



/CORRECTION -- Forrester/

April 30, 2020

In the news release, Forrester: Retail Will See A \$2.1 Trillion Loss Globally In 2020 Due To Coronavirus Pandemic, issued 30-Apr-2020 by Forrester over PR Newswire, we are advised by the company that the original version had incorrect information. The complete, corrected release follows:

Forrester: Retail Will See A \$2.1 Trillion Loss Globally In 2020 Due To The Coronavirus Pandemic

Offline non-grocery retail will contract by 20%, while eCommerce sales will remain flat

CAMBRIDGE, Mass., April 30, 2020 /PRNewswire/ -- [Forrester](#) today predicts that due to the coronavirus, global retail sales in 2020 will decline by an average of 9.6 percent globally, a loss of \$2.1 trillion. Forrester also predicts that it will take four years for retailers to overtake pre-pandemic levels.

Decline In Global Retail Sales Value Post-COVID-19: Snapshot Retail Sales (US\$ trillions)

■ Retail sales 2019
■ Retail sales 2020*



* Total retail is the calculated average of base-case, best-case and worst-case scenarios.

Note: North America includes Canada and the US, Asia includes Australia, China, India, Japan, South Korea, and South East Asia, Europe includes France, Germany, Italy, Spain and the UK, and Latin America includes Argentina, Brazil and Mexico.

F = Forecast

Source: Forrester ForecastView: COVID-19 Retail Scenario Planner (Global); Forrester Analytics: Online Retail Forecast, 2019 To 2024 (Western Europe), Q4 2019 Update; Forrester Analytics: Online Retail Forecast, 2019 To 2024 (US); Forrester Analytics: Online Retail Forecast, 2018 To 2023 (Latin America); Forrester Analytics: Online Retail Forecast, 2018 To 2023 (Asia Pacific); and Forrester Analytics: Online Retail Forecast, 2018 To 2023 (Southeast Asia)

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According to Forrester's updated retail forecasts across North America, Asia, Europe, and Latin America, the impact of the coronavirus on retail sales will vary worldwide given the regional differences and considering that each country is at a different stage of the pandemic.

Key findings include:

Global

- Non-grocery offline sales will see a 20% growth contraction in 2020.
- Retailers will continue to face growth constraints, with a lot of brick-and-mortar retailers predicting losses in 2020. Many will also assume that their growth in online sales will not be enough to offset the lost sales from store closures.

North America

- In the US, retail sales will fall by \$321 billion in 2020, a decline of 9.1% from 2019.
- In Canada, similar losses are expected, with total retail spending expected to decline by \$25 billion in 2020, representing a 7.7% drop from 2019.

Europe

- Retail sales will lose €260 billion across EU-5 (the UK, France, Germany, Spain, and Italy) in 2020, a decline of 10.4% from 2019.
- Due to COVID-19, Forrester expects a €56 billion loss in French retail sales in 2020 compared to Forrester's pre-COVID-19 predictions, representing a 9.5% drop from 2019. In Germany, total retail will fall by €60 billion in 2020, a decline of 10% from 2019. For the UK, Forrester expects a £56 billion loss in UK retail sales in 2020, an estimated decline of 11.4% from 2019.

AP

- In AP, the loss of sales is predicted to reach \$767 billion in 2020, a decline of 10% from 2019.
- China is the most negatively affected country in the region, with \$192 billion of retail sales lost in January and February of 2020 compared to the same period in 2019.

LATAM

- Retail sales will decline 6.8% for 2020 in LATAM.

"COVID-19 is significantly impacting the global retail landscape," said Michael O'Grady, principal forecast analyst at Forrester. "Retail categories like grocery and essential consumables are performing well, while other categories like fashion, beauty, and cosmetics are seeing a marked decline in consumer spend. In 2020, there will be a significant decline in global retail sales, particularly with non-essential items sold offline, which will be a big challenge for brick-and-mortar retailers. Online sales, however, will be more resilient. To navigate the crisis, retailers need to manage their costs and drive their eCommerce sales and services as much as possible."

Resources:

- Visit Forrester's [COVID-19 Insights Hub](#) for the latest guidance for leaders to address the growing business and employee experience implications of the coronavirus pandemic.
- Check out Stephanie Balaouras' blog, [Entering The New Normal: How To Safely Bring Your Workforce Back](#), to learn how retailers can start planning their pandemic recovery.
- Listen to Forrester's What It Means podcast episode on [coronavirus's impact on retail and what the future may hold for the industry](#).

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