



in|market insights

Retail Loyalty Report: Winter 2019

Overview

At inMarket, we analyze real-time location data from over 50 million comScore verified direct SDK integrated users. This first-party data powers our suite of location-based ad products that segment, retarget and convert customers for our partners. It's also very useful for predicting business performance based on location/store foot traffic over time -- and for understanding customer retention.

In this Loyalty Report, we're ranking non-grocery retailers based on customer loyalty from January 1 through February 28, 2019. Each retailer is assigned a loyalty score, which is determined by repeat device visitation and is normalized for comparability. For example, a retailer with 1,000,000 total visits from 500,000 unique devices would have a loyalty score of 2, whereas a retailer with 10,000 total visit from 4,000 unique devices would have a loyalty score of 2.5.

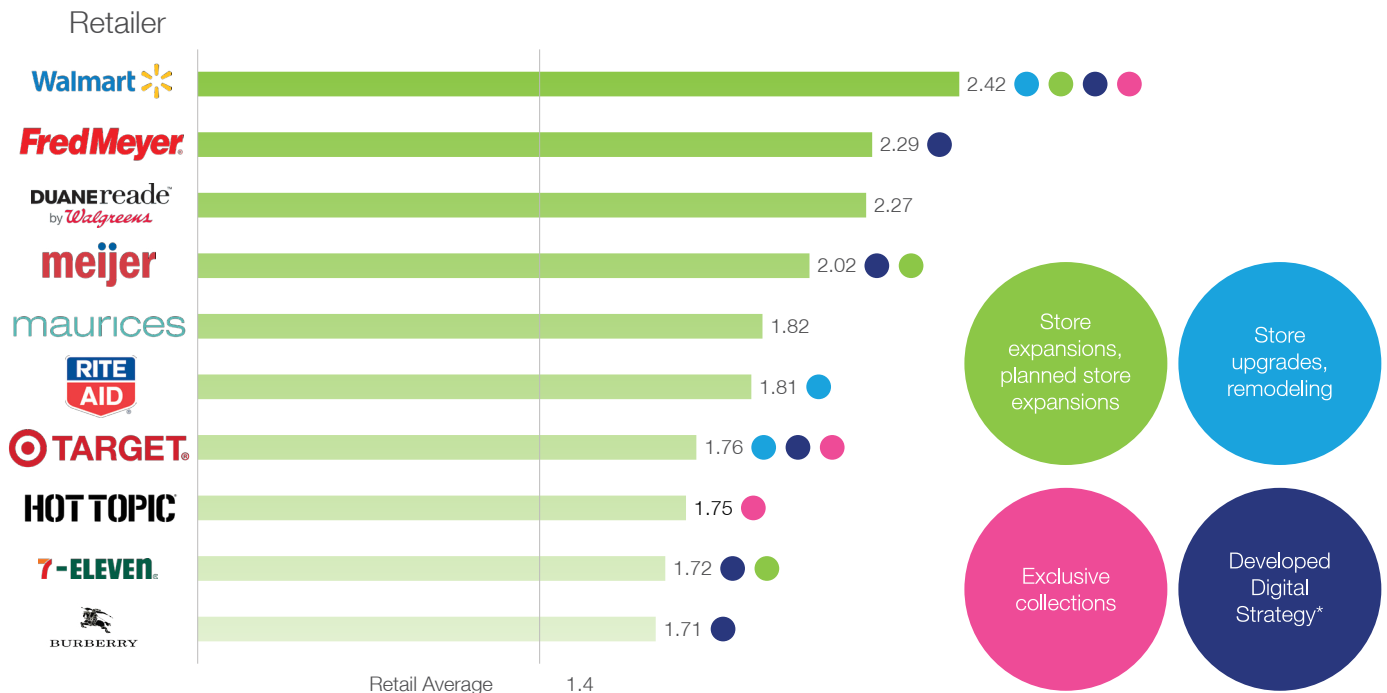
From a marketing standpoint, customer retention is cheaper and potentially more lucrative than new customer acquisition. Businesses with high loyalty scores are typically healthier and more efficient than their low-scoring counterparts, as loyalty has historically been an excellent barometer for growth and decline. If you're interested in how these loyalty scores shake out across other businesses categories (like grocery, restaurants or fitness), please check out our dedicated [inMarket inSights](#) page.

If you have any questions about the Loyalty Rankings for Retail, or would like to learn your business's loyalty score, please [contact us](#) today.



Top 10 Retailers based on Customer Loyalty

These retailers had the most loyal customers in Winter 2019 based on inMarket location data:



*Developed Digital Strategy defined as: Online purchases that can be picked up in-store, online purchases shipped-to-store, online to home delivery, same day delivery, mobile checkout, and/or Scan and Go mobile technology.



Retailers Are Getting Digital. It's no secret that retailers are threatened by Amazon's increasing hold on the marketplace, but chains with well-developed, dynamic digital strategies are doing fine. By providing convenience and low-frictions checkouts with the help of online to in-store strategies, retailer like Walmart and Target see consistent foot traffic.



Hot Topic, popularly known as the edgy retailer with band tees and studded belts beloved by teens in the 90s (and beyond), has loyal customers coming back. Some of this high loyalty may be attributed to their marketing strategy, which plays up millennial nostalgia with a healthy dose of current pop culture trends.



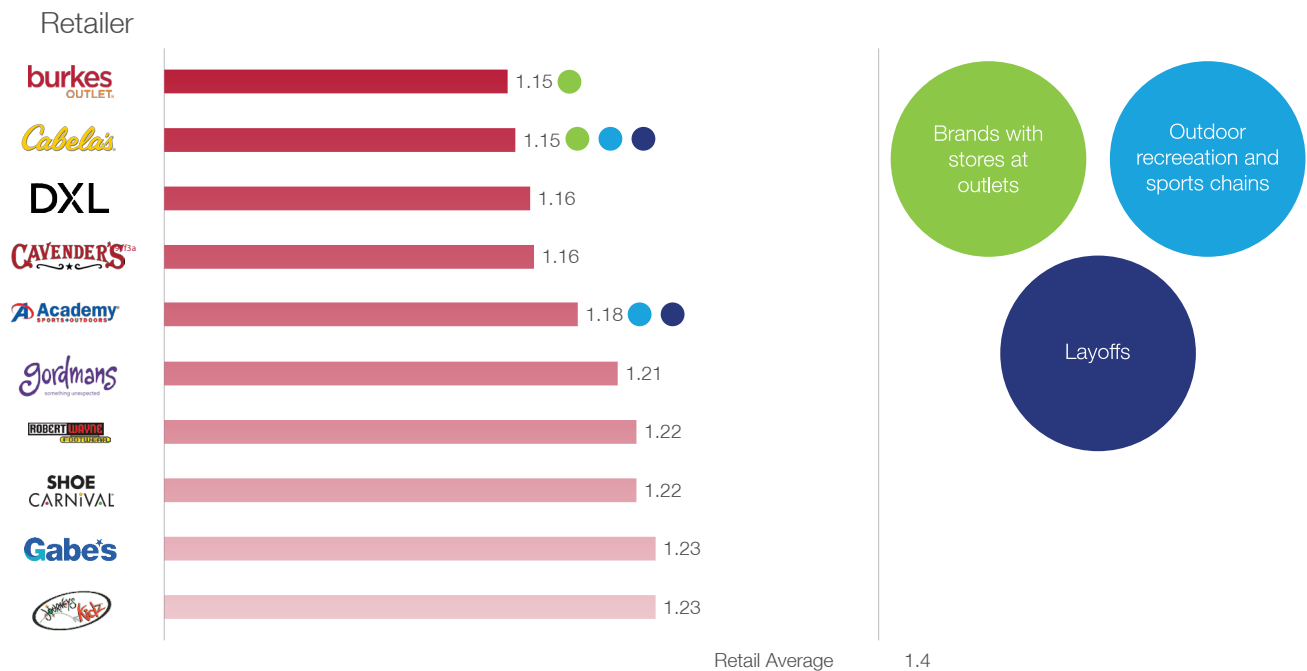
Maurices, typically are found in malls and smaller towns, are popular amongst shoppers residing in Middle America. Their diverse inventory of body type inclusive styles and affordable prices provide a dynamic assortment of options for all, and may be a key factor in their high loyalty rankings.



Duane Reade primarily serves the NYC area in a small-store high-volume layout which makes the chain highly visible to repeat local shoppers in densely populated areas.

Bottom 10 Retailers based on Customer Loyalty

These retailers had the most loyal customers in Winter 2019 based on inMarket location data:



Outlets are Out

Retailers which are mostly based in outlets are on the front lines of e-commerce disruption. In addition, outlets are often geographically placed farther away from big cities. As a result, shoppers are less likely to return on a regular basis, lowering recurring foot traffic.



Sports Retailers Need to Dodge

The outdoor recreation and sports chains listed in the bottom 10 are experiencing lower than average visits because they are failing to adapt to the changing retail landscape (unlike successful, trendier competitors like Nike and R.E.I. that have swiftly acclimated). In addition, these brands are losing business to Amazon and Walmart, are reporting store closures.



Shoe Retailers Are Running out of Time

Shoe retailers are struggling to retain loyal customers. This is an all too-familiar pattern akin to the demise of Payless, so unless these chains can revamp their digital or in-store strategies, they may end up closing their doors for good. Footwear retailers who adapt their customer service strategies for frictionless shopping--like Zappos--are often able to perform as outliers in their category.



Gordmans

After Gordmans filed for bankruptcy in 2017, Stage Stores acquired the off-price retailer, and plans on opening 38 new Gordmans locations. Despite high hopes for a reinvigorated Gordmans, customers don't appear to be returning regularly.

For more information on inMarket inSights and the Loyalty Report, [contact us](#).

To view additional Loyalty Reports, please visit inmarket.com/insights.