

Mass Merchandisers - US - December 2017

Report Price: £3008.96 | \$3995.00 | €3429.31

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



Nearly all consumers shop mass merchandisers and growth is expected to continue, but loyalty is generally low among mass shoppers, even among some of those who shop the channel the most frequently. As pressure increases from competition outside the channel, mass merchandisers need to address evolving consumer expectations in order to stay relevant.

This report looks at the following areas:

- Mass shoppers driven by price, resulting in low loyalty
- Competition is rising outside the channel

Retailers should leverage their private label brands and continue to offer convenient and flexible shopping options both online and off-line to stay relevant and foster more loyalty among shoppers.

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Mass Merchandisers - US - December 2017

Report Price: £3008.96 | \$3995.00 | €3429.31

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

What you need to know

Definition

Executive Summary

Overview

The issues

Mass shoppers driven by price, resulting in low loyalty

Figure 1: Attitudes toward mass merchandisers, October 2017

Competition is rising outside the channel

Figure 2: Influencers to encourage more shopping, October 2017

The opportunities

Utilize technology to encourage more shopping and combat negative perceptions

Figure 3: Perceptions of mass merchandisers, October 2017

Store brands have potential to engage more shoppers and foster loyalty

Figure 4: Attitudes toward mass merchandisers and influencers to encourage more shopping, October 2017

What it means

The Market – What You Need to Know

An optimistic outlook

Supercenters and warehouse clubs are driving growth, but pressure exists from outside the channel

Diverse consumers have diverse needs, but most seek value

Market Size and Forecast

Growth is expected to continue, driven by supercenters and warehouse clubs

Figure 5: Total US sales and fan chart forecast of mass merchandisers*, at current prices, 2012-22

Figure 6: Total US sales and forecast for mass merchandisers*, at current prices, 2012-22

Market Breakdown

Supercenters steadily growing, while discount department stores decline

Figure 7: Total US retail sales and forecast of mass merchandisers*, by segment, at current prices, 2012-22

Supercenters are taking share from discount stores

Figure 8: Total US retail sales and forecast of mass merchandisers*, by segment, at current prices, 2015 and 2017

Market Perspective

Consumers are shopping mass frequently, but pressure from outside the channel continues

Market Factors

A diverse population creates diverse shopping needs

Figure 9: Population by race and Hispanic origin, 2012-22

Figure 10: Households with related children, by race and Hispanic origin of householder, 2016

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Mass Merchandisers - US - December 2017

Report Price: £3008.96 | \$3995.00 | €3429.31

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Income plays a role in consumers' purchase decisions

Figure 11: Median household income, by race and Hispanic origin of householder, 2015

Consumer confidence and DPI on the rise

Figure 12: Consumer confidence and unemployment, 2007-September 2017

Most consumers seek deals and value at mass retailers

Key Players – What You Need to Know

Target and Walmart are making moves to win customers

Combatting negative perceptions

Simplifying shopping

What's In?

New initiatives by Target and Walmart appear to be luring in shoppers

Figure 13: Retailers shopped – Walmart and Target, October 2017

How Target plans to win

Figure 14: Target email campaign, October 2017

Target winning with store brands, environment, and value

How Walmart plans to win

Figure 15: Walmart email campaign, August 2017

Walmart increasing appeal among younger shoppers

What's Struggling?

Is cheap a bad thing?

Figure 16: Perceptions of mass merchandisers, select retailers, October 2017

Kmart and Meijer struggle to keep up with the bigger names

Target has low association with easy online shopping

What's Next?

Keeping it simple for shoppers

Creating new reasons to shop

Figure 17: Walmart email campaign, November 2017

The Consumer – What You Need to Know

Nearly all consumers shop mass, and most do so frequently

Grocery, beauty, and clothing are key categories

Price motivates shoppers, dilutes loyalty

Mass merchandisers deliver good value, but have room for improvement in stores and customer service

Consumers want rewards and flexible shopping options

Retailers Shopped

Nearly all consumers shop mass and more continue to do so online

Figure 18: Retailers shopped, October 2017

Young adults shop the most and they shop around

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Mass Merchandisers - US - December 2017

Report Price: £3008.96 | \$3995.00 | €3429.31

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 19: Retailers shopped, by age and income, October 2017

Parents a key mass customer, even among less-shopped retailers

Figure 20: Retailers shopped, parental status by presence of children, October 2017

Hispanics shopping at major players more than non-Hispanics are

Figure 21: Retailers shopped, by race and Hispanic origin, October 2017

Frequency of Shopping

Frequency is split nearly even between heavy and moderate shoppers

Figure 22: Frequency of shopping, October 2017

Hispanics are frequent shoppers, Blacks are more moderate

Figure 23: Frequency of shopping, by race and Hispanic origin, October 2017

Who's shopping more and who's shopping less?

Figure 24: Frequency of shopping, by gender and age, October 2017

Items Purchased

Grocery items, beauty, and clothing are top purchases

Figure 25: Items purchased, October 2017

Women, especially moms, are fulfilling grocery needs at mass

Figure 26: Items purchased, by select demographics, October 2017

Men are turning to mass for their fashion needs

Figure 27: Items purchased, by select demographics, October 2017

Hispanics shopping mass for fashion and decor

Figure 28: Items purchased, by race and Hispanic origin, October 2017

Attitudes toward Mass Merchandisers

Competitive prices and product selection lure shoppers to the channel

Figure 29: Attitudes toward mass merchandisers, October 2017

Certain heavy shoppers are less likely to be loyal

Figure 30: Attitudes toward mass merchandisers and frequency of shopping, by parental status, October 2017

Shoppers across income levels are buying store brands

Figure 31: Attitudes toward mass merchandisers, by age and income, October 2017

Blacks are influenced by price, less likely to be loyal

Figure 32: Attitudes toward mass merchandisers, by race and Hispanic origin, October 2017

Perceptions of Mass Merchandisers

Most consumers associate mass merchandisers with value and product selection, but some negative perceptions plague retailers

Figure 33: Perceptions of mass merchandisers – Part 1, October 2017

Figure 34: Perceptions of mass merchandisers – Part 2, October 2017

Figure 35: Correspondence analysis – Perceptions of mass merchandisers, October 2017

Young women view Target as more hip and upscale, with good value and products

Figure 36: Perceptions of mass merchandisers – Target, by gender and age, October 2017

Older, lower-income consumers feel Walmart offers good value and ample products

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Mass Merchandisers - US - December 2017

Report Price: £3008.96 | \$3995.00 | €3429.31

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 37: Perceptions of mass merchandisers – Walmart, by age and income, October 2017

Dads perceive Kmart as having good value and product selection, as well as easy store layouts

Figure 38: Perceptions of mass merchandisers – Kmart, by parental status, October 2017

Young men have positive perceptions of Meijer’s store environment, brands, and customer service

Figure 39: Perceptions of mass merchandisers – Meijer, by gender and age, October 2017

Influencers to Encourage More Shopping

Loyalty rewards and speedy checkouts and deliveries could drive more shopping

Figure 40: Influencers to encourage more shopping, October 2017

Parents, especially moms, want better rewards

Figure 41: Influencers to encourage more shopping, by parental status, October 2017

Self-checkouts and flexible delivery options appealing to younger shoppers

Figure 42: Influencers to encourage more shopping, by age or generation, October 2017

Hispanics want more delivery options

Figure 43: Influencers to encourage more shopping, by race and Hispanic origin, October 2017

Appendix – Data Sources and Abbreviations

Data sources

Sales data

Fan chart forecast

Consumer survey data

Correspondence analysis methodology

Direct marketing creative

Abbreviations and terms

Abbreviations

Appendix – The Market

Figure 44: Total US sales and forecast for mass merchandisers*, at inflation-adjusted prices, 2012-22

Figure 45: Total US retail sales and forecast of supercenters and warehouse clubs, at current prices, 2012-22

Figure 46: Total US retail sales and forecast of discount department stores, at current prices, 2012-22

Figure 47: US revenues of leading national mass merchandisers, at current prices, 2012-16

Figure 48: Target’s US revenues, by merchandise category, at current prices, 2009-13

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com