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The effect of e-retailers’ innovations on shoppers’ impulsiveness and addiction in web-based communities: The case of Amazon’s Prime Now

Abstract

In the era of exponential growth of online shopping, e-commerce has accelerated consumers’ shift from offline to online shopping, specifically in the FMCG industry. In 2015, Amazon launched the Amazon Prime Now service based on same-day delivery. The research objective is to understand the implications of this ordering tool on the consumer journey from the shopper web-based community, the retailer and brand perspectives. In order to investigate the usage of Amazon Prime Now and its impact on the overall consumer journey, a survey was devised and completed by 25 prime users who reside in the UK. The findings show that clients’ gratification is due to the outstanding customer service Amazon offers, which as a result established a trust and love relationship with the retailer. Moreover, the findings show that while the minimum order fees have reduced shoppers’ impulsive behavior in web-based communities, an overall addiction toward the use of Amazon Prime Now was taking place.

Key words: Amazon, retailing, shopper web-based community, UK

Introduction

We currently live in a world governed by digitalization that exposes us to various types of technologies and forces us to interact with different internet channels on daily basis. In fact, this innovation that we are experiencing nowadays has changed consumer behavior and distinctly molded the consumer preferences (Cook, 2014). Internet exposure has a far-reaching effect on retailers and consumers that transformed the store shopping experience into a virtual reality (Bigne-Alcaniz et al., 2008; Farah et al., 2019). In fact, the shift in consumer behavior translates into a change in the type of relationship that exists with the brand alongside the degree of loyalty
exhibited towards that brand (Fournier, 1998). This major change is due to the usage of different touch points that influenced the consumer decision journey (CDJ) (Edelman, 2010).

The interactions between digital touch points used by consumers has shifted the consumer decision journey and overall shopping behavior (French, LaBerge and Magill, 2011; Ramadan and Farah, 2017). The channel integration, which is defined as the level at which various channels interact with one another (Neslin et al., 2014), offers consumers an enriched brand experience. In order to gratify the consumer’s expectations (Piotrowicz and Cuthbertson, 2014), multi-channel delivery was introduced as a new marketing experience. Multi-channel is defined as the integration of the touch points that retailers offer to consumers. Multi-channel creates a synergy in examining, buying and picking up the product (Yu et al., 2011) and is implemented via interacting with customers who use the combination of communication channels, websites, and retail stores (Banerjee, 2014). However, this ongoing relationship between the brand and the touch points has affected the consumer shopping behavior in the retail stores (Verhoef et al., 2015).

Rigby (2011, p.4), defined the Omni-channel retailing as “an integrated sales experience that melds the advantages of physical stores with the information-rich experience of online shopping” (Zhang et al., 2010). In other words, it is the combination of different touch points like the physical store, web, and mobile that the consumer integrates with until he/she reaches a seamless shopping experience. This integration of channels has shifted the consumer’s shopping experience (Kortaba, 2016) from the journey based on awareness, consideration, evaluation and action (Hudson and Hudson, 2013) to a new extended consumer journey. As a result, this new consumer journey is composed of four basic actions: consider, evaluate, buy and bond (Edelman, 2010).
Considering that the Omni-channel has been considered a big part of the consumer journey, it has become essential to retailers to associate social networking and shopper based web communities in their marketing strategy (Bennett and Azhari, 2015; Ramadan and Farah, 2017). This is due to the changes occurring in the shopper’s marketing experience who’s now using several social media platforms and online communities (Kortaba, 2016).

In the fast-moving consumer goods (FMCG) industry, evolutionary transformation to the definition of shopping has occurred. Shoppers are increasingly shifting preference towards online shopping particularly in grocery products. As a result, the online market-space has emerged which is apparent through shoppers’ web based communities. Though some consumers continue to use a blend of online and offline shopping approaches, most are dramatically favoring online over offline shops. This presents a great disadvantage to physical stores that find themselves at risk of losing their business to virtual ones as online grocery shopping continues to grow at a rapid pace, generating increased income for CPG produces and retailers as well.

In this study, we will be discussing Amazon’s case and its Prime Now technological advancement that has disrupted the online network (Christensen and Raynor, 2003). Indeed, the Prime Now service that Amazon introduced has shifted the online shopper’s behavior (Vezquez and Kent, 2016) within a heightened consumer journey experience that begins with a one-click button and continues over online communities of interest. Thus, the first objective of this paper will tackle the behavior of online shoppers that use Prime Now services and who are part of a shopper web-based community. The second objective will be to examine the effects that Amazon inflicts on top local retailers like Tesco, Asda, Sainsbury’s and Morrisons, and the ensuing consequences on shoppers and their related web-based communities.
Literature Review

Role of platforms and the integration of channels

Platform-based industries have increasingly evolved over the past decades at a rapid pace and continue to occupy a substantial share of the world’s economy (Eisenmann, 2007). Referenced industries are often demarcated as multi-faceted due to the fact that they involve the participation of different groups including complementors and consumers who are required to obtain access to the same multifaceted platform to secure successful interaction among each other. The platform’s prosperity relies on the ability to engage with different parties and to smoothly interact with one another (Parker and Van Alstyne, 2005; Rochet and Tirole, 2003). Such markets embrace a wide spectrum of diverse platforms including social interactions and networking hubs, search tools and engines, online auction houses, smart phones, and video gaming platforms.

Thousands of entrepreneurs who are often described as complementors, have invested time and capital resources and have expanded their business models around these platforms to be able to sell services and products (Zhu and Liu, 2016). Together, these entrepreneurs serve to add substantial value to these platforms. On the other hand, owners of referenced platforms have the unquestionable power of impacting the livelihood of complementors. In other words, platform owners may decide to mimic prosperous complementors and choose to serve identical products which often lead to the elimination of these complementors from the market (Hallen et al. 2013). Very often, complementors find themselves at risk of being carved out of the market as a result of fierce competition exerted by platform owners rather than by other competing complementors through the appropriation of their innovation value (Zhu and Liu, 2016).

This should not come as a surprise in the business world. Contemporary research efforts have proposed that the heavy reliance on platforms may subject newly created businesses with
considerable amount of resource requirements and substantial innovation value to the risk of misappropriation of said innovation value (Gans and Stern, 2003; Katila et al., 2008; Diestre and Rajagopalan, 2012; Huang et al., 2013; Hallen et al., 2013). It has been deduced from the existing literature on co-opetition that businesses are more inclined to cooperate with one another when it comes to creation of innovation value but become fierce competitors at the time of capturing the innovation value (Brandenburger and Nalebuff, 1997). A key strategy adopted by platform owners is to imitate the successful services and products offered by complementors in an attempt to restrict the bargaining supremacy of complementors (Farrell and Katz 2000).

On the other end of the spectrum, employing strategies to eliminate complementors can have detrimental effects to platform owners including the limitation that such strategy imposes on the owners’ abilities to penetrate complementary markets and the confinement that limits market expansion and growth. Employing such an approach will signal to all other complementors that they might be at risk of not being able to generate value from their creations and will force them to resort to other platform owners. For this purpose, Gans and Stern (2003) recommend that platform owners must strive to build a reputation of justness and objectivity to continue to entice start-ups and new market entrants to approach them with their innovative ideas and business.

*Multi and Omni-Channel retailing*

Multi-channel retailing has been employed by various retailers for decades in an attempt to devise new means through which products and services are marketed to end users (Blake et al., 2015). Each business channel is regarded a distinct business unit that is employed to attend to various consumer genres. The proliferation of multi-channel modeling has forced prominent retailers to devise and develop their own online operations that serve to complement existing physical stores.
to be able to extend reach to a greater share of market and to cater for considerable shift in consumer behavior (Cennamo and Santalo, 2013). This shift has led to the rise of a new method of retailing known as Omni-channel retail which is defined as a unified channel to a comprehensive and holistic customer experience that serves to unite multiple end points and channels into one (Harris, 2012).

For the past decades, various retailing channels and schemes have emerged into the retail world. Driven by vast advancement in technologies, retailers can now assimilate all the data that are provided by said channels. Such a phenomenon is often called Omni-channel (Brynjolfsson et al., 2013) shopping or retailing and is defined as the utilization of all available channels (Lazaris and Vrechopoulos, 2014). This phenomenon is often conceived as an evolution in the world of multichannel shopping. While multichannel involves a distinct segregation between the online and actual physical shop, Omni-channel allows clients to freely move across different types of channels within a single operation (Melero et al., 2016). The most prevailing feature of Omni-channels lies in its customer-orientation strategy and in the holistic customer shopping experience (Shah et al., 2006). It not only focuses on the integration of channels but also sheds light on the effective interactions between retail, brand and customer channels (Neslin et al., 2014). Through the adoption of the Omni-channel scheme, the flow of transaction occurs through a seamless and interchangeable manner during the browsing, buying, and post-purchasing transactions (Verhoef et al., 2015).

The increasing reliance on technology-based transactions has led to the proliferation of self-service technologies (SSTs) which represent technological interfaces that allow end users to engage in a service that is independent from one that is offered by an employee. These include automated hotel checkouts, automated teller machines, banking over the phone, online brokerages
and delivery tracking, alongside many other internet-based solutions and services (Bitner, Brown, and Meuter 2000). In fact, many researchers have come to realize that the replacement of traditional marketplace interactions with contemporary market-space transactions is the driving wheel for retailer sustainability.

The traditional offline brick-and-mortar and internet-based online outlets have distinct features that makes them unique in nature. Online shopping is often portrayed in terms of time saving, convenience, ease of accessibility, zero restrictions for opening hours, product cost and absence of need to commute to specific location (Jiang et al., 2013). Yet, online shopping has its own drawbacks including the inability to physically try-out and examine the product in real time, the absence of human interaction and instant gratification (Armstrong 2006). Adversely, offline shopping experiences do in fact facilitate real-time and physical examination of the items selected by the end user, offer instantaneous gratification to customers and involve interpersonal interaction (Huang et al. 2013). Nonetheless, they also have their own disadvantages that include limited store opening hours and require relatively high search and travel fees (Riquelme et al., 2014).

Consumer behavior has dramatically altered the path during the past decades and have induced increased inclination towards the adoption of technology-based services and online shopping in particular (Kar, 2010). Chu et al. (2010) were able to empirically examine the mediating role that household and product features play with respect to price sensitivity, size and brand loyalty in offline and online shopping experiences, particularly related to grocery products. The findings of that research concluded that households showed increased size and brand loyalty in online channels as opposed to offline ones. The study also deduced that households were less sensitive to prices in online channels when compared to offline channels.
Impulsive purchasing is often portrayed as an unplanned shopping that is governed by hasty
decision taking, subjective partiality towards instant claim of ownership (Rook and Gardner, 1993)
and less cautious shopping behavior. It is assumed that individuals who exhibit high levels of
impulsive purchasing are more inclined to be emotional towards shopping items and are more
likely to demand instant gratification (Thompson et al., 1990). Said individuals are less likely to
realize the prospective unfavorable consequences that may be generated as an output to their
behaviors (Rook, 1987). Some researchers believe that the general factors that trigger impulse
buying are often tied to culture (Hoch and Loewenstein, 1991). The theories of collectivism and
individualism provide in-depth insights into distinct variables that can be correlated with impulsive
buying actions including the incessant need for immediate gratification, suppression of sentiments
and self-identity (Triandis, 1995).

The shopper’s impulsive behavior has started since the inception of the brick and mortar
till the advent of the internet (Rose and Dhandayudham, 2014). Impulsive behavior is considered
as an unplanned purchase behavior (Stern, 1962) that shoppers may unconsciously use while
shopping (Rook, 1987, Farah and Ramadan, 2017). This buying process is categorized under the
emotional experience that the consumer encounters for several brands (Jones et al., 2003). People
exhibiting such a behavior do not have the ability to resist the purchasing act (Benson, 2008). This
phenomenon has increased the annual spending to $4 billion (Liao and Wang, 2009) with a 62%
growth in sales for retailers (Ruvio and Belk, 2013). As a result, it is only logical to assume that
the primary objective is to increase the impulsive buying behavior that serves to enhance the sales
profits (Ayadi, Giraud and Gonzalez, 2013). The addictive behavior is categorized under the
uncontrolled or loss of control in purchasing behavior (Sussman et al., 2010). The consequences
of addictive purchasing behavior include either a sensation of guilt or a mere gratification (Benson, 2008). According to Black (2007), it has been shown that this kind of addiction is associated with the fact that having a sense of gratification or self-reward during the shopping act or post purchase serves to relief pain and eliminate negative feelings. As a result, there is a correlation between the addiction and the purchase of goods (Hirschman, 1992), along with the e-commerce helped to exponentially grow the said addiction in a more powerful manner (Orford, 2008).

Amazon as strategic player in the market

Amazon is regarded as the biggest online store in the United States and an effective platform through which smaller retailers can sell their products to consumers. Amazon is based in Seattle and was founded by Jeff Bezos in 1994. It started as an online bookstore, and then diversified its product base by adding CDs, DVD, video games, electronics, jewelry and clothing items. According to Masiello (2017), Amazon was the fastest company that grew exponentially with the sales of 100 billion for the past 20 years. Amazon attracted 175 million visitors on monthly basis which is considerably higher than that of its major competitors namely Wal-Mart and eBay with a total monthly count of visitors averaging 82 million and 122 million respectively. Moreover, Amazon’s revenue totaled 128 billion by the end of 2016 with an expected growth reaching 20% by 2020 (Masiello, 2017). Amazon has 26 services ranging from the retail to STEM club, with the latest service named Amazon Fresh that has been launched in June 2016 in the United Kingdom.

Several elements may serve to boost Amazon’s aspiration to penetrate third-party sellers’ markets. This is essentially facilitated by the complete transaction information tracking of third-party sellers who are operating on its platform (Chen, 2017). Amazon can easily trace bestselling products. Moreover, serving as a retailer on its own for numerous number of years, Amazon is
easily able to resell third-party services and products whilst reducing barriers to entry that are usually faced by new market entrants (Kumar and Stennkmap, 2007). On the other hand, the heavy reliance on third party processors to cater for consumer needs impedes Amazon’s ability to regulate the genuineness of the products and services being offered to end users (Chen, 2017). For that purpose, Amazon may be more inclined to sell products on its own in an attempt to mitigate referenced risk due to absence of necessary control. Furthermore, Amazon could effortlessly advertise products on its own platform which would serve to promote Amazon as the biggest seller of these products, eventually augmenting Amazon’s bargaining power with the supplier of these products. This will translate into higher profits to Amazon and into lower prices to end users, ultimately leading to enhanced consumer satisfaction (Shi, 2016).

During the past two decades, Amazon has witnessed an exponential growth since the opening of its virtual store with over three hundred million active client accounts resulting in over one hundred billion United States dollars (Amazon, 2016) in terms of yearly sale turnover. While it is true that Walmart remains the pioneer in terms of retail, Amazon was able to catch up with competing international retailers. The driving wheel for the leading success lies in the Amazon Prime program that was first established in 2005 (Amazon, 2016). The count of memberships has skyrocketed over the years. In return of a modest subscription fee, Amazon clients participate in this program and benefit from various services offered by Amazon Prime program. Studies have shown that the count of members constitutes around half of the current customer base of online retailing (Shi, 2016).

Currently, Amazon delivers several distinct shipment programs including: The Amazon Prime shipping option that allows subscribers to benefit from two-day shipment offer for all merchandise that is shipped or bought from Amazon in return for a yearly subscription fee of USD
Nevertheless, in summer 2015, Amazon launched the Prime Now service in the UK, offering a 2-hour free delivery service between 8am and midnight, and one-hour delivery service costing £6.99 that enables prime users to order from 15,000 listed products using the mobile application or the browser (Henderson, 2017).

Amazon’s Prime Now

Today, subscribing to Amazon Prime entails the payment of a monthly payment fee amounting to USD 99. It may be true that Amazon does not require its customers to pay the fee directly to the outlet, however, Amazon Prime Now does offer a great deal of benefits ranging from the receipt of free 2-days shipping on particular items. In addition, members subscribing to Prime service enjoy same-day delivery for particular items free of charge in addition to a two-hour delivery on selective items including restaurant food and groceries. It is worth mentioning that the member can also enjoy a wide array of other benefits ranging from exclusive deals, right to access substantial count of songs, unrestricted online streaming of TV shows and movies, unlimited access to media storage and unrestricted access to borrow books (Amazon, 2016).

Although Prime subscribers benefit from a smaller discount when compared to other rivals in the field, they are granted access to a larger spectrum of inventory alongside many incremental, and value-adding services including music download and online streaming (Hinchliffe, 2016). Amazon Prime dedicates efforts to improve customer experience via making available ancillary services that aim to summon in-depth sentiments of belongingness among customers. Unlimited access to online media streaming is quite appealing to consumers from transparency and availability perspective (Barone and Roy, 2010).
A study conducted by Armstrong (2017), the national British daily broadcast newspaper, shows that Tesco, Asda, Sainsbury’s and Morrisons, the four largest chain of supermarkets, are witnessing a drop in their sales from £73.7bn a year to £70.8bn over the next five years, due to the change in the shopping habits and the usage of Amazon Prime Now. Moreover, this issue pushed Tesco to launch the application delivery Tesco Now that is capable of delivering up to 1,000 products within a one-hour delivery service (Prince, 2017). According to the financial services research Verdict Financial, the online UK consumer’s spending is expected to increase by 63% between 2015 and 2019. Through this, the UK is currently ranked as the third online commerce market (Aitken, 2016).

Despite its mounting prominence, there is little empirical evidence that provides in-depth insights into the strategies applied by Amazon and how they are affecting leading brick and mortar stores. Moreover, studies around Amazon’s Prime Now ordering service are virtually non-existent. Accordingly, there is a dire need to understand (1) whether Amazon is seeking to enhance customer satisfaction through such innovative services, (2) the impact of such technological tools on offline competitors and (3) the substantial impact on shopper behavior in this respect.

**Methodology**

An exploratory qualitative research methodology was implemented by interviewing people who live in the UK to understand the usage of Amazon’s Prime Now ordering service. The research was done by conducting open-ended Skype interviews with people who use the service and who are part of a shopper web-based community. The sample included a total of 25 participants (13 female and 12 male). The respondents’ age ranged from 27 to 33 and they all reside in the UK. Most of the respondents were locals with a high educational level and a high-income level. As for
the other part of this group, they were students continuing their masters in the UK with medium to high income level. Furthermore, the interviews were conducted in English and lasted around 38 minutes on average. A brief background of the study objective was offered to each participant before starting the interview in order to clarify the purpose of the research and guarantee the respondent’s consent. Moreover, each interviewee was guaranteed confidentiality. The interviews were digitally recorded, transcribed and used for coding and analysis using NVIVO version 8.

**Discussion of Findings**

The massive e-commerce community has welcomed shoppers to the era of the dot com buying marketplace. Amazon, the biggest online store with its updated services, discounted prices and immediate customer gratification, is leading this transformation through innovative and competitive services such as Prime Now which is ultimately aimed at attracting offline shoppers from leading brick and mortar stores. Indeed, this study’s findings show that shoppers who use the Prime Now service and who are active on a shopper related online community focus on six driving points in relation to this service: customer service, retailer trust, retailer affect, minimum order fees, impulsiveness and addictive behavior. These extracted themes are discussed below.

**Customer Service**

Customer service has always been viewed as the key element to client gratification. Moreover, the consistency in customer service and the speed of service has boosted Amazon into another level. Another two major reasons Amazon users like are linked to their convenience and the return policy they offer. Since convenience is king in the retail world, the ordered items are placed at the shopper’s door through the simple Amazon ordering. Along with the convenience comes the return
policy by which if the item is defected or the client is not satisfied by the size or quality of it, Amazon gives the full right to return it and replace it for free. Hence, the return policy has a direct positive influence that helped consumers in increasing the orders. These elements of customer gratification opened the door to gain the client’s trust. For example, when clients’ complaints are solved in the same day, when they can cancel their order, return it or get a refund, those acts establish a grounded trust between Amazon and the shopper which are as well featured and shared in shopping web-based communities.

“Amazon has really like a good client success reputation and most of the clients like it and have a very supportive 24/7 customer service” (male, 29 years old).

“I order Amazon for products I use daily and products that I cannot find elsewhere” (Female, 27 years old).

“Amazon is very immediate, instant gratification by which trips to supermarkets can be hectic and large loads are hard to carry” (Male, 28 years old).

“Most people do not drive cars in London so it is very inconvenient to carry 4 bags of food” (Male, 29 years old).

“Usually you order clothes, accessories food and the reason I do that is that they have a return service which makes me feel secure, that I would actually return it in case I do not like it when it comes to heavier stud like clothing and accessories” (Female, 28 years old).

Retailer Trust

Nowadays the number of people who are shopping online is increasing tremendously. In order to establish this relationship, Amazon has made consumers feel more confident and safe to purchase from its site since it considered trust a priority. Moreover, the reliability that Amazon has created,
exceeded the consumer’s expectation by which a love relationship has been established. As a matter of fact, the competence that Amazon also has like assisting the clients in their purchase decision via using the past purchase data. The extra mile that Amazon is having with the shopper has shaped the relationship into love. This particular experience has been shown to be heavily shared in the web-based communities that shoppers use in the UK.

“My relationship with Amazon is much closer to a retailer because when am ordering from Amazon I actually trust Amazon more than any other retailer” (Female, 30 years old).

“The trust factor enables my relationship with Amazon much better than any other retailer” (Female, 31 years old).

“I find myself loyal to them because I trust them and I never had issues with money or delivery. I do not think that I would order from other retailer since I am not ready to go through an entire learning and trust process” (Female, 32 years old).

“Amazon has a good reputation and most of the clients like it which empowers their clientele over other retailers” (Male, 28 years old).

Retailer affect
Amazon seems to have left an impact in consumers’ minds. Many people turned to have serious relationships with Amazon due to being “The Everything Store” and the speedy service offered. The love relationship with Amazon that has developed is creating a bond with the Amazon user. User groups on online shopping related communities are also adamant on this affective feeling in which they share their own experience and relationship with Amazon. Due to this solid relationship with Amazon, consumers are purchasing their needs and filling out their basket with the idea of £40 as a minimum ordering fees.
“I really love Amazon, and I think they are really professional and are very consumer oriented, and they always speak to me with respect” (Female, 29 years old).

“I do not think I can imagine my life without Amazon” (Female, 32 years old).

“When it comes to retailers I do not feel that I am their customer in person, but with Amazon I feel like I have a mutual relationship” (Female, 28 years old).

Minimum order fees

In order to benefit from the Amazon Prime Now service, a minimum order fee has been set for users to be qualified for free same day delivery. Moreover, Amazon decreased the minimum order to £15 from initially £20 with an additional £3.99 charge. Nonetheless, if the minimum order is £40 it will be free of delivery charges. The dilemma starts from this point where sometimes the shopper’s basket does not reach the amount of £40, obliging the user to pay for the delivery charges.

The barrier of the minimum ordering fees is affecting consumer purchasing behavior whereby it is becoming more planned and related to social events, hindering in this way shoppers’ impulsiveness. There is a mix of dimensions a consumer passes through when purchasing, starting from the e-commerce platform, the user himself and the products. In Prime Now’s case, the minimum threshold of £40 is creating a barrier hindering the growth of this service.

“The current minimum order amount meets only social gatherings, unless I am really short on stuff. I would not consider reordering because it locks me in” (Male, 29 years old).

“I use Prime Now when I have a gathering/dinner or social event, so I would know what products I want for the event” (Female, 27 years old).
“Sometimes if I need something right quickly I would rather go to the store usually because prime now has a minimum order of 40 pounds so if it is just of a small item I would pick it up from the store” (Male, 28 years old).

Impulsiveness

Shoppers’ impulsive behavior is usually categorized under the umbrella of uncontrollable buying. The presence of Amazon and the easy re-ordering process countered the impulsive buying behavior. Furthermore, the consumer’s shopping behavior and the unlimited diversity of items available has crossed the line of shopping upon need. Nevertheless, it leveled up to into impulsive behavior where addiction started taking over. The convenience of the e-commerce and the interactive features such as the email alerts is stimulating a compulsive buying behavior leading to addiction. Nonetheless, the minimum order fee as well as user groups’ support on the shopper web-based communities are helping consumers’ self-control.

“Amazon is a convenient market for everything. But I come to realize that more often than not it comes at a price. And I get things which otherwise, if it were not so accessible and quickly delivered, I would not have bought” (Female, 27 years old).

“I cannot go anymore to the supermarket and get a loaf of bread, but I would rather order as much items as possible just to feel the pleasure of it” (Male. 29 years old).

“What I like about Amazon is that I can find everything, and I am always interested in shoes, so whenever I find a new shoe I order it, and I feel so much relieved that I got something new” (Female, 27 years old).

Addictive behavior
Getting addicted is part of the online purchase game that consumers may fall in. Moreover, moving from brick and mortal to the dot com and applications trends has shifted the shopping behavior from normal to addictive. Hence, whenever someone wants to purchase he/she can go through the mobile application with an easy access to Amazon and buy with no control or barriers.

“I spend a lot of time on Amazon, I have an application on my mobile, so I am always on it whenever I am bored, and it comes some kind of addiction” (Female, 29 years old).

“Whenever I want to order from Amazon I automatically start ordering items that I barely use but for me it became a habit to order extra items” (Female, 32 years old).

“I usually order every four to five days from Amazon, so for me it became an addiction” (Male, 28 years).

Implications

The main aim in this study was to address the value of the Prime Now service and its effects on competitors and shoppers. Figure 1 depicts the effect of the Amazon’s Prime Now service on shopper behavior derived from the different themes identified in the findings.
The managerial implications can be reflected on three different perspectives: the retailers as competitors, the brands that Amazon lists and the online shopper.

Amazon, the biggest American e-retailer, had invaded the UK and threatened the retail giants like Tesco, Sainsbury’s, Asda, and Morrisons. Amazon are indeed managing their expansion in a smart manner, mainly through establishing a good relationship with customers. This positive attribute cannot be gained quickly nor copied easily by other retailers; in other words, people are purchasing from Amazon because they have a love relationship. Nevertheless, in order for the giant retailers to compete with Amazon, they should start thinking in not only having a relationship with clients, but rather considering an ultra-mile as well. Nevertheless, the only main current gap that competing retailers can take advantage of is Amazon’s minimum orders’ fees. This can be complemented with Tesco’s, Sainsbury’, Asda’s and Morissons’ online grocery delivery. For example, Tesco has introduced the Tesco now service that delivers products in an hour. Nonetheless, the shopper has to pay an amount of £7.99 for each delivery with no minimum order
amount. Additionally, Tesco launched the two-hour waiting period for a £5.99 fee with no minimum amount. Another ordering method that Tesco also introduced was the click and collect option by which shoppers select the location they want to pick their groceries from and the application would directly lead them to the closest location to their address with a minimum order of £40. As for the rest of the retailers, Asda is still trying to open the option of the free delivery but also with a minimum fee of £40. Moreover, Sainsbury’s minimum grocery spend is £25 but if the order is less than £40, a delivery charge from £1 to £6 is charged. Finally, Morissons’ delivery conditions apply in a similar manner whereby orders less than £40 would be charged £1 to £5 for delivery. In sum, all key brick and mortar retailer in the UK have the same issue of the £40 minimum grocery spending. The only advantage that these retailers would benefit from would be to remove the minimum order fee that is shown in this study to be a key concern for most Amazon users.

From a shopper perspective, the trend of long queues and heavy bags is becoming obsolete, since Amazon is winning over the brick and mortal stores in the UK. In this case, shoppers’ behavior is changing driven by the convenience that Amazon is providing. This is ultimately making shoppers lose the in-store experience where they can interact with the staff, see the product or check the freshness of it. Furthermore, the impulsiveness and addiction that this new ecosystem puts forth is shown in this study to have a sizeable impact on shoppers. This however can be mitigated through a proper support system from other user groups within the relevant web-based communities as long as these users are not heavily involved with Amazon on an affective level which might actually increase the collective addiction to this e-retailer.

From a brand perspective, the risks are sizeable given the increasing power that Amazon is having over shoppers’ preferences. Adversely, once shoppers become high end-users of Amazon
use the latter’s convenient tools of re-ordering, this would create a forced loyalty to the chosen
brand that would decrease exposure to other competing products found in brick and mortar stores.

This study expands the literature pertaining to the shopper behavior in relation to instant
gratification, impulsiveness and addiction. Through its qualitative analysis, it was able to shed
light on the Amazon Prime Now as a new service in the market along with the shopper’s online
behavior toward it. Moreover, this research will serve as a starting platform for future research in
relation to e-retailers’ innovations that focus on shoppers’ impulsiveness and addiction.

Conclusion and future research
This study reflected the behavior of UK shoppers using the Amazon Prime Now. Amazon is
becoming a major influence in changing altogether the consumer journey. As a matter of fact, the
top retailers in the UK are forced to move with the fast innovation that supports the consumer’s
convenience and cheapest prices. Furthermore, the findings supported the idea that consumers are
“Amazoned” due to the consistent client gratification. However, it was not only limited to service
but developing the trust along with a serious love relationship with Amazon. This research helped
in studying the impulsiveness and addiction factors that consumers are having by using the
Amazon Prime Now service and how shopper web-based communities can act as a support system
which could mitigate this dependence with the e-retailer. This would accordingly be an area that
competing retailers can tackle where they could sponsor group discussions on shopper web-based
communities that would tackle the negative risks of shopping impulsiveness and addiction.

The study’s limitations are that it is exploratory in nature and were done in a specific market
(the UK) and did not focus on any particular product category. These aforementioned points would
limit the overall generalizability of the findings. Accordingly, future research could focus on these
limitations whereby they could replicate this study in other countries with specific categories, employ quantitative methods and research other retailers’ technologies similar to Prime Now.
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