

# Exploring the Digital Market

Seminar #3: Sweet Treats by Abdoulaye Diop, Gianna Schlager, Danil Gurshumov

**MACAULAY**  
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## \*How Online Shopping has Helped and Hurt the U.S. Economy\*(Retail Sector)

### Pros:

- Better Accessibility
- Increased Convenience
- More secure
- More of a Variety

### Expanding Preference for Convenience

- In 2024, 2.71 billion people shopped online globally, reflecting a 2.65% increase from the previous year.
- U.S. consumers say convenience is the primary reason they prefer online shopping.
- Online shopping saves time, reduces travel, and enables quick product research and comparisons.
- These benefits make digital shopping an easy and efficient choice for busy consumers.
- As convenience continues to drive adoption, e-commerce is becoming a stable and essential part of the U.S. economy.

### Strong Online Demand for Everyday Items

- Americans are most likely to purchase apparel and accessories online.
- In the past year, 43% of U.S. consumers bought clothing, and 33% purchased shoes through online retailers.
- Shoppers trust online stores for their wide variety, sizing options, and simple return processes.
- Strong and consistent demand for these everyday items supports e-commerce growth and boosts overall sales.
- This steady purchasing behavior helps make online retail a reliable contributor to year-round economic activity.

### Devastating Small Businesses

- As more consumers shop online, in-person purchases decline, pressuring small and medium businesses.
- Large online retailers sell cheaper due to bulk purchasing, making it hard for smaller shops to compete.
- Online retailers rarely face shortages because they operate large warehouses, unlike small stores.
- Growing e-commerce reduces local business activity and lowers demand for commercial real estate.
- These shifts can harm jobs, communities, and economic diversity.
- Online shopping's 24/7 convenience often outweighs the limited hours of local stores.

### Cons:

- Small local businesses lose customers
- Decrease of community shopping areas
- Increased job loss in retail
- Environmental impact from shipping & packaging

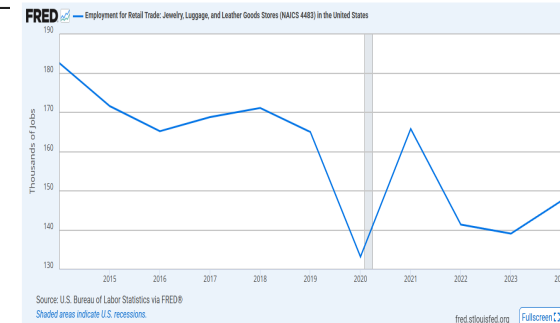
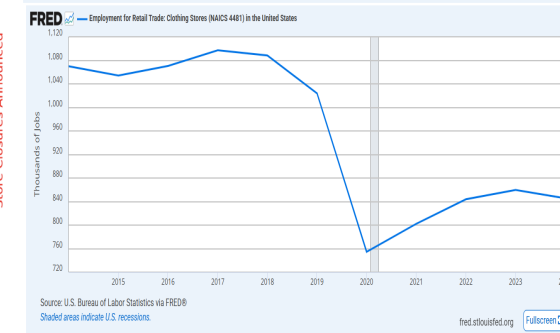
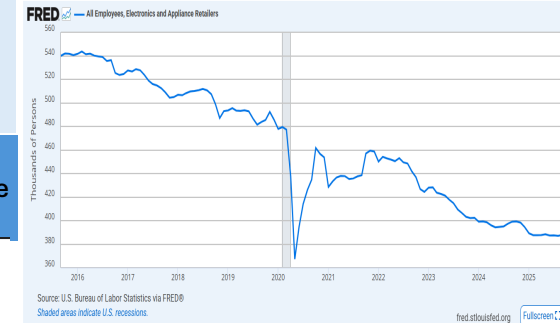
### Null Hypothesis: The Pros and Cons of online shopping have had no effect on the US economy over the past five years.



## The growing role of convenience



83% say convenience while shopping is more important now compared with 5 years ago



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