



Holiday forecasts, consumer trends  
and historical retail sales data from  
the National Retail Federation

The background of the cover is a light blue-grey gradient with a subtle pattern of white dots, resembling falling snow. In the center, there is a faint, white silhouette of a reindeer standing on a hill, with a trail of stars leading from its path. The foreground is filled with stylized white evergreen trees of various sizes. A large, white, scalloped-edged banner is centered in the lower half of the image, containing the main title in red text.

# *Holiday Trends and Expectations*

NRF's 2015

*Holiday*

SURVIVAL KIT

[nrf.com/holidays](http://nrf.com/holidays)



The National Retail Federation's Holiday Survival Kit serves as a guide for reporters and retailers, offering historical information on holiday sales, employment data and consumer trends.

NRF experts will be available throughout the holiday season to discuss consumer trends, economic data and a variety of other retail topics. To interview a retail expert for print or broadcast, please contact:

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Holiday trends and the latest survey data will be posted regularly on NRF's Holiday Headquarters at [nrf.com/holidays](http://nrf.com/holidays).

For up-to-the-minute holiday news, follow @NRFnews on Twitter and connect with NRF through these channels:



[nrf.com/twitter](http://nrf.com/twitter)



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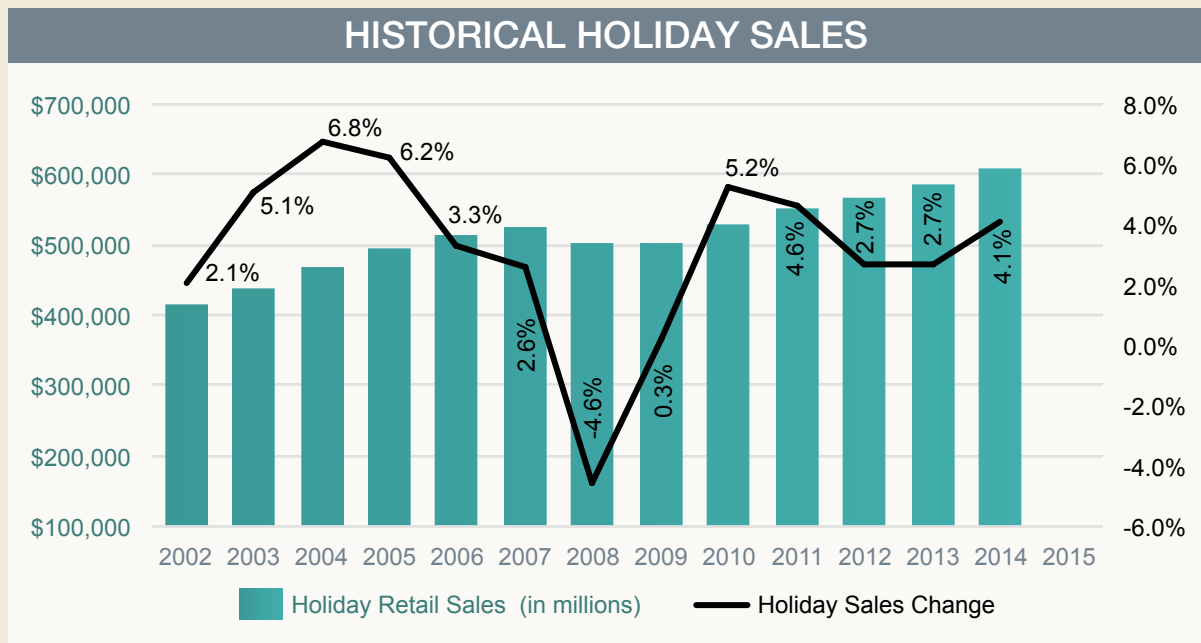
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## Holiday Forecasts for 2015

The holiday season, defined by NRF as sales in the months of November and December, is the biggest time of year for retailers of all shapes and sizes, and can account for as much as 30 percent of a retailer's annual sales. This year, NRF estimates that holiday sales will increase 3.7 percent to \$630.5 billion, compared to last year's 4.1 percent growth.

The average increase in holiday sales for the past 10 years is 2.5 percent.



Source: National Retail Federation, derived from Bureau of Labor Statistics data

### Shop.org Online Holiday Forecast

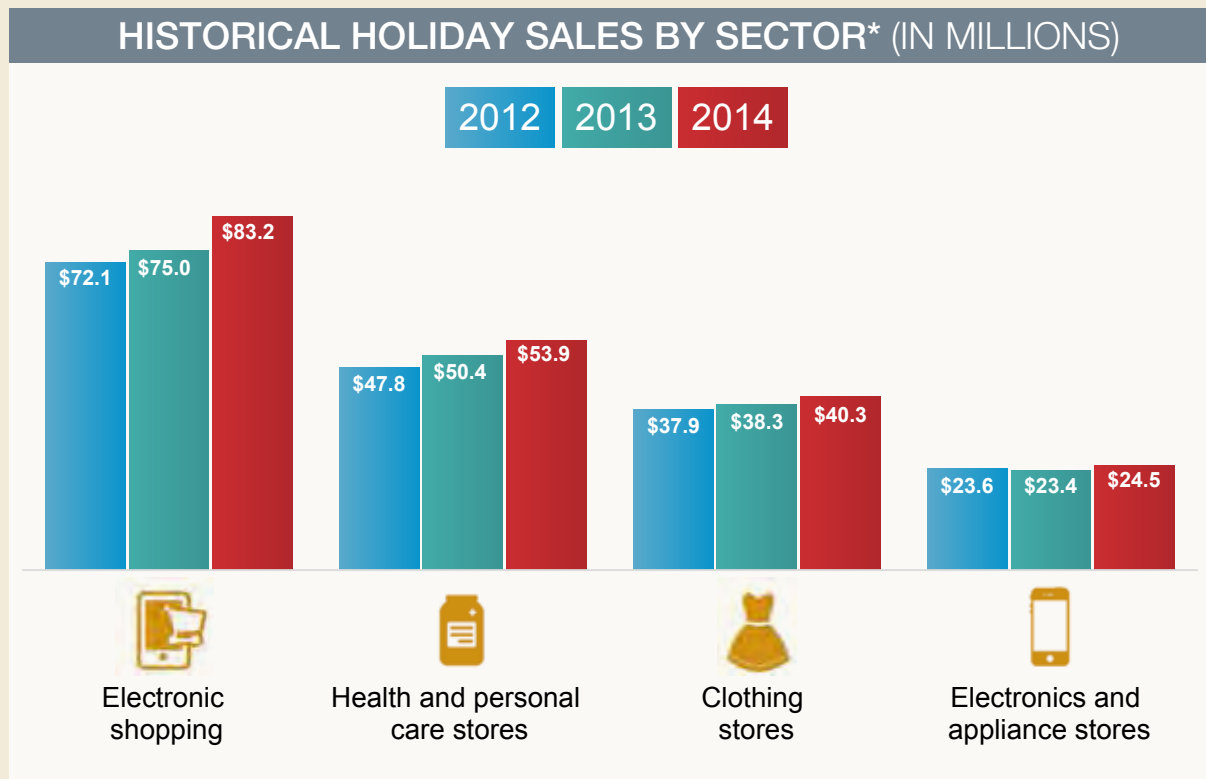
NRF expects online sales to increase between 6 and 8 percent this year. Using expected sales in the months of November and December and economic data derived from the U.S. Department of Commerce, NRF's chief economist expects online retailers will see solid growth this holiday season.



Source: National Retail Federation, derived from Bureau of Labor Statistics data

## Holiday Sales by Sector

From jewelry and sporting goods to apparel and electronics, holiday gifts run the gamut. In 2014, clothing stores saw more than 22 percent of their total annual revenue come during the months of November and December. Holiday shoppers spent more than \$40 million at clothing stores during the 2014 holiday season, up from \$38 million in 2013.



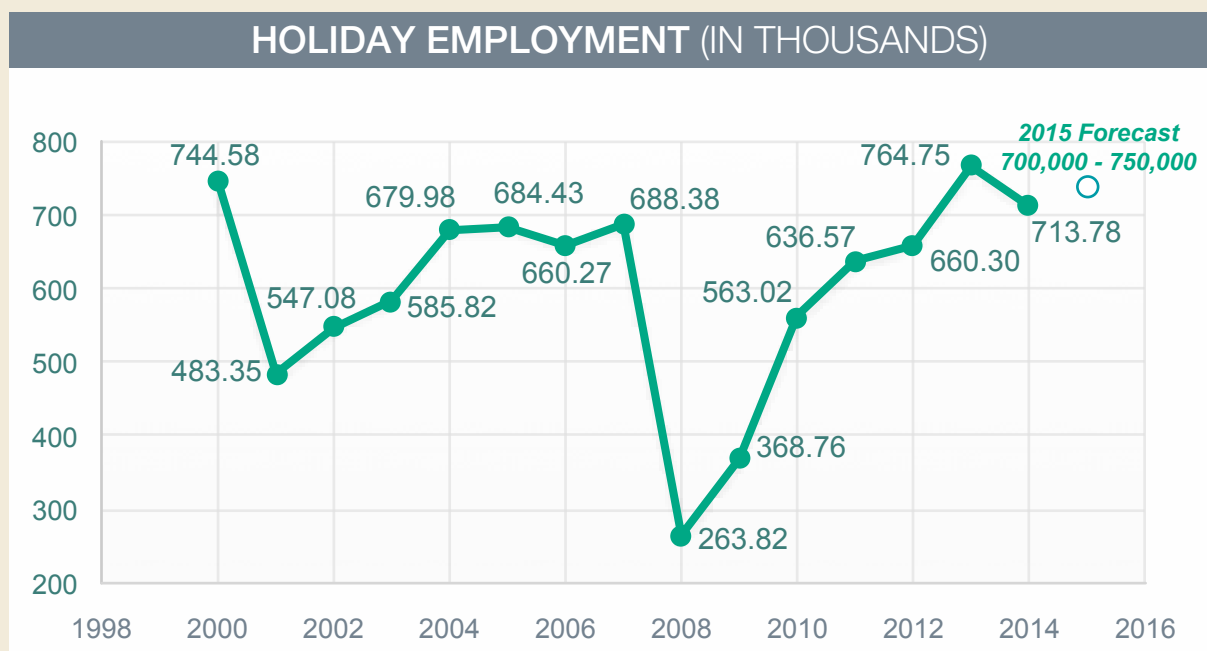
*\*Not all categories are included.*

## Holiday Employment

Every September as retailers ready their stores for the crowds that typically accompany the holiday season, they also begin preparing behind the scenes by hiring extra staff. These new hires are brought on to run the store, stock new inventories, manage distribution and fulfillment centers and serve as customer service representatives.

This holiday season NRF predicts retailers will fill between 700,000 and 750,000 new seasonal positions. In addition to seasonal positions, retail indirectly creates many jobs throughout the holiday season for workers in transportation, manufacturing and fulfillment.

Here's a look at historical holiday hiring:



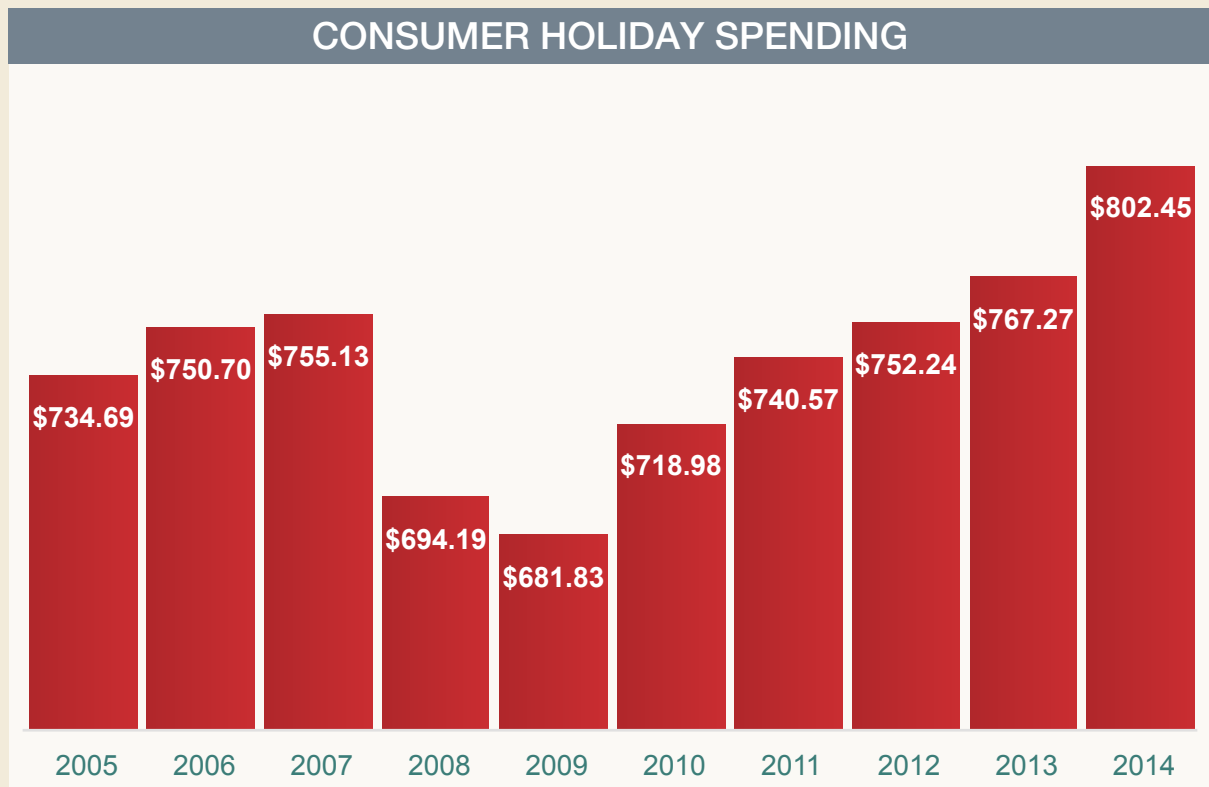
Source: National Retail Federation, derived from Bureau of Labor Statistics data





## Consumer Spending Research and Trends

Holiday shoppers in 2014 spent an average of \$802 on gifts, decorations, food and more, compared to \$767 spent in 2013. Historical trends show that average holiday spending over the past 10 years is \$740 per person.



Average **consumer spending** on holiday gifts, décor and more in **2014**

## Spending on Gift Cards

For eight years in a row NRF's holiday surveys have found gift cards to be the most requested gift item during the holiday season. And holiday shoppers are paying attention to the requests of their loved ones: Total spending on gift cards has increased 28 percent since 2006.



TOTAL GIFT CARD SPENDING (IN BILLIONS)

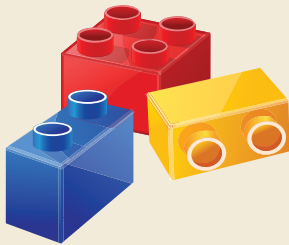




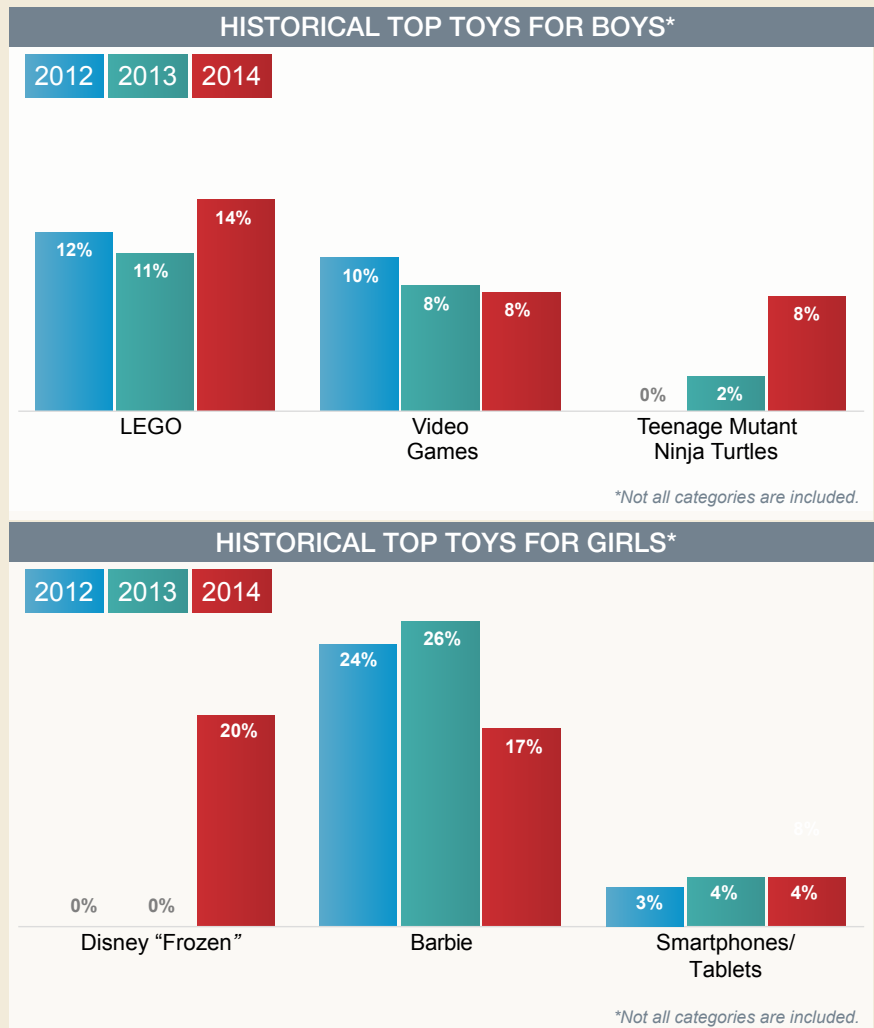
## Top Toys

A selection of top toys as indicated by adults during the holiday season.

Over the years, boys have been significantly more likely to receive LEGOs rather than video games.



And little girls still adore Barbie after all these years.



## Barbie Dethroned in 2014 as Disney's "Frozen" Takes the Crown

Barbie had a good run as the number one holiday toy, but NRF's 2014 Top Toys Survey found little girls had their eye on a new queen last year: one in five parents said they would buy Disney's "Frozen" merchandise for the little girls in their life, beating out top-reigning Barbie (17 percent) for the first time in the survey's 11-year history.

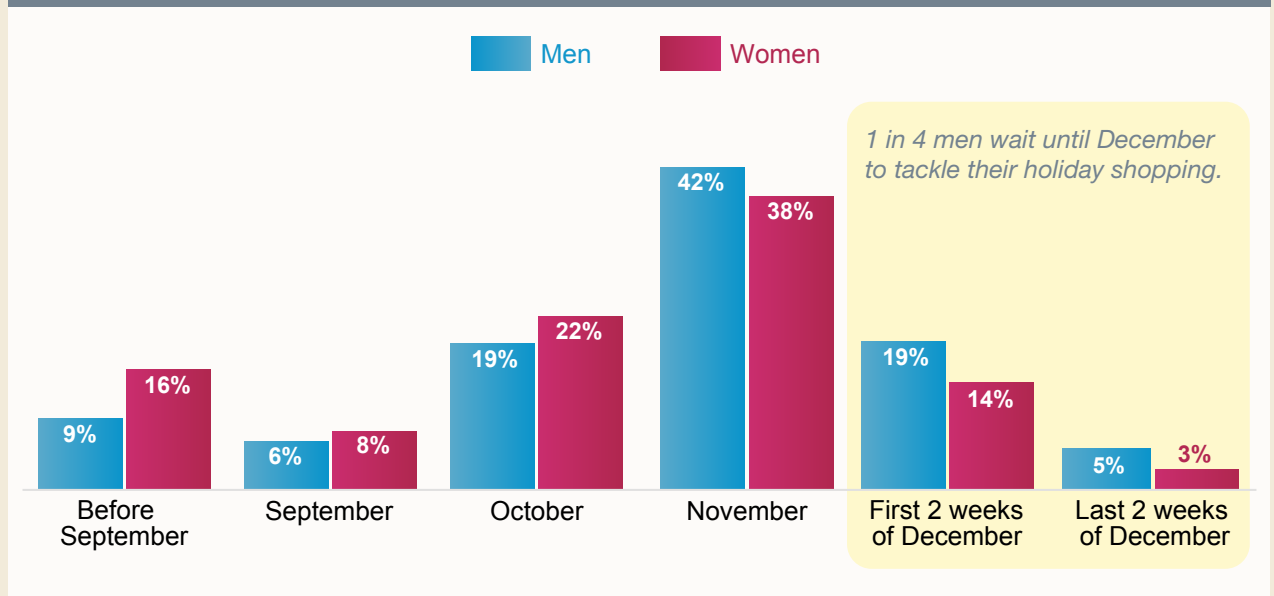
## Pumpkins, Tree Ornaments Make Shopping Baskets in October

Believe it or not, it's not uncommon to see pumpkins and decorative hay along with plastic Santas and tiny reindeer sitting in the same shopping cart come October. In fact, approximately 40 percent of consumers begin their holiday shopping before Halloween each year, a number that has remained the same since NRF began asking the question in 2004.



**Age-old debate settled:** Men are more likely to procrastinate when it comes to holiday shopping. Over the past five years on average, one in four men have waited until December to start their holiday shopping, compared to 17 percent of women; 16 percent of women over the same time frame on average say they start before September, compared to just 9 percent of men.

### WHEN MEN, WOMEN START SHOPPING FOR HOLIDAYS (5-YR AVG)



## Where the stores AND free shipping offers are ...

No longer driven by just print and direct mail promotions, savvy holiday shoppers these days take to the web to look for shipping offers just as much as they check their emails for in-store deals. Retailers, recognizing that free shipping deals are no longer questionable, now put this holiday promotion in their customer “must have” bucket.

In fact, Shop.org's 2014 e-Holiday Survey found that 92 percent of those surveyed offer some form of free standard shipping during the holiday season with guaranteed Christmas delivery. And rightfully so: The same survey found 86 percent of holiday shoppers say that free shipping is important or very important to them.



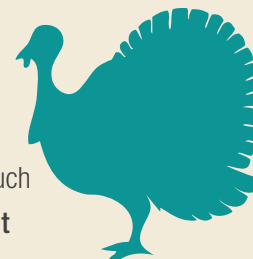
### WHAT'S IMPORTANT TO ONLINE SHOPPERS



## Thanksgiving Weekend Trends

The evolution of the biggest shopping weekend of the year ...

Thanksgiving Weekend Shopping: An improving economy and early promotions drew millions of shoppers into stores and online earlier than ever during the 2014 holiday season, shifting how much people spent over the busiest shopping weekend of the year. What did **NRF's CEO and President Matthew Shay** say were the top 3 reasons for this shift?



“Retailers began providing holiday discounts much earlier, both in stores and online, so consumers didn't have to wait until Black Friday for really good deals on gifts and items they wanted.

“The economy is improving, with more jobs being created and consumer confidence rebounding. During the recession, Black Friday deals were critically important as consumers pinched pennies and tightened belts. Today ... consumers are still seeking value, but in different ways.

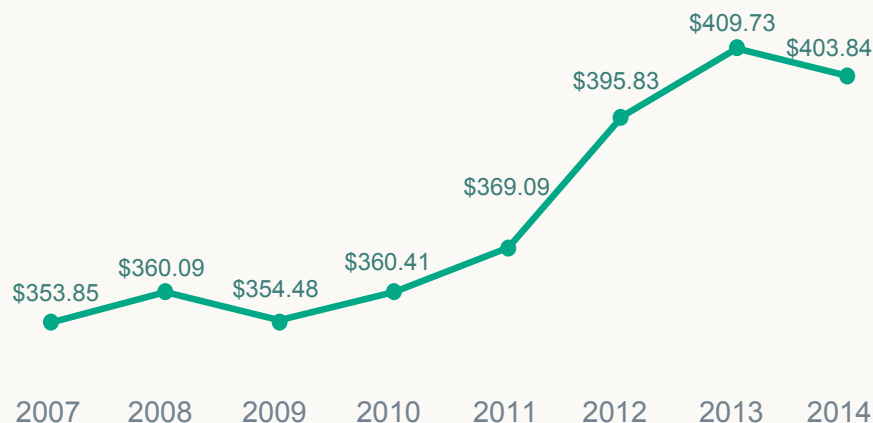
“Consumers are more savvy and sophisticated than ever before. The recession had a tremendous impact on how consumers shop ... they have a few more dollars in their wallets, but that doesn't mean they aren't going to be smart about how and when they spend.”

### HISTORICAL THANKSGIVING WEEKEND SHOPPING





## THANKSGIVING SPENDING (3-YEAR ROLLING AVERAGE)



In 2014, the three-year rolling average amounted to \$404, similar to the three-year rolling average amount they spent in 2013 (\$410).

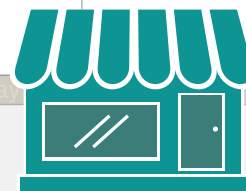
**87  
Million**

Number of people  
who shopped on  
**Black Friday**  
in 2014



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				26		
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
23	<b>127 Million</b>					

estimated number of  
**Cyber Monday**  
shoppers in 2014



**33%** of holiday  
shoppers said they  
shopped specifically on  
**Small Business  
Saturday** in 2014

**25** million holiday  
shoppers said they  
would specifically use  
their **mobile** device  
to shop online  
on Cyber Monday!







## Frequently Asked Questions

### What is NRF's prediction for holiday sales growth this year?

NRF is projecting 2015 holiday sales to rise 3.7 percent.

### How much have holiday sales grown in the last few years?

Holiday sales in 2014 increased 4.1 percent and 2.7 percent in both 2013 and 2012. During a booming economy holiday sales could grow as much as 6.8 percent as they did in 2004, or could actually decrease during an economic downturn as they did in 2008 when the industry reported sales dropped 4.6 percent over the previous year. On average, holiday sales have increased 2.5 percent for the last 10 years.

### What percentage of annual sales do the holidays represent?

For some retailers, the holiday season can represent as much as 30 percent of annual sales with jewelry stores reporting the highest percentage, accounting for approximately 26 percent of their sales during the 2014 holiday season. Overall last year holiday sales represented 20 percent of total retail industry sales. For historical sales by sector see page 5.

### Will NRF change its holiday forecast throughout the course of the holiday season?

While NRF reserves the right to change its forecast at any time, NRF rarely does so. The last time NRF revised its holiday forecast was in 2011.

### How do NRF's surveys differ from its forecast?

NRF's holiday forecast is based on an economic model using indicators such as housing data, unemployment and previous monthly retail sales reports from the U.S. Department of Commerce. The Commerce Department continuously revises retail sales data. NRF relies on the most recent set of estimates from the government for all of its forecasts and sales releases.

In comparison, however, NRF's holiday surveys conducted by Prosper Insights & Analytics provide a snapshot of what consumers say they plan to do for the holiday season. This is the 15th holiday season that NRF has partnered with Prosper to provide holiday data, making it possible to identify year-over-year trends.

### How many extra jobs does the retail industry create during the holiday season?

NRF estimates that retailers will hire between 700,000 and 750,000 new holiday positions in 2015. For historical holiday hiring information, see page 6.

### What does NRF classify as the "winter holidays?"

NRF tallies total retail industry sales from November and December — 61 days — to determine holiday sales. Holidays during this period include Thanksgiving, Christmas, Hanukkah and Kwanzaa. This year there are 29 days from Thanksgiving to Christmas Eve, which includes four weekends. Christmas falls on a Friday this year, meaning the weekend after Christmas will likely be one of the busiest of the year.





### **How does NRF define “retail industry sales”?**

Retail industry sales include most traditional retail sales categories such as discount stores, department stores, grocers, specialty stores and non-store sales but exclude sales at automotive dealers, gas stations and restaurants.

### **What is NRF’s prediction for online holiday sales growth this year?**

NRF projects online holiday sales to increase between 6 and 8 percent to as much as \$105 billion during the months of November and December. Online holiday sales in 2014 increased 5.8 percent, according to NRF.

### **What factors are used to calculate NRF’s online holiday forecast?**

NRF’s estimates are based on data collected by the U.S. Department of Commerce, the Federal Reserve, the U.S. Census, the Conference Board and NRF’s own calculations. These estimates include personal income and spending, consumer credit, consumer confidence and previous monthly retail reports.

### **What is Cyber Monday?**

Cyber Monday, the Monday after Thanksgiving, is the online retail equivalent of Black Friday.

### **Why are many retailers putting holiday merchandise on the shelves so early?**

Each year about 40 percent of consumers begin their holiday shopping before Halloween. While most retailers do not begin holiday advertising until at least October or November, they recognize that many people like shopping early to spread out spending. As a result, many retailers are putting holiday merchandise on the shelves in September

– specifically decorations and greeting cards, which many people buy months in advance.

### **Is Black Friday the busiest shopping day of the year?**

NRF does not monitor or track sales by day through the holiday season or annually. However, ShopperTrak, which counts foot traffic at malls, reports that Black Friday is the busiest shopping day of the year, followed by “Super Saturday” and the Sunday before Christmas. NRF research found in 2014 that over the entire holiday weekend, beginning Thanksgiving Day, Black Friday was the busiest day with more than 87 million shoppers having shopped in stores or online that day.

### **Why have retailers changed their return policies?**

Some retailers make return policies more lenient during the holiday season, understanding that there may be a lag time between when a gift is purchased and received. However, many retailers have also begun to change their return policies to account for an increase in return fraud. Last year, according to NRF’s Return Fraud survey, retailers estimated they would lose \$2.9 billion due to return fraud during the holiday season.

### **Is NRF affiliated with Small Business Saturday?**

NRF is not officially affiliated with Small Business Saturday, however, we greatly support any initiative to recognize the millions of small retail business establishments and their contributions to the economy and their communities. In fact, 98 percent of all U.S. retail companies employ 50 people or fewer.



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