

Bespoke Survey Research

April 2024

Low-Cost Retail

Volume 34 | Quarterly Survey

1,000 US Consumers Balanced To Census

Tickers Covered: WMT, TGT, AMZN, COST.

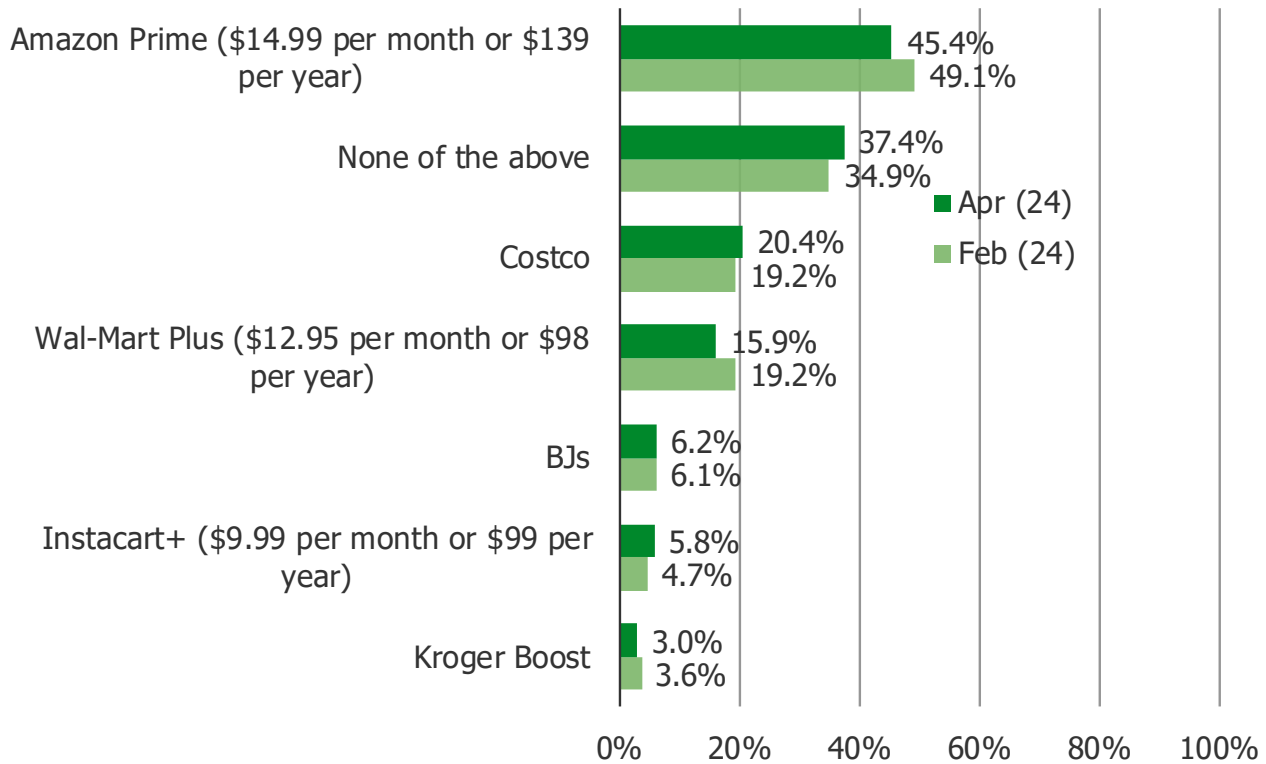
KPIs and Key questions

1. Interest in a paid membership program through Target remains relatively low.
2. Self-reported Costco shopping trends remain consistent check to check.
3. Consumers continue to flag cost benefits at Costco when it comes to gas prices and that such benefits are important to them as they consider their Costco memberships.
4. The share of Walmart and Target customers who flag higher prices has moderated relative to the highs of a few quarters ago.
5. Consumers who have been shopping Target and Walmart less often continue to note that Amazon is benefitting the most from this dynamic.
6. The share of Target customers who say Amazon impacts their spending with Target has increased in recent volumes.
7. Trends related to Wal-Mart shopping engagement have been fairly stable sequentially. Notably, the share of Wal-Mart customers who go to Wal-Mart for groceries has increased sequentially.

NEW QUESTIONS | APRIL 2024

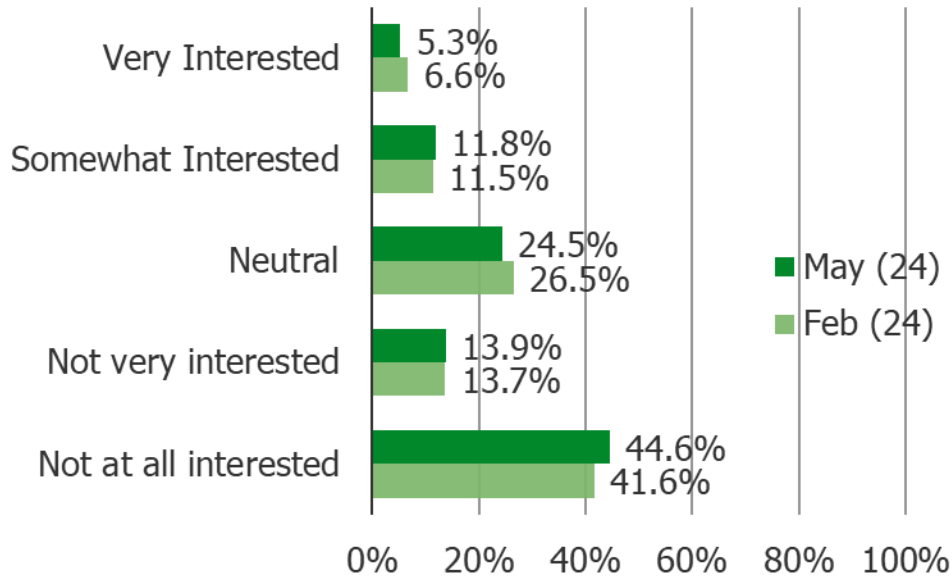
ARE YOU OR ANYONE IN YOUR HOUSEHOLD CURRENTLY A PAYING MEMBER OF ANY OF THE FOLLOWING?

This question was posed to all respondents.

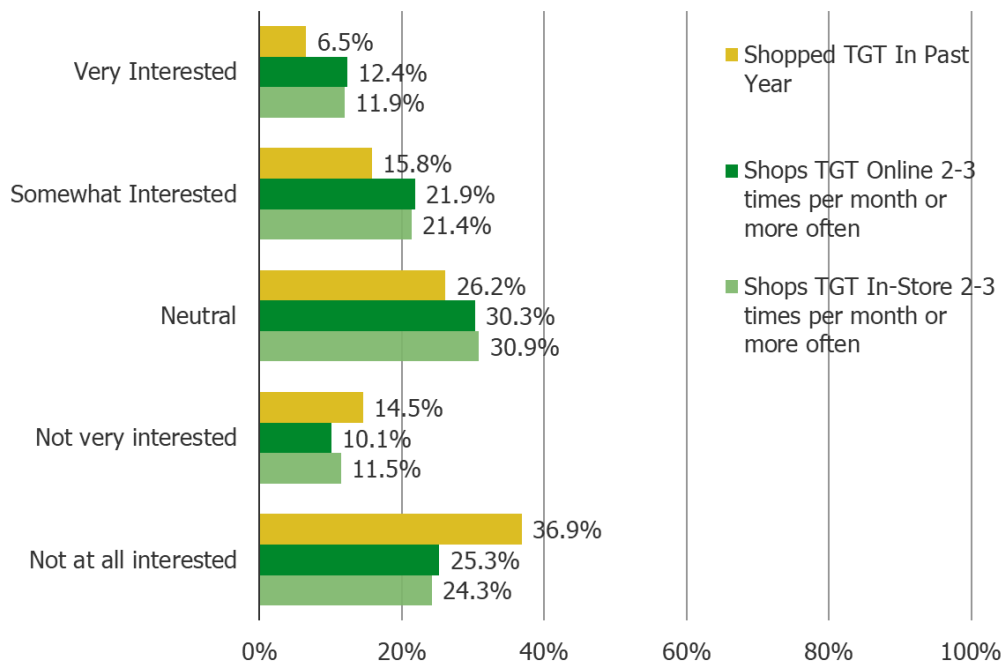


WOULD YOU HAVE ANY INTEREST IN SIGNING UP FOR A PAID MEMBERSHIP WITH TARGET IF THEY LAUNCHED ONE? THE MEMBERSHIP WOULD LIKELY COST \$10-\$15 PER MONTH OR AROUND \$99 PER YEAR AND WOULD GET YOU FREE SHIPPING AND DEALS WHILE SHOPPING.

This question was posed to all respondents.



Cross-Tabs: How different types of Target customers answer the question above...



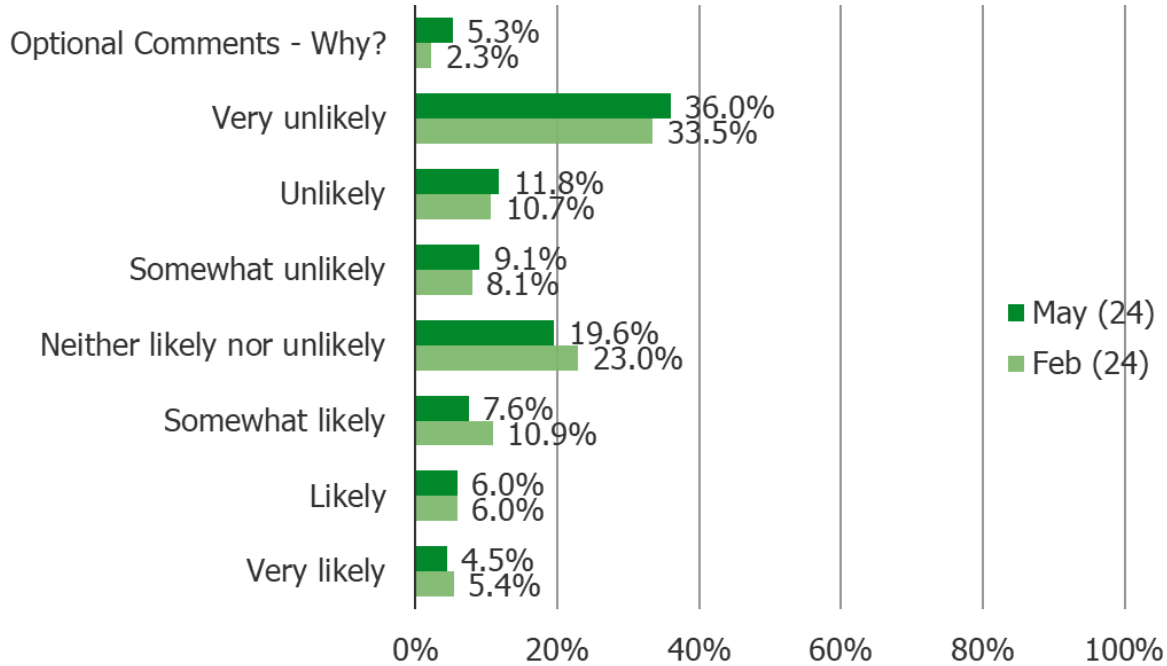
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Optional Comments

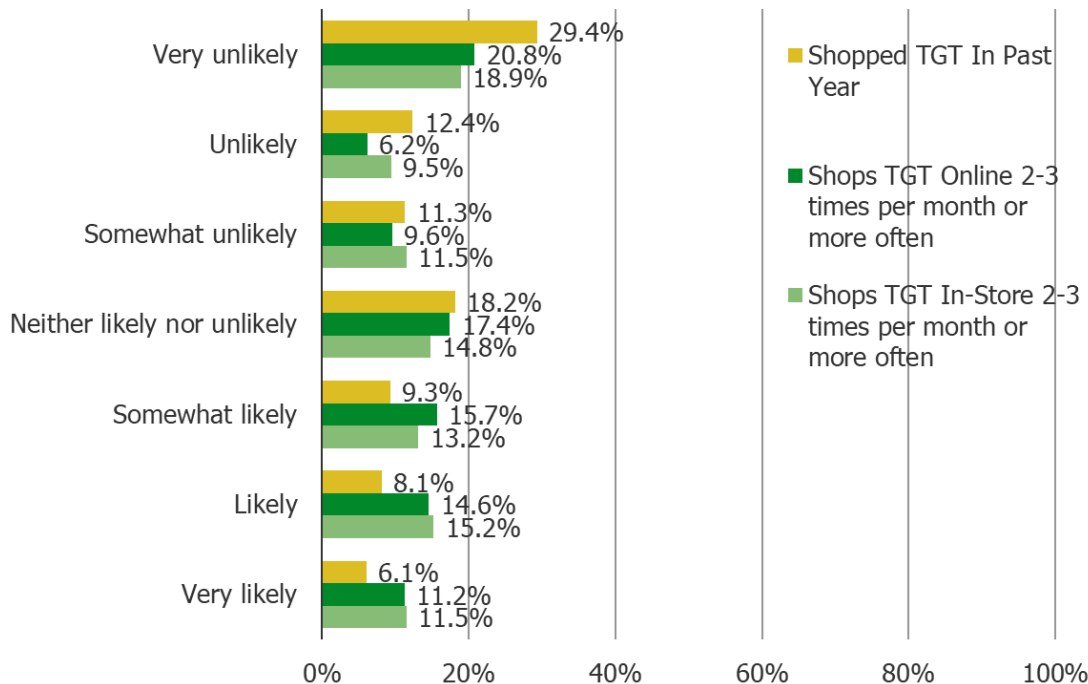
I would not be interested because I rarely use Target as it is for shopping so a subscription would be a waste of money.
I don't see a need for it that justifies adding another subscription service to my monthly bills
Love target brands
Don't go to target and have no desire to shop there online
I am low income and can't afford it
It seems like a good deal because I shop at target alot
I do not have money for a membership
I like Target more than Walmart
Having a redcard gets you free shipping and target circle has deals. why would i suddenly start paying for those?
I already have too many memberships that I probably do not get enough value from in my sparse shopping
Dont shop there enough
My wife shops at Target a lot more than I do. We use Walmart for our groceries so Walmart+ makes sense for us. I'm not sure a Target+ equivalent would, but we would definitely look at it.
Low on funds right now.
I don't shop there enough to consider.
I don't do enough shopping there to get membership.
Avoid unnecessary memberships.
Don't shop much
I just don't have the money to commit to the shopping right now.
Dont shop there enough
No reason
I have Costco and Sam's club
Not interested
I don't like target
Because Target is too expensive and I can't afford to shop there enough to need a membership
I don't share their values.
Will not pay to shop anywhere
It would have to include free home delivery
No target near me so wouldn't shop there
There is no target close to me
I don't shop there enough to make it worth it.
I don't shop there very often, and I don't need free shipping. I can drive or walk there.
Looks good, and I'm/were thinking about it.
I don't shop there enough.

IF TARGET SWITCHED TO A MODEL LIKE COSTCO OR BJ'S WHERE YOU HAD TO BE A PAYING MEMBER IN ORDER TO BE ABLE TO SHOP THERE, HOW LIKELY WOULD YOU BE TO SIGN UP?

This question was posed to all respondents.



Cross-Tabs: How different types of Target customers answer the question above...

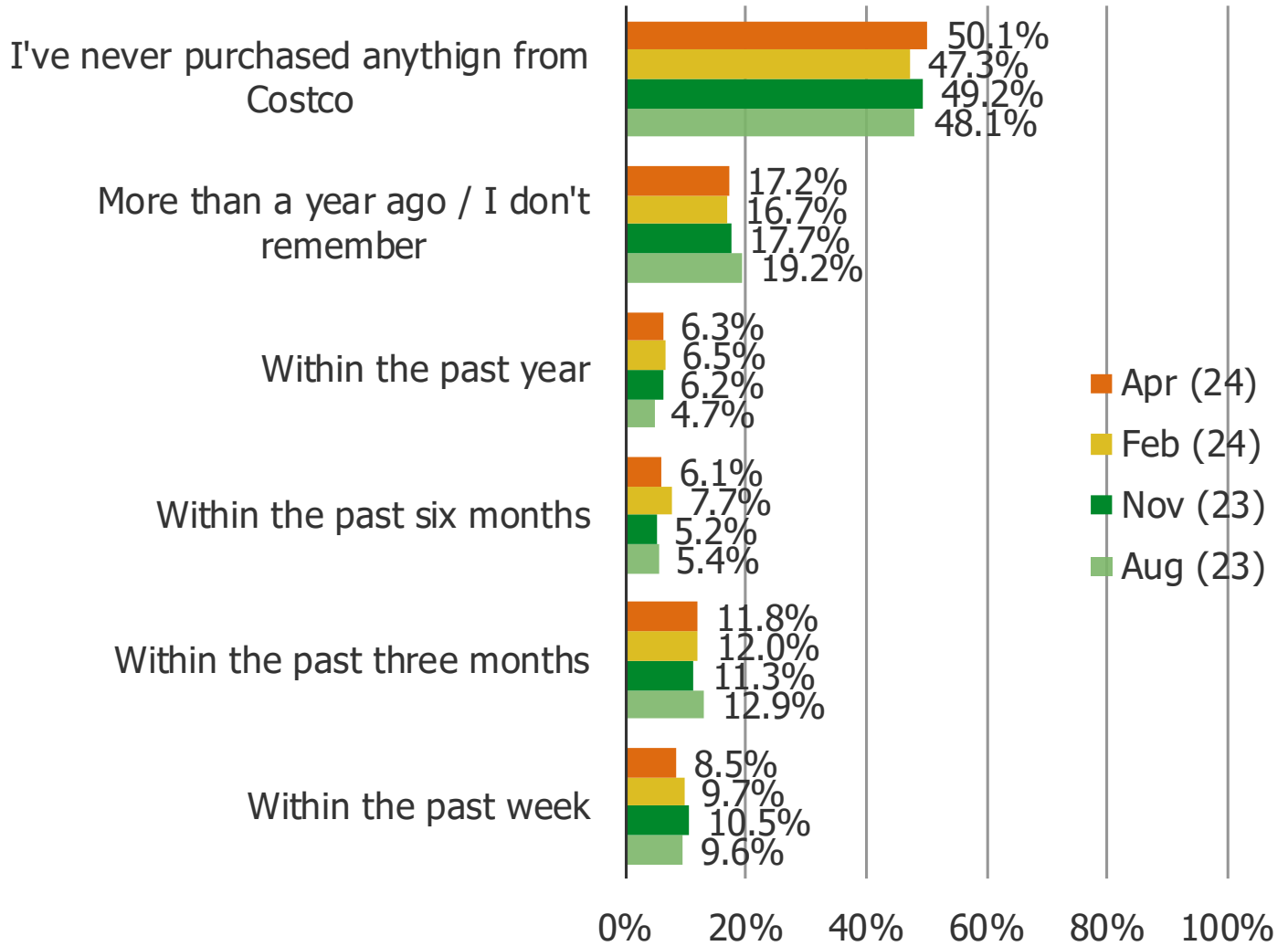


Consumer Traffic, Online Share, and Sentiment

COSTCO

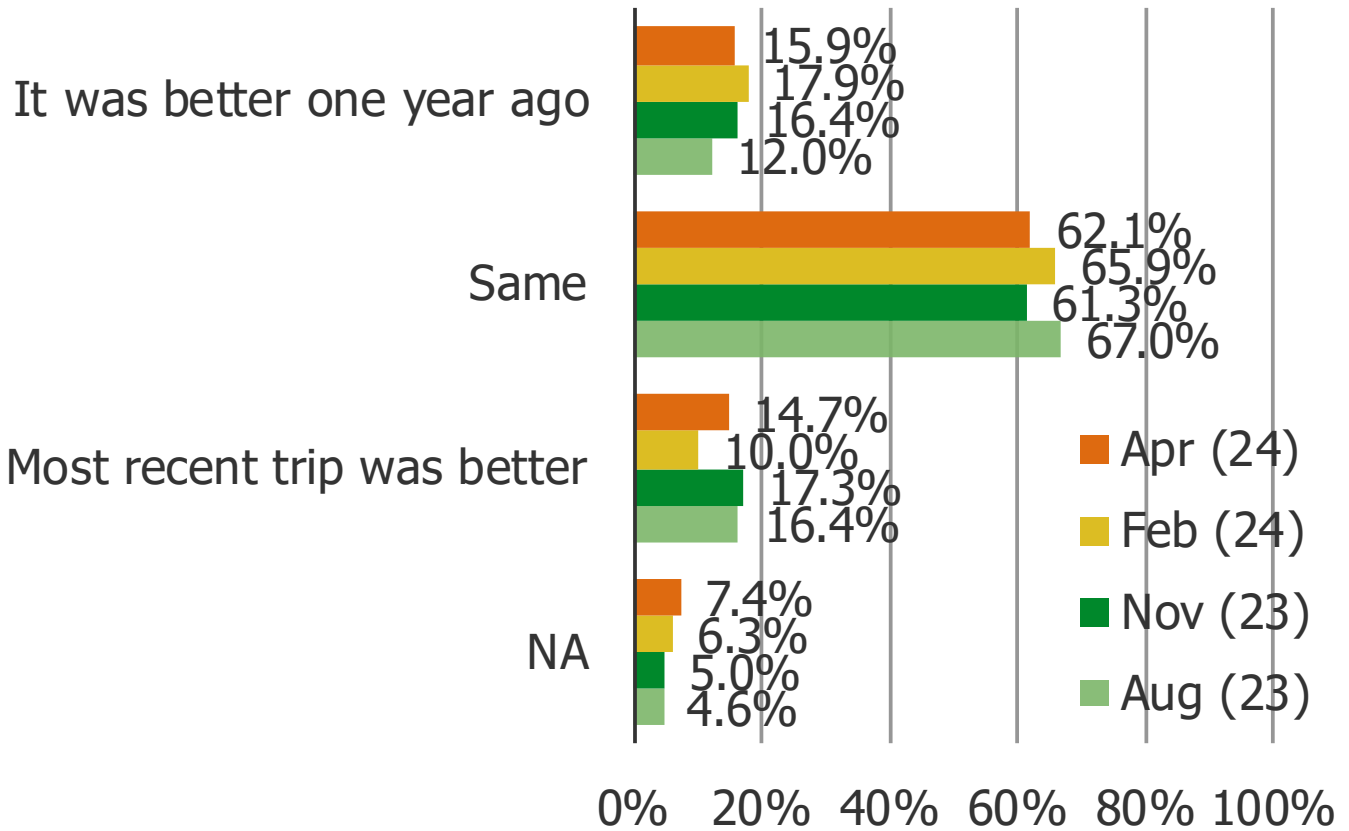
WHEN IS THE LAST TIME YOU PURCHASED ANYTHING FROM COSTCO?

This question was posed to all consumers.



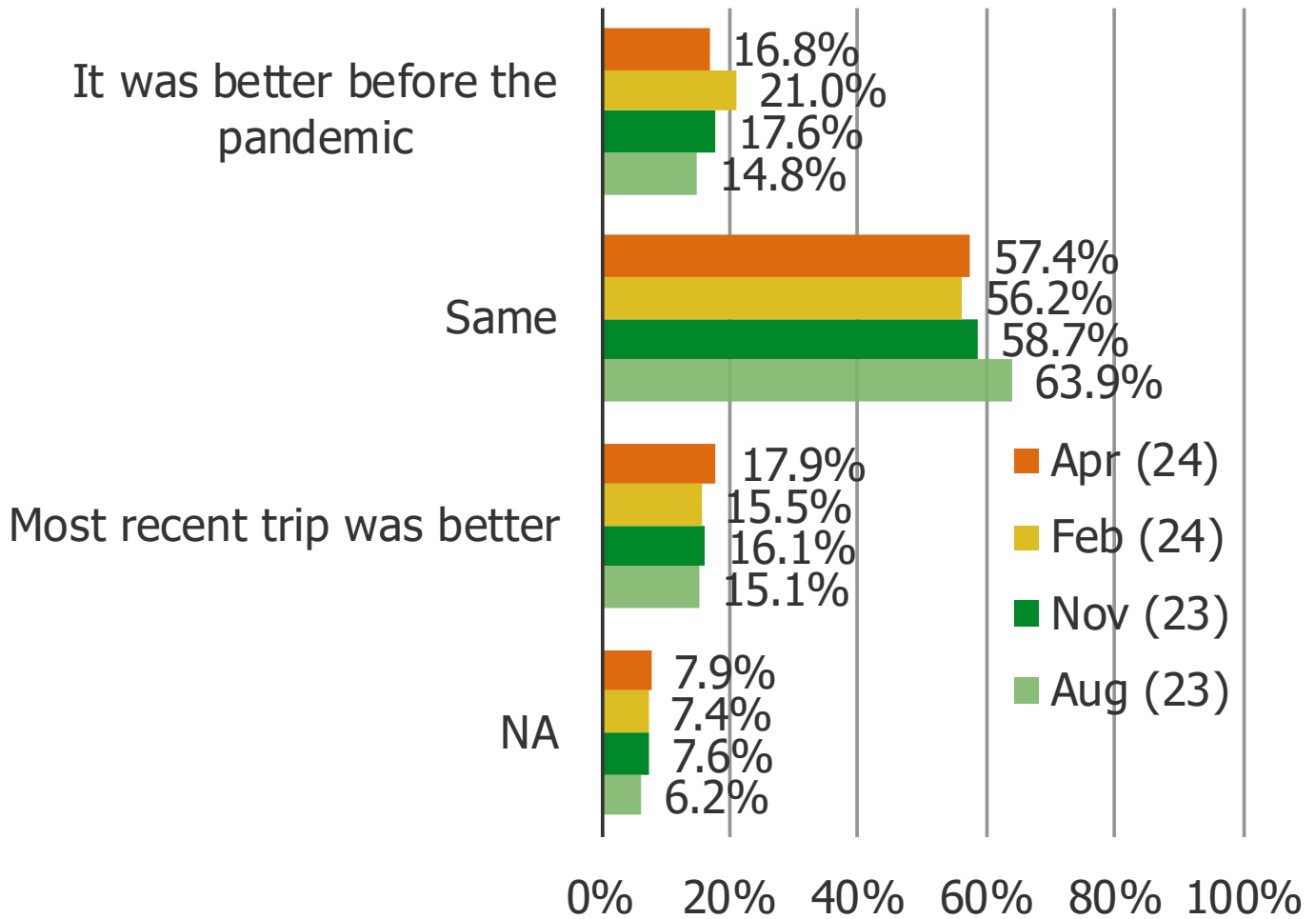
THINKING ABOUT YOUR LAST TRIP TO COSTCO, WAS THE IN-STORE EXPERIENCE BETTER OR WORSE COMPARED TO ONE YEAR AGO?

This question was posed to all consumers who have purchased anything from Costco within the past year.



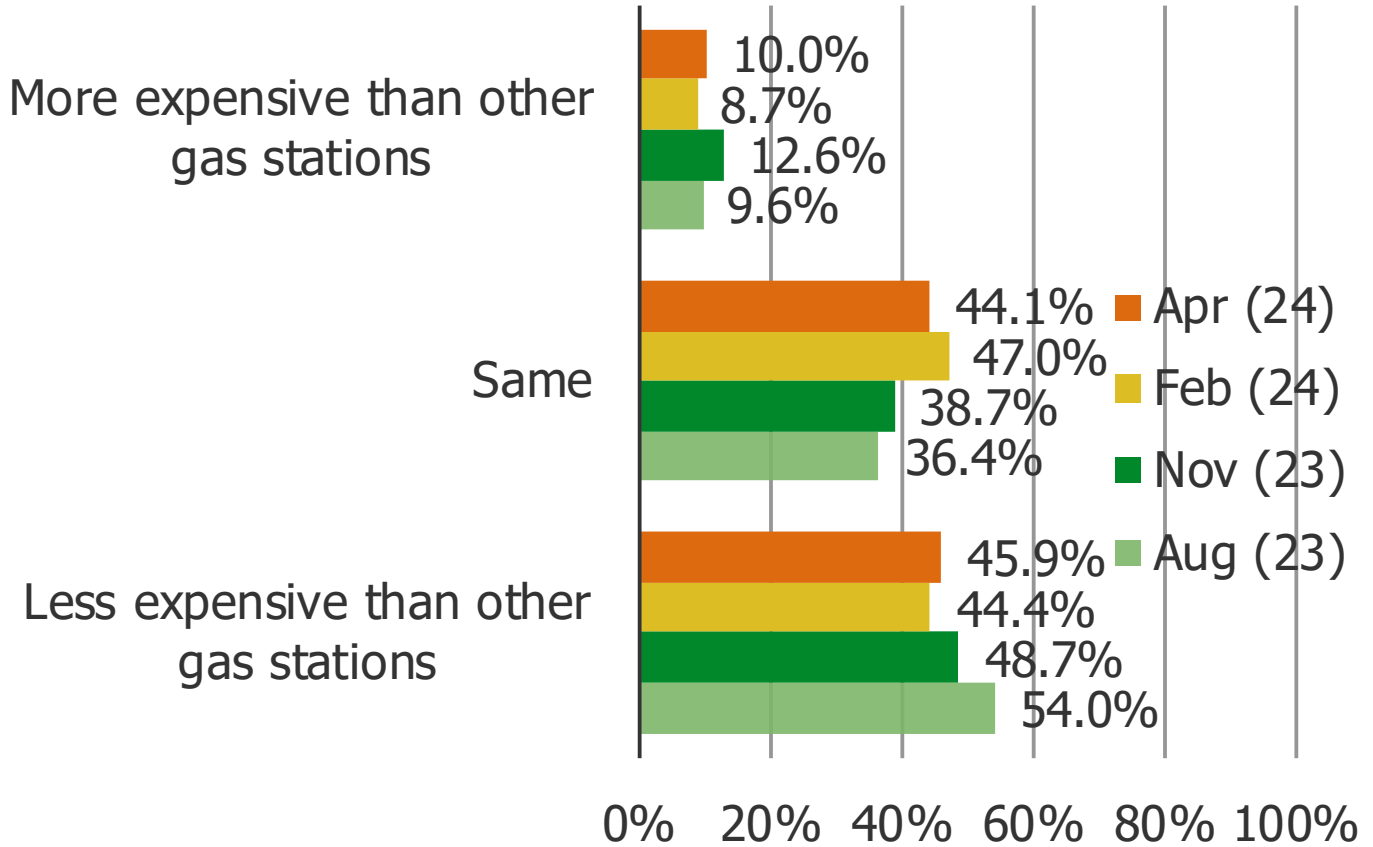
THINKING ABOUT YOUR LAST TRIP TO COSTCO, WAS THE IN-STORE EXPERIENCE BETTER OR WORSE COMPARED TO BEFORE THE PANDEMIC?

This question was posed to all consumers who have purchased anything from Costco within the past year.



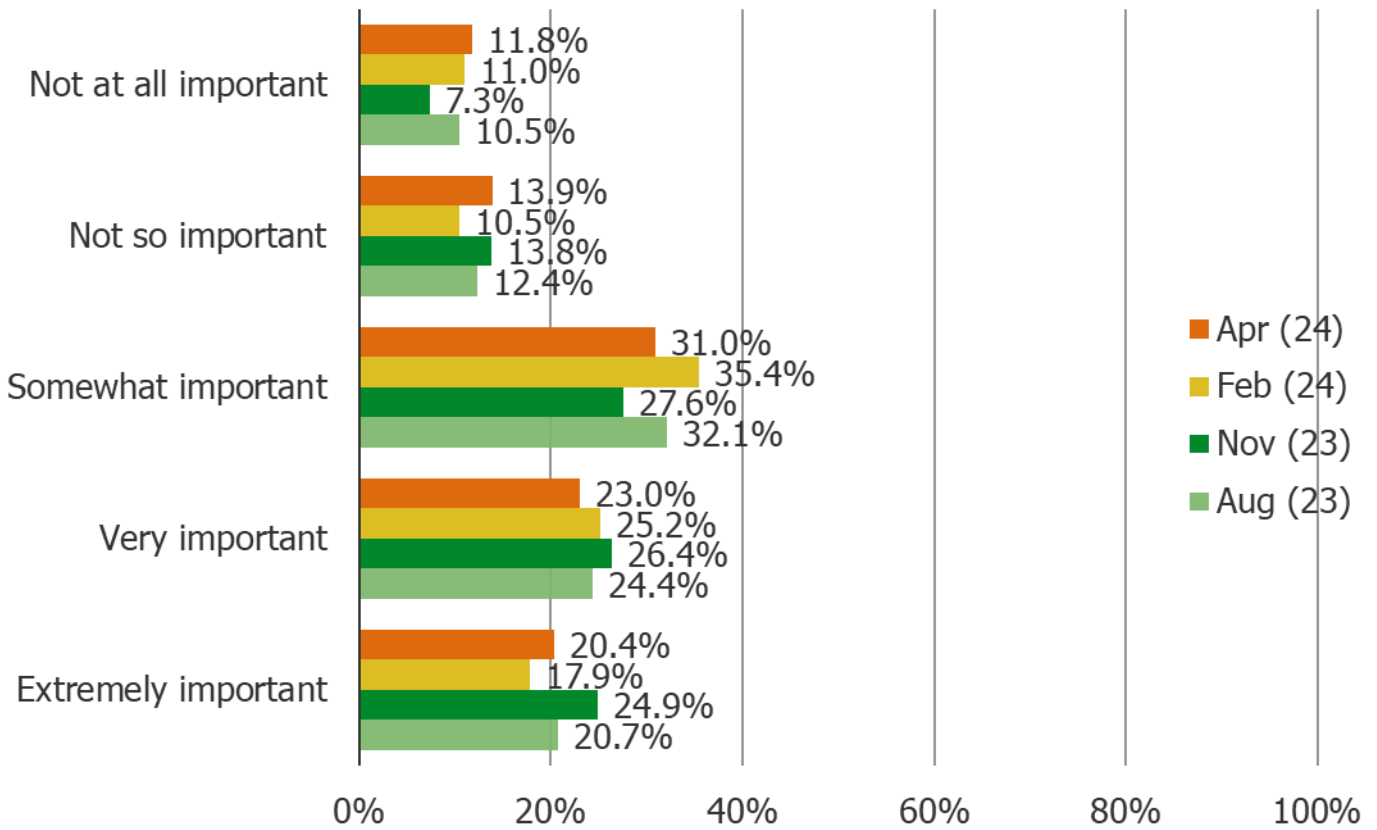
DO YOU FIND THAT COSTCO FUEL/GAS PRICING IS...

This question was posed to all consumers who have purchased anything from Costco within the past year.



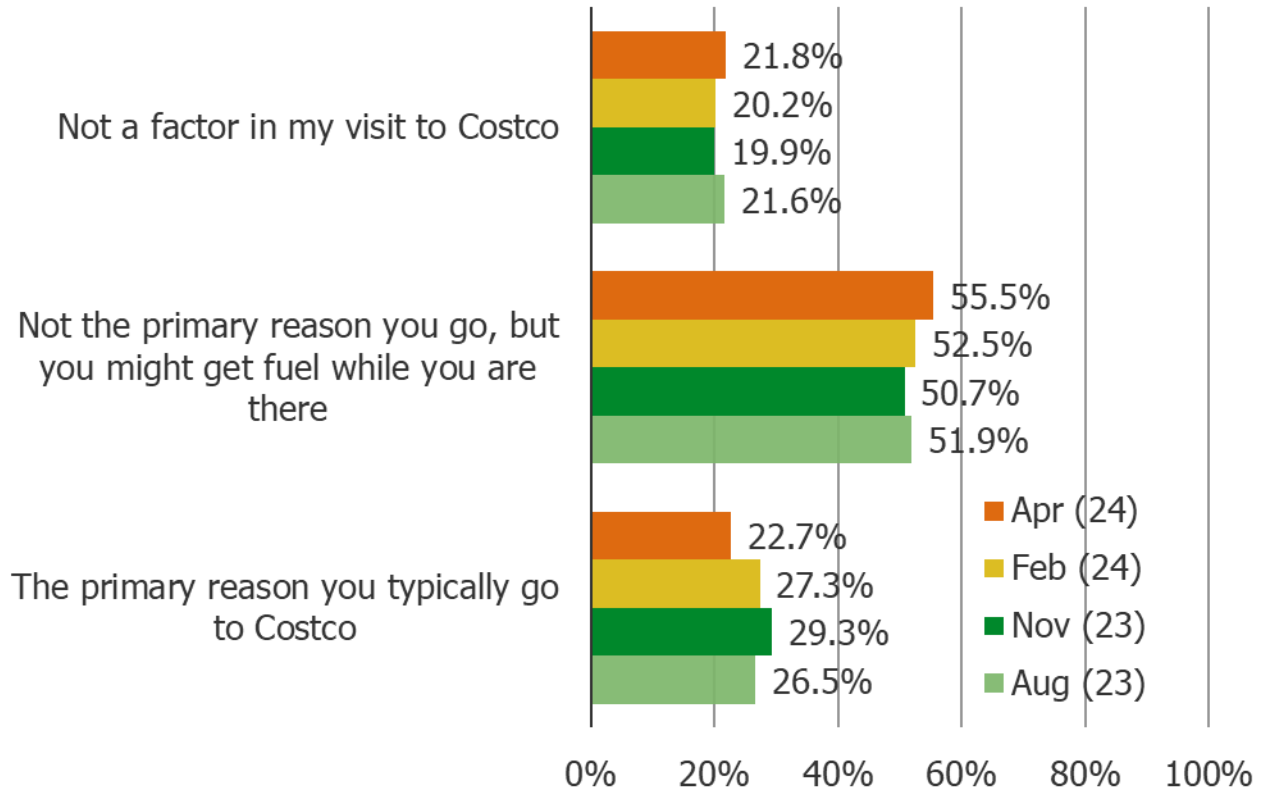
HOW IMPORTANT WAS SAVING MONEY ON FUEL TO YOU IN SIGNING UP FOR A COSTCO MEMBERSHIP TO BEGIN WITH?

This question was posed to all consumers who have purchased anything from Costco within the past year.



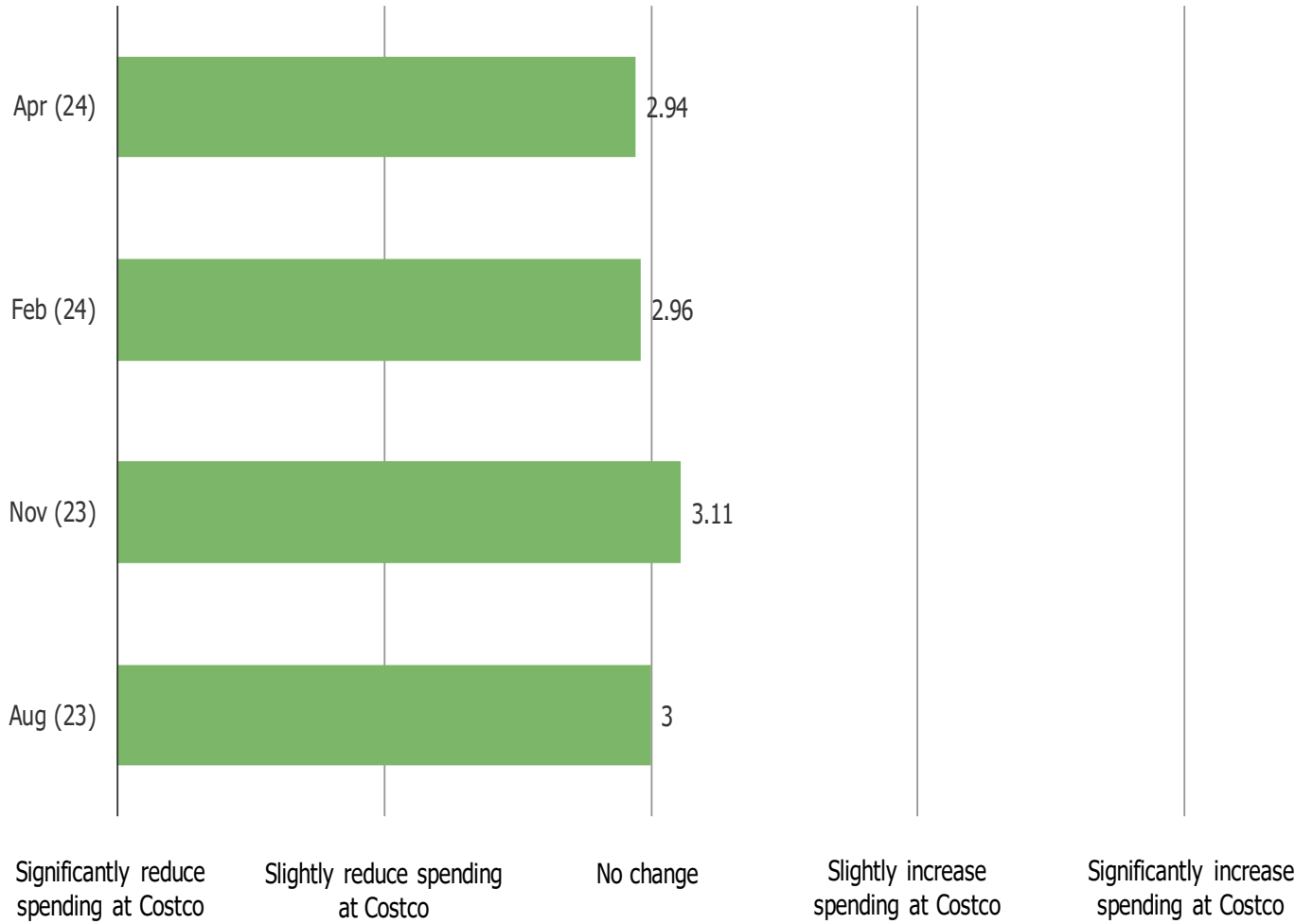
WHEN YOU GO TO COSTCO, IS GETTING LOWER COST FUEL...

This question was posed to all consumers who have purchased anything from Costco within the past year.



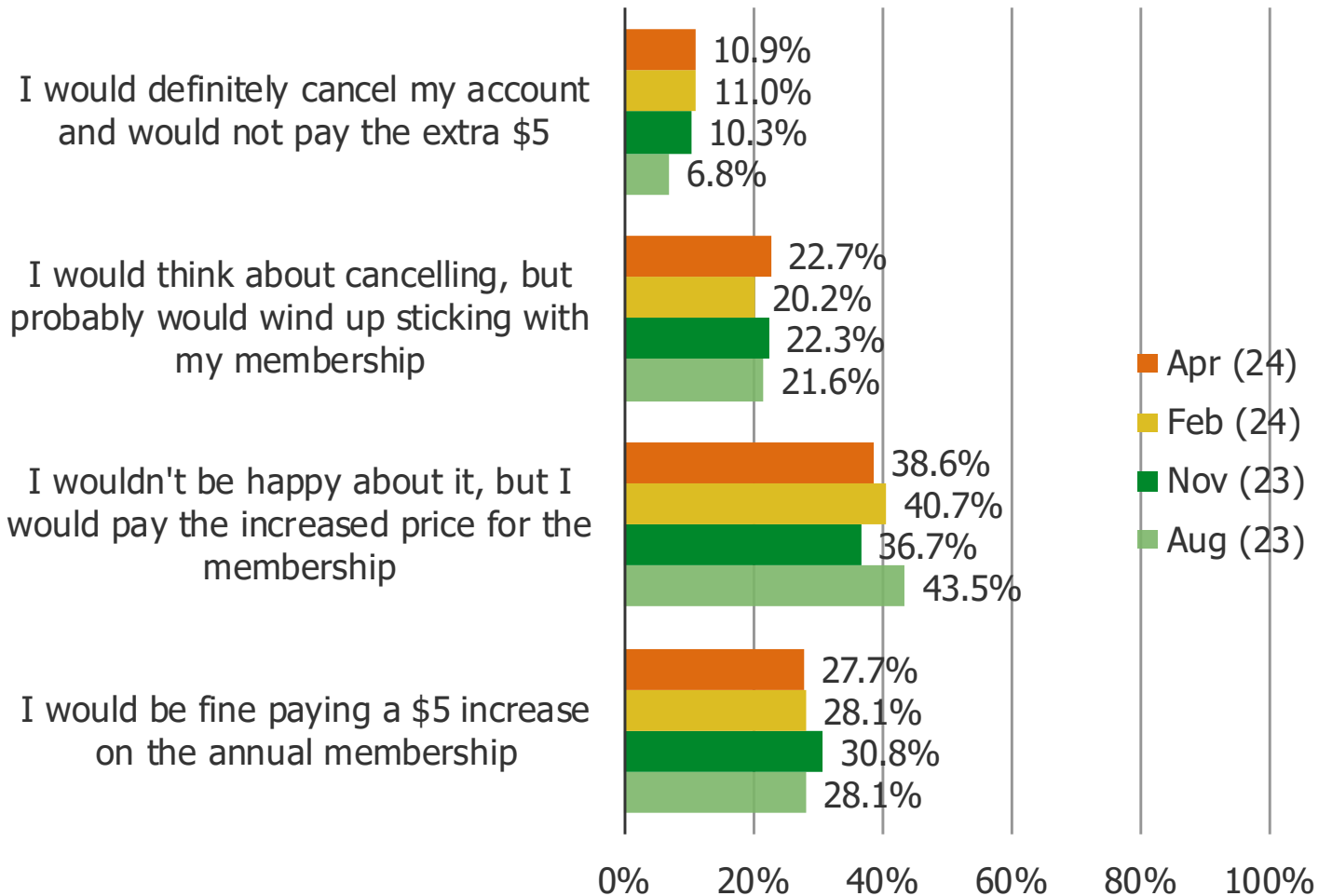
GOING FORWARD, DO YOU EXPECT TO...

This question was posed to all consumers who have purchased anything from Costco within the past year.



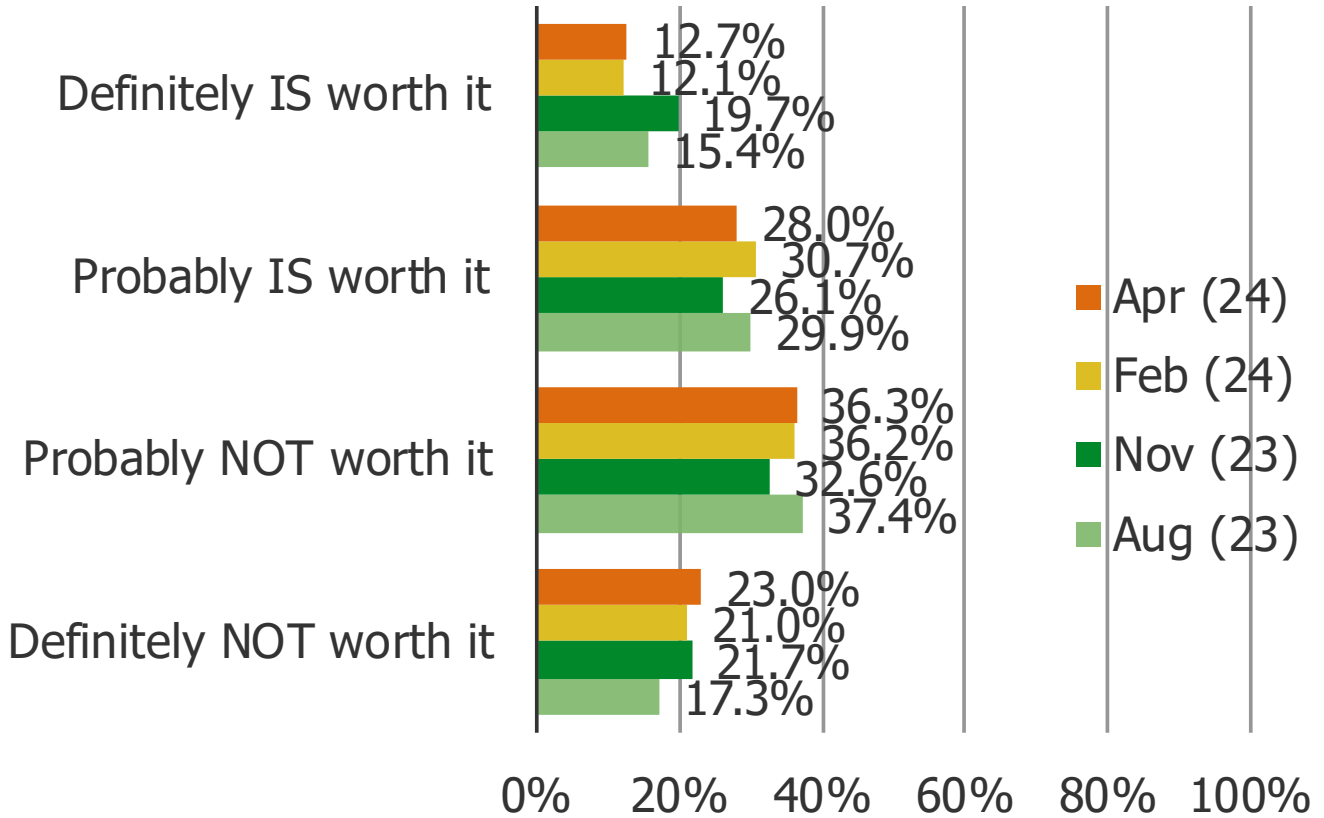
IF COSTCO INCREASED THE ANNUAL MEMBERSHIP FEES BY \$5, HOW WOULD YOU RESPOND?

This question was posed to all consumers who have purchased anything from Costco within the past year.



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?

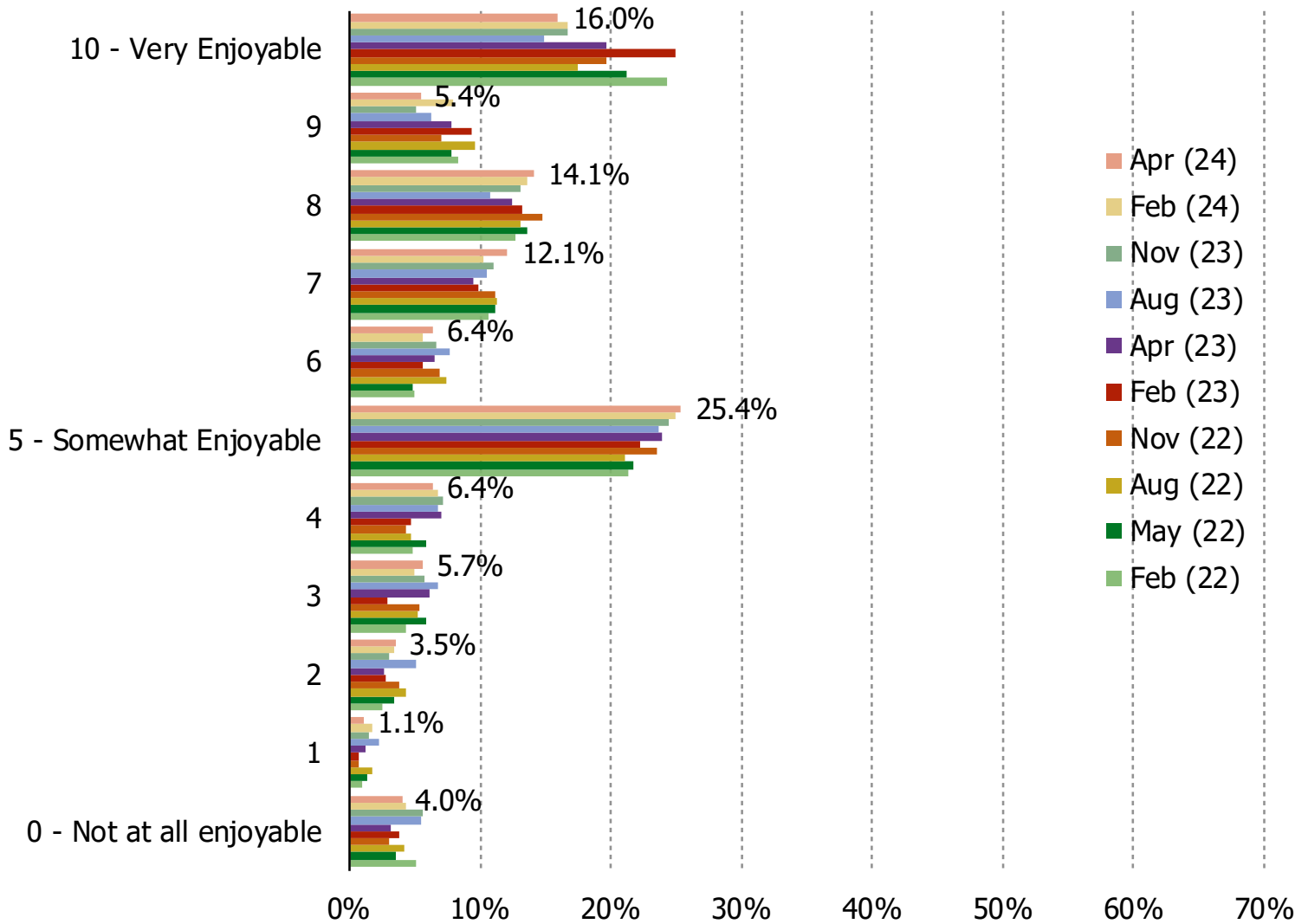
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IN-STORE EXPERIENCE

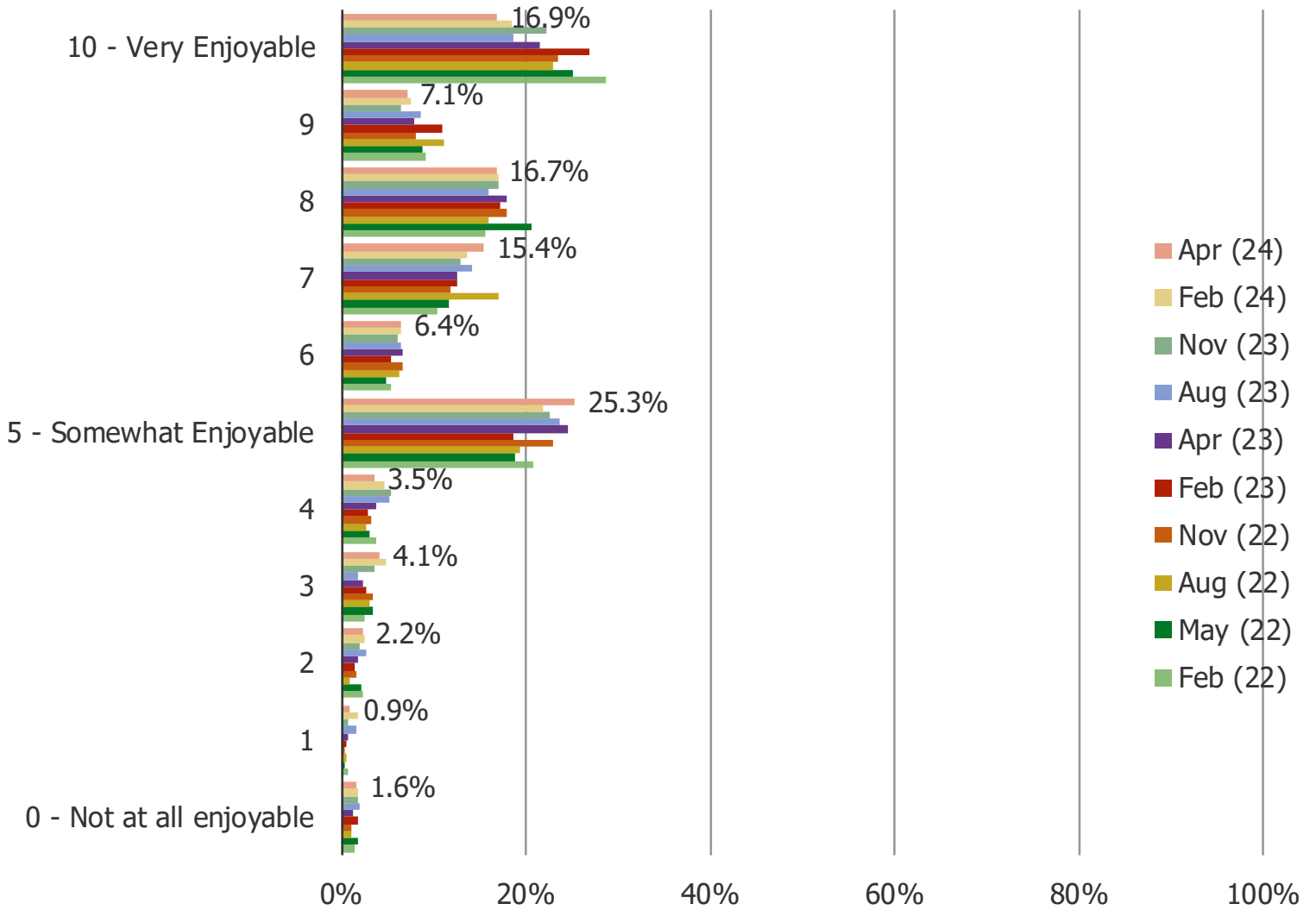
DO YOU FIND IT ENJOYABLE TO VISIT WAL-MART STORES?

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



DO YOU FIND IT ENJOYABLE TO VISIT TARGET STORES?

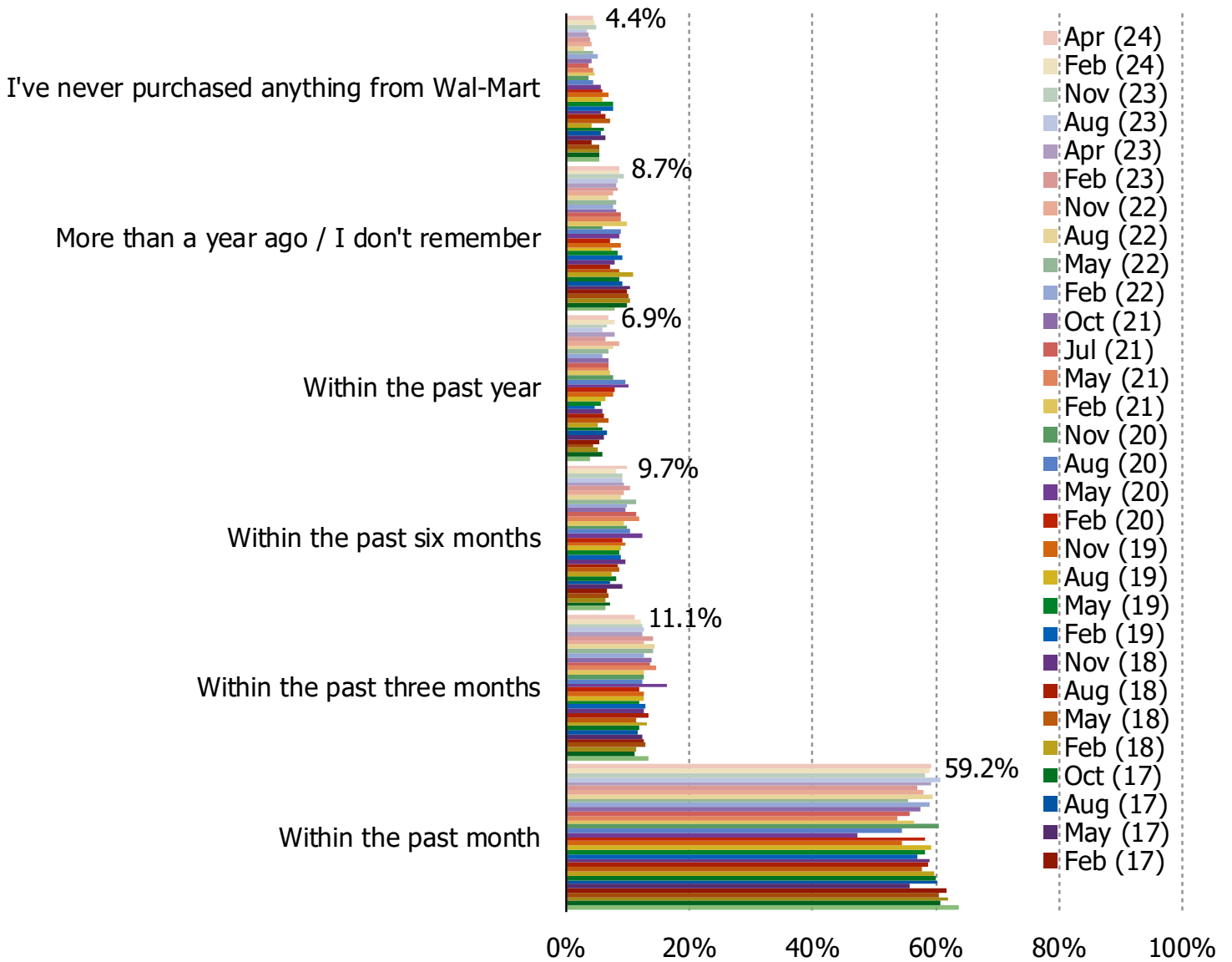
This question was posed to all consumers who visit Target stores.



WAL-MART DEEP DIVE

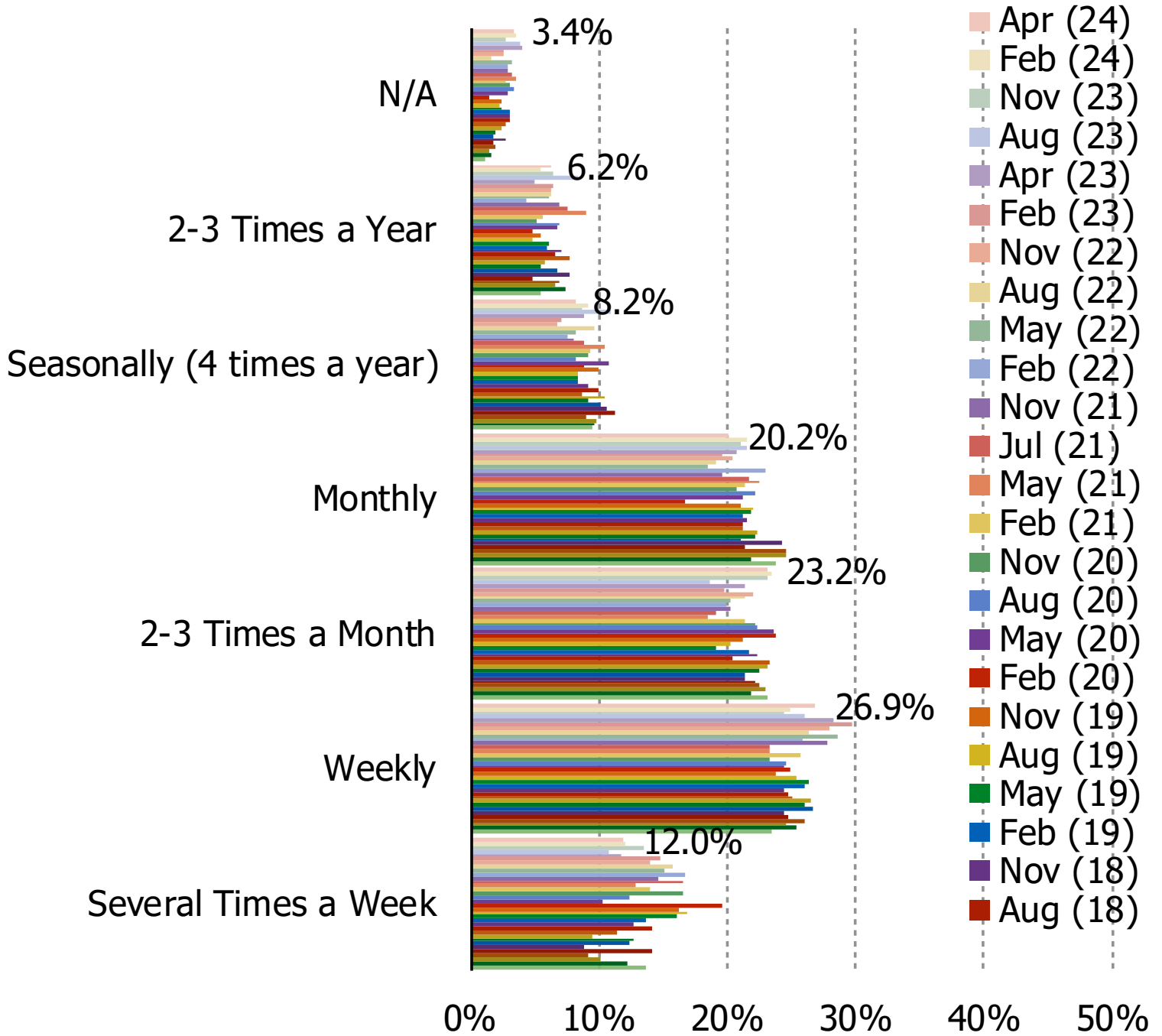
ALL CONSUMERS: LAST TIME PURCHASING FROM WAL-MART

This question was posed to all consumers.



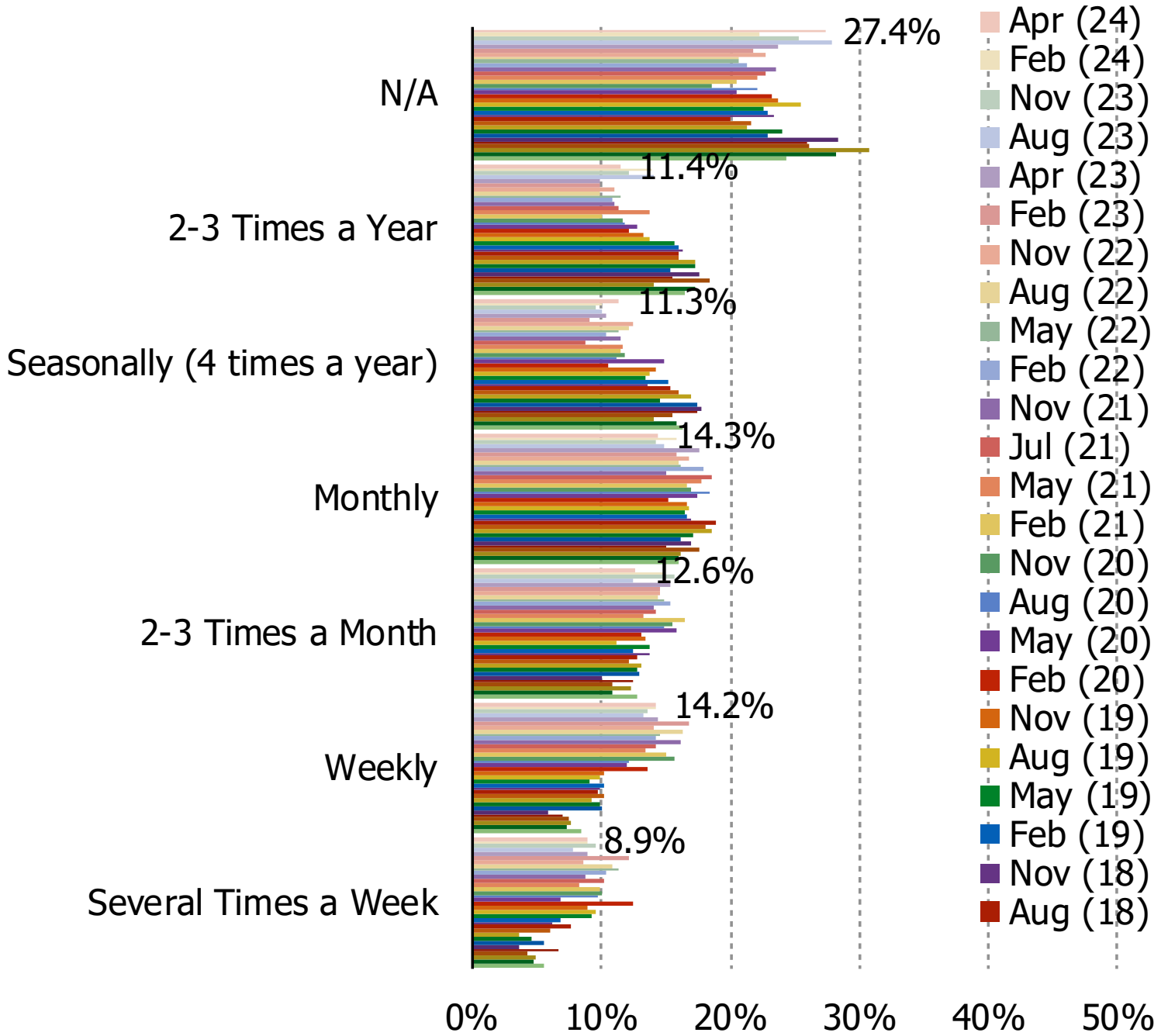
WAL-MART CUSTOMERS: SHOPPING FREQUENCY IN-STORES AT WAL-MART

Posed to respondents who have purchased from Wal-Mart in the past 12 months.



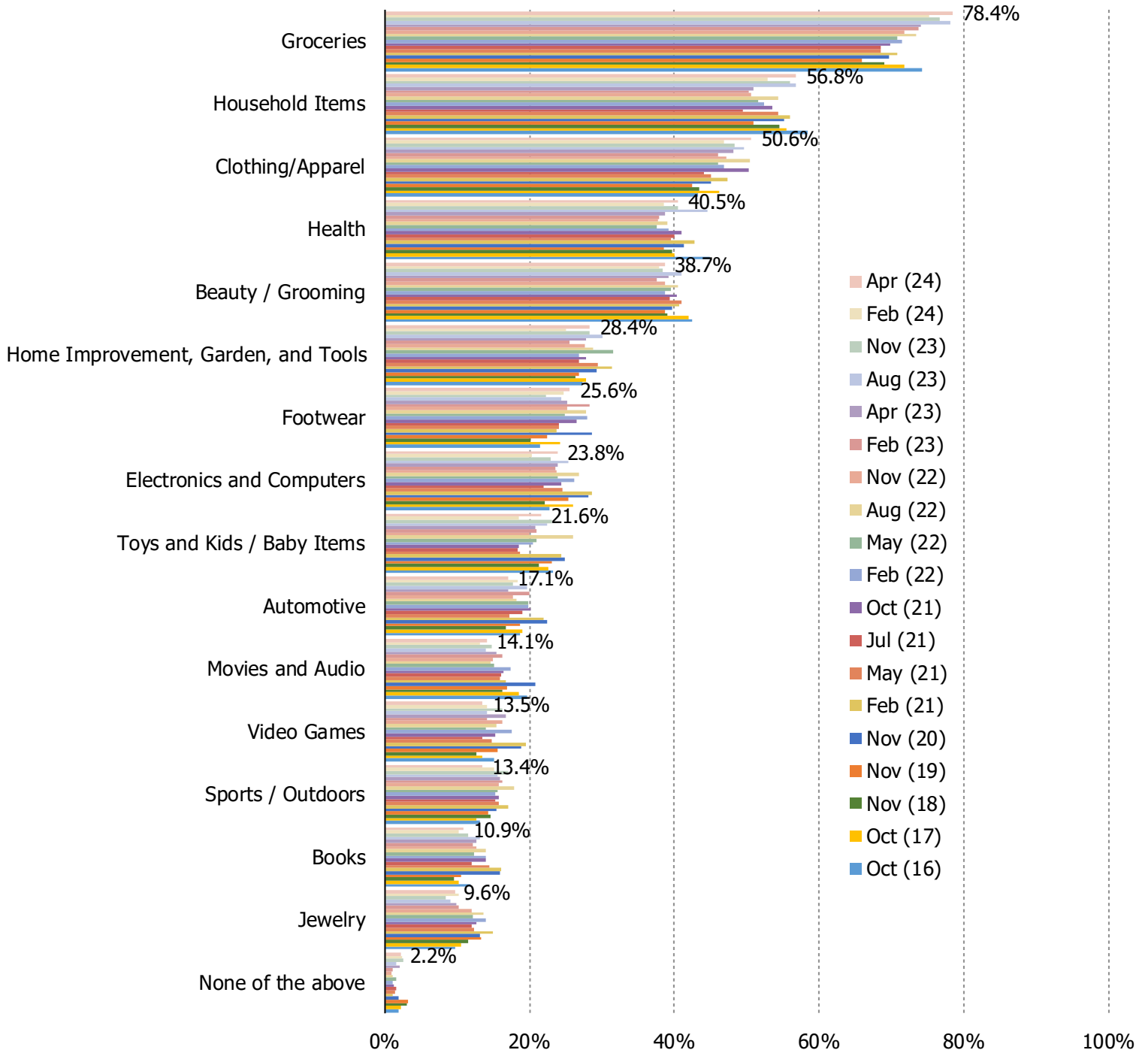
WAL-MART CUSTOMERS: SHOPPING FREQUENCY ONLINE AT WAL-MART

Posed to respondents who have purchased from Wal-Mart in the past 12 months.



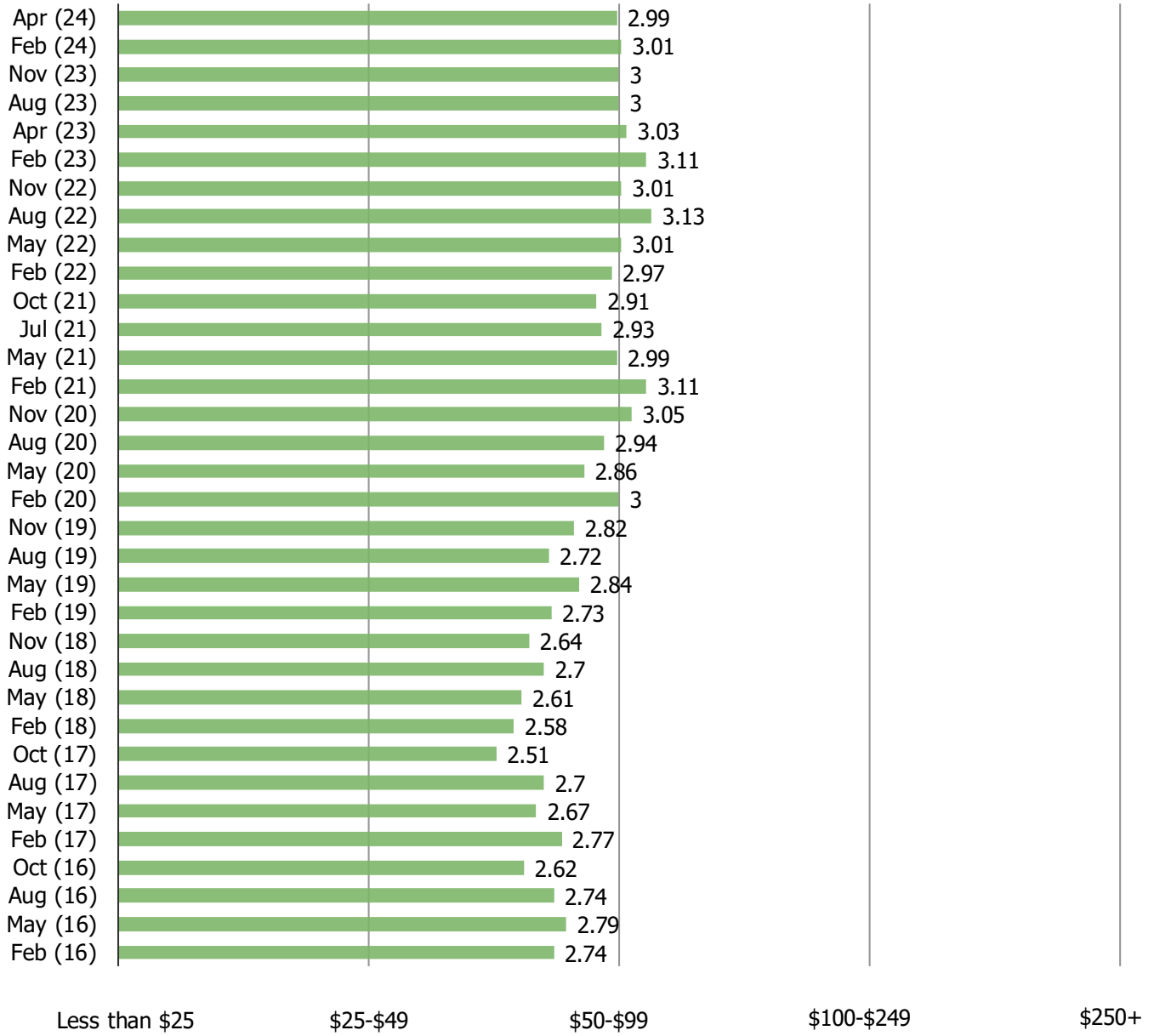
WAL-MART CUSTOMERS: WHAT THEY TYPICALLY BUY FROM WAL-MART (Q/Q TREND)

Posed to respondents who have purchased from Wal-Mart in the past 12 months.



WAL-MART CUSTOMERS: AVERAGE SPEND PER VISIT

Posed to respondents who have purchased from Wal-Mart in the past 12 months.



Less than \$25

\$25-\$49

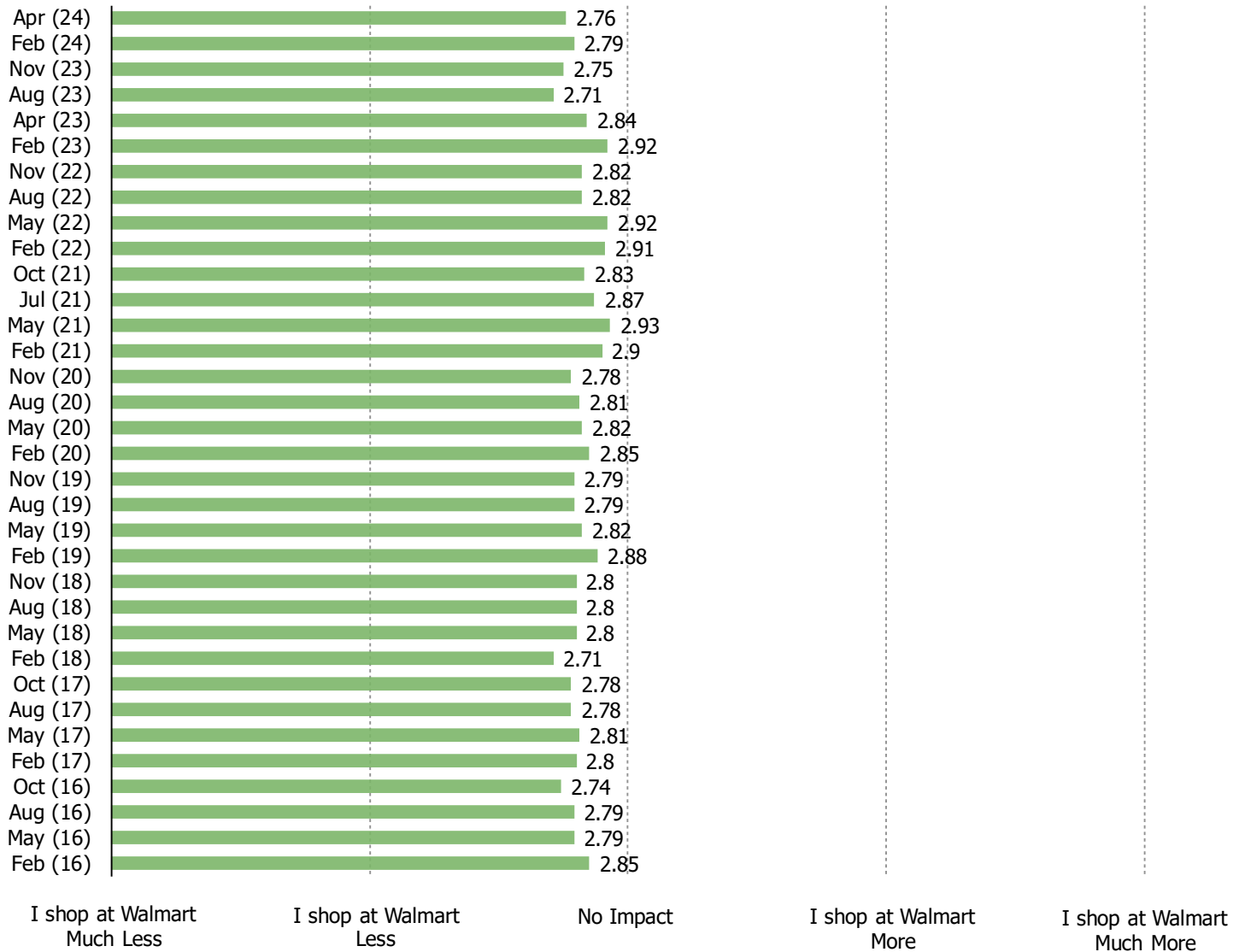
\$50-\$99

\$100-\$249

\$250+

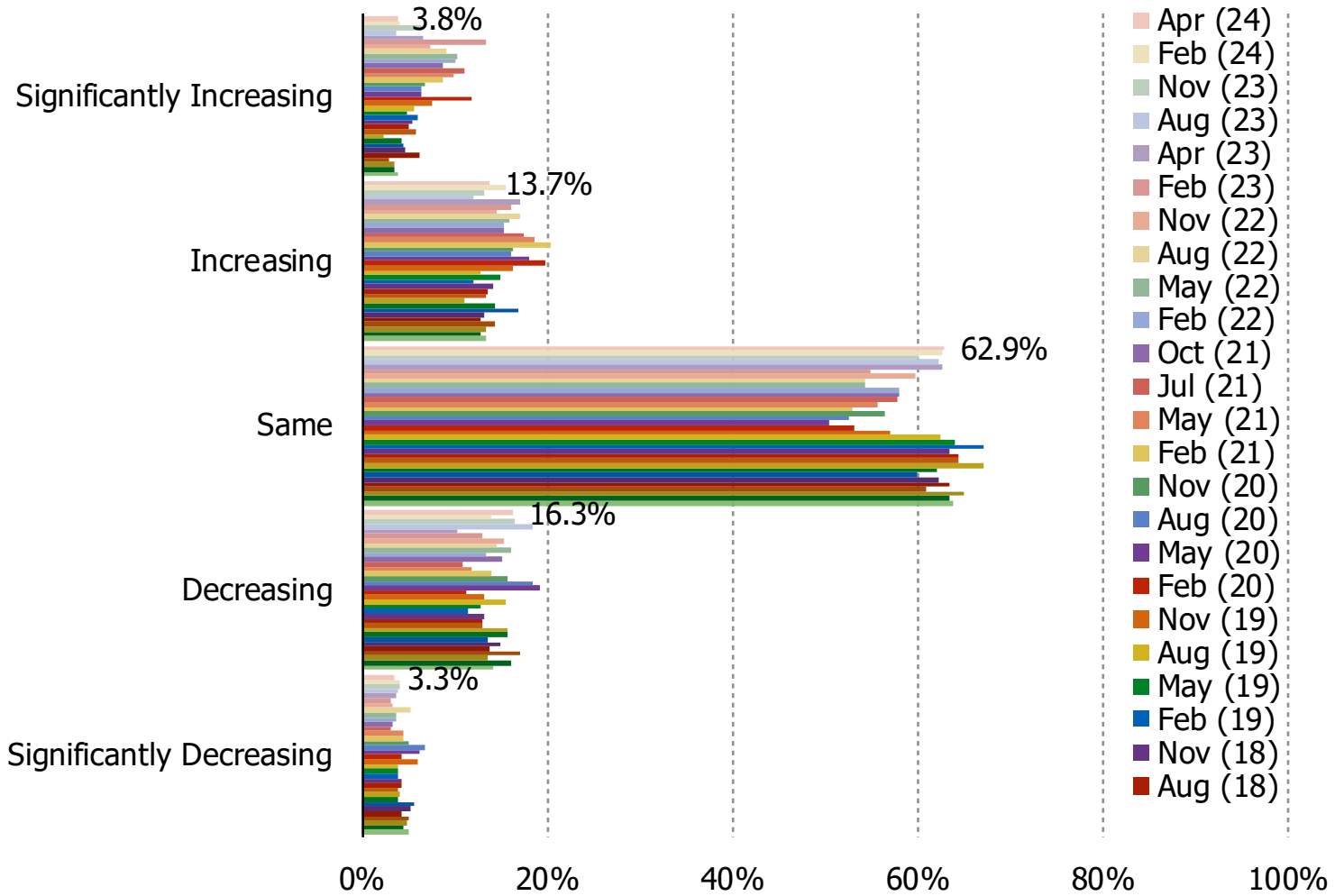
WAL-MART CUSTOMERS: IS AMAZON IMPACTING YOUR SHOPPING AT WAL-MART?

Posed to respondents who have purchased from Wal-Mart in the past 12 months.



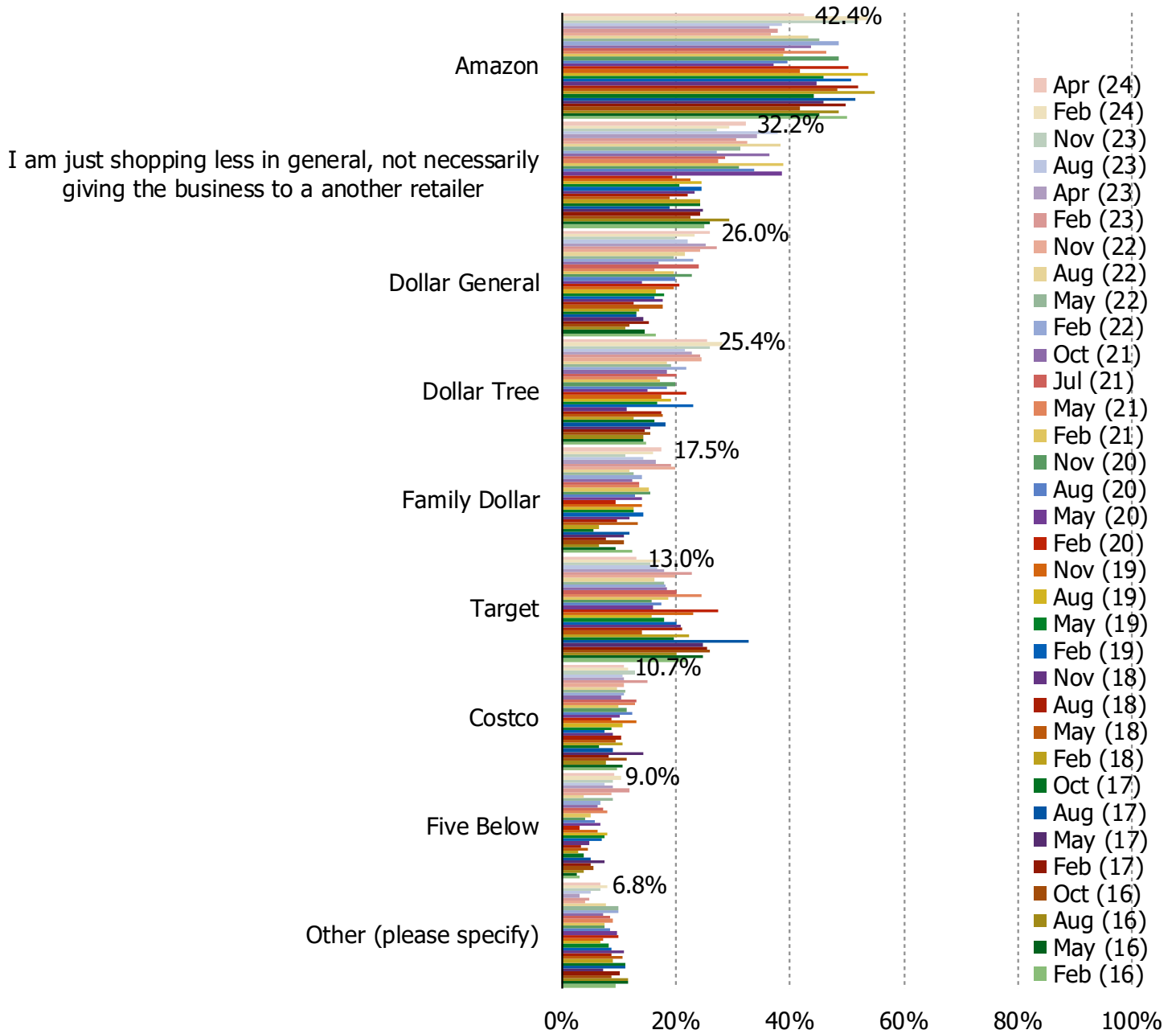
WAL-MART CUSTOMERS: CHANGES IN RECENT SHOPPING FREQUENCY

Posed to respondents who have purchased from Wal-Mart in the past 12 months.



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

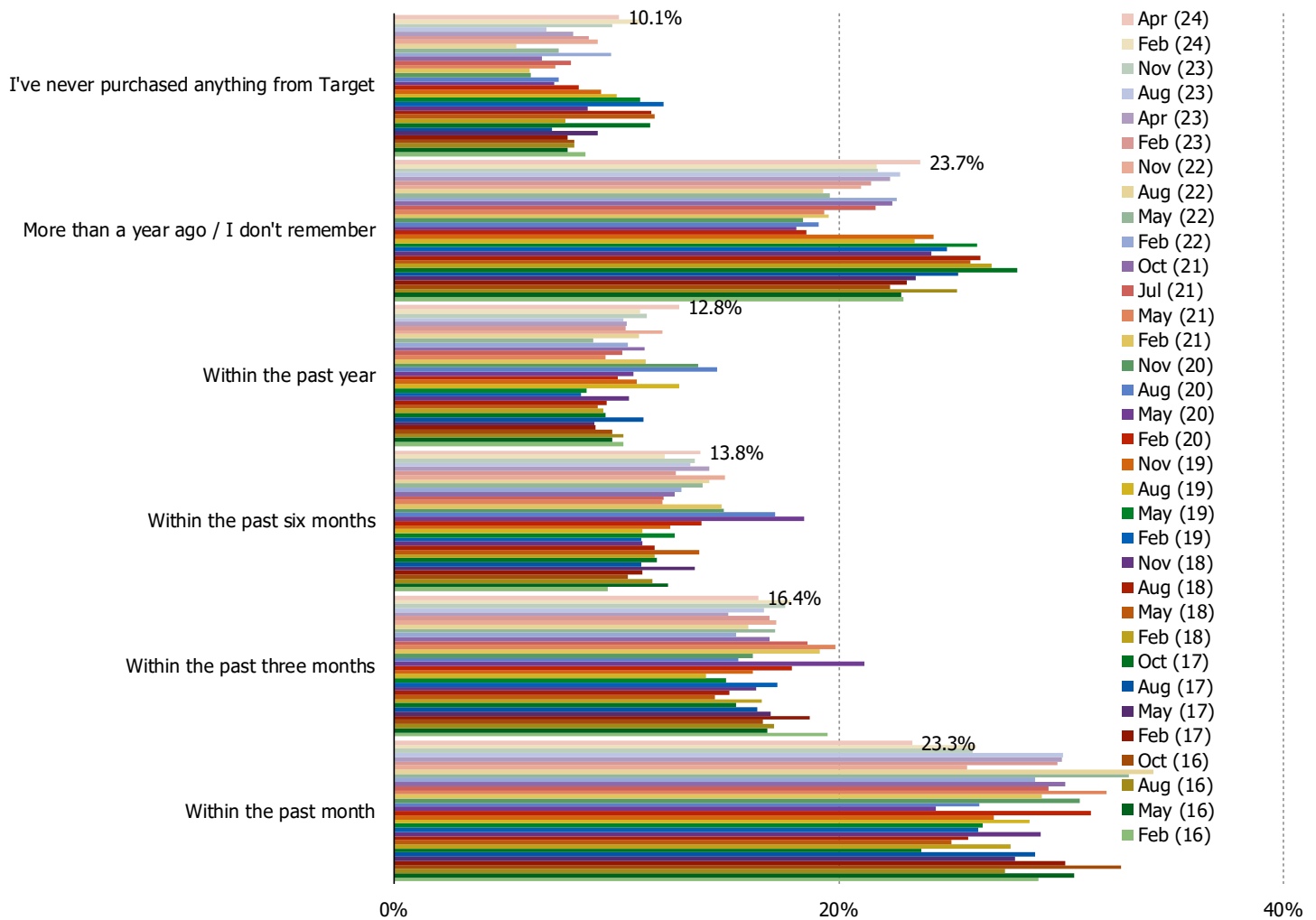
Posed to respondents who have purchased from Wal-Mart in the past 12 months AND said they have been shopping Wal-Mart less recently.



TARGET DEEP DIVE

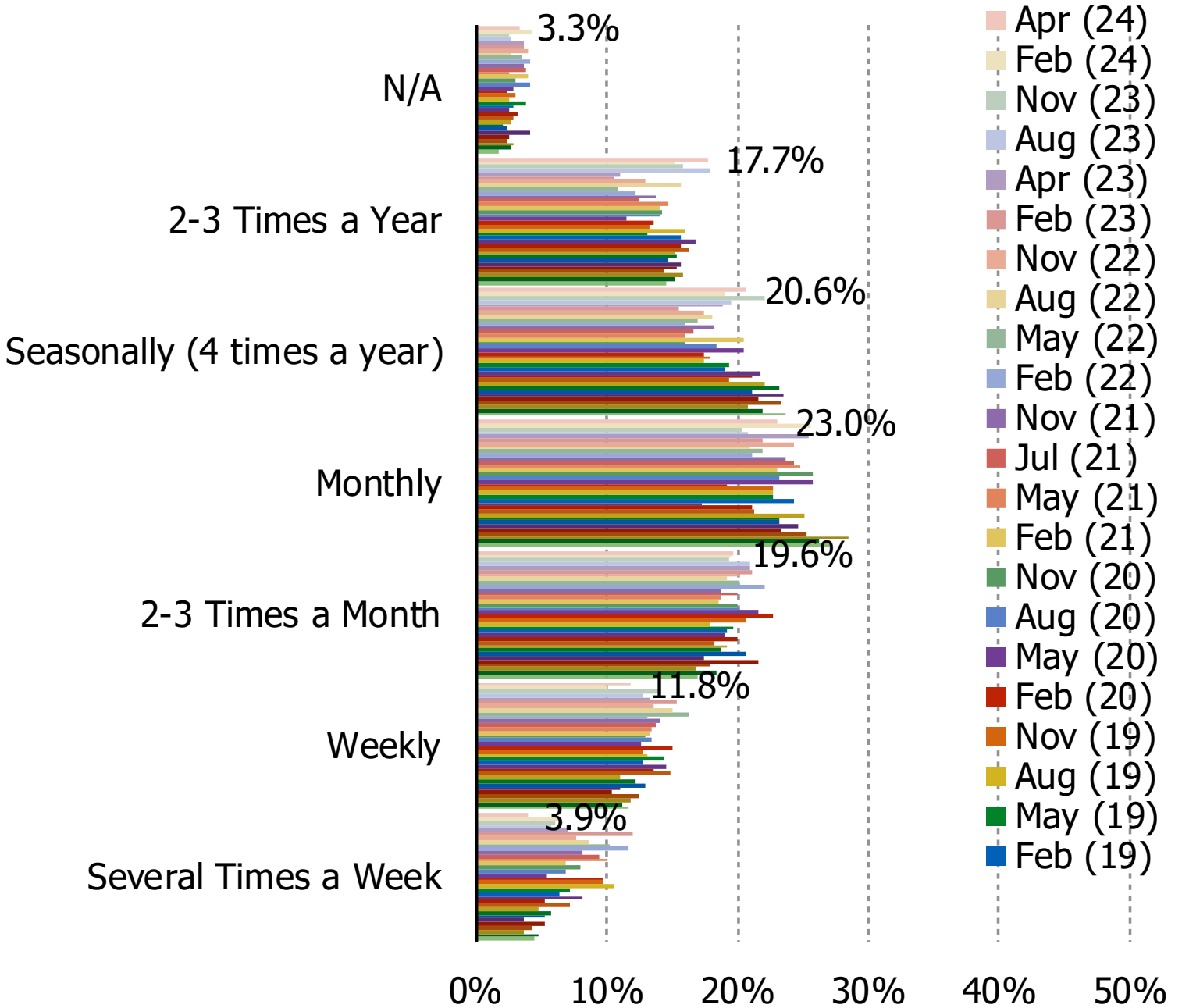
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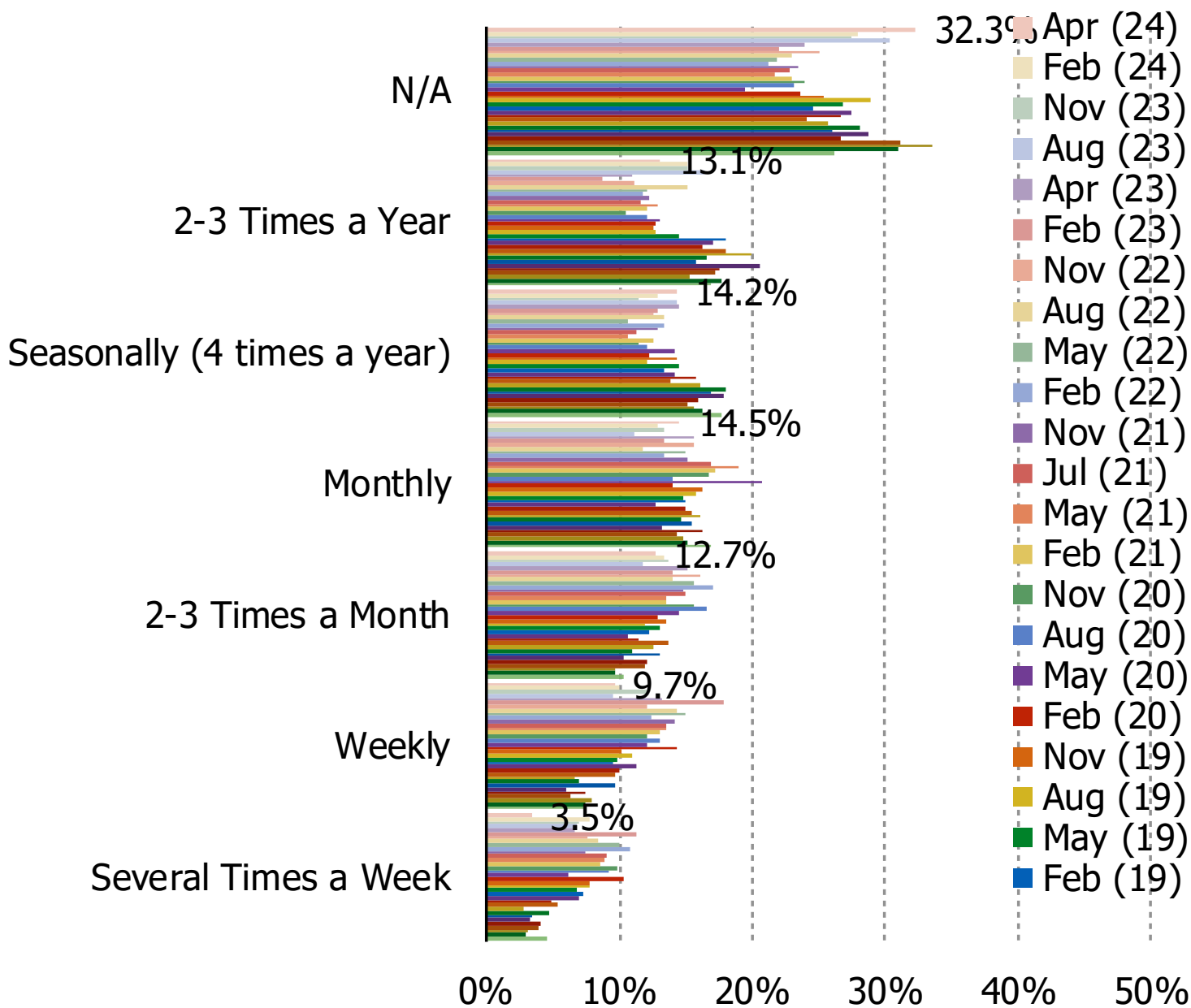
TARGET CUSTOMERS: SHOPPING FREQUENCY IN-STORES AT TARGET

Posed to respondents who have purchased from Target in the past 12 months.



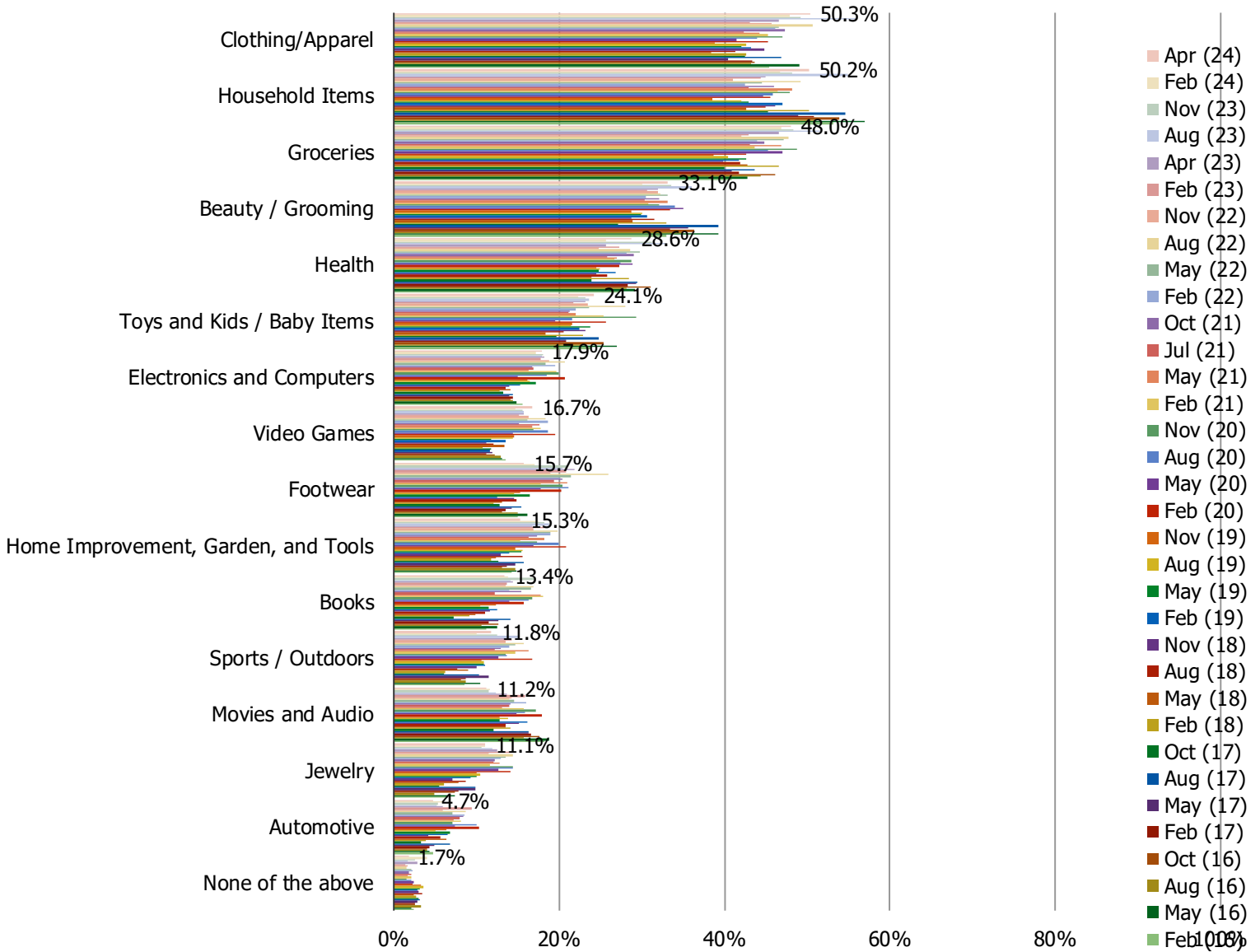
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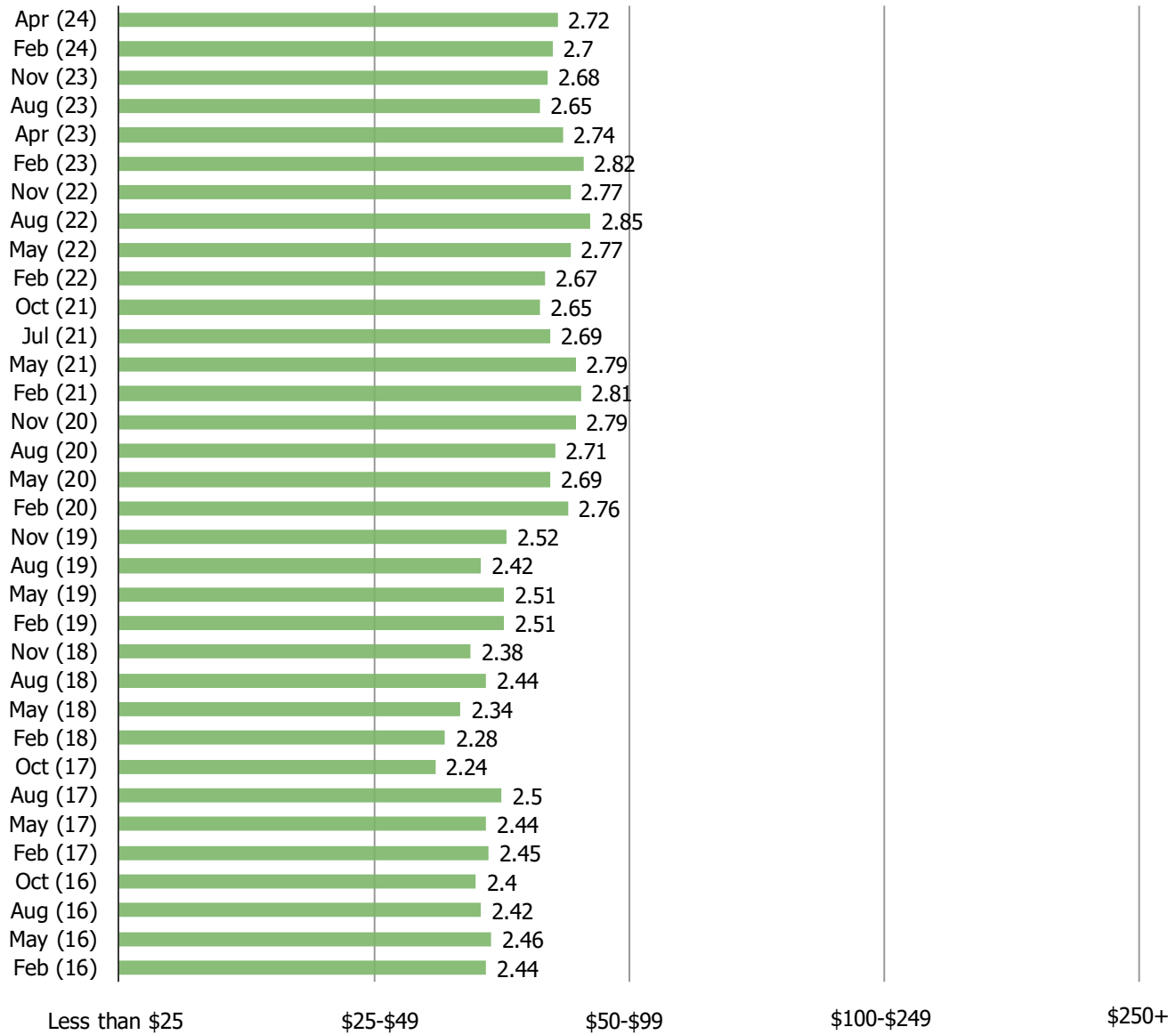
WHAT CUSTOMERS TYPICALLY BUY FROM TARGET (Q/Q TRACKING)

Posed to respondents who have purchased from Target in the past 12 months.



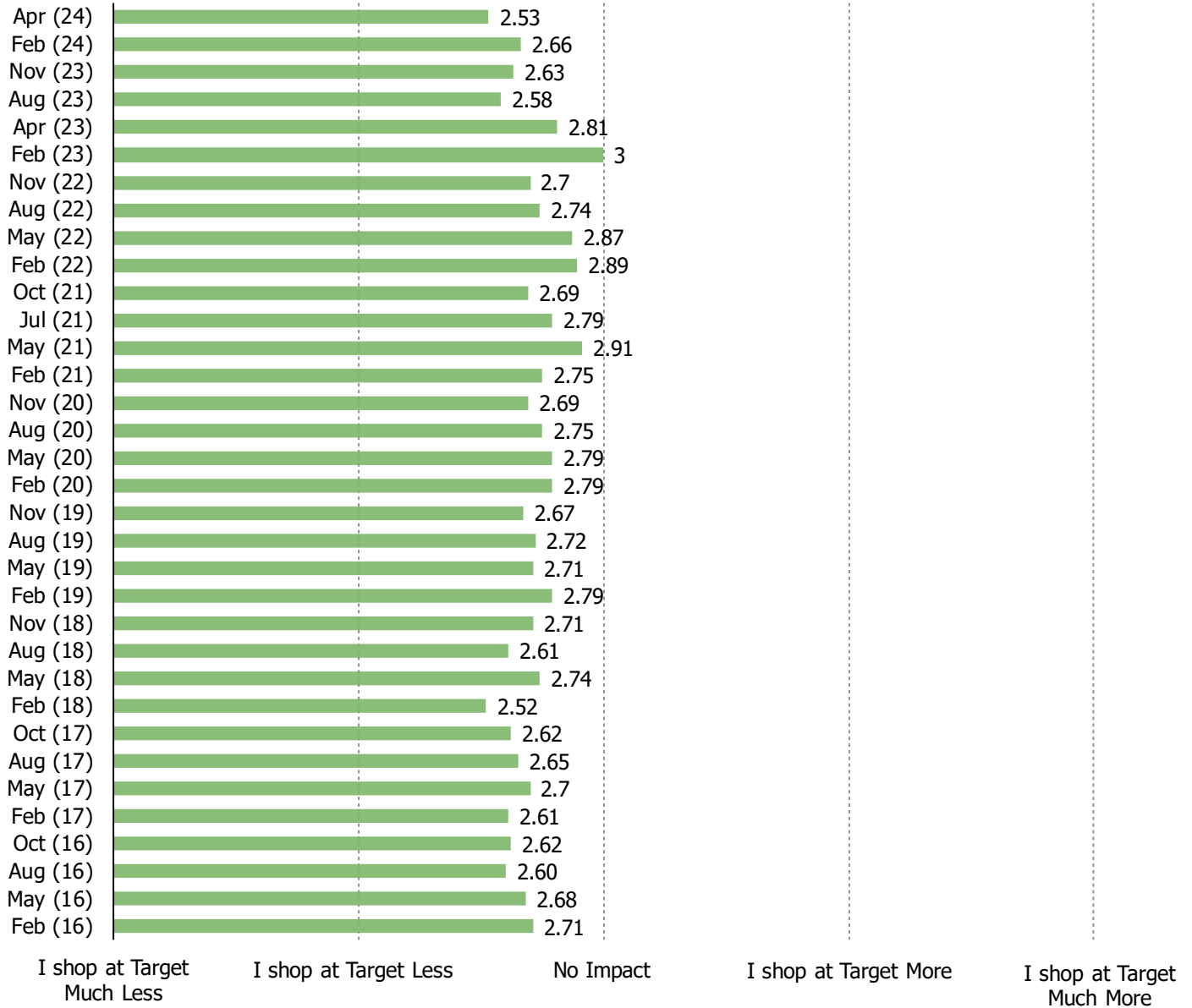
TARGET CUSTOMERS: AVERAGE SPEND PER VISIT

Posed to respondents who have purchased from Target in the past 12 months.



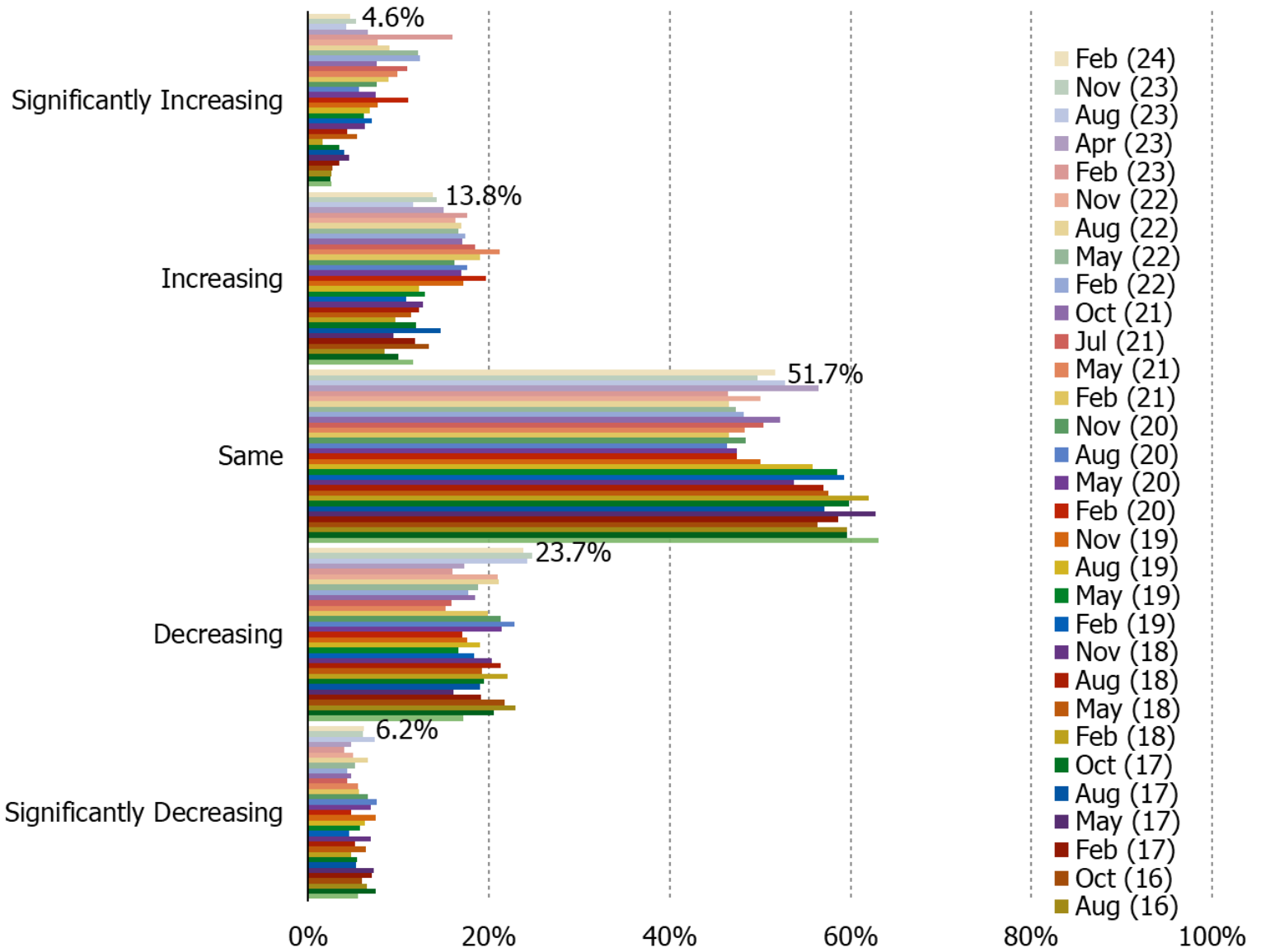
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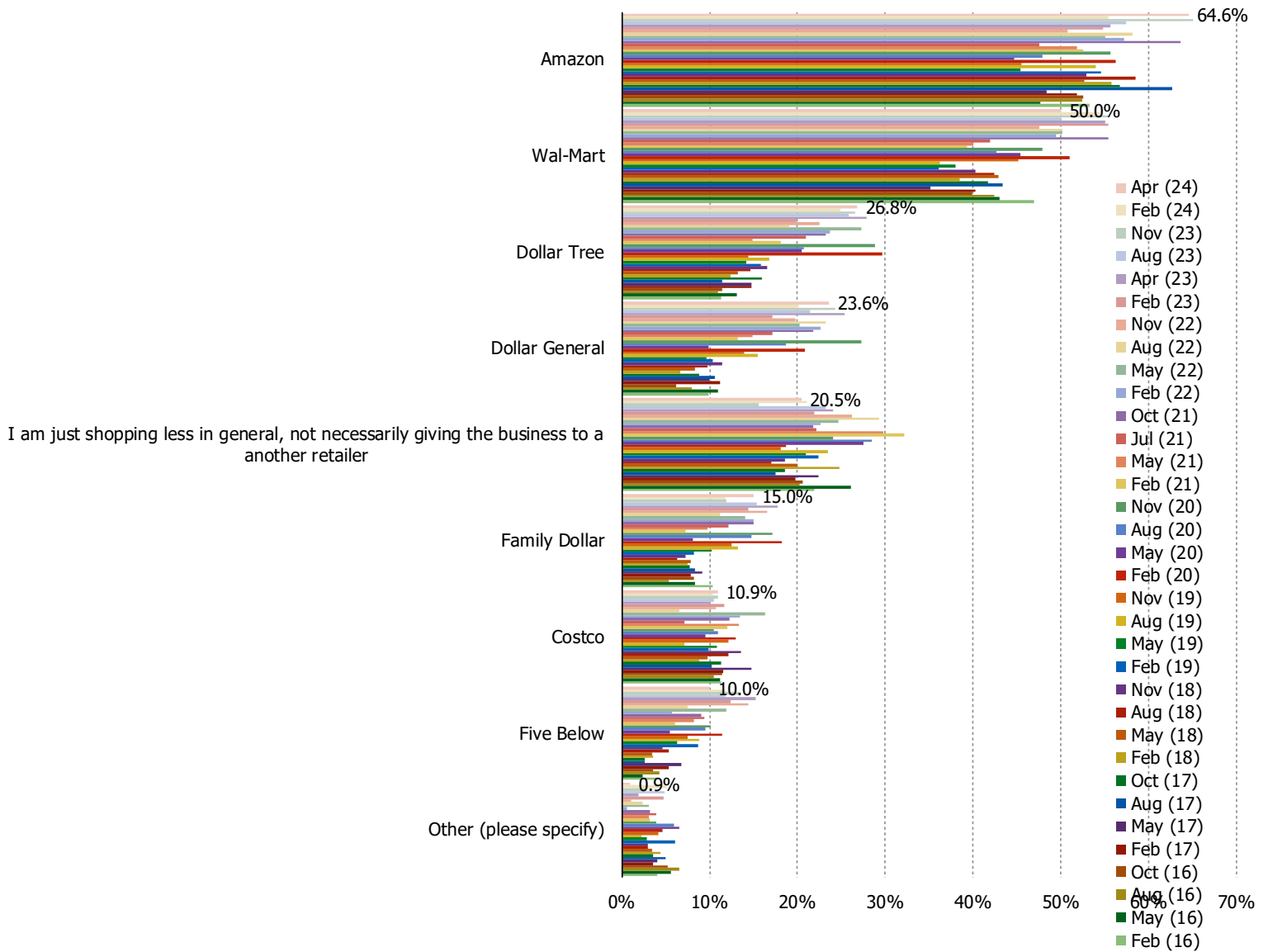
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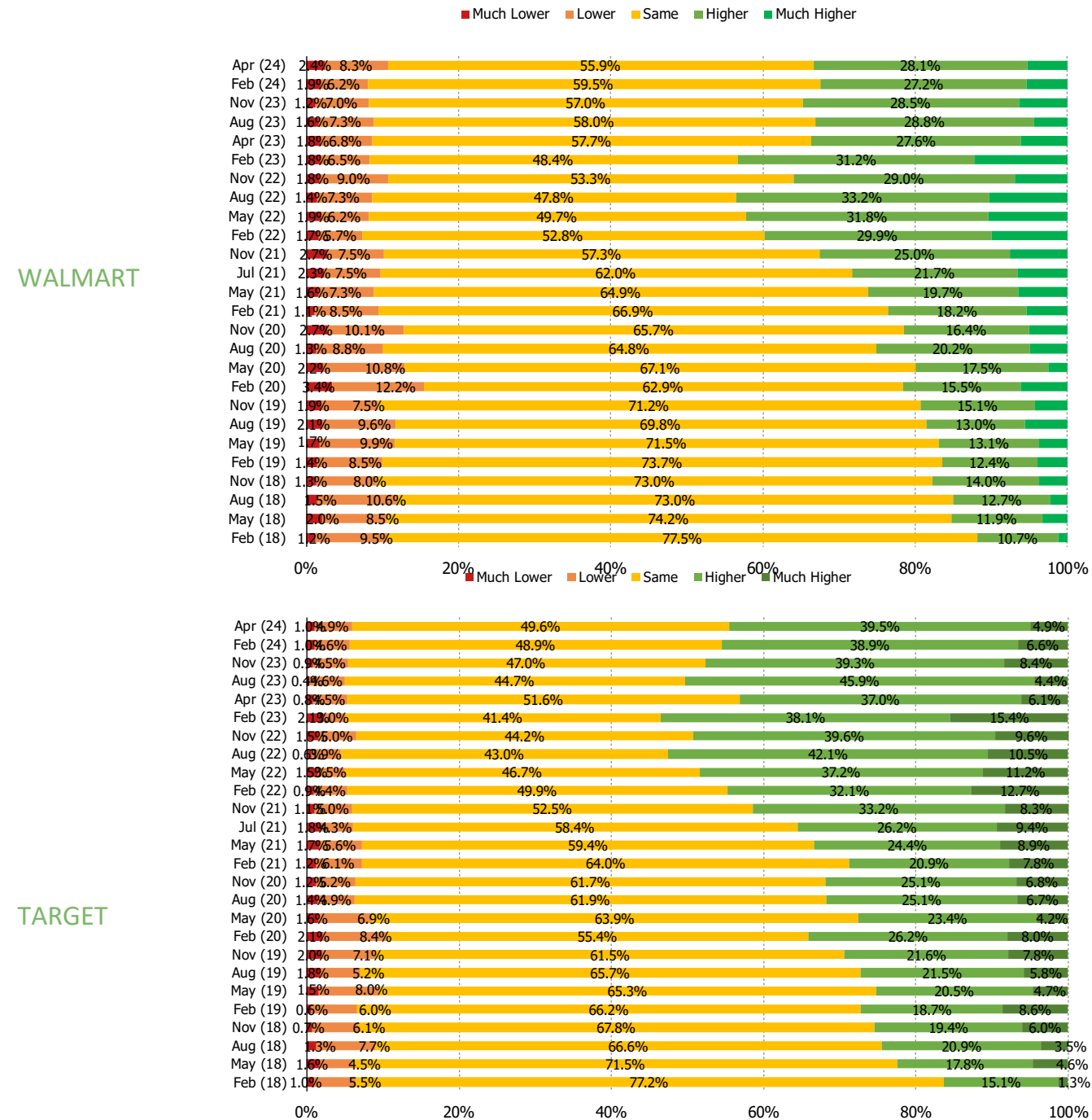
Posed to respondents who have purchased from Target in the past 12 months AND said they have been shopping Target less recently.



SENTIMENT TOWARD PRICING

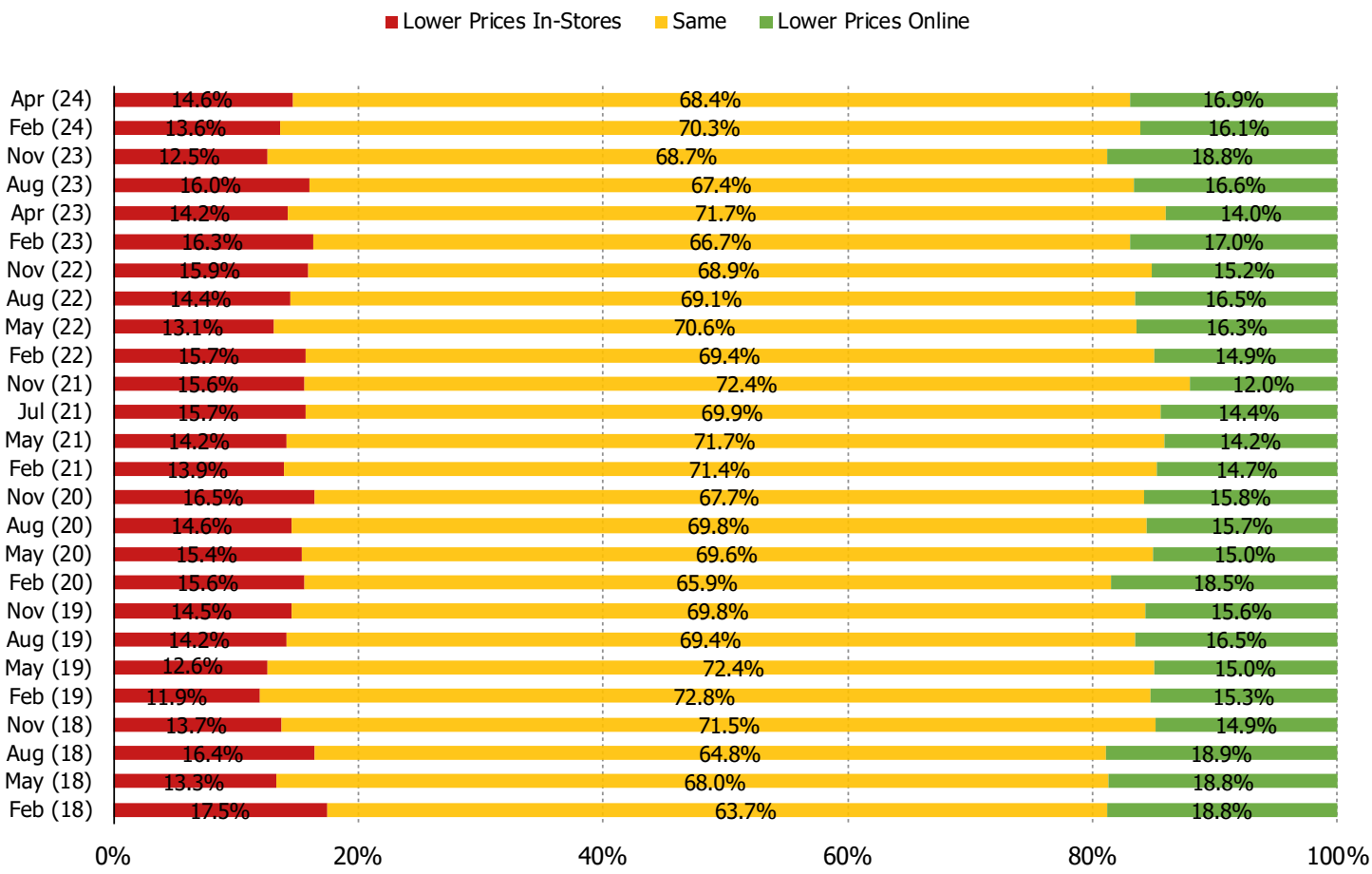
WHEN YOU LAST VISITED, DID YOU NOTICE ANY CHANGES TO PRODUCT PRICES?

This question was posed to consumers who have shopped each retailer in the past 12 months.



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

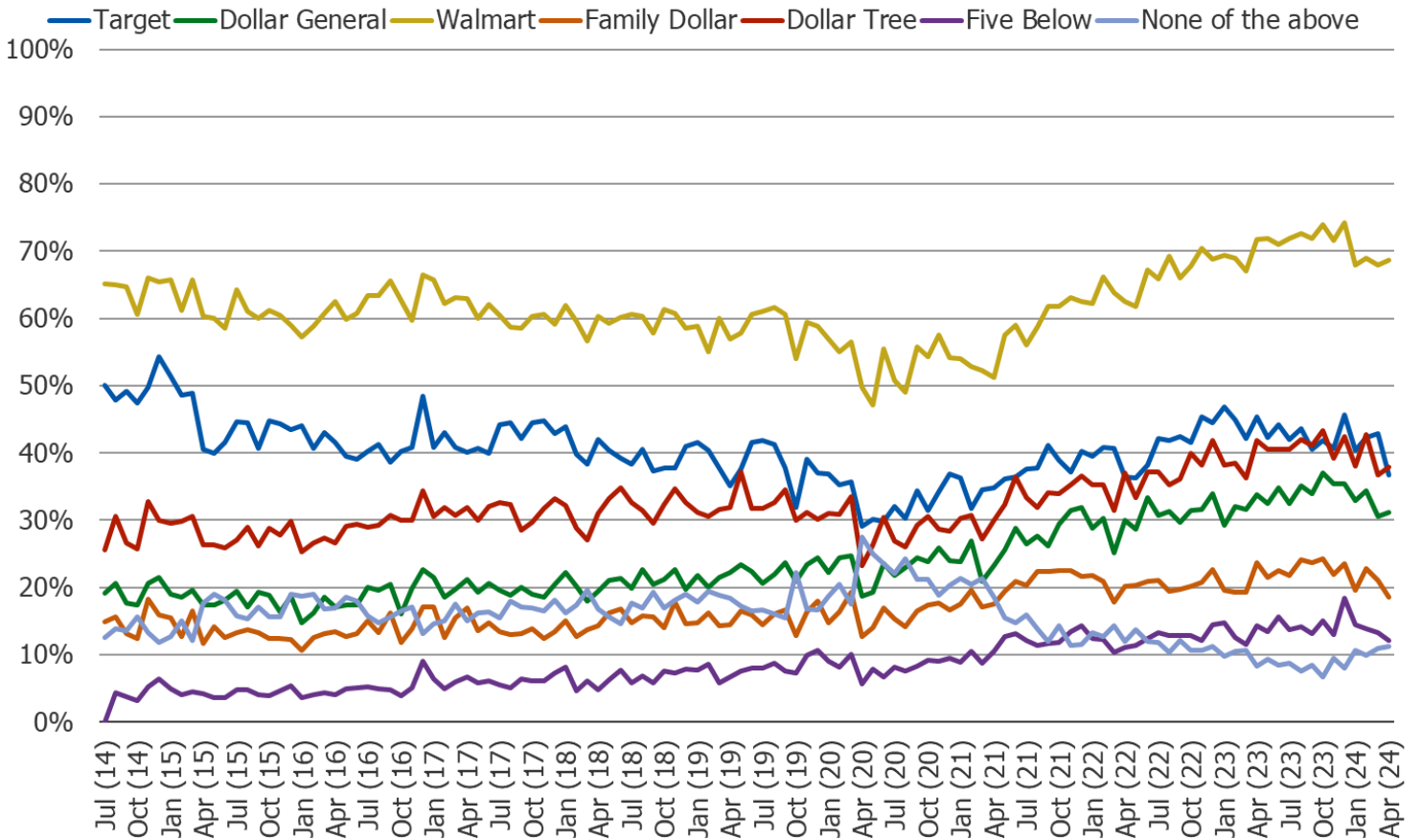
This question was posed to consumers who have shopped Wal-Mart online AND in-stores monthly or more frequently.



MONTHLY TRACKERS

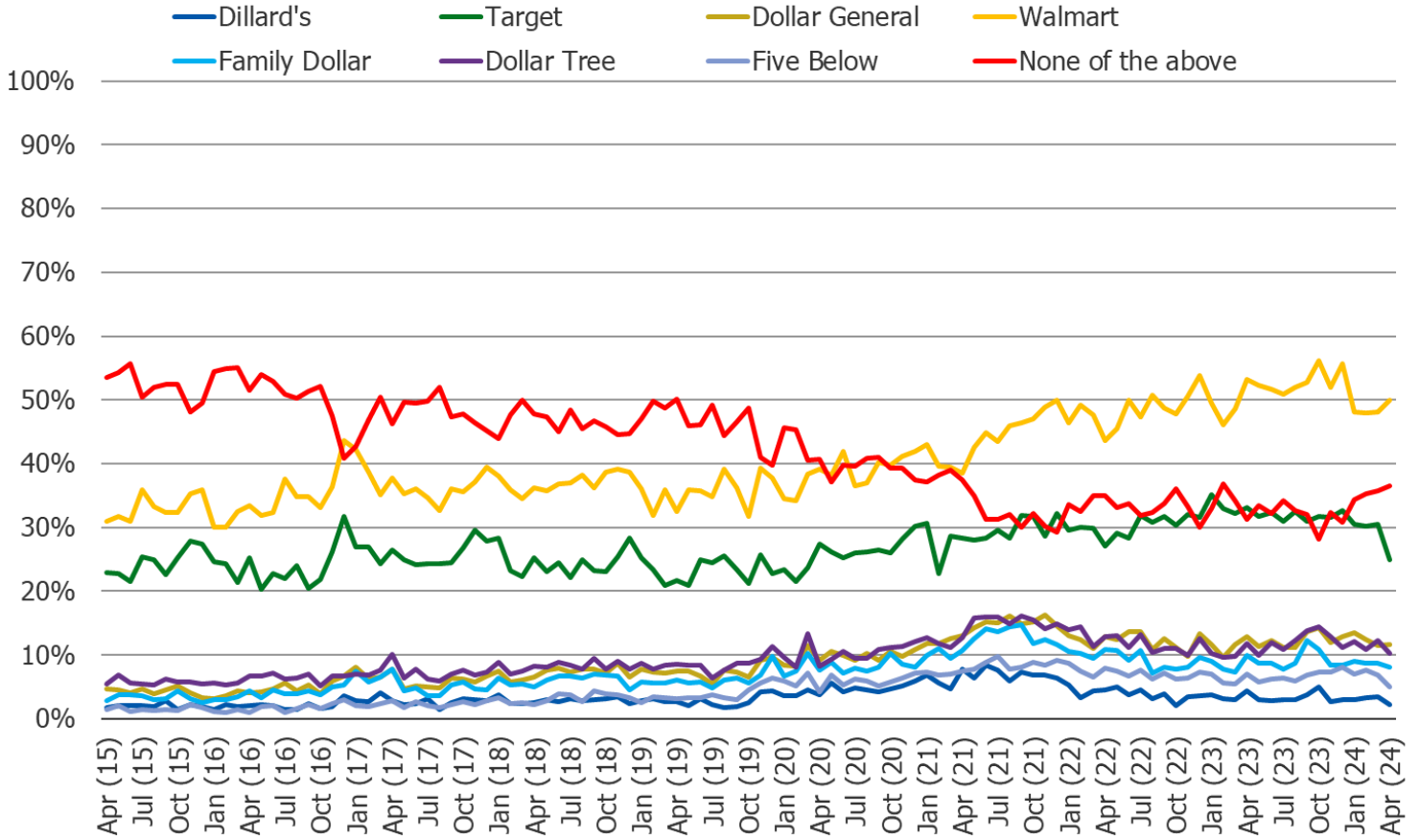
HAVE YOU VISITED ANY OF THE FOLLOWING COMPANY STORES IN THE PAST MONTH?

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.

