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## Just how low will prices go?

### Bargain hunters rule the day, but discounts could get deeper

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It was a day of jaw-dropping deals and cautious shopping -- and the discounts only promise to get deeper.

Eager to rake in their share of consumers' holiday spending, retailers, from traditional department stores to discounters, pulled out all the stops on the day after Thanksgiving -- slashing prices, offering buy-one-get-one-free deals and luring shoppers to return and shop again with coupons.

At Wal-Mart, shoppers were snapping up \$798 50-inch widescreen TVs. At hhgregg, it was half off a \$200 Magellan GPS system. And Kohl's sold a 7-inch digital photo frame for \$40, down from \$129.

What went on Friday, the traditional start of the holiday shopping season, is only the beginning of crazy-cheap merchandise this season, experts say.

That's because many shoppers are more restrained this year and may require more enticing before they part with their money amid worries about the economy.

"Discounts are going to last longer and get better," said Robert Passikoff, president of Brand Keys, a customer loyalty research consultancy. "It's going to be a very carefully orchestrated competitive retail environment this year."

Cicero residents Jen and Mike Buzan were among more than 800 people who lined up outside the Toys R Us store in Castleton just before 5 a.m.

They were there mostly for the iPod Nanos that came with \$50 gift cards. But they said they were planning to spend only about half what they spent last year on gifts for their four daughters, ranging from 2 to 9 years old.

"We're relying on the deals we find (now)," Jen Buzan said. "I think this is going to be it for us."

J.C. Penney stores cut prices more this year than in years past. There was an MP3 player regularly \$99.99 for \$28.88; a girl's winter coat for \$18.88, normally \$79.99; and a sterling silver diamond accent gift box for \$17.88 instead of its usual \$60.

"I would say we are definitely (discounting) deeper than last year," said Christine Freitag, store manager of the Castleton Square Mall J.C. Penney. "If you're looking for a bargain, this year is the year to get it."

In this bleak economy, holiday spending is expected to rise slightly at best. The National Retail Federation is predicting a 2.2 percent increase in spending. Other retail research has spending dropping by as much as 5 percent.

Compared with a year ago, retail sales and traffic were flat for the week ending Nov. 15, according to ShopperTrak's national retail sales estimate and retail traffic index.

Although retailers hoped early holiday sales and promotions would drive consumer traffic last week, it appears for the most part that shoppers remained home, waiting for deep discounts and doorbuster sales during the post-Thanksgiving weekend, said Bill Martin, co-founder of ShopperTrak.

ShopperTrak is predicting total U.S. foot traffic will decline 9.9 percent for the 2008 holiday shopping season, while retail sales will increase a slight 0.1 percent.

Across the Indianapolis area, consumers were out in force searching for "Black Friday" deals, but they weren't necessarily spending as much as in years past.

Black Friday received its name because it historically was the day when a surge of shoppers helped stores break into profitability for the full year.

Last year, the Thanksgiving weekend accounted for 10 percent of holiday sales, but it won't be known for several days whether the deep discounts offered this year will provide similar results.

Sharon Crafton, Lapel, reveled in the deals. Her purchases at J.C. Penney in Castleton added up to \$464. What did she save? \$599.

"You can't beat that," she said, almost giddy with excitement.

At Dick's Sporting Goods at Washington Square Mall, the deals were plentiful. Like NCAA fleece hoodies for \$24.98, marked down 50 percent. And HVC Tour SF Titleist golf balls at two for \$35, regularly \$24.99 each.

"I am happy to see the discounts but a little bit surprised at how few people are out today," said Landon Ritter, who lives on the Eastside.

By midmorning at Washington Square, there were plenty of parking spaces -- and no long lines. Castleton Square Mall wasn't packed, either. The parking lot was just 70 percent full by 8 a.m.

At Edinburgh Premium Outlets, it wasn't uncommon to see signs that read "Half off everything in store" and then get a coupon for an additional 10 percent off. What's more, some stores planned to extend doorbuster sales for days instead of just a few hours.

"Retailers want to string sales out all weekend," said Donna Christian, general manager at Edinburgh, where some stores opened as early as 10 p.m. on Thanksgiving.

And many will string them out until Dec. 25.

"This is the year for the bargain hunter," said Priscilla Downey, whose trunk was stuffed with merchandise by 9 a.m. at the Washington Square Sears. "And you can bet I will be shopping all season long."

## Additional Facts

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### SHOPPERS BRAG ABOUT THE BEST DEALS THEY FOUND FRIDAY

**Dave Badagnani**, Indianapolis.

**Store:** Kohl's.

**What:** 7-inch remote control lighted digital picture frame.

**Price:** \$40. Regularly \$129.

"I thought they were all gone and then just sitting there was one left. I grabbed it, and I got the last one."

**Lesa Cornett**, Indianapolis.

**Store:** Ultra: The Diamond and Gold Store.

**What:** 1-carat diamond pendant.

**Price:** \$67. Regularly \$485.

"I love this store. I love to shop."

**Suguna Tangirala**, Fishers.

**Store:** J.C. Penney.

**What:** Handbag.

**Price:** \$41.99. Regularly \$85.

"I like a good deal," Tangirala said through her son, Kishore, who was translating for her.

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