



Back-to-School Cheat Sheet: Consumer Trends and Insights for Retailers

Before students head back to school this fall, parents will head back to the mall in droves. Back-to-school shopping is one of the largest seasonal events for retailers and consumers, and 2016 looks to be no different as shoppers reveal their plans to spend more money than previous years. But as expected, parents are carefully considering what they buy and how much to spend. In our latest series of consumer surveys, RetailMeNot, Inc. breaks down for retailers when shoppers will be heading to the stores and what promotions will capture their attention and gain their dollar.

About the Surveys

Based on findings from two surveys, RetailMeNot, Inc. gathered consumer sentiment and shopping preferences for the 2016 back-to-school season.

A Google Consumer Survey was conducted between June 8 and June 10, 2016, in which 1,011 U.S. consumers aged 18 and over were surveyed regarding their back-to-school spending and promotional preferences. These consumers indicated they had school-age children under 18 or children in college over 18 that they would be spending money on related to back-to-school expenses.

Additionally, a RetailMeNot, Inc. June 2016 Survey was conducted by Kelton Global between June 10 and June 16, 2016, among 1,007 nationally representative Americans ages 18 and over, using an email invitation and an online survey. Quotas are set to ensure reliable and accurate representation of the entire U.S. population ages 18 and over.

Majority of Parents Say Yes to Back-to-School Shopping...



86% of parents plan on shopping for back-to-school supplies in 2016.



Shoppers will be spending an **average of \$273** for their child's return to school this fall, more than the \$246 parents anticipated spending last year.



4 out of 10 parents say they will spend between **\$100 and \$500** per child on back-to-school shopping this fall.

...And They Will Be Deal-Searching Along the Way



More than half of shoppers look for back-to-school deals regularly.

Additionally, **1 in 3** *always* look for promotions.



Over **1 in 4** shoppers buy items as they go on sale. Following closely are parents who complete all of their shopping on one weekend (24%).



Parents Still Prefer to Head to Stores



56%

More than half of parents expect to buy supplies mostly or completely in a physical store.



32%

Nearly one-third will shop equally online *and* in-store.



9%

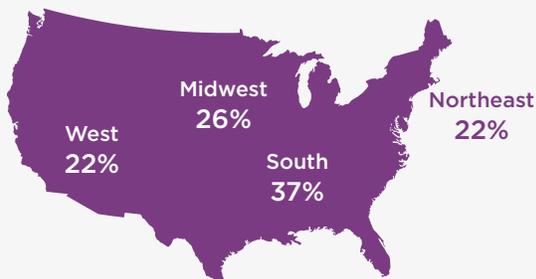
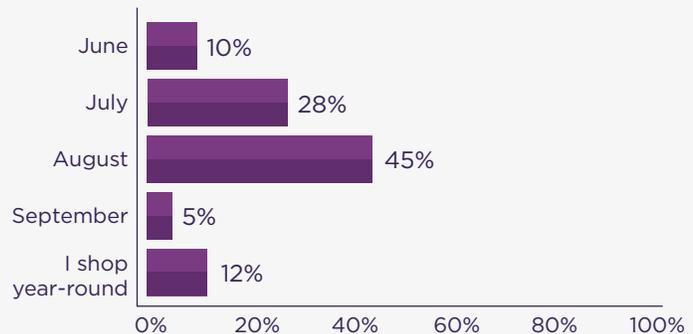
Surprisingly, fewer than 1 in 10 will shop mostly or completely online.

Shoppers Get Ready Early for the Classroom



August is the most popular month to start shopping, but almost 4 in 10 consumers like to get a head-start during June and July.

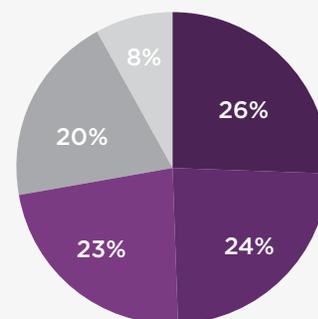
“I typically begin my fall back-to-school shopping in...”



U.S. shoppers in the South, more than any other region, prefer to start shopping in July.

Back-to-School Shopping Habits Vary

- I buy items as they go on sale (26%)
- I do all of my shopping on one weekend (24%)
- I shop several days during the summer (23%)
- I shop throughout the year for school items (20%)
- My child(ren) shop for themselves (8%)



Big Spenders Shop All Year to Find the Best Deals...



One-third of back-to-school shoppers who plan to spend \$1,000 or more on each child said they shop year-round.

...And Never Hit the Store Without Checking for Promotions.



1 in 3 high earners (\$150K+) say they search for deals every time they shop.

Females are more likely to always look for deals when back-to-school shopping compared to male shoppers.

What Items Are Parents Planning to Buy?

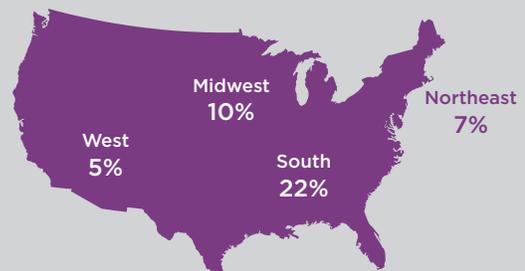


How Do They Like to Save?



The most preferred method of savings among consumers for back-to-school is "percent off total purchase" discounts.

Shoppers in the South love **tax-free savings** more than any other region.



What Stresses Them Out?

28% of parents say back-to-school shopping is a strain on their family's finances. The same percentage says that they feel stress over this financial burden.

Did you know?

54%

More than half of parents teach their children how to save.

37%

More than a third of parents teach their children how to search for coupons and deals.

50%

Half of parents say they spend more on their children's clothing than their own.

Parents Search for A+ Deals Right Before They Plan to Shop



Nearly **1 in 3** parents say they look for *more savings* when back-to-school shopping than during other times of year...

...But more than **4 in 10** say they don't search for bargains weeks in advance.



Top of the Class Promotions

Findings based on RetailMeNot, Inc. proprietary data and collected from promotional insights for more than 600,000 deals and offers from over 70,000 retailers.



Good

Free Gift With \$X Purchase
Gift Card With Purchase
% Off Back-to-School Collection



Better

\$ or % Off 1 Item
\$ or % Off for Students
\$ or % Off With Email Sign-up



Best

\$ or % off Storewide

Most Likely to Succeed: Popular Shopping Days by Category in 2016

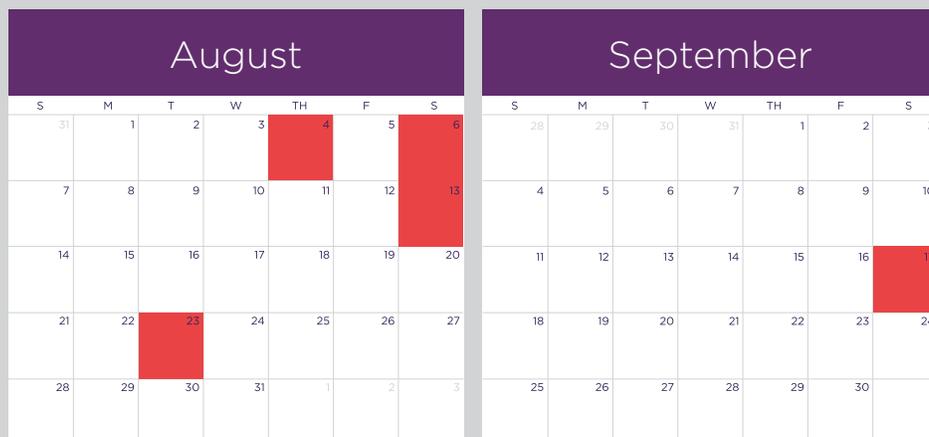
Thursday, August 4:
Accessories

Saturday, August 6:
Shoes & Multi-category

Saturday, August 13:
Teen-specific Clothing

Tuesday, August 23:
Books & News

Saturday, September 17:
Computers and Electronics
& Clothing



What Consumers Are Telling Us

After the sun has set on summer fun, it's little surprise that nearly all parents are ready to help their kids head back to the classroom. In fact, more than 9 in 10 (93%) parents say they are looking forward to their child's return to school this fall. However, with the excitement often comes the stress of back-to-school shopping lists, supplies and new clothing.

Budgets are set to increase in 2016 compared to last year's spend. However, despite this, more than 1 in 4 (28%) parents say they feel a financial burden during the back-to-school season. While survey results point to a more confident consumer, retailers can still expect shoppers to be on the hunt for a bargain. More than half (56%) of shoppers say they search for deals often or always when back-to-school shopping, and an additional 26% admit to researching the best price some of the time.

While the majority of back-to-school shoppers plan to hit the stores a few weeks before the return to the classroom, 38% plan to keep an eye out for early-bird deals.

This year, retailers can expect back-to-school shoppers to visit them in-store or online armed with more information than ever before due to the rise of smartphones and the shopper's ability to search for virtually anything in an instant. More shoppers will be focused on smart spending throughout the season, rather than heading to the stores early. Retailers in the South can expect to see parents hit stores earlier than other regions, but all merchants should be prepared for a long shopping season as more consumers wait for items to go on sale. Additionally, we can expect consumers to shop for items in different categories at different times, waiting for peak discounts.

RetailMeNot inc.

How Retailers Can Score Extra Credit

After analyzing data from thousands of retailer promotions, RetailMeNot, Inc. found that while consumers' shopping lists change as the season progresses not all retailer promotional strategies are aligned with those buying behaviors. Based on these insights, we're sharing strategies for retailers who want to excel this season.

- **Align Deepest Promotions During Peak Weeks**

Not all categories are created equally, at least when it comes to consumer shopping habits. RetailMeNot, Inc.'s 2015 data points to trends showing when and why shoppers are hitting the stores.

For example, office and school supplies are consistently searched for throughout the back-to-school season (July through September), while most consumers search for electronics and technology primarily in September. Additionally, clothing and fitness apparel search traffic spikes in July. By knowing when your audience shops, retailers can plan when to push their deepest discounts and when to use evergreen content for those shoppers who are still higher in the shopping funnel.

- **Use Shared Data to Plan and Avoid Discount Burnout**

By building stronger data-driven promotions through merchant-owned data, as well as through marketing partnership data, retailers can avoid discounting just to compete. Instead, retailers can use smarter data insights to analyze the unique buying patterns of their specific audience to help create more customer loyalty and spend.

Legacy promotion models of "one size fits all" are no longer effective. By partnering with mobile app destinations where shoppers are already spending a majority of their time, retailers will have more access to consumer mobile moments. This strategy keeps high-value customers happy by giving them the offers they expect while minimizing margin erosion.



For more information on how your brand or stores can partner with RetailMeNot on data-driven promotions, or to learn more about back-to-school insights, visit us at:
<http://go.retailmenot.com/back-to-school>

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