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Holiday shopping center sales rise 3.6% during November and December

January 22, 2015 - Retail

U.S. shopping center sales rose 4.3% in December over the same month of the prior year according to the International Council of Shopping Centers (ICSC). For the traditional holiday shopping season, November and December combined, sales increased to \$487.1 billion for an increase of 3.6% - the best performance for a holiday season since 2011 - as expected by ICSC in its forecast last fall.

For the month of December, the most purchased goods category for consumers was apparel/footwear with 51% saying they bought in that category. The second highest category was traditional in-store gift cards at 34%, then toys/games at 29% and smart phones/tablets and video games/consoles each at 18%. Experiences were also highly sought after with 66% indicating they went to a restaurant and 34% saying they bought tickets to a movie, museum, event or other form of entertainment.

As of mid-January, 42% of consumers felt like they had more money to spend as a result of falling gas prices (15% were unsure). Households of 3 or more people significantly felt like they had more money as a result of the price drop than single-person households. There was also a large gap in terms of gender with more men (50%) than women (35%) feeling they had more money to spend. The same held true for younger age groups versus older ones.

"With gasoline prices continuing to recede and an overall improving economy reflected in the latest employment figures and confidence indexes, we can expect the current mood to continue, with consumers heading to brick-and-mortar stores to make purchases in the first quarter of 2015," said Jesse Tron, spokesman for ICSC.

Of those that indicated they had more money to spend, 72% planned to buy a big-ticket item (i.e. a car, large appliance, home improvement, or travel) in the next three months. Travel came first at 49%, followed by home improvement (40%), a car (24%), and a large appliance (19%).

Those consumers also indicated a propensity to increase their spending on everyday items as well - 65% increased spending on food services (e.g. restaurants), almost 60% of consumers increased spending on convenience goods (e.g. groceries, drug store items), 55% increased purchases on discretionary goods (e.g. fashion apparel, electronics, furnishings), 50% increased on entertainment (e.g. movies, plays, concerts), and 34% spent more on personal services (e.g. hair salons, fitness clubs).

Founded in 1957, ICSC is the premier global trade association of the shopping center industry. Its more than 67,000 members in over 100 countries include shopping center owners, developers, managers, marketing specialists, investors, retailers and brokers, as well as academics and public

officials. For more information, visit www.icsc.org.

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