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41% of Back-to-School Shoppers Will Change the Way They Shop Due to Inflation, with 95% of Those Actively Looking to Save Money This Year

Middle-income households most likely to say inflation will change how they back-to-school shop

NEW YORK – August 11, 2022 – More than 2 in 5 back-to-school shoppers (41%) say that inflation will change the way they shop for the upcoming school year (2022-2023), with 95% of these shoppers looking to employ a money-saving strategy this year, according to a new Bankrate.com report. Click here for more information:

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

Compared to back-to-school shoppers overall, those who say inflation will change the way they shop are less likely to have money specifically set aside for these purchases (only 25% vs. 33% overall). They are also more likely to say that back-to-school shopping will strain their budgets (36% vs. 31% overall), and that they will feel pressured to spend more than they are comfortable with on these purchases (30% vs. 26% overall).

As a group, inflation-conscious back-to-school shoppers are more likely (95%) than back-to-school shoppers overall (90%) to say they are planning to save money this year. Comparing the two groups, the most popular money-saving methods are seeking more coupons/discounts/sales (54% vs. 47% overall), followed by buying fewer school items (45% vs. 36% overall), buying cheaper brands (43% vs. 35% overall), stretching current items another year (39% vs. 31% overall), shopping at stores where they have loyalty accounts/store-specific credit cards (37% vs. 30% overall), obtaining more used/secondhand items (30% vs. 24% overall), using credit card rewards to offset costs (25% vs. 20% overall), delaying purchases (21% vs. 17% overall) and something else (4% vs. 2% overall).

Inflation is also making middle-income households' (earning between \$50,000-\$99,999 annually) back-to-school shopping look especially different, with 53% saying that inflation will change the way they back-to-school shop this year. That is compared to 37% of lower-income households (earning less than \$50,000 annually) and 39% of higher-income households (earning \$100,000 or more annually) who say inflation will change their back-to-school shopping habits.

Middle-income households are also more likely to employ money-saving tactics like obtaining more used/secondhand items (28% vs. 21% of lower-income households and 23% of higher-income households), stretching current items out another year (32% vs. 28% of both lower-income and higher-income households) and seeking out more coupons/discounts/sales (50% vs. 46% of lower-income households and 43% of higher-income households).

“Back-to-school shopping has turned into a major retail event, second only to the winter holidays,” said Bankrate.com senior industry analyst Ted Rossman. “These expenses are taking a major financial toll on American families already struggling with the highest inflation readings in more than 40 years. I think all the money-saving strategies referenced in our survey are worth

considering. I'm especially fond of looking for opportunities to stack discounts, for example, combining credit card rewards with store coupons and online shopping portals. That represents three ways to save on the same purchase.”

Overall, nearly 3 in 10 U.S. adults (29%) plan to engage in back-to-school shopping this year, led by 51% of Gen Zers (ages 18-25) followed by 47% of older millennials (ages 33-41), 39% of younger millennials (ages 26-32), and 36% of Gen Xers (ages 42-57).

Of those who plan to back-to-school shop this year, more than half (57%) will use a debit card to pay for these purchases, followed by cash (47%) and a credit card (46%, including 30% paid in full and 21% paid over multiple billing cycles). More than 1 in 10 (14%) plan to use a buy now pay later service, while 9% will use a check and 2% will use another form of payment.

Considering the potential to incur credit card debt from these purchases, more than 1 in 4 millennial back-to-school shoppers (26%) plan to use a credit card and pay off the balance in multiple billing cycles, compared to 20% of Gen X and 17% of Gen Z back-to-school shoppers.

Methodology:

Bankrate.com commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. The total sample size was 2,438 adults, among whom 729 plan to go for back-to-school shopping. Fieldwork was undertaken between July 13-15, 2022. The survey was carried out online and meets rigorous quality standards. It employed a nonprobability-based sample using 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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