Deloitte.
Insights

2023 Deloitte back-to-school survey

A season of economizing

Boston

Boston cheat sheet

Parents plan to spend but economic concerns linger

Boston parents surveyed plan to spend an average of $650 per child, slightly higher than the national average of $597

75% of Boston parents plan to spend the same or less YoY (versus 68% nationally)

Among Boston parents who plan to spend less, 37% attribute it to **reduced disposable income** – nationally, of those planning to spend less, 51% attribute it to reduced disposable income

45% of Boston parents anticipate a weakening economy in the next six months and about a quarter (24%) of Boston households report a **worse financial situation this year**

Boston parents spend fairly steadily through the season but report **50% of planned spend will happen in August** while only 37% of planned spend happens in July

Back to school splurge shopping driven by quality and treating the kids

Boston parents are **fairly split between shopping in-store and online**, in both participation and average spend

Many Boston parents are **willing to splurge if their kids ask them to -- on clothing/ accessories** (62%) and **tech items** (50%)

The reason Boston parents surveyed are willing to splurge is they seek **better quality on tech items and to treat their child on apparel**

More Boston parents plan to buy tech products than the national average, with 46% of parents in Boston planning to purchase tech items compared to 36% of respondents nationally

Supporting the academic and social journey

Almost half of **parents surveyed are concerned about their child's mental health**, both in Boston (48%) and nationally (45%)

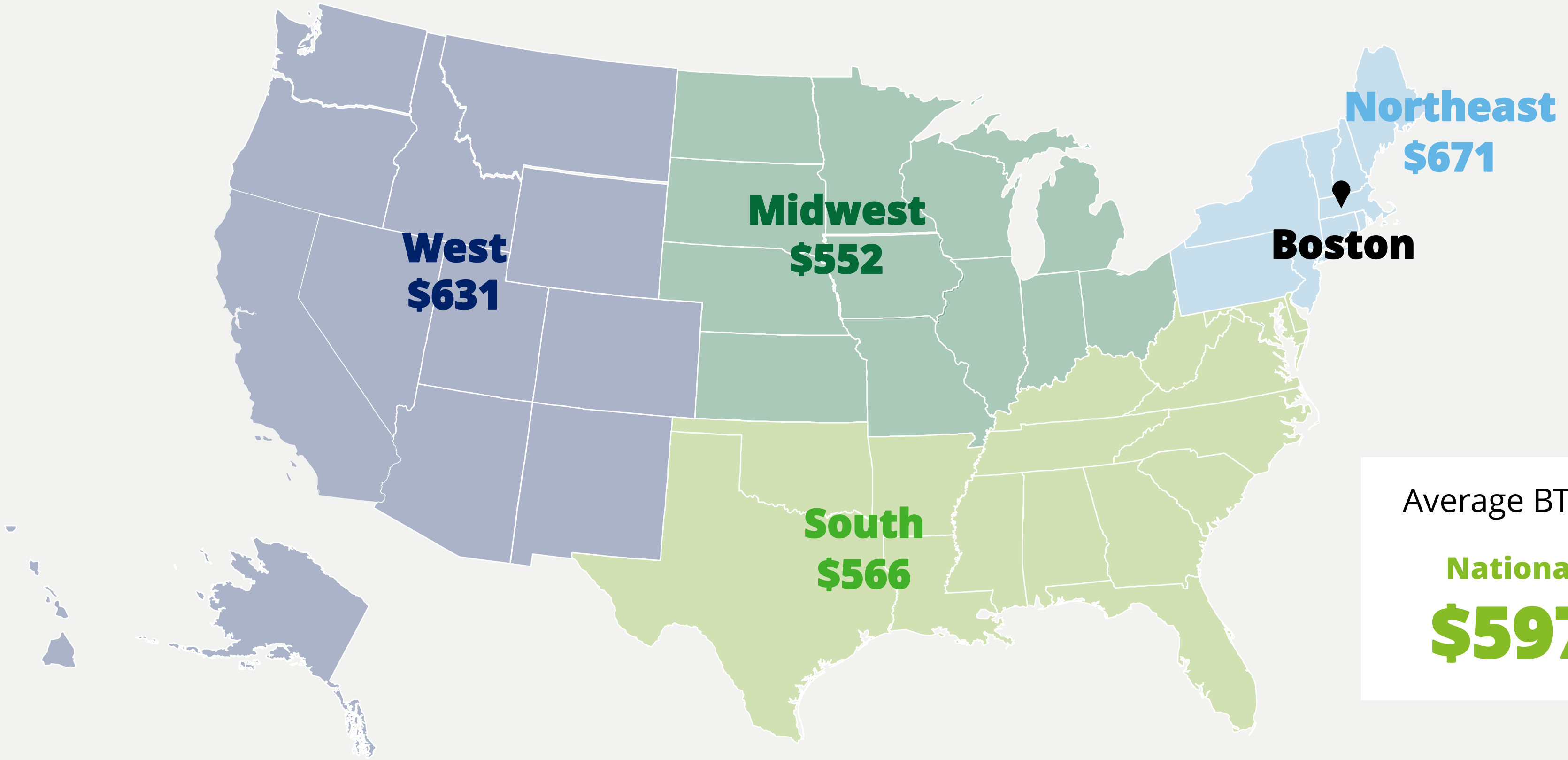
More Boston parents (57%) than nationally (45%) report that **they would have preferred delaying their child's use of a smart phone**

However, of parents concerned with their child's mental health, Boston parents (23%) are **less likely** than national parents (36%) **to find that the smartphone has complicated their child's life**

A little more than a **third of parents** in Boston and across the nation **do not believe that AI is a positive tool for academic performance and overall learning** – about a quarter of all parents in Boston and across the national believe it is a positive tool

Boston parents surveyed gear up to spend $650 per child on BTS products

Boston parents plan to outspend national average by 9%



Average BTS spend planned per child[1]

National	Boston
$597	**$650**

Notes: (1) Deloitte calculations on BTS spend based on annual consumer survey projections (N = 1,212 National; 416 Boston); Average spend per child only takes into consideration those who plan to shop for BTS items this season. All figures are in US$.

Boston families track national economic concerns

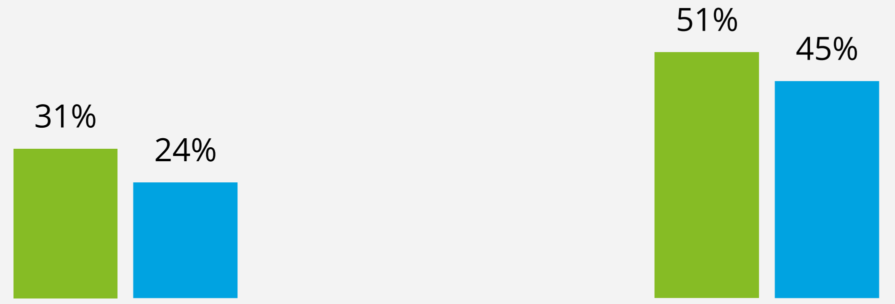
33%

of Boston parents are postponing non-essential BTS purchases[3]

National 34%

Questions: (1) "Would you say your household's financial situation today is: Worse than it was last year"; (2) "What is your overall outlook for the US economy in the next six months?"; (3) % agree/strongly agree.
Note: N = 1,212 National; 416 Boston.

Although lower than the national average, 24% of Boston families surveyed are in a worse financial situation than last year, while nearly half expect the economy to weaken in the next six months



Household income	Worse household financial situation than last year[1] – National	Worse household financial situation than last year[1] – Boston	Expect the economy to weaken in the next six months[2] – National	Expect the economy to weaken in the next six months[2] – Boston
Household income less than $50k	45%	41%	58%	59%
$50k-$99k	32%	32%	54%	50%
$100k+	21%	18%	46%	41%

National · Boston

Whether spending more or less, inflation is playing a role

75%

of Boston parents expect to spend same or less on BTS YoY[1]

National 68%

Although lower than national, Boston parents feel the squeeze due to rising prices

Top reason for planned YoY change in BTS spending

Of those spending less,[2]

Parents say their household has less money to spend this year…

Of those spending more,[3]

Parents say prices are higher compared to last year…

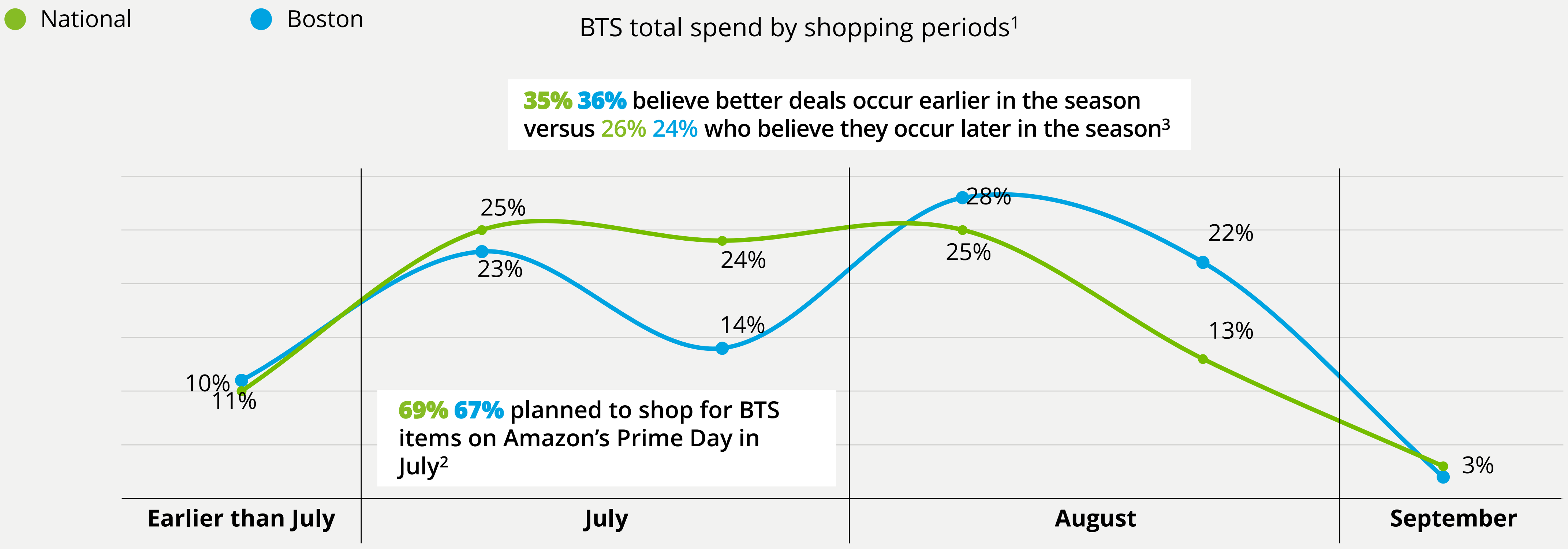
CPI, YoY % change, (May 2021–23)*

Stationery/stationery supplies/gift wrap	Boys' apparel	Girls' apparel	Boys' & girls' footwear
+23.7	+7.6	+7.4	+5.4

Questions: (1) "How will your overall spending on back-to-school items compare to last year?"; (2) "Why will you likely spend less on back-to-school items this year?" #multi-select; (3) "Why will you likely spend more on back-to-school items this year?" #multi-select.
Note: N = 1,212 National; 416 Boston.
*Source: Consumer Price Index, Bureau of Labor Statistics.

Boston parents intend to shop throughout the BTS season

Boston spend intent mirrors national, starting before July and trailing off in mid-September

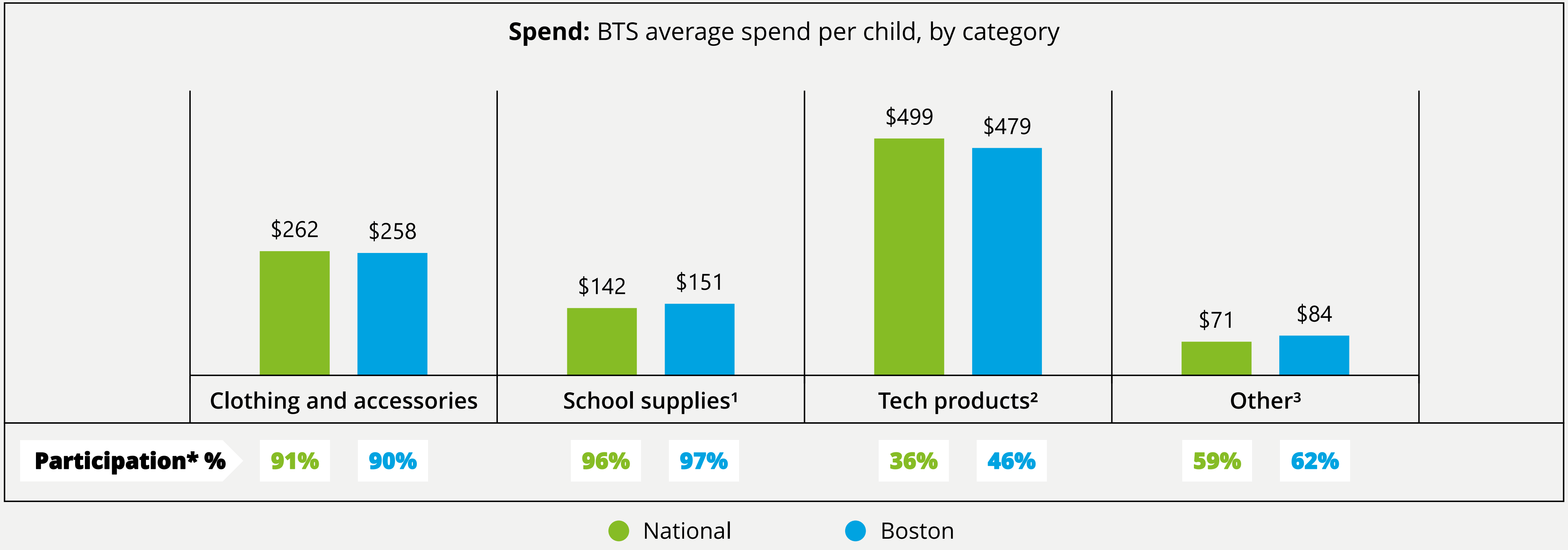


In 2023, **48%** of planned spend in Boston will occur by the end of July, compared to **59% nationally**

Questions: (1) "Out of your plan to spend on back-to-school shopping, how much do you plan to spend during the following periods?" (N = 1,212 National, 416 Boston); (2) "Do you plan to shop for back-to-school items on Amazon's Prime Day sales event in July 2023?" (N = 677 National, 288 Boston); (3) "Which of the following statements would you agree with about your back-to-school shopping?" #multi-select (N = 1,212 National, 416 Boston).

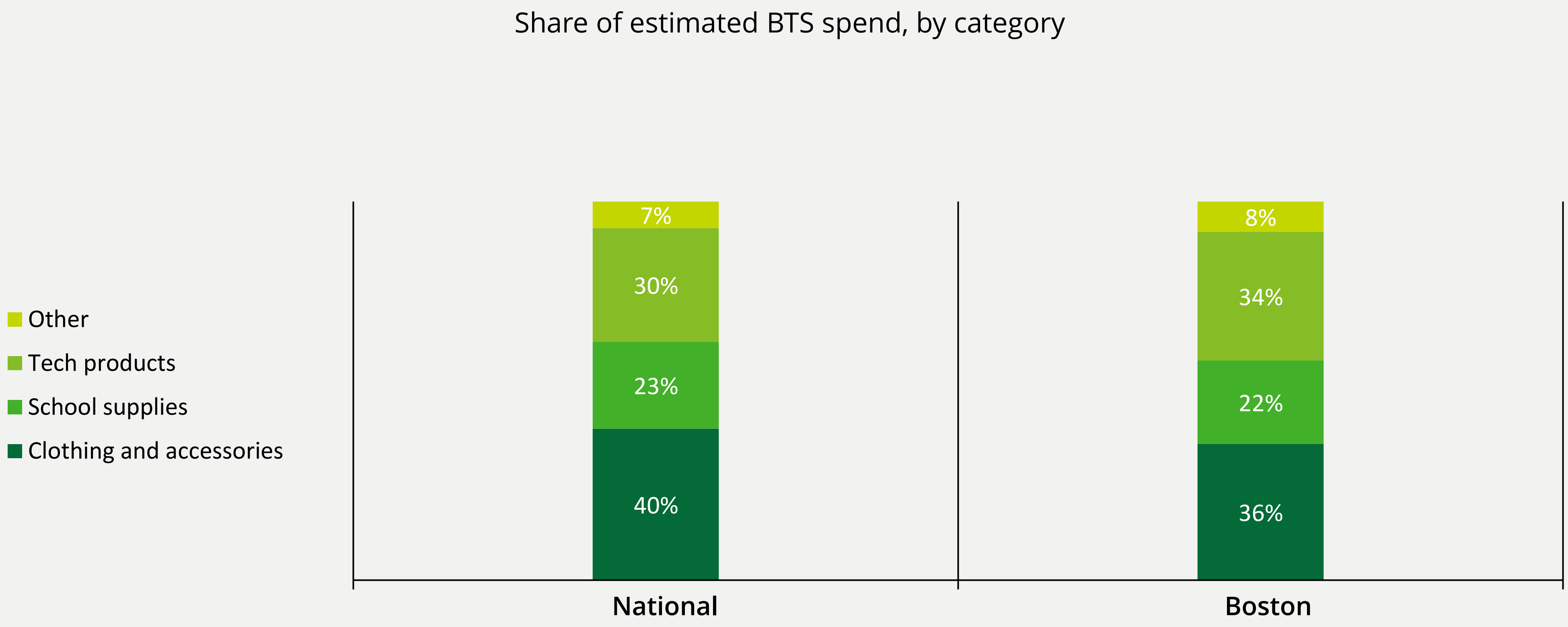
Boston parents' BTS spending priorities align with those surveyed nationally

Almost half of Boston parents intend to shop for tech products, slightly exceeding the national participation average



Notes: Deloitte calculations on BTS spend based on annual consumer survey projections (N = 1,212 National; 416 Boston); Average spend by category only takes into consideration those who plan to shop for the above mentioned BTS categories this season. All figures are in US$. (1) "Pre-configured school kits" were added to school supplies in 2023 and are not included in 2022 or prior years; (2) Tech products include computers and hardware, electronic gadgets, digital subscriptions and voice/data plans; (3) Other includes COVID-19-related items like sanitizers, face masks, and furniture for home (desks, chairs, etc.).
*Participation % refers to the percentage of BTS shoppers who plan to shop for a particular category.

Boston parents are in line with national averages on expected category spend



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Boston parents are split between shopping in-store or online

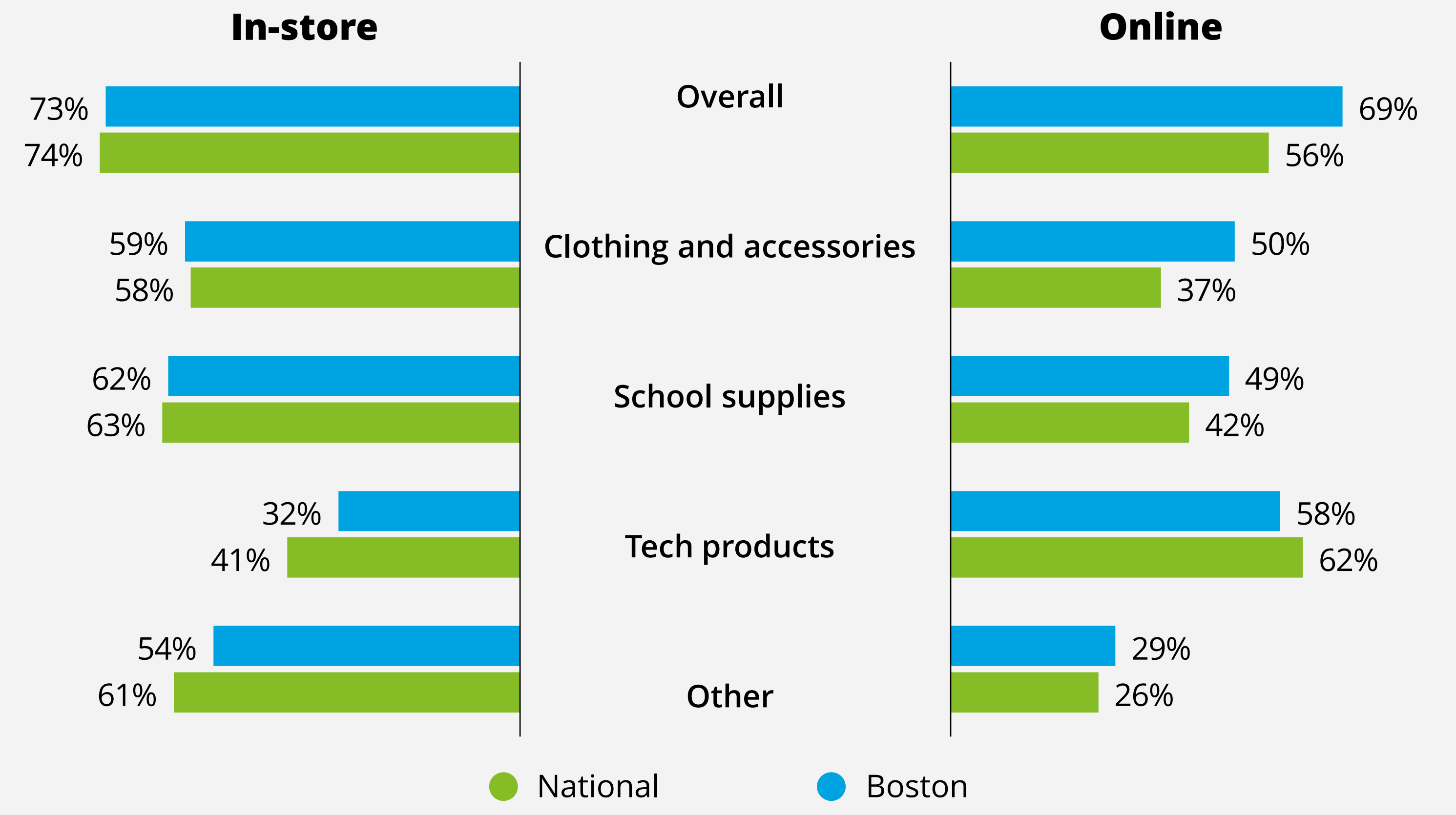
37%

of Boston parents surveyed say they often find lower prices online than in stores[2]

National 34%

Boston parents lean toward in-store shopping for school supplies, and prefer shopping online for tech products

Shopper traffic, by category[1]



Questions: (1) "Please mention the amount you expect to spend online or in-store" (N differs by number of shoppers shopping in each category); (2) "Which of the following statements would you agree with?" #multi-select.
Note: N= 1,212 National; 416 Boston.

A third of Boston parents expect to spend the most at mass merchants

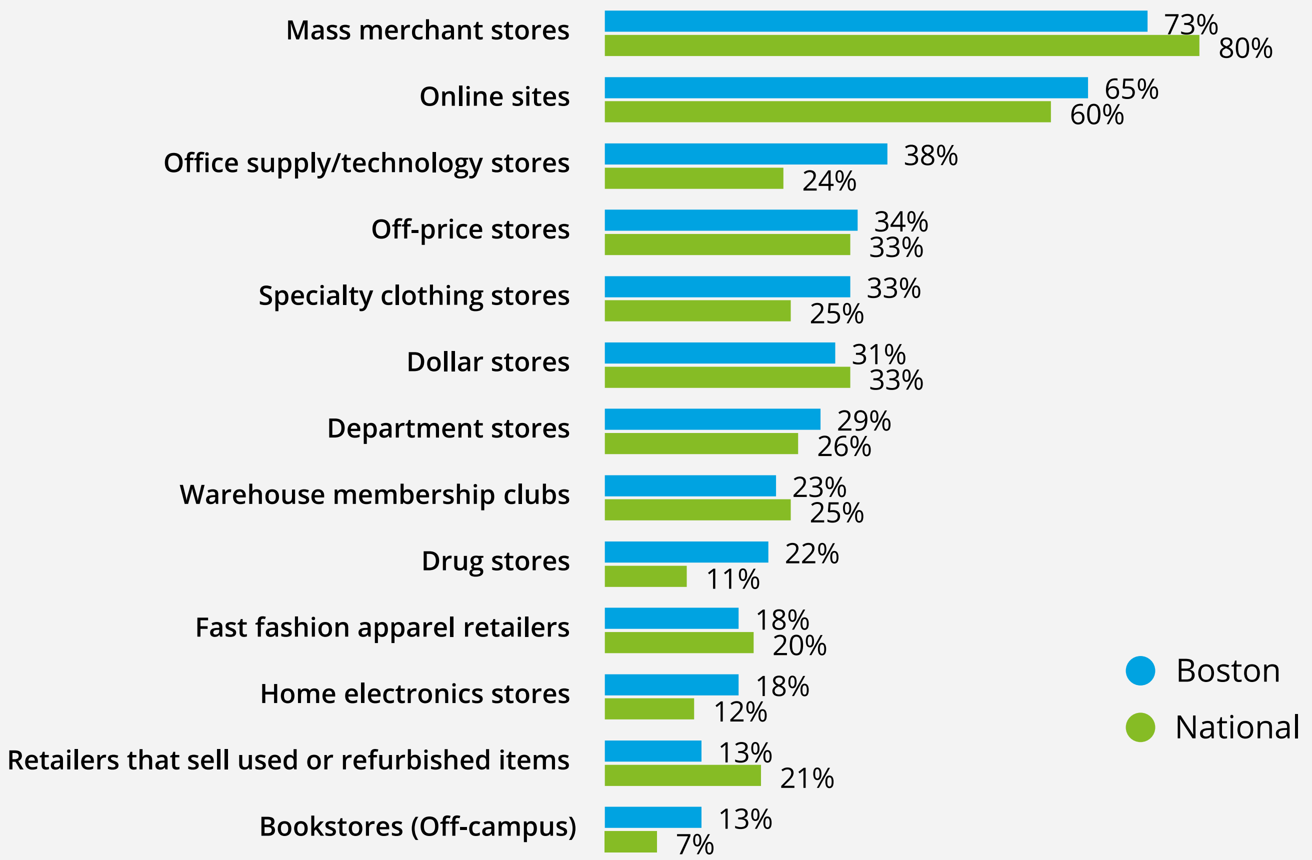
Boston parents plan to spend the most at…[2]

46%	35%	Mass merchant retailers
16%	23%	Online retailers
6%	12%	Specialty clothing retailers
4%	6%	Office supply/tech retailers
6%	5%	Off-price retailers
3%	4%	Home electronics retailers
3%	4%	Dollar stores

Questions: (1) "Which type of retailer do you plan to visit?" #multi-select; (2) "At which type of retailer do you anticipate spending the most money?"
Note: N = 1,212 National; 416 Boston.

Boston parents favor mass merchants and online retailers

Preferred retail formats for BTS shopping[1]



Despite keeping an eye on the budget, many say they are willing to splurge

% of Boston parents say their child could convince them to splurge on …[1]

57% **62%** Clothing and accessories
56% **50%** Tech items

Questions: (1) % shopping for clothing and accessories/tech (N = Clothing and accessories – 1,032 National; 353 Boston, Tech items – 366 National; 158 Boston); (2) % of those who said they would splurge #multi-select (N = Clothing and accessories – 592 National; 220 Boston, Tech items – 204 National; 79 Boston).

Much like national respondents, Boston parents prioritize better quality and treating their child; however, Boston parents are less inclined to splurge for tech features or the latest technology compared to national averages.

Reasons for splurging on…[2]

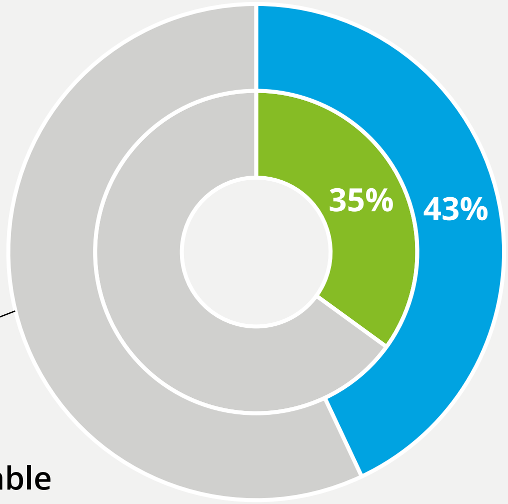
Clothing and accessories			Tech Products	
56%	**50%**	Better quality	**59%**	**57%**
62%	**62%**	Treat my child	**40%**	**33%**
NA	**NA**	More features/latest tech	**46%**	**31%**
42%	**43%**	Child can express themself	**NA**	**NA**
20%	**27%**	Child can fit in with their peers	**21%**	**26%**

National Boston

Over 40% of Boston parents prioritize sustainable BTS products

Retailers have an opportunity as sustainable shoppers in Boston spend 27% more than other shoppers in the market

Parents buying sustainable BTS products[1]



Reasons for not choosing sustainable products:[3]

47% **43%** They are not affordable

27% **30%** Identifying sustainable products is difficult

Parents who prefer to buy a used or refurbished product, by category:[2]

27% **25%** Tech products

28% **28%** Apparel

Sustainable BTS shoppers in Boston spend **27% more** than others*

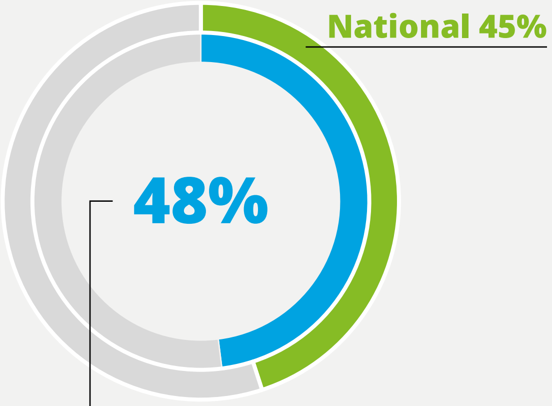
National 36%

Questions: (1) (N = 1,212 National; 416 Boston); (2) % agree/strongly agree (N = 1,212 National; 416 Boston); (3) #multi-select (N = 791 National; 237 Boston).
Note: *Deloitte calculations based on Back-to-School consumer survey projections (N = 1,212 National; 416 Boston).

Mental health is a concern as parents weigh the impact of smartphones

Almost half of Boston parents are concerned with their child's mental health; less than a quarter of those concerned parents feel that smartphones have complicated their child's life

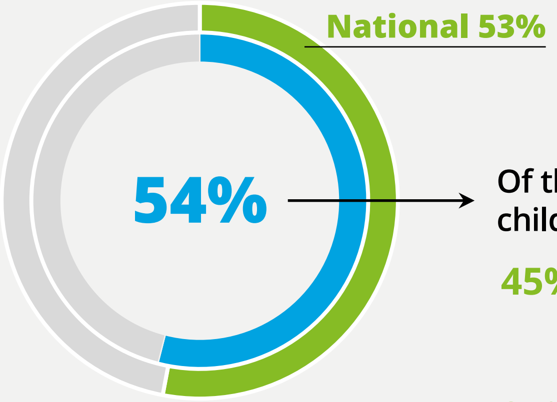
Parents who are concerned about their child's mental health[1]



23% of concerned Boston parents say smartphones have complicated their child's life[2]

National 36%

Parents who say their children have smartphones[3]



Of those parents who say their children have smartphones:[3]

45% **57%** would have preferred to delay their child's use of smartphone[4]

31% **42%** say societal pressures played a part in when their child received their smartphone[4]

National   Boston

Questions: (1) % agree/strongly agree (N = 1,212 National; 416 Boston); (2) % agree/strongly agree (N = 549 National; 198 Boston); (3) "Which connected device does your child have?" #multi-select (N = 1,212 National; 416 Boston); (4) % agree/strongly agree (N = 645 National; 223 Boston).

Adoption of generative AI for school is nascent

16%

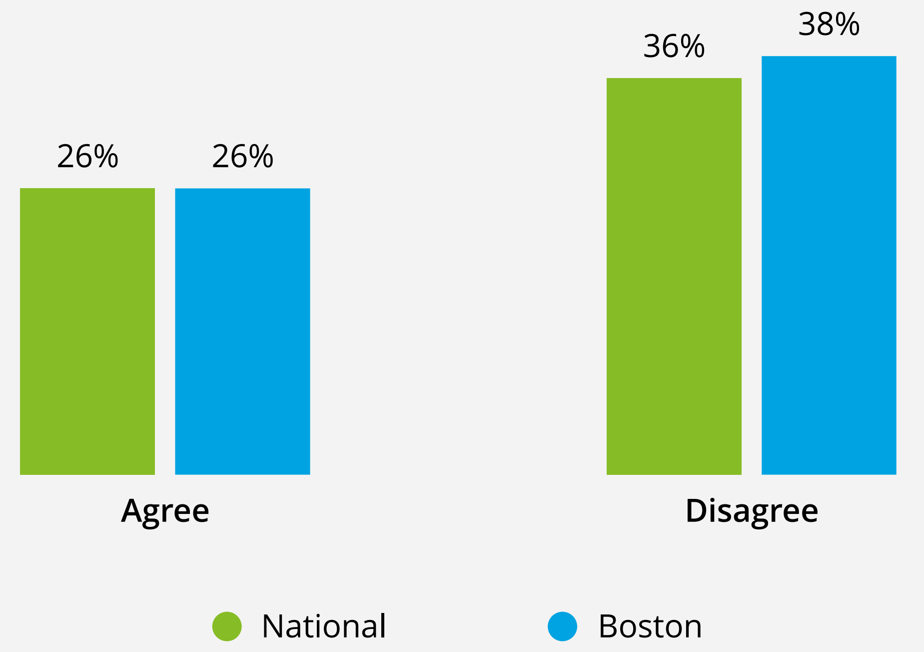
of Boston parents say children are using generative AI in their schoolwork[1]

National 15%

Question: (1) % yes.
Note: N = 1,143 National; 408 Boston.

Over a third of Boston parents are wary about using generative AI as a learning tool for their children

Parents who say use of generative AI is a positive tool for academic performance and overall learning experiences[1]



About the survey

Survey timing

May 26 to June 14, 2023

Sample

The survey polled a sample of 416 Boston parents of school-aged children, with respondents having at least one child attending school in grades K to 12 this fall. The local survey has a margin of error of plus or minus five percentage points for the entire Boston sample. The national survey polled a sample of 1,212 parents of school-aged children and has a margin of error of plus or minus three percentage points for the entire national sample.

In 2023, Deloitte revised our sampling approach to more tightly target US households with children ages 5–18 and ensure a nationally representative sample based on household income, parent's gender, age, education, and race/ethnicity matched to known US Census figures as closely as possible. Given this new methodology, year-over-year comparisons are not available but will be available with our 2024 survey.

Methodology

The survey was conducted online using an independent research panel.

Deloitte Consumer Industry Center

The Deloitte Consumer Industry Center I is the research division of Deloitte LLP's Consumer and Industrial Products practices. The center's goal is to inform stakeholders of critical business issues, including emerging trends, challenges, and opportunities. Using primary research and rigorous analysis, the center provides unique perspectives and seeks to be a trusted source for relevant, timely, and reliable insights.

About the Deloitte Retail practice

The retail industry is transforming at lightning speed, and retailers are being forced to find ways to grow profitably while also meeting rising consumer expectations. Today's customers don't just expect the retail industry to operate efficiently, but empathetically too. They are buying into better and are demanding that brands share their values around purpose, inclusion, trust, transparency, and innovation.

Leaders in this rapidly shifting industry should have better insight, better innovation, and a better connection to their customers. That's why they turn to Deloitte. Driven by a relentless pursuit of innovation and the pulse of the consumer, Deloitte helps many of the world's leading brands in the retail sector align with their customers' values, create lasting competitive advantages, build enduring customer relationships, and shape the future of the industry. www.deloitte.com/us/retail