



## FTI Consulting Releases 2015 Holiday Retail Report

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### Firm's Annual Holiday Report Anticipates Tepid Growth for Retailers

WASHINGTON, Nov. 25, 2015 (GLOBE NEWSWIRE) -- FTI Consulting, Inc., (NYSE:FCN), the global business advisory firm dedicated to helping organizations protect and enhance their enterprise value, recently released its [2015 Holiday Retail Report: Still No Urge To Splurge](#). While consumer confidence is fairly high, experts from FTI Consulting's Retail & Consumer Products practice believe many shoppers are not eager to splurge this holiday season, and as a result, retailers are planning with a mindset of modest expectations.

According to the report, today's sluggish retail sales environment is influenced by several factors, including underlying consumer weakness, increased spending on services and less on goods, demographic changes, dampening consumption and record consumer debt. The inability of retail sales growth to accelerate despite a strengthening of the broader economy is an ongoing concern for retailers. While FTI Consulting remains confident that retailers will see a respectable uptick in sales this holiday season, the results will be unspectacular.

"This is the season of an increasingly savvy customer," said [Bob Duffy](#), Global Leader of FTI Consulting's Corporate Finance & Restructuring segment and the firm's Retail & Consumer Products practice. "Deals are at the top of shoppers' minds this holiday season and they are equipped with more shopping options and digital apps to help them quickly find their desired item at the right price. Retailers must be more competitive than ever to get those marginal sales."

From a historical context, FTI Consulting notes that retail sales, especially discretionary spending, should be stronger today considering where we are in the current recovery cycle. Five years into an economic recovery, consumer spending should be increasing based on historical precedents, however it is not. At a similar point in the previous two expansion cycles, from 1995-1999 and then from 2004-2007, retail sales growth was much more robust than it is currently. Consumer spending restraint on discretionary goods continued in the first half of 2015, much as it has for the last couple of years. Prominent retail bankruptcy filings in 2015 have featured several apparel chains and the firm anticipates that several more are on the way.

"Specialty apparel chains have been the most challenged segment of U.S. retailing for the last couple of years," said [Stephen L. Coulombe](#), Senior Managing Director in FTI Consulting's Corporate Finance & Restructuring segment and the firm's Retail & Consumer Products practice. "Specialty apparel retailers, especially small and midsized chains, are not naturally positioned to excel amid such intense competition in a highly price-sensitive environment."

The FTI Consulting report follows the previously released holiday sales forecast, which projects a 3.9 percent increase in retail sales for the holiday season. This year's forecast for the increase in retail sales is slightly stronger than the 2014 forecast of 3.5 percent, but weaker than last year's 5.2 percent gain. FTI Consulting also projects U.S. online retail sales of consumer goods to reach \$380 billion in 2016, a 12 percent increase from expected 2015 U.S. online sales of \$340 billion.

"While consumer confidence remains fairly high compared with recent years, it is yet to be seen if shoppers are confident enough this holiday season to put aside their spending caution," said [Keith Jelinek](#), Senior Managing Director in FTI Consulting's Corporate Finance & Restructuring segment and the firm's Retail & Consumer Products practice. "Regardless, we believe that retailers will still face an uphill battle to get customers business and end the season on a cheerful note."

The 2015 Holiday Retail Report considers General Merchandise, Apparel and Accessories, Furniture and Other Sales ("GAFO") retail sales and non-store sales for November 2015 through January 2016. The report was compiled by experts in FTI Consulting's Retail & Consumer Products practice who have deep expertise in corporate finance, strategic, operational improvement, liquidity management and turnaround and restructuring services. The full report can be accessed [here](#).

#### About FTI Consulting

FTI Consulting, Inc. is a global business advisory firm dedicated to helping organizations protect and enhance enterprise value in an increasingly complex legal, regulatory and economic environment. With more than 4,400 employees located in 26 countries, FTI Consulting professionals work closely with clients to anticipate, illuminate and overcome complex business challenges in areas such as investigations, litigation, mergers and acquisitions, regulatory issues, reputation management, strategic communications and restructuring. The Company generated \$1.76 billion in revenues during fiscal year 2014. For more information, visit [www.fticonsulting.com](http://www.fticonsulting.com) and connect with us on [Twitter \(@FTIConsulting\)](#), [Facebook](#) and [LinkedIn](#).

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