

Classroom Activity: NRF's 2023 State of Retail & the Consumer

Background

The National Retail Federation, the world's largest retail trade association, passionately advocates for the people, brands, policies and ideas that help retail thrive.

Retail is the nation's largest private-sector employer, contributing \$3.9 trillion to annual GDP and supporting one in four U.S. jobs — 52 million working Americans. For over a century, NRF has been a voice for every retailer and every retail job, educating, inspiring and communicating the powerful impact retail has on local communities and global economies.

The National Retail Federation empowers the industry that powers the economy.



NRF's State of Retail & the Consumer, held March 29, 2023, explored the health of American consumers and the retail industry with leaders including NRF President and CEO Matthew Shay, NRF Chief Economist Jack Kleinhenz, Ph.D., retail executives from major brands, prominent economists and consumer experts.

Video Format

An hour video that covers:

- ❖ The health of American consumers
- ❖ NRF's 2023 retail sales forecast
- ❖ How retailers consistently leverage innovation to meet consumer needs and how retailers are driving customer engagement and retention

Activity

Click the link below and watch the video starting at 17:35 to listen to NRF Chief Economist Jack Kleinhenz, Ph.D., announce NRF's 2023 retail sales forecast and then answer the questions below.

Video link: <https://www.youtube.com/watch?v=VRmutrM8MUk&t=1066s>

Questions:

- 1. How much will retail sales grow in 2023?**
- 2. What was the annual average sales growth pre-pandemic?**
- 3. Consumer spending was supported by what in the first quarter of 2023. Name 2-4 factors.**
- 4. Throughout 2023, NRF projects GDP to grow by how much?**
- 5. Inflation is expected to decrease this year but will remain between 3% and 3.5% for all goods and services for the year. So, if an item cost \$52.95 in 2020, how much would the item cost at a 3.5% interest rate?**
- 6. As summer approaches, what goods and services do you think consumers will buy to contribute to the expected retail sales growth and why?**