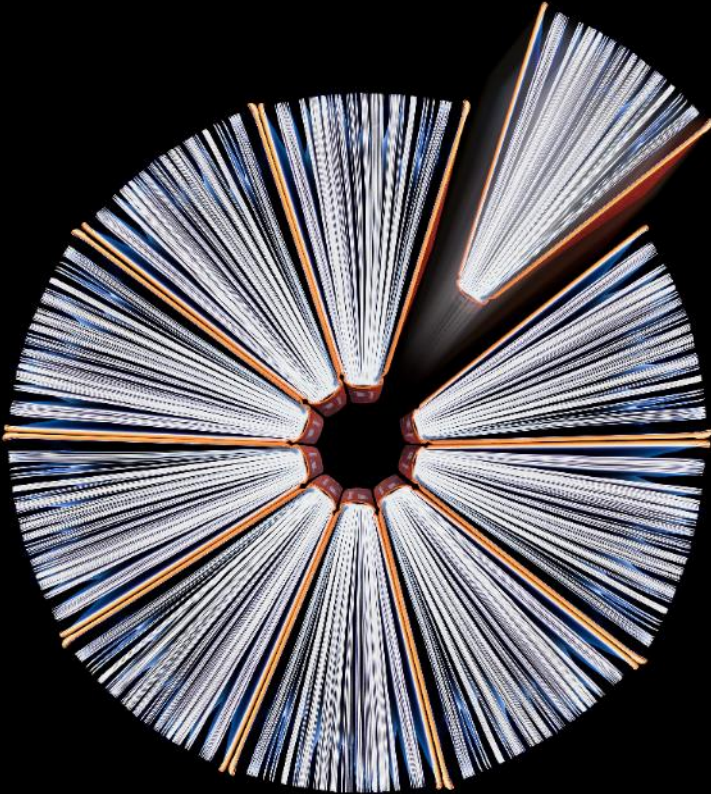


Deloitte.



Back-to-College Survey 2016
Two sides of the shopping story

Deloitte's 2016 Back-to-College Survey

Key Insights & Findings



Spend is likely to remain robust this year with parents and students differing slightly in their spending and expectations

- Parents forecast average spend of \$1,345, whereas students forecast \$1,082
- While college supplies and clothing still dominate the lists for both college parents and students, students are more likely to predict spending on technology products—the most expensive category
- While 57% of students say they will contribute over half of the Back-to-College funds, only 16% of parents agree



Shoppers expect to spend most in physical stores, but the influence of digital is pervasive

- In-store prevails over online for most shopping categories, but students expect to purchase the majority of their college supplies and tech products online
- 82% of students and 74% of parents will do research online before purchasing products in-store
- 65% of parents and 50% of students are buying fewer traditional college supplies in light of digital technologies
- 45% of students will look to social media, mostly to find the best deals



Students are budget conscious, and expected spending varies over the course of the college experience

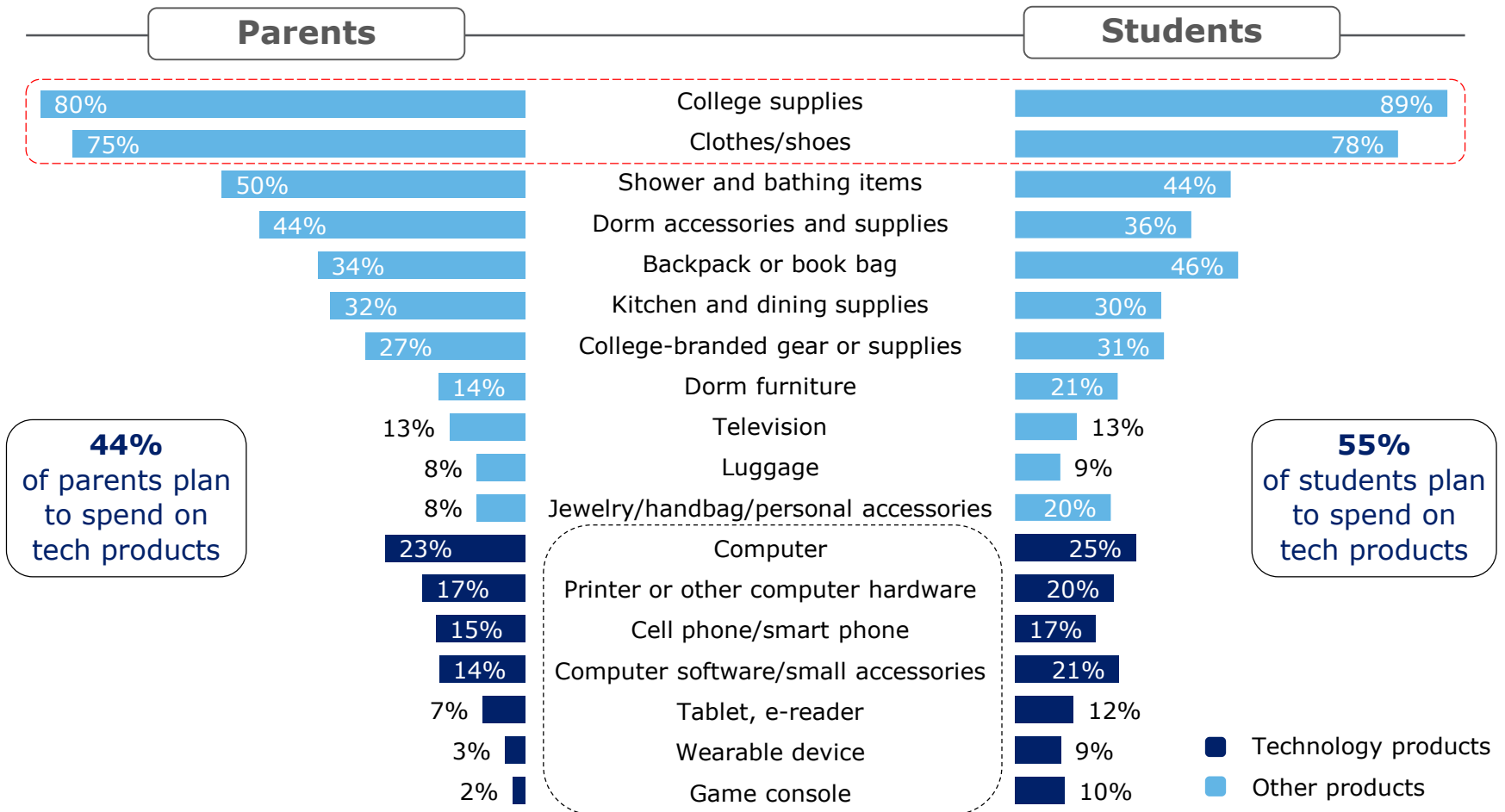
- 83% of students will buy used books and seek free shipping options to stretch their back-to-college funds
- Spending trends downward over the college lifecycle, peaking with freshman and reaching a low point with seniors

Parent vs. student shoppers

College supplies and clothes/shoes top the list of products that parents and students plan to buy

"Please select the products you plan to purchase for your student"

"Please select the products you plan to purchase for yourself"



Source: Deloitte in-house survey

Note: Parent survey sample size (N) = 750; Student survey sample size (N) = 1,200; Multiple select question

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While college supplies and clothing & accessories top most parents' shopping lists, computer shoppers spend the most

Parents

Average spend planned by parents: **\$1,345**

By category



86% plan to buy
College Supplies

Avg. spend **\$521**



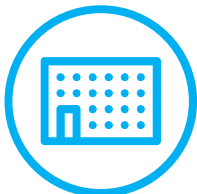
75% plan to buy
**Clothing &
Accessories**

Avg. spend **\$312**



61% plan to buy
**Household
Appliances &
Supplies**

Avg. spend **\$253**



47% plan to buy
**Dorm Furniture &
Supplies**

Avg. spend **\$321**



36% plan to buy
**Computers &
Hardware**

Avg. spend **\$673**



21% plan to buy
Electronic Gadgets

Avg. spend **\$392**

Source: Deloitte in-house survey

Note: Parent survey sample size (N) = 750; Spending on Voice and mobile data plans (Avg. \$124) is not shown on this slide

Avg. category spend is calculated only for the respondents who plan to purchase the above mentioned category

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Students are also most likely to seek basic supplies but they spend most on computers when they shop the category

Students

Average spend planned by students: **\$1,082**

By category



94% plan to buy
College Supplies

Avg. spend **\$388**



79% plan to buy
Clothing & Accessories

Avg. spend **\$202**



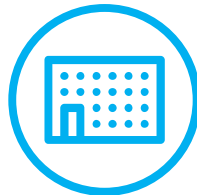
55% plan to buy
Household Appliances & Supplies

Avg. spend **\$196**



44% plan to buy
Computers & Hardware

Avg. spend **\$473**



40% plan to buy
Dorm furniture & Supplies

Avg. spend **\$279**



32% plan to buy
Electronic Gadgets

Avg. spend **\$378**

Source: Deloitte in-house survey

Note: Student survey sample size (N) = 1,200; Spending on Voice and mobile data plans (Avg. \$84) is not shown on this slide

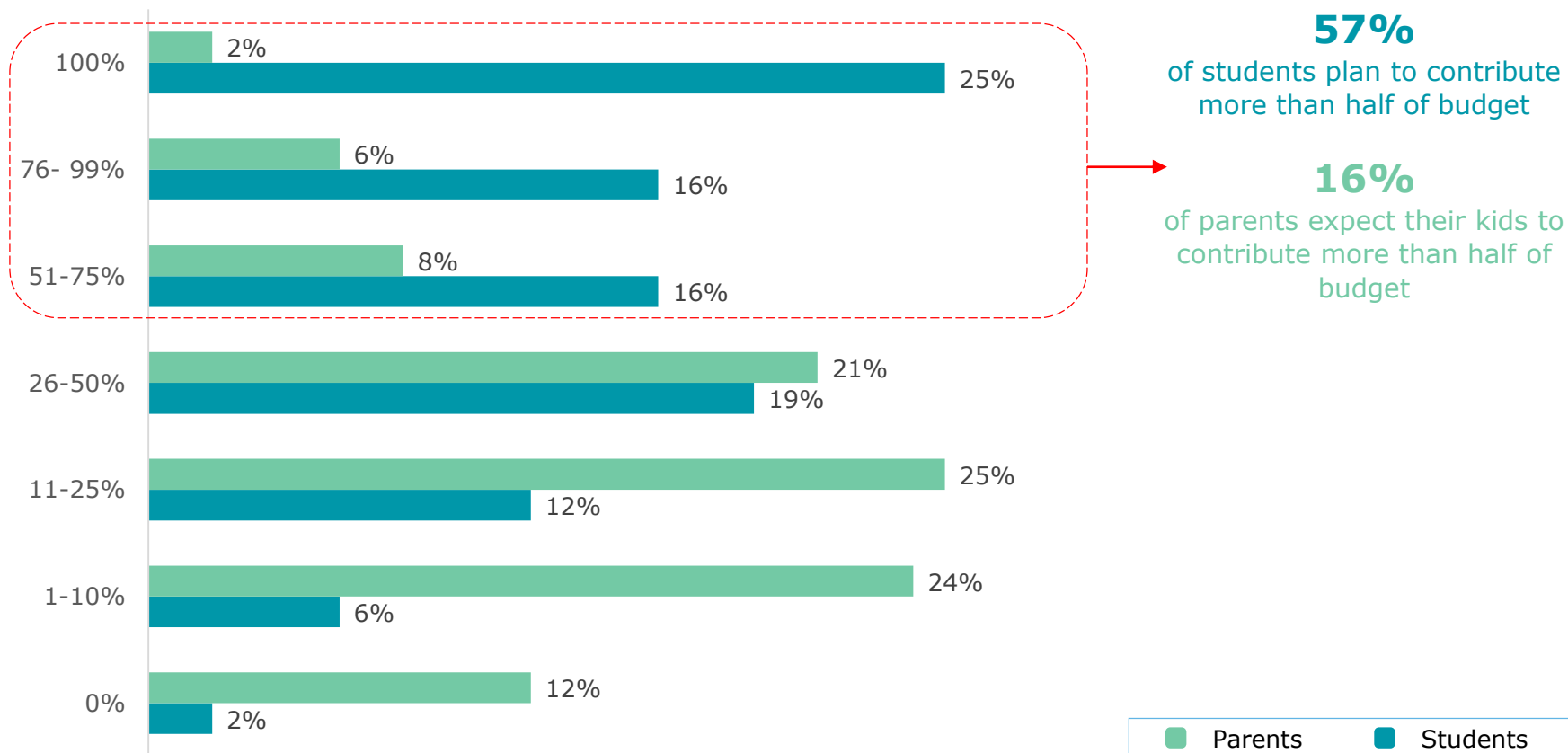
Avg. category spend is calculated only for the respondents who plan to purchase the above mentioned category

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Students claim they will contribute more to the back-to-college budget than parents expect they will cover

Parent vs. student opinion: "Student contribution to total back-to-college shopping budget"



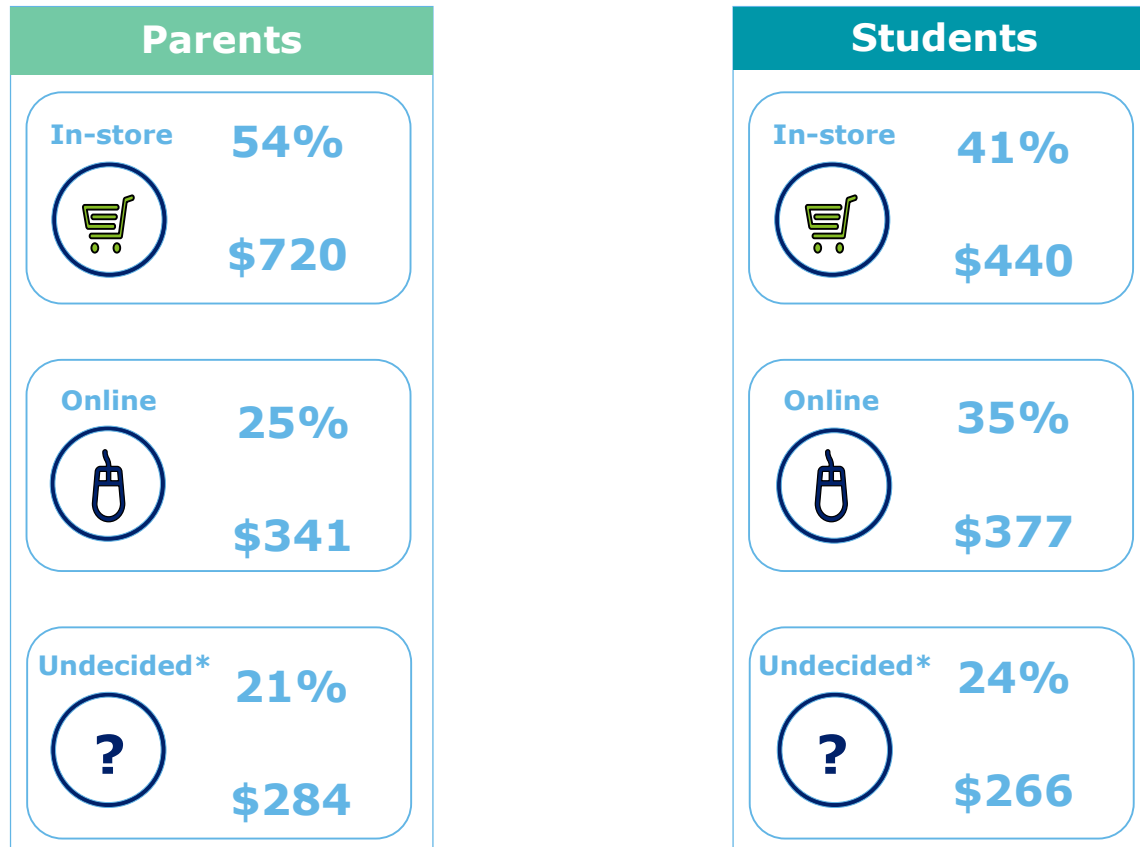
Source: Deloitte in-house survey

Note: Students survey sample size (N) = 1,200; Parents survey sample size (N) = 750

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In-store remains the preferred shopping channel, particularly among parents

Spending by channel

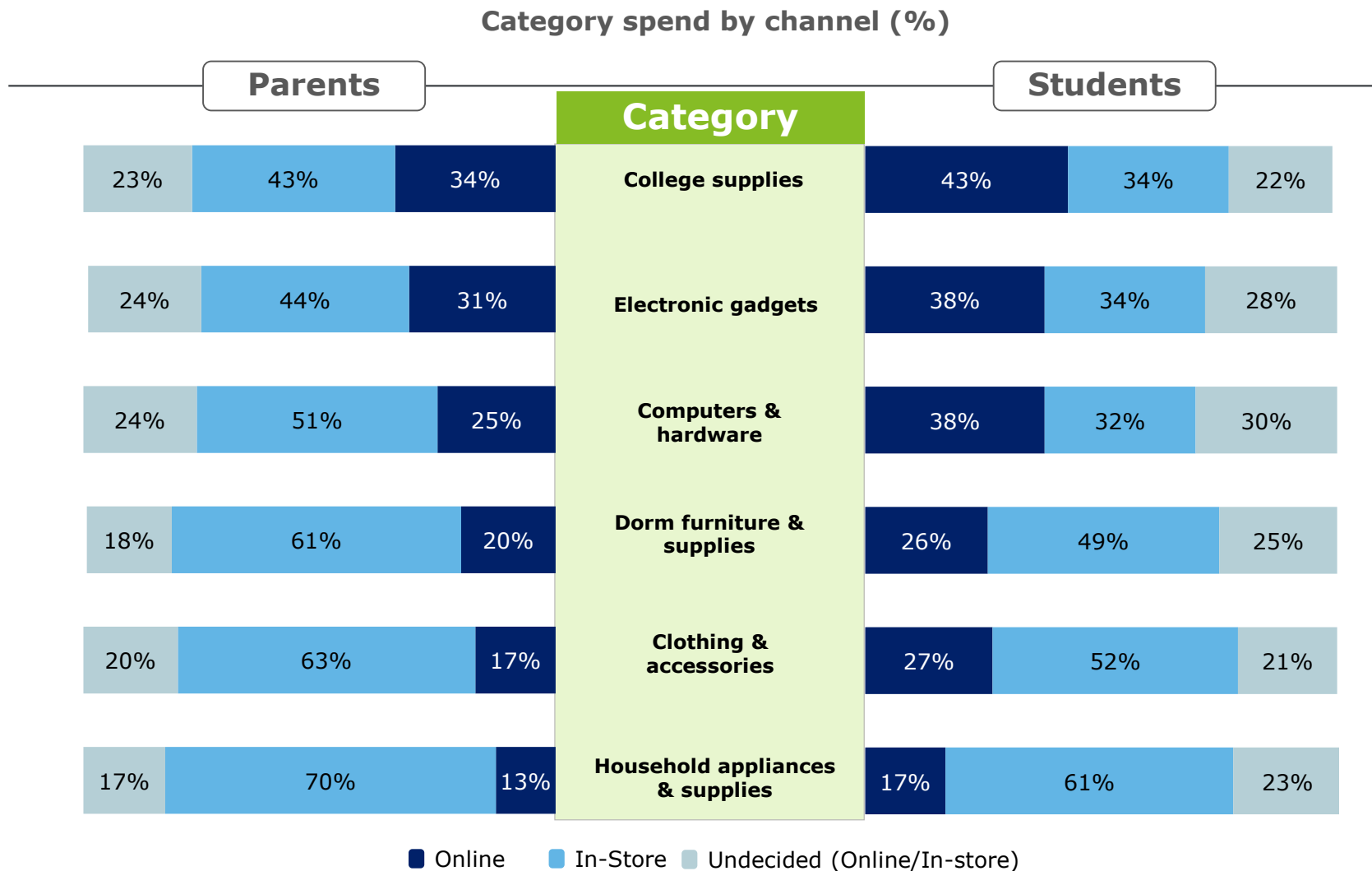


Source: Deloitte in-house survey

Parents sample (N) = 750; Students sample (N) = 1,200

Copyright © 2016 Deloitte Development LLC. All rights reserved. *Undecided (In-store/Online)

Students shop online more than parents, but preferred channel varies by category



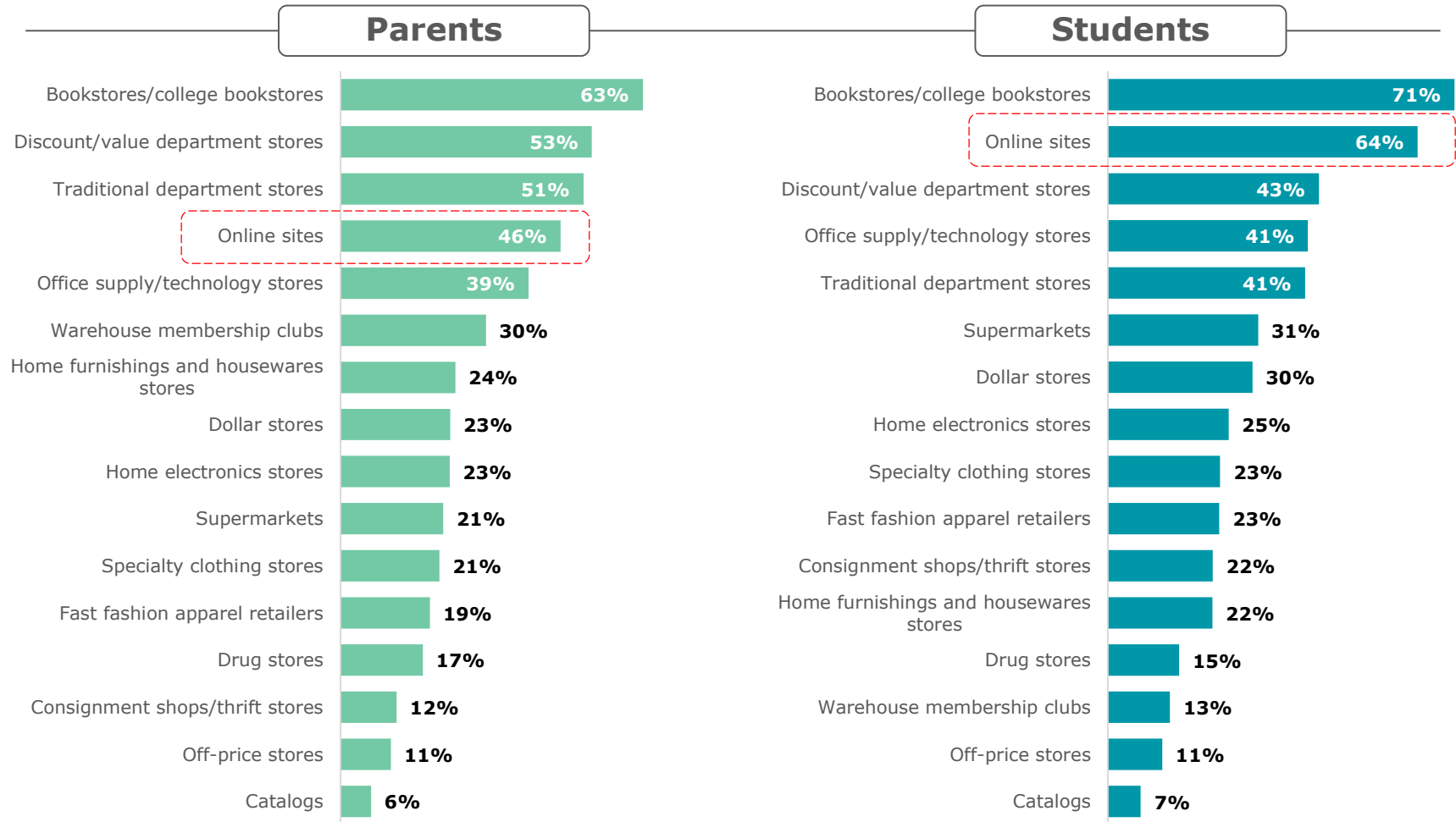
Source: Deloitte in-house survey

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Parents favor traditional venues, whereas students are more likely to purchase online

"In what types of retail environments do you plan to do your back-to-college shopping?"

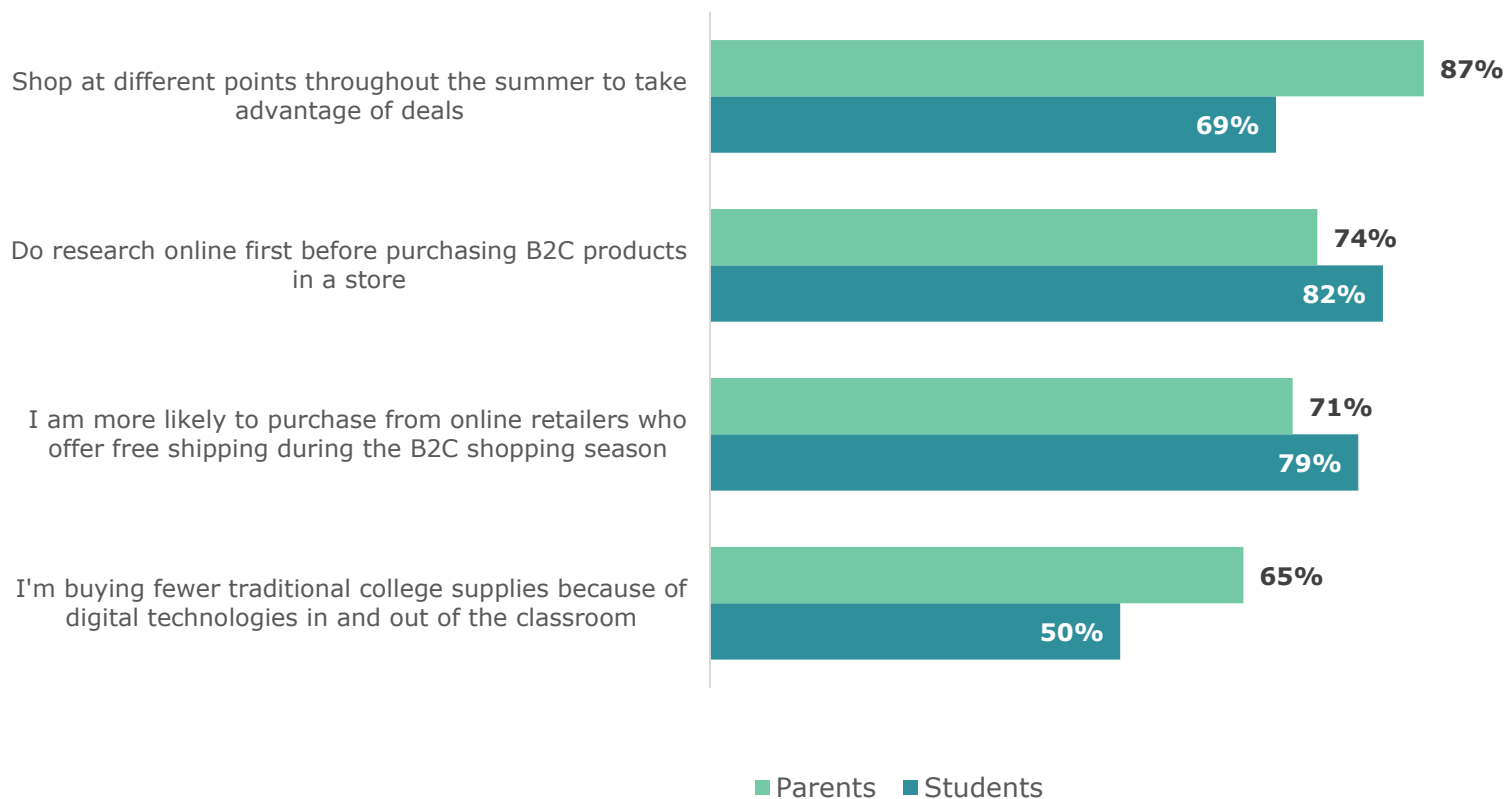


Source: Deloitte in-house survey

Note:; Parents survey sample size (N) = 750; Students survey sample size (N) = 1,200; Multiple select question

With the rise of digital, parents and students are researching in-store purchases online and buying fewer traditional college supplies

“Please indicate your level of agreement with the following statements (% who agree or somewhat agree)”*



Source: Deloitte in-house survey

Note: Parents sample size (N) = 750; Students survey sample size (N) = 1,200; * Percent represents respondent who agreed or somewhat agreed with statements.

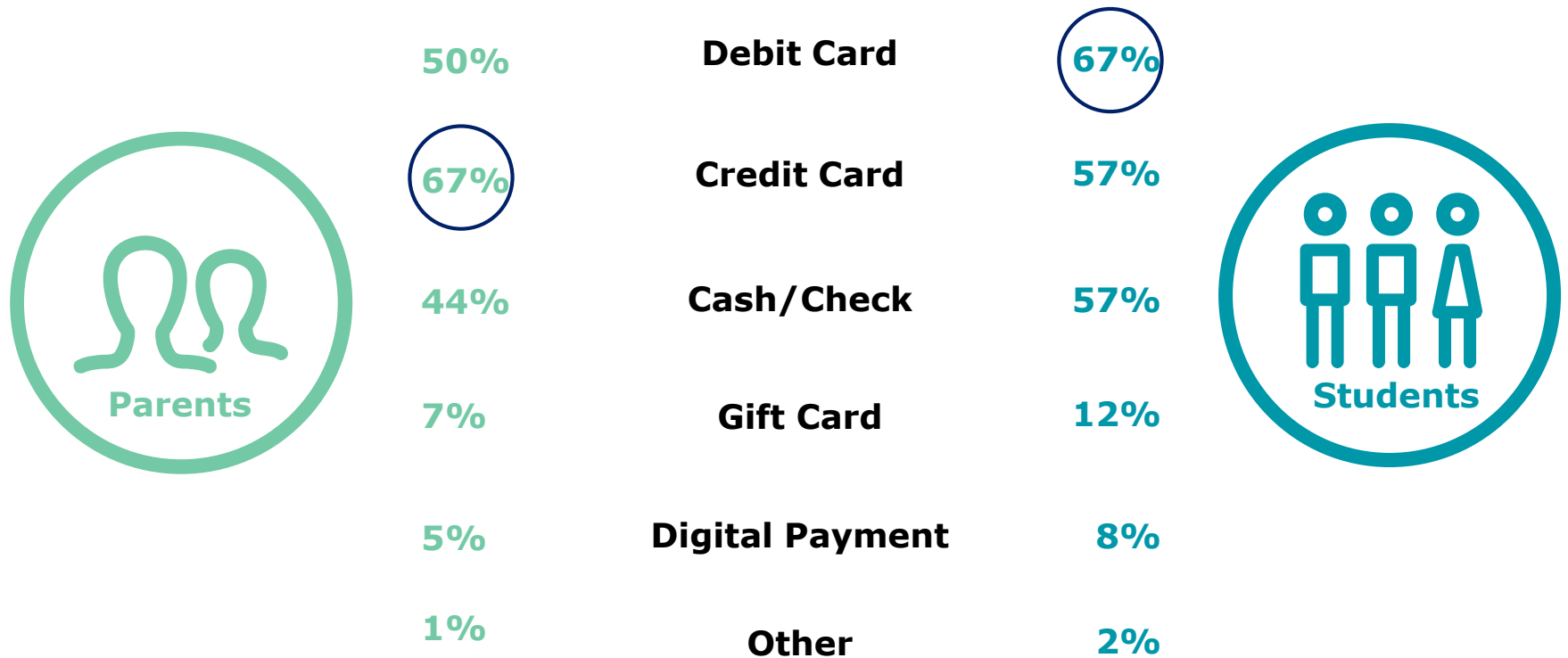
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Back-to-College Survey 2016

11

Parents most often shop with credit cards, whereas students favor debit cards

“Which of the following payment methods will you likely use for your back-to-college purchases?”



Source: Deloitte in-house survey

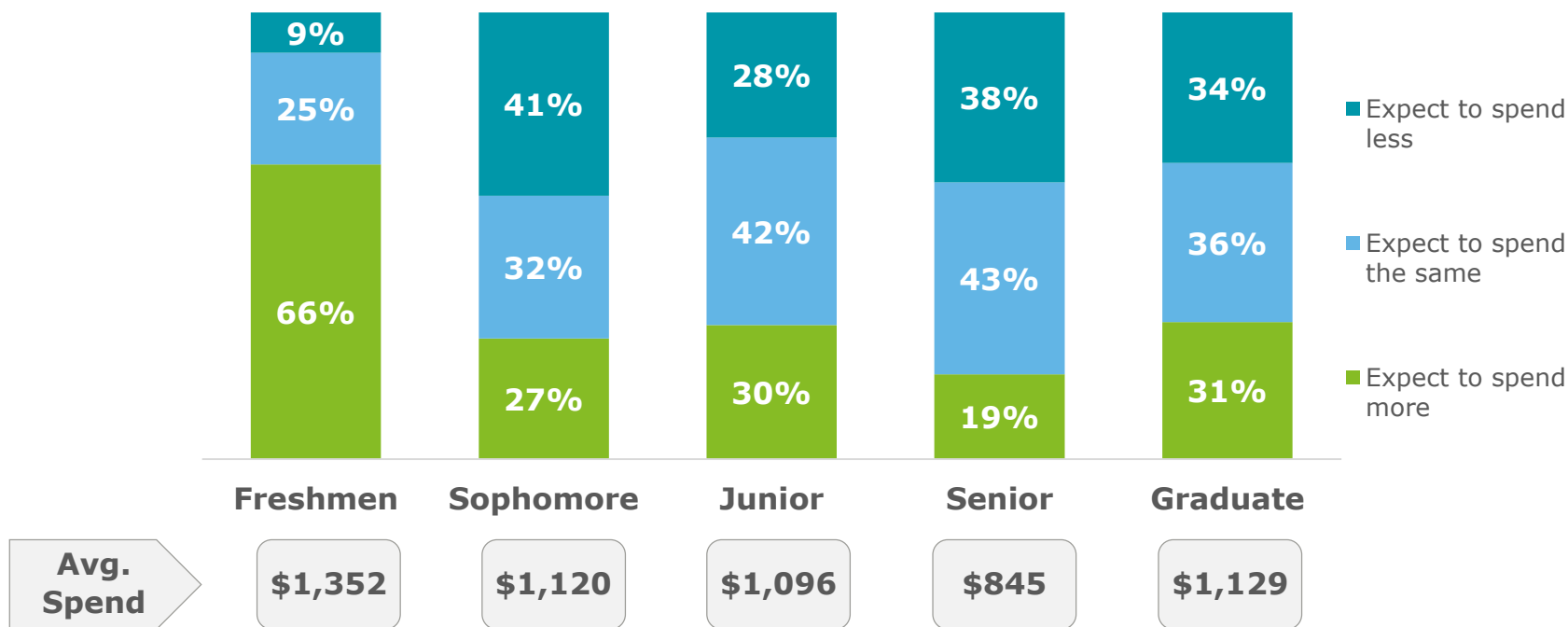
Note: Parents survey sample size (N) = 750; Students survey sample size (N) = 1,200

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A deeper dive on students

Seniors are likely to spend the least compared to shoppers from other grades

"How will your spending this year on back-to-college items compare with what you spent last year?"



Why do you plan to spend "more"?

1. Need more items
2. Need more expensive items
3. Prices are generally higher

Why do you plan to spend "less"?

1. Need fewer items
2. Need less expensive items
3. My household has less money

Source: Deloitte in-house survey

Note: Freshmen (n) = 165; Sophomore (n) = 291; Junior (n) = 317; Senior (n) = 281; Graduate (n) = 146

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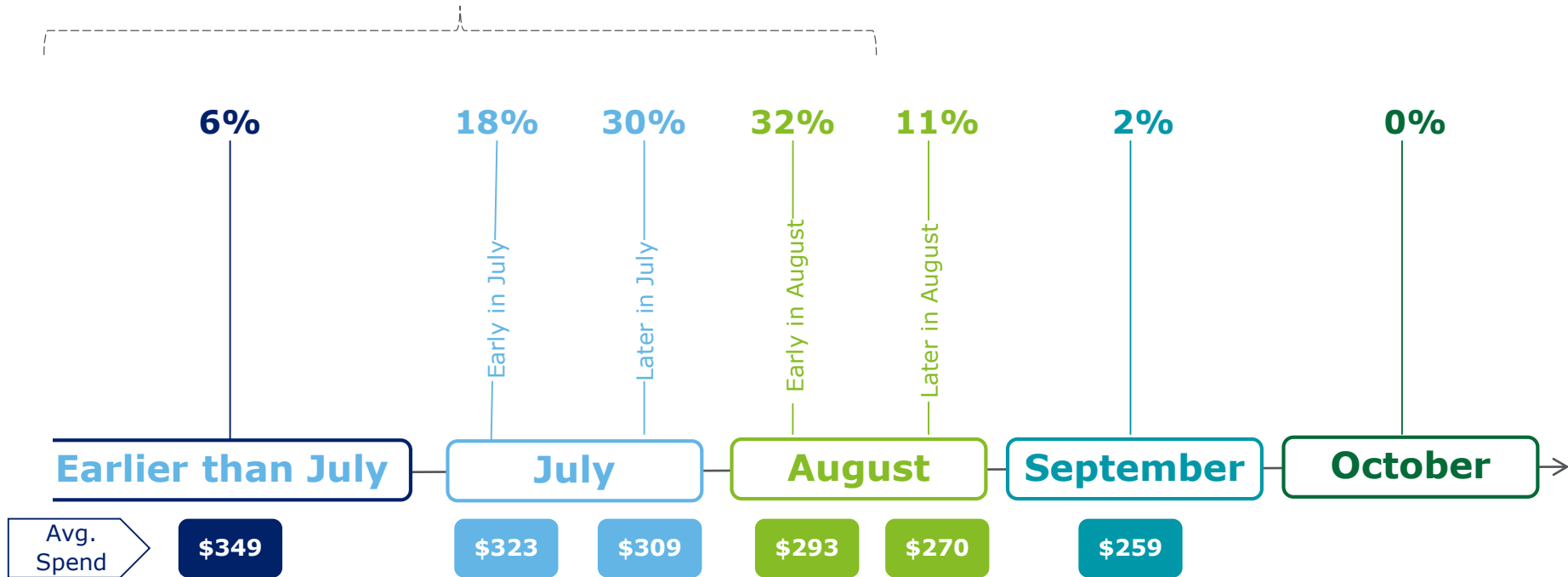
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Most students plan to shop during the traditional back-to-college season, with early shoppers spending more

“When are you likely to begin your back-to-college shopping?”

~86%

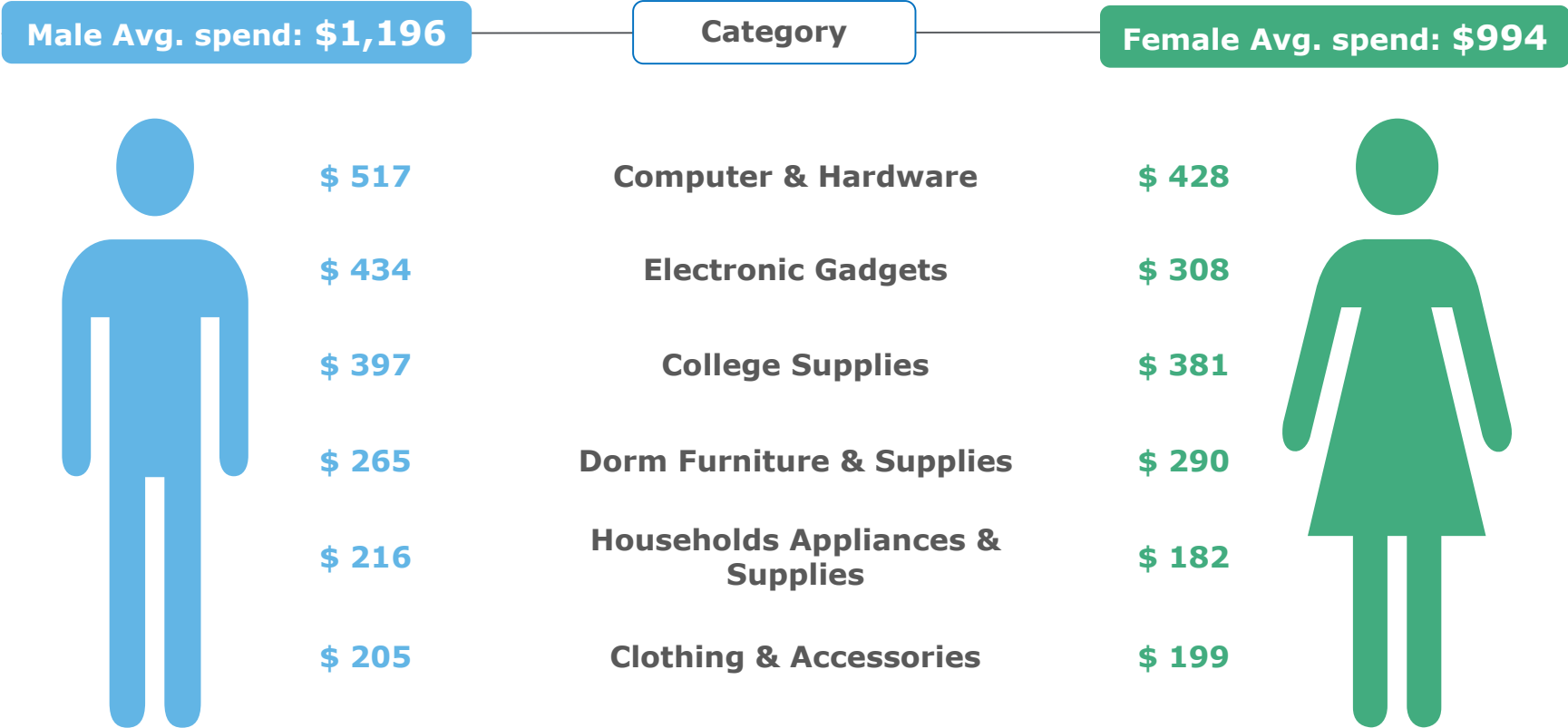


Source: Deloitte in-house survey

Note: Sample size (N) = 1,200

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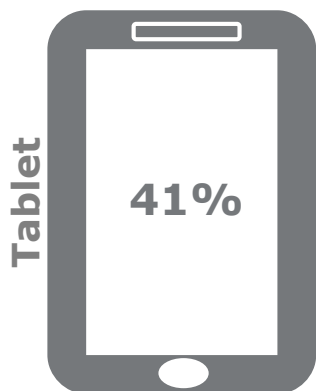
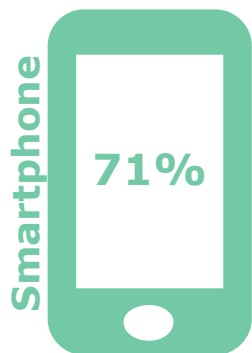
Male students will spend considerably more on tech products compared to female students



Source: Deloitte in-house survey
 Note: Male Students (n) = 526; Female Students (n) = 674
 Avg. category spend is calculated only for the respondents who plan to purchase that category
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Most students will use their smartphones during the shopping journey, but they will look for information rather than inspiration

"Device you use or plan to use for back-to-college shopping: smartphone/tablet*"



"With regard to your back-to-college shopping, for what purposes would you be using/would you likely use a smartphone?#"



Source: Deloitte in-house survey

* Who own a smartphone (n = 1,163) or a tablet (n = 675)

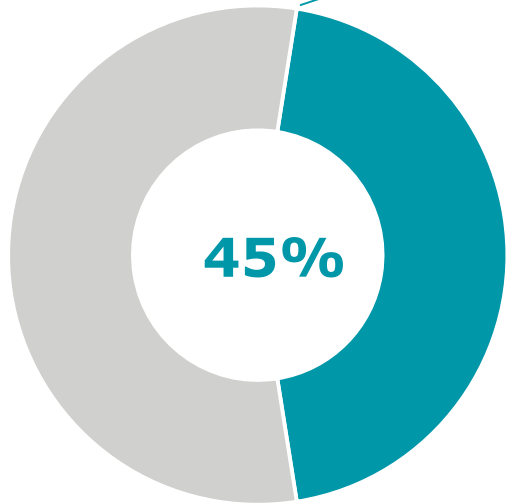
Multiple select question

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Use of social media is high among students and helps them to navigate the best deals

“Do you plan to use social media sites to assist in your back-to-college shopping?”

“With regard to your back-to-college shopping, how do you plan to use social media sites?#”



To find out about promotions/view ads

71%

To receive a coupon

66%

To browse products

64%

To read reviews/recommendations

64%

To visit retailers' pages on social networking sites

32%

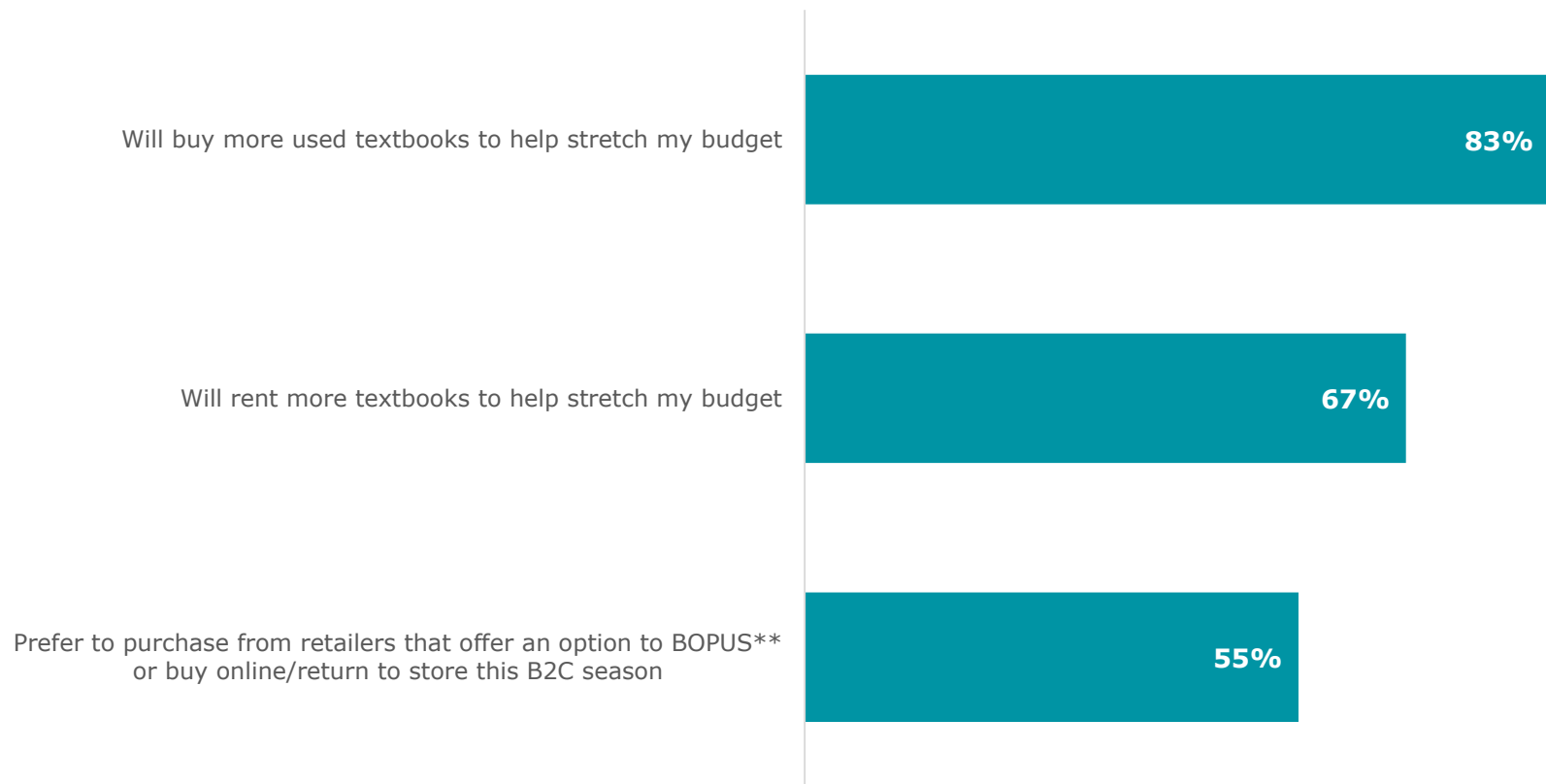
Source: Deloitte in-house survey

Note: Sample size (N) = 1,200; # Multiple select question

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Budget-conscious students will buy used books or rent to stretch their back-to-college funds

"Please indicate your level of agreement with the following statements (% who agree or somewhat agree)*"



Source: Deloitte in-house survey

Note: Sample size (N) = 1,200. * Percent represents respondents who agreed or somewhat agreed with statements.

** Buy online pick Up in store

About the survey

The surveys were commissioned by Deloitte and conducted online by an independent research company from June 22 – 27, 2016. The study involved two surveys, which polled a sample of 750 parents with college-going children and 1,200 college-going students, and has a margin of error for the entire sample of plus or minus three percentage points.



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