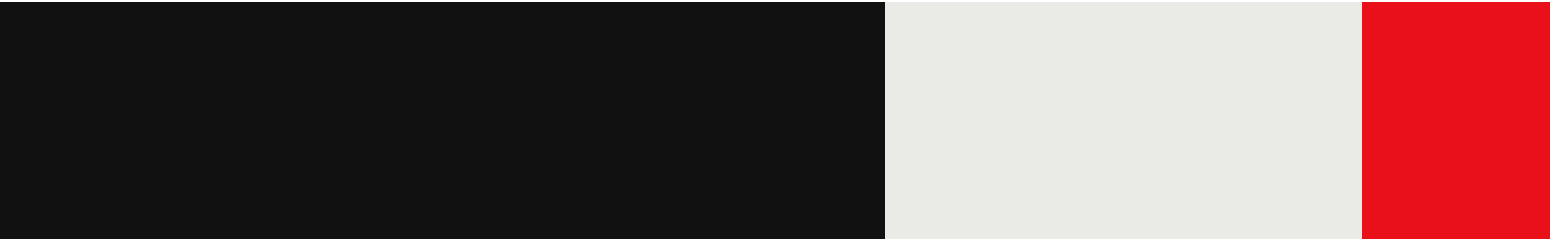



5 charts on the importance of physical retail and improving the in-store experience

Article



The majority (83.7%) of US retail sales take place in physical stores, per our forecast. The retailers that can infuse digitally forward strategies into their in-store experiences are more

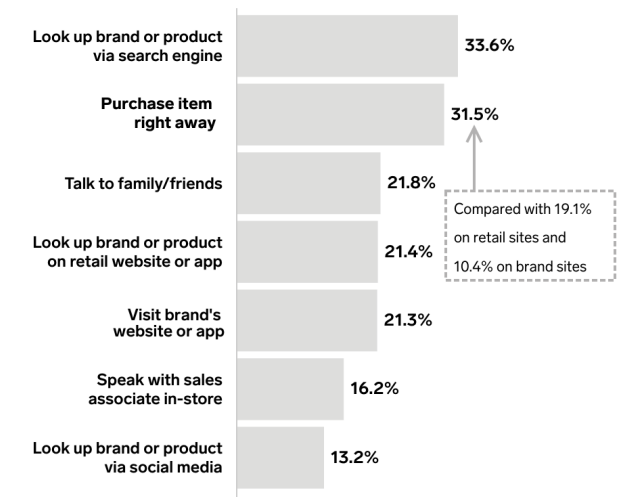
likely to win over consumer dollars.

Here are five charts on why the in-store experience is so key to retailers' success and how they can use technology to create a more seamless, engaging shopping experience.

1. Physical stores are still effective at encouraging impulse purchases

More Than 31% of Shoppers Who Made an In-Store Discovery Purchased the Item Right Away

% of US in-store shoppers*, Sep 2023



Note: n=903; respondents were asked, "After discovering a new brand/product while browsing in-store, which of the following actions do you typically take before making the purchase? Select your top 2"; *in-store shoppers are those who discovered a new brand or product while shopping in a physical store and purchased it via any channel within the last 6 months, margin of error is +/-3.2 percentage points
Source: Insider Intelligence | eMarketer Survey, US Consumer Path to Purchase, Nov 2023

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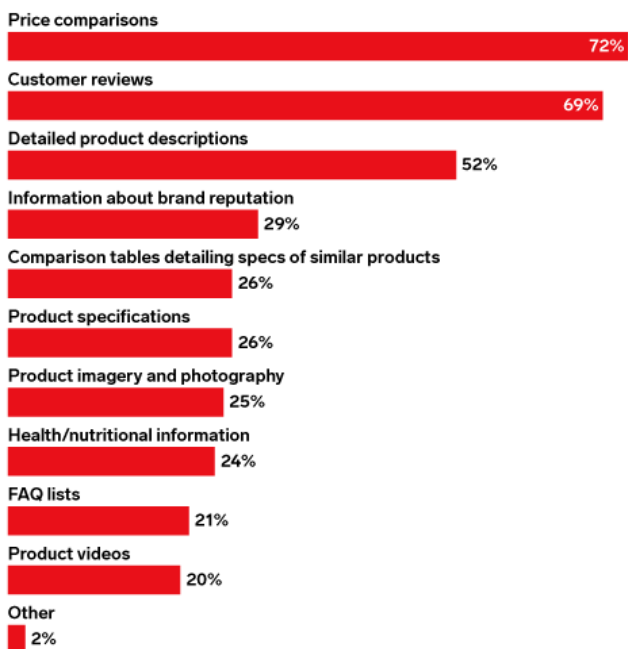
Nearly one-third (31.5%) of shoppers purchased an item right away after discovering it, per our November 2023 survey.

To create more opportunities for impulse shopping in-store, retailers can consider using seasonal items to inspire shoppers to "get it while it lasts" or create a last-minute shopping hub in the front of the store.

2. Mobile can be used to enhance the shopping journey

Type of Content That Adults in North America Most Often Research on Their Smartphone While Shopping In-Store, Aug 2023

% of respondents



Note: ages 18+

Source: 1WorldSync, "Consumer Product Content Benchmark: A Deep-Dive on Consumer Trust," Oct 18, 2023

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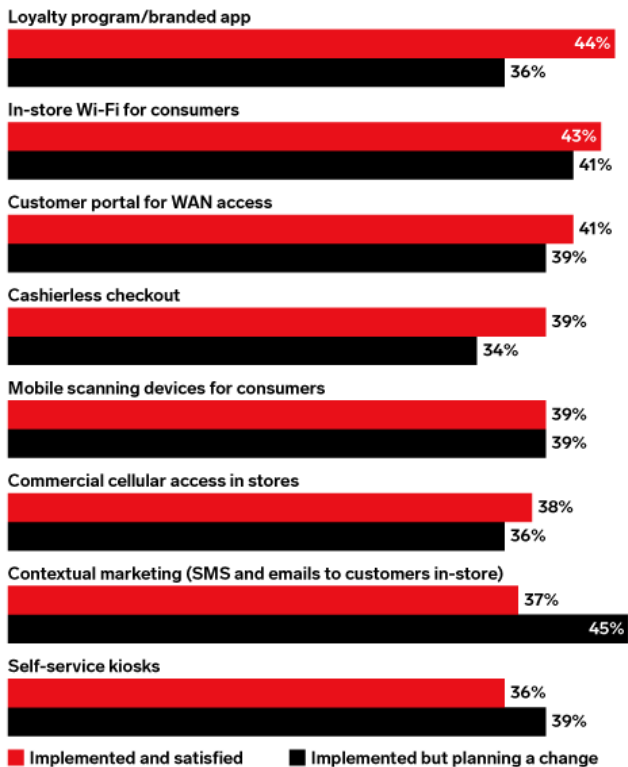
Mobile is an increasingly important part of the in-store experience as shoppers use their phones to compare prices, check customer reviews, or get more information on a specific product or brand, per August 2023 1WorldSync data.

Retailers can use this behavior to their advantage by beefing up their mobile apps to highlight product attributes, relevant customer reviews, recipe ideas, decor inspiration, and any other information that helps consumers decide.

3. Retailers lean on tech to improve the in-store experience

Customer-Facing Technologies Used by US Retailers*, Oct 2023

% of respondents



Note: responses of "budgeted project," "planned/not yet budgeted," and "no plans" not shown; *98% of respondents have a US retail presence
Source: Retail Systems Research (RSR), "The World is Connected: The Store Must Be Too," Dec 6, 2023

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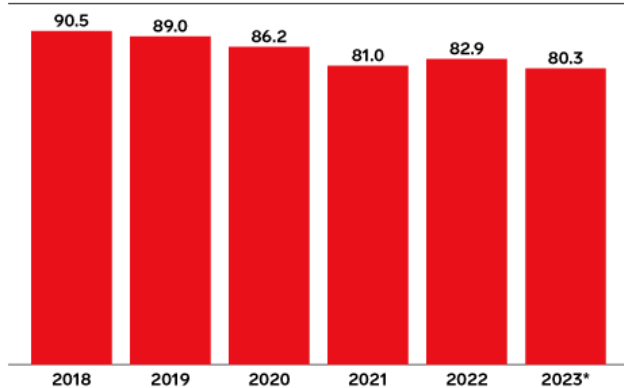
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Some retailers are using in-store tech to increase customer engagement or streamline the shopping experience, according to October 2023 Retail Systems Research data.

Contextual marketing strategies, which include sending SMS and emails to customers in-store, help retailers target consumers with relevant deals as they move through the store. For example, serving a customer an ad for chicken soup on a rainy day, or a guacamole recipe ahead of the Super Bowl.

4. Store displays are declining, but in-store retail media is on the rise

Average Number of Weekly US Grocery Store Displays, 2018-2023*



Note: includes displays in lobby, front end cap, back end cap, all other end cap, in-aisle, perimeter/racetrack, seasonal/promotional; excludes pandemic week in 2020; *52 weeks ending Q3 2023

Source: Circana, "2023 Grocery Display Trends," Dec 19, 2023

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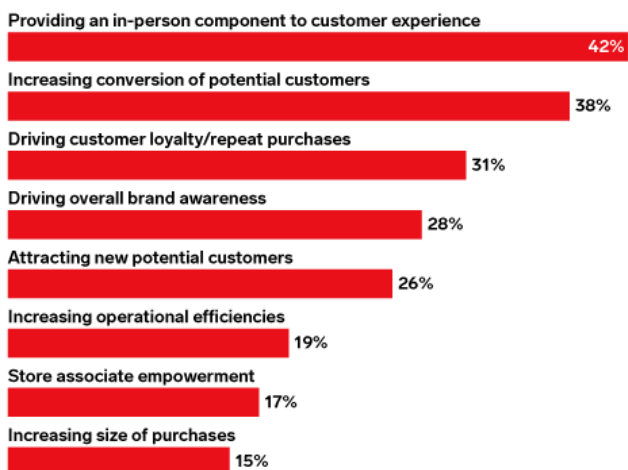
Perhaps because retailers are using more tech-driven strategies, the number of displays in grocery stores has been on the decline since 2018, with general food, alcoholic beverages, and beauty products seeing the most declines, per Q3 2023 data from Circana.

However, we forecast US in-store retail media ad spend will increase 35.3% this year to reach \$370 million, signaling that retailers aren't slowing down on in-store displays, but perhaps streamlining their strategies, placing displays in places they will make the most impact.

5. The in-person experience remains valuable to retailers and consumers

Most Important Role of Physical Retail as Omnichannel Retail Experience Evolves According to Retail Executives Worldwide*, April 2023

% of respondents



Note: respondents chose their top 2; *Canada, UK, US

Source: Bain and Aptos, "The State of Unified Commerce," Nov 16, 2023

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Despite technology's role in the physical store, the in-person experience is still key to retail success, helping retailers increase conversions, drive loyalty, and boost brand awareness, per April 2023 data from Bain and Aptos.

Physical retail is important to the customer experience, too. In-person is among the top three [ways consumers engage with companies](#), per an August 2023 report from Salesforce.

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