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Cyber Monday just keeps growing

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Point, click, spend, repeat. Ka-ching!

Tomorrow is another marker in the slow but steady advance of American commerce into the digital world. Dubbed "Cyber Monday," it comes three days after the unofficial start to the Christmas buying season known as Black Friday.

"Our survey shows that 40 percent of our members plan to shop online more often than last year," said Kristy McCarley, vice president at Big Crumbs, an Atlanta-based, 5-year-old company that gives discounts to members for shopping online with featured retailers.

Cyber Monday is something of a gimmick. After all, on the Internet, where sites are open round-the-clock, one day looks pretty much like another. But for retailers in a tough economic climate, Cyber Monday is another lure, another way to scoop up sales.

Nearly nine out of 10 retailers will offer Cyber Monday promotions, according to the National Retail Federation. But compared to the spending in the "bricks and mortar" of malls and Big Box stores, Internet spending so far is still small.

But it's growing.

Last year, Americans made about \$29 billion worth of purchases online during November and December, compared with total holiday spending of \$437 billion, according to the retail group. Total sales last year were up less than a half-percent.

Online sales did a lot better, rising about 4 percent from the year before, according to comScore, which measures digital activity.

This year, retail sales are expected to rise, but how much? And how much will be on the Web?

After a steep recession and more than a year of weak growth, there is a larger question about the consumer's ability -- and willingness -- to spend at all.

With unemployment still hovering around double digits, many a consumer still lacks a paycheck -- let alone a pool of disposable income.

Despite that, retail sales have been increasing. Last month, sales were up 1.2 percent from September and 7.3 percent over October 2009, according to the Department of Commerce.

This holiday season will see modest spending growth, perhaps 2 percent more than last year when all retail sales are toted, the National Retail Federation predicted.

The retail group may be underestimating consumer enthusiasm, argued **Bernard Baumohl**, chief economist for the Economic Outlook Group.

One of the best indicators of how much consumers have to spend is gambling, he said: When times improve, so does casino attendance.

And the Nevada Gaming Commission reports that, after a long decline, Las Vegas has seen two up months.

"All this augurs well for the 2010 holiday shopping season," **Baumohl** wrote in an e-mail to clients. "While the [federation] has forecast a rise of 2.3 percent in sales this year compared with last year, our analysis suggests the actual increase will turn out to be double that."

Even before thinking about shopping, consumers are more and more tethered to the Net -- at home, in the office, on phones and other wireless devices.

The number of consumers inclined to shop online has doubled from 16 percent to 32 percent, according to a study by Booz & Co.

And among those who frequently use the Net, the inclination is much higher, according to a Harris poll conducted for the National Endowment for Financial Education. More than three in four adults who were online planned to do at least some holiday shopping on the Net.

Yet that digital enthusiasm does not necessarily mean bigger sales for all retailers.

If consumers are just looking for transactions without traffic and consumption without crowds, online growth can be merely a shift of purchases from stores to cyberspace.

And while most people think they can save money, the biggest single reason that consumers point and click for the goods is convenience, McCarly said. "Maybe instead of standing in line at Walmart at three in the morning, they'll be sitting in front of a computer at three in the morning."