

Consumer pulse Back-to-school fall forecast 2024

Fall 2024



Executive summary: Back-to-school and fall spending outlook

KPMG surveyed 1,013 US consumers, including 786 back-to-school (BTS) shoppers. Respondents describe how their fall 2024 spending plans, priorities, and preferred categories and channels have changed from last year.



Consumers plan to increase BTS spending

- A **plurality of consumers (42%)** plan to spend more on BTS this year—driven primarily by higher prices.
- Consumers estimate their BTS spending will increase from **\$314 to \$356 (+14%)**. Increased spending is expected across all education levels.
- **Share of wallet:** Core supplies, apparel, and footwear are the top categories (54% combined), on par with last year. **Mass merchants** are the top channel (34%).
- **43% of BTS shoppers are interested in luxury items**—up from 37% last year. High-end electronics are the top category.



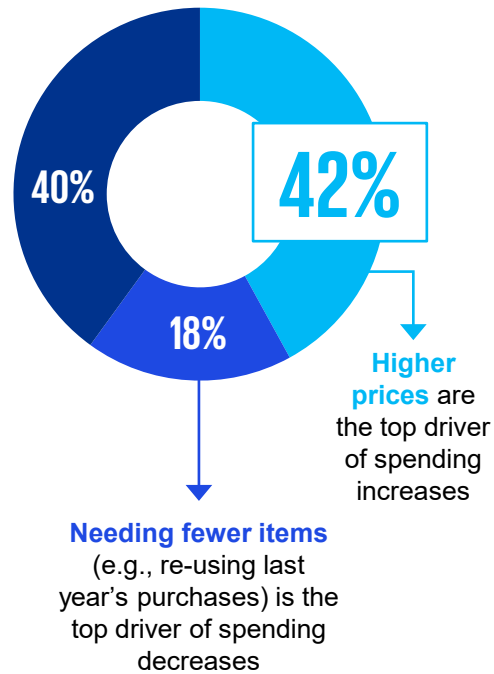
Fall outlook: Consumers spend more on living expenses

- **Share of household spending:** Monthly living expenses (42%) and essentials (20%) are the top priorities. Spending on discretionary items and savings and investments decreased slightly from last year.
- 62% of households say their financial situation is better or the same compared to last year—**38% say their financial situation is worse**.
- Expected spending on **groceries** and **automotive** see double digit increases compared to last year, +21% and 14%, respectively.
- **Online buying:** Consumers plan to **buy more groceries online** but spend less online across most other categories.

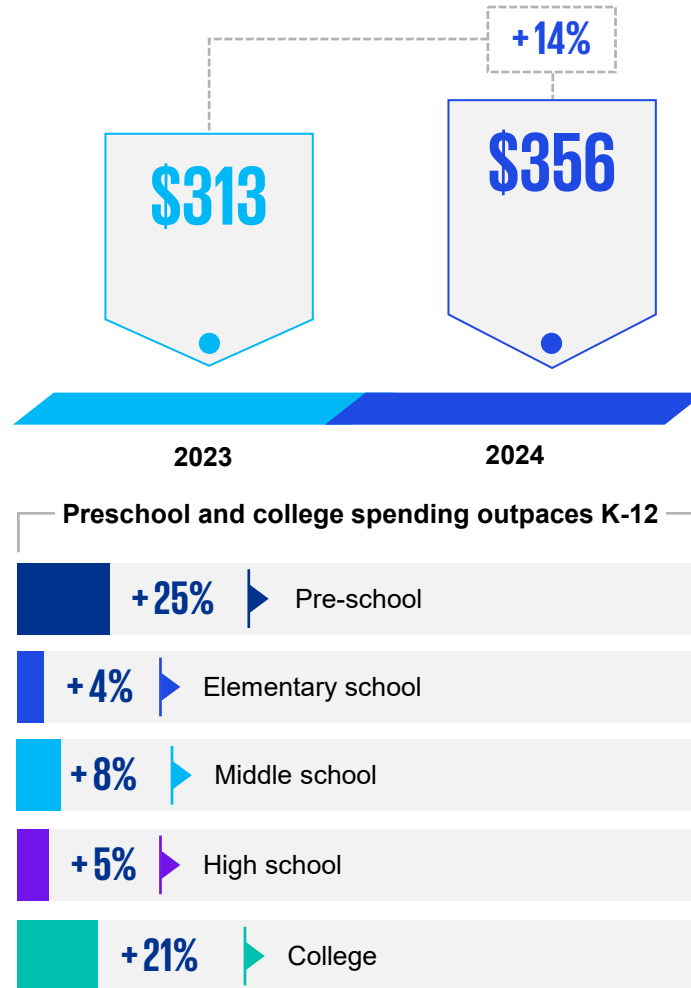
Back-to-school outlook

Inflation drives higher spending

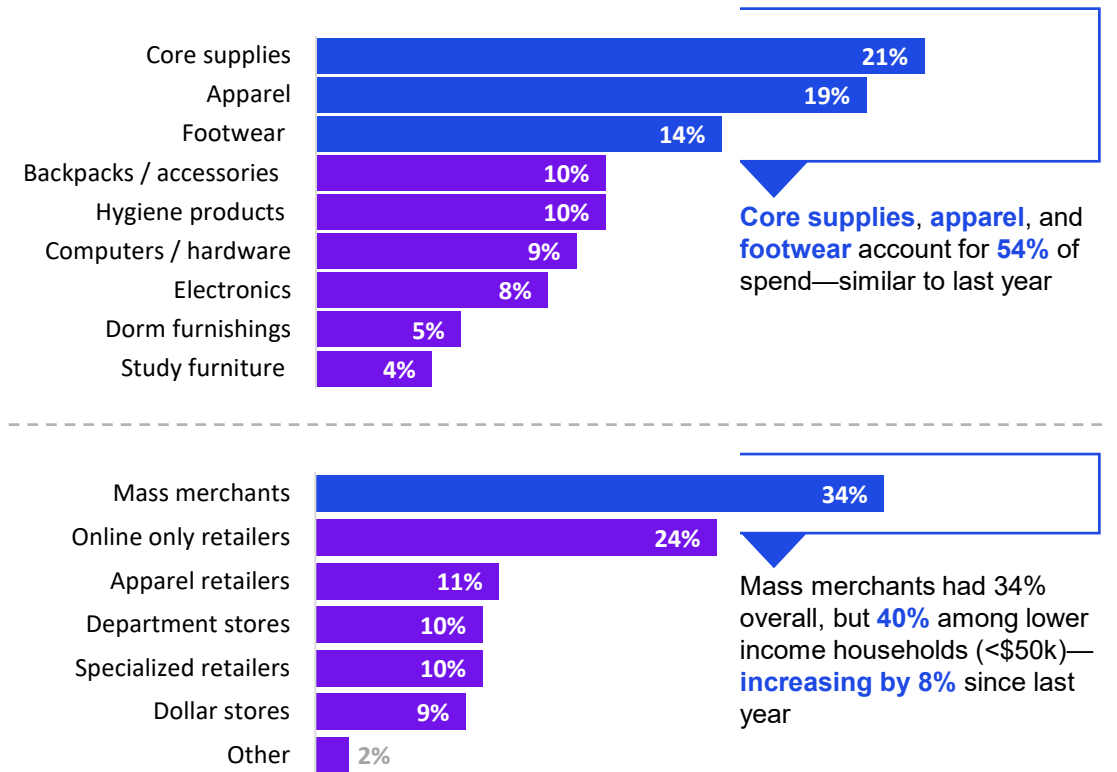
- Spend same
- Spend less
- Spend more



Back-to-school spending per child to increase



Share of wallet by category and channel

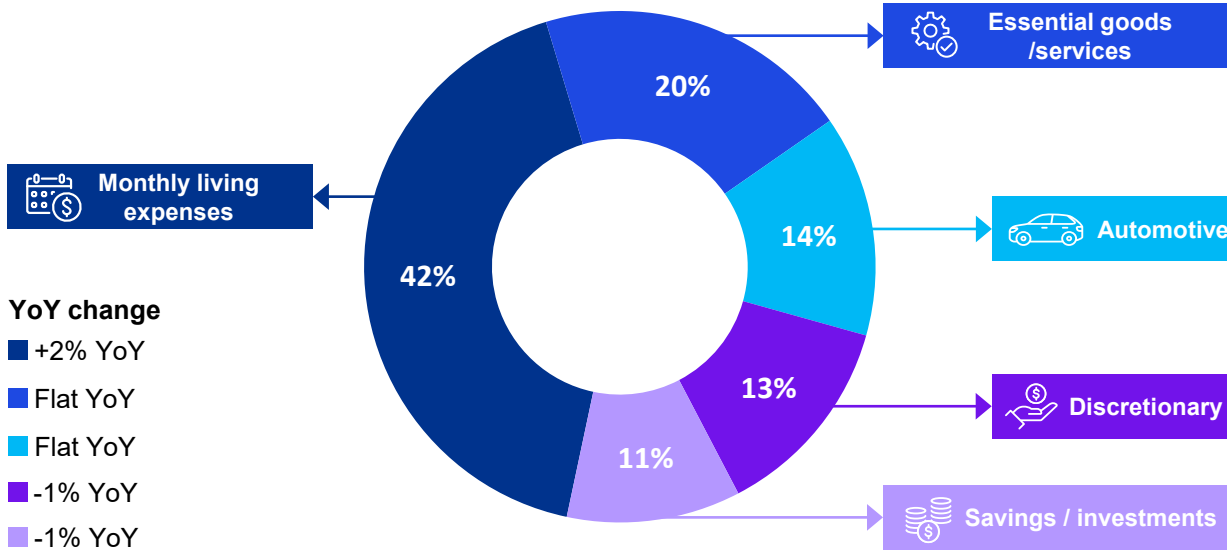


43%

Of BTS shoppers plan to purchase **luxury items**—especially **high-end electronics** (66% of luxury shoppers), a 6% increase year-over-year.

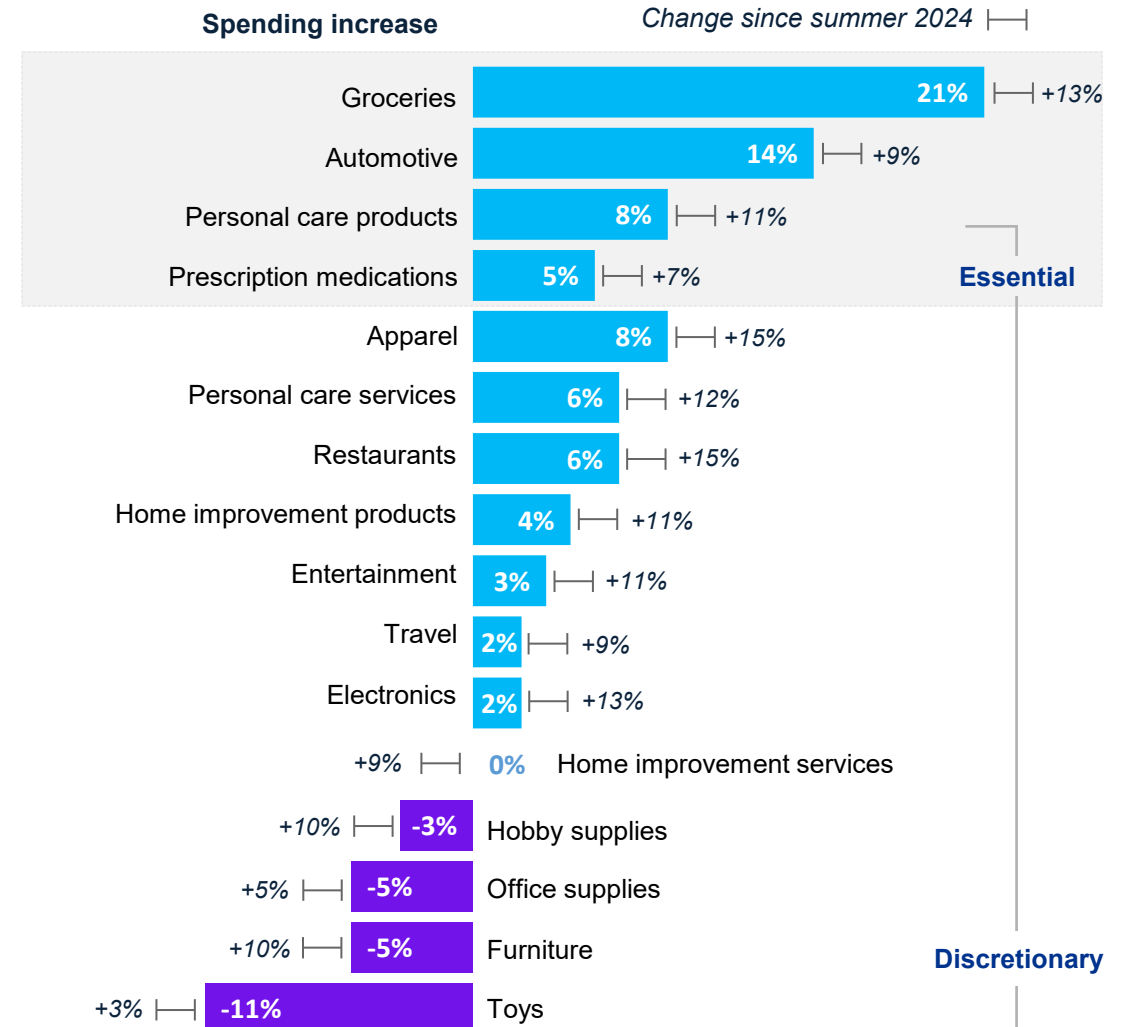
Fall spending outlook

Essentials and monthly living expenses lead household spending



Financial situation	Key buying considerations	Online buying
<p>62% Financial situation better or same compared to last year</p>	<p>#1 91% prioritize price (+4% YoY)</p>	<p>28% Plan to spend more online for groceries than last year while 15% say they'll spend less online</p>
<p>38% Financial situation worse than last year</p>	<p>59% Focus on company reputation (+1% YoY)</p>	<p>However, consumers plan to spend less online across most categories</p>

Compared to summer, consumers plan to increase spending this fall





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