

And let's face it, fashion and apparel margins and sales are thin and thinning out, and could present a tough market for Amazon to break into. Competitive pressures on in-line apparel retailers have been building for at least a decade. Younger apparel consumers have demonstrated less interest in traditional department store fashion offerings, and shifted more toward 'fast fashion' and off-price retailers.



Retail real estate brokers operate in dual worlds when it comes to shopping. They are both consumers of merchandise online and brick and mortar sales people. As such, their take on Amazon is interesting.

Going into fashion is nothing new to Amazon, said Soozan Baxter, principal of Soozan Baxter Consulting, a New York-based, landlord-focused retail advisory firm. "They own Shopbop and Zappos. Shopbop is a phenomenal collection of contemporary brands with a loyal customer, while Zappos is a favorite for anyone who likes to buy shoes online."

However, shopping on Amazon is like being in an online market place without a point of view, she said. The chaotic experience doesn't resonate.

"If they can execute a bricks-and-mortar experience that is more like Shopbop and perhaps even use that name, they will be very successful," Baxter said. "If they execute more retail stores under the name Amazon, do customers get confused: is it the bookstore? Is it a Macy's? Is it an Intermix? Is it a car showroom? Is it a grocery store? The point of view gets confusing."

"The bottom line is that the margins in retail are challenging. As they want to delve further into bricks and mortar, can they create a different experience? Furthermore, Amazon has been richly rewarded by Wall Street without making a 'real profit.' As Amazon morphs into more of an omni-channel player, how will Wall Street respond to them?" Baxter asks.

Jason Polley, managing leasing director of StoneCrest Investments in Germantown, TN, says Amazon clearly has retailers scrambling to evolve and better integrate their brick and mortar stores with their online presence.

"Apparel has always seemed to be an area of retail that requires a brick and mortar presence for the customer to see, touch and try on merchandise before a purchase, as on-line purchases of apparel have a much higher return rate compared to other products sold online," Polley said.

But the problem is not all Amazon.

"Despite Amazon's clear impact, I do believe some apparel retailers have lost touch with their customer base and their core mission to deliver what their customer wants to buy," he added.

Paul Schloss, an associate broker at NAI Horizon in Tucson, also says the onus is on traditional