

Back-to-school lessons from Walmart, Target, and Amazon

Article

Key stat: Back-to-school retail sales are expected to grow 2.9% this year, totaling nearly \$72 billion, according to our forecast. Although other projections vary (e.g., the National Retail Federation predicts spending on K–12 students will grow 10.8% this year, while Deloitte predicts a decline of 9.3%) one conclusion is certain: Retailers will innovate to win their share of revenues.

The challenge boils down to “courting” both the parents and their kids in an efficient way, our analyst Suzy Davidkhanian said on the “[Behind the Numbers: Reimagining Retail](#)” podcast.

Here are three examples of how back-to-school’s biggest players are delivering value through discounts and enhanced shopping experiences.

In-store inclusivity: Every Saturday morning from July through August, Walmart is offering sensory-friendly hours for those with sensory disabilities. Lights will be dimmed, music will be turned off, and screens will display static images.

- “Back to school is a really important in-store experience for a lot of students,” said our analyst Zak Stambor. “This welcomes [students with sensory disabilities], and in doing so, could build some lifetime, loyal customer relationships.”
- In the 2021–2022 school year, 7.3 million students ages 3 to 21 received special education and/or related services under the Individuals with Disabilities Education Act, according to the National Center for Education Statistics. That accounts for 15% of all public school students.

Takeaway: Embrace inclusivity in your approach to attract a wider customer base.

Emphasis on value: Amazon’s back-to-school ad campaign encourages parents to spend less and save more by shopping the site’s discounted items.

- The ads, starring Randall Park, target cost-conscious parents at a time when many are pulling back on discretionary spending.
- Prime Day’s early back-to-school deals can offer insight on the products and categories that might be in high demand later during the holiday season.

Takeaway: Speak to consumers’ heightened price consciousness and showcase promotions and discounts.

Dorm-room ready: Target’s registry tool allows college students to easily add products to their wish list and share it with their parents.

- Target Circle is also offering college students 20% off of one total shopping trip. “It sounds familiar to Bed Bath & Beyond shoppers,” said Stambor.
- With the brick-and-mortar advantage over retailers like Amazon, Target is in a good position to capture the customer base that used to rely on Bed Bath & Beyond for college essentials.

Takeaway: Tap into a market with unique needs, like on-campus college students, and identify opportunities to fill voids in the market.

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