

How Amazon Prime Day and other July sales events will drive in-store sales, from Target, Walmart, and Best Buy

Article

This year's foot traffic to physical retail locations has fallen behind previous years as inflation continues to put a strain on consumer spending, according to Placer.ai.

As we look to the second half of 2023, **July sales events** (including **Amazon Prime Day** and competitor events created by Walmart, Target, and Best Buy, among others) may spur an increase in visits to brick-and-mortar stores.

Reason for the season: Three main behaviors will drive in-store sales during next week's sales events, per Placer.ai.

- Consumers who have previously put a pause on buying big-ticket items may do so now, using sales events to purchase them at a discount.
- Consumers who have cut back on nonessential spending may take advantage of deals on discretionary categories like beauty or apparel.
- Back-to-school shopping is also kicking into high gear, and parents are likely to take advantage of deals to stock up on children's clothing and school supplies.

Winner, winner: Two categories are poised for success during July sales events, per Placer.ai.

Of nine retail sectors analyzed, the beauty and self-care category is the only one to have seen positive YoY weekly visits over the past seven weeks, suggesting the category will do quite well during upcoming deal days.

Visits to apparel retailers are also up, a positive sign consumers may seek deals on clothing, shoes, and accessories.

The price must be right: Consumers this year have been holding out on nonessential purchases at pet, office supply, and home improvement stores, meaning retailers may need to lean into deals to inspire discretionary purchases, per Placer.ai.

In addition, purely discretionary categories like recreational and sporting goods, hobbies, gifts and crafts, electronics, and furniture and home furnishings have seen some positive momentum recently. July sales events could be just the thing consumers need to splurge on some discretionary items.

Prime competition: Amazon Prime Day is no longer a retailer-specific event, said our analyst Suzy Davidkhanian.

“Competitors have rallied to turn it into another national market share event, so it’s to be expected that there will be spillover into brick-and-mortar sales as companies like Target and Best Buy start to advertise their own sales in answer to Prime Day,” she said.

Amazon’s network of brick-and-mortar stores will also offer discounts, but there are three retailers that should see an increase in physical store visits during their July sales events.

- Best Buy is likely to see an especially strong visit boost this July, per Placer.ai. The retailer saw foot traffic spike between June 12 and 28 (when its Father’s Day sale took place), boding well for its Black Friday in July sales event.
- Walmart has also seen strong visits recently. Consumers have been flocking to the retailer because of its low grocery prices, and with additional deals on other categories, its Walmart+ Week is likely to see plenty of traffic.
- Target’s foot traffic growth has been more muted than Best Buy and Walmart, but Target’s Circle Week could be a great way to lure consumers in-store with deals and discounts.

This was originally featured in the Retail Daily newsletter. For more retail insights, statistics, and trends, [subscribe here](#).