

# Stolen goods on Amazon? Shoppers won't care, experts say

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This Dec. 11, 2018 file photo shows an Amazon package containing a GPS tracker on the porch of a Jersey City, N.J. residence after its delivery. News of an alleged Amazon theft ring involving contract delivery drivers is unlikely to make a dent in the online shopping giant's massive business. But it may make people more wary of letting deliveries into their house when they aren't there—a nascent project from both Amazon and Walmart. (AP Photo/Robert Bumsted)

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## WHAT HAPPENED WITH AMAZON?

The theft ring, according to an FBI search warrant affidavit, involved Amazon contract drivers stealing items that were being shipped to customers or returns. Then they resold them to pawn shops, which shipped the items to Amazon warehouses and resold them on Amazon's sites using the sellers "Bestforyouall" or "Freeshipforyou." No charges have been filed yet.

## WILL PEOPLE STOP SHOPPING AT AMAZON?

Regular customers probably won't stop buying from Amazon. People still use Amazon even after having their packages stolen by "porch pirates," even though that is a big problem .

"It's almost an inevitability that people will use the site to dispose of ill-gotten gains," said Neil Saunders, managing director of GlobalData Retail. "Amazon is the largest marketplace; it's going to have the biggest problem."

But the thefts could alter shoppers' behavior in other ways. Negative press could tank retailer services that might seem intrusive, such as ones that deliver packages directly into your house, said Jon Reily, a former Amazon executive now at the digital consultancy firm Publicis Sapient.

Those in-home delivery services have already raised touchy questions about privacy. Reily said he suspects that they haven't gained much traction, although a separate Amazon service that makes deliveries to people's cars seems more popular. "It'll be interesting to see how this affects everyone," he said. "Consumer confidence is a weird animal."

The news could also boost interest in options that let people pick up their packages at stores rather than having them delivered, a service that has become more seamless in the last few years, Saunders said.

But overall, it's not likely that shoppers will change their behavior. "Will this affect Amazon? I doubt it. This will be a blip in the news that will quickly be forgotten," said Forrester analyst Sucharita Kodali. "This is what happens on marketplaces."

## WHAT IS AMAZON DOING?

Amazon said in a statement that it does not tolerate fraud and it prohibits inauthentic or stolen goods from being offered in its store. It says it takes action

when sellers do not comply. The company and other online marketplaces have long had problems with fake goods such as imitation Birkenstock shoes or Apple accessories. Amazon said it spent more than \$400 million in 2018 fighting counterfeit products, fraud and other forms of abuse.

Kodali said Amazon could have more stringent seller and merchandise standards, but that's unlikely because the company makes money from its successful third-party sellers—other companies that sell products through Amazon's site.

Still, the company could face [legal issues](#) if it knowingly allowed sales of stolen goods on its site, Saunders said.

If a third-party seller has its packages stolen on the way to a shopper, it's not clear who has to pay to reimburse the customer. Amazon did not answer the question, but on its website says that customers can request a refund from Amazon if a third-party [seller](#) has not refunded them.

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