

KEYPOINTS

THE RETAIL NEWSLETTER

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ACCELERATING RETAIL

REI will open stores in 6 states in 2025 and 2026... **Bloomingdale's** will open its 4th small-format **Bloomie's** store this month in NJ... **Ross Stores** opened 47 locations in 22 states this fall 43 **Ross Dress for Less** and 4 **dd's DISCOUNTS** stores. The company now operates 2,192 locations in 44 states. It aims to grow to 2,900+... **Kirkland's** signed a deal to license new, small-format **Bed Bath & Beyond** locations nationwide. The first will open in 2025. Kirkland's operates 325 stores in 35 states... **Amazon** opened a new small-format concept, **Amazon Grocery**, in Chicago next to an existing **Whole Foods**. Amazon also opened 9 **Amazon Fresh** stores, and will open 20 new pharmacies next year... **The Paper Store** has opened or refreshed a total of 10 MA locations in 2024, and opened a store in Oak Brook, IL, its 1st in the Midwest... **Paris Baguette** opened 32 cafés for the year, including their 1st in TN, and awarded 53 franchises. It has 190 cafés in North America... **7-Eleven** will build 500 convenience stores between 2025 & 2027. The stores will be larger and "food forward". 125 will open in 2025... **Sky Zone** will open 10 parks through franchise agreements in Q1 2026. It aims to open its 300th park by the end of 2024... **PayMore Stores** opened its 50th location. It opened 30 stores in 2024 and will open 15



7-Eleven will build 500 new stores between 2025 and 2027
Photo: @abdulrazakatir@123RF.COM

more this year, bringing it to 560+ locations in 30 states... **Ollie's Bargain Outlet** won bids for 8 additional former **Big Lots** leases in the bankruptcy sale process, bringing the total acquired to 15. Ollie's is maintaining its 2024 target of 50 openings... **True Religion** opened 4 locations. The brand now operates 51 US stores... **The Fresh Market** opened stores in MD and IL It now has 163 stores... **H Mart** opened its 1st FL store, in Orlando. It has 97 US stores... An **Amazon Fresh** store opened in PA... **Aldi** opened 7 stores and will add 800 by the

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OBSERVATIONS

Chris Cardoni, Contributor

OBSERVATION: Boston Shops The Holidays: According to one report, shoppers in my hometown will spend about \$2,000 each this holiday season, with a marked increase in spending on *experiences* rather than items: *Deloitte survey finds Boston-area shoppers will spend nearly \$2,000 this holiday season* (Grant Welker, Projects Reporter, **Boston Business Journal** 10/25/24) notes that "the average expectation for spending was \$1,955. That's an increase of 4% over last year, half the national increase...The biggest increase, however, is spending on experiences, which is expected to rise 9%. That covers a range of activities including entertaining at home or spending at restaurants,



Photo: @mjbs@123RF.com

COMMENTARY

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KPP NEWS

A team from KPP will attend the **ICSC@New York** trade show at the Javits Center on December 11-12, representing expanding Tenant Rep clients **Apple Cinemas** and **FunCity Adventure Park**. Both tenants will have tables in the Retailer Central area of the show.



ICSC@NEW YORK 2024
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2028...**Dutch Bros** will open 160+ shops in 2025.

DECELERATING RETAIL

BuyBuy Baby will close all 10 stores in 7 states this year...**Denny's** will close 150 low-performing restaurants...A&G Real Estate Partners is accepting bids on 255 **Big Lots** leases, including 51 new-to-market leases...**Wendy's** will close 140 "outdated" restaurants and replace them with more profitable locations...**TGI Fridays** filed for Chapter 11 bankruptcy. Its 39 domestic restaurants will remain open...Fran-



BuyBuy Baby will close 10 physical stores in 7 states

Photo:©wolverk@123RF.COM

chise Group, whose portfolio includes **Vitamin Shoppe**, **Pet Supplies Plus**, **Buddy's Home Furnishings**, and **American Freight**, filed for Chapter 11 bankruptcy. It will continue all operations except for American Freight...**Oath Pizza** declared Chapter 7 bankruptcy and will liquidate...**Big Lots** will officially close 315+ stores...**Advance Auto Parts** will close 700+ locations to shore up finances.

NEW ENGLAND RETAIL

Hollister, **Gilly Hicks**, and **Shake Shack** will open at Wrentham Village Premium Outlets...**Ocean State Job Lot** opened a Pembroke store, at a former **Christmas Tree Shops**...**Roche Bros** entered into a partnership in which supplier Bozzuto's Inc. acquired a majority stake in the business...**Trader Joe's** opened a store in Milford, the 23rd in MA... A **Ground Round** will open in Shrewsbury in January, the 1st in 20 years.

MONTHLY RETAIL SALES: COMMERCE DEPT.

Retail sales rose 0.4% in October, the Commerce Dept. Excluding auto and gas, sales rose just 0.1%.

Source: U.S. Department of Commerce - commerce.gov

CONSUMER CONFIDENCE INDEX

The Conference Board's Consumer Confidence Index rose to 108.7 in October, up from 99.2 in September.

Source: The Conference Board - www.conference-board.org

Boston shoppers are more optimistic on the economy than they were last year

concerts or other social activities outside the house. Consumers plan to spend 17% less on non-gift items, such as decorations and furnishings, but 17% more on gift clothing and accessories". But take note, retailers: "More than 3/4 said their preferred format for holiday shopping was *online*...Spending in Boston is higher than the national average of \$1,778...Among other findings: consumers are more optimistic for the economy...42% said they expect the economy to improve next year, up from 27% last year".

According to a press release from the **National Retail Federation**, national holiday spending is expected to grow 2.5% to 3.5% over 2023, to between \$979.5 and \$989 billion in total holiday spending in November and December, compared with \$955.6 billion last year. All hopeful indications - it will be interesting to see how it all pans out post-election.

OBSERVATION: Tree For All: Speaking of holiday spending, that iconic Christmas symbol, a Christmas Tree, will be a popular purchase this season, according to the **Chain Store Age** article *Survey: 35% of consumers intend to purchase artificial Christmas trees this season* (Zachary Russell, CSA.com, 10/24/24): "According to a survey from National Tree Company...35% of consumers intend

to purchase a new artificial tree this year. Of those, the largest group (31%) said their budget is between \$101 and \$200. Roughly one-in-five (21%) said they would spend between \$201 and \$500...When asked where they'll do most of their holiday decor shopping, close to 60% said a physical store versus online. The top three physical retailers were Walmart, Target and dollar stores...As to what factors will impact shoppers' decision-making regarding holiday decor purchases this year, a large majority (69%) of respondents said budget and inflation were the leading drivers". See above!

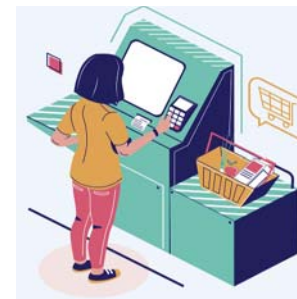


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OBSERVATION: Checking On Checkout: Self-checkout: Love it or hate it? "A 2003 survey found that 52% of shoppers considered self-checkouts "okay," while 16% said they're "frustrating." 32% called them "great." I'm a big fan, myself, especially when it comes to a few items. And there's actually one that stands out as not only an efficient checkout, but a fun experience: "There's one company that's created a self-checkout experience that customers want to use and even rave about. The company is Uniqlo.² Uniqlo uses an RFID-enable bin; put your items in the bin and the system reads the code - no scanning or keying in. "70% of Uniqlo's customers (up to 90% in some markets) choose to use the self-checkouts...these customers love them!"² Go check it out!

¹ Nobody likes self-checkout. Here's why it's everywhere, Nathaniel Meyersohn, CNN Business

² A Self-Checkout That Customers Love? This Company Created It, Jon Picoult, Forbes.com

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