



Back-to-School Spending Slow as Parents Hunt for Bargains on Big-Ticket Items



- 1) Many families still have a great deal of back-to-school-spending ahead of them, according to a recent National Retail Federation (NRF) survey conducted by Prosper Insights & Analytics.
- 2) According to the survey, the average family with children in grades K–12 had completed only 45% of its shopping as of early August, versus 48% at the same point a year ago. Comparable survey results peaked at 52% in 2013 and hit a low of 40% in 2012.
- 3) During the August 1–9 survey period, only 13% of families polled had completed all of their back-to-school shopping, and 23% had not started at all.
- 4) The NRF maintained its forecast of total spending of \$83.6 billion on back-to-school items this year, consisting of \$29.5 billion in K–12-related spending and \$54.1 billion in college-related spending.
- 5) The sluggish spending was explained by students' need for big-ticket items such as laptops and computers, which is prompting parents to take their time in search of promotions and discounts.

Details from the Survey

The NRF/Prosper Insights & Analytics survey asked 7,248 consumers between August 1 and August 9 about their back-to-school and back-to-college shopping plans.

Of all parents surveyed, only 13% had completed all their shopping, and 23% had not started at all. Some 27% of respondents said they had planned to start shopping at least two months before the start of school, compared with 22% of those surveyed last year.



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Back-to-School Shopping (NRF Forecast: \$29.5 Billion)

Of the surveyed parents of children in grades K–12:

- 79% still needed to buy basic supplies such as pencils and paper (versus 77% at the same time last year)
- 75% needed to buy apparel (versus 70% a year earlier)
- 58% still needed to buy shoes (versus 57% a year earlier)

Where those surveyed planned to shop:

- 55% planned to head to department stores
- 49% planned to go to discount stores
- 39% planned to go to clothing stores
- 35% planned to go to office supply stores
- 33% planned to shop online

What influenced their shopping:

- 41% said they would be influenced by coupons (versus 48% in last year's survey; this year's figure was the lowest in the survey's history)
- 33% would leverage in-store promotions
- 29% would be influenced by newspaper advertising inserts

Influences by the school:

- 61% would be influenced by school requirements (versus 64% in last year's survey)
- 41% of electronics purchases would be dictated by what schools required (versus 45% in last year's survey)

Back-to-College Shopping (NRF Forecast: \$54.1 Billion)

Of the surveyed parents of college students:

- 45% had completed their shopping (down from 48% at the same point last year), compared with a peak of 54% in 2014 and a trough of 44% in 2011
- Only 12% had completed all of their shopping and 26% had not started at all
- 61% still needed to purchase school supplies
- 51% still needed to purchase clothing
- 33% still needed to purchase shoes

Where those surveyed planned to shop:

- 41% planned to shop online
- 38% planned to head to department stores
- 38% planned to go to discount stores
- 32% planned to go to college bookstores
- 31% planned to go to clothing stores



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What influenced their shopping:

- 41% said they would be influenced by coupons
- 30% would leverage in-store promotions
- 28% would be influenced by word of mouth

Among the parents who said that they had already made purchases for their college-bound student, 46% were influenced by promotions (down from 50% in last year's survey).

Commentary

A principal analyst from Prosper Insights & Analytics commented that, as has been the case in recent years, some big-ticket items are significantly influenced by school requirements, leading parents to take their time in search of promotions that can help them save on pricier items such as laptops and computers.



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