

# **Bespoke Survey Research**

August 2023

# Low-Cost Retail

Volume 31 | Quarterly Survey 1,000 US Consumers Balanced To Census Tickers Covered: WMT, TGT, AMZN, COST.

### **KPIs and Key questions**

- 1. A larger share of Costco customers feel the most recent in-store experience was better than one year ago compared to those who said worse (most said it was the same). Views on pre-pandemic vs. current shopping experience net out as around the same, on average.
- Costco shoppers overwhelmingly view Costco fuel as less expensive than other gas stations. Saving money on fuel is important to Costco shoppers and is either the primary reason they go to Costco (26.5%) or it isn't the primary reason, but they fuel up when there (51.9%).
- 3. Most Costco customers feel that it would be worth paying a \$5 membership increase if one was ever instituted. Only 6.8% said they would definitely cancel their account.
- 4. In recent quarters, the share of consumers reporting a deterioration of the in-store experience at Target and Wal-Mart has increased.
- 5. The share of consumers who use Wal-Mart has held steady / increased in recent waves, but self-reported visit frequency among those who have shopped it has softened.
- 6. Self-reported spend per visit at Wal-Mart declined for the second consecutive quarter and is lower than readings one year ago in August.
- 7. Wal-Mart customers increasingly feel they are spending less, and an increased percentage are either just spending less in general or are shifting to dollar stores.
- 8. Target shopping engagement feedback shows less frequent self-reported visits among customers and reductions in average spend per visit among those who have purchased in the past 12 months.
- 9. Among those who are shopping Target less, there is a shift toward Amazon, Wal-Mart, and dollar stores.
- 10. Customers of Wal-Mart and Target continue to see prices as elevated, though this sentiment has pulled back from series worsts in February of 2023.

## **Noteworthy Stats:**

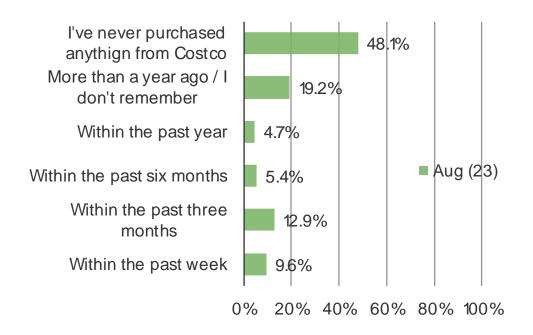
- **16.4%** Of consumers who have purchased anything from Costco within the past year indicated that their in-store experience was better relative to a year ago.
- **54.0%** Of consumers who have purchased anything from Costco within the past year note that Costco fuel/gas pricing is less expensive relative to other gas stations.
- 6.8% Of consumers who have purchased anything from Costco within the past year note that they would definitely cancel their membership in response to a \$5 price increase.

Consumer Traffic, Online Share, and Sentiment

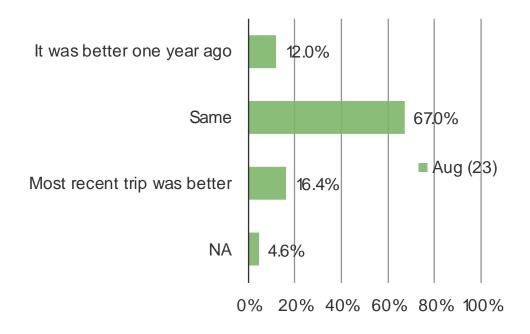


#### WHEN IS THE LAST TIME YOU PURCHASED ANYTHING FROM COSTCO?

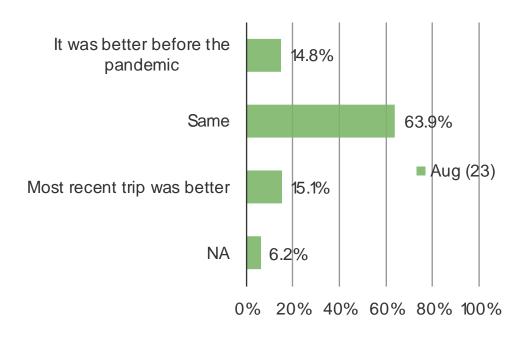
This question was posed to all consumers.



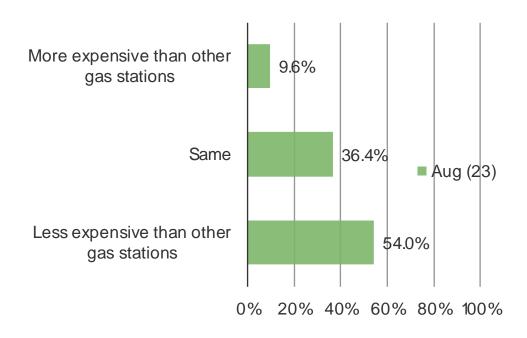
THINKING ABOUT YOUR LAST TRIP TO COSTCO, WAS THE IN-STORE EXPERIENCE BETTER OR WORSE COMPARED TO ONE YEAR AGO?



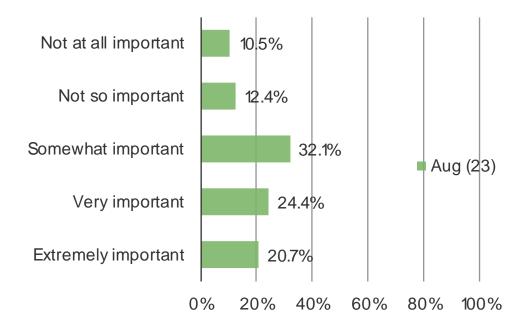
THINKING ABOUT YOUR LAST TRIP TO COSTCO, WAS THE IN-STORE EXPERIENCE BETTER OR WORSE COMPARED TO BEFORE THE PANDEMIC?



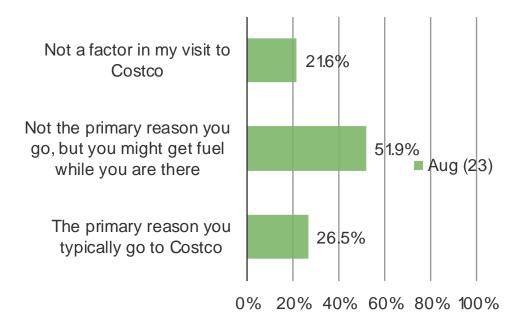
DO YOU FIND THAT COSTCO FUEL/GAS PRICING IS...



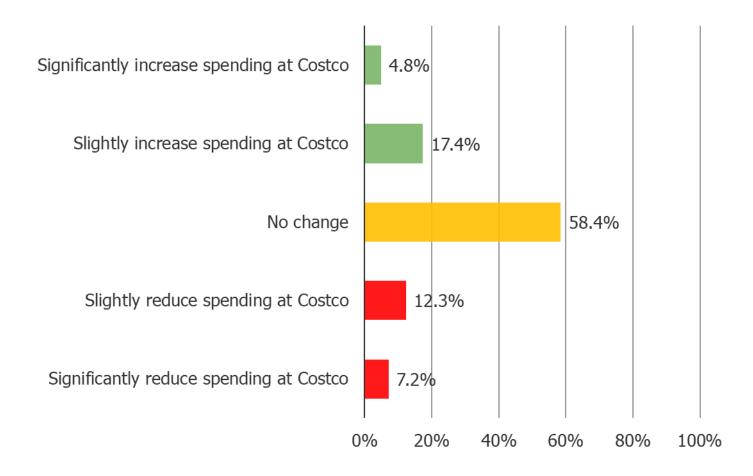
HOW IMPORTANT WAS SAVING MONEY ON FUEL TO YOU IN SIGNING UP FOR A COSTCO MEMBERSHIP TO BEGIN WITH?



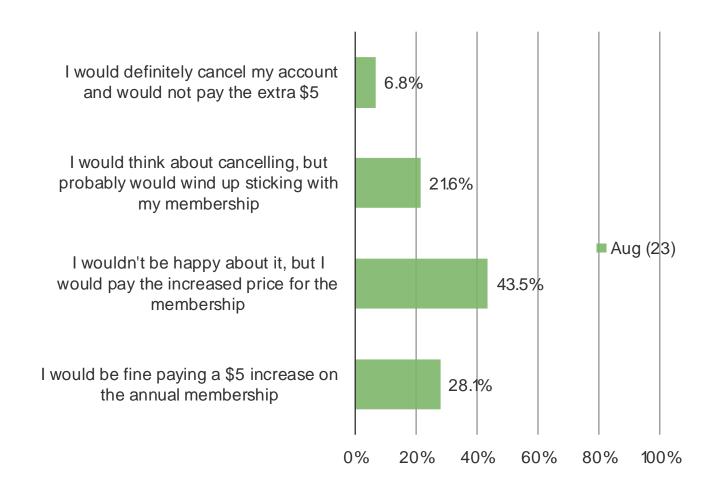
### WHEN YOU GO TO COSTCO, IS GETTING LOWER COST FUEL...



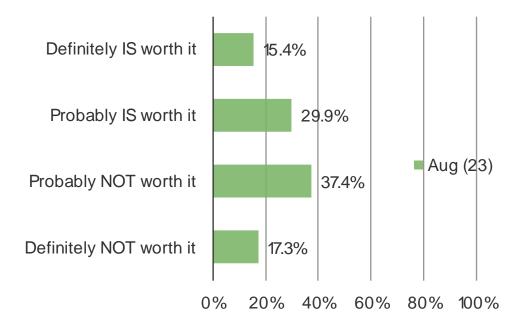
### GOING FORWARD, DO YOU EXPECT TO...



IF COSTCO INCREASED THE ANNUAL MEMBERSHIP FEES BY \$5, HOW WOULD YOU RESPOND?



IN YOUR OPINION, IS IT WORTH IT TO UPGRADE FROM THE \$60 MEMBERSHIP TO THE EXECUTIVE MEMBERSHIP FOR \$120 PER YEAR TO GET ACCESS TO THE 2% CASH BACK REWARD ON YOUR COSTCO PURCHASES?



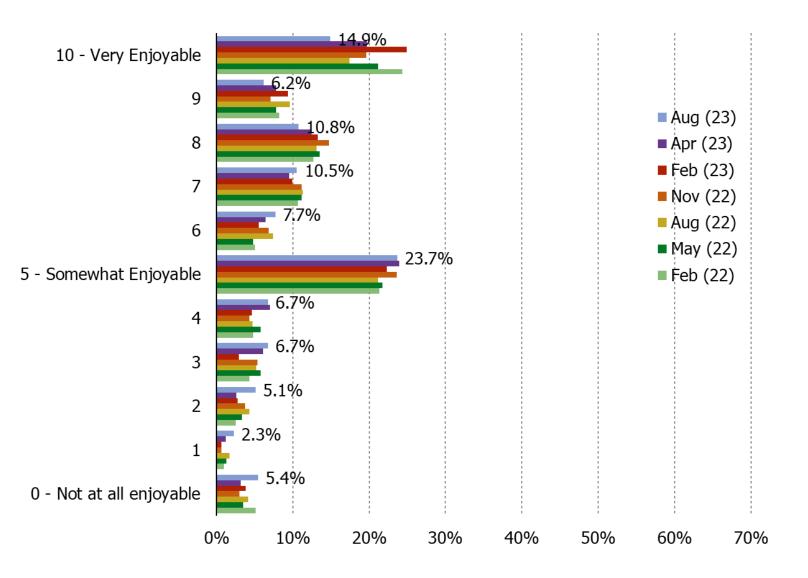
Consumer Traffic, Online Share, and Sentiment

# **IN-STORE EXPERIENCE**

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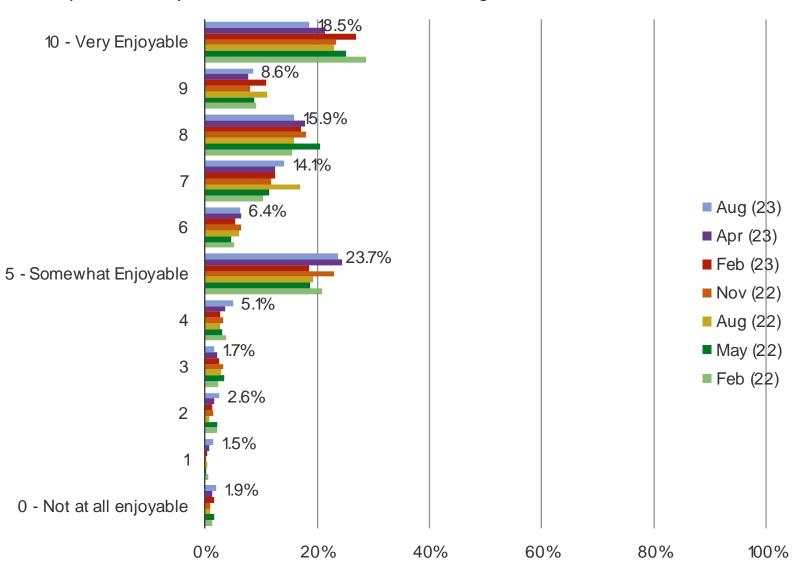
### DO YOU FIND IT ENJOYABLE TO VISIT WAL-MART STORES?

This question was posed to all consumers who visit Walmart stores.



### DO YOU FIND IT ENJOYABLE TO VISIT TARGET STORES?

This question was posed to all consumers who visit Target stores.



Consumer Traffic, Online Share, and Sentiment

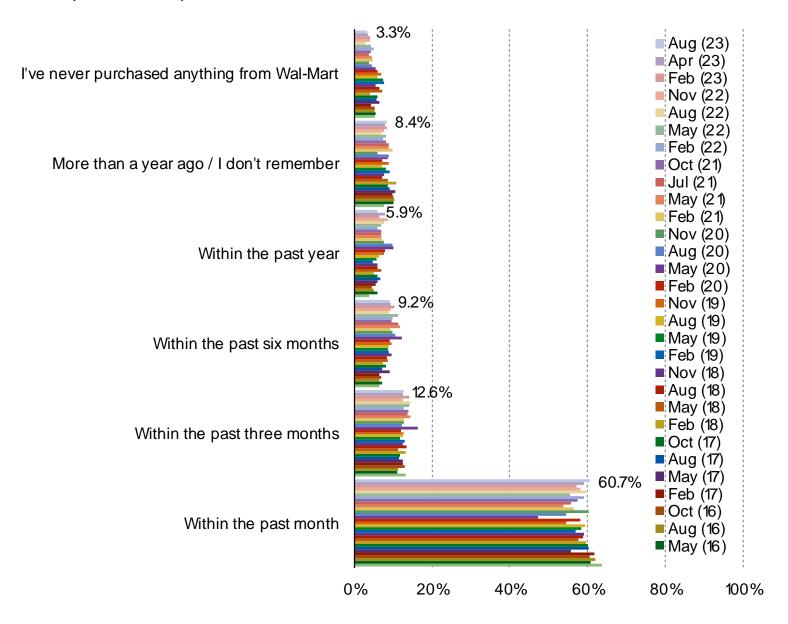
# WAL-MART DEEP DIVE

FOR PERSONAL USE ONLY-DO NOT FORWARD OR REDISTRIBUTE

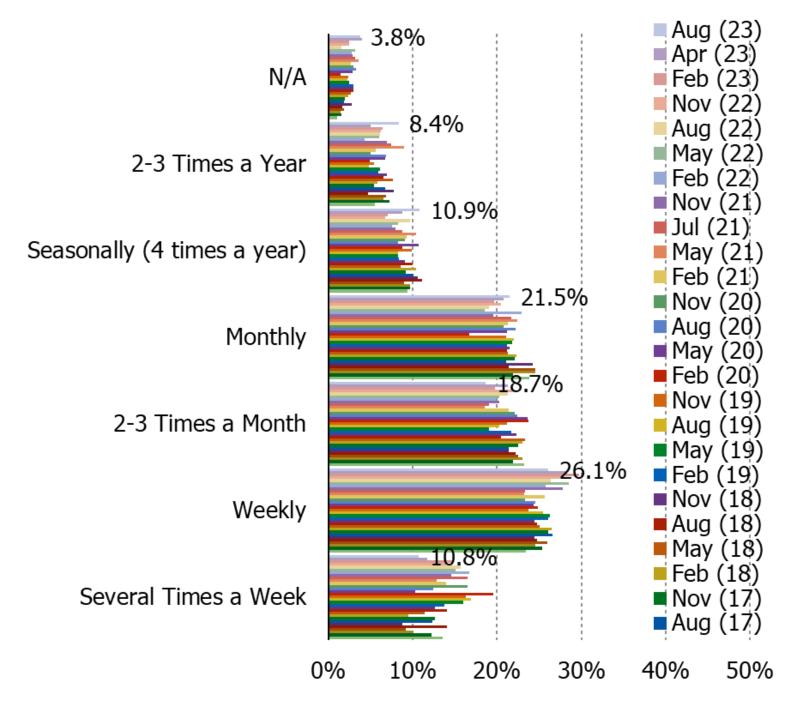
### BESPOKE Surveys Low Cost Retail

#### ALL CONSUMERS: LAST TIME PURCHASING FROM WAL-MART

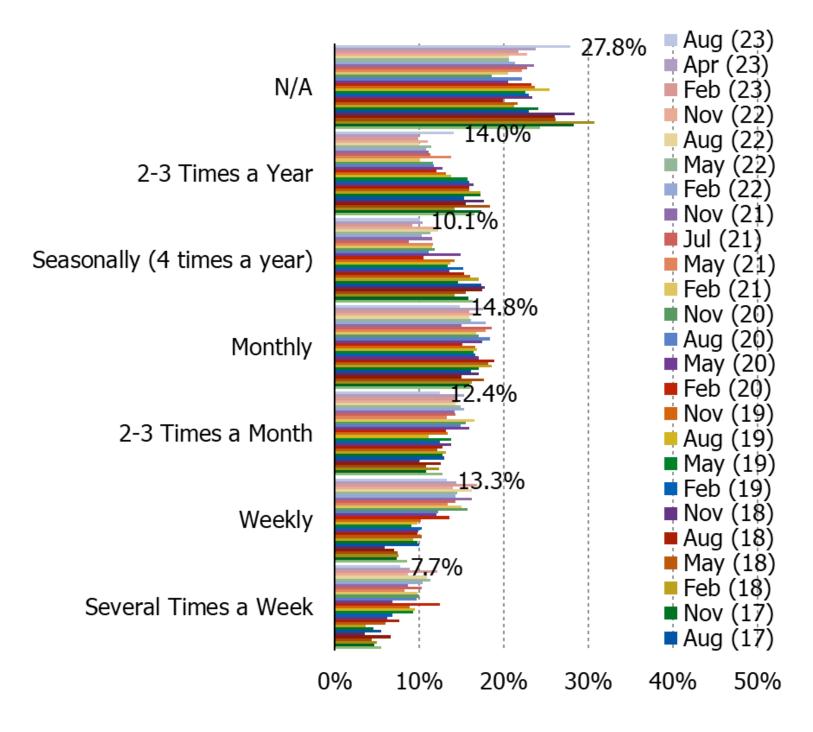
This question was posed to all consumers.



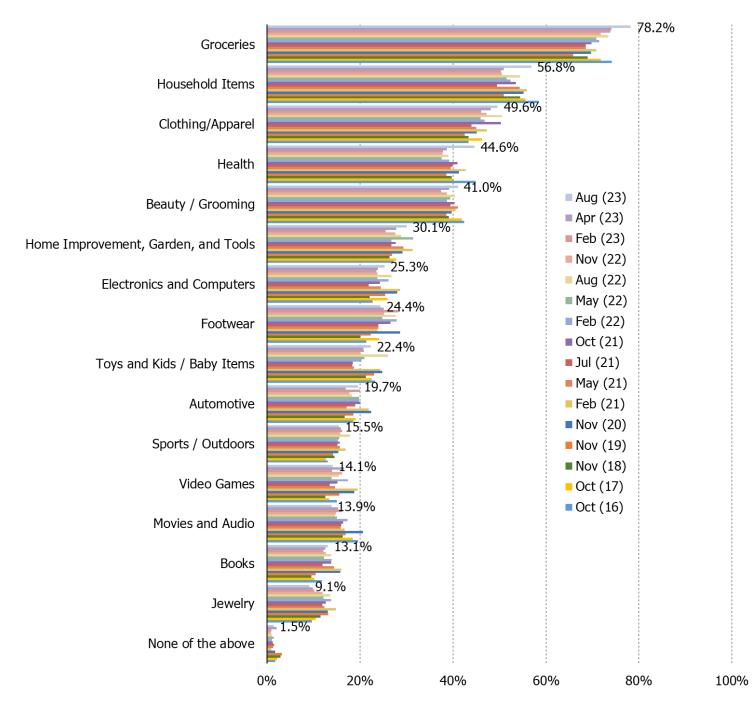
WAL-MART CUSTOMERS: SHOPPING FREQUENCY IN-STORES AT WAL-MART



### WAL-MART CUSTOMERS: SHOPPING FREQUENCY ONLINE AT WAL-MART

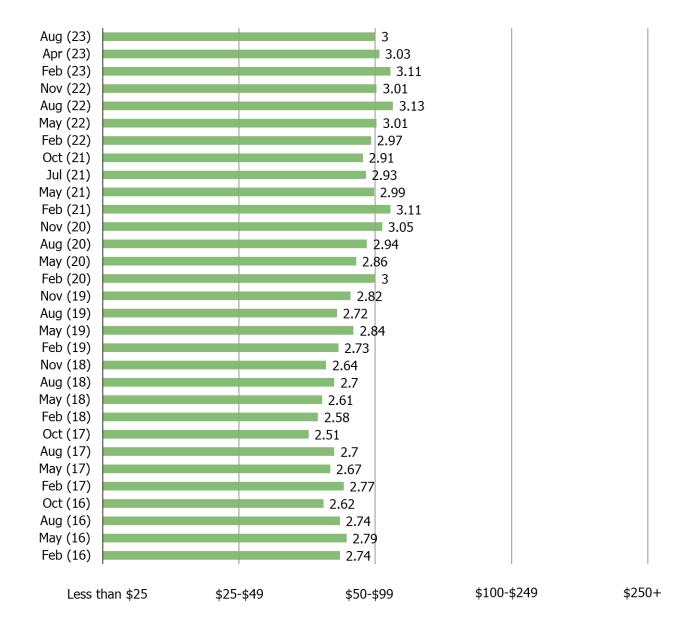


WAL-MART CUSTOMERS: WHAT THEY TYPICALLY BUY FROM WAL-MART (Q/Q TREND)



## **BESPOKE Surveys** Low Cost Retail

### WAL-MART CUSTOMERS: AVERAGE SPEND PER VISIT

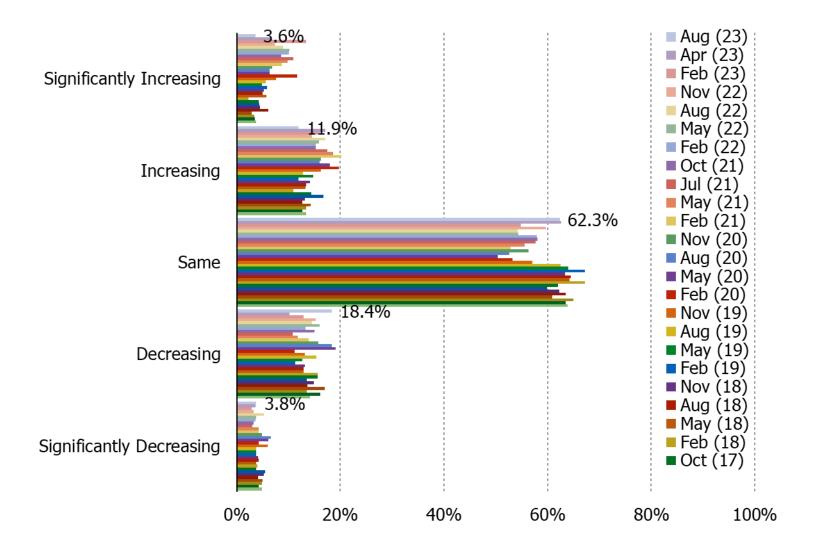


### **BESPOKE Surveys** Low Cost Retail

### WAL-MART CUSTOMERS: IS AMAZON IMPACTING YOUR SHOPPING AT WAL-MART?

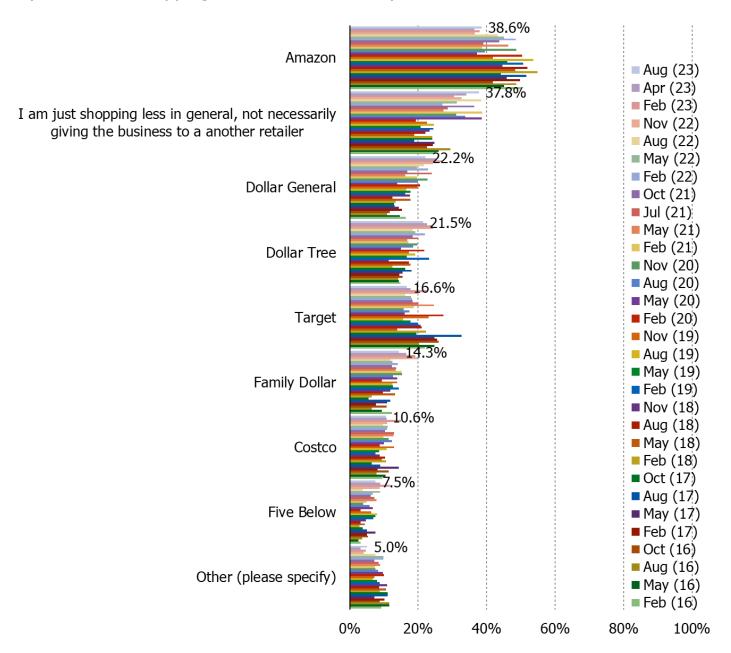
Aug (23)			2.71		
Apr (23)			2.84		
Feb (23)			2.92		
Nov (22)			2.82		
Aug (22)			2.82		
May (22)			2.92		
Feb (22)			2.91		
Oct (21)			2.83		
Jul (21)			2.87		
May (21)			2.93		
Feb (21)			2,9		
Nov (20)			2.78		
Aug (20)			2.81		
May (20)			2.82		
Feb (20)			2.85		
Nov (19)			2.79		
Aug (19)			2.79		
May (19)			2.82		
Feb (19)			2.88		
Nov (18)			2.8		
Aug (18)			2.8		
May (18)			2.8		
Feb (18)			2.71		
Oct (17)			2.78		
Aug (17)			2.78		
May (17)			2.81		
Feb (17)			2.8		
Oct (16)			2.74		
Aug (16)			2.79		
May (16)			2.79		
Feb (16)			2.85		
			·		
	t Walmart	I shop at Walmart	No Impact	I shop at Walmart	I shop at Walmart
Muc	h Less	Less		More	Much More

WAL-MART CUSTOMERS: CHANGES IN RECENT SHOPPING FREQUENCY



# SINCE YOU ARE SHOPPING LESS AT WAL-MART, ARE YOU GIVING THAT BUSINESS TO ANY OF THE FOLLOWING RETAILERS INSTEAD?

Posed to respondents who have purchased from Wal-Mart in the past 12 months AND said they have been shopping Wal-Mart less recently.



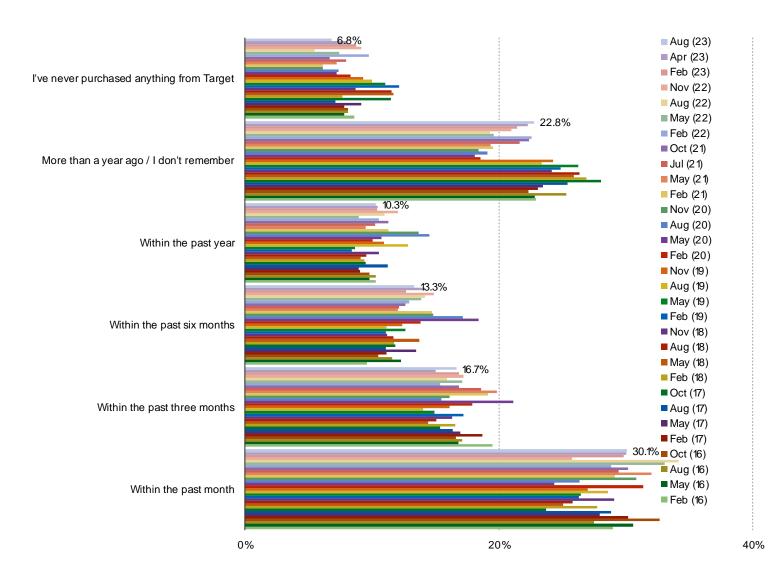
Consumer Traffic, Online Share, and Sentiment

## TARGET DEEP DIVE

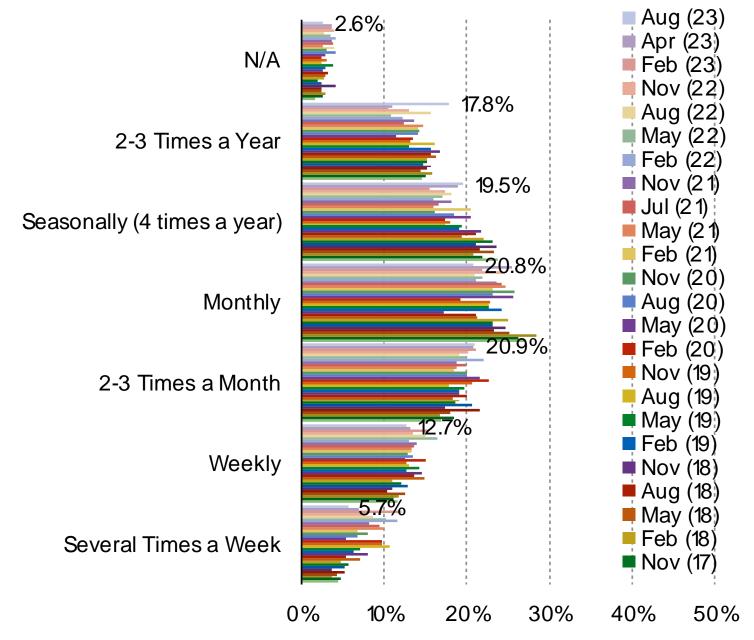
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### ALL CONSUMERS: LAST TIME PURCHASING FROM TARGET

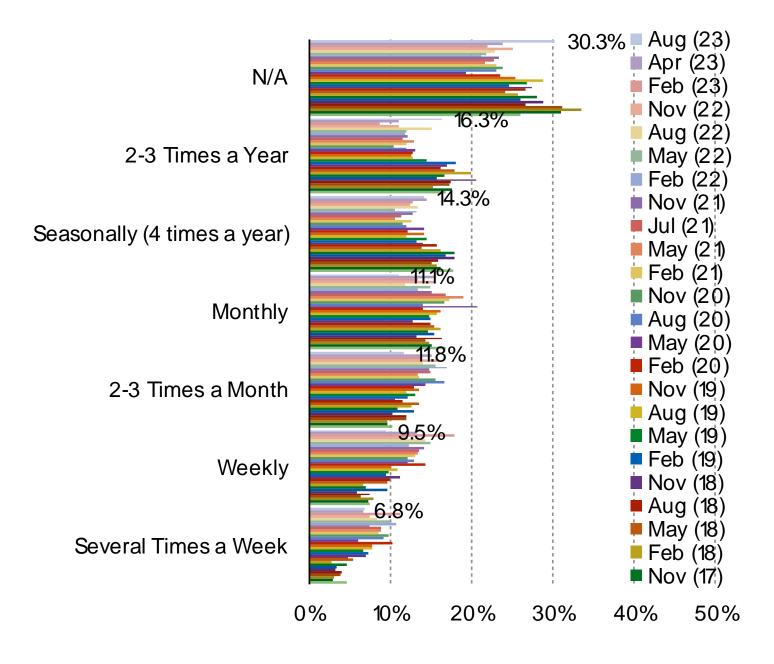
This question was posed to all consumers.



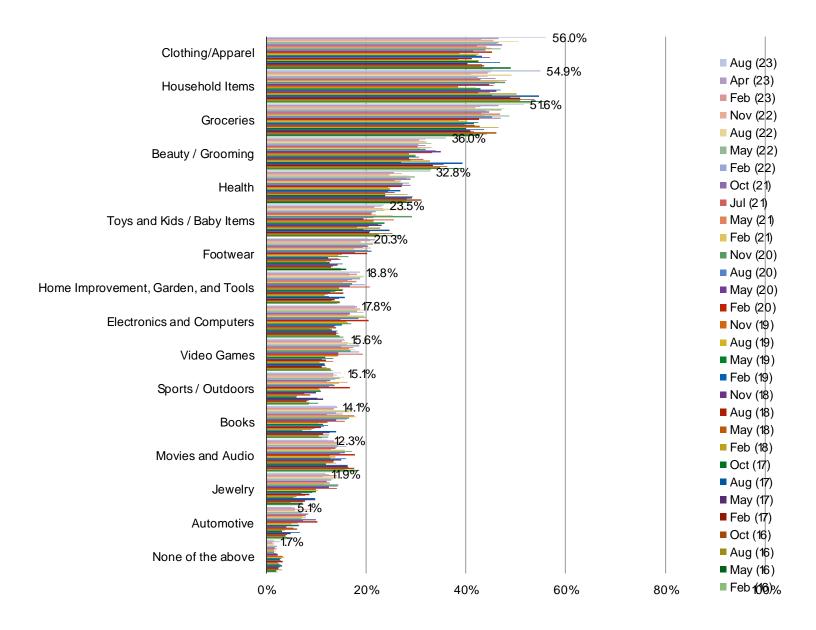
TARGET CUSTOMERS: SHOPPING FREQUENCY IN-STORES AT TARGET



### TARGET CUSTOMERS: SHOPPING FREQUENCY ONLINE AT TARGET

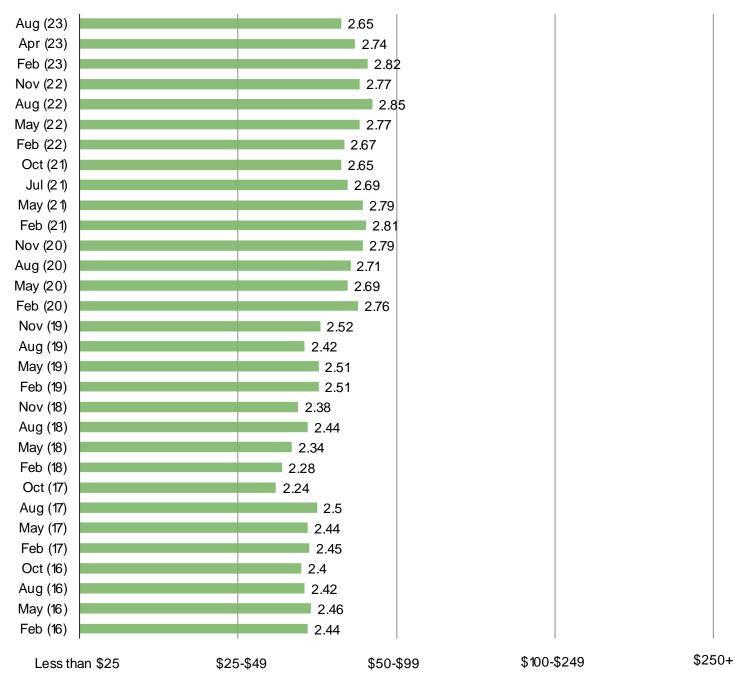


### WHAT CUSTOMERS TYPICALLY BUY FROM TARGET (Q/Q TRACKING)



### **BESPOKE Surveys** Low Cost Retail

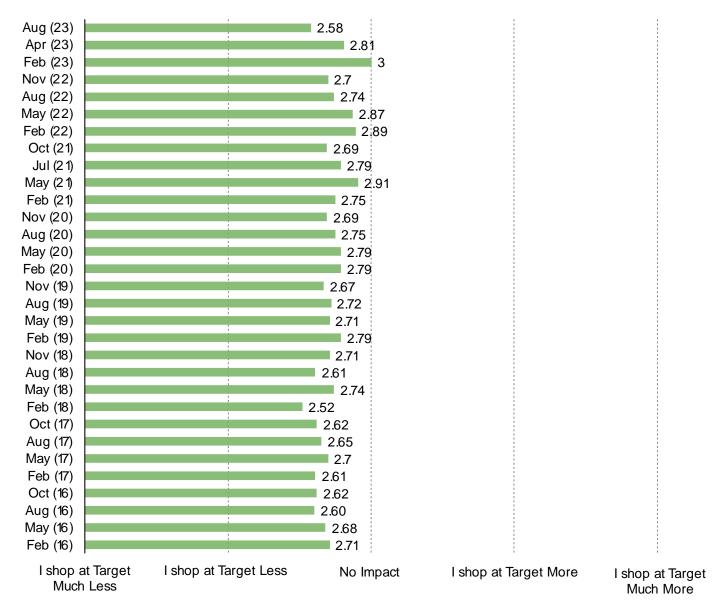
### TARGET CUSTOMERS: AVERAGE SPEND PER VISIT



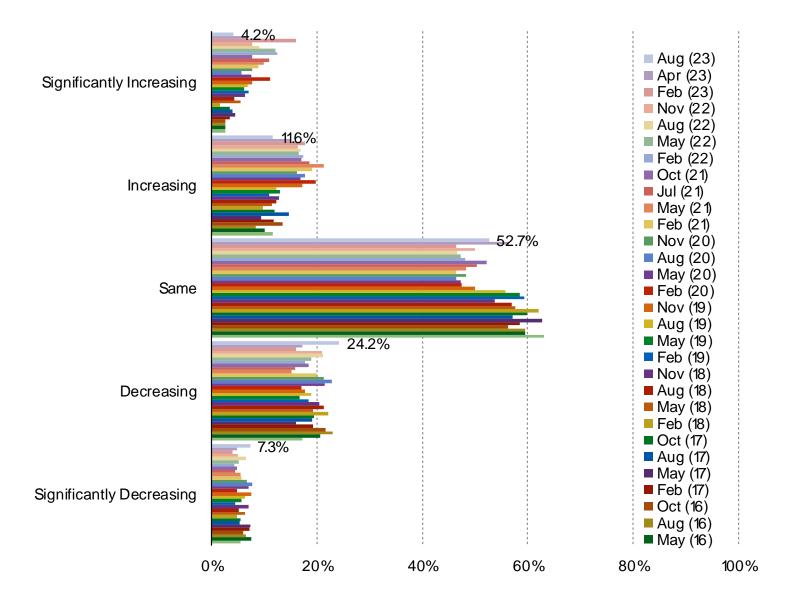
## **BESPOKE Surveys** Low Cost Retail

TARGET CUSTOMERS: IS AMAZON IMPACTING YOUR SHOPPING AT TARGET?



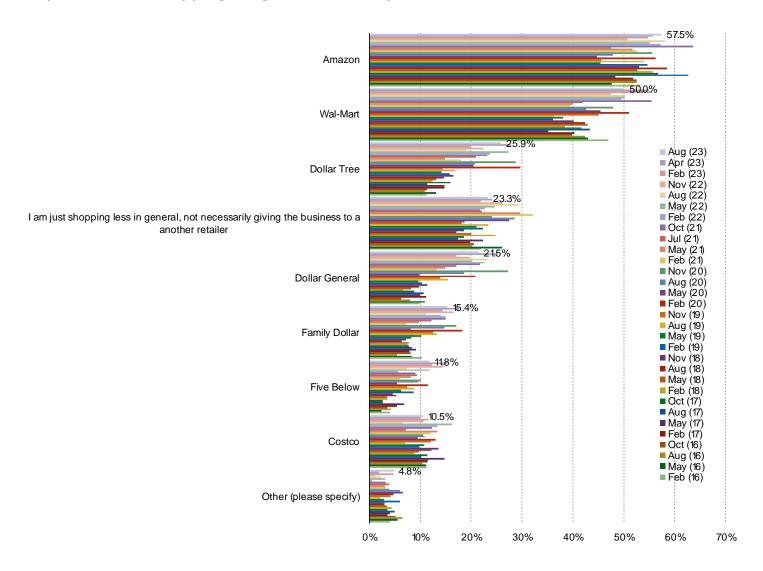


### TARGET CUSTOMERS: CHANGES IN RECENT SHOPPING FREQUENCY



SINCE YOU ARE SHOPPING LESS AT TARGET, ARE YOU GIVING THAT BUSINESS TO ANY OF THE FOLLOWING RETAILERS INSTEAD?

Posed to respondents who have purchased from Target in the past 12 months AND said they have been shopping Target less recently.



Consumer Traffic, Online Share, and Sentiment

# SENTIMENT TOWARD PRICING

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### WHEN YOU LAST VISITED, DID YOU NOTICE ANY CHANGES TO PRODUCT PRICES?

This question was posed to consumers who have shopped each retailer in the past 12 months. ■ Much Lower ■ Lower ■ Same ■ Higher ■ Much Higher

Aug (23)	1.6%7.3%	58.0%	28.8%	4.3%
Apr (23)	1.8%6.8%	57.7%	27,6%	6.1%
Feb (23)	1.8%6.5%	48.4%	31.2%	12.1%
Nov (22)	1.8%9.0%	53.3%	29.0%	6.9%
Aug (22)	1.4%7.3%	47.8%	33.2%	10.4%
May (22)	1.9%6.2%	49.7%	31.8%	10.4%
Feb (22)	1,7%5.7%	52.8%	29.9%	10.0%
Nov (21)	2.7%7.5%	57.3%	25.0%	7.5%
Jul (21)	2 <mark>.3%7.5</mark> %	62.0%	21.7%	6.6%
May (21)	1.6%7.3%	64.9%	19.7%	6.5%
Feb (21)	1.1%8.5%	66.9%	18.2%	5.4%
Nov (20)	2.7% 10.1%	65.7%	16.4%	5.1%
Aug (20)	1.3%8.8%	64.8%	20.2%	4.9%
May (20)	2 <mark>.2% 10.8%</mark>	67.1%	17.5%	% 2.5%
Feb (20)	3.4% 12.2%	62.9%	15.5%	6.1%
Nov (19)	1.9% 7.5%	71.2%	15.1%	6 4.2%
Aug (19)	2 <mark>.1% 9.6%</mark>	69.8%	13.0%	6 5.6%
May (19)	1 <mark>7% 9.9%</mark>	71.5%	13.	1% 3.8%
Feb (19)	1.4% 8.5%	73.7%	12.4	4% 4.0%
Nov (18)	1. <mark>3% 8.0%</mark>	73.0%	14.0	% 3.7%
Aug (18)	1.5% 10.6%	73.0%	12	2.3%
May (18)	2.0% 8.5%	74.2%	11.	9% 3.3%
Feb (18)	1 <mark>2% 9.5%</mark>	77.5%		10.7% 1.2%

#### WALMART

■ Much Lower ■ Lower <sup>4</sup>O% Same ■ Higher ■ Much Higher

0%

100%

Aug (23)	0.44%5%	.44/6% 44.7%		45.9%		4.4%	
Apr (23)	0.84/55%	51.6%	51.6%		37.0%		
Feb (23)	2 <mark>.19</mark> ⁄0%	41.4%	1	38.1%		15.4%	
Nov (22)	1. <mark>5%</mark> .0%	44.2%		39.	6%	9.6%	
Aug (22)	0.63%9%	43.0%		42.1%	0 0	10.5%	
May (22)	1. <mark>53%</mark> 5%	46.7%		37.2	2%	11.2%	
Feb (22)	0.94/4%	49.9%	1	32	2.1%	12.7%	
Nov (21)	1.195.0%	52.5%			33.2%	8.3%	
Jul (21)	1. <mark>8%</mark> .3%	58.4%	1		26.2%	9.4%	
May (21)	1.7%5.6%	59.4%	6		24.4%	8.9%	
Feb (21)	1. <mark>2%6.1%</mark>	64	0%		20.9%	7.8%	
Nov (20)	1. <mark>2%</mark> .2%	61.7%	6		25.1%	6.8%	
Aug (20)	1. <mark>4%</mark> .9%	61.9%	6		25.1%	6.7%	
May (20)	1 <mark>.6% 6.9%</mark>	6	3.9%		23.4%	4.2%	
Feb (20)	2.1% 8.4%	55.4	%		26.2%	8.0%	
Nov (19)	2 <mark>.0% 7.1%</mark>	61	.5%		21.6%	7.8%	
Aug (19)	1. <mark>8% 5.2%</mark>	65	.7%		21.5%	5.8%	
May (19)	1. <mark>5% 8.0%</mark>		65.3%		20.5%	6 4.7%	
Feb (19)	0.6% 6.0%	66	.2%		18.7%	8.6%	
Nov (18)	0.7% 6.1%	6	7.8%		19.4%	6.0%	
Aug (18)	1.3% 7.7%		66.6%		20.9	% 3.5%	
May (18)	1 <mark>.6% 4.5%</mark>		71.5%		17.8	% 4.6%	
Feb (18)	1.0 <mark>% 5.5%</mark>		77.2%			15.1% 1.3%	
	0%	20% 4	0%	60%	80%	100%	

#### TARGET

FROM YOUR EXPERIENCE, ARE PRICES ON THE WAL-MART SITE DIFFERENT THAN THE PRICES IN-STORES

Lower Prices In-Stores

This question was posed to consumers who have shopped Wal-Mart online AND in-stores monthly or more frequently.

Lower Prices Online

Aug (23)	16.0%		67.4	%		16.6%
Apr (23)	14.2%		71.7	7%		14.0%
Feb (23)	16.3%		66.7	%		17.0%
Nov (22)	15.9%		68.	9%		15.2%
Aug (22)	14.4%		69.1	6		16.5%
May (22)	13.1%		70.6%	0		16.3%
Feb (22)	15.7%			4%		14.9%
Nov (21)	15.6%			2.4%		12.0%
Jul (21)	15.7%			9%		14.4%
May (21)	14.2%		71.7	i i		14.2%
Feb (21)	13.9%		71.4	1		14.7%
Nov (20)	16.5%		67			15.8%
Aug (20)	14.6%		69.8			15.7%
May (20)	15.4%		69.			15.0%
Feb (20)	15.6%		65.99			18.5%
Nov (19)	14.5%		69.8			15.6%
Aug (19)	14.2%		69.4			16.5%
May (19)	12.6%					
• • •			1	.4%		15.0%
Feb (19)	11.9%		72.8%			15.3%
Nov (18)	13.7%		71.			14.9%
Aug (18)	16.4%			8%		18.9%
May (18)	13.3%		68.0			18.8%
Feb (18)	17.5%		6	3.7%		18.8%
0	%	20%	40%	60%	80%	100%

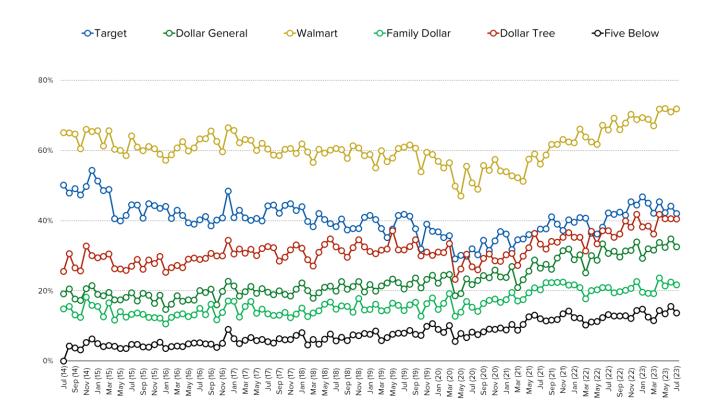
Consumer Traffic, Online Share, and Sentiment

# MONTHLY TRACKERS

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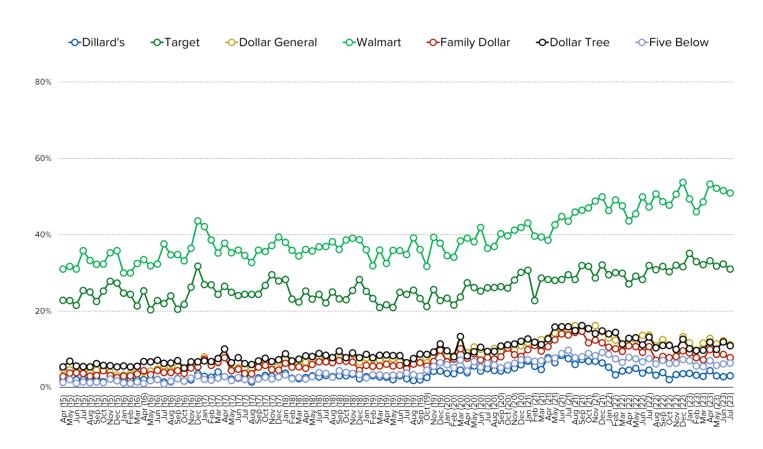
#### HAVE YOU VISITED ANY OF THE FOLLOWING COMPANY STORES IN THE PAST MONTH?

This question was posed to all respondents.



HAVE YOU VISITED ANY OF THE FOLLOWING COMPANY WEBSITES IN THE PAST MONTH?

This question was posed to all respondents.



HAVE YOU MADE A PURCHASE FROM ANY OF THE FOLLOWING IN THE PAST MONTH? (ONLINE OR IN-STORES)

### This question was posed to all respondents.

