

Dollar and Discount Store Retailing - US - August 2013

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“While dollar and discount stores benefited from increased consumer traffic and a new shopper base as a result of the recession, these channels will have to work hard to retain these shoppers as the economy improves. Everyday essentials are key to dollar stores’ strength, while affordable fashion will help discount stores succeed.”
– Ali Lipson, Senior Retail & Apparel Analyst

In this report we answer the key questions:

- Who has recently started shopping at dollar and discount stores?
- What would encourage people to shop at dollar and discount stores?

Total sales through dollar and discount stores reached \$180 billion in 2012 and are expected to reach \$191 billion in 2013, growing by 6.4%. These channels are among the few that benefited from the U.S. economic recession, as consumers favored these stores for low prices. The outlook for dollar and discount stores is good—sales are expected to grow by 19% between 2013 and 2018, to reach sales of \$227 billion in 2018.

This report focuses on dollar and discount stores and offers sales trends, profiles of major players in the U.S. market, as well as a detailed exploration of consumers’ attitudes, usage, and shopping behaviors in this category.

This report builds on the analysis presented in Mintel’s *Dollar Stores—U.S., December 2005*. For this report, Mintel will cover both dollar stores and discount stores.

BUY THIS
REPORT NOW

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

APAC
+61 (0) 2 8284 8100

EMAIL:
oxygen@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Dollar and Discount Store Retailing - US - August 2013

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Scope and Themes

What you need to know

Definition

Data sources

Sales data

Consumer survey data

Abbreviations and terms

Abbreviations

Terms

Executive Summary

Overview

The market

Figure 1: Fan chart forecast of total U.S. dollar and discount store sales, 2008-18

Market Factors

Expansion and acceptance of dollar stores

Consumer confidence impacts the market

Figure 2: University of Michigan Consumer Sentiment index, November 1978-June 2013

Hispanic population growth may benefit dollar and discount stores

The consumer

Dollar and discount stores shopped

Figure 3: Dollar and Discount stores shopped, May 2013

Quality and selection deter shoppers from dollar stores

Figure 4: Reasons for not shopping at dollar stores, May 2013

Many prefer to shop at other retailers over discount stores

Figure 5: Reasons for not shopping at discount stores, May 2013

Convenience, price drive shoppers to dollar stores

Figure 6: Attitudes toward dollar stores—any agree, May 2013

Saving money primary reason for discount store shopping

Figure 7: Attitudes toward discount stores—any agree, May 2013

What we think

Issues and Insights

Who has recently started shopping at dollar and discount stores?

The issues

The implications

What would encourage people to shop at dollar and discount stores?

The issues

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com

Dollar and Discount Store Retailing - US - August 2013

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

The implications

More than just convenience and price drive shoppers to dollar and discount stores

The issues

The implications

Trend Application

Inspire trend: Locavore

Inspire trend: The Nouveau Poor

Mintel Futures: Access Anything, Anywhere

Market Size and Forecast

Key points

Favorable outlook for dollar and discount stores

Figure 8: Total U.S. dollar and discount store sales, at current prices, 2008-18

Figure 9: Total U.S. dollar and discount store sales, at inflation-adjusted prices, 2008-18

Fan chart forecast

Figure 10: Fan chart forecast of total U.S. dollar and discount store sales, 2008-18

Segment Performance

Key points

Dollar and discount stores see growth, dollar stores increase market share

Figure 11: Total U.S. discount and dollar stores* retail sales, by segment, at current prices, 2011 and 2013

Segment Performance – Dollar Stores

Key points

Dollar stores post strong growth over past five years

Figure 12: Total U.S. dollar store* retail sales, at current prices, 2008-13

Segment Performance – Discount Stores

Key points

Discount stores driven by savings, stylish offerings

Figure 13: Total U.S. discount store retail sales, at current prices, 2008-13

Market Drivers

Key points

Expansion and acceptance of dollar stores

Consumer confidence

Figure 14: University of Michigan Consumer Sentiment index, November 1978-June 2013

Growing Hispanic population bodes well for dollar and discount stores

Figure 15: Population, by race and Hispanic origin, 2008-18

Competition from other channels

Retailer Overview

Dollar stores

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: oxygen@mintel.com

Dollar and Discount Store Retailing - US - August 2013

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Dollar General
Family Dollar
Dollar Tree
99 Cents Only
Five Below
Market threats and opportunities for dollar stores
Discount stores
T.J. Maxx and Marshalls
HomeGoods
Big Lots
Ross Stores
Tuesday Morning
Burlington Coat Factory
Stein Mart
Loehmann's
Nordstrom Rack
Bloomingdale's Outlet
Off 5th
Last Call by Neiman Marcus
Market threats and opportunities for discount stores

Innovations and Innovators

Off 5th introduces a new format
Dollar stores offer cigarettes, alcohol to drive sales

Social Media – Dollar and Discount Store Retailing

Key points

Key social media metrics

Figure 16: key brand metrics, dollar and discount store retailing brands, June 2013

Market overview

Brand usage and awareness

Figure 17: Usage and awareness of selected dollar and discount store retailing brands, May 2013

Interaction with brands

Figure 18: Interaction with selected dollar and discount store retailing brands, May 2013

Online conversations

Figure 19: Online mentions, selected dollar and discount store retailing brands, by day, June 12-July 11, 2013

Where are people talking about dollar and discount store retail brands?

Figure 20: Mentions, by page type, selected dollar and discount store retailing brands, June 12-July 11, 2013

What are people talking about online?

Figure 21: Mentions, by type of conversation, selected dollar and discount store retailing brands, June 12-July 11, 2013

Figure 22: Major areas of discussion surrounding dollar and discount store retailing brands, by day, June 12-July 11, 2013

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: oxygen@mintel.com

Dollar and Discount Store Retailing - US - August 2013

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 23: Major areas of discussion surrounding dollar and discount store retailing brands, by page type, June 12-July 11, 2013

Brand analysis

Marshalls

Figure 24: Marshalls key social media indicators, July 2013

Key online campaigns

What we think

Dollar Tree

Figure 25: Dollar Tree key social media indicators, July 2013

Key online campaigns

What we think

T.J. Maxx

Figure 26: T.J. Maxx key social media indicators, July 2013

Key online campaigns

What we think

Dollar General

Figure 27: Dollar General key social media indicators, July 2013

Key online campaigns

What we think

Nordstrom Rack

Figure 28: Nordstrom Rack key social media indicators, July 2013

Key online campaigns

What we think

Loehmann's

Figure 29: Loehmann's key social media indicators, July 2013

Key online campaigns

What we think

Marketing Strategies

Overview

Strategy: focus on men

Strategy: appeal to stylish, young adults

Figure 30: HomeGoods email ad, July 2013

Strategy: Price comparisons and value

Figure 31: Dollar General, homepage offers, July 2013

Figure 32: Dollar Tree, homepage offers, July 2013

Figure 33: Family Dollar, homepage offers, July 2013

Incidence of and Change in Shopping at Dollar Stores

Key points

Most shop at dollar stores the same amount or more than last year

Figure 34: Incidence of and change in shopping at dollar stores in past year, May 2013

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com

Dollar and Discount Store Retailing - US - August 2013

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Young adults shopping at dollar stores more frequently this year

Figure 35: Incidence of and change in shopping at dollar stores in the past year, by gender and age, May 2013

All household income levels shop dollar stores

Figure 36: Incidence of and change in shopping at dollar stores in the past year, by household income, May 2013

Largest households shopping dollar stores more often

Figure 37: Incidence of and change in shopping at dollar stores in the past year, by household size, May 2013

Incidence of and Change in Shopping at Discount Stores

Key points

Most shop at discount stores the same amount as last year

Figure 38: Incidence of and change in shopping at discount stores in the past year, May 2013

Youngest shoppers visiting discount stores more often this year

Figure 39: Incidence of and change in shopping at discount stores in the past year, by gender and age, May 2013

Discount store visits same across all household income levels

Figure 40: Incidence of and change in shopping at discount stores in the past year, by household income, May 2013

Dollar and Discount Stores Shopped

Key points

Beyond the top four, no other significantly visited dollar store

Figure 41: Dollar stores shopped, May 2013

T.J. Maxx and Marshalls frequented by discount store shoppers

Figure 42: Discount stores shopped, May 2013

Store preferences vary by gender

Figure 43: Dollar/discount stores shopped, by gender and age, May 2013

TJX stores succeeding with higher income discount store shoppers

Figure 44: Dollar/discount stores shopped, by household income, May 2013

Shopping Behavior

Key points

Young men, lower-income earners newest entrants to category

Figure 45: Have always shopped at vs. have just started shopping at dollar and discount stores, May 2013

Dollar stores

Figure 46: Have always shopped at vs. have just started shopping at dollar stores, by gender and age, May 2013

Figure 47: Have always shopped at vs. have just started shopping at dollar stores, by household income, May 2013

Discount stores

Figure 48: Have always shopped at vs. have just started shopping at discount stores, by gender and age, May 2013

Figure 49: Have always shopped at vs. have just started shopping at discount stores, by household income, May 2013

Reasons for Not Shopping at Dollar or Discount Stores

Dollar stores

Key points

Quality and selection deter consumers from dollar stores

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: oxygen@mintel.com

Dollar and Discount Store Retailing - US - August 2013

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 50: Reasons for not shopping at dollar stores, May 2013

Women cite inconvenient locations as reason for not shopping at dollar stores

Figure 51: Reasons for not shopping at dollar stores, by gender and age, May 2013

Discount stores

Key points

Many prefer to shop at other retailers over discount stores

Figure 52: Reasons for not shopping at discount stores, May 2013

Men offer a wider range of reasons for not shopping discount stores

Figure 53: Reasons for not shopping at discount stores, by gender, May 2013

65+ prefer other channels, think selection and quality is poor

Figure 54: Reasons for not shopping at discount stores, by age, May 2013

Higher-income earners choose other retailers over discount stores

Figure 55: Reasons for not shopping at discount stores, by household income, May 2013

Attitudes Toward Dollar and Discount Stores

Key points

Attitudes toward dollar stores

Convenience, price drive shoppers to dollar stores

Figure 56: Attitudes toward dollar stores, May 2013

Men focused on price, women driven by convenience

Figure 57: Attitudes toward dollar stores, by gender and age, May 2013

Higher-income dollar store shoppers less satisfied with brands/products offered

Figure 58: Attitudes toward dollar stores, by household income, May 2013

Attitudes toward discount stores

Saving money primary reason for shopping at discount stores

Figure 59: Attitudes toward discount stores, May 2013

Women think highly of discount stores compared to men

Figure 60: Attitudes toward discount stores, by gender and age, May 2013

Lowest-income discount store shoppers pleased with products, shopping experience

Figure 61: Attitudes toward discount stores, by household income, May 2013

Items Purchased at Dollar and Discount Stores

Key points

Household items purchased at dollar stores, clothing at discount stores

Figure 62: Items purchased at dollar vs. discount stores, May 2013

Items purchased at dollar stores

Young men likely to buy food and drink, less likely to buy personal care at dollar stores

Figure 63: Items purchased at dollar stores, by gender and age, May 2013

Lowest-income earners likely to purchase a variety of categories at dollar stores

Figure 64: Items purchased at dollar stores, by household income, May 2013

Items purchased at discount stores

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: oxygen@mintel.com

Dollar and Discount Store Retailing - US - August 2013

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Young adults buy clothing and footwear at discount stores

Figure 65: Items purchased at discount stores, by gender and age, May 2013

Similar items purchased across all household income groups

Figure 66: Items purchased at discount stores, by household income, May 2013

Frequency of Visits to Dollar and Discount Stores

Key points

More than one quarter of dollar store shoppers visit weekly or more

Figure 67: Frequency of visits to dollar vs. discount stores, May 2013

Dollar store shopping frequency

Men aged 18-34 shop at dollar stores most often

Figure 68: Frequency of visits to dollar stores, by gender and age, May 2013

Lowest-income households are heavy dollar store shoppers

Figure 69: Frequency of visits to dollar stores, by household income, May 2013

Discount store shopping frequency

Figure 70: Frequency of visits to discount stores, by gender and age, May 2013

Figure 71: Frequency of visits to discount stores, by household income, May 2013

Race and Hispanic Origin

Key points

Hispanics most likely to shop at dollar stores and discount stores

Figure 72: Incidence of and change in shopping at dollar stores in the past year, by race/Hispanic origin, May 2013

Figure 73: Incidence of and change in shopping at discount stores in the past year, by race/Hispanic origin, May 2013

Some differences in retailer preferences among race/Hispanic origin groups

Figure 74: Dollar/Discount stores shopped, by race/Hispanic origin, May 2013

Hispanics, other race newest to dollar store shopping

Figure 75: Have always shopped at vs. have just started shopping at dollar stores, by race/Hispanic origin, May 2013

Figure 76: Have always shopped at vs. have just started shopping at discount stores, by race/Hispanic origin, May 2013

Hispanics and blacks most satisfied with dollar stores

Figure 77: Attitudes toward dollar stores, by race/Hispanic origin, May 2013

Black discount shoppers have more reasons to like these stores

Figure 78: Attitudes toward discount stores, by race/Hispanic origin, May 2013

Hispanics seek food/drink, blacks buy beauty and personal care at dollar stores

Figure 79: Items purchased at dollar stores, by race/Hispanic origin, May 2013

All buy clothing, Hispanics and blacks shop for accessories at discount stores

Figure 80: Items purchased at discount stores, by race/Hispanic origin, May 2013

White dollar and discount store shoppers visit less frequently than others

Figure 81: Frequency of visits to dollar stores, by race/Hispanic origin, May 2013

Figure 82: Frequency of visits to discount stores, by race/Hispanic origin, May 2013

Appendix – Other Useful Consumer Tables

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com

Dollar and Discount Store Retailing - US - August 2013

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Incidence of and change in shopping at dollar stores in the past year

Figure 83: Incidence of and change in shopping at dollar stores in the past year, by number of dollar stores shopped, May 2013

Figure 84: Incidence of and change in shopping at dollar stores in the past year, by number of discount stores shopped, May 2013

Incidence of and change in shopping at discount stores in the past year

Figure 85: Incidence of and change in shopping at discount stores in the past year, by household size, May 2013

Figure 86: Incidence of and change in shopping at discount stores in the past year, by generations, May 2013

Figure 87: Incidence of and change in shopping at discount stores in the past year, by number of dollar stores shopped, May 2013

Figure 88: Incidence of and change in shopping at discount stores in the past year, by number of discount stores shopped, May 2013

Dollar and discount stores shopped

Figure 89: Dollar/discount stores shopped, by household size, May 2013

Figure 90: Dollar/discount stores shopped, by generations, May 2013

Figure 91: Dollar stores shopped, by dollar store user groups, May 2013

Figure 92: Dollar/discount stores shopped, by marital status and presence of children in household, May 2013

Reasons for not shopping at dollar and discount stores

Figure 93: Reasons for not shopping at dollar stores, by household income, May 2013

Figure 94: Reasons for not shopping at dollar stores, by generations, May 2013

Figure 95: Reasons for not shopping at discount stores, by generations, May 2013

Attitudes toward dollar stores

Figure 96: Attitudes toward dollar stores, by generations, May 2013

Figure 97: Attitudes toward dollar stores, by number of dollar stores shopped, May 2013

Figure 98: Attitudes toward dollar stores, by number of discount stores shopped, May 2013

Figure 99: Attitudes toward dollar stores, by dollar store user groups, May 2013

Figure 100: Attitudes toward dollar stores, by change in shopping at dollar stores in the past year, May 2013

Figure 101: Attitudes toward dollar stores, by dollar store shopped, May 2013

Attitudes toward discount stores

Figure 102: Attitudes toward discount stores, by discount store user groups, May 2013

Figure 103: Attitudes toward discount stores, by Incidence of and change in shopping at discount stores in the past year, May 2013

Figure 104: Attitudes toward discount stores, by discount store shopped, May 2013

Figure 105: Attitudes toward discount stores, by discount store shopped, May 2013

Items purchased at dollar stores

Figure 106: Items purchased at dollar stores, by generations, May 2013

Figure 107: Items purchased at dollar stores, by number of dollar stores shopped, May 2013

Figure 108: Items purchased at dollar stores, by number of discount stores shopped, May 2013

Figure 109: Items purchased at dollar stores, by dollar store user groups, May 2013

Items purchased at discount stores

Figure 110: Items purchased at discount stores, by generations, May 2013

Figure 111: Items purchased at discount stores, by number of dollar stores shopped, May 2013

Figure 112: Items purchased at discount stores, by number of discount stores shopped, May 2013

Figure 113: Items purchased at discount stores, by number of discount stores shopped, May 2013

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: oxygen@mintel.com

Dollar and Discount Store Retailing - US - August 2013

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 114: Items purchased at discount stores, by discount store user groups, May 2013

Frequency of visits to dollar and discount stores

Figure 115: Frequency of visits to dollar stores, by generations, May 2013

Figure 116: Frequency of visits to discount stores, by generations, May 2013

Appendix – Social Media

Brand usage or awareness

Figure 117: Brand usage or awareness, May 2013

Figure 118: Dollar General usage or awareness, by demographics, May 2013

Figure 119: Dollar Tree usage or awareness, by demographics, May 2013

Figure 120: T.J. Maxx usage or awareness, by demographics, May 2013

Figure 121: Marshalls usage or awareness, by demographics, May 2013

Figure 122: Nordstrom Rack usage or awareness, by demographics, May 2013

Figure 123: Loehmann's usage or awareness, by demographics, May 2013

Activities done

Figure 124: Activities done, May 2013

Figure 125: Dollar General—Activities done, by demographics, May 2013

Figure 126: Dollar tree—Activities done, by demographics, May 2013

Figure 127: T.J. Maxx—Activities done, by demographics, May 2013

Figure 128: Marshalls – Activities done, by demographics, May 2013

Figure 129: Nordstrom Rack—Activities done, by demographics, May 2013

Figure 130: Loehmann's—Activities done, by demographics, May 2013

Online conversations

Figure 131: Online mentions, selected dollar and discount store retailing brands, by day, June 12-July 11, 2013

Figure 132: Mentions, by page type, selected dollar and discount store retailing brands, June 12-July 11, 2013

Figure 133: Mentions, by type of conversation, selected dollar and discount store retailing brands, June 12-July 11, 2013

Figure 134: Major areas of discussion surrounding dollar and discount store retailing brands, by day, June 12-July 11, 2013

Figure 135: Major areas of discussion surrounding dollar and discount store retailing brands, by page type, June 12-July 11, 2013

Appendix – Trade Associations

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com