

Bankrate

Nearly a Third of Back-to-School Shoppers Say Inflation Will Change the Way They Shop This Year

Just under a third of back-to-school shoppers are going into debt as a result

NEW YORK - August 19, 2024 - As some students already settle back into classrooms and back-to-school preparations for others are underway, nearly a third of back-to-school shoppers say that inflation has or will change the way they shop this year (32%) according to a new Bankrate survey, down from 41% in 2022 when inflation peaked. Click here for more information:

<https://www.bankrate.com/credit-cards/news/back-to-school-survey/>

Overall, back-to-school shoppers appear less concerned about the impact buying back-to-school items will have on their finances this year, compared to 2022. About 1 in 5 back-to-school shoppers say this did or will place a strain on their budget this year (18%), down from 31% in 2022, while only 14% say they feel pressured to spend more than they are comfortable with, down from 26% in 2022.

"As inflation has come down, Americans have become more comfortable paying for things like back-to-school shopping," said Bankrate Senior Industry Analyst Ted Rossman. "Shoppers aren't clutching their wallets nearly as tightly this year. It's important not to let your guard down, though. Credit card rates and balances remain near record highs and there's a cumulative toll to all of the price increases we've seen the past few years." (<https://www.bankrate.com/finance/credit-cards/current-interest-rates/>)

Around half of back-to-school shoppers will employ at least one money-saving strategy (46%). Nearly 3 in 10 shoppers plan to seek more deals/coupons than in the past (28%), notably down from 47% in 2022. Other strategies include having money specifically set aside/budgeted (22%), buying cheaper brands than usual (21%), and buying fewer school supplies than previous years due to the cost (19%).

As far as how back-to-school shoppers will finance their purchases, debit cards are the most popular method (65%), followed by cash (57%), and credit cards (52%). Overall, about one-third of back-to-school shoppers are going into debt as a result (31%), roughly even with 29% in 2022. This includes 24% who are using credit cards and

carrying balances over time and 13% who are using buy now, pay later services (e.g., Affirm, Afterpay, Klarna, etc.).

Overall, about half (49%) of Americans are engaging in back-to-school shopping for this upcoming school year (2024-2025), led by 67% of Gen Zers (ages 18-27), 64% of millennials (ages 28-43), and 45% of Gen Xers (ages 44-59).

"Use technology to your advantage this back-to-school shopping season," added Rossman. "For instance, my wife is part of a local 'buy nothing' group on Facebook and we acquire a ton of free clothes for our school-aged daughters. When you need to buy something, aim to stack discounts. As in, combine a store promotion with a rewards credit card and an online shopping portal such as Rakuten or Shop Through Chase. There are plenty of online tools that help with comparison shopping, too. Honey, Camelcamelcamel and Capital One Shopping are three good ones."

Methodology:

Bankrate commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. The total sample size was 2,358 U.S. adults, of whom 1,163 are planning to shop for back to school items this year. Fieldwork was undertaken between July 15-17, 2024. The survey was carried out online and meets rigorous quality standards. It employed a non-probability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

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