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**PRESS RELEASE
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Amazon Now Default Shopping Platform

2017 Back-to-School Anticipated Spending Up 6% to \$716 in Brand Keys Survey

For Smarter Consumers, Shopping Patterns Change This Year

NEW YORK, NY August 14, 2017 – The 2017 Brand Keys Back-to-School survey for households with school-age children (pre-school through 12th grade) indicates that parents plan to spend more this year, a combination of rising consumer confidence and consumer smarts.

Consumers signaled a 6% increase, over two different waves of buying, with an anticipated average spend of \$716.00 (versus \$675 in 2016), according to the 23rd annual survey conducted by Brand Keys (www.brandkeys.com), the New York-based brand loyalty and emotional engagement research consultancy.

Consumers Adapt to Retail Strategies

“Smart, connected consumers,” said Robert Passikoff, founder and president of Brand Keys, “They keep getting smarter. They are onto 21st century retail strategies and are taking more and more advantage of their knowledge.”

Retailers have taught consumers four things that govern their purchase behavior generally, and specifically for back-to-school:

1. Retailers have started marketing for occasions like back-to-school earlier and earlier.
2. Prices start at very low levels, increase over time, and then drop down to lowest prices available.
3. Deals are always available if you look hard enough.
4. It makes sense to shop very early and then as late as possible.

Consumers Are Shopping Differently This Year

This year, Brand Keys used a longitudinal sample with survey results gathered for the same respondents *twice* over the period of time from June 19th through August 11th to monitor back-

to-school spending. The research revealed two, distinct waves of anticipated consumer purchases.

First, *early* consumer spending focused generally on supplies, *e.g.*, copy paper, notebooks, writing implements, printer cartridges, ink and toner, computers, electronics, and calculators. Those purchases accounted for 41% of this year's anticipated average spend.

The second wave of *later* spending is anticipated to take place in August through the start of the school year. "According to consumers, that 59% of 2017's average anticipated spend has been predominantly budgeted for clothing, shoes (athletic and dress), books and study aids," said Passikoff.

Top 5 Retailers and Etailers by Shopping Wave

Here's where consumers indicated they were shopping, early and later in the season:

Wave 1: Early

1. Amazon.com
2. Walmart
3. Staples
4. Target
5. Apple/Best Buy

Wave 2: Later

1. Amazon.com
2. Walmart.com
3. Best Buy.com
4. Nike
5. TJ Maxx/Macys.com

"While the past few years have proved this finding, this year's back-to-school marketplace further confirms that Amazon.com has become consumers' default shopping platform - early or late in the season," said Passikoff.

Methodology

The survey included assessments from 8,082 households drawn from the nine U.S. Census regions. Interviews were collected over the periods June 19th through July 14th 2017 and July 24th through August 11th.

Anticipated Category Spends Are All Up

"Echoing an increase in consumer confidence, purchase timing notwithstanding," said Passikoff, "Average anticipated spending in all major back-to-school categories is up compared to last year, representing a 6% increase YOY."

Clothing:	\$216.00 (+ 3%)
Shoes (athletic & dress)	\$119.00 (+ 5%)
Supplies	\$ 97.00 (+ 5%)
Computers/Electronics/ Tablets/Smartphones:	\$198.00 (+10%)
Books/Study Aids	\$ 26.00 (+ 5%)

Online is Consumers' Shopping Default Mode

Consumers use all purchase platforms, with online and discount retail being preferred. The biggest increases as to where to buy though appeared in Department Stores (+8%) and Office Supplies (+7%). "Department stores have been battling the consumer shift to online with lots of deals," noted Passikoff.

"Catalogs were down again in mentions, but that shouldn't surprise anyone," said Passikoff. "Consumer purchases have shifted from print to digital and online has been growing every year. It's the consumers' shopping default mode." Virtually every consumer interviewed (99%) indicated they were using online for back-to-school buying during both early and later shipping.

Online	99% (+ 4%)
Discount Stores	98% (+ 2%)
Department Stores	69% (+ 8%)
Specialty Retailers	55% (+ 5%)
Office Supply	43% (+ 7%)
Catalogs	6% (- 1%)

Value Is More Than Prices

"Value, of course, isn't just about pricing, it's about brand differentiation and brand engagement," said Passikoff. "Retail brands that can emotionally engage consumers are seen as surrogates for added-value and those will be the brands that benefit most over the three-and-a-half months that now make up the back-to-school marketplace."

"These days, providing more than just low-lower-lowest prices is a fundamental lesson all back-to-school retailers need to cram for if they hope to pass with flying colors," said Passikoff. "Retailers that do that will not only win with more engaged customers, they'll see increased bottom lines too."

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