

ON OUR RADAR:

- **Millennials' Pets.** As the largest generation delays marriage and having children, their first pets have become "starter" kids: Three-fourths of Americans in their 30s own a dog and more than half own a cat (adweek.com).
- **Instagram's Influence.** Instagram users say their purchases are "highly influenced" by the social platform, with clothing, shoes, jewelry and makeup the most frequently purchased items (businessinsider.com).
- **Knockoff Detector.** Startup firm Entrupy has created a microscope camera that can spot a fake designer bag with greater than 98% accuracy. Some 160 businesses have signed on to use the service (bloomberg.com).

giftBEAT

Tracking the pulse of the gift industry

October 2017

TOPPING the Charts



MONA B, #7 in Fabric-Themed, is known for its eco-friendly, chic line of recycled canvas bags. The "Rosette Tote" is new and trending for fall, featuring dark-colored, upcycled canvas highlighted by a pop of red rose embroidery. Measuring 14 inches wide by 15 inches high, the bag features a zippered closure, outside pocket and adjustable strap. Cost: \$36 (866) 742-5443, mona-b.com.



DEMDACO debuts at #9 in Apparel. Its cozy, super-soft "Giving Shawl" is designed to gift whenever someone needs a hug. Each 27-by-70-inch shawl is presented in an elegant gift box and includes a message of encouragement on a keepsake bookmark. MSRP: \$49. The "Giving Pin" comes in 12 designs and can be paired with the Giving Shawl for an add-on sale. MSRP: \$15 (888) 336-3226, demdaco.com.

With Optimism High, "Shoppertainment" Is Key

By Joyce Washnik

As fourth quarter gets underway, retailers remain upbeat about business through the end of this year: **Eight out of 10 describe themselves as "somewhat" or "very optimistic" (up 7 points from last month).**

"We have had some good business months this year and I see it continuing. People for the most part are in a good mood," says a California shop owner, who adds that cooler weather has inspired fall and Halloween purchases.

Another California retailer finds similar interest: "People seem to be excited for the fall/winter season, and are cheering Halloween decorations and merchandise being displayed."

On the product front, **the majority of retailers (56%) say they have the "right amount of inventory," while 30% are "over-inventoried."** Functional remains a key category ("It's what's selling," says one shop owner), with respondents citing tech items, towels, socks, slippers and beverage holders as expected bestsellers this season.

A Michigan retailer already finds customers

upbeat and buying for Christmas. "We are making sure that we are displaying and stocking what we need to sell in such a way that it looks fresh and that we have confidence in the product. New merchandise and knowledgeable sales staff helps transition lookers into buyers."

Retailers are also focused on keeping it fun for customers, ramping up fourth-quarter events and promotions to capitalize early on shopping momentum: **While 56% plan to run the same amount of fall events this year, 31% will increase the number of events held.**

"Our customers seem more upbeat than a year ago, and some are complaining about their disappointment in items they ordered online, so we are pushing the in-store experience big time," says a New Jersey shop owner, planning a scarecrow contest (she will display customers' creations in her garden and people will vote for their favorites) and a fundraiser/trunk show with Kendra Scott.

A New York retailer is also looking to entice more locals into her shop: "Our visitors rave about our

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TRENDING UP OR DOWN:

▶ **Made In The USA:** From jewelry to tableware, the category is steady for two-thirds of retailers, up for 24%. "Just saying it's made in the USA is a good sales tool," says a Nevada retailer, touting **Dock 6 Pottery** (612) 327-0429. "Customers love our New England jewelry designers," adds a Massachusetts shop owner, citing **Dune** (617) 364-1065, **MKindred** (401) 301-5222 and **Savvy** (774) 280-9615.

▲ **Apparel:** Sales are up for 42% of respondents, while one-third are flat. "We have the right lines," says a California retailer, with new arrival **Jess & Jane** (866) 900-6121 "doing great!" A New York retailer calls leggings "the new scarves in our area." Her top seller is **Leggings Depot** (leggingsdepot.com), especially capris, while a North Carolina retailer touts **Mountain Mamas'** (435) 649-3160 "Bubble" line.

▶ **Baby Gifts:** Sales are even for 48% of respondents, while 32% are up, helped by new lines and a bigger selection. A Colorado retailer had success moving the category to the front of her shop, with **Munch Mitt** (munchmitt.com) a top seller, while a Kansas shop owner's "grandma bait section" gets a lot of attention, especially **Jellycat** (612) 332-3088 and **Workman's** (212) 254-5900 Indestructibles books.

Ready, Set, Schedule: Plan Your Marketing Now

By Natalie Hammer Noblitt

Many retailers think of Thanksgiving as the starting line for attracting holiday shoppers, but the expert duo from LP2 Boutique Agency — Linley Paske and Lauren Pasqualone — suggest you get the excitement going before the turkey is served. Here they share some of their best social media marketing strategies for fourth quarter.

Q. What key marketing tasks should retailers focus on now?

A. We recommend a three-part social plan for the holidays. Before you begin, determine your advertising budget. Advertising is the fastest way to drive store traffic and online sales via social media.

Get shoppers excited for the holidays before they happen by planning a Thanks-Giveaway. Set up this promotion prior to Thanksgiving to grow your following and generate engagement. You'll collect information from current and potential customers to use for the holidays, but they'll also be more likely to engage with you socially throughout the season.

Run your Thanks-Giveaway promotion the week before Thanksgiving. We all know November and December can account for up to 30% of your yearly sales, and this puts you at the top of

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Keeping
Tabs On
Social Media
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{ EAST FACT: 51% of stores plan to be conservative with fourth-quarter orders, while 25% will be more aggressive. }

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NATIONAL Charts



TRENDING NOW: Heading into fourth quarter, these charts show that function remains a key driver of sales, from tumblers to towels to wallets/wristlets.

● **Please Note:** Polling data based on the responses of more than 300 stores. Bullets distinguish those lines that are new or show significant movement from the last time the chart was run.

Made In The USA Last run: April 2017

#1 ALEX AND ANI: bangles

#2 SILVER FOREST: earrings, necklaces

#3 TERVIS: tumblers

● **#4 P. GRAHAM DUNN:** signs, various

● **#5 SWAN CREEK:** candles, various

#6 YANKEE: candles

● **#7 VIRGINIA GIFT BRANDS:** candles, various

#8 DOWN TO EARTH POTTERY: dishes

● **#9 WIND & FIRE:** bangles

● **#10 TYLER CANDLE:** candles

Honorable mention: Kringle Candle, FinchBerry, Ronaldo, Circle E Candles and Pocket Plus.

▲ **P. Graham Dunn** (800) 828-5260 climbs 6 spots and **Swan Creek** (800) 626-4590 jumps 4 places. New: **Virginia Gift Brands** (800) 827-2231, **Wind & Fire** (800) 431-1606 and **Tyler Candle** (866) 895-3726.

Baby Gifts Last run: May 2017

#1 JELLYCAT: plush, books

#2 MUD PIE: frames, apparel, various

#3 MARY MEYER: plush, Taggies

#4 DEMDACO: Nat & Jules

#5 BEARINGTON: apparel, blankets, various

#6 GANZ: plush, various

● **#7 TY:** plush

#8 MALDEN: frames

#9 CUDDLE BARN: Mother Goose, various

● **#10 KIDS PREFERRED:** Bunnies by the Bay

Honorable mention: C.R. Gibson, Pavilion Gift, Enesco/Gund and Stephan Baby.

▲ **Ty** (800) 876-8000 and **Kids Preferred** (866) 763-8869 shift from honorable mention.

Candy/Gourmet Last run: April 2017

#1 ABDALLAH CANDIES: chocolate, various

#2 STONEWALL KITCHEN: jams, various

#3 WIND & WILLOW: dips, cheeseball mixes

● **#4 SWEET SHOP:** truffles, various

#5 SAVORY FINE FOODS: cracker seasoning

● **#6 HUCKLEBERRY PEOPLE:** jams, candy

● **#7 GODIVA:** chocolate

● **#8 CAPTAIN RODNEY'S:** glazes, various

#9 JELLY BELLY: general line

#10 ROBERT ROTHSCHILD: dips, various

Honorable mention: Russell Stover, South Bend Chocolate and Carmie's Kitchen.

▲ **Sweet Shop** (800) 222-2269 jumps 5 places and **Godiva** (800) 946-3482 moves from honorable mention. New: **Huckleberry People** (800) 735-6462 and **Captain Rodney's** (800) 707-0483.

Jewelry \$10 & Up Last run: April 2017

#1 ALEX AND ANI: bangles

#2 BRIGHTON: bracelets, various

#3 SILVER FOREST: earrings, various

#4 MANTRABAND: bracelets

● **#5 CENTER COURT:** Embracelets

#6 LIZZY JAMES: wrap bracelets

● **#7 PANDORA:** general line

#8 TGBBRANDS: Ginger Snaps

#9 HOWARD'S JEWELRY: jewelry sets, various

● **#10 RONALDO:** bracelets

Honorable mention: Ethel & Myrtle, Periwinkle by Barlow, Annaleece and Earth Angel.

▲ **Center Court** (888) 905-3935 and **Pandora** (410) 309-0200 shift from honorable mention. New: **Ronaldo** (812) 972-7220.



**FROM the
EDITOR**

Small Business, Big Heart

Mother Nature has delivered multiple punches to the U.S. since late August, including hurricanes Harvey and Irma. The damage to homes and businesses in Texas and Florida is staggering — estimates range from \$150 billion to \$290 billion.

In the wake of these storms, price-gouging reports emerged, with 500-plus complaints filed in Texas alone, from \$20 for a gallon of gas to \$99 for a case of water. As is usually the case when disaster strikes, some businesses try to take advantage of the misery of others.

But countless uplifting stories of selflessness and generosity have also emerged. One of the best examples comes from the owner of a small chain of furniture stores in Houston, Jim "Mattress Mack" McIngvale of Gallery

Furniture, who opened up two locations as shelters to anyone in need (and their kenneled pets!).

He and his team even used their 24-foot delivery trucks to drive through the waters and rescue some 200 people who needed help, from the top of overpasses to flooded homes. When they arrived at the furniture store, the evacuees found neatly folded towels, shoes, clothes and toys donated by locals. Then they were invited to make themselves at home on the store's beds, couches and recliners.

In an interview with NPR, Jim told the story of a young girl and her family, who arrived at one of his stores around 1:30 a.m. The girl was crying as she asked, "Will you allow us to stay here?" He said her words broke his heart:



One person can make a difference.

"Unlike an adult, she couldn't hide her feelings."

For the businessman and entrepreneur, it was his way of giving back to the Houston community that has brought him much success over the past 36 years. I'm sure it wasn't his intention, but the amount of goodwill — and free publicity — his feel-good story generated is priceless.

Kudos to Jim McIngvale for opening his doors and offering rest to the weary. You represented small business well — putting your heart before profits.