

BRIGHT DISPOSITION 2017 BACK TO SCHOOL REPORT



Introduction

Welcome to the third Bright Disposition Back to School report. I started these reports in 2015 to give an overview of the U.K retail market and share my market knowledge about the stationery category, having bought stationery for a number of UK multiple retailers including Paperchase and Sainsbury's. I know from experience of having worked for both retailers and suppliers that it can be difficult to get out of the office to comp shop and review the market properly. This year we've had a team of four retail analysts constantly reviewing the Back to School market during July and August 2017.

We've extended part one of the report to include even more analysis of retail and market trends. We've also added in three new sections: Back to School focus group results, a guide on how to plan and buy for Back to School and market disruptor reports into Smiggle and Amazon.

Retailers Reviewed

We've reviewed 44 retailers including stationery specialists, supermarkets, discounters, variety retailers, department stores, design led and fashion retailers. As I comment every year, the number of retailers selling stationery continually increases and this year we have added Waterstones, Primark, Home Sense, Typo, Urban Outfitters and Card Factory to the list of retailers we have reviewed.

Contributors

I would like to acknowledge the fantastic team work involved in pulling this year's report together.

Contributors to the report in addition to myself Alexandra Miles include Faika Khurram, previously Merchandise Manager at Paperchase, Anna Grigg, previously Gifts and Stationery Buyer at Sainsbury's and Kelsey Edwards who is working with Bright Disposition as a summer intern.

Between us we have worked for ten different British retailers (including WHSmith, WHSmith travel, Sainsbury's, Next, Paperchase, John Lewis, BHS, Harrods, Top Shop and Virgin Megastores) and have over 30 years of experience in buying and merchandising!

I hope you enjoy the read and as always it stirs up some thoughts and ideas.

Alex Miles (Managing Director of Bright Disposition Ltd)

Executive Summary

Part One - An overview of the economic climate, retail and stationery trends in 2017

1.1 The economic climate: Competition is intense and growing at a time when consumers are challenged with rising inflation, higher levels of debt and stagnant wages. The challenges of trading in the current U.K economic climate will be outlined in part 1.1.

1.2 The retail climate and retail trends: Over the years of buying stationery and then reporting on it, it has been fascinating to observe how the market has changed and evolved. The current retail climate and broader retail trends such as the rise of discounters, market disruptors, omnichannel retailing, mobile commerce, social media, influencer marketing, retail agility, personalisation and retail entertainment will be reviewed in part 1.2.

1.3 – 1.4 Back to School and Stationery market trends: There have been some clear step changes in recent years in the way that stationery is being sold over the Back to School period that will be examined throughout the report. 2017 Back to School trends and then specific stationery product and marketing trends are outlined in 1.3 and 1.4. Stationery market trends reviewed include the following: colour, branded products, bundle packs, novelty stationery, fashion stationery, gender, pencil cases, licensed stationery, product innovation, pricing, promotions and inflation, Back to School marketing and newsletters.

1.5 Back to School Focus Group Results: Our 2017 focus group with 8 mothers and two secondary school students reviews the following: Back to School shopping methods and timeframes, favourite retailers and brands, school requirements and how involved children get in the Back to School shop.

1.6 How to plan and buy for Back to School: Written from a retailer's perspective by Buying and Merchandise managers, part 1.6 will give advice and top tips on how to plan and buy for a Back to School promotion.

1.7 Market Disruptor Report – Smiggle. The rise of the colourful retailer - an in depth, analytical report into the way Smiggle is disrupting the stationery market.

1.8 Market Disruptor Report – Amazon. Is Amazon taking over the World? An in depth, analytical report into Amazon's place in the retail sector including trends in the U.S market, coverage of their Prime day and new Amazon Go stores.

Part Two - Retail Review

In part two Retail Review we look at individual product offers over the Back to School period in store, online and relevant social media activity in 44 different retailers. These are in depth competitor shop reviews detailing products that were sold in Back to School space, pricing and promotions and in store marketing.

The list of retailers reviewed is as follows: Accessorize, Aldi, Amazon, Argos, Asda, ASOS, B&M, Card Factory, Cath Kidston, Claire's, eBay, Hema, Home Bargains, Home Sense, John Lewis, Kikki.K, Lidl, M&S, Matalan, Morrisons, Ocado, Office Outlet, Paperchase, Poundland, Poundstretcher, Poundworld, Primark, Ryman, Sainsbury's, Smiggle, Sports Direct, Tesco, the Range, the Works, Tiger, Tinc, Typo, Urban Outfitters, Very, Waitrose, Waterstones, WHSmith, WHSmith Travel, Wilko. In recognition of the importance of omnichannel retailing this year our analysis of instore and online will be combined and reviewed together, along with social media activity by retailer.

The focus of the report is stationery, school bags and lunch bags and the retail reviews do not cover school uniform.

Part Three - Product & Design Trends

We've spent the summer reviewing the stationery market and capturing the latest trends in fashion and novelty stationery and accessories. Part four of the report is made up of 13 mood boards reviewing 2017 design and product trends and some up and coming trends to watch out for. Trends include Unicorns, Glitter and Monsters.

Appendix

In the appendix we review price points across market leading stationery products in 17 key retailers.

