

PFSweb and Arlington Research Uncover What Peak Season 2020 Taught Retailers About Adopting a Digital-First Future

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ALLEN, Texas, Feb. 25, 2021 (GLOBE NEWSWIRE) -- According to a new study conducted by Arlington Research and PFSweb's (NASDAQ: PFSW) operations business unit, PFS, 17% of retailers surveyed in the US and UK believe they missed out on sales during the 2020 Q4 peak season due to a lack of preparedness and the failure of operational plans. The study showcases the key takeaways for brands and retailers from the recent peak season.

The retail industry experienced major transformation in 2020, highlighted by record eCommerce spending over the holidays. The 2020 peak season showcased the future of the industry as it continues to shift digitally. Those who invested in omnichannel infrastructure ahead of peak 2020 experienced increased sales volumes, a trend that is likely to persist based on the research.

Key findings from the PFS and Arlington Research study of US and UK retailers reveal:

- Curbside pick-up/ship-from-store capabilities led the way in last-minute investments for peak 2020.
- 50% felt they did not have enough time (or budget/people resources) to make proper operational changes ahead of peak 2020.
- 50% started their peak season promotions earlier in 2020 than 2019.
- 47% report that orders delivered on time increased in 2020 compared to 2019.
- Only 52% felt their technology stack was prepared for 2020's peak season volume.
- 52% are likely to begin outsourcing or change BPO providers for all or portions of their eCommerce operations in 2021 to meet changing consumer demand.

"This research highlights how big of a turning point peak 2020 was," said Zach Thomann, EVP and PFS President. "Brands and retailers have been forced to rethink their approach, with omnichannel investment and additional order fulfillment capabilities as a top priority for 2021 and beyond. The shift to a digital-first approach to retail will only continue to proliferate and the trends witnessed over the past holiday season will likely serve as a great indicator of what is to come."

More details on the study as well as information on PFS' eCommerce solutions can be found here.

About the Research

This study was conducted from November 2020 to January 2021, surveying 400 brands and retailers across the US and UK. More details on the UK study can be found <u>here</u>. Both studies were conducted by independent market research firm, Arlington Research.

About PFSweb, Inc.

PFSweb (NASDAQ: PFSW) is a global commerce services company that manages the online customer shopping experience on behalf of major branded manufacturers and retailers. Across two business units – **LiveArea** for data-driven marketing and omnichannel experience design through technology selection, platform implementation and orchestrated services, and **PFS** for order fulfillment, contact center, payment processing/fraud management, and order management services – they provide solutions to a broad range of Fortune 500® companies and household brand names such as Procter & Gamble, L'Oréal USA, ASICS, Pandora, Ralph Lauren, Shiseido Americas, the United States Mint, and many more. PFSweb enables these brands to provide a more convenient and brand-centric online shopping experience through both traditional and online business channels. The company is headquartered in Allen, TX with additional locations around the globe. For more information, please visit www.pfsweb.com.

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Source: PFSweb, Inc.