

# THE TENNESSEAN

## Small businesses court locally minded holiday shoppers

*East Nashville will start later, offer extras on Black Friday*

By Bobby Allyn, November 19, 2011



*Bill Breyer, owner of Alegria Gifts at 1108 Woodland St., is preparing for what he anticipates will be a crush of holiday shoppers with small-business purchasing in mind. / Samuel M. Simpkins / The Tennessean*

As major chains including Best Buy and Target announce record early Black Friday openings to pull in customers at midnight or before, the small-business community here is taking the opposite tack by preparing for a tamer start to the Christmas shopping season.

Local businesses around East Nashville's Five Points neighborhood, for instance, are banding together for a late-morning Black Friday event, one response to the aggressive marketing moves that major chains have announced to seduce shoppers before dawn.

But not all bargain hunters are heading for chain stores. This year, some retail experts say, more customers will be shopping later in the day and with smaller businesses — and that would be a boost to local owners.

“The money spent there will be reinvested into the community,” said Tom Hadley, president of the East Nashville Merchants Association. “Whereas money spent at big boxes leaves the country, shopping here keeps our local economy moving.”

In East Nashville, the Black Friday specials won't start until 9:30 a.m. Shoppers will be able to peruse discounts at local shops until 11 p.m., while Nashville-based brewers Yazoo and Jackalope serve beer and local bands perform from morning until after dark.

"We're going to be filled to the brim with new merchandise," said Bill Breyer, owner of Alegria Gifts on Woodland Street. Breyer's preparing for what he anticipates will be a crush of holiday shoppers with small-business purchasing in mind.

'Buy local' drives many shoppers

Private retailers selling gifts, furniture, office supplies and electronics have seen stronger sales growth compared with their public counterparts in the past year, according to an analysis by Sageworks, a financial information company based in Raleigh, N.C.

The study concluded that the U.S. downturn hit publicly traded companies harder than private ones, and that many consumers have been driven by the "buy local" mantra since the recession.

"This movement reflects an increased sentiment toward supporting the local business community, more personal interaction and more comfort in a smaller shopping environment," said Michael Lubansky, the firm's senior analyst.

Nashville-based Rex Hammock, founder of Smallbusiness.com, expects small-business sales volumes this shopping season to outpace last year's, both here and nationally.

"Small businesses have had three years of operating in a very challenging environment to learn from," Hammock said. "They've been better at inventory management, and they've been as creative as ever."

The bulk of the sales volume increases this year will come from large items in the electronics category and the luxury market, according to Nikoleta Panteva, a senior analyst at IBISWorld, a market research company.

Also popular this year, Panteva said, will be "a return to the sentimental."

Panteva continued, "The local, the handmade, the personalized gifts. Consumers are wanting something a little more special this year."

Overall, though, Panteva's research firm projects year-over-year sales growth of just above 3 percent.

For many small businesses, as much as 30 percent of their annual revenue comes over the holiday season, including the Black Friday shopping blitz.

The name Black Friday derives from when retailers manage to earn an annual profit, or go "into the black."

"The thing that small businesses have to do is fulfill that small niche, provide unique merchandise," Hammock said. "This holiday season isn't necessarily going to be a good holiday season for them. But it'll be better than last year."

For the full story featuring Sageworks' analysis, please visit [The Tennessean - Small businesses court locally minded holiday shoppers.](#)