

"Black Friday's Other Meaning"

B.B. Robinson, Ph.D.

The traditional interpretation of "Black Friday" is the Friday after Thanksgiving when merchants exceed the "break-even point" (revenues=expenses) for the year and go into "the black." However, like many other terms, multiple meanings may apply.

Historically, entrepreneurship opportunities have been open to White Americans more so than to Black Americans. Accordingly, it is possible that White entrepreneurs have fashioned an alternative interpretation of Black Friday.

Could the Friday after Thanksgiving be called black because it is the point at which Blacks are enticed into the market to spend their surplus and more during the mad end-of-year rush?

Readily available data reveal that Black Americans are generally predisposed to contributing to the success of the retail trade industry. Consider Table 1.

Table 1.—Percent Change in Selected Retail Sales and Consumer Expenditures by Race

Variables	2006	2007	2008
Selected Retail Sales: Food and beverage stores; Clothing and clothing accessories stores; General merchandise stores; Health and personal care stores; Sporting goods, hobby, book, and music stores; Miscellaneous store retailers (excluding Office supplies, stationery, and gift stores); Nonstore retailers; and Food services and drinking places	5.7%	4.9%	3.1%
Black American purchases: Food (home and away from home); Alcoholic beverages; Housekeeping supplies; Apparel and services; Entertainment; Personal care products and services; Reading; Tobacco products and smoking supplies; and Miscellaneous	2.5%	-0.4%	7.1%
White and Other Americans purchases: Food (home and away from home); Alcoholic beverages; Housekeeping supplies; Apparel and services; Entertainment; Personal care products and services; Reading; Tobacco products and smoking supplies; and Miscellaneous	2.4%	2.1%	2.8%

Table 1 shows the results of tabulations of selected retail sales data from the U.S. Department of Commerce's Bureau of Economic Analysis and average consumer expenditure data from the U.S. Department of Labor, Bureau of Labor Statistics.¹

The table reveals that average Black American consumer expenditures increased 2.5% in 2006, fell 0.4% in 2007, and shot up 7.1% in 2008. Except for 2007, average Black Americans' consumer expenditures increased more rapidly than average consumer expenditures by White and Other Americans.

What is most interesting about the table is that, in 2008 when the U.S. economy was experiencing weakness, average Black American expenditures increased rapidly and helped hold up retail sales, which decelerated to 3.7% from 4.9% in the previous year.

Chart 1 provides a graphical image of the data that appear in Table 1.

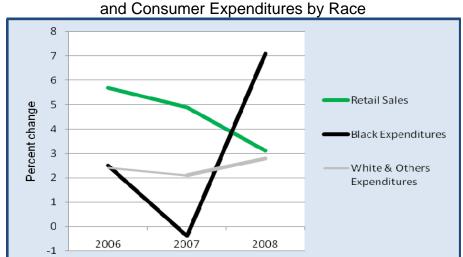


Chart 1.—Percent Change in Selected Retail Sales

Table1 and Chart 1 reflect results for the three most recent years, and they tell a story of a Black American consumer who helps ensure the success of America's retailers.

It stands to reason, then, that entrepreneurs may call the Friday after Thanksgiving black because Black Americans contribute so significantly to retailers' push to profitability during the holiday season.

11/26/09

¹ Selected Retail Sales data for the categories listed in Table 1 were obtained from Bureau of Economic Analysis, "Underlying NIPA Data," Table 5U;

http://www.bea.gov/national/nipaweb/nipa_underlying/SelectTable.asp. The Consumer Expenditure data by race from the Bureau of Labor Statistics were obtained for the categories listed in Table 1 from "Table 2100.—Race of Reference Person: Average Annual Expenditures and Characteristics, Consumer Expenditure Survey"; http://www.bls.gov/cex/2008/Standard/race.pdf.