

Thanksgiving steals sales from Black Friday

November 25 2012, by Linda A. Johnson

Thanksgiving shopping on Thursday took a noticeable bite out of Black Friday's start to the holiday season, as the latest survey found retail sales in stores fell slightly from last year.

Saturday's report from retail <u>technology company</u> ShopperTrak estimated that consumers spent \$11.2 billion at stores across the U.S. That is down 1.8 percent from last year's total.

This year's Friday results appear to have been tempered by hundreds of thousands of shoppers hitting sales Thursday evening while still full of their <u>Thanksgiving dinner</u>. Retailers including Sears, Target and Wal-Mart got their deals rolling as early as 8 p.m. on Thursday.

Online shopping also may have cut into the take at brick-and-mortar stores: IBM said online sales rose 17.4 percent on Thanksgiving and 20.7 percent on Black Friday, compared with 2011.

Yet ShopperTrak said retail foot traffic increased 3.5 percent, to more than 307.67 million store visits, indicating at least some shoppers were browsing but not spending freely.

"Black Friday continues to be an important day in retail," said ShopperTrak founder Bill Martin. "This year, though, more retailers than last year began their doorbuster deals on Thursday, Thanksgiving itself. So while foot traffic did increase on Friday, those Thursday deals attracted some of the spending that's usually meant for Friday."



The company estimated that shopper foot traffic rose the most in the Midwest, up 12.9 percent compared with last year. Traffic rose the least, 7.6 percent, in the Northeast, parts of which are still recovering from Superstorm Sandy.

ShopperTrak, which counts foot traffic and its own proprietary sales numbers from 25,000 <u>retail outlets</u> across the U.S., had forecast Black Friday sales would grow 3.8 percent this year, to \$11.4 billion.

While <u>consumer confidence</u> has been improving, many people are still worried about the slow <u>economic recovery</u>, high unemployment and whether a gridlocked Congress can avert tax increases and <u>government</u> <u>spending</u> cuts—the so-called "fiscal cliff"—set to occur automatically in January.

And some would-be shoppers said they weren't impressed with the discounts, or that there wasn't enough inventory of the big door-busters.

"As far as deals, they weren't there," said Tammy Stempel, 48, of Gladstone, Oregon. "But businesses have to be successful, too. I'm hoping they extend the deals through December."

She was waiting in line outside an Ikea in Portland on Saturday to buy pots and pans for her 18-year old daughter—as a hint that it was time to move out. Stemple and her husband went shopping at two Targets, Michaels and other stores Friday, but failed to find any amazing deals, even on a flat-screen TV they wanted for themselves.

Target, Best Buy and other stores near the Ikea seemed to have few customers, and traffic at the nearby Lloyd Center Mall also was light, even for a normal weekend.

Many shoppers around the country were armed with iPads and smart



phones, to check prices as well as buy.

Online auction and shoppping site eBay reported more the 2.5 times the number of mobile transactions as last year.

Online retailers worked as hard as brick-and-mortar stores to draw customers, sending each of their subscribers an average of 5.9 promotional emails during the 7 days through Black Friday. That's an alltime high, according to marketing software company Responses.

IBM, which tracks more than 1 million transactions at 500 online retailers each day, said its data showed 24 percent of online shoppers used a mobile device to check out a retailer's site and about 16 percent of online purchases were made on a mobile device. But while total online spending rose sharply, the value of the average online order dipped about 5 percent to \$181.22.

In spite of all the TV reports showing shoppers carting away laptops and giant flat-screen TVs, IBM said combined sales of consumer electronics, printers and other office supplies were up only 8 percent, with average order prices of \$326.05.

Sales of appliances and other home goods rose the most, up about 28 percent from Black Friday last year. Clothing sales rose 17.5 percent, department store sales grew just under 17 percent and sales of health and beauty products rose 11 percent.

Despite the throngs in stores Thursday night and Friday, many shoppers held off until Saturday, hoping for shorter lines and less drama.

"I can't deal with all that craziness," said Miguel Garcia, a 40-year-old office coordinator who was at a Target discount store in the Bronx, New York, on Saturday. "Compared to what I saw on TV yesterday, this is so



much more comfortable and relaxed. I can actually think straight and compare prices."

Garcia was checking prices for phones and tablets at various stores, and planned to delay any purchases until Cyber Monday when he'd have a better sense of the best deals. As money has gotten tighter over the years, Garcia said he comparison shops more.

"It forces you to become a good consumer," he said.

Tanya Dunham, a 32-year-old patient coordinator representative, likewise avoided the crowds on Black Friday and was shopping at the same Target Saturday.

"I don't like to wait (in line) just to save \$15 or \$20," said Dunham.

For the entire holiday sales season of November and December, ShopperTrak has predicted <u>sales</u> should rise 3.3 percent over last year. Those two months are crucial for retailers and can account for up to 40 percent of stores' annual revenue.

Copyright 2012 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Thanksgiving steals sales from Black Friday (2012, November 25) retrieved 26 June 2024 from <u>https://phys.org/news/2012-11-thanksgiving-sales-black-friday.html</u>

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.