Team ID: U11

## **Dionysian Consulting**

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**Topic Title:** Reimagining the Delivery Experience: Taking Off with Amazon's Drones

**Audience:** Amazon Board of Directors

## **Sustainable Development Goals**

<u>SDG #9: Industry, Innovation, and Infrastructure: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</u>

SDG #12: Responsible consumption and production: Ensure sustainable consumption and production patterns

## **Executive Summary**

In 2013, Jeff Bezos announced a lofty goal on CBS's "60 Minutes": within 5 years, Amazon drones would be zipping through the skies, delivering packages to American households after just 30 minutes of waiting. "Prime Air" promised to revolutionize delivery as we know it, rising above archaic fossil fuel driven delivery methods to embolden the path to a more sustainable future. After nearly a decade of development, Amazon drone delivery has finally been unveiled in two cities: Lockeford, California and College Station, Texas. Additionally, the company has set a target on delivering at least 1 million packages by drone by 2025. Amazon's ambitions are not without reason; aside from quick deliveries and lower carbon footprint, drones could also be used to increase Amazon's consumer base with deliveries to rural and underdeveloped areas. As with any new technology, there are a multitude of unique disadvantages, and Amazon must navigate these issues in order to utilize drone delivery technology to its fullest.

Amazon's strategy to upgrade its package delivery service by employing drones presents a considerable opportunity. However, if executed poorly, this endeavor could lead to substantial losses for the company. This is particularly true if Amazon replicates the small-scale drone deployment models carried out in Lockeford and College Station in larger cities; not only is drone delivery in its current state more costly than traditional delivery, the displacement of human delivery drivers and the increase in drone crashes may undermine consumer and investor trust. Additionally, the environmental impact of drones will vary on a case-by-case basis, and Amazon has a duty to ensure it's not investing into delivery alternatives that would contribute further to its carbon footprint. Amazon must re-evaluate its drone technology and deployment strategies; by taking measures to address these issues and adopting sustainable production patterns, Amazon can achieve its objective of sustainable, profitable drone delivery while simultaneously fostering consumer and investor trust.