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Longer Lines, Fuller Carts This Black Friday

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By all accounts, the holiday season appears to be off to a robust start, with lines longer and carts fuller than a year ago, but a key question remains: What will happen after the holiday madness fades?

According to the National Retail Federation, shoppers lined up as early as 7 p.m. on Thanksgiving Day to snap up hot deals on toys, apparel, electronics and appliances.

Early Friday morning, traffic at the [Taubman Centers](#) malls was up about 10 percent, according to Bill Taubman, the mall operator's chief operating officer.

At Taubman's Woodfield Shopping Center in Schaumburg, Ill., the parking lots were about 35 percent full at 6 a.m. That's up from last year, when the lots were about 28 percent full, Taubman said. "Clearly, there are more people out this year than there were last year."

Shopper Matt Diener, of Warren, N.J., said he arrived at Watchung Square Mall in Watchung, N.J., shortly after midnight to stand in line. Just after 5 a.m., he emerged victorious in his quest for a 32-inch Westinghouse LCD HDTV, which he bought for \$246 at [Target](#).

Like a majority of shoppers, Diener said he's trimming his shopping list this year.

"My fiancée and I are buying a mutual gift—that's what this TV is—instead of exchanging other gifts. So we're not buying jewelry or other things like that," Diener said.

But seeing the attractive deals, Diener scooped up a few other items, including several small appliances he bought "on impulse" because of their low price of \$3 each.

That's going to be key to how this year shapes up. Will consumers stick to their list and shop only the deals, or will they buy other items?

With unemployment high, no doubt many consumers are under pressure.

Elaine Davis, of Chatham, N.J., walked out of the Target store in Watchung, N.J., holding a small bag. Inside was a 7-inch portable digital TV she purchased for \$79 as a gift for her mother, plus an iTunes gift card.

Davis was a first-time Black Friday shopper, and she said she was sticking to her list. Her husband's been unemployed since January, and it's going to be a lean holiday.

Lisa Zimmerman, of Scotch Plains, N.J., also said she was coming out to buy the bargains and then would head home. Her usual two-income family was down to one paycheck as well. She had been to [Kohl's](#), which opened at 4 a.m., then headed down the road to Target.

"Santa will be buying less this year," Zimmerman said. But with a 50-percent doorbuster discount knocking the price of a Video Rocker Extreme 2 chair to below \$30, she was able to buy one for each of her sons.

The deals brought shoppers out in droves. Other stores near the Target were also packed, with thick crowds at stores such as the [Gap's](#) Old Navy and electronics retailer P.C. Richards.

Even though [Wal-Mart Stores](#) extended its hours this holiday, the line waiting to get into the Watchung store was hundreds deep at 7 a.m.

"Retailers have pulled out all the stops promotion-wise," said Wall Street Strategies analyst Brian Sozzi. For example, [Aeropostale](#) marked down everything in its stores by 50 percent, and Armani Exchange gave customers \$50 off from any purchase of \$150 or more.

Despite the steep markdowns, retailers have said they planned well for this holiday season. In fact, retailers may be poised for a very profitable holiday, even if there is only a small pick-up in sales.

At Toys 'R Us, many parents were on the hunt for Zhu Zhu Pets robotic hamsters.

"We guaranteed there would be 100 per store," said CEO Gerald Storch, in an interview with CNBC.com. The toy retailer is also restocking with additional shipments of the popular toy throughout the weekend and the holiday season.

Members of the store's loyalty program will get tipped off to new inventory via email, he said, However, customers may find new supplies on the shelves at any time, Storch said.

Storch didn't make any predictions about how the holiday season will shape up, but said, "So far so good."

Steve Rundle, president of apparel maker North Face, said it's hard to predict how holiday sales will shape up this early in the season. That said, he's "optimistic."

"We've seen some nice uplift in retail sell-throughs over the last couple months, and we think that momentum will carry on through this part of the year," Rundle said.

North Face saw solid demand for its fleece items this fall, and is starting to see demand pick up for down and 3-in-1 jackets. At the moment, it appears margins will hold up, if not improve, Rundle said.

[Terry Lundgren, chairman and CEO of Macy's](#), said that it's much different from last year.

"Our comparables are not that challenging, and so you should expect that we should have a decent performance, and we should be able to achieve the expectations that we all set out there," Lundgren said. "And that's very different from last year. Last year, we were falling off a cliff, grabbing tree branches on the way down, because we couldn't really see where the consumer was going."

More careful planning means there won't be many discounts at luxury stores this year, said Taubman. This is a more typical pattern, he said.

"High-end stores are trying to teach customers to buy it when they see it," Taubman said.

Overall, the level of discounting will be lower this year than last year, said Dana Telsey, chief information officer at Telsey Advisory Group.

And it's not always the lowest price that wins, according to Maureen Bausch, executive vice president of the Mall of America.

"People are buying the most meaningful gift they can buy within their means," Bausch said.

But Britt Beemer, chairman of America's Research Group, is doubtful the trends will hold. He believes the crowds thinned out a little earlier than usual by Black Friday afternoon as people were only shopping the deals.

"More and more consumers are shopping with lists," Beemer said. "These are the most saavy shoppers we've seen, they are not being driven by impulse."