

Social Insights for a Changing Retail Landscape

NORDSTROM



Walmart

amazon

COSTCO
WHOLESALE

KOHL'S

ebay

JCPenney

★ macy's

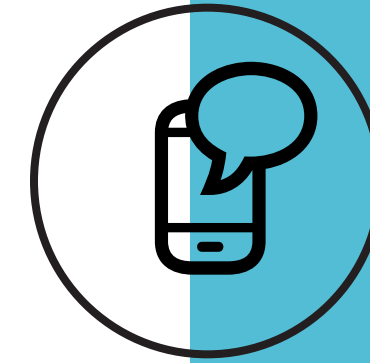
T.J. maxx



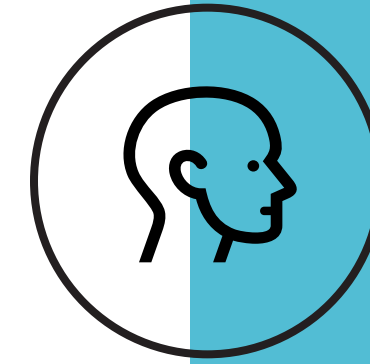
What you'll get out of this report

How do consumers think and feel about their shopping experiences? Are retail brands running effective campaigns? How do they fare against competitors?

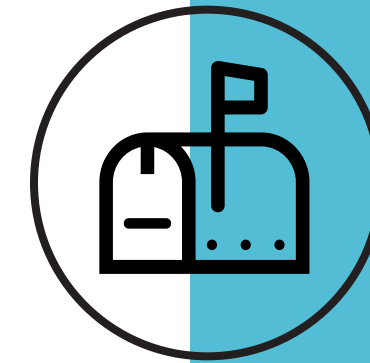
Social listening data provides a full 360-degree view into the world of consumers about brands, companies, products, influencers and competitors. Using data mined from all corners of the web, businesses and agencies can leverage social listening to better understand consumers and audiences they want to reach, who they should target, and how their competitors fare against them.



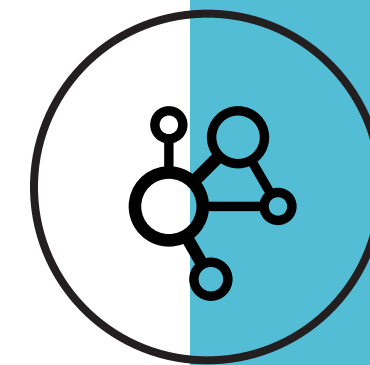
Understand the evolution of the retail landscape, from brick-and-mortar to e-comm and everything in between.



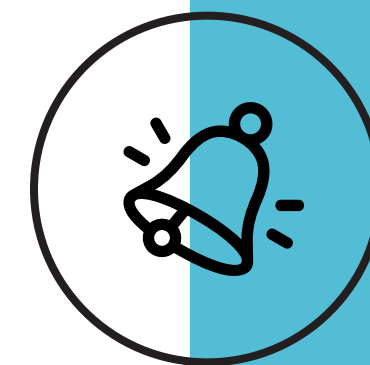
Uncover new trends to see what draws customers into the store for purchases, instead of online and vice versa.



Discover the most important aspects of the retail customer experience.



See how sales promotions can successfully drive online engagement for retailers.



Analyze the growing popularity of shopping holidays like Prime Day, and who they resonate with.

Inside this report

1

Retail Landscape Overview

Understand what's really happening with the 'retail apocalypse', and the increasing role of e-commerce in retail.

2

Retail Insights

With exclusive data from our market research tool, see what drives customers' decisions to purchase in-store rather than online, and vice versa.

3

Customer Experience

Learn more about how customers talk about their experiences with retailers with in-depth social listening data.

4

Shopping Holidays

Analyze the continued growth of shopping holidays like Black Friday, who participates, what they buy and why.



Infegy creates software our clients use to understand consumers better and faster than traditional research methods. Our cloud-based social media intelligence platform uses proprietary natural language processing technology to provide real-time insights on any topic being discussed by more than 300 million sources online. Infegy's ultimate goal is to do the heavy lifting with large, text-based datasets to help companies uncover value within text and make more informed business decisions.

1

Retail Landscape



MARKET OVERVIEW

Steady as they go: Sales for retail stores are relatively consistent over 16 years

Retail apocalypse? Despite the ongoing alarm bells about the death of retail stores, per capita sales aggregated across various retail stores fluctuated little from 2000 to 2016. Since the financial crisis of 2008, per capita sales have increased year-over-year here.



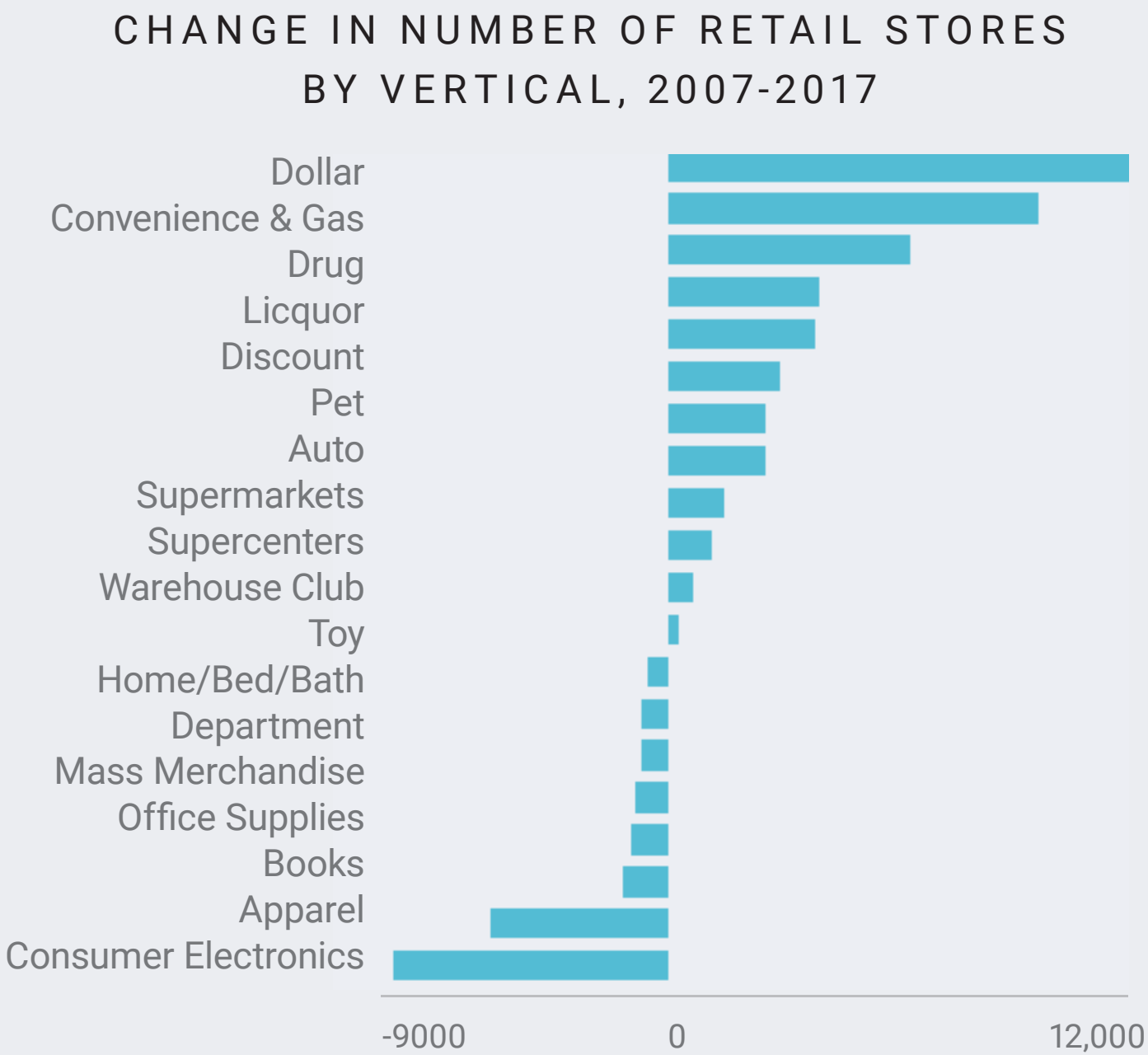
GROWTH

The discount department retail segment, which includes Walmart and Target, led all other retail categories in sales in 2017, even when Walmart was excluded from the category.

Per capita sales have increased while notable retailers like Sears, Kmart, and others have closed stores at scale, suggesting that sales are stronger and even growing elsewhere.

DEEP DIVE

Discount double check: Discount department retail category grows

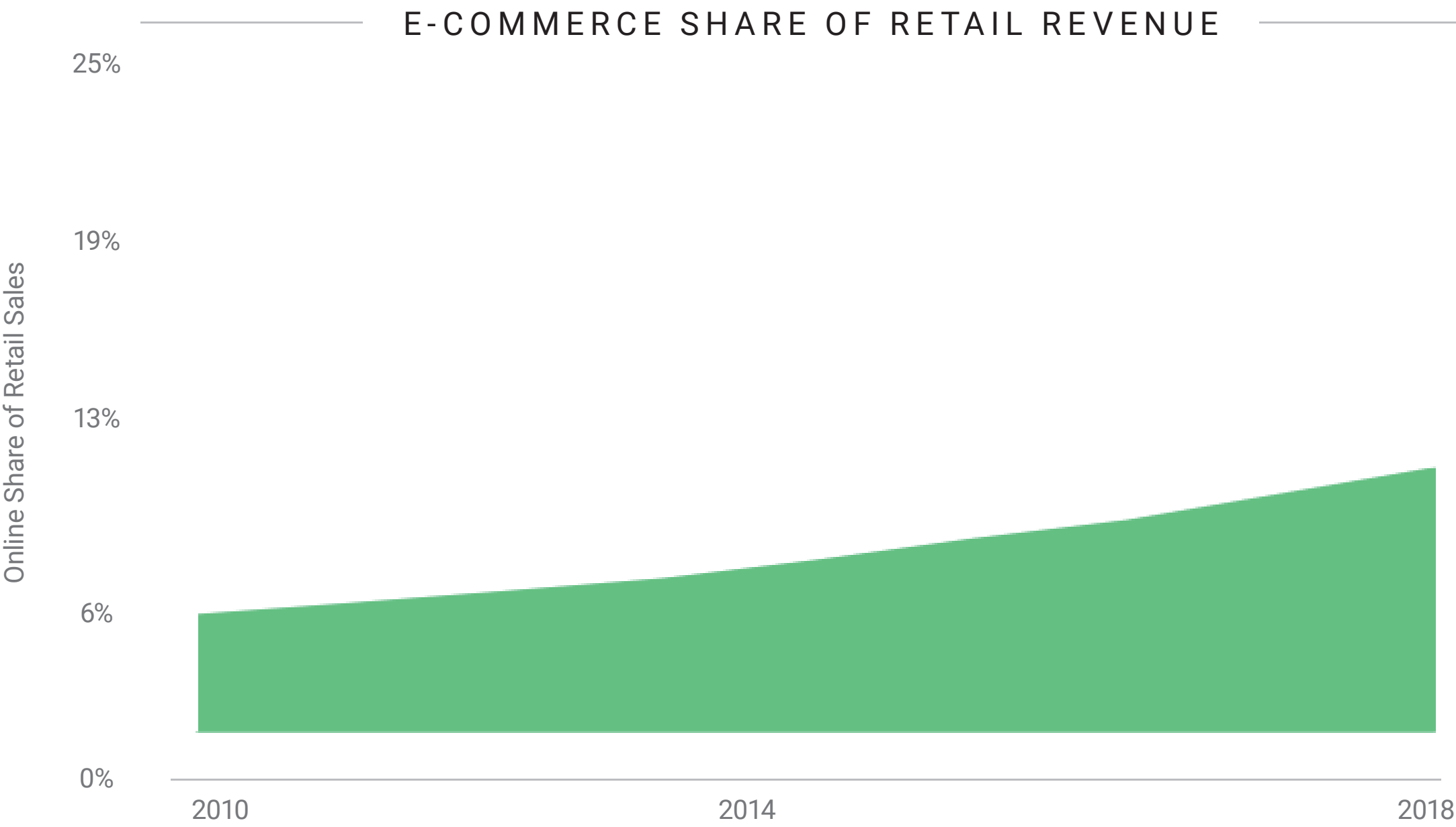


Across 20 retail verticals observed, the change in number of retail stores is up for the 10 year period between 2007 and 2017. Dollar, convenience, liquor, and notably discount department retailers, saw the biggest gains in store openings.

MARKET OVERVIEW

'E-tail' sales share approaches 10% of all retail sales

Consumers increasingly turn to online retailers for purchases. While physical retail stores are still in the game - some categories more than others - the overall online share of retail sales has grown in nearly every quarter each year since 2010.



Amazon, ebay, Walmart, Etsy and Target make up the top 5 online retailers in terms of traffic share in 2018*, accounting for nearly 95% of average monthly shopping traffic. Amazon alone owns nearly 50% of the retail ecommerce sales share.

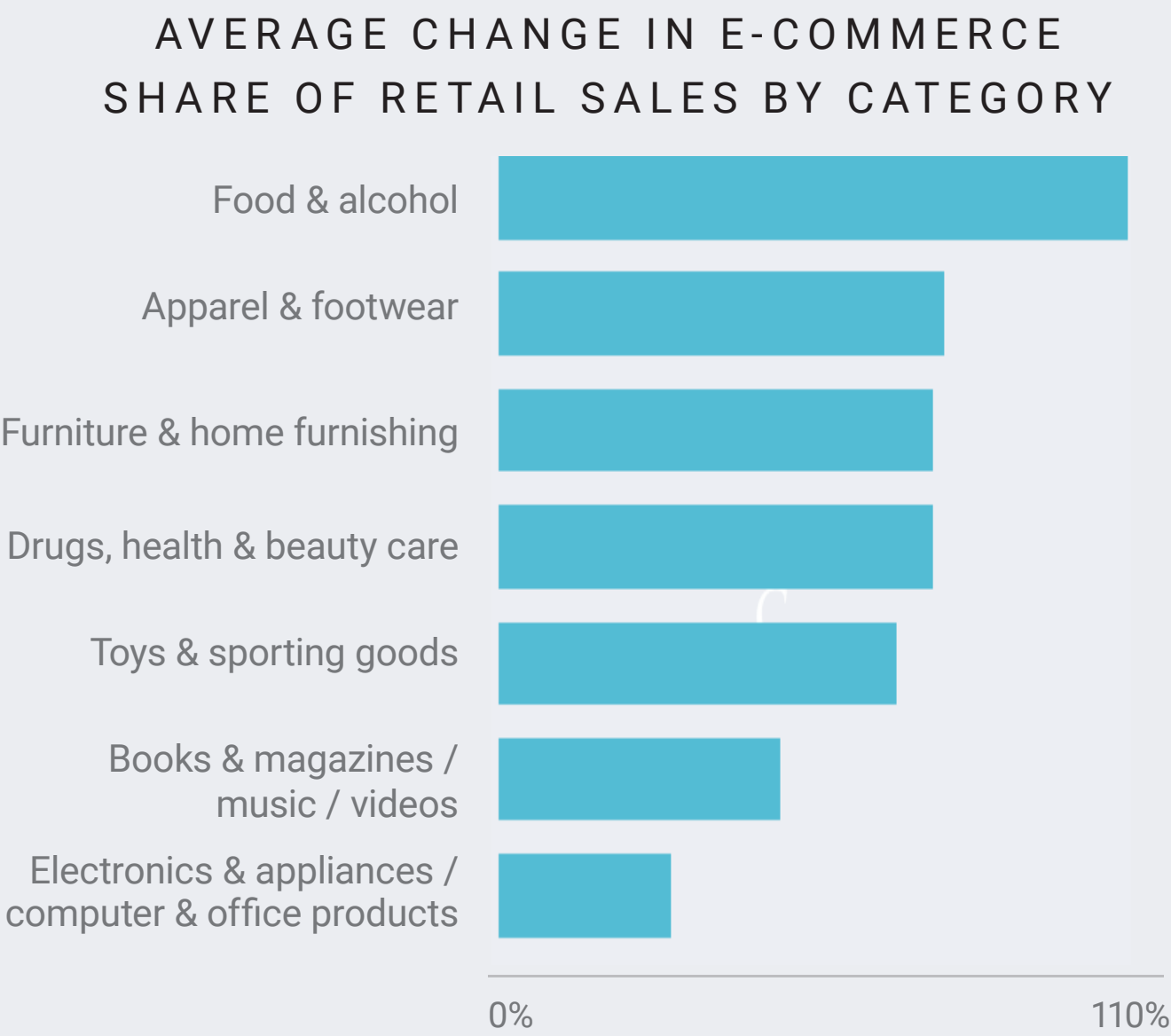


When it comes to the apparel retail experience, see what's moving a portion of these purchases online, and what keeps customers coming in store. >>>

DEEP DIVE

Online shopping hasn't killed the in-store experience -- some categories are thriving

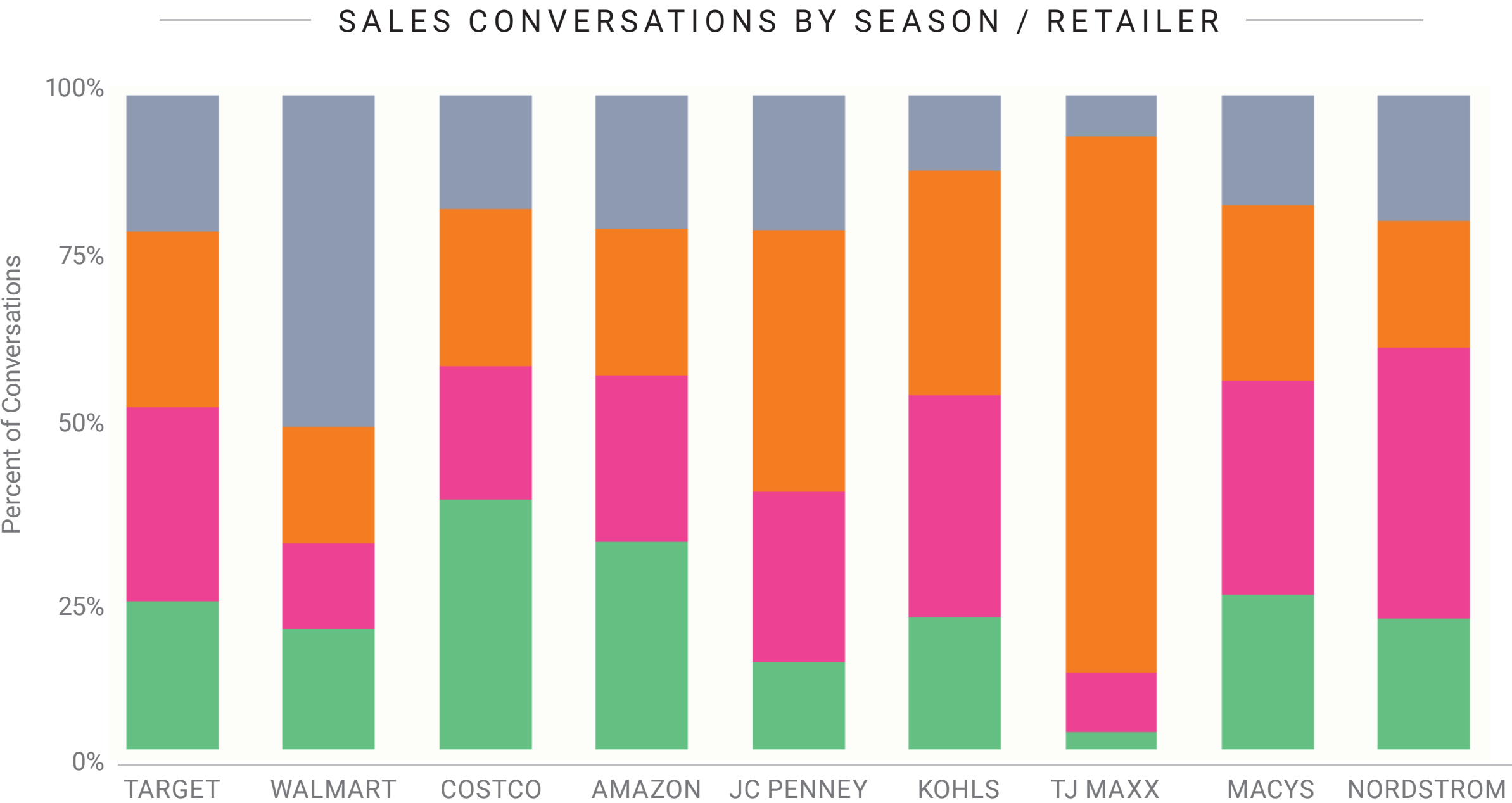
32% of consumers say they prefer to purchase apparel and footwear online rather than in-store. Online revenue for this category has grown steadily in the past three years, and is projected to grow the second most from 2016 to 2021 out of all categories considered.



INSIGHT

Fall out? Autumn most popular season for promoting sales

For several of the leading retailers, the fall is the most popular time for promoting sales through social channels. This could signal retail brands gearing up for holiday shopping by amping up promotion during this time.



Walmart and Nordstrom have greater shares of sales promotions during the winter and summer, for their post-winter holiday and Anniversary Sales, respectively.

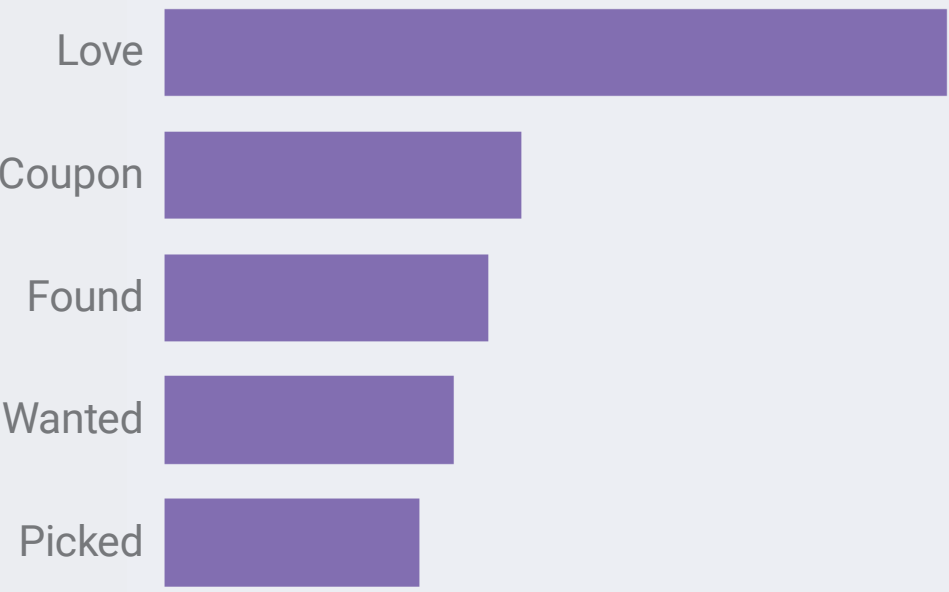


DEEP DIVE

Coupons a leading topic for JC Penney sales

Searching for deals? Just after 'love', people mention coupons most often in conversations about JC Penney sales. People also mention what they 'found', 'wanted', and 'picked'.

TOP WORDS WHEN MENTIONING JC PENNEY & SALES



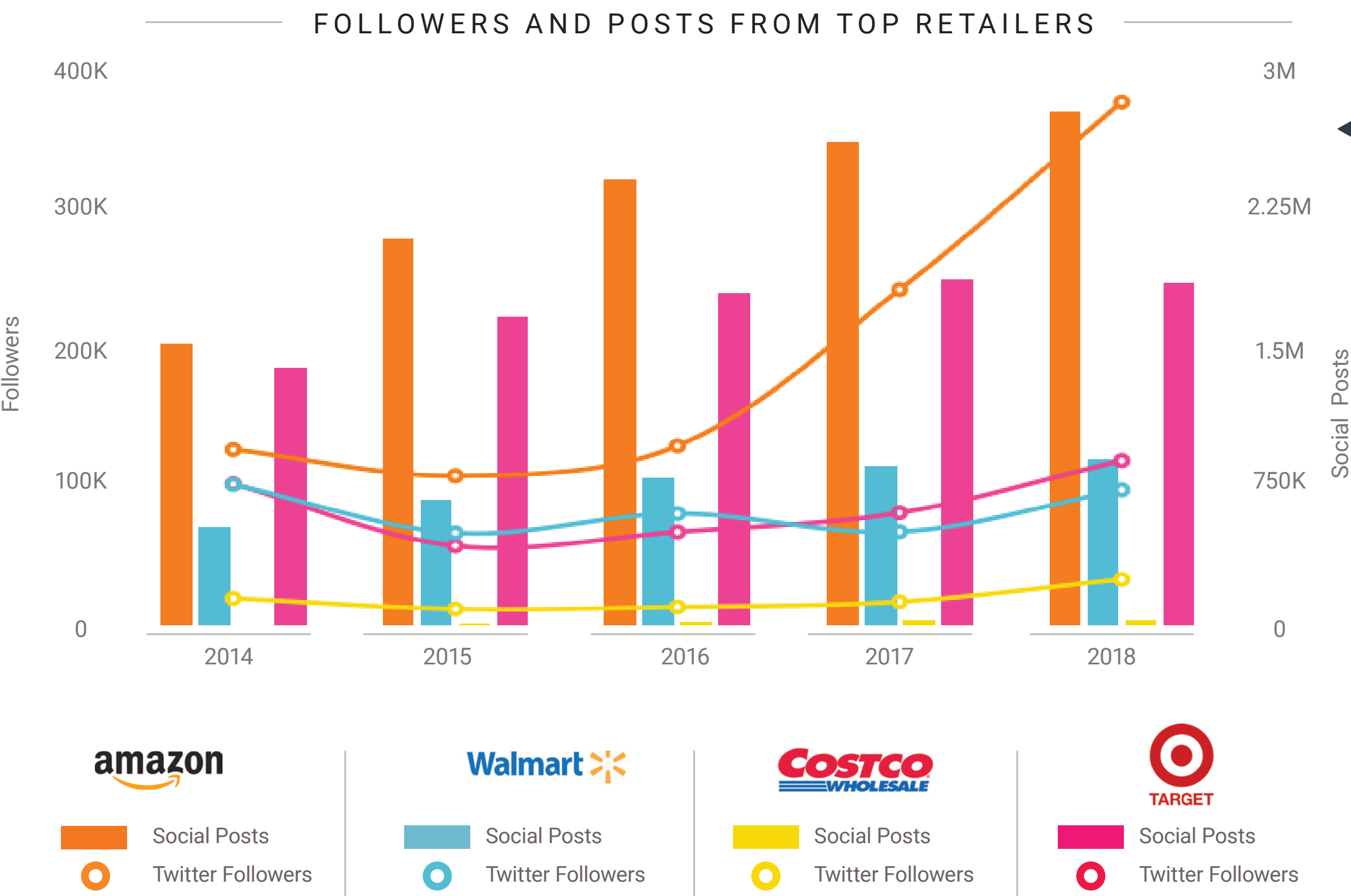
24%
ANTICIPATION

18%
JOY

Emotions analysis: Anticipation and joy are the two most frequently occurring emotions in conversations about JC Penney sales, appearing in 24% and 18% of conversations, respectively.

Prime example: Amazon leads in online retail revenue, online share-of-voice

Mirroring their recent growth in revenue, Amazon has become the most dominant voice among retailers online - but Walmart leads outright in terms of revenue.



Amazon has the most followers, and also has the most vocal consumer base online. There have been fewer posts about Target than Amazon and Walmart, but Target is second in overall followers.

DEEP DIVE

50 the new 30? Tech products lead conversations for 45-54 year olds

People are buying more and more electronics from online sources, including older generations. Tech products like iPhones, iPads, Google Home and Google Assistant top the list of products mentioned in posts about shopping on Amazon from 45-54 year olds. This aligns with the decrease in number of consumer electronics stores as more and more technology purchases happen online.

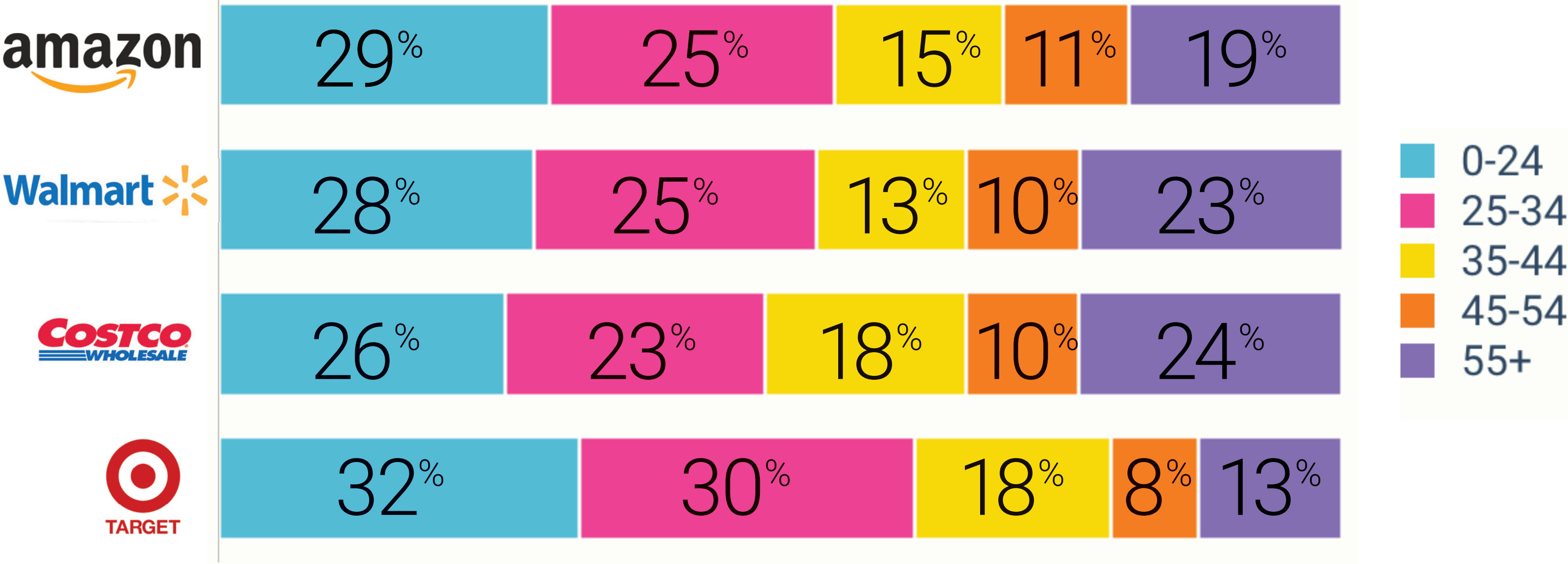
Product	Posts	Sentiment
iTunes	775	<div></div>
iPhone	609	<div></div>
iPad	259	<div></div>
Amazon Alexa	213	<div></div>
Google Home	185	<div></div>

Costco has more consumer posts about their brand online than they do followers. They could utilize social listening to better understand their audiences across the web.

A generational thing? Target owns largest share of young consumers

Surprisingly, Target captures the largest share of the youngest and arguably most tech savvy consumers, even beating out the likes of Amazon. They account for nearly 60% of all conversations in the last 2 years for younger age groups like Millennials and Gen-Z.

AGE DISTRIBUTION BY TOP RETAILER



POPULAR POSTS

Buddy system: Shopping experiences with friends and partners brings younger crowds to Target

While Amazon’s dominance and growth make headlines, brick-and-mortar retailers like Target provide experiences that online-only retailers lack. Looking deeper into posts about Target shopping from the two youngest age segments, people enjoy and aspire to shopping with a friend or significant other at Target.

in search of a shopping buddy for a impromptu target trip tomorrow 🤗
<https://twitter.com/target/status/1044700947904155653>
— Kristen Dietz (@krissy_marie28) Sep 29th, 2018

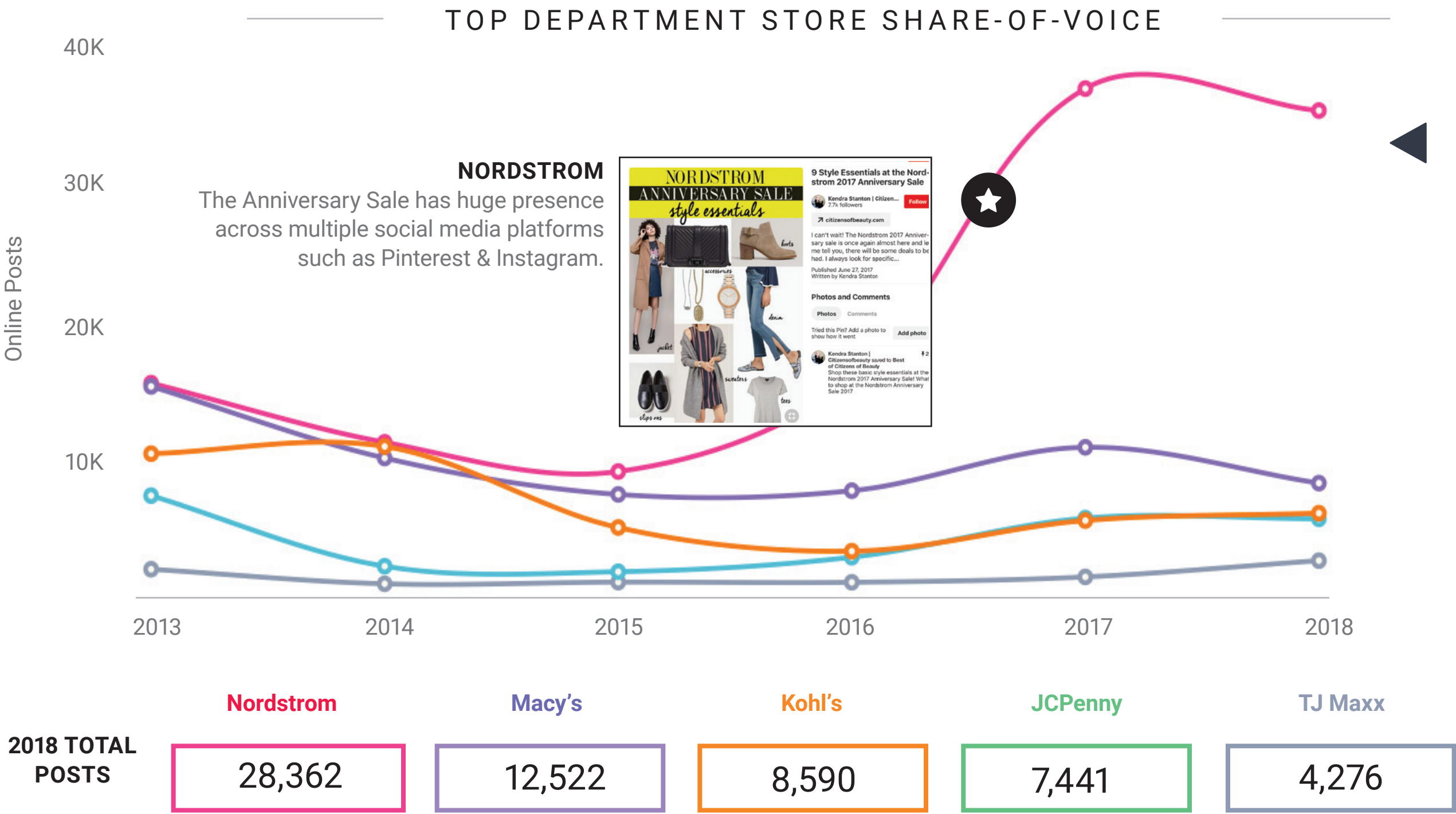
Who wants to go to Target and go baby shopping with me this week????!!!!
— kyreana (@_ky_nicoleee) Oct 16th, 2018

I look forward to shopping at target with my future partner. I get so excited in there 😂
— Ming.. (@youngky_) May 17th, 2018

INSIGHT

Nordstrom sets an example on how to drive share-of-voice

With spikes in engagement surrounding their yearly Anniversary Sale, Nordstrom’s online share-of-voice leads among major department store retailers. This shows the effectiveness of their event and promotion of it and also how it has resonated with their audiences and shoppers.



◀ Nordstrom and TJ Maxx’s parent company, TJX Companies, are the only department store retailers to show positive year-over-year growth in revenue from 2013 to 2017.

DEEP DIVE

Is this what they meant by ‘the big game’? Nordstrom Anniversary Sale goes viral

An event AdWeek dubbed the “‘Super Bowl’ for Fashion Influencers,” Nordstrom’s Anniversary sale accounts for nearly 7% of all posts about Nordstrom in the last 3 years, 85% of which originate on either [Pinterest](#) or [Instagram](#). Other clothing retailers could encourage similar sharing to promote their own sales.



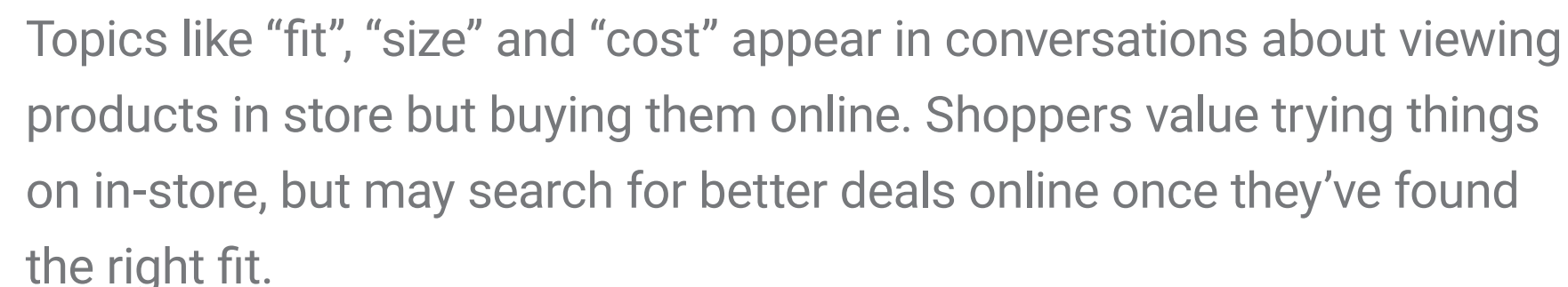
Shop my 2018 Nordstrom Anniversary Sale dressing room diaries and try-on haul! You can see my top picks from the sale and how things fit IRL! Click for more



Yall!!! It's officially here! Everyone is now able to shop the Nordstrom Anniversary Sale and I am so dang happy...



Are you one of those people? Trying on clothes brings online shoppers in-store

[illegible]

Don't try these on while you're still on your front porch.
Clothing companies with home try-on are growing

Retailer	2016-17 Post Volume Growth	2019 Post Volume
Warby Parker	+ 37%	73,203
Stitch Fix	+ 47%	70,872
Trunk Club	+ 53%	13,878
Prime Wardrobe	n/a	8,856
MM LaFleur	+ 102%	4,365

While conversation growth for the most established companies has slowed, growth more than doubled for newer entrants like MM LaFleur.

Two sides to Kohl's Cash expiration dates

Kohl's Cash is at the heart of the discount retailer's rewards program. When talking about the rewards program online, people often mention expiration dates, and how they can both incentivize and discourage purchases.

POSITIVE COMMENTS

Conversations online about Kohl's Cash tend to be more positive. Customers note that expiration dates can incentivize them to come in store and make purchases.



Zamboni Jones
@amber_rachael

Follow

"Oh my god I think my kohl's cash expires tonight. I only have 20min to use it" *sprints upstairs* -Tammy


8:38 PM - 19 Aug 2016

12 Likes



NEGATIVE COMMENTS

What could be bad about free money? Consumers note that expiration dates and restricted uses for Kohl's Cash are barriers to redeeming their rewards money. Some go as far as saying they won't return to Kohl's when their Kohl's Cash expires.



Dave Zatz ✓
@davezatz

Follow

Replying to @asarathy

I know. But Kohl's cash is harder to spend due to fewer options & quicker expiration. Assuming it's the typical Kohl's cash.

7:31 AM - 24 Nov 2016

59%
POSITIVITY



34%
NEGATIVITY

SPOTLIGHT

Savings to the Maxx: TJ Maxx favored for discounts

Part of what keeps people talking online about TJ Maxx are their famed discounts. Though it may not be surprising to see, people love TJ Maxx for the steep discounts they offer enough to talk about them online.

Everyone is always so happy in TJmaxx I LOVE it. Like YES SAVE THAT MONEY

got my favorite too faced bronzer for \$3.99, we love a Tj maxx moment

I will forever love tjmaxx especially since today I got a sweater for \$19 that retails at \$149

Summary

Despite both Amazon and Walmart's dominance, retailers like Target and Nordstrom engage customers with compelling in-store experiences, savings opportunities and promotional events.

1

Among top retailers by revenue, Walmart leads outright, but Amazon leads in online sales as well as number of followers on their social accounts, even among older demographics.

2

Social insights reveal that younger shoppers enjoy shopping and aspire to shop with a friend or significant other in-store at Target. When online retailers can win with convenience and speed, the in-store experience is more valuable than ever for brick-and-mortar retailers.

3

Department stores can retain their relevance by creating a culture around their sales. Nordstrom has done just that with their Anniversary Sale, which drives online conversations with high positive sentiment and generates buzz around their brand.

4

While more customers still say they'd rather purchase apparel and footwear in-store, online sales for these categories are growing. Being able to try on clothing is key to the in-store apparel experience - but more and more companies are offering these services delivered directly to consumers' homes.

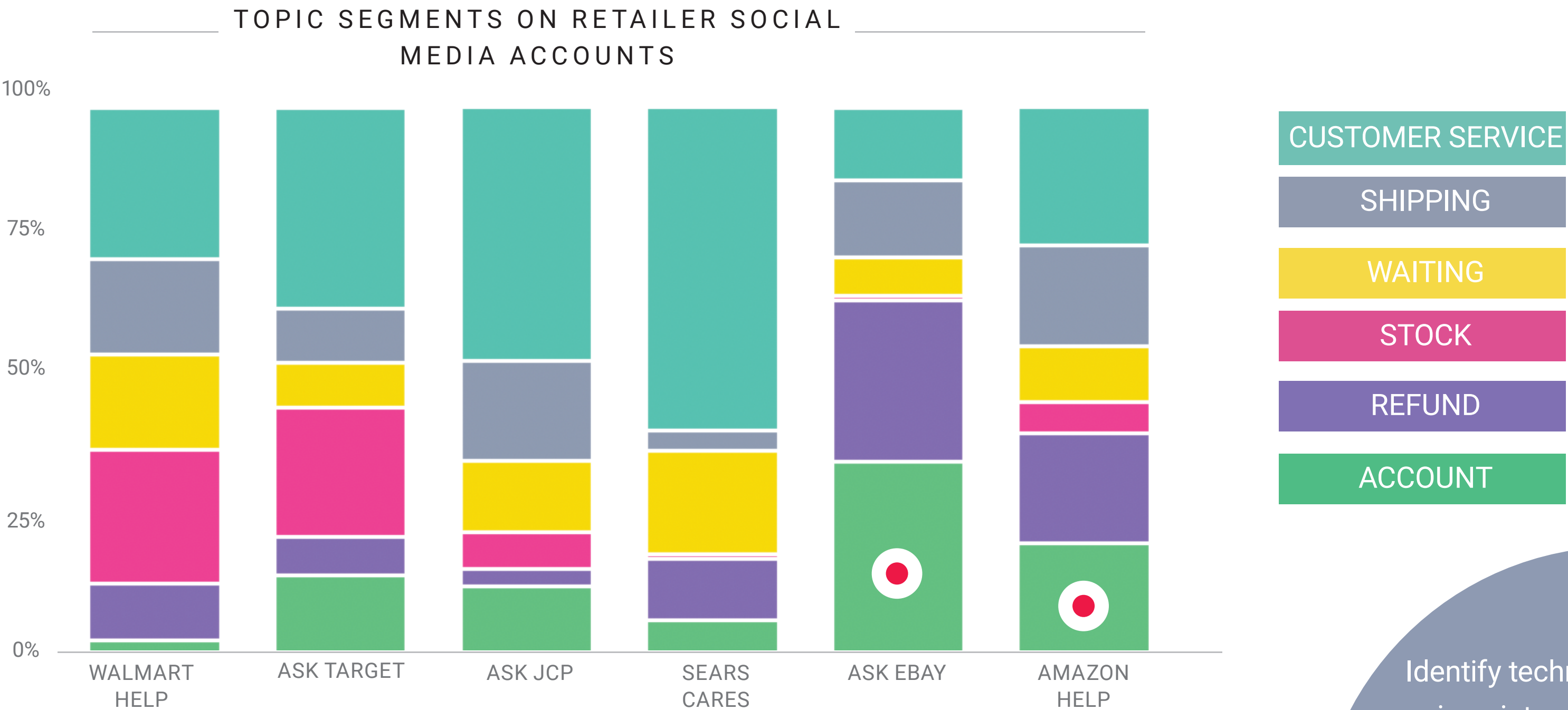
Customer Experience



INSIGHT

Customer always right? Refund and account issues top for online-only retailers

Analyzing customer service social accounts using social listening, online-only retailers tend to have more customers talking about their accounts and refunds. Meanwhile primarily brick-and-mortar retailers have more about customer service and stock or inventory.



DEEP DIVE

Sounding off: former Prime members missing refunds

People talking about their Amazon experience and refunds often mention delays in receiving refunds, whether from cancelling a Prime account or from cancelling an order.

@AmazonHelp once again charging me for a Prime account that was cancelled MONTHS AGO and never reactivated back. I demand full refund

10:35 AM - 13 Sep 2017

1 1 1 1

@AmazonHelp I was using chat. Yeah, I was charged for prime on May 31st & canceled and still haven't gotten a refund :(

9:04 PM - 12 Jun 2015

1 1 1 1

Identify technology and logistics pain points customers talk about - and which competitors they turn to when their customer experience goes awry. >>>

Target most discussed competitor on Walmart’s customer service accounts


Among the various aspects of their customer experience, customers mention competitors on retailers’ customer service social media accounts.

	Amazon	Walmart	Costco	Target
Amazon		3.75%	.70%	5.23%
Walmart	10.26%		3.24%	8.46%
Costco	4.86%	7.62%		4.79%
Target	8.75%	6.57%	1.45%	

DEEP DIVE

Who has the best discounts? Target competes with Walmart on price

Although both retailers belong to the discount department store category, Walmart and Target still compete on price. From posts, it’s clear that customers looking for steeper discounts will likely choose Walmart over Target.




Richard Parker

@northphilliest

Follow

i can tell im growin up because i appreciate how much more feng shui it is shopping at Target than Walmart

2:13 PM · 15 Aug 2018




Brett Stocklausner

@BStock72

Follow

Hot Take: Target isn't that great. People who shop at Target are just paying 5-10% more to not have to shop at Walmart.

12:29 PM · 16 Oct 2018 from Ferguson, MO



rich


@itsrichhh

Follow

Me: Oh no I don't shop Walmart, I'm a Target guy
Albert: but the Doritos are so cheap!

9:01 PM · 21 Oct 2018 from Los Angeles, CA

2 Likes



Zeus

@focuslikeford

Follow

The reason I shop at target cause Walmart dont ever be havin shit in the right place

11:33 AM · 22 Oct 2018

2 Likes

INFEGY 16 // 28

Tower Power: Walmart pickup towers wow-ing customers

84% POSITIVE

Follow

4:42 PM - 10 Oct 2018






Follow

7:43 PM - 22 Nov 2018



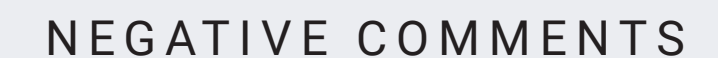


Follow

5:22 PM - 11 Oct 2018

The good and the bad of Walmart towers

POSITIVE COMMENTS



Summary

Social insights reveal pain points and positives that underscore both on- and offline retail experiences. These include coupons, refunds, and customer service.

1

Retailers' social accounts can be a valuable source of insights into both on- and offline customer experiences. Consumers sound off about all of their experiences and interactions with brands on the social web.

2

For online-only retailers like eBay and Amazon, conversations from customers on these accounts focus on issues with their accounts as well as refunds more than for on- and offline retailers.

3

People often discuss competitors when they mention a given retailer online. These conversations can provide valuable insights into why consumers choose one retailer over another - like when customers choose Walmart for better prices and Target for a more appealing experience.

4

With in-store retail innovations like the Pickup Tower and grocery pickup, Walmart leads in both online conversations and sentiment when people talk about ordering online and picking up in store.

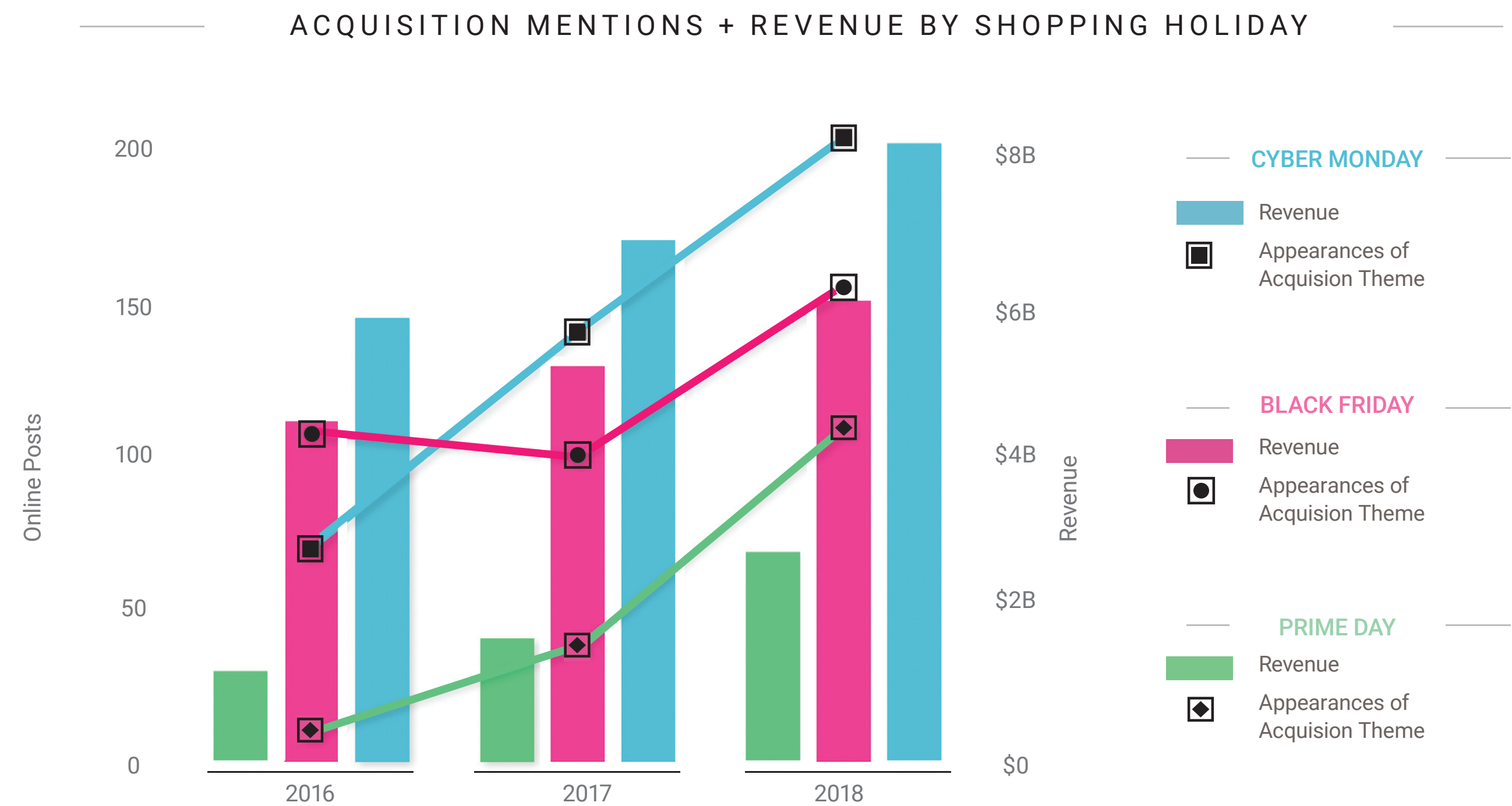
Shopping Holidays



INSIGHT

Recent purchase indicators correlate with holiday e-commerce revenue


E-commerce revenue during the holiday season continues to grow year over year. Similarly, mentions of acquisition, meaning recently purchased or acquired, in social posts see growth, and align with the revenue ranking for each holiday.



INSIGHT


Are customer service issues holding Prime Day back?

Amazon achieves 71% positive sentiment across the last five years in conversations about the company and their customer service. However, the retail giant needs to be mindful of poor customer experiences like these to establish loyalty in its Prime Day shoppers.

**AGENT7YORK**
@Agen7York

Follow

Had a terrible experience with [@AmazonHelp](#) today. I ordered something on prime day and the price is lower now (sold by [@amazon](#)). They would prefer to pay return shipping and labor than give me \$37 for the difference. [#gg](#) [#fail](#) [#badcustomerservice](#)

**Jennifer Broome** ✓
@JenniferBroome

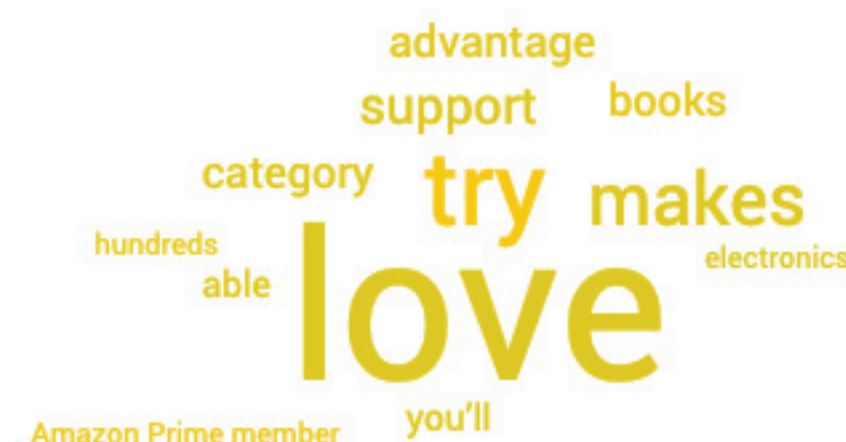
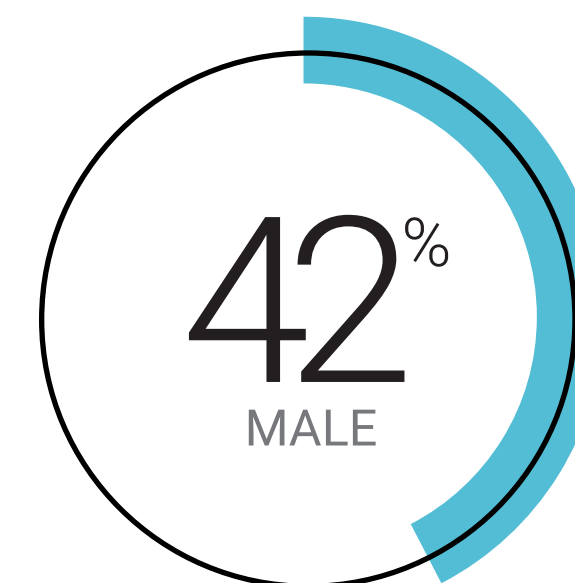
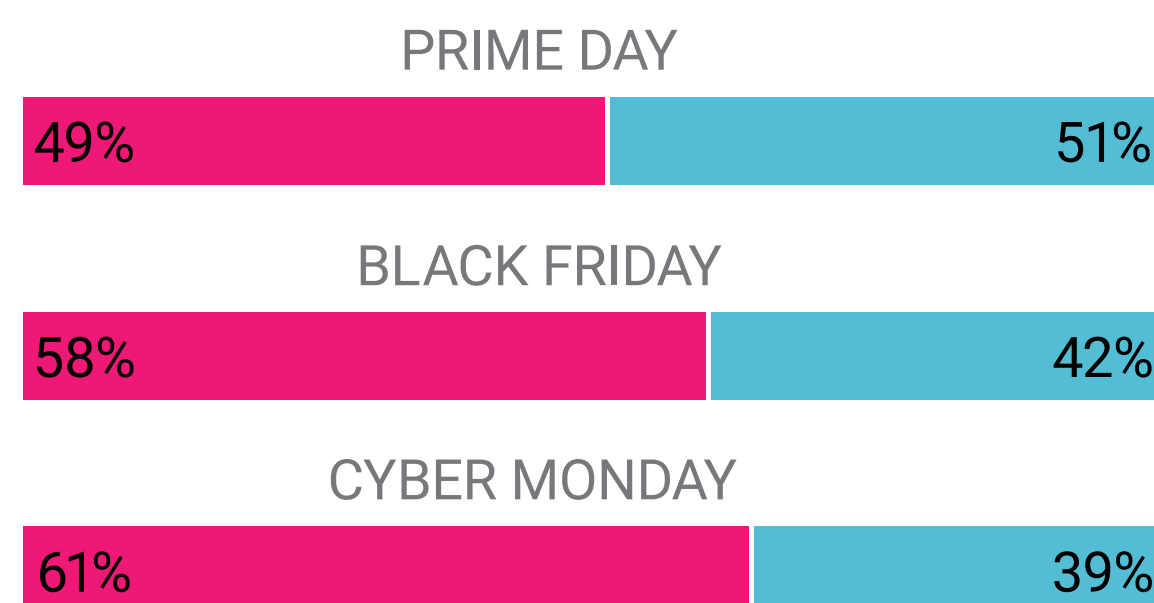
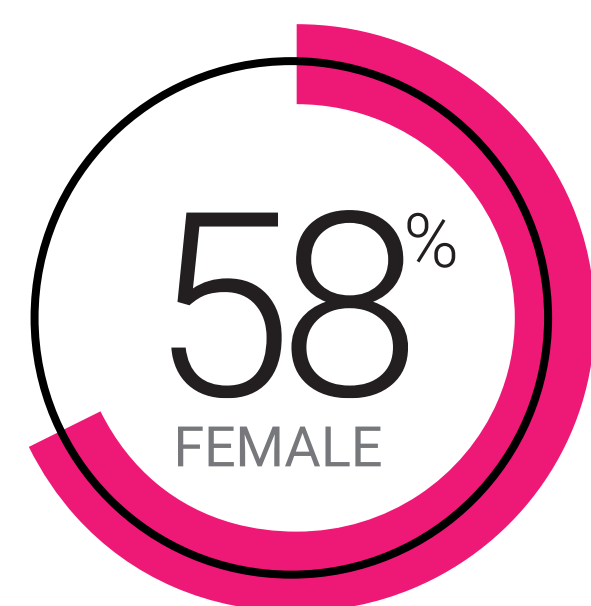
Follow

Don't normally blast companies but [@amazon](#) - your customer service when there's an issue absolutely stinks! I ordered stuff from [#PrimeDay](#), never got it (delivery pic isn't even my doorstep!), & now told burden is on me to file police report to hopefully get my \$\$ back??

INSIGHT

For shopping holidays, male and female voices lead on different days

Women tend to discuss Black Friday and Cyber Monday shopping more than men do, while a majority of conversations online about Amazon's Prime Day come from men. This means there is contrast between which shopping days resonate with each gender, underscoring the importance of how retail and e-tail brands market to various audiences.



DEEP DIVE

What do the people want? Tech product interests similar for men, women on Prime Day

Electronics and computers are the top-selling items on Amazon's Prime Day for both men and women alike. Men and women even share many of the same product interests, although Amazon's proprietary products like the Amazon Fire TV and Amazon Kindle resonate slightly more with men than they do with women.

MEN

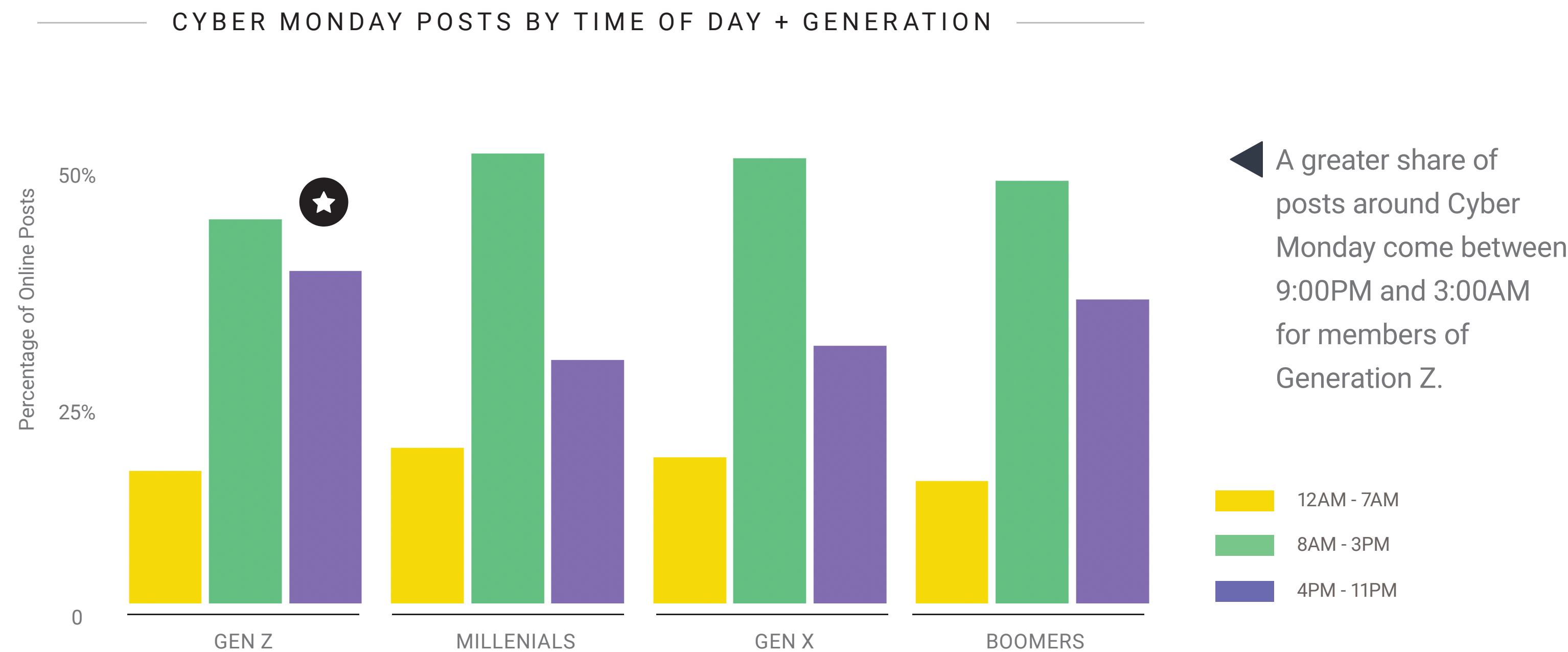
Amazon Fire TV
Amazon Kindle
Xbox One
iPhone
Fire HD
Sony
Instant Pot
Instagram
Kindle Fire
Google Home

WOMEN

Xbox One
Instant Pot
Amazon Fire TV
Sony
Amazon Kindle
Fire HD
iOS
Instagram
iPad
iPhone

Night owls: Generation Z talks Cyber Monday later at night

Specific audiences are most engaged at different parts of the day. This can help brands optimize their business efforts and messaging and understand consumer buying and consideration behaviors.



DEEP DIVE

Savings accounts on Gen Z’s minds on Cyber Monday

Money is more popular than material goods for Gen Z’sers, a portion of whom are in the early stages of their careers or in their very first jobs. Gen Z’sers who talk about Cyber Monday shopping note saving money might be better than participating in holiday shopping.

Alma Estrella
@meattballhead [Follow](#)

I’m really online shopping on Cyber Monday like I got any money.

Clairey
@clairecarmer [Follow](#)

I wish I had money to cyber Monday shop but it’s probably a good idea that I don’t

5:22 PM - 26 Nov 2018

brianna laird
@bri_laird7 [Follow](#)

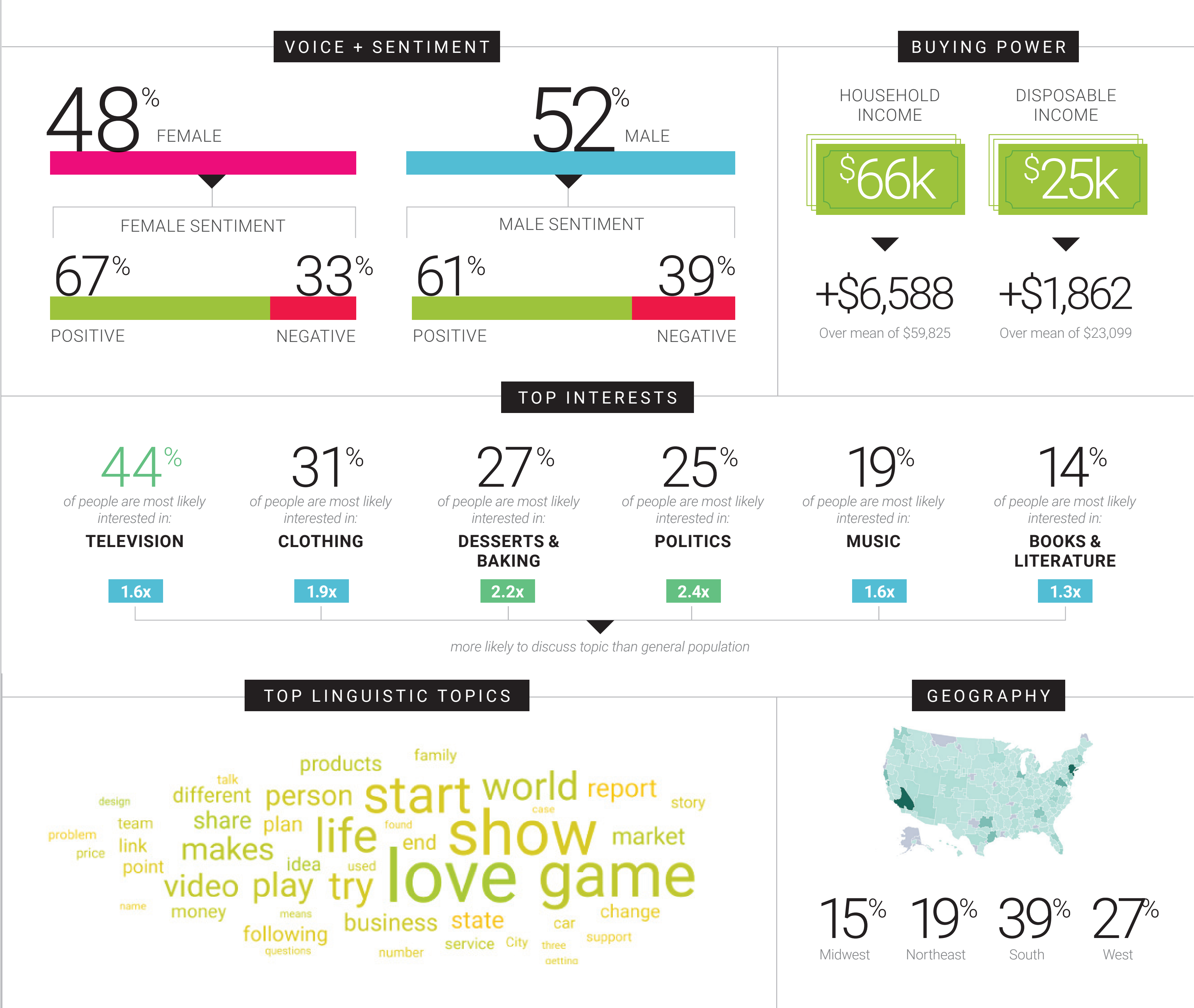
did i have money to spend on cyber monday??? no but did i anyways??? hahaha yes

5:36 PM - 26 Nov 2018 from Ohio, USA

SOCIAL PERSONA

Amazon Prime Member Persona

- The Amazon Prime Members audience segment skews male, has a median household income of \$66k and disposable income of \$25k.
- Amazon Prime members discuss television, clothing, desserts & baking, politics, music and books & literature the most. The top words used by this audience segment are “love”, “show” and “game”.
- Amazon Prime is popular amongst those of different age groups and household income. As to where previously the service was more commonly found in more affluent consumers, today shows a modest income and a median age-range of 25-34.



Summary

Shopping holidays continue to grow along with the overall e-commerce retail share of sales. Online conversations around these days primarily come from women.

1

Shopping holidays like Black Friday, Cyber Monday, and Amazon's Prime Day drive more and more purchases over year, accounting for nearly 3% of all e-commerce revenue in the United States in 2016.

2

Prime Day notably elicited a greater share of online conversations from men among the other female-dominated shopping holidays, Cyber Monday and Black Friday.

3

Generation Z'ers are more likely to talk online about Cyber Monday later in the day, which could present an opportunity for advertisers and retail brands to find new and different ways to reach them.

4

For Generation Z, money is on the mind during shopping holidays like Cyber Monday. Advertisers could highlight how taking advantage of Cyber Monday discounts could benefit the youngest generation, who may have less income than other generations, with the right purchases.

Conclusion

As the retail landscape evolves, more and more purchases are being made online, but brick-and-mortar retailers aren't going away. Retail apocalypse is more-or-less a myth, as long as retail brands can continue to adapt and innovate and also keep a close eye on consumer voices, interests and buying behaviors. Listening is the most important thing these brands can do to stay ahead of the game.

While electronics and book retailers have closed more stores in the past 10 years than most other retailers, discount department stores like Walmart and Target are thriving.

As Amazon's increasing dominance makes headlines, established retailers remain competitive through promotional events and rewards programs, innovations and integrations with online purchasing, as well as their customers' aspirations for a pleasant in-store experience.

Social listening data reveals what customers think and feel about these advantages, what issues are most significant to them when it comes to the retail experience, and how they respond to a less than stellar experience.

To recap, the specific examples in this report demonstrated 5 ways agencies can use social data for their clients:

- 1 See which retailers drive the most conversations online, and how they create buzz around their brand.
- 2 Leverage real-time + historical data from consumers to learn who they buy from what they buy and why they buy.
- 3 Analyze the most discussed customer experience issues to address pain points and needs.
- 4 Understand customers' attitudes and feelings towards in-store retail innovations and improve existing services and innovations.
- 5 See who talks most about which shopping holidays, when they talk, and what products they discuss.

Methodology

The featured data is derived from the social listening insights available in Infegy Atlas since 2007. The primary query date range for this report is 1/1/2013 to 10/31/2018. Data was pulled using research within the platform using the brand conversations in our database. The conversational data includes content pulled from:

- Social media channels
- Blogs and user-created articles
- News publications
- Forums
- Review sites
- Comments
- Other online channels where users discuss the related topics

The featured retailers, and the listed competitors, were chosen based on analysis of revenue, overall market share, online share of voice and competitive innovations to the customer experience, as well as popularity of certain promotions.

SOURCES

- Estimated U.S. Per Capita Retail Sales by Selected Kind of Business: 1992 Through 2016, US Census Bureau, March 2018
- Total Consumer Report, The Nielsen Company, March 2018
- Location-Based Marketing in Retail Roundup, eMarketer and Market Track, April 2017
- 5 Online Holiday Shopping Predictions, Giselle Abramovich for CMO.com, November 2018
- Prime Day is a prime shopping day for Amazon and other retailers, April Berthene for Digital Commerce 360, July 2018
- Amazon Prime Day 2018 analysis in 5 charts, Fareeha Ali for Internet Retailer, August 2018
- How Nordstrom's Anniversary Sale Became the 'Super Bowl' for Fashion Influencers, Diana Pearl for AdWeek, July 2018
- Global Powers of Retailing 2018, Deloitte, January 2018

Get results. Choose the best technology.

Beyond volume and sentiment, Infegy Atlas helps researchers get to the heart of what consumers think and discuss, and how they feel about topics and brands through nearly instant analysis of millions of social conversations.



RESULTS YOU CAN TRUST

93% sentiment accuracy and 97% recall — backed by the largest validation test ever published in the industry.

AUDIENCE SEGMENTATION

Default and customizable audience segments that enable users to create social media focus groups to perform more targeted research and deeper discovery.

EVENT DETECTION

Sophisticated statistical analysis of more than 125 metrics that highlights the key drivers within conversations and identifies the most important events.

FLEXIBILITY

Unlimited search queries and data access going back all the way through 2007, allowing you to perform more research and pivot more quickly.

CONTEXT

Deeply understand complex nuances, including emotions like trust and themes such as purchase intent, automatically.

SPEED

Through the API or the UI, return advanced contextual analysis within seconds of hitting submit.



Infegy is the leading SaaS data analytics company that helps global agencies and enterprise partners understand their consumers to make more informed business decisions.

Our cloud-based social media intelligence platform, Infegy Atlas, is powered by Infegy’s best-in-class Natural Language Processing and machine learning technology to provide real-time insights leveraging social media data from the more than 400+ million sources.

With a focus on translating the voice of the consumer into actionable intelligence, Infegy Atlas has been utilized to determine what moms think about sugar content in breakfast cereals, what drives sales for nail polish, and if the PlayStation 4 will outsell the Xbox One.

Ready to see the software used to create this report in action? Get a personalized demo of Infegy Atlas.

REQUEST A DEMO



frontdesk@infegy.com



facebook.com/infegy



twitter.com/infegy



linkedin.com/company/infegy



infegy.com

