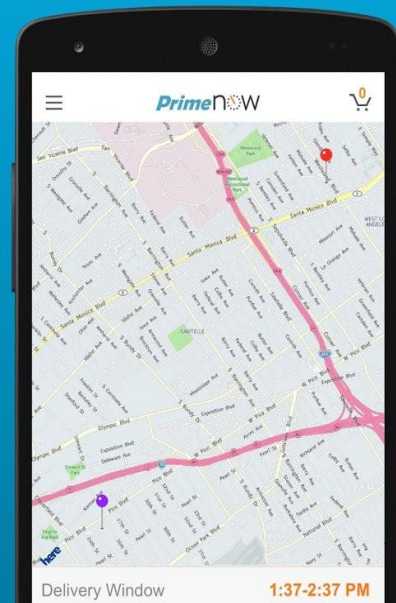
Approved drivers use the Amazon Flex app to indicate when they want to deliver

They are then given a pickup location and directions to locations for all of the deliveries they have to make

Customer can track driver as they deliver

Driver has the ability to call the customer or Amazon support if they need help

Watch as your courier brings your order to you.



## Revenue Model and Value Proposition

Give Amazon Prime members access to same day shipping

Able to schedule when in the day (by two hour increments) package is received<sup>[1]</sup>

Same day delivery service is normally “free” but requires an Amazon Prime subscription

Amazon Prime - \$99.99/year or \$10.99/month service<sup>[1]</sup>

Option to have delivery within 1 hour for \$7.99<sup>[1]</sup>

## Stakeholder pole

Senders - items can be sent from an Amazon delivery station, store or restaurant

Recipients - any Amazon prime customer in a major city serviced by Amazon Flex

Couriers - anyone can sign up to be a courier online, approved couriers deliver for as many hours in a week as they sign up for

## Character pole

### Business Oriented model:

Objective is to make Amazon delivery even faster to help Amazons' growth goals  
Secondary objective to make more money by continuing to increase Amazon Prime subscriptions due to better service

Chart 1: US Amazon Prime Members (millions)



↑  
Amazon flex  
launches



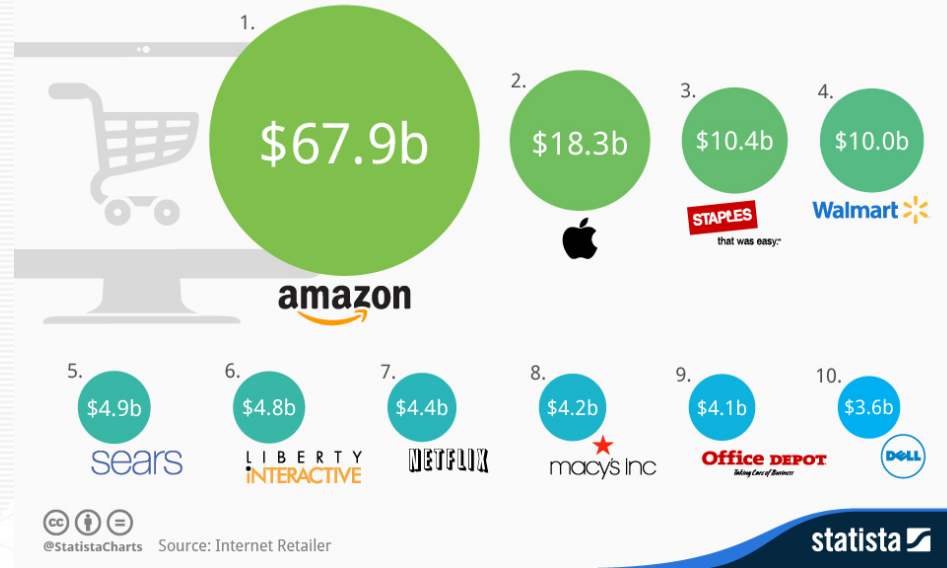
## Market segment and position

Service available to around 80 million people in the US<sup>[2]</sup>

Only offers delivery for customers who order from Amazon (30% of money spent online in the last US holiday season and the biggest US online retailer)<sup>[3][4]</sup>

### Amazon's Online Sales Dwarf the Competition

The 10 largest U.S. online retailers in 2013 (based on worldwide online sales)



## References

1. <https://flex.amazon.com/>
2. <https://www.bloomberg.com/graphics/2016-amazon-same-day/>
3. <http://fortune.com/2016/12/02/amazon-cyber-monday-2/>
4. <https://www.statista.com/chart/2214/10-largest-online-retailers/>