

Window On the Consumer Retail Sector - 2021 Outlook

December 2020



Earn Credits

CPE (NASBA)

- ✓ Click the link in the **CEU Request Pod** in the bottom right corner of the webcast console to sign up for credit
- ✓ Stay online for the entire webcast
- ✓ Click 'ok' for 3 popups that occur during the program
- ✓ Credit available for participation in live webcast only



Today's topics and issues

- Explore key trends in the consumer retail sector and their impact on the economy and business
- Identify solutions to challenges associated with shifts in the way that households acquire and consume goods and services
- Discover how these changes will impact the upcoming holiday shopping season - and what executives should do to prepare



Our expert panel



Dana Peterson
(Moderator)
Executive Vice
President & Chief
Economist
***The Conference
Board***



Mike Archbold
Chief Executive Officer
***The Council for Inclusive
Capitalism at the Vatican***
Former Chief Executive
Officer
GNC Holdings, Inc.



Steve Odland
President & CEO
***The Conference
Board***

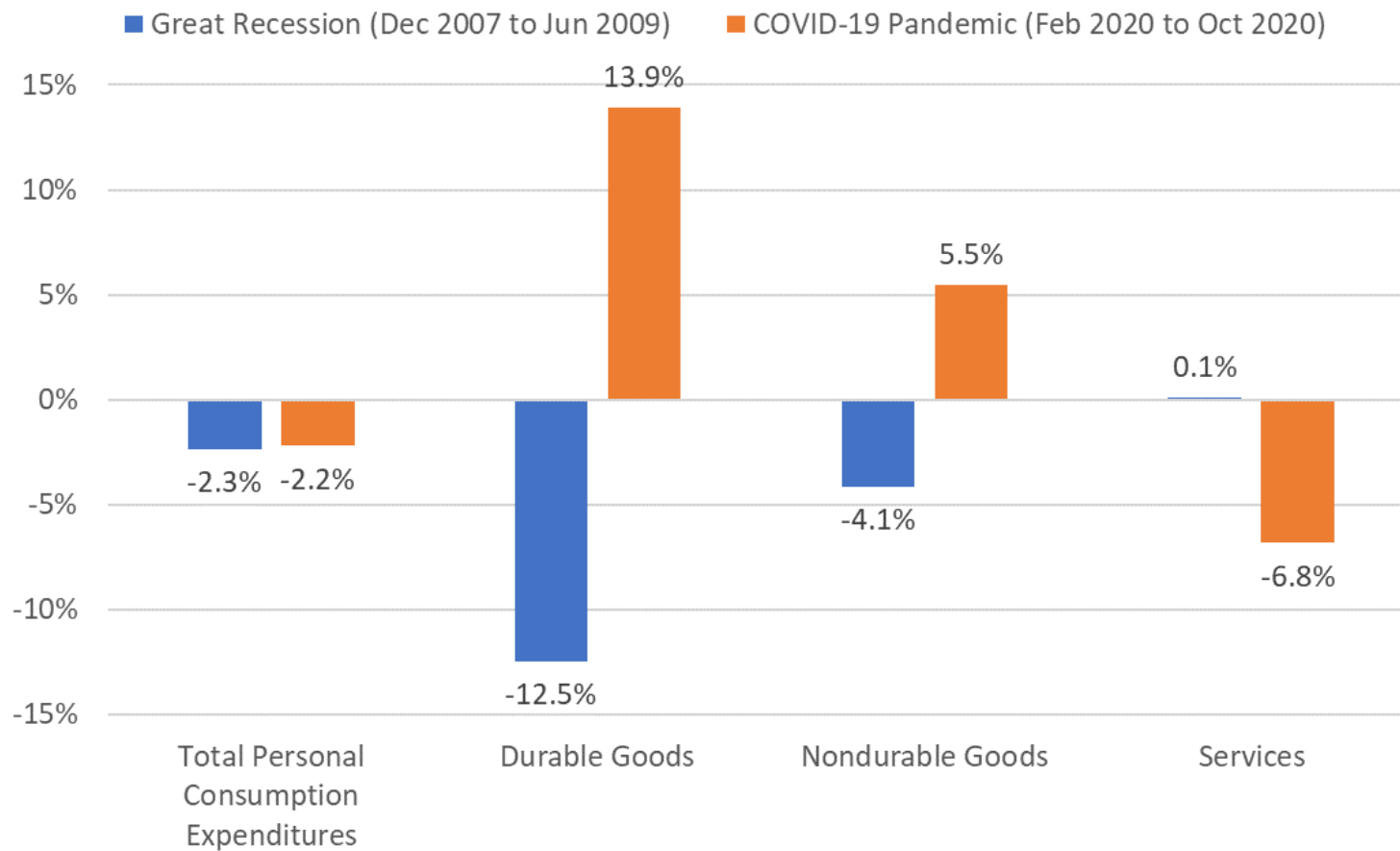


Elizabeth Crofoot
Senior Economist
***The Conference
Board***



Unlike past recessions, goods consumption has remained resilient as consumers are unable or unwilling to spend on services

Percent change in real consumer spending



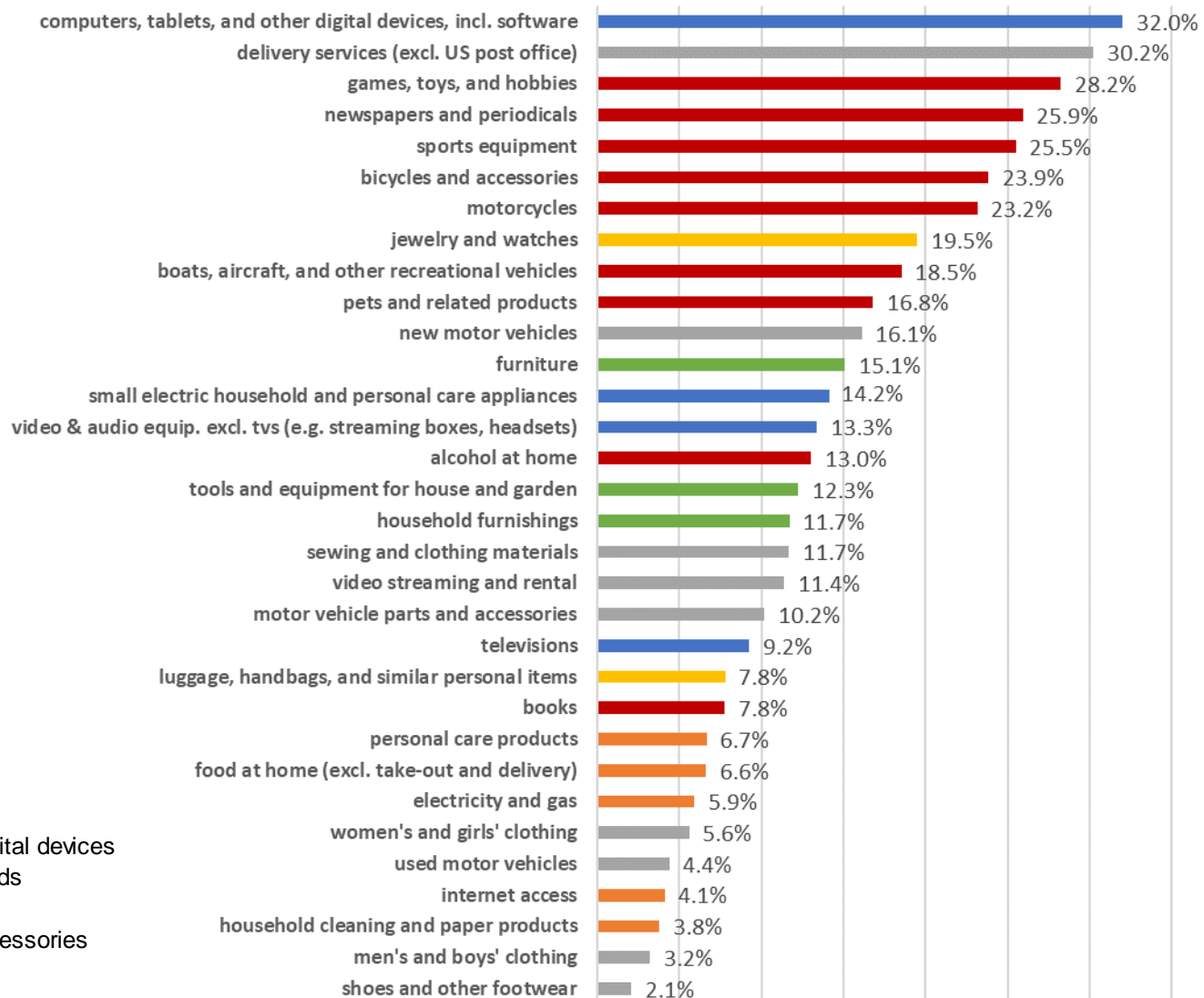
Source: The Conference Board using Real Personal Consumption Expenditures by Type of Product from the US Bureau of Economic Analysis



The accelerated shift to online shopping during the pandemic helped boost consumption of electronics, household and leisure-related goods, and small personal accessories

Percent change in real consumer spending from February (pre-pandemic) to October 2020

0% 5% 10% 15% 20% 25% 30% 35%



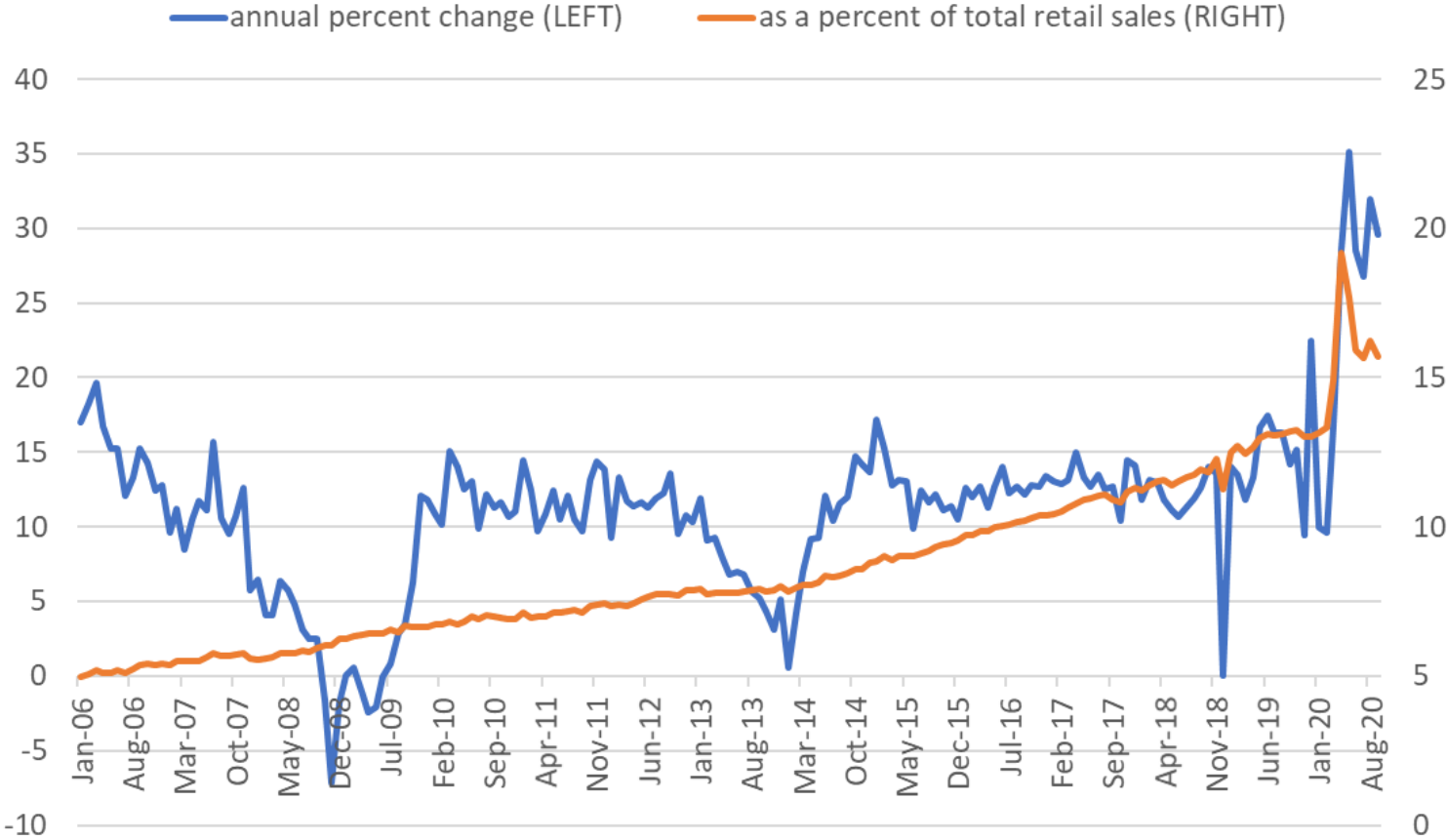
- Electronics and digital devices
- Leisure-related goods
- Household goods
- Small personal accessories
- Non-discretionary

Source: The Conference Board using Real Personal Consumption Expenditures by Type of Product from the US Bureau of Economic Analysis



E-commerce surged during the pandemic

Electronic shopping and mail orders, seasonally adjusted



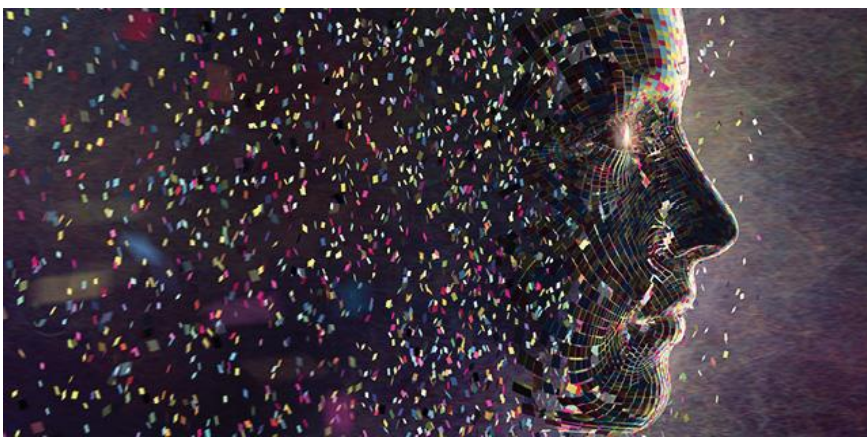
Source: US Census Bureau Monthly Retail Trade Survey via Haver



Long-term opportunities and challenges in **retail** will be driven by the rise in e-commerce and increasing industry concentration

- **Consumer demand** will likely return to pre-COVID levels
 - ✓ Reallocation between purely online, brick-and-mortar, and “click-and-collect”
- Lasting **shift to online** shopping
- Rising **industry concentration**
 - ✓ Online retail giants get bigger
 - ✓ Rising store closures, bankruptcies and M&A among SMEs
- Relocation **away from city centers**
 - ✓ Rise in remote work
 - ✓ Closed retail locations become last-mile micro-fulfillment centers
- Jobs more susceptible to **automation**
 - ✓ Rise of no-touch shopping technologies
 - ✓ Robotics powered fulfillment centers
 - ✓ e.g. cashiers, salespersons, shipping and receiving clerks





C-Suite Executives: We Need Your Input!

Help us reach our goal. We're almost there.

In cooperation with 14 global organizations, we are offering C-Suite Executives an exciting opportunity to take part in The Conference Board's flagship **C-Suite Challenge™ survey for 2021**, which identifies key strategies executives intend to use to meet critical business challenges and grow their companies.

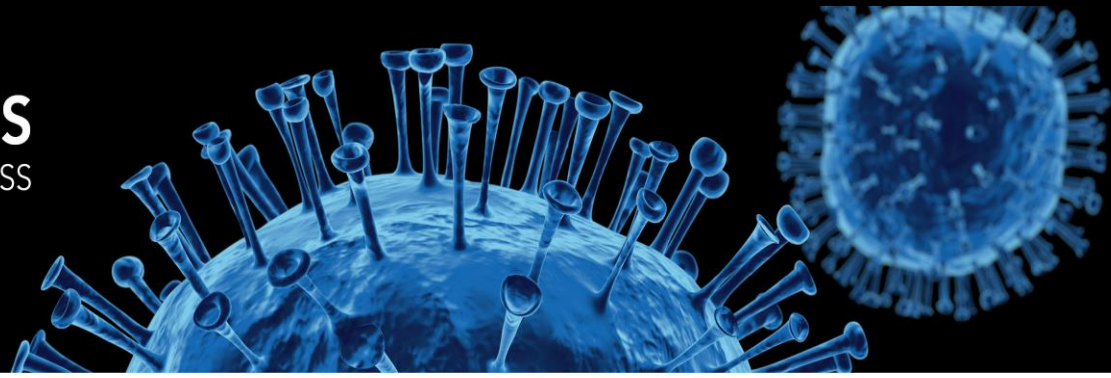
Click [here](#) to complete so we can get your input on key business issues.
Hurry! Survey closes Friday, December 4th!

The survey only takes a few minutes to complete and your responses will be confidential.

And, as a special thanks for completing this survey, you will be able to access copies of the final reports by supplying your email address when prompted.



COVID-19
CORONAVIRUS
IMPLICATIONS FOR BUSINESS



Want to hear more about this topic and how the spread of COVID-19 will impact business and the global economy?

The Conference Board has gathered insights and learnings from our thought leaders and member network which we hope will be helpful as you formulate, implement and manage your own crisis response.

Explore all of these resources on our website at <https://www.conference-board.org/COVID-19>.





Upcoming Webcast Programming from The Conference Board

- [Global Horizons Virtual: Trade & IP: Global Collaboration](#)
(December 3 @ 10am ET)
- [Policy Watch: Recovery and Rebuilding in America: 2021 Agenda](#) (December 3 @ 12pm ET)
- [Economy Watch: Global Energy and the Gulf Region - What Lies Ahead?](#) (December 9 @ 11am ET)

[**View all of our upcoming webcast programs**](#)





Indications

A podcast series brought to you by
The Conference Board Economics,
Strategy, & Finance Center

The Conference Board Indications podcast series helps senior executives understand changing business and economic conditions worldwide by offering concise, insightful perspectives on overall economic activity, consumer and CEO confidence, labor market and demographic trends, and productivity.

Click [here](#) for a complete listing of all of our Indications podcasts or check out our entire podcast lineup at www.conference-board.org/podcasts

