

The conversion rate, which measures the proportion of shoppers making a purchase, was 67.9 percent. That was down slightly from the previous week, but ahead of the first part of December, NPD data show.

"Major players, such as Macy's, are fine," Niemira added. "Specialty stores are likely to be more uneven. Specialty apparel seems to have been hit by abnormally warm weather. Sales were on the slow side and there has been more discounting consequently."

The biggest shopping malls and regional malls saw the strongest customer traffic since the first week of 2011. Factory outlets remained busy, but less so than the prior week, he said.

THE RISE OF ECONOMY AND E-COMMERCE

Wednesday's retail data points underscore recent economic data that show the U.S. economy is in recovery mode, albeit slowly. U.S. consumer confidence rose more than expected in December, hitting an eight-month high, as Americans grew more upbeat about the labor market and their financial situation, the Conference Board said on Tuesday.

That followed a report early in December showing U.S. unemployment at the lowest level since March 2009.

However, U.S. house prices are still falling, tempering economic optimism, and some retailers, such as Sears Holdings Corp, are suffering.

Part of the problem for chains such as Sears and the now-shuttered Borders Group may be competition with online retailers, who saw faster sales growth this holiday season, suggesting e-commerce took market share from brick-and-mortar stores.

Online sales, still a small component of overall sales, continued to grow at a faster clip than sales in stores, according to comScore data on Wednesday.

Online spending in the United States reached a record \$35.27 billion from November 1 through December 26, up 15 percent versus the corresponding period last year, comScore reported.

For the week ending December 25, consumers spent \$2.83 billion online, up 16 percent from the corresponding period in 2010, comScore also said.

"E-commerce is going to be awesome this holiday and retail will be mediocre," said Michael Rubin, head of Kynetic, which owns online retail businesses Fanatics, Rue La La and ShopRunner.

(Reporting by Alistair Barr in San Francisco and Jessica Wohl in Chicago, additional reporting by Phil Wahba in New York; editing by Matthew Lewis, Phil Berlowitz)

What do you think?



To what extent do you expect the economy to improve in 2012?



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