



Retail & Health and Wellness

How the wellness trend is
impacting the retail landscape

NBCUniversal

Purpose of this deck

While health and wellness is a fast-growing consumer trend, this deck dives into how the retail industry is capitalizing on the **health and wellness trend as a growth strategy**.

This deck outlines 4 key changes and how retailers are evolving their businesses, as well as outlines media & marketing implications.



Key Trends

- 1 Retailers are adding new products and services
- 2 Apparel becomes all-encompassing
- 3 Outdoor and Sporting Goods are on the rise
- 4 Fitness enters the metaverse

Media And Marketing Implications

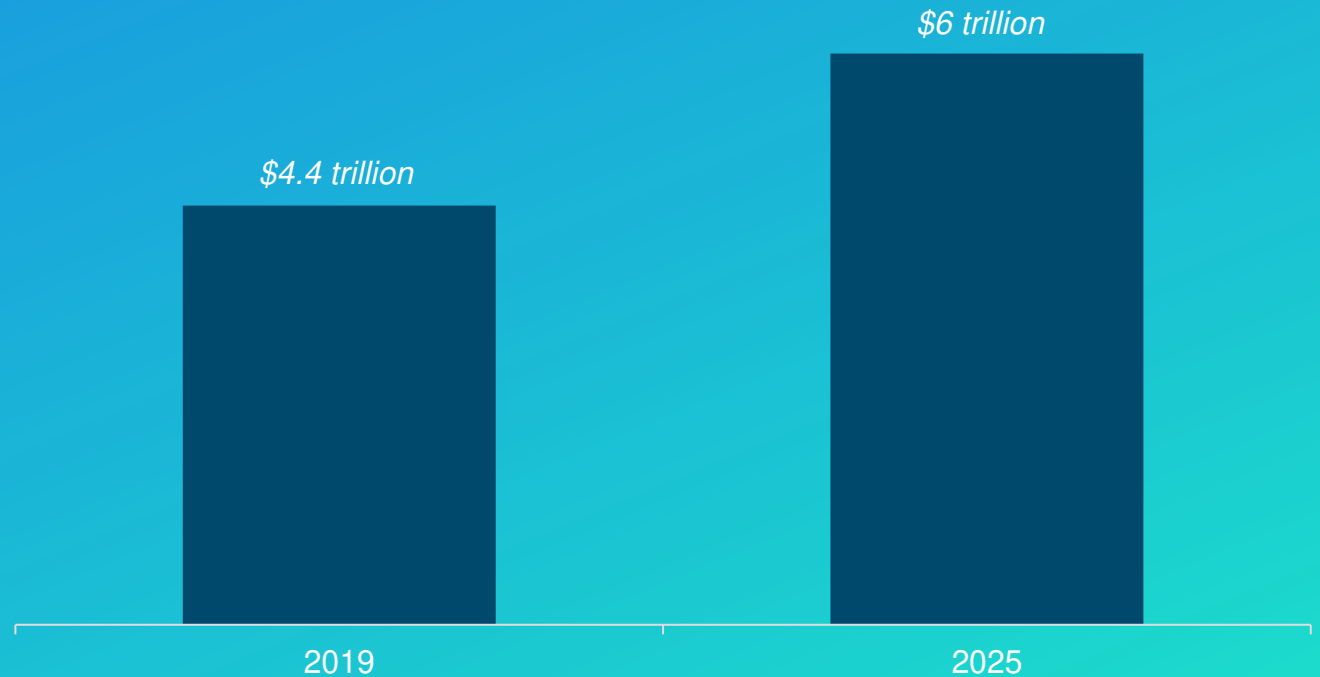
1 Globally, health and wellness is on the rise

Consumers value and prioritize their health and wellness

79% of consumers believe wellness is important

42% of consumers consider wellness a top priority

& the global health and wellness market is expected to grow by almost 5.3%, reaching over 6 trillion U.S. dollars in 2025



1

As a result, retailers are dedicating more resources to health and wellness



Changing Product Mixes

Kohl's **increased its square footage dedicated to active, added shop-in-shop experiences** through Kohl's Wellness Market, and **launched a private label athleisure brand** called FLX.

Major supermarket chains such as Walmart, Target, Costco, Kroger, and Safeway are **adding organic foods** to their stores.



Partnering To Offer New Services

Nordstrom **partnered** with Viome Life Science **to offer an at-home health test** to give consumers information about their gut microbiome, cellular function, and immune health.

Wellness testing brand Everlywell is available in retailers nationwide; Target, CVS, Rite Aid, and Walgreens.



Focusing On Senior Care And Living

Best Buy made its third health start-up **acquisition of an at-home health monitoring and wearables** company called Current Health that allows remote patient monitoring and sends biosensor data to traditional health care organizations and providers.



Evolution Of Physical Stores

CVS is **pivoting its retail format strategy to include three new retail formats**: one for primary care, one for its HealthHUB sites, and one for its traditional retail model.



2

U.S. consumers are doing a wider range of activities at home

U.S. consumers spent nearly 10 waking hours a day at home in 2020, compared with less than eight hours a day in 2019.

Between 2019 and 2020, more time was spent at home...



+15.6%

exercising



+11.3%

watching TV



+37.8%

using the computer for leisure



+21.4%

reading

2 In response, retailers across the board are creating clothes that are multifunctional and suited for all at-home activities



Intimate Wear & Loungewear Adds Activewear

In response to consumers incorporating movement into everyday life, Aerie launched Offline, Aerie's activewear collection and sub brand.



Big Box Retail Launches Activewear

In response to consumers seeking clothes for comfort and performance, Target launched its private label activewear brand "All in Motion".



Activewear Launches Leisure

In response to the growing casualization of workwear, Fabletics launched its Any-Wear collection, which features pieces that were "created to be worn anywhere and at any time."



Luxury Adds Leisure

In response to style preferences for comfortability, Christian Dior bar jackets were restyled from cinched and narrow waisted to be looser and practical for everyday wear.



3

Consumers are spending more time outdoors

53%

of Americans ages 6 and older participated in outdoor recreation at least once in 2020, the highest participation rate on record

7.1M

more Americans participated in outdoor recreation in 2020 than in the year prior



75%

of new participants say they want to continue their new outdoor activities

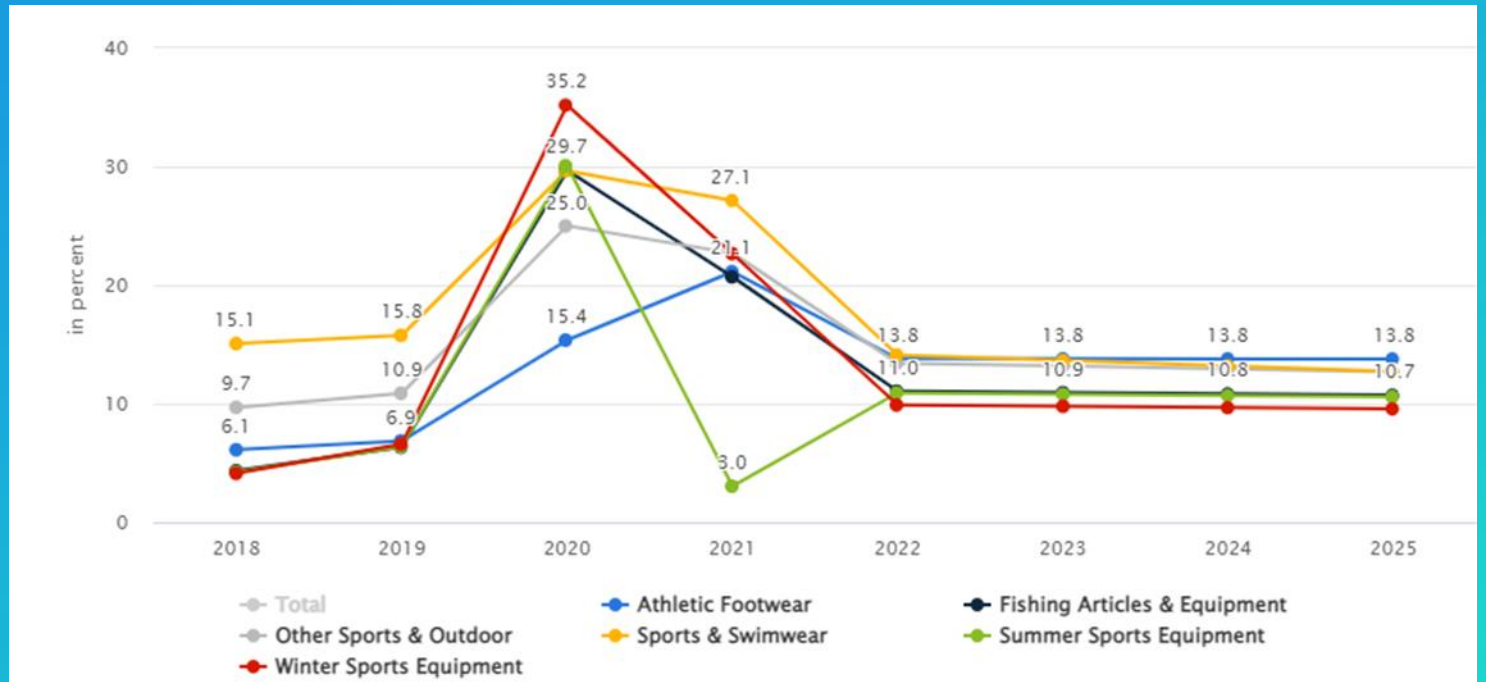


3

As a result, we can expect outdoor recreation and sports to grow as an industry as consumers and retailers invest more in the space

While retail overall is expected to grow 4%, outdoor and sports is expected to grow 10% and maintain this high level of growth for several years.

Outdoor and Sports Revenue Change



4

The metaverse is dramatically changing how consumers engage with and purchase goods

1/3

of Americans **use VR products monthly**, and more than 100 million Americans are expected to **try out VR products** just this year

70%

of all consumers who have **shopped in a virtual store** have **made a purchase** in one

87%

of people have **attended a virtual event**

38%

of consumers who play games like Roblox and Fortnite enter these worlds to **socialize rather than play the game itself**

4

To capitalize on the change, retailers are expanding health and wellness efforts into the metaverse



VR Fitness

Through Meta's acquisition of Within, the creators of VR-based workout application Supernatural, users can use **Oculus Quest headsets to work out through VR-based exercises.**



Movement and Outfits

Through a partnership with Roblox, Nike created NIKELAND, a universe inspired by Nike's real-life headquarters. Players can **transfer their offline movement to online play, dress their avatar in Nike apparel, and discover new and upcoming products.**



NFTs and Virtual Fitness Services

Walmart is launching its own **cryptocurrency and NFTs**, as well as **physical fitness training services and health and nutrition classes through AR and VR technologies.**



Media and marketing implications

Growth & emergence of sub-categories

As smaller sub-categories grow sales (outdoor, athleisure), we can expect more investments from these brands as they look to capture a large market share and/or state their presence.

A shift in product & messaging

Big-box, department, apparel, and other more general retail brands will shift their product mix to respond to consumer demand, and leverage marketing to announce these new products/services as well as use audience/contextual targeting to hone in on these audiences.

