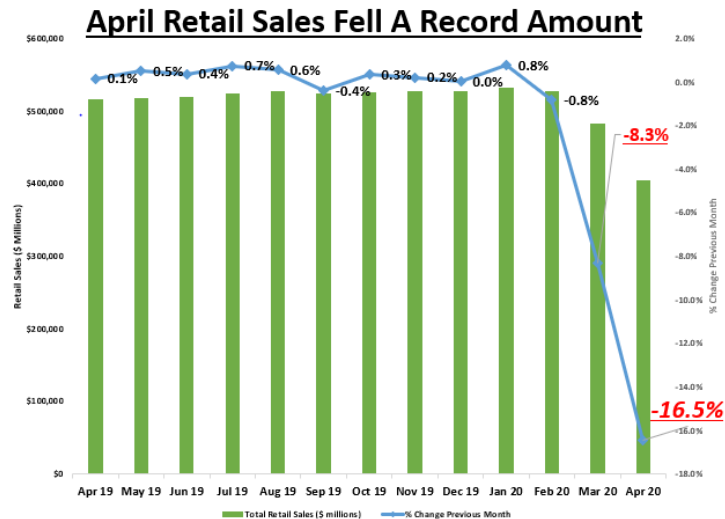


Retail Sales Dropped More than 16% in April

Another day another dubious record for the economy. The U.S. Census reports that [retail sales](#) fell more than 16% in April – a record drop. They fell over 8% in March, which was the previous record.



Of course, consumers cannot spend the same while they are home. Furthermore, the 37 million Americans out of work are cutting back their spending. So the decline is not all that surprising. But it is still large and another data point that illustrates the depth of the economy's damage.

The Great Pause is altering the long-term move to online sales. The vast majority of sales, more than 80%, still occurred in traditional brick-and-mortar stores in April. That means just under 20% of sales occurred online.

In-Store Retail Stores Still Make Up Vast Majority of Retail Sales - April



However, that was a large shift just from March, when in-store sales were 85% and online sales 15% of all sales. Consumers have been shifting to buying online for years, but the shift has been slow. Clearly

the Great Pause has sped up that process. In fact, even though total sales fell so much in April, the amount of online sales increased by more than 8% (\$6 billion) – not just the proportion of total sales.

In-Store Retail Sales Were Greater Share in

March



This trend is something to watch. We know consumers are buying more online and will continue to as time goes on. It will be interesting to see how much they switch some purchases back to physical stores once the Great Pause ends.

—Curtis Dubay, Senior Economist, U.S. Chamber of Commerce