

Results and Insights from the 2016 Back-to-School Season

Season-to-Date POS Results: Jul 03 – Aug 20 2016

September 2016

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Highlights

90%

Store sales account for over 90% of retail sales during BTS.



Shifts in school start dates impact when consumers are in stores.



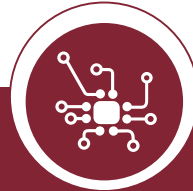
Late 4th of July and Labor Day holidays shift spending later.



Shifts in tax-free holiday periods impact consumer spending.



Teachers increasingly relying on school lists to stock the classroom.



Presence of technology in the classroom continues to grow.

Back-To-School Season Shoppers

Approximately 60% of shoppers buying supplies during the back-to-school season are parents purchasing items for a child.

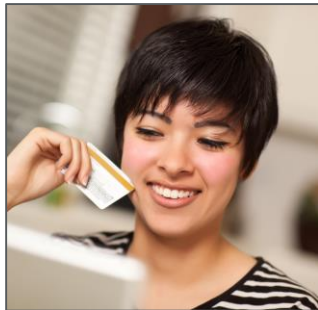
Parent buying
for a child

61%



Student buying
for own needs

30%



Teacher buying
for students

6%



Other buyer

10%

Source: The NPD Group/Back-to-School Monitor 2015

Back-To-School Spend by Category

Spending on traditional supplies will account for approximately 30% of total back-to-school spending.

Traditional
supplies

29%



Technology

59%



Personal
hygiene

3%



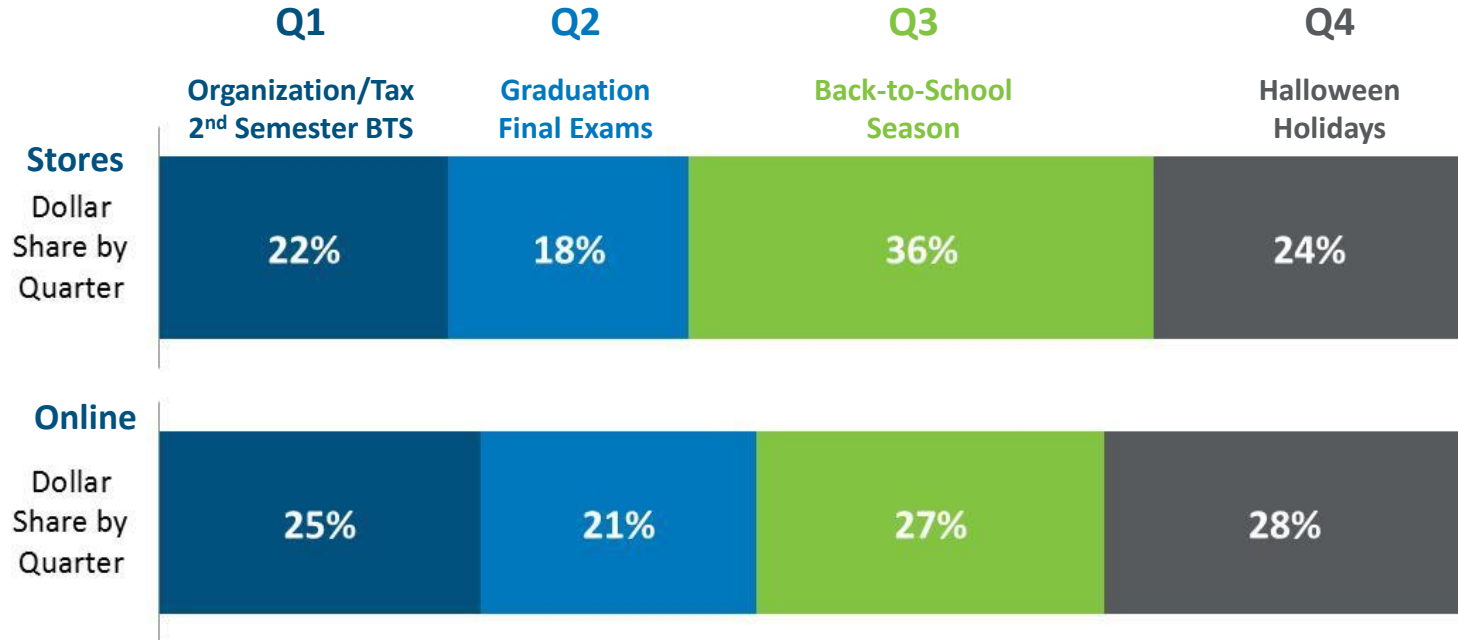
Backpacks &
lunch bags

9%

Source: The NPD Group/Back-to-School Monitor 2014

Back-to-School Accounts for 36% of Yearly Traditional Supplies Dollar Store Sales

Dollar Share by Quarter – Traditional Supplies

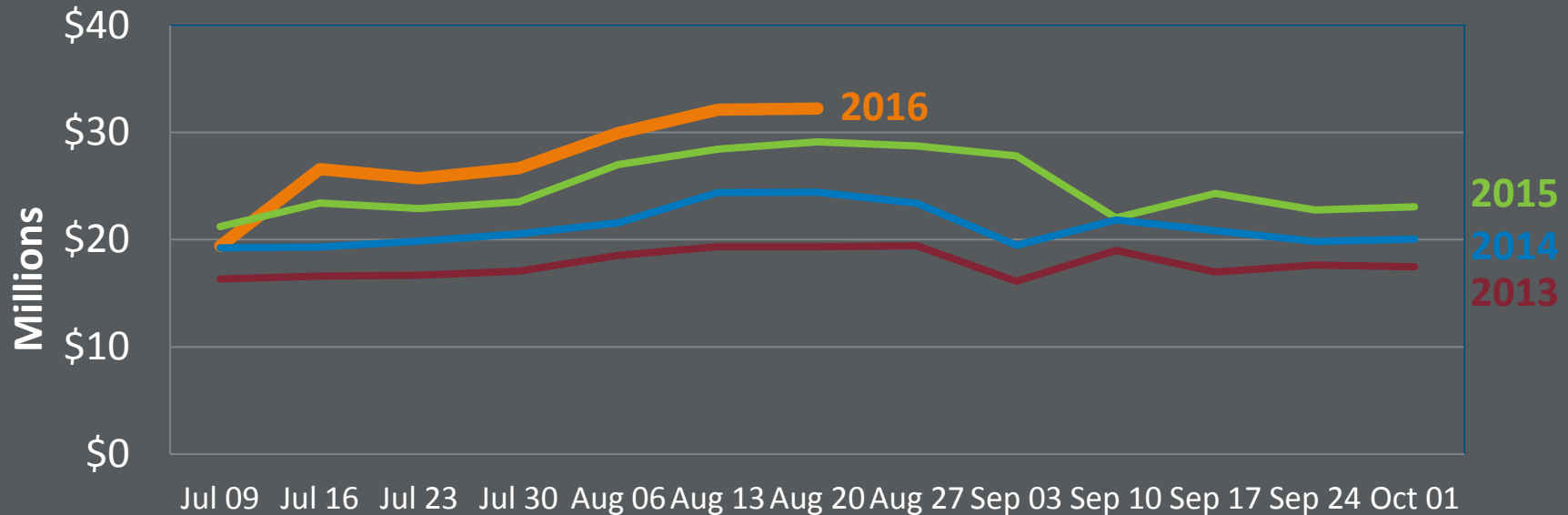


Source: The NPD Group/ Weekly Tracking Service/52 WE January 02 2016/Excluding Janitorial and Breakroom.

Birth Of A Season Online

Back-to-school ecommerce spend is taking shape; a more prominent seasonal arc is forming from the first week of August and lasting through mid-September.

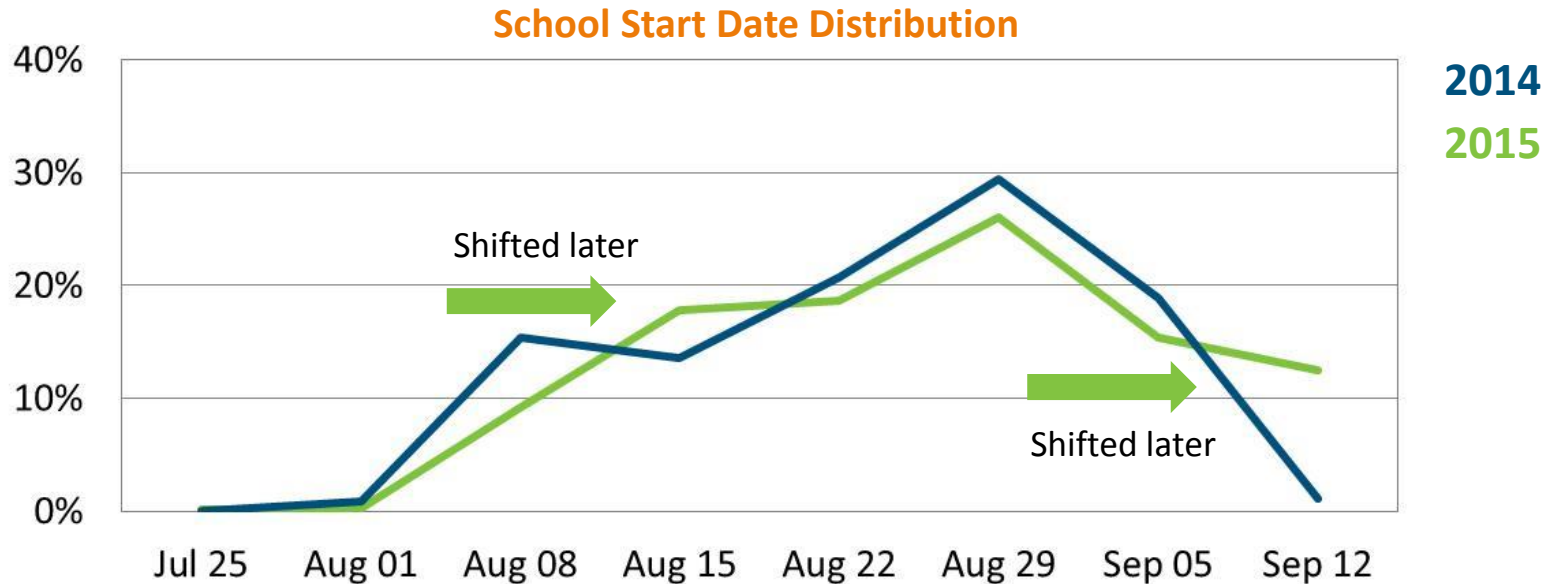
Third Quarter Ecommerce Weekly Dollar Spend



Source: The NPD Group/ Weekly Tracking Service/Excluding Janitorial and Breakroom.

Labor Day Leads to School Start Date Shifts

A late Labor Day holiday in 2016 meant that later school start dates would shift sales further out into August and September like in 2015.



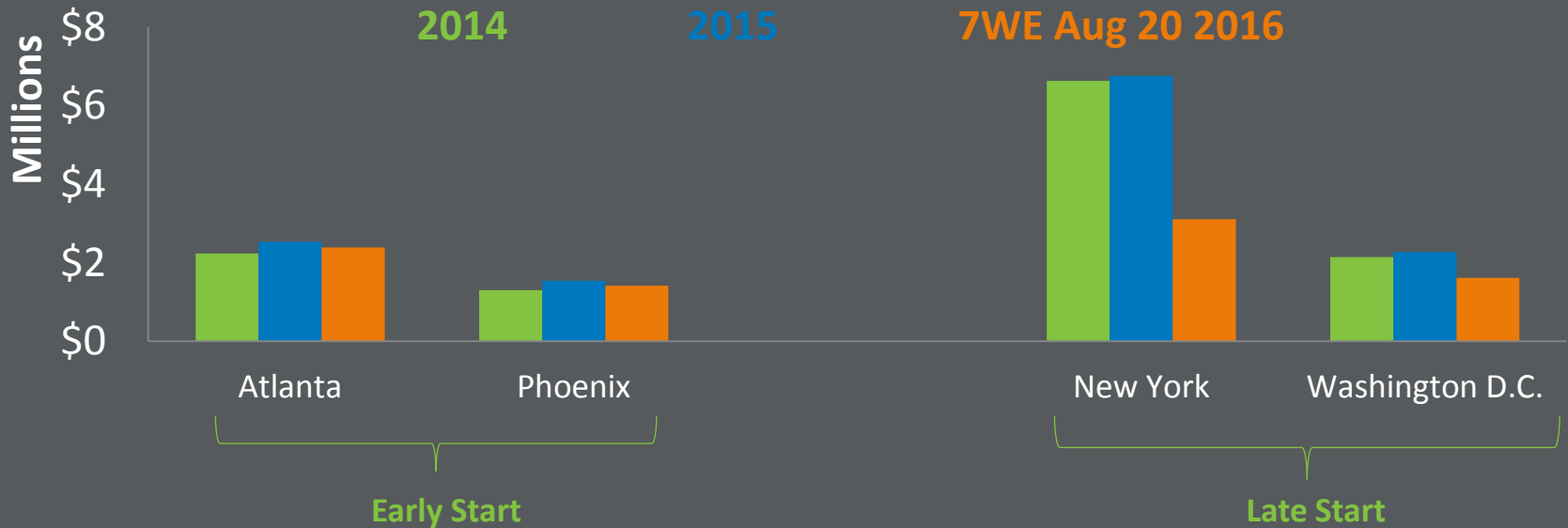
Source: Back-to-School Monitor/Total Season/School Start Date by School Level

Source: Back-to-School Lists 2014 and 2015

Early and Late School Start DMA Differences

Early and late school starts influence when consumers are purchasing supplies and can drive total industry sales trends.

Encased Pencil Store Sales by an Early & Late Start DMA



Source: The NPD Group/ Weekly Tracking Service/Excluding Janitorial and Breakroom/ 7WE Aug 20 2016

Top 4 School List Mentions on Teacher's Lists

1. Wood case pencils
2. Glue sticks
3. Facial tissue
4. Scissors

Greater rate of Southern Region mentions for:

1. Construction/drawing paper
2. Pronged folders
3. Counter top soap



Source: NPD School List Database 2015 (% of Total Lists)

Stocking the Classroom

+70% provide a school list

+30% offer school supply packs

+40% Distribute wish lists

+90% will use personal income

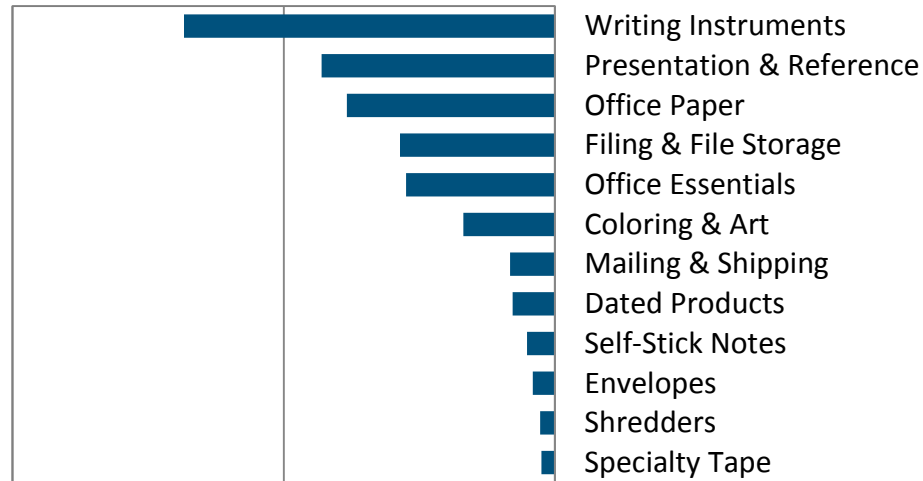


Source: The NPD Group Inc./Today's Teachers: School Supply Purchasing Dynamics & Behaviors

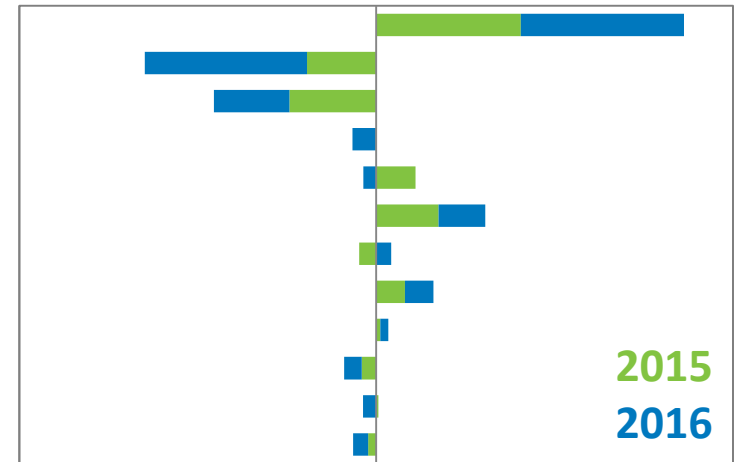
Back-To-School Season Retail Sales

Season-to-date growth at retail stores is stemming from writing, coloring and art, and dated products in 2016.

2016 BTS Dollar Volume (\$MM)



Dollar Growth (\$MM)



\$1,000

\$500

\$0

(\$50)

\$0

\$50

2015

2016

Source: The NPD Group/ Weekly Tracking Service/Excluding Janitorial and Breakroom/ 7WE Aug 20 2016

Social Media Engagement and Influence

36%

Of teachers use
Pinterest for
inspiration.

6M

School supply pins
on Pinterest.

+279%

Back-to-school
related pins on
Pinterest by
August.

20%

Of teachers use
Facebook for
inspiration.

Source: The NPD Group Inc./Today's Teachers: School Supply Purchasing Dynamics & Behaviors
Source: http://www.huffingtonpost.com/entry/back-to-school-pinterest-trends_55d24403e4b07adach43bhc0

QUESTIONS?

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