

'Cyber Monday' sizzles with US online shopping

November 29 2011



US shoppers were on pace to drive "Cyber Monday" sales to a new record high as people flocked the Internet to snap up deals offered by online retailers.

US shoppers were on pace to drive "Cyber Monday" sales to a new record high as people flocked the Internet to snap up deals offered by online retailers.

By mid-afternoon in New York, IBM Benchmark reported that online sales on the Monday after the Thanksgiving holiday were 15 percent higher than they were at the same point last year.

Cyber Monday of 2010 marked the first time online sales in the US broke the billion-dollar mark and this year, research firm [comScore](#) forecasted the tally for the day will be \$1.2 billion.

"IBM (Benchmark) is reporting very healthy online sales growth," said eMarketer principal analyst Jeffrey Grau.

"Overall, it is certainly shaping up to be a good season."

Cyber Monday was launched in 2005 by a US national retail association to bring online shopping into the mainstream.

As lifestyles increasingly revolve around the Internet, people in the US are growing more comfortable with making purchases online.

IBM Benchmark reported that 7.4 percent of Cyber Monday shopping as of mid-day was done on Internet-linked [mobile devices](#) such as smartphones and tablets.

"E-commerce is sort of reshaping the [holiday shopping](#) landscape," Grau said. "More consumers are saying they want to shop online."

Retailers that operate real-world shops are under pressure to compete with online bargains or risk losing customers to Internet-only shops such as Amazon.com and Newegg.com.

US retailers are also very sensitive to the limping economy and troubling unemployment figures, according to Grau.

"The way to deal with it is to be aggressive and early with promotions," the analyst said. "Retailers are offering some of their best deals online."

It remained uncertain whether [strong sales](#) in deal-hunting days after Thanksgiving signaled a booming season in store for retailers.

It could be that budget-conscious shoppers will close purses after snatching up bargains.

"People could be loading up at the front end," Grau said. "I wouldn't be surprised if we saw a slowdown."

Despite more buyers turning to Internet shops, eMarketer believed overall US retail sales for the year would see "meager growth" of about three percent thanks to sales this holiday season.

(c) 2011 AFP

Citation: 'Cyber Monday' sizzles with US online shopping (2011, November 29) retrieved 20 April 2024 from <https://phys.org/news/2011-11-cyber-monday-sizzles-online.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.