



EMERGING TRENDS

The Opportunity and Impact of Digital Sales Events



DIGITAL SALES EVENTS ABOUT THE REPORT

In the past several years, digital retail sales events have become an increasingly common tactic in driving traffic, growing eCommerce sales and moving inventory. However, as these events grow in prominence, business leaders are wondering whether it is working.

NUMERATOR'S DIGITAL SALES EVENTS report breaks down the impact of these sales events among retail behemoths, Amazon, Walmart and Target, to help retailers and manufacturers discover how they can improve their effectiveness and achieve incremental growth.

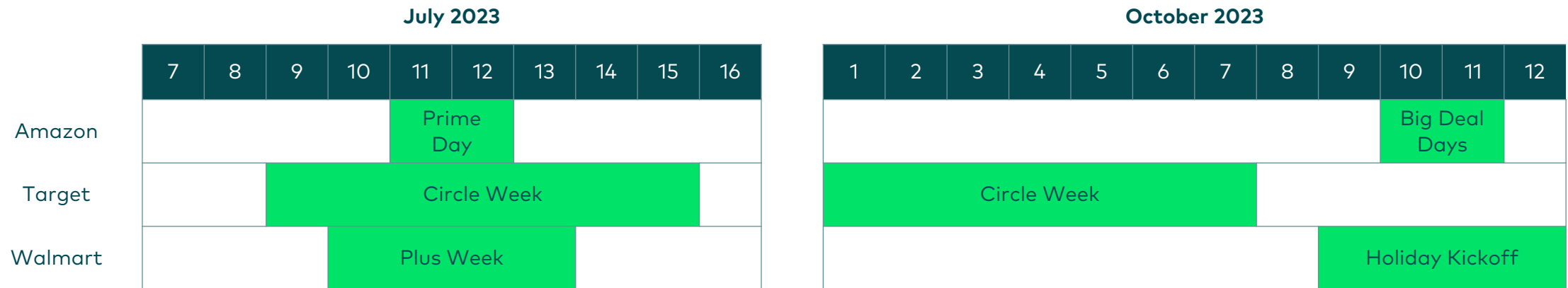
Numerator's omnichannel coverage through both physical and digital collection methods allow business leaders to understand the cross shopping, spending behaviors and attitudes of these retail sales event shoppers all within a single-source panel.



Methodology

Numerator has analyzed six key retail events in the US in July and October 2023:

- Digital sales event occurred at retailer



All insights presented in this report are based on data from the respective dates above, unless otherwise specified.

The analysis leverages a mix of Numerator's Insight panel, TruView and survey to capture a single-source view on consumer purchasing during the core sales events.

Digital sales events have become traffic drivers and have started to outpace traditional ones such as Black Friday.

TOTAL MARKET OMNICHANNEL TRAFFIC DURING EVENT PERIOD

2023 July & October Sales Events vs. Black Friday/Cyber Monday
(7/9 – 7/15/23, 10/8 – 10/14/23 vs. 11/21-11/27/23)

July Sales Event
Amazon, Walmart, Target



11%

More traffic than the average week

October Sales Event
Amazon and Walmart



6%

More traffic than the average week

Black Friday/Cyber Monday



7%

More traffic than the average week

2 in 5 Americans shopped at least one online Sales Event in July.

JULY DIGITAL SALES EVENTS SHOPPER PROFILE

Among Walmart.com, Target.com and Amazon Shoppers Indexed to Total US



40%

of US Households shopped on Amazon, Walmart.com, and / or Target.com during the July sales event.



11%

More likely than the average shopper to be Gen X or Millennial



23%

More likely than the average shopper to have children age 0-5



10%

More likely than the average shopper to be in High Purchase Power Percentile



35%

Higher % of spend online than all shoppers

However, sales event fatigue is mixed, and retailers will need to stay strategic with their planning.

RETAIL SALES EVENTS SENTIMENT

% of Respondents

I wish there was more of these events throughout the year

33%



There are too many events to keep track of

35%

There are the right number of events

32%



Three considerations for digital sales events.



PRIME TIMING

Many retailers think that adjusting the timing of their sales events around Prime Day could be advantageous.

However, do retailers actually benefit from moving sales events outside of Prime Days?

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INCREMENTALITY OF OCTOBER EVENTS

With the launch of Prime Big Deal Days, Amazon has established a new pre-holiday sales period that has become increasingly common.

Do October sales events drive additional traffic, or do they simply shift holiday shopping earlier?

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THE SALE HALO

Previously, online sales predominantly favored durable goods, but with evolving shipping logistics, CPG manufacturers are entering the scene.

What opportunities do retail sales events offer CPG brands as growth accelerators?

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Prime Timing

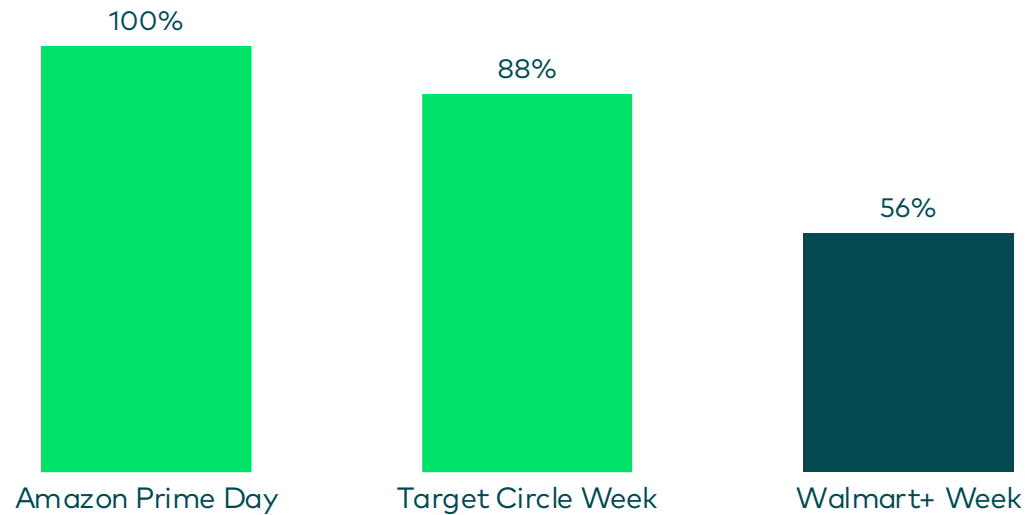


Shoppers who are aware are shoppers who buy.



JULY EVENT AWARENESS

Fielded Week After July Events to Verified Online Shoppers of Each Retailer



eCommerce Penetration Lift
During Event vs Non-Event¹

191

126

106

Source: Numerator | Prime Day 2023, Circle Week 2023, and Walmart Plus Week 2023 Surveys | n=207, 205, 206

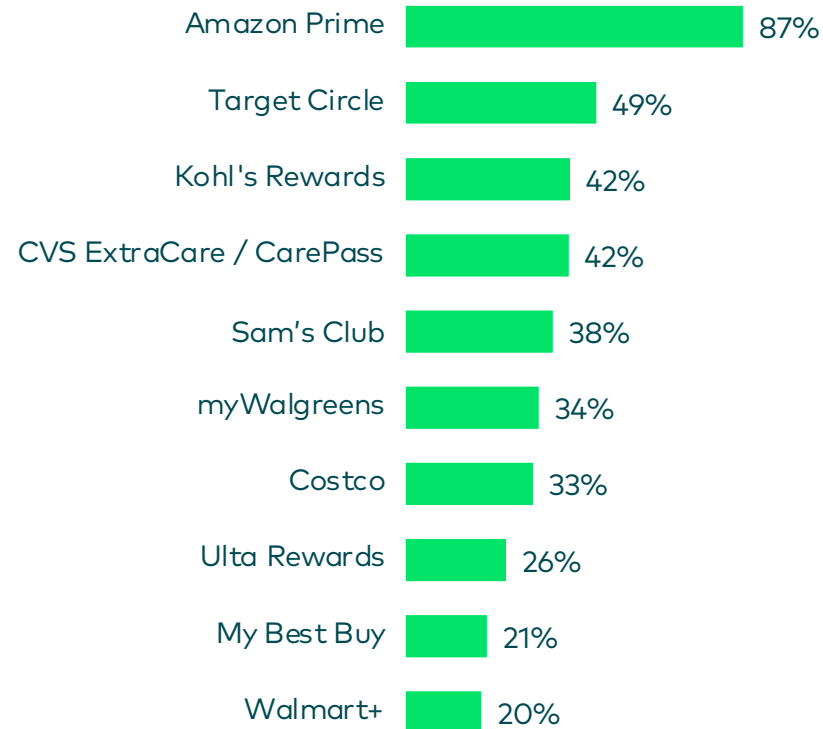
Q. Are you aware that the [retailer event] sale took place last week?

¹Non-Event Time Period = average digital traffic during same days of month as Sales Events during Jan-June, Aug-Sept.

Many shoppers have multiple memberships and will compare prices.

RETAILER MEMBERSHIPS

% of 2023 Prime Day Shoppers | Showing Top 10 Programs



AMAZON PRIME DAY CROSS-SHOPPING

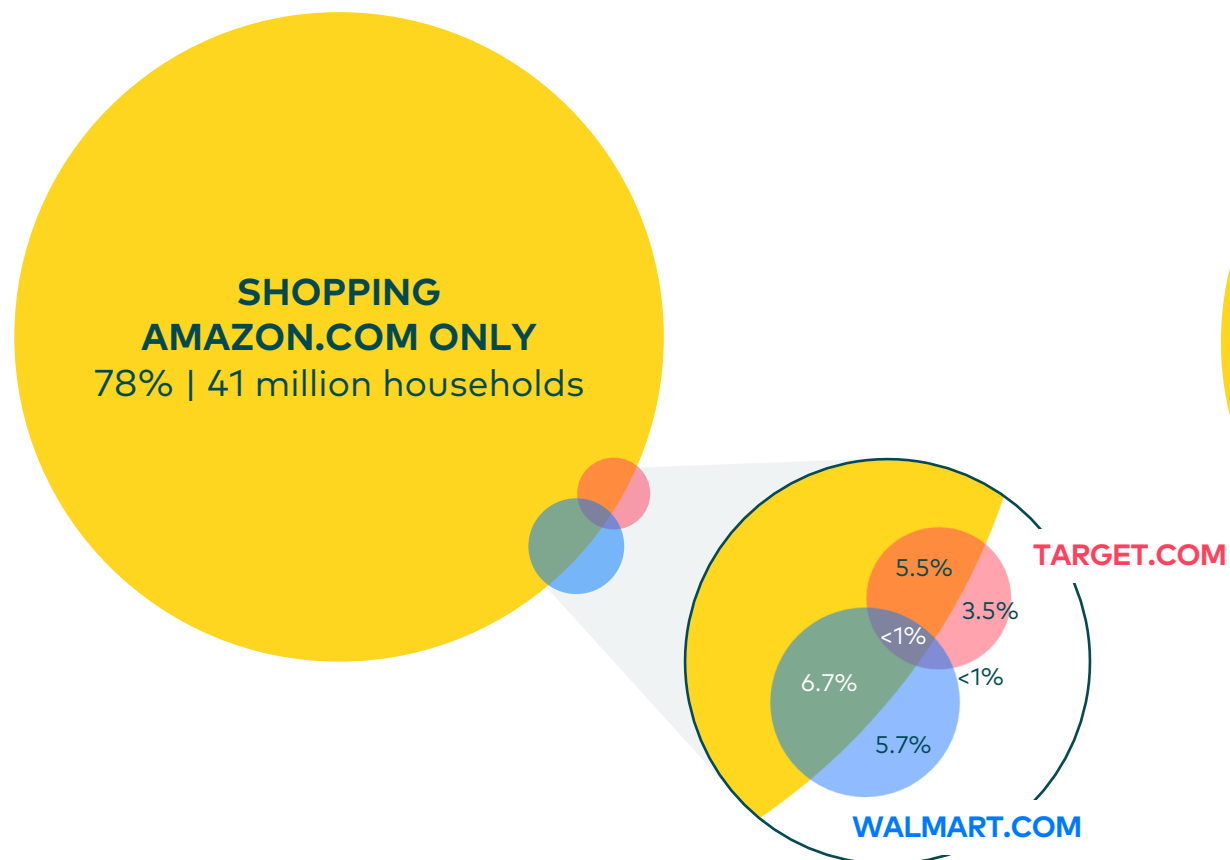
% of Respondents



Despite comparing prices, shoppers make majority of their purchases on Amazon.

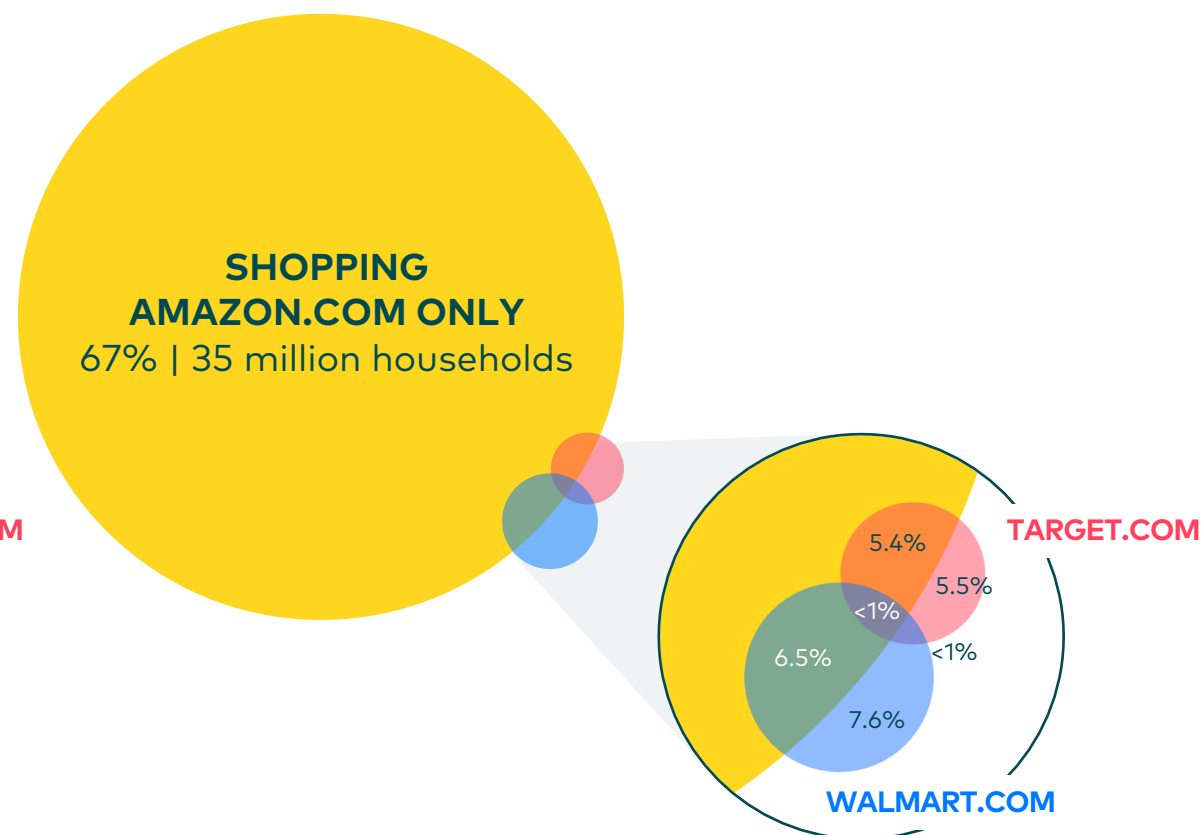
JULY 2023 DIGITAL EVENT CROSS-SHOPPING

% of Amazon, Walmart.com, and/or Target.com Shoppers Who Shopped During July 2023 Sales



OCTOBER 2023 DIGITAL EVENT CROSS-SHOPPING

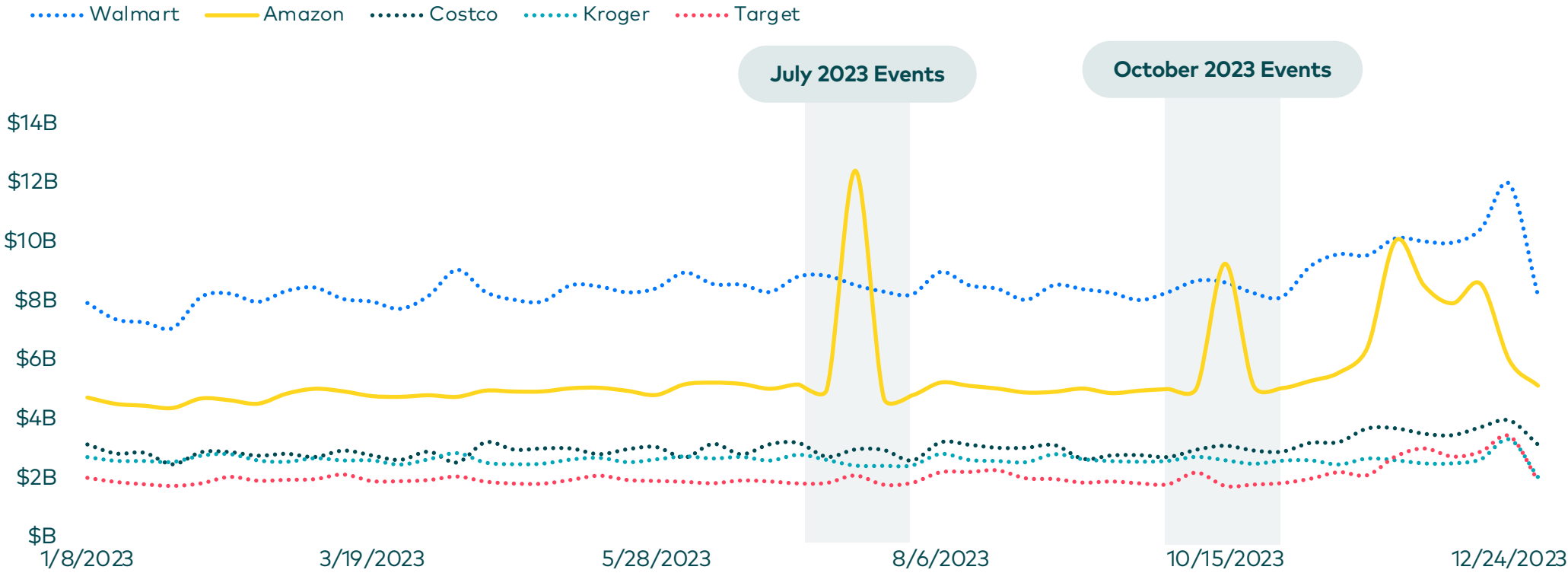
% of Amazon, Walmart.com, and/or Target.com Shoppers Who Shopped During October 2023 Sales



Leading to Amazon standing alone as the primary driver of shopping lifts.

PROJECTED OMNICHANNEL WEEKLY SALES

Full Year 2023 Week Ending



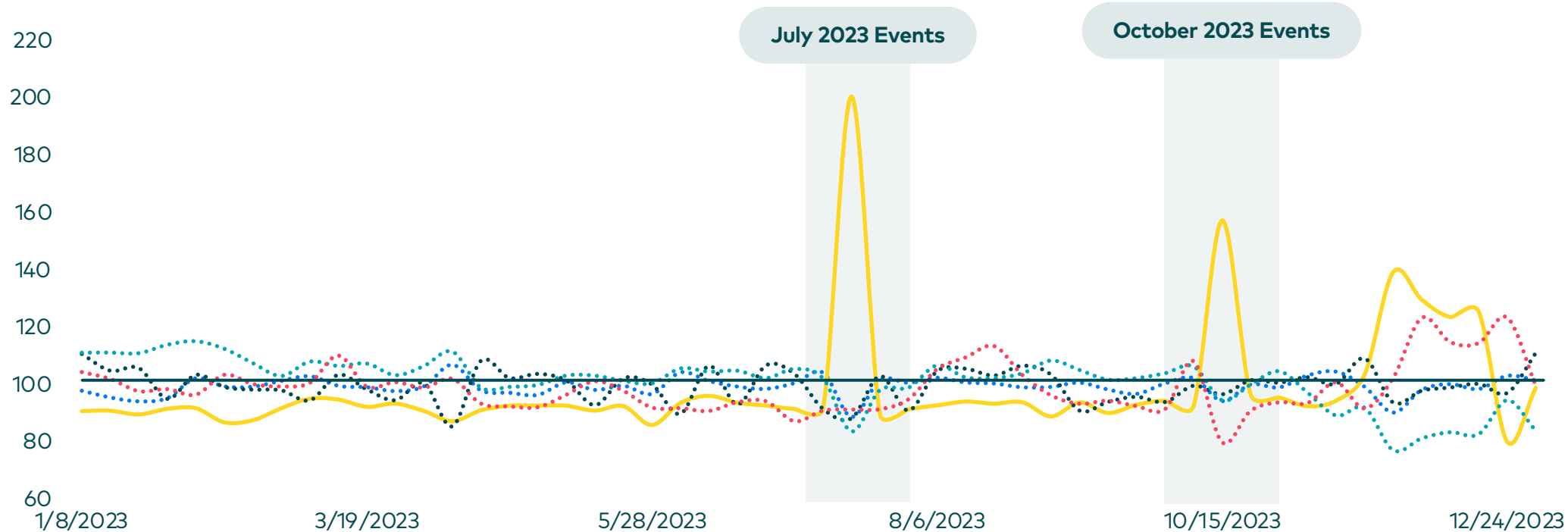
Source: Numerator

Amazon's digital traffic gains during July and October generate large share bumps, impacting the top omnichannel competitors.

OMNICHANNEL WEEKLY MARKET SHARE LIFT INDEXED TO 2023 AVERAGE SHARE

Full Year 2023 Week Ending

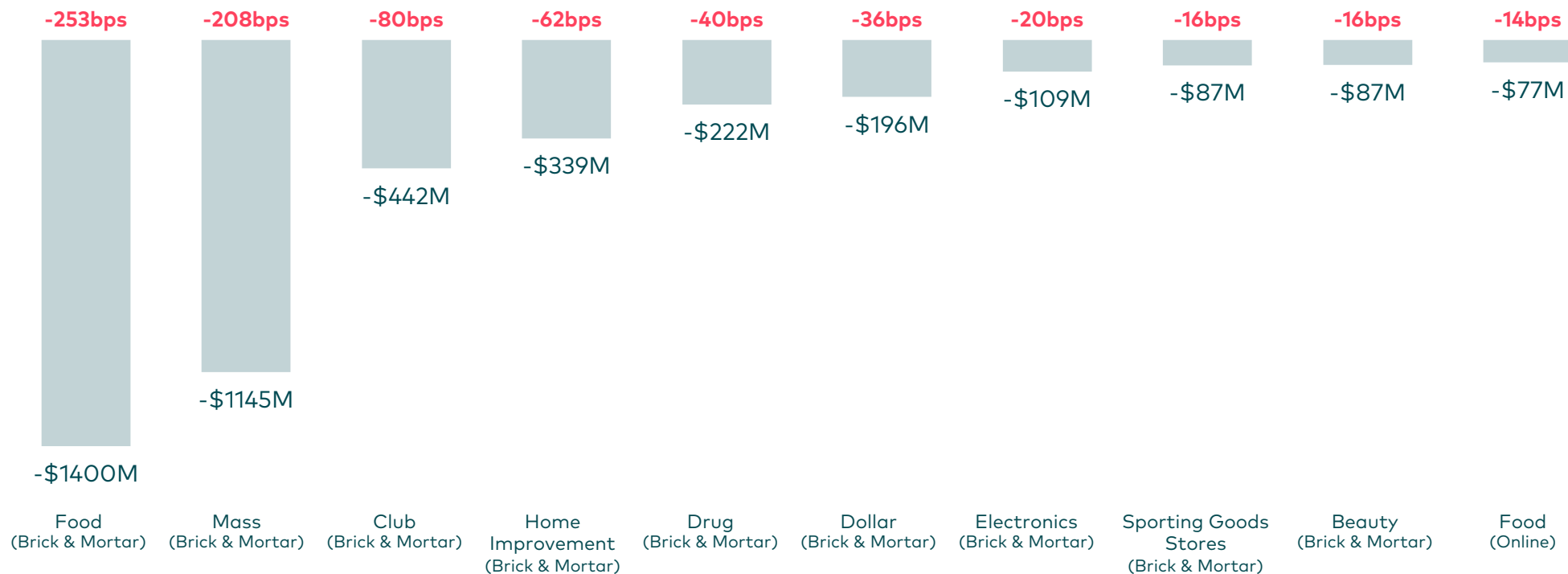
Walmart Amazon Costco Kroger Target



Brands and retailers need to have strategies in place to prevent costly share losses.

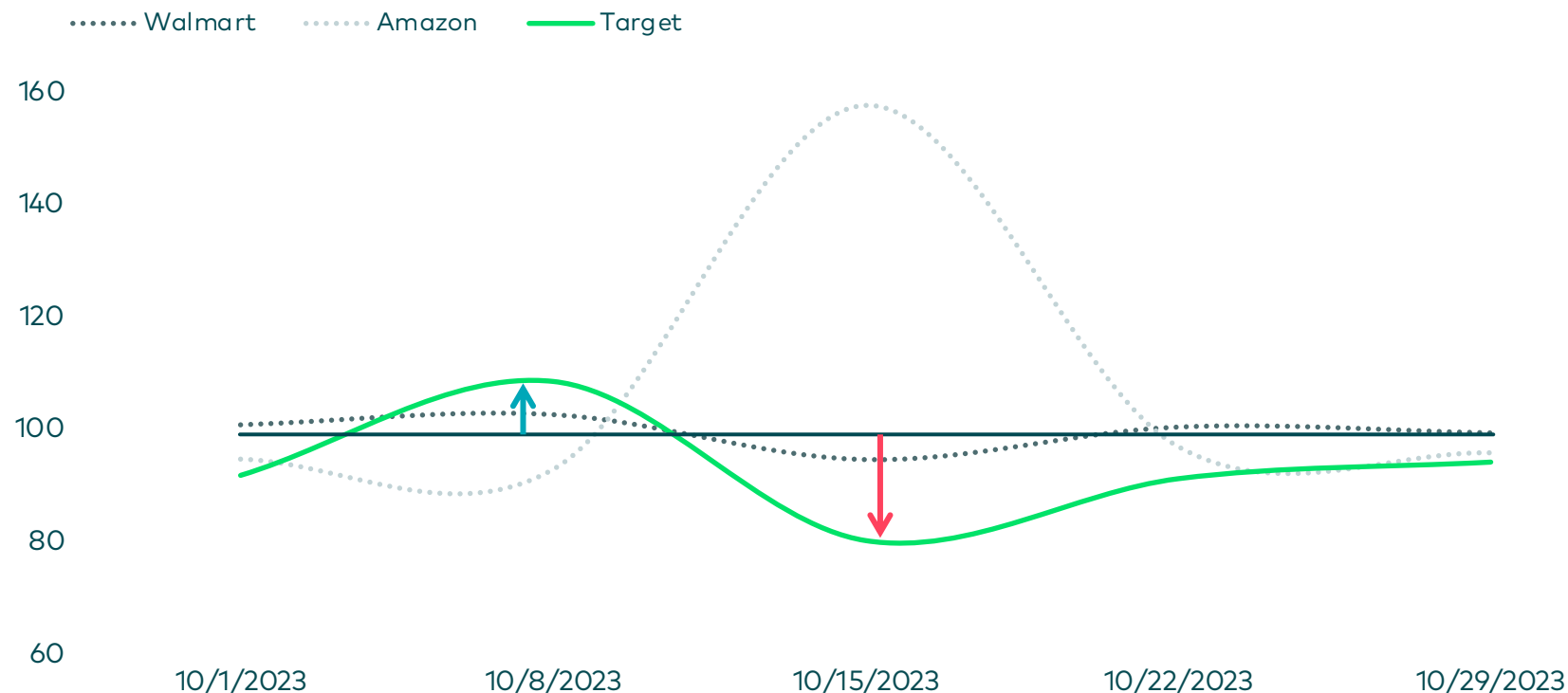
RETAIL SALES EVENTS MARKET SHARE DECLINE VS NON-EVENT SHARE – BY SUBCHANNEL

July & October 2023 Sales Events
(7/9 – 7/15/23) & (10/8 – 10/14/23)



However, retailers should harness the digital traffic Amazon creates instead of trying to differentiate with event timing.

OMNICHANNEL WEEKLY MARKET SHARE INDEXED TO 2023 AVERAGE
October 2023 Sales Event Period



Target generated share lift from 2023 October Circle Week...
+35bps (+\$180M)
share lift for Target

...but lost more share than Walmart during Prime Big Deal Days week
-80bps (-\$439M)
share decline for Target



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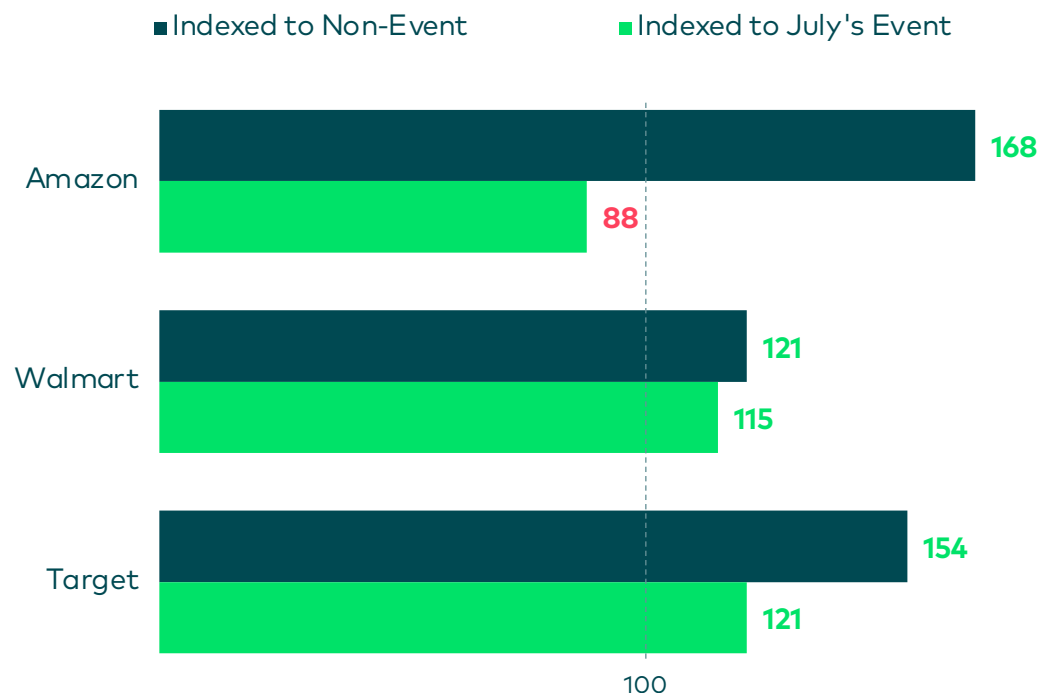
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Incrementality of October Events

During October Sales Events, Walmart and Target chipped away at Amazon's lead.

OCTOBER SALES EVENT ECOMMERCE PENETRATION LIFTS

October Sales Event Period vs. July Sale Event Period vs. Non-Event on-Event¹



Amazon saw 12% less participation during October's event than July's event, while **Walmart and Target both had an increase in participation** in October compared to July

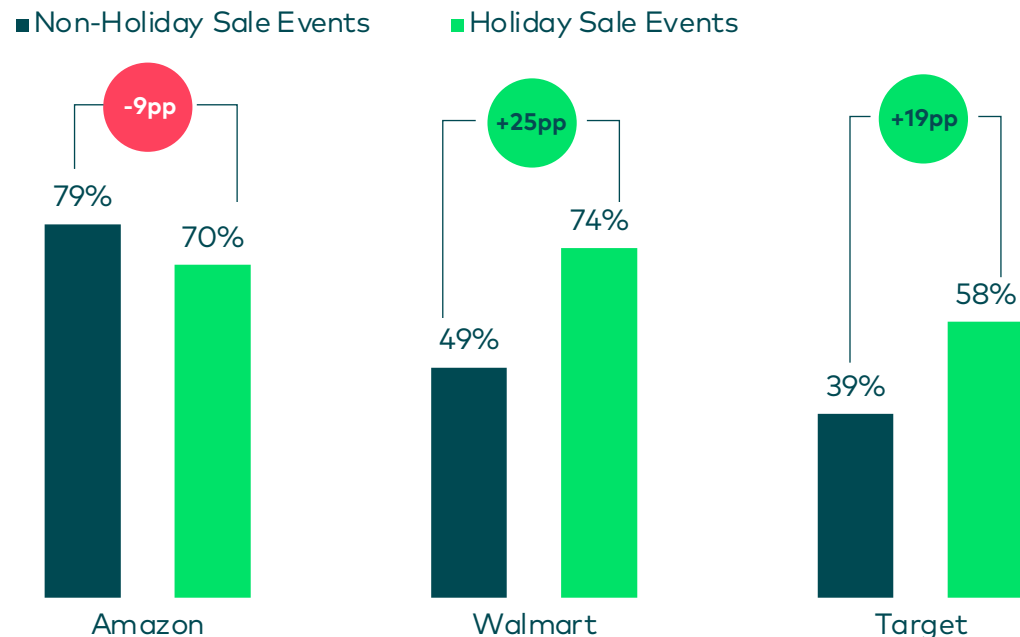
Source: Numerator

¹Non-Event Time Period = average digital traffic during same days of month as Sales Events during Jan-June, Aug-Sept.

Walmart and Target do better in October as shoppers shift into holiday mode.

RETAILER CONSIDERED FOR CERTAIN SALES EVENTS

% of Respondents



AMAZON OCTOBER SALES EVENT GIFTING

% of Respondents



1 in 4

purchased **gifts for the holidays** during Prime Big Deal Days.

Yet...



70%

of holiday purchasers during Prime Big Deal Days completed **less than half of their holiday gift shopping.**

Source: Numerator | Retail Sales Events Instant Survey and Amazon Prime Big Deal Days 2023 Survey | n=516, 5,384

Q. Which retailers come to mind when thinking of Non-Holiday/Holiday Sales Events?

Q. Which of the following activities did you do on Prime Big Deal Days?

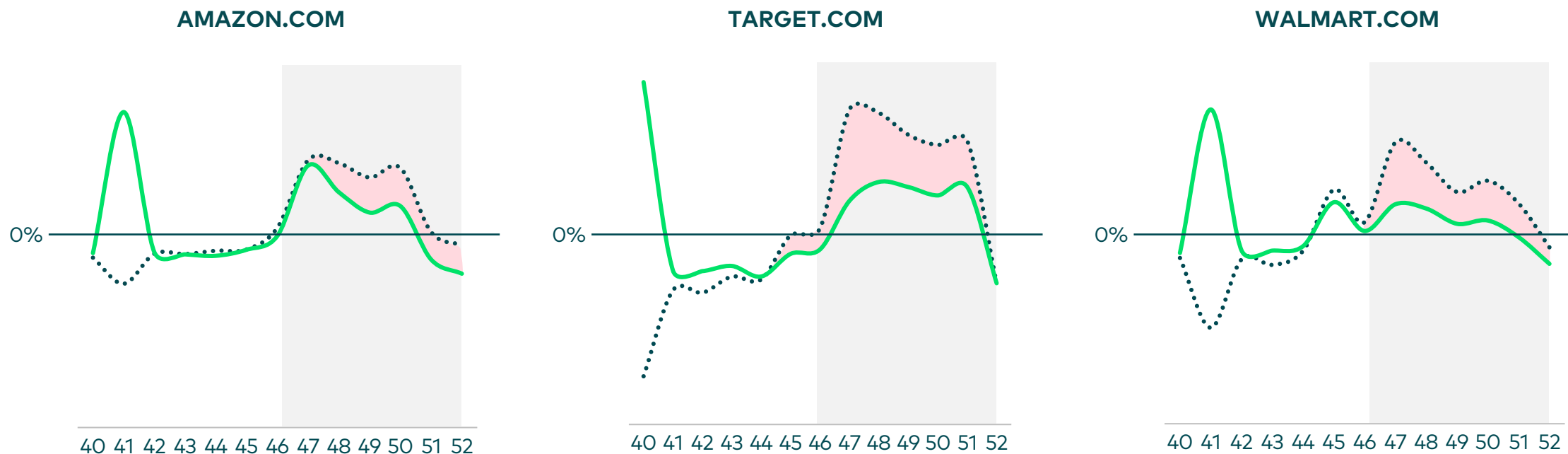
Q. How of much of your holiday gift shopping did you complete with your Prime Big Deal Days purchase?

But this can lead to cannibalized traffic from the traditional holiday shopping period among sales event shoppers.

WEEKLY OCTOBER SALES EVENT TRAFFIC LIFT AT BANNER BY SHOPPER GROUP

Weekly Traffic Lift Compared to Average Weekly Traffic from Week 40 to Week 52

— Sales Event Shopper Non-Sales Event Shopper



October events play an important role in building retailer loyalty.

SHARE OF WALLET AT BANNER BY SHOPPER GROUP

Q4'23 Share of Wallet among Sales Event Shoppers vs Non-Sales Event Shoppers



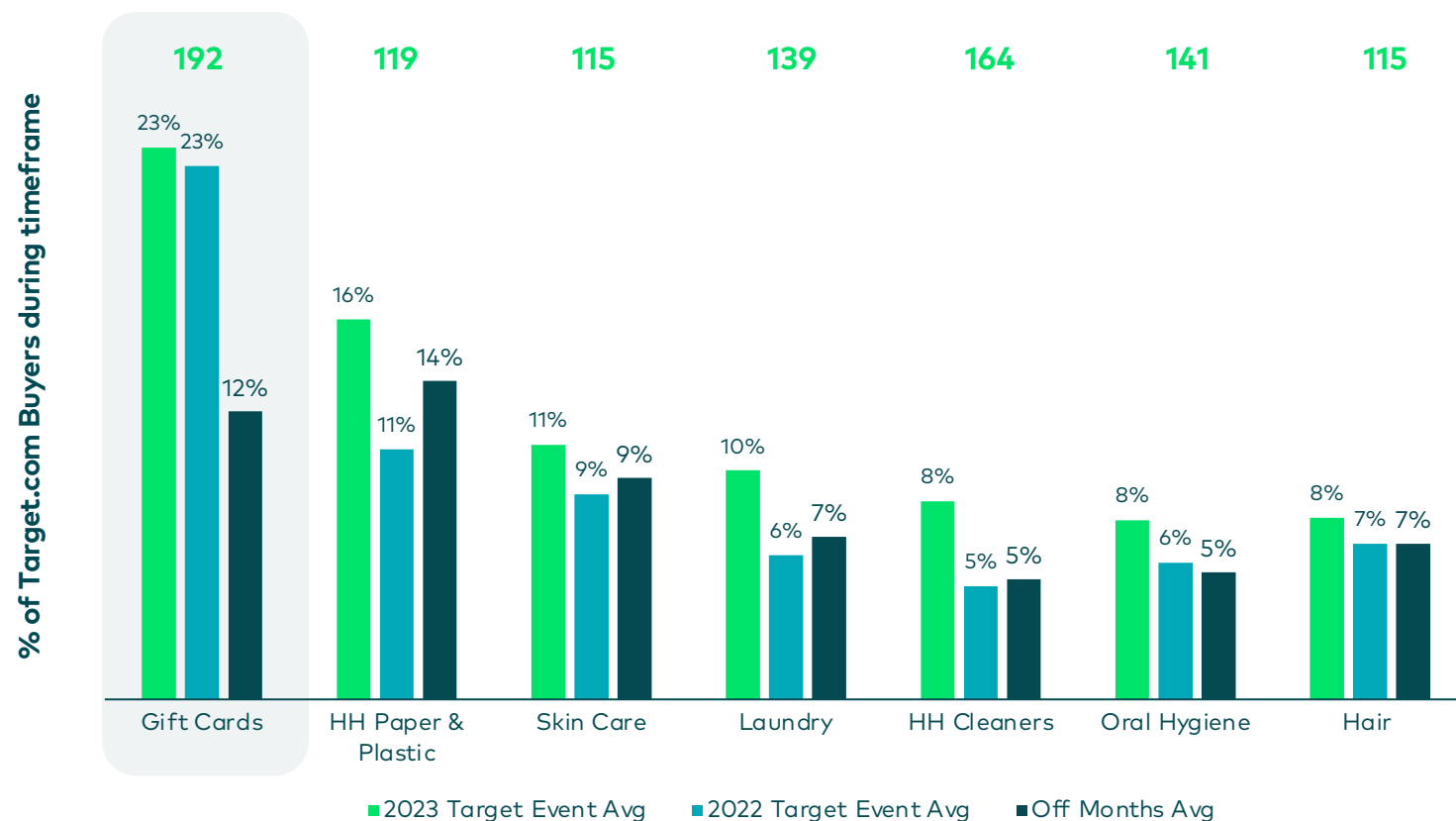
Target.com shoppers are

2.6x more loyal

to Target.com if they shopped October's Circle Week.

Incentives like gift cards could help sales shoppers return for holiday shopping.

2023 EVENTS INDEX VS. AVG. OFF MONTHS



TARGET CIRCLE WEEK DEAL EXAMPLES



Gift card recipients were more valuable to Target through rest of the season.

GIFT CARD HOUSEHOLD'S BEHAVIOR AT TARGET POST-OCT 2023 EVENT (10/8/23-12/31/23)

	Target.com Oct 2023 Event Households who received a Gift Card	Indexed vs. Average Target Guest	Indexed vs. All Target Oct 2023 Event HHs
Purchase Frequency	9.4	249	118
Average Basket Size	\$65.84	105	113
Buy Rate	\$618.58	261	134



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Harnessing the Sale Halo

Prices always drive event traffic, but shoppers also want variety.

REASON FOR SHOPPING A RETAILER'S SALES EVENT

% of Respondents



As more brands enter the fray, Prime Day purchasing has shifted, with consumables emerging as top departments.

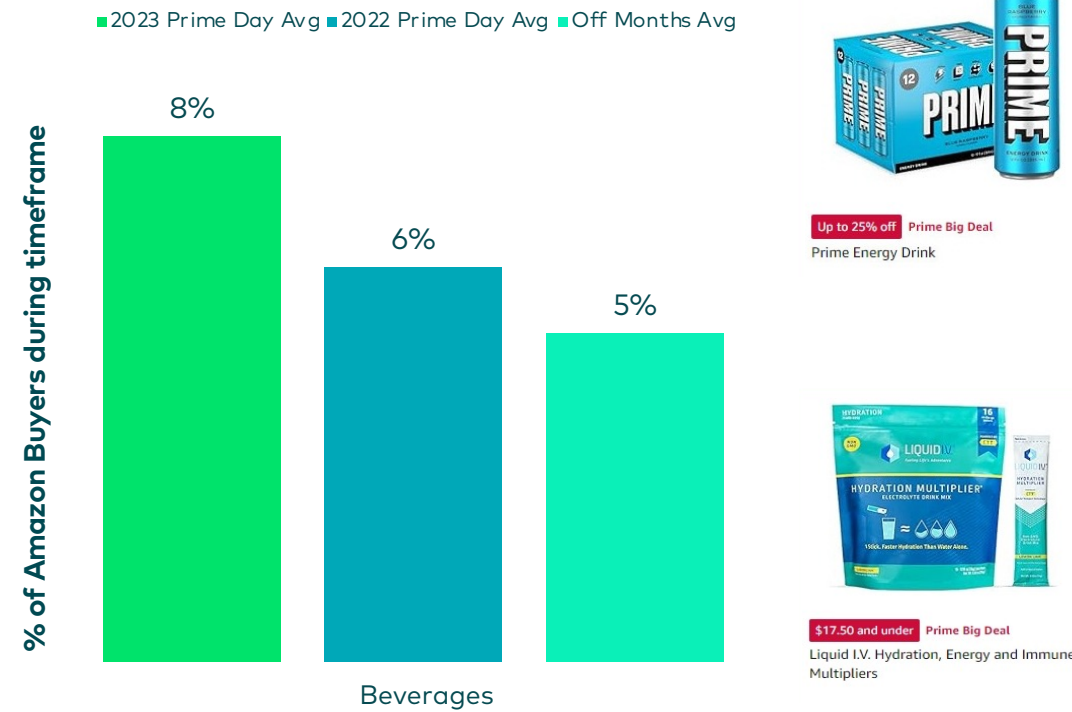
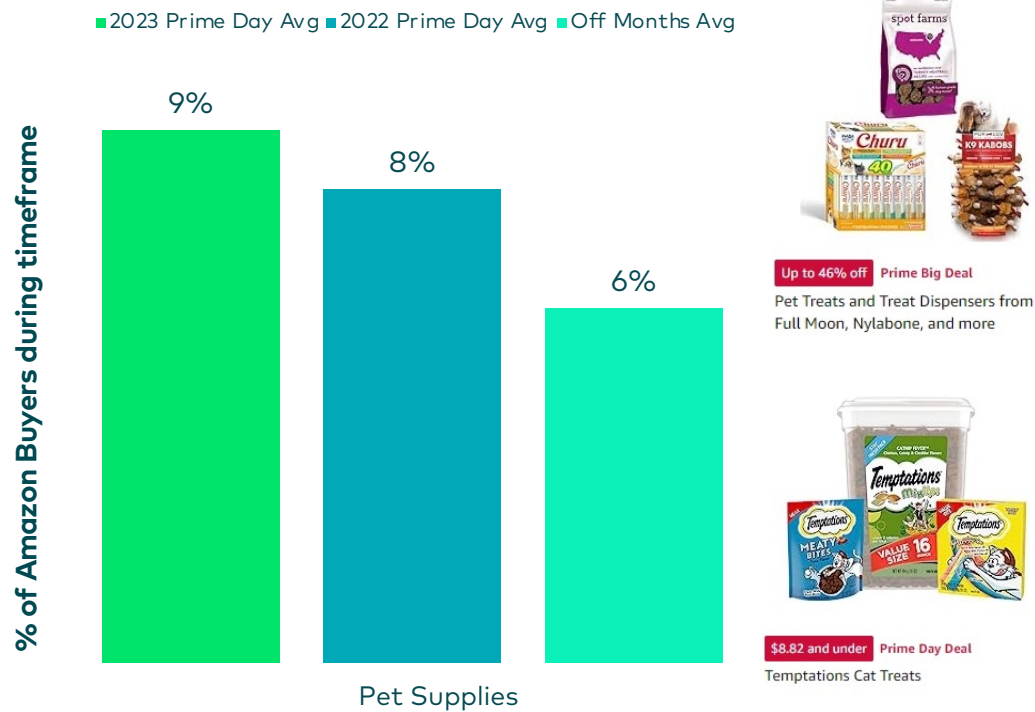
TOP 10 DEPARTMENTS PURCHASED DURING PRIME DAY Based on # Units Sold

● Consumables ● Durables



Pet supplies and beverages realized purchasing lifts above both non-sale benchmarks and previous Prime Days.

2023 EVENTS INDEX VS. AVG. OFF MONTHS



Temptations and Liquid IV lead the wave of brands shifting Prime Day sales away from durables.

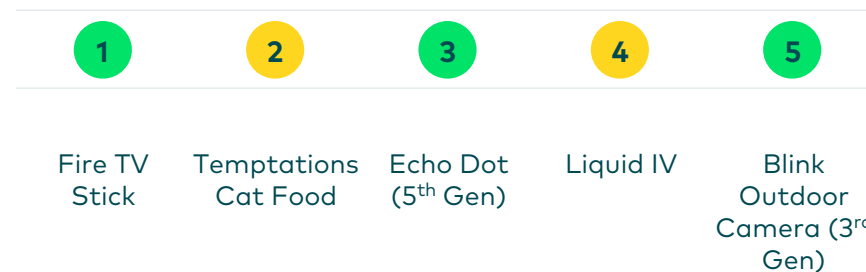
TOP 5 ITEMS PURCHASED DURING PRIME DAY Based on # Units Sold

● Consumables ● Durables

PRIME DAY 2019



PRIME DAY 2023



Liquid IV has made a case that sales events can bring a new, unique shopper to your brand.

WHO ARE THE CONSUMERS ENTERING A BRAND DURING PRIME DAY?



43%

Millennials

123 index vs. All LIV Buyers



88%

Amazon Prime Member

120 index vs. All LIV Buyers



63%

Actively attend live music, concert, festival events

130 index vs. All LIV Buyers



44%

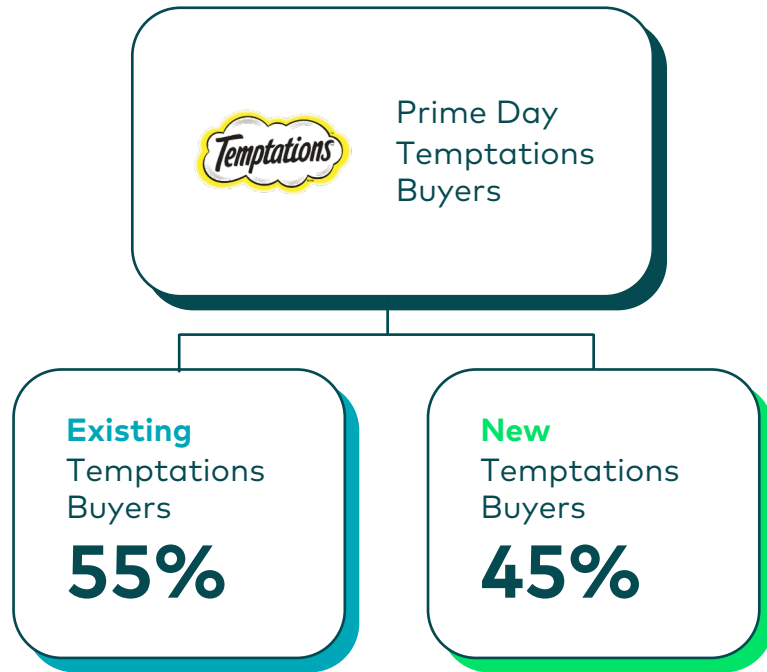
Are actively using Snapchat

141 index vs. All LIV Buyers



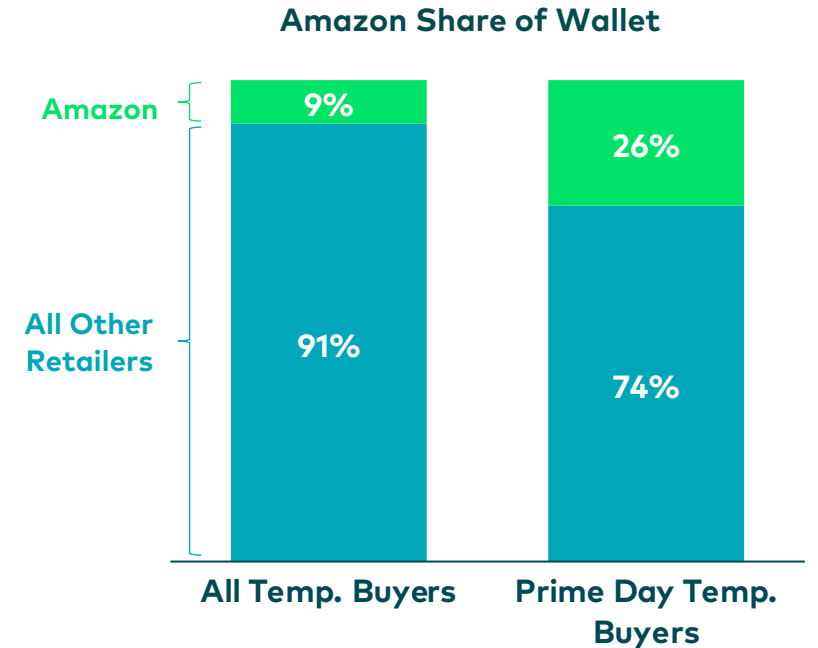
And Temptations has shown that sales events can lead to increased shopper loyalty in the future.

NEW TEMPTATIONS CAT FOOD & TREAT BUYERS - POST 6M BEHAVIOR



3 in 4
have repurchased
Temptations **Anywhere**
(76%)

28%
Have repurchased
Temptations on **Amazon**



Inspiration for future digital sales events.



FORTIFY DURING PRIME DAY

For retailers who interact heavily with Amazon, it is an imperative to host their own activations directly against Prime Day to prevent costly share declines.

However, awareness and participation of Prime Day is massive in contrast to other events— making it likely that consumers will wait for Amazon's main event before shopping elsewhere.

Consider carefully the timing of your sales day. If retailers are working to fight Amazon before Prime Day, they must invest heavily on awareness building and educating on deals offered.



DRIVE A RETURN FOR HOLIDAYS

Retailers have a chance to fight against Amazon during the fall season, but they need to have a plan to make sure consumers return for the holidays.

Mass retailers (Walmart & Target) saw their October events perform more effectively than July. However, the traffic gains they received pushed holiday purchasing earlier and did not see their sales shoppers return.

Retailers will need to leverage their CRM systems to develop audiences among sales event shoppers who haven't yet returned during the holiday and provide incentives to drive incremental omnichannel traffic.



THINK OUTSIDE THE SHIPPING BOX

While many consider these sales events as a sole means of pushing old stock, brands have opportunities to use it to drive trial. Consider using sales events to promote new brands, partnerships and SKUs or to capture new demographics.

Consumable brands should be empowered to take advantage as more consumable categories are experiencing lifts during digital sales events.

Post-event, brands should continue to track their newly acquired customers to see who they have retained and how their spending has shifted.



Track our Prime Day coverage at:
numerator.com/prime-day