

US holiday season online spending climbs

January 3 2013



People look for post-Christmas sales the old-fashioned way—at a shopping mall—in Glendale, California, on December 26, 2012. Industry tracker comScore on Thursday reported that US shoppers spent a total of \$42.3 billion online during the year-end holiday season, a 14 percent jump from the same period in 2011.

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"The 2012 online holiday season was once again a very strong season with growth rates in the mid-teens as we reached record-setting spending levels," said [comScore](#) chairman Gian Fulgoni.

US e-commerce started out "at a very healthy" rate in November but consumers quickly eased back on spending, apparently due to concerns that Congress would fail to make a budget deal averting a "fiscal cliff."

"You might say that had it not been for Congress, every other indicator suggested it would have been an even merrier Christmas for online retailers," Fulgoni said.

A "December swoon" in online shopping coincided with a drop in [consumer confidence](#) attributed in large part to worries that unresolved budget matters would trigger automatic tax increases and spending cuts at year's end.

US President [Barack Obama](#) late Wednesday signed a "fiscal cliff" deal into law, averting a financial crisis with global repercussions.

However, the [International Monetary Fund](#), rating agencies and analysts warned that the critical problem of deficits and debt still hang over the US economy.

Financial markets turned cool towards the last-minute agreement Thursday, in contrast to the initial stocks surge which had greeted the deal Wednesday.

The agreement averted across-the-board tax hikes and automatic spending cuts which some had feared could have tipped the US economy back into recession.

While [Democrats and Republicans](#) passed a compromise, they only

delayed the imposition of spending cuts for two months, meaning another debilitating stand-off is almost certain at the end of February.

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