



For Immediate Release
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**RETAILERS ASSOCIATION OF MASSACHUSETTS PREDICTS LOCAL
HOLIDAY SALES INCREASES OF 3.9%**

**Stable Consumer Confidence and Year to Date Trends Should Help
Massachusetts Retailers Boost Sales for Seventh Year In A Row**

Boston—The Retailers Association of Massachusetts (RAM) is predicting a solid 3.9% gain in retail sales during the holiday period over the same period in 2015. The prediction is based upon a survey of the 4,000 members of the statewide trade association. The projected increase is stronger than the national projected increase of 3.6% by the National Retail Federation for this holiday season. Massachusetts holiday sales (November through December) increased last year by a very strong 4.7%, which marked the sixth consecutive year of local holiday sales increases. Nationally, retail sales increased 3% last November and December.

RAM President Jon Hurst expressed optimism for the holiday sales season based upon year to date sales and the Association member survey.

“Massachusetts retailers are prepared for the 2016 holiday sales season, and they are optimistic that the sales trends for last year will continue, albeit at lower levels of increases,” Hurst said. “Consumer confidence remains stable at the high local level of last season, which was the strongest since the 2007 holiday sales season. Economic growth, low unemployment, rising wages, and continued low gas prices have a lot to do with that consumer confidence, and we have seen that reflected in retail sales growth in recent months. Consumer debt levels remain low, and improving home and 401k values are helpful to boost confidence levels as well. And given a very competitive marketplace, consumers will once again enjoy an environment of extensive promotions and value from a multitude of shopping options,” Hurst said.

The projected sales increase would mark the seventh straight year of holiday sales increases in the Commonwealth, which had previously dropped three straight years beginning in 2007. Holiday season sales in the Commonwealth rose by 4.7% in 2015, 3.4% in 2014, 3.3% in 2013, 2.8% in 2012, by 5% in 2011, and by 7% in 2010, after dropping three years in a row: -1% in 2009; -7% in 2008; and by -1% in 2007. Nationally, holiday sales dropped in only one of those years—2008, and at a level of -4.4%.

Hurst said the association members expect comparable seasonal store hiring, and increased inventory levels this year as compared to 2015. Employment growth began seven years ago, after significant staffing reductions in 2008. Staffing levels have recovered to roughly the level last seen in 2007. Inventory levels dropped in 2009 after too much inventory was left on stores shelves in 2008, and then increased from 2010 through 2015.

Hurst urged consumers to remember their local stores this holiday season, and not just on Small Business Saturday. He noted that the Retailers Association of Massachusetts will again be urging consumers through social media efforts to #BuyInMA.

“We need to remember that where we invest our dollars makes a difference in the local economy,” Hurst said. “Let’s be sure to commit to investing a good portion of our spending budgets right here in our communities, and to always remember that we should shop like jobs depend on it, because they do.”

With online sales driven by mobile commerce expected to grow up to 10% this year, RAM continues to work to save Main Street businesses through education efforts aimed at the public, government officials and small businesses. A campaign effort called #DarkStoreFrontsMA is designed to remind consumers and public policy leaders of the consequences if they do not back up their support for small retailers with their consumer dollars; and if public policy doesn’t change which puts local stores at a competitive disadvantage to internet competitors. A recent RAM member survey showed that 94% of members have online competitors in their consumer goods categories, yet only 42% of those small merchants are selling online themselves. RAM is planning free digital training for small sellers early next year.

Consumer spending represents 70% of the economy, and is vital for spurring economic growth. The holiday sales season historically represents on average 20% of annual retail sales, with some stores seeing 25-30% of their sales during the period.

November and December retail sector sales in Massachusetts (excluding restaurants, auto sales and gas) will total approximately \$16.4 billion. According to the National Retail Federation (NRF), national holiday sales are projected to hit approximately \$655.8 billion.

The Retailers Association of Massachusetts is a statewide trade association of 4,000 retailers and restaurants of all types and sizes. The retail sector in Massachusetts employs 600,000 residents, or 17% of all jobs, and has total sales of over \$100 billion annually.

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Quick Facts:

- Anticipated major consumer gift purchase categories: gift cards, clothing and accessories, books, CDs, DVDs or videos (although dropping due to growth of digital downloads), consumer electronics, toys, jewelry, home décor and improvement items, personal care and beauty items, sporting goods, and food and candy.
- Online holiday sales are expected to increase by 7-10% and will reach \$117 billion nationally, representing close to 18% of holiday purchases. Over half of shoppers now reference their smart phones in-store while shopping, making pricing even more competitive and pushing the growth of store apps and social media promotions. 35% of consumers made more than half of their purchases online during the 2015 holiday sales season.

Sources: National Retail Federation & government data