

# DIGITAL COMMERCE AND THE NEW NORMAL

As early as March, pandemic shoppers rushed to purchase items online. As the country slowly reopens, shoppers are showing an even greater dependence on e-commerce.



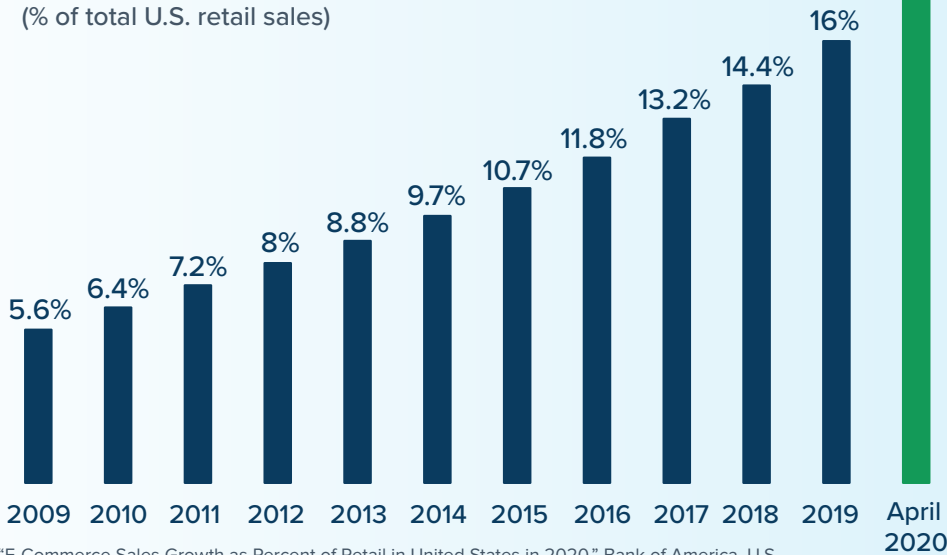
## ACCELERATION OF ONLINE SHOPPING

In March and April 2020, COVID-19 triggered an 11 percentage point surge in U.S. e-commerce sales, reaching 27% of all retail sales at the end of April 2020.

**27%**

### THE RISE OF E-COMMERCE

(% of total U.S. retail sales)



"E-Commerce Sales Growth as Percent of Retail in United States in 2020," Bank of America, U.S. Department of Commerce and ShawSpring Research as reported by GA Agency

### ONLINE SHOPPING TRIPS

**93%**

Increase in online shopping trips<sup>1</sup> compared to prior to the pandemic

<sup>1</sup> Trip increases when COVID-19 began compared to regular shopping trips among shoppers surveyed. "COVID-19 Commerce Snapshot & Shopperscape," Kantar, April 2020

### ONLINE GROCERY SHOPPING

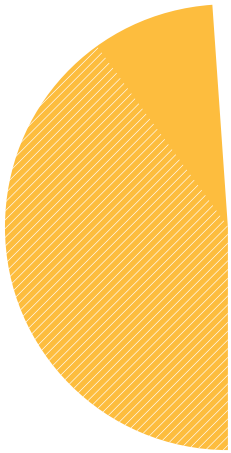
**183%** Increase in online food sales<sup>1</sup>

<sup>1</sup> 1 March 1 to March 25, 2020 compared to the same period last year. "The Coronavirus Will Cause a Lasting Step Change in Grocery Ecommerce," NetElixir as reported by eMarketer, April 2020

# NEW ONLINE CUSTOMERS RETURN

## WALMART

(grocery.walmart.com)



**49%**

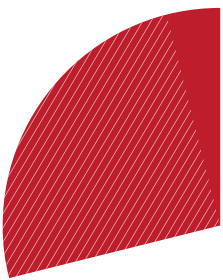
Shoppers who say they are new to retailer's online site

**40%**

Repeat rate

## TARGET

(target.com)



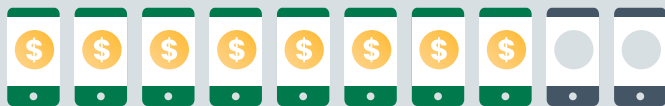
**29%**

Shoppers who say they are new to retailer's online site

**25%**

Repeat rate

Numerator Insights, March 1, 2020 to May 17, 2020; "new" excludes past 12 months shoppers



**8 in 10**

Shoppers who plan to make the same amount or more online food and non-food purchases in the future

Advantage Sales' Analytics, Insights & Intelligence  
May 2020 survey

# PANDEMIC'S EFFECT ON U.S. CHANNEL FORECASTS

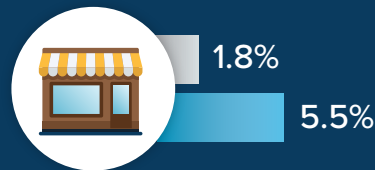
(Projected sales growth for 2020)

Pre-COVID-19 May 2020

## E-COMMERCE



## SUPERMARKETS AND NEIGHBORHOOD STORES



## HYPER AND MASS STORES



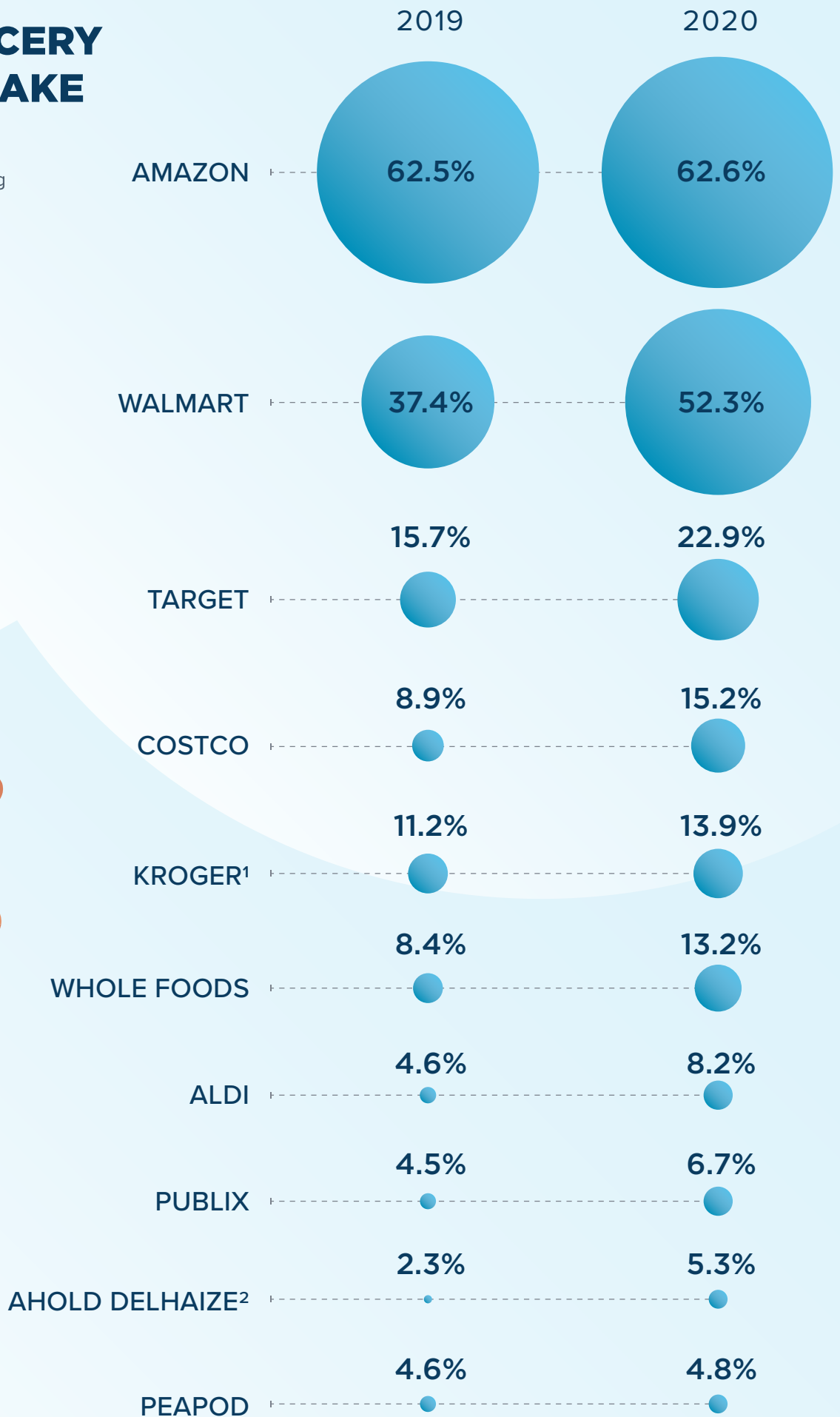
## DISCOUNT STORES



Edge by Ascential channel forecasts  
Data sourced on May 26, 2020

# ONLINE GROCERY SHOPPERS MAKE THEIR PICKS

(% of shoppers surveyed buying from these retailers online)



<sup>1</sup> City Market, Fred Meyer, Harris Teeter, Kroger and Smith's Food & Drug

<sup>2</sup> Food Lion, Giant, Hannaford and Stop & Shop. Expanded list versus 2019, which included Food Lion and Hannaford due to limited online grocery services US internet users aged 18 and over who had purchased groceries online in the past 12 months; Coresight Research as reported by Supermarket News, May 2020

# GROWING CATEGORIES IN THE NEW NORMAL

Key consumer goods category sales have grown exponentially online.

## FASTEST-GROWING CATEGORIES IN E-COMMERCE



**670%**

Disposable gloves



**652%**

Bread machines



**535%**

Cough and cold



**397%**

Soups



**386%**

Dried grains & rice

## FASTEST-DECLINING CATEGORIES IN E-COMMERCE



**-77%**

Luggage & suitcases



**-77%**

Briefcases



**-64%**

Cameras



**-64%**

Men's swimwear



**-63%**

Bridal clothing

March 2019 versus March 2020; Stackline, March 2020

## PANDEMIC SHOPPING BEHAVIORS ARE HERE TO STAY

Pandemic-driven use of pickup and delivery services will continue.

### CLICK-AND-COLLECT WINS WITH SHOPPERS

**60%** Increase in click-and-collect sales, 2019 vs. 2020

**\$58.52 B** Forecasted click-and-collect sales, 2020

**8.2%** Forecasted U.S. e-commerce sales that will be click-and-collect, 2020



### POSITIVE EXPERIENCES WITH CLICK-AND-COLLECT

**82%**

New click-and-collect shoppers who were satisfied with their experience

# GROCERY DELIVERY SERVICES SHAKE UP THE SPACE

Shelter-at-home guidance and health fears have led to a surge in the use of delivery services.

## INCREASE IN U.S. DAILY DOWNLOADS OF GROCERY DELIVERY APPS

(February to March 2020)



Instacart

**218%**



Shipt

**124%**



Walmart Online Grocery

**160%**

Apptopia, March 2020

## INSTACART SHINES AS THE RISING STAR

**300%** Year-over-year customer demand increase

Instacart News, April 2020

**150%** Year-over-year order volume growth

Instacart as reported by Forbes, March 2020

**85%** Households with access to Instacart services

**350** Retailer partnerships

Tech Crunch, June 2020; Instacart, June 2020

## OMNICHANNEL SHOPPING PLANS

Percentage of shoppers surveyed who say they are likely to

### SHOP AT STORE AND BRING HOME

**66%** As pandemic continues

**67%** After pandemic

### SHOP ONLINE, PICKUP CURBSIDE

**62%** As pandemic continues

**69%** After pandemic

### SHOP ONLINE, PICKUP IN STORE

**61%** As pandemic continues

**64%** After pandemic

### SHOP ONLINE, DELIVER TO HOME

**46%** As pandemic continues

**37%** After pandemic

Kantar, April 2020



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DIGITAL COMMERCE