

Q1 2024 — Retail & Dining Review

The report analyzes the Q1 2024 performance of the Discount & Dollar Stores, Grocery Stores, Fitness, Superstores, Dining, and Home Improvement & Furnishings categories.

1. Despite a rocky start to the quarter, **Overall Retail** performed well for most of Q1 2024, with value-oriented segments and chains leading the way.
2. **Discount & Dollar Stores**, including **Five Below** and **Dollar General**, emerged as Q1 winners with consistent YoY visit growth nearly every week of the quarter.
3. **Grocery Stores** also thrived in Q1, with value chains like **Aldi** seeing the biggest visit increases.
4. **Fitness** continued to flourish in Q1, and while value-oriented gyms such as **EōS** and **Crunch Fitness** led the pack – pricier alternatives also found success.
5. **Superstores**, and especially warehouse clubs like **Costco Wholesale**, did well in Q1, and YoY weekly visits to the category ramped up even more as Easter approached.
6. **Dining** saw a 2.3% YoY visit uptick in Q1, with **Coffee Chains** and **Fast-Casual** venues in the lead– but **Full-Service Restaurants** also saw slight YoY visit growth.
7. Traffic to some **Home Improvement & Furnishings** chains – including **Harbor Freight Tools** and **Tractor Supply** – grew in Q1, and the visit gap to category began to narrow in March, perhaps signaling a shift for the category.



Table of contents

Q1 2024 Overview	3
Overall Retail on the Rise	3
Success Across Categories	4
Discount & Dollar Stores	4
Dollar General Reins Supreme	5
Grocery Stores	6
Aldi Leads the Way	7
Fitness	8
Value Chains Come out Ahead	9
Superstores	10
Warehouse Clubs Continue to Thrive	11
Dining	12
Coffee, Coffee, Coffee!	13
Home Improvement	14
Home Improvement Bright Spots	15
Good Things to Come	16

This report includes data from Placer.ai Data Version 2.0, which implements improvements to our extrapolation capabilities, adds short visit monitoring, and enhances visit detection.

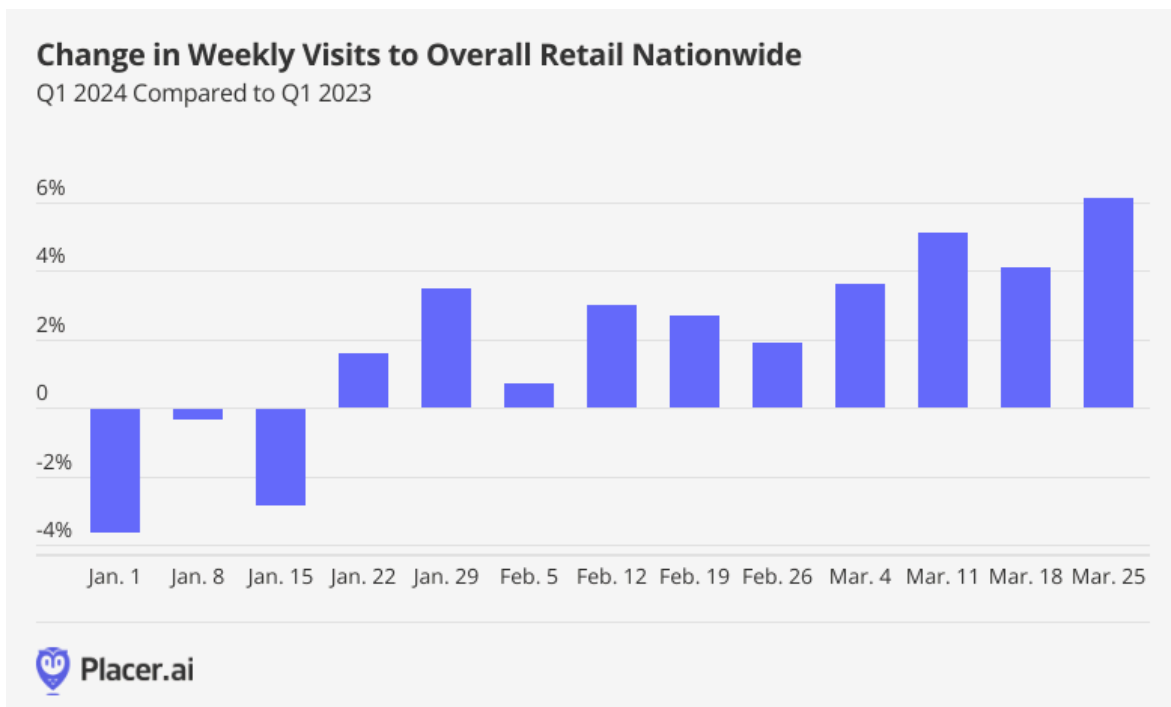
Q1 2024 Overview

Overall Retail on the Rise

The first quarter of 2024 was generally a good one for retailers. Though unusually cold and stormy weather left its mark on the sector's January performance, February and March saw steady year-over-year (YoY) weekly visit growth that grew more robust as the quarter wore on.

March ended on a high note, with the week of March 25th – including Easter Sunday – seeing a 6.1% YoY visit boost, driven in part by increased retail activity in the run-up to the holiday. (Last year, Easter fell on April 9th, 2023, so the week of March 25th is being compared to a regular week.)

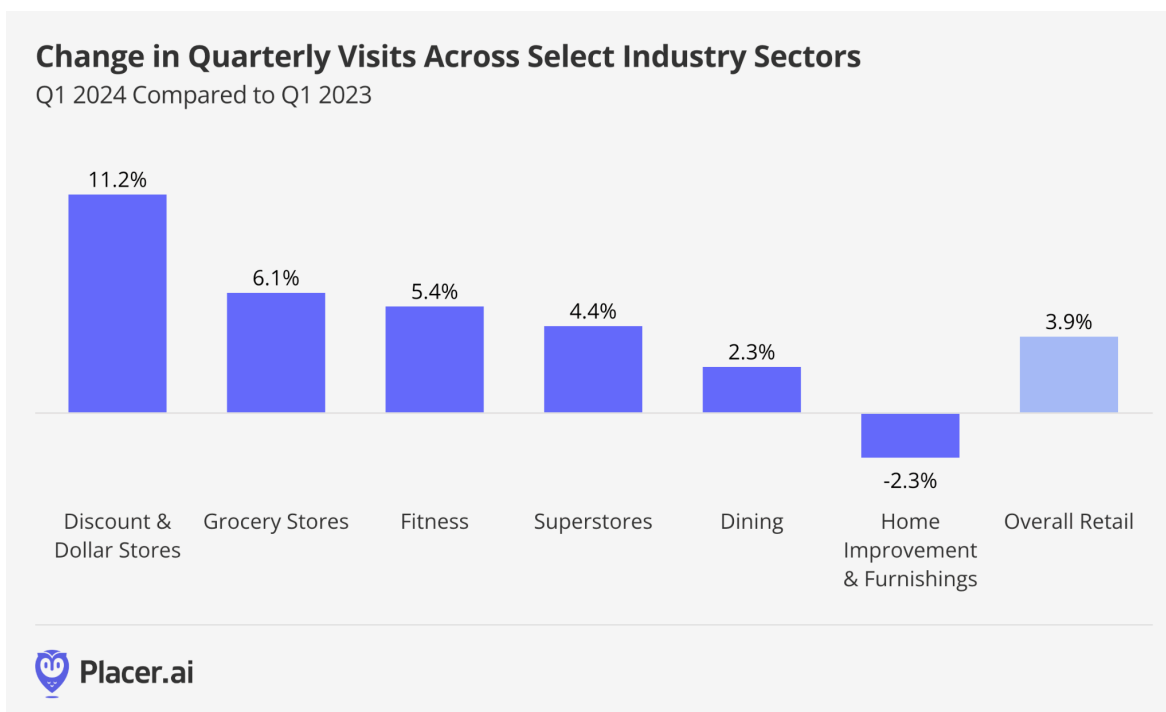
Though prices remain [high](#) and consumer confidence has yet to fully [regain its footing](#), retail's healthy Q1 showing may be a sign of good things to come in 2024.



Success Across Categories

Drilling down into the data for leading retail segments demonstrates the continued success of value-priced, essential, and wellness-related categories.

Discount & Dollar Stores led the pack with 11.2% YoY quarterly visit growth, followed by **Grocery Stores**, **Fitness**, and **Superstores** – all of which outperformed **Overall Retail**. **Dining** also enjoyed a YoY quarterly visit bump, despite the segment’s largely discretionary nature. And despite the [high interest rates](#) continuing to weigh on the [housing](#) and [home renovation](#) markets, **Home Improvement & Furnishings** maintained just a minor YoY visit gap.



Discount & Dollar Stores

Discount & Dollar Stores experienced strong YoY visit growth throughout most of Q1 – and as go-to destinations for groceries and other essential goods, they held their own even during mid-January’s [Arctic blast](#). In the last week of March, shoppers

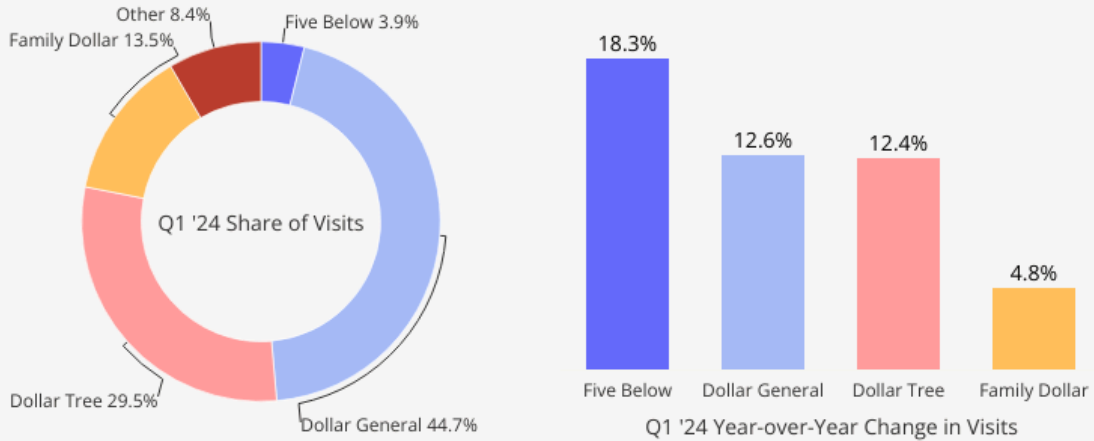
flocked to leading discount chains for everything from chocolate Easter bunnies to basket-making supplies – driving a remarkable 21.5% YoY visit spike.



Dollar General Reins Supreme

Dollar General continued to dominate the **Discount & Dollar Store** space in Q1, with visits to its locations accounting for nearly half of the segment's quarterly foot traffic (44.7%). Next in line was **Dollar Tree**, followed by **Family Dollar** and **Five Below**. Together, the four chains – all of which experienced positive YoY quarterly visit growth – drew a whopping 91.6% of quarterly visits to the category.

Quarterly Visits Across Major Discount & Dollar Store Chains

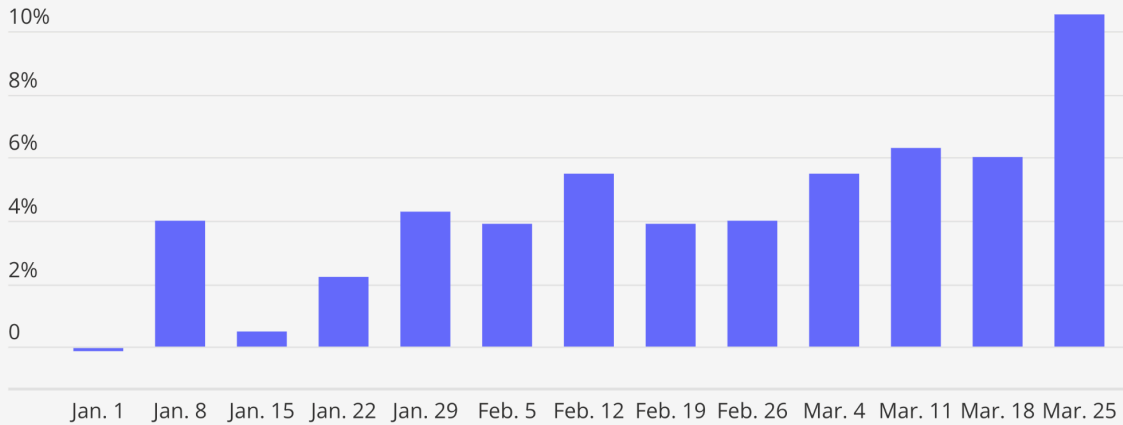


Grocery Stores

Rain or shine, people have to eat. And like **Discount & Dollar Stores**, traditional **Grocery Stores** were relatively busy through January as shoppers braved the storms to stock up on needed items. Momentum continued to build throughout the quarter, culminating in a 10.5% foot traffic increase in the week ending with Easter Sunday.

Change in Weekly Visits to Grocery Stores Nationwide

Q1 2024 Compared to Q1 2023

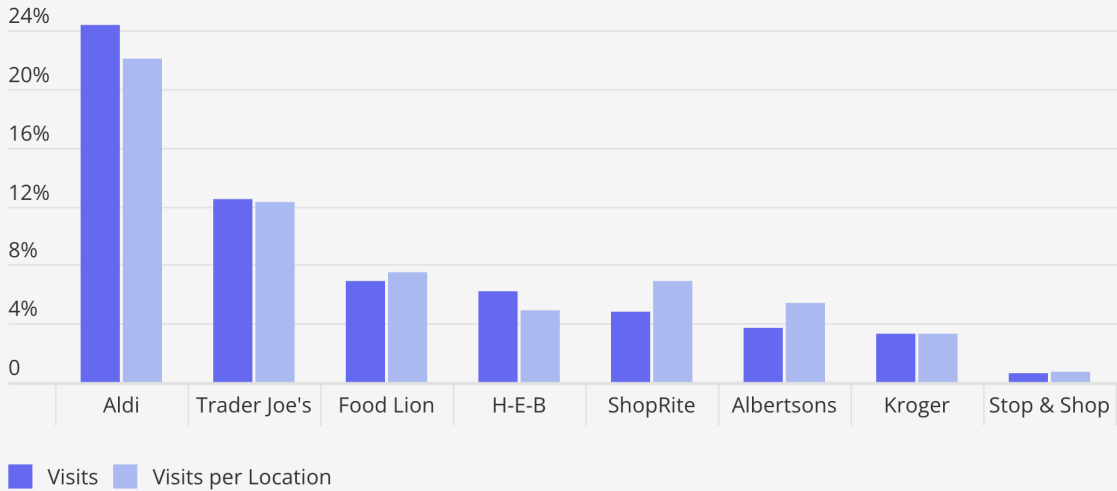


Aldi Leads the Way

Like in other categories, it was budget-friendly **Grocery** banners that took the lead. No-frills **Aldi** drove a chain-wide 24.4% foot traffic increase in Q1, by [expanding](#) its fleet – while also growing the average number of visits per location. Other value-oriented chains, including **Trader Joe’s** and **Food Lion**, experienced significant foot traffic increases of their own. And though conventional grocery leaders like **H-E-B**, **Kroger**, and **Albertsons** saw smaller visit bumps, they too outperformed Q1 2023 by meaningful margins.

Change in Quarterly Visits Across Major Grocery Chains

Q1 2024 Compared to Q1 2023



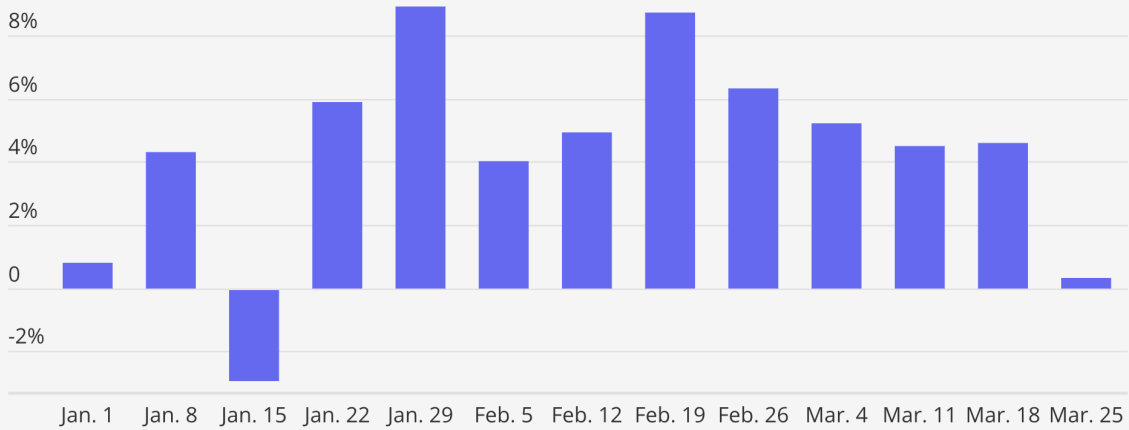
Fitness

January is New Year's resolution season – when people famously pick themselves up off the couch, dust off their trainers, and vow to go to the gym more often. And with [wellness](#) still top of mind for many consumers, the **Fitness** category enjoyed robust YoY visit growth throughout most of Q1 – despite lapping a strong Q1 2023.

Predictably, **Fitness's** visit growth slowed during the last week of March, when many Americans likely indulged in Easter treats rather than work out. But given the category's strength over the past several years, there is every reason to believe it will continue to flourish.

Change in Weekly Visits to Fitness Chains Nationwide

Q1 2024 Compared to Q1 2023

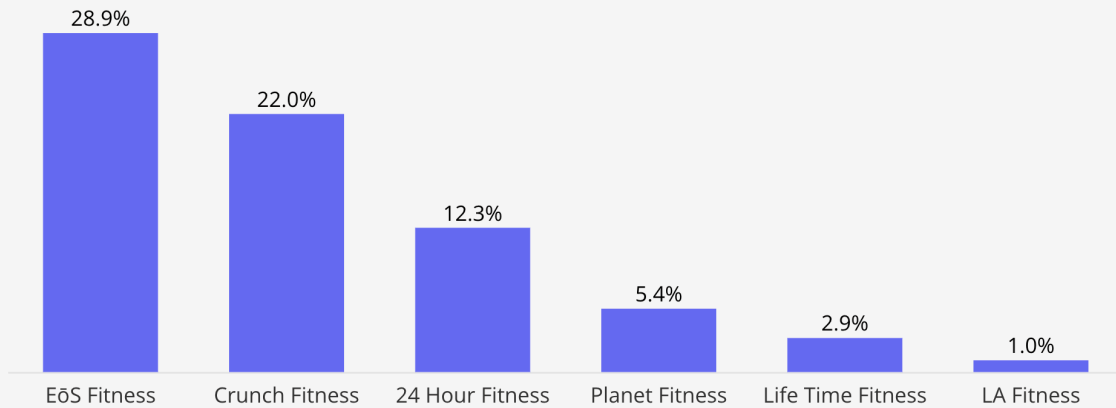


Value Chains Come out Ahead

For **Fitness** chains, too, cost was key to success in Q1 – with value gyms experiencing the biggest visit jumps. **EōS Fitness** and **Crunch Fitness**, both of which offer low-cost membership options, saw their Q1 visits skyrocket 28.9% and 22.0% YoY, respectively – helped in part by [aggressive expansions](#). At the same time, premium and mid-range gyms like **Life Time** and **LA Fitness** are also finding success – showing that when it comes to **Fitness**, there’s plenty of room for a variety of models to thrive.

Change in Quarterly Visits Across Major Fitness Chains

Q1 2024 Compared to Q1 2023



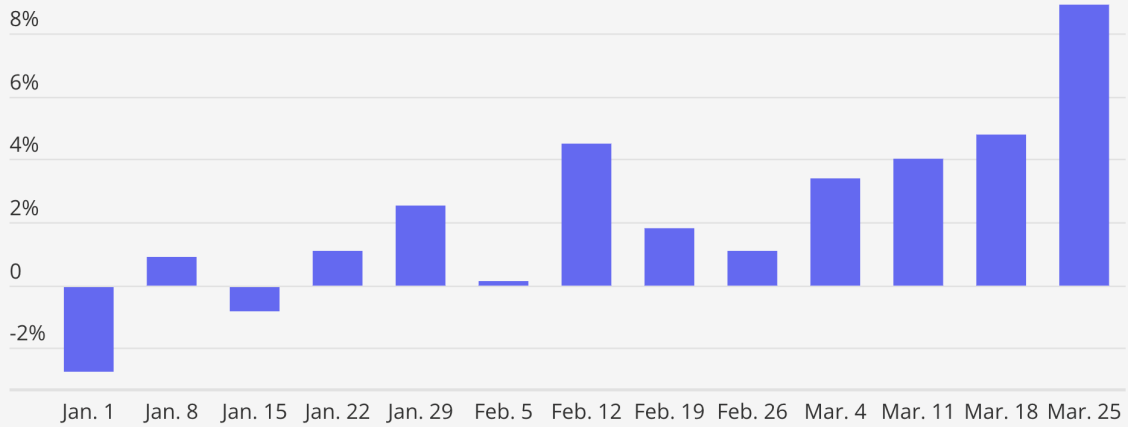
Superstores

Superstores – including wholesale clubs – are prime destinations for big, planned shopping expeditions – during which customers can load up on a month’s supply of food items or stock up on home goods. And perhaps for this reason, the category felt the impact of January’s inclement weather more than either dollar chains or supermarkets – which are more likely to see shoppers pop in as needed for daily essentials.

But like **Grocery Stores** and **Discount & Dollar Stores**, **Superstores** ended the quarter with an impressive YoY visit spike, likely fueled by Easter holiday shoppers.

Change in Weekly Visits to Superstores Nationwide

Q1 2024 Compared to Q1 2023

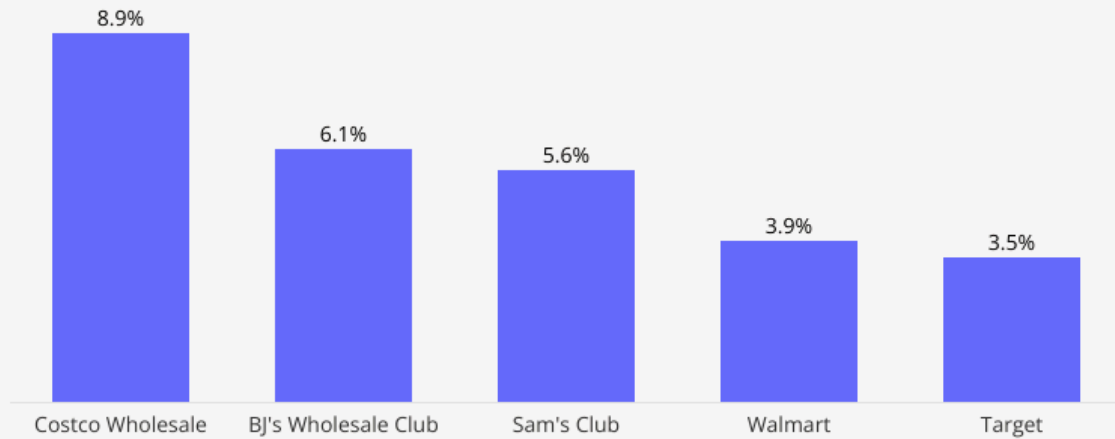


Warehouse Clubs Continue to Thrive

As in [Q4 2023](#), membership warehouse chains – **Costco Wholesale**, **BJ's Wholesale Club**, and **Sam's Club** – drove much of the Superstore category's positive visit growth, as shoppers likely engaged in mission-driven shopping in an effort to stretch their budgets. Still, segment mainstays **Walmart** and **Target** also enjoyed positive foot traffic growth, with YoY visits up 3.9% and 3.5%, respectively.

Change in Quarterly Visits Across Major Superstore Chains Nationwide

Q1 2024 Compared to Q1 2023

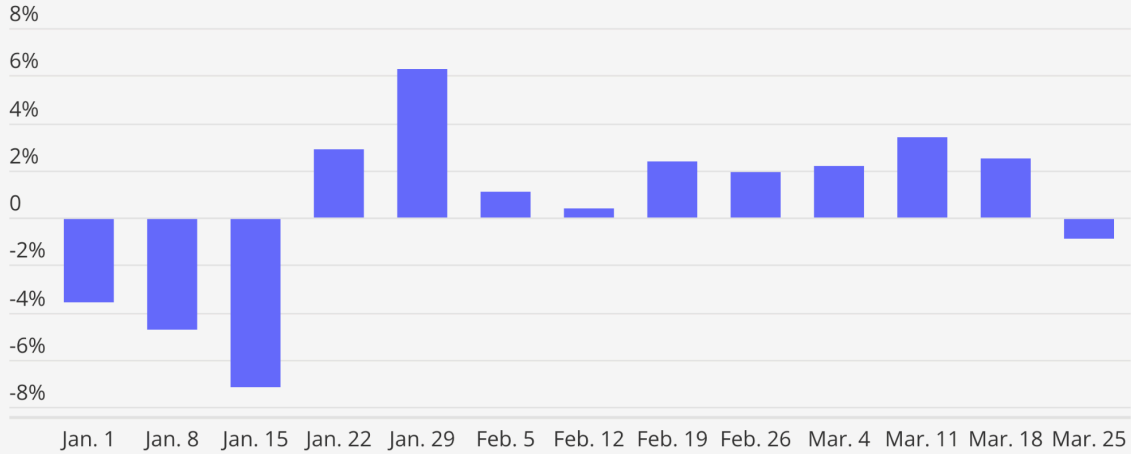


Dining

Moving into more discretionary territory, **Dining** experienced a marked January slump, as hunkered-down consumers likely opted for delivery. But the segment rallied in February and March, even though foot traffic dipped slightly during the last week of March, when many families gathered to enjoy home-cooked holiday meals.

Change in Weekly Visits to Dining Chains Nationwide

Q1 2024 Compared to Q1 2023

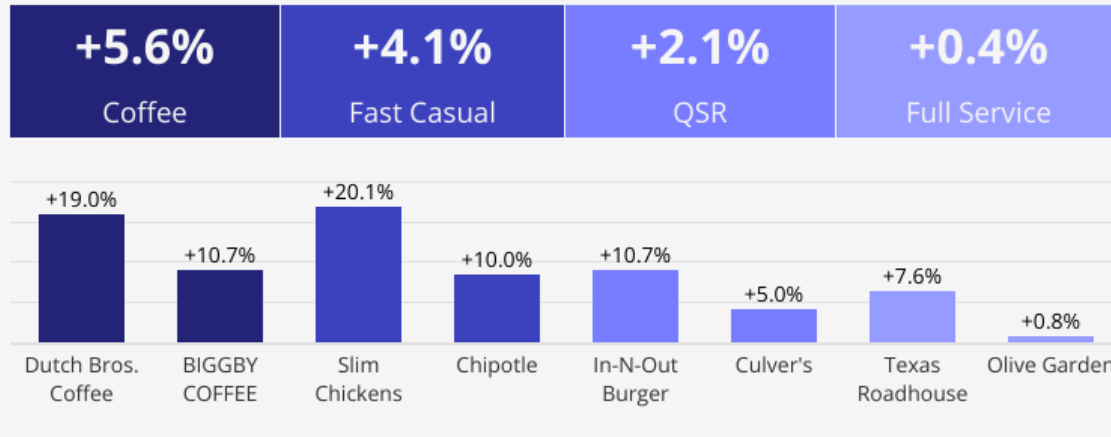


Coffee, Coffee, Coffee!

Coffee Chains and **Fast-Casual Restaurants** saw the largest YoY visit increases, followed by **QSR** – highlighting the enduring power of lower-cost, quick-serve dining options. But **Full-Service Restaurants (FSR)** also saw a slight segment-wide YoY visit uptick in Q1 – good news for a sector that has yet to bounce back from the one-two punch of COVID and inflation. Within each **Dining** category, however, some chains experienced outside visit growth – including favorites like **Dutch Bros. Coffee, Slim Chickens, In-N-Out Burger, and Texas Roadhouse.**

Q1 Dining Leaders: Chains that Surge Ahead of their Segment Average

Q1 2024 Compared to Q1 2023



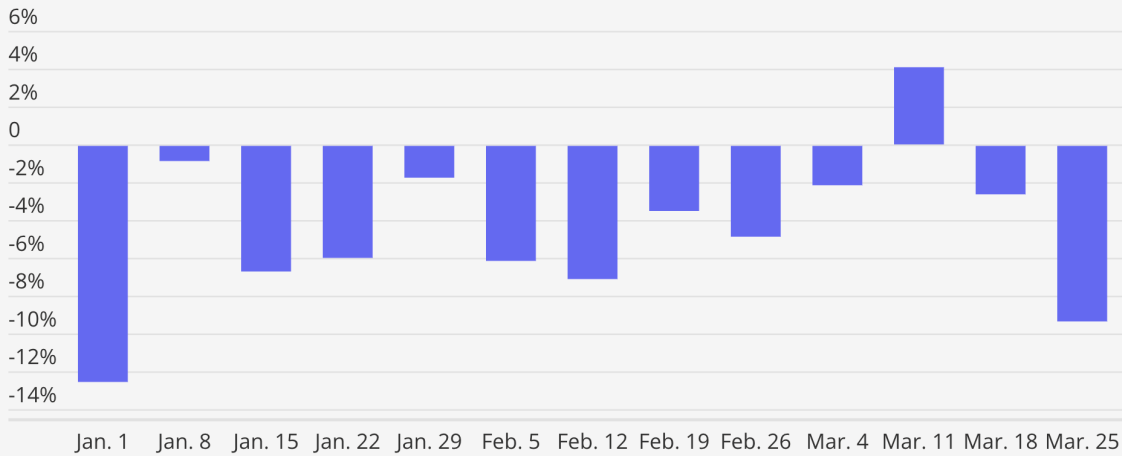
Home Improvement

Since the shelter-in-place days of COVID – when everybody had their sourdough starter and DIY was all the rage – **Home Improvement & Furnishings** chains have faced a tough environment. Many deferred or abandoned home improvement projects in the wake of inflation, and elevated interest rates coupled with a sluggish housing market put a further [damper](#) on the category.

Against this backdrop, **Home Improvement & Furnishings'** relatively lackluster Q1 visit performance should come as no surprise. But the narrowing of the visit gap in March – which also saw one week of positive visit growth – may serve as a promising sign for the segment. (The abrupt foot traffic drop during the week of March 25th, 2024 is likely a just reflection of Easter holiday shopping pattern.)

Change in Weekly Visits to Home Improvement & Furnishing Chains

Q1 2024 Compared to Q1 2023

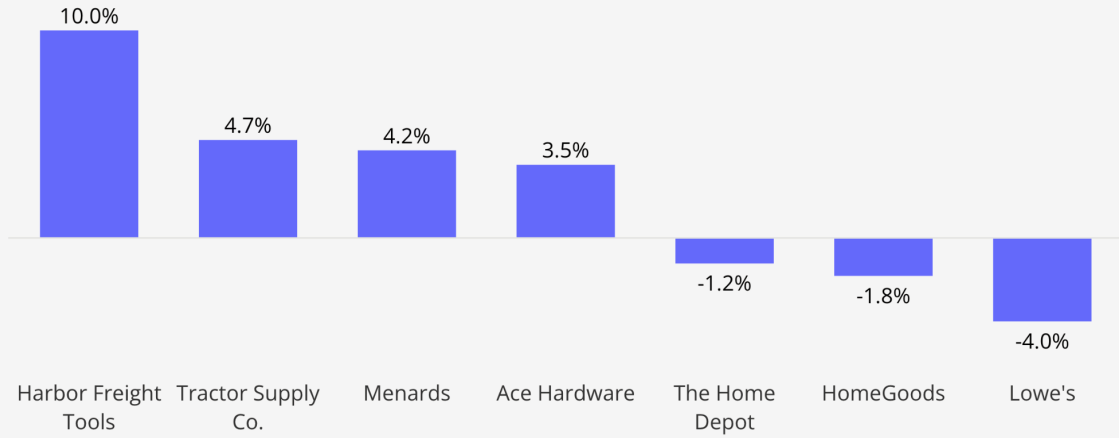


Home Improvement Bright Spots

Within the **Home Improvement & Furnishings** space, some bright spots stood out in Q1 – including **Harbor Freight Tools**, which saw visits increase by 10.0%, partly due to the brand’s [growing](#) store count. **Tractor Supply Co.**, **Menards**, and **Ace Hardware** also registered visit increases.

Change in Quarterly Visits Across Home Improvement & Furnishing Chains

Q1 2024 Compared to Q1 2023



Good Things to Come

January 2024's stormy weather left its mark on the Q1 retail environment, especially for discretionary categories. But as the quarter progressed, retailers rallied, with healthy YoY foot traffic growth that peaked during the last week of March – the week of Easter Sunday. All in all, retail's positive Q1 performance leaves plenty of room for optimism about what's in store for the rest of 2024.