

WILL RETAIL EAT OUR ONLINE SALES?

Retail didn't eat online sales at any of five brands that made the move. It took margin. We traced five direct-to-consumer brands that scaled into retail through the public record, set the brand's own public numbers against them, and sourced every number.

157 sources behind ten slides. Every number links to its page

Five brands, ten slides, a 157-source ledger and 14 source slides showing the page behind each number.

Why they asked

A skincare brand that started online was moving deeper into retail and needed a media plan for the next phase. Before anyone briefed an agency, the team wanted to know what had happened to other brands that made the same move.

The worry in the room was cannibalization: every shopper who found the brand on a shelf might be a shopper the website lost. The team also needed to know what kind of media had sold product off a retailer's shelf, and which numbers the retail buyer would use to judge it.

It mattered because the answer moves money: launch media, retail media networks, the job of the brand's own site, and what gets reported back to buyers at the next line review.

The answer, slide by slide

THE QUESTION

WILL RETAIL EAT ONLINE SALES?

Five brands that moved from selling online to thousands of stores. What happened to their own sites, and what the media did.

WHAT HAPPENED

RETAIL DIDN'T EAT ONLINE AT ANY OF THE FIVE.

The share shifted; the online business grew. The cannibalization that is real is margin: the retailer's cut, trade spend and fees. Not demand.

WHY

THE TWO CHANNELS FED EACH OTHER.

A store opening lifts online sales nearby by 6.9%, and 13.9% for direct-to-consumer brands, according to industry research across \$848 billion of transactions.

WHAT THE MEDIA DID

MEDIA POINTED AT ONE SHELF, IN ONE WEEK.

The launches that worked sent people to a named store in its launch week, then reported that store's sales, not impressions.

WHAT TO DO

- **Point:** Launch media at one retailer's shelf in its set week.
- **Fund:** Retail media from the trade budget, for position.
- **Protect:** Give the site a job the shelf can't do.
- **Report:** The four numbers buyers manage to.

How we answered it

1. **Pick five brands that made the move.** We chose five brands that went from selling online to thousands of stores and left a public trail: Hero, Bubble, Harry's, Liquid Death and Poppi. Two are in skincare, one in shaving and two in drinks, so the pattern had to hold across categories.
2. **Source every number.** Every number came from company filings and interviews, trade press, retail media networks and marketplace listings. The series rests on a 157-source ledger, and 14 source slides show the page behind each number, captured on one date.
3. **Trace what happened to online sales.** For each brand we traced what happened to its own site and its Amazon business as retail scaled, and where margin went. We looked for cannibalization of demand and cannibalization of margin separately.
4. **Trace what the media did.** For each retail launch we traced what the media pointed at, when it ran, and what got reported afterward. The pattern across five brands became five moves for the media plan.
5. **Read the client's starting point.** We set the client's public numbers against the five: doors, revenue per door, prices by channel, and which of the numbers a buyer manages to were not public.

Everything we found

0 of 5

Retail didn't eat online sales at any of the five

Hero still got most of its revenue from Amazon at its \$630 million sale, and was first in its Amazon category in 2024. Bubble's site became its community and launch channel at more than \$100 million a year across 17,000-plus stores. Poppi was still the top-selling soft drink on Amazon past 30,000 stores. Liquid Death dropped its own fulfillment by choice and sent site shoppers to Amazon and retail, with \$333 million of retail sales in 2024. The share shifted. The online business grew.

The cannibalization that is real is margin

What retail takes is margin: the retailer's cut, trade spend, slotting fees and deductions. None of the five lost online demand to the shelf. A brand planning a retail push should model margin carefully and stop worrying that every shelf sale is a lost site sale.

13.9%

A store opening lifts online sales near it

Industry research from ICSC, across \$848 billion of transactions, found a store opening lifts online sales in its trade area by 6.9%, and by 13.9% for direct-to-consumer brands. The two channels feed each other. A shelf is also an ad for the site.

Two thirds

The shelf reaches people the site never did

Two thirds of Harry's early Target buyers had never bought a razor at Target. In its Target launch year Harry's also added almost 500,000 subscribers at an 80% repeat rate, and Target.com sold the subscription, with 5% off for its store card holders. The shelf brought new buyers, and the subscription kept them.

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Media that sold off the shelf pointed at one fixture in one week

Hero's TikTok videos named Target and asked customers to photograph the shelf, which "helped to double Hero's sales goals at Target" at seven times the cost-efficiency of Instagram Stories; Target then expanded the range. Bubble put ambassadors' faces on Walmart endcaps and ran a Snapchat filter and live TikTok in launch week. At Target it sent a 380,598-person list, with a 74% open rate, to one fixture in one week. The launches that worked reported that store's sales afterward, not impressions.

824%

Retail media is bought for position

Hero's Target attributed sales rose 824% ten months after joining the retailer's ad network, per a vendor case study, and 247% across the newer retail media marketplaces, where the brand said it was "willing to accept a lower ROAS." What these networks sell is rank in the retailer's own search results and measurement against the retailer's own transactions. Those attributed sales land in the buyer's velocity dashboard, which is the number the buyer sees at the next review. The bases are large: more than 100 million Target Circle members, about 44 million Ulta members, more than 90 million CVS ExtraCare members, and Walmart's online and in-store transactions.

\$100,000

Amazon is the signal buyers read

Retailers "see Amazon success as validation." Poppi's founder posted one video about making "over \$100,000 on Amazon while we were sleeping," and the Amazon rank became a slide in its line reviews. TikTok carried most of Poppi's paid media. A strong marketplace rank is evidence a buyer can use to say yes.

\$12.99

One price everywhere, different counts by channel

Hero charges \$12.99 for 36 patches on Amazon, its own site and every shelf, then varies the count: 72 on the site, 75 on Amazon. No channel is cheaper per pack, so no buyer asks for margin support against the brand's own site. Bubble prices Walmart three cents under its site. Reviews travel too: Hero's 36-count listing on Amazon carries 185,032 ratings and a Best Seller badge, which is what a buyer checks first.

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The buyer judges the media by four numbers

ACV (how much of the retailer's volume carries you), units per store per week against the category, household penetration and repeat. Doors are a count; the buyer manages to these. Harry's had 10% of Target's cartridge sales and about 50% of handles within four weeks, made that public within a month, and tripled sales and penetration by month eight. Those numbers sold Walmart. Poppi's growth came from volume in existing stores, with repeat over 40%, and that growth is what PepsiCo paid \$1.95 billion for.

Where the client started

The client already had more doors than one of the five had at its sale, at about a third of the revenue per door. The same product sold at three different prices across its own site and two retailers. The numbers a buyer manages to (Amazon share, household penetration, ACV and repeat) were not public, nor was any result from an earlier retail launch. Its biggest recent collaboration ran on a partner's channels and never reached its own list.

What we told them to do

- **POINT** Point launch media at one retailer's shelf in the week your product lands there. Measure the lift in that retailer's velocity.
- **FUND** Fund retail media from the trade budget, network by network. Buy search rank and new-to-brand share, and accept a lower return on ad spend in exchange for position.
- **PROTECT** Give the site and Amazon jobs the shelf can't do: a subscription or a drop, reviews syndicated to every listing, one price with counts by channel.
- **REPORT** Report ACV, velocity, penetration and repeat. Publish a four-week read after the next launch, the way Harry's published its Target numbers.
- **AUDIT** Check product claims before the media runs. The comment section follows the product onto every retailer's review tab, and Poppi's claim cost it \$8.9 million.

What any brand can take from this

- **Plan for margin pressure more than lost demand.** Across five brands in three categories, retail grew the business and the online channel kept growing. The cost showed up as the retailer's cut, trade spend and fees. Put your modeling effort there.
- **Give every channel a job.** The site did things the shelf couldn't: subscriptions, drops, community, founder content. A brand that gives its site a clear job stops competing with its own retailers.
- **Talk in the buyer's numbers.** Doors and impressions are your numbers. ACV, velocity, penetration and repeat are the buyer's. Report in theirs, early and in public, and the next retailer has a reason to call.

What this doesn't prove

- Five brands, chosen because they made the move and left a public trail. Brands that tried retail and struggled leave fewer records, so this series can't show how often the move fails.

- Some figures are vendor-reported, like the 824% retail media result, and the halo figures are industry-level research. They are directional for any one brand.
- Public data only for the five. Margin, repeat and penetration are rarely published, so some cases are thinner on the buyer's numbers than others.
- The cases show what happened alongside each brand's retail move. They don't prove the media caused the result. For your own launch, a regions-on, regions-off test can.

Every number traces to a source in a 157-source ledger, and 14 source slides show the page behind each one. Names of the brand, its campaigns and its titles are removed. The numbers are exactly as delivered.

Your question is next. Try it free: pick a question and we answer it with your own numbers and what people say, then walk you through it in 30 minutes. No card. usearcus.ai/free-report