

RETAIL

US holiday retail sales see modest growth: Mastercard

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In-store shopping declined this year amid the coronavirus pandemic. Image credit: NRF

By LUXURY DAILY NEWS SERVICE

Bolstered by ecommerce growth, retail sales in the United States increased 3.0 percent during this extended holiday season, per preliminary data.

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According to early data from Mastercard SpendingPulse, online shopping accounted for almost 20 percent of retail sales, excluding automotive and gasoline. Mastercard defined this holiday season as the period from Oct. 11 to Dec. 24, compared to the traditional period of Nov. 1 to Dec. 24.

"American consumers turned the holiday season on its head, redefining home for the holidays' in a uniquely 2020 way," said Steve Sadove, senior advisor for Mastercard and former CEO and chairman of Saks Incorporated, in a statement. "They shopped from home for the home, leading to record ecommerce growth.

"Consumers shopped earlier than ever before," he said. "Across our expanded 75-day holiday shopping season, sales were up 3.0 percent, a testament to the holiday season and strength of retailers and consumers alike."

Mastercard SpendingPulse measures overall retail sales across all payment types, including cash and check.

Holiday shopping

Online sales jumped 49 percent compared to 2019, according to Mastercard. Ecommerce accounted for 19.7 percent of overall retail sales, up from last year's 13.4 percent.

The apparel, department store and jewelry sectors saw their overall sales decline year-over-year. Luxury, excluding jewelry, saw retail sales fall 21.1 percent.

Meanwhile, the home furnishings and home improvement categories both experienced double-digit retail sales growth. Electronics and appliances also saw growth.



Neiman Marcus has introduced contactless curbside pickup during the pandemic. Image credit: Neiman Marcus

Underscoring the importance of a solid omnichannel strategy, department stores saw their online sales grow 3.3 percent despite total retail sales dropping by 10.2 percent year-over-year. This dichotomy was starker in the jewelry sector, which experienced 44.6 ecommerce growth and a decline of 4.3 percent in total retail sales.

Although retail sales on Black Friday were down 16.1 percent from 2019, it was still 2020's top spending day during the holiday season. There was also a bump in mid-December, as online shoppers tried to meet order deadlines to guarantee deliveries by Christmas.

Ecommerce sales on Black Friday on Nov. 27, hit a record \$9 billion while in-store shopping plummeted amid the coronavirus pandemic, per preliminary data but less than had been predicted.

According to Adobe Analytics, online sales during Black Friday on Nov. 27 jumped 21.6 percent from last year. This analysis is based on website transactions from 80 of the top 100 U.S. online retailers ([see story](#))

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