

Q1  
24

Consumer Industry

# Mirus eCommerce REPORT

In This Issue:

- Industry News
- Transactions
- State of the Industry
- About Mirus
- Mirus Consumer Spotlight

## 10 eCommerce Trends That Will Influence Online Shopping in 2024

Salesforce [Full Article](#)

The eCommerce landscape is constantly evolving, and businesses need to adapt to stay ahead. Some of the key trends that will affect businesses in 2024 include artificial intelligence (AI), data management, conversational commerce, headless commerce, and social commerce.

AI is being used to automate tasks, personalize product recommendations, and improve customer service. Businesses are also prioritizing data management to gain a holistic view of their customers and improve decision-making. Conversational commerce is becoming more human-like, with chatbots providing personalized responses and support. Headless commerce is giving businesses more flexibility to create customized shopping experiences by separating the storefront and UX from the back-end architecture. Finally, social commerce is exploding in popularity, with customers discovering products as they scroll through their social feeds and making purchases directly on the social platforms.

## The Changing Landscape Of E-Tail: Rethinking eCommerce Strategy For 2024

Forbes [Full Article](#)

With online retail shopping currently accounting for 20% of the world's retail sales, getting seen and heard online takes strategy. Google's algorithm changes have made it harder to rank organically, and social media engagement is becoming increasingly important.

Small and mid-size businesses should focus on developing a genuine and relevant content strategy and building trust and loyalty with their customers. This way, even if they are not at the top of Google searches, they can still attract customers who are willing to pay a premium.

## From Personalization to Virtual Try-Ons: How Generative AI is Shaping eCommerce

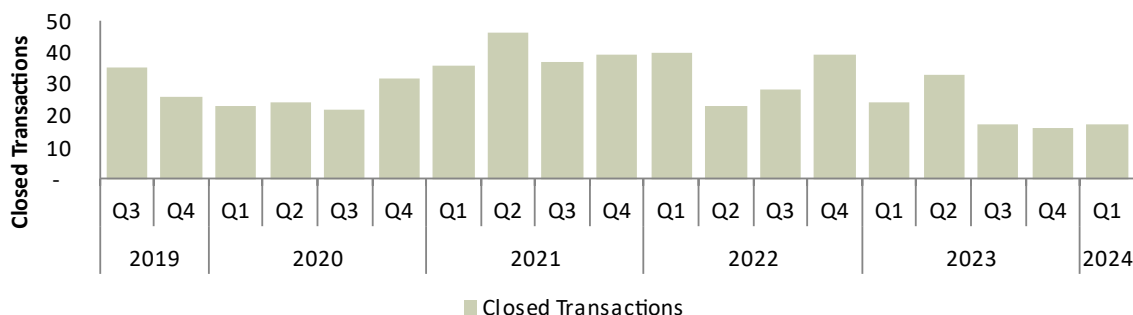
Techbullion [Full Article](#)

eCommerce is being revolutionized by generative AI, a type of artificial intelligence that creates new content based on data. This technology is personalizing the shopping experience for customers by using data to recommend products, create virtual try-ons, and adjust prices in real time based on demand and customer behavior.

In addition to personalizing the shopping experience, generative AI can help businesses with inventory management and customer service. By analyzing data, AI can predict demand for products and help businesses avoid overstocking or understocking. AI-powered chatbots can answer customer questions and provide support 24/7, improving customer service.

# eCommerce M&A Environment

## Closed Transactions



## Selected Q1 2024 eCommerce Transactions

Date Closed	Target	Buyers/Investors
3/8/2024	X10 Media Pte. Ltd.	The Smart Local Pte. Ltd.
3/1/2024	Unique Career Co., Ltd.	Aidma Holdings, Inc. (TSE:7373)
2/28/2024	Shufersal Ltd (TASE:SAE)	Yossi and Shlomi Amir
2/23/2024	W2W E-Commerce de Vinhos S.A.	Carbyne Gestão de Recursos LTDA
2/21/2024	Profound Commerce, Inc.	The Ambr Group, Inc.
2/21/2024	American Campus Media	Tassel Media
2/21/2024	Everli S.p.A.	Parella Holdings
2/20/2024	Another Creative, Inc.	TUX Creative Co. Inc.
2/8/2024	Drinksandco Marketplace, S.L.U.	Bodeboca S.L.
2/6/2024	Dukan Retailing Company	Tawfeer for Food Products, S.A.E
1/31/2024	Hairydog Liquor Pty Ltd	Barrel & Batch Pty Ltd
1/25/2024	BI-LO, LLC	Fresco Retail Group, LLC
1/12/2024	LQR House Inc. (NasdaqCM:LQR)	Index Investment LLC
1/10/2024	Bin To Bottle LLC	Hayden Creek Capital, LLC
1/3/2024	Find Your Farmer LLC	Market Wagon, Inc.
1/3/2024	QuintEvents, LLC	Formula One Group (NasdaqGS:FWON.K)
1/1/2024	MoreCo Group Limited	Nijjar Dairies Limited

“After a measurable Covid bump, eCommerce has settled back into its long-term growth trajectory, albeit at a level slightly higher than the pre-Covid trend line. At what point remote selling plateaus is still unknown.”



**Stuart Rose**  
Partner

# Sector Update: Consumer

Total U.S. retail sales in Q1 '24 (January 2024 to March 2024) were up 2.1% from the same period a year ago, according to a [report](#) from the U.S. Census Bureau. Nonstore (eCommerce) retailer sales were up 11.3% in March '24 compared to March '23, according to the same report. Continued wage growth, tax refunds, and easing rent inflation should support sector momentum, if even at a more muted pace.



## Select Consumer Public Companies

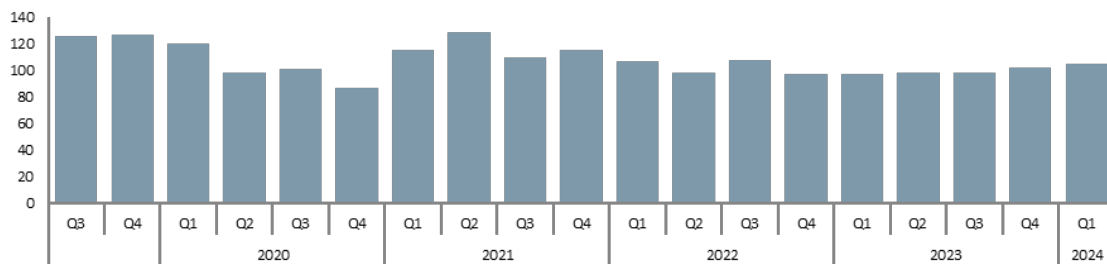
3/31/2024		LTM Financials			Valuation Metrics		LTM Margins	
Company Name	Ticker	Enterprise Value	Revenue	EBITDA	EV / Revenue	EV / EBITDA	Gross Margin	EBITDA Margin
Altria Group, Inc.	NYSE:MO	\$99,519	\$20,456	\$12,306	4.9x	8.1x	69.4%	60.2%
Amazon.com, Inc.	NasdaqGS:AMZN	\$1,948,470	\$574,785	\$85,515	3.4x	22.8x	47.0%	14.9%
Archer-Daniels-Midland Company	NYSE:ADM	\$40,585	\$93,935	\$4,987	0.4x	8.1x	8.0%	5.3%
AutoNation, Inc.	NYSE:AN	\$14,917	\$27,036	\$1,775	0.6x	8.4x	18.7%	6.6%
Best Buy Co., Inc.	NYSE:BBY	\$20,203	\$43,452	\$2,650	0.5x	7.6x	22.1%	6.1%
Bunge Limited	NYSE:BG	\$18,716	\$57,629	\$3,403	0.3x	5.5x	7.9%	5.9%
CarMax Inc.	NYSE:KMX	\$32,862	\$28,213	\$996	1.2x	33.0x	11.6%	3.5%
Carnival Corporation	NYSE:CCL	\$50,294	\$22,567	\$4,792	NM	NM	NM	NM
Charter Communications, Inc.	NasdaqGS:CHTR	\$144,081	\$54,633	\$21,126	2.6x	6.8x	39.1%	38.7%
Comcast Corporation	NasdaqGS:CMCSA	\$270,405	\$121,939	\$37,586	2.2x	7.2x	70.0%	30.8%
Costco Wholesale Corporation	NasdaqGS:COST	\$324,036	\$248,828	\$11,072	1.3x	29.3x	12.6%	4.4%
CVS Health Corporation	NYSE:CVS	\$168,479	\$356,623	\$18,439	0.5x	9.1x	14.9%	5.2%
Dollar General Corporation	NYSE:DG	\$51,835	\$38,692	\$3,302	1.3x	15.7x	30.3%	8.5%
Dollar Tree, Inc.	NasdaqGS:DLTR	\$38,726	\$30,604	\$2,637	1.3x	14.7x	30.8%	8.6%
Ford Motor Company	NYSE:F	\$175,426	\$177,494	\$11,080	1.0x	15.8x	8.6%	6.2%
General Mills, Inc.	NYSE:GIS	\$51,681	\$20,173	\$4,296	2.6x	12.0x	34.7%	21.3%
General Motors Company	NYSE:GM	\$158,121	\$174,871	\$16,880	0.9x	9.4x	11.5%	9.7%
Genuine Parts Company	NYSE:GPC	\$25,699	\$23,109	\$2,148	1.1x	12.0x	36.1%	9.3%
Kimberly-Clark Corporation	NYSE:KMB	\$51,126	\$20,385	\$3,758	2.5x	13.6x	35.4%	18.4%
Kohl's Corporation	NYSE:KSS	\$10,426	\$17,476	\$1,466	0.6x	7.1x	39.9%	8.4%
Lear Corporation	NYSE:LEA	\$10,681	\$23,467	\$1,657	0.5x	6.4x	7.9%	7.1%
Lowe's Companies, Inc.	NYSE:LOW	\$185,052	\$86,377	\$13,480	2.1x	13.7x	33.4%	15.6%
Macy's, Inc.	NYSE:M	\$10,791	\$23,866	\$1,972	0.5x	5.5x	40.7%	8.3%
McDonald's Corporation	NYSE:MCD	\$252,152	\$25,494	\$13,684	9.9x	18.4x	57.1%	53.7%
Mondelez International, Inc.	NasdaqGS:MDLZ	\$112,587	\$36,016	\$7,186	3.1x	15.7x	38.2%	20.0%
NIKE, Inc.	NYSE:NKE	\$143,919	\$51,581	\$6,862	2.8x	21.0x	44.3%	13.3%
Penske Automotive Group, Inc.	NYSE:PAG	\$18,619	\$29,527	\$1,533	0.6x	12.1x	16.7%	5.2%
PepsiCo, Inc.	NasdaqGS:PEP	\$277,745	\$91,875	\$16,381	3.0x	17.0x	54.1%	17.8%
Performance Food Group Company	NYSE:PFGC	\$16,635	\$53,971	\$1,346	0.3x	12.4x	11.9%	2.5%
Philip Morris International Inc.	NYSE:PM	\$189,804	\$35,948	\$14,552	5.3x	13.0x	63.7%	40.5%
Starbucks Corporation	NasdaqGS:SBUX	\$124,589	\$36,687	\$7,247	3.4x	17.2x	27.9%	19.8%
Sysco Corporation	NYSE:SY	\$52,454	\$77,512	\$3,622	0.7x	14.5x	18.4%	4.7%
Target Corporation	NYSE:TGT	\$97,780	\$107,412	\$8,701	0.9x	11.2x	27.6%	8.1%
The Coca-Cola Company	NYSE:KO	\$296,179	\$45,754	\$14,441	6.5x	20.5x	59.5%	31.6%
The Gap, Inc.	NYSE:GPS	\$13,858	\$14,889	\$1,133	0.9x	12.2x	47.3%	7.6%
The Home Depot, Inc.	NYSE:HD	\$429,495	\$152,669	\$24,936	2.8x	17.2x	33.4%	16.3%
The Kraft Heinz Company	NasdaqGS:KHC	\$64,302	\$26,640	\$6,366	2.4x	10.1x	33.7%	23.9%
The Kroger Co.	NYSE:KR	\$58,465	\$150,039	\$8,153	0.4x	7.2x	23.0%	5.4%
The Procter & Gamble Company	NYSE:PG	\$408,703	\$84,060	\$24,218	4.9x	16.9x	51.5%	28.8%
The TJX Companies, Inc.	NYSE:TJX	\$122,528	\$54,217	\$6,761	2.3x	18.1x	36.5%	12.5%
The Walt Disney Company	NYSE:DIS	\$269,723	\$88,935	\$15,595	3.0x	17.3x	34.3%	17.5%
Twenty-First Century Fox, Inc.	NasdaqGS:FOXA	\$19,829	\$14,557	\$2,754	1.4x	7.2x	33.0%	18.9%
Tyson Foods, Inc.	NYSE:TSN	\$29,152	\$52,940	\$2,080	0.6x	14.0x	5.2%	3.9%
US Foods Holding Corp.	NYSE:USFD	\$18,149	\$35,597	\$1,438	0.5x	12.6x	17.3%	4.0%
Walgreens Boots Alliance, Inc.	NasdaqGS:WBA	\$54,543	\$144,597	\$3,711	0.4x	14.7x	18.6%	2.6%
Walmart Inc.	NYSE:WMT	\$544,973	\$648,125	\$38,865	0.8x	14.0x	24.4%	6.0%
Whirlpool Corporation	NYSE:WHR	\$13,123	\$19,296	\$1,371	0.7x	9.6x	15.8%	7.1%

Median	1.2x	12.8x	31.9%	8.6%
Mean	1.9x	13.4x	31.0%	14.7%

# Sector Update: Consumer

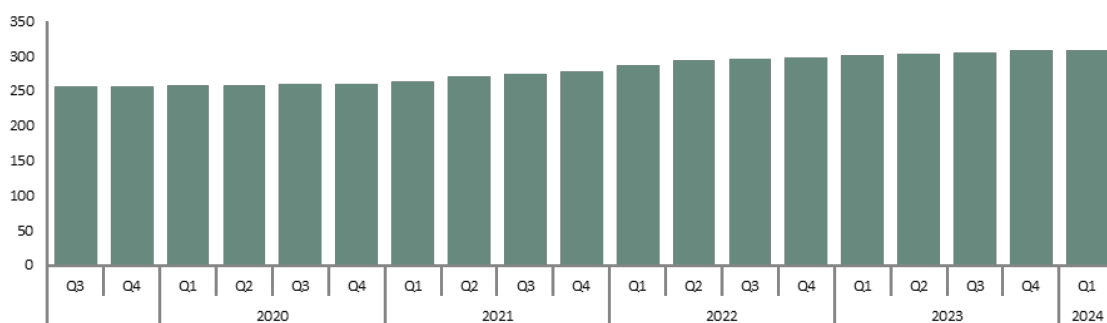
## State of the Industry

### Consumer Confidence Index



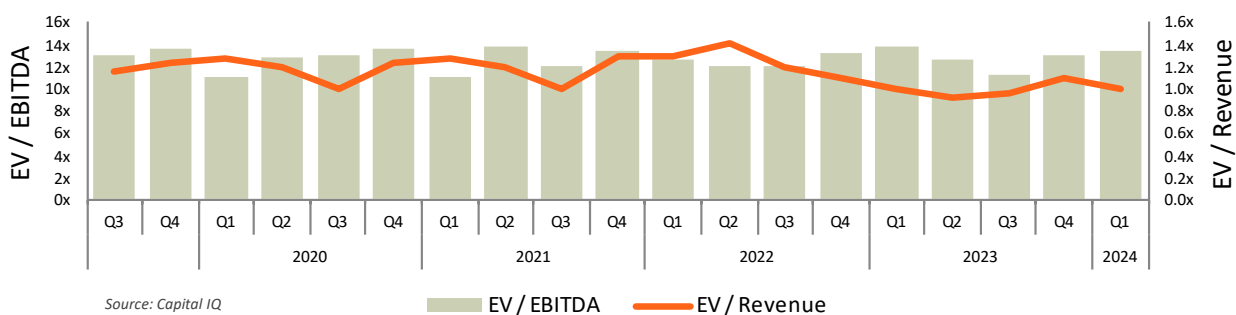
Source: Capital IQ

### Consumer Price Index



Source: Capital IQ

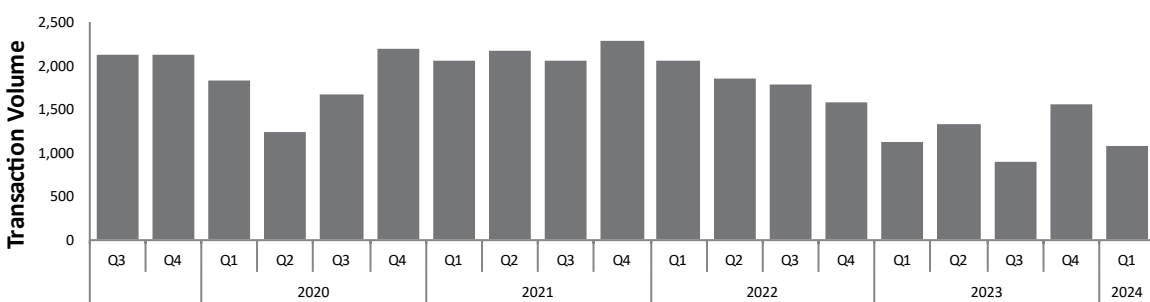
### Industry Valuations



Source: Capital IQ

EV / EBITDA EV / Revenue

### Consumer Transaction Volume



Source: Capital IQ



# 35 Years. 350 Deals.

## The Value of Accomplishment

### About Mirus

Spending on consumer products & services drives over two-thirds of the U.S. economy. Well-capitalized consumer companies are turning to M&A as a key business strategy to gain access to high growth emerging markets, cover the multichannel landscape, acquire scale, and ensure access to resources. Our Consumer group understands these trends and can help you best position your company for growth or a successful exit in the midst of ongoing consolidation. Mirus provides direct access to sector-specific expertise, as well as global buyers and sellers.

### 35 Years. 350 Deals.

The highest level of expertise and hard work is what accomplishment requires.

#### It's what you deserve and what we do.

- We sweat the small stuff.
- Take a 3:00am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- Celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."

Then and only then, will we know that we've accomplished something meaningful, too.

# Partner Spotlight

Stuart Rose and Mark Young are our eCommerce specialists. They have a demonstrated record of managing and closing dozens of engagements with companies in the industry.



**Stuart Rose**

An investment banker since 2005, Stuart has 20 years experience as a senior executive of national retail chains, and e-commerce and direct marketing companies, including shoe, home furnishing, continuing education and food catalogs and companies. He has additional experience in apparel and beauty. Stuart's transaction experience centers on e-commerce and catalog companies, food and beverage, and home and gift. Stuart, a frequent speaker and writer, has an MBA from Harvard University and has taught direct marketing and advertising at Bentley College.

(781) 418-5922  
[rose@merger.com](mailto:rose@merger.com)



**Mark Young**

In his 30-plus year investment banking career, Mark has completed over 100 financial advisory assignments, with a particular focus on growth companies that provide differentiated products and solutions, as well as technology-enabled business and consumer services. Mark brings extensive experience identifying, structuring, negotiating and executing a wide variety of engagements, including mergers and acquisitions, as well as public and private equity offerings. Mark has led a variety of notable tech-enabled consumer transactions over recent years.

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[young@merger.com](mailto:young@merger.com)

# Trusted advisors to businesses just like yours

## Notable Mirus consumer transactions



Valley Fibers Corporation, dba WEBS America's Yarn Store and yarn.com, has been acquired by LoveCrafts Group Limited. This will bring together two leading companies in the market of yarns, weaving, and spinning supplies. It will also allow for the UK-based LoveCrafts to further expand into the North American crafting- focused e-commerce business. Following this transaction, LoveCrafts plans to keep the Valley Fibers retail store, product development, and marketing staff in Northampton, MA and its shipping operations in Easthampton, MA.



Mirus advised Berroco, Inc. in its sale to Premier Needle Arts (PNA), a Blue Point Capital Partners portfolio company. Located in RI, Berroco is a leading brand, designer, importer and wholesaler of yarns, patterns, and knitting supplies in the U.S. and Canada. The Berroco brand is widely known for its high quality, and the Company holds numerous trademarks for its unique yarns. Berroco was founded in 1989 by Warren and Caroline Wheelock.



Family-owned since 1973, Cuddledown sells high quality synthetic and down-filled comforters, pillows, sheeting and sleepwear. Cuddledown offers merchandise through its catalog and website, as well two retail locations in Yarmouth, ME and Freeport, ME, a wholesale business, and a hospitality arm that sells to hotels and resorts. Formed in 1998, Chelmsford, MA-headquartered Potpourri Group, Inc. ("PGI") is a multi-brand direct marketer offering a broad product line of distinctive home decor, casual apparel, gifts and unique accessories through catalogs and the internet.



Orion, based in Watsonville, CA, is a leading brand and the largest ecommerce company in the telescope market. Founded in 1975, the company sells its telescopes, binoculars, and accessories for astronomy and birdwatching online and in-store, through Amazon, and to independent dealers in North America and Europe. Optronic Holding Corp. is a corporation newly formed by Orion's management team.

*Note: Transactions in gray boxes were completed by Mirus partners at prior firms*



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