

Deloitte Survey: Back-to-school shoppers ready to spend

NEW YORK, US: Consumers' days of cutting back-to-school spending are behind them, and shoppers are reverting to more traditional information sources to study up before heading to the store, according to Deloitte's annual "Back-to-School" survey, released this week.



Nearly 9 in 10 (88%) consumers surveyed plan to spend the same or more on back-to-school shopping this year, with higher prices a contributing factor for some families. Among those who plan to spend more this year (34%), nearly 6 in 10 (58%) cite higher prices as their reason for doing so and more than one-third (34%) say their children need more expensive items than last year.

Despite these intentions, few intend to forego the tradition of setting a budget or looking for a sale. Nearly 6 in 10 (59%) consumers have a budget in mind for back-to-school shopping, and while two-thirds (66%) say they will shop for items on sale, fewer respondents feel stores are offering them more value for their money (36% in 2012 versus 47% in 2011).

"Consumers' price sensitivity and bargain habits have been hard to break," said [Alison Paul](#), vice chairman, Deloitte LLP, and retail & distribution sector leader. "Retailers will likely have to give consumers a good reason to fill the baskets in their stores, such as promotions that incentivise volume purchases or return trips. Retailers may need to quickly analyse their customer data and traffic to identify, replenish and market the popular items that can keep the momentum up throughout the season."

Additional back-to-school spending may come from students. Deloitte's survey found that 7 in 10 (68%) parents expect their school-aged children to spend US\$51 or more, an 18 percentage point increase over 2011.

Word travels fast

Deloitte's survey shows that traditional media and word of mouth will serve as the strongest influences over what consumers plan to buy this year.

Television ranks as the No.1 source for parents to hear about the items they intend to purchase, cited by 41% of respondents, followed by family members (37%), newspapers (37%) and friends (36%). Among factors influencing children's purchases, 59% of parents claim friends to be the top source of information, followed by television (41%).

"As children contribute more to the back-to-school budget and shoppers act on input from friends and family, retailers need

to consider the multiplier effect of each consumer interaction," said Paul. "That should signal retailers to focus on making a customer's experience with product availability, assortment and service consistent across all digital and store channels. Their delivery also should be appropriate for each customer segment, regardless of location, from clear signage about mobile applications visible to the teenager in the store, to the associate that can help busy parents and advertisements that air during children's TV programs."

The survey shows that smartphones and online channels will guide bargain-hungry shoppers again this year. More than 4 in 10 (43%) smartphone owners indicate they use their devices at least half the time for back-to-school shopping. Price-checking tops shoppers' lists, cited by 62% of smartphone owners who will use their devices for back-to-school shopping. Nearly half (45%) of those smartphone shoppers will download discounts, coupons and sale information.

Among those who plan to visit social media sites during the back-to-school shopping season, 70% will seek promotions and nearly half (49%) will browse products. Social media users are also increasingly seeking and posting reviews. For example, 4 in 10 (39%) plan to seek out reviews, up from 28% last year, and the number who plan to post them doubled, from 9% in 2011 to 18% in 2012.

For more information, [download this year's findings](#).

About the survey

The survey was commissioned by Deloitte and conducted online by an independent research company between 5-12 July 2012. The survey polled 1134 parents of school-age children in grades K - 12, and has a margin of error for the entire sample of plus or minus three percentage points.

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