



## FTI Consulting Projects U.S. Holiday Retail Sales to Grow 5.2 Percent

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### Macroeconomic Indicators, Strong Consumer Sentiment and a Resilient Job Market All Point to a Promising 2019 Holiday Season

WASHINGTON, Nov. 25, 2019 (GLOBE NEWSWIRE) -- FTI Consulting, Inc. (NYSE: FCN) today released its [2019 U.S. Holiday Retail Forecast](#), which projects 5.2 percent growth in discretionary holiday spending and more promising prospects for retailers compared to the 2018 holiday season.

While challenges to the U.S. retail sector remain, the economic backdrop entering this holiday season is much the same as it was a year ago, supporting the forecasted spending increase, according to FTI Consulting's [Retail & Consumer Products](#) practice. The factors driving this growth include positively trending macroeconomic indicators, upbeat consumer sentiment, a resilient job market and tame inflation levels across the consumer sector.

A positive distinction from last year may be the performance of financial markets, the forecast notes. A severe market selloff last December may have contributed to the weak season, which does not appear imminent this year.

Similar to the 2018 retail forecast, sales growth will again disproportionately benefit online sellers. FTI Consulting's *Holiday Retail Forecast* highlights that the online channel now commands nearly a 16 percent share of total retail sales and will continue to gain just over one percentage point of market share annually, or about \$69 billion in retail sales that will move from store-based purchases to the online channel in 2019. FTI Consulting projects \$185 billion of online retail sales in the fourth quarter of 2019, an increase of 15 percent year-over-year from the fourth quarter of 2018.

"Not only is the online channel capturing a majority of total sales growth generally, but consumers tend to shop online even more than usual during the holiday season, with smoother ordering and delivery processes, leading to smaller Black Friday crowds and less concern of disappointment for last-minute shoppers," said [J.D. Wicksler](#), Leader of the Retail & Consumer Products practice at FTI Consulting. "We're seeing shorter checkout lines and easier return processes from store-based retailers as well – shoppers continue to win as retailers make every effort to accommodate their many whims by offering a myriad of shopper-focused conveniences."

The report highlights that with total retail sales growing at about 4 percent annually, the movement of sales from stores to online is the equivalent of approximately 50 percent of the industry's total annual sales growth. While the holiday season continues to be important, the retail sector is in the midst of a profound transition that it must confront year-round. The money spent during the holiday season is increasingly concentrated with fewer retailers, making prosperity less shared and the aggregate success of the season less connected to the outcomes for many players. Moreover, this season retailers will have to contend with Amazon's free one-day delivery for Prime members, a new benefit that proved to be popular with Amazon shoppers in the third quarter.

"The shorter holiday season this year given the late Thanksgiving should be of little or no consequence with respect to the season's overall performance, but it will shift some holiday sales from November to December," said [Christa Hart](#), a Senior Managing Director in the Retail & Consumer Products practice at FTI Consulting. "We have long believed that shoppers have relatively fixed lists of gift recipients, and those lists get tackled regardless of when the season officially begins. The prospect of a strong holiday season, however, is greater because we're comparing it against a particularly weak 2018, especially last December."

#### 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 4,700 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 \$2.03 billion in revenues during fiscal year 2018. For more information, visit [www.fticonsulting.com](#) and connect with us on [Twitter \(@FTIConsulting\)](#), [Facebook](#) and [LinkedIn](#).

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