2025 Forecast of Ohio Holiday Retail Spending

Prepared for Ohio Council of Retail Merchants

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Final Report

UC ECONOMICS CENTER
RESEARCH AND CONSULTING

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Executive Summary

- The Economics Center forecasts a 3.1 percent increase in Ohio relevant retail spending for the 2025 holiday season compared to the 2024 season, with total sales of nearly $32.0 billion.
- Online shopping continues to be a growing component of retail sales, although growth has stabilized since the COVID-19 pandemic. Growth in nonstore retail sales, which includes online and mobile shopping, has exceeded overall retail sales growth in Ohio since 2013.
- Employment in Ohio from January through August of 2025 was 0.9 percent higher than the same period in 2024. Additionally, wages and salaries in Ohio have increased by approximately 4.8 percent between 2024 and 2025.
- Consumer sentiment has begun to trend downwards after partially recovering from the COVID-19 pandemic.
- Inflation was high following the COVID-19 pandemic, but has started to cool somewhat. After falling for two years straight, year-over-year inflation in September of 2025 increased to 3.1 percent.
- The Economics Center projects that the State's three largest metropolitan statistical areas will again account for more than half (55.5%) of estimated relevant retail sales this holiday season.
- Economics Center forecasts indicate that six of the nine metropolitan statistical areas analyzed in Ohio will experience an increase in relevant retail sales during 2025 holiday season compared to 2024. The Akron and Mansfield Metropolitan Statistical Areas are expected to see declines in their relevant retail sales, while holiday spending is expected to remain unchanged in the Toledo Region.

Introduction

Retailers highly anticipate the holiday season, which they have historically relied on to generate sufficient sales to realize year-end profits.[1] Historically, "Black Friday" and "Cyber Monday" are recognized as signaling the beginning of the holiday spending season.[2] The additional sales and activity anticipated by businesses drive seasonal hiring, creating opportunities for temporary employment. In times of uncertainty and volatility, consumers are generally more likely to spend less than in an economic environment characterized by robust opportunities and growth. Economic dynamics, such as inflation, household debt levels, consumer sentiment, employment, and wages, influence holiday spending. The Economics Center constructs an annual forecast of holiday retail spending to assist Ohio retailers with preparing for the holiday season.

National holiday retail sales forecasts for the 2025 holiday spending season are relatively consistent among sources. The National Retail Federation forecasts an increase in sales of between 3.7 percent and 4.2 percent, Deloitte forecasts an increase in sales of between 2.9 percent and 3.4 percent, Bain & Company forecasts an increase in sales of 4.0 percent, and the Mastercard Economics Institute forecasts an increase in sales of 3.6 percent.[3]

According to Deloitte survey data from Deloitte, one in five respondents said they planned to start shopping earlier than last year.[4] Of those who said they planned to start shopping earlier, one in two respondents said they were doing so to spread out purchases over time and ease pressure on their budgets. Following recent trends, consumers will continue to focus on online shopping to find the best deals, with 75.0 percent planning to participate in promotional events in October and November.[5] Additionally, survey data shows that 52.0-54.0 percent of consumers intend to purchase gift cards for others this holiday season.[6]

According to Jack Kleinhenz, the Chief Economist for the National Retail Federation, "The economy has continued to show surprising resilience in a year marked by trade uncertainty and persistent inflation. As tariffs have induced an uptick in consumer prices, retailers have tried to hold the line on prices, given the uncertainty about trade policies."[7]

Holiday spending in 2025 is characterized by earlier shopping through promotional events in October and November, a shorter shopping period between Thanksgiving and Christmas, and a continued increase in e-commerce sales. Sales are expected to be strong despite multiple surveys showing weakening consumer confidence.

[1] (Reiter 2011)
[2] (Bonebright and Ramhold 2016)
[3] (National Retail Federation 2025); (Deloitte 2025); (Bain & Company 2025); (Mastercard Economics Institute 2025)
[4] (Deloitte 2025)
[5] (Deloitte 2025)
[6] (PwC 2025); (Deloitte 2025)
[7] (National Retail Federation 2025)

Holiday Spending Forecast

Data and Methodology

To develop a forecast for Ohio retail spending during the holiday season, the Economics Center compiled monthly data from the Ohio Department of Taxation on sales and use tax revenues and rates by county. The Ohio Department of Taxation administers permissive sales and use taxes for all 88 counties and 11 regional transit authorities. Total revenues collected and rates levied by each of Ohio's 88 counties from July 2005 through December 2024 were used to develop estimates of county-level and statewide retail sales. For purposes of this analysis, revenues attributable to holiday spending include collections from November, December, and January.

Sales and use tax revenues are generated from a variety of sources other than those included in holiday retail sales estimates. To isolate relevant retail activity, data on semiannual (twice per year) sales and use tax revenues by industry from the Ohio Department of Taxation were analyzed to estimate the relevant retail portion. For purposes of this forecast, relevant retail is defined to exclude Motor Vehicles and Parts Dealers, Gasoline Stations, Food Services, and Arts, Entertainment, and Recreation. Table 1 identifies the sectors that comprise relevant retail.

Table 1: Relevant Retail Sectors

Retail Sector	Included in Relevant Retail
Furniture and Home Furnishings Stores	Yes
Electronic and Appliance Stores	Yes
Building Material and Garden Equipment & Supplies	Yes
Food and Beverage Stores	Yes
Health and Personal Care Stores	Yes
Clothing and Clothing Accessories Stores	Yes
Sporting Goods, Hobby, Book, and Music Stores	Yes
General Merchandise Stores	Yes
Miscellaneous Store Retailers	Yes
Nonstore Retailers	Yes
Arts, Entertainment, and Recreation	No
Motor Vehicle and Parts Dealers	No
Gasoline Stations	No
Food Services	No

Source: Ohio Department of Taxation.

Relevant retail sectors' share of sales and use tax revenues exhibited year-over-year declines in 2014 and 2015, rebounded between 2016 and 2018, and has decreased year-over-year since 2021, as shown in Figure 1.[8] Beginning in June 2015, the collection and remittance of sales tax by Amazon and other online-only retailers on their Ohio sales contributed to the increase in relevant retail sectors' share of sales and use tax revenues. The passage of Ohio House Bill 49 (H.B. 49), which went into effect July 1, 2017, contributed to another jump in relevant retail sectors' percent contribution to sales and use tax

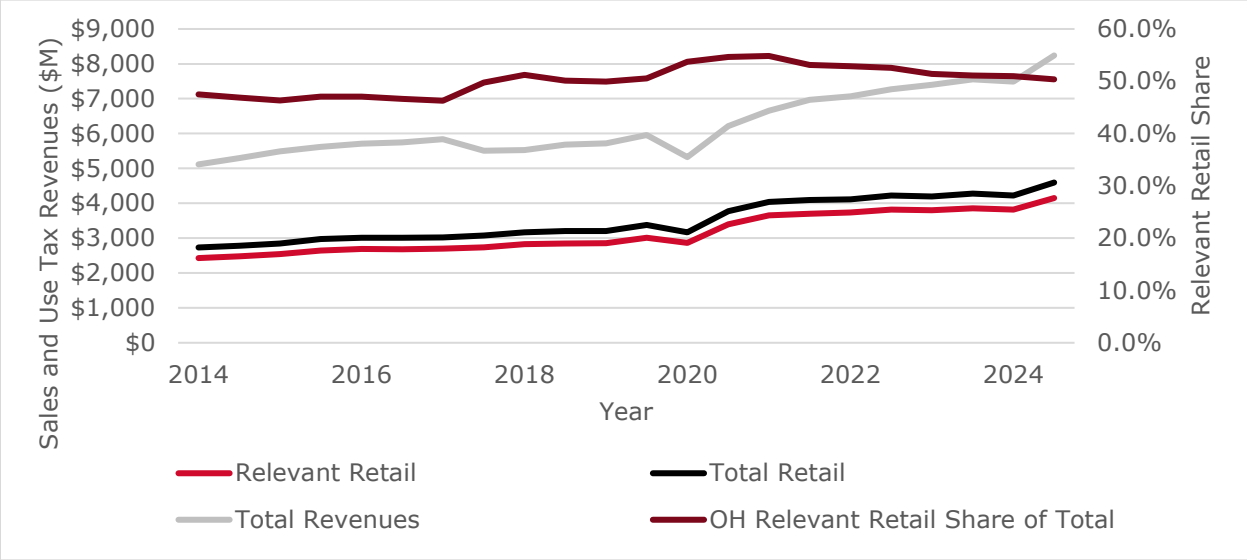
[8] Prior to 2015, nonstore retailers were not included among relevant retail sectors for forecasting state retail sales. Inclusion is consistent with current national forecasts including the National Retail Federation.

revenues, as most sales tax revenues attributable to the Finance and Insurance sector were diverted from the General Revenue Fund (GRF) to a non-GRF fund.[9] Corresponding to the COVID-19 pandemic, the share of sales and use tax revenues from relevant retail sectors increased to 54.2 percent in 2020. This represents a 4.0 percentage point increase from 2019. However, the share of relevant retail sales and use tax revenues has consistently decreased compared to all sales and use tax revenues since the second half of 2021.

Figure 1 also displays the total sales and use tax revenue collected in Ohio, as well as the portions accounted for by taxes from total retail and relevant retail sales. Total revenues increased steadily between 2014 and 2016, followed by year-over-year declines in 2017 and 2018, coinciding with H.B. 49. The COVID-19 pandemic impacted total sales and use tax revenues during 2020. However, total revenues have increased year over year since the second half of 2020, dropping slightly in the first half of 2024, but rising again in the second half of 2024. From 2013 until 2024, total tax revenues grew by 66.3 percent.

Total and relevant retail tax revenues have exhibited consistent year-over-year increases since 2014. Total retail tax revenues increased 69.8 percent between 2013 and 2024, whereas relevant retail tax revenues increased 71.3 percent. However, total retail and relevant retail tax revenues have grown more slowly since 2020 than total tax revenues. Total sales and use tax revenues increased 36.3 percent between 2020 and 2024. In comparison, total retail and relevant retail sales increased 27.1 percent and 27.3 percent between 2020 and 2024, respectively.

Figure 1: Semiannual Ohio Sales and Use Tax Revenues and Retail Shares in Millions, January to June 2013-July to December 2024



Source: Ohio Department of Taxation.

[9] (Miller 2018)

In addition to sales and use tax revenues obtained from the Ohio Department of Taxation, the Economics Center collected and analyzed data on employment and wages in Ohio, as well as national retail sales, household debt, inflation, and consumer sentiment. The state and regional forecasting models also include variables for the likelihood of a recession and the implementation of a tax on goods purchased online. Table 2 lists the variables used in the development and estimation of the forecast, as well as sources and most recent observations.

Table 2: Data for Forecast

Measure	Source	Most Recent Observation
Ohio sales and use tax revenues and rates	Ohio Department of Taxation	August 2025[10]
Ohio total and county wages and salaries	U.S. Bureau of Labor Statistics	March 2025
Ohio total nonfarm employment	U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis	August 2025
Ohio county employment	U.S. Bureau of Labor Statistics	March 2025
Household debt service payments as percent of disposable income	Board of Governors of the Federal Reserve System, retrieved from FRED, Federal Reserve Bank of St. Louis	April 2025
U.S. retail trade	U.S. Census Bureau	July 2025
Consumer Sentiment	The Conference Board	September 2025
Midwest Consumer Price Index	University of Michigan, retrieved from FRED, Federal Reserve Bank of St. Louis	September 2025
National Bureau of Economic Research (NBER) recession indicator	Federal Reserve Bank of St. Louis, retrieved from FRED, Federal Reserve Bank of St. Louis	September 2025

Source: Economics Center.

The Economics Center utilized a Vector Auto Regression (VAR) model to forecast Ohio's relevant retail sales for the upcoming period. The VAR model is a standard macroeconometric approach that considers the movements of all included variables over the time period, developing internal projections for data that do not have observed values for the forecast period. Thus, the model forecasts future values for Ohio retail sales as well as future values for employment, wages, consumer sentiment, household debt, and inflation.

For the regional models, regional earnings and employment were included in lieu of statewide earnings and employment. Regions comprise the counties contained within the geographic boundaries of the metropolitan statistical areas (MSAs) under analysis. For MSAs with multi-state areas, only the Ohio counties are included. Figure 2 illustrates the regions used in the analysis.

[10] While the tax revenue data was available through August 2025, at the time of this report the first half of 2025 sales tax breakdown by industry was not available. The average of post-COVID relevant retail share of tax revenue was used to impute January 2025 to calculate holiday spending for the 2024 holiday season.

Figure 2: Ohio Metropolitan Statistical Areas

Source: Economics Center.

Forecast Results

Statewide Forecast

The Economics Center projects a 3.1 percent increase in relevant retail spending during 2025 holiday season compared to 2024.

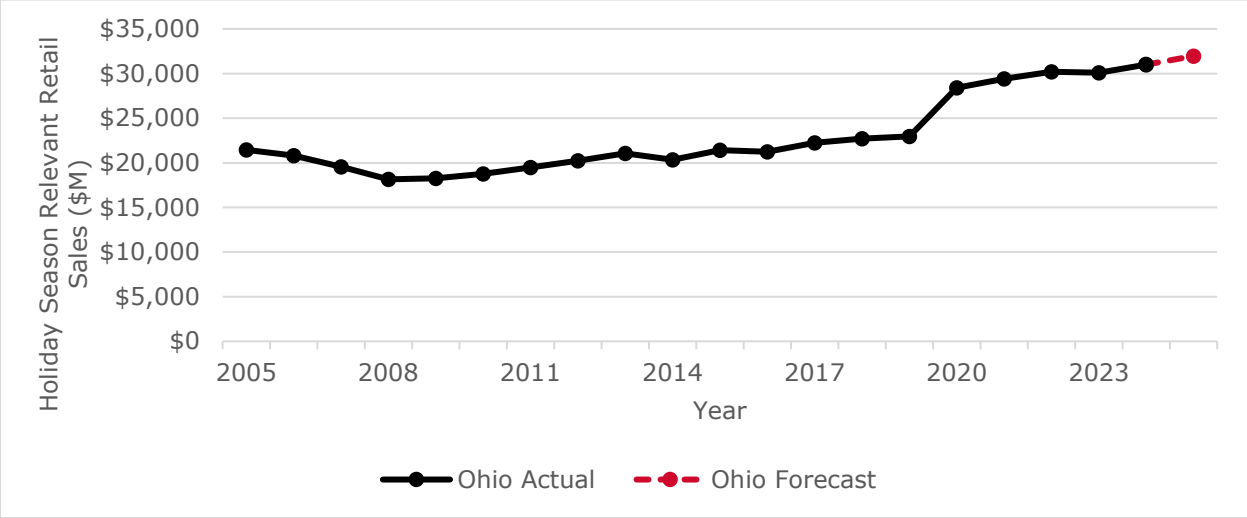
The Economics Center estimates relevant retail sales of nearly $32.0 billion statewide during the November-January holiday season in 2025. This compares to approximately $31.0 billion in relevant retail spending during the 2024 holiday season. The forecasted growth rate of 3.1 percent in relevant retail sales in Ohio this holiday season is comparable to national forecasts, which range from 2.9 percent to 4.2 percent.[11]

Holiday spending in Ohio during the 2024 holiday season increased by 2.5 percent compared to the 4.2 percent to 4.3 percent growth experienced nationally.[12] As illustrated in Figure 3, relevant retail sales

[11] (Deloitte 2025); (National Retail Federation 2025); (Mastercard Economics Institute 2025); (Bain & Company 2024)
[12] (National Retail Federation 2025); (Deloitte 2025)

growth in Ohio was 23.6 percent during the 2020 holiday season, 3.6 percent during the 2021 holiday season, 2.7 percent during the 2022 holiday season, and -0.4 percent during the 2023 holiday season.

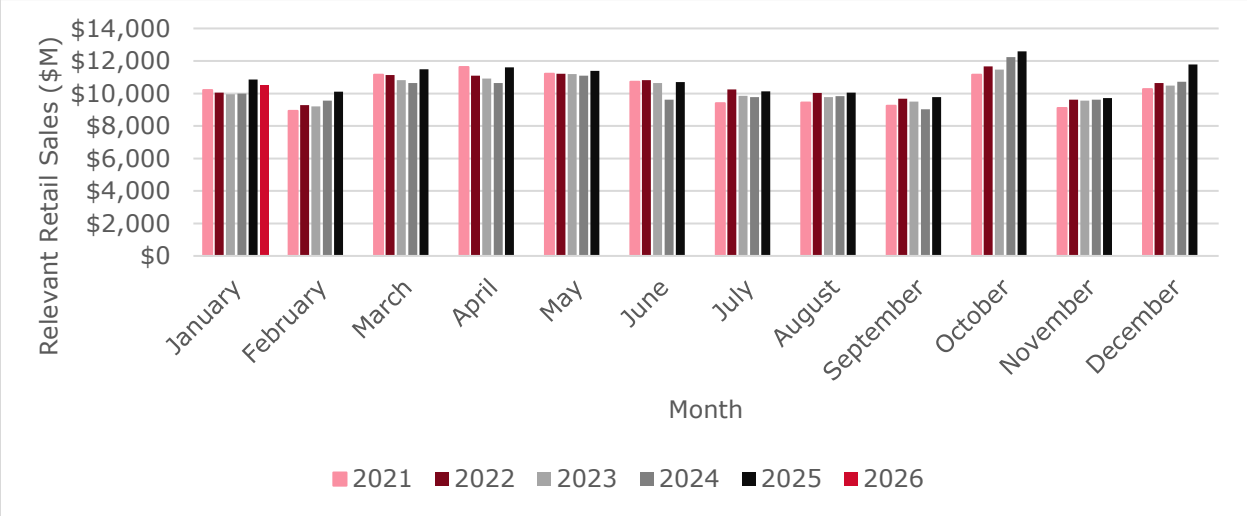
Figure 3: Ohio Historical and Forecasted Holiday Relevant Retail Sales in Millions, 2005–2025



Source: Economics Center analysis.

Figure 4 displays estimated monthly relevant retail sales for Ohio from January 2020 through May 2025 and forecasted estimates for April 2025 through January 2026. Seasonal spikes in relevant retail sales are observed in October and, to a lesser degree, December. Spikes in relevant retail sales were also seen in January during 2021 and 2024.

Figure 4: Ohio Relevant Retail Sales by Month in Millions, January 2021–January 2026



Source: Economics Center analysis.

Regional Forecast

The Economics Center forecasts that relevant retail sales will increase in six of the nine metropolitan statistical areas during the 2025 holiday season compared to 2024, although the magnitudes and growth rates vary considerably, as shown in Table 3. The Akron and Mansfield Metropolitan Statistical Areas are the only regions expected to experience a decrease in relevant retail sales (-0.4% and -4.4% respectively) from the previous year. Relevant retail spending in the Lima Metropolitan Statistical Area will experience a modest increase, while the Toledo Region will remain unchanged this holiday season. The Cleveland Metropolitan Area is expected to experience the highest holiday retail sales growth (5.0%), followed by the Cincinnati Region (3.0%) and the Dayton Region (2.5%). The State's largest metro areas – Columbus, Cleveland, and Cincinnati – again are expected to account for more than half (55.5%) of estimated relevant retail sales.

Table 3: Ohio Relevant Retail Sales Forecast by Region in Millions, 2025 Holiday Season

Metro Area	2024 Sales	2025 Forecast	Growth Rate (2024-24)	Share of State 2025
Akron	$1,889	$1,882	-0.4%	5.9%
Cincinnati	$5,081	$5,232	3.0%	16.4%
Cleveland	$5,449	$5,722	5.0%	17.9%
Columbus	$6,681	$6,788	1.6%	21.2%
Dayton	$2,080	$2,132	2.5%	6.7%
Lima	$277	$277	0.2%	0.9%
Mansfield	$296	$283	-4.4%	0.9%
Toledo	$1,541	$1,541	0.0%	4.8%
Youngstown	$1,036	$1,040	0.4%	3.3%

Source: Economics Center analysis.

Economic Conditions

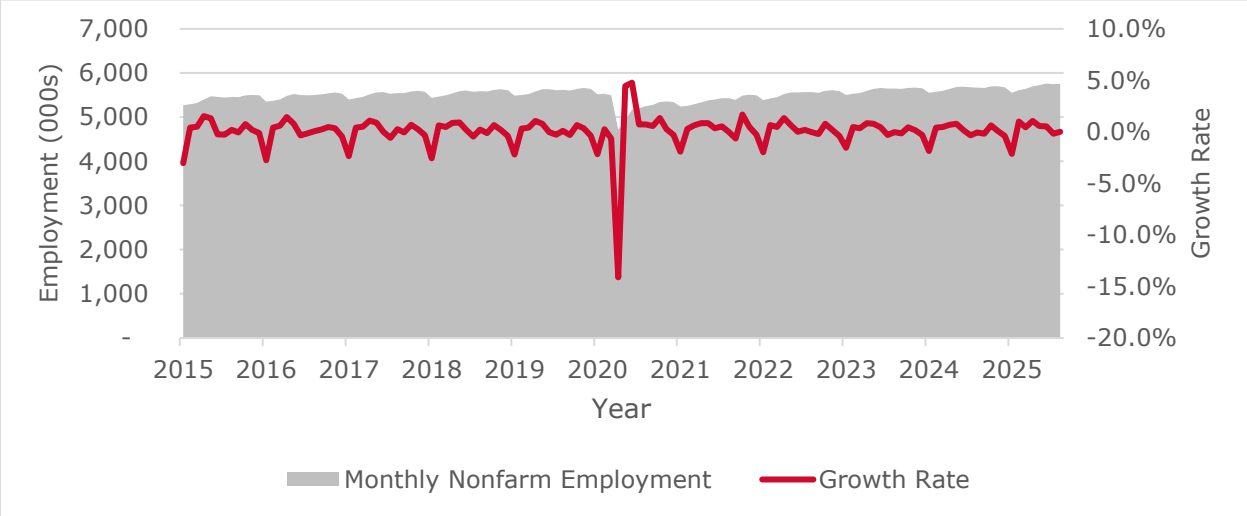
Overall, economic indicators continue to reflect the strong economy that has existed since the end of the COVID-19 pandemic. Employment and wages have increased since 2020. Despite some recovery from the COVID-19 pandemic, consumer sentiment remains below pre-pandemic levels and has been falling throughout 2025. Household wealth remains strong, bolstered by rising home prices despite rising income-to-debt ratios. The Federal Reserve increased interest rates 11 times since March 2022, including four interest rate hikes in 2023, to curb rising inflation.[13] Amid easing inflation rates, the Federal Reserve cut interest rates twice in 2024, with a 0.5 percentage point cut in September and a 0.25 percentage point cut in November.[14] The Federal Reserve made three additional 0.25 percentage-point cuts in 2025. The federal funds rate now has a target range of 3.75 percent to 4.0 percent.[15]

[13] (Cox 2023)
[14] (Cox 2024)
[15] (Cox 2024)

Employment and Wages

Before 2020, Ohio experienced sustained overall employment growth since 2015, with slowed growth beginning in 2017. Employment growth between 2018 and 2019 was slower in Ohio than nationally, with Ohio's increase of 0.6 percent compared with the national rate of 1.3 percent. The COVID-19 pandemic affected employment both nationally and in Ohio. Between 2019 and 2020, Ohio employment decreased by 5.9 percent, compared to a 5.8 percent decrease nationally. Between 2020 and 2021, Ohio employment grew by 2.4 percent compared to national employment growth of 2.9 percent, indicating a slower employment rebound in Ohio. Furthermore, employment in Ohio grew by 2.7 percent between 2021 and 2022 and by 1.5 percent between 2022 and 2024. In comparison, employment nationally grew by 4.3 percent between 2021 and 2022 and by 2.1 percent between 2022 and 2024. In August 2025, year-over-year employment growth from 2024 was 1.5 percent, outpacing the national growth rate during the same period, which was 0.8 percent. As exhibited in Figure 5, quarterly total nonfarm employment also exhibits clear seasonality, with annual peaks during Q4 reflecting increased labor demand during the holiday season.

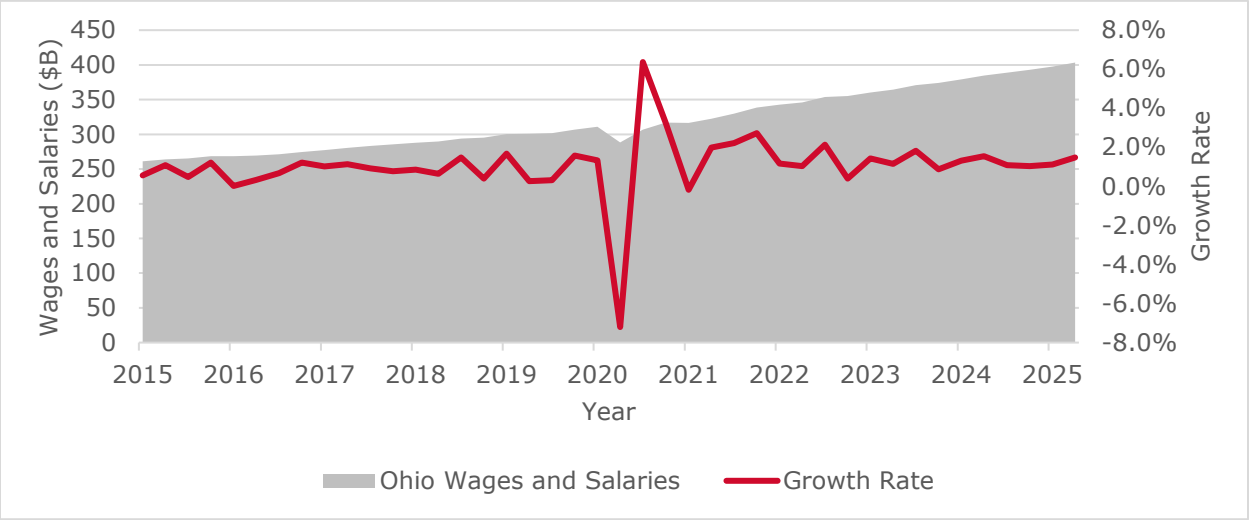
Figure 3: Quarterly Ohio Total Nonfarm Employment in Thousands, Q1 2015–Q2 2025



Source: U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis.

Figure 6 illustrates quarterly wages and salaries in Ohio from Q1 2014 through Q2 2025. Total Ohio wages and salaries have exhibited positive annual growth since 2014; however, wages and salaries in Ohio experienced a sharp decline in Q2 2020 due to the COVID-19 pandemic. Between Q1 2020 and Q2 2020, wages and salaries in Ohio declined by 7.1 percent, compared with a national decline of 6.5 percent. Wages and salaries in Ohio increased by 7.0 percent between 2021 and 2022, increased by 5.2 percent between 2022 and 2023, and increased by 5.2 percent between 2023 and 2024. In comparison, wages and salaries nationally increased by 7.8 percent between 2021 and 2022, increased by 5.4 percent between 2022 and 2023, and increased by 5.6 percent between 2023 and 2024. This indicates that wages and salaries have grown at a slower pace in Ohio compared to nationally. In Q2 of 2025, wages and salaries grew 4.8 percent from the previous year, while nationally, wages and salaries are 5.1 percent higher in Q2 of 2025 than the previous year.

Figure 4: Quarterly Ohio Total Wages and Salaries[16] in Billions, Q1 2014–Q2 2025



Source: Federal Reserve Bank of St. Louis and U.S. Bureau of Economic Analysis, retrieved from FRED, Federal Reserve Bank of St. Louis.

Consumer Sentiment

As measured by the University of Michigan's Consumer Sentiment Index and displayed in Figure 7, consumer sentiment experienced overall growth between 2015 and the start of 2020. Consumer sentiment peaked in March 2018 and then dropped dramatically in 2020 due to the COVID-19 pandemic. In 2020, consumer sentiment reached its peak in February, then dropped 29 points to its lowest point in April. This represents a 28.9 percent decrease in consumer sentiment between February and April of 2020. Following the onset of the COVID-19 pandemic, the Consumer Sentiment Index reached a peak in April 2021 and then fell to a low in June 2022. Consumer sentiment recovered somewhat between 2022 and 2024. However, starting in January 2025, consumer sentiment has mostly declined, dropping to as low as 52.2 in May of 2025, before recovering marginally through July, and then dropping to 55.1 in the latest reading for September.

[16] Seasonally adjusted.

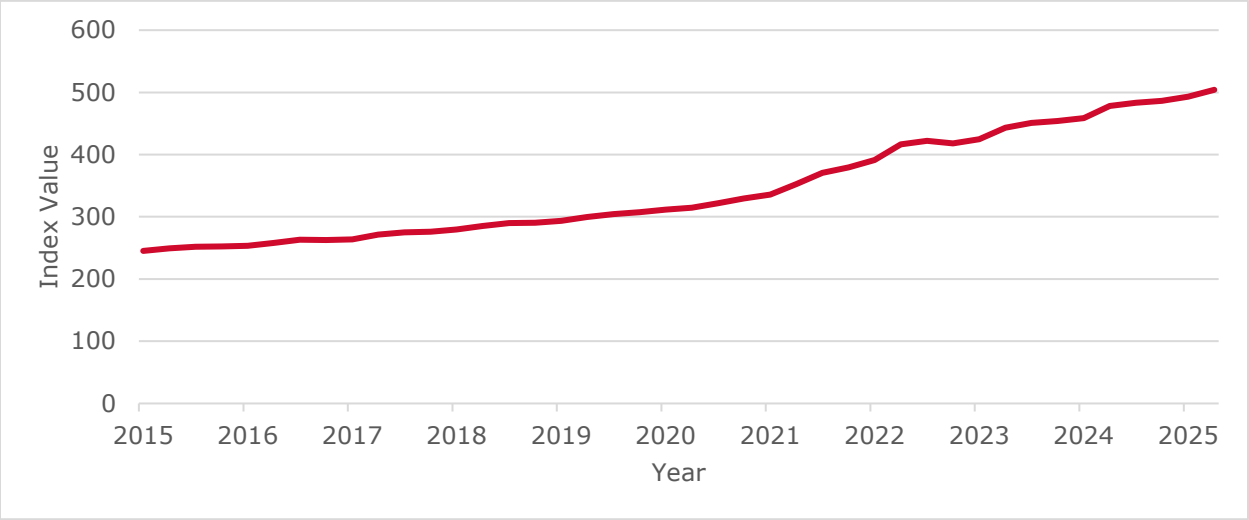
Figure 5: Consumer Sentiment Index, January 2015–September 2025

Source: University of Michigan retrieved from FRED, Federal Reserve Bank of St. Louis.

Household Wealth

Houses in an appreciating real estate market tend to be a source of household wealth. Growth in the house price index in Ohio, as shown in Figure 8, has steadily increased since 2015 and began experiencing accelerated growth in January 2017. Between 2017 and 2020, growth in the house price index in Ohio averaged approximately 5.1 percent. However, the house price index for Ohio experienced dramatic growth between 2020 and 2022. Specifically, the house price index for Ohio increased 12.2 percent between Q2 2020 and Q2 2021 and increased by 18.2 percent between Q2 2021 and Q2 2022. The house price index for Ohio has increased at a slower rate since 2022. Specifically, the house price index increased 6.8 percent between Q2 2022 and Q2 2023, increased by 7.9 percent between Q2 2023 and Q2 2024, and increased by 5.4 percent between Q2 2024 and Q2 2025. The growth in the House Price Index for Ohio has outpaced wage growth in recent years.

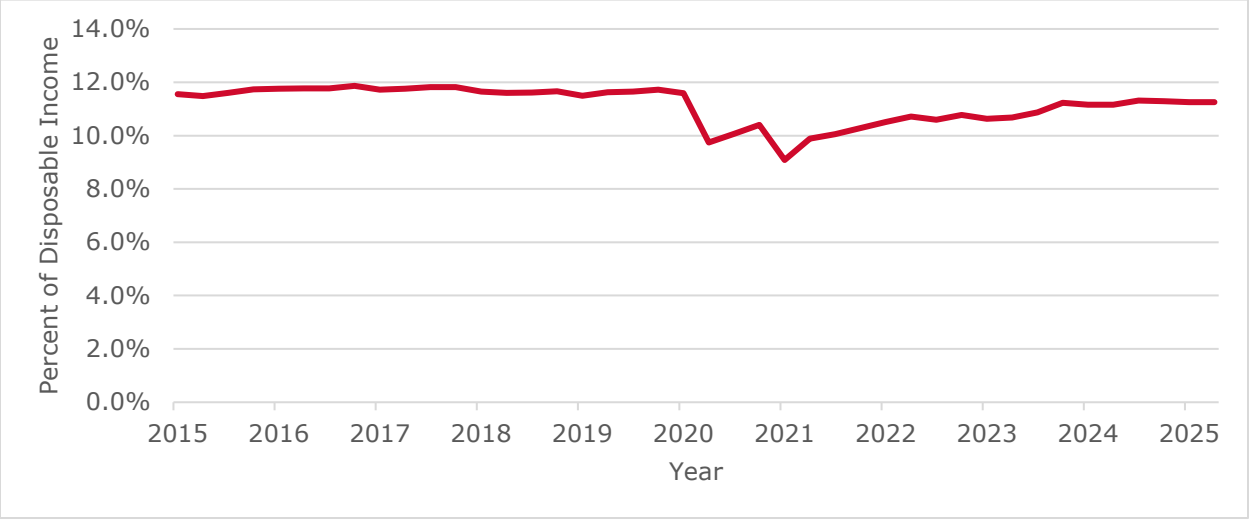
Figure 6: Ohio House Price Index, All Transactions, Q1 2015–Q2 2025



Source: U.S. Federal Housing Finance Agency, retrieved from FRED, Federal Reserve Bank of St. Louis.

As shown in Figure 9, household debt payments as a share of disposable income remain lower than a ten-year high of 11.9 percent in Q4 2016. Household debt payments as a share of disposable income dropped from 11.6 percent in Q1 2020 to 9.7 percent in Q2 2020. This represents a 1.8 percentage point decline. However, household debt payments as a share of disposable income have been increasing since Q2 2021. During Q2 2025, household debt payments as a share of disposable income were 11.2 percent. This represents a level 0.4 percentage points below pre-pandemic levels.

Figure 7: Household Debt Payments' Share of Disposable Personal Income[17], Q1 2015–Q2 2025



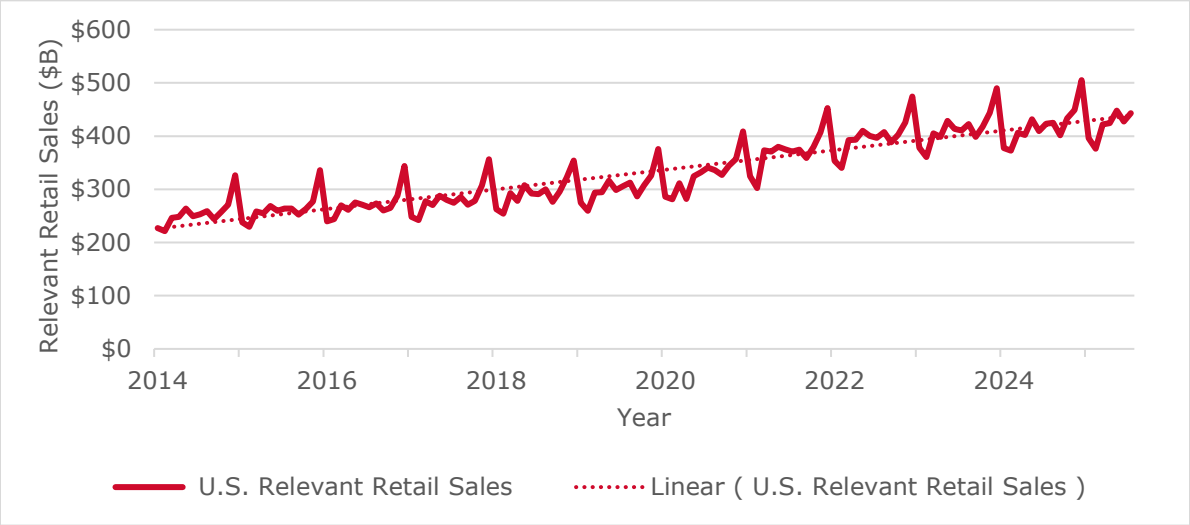
Source: Board of Governors of the U.S. Federal Reserve, retrieved from FRED, Federal Reserve Bank of St. Louis.

[17] Seasonally adjusted.

Retail Trade and E-Commerce

National relevant retail trade volumes increased steadily between 2014 and 2019, as shown in Figure 10. Full-year national relevant retail sales exceeded $3.6 trillion in 2019 after reaching more than $3.5 trillion in 2018. National relevant retail sales increased to $3.9 trillion in 2020 amid the COVID-19 pandemic and continued to grow to $4.5 trillion in 2021, $4.8 trillion in 2022, nearly $5.0 trillion in 2023, and over $5.0 trillion in 2024. Additionally, national relevant retail sales during the first seven months of 2025 totaled $2.9 trillion, up from $2.8 trillion during the first seven months of 2024. This represents a 4.1 percent increase in national relevant retail sales between the first seven months of 2024 and the first seven months of 2025. Unsurprisingly, relevant retail sales exhibit distinct seasonality, with the highest volumes each year in December and, to a lesser degree, November.

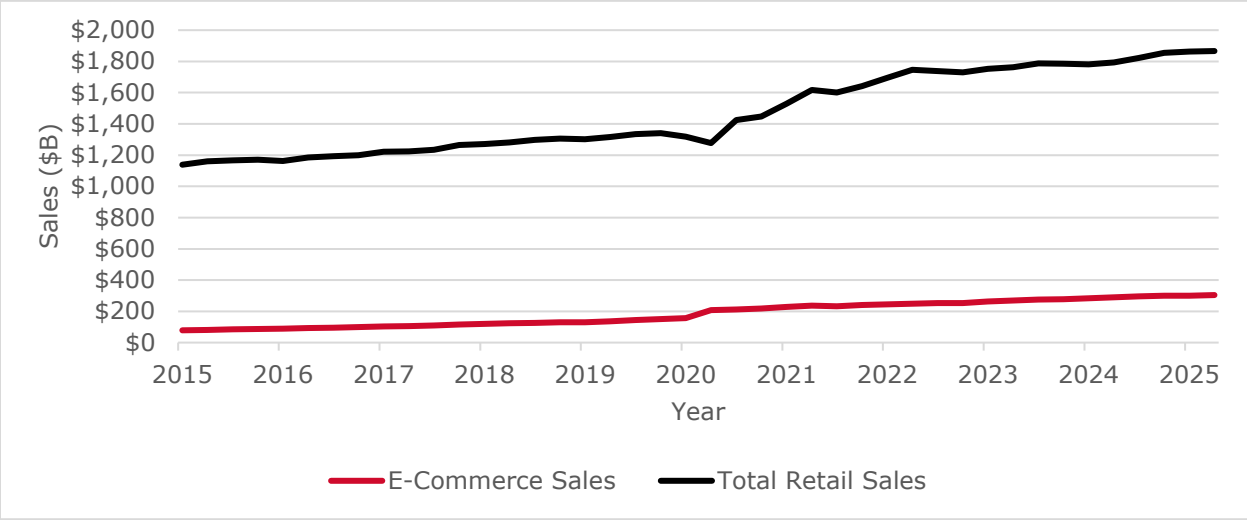
Figure 8: Monthly U.S. Relevant Retail Sales in Billions, January 2014–July 2025



Source: U.S. Census Bureau Retail Trade Survey.

E-commerce sales have been the primary driver of overall retail sales growth in recent years. After constituting 6.9 percent of total retail sales in Q1 2015, e-commerce accounted for 16.3 percent of all U.S. retail sales in Q2 2025. The COVID-19 pandemic shifted consumer spending, with e-commerce accounting for 16.4 percent of total retail sales in Q2 2020. This represents a 4.5 percentage point increase from Q1 2020. As shown in Figure 11, quarterly e-commerce sales exceeded $304.2 billion in Q2 2025, after averaging approximately $237.6 billion in 2021, $253.1 billion in 2022, $275.7 billion in 2023, and $288.8 billion in 2024.

Figure 9: Quarterly U.S. E-Commerce and Total Retail Sales[18] in Billions, Q1 2015–Q2 2025

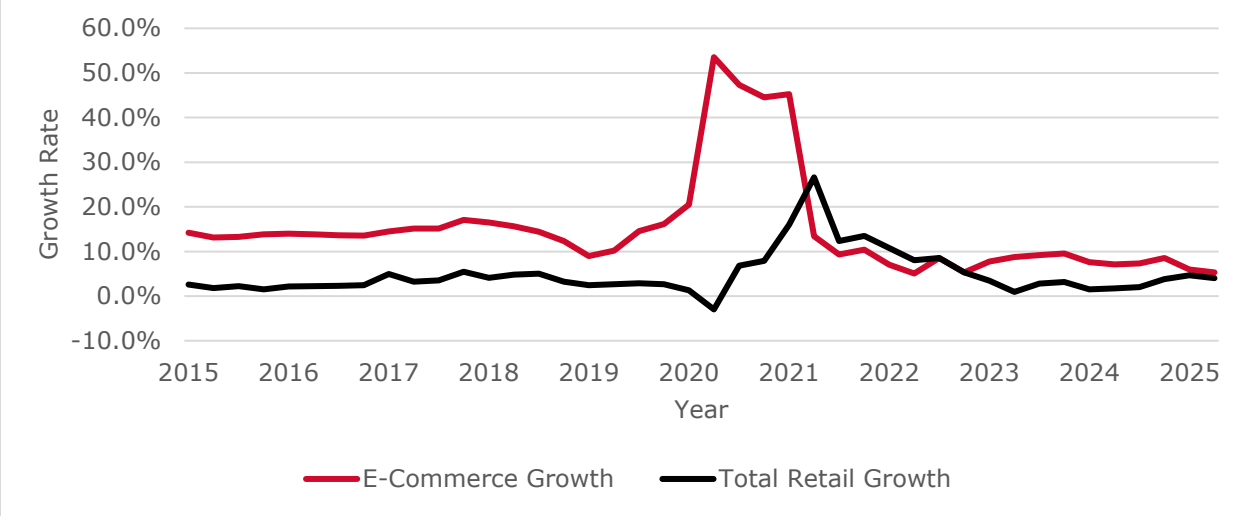


Source: U.S. Census Bureau, retrieved from FRED, Federal Reserve Bank of St. Louis.

As illustrated in Figure 12, year-over-year growth in e-commerce sales has fallen below the pre-pandemic rates. In 2019, e-commerce sales grew 12.3 percent year over year, compared with an average year-over-year growth rate of 2.5 percent for all retail sales. The COVID-19 pandemic shifted consumer spending patterns, reflected in the dramatic year-over-year growth throughout 2020. E-commerce sales increased by 41.7 percent in 2020 compared to 2019, while total retail sales increased by 3.0 percent. The dramatic year-over-year drop in e-commerce sales in 2021 reflects the increase in 2020 and the return to normal levels in 2021. E-commerce sales and total retail sales increased by 17.8 percent and 17.2 percent in 2021, respectively. Total retail sales grew 8.1 percent year over year in 2022, exceeding e-commerce sales growth of 6.5 percent. In 2025, year-over-year e-commerce growth has just outpaced overall retail growth, with 6.0 percent vs 4.6 percent in Q1 and 5.3 percent vs 4.0 percent in Q2.

[18] Seasonally adjusted.

Figure 10: Quarterly Year-over-Year Growth in U.S. E-Commerce and Total Retail Sales[19], Q1 2015–Q2 2025

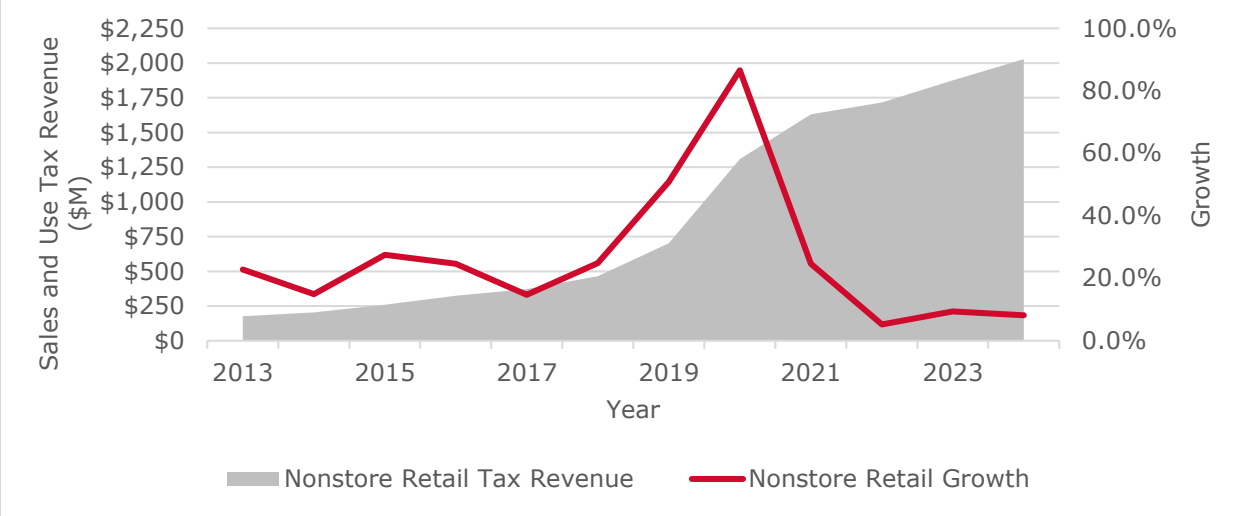


Source: U.S. Census Bureau, retrieved from FRED, Federal Reserve Bank of St. Louis.

In Ohio, sales tax revenues from non-store retailers serve as a proxy for e-commerce activity. As depicted in Figure 13, revenues have trended upward overall since 2013 and have grown consistently since 2019. Annual growth averaged 21.6 percent between 2013 and 2018, but in 2019 it was 50.9 percent. The nominal growth of $236.5 million in 2019 is the largest annual revenue jump between 2013 and 2019. The COVID-19 pandemic accelerated this growth with nominal growth of $607.1 million between 2019 and 2020. This represents an 86.6 percent increase in tax revenues. Tax revenue grew by 24.6 percent between 2020 and 2021, which reflects a return to pre-pandemic growth rates. The nominal growth in 2021 was $321.8 million. However, tax revenue growth slowed to 5.2 percent between 2021 and 2022, 9.3 percent between 2022 and 2023, and 8.1 percent between 2023 and 2024. This reflects nominal growth of $85.1 million, $160.2 million, and $152.4 million, respectively. Notably, beginning in June 2015, Amazon began collecting and remitting sales tax on its own sales in Ohio, and other online-only retailers have since followed suit.[20] This has boosted overall retail sales tax revenues, particularly from non-store purchases.

[19] Seasonally adjusted.
[20] (Williams 2015)

Figure 11: Annual Ohio Sales Tax Revenues from Non-store Retailers in Millions, 2013–2024



Source: Ohio Department of Taxation.

The rise in online and mobile shopping has forced brick-and-mortar retailers to compete across both modes of purchase and advertising channels. The ease of shopping online and on mobile platforms allows customers to discover new products and vendors more easily and to bargain shop throughout the year in advance of the holiday season. Moreover, brand recognition is increasingly important to shoppers, prompting retailers to court potential customers through special deals and sales events and to appeal to their charitable and philanthropic preferences.

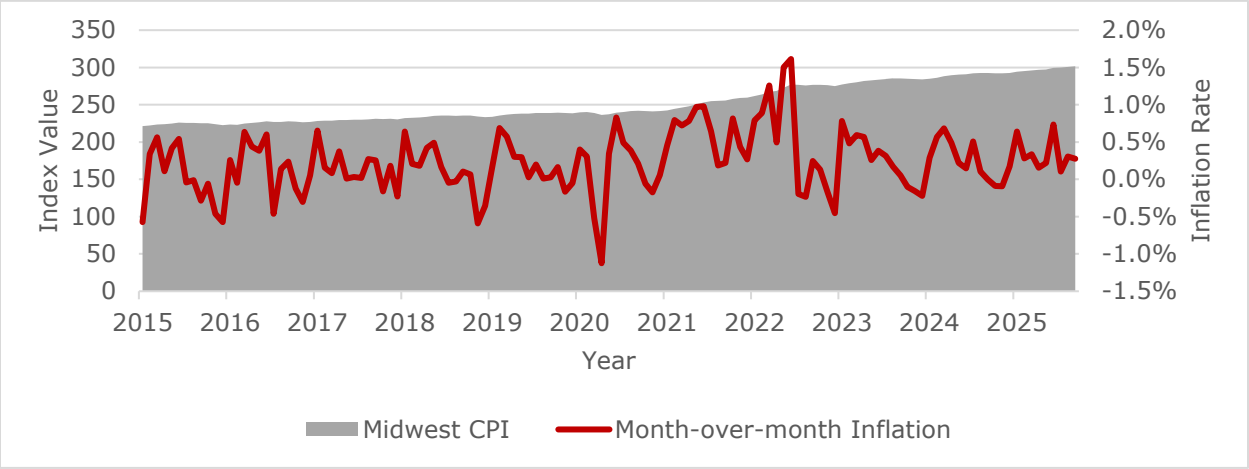
Digital and mobile technologies mean that consumers are generally better informed and empowered to research their purchases before they arrive at the store. The increased speed of shopping also creates challenges for retailers in terms of optimizing inventory.[21]

Inflation

Since the middle of the COVID-19 pandemic, inflation, as measured by the Midwest Consumer Price Index, has trended higher. Year-over-year inflation in September of 2021 was 5.7 percent, and in 2022 it was 8.1 percent. Inflation cooled starting in 2023, with September year-over-year inflation at 3.2 percent, and in 2024 it was 2.5 percent. In September of 2025, however, it began to heat up again, reaching 3.1 percent. Based on recent actions and statements by the Federal Reserve, the recent inflation increase is expected to be transitory, driven by tariffs, and not representative of a persistent rise.

[21] (Deloitte 2016); (Deloitte 2018)

Figure 12: Midwest Consumer Price Index, January 2015–September 2025



Source: U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis.

Summary

The Economics Center forecasts a 3.1 percent increase in statewide relevant retail sales for the 2025 holiday season. Total statewide holiday sales are expected to reach approximately $32.0 billion, up from $31.0 billion in 2024. Compared to 2024, more holiday spending is expected to occur in six of the nine metro regions analyzed in Ohio. The Mansfield and Akron Metropolitan Statistical Areas are expected to experience lower holiday sales compared to 2024. The Lima Metropolitan Area is forecasted to experience a modest increase in relevant retail spending, while the Toledo Region's sales are expected to remain approximately the same. The Cleveland, Cincinnati, and Dayton Metropolitan Statistical Areas are forecasted to experience the largest increase in relevant retail sales in 2025. The three largest metro regions – Columbus, Cleveland, and Cincinnati – will again account for more than half of sales. Following trends in recent years, consumers continue to focus more on online shopping.

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