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FOR IMMEDIATE RELEASE
November 18, 2016

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Holiday Sales this year should rise along with increased online spending

[Annapolis, MD] – The holiday season for many retailers is the most important time of the year. Holiday sales are so important, the season offsets dead sales times, enabling them to keep their doors open. In some sectors of retail, holiday sales can account for over 25% of sales for the entire year. National projections point to a solid 3.6% increase in sales that is higher than the 2.5% average over the past ten years. Most consumers don't start holiday shopping until November and the majority anticipate shopping online and at department stores, which is concerning for local retailers.

“Shopping local is important not just around the holiday season, but year round,” said MRA President Cailey Locklair Tolle. “Online shopping may seem appealing from retailers who don't charge sales tax, but your community brick and mortar stores hire your neighbors, provide much needed tax revenue for the things we all care about and local stores give back to communities in so many ways. As the number one private sector job provider in the state, the best way to invest in Maryland is to shop local.”

Consumer spending should continue to increase with a projected average of \$935 on holiday gifts, décor and other items. Candy and food will remain the largest sector consumers spend money on topping \$100 million nationally and the number one item on everyone's wish list is gift cards. Barbie was back on top last year as the number one toy for girls and Legos for boys. All signs point to a repeat for these much-desired toys.

As exciting as the projected sales increase national data points to, many Maryland retailers we surveyed said online sales, the election, weather and the economy will weigh heavily on their outcome this holiday season and are not optimistic for such a large increase. Many of our members feel sales will be flat or they will only see a small bump this year. Unfortunately, this means many stores will not be bringing on additional staff in Maryland although national projections point to 690,000 new holiday jobs across the country.

On November 28th in Ellicott City, MRA is set to participate in a “Shop Local” tour of the state with Governor Larry Hogan and Comptroller Peter Franchot who champion shopping local and supporting Maryland brick and mortar stores. The focus by elected officials and others is incredibly important in helping to remind and influence consumer decisions about shopping locally.

“This is an important time of year for many retailers who see a large chunk of their sales occur,” said Ms. Locklair Tolle. “Consumers will find excellent deals on black Friday, but should also take advantage of ‘Shop Local’ events on November 26th.”

MRA’s holiday forecast is based on member surveys in conjunction with a review of the National Retail Federation’s holiday forecast, consumer trends and historical retail sales data.

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