

Bespoke Survey Research

August 2024

Low-Cost Retail

Volume 35 | Quarterly Survey

1,000 US Consumers Balanced To Census

Tickers Covered: WMT, TGT, AMZN, COST.

KPIs and Key questions

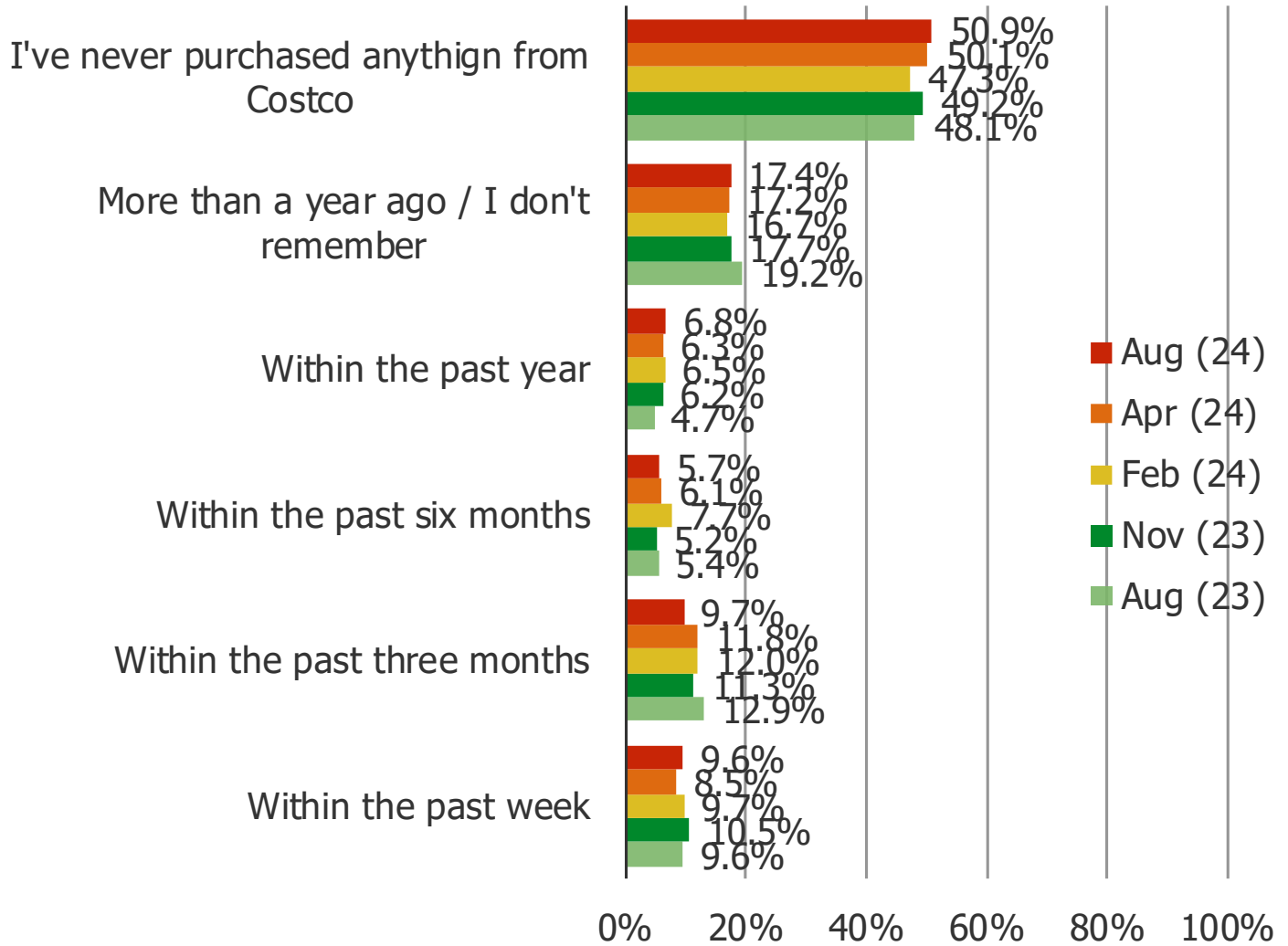
1. Shopping engagement with Costco was consistent wave/wave. Feedback around the in-store experience improved sequentially this wave (comparisons being drawn relative to a year ago and during Covid). Lastly, the share of Costco customers who would absorb a \$5 price increase improved sequentially (the vast majority would not cancel).
2. The share of customers who say prices are higher at Wal-Mart and Target remains high, but this KPI is declining sequentially.
3. Wal-Mart shopping recency and frequency feedback was in-line to better than last quarter.
4. An increasing share of Wal-Mart customers said they typically buy groceries, household items, and clothing/apparel from Wal-Mart (78.1% selected groceries as an answer choice, which is a series high). Average spend per visit is holding sequentially.
5. Among those who are shopping Wal-Mart less, an increasing share of respondents say they have been trading down to dollar stores (I am just shopping less in general was also a popular response). We also see some evidence of trade-down among Target customers who are shopping the retailer less.
6. We received mixed feedback from consumers and Target shopping recency and frequency. In contrast with Wal-Mart, Target shoppers rely on the retailer most for clothing/apparel and household items. Groceries is the third most popular item selected (the share who use Target for groceries has increased over time). Customer feedback around both average spend per visit and related to Amazon's impact on their Target spending have both worsened a bit sequentially.

Consumer Traffic, Online Share, and Sentiment

COSTCO

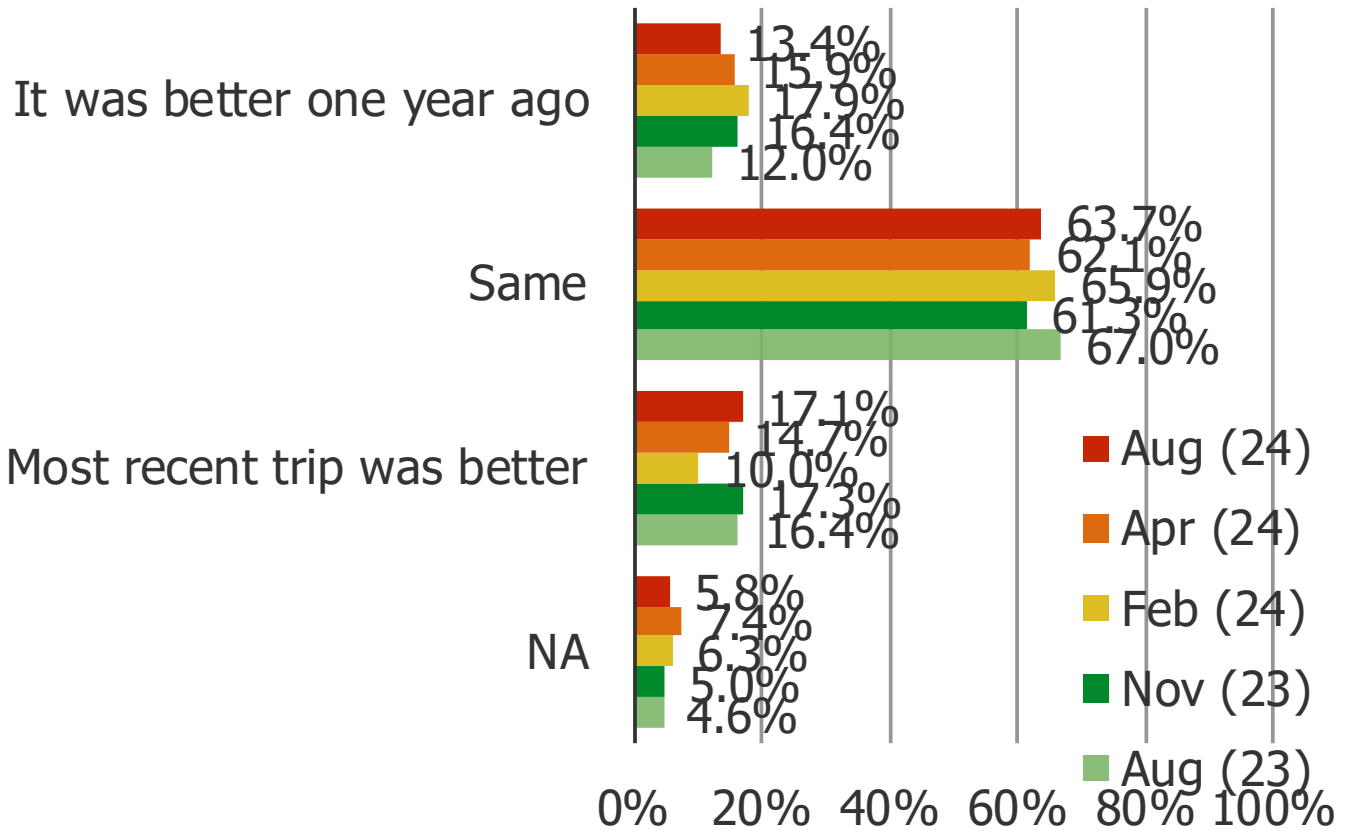
WHEN IS THE LAST TIME YOU PURCHASED ANYTHING FROM COSTCO?

This question was posed to all consumers.



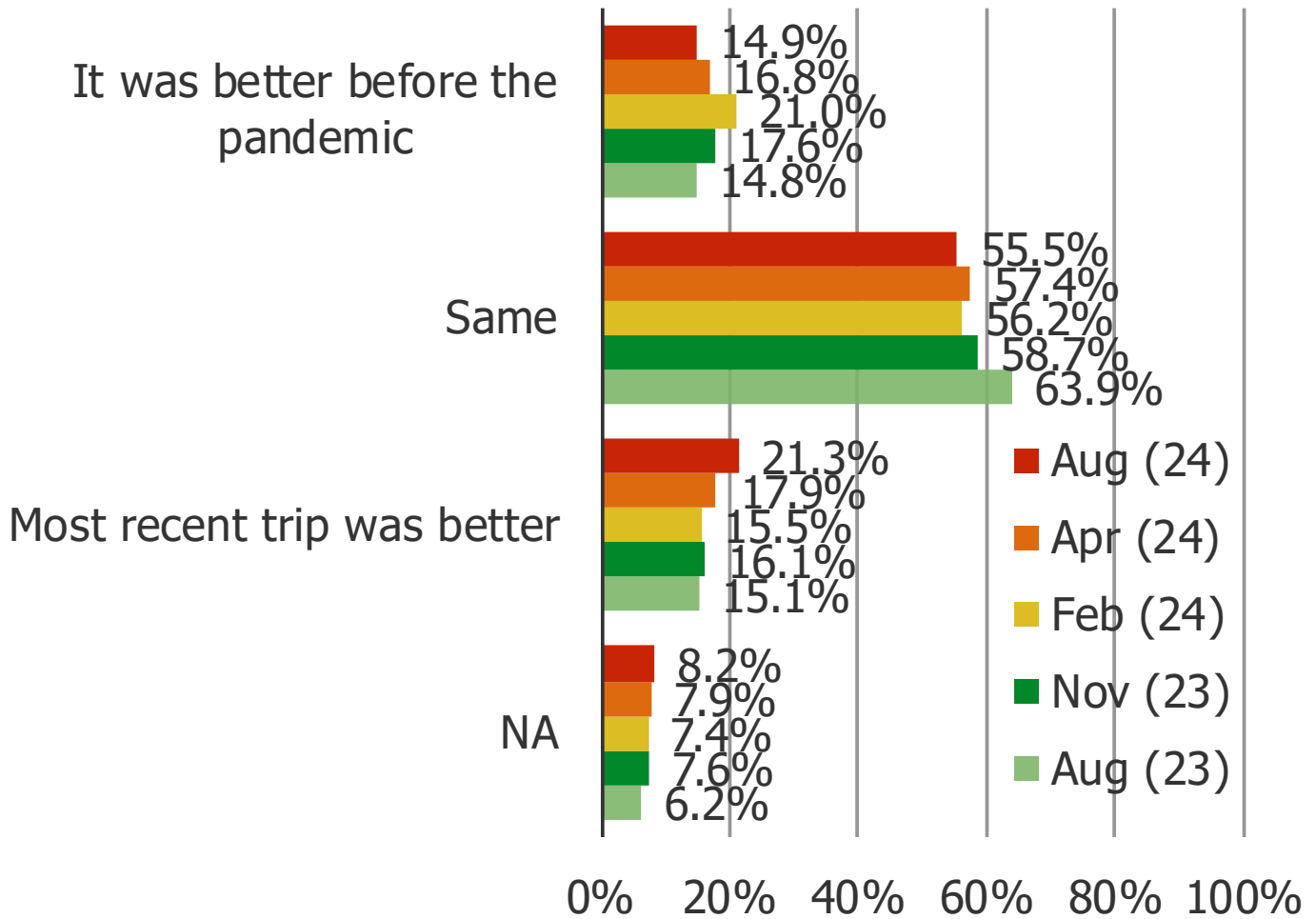
THINKING ABOUT YOUR LAST TRIP TO COSTCO, WAS THE IN-STORE EXPERIENCE BETTER OR WORSE COMPARED TO ONE YEAR AGO?

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



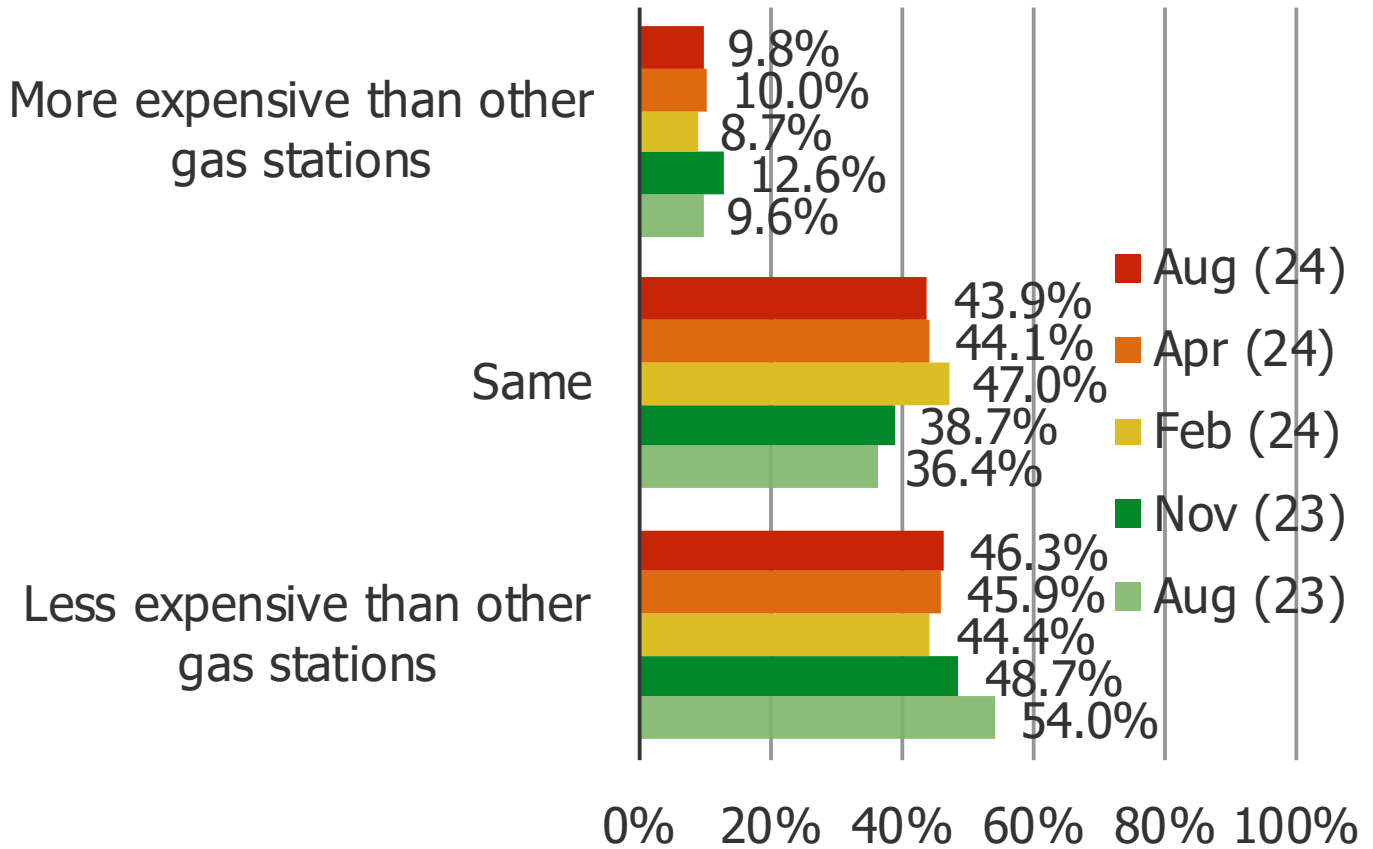
THINKING ABOUT YOUR LAST TRIP TO COSTCO, WAS THE IN-STORE EXPERIENCE BETTER OR WORSE COMPARED TO BEFORE THE PANDEMIC?

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



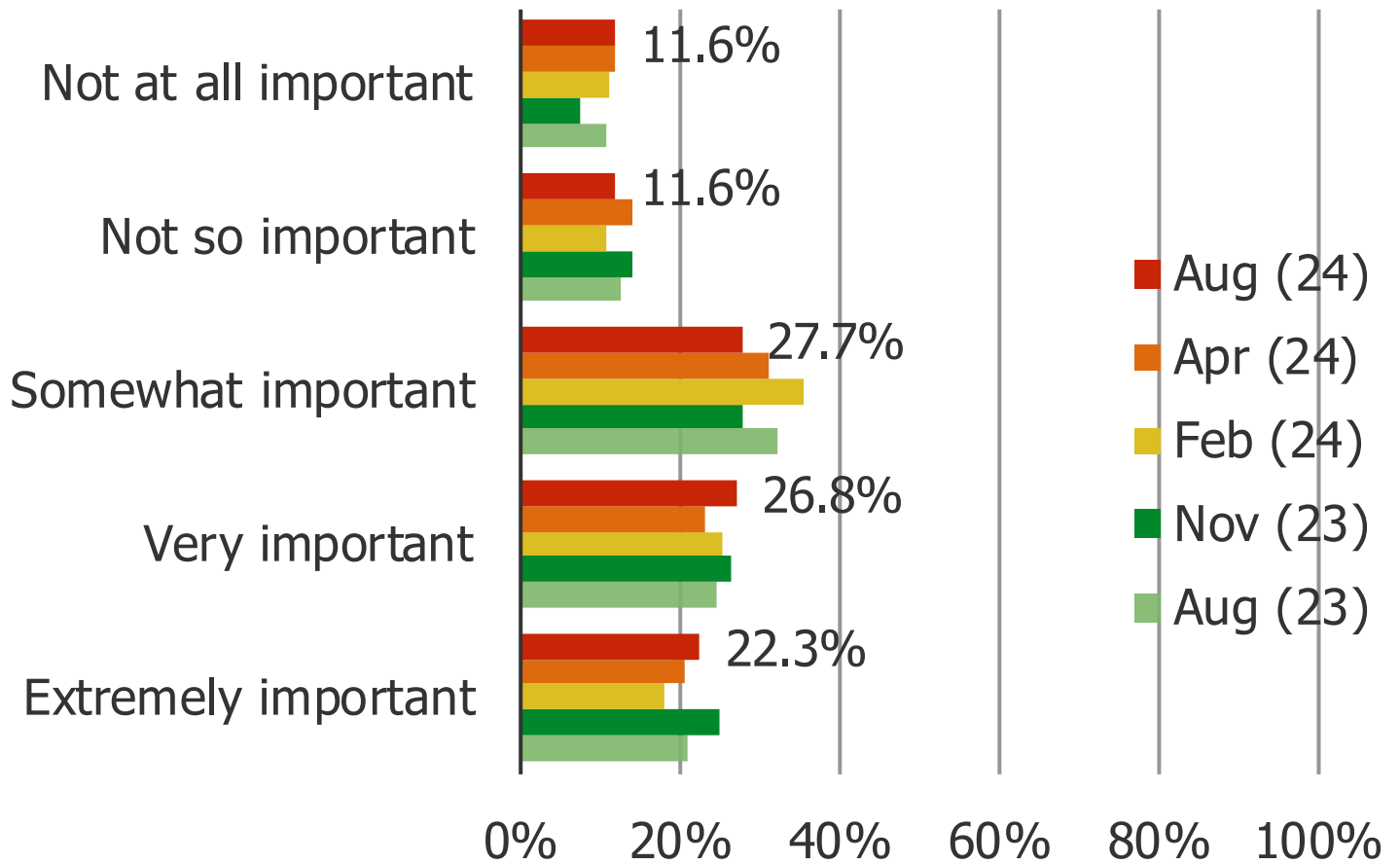
DO YOU FIND THAT COSTCO FUEL/GAS PRICING IS...

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



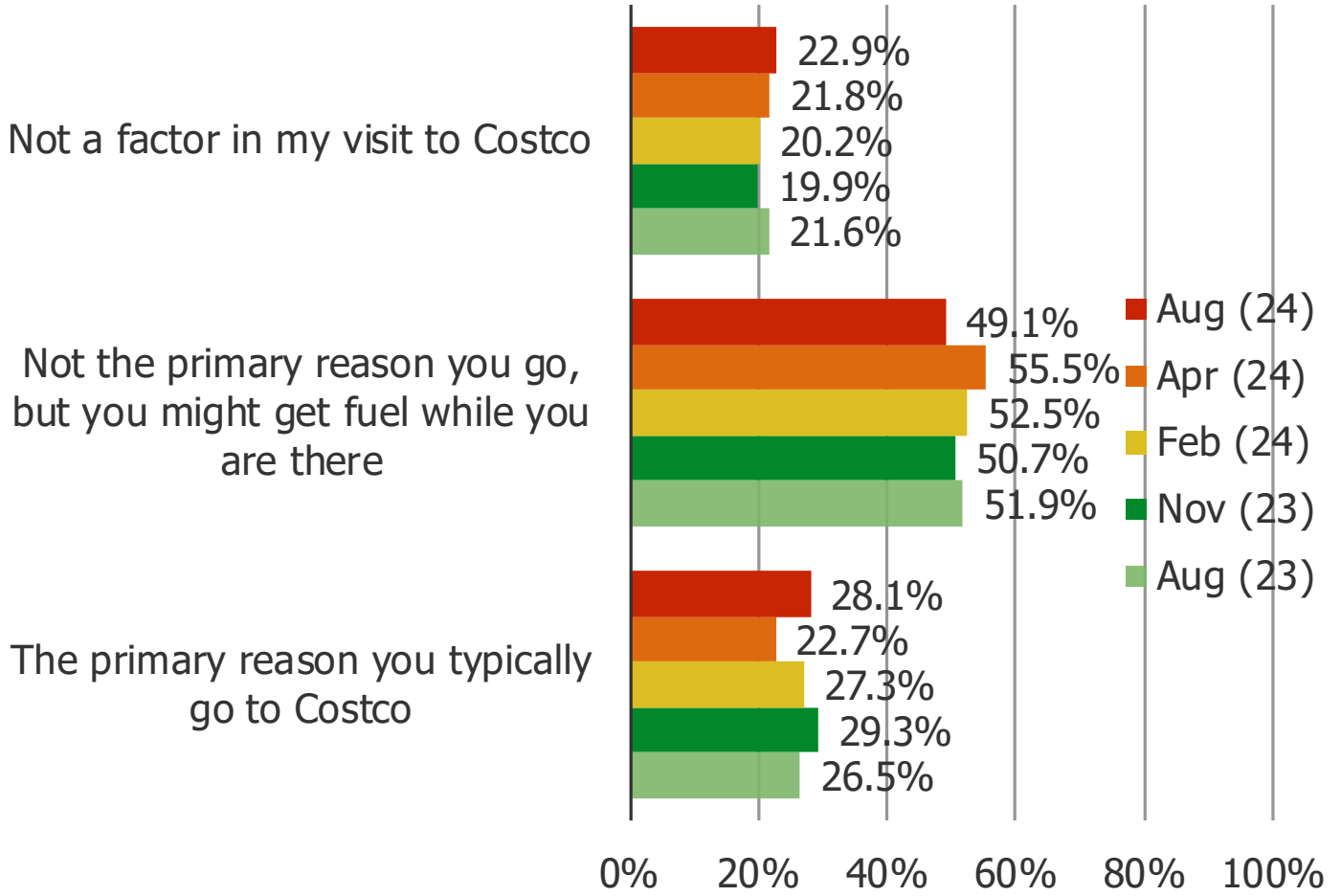
HOW IMPORTANT WAS SAVING MONEY ON FUEL TO YOU IN SIGNING UP FOR A COSTCO MEMBERSHIP TO BEGIN WITH?

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



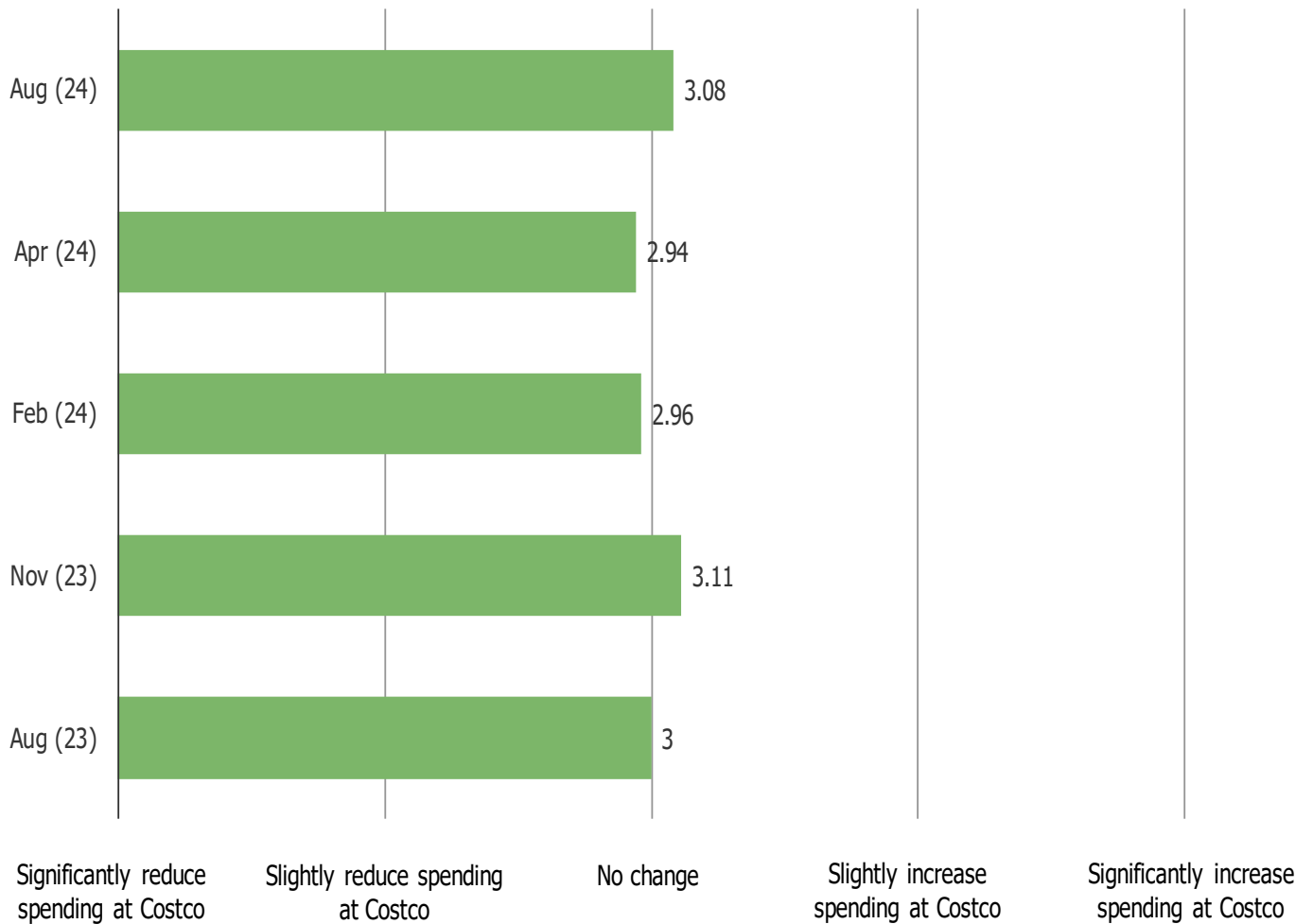
WHEN YOU GO TO COSTCO, IS GETTING LOWER COST FUEL...

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



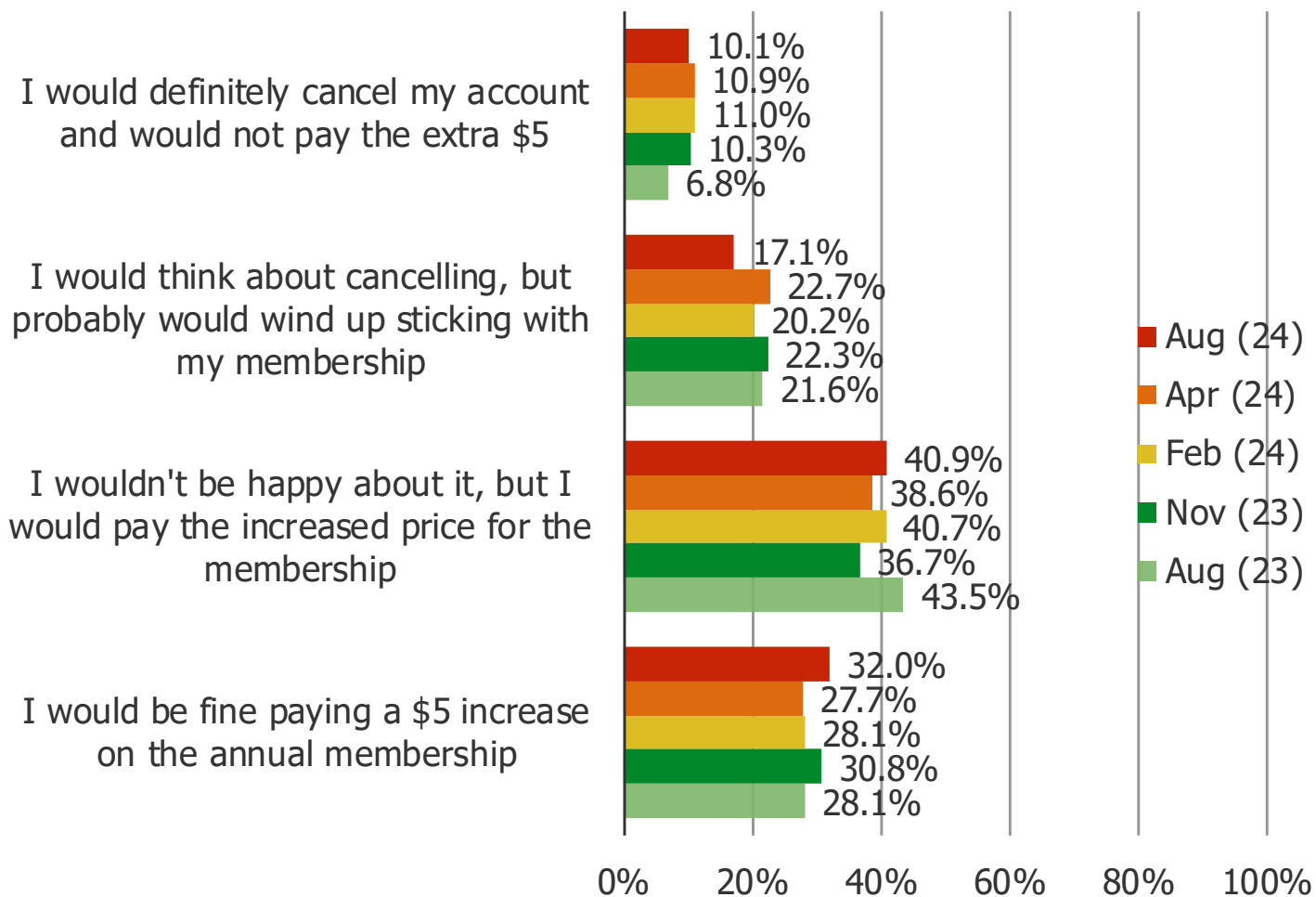
GOING FORWARD, DO YOU EXPECT TO...

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



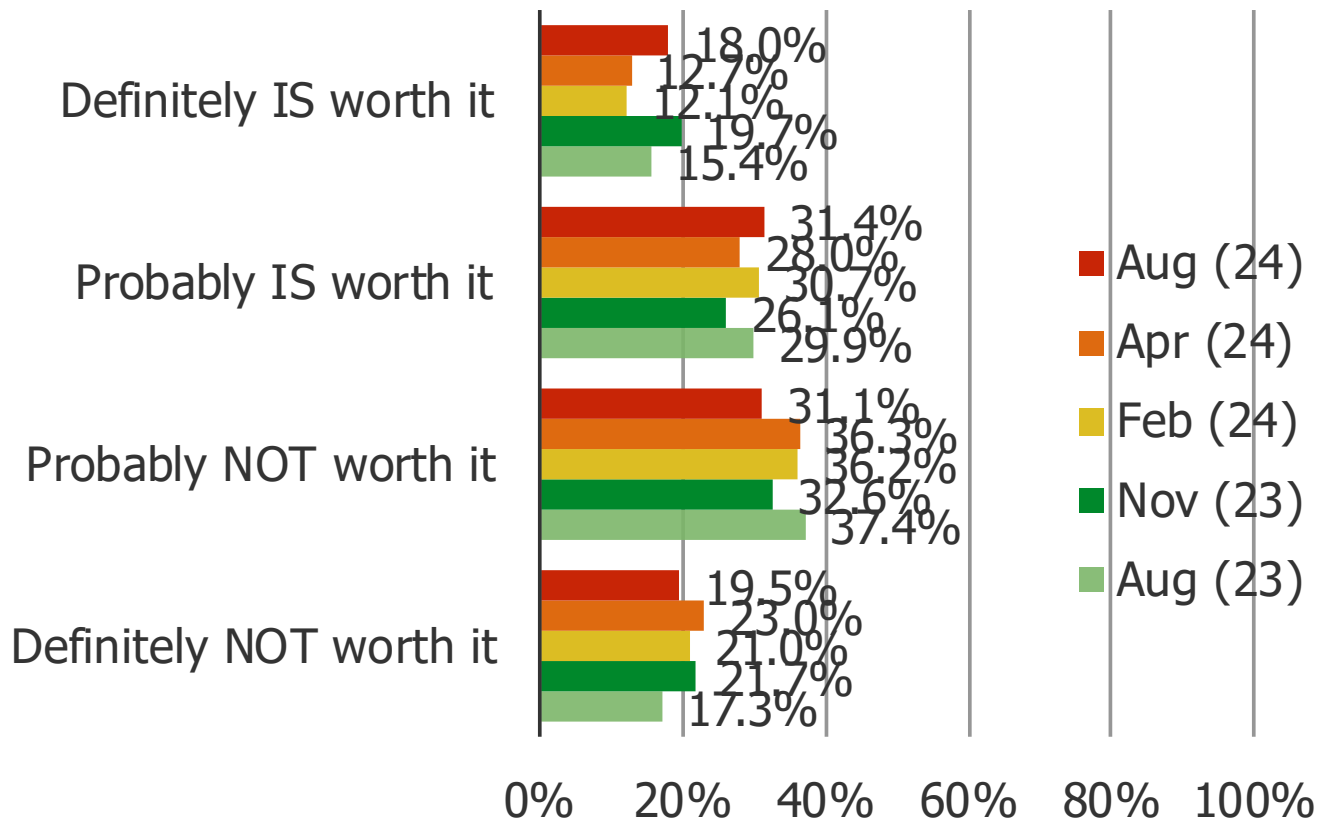
IF COSTCO INCREASED THE ANNUAL MEMBERSHIP FEES BY \$5, HOW WOULD YOU RESPOND?

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?

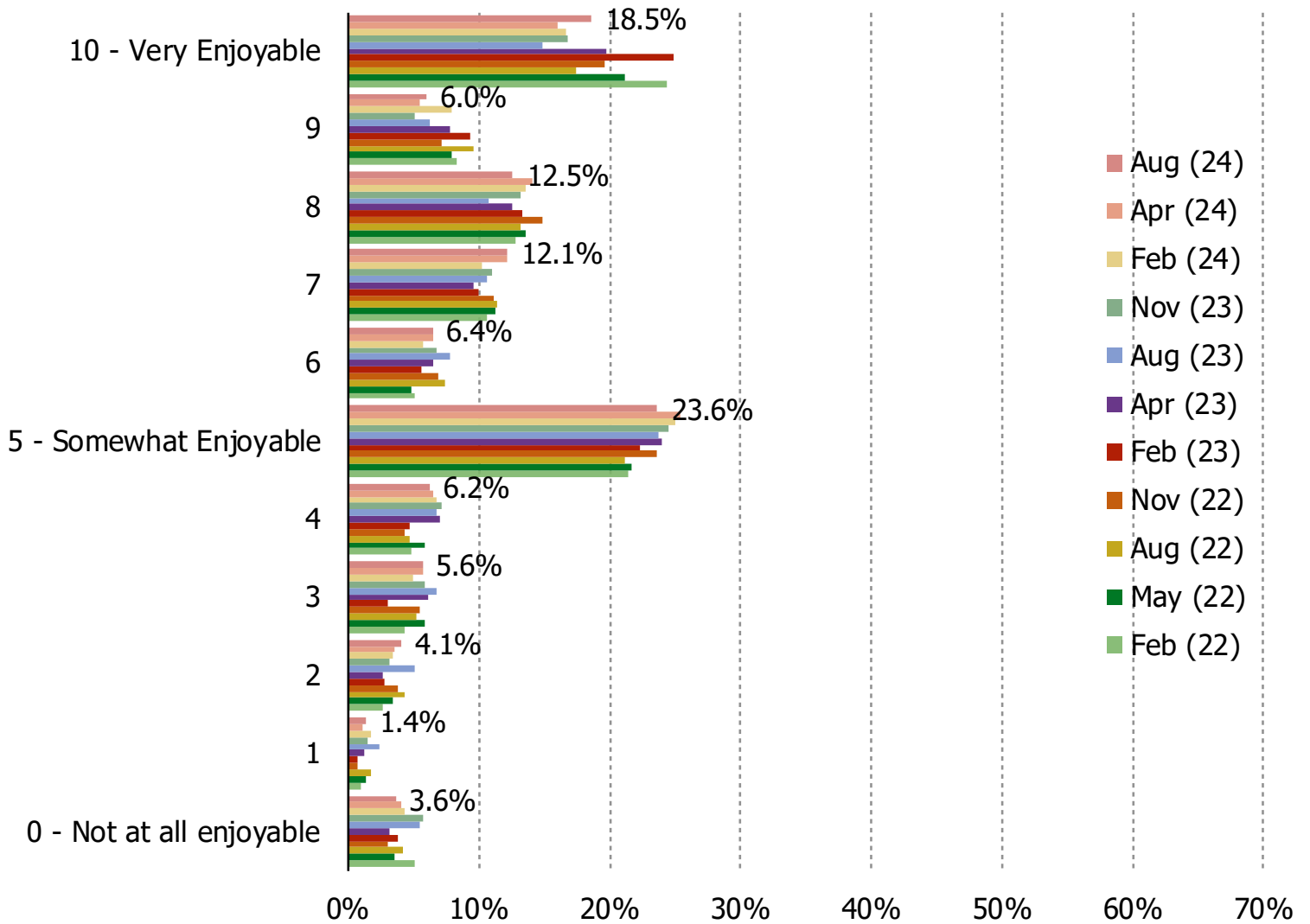
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IN-STORE EXPERIENCE

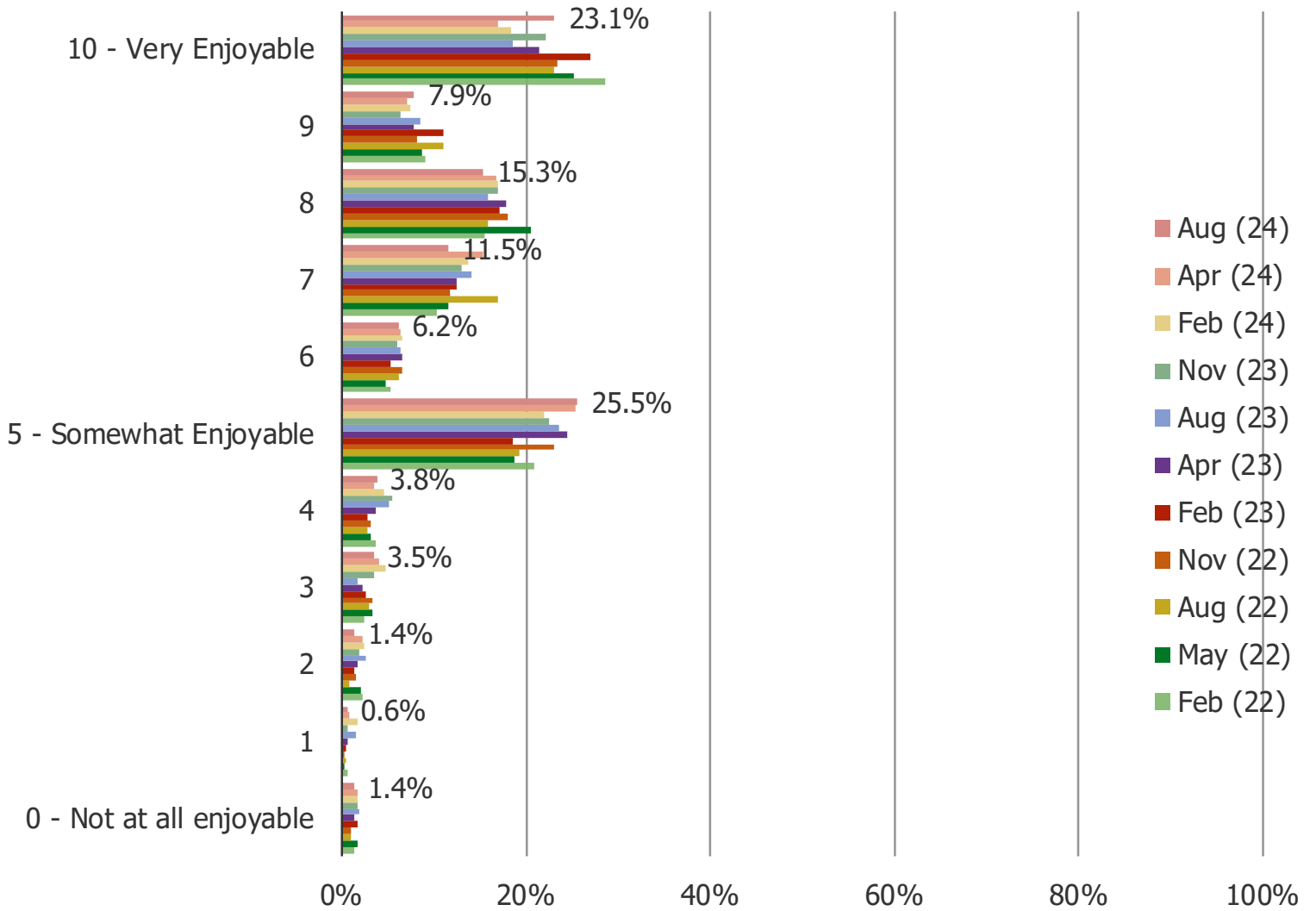
DO YOU FIND IT ENJOYABLE TO VISIT WAL-MART STORES?

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



DO YOU FIND IT ENJOYABLE TO VISIT TARGET STORES?

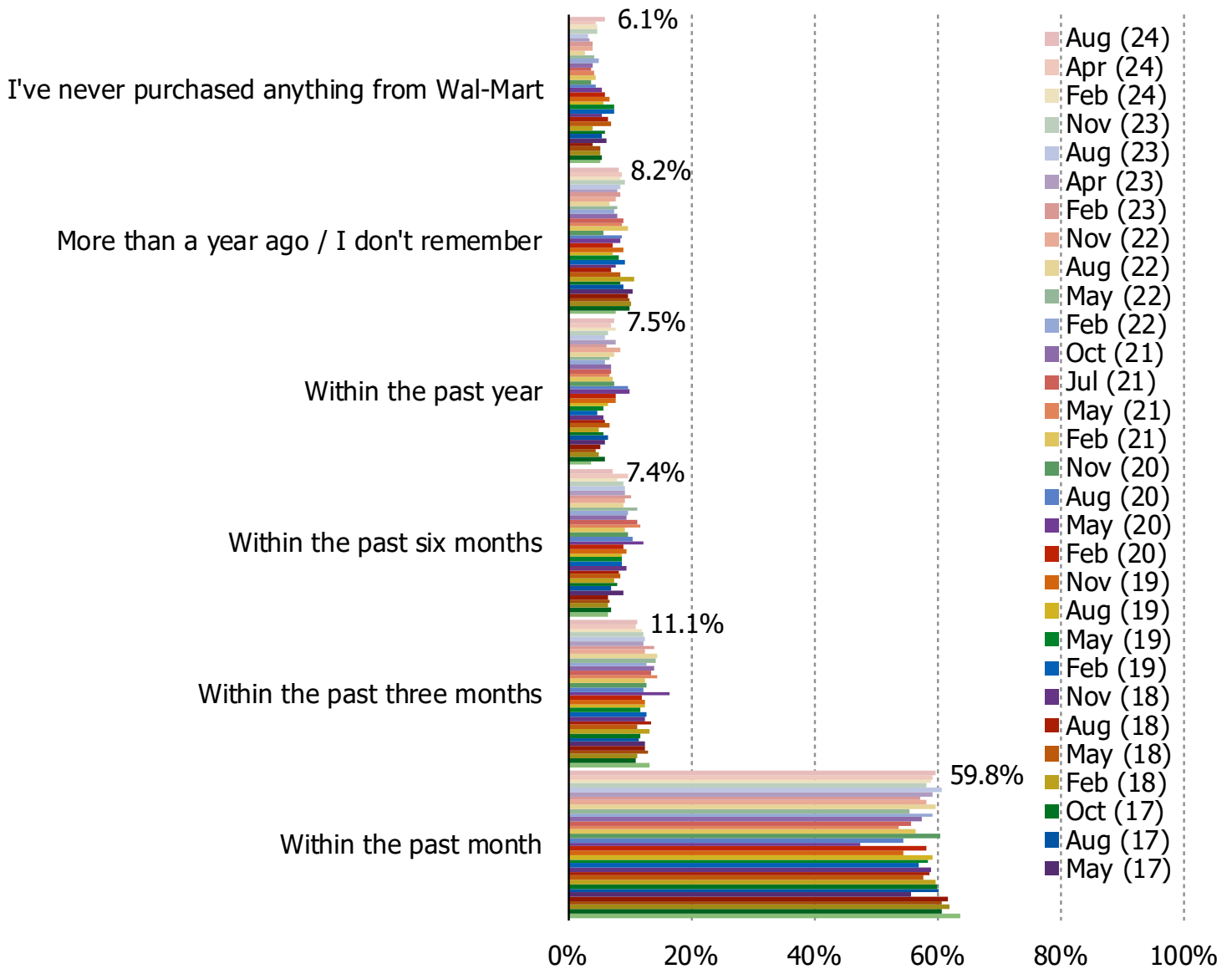
This question was posed to all consumers who visit Target stores.



WAL-MART DEEP DIVE

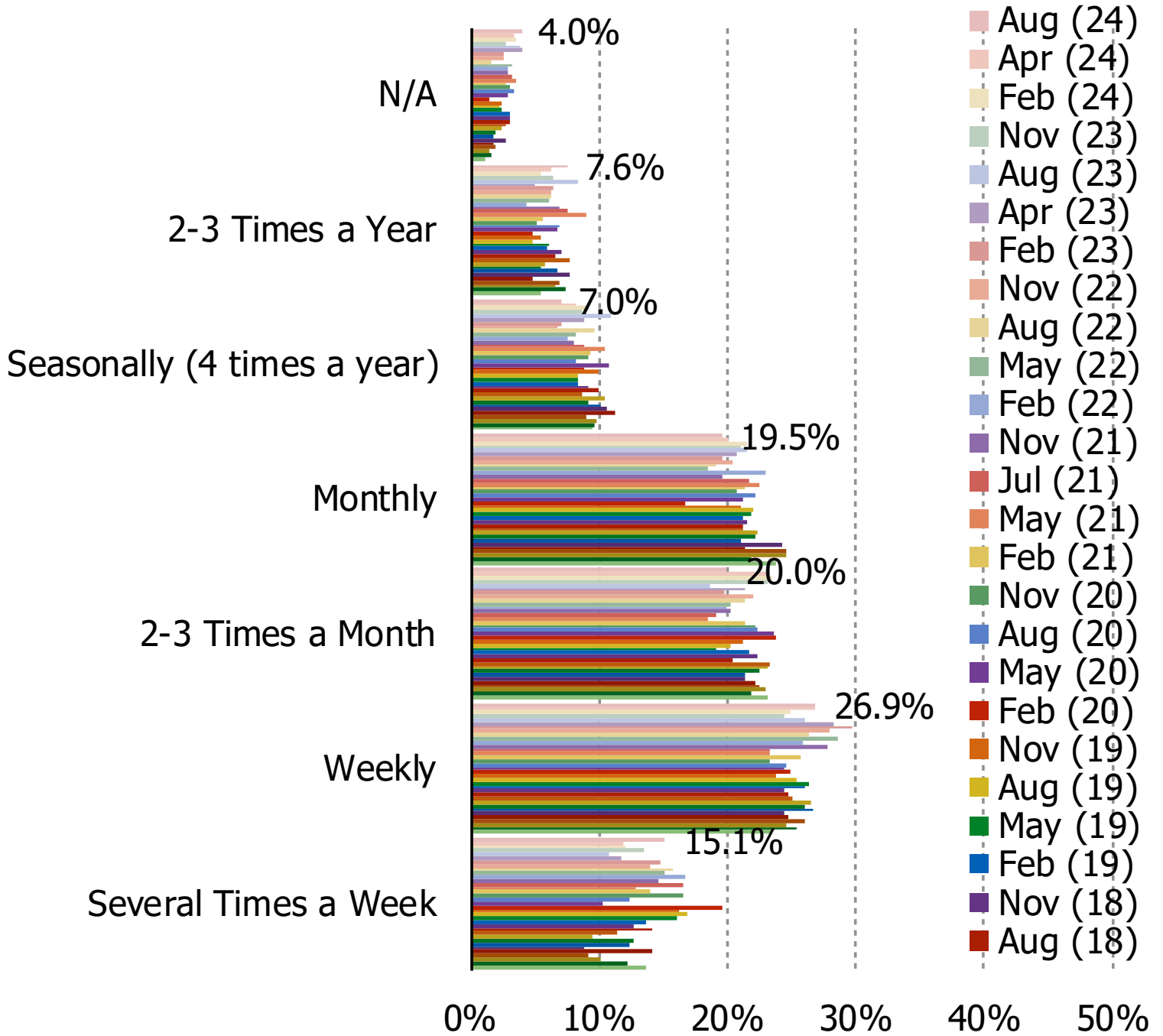
ALL CONSUMERS: LAST TIME PURCHASING FROM WAL-MART

This question was posed to all consumers.



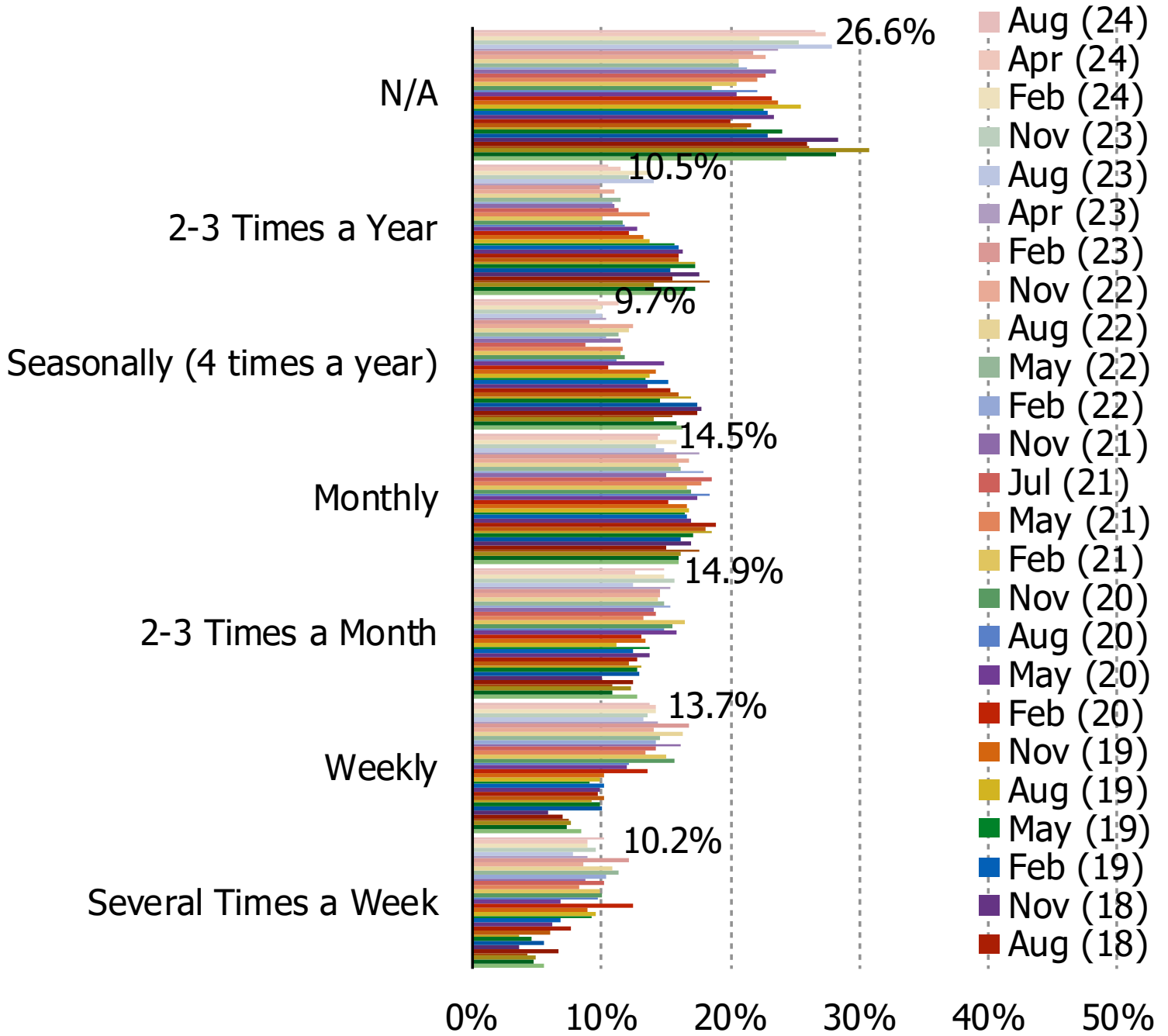
WAL-MART CUSTOMERS: SHOPPING FREQUENCY IN-STORES AT WAL-MART

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



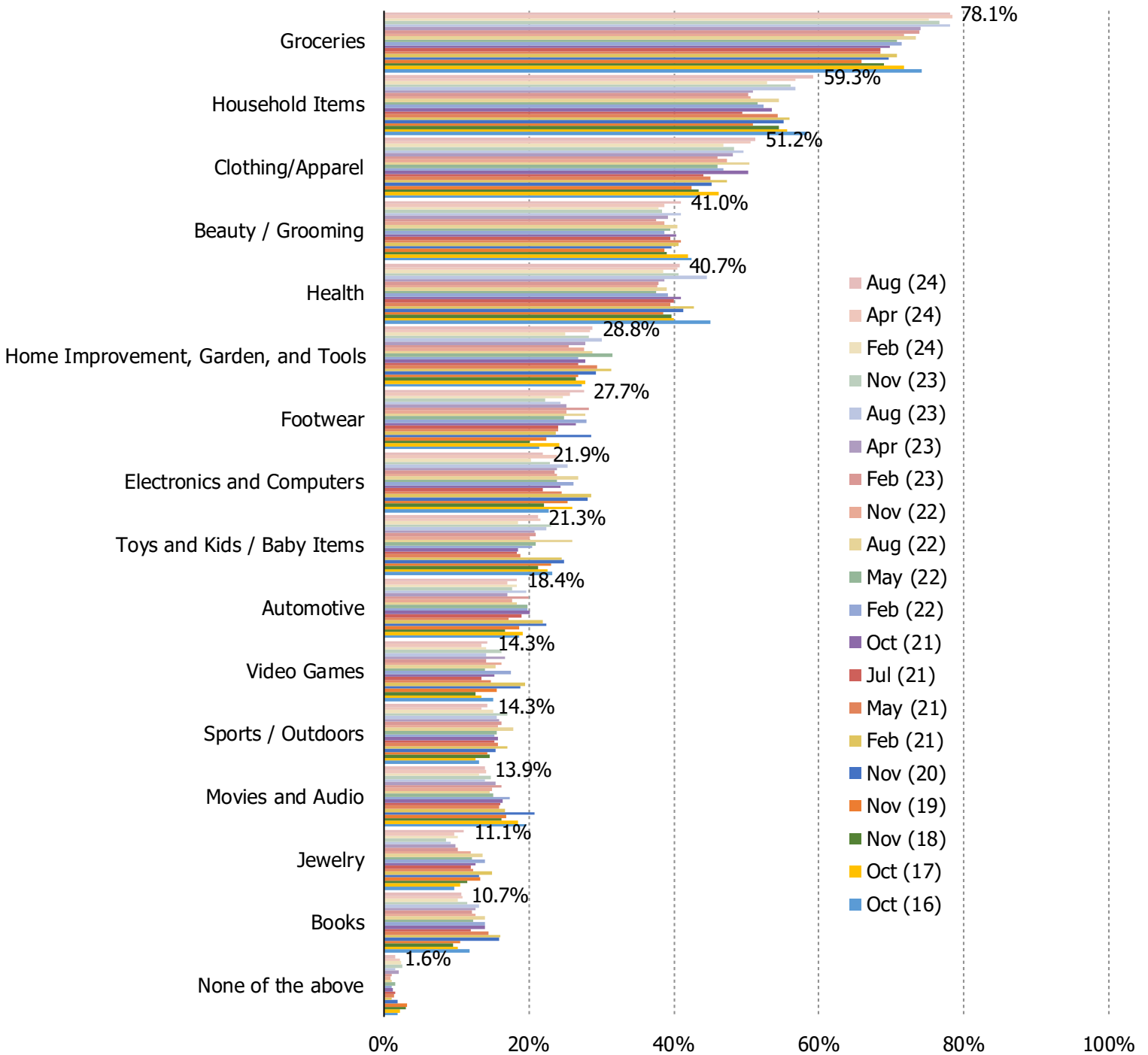
WAL-MART CUSTOMERS: SHOPPING FREQUENCY ONLINE AT WAL-MART

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



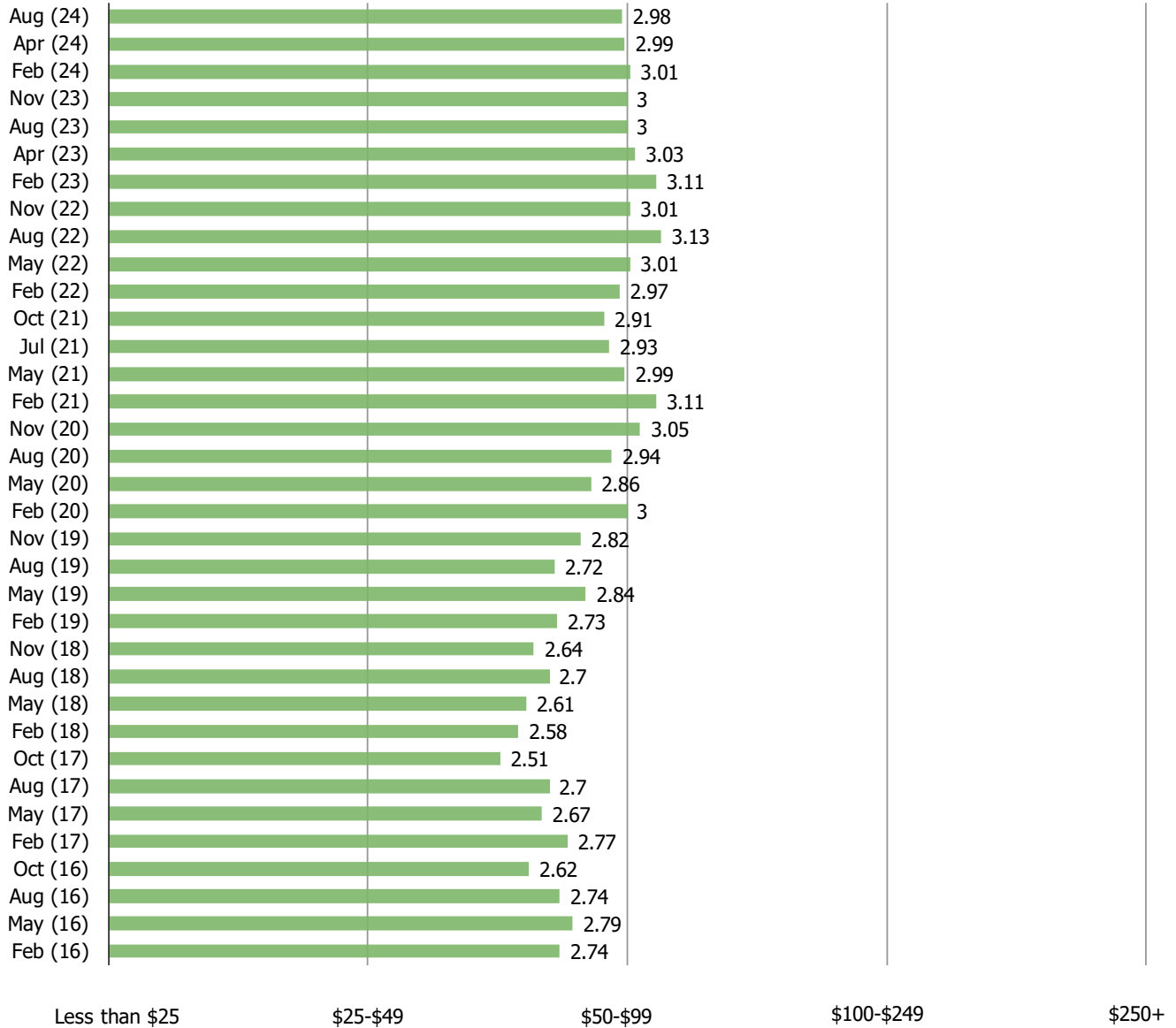
WAL-MART CUSTOMERS: WHAT THEY TYPICALLY BUY FROM WAL-MART (Q/Q TREND)

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

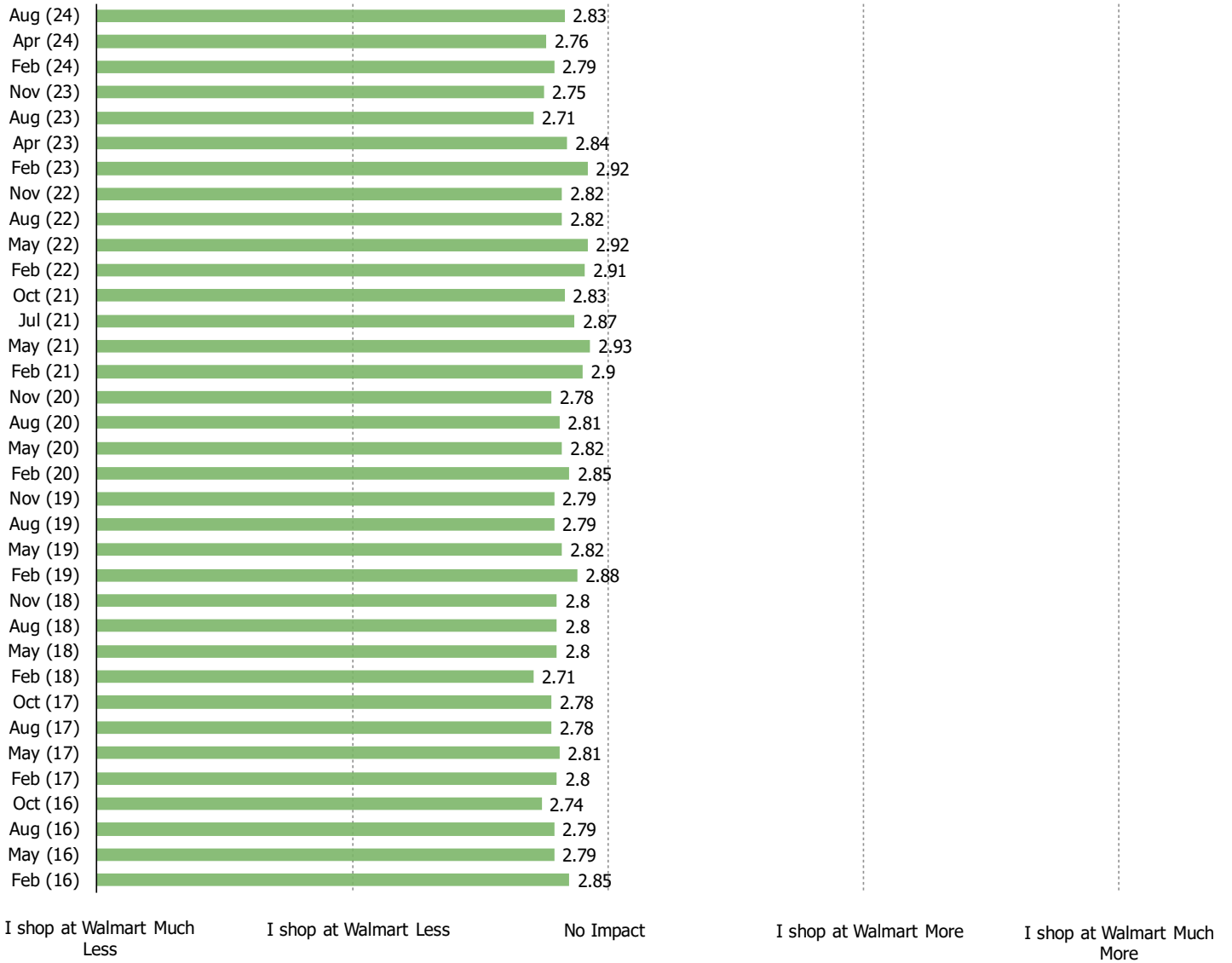
\$50-\$99

\$100-\$249

\$250+

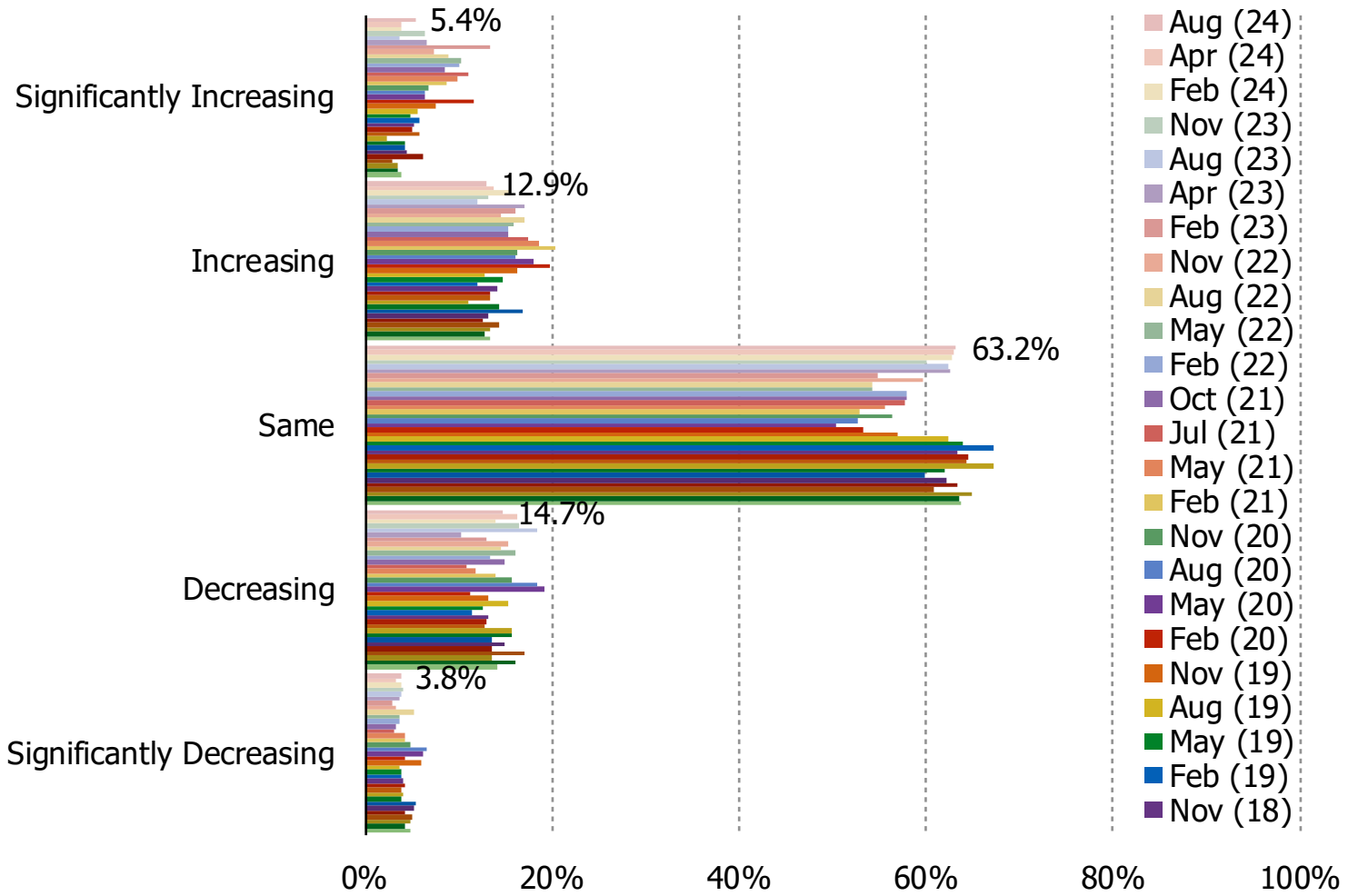
WAL-MART CUSTOMERS: IS AMAZON IMPACTING YOUR SHOPPING AT WAL-MART?

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



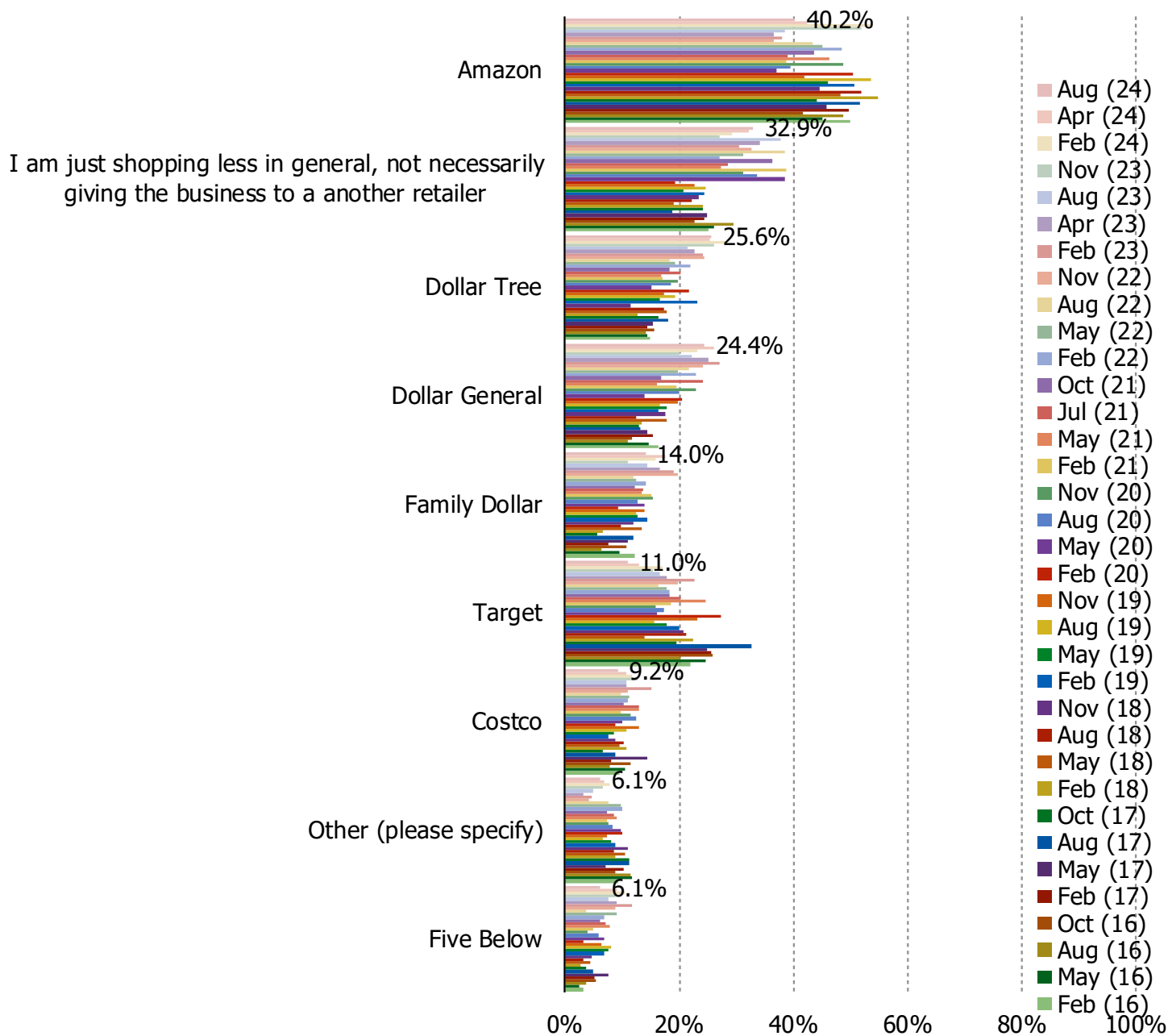
WAL-MART CUSTOMERS: CHANGES IN RECENT SHOPPING FREQUENCY

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?

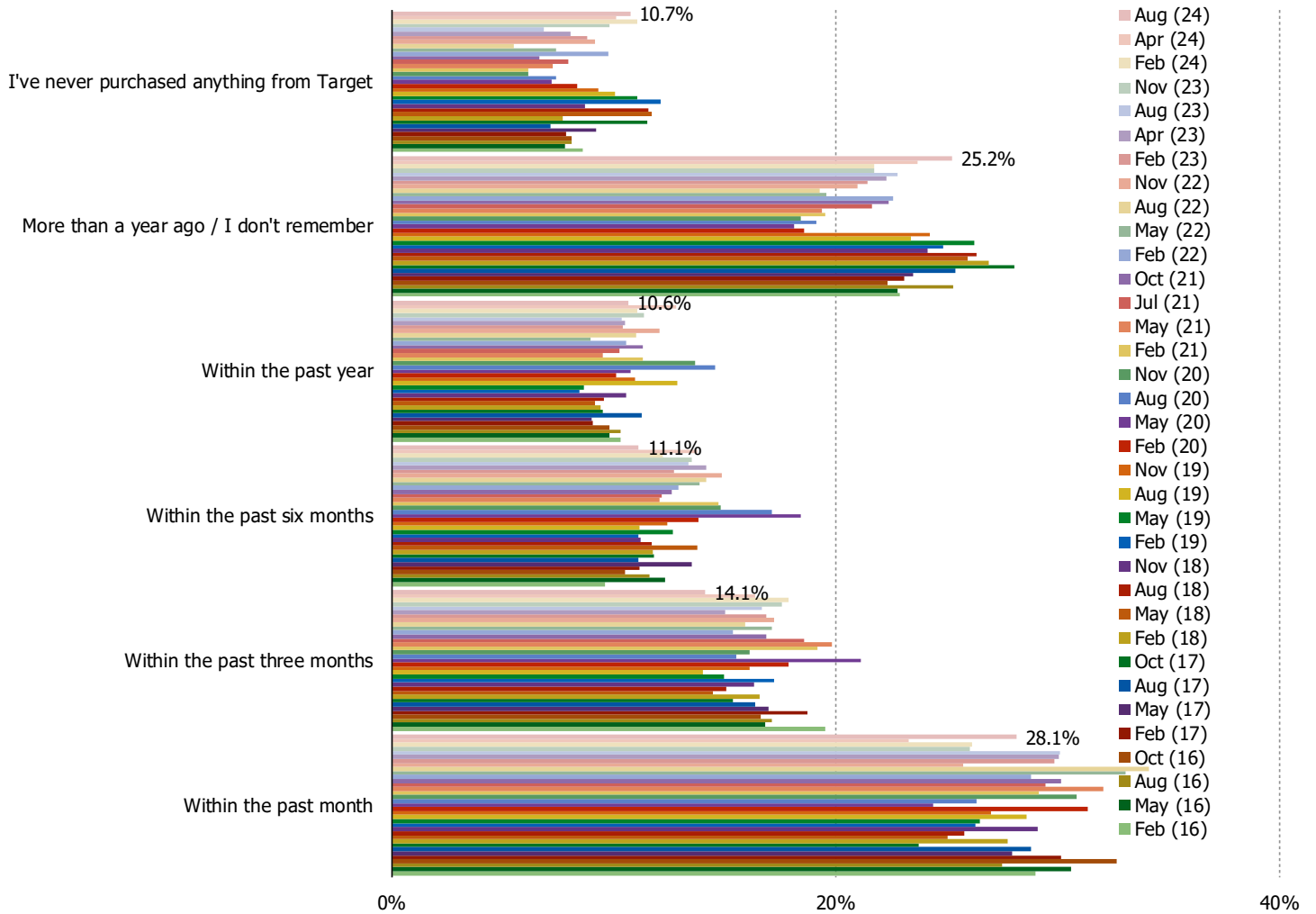
Posed to respondents who have purchased from Wal-Mart in the past 12 months AND said they have been shopping Wal-Mart less recently.



TARGET DEEP DIVE

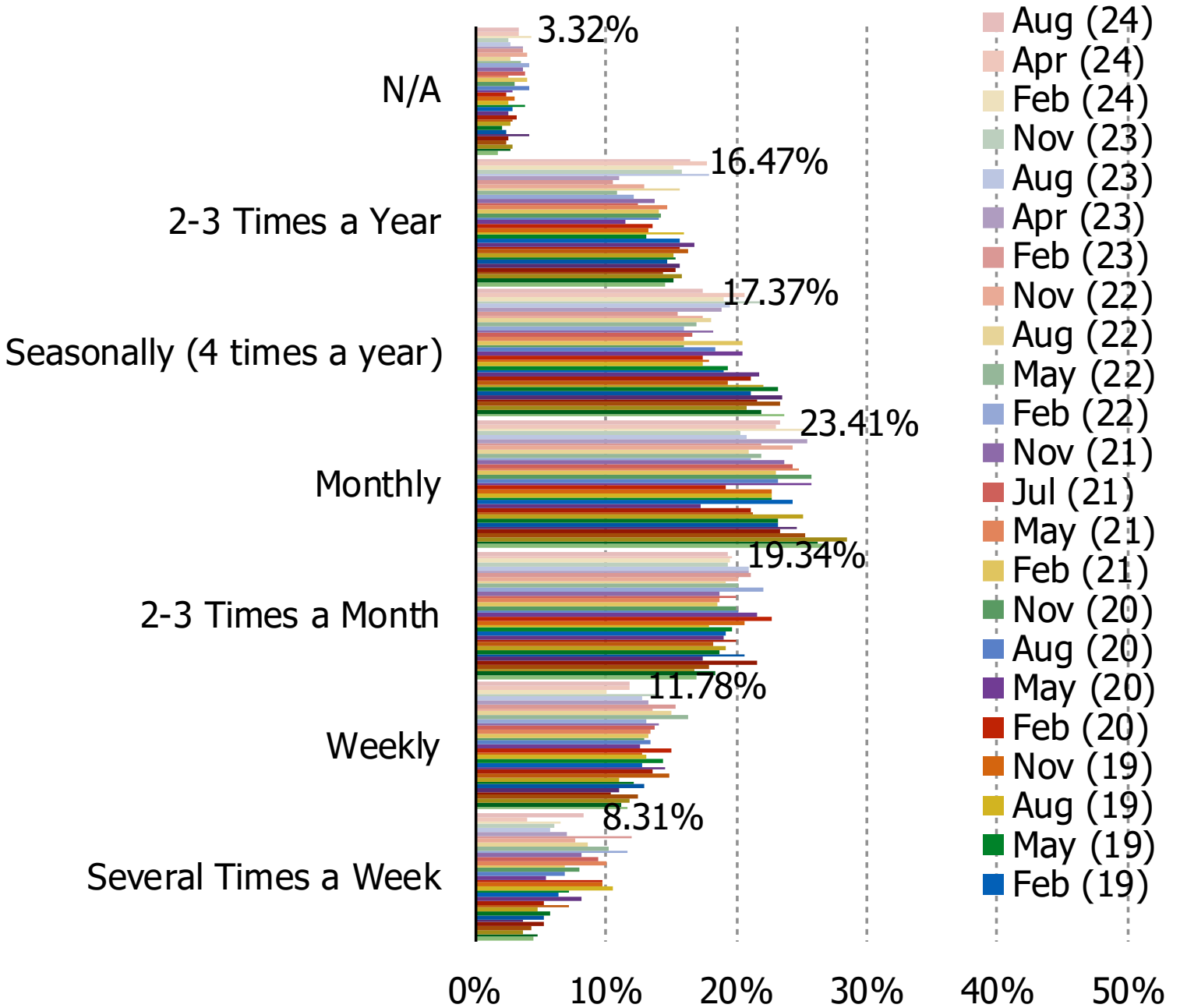
ALL CONSUMERS: LAST TIME PURCHASING FROM TARGET

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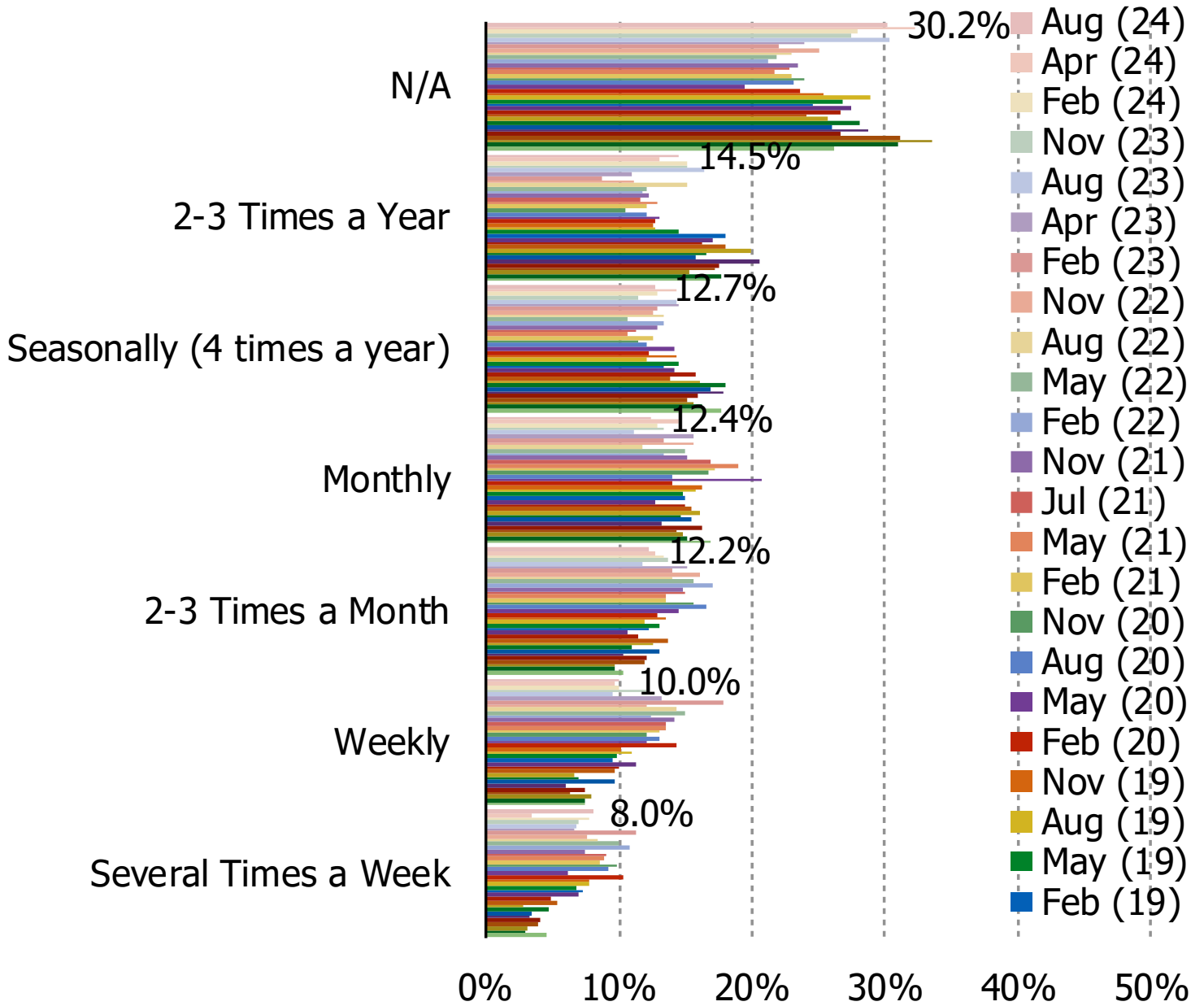
TARGET CUSTOMERS: SHOPPING FREQUENCY IN-STORES AT TARGET

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



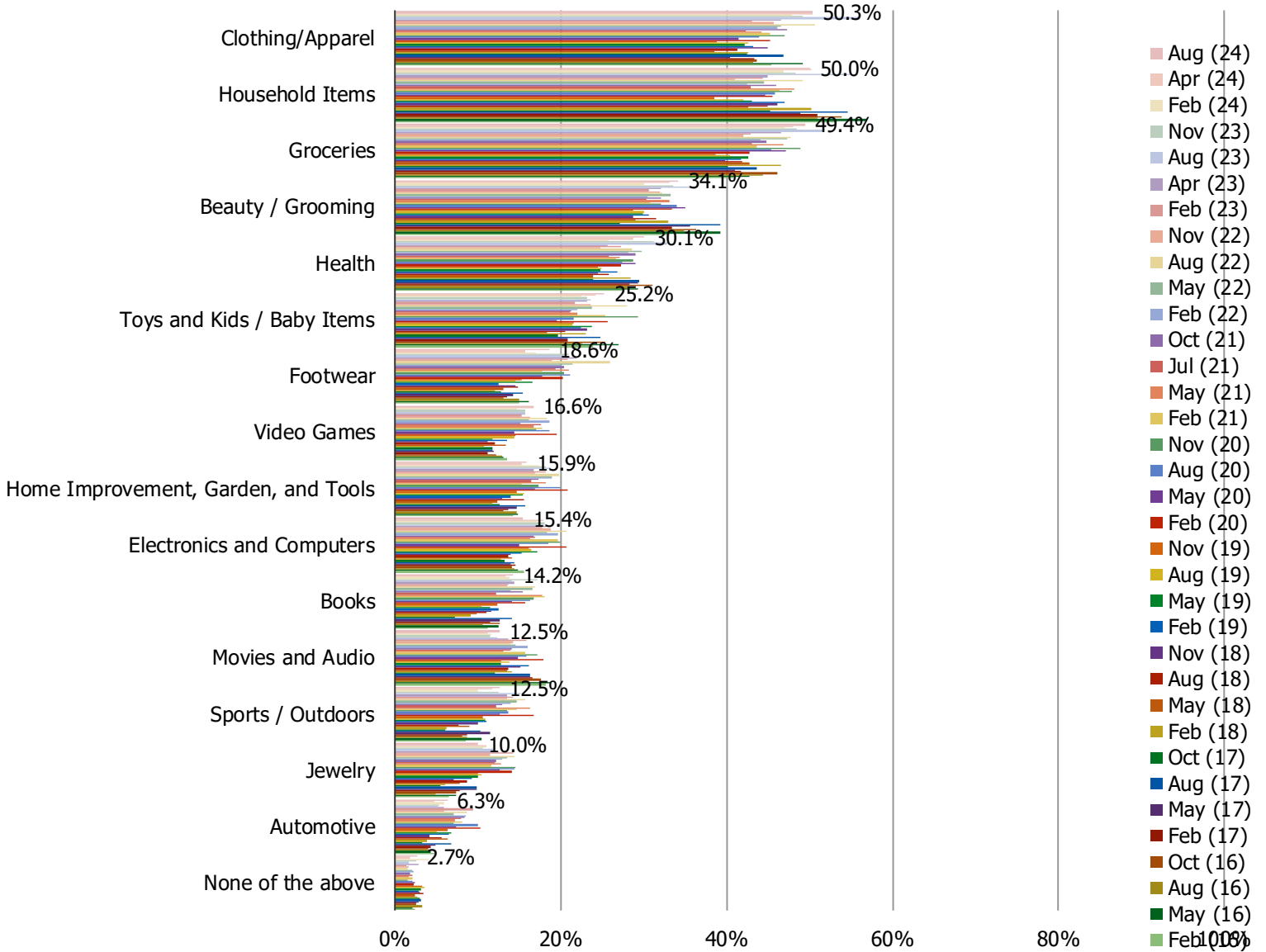
TARGET CUSTOMERS: SHOPPING FREQUENCY ONLINE AT TARGET

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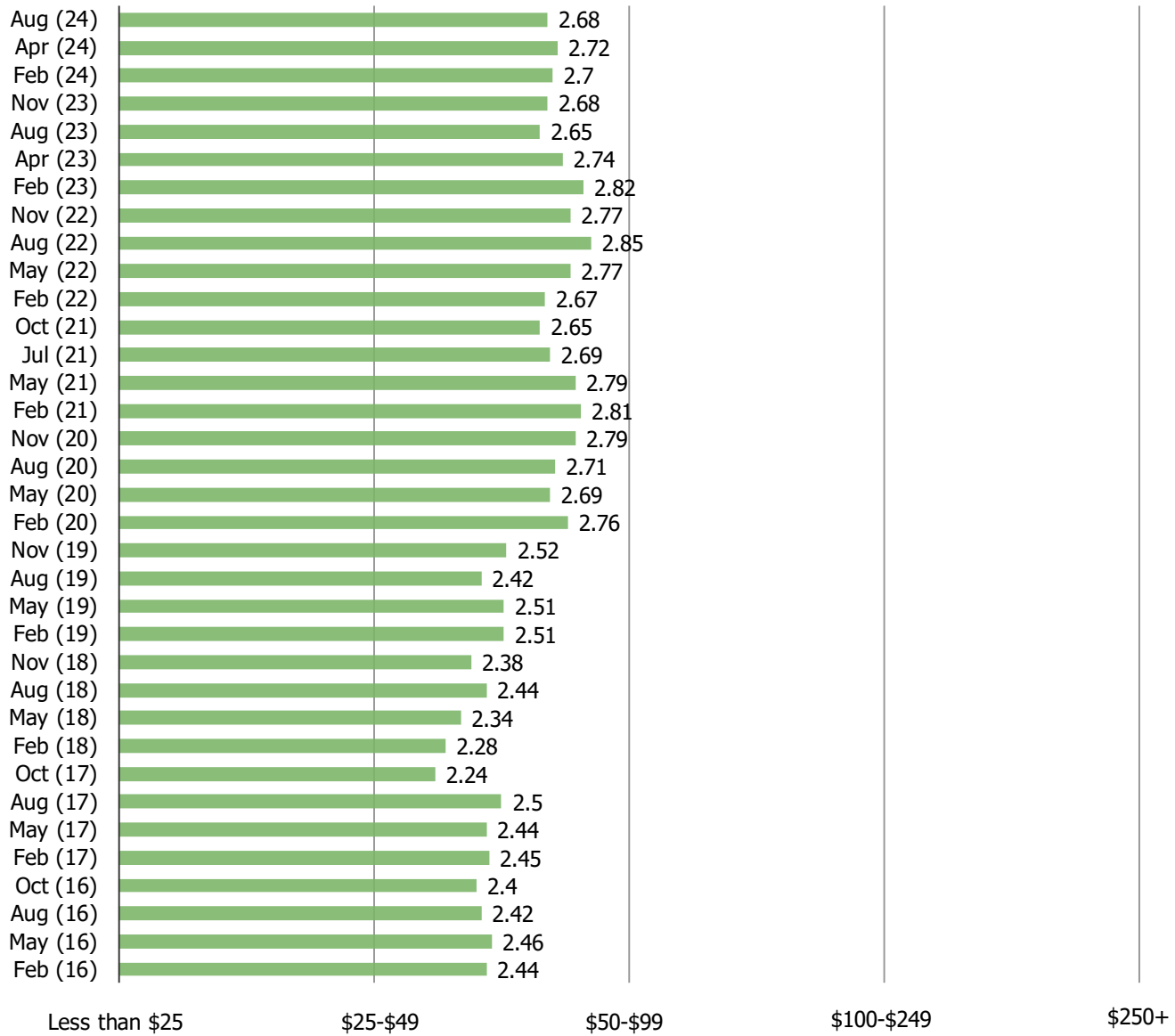
WHAT CUSTOMERS TYPICALLY BUY FROM TARGET (Q/Q TRACKING)

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



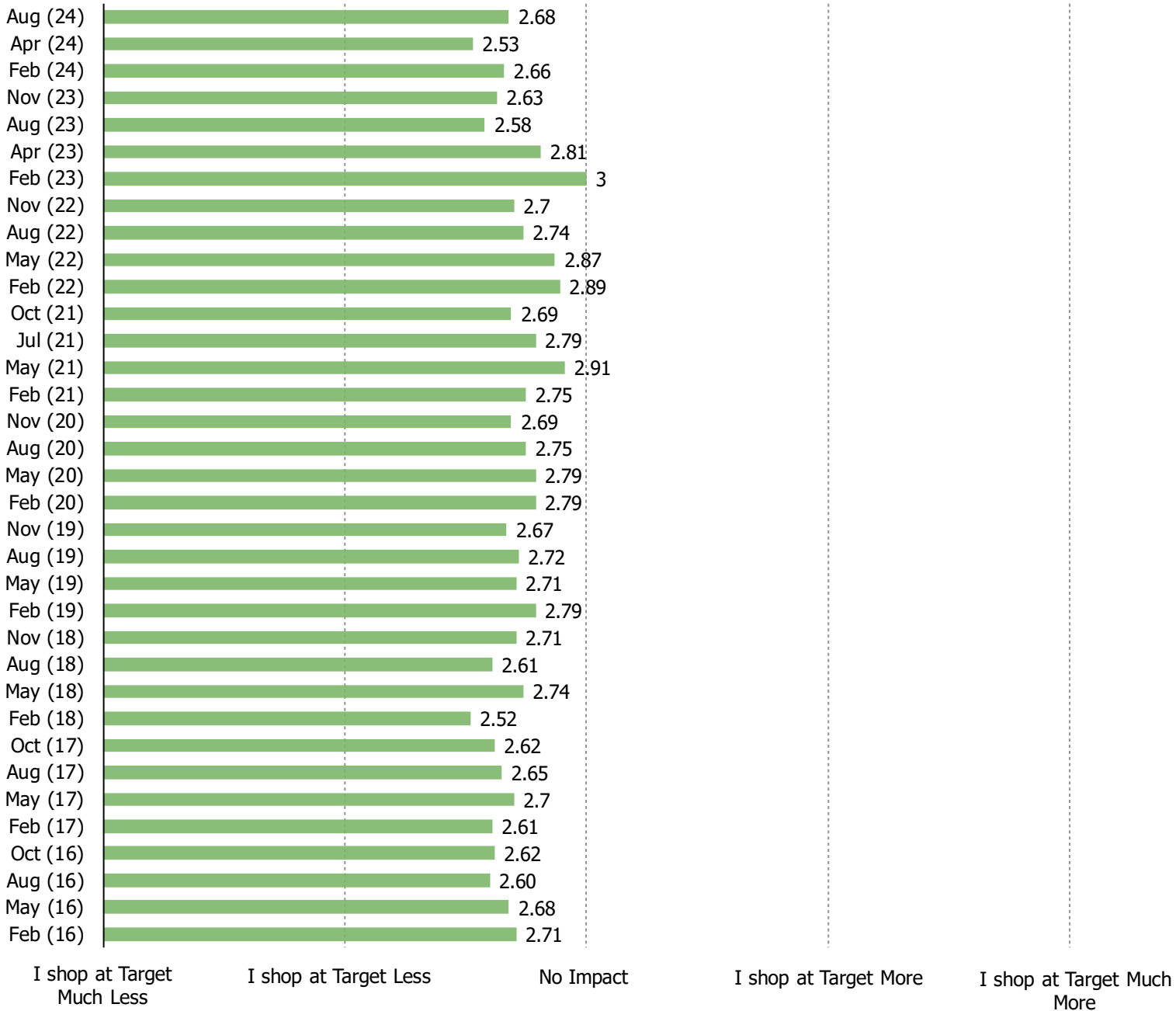
TARGET CUSTOMERS: AVERAGE SPEND PER VISIT

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



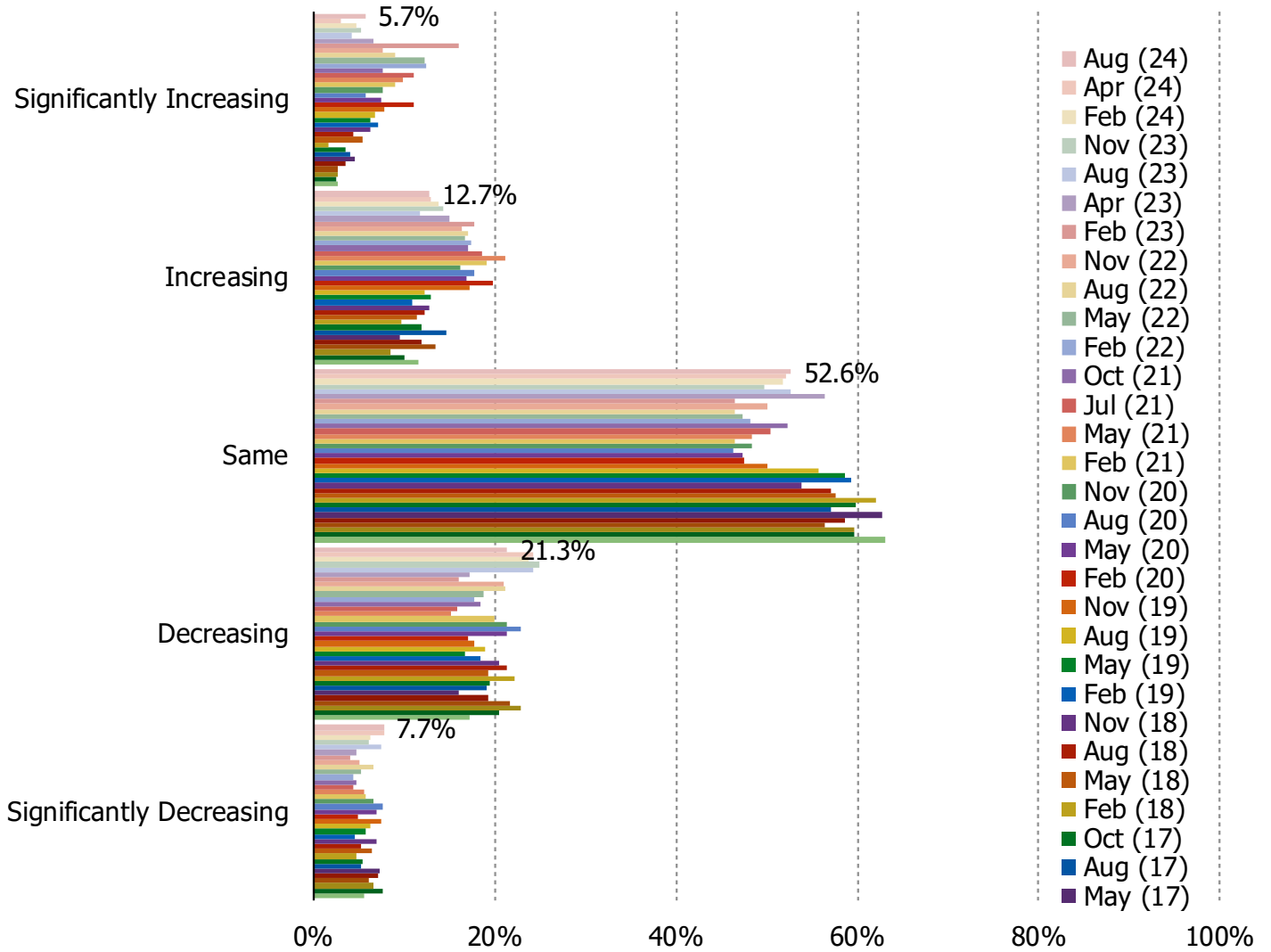
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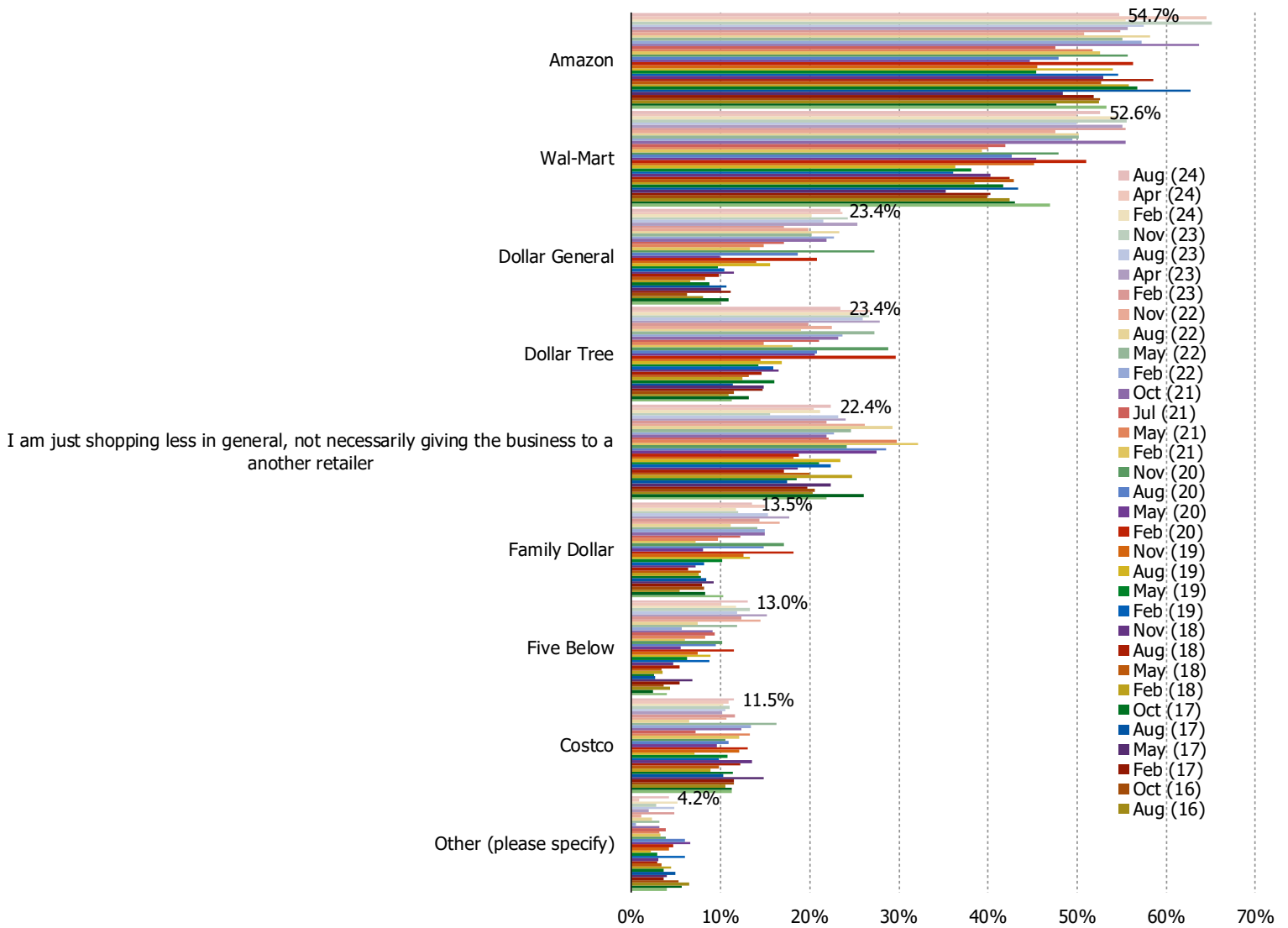
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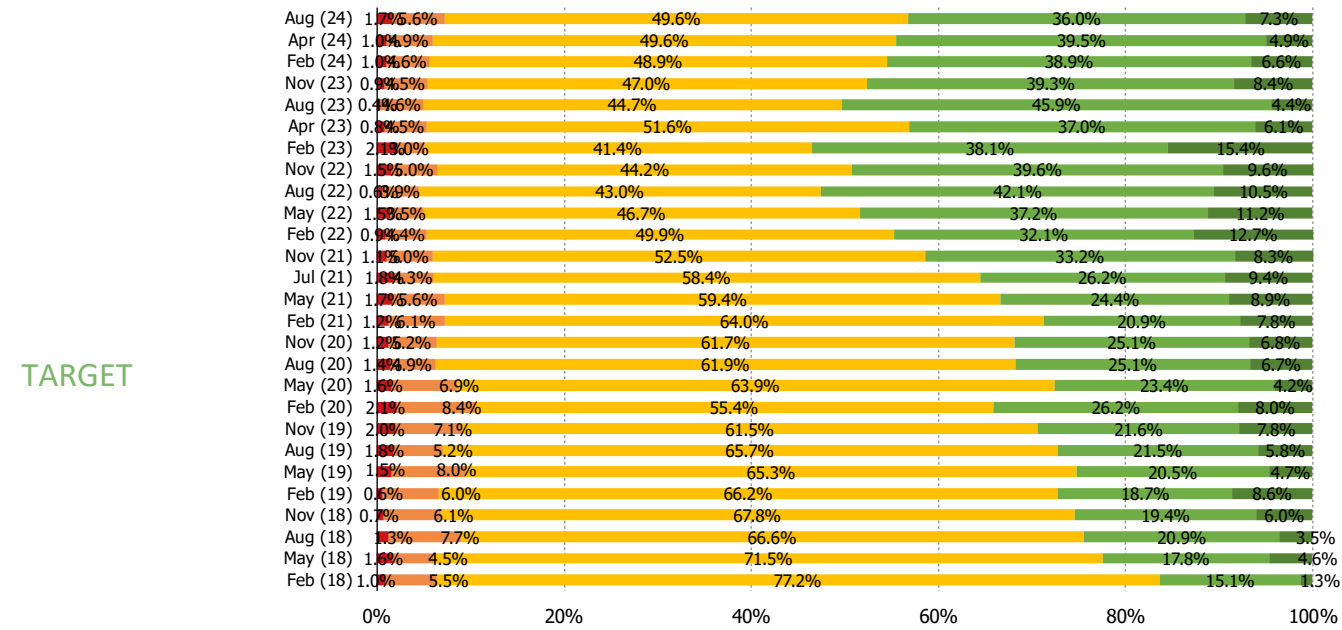
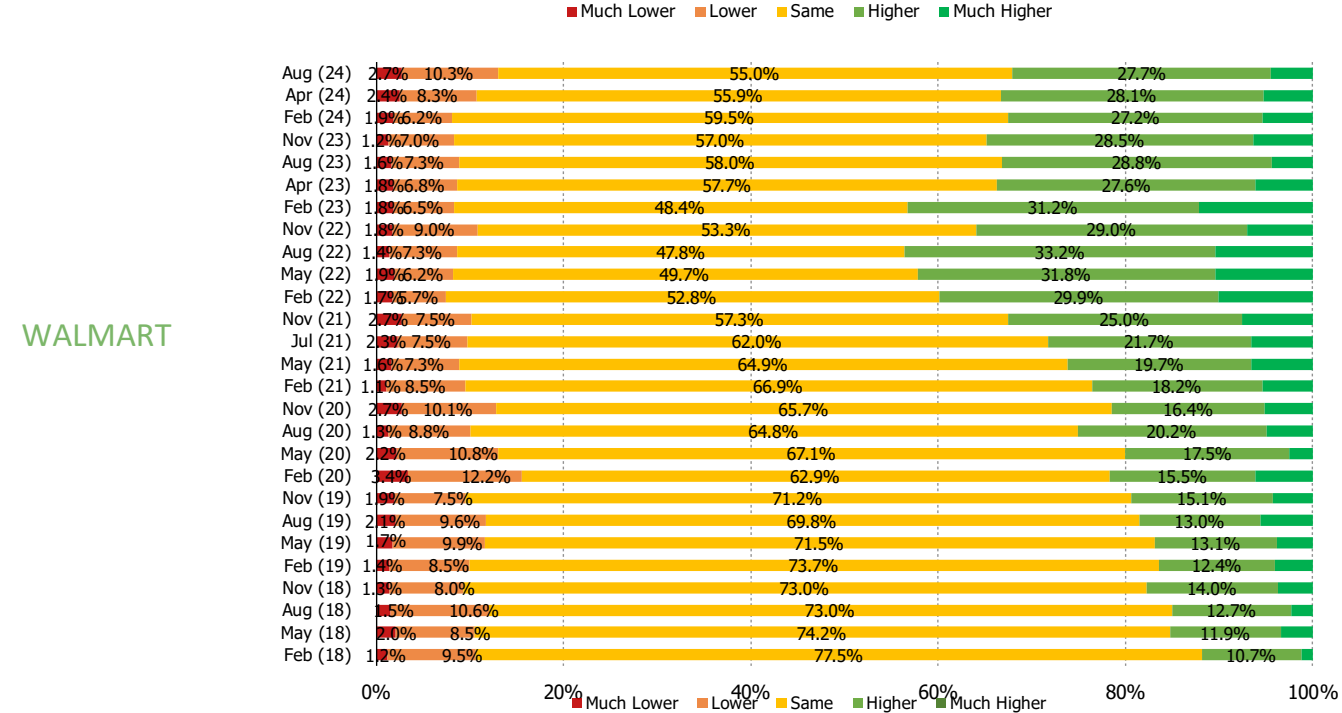
Posed to respondents who have purchased from Target in the past 12 months AND said they have been shopping Target less recently.



SENTIMENT TOWARD PRICING

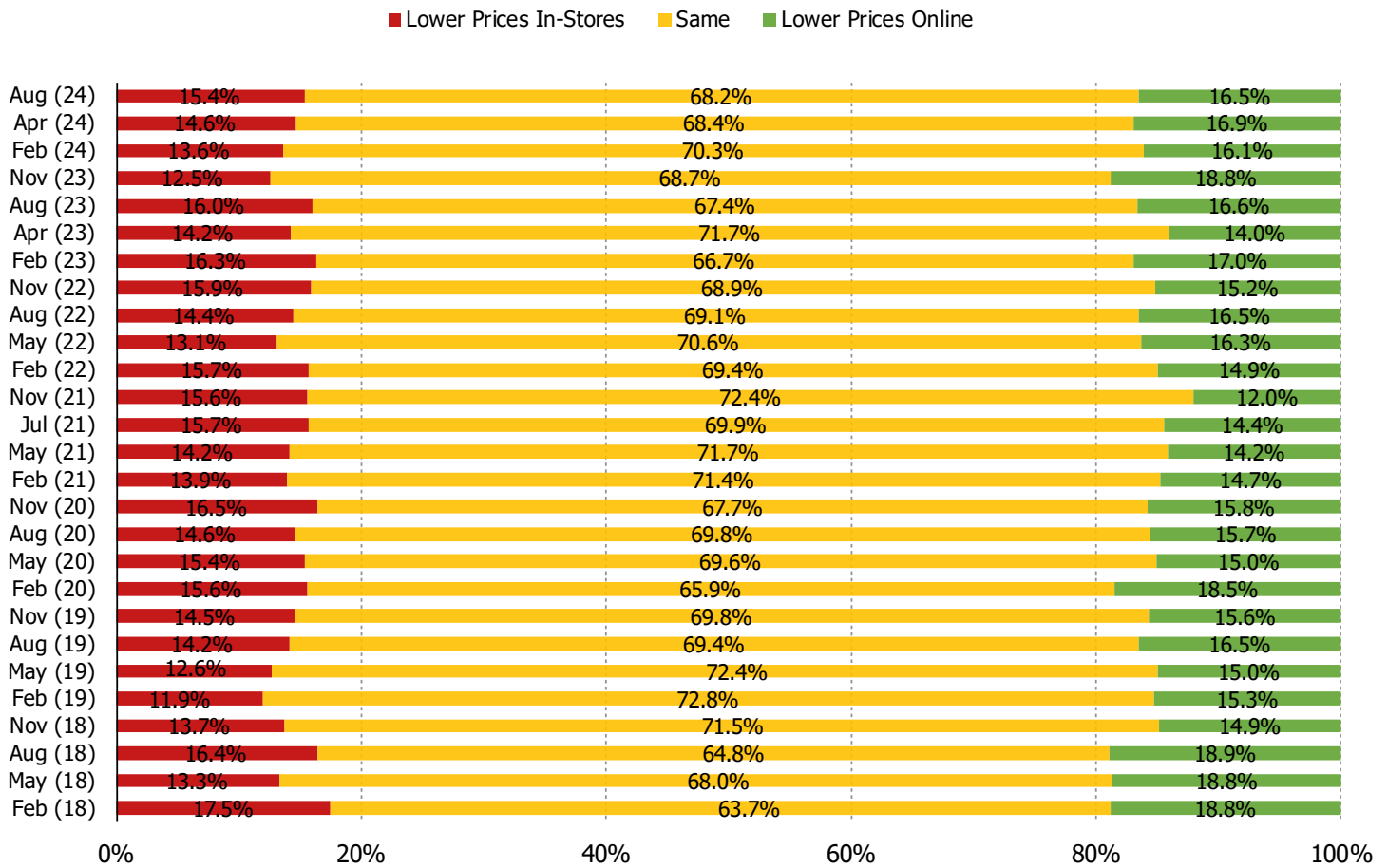
WHEN YOU LAST VISITED, DID YOU NOTICE ANY CHANGES TO PRODUCT PRICES?

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

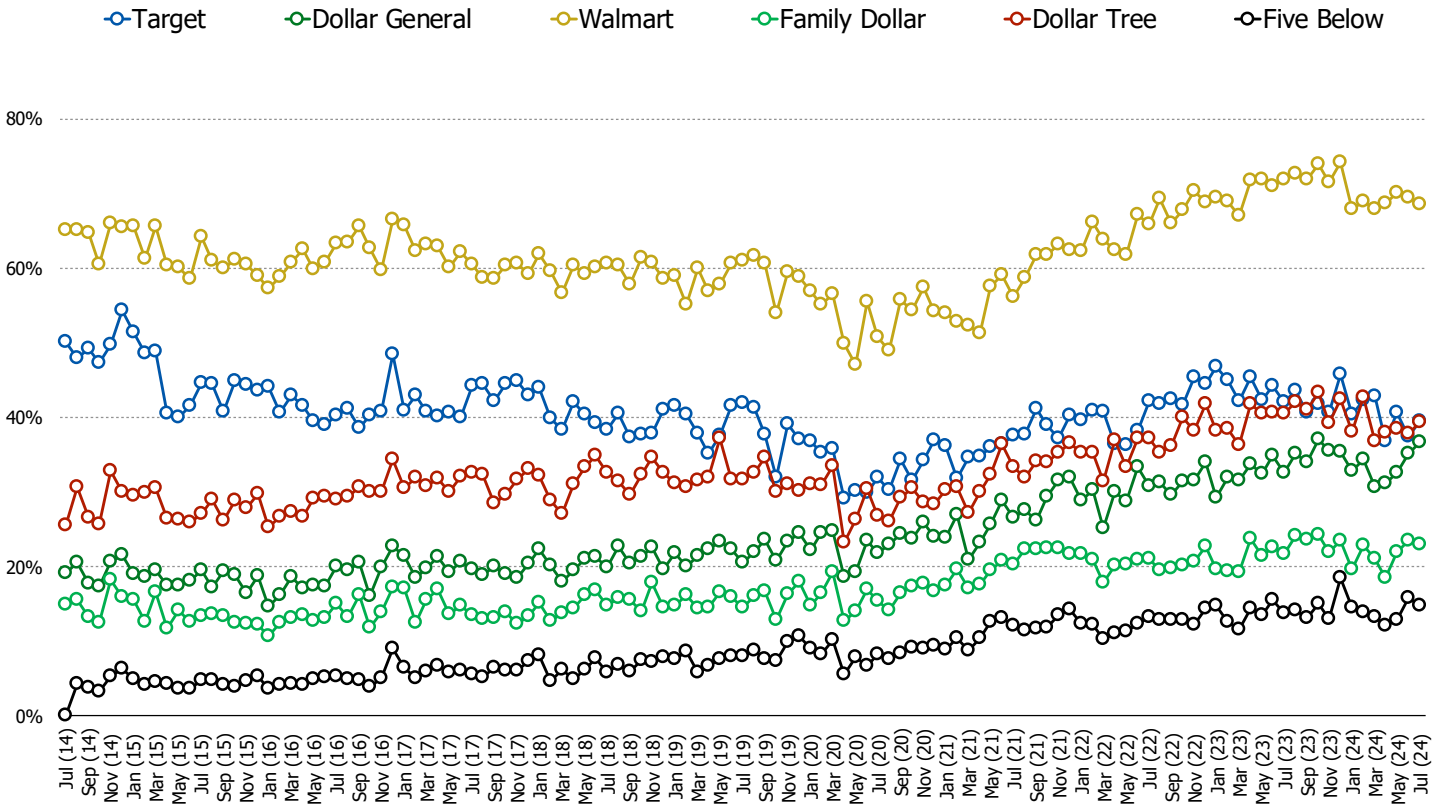
This question was posed to consumers who have shopped Wal-Mart online AND in-stores monthly or more frequently.



MONTHLY TRACKERS

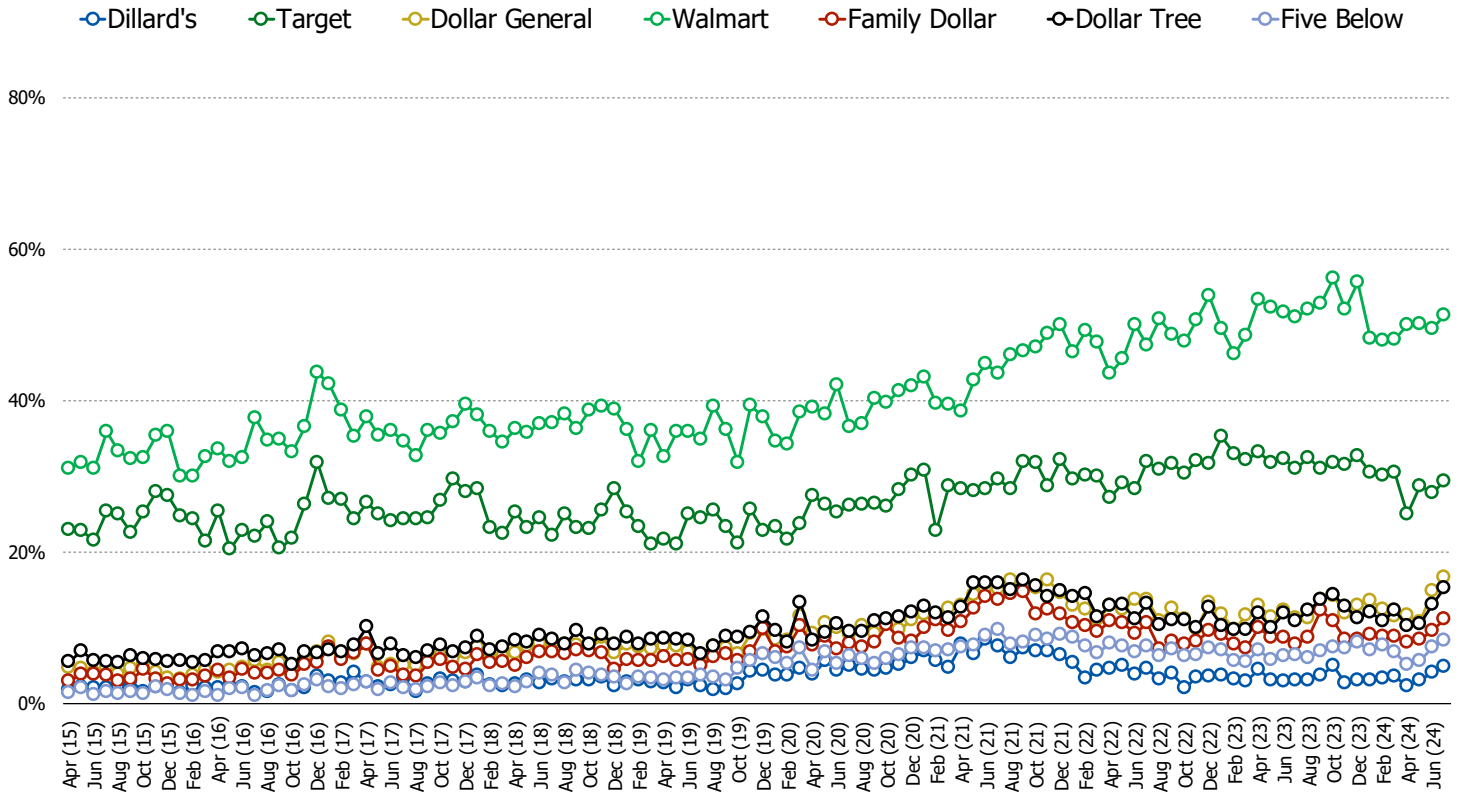
HAVE YOU VISITED ANY OF THE FOLLOWING COMPANY STORES IN THE PAST MONTH?

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.

