



NEWS RELEASE

# Mastercard SpendingPulse: U.S. Retail Sales Grow in February Despite Winter Blast

3/4/2021

## Another Big Month for E-commerce, which Increased 54.7% YOY

PURCHASE, N.Y.--(BUSINESS WIRE)-- Despite the inclement weather felt across many parts of the country this February, U.S. retail sales excluding automotive and gasoline **increased 4.6%\* year-over-year** when adjusted for Leap Year, according to **Mastercard SpendingPulse™**. Online sales grew **54.7%** compared to 2020. Mastercard SpendingPulse measures in-store and online retail sales across all forms of payment.

At a national level, key retail trends from February include:

- **Grocery Aisle Touchdown:** With more people watching football's big game from home, Grocery spend was up 30% the three days prior. That contributed to the Grocery sector growing +12.4% YOY for the month.
- **Love is in the Air—and in the Mail:** Also known for being the month of love, February saw Jewelry spend rise +5.9% and +63.1% online YOY. Restaurant spend remained down (-13.5%) but has showed improvement over the past two months.
- **Cabin Fever Leads to Home Enhancements:** No big surprises here, as Furniture & Furnishings (+8.6%) continued to post solid gains as seasonally cooler weather led to home improvements and décor projects.
- **Apparel Shopping Continues to Shift Online:** While Apparel sales were down -5.3% overall, Apparel e-commerce sales grew +47.3% YOY. This month, 73.9% of all Apparel purchases were made online; a year ago, in February 2020, 47.5% were purchased online vs. in-store.
- **Stimulus Sales Lift Continued, though Fading:** The infusion of stimulus payments in early January appeared to boost consumer spending in January and through early February, though the impacts have waned.

At the local level, the situation varied widely. A series of winter storms the week ending February 20 affected retail activity across the South—no state more than Texas. Mastercard SpendingPulse analysis shows how the extreme winter freeze impacted retail sales locally and at the national level.

- On February 17, Dallas, Austin and Houston all had year-over-year total retail sale declines of 35-50% as retail locations closed amid crippling cold. With Texas typically accounting for approximately 10% to 11% of U.S. retail sales volume, this widespread event pulled the national growth rate down -2.2% for the week.
- Online sales activity also took a hit as power outages limited consumers' ability to recharge phones and other devices. This lack of connectivity drove online sales in the region into negative territory for several days.
- As the weather cleared, a wave of recovery spending with daily YOY rates exceeded 30% in markets such as Dallas, Austin and up to Nashville.

"While in-store sales decelerated slightly as a result of winter storms, consumers are continuing to show up online," said Steve Sadove, Mastercard senior advisor and former CEO of Saks, Inc. "From jewelry to apparel, e-commerce has opened doors for consumers to shop online while warmer days, widespread vaccinations and the loosening of restrictions appear on the horizon."

\*Data has been adjusted to account for the leap year in 2020. Without seasonal adjustment the total retail sales growth would be +1%.

## About Mastercard SpendingPulse:

Mastercard SpendingPulse™ reports on national retail sales across all payment types in select markets around the world. The findings are based on aggregate sales activity in the Mastercard payments network, coupled with survey-based estimates for certain other payment forms, such as cash and check. As such, SpendingPulse™ insights do not in any way contain, reflect or relate to actual Mastercard operational or financial performance, or specific payment-card-issuer data.

Mastercard SpendingPulse defines "U.S. retail sales" as sales at retailers and food services merchants of all sizes. Sales activity within the services sector (for example, travel services such as airlines and lodging) are not included. Holiday spending insights are preliminary.

## About Mastercard (NYSE: MA)

Mastercard is a global technology company in the payments industry. Our mission is to connect and power an inclusive, digital economy that benefits everyone, everywhere by making transactions safe, simple, smart and accessible. Using secure data and networks, partnerships and passion, our innovations and solutions help individuals, financial institutions, governments and businesses realize their greatest potential. Our decency

quotient, or DQ, drives our culture and everything we do inside and outside of our company. With connections across more than 210 countries and territories, we are building a sustainable world that unlocks priceless possibilities for all.

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Source: Mastercard Investor Relations

