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Shoppers Flock to Brick-and-Mortar Retail Over Thanksgiving Weekend Record Number of Americans Turn Out To Make Purchases

By Linda Moss

A record 196.7 million Americans shopped over the Thanksgiving holiday weekend, with a resurgence of consumers returning to stores during that period despite inflationary headwinds, according to the National Retail Federation.

The total number of shoppers from Thanksgiving Day through Cyber Monday increased by nearly 17 million from 2021 — up about 9% from 179.8 million — and marked the highest figure since the National Retail Federation, an industry trade group, first started tracking that data in 2017. The number turned out to be higher than the group's original projection of 166.3 million.

And retailers enjoyed a sizable spike in in-store shoppers. More than 122.7 million people flocked to brick-and-mortar stores over the weekend, up 17% from 2021, according to the annual survey released on Tuesday by the National Retail Federation and Prosper Insights & Analytics.

"This year the decision was to be out in stores," Matthew Shay, National Retail Federation president and CEO, told reporters during a conference call. "So not only did we see big growth in the number of shoppers ... it was very obvious this year that there are an enormous resurgence of in-store shopping."

There were reasons for that, including a return to traditions after the initial phase of the pandemic and subsequent surge of the omnicron variant kept people home.

"It's obvious that this is a cherished time for many Americans," he said. "It's a uniquely American holiday season, and being out with friends and family and others, I think, is one of the things we enjoy most about this time of year. And I was clear from what we saw that the fact that we had COVID restrictions the last couple of years really kept those holiday seasons somewhat subdued, and people missed those experiences and they came back in a big way this year."

Despite the economic headwinds of record inflation and rising interest rates, as well as the treat of recession, the National Retail Federation has forecast that for the entire holiday period, which spans Nov. 1 to Dec. 31, retail sales this year will rise 6% to 8% over 2021 to between \$942.6 billion and \$960.4 billion.

Possible Rail Strike And Inflation

He said such a strike would disrupt consumer consumption at "one of the most important times of the year." A natonwide strike by more than 100,000 union members at the nation's freight railroads could begin at 12 a.m. on Dec. 9.

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"Retailers are planning for every contingency," Shay said.

The number of online shoppers also increased for Thanksgiving weekend, but at a slower pace than brick-and-mortar retail. This year there were 130.2 million online shoppers, a 2% rise over Thanksgiving weekend in 2021, according to the National Retail Federation. Nonetheless, online sales for Black Friday alone rose 2.3% from a year earlier to hit a record \$9.1 billion this year in the United States, according to Adobe Analytics.

The group's predicted holiday sales figures aren't adjusted for inflation, which has led some to say any increase is really just an indication of skyrocketing price tags for goods. Shay addressed that issue on the call and in a prepared statement.

"It is important to note that while some may claim that retail sales gains are the result of higher prices, they must acknowledge the historic growth in consumers who are shopping in-store and online during the long Thanksgiving holiday weekend and into Cyber Monday," Shay said in a statement. "It is consumer demand that is driving growth."

More than three-quarters, or 76%, of consumers say they shopped over the Thanksgiving holiday weekend, up from 70% in 2021, according to the federation's survey. That number "shattered NRF's initial expectations by more than 30 million," the trade group said.

Black Friday remains the most favored day for in-store shopping. Roughly 72.9 million consumers chose the traditional in-person shopping experience, up from 66.5 million in 2021, according to the federation. The Saturday after Thanksgiving followed suit, with 63.4 million in-store shoppers, up from 51 million last year. A majority, or 77%, of Saturday shoppers indicated they shopped specifically for Small Business Saturday, which tends to focus on locally owned shops.

Ranking Top Shopping Destinations

Black Friday was also the most popular day for online shopping, a trend that started in 2019. About 87.2 million consumers shopped online on Black Friday this year, in line with 2021, according to the federation. Similar to last year, 77 million people shopped online on Cyber Monday, when many offered special internet deals. A record 59% of Cyber Monday shoppers used a mobile device, up from 52% in 2021.

The top destinations for Thanksgiving weekend shoppers were: online at 42%, department stores at 42%, grocery stores and supermarkets at 40%, clothing and accessories stores at 36% and discount stores at 32%.

Consumers spent an average of \$325.44 on holiday-related purchases over the course of the weekend, up from \$301.27 in 2021, according to the federation. Of that amount, most, or \$229.21, was directed specifically toward gifts. The group said the increase supports its forecast that retail sales for the entire holiday period would rise.

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And the outlook for the rest of the season, the month of December, is also bright because "on average, consumers say they are almost halfway (47%) done with their holiday shopping at this point in time, leaving plenty of room for additional purchases in the remaining weeks of the year, "Prosper Executive Vice President of Strategy Phil Rist said in a statement.

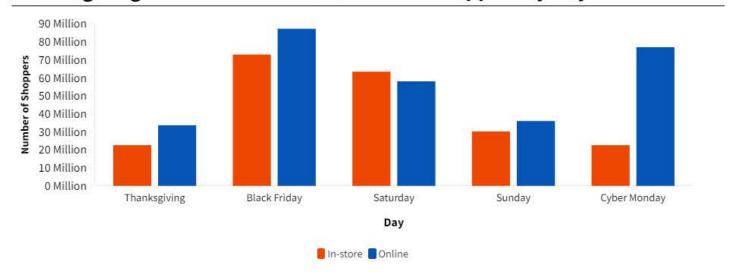
He also cited that statistic on the conference call.

So while early deals and sales did entice some to shop before mid-November, many American still save the bulk of their shopping for November and December. More than half, or 56%, of shoppers said they took advantage of early holiday sales or promotions before Thanksgiving this year.

The National Retail Federation-Prosper survey of 3,326 adult consumers was conducted Nov. 23 to 27.

The trade group stands by that prediction but voiced concern about a new challenge: a possible national rail strike next week. In fact, Shay said at this point that's more of a worry that a recession.

Thanksgiving Weekend In-Store and Online Shoppers by Day



Source: National Retail Federation, November 2022 Chart: Nicole Shih

