



## IN THE MEDIA

A photograph of an Amazon building facade with the Amazon logo and the word "amazon" in large letters. The image is partially obscured by a dark grey diagonal overlay and an orange diagonal graphic element.

# Amazon officially launches in Australia, Kiwis yet to benefit

Retail giant Amazon has officially launched in Australia but it appears Kiwis can't yet use the new online offering.

Kiwis can sign up to the local site, browse and add orders to the checkout cart, but entering a New Zealand delivery address makes an error message pop up.

"Sorry, this item can't be shipped to your selected address," the message reads. "You may either change the shipping address or delete the item from your order. You can also see if this is available to ship to your address from another seller."

Further information states: "Amazon may be restricted from shipping to your country due to government import/export requirements."

It is unclear whether this is a teething problem or a set restriction.

First Retail Group managing director Chris Wilkinson said the "soft" launch was as expected.

"The fact that they are not yet shipping to New Zealand is understandable," Wilkinson said.

"The initial focus will be to establish reliability domestically, ensuring products reach their destinations when promised and consumers enjoy a shopping experience that is reliable.

"This is especially important as products will be coming from third-party suppliers - and delivery partners will take some time to bed Amazon's processes into their workflow and network."

The screenshot shows the Amazon.com checkout process. At the top, there are navigation links for 'HOME', 'SHIPPING & PAYMENT', 'GIFT OPTIONS', and 'PLACE ORDER'. Below this is a section titled 'Choose where to ship each item' with a prompt 'Forget someone? Enter a new shipping address'. A prominent yellow error message box states: 'Important Message: There was a problem with some of the items in your order (see below for more information): Women's Winter Soft Knitted Beanie Hat with Faux Fur Pom Pom, Ginger'. Below the error, a table lists the item details:

Type/Item/Price	Qty.	Send to:
Women's Winter Soft Knitted Beanie Hat with Faux Fur Pom Pom, Ginger \$8.99 - In stock. Usually ships within 4 to 5 days. Condition: New Sold by: Qin Jiangheng	1	Aimee Shaw, 2 Graham Street, Auckland

Below the table, a message reads: 'Sorry, this item can't be shipped to your selected address. Learn more. You may either change the shipping address or delete the item from your order. You can also see if this item is available to ship to your address from another seller.' There are 'Update' and 'Continue' buttons. At the bottom, there is a 'Please note' section and a footer with 'Conditions of Use | Privacy Notice | © 1996-2017, Amazon.com, Inc.'

There was a good mix of both global and local brands on Amazon including Kathmandu, Bond's and Lorna Jane, Wilkinson said.

"Interestingly there are no dramatic pricing advantages obvious, so the pitch primarily seems around convenience and range at this early stage. The novelty of this new channel in itself will attract interest and result in sales conversion."

Retail technology developer Cin7 founder Danny Ing said Kiwi brick-and-mortar retailers may not feel the pressure from Amazon until Christmas next year, giving them time to adapt and become an omnichannel offering.

"A brick-and-mortar retailer needs to be connected to the wider market with their e-commerce site and Amazon Marketplace - if they're going to use it, and then connect those to your physical stores," he said.

"If you don't automate your supply chain, you're stuck with processes that require more human intervention, and the more intervention you need, the less scalable you'll be."

Looking ahead to the new year, Amazon expert and e-commerce adviser Hamish Conway said the launch was good news for Kiwi shoppers and sellers.

"Amazon's approach was to find well-known brands with broad-skew range so that they could fulfil their catalogue as quickly as possible, but in many categories there is

limited options at the moment," he said.

Making product available to New Zealanders was likely a matter of making some simple back-end setting changes, Conway said.

"It's day one, they're keeping it simple, trying to deliver to Australia - that's their number one priority and New Zealand will be on the agenda.

"I expect that to be sorted within days, if not weeks."

