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'Tis the Season for Seasoned Thrift

Consumers Prepare for Holiday Shopping With an Eye on Value

'Tis the season....to be practical?

A new consumer mindset has emerged as a result of this economic downturn, one predicated on practicality and thrift - and one that shows no signs of abating, even in the heady holiday sales season.

According to the Cotton Incorporated *Lifestyle Monitor*™ survey, women will be decidedly prudent in both what and how they buy this holiday season. The top three gift items that female respondents report that they plan to purchase as gifts this holiday season skew heavily toward the sensible: gift cards (66%), toys (53%) and apparel (50%).

"We have definitely changed the way that we look at gift giving, and no one wants to give a gift that doesn't have value these days," says Dudley Blossom, Ph. D. and Chair of the Marketing Department at LIM College, which specializes in fashion merchandising. **"It makes sense that gift cards will be popular and valuable, since they allow the recipients to get precisely what they want."**

Among women planning on buying gift cards as gifts this holiday season, 61% intend to buy gift cards for restaurants, 48% for apparel stores, 33% for entertainment venues and 28% for electronics stores. As a further reminder of these tough economic times, 16% of female respondents say that they will give gift cards for groceries.

"The underlying greatness is that a gift card, or even cash for that matter, will be put to good use, even if it's for groceries," Blossom continues. A gift card for any retailer will likely bring a smile to a recipient's face, according to *Monitor* data, since almost two in three female respondents say they would prefer a gift card over an actual gift. Cash will also grace many a holiday envelope; one in four female respondents say that they will be giving cash in lieu of actual presents.

Women also turn to apparel as a smart gift choice, possibly owing to the fact that it is a gift they themselves enjoy receiving; almost six out of ten female respondents report to the *Monitor* that they like receiving clothing as a gift.

"People are living a casual life in this economy, and investing in clothing that is practical but still has special details that set it apart makes both parties feel like they are getting value for the money spent," says Jane Luirette, Creative Director of Civil Smith, a designer line.

Among women planning on buying apparel this holiday season, 58% plan to buy sleepwear and 57% plan to buy t-shirts, followed by sweaters (50%), jeans (37%) and outerwear (36%), socks (29%), dress shirts (25%) casual pants (22%) and intimates (15%), according to the *Monitor* survey.

"I think people are going to go for the affordable fashion items," says Michelle Madhok, founder of SheFinds.com, an online fashion resource. "Smaller items are big this year, like infinity cotton scarves, fingerless gloves, and anything faux fur, like the trapper hats with cotton canvas on the outside that are especially hot."

Precisely how women will buy this year also makes for an interesting study. "People will definitely be looking for deals this year," Madhok continues. An astounding 96% of female respondents report to the *Monitor* survey that they will be looking for sales this year, and 64% of women also report

that they will be spending less money on gifts this year. **"We expect average transaction values to come down,"** Blossom from LIM predicts. **"I also think consumers will be planning more and part of that planning will include using lay-away this year to get their gifts."** According to *Monitor* data, 22% of women say they plan to use lay-away to get their holiday gifts.

Madhok, the online editor, encourages women to shop mass merchants and other venues to get the most for their money. "Mall stores targeted at juniors are a great place to pick up trendy items at a low price," she adds. Holiday shoppers certainly appear to be keeping their retail options open; 76% of female respondents say that they will be buying more gifts at stores like Wal-Mart and Target this year.

One key tool that women will leverage to help them get more for less this year is the internet. "Avoid long lines and the hassle by ordering online," says Abby Yenn, Managing Editor of ChicagoPicks.com, an email lifestyle column. "For those looking for discounts, look

for online coupons and free shipping deals." Staying abreast of sales is easy, advises Madhok. "Use specialty search engines that specialize in categories, like Prontostyle.com, which has distinct databases for men's, women's and kid's fashion and only searches select high-quality stores, so you get the best results when hunting for apparel gifts."

"Web is a critical retail channel to watch this holiday season," says Sukant Jain, Chief Executive Officer of Venture Commerce, an e-commerce solutions company for fashion retailers including Velvet, Ella Moss and William Rast. "So we are optimizing the online store inventory for our websites to reflect the most desired products based on sales statistics."

Retailers have done their best to make online shopping as hassle-free as possible, so it should come as no surprise that 27% of female respondents report to the *Monitor* survey that they would rather purchase all of their gifts online than step foot in a store. "There are deals to be had [online,] as long as you keep looking," Madhok adds.

Among women: which items are you planning on buying as gifts this holiday season?

