How Walmart, Trader Joe's, and Target boost holiday impulse purchases

Article



Over one-third (38%) of US adults have decreased their impulse spending this year, up from 14% in 2022, per a study commissioned by Slickdeals and conducted by OnePoll. As we enter

the holiday season, there are still a few ways retailers can encourage impulse purchases, from experimenting with shoppable media and putting seasonal products front and center to anticipating the last-minute needs of customers picking up orders in-store.

1. Put seasonal products front and center

By nature, seasonal products are only available for a limited period of time. Retailers should take advantage of this by highlighting their seasonal goods and possibly even expanding their assortment to drive more sales.

- This year, Target rolled out over 20 new seasonal private label food items for customers to satisfy their seasonal food cravings often at a cheaper price point than national brands.
- This follows Trader Joe's, which releases a line of fall-centric items for a limited time, a simple way to get shoppers to splurge.
- The Home Depot also uses product scarcity to increase impulse buying by releasing its Halloween items in limited quantities.

Retailers or brands who want to take it one step further can use in-store retail media formats like digital end caps or digital displays.

2. Consider shoppable media

Nearly 6 in 10 Roku viewers have paused an ad to shop a product online, according to Roku's internal data. Now imagine if they didn't have to hit the pause button in order to make a purchase.

Shoppable media makes this possible by providing an opportunity for consumers to make a purchase from a platform they wouldn't normally, like TV.

- Walmart has partnered with Roku on shoppable connected TV (CTV) ads. The retailer said that clickthrough rates for these campaigns were three times higher than average video campaigns run through its demand-side platform.
- NBCUniversal is also testing shoppable ads on CTV, rolling out an ad format called Must Shop
 TV that enables viewers to shop items featured on Peacock TV shows.



Social media platforms like TikTok and Pinterest are also offering shoppable media opportunities for brands.

- TikTok rolled out TikTok Shop to all US merchants earlier this year, which enables users to make purchases directly via the platform, cutting down the time to purchase.
- Though Pinterest isn't pursuing direct commerce as it claims users prefer purchasing directly from retailers, the social network is trying to make its entire platform more shoppable through ads.

3. Anticipate last-minute needs for customers picking up orders in-store

Over half (53%) of US click-and-collect buyers make a purchase when picking up their items, according to an Insider Intelligence survey conducted by Bizrate Insights. A little more than half of those consumers (28%) said they purchased something at the register where they picked up their items, but 25% said they browsed in-store and made a purchase at another checkout.

To encourage those extra purchases, retailers can create a last-minute shopping station near order pickup stations and include items like gift wrap, hostess gifts, grab-and-go snacks and beverages, or gift cards.

- Target recently expanded its curbside pickup partnership with Starbucks to over 1,700 stores to help boost slowing discretionary sales.
- Consumer packaged goods brands like General Mills have included free samples in curbside pickup orders, which could inspire customers to try and buy products right then and there.

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