

# Here's Why Stores Still Matter in the Digital Age

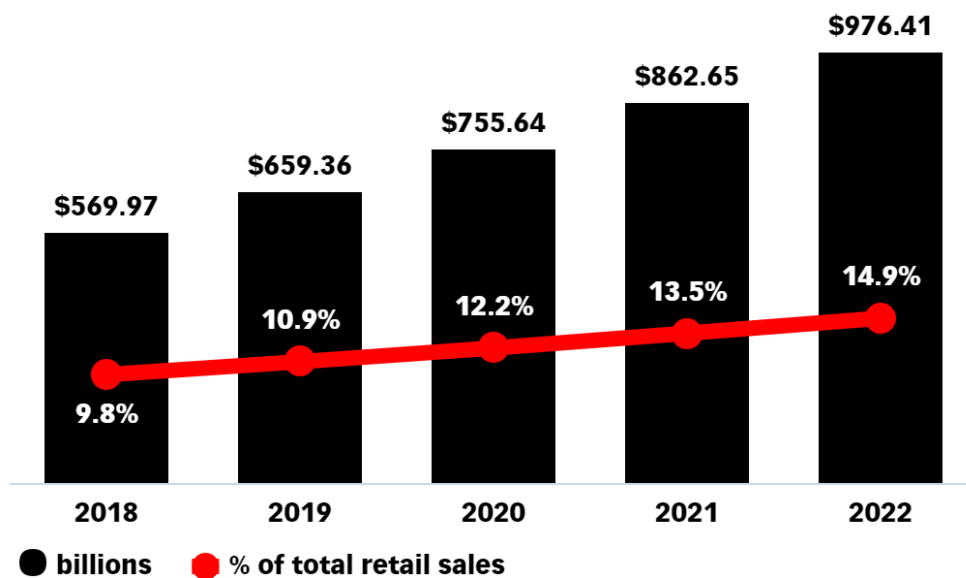
**ARTICLE** |

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**W**ith retail ecommerce sales growing rapidly in the US, it can feel like online buying is taking over the world. But for consumers, brick-and-mortar shopping is still important. They'll spend almost 90% of their retail dollars in person this year, and a large portion of that foot traffic will come from webrooming.

## Retail Ecommerce Sales

North America, 2018-2022



Source: eMarketer, December 2018

www.eMarketer.com

Webrooming, or researching a product online before buying in a physical store, has helped boost in-store traffic for a few retailers in particular last year.

Ulta Beauty's ecommerce growth rate came in lower than anticipated, a shift that CEO Mary Dillion attributed to customers' desire to visit stores to see and test makeup from digitally native brands like Morphe Cosmetics and Kylie Cosmetics. The beauty giant plans to open 80 new stores nationwide in 2019.

The Home Depot also saw increased in-store traffic last year, something CEO Craig Menear credited to BOPUS (buy online, pick up in-store). "These online shoppers see the relevance of our stores," Menear told investors in February. Like Ulta Beauty, the company plans to expand its footprint in 2019, something it hasn't done in several years.

Target was another success story, posting its best annual growth in more than a decade last year, an accomplishment CEO Brian Cornell said came from investing in its stores, fulfillment centers and supply chain in 2017.

Unsurprisingly, millennials are most likely to webroom; four in 10 did so during the holiday season, compared with 35% of Gen Xers and 33% of baby boomers, according to Oath. As millennials age, and webrooming continues to gain prominence, retailers will likely focus on further streamlining the omnichannel journey.