Early Start to a Promising Back-to-School Shopping Season
Increasing Use of Click-and-Collect Benefits Omni-Channel Retailers

Key Takeaways

- Over three-quarters (77%) of BTS shoppers say they will spend more on BTS-related items this year than in 2018.
- Overall, BTS shoppers will spend an average of $961 on merchandise this year. On average, those making purchases for children in grades K-12 will spend $583, while those buying for college will spend $984.
- More than two-fifths (44%) of BTS shoppers either started or completed their shopping at the time the physical stores were open.
- Even though in the past few years shoppers and purchases have tended to shift to June and July, August is expected to be the busiest shopping month according to these metrics.
- Nearly nine of 10 (87%) BTS shoppers will make purchases in physical stores, a percentage that rises to 95% including those who will purchase online from retailers that also have stores.
- Roughly two-fifths (41%) of BTS shoppers will utilize the click-and-collect method this year—more than those who will have their goods shipped to them, higher than in 2018.
- For nearly all key products purchased during the BTS season, shoppers will make a majority of their purchases in physical establishments—either at malls or other physical stores.
- Discount retailers, apparel/footwear retailers and dollar/variety store retailers will see the most shoppers.
- More than four-fifths (82%) of BTS shoppers will visit a mall or other shopping center to make purchases. Once there, they will also engage in other activities.
- The share of BTS shoppers researching online before making purchases in stores continues to grow, reaching 68% this year.
- This year, nearly half (46%) of U.S. adults took advantage of the two-day promotional period in mid-July. Among them, 34% bought BTS items.
- During the mid-July sales period, 51% of shoppers spent money in physical stores, while 37% spent online from brick-and-mortar retailers.
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Once again, back-to-school (BTS) shoppers demonstrate a clear preference for retailers with a physical presence, reinforcing the role of the store as the cornerstone of consumer shopping journeys in an omni-channel environment. Though physical stores continue to be the dominant purchasing format, results from ICSC’s 2019 BTS survey illustrate a further rise in click-and-collect, confirming that no matter the time of year, convenience and speed are important elements of the shopping experience.

Shoppers Indicate Higher BTS Expenditures This Year

This year, the same share of U.S. adults (50%) will be making BTS purchases as in 2018, according to an ICSC survey. Of them, over three-quarters (77%) plan to increase their expenditures over last year, while 18% will spend about the same. The top reasons cited for spending more this year include different school requirements, the need to replace wardrobe and other supplies and in general, more expensive items. As in years past, the most popular goods for purchase include apparel/footwear (88%), school supplies (86%), electronics (59%), sports equipment (47%) and home furnishings (46%).

Overall, on those items, BTS shoppers expect to spend $961, on average. (See Chart 1.) About 32% of that total will be for electronics, while 24% will go to home furnishings and 17% will go to apparel/footwear. Shoppers will allocate about 14% to school supplies and 13% to sports equipment.

BTS shoppers buying college-related merchandise ($984) expect to spend about 1.7 times as much as those buying for children in grades K-12 ($583). Both groups of shoppers will allocate the largest shares of total expenditures to electronics and home furnishings; however, K-12 shoppers will appropriate a larger share to apparel/footwear than college shoppers.

These total BTS expenditures are, in part, impacted by who is doing the shopping. More than half (55%) of shoppers for K-12 bring their children along when making BTS purchases, while 39% shop solo. Among shoppers for college, 44% shop with their kids and 49% shop by themselves.

So why does this matter? This is important because two-thirds (66%) of shoppers say that when they shop with their children, they tend to spend more than if they had gone alone.

BTS Shoppers Off to an Early Start

The 2019 BTS season is off to a strong start. At the time this survey was conducted, just under one-third (30%) of BTS shoppers had started making purchases, while 14% indicated they were done shopping. (See Chart 2.) These figures compare favorably to last year when 32% had started shopping and 10% were finished at the same point in time.

Those buying for college are ahead of K-12 shoppers—41% of college shoppers have either started or completed shopping,

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1 These results and others in this report are based on a representative poll of 1,005 adults in the U.S., conducted from July 11 to 14, 2019, by Engine Insights on behalf of ICSC.

2 These averages are based on separate samples and therefore neither the average between the two, nor the sum, is the average spending among all BTS shoppers.
compared with 37% of those buying for children in grades K-12. Compared to 2018, both groups, however, are contributing to this year’s head start with more shoppers in each group already making some or all of their purchases.

The most significant factor influencing the start of BTS shopping—receiving a supply list from the teacher—was cited by 40% of respondents, followed by seeing advertisements or lower prices in stores (35%), lack of time left to shop before the start of the school year (30%), and seeing retailers’ ads on TV or other media (29%).

As in prior years, August remains the most popular month for BTS shopping with nearly three-quarters (74%) making purchases then, as shown in Chart 3. Overall, nearly half (46%) of total BTS spending will take place in that month too. (See Chart 4.)

Although it remains in the top spot, August continues to lose some of its popularity to other months—notably June and July. The share of shoppers in June (42%) increased four percentage points (pp.) this year, while the overall amount of spending in that month grew by three pp. to reach 16%. The share of July shoppers went up two pp. as did the share of overall spending reaching 27% and 27%, respectively.

BTS Shoppers Utilize Many Formats to Make Purchases
This year’s BTS shoppers plan to take full advantage of retailers’ omni-channel options. More than half (55%) say that they will use all online and in-store options for BTS shopping, including browsing, purchasing, shipping, picking up and/or returning.

When it comes to purchases specifically, an overwhelming number of BTS shoppers (87%) have or plan to spend money at brick-and-mortar locations, as shown in Table 1. This percentage increases to 95% if online shopping from retailers with a physical presence is also included.

Among shoppers, over two-fifths (41%) purchased or will purchase online from a retailer with a physical presence and pick up the goods in store. This represents another increase from the prior year, demonstrating the significance of click-and-collect. Last year 39% said they would order online and pick up from the store and in 2017, that same figure was 30%. About four in 10 (41%) shoppers say that they are more likely to use click-and-collect during the BTS season compared to other times of the year.

The noted rise in click-and-collect is unsurprising, given results from ICSC’s click-and-collect consumer survey conducted earlier this year. Nearly half (47%) of click-and-collect consumers in that survey indicated buying online and picking up in store more than they had a year ago.

As illustrated in Table 1, just over three-quarters (76%) of BTS shopper expenditures will occur in physical stores/establishments or online from retailers that have a physical presence. This is an increase from 67% in 2018 and can be attributed mainly to a rise in the share allocated to physical stores. Among the remaining formats, nearly one-quarter (24%) of overall BTS expenditure will occur through pure online retailers and other sources—a drop from 33% during the last BTS season.

A Clear Preference for Retailers With Physical Stores
For nearly all key products purchased during the BTS season, shoppers will make a majority of their purchases in physical establishments—either at malls or other brick-and-mortar stores. The second most popular format for each of the five...
product categories will be online from retailers with stores. Among the options offered by these omni-channel retailers, click-and-collect is more popular than having merchandise delivered. (See Chart 5.)

![Chart 5](image)

**Chart 5**
Retail Format Where BTS Shoppers Make Most Purchases by Product

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Malls</th>
<th>Other Physical Locations</th>
<th>Online from Omni-Channel Retailers and Ship Home</th>
<th>Online from Omni-Channel Retailers and Pick Up in Store</th>
<th>Amazon</th>
<th>Online from Companies that Have Limited or No Stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel/Footwear</td>
<td>40%</td>
<td>19%</td>
<td>32%</td>
<td>34%</td>
<td>53%</td>
<td>17%</td>
</tr>
<tr>
<td>School Supplies</td>
<td>51%</td>
<td>16%</td>
<td>25%</td>
<td>30%</td>
<td>51%</td>
<td>21%</td>
</tr>
<tr>
<td>Electronics</td>
<td>19%</td>
<td>18%</td>
<td>23%</td>
<td>27%</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Home Furnishings</td>
<td>19%</td>
<td>18%</td>
<td>23%</td>
<td>27%</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Sports Equipment</td>
<td>17%</td>
<td>18%</td>
<td>23%</td>
<td>27%</td>
<td>17%</td>
<td>17%</td>
</tr>
</tbody>
</table>

There is, however, a clear difference by product type. The largest shares of shoppers buy most school supplies and apparel in physical establishments, while fewer do the same for the other products. Though physical locations are still the most popular, more shoppers will purchase sports equipment and home furnishings online. For electronics, buying online is only slightly more popular than at physical establishments.

Physical stores are so important to BTS shoppers, that when asked about changes in their behaviors if a retailer they typically shop at for BTS purchases closed the nearby store, over half (55%) said they would switch to other locations—either from the same retailer or a different one. A little more than one-third (36%) would switch to online shopping.

Furthermore, BTS shoppers demonstrate the “halo effect” of physical establishments and the negative impact closing stores can have. Half (50%) of BTS shoppers say that if a nearby store closes, they would either switch to buying from another retailer or would simply not spend the money at all. This loss of customers is critical for retailers to realize when they debate closing a location.

These findings are similar to ICSC’s global consumer survey about the impact of store closings on shopping behavior.4 Globally, 42% of consumers, on average, would switch to another retailer or simply not spend their money anywhere else if a nearby store closed. They cite negative brand perception, lack of brand awareness and inconvenience as the top reasons for no longer buying from a retailer that closes a local store.

The top reasons among BTS shoppers for going to a physical store are:

- The ability to physically see, touch or try on the merchandise (51%);
- Better prices/good deals (44%);
- The ability to get items immediately (36%);
- Convenience of one-stop shopping (35%); and
- Not wanting to pay for shipping (32%).

Interestingly, more than two-thirds (68%) of BTS shoppers said that shopping in physical stores provides a better experience than online shopping, while roughly three-fourths (73%) claim that when shopping in stores, they tend to also buy items in the same store that were unrelated to BTS.

**Discount and Apparel Retailers to See Most Activity**

*Discounters will, by far, continue to be the most popular retailer format for BTS shoppers.* More than three-fifths (61%) of them will shop at those retailers, as shown in Chart 6. Many retailers commonly found in regional malls and open-air centers (e.g. apparel/footwear, dollar/variety, office supply, off-price and traditional department stores) should also see strong activity during this BTS season, according to the same chart.

![Chart 6](image)

**Chart 6**
Types of Retailers Shopped at During the BTS Season

<table>
<thead>
<tr>
<th>Retail Format</th>
<th>Millennials (Ages 21-38)</th>
<th>Gen X (Ages 39-54)</th>
<th>Boomers (Ages 55-73)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discounters</td>
<td>61%</td>
<td>34%</td>
<td>14%</td>
</tr>
<tr>
<td>Apparel/Footwear</td>
<td>34%</td>
<td>30%</td>
<td>14%</td>
</tr>
<tr>
<td>Office Supply</td>
<td>29%</td>
<td>24%</td>
<td>14%</td>
</tr>
<tr>
<td>Grocery Stores</td>
<td>23%</td>
<td>21%</td>
<td>17%</td>
</tr>
<tr>
<td>Discounters</td>
<td>20%</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Apparel/Footwear</td>
<td>17%</td>
<td>14%</td>
<td>14%</td>
</tr>
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<td>Apparel/Footwear</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
</tr>
</tbody>
</table>

**Shopping Centers: More Than Just a Place to Shop**

Over four-fifths (82%) of BTS shoppers will go to a mall or shopping center for purchases this season. (See Chart 7.)

Beyond shopping for BTS merchandise, shoppers will also dine at food service establishments (54%), see movies (33%) and use other services or engage in other activities (25%). Overall, 78% will participate in non-shopping activities, evidence that the mall and other shopping centers are more than just a place to shop. Nearly half (47%) will shop and participate in at least one other activity, demonstrating the complementary relationship among retail, personal services and leisure/entertainment.

![Chart 7](image)

**Chart 7**
BTS Shoppers Visiting Shopping Centers by Generation

<table>
<thead>
<tr>
<th>Retail Format</th>
<th>All BTS Shoppers</th>
<th>Millennials (Ages 21-38)</th>
<th>Gen X (Ages 39-54)</th>
<th>Boomers (Ages 55-73)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discounters</td>
<td>82%</td>
<td>88%</td>
<td>75%</td>
<td>71%</td>
</tr>
</tbody>
</table>

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Tech-Enabled Shoppers Make Informed Decisions

The share of BTS shoppers researching online before making purchases in stores continues to grow. Over two-thirds (68%) of BTS shoppers reported that they do research online before shopping at a store location for items. This is higher than in 2018 when 65% of BTS shoppers indicated researching online beforehand and 60% in 2017. While the largest share (53%) use retailer websites to gather information, online researchers also use buying guides/top items lists (36%), retailer and/or shopping center social media channels and retailer apps (29%).

Additional BTS Shopping Insights

- More than four-fifths (86%) of BTS shoppers indicate that promotions significantly influence when they shop, where they shop and the merchandise they buy.
- Roughly half (48%) of BTS shoppers influenced by promotions say they plan their shopping around specific promotional events/dates such as sales-tax holidays and/or big sales. Slightly fewer (43%) say in-store promotions influence the BTS purchases made.
- About two-thirds (65%) of BTS shoppers prefer to stock up on supplies at the beginning of the school year because prices are generally lower.
- Slightly under three-quarters (73%) of shoppers say that when shopping for BTS merchandise in a store, they tend to buy additional items unrelated to BTS there too.
- Nearly three-fifths (57%) of shoppers make several trips throughout the summer to complete their shopping.

July Promotional Period Attracts BTS Shoppers and Others

The growing popularity of July for BTS shopping is likely, in part, due to the mid-month (July 15-16, 2019) promotional period in which as many as 250 retailers participated. However, a separate ICSC survey conducted after those days confirms it is not just BTS shoppers looking for discounts, but all consumers.

This year, nearly half (46%) of U.S. adults took advantage of the sales and bought items during the two-day period. The largest shares of these shoppers were females (49%), Millennials (58%) and urban (53%). Among participants, 79% said they find the Black Friday-type sales offered in July exciting and 60% said they specifically waited, even delayed purchases to secure these deals.

More than four-fifths (81%) of shoppers purchased general merchandise/household goods for everyday purposes, while roughly one-third (34%) bought BTS items. Surprisingly, just under one-quarter (24%) of shoppers also began acquiring goods for the upcoming November-December holiday season. In the end, 76% of shoppers said the deals they found during the sale period on these goods were worth their attention.

Though this promotional period started as an online shopping holiday and is still often thought of as such, it has grown to include other retail channels, including physical stores, proving that consumers’ primary focus is on finding the best price, not the specific retailer they shop at or whether they buy in store or online. Overall, over half (51%) of July 15-16 shoppers spent money in a physical store. This percentage rises to 72% when the share of shoppers spending online from brick-and-mortar retailers (37%) is included. (See Table 2.)

![Table 2 Shares of July 15-16 Shoppers by Retail Format](image)

<table>
<thead>
<tr>
<th>Retail format</th>
<th>Percent of July 15-16 shoppers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical stores</td>
<td>51%</td>
</tr>
<tr>
<td>Online from retailers with stores</td>
<td>37%</td>
</tr>
<tr>
<td>…..Ship to home/office</td>
<td>22%</td>
</tr>
<tr>
<td>…..Pick up in store</td>
<td>24%</td>
</tr>
<tr>
<td>Amazon</td>
<td>56%</td>
</tr>
<tr>
<td>All other pure online retailers</td>
<td>5%</td>
</tr>
<tr>
<td>Other sources</td>
<td>5%</td>
</tr>
</tbody>
</table>

Demonstrating the popularity of click-and-collect once again, a slightly higher share of shoppers (24%) chose that purchasing channel from traditional retailers rather than having the items shipped to them (22%). Among those who bought online and picked up their items in store, 66% made additional purchases at the same retailer or an adjacent establishment.

Even among the subset of consumers who shopped on July 15-16 for BTS items, physical stores played a vital role in the purchases made. Nearly half (45%) of these shoppers bought the majority of their BTS items in store those two days, while 23% bought most BTS merchandise online from brick-and-mortar retailers. Both of these figures represent significant increases from last year (32% and 6%, respectively), proving that new strategies employed by traditional retailers to attract shoppers are succeeding, not just at their physical locations, but their online platforms as well.

Conclusion

These survey results confirm that although shoppers take advantage of all available purchasing channels, physical stores continue to play a vital role in BTS shopping journeys. That, combined with the rise of click-and-collect during the second-busiest shopping time of the year, demonstrates that physical locations are an integral part of a retailer’s ecosystem. Similar to past BTS seasons and the November-December holiday shopping period, promotion-enticed shoppers are continuing to get an earlier start, thus extending the traditional seasonal shopping period.

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5Nicole Spector, "Move Over Amazon, Black Friday in July Sales are Heating Up," NBC News, July 15, 2019, citing figures from RetailMeNot.
6These results and others in this report are based on a representative poll of 1,004 adults in the U.S., conducted from July 18 to 21, 2019, by Engine Insights on behalf of ICSC.

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