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## **[Britt Beemer Lowers Forecast of Christmas Retail Sales to 2.7% Rise Over Last Year; Lack of "Must Have" Item to Blame](#)**

Charleston, SC, December 10, 2006.... Based on the findings of his company's new research survey of Christmas shoppers this weekend, C. Britt Beemer, CEO and founder of America's Research Group (ARG) lowed his forecast of Christmas retail comp sales to 2.7% above last year's level from 3.1%, which he predicted in mid November.

"The lack of a 'must-have' item for Christmas and the lackluster way retailers have approached the Christmas season this year compels me to lower my Christmas retail forecast for only the fourth time in 20 years," Beemer says. "Shoppers are just not seeing the excitement at the stores," he added.

"Retailers should not expect that an extra shopping day this year will save them, because only 36.6% of shoppers said they expect to shop on December 24th," Beemer says, "and half of those respondents sounded very unsure of themselves." The newest ARG research highlighted some shifts in shoppers' behavior:

1. Toys, electronics and jewelry are the only bright spots this Christmas. Toys rank #1 with 34.3% buying toys so far this season compared to 31.9% at the same point last year. Electronics have surged this year with 24.2% buying them compared to only 16.9% last year. Jewelry sales are up 16.1% this Christmas season from 13.9% last year.
2. About 40% of consumers (39.6%) shopped at Wal-Mart compared to 43.2% last year, 17.4% shopped at Target compared to 12.3% last year, 15.7% shopped at Best Buy compared to 11.6% last year, 14.2% shopped at Toys R Us compared to 12.8% last year and 17.6% shopped at JCPenney compared to 16.4% last year.
3. Lower store staffing levels have driven over one fifth of shoppers (22.6%) away from stores compared to 20.9% last year.
4. Shoppers are not happy with the discounts being offered with 25.0% feeling the savings and discounts offered are less compared to last year. A year ago 20.1% felt the offers were less compared to 2004.
5. Gift card buying is at an all-time high with 49.4% having already bought them and 38.8% of those who have not purchased gift cards plan to this Christmas season.
6. If shoppers don't see 50% off this season, nearly 40% will either buy fewer gifts, buy less expensive gifts or will buy gift cards.
7. The number of shoppers this weekend was at 59.0%, bearily beating out last year's figure of 57.1%.
8. Nearly one in three consumers (30.9%) feel stores are less decorated this Christmas, 23.9% have noticed that stores are playing less Christmas music this year, and 67.1% believe store employee morale improves when Christmas music is being played in the store.

ARG surveyors interviewed 800 adults between Saturday and Sunday, December 9-10, 2006. The study has an error factor of plus or minus 4.3%. ARG will conduct one more Christmas retail

survey.

America's Research Group is the consumer behavior marketing firm that provides clients the insight, strategy and tactics to increase market share. America's Research Group's expertise in consumer behavior has made it a key resource and advisor to leading brands and top retailers in the nation for 27 years.

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