# Amazon Is Gaining in Deliveries at the Post Office’s Expense, Analyst Says

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Amazon’s additional market share—and gains in merchandise sales and revenue—will come largely at the expense of the U.S. Postal Service, Blackledge said.

Growth in the volume of parcels delivered by the post office dropped from 21% in 2016 to 6% in 2018. There was a 5% year-over-year decline in the first quarter of 2019, according to post-office figures the analyst cited.

The decline comes as Amazon ramps up some of its faster shipping programs and shifts to other options for last-mile deliveries. Blackledge estimates that the share of Amazon’s last-mile deliveries handled by the postal service will drop from about 54% in 2018 to about 35% in 2024. His previous estimate was for a share of 45% in 2024.

The postal service didn’t immediately respond to a request for comment.

Other players, such as DHL International, and Amazon affiliates including its Uber-like in-house program Amazon Flex, and its Delivery Service Partner program, are picking up that market share.

Cowen estimates that these other distributors combined will account for 23% of Amazon’s delivery volume in 2019. The total will rise to 43% by 2024, Cowen predicted.

Blackledge maintained a Outperform rating on the stock and a price target of $2,500.

Amazon stock was up 0.8% to $1968 on Tuesday morning.