REI closing on Black Friday for 1st time in push to #OptOutside

Hadley Malcolm , USA TODAY

4:02 p.m. EST November 17, 2015



(Photo: Matt Peyton, AP Images for REI)

Outdoor gear and sporting goods retailer REI is canceling Black Friday this year. No promotions, no hourly sales, no doorbusters, no waiting in line.

In an unprecedented move for the modern-day holiday shopping season, REI's 143 stores will be closed the day after Thanksgiving. The co-op business plans to launch a campaign Tuesday encouraging people to forgo shopping to spend time outside instead. With the hashtag #OptOutside, REI will ask people to share what they're doing on Black Friday on social media.

REI is taking direct aim at the frenzied consumerism that dominates the holidays with a message to do the exact opposite of what Black Friday demands.

"Any retailer that hears this will be startled by the idea," says REI President and CEO Jerry Stritzke, who admits he was apprehensive about closing at first. "As a co-op ... we define success a little differently. It's much broader than just money. How effectively do we get people outside?"



USA TODAY

Staples reverses course, will close stores on Thanksgiving Day

(http://www.usatoday.com/story/money/business/2015/10/01/staples-closed-on-thanksgiving/73141108/)

The weekend of Thanksgiving has become an increasingly competitive game of one-upmanship as retailers move store openings earlier each year.

Meanwhile other retailers, including Costco and Nordstrom, have shot back by refusing to open on Thanksgiving. But no one has forgone Black Friday, the symbolic start of the holiday season, altogether, says Ron Friedman, head of the retail and consumer products group at consulting firm Marcum LLP.

"Black Friday historically is the most important retail day of the year," he says. "It's like a national holiday."

REI is hoping to convince consumers to start a new Black Friday tradition, one that doesn't involve buying anything. It has built a dedicated #OptOutside website with resources on local hiking trails. REI's campaign was built with its employees and customers in mind — the company operates as a co-op, with roughly 5.5 million members who pay a one-time fee for a share of the business. Members contribute to at least 80% of REI's sales.

REI will have no Black Friday promotions and won't process any online orders until Saturday. Just a small handful of its approximately 12,000 employees will be on call, while the rest get a paid day off.

The decision to close on Black Friday is bold in an industry that has practically made the day a mandatory part of business, not only because customers demand it, but because the bottom line often does, too. The holiday shopping season is the biggest, and most competitive, time of year for retailers, with Black Friday at the center of the hoopla.

Last year, 86.9 million people shopped on Black Friday, according to the National Retail Federation, and recent years have seen the typically one-day blowout sale bleed into the entire week, and promotions running through November and December as retailers try to keep consumers shopping. That trend has also cut into the sales Black Friday weekend normally brings in. The number of Black Friday shoppers last year fell from the year before, and the amount the average shopper spent over the entire weekend was down 6.4% from 2013, according to NRF.



USA TODAY

Ship early: FedEx predicts record package volume during holidays

(http://www.usatoday.com/story/money/2015/10/26/fedex-expects-record-package-volume-during-holiday-season/74616922/)

Still, for REI, which ended 2014 with \$2.2 billion in sales, Black Friday has consistently been a top 10 sales day. Stritzke acknowledges the business is taking a risk by closing, but he's more concerned with the message the company sends to consumers.

"The thing that is powerful to me is this clearly is not a financially self-serving act," he says. "It's an act where we're really making a very clear statement about a set of values."

As a smaller, niche retailer, and a co-op, REI is in a better position to get away with closing on such a huge sales day, says Ken Perkins, president of research and data firm Retail Metrics.

"It makes it a lot easier for them to do this than it would for a publicly traded company," he says. REI has also never been a huge discounter anyway, he says, and doesn't necessarily compete with major retailers such as Target and Macy's.

For Brian Harrower, store manager at the REI in Bloomington, Minn., this year marks the first time in his 25-year retail career that he'll have Black Friday off. He already has plans to organize an ice hockey tournament.

"Somebody has to be the one to kind of put their flag in the sand and say enough is enough," he says. "That's what #OptOutside is for us, is saying we're going to be the first, we think this doesn't make sense anymore, it's not healthy. And an outdoor life is a healthy life."

It didn't cross Harrower's mind to spend the day shopping, because "there's so many other days to get the same deals," he says.

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