



## Show Notes | S2 Ep1 The State of Retail Today

Special Guest: **Shelley E. Kohan**

### INTRODUCTION

Welcome to **Retail Done Right**.

We're in a new age of retail - the era of the Customer Channel – where Shoppers' rule. This requires retailers to be empathetic and supportive of their customers, in every way.

We kicked off 2<sup>nd</sup> season with a return appearance by one of our favorite guests from Season 1, Shelley E. Kohan. Retail is evolving so fast, driven by a continued change in consumer behavior and the fact that we have not been able to fully put the pandemic behind us, so we wanted to set a base line regarding the health of retail today and what to expect this Holiday shopping season.

### OUR GUEST

[Shelley E. Kohan](#) is a contributor to [Forbes.com](#) and a retail pundit. She's a professor at Fashion Institute of Technology and Syracuse University and was recently recognized as a Top 100 Global Retail Influencer. She has been quoted in the press many times as an expert in the industry. And before all of this she spent 25 years in the industry as a senior executive. Currently, Shelley is working for The Robin Report as Chief Strategist.

### THE STATE OF RETAIL TODAY

Retail sales are back and there seems to be no shortage of demand. Even though online sales are higher than pre-pandemic, they have fallen from their pandemic heights. And consumers are flocking back to brick-and-mortar stores.

But we have Labor disruptions. Supply chain disruptions. It's a wild ride... As we enter the 4<sup>th</sup> quarter, and so many mix of messages, we talk about the state of the retail industry today.

We are in the Holiday shopping season now! Some of the issues that have plagued the industry today start with supply chain – which really started at the beginning of the pandemic. And while many of us thought it would let up coming into 2021, it simply has not.

The other major issue is the unpredictability of the consumer spending. It has been a seesaw for over a year and a half with unknown demand, planning merchandise assortments becomes more difficult and provides a higher opportunity of getting it wrong.

We discussed all this and referenced numerous articles and reports.

### RESEARCH AND LINKS

- The Economist – Two New Shocks for American Shopping (paywall)
  - <https://www.economist.com/business/2021/09/19/two-new-shocks-for-american-shopping>



- eMarketer – Mcommerce Forecast 2021
  - <https://www.emarketer.com/content/mcommerce-forecast-2021>
- Forbes.com - Nike Prices To Rise Amid Supply Chain Issues While Profits Increase 23%
  - <https://www.forbes.com/sites/shelleykohan/2021/09/23/nike-prices-to-rise-amid-supply-chain-issues-while-profits-increase-23/?sh=751436d747fd>
- Forbes.com - Lululemon Sales Surge Despite Supply Chain Issues
  - <https://www.forbes.com/sites/shelleykohan/2021/09/08/lululemon-sales-surge-despite-supply-chain-issues/?sh=709279f7a07e>
- NPR - More Retail Workers Are Quitting Than Ever, But More Stores Are Opening Than Expected
  - <https://www.npr.org/2021/08/26/1029768029/seriously-you-opened-a-store-in-the-pandemic-and-more-surprising-retail-trends>
- Coresight Research – U.S. Store Tracker Database (paywall)
  - <https://coresight.com/retail-store-tracker/>
- Statista - Brand value of the leading personal care brands worldwide in 2020
  - <https://www.statista.com/statistics/273236/brand-value-of-the-leading-personal-care-brands-worldwide/>
- Statista - Compound Annual Growth Rate (CAGR) of the leading cosmetic companies between 2018 to 2021\*
  - <https://www.statista.com/statistics/245744/sales-growth-of-the-leading-global-cosmetic-companies/>
- Statista - L'Oréal - Statistics & Facts
  - <https://www.statista.com/topics/1544/loreal/>
- Lululemon - Lululemon Partners With Leading Sustainable Materials Innovator Genomatica To Bring Bio-Nylon To Products
  - <https://investor.lululemon.com/news-releases/news-release-details/lululemon-partners-leading-sustainable-materials-innovator>
- Forbes.com - Ulta Beauty Broadens Its Commitment To DEI Initiatives In The Beauty Industry
  - <https://www.forbes.com/sites/shelleykohan/2021/09/22/ulta-beauty-broadens-its-commitment-to-dei-initiatives-in-the-beauty-industry/?sh=5c57b9b967c0>
- IBM Institute for Business Value – The Last Call for Sustainability
  - <https://www.ibm.com/thought-leadership/institute-business-value/report/sustainability-consumer-products-retail>
- Walmart Environmental, Social & Governance Reporting
  - <https://corporate.walmart.com/esgreport/>

## CONCLUSION

Retail is a \$5.6T industry. It accounts for 1 in 4 jobs and, if we factor in wholesale and manufacturing related to the goods sold, retail is likely the 2<sup>nd</sup> largest contributor to GDP.

The projections on the Holiday shopping season look strong with the National Retail Federation (NRF) reforecast annual sales in June from its 6.5% prediction to 10.5% to over 13%. This leads us to believe the tailwinds for Holiday are strong.

Let's go shopping!



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