

The Impact of COVID-19 on Retail and eCommerce: Survey 3

Results from April 13-14, 2020



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Thank you...

- ... to the 100+ digital retail executives who took this survey
- ... to Forrester's Sucharita Kodali who analyzed the data and produced the findings in these slides

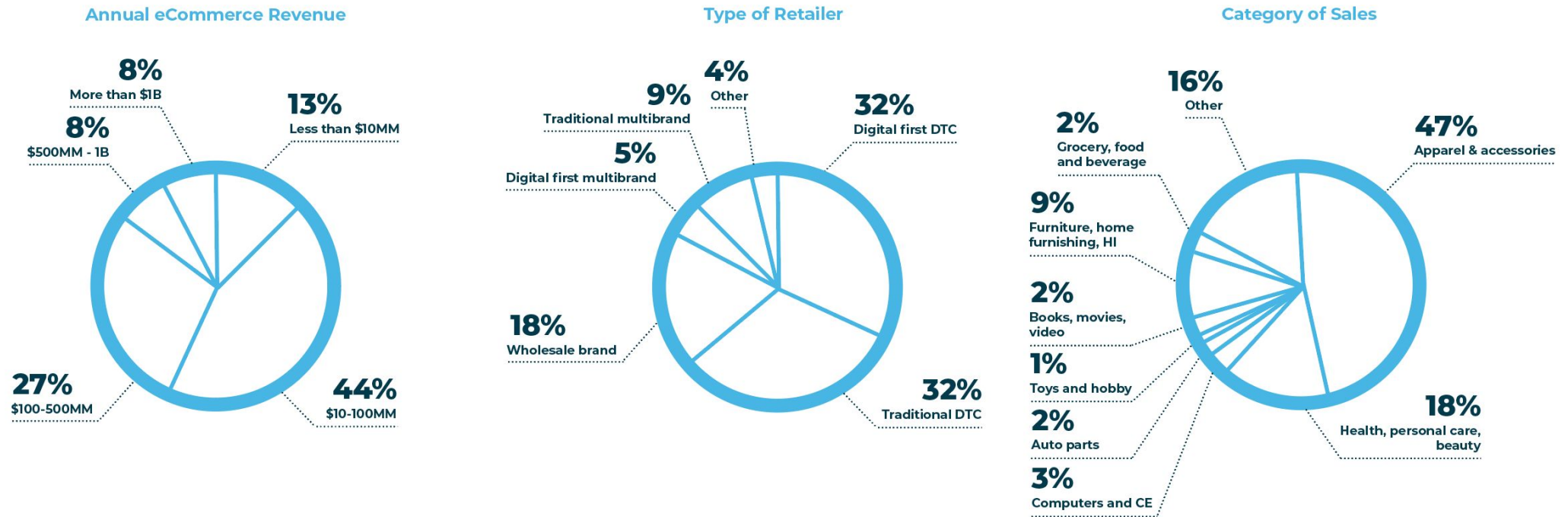
Digital Retail Executives -the next survey is April 27-28th. If you find this information valuable, we would greatly appreciate you taking less than 5 minutes to take the survey and help us share information to inform ecommerce businesses making important adjustments to strategies and tactics.

Summary of Findings

- The eCommerce businesses of retailers surveyed appears to be improving: more respondents reported sales above plan, increasing traffic and gradually increasing forecasts; even apparel retailers appear to be doing better than in the previous CommerceNext survey
- Retailers who responded they were above plan say they are promoting more, though some of the growth is due to promoting categories that are selling well and driving store shoppers online
- Companies have experienced business interruptions such as changes to fulfillment capabilities and creative processes; compared to the prior survey, more retailers said they laid off workers or reduced salaries
- The overall business sentiment among retailers surveyed for this survey is cautiously optimistic
- While eCommerce teams say they have been able to pick up some sales from stores, the overall reports from retailers are that traditional sales have plummeted, not yet offset by eCommerce

CommerceNext Research Methodology

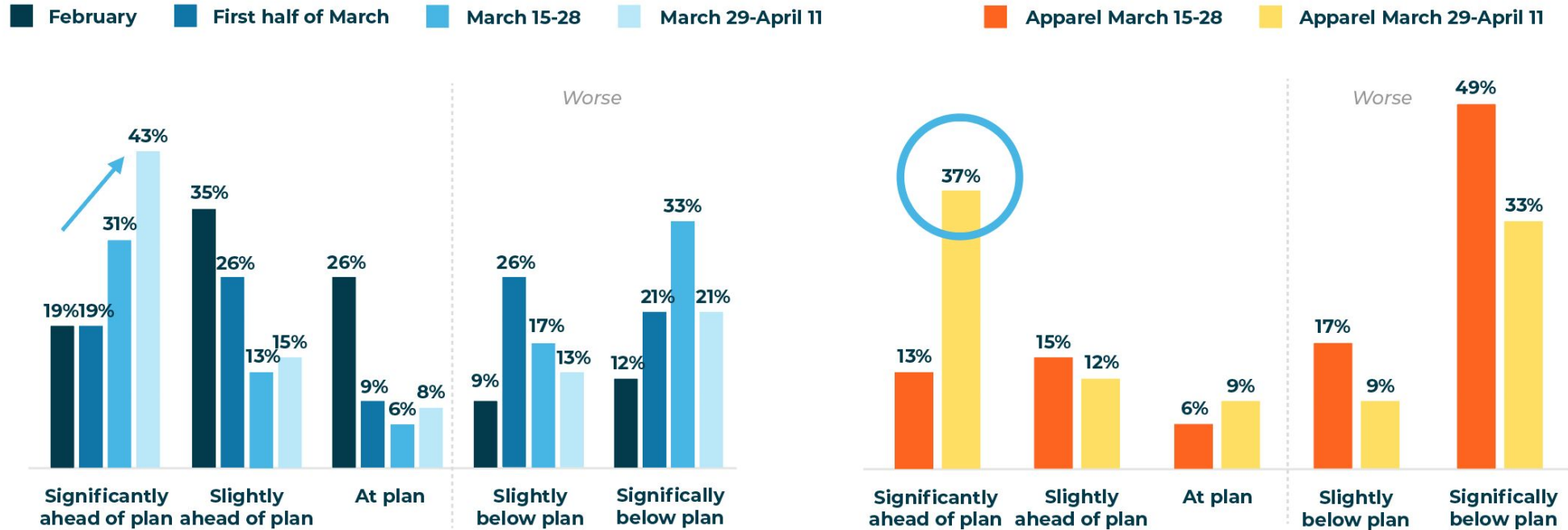
- Collected April 13-14, 2020
- 113 respondents



Source: CommerceNext COVID-19 Survey, March 30-31, 2020 (113 digital retail executives)

Good news: ecommerce sales seem to be improving... even in apparel

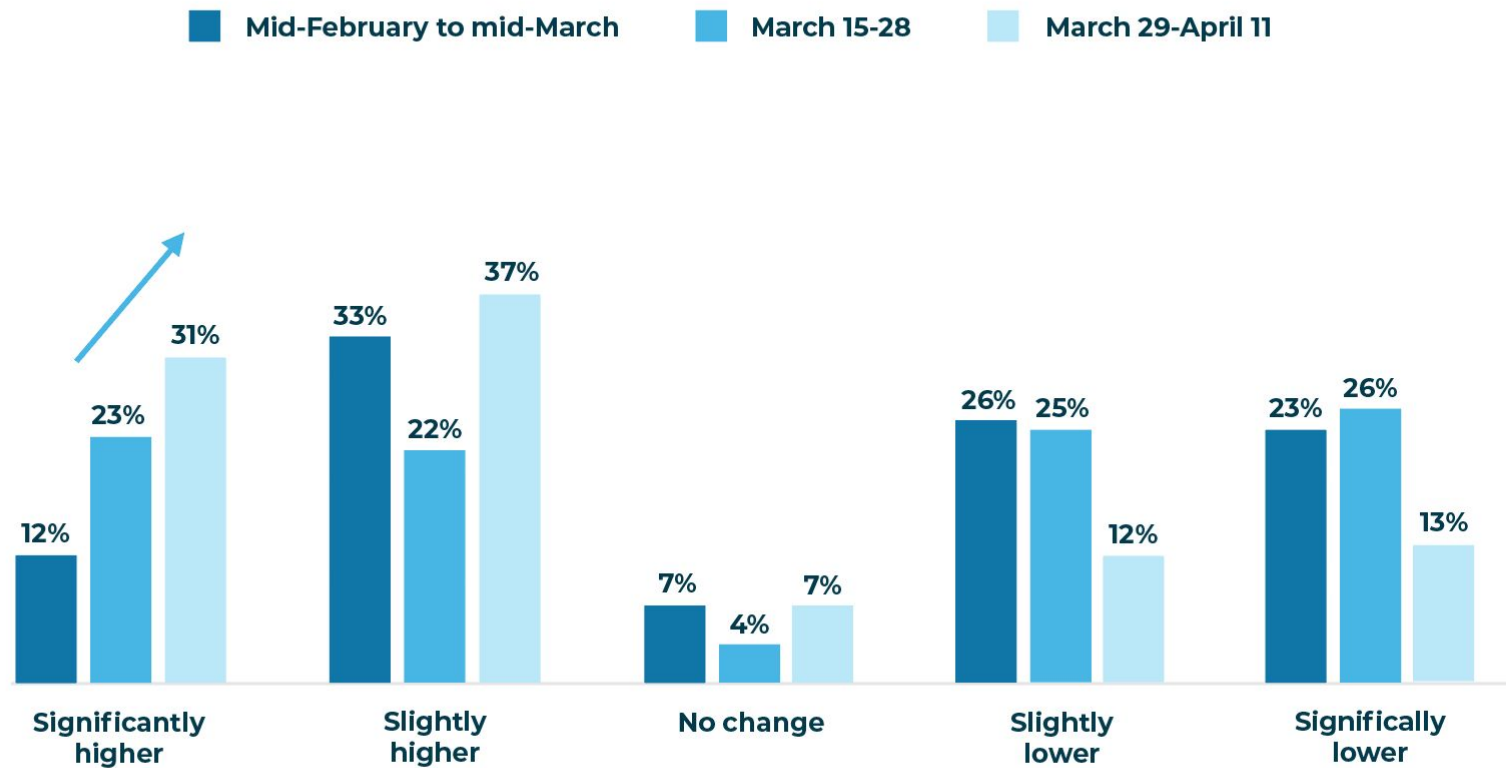
Q: How did ecommerce revenue trend [during X]?



Source: CommerceNext COVID-19 Survey, April 13-14, 2020

Traffic growth is part of the story

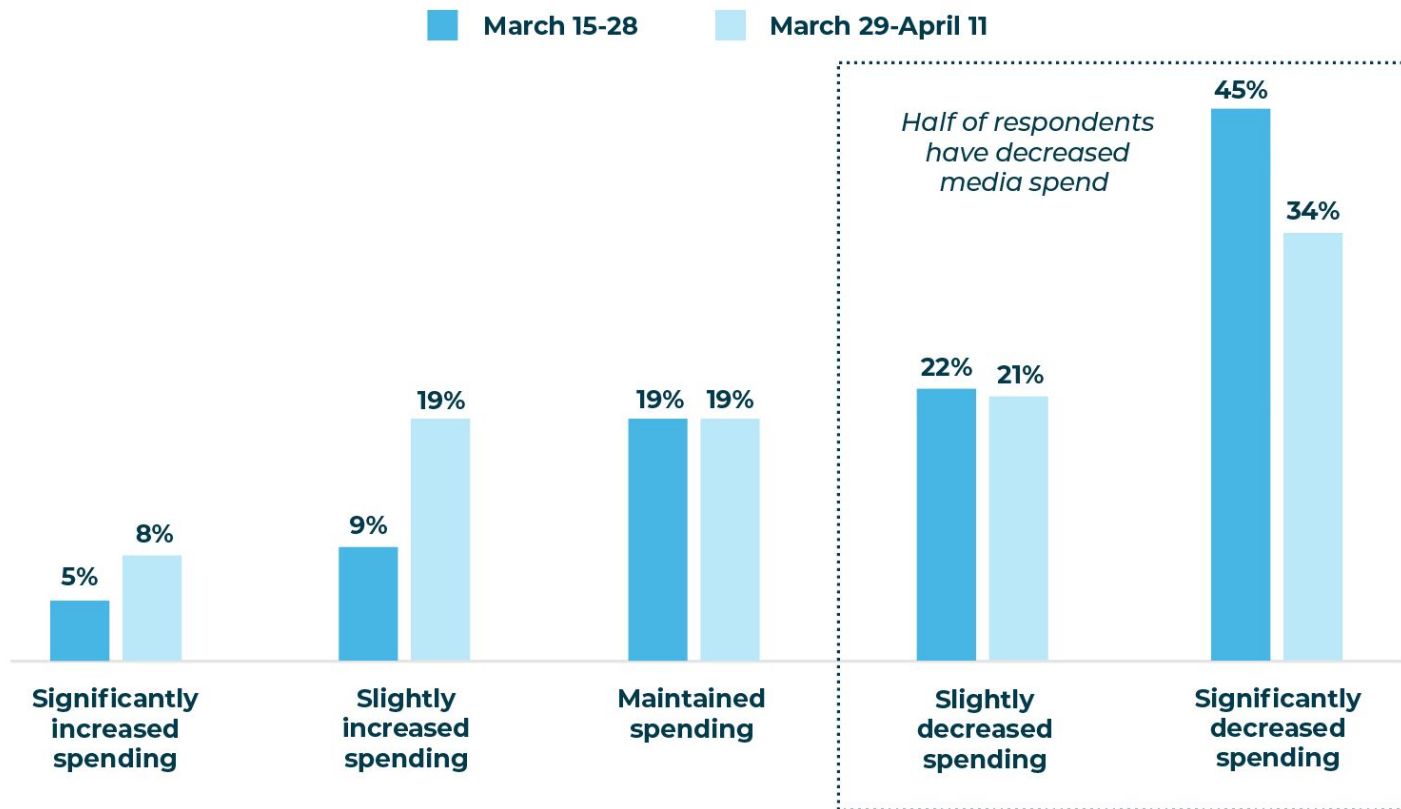
Q: For TWO WEEK period [of X], how is ecommerce traffic trending as compared [the weeks prior]?



Source: CommerceNext COVID-19 Survey, April 13-14, 2020

This is in spite of soft media spend

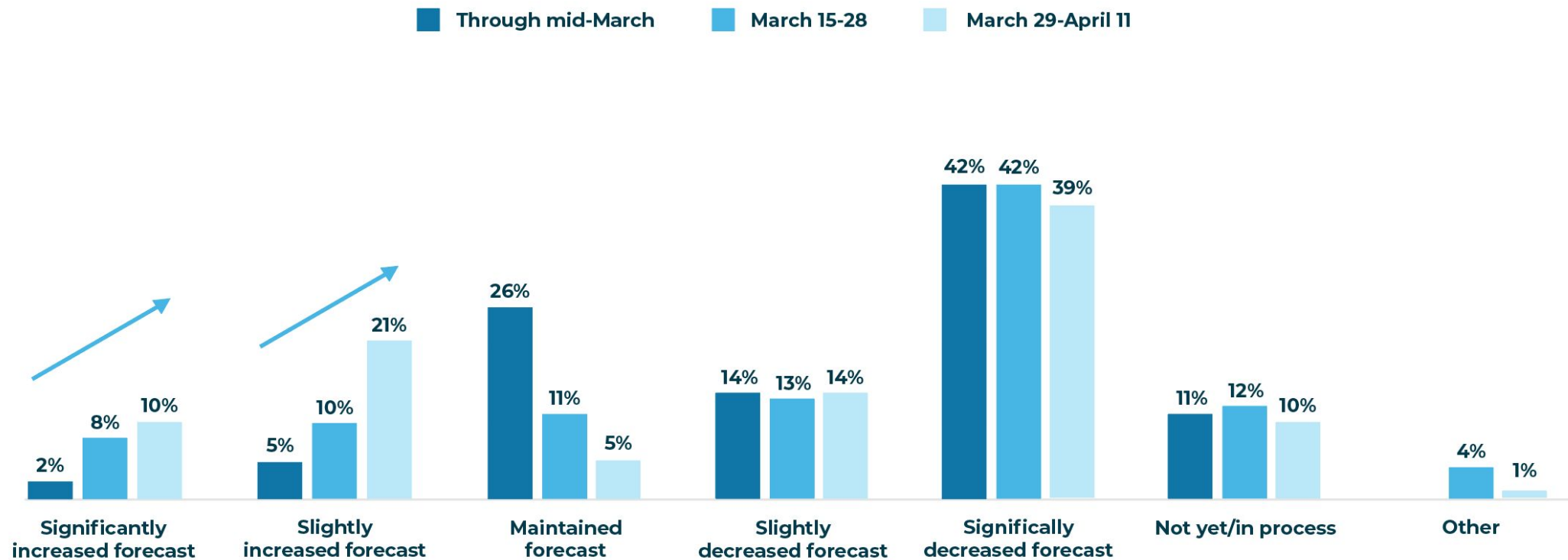
Q: How has your media spend changed in TWO WEEK period of X as compared to the previous two weeks?



Source: CommerceNext COVID-19 Survey, April 13-14, 2020

As a result, forecasts are also improving

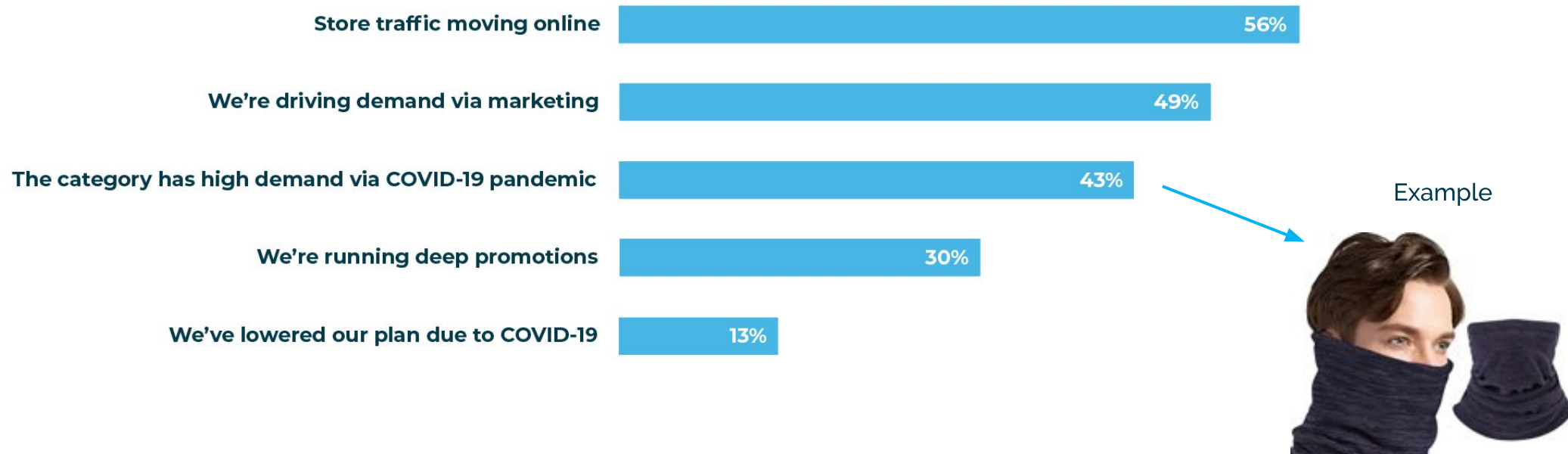
Q: Have you updated your forecast for Q2?



Source: CommerceNext COVID-19 Survey, April 13-14, 2020

For retailers doing better than plan, a variety of factors are driving the growth

Q: For those ahead of plan, what contributed to the result?
(Check all that apply)



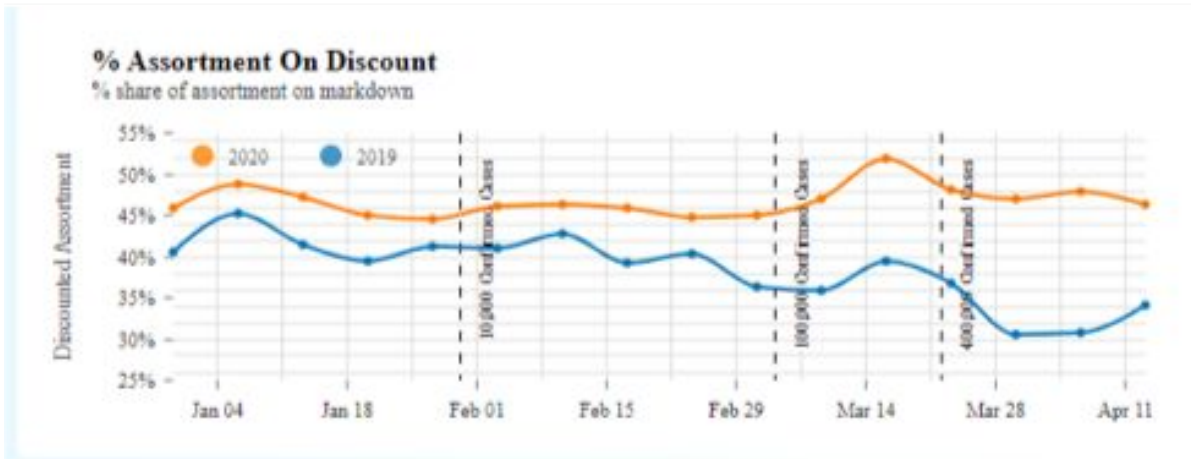
Source: CommerceNext COVID-19 Survey, April 13-14, 2020

Promotions are much higher now versus last year



Depth of discount

Toys & kids: 72% vs 58% (2020 vs 2019)
Books & news: 66% vs 31% (2020 vs 2019)
Home & garden: 43% vs 35% (2020 vs 2019)



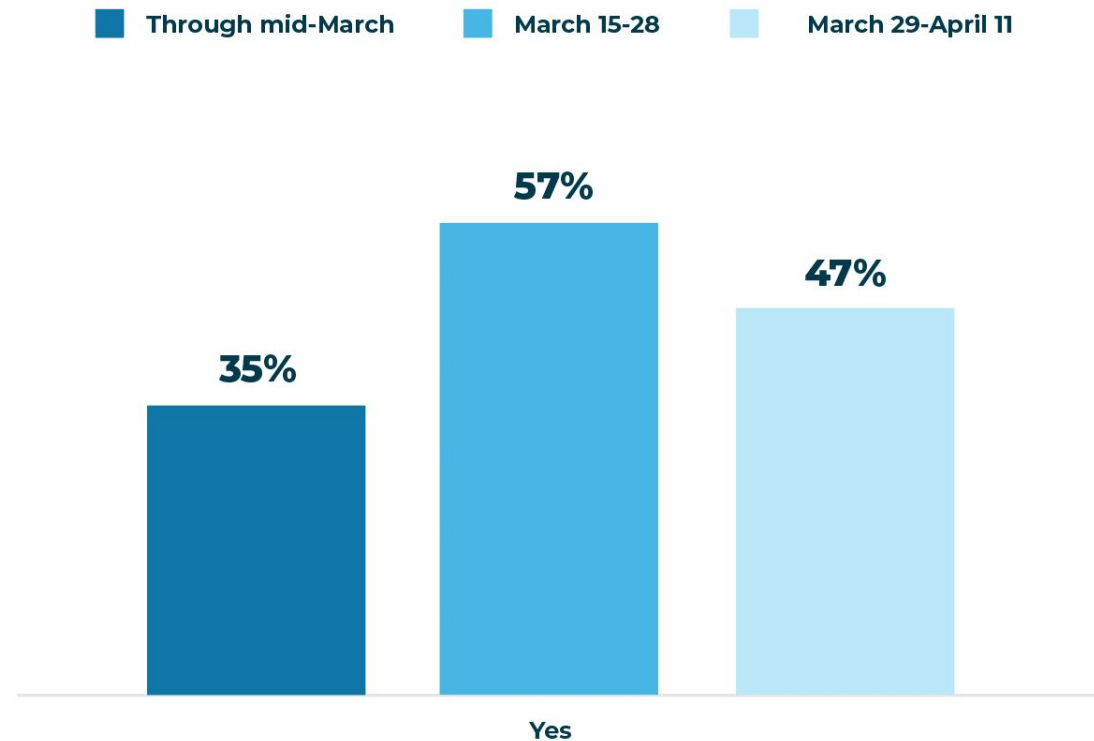
Many categories have deeper discounts

Accessories: +\$17 discount vs 2019
Teen clothing: +\$6 discount vs 2019

Source: Edited Covid Tracker; RetailMeNot

The transition from stores to web has also helped but likely won't offset sales decline altogether

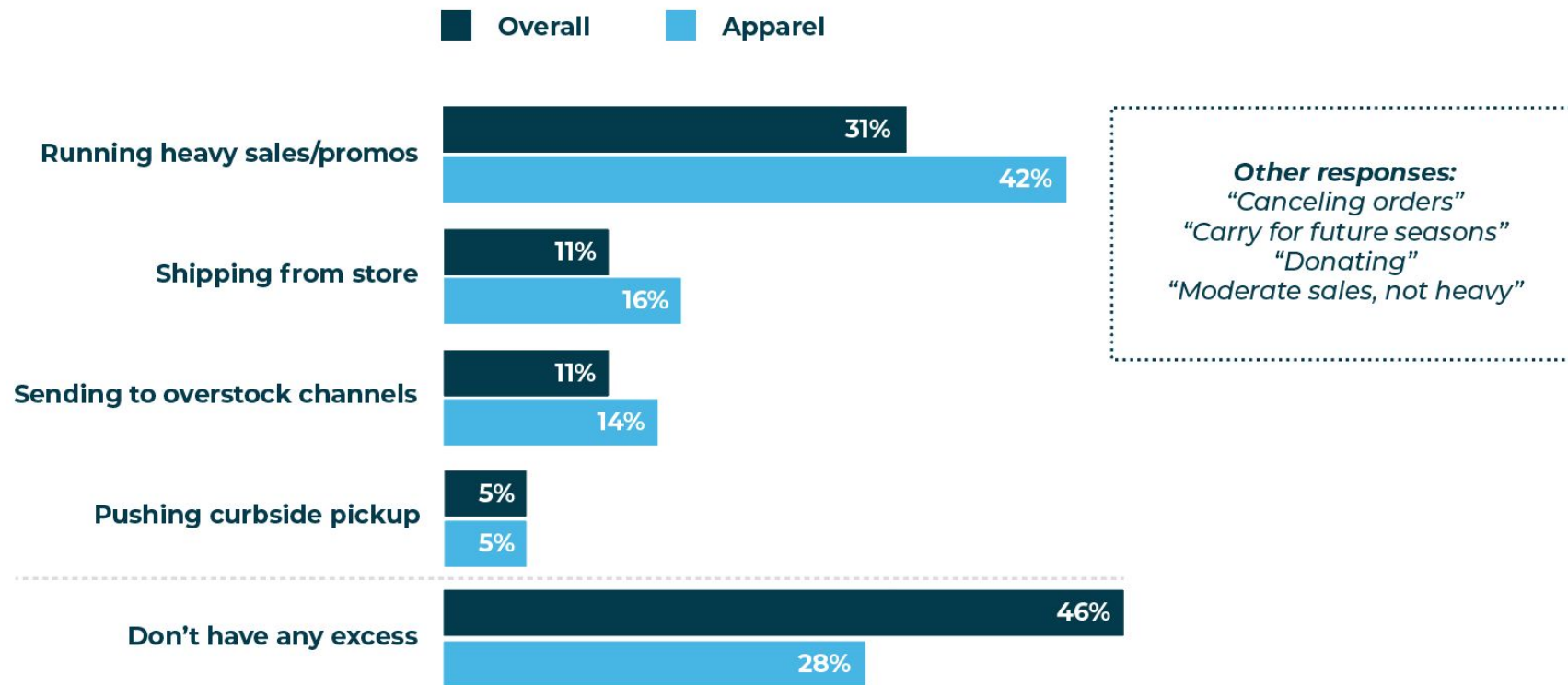
Q: If you have stores, have you seen sales shift from stores to online?



Source: CommerceNext COVID-19 Survey, April 13-14, 2020

Inventory isn't an issue for everyone, but is for apparel

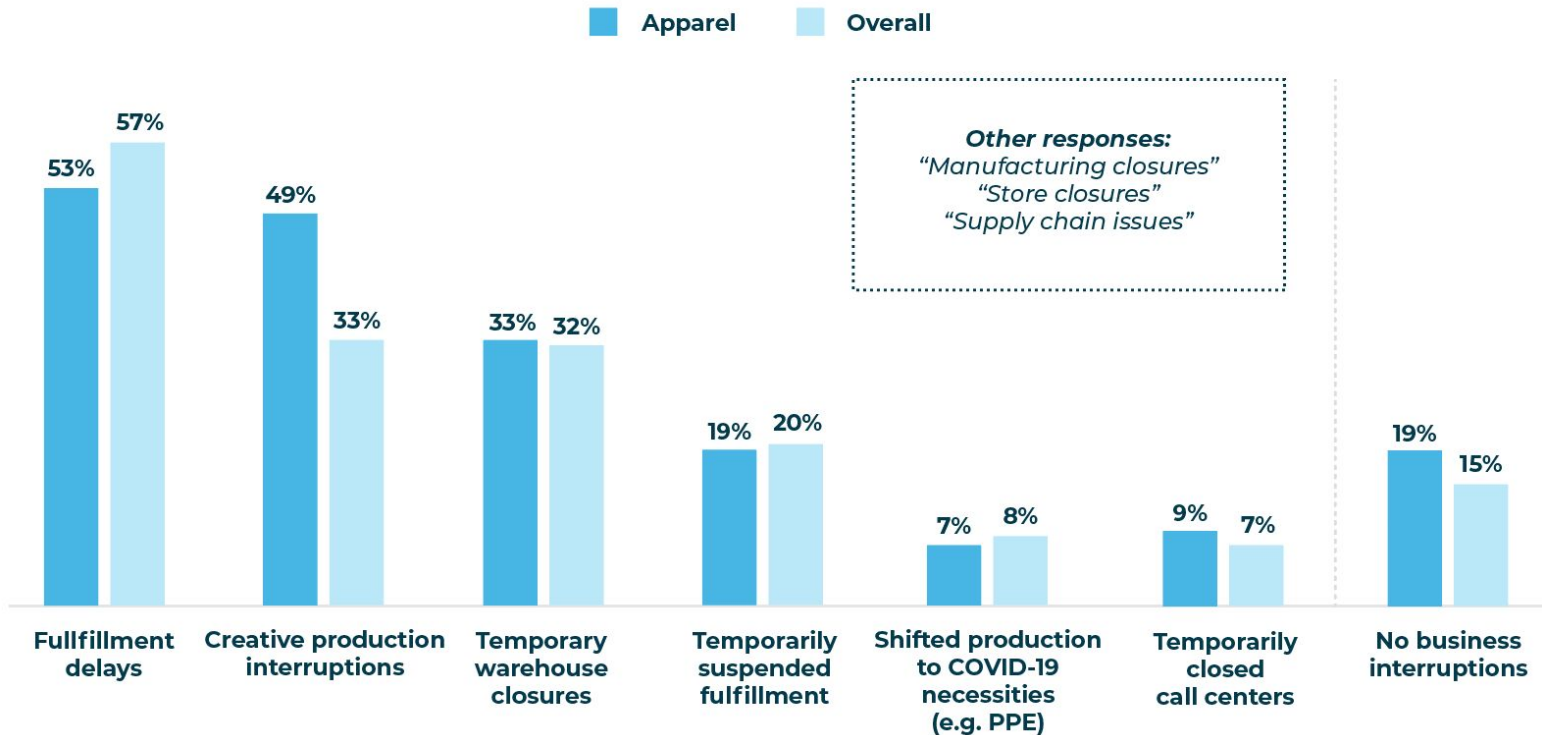
Q: What are you doing with excess inventory/product?
(Check all that apply)



Source: CommerceNext COVID-19 Survey, April 13-14, 2020

Bad news: business interruptions are common

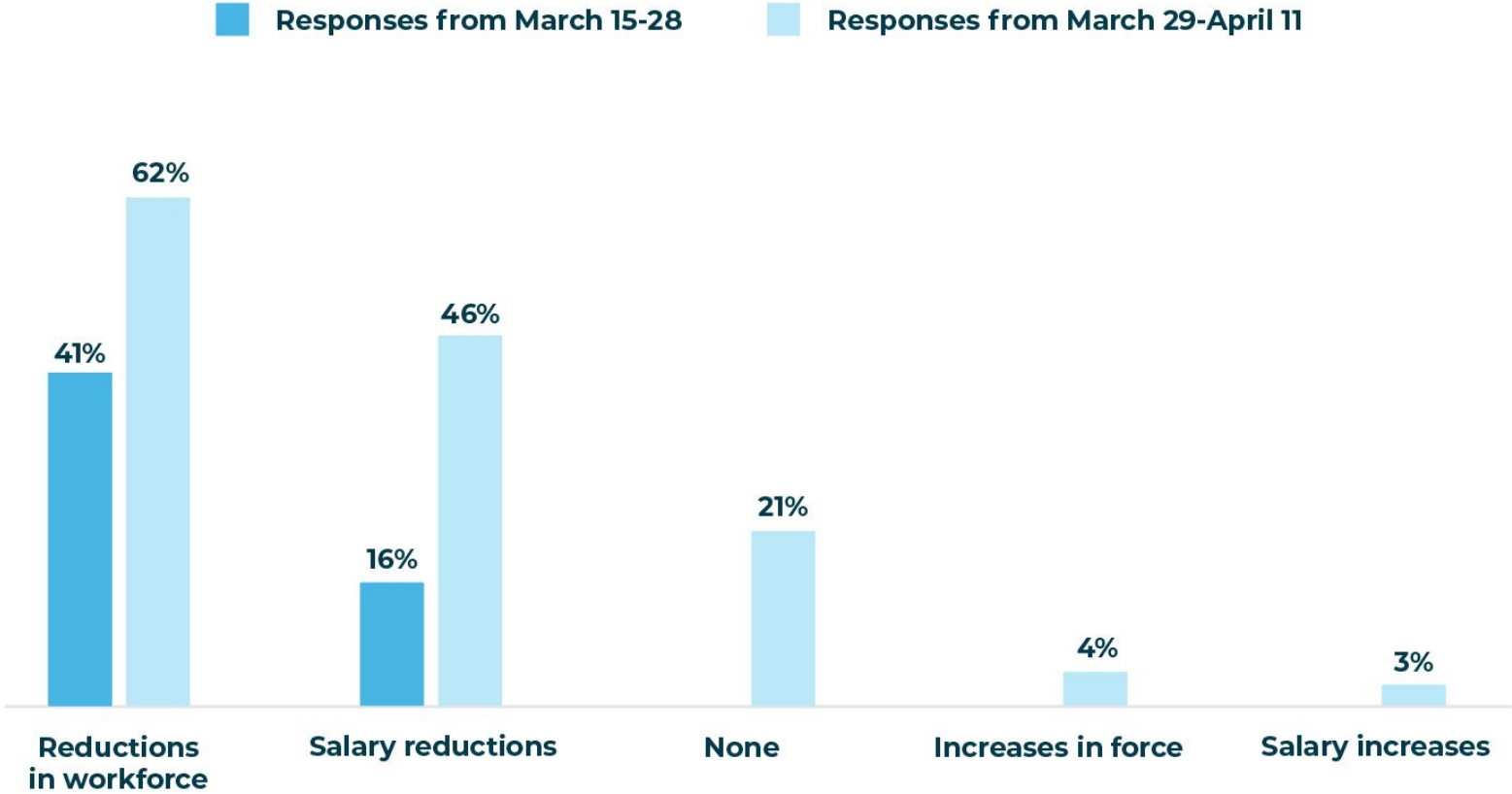
Q: What types of business interruptions did you have as result of COVID-19 pandemic? (Check all that apply)



Source: CommerceNext COVID-19 Survey, April 13-14, 2020

RIFs and salary cuts are growing

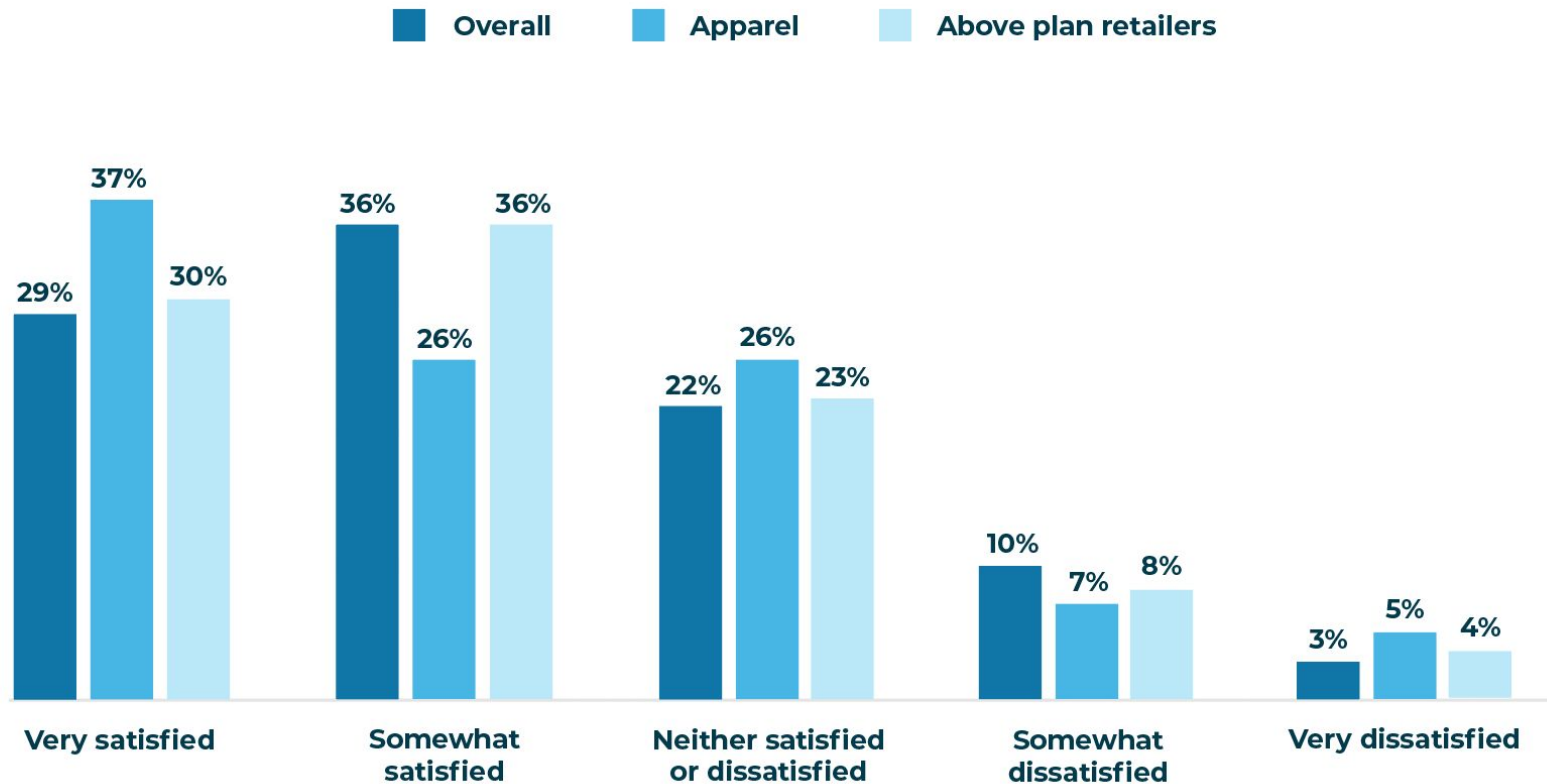
Q: Has your company made workforce adjustments since the start of COVID-19?



Source: CommerceNext COVID-19 Survey, April 13-14, 2020

Retailers were largely satisfied with their business continuity plans

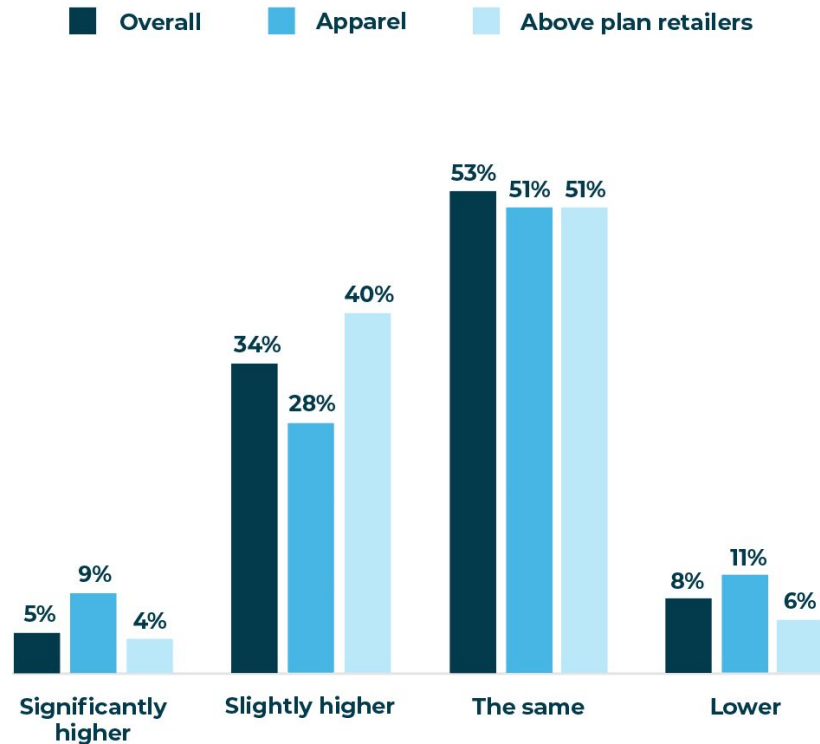
Q: How satisfied were you with your business continuity plans as they relate to the COVID-19 pandemic?



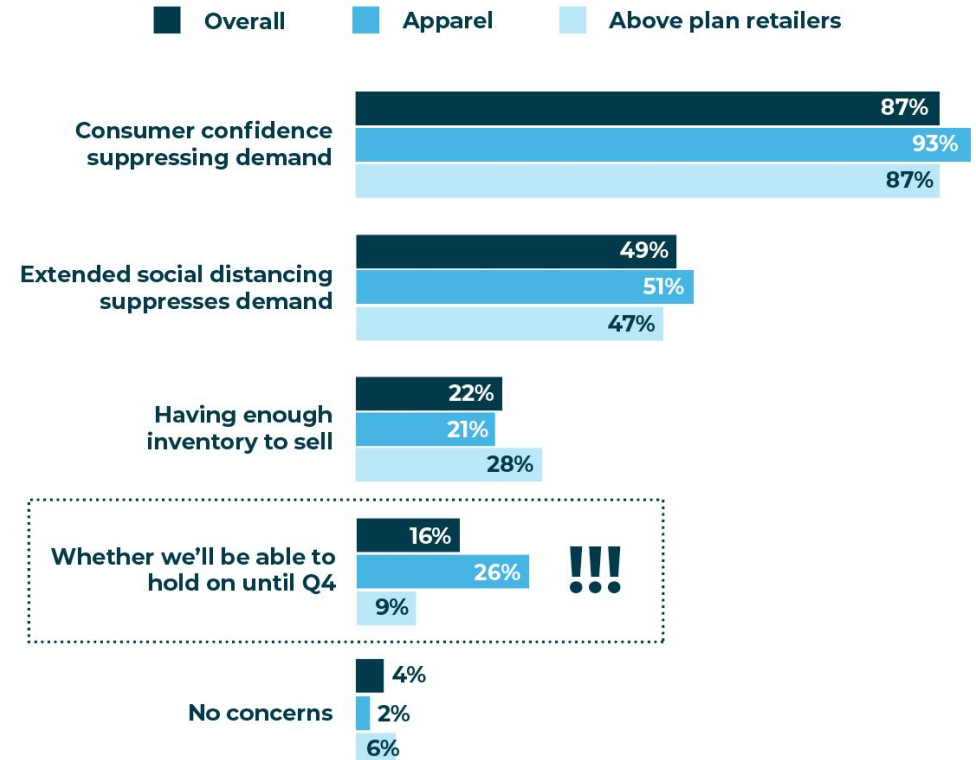
Source: CommerceNext COVID-19 Survey, April 13-14, 2020

And although optimism is strong, though there are concerns for Q4

Q: Overall, what's your sense of business optimism as compared to last week?



Q: What are your concerns re: Q4, if any? (Check all that apply)



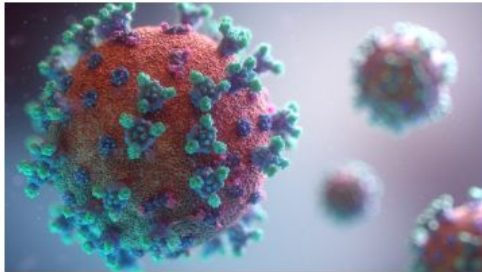
Source: CommerceNext COVID-19 Survey, April 13-14, 2020

CommerceNext COVID-19 Digital Retail Resource Center

To keep the CommerceNext community informed during the COVID-19 crisis, we have compiled our content with a list of industry data resources that can be helpful in navigating these uncertain times.

[COVID-19 Research & Blogs](#) | [Webinars](#) | [Community Data Resources](#)

CommerceNext Research and COVID-19 Related Blog Posts:



Impact Of COVID-19 On Retail And Ecommerce: Survey Results



Analyzing the Ecommerce And Digital Marketing Impact of the COVID-19 Pandemic



Survey 2 Results: The Impact Of COVID-19 On Retail And Ecommerce For Last Half Of March

commercenext.com/covid/

A Few Ways to Help

The Restaurant Workers' Community Foundation Relief Fund



<https://www.restaurantworkerscf.org/>



<https://leeinitiative.org/>

Open Source COVID19 Medical Supplies



<https://bit.ly/covidopensource>

Thanks!

Any questions?

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