RETAIL BUSINESS MARKET RESEARCH HANDBOOK 2017-2018

17th Edition

RKMA MARKET RESEARCH HANDBOOK SERIES

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- Market Resources

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- Spending At Supermarkets
- Market Resources

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- Sales at Mass Market Retail Stores
- Market Resources
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1

RETAIL SALES: U.S.

1.1 The U.S. Retail Sector
The U.S. retail industry encompasses more than 1.6 million retail establishments and employs more than 24 million people (about 1 in 5 American workers), according to the National Retail Federation (NRF, www.nrf.com).

1.2 Retail Sales
According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total U.S. retail sales were $5.32 trillion in 2015, a 2.1% gain from 2014. Sales at GAFO (general merchandise, apparel, furnishings, and other) stores were $1.26 trillion in 2015, a 1.6% gain from 2014.

Total retail and GAFO sales have been as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Retail</th>
<th>GAFO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>$4.09 trillion</td>
<td>$1.06 trillion</td>
</tr>
<tr>
<td>2006</td>
<td>$4.30 trillion</td>
<td>$1.11 trillion</td>
</tr>
<tr>
<td>2007</td>
<td>$4.44 trillion</td>
<td>$1.15 trillion</td>
</tr>
<tr>
<td>2008</td>
<td>$4.39 trillion</td>
<td>$1.14 trillion</td>
</tr>
<tr>
<td>2009</td>
<td>$4.07 trillion</td>
<td>$1.09 trillion</td>
</tr>
<tr>
<td>2010</td>
<td>$4.29 trillion</td>
<td>$1.11 trillion</td>
</tr>
<tr>
<td>2011</td>
<td>$4.60 trillion</td>
<td>$1.16 trillion</td>
</tr>
<tr>
<td>2012</td>
<td>$4.83 trillion</td>
<td>$1.19 trillion</td>
</tr>
<tr>
<td>2013</td>
<td>$5.01 trillion</td>
<td>$1.21 trillion</td>
</tr>
<tr>
<td>2014</td>
<td>$5.21 trillion</td>
<td>$1.24 trillion</td>
</tr>
<tr>
<td>2015</td>
<td>$5.32 billion</td>
<td>$1.26 billion</td>
</tr>
</tbody>
</table>

GAFO sales were distributed by month in 2015 as follows:

- January: $ 89.9 billion
- February: $ 89.5 billion
- March: $100.2 billion
- April: $ 96.3 billion
- May: $105.0 billion
- June: $ 99.7 billion
- July: $102.0 billion
- August: $107.8 billion
- September: $ 98.2 billion
- October: $103.3 billion
November: $115.3 billion  
December: $149.1 billion

1.3 Sales by Category

Retail sales in 2015 for stores in the GAFO categories were as follows (change from previous year in parenthesis):

- General merchandise stores, including leased departments (NAICS 452): $673.0 billion (1.5%)
  - Superstores and warehouse clubs (NAICS 45291): $439.3 billion (-0.9%)
  - Discount department stores, including leased departments (NAICS 452112): $108.2 billion (-2.2%)
  - Variety stores and miscellaneous (NAICS 45299): $68.3 billion (10.2%)
  - Conventional and national chain department stores, including leased departments (NAICS 452111): $58.5 billion (0.5%)
- Apparel and accessories stores (NAICS 448): $254.2 billion (0.2%)
  - Family clothing (NAICS 44814): $97.8 billion (-1.6%)
  - Women’s ready-to-wear (NAICS 44812): $46.0 billion (7.5%)
  - Shoe stores (NAICS 4482): $34.1 billion (10.4%)
  - Jewelry stores (NAICS 44831): $30.5 billion (-9.2%)
  - Men’s and boy’s clothing (NAICS 44811): $9.6 billion (6.7%)
- Sporting goods, hobby, book, and music stores (NAICS 451): $89.0 billion (1.5%)
  - Sporting goods stores (NAICS 45111): $46.5 billion (7.6%)
  - Hobby, toy, and game stores (NAICS 45112): $18.8 billion (-6.9%)
  - Book stores (NAICS 451211): $11.2 billion (-1.8%)
- Furniture and home furnishings (NAICS 442): $103.4 billion (2.7%)
- Electronics and appliance stores (NAICS 443): $103.8 billion (2.7%)
- Gift, novelty, and souvenir stores (NAICS 45322): $18.5 billion (-9.8%)
- Used merchandise stores (NAICS 4533): $17.2 billion (13.2%)
- Office supplies and stationery stores (NAICS 45321): $14.5 billion (-15.2%)

Retail sales in non-GAFO retail categories in 2015 were as follows:

- Motor vehicles and parts stores (NAICS 441): $1.107 trillion (4.7%)
- Food and beverage stores, not including restaurants (NAICS 445): $668.7 billion (3.0%)
- Restaurants and drinking places (NAICS 722): $622.6 billion (9.0%)
- Non-store retailers (NAICS 454): $486.1 billion (1.1%)
- Gasoline stations (NAICS 447): $432.6 billion (-18.9%)
- Building materials, home improvement and gardening equipment, and supplies dealers (NAICS 444): $332.1 billion (1.1%)
- Health and personal care stores, including pharmacies and drug stores (NAICS 446): $315.4 billion (5.7%)
1.4 Market Resources


*Monthly and Annual Retail Trade*, U.S. Department of Commerce. ([www.census.gov/retail](http://www.census.gov/retail))

National Retail Federation, 1101 New York Avenue NW, Washington, DC 20005. (202) 783-7971. ([www.nrf.com](http://www.nrf.com))
## 2.1 Retail Sales By State

According to the National Retail Federation (NRF, [www.nrf.com](http://www.nrf.com)), retail sales in 2015 were distributed by state as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>Pct. of National Total</th>
<th>Retail Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>1.50%</td>
<td>$48,849,750,000</td>
</tr>
<tr>
<td>Alaska</td>
<td>0.26%</td>
<td>$8,467,290,000</td>
</tr>
<tr>
<td>Arizona</td>
<td>2.24%</td>
<td>$72,948,960,000</td>
</tr>
<tr>
<td>Arkansas</td>
<td>0.91%</td>
<td>$29,635,515,000</td>
</tr>
<tr>
<td>California</td>
<td>11.90%</td>
<td>$387,541,350,000</td>
</tr>
<tr>
<td>Colorado</td>
<td>1.70%</td>
<td>$55,363,050,000</td>
</tr>
<tr>
<td>Connecticut</td>
<td>1.25%</td>
<td>$40,708,125,000</td>
</tr>
<tr>
<td>District Of Columbia</td>
<td>0.15%</td>
<td>$4,884,975,000</td>
</tr>
<tr>
<td>Delaware</td>
<td>0.37%</td>
<td>$12,049,605,000</td>
</tr>
<tr>
<td>Florida</td>
<td>7.30%</td>
<td>$237,735,450,000</td>
</tr>
<tr>
<td>Georgia</td>
<td>3.01%</td>
<td>$98,025,165,000</td>
</tr>
<tr>
<td>Hawaii</td>
<td>0.50%</td>
<td>$16,283,250,000</td>
</tr>
<tr>
<td>Idaho</td>
<td>0.51%</td>
<td>$16,608,915,000</td>
</tr>
<tr>
<td>Illinois</td>
<td>4.05%</td>
<td>$131,894,325,000</td>
</tr>
<tr>
<td>Indiana</td>
<td>1.99%</td>
<td>$64,807,335,000</td>
</tr>
<tr>
<td>Iowa</td>
<td>0.92%</td>
<td>$29,961,180,000</td>
</tr>
<tr>
<td>Kansas</td>
<td>0.79%</td>
<td>$25,727,535,000</td>
</tr>
<tr>
<td>Kentucky</td>
<td>1.26%</td>
<td>$41,033,790,000</td>
</tr>
<tr>
<td>Louisiana</td>
<td>1.33%</td>
<td>$43,313,445,000</td>
</tr>
<tr>
<td>Maine</td>
<td>0.51%</td>
<td>$16,608,915,000</td>
</tr>
<tr>
<td>Maryland</td>
<td>1.99%</td>
<td>$64,807,335,000</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>2.34%</td>
<td>$76,205,610,000</td>
</tr>
<tr>
<td>Michigan</td>
<td>3.10%</td>
<td>$100,956,150,000</td>
</tr>
<tr>
<td>Minnesota</td>
<td>1.80%</td>
<td>$58,619,700,000</td>
</tr>
<tr>
<td>Mississippi</td>
<td>0.89%</td>
<td>$28,984,185,000</td>
</tr>
<tr>
<td>Missouri</td>
<td>1.97%</td>
<td>$64,156,005,000</td>
</tr>
<tr>
<td>Montana</td>
<td>0.36%</td>
<td>$11,723,940,000</td>
</tr>
<tr>
<td>Nebraska</td>
<td>0.62%</td>
<td>$20,191,230,000</td>
</tr>
<tr>
<td>Nevada</td>
<td>1.14%</td>
<td>$37,125,810,000</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>0.67%</td>
<td>$21,819,555,000</td>
</tr>
<tr>
<td>New Jersey</td>
<td>3.12%</td>
<td>$101,607,480,000</td>
</tr>
<tr>
<td>State</td>
<td>Percentage</td>
<td>Market Value</td>
</tr>
<tr>
<td>-----------------</td>
<td>------------</td>
<td>----------------</td>
</tr>
<tr>
<td>New Mexico</td>
<td>0.62%</td>
<td>$20,191,230,000</td>
</tr>
<tr>
<td>New York</td>
<td>5.93%</td>
<td>$193,119,345,000</td>
</tr>
<tr>
<td>North Carolina</td>
<td>2.89%</td>
<td>$94,117,185,000</td>
</tr>
<tr>
<td>North Dakota</td>
<td>0.25%</td>
<td>$8,141,625,000</td>
</tr>
<tr>
<td>Ohio</td>
<td>3.39%</td>
<td>$110,400,435,000</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>1.00%</td>
<td>$32,566,500,000</td>
</tr>
<tr>
<td>Oregon</td>
<td>1.27%</td>
<td>$41,359,455,000</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>4.07%</td>
<td>$132,545,655,000</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>0.34%</td>
<td>$11,072,610,000</td>
</tr>
<tr>
<td>South Carolina</td>
<td>1.36%</td>
<td>$44,290,440,000</td>
</tr>
<tr>
<td>South Dakota</td>
<td>0.32%</td>
<td>$10,421,280,000</td>
</tr>
<tr>
<td>Tennessee</td>
<td>2.10%</td>
<td>$68,389,650,000</td>
</tr>
<tr>
<td>Texas</td>
<td>7.49%</td>
<td>$243,923,085,000</td>
</tr>
<tr>
<td>Utah</td>
<td>0.84%</td>
<td>$27,355,860,000</td>
</tr>
<tr>
<td>Vermont</td>
<td>0.25%</td>
<td>$8,141,625,000</td>
</tr>
<tr>
<td>Virginia</td>
<td>2.63%</td>
<td>$85,649,895,000</td>
</tr>
<tr>
<td>Washington</td>
<td>2.26%</td>
<td>$73,600,290,000</td>
</tr>
<tr>
<td>West Virginia</td>
<td>0.54%</td>
<td>$17,585,910,000</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>1.80%</td>
<td>$58,619,700,000</td>
</tr>
<tr>
<td>Wyoming</td>
<td>0.21%</td>
<td>$6,838,965,000</td>
</tr>
</tbody>
</table>

2.2 Market Resources
National Retail Federation, 1101 New York Avenue NW, Washington, DC 20005.
(202) 783-7971. (www.nrf.com)
3

RETAIL SALES: CANADA

3.1 Retail Sales

Statistics Canada (www.statcan.gc.ca) reports retail sales in Canada as follows:

- 2011: $456.73 billion
- 2012: $468.12 billion
- 2013: $482.99 billion
- 2014: $505.00 billion
- 2015: $515.99 billion

3.2 Retail Sales by Sector

Retail sales in 2015 by sector in Canada were as follows (change from 2014 in parenthesis):

- Motor vehicle and parts dealers: $128.25 billion (8.6%)
  - New car dealers: $104.63 billion (9.1%)
  - Automotive parts, accessories and tire stores: $8.01 billion (4.7%)
  - Used car dealers: $7.84 billion (17.2%)
  - Other motor vehicle dealers: $7.76 billion (-4.7%)
- Furniture and home furnishings stores: $16.81 billion (7.6%)
  - Furniture stores: $10.66 billion (7.9%)
  - Home furnishings stores: $6.14 billion (7.2%)
- Electronics and appliance stores: $14.75 billion (-5.4%)
- Building material/garden supplies dealers: $30.12 billion (7.0%)
- Food and beverage stores: $113.38 billion (1.7%)
  - Supermarkets and other grocery stores: $78.64 billion (-0.2%)
  - Beer, wine and liquor stores: $21.23 billion (6.2%)
  - Convenience stores: $7.33 billion (6.2%)
  - Specialty food stores: $6.17 billion (2.5%)
- Health and personal care stores: $38.08 billion (3.9%)
- Gasoline stations: $55.29 billion (-7.6%)
- Clothing and clothing accessories stores: $29.97 billion (6.3%)
  - Clothing stores: $23.51 billion (6.8%)
  - Shoe stores: $3.39 billion (7.2%)
  - Jewelery, luggage and leather goods stores: $3.06 billion (3.6%)
- Sporting goods, hobby, book and music stores: $11.96 billion (6.7%)
• General merchandise stores (incl. department stores): $ 65.42 billion (1.0%)
• Miscellaneous store retailers: $ 11.91 billion (4.6%)

3.3 **E-Commerce**

eMarketer ([www.emarketer.com](http://www.emarketer.com)) assesses e-commerce sales in Canada as follows:
• 2014: $25.4 billion
• 2015: $29.6 billion
• 2016: $34.0 billion

3.4 **Market Resources**

Statistics Canada, 150 Tunney's Pasture Driveway, Ottawa, Ontario K1A 0T6. (800) 263-1136. ([www.statcan.gc.ca](http://www.statcan.gc.ca))
4.1 Retail Sales by Province

According to the National Retail Federation (NRF, www.nrf.com), Canadian retail sales in 2015 were distributed by province as follows:

<table>
<thead>
<tr>
<th>Province</th>
<th>Pct. of National Total</th>
<th>Retail Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alberta</td>
<td>15.56%</td>
<td>$ 78,582,000,000</td>
</tr>
<tr>
<td>British Columbia</td>
<td>13.12%</td>
<td>$ 66,273,000,000</td>
</tr>
<tr>
<td>Manitoba</td>
<td>3.57%</td>
<td>$ 18,034,000,000</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>2.28%</td>
<td>$ 11,528,000,000</td>
</tr>
<tr>
<td>Newfoundland and Labrador</td>
<td>1.76%</td>
<td>$ 8,882,000,000</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>2.76%</td>
<td>$ 13,915,000,000</td>
</tr>
<tr>
<td>Ontario</td>
<td>34.99%</td>
<td>$176,719,000,000</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>0.40%</td>
<td>$ 2,005,000,000</td>
</tr>
<tr>
<td>Quebec</td>
<td>21.41%</td>
<td>$108,137,000,000</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>3.79%</td>
<td>$ 19,143,000,000</td>
</tr>
</tbody>
</table>

4.2 Market Resources

National Retail Federation, 1101 New York Avenue NW, Washington, DC 20005. (202) 783-7971. (www.nrf.com)
5.1 Overview

The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. The NAICS codes for retail establishments are as follows:

- 441 Motor Vehicle and Parts Dealers
- 442 Furniture and Home Furnishings Stores
- 443 Electronics and Appliance Stores
- 444 Building Material and Garden Equipment and Supplies Dealers
- 445 Food and Beverage Stores
- 446 Health and Personal Care Stores
- 447 Gasoline Stations
- 448 Clothing and Clothing Accessories Stores
- 451 Sporting Goods, Hobby, Musical Instrument, and Book Stores
- 452 General Merchandise Stores
- 453 Miscellaneous Store Retailers
- 454 Nonstore Retailers

5.2 Employment And Establishment Counts

By NAICS code, the numbers of employees and establishments in the retail sector are as follows:

<table>
<thead>
<tr>
<th>NAICS</th>
<th>Establishments</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>44-45</td>
<td>1,065,368</td>
<td>15,372,632</td>
</tr>
<tr>
<td>441</td>
<td>117,633</td>
<td>1,837,140</td>
</tr>
<tr>
<td>4411</td>
<td>46,174</td>
<td>1,194,758</td>
</tr>
<tr>
<td>44111</td>
<td>21,329</td>
<td>1,056,700</td>
</tr>
<tr>
<td>4412</td>
<td>13,873</td>
<td>138,058</td>
</tr>
<tr>
<td>44121</td>
<td>24,845</td>
<td>138,058</td>
</tr>
<tr>
<td>44122</td>
<td>13,873</td>
<td>133,490</td>
</tr>
<tr>
<td>441221</td>
<td>2,597</td>
<td>36,670</td>
</tr>
<tr>
<td>441222</td>
<td>4,416</td>
<td>96,820</td>
</tr>
<tr>
<td>441228</td>
<td>6,860</td>
<td>66,508</td>
</tr>
<tr>
<td>4413</td>
<td>57,586</td>
<td>508,892</td>
</tr>
<tr>
<td>44131</td>
<td>Automotive parts and accessories stores:</td>
<td>37,079</td>
</tr>
<tr>
<td>-------</td>
<td>------------------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>44132</td>
<td>Tire dealers:</td>
<td>20,507</td>
</tr>
<tr>
<td>442</td>
<td>Furniture and home furnishings stores:</td>
<td>50,595</td>
</tr>
<tr>
<td>4421</td>
<td>Furniture stores:</td>
<td>23,567</td>
</tr>
<tr>
<td>4422</td>
<td>Home furnishings stores:</td>
<td>27,028</td>
</tr>
<tr>
<td>44221</td>
<td>Floor covering stores:</td>
<td>10,763</td>
</tr>
<tr>
<td>44229</td>
<td>Other home furnishings stores:</td>
<td>16,265</td>
</tr>
<tr>
<td>442291</td>
<td>Window treatment stores:</td>
<td>1,819</td>
</tr>
<tr>
<td>442299</td>
<td>All other home furnishings stores:</td>
<td>14,446</td>
</tr>
<tr>
<td>443</td>
<td>Electronics and appliance stores:</td>
<td>46,760</td>
</tr>
<tr>
<td>443141</td>
<td>Household appliance stores:</td>
<td>7,762</td>
</tr>
<tr>
<td>443142</td>
<td>Electronics stores:</td>
<td>38,998</td>
</tr>
<tr>
<td>444</td>
<td>Building material, garden equipment/supplies dealers:</td>
<td>76,951</td>
</tr>
<tr>
<td>4441</td>
<td>Building material and supplies dealers:</td>
<td>59,237</td>
</tr>
<tr>
<td>44411</td>
<td>Home centers:</td>
<td>6,561</td>
</tr>
<tr>
<td>44412</td>
<td>Paint and wallpaper stores:</td>
<td>6,869</td>
</tr>
<tr>
<td>44413</td>
<td>Hardware stores:</td>
<td>15,331</td>
</tr>
<tr>
<td>44419</td>
<td>Other building material dealers:</td>
<td>30,476</td>
</tr>
<tr>
<td>4442</td>
<td>Lawn and garden equipment and supplies stores:</td>
<td>17,714</td>
</tr>
<tr>
<td>44421</td>
<td>Outdoor power equipment stores:</td>
<td>3,846</td>
</tr>
<tr>
<td>44422</td>
<td>Nursery, garden center, and farm supply stores:</td>
<td>13,868</td>
</tr>
<tr>
<td>445</td>
<td>Food and beverage stores:</td>
<td>150,178</td>
</tr>
<tr>
<td>4451</td>
<td>Grocery stores:</td>
<td>94,383</td>
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<tr>
<td>44511</td>
<td>Supermarkets/grocery (except convenience) stores:</td>
<td>65,975</td>
</tr>
<tr>
<td>44512</td>
<td>Convenience stores:</td>
<td>28,408</td>
</tr>
<tr>
<td>4452</td>
<td>Specialty food stores:</td>
<td>22,591</td>
</tr>
<tr>
<td>44521</td>
<td>Meat markets:</td>
<td>5,368</td>
</tr>
<tr>
<td>44522</td>
<td>Fish and seafood markets:</td>
<td>2,015</td>
</tr>
<tr>
<td>44523</td>
<td>Fruit and vegetable markets:</td>
<td>2,798</td>
</tr>
<tr>
<td>44529</td>
<td>Other specialty food stores:</td>
<td>12,410</td>
</tr>
<tr>
<td>445291</td>
<td>Baked goods stores:</td>
<td>3,109</td>
</tr>
<tr>
<td>445292</td>
<td>Confectionery and nut stores:</td>
<td>3,217</td>
</tr>
<tr>
<td>445299</td>
<td>All other specialty food stores:</td>
<td>6,084</td>
</tr>
<tr>
<td>4453</td>
<td>Beer, wine, and liquor stores:</td>
<td>33,204</td>
</tr>
<tr>
<td>446</td>
<td>Health and personal care stores:</td>
<td>92,398</td>
</tr>
<tr>
<td>44611</td>
<td>Pharmacies and drug stores:</td>
<td>43,742</td>
</tr>
<tr>
<td>44612</td>
<td>Cosmetics, beauty supplies, and perfume stores:</td>
<td>15,997</td>
</tr>
<tr>
<td>44613</td>
<td>Optical goods stores:</td>
<td>12,424</td>
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<tr>
<td>44619</td>
<td>Other health and personal care stores:</td>
<td>20,235</td>
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<tr>
<td>NAICS Code</td>
<td>Description</td>
<td>Sales 2016</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
<td>-----------</td>
</tr>
<tr>
<td>446191</td>
<td>Food (health) supplement stores:</td>
<td>9,916</td>
</tr>
<tr>
<td>446199</td>
<td>All other health and personal care stores:</td>
<td>10,319</td>
</tr>
<tr>
<td>447</td>
<td>Gasoline stations:</td>
<td>111,583</td>
</tr>
<tr>
<td>44711</td>
<td>Gasoline stations with convenience stores:</td>
<td>96,473</td>
</tr>
<tr>
<td>44719</td>
<td>Other gasoline stations:</td>
<td>15,110</td>
</tr>
<tr>
<td>448</td>
<td>Clothing and clothing accessories stores:</td>
<td>147,237</td>
</tr>
<tr>
<td>4481</td>
<td>Clothing stores:</td>
<td>98,384</td>
</tr>
<tr>
<td>44811</td>
<td>Men's clothing stores:</td>
<td>7,100</td>
</tr>
<tr>
<td>44812</td>
<td>Women's clothing stores:</td>
<td>35,915</td>
</tr>
<tr>
<td>44813</td>
<td>Children's and infants' clothing stores:</td>
<td>7,351</td>
</tr>
<tr>
<td>44814</td>
<td>Family clothing stores:</td>
<td>28,138</td>
</tr>
<tr>
<td>44815</td>
<td>Clothing accessories stores:</td>
<td>8,610</td>
</tr>
<tr>
<td>44819</td>
<td>Other clothing stores:</td>
<td>11,270</td>
</tr>
<tr>
<td>4482</td>
<td>Shoe stores:</td>
<td>25,214</td>
</tr>
<tr>
<td>4483</td>
<td>Jewelry, luggage, and leather goods stores:</td>
<td>23,639</td>
</tr>
<tr>
<td>44831</td>
<td>Jewelry stores:</td>
<td>22,655</td>
</tr>
<tr>
<td>44832</td>
<td>Luggage stores:</td>
<td>984</td>
</tr>
<tr>
<td>451</td>
<td>Sporting goods, hobby, musical instrument, book stores:</td>
<td>46,340</td>
</tr>
<tr>
<td>4511</td>
<td>Sporting goods, hobby, and musical instrument stores:</td>
<td>38,344</td>
</tr>
<tr>
<td>45111</td>
<td>Sporting goods stores:</td>
<td>21,830</td>
</tr>
<tr>
<td>45112</td>
<td>Hobby, toy, and game stores:</td>
<td>8,126</td>
</tr>
<tr>
<td>45113</td>
<td>Sewing, needlework, and piece goods stores:</td>
<td>4,666</td>
</tr>
<tr>
<td>45114</td>
<td>Musical instrument and supplies stores:</td>
<td>3,722</td>
</tr>
<tr>
<td>4512</td>
<td>Book stores and news dealers:</td>
<td>7,996</td>
</tr>
<tr>
<td>451211</td>
<td>Book stores:</td>
<td>6,888</td>
</tr>
<tr>
<td>451212</td>
<td>News dealers and newsstands:</td>
<td>1,108</td>
</tr>
<tr>
<td>452</td>
<td>General merchandise stores:</td>
<td>52,377</td>
</tr>
<tr>
<td>4521</td>
<td>Department stores:</td>
<td>7,898</td>
</tr>
<tr>
<td>452111</td>
<td>Department stores (except discount department stores):</td>
<td>3,279</td>
</tr>
<tr>
<td>452112</td>
<td>Discount department stores:</td>
<td>4,619</td>
</tr>
<tr>
<td>4529</td>
<td>Other general merchandise stores:</td>
<td>44,479</td>
</tr>
<tr>
<td>45291</td>
<td>Warehouse clubs and supercenters:</td>
<td>5,307</td>
</tr>
<tr>
<td>45299</td>
<td>All other general merchandise stores:</td>
<td>39,172</td>
</tr>
<tr>
<td>453</td>
<td>Miscellaneous store retailers:</td>
<td>108,065</td>
</tr>
<tr>
<td>4531</td>
<td>Florists:</td>
<td>13,765</td>
</tr>
<tr>
<td>4532</td>
<td>Office supplies, stationery, and gift stores:</td>
<td>30,168</td>
</tr>
<tr>
<td>45321</td>
<td>Office supplies and stationery stores:</td>
<td>6,823</td>
</tr>
<tr>
<td>45322</td>
<td>Gift, novelty, and souvenir stores:</td>
<td>23,345</td>
</tr>
<tr>
<td>4533</td>
<td>Used merchandise stores:</td>
<td>20,012</td>
</tr>
<tr>
<td>Categroy</td>
<td>2017</td>
<td>2018</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>4539 Other miscellaneous store retailers:</td>
<td>44,120</td>
<td>255,730</td>
</tr>
<tr>
<td>45391 Pet and pet supplies stores:</td>
<td>9,164</td>
<td>108,695</td>
</tr>
<tr>
<td>45392 Art dealers:</td>
<td>5,056</td>
<td>16,962</td>
</tr>
<tr>
<td>45393 Manufactured (mobile) home dealers:</td>
<td>2,150</td>
<td>11,106</td>
</tr>
<tr>
<td>45399 All other miscellaneous store retailers:</td>
<td>27,750</td>
<td>118,967</td>
</tr>
<tr>
<td>453991 Tobacco stores:</td>
<td>10,645</td>
<td>39,068</td>
</tr>
<tr>
<td>453998 All other miscellaneous store retailers (except tobacco stores):</td>
<td>17,105</td>
<td>79,899</td>
</tr>
<tr>
<td>454 Nonstore retailers:</td>
<td>65,251</td>
<td>606,727</td>
</tr>
<tr>
<td>4541 Electronic shopping and mail-order houses:</td>
<td>32,458</td>
<td>397,444</td>
</tr>
<tr>
<td>454111 Electronic shopping:</td>
<td>26,400</td>
<td>210,395</td>
</tr>
<tr>
<td>454112 Electronic auctions:</td>
<td>431</td>
<td>n/a</td>
</tr>
<tr>
<td>454113 Mail-order houses:</td>
<td>5,627</td>
<td>179,580</td>
</tr>
<tr>
<td>4542 Vending machine operators:</td>
<td>3,889</td>
<td>34,710</td>
</tr>
<tr>
<td>4543 Direct selling establishments:</td>
<td>28,904</td>
<td>174,573</td>
</tr>
<tr>
<td>45431 Fuel dealers:</td>
<td>8,677</td>
<td>73,555</td>
</tr>
<tr>
<td>45439 Other direct selling establishments:</td>
<td>20,227</td>
<td>101,018</td>
</tr>
</tbody>
</table>
PUBLICALLY TRADED RETAIL CORPORATIONS

6.1 Overview
Stocks for 150 retail corporations are traded on the New York Stock Exchange and NASDAQ. The combined market capitalization for these 150 companies was $1.54 trillion as of First Quarter 2016.

6.2 Retail Stocks and Market Capitalization
Publically traded retail corporations and their market capitalization are as follows:

<table>
<thead>
<tr>
<th>Company</th>
<th>Ticker</th>
<th>Market Cap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amazon: AMZN</td>
<td></td>
<td>$261.4 billion</td>
</tr>
<tr>
<td>Walmart: WMT</td>
<td></td>
<td>$213.0 billion</td>
</tr>
<tr>
<td>Home Depot: HD</td>
<td></td>
<td>$160.1 billion</td>
</tr>
<tr>
<td>CVS Caremark: CVS</td>
<td></td>
<td>$107.3 billion</td>
</tr>
<tr>
<td>Walgreen: WBA</td>
<td></td>
<td>$85.8 billion</td>
</tr>
<tr>
<td>Costco: COST</td>
<td></td>
<td>$65.8 billion</td>
</tr>
<tr>
<td>Lowe's: LOW</td>
<td></td>
<td>$63.2 billion</td>
</tr>
<tr>
<td>TJX Companies: TJX</td>
<td></td>
<td>$50.6 billion</td>
</tr>
<tr>
<td>Target: TGT</td>
<td></td>
<td>$48.3 billion</td>
</tr>
<tr>
<td>The Kroger Co: KR</td>
<td></td>
<td>$38.5 billion</td>
</tr>
<tr>
<td>O'Reilly Automotive: ORLY</td>
<td></td>
<td>$25.9 billion</td>
</tr>
<tr>
<td>L Brands: LB</td>
<td></td>
<td>$24.4 billion</td>
</tr>
<tr>
<td>Autozone: AZO</td>
<td></td>
<td>$23.6 billion</td>
</tr>
<tr>
<td>Ross Stores: ROST</td>
<td></td>
<td>$22.8 billion</td>
</tr>
<tr>
<td>Dollar General: DG</td>
<td></td>
<td>$22.1 billion</td>
</tr>
<tr>
<td>Dollar Tree: DLTR</td>
<td></td>
<td>$19.2 billion</td>
</tr>
<tr>
<td>Macy's: M</td>
<td></td>
<td>$13.7 billion</td>
</tr>
<tr>
<td>Liberty Interactive Corp: QVCA</td>
<td></td>
<td>$12.0 billion</td>
</tr>
<tr>
<td>Albertsons Companies: ABS</td>
<td></td>
<td>$11.6 billion</td>
</tr>
<tr>
<td>Tractor Supply Co: TSCO</td>
<td></td>
<td>$11.3 billion</td>
</tr>
<tr>
<td>Best Buy Co: BBY</td>
<td></td>
<td>$11.1 billion</td>
</tr>
<tr>
<td>Advance Auto Parts: AAP</td>
<td></td>
<td>$11.0 billion</td>
</tr>
<tr>
<td>Gap: GPS</td>
<td></td>
<td>$10.9 billion</td>
</tr>
<tr>
<td>Coach: COH</td>
<td></td>
<td>$10.7 billion</td>
</tr>
<tr>
<td>Ulta Salon Cosmetics and Fragrance: ULTA</td>
<td></td>
<td>$10.5 billion</td>
</tr>
<tr>
<td>Whole Foods Market: WFM</td>
<td></td>
<td>$10.2 billion</td>
</tr>
</tbody>
</table>
• Nordstrom: JWN $9.7 billion
• Carmax: KMX $9.2 billion
• Fairway Group Holdings Corp: FWM $9.0 million
• Kohls Corp: KSS $8.9 billion
• Foot Locker: FL $8.8 billion
• Tiffany & Co: TIF $8.4 billion
• Rite Aid Corp: RAD $8.3 billion
• Bed Bath & Beyond: BBBY $8.0 billion
• Signet Jewelers Ltd: SIG $7.9 billion
• Lululemon Athletica: LULU $7.9 billion
• Staples: SPLS $6.1 billion
• AutoNation: AN $5.5 billion
• Carter's: CRI $5.3 billion
• Williams-Sonoma: WSM $4.9 billion
• Michaels Companies: MIK $4.8 billion
• Sally Beauty Holdings: SBH $4.6 billion
• Burlington Stores: BURL $4.3 billion
• Sprouts Farmers Market: SFM $4.3 billion
• Caseys General Stores: CASY $4.2 billion
• Cabela's: CAB $3.3 billion
• Dick's Sporting Goods: DKS $3.9 billion
• Penske Automotive Group: PAG $3.4 billion
• GameStop Corp: GME $3.2 billion
• Urban Outfitters: URBN $3.1 billion
• American Eagle Outfitters: AEO $2.9 billion
• JCPenney: JCP $2.9 billion
• Dillard's: DDS $2.8 billion
• Office Depot: ODP $2.8 billion
• HSN: HNSI $2.8 billion
• Murphy USA: MUSA $2.7 billion
• Birks Group: BGI $2.6 million
• CST Brands: CST $2.5 billion
• PriceSmart: PSMT $2.3 billion
• Lithia Motors: LAD $2.2 billion
• Monro Muffler Brake: MNRO $2.2 billion
• DSW: DSW $2.1 billion
• Five Below: FIVE $2.1 billion
• GNC Holdings: GNC $2.1 billion
• Big Lots: BIG $2.0 billion
• Abercrombie & Fitch Co: ANF $1.9 billion
• Sears Holdings Corp: SHLD $1.9 billion
• Chico's FAS: CHS $1.8 billion
• Wayfair: W $1.8 billion
• Ascena Retail Group: ASNA $1.6 billion
<table>
<thead>
<tr>
<th>Company Name</th>
<th>Abbreviation</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restoration Hardware Holdings</td>
<td>RH</td>
<td>$1.6 billion</td>
</tr>
<tr>
<td>Buckle</td>
<td>BKE</td>
<td>$1.5 billion</td>
</tr>
<tr>
<td>Genesco</td>
<td>GCO</td>
<td>$1.5 billion</td>
</tr>
<tr>
<td>Mattress Firm Holding Corp</td>
<td>MFRM</td>
<td>$1.5 billion</td>
</tr>
<tr>
<td>Asbury Automotive Group</td>
<td>ABG</td>
<td>$1.4 billion</td>
</tr>
<tr>
<td>Children's Place</td>
<td>PLCE</td>
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</tr>
<tr>
<td>Express</td>
<td>EXPR</td>
<td>$1.4 billion</td>
</tr>
<tr>
<td>Group 1 Automotive</td>
<td>GPI</td>
<td>$1.3 billion</td>
</tr>
<tr>
<td>Supervalu</td>
<td>SVC</td>
<td>$1.3 billion</td>
</tr>
<tr>
<td>Ollie's Bargain Outlet Holdings</td>
<td>OLLI</td>
<td>$1.2 billion</td>
</tr>
<tr>
<td>Party City Holdco</td>
<td>PRTY</td>
<td>$1.2 billion</td>
</tr>
<tr>
<td>Smart &amp; Final Stores</td>
<td>SFS</td>
<td>$1.2 billion</td>
</tr>
<tr>
<td>Fresh Market</td>
<td>TFM</td>
<td>$1.1 billion</td>
</tr>
<tr>
<td>Weis Markets</td>
<td>WMK</td>
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<tr>
<td>Cato Corp</td>
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<tr>
<td>Finish Line</td>
<td>FINL</td>
<td>$813.1 million</td>
</tr>
<tr>
<td>Hibbett Sports</td>
<td>HIBB</td>
<td>$812.5 million</td>
</tr>
<tr>
<td>Sonic Automotive</td>
<td>SAH</td>
<td>$736.7 million</td>
</tr>
<tr>
<td>Vitamin Shoppe</td>
<td>VSI</td>
<td>$718.2 million</td>
</tr>
<tr>
<td>Barnes &amp; Noble</td>
<td>BKS</td>
<td>$714.2 million</td>
</tr>
<tr>
<td>FTD Companies</td>
<td>FTD</td>
<td>$667.7 million</td>
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<tr>
<td>Francesca's Holdings Corp</td>
<td>FRAN</td>
<td>$781.1 million</td>
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<tr>
<td>Lands End</td>
<td>LE</td>
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<tr>
<td>Tile Shop Holdings</td>
<td>TTS</td>
<td>$675.6 million</td>
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<tr>
<td>Conns</td>
<td>CONN</td>
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</tr>
<tr>
<td>Zumiez</td>
<td>ZUMZ</td>
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<tr>
<td>Fred's</td>
<td>FRED</td>
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<tr>
<td>Sportsmans Warehouse Holdings</td>
<td>SPWH</td>
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</tr>
<tr>
<td>Outerwall</td>
<td>OUTR</td>
<td>$524.2 million</td>
</tr>
<tr>
<td>Rush Enterprises</td>
<td>RUSHA</td>
<td>$511.7 million</td>
</tr>
<tr>
<td>Ingles Markets</td>
<td>IMKTA</td>
<td>$503.2 million</td>
</tr>
<tr>
<td>Barnes &amp; Noble Education</td>
<td>BNED</td>
<td>$501.8 million</td>
</tr>
<tr>
<td>Shoe Carnival</td>
<td>SCVL</td>
<td>$475.9 million</td>
</tr>
<tr>
<td>Natural Grocers By Vitamin Cottage</td>
<td>NGVC</td>
<td>$455.6 million</td>
</tr>
<tr>
<td>MarineMax</td>
<td>HZO</td>
<td>$443.7 million</td>
</tr>
<tr>
<td>Winmark Corp</td>
<td>WINA</td>
<td>$401.4 million</td>
</tr>
<tr>
<td>Pier 1 Imports</td>
<td>PIR</td>
<td>$399.1 million</td>
</tr>
<tr>
<td>Haverty Furniture Companies</td>
<td>HVT</td>
<td>$384.7 million</td>
</tr>
<tr>
<td>Overstock.com</td>
<td>OSTK</td>
<td>$362.1 million</td>
</tr>
<tr>
<td>Medifast</td>
<td>MED</td>
<td>$356.8 million</td>
</tr>
<tr>
<td>Petmed Express</td>
<td>PETS</td>
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</tr>
<tr>
<td>Stein Mart</td>
<td>SMRT</td>
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</tr>
<tr>
<td>Systemax</td>
<td>SYX</td>
<td>$324.7 million</td>
</tr>
<tr>
<td>Lumber Liquidators Holdings</td>
<td>LL</td>
<td>$300.9 million</td>
</tr>
<tr>
<td>Company</td>
<td>Ticker</td>
<td>Revenue</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>--------</td>
<td>-------------</td>
</tr>
<tr>
<td>Blue Nile</td>
<td>NILE</td>
<td>$300.3 million</td>
</tr>
<tr>
<td>Tuesday Morning Corp</td>
<td>TUES</td>
<td>$297.2 million</td>
</tr>
<tr>
<td>Big 5 Sporting Goods Corp</td>
<td>BGFV</td>
<td>$292.4 million</td>
</tr>
<tr>
<td>Sears Canada</td>
<td>SRSC</td>
<td>$285.3 million</td>
</tr>
<tr>
<td>1-800-Flowers.com</td>
<td>FLWS</td>
<td>$284.0 million</td>
</tr>
<tr>
<td>Citi Trends</td>
<td>CTRN</td>
<td>$275.7 million</td>
</tr>
<tr>
<td>Village Super Market</td>
<td>VLGEA</td>
<td>$259.8 million</td>
</tr>
<tr>
<td>Container Store Group</td>
<td>TCS</td>
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</tr>
<tr>
<td>Boot Barn Holdings</td>
<td>BOOT</td>
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</tr>
<tr>
<td>Kirkland's</td>
<td>KIRK</td>
<td>$244.5 million</td>
</tr>
<tr>
<td>Stage Stores</td>
<td>SSI</td>
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</tr>
<tr>
<td>Build-A-Bear Workshop</td>
<td>BBW</td>
<td>$230.9 million</td>
</tr>
<tr>
<td>Destination XL Group</td>
<td>DXLG</td>
<td>$228.2 million</td>
</tr>
<tr>
<td>America's Car-Mart</td>
<td>CRMT</td>
<td>$218.4 million</td>
</tr>
<tr>
<td>West Marine</td>
<td>WMAR</td>
<td>$214.4 million</td>
</tr>
<tr>
<td>Titan Machinery</td>
<td>TITN</td>
<td>$203.7 million</td>
</tr>
<tr>
<td>Sears Hometown and Outlet Stores</td>
<td>SHOS</td>
<td>$152.7 million</td>
</tr>
<tr>
<td>New York &amp; Company</td>
<td>NWY</td>
<td>$134.2 million</td>
</tr>
<tr>
<td>Trans World Entertainment</td>
<td>TWMC</td>
<td>$112.5 million</td>
</tr>
<tr>
<td>Destination Maternity Corp</td>
<td>DEST</td>
<td>$110.9 million</td>
</tr>
<tr>
<td>Gaia</td>
<td>GAIA</td>
<td>$107.5 million</td>
</tr>
<tr>
<td>US Auto Parts Network</td>
<td>PRTS</td>
<td>$96.8 million</td>
</tr>
<tr>
<td>PCM</td>
<td>PCMI</td>
<td>$91.1 million</td>
</tr>
<tr>
<td>Tillys</td>
<td>TLYS</td>
<td>$90.3 million</td>
</tr>
<tr>
<td>CafePress</td>
<td>PRSS</td>
<td>$65.1 million</td>
</tr>
<tr>
<td>Christopher &amp; Banks Corp</td>
<td>CBK</td>
<td>$55.5 million</td>
</tr>
<tr>
<td>hhgregg</td>
<td>HGG</td>
<td>$48.5 million</td>
</tr>
<tr>
<td>Gordmans Stores</td>
<td>GMAN</td>
<td>$47.3 million</td>
</tr>
<tr>
<td>Perfumania Holdings</td>
<td>PERF</td>
<td>$37.2 million</td>
</tr>
<tr>
<td>bebe stores</td>
<td>BEBE</td>
<td>$37.1 million</td>
</tr>
<tr>
<td>Bon-Ton Stores</td>
<td>BONT</td>
<td>$33.1 million</td>
</tr>
<tr>
<td>EVINE Live</td>
<td>EVLV</td>
<td>$30.3 million</td>
</tr>
<tr>
<td>Aeropostale</td>
<td>ARO</td>
<td>$16.0 million</td>
</tr>
<tr>
<td>Pacific Sunwear Of California</td>
<td>PSUN</td>
<td>$14.4 million</td>
</tr>
<tr>
<td>DGSE Companies</td>
<td>DGSE</td>
<td>$7.6 million</td>
</tr>
<tr>
<td>Blue Line Protection Group</td>
<td>BLPG</td>
<td>$1.9 million</td>
</tr>
</tbody>
</table>
7

CHRISTMAS SEASON SHOPPING

7.1 Market Assessment

According to the National Retail Federation (NRF, www.nrf.com), more than 90% of Americans celebrate either Christmas, Kwanzaa or Hanukkah.

“The holiday season generally accounts for 20% to 40% of a retailer’s annual sales, according to the National Retail Federation, and Thanksgiving weekend alone typically represents about 10% to 15% of those holiday sales.”

*The New York Times*

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, year-over-year growth of December retail sales has been as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Retail*</th>
<th>GAFO**</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005:</td>
<td>6.2%</td>
<td>4.6%</td>
</tr>
<tr>
<td>2006:</td>
<td>3.0%</td>
<td>3.7%</td>
</tr>
<tr>
<td>2007:</td>
<td>3.1%</td>
<td>-0.3%</td>
</tr>
<tr>
<td>2008:</td>
<td>-6.8%</td>
<td>-6.0%</td>
</tr>
<tr>
<td>2009:</td>
<td>5.6%</td>
<td>1.4%</td>
</tr>
<tr>
<td>2010:</td>
<td>6.4%</td>
<td>3.2%</td>
</tr>
<tr>
<td>2011:</td>
<td>5.6%</td>
<td>4.0%</td>
</tr>
<tr>
<td>2012:</td>
<td>1.6%</td>
<td>0.6%</td>
</tr>
<tr>
<td>2013:</td>
<td>3.7%</td>
<td>1.8%</td>
</tr>
<tr>
<td>2014:</td>
<td>3.9%</td>
<td>1.9%</td>
</tr>
<tr>
<td>2015:</td>
<td>2.1%</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

* excluding motor vehicle and parts dealers
** GAFO: (general merchandise, apparel, furnishings, and other)
7.2  Holiday Spending

According to the National Retail Federation, total holiday (November and December) retail sales (excluding autos, gas and restaurant sales) increased 3.7% to $630.5 billion in 2015, significantly higher than the 10-year average of 2.5%. Holiday sales in 2015 represented approximately 19% of the retail industry’s annual sales.

NRF’s consumer spending survey found that the average shopper spent $805.65 in 2015, up from $802.45 in 2014.

Gift spending by recipient in 2015 was as follows:

- Family: $462.95
- Friends: $ 77.85
- Co-workers: $ 25.95
- Other, including pets: $ 28.05

Fifty-six percent (56%) of holiday shoppers purchased non-gift items for themselves and/or others, spending an average of $131.59.

Consumers also spent on decorations ($53.02), greeting cards/postage ($28.67), and food for holiday festivities ($107.80).

Holiday shopping by retail venue in 2015 was as follows:

- Discount stores: 55.9%
- Department: 55.6%
- Grocery stores: 44.1%
- Clothing or accessories stores: 33.4%
- Electronics stores: 30.8%
- Drug stores: 19.2%
- Craft and fabric stores: 18.8%

Forty percent (40%) of holiday shoppers began their holiday shopping before Halloween, 41% began their holiday shopping in November, and 19% began sometime in December.

Total holiday gift card spending was $25.9 billion in 2015. According to NRF’s Gift Card Spending Survey, the average person buying gift cards spent $153.08, an 11.4% drop from 2014.

7.3  Holiday Purchasing Trends

The following is a summary of the Holiday Consumer Purchasing Trends study for the 2015 holiday season, published by the International Council of Shopping Centers (www.icsc.org):

- Ninety-one percent (91%) of adults shopped at a bricks-and-mortar retail store during the holiday season; 198 million American adults made holiday purchases at a physical store this holiday season (November 1 through December 25, 2015).
- Forty percent (40%) of shoppers spent more during the 2015 season than in 2014; 33% reported spending the same, and 23% spent less than the previous year.
• When asked why they shopped in retail stores rather than making purchases online, 32% cited seeing, touching, and trying on merchandise as the primary reason to shop in-store, 26% cited the ability to browse, and 24% said the ability to get items right away was their primary reason.
• Twenty percent (20%) elected to shop in-store because of the ease of returning and exchanging products.
• Sixty percent (60%) of holiday shoppers used a mobile device while shopping in-store to do such things as compare prices, check availability, and view reviews/ratings.
• Fifty-six percent (56%) of holiday shoppers researched products before they entered retail stores.
• Thirty-two percent (32%) of holiday shoppers used the click-and-collect method, and 69% of these shoppers purchased additional items in the store of collection; 36% made another purchase in an adjacent store.
• Sixty-two percent (62%) of holiday shoppers purchased gift cards, with an average spend of $145. Fifty percent (50%) of consumers received a gift. Of those that received a gift card, 18% redeemed them the last week of December, 39% did so in January, and 43% redeemed them in February or later.
• Forty-eight percent (48%) of holiday shoppers made a purchase in the apparel/footwear and electronics/devices categories during the 2015 holiday season.

7.4 Holiday Online Shopping
The Christmas/Hanukkah/Kwanzaa online shopping season is generally designated as the period from November 1 through December 31.

According to the National Retail Federation, 53% of adults shopped online during the 2015 holiday season.
comScore (www.comscore.com) reported U.S. retail e-commerce spending from desktop computers for the 51 days of the November-December 2015 holiday season was $69.1 billion, a 13% increase compared with the corresponding days in 2014.
Desktop e-commerce spending was $56.4 billion, a 6% increase from 2014. Mobile commerce spending was 12.7 billion, a 59% increase from 2014. The mobile share of holiday e-commerce was 18% in 2015, an increase from 13% in 2014.
Sales via home and work desktop computers for the major online seasonal shopping days and periods in 2015 were as follows (change from previous year in parenthesis):
• Thanksgiving Day (November 26): $1.10 billion (9%)
• Black Friday (November 27): $1.66 billion (10%)
• Holiday Weekend (November 28-29): $2.17 billion (8%)
• Cyber Monday (November 30): $2.28 billion (12%)
• Thanksgiving thru Cyber Monday: $7.20 billion (10%)
• Green Monday (December 14 vs. December 8, 2014): $1.41 billion (-13%)
• Free Shipping Day (December 18): $845 million (-9%)
8.1 Market Assessment

The back-to-school season typically is the second-biggest consumer spending event for retailers – behind the winter holidays – and can account for up to 15% of retailers’ annual sales. It is sometimes used to gauge the health of the upcoming holiday shopping season.

According to National Retail Federation, (NRF, www.nrf.com), total back-to-school (K-12) and back-to-college spending have been as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Spending</th>
<th>Per School</th>
<th>Per Student</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$17.4 billion</td>
<td>$30.1 billion</td>
<td>$235</td>
</tr>
<tr>
<td>2010</td>
<td>$21.4 billion</td>
<td>$45.8 billion</td>
<td>$204</td>
</tr>
<tr>
<td>2011</td>
<td>$22.8 billion</td>
<td>$46.6 billion</td>
<td>$126</td>
</tr>
<tr>
<td>2012</td>
<td>$30.3 billion</td>
<td>$53.5 billion</td>
<td>$108</td>
</tr>
<tr>
<td>2013</td>
<td>$26.7 billion</td>
<td>$45.8 billion</td>
<td>$26.5 billion</td>
</tr>
<tr>
<td>2014</td>
<td>$30.3 billion</td>
<td>$53.5 billion</td>
<td>$26.5 billion</td>
</tr>
<tr>
<td>2015</td>
<td>$26.7 billion</td>
<td>$45.8 billion</td>
<td>$26.5 billion</td>
</tr>
<tr>
<td>2016</td>
<td>$27.3 billion</td>
<td>$48.5 billion</td>
<td>$26.5 billion</td>
</tr>
</tbody>
</table>

8.2 Back-to-School Spending

According to NRF’s 2016 Consumer Intentions and Actions Survey, conducted by Prosper Business Development (www.goprosper.com), students and parents reported average spending of $674 on back-to-school merchandise.

Back-to-school spending was distributed by category as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Avg. Per Student</th>
<th>Total Spending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel</td>
<td>$235</td>
<td>$9.5 billion</td>
</tr>
<tr>
<td>Electronics/computers</td>
<td>$204</td>
<td>$8.3 billion</td>
</tr>
<tr>
<td>Shoes</td>
<td>$126</td>
<td>$5.1 billion</td>
</tr>
<tr>
<td>School supplies</td>
<td>$108</td>
<td>$4.4 billion</td>
</tr>
</tbody>
</table>

Students and parents reported purchases for back-to-school items from the following retail channels (percentage of shoppers):

- Discount store: 60%
- Department store: 54%
- Specialty apparel: 43%
- Office supply store: 37%
- Online: 27%
• Electronics store: 14%
• Drug store: 13%

Students and their parents had planned their shopping for back-to-school merchandise as follows (percentage of shoppers):
• At least two months before school started: 22%
• Three-to-four weeks before school started: 48%
• One-to-two weeks before school started: 24%
• The week school started: 3%
• After school started: 3%

8.3 Back-to-College Spending
NRF’s 2016 Consumer Intentions and Actions Survey, reported average student and parent spending of $889 on back-to-college merchandise (excluding textbooks).

Back-to-college spending was distributed by category as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Avg. Per Student</th>
<th>Total Spending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronics/computers</td>
<td>$211</td>
<td>$11.5 billion</td>
</tr>
<tr>
<td>Apparel</td>
<td>$137</td>
<td>$ 7.5 billion</td>
</tr>
<tr>
<td>Dorm/apartment furnishings</td>
<td>$114</td>
<td>$ 6.2 billion</td>
</tr>
<tr>
<td>Food, snacks and beverages</td>
<td>$106</td>
<td>$ 5.8 billion</td>
</tr>
<tr>
<td>Personal care items</td>
<td>$ 78</td>
<td>$ 4.3 billion</td>
</tr>
<tr>
<td>Shoes</td>
<td>$ 70</td>
<td>$ 3.8 billion</td>
</tr>
<tr>
<td>School supplies</td>
<td>$ 65</td>
<td>$ 3.5 billion</td>
</tr>
<tr>
<td>Gift cards/pre-paid cards</td>
<td>$ 58</td>
<td>$ 3.1 billion</td>
</tr>
<tr>
<td>Collegiate branded gear</td>
<td>$ 49</td>
<td>$ 2.7 billion</td>
</tr>
</tbody>
</table>

College students and their parents reported purchases for back-to-school items from the following retail channels (percentage of shoppers):
• Discount store: 57%
• Department store: 45%
• Apparel store: 35%
• Office supply store: 40%
• Online: 37%
• Electronics store: 21%
• Drug store: 22%
• Home furnishings store: 16%

Students and their parents had planned their shopping for back-to-college merchandise as follows (percentage of shoppers):
• At least two months before school started: 29%
• Three-to-four weeks before school started: 32%
• One-to-two weeks before school started: 23%
• The week school started:  7%
• After school started:    9%

8.4 Market Resources

National Retail Federation, 325 7th Street NW, Washington, DC 20004. (202) 783-7971. (www.nrf.com)
MARKET ASSESSMENT

9.1 Consumer Shopping Online

According to eMarketer (www.emarketer.com), 164.6 million U.S. consumers shopped online in 2015, spending an average of $2,973.

E-commerce buyer penetration has been, and is projected, as follows (source: eMarketer):

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>14-to-17:</td>
<td>55.8%</td>
<td>57.2%</td>
<td>58.8%</td>
<td>59.8%</td>
<td>60.8%</td>
<td>61.5%</td>
</tr>
<tr>
<td>18-to-24:</td>
<td>71.0%</td>
<td>73.3%</td>
<td>75.6%</td>
<td>76.6%</td>
<td>77.3%</td>
<td>77.9%</td>
</tr>
<tr>
<td>25-to-34:</td>
<td>69.8%</td>
<td>71.6%</td>
<td>73.1%</td>
<td>75.1%</td>
<td>76.6%</td>
<td>77.7%</td>
</tr>
<tr>
<td>35-to-44:</td>
<td>71.6%</td>
<td>73.4%</td>
<td>75.6%</td>
<td>76.6%</td>
<td>77.5%</td>
<td>78.0%</td>
</tr>
<tr>
<td>45-to-54:</td>
<td>68.6%</td>
<td>70.8%</td>
<td>72.4%</td>
<td>75.4%</td>
<td>77.5%</td>
<td>79.5%</td>
</tr>
<tr>
<td>55-to-64:</td>
<td>64.4%</td>
<td>66.2%</td>
<td>68.6%</td>
<td>70.6%</td>
<td>72.5%</td>
<td>73.9%</td>
</tr>
<tr>
<td>65 and older:</td>
<td>38.8%</td>
<td>42.7%</td>
<td>45.9%</td>
<td>48.9%</td>
<td>50.3%</td>
<td>50.4%</td>
</tr>
<tr>
<td>Total:</td>
<td>62.5%</td>
<td>65.0%</td>
<td>67.9%</td>
<td>68.9%</td>
<td>70.3%</td>
<td>71.1%</td>
</tr>
</tbody>
</table>

In a survey by the IBM Institute For Business Value (www.ibm.com), one-half of shoppers said they preferred shopping online.

“Shoppers are getting used to – and growing fond of – the online shopping experience. They enjoy the feeling of going to a favorite retailer’s webpage and opening tabs of different items to compare as they scroll down the page. They like the 1-2-3 browse, click and purchase experience.”

eMarketer
9.2 E-Commerce Spending

According to the U.S. Department of Commerce (www.doc.gov), e-commerce sales in the U.S. have been as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Retail Sales</td>
<td>Growth</td>
</tr>
<tr>
<td>2005</td>
<td>$86.3 billion</td>
<td>2.3% 25%</td>
</tr>
<tr>
<td>2006</td>
<td>$114.6 billion</td>
<td>2.8% 33%</td>
</tr>
<tr>
<td>2007</td>
<td>$132.8 billion</td>
<td>3.2% 16%</td>
</tr>
<tr>
<td>2008</td>
<td>$132.3 billion</td>
<td>3.3% no change</td>
</tr>
<tr>
<td>2009</td>
<td>$134.9 billion</td>
<td>3.7% 2%</td>
</tr>
<tr>
<td>2010</td>
<td>$167.7 billion</td>
<td>4.3% 24%</td>
</tr>
<tr>
<td>2011</td>
<td>$194.7 billion</td>
<td>4.7% 16%</td>
</tr>
<tr>
<td>2012</td>
<td>$225.5 billion</td>
<td>5.0% 16%</td>
</tr>
<tr>
<td>2013</td>
<td>$264.3 billion</td>
<td>5.7% 17%</td>
</tr>
<tr>
<td>2014</td>
<td>$304.9 billion</td>
<td>6.5% 15%</td>
</tr>
<tr>
<td>2015</td>
<td>$341.7 billion</td>
<td>7.3% 15%</td>
</tr>
</tbody>
</table>

“Despite all this growth, online purchases remain a very small portion of retail sales. Over 90% of all United States retail commerce still takes place in physical stores.”

The New York Times

E-commerce sales by quarter in 2015 were as follows (change from same quarter in previous year in parenthesis):

- First quarter: $74.9 billion (14.4%)
- Second quarter: $78.8 billion (14.4%)
- Third quarter: $81.0 billion (15.1%)
- Fourth quarter: $107.1 billion (14.5%)

9.3 Online Spending By Category

According to eMarketer, online retail spending in 2015 was distributed by product category as follows (change from previous year in parenthesis):

- Computer and consumer electronics: $76.1 billion (14.5%)
- Apparel and accessories: $59.7 billion (14.9%)
- Automotive and parts: $36.2 billion (14.6%)
- Books, music, and video: $31.5 billion (15.7%)
9.4 Top Online Shopping Categories

According to a survey by The Harris Poll (www.theharrispoll.com), the following percentages of adults have made select purchases online:

<table>
<thead>
<tr>
<th>Category</th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothing</td>
<td>75%</td>
<td>63%</td>
<td>69%</td>
</tr>
<tr>
<td>Digital content (movies, music, e-books)</td>
<td>56%</td>
<td>62%</td>
<td>59%</td>
</tr>
<tr>
<td>Shoes and accessories</td>
<td>60%</td>
<td>47%</td>
<td>54%</td>
</tr>
<tr>
<td>Personal electronics</td>
<td>43%</td>
<td>55%</td>
<td>49%</td>
</tr>
<tr>
<td>Household electronics</td>
<td>37%</td>
<td>49%</td>
<td>43%</td>
</tr>
<tr>
<td>Cosmetics and personal grooming</td>
<td>41%</td>
<td>28%</td>
<td>35%</td>
</tr>
<tr>
<td>Prescription medications</td>
<td>24%</td>
<td>27%</td>
<td>26%</td>
</tr>
<tr>
<td>Specialty food and beverages</td>
<td>24%</td>
<td>27%</td>
<td>25%</td>
</tr>
<tr>
<td>O-T-C medications</td>
<td>19%</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>Groceries</td>
<td>15%</td>
<td>16%</td>
<td>15%</td>
</tr>
</tbody>
</table>

By age, consumers have made purchases online as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>18-36</th>
<th>37-48</th>
<th>49-67</th>
<th>68+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothing</td>
<td>68%</td>
<td>77%</td>
<td>70%</td>
<td>61%</td>
</tr>
<tr>
<td>Digital content (movies, music, e-books)</td>
<td>65%</td>
<td>72%</td>
<td>53%</td>
<td>38%</td>
</tr>
<tr>
<td>Shoes and accessories</td>
<td>58%</td>
<td>60%</td>
<td>52%</td>
<td>38%</td>
</tr>
<tr>
<td>Personal electronics</td>
<td>57%</td>
<td>57%</td>
<td>44%</td>
<td>26%</td>
</tr>
<tr>
<td>Household electronics</td>
<td>44%</td>
<td>49%</td>
<td>43%</td>
<td>27%</td>
</tr>
<tr>
<td>Cosmetics and personal grooming</td>
<td>39%</td>
<td>41%</td>
<td>32%</td>
<td>20%</td>
</tr>
<tr>
<td>Prescription medications</td>
<td>18%</td>
<td>26%</td>
<td>27%</td>
<td>40%</td>
</tr>
<tr>
<td>Specialty food and beverages</td>
<td>25%</td>
<td>32%</td>
<td>21%</td>
<td>27%</td>
</tr>
<tr>
<td>O-T-C medications</td>
<td>18%</td>
<td>19%</td>
<td>17%</td>
<td>18%</td>
</tr>
<tr>
<td>Groceries</td>
<td>18%</td>
<td>23%</td>
<td>11%</td>
<td>16%</td>
</tr>
</tbody>
</table>

9.5 Top Online Shopping Sites

An assessment by Millward Brown (www.millwardbrown.com) found that five sites garner one-half of shopping visits.

The share of e-commerce traffic among the top sites is as follows:

- Amazon.com: 22%
- eBay.com: 17%
- Walmart.com: 6%
• Target.com: 3%
• Etsy.com: 2%
• All others: 50%

9.6 Market Resources
eMarketer, 75 Broad Street, 31st Floor, New York, NY 10004. (212) 763-6010. (www.emarketer.com)

Internet Retailer, 125 S. Wacker Drive, Suite 2900, Chicago, IL 60606. (312) 362-9527. (www.internetretailer.com)

Quarterly Retail E-Commerce Sales, U.S. Census Bureau. (www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf)
OMNICHANNEL SHOPPING

10.1 Overview

Omnichannel shopping allows consumers to shop across multiple channels – in-store, online, and on a tablet or cellphone – potentially at the same time. Shopping by catalog and by TV are also part of the omnichannel retail mix.

In the 17th Annual Customer Engagement Survey, conducted in January 2016 by Boston Retail Partners (www.bostonretailpartners.com), 85% of retail executives reported that unified commerce was their leading priority. Similarly, retail executives said in a survey by KPMG (www.kpmg.com) that omnichannel strategies were their #1 priority.

Boston Retail Partners reported the following percentages of retailers offered select omnichannel options at year-end 2015:

- Returns accepted across all channels: 62%
- Inventory visibility across channels: 60%
- Special order from any channel: 49%
- Order visibility across channels: 47%
- Buy in-store and ship from digital channel, other store, or vendor: 44%
- Buy online, pick up in-store: 42%
- Buy anywhere, ship anywhere: 41%
- Buy online, ship from store: 38%
- Reserve online, pick up in-store: 38%

The State of Retail 2016, by TimeTrade (www.timetrade.com), reported that 51% of retail executives believe that retailers provide a consistent customer experience across all channels. According to the same study, however, only 26% of customers feel the same; 44% feel that the experience is somewhat consistent, and 20% believe that great improvement is needed.

10.2 Web-Influenced Retail Sales

Forrester Research (www.forrester.com) assessed web-influenced retail sales as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Non-web Influenced Off-line Sales</th>
<th>Web Influenced Off-line Sales</th>
<th>Online Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$1.61 billion</td>
<td>$1.16 billion</td>
<td>$231 billion</td>
</tr>
<tr>
<td>2013</td>
<td>$1.57 billion</td>
<td>$1.29 billion</td>
<td>$261 billion</td>
</tr>
</tbody>
</table>
10.3 Customer Preference For Omnichannel Retail

A March 2016 survey by iModerate Research Technologies (www.imoderate.com), reported Internet users who believe it is important for e-commerce brands to operate physical stores as follows:

- Baby Boomers: 65%
- Generation Xers: 69%
- Millennials: 82%
- Generation Zers: 80%

According to Omnichannel Preferences Study, a report by A.T. Kearney (www.atkearney.com), 67% of consumers who purchase online use the physical store before or after the transaction.

Forrester Research (www.forrester.com) found that 71% of consumers expect to view in-store inventory online.

In the Multichannel Consumer Survey, by PricewaterhouseCoopers (PwC, www.pwc.com), 56% of U.S. adults said they are likely to spend more with multichannel retailers than with either online-only retailers or stores with bricks-and-mortar-only locations.

“Our research shows that when consumers use multiple channels, they spend more. That flies in the face of conventional wisdom that launching an online store steals sales from physical stores.”

Lisa Feigen Dugel, Director
PwC Retail and Consumer Advisory Practice

In a survey of cardholders, VISA found that 83% of adults would choose a retailer based on how easy it is to transact across online, in-store, and mobile.
10.4 Cross-Channel Shopping

"Showrooming" is the practice where customers go to a bricks-and-mortar retail location, make a decision on what item to buy and, instead of heading to the check-out aisle, use a mobile device to find a better price online where they ultimately make their purchase. "Webrooming" occurs when consumers buy in a store after researching a purchase online.

GfK (www.gfk.com) reported that 28% of consumers engage in showrooming; 41% practice webrooming. By age, those who engage in these practices are as follows:

<table>
<thead>
<tr>
<th>Age</th>
<th>Showrooming</th>
<th>Webrooming</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-to-24:</td>
<td>39%</td>
<td>34%</td>
</tr>
<tr>
<td>25-to-34:</td>
<td>32%</td>
<td>46%</td>
</tr>
<tr>
<td>35-to-49:</td>
<td>29%</td>
<td>43%</td>
</tr>
<tr>
<td>50-to-68:</td>
<td>18%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Showrooming and webrooming are only two of the cross-channel shopping options used by today’s consumers. Among those who said they had searched using one channel and made a purchase through another channel, a survey by Cisco Internet Business Solutions Group (www.cisco.com/web/about/ac79) found these consumers had engaged in the following cross-channel shopping activities (percentage of respondents):

- PC-to-store: 57%
- Store-to-online: 38%
- Mobile-to-PC: 26%
- Kiosk-to-store (immediate in-store sale): 24%
- Mobile-to-store: 24%
- Kiosk-to-store (delivery to location of choice): 15%

In a survey by comScore (www.comscore.com) conducted for UPS, consumers said their preferred method of access to multichannel retailers was as follows:

<table>
<thead>
<tr>
<th>Access Method</th>
<th>Researching Products</th>
<th>Purchasing Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online via desktop or laptop:</td>
<td>61%</td>
<td>44%</td>
</tr>
<tr>
<td>In physical store:</td>
<td>13%</td>
<td>41%</td>
</tr>
<tr>
<td>Online via tablet:</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>Online via smartphone:</td>
<td>10%</td>
<td>4%</td>
</tr>
<tr>
<td>With catalog, by phone, or email:</td>
<td>4%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Gallup (www.gallup.com) found that use of a mobile device had increased retail store trips for 22% of consumers while decreasing store trips among 19%.

Deloitte (www.deloitte.com) reported that smartphone shoppers are 14% more likely than non-smartphone shoppers to convert in-store, even when those smartphone shoppers used a mobile app or site not belonging to the retailer. Seventy-two percent (72%) of shoppers who used their smartphone on their most recent in-store trip made a purchase while there, compared with 63% of shoppers who did not use a smartphone to assist in making a purchase during their last in-store trip.
10.5 Buy Online, Pick Up In-Store

A March 2016 survey by King Retail Solutions (www.kingrs.com) found that 54% of online consumers have purchased products online, picked up in-store, and said they like the option. By demographic, the percentages are as follows:

**Gender**
- Female: 50%
- Male: 58%

**Generation**
- Baby Boomers: 41%
- Generation Xers: 57%
- Millennials: 63%

In a survey by Blackhawk Engagement Solutions (www.bhengagement.com), 86% of adults who shop online said they would consider purchasing online and picking up in-store to save $10 to $50 per item; 78% said they would do so to receive an item three days earlier.

Slice Intelligence (https://intelligence.slice.com) reported the percentage of total e-commerce sales for select retailers that were picked up in-store in 2015 as follows:
- Sam’s Club: 30.2%
- Kmart: 22.6%
- Toys “R” Us: 15.0%
- Best Buy: 11.8%
- Home Depot: 9.0%
- Walmart: 8.4%
- Target: 6.6%
- Bloomingdales: 3.1%

10.6 Catalogs

According to the Direct Marketing Association (www.thedma.org), catalogs peaked in 2007 with circulation of 19.6 billion. In 2015, approximately 12 billion catalogs were mailed.

The National Retail Federation (www.nrf.com) reported that 8% of consumers purchase back-to-school products from catalogs, 3.6% do so for Easter items, and 2.6% purchase Valentine’s gifts from catalogs.

Most retailers that publish catalogs do so now to enhance in-store and online sales rather than to garner direct sales.

*The Wall Street Journal* reports that shoppers that browse items in a catalog are likely to spend more money with a retailer regardless of whether the purchase takes place online or offline. Some retailers spend up to half of their marketing budgets on catalogs, hoping that the content will prove compelling enough to drive purchases.
“When the pendulum swings one way, it inevitably swings back. Just because shoppers don’t purchase directly from catalogs doesn’t mean that the catalogs don’t drive sales. The path to purchase, beginning with a catalog, just may be more indirect than in the past.”

eMarketer

The nature of the catalog has changed. Instead of showing every item a retailer has to offer, catalogs now resemble glossy fashion magazines featuring models in lifestyle poses that inspire consumers to seek out more items online or in-store.
11.1 Overview

The use of a smartphone or tablet to assist in shopping, or even to make a purchase, continues to increase in popularity. Product research, price comparisons, and mobile coupon redemption are the most common uses of mobile devices by shoppers. Many smartphone users also have used their device to make a purchase, an activity typically referred to as ‘mobile commerce’ or ‘m-commerce.’

A survey by Annalect (www.annalect.com) reported shopping-related activities conducted by mobile devices as follows (percentage of respondents):

<table>
<thead>
<tr>
<th>Activity</th>
<th>Smartphone</th>
<th>Tablet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compare/check prices:</td>
<td>67%</td>
<td>54%</td>
</tr>
<tr>
<td>Look for coupons/discounts:</td>
<td>64%</td>
<td>44%</td>
</tr>
<tr>
<td>Check reviews:</td>
<td>52%</td>
<td>45%</td>
</tr>
<tr>
<td>Check product details:</td>
<td>49%</td>
<td>43%</td>
</tr>
<tr>
<td>Check product availability:</td>
<td>47%</td>
<td>43%</td>
</tr>
<tr>
<td>Make purchase:</td>
<td>40%</td>
<td>41%</td>
</tr>
</tbody>
</table>

eMarketer (www.emarketer.com) assesses the percentages of mobile buyers as a percentage of mobile shoppers as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Smartphone</th>
<th>Tablet</th>
<th>Total Mobile</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>51.9%</td>
<td>79.1%</td>
<td>69.7%</td>
</tr>
<tr>
<td>2015</td>
<td>52.4%</td>
<td>80.9%</td>
<td>71.2%</td>
</tr>
<tr>
<td>2016</td>
<td>53.0%</td>
<td>85.1%</td>
<td>73.9%</td>
</tr>
<tr>
<td>2017</td>
<td>53.5%</td>
<td>86.8%</td>
<td>75.7%</td>
</tr>
<tr>
<td>2018</td>
<td>53.7%</td>
<td>88.1%</td>
<td>76.0%</td>
</tr>
<tr>
<td>2019</td>
<td>53.9%</td>
<td>88.3%</td>
<td>76.2%</td>
</tr>
</tbody>
</table>

The number of smartphone buyers and percentage of total digital buyers is assessed as follows (source: eMarketer):

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
<th>Pct. of Digital Buyers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>67.2 million</td>
<td>40.8%</td>
</tr>
<tr>
<td>2015</td>
<td>78.3 million</td>
<td>45.6%</td>
</tr>
<tr>
<td>2016</td>
<td>87.8 million</td>
<td>49.1%</td>
</tr>
<tr>
<td>2017</td>
<td>95.1 million</td>
<td>51.2%</td>
</tr>
<tr>
<td>2018</td>
<td>100.7 million</td>
<td>52.6%</td>
</tr>
<tr>
<td>2019</td>
<td>105.6 million</td>
<td>54.1%</td>
</tr>
</tbody>
</table>
“For some consumers, the mobile screen is too small for frequently purchasing. Indeed, many mobile device users prefer to use a PC instead”

eMarketer, 2/5/16

comScore (www.comscore.com) reported that mobile accounted for 40% of time spent by consumers engaged in digital retail activities in 2015, but only 13% of spending.

11.2 Mobile-Influenced Retail Purchases

Smith Micro Software (www.smithmicro.com) estimates that mobile activities will drive $689 billion in retail sales in the U.S. in 2016.

BI Intelligence (https://intelligence.businessinsider.com) forecasts that beacon-triggered messages will drive $44.1 billion in retail sales in 2016.

11.3 Market Assessment

According to eMarketer, spending via mobile devices has been, and is projected, as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Pct. of E-commerce Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$24.78 billion</td>
<td>11%</td>
</tr>
<tr>
<td>2013</td>
<td>$42.13 billion</td>
<td>16%</td>
</tr>
<tr>
<td>2014</td>
<td>$56.67 billion</td>
<td>19%</td>
</tr>
<tr>
<td>2015</td>
<td>$88.53 billion</td>
<td>26%</td>
</tr>
<tr>
<td>2016</td>
<td>$123.13 billion</td>
<td>32%</td>
</tr>
<tr>
<td>2017</td>
<td>$151.11 billion</td>
<td>35%</td>
</tr>
<tr>
<td>2018</td>
<td>$178.27 billion</td>
<td>37%</td>
</tr>
<tr>
<td>2019</td>
<td>$208.58 billion</td>
<td>39%</td>
</tr>
<tr>
<td>2020</td>
<td>$242.08 billion</td>
<td>41%</td>
</tr>
</tbody>
</table>

The bulk of m-commerce spending is via tablets, which consumers tend to use more like a desktop than a phone. eMarketer assesses the percentage of total m-commerce sales that are via tablet as follows:

- 2014: 62.3%
- 2015: 53.8%
- 2016: 50.6%
- 2017: 48.7%
“Mobile commerce had a breakthrough year in 2015. Smartphone retail m-commerce sales in the U.S. nearly doubled, driven by larger screens, smoother buying experiences, better mobile search and context-driven discovery. The same trend should continue throughout 2016. By 2020, smartphones will capture $129.44 billion of all retail m-commerce outlays in the U.S., a growth rate of 18.3%.”

eMarketer, 5/4/16

### 11.4 Use Of Mobile Devices For Online Purchases

According to The Harris Poll (www.theharrispoll.com), the following percentages of adults have made select online purchases via cellphone or tablet (for comparison, using a laptop or desktop):

<table>
<thead>
<tr>
<th>Category</th>
<th>Laptop/Desktop</th>
<th>Smartphone</th>
<th>Tablet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothing</td>
<td>65%</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>Digital content (movies, music, e-books)</td>
<td>48%</td>
<td>12%</td>
<td>17%</td>
</tr>
<tr>
<td>Shoes and accessories</td>
<td>49%</td>
<td>5%</td>
<td>9%</td>
</tr>
<tr>
<td>Personal electronics</td>
<td>43%</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>Household electronics</td>
<td>38%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Cosmetics and personal grooming</td>
<td>31%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Prescription medications</td>
<td>21%</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>Specialty food and beverages</td>
<td>23%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>O-T-C medications</td>
<td>15%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Groceries</td>
<td>12%</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>

### 11.5 Customer Service For Mobile Shoppers

In a survey by Contact Solutions (www.contactsolutions.com), 75% of mobile shoppers said access to customer care impacts their shopping experience.
Fifty-five percent (55%) of survey respondents report that they struggle at least 20% of the time when using a mobile app to shop. Forty-three percent (43%) say they have come to expect no customer service at all from mobile apps. Mobile shoppers respond to shopping difficulties via an app as follows (percentage of respondents):

- Close app and abandon cart: 51.3%
- Go to web using desktop or laptop: 36.9%
- Go to store and shop: 11.5%
- Call customer service: 8.2%

Ninety-five percent (95%) say that a great customer experience will make them more likely to do business again with a retailer.

Ninety-two percent (92%) of shoppers say it would be helpful to have customer care automatically provided within an app to help complete a task.

### 11.6 In-Store Mobile

A study by the Consumer Electronics Association (CEA, www.ce.org) found that 58% of shoppers prefer to look up information on their mobile devices while shopping in stores, rather than talk to a salesperson. Shoppers ages 25-to-44 and men were most likely to prefer to access their device for product information. Nearly two-thirds felt that the information they gather on their mobile devices is more helpful than in-store information from product displays or sales literature.

By product category, mobile shopper use of devices for assistance when shopping is as follows:

- Electronics: 60%
- Groceries: 55%
- Apparel: 47%
- Shoes: 45%
- Health and beauty products: 39%

“One thing is clear: Consumers still value customer service, but the way they want it delivered is changing with their consumption habits. As the retail path to purchase changes – mobile is now a significant part of the process, especially for researching on the go and even in-store – so do consumers’ preferences for how retailers connect with them.”

eMarketer
12

E-RETAILERS: LARGEST COMPANIES

12.1 Online Retailers

The annual Top 500 Guide®, published by Internet Retailer, ranks and profiles the 500 largest e-retailers in the United States.

According to the 2016 Top 500 Guide®, collective U.S. web sales of the top 500 companies were $286.2 billion in 2015, accounting for an 84% share of total e-commerce sales.

The following are the Top 10 e-retailers:

- Amazon.com: Mass merchant
- Apple: Computers/electronics
- Staples: Office supplies
- Walmart.com: Mass merchant
- Sears Holdings Corp.: Mass merchant
- Liberty Interactive Corp.: Mass merchant
- Netflix: Books/music/videos
- Macy's: Mass merchant
- Office Depot: Office supplies
- Dell: Computers/electronics

Listed alphabetically, the Top 500 e-retailers are as follows:

- 1 Sale A Day: Specialty/non-apparel
- 1800Mattress.com: Housewares/home furnishings
- 1-800 Contacts: Health/beauty
- 1-800-Flowers.com: Flowers/gifts
- 3balls.com: Sporting goods
- 47St. Photo: Computers/electronics
- A/X Armani Exchange: Apparel/accessories
- Abercrombie & Fitch Co.: Apparel/accessories
- Abt Electronics: Computers/electronics
- AC Lens: Health/beauty
- Action Village: Sporting goods
- adidas America: Apparel/accessories
- Advance Auto Parts: Automotive parts/accessories
- AED Superstore: Health/beauty
- Aéropostale: Apparel/accessories
- Air & Water: Hardware/home improvement
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- GameFly: Toys/hobbies
- GameStop Corp.: Toys/hobbies
- Gander Direct: Sporting goods
- Gap Direct: Apparel/accessories
- Garmin Ltd.: Computers/electronics
- Geeks.com: Computers/electronics
- General Nutrition Centers: Health/beauty
- GiftTree.com: Flowers/gifts
- Gilt Groupe: Apparel/accessories
- GlassesUSA.com: Apparel/accessories
- Godiva Chocolatier: Food/drug
- Golden Eagle Coins: Toys/hobbies
- Golfsmith International Holdings: Sporting goods
- GourmetGiftBaskets.com: Flowers/gifts
- Green Mountain Coffee Roasters: Food/drug
- Guess?: Apparel/accessories
- Hallmark Cards: Flowers/gifts
- HamGo Corp.: Computers/electronics
- Hammacher Schlemmer & Co.: Specialty/non-apparel
- Hanna Andersson Corp.: Apparel/accessories
- Harry and David Holdings: Food/drug
- Hat World: Apparel/accessories
- Hayneedle: Mass merchant
- hhgregg Appliances: Computers/electronics
- Hickory Farms: Food/drug
- Highland Products Group: Specialty/non-apparel
- Hot Topic: Apparel/accessories
- HP Home & Home Office: Computers/electronics
- HRM USA: Health/beauty
- HSN: Mass merchant
- Hudson’s Bay: Apparel/accessories
- Hugo Boss: Apparel/accessories
- Ice.com: Jewelry
- ID Wholesaler: Specialty/non-apparel
- ideeli: Apparel/accessories
- iHerb: Health/beauty
- IKEA.com: Housewares/home furnishings
- Indigo Books & Music: Books/music/videos
- iNetVideo.com: Books/music/videos
- Instawares: Specialty/non-apparel
- International Software Solutions Systems: Computers/electronics
- InterWorld Highway: Computers/electronics
- iRobot Corp.: Hardware/home improvement
• iStores: Sporting goods
• ivgStores: Housewares/home furnishings
• J. Crew Group: Apparel/accessories
• J&P Cycles: Automotive parts/accessories
• J&R Electronics: Computers/electronics
• Jackthreads.com: Apparel/accessories
• James Allen: Jewelry
• JCPenney Co.: Mass merchant
• Jeffers: Specialty/non-apparel
• Jenson USA: Sporting goods
• Jewelry Television: Jewelry
• JJBuckley.com: Food/drug
• Joann.com: Toys/hobbies
• Jockey international: Apparel/accessories
• Jomashop.com: Jewelry
• Jones Retail Corp.: Apparel/accessories
• Jos. A. Bank Clothiers: Apparel/accessories
• K&L Wine Merchants: Food/drug
• Karmaloop.com: Apparel/accessories
• Kenneth Cole Productions: Apparel/accessories
• King Arthur Flour Co.: Food/drug
• Kohl’s Corp.: Mass merchant
• L.L. Bean: Apparel/accessories
• Lafayette 148 New York: Apparel/accessories
• Lakeshore Learning Materials: Specialty/non-apparel
• Lakeside Collection: Housewares/home furnishings
• Lamps Plus: Housewares/home furnishings
• Lancome-USA.com: Health/beauty
• LD Products: Office supplies
• LeapFrog Enterprises: Toys/hobbies
• LeatherUp.com: Apparel/accessories
• LEGO: Toys/hobbies
• Levenger Co.: Specialty/non-apparel
• Levi Strauss & Co.: Apparel/accessories
• Liberty Interactive Corp.: Mass merchant
• Lifetime Brands: Housewares/home furnishings
• LifeWay Christian Resources: Books/music/videos
• Limoges Jewelry: Jewelry
• Living Direct: Housewares/home furnishings
• Lowe’s Cos.: Hardware/home improvement
• Luggage Online: Specialty/non-apparel
• LuLuLemon Athletica: Apparel/accessories
• LumberLiquidators.com: Hardware/home improvement
• Luxottica Group s.p.A.: Apparel/accessories
• Macy’s: Mass merchant
• Marc Ecko Enterprises: Apparel/accessories
• Market America: Mass merchant
• Mattress USA: Housewares/home furnishings
• Meijer: Mass merchant
• Microsoft Corp.: Computers/electronics
• Miles Kimball Co.: Housewares/home furnishings
• MLB Advanced Media: Apparel/accessories
• ModCloth: Apparel/accessories
• Monkey Sports: Sporting goods
• Moosejaw Mountaineering: Sporting goods
• Motorcycle Superstore: Sporting goods
• Mountain Equipment Co-op: Sporting goods
• MovieMars.com: Books/music/videos
• Musician’s Friend: Specialty/non-apparel
• Musicnotes: Specialty/non-apparel
• MyJewelryBox.com: Jewelry
• Myotcstore.com: Health/beauty
• NASCAR.com Superstore: Apparel/accessories
• Nasty Gal: Apparel/accessories
• National Builder Supply: Hardware/home improvement
• National Business Furniture: Office supplies
• National Football League: Apparel/accessories
• National Geographic Society: Specialty/non-apparel
• National Hockey League: Apparel/accessories
• National Trade Supply: Hardware/home improvement
• NB Web Express: Apparel/accessories
• NBA Media Ventures: Apparel/accessories
• NBTY: Food/drug
• Nebraska Furniture Mart: Housewares/home furnishings
• Net-a-Porter: Apparel/accessories
• Net Direct Merchants: Hardware/home improvement
• Netflix: Books/music/videos
• New York & Co.: Apparel/accessories
• Newegg: Computers/electronics
• Nike: Apparel/accessories
• Nordstrom: Apparel/accessories
• Northern Tool + Equipment Co.: Hardware/home improvement
• Nutrisystem: Food/drug
• Office Depot: Office supplies
• OfficeMax: Office supplies
• OmahaSteaks.com: Food/drug
• One Kings Lane: Housewares/home furnishings
• OneCall.com: Computers/electronics
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<td>Stacks and Stacks:</td>
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<td>Staples:</td>
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<tr>
<th>Company</th>
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<td>The Finish Line</td>
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<td>The Men's Wearhouse</td>
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• Title 9 Sports: Apparel/accessories
• Tool King: Hardware/home improvement
• Toolfetch.com: Hardware/home improvement
• Toolup.com: Hardware/home improvement
• Tory Burch: Apparel/accessories
• Touch of Class: Housewares/home furnishings
• Toys “R” Us: Toys/hobbies
• Tractor Supply Co.: Hardware/home improvement
• TrollandToad.com: Toys/hobbies
• Tumi: Specialty/non-apparel
• Turn5: Automotive parts/accessories
• U.S. Auto Parts Network: Automotive parts/accessories
• U.S. Toy Co.: Toys/hobbies
• ULTA Salon, Cosmetics & Fragrance: Health/beauty
• UnbeatableSale.com: Mass merchant
• Under Armour: Apparel/accessories
• UniqueSquared.com: Computers/electronics
• Urban Outfitters: Apparel/accessories
• Vann’s: Apparel/accessories
• Vera Bradley: Apparel/accessories
• VF Corp.: Apparel/accessories
• Victoria’s Secret Direct/Bath and Body Works: Apparel/accessories
• Vintage Tub and Bath: Hardware/home improvement
• Vistaprint NV: Office supplies
• Vitacost.com: Health/beauty
• VitaminShoppe.com: Health/beauty
• W.W. Grainger: Hardware/home improvement
• Walgreen Co.: Food/drug
• Walmart.com: Mass merchant
• Wayfair: Housewares/home furnishings
• Weight Watchers: Food/drug
• West Marine Products: Specialty/non-apparel
• Williams-Sonoma: Housewares/home furnishings
• Wine.com: Food/drug
• Wolverine World Wide: Apparel/accessories
• World Wrestling Entertainment: Apparel/accessories
• XO Group: Specialty/non-apparel
• YesAsia Holdings Ltd.: Books/music/videos
• YOOX Group: Apparel/accessories
• Zale Corp.: Jewelry
• Zazzle: Specialty/non-apparel
• Zones: Office supplies
• ZooStores.com: Housewares/home furnishings
• Zumiez: Apparel/accessories
12.2 Market Resources

*Internet Retailer*, 125 S. Wacker Drive, Suite 2900, Chicago, IL 60606. (312) 362-9527. ([www.internetretailer.com](http://www.internetretailer.com))

13.1 Why People Shop Online

A poll of Internet users by The Nielsen Company (www.nielsen.com) asking primary reasons for shopping online found the following:

- Able to shop 24 hours a day: 81%
- Saves time: 76%
- Able to comparison shop: 61%
- Easy to find what I am looking for: 56%
- Selection of items: 49%
- Can search by brands I like: 46%
- Available product information: 46%
- Low prices: 45%
- Items are in stock: 35%
- Low shipping costs: 24%
- Recommendations for items: 15%
- Customer service and communication: 12%
- Easy to return purchases: 11%
- Gift services such as cards, wrapping, or birthday/holiday reminders: 10%

A survey by Impulse Research (www.impulseresearch.com) found the primary reasons that Millennial adults, ages 18-to-34, shop online are as follows:

- Better prices: 37%
- Avoid shopping hassles and crowds: 29%
- Convenience: 18%
- Better selection: 13%
- Direct shipping to home: 3%

A survey by Accenture (www.accenture.com) found parents with children in school liked to shop online for the following reasons (percentage of respondents):

- Save money/find discounts: 70%
- To research products and prices: 63%
- Avoid going to many stores: 40%
- Avoid boring trips for kids: 28%
- Avoid kid pressure to buy items: 17%
- School works with e-retailers to ensure supplies are in stock: 7%
13.2 Characteristics Of Online Shopping

When asked how they typically find what they’re shopping for online, responses were as follows (source: Nielsen; multiple responses allowed):

- Know the site by name: 69%
- Search engines: 62%
- Comparison shopping tools: 23%
- Subscribe to an e-newsletter from retailers: 15%
- Blogs/chat rooms/consumer reviews: 5%

Shopzilla (www.shopzilla.com) asked U.S. adults how they first saw the product they most recently purchased online. Responses were as follows:

- While surfing online: 29%
- Looking for something specific: 24%
- In email from store: 11%
- While “out and about”: 8%
- In friend’s house: 8%
- In a magazine: 7%
- In an ad: 6%
- On blog or other website content: 4%
- On Facebook: 2%
- On Pinterest: <1%
- On Twitter: <1%

13.3 Expectations Online

According to a survey by OneUpWeb (www.oneupweb.com), Internet users expect the following from e-commerce sites (percentage of respondents):

- Pricing/shipping information clearly stated: 96%
- Site looks credible and trustworthy: 76%
- Product displayed on homepage: 71%
- Visually appealing: 67%
- Total cost calculator: 59%
- Search function: 48%
- Privacy statement: 46%
- Onsite customer reviews: 41%
- Online customer service (live chat): 32%
- Links to social networks (Facebook, Twitter): 23%

According to a survey by A.T. Kearney (www.atkearney.com), the following attributes are important to consumers when shopping online (percentage of respondents):
• Finding specific products: 96%
• Free shipping: 93%
• Finding favorite brands: 92%
• Best price: 90%
• Ease of navigation: 88%
• Site security: 87%
• Special promotions: 78%
• Free samples: 67%
• Peer reviews: 59%
• New products: 55%

13.4 Selecting An Online Retailer
A survey by comScore (www.comscore.com) asked online shoppers the factors driving them to shop with an online retailer. Responses were as follows (two responses per survey participant):
• The ability to buy online and then make returns at the store: 62%
• The push of a coupon/promotion to my smartphone: 47%
• The ability to buy online and pick up in store: 44%
• The availability of an application designed specifically for a tablet: 41%
• The option to conduct one-click check-out online: 40%
• The ability to complete a purchase in store using mobile device: 37%
• The availability of a mobile application for a smartphone: 36%
• The availability of an in-store kiosk to browse products: 25%
• The ability to start a purchase online and then complete the purchase in store: 23%
• The ability to make an appointment for an in-store consult after researching online: 18%

When asked what factors have led them to recommend an online retailer to others, responses were as follows (multiple responses allowed):
• Free shipping: 68%
• Receiving my product when expected: 47%
• Free returns: 34%
• Easy returns and exchanges: 34%
• Tracking services: 29%
• Fast credits/refunds if I return products: 25%

13.5 Shopping On Social Sites
E-commerce transactions through storefronts on social media sites, dubbed social commerce, held great promise a few years ago with the rise in popularity of social networking. Consumers, however, have shown that they do not prefer to shop on
social sites. A recent Harris Poll found that just 5% of U.S. adult Internet users had made a purchase on a social network such as Facebook, Twitter, or Pinterest.

“How many digital buyers in the U.S. actually take the final lead on a social platform? Not too many. Social media storefronts are now a relic.”

eMarketer

Most social network storefronts have now closed. According to 8th Bridge (www.8thbridge.com), 62% of retailers with Facebook apps had product browsing in 2012. Now, less than 15% do so.

13.6 Buying Direct From Brands

For some product categories, consumers prefer to bypass third-party retailers and buy online directly from brands.

In a survey by BrandShop (www.brandshop.com), digital buyers said they prefer to purchase the following types of products directly from the brand (percentage of respondents):

- Apparel: 57%
- Electronics: 56%
- Household and consumer goods: 38%
- Food products: 37%
- Beauty and skincare: 30%
14.1 Favorite 50

The National Retail Federation (www.retail.org) compiles an annual ranking of consumers’ preferred e-commerce sites derived from a survey of consumers’ online apparel and non-apparel shopping habits. The ranking is based on surveys by Prosper Insights and Analytics (www.goprosper.com).

The most recent list, published in the September 2015 issue of Stores, is as follows:

1. Amazon
2. Walmart
3. Best Buy
4. eBay
5. Kohl’s
6. Macy’s
7. Target
8. JCPenney
9. Google
10. Sears
11. Old Navy
12. Nordstrom
13. Express
14. L.L.Bean
15. Lands End
16. Forever 21
17. Gap
18. Kmart
19. American Eagle Outfitters
20. Costco
21. Woman Within
22. Lowe’s
23. QVC
24. The Home Depot
26. Victoria’s Secret
27. H&M
28. Yahoo
29. Ross Stores
30. Zulily
31. Zappos
32. Blair
33. Nike
34. Banana Republic
35. Haband
36. Chico's
37. J.Crew
38. Bed Bath and Beyond
39. T.J. Maxx
40. Belk
41. Dillard's
42. Lane Bryant
43. Talbots
44. The Children's Place
45. Jos. A. Bank
46. Roaman's
47. Bing
48. Eddie Bauer
49. Wayfair
50. Loft

14.2 Market Resources
National Retail Federation, 1101 New York Avenue NW, Washington, DC 20005. (202) 783-7971. (www.nrf.com)
PART III: MARKET LEADERS
15

RETAILERS: LARGEST COMPANIES

15.1 Rank By Revenue

The National Retail Federation (www.nrf.com) compiles an annual list of the Top 100 Retailers, based on the previous year’s sales volume. Published in the July 2016 issue of Stores, the top retail companies (excluding restaurant and gasoline chains), ranked by sales, are as follows:

• Wal-Mart Stores: $353.10 billion
• The Kroger Co.: $103.87 billion
• Costco: $83.54 billion
• The Home Depot: $79.29 billion
• Walgreens Boots Alliance: $76.60 billion
• Target: $73.22 billion
• CVS Health: $72.15 billion
• Amazon.com: $61.61 billion
• Albertsons: $58.44 billion
• Lowe’s Companies: $57.48 billion
• Best Buy: $35.14 billion
• Apple Stores: $34.94 billion
• Publix Super Markets: $32.63 billion
• Macy’s: $27.00 billion
• Rite Aid: $26.86 billion
• Ahold USA/Royal Ahold: $26.35 billion
• TJX: $23.55 billion
• Aldi: $22.78 billion
• Sears Holdings: $22.12 billion
• H-E-B Grocery: $20.52 billion
• Dollar General: $20.36 billion
• Dollar Tree: $19.93 billion
• Kohl’s: $19.20 billion
• Delhaize America: $17.46 billion
• Verizon Wireless: $16.92 billion
• Meijer: $15.96 billion
• Wakefern/ShopRite: $15.40 billion
• Ace Hardware: $15.34 billion
• Whole Foods Market: $14.84 billion
• BJ’s Wholesale Club: $14.40 billion
• Nordstrom: $13.97 billion
• 7-Eleven: $13.95 billion
• A&T Wireless: $13.86 billion
• Gap: $12.60 billion
• J.C. Penney Co.: $12.54 billion
• Ross Stores: $11.93 billion
• Bed Bath & Beyond: $11.91 billion
• Supervalu: $11.64 billion
• L Brands: $10.96 billion
• Menard: $10.21 billion
• Bi-Lo: $10.05 billion
• Health Mart Systems: $8.66 billion
• AutoZone: $8.48 billion
• Hy-Vee: $8.25 billion
• O’Reilly Automotive: $7.96 billion
• Wegmans Food Market: $7.81 billion
• Alimentation Couche-Tard: $7.71 billion
• QVC: $7.61 billion
• Staples: $7.57 billion
• Army/Air Force Exchange: $7.45 billion
• Toys “R” Us: $7.37 billion
• Dick’s Sporting Goods: $7.25 billion
• Office Depot: $7.24 billion
• Giant Eagle: $7.12 billion
• Sherwin-Williams: $7.01 billion
• GameStop: $6.51 billion
• Dillard’s: $6.38 billion
• Hudson’s Bay/Saks Fifth Avenue: $6.29 billion
• PetSmart: $6.27 billion
• WinCo Foods: $6.26 billion
• Tractor Supply Co.: $6.22 billion
• Good Neighbor Pharmacy: $5.95 billion
• Foot Locker: $5.57 billion
• AVB Brandsource: $5.34 billion
• Big Lots: $5.19 billion
• Burlington Stores: $5.03 billion
• Neiman Marcus: $4.97 billion
• Signet Jewelers: $4.96 billion
• Ikea North America: $4.75 billion
• Defense Commissary Agency: $4.75 billion
• Williams-Sonoma: $4.75 billion
• Ascena Retail Group: $4.72 billion
• Save Mart Supermarkets: $4.71 billion
• Academy Ltd.: $4.51 billion
• True Value Co.: $ 4.50 billion
• Michaels Stores: $ 4.47 billion
• Belk: $ 4.17 billion
• Advance Auto Parts: $ 4.11 billion
• Barnes & Noble: $ 4.03 billion
• Roundy’s Supermarkets: $ 4.00 billion
• Stater Bros. Holdings: $ 3.97 billion
• H&M: $ 3.93 billion

15.2 Market Resources
Stores. published by the National Retail Federation, 325 7th Street NW, Suite 1100, Washington, DC 20004. (202) 783-7971. (www.nrf.com)
16

MAJOR RETAILERS: CUSTOMER PROFILE

16.1 Overview

InfoScout (www.infoscout.co) assesses consumer shopping behavior through its mobile app using its nationwide panel of more than 175,000 shoppers. A 2015 survey by InfoScout assessed purchase activity, by customer age, at six of the largest U.S. retailers. The assessment indexed shopping activity; 100 equals average purchase activity.

16.2 Purchase Activity Index

Purchase activity is indexed by age at six major retailers as follows:

**Costco**
- 24 and younger: 72
- 25-to-34: 80
- 35-to-44: 108
- 45-to-54: 109
- 55-to-64: 103
- 65 and older: 133

**Kroger**
- 24 and younger: 107
- 25-to-34: 103
- 35-to-44: 93
- 45-to-54: 97
- 55-to-64: 100
- 65 and older: 112

**Target**
- 24 and younger: 90
- 25-to-34: 112
- 35-to-44: 105
- 45-to-54: 79
- 55-to-64: 55
- 65 and older: 45
Trader Joe’s
• 24 and younger: 89
• 25-to-34: 81
• 35-to-44: 109
• 45-to-54: 107
• 55-to-64: 86
• 65 and older: 109

Walmart
• 24 and younger: 118
• 25-to-34: 105
• 35-to-44: 90
• 45-to-54: 94
• 55-to-64: 97
• 65 and older: 91

Whole Foods
• 24 and younger: 87
• 25-to-34: 101
• 35-to-44: 104
• 45-to-54: 93
• 55-to-64: 87
• 65 and older: 79

16.3 Market Resources
InfoScout, 322 Ritch Street, San Francisco, CA 94107. (415) 801-5935. (www.infoscout.co)
17

RETAIL CUSTOMER EXPERIENCE

17.1 Overview
Since 2005, ForeSee (www.foresee.com) has conducted an annual Experience Index Survey to measure customer experiences with the largest retailers in the United States. The Index scores retailers on a 1-to-100 scale and assesses three retail formats: retail chain stores, e-commerce websites, and mobile experiences.
This chapter presents the findings of the 2015 Experience Index Survey, which was published in December 2015.

17.2 Customer Satisfaction Leaders
The 2015 Experience Index Survey assessed 18 multichannel retailers. Scores are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Online</th>
<th>Store</th>
<th>Mobile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple</td>
<td>82</td>
<td>83</td>
<td>82</td>
</tr>
<tr>
<td>Bass Pro Shops</td>
<td>82</td>
<td>82</td>
<td>82</td>
</tr>
<tr>
<td>Best Buy</td>
<td>77</td>
<td>78</td>
<td>79</td>
</tr>
<tr>
<td>Cabela's</td>
<td>80</td>
<td>80</td>
<td>83</td>
</tr>
<tr>
<td>Costco</td>
<td>80</td>
<td>81</td>
<td>81</td>
</tr>
<tr>
<td>CVS</td>
<td>77</td>
<td>76</td>
<td>78</td>
</tr>
<tr>
<td>Dick's Sporting Goods</td>
<td>76</td>
<td>78</td>
<td>78</td>
</tr>
<tr>
<td>Gap</td>
<td>80</td>
<td>78</td>
<td>80</td>
</tr>
<tr>
<td>Home Depot</td>
<td>78</td>
<td>79</td>
<td>78</td>
</tr>
<tr>
<td>Kohl's</td>
<td>79</td>
<td>80</td>
<td>78</td>
</tr>
<tr>
<td>Lowe's</td>
<td>79</td>
<td>79</td>
<td>78</td>
</tr>
<tr>
<td>Macy's</td>
<td>79</td>
<td>78</td>
<td>79</td>
</tr>
<tr>
<td>Nordstrom</td>
<td>82</td>
<td>81</td>
<td>81</td>
</tr>
<tr>
<td>Sears</td>
<td>76</td>
<td>75</td>
<td>77</td>
</tr>
<tr>
<td>Staples</td>
<td>77</td>
<td>78</td>
<td>78</td>
</tr>
<tr>
<td>Target</td>
<td>78</td>
<td>80</td>
<td>79</td>
</tr>
<tr>
<td>Walgreens</td>
<td>79</td>
<td>75</td>
<td>79</td>
</tr>
<tr>
<td>Walmart</td>
<td>79</td>
<td>76</td>
<td>76</td>
</tr>
</tbody>
</table>

Retail stores are ranked by Experience Index as follows:
- Apple: 83
- Bass Pro Shops: 82


E-commerce websites are ranked by Experience Index as follows:

**Apparel/Accessories**

- Nordstrom: 82
- L.L.Bean: 81
- Ralph Lauren: 81
- Victoria’s Secret: 81
- Abercrombie & Fitch: 81
- Fanatics: 80
- Foot Locker: 80
- Gap: 80

Retail Business Market Research Handbook 2017-2018

- 82 -
• Macy’s: 79
• Belk: 79
• Land’s End: 79
• Neiman Marcus: 78
• Ann Taylor: 78
• Express: 78
• J.Crew: 78
• Urban Outfitters: 77
• zulily: 74

Books/Music/Videos
• Netflix: 81
• Barnes & Noble: 80
• Google Play: 78

Computers/Electronics
• Apple: 82
• Newegg: 80
• TigerDirect: 80
• HP: 80
• Lenovo: 79
• Dell: 79
• Best Buy: 77
• PC Connection: 77

Flowers/Gifts
• 1800Flowers.com: 81
• FTD: 78

Food/Drug
• Walgreens: 79
• CVS: 77

Hardware/Home Improvement
• Lowe’s: 79
• Grainger: 78
• million: 78

Housewares/Home Furnishings
• WilliamsSonoma: 81
• Hayneedle: 80
• Wayfair: 76
Mass Merchant
• Amazon: 86
• QVC: 82
• Costco: 80
• HSN: 80
• Fingerhut: 79
• Kohl's: 79
• Walmart: 79
• JCPenney: 78
• Rakuten: 78
• Target: 78
• Sears: 76
• Overstock: 74

Office Supplies
• Office Depot: 79
• Staples: 77

Specialty/Non-Apparel
• Vistaprint: 80
• Oriental Trading: 79
• Shutterfly: 79
• Etsy: 77
• Groupon Goods: 76

Sporting Goods
• Bass Pro Shops: 82
• Nike: 82
• REI: 81
• Cabela's: 80
• Dick's Sporting Goods: 76

Toys/Hobbies
• Toys "R" Us: 78

Mobile retail sites are ranked by Experience Index as follows:
• Amazon.com: 85
• Hayneedle: 83
• Cabela's: 83
• Burberry: 83
• Bass Pro Shops: 82
• Apple: 82
• Newegg: 81
• Nordstrom: 81

Retail Business Market Research Handbook 2017-2018
• Costco: 81
• Net-a-Porter: 80
• Williams-Sonoma: 80
• Fanatics: 80
• Gap: 80
• Oriental Trading: 80
• Wayfair: 80
• Target: 79
• Office Depot: 79
• Walgreens: 79
• Best Buy: 79
• Macy's: 79
• QVC: 79
• Staples: 78
• Lowe's: 78
• Etsy: 78
• CVS: 78
• Google Play: 78
• million
  : 78
• Dick's Sporting Goods: 78
• Kohl's: 78
• Sears: 77
• Overstock.com: 77
• Groupon Goods: 77
• Walmart: 76

17.3 Market Resources
ForeSee, 2500 Green Road, Suite 400, Ann Arbor, MI 48105. (800) 621-2850.
(www.foreseeresults.com)
18.1 Growth Chains

*Stores* publishes an annual list of Hot 100 Retailers based on its ranking of chains by year-over-year sales growth. Published in August 2016, the most recent ranking is as follows:

- Haggen: 325%
- Dollar Tree: 138%
- GPM Investments: 119%
- Minyard Food Stores (RLS Supermarkets): 108%
- Evine Live: 100%
- Torrid: 100%
- Wayfair: 88%
- Bluestem Brands (Capmark Capital): 61%
- Verizon Wireless: 54%
- H&M: 48%
- Boot Barn Holdings: 40%
- Alimentation Couche-Tard: 34%
- Nebraska Furniture Mart: 32%
- QVC: 26%
- Kate Spade & Co.: 26%
- At Home Stores: 25%
- Apple Stores/iTunes: 23%
- Amazon.com: 23%
- Grupo Comercial Chedraui: 23%
- Five Below: 22%
- Ulta Salon, Cosmetics & Fragrance: 21%
- Hudson's Bay / Saks Fifth Avenue: 21%
- Sprouts Farmers Market: 21%
- Gelson's Markets: 20%
- Ollie's Bargain Outlet: 19%
- FreshDirect: 18%
- Jordan's Furniture Co.: 18%
- Skechers USA: 17%
- Groupon Goods: 17%
- Academy: 17%
- Francesca's: 16%
• Lululemon Athletica: 16%
• K-VA-T Food Stores: 16%
• Smart & Final: 14%
• Oxford Industries: 14%
• Fry's Electronics: 14%
• Festival Foods: 13%
• Casey's General Stores: 13%
• CST Brands: 13%
• Brooks Brothers Group: 13%
• National Stores (Fallas Paredes): 12%
• Kwik Trip: 12%
• Bass Pro Shops: 12%
• Restoration Hardware Holdings: 11%
• Rural King Supply: 11%
• Kirkland's: 11%
• The Men's Wearhouse (Tailored Brands): 11%
• Overstock.com: 11%
• Gilt Groupe: 11%
• ampm (BP West Coast Products): 11%
• O'Reilly Automotive: 10%
• Ralph Lauren Corp.: 10%
• Cosentino's Food Stores: 10%
• Stripes Convenience Stores: 10%
• Recreational Equipment Inc.: 9%
• Tractor Supply Co.: 9%
• AutoZone: 9%
• Charming Charlie: 9%
• Sephora (LVMH): 9%
• Whole Foods Market: 9%
• Express: 8%
• Speedway: 8%
• Ross Stores: 8%
• TJX: 8%
• Aldi: 8%
• Gander Mountain Co.: 8%
• Cabela's: 8%
• Fred's: 8%
• Dollar General: 8%
• Forever 21: 8%
• Wawa: 8%
• Harp's Food Stores: 8%
• Rouse's Enterprises: 7%
• Ace Hardware: 7%
• Conn's: 7%

*Retail Business Market Research Handbook 2017-2018*
• Newegg: 7%
• Woodman's Markets: 7%
• Hobby Lobby Stores: 7%
• Houchens Industries: 7%
• SpartanNash Co.: 7%
• Destination XL Group: 7%
• AT&T Wireless: 7%
• JustFab: 7%
• Sheetz: 7%
• Health Mart Systems: 7%
• The Home Depot: 7%
• CEFCO Convenience Stores: 7%
• Publix Super Markets: 7%
• Rue 21: 7%
• WinCo Foods: 7%
• American Eagle Outfitters: 7%
• Fareway Stores: 7%
• Coborn's: 7%
• Dick's Sporting Goods: 7%
• Grocery Outlet: 7%
• L Brands: 6%
• Care Pharmacies Cooperative: 6%
• CVS Health: 6%
• Demoulas Super Market: 6%
• QuickTrip Corp.: 6%

18.2 Market Resources
Stores, published by the National Retail Federation, 325 7th Street NW, Suite 1100, Washington, DC 20004. (202) 783-7971. (www.nrf.com)
MOST VALUABLE RETAIL BRANDS

19.1 Ranking By Valuation

Interbrand (www.interbrand.com) assesses the following as the most valuable U.S. retail brands:
• Walmart: $131.88 billion
• Target: $27.12 billion
• The Home Depot: $25.70 billion
• Amazon.com: $23.62 billion
• CVS: $17.78 billion
• Walgreens: $15.52 billion
• Sam’s Club: $13.54 billion
• eBay: $13.16 billion
• Coach: $11.59 billion
• Publix: $10.16 billion
• Lowe’s: $9.63 billion
• Nordstrom: $8.96 billion
• Costco: $8.29 billion
• Dollar General: $7.71 billion
• Victoria’s Secret: $6.25 billion
• Macy’s: $6.08 billion
• Kohl’s: $5.83 billion
• Tiffany & Co.: $5.44 billion
• Staples: $4.93 billion
• Best Buy: $4.79 billion
• AutoZone: $4.67 billion
• Avon: $4.61 billion
• Whole Foods: $4.16 billion
• Gap: $3.92 billion
• Bed Bath & Beyond: $3.86 billion
• Old Navy: $3.21 billion
• Sherwin-Williams: $3.11 billion
• Ross Dress For Less: $2.44 billion
• GameStop: $2.34 billion
• T.J. Maxx: $2.12 billion
• Michaels: $2.04 billion
• Marshalls: $2.03 billion
• J.Crew: $ 1.87 billion
• PetSmart: $ 1.81 billion
• Banana Republic: $ 1.80 billion
• Dick’s Sporting Goods: $ 1.53 billion
• Dollar Tree: $ 1.50 billion
• Tractor Supply Co.: $ 1.50 billion
• Bath & Body Works: $ 1.42 billion
• American Eagle Outfitters: $ 1.29 billion
• Family Dollar: $ 1.18 billion
• Urban Outfitters: $ 1.12 billion
• Advance Auto Parts: $ 1.11 billion
• Buckle: $ 1.08 billion
• Cabela’s: $ 1.07 billion
• Express: $ 983 million
• Chico’s: $ 932 million

19.2 Market Resources
Interbrand, 130 Fifth Avenue, New York, NY 10011. (212) 798-7500. (www.interbrand.com)
20

TOP BRANDS IN SHOPPER SATISFACTION

20.1 Overview

The American Customer Satisfaction Index (ACSI, www.theacsi.org) is a national economic indicator of satisfaction with the quality of products and services available to U.S. household consumers. Established in 1994, the ACSI produces indices of customer satisfaction on a 0-100 scale.

The ACSI is based on about 65,000 interviews conducted annually, with 250 to 260 interviews completed per company/agency. Industry sample sizes vary from 750 to 10,000, depending on the number of measured companies in each industry.

The ACSI is produced by the Stephen M. Ross Business School at the University of Michigan (www.bus.umich.edu), in partnership with the American Society for Quality (www.asq.org), and the international consulting firm CFI Group (www.cfigroup.com). ForeSee (www.foreseeresults.com) sponsors the e-commerce and e-business measurements.

This chapter presents 2015 ACSI scores for retailers and consumer products.

20.2 Retailers

2015 ASCI scores for retailers are as follows (change from scores the year prior in parenthesis):

**Department and Discount Stores**

- Nordstrom: 82 (-4.7%)
- Dillard’s: 80 (-1.2%)
- Fred Meyer: 79 (n/a)
- Belk: 77 (n/a)
- Kohl’s: 77 (-3.8%)
- Dollar Tree: 76 (-3.8%)
- Meijer: 76 (-2.6%)
- Target: 75 (-6.3%)
- Dollar General: 74 (-1.3%)
- JCPenney: 74 (-3.9%)
- Macy’s: 73 (-7.6%)
- Ross: 74 (n/a)
- Sears: 71 (-2.7%)
- Walmart: 66 (-2.9%)
<table>
<thead>
<tr>
<th>Store Type</th>
<th>Store Name</th>
<th>Score</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>All others</td>
<td></td>
<td>77</td>
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<tr>
<td>Sector average</td>
<td></td>
<td>74</td>
<td>-3.9%</td>
</tr>
<tr>
<td><strong>Drug Stores</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Kroger</td>
<td>81</td>
<td>(no change)</td>
</tr>
<tr>
<td></td>
<td>Target</td>
<td>80</td>
<td>2.6%</td>
</tr>
<tr>
<td></td>
<td>Kmart</td>
<td>76</td>
<td>n/a</td>
</tr>
<tr>
<td></td>
<td>Walgreens</td>
<td>76</td>
<td>-3.9%</td>
</tr>
<tr>
<td></td>
<td>CVS</td>
<td>71</td>
<td>-7.3%</td>
</tr>
<tr>
<td></td>
<td>Rite Aid</td>
<td>69</td>
<td>-11.5%</td>
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<tr>
<td></td>
<td>Safeway</td>
<td>69</td>
<td>n/a</td>
</tr>
<tr>
<td></td>
<td>Walmart</td>
<td>68</td>
<td>(no change)</td>
</tr>
<tr>
<td></td>
<td>All others</td>
<td>75</td>
<td>-7.4%</td>
</tr>
<tr>
<td></td>
<td>Sector average</td>
<td>73</td>
<td>-5.2%</td>
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<td><strong>Internet Retail</strong></td>
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<tr>
<td></td>
<td>Amazon.com</td>
<td>83</td>
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<tr>
<td></td>
<td>Newegg</td>
<td>79</td>
<td>-2.5%</td>
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<tr>
<td></td>
<td>eBay</td>
<td>75</td>
<td>-5.1%</td>
</tr>
<tr>
<td></td>
<td>Overstock.com</td>
<td>73</td>
<td>-5.2%</td>
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<tr>
<td></td>
<td>Netflix</td>
<td>76</td>
<td>-6.2%</td>
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<td></td>
<td>All others</td>
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<tr>
<td></td>
<td>Sector average</td>
<td>80</td>
<td>-2.4%</td>
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<tr>
<td><strong>Specialty Retail Stores</strong></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Costco</td>
<td>81</td>
<td>-3.6%</td>
</tr>
<tr>
<td></td>
<td>L Brands (-Victoria's Secret, Bath &amp; Body Works)</td>
<td>81</td>
<td>-2.4%</td>
</tr>
<tr>
<td></td>
<td>Barnes &amp; Noble</td>
<td>79</td>
<td>-2.5%</td>
</tr>
<tr>
<td></td>
<td>TJX</td>
<td>78</td>
<td>(no change)</td>
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<tr>
<td></td>
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<td>1.3%</td>
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<td></td>
<td>Menards</td>
<td>78</td>
<td>(no change)</td>
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<td></td>
<td>PetSmart</td>
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<td>-3.8%</td>
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<tr>
<td></td>
<td>Petco</td>
<td>76</td>
<td>n/a</td>
</tr>
<tr>
<td></td>
<td>Burlington Coat Factory</td>
<td>76</td>
<td>(n/a)</td>
</tr>
<tr>
<td></td>
<td>BJ's Wholesale Club</td>
<td>76</td>
<td>-6.2%</td>
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<td></td>
<td>Sam's Club</td>
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<td>-5.0%</td>
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<td>Staples</td>
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<td></td>
<td>Toys &quot;R&quot; Us</td>
<td>75</td>
<td>(n/a)</td>
</tr>
<tr>
<td></td>
<td>Gap</td>
<td>75</td>
<td>(no change)</td>
</tr>
<tr>
<td></td>
<td>AutoZone</td>
<td>75</td>
<td>(n/a)</td>
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<td></td>
<td>Bed Bath &amp; Beyond</td>
<td>75</td>
<td>-7.4%</td>
</tr>
<tr>
<td></td>
<td>Big Lots</td>
<td>74</td>
<td>-3.9%</td>
</tr>
<tr>
<td></td>
<td>Best Buy</td>
<td>74</td>
<td>-3.9%</td>
</tr>
</tbody>
</table>
• Lowe’s: 74 (-8.6%)
• Home Depot: 73 (-3.9%)
• Advance Auto Parts: 72 (n/a)
• Abercrombie & Fitch: 65 (n/a)
• All others: 78 (-1.3%)
• Sector average: 77 (-2.5%)

Supermarkets
• Wegmans: 86 (1.2%)
• Trader Joe's: 83 (-2.4%)
• H-E-B: 82 (no change)
• Publix: 82 (no change)
• Aldi: 81 (no change)
• Hy-Vee: 78 (n/a)
• Kroger: 76 (-2.6%)
• Delhaize America
  (Food Lion, Hannaford): 76 (-1.3%)
• ShopRite: 75 (-2.6%)
• Meijer: 74 (n/a)
• BI-LO: 74 (-6.3%)
• Whole Foods: 73 (-9.9%)
• Supervalu: 71 (-5.3%)
• Target: 71 (-12.3%)
• A&P: 70 (n/a)
• Ahold USA
  (Stop & Shop, Giant): 70 (-2.8%)
• Albertsons: 68 (-8.1%)
• Giant Eagle: 67 (-6.9%)
• Walmart: 67 (-5.6%)
• All others: 77 (no change)
• Sector average: 73 (-3.9%)

20.3 Consumer Products

ASCI scores for consumer products brands are as follows (change from scores the year prior in parenthesis):

Apparel
• Levi Strauss: 78 (-2.5%)
• Nine West: 77 (-4.9%)
• VF: 76 (-9.5%)
• Hanesbrands: 74 (-5.1%)
• All others: 72 (-6.5%)
• Sector average: 76 (-2.6%)

Athletic Shoes
• Nike: 78 (no change)
• adidas: 77 (no change)
• All others: 81 (-2.5%)
• Sector average: 80 (-2.5%)

Food Products
• Dole: 81 (-2.4%)
• H.J. Heinz: 81 (-6.9%)
• ConAgra: 80 (-2.4%)
• Kellogg: 80 (-1.2%)
• Mars: 80 (-5.9%)
• Quaker: 80 (-5.9%)
• Campbell Soup: 79 (-4.8%)
• Hershey: 79 (-8.1%)
• Kraft: 79 (-6.0%)
• General Mills: 78 (-8.2%)
• Néstle: 78 (-8.2%)
• Tyson Foods: 78 (-1.3%)
• All others: 69 (-10.4%)
• Sector average: 76 (-3.8%)

Major Appliances
• General Electric: 82 (6.5%)
• LG: 82 (n/a)
• Electrolux: 81 (2.5%)
• Samsung: 81 (n/a)
• Whirlpool: 80 (-1.2%)
• Bosch: 79 (n/a)
• All others: 81 (no change)
• Sector average: 81 (no change)

Personal Care and Cleaning Products
• Clorox: 82 (-3.5%)
• Unilever: 80 (no change)
• Colgate-Palmolive: 79 (-4.8%)
• Dial: 79 (-2.5%)
• Procter & Gamble: 75 (-8.5%)
• All others: 75 (-8.5%)
• Sector average: 77 (-6.1%)

Personal Computers
• Apple: 84 (no change)
• Amazon: 78 (n/a)
• Dell: 78 (2.6%)
• Samsung: 78 (n/a)
• ASUS: 77 (n/a)
• Levano: 74 (n/a)
• Toshiba: 73 (-2.7%)
• Hewlett-Packard: 73 (-1.4%)
• Acer: 70 (-7.9%)
• All others: 76 (-7.3%)
• Sector average: 77 (-1.3%)

Soft Drinks
• Coca-Cola: 79 (-4.8%)
• Dr. Pepper Snapple: 79 (-3.7%)
• PepsiCo: 78 (-6.0%)
• All others: 74 (-7.5%)
• Sector average: 79 (-4.8%)

20.4 Market Resources
American Customer Satisfaction Index (-ACSI), 625 Avis Drive, Ann Arbor, MI 48108. (734) 913-0788. (www.theacsi.org)

ForeSee, 2500 Green Road, Suite 400, Ann Arbor, MI 48105. (800) 621-2850. (www.foreseeresults.com)
TOP BRANDS IN REPUTATION

21.1 Overview
Since 2000, The Harris Poll (www.theharrispoll.com) has published an annual Reputation Quotient study, presenting corporate reputation ratings for the 100 most visible companies in the United States, as perceived by the general public.


Twenty-three (23) retail companies in apparel, e-commerce, drug store, grocery, mass/club retailers, and specialty categories were included in the 2016 Reputation Quotient study.

21.2 Reputation Rating
RQ Scores in the 2016 Reputation Quotient study were as follows:

- Amazon.com: 83.96
- Publix Super Markets: 80.94
- Costco: 79.53
- Meijer: 78.50
- Lowe’s: 77.65
- Nike: 77.50
- Aldi: 77.49
- eBay: 76.51
- Best Buy: 76.46
- Kroger Company: 75.68
- Nordstrom: 75.58
- The Home Depot: 75.55
- Kohl’s: 75.04
- Whole Foods Market: 75.00
- CVS: 74.88
- Walgreens: 74.69
- Target: 74.24
- Hobby Lobby: 73.37
- Macy’s: 72.40
• Safeway: 70.88
• Walmart: 69.09
• JCPenney: 67.64
• Sears Holding Corporation: 64.69

21.3 Market Resources
(585) 272-8400. (www.theharrispoll.com)
PART IV: ANALYSES
22.1 Market Assessment
Micromarket Monitor (www.micromarketmonitor.com) assessed the 2015 North American airport retailing market at $4.2 billion, a figure that is forecast to increase at a compound annual growth rate of 19% to $9.9 billion by 2020. The increase will be attributable, in part, to a rise in international air traffic to and from the U.S. North America’s airport retail market accounted for about 25% of the 2015 global duty-free market.

According to Airport Revenue News (ARN, www.airportrevenuenews.com), annual retail spending (excluding duty-free purchases) at the 50 largest airports in North America is $2.1 billion. Retail spending per enplaning passenger is approximately $3.50. Spending by type of retail outlet is as follows:
- News & gifts: $1.1 billion
- Specialty retail: $1.0 million

Many major airports are recognized for great shopping. The Pittsburgh International Airport, which pioneered the ‘air mall’ shopping concept, has a variety of 65 retail shops. The retail mix at Denver International Airport includes several shops offering locally made items such as handmade crafts from area artists as well as Native-American jewelry. Minneapolis-St. Paul International Airport has so many retail options it has been dubbed ‘mini-Mall of America.’

Because of the heavy foot traffic, retail sales per square foot at many airports top $1,000 or more, or nearly double that at regional malls and upscale outlets, according to National Real Estate Investor.

22.2 Top Airports For Retail
The following airports have the highest food and beverage sales (source: ARN):

<table>
<thead>
<tr>
<th>Specialty Retail</th>
<th>Sales (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hartsfield-Jackson Atlanta International Airport</td>
<td>$73.9 million</td>
</tr>
<tr>
<td>John F. Kennedy International Airport (New York City)</td>
<td>$63.9 million</td>
</tr>
<tr>
<td>San Francisco International Airport</td>
<td>$57.3 million</td>
</tr>
<tr>
<td>Miami International Airport</td>
<td>$54.2 million</td>
</tr>
<tr>
<td>Orlando International Airport</td>
<td>$45.2 million</td>
</tr>
<tr>
<td>Dallas-Fort Worth International Airport</td>
<td>$41.8 million</td>
</tr>
</tbody>
</table>
• McCarran International (Las Vegas): $40.3 million
• Denver International Airport: $33.5 million
• Newark Liberty International Airport: $32.2 million
• Chicago O’Hare International Airport: $31.2 million

News & Gifts
• Los Angeles International Airport: $77.9 million
• John F. Kennedy International Airport (New York City): $74.0 million
• Chicago O’Hare International Airport: $49.6 million
• Charlotte/Douglas International Airport: $46.6 million
• McCarran International (Las Vegas): $46.6 million
• Miami International Airport: $39.9 million
• Newark Liberty International Airport: $38.3 million
• Seattle-Tacoma International Airport: $37.4 million
• San Francisco International Airport: $36.4 million
• Hartsfield-Jackson Atlanta International Airport: $36.1 million

22.3 Duty-Free Retail
ARN reported duty-free retail sales at the 50 largest airports at $1.04 billion. The following airports have the highest duty-free sales:
• John F. Kennedy International Airport (New York City): $212.2 million
• Los Angeles International Airport: $163.5 million
• Miami International Airport: $116.3 million
• San Francisco International Airport: $104.9 million

22.4 Market Resources
23

AUTOMOTIVE PARTS STORES

23.1 Market Assessment

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at automotive parts, accessories, and tire stores (NAICS Code 4413) have been as follows:

- 2004: $66.78 billion
- 2005: $70.06 billion
- 2006: $72.28 billion
- 2007: $74.74 billion
- 2008: $76.41 billion
- 2009: $74.41 billion
- 2010: $78.22 billion
- 2011: $83.18 billion
- 2012: $84.35 billion
- 2013: $85.09 billion
- 2014: $86.16 billion
- 2015: $86.93 billion

Sales in 2015 were distributed by month as follows:

- January: $ 6.48 billion
- February: $ 6.54 billion
- March: $ 7.47 billion
- April: $ 7.42 billion
- May: $ 7.36 billion
- June: $ 7.73 billion
- July: $ 7.83 billion
- August: $ 7.48 billion
- September: $ 7.23 billion
- October: $ 7.55 billion
- November: $ 6.96 billion
- December: $ 6.89 billion

23.2 Retail Census

According to County Business Patterns (April 2016 edition), published by the
Census Bureau, there are 57,586 retail stores in the sector. Combined they have 508,892 employees.

### 23.3 Market Leaders
The largest automotive parts store chains, ranked by annual U.S. sales, are as follows:

- **Autozone** (www.autozone.com): $8.48 billion
- **O'Reilly Automotive** (www.oreillyauto.com): $7.96 billion
- **Advance Auto Parts** (www.advanceautoparts.com): $4.11 billion

### 23.4 Sector Profile
*Automotive Parts & Accessories Stores Industry Profile*, a April 2016 publication by First Research (www.firstresearch.com), provides the following profile of the segment:

- The U.S. automobile parts retail sector includes about 40,000 establishments (single-location companies and units of multi-location companies).
- The industry is concentrated: the 50 largest companies generate about half of industry revenue.
- Demand for automobile parts is driven by the age and mileage of vehicles in use and generally increases when fewer new cars are sold and older cars are kept on the road longer.
- The profitability of individual companies depends largely on inventory management and marketing. Large companies have economies of scale in purchasing and distribution. Small companies can compete effectively by carrying specialized parts or by providing extra services such as fast delivery.
- The industry is labor-intensive: average annual revenue per employee is about $127,000.
- Auto parts account for about 50% of retail sales; auto supplies 12%; and auto batteries and auto lubricants about 6% each.

### 23.5 Customer Shopping
International Demographics (www.themediaaudit.com) has surveyed adults in 93 metropolitan areas assessing the percentages that shop at automotive parts stores. On average, 29.9% of adults in the 93 metropolitan areas assessed reportedly shopped at an automotive parts store in the prior month.

The following metropolitan areas have the highest percentages of adults that shop at automotive parts stores monthly:

- Ocala, FL: 39.4%
- Tulsa, OK: 39.4%
- Lexington, KY: 37.8%
• Charleston, SC: 37.5%
• Flint-Saginaw, MI: 37.3%
• Spokane, WA: 37.3%
• Atlanta, GA: 37.2%
• Norfolk-Virginia Beach-Newport News, VA: 36.7%
• Greenville-Spartanburg, SC: 36.5%
• Birmingham, AL: 36.4%

Data on customer shopping at automotive parts stores in the 93 metropolitan areas is available online at www.themediaaudit.com/press/local-releases.

23.6 Market Resources

First Research, Hoover’s Inc., 5800 Airport Boulevard, Austin, TX 78752. (866) 788-9389. (www.firstresearch.com)

International Demographics, 10333 Richmond Avenue, Suite 200, Houston, TX 77042. (713) 626-0333. (www.themediaaudit.com)
24

BABY PRODUCTS

24.1 Market Assessment

Total U.S. spending in 2015 for baby products of all types was $50 billion. The market has declined slightly since 1998.

“The last place parents cut spending is on their kids, but economic troubles, resulting birth rate declines, and other factors have caused sales of baby food and babycare supplies to decline over the last five years.”

Bloomberg Businessweek

According to IBIS World (www.ibisworld.com), the U.S. market for baby and kids’ clothing dipped 9.2% during the recession, and revenue fell from $10.3 billion in 2007 to $9.4 billion a year later. The category has rebounded; sales were $10.6 billion in 2014, 4.3% over the previous year.

There are approximately 1,500 durable baby goods stores in the U.S.; sales were $5.0 billion in 2015; the 2010-2015 average annual growth rate was 3.2%.

According to Packaged Facts (www.packagedfacts.com), annual retail sales of the baby food category, including both infant formula and prepared baby food, are $5.5 billion. The category has been declining by a compound average growth rate (CAGR) of 2.5% since 2008.

Sales were hammered by the recession and continued to suffer as lingering economic stress led to declining birth rates and reduced spending by consumers. An increase in breastfeeding, as well as infants and toddlers being fed what the family eats, further depressed sales. Health and safety concerns over formula, which accounts for over 70% of category sales, also contributed to the decline.

Annual retail sales of the babycare supplies category, consisting of the diapers, wipes, and baby personal care segments, are $5.7 billion. The category declined by a
CAGR of 1.3% since 2008. Eroding diapers sales, at over 60% of the category, drove overall sales declines due to the same economic factors affecting baby food. Wipes and baby personal care products, much less expensive for consumers than diapers, experienced sales growth during the period, but at sluggish rates.

According to Companies and Markets (www.companiesandmarkets.com), the baby care and safety accessory market is $2.3 billion; CAGR is projected at 8% through 2018. This category includes strollers and car seats.

An April 2015 study by IBIS World reported annual online spending for baby products is $5.0 billion; average annual growth is 10.8%. Approximately 2,225 suppliers sell baby products online.

24.2 Market Leaders
According to Baby and Infant Needs Study, published in March 2016 by TABS Analytics (www.tabsanalytics.com), food, drug, mass, club, and dollar (FDMCD) channels garner about 60% of total baby care spending; specialty and online channels hold about 40% of the market. Walmart, Target, and Toys ‘R’ Us/Babies ‘R’ Us account for about 50% of overall baby category sales.

According to Packaged Facts, Nestle/Gerber, Abbott Laboratories, and Mead Johnson Nutrition control nearly 90% of the baby food category. Gerber is dominant in prepared baby food, while Abbott and Mead are dominant in infant formula.

Kimberly-Clark and Procter & Gamble garner 65% of dollar sales of the baby care supplies category due to their strength in diapers and wipes.
Johnson & Johnson controls half of the smaller baby personal care segment.

Ranked by marketshare, the leading baby care and safety accessory vendors in the U.S. are as follows:

- Dorel Juvenile Group: 19.6%
- Graco: 13.6%
- Evenflo Products Co: 11.9%
- Munchkin Inc.: 7.5%
- Playtex Products: 6.6%
- Tomy: 6.3%
- Summer Infant Inc: 5.2%
- Harmony Juvenile Products: 3.3%
- Fisher Price: 2.9%
- Boppy Co: 2.0%

24.3 Market Resources


25

BOOK STORES

25.1 Market Assessment

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at book stores (NAICS Code 451211) have been as follows:
• 2004: $16.88 billion
• 2005: $16.99 billion
• 2006: $16.98 billion
• 2007: $17.17 billion
• 2008: $16.79 billion
• 2009: $15.78 billion
• 2010: $15.21 billion
• 2011: $13.67 billion
• 2012: $12.20 billion
• 2013: $11.43 billion
• 2014: $10.89 billion
• 2015: $11.17 billion

These figures do not include book sales at general merchandise stores. Sales in 2015 were distributed by month as follows:
• January: $1.43 billion
• February: $683 million
• March: $660 million
• April: $658 million
• May: $764 million
• June: $699 million
• July: $717 million
• August: $1.56 billion
• September: $1.09 billion
• October: $745 million
• November: $756 million
• December: $1.42 billion

25.2 Retail Census

According to County Business Patterns (April 2016 edition), published by the
Census Bureau, there are 6,888 retail stores in the sector. Combined they have 92,620 employees.

### 25.3 Marketshare Leaders

The largest book store chains, ranked by annual revenue, are as follows:

- Barnes & Noble (www.barnesandnoble.com): $4.0 billion
- Follett Higher Education Group (www.follett.com): $2.5 billion

Barnes & Noble, the number one bookseller in the U.S., accounts for one out of every 10 books sold. It is the largest U.S. retailer in every segment of its sales, including bargain books, magazines, newspapers, children’s books, art books, and calendars.

Borders Group, once the second-largest operator of book superstores in the U.S., filed for Chapter 11 bankruptcy in 2011 and ultimately closed all of its stores. Borders’ online division was sold to Barnes & Noble.

### 25.4 Sector Profile

*Bookstores Industry Profile*, published in March 2016 by First Research (www.firstresearch.com), provides the following profile of the segment:

- The U.S. bookstores sector includes about 7,000 stores with combined annual revenue of about $11 billion. The industry is highly concentrated: the 50 largest companies account for about 85% of sales.
- The industry is labor-intensive: average annual sales per employee are about $130,000. Sales per employee tend to be lower for smaller, independent bookstores.
- The industry is being redefined as booksellers fend off intense competition from discount stores and online retailers and adjust to increasing acceptance by consumers of digital books as an alternative to printed books.
- The industry is segmented into general, college, and specialty bookstores. General bookstores sell mostly trade books (fiction, nonfiction, adult, children’s), college bookstores sell mostly textbooks, and specialty bookstores sell mostly religious books. Trade books account for about 35% of sales, textbooks for nearly 30%, and religious books about 5%.

### 25.5 Independent Book Stores

There are approximately 2,050 independent bookshops in the U.S., according to the American Booksellers Association (www.bookweb.org). While Amazon holds 29% of the book market, followed by Barnes & Noble with 20% marketshare, independent booksellers garner 10% of book sales.
“Independent bookstores have rebounded strongly from the financial crisis, increasing their numbers by 27% since 2009. American indie bookshops have filled the vacuum left by big box bookstores like Borders (which went out of business in 2011) and Barnes & Noble (which has closed hundreds of stores). They have also capitalized on a spirit of localism and urban renewal that is coursing through some American cities.”

*The New York Times, 2/25/15*

### 25.6 E-Books

In a survey by The Harris Poll (www.theharrispoll.com), adults reported their reading activities as follows:

- Only read print books: 48%
- Read more print books than eBooks: 17%
- Read print books and eBooks about the same: 14%
- Read more eBooks than print books: 15%
- Only read eBooks: 6%

According to Pew Research Center (www.pewresearch.org), over 50% of adults own a tablet, an e-reader, or both devices. Among these consumers, the following percentages read eBooks on their devices:

- E-reader: 87%
- Tablet: 78%
- Smartphone: 32%
- Computer: 31%

In 2015, 19% of adults report owning an e-reader, a drop from 32% who did so in early 2014. The drop is, in part, because people have shifted their e-book reading from e-book readers to tablets and other devices. Ownership of e-readers is somewhat more common among women (22%) than men (15%).

E-book sales are distributed by outlet as follows:
• Amazon: 67%
• Barnesandnoble.com: 25%
• Apple iBookstore: 5%
• Smashwords: 1%

25.7 Market Resources

26.1 Market Assessment

The U.S. wedding industry – from caterers to jewelers to travel agents – is a more than $100 billion-per-year business.

There are approximately 2.1 million marriages each year in the U.S., or a rate of 5.4 per 1,000 population. According to the U.S. Census Bureau (www.census.gov), the rate of marriages has dropped in recent years, declining from 9.8 per 1,000 in 1990 and 8.3 per 1,000 in 2000.

2016 Real Weddings Survey, by The Knot (www.theknot.com), reported spending for the average wedding at $32,641, an increase of more than $5,000 since 2010. Average wedding costs range from $82,299 in Manhattan (New York, NY) to $17,361 in Alaska. The reception venue accounts for 45% of wedding costs, with an average price of $14,788. Outside of the reception, the highest spending is for engagement rings ($5,871), photographer ($2,618), videographer ($1,824), and reception band ($3,833). The average wedding cake costs $575. The average wedding dress costs $1,469 and the average groom’s attire costs $269.

26.2 Engagement and After-Wedding Shopping

According to Condé Nast Bridal Group, the average couple is engaged for 16 months. Many engaged couples plan for a new household as well as the wedding.

According to HFN, over a 17-month period following their wedding, newlyweds spend as follows:
- Automotive: $31 billion
- Insurance: $15 billion
- Financial services: $12 billion
- Furniture: $ 4 billion
- Housewares: $ 3 billion

26.3 Wedding-Gift Giving

In a recent survey by Claria Corporation (www.claria.com), 75% of respondents said they planned to attend one to three weddings during the coming 12-month period. Thirty-four percent (34%) had or planned to purchase wedding gifts through online retail channels, with 80% planning to buy their gifts from the bride and groom’s registry.
Forty-eight percent (48%) of respondents indicated they would purchase a wedding gift in the coming three months. Of those, 43% planned to buy online; 83% planned to purchase a gift requested in the bride and groom’s gift registry.

Sixty-five percent (65%) typically buy gifts for all couples who invite them to a wedding, 30% only purchase gifts for weddings they attend. Sixty percent (60%) of respondents reported spending $26 to $75 for a wedding gift.

26.4 Wedding Registries

An estimated $20 billion is spent annually on presents bought via wedding gift registries.

Online registries – both specialized online websites and those sponsored by traditional retailers – have become popular in recent years. One of the oldest specialized wedding sites is TheKnot.com. Publisher Condé Nast sponsors WeddingChannel.com. Other popular registry sites include ElegantBride.com and ModernBride.com, which typically attract the younger population, and 4Wedding.com, which attracts mostly older married-to-be’s to their site.

According to the American Wedding Study, by Brides magazine, the most-wanted gifts among brides-to-be are as follows:

- Money: 67%
- Cookware: 52%
- Linens/towels: 49%
- Small kitchen appliances: 47%
- Gift cards: 43%
- Everyday dishes: 39%
- Home decor: 31%
- Everyday glassware: 24%
- Honeymoon: 23%
- Fine china: 21%
- Stainless steel flatware: 18%
- Electronics: 18%
- Furniture and furnishings: 14%
- Silver flatware: 14%
- Large kitchen appliances: 14%
- Crystal: 13%

The Bridal Registry Study, by The Knot, provides the following assessment of the bridal registry market:

- The vast majority (88%) of engaged couples set up a registry.
- Sixty-one percent (61%) of registering couples use a personal wedding website – one they set up themselves with details about the wedding, the reception, how they met, where they are registered, and other information – to communicate information to their guests. Brides between the ages of 25 and 34 are most likely to spread word of their registries using personal websites.
• Twelve percent (12%) of registering couples use social networking platforms to share registry details with friends and family. Younger brides (aged 18-to-24) are more likely to use social networking tools.
• Engaged couples typically register at an average of three retail stores. The top three wedding registry retailers are Bed Bath and Beyond, Target, and Macy’s, which account for 70% of bridal registries.
27

CONVENIENCE STORES

27.1 Sector Profile

Convenience stores account for 34% of all retail outlets in the United States. The National Association of Convenience Stores (NACS, www.nacsonline.com) reported the U.S. convenience store (c-store) count was 154,195 stores at year-end 2015, a 0.9% increase from a year prior.

The following states have the highest number of convenience stores:

- Texas: 15,434
- California: 11,403
- Florida: 9,810
- New York: 8,247
- Georgia: 6,766
- North Carolina: 6,301
- Ohio: 5,539
- Michigan: 4,907
- Illinois: 4,670
- Pennsylvania: 4,604

The three states with the fewest c-stores are Alaska (202), Delaware (348), and Wyoming (354).

The convenience retailing industry has roughly doubled in size over the last three decades. At year-end 1984, the store count was 85,300, at year-end 1994 the store count was 98,200, and at year-end 2004 the store count was 138,205.

Convenience stores sell an estimated 80% of all the fuel purchased in the U.S.

27.2 Market Assessment

According to NACS State of the Industry Report of 2015 Data, 29th Edition, U.S. convenience stores reached record in-store sales in 2015, with sales climbing 5.8% to $225.8 billion. Combined with motor fuel sales of $349.0 billion, overall convenience store sales were $574.8 billion. Pretax profit was $10.6 billion.

The convenience retailing industry continues to be dominated by single-store operators, which account for about 63% of all convenience stores.

27.3 Marketshare Leaders

The largest convenience store chains, ranked by annual U.S. sales, are as
follows:

- Pilot Travel Centers (www.pilotcorp.com): $22.9 billion
- Cumberland Farms (www.cumberlandfarms.com): $16.5 billion
- Love’s Travel Stops (www.loves.com): $14.2 billion
- 7-Eleven (www.7-eleven.com): $13.9 billion
- The Pantry/Kangaroo (www.thepantry.com): $10.4 billion
- QuikTrip (www.quiktrip.com): $ 9.1 billion
- Wawa (www.wawa.com): $ 8.9 billion
- RaceTrac Petroleum (www.racetrac.com): $ 7.5 billion
- Sheetz (www.sheetz.com): $ 6.3 billion
- TravelCenters of America (www.tattravelcenters.com): $ 5.8 billion

27.4 In-Store Sales

In-store sales are 30.8% of total convenience store sales but account for 60.5% of profit.

Foodservice, a broad category that includes prepared and commissary foods, hot dispensed beverages (coffee), and cold and frozen dispensed drinks, contributed 20.8% of in-store sales in 2015 and accounted for 33.7% of gross profit dollars.

The top 10 in-store categories ranked by sales dollars represent about 80% of all in-store sales.

In-store sales in 2015 were distributed as follows:

- Tobacco products: 35.9%
- Foodservice (prepared and commissary food; hot, cold and dispensed beverages): 20.8%
- Packaged beverages (carbonated soft drinks, energy drinks, sports drinks, juices, water and teas): 15.1%
- Center of the store (candy; sweet, salty and alternative snacks): 10.7%
- Beer: 7.2%
- Other: 10.3%

27.5 Market Resources


CSP, 1 Tower Lane, Suite 2000, Oakbrook Terrace, IL 60181. (630) 574-5075. (www.cspdailynews.com)

National Association of Convenience Stores, 1600 Duke Street, 7th Floor, Alexandria, VA 22314. (703) 684-3600. (www.nacsonline.com)
28

CRAFTS & HOBBY STORES

28.1 Market Assessment
The Craft & Hobby Association (CHA, www.craftandhobby.org) estimates the annual market for craft and hobby supplies at $31 billion.

According to State of the Craft Industry, published by CHA, 56% of U.S. households, or 62.5 million people, participate in one or more crafting activities.

An estimated 35 million people sew, 16 million knit or do needlepoint, and 12 million quilt.

The American Quilter’s Society (www.americanquilter.com) estimates that quilting is a $3.3 billion industry, with some 27 million enthusiasts – a figure which includes collectors, those who enjoy quilt exhibits, and quilt makers themselves.

Scrapbooking, a $2 billion market, has been one of the hottest growth areas in the crafts market during the past decade.

28.2 Retail Census
According to County Business Patterns (April 2016 edition), published by the Census Bureau, there are 4,666 retail stores in the sector. Combined they have 42,725 employees.

28.3 Marketshare Leaders
The largest crafts and fabrics chains, ranked by annual U.S. sales, are as follows:

- Michaels Stores (www.michaels.com): $4.47 billion
- Hobby Lobby Stores (www.hobbylobby.com): $4.00 billion
- Jo-Ann Stores (www.joann.com): $2.40 billion
- Hancock Fabrics (www.hancockfabrics.com): $283 million

The following are the largest craft supply chains, ranked by number of U.S. locations:

- Michaels (www.michaels.com): 1,145
- Jo-Ann Stores (www.joann.com): 790
- Hobby Lobby (www.hobbylobby.com): 600
Etsy (www.etsy.com), the dominant online marketplace for artisanal goods, has one million storefronts and more than $1 billion in annual sales.

28.4 Market Characteristics and Trends

It is well understood in the fabric and crafts sector that people’s necessity to ‘do it themselves’ faded a long time ago. The primary market drivers today are recreation, enjoyment, and family values. People are not sewing as a necessity, rather it is a lifestyle and hobby choice.

What the fabric and craft chains have been able to do, perhaps better than any other retail segment, according to Chain Store Age, is to create a comfortable and exciting environment for their shoppers.

In addition to the leisure-related market drivers, there is a trend toward making a gift for someone special, instead of buying it off a shelf. Consumers are also using crafts as a way to add uniqueness to their homes.

Despite the image of crafts as a hobby for the retired, crafts retailers report that almost 50% of arts and crafts shoppers are ages 35-to-54.

28.5 Market Resources

American Craft Council, 1224 Marshall Street NE, Suite 200, Minneapolis, MN 55413. (612) 206-3100. (www.craftcouncil.org)

Craft & Hobby Association, 319 East 54th Street, Elmwood Park, NJ 07407. (201) 835-1200. (www.craftandhobby.org)
29

DEPARTMENT STORES

29.1 Market Assessment

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at department stores, including leased departments (NAICS Code 452111), have been as follows:

- 2004: $84.47 billion
- 2005: $84.75 billion
- 2006: $80.30 billion
- 2007: $76.89 billion
- 2008: $71.28 billion
- 2009: $63.59 billion
- 2010: $65.25 billion
- 2011: $66.20 billion
- 2012: $63.52 billion
- 2013: $61.15 billion
- 2014: $60.66 billion
- 2015: $58.46 billion

Sales in 2015 were distributed by month as follows:

- January: $ 3.50 billion
- February: $ 3.91 billion
- March: $ 4.49 billion
- April: $ 4.52 billion
- May: $ 4.98 billion
- June: $ 4.27 billion
- July: $ 4.16 billion
- August: $ 4.45 billion
- September: $ 4.28 billion
- October: $ 4.50 billion
- November: $ 6.08 billion
- December: $ 9.31 billion

29.2 Retail Census


• 118 •
Census Bureau, there are 3,279 retail stores in the sector. Combined they have 422,336 employees.

### 29.3 Marketshare Leaders

The largest department store chains, ranked by annual U.S. sales, are as follows:

- Macy’s (www.macys.com): $27.0 billion
  - Brands: Bloomingdale’s, Macy’s
- Sears Holdings Corp. (www.sears.com): $22.1 billion
  - Brands: Kmart, Sears
- Kohl’s (www.kohls.com): $19.2 billion
- Nordstrom (www.nordstrom.com): $14.0 billion
- JCPenney (www.jcpenney.com): $12.5 billion
- Dillard’s (www.dillards.com): $6.4 billion
- Neiman Marcus Group (www.neimanmarcus.com): $5.0 billion
  - Brands: Bergdorff Goodman, Last Call, Neiman Marcus
- Belk (www.belk.com): $4.2 billion
- Saks Fifth Avenue (www.saks.com): $2.8 billion
- Bon-Ton Stores (www.bonton.com): $2.8 billion

### 29.4 Market Trends

Department stores accounted for 10% of total retail sales in the mid-1980s, 8% in 1990, 5% in 2000, and 2.1% in 2016. Department store sales have been on the decline for more than a decade, and declines accelerated during the recession.

In an effort to curb declines, department stores are reinventing the store shopping experience. Stores are adding automated price checkers, shopping carts, more direction signage, and easier-to-shop layouts. Some are introducing centralized checkouts to ensure that manned registers are always available to shoppers. Others have increased the size of fitting rooms and have added mirrors and extra racks to hang more clothes.

While department store retailers are not abandoning the mall, many are exploring formats that allow them to reach new customers in new locations, typically with smaller stores. Several department-store chains are developing free-standing locations, taking their cue from the convenience offered by Kohl’s with their off-mall locations.

Consolidation of store locations continues. Macy’s closed 14 stores in 2015 as part of a restructuring plan aimed to boost online sales. The closures left Macy’s with 780 stores. JCPenney closed 40 stores in 2015, or about 4% of the chain’s total locations.
29.5 Market Resources

*Department Stores*, Chain Store Guide, 10117 Princess Palm Avenue, Suite 375, Tampa, FL 33610. (813) 664-6800. (www.chainstoreguide.com)
30.1 Market Assessment

Several categories of retail target the value-focused consumer, including dollar stores, off-price outlets, and closeout chains.

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales in this segment (NACIS Code 45299) have been as follows:

- 2004: $39.36 billion
- 2005: $41.20 billion
- 2006: $43.14 billion
- 2007: $44.23 billion
- 2008: $45.61 billion
- 2009: $47.86 billion
- 2010: $51.10 billion
- 2011: $55.18 billion
- 2012: $58.83 billion
- 2013: $61.76 billion
- 2014: $65.01 billion
- 2015: $68.23 billion

Sales in 2015 were distributed by month as follows:

- January: $4.77 billion
- February: $5.03 billion
- March: $5.62 billion
- April: $5.44 billion
- May: $5.90 billion
- June: $5.61 billion
- July: $5.61 billion
- August: $5.52 billion
- September: $5.38 billion
- October: $5.80 billion
- November: $6.02 billion
- December: $7.55 billion

30.2 Retail Census

According to County Business Patterns (April 2016 edition), published by the
Census Bureau, there are 39,172 retail stores in the sector. Combined they have 368,787 employees.

30.3 Marketshare Leaders

The largest dollar store, off-price/closeout, and thrift store chains, ranked by annual U.S. sales, are as follows:

- **TJX Cos. (www.tjx.com):** $23.6 billion
  - Brands: T.J.Maxx, Marshalls, HomeGoods, A.J. Wright, Bob’s Stores, HomeSense, Winners

- **Dollar General (www.dollargeneral.com):** $20.4 billion

- **Dollar Tree (www.dollarstore.com):** $19.9 billion

- **Ross Dress for Less (www.rossstores.com):** $11.9 billion

- **Big Lots (www.biglots.com):** $5.2 billion

- **Burlington Coat Factory (www.coat.com):** $5.0 billion

- **Freds Super Dollar (www.fredsdirect.com):** $1.8 billion

- **99 Cents Only (www.99only.com):** $1.5 billion

- **Tuesday Morning, Inc. (www.tuesdaymorning.com):** $800 million

30.4 Market Characteristics and Trends

The economic downturn was a boon for many value-focused retailers. The expanding marketshare of dollar stores continues, even as the economy recovers. Growth is being driven, in part, by aggressive expansion plans of companies in the sector.

_________________________________________________________________

“Not many other retailers are opening new stores, they are focusing instead on taking advantage of [customers] already in their stores and maximizing conversion to purchase, as well as expanding their online presence. Dollar store traffic has been increasing over the past few years because [stores] have expanded their selection of products, making the channel even more useful and pleasing to price-savvy consumers.”

The NPD Group
Dollar stores tend to site stores and merchandise selections to best serve the needs of their core customers, the low- to middle- or fixed income households often underserved by other retailers. Customers, however, come from a wide range of income brackets.

A survey by Mintel (www.mintel.com) found that 68% of adults in households with an annual income of $150,000 or higher shop in dollar stores. Among these consumers, 60% say that dollar stores offer better prices than other retailers.

Across all demographics, Mintel found consumers’ views of dollar stores as follows:
• Conveniently located: 78%
• Offer better prices than other retailers: 74%
• Stores are pleasant to shop in: 59%
• Products are just as good as other retailers: 54%

“In dollar stores benefit from continued consumer caution regarding spending as well as an improved level of acceptance and satisfaction of the products offered and the shopping experience in these channels.”

Mintel
31

HOME CENTERS & HARDWARE

31.1 Market Assessment

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales in the building materials & supplies stores sector (NACIS Code 4441) have been as follows:

- 2004: $261.20 billion
- 2005: $286.60 billion
- 2006: $299.38 billion
- 2007: $283.85 billion
- 2008: $263.18 billion
- 2009: $227.66 billion
- 2010: $225.96 billion
- 2011: $232.96 billion
- 2012: $242.61 billion
- 2013: $260.31 billion
- 2014: $273.87 billion
- 2015: $286.71 billion

Sales in 2015 were distributed by month as follows:

- January: $18.86 billion
- February: $17.69 billion
- March: $23.02 billion
- April: $25.84 billion
- May: $27.17 billion
- June: $26.90 billion
- July: $26.96 billion
- August: $24.71 billion
- September: $24.30 billion
- October: $25.04 billion
- November: $23.02 billion
- December: $22.80 billion

Hardware stores accounted for 8.3% of sector sales in 2015; paint and wallpaper stores were 3.6%.

New homeowners are the most “home-improvement happy.” According to the Joint Center for Housing Studies at Harvard University (www.jchs.harvard.edu), they typically account for 25% of home improvement spending, even though they represent
only 13% of all homeowners.  

With home sales in decline, the home improvement market suffered during the economic downturn, and home center sales dropped 19% between 2007 and 2010. Spending at these stores increased beginning in 2011, but revenue in the sector had still not returned to pre-recession levels at year-end 2015.

### 31.2 Retail Census

According to *County Business Patterns* (April 2016 edition), published by the Census Bureau, there are 59,237 retail stores in the sector. Combined they have 1,121,394 employees.

### 31.3 Marketshare Leaders

The largest home center chains, ranked by annual U.S. sales, are as follows:

- **The Home Depot (www.homedepot.com):** $79.29 billion
- **Lowe’s (www.lowes.com):** $57.48 billion
- **Menards (www.menards.com):** $10.21 billion
- **84 Lumber Co. (www.84lumber.com):** $2.10 billion
- **Sutherland Lumber Co. (www.sutherlands.com):** $1.00 billion

Home Depot and Lowe’s operate 1,965 and 1,805 stores, respectively. Competition between the two chains is intense – about 75% of Lowe’s stores are within 10 miles of a Home Depot store.

The following are the largest hardware cooperatives, based on annual U.S. sales:

- **True Value Company (www.truevalue.com):** $16.33 billion
- **Ace Hardware Corporation (www.acehardware.com):** $10.60 billion
32.1 Market Assessment
Retail exchanges serving the U.S. Armed Forces are called Base Exchange (BX) on Air Force bases, Post Exchange (PX) on Army posts, Navy Exchange (NEX) on Navy installations, Marine Corps Exchange (MCX) on Marine Corps installations, and Coast Guard Exchange (CGX) on Coast Guard installations. The exchanges serve active and retired military service members and their families.

There are over 4,000 Military Exchange System stores. Annual retail sales are $14.0 billion, distributed as follows:

<table>
<thead>
<tr>
<th>Stores</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Army and Air Force Exchange Service (AAFES):</td>
<td>3,700 $11.6 billion</td>
</tr>
<tr>
<td>Navy Exchange Service Command (NEXCOM):</td>
<td>540 $2.80 billion</td>
</tr>
<tr>
<td>Marines Corps Exchange (MCX):</td>
<td>150 $ 995 million</td>
</tr>
<tr>
<td>Veterans Canteen Service (VCS):</td>
<td>175 $ 200 million</td>
</tr>
<tr>
<td>Coast Guard Exchange System (CGES):</td>
<td>60 $ 145 million</td>
</tr>
</tbody>
</table>

32.2 The Army and Air Force Exchange Service
AAFES, the largest component of the Military Exchange System, ranks among the 25 largest retailers in the U.S. AAFES serves a customer base that consists of active duty military personnel, retirees, and National Guard and Reserve members.

During its 120 years of operation, AAFES has evolved from a purveyor of discounted basic necessities to a multichannel retailer with over 3,000 stores, restaurants, and movie theaters, as well as catalogs and a growing Internet site. One survey put its prices just 2.5% higher than Walmart's, and shoppers get the added benefit of forgoing sales taxes.

For grocery shopping, military personnel, including retirees, turn to a network of 281 stores (including about 95 overseas) operated by the Defense Commissary Agency (DeCA, www.commissaries.com). With annual sales of about $5 billion, DeCA generates revenues roughly equivalent to a conventional supermarket chain. Federal law does not allow the agency to make a profit, however, and products are sold at only a 5% markup from cost.

Two-thirds of AAFES' profits go to the military’s Morale, Welfare and Recreation fund, which pays for the operations of pools, libraries, and other base amenities. The remaining one-third of profits are used to renovate existing sites and construct new facilities.
Exchanges operated by the Army and Air Force Exchange Service were rebranded in 2014 as Exchange X.

32.3 Navy Exchange Service Command

There are 540 Navy Exchanges that offer name brand products at discounted prices as well as quality store brand merchandise offered at a significant savings to all authorized customers. In addition, there are over 1,200 service operations such as gas stations, food outlets, laundry/dry cleaning, barber/beauty salons, flower shops, tailor shops, optical and optometry services, and complete vending services.

NEXCOM has a partnership to sell Macy’s private brands (Karen Scott, Charter Club, and Style & Co.), which are offered at prices lower than at Macy’s stores.

32.4 Market Resources

The following are Military Exchange System websites:
- Coast Guard Exchange: [www.cg-exchange.com](http://www.cg-exchange.com)
- Navy Exchange Service: [www.mynavyexchange.com](http://www.mynavyexchange.com)
- Exchange Service: [www.shopmyexchange.com](http://www.shopmyexchange.com)
33.1 Market Assessment

The U.S. school supplies and office products market is estimated at between $200 billion and $300 billion, depending upon how the category is defined. Computers, office furniture, and paper products account for the bulk of the spending.

Office supply superstores garner a marketshare of about 20%, with the remaining 80% distributed among specialty retailers, discount stores, wholesale clubs, supermarkets, drug stores, catalogs, and online retailers.

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at office supply stores (NAICS Code 45321) have been as follows:

- 2004: $21.68 billion
- 2005: $22.16 billion
- 2006: $22.79 billion
- 2007: $23.20 billion
- 2008: $21.28 billion
- 2009: $19.41 billion
- 2010: $18.79 billion
- 2011: $18.14 billion
- 2012: $17.43 billion
- 2013: $16.50 billion
- 2014: $15.59 billion
- 2015: $14.52 billion

Sales in 2015 were distributed by month as follows:

- January: $ 1.41 billion
- February: $ 1.20 billion
- March: $ 1.18 billion
- April: $ 1.15 billion
- May: $ 1.09 billion
- June: $ 1.04 billion
- July: $ 1.14 billion
- August: $ 1.56 billion
- September: $ 1.30 billion
- October: $ 1.13 billion
- November: $ 1.06 billion
- December: $ 1.26 billion
Owners of small businesses and home offices account for an estimated 70% to 80% of sales at superstore chains.

Private label brands represent just over 20% of sales at each of the three leading office superstore chains, according to *Retailing Today*.

### 33.2 Retail Census

According to *County Business Patterns* (April 2016 edition), published by the Census Bureau, there are 6,823 retail stores in the sector. Combined they have 80,783 employees.

### 33.3 Marketshare Leaders

The following are the largest office products chains, ranked by annual U.S. sales:

- **Staples (www.staples.com):** $7.57 billion
- **Office Depot (www.officedepot.com):** $7.24 billion

The market leaders have been challenged in recent years as the marketplace for office supplies has changed.

“Staples has struggled with years of declining revenue as demand wanes for traditional office basics like folders and filing cabinets and as shoppers seek cheaper deals online.”

*The Wall Street Journal, 3/4/16*

Office supply sales at Walmart and Costco are estimated at $4.5 billion and $1.3 billion, respectively.

Office Depot acquired OfficeMax for $1.17 billion in 2013. In February 2015, Staples announced plans to acquire Office Depot for $6.3 billion. The Federal Trade Commission sued in December 2015 to block the merger, saying it would result in higher prices for customers.
33.4 Online Retail

According to eMarketer (www.emarketer.com), U.S. retail e-commerce sales have been, and are projected as follows (change from previous year in parenthesis):

- 2013: $7.3 billion (15.1%)
- 2014: $8.3 billion (13.8%)
- 2015: $9.3 billion (12.4%)
- 2016: $10.4 billion (11.2%)
- 2017: $11.4 billion (10.4%)
- 2018: $12.6 billion (9.9%)

Combined, online and catalog sales are as follows (source: Multichannel Merchant):

- Staples: $9.8 billion
- OfficeMax: $3.8 billion
- Office Depot: $3.3 billion

Note: Staples catalog and online sales include Corporate Express and Quill Corp. brands.

33.5 Office And School Supplies

The NPD Group (www.npd.com) assessed the office and school supplies market in 2015 at $12 billion, including $1.2 billion in online sales.

By product category, growth in 2015 was as follows:

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Retail Stores</th>
<th>E-Commerce</th>
</tr>
</thead>
<tbody>
<tr>
<td>Writing instruments</td>
<td>5.0%</td>
<td>37.0%</td>
</tr>
<tr>
<td>Filing and file storage</td>
<td>-1.0%</td>
<td>11.5%</td>
</tr>
<tr>
<td>Office paper</td>
<td>-2.5%</td>
<td>13.0%</td>
</tr>
<tr>
<td>Presentation and reference</td>
<td>-1.0%</td>
<td>17.2%</td>
</tr>
<tr>
<td>Office essentials</td>
<td>3.5%</td>
<td>20.0%</td>
</tr>
</tbody>
</table>

Writing instruments, which represent 20% of segment sales, were the fastest growing product category in 2015. Traditional pen sales grew 5% during the year, and sales of specialty pens by 11%. Driven by the adult coloring book trend, dollar sales of porous, gel, and multi-colored pens were up by 28%, 9%, and 8%, respectively. Colored pencil sales were up 40% for the year.

33.6 Market Resources

Independent Office Products and Furniture Dealers Association, 3601 E. Joppa Road, Baltimore, MD 21234. (410) 931-8100. (www.iopfda.org)
34.1 Market Assessment

The American Pet Products Association (APPA, www.americanpetproducts.org) estimates that 82.5 million U.S. households (68% of all households) own pets. For comparison, in 1988, 56% of U.S. households owned a pet. Some 46% of all households today own more than one pet.

Topping the list of most-owned pets, there are 145 million freshwater fish in 14.3 million U.S. homes. Cats, with 95.6 million felines owned by 45.3 million household, are the second-most-popular pets in the U.S. Owned by more households than any other pet, 83.3 million pet dogs are owned by 56.7 million households.

According to the APPA, spending on pets has been as follows:

- 2004: $34.4 billion
- 2005: $36.3 billion
- 2006: $38.5 billion
- 2007: $41.2 billion
- 2008: $43.2 billion
- 2009: $45.5 billion
- 2010: $48.4 billion
- 2011: $50.8 billion
- 2012: $53.3 billion
- 2013: $55.7 billion
- 2014: $58.0 billion
- 2015: $60.3 billion
- 2016: $62.8 billion

The distribution of spending on pets in 2016 is estimated as follows:

- Food: $24.0 billion
- Veterinarian care: $15.9 billion
- Supplies and over-the-counter medicines: $15.0 billion
- Pet services, boarding, and grooming: $ 5.7 billion
- Live animal purchases: $ 2.1 billion

The yearly cost of buying, feeding, and caring for pets tops what Americans spend on movies, video games, and recorded music combined. This is understandable considering 91% of pet owners say they consider their pet to be a member of the family.
Pet owners spend a combined $2.6 billion on holiday gifts for their pets, according to the APPA. One quarter of pet-related expenditures occur between Thanksgiving and Christmas.

According to *Pet & Pet Supplies Stores Industry Profile*, a March 2016 publication by First Research (www.firstresearch.com), there are approximately 9,000 pet stores in the U.S., with combined annual revenue of about $16 billion.

### 34.2 Marketshare Leaders

The largest pet store chains, ranked by annual U.S. sales, are as follows:
- PetSmart (www.petsmart.com): $6.27 billion
- Petco Animal Supplies (www.petco.com): $4.00 billion

Petco was acquired in November 2015 for $4.6 billion by private equity firm CVC Capital Partners and the Canadian Pension Plan Investment Board. The deal closed in early 2016.

### 34.3 Market Resources

American Pet Products Association, 255 Glenville Road, Greenwich, CT 06831. (203) 532-0000. (www.americanpetproducts.org)

35

PRIVATE LABEL

35.1 Market Assessment

Across all major U.S. retail channels sales of private-label products reached an all-time high of $115.3 billion in 2015, according to the Private Label Manufacturers Association (PLMA, www.plma.com).

Growth in private label has been outpacing store brands sales since 2009, with store brands sales averaging 4.9% compared to national brand annual growth of 2.1%.

The 2015 figure, as tracked by The Nielsen Company (www.nielsen.com), was compiled from supermarkets, drug chains, and mass merchandisers, including Walmart, as well as dollar stores, the warehouse club channel, and military exchanges.

Private label revenue and marketshare is distributed by retail channel as follows (source: The Nielsen Company [www.nielsen.com]):

- Supermarkets: $62.0 billion 23.1% 19.5%
- Drug stores: $8.3 billion 17.3% 16.5%
- All retail channels $115.3 billion 21.0% 17.7%

The Nielsen assessment did not include private label sales in baby care, consumer electronics, convenience stores, dollar store retailers, hardware and home improvement, health and beauty, home decor and domestic goods, office supplies, personal care, pet care, and specialty retail.

“In response to consumer demand, retailers across the country are freshening and extending existing private label offerings and rushing to their shelves whole new lines of store brands to leverage evolving lifestyles and desirable product attributes and to stay competitive with the rival down the street and its own popular store brands.”

Nielsen, 3/4/16
For several years department stores have been creating stronger private labels while also eliminating underperforming or over-distributed supplier brands to increase their consumer appeal and reduce pervasive sameness. In 2007, the percentage of sales at Macy’s in exclusive or limited-distribution brands, including its private label lines, was 35%. By 2015, store brands increased to 45% of sales. The percentage is even higher at Kohl’s and JCPenney, where private label brands represent 48% and 50% of sales, respectively.

35.2 Comparison With National Brands

In a survey by Accenture (www.accenture.com), 39% of consumers said they increased their purchases of store brands or private label brands in recent years because of the economy. Another 28% said they had already been buying private label brands for many years.

Even with the improved economy, consumer preference for store brands continues to grow. Accenture found that 50% of consumers find the quality of private label brands to be just as good as national brands; 36% feel they are “just another brand.”

According to a survey by Ipsos (www.ipsos.com/marketing), consumers find store brands to be the same or better than national brands with respect to the following criteria (percent of responses):

- Good value for the money: 89%
- Products that meet my needs: 87%
- Convenient products: 87%
- Good for the family: 86%
- Products my family requests: 83%
- Products that taste good: 81%
- Products that work well: 81%
- Products that I trust: 80%
- High quality products: 73%
- Unique products: 69%
- Innovative products: 69%
- Appealing packaging: 65%

35.3 Private Label CPG

IRI (www.iriworldwide.com) reported private label share garnered by consumer packaged goods (CPG) products by retail channel in 2015 as follows:

<table>
<thead>
<tr>
<th>Unit Sales</th>
<th>Dollar Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-outlet:</td>
<td>17.1%</td>
</tr>
<tr>
<td>Food stores:</td>
<td>21.6%</td>
</tr>
<tr>
<td>Drug stores:</td>
<td>17.4%</td>
</tr>
<tr>
<td>Convenience stores:</td>
<td>2.7%</td>
</tr>
</tbody>
</table>
By department, private label share garnered by CPG products was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Unit Sales</th>
<th>Dollar Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refrigerated products:</td>
<td>30.1%</td>
<td>30.5%</td>
</tr>
<tr>
<td>Health products:</td>
<td>25.3%</td>
<td>22.4%</td>
</tr>
<tr>
<td>General merchandise:</td>
<td>26.4%</td>
<td>22.0%</td>
</tr>
<tr>
<td>Frozen food:</td>
<td>19.4%</td>
<td>19.1%</td>
</tr>
<tr>
<td>General food:</td>
<td>16.7%</td>
<td>14.5%</td>
</tr>
<tr>
<td>Beverages:</td>
<td>8.8%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Home care:</td>
<td>11.3%</td>
<td>7.6%</td>
</tr>
<tr>
<td>Beauty products:</td>
<td>11.4%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Tobacco:</td>
<td>0.4%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Liquor:</td>
<td>0.1%</td>
<td>0.1%</td>
</tr>
</tbody>
</table>

Private label share garnered by CPG products for select product categories was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Unit Sales</th>
<th>Dollar Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh eggs:</td>
<td>55.5%</td>
<td>51.4%</td>
</tr>
<tr>
<td>Cups and plates:</td>
<td>58.4%</td>
<td>50.3%</td>
</tr>
<tr>
<td>Refrigerated meat:</td>
<td>51.4%</td>
<td>49.9%</td>
</tr>
<tr>
<td>Food/trash bags:</td>
<td>54.8%</td>
<td>43.9%</td>
</tr>
<tr>
<td>Refrigerated salad:</td>
<td>35.9%</td>
<td>37.4%</td>
</tr>
<tr>
<td>Internal analgesics:</td>
<td>36.1%</td>
<td>34.5%</td>
</tr>
<tr>
<td>Cold/allergy/sinus tablets:</td>
<td>38.4%</td>
<td>31.9%</td>
</tr>
<tr>
<td>Vitamins:</td>
<td>33.3%</td>
<td>27.6%</td>
</tr>
<tr>
<td>Ice cream/sherbet:</td>
<td>24.7%</td>
<td>20.7%</td>
</tr>
</tbody>
</table>

### 35.4 Market Resources
IRI, 150 North Clinton Street, Chicago, IL 60661. (312) 726-1221. (www.iriworldwide.com)

Private Label Manufacturers Association, 630 3rd Avenue, New York, NY 10017. (212) 972-3131. (www.plma.com)
36

RETURNS

36.1 Overview
Since 2005, the National Retail Federation (www.nrf.com) has annually published Consumer Returns in the Retail Industry. The study is sponsored by The Retail Equation (www.theretailequation.com).

36.2 Returns and Fraud in 2015
In 2015, retail returns and fraud/abuse in the U.S. were as follows:

<table>
<thead>
<tr>
<th>Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returns:</td>
<td>8.0% $260,532,000,000</td>
</tr>
<tr>
<td>Receipted:</td>
<td>90.0% $234,478,800,000</td>
</tr>
<tr>
<td>Non-receipted:</td>
<td>10.0% $26,053,200,000</td>
</tr>
<tr>
<td>Return fraud, low-end estimate:</td>
<td>3.5% $9,118,620,000</td>
</tr>
<tr>
<td>Return fraud and abuse, high-end estimate:</td>
<td>6.1% $15,892,452,000</td>
</tr>
</tbody>
</table>

In 2015, retail returns and fraud/abuse in Canada were as follows:

<table>
<thead>
<tr>
<th>Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returns:</td>
<td>8.0% $28,330,400,000</td>
</tr>
<tr>
<td>Receipted:</td>
<td>90.0% $25,497,360,000</td>
</tr>
<tr>
<td>Non-receipted:</td>
<td>10.0% $2,833,040,000</td>
</tr>
<tr>
<td>Return fraud, low-end estimate:</td>
<td>4.2% $1,189,876,800</td>
</tr>
<tr>
<td>Return fraud and abuse, high-end estimate:</td>
<td>6.1% $1,728,154,400</td>
</tr>
</tbody>
</table>

36.3 Return Rate by Category
The return rate by category in 2015 was as follows:

- Auto parts: 21.00%
- Department stores: 14.05%
- Hard goods: 12.33%
- Housewares: 12.29%
- Home improvement: 11.35%
- Women’s apparel: 11.13%
- Apparel: 10.50%
- Children’s apparel: 9.88%
- Sporting goods: 9.25%
36.4 Returns by State

By state, U.S. retail returns in 2015 were as follows:

- Alabama: $4,247,804,348
- Alaska: $736,286,087
- Arizona: $6,343,387,826
- Arkansas: $2,577,001,304
- California: $33,699,247,826
- Colorado: $4,814,178,261
- Connecticut: $3,539,836,957
- District Of Columbia: $424,780,435
- Delaware: $1,047,791,739
- Florida: $20,672,647,826
- Georgia: $8,523,927,391
- Hawaii: $1,415,934,783
- Idaho: $1,444,253,478
- Illinois: $11,469,071,739
- Indiana: $5,635,420,435
- Iowa: $2,605,320,000
- Kansas: $2,237,176,957
- Kentucky: $3,568,155,652
- Louisiana: $3,766,386,522
- Maine: $1,444,253,478
- Maryland: $5,635,420,435
- Massachusetts: $6,626,574,783
- Michigan: $8,778,795,652
- Minnesota: $5,097,365,217
- Mississippi: $2,520,363,913
- Missouri: $5,578,783,043
- Montana: $1,019,473,043
- Nebraska: $1,755,759,130
- Nevada: $3,228,331,304
- New Hampshire: $1,897,352,609
- New Jersey: $8,835,433,043
- New Mexico: $1,755,759,130
- New York: $16,792,986,522
- North Carolina: $8,184,103,043
- North Dakota: $707,967,391
- Ohio: $9,600,037,826
- Oklahoma: $2,831,869,565
- Oregon: $3,596,474,348
• Pennsylvania: $11,525,709,130
• Rhode Island: $962,835,652
• South Carolina: $3,851,342,609
• South Dakota: $906,198,261
• Tennessee: $5,946,926,087
• Texas: $21,210,703,043
• Utah: $2,378,770,435
• Vermont: $707,967,391
• Virginia: $7,447,816,957
• Washington: $6,400,025,217
• West Virginia: $1,529,209,565
• Wisconsin: $5,097,365,217
• Wyoming: $594,692,609

36.5 Returns by Province
By province, Canadian retail returns in 2015 were as follows:
• Alberta: $6,833,217,391
• British Columbia: $5,762,869,565
• Manitoba: $1,568,173,913
• New Brunswick: $1,002,434,780
• Newfoundland and Labrador: $772,347,826
• Nova Scotia: $1,210,000,000
• Ontario: $15,366,869,565
• Prince Edward Island: $174,347,826
• Quebec: $9,403,217,391
• Saskatchewan: $1,664,608,696

36.6 Market Resources
National Retail Federation, 1101 New York Avenue NW, Washington, DC 20005. (202) 783-7971. (www.nrf.com)

The Retail Equation, P.O. Box 51373, Irvine, CA 92619. (888) 371-1616. (www.theretailequation.com)
37

TOYS & VIDEO GAMES

37.1 Market Assessment: Toy And Game Retail Stores

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at hobby, toy and game stores (NAICS Code 45112) have been as follows:

- 2004: $16.31 billion
- 2005: $16.25 billion
- 2006: $16.02 billion
- 2007: $16.34 billion
- 2008: $16.08 billion
- 2009: $15.47 billion
- 2010: $15.71 billion
- 2011: $16.01 billion
- 2012: $16.48 billion
- 2013: $16.75 billion
- 2014: $17.39 billion
- 2015: $18.75 billion

Sales in 2015 were distributed by month as follows:

- January: $1.16 billion
- February: $1.19 billion
- March: $1.36 billion
- April: $1.26 billion
- May: $1.27 billion
- June: $1.20 billion
- July: $1.24 billion
- August: $1.24 billion
- September: $1.34 billion
- October: $1.49 billion
- November: $2.26 billion
- December: $3.74 billion

37.2 Retail Census

According to County Business Patterns (April 2016 edition), published by the
Census Bureau, there are 8,126 retail stores in the sector. Combined they have 127,999 employees.

37.3 Market Assessment: Toys

Based on The NPD Group’s Retail Tracking Service (www.npd.com), the Toy Industry Association (www.toyassociation.org) reported the U.S. toy retail market in 2015 at $19.5 billion, a 6.7% increase from 2014. The Retail Tracking Service represents approximately 80% of the U.S. toy retail market. When considering the total toy market, NPD estimates domestic toy sales for 2015 in the $25 billion range.

Sales in 2015 based on the Retail Tracking Service were distributed by category as follows (change from previous year in parenthesis):

- Outdoor and sports toys: $3.6 billion (9%)
- Infant and preschool: $3.1 billion (6%)
- Dolls: $2.6 billion (9%)
- Building sets: $2.0 billion (9%)
- Games and puzzles: $1.6 billion (11%)
- Vehicles: $1.4 billion (10%)
- Action figures and accessories: $1.4 billion (9%)
- Arts & crafts: $1.0 billion (-4%)
- Plush toys: $1.0 billion (2%)
- Youth electronics: $600 million (-5%)
- All other toys: $1.1 billion (5%)

_________________________________________________________________

“Children may be spending more and more time online these day, but the toy industry still experienced steady growth last year.”

eMarketer, 2/16/15

_________________________________________________________________

The distribution of toy purchases by retail channel is as follows:

- Mass merchant/discount store: 55%
- Toy stores: 17%
- Online: 7%
- Food or drug stores: 4%
- Department-major chains: 4%
- Other: 11%
In 2015, the top-selling traditional toy items were as follows:

1. Shopkins 12 Pack Assorted (Moose Toys)
2. Paw Patrol Basic Vehicle With Pup Assorted (Spin Master)
3. Hot Wheels Car Basic Assorted (Mattel)
4. Shopkins 2 Pack (Moose Toys)
5. Barbie Dream House (Mattel)
6. Teenage Mutant Ninja Turtles Figures Assorted (Playmates Toys)
7. Minecraft Mini Figures Assorted (Mattel)
8. Star Wars Sphero App-Controlled BB-8 (Sphero)
9. Hot Wheels 5 Car Gift Pack Assorted (Mattel)
10. Minecraft The Cave (Lego)

37.4 Market Assessment: Video Games

According to the Entertainment Software Association (ESA, www.theesa.com) and The NPD Group, total consumer spending on computer and video games was $23.5 billion in 2015, distributed as follows:

- Content: $16.5 billion
- Hardware: $4.2 billion
- Accessories: $2.8 billion

Content spending for computer and video games has been as follows:

- 2010: $17.1 billion
- 2011: $16.7 billion
- 2012: $15.2 billion
- 2013: $15.4 billion
- 2014: $15.4 billion
- 2015: $16.5 billion

_Bloomberg Businessweek_ estimates the U.S. market for used video games at $1.6 billion.

_2016 Essential Facts About the Computer and Video Game Industry_, by ESA, reported that 60% of Americans play video games. Fifty-one percent (51%) of U.S. households own a dedicated game console. The average game player is 38 years old and has been playing video games for about 13 years; 52% of gamers are male.

37.5 Marketshare Leaders

Toys “R” Us (www.toysrus.com), with $12.4 in annual U.S. sales, is the largest toy retailer.

Walmart commands 25% of the U.S. toy market, according to _The Wall Street Journal_.

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GameStop (www.gamestop.com), the largest video game retailer, reported $9.4 billion in revenue in FY2016.

37.6 Market Resources


The NPD Group, 900 West Shore Road, Port Washington, NY 11050. (516) 625-0700. (www.npd.com)

Toy Industry Association, 1115 Broadway, Suite 400, New York, NY 10010. (212) 675-1141. (www.toyassociation.org)
38

USED MERCHANDISE STORES

38.1 Overview
According to America’s Research Group (www.americasresearchgroup.com), about 16% to 18% of U.S. consumers shop at thrift stores. For consignment/resale shops, the figure is about 12% to 15%. To put these figures in perspective, 11% of Americans shop in factory outlet malls, 20% in apparel stores, and 21% in major department stores.

38.2 Market Assessment
According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at used merchandise stores (NAICS Code 4533) have been as follows:

- 2004: $ 9.27 billion
- 2005: $ 9.32 billion
- 2006: $10.41 billion
- 2007: $10.93 billion
- 2008: $11.26 billion
- 2009: $10.91 billion
- 2010: $11.86 billion
- 2011: $13.24 billion
- 2012: $14.83 billion
- 2013: $15.87 billion
- 2014: $16.44 billion
- 2015: $17.23 billion

Sales in 2015 were distributed by month as follows:

- January: $ 1.26 billion
- February: $ 1.21 billion
- March: $ 1.43 billion
- April: $ 1.38 billion
- May: $ 1.44 billion
- June: $ 1.41 billion
- July: $ 1.53 billion
- August: $ 1.58 billion
• September: $ 1.50 billion
• October: $ 1.63 billion
• November: $ 1.41 billion
• December: $ 1.45 billion

### 38.3 Retail Census

According to *County Business Patterns* (April 2016 edition), published by the Census Bureau, there are 20,012 retail stores in the sector. Combined they have 194,021 employees.

### 38.4 Market Leaders

Goodwill Industries ([www.goodwill.org](http://www.goodwill.org)) generates $3.5 billion in retail sales from more than 2,500 resale stores.

Winmark Corporation ([www.winmarkcorporation.com](http://www.winmarkcorporation.com)), the largest for-profit corporation in the used merchandise store category, operates five resale chains: Plato’s Closet, Play It Again Sports, Music Go Round, Once Upon A Child, and Style Encore.

Thrift chains experiencing strong growth include Crossroads Trading Co. ([www.crossroadstrading.com](http://www.crossroadstrading.com)) and Buffalo Exchange ([www.buffaloexchange.com](http://www.buffaloexchange.com)).

### 38.5 Market Resources

National Association of Resale & Thrift Shops, P.O. Box 80707, St. Clair Shores, MI 48080. (586) 294-6700. ([www.narts.org](http://www.narts.org))

*Used Merchandise Stores Industry Profile*, First Research, May 2016 ([www.firstresearch.com/industry-research/used-merchandise-stores.html](http://www.firstresearch.com/industry-research/used-merchandise-stores.html))
PART V: APPAREL, FOOTWEAR & ACCESSORIES
39.1 Apparel Specialty Store Spending

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at clothing and specialty apparel stores (NAICS Code 4481) have been as follows:

- 2004: $137.29 billion
- 2005: $145.58 billion
- 2006: $154.55 billion
- 2007: $161.62 billion
- 2008: $157.94 billion
- 2009: $151.81 billion
- 2010: $157.92 billion
- 2011: $167.61 billion
- 2012: $175.34 billion
- 2013: $178.52 billion
- 2014: $181.77 billion
- 2015: $186.62 billion

Sales in 2015 were distributed by month as follows:

- January: $11.54 billion
- February: $12.54 billion
- March: $15.46 billion
- April: $15.12 billion
- May: $16.20 billion
- June: $14.57 billion
- July: $15.18 billion
- August: $16.11 billion
- September: $14.28 billion
- October: $15.53 billion
- November: $18.37 billion
- December: $22.74 billion

There are four categories of specialty apparel stores: family clothing, women’s apparel, men’s apparel, and children’s wear. Sales have been as follows:
Family Clothing (NAICS Code 44814)
- 2004: $72.44 billion
- 2005: $77.29 billion
- 2006: $81.71 billion
- 2007: $84.59 billion
- 2008: $83.06 billion
- 2009: $81.43 billion
- 2010: $82.95 billion
- 2011: $86.15 billion
- 2012: $89.59 billion
- 2013: $92.59 billion
- 2014: $93.93 billion
- 2015: $97.75 billion

Women’s Apparel (NAICS Code 44812)
- 2004: $34.95 billion
- 2005: $37.08 billion
- 2006: $38.81 billion
- 2007: $40.29 billion
- 2008: $38.32 billion
- 2009: $35.89 billion
- 2010: $38.81 billion
- 2011: $41.68 billion
- 2012: $43.90 billion
- 2013: $43.95 billion
- 2014: $46.48 billion
- 2015: $46.01 billion

Men’s Apparel (NAICS Code 44811)
- 2004: $8.59 billion
- 2005: $8.74 billion
- 2006: $8.84 billion
- 2007: $8.77 billion
- 2008: $8.54 billion
- 2009: $7.72 billion
- 2010: $7.56 billion
- 2011: $8.24 billion
- 2012: $8.76 billion
- 2013: $9.21 billion
- 2014: $9.49 billion
- 2015: $9.59 billion
Children’s Wear (NAICS Code 44813) and Infant’s Wear, and Other Specialty Apparel Stores (NAICS Code 44819)

- 2004: $21.30 billion
- 2005: $22.47 billion
- 2006: $25.18 billion
- 2007: $27.96 billion
- 2008: $28.05 billion
- 2009: $26.77 billion
- 2010: $28.36 billion
- 2011: $31.24 billion
- 2012: $33.00 billion
- 2013: $34.50 billion
- 2014: $34.37 billion
- 2015: $35.77 billion

39.2 Retail Census

According to County Business Patterns (April 2016 edition), published by the Census Bureau, there are 98,384 retail stores in the sector. Combined they have 1,380,936 employees.

Subsector store counts and employment are as follows:

<table>
<thead>
<tr>
<th>Establishments</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men's clothing stores:</td>
<td>7,100</td>
</tr>
<tr>
<td>Women's clothing stores:</td>
<td>35,915</td>
</tr>
<tr>
<td>Children's and infants' clothing stores:</td>
<td>7,351</td>
</tr>
<tr>
<td>Family clothing stores:</td>
<td>28,138</td>
</tr>
<tr>
<td>Clothing accessories stores:</td>
<td>8,610</td>
</tr>
<tr>
<td>Other clothing stores:</td>
<td>11,270</td>
</tr>
<tr>
<td>Shoe stores:</td>
<td>25,214</td>
</tr>
<tr>
<td>Jewelry stores:</td>
<td>22,655</td>
</tr>
<tr>
<td>Luggage and leather goods stores:</td>
<td>984</td>
</tr>
</tbody>
</table>

39.3 Total Apparel Spending

According to The NPD Group (www.npd.com), apparel sales in the U.S. totaled roughly $209 billion in 2015. Distribution by category was as follows (change from previous year in parenthesis):

- Women’s apparel: $122.2 billion (5%)
- Men’s apparel: $63.2 billion (4%)
- Children’s/infant’s apparel: $23.8 billion (no change)

The NPD Group and Census Bureau statistics differ because each measures separate characteristics of apparel retail. The NPD assessment is for apparel sales...
across all retail channels, including specialty stores, department stores, and discount mass merchandisers, while the Census Bureau tabulates sales only for select retail channels. The Census Bureau figures do not include apparel sales at general merchandise stores. The NPD assessment includes direct reporting by many retail chains, but some estimating is required because Walmart and others do not make public a breakdown of sales by product category.

39.4 Growth Segments

While the overall apparel market is growing at only 2% annually, several segments are exhibiting strong growth. Activewear sales are increasing at 9% annually, making this the hottest segment of the apparel sector, according to The NPD Group. Activewear sales account for 16% of the total apparel market, or $33.7 billion.

“Active wear is booming ... because consumers are working out, going out, and even hanging out in activewear. Consumers are drawn to its comfort and versatility, and the fact that it still makes a fashion statement. Activewear, by its nature, evokes a sense of athleticism, which only adds to its appeal.”

Marshal Cohen, Chief Analyst
The NPD Group

The plus-size women’s clothing market, estimated at $17.5 billion, is growing at a 5% annual rate, according to The NPD Group. Within the plus-size category, 55-to-64 year olds represent the largest and fastest-growing consumer, with annual sales of $4.2 billion and a 9% annual growth rate. Swimwear, a $4.4 billion market, is also outpacing the overall apparel sector. Sales of men’s and women’s swimwear increased 13% and 6%, respectively, in 2014, according to The NPD Group.

39.5 Online Spending

According to eMarketer (www.emarketer.com), U.S. online apparel and accessories sales have been as follows:
• 2011: $34.2 billion
• 2012: $41.0 billion
• 2013: $48.6 billion
• 2014: $56.6 billion
• 2015: $64.8 billion
• 2016: $73.0 billion

39.6 Marketshare Leaders
The largest apparel chains, ranked by annual U.S. revenue, are as follows:

• T.J. Maxx (www.tjx.com): $20.9 billion
  Brands: T.J. Maxx, Marshalls, HomeGoods, A.J. Wright, Bob’s Stores, HomeSense, Winners
• Gap Inc. (www.gapinc.com): $12.9 billion
  Brands: Athleta, Banana Republic, Gap, Old Navy
• Ross Dress For Less (www.rossstores.com): $10.2 billion
• Limited Brands (www.limitedbrands.com): $9.3 billion
• Burlington Coat Factory (www.coat.com): $4.4 billion
• Abercrombie & Fitch (www.abercrombie.com): $3.5 billion
  Brands: Abercrombie, Abercrombie & Fitch, Hollister, Ruehl, Gilly Hicks
• American Eagle Outfitters (www.ae.com): $3.1 billion
• Men’s Wearhouse (www.menswearhouse.com): $2.3 billion
• Ann Taylor (www.anntaylor.com): $2.2 billion
• Chico’s FAS (www.chicos.com): $2.2 billion
• J.Crew (www.jcrew.com): $2.2 billion
• Charming Shoppes (www.charmingshoppes.com): $2.0 billion
  Brands: Catherine’s, Fashion Bug, Lane Bryant
• Polo Ralph Lauren (www.ralphlauren.com): $1.9 billion
• The Children’s Place (www.childrensplace.com): $1.7 billion
• L.L. Bean (www.llbean.com): $1.5 billion

39.7 Market Resources
Retail Specialty Stores, Chain Store Guide, 10117 Princess Palm Avenue, Suite 375, Tampa, FL 33610. (800) 927-9292. (www.chainstoreguide.com)

The NPD Group, Retail Tracking Service, 900 West Shore Road, Port Washington, NY 11050. (516) 625-0700. (www.npd.com)
MARKET ASSESSMENT: FOOTWEAR

40.1 Market Assessment

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at shoe stores (NAICS Code 4482) have been as follows:

- 2004: $23.68 billion
- 2005: $25.26 billion
- 2006: $26.68 billion
- 2007: $26.81 billion
- 2008: $26.69 billion
- 2009: $25.71 billion
- 2010: $27.33 billion
- 2011: $29.38 billion
- 2012: $31.22 billion
- 2013: $32.97 billion
- 2014: $33.97 billion
- 2015: $34.12 billion

These figures do not include footwear sales at general merchandise stores. Sales in 2015 were distributed by month as follows:

- January: $2.06 billion
- February: $2.59 billion
- March: $2.92 billion
- April: $2.73 billion
- May: $2.86 billion
- June: $2.51 billion
- July: $2.85 billion
- August: $3.62 billion
- September: $2.56 billion
- October: $2.66 billion
- November: $2.83 billion
- December: $3.94 billion

40.2 Retail Census

According to County Business Patterns (April 2016 edition), published by the
Census Bureau, there are 25,214 retail stores in the sector. Combined they have 224,093 employees.

### 40.3 Fashion Footwear

According to The NPD Group (www.npd.com), consumers spent $44 billion annually on fashion footwear. Fashion footwear includes all footwear except athletic footwear.

Fashion footwear spending was distributed by category as follows (change from previous year in parenthesis):
- Casual: 48%
- Sport leisure: 19%
- Dress: 19%
- Outdoor: 14%

Fashion footwear spending is distributed by wearer segment as follows:
- Women: 57%
- Men: 30%
- Children: 13%

### 40.4 Brand Focus Studies

According to Women’s Footwear Brand Focus Study, by The NPD Group, 60% of women say it is “how shoes look” that matters more than the brand, and that they are “willing to try new or lesser-known footwear brands.”

Within the women’s footwear market, 60% of growth over the past two years came from Millennials, ages 16-to-34.

Favorite footwear brands among millennial women are as follows:

**Casual/Dress Brands**
1. Toms
2. Vans
3. Nine West
4. Steve Madden
5. American Eagle

**Athletic Brands**
1. Nike
2. adidas
3. New Balance
4. Reebok
5. Skechers
“What’s ‘in’ one year might be ‘out’ the next, which means it’s as important as ever for retailers and manufacturers to assess their brands’ reputation and perceptions in the marketplace, understand their target consumers’ attitudes and shopping behaviors, and adjust their plan of action accordingly. Female consumers overall are looking for newness, fresh products that will generate excitement, and their interest in versatility poses a potentially valuable and innovative opportunity for footwear brands to expand their presence by playing in both the athletic and casual markets.”

Marshal Cohen, Chief Analyst
The NPD Group

According to Men’s Footwear Brand Focus Study, by The NPD Group, necessity is the predominant motivation behind shoe purchasing for men, and their brand loyalty is strong and steady. Compared to women’s footwear, the men’s brand landscape has remained consistent over the past two years. Men’s footwear purchases increased 8% over the past two years, twice the growth rate of women’s footwear during the same period.

The following are top men’s footwear brands for awareness and ownership:
1. Nike
2. New Balance
3. adidas
4. Reebok
5. Skechers
“While two-thirds of men say they shop for replacement shoes only, much of the success that the men’s market has experienced over the past couple of years is due to the fact that men are becoming more interested in style and trends. This is apparent by the growth of items such as fashion boots, drivers, sneakers, and oxfords in various new materials and colors, which correlates with the growth of the men’s apparel and accessories markets. As men expand their wardrobes, they will need the right shoes to match. Altogether, this uptick in men’s fashion will likely translate to an increase in footwear purchase frequency.”

Marshal Cohen, Chief Analyst
The NPD Group

40.5 Online Sales
Online sales of fashion footwear were $9.8 billion in 2015, representing 22% of the segment spending and a 10% increase over the previous year, according to The NPD Group.

The average online purchase of fashion footwear is higher than in-store purchases.

40.6 Athletic Footwear
Athletic footwear is assessed in Section 74.3 of this handbook.

40.7 Sector Profile
Shoe Stores Industry Profile, an April 2016 publication by First Research (www.firstresearch.com), provides the following profile of the segment:
• The U.S. footwear sector includes about 25,000 stores with combined annual revenue of about $34 billion.
• Major companies include Payless ShoeSource, Brown Shoe Company (which owns Famous Footwear and Naturalizer), Foot Locker, and DSW. Shoe manufacturers, such as Nike, also have retail operations.
• The industry is concentrated: the top 50 companies generate about 75% of industry revenue.
• Shoe stores compete with department stores, mass merchandisers, apparel retailers, Internet retailers, and some shoe manufacturers.
• Major products sold by shoe stores include women’s casual and dress shoes (30% of industry revenue); men’s athletic shoes (20%); men’s casual and dress shoes (13%), and women’s athletic shoes (10%). Other products include handbags, hosiery, and jewelry. Companies may specialize in men’s, women’s, children’s, or athletic shoes. Over half of all shoe retailers are family shoe stores.
• Shoe stores are comprised of national and regional chains, franchises, and independent retailers. Superstores can range between 10,000 sq. ft. and 25,000 sq. ft.; many chains are between 1,500 sq. ft. and 3,500 sq. ft. Typical locations include strip malls, stand-alone locations, and indoor shopping malls, particularly fashion malls.

40.8 Marketshare Leaders
The largest shoe store chains, ranked by annual U.S. sales, are as follows:
• Collective Brands (www.collectivebrandsinc.com): $ 3.2 billion
  Brands: Payless ShoeSource, Stride Rite
• Brown Shoe (www.brownshoe.com): $ 2.8 billion

40.9 Market Resources
American Apparel & Footwear Association, 1601 North Kent Street, Suite 1200, Arlington, VA 22209. (703) 524-1864. (www.wewear.org)
National Shoe Retailers Association, 7386 N. La Cholla Boulevard, Tucson, AZ 85741. (520) 209-1710. (www.nsra.org)
National Sporting Goods Association, 1601 Feehanville Drive, Suite 300, Mt. Prospect, IL 60056. (847) 296-6742. (www.nsga.org)
The NPD Group, Retail Tracking Service, 900 West Shore Road, Port Washington, NY 11050. (516) 625-0700. (www.npd.com)
MARKET ASSESSMENT: JEWELRY

41.1 Jewelry Sales
The total annual jewelry market in the United States, including sales at jewelry stores, general merchandise stores, specialty stores, and non-store retailers, is estimated at between $50 billion and $60 billion.

41.2 Jewelry Store Sales
According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at jewelry stores (NAICS Code 44831) have been as follows:

- 2004: $27.62 billion
- 2005: $28.42 billion
- 2006: $30.10 billion
- 2007: $30.82 billion
- 2008: $29.15 billion
- 2009: $25.56 billion
- 2010: $25.72 billion
- 2011: $28.80 billion
- 2012: $29.76 billion
- 2013: $30.30 billion
- 2014: $30.51 billion
- 2015: $30.54 billion

Sales in 2015 were distributed by month as follows:

- January: $1.78 billion
- February: $2.47 billion
- March: $2.03 billion
- April: $2.22 billion
- May: $2.77 billion
- June: $2.28 billion
- July: $2.19 billion
- August: $2.22 billion
- September: $2.02 billion
- October: $2.13 billion
- November: $2.58 billion
- December: $5.86 billion
41.3 Retail Census
According to County Business Patterns (April 2016 edition), published by the Census Bureau, there are 22,655 retail stores in the sector. Combined they have 125,173 employees.

41.4 Sector Profile
Jewelry Retail Industry Profile, a February 2016 publication by First Research (www.firstresearch.com), provides the following profile of the segment:

- The U.S. jewelry retail sector includes about 18,000 companies and 23,500 specialty stores with combined annual revenue of about $35 billion.
- The industry is fragmented: the top 50 chains generate about 40% of revenue.
- Jewelry is sold not only by specialized jewelry retailers, but also by department stores and mass merchants. Because regular gross margins are very high, often 50%, mass merchants have been able to cut prices and take market share.
- Walmart is the largest jewelry retailer in the U.S.
- Jewelry is often classified as bridal merchandise (engagement, bridal, and anniversary rings), fashion jewelry (rings, bracelets, earrings, pins, gold chains) and watches, silver flatware, and other giftware. Diamond jewelry and loose diamonds account for the largest share of total jewelry store sales (45%); watches for 13%, gold jewelry for 10%, and colored gemstone jewelry (rubies, sapphires, emeralds, etc.) for 8%.

The Wall Street Journal reported that more than 1,500 jewelry stores – primarily small independent stores – went out of business during the recent recession.

41.5 Market Leaders
Signet Jewelers (www.signetjewelers.com), with 1,379 stores and annual sales of $3.64 billion, is the largest jeweler in the United States. The company’s national brands are Kay Jewelers and Jared The Galleria Of Jewelry. Signet Jewelers also operates the following regional brands: JB Robinson Jewelers, Marks & Morgan Jewelers, Belden Jewelers, Osterman Jewelers, Shaw’s Jewelers, Weisfield’s Jewelers, LeRoy’s Jewelers, Rogers Jewelers, Goodman Jewelers, and Friedlander’s Jewelers.

Other major companies include Zale, Tiffany & Co., and Sterling Jewelers.

41.6 Market Resources
Jewelry Retail Industry Profile, First Research, February 2016.
(www.firstresearch.com/industry-research/jewelry-stores.html)

The Fashion Jewelry and Accessories Trade Association (FJATA), 25 Sea Grass Way, North Kingstown, RI 02852. (401) 667-0520. (www.fjata.org)
MOST VALUABLE APPAREL & LUXURY BRANDS

42.1 Apparel Brand Valuations 2016

Millward Brown’s BrandZ (www.millwardbrown.com/BrandZ) has published a list of the world’s most valuable brands annually since 2006.

The 2016 Brand Report lists the most valuable apparel brands* as follows:

• Nike: $37.47 billion
• Zara: $25.22 billion
• H&M: $12.66 billion

* only brands active in the U.S. are listed

42.2 Luxury Brand Valuations 2016

The 2016 Brand Report lists the most valuable luxury brands* as follows:

• Louis Vuitton: $28.51 billion
• Hermès: $19.82 billion
• Gucci: $12.59 billion

* only brands active in the U.S. are listed

42.3 Market Resources

(www.millwardbrown.com/brandz/top-global-brands/2016)

Millward Brown, 11 Madison Avenue, 12th Floor, New York, NY 10010. (212) 548-7200.
(www.millwardbrown.com)
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ONLINE RETAIL

43.1 Market Assessment

According to eMarketer (www.emarketer.com), U.S. apparel and accessories retail e-commerce sales have been, and are projected as follows (change from previous year in parenthesis):

<table>
<thead>
<tr>
<th>Year</th>
<th>E-Commerce Sales</th>
<th>Change</th>
<th>Pct. of Total Retail E-Commerce</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$44.9 billion</td>
<td>17.2%</td>
<td>17.0%</td>
</tr>
<tr>
<td>2014</td>
<td>$52.2 billion</td>
<td>16.4%</td>
<td>17.1%</td>
</tr>
<tr>
<td>2015</td>
<td>$60.0 billion</td>
<td>14.9%</td>
<td>17.2%</td>
</tr>
<tr>
<td>2016</td>
<td>$68.2 billion</td>
<td>13.7%</td>
<td>17.3%</td>
</tr>
<tr>
<td>2017</td>
<td>$77.0 billion</td>
<td>12.9%</td>
<td>17.4%</td>
</tr>
<tr>
<td>2018</td>
<td>$86.4 billion</td>
<td>12.2%</td>
<td>17.5%</td>
</tr>
</tbody>
</table>

43.2 Market Leaders

E-commerce sales for apparel retailers in 2015 were as follows (source: eMarketer):

<table>
<thead>
<tr>
<th>E-Commerce Sales</th>
<th>Pct. of Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Victoria’s Secret:</td>
<td>$1.51 billion</td>
</tr>
<tr>
<td>Lands End:</td>
<td>$1.32 billion</td>
</tr>
<tr>
<td>J.Crew:</td>
<td>$826 million</td>
</tr>
<tr>
<td>Anthropologie (Urban Outfitters):</td>
<td>$403 million</td>
</tr>
<tr>
<td>Urban Outfitters:</td>
<td>$395 million</td>
</tr>
<tr>
<td>Abercrombie &amp; Fitch:</td>
<td>$367 million</td>
</tr>
<tr>
<td>Ann Taylor:</td>
<td>$202 million</td>
</tr>
<tr>
<td>Free People (Urban Outfitters):</td>
<td>$158 million</td>
</tr>
<tr>
<td>Abercrombie Kids:</td>
<td>$83 million</td>
</tr>
<tr>
<td>Lilly Pulitzer:</td>
<td>$46 million</td>
</tr>
</tbody>
</table>
“When examining the role e-commerce plays in apparel and accessories retail sales, one factor is clear: a correlation between catalogs and sales. Nearly all of the leading e-commerce retailers (as measured by e-commerce as a percentage of revenues) in this product segment are known for having translated mail-order businesses to the Internet.”

eMarketer, 7/1/15

43.3 The Online Customer

*Consumer Pulse: Apparel Shopping*, a 2015 report by Fluent (www.fluentco.com), reported that 21.2% of adult consumers primarily purchase apparel digitally rather than in-store. The percentages are 18.9% and 23.5%, respectively, for females and males.
MARKET ASSESSMENT

44.1 Sector Sales

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at electronics and appliance stores (NAICS Code 443) have been as follows:

- 2004: $93.90 billion
- 2005: $100.46 billion
- 2006: $105.48 billion
- 2007: $106.60 billion
- 2008: $105.40 billion
- 2009: $95.53 billion
- 2010: $97.64 billion
- 2011: $100.29 billion
- 2012: $102.64 billion
- 2013: $103.74 billion
- 2014: $106.08 billion
- 2015: $103.42 billion

These figures do not include electronics and appliance sales at other retail stores.

Sales in 2015 were distributed by month as follows:

- January: $8.21 billion
- February: $7.95 billion
- March: $8.16 billion
- April: $7.32 billion
- May: $7.78 billion
- June: $8.02 billion
- July: $8.00 billion
- August: $8.24 billion
- September: $8.24 billion
- October: $8.14 billion
- November: $10.35 billion
- December: $13.01 billion
44.2 Retail Census
According to County Business Patterns (April 2016 edition), published by the Census Bureau, there are 38,998 electronics retail stores in the U.S. Combined they have 348,220 employees. There are 7,762 household appliance stores with 61,582 total employees.

44.3 Marketshare Leaders
The largest electronics and appliance store chains, ranked by annual U.S. revenue, are as follows:

- Best Buy (www.bestbuy.com): $35.8 billion
- RadioShack (www.radioshack.com): $ 2.3 billion
- Fry’s Electronics (www.frys.com): $ 2.1 billion
- hhgregg (www.hhgregg.com): $ 1.5 billion
- P.C. Richard & Son (www.pcrichard.com): $ 1.3 billion
- BrandsMart USA (www.brandsmartusa.com): $ 1.1 billion

RadioShack, the 2\textsuperscript{nd} largest company in the sector, filed for bankruptcy in 2015. The NPD Group ranked CE marketshare leaders as follows:

Bricks-and-Mortar
- Best Buy
- Walmart
- Staples
- Target
- Apple

Online
- Dell
- Amazon.com
- BestBuy.com
- Hewlett-Packard (www.hp.com)
- Apple

44.4 Market Resources
Consumer Technology Association, 1919 South Eads Street, Arlington, VA 22202. (866) 858-1555. (www.cta.tech)


The NPD Group, Consumer Tracking Service, 900 West Shore Road, Port Washington, NY 11050. (516) 625-0700. (www.npd.com)
45.1 Market Assessment

The Consumer Technology Association (CTA; www.cta.tech) estimates the total retail consumer electronics market in 2016 at $287 billion, with wholesale revenue at $224 billion.

45.2 Household Use Of CE Products

The 18th Annual Household CE Ownership and Market Potential Study, published in April 2016 by the CTA, reported the technology devices experiencing the largest increase in household ownership from 2015 to 2016 include portable wireless speakers (up 10 percentage points to reach 35% household ownership); wearable fitness activity trackers (up 9 percentage points to 20% ownership); wireless headphones (up 9 percentage points to 36% ownership); and smart TVs (up 7 percentage points to 50% ownership).

The Internet-of-Things (IoT) continues to drive growth in emerging tech devices. Among the fastest growing tech categories, wearable fitness activity trackers are now owned by 20% of U.S. households, almost double the number of households that owned the technology in 2015. Another 15% of households plan to purchase a device in 2016. Smart home devices (smart thermostats, lighting controls, motion sensors, etc.), led by smart thermostats, are now owned in 15% of households. Additionally, 8% of households currently own a smartwatch and another 8% are planning to buy one in 2016.

The following are the most-owned tech products in 2016:

Television

- Owned in 96% of households, market penetration is down by one percentage point from 2015. There are now almost as many TVs owned (320 million installed base) as the U.S. population (321 million). Twenty-two percent (22%) of consumers say they never intend to buy a TV, an increase from 18% in 2015. This is likely due to diffusion of video consumption across multiple device screens.

DVD/Blu-ray Players

- Owned by 77% of households, DVD/Blu-ray players are the second-most popular device, but ownership has experienced a downward trend over the last five years.
Smartphones
• Owned by 74% of U.S. households, smartphone ownership is up two percentage points from 2015. On average, Americans now own 2.4 smartphones per household, and the expected smartphone repeat purchase is 91%, comparable only to television ownership trends.

Laptop/Notebooks
• U.S. household penetration of laptops or notebooks is 68%, the same as in 2015.

Headphones
• Sixty-three percent (63%) of U.S. households own at least one pair of headphones, which replaced digital cameras in 2016 as the fifth-most owned tech device.

45.3 Category Assessment
CTA assesses consumer technology categories as follows:

3D Printing
• An expanding diversity of 3D printing capabilities will drive the sector’s growth in 2016. CTA expects 3D printer sales to increase 64% from 2015, to reach 179,000 units sold, with total revenues of $152 million, a 38% increase.

Drones
• CTA expects U.S. sales of drones weighing more than 250 grams – the minimum for FAA-mandated registration – to reach one million units in 2016, a 145% increase from 2015’s total. When adding drones weighing 250 grams or less to those totals, the total forecast for 2016 drone sales tops 2.8 million units (up 149% from 2015) and $953 million in shipment revenues (a 115% increase from 2015).

Laptops
• Unit shipments of traditional laptops are estimated to reach 27.6 million units in 2016, a 2% increase over 2015. Increasing sales of 2-in-1 computers (including both convertible laptops and detachable tablets) will drive this category’s growth, with 11.7 million units sold in 2016 (48% growth over 2015) and $8 billion in revenue.

Smart Home
• CTA expects the smart home technology category – including smart thermostats, smart smoke and CO2 detectors, IP/Wi-Fi cameras, smart locks, smart home systems, and smart switches, dimmers and outlets – to reach 8.9 million units sold in 2016 (a 21% increase), with $1.2 billion in revenue.
Smartphones
• As the dominant sales category in the industry, smartphone unit shipments are projected to reach 183 million this year, up 5% from 2015. Smartphone revenues will reach $55 billion in 2016, a 4% increase from 2015.

Tablets
• After significant growth and wide adoption over the past five years, tablet sales will continue to decline in 2016. CTA projects unit sales to reach 60 million this year, a 9% decrease from 2015. Revenues are expected to hit $18 billion, down 12%.

Televisions
• After a banner year of sales growth in 2015 that saw LCD TV shipments climb 10% to top 39 million units, the TV market should reach a steady state in 2016. CTA projects revenues will reach $19 billion for all TV sets and displays in 2016, on par with 2015, as volumes drop 1% to just under 40 million units.
• Ultra high-definition (UHD) TVs: Driven in part by the market introduction of next-generation technologies, shipments of 4K UHD displays are projected to reach 13 million units (an 83% increase). CTA expects revenue from 4K UHD displays in 2016 to top $10 billion, marking a 65% increase.

Video and Audio
• IoT connectivity is transforming core consumer tech categories. In video, sales of smart TVs are projected to top 27 million units in 2016, a 13% increase over 2015, and sales of streaming media players will hit 15.8 million units, a 5% increase.
• Connected speakers and wireless headphones are the standout categories in audio. Unit sales of Bluetooth/Airplay-capable speakers are expected to reach 17.4 million units in 2016 – a 40% increase – and $1.5 billion in revenue, while sales of wireless headphones will reach 3.9 million in unit sales (increasing 30%) and $623 million in revenue.

Virtual Reality (VR)
• With several notable VR headsets coming to market in 2016, CTA expects unit sales to increase by 500% over 2015, to reach 1.2 million units sold. Total revenues are projected to reach $540 million, a 440% increase.

Wearables
• Led by the popularity of fitness activity trackers and smart watches, unit sales among all wearables in 2016 are forecast to reach 38.4 million units. Fitness activity tracker volumes will hit 17.4 million units in 2016 – a 12% increase from 2015 – with revenues reaching $1.3 billion. Smart watches are expected to increase 28% to 13.6 million units, earning $3.7 billion in revenue, an increase of 22%.
45.4 Market Resources
Consumer Technology Association, 1919 South Eads Street, Arlington, VA 22202. (866) 858-1555. (www.cta.tech)
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ONLINE RETAIL

46.1 Market Assessment

According to eMarketer (www.emarketer.com), U.S. computer and consumer electronics retail e-commerce sales have been, and are projected, as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>E-Commerce Sales</th>
<th>Change</th>
<th>Pct. of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$ 57.6 billion</td>
<td>16.8%</td>
<td>21.8%</td>
</tr>
<tr>
<td>2014</td>
<td>$ 66.8 billion</td>
<td>15.9%</td>
<td>21.8%</td>
</tr>
<tr>
<td>2015</td>
<td>$ 76.4 billion</td>
<td>14.5%</td>
<td>21.9%</td>
</tr>
<tr>
<td>2016</td>
<td>$ 86.6 billion</td>
<td>13.3%</td>
<td>21.9%</td>
</tr>
<tr>
<td>2017</td>
<td>$ 97.4 billion</td>
<td>12.5%</td>
<td>22.0%</td>
</tr>
<tr>
<td>2018</td>
<td>$108.9 billion</td>
<td>11.9%</td>
<td>22.1%</td>
</tr>
</tbody>
</table>

“Overall, the U.S. computer and consumer electronics retail sector – one that’s rife with showrooming – will grab a higher percentage of total e-commerce sales than any other industry over the coming years. By 2018, the sector will account for 22.1% of total U.S. retail e-commerce sales, amounting to $108.9 billion. With these numbers in mind, and excluding travel and event ticket sales, the computer and consumer electronics space beats out other retail product categories in share of retail e-commerce sales.”

eMarketer, 2/2/16
PART VII: CONSUMER PACKAGED GOODS
MARKET ASSESSMENT

47.1 Rank By Sales

According to *Mass Market Retailers* (MMR), based on analysis by IRI (www.iriworldwide.com), annual sales of various product categories in supermarkets, drug stores, supercenters, and discount stores are as follows (change from previous year in parenthesis):

- Carbonated beverages: $19.42 billion
- Milk: $15.65 billion
- Salty Snacks: $15.49 billion
- Cigarettes: $14.52 billion
- Fresh bread & rolls: $13.50 billion
- Beer/ale/alcoholic cider: $13.39 billion
- Natural cheese: $11.68 billion
- Chocolate candy: $10.13 billion
- Cold cereal: $ 9.32 billion
- Frozen dinners/entrees: $ 8.97 billion
- Dog food: $ 8.92 billion
- Wine: $ 8.85 billion
- Bottled water: $ 8.50 billion
- Toilet tissue: $ 8.39 billion
- Coffee: $ 8.27 billion
- Laundry detergent: $ 7.02 billion
- Yogurt: $ 6.98 billion
- Cookies: $ 6.97 billion
- Crackers: $ 6.72 billion
- Vitamins: $ 6.44 billion
- Refrigerated juices/drinks: $ 6.08 billion
- Soup: $ 5.80 billion
- Ice cream/sherbet: $ 5.64 billion
- Luncheon meat: $ 5.47 billion
- Bottled juices - shelf stable: $ 5.47 billion
- Non-chocolate candy: $ 5.29 billion
- Refrigerated fresh eggs: $ 5.26 billion
- Breakfast meat: $ 5.25 billion
- Paper towels: $ 4.83 billion
- Diapers: $ 4.74 billion
<table>
<thead>
<tr>
<th>Category</th>
<th>Sales (in billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cat food</td>
<td>$4.67</td>
</tr>
<tr>
<td>Snack bars/granola bars</td>
<td>$4.63</td>
</tr>
<tr>
<td>Soap</td>
<td>$4.49</td>
</tr>
<tr>
<td>Frozen/refrigerated poultry</td>
<td>$4.46</td>
</tr>
<tr>
<td>Spirits/liquor</td>
<td>$4.17</td>
</tr>
<tr>
<td>Frozen pizza</td>
<td>$4.35</td>
</tr>
<tr>
<td>Cold/allergy/sinus tablets</td>
<td>$4.24</td>
</tr>
<tr>
<td>Frozen seafood</td>
<td>$4.21</td>
</tr>
<tr>
<td>Baby formula/electrolytes</td>
<td>$4.17</td>
</tr>
<tr>
<td>Refrigerated salad/coleslaw</td>
<td>$4.08</td>
</tr>
<tr>
<td>Food bags &amp; trash bags</td>
<td>$4.05</td>
</tr>
<tr>
<td>Frozen novelties</td>
<td>$3.91</td>
</tr>
<tr>
<td>Pet supplies</td>
<td>$3.89</td>
</tr>
<tr>
<td>Snack nuts/seeds</td>
<td>$3.88</td>
</tr>
<tr>
<td>Internal analgesics</td>
<td>$3.63</td>
</tr>
<tr>
<td>Refrigerated meat</td>
<td>$3.47</td>
</tr>
<tr>
<td>Shortening &amp; oil</td>
<td>$3.46</td>
</tr>
<tr>
<td>Skin care</td>
<td>$3.44</td>
</tr>
<tr>
<td>Vegetables</td>
<td>$3.36</td>
</tr>
<tr>
<td>Processed frozen/refrigerated poultry</td>
<td>$3.27</td>
</tr>
<tr>
<td>Cups &amp; plates</td>
<td>$3.24</td>
</tr>
<tr>
<td>Household cleaners</td>
<td>$3.20</td>
</tr>
<tr>
<td>Sports drinks</td>
<td>$3.17</td>
</tr>
<tr>
<td>Spices/seasonings</td>
<td>$3.16</td>
</tr>
<tr>
<td>Processed cheese</td>
<td>$3.12</td>
</tr>
<tr>
<td>Weight control</td>
<td>$3.09</td>
</tr>
<tr>
<td>Frozen breakfast food</td>
<td>$2.96</td>
</tr>
<tr>
<td>Dinner sausage</td>
<td>$2.96</td>
</tr>
<tr>
<td>Gastrointestinal tablets</td>
<td>$2.93</td>
</tr>
<tr>
<td>Batteries</td>
<td>$2.85</td>
</tr>
<tr>
<td>Creams/creamers</td>
<td>$2.82</td>
</tr>
<tr>
<td>Toothpaste</td>
<td>$2.81</td>
</tr>
<tr>
<td>Pastry/donuts</td>
<td>$2.75</td>
</tr>
<tr>
<td>Dish detergent</td>
<td>$2.68</td>
</tr>
<tr>
<td>Blades</td>
<td>$2.66</td>
</tr>
<tr>
<td>Sanitary napkins/tampons</td>
<td>$2.65</td>
</tr>
<tr>
<td>Shampoo</td>
<td>$2.62</td>
</tr>
<tr>
<td>Canned/bottled fruit</td>
<td>$2.59</td>
</tr>
<tr>
<td>Air fresheners</td>
<td>$2.59</td>
</tr>
<tr>
<td>Frozen meat</td>
<td>$2.53</td>
</tr>
<tr>
<td>Deodorant</td>
<td>$2.52</td>
</tr>
<tr>
<td>Frankfurters</td>
<td>$2.51</td>
</tr>
<tr>
<td>Frozen plain vegetables</td>
<td>$2.50</td>
</tr>
<tr>
<td>Energy drinks</td>
<td>$2.49</td>
</tr>
</tbody>
</table>
• Mexican food: $ 2.38 billion
• Toothbrushes/dental accessories: $ 2.35 billion
• Seafood - shelf stable: $ 2.30 billion
• Dinners - shelf stable: $ 2.25 billion
• Tea/coffee ready-to-drink: $ 2.25 billion
• Spaghetti/Italian sauces: $ 2.19 billion
• Pickles/relish/olives: $ 2.16 billion
• Rice: $ 2.15 billion
• Pasta: $ 2.14 billion
• Dry packaged dinners: $ 2.12 billion
• Salad dressings - shelf stable: $ 2.11 billion
• Gum: $ 2.10 billion
• Baby accessories: $ 2.08 billion
• Butter/butter blends: $ 2.03 billion
• Peanut butter: $ 2.02 billion
• Sugar: $ 2.02 billion
• Baking needs: $ 2.09 billion
• Bakery snacks: $ 1.97 billion
• Cosmetics - eye: $ 1.96 billion
• Meat & refrigerated ham - shelf stable: $ 1.96 billion
• Cleaning tools/mops/brooms: $ 1.96 billion
• Dough/biscuit dough - refrigerated: $ 1.95 billion
• Kitchen storage: $ 1.94 billion
• Frozen appetizers/snack rolls: $ 1.93 billion
• Refrigerated side dishes: $ 1.91 billion
• Socks: $ 1.90 billion
• Mayonnaise: $ 1.87 billion
• Hair conditioner: $ 1.86 billion
• Cosmetics - facial: $ 1.85 billion
• Margarine/spreads: $ 1.83 billion
• Baking mixes: $ 1.80 billion
• Hand & body lotion: $ 1.76 billion
• Hair coloring: $ 1.71 billion
• Eye/contact lens care products: $ 1.68 billion
• Cat/dog litter: $ 1.66 billion
• First aid accessories: $ 1.65 billion
• Cosmetics - nail: $ 1.65 billion
• Moist towelettes: $ 1.63 billion
• Facial tissue: $ 1.59 billion
• Frozen potatoes/onions: $ 1.57 billion
• Baby food: $ 1.53 billion
• Mexican sauce: $ 1.53 billion
• Motor oil: $ 1.51 billion
• Aseptic juices: $ 1.48 billion
• Cream cheese/cream cheese spreads: $ 1.45 billion
• Tomato products: $ 1.43 billion
• Jellies/jams/honey: $ 1.42 billion
• Adult incontinence: $ 1.40 billion
• Pies & cakes: $ 1.39 billion
• Lunches - refrigerated: $ 1.36 billion
• Mouthwash: $ 1.36 billion
• First aid treatment: $ 1.33 billion
• Refrigerated entrees: $ 1.30 billion
• Fabric softener liquid: $ 1.28 billion
• Hot cereal: $ 1.23 billion
• Tea - bags/loose: $ 1.22 billion
• Hair accessories: $ 1.19 billion
• Mustard/ketchup: $ 1.19 billion
• Drink mixes: $ 1.18 billion
• Candies: $ 1.17 billion
• Sauces - other: $ 1.17 billion
• Gravy/sauce mixes: $ 1.16 billion
• Pest control: $ 1.14 billion
• Suntan products: $ 1.12 billion
• Light bulbs: $ 1.10 billion
• Foils & wraps: $ 1.09 billion
• Cold/allergy/sinus liquids: $ 1.09 billion
• Sour cream: $ 1.09 billion
• Cottage cheese: $ 1.08 billion
• Hair styling gel/mousse: $ 1.06 billion
• Foot care products: $ 1.04 billion
• Dried meat snacks: $ 1.04 billion
• Snacks - miscellaneous: $ 1.03 billion
• Frozen bread/frozen dough: $ 1.02 billion
• Popcorn/popcorn oil: $ 1.01 billion
• Laundry care: $ 1.01 billion

47.2 Market Resources

IRI, 150 North Clinton Street, Chicago, IL 60661. (312) 726-1221. (www.iriworldwide.com)
48.1 Overview

48.2 Share By Channel
CPG sales share by channel in 2015 were distributed as follows (change from previous year in parenthesis):
- Grocery: 43% (0.4%)
- Warehouse club: 11% (0.3%)
- Drug store: 7% (-0.1%)
- Mass retailer/superstore: 4% (-0.5%)
- Dollar store: 2% (no change)

CPG sales were distributed by category as follows:

<table>
<thead>
<tr>
<th>Edible</th>
<th>Non-Edible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grocery: 55%</td>
<td>19%</td>
</tr>
<tr>
<td>Warehouse club: 11%</td>
<td>12%</td>
</tr>
<tr>
<td>Drug store: 3%</td>
<td>13%</td>
</tr>
<tr>
<td>Mass retailer/superstore: 3%</td>
<td>8%</td>
</tr>
<tr>
<td>Dollar store: 2%</td>
<td>3%</td>
</tr>
</tbody>
</table>

48.3 Industry Growth
CPG growth across all retail channels has been as follows:

<table>
<thead>
<tr>
<th>Unit Sales</th>
<th>Dollar Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013: -0.5%</td>
<td>1.8%</td>
</tr>
<tr>
<td>2014: -1.3%</td>
<td>1.7%</td>
</tr>
<tr>
<td>2015: -1.7%</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

Growth by channel in 2015 was as follows:
- Grocery: no change 0.4%
- Warehouse club: 0.5% 0.2%
Drug store: no change -0.1%
Mass retailer/superstore: -0.6% -0.5%
Dollar store: -0.1% no change

Growth by department in 2015 was as follows:

<table>
<thead>
<tr>
<th>Department</th>
<th>Unit Sales</th>
<th>Dollar Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total store</td>
<td>0.8%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Beverages</td>
<td>2.9%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Health</td>
<td>2.1%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Liquor</td>
<td>2.8%</td>
<td>4.9%</td>
</tr>
<tr>
<td>Tobacco</td>
<td>3.2%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Refrigerated products</td>
<td>1.1%</td>
<td>3.4%</td>
</tr>
<tr>
<td>General merchandise</td>
<td>0.5%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Beauty</td>
<td>0.1%</td>
<td>2.0%</td>
</tr>
<tr>
<td>General food</td>
<td>-0.4%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Home care</td>
<td>no change</td>
<td>1.6%</td>
</tr>
<tr>
<td>Frozen food</td>
<td>-1.5%</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

“Across CPG channels and aisles, growth is still proving hard to come by even several years after the Great Recession. Dollar sales are growing largely by inflation and declining merchandising activity. Volume trends are weak across CPG channels driven by a highly conservative consumer marketplace.”

IRI
MMR, 4/11/16

48.4 Category Growth
Among the 10 largest CPG categories, growth in 2015 was as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Unit Sales</th>
<th>Dollar Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bottled water</td>
<td>7.2%</td>
<td>9.2</td>
</tr>
<tr>
<td>Cigarettes</td>
<td>2.1%</td>
<td>4.7</td>
</tr>
<tr>
<td>Beer/alcoholic beverages</td>
<td>2.3%</td>
<td>4.3</td>
</tr>
<tr>
<td>Natural cheese</td>
<td>3.3%</td>
<td>4.2</td>
</tr>
<tr>
<td>Salty snacks</td>
<td>2.8%</td>
<td>3.7</td>
</tr>
</tbody>
</table>
• Chocolate candy: -3.3%  2.7
• Carbonated beverages: -0.7%  1.4
• Pet food: -0.2%  1.3
• Fresh bread: -0.9%  0.3
• Milk: -0.7% -5.2

“The struggle to stimulate growth momentum manifests itself across a majority of CPG categories, including five of the 10 largest categories. Inflationary prices are heavily contributing to this trend.”

IRI
MMR, 4/11/16

CPG products with the highest unit sales growth and price per volume changes in 2015 were as follows:

<table>
<thead>
<tr>
<th>Unit Sales</th>
<th>Price Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refrigerated lunches: 14.2%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Refrigerated tea/coffee: 10.5%</td>
<td>6.7%</td>
</tr>
<tr>
<td>RTD coffee/tea: 10.3%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Spirits/liquor: 8.3%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Energy drinks: 8.1%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Refrigerated salad: 7.8%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Bottled water: 7.1%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Sports drinks: 7.0%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Sauces: 6.8%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Bakery snacks: 6.1%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Electronic smoking devices: 23.9%</td>
<td>-8.7%</td>
</tr>
<tr>
<td>Anti-smoking products: 17.8%</td>
<td>-10.9%</td>
</tr>
<tr>
<td>Cosmetic accessories: 12.6%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Cold/allergy/sinus liquids: 12.4%</td>
<td>22.7%</td>
</tr>
<tr>
<td>Adult incontinence: 10.7%</td>
<td>-2.0%</td>
</tr>
<tr>
<td>Lip cosmetics: 9.5%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Cigars: 8.4%</td>
<td>-4.2%</td>
</tr>
<tr>
<td>Culinary: 8.2%</td>
<td>-3.0%</td>
</tr>
<tr>
<td>Socks: 5.7%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Weight control products: 5.5%</td>
<td>-0.9%</td>
</tr>
</tbody>
</table>
“Top performing categories hail from across food and beverage aisles, marked by themes of healthier living and on-the-go refueling.”

IRI
MMR, 4/11/16

48.5 Market Resources

IRI, 150 North Clinton Street, Chicago, IL 60661. (312) 726-1221. (www.iriworldwide.com)
49.1 Largest Companies

Ranked by annual revenue, the following are the largest suppliers of consumer packaged goods (sources: Forbes, Fortune, and company reports):

- Procter & Gamble (www.pg.com): $76.3 billion
- PepsiCo (www.pepsico.com): $63.1 billion
- Unilever (www.unilever.com): $53.3 billion
- Coca-Cola (www.thecoca-colacompany.com): $44.3 billion
- Tyson Foods (www.tyson.com): $41.4 billion
- Mars (www.mars.com): $33.0 billion
- Kraft Heinz (www.kraftheinzcompany.com): $26.0 billion
- Kimberly-Clark (www.kimberly-clark.com): $18.7 billion
- General Mills (www.generalmills.com): $17.6 billion
- Colgate-Palmolive (www.colgate.com): $16.0 billion
- Land O'Lakes (www.landolakesinc.com): $15.0 billion
- Kellogg (www.kellogcompany.com): $13.5 billion
- ConAgra Foods (www.conagrafoods.com): $11.9 billion
- Estée Lauder (www.elcompanies.com): $10.8 billion
- Hormel Foods (www.hormelfoods.com): $9.3 billion
- Campbell Soup (www.campbellsoupcompany.com): $8.1 billion
- Dean Foods (www.deanfoods.com): $8.1 billion
- Hershey (www.thehersheycompany.com): $7.4 billion
- Dr. Pepper Snapple Group (www.drpeppersnapplegroup.com): $6.3 billion
- Avon Products (www.avoncompany.com): $6.2 billion
- Clorox (www.thecloroxcompany.com): $5.7 billion
- J.M. Smucker (www.smucker.com): $5.7 billion
- Spectrum Brands (www.spectrumbrands.com): $4.7 billion
- Post Holdings (www.postholdings.com): $4.6 billion
- Dole Food (www.dole.com): $4.5 billion
- McCormick (www.mccormick.com): $4.3 billion
- E&J Gallo Winery (www.gallo.com): $4.2 billion
- Del Monte Foods (www.delmonte.com): $4.1 billion
- Flowers Foods (www.flowersfoods.com): $3.8 billion
- Rich Products (www.rich.com): $3.5 billion
- Church & Dwight (www.churchdwight.com): $3.4 billion
50

MOST VALUABLE CPG BRANDS

50.1 Brand Valuations 2016

Interbrand (www.interbrand.com) publishes a list of the world’s 100 most valuable brands annually. Valuations recognize brands for their current worth along with how much the brand is likely to earn in the future. Twenty-one (21) consumer packaged goods (CPG) brands were among the leaders in the February 2016 list, as follows:

- Coca-Cola: $78.42 billion (-4%)
  Products: carbonated beverages and bottled water
- Gillette: $22.22 billion (-3%)
  Products: razors and shaving skin care
- Pepsi: $19.62 billion (3%)
  Products: carbonated beverages and bottled water
- Pampers: $15.27 billion (8%)
  Products: diapers
- Kellogg’s: $12.64 billion (-6%)
  Products: cereal
- Budweiser: $13.94 billion (7%)
  Products: beer
- Nescafé: $12.26 billion (7%)
  Products: coffee
- L’Oréal: $10.80 billion (6%)
  Products: cosmetics
- Colgate: $8.46 billion (3%)
  Products: home care, oral care, personal care, pet nutrition
- Danone: $8.63 billion (5%)
  Products: fresh dairy products, waters, baby nutrition
- Nestlé: $8.59 billion (7%)
  Products: chocolate and confectionery
- Sprite: $5.36 billion (-5%)
  Products: carbonated beverages
- Johnson & Johnson: $5.53 billion (7%)
  Products: personal health care
- Jack Daniel’s: $5.16 billion (6%)
  Products: liquor
• Johnnie Walker: $4.54 billion (-6%)
  Products: liquor

• Kleenex: $4.33 billion (-7%)
  Products: tissue and hand towels

• Smirnoff: $4.41 billion (-4%)
  Products: liquor

• Corona Extra: $4.46 billion (2%)
  Products: beer

• Heineken: $4.82 billion (14%)
  Products: beer

• Moët & Chandon: $4.13 billion (n/a)
  Products: champagne

50.2 Market Resources
2015 Ranking of the Top 100 Brands, Interbrand, February 2016.

Interbrand, 130 Fifth Avenue, New York, NY 10011. (212) 798-7500.
(www.interbrand.com)
51

SECTOR & BRAND REPUTATION

51.1 Overview
Since 2000, The Harris Poll (www.theharrispoll.com) has published an annual Reputation Quotient study, presenting corporate reputation ratings for the 100 most visible companies in the United States, as perceived by the general public.


Eleven (11) companies in the consumer packaged goods (CPG) sector were included in the 2016 Reputation Quotient study.

51.2 CPG Sector Reputation
Sixty-one percent (61%) of adults say the packaged goods sector has a good reputation.

“The CPG industry’s strong reputation is a hallmark of the industry. Because CPG products are used daily by most American families, trust in the companies that produce these products is essential.”

Sarah Simmons
Senior Reputation Consultant
The Harris Poll, 2/18/16

51.3 Brand Reputation Rating
RQ Scores for CPG brands in the 2016 Reputation Quotient study were as
follows:
• Johnson & Johnson: 80.23
• Kellogg: 79.92
• Clorox: 79.40
• Procter & Gamble: 79.39
• General Mills: 79.18
• Coca-Cola: 78.96
• Nestlé: 78.83
• Kraft-Heinz: 77.94
• Unilever: 74.82
• Tyson Foods: 74.09
• PepsiCo: 72.22

51.4 Market Resources
52.1 Market Assessment

IRI (www.iriworldwide.com) forecasts that online sales of consumer packaged goods (CPG) will increase to $36 billion, or 5.1% of total CPG sales, in 2018 from $8 billion, or 1.2% of CPG sales in 2013. This represents 54% of total CPG growth, as online sales increase by $28 billion while offline sales increase by $24 billion during the five-year period.

_________________________________________________________________

“Online CPG sales are still quite small, accounting for less than 2% of overall industry sales. But growth of online CPG is explosive.”

MMR, 4/11/16

_________________________________________________________________

52.2 Online Initiatives

The growth in online sales was fueled by Amazon’s pilot in 2014 of Amazon Pantry, which let its Prime users fill a box with selections of more than 2,000 products to be delivered for a small fee; Prime Now, which offers delivery to the home within one or two hours; and the Dash Button, an Internet-connected device placed anywhere in the home that provides a one-touch way to order refills.

According to 1010data (www.1010data.com), over 20% of all growth in online CPG sales in 2015 came from Amazon’s Subscribe and Save feature (SNS), the default selection for many Amazon users as they check out. Amazon SNS revenue for the top 50 CPG categories grew by 214% in 2015. The three largest SNS categories were baby diapers, pet food, and coffee. The fastest growing categories were hair care, baby wipes, and deodorant.

Other retailers as well as CPG manufacturers are also expanding e-commerce offerings.
“It’s not just Amazon that’s blazing a digital CPG trail. Regional grocers are finding success with click-and-collect pilots in which products are ordered online and picked up in stores, and Campbell’s is customizing soup packages for millennial shoppers.”

McKinsey & Company, 10/15

52.3 Online GPG Sales Growth

According to 1010data, CPG online sales increased 42% in 2015; overall retail e-commerce sales increased 30%.

The top product categories in CPG e-commerce growth in 2015 were as follows:

- Laundry detergent: 85%
- Toothpaste: 75%
- Health snack bars: 74%
- Deodorant: 71%
- Adult nutrition: 68%
- Baby wipes: 68%
- Protein powder: 66%
- Bottled water: 63%
- Mouthwash: 63%
- Baby diapers: 61%
- Beauty primers: 60%

“That e-commerce inflection point packaged-goods marketers have sought for decades may finally have arrived. CPG e-commerce sales soared 42% last year, well ahead of overall growth in e-commerce and driven heavily by Amazon subscription sales, which more than tripled.”

Advertising Age, 1/29/16
PART VIII:  DISCOUNT STORES, SUPERCENTERS & WAREHOUSE CLUBS
53

MARKET ASSESSMENT

53.1 Market Assessment

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales for discount stores (NAICS Code 452112) and supercenters, and warehouse clubs (NAICS Code 45291) have been as follows:

- 2004: $376.48 billion
- 2005: $405.14 billion
- 2006: $433.43 billion
- 2007: $459.89 billion
- 2008: $480.54 billion
- 2009: $479.44 billion
- 2010: $489.49 billion
- 2011: $505.60 billion
- 2012: $522.29 billion
- 2013: $531.72 billion
- 2014: $543.26 billion
- 2015: $547.49 billion

Sales in 2015 were distributed by month as follows:

- January: $41.31 billion
- February: $39.56 billion
- March: $43.86 billion
- April: $41.71 billion
- May: $46.20 billion
- June: $44.41 billion
- July: $45.19 billion
- August: $47.39 billion
- September: $42.54 billion
- October: $45.85 billion
- November: $50.22 billion
- December: $59.27 billion

Supercenters have been one of America’s fastest-growing shopping concepts over the past decade. Supercenters now represent over 20% of all grocery store sales in the U.S.
The discount segment remained strong during the economic downturn. Squeezed by increased food costs, tighter credit, and a slumping housing market, more consumers shopped at low-cost stores. The increased revenue of superstores and warehouse clubs has been, in large part, at the expense of retailers in other segments.

The prosperity of discount stores, however, is more than a consequence of the recession. The Nielsen Company (www.nielsen.com) reports that supercenters and warehouse clubs, along with dollar stores, are the only trade classes to undergo a significant increase in household penetration in the current decade.

53.2 Retail Census
According to County Business Patterns (April 2016 edition), published by the Census Bureau, there are 9,926 retail stores in the sector. Combined they have 2,045,160 employees.

53.3 Marketshare Leaders
The largest discount chain companies, ranked by annual U.S. sales, are as follows:
- Walmart Stores (www.walmart.com): $334.30 billion
  Brands: Sam’s Club, Walmart
- Costco Wholesale (www.costco.com): $ 74.74 billion
- Target (www.target.com): $ 71.27 billion
- Sears Holdings Corp. (www.sears.com): $ 26.61 billion
  Brands: Kmart, Sears
- Meijer (www.meijer.com): $ 16.62 billion
- BJ’s Wholesale Club (www.bjs.com): $ 12.96 billion

53.4 Market Resources
Discount Stores & Specialty Retailers, Chain Store Guide, 10117 Princess Palm Avenue, Suite 375, Tampa, FL 33610. (800) 927-9292. (www.chainstoreguide.com)
54.1 Retail Sales In The Largest MSAs

This chapter presents marketshare leaders for the 100 largest general merchandise metropolitan areas. The Metropolitan Statistical Areas (MSAs) defined by the U.S. Census Bureau (www.census.gov) are used. The assessment is based on research by Rascher Press (www.massmarketretailers.com) and originally published in the August 2014 issue of *Mass Market Retailers*.

The general merchandise market leaders in the top 100 markets are as follows:

1. **New York-Northern New Jersey-Long Island, NY-NJ-PA**
   - Costco: 30%; Walmart: 23%; Target: 12%; BJ’s: 12%; Others: 23%

2. **Los Angeles-Long Beach-Santa Ana, CA**
   - Costco: 34%; Walmart: 25%; Target: 23%; Others: 18%

3. **Chicago-Naperville-Joliet, IL-IN-WI**
   - Walmart: 37%; Target: 23%; Costco: 17%; Others: 23%

4. **Dallas-Fort Worth-Arlington, TX**
   - Walmart: 60%; Target: 20%; Others: 20%

5. **Houston-Baytown-Sugar Land, TX**
   - Walmart: 63%; Target: 19%; Others: 18%

6. **Atlanta-Sandy Springs-Marietta, GA**
   - Walmart: 50%; Target: 17%; Costco: 16%; Others: 17%

7. **Miami-Fort Lauderdale-Pompano Beach, FL**
   - Walmart: 33%; Costco: 21%; Target: 16%; BJ’s: 12%; Others: 18%

8. **Phoenix-Mesa-Scottsdale, AZ**
   - Walmart: 42%; Costco: 23%; Target: 15%; Fry’s Marketplace: 13%; Others: 7%

9. **Detroit-Warren-Livonia, MI**
   - Meijer: 28%; Walmart: 25%; Costco: 16%; Target: 12%; Kmart: 8%; Others: 17%
   • Walmart: 27%; Costco: 28%; Target: 21%; Others: 24%

11. Philadelphia-Camden-Wilmington, PA-NJ-DE-MD
    • Walmart: 36%; Target: 15%; BJ's: 12%; Kmart: 9%; Others: 28%

12. Riverside-San Bernardino-Ontario, CA
    • Walmart: 36%; Costco: 28%; Target: 19%; Others: 17%

13. Seattle-Tacoma-Bellevue, WA
    • Fred Meyer: 34%; Costco: 33%; Walmart: 15%; Target: 12%; Others: 7%

14. San Francisco-Oakland-Fremont, CA
    • Costco: 44%; Target: 20%; Walmart: 16%; Others: 22%

15. Minneapolis-St. Paul-Bloomington, MN-WI
    • Target: 41%; Walmart: 36%; Costco: 12%; Others: 11%

16. San Diego-Carlsbad-San Marcos, CA
    • Costco: 42%; Walmart: 26%; Target: 18%; Others: 16%

17. Boston-Cambridge-Quincy, MA-NH
    • Walmart: 35%; Costco: 18%; BJ's: 14%; Target: 12%; Others: 21%

18. St. Louis, MO-IL
    • Walmart: 59%; Target: 15%; Others: 26%

19. Tampa-St. Petersburg-Clearwater, FL
    • Walmart: 54%; Target: 17%; Others: 29%

20. Denver-Aurora, CO
    • Walmart: 45%; Target: 23%; Costco: 22%; Others: 10%

21. Portland-Vancouver-Beaverton, OR-WA
    • Fred Meyer: 48%; Costco: 22%; Walmart: 12%; Target: 10%; Others: 8%

22. Orlando-Kissimmee, FL
    • Walmart: 50%; Target: 19%; Costco: 16%; Others: 15%

23. Baltimore-Towson, MD
    • Walmart: 42%; Costco: 16%; Target: 15%; BJ's: 11%; Others: 16%
24. Pittsburgh, PA
   • Walmart: 51%; Costco: 13%; Target: 12%; Kmart: 9%; Others: 15%

25. Kansas City, MO-KS
   • Walmart: 54%; Costco: 17%; Target: 16%; Others: 13%

26. Cincinnati-Middletown, OH-KY-IN
   • Walmart: 41%; Meijer: 20%; Target: 12%; Biggs: 9%; Others: 16%

27. Indianapolis-Carmel, IN
   • Walmart: 48%; Meijer: 18%; Target: 17%; Others: 17%

28. Las Vegas-Paradise, NV
   • Walmart: 47%; Costco: 18%; Target: 17%; Others: 18%

29. Sacramento-Arden-Arcade-Roseville, CA
   • Walmart: 35%; Costco: 28%; Target: 18%; Others: 19%

30. San Antonio, TX
   • Walmart: 59%; Target: 17%; Costco: 16%; Others: 8%

31. Virginia Beach-Norfolk-Newport News, VA-NC
   • Walmart: 48%; Costco: 14%; Target: 13%; Kmart: 9%; Others: 16%

32. Columbus, OH
   • Walmart: 41%; Meijer: 25%; Target: 13%; Others: 21%

33. Charlotte-Gastonia-Concord, NC-SC
   • Walmart: 50%; Target: 16%; Costco: 14%; Others: 20%

34. Nashville-Davidson-Murfreesboro-Franklin, TN
   • Walmart: 59%; Target: 12%; Costco: 11%; Kmart: 7%; Others: 11%

35. Cleveland-Elyria-Mentor, OH
   • Walmart: 42%; Target: 16%; Costco: 14%; Kmart: 11%; Others: 17%

36. San Jose-Sunnyvale-Santa Clara, CA
   • Costco: 43%; Target: 26%; Walmart: 16%; Others: 15%

37. Jacksonville, FL
   • Walmart: 52%; Target: 18%; Others: 30%
38. Oklahoma City, OK
   • Walmart: 74%; Target: 14%; Others: 12%

39. Austin-Round Rock, TX
   • Walmart: 61%; Target: 19%; Costco: 13%; Others: 7%

40. Birmingham, AL
   • Walmart: 83%; Others: 17%

41. Louisville-Jefferson County, KY-IN
   • Walmart: 47%; Meijer: 18%; Target: 13%; Others: 22%

42. Salt Lake City, UT
   • Walmart: 46%; Costco: 22%; Target: 12%; Others: 20%

43. Memphis, TN-MS-AR
   • Walmart: 58%; Costco: 13%; Target: 12%; Others: 17%

44. Milwaukee-Waukesha-West Allis, WI
   • Walmart: 54%; Target: 19%; Costco: 10%; Kmart: 8%; Others: 9%

45. New Orleans-Metairie-Kenner, LA
   • Walmart: 69%; Target: 11%; Others: 20%

46. Richmond, VA
   • Walmart: 50%; Costco: 16%; Target: 14%; Others: 20%

47. Providence-New Bedford-Fall River, RI-MA
   • Walmart: 45%; BJ's: 16%; Target: 14%; Others: 25%

48. Honolulu, HI
   • Costco: 39%; Walmart: 32%; Others: 29%

49. Raleigh-Cary, NC
   • Walmart: 50%; Target: 18%; Others: 32%

50. Albuquerque, NM
   • Walmart: 60%; Costco: 20%; Target: 12%; Others: 8%

51. Tulsa, OK
   • Walmart: 70%; Target: 12%; Others: 18%
52. Grand Rapids-Wyoming, MI  
   • Meijer: 46%; Walmart: 24%; Costco: 14%; Others: 16%

53. El Paso, TX  
   • Walmart: 52%; Target: 13%; Costco: 12%; Kmart: 9%; Others: 14%

54. Tucson, AZ  
   • Walmart: 38%; Costco: 24%; Target: 21%; Others: 17%

55. Dayton, OH  
   • Walmart: 48%; Meijer: 22%; Target: 10%; Kmart: 8%; Others: 12%

56. Baton Rouge, LA  
   • Walmart: 78%; Target: 11%; Others: 11%

57. Rochester, NY  
   • Walmart: 52%; Target: 14%; BJ’s: 13%; Others: 21%

58. Omaha-Council Bluffs, NE-IA  
   • Walmart: 49%; Target: 29%; Others: 22%

59. Little Rock-North Little Rock-Conway, AR  
   • Walmart: 75%; Target: 10%; Others: 15%

60. Buffalo-Niagara Falls, NY  
   • Walmart: 43%; Target: 18%; BJ’s: 12%; Others: 17%

61. Knoxville, TN  
   • Walmart: 60%; Target: 13%; Costco: 10%; Kmart: 8%; Others: 9%

62. Boise City-Nampa, ID  
   • Walmart: 36%; Fred Meyer: 32%; Costco: 15%; Others: 17%

63. Fresno, CA  
   • Costco: 38%; Walmart: 30%; Target: 20%; Others: 12%

64. Hartford-West Hartford-East Hartford, CT  
   • Walmart: 50%; Target: 14%; Costco: 13%; Others: 23%

65. New Haven-Milford, CT  
   • Walmart: 37%; Costco: 26%; Target: 14%; BJ’s: 13%; Others: 10%
66. Albany-Schenectady-Troy, NY
   • Walmart: 55%; Target: 16%; BJ's: 12%; Kmart: 9%; Others: 8%

67. Anchorage, AK
   • Walmart: 38%; Costco: 26%; Fred Meyer: 21%; Others: 15%

68. Toledo, OH
   • Walmart: 35%; Meijer: 33%; Target: 11%; Others: 21%

69. McAllen-Edinburg-Mission, TX
   • Walmart: 69%; Target: 13%; Others: 18%

70. Wichita, KS
   • Walmart: 70%; Target: 15%; Others: 15%

71. Columbia, SC
   • Walmart: 60%; Target: 11%; Kmart: 9%; Others: 20%

72. Charleston-North Charleston, SC
   • Walmart: 52%; Target: 14%; Costco: 13%; Others: 11%

73. Oxnard-Thousand Oaks-Ventura, CA
   • Costco: 28%; Target: 26%; Walmart: 22%; Kmart: 8%; Others: 16%

74. Greensboro-High Point, NC
   • Walmart: 60%; Target 11%; Costco: 10%; Others: 19%

75. Sarasota-Bradenton-Venice, FL
   • Walmart: 55%; Target: 18%; Others: 27%

76. Fort Myers-Cape Coral, FL
   • Walmart: 32%; Target: 26%; Costco: 20%; Others: 22%

77. Colorado Springs, CO
   • Walmart: 66%; Target: 19%; Others: 15%

78. Lansing-East Lansing, MI
   • Meijer: 43%; Walmart: 37%; Target: 12%; Others: 8%

79. Ogden-Clearfield, UT
   • Walmart: 42%; Costco: 24%; Target: 16%; Others: 18%
80. Spokane, WA
   • Costco: 29%; Fred Meyer: 28%; Walmart: 25%; Target: 10%; Others: 8%

81. Des Moines, IA
   • Walmart: 50%; Target: 25%; Costco: 10%; Others: 15%

82. Bakersfield, CA
   • Walmart: 34%; Costco: 31%; Target: 14%; Kmart: 10%; Others: 11%

83. Allentown-Bethlehem-Easton, PA-NJ
   • Walmart: 54%; Target: 15%; Kmart: 13%; Others: 18%

84. Lexington-Fayette, KY
   • Walmart: 60%; Meijer: 15%; Others: 25%

85. Melbourne-Palm Bay-Titusville, FL
   • Walmart: 62%; Target: 15%; BJ’s: 11%; Others: 12%

86. Chattanooga, TN-GA
   • Walmart: 69%; Target: 11%; Others: 20%

87. Fayetteville-Springdale-Rogers, AR-MO
   • Walmart: 86%; Others: 14%

88. Lakeland, FL
   • Walmart: 72%; Target: 10%; Others: 17%

89. Springfield, MO
   • Walmart: 85%; Others: 15%

90. Greenville-Spartanburg, SC
   • Walmart: 59%; Costco: 10%; Others: 31%

91. Jackson, MS
   • Walmart: 76%; Target: 10%; Other: 14%

92. Reno-Sparks, NV
   • Walmart: 52%; Costco: 26%; Others: 22%

93. Bridgeport-Stamford-Norwalk, CT
   • Costco: 29%; Walmart: 25%; BJ’s: 15%; Others: 31%
94. Stockton, CA
   • Walmart: 31%; Costco: 30%; Target: 20%; Others: 19%

95. Poughkeepsie-Newburgh-Middletown, NY
   • Walmart: 52%; Target: 15%; BJ's: 12%; Others: 21%

96. Pensacola-Ferry Pass-Brent, FL
   • Walmart: 69%; Target: 11%; Kmart: 8%; Others: 12%

97. Huntsville, AL
   • Walmart: 59%; Costco: 14%; Target: 11%; Others: 16%

98. Provo-Orem, UT
   • Walmart: 46%; Costco: 32%; Others: 22%

99. Worcester, MA
   • Walmart: 43%; Target: 18%; BJ's: 15%; Others: 24%

100. Scranton-Wilkes Barre, PA
    • Walmart: 58%; Kmart: 14%; Others: 22%

54.2 Market Resources
### CUSTOMER PROFILE

#### 55.1 Demographics of Mass Merchant Customers

Prosper Business Development ([www.goprosper.com](http://www.goprosper.com)) profiles shoppers at major mass merchant chains as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Kohl’s</th>
<th>Kmart</th>
<th>Target</th>
<th>Walmart</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>40.1%</td>
<td>41.3%</td>
<td>39.9%</td>
<td>44.3%</td>
</tr>
<tr>
<td>Female</td>
<td>59.9%</td>
<td>58.7%</td>
<td>60.1%</td>
<td>55.7%</td>
</tr>
<tr>
<td><strong>Marital Status</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married</td>
<td>62.6%</td>
<td>46.1%</td>
<td>53.8%</td>
<td>52.1%</td>
</tr>
<tr>
<td>Unmarried, living with partner:</td>
<td>6.7%</td>
<td>9.4%</td>
<td>8.3%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Divorced or separated:</td>
<td>8.6%</td>
<td>15.7%</td>
<td>9.9%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Widowed</td>
<td>4.2%</td>
<td>6.0%</td>
<td>2.9%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Single, never married:</td>
<td>17.9%</td>
<td>22.7%</td>
<td>25.1%</td>
<td>22.3%</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-to-24</td>
<td>9.4%</td>
<td>6.9%</td>
<td>15.1%</td>
<td>12.6%</td>
</tr>
<tr>
<td>25-to-34</td>
<td>16.2%</td>
<td>13.2%</td>
<td>23.0%</td>
<td>16.9%</td>
</tr>
<tr>
<td>35-to-44</td>
<td>20.4%</td>
<td>14.7%</td>
<td>20.7%</td>
<td>17.6%</td>
</tr>
<tr>
<td>45-to-54</td>
<td>21.1%</td>
<td>24.2%</td>
<td>17.0%</td>
<td>20.3%</td>
</tr>
<tr>
<td>55-to-64</td>
<td>16.1%</td>
<td>20.6%</td>
<td>12.4%</td>
<td>15.1%</td>
</tr>
<tr>
<td>65 and older</td>
<td>16.8%</td>
<td>20.4%</td>
<td>11.8%</td>
<td>17.4%</td>
</tr>
<tr>
<td><strong>Household Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than $15,000:</td>
<td>4.8%</td>
<td>14.7%</td>
<td>8.0%</td>
<td>12.1%</td>
</tr>
<tr>
<td>$15,000 to $24,999:</td>
<td>6.9%</td>
<td>17.7%</td>
<td>8.6%</td>
<td>12.8%</td>
</tr>
<tr>
<td>$25,000 to $34,999:</td>
<td>9.5%</td>
<td>16.1%</td>
<td>11.5%</td>
<td>14.4%</td>
</tr>
<tr>
<td>$35,000 to $49,999:</td>
<td>16.2%</td>
<td>19.8%</td>
<td>16.1%</td>
<td>17.4%</td>
</tr>
<tr>
<td>$50,000 to $74,999:</td>
<td>27.6%</td>
<td>19.8%</td>
<td>23.7%</td>
<td>22.3%</td>
</tr>
<tr>
<td>$75,000 to $99,999:</td>
<td>18.3%</td>
<td>6.5%</td>
<td>15.0%</td>
<td>11.1%</td>
</tr>
<tr>
<td>$100,000 to $149,999:</td>
<td>13.2%</td>
<td>5.0%</td>
<td>12.7%</td>
<td>7.8%</td>
</tr>
<tr>
<td>$150,000 or more</td>
<td>3.4%</td>
<td>0.5%</td>
<td>4.4%</td>
<td>2.1%</td>
</tr>
</tbody>
</table>
Region
- Northeast: 18.4% 21.2% 16.9% 16.3%
- Midwest: 33.4% 30.4% 26.3% 24.1%
- South: 28.3% 29.0% 31.7% 40.4%
- West: 19.4% 18.6% 24.6% 18.5%

55.2 Warehouse Club Members
Mintel (www.mintel.com) assesses the percentages of adults by annual household income that shop at Costco as follows:
- Less than $25,000: 27%
- $50,000 to $74,999: 36%
- $100,000 to $149,999: 41%
- $150,000 and more: 44%

International Demographics (www.themediaaudit.com) reports that nearly one in four households earning above $75,000 or more in annual income and with children living at home shop at Costco. Those between the ages of 45 and 64 with an income of over $100,000 shop at Costco at a rate that is 45% higher than the general population. Among Costco shoppers, nearly 30% are Hispanic and 14% are Asian. Compared with all U.S. adults, Hispanics are 59% more likely to shop at Costco and Asians are nearly twice as likely to shop at Costco.

A survey by Millionaire Corner (www.millionairecorner.com) found that nearly one-half of respondents with a net worth of $5 million or more shop at Costco; about one-third shop at Walmart.

55.3 Market Resources
International Demographics, 10333 Richmond Avenue, Suite 200, Houston, TX 77042. (713) 626-0333. (www.themediaaudit.com)

Millionaire Corner, 840 S. Waukegan Road, Suite 211, Lake Forest, IL 60045. (224) 544-5353. (www.millionairecorner.com)

Mintel, 333 West Wacker Drive, Suite 1100, Chicago, IL 60606. (312) 932-0400. (www.mintel.com)

PART IX: DRUG STORES & PHARMACIES
MARKET ASSESSMENT

56.1 Sector Sales

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at drug stores and pharmacies (NAICS Code 44611) have been as follows:

- 2004: $169.23 billion
- 2005: $179.17 billion
- 2006: $191.02 billion
- 2007: $202.28 billion
- 2008: $210.86 billion
- 2009: $217.28 billion
- 2010: $222.26 billion
- 2011: $231.34 billion
- 2012: $230.42 billion
- 2013: $236.17 billion
- 2014: $251.41 billion
- 2015: $262.87 billion

These figures do not include pharmacy sales at supermarkets, mass merchants, and other general merchandise stores.

Sales in 2015 were distributed by month as follows:

- January: $21.78 billion
- February: $20.13 billion
- March: $21.87 billion
- April: $21.59 billion
- May: $21.49 billion
- June: $21.53 billion
- July: $21.84 billion
- August: $21.71 billion
- September: $21.66 billion
- October: $22.70 billion
- November: $21.61 billion
- December: $24.96 billion
56.2 Retail Census
According to County Business Patterns (April 2016 edition), published by the Census Bureau, there are 43,742 retail stores in the sector. Combined they have 703,757 employees.

56.3 Market Resources
Chain Drug Review, 220 Fifth Avenue, 18th Floor, New York, NY 10001. (212) 213-6000. (www.chaindrugreview.com)


Drug Store and HBC Chains, Chain Store Guide, 10117 Princess Palm Avenue, Suite 375, Tampa, FL 33610. (800) 927-9292. (www.chainstoreguide.com)


# LARGEST CHAIN RETAIL PHARMACIES

## 57.1 Marketshare Leaders

*Chain Drug Review* publishes an annual list of the top chains by dollar volume. The 2016 list* of U.S. retail pharmacies is as follows:

<table>
<thead>
<tr>
<th>Pharmacy</th>
<th>Sales</th>
<th>Stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Walgreens (<a href="http://www.walmart.com">www.walmart.com</a>)</td>
<td>$80.97 billion</td>
<td>8,173</td>
</tr>
<tr>
<td>CVS (<a href="http://www.cvs.com">www.cvs.com</a>)</td>
<td>$72.01 billion</td>
<td>9,655</td>
</tr>
<tr>
<td>Rite Aid (<a href="http://www.riteaid.com">www.riteaid.com</a>)</td>
<td>$26.87 billion</td>
<td>4,561</td>
</tr>
<tr>
<td>Health Mart (<a href="http://www.healthmart.com">www.healthmart.com</a>)</td>
<td>$10.30 billion</td>
<td>4,610</td>
</tr>
<tr>
<td>Diplomat Specialty Pharmacy (<a href="https://diplomat.is/">https://diplomat.is/</a>)</td>
<td>$3.37 billion</td>
<td>17</td>
</tr>
<tr>
<td>Medicine Shoppe International (<a href="http://www.medicineshoppe.com">www.medicineshoppe.com</a>)</td>
<td>$1.76 billion</td>
<td>523</td>
</tr>
<tr>
<td>Marc Glassman (<a href="http://www.marcs.com">www.marcs.com</a>)</td>
<td>$1.37 billion</td>
<td>58</td>
</tr>
<tr>
<td>Kinney Drugs (<a href="http://www.kinneydrugs.com">www.kinneydrugs.com</a>)</td>
<td>$ 732 million</td>
<td>100</td>
</tr>
<tr>
<td>Discount Drug Mart (<a href="http://www.discount-drugmart.com">www.discount-drugmart.com</a>)</td>
<td>$ 665 million</td>
<td>73</td>
</tr>
<tr>
<td>Care Pharmacies (<a href="http://www.carepharmacies.com">www.carepharmacies.com</a>)</td>
<td>$ 574 million</td>
<td>82</td>
</tr>
<tr>
<td>Bartell Drugs (<a href="http://www.bartelldrugs.com">www.bartelldrugs.com</a>)</td>
<td>$ 438 million</td>
<td>64</td>
</tr>
<tr>
<td>Thrifty White (<a href="http://www.thriftywhite.com.com">www.thriftywhite.com.com</a>)</td>
<td>$ 396 million</td>
<td>92</td>
</tr>
<tr>
<td>Sav-Mor (<a href="http://www.sav-mor.com">www.sav-mor.com</a>)</td>
<td>$ 388 million</td>
<td>68</td>
</tr>
<tr>
<td>Aurora Pharmacy (<a href="http://www.aurorachealthcare.org/services/pharmacy/index.asp">www.aurorachealthcare.org/services/pharmacy/index.asp</a>)</td>
<td>$ 251 million</td>
<td>71</td>
</tr>
<tr>
<td>Lewis Drugs (<a href="http://www.lewisdrug.com">www.lewisdrug.com</a>)</td>
<td>$ 225 million</td>
<td>49</td>
</tr>
<tr>
<td>Hy-Vee (<a href="http://www.hy-vee.com">www.hy-vee.com</a>)</td>
<td>$ 218 million</td>
<td>17</td>
</tr>
<tr>
<td>Henry Ford Health System (<a href="http://www.henryford.com">www.henryford.com</a>)</td>
<td>$ 159 million</td>
<td>24</td>
</tr>
<tr>
<td>Fairview Pharmacy Service (<a href="http://www.fairview.org/pharmacy">www.fairview.org/pharmacy</a>)</td>
<td>$ 154 million</td>
<td>34</td>
</tr>
<tr>
<td>Hi-School Pharmacy (<a href="http://www.hi-schoolpharmacy.com">www.hi-schoolpharmacy.com</a>)</td>
<td>$ 146 million</td>
<td>25</td>
</tr>
<tr>
<td>Hometown Pharmacy (<a href="http://www.hometownpharmacy.com">www.hometownpharmacy.com</a>)</td>
<td>$ 143 million</td>
<td>36</td>
</tr>
<tr>
<td>Lifechek Drug (<a href="http://www.lifechekdrug.com">www.lifechekdrug.com</a>)</td>
<td>$ 127 million</td>
<td>30</td>
</tr>
<tr>
<td>Benzer Pharmacy (<a href="http://www.benzerpharmacy.com">www.benzerpharmacy.com</a>)</td>
<td>$ 125 million</td>
<td>53</td>
</tr>
<tr>
<td>Pharmacca (<a href="http://www.pharmacca.com">www.pharmacca.com</a>)</td>
<td>$ 116 million</td>
<td>30</td>
</tr>
<tr>
<td>Fruth Pharmacies (<a href="http://www.fruthpharmacy.com">www.fruthpharmacy.com</a>)</td>
<td>$ 118 million</td>
<td>29</td>
</tr>
<tr>
<td>Hartig Drug (<a href="http://www.hartigdrug.com">www.hartigdrug.com</a>)</td>
<td>$ 101 million</td>
<td>22</td>
</tr>
</tbody>
</table>

* Only U.S. retail chains with sales >$100 million are listed.
57.2 Market Resources

*Chain Drug Review*, 220 Fifth Avenue, 18th Floor, New York, NY 10001.
(212) 699-2355.  (www.chaindrugreview.com)
58.1 Sales Distribution For Chain Drug Stores

According to *Chain Drug Review* (May 2016), annual sales at tradition chain drug stores are $298.0 billion. The merchandise mix is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th>Pct. of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prescriptions:</td>
<td>$192.8 billion</td>
<td>64.7%</td>
</tr>
<tr>
<td>O-T-C/health:</td>
<td>$ 31.6 billion</td>
<td>10.6%</td>
</tr>
<tr>
<td>Edible consumables:</td>
<td>$ 28.6 billion</td>
<td>9.6%</td>
</tr>
<tr>
<td>Personal care:</td>
<td>$ 15.5 billion</td>
<td>5.2%</td>
</tr>
<tr>
<td>Cosmetics/fragrances:</td>
<td>$  8.9 billion</td>
<td>3.0%</td>
</tr>
<tr>
<td>Non-edible consumables:</td>
<td>$ 14.6 billion</td>
<td>4.9%</td>
</tr>
<tr>
<td>General merchandise:</td>
<td>$  4.8 billion</td>
<td>1.6%</td>
</tr>
<tr>
<td>Office/school supplies:</td>
<td>$  1.5 billion</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

“Drug store chains have worked hard to generate business outside of Rx. After several years where prescription sales have accounted for an increasingly greater percentage of sales, the front end has gained share. Because front-end categories provide much higher margins than the pharmacy, the shift in sales has worked to chain drug retailers’ advantage.”

*Chain Drug Review*

58.2 Market Resources

*Chain Drug Review*, 220 Fifth Avenue, 18th Floor, New York, NY 10001. (212) 213-6000. (www.chaindrugreview.com)
59.1 Sales at Mass Market Retail Stores

According to Mass Market Retailers (MMR) [May 2016], based on analysis by IRI Group (www.iriworldwide.com), annual sales of consumer packaged goods (CPGs) in drug stores are as follows:

- Cigarettes: $2.63 billion
- Vitamins: $2.43 billion
- Cold/allergy/sinus tablets: $2.23 billion
- Chocolate candy: $1.89 billion
- Internal analgesics: $1.31 billion
- Skin care: $1.20 billion
- Beer/ale/alcoholic cider: $1.19 billion
- Gastrointestinal tablets: $1.17 billion
- Carbonated beverages: $1.00 billion
- First aid accessories: $1.00 billion
- Non-chocolate candy: $845 million
- Cosmetics - eye: $790 million
- Spirits/liquor: $774 million
- Cosmetics - facial: $725 million
- Cold/allergy/sinus liquids: $700 million
- Eye/contact lens care products: $675 million
- Wine: $673 million
- Bottled water: $670 million
- Toothbrushes: $664 million
- Cosmetics - nail: $648 million
- First aid treatment: $642 million
- Sanitary napkins/tampons: $635 million
- Salty Snacks: $621 million
- Soap: $607 million
- Hair coloring: $556 million
- Toothpaste: $549 million
- Batteries: $546 million
- Shampoo: $531 million
- Blades: $525 million
- Deodorant: $505 million
- Adult incontinence: $499 million
<table>
<thead>
<tr>
<th>Product Category</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hand &amp; body lotion</td>
<td>$498 million</td>
</tr>
<tr>
<td>Hair conditioner</td>
<td>$456 million</td>
</tr>
<tr>
<td>Weight control</td>
<td>$452 million</td>
</tr>
<tr>
<td>Sexual health</td>
<td>$450 million</td>
</tr>
<tr>
<td>Snack nuts/seeds</td>
<td>$440 million</td>
</tr>
<tr>
<td>Toilet tissue</td>
<td>$424 million</td>
</tr>
<tr>
<td>Foot care products</td>
<td>$412 million</td>
</tr>
<tr>
<td>Home healthcare/kits</td>
<td>$411 million</td>
</tr>
<tr>
<td>Milk</td>
<td>$403 million</td>
</tr>
<tr>
<td>Anti-smoking products</td>
<td>$401 million</td>
</tr>
<tr>
<td>Cosmetics - lip</td>
<td>$394 million</td>
</tr>
<tr>
<td>Laundry detergent</td>
<td>$388 million</td>
</tr>
<tr>
<td>Gastrointestinal liquids</td>
<td>$375 million</td>
</tr>
<tr>
<td>Energy drinks</td>
<td>$362 million</td>
</tr>
<tr>
<td>Diapers</td>
<td>$360 million</td>
</tr>
<tr>
<td>Suntan products</td>
<td>$355 million</td>
</tr>
<tr>
<td>Gum</td>
<td>$342 million</td>
</tr>
<tr>
<td>Lip treatments</td>
<td>$341 million</td>
</tr>
<tr>
<td>Health remedies - miscellaneous</td>
<td>$339 million</td>
</tr>
<tr>
<td>Nasal products</td>
<td>$339 million</td>
</tr>
<tr>
<td>Feminine needs</td>
<td>$323 million</td>
</tr>
<tr>
<td>Hair accessories</td>
<td>$317 million</td>
</tr>
<tr>
<td>Baby formula/electrolytes</td>
<td>$303 million</td>
</tr>
<tr>
<td>Hair styling gel/mousse</td>
<td>$292 million</td>
</tr>
<tr>
<td>Mouthwash</td>
<td>$291 million</td>
</tr>
<tr>
<td>Cosmetics - accessories</td>
<td>$289 million</td>
</tr>
<tr>
<td>Cough syrup</td>
<td>$280 million</td>
</tr>
<tr>
<td>Sleeping remedies</td>
<td>$260 million</td>
</tr>
<tr>
<td>Tea/coffee ready-to-drink</td>
<td>$254 million</td>
</tr>
<tr>
<td>External analgesic rubs</td>
<td>$253 million</td>
</tr>
<tr>
<td>Women's fragrances</td>
<td>$245 million</td>
</tr>
<tr>
<td>Cough drops</td>
<td>$243 million</td>
</tr>
<tr>
<td>Cookies</td>
<td>$243 million</td>
</tr>
<tr>
<td>Ice cream/sherbet</td>
<td>$235 million</td>
</tr>
<tr>
<td>Pet food</td>
<td>$221 million</td>
</tr>
<tr>
<td>Coffee</td>
<td>$220 million</td>
</tr>
<tr>
<td>Paper towels</td>
<td>$219 million</td>
</tr>
<tr>
<td>Shaving lotion/men's fragrances</td>
<td>$207 million</td>
</tr>
<tr>
<td>Snack bars/granola bars</td>
<td>$194 million</td>
</tr>
<tr>
<td>Cold cereal</td>
<td>$190 million</td>
</tr>
<tr>
<td>Family planning</td>
<td>$181 million</td>
</tr>
<tr>
<td>Bottled juices</td>
<td>$173 million</td>
</tr>
<tr>
<td>Baby needs</td>
<td>$172 million</td>
</tr>
<tr>
<td>Sports drinks</td>
<td>$167 million</td>
</tr>
</tbody>
</table>
• Hair spray/spritz: $164 million
• Office products: $138 million
• Household cleaner: $136 million
• Pet supplies: $136 million
• Food and trash bags: $135 million
• Hair appliances: $132 million
• Facial tissue: $130 million
• Air fresheners: $129 million
• Crackers: $126 million
• Grooming supplies: $125 million
• Razors: $116 million
• Dish detergent: $113 million
• Refrigerated juice/drinks: $112 million
• Breath fresheners: $111 million
• Writing instruments: $109 million
• Dried meat snacks: $107 million
• Candles: $106 million
• Children’s art supplies: $105 million
• Cotton balls/swabs: $104 million
• Novelties: $102 million
• Baby wipes: $102 million
• Denture products: $99 million
• Hemorrhoidal remedies: $98 million
• Shaving cream: $95 million
• Snacks - miscellaneous: $94 million

59.2 Market Resources

IRI, 150 North Clinton Street, Chicago, IL 60661. (312) 726-1221. (www.iriworldwide.com)
### Sales by Metropolitan Area

#### 60.1 Top 100 Markets

*Chain Drug Review* assessed drug store retail sales in U.S. metropolitan markets based on U.S. Census Bureau (www.census.gov) data.

Ranked by annual drug store sales, the Top 100 metropolitan markets are as follows:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Metropolitan Area</th>
<th>Annual Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Los Angeles-Long Beach-Santa Ana, CA:</td>
<td>$8.46 billion</td>
</tr>
<tr>
<td>3.</td>
<td>Chicago-Naperville-Joliet, IL-IN-WI:</td>
<td>$7.01 billion</td>
</tr>
<tr>
<td>4.</td>
<td>Philadelphia-Camden-Wilmington, PA-NJ-DE-MD:</td>
<td>$5.53 billion</td>
</tr>
<tr>
<td>5.</td>
<td>Miami-Fort Lauderdale-Pompano Beach, FL:</td>
<td>$5.40 billion</td>
</tr>
<tr>
<td>7.</td>
<td>Detroit-Warren-Livonia, MI:</td>
<td>$3.50 billion</td>
</tr>
<tr>
<td>8.</td>
<td>San Francisco-Oakland-Fremont, CA:</td>
<td>$3.46 billion</td>
</tr>
<tr>
<td>9.</td>
<td>Houston-Baytown-Sugar Land, TX:</td>
<td>$3.39 billion</td>
</tr>
<tr>
<td>10.</td>
<td>Dallas-Fort Worth-Arlington, TX:</td>
<td>$3.19 billion</td>
</tr>
<tr>
<td>12.</td>
<td>Atlanta-Sandy Springs-Marietta, GA:</td>
<td>$2.74 billion</td>
</tr>
<tr>
<td>13.</td>
<td>Phoenix-Mesa-Scottsdale, AZ:</td>
<td>$2.32 billion</td>
</tr>
<tr>
<td>14.</td>
<td>Tampa-St. Petersburg-Clearwater, FL:</td>
<td>$2.22 billion</td>
</tr>
<tr>
<td>15.</td>
<td>Cleveland-Elyria-Mentor, OH:</td>
<td>$2.15 billion</td>
</tr>
<tr>
<td>16.</td>
<td>St. Louis, MO-IL:</td>
<td>$2.11 billion</td>
</tr>
<tr>
<td>17.</td>
<td>Minneapolis-St. Paul-Bloomington, MN-WI:</td>
<td>$1.96 billion</td>
</tr>
<tr>
<td>18.</td>
<td>Riverside-San Bernardino-Ontario, CA:</td>
<td>$1.93 billion</td>
</tr>
<tr>
<td>19.</td>
<td>Seattle-Tacoma-Bellevue, WA:</td>
<td>$1.92 billion</td>
</tr>
<tr>
<td>20.</td>
<td>Providence-New Bedford-Fall River, RI-MA:</td>
<td>$1.91 billion</td>
</tr>
<tr>
<td>21.</td>
<td>Baltimore-Towson, MD:</td>
<td>$1.89 billion</td>
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<tr>
<td>22.</td>
<td>Pittsburgh, PA:</td>
<td>$1.79 billion</td>
</tr>
<tr>
<td>23.</td>
<td>San Diego-Carlsbad-San Marcos, CA:</td>
<td>$1.76 billion</td>
</tr>
<tr>
<td>24.</td>
<td>Orlando-Kissimmee, FL:</td>
<td>$1.53 billion</td>
</tr>
<tr>
<td>25.</td>
<td>Hartford-West Hartford-East Hartford, CT:</td>
<td>$1.48 billion</td>
</tr>
<tr>
<td>26.</td>
<td>Milwaukee-Waukesha-West Allis, WI:</td>
<td>$1.44 billion</td>
</tr>
<tr>
<td>27.</td>
<td>Indianapolis-Carmel, IN:</td>
<td>$1.37 billion</td>
</tr>
<tr>
<td>28.</td>
<td>Kansas City, MO-KS:</td>
<td>$1.28 billion</td>
</tr>
<tr>
<td>29.</td>
<td>Cincinnati-Middletown, OH-KY-IN:</td>
<td>$1.27 billion</td>
</tr>
<tr>
<td>30.</td>
<td>Charlotte-Gastonia-Concord, NC-SC:</td>
<td>$1.22 billion</td>
</tr>
<tr>
<td>Rank</td>
<td>Area</td>
<td>Value</td>
</tr>
<tr>
<td>------</td>
<td>-------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>31</td>
<td>Nashville-Davidson-Murfreesboro-Franklin, TN</td>
<td>$1.20 billion</td>
</tr>
<tr>
<td>32</td>
<td>New Haven-Milford, CT</td>
<td>$1.12 billion</td>
</tr>
<tr>
<td>33</td>
<td>Sacramento-Arden-Arcade-Roseville, CA</td>
<td>$1.10 billion</td>
</tr>
<tr>
<td>34</td>
<td>Las Vegas-Paradise, NV</td>
<td>$1.09 billion</td>
</tr>
<tr>
<td>35</td>
<td>San Jose-Sunnyvale-Santa Clara, CA</td>
<td>$1.08 billion</td>
</tr>
<tr>
<td>36</td>
<td>New Orleans-Metairie-Kenner, LA</td>
<td>$1.07 billion</td>
</tr>
<tr>
<td>37</td>
<td>Bridgeport-Stamford-Norwalk, CT</td>
<td>$1.06 billion</td>
</tr>
<tr>
<td>38</td>
<td>Memphis, TN-MS-AR</td>
<td>$1.05 billion</td>
</tr>
<tr>
<td>39</td>
<td>San Antonio, TX</td>
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<tr>
<td>40</td>
<td>Columbus, OH</td>
<td>$1.02 billion</td>
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<tr>
<td>41</td>
<td>Buffalo-Niagara Falls, NY</td>
<td>$1.01 billion</td>
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<tr>
<td>42</td>
<td>Birmingham-Hoover, AL</td>
<td>$976 million</td>
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<tr>
<td>43</td>
<td>Virginia Beach-Norfolk-Newport News, VA-NC</td>
<td>$934 million</td>
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<tr>
<td>44</td>
<td>Jacksonville, FL</td>
<td>$931 million</td>
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<tr>
<td>45</td>
<td>Richmond, VA</td>
<td>$903 million</td>
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<tr>
<td>46</td>
<td>Louisville-Jefferson County, KY-IN</td>
<td>$894 million</td>
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<tr>
<td>47</td>
<td>Portland-Vancouver-Beaverton, OR-WA</td>
<td>$861 million</td>
</tr>
<tr>
<td>48</td>
<td>Austin-Round Rock, TX</td>
<td>$847 million</td>
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<tr>
<td>49</td>
<td>Denver-Aurora, CO</td>
<td>$834 million</td>
</tr>
<tr>
<td>50</td>
<td>Honolulu, HI</td>
<td>$813 million</td>
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<tr>
<td>51</td>
<td>Oklahoma City, OK</td>
<td>$776 million</td>
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<tr>
<td>52</td>
<td>Worcester, MA</td>
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<tr>
<td>53</td>
<td>Albany-Schenectady-Troy, NY</td>
<td>$740 million</td>
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<tr>
<td>54</td>
<td>Raleigh-Cary, NC</td>
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<tr>
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<td>Fresno, CA</td>
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<td>56</td>
<td>Tulsa, OK</td>
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<td>57</td>
<td>Akron, OH</td>
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<tr>
<td>58</td>
<td>Allentown-Bethlehem-Easton, PA-NJ</td>
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<tr>
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<td>Knoxville, TN</td>
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<td>Springfield, MA</td>
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<td>61</td>
<td>Rochester, NY</td>
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<tr>
<td>62</td>
<td>Scranton-Wilkes-Barre, PA</td>
<td>$596 million</td>
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<tr>
<td>63</td>
<td>Greensboro-High Point, NC</td>
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<tr>
<td>64</td>
<td>Baton Rouge, LA</td>
<td>$582 million</td>
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<tr>
<td>65</td>
<td>Sarasota-Bradenton-Venice, FL</td>
<td>$574 million</td>
</tr>
<tr>
<td>66</td>
<td>Syracuse, NY</td>
<td>$563 million</td>
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<tr>
<td>67</td>
<td>Oxnard-Thousand Oaks-Ventura, CA</td>
<td>$557 million</td>
</tr>
<tr>
<td>68</td>
<td>Omaha-Council Bluffs, NE-IA</td>
<td>$552 million</td>
</tr>
<tr>
<td>69</td>
<td>Poughkeepsie-Newburgh-Middletown, NY</td>
<td>$524 million</td>
</tr>
<tr>
<td>70</td>
<td>Youngstown-Warren-Boardman, OH-PA</td>
<td>$523 million</td>
</tr>
<tr>
<td>71</td>
<td>Columbia, SC</td>
<td>$511 million</td>
</tr>
<tr>
<td>72</td>
<td>Albuquerque, NM</td>
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</tr>
<tr>
<td>73</td>
<td>Dayton, OH</td>
<td>$492 million</td>
</tr>
<tr>
<td>74</td>
<td>Bakersfield, CA</td>
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</tr>
<tr>
<td>Rank</td>
<td>City, State</td>
<td>Market Value</td>
</tr>
<tr>
<td>------</td>
<td>-------------</td>
<td>--------------</td>
</tr>
<tr>
<td>75</td>
<td>Madison, WI</td>
<td>$451 million</td>
</tr>
<tr>
<td>76</td>
<td>Jackson, MS</td>
<td>$450 million</td>
</tr>
<tr>
<td>77</td>
<td>Grand Rapids-Wyoming, MI</td>
<td>$440 million</td>
</tr>
<tr>
<td>78</td>
<td>Fort Myers-Cape Coral, FL</td>
<td>$437 million</td>
</tr>
<tr>
<td>79</td>
<td>Greenville-Spartanburg, SC</td>
<td>$436 million</td>
</tr>
<tr>
<td>80</td>
<td>Little Rock-Conway, AR</td>
<td>$431 million</td>
</tr>
<tr>
<td>81</td>
<td>Toledo, OH</td>
<td>$429 million</td>
</tr>
<tr>
<td>82</td>
<td>Harrisburg-Carlisle, PA</td>
<td>$428 million</td>
</tr>
<tr>
<td>83</td>
<td>Chattanooga, TN-GA</td>
<td>$425 million</td>
</tr>
<tr>
<td>84</td>
<td>Canton-Massillon, OH</td>
<td>$408 million</td>
</tr>
<tr>
<td>85</td>
<td>Charleston, SC</td>
<td>$402 million</td>
</tr>
<tr>
<td>86</td>
<td>El Paso, TX</td>
<td>$399 million</td>
</tr>
<tr>
<td>87</td>
<td>Melbourne-Palm Bay-Titusville, FL</td>
<td>$397 million</td>
</tr>
<tr>
<td>88</td>
<td>Stockton, CA</td>
<td>$391 million</td>
</tr>
<tr>
<td>89</td>
<td>Corpus Christi, TX</td>
<td>$386 million</td>
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<tr>
<td>90</td>
<td>Trenton-Ewing, NJ</td>
<td>$379 million</td>
</tr>
<tr>
<td>91</td>
<td>McAllen-Edinburg-Mission, TX</td>
<td>$362 million</td>
</tr>
<tr>
<td>92</td>
<td>Des Moines, West Des Moines, IA</td>
<td>$357 million</td>
</tr>
<tr>
<td>93</td>
<td>Lakeland, FL</td>
<td>$353 million</td>
</tr>
<tr>
<td>94</td>
<td>Port St. Lucie, FL</td>
<td>$350 million</td>
</tr>
<tr>
<td>95</td>
<td>Daytona Beach-Ormond Beach, FL</td>
<td>$347 million</td>
</tr>
<tr>
<td>96</td>
<td>Modesto, CA</td>
<td>$345 million</td>
</tr>
<tr>
<td>97</td>
<td>Wichita, KS</td>
<td>$344 million</td>
</tr>
<tr>
<td>98</td>
<td>Mobile, AL</td>
<td>$341 million</td>
</tr>
<tr>
<td>99</td>
<td>Manchester-Nashua, NH</td>
<td>$340 million</td>
</tr>
<tr>
<td>100</td>
<td>Winston-Salem, NC</td>
<td>$326 million</td>
</tr>
</tbody>
</table>

### 60.2 Market Resources

*Chain Drug Review*, 220 Fifth Avenue, 18th Floor, New York, NY 10001.  
(212) 213-6000.  (www.chaindrugreview.com)
MARKETSHARE BY METROPOLITAN AREA

61.1 Retail Sales In The Largest MSAs

This chapter presents marketshare leaders for the 100 largest drug store metropolitan areas. The Metropolitan Statistical Areas (MSAs) defined by the U.S. Census Bureau (www.census.gov) are used. The assessment is based on research by Rascher Press (www.massmarketretailers.com) and originally published in the August 2014 issue of Mass Market Retailers.

The drug store market leaders in the top 100 markets are as follows:

1. New York-Northern New Jersey-Long Island, NY-NJ-PA
   • CVS: 36%; Walgreens/Duane Reade: 28%; Rite Aid: 20%; Others: 16%

2. Los Angeles-Long Beach-Santa Ana, CA
   • CVS: 42%; Walgreens: 19%; Rite Aid: 17%; Others: 22%

3. Chicago-Naperville-Joliet, IL-IN-WI
   • Walgreens: 50%; CVS: 21%; Jewel/Osco: 13%; Others: 16%

4. Philadelphia-Camden-Wilmington, PA-NJ-DE-MD
   • CVS: 34%; Rite Aid: 25%; Walgreens: 16%; Others: 25%

5. Miami-Fort Lauderdale-Pompano Beach, FL
   • Walgreens: 41%; CVS: 30%; Others: 29%

   • CVS: 50%; Walgreens: 24%; Rite Aid: 12%; Others: 14%

7. Detroit-Warren-Livonia, MI
   • CVS: 35%; Walgreens: 24%; Rite Aid: 12%; Others: 29%

8. San Francisco-Oakland-Fremont, CA
   • Walgreens: 39%; CVS: 30%; Others: 31%

9. Houston-Baytown-Sugar Land, TX
   • Walgreens: 41%; CVS: 30%; Walmart: 12%; Others: 17%
10. Dallas-Fort Worth-Arlington, TX
   • CVS: 32%; Walgreens: 29%; Walmart: 15%; Others: 24%

   • CVS: 50%; Rite Aid: 10%; Others: 40%

12. Atlanta-Sandy Springs-Marietta, GA
   • CVS: 30%; Walgreens: 25%; Walmart: 12%; Kroger: 10%; Others: 23%

13. Phoenix-Mesa-Scottsdale, AZ
   • Walgreens: 42%; CVS: 20%; Walmart: 11%; Others: 27%

14. Tampa-St. Petersburg-Clearwater, FL
   • Walgreens: 41%; CVS: 28%; Walmart: 12%; Others: 19%

15. Cleveland-Elyria-Mentor, OH
   • CVS: 25%; Walgreens: 23%; Discount Drug Mart: 14%; Marc’s: 11%; Others: 27%

16. St. Louis, MO-IL
   • Walgreens: 53%; Walmart: 14%; CVS: 11%; Others: 22%

17. Minneapolis-St. Paul-Bloomington, MN-WI
   • Walgreens: 43%; CVS: 14%; Walmart: 10%; Others: 33%

18. Riverside-San Bernardino-Ontario, CA
   • Walgreens: 27%; CVS: 25%; Rite Aid: 19%; Others: 29%

19. Seattle-Tacoma-Bellevue, WA
   • Walgreens: 24%; Rite Aid: 18%; Bartell: 17%; Safeway: 10%; Others: 31%

20. Providence-New Bedford-Fall River, RI-MA
   • CVS: 50%; Walgreens: 18%; Rite Aid: 17%; Others: 15%

21. Baltimore-Towson, MD
   • CVS: 26%; Rite Aid: 25%; Walgreens: 17%; Walmart: 9%; Others: 23%

22. Pittsburgh, PA
   • Rite Aid: 34%; CVS: 16%; Walgreens: 14%; Giant Eagle: 13%; Walmart: 10%; Others: 13%

23. San Diego-Carlsbad-San Marcos, CA
   • CVS: 41%; Rite Aid: 17%; Walgreens: 12%; Others: 30%
24. Orlando-Kissimmee, FL
   • Walgreens: 44%; CVS: 25%; Walmart: 13%; Publix: 11%; Others: 7%

25. Hartford-West Hartford-East Hartford, CT
   • CVS: 53%; Walgreens: 21%; Others: 26%

26. Milwaukee-Waukesha-West Allis, WI
   • Walgreens: 55%; Walmart: 12%; CVS: 10%; Others: 23%

27. Indianapolis-Carmel, IN
   • CVS: 46%; Walgreens: 26%; Walmart: 11%; Others: 17%

28. Kansas City, MO-KS
   • CVS: 37%; Walgreens: 29%; Walmart: 15%; Others: 19%

29. Cincinnati-Middletown, OH-KY-IN
   • Walgreens: 40%; CVS: 23%; Kroger: 15%; Walmart: 11%; Others: 11%

30. Charlotte-Gastonia-Concord, NC-SC
   • CVS: 36%; Walgreens: 22%; Rite Aid: 13%; Walmart: 12%; Others: 17%

31. Nashville-Davidson-Murfreesboro-Franklin, TN
   • Walgreens: 38%; CVS: 16%; Walmart: 13%; Others: 33%

32. New Haven-Milford, CT
   • CVS: 42%; Walgreens: 21%; Rite Aid: 19%; Others: 18%

33. Sacramento-Arden-Arcade-Roseville, CA
   • CVS: 24%; Walgreens: 23%; Rite Aid: 21%; Walmart: 11%; Others: 21%

34. Las Vegas-Paradise, NV
   • Walgreens: 37%; CVS: 28%; Walmart: 12%; Others: 23%

35. San Jose-Sunnyvale-Santa Clara, CA
   • CVS: 35%; Walgreens: 30%; Rite Aid: 10%; Others: 25%

36. New Orleans-Metairie-Kenner, LA
   • Walgreens: 52%; CVS: 25%; Walmart: 11%; Others: 12%

37. Bridgeport-Stamford-Norwalk, CT
   • CVS: 52%; Walgreens: 22%; Others: 26%
38. Memphis, TN-MS-AR
   • Walgreens: 55%; Walmart: 13%; Kroger: 12%; Others: 20%

39. San Antonio, TX
   • Walgreens: 37%; CVS: 22%; H-E-B.: 21%; Walmart: 12%; Others: 8%

40. Columbus, OH
   • CVS: 34%; Walgreens: 24%; Kroger: 14%; Others: 28%

41. Buffalo-Niagara Falls, NY
   • Rite Aid: 46%; Walgreens: 22%; CVS: 10%; Others: 22%

42. Birmingham-Hoover, AL
   • CVS: 32%; Walgreens: 24%; Walmart: 21%; Others: 23%

43. Virginia Beach-Norfolk-Newport News, VA-NC
   • Rite Aid: 31%; Walgreens: 29%; CVS: 12%; Walmart: 11%; Others: 17%

44. Jacksonville, FL
   • Walgreens: 39%; CVS: 26%; Walmart: 12%; Publix: 10%; Others: 13%

45. Richmond, VA
   • CVS: 35%; Walgreens: 21%; Rite Aid: 13%; Walmart: 10%; Others: 21%

46. Louisville-Jefferson County, KY-IN
   • Walgreens: 40%; CVS: 14%; Rite Aid: 13%; Walmart: 12%; Kroger: 11%; Others: 10%

47. Portland-Vancouver-Beaverton, OR-WA
   • Walgreens: 32%; Rite Aid: 14%; Fred Meyer: 13%; Others: 41%

48. Austin-Round Rock, TX
   • Walgreens: 35%; CVS: 26%; H-E-B.: 19%; Others: 20%

49. Denver-Aurora, CO
   • Walgreens: 41%; Kings Soopers: 17%; Walmart: 13%; Others: 29%

50. Honolulu, HI
   • CVS/Longs: 74%; Others: 26%

51. Oklahoma City, OK
   • Walgreens: 38%; CVS: 26%; Walmart: 24%; Others: 12%
52. Worcester, MA
   • CVS: 54%; Walgreens: 15%; Rite Aid: 11%; Others: 20%
53. Albany-Schenectady-Troy, NY
   • CVS: 40%; Rite Aid: 29%; Others: 31%
54. Raleigh-Cary, NC
   • Walgreens: 27%; CVS: 24%; Rite Aid: 15%; Others: 34%
55. Fresno, CA
   • Walgreens: 30%; CVS: 28%; Rite Aid: 15%; Others: 27%
56. Tulsa, OK
   • Walgreens: 48%; Walmart: 23%; CVS: 12%; Others: 17%
57. Akron, OH
   • CVS: 25%; Walgreens: 23%; Marc's: 11%; Others: 41%
58. Allentown-Bethlehem-Easton, PA-NJ
   • CVS: 34%; Rite Aid: 22%; Walgreens: 11%; Others: 33%
59. Knoxville, TN
   • Walgreens: 36%; CVS: 24%; Walmart: 13%; Others: 27%
60. Springfield, MA
   • CVS: 47%; Walgreens: 20%; Rite Aid: 11%; Others: 22%
61. Rochester, NY
   • Rite Aid: 28%; CVS: 20%; Walgreens: 16%; Wegmans: 14%; Walmart: 11%; Others: 11%
62. Scranton-Wilkes-Barre, PA
   • CVS: 35%; Rite Aid: 26%; Others: 39%
63. Greensboro-High Point, NC
   • CVS: 38%; Walgreens: 29%; Walmart: 14%; Rite Aid: 10%; Others: 9%
64. Baton Rouge, LA
   • Walgreens: 31%; CVS: 24%; Walmart: 19%; Rite Aid: 10%; Others: 16%
65. Sarasota-Bradenton-Venice, FL
   • Walgreens: 39%; CVS: 28%; Walmart: 12%; Publix: 11%; Others: 10%
66. Syracuse, NY
   • Rite Aid: 36%; Kinney Drug: 30%; Others: 34%

67. Oxnard-Thousand Oaks-Ventura, CA
   • CVS: 39%; Rite Aid: 22%; Walgreens: 15%; Vons: 11%; Others: 13%

68. Omaha-Council Bluffs, NE-IA
   • Walgreens: 47%; Walmart: 12%; Others: 41%

69. Poughkeepsie-Newburgh-Middletown, NY
   • CVS: 37%; Rite Aid: 25%; Walgreens: 10%; Others: 28%

70. Youngstown-Warren-Boardman, OH-PA
   • Walgreens: 29%; Rite Aid: 27%; Walmart: 12%; CVS; 11%; Giant Eagle: 10%; Others: 11%

71. Columbia, SC
   • CVS: 32%; Walgreens: 25%; Walmart: 13%; Rite Aid: 10%; Others: 20%

72. Albuquerque, NM
   • Walgreens: 50%; Walmart: 15%; Albertsons: 11%; Others: 24%

73. Dayton, OH
   • Walgreens: 27%; CVS: 26%; Walmart: 11%; Kroger: 10%; Others: 26%

74. Bakersfield, CA
   • Rite Aid: 33%; Walgreens: 23%; CVS: 14%; Walmart: 10%; Others: 20%

75. Madison, WI
   • Walgreens: 60%; Walmart: 11%; Others: 29%

76. Jackson, MS
   • Walgreens: 39%; CVS: 22%; Walmart: 15%; Others: 24%

77. Grand Rapids-Wyoming, MI
   • Walgreens: 40%; Rite Aid: 13%; Meijer: 12%; Others: 35%

78. Fort Myers-Cape Coral, FL
   • Walgreens: 41%; CVS: 29%; Publix: 14%; Others: 16%

79. Greenville-Spartanburg, SC
   • CVS: 38%; Walgreens: 24%; Walmart:11%; Others: 27%
80. Little Rock-Conway, AR
   • Walgreens: 44%; Walmart: 28%; Kroger: 15%; Others: 13%

81. Toledo, OH
   • Rite Aid: 39%; Walgreens: 17%; Kroger: 14%; Walmart: 12%; Others: 18%

82. Harrisburg-Carlisle, PA
   • CVS: 33%; Rite Aid: 29%; Others: 38%

83. Chattanooga, TN-GA
   • CVS: 29%; Walgreens: 28%; Walmart: 16%; Others: 27%

84. Canton-Massillon, OH
   • Rite Aid: 24%; Walgreens: 16%; Marc’s: 16%; Discount Drug Mart: 12%; Others: 32%

85. Charleston, SC
   • CVS: 43%; Walgreens: 22%; Walmart: 10%; Others: 25%

86. El Paso, TX
   • Walgreens: 57%; Walmart: 19%; Albertson’s: 10%; Others: 14%

87. Melbourne-Palm Bay-Titusville, FL
   • Walgreens: 41%; CVS: 30%; Walmart: 13%; Others: 16%

88. Stockton, CA
   • Walgreens: 28%; CVS: 22%; Rite Aid: 14%; Others: 36%

89. Corpus Christi, TX
   • CVS: 30%; Walgreens: 28%; H-E-B: 22%; Walmart: 16%; Others: 4%

90. Trenton-Ewing, NJ
   • CVS: 47%; Rite Aid: 22%; Others: 31%

91. McAllen-Edinburg-Mission, TX
   • Walgreens: 38%; H-E-B: 22%; Walmart: 16%; Others: 24%

92. Des Moines, West Des Moines, IA
   • Walgreens: 45%; Walmart: 12%; Hy-Vee: 11%; Others: 32%

93. Lakeland, FL
   • Walgreens: 38%; CVS: 24%; Walmart: 15%; Publix: 14%; Others: 9%
94. **Port St. Lucie, FL**
   - Walgreens: 42%; CVS: 27%; Publix: 13%; Others: 18%

95. **Daytona Beach-Ormond Beach, FL**
   - Walgreens: 50%; CVS: 20%; Walmart: 13%; Publix: 10%; Others: 7%

96. **Modesto, CA**
   - CVS: 29%; Walgreens: 27%; Rite Aid: 18%; Walmart: 11%; Others: 15%

97. **Wichita, KS**
   - Walgreens: 40%; Walmart: 26%; Dillon: 16%; Others: 18%

98. **Mobile, AL**
   - CVS: 28%; Walgreens: 29%; Rite Aid: 20%; Walmart: 10%; Others: 13%

99. **Manchester-Nashua, NH**
   - Rite Aid: 29%; CVS: 27%; Walgreens: 23%; Others: 31%

100. **Winston-Salem, NC**
   - CVS: 39%; Walgreens: 28%; Rite Aid: 15%; Walmart: 10%; Others: 8%

### 61.2 Market Resources

62

STORE COUNTS

62.1 Overview

The three largest drug store chains operate a combined 22,389 stores in the United States. Store counts by chain are as follows:

- CVS: 9,655
- Walgreens: 8,173
- Rite Aid: 4,561

CVS overtook Walgreens as the store-count leader in 2015 with the acquisition of 1,600 Target prescription counters.

62.2 State-by-State

According to Chain Drug Review (April 2016), store counts by state for the three largest drug store chains are as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>CVS</th>
<th>Walgreens</th>
<th>Rite Aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>180</td>
<td>113</td>
<td>93</td>
</tr>
<tr>
<td>Alaska</td>
<td>3</td>
<td>12</td>
<td>0</td>
</tr>
<tr>
<td>Arizona</td>
<td>189</td>
<td>244</td>
<td>0</td>
</tr>
<tr>
<td>Arkansas</td>
<td>13</td>
<td>81</td>
<td>0</td>
</tr>
<tr>
<td>California</td>
<td>1,012</td>
<td>629</td>
<td>579</td>
</tr>
<tr>
<td>Colorado</td>
<td>39</td>
<td>158</td>
<td>20</td>
</tr>
<tr>
<td>Connecticut</td>
<td>171</td>
<td>92</td>
<td>77</td>
</tr>
<tr>
<td>Delaware</td>
<td>18</td>
<td>64</td>
<td>42</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>60</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Florida</td>
<td>874</td>
<td>840</td>
<td>0</td>
</tr>
<tr>
<td>Georgia</td>
<td>358</td>
<td>203</td>
<td>179</td>
</tr>
<tr>
<td>Hawaii</td>
<td>60</td>
<td>20</td>
<td>0</td>
</tr>
<tr>
<td>Idaho</td>
<td>2</td>
<td>39</td>
<td>13</td>
</tr>
<tr>
<td>Illinois</td>
<td>361</td>
<td>593</td>
<td>0</td>
</tr>
<tr>
<td>Indiana</td>
<td>328</td>
<td>196</td>
<td>10</td>
</tr>
<tr>
<td>Iowa</td>
<td>36</td>
<td>70</td>
<td>0</td>
</tr>
<tr>
<td>Kansas</td>
<td>53</td>
<td>69</td>
<td>0</td>
</tr>
<tr>
<td>Kentucky</td>
<td>75</td>
<td>93</td>
<td>116</td>
</tr>
<tr>
<td>Louisiana</td>
<td>128</td>
<td>157</td>
<td>62</td>
</tr>
<tr>
<td>Maine</td>
<td>27</td>
<td>14</td>
<td>79</td>
</tr>
</tbody>
</table>

Retail Business Market Research Handbook 2017-2018
• 218 •
<table>
<thead>
<tr>
<th>State</th>
<th>Market Resources</th>
<th>Chain Drug Review, 220 Fifth Avenue, 18th Floor, New York, NY 10001. (212) 213-6000. (<a href="http://www.chaindrugreview.com">www.chaindrugreview.com</a>)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Maryland:</td>
<td>213</td>
<td>85 140</td>
</tr>
<tr>
<td>• Massachusetts:</td>
<td>397</td>
<td>163 146</td>
</tr>
<tr>
<td>• Michigan:</td>
<td>297</td>
<td>225 275</td>
</tr>
<tr>
<td>• Minnesota:</td>
<td>133</td>
<td>152 0</td>
</tr>
<tr>
<td>• Mississippi:</td>
<td>55</td>
<td>77 26</td>
</tr>
<tr>
<td>• Missouri:</td>
<td>121</td>
<td>215 0</td>
</tr>
<tr>
<td>• Montana:</td>
<td>16</td>
<td>13 0</td>
</tr>
<tr>
<td>• Nebraska:</td>
<td>29</td>
<td>57 0</td>
</tr>
<tr>
<td>• Nevada:</td>
<td>100</td>
<td>84 1</td>
</tr>
<tr>
<td>• New Hampshire:</td>
<td>50</td>
<td>31 68</td>
</tr>
<tr>
<td>• New Jersey:</td>
<td>323</td>
<td>191 257</td>
</tr>
<tr>
<td>• New Mexico:</td>
<td>23</td>
<td>72 0</td>
</tr>
<tr>
<td>• New York:</td>
<td>550</td>
<td>470 605</td>
</tr>
<tr>
<td>• North Carolina:</td>
<td>361</td>
<td>263 225</td>
</tr>
<tr>
<td>• North Dakota:</td>
<td>6</td>
<td>1 0</td>
</tr>
<tr>
<td>• Ohio:</td>
<td>378</td>
<td>246 224</td>
</tr>
<tr>
<td>• Oklahoma:</td>
<td>77</td>
<td>116 0</td>
</tr>
<tr>
<td>• Oregon:</td>
<td>18</td>
<td>77 72</td>
</tr>
<tr>
<td>• Pennsylvania:</td>
<td>470</td>
<td>123 537</td>
</tr>
<tr>
<td>• Rhode Island:</td>
<td>67</td>
<td>25 44</td>
</tr>
<tr>
<td>• South Carolina:</td>
<td>211</td>
<td>113 91</td>
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<tr>
<td>• South Dakota:</td>
<td>3</td>
<td>14 0</td>
</tr>
<tr>
<td>• Tennessee:</td>
<td>161</td>
<td>253 81</td>
</tr>
<tr>
<td>• Texas:</td>
<td>750</td>
<td>715 0</td>
</tr>
<tr>
<td>• Utah:</td>
<td>18</td>
<td>47 22</td>
</tr>
<tr>
<td>• Vermont:</td>
<td>6</td>
<td>3 37</td>
</tr>
<tr>
<td>• Virginia:</td>
<td>337</td>
<td>141 190</td>
</tr>
<tr>
<td>• Washington:</td>
<td>33</td>
<td>134 139</td>
</tr>
<tr>
<td>• West Virginia:</td>
<td>56</td>
<td>16 104</td>
</tr>
<tr>
<td>• Wisconsin:</td>
<td>80</td>
<td>225 0</td>
</tr>
<tr>
<td>• Wyoming:</td>
<td>0</td>
<td>10 0</td>
</tr>
</tbody>
</table>

62.3 Market Resources
PART X: HEALTH, BEAUTY & COSMETICS
### 63.1 Market Assessment

According to *Mass Market Retailers* (April 2016), based on analysis by IRI (www.iriworldwide.com), annual sales of over-the-counter/health, beauty and cosmetics (O-T-C/HBC) products in supermarkets, drug stores, and discount stores (excluding Walmart) are as follows:

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Annual Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cold/allergy/sinus tablets/packets</td>
<td>$4.51 billion</td>
</tr>
<tr>
<td>Mineral supplements</td>
<td>$3.32 billion</td>
</tr>
<tr>
<td>Internal analgesic tablets</td>
<td>$3.31 billion</td>
</tr>
<tr>
<td>Weight control/nutritionals liquids/powders</td>
<td>$2.92 billion</td>
</tr>
<tr>
<td>Deodorant</td>
<td>$2.77 billion</td>
</tr>
<tr>
<td>Toothpaste</td>
<td>$2.68 billion</td>
</tr>
<tr>
<td>Liquid body wash</td>
<td>$2.24 billion</td>
</tr>
<tr>
<td>Antacid tablets</td>
<td>$2.20 billion</td>
</tr>
<tr>
<td>Regular shampoo</td>
<td>$2.19 billion</td>
</tr>
<tr>
<td>Hair conditioner/creme rinse</td>
<td>$2.05 billion</td>
</tr>
<tr>
<td>Hand and body lotions</td>
<td>$1.87 billion</td>
</tr>
<tr>
<td>Multivitamins</td>
<td>$1.76 billion</td>
</tr>
<tr>
<td>Sanitary napkins/liners</td>
<td>$1.69 billion</td>
</tr>
<tr>
<td>Eye/lens care solutions</td>
<td>$1.69 billion</td>
</tr>
<tr>
<td>Adult incontinence products</td>
<td>$1.66 billion</td>
</tr>
<tr>
<td>Cold/allergy/sinus liquid/powder</td>
<td>$1.62 billion</td>
</tr>
<tr>
<td>Women’s hair coloring</td>
<td>$1.48 billion</td>
</tr>
<tr>
<td>Mouthwash/dental rinse</td>
<td>$1.45 billion</td>
</tr>
<tr>
<td>Razor cartridges</td>
<td>$1.29 billion</td>
</tr>
<tr>
<td>Baby wipes</td>
<td>$1.25 billion</td>
</tr>
<tr>
<td>One- and two-letter vitamins</td>
<td>$1.17 billion</td>
</tr>
<tr>
<td>Sun tan lotions/oils</td>
<td>$1.16 billion</td>
</tr>
<tr>
<td>Non-deodorant bar soap</td>
<td>$1.15 billion</td>
</tr>
<tr>
<td>Disposable razors</td>
<td>$1.14 billion</td>
</tr>
<tr>
<td>Hair styling/setting gel/mousse</td>
<td>$1.10 billion</td>
</tr>
<tr>
<td>Facial anti-aging</td>
<td>$1.09 billion</td>
</tr>
<tr>
<td>Facial cleansers</td>
<td>$1.07 billion</td>
</tr>
<tr>
<td>Tampons</td>
<td>$1.06 billion</td>
</tr>
<tr>
<td>Facial foundation</td>
<td>$ 968.8 million</td>
</tr>
<tr>
<td>Mascara</td>
<td>$ 940.8 million</td>
</tr>
<tr>
<td>Product Category</td>
<td>Revenue</td>
</tr>
<tr>
<td>-------------------------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>First aid ointments/antiseptics</td>
<td>$886.5M</td>
</tr>
<tr>
<td>Dental accessories tools</td>
<td>$839.0M</td>
</tr>
<tr>
<td>First aid tape/bandage/gauze/cotton</td>
<td>$838.8M</td>
</tr>
<tr>
<td>Manual toothbrushes</td>
<td>$828.2M</td>
</tr>
<tr>
<td>Foot care devices</td>
<td>$827.0M</td>
</tr>
<tr>
<td>Muscle/body support devices</td>
<td>$768.5M</td>
</tr>
<tr>
<td>Nail polish</td>
<td>$761.7M</td>
</tr>
<tr>
<td>Hair appliances</td>
<td>$753.5M</td>
</tr>
<tr>
<td>Liquid hand soap</td>
<td>$740.9M</td>
</tr>
<tr>
<td>Lip balm/treatments</td>
<td>$711.9M</td>
</tr>
<tr>
<td>Hair spray/spritz</td>
<td>$711.8M</td>
</tr>
<tr>
<td>Laxative tablets</td>
<td>$706.5M</td>
</tr>
<tr>
<td>Laxative/stimulant liquid/powder</td>
<td>$679.9M</td>
</tr>
<tr>
<td>Lipstick</td>
<td>$619.7M</td>
</tr>
<tr>
<td>Eyeliner</td>
<td>$615.4M</td>
</tr>
<tr>
<td>Cough/sore throat drops</td>
<td>$613.5M</td>
</tr>
<tr>
<td>Acne treatments</td>
<td>$611.3M</td>
</tr>
<tr>
<td>Shaving lotion/cologne/talc</td>
<td>$573.6M</td>
</tr>
<tr>
<td>Anti-itch treatments/Calamine</td>
<td>$562.9M</td>
</tr>
<tr>
<td>Nasal spray/drops/inhalers</td>
<td>$562.1M</td>
</tr>
<tr>
<td>External analgesic rubs</td>
<td>$546.4M</td>
</tr>
<tr>
<td>Dandruff shampoo</td>
<td>$539.7M</td>
</tr>
<tr>
<td>Sleeping aid tablets</td>
<td>$535.9M</td>
</tr>
<tr>
<td>Cough syrup</td>
<td>$534.6M</td>
</tr>
<tr>
<td>Perfumes/colognes/body powder</td>
<td>$534.2M</td>
</tr>
<tr>
<td>Moist towelettes</td>
<td>$527.3M</td>
</tr>
<tr>
<td>Anti-smoking gum</td>
<td>$516.9M</td>
</tr>
<tr>
<td>Shaving cream</td>
<td>$505.7M</td>
</tr>
<tr>
<td>Razors</td>
<td>$467.3M</td>
</tr>
<tr>
<td>Electric shavers/groomers</td>
<td>$448.8M</td>
</tr>
<tr>
<td>Internal analgesic liquids</td>
<td>$441.4M</td>
</tr>
<tr>
<td>Power toothbrushes</td>
<td>$435.7M</td>
</tr>
<tr>
<td>Facial moisturizers</td>
<td>$433.1M</td>
</tr>
<tr>
<td>Deodorant bar soap</td>
<td>$413.9M</td>
</tr>
<tr>
<td>Liquid vitamins/minerals</td>
<td>$394.8M</td>
</tr>
<tr>
<td>Men's contraceptives</td>
<td>$392.6M</td>
</tr>
<tr>
<td>Makeup remover implements</td>
<td>$380.1M</td>
</tr>
<tr>
<td>Weight control candy/tablets</td>
<td>$361.4M</td>
</tr>
<tr>
<td>Facial powder</td>
<td>$359.1M</td>
</tr>
<tr>
<td>Cotton swabs</td>
<td>$329.3M</td>
</tr>
<tr>
<td>Grooming/shaving scissors</td>
<td>$324.6M</td>
</tr>
<tr>
<td>Pregnancy test kits</td>
<td>$322.5M</td>
</tr>
<tr>
<td>Eye shadow</td>
<td>$320.3M</td>
</tr>
<tr>
<td>Women’s contraceptives</td>
<td>$312.7M</td>
</tr>
<tr>
<td>Product Category</td>
<td>Revenue (in million)</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>Denture adhesives</td>
<td>$309.9 million</td>
</tr>
<tr>
<td>Tooth whiteners</td>
<td>$305.6 million</td>
</tr>
<tr>
<td>Humidifiers/vaporizers/air purifiers</td>
<td>$293.8 million</td>
</tr>
<tr>
<td>Vaginal treatments</td>
<td>$291.3 million</td>
</tr>
<tr>
<td>Glucose monitors</td>
<td>$287.5 million</td>
</tr>
<tr>
<td>Nail accessories/implements</td>
<td>$284.1 million</td>
</tr>
<tr>
<td>Feminine hygiene, other</td>
<td>$266.6 million</td>
</tr>
<tr>
<td>Nail treatments</td>
<td>$252.2 million</td>
</tr>
<tr>
<td>Facial concealer</td>
<td>$248.2 million</td>
</tr>
<tr>
<td>Heat/ice packs</td>
<td>$242.5 million</td>
</tr>
<tr>
<td>Anti-smoking tablets</td>
<td>$240.4 million</td>
</tr>
<tr>
<td>Athlete’s food medications</td>
<td>$239.3 million</td>
</tr>
<tr>
<td>Baby soaps</td>
<td>$233.6 million</td>
</tr>
<tr>
<td>Men’s fragrance gift packs/sets</td>
<td>$229.1 million</td>
</tr>
<tr>
<td>Hand sanitizers</td>
<td>$225.7 million</td>
</tr>
<tr>
<td>Bath/body scrubs/massagers</td>
<td>$221.4 million</td>
</tr>
<tr>
<td>Blood pressure kits</td>
<td>$210.5 million</td>
</tr>
<tr>
<td>Cold sore medications</td>
<td>$207.1 million</td>
</tr>
<tr>
<td>Personal lubricants</td>
<td>$206.3 million</td>
</tr>
<tr>
<td>Men’s hair coloring</td>
<td>$206.2 million</td>
</tr>
<tr>
<td>Makeup applicators</td>
<td>$204.1 million</td>
</tr>
<tr>
<td>Dental floss</td>
<td>$202.8 million</td>
</tr>
<tr>
<td>Women’s fragrance gift packs/sets</td>
<td>$192.6 million</td>
</tr>
<tr>
<td>Diarrhea tablets</td>
<td>$188.8 million</td>
</tr>
<tr>
<td>Oral pain relief</td>
<td>$185.8 million</td>
</tr>
<tr>
<td>Cotton balls/pads</td>
<td>$183.1 million</td>
</tr>
<tr>
<td>Artificial nails/accessories</td>
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</tr>
<tr>
<td>Personal thermometers</td>
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</tr>
<tr>
<td>Stomach remedies liquid/powder</td>
<td>$178.3 million</td>
</tr>
<tr>
<td>Eyebrow makeup</td>
<td>$177.3 million</td>
</tr>
<tr>
<td>Baby ointments/creams</td>
<td>$174.1 million</td>
</tr>
<tr>
<td>Depilatories</td>
<td>$167.4 million</td>
</tr>
<tr>
<td>Anti-smoking patches</td>
<td>$167.2 million</td>
</tr>
<tr>
<td>Bath fragrances/bubble bath</td>
<td>$164.0 million</td>
</tr>
<tr>
<td>Parasite treatments</td>
<td>$160.7 million</td>
</tr>
<tr>
<td>Facial blush</td>
<td>$158.2 million</td>
</tr>
<tr>
<td>Lip gloss</td>
<td>$151.8 million</td>
</tr>
<tr>
<td>Denture cleanser tablets</td>
<td>$147.0 million</td>
</tr>
<tr>
<td>Foot care products</td>
<td>$139.9 million</td>
</tr>
<tr>
<td>Sleeping aid liquids</td>
<td>$134.2 million</td>
</tr>
<tr>
<td>Hair growth products</td>
<td>$133.8 million</td>
</tr>
<tr>
<td>Shampoo and conditioner combo</td>
<td>$129.6 million</td>
</tr>
<tr>
<td>Eye/lens care tablets/accessories</td>
<td>$127.8 million</td>
</tr>
<tr>
<td>Nasal strips</td>
<td>$126.3 million</td>
</tr>
</tbody>
</table>
• Baby lotions: $123.8 million
• Home testing kits, other: $121.7 million
• Epsom salts: $120.6 million
• Cosmetics storage: $119.6 million
• Nail polish remover: $116.2 million
• Hemorrhoidal remedies: $115.4 million
• False eyelashes and adhesives: $113.3 million
• Skin growth remover solutions: $112.3 million
• Baby powder: $105.6 million
• Hemorrhoidal cream/ointment spray: $104.9 million

63.2 Market Resources


IRI, 150 North Clinton Street, Chicago, IL 60661. (312) 726-1221. (www.iriworldwide.com)
64.1 Cosmetics

According to *Beauty and Personal Care in the United States*, by Euromonitor (www.euromonitor.com), the U.S. cosmetics market has been, and is projected, as follows:

- 2007: $51.5 billion
- 2008: $52.4 billion
- 2009: $52.4 billion
- 2010: $53.0 billion
- 2011: $53.7 billion
- 2012: $54.9 billion
- 2013: $56.6 billion
- 2014: $58.8 billion
- 2015: $60.6 billion
- 2016: $62.5 billion

64.2 Prestige Beauty Products

According to The NPD Group (www.npd.com), high-end skincare, fragrance, and makeup product sales at U.S. department and specialty stores (e.g., prestige beauty sales) were $16.0 billion in 2015. Sales by category were as follows:

- Makeup: $6.5 billion
- Fragrance: $4.9 billion
- Skincare: $4.7 billion

Overall, prestige beauty product spending increased 7% in 2015. Makeup had the highest gain, 13%, while fragrance and skincare spending increased 4% and 3%, respectively.
“Over the last decade, skincare led the gains within the prestige beauty industry, fragrance was challenged as consumer usage declined, and Baby Boomers drove demand and influenced innovation within the industry. However, 2015 marked a turning point for the beauty industry, driven largely by shifts taking place within skincare and the heightened importance of Millennials. The fragrance category is outperforming skincare, skincare and wellness are becoming more intertwined, anti-aging is becoming less prominent, and the lines are blurring between makeup and skincare.”

The NPD Group, 3/15/16

While mass merchandisers control the majority of the market for everyday body care and beauty products, department stores and specialty stores dominate the market for high-end cosmetics and beauty products. In recent years, drugstores and discounters have been trying to claim a bigger piece of the cosmetics business by selling more high-end products.

64.3 Heavy Cosmetics Buyers

The 2015 Cosmetics Study, published in December 2015 by TABS Group (www.tabsanalytics.com), reported heavy cosmetics buyers* as follows:

Age
• 18-to-24: 44%
• 25-to-34: 40%
• 35-to-44: 31%
• 45-to-54: 23%
• 55-to-64: 16%
• 65-to-74: 19%
Income
• Less than $25,000: 20%
• $25,000 to $49,999: 30%
• $50,000 to $74,999: 27%
• $75,000 to $99,999: 33%
• $100,000 to $124,999: 31%
• $125,000 and higher: 39%
* Purchasers of more than 10 types of the following products a year: artificial nails, blush, bronzer, concealer, eye liner, eye shadow, face powder, false lashes, foundation, lip gloss, lip liner, lipstick, mascara, nail kits, nail polish, and nail treatment.

“Millennials are more likely to be heavy cosmetics buyers than their older counterparts. Consumers with higher incomes are also more likely to be heavy cosmetics users.”

eMarketer, 1/14/16

64.4 Cosmetics and Personal Grooming Products Online
According to a survey by The Harris Poll (www.theharrispoll.com), 35% of adults have purchased cosmetics or personal grooming products online. For comparison, 69% of adults have purchased apparel online. Only 21% of adults surveyed by Harris said they prefer digital channels over retail stores for buying such products.

A survey by Nielsen (www.nielsen.com) also found low interest in purchasing cosmetics online. When asked about their purchasing over the past six months, 22% of adults said they bought cosmetics online. For comparison, 43% said they purchased apparel or accessories online.

Among companies that sell beauty products and cosmetics online, specialty retailers have fared better than drug stores. Ulta Beauty, for example, reported $1.5 billion in online sales in 2015.
“Specialty retailers with a focus on beauty are starting to experience a rise in online sales, while drug stores have yet to crack digital as a meaningful sales channel.”

eMarketer, 7/7/16

64.5 Market Resources

Beauty Trends, The NPD Group, 900 West Shore Road, Port Washington, NY 11050. (516) 625-0700. (www.npd.com)

65.1 Top-Ranking O-T-C/HBC Retailers

According to Mass Market Retailers (MMR) [May 2016], based on analysis by IRI (www.iriworldwide.com), the following are the top over-the-counter/health, beauty and cosmetics (O-T-C/HBC) retailers:

- Walmart/Sam’s Club: $28.92 billion
- Walgreens: $10.64 billion
- Target: $ 9.74 billion
- CVS: $ 9.72 billion
- Kroger: $ 4.16 billion
- RiteAid: $ 3.43 billion
- Albertsons: $ 1.84 billion
- Dollar General: $ 1.54 billion
- Family Dollar: $ 1.48 billion
- Publix: $ 1.36 billion
- Costco: $ 1.22 billion
- Ahold USA: $ 1.07 billion
- Cardinal Health: $ 858 million
- Meijer: $ 797 million
- H-E-B: $ 759 million
- Sears/Kmart: $ 750 million
- Wakefern: $ 726 million
- Supervalu: $ 637 million
- Delhaize: $ 563 million
- AmerisourceBergen: $ 376 million
- Wegmans: $ 357 million
- Dollar Tree: $ 340 million
- Southern Grocers: $ 333 million
- BJ’s: $ 321 million
- WinCo Foods: $ 320 million
- Giant Eagle: $ 315 million
- Aldi: $ 275 million
- Mckesson: $ 253 million
- Harris Teeter: $ 245 million
- Hy-Vee: $ 224 million
- Shopko: $ 180 million
<table>
<thead>
<tr>
<th>Retailer</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amazon.com</td>
<td>$150 million</td>
</tr>
<tr>
<td>Fred’s:</td>
<td>$138 million</td>
</tr>
<tr>
<td>Kinney Drugs:</td>
<td>$129 million</td>
</tr>
<tr>
<td>Medicine Shoppe:</td>
<td>$128 million</td>
</tr>
<tr>
<td>Price Chopper:</td>
<td>$125 million</td>
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<tr>
<td>Stater Bros.:</td>
<td>$123 million</td>
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<tr>
<td>Weis:</td>
<td>$116 million</td>
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<tr>
<td>Raley’s:</td>
<td>$106 million</td>
</tr>
<tr>
<td>Demoulas:</td>
<td>$99 million</td>
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<tr>
<td>Discount Drug Mart:</td>
<td>$85 million</td>
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<td>Ingles:</td>
<td>$84 million</td>
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<td>Tops Markets:</td>
<td>$77 million</td>
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<tr>
<td>Thrifty White:</td>
<td>$76 million</td>
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<tr>
<td>Brookshire Grocery:</td>
<td>$75 million</td>
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<td>SpartanNash:</td>
<td>$71 million</td>
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<tr>
<td>Schnucks:</td>
<td>$67 million</td>
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<td>Peoples Drug Mart:</td>
<td>$55 million</td>
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<td>Big Y:</td>
<td>$52 million</td>
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<tr>
<td>Save Mart:</td>
<td>$51 million</td>
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<td>Smart &amp; Final:</td>
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<tr>
<td>Bartell Drugs:</td>
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<td>Harmon Face Values:</td>
<td>$46 million</td>
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<tr>
<td>Brookshire Brothers:</td>
<td>$44 million</td>
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<tr>
<td>Sav-Mor:</td>
<td>$44 million</td>
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<tr>
<td>Lewis Drugs:</td>
<td>$43 million</td>
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<tr>
<td>Fiesta Mart:</td>
<td>$41 million</td>
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<tr>
<td>Associated Food Stores:</td>
<td>$39 million</td>
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<td>Coburn’s:</td>
<td>$38 million</td>
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<tr>
<td>K-VA-T:</td>
<td>$37 million</td>
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<tr>
<td>Fareway Stores:</td>
<td>$36 million</td>
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<tr>
<td>Pharmaca:</td>
<td>$35 million</td>
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<tr>
<td>Navarro Discount Pharmacy:</td>
<td>$35 million</td>
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<td>The United Family:</td>
<td>$34 million</td>
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<tr>
<td>Marc Glassman:</td>
<td>$34 million</td>
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<tr>
<td>Woodman’s Food Markets:</td>
<td>$33 million</td>
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<tr>
<td>Fruth Pharmacy:</td>
<td>$31 million</td>
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<tr>
<td>Lowe’s:</td>
<td>$30 million</td>
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<tr>
<td>Bodega Latina:</td>
<td>$28 million</td>
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<tr>
<td>Houchens Industries:</td>
<td>$28 million</td>
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<tr>
<td>Bashas’ Supermarkets:</td>
<td>$26 million</td>
</tr>
<tr>
<td>Fairview Pharmacy:</td>
<td>$26 million</td>
</tr>
<tr>
<td>Inserra Super:</td>
<td>$26 million</td>
</tr>
<tr>
<td>Marsh Supermarkets:</td>
<td>$25 million</td>
</tr>
<tr>
<td>Village Supermarkets:</td>
<td>$25 million</td>
</tr>
</tbody>
</table>
• Sedano: $ 25 million
• Lowe’s Pay and Save: $ 25 million
• King Kullen: $ 25 million
• Bi-Mart: $ 23 million
• Hartig Drug: $ 23 million
• Redner’s Markets: $ 22 million
• Doc’s Drugs: $ 21 million
• Dierbergs: $ 21 million
• Roundy’s: $ 20 million
• Hi-School Pharmacy: $ 17 million
• Nieman Foods: $ 16 million
• Fagen Pharmacy: $ 14 million
• Family Pharmacy: $ 14 million

65.2 Market Resources
IRI, 150 North Clinton Street, Chicago, IL 60661. (312) 726-1221. (www.iriworldwide.com)

66

TOP BRANDS

66.1 Overview

Mass Market Retailers (April 2016), based on analysis by IRI (www.iriworldwide.com), reported on top brands for various categories of health and beauty products. This chapter lists the three marketshare leaders for each category.

66.2 Market Leaders

Acne Treatments
1. Neutrogena
2. Clearasil Ultra Rapid Action
3. Aveeno Active Naturals Clear

Adult Incontinence Products
1. Poise
2. Depend
3. Always Discrete

Antacid Tablets
1. Nexium 24 Hour
2. Prilosec OTC
3. Zantac 150

Anti-itch Treatments
1. Cortizone 10
2. Benadryl
3. Aveeno Active Naturals

Anti-smoking Gum
1. Nicorette

Anti-smoking Tablets
1. Nicorette
Baby Wipes
1. Huggies Natural Care
2. Pampers Sensitive
3. Pampers Sensitive

Bath/Body Scrubbers/Massagers
1. Body Image Body Benefits
2. Spa Scrubs
3. Axe Detailer

Blood Pressure Kits
1. Omron
2. Lifesource
3. HoMedics

Cold Sore Medications
1. Abreva
2. Carmex
3. Campho Phenique

Cold/Allergy/Sinus Liquid/Powder
1. Flonase
2. Vicks NyQuil
3. Nasacort

Cold/Allergy/Sinus Tablets/Packets
1. Zyrtec
2. Claritin
3. Allegra

Cotton Swabs
1. Q-Tips
2. Johnson’s
3. Swisspers

Cough Syrup
1. Reckitt Benckiser
2. Pfizer
3. Zarbee’s

Cough/Sore Throat Drops
1. Mondelez International
2. Ricola
3. Prestige Brands
Dental Accessories/Tools
1. Waterpik Waterflosser
2. Philips Sonicare E Series
3. Sunstar G-U-M Soft Picks

Dental Floss
1. Oral-B Glide Pro-Health
2. Oral-B Glide Pro-Health Deep
3. Johnson & Johnson Reach

Denture Adhesives
1. Fixodent
2. Fixodent Food Seal
3. Super Poligrip

Deodorant
1. Degree Men
2. Secret Clinical Strength
3. Old Spice High Endurance

Electric Shavers/Groomers
1. Philips Norelco
2. Wahl Lithium Ion
3. Remington

External Analgesic Rubs
1. Icy Hot
2. Salonpas
3. Aspercreme

Eye Shadow
1. Maybelline Expert Wear
2. CoverGirl Eye Enhancers
3. Maybelline the Nudes

Eye/Lens Care Solutions
1. Alcon Opti-Free Replenish
2. Ciba Vision Clear Care
3. Bausch + Lomb Biotrue

Eyeliner
1. Revlon ColorStay
2. CoverGirl Perfect Point Plus
3. Maybelline Unstoppable
Facial Anti-aging
1. Olay Regenerist Micro
2. Olay Regenerist
3. Olay Total Effects 7 In One

Facial Cleansers
1. Bioré
2. Simple
3. Olay

Facial Concealer
1. Maybelline Instant Age Rewind
2. L’Oréal True Match
3. Maybelline Cover Stick

Facial Foundation
1. Revlon ColorStay
2. L’Oréal True Match
3. CoverGirl Clean

Facial Moisturizers
1. Olay Complete
2. Neutrogenia Moisture
3. Aveeno Active Naturals Positively

Facial Powder
1. CoverGirl Clean
2. L’Oréal True Match
3. CoverGirl Professional

Feminine Hygiene, Other
1. Summer’s Eve
2. Vagisil
3. FDS

First Aid Ointments/Antiseptics
1. Neosporin Plus
2. Ecuerin Aquaphor
3. Neosporin

First Aid Tape/Bandage/Gauze/Cotton
1. Band Aid
2. 3M Nexcare
3. Band Aid Tough Strips
Glucose Monitors
1. LifeScan One Touch Ultra
2. Bayer Contour Next
3. FreeStyle Lite

Grooming/Shaving Scissors
1. Gillette Fusion Proglide Power Flexible
2. Tweezerman
3. Wahl Micro Groomsman

Hair Appliances
1. Conair
2. Conair Infiniti Pro
3. Remington

Hair Conditioner/Cream Rinse
1. Organix
2. Garnier Fructis Sleek & Shine
3. It’s A 10 Miracle

Hair Spray/Spritz
1. TRUSemmè Tres Two
2. Suave
3. Aussie Instant Freeze

Hair Styling/Setting Gel/Mousse
1. American Crew
2. Got 2B Glued
3. SheaMoisture

Hand and Body Lotions
1. Gold Bond Ultimate
2. Aveeno Active Naturals Daily
3. Vaseline Total Moisture

Hand Sanitizers
1. Germ X
2. Purell Advanced
3. Wet Ones

Heat/Ice Packs
1. ThermaCare
2. Hothands
3. Therma-Pearl
Humidifiers/Vaporizers/Air Purifiers
1. Kaz Vicks
2. Vicks
3. Kaz Honeywell

Internal Analgesic Liquids
1. Tylenol
2. Children’s Motrin
3. Children’s Tylenon

Internal Analgesic Tablets
1. Advil
2. Aleve
3. Tylenol

Laxative Tablets
1. Dulcolax
2. Metamucil
3. Colace

Laxative/Stimulant Liquid/Powder
1. Miralax
2. Metacucil
3. Benefiber

Lip Balm/Treatments
1. Burt’s Bees
2. Eos
3. Chapstick Classic

Lipstick
1. Revlon Super Lustrous
2. CoverGirl Outlast
3. L’Orèal Colour Riche

Liquid Body Wash
1. Axe
2. Dove Men Plus Care
3. Dove

Liquid Vitamins/Minerals
1. Emergen-C
2. Emergen-C
3. Mommy’s Bliss
Makeup Remover Implements
1. Neutrogenia
2. Almay
3. Aveeno Active Naturals Ultra

Makeup Applicators
1. e.l.f. Studio
2. Ecotools
3. Real Techniques

Manual Toothbrushes
1. Oral-B Pro Health
2. Colgate Extra Clean
3. Colgate 360

Mascara
1. L’Orèa; Voluminous
2. CoverGirl Lash Blast Volume
3. Maybelline Lash Sensational

Men’s Contraceptives
1. Church & Dwight
2. Reckitt Benckiser
3. Ansell Healthcare

Men’s Fragrance Gift Packs/Sets
1. Axe
2. Old Spice
3. Old Spice Warrior Pack

Men’s Hair Coloring
1. Just For Men
2. Just For Men Autostop
3. Just For Men Touch of Gray

Mineral Supplements
1. Nature Made
2. Nature’s Bounty
3. Culturelle

Moist Towelettes
1. Kleenex Cottonelle Fresh Care
2. Charmin Freshmates
3. Wet Ones
Mouthwash/Dental Rinse
1. Listerine
2. Listerine Ultraclean
3. Creat Pro-Health Multi Protection

Multivitamins
1. Centrum Silver
2. Airborne
3. Bausch + Lomb PreserVision

Muscle/Body Support Devices
1. Futuro
2. ACE
3. Mueller Sport Care

Nasal Spray/Drops/Inhalers
1. Afrin No Drip
2. Afrin
3. NeilMed Sinus Rinse

One- and Two-letter Vitamins
1. Nature Made
2. Nature’s Bounty
3. Sundown Naturals

Perfumes/Colognes/Body Powder
1. Gold Bond
2. Body Fantasies Signature
3. Elizabeth Taylor’s White Diamonds

Personal Lubricants
1. Astroglide
2. K-Y
3. K-Y Warming

Power Toothbrushes
1. Oral-B Pulsar
2. Philips Sonicare
3. Philips Sonicare Healthy White

Pregnancy Test Kits
1. First Response
2. Clearblue
3. e.p.t.
Razor Cartridges
1. Gillette Fusion
2. Gillette Mach3
3. Gillette Fusion Proglide

Razors
1. Gillette Fusion Proglide Flexible
2. Shick Hydro 5
3. Gillette Venus Swirl

Razors, Disposable
1. Gillette Mach3
2. Gillette Sensor 3
3. BIC Silky Touch

Sanitary Napkins/Liners
1. Always
2. Always Infinity
3. Stayfree

Shampoo, Dandruff
1. Head & Shoulders
2. Head & Shoulders 2 in 1
3. Head & Shoulders Dry Scalp Cream 2

Shampoo, Regular
1. Organix
2. Suave Professionals
3. Suave Naturals

Shaving Cream
1. Edge
2. Skintimate Skintherapy
3. Barbasol

Shaving Lotion/Cologne/Talc
1. Axe
2. Parfums De Coeur Body
3. Old Spice

Sleeping Aid Tablets
1. Nature’s Bounty
2. Natrol
3. ZzzQuil
Soap, Baby
1. Aveeno Baby
2. Johnson’s Head-To-Toe
3. Johnson’s

Soap, Deodorant Bar
1. Irish Spring
2. Dial All Day Freshness
3. Zest

Soap, Liquid Hand
1. Softsoap
2. Dial
3. Dial Complete

Soap, Non-deodorant Bar
1. Dove
2. Dove Men Plus Care
3. Dove Purely Pampering

Suntan Lotions/Oils
1. Coppertone Sport
2. Neutrogena Ultra Sheer
3. Banana Boat Ultra Moist Sport

Tampons
1. Tampax Pearl
2. Playtex Sport
3. U by Kotex Click

Tooth Whiteners
1. Crest 3D White Whitestrips Advanced
2. Crest 3D White Whitestrips
3. Crest 3D White Whitestrips Luxe

Toothpaste
1. Colgate Total
2. Sensodyne
3. Sensodyne Pronamel

Vaginal Treatments
1. Monistat 1
2. Monistat 3
3. Monistat 7
Weight Control Candy/Tablets
1. Lipozene
2. Alli
3. Purely Inspired

Weight Control/Nutritionals Liquid/Powder
1. Ensure
2. PediaSure
3. Ensure Plus

Women’s Contraceptives
1. Duramed Pharmaceuticals
2. Teva Women’s Health
3. Gavis Pharmaceuticals

Women’s Fragrance Gift Packs
1. Elizabeth Taylor’s White Diamonds
2. Procter & Gamble products
3. Body Fantasies Signature

Women’s Hair Coloring
1. L’Oréal Superior Performance
2. Garnier Nutrisse
3. L’Oréal Excellence

66.3 Market Resources
IRI, 150 North Clinton Street, Chicago, IL 60661. (312) 726-1221. (www.iriworldwide.com)

67.1 Market Assessment

According to eMarketer (www.emarketer.com), U.S. health and personal care retail e-commerce sales have been, and are projected, as follows (change from previous year in parenthesis):

- 2013: $15.1 billion (15.9%)
- 2014: $17.4 billion (15.1%)
- 2015: $19.7 billion (13.6%)
- 2016: $22.2 billion (12.4%)
- 2017: $24.8 billion (11.6%)
- 2018: $27.6 billion (11.2%)

Online sales accounted for 5.6% of total health and personal sales in 2015, a figure that is not expected to change through 2018.

_____________________________________________________________

“Beauty and cosmetics are difficult retail to sell outside of bricks-and-mortar stores. Because of their personal nature, shoppers find these items easier to visualize and understand in person, no matter how many pictures and tutorials they see. Though beauty and personal care items do sell better when accompanied by photos and videos online, shoppers still like to sample products in-store before purchasing. But once they decide which products they like, their preferences solidify, and shoppers refill online.”

eMarketer

_____________________________________________________________
67.2 Online Shopping Characteristics

When asked in a survey by The Harris Poll (www.theharrispoll.com) what specific beauty products they looked first to online mass merchandisers for, survey participants responded as follows:

- Facial and skincare products: 17%
- Non-sunscreen products with SPF protection: 13%
- Hair color products: 13%
- Hairstyling products: 12%

Survey participants said they looked at specialty beauty vendors’ online storefronts for cosmetics when they wanted to find a certain brand or a more specialized categorization of products than they would find on sites such as Amazon.com or Target.com.

When asked why they felt more comfortable buying cosmetics in-store rather than online, 62% said that computer screens could skew colors and they felt that they needed to see the items in person before purchasing. This is especially true for new products. Sixty-nine percent (69%) said that they were more likely to go to a physical store to purchase newly introduced health or cosmetic products.

Eighty-eight percent (88%) of survey respondents said that when they know specifically what products they want to purchase, they will shop at any store – online or offline – that carries it for the best price.
PART XI: HOME FURNISHINGS & HOUSEWARES
MARKET ASSESSMENT: FURNITURE/DECOR STORES

68.1 Spending At Furniture and Home Decor Stores

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at furniture, home furnishings and decor, floor covering, and other furnishings stores (NAICS Code 442) have been as follows:

• 2004: $103.76 billion
• 2005: $109.12 billion
• 2006: $112.80 billion
• 2007: $111.14 billion
• 2008: $ 98.80 billion
• 2009: $ 84.89 billion
• 2010: $ 85.41 billion
• 2011: $ 87.65 billion
• 2012: $ 91.55 billion
• 2013: $ 94.88 billion
• 2014: $ 98.23 billion
• 2015: $103.75 billion

Sales in 2015 were distributed by month as follows:

• January: $ 7.76 billion
• February: $ 7.40 billion
• March: $ 8.40 billion
• April: $ 8.03 billion
• May: $ 8.67 billion
• June: $ 8.35 billion
• July: $ 8.83 billion
• August: $ 8.87 billion
• September: $ 8.79 billion
• October: $ 8.82 billion
• November: $ 9.19 billion
• December: $10.62 billion

68.2 Furniture Stores

Sales at furniture stores (NAICS Code 4421) have been as follows (source: Census Bureau):
• 2004: $55.85 billion
• 2005: $58.74 billion
• 2006: $60.12 billion
• 2007: $59.29 billion
• 2008: $52.68 billion
• 2009: $45.76 billion
• 2010: $46.59 billion
• 2011: $47.58 billion
• 2012: $49.67 billion
• 2013: $50.52 billion
• 2014: $52.85 billion
• 2015: $56.29 billion

68.3 Home Decor And Furnishings Stores
Sales at home furnishings and decor stores (NAICS Code 4422) have been as follows (source: Census Bureau):
• 2004: $47.91 billion
• 2005: $50.38 billion
• 2006: $52.67 billion
• 2007: $51.86 billion
• 2008: $46.12 billion
• 2009: $39.13 billion
• 2010: $38.81 billion
• 2011: $40.07 billion
• 2012: $41.88 billion
• 2013: $44.36 billion
• 2014: $45.38 billion
• 2015: $47.46 billion

68.4 Floor Covering Stores
Sales at floor coverings stores (NAICS Code 44221) have been as follows (source: Census Bureau):
• 2004: $20.91 billion
• 2005: $22.12 billion
• 2006: $23.15 billion
• 2007: $22.07 billion
• 2008: $18.77 billion
• 2009: $15.32 billion
• 2010: $14.59 billion
• 2011: $14.79 billion
• 2012: $15.52 billion
• 2013: $16.54 billion
• 2014: $16.44 billion
• 2015: $16.75 billion

68.5 Retail Census

According to County Business Patterns (April 2016 edition), published by the Census Bureau, there are 50,595 retail stores in the sector. Combined they have 429,073 employees.

Subsector store counts and employment are as follows:

<table>
<thead>
<tr>
<th>NAICS</th>
<th>Category</th>
<th>Establishments</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>4421</td>
<td>Furniture stores:</td>
<td>23,567</td>
<td>198,220</td>
</tr>
<tr>
<td>4422</td>
<td>Home furnishings stores:</td>
<td>27,028</td>
<td>230,853</td>
</tr>
<tr>
<td>44221</td>
<td>Floor covering stores:</td>
<td>10,763</td>
<td>63,011</td>
</tr>
</tbody>
</table>
MARKET ASSESSMENT: RETAIL PRODUCTS

69.1 Total Product Spending
According to 2014 State of the Industry, by Home Furnishings News (HFN), sales of home furnishings in 2013 were $170.3 billion, a 4.2% increase over 2012.

69.2 Sales For Product Categories
Distribution of home furnishings sales in 2013 by category was as follows:

- Furniture/lighting/decor: $82.9 billion
  - Case goods
  - Casual furniture
  - Lighting fixtures
  - Mattresses
  - Portable lighting
  - Upholstered furniture

- Housewares: $59.0 billion
  - Air treatment
  - Bakeware (metal)
  - Blenders/food processors
  - Coffeemakers
  - Cookware (metal)
  - Cutlery
  - Floor care
  - Hair care
  - Irons
  - Kitchen tools and gadgets

- Home textiles: $19.4 billion
  - Bagged bed ensembles
  - Bath towels
  - Bed pillows
  - Mattress pads
  - Sheets
• Tabletop: $ 4.7 billion
  - Crystal
  - Glassware
  - Housewares dinnerware
  - Stainless steel flatware
  - Upstairs dinnerware

• Floor coverings/rugs: $ 4.2 billion
  - Accent rugs
  - Handmade area rugs
  - Machine-made area rugs
  - Washable rugs

69.3 Retail Channels
Home furnishings sales in 2013 were distributed by retail channel as follows
(source: HFN):
• Mass merchants and clubs: 28%
• Furniture/specialty chains: 24%
• Online: 17%
• Specialty stores: 11%
• Department stores: 5%
• Home improvement stores: 2%
• Catalog/direct sellers: 1%
• Other: 12%

69.4 Market Resources
2014 State Of The Industry, HFN. (http://furnituretodaystore.stores.yahoo.net/hfnsoi.html)

Home Furnishings News (HFN), 333 Seventh Avenue, New York, NY 10001.
(212) 630-4000. (www.hfnmag.com)
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TOP RETAILERS

70.1 Market Leaders

According to HFN (June 2016), the following retailers have the highest home furnishings sales:

- Walmart: $20.89 billion
- Target Corp: $12.54 billion
- Bed Bath & Beyond: $11.62 billion
- TJX Cos.: $ 5.97 billion
- Costco Wholesale: $ 5.66 billion
- Lowe’s: $ 4.72 billion
- Williams-Sonoma: $ 4.58 billion
- Home Depot: $ 4.48 billion
- Ikea: $ 4.44 billion
- Macy’s: $ 4.33 billion
- Sam’s Club: $ 4.30 billion
- Amazon.com: $ 3.92 billion
- HomeGoods: $ 3.91 billion
- Ashley Furniture Industries: $ 3.56 billion
- Kohl’s: $ 3.46 billion
- Ross Stores: $ 2.98 billion
- Mattress Firm: $ 2.68 billion
- Rooms To Go: $ 2.20 billion
- Berkshire Hathaway: $ 2.18 billion
- Brands: Jordan’s Furniture, Nebraska Furniture Mart, RC Willey Home Furnishings, Star Furniture
- Big Lots: $ 2.16 billion
- Wayfair: $ 2.14 billion
- Kroger: $ 2.10 billion
- RH: $ 2.08 billion
- QVC: $ 2.06 billion
- Pier 1 Imports: $ 1.75 billion
- Kmart: $ 1.63 billion
- J.C. Penney: $ 1.52 billion
- Crate and Barrel: $ 1.41 billion
- Walgreens: $ 1.40 billion
• Sears: $1.36 billion
• Dollar General: $1.29 billion
• Overstock.com: $1.28 billion
• HSN: $1.25 billion
• Hobby Lobby Stores: $1.22 billion
• Sleep Number: $1.18 billion
• Raymour & Flanigan: $1.17 billion
• Aaron’s: $1.15 billion
• Sleepy’s: $1.13 billion
• La-Z-Boy Furniture Galleries: $1.11 billion
• American Signature: $1.03 billion
• Family Dollar: $1.02 billion
• Bob’s Discount Furniture: $1.01 billion
• BJ’s Wholesale Club: $995 million
• Rent-A-Center: $955 million
• CVS Pharmacy: $930 million
• Michaels Stores: $915 million
• Staples: $910 million
• Cornershone: $899 million
• Tuesday Morning: $895 million
• Haverty’s: $805 million

70.2 Market Resources
Home Furnishings News (HFN), 333 Seventh Avenue, New York, NY 10001.
(212) 630-4000. (www.hfnmag.com)

The Top Retailers in Home Furnishings 2016, HFN.
(www.furnishingsresearchstore.com/hfn-top-50-retailers-in-home-furnishings-for-2016/)
71.1 Top Suppliers Of Home Furnishings Products

*Home Furnishings News* compiles an annual list of the largest suppliers of home furnishings products based on annual sales. The largest home furnishings companies are as follows:

- **Whirlpool:** $9.52 billion
  - Products: major appliances, housewares
- **AB Electrolux:** $4.23 billion
  - Products: major appliances, housewares
- **Newell Rubbermaid:** $1.75 billion
  - Products: housewares, window treatments
- **Mohawk:** $1.32 billion
  - Products: floor coverings
- **La-Z-Boy:** $1.19 billion
  - Products: furniture
- **Jarden:** $1.15 billion
  - Products: housewares, tabletop
- **Sealy:** $1.14 billion
  - Products: mattresses
- **Furniture Brands International:** $1.11 billion
  - Products: furniture
- **Leggett & Platt:** $1.05 billion
  - Products: furniture
- **Tempur-Pedic:** $1.00 billion
  - Products: mattresses
- **Hunter Douglas:** $975 million
  - Products: window treatments
- **Helen of Troy:** $843 million
  - Products: housewares
- **Select Comfort:** $743 million
  - Products: mattresses
- **Techtronic Industries:** $722 million
  - Products: housewares
- **NACCO Housewares Group:** $714 million
  - Products: Housewares
- **Ethan Allen:** $709 million
  - Products: furniture, textiles, decor floor coverings
• BSH: $672 million
  Products: major appliances, housewares
  Brands: Bosch, Siemens
• Libbey: $596 million
  Products: tabletop
• Lifetime Brands: $444 million
  Products: housewares, tabletop
• Flexsteel: $335 million
  Products: furniture

71.2 Market Resources
Home Furnishings News (HFN), 333 Seventh Avenue, New York, NY 10001.
(212) 630-4000. (www.hfnmag.com)
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ONLINE RETAIL

72.1 Market Assessment

According to eMarketer (www.emarketer.com), U.S. home furnishings and housewares retail e-commerce sales have been, and are projected as follows (change from previous year in parenthesis):

- 2012: $15.2 billion (14.6%)
- 2013: $17.7 billion (15.2%)
- 2014: $20.3 billion (13.9%)
- 2015: $23.1 billion (12.6%)
- 2016: $26.0 billion (11.4%)
- 2017: $29.1 billion (10.5%)
- 2018: $32.3 billion (9.1%)

“The home furnishings category encompasses home decor and products like bedding, flatware and curtains that are relatively inexpensive to ship as well as larger products like furniture, mattresses and rugs often associated with delivery surcharges, which are a factor holding back this sector online. That is changing, though, as pure play online retailers like Wayfair and Overstock.com have grown in popularity and multichannel retailers like Williams-Sonoma and Restoration Hardware translate catalog success to digital sales.”

eMarketer, 7/8/15
PART XII: SPORTING GOODS
MARKET ASSESSMENT: SPORTING GOODS STORES

73.1 Spending At Sporting Goods Stores

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at sporting goods stores (NAICS Code 45111) have been as follows:

- 2004: $28.64 billion
- 2005: $30.71 billion
- 2006: $33.87 billion
- 2007: $35.80 billion
- 2008: $37.05 billion
- 2009: $37.14 billion
- 2010: $38.28 billion
- 2011: $40.31 billion
- 2012: $43.95 billion
- 2013: $44.36 billion
- 2014: $43.85 billion
- 2015: $46.50 billion

These figures do not include sporting goods sales at general merchandise stores.

Sales in 2015 were distributed by month as follows:

- January: $2.83 billion
- February: $2.82 billion
- March: $3.67 billion
- April: $3.55 billion
- May: $3.81 billion
- June: $4.07 billion
- July: $4.08 billion
- August: $4.32 billion
- September: $3.62 billion
- October: $3.41 billion
- November: $3.86 billion
- December: $6.45 billion
73.2 Retail Census
According to County Business Patterns (April 2016 edition), published by the Census Bureau, there are 21,830 retail stores in the sector. Combined they have 259,059 employees.

73.3 Marketshare Leaders
The largest sporting goods chains, ranked by annual U.S. sales, are as follows:
• Dick’s Sporting Goods (www.dickssportinggoods.com): $6.2 billion
• Bass Pro Shops (www.basspro.com): $3.8 billion
• Academy Sports & Outdoors (www.academy.com): $2.7 billion
• Cabela’s, Inc. (www.cabelas.com): $2.4 billion
• Gander Mountain (www.gandermountain.com): $1.1 billion
• Big 5 Sporting Goods (www.big5sportinggoods.com): $900 million
• Hibbett Sports (www.hibbett.com): $600 million
• Sport Chalet (www.sportchalet.com): $400 million

The Sports Authority, with annual sales of $3.4 billion, filed for Chapter 11 bankruptcy and announced the closing of all stores in April 2016.

73.4 Trends
According to the Sports & Fitness Industry Association (SFIA, www.sfia.org), the biggest challenge facing the sporting goods industry, by far, is the decline in sports participation. With the exception of fitness activities, Americans are far less involved in sports and outdoors activities than they were 15 years ago. Sports such as softball, volleyball, baseball, badminton, and tennis have lost millions of casual participants. Fitness has seen an increase in the number of frequent participants in recent years, but still has fewer frequent participants as a percentage of the total population than it had in 1990. Organized team sports in schools and leagues have grown in recent years, largely because of a strong infusion of female players. But many organized team sports tend to emphasize elite players and competition, freezing out millions who might like to play for fun.

73.5 Market Resources
National Sporting Goods Association (NSGA), 1601 Feehanville Drive, Suite 300, Mt. Prospect, IL 60056. (847) 296-6742. (www.nsga.org)

The Sports & Fitness Industry Association (SFIA), 8505 Fenton Street, Suite 211, Silver Spring, MD 20910. (301) 495-6321. (www.sfia.org)
MARKET ASSESSMENT:
SPORTING GOODS PRODUCTS

74.1 Market Assessment
The Sports & Fitness Industry Association (SFIA, www.sfia.org) assesses annual sports and fitness industry wholesale sales at $81.4 billion.

74.2 Sporting Goods Equipment
The National Sporting Goods Association (NSGA, www.nsga.org) estimates consumer equipment purchases by sport as follows:

- Exercise: $5.47 billion
- Hunting (firearms): $5.37 billion
- Golf: $3.29 billion
- Team goods sales: $2.62 billion
- Fishing tackle: $2.09 billion
- Camping: $1.75 billion
- Optics: $1.30 billion
- Snow skiing: $619 million
- Baseball & softball: $452 million
- Archery: $451 million
- Tennis: $425 million
- Billiards & indoor games: $350 million
- Skin diving & scuba: $348 million
- Wheel sports: $341 million
- Snowboarding: $312 million
- Basketball: $261 million
- Helmets & sport protective: $211 million
- Hockey & ice skates: $166 million
- Bowling: $155 million
- Football: $87 million
- Soccer (balls): $77 million
- Lacrosse: $43 million
- Volleyball & badminton: $37 million
- Racquetball: $27 million
74.3 Athletic Footwear

The NPD Group (www.npd.com) assessed the U.S. market for athletic footwear in 2015 at $17.2 billion, an 8.0% increase from 2014. Growth by category was as follows:

- Classics: 30%
- Hiking: 15%
- Walking: 8%
- Cross training: 6%
- Running: 4%
- Basketball: 4%
- Casual athletic: -5%

“While there was tremendous volatility at the category level, the overall strength of the industry was clearly evident in 2015. Performance footwear, particularly running and basketball, cooled off in 2015 and we saw a rise in the more casual and retro styles. The hiking shoe category has also been, and should remain, strong as we continue to see the merging of outdoor and athletic.”

Matt Powell, Vice President
The NPD Group, 2/8/16

74.4 Sales By Retail Channel

Sports equipment sales are distributed by retail channel as follows (source: NSGA):

- Sporting goods stores: 31%
- Discount stores/warehouse clubs: 15%
- Specialty sport shops: 12%
- Department stores: 12%
- Online: 11%
- Pro shops: 5%
- Specialty fitness shops: 2%
- Other: 11%
Athletic footwear sales are distributed by retail channel as follows (source: NSGA):

- Discount stores/warehouse clubs: 18%
- Sporting goods stores: 16%
- Specialty athletic footwear stores: 15%
- Department stores: 11%
- Family footwear stores: 11%
- Online: 9%
- Factory outlet stores: 8%
- Specialty sport shops: 5%
- Other: 7%

74.5 Market Resources
National Sporting Goods Association (NSGA), 1601 Feehanville Drive, Suite 300, Mt. Prospect, IL 60056. (847) 296-6742. (www.nsga.org)

The Sports & Fitness Industry Association (SFIA), 8505 Fenton Street, Suite 211, Silver Spring, MD 20910. (301) 495-6321. (www.sfia.org)
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SPORTS & RECREATION PARTICIPATION

75.1 Conditioning and Fitness

The 2015 *Sports, Fitness And Leisure Activities Topline Participation Report*, published by the Sports & Fitness Industry Association (SFIA, www.sfia.org), reports total participation (at least once) and core participation (50 or more times) in conditioning and fitness activities among those ages six and older as follows (change from previous year in parenthesis):

<table>
<thead>
<tr>
<th>Activity</th>
<th>Total</th>
<th>Core</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abdominal machine/device</td>
<td>19.1 million (3.4%)</td>
<td>10.8 million (3.1%)</td>
</tr>
<tr>
<td>Aerobics (high impact)</td>
<td>19.7 million (14.0%)</td>
<td>9.5 million (14.0%)</td>
</tr>
<tr>
<td>Aquatic exercise</td>
<td>9.1 million (7.5%)</td>
<td>3.2 million (0.6%)</td>
</tr>
<tr>
<td>Barre</td>
<td>3.2 million (10.3%)</td>
<td>638,000 (2.0%)</td>
</tr>
<tr>
<td>Boot camp style cross-training</td>
<td>6.8 million (-2.0%)</td>
<td>2.3 million (-3.2%)</td>
</tr>
<tr>
<td>Calisthenics/bodyweight exercise</td>
<td>22.4 million (n/a)</td>
<td>13.4 million (n/a)</td>
</tr>
<tr>
<td>Cardio cross trainer</td>
<td>7.5 million (37.8%)</td>
<td>3.2 million (18.9%)</td>
</tr>
<tr>
<td>Cardio kickboxing</td>
<td>6.7 million (6.9%)</td>
<td>2.2 million (-1.5%)</td>
</tr>
<tr>
<td>Cross-training style workouts</td>
<td>11.3 million (n/a)</td>
<td>5.6 million (n/a)</td>
</tr>
<tr>
<td>Dance/other exercise to music</td>
<td>21.5 million (n/a)</td>
<td>7.5 million (n/a)</td>
</tr>
<tr>
<td>Elliptical motion trainer</td>
<td>28.0 million (3.3%)</td>
<td>14.3 million (4.7%)</td>
</tr>
<tr>
<td>Free weights (barbells)</td>
<td>25.6 million (-0.1%)</td>
<td>16.0 million (-0.3%)</td>
</tr>
<tr>
<td>Free weights (dumbbells)</td>
<td>30.8 million (-4.5%)</td>
<td>19.1 million (-7.2%)</td>
</tr>
<tr>
<td>Free weights (hand weights)</td>
<td>41.7 million (-3.5%)</td>
<td>24.8 million (-3.3%)</td>
</tr>
<tr>
<td>Kettlebells</td>
<td>10.2 million (n/a)</td>
<td>4.3 million (n/a)</td>
</tr>
<tr>
<td>Pilates training</td>
<td>8.5 million (5.4%)</td>
<td>3.4 million (2.6%)</td>
</tr>
<tr>
<td>Rowing machine</td>
<td>9.8 million (-3.6%)</td>
<td>4.2 million (-4.7%)</td>
</tr>
<tr>
<td>Running/jogging</td>
<td>51.1 million (-5.6%)</td>
<td>28.0 million (-6.0%)</td>
</tr>
<tr>
<td>Stair climbing machine</td>
<td>13.2 million (4.5%)</td>
<td>5.5 million (4.9%)</td>
</tr>
<tr>
<td>Stationary cycling (group)</td>
<td>8.4 million (1.7%)</td>
<td>3.1 million (1.3%)</td>
</tr>
<tr>
<td>Stationary cycling (upright/recumb.)</td>
<td>35.7 million (1.3%)</td>
<td>17.4 million (3.0%)</td>
</tr>
<tr>
<td>Stretching</td>
<td>35.6 million (-1.6%)</td>
<td>26.0 million (-1.7%)</td>
</tr>
<tr>
<td>Swimming (fitness/competition)</td>
<td>25.3 million (-4.0%)</td>
<td>8.8 million (-6.3%)</td>
</tr>
<tr>
<td>Tai Chi</td>
<td>3.4 million (-0.7%)</td>
<td>1.4 million (-3.9%)</td>
</tr>
<tr>
<td>Treadmill</td>
<td>50.2 million (4.3%)</td>
<td>27.7 million (4.9%)</td>
</tr>
<tr>
<td>Walking for fitness</td>
<td>112.6 million (-4.1%)</td>
<td>76.9 million (-3.7%)</td>
</tr>
<tr>
<td>Weight/resistance machine</td>
<td>35.8 million (-1.2%)</td>
<td>21.2 million (-0.7%)</td>
</tr>
<tr>
<td>Yoga</td>
<td>25.3 million (3.9%)</td>
<td>10.4 million (2.7%)</td>
</tr>
</tbody>
</table>
75.2 Individual Sports

Total participation (at least once) and core participation (varies by sport) in individual sports were as follows (change from previous year in parenthesis):

<table>
<thead>
<tr>
<th>Sports</th>
<th>Total</th>
<th>Core #</th>
<th>Core Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adventure racing</td>
<td>2.4 million</td>
<td>2+</td>
<td>1.3 million (14.3%)</td>
</tr>
<tr>
<td>Archery</td>
<td>8.4 million</td>
<td>26+</td>
<td>1.4 million (8.0%)</td>
</tr>
<tr>
<td>Bowling</td>
<td>46.6 million</td>
<td>13+</td>
<td>10.5 million (0.5%)</td>
</tr>
<tr>
<td>Boxing for competition</td>
<td>1.3 million</td>
<td>13+</td>
<td>204,000 (34.2%)</td>
</tr>
<tr>
<td>Boxing for fitness</td>
<td>5.1 million</td>
<td>13+</td>
<td>2.7 million (-1.4%)</td>
</tr>
<tr>
<td>Golf</td>
<td>24.7 million</td>
<td>-</td>
<td>n/a</td>
</tr>
<tr>
<td>Ice skating</td>
<td>10.6 million</td>
<td>13+</td>
<td>1.7 million (5.3%)</td>
</tr>
<tr>
<td>Martial arts</td>
<td>5.3 million</td>
<td>13+</td>
<td>3.7 million (-0.4%)</td>
</tr>
<tr>
<td>Mixed martial arts (comp.)</td>
<td>1.2 million</td>
<td>13+</td>
<td>257,000 (19.5%)</td>
</tr>
<tr>
<td>Mixed martial arts (fitness)</td>
<td>2.5 million</td>
<td>13+</td>
<td>1.2 million (13.0%)</td>
</tr>
<tr>
<td>Roller skating (2x2 wheels)</td>
<td>6.9 million</td>
<td>13+</td>
<td>1.3 million (-3.0%)</td>
</tr>
<tr>
<td>Roller skating (inline)</td>
<td>6.1 million</td>
<td>13+</td>
<td>1.9 million (-0.7%)</td>
</tr>
<tr>
<td>Skateboarding</td>
<td>6.5 million</td>
<td>26+</td>
<td>2.7 million (2.0%)</td>
</tr>
<tr>
<td>Trail running</td>
<td>7.5 million</td>
<td>-</td>
<td>n/a</td>
</tr>
<tr>
<td>Triathlon (off-road)</td>
<td>1.4 million</td>
<td>2+</td>
<td>921,000 (-5.3%)</td>
</tr>
<tr>
<td>Triathlon (traditional/road)</td>
<td>2.2 million</td>
<td>2+</td>
<td>1.4 million (-5.4%)</td>
</tr>
</tbody>
</table>

75.3 Racquet Sports

Total participation (at least once) and core participation (varies by sport) in racquet sports were as follows (change from previous year in parenthesis):

<table>
<thead>
<tr>
<th>Sports</th>
<th>Total</th>
<th>Core #</th>
<th>Core Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Badminton</td>
<td>7.2 million</td>
<td>13+</td>
<td>2.1 million (-8.2%)</td>
</tr>
<tr>
<td>Cardio tennis</td>
<td>1.6 million</td>
<td>-</td>
<td>n/a</td>
</tr>
<tr>
<td>Racquetball</td>
<td>3.6 million</td>
<td>13+</td>
<td>1.2 million (-7.6%)</td>
</tr>
<tr>
<td>Squash</td>
<td>1.6 million</td>
<td>8+</td>
<td>388,000 (16.7%)</td>
</tr>
<tr>
<td>Table tennis</td>
<td>16.4 million</td>
<td>13+</td>
<td>4.6 million (-3.4%)</td>
</tr>
<tr>
<td>Tennis</td>
<td>17.9 million</td>
<td>-</td>
<td>n/a</td>
</tr>
</tbody>
</table>

75.4 Team Sports

Total participation (at least once) and core participation (varies by sport) in team sports were as follows (change from previous year in parenthesis):

<table>
<thead>
<tr>
<th>Sports</th>
<th>Total</th>
<th>Core #</th>
<th>Core Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseball</td>
<td>13.1 million</td>
<td>13+</td>
<td>8.9 million (-2.5%)</td>
</tr>
<tr>
<td>Basketball</td>
<td>23.1 million</td>
<td>13+</td>
<td>15.7 million (-5.5%)</td>
</tr>
<tr>
<td>Cheerleading</td>
<td>3.4 million</td>
<td>26+</td>
<td>1.6 million (3.1%)</td>
</tr>
<tr>
<td>Field hockey</td>
<td>1.6 million</td>
<td>8+</td>
<td>764,000 (2.3%)</td>
</tr>
<tr>
<td>Football (touch)</td>
<td>6.5 million</td>
<td>13+</td>
<td>2.8 million (-10.3%)</td>
</tr>
</tbody>
</table>
75.5 Outdoor Sports

Total participation (at least once) and core participation (8 or more times) in outdoor sports were as follows (change from previous year in parenthesis):

<table>
<thead>
<tr>
<th>Activity</th>
<th>Total (at least once)</th>
<th>Core #</th>
<th>Core Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Backpacking (overnight)</td>
<td>10.1 million (11.4%)</td>
<td>-</td>
<td>n/a</td>
</tr>
<tr>
<td>Bicycling - BMX</td>
<td>2.3 million (8.4%)</td>
<td>13+</td>
<td>1.1 million (10.2%)</td>
</tr>
<tr>
<td>Bicycling - mountain</td>
<td>8.0 million (-5.8%)</td>
<td>13+</td>
<td>4.3 million (-9.5%)</td>
</tr>
<tr>
<td>Bicycling - road/paved</td>
<td>39.7 million (-2.8%)</td>
<td>26+</td>
<td>20.5 million (-4.5%)</td>
</tr>
<tr>
<td>Birdwatching (&gt;¼ mile)</td>
<td>13.2 million (-6.9%)</td>
<td>-</td>
<td>n/a</td>
</tr>
<tr>
<td>Camping (&lt;¼ mile)</td>
<td>28.7 million (-2.1%)</td>
<td>-</td>
<td>n/a</td>
</tr>
<tr>
<td>Camping (RV)</td>
<td>14.6 million (0.5%)</td>
<td>8+</td>
<td>7.6 million (13.5%)</td>
</tr>
<tr>
<td>Climbing (sport/indoor)</td>
<td>4.5 million (-4.4%)</td>
<td>-</td>
<td>n/a</td>
</tr>
<tr>
<td>Climbing (traditional)</td>
<td>2.5 million (5.9%)</td>
<td>-</td>
<td>n/a</td>
</tr>
<tr>
<td>Fishing (fly)</td>
<td>5.8 million (-0.6%)</td>
<td>8+</td>
<td>2.2 million (4.1%)</td>
</tr>
<tr>
<td>Fishing (freshwater)</td>
<td>37.8 million (0.1%)</td>
<td>8+</td>
<td>18.0 million (1.4%)</td>
</tr>
<tr>
<td>Fishing (saltwater)</td>
<td>11.8 million (0.2%)</td>
<td>8+</td>
<td>4.8 million (1.9%)</td>
</tr>
<tr>
<td>Hiking (day)</td>
<td>36.2 million (5.4%)</td>
<td>-</td>
<td>n/a</td>
</tr>
<tr>
<td>Hunting (bow)</td>
<td>4.4 million (8.2%)</td>
<td>8+</td>
<td>2.1 million (12.2%)</td>
</tr>
<tr>
<td>Hunting (handgun)</td>
<td>3.1 million (-3.4%)</td>
<td>8+</td>
<td>1.1 million (-0.7%)</td>
</tr>
<tr>
<td>Hunting (rifle)</td>
<td>10.1 million (2.9%)</td>
<td>13+</td>
<td>2.8 million (2.2%)</td>
</tr>
<tr>
<td>Hunting (shotgun)</td>
<td>8.2 million (4.1%)</td>
<td>8+</td>
<td>3.4 million (11.1%)</td>
</tr>
<tr>
<td>Shooting (sport clays)</td>
<td>4.6 million (3.7%)</td>
<td>8+</td>
<td>1.5 million (4.0%)</td>
</tr>
<tr>
<td>Shooting (trap/skeet)</td>
<td>3.8 million (1.4%)</td>
<td>8+</td>
<td>1.4 million (5.7%)</td>
</tr>
</tbody>
</table>
75.6 Water Sports

Total participation (at least once) and core participation (8 or more times) in water sports were as follows (change from previous year in parenthesis):

<table>
<thead>
<tr>
<th>Activity</th>
<th>Total</th>
<th>Core</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boardsailing/windsurfing</td>
<td>1.6 million (18.0%)</td>
<td>285,000 (21.8%)</td>
</tr>
<tr>
<td>Canoeing</td>
<td>10.0 million (-1.1%)</td>
<td>n/a</td>
</tr>
<tr>
<td>Jet skiing</td>
<td>6.4 million (-0.9%)</td>
<td>1.8 million (-9.8%)</td>
</tr>
<tr>
<td>Kayaking (recreational)</td>
<td>8.9 million (1.6%)</td>
<td>n/a</td>
</tr>
<tr>
<td>Kayaking (sea touring)</td>
<td>2.9 million (8.1%)</td>
<td>n/a</td>
</tr>
<tr>
<td>Kayaking (white water)</td>
<td>2.3 million (9.6%)</td>
<td>n/a</td>
</tr>
<tr>
<td>Rafting</td>
<td>3.8 million (-1.4%)</td>
<td>n/a</td>
</tr>
<tr>
<td>Sailing</td>
<td>3.9 million (0.2%)</td>
<td>1.2 million (-0.6%)</td>
</tr>
<tr>
<td>Scuba diving</td>
<td>3.1 million (-0.9%)</td>
<td>893,000 (8.5%)</td>
</tr>
<tr>
<td>Snorkeling</td>
<td>8.8 million (0.6%)</td>
<td>1.8 million (0.6%)</td>
</tr>
<tr>
<td>Stand-up paddling</td>
<td>2.8 million (38.1%)</td>
<td>n/a</td>
</tr>
<tr>
<td>Surfing</td>
<td>2.7 million (2.4%)</td>
<td>1.1 million (4.5%)</td>
</tr>
<tr>
<td>Wakeboarding</td>
<td>3.1 million (-5.8%)</td>
<td>926,000 (-8.4%)</td>
</tr>
<tr>
<td>Water skiing</td>
<td>4.0 million (-4.7%)</td>
<td>1.1 million (-3.3%)</td>
</tr>
</tbody>
</table>

75.7 Market Resources

Sports & Fitness Industry Association (SFIA), 8505 Fenton Street, Suite 211, Silver Spring, MD 20910. (301) 495-6321. (www.sfia.org)
SPORTING GOODS SHOPPING

76.1 Shopping At Sporting Goods Stores

International Demographics (www.themediaaudit.com) has surveyed adults in 83 metropolitan areas assessing the percentages that shop at sporting goods stores. On average, 27.2% of adults in the 83 metropolitan areas reportedly shop at a sporting goods stores at least once per month.

The following are the percentages of adults that shop at sporting goods stores at least once per month:

- Akron, OH: 23.0%
- Albany-Schenectady-Troy, NY: 26.4%
- Albuquerque, NM: 20.2%
- Allentown-Bethlehem, PA: 28.5%
- Ann Arbor, MI: 27.7%
- Atlanta, GA: 22.1%
- Austin, TX: 26.4%
- Baltimore, MD: 26.4%
- Birmingham, AL: 28.7%
- Boise, Idaho: 40.7%
- Boston, MA: 27.2%
- Buffalo, NY: 28.9%
- Charleston, SC: 23.7%
- Charlotte, NC: 29.1%
- Chicago, IL: 26.7%
- Cincinnati, OH: 24.0%
- Cleveland, OH: 24.0%
- Colorado Springs, CO: 29.4%
- Columbia, SC: 19.2%
- Columbia-Jefferson City, MO: 26.7%
- Columbus, OH: 27.0%
- Dallas-Ft. Worth, TX: 33.0%
- Dayton, OH: 19.4%
- Denver, CO: 30.7%
- Detroit, MI: 29.9%
- Eugene-Springfield, OR: 29.2%
- Ft. Myers-Naples, FL: 20.5%
- Grand Rapids, MI: 32.1%
• Greensboro, NC: 24.7%
• Greenville-Spartanburg, SC: 28.9%
• Hartford-New Haven, CT: 28.3%
• Houston, TX: 37.6%
• Indianapolis, IN: 24.6%
• Jackson, MS: 26.3%
• Jacksonville, FL: 22.9%
• Kansas City, MO: 26.8%
• Las Vegas, NV: 20.6%
• Lexington, KY: 22.9%
• Little Rock, AR: 40.7%
• Long Island, NY: 31.9%
• Los Angeles, CA: 34.7%
• Louisville, KY: 28.5%
• Madison, WI: 31.6%
• Melbourne-Titusville-Cocoa, FL: 20.5%
• Memphis, TN: 25.0%
• Miami-Ft. Lauderdale, FL: 19.4%
• Milwaukee-Racine, WI: 21.4%
• Minneapolis-St. Paul, MN: 29.9%
• Nashville, TN: 32.7%
• New Orleans, LA: 30.6%
• New York, NY: 25.5%
• Norfolk-Virginia Beach-Newport News, VA: 22.9%
• Ocala, FL: 29.8%
• Oklahoma City, OK: 30.6%
• Omaha-Council Bluffs, NE: 28.1%
• Orange County, CA: 29.4%
• Orlando, FL: 18.3%
• Peoria, IL: 27.8%
• Philadelphia, PA: 30.6%
• Phoenix, AZ: 22.7%
• Pittsburgh, PA: 27.3%
• Portland, OR: 27.7%
• Raleigh-Durham, NC: 28.4%
• Reno, NV: 40.3%
• Riverside-San Bernardino, CA: 26.0%
• Rochester, NY: 22.2%
• Sacramento, CA: 24.9%
• Salt Lake City, UT: 24.2%
• San Antonio, TX: 31.6%
• San Diego, CA: 27.0%
• San Francisco, CA: 28.5%
• San Jose, CA: 28.2%
• Seattle-Tacoma, WA: 29.0%
• Southern New Hampshire: 30.2%
• Spokane, WA: 33.6%
• St. Louis, MO: 22.7%
• Syracuse, NY: 39.9%
• Tampa-St. Petersburg, FL: 14.9%
• Toledo, OH: 30.0%
• Tucson, AZ: 19.5%
• Tulsa, OK: 28.2%
• Washington, DC: 26.3%
• West Palm Beach, FL: 23.8%

76.2 Market Resources
International Demographics, 10333 Richmond Avenue, Suite 200, Houston, TX 77042. (713) 626-0333. (www.themediaaudit.com)
PART XIII: SUPERMARKETS & GROCERIES
MARKET ASSESSMENT

77.1 Market Assessment

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, total sales at grocery stores (NAICS Code 44511) have been as follows:

- 2004: $441.14 billion
- 2005: $435.52 billion
- 2006: $448.69 billion
- 2007: $468.35 billion
- 2008: $488.75 billion
- 2009: $489.47 billion
- 2010: $498.69 billion
- 2011: $524.40 billion
- 2012: $540.36 billion
- 2013: $550.42 billion
- 2014: $569.14 billion
- 2015: $582.13 billion

These figures do not include food sales at supercenters or other general merchandise stores.

Sales in 2015 were distributed by month as follows:

- January: $48.98 billion
- February: $44.54 billion
- March: $48.43 billion
- April: $47.30 billion
- May: $50.12 billion
- June: $47.90 billion
- July: $49.91 billion
- August: $48.99 billion
- September: $47.24 billion
- October: $48.96 billion
- November: $48.50 billion
- December: $51.24 billion
77.2 Retail Census

According to County Business Patterns (April 2016 edition), published by the Census Bureau, there are 65,975 retail stores in the sector. Combined they have 2,577,732 employees.

77.3 Segment Profile

The Food Marketing Institute (FMI, www.fmi.org) provides the following profile of the supermarket and grocery segment:

- Total sales (2015) - supermarkets, supercenters, and other retailers with $2 million in annual food sales: $649.09 billion
- Net profit after taxes: 1.5%
- Number of supermarkets: 38,015
- Number of employees: 3.4 million
- Median supermarket store size: 46,000 sq. ft.
- Median average weekly sales per supermarket: $516,727
- Average number of items carried in a supermarket: 42,214
- Average sales per customer transaction: $29.90
- Average number of trips per consumer per week to the supermarket: 1.5
- Weekly sales per sq. ft. of selling area: $11.98
- Sales per labor hour: $148.00

The distribution of supermarket sales by department is as follows (source: FMI):

- Dry grocery: 26.3%
- Meat/fish/poultry: 14.1%
- Produce: 11.6%
- Dairy: 9.1%
- Frozen foods: 6.2%
- Non-food grocery: 6.0%
- Deli (service and self-serve): 5.1%
- Alcoholic beverages: 4.4%
- General merchandise: 4.4%
- Pharmacy: 3.1%
- Baked goods: 3.0%
- Health & beauty: 3.0%
- Packaged meats: 2.5%
- In-store bakery: 2.1%

77.4 Market Resources

Food Marketing Institute, 2345 Crystal Avenue, Arlington, VA 22202. (202) 452-8444. (www.fmi.org)
LARGEST SUPERMARKET CHAINS

78.1 Marketshare Leaders

*Supermarket News* publishes an annual list of the Top 75 Retailers & Wholesalers, ranking chains by annual consumables sales. The 2016 list* of U.S. retail chains is as follows:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Store Name</th>
<th>Revenue</th>
<th>Stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Walmart (<a href="http://www.walmart.com">www.walmart.com</a>)</td>
<td>$237.8 billion</td>
<td>5,249</td>
</tr>
<tr>
<td>2</td>
<td>Kroger (<a href="http://www.kroger.com">www.kroger.com</a>)</td>
<td>$109.8 billion</td>
<td>2,623</td>
</tr>
<tr>
<td>3</td>
<td>Costco Wholesale (<a href="http://www.costco.com">www.costco.com</a>)</td>
<td>$ 69.4 billion</td>
<td>569</td>
</tr>
<tr>
<td>4</td>
<td>Albertsons (<a href="http://www.albertsonsmarket.com">www.albertsonsmarket.com</a>)</td>
<td>$ 58.7 billion</td>
<td>2,205</td>
</tr>
<tr>
<td>5</td>
<td>CVS Health (<a href="http://www.cvs.com">www.cvs.com</a>)</td>
<td>$ 44.4 billion</td>
<td>7,991</td>
</tr>
<tr>
<td>6</td>
<td>Target (<a href="http://www.target.com">www.target.com</a>)</td>
<td>$ 34.2 billion</td>
<td>1,805</td>
</tr>
<tr>
<td>7</td>
<td>Publix Super Markets (<a href="http://www.publix.com">www.publix.com</a>)</td>
<td>$ 32.4 billion</td>
<td>1,115</td>
</tr>
<tr>
<td>8</td>
<td>Walgreens (<a href="http://www.walgreens.com">www.walgreens.com</a>)</td>
<td>$ 28.3 billion</td>
<td>8,173</td>
</tr>
<tr>
<td>9</td>
<td>Ahold USA (<a href="http://www.aholdusa.com">www.aholdusa.com</a>)</td>
<td>$ 26.1 billion</td>
<td>781</td>
</tr>
<tr>
<td>10</td>
<td>Delhaize America (<a href="http://www.delhaizeamerica.com">www.delhaizeamerica.com</a>)</td>
<td>$ 23.6 billion</td>
<td>1,300</td>
</tr>
<tr>
<td>11</td>
<td>H.E. Butt Grocery Co. (<a href="http://www.heb.com">www.heb.com</a>)</td>
<td>$ 23.0 billion</td>
<td>370</td>
</tr>
<tr>
<td>12</td>
<td>Supervalu (<a href="http://www.supervalu.com">www.supervalu.com</a>)</td>
<td>$ 17.5 billion</td>
<td>640</td>
</tr>
<tr>
<td>13</td>
<td>Meijer (<a href="http://www.meijer.com">www.meijer.com</a>)</td>
<td>$ 16.9 billion</td>
<td>223</td>
</tr>
<tr>
<td>14</td>
<td>Wakefern Food Corp. (<a href="http://www.wakefern.com">www.wakefern.com</a>)</td>
<td>$ 15.7 billion</td>
<td>87</td>
</tr>
<tr>
<td>15</td>
<td>Whole Foods Market (<a href="http://www.wholefoodsmarket.com">www.wholefoodsmarket.com</a>)</td>
<td>$ 15.4 billion</td>
<td>443</td>
</tr>
<tr>
<td>16</td>
<td>7-Eleven (<a href="http://www.7-eleven.com">www.7-eleven.com</a>)</td>
<td>$ 13.3 billion</td>
<td>8,297</td>
</tr>
<tr>
<td>Store Name</td>
<td>Revenue (in billions)</td>
<td>Stores</td>
<td></td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>-----------------------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>Dollar General Corp. (<a href="http://www.dollargeneral.com">www.dollargeneral.com</a>)</td>
<td>$15.3 billion</td>
<td>12,396</td>
<td></td>
</tr>
<tr>
<td>Trader Joe’s Market (<a href="http://www.traderjoes.com">www.traderjoes.com</a>)</td>
<td>$13.0 billion</td>
<td>460</td>
<td></td>
</tr>
<tr>
<td>Southeastern Grocers (<a href="http://www.segrocers.com">www.segrocers.com</a>)</td>
<td>$11.5 billion</td>
<td>802</td>
<td></td>
</tr>
<tr>
<td>Aldi (<a href="http://www.aldifoods.com">www.aldifoods.com</a>)</td>
<td>$11.0 billion</td>
<td>1,495</td>
<td></td>
</tr>
<tr>
<td>Dollar Tree (<a href="http://www.dollartree.com">www.dollartree.com</a>)</td>
<td>$10.9 billion</td>
<td>13,864</td>
<td></td>
</tr>
<tr>
<td>Giant Eagle (<a href="http://www.gianteagle.com">www.gianteagle.com</a>)</td>
<td>$9.5 billion</td>
<td>415</td>
<td></td>
</tr>
<tr>
<td>BJ’s Wholesale Club (<a href="http://www.bjs.com">www.bjs.com</a>)</td>
<td>$9.4 billion</td>
<td>213</td>
<td></td>
</tr>
<tr>
<td>Hy-Vee Food Stores (<a href="http://www.hy-vee.com">www.hy-vee.com</a>)</td>
<td>$9.3 billion</td>
<td>239</td>
<td></td>
</tr>
<tr>
<td>Rite Aid (<a href="http://www.riteaid.com">www.riteaid.com</a>)</td>
<td>$8.2 billion</td>
<td>4,561</td>
<td></td>
</tr>
<tr>
<td>Wegmans (<a href="http://www.wegmans.com">www.wegmans.com</a>)</td>
<td>$7.9 billion</td>
<td>88</td>
<td></td>
</tr>
<tr>
<td>SpartanNash (<a href="http://www.spartannash.com">www.spartannash.com</a>)</td>
<td>$7.6 billion</td>
<td>164</td>
<td></td>
</tr>
<tr>
<td>WinCo Foods (<a href="http://www.wincofoods.com">www.wincofoods.com</a>)</td>
<td>$6.2 billion</td>
<td>105</td>
<td></td>
</tr>
<tr>
<td>Demoulas Market Basket (<a href="http://www.mbfoods.com">www.mbfoods.com</a>)</td>
<td>$4.8 billion</td>
<td>75</td>
<td></td>
</tr>
<tr>
<td>Save Mart Supermarkets (<a href="http://www.savemart.com">www.savemart.com</a>)</td>
<td>$4.3 billion</td>
<td>211</td>
<td></td>
</tr>
<tr>
<td>Stater Bros. (<a href="http://www.staterbros.com">www.staterbros.com</a>)</td>
<td>$4.2 billion</td>
<td>168</td>
<td></td>
</tr>
<tr>
<td>Smart &amp; Final (<a href="http://www.smartandfinal.com">www.smartandfinal.com</a>)</td>
<td>$4.0 billion</td>
<td>276</td>
<td></td>
</tr>
<tr>
<td>Ingles Markets (<a href="http://www.ingles-markets.com">www.ingles-markets.com</a>)</td>
<td>$3.8 billion</td>
<td>201</td>
<td></td>
</tr>
<tr>
<td>Price Chopper (<a href="http://www.pricechopper.com">www.pricechopper.com</a>)</td>
<td>$3.7 billion</td>
<td>137</td>
<td></td>
</tr>
<tr>
<td>Sprouts Farmers Market (<a href="http://www.sprouts.com">www.sprouts.com</a>)</td>
<td>$3.6 billion</td>
<td>217</td>
<td></td>
</tr>
<tr>
<td>Raley’s (<a href="http://www.raleys.com">www.raleys.com</a>)</td>
<td>$3.2 billion</td>
<td>123</td>
<td></td>
</tr>
<tr>
<td>Houchens Industries (<a href="http://www.houchens.com">www.houchens.com</a>)</td>
<td>$3.2 billion</td>
<td>306</td>
<td></td>
</tr>
<tr>
<td>Tops Markets (<a href="http://www.topsmarkets.com">www.topsmarkets.com</a>)</td>
<td>$2.8 billion</td>
<td>168</td>
<td></td>
</tr>
<tr>
<td>Weis Markets (<a href="http://www.weismarkets.com">www.weismarkets.com</a>)</td>
<td>$2.9 billion</td>
<td>163</td>
<td></td>
</tr>
<tr>
<td>Schnuck Markets (<a href="http://www.schnucks.com">www.schnucks.com</a>)</td>
<td>$2.7 billion</td>
<td>99</td>
<td></td>
</tr>
<tr>
<td>Key Food Stores (<a href="http://www.keyfood.com">www.keyfood.com</a>)</td>
<td>$2.5 billion</td>
<td>225</td>
<td></td>
</tr>
<tr>
<td>K-VA-T Food Stores (<a href="http://www.foodcity.com">www.foodcity.com</a>)</td>
<td>$2.3 billion</td>
<td>134</td>
<td></td>
</tr>
<tr>
<td>Amazon.com (<a href="http://www.amazon.com">www.amazon.com</a>)</td>
<td>$2.1 billion</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Associated Food Stores (<a href="http://www.afstores.com">www.afstores.com</a>)</td>
<td>$2.1 billion</td>
<td>42</td>
<td></td>
</tr>
<tr>
<td>Brookshire Grocery Co. (<a href="http://www.brookshires.com">www.brookshires.com</a>)</td>
<td>$2.0 billion</td>
<td>152</td>
<td></td>
</tr>
<tr>
<td>The Fresh Market (<a href="http://www.thefreshmarket.com">www.thefreshmarket.com</a>)</td>
<td>$1.9 billion</td>
<td>183</td>
<td></td>
</tr>
<tr>
<td>Saker ShopRite (<a href="http://www.shoprite.com">www.shoprite.com</a>)</td>
<td>$1.8 billion</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>Grocery Outlet (<a href="http://www.croceryoutlet.com">www.croceryoutlet.com</a>)</td>
<td>$1.7 billion</td>
<td>238</td>
<td></td>
</tr>
<tr>
<td>Superior Grocers (<a href="http://www.superiorgrocers.com">www.superiorgrocers.com</a>)</td>
<td>$1.7 billion</td>
<td>45</td>
<td></td>
</tr>
<tr>
<td>Woodman’s Markets (<a href="http://www.woodmans-food.com">www.woodmans-food.com</a>)</td>
<td>$1.7 billion</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>99 Cents Only Stores (<a href="http://www.99only.com">www.99only.com</a>)</td>
<td>$1.6 billion</td>
<td>392</td>
<td></td>
</tr>
<tr>
<td>Big Y Foods (<a href="http://www.bigy.com">www.bigy.com</a>)</td>
<td>$1.6 billion</td>
<td>67</td>
<td></td>
</tr>
<tr>
<td>Bashas’ (<a href="http://www.bashas.com">www.bashas.com</a>)</td>
<td>$1.5 billion</td>
<td>118</td>
<td></td>
</tr>
<tr>
<td>Village Super Market (<a href="http://www.shoprite.com">www.shoprite.com</a>)</td>
<td>$1.6 billion</td>
<td>29</td>
<td></td>
</tr>
</tbody>
</table>
78.2 Market Resources

Supermarket News, 1166 Avenue of the Americas, 10th Floor, New York, NY 10036. (212) 204-4359. (www.supermarketnews.com)
MARKET SHARE BY METROPOLITAN AREA

79.1 Retail Sales In The Largest MSAs
This chapter presents market share leaders for the 100 largest supermarket metropolitan areas. The Metropolitan Statistical Areas (MSAs) defined by the U.S. Census Bureau (www.census.gov) are used. The assessment is based on research by Rascher Press (www.massmarketretailers.com) and published in the August 2014 issue of Mass Market Retailers.

The supermarket market leaders in the top 100 markets are as follows:

1. **New York-Northern New Jersey-Long Island, NY-NJ-PA**
   - Stop & Shop: 15%; A&P/Pathmark: 9%; Costco: 7%; Others: 69%

2. **Los Angeles-Long Beach-Santa Ana, CA**
   - Ralphs: 15%; Costco: 11%; Safeway: 10%; Albertsons: 7%; Trader Joe’s: 6%; Others: 51%

3. **Chicago-Naperville-Joliet, IL-IN-WI**
   - Jewel: 31%; Walmart: 9%; Costco: 8%; Others: 52%

4. **Philadelphia-Camden-Wilmington, PA-NJ-DE-MD**
   - Acme: 15%; Giant: 16%; Walmart: 6%; Others: 63%

5. **Washington-Arlington-Alexandria-DC-VA-MD-WV**
   - Giant Food: 28%; Safeway: 15%; Costco: 10%; Others: 47%

6. **Miami-Fort Lauderdale-Pompano Beach, FL**
   - Publix: 48%; Walmart: 11%; Winn-Dixie: 9%; Others: 32%

7. **Atlanta-Sandy Springs-Marietta, GA**
   - Publix: 25%; Kroger: 24%; Walmart: 21%; Others: 30%

8. **Houston-Baytown-Sugar Land, TX**
   - Walmart: 21%; Kroger: 20%; H-E-B,: 19%; Others: 40%

9. **Boston-Cambridge-Quincy, MA-NH**
   - Stop & Shop: 23%; Shaw’s/Star Market: 16%; DeMoulas/Market Basket: 18%; Whole Foods: 8%; Others: 35%
10. San Francisco-Oakland-Fremont, CA
   • Safeway: 28%; Costco: 14%; Save Mart: 13%; Trader Joe’s: 9%; Whole Foods: 7%; Others: 29%

11. Dallas-Fort Worth-Arlington, TX
   • Walmart: 27%; Kroger: 14%; Safeway/Tom Thumb: 10%; Albertsons: 7%; Others: 42%

12. Seattle-Tacoma-Bellevue, WA
   • Safeway: 22%; Quality Food Centers: 14%; Costco: 12%; Fred Meyer: 10%; Others: 42%

13. Phoenix-Mesa-Scottsdale, AZ
   • Fry’s: 26%; Walmart: 18%; Safeway: 12%; Bashas: 10%; Costco: 9%; Others: 25%

14. Riverside-San Bernardino-Ontario, CA
   • Stater Bros.: 25%; Costco: 11%; Albertsons: 7%; Others: 57%

15. San Diego-Carlsbad-San Marcos, CA
   • Safeway/Vons: 21%; Albertsons: 17%; Costco: 14%; Ralphs: 9%; Others: 39%

16. Detroit-Warren-Livonia, MI
   • Kroger: 25%; Meijer: 22%; Walmart: 13%; Costco: 9%; Others: 31%

17. Baltimore-Towson, MD
   • Giant Food: 22%; Safeway: 9%; Others: 69%

18. Tampa-St. Petersburg-Clearwater, FL
   • Publix: 41%; Walmart: 19%; Bi-Lo: 9%; Others: 31%

19. Denver-Aurora, CO
   • King Soopers: 31%; Safeway: 17%; Walmart: 16%; Costco: 10%; Others: 26%

20. Minneapolis-St. Paul-Bloomington, MN-WI
   • Cub/Supervalu: 19%; Target: 14%; Rainbow Foods/Roundy’s: 9%; Lund’s/Byerly’s: 7%; Others: 51%

21. Sacramento-Arden-Arcade-Roseville, CA
   • Raley’s: 22%; Safeway: 15%; Costco: 12%; Walmart: 11%; Others: 40%
22. St. Louis, MO-IL
   • Schnuck Markets: 27%; Walmart: 19%; Supervalu: 16%; Dierberg’s: 11%; Others: 27%

23. Portland-Vancouver-Beaverton, OR-WA
   • Safeway: 20%; Fred Meyer: 15%; WinCo: 14%; Costco: 11%; Others: 40%

24. Pittsburgh, PA
   • Giant Eagle: 34%; Walmart: 16%; Others: 50%

25. Cincinnati-Middletown, OH-KY-IN
   • Kroger: 42%; Walmart: 19%; Meijer: 12%; Others: 27%

26. Austin-Round Rock, TX
   • H-E-B.: 46%; Walmart: 18%; Randall’s: 8%; Others: 28%

27. San Jose-Sunnyvale-Santa Clara, CA
   • Safeway: 24%; Costco: 17%; Save Mart: 13%; Others: 46%

28. Orlando-Kissimmee, FL
   • Publix: 40%; Walmart: 21%; Winn-Dixie: 7%; Others: 32%

29. Las Vegas-Paradise, NV
   • Walmart: 20%; Smith’s Food & Drug: 19%; Albertsons: 19%; Safeway/Vons: 8%; Others: 34%

30. Providence-New Bedford-Fall River, RI-MA
   • Stop & Shop: 38%; Shaw’s: 11%; Walmart: 10%; BJ’s: 7%; Others: 34%

31. Columbus, OH
   • Kroger: 36%; Walmart: 17%; Meijer: 12%; Giant Eagle: 11%; Others: 24%

32. Cleveland-Elyria-Mentor, OH
   • Giant Eagle: 28%; Walmart: 14%; Heinen’s: 9%; Others: 49%

33. Kansas City, MO-KS
   • Walmart: 23%; Price Chopper: 13%; Hy-Vee: 11%; Others: 53%

34. Milwaukee-Waukesha-West Allis, WI
   • Roundy’s/Pick ‘n Save: 42%; Walmart: 14%; Piggly Wiggly: 8%; Others: 36%

35. San Antonio, TX
   • H-E-B.: 52%; Walmart: 23%; Others: 25%
36. Charlotte-Gastonia-Concord, NC-SC
   • Harris Teeter: 27%; Walmart: 20%; Food Lion: 18%; Others: 35%

37. Nashville-Davidson-Murfreesboro-Franklin, TN
   • Kroger: 26%; Walmart: 24%; Publix: 17%; Others: 35%

38. Hartford-West Hartford-East Hartford, CT
   • Stop & Shop: 36%; Big Y: 9%; Others: 55%

39. Buffalo-Niagara Falls, NY
   • Tops Markets: 33%; Wegmans: 29%; Walmart: 10%; Others: 28%

40. Bridgeport-Stamford-Norwalk, CT
   • Stop & Shop: 34%; ShopRite: 16%; Stew Leonard: 8%; Others: 42%

41. Rochester, NY
   • Wegmans: 47%; Walmart: 16%; Tops Markets: 12%; Others: 25%

42. Indianapolis-Carmel, IN
   • Kroger: 27%; Walmart: 23%; Marsh: 12%; Meijer: 10%; Others: 28%

43. Jacksonville, FL
   • Publix: 35%; Walmart: 24%; Winn-Dixie: 17%; Others: 24%

44. Virginia Beach-Norfolk-Newport News, VA-NC
   • Food Lion: 23%; Walmart: 21%; Farm Fresh: 18%; Harris Teeter: 8%; Others: 30%

45. Salt Lake City, UT
   • Smith’s Food & Drug: 23%; Walmart: 20%; Harmon’s: 11%; Costco: 10%; Others: 56%

46. Louisville-Jefferson County, KY-IN
   • Kroger: 32%; Walmart: 25%; Meijer: 10%; Others: 33%

47. Richmond, VA
   • Giant: 20%; Food Lion: 19%; Walmart: 18%; Kroger: 13%; Others: 30%

48. Tucson, AZ
   • Fry’s: 24%; Walmart: 18%; Safeway: 16%; Costco: 9%; Others: 33%

49. Raleigh-Cary, NC
   • Walmart: 25%; Harris Teeter: 19%; Food Lion: 18%; Others: 38%
50. Memphis, TN-MS-AR
   • Kroger: 39%; Walmart: 26%; Others: 35%

51. Allentown-Bethlehem-Easton, PA-NJ
   • Giant: 25%; Weis Markets: 12%; Wegmans: 11%; Others: 52%

52. New Haven-Milford, CT
   • Stop & Shop: 39%; Costco: 8%; Big Y Foods: 8%; Others: 45%

53. Oxnard-Thousand Oaks-Ventura, CA
   • Safeway/Vons: 27%; Ralphs: 13%; Albertsons: 11%; Costco: 9%; Trader Joe’s: 8%; Others: 32%

54. Albany-Schenectady-Troy, NY
   • Price Chopper: 32%; Hannaford: 21%; Walmart: 13%; Stewart’s: 9%; Others: 25%

55. Omaha-Council Bluffs, NE-IA
   • Walmart: 21%; SpartanNash: 20%; Hy-Vee: 18%; Dillon/Baker’s: 13%; Target: 8%; Others: 20%

56. Worcester, MA
   • Stop & Shop: 17%; Walmart: 12%; Price Chopper: 11%; Hannaford: 10%; Shaw’s: 10%; Others: 40%

57. New Orleans-Metairie-Kenner, LA
   • Walmart: 32%; Rouse’s Supermarket: 19%; Winn-Dixie: 18%; Sam’s Club: 10%; Others: 21%

58. Fresno, CA
   • Save Mart: 25%; Costco: 15%; WinCo: 11%; Walmart: 9%; Safeway: 8%; Others: 32%

59. Sarasota-Bradenton-Venice, FL
   • Publix: 46%; Walmart: 23%; Others: 31%

60. Birmingham-Hoover, AL
   • Walmart: 41%; Publix: 19%; Others: 40%

61. Bakersfield, CA
   • Albertsons: 20%; Costco: 12%; Safeway: 11%; Save Mart: 10%; Others: 47%
62. Springfield, MA
   • Big Y: 32%; Stop & Shop: 28%; Walmart: 11%; Others: 29%

63. Oklahoma City, OK
   • Walmart: 42%; Crest Foods: 12%; Homeland: 9%; Others: 37%

64. Poughkeepsie-Newburgh-Middletown, NY
   • Wakefern: 23%; Stop & Shop: 19%; Hannaford: 11%; Walmart: 10%; Others: 37%

65. Syracuse, NY
   • Wegmans: 34%; Tops Markets: 19%; Walmart: 15%; Price Chopper: 11%; Others: 21%

66. Santa Rosa-Petaluma, CA
   • Safeway: 26%; Costco: 16%; Whole Foods: 15%; Save Mart: 13%; Raley’s: 10%; Others: 20%

67. Portland-South Portland-Biddeford, ME
   • Hannaford: 47%; Shaw’s: 21%; Walmart: 15%; Others: 17%

68. Fort Myers-Cape Coral, FL
   • Publix: 43%; Walmart: 16%; Costco: 9%; Others: 32%

69. Dayton, OH
   • Kroger: 35%; Walmart: 24%; Meijer: 15%; Sam’s Club: 8%; Others: 18%

70. Akron, OH
   • Giant Eagle: 25%; Fred W. Albrecht: 20%; Walmart: 18%; Others: 37%

71. Honolulu, HI
   • Foodland: 23%; Costco: 21%; PAQ: 16%; Safeway: 14%; Don Quijote Foods: 9%; Others: 17%

72. Wichita, KS
   • Dillon: 39%; Walmart: 37%; Others: 24%

73. Knoxville, TN
   • Walmart: 27%; Kroger: 20%; K-VA-T: 18%; Others: 35%

74. Stockton, CA
   • Costco: 24%; Save Mart: 19%; Raley’s: 10%; WinCo: 9%; Safeway: 8%; Others: 30%
75. Albuquerque, NM  
- Walmart: 29%; Smith’s Food & Drug: 23%; Albertsons: 12%; Weis Markets: 14%; Others: 22%

76. Harrisburg-Carlisle, PA  
- Giant: 38%; Walmart: 15%; Weis Markets: 14%; Others: 33%

77. Madison, WI  
- Roundy's: 25%; Costco: 13%; Woodman's: 11%; Walmart: 10%; Others: 41%

78. Scranton-Wilkes-Barre, PA  
- Walmart: 19%; Weis Markets: 14%; Price Chopper: 10%; Wegmans: 11%; Others: 46%

79. Charleston-North Charleston, SC  
- Walmart: 22%; Publix: 17%; Bi-Lo: 15%; Food Lion: 9%; Others: 77%

80. McAllen-Edinburgh-Mission, TX  
- H-E-B.: 57%; Walmart: 28%; Others: 15%

81. Des Moines, West Des Moines, IA  
- Hy-Vee: 29%; Walmart: 19%; Dahl's: 16%; Fareway: 9%; Others: 27%

82. Lancaster, PA  
- Giant: 31%; Weis Markets: 21%; Others: 48%

83. Toledo, OH  
- Kroger: 32%; Walmart: 22%; Meijer: 18%; Others: 28%

84. Columbia, SC  
- Walmart: 31%; Bi-Lo: 17%; Food Lion: 14%; Publix: 13%; Others: 25%

85. Santa Barbara-Santa Maria-Goleta, CA  
- Safeway: 20%; Albertsons: 20%; Costco: 17%; Ralphs: 9%; Others: 34%

86. Greenville-Mauldin-Easley, SC  
- Bi-Lo: 24%; Walmart: 23%; Publix: 15%; Ingles: 13%; Others: 25%

87. Manchester-Nashua, NH  
- DeMoulas/Market Basket: 29%; Hannaford: 20%; Shaw's: 19%; Others: 32%

88. Modesto, CA  
- Save Mart: 23%; Costco: 17%; Walmart: 12%; Raley's: 11%; Others: 37%
89. Tulsa, OK
   • Walmart: 42%; Reasor’s: 18%; Warehouse Markets: 8%; Others: 32%

90. Greensboro-High Point, NC
   • Walmart: 30%; Food Lion: 26%; Harris Teeter: 16%; Others: 28%

91. Baton Rouge, LA
   • Walmart: 48%; Albertsons: 12%; Winn-Dixie: 9%; Others: 31%

92. Boise City-Nampa, ID
   • Albertsons: 29%; Walmart: 19%; WinCo: 18%; Fred Meyer: 11%; Costco: 10%; Others: 13%

93. Spokane, WA
   • Safeway: 18%; Walmart: 13%; Costco: 12%; Albertsons: 11%; Rosauers: 10%; Others: 36%

94. Little Rock-North Little Rock, AR
   • Walmart: 46%; Kroger; 32%; Others: 22%

95. Melbourne-Palm Bay-Titusville, FL
   • Publix: 43%; Walmart: 25%; Winn-Dixie: 10%; Others: 24%

96. Colorado Springs, CO
   • Walmart: 30%; King Soopers: 17%; Safeway: 13%; Costco: 10%; Others: 30%

97. Asheville, NC
   • Ingles Markets: 39%; Walmart: 25%; Others: 36%

98. Daytona Beach-Ormond Beach, FL
   • Publix: 43%; Walmart: 25%; Winn-Dixie: 14%; Others: 18%

99. Trenton-Ewing, NJ
   • ShopRite: 38%; Wegmans: 11%; Acme: 9%; Others: 42%

100. Youngstown-Warren-Boardman, OH-PA
   • Giant Eagle: 28%; Walmart: 24%; Others: 48%

79.2 Market Resources
### 80.1 Spending At Supermarkets

International Demographics (www.themediaaudit.com) surveyed adults in 83 metropolitan areas assessing their average weekly spending in supermarkets. Spending data is indexed* as follows:

<table>
<thead>
<tr>
<th>City</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akron, OH</td>
<td>0.90</td>
</tr>
<tr>
<td>Albany-Schenectady-Troy, NY</td>
<td>1.13</td>
</tr>
<tr>
<td>Albuquerque, NM</td>
<td>1.00</td>
</tr>
<tr>
<td>Allentown-Bethlehem, PA</td>
<td>1.07</td>
</tr>
<tr>
<td>Ann Arbor, MI</td>
<td>1.05</td>
</tr>
<tr>
<td>Atlanta, GA</td>
<td>0.99</td>
</tr>
<tr>
<td>Austin, TX</td>
<td>1.01</td>
</tr>
<tr>
<td>Baltimore, MD</td>
<td>1.02</td>
</tr>
<tr>
<td>Birmingham, AL</td>
<td>1.08</td>
</tr>
<tr>
<td>Boise, ID</td>
<td>1.01</td>
</tr>
<tr>
<td>Boston, MA</td>
<td>0.96</td>
</tr>
<tr>
<td>Buffalo, NY</td>
<td>0.87</td>
</tr>
<tr>
<td>Charleston, SC</td>
<td>0.98</td>
</tr>
<tr>
<td>Charlotte, NC</td>
<td>0.94</td>
</tr>
<tr>
<td>Chicago, IL</td>
<td>1.02</td>
</tr>
<tr>
<td>Cincinnati, OH</td>
<td>0.96</td>
</tr>
<tr>
<td>Cleveland, OH</td>
<td>0.95</td>
</tr>
<tr>
<td>Colorado Springs, CO</td>
<td>1.07</td>
</tr>
<tr>
<td>Columbia, SC</td>
<td>0.93</td>
</tr>
<tr>
<td>Columbia-Jefferson City, MO</td>
<td>0.94</td>
</tr>
<tr>
<td>Columbus, OH</td>
<td>0.93</td>
</tr>
<tr>
<td>Dallas-Ft. Worth, TX</td>
<td>1.14</td>
</tr>
<tr>
<td>Dayton, OH</td>
<td>0.84</td>
</tr>
<tr>
<td>Denver, CO</td>
<td>1.08</td>
</tr>
<tr>
<td>Detroit, MI</td>
<td>1.07</td>
</tr>
<tr>
<td>Eugene-Springfield, OR</td>
<td>0.90</td>
</tr>
<tr>
<td>Ft. Myers-Naples, FL</td>
<td>0.96</td>
</tr>
<tr>
<td>Grand Rapids, MI</td>
<td>0.99</td>
</tr>
<tr>
<td>Greensboro, NC</td>
<td>0.89</td>
</tr>
<tr>
<td>Greenville-Spartanburg, SC</td>
<td>0.86</td>
</tr>
<tr>
<td>Hartford-New Haven, CT</td>
<td>1.01</td>
</tr>
</tbody>
</table>
• Houston, TX: 1.11
• Indianapolis, IN: 0.92
• Jackson, MS: 1.11
• Jacksonville, FL: 1.01
• Kansas City, MO: 0.90
• Las Vegas, NV: 1.16
• Lexington, KY: 0.95
• Little Rock, AR: 1.10
• Long Island, NY: 1.16
• Los Angeles, CA: 0.97
• Louisville, KY: 0.98
• Madison, WI: 0.89
• Melbourne-Titusville-Cocoa, FL: 1.02
• Memphis, TN: 1.08
• Miami-Ft. Lauderdale, FL: 1.02
• Milwaukee-Racine, WI: 0.83
• Minneapolis-St. Paul, MN: 0.92
• Nashville, TN: 0.97
• New Orleans, LA: 1.13
• New York, NY: 1.02
• Norfolk-Virginia Beach-Newport News, VA: 0.96
• Ocala, FL: 1.09
• Oklahoma City, OK: 1.15
• Omaha-Council Bluffs, NE: 0.86
• Orange County, CA: 1.00
• Orlando, FL: 0.99
• Peoria, IL: 0.99
• Philadelphia, PA: 1.01
• Phoenix, AZ: 0.96
• Pittsburgh, PA: 0.99
• Portland, OR: 0.97
• Raleigh-Durham, NC: 1.03
• Reno, NV: 1.21
• Riverside-San Bernardino, CA: 1.03
• Rochester, NY: 0.81
• Sacramento, CA: 1.01
• Salt Lake City, UT: 1.03
• San Antonio, TX: 1.07
• San Diego, CA: 1.03
• San Francisco, CA: 1.15
• San Jose, CA: 1.04
• Seattle-Tacoma, WA: 1.04
• Southern New Hampshire: 0.96
• Spokane, WA: 0.99
• St. Louis, MO: 0.90
• Syracuse, NY: 0.99
• Tampa-St. Petersburg, FL: 1.04
• Toledo, OH: 1.05
• Tucson, AZ: 0.92
• Tulsa, OK: 1.01
• Washington, DC: 1.10
• West Palm Beach, FL: 1.08

* Ratio of spending in each city divided by the national average; 1.00 equals national average.

80.2 Market Resources
International Demographics, 10333 Richmond Avenue, Suite 200, Houston, TX 77042. (713) 626-0333. (www.themediaaudit.com)
# CPG SALES IN SUPERMARKETS

## 81.1 Sales at Mass Market Retail Stores

According to *Mass Market Retailers* (MMR), based on analysis by IRI (www.iriworldwide.com), annual sales of consumer packaged goods (CPGs) in supermarkets are as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Annual Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbonated beverages</td>
<td>$11.24 billion</td>
</tr>
<tr>
<td>Milk</td>
<td>$10.51 billion</td>
</tr>
<tr>
<td>Fresh bread &amp; rolls</td>
<td>$9.41 billion</td>
</tr>
<tr>
<td>Salty Snacks</td>
<td>$9.11 billion</td>
</tr>
<tr>
<td>Beer/ale/alcoholic cider</td>
<td>$9.10 billion</td>
</tr>
<tr>
<td>Natural cheese</td>
<td>$8.14 billion</td>
</tr>
<tr>
<td>Wine</td>
<td>$6.68 billion</td>
</tr>
<tr>
<td>Cold Cereal</td>
<td>$5.59 billion</td>
</tr>
<tr>
<td>Frozen dinners/entrees</td>
<td>$5.41 billion</td>
</tr>
<tr>
<td>Yogurt</td>
<td>$4.90 billion</td>
</tr>
<tr>
<td>Bottled water</td>
<td>$4.43 billion</td>
</tr>
<tr>
<td>Coffee</td>
<td>$4.39 billion</td>
</tr>
<tr>
<td>Refrigerated juices/drinks</td>
<td>$4.28 billion</td>
</tr>
<tr>
<td>Ice cream/sherbet</td>
<td>$4.35 billion</td>
</tr>
<tr>
<td>Crackers</td>
<td>$4.16 billion</td>
</tr>
<tr>
<td>Cookies</td>
<td>$3.99 billion</td>
</tr>
<tr>
<td>Cigarettes</td>
<td>$3.90 billion</td>
</tr>
<tr>
<td>Soup</td>
<td>$3.82 billion</td>
</tr>
<tr>
<td>Refrigerated fresh eggs</td>
<td>$3.57 billion</td>
</tr>
<tr>
<td>Breakfast meat</td>
<td>$3.52 billion</td>
</tr>
<tr>
<td>Luncheon meat</td>
<td>$3.36 billion</td>
</tr>
<tr>
<td>Chocolate candy</td>
<td>$3.32 billion</td>
</tr>
<tr>
<td>Bottled juices - shelf stable</td>
<td>$3.22 billion</td>
</tr>
<tr>
<td>Toilet tissue</td>
<td>$3.09 billion</td>
</tr>
<tr>
<td>Dog food</td>
<td>$3.08 billion</td>
</tr>
<tr>
<td>Refrigerated salad/coleslaw</td>
<td>$3.05 billion</td>
</tr>
<tr>
<td>Spirits/liquor</td>
<td>$2.89 billion</td>
</tr>
<tr>
<td>Frozen pizza</td>
<td>$2.78 billion</td>
</tr>
<tr>
<td>Frozen novelties</td>
<td>$2.66 billion</td>
</tr>
<tr>
<td>Frozen seafood</td>
<td>$2.38 billion</td>
</tr>
<tr>
<td>Snack bars/granola bars</td>
<td>$2.32 billion</td>
</tr>
</tbody>
</table>
• Laundry detergent: $2.30 billion
• Vegetables: $2.30 billion
• Frozen/refrigerated poultry: $2.24 billion
• Shortening & oil: $2.14 billion
• Spices/seasonings: $2.14 billion
• Baby formula/electrolytes: $2.07 billion
• Dinner sausage: $2.06 billion
• Cat food: $2.04 billion
• Creams/creamers: $2.03 billion
• Processed cheese: $1.99 billion
• Paper towels: $1.86 billion
• Processed frozen/refrigerated poultry: $1.85 billion
• Snack nuts/seeds: $1.78 billion
• Frozen plain vegetables: $1.78 billion
• Mexican food: $1.72 billion
• Frozen breakfast food: $1.71 billion
• Frankfurters: $1.68 billion
• Pastry/doughnuts: $1.65 billion
• Sports drinks: $1.62 billion
• Pasta: $1.59 billion
• Spaghetti/Italian sauces: $1.54 billion
• Refrigerated side dishes: $1.54 billion
• Non-chocolate candy: $1.54 billion
• Canned/bottled fruit: $1.53 billion
• Pickles/relish/olives: $1.52 billion
• Butter/butter blends: $1.47 billion
• Food bags & trash bags: $1.46 billion
• Seafood - shelf stable: $1.46 billion
• Rice: $1.43 billion
• Salad dressings - shelf stable: $1.43 billion
• Frozen meat: $1.40 billion
• Refrigerated meat: $1.38 billion
• Dough/biscuit dough - refrigerated: $1.33 billion
• Baking needs: $1.29 billion
• Tea/coffee ready-to-drink: $1.26 billion
• Dry packaged dinners: $1.25 billion
• Vitamins: $1.25 billion
• Margarine/spreads: $1.23 billion
• Dinners - shelf stable: $1.32 billion
• Peanut butter: $1.22 billion
• Mayonnaise: $1.22 billion
• Sugar: $1.18 billion
• Cups & plates: $1.15 billion
• Meat & refrigerated ham - shelf stable: $1.12 billion
<table>
<thead>
<tr>
<th>Product Category</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bakery snacks</td>
<td>$1.12 b</td>
</tr>
<tr>
<td>Baking mixes</td>
<td>$1.12 b</td>
</tr>
<tr>
<td>Soap</td>
<td>$1.09 b</td>
</tr>
<tr>
<td>Frozen potatoes/onions</td>
<td>$1.05 b</td>
</tr>
<tr>
<td>Tomato products</td>
<td>$1.04 b</td>
</tr>
<tr>
<td>Mexican sauce</td>
<td>$1.03 b</td>
</tr>
<tr>
<td>Pies &amp; cakes</td>
<td>$1.00 b</td>
</tr>
<tr>
<td>Energy drinks</td>
<td>$1.01 b</td>
</tr>
<tr>
<td>Dish detergent</td>
<td>$1.00 b</td>
</tr>
<tr>
<td>Cream cheese/cream cheese spreads</td>
<td>$999 m</td>
</tr>
<tr>
<td>Household cleaners</td>
<td>$998 m</td>
</tr>
<tr>
<td>Frozen appetizers/snack rolls</td>
<td>$968 m</td>
</tr>
<tr>
<td>Jellies/jams/honey</td>
<td>$952 m</td>
</tr>
<tr>
<td>Weight control</td>
<td>$936 m</td>
</tr>
<tr>
<td>Diapers</td>
<td>$910 m</td>
</tr>
<tr>
<td>Refrigerated entrees</td>
<td>$877 m</td>
</tr>
<tr>
<td>Gravy/sauce mixes</td>
<td>$841 m</td>
</tr>
<tr>
<td>Sauces - other</td>
<td>$813 m</td>
</tr>
<tr>
<td>Internal analgesics</td>
<td>$809 m</td>
</tr>
<tr>
<td>Lunches - refrigerated</td>
<td>$805 m</td>
</tr>
<tr>
<td>Hot cereal</td>
<td>$804 m</td>
</tr>
<tr>
<td>Aseptic juices</td>
<td>$803 m</td>
</tr>
<tr>
<td>Cottage cheese</td>
<td>$802 m</td>
</tr>
<tr>
<td>Cold/allergy/sinus tablets</td>
<td>$799 m</td>
</tr>
<tr>
<td>Sour cream</td>
<td>$792 m</td>
</tr>
<tr>
<td>Tea - bags/loose</td>
<td>$778 m</td>
</tr>
<tr>
<td>Baby food</td>
<td>$766 m</td>
</tr>
<tr>
<td>Pet supplies</td>
<td>$757 m</td>
</tr>
<tr>
<td>Mustard/ketchup</td>
<td>$756 m</td>
</tr>
<tr>
<td>Toothpaste</td>
<td>$720 m</td>
</tr>
<tr>
<td>Gum</td>
<td>$707 m</td>
</tr>
<tr>
<td>Frozen bread/frozen dough</td>
<td>$679 m</td>
</tr>
<tr>
<td>Cat/dog litter</td>
<td>$650 m</td>
</tr>
<tr>
<td>Shampoo</td>
<td>$629 m</td>
</tr>
<tr>
<td>Sanitary napkins/tampons</td>
<td>$622 m</td>
</tr>
<tr>
<td>Facial tissue</td>
<td>$621 m</td>
</tr>
<tr>
<td>Gastrointestinal tablets</td>
<td>$610 m</td>
</tr>
<tr>
<td>Popcorn/popcorn oil</td>
<td>$596 m</td>
</tr>
<tr>
<td>Drink mixes</td>
<td>$573 m</td>
</tr>
<tr>
<td>Deodorant</td>
<td>$568 m</td>
</tr>
<tr>
<td>Batteries</td>
<td>$562 m</td>
</tr>
<tr>
<td>Air fresheners</td>
<td>$526 m</td>
</tr>
<tr>
<td>Blades</td>
<td>$523 m</td>
</tr>
<tr>
<td>Foils &amp; wraps</td>
<td>$513 m</td>
</tr>
<tr>
<td>Category</td>
<td>Value</td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Skin care</td>
<td>$ 503 million</td>
</tr>
<tr>
<td>Cleaning tools/mops/brooms</td>
<td>$ 459 million</td>
</tr>
<tr>
<td>Toothbrushes</td>
<td>$ 434 million</td>
</tr>
<tr>
<td>Snacks - miscellaneous</td>
<td>$ 427 million</td>
</tr>
<tr>
<td>Hair conditioner</td>
<td>$ 395 million</td>
</tr>
<tr>
<td>Moist towelettes</td>
<td>$ 354 million</td>
</tr>
<tr>
<td>Fabric softener liquid</td>
<td>$ 348 million</td>
</tr>
<tr>
<td>Laundry care</td>
<td>$ 334 million</td>
</tr>
<tr>
<td>Mouthwash</td>
<td>$ 332 million</td>
</tr>
<tr>
<td>Candies</td>
<td>$ 330 million</td>
</tr>
<tr>
<td>Eye/contact lens care products</td>
<td>$ 325 million</td>
</tr>
<tr>
<td>Kitchen storage</td>
<td>$ 302 million</td>
</tr>
<tr>
<td>Hand &amp; body lotion</td>
<td>$ 295 million</td>
</tr>
<tr>
<td>Hair coloring</td>
<td>$ 282 million</td>
</tr>
<tr>
<td>Dried meat snacks</td>
<td>$ 282 million</td>
</tr>
<tr>
<td>Lightbulbs</td>
<td>$ 275 million</td>
</tr>
<tr>
<td>Adult incontinence</td>
<td>$ 270 million</td>
</tr>
<tr>
<td>Pest control</td>
<td>$ 256 million</td>
</tr>
<tr>
<td>First aid treatment</td>
<td>$ 235 million</td>
</tr>
<tr>
<td>Cold/allergy/sinus liquids</td>
<td>$ 229 million</td>
</tr>
<tr>
<td>First aid accessories</td>
<td>$ 212 million</td>
</tr>
<tr>
<td>Cosmetics - eye</td>
<td>$ 212 million</td>
</tr>
<tr>
<td>Hair styling gel/mousse</td>
<td>$ 199 million</td>
</tr>
<tr>
<td>Suntan products</td>
<td>$ 184 million</td>
</tr>
<tr>
<td>Cosmetics - facial</td>
<td>$ 170 million</td>
</tr>
<tr>
<td>Cosmetics - nail</td>
<td>$ 153 million</td>
</tr>
<tr>
<td>Baby accessories</td>
<td>$ 144 million</td>
</tr>
<tr>
<td>Hair accessories</td>
<td>$ 143 million</td>
</tr>
</tbody>
</table>

**81.2 Market Resources**


IRI, 150 North Clinton Street, Chicago, IL 60661. (312) 726-1221. ([www.iriworldwide.com](http://www.iriworldwide.com))
82

FOOD RETAILING FORMATS

82.1 Overview
Consumers have been increasingly purchasing groceries from non-traditional format retail outlets in recent years.
Food store channels have blurred as consumers balance convenience, quality, and price when they shop for groceries.

82.2 Marketshare Distribution
According to The Future of Food Retailing, a report by Willard Bishop (www.willardbishop.com), retail food product marketshare has been distributed as follows:

<table>
<thead>
<tr>
<th></th>
<th>Grocery/Supermarket</th>
<th>Non-traditional</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998:</td>
<td>90%</td>
<td>10%</td>
</tr>
<tr>
<td>2006:</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>2009:</td>
<td>48%</td>
<td>52%</td>
</tr>
<tr>
<td>2015:</td>
<td>46%</td>
<td>54%</td>
</tr>
</tbody>
</table>

Retail food product annual sales, marketshare, and annual growth are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Annual Sales</th>
<th>Marketshare</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional groceries/supermarkets:</td>
<td>$547.4 billion</td>
<td>46.3%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Supercenters:</td>
<td>$207.5 billion</td>
<td>17.6%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Convenience stores:</td>
<td>$177.7 billion</td>
<td>15.1%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Warehouse clubs:</td>
<td>$102.1 billion</td>
<td>8.7%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Drug stores:</td>
<td>$ 61.1 billion</td>
<td>5.4%</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Mass merchandiser/discount stores:</td>
<td>$ 47.8 billion</td>
<td>4.4%</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Dollar stores:</td>
<td>$ 30.4 billion</td>
<td>2.6%</td>
<td>5.7%</td>
</tr>
<tr>
<td>Military:</td>
<td>$  4.8 billion</td>
<td>0.4%</td>
<td>-1.2%</td>
</tr>
</tbody>
</table>

Traditional grocery sales are distributed by format as follows:

<table>
<thead>
<tr>
<th></th>
<th>Annual Sales</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional supermarkets:</td>
<td>$462.3 billion</td>
<td>4.1%</td>
</tr>
<tr>
<td>Limited assortment:</td>
<td>$ 34.6 billion</td>
<td>11.3%</td>
</tr>
<tr>
<td>Super warehouse:</td>
<td>$ 21.6 billion</td>
<td>4.0%</td>
</tr>
<tr>
<td>Fresh format:</td>
<td>$ 15.9 billion</td>
<td>13.5%</td>
</tr>
<tr>
<td>Small groceries:</td>
<td>$ 13.0 billion</td>
<td>2.4%</td>
</tr>
<tr>
<td>Total:</td>
<td>$547.4 billion</td>
<td>4.3%</td>
</tr>
</tbody>
</table>
82.3 Market Resources
Willard Bishop, 840 South Northwest Highway, Barrington, IL 60010. (847) 381-4443. (www.willardbishop.com)
83

GROCERY SHOPPING ONLINE

83.1 Market Assessment

Datamonitor (www.datamonitor.com) estimates online purchases account for about 1.5% of the U.S. grocery market. For comparison, the online marketshare is about 4.5% in Great Britain, 3.0% in South Korea, 2.5% in Japan, and 2.0% in Germany.

The Boston Consulting Group (www.bcg.com) forecasts the global market to increase from $36 billion in 2013 to $100 billion by 2018.

eMarketer (www.emarketer.com) assesses online spending for food and beverage products (specialty foods as well as groceries) as follows (change from previous year in parenthesis):

- 2012: $5.3 billion (14.6%)
- 2013: $6.1 billion (15.2%)
- 2014: $7.0 billion (13.9%)
- 2015: $7.9 billion (12.6%)
- 2016: $8.8 billion (11.4%)
- 2017: $9.7 billion (10.5%)
- 2018: $10.9 billion (12.1%)

83.2 Key Players

Peapod (www.peapod.com), the biggest online grocer, acts as the Internet arm of the Giant and Stop & Shop chains, both subsidiaries of Ahold. FreshDirect (www.freshdirect.com), the second-largest online grocer, is partly owned by Morrisons, a food distributor. Both ventures prosper because they cater largely to well-off families. Amazon began fresh-food deliveries in Seattle in 2007 and in Los Angeles in 2014. Several more cities were added in 2015 and 2016.

Safeway, the second-largest supermarket chain in the U.S., is the only grocer besides Ahold with a substantial online operation. In 2014, Walmart launched tests of its Walmart To Go service in San Francisco and Denver.

Relay Foods (www.relayfoods.com) lets customers order online then pick up their grocery items at a depot. This strategy expands the number of online orders that can be delivered from about four per hour with home delivery to 20 per hour with the pick-up model. Relay Foods offers home delivery for a fee. With service in Charlottesville, Williamsburg, and Baltimore, the company reports that it is adding 1,000 new customers per week.
Good Eggs (www.goodeggs.com), an online farmers’ market, makes home deliveries in San Francisco, Los Angeles, New Orleans, and Brooklyn.

Other startups include Farm to People (www.farmtopeople.com), Farmigo (www.farmigo.com), Good Eggs (www.goodages.com), Instacart (www.instacart.com), and Nature Box (www.naturebox.com).

“Online grocery shopping may now be ready for the mainstream, with the presence of major players like Amazon, Safeway and Walmart.”

*The Wall Street Journal, 1/4/14*

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### 83.3 The Digital Grocery Shopper

The *2015 Foodie Study*, by Sopexa (www.sopexa.com), reported that among adults that consider themselves to be ‘foodies,’ 21% had purchased groceries online.

*The 2016 Online Grocery Shopper*, by Unata (www.unata.com), reported that 8% of U.S. adults bought groceries via the Internet in 2015. Among these people, 93% said they were likely to buy groceries online in 2016.

The following are findings of the study:

- Thirty-nine percent (39%) of those who purchased groceries online said their primary grocer does not offer an online shopping option.
- Men (18%) are slightly more likely than women (15%) to say they are likely to buy groceries online.
- Consumers with annual household incomes of more than $100,000 are 50% more likely than average to have shopped for groceries online in 2015. However, the fastest-growing bracket of new online grocery shoppers is the $50,000-$100,000 annual household income range.
- Consumers with children are twice as likely to have purchased online groceries in 2016 than consumers without children.

“Although not many consumers are currently shopping for groceries online, those who do are likely to be repeat customers.”

*Chain Store Age, 2/18/16*
An April 2016 survey by Market Track (www.markettrack.com) asked U.S. adults about factors that would entice them to buy more groceries digitally. Responses were as follows:

- Better prices than in-store: 32%
- Convenience of delivery: 18%
- Special promotions available online only: 12%
- Time savings: 9%
- Convenience of picking up in-store: 6%

Twenty-four percent (24%) of adults said that they would never shop online for groceries.
PART XIV: SHOPPING CENTERS
84

MALLS & SHOPPING CENTERS

84.1 Overview

According to Economic Impact of Shopping Centers, by the International Council of Shopping Centers (ICSC, www.icsc.org), there are 114,485 shopping centers in the United States, about 60% of which are strip centers. The gross leasable area (GLA) of U.S. shopping centers is 7.49 billion sq. ft.

Shopping centers account for an estimated $2.2 trillion in sales annually, 55% of all (non-automotive) retail sales. Shopping center sales are $7,875 per capita and are 14.8% of U.S. gross domestic product (GDP).

Shopping centers employ approximately 12.5 million people, or 83% of total U.S. retail employment.

The nature of mall shopping is undergoing a subtle change: Time-pressed shoppers are becoming more efficient, making fewer visits to malls, but spending more money per trip. But the basic mall demographic profile is relatively unchanged: a typical mall shopper is female, 37 years of age, and lives in a three-person household with median household income of approximately $45,000.

Although the majority of consumers still visit malls to shop, many are increasingly attracted to malls for other interests, such as to attend a special event or movie or to dine at a restaurant.

Few new enclosed malls have been built during the past decade as developers have focused on new retail formats. Today’s development primarily centers around lifestyle centers, hybrid or power centers, and mixed-use complexes.

84.2 Property Types, Configurations and Primary Trade Areas

The International Council of Shopping Centers defines a shopping center as a group of retail and other commercial establishments planned, developed, owned, and managed as a single property. On-site parking is provided. The center’s size and orientation are generally determined by the market characteristics of the trade area served by the center. There are two basic configurations:

Mall

- Malls typically are enclosed, with a climate-controlled walkway between two facing strips of stores. This represents the most common design mode for regional and superregional centers and has become an informal term for these types of centers.
Strip Center
• A strip center is an attached row of stores or service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores. Open canopies may connect the storefronts, but a strip center does not have enclosed walkways linking the stores. A strip center may be configured in a straight line, or have an ‘L’ or ‘U’ shape.

The term ‘shopping center’ has been evolving since the early 1950s. Given the maturity of the industry, numerous types of centers currently exist that go beyond the standard definitions. Industry nomenclature originally offered four basic terms: neighborhood, community, regional, and superregional centers. However, as the industry has grown and changed, more types of centers have evolved and these four classifications are no longer adequate.

The International Council of Shopping Centers defines 10 principal shopping center types. Economic Impact of Shopping Centers provides the following characteristics of these types as follows:

Regional Mall
• General merchandise or fashion-oriented offerings. Typically, enclosed with inward-facing stores connected by a common walkway. Parking surrounds the outside perimeter.
• Number in U.S.: 831
• Aggregate SLA: 488,594,847 sq. ft. (6.5% of U.S. total)
• Average size: 587,960 sq. ft.
• Typical GLA: 400,000 sq. ft. to 800,000 sq. ft.
• Acres: 40 to 100
• Typical number of stores: 40 to 80
• Typical number of anchors: 2+ (50% to 70% of GLA)
• Typical anchor: Full-line or junior department store, mass merchant, discount department store and/or fashion apparel store
• Trade area: 5-to-15 miles

Super Regional Mall
• Similar in concept to regional malls, but offering more variety and assortment.
• Number in U.S.: 680
• Aggregate SLA: 833,812,001 sq. ft. (11.1% of U.S. total)
• Average size: 1,226,194 sq. ft.
• Typical GLA: 800,000+ sq. ft.
• Acres: 60 to 120
• Typical number of anchors: 3+ (50% to 70% of GLA)
• Typical anchor: Full-line or junior department store, mass merchant, discount department store and/or fashion apparel store
• Trade area: 5-to-25 miles
Strip/Convenience Center
• Attached row of stores or service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores. Open canopies may connect the store fronts, but a strip center does not have enclosed walkways linking the stores.
• A strip center may be configured in a straight line, or have an ‘L’ or ‘U’ shape.
• A convenience center is among the smallest of the centers, whose tenants provide a narrow mix of goods and personal services to a very limited trade area.
• Number in U.S.: 68,127
• Aggregate SLA: 895,849,415 sq. ft. (12.0% of U.S. total)
• Average size: 13,150 sq. ft.
• Typical GLA: < 30,000 sq. ft.
• Acres: <3
• Either anchor-less or with one small convenience store anchor.
• Typical anchor: Convenience store, such as a mini-mart
• Trade area: 1 mile

Neighborhood Center
• Convenience oriented
• Number in U.S.: 32,301
• Aggregate SLA: 2,322,119,720 sq. ft. (31.0% of U.S. total)
• Average size: 71,890 sq. ft.
• Typical GLA: 30,000 sq. ft. to 150,000 sq. ft.
• Acres: 3 to 5
• Typical number of stores: 5 to 20
• Typical number of anchors: 1+ (30% to 50% of GLA)
• Typical anchor: Supermarket
• Trade area: 3 miles

Community Center
• General merchandise or convenience-oriented offerings. Wider range of apparel and other soft goods offerings than neighborhood centers. The center is usually configured in a straight line as a strip, or may be laid out in an ‘L’ or ‘U’ shape, depending on the site and design.
• Number in U.S.: 9,562
• Aggregate SLA: 1,884,308,441 sq. ft. (25.2% of U.S. total)
• Average size: 197,062 sq. ft.
• Typical GLA: 100,000 sq. ft. to 350,000 sq. ft.
• Acres: 10 to 40
• Typical number of stores: 15 to 40
• Typical number of anchors: 2+ (40% to 60% of GLA)
• Typical anchor: Discount store, supermarket, drug, large specialty discount (toys, books, electronics, home improvement/ furnishings or sporting goods, etc.)
• Trade area: 3-to-6 miles
Lifestyle Center
• Upscale national chain specialty stores with dining and entertainment in an outdoor setting.
• Number in U.S.: 398
• Aggregate SLA: 126,247,790 sq. ft. (1.7% of U.S. total)
• Average size: 317,206 sq. ft.
• Typical GLA: 150,000-500,000
• Acres: 10 to 40
• Typical number of anchors: 0-2 (0% to 50% of GLA)
• Typical anchor: Large format upscale specialty store
• Trade area: 8-to-12 miles

Power Center
• Category-dominant anchors, including discount department stores, off-price stores, wholesale clubs, with only a few small tenants.
• Number in U.S.: 2,028
• 827,923,296 sq. ft. (11.1% of U.S. total)
• Average size: 408,246 sq. ft.
• Typical GLA: 250,000 sq. ft. to 600,000 sq. ft.
• Acres: 25 to 80
• Typical number of anchors: 3+ (70% to 90% of GLA)
• Typical anchor: “Category killers,” such as home improvement, discount department, warehouse club and off-price stores
• Trade area: 5-to-10 miles

Theme/Festival Center
• Leisure, tourist, retail, and service-oriented offerings with entertainment as a unifying theme. Often located in urban areas, they may be adapted from older – sometimes historic – buildings and can be part of a mixed-use project.
• Number in U.S.: 178
• Aggregate SLA: 26,161,261 sq. ft. (0.3% of U.S. total)
• Average size: 146,973 sq. ft.
• Typical GLA: 80,000 sq. ft. to 250,000 sq. ft.
• Acres: 5 to 20
• Typical anchor: Restaurants, entertainment
• Trade area: 25-to-75 miles

Outlet Center
• Manufacturers’ and retailers’ outlet stores selling brandname goods at a discount.
• Number in U.S.: 340
• Aggregate SLA: 76,259,181 sq. ft. (1.0% of U.S. total)
• Average size: 224,292 sq. ft.
• Typical GLA: 50,000 sq. ft. to 400,000 sq. ft.
- Acres: 10 to 50
- Typical anchor: Manufacturers’ and retailers’ outlets
- Trade area: 25-to-75 miles

**Airport Retail**
- Consolidation of retail stores located within a commercial airport
- Number in U.S.: 40
- Aggregate SLA: 6,126,566 sq. ft. (0.1% of U.S. total)
- Average size: 153,164 sq. ft.
- Typical GLA: 75,000 sq. ft. to 250,000 sq. ft.
- No anchors; retail includes specialty retail and restaurants

### 84.3 Largest Malls

The largest U.S. shopping centers, ranked by retail GLA, are as follows (source: ICSC):

- **Mall of America** (Blomington, MN): 2,944,242 sq. ft.
- **King of Prussia Mall** (King of Prussia, PA): 2,900,000 sq. ft.
- **Aventura Mall** (Aventura, FL): 2,700,000 sq. ft.
- **South Coast Plaza** (Costa Mesa, CA): 2,700,000 sq. ft.
- **Del Amo Fashion Center** (Torrance, CA): 2,600,000 sq. ft.
- **Destiny USA** (Syracuse, NY): 2,450,000 sq. ft.
- **Houston Galleria** (Houston, TX): 2,400,000 sq. ft.
- **Ala Moana Center** (Honolulu, HI): 2,400,000 sq. ft.
- **Tysons Corner Center** (McLean, VA): 2,400,000 sq. ft.
- **Sawgrass Mills** (Sunrise, FL): 2,383,906 sq. ft.
- **Roosevelt Field** (Garden City, NY): 2,244,581 sq. ft.
- **Woodfield Mall** (Schaumburg, IL): 2,224,000 sq. ft.
- **Palisades Center** (West Nyack, NY): 2,217,322 sq. ft.
- **Millcreek Mall** (Erie, PA): 2,200,000 sq. ft.
- **Plaza Las Américas** (San Juan, PR): 2,173,000 sq. ft.
- **South Shore Plaza** (Braintree, MA): 2,165,000 sq. ft.
- **Lakewood Center** (Lakewood, CA): 2,092,710 sq. ft.
- **Scottsdale Fashion Square** (Scottsdale, AZ): 2,049,169 sq. ft.
- **Oakbrook Center** (Oak Brook, IL): 2,018,000 sq. ft.

### 84.4 Market Trends

Though most high-end malls fared well during the recent economic crisis, many malls throughout the U.S. – from strip malls to power centers to outlet centers – experienced near-record vacancy rates. In response, some owners are demolishing their properties, while others are refashioning the space into alternative commercial
properties, such as rental housing. Others are reconfiguring the spaces as town centers in hopes of reigniting the community feel that once made malls attractive. Green space and dog parks are some of the features being introduced into these revamped malls.

Mall owners who aren’t upgrading or repurposing their properties are leasing to non-conventional tenants. Fitness centers, medical clinics, government offices, schools, churches, and even vegetable gardens are some of the operations that are anchoring malls. Car showrooms, aquariums, and casinos are other concepts.

84.5 Market Resources
International Council of Shopping Centers, 1221 Avenue of the Americas, 41st Floor, New York, NY 10020. (646) 728-3800. (www.icsc.org)
### 85.1 State Profiles

The International Council of Shopping Centers (ICSC, www.icsc.org) provides the following market statistics for shopping centers:

- Number of shopping centers
- Shopping center space (sq. ft.)
- Total shopping center sales
- Shopping center sales per capita

By state, shopping center statistics are as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>Number</th>
<th>Space</th>
<th>Total Sales</th>
<th>Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>1,720</td>
<td>110.8 million sq. ft.</td>
<td>$ 29.5 billion</td>
<td>$ 6,127</td>
</tr>
<tr>
<td>Alaska</td>
<td>134</td>
<td>10.5 million sq. ft.</td>
<td>$ 3.9 billion</td>
<td>$ 5,295</td>
</tr>
<tr>
<td>Arizona</td>
<td>2,760</td>
<td>203.5 million sq. ft.</td>
<td>$ 54.6 billion</td>
<td>$ 8,329</td>
</tr>
<tr>
<td>Arkansas</td>
<td>1,053</td>
<td>51.5 million sq. ft.</td>
<td>$ 13.5 billion</td>
<td>$ 4,582</td>
</tr>
<tr>
<td>California</td>
<td>15,160</td>
<td>895.4 million sq. ft.</td>
<td>$307.8 billion</td>
<td>$ 8,101</td>
</tr>
<tr>
<td>Colorado</td>
<td>2,003</td>
<td>151.1 million sq. ft.</td>
<td>$ 51.2 billion</td>
<td>$ 9,874</td>
</tr>
<tr>
<td>Connecticut</td>
<td>1,528</td>
<td>86.2 million sq. ft.</td>
<td>$ 38.1 billion</td>
<td>$10,607</td>
</tr>
<tr>
<td>Delaware</td>
<td>262</td>
<td>26.4 million sq. ft.</td>
<td>$ 8.6 billion</td>
<td>$ 9,429</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>90</td>
<td>4.7 million sq. ft.</td>
<td>$ 2.6 billion</td>
<td>$ 4,127</td>
</tr>
<tr>
<td>Florida</td>
<td>10,754</td>
<td>594.8 million sq. ft.</td>
<td>$180.5 billion</td>
<td>$ 9,344</td>
</tr>
<tr>
<td>Georgia</td>
<td>4,763</td>
<td>290.9 million sq. ft.</td>
<td>$ 80.5 billion</td>
<td>$ 8,123</td>
</tr>
<tr>
<td>Hawaii</td>
<td>266</td>
<td>28.0 million sq. ft.</td>
<td>$ 9.3 billion</td>
<td>$ 6,704</td>
</tr>
<tr>
<td>Idaho</td>
<td>566</td>
<td>35.1 million sq. ft.</td>
<td>$ 8.7 billion</td>
<td>$ 5,472</td>
</tr>
<tr>
<td>Illinois</td>
<td>4,518</td>
<td>290.8 million sq. ft.</td>
<td>$ 98.5 billion</td>
<td>$ 7,652</td>
</tr>
<tr>
<td>Indiana</td>
<td>2,283</td>
<td>162.1 million sq. ft.</td>
<td>$ 45.8 billion</td>
<td>$ 7,001</td>
</tr>
<tr>
<td>Iowa</td>
<td>656</td>
<td>52.1 million sq. ft.</td>
<td>$ 17.0 billion</td>
<td>$ 5,518</td>
</tr>
<tr>
<td>Kansas</td>
<td>815</td>
<td>60.5 million sq. ft.</td>
<td>$ 19.3 billion</td>
<td>$ 6,687</td>
</tr>
<tr>
<td>Kentucky</td>
<td>1,190</td>
<td>90.7 million sq. ft.</td>
<td>$ 24.0 billion</td>
<td>$ 5,471</td>
</tr>
<tr>
<td>Louisiana</td>
<td>1,361</td>
<td>90.5 million sq. ft.</td>
<td>$ 26.8 billion</td>
<td>$ 5,828</td>
</tr>
<tr>
<td>Maine</td>
<td>281</td>
<td>25.2 million sq. ft.</td>
<td>$ 7.5 billion</td>
<td>$ 5,645</td>
</tr>
<tr>
<td>Maryland</td>
<td>1,897</td>
<td>164.7 million sq. ft.</td>
<td>$ 65.4 billion</td>
<td>$11,116</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>1,866</td>
<td>134.2 million sq. ft.</td>
<td>$ 55.4 billion</td>
<td>$ 8,335</td>
</tr>
<tr>
<td>Michigan</td>
<td>3,808</td>
<td>226.4 million sq. ft.</td>
<td>$ 64.1 billion</td>
<td>$ 6,489</td>
</tr>
<tr>
<td>Minnesota</td>
<td>1,590</td>
<td>101.1 million sq. ft.</td>
<td>$ 35.1 billion</td>
<td>$ 6,533</td>
</tr>
<tr>
<td>Mississippi</td>
<td>899</td>
<td>55.1 million sq. ft.</td>
<td>$ 13.7 billion</td>
<td>$ 4,599</td>
</tr>
</tbody>
</table>
85.2 Largest Malls

The largest malls by state are as follows:

- Alabama: Riverchase Galleria (Birmingham): 1,578,125 sq. ft.
- Arkansas: Central Mall (Ft. Smith): 967,656 sq. ft.
- California: South Coast Plaza (Costa Mesa): 2,700,000 sq. ft.
- Colorado: Park Meadows (Littleton): 1,646,739 sq. ft.
- Connecticut: Danbury Fair Mall (Danbury): 1,291,603 sq. ft.
- Delaware: Christiana Mall (Newark): 1,090,449 sq. ft.
- District of Columbia: The Shops at Georgetown Park: 608,790 sq. ft.
- Florida: Aventura Mall (Aventura): 2,700,000 sq. ft.
- Georgia: The Mall of Georgia (Buford): 1,785,659 sq. ft.
- Hawaii: Ala Moana Center (Honolulu): 2,400,000 sq. ft.
- Idaho: Boise Towne Square (Boise): 1,213,097 sq. ft.
- Illinois: Woodfield Mall (Schaumburg): 2,224,000 sq. ft.
• Indiana: Castleton Square Mall (Indianapolis): 1,469,177 sq. ft.
• Iowa: Merle Hay Mall (Des Moines): 1,447,760 sq. ft.
• Kansas: Oak Park Mall (Overland Park): 1,570,855 sq. ft.
• Kentucky: Fayette Mall (Lexington): 1,193,441 sq. ft.
• Louisiana: The Mall at Cortana (Baton Rouge): 1,618,431 sq. ft.
• Massachusetts: South Shore Plaza (Braintree): 2,165,000 sq. ft.
• Michigan: Northland Shopping Center (Southfield): 1,854,000 sq. ft.
• Minnesota: Mall of America (Bloomington): 2,944,242 sq. ft.
• Mississippi: Metrocenter Mall (Jackson): 1,153,856 sq. ft.
• Missouri: Fashion Show (Las Vegas): 1,986,194 sq. ft.
• New Hampshire: The Mall at Routes 9 & 10 (Salem): 1,020,157 sq. ft.
• New Mexico: Coronado Center (Albuquerque): 1,160,556 sq. ft.
• New York: Destiny USA (Syracuse): 2,450,000 sq. ft.
• North Carolina: Hanes Mall (Winston Salem): 1,482,583 sq. ft.
• Ohio: Easton Town Center (Columbus): 1,643,348 sq. ft.
• Oklahoma: Crossroads Mall (Oklahoma City): 1,266,413 sq. ft.
• Oregon: Lloyd Center (Portland): 1,444,213 sq. ft.
• Pennsylvania: King of Prussia Mall (King of Prussia): 2,856,132 sq. ft.
• Rhode Island: Providence Place (Providence): 1,300,421 sq. ft.
• South Carolina: Haywood Mall (Greenville): 1,232,655 sq. ft.
• South Dakota: The Empire Mall/Empire East (Sioux Falls): 1,338,439 sq. ft.
• Tennessee: West Town Mall (Knoxville): 1,324,856 sq. ft.
• Texas: Houston Galleria (Houston): 2,400,000 sq. ft.
• Utah: Jordan Landing Shopping Center (West Jordan): 1,400,000 sq. ft.
• Vermont: University Mall (Burlington): 610,000 sq. ft.
• Virginia: Tysons Corner Center (McLean): 2,400,000 sq. ft.
• Washington: Tacoma Mall (Tacoma): 1,328,940 sq. ft.
• West Virginia: West Towne Mall (Madison): 1,463,159 sq. ft.
• Wisconsin: Huntington Mall (Barboursville): 1,323,925 sq. ft.
• Wyoming: Eastridge Mall (Casper): 571,842 sq. ft.

85.3 Market Resources
International Council of Shopping Centers (ICSC), 1221 Avenue of the Americas, 41st Floor, New York, NY 10020. (646) 728-3800. (www.icsc.org)
OWNERS

86.1 Overview
National Real Estate Investor compiles an annual list of the largest mall and shopping center owners. The top owners are ranked by gross leasable area owned.

86.2 Retail Property Owners
The 2016 list of top retail property owners is as follows:

5. DDR Corp.: 83,600,000 sq. ft.
6. VEREIT: 67,425,000 sq. ft.
9. Weingarten Realty Investors: 45,634,748 sq. ft.
10. WP Glimcher: 43,468,134 sq. ft.
12. Regency Centers: 38,035,000 sq. ft.
14. (tie) The Cafaro Co.: 30,000,000 sq. ft.
14. (tie) Benderson Development: 30,000,000 sq. ft.
17. PREIT: 27,197,224 sq. ft.
18. Garden Commercial Properties: 26,550,000 sq. ft.
19. TIAA: 26,035,445 sq. ft.
20. National Retail Properties: 25,000,000 sq. ft.
22. Federal Realty Investment Trust: 21,379,000 sq. ft.
23. STORE Capital: 20,384,000 sq. ft.
24. Vestar: 20,280,000 sq. ft.
25. (tie) THF Realty: 20,000,000 sq. ft.
25. (tie) National Retail & Development Corp.: 20,000,000 sq. ft.
27. The Pyramid Cos.: 19,321,743 sq. ft.
28. The Taubman Co.: 18,758,000 sq. ft.
| 29.  | WS Development:    | 18,706,297 sq. ft. |
| 30.  | RD Management:    | 18,000,000 sq. ft. |
| 31.  | Cypress Equities:  | 17,219,000 sq. ft. |
| 32.  | RED Development:  | 16,929,000 sq. ft. |
| 33.  | DLC Management:   | 16,892,601 sq. ft. |
| 34.  | CASTO:            | 16,759,545 sq. ft. |
| 35.  | The Inland Real Estate Group of Companies: | 15,900,000 sq. ft. |
| 37.  | InvenTrust Properties: | 15,251,863 sq. ft. |
| 38.  | Equity One:       | 15,050,830 sq. ft. |
| 40.  | Urban Edge Properties: | 13,901,000 sq. ft. |
| 41.  | Tanger Factory Outlet Centers: | 13,461,336 sq. ft. |
| 42.  | Hull Property Group: | 13,000,000 sq. ft. |
| 43.  | Donahue Schriber:  | 10,000,000 sq. ft. |
| 44.  | Cedar Realty Trust: | 9,459,000 sq. ft. |
| 45.  | Saul Centers:     | 9,349,658 sq. ft. |
| 46.  | RCG Ventures:     | 9,250,000 sq. ft. |
| 47.  | DRA Advisors:     | 8,738,338 sq. ft. |
| 48.  | Retail Opportunity Investments: | 8,600,000 sq. ft. |
| 49.  | Sandor Development: | 8,000,000 sq. ft. |
| 50.  | Acadia Realty Trust: | 7,963,787 sq. ft. |
| 51.  | Excel Trust:      | 7,897,929 sq. ft. |
| 52.  | Sterling Organization: | 7,844,403 sq. ft. |
| 53.  | RK Centers:       | 7,360,319 sq. ft. |
| 54.  | Chase Properties: | 6,400,000 sq. ft. |
| 55.  | GK Development:   | 5,302,256 sq. ft. |
| 56.  | BC Wood Properties: | 5,300,000 sq. ft. |
| 57.  | Peterson Cos.:    | 5,283,102 sq. ft. |
| 58.  | Agree Realty:     | 5,200,000 sq. ft. |
| 59.  | The Goldenberg Group: | 5,153,000 sq. ft. |
| 60.  | Combined Properties: | 5,000,000 sq. ft. |
| 61.  | Urstadt Biddle Properties: | 4,868,000 sq. ft. |
| 64.  | Hawkins Cos.:     | 3,783,951 sq. ft. |
| 65.  | World Class Capital Group: | 3,750,000 sq. ft. |
| 66.  | NewMark Merrill Cos.: | 3,642,911 sq. ft. |
| 67.  | American Realty Advisors: | 3,569,424 sq. ft. |
| 68.  | Wheeler REIT:     | 3,151,358 sq. ft. |
| 69.  | Waterstone Retail: | 2,889,121 sq. ft. |
| 70.  | Festival Properties: | 2,854,613 sq. ft. |
| 71.  | Viking Partner:   | 2,654,586 sq. ft. |
| 72.  | Lincoln Property Company: | 2,651,568 sq. ft. |
73. REDICO: 2,483,275 sq. ft.
74. Ziff Properties: 2,289,967 sq. ft.
75. REDICO: 2,050,000 sq. ft.
76. Bayer Properties, LLC: 1,947,191 sq. ft.
77. LARC Asset Management & Realty: 1,757,256 sq. ft.
78. Majestic Realty: 1,747,220 sq. ft.
79. Linear Retail Properties: 1,700,000 sq. ft.
80. Tolson Enterprises: 1,400,000 sq. ft.
81. Highpoint Capital Group: 1,341,147 sq. ft.
82. Olshan Properties: 1,000,000 sq. ft.

86.3 Market Resources
National Real Estate Investor, 249 W. 17th Street, New York, NY 10011.
(212) 462-3600. (www.nreionline.com)
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MANAGERS

87.1 Overview

*National Real Estate Investor* compiles an annual list of the largest mall and shopping center managers. The top managers are ranked by gross leasable area managed.

87.2 Retail Property Owners

The 2016 list of top retail property managers is as follows:

1. CBRE Group: 400,000,000 sq. ft.
4. DDR Corp.: 115,500,000 sq. ft.
7. WP Glimcher: 68,753,212 sq. ft.
8. VEREIT: 67,425,000 sq. ft.
10. Macerich: 54,518,000 sq. ft.
11. Colliers International: 52,500,000 sq. ft.
12. JLL: 51,810,702 sq. ft.
14. Weingarten Realty Investors: 45,634,748 sq. ft.
15. Westfield: 40,422,569 sq. ft.
16. Regency Centers: 38,035,000 sq. ft.
18. (tie) The Cafaro Co.: 30,000,000 sq. ft.
18. (tie) Benderson Development: 30,000,000 sq. ft.
20. Retail Properties of America: 28,930,000 sq. ft.
23. Vestar: 25,400,000 sq. ft.
24. CASTO: 24,625,629 sq. ft.
25. Cencor Realty Services: 22,400,000 sq. ft.
26. Kite Realty Group: 22,000,000 sq. ft.
<table>
<thead>
<tr>
<th>Rank</th>
<th>Company Name</th>
<th>Retail Area (sq ft)</th>
</tr>
</thead>
<tbody>
<tr>
<td>27.</td>
<td>Federal Realty Investment Trust</td>
<td>21,379,000 sq. ft.</td>
</tr>
<tr>
<td>28.</td>
<td>STORE Capital</td>
<td>20,384,000 sq. ft.</td>
</tr>
<tr>
<td>29. (tie)</td>
<td>THF Realty</td>
<td>20,000,000 sq. ft.</td>
</tr>
<tr>
<td>29. (tie)</td>
<td>National Retail &amp; Development Corp.</td>
<td>20,000,000 sq. ft.</td>
</tr>
<tr>
<td>31.</td>
<td>WS Development</td>
<td>19,761,920 sq. ft.</td>
</tr>
<tr>
<td>32.</td>
<td>The Pyramid Cos.</td>
<td>19,321,743 sq. ft.</td>
</tr>
<tr>
<td>33.</td>
<td>Urban Edge Properties</td>
<td>19,000,000 sq. ft.</td>
</tr>
<tr>
<td>34.</td>
<td>The Taubman Co.</td>
<td>18,758,000 sq. ft.</td>
</tr>
<tr>
<td>35.</td>
<td>Cushman &amp; Wakefield</td>
<td>18,560,073 sq. ft.</td>
</tr>
<tr>
<td>36.</td>
<td>RD Management</td>
<td>18,000,000 sq. ft.</td>
</tr>
<tr>
<td>37.</td>
<td>RED Development</td>
<td>16,929,000 sq. ft.</td>
</tr>
<tr>
<td>38.</td>
<td>DLC Management</td>
<td>16,892,601 sq. ft.</td>
</tr>
<tr>
<td>39.</td>
<td>The Inland Real Estate Group of Companies</td>
<td>16,200,000 sq. ft.</td>
</tr>
<tr>
<td>41.</td>
<td>InvenTrust Properties</td>
<td>15,251,863 sq. ft.</td>
</tr>
<tr>
<td>42.</td>
<td>Equity One</td>
<td>15,050,830 sq. ft.</td>
</tr>
<tr>
<td>44.</td>
<td>Lincoln Property Company</td>
<td>13,964,846 sq. ft.</td>
</tr>
<tr>
<td>45.</td>
<td>Tanger Factory Outlet Centers</td>
<td>13,461,336 sq. ft.</td>
</tr>
<tr>
<td>46. (tie)</td>
<td>Levin Management</td>
<td>13,000,000 sq. ft.</td>
</tr>
<tr>
<td>46. (tie)</td>
<td>Hull Property Group</td>
<td>13,000,000 sq. ft.</td>
</tr>
<tr>
<td>46. (tie)</td>
<td>Madison Marquette</td>
<td>13,000,000 sq. ft.</td>
</tr>
<tr>
<td>49.</td>
<td>NewMark Merrill Cos.</td>
<td>10,600,647 sq. ft.</td>
</tr>
<tr>
<td>50.</td>
<td>Donahue Schriber</td>
<td>10,000,000 sq. ft.</td>
</tr>
<tr>
<td>51.</td>
<td>Cedar Realty Trust</td>
<td>9,459,000 sq. ft.</td>
</tr>
<tr>
<td>52.</td>
<td>Saul Centers</td>
<td>9,349,658 sq. ft.</td>
</tr>
<tr>
<td>53.</td>
<td>RCG Ventures</td>
<td>9,250,000 sq. ft.</td>
</tr>
<tr>
<td>54.</td>
<td>DRA Advisors</td>
<td>8,738,338 sq. ft.</td>
</tr>
<tr>
<td>55.</td>
<td>Retail Opportunity Investments</td>
<td>8,600,000 sq. ft.</td>
</tr>
<tr>
<td>56.</td>
<td>Cypress Equities</td>
<td>8,155,000 sq. ft.</td>
</tr>
<tr>
<td>57.</td>
<td>Sandor Development</td>
<td>8,000,000 sq. ft.</td>
</tr>
<tr>
<td>58.</td>
<td>Acadia Realty Trust</td>
<td>7,963,787 sq. ft.</td>
</tr>
<tr>
<td>59.</td>
<td>Excel Trust</td>
<td>7,897,929 sq. ft.</td>
</tr>
<tr>
<td>60.</td>
<td>Sterling Organization</td>
<td>7,734,929 sq. ft.</td>
</tr>
<tr>
<td>62.</td>
<td>RK Centers</td>
<td>7,360,319 sq. ft.</td>
</tr>
<tr>
<td>63.</td>
<td>Coreland Cos.</td>
<td>6,900,000 sq. ft.</td>
</tr>
<tr>
<td>64.</td>
<td>Chase Properties</td>
<td>6,400,000 sq. ft.</td>
</tr>
<tr>
<td>65.</td>
<td>GK Development</td>
<td>5,302,256 sq. ft.</td>
</tr>
<tr>
<td>66.</td>
<td>BC Wood Properties</td>
<td>5,300,000 sq. ft.</td>
</tr>
<tr>
<td>67.</td>
<td>Peterson Cos.</td>
<td>5,283,102 sq. ft.</td>
</tr>
<tr>
<td>68.</td>
<td>Retail Planning Corp.</td>
<td>5,227,497 sq. ft.</td>
</tr>
<tr>
<td>69.</td>
<td>Agree Realty</td>
<td>5,200,000 sq. ft.</td>
</tr>
<tr>
<td>70.</td>
<td>The Goldenberg Group</td>
<td>5,153,000 sq. ft.</td>
</tr>
</tbody>
</table>
71. Combined Properties: 5,000,000 sq. ft.
72. Urstadt Biddle Properties: 4,868,000 sq. ft.
73. Devonshire REIT: 4,384,988 sq. ft.
74. Hawkins Cos.: 4,353,247 sq. ft.
76. World Class Capital Group: 3,750,000 sq. ft.
78. Wheeler REIT: 3,151,358 sq. ft.
79. ZELL Commercial Real Estate Services: 2,895,431 sq. ft.
80. Waterstone Retail: 2,889,121 sq. ft.
81. MK Property Services: 2,698,903 sq. ft.
82. Viking Partner: 2,654,586 sq. ft.
83. REDICO: 2,483,275 sq. ft.
84. Ziff Properties: 2,289,967 sq. ft.
85. LARC Asset Management & Realty: 1,850,020 sq. ft.
86. Riverwood Properties: 1,800,000 sq. ft.
87. Majestic Realty: 1,747,220 sq. ft.
88. Tolson Enterprises: 1,400,000 sq. ft.
89. Highpoint Capital Group: 1,341,147 sq. ft.
90. Thornton Oliver Keller Commercial Real Estate: 1,261,000 sq. ft.

87.3 Market Resources
National Real Estate Investor, 249 W. 17th Street, New York, NY 10011.
(212) 462-3600. (www.nreionline.com)
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BROKERS

88.1 Overview
National Real Estate Investor compiles an annual list of the largest retail property brokers. The top brokers are ranked by transaction volume.

88.2 Retail Property Brokers
The 2016 list of top brokers is as follows:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Broker</th>
<th>Transaction Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>CBRE Group</td>
<td>$284,900,000,000</td>
</tr>
<tr>
<td>2.</td>
<td>JLL</td>
<td>$189,700,000,000</td>
</tr>
<tr>
<td>3.</td>
<td>Newmark Grubb Knight Frank</td>
<td>$102,670,600,890</td>
</tr>
<tr>
<td>4.</td>
<td>Cushman &amp; Wakefield</td>
<td>$100,799,604,077</td>
</tr>
<tr>
<td>5.</td>
<td>Colliers International</td>
<td>$97,100,000,000</td>
</tr>
<tr>
<td>6.</td>
<td>Eastdil Secured</td>
<td>$91,500,000,000</td>
</tr>
<tr>
<td>7.</td>
<td>DTZ</td>
<td>$63,600,000,000</td>
</tr>
<tr>
<td>8.</td>
<td>iCORE Global</td>
<td>$62,000,000,000</td>
</tr>
<tr>
<td>9.</td>
<td>Marcus &amp; Millichap</td>
<td>$33,100,000,000</td>
</tr>
<tr>
<td>10.</td>
<td>HFF</td>
<td>$29,010,000,000</td>
</tr>
<tr>
<td>11.</td>
<td>Core Network</td>
<td>$21,661,490,090</td>
</tr>
<tr>
<td>12.</td>
<td>NAI Global</td>
<td>$13,803,110,435</td>
</tr>
<tr>
<td>13.</td>
<td>Avison Young</td>
<td>$10,788,000,000</td>
</tr>
<tr>
<td>14.</td>
<td>Lee Associates</td>
<td>$10,000,000,000</td>
</tr>
<tr>
<td>15.</td>
<td>RE/MAX Commercial</td>
<td>$9,778,212,464</td>
</tr>
<tr>
<td>16.</td>
<td>Sperry Van Ness International</td>
<td>$9,100,000,000</td>
</tr>
<tr>
<td>17.</td>
<td>Coldwell Banker Commercial</td>
<td>$8,837,717,022</td>
</tr>
<tr>
<td>18.</td>
<td>PM Realty Group</td>
<td>$7,338,243,256</td>
</tr>
<tr>
<td>19.</td>
<td>Transwestern</td>
<td>$6,834,355,105</td>
</tr>
<tr>
<td>20.</td>
<td>KW Commercial</td>
<td>$4,486,000,000</td>
</tr>
<tr>
<td>21.</td>
<td>Stan Johnson Company</td>
<td>$3,200,000,000</td>
</tr>
<tr>
<td>22.</td>
<td>Kidder Mathews</td>
<td>$3,159,044,737</td>
</tr>
<tr>
<td>23.</td>
<td>Rosewood Realty</td>
<td>$2,000,000,000</td>
</tr>
<tr>
<td>24.</td>
<td>SRS Real Estate Partners</td>
<td>$1,472,614,679</td>
</tr>
<tr>
<td>25.</td>
<td>HREC Investment Advisors</td>
<td>$1,350,000,000</td>
</tr>
<tr>
<td>26.</td>
<td>Capital Pacific</td>
<td>$1,038,666,979</td>
</tr>
<tr>
<td>27.</td>
<td>Hanley Investment Group</td>
<td>$465,000,000</td>
</tr>
</tbody>
</table>
28. Pinnacle Real Estate Advisors: $365,780,130
29. Paramount Lodging Advisors: $325,000,000
30. Matthews Retail Group: $283,029,150

88.3 Market Resources
National Real Estate Investor, 249 W. 17th Street, New York, NY 10011.
(212) 462-3600. (www.nreionline.com)
89
DEVELOPERS, REDEVELOPERS & ACQUIRERS

89.1 Overview
Since 1989, *Chain Store Age* has compiled annual lists of the largest shopping center property retail developers and acquirers. A list of redevelopers was added in 2004. More companies redevelop than build anew nowadays.

Top developers, redevelopers, and acquirers are selected based on the number of project completions, total square footage affected, and significant projects. Companies are ranked by gross leasable area (GLA) of projects completed during the year.

This chapter presents the 2016 lists of companies.

89.2 Top Developers
The top shopping center developers are as follows:

<table>
<thead>
<tr>
<th>GLA Developed</th>
<th>Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBL &amp; Associates Properties (Chattanooga, TN):</td>
<td>1.1 million sq. ft.</td>
</tr>
<tr>
<td>Donahue Schriber (Costa Mesa, CA):</td>
<td>273,000 sq. ft.</td>
</tr>
<tr>
<td>Kimco Realty Corp. (New Hyde Park, NY):</td>
<td>2.4 million sq. ft.</td>
</tr>
<tr>
<td>Regency Centers (Jacksonville, FL):</td>
<td>313,000 sq. ft.</td>
</tr>
<tr>
<td>Rouse Properties (New York, NY):</td>
<td>298,000 sq. ft.</td>
</tr>
<tr>
<td>Simon Property Group (Indianapolis, IN):</td>
<td>1.9 million sq. ft.</td>
</tr>
<tr>
<td>Steiner + Associates (Columbus, OH):</td>
<td>1.9 million sq. ft.</td>
</tr>
<tr>
<td>Stirling Properties (Covington, LA):</td>
<td>570,000 sq. ft.</td>
</tr>
<tr>
<td>Taubman (Bloomfield Hills, MI):</td>
<td>630,000 sq. ft.</td>
</tr>
<tr>
<td>Westfield (Los Angeles, CA):</td>
<td>1.1 million sq. ft.</td>
</tr>
<tr>
<td>The Woodmont Company (Fort Worth, TX):</td>
<td>534,000 sq. ft.</td>
</tr>
</tbody>
</table>

89.3 Top Redevelopers
The top shopping center redevelopers are as follows:

<table>
<thead>
<tr>
<th>GLA Redeveloped</th>
<th>Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Simon Property Group (Indianapolis, IN):</td>
<td>23.0 million sq. ft.</td>
</tr>
<tr>
<td>Brixmor Property Group (New York, NY):</td>
<td>6.4 million sq. ft.</td>
</tr>
<tr>
<td>Regency Centers (Jacksonville, FL):</td>
<td>2.3 million sq. ft.</td>
</tr>
<tr>
<td>Pennsylvania Real Estate Investment Trust (Philadelphia, PA):</td>
<td>1.5 million sq. ft.</td>
</tr>
</tbody>
</table>
• Kimco Realty Corp. (New Hyde Park, NY): 1.3 million sq. ft. n/a
• Cafaro Co. (Youngstown, OH): 807,000 sq. ft. 1
• Westfield (Los Angeles, CA): 739,000 sq. ft. 5
• CBL & Associates Properties (Chattanooga, TN): 445,500 sq. ft. 4
• Rouse Properties (New York, NY): 335,400 sq. ft. 4
• National Realty & Development Corp. (Purchase, NY): 325,250 sq. ft. 5

89.4 Top Acquirers

The top shopping center acquirers are as follows:

• Kimco Realty Corp. (New Hyde Park, NY): 7.5 million sq. ft.
• Phillips Edison & Co. (Cincinnati, OH): 5.4 million sq. ft.
• Inland Real Estate Group (Oak Brook, IL): 4.7 million sq. ft.
• Cole Credit Property Trust IV (Phoenix, AZ): 3.3 million sq. ft.
• Vestar (Phoenix, AZ): 2.0 million sq. ft.

89.5 Market Resources

Chain Store Age, 425 Park Avenue, New York, NY 10022. (212) 756-5118.
(www.chainstoreage.com)
APPENDIX A

ACADEMIC PROGRAMS: RETAIL MANAGEMENT

Central Michigan University, Fashion Merchandising and Design, 150 E. Bellows, Mount Pleasant, MI 48859. (https://go.cmich.edu/academics/Undergraduate/Find_Program/Pages/Apparel_Merchandising.aspx)

Fashion Institute of Design & Merchandising, 919 South Grand Avenue, Los Angeles, CA 90015. (800) 624-1200. (www.fidm.edu)

Fashion Institute of Technology, Seventh Avenue at 27th Street, New York, NY 10001. (212) 217-7999. (www.fitnyc.edu)

Indiana University, Center for Education and Research in Retailing, Kelley School of Business, 1275 East Tenth Street, Bloomington, IN 47405. (www.kelley.iu.edu/cerr)

Johnson & Wales University, Fashion Merchandising & Retail Marketing, 8 Abbott Park Place, Providence, RI 02903. (https://academics.jwu.edu/school-of-business/fashion-merchandising-and-retail-marketing-bs/?taxId=170)

Marywood University, Retail Business Management, 2300 Adams Avenue, Scranton, PA 18509. (www.marywood.edu/business/undergraduate/retail.html)

Montclair State University, Retail Merchandising and Management, 1 Normal Avenue, Montclair, NJ 07043. (https://business.montclair.edu/programs/undergraduate-programs/retail-merchandising-and-management)

New Jersey City University, Retail Management, 2039 Kennedy Boulevard, Jersey City, NJ 07305. (www.njcu.edu/department/management)

Northwestern University, Center for Retail Management, Kellogg School of Management, 2001 Sheridan Road, Evanston, IL 60208. (www.kellogg.northwestern.edu/research/retail/index.htm)

Ohio University, Retail Merchandising, The Gladys W. and David H. Patton College of Education and Human Services, McCracken Hall, Athens, OH 45701. (www.ohio.edu/majors/undergrad/cehs/hcs/rmfpd.cfm)
Purdue University, Retail Institute, 812 West State Street, Matthews Hall, Room 302 C, West Lafayette, IN 47907. (www.cfs.purdue.edu/csr.old/about/contact_us.html)

Santa Clara University, Retail Management Institute, Leavey School of Business, 500 El Camino Real, Santa Clara, CA 95053. (www.scu.edu/business/retail-management-institute/)

Southern Methodist University, JCPenney Center for Retail Excellence, Cox School of Business, 6212 Bishop Boulevard, 302 Fincher Building, Dallas, TX 75275. (www.cox.smu.edu/web/jcpenney-center/jc-penney-center-for-retail-excellence)

Southern New Hampshire University, Retail Management, 2500 North River Road, Manchester, NH 03106. (www.snhu.edu/online-degrees/bachelors/bs-in-retailing)

Syracuse University, Retail Management, Whitman School of Management, 721 University Avenue, Suite 215, Syracuse, NY 13244. (http://whitman.syr.edu/programs-and-academics/academics/retail-management/index.aspx)

Texas A&M University, Center for Retailing Studies, Mays Business School, Wehner Building, Room 201, College Station, TX 77843. (http://mays.tamu.edu/center-for-retailing-studies/)

Texas Tech University, Retail Management, College of Human Sciences, NHR Retailing, P.O. Box 41162, Lubbock, TX 79409. (www.depts.ttu.edu/hs/hrm/)

University of Arizona, Terry J. Lundgren Center for Retailing, 650 North Park Avenue, McClelland Park Building, Room 406, P.O. Box 210078, Tucson, AZ 85721. (https://terryjlundgrencenter.org)

University of Arkansas, Center for Retailing Excellence, Sam M. Walton College of Business, Willard J. Walker Hall, Room 538, Fayetteville, AR 72701. (http://cre.uark.edu)

University of Florida, David F. Miller Center for Retailing Education and Research Center, Warrington College of Business Administration, 100 Bryant Hall, P.O. Box 117150, Gainesville, FL 32611. (http://warrington.ufl.edu/centers/retailcenter)

University of Minnesota Twin Cities, Retail Analysis and Development, 460 Coffey Hall, 1420 Eckles Avenue, Saint Paul, MN 55108. (www.extension.umn.edu/Retail)

University of Pennsylvania, Jay H. Baker Retailing Center, Wharton School of Business, 420 Jon M. Huntsman Hall, 3730 Walnut Street, Philadelphia, PA 19104. (https://bakerretail.wharton.upenn.edu)
University of St. Thomas, Institute for Retailing Excellence, Opus College of Business, Schulze Hall 200, 1000 LaSalle Avenue, Minneapolis, MN 55403. (www.stthomas.edu/business)


University of Wisconsin - Stout, Retail Merchandising and Management, Menomonie, WI 54751. (www.uwstout.edu/programs/bsrmm/index.cfm)

Wake Forest University, Center for Retail Innovation, Worrell Professional Center, Room 2107, Winston-Salem, NC 27106. (www.cri.business.wfu.edu)
APPENDIX B

ACADEMIC PROGRAMS:
FASHION DESIGN & TECHNOLOGY

The American Apparel & Footwear Association (www.wewear.org) endorses the following programs:

Auburn University, Department of Consumer and Design Sciences, 363 Spidle Hall, Auburn University, AL 36849. Contact: Prof. Karla Teel. (334) 844-1345.

Buffalo State College, Fashion and Textile Technology, 1300 Elmwood Avenue, 314 Upton Hall, Buffalo, NY 14222. Contact: Prof. Lynn M. Boorady, Chair. (716) 878-5716.

California State Polytechnic University, Apparel Merchandising and Management, 3801 W. Temple Avenue, Pomona, CA 91768. Contact: Dr. Muditha M. Senanayake, Assistant Professor. (909) 869-4227.

Fashion Institute of Design and Merchandising, Apparel Industry Management, Fashion Institute of Design & Merchandising, 919 South Grand Avenue, Los Angeles, CA 90015. Contact: Roni Miller Start, Chair. (213) 624-1200.

Fashion Institute of Technology, Production in Fashion Management, 227 W. 27th Street, Room B403, New York, NY 10001. Contact: Prof. Mario Federici, Chair. (212) 217-4774.

George Brown College, School of Fashion Studies & Performing Arts, 160 Kendal Avenue, Toronto, ON M5R 1M3, Canada. Contact: Prof. Marilyn McNeil-Morin, Chair. (416) 415-5000.

Iowa State University, Textiles & Clothing, 1052 LeBaron Hall, Ames, IA 50011. Contact: Prof. Eulanda Sanders, Chair. (515) 294-7857.

North Carolina State University, Textile and Apparel Technology and Management, College of Textiles, Box 8301, Raleigh, NC 27695. Contact: Prof. Kate Annett-Hitchcock. (919) 515-0905.
Oklahoma State University, Department of Design Housing & Merchandising, 431 Human Sciences, Stillwater, OK 74074. Contact: Prof. Diane Limbaugh. (405) 744-5035.


University of Georgia, College of Family and Consumer Sciences, Athens, GA 30602. Contact: Prof. Patricia Hunt-Hurst, Ph.D. (706) 542-4888.

University of North Carolina-Greensboro, 210 Stone Building, P.O. Box 26170, Greensboro, NC 27402. Contact: Prof. Ann Ramsey, Internship Director. (336) 334-5250.

University of Rhode Island, Department of Textiles, 55 Lower College Road, Quinn Hall, Kingston, RI 02881. Contact: Prof. Susan Hannel, Chair. (401) 323-1141.
APPENDIX C

ANALYSTS

ACSI (American Customer Satisfaction Index) LLC, 625 Avis Drive, Ann Arbor, MI 48108.  (734) 913-0788.  (www.theacsi.org)


American Affluence Research Center, 2426 Loxford Lane, Alpharetta, GA. 30009.  (770) 740-2200.  (www.affluenceresearch.org)

comScore, 11950 Democracy Drive, Suite 600, Reston, VA 20190.  (703) 438-2000.  (www.comscore.com)

Datamonitor, 52 Vanderbilt Avenue, 11th Floor, New York, NY 10017.  (212) 686-7400.  (www.datamonitor.com)

eMarketer, 11 Times Square, New York, NY 1036.  (212) 763-6010.  (www.emarketer.com)


First Research, Hoover’s Inc., 5800 Airport Boulevard, Austin, TX 78752.  (866) 788-9389.  (www.firstresearch.com)

ForeSee, 2500 Green Road, Suite 400, Ann Arbor, MI 48105.  (800) 621-2850.  (www.foorseeresults.com)

Forrester Research, 60 Acorn Park Drive, Cambridge, MA 02140.  (617) 613-5730.  (www.forrester.com)

InfoScout, 322 Ritch Street, San Francisco, CA 94107.  (415) 801-5935.  (www.infoscout.co)

Interbrand, 130 Fifth Avenue, New York, NY 10011.  (212) 798-7500.  (www.interbrand.com)
International Demographics, 10333 Richmond Avenue, Suite 200, Houston, TX 77042. (713) 626-0333. (www.themediaaudit.com)

Ipsos Marketing, Time & Life Building, 1271 Avenue of the Americas, 15th Floor, New York, NY 10020. (212) 265-3200. (www.ipsos.com)

IRI, 150 North Clinton Street, Chicago, IL 60661. (312) 726-1221. (www.iriworldwide.com)

Kantar Retail, 585 S. Front Street, Suite 50, Columbus, OH 43215. (617) 912-2897. (www.kantarretail.com)


Kurt Salmon Associates, 650 Fifth Avenue, 22nd Floor, New York, NY 10019. (212) 319-9450. (www.kurtsalmon.com)

Marcus & Millichap, 23975 Park Sorrento, Suite 400, Calabasas, CA 91302. (818) 212-2250. (www.marcusmillichap.com)

Millward Brown, 11 Madison Avenue, 12th Floor, New York, NY 10010. (212) 548-7200. (www.millwardbrown.com)

Mintel, 333 West Wacker Drive, Suite 1100, Chicago, IL 60606. (312) 932-0400. (www.mintel.com)

New Strategist, 26 Austin Avenue, P.O. Box 635, Amityville, NY 11701. (631) 608-8795. (www.newstrategist.com)

PricewaterhouseCoopers, 300 Madison Avenue, New York, NY 10017. (646) 471-4000. (www.pwc.com)


Real Capital Analytics, 110 Fifth Avenue, New York, NY 10011. (212) 387-7103. (www.rcanalytics.com)


Retail Metrics Inc., 121 Beach Bluff Avenue, Swampscott, MA 01907. (781) 598-0401. (www.retailmetrics.net)

Shapiro+Raj, 153 West Ohio Street, Suite 300, Chicago, IL 60654. (312) 321-8111. (www.shapiroraj.com)

ShopperTrak, 233 South Wacker Drive, 41st Floor, Chicago, IL 60606. (312) 529-5300. (www.shoppertrak.com)

The Futures Company, 1300 Environ Way, Chapel Hill, NC 27517. (919) 932-8858. (www.thefuturescompany.com)


The Hartman Group, 3150 Richards Road, Suite 200, Bellevue, WA 98005. (425) 452-0818. (www.hartman-group.com)

The Nielsen Company, 85 Broad Street, New York, NY 10004. (646) 654-5000. (www.nielsen.com)

The NPD Group, 900 West Shore Road, Port Washington, NY 11050. (516) 625-0700. (www.npd.com)

The Retail Equation, Inc., P.O. Box 51373, Irvine, CA 92618. (888) 371-1616. (www.theretailequation.com)

The Retail Feedback Group, 8 Briarfield Drive, Suite 100, Lake Success, NY 11020. (516) 829-4200. (www.retailfeedback.com)

Unity Marketing, 206 E. Church Street, Stevens, PA 17578. (717) 336-1600. (www.unitymarketingonline.com)

Willard Bishop, 3880 Salem Lake Drive, Suite D, Long Grove, IL 60047. (847) 381-4443. (www.willardbishop.com)

WSL Strategic Retail, 307 Seventh Avenue, Suite 1707, New York, NY 10001. (212) 924-7780. (www.wslstrategicretail.com)
APPENDIX D

ASSOCIATIONS


Consumer Technology Association, 1919 South Eads Street, Arlington, VA 22202. (866) 858-1555. (www.cta.tech)

Craft & Hobby Association, 319 East 54th Street, Elmwood Park, NJ 07407. (201) 835-1200. (www.craftandhobby.org)

Food Marketing Institute, 2345 Crystal Avenue, Arlington, VA 22202. (202) 452-8444. (www.fmi.org)

International Council of Shopping Centers, 1221 Avenue of the Americas, 41st Floor, New York, NY 10020. (646) 728-3800. (www.icsc.org)


National Association of Convenience Stores, 1600 Duke Street, 7th Floor, Alexandria, VA 22314. (703) 684-3600. (www.nacsonline.com)

National Association of Resale & Thrift Shops, P.O. Box 80707, St. Clair Shores, MI 48080. (586) 294-6700. (www.narts.org)


National Shoe Retailers Association, 7386 N. La Cholla Boulevard, Tucson, AZ 85741. (520) 209-1710. (www.nsra.org)

National Sporting Goods Association, 1601 Feehanville Drive, Suite 300, Mt. Prospect, IL 60056. (847) 296-6742. (www.nsga.org)

Private Label Manufacturers Association, 630 3rd Avenue, New York, NY 10017. (212) 972-3131. (www.plma.com)
Retail Industry Leaders Association, 1700 North Moore Street, Suite 2250, Arlington, VA 22209. (703) 841-2300. (www.rila.org)

Shop.org, Digital Retail Division of the National Retail Federation (www.shop.org)

Toy Industry Association, 1115 Broadway, Suite 400, New York, NY 10010. (212) 675-1141. (www.toyassociation.org)
APPENDIX E

PERIODICALS


Chain Drug Review, 220 Fifth Avenue, New York, NY 10001. (212) 213-6000. (www.chaindrugreview.com)


Chain Store Guide, 10117 Princess Palm Avenue, Suite 375, Tampa, FL 33610. (800) 927-9292. (www.csgis.com)

Home Furnishings News (HFN), 333 Seventh Avenue, New York, NY 10001. (212) 630-4000. (www.hfnmag.com)

Internet Retailer, 125 S. Wacker Drive, Suite 2900, Chicago, IL 60606. (312) 362-9527. (www.internetretailer.com)


Multichannel Merchant, 10 Norden Place, 2nd Floor, Norwalk, CT 06855. (203) 358-5823. (www.multichannelmerchant.com)

National Real Estate Investor, 6151 Powers Ferry Road Northwest, Atlanta, GA 30339. (770) 955-2500. (www.nreionline.com)

Retailing Today, 425 Park Avenue, Suite 6, New York, NY 10022. (212) 756-5220. (www.retailingtoday.com)

Souvenirs, Gifts & Novelties, 10 East Athens Avenue, Suite 208, Ardmore, PA 19003. (610) 645-6940. (www.sgnmag.com)
Stores, published by the National Retail Federation, 1101 New York Avenue NW, Washington, DC 20005. (202) 783-7971. (www.stores.org)

Supermarket News, Penton Media, 1166 Avenue of the Americas, 10th Floor, New York, NY 10036. (212) 204-4200. (www.supermarketnews.com)
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Chapter 9: Market Assessment


Chapter 10: Omnichannel Shopping


“Consumers Like To Shop Digitally, Pick Up In-Store,” eMarketer, April 21, 2016.

“Gen Zers, Millennials Say Brands Should Have Physical Stores,” eMarketer, April 14, 2016.


“Which Omnichannel Retailing Services Need Improvement,” eMarketer, April 28, 2016.

Chapter 11: Mobile Commerce


Chapter 14: E-Retailers: Consumer Favorites

Chapter 16: Largest Retailers: Customer Profile

Chapter 17: Retail Customer Experience

Chapter 21: Top Brands In Reputation

Chapter 25: Book Stores


Chapter 26: Bridal & Wedding Market

Chapter 33: Office Products


Chapter 35: Private Label
Chapter 36: Returns

Chapter 37: Toys & Video Games
“Content-Related Toy Sales Driven By Star Wars Among Top Reasons For Industry Growth,” The NPD Group, January 20, 2016.


Chapter 43: Online Retail

“Brick-And-Mortar Remains Best Fit For Apparel Shoppers,” eMarketer, August 20, 2015.

Chapter 45: Consumer Electronics


Chapter 46: Online Retail - Consumer Electronics

Chapter 48: CPG Sector Trends

Chapter 51: Sector & Brand Reputation

Chapter 52: Online Retail

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Chapter 57: Largest Chain Retail Pharmacies

Chapter 58: Merchandise Sales Mix

Chapter 63: Mass Market HBC Products

Chapter 64: Beauty Products & Cosmetics

“Category and Generational Shifts are Altering the Prestige Beauty Landscape,” The NPD Group, March 15, 2016.

“Two In Five Millennials Are Heavy Cosmetics Buyers,” eMarketer, January 14, 2016.

Chapter 66: Top Brands

Chapter 70: Top Retailers

Chapter 72: Online Retail
“Furniture Shoppers Head In-Store To Decorate,” eMarketer, July 8, 2015.

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Chapter 75: Market Assessment: Sporting Goods Products

Chapter 75: Sports & Recreation Participation
Chapter 82: Food Retailing Formats
The Future of Food Retailing, Willard Bishop, September 2015.

Chapter 83: Grocery Shopping Online

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Economic Impact of Shopping Centers, International Council of Shopping Centers.

Shopping Centers: America’s First and Foremost Marketplace, International Council of Shopping Centers.

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