



## FTI Consulting Projects U.S. Holiday Retail Sales to Grow 4.5 Percent

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### Two-Thirds of Sales Growth Expected to Come from Online Purchases

WASHINGTON, Nov. 09, 2017 (GLOBE NEWSWIRE) -- FTI Consulting, Inc. (NYSE:FCN) today released its [2017 U.S. Holiday Retail Forecast](#), which projects 4.5 percent growth in discretionary holiday spending, an increase from 3.3 percent during the 2016 season.

The macroeconomic environment entering the 2017 holiday season is the most favorable since the Great Recession of 2008-2009, which will drive the forecasted spending increase, according to FTI Consulting's [Retail & Consumer Products](#) practice. Favorable factors include multi-year highs for most measures of consumer confidence, the continued appreciation of home prices, a healthy labor market and low relative energy prices for consumers.

However, sales growth will disproportionately benefit online sellers. Two-thirds of the projected overall sales gain this season will go to the online channel, including omnichannel, according to the forecast, while in-store sales will capture approximately one-third of this growth. That translates to sales growth in the mid-teens or better for the online channel compared to last holiday season, while in-store sales will increase between 1 percent and 1.5 percent compared to last season.

"Continued growth in the online channel and its disruptive impact on how we shop has created an existential crisis for retailers," said [Christa Hart](#), a Senior Managing Director in the Retail & Consumer Products practice at FTI Consulting. "This is not a fad that will pass. Millennials are now the largest age demographic, and soon they will be entering their peak earning years. They do not view malls or stores as their preferred places of commerce or social gathering spots like previous generations did, and this is a formidable obstacle for retailers to overcome."

Increasing online sales at the expense of in-store purchases during the holiday season is similar to the overall trend in the U.S. retail sector. According to FTI Consulting's recently released [2017 U.S. Online Retail Forecast](#), approximately 60 percent of total U.S. retail sales growth has gone to the online channel in the past year, compared to 40 percent as recently as 2014.

In addition, the 2017 U.S. Online Retail Forecast found that stores, which currently account for 85 percent of U.S. retail sales (excluding auto, gas and food), have claimed less than 50 percent of total sales growth since 2016.

"Not only is the online channel capturing a large majority of total sales growth generally, but consumers tend to shop online even more than usual during the holiday season, as they can avoid the stress of traffic and weather to make their purchases," said [Khaled Haram](#), a Senior Managing Director in the Retail & Consumer Products practice at FTI Consulting. "While consumers may be more upbeat this season, only select retailers may be beaming at the end of the year."

#### About FTI Consulting

FTI Consulting, Inc. is a global business advisory firm dedicated to helping organizations manage change, mitigate risk and resolve disputes: financial, legal, operational, political & regulatory, reputational and transactional. With more than 4,600 employees located in 28 countries, FTI Consulting professionals work closely with clients to anticipate, illuminate and overcome complex business challenges and make the most of opportunities. The Company generated \$1.81 billion in revenues during fiscal year 2016. 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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