



SHOPPER TRENDS BY SHOPPERTRAK: 2015 BACK-TO-SCHOOL

Positive economic, retail and consumer trends set the stage.

TRENDS



16.5%



CONSUMER SENTIMENT

The Index of Consumer Sentiment rose to 96.1 in June 2015, up from 82.5 a year earlier.

10.9%



CONSUMER SPENDING

May 2015 spending registered the biggest gain since August 2009.

3.1%



RETAIL SALES

NRF retail sales increased 3.1% unadjusted year-over-year.

-0.8%



UNEMPLOYMENT

June 2015 unemployment decreased 0.8% YOY to 5.3%, with 223,000 jobs added.

2014 BACK-TO-SCHOOL RECAP

(ShopperTrak 2013-2014 YOY Analysis, NRF Calendar Weeks 23-32)



SHOPPER VISITS x CONVERSION x TRANSACTION SIZE = SALES

PREPARE FOR 2015 AND INCREASE SALES BY IMPACTING:



While visits have decreased overall, those coming out are shopping earlier. Plan campaigns for 2015, and train additional staff to anticipate heavier visits earlier in the season, as part of a continued shift.



The highest conversion rates are appearing later in the shopping season. Buyers overall wait for more competitive pricing while students specifically wait to see what's trending among peers.



Reflecting positive economic and consumer sentiment trends, year-over-year, shoppers are buying more with each transaction.

2014 TRENDS ARE INDICATIVE OF A STRONG 2015 BACK-TO-SCHOOL SHOPPING SEASON FOR RETAILERS:

WHO IS PROJECTED TO SHOP?



MILLENNIALS will have increased spending power, according to a recent study by Accenture.

80 MILLION millennial shoppers \$600B PER YEAR

This number is expected to grow to \$1.4T by 2020—which is 30% of all retail sales.



STUDENTS are having a greater influence on their parents' purchasing decisions, according to NRF.

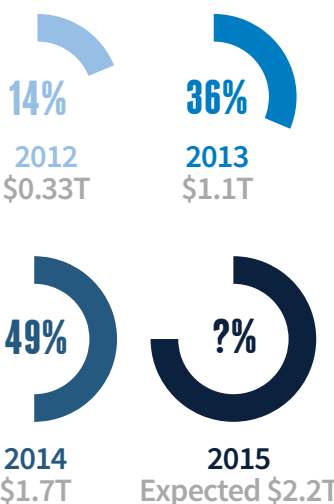
9.7%

9.7% of parents admit their child influences 100% of what they buy for back to school, up from 7.6% one year ago.

HOW?

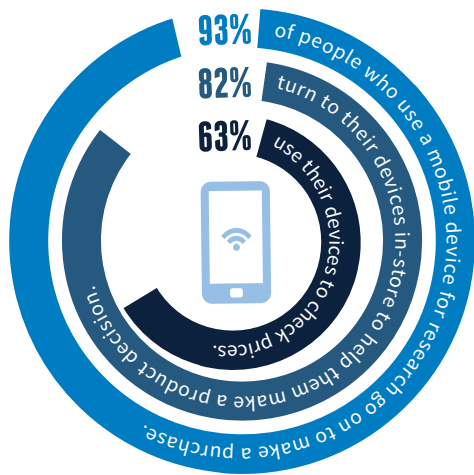
DIGITALLY-INFLUENCED

purchases continue to grow year-over-year, according to Deloitte.



MOBILE

will create opportunities for retailers to have greater in-store impact, according to Google and Nielsen.



WHAT IS TO BE EXPECTED, OVERALL? SHOPPERS WILL BUY MORE AND SPEND MORE, ACCORDING TO NRF.



Consumers who use DIGITAL while they shop convert at a 20% HIGHER RATE, compared to those who do not use such devices.

Consumers who access SOCIAL MEDIA during the shopping process are FOUR TIMES more likely to spend more.



29%



29% of households with school-age kids (6-17) plan to spend more than last year for back-to-school, compared with nearly 24% who said the same thing one year ago.

3 WAYS RETAILERS CAN CAPITALIZE ON THE 2015 BACK-TO-SCHOOL SEASON:

- Review data on historical back-to-school visits, benchmarks and trends. Staff up during days/hours when visits are expected to peak and adjust in real-time. Pay close attention to local school start dates to meet local market demand.
- Create a seamless online to offline experience. A more relevant and tailored experience will lead to loyal and valuable customers. Engage via mobile to drive visits, and ensure in-store inventory reflects what is online.
- Prepare your staff to provide a more personalized experience in the store. Ensure that associates are informed on campaigns and promotions and are ready to turn browsers into buyers.