

# Holiday shopping online rockets in US

December 28 2011, by Paul Handley

---



US consumers turned in record levels to the Internet for holiday shopping this year, further boosting online sellers' share of the huge national retail pie.

US consumers turned in record levels to the Internet for holiday shopping this year, further boosting online sellers' share of the huge national retail pie.

Shopping via the Internet in the seven weeks before Christmas jumped 15 percent over a year earlier, according to market analysts ComScore.

That bests the estimated 3-4 percent growth of sales in brick-and-mortar stores and shopping centers.

More shopping takes place in physical stores, but the comparative pace of growth underscores the threat [Internet sales](#) pose.

Consumers polled by the International Council of Shopping Centers (ICSC) said that they were doing slightly more than one-third of their gift shopping online this year, and just under two-thirds in the stores.

"Holiday e-commerce spending has remained strong throughout the season, and we have now reached a record \$35 billion... for the season-to-date," ComScore chairman Gian Fulgoni said in a statement Wednesday.

Unlike previous years when Internet sales have been bunched around special promotion dates -- such as "[Cyber Monday](#)", the Monday after Thanksgiving -- sales have been spread fairly evenly this season, with several days topping the \$1 billion mark, according to the company.

Even in the week before Christmas, when shoppers flock to traditional stores for last-minute gifts, online sales were at about \$2.8 billion.

Still, brick-and-mortar shop sales have also shown strength, pleasing retailers worried about the weakness of the economy.

According to ICSC research, sales in [shopping](#) centers from early November through Christmas were up about 3.3 percent from a year before.

Other storefront retail groups project sales rising 3.5-4 percent.

"These sales numbers have looked better than the economy as a whole," said the ICSC's Michael Niemira.

Consumers have spent the past three years tightening their pocketbooks, but in recent months have let loose with a burst of spending, much of it via credit cards.

"They are in a better position to take on a little more debt," Niemira said.

With greater overhead costs, traditional stores have found it tough to compete with online merchants, especially in an economic climate where Americans pinch every penny they can.

Hit by tough competition, Sears announced on Tuesday that it would shut between 100 and 120 stores in an effort to save costs after a plunge in holiday sales.

Online sales giant Amazon outraged many by encouraging shoppers to go to stores, check and report the prices via a cell phone app, to receive a five percent discount on the same item from its own store.

Big-box electronics retailer Best Buy was forced to boost its own online sales as well as slash prices as it struggles with shoppers who view the products in its stores but then buy them more cheaply from Internet vendors.

Storefront retailers have also stepped up their campaign to have online competitors collect local [sales](#) tax, the exemption from which gives them a pricing advantage in many states.

(c) 2011 AFP

Citation: Holiday shopping online rockets in US (2011, December 28) retrieved 19 April 2024 from <https://phys.org/news/2011-12-holiday-online-rockets.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.