

# ECONOMIC MARVELS

**STORIES OF INNOVATION**

FOUNDATION *for*  
ECONOMIC EDUCATION

— EST. 1946 —



# The Economics of ...



# Key Economic Concepts\*

(Look for these key concept aligned to CEE Voluntary National Content Standards during the lesson)

Scarcity

STANDARD 1: SCARCITY

Opportunity  
Cost

STANDARD 1: SCARCITY

Factors of  
Production

STANDARD 1: SCARCITY

Incentives

STANDARD 4: INCENTIVES

Supply and  
Demand

STANDARD 8: ROLE OF PRICES

Market  
Economy

STANDARD 3: ALLOCATION  
STANDARD 9: COMPETITION & MARKET  
STRUCTURE



## Introductory Question



**What do you know  
about Spirit  
Halloween's Business  
Model?**







**Welcome to the eerie economics of Spirit Halloween, where forsaken storefronts undergo a mystical transformation into seasonal retail emporiums overnight. Spirit Halloween now commands over 1,450 stores across the US and Canada, and brought in over one billion of revenue in 2022. Their mastery of resurrecting vast, forsaken spaces, often relics of big-box retailers, into fully stocked Halloween spectacles is nothing short of enchanting. Delve into "The Economics of Spirit Halloween" as we unearth the secrets behind this supernaturally successful retail marvel.**



# Watch the Video: The Economics of Spirit Halloween



## Discussion Questions



**Give examples of each of the four factors of production for Spirit Halloween (land, labor, capital, entrepreneurship) that contribute to Spirit Halloween's remarkable success.**



## Discussion Questions



**Landlords may prefer long-term tenants but opt for Spirit Halloween's short-term leases to avoid empty spaces.**

**What does this reveal about the changing dynamics of landlord-tenant relationships in the evolving real estate market? How can other businesses, beyond seasonal retailers, learn from this approach to maximize the utilization of vacant spaces?**





## Discussion Questions

**SPIRIT HALLOWEEN manage to convince landlords to agree to temporary leases, given that landlords often prefer long-term leases?**

**How does the concept of opportunity cost relate to SPIRIT HALLOWEEN's preference for temporary leases?**



## Discussion Questions

**In what ways do Spirit Halloween's temporary business model benefit both sellers and buyers during the Halloween season?**



## Discussion Questions

**How does SPIRIT HALLOWEEN's presence in local markets align with the concept of supply and demand during the Halloween season?**



## Discussion Questions



**Compare the economic advantages and disadvantages of Spirit Halloween's seasonal pop-up model with that of traditional year-round retailers. What sets them apart?**



## Did you know...

1. **Spirit Halloween starts scoping out locations for the next year in November.**
2. **Spirit Halloween sells items for other holidays, and are available year-round online**
3. **Most Spirit Halloween shoppers wait until the last minute. 70% of sales happen in the two weeks leading up to Halloween.**
4. **Spirit Halloween started as Spirit Women's Discount Apparel.**





# Bonus Video: The Economics of Halloween (6:03)

