

# 2019 Holiday Outlook: “Tis the Season to Start Shopping”

National Association for Business Economists  
Washington, D.C.

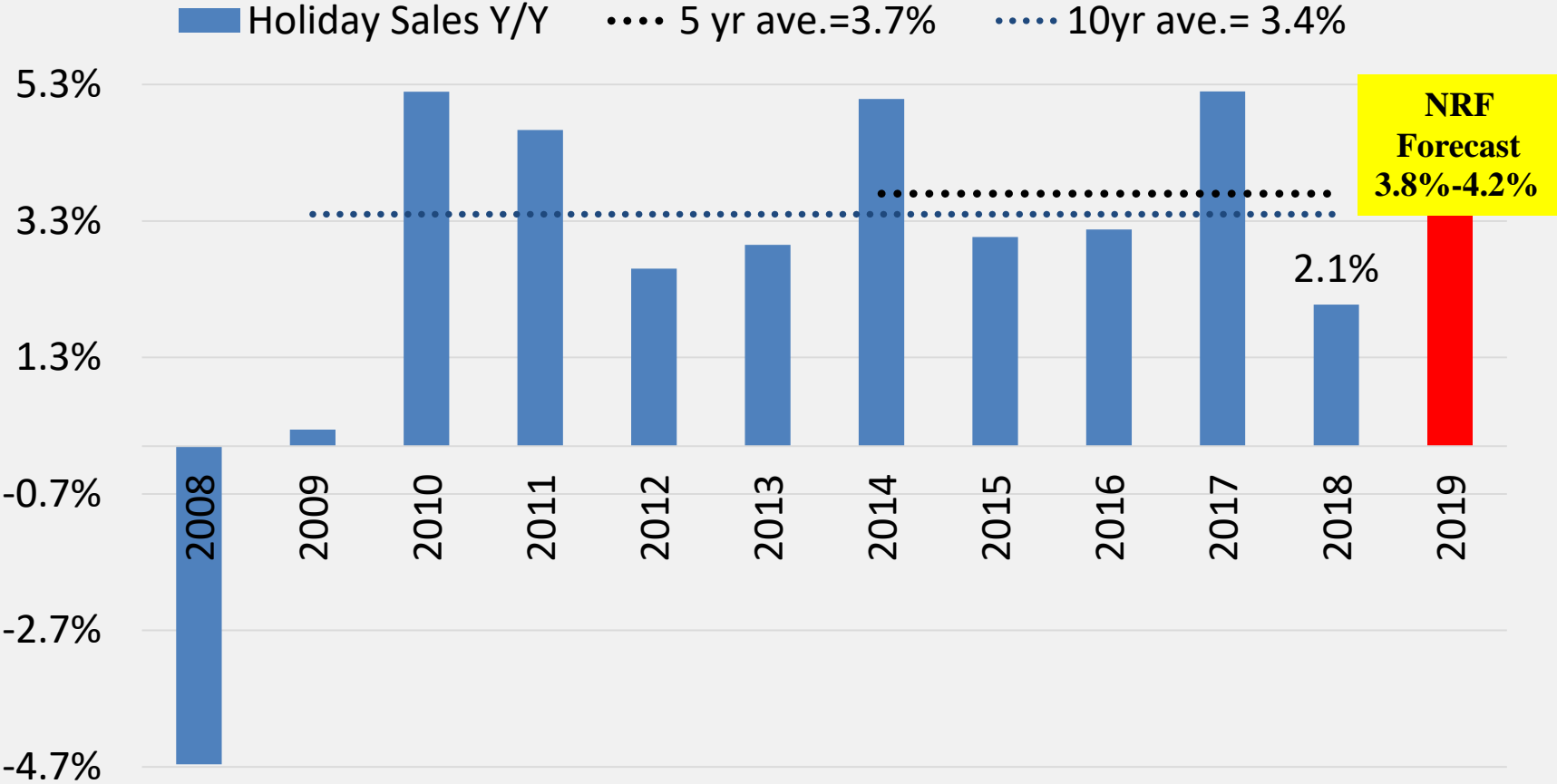
JACK KLEINHENZ, PH.D., CBE

November 20, 2019



# HOLIDAY SPENDING

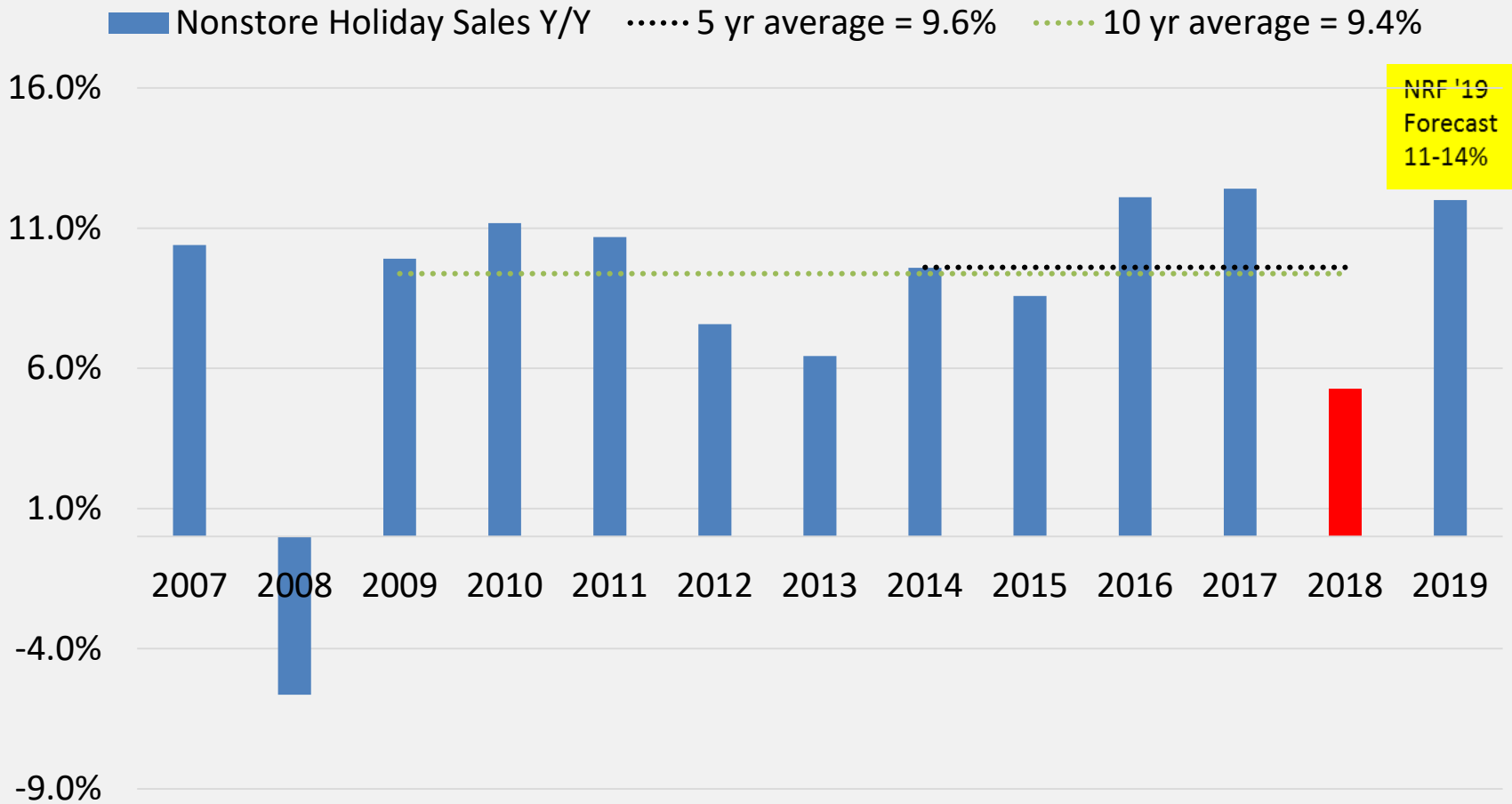
November & December



Excludes Motor Vehicles, Gasoline and Food Services

# NONSTORE SPENDING

Includes e-commerce



# HOLIDAY FORECASTS

## Holiday Forecasts- Models

November-December \*

Coresight	4%
NRF	3.8-4.2%
RetailNext	3.8-4.2%
Wells Fargo	5.00%
GCP	5.20%

November - January \*

Deloitte	4.5-5%
Alix	4.5-5.3%

\* Excludes Auto, Gas, Food Services

## Holiday Consumer Intention Surveys - Selected Business lines \*

PWC	2.70%
NRF	4.00%
ICSC	4.90%

\* Various categories surveyed – not consistent

## Planned Spending \$

PWC	\$ 1,284
NRF	\$ 1,047
ICSC	\$ 683

# FACTORS INFLUENCING CONSUMPTION


















## WILLINGNESS TO SPEND

- “Consumer Confidence”
- Job outlook — Security
- Inflation
- Expectations of economy and personal finances (uncertainty)

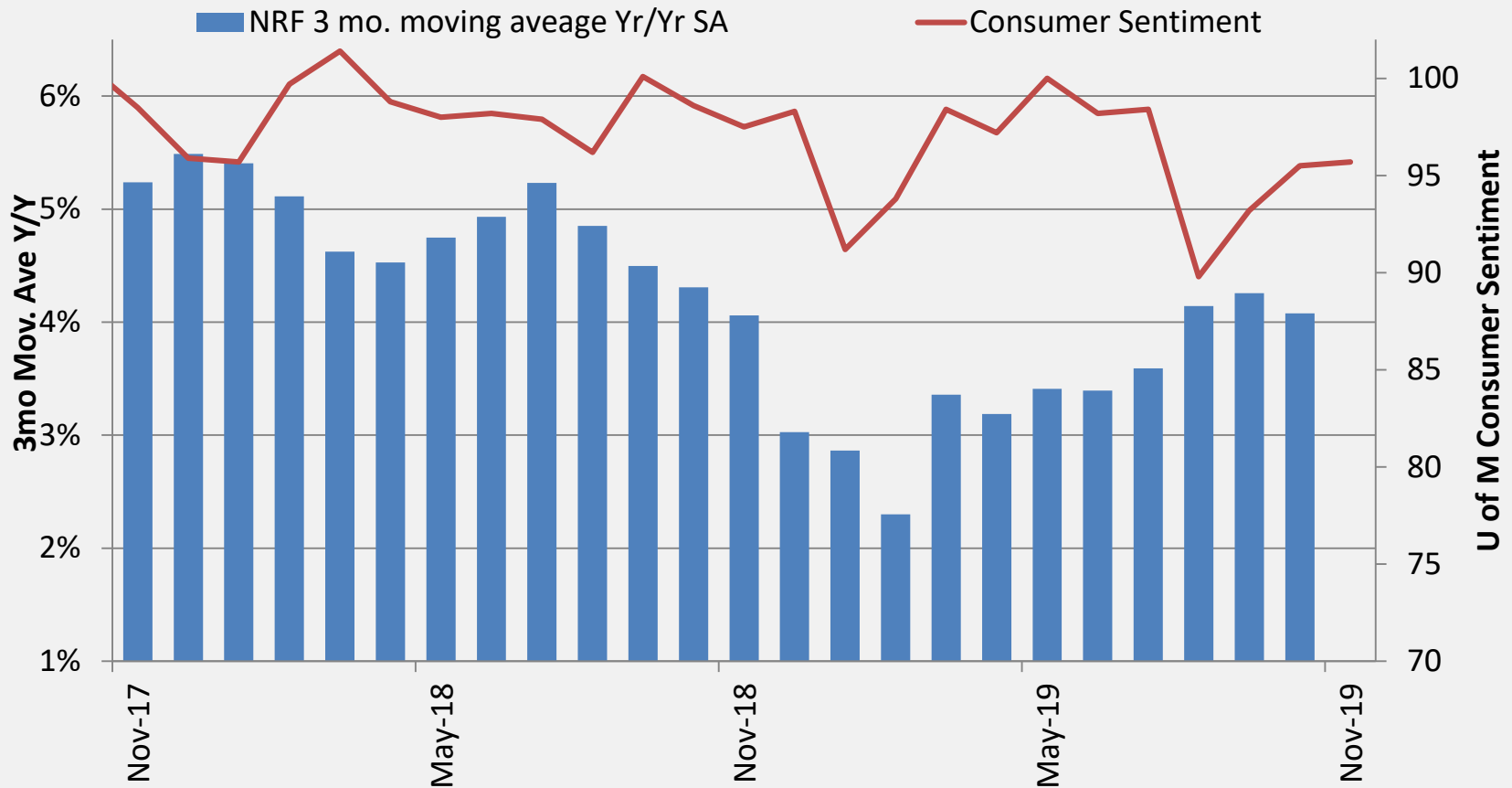
## ABILITY TO SPEND

- Disposable Income
- Wealth -Value of Home & Investments
- Personal Savings
- Access and use of Credit

# INDICATORS

Indicator	
Unemployment rate	
Nonfarm sector employment growth	
Disposable personal income (nominal \$)	
Personal Consumption (nominal)	
Average hourly earnings	
Revolving Credit (credit cards)	
Credit Card lending Senior loan Officer	
Savings rate	
Case Shiller National Home Price Index	
Michigan Consumer Sentiment Index	
PCE Price Index (Goods)	
PCE Price Index ( Services )	
Uncertainty Index (News Based)	
NRF Retail Sales( unadjusted) revised	
REAL GDP (not nominal)	
ISM Manufacturing	
ISM Non-Manufacturing	

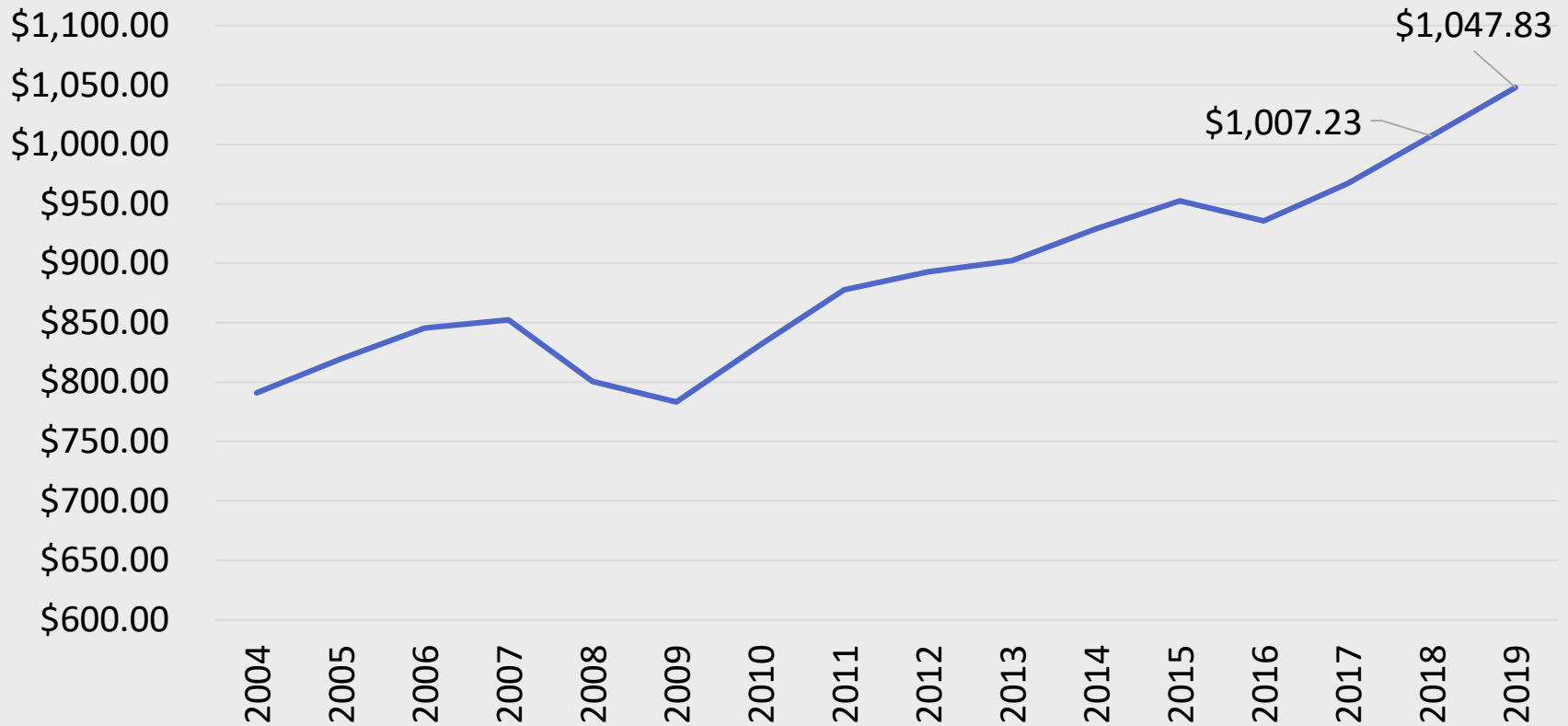
# RETAIL SALES & SENTIMENT



U.S. Census; University of Michigan Consumer Sentiment

# HOLIDAY SPENDING – Survey

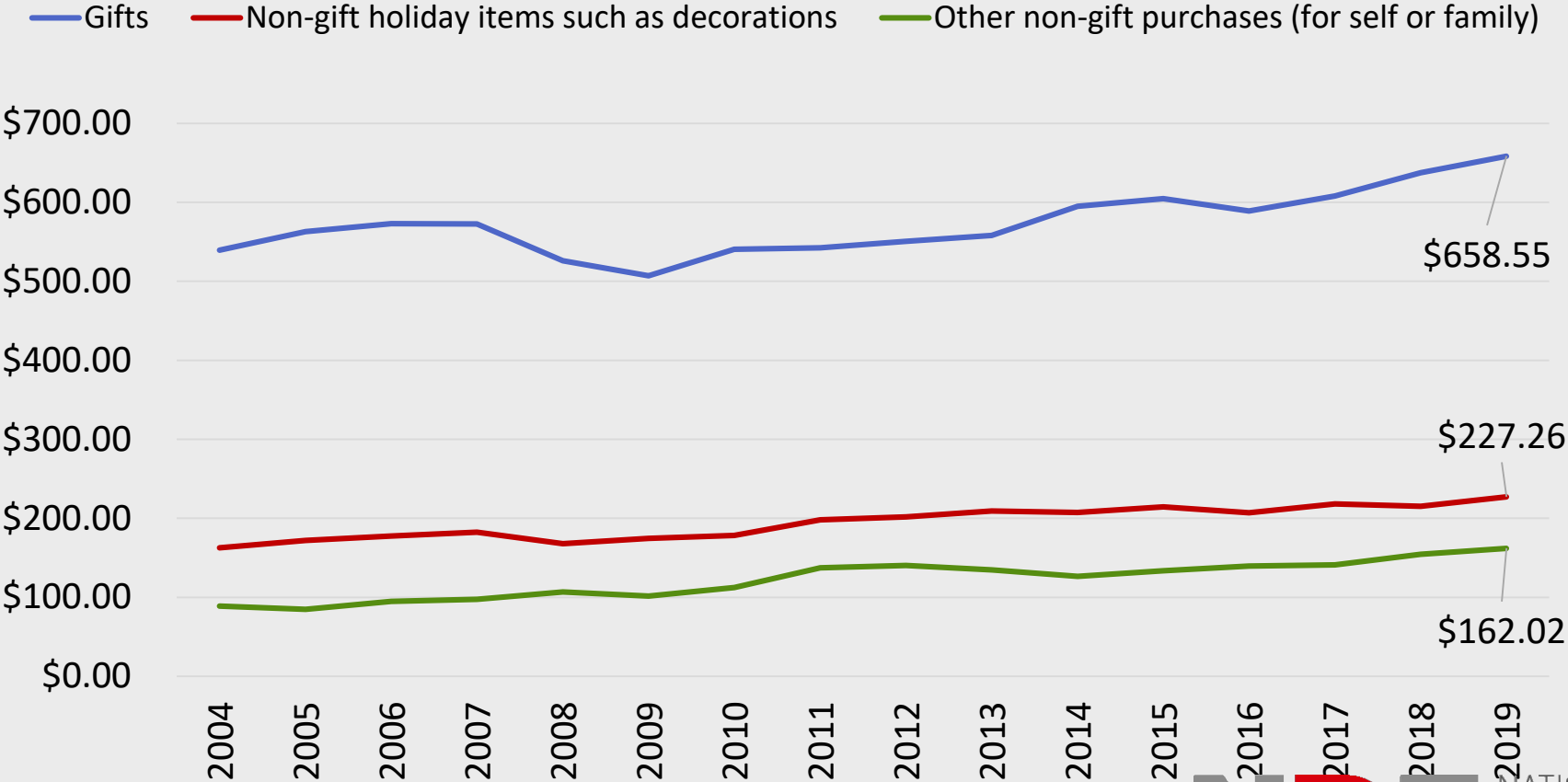
Intended Holiday Spending – \$4.0 % Y/Y



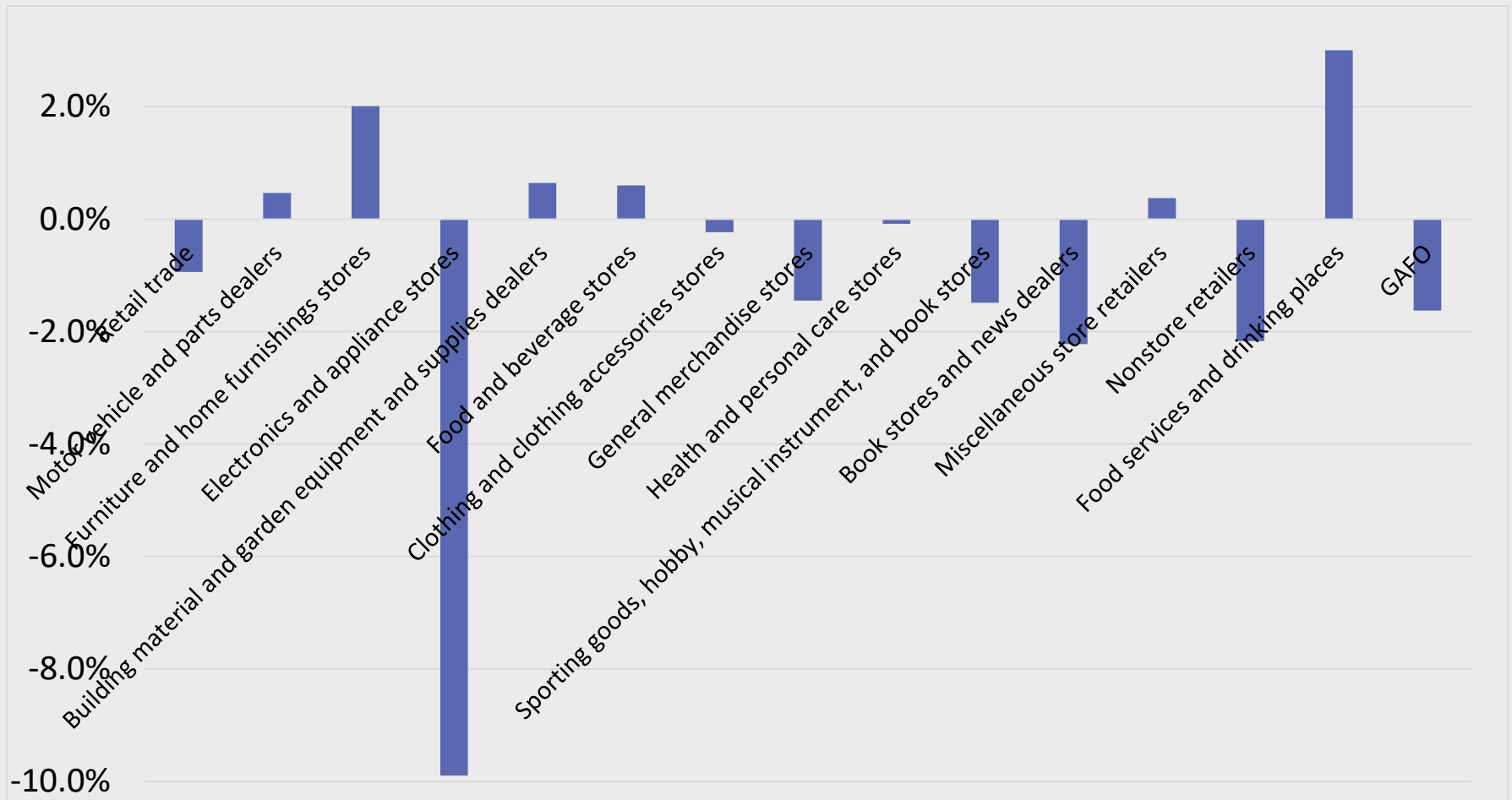


# HOLIDAY SPENDING

## Consumer Holiday Spending Plans by Category



# BEA RETAIL PRICE INDEX – 2019 3Q Y/Y



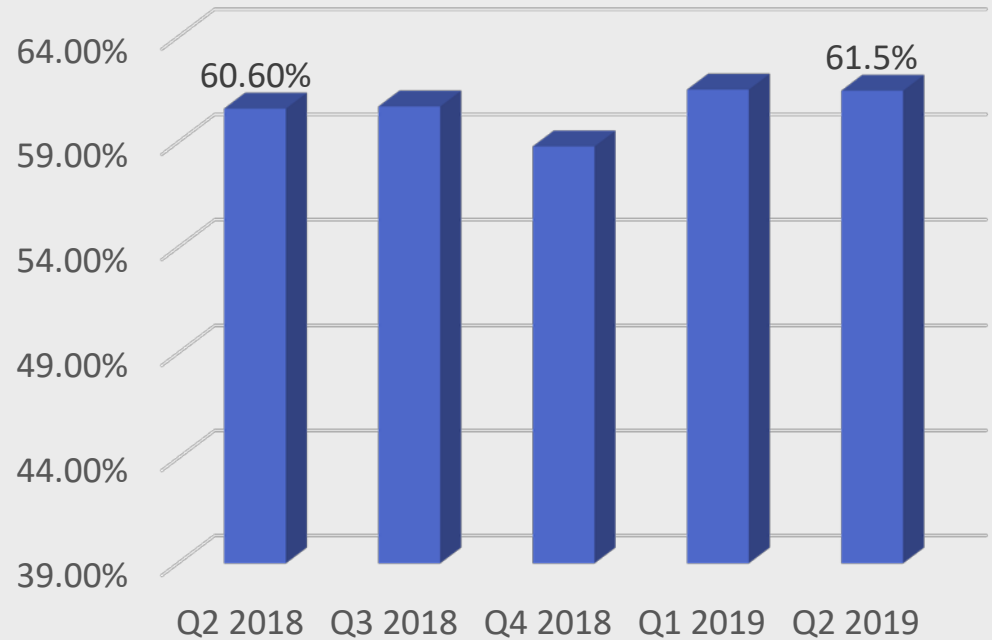
U.S. Bureau of Economic Analysis

# E-COMMERCE

The Top 25

Site (.com)	Q1-3 2019 Transactions (millions)	YOY Growth
Amazon	1,412.2	3.1%
Ebay	295.8	-11.0%
Walmart	70.8	-0.2%
Etsy	35.3	21.8%
Target	21.3	29.6%
Kohls	17.8	8.4%
HomeDepot	17.2	10.3%
Chewy	15.9	38.0%
QVC	12.8	-15.5%
Gap	12.2	-6.9%
Walgreens	12.0	7.7%
JCPenney	11.2	-8.8%
Costco	11.1	10.2%
Macys	10.2	8.4%
Wayfair	10.1	26.2%

Share of E-commerce Dollars of "non B & M Retail Firms"



U.S. Census, Quarterly Release

# Thank You

This report was prepared by Kleinhenz & Associates. The opinions expressed herein are those of the author and do not necessarily represent the views of The National Retail Federation. Neither Jack Kleinhenz nor the National Retail Federation warrant the accuracy or completeness of information contained herein, such information is subject to change and is not intended to influence your investment decisions. Kleinhenz & Associates does not assume any liability with respect to the use of, or damages resulting from the use of, any information disclosed in this report.

**JACK KLEINHENZ, PH.D, CBE**  
**Chief Economist, Nation Retail**  
**Federation**  
**216 321-9522**

