Profitero

Price Wars: 2024 U.S. Edition

Which online retailers are beating competitors on price heading into the holiday season?

NOVEMBER 2024

Introduction

While inflation has stayed near 3% since June 2023 - hitting a low of 2.4% in September 2024[1] - price anxiety and careful shopping remains. US buyers gauge their financial well-being on more factors than a national index. Consumers face rising housing costs and higher unemployment, putting pressure on them to budget on basics as well as gifts. This is evidenced by consumer confidence still not recovering from its covid crash[2].

Expect buyers to shop around this holiday season. McKinsey found that 39% of US shoppers say they changed retailers due to high prices in the last year[3].

So which retailers will stand out as affordable? Where will buyers find deals in each category?

Profitero has the answer. For the 8th consecutive year, we've conducted our Price Wars study, which compares item-level price competition across the U.S. online retail landscape. The study compares the everyday online prices on over 13,000 items in 15 categories across 22 leading retailers, including Amazon, Walmart, Target, and specialists like Chewy, GameStop, and Sephora.

Only identical items available and in-stock in the same pack configuration were compared. Data was collected daily over 12 weeks (Jul 8 – Sep 29, 2024), with daily prices averaged over the full period for comparison. Prices for the same items were collected within 24 hours of each other to ensure validity of the comparisons.

To refer to past Profitero **Price Wars** studies, go to: **profitero.com/insights**

1 US Bureau of Labor Statistics, October 2024

2 The Conference Board, September 2024

3 State of the US Consumer, August 2024

RETAILERS FEATURED IN THE STUDY

amazon BEST BUY chewy.com CVS GNC

macy's NORDSTROM petco PETSMART

Target Walgreens Walmart wayfair

DICK'S SPORTING GOODS LOWE'S THE HOME DEPOT ULTA BEAUTY iHerb

KOHL'S GameStop albeebaby SEPHORA

CATEGORIES FEATURED IN THE STUDY

Appliances	Household Supplies
Baby	Pet Supplies
Beauty	Sports & Outdoor
Electronics	Tools & Home Improvement
Fashion	Toys & Games
Packaged Foods	Video Games
Health & Personal Care	Vitamins & Supplements
Home Furniture	

Amazon Still Leads as Lowest-Priced Retailer; Target Gains Ground Ahead of Holidays

For the eighth consecutive year, Amazon led as the lowest-priced retailer, with an average price advantage of 14% over its competitors. However, competitors closed the gap compared to last year when Amazon had a 16% price advantage.

Target showed a solid year-over-year improvement, with prices just 13% higher than Amazon's — vs 16% last year. Target made the most progress in Home Furniture, Household Supplies and Beauty, closing the price gap with Amazon by 5 percentage points and tying Walmart for second in Toys with a 2% price difference from Amazon.

Walmart continues as Amazon's closest price competitor, with only a 5% price difference on identical items, though slightly less competitive than last year's 4% price gap.

Other key highlights from the 2024 Price Wars study

Chewy nips at Amazon's heels

Chewy remained competitive in Pet Supplies, with prices just 1% above Amazon.

Best Buy upped their game in holiday categories

Best Buy rose to second in Video Games — a popular holiday category — with prices 9% higher than Amazon, edging out Walmart. The retailer also tied Walmart for lowest prices in Appliances.

It's fashionably close between Nordstrom and Walmart

Nordstrom improved its price competitiveness in Fashion, tying Walmart at 5% higher than Amazon.

Supporting data charts

Retailers with the lowest prices across top selling holiday categories

Source: Profitero

Category	Lowest priced	2nd lowest priced	Difference between lowest & 2nd lowest
Appliances	amazon	Walmart, BEST BUY	5%
Electronics	amazon	BEST BUY	3%
Fashion	amazon	Walmart, NORDSTROM	5%
Sports & Outdoors	amazon	Walmart	3%
Tools & Home Improvement	amazon	Walmart	4%
Toys	amazon	Walmart, Target	2%
Video Games	amazon	BEST BUY	9%

Retailers with the lowest prices across everyday essential categories

Source: Profitero

Category	Lowest priced	2nd lowest priced	Difference between lowest & 2nd lowest
Baby	amazon	Walmart	4%
Beauty	amazon	Walmart	6%
Health & Personal Care	amazon	Walmart	4%
Household Supplies	amazon	Walmart	4%
Pet Supplies	amazon	chewy	1%
Vitamins & Supplements	amazon	Walmart	3%

14%
Amazon's average price differences vs. other retailers in the study

15/15
Number of categories where Amazon had the lowest online prices

5%
Average price difference separating prices at Amazon and Walmart, up from 4% LY (Amazon was the leader)

Top categories where Walmart and Target gained / lost the most ground against Amazon compared to last year

Walmart | **Target** (logo)

↑ Improved price competitiveness vs. Amazon

Walmart

Fashion
↑ **2** ppt

Electronics
↑ **1** ppt

Target

Beauty
↑ **5** ppts

Household Supplies
↑ **5** ppts

Home Furnishings
↑ **5** ppts

↓ Decreased price competitiveness vs. Amazon

Walmart

Beauty
↓ **4** ppts

Video Games
↓ **2** ppts

Pet Supplies
↓ **2** ppts

Target

Electronics
↓ **1** ppts

How Lowes & Home Depot fared against Amazon in home categories:
Numbers represent how much more expensive other retailers were vs Amazon (in %)

Category	THE HOME DEPOT vs. amazon	LOWE'S vs. amazon	Walmart vs. amazon	Target vs. amazon
Appliances	8%	14%	5%	9%
Home Furnishings	9%	12%	4%	5%
Tools & Home Improvement	9%	10%	4%	7%

2024 Price comparison heat map: Online prices of select retailers compared to Amazon prices (page 1 of 2)

Read as: Walmart's online prices in the Appliance category are 5% more expensive, on average, than Amazon
Source: Profitero: Notes: Time period= July 8 - September 29, 2024

● Lowest price ● Competing aggressively (1-5% more expensive) ● Keeping things close (6-14% more expensive) ● Not competing (15%+ more expensive)

Category	Amazon	Avg. price difference vs. other retailers	Walmart	Target	Albeebaby	Best Buy	Chewy	CVS	Dick's Sporting Goods	Gamestop	GNC	Home Depot
Appliances	Lowest price	10%	5%	9%		5%						8%
Baby	Lowest price	7%	4%	11%	8%							
Beauty	Lowest price	21%	6%	21%				36%				
Electronics	Lowest price	6%	6%	9%		3%						9%
Fashion	Lowest price	15%	5%	7%								
Packaged Foods	Lowest price	10%	3%	24%								
Health & Personal Care	Lowest price	25%	4%	21%				50%				
Home Furniture	Lowest price	22%	4%	5%								9%
Household Supplies	Lowest price	11%	4%	11%								16%
Pet Supplies	Lowest price	7%	8%	15%			1%					
Sports & Outdoors	Lowest price	7%	3%	7%					11%			8%
Tools & Home Improvement	Lowest price	8%	4%	7%								9%
Toys & Games	Lowest price	10%	2%	2%								
Video Games	Lowest price	12%	12%	10%		9%				20%		
Vitamins & Supplements	Lowest price	21%	3%	24%				54%			26%	
AVERAGES		**14%**	**5%**	**13%**	**8%**	**6%**	**1%**	**47%**	**11%**	**20%**	**26%**	**10%**

Blank spots indicate the retailer was not included in the study for this category.

Continued on next page

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2024 Price comparison heat map: Online prices of select retailers compared to Amazon prices (page 2 of 2)

Read as: Walmart's online prices in the Appliance category are 5% more expensive, on average, than Amazon
Source: Profitero: Notes: Time period= July 8 - September 29, 2024

- ● Lowest price
- ● Competing aggressively (1-5% more expensive)
- ● Keeping things close (6-14% more expensive)
- ● Not competing (15%+ more expensive)

Category	Amazon	Avg. price difference vs. other	iHerb	Kohls	Lowes	Macy's	Nordstrom	Petco	Petsmart	Sephora	Ulta	Walgrens	Wayfair
Appliances	Lowest price	10%			14%	18%							
Baby	Lowest price	7%											
Beauty	Lowest price	21%								8%	20%	35%	
Electronics	Lowest price	6%											
Fashion	Lowest price	15%		32%		30%	5%						
Packaged Foods	Lowest price	10%											
Health & Personal Care	Lowest price	25%										45%	
Home Furniture	Lowest price	22%			12%	112%							17%
Household Supplies	Lowest price	11%											
Pet Supplies	Lowest price	7%						3%	5%				
Sports & Outdoors	Lowest price	7%											
Tools & Home Improvement	Lowest price	8%			10%								
Toys & Games	Lowest price	10%				26%							
Video Games	Lowest price	12%											
Vitamins & Supplements	Lowest price	21%	6%									53%	
AVERAGES		**14%**	**6%**	**32%**	**12%**	**43%**	**5%**	**3%**	**5%**	**8%**	**20%**	**44%**	**17%**

Blank spots indicate the retailer was not included in the study for this category.

From Profitero's 2023 Price Wars study: Online prices of select retailers compared to Amazon prices (page 1 of 2)

Read as: Lowes' online prices in the Appliance category are 20% more expensive, on average, than Amazon
Source: Profitero; Notes: Time period = July 10 - October 1, 2023

● Lowest price ● Competing aggressively (1-5% more expensive) ● Keeping things close (6-14% more expensive) ● Not competing (15%+ more expensive)

Category	Amazon	Avg. price difference vs. other retailers	Walmart	Target	Best Buy	Chewy	CVS	Dick's Sporting Goods	GameStop	GNC	Home Depot	Kohls
Appliances	Lowest price	12%	4%	8%	5%						8%	
Baby	Lowest price	8%	3%	14%								
Beauty	Lowest price	26%	2%	26%			31%					
Electronics	Lowest price	8%	7%	8%	4%						15%	
Fashion	Lowest price	19%	7%	10%								30%
Packaged Foods	Lowest price	11%	3%	24%								
Health & Personal Care	Lowest price	26%	4%	25%			52%					
Home Furniture	Lowest price	25%	3%	10%							13%	
Household Supplies	Lowest price	11%	3%	16%							14%	
Pet Supplies	Lowest price	7%	6%	17%		1%						
Sports & Outdoors	Lowest price	7%	3%	8%				8%			10%	
Tools & Home Improvement	Lowest price	8%	5%	7%							9%	
Toys & Games	Lowest price	9%	2%	4%								
Video Games	Lowest price	12%	10%	13%	9%				17%			
Vitamins & Supplements	Lowest price	29%	4%	27%			56%			29%		
AVERAGES		**16%**	**4%**	**16%**	**6%**	**1%**	**46%**	**8%**	**17%**	**29%**	**12%**	**30%**

Blank spots indicate the retailer was not included in the study for this category.

From Profitero's 2023 Price Wars study: Online prices of select retailers compared to Amazon prices (page 2 of 2)

Read as: Lowes' online prices in the Appliance category are 20% more expensive, on average, than Amazon
Source: Profitero; Notes: Time period = July 10 - October 1, 2023

● Lowest price　　● Competing aggressively (1-5% more expensive)　　● Keeping things close (6-14% more expensive)　　● Not competing (15%+ more expensive)

Category	Amazon	Avg. price difference vs. other retailers	Lowes	Macy's	PetCo	PetSmart	Nordstrom	Ulta	Walgreens	Wayfair
Appliances	Lowest price	12%	20%	22%						
Baby	Lowest price	8%		Blank spots indicate the retailer was not included in the study for this category.						
Beauty	Lowest price	26%						24%	42%	
Electronics	Lowest price	8%								
Fashion	Lowest price	19%		31%			12%			
Grocery	Lowest price	11%								
Health & Personal Care	Lowest price	26%							42%	
Home Furniture	Lowest price	25%	18%	125%						12%
Household Supplies	Lowest price	11%								
Pet Supplies	Lowest price	7%			2%	5%				
Sports & Outdoors	Lowest price	7%								
Tools & Home Improvement	Lowest price	8%	12%							
Toys & Games	Lowest price	9%		23%						
Video Games	Lowest price	12%								
Vitamins & Supplements	Lowest price	29%							49%	
AVERAGES		**16%**	**17%**	**46%**	**2%**	**5%**	**12%**	**24%**	**44%**	**12%**

Low price reliability

With **82% of U.S. consumers price-comparing across retailers before buying,** it's vital for retailers not only to have the largest average price discounts but also "appear" to be the most affordable option whenever a consumer decides to shop. The more frequently a consumer finds a retailer offering lower prices than others, the more they'll perceive that retailer as consistently cheaper, making it their go-to choice, both initially and ultimately. To capture this consumer perspective, we calculate: "Low Price Reliability" (LPR). **LPR quantifies how often Amazon's prices match, undercut, or exceed those of another retailer when we conducted daily comparisons, as opposed to calculating the average price difference across all the days in our study.**

How this specific metric is calculated:

For our study, we conducted daily price comparisons of like-for-like items across various retailers over a 12-week period. Each day, we categorized instances where the same product was available on both Amazon and another retailer into three groups: "Same Price," "Higher Price," or "Lower Price." To ensure the data's validity, we applied statistical significance criteria. We then represented these instances as percentages of the total. Only instances with the product available on both Amazon and the other retailer were considered, ensuring direct product comparisons.

1: "Share of shoppers who usually compare prices before buying online in the United States as of August 2022", Statista, 2022

The % of times Amazon had lower, same or higher prices as other retailers whenever we checked

Retailer	Amazon had LOWER $	Amazon had SAME $	Amazon had HIGHER $
CVS	95%	5%	0%
Walgreens	95%	5%	0%
GNC	92%	7%	1%
Ulta	81%	18%	1%
Kohls	77%	22%	1%
Macys	75%	23%	1%
Target	70%	28%	1%
Petsmart	70%	29%	1%
Gamestop	67%	30%	3%
Dick's Sporting	67%	30%	3%
Best Buy	65%	34%	1%
Lowes	58%	39%	3%
Wayfair	57%	41%	1%
Home Depot	50%	48%	2%
iherb	49%	45%	6%
Albeebaby	43%	52%	4%
Nordstrom	34%	63%	3%
Walmart	31%	65%	4%
Sephora	25%	75%	0%
Petco	14%	85%	1%
Chewy	5%	94%	0%

Study methodology

Each day, Profitero monitors prices and other data on more than 70 million product pages across thousands of unique retailer sites. For this study, Profitero analyzed online prices on 13,300 items collected from July 8, 2024 to September 29, 2024 at Amazon.com and other leading U.S.. retail sites across 15 categories featured in this report.
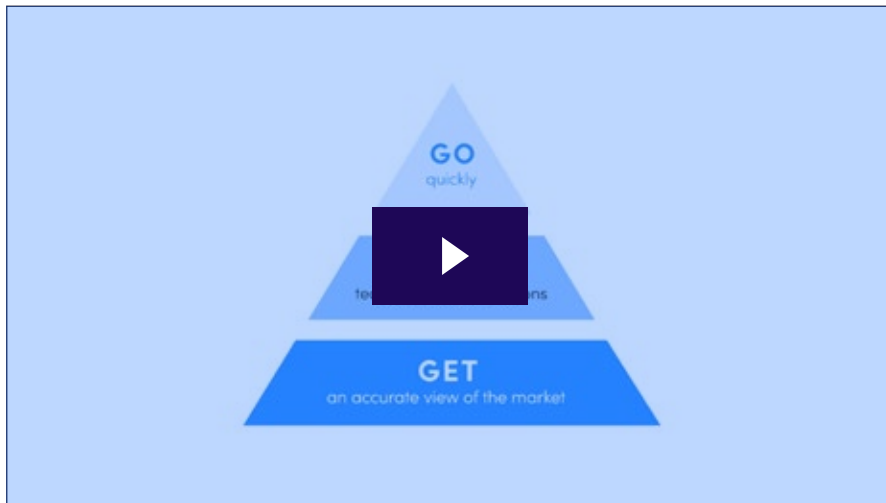
Summary

Time period	July 8, 2024 to September 29, 2024
Featured categories	Appliances, Baby, Beauty, Electronics, Fashion, Packaged Foods, Health & Personal Care, Home Furniture, Household Supplies, Pet Supplies, Sports & Outdoor, Tools & Home Improvement, Toys & Games, Video Games, Vitamins & Supplements
Data collection frequency	Daily
Matching	Exact matches (same items only)
Retailers (online sites)	Amazon, Albeebaby, Best Buy, Chewy, CVS, Dick's Sporting Goods, Gamestop, GNC, The Home Depot, iHerb, Kohls, Lowes, Macy's, Nordstrom, Petco, PetSmart, Sephora, Target, Ulta, Walgreens, Walmart, Wayfair
Price comparisons	Prices collected on the same day, in-stock, averaged over the full period

- Online prices were collected daily from each retailer. The study only compares prices collected on the same day, with both retailers instock.

- Items were collected from retailers and matched to Amazon. Wherever possible, products had enough reviews on Amazon and/or retailers in the last 4-6 months to be considered.

- Items were matched exactly. Profitero's methodology includes comparing online prices between retailers only on items that are identical (same UPC, brand and pack configuration).

- Where prices were unavailable for both retailers on the same day for matched items (as in the case of out-of-stocks at one retailer), items were excluded from Profitero's comparison.

- Price gaps were calculated at the product level on a daily basis and indexed to Amazon.com. Then, an average of the price gap for all items in each category was taken for each day for each retailer. Lastly, these daily average price gaps by category were averaged for each month. This approach avoids the misrepresentative impact that high price-point items can have when the percentage difference between "average prices" is compared.

- Profitero collected prices that were listed on retailer website Product Detail Pages without loyalty credentials.

- Number of Amazon SKUs refers to the number of items sold by Amazon (excluding third-party sellers) analyzed for the study

About Profitero

Profitero is the trusted commerce partner to over 4,000 of the world's leading brands, with an end-to-end system that connects data, insight and action to accelerate your growth. With Profitero, content, media, and operations teams can get accurate, reliable digital shelf insights across 1200 retailers in 70+ countries, guidance from experienced commerce practitioners, and shelf-intelligent automation and AI tools that empower them to go faster.

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