



# **Marketing Amazon Go to the Baby Boomer Generation**

MKT 231: Buyer Behavior

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## **Executive Summary**

We were given the opportunity to reposition the marketing strategy for Amazon Go to the Baby Boomer Generation. Amazon Go is a check-out free store that uses its mobile application and technology in order to be a fast and convenient shopping center. Customers who choose to shop at Amazon Go need a smartphone and an Amazon account with a credit card linked to it in order to have groceries charged to it. Customers are able to walk into the store and walk out without any human interaction or formal checkout process. Currently there is only one location in Seattle, Washington.

In order to collect accurate and substantial data to understand the best way to reposition the marketing to Baby Boomers, we utilized both primary and secondary data. We chose to collect primary data through a survey consisting of twenty questions that we felt would provide us with the data we needed in order to make a conclusive recommendation. We used Google Survey as we felt it would provide ease of use and allow us to analyze the data. We distributed the data through social media, specifically Facebook.

After analyzing the data we learned several different things about our target market such as that 57.8% of our respondents have never heard of Amazon Go, the majority, 82.2% to be exact, would not prefer to pay for groceries with an app over a credit/debit card or cash and that 48.9% of respondents chose the check out lines as the most inconvenient part of going to the grocery store. This is something that was taken into consideration when developing recommendations for how Amazon Go should be marketed to the Baby Boomer generation.

Our recommendations include utilizing social media for promotions, videos in order to feature the Baby Boomer generation and content created with a more targeted approach.

### **Phase One: The Market Profile**

For our presentation topic, our group chose to reposition the marketing for Amazon Go towards the Baby Boomer generation. We thought that this would be a very interesting choice because Amazon's continuous development over the past few years. Amazon has taken on many new endeavours and risks in order to set themselves apart from their competition. Amazon can attribute its recent and vast success to their innovative and forward thinking approach. The development of Amazon Go is no different from past creations.

### **Description of Product and Product Category:**

Amazon Go is essentially a checkout-free, store that relies on technology in order to provide a quick and efficient shopping experience while being unique and different from its competitors. In order to shop at Amazon Go, customers are required to have an Amazon account, the Amazon Go app and a working smartphone. Through Amazon's "Just Walk Out Technology", shelves will detect when products are taken and put back onto the shelves. Through sensors, the product will automatically be added to a shopping list on the Amazon Go app. Once a customer is finished shopping, there is no need for check out, they will simply walk out of the store. Customers will receive a receipt and charge to their Amazon account shortly after leaving the store.

There are a variety of products available to purchase at these stores. In addition to standard groceries, the Amazon Go store offers local and exotic foods. For those who choose to use Amazon Go for convenience, there are Amazon Meal Kits which can be made in under 30

minutes and provides a easy home-cooked meal. Despite the store being checkout free, there are several employees in order to ensure a smooth and enjoyable experience.

### **Reposition:**

Our group discussed how Amazon Go is trying to determine the best marketing tactic to reach the Baby Boomer generation. Later generations, like millennials, are extremely familiar with technology and using it for everyday activities, like buying items at a grocery store. Unlike millennials, Baby Boomers have a difficult time adapting to a lifestyle that is mainly technology. Our idea of how to reposition Amazon Go is to direct its marketing tactics towards Baby Boomers specifically. We plan to reposition Amazon Go by collecting data from surveys with people from the Baby Boomer generation. Our idea is to utilize Google Forms to survey our parents, family friends, professors, or colleagues that fit the correct criteria. We plan to set up a set list of questions that can be conducted as a survey with pre-set answers. By doing this it helps our group receive more applicable data rather than having a broad set of questions where interviewees can elaborate. After the interviews and surveys, we will compile the data to be analyzed in order to make conclusive data that will help AmazonGo.

### **Project Roles:**

**Beth Hrymak:** Beth will be taking on the positions of Project Manager as well as the Editor.

Beth displays superior organizational skills and will be able to set timelines for project completion as well as keeping team members motivated and on schedule.

**Stephanie Khoury:** Stephanie elected to take on the role of Questionnaire Designer. Her previous experience in marketing both in the classroom and in her role as Pink campus rep will benefit her as she develops the questionnaires and pretests them.

**Maura McCabe:** Maura has chosen to be the Research Design Analyst. Her involvement with Women in Business has given Maura interviewing and research skills that pass the expectations any of her peers in this position. She will be able to provide quality research while conducting in depth interviews to truly understand buyer behavior.

**Timeline:**

**March 19th - First part of Phase Two completed**

**March 23nd - Complete the description and justification of our new target segment**

**March 26th - Reposition statement completed**

**March 29th - Finalize list of questions**

**April 2nd - Phase two completed and turned in**

**April 6th - Phase Two revision complete**

**April 12th - Marketing mix recommendations completed**

**April 17th - Finalize PowerPoint presentation.**

**April 22nd - Finish project and practice presentation**

**April 23rd - Turn in hard copy, and present to class**

**Phase Two: Description, Marketing Research, and Target Market Selection**

Amazon Go offers delicious ready-to-eat breakfast, lunch, dinner, and snack options made by their chefs and favorite local kitchens and bakeries. Their selection of grocery essentials ranges from staples like bread and milk to artisan cheeses and locally made chocolates. For a quick home-cooked dinner, you can pick up one of our chef-designed Amazon Meal Kits, with all the ingredients you need to make a meal for two in about 30 minutes. Currently, Amazon is

one of the most respected brands in on the market. When people think of a place they need to go to order something it is Amazon. I think most customers think very highly of Amazon and it's products because of the endless amount of stock they really have. For Amazon Go specifically it is too new to make a statement about how customers truly view the brand.

Amazon Go offers a new grocery experience for current Amazon customers. The benefits include the fact that all you need when you enter the store is an Amazon account, the free Amazon Go app, and a recent-generation iPhone or Android phone. You can find the Amazon Go app in the Apple App Store, Google Play, and Amazon Appstore. When you arrive, use the app to enter the store, then feel free to put your phone away, you don't need it to shop. Then just browse and shop like you would at any other store. Once you're done shopping, you're on your way. No lines, no checkout. This is extremely beneficial to customers who may not have a lot of time in the week to grocery shop and are in a rush to leave after they collect the items they came for. At the moment, Amazon Go's market only includes one 1,800 square-foot store in Seattle, Washington. Amazon is testing out the waters in Seattle to see how successful the store can be and to see if there is a possibility for growth in the future. Amazon has yet to comment about the possibility for expansion across the country since opening the first store back in late January.

Amazon created and dominated its existing market, but not everyone is an online shopper. Even as online sales continue to grow, there will always be customers it cannot reach. This brand extension enables Amazon to expand its customer base by attracting offline shoppers. Currently, those who use Amazon Go simply just make an account using the application then walk into the store, grab their items, and go. This makes it a smoother experience for all parties. Amazon Go is perceived by customers as a fast and efficient. Although, the only downside that

could affect Amazon Go negatively would be its price point. Since buying Whole Food that is their primary supplier. It is known by many that Whole Foods is not the cheapest grocery store on the market. Like most companies, there comes bad with the good. Although Amazon Go may be the fastest option it might make a pricy dent in customer's wallets.

The list of competitors for Amazon Go is rather low. All other groceries store in the market do not have anything near as technologically advanced as Amazon Go. For there to be high competition that would mean stores like Jewel-Osco or Kroger would have to completely rewire their stores to operate similar to Amazon Go. This would result in backlash from customers, especially old-aged shoppers who are used to their regular shopping experience. Their target market is seniors, baby-boomers, and those looking for an easy and fast shopping experience.

The difference between Amazon Go and other grocery stores is the fact it is cashierless, fast, easy, and it is simply a place where you can really just take what you want and go. It sounds too good to be true, but Amazon is technologically expanding an everyday experience for its consumers. The future has arrived, and the shift is going to be focused around convenience, simplicity and enjoyability. These factors build brand loyalty to keep customers coming back again and again. The future is about using technology to craft remarkable brand experiences. Amazon Go's use of mobile technology to respond to the demands of consumers will set the tone for other retailers to follow. They may not have many loyal customers at the moment since they only opened less than two months ago, but there is a huge opportunity for loyalty in the future. Recent trends that have affected this market is the fact that technology is so huge now in both



newer generations and older ones as well. Almost everything that people do nowadays incorporate technology somehow. This is extremely positive for Amazon Go's brand and growth.

### **New Target Segment:**

The major competitors to Amazon Go includes normal grocery stores, restaurants and start-up companies producing a similar store, such as AiFi. Regular grocery stores offer normality and convenience in the fact that anyone going to one knows how they work and customers don't need an app to shop. With Amazon Go providing already made meals, as well as easy prep kits, fast food restaurants become a competitor as well. This provides a fast and easy way to have a meal with little to no thought put into it. The last major competitor is start-up companies who are developing similar services, such as AiFi (Perez, 2018). They are competitors because they're also bringing a new service into the market and may draw customers away from Amazon Go. In addition, AiFi is actually 50,000 sq. feet compared to Amazon Go's store which is 1,500 sq. feet. These are things that Amazon will need to consider in order to be successful in this market.

### **Positioning Map:**



When it comes to a gap in the market that can be exploited, there is always opportunity for growth and improvement. There will be issues with potential shoplifting so it's necessary for the technology and systems used to be extremely sensitive to this. This allows for a completely different market of IT to be improved and adjusted to fit the needs of Amazon Go. The trends that are occurring in this market relate to advancements in technology and the want for everything to be convenient. Some things that may be in consumers consideration set are other companies that have created similar services, such as AiFi, or stores that offer products similar to that available in Amazon Go. A store that I think of is Mariano's. Although it is not advanced technology wise, it offers similar products that consumers may take into account when deciding where to purchase groceries from.

Currently, the beliefs that exist from Baby Boomers about technology driven companies tends to be curiosity but confusion. These beliefs exist because it is not what they grew up with and they're not as comfortable with technology as they are with other things they are used to. Technology could be a salient attribute to the Baby Boomers (Golden, 2017). They may already have a more negative conception of it because of its unfamiliarity and complexity. A study conducted by YesLifeStyleMarketing.com, found that Baby Boomers enjoy using Amazon for its convenience and product selection ("Data: Four Out of Five Millennials Purchased From Amazon in the Past Month", 2017). This shows that they actually do have a positive perception of Amazon and how it is overall as a brand. Because of the vast amount of products offered, Amazon typically does have high brand loyalty and customer retention.

In the future, millennials seem like they will be a great consumer segment to dive into further in the future. Many millennials already utilize Amazon for its convenience, however with

the addition of the new store, it may be difficult to get them to go to the Amazon Go for groceries. This would take Amazon adjust its marketing strategy to get millennials to see the benefits of utilizing the store instead of online shopping on their website.

For Amazon, exposure to Amazon Go is more than likely intentional, where for the consumer it is probably unintentional. Amazon can utilize its website to advertise the store and allow for maximum views by those who visit Amazon.

The knowledge that our new target segment contains about Amazon Go is believed to be very minimal. The Baby Boomer generation has a reputation with being slow to understand and adapt to new technology (Golden, 2017). Since it is still relatively new, Amazon Go has not spread nationally. This means that total involvement and knowledge on the service is still low but we believe it to be extremely low when looking at the involvement with the Baby Boomer generation. However, Amazon Go is still a good fit for this target segment. The Baby Boomer generation values saving time and with them growing in age, simplifying a process will only appeal more to this generation. Not having to wait in line to pay means that there will be no uncomfortable waiting times or irritating conversations with cashiers.

Using this product will give the appearance of being tech savvy as well as being up-to-date with the newer trends. Some people in this generation believe that they are not technologically inclined to be able to use Amazon Go but after seeing just how easy it is to use, this problem should subside.

One noticeable trend for purchasing influences with this target segment is the role of the female in the household. The Baby Boomer generation has always been traditional in their actions and ideologies ("Household Specialization, Millennials, and the Marriage Premium",

2017). Appealing more to the women in this group would be beneficial for us in order to win over the opinions of the major purchasers in the target segment. Word of mouth also plays a large role within this target segment. The Baby Boomer generation as a whole, like we mentioned before, is very traditional in their actions and ways. What may not be able to persuade some people with advertising could be supplemented by word of mouth. Individuals within the Baby Boomer population are willing to trust each other's suggestions more than the word of mouth from a consumer outside of their generation. Being able to correctly market this will be crucial in our repositioning.

### Questionnaire

1. To which gender do you most identify with?
  - a. Male
  - b. Female
  - c. Other
2. How old are you?
  - a. Between 54 - 59 years old
  - b. Between 60 - 65 years old
  - c. Between 66 - 72 years old
3. Please specify your ethnicity.
  - a. Asian
  - b. African American
  - c. Native Hawaiian or other Pacific Islander
  - d. White
  - e. Other
  - f. Prefer not to answer
4. What is your marital status?
  - a. Single (never married)
  - b. Married or in a domestic partnership
  - c. Divorced
  - d. Separated
  - e. Other
  - f. Prefer not to answer
5. What is the highest degree or level of school you have completed?
  - a. Less than a high school diploma
  - b. High school degree or equivalent ( e.g GED)
  - c. Some college, no degree
  - d. Associate degree (e.g. AA, AS)
  - e. Bachelor's degree (e.g BA, BS)
  - f. Master's Degree (e.g. MA, MS, MEd)
  - g. Professional degree (e.g. MD, DDS, DVM)
  - h. Doctorate (e.g. PhD, EdD)
  - i. Prefer not to answer
6. What is your current employment status?
  - a. Employed full time (40 or more hours per week)
  - b. Employed part time (up to 39 hours per week)
  - c. Unemployed and currently looking for work
  - d. Unemployed and not currently looking for work
  - e. Student
  - f. Retired

- g. Homemaker
  - h. Self-employed
  - i. Unable to work
  - j. Prefer not to answer
7. What is your household income?
    - a. Less than \$20,000
    - b. \$20,000 to \$34,999
    - c. \$35,000 to \$49,999
    - d. \$50,000 to \$74,999
    - e. \$75,000 to \$99,999
    - f. Over \$100,000
    - g. Prefer not to answer
  8. Where would you consider your living situation?
    - a. Rural
    - b. Suburb
    - c. City
  9. Which best describes where you currently live?
    - a. Apartment
    - b. House
    - c. Condo
    - d. Dorm
    - e. Other
  10. Which of the following are applicable to your living situation?
    - a. I live alone.
    - b. I live with my spouse or partner.
    - c. I live with parents(s), relative(s), or guardian(s).
    - d. I live with a husband/wife/domestic partner/significant other.
    - e. I live with my child/children.
  11. Have you heard of Amazon Go before?
    - a. Yes
    - b. No
  12. What is the most inconvenient part of going to the grocery store?
    - a. Not knowing where items are
    - b. Check out lines
    - c. The crowds
    - d. The prices
    - e. Other
  13. Would you like to walk into a store and grab what you like and leave without waiting in lines?
    - a. Yes
    - b. No
  14. Do you like ready to go meals?
    - a. Yes
    - b. No
  15. Would you utilize a meal kit that you can bring home and cook in under 30 mins?
    - a. Yes
    - b. No
  16. Do you like fresh healthy meals on the go?
    - a. Yes
    - b. No
  17. Do you like a more modern grocery store?
    - a. Yes
    - b. No
  18. Do you own an apple or Android phone?
    - a. Yes
    - b. No
  19. How do you purchase your food?
    - a. Price
    - b. Looks
    - c. Convenient
    - d. Other
  20. Do you like shopping at a convenience store?
    - a. Yes
    - b. No
  21. Do you like fast and easy shopping?
    - a. Yes
    - b. No
  22. How many people do you buy groceries for?
    - a. 1
    - b. 2
    - c. 3
    - d. 4+

23. Would you utilize the vegan and paleo options?
  - a. Yes
  - b. No
24. Do you like shopping with your own eco friendly bag?
  - a. Yes
  - b. No
25. Do you like experiences well you shop?
  - a. Yes
  - b. No
26. Do you rather go out and eat or cook at home?
  - a. Go out
  - b. Cook at home
27. How many meals do you eat on average a day?
  - a. 1
  - b. 2
  - c. 3
  - d. 4+
28. How many times a week do you go to the grocery store?
  - a. 0
  - b. 1
  - c. 2
  - d. 3+
29. Do you keep up with modern technology? (open ended?)
  - a. Yes
  - b. No
  - c. Sometimes
30. Do you usually pay with Credit/Debit card or cash?
  - a. Credit/Debit Card
  - b. Cash
31. Would you shop somewhere where there is no human interaction at checkout?
  - a. Yes
  - b. No
32. Do you frequently use Amazon products?
  - a. Yes
  - b. No
33. Do you know how to download apps?
  - a. Yes
  - b. No
34. Do you take advantage of special offerings?
  - a. Yes
  - b. No
35. How do you prefer to get your news?
  - a. Tv
  - b. Newspaper
  - c. Apps
  - d. Facebook
  - e. other
36. Do you use coupons?
  - a. Yes
  - b. No
37. Where do you get your coupons from?
  - a. Online
  - b. Newspaper
  - c. Email
  - d. Mail
  - e. Other
  - f. Don't use coupons
38. Is the length of time spent shopping for groceries important to you?
  - a. Yes
  - b. No
39. Have you ever used Amazon?
  - a. Yes
  - b. No
40. Is it easy for you to understand new technology(i.e. Smartphones, tablets)?
  - a. Yes
  - b. No
  - c. Sometimes

### **Phase Three: Final Report**

#### **Re-positioning Statement:**

Amazon Go is currently marketing to those of all ages a fast, easy and innovative way to grocery shop. After repositioning, Amazon Go will be able to direct their marketing efforts towards the Baby Boomer Generation by showcasing its efficiency, ease of use and modern innovation.

For our product strategy we are hoping to create an efficient name for Amazon Go by testing the waters with the first store in Seattle, Washington. From the survey, we received data about what Baby Boomers think and know currently about our brand, Amazon Go. After analyzing the data we learned that a major problem is brand awareness. Over 50% of the people who took the survey had never even heard of it before. More and more Baby Boomers are utilizing social media, specifically Facebook with the large majority of our survey results came from Baby Boomers on Facebook. In addition, from our research we have found that 91,2% of those survey keep up with modern technology which can indicate they they will be up to date on trends. Because of this, we believe AmazonGo should be pushed harder on social media, specifically Facebook, with videos and partnerships with Facebook pages. By utilizing Facebook for videos and partnerships, a larger amount of Baby Boomers can be reached, and the word will be spread faster than other methods such as print or radio. In the videos, actors can be Baby boomers instead of the typical millennial, which will allow those from the ages of 54-72 to visualize themselves at Amazon Go. In addition, testimonies from Baby Boomers who have used the Amazon Go store can be added so that any concerns or fears Baby Boomers may have from switching to Amazon Go may have.

After seeing the feedback from the survey we were able to see what consumers dislike most about grocery shopping and compare it to Amazon Go's services. The number one complaint from almost 50% of people were the check out lines. This is a major plus for us. Amazon Go provides a convenient and check-out line free experience. We can use this to our advantage while trying to advertise to Baby Boomers. This will increase interest by a landslide. One thing that we noticed from the survey that is a challenge, is the fact that over 80% said that they would not be comfortable if they were given the option to pay with an app on their mobile device. This is a major feature that Amazon Go produces. This means that we will have to figure out a way to show consumers that this is a quicker, more convenient, and efficient way to shop. I understand that in today's society hackers are a major issue that could have to do with consumers being hesitant. This means that through marketing we must prove to consumers that we carry the same level of security on our website, Amazon, that we will provide them if they were to become an Amazon Go shopper.

Another finding that was discovered for our product strategy was introducing the idea of meal kits that consumers can make at home in under 30 minutes. For the most part the data showed that  $\frac{2}{3}$  said they would be open to the idea. This means that through marketing we could provide test samples to a focus group and follow up with questions about their experience. After the focus group we can retain that data and conduct advertisements that show real consumers opinions to that people could see whether or not they would try it out themselves. This would also introduce our packaging. We decided that the best idea would to keep everything consistent with the way our website ships items. Obviously not in the context of packaging everything in cardboard boxes, but being consistent with the logo, and colors. We thought that keeping it



modern would also be a good idea, environmentally friendly, clear packaging, and not too bulky. This will not only show consumers that Amazon Go cares about the environment, but we want to show off our products as “cool and modern”.

For pricing we had to be not only realistic, but logical as well. Amazon recently bought Whole Foods, and we all know that is not a “cheap” grocery store. With quality comes a price. We decided to maintain the same price that Whole Foods currently offers. At this time we are not sure exactly how consumers react, but we hope to gain information from consumer traffic in stores as we continue to open across the country. When it comes to competitors like Aldi and Walmart, they may carry lower prices, but we are providing consumers with a smoother and quicker shopping experience. This is another reason why our prices may come off as high to consumers, but they must understand what “more” that they are getting out of it in the end. In the beginning we anticipate that there might be some complaints in regard to price, but once consumers cook with our products, realize how “on-the-go” it is, and see how much easier grocery shopping can be we are confident that Amazon Go will become one of the leading competitors in the industry.

We will create awareness with the consumer by focusing on the quality, high standard of the product and the time customers will be saving. We will do this by creating more marketing campaigns around the no lines and human interactions around the store. Also partnering with popular facebook pages and pay to boost advertising post on Amazon Go onto Baby Boomer pages. As mentioned before, we want to develop new advertisements with an updated approach that appeals to the Baby Boomer generation. Using promotions are important in this because we want to engage with our market and make sure we get as many as possible to shop at Amazon

Go. Our advertising objectives is to get awareness to the Baby Boomer generations and get as much attention to our company. The general substance of our message is to get Baby Boomers to know the quality and worth of our product and how it's not just for millennials and easy to learn.

The marketing materials used by Amazon Go currently are lacking appeal to the proposed target market. Because of this we designed an updated style of advertisement to appeal to Baby Boomers. We found that using an older actor in the image used and advertising the no wait time. We choose the tagline "No Lines. No problem." because when we did our survey we asked "What is the most inconvenient part of going to the grocery store?" and waiting in lines received 48.9% of the votes. We will be advertising this on facebook because many Baby Boomers are on facebook and our known for spending more time on facebook than any other social channel. We will not be using a personally selling program because we believe social media marketing will be enough.

**Examples of Advertisements:**



## Appendix

PowerPoint Presentation:

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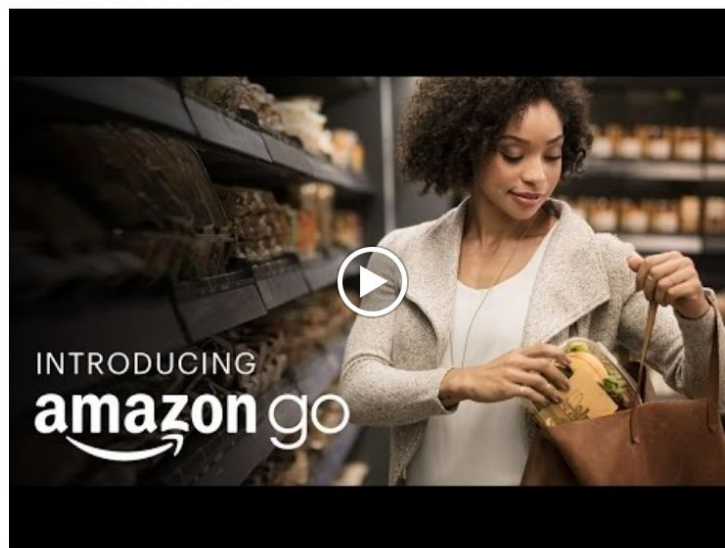
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# Amazon Go: Marketing to Baby Boomers

— Maura McCabe, Beth Hrymak, —  
and Stephanie Khoury

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## What is Amazon Go?



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## Executive Summary

**Problem:** Amazon Go is being positioned towards millennials, completely disregarding the Baby Boomer Generation and losing out on a big portion of the market.

**Method:** Survey to collect data

**Proposed Target Market:** Baby Boomers (Ages 54 - 72)

**Findings:** Many barriers to overcome

**Recommendations:** Utilize social media, expand to more cities and eventually suburbs

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## SWOT

<b><u>STRENGTHS</u></b> <ul style="list-style-type: none"><li>• Innovative - forward thinking</li><li>• Convenient</li></ul>	<b><u>WEAKNESSES</u></b> <ul style="list-style-type: none"><li>• Intimidation/unfamiliarity</li><li>• Location</li></ul>
<b><u>OPPORTUNITIES</u></b> <ul style="list-style-type: none"><li>• Expansion</li><li>• Partnerships</li></ul>	<b><u>THREATS</u></b> <ul style="list-style-type: none"><li>• Standard grocery stores</li><li>• Technology issues</li></ul>

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## Product Positioning Statement

Amazon Go is currently marketing to millennials a fast, easy and innovative way to grocery shop. After repositioning, Amazon Go will be able to direct their marketing efforts towards the Baby Boomer Generation by showcasing its efficiency, ease of use and modern innovation.

## Target Segment

### Current Target Market:

- Millennials in Seattle
- On the go
- Busy people with a high standards

### Target Market after Repositioning:

- Baby Boomers- 54-72 years old
- Live in suburbs
- Largest generational birth in U.S. history-nearly 76.5 million in total
- According to a Google study, 78% of Boomers were online by 2013.

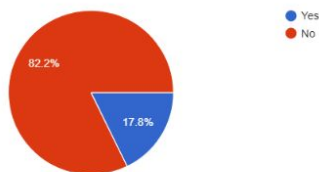


## Analysis of Consumer Behavior Issues

- Baby Boomers not knowing what Amazon Go is (58% out of 45)
- Wouldn't like to pay through an app
- Didn't like no human interactions at checkout
- We used facebook to market our survey and got all out responses from that.

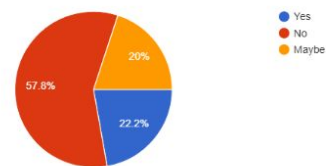
If given the option, would you choose to pay for groceries through an app on your cell phone over using a credit/debit card or cash?

45 responses



Based solely on the checkout process, would you prefer to shop somewhere where there is no human interaction at checkout over the standard clerk checkout?

45 responses



## Strategic Marketing Mix Recommendations #1

### Promotion - Social Media

- Utilize Facebook to market product
  - Allows people to connect and collaborate while keeping up with current trends
  - Major source of news - by creating advertisements and promotions on Facebook it will have a strong reach
  - Partner with popular Facebook pages such as Insider
    - Debuts new and innovative ideas
  - Can overcome problems mentioned - show videos of ease of use and advantages

## Strategic Marketing Mix Recommendations #2

### Promotion - Video

- Develop video content with Baby Boomers included
    - Allows for intended audience to visualize themselves shopping there
  - Have user videos that can attest to advantages of Amazon Go
    - Use this as an opportunity to counteract potential concerns of Baby Boomers
- 

## Strategic Marketing Mix Recommendations #3

### Place

- Would be beneficial to open stores in major cities first
    - High exposure
    - Increase in word-of-mouth marketing due to high volumes
  - Expand to suburbs later
    - 91.1% of those surveyed were from suburbs or rural areas
-



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## Conclusion

- Ultimately, our goal is to try and jumpstart Amazon Go and show consumers that this is the future of grocery shopping.
  - The biggest complaint we got from our survey was the wait at check out.
  - We can promise that by expanding Amazon Go that we will not only create a better shopping experience, but we will also start a trend for the rest of the grocery store industry to follow.
  - After analyzing the data from the survey, it seems that Baby Boomers are just looking for a dependable grocery store that can meet their needs in quality, efficiency, and convenience. Our team is confident that Amazon Go will fulfill all consumer needs.
-

## Questionnaire Data from Survey:

Each question is listed with the available responses below them. The number in the parenthesis indicates the frequency received for each answer. We decided to do 20 out of the original 40 questions because we wanted to get the most participants and ask the most important questions to gather our research.

- 1) What gender do you most identify with?
  - a) Male (31.1%)
  - b) Female (68.9%)
- 2) How old are you?
  - a) Between 54 and 59 years old (66.7%)
  - b) Between 60 and 65 years old (22.2%)
  - c) Between 66 and 72 years old (11.1%)
- 3) What is your marital status?
  - a) Single (8.9%)
  - b) Divorced (13.3%)
  - c) Separated (2.2%)
  - d) Married (73.3%)
  - e) Prefer not to say (2.2%)
- 4) Where would you consider your living situation?
  - a) Rural (15.6%)
  - b) Suburb (75.6%)
  - c) City (8.9%)
- 5) Which of the following are applicable to your living situation?
  - a) I live alone (20%)
  - b) I live with my spouse or partner (75.6%)
  - c) I live with parent(s), relative(s) or guardian(s) (0 %)
  - d) I live with my children (4.4%)
- 6) Have you heard of Amazon Go before?
  - a) Yes (42.4%)
  - b) No (57.8%)
- 7) What is the most inconvenient part of going to the grocery store?
  - a) Not knowing where items are (24.4%)
  - b) Check out lines (48.9%)
  - c) The crowds (20%)
  - d) Paying (2.2%)
  - e) The hassle (2.2%)

- f) Planning my list (2.2%)
- 8) Do you like shopping with your own eco-friendly bag?
  - a) Yes (37.8%)
  - b) No (62.2%)
- 9) How many times a week do you go to the grocery store?
  - a) 0 times (6.7%)
  - b) 1 time (40%)
  - c) 2 times (40%)
  - d) 3+ times (13.3%)
- 10) Do you keep up with modern technology?
  - a) Yes (55.6%)
  - b) No (8.9%)
  - c) Sometimes (35.6%)
- 11) Do you usually pay with a credit/debit card or cash?
  - a) Credit/debit card (86.7%)
  - b) Cash (13.3%)
- 12) Would you rather go out to eat or cook at home?
  - a) Go out to eat (53.5%)
  - b) Cook at home (46.7%)
- 13) If given the option, would you choose to pay for groceries through an app on your cell phone over using a credit/debit card or cash?
  - a) Yes (17.8%)
  - b) No (82.2%)
- 14) On average, how long do you wait in a checkout line at the grocery store?
  - a) Less than a minute (0%)
  - b) More than 1 minute and less than 3 minutes (44.4%)
  - c) More than 3 minutes and less than 5 minutes (35.6%)
  - d) More than 5 minutes (20%)
- 15) Based solely on the checkout process, would you prefer to shop somewhere where there is no human interaction at checkout over the standard clerk checkout?
  - a) Yes (22.2%)
  - b) No (57.8%)
  - c) Maybe (20%)
- 16) Would you utilize a meal kit that could be prepared in under 30 minutes?
  - a) Yes (37.8%)

- b) No (26.7%)
- c) Maybe (35.6%)

17) Do you own an Apple iPhone or Android phone?

- a) Yes (93.3%)
- b) No (6.7%)

18) Is the length of time spent shopping important to you?

- a) Yes (57.8%)
- b) No (42.4%)

19) Have you ever used Amazon?

- a) Yes (95.6%)
- b) No (3.4%)

20) Is it easy for you to understand new technology (i.e. Smartphones, tablets)?

- a) Yes (77.8%)
- b) No (22.2%)

## **References**

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