

## Retail Trends December 7, 2023

### **Americans are ‘Doom Spending’—Here’s Why That’s a Problem**

Consumer spending has remained remarkably resilient in the face of some stiff economic headwinds. Nearly all Americans, 96%, are concerned about the current state of the economy, according to a recent report by Intuit Credit Karma. Still, more than a quarter are “doom spending,” or spending money despite economic and geopolitical concerns, the report found. Even as inflation and high interest rates have squeezed budgets, a record 200 million shoppers turned out between Black Friday and Cyber Monday, according to the National Retail Federation. [Read More](#)

### **Holiday Shoppers to Spend an Average \$875 this Season**

During the holiday season, shoppers are forecast to spend an average of \$875 on gifts, decorations, food and other seasonal items, according to one NRF survey. Apparel, a category that has seen mixed results in 2023, is one of the primary items people plan on giving. Spending this season is expected to reach “record levels,” according to the NRF, which forecast a 3% to 4% rise year over year in holiday spending to between \$957.3 billion and \$966.6 billion. [Read More](#)

### **Walmart Shares Slide as Retailer Gives a Cautious Outlook**

Walmart topped Wall Street’s fiscal third-quarter earnings estimates as sales rose, but the big-box retailer struck a cautious note with its outlook after it saw raw consumer spending weaken at the end of the period. Walmart gave a slightly lower-than-expected forecast for the year as it enters the critical holiday shopping season. Inflation has also waned — and for some categories, deflation has taken hold — a trend that could help Walmart’s shoppers but hurt the company’s sales. [Read More](#)

### **Best Buy Sales Fall 8% as Electronics Demand Stumbles**

As demand for electronics remains low, Best Buy reported revenue fell 7.8% to \$9.8 billion in the third quarter, according to a company press release. Operating income also fell 3% during the quarter and net income was down 5%. Based on uncertain consumer demand which has been difficult to predict, Best Buy has lowered its annual guidance. CEO Corie Barry expects more stabilization in the electronics sector next year. [Read More](#)

### **Home Depot Sales Slide but Still Top Expectations**

Home Depot sales continue to slide as Americans wrestle with persistent inflation and the company narrowed its outlook for the year. But the nation’s biggest home improvement retailer still topped expectations for the quarter and shares jumped more than 5%. Home Depot now expects earnings per share to decline between 9% and 11% in 2023 and same store sales to fall 3% to 4%. It’s the first time that Home Depot has projected a decline in annual sales since 2009. [Read More](#)

### **Amazon Will Allow Auto Dealers to Sell Cars, Starting with Hyundai**

In 2024, Amazon will allow auto dealers to sell cars through its site, starting with South Korean automaker Hyundai. Consumers will be able to search for available cars in their area, make a selection, check out on Amazon using their preferred payment and financing method, then have it delivered or pick it up at their local dealership. While shoppers will be able to buy cars on Amazon, the dealer is still the end seller. [Read More](#)