NIQ's Prime Pulse

Key Findings on October's Big Deal Days

October 2023

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15%
Increase in sales from '22 October Prime Big Deal Days

49%
of Prime Big Deal Days sales were for Health & Beauty items

16%
Sales growth in Food and Health & Beauty

54%
Percent of sales were from 3P merchants

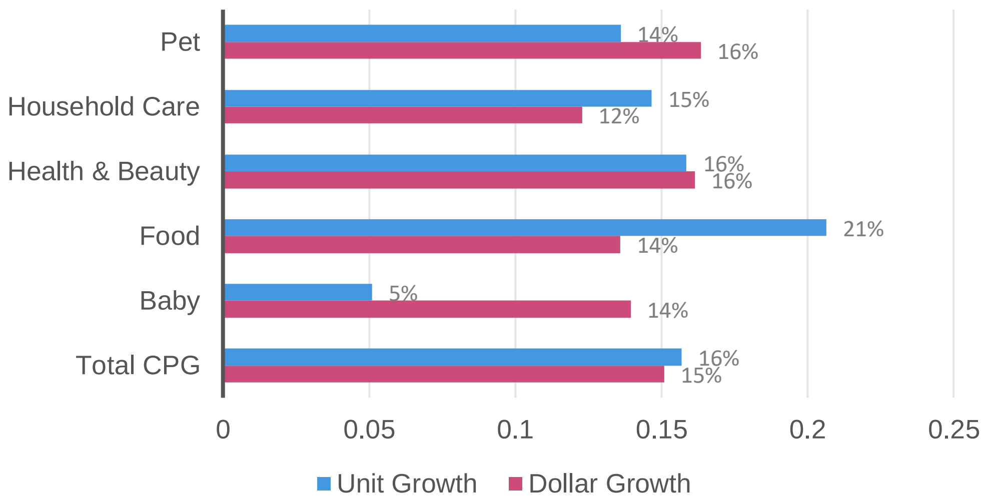
Key Insights: 2023 Big Deal Days

October's Prime Big Deal Days online shopping event yielded a CPG sales lift in its second year, with total CPG sales on the platform up 15% from last year's event. However, CPG sales were 20% below July's Prime Day event. October's Big Deal Days lift relative to the prior 12 weeks' sales averages was also smaller than the July event, a 21% pump compared to a 48% sales lift.

While Prime Big Deal Days sales fell significantly below July Prime Day sales, October is a signficantly more competitive time of year thanks to especially to other retailer sale events, especially from competitive Beauty retailers.

2023 is also an interesting year for promotions, with competing forces pressing against each other; cash-strapped consumers are looking for deals but have less disposable income to take advanatge of them. This tension was evident in survey data collected from Prime shoppers during the October event.

October Prime Big Deal Days (2023 vs. 2022)



There is a **+15% increase in sales** from '22 October Prime Big Deal Days

Source: NIQ Omni-Ecommerce w/e 10/14/23

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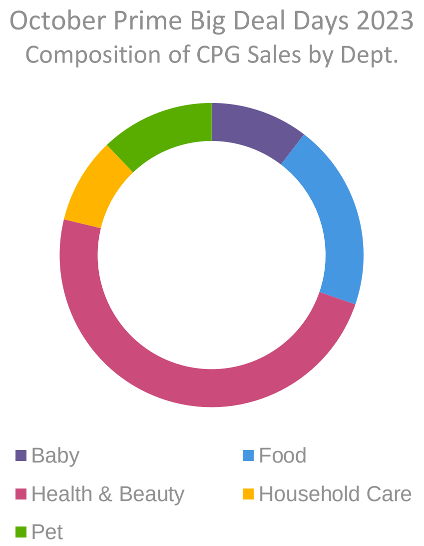
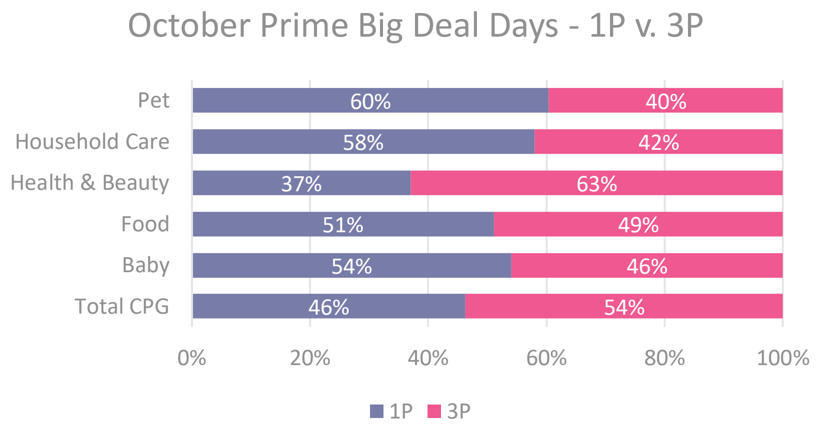
Category Performance:

Health and Beauty was the biggest winner In the October Prime event, accounting for 49 percent of CPG sales during the week, with +16% dollar sales growth from last year. Food, which accounted for 20% of CPG sales – and also grew by 16 percent - experienced significantly greater growth in units sold than in dollars, suggesting that consumers may have been seeking deals in the face of significant inflation in Food prices. Drilling down to the Super Category level, we saw the biggest sales lifts (relative to the average prior 12 weeks) from Batteries and Accessories (+57%), Health & Performance (+56%) and Candy/Gum/Mints (+52%). It seems that the candy brands that are dependent upon strong Halloween sales brought their ‘A game’ this year in a more significant way than they did last year when sales were up only 33 percent from the prior 12 weeks’ average.



Source: NIQ Omni-Ecommerce w/e 10/14/23

Playing the Game: 1P vs 3P Sales.



54%

of CPG sales on Prime Big Deal Days were from **third party merchants**

Source: NIQ Omni-Ecommerce w/e 10/14/23

54 percent of CPG sales on Prime Big Deal Days were from third-party merchants, underscoring the fact that Prime Day holidays are significant events for CPG brands, with or without their participation in the events. This was on par with the third-party share of sales for the past year but higher than the 50 percent share that we saw on July’s Prime Day this year. This implies that brands may have been more aggressive about participation in Prime Day events in July than in October.

Health & Beauty was most deeply impacted by sales from third-party merchants, which accounted for 63 percent of sales dollars. Pet experienced the lowest third-party share of sales, at 40 percent.

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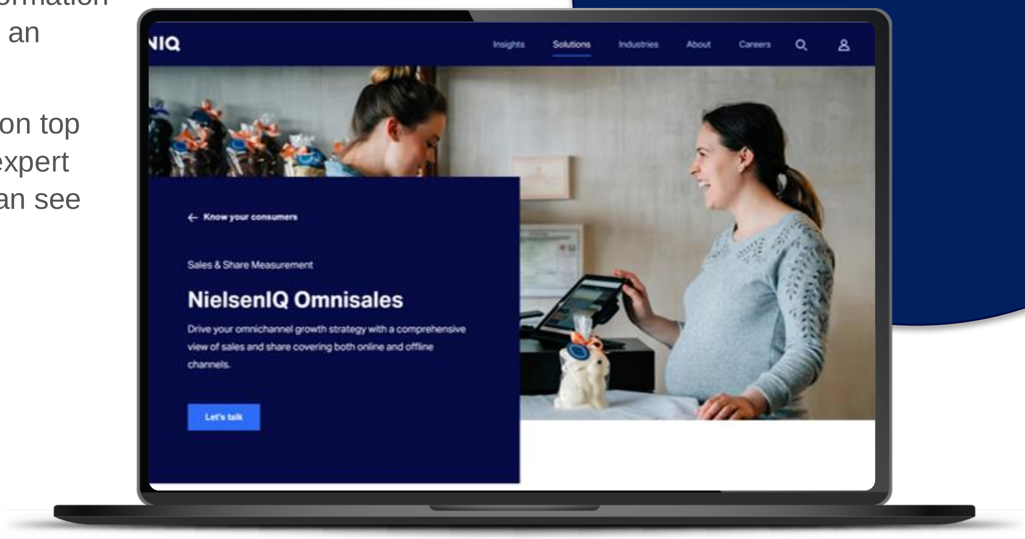
Closing Thoughts

Coming into the Holiday period, signs are pointing to a surprisingly strong consumer economy despite the effect of inflation on the consumer income statement. However, consumers are reacting to CPG inflation by seeking deals where they can get them, particularly by stocking up on non-perishables. Brands should expect promotional events to account for a growing share of sales of non-perishables and monitor competitive pricing and promotions both online and offline. Even though inflation growth is slowing, prices are still significantly higher after the compound effect of many months of high inflation. To stay on top of all key shopping events, follow along on [NIQ's Prime Pulse Hub] and get caught up on the latest news.

Looking for More Data?

The modern shopper swiftly shifts between online retail and in-store shopping at the speed of technology. NIQ's team of Omni-analysts is fast at working, gathering all the information you need to stay competitive in an ever-changing marketplace.

If you need support on staying on top of everything Omni, talk to an expert and learn how your business can see The Full View [here.]



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About the Author

Ken Cassar is the VP Omni Industry Leader at NIQ, where he drives its thought leadership agenda, providing insights to brands and retailers into the increasingly omnichannel nature of shopping.

Ken is a longtime e-commerce industry analyst, beginning coverage of the sector in 1998 as an Analyst at Jupiter Research at the dawn of the digital age. Prior to his current role at NIQ, Ken held leadership roles at digital measurement startups Slice Intelligence and Premise Data and, prior to that spent 10 years in leadership roles at NIQ's predecessor, Nielsen. He speaks frequently at conferences, and his market insight has been cited frequently in publications such as The New York Times, Wall Street Journal, and on television, radio and podcasts.

Other Reports by Ken:

- 2023 Deal Days: Survey Results are in – View the Report
- Shopping is now everywhere: Insights must be too – View the Report
- Shopping Trips Continue to Evolve in the Omnichannel Era – View the Report

About NIQ

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