

## 2022 Deloitte back-to-college survey

*Digital drives a season shaped by inflation and shifting priorities*



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# Let's talk.



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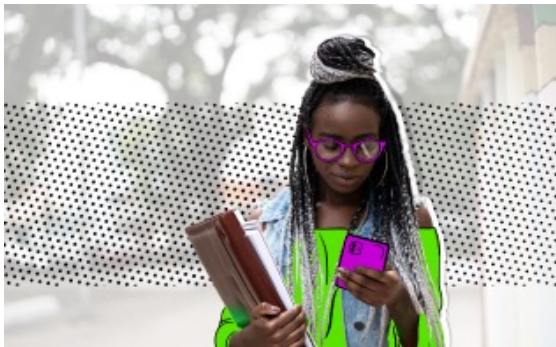
## Inflation drives spend up 10%

Despite mounting economic uncertainty, parents are making BTC a priority in their budgeting, and plan to spend \$1,600 per child, up 10% YoY. For those planning to spend more than last year, over half cited inflation as the main reason.



## Digital remains hot

Even as many return to stores, parents plan to spend 38% of their budget online. Meanwhile, usage of social media and emerging tech tools in the BTC shopping journey has increased, in contrast to our BTS findings.



## Tech spurs market growth

The BTC estimated market size will reach \$28.3B this year, growing 6% YoY. Digital integration into the college experience pushed tech sales up YoY, while traditional college supplies and dorm and apartment furniture sales declined.



## Mental health top of mind

Parents are aware of the stress students are under and half are concerned about their child's mental health. They are looking to purchase solutions such as wellness apps, products, and extracurricular activities, and spend 8% more on average.

# Cheat sheet

## Inflation drives up BTC spending plans

**40% of parents expect to spend more on BTC items YoY** (versus 34% in 2021)

**Higher prices** compared to last year is the **leading reason** cited by those who expect to spend more on BTC items (**55% in 2022** versus 52% in 2021)

Market size likely to be up **6% YoY to \$28.3B**, with parents spending \$1,600 per child on average (versus \$1,459 in 2021)

**Spend on technology products up 22% YoY** (versus 16% growth in 2021), outpacing other categories

**77% plan to use credit cards or buy now pay later (BNPL)** to pay for BTC purchases (versus 70% in 2021)

## Tech remains strong on continued digital preferences

**41%** said their children have been **attending college in online or hybrid mode** (versus 65% in 2021)

**53% are buying fewer traditional college supplies** as their children are using **more digital technologies** in and out of the classroom (versus 45% in 2021)

**Online share of BTC spend remains high** (38% in 2022 versus 35% in 2021), while use of **smartphones for shopping rises** (59% in 2022 versus 49% in 2021)

**44%** plan to use at least one **emerging technology for BTC shopping** (versus 29% in 2021)

**30%** of those who use digital devices plan to use **social media for BTC shopping** (versus 22% in 2021)

## Many willing to spend on priorities such as children's mental health

**49% are concerned about their child's mental health**, and 36% have purchased products or services to address this issue. Concerned parents will likely spend 8% more than the average BTC shopper

**47% choose environmentally friendly or responsibly sourced BTC products** whenever possible. Such parents are likely to spend 19% more than the average shopper

**33% prefer buying a used or refurbished product** than a brand-new one for their child (versus 24% in 2021)

## Stockout expectations keep BTC spending front-loaded

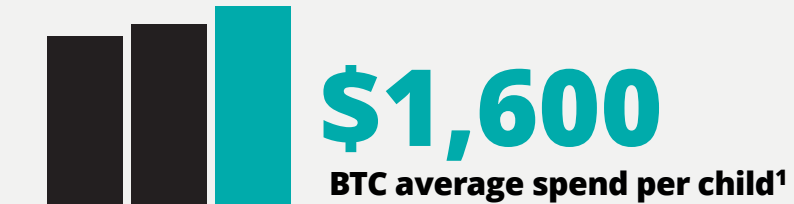
**68% are expecting stockouts** during the BTC shopping season due to supply chain disruptions

**56% of BTC spend** expected to occur by the end of July, virtually unchanged **from 57% in 2021**, but still higher than **51% in 2020 and 2019**

**Mass merchants** (77% in 2022 versus 71% in 2021) and **online-only retailers** (61% in 2022 versus 53% in 2021) remain leading retail formats that **parents plan to visit for BTC shopping**

## Spend increases 10% YoY

Market size increases at a slower rate  
because of waning enrollment



▲ +10% vs 2021, +18% vs 2019



▲ +6% vs 2021, +13% vs 2019

**17.7M college enrollments\*<sup>2</sup>** -3% YoY

Source: (1) Deloitte calculations on BTC market spend based on annual consumer survey projections (N=950) and enrollment figures from US Census Bureau's Current Population Survey (CPS) – School Enrollment Supplement; (2) US Census Bureau.

\*Latest estimates from CPS – School Enrollment Supplement are used, i.e., October 2020 enrollment figures are used for 2022 market size estimates.

All figures are in US\$, unless otherwise specified.

# Inflation drives increase in spend

2021 ●  
2022 ●

**40%**

**expect to spend more on BTC YoY<sup>1</sup>**

vs. 34% in 2021, 23% in 2020, 28% in 2019

**55%**

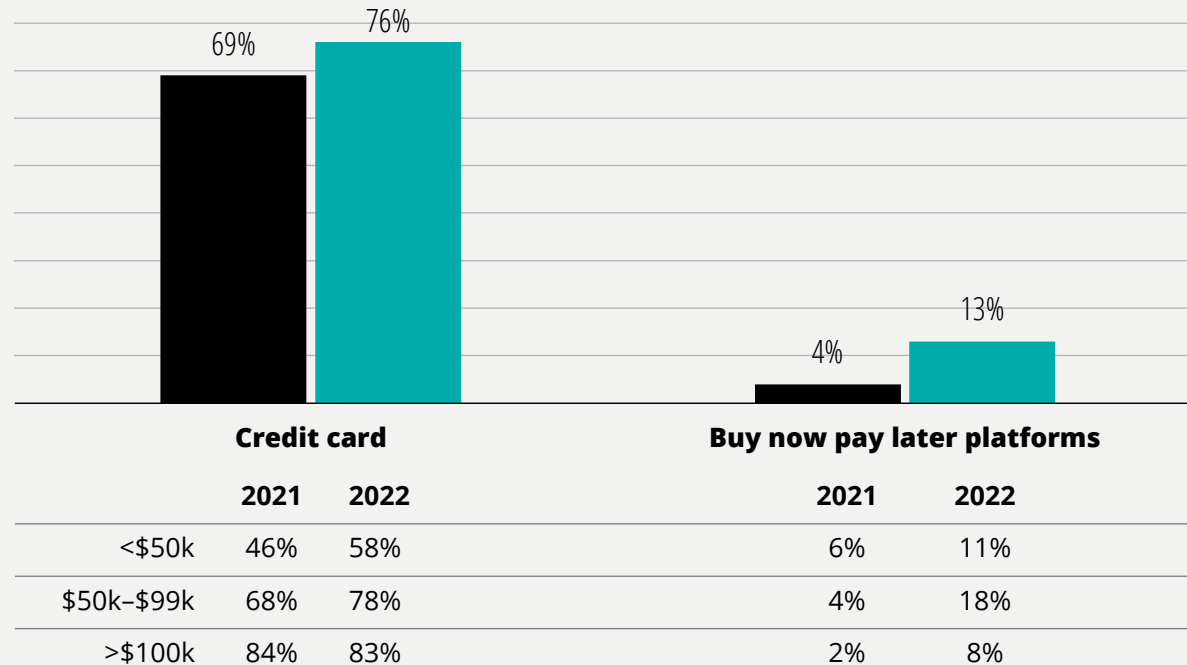
**of those planning to spend more, say it's because of higher prices<sup>2</sup>**

vs. 52% in 2021, 37% in 2020, 34% in 2019

Question: (1) How will your spending (excluding your student's spending) this year on back-to-college items compare with what you spent on back-to-college items last year? - % "I expect to spend more this year than I did last year" (N=950); (2) Why will you likely spend more on back-to-college items this year? #multi-select question - % "I am finding that prices are generally higher when compared to last year" (N=381); (3) Which of the following will you likely use to pay for your back-to-college purchases? #multi-select question (N=950).

Faced with higher prices, the use of credit rises

Parents' preferred credit payment modes<sup>3</sup>



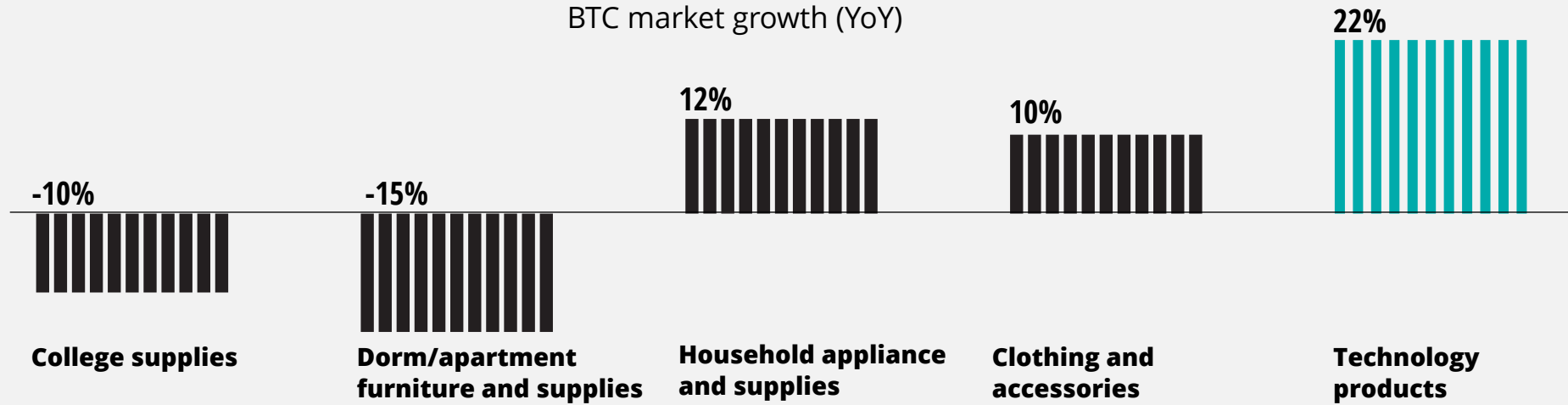
**77%** likely to use credit sources to pay for BTC purchases<sup>3</sup>

vs. 70% in 2021

# Tech category spurs BTC growth

As digital becomes engrained in the college experience, tech continues to grow

BTC market growth (YoY)



	College supplies	Dorm/apartment furniture and supplies	Household appliance and supplies	Clothing and accessories	Technology products
Change in avg. spend per child	—	▼	▲	▲	▲
Change in participation %*	▼	—	▲	—	▲

Source: Deloitte calculations of BTC market spend based on annual consumer survey projections and revised US current population survey (CPS) – School Enrollment Supplement.

YoY percentage change is calculated based on change in estimated market size (US\$B) for each category compared to 2021.

Notes: N=950 (2022) and N=941 (2021). All figures are in US\$.

Technology products include computer & hardware and electronic gadgets (including cell phones/smartphones, tablet/e-reader, gaming console, wearable devices and digital subscriptions and voice/data plans).

\*Change in participation % refers to the growth/decline in the percentage of shoppers purchasing a category.

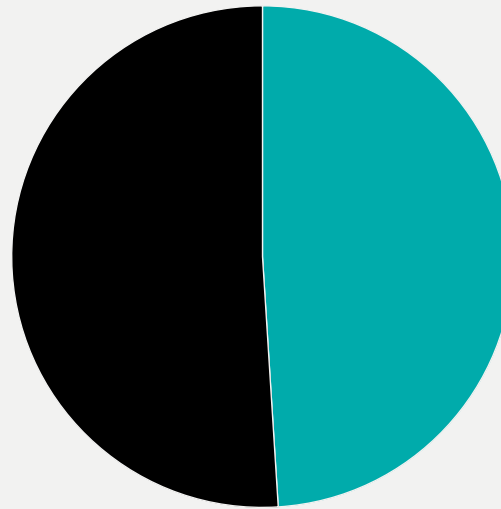


## Mental health and wellness is a focus for many parents

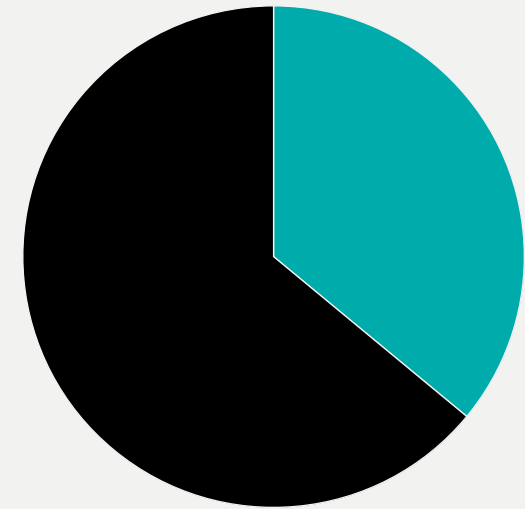
The pandemic has caused people to reassess priorities, giving retailers opportunity to address new needs

### Parents concerned about mental health spend 8% more than average

**49%**  
are concerned about their child's mental health<sup>1</sup>



**36%**  
have spent on products/services to address their child's mental health<sup>2</sup>

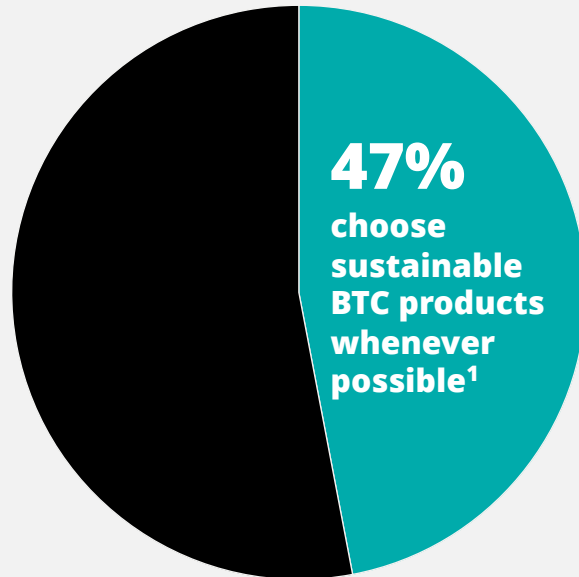


Question: (1) To what extent do you agree or disagree with the following statements? - % agree/strongly agree "I am concerned about my student's mental health"; (2) You mentioned you are concerned about your student's mental health. Which products/services have you purchased to help your student's mental health in the past year? #multi-select question.

Notes: N=950.

## Parents willing to spend for sustainable BTC products

Opportunity for retailers as sustainable shoppers spend 19% more than average



Sustainable shoppers spend **19% more than average**

**33%** prefer to buy a used or refurbished product<sup>2</sup>

Of those not choosing sustainable products,<sup>3</sup>

- **45% say they are not affordable**
- **25% say it's difficult to identify genuine sustainable products**

Question: (1) Please indicate your level of agreement with the following statements pertaining to your back-to-college shopping: "I choose environmentally friendly and/or responsibly sourced back-to-college products whenever possible" – % agree/somewhat agree; (2) Please indicate your level of agreement with the following statements for back-to-college shopping: "I prefer buying a used or refurbished product than a brand-new one for my student(s)" – % agree/somewhat agree; (3) Which of the below factors stopped you from choosing environmentally friendly and/or responsibly sourced products whenever possible? #multi-select question (N=161).  
Notes: N=950, unless otherwise mentioned.

# Digital continues to accelerate

The college landscape continues to embrace digitally delivered education

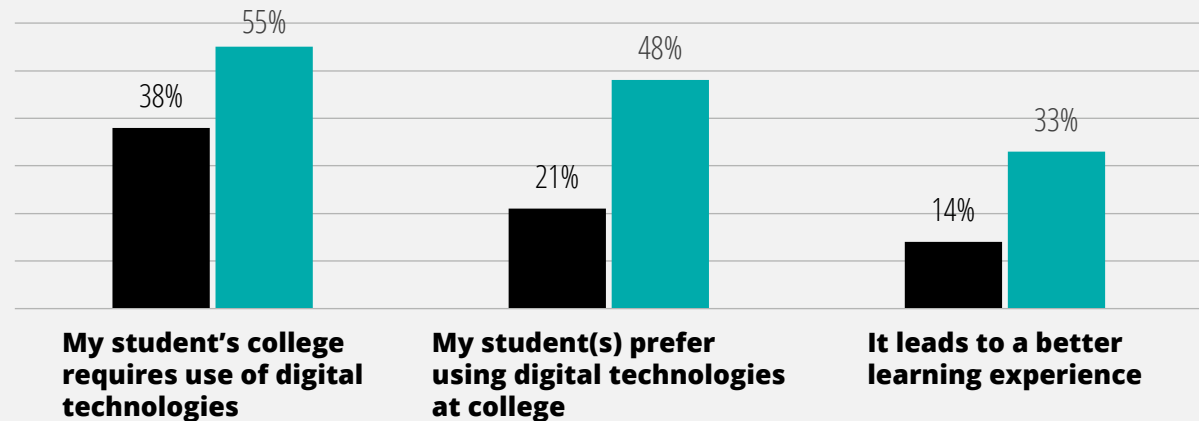
● 2021 ● 2022

**41%**  
attending college in  
online or hybrid mode<sup>1</sup>  
(vs. 65% in 2021)

**51%**  
planning to spend same or more  
on online learning resources<sup>2</sup>  
(vs. 49% in 2021)

**53%** buying fewer traditional college supplies due to increasing use of digital technologies<sup>4</sup>  
(vs. 45% in 2021)

Reason for increasing use of digital technologies at colleges<sup>3</sup>



Questions: (1) How have your student(s) been attending college since fall 2021?; (2) Compared to last year, how are you planning to change your spending on virtual/online learning resources (exclude mandatory virtual classes by colleges or universities) for your student this year?; (3) What is the main reason behind your student's increasing use of digital technologies at college? #multi-select question, asked only to those who agreed to purchasing fewer traditional college supplies (N=508). (4) Please indicate your level of agreement with the following statements for back-to-college shopping: "Compared to a year ago, I'm buying fewer traditional college supplies (e.g., pens, notebooks, textbooks) because my student(s) is using more digital technologies (e.g., laptops, tablets) in and out of the classroom" - % agree/somewhat agree.

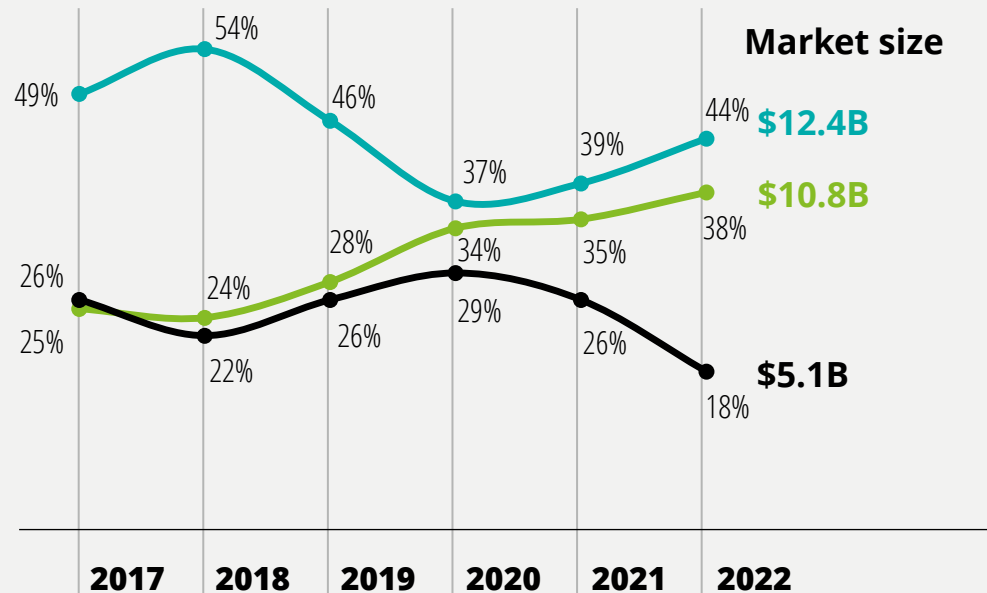
Notes: N=950, unless otherwise mentioned.

# In-store rebounds, while digital stays strong

With retailers offering more tech-enabled shopping tools, consumers continue to adopt

● In-store ● Online ● Undecided

BTC spend: Share by channel<sup>1</sup>



**59%** will use smartphones for BTC shopping<sup>3</sup>

vs. 49% in 2021

**30%** will use social media for BTC shopping<sup>2</sup>

vs. 22% in 2021, 21% in 2019

**44%** use emerging tech for BTC shopping<sup>4</sup>

vs. 29% in 2021, 26% in 2019

**36%** are interested in shopping in the metaverse<sup>5</sup>

Question: (1) What percentage of the budgeted amount do you expect to spend online or in-store or undecided?; (2) Do you plan to use social media sites (e.g., blogs, discussion groups, or social networks) to assist in your back-to-college shopping? (N=901, only asked to those who will use at least one digital device while shopping for BTC); (3) Please select the device(s) you use or plan to use for back-to-college shopping. #multi-select question; (4) Which of the following do you plan to use during this back-to-college shopping? #multi-select question; (5) To what extent do you agree or disagree with the following statements about the 'metaverse': "I am interested in shopping at retail stores in the 'metaverse'" - % agree/strongly agree.

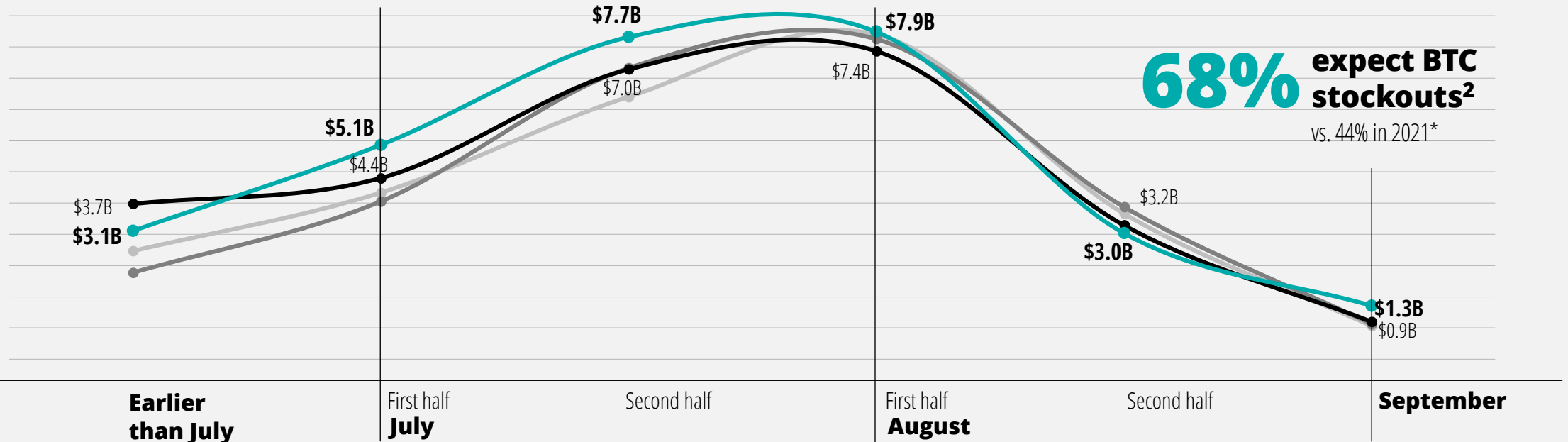
Notes: N=950 (2022), N=941 (2021), N=1,025 (2020), N=1,025 (2019), N=1,025 (2018), and N=1,025 (2017), unless otherwise mentioned. All figures are in US\$.

# More than half plan to finish shopping by end of July

Concern for stockouts drives early spend

● 2019 ● 2020 ● 2021 ● 2022

BTC total spend by shopping periods<sup>1</sup>



**68%** expect BTC stockouts<sup>2</sup>  
vs. 44% in 2021\*

In 2022, 56% of planned spend will occur by the end of July, at par with 2021, and higher than 51% in 2020 and 2019

Question: (1) Out of US\$ \_\_\_\_ you plan to spend on BTC shopping, how much do you plan to spend during the following months?; (2) Please indicate your level of agreement with the following statements for BTC shopping: "I am expecting stockouts during this year's back-to-college shopping season due to supply chain disruptions" - % agree/somewhat agree; \* in 2021, the statement was "I am expecting stockouts during this year's back-to-college shopping season due to coronavirus (COVID-19) disruptions."

Notes: N=950 (2022), N=941 (2021), N=1,025 (2020), and N=1,025 (2019), unless otherwise mentioned. All figures are in US\$.

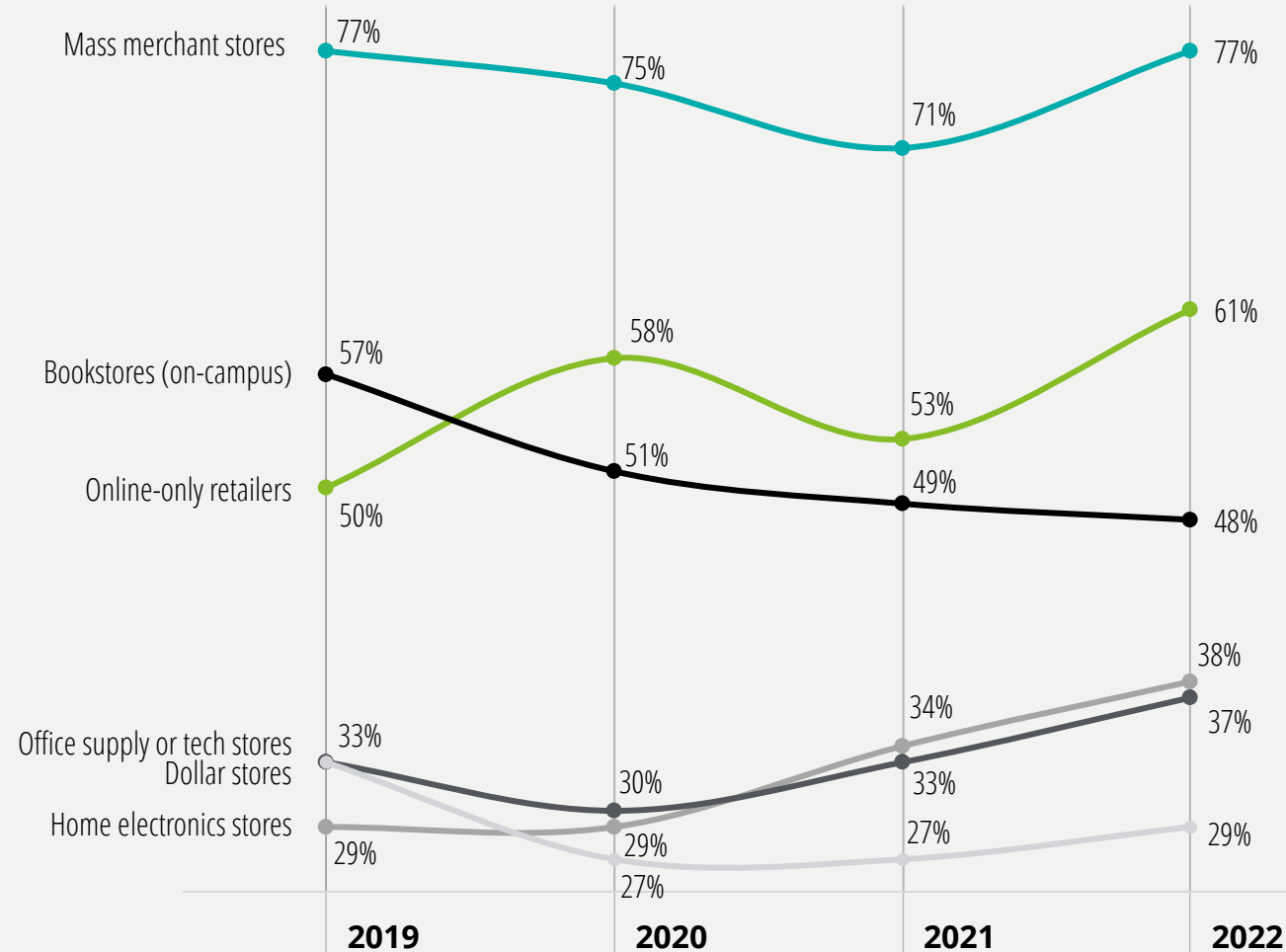
## A return to store aids many

Digital acceleration drives growth for online-only and home electronics stores

### Planning to spend the most (2022)<sup>2</sup>

- 32%** Mass merchant stores
- 18%** Online-only retailers
- 12%** Bookstores (on-campus)
- 12%** Home electronics stores
- 4%** Home furnishings and housewares stores
- 3%** Warehouse membership clubs

Top 6 preferred\* retail formats for BTC shopping<sup>1</sup>



Questions: (1) Which type of retailer(s) do you plan to visit for your BTC shopping? #multi-response question; (2) At which type of retailer do you anticipate spending the most money this BTC shopping season? (N varies, as respondents are asked to select one of their retail format choices); \*Includes retail formats that at least 20% of respondents plan to visit for BTC shopping. Note: N=950.

# About the survey

## **Survey timing**

May 20 to June 14, 2022

## **Sample**

The survey polled a sample of 950 parents of college-aged children, with respondents having at least one child attending college this fall. The survey has a margin of error for the entire sample of plus or minus three percentage points.

## **Methodology**

The survey was conducted online using an independent research panel.

## **Thank you**

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