



Criteo Survey of U.S. Shoppers Shows Critical Importance of the Omnishopper Experience in a Changing Retail Landscape

Former Toys “R” Us Shoppers “Up for Grabs” as they Have Not yet Established Loyalty with a Replacement Retailer

NEW YORK — November 15, 2018—[Criteo](#) S.A. (NASDAQ: CRTO), the advertising platform for the open internet, today released its “*Toys “R” Us & Babies “R” Us Shopper Survey Findings*,” which evaluates how shoppers balance the physical benefits of retail stores with the level of convenience and accessibility they expect from digital channels. Ahead of the first holiday season without retail giants Toys R Us and Babies R Us, the majority of consumers (65 percent) plan to frequent brick-and-mortar stores, but at the same time also want the convenience of mobile apps for some toy and baby product purchases.

“Our new shopper insights demonstrate the critical importance of a seamless offline and online shopper journey for retailers looking to gain market share in the wake of these retail giant bankruptcies,” said Jaysen Gillespie, Criteo, VP, Head of Analytics and Insights. “For both holiday and everyday purchases, shoppers rely on digital channels for convenience but still crave in-store experiences with their families, especially when searching for the perfect toy. Brands that can offer both will have a significant advantage among competitors.”

The research also indicates that former *Toys “R” Us* and *Babies “R” Us* shoppers are wide open for the taking. These shoppers are willing to consider a number of replacement retailers and have not yet established loyalty in the category.

Additional key findings include:

- **Digital Players Poised to Take Market-Share:** In aggregate, Amazon is the first choice for *Toys “R” Us & Babies “R” Us* shoppers to use as a replacement for toy and baby products, followed closely by Walmart and then Target. However, factors such as household income and Prime membership are correlated with consumer preferences for a replacement retailer.
- **Brick-and-Mortar is Not Dead:** Fifty-nine percent of *Toys “R” Us & Babies “R” Us* shoppers confirmed they made purchases within physical stores and indicated the importance of a positive in-store experience.
- **Convenience is Key:** Two out of three *Toys “R” Us & Babies “R” Us* shoppers used to have a store within 20 minutes from their home. For convenience-oriented shoppers, Walmart and Target were chosen by a whopping 78% of respondents as their preferred replacement retailer. Conversely, for the 55 percent of respondents who don’t care about location, Amazon is the winning choice.

- **App Purchases Drive Competitiveness:** The majority of shoppers (59% for *Toys “R” Us* and 73% for *Babies “R” Us*) also indicated that they are “interested” or “very interested” in buying via the app of their preferred replacement retailer. App-forward retailers are therefore likely to drive a competitive advantage over app-averse or app-neutral retailers.
- **Retailer Selection is Driven by Shopper Demographics:** Forty-one percent of lower income *Toys “R” Us* & *Babies “R” Us* shoppers would choose Walmart as their new retailer of choice, while the Target-preferring cohort over-indexed on higher-income shoppers.
- **Consumers Expect a Broad Product Selection:** Retailers in line to capture Toys R Us market share need to focus on inventory. A majority of respondents confirmed that at least 60 percent of their shopping needs for toys and baby products were met at *Toys “R” Us* & *Babies “R” Us*—reducing the friction of having to visit multiple stores or websites.

“One of the great joys of shopping at Toys R Us & Babies “R” Us was the incredible level of assortment that would expand the planned holiday purchase,” said Amy Lanzi, EVP, North America Commerce Practice Lead at Publicis Media. “Target and Walmart are working hard to create meaningful experiences that encourage basket-building discovery moments at their stores, and online, that fit the varied price and convenience expectations of today’s holiday shoppers.”

About Criteo

Criteo (NASDAQ: CRTO) is the advertising platform for the open Internet, an ecosystem that favors neutrality, transparency and inclusiveness. 2,700 Criteo team members partner with over 19,000 customers and thousands of publishers around the globe to deliver effective advertising across all channels, by applying advanced machine learning to unparalleled data sets. Criteo empowers companies of all sizes with the technology they need to better know and serve their customers. For more information, please visit www.criteo.com.

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