

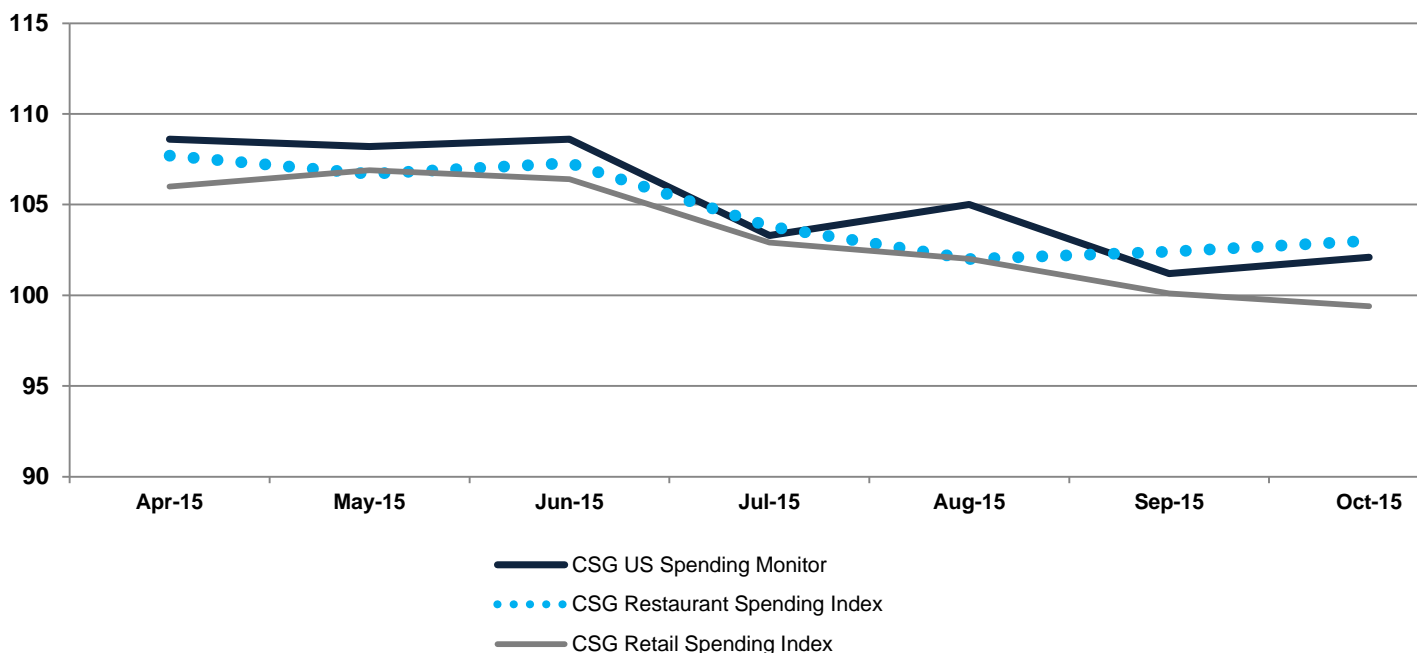


# Consumer Spending Report (CSR)

## November 2015

**Chain Store Guide's** Consumer Spending Report captures a unique view of consumer, retail, and foodservice spending intentions. The CSR includes the CSG US Spending Monitor, which tracks economic confidence and spending intentions of US consumers, the CSG Restaurant Spending Index, which measures consumer spending intentions for restaurant purchases, and the CSG Retail Spending Index that measures consumer retail and discretionary spending confidence. If you would like to subscribe to our monthly report please go to <http://newsroom.chainstoreguide.com/csr>.

### Spending Monitor and Index Trends

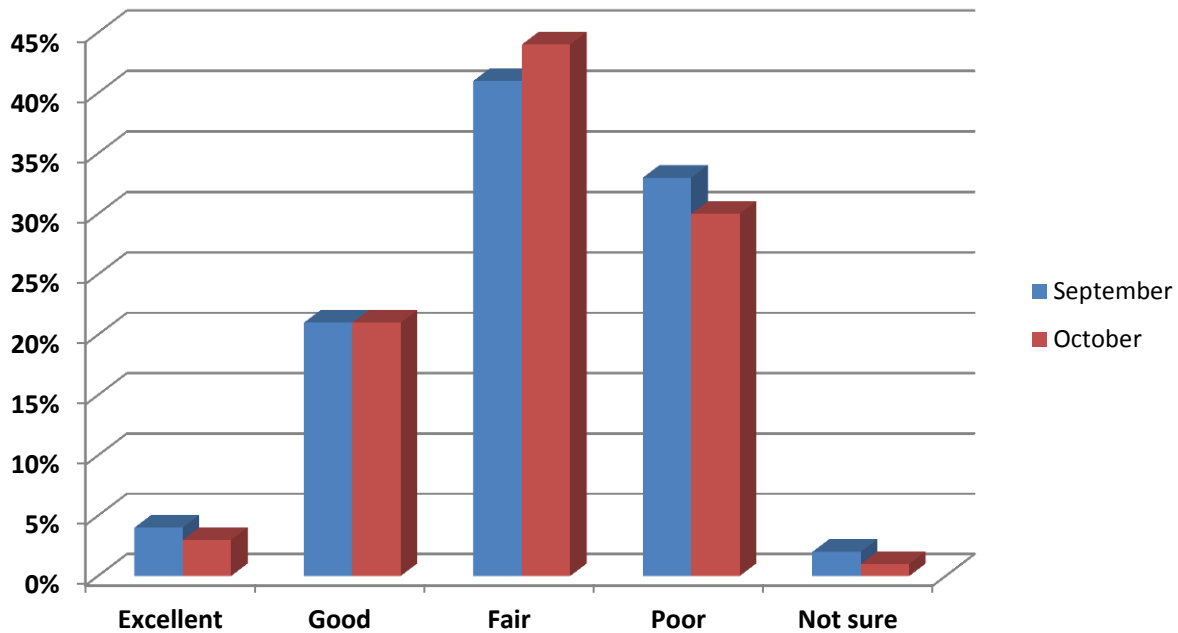


- The **CSG US Spending Monitor** increased slightly by 0.9 points during October polling to 102.1. It currently still sits well below the current twelve-month average of 105.6.
- The **CSG Restaurant Spending Index** also increased slightly by 0.6 points. The current index is also below its twelve month average (104.3).
- The **CSG Retail Spending Index** decreased again during October to 99.4, the lowest level reached since August 2014.

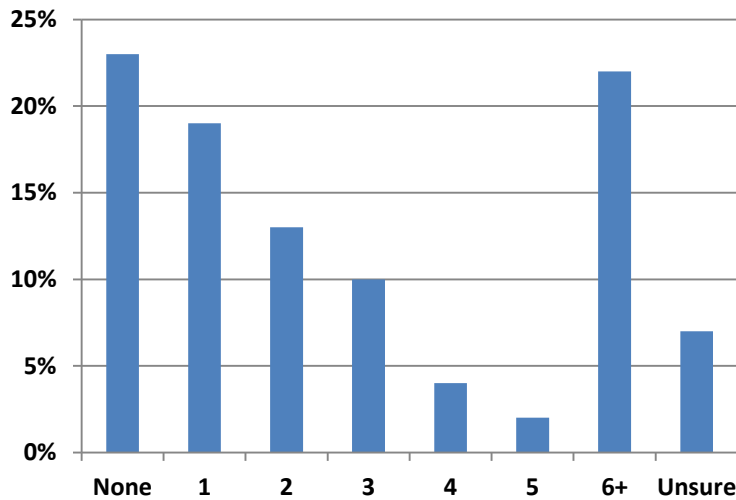


## US Economy and Americans' Spending

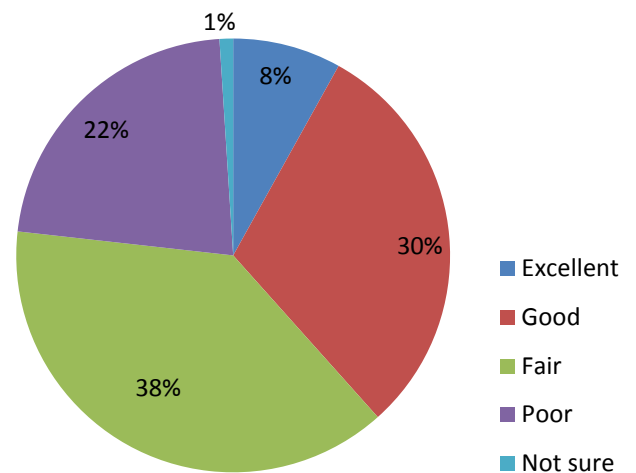
Generally speaking, how would you rate the U.S. economy these days?



Months of Emergency Savings:



Current Personal Finances:

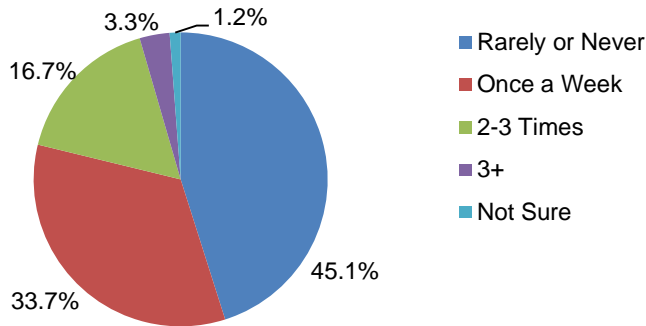




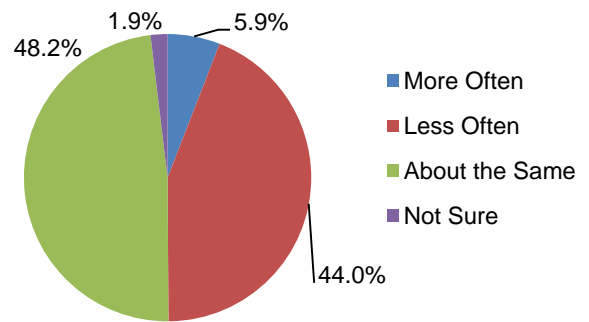
## Restaurant Consumer Insights

The **CSG Restaurant Spending Index** increased 0.6 points between September and October. Even with another increase, 78.8% of adults stated that they go out to restaurants for dinner one time or less in a typical week. Only 5.9% of adults dine out more often now than six months ago compared to 44% of adults who dine out less often.

**In a typical week, how often do you go out to a restaurant for dinner?**

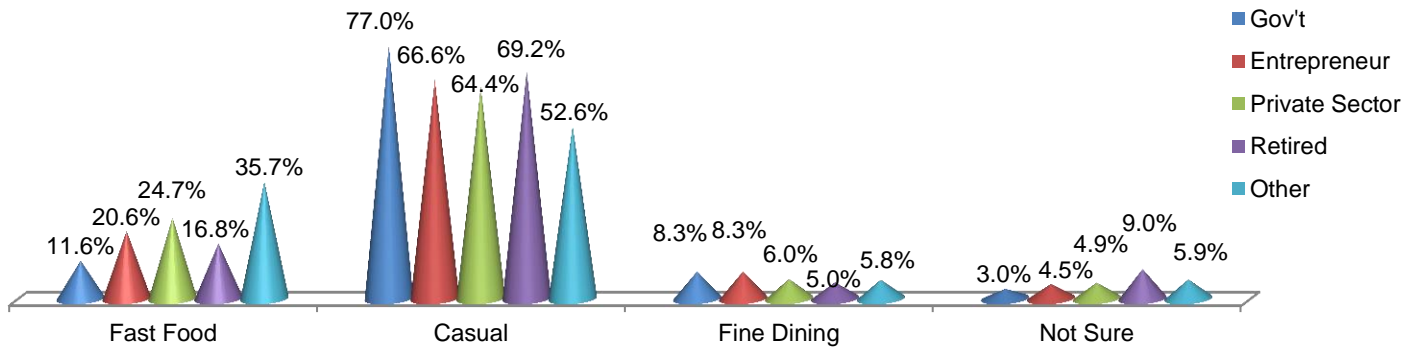


**Compared to six months ago, are you going out to eat more often/less often?**



When asked what type of restaurant do you usually go to for dinner a majority of the time, 77.0% of Gov't employees, 69.2% of Retired adults, 66.6% of Entrepreneur adults, and 64.4% of those who surveyed as working in the Private Sector chose casual dining restaurants. The second closest type of restaurant was fast food with 35.7% of adults who answered Other, 24.7% in the Private Sector, 20.6% as Entrepreneurs, 16.8% surveyed as Retired, and 11.6% of Gov't employees.

**What type of restaurant do you usually go to for dinner the majority of the time?**



### Here's a Tip: Don't Give One

"As a former restaurant employee and current restaurant visitor, I was shocked to see headlines stating that U.S. restaurants are now testing the "European-style system" of no longer allowing their employees to work for tips. Immediately, I questioned how the server, bartender, or food runner could make a living without tips? I was flabbergasted when headlines started reporting that now non-tipped employees were more than happy about keeping the change – or lack thereof.

According to New York Eater's website on 10/14/15, NY-based Union Square Hospitality Group's (USHG) Founder and CEO, Danny Meyer, announced that starting in November of this year the company will "roll out an across-the-board elimination of tips at every one of its thirteen full-service venues, hand in hand with an across-the-board increase in prices." This is one of the first restaurant companies to implement a no tipping policy across all of its full-service venues in the U.S.

Not only are the Front of House (FOH) employees happy, but the Back of House (BOH) employees, managers, and owners are, too. First, eliminating tips and increasing prices allows for more distribution of funds to all employees across the board, which eradicates major discrepancies in pay between FOH and BOH employees. Second, this would simplify bookkeeping for managers and owners as well as better their abilities to reward employees based on seniority, complexity of their jobs, or reward based on excellent performance."

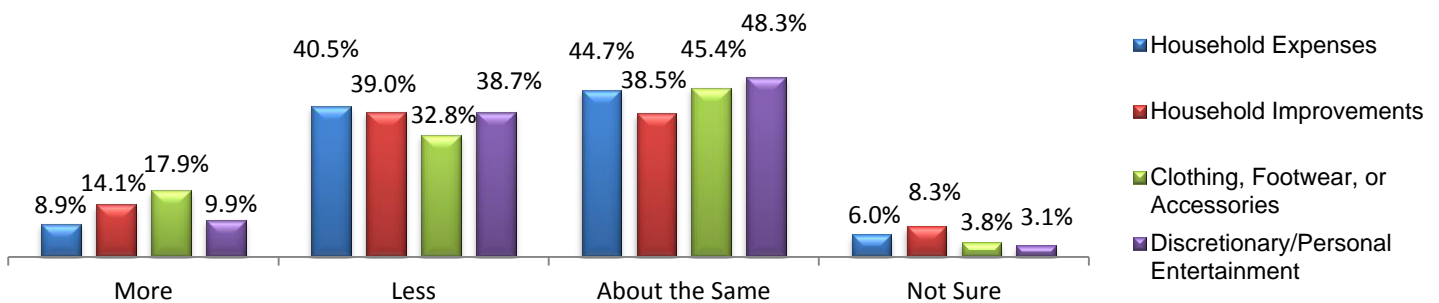
- Loren McCollom (lmcoll@chainstoreguide.com) | 1-800-927-9292 | www.ChainStoreGuide.com



## Retail Consumer Insights

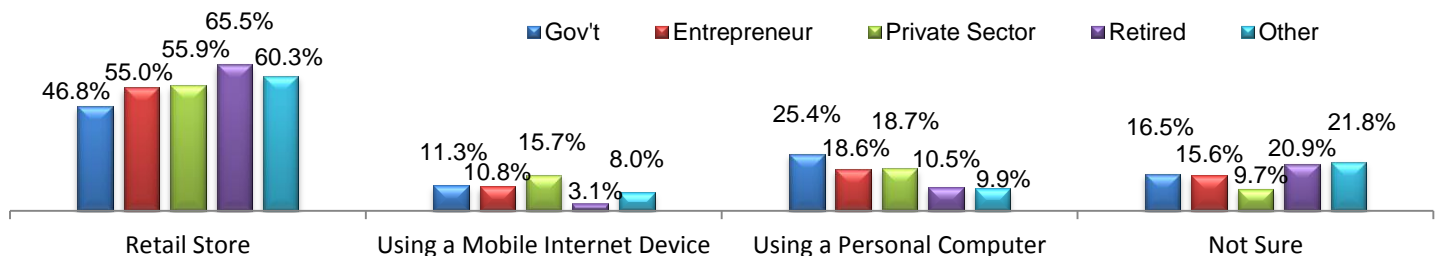
The **CSG Retail Spending Index** decreased another 0.7 points between September and October. After five months of a continuous decline, it seems adults are shifting their spending habits across the board with 40.5% of adults spending less on household expenses, 39% on household improvements, 32.8% on clothing, footwear, or accessories, and 38.7% on discretionary/personal entertainment. The household improvements category (14.1%) no longer leads with adults who anticipate on spending more next month. Due to the anticipation of Black Friday and Cyber Monday sales, the new leading category - clothing, footwear, or accessories - was surveyed at 17.9%.

### In the next month, will you spend more, less, or about the same on....



Across all employment categories, a majority of retail purchases are expected to be made at a retail store next month with 65.5% of adults surveyed as Retired, 60.3% of adults surveyed as Other, 55.9% of adults in the Private Sector, 55% as Entrepreneurs, and 46.8% of those who surveyed as Gov't employees. Of those that anticipate using their mobile devices or personal computers, 15.7% those who surveyed in the Private Sector anticipate using their mobile devices while 25.4% of those who surveyed as a Gov't employee will use a personal computer to make retail purchases in November.

### In the next month, how do you anticipate making the majority of your retail purchases?



### American Apparel Restructuring

*"American Apparel filed for bankruptcy protection last week. The company said its stores will not be affected by the filing, and no store closings or layoffs were announced. In a letter to customers, the struggling company compared its restructuring to that of businesses like American Airlines and Bloomingdale's. It was promised that "American Apparel will emerge as a stronger, more vibrant company."*

*As of September 30, 2015, American Apparel operated 227 retail stores in 19 countries. The California-based retailer, which has not reported a profit since 2009, has been struggling with large debt, sluggish sales, and a legal battle with its controversial and recently ousted Founder/CEO, Dov Charney. The bankruptcy would wipe out American Apparel's current shareholders including Dov Charney, whose stake in the company was worth about \$8.2 million as of October 1st, according to the New York Times.*

*In January, American Apparel named veteran retailer Paula Schneider as CEO. She launched an ambitious effort to turn around the company, but her effort was hindered by the company's debt. In an interview with the New York Times, Paula Schneider indicated that the bankruptcy would give the company a fresh start. The bankruptcy would also likely delay the various lawsuits filed by Mr. Charney against the company.*

*-Natasha Perry (nperry@chainstoreguide.com)*



## **About Chain Store Guide**

For 80 years, Chain Store Guide (CSG) has been the leading provider of comprehensive and definitive retail and foodservice intelligence to businesses around the world.

Chain Store Guide details all major retailers, restaurants, distributors and wholesalers in the United States and Canada with contact information on over 700,000 establishments.

Chain Store Guide provides data in print directory, online web application and customized database formats. Chain Store Guide data is used by manufacturers, suppliers, service providers, brokers, real estate professionals, retailers, analysts, consultants and other professionals seeking to gain insight into retail and foodservice markets in the U.S. and Canada. Since 1934, Chain Store Guide has been the leading data source for in-depth information on retailers, restaurants, and foodservice operations.

The CSG US Spending Monitor, Retail Spending Index, and Restaurant Spending Index are monthly indexes of consumer spending intentions and capacity based on interviews with a random sample of 1,500 U.S. adults. In addition to spending, the survey asks consumers their opinions on the U.S. economy and their personal finances, retail and other discretionary spending. Surveys are conducted by Rasmussen Reports, an independent survey research firm ([www.rasmussenreports.com](http://www.rasmussenreports.com)).

The CSR is a summary analysis of our data, if you would like a more detailed analysis, have any questions, or would like to quote any of the information from this report, please contact Brian List at [blist@chainstoreguide.com](mailto:blist@chainstoreguide.com).

### **Brian List**

Sr. Market Research Manager  
813 627-6943

### **Loren McCollom**

Market Research Editor  
813 627-6956