

Amazon, Walmart, Temu among potential winners of the holiday season

Article



By and large, the success of the 2023 holiday season will be dependent on when, where, and how much consumers are willing to spend on their holiday shopping. But some retailers are better positioned than others.

Our analyst Andrew Lipsman breaks down who's ahead of the gift-giving game and why they're destined for a jolly holiday.

1. Amazon

“We expect that Amazon is going to have the first-ever \$100 billion holiday season,” said Lipsman during a recent [Meet the Analyst Webinar](#).

The ecommerce giant will rake in \$106.18 billion in US ecommerce sales this season, representing 41.9% of total holiday ecommerce sales, per our forecast.

One of Amazon’s biggest advantages over other retailers is its delivery speed.

- Amazon’s click-to-door speed improved to 1.5 days in June 2023, down from 4.6 days during the early days of the pandemic, according to NielsenIQ.
- Other retailers are also seeing delivery times improve, but they are still above 5.2 days on average—more than three times longer than Amazon.

2. Walmart

[Amazon may be the ecommerce king](#), but [Walmart will be the big winner of overall omnichannel sales](#), said Lipsman.

“Walmart will continue to do well in-store, will continue to do well online, and should still benefit from a consumer that is in more of a value-conscious mode,” he said.

Lipsman also suggested that Walmart’s [strength in click and collect](#) gives it an advantage over Amazon, enabling it to capture share of wallet late in the season when people are afraid deliveries won’t make it in time.

3. Temu

[Temu has seen a meteoric rise](#) since its September 2022 US debut, scoring fourth out of the top 15 digital retailers ranked by unique visitors in July 2023 with 90.5 million visitors, per Comscore.

“Temu is an up-and-comer here, and I think it’s going to capture the zeitgeist with its very disruptive pricing,” said Lipsman. “[It offers] very cheap goods, stocking stuffers, all sorts of things that people are going to be looking for. If you can get stocking stuffers for dollars, people are going to be attracted to that.”

4. Retailers with mobile apps

Mobile retail apps are a critical touchpoint during the holiday season, said Lipsman, especially since it's become increasingly harder to reach people through social ads.

"It's no longer easy to reach people through Facebook like it used to be," he said. "You've got to get creative and figure out other ways to get in front of consumers without doing as much paid ad spend."

Retailers with **high mobile app adoption rates** like Amazon, Shein, and Walmart are likely to see a disproportionately high share of mcommerce transactions, according to Lipsman.

Those who want to boost app adoption should use email communications, physical stores, and even TV ads to market their apps more effectively, said Lipsman. But they need to clearly communicate their app's benefits to consumers.

5. TikTok

While it may not be a traditional retailer, "TikTok has really captured the zeitgeist," said Lipsman. "And **TikTok Shop is starting to take off as well**. It's an increasingly important influencer of purchase decisions, particularly with Gen Z."

In fact, 43% of US Gen Z adults start their online product searches on TikTok, versus 19% of the total US population, per Jungle Scout.

Watch the full webinar.

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