

Target Cracks Top 10 US Ecommerce Ranking

Amazon's share of US ecommerce approaches 40%

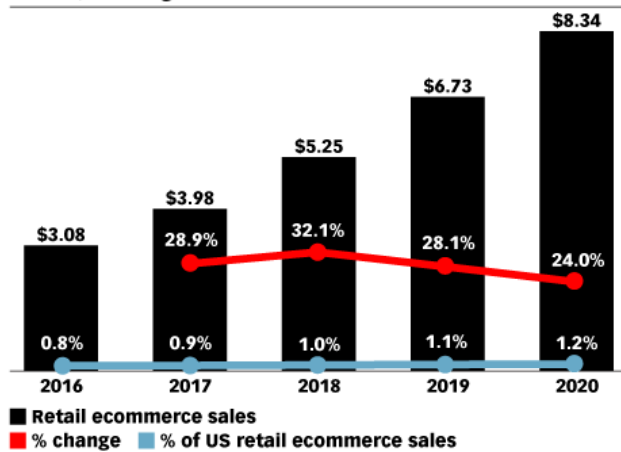
ARTICLE

eMarketer Editors

Target's increased focus on building its ecommerce business has been paying off. The big-box retailer, which used to rank No. 11 in the US in terms of ecommerce sales, has now surpassed three competitors to become No. 8. Our latest ranking of the nation's top retailers by online sales shows strong growth for Target's ecommerce business, while that of QVC and HSN owner Qurate Retail Group will decline.

This year, Target's ecommerce business will jump 24.0% to \$8.34 billion. That means its share of the total US ecommerce market will grow to 1.2%, up from 1.1% in 2019.

Target US Retail Ecommerce Sales, 2016-2020
billions, % change and % of US retail ecommerce sales



Note: represents the gross value of products or services sold on Target.com (browser or app), regardless of the method of payment or fulfillment; excludes travel and event tickets
Source: eMarketer, Feb 2020

252905

www.eMarketer.com

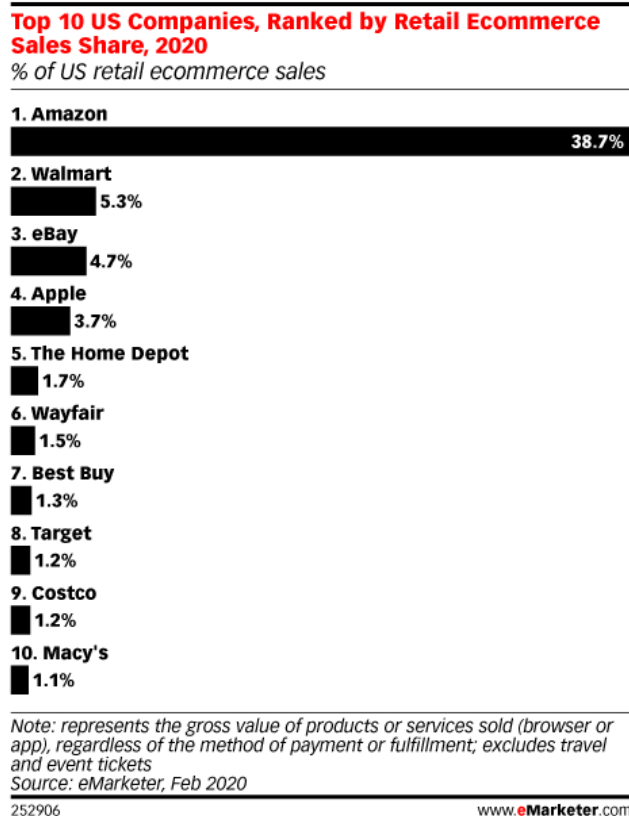
“At a time when brick-and-mortar stores are struggling to keep up with the fast-changing retail landscape, Target seems to have hit the bullseye,” eMarketer forecasting analyst Cindy Liu said. “Store renovations and expanding same-day fulfillment options, such as in-store pickup, drive-up and delivery with Shipt, are paying off. Target has found a way to use its stores to fulfill online orders while keeping up with customer demands for convenience and speed.”

Target’s growth in share comes at the expense of competitors. In 2020, Target will inch past Costco, which will generate \$8.33 billion in ecommerce sales. Macy’s and Qurate Retail Group will both see their shares of the total US ecommerce market decline this year. Macy’s share will drop to 1.1% from 1.2% in 2019, even though its online business continues to grow. Qurate, however, will see its online sales decline for the second year in a row, dropping its ecommerce share to 1.0% from 1.2% last year. As a result, Qurate will drop off the top 10 list for the first time.

“The softening apparel market is adding pressure to both Qurate and Macy’s, whose main product lines are made up of apparel and fashion,” Liu said. “As these two retailers struggle to

meet the demands of consumers and fail to pull in new shoppers, we will see other retailers capitalize on their share declines this year.”

Other retailers on the top 10 list are also losing share. eBay and Apple will both see their shares of the US ecommerce market drop slightly in 2020. Meanwhile, Amazon's share will grow to 38.7%, up from 37.3% in 2019.



This year, Amazon will capture 4.6% of total retail sales (online and offline) in the US