



## New survey shows majority of U.S. retailers and manufacturers predict strong 2023 holiday season

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### Advantage Solutions' Q3 Advantage Outlook finds retailers and manufacturers expect 1–5% unit volume sales growth this holiday season, but market still tackling inflation and shrink issues

IRVINE, Calif., Nov. 15, 2023 (GLOBE NEWSWIRE) -- [Advantage Solutions Inc.](#) (NASDAQ: ADV) today unveiled the findings from its Q3 Advantage Outlook, a quarterly survey fielded in October 2023 that includes responses from senior-level executives at more than 60 consumer goods manufacturers and more than 30 grocery retailers across the U.S.

According to the report, more than half of manufacturers and retailers are anticipating growth in the 2023 holiday season. Forty-eight percent of both retailers and manufacturers say they expect 1–5% unit volume sales growth compared to last year, mostly driven by consumer demand and product availability. A 1% increase in unit volume translates to an incremental \$2.5 billion in sales, not taking into consideration the effect of pricing changes from 2022.

With another quarter marked by the continued impact of inflation, the survey results also revealed that retailers are increasing their focus on private brands, value-priced products, and promotions as a strategy to address the ongoing challenges. Manufacturers, meanwhile, are targeting the trend of in- and at-home indulgence, which is fueled by shoppers opting to treat themselves at home instead of spending on big-ticket items.

In addition to inflationary challenges, theft persists as a growing challenge for retailers, with many continuing to search for alternative methods to curb in-store theft.

"While inflation continues to be top of mind for shoppers, our report found that retailers and manufacturers are still expecting a busy holiday season," said Jill Blanchard, president of enterprise client solutions for Advantage Solutions. "However, while they are expecting to be busy in the coming months, retailers are continuing to search for new and innovative ways to combat other retail challenges such as theft."

Additional findings from the Q3 Advantage Outlook include:

- **The rise of private label:** Fifty-three percent of retailers say expanding private label products is their top strategy for growth over the next 12 months, followed by promotions. To compete with the growth of private brands, a majority of manufacturers surveyed (60%) say they are planning to rely on marketing the quality of their brand and introducing new innovations.
- **The impact of theft:** With in-store theft continuing as an ongoing challenge for retailers, many depend on locking products as a method to curb and deter shoplifting. But, the survey shows, a majority of shoppers say they will forego buying a locked product or purchase the item elsewhere instead of asking a store associate for assistance.
- **Return of student loan repayment:** As consumers began to resume repayments on their student loans, retailers have braced for impact, with more than half of retailers expecting a negative effect on their business. In anticipation of the impact, 39% of retailers indicate their top strategy over the next six months will be to expand private brands, while 33% say they will increase the use of promotions.

#### About Advantage Outlook

The Q3 Advantage Outlook is a quarterly survey of the world's largest consumer goods manufacturers and retailers published by Advantage Solutions. The survey, fielded in October 2023, included two surveys with more than 60 respondents representing consumer goods manufacturers and more than 30 grocery retailers.

To access the complete findings and methodology, please visit [advantagesolutions.net](https://advantagesolutions.net).

#### About Advantage Solutions

Advantage Solutions is a leading provider of outsourced sales and marketing solutions uniquely positioned at the intersection of brands and retailers. Our data- and technology-driven services — which include headquarter sales, retail merchandising, in-store and online sampling, digital commerce, omnichannel marketing, retail media and others — help brands and retailers of all sizes get products into the hands of consumers, wherever they shop. As a trusted partner and problem solver, we help our clients sell more while spending less. Headquartered in Irvine, Calif., Advantage has offices throughout North America and strategic investments in select markets throughout Africa, Asia, Australia, Latin America and Europe through which the company serves the global needs of multinational, regional and local manufacturers. For more information, please visit [advantagesolutions.net](https://advantagesolutions.net).

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