


7 companies driving the US click-and-collect boom

Article



US click-and-collect sales more than doubled in 2020 and will sustain double-digit growth rates over the next four years, according to our latest forecast. We estimate that US shoppers spent \$72.46 billion via click and collect last year, accounting for 9.1% of all ecommerce sales. This year, those figures will increase to \$83.47 billion and 9.9%, respectively.

Seven major click-and-collect multichannel retailers accounted for 64.0% of click-and-collect sales in the US in 2020: Walmart, The Home Depot, Best Buy, Target, Lowe's, Macy's, and Nordstrom. Together, these companies reaped more than \$46 billion in click-and-collect sales. Their experience tells the story of US click and collect last year.

US Click-and-Collect Sales, 2019-2020

billions, % change, and % of total

	2019	% change	% of total	2020	% change	% of total
Walmart	\$7.21	149.3%	20.6%	\$15.10	109.3%	20.8%
The Home Depot	\$5.00	30.4%	14.3%	\$10.82	116.5%	14.9%
Best Buy	\$3.14	18.1%	9.0%	\$7.79	147.9%	10.7%
Target	\$2.08	130.7%	6.0%	\$6.08	192.0%	8.4%
Lowe's	\$1.71	15.4%	4.9%	\$4.44	157.0%	6.1%
Macy's	\$0.65	91.3%	1.9%	\$1.31	101.0%	1.8%
Nordstrom	\$0.50	78.4%	1.4%	\$0.88	74.7%	1.2%
Total top multichannel retailers	\$20.29	63.8%	58.0%	\$46.42	128.4%	64.0%

Note: includes products or services ordered on company website (regardless of payment method) for pickup in-store or other collection points such as lockers and curbside pickup; excludes orders picked up at a post office
Source: eMarketer, Jan 2021

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Not everyone on this list is a major ecommerce player, nor are they all in the top 10 for general retail (although Walmart, Target, Best Buy, and The Home Depot are). But these seven companies have been among the most successful at leveraging the 2020 spike in interest in click and collect.

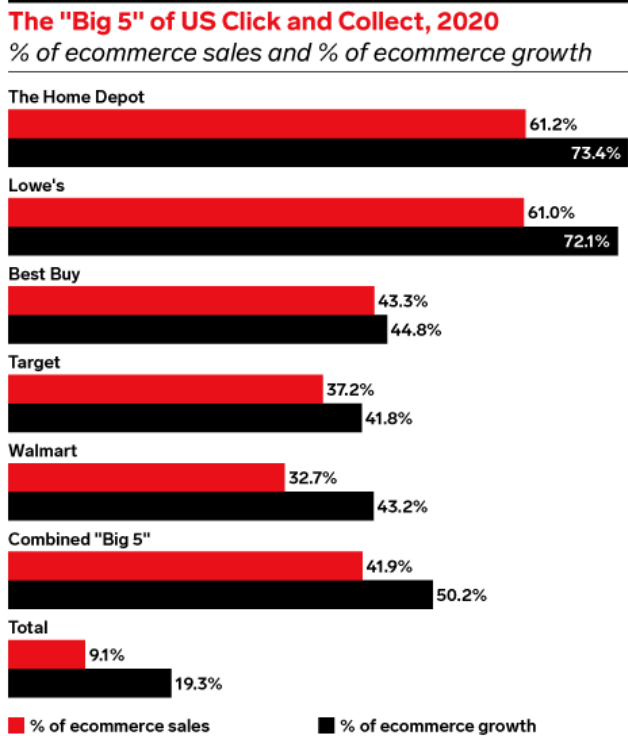
Together, these retailers' click-and-collect sales grew by 128.4% year over year (YoY) in 2020. Many of them spent the year announcing a litany of unbelievable digital performance metrics.

In Q2 2020, Target reported a ridiculous 734% increase in "Drive Up" sales, and that figure held steady with 500% YoY growth in the following quarter. Target's in-store click and collect—the more mature of its two pickup options—also boomed by more than 60% in Q2 2020 and by more than 50% in Q3, despite the massive shift to curbside service. Momentum accelerated as consumers got used to these options. In a March 2021 earnings call, Target reported that Drive Up sales had increased by more than 600%, and in-store pickup had increased by more than 70% for full-year 2020.

The Home Depot provided another window into shifting ecommerce trends when it reported that more than 60% of its digital sales involved in-store pickup in both Q2 and Q3 2020. Lowe's reported a nearly identical ratio for delivery versus in-store pickups for the year, along

with YoY ecommerce sales growth of 111% in 2020. Best Buy also recently reported that 48% of its online sales were picked up at a brick-and-mortar location in 2020.

Collectively, these data points paint a revealing picture. For these major retailers, click and collect represented well over a third of all their ecommerce sales. Among the “Big Five” click-and-collect retailers (a list that excludes Macy’s and Nordstrom), customer pickups accounted for 41.9% of their ecommerce sales and more than half (50.2%) of their ecommerce growth last year.



Note: includes products or services ordered using the internet (regardless of payment method) for pickup in a store or a locker in a retail or pickup hub location; excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice good sales; read as click and collect comprised 32.7% of ecommerce sales and contributed 43.2% of ecommerce growth at Walmart
 Source: eMarketer, Dec 2020

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As it turns out, click and collect accounted for much of the ecommerce growth that several large US retailers saw in 2020, including The Home Depot (73.4% of ecommerce growth), Lowe’s (72.1%), and Best Buy (44.8%).

It makes sense that home improvement retailers leaned the heaviest on click and collect, given the size and weight of many of their products, and the fact that buyers—including small businesses, contractors, and repair service providers—often need these products immediately.

The big-box retailers came in just behind the home improvement retailers, followed by department stores like Macy's and Nordstrom, which saw the least dramatic transitions to click and collect.

The lower figures for department stores can partially be attributed to the complete closure of certain locations during the height of the pandemic, thus precluding click and collect and forcing customers into traditional ecommerce delivery. Additionally, demand for apparel was low last year when compared with other product categories. But the lower click-and-collect share figures for department stores probably comes down to consumers still preferring home delivery for lower-priority, less time-sensitive items like clothing and accessories.

To learn more about click and collect's biggest players, recent growth, and future performance, Insider Intelligence subscribers can read our recent report:

Report by Ethan Cramer-Flood Mar 24, 2021

US Click and Collect in 2020 and 2021

