

Target plays to strength, combining digital sales and stores

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This June 29, 2016 file photo shows a Target store in Hialeah, Fla. Target shoppers took full advantage of the retailer's pickup and drive up services over the holiday season, climbing 60 percent from a year earlier and making up a quarter of the chain's online sales for the November-December period. Target Corp. also announced Thursday, Jan. 9, 2019 that sales at stores open at least a year increased 5.7 percent in the period, up from 3.4 percent a year earlier. (AP Photo/Alan Diaz)

One of Target's biggest competitive advantages, the stores it has

sprinkled across the country, accounted for a quarter of all online sales in November and December. Goods ordered online and picked up at stores surged 60 percent in that period.

Those sales, either picked up inside or through the company's curbside pickup service, are key in Target's campaign to hold online retailers like Amazon.com at bay, particularly during the competitive holiday season, because shoppers can dodge shipping fees.

"This performance demonstrates the benefit of placing our stores at the center of every way we serve our guests, including both in-store shopping and digital fulfillment," Chairman and CEO Brian Cornell said in a prepared statement.

Target Corp. said Thursday that sales at stores open at least a year increased 5.7 percent in the period, up from 3.4 percent a year earlier. The boost was mostly due to traffic. By category, the strongest growth was in toys, baby and seasonal gifts.

Comparable online sales climbed 29 percent.

The company also said Thursday that Chief Financial Officer Cathy Smith is retiring. Smith will continue until a successor is named. She'll stay with the company as an adviser until May 2020.

Target still expects full-year adjusted earnings in a range of \$5.30 to \$5.50 per share. Analysts polled by FactSet foresee \$5.39 per share. The maintained outlook may have disappointed investors, as Target's stock fell 1.6 percent before the opening bell.

Kohl's did not have the same holiday success and figures released Thursday sent shares down 7 percent before the opening bell. Same-[store](#) sales for the holiday period rose 1.2 percent and the company raised the

low end of its full-year earnings outlook. Yet sales were down sharply from a year earlier, when the [department store](#) reported a 6.9 percent jump.

Kohl's Corp., based just outside of Milwaukee, now foresees fiscal 2018 earnings between \$5.50 and \$5.55 per share. Its prior guidance was for earnings of \$5.35 to \$5.55 per share. Industry analysts had been projecting earnings of \$5.51 per [share](#).

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