



Consumer pulse Back to school report

Consumer & Retail

June 6, 2025 – June 13, 2025



Survey Methodology

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- The survey was conducted online through a survey vendor, ensuring demographic representation as per US Census data. The collected data has a margin of error of +/- 3 percent.

Survey timings

- Survey start date: June 6, 2025
- Survey end date: June 13, 2025

Survey objective

- To assess consumer's sentiment and perception around various economic and personal financial matters.
- To analyze consumer allocation of household budgets and assess the impact of economic factors on purchasing behaviors and sentiment about tariffs.
- To evaluate anticipated spending for the back-to-school season, including apparel, sports, technology etc. and explore changes in food and restaurant plans as children return to school.

Survey sample

- Survey polled a sample of 2,003 consumers across United States.

Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "Please select your gender:", "Please enter your current age:", "Please select the annual income range that best describes your total household income in 2025."; (a) Gender identification omits respondents that mentioned "Prefer to self-describe"; (b) BTS shoppers include the 831 households with children and/or adult students

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Executive Summary

01

Consumer spend

- Consumers allocate a larger share of their income to essential monthly costs and needs in 2025—reflecting a slight shift away from discretionary spending over the past year.
- Among all respondents, 39% reported a worse financial situation this year—while 29% said it was better; However, among BTS shoppers, 39% said their financial situation is better while 34% said worse.
- The consumer spending outlook by category is mixed—with increases expected in some categories, such as groceries and automotive, but decreases elsewhere.
- More consumers plan to increase their online spending on essential items in 2025, while a greater share expect to reduce spending on discretionary categories.

02

Inflation

- 94 percent continue to feel the pressure of inflation; 76 percent say their cost of living has increased by more than 5 percent.
- 69 percent of consumers plan to change their discretionary spending habits due to price increases; Consumers are most likely to cut back on restaurants and bars, travel, entertainment/media and luxury goods.
- Observed price increases are highest in travel and restaurants, with 84 percent and 80 percent of respondents who've observed price increases reporting price increases over 5 percent.

Executive Summary (continued)

03

Impact of tariffs

- 75 percent believe tariffs will result in higher prices—compared to 79 percent in Spring 2025.
- 52 percent plan to buy less overall due to tariffs; 46 percent plan to look more for discounts/promotions; only 12 percent plan no spending changes.
- Consumers are most likely to expect price increased in electronics & appliances (66 percent), groceries (64 percent), and apparel (60 percent).

04

Back to school

- Back-to-school shoppers expect to spend 10 percent more on school supplies per child in 2025 compared to 2024.
- 37 percent expect to spend more on back-to-school per child compared to 18 percent spending less. Among those spending more, 74 percent say its due to higher prices.
- Back-to-school shoppers report mixed financial situations: 39 percent say their financial situation is better than last year and 34 percent say its worse.
- Online share of wallet for back-to-school spending has increased from 39percent to 45 percent since 2023.

Executive Summary (continued)

05

Work-life changes

- 44 percent plan to dine out less frequently as their kids go back to school—while only 6 percent plan to dine out more frequently. Budget constraints are the main reason why people will dine out less.
- As kids go back to school, 56 percent say their grocery shopping habits will not change while 31 percent say they will buy more ingredients for home cooked meals.

06

Teen beauty products

- Hair care products are the top beauty product purchased for teens at 51 percent—compared to 42 percent skincare products.
- Among those who increased spending on their teen's beauty products, 51 percent did so due to greater interest in the products—while only 5 percent did so due to their improved financial situation.
- 52 percent say their choices for teen products are most influenced by friends and peers while only 18 percent are most influenced by advertising and commercials.

Executive Summary (continued)

07

School activities and apparel

- Outdoor sports, 42 percent, are the most common child activity—followed by music/singing, 33 percent. Among those playing outdoor sports, soccer is the most popular, 50 percent.
- 28 percent play indoor sports with basketball being the most popular, 57 percent.
- 66 percent say friends and family influence back-to-school clothing purchases while only 50 percent are influenced by advertisements and promotions.
- When purchasing back-to-school clothing, consumers prioritize price and discounts first, followed by quality

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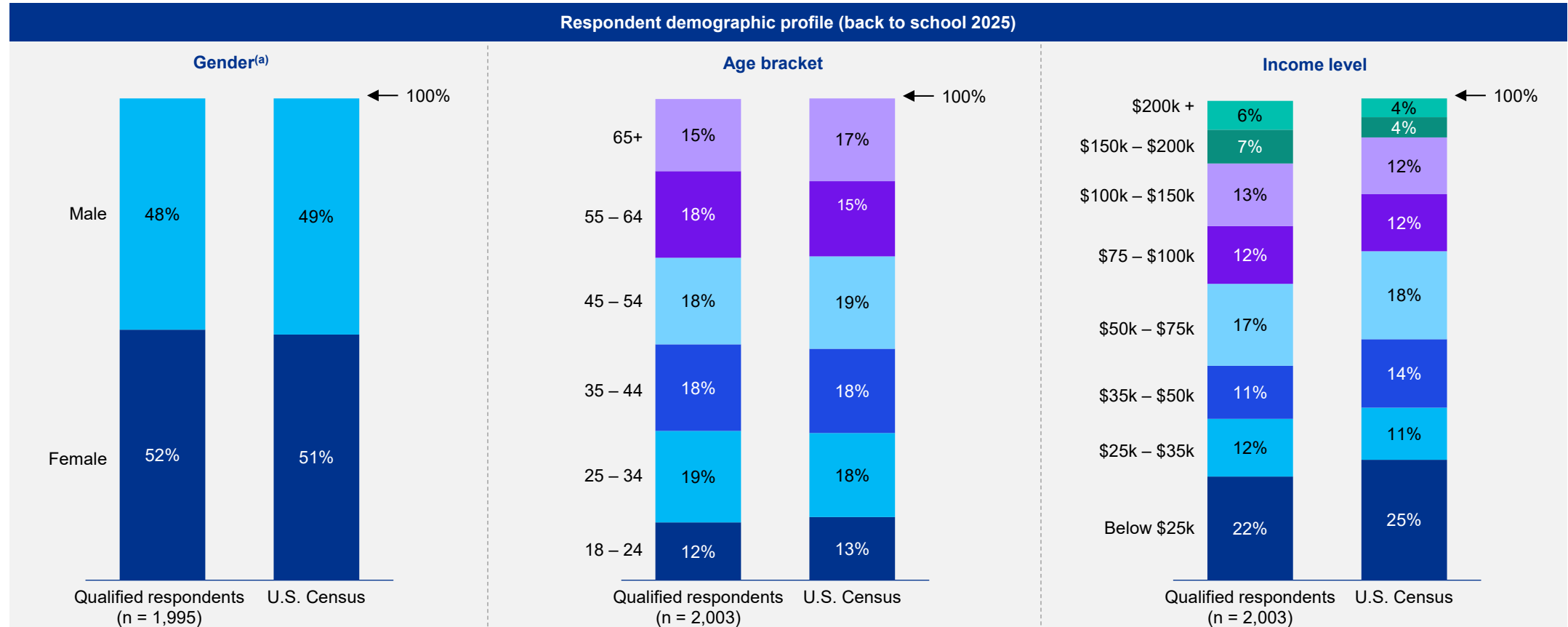
Technology

- 57 percent of students use GenAI extensively or moderately in their education.
- 49 percent purchase educational technologies and learning tools online rather than in-store; 48 percent consider educational videos (e.g., YouTube) to be the most useful learning tool for kids at home
- Waiting for deals and promotions is the top way consumers save money on technology, 31 percent; only 5 percent prioritize credit card rewards/cash back.

00

Demographics

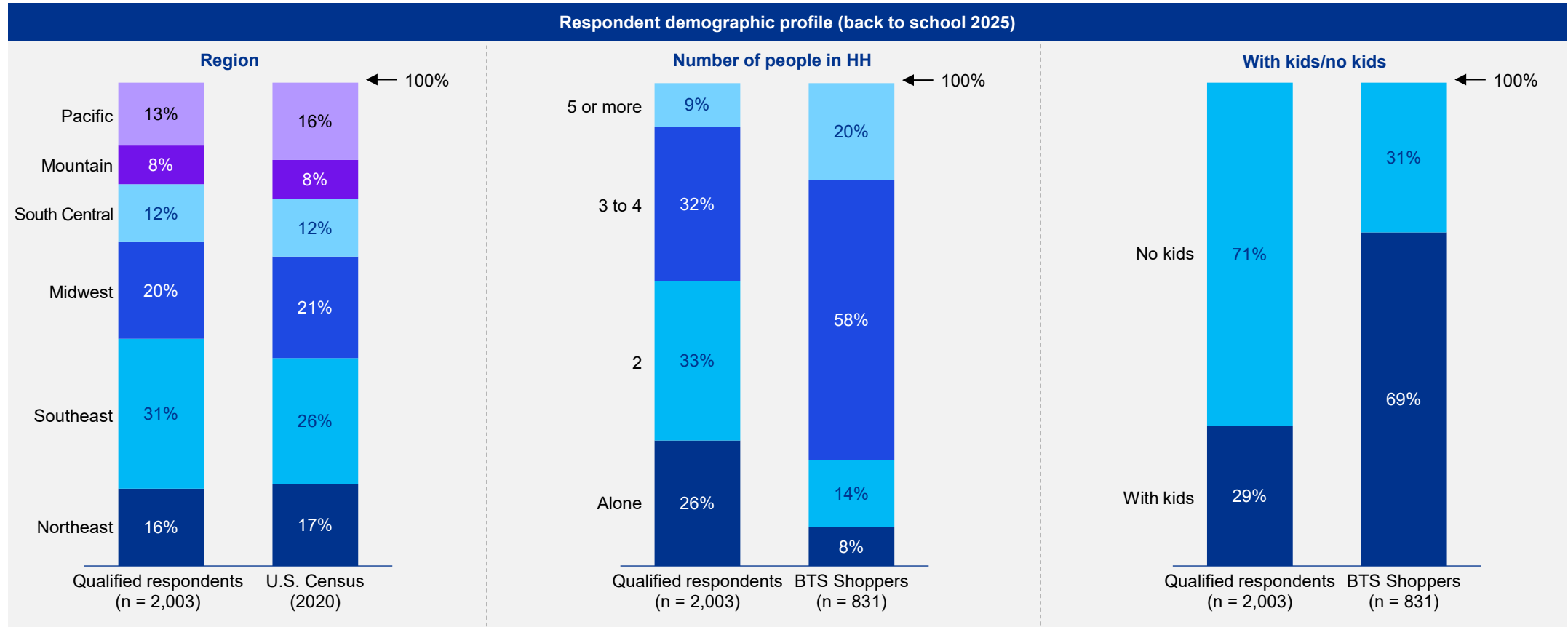
Survey sample is within +/-3 percent range compared to US census for gender, age, and income.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "Please select your gender:", "Please enter your current age:", "Please select the annual income range that best describes your total household income in 2025."; (a) Gender identification omits respondents that mentioned "Prefer to self-describe"; (b) BTS shoppers include the 831 households with children and/or adult students

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Survey sample is within +/-3 percent range compared to US census for region, households, and with kids/no kids.



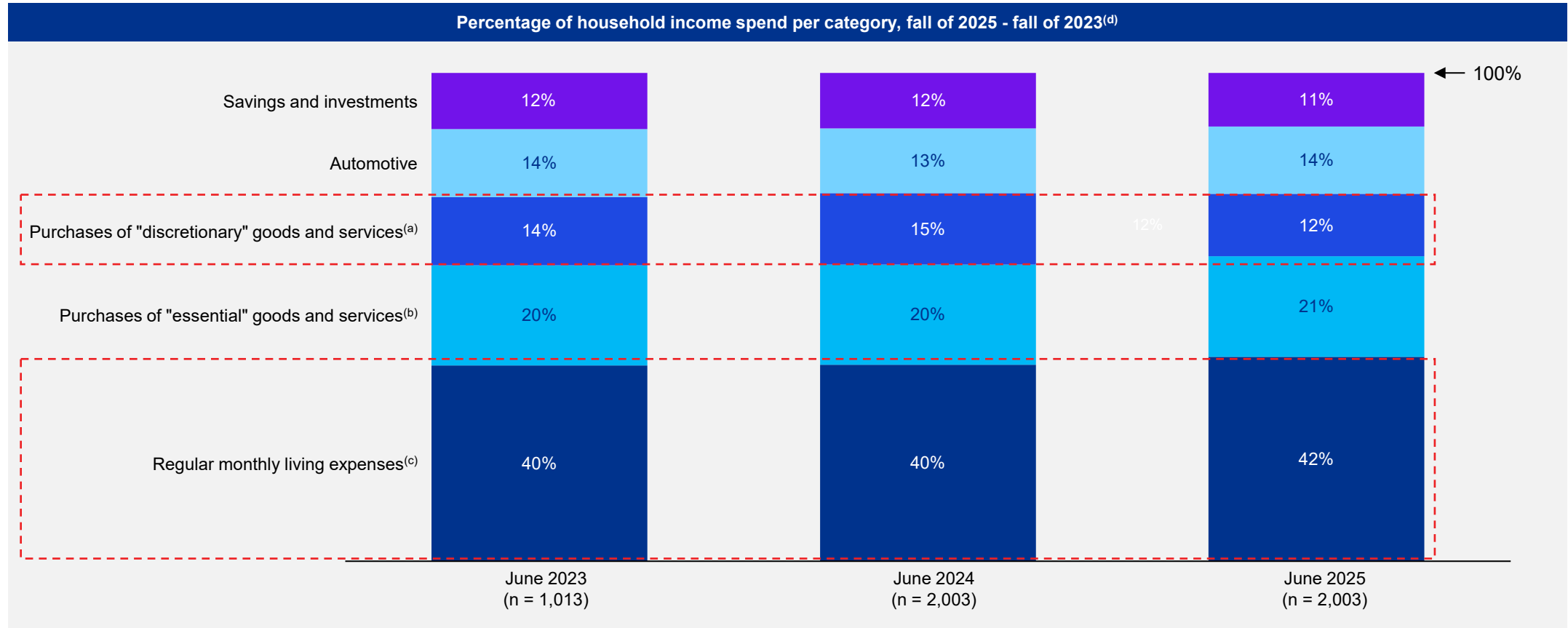
Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "Please enter your current zip code:", "How many people are in your household (including yourself and any dependents that live outside the home e.g. college age children)?" "How many children under the age of 18 live in your household?"; (a) BTS shoppers include the 831 households with children and/or adult students

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

01

Consumer spend

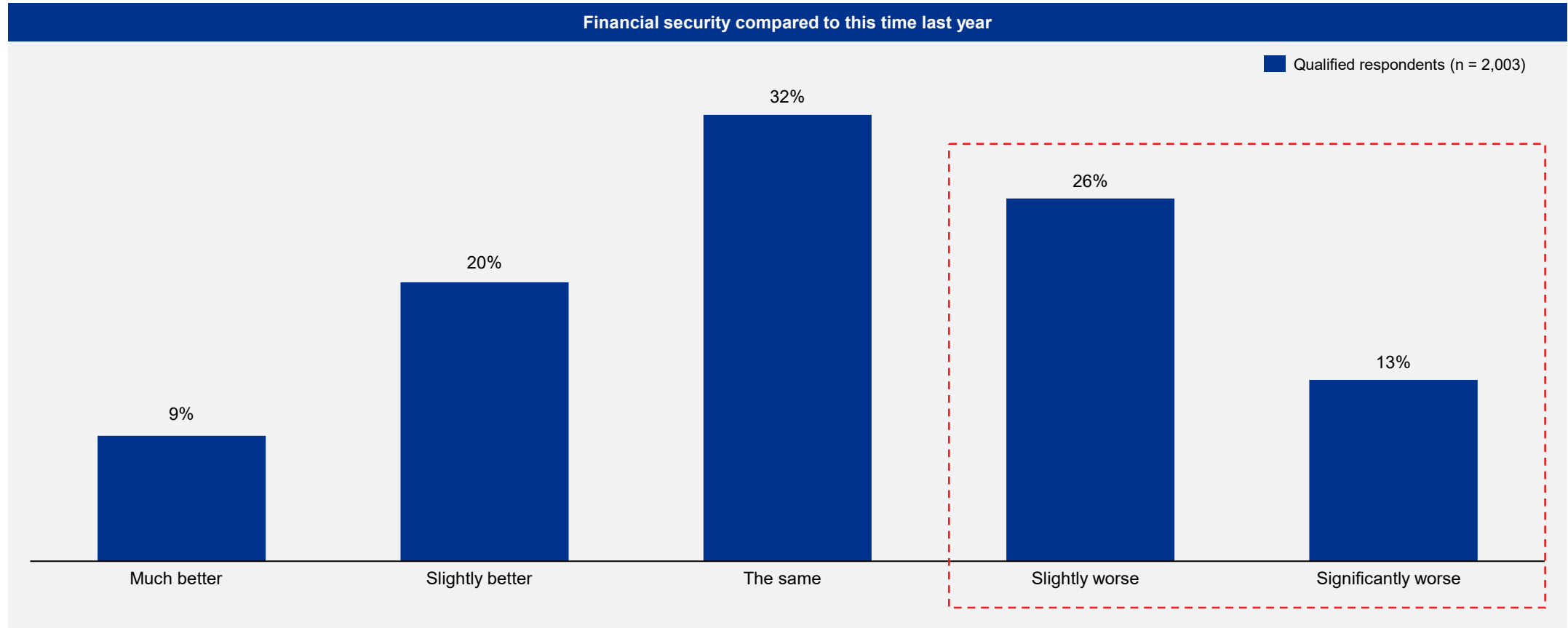
In 2025, consumers are dedicating more of their income to monthly living expenses; spending on discretionary goods and services decreased compared to 2024.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "Please estimate to the best of your ability what percent of your monthly household income was spent on each of the following categories in the fall of 2024 and what percent will be spent on each of the following categories in the fall of 2025."; (a) Discretionary goods and services include restaurants, clothing, entertainment; (b) Essential goods and services include food, prescription medications, and personal care products; (c) Regular monthly living expenses include housing costs, utilities, home insurance, health insurance, and education; (d) Values for 2023 taken from 2024 Consumer Pulse Survey and values for 2024 and 2025 taken from 2025 Consumer Pulse Survey

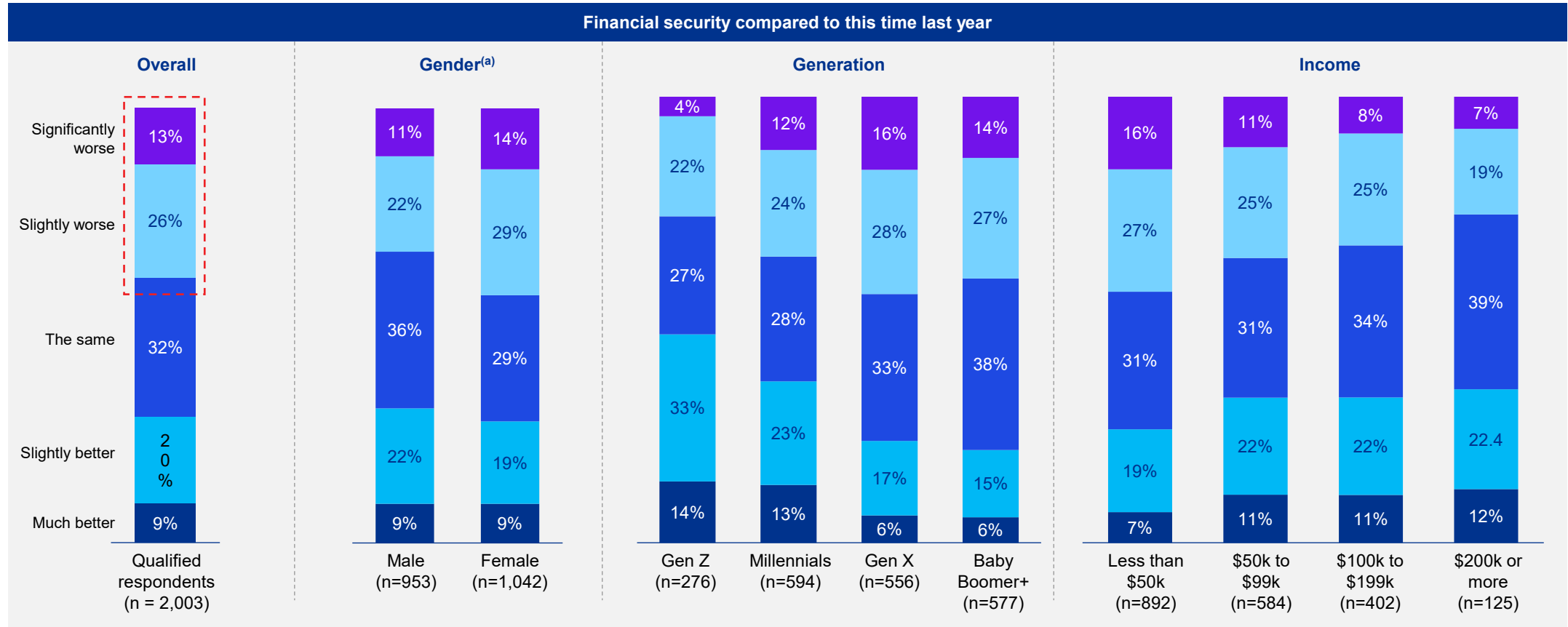
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025, KPMG Consumer Pulse Survey, fielded July 15, 2024 – July 23, 2024

39 percent of consumers report a worse financial situation than last year.



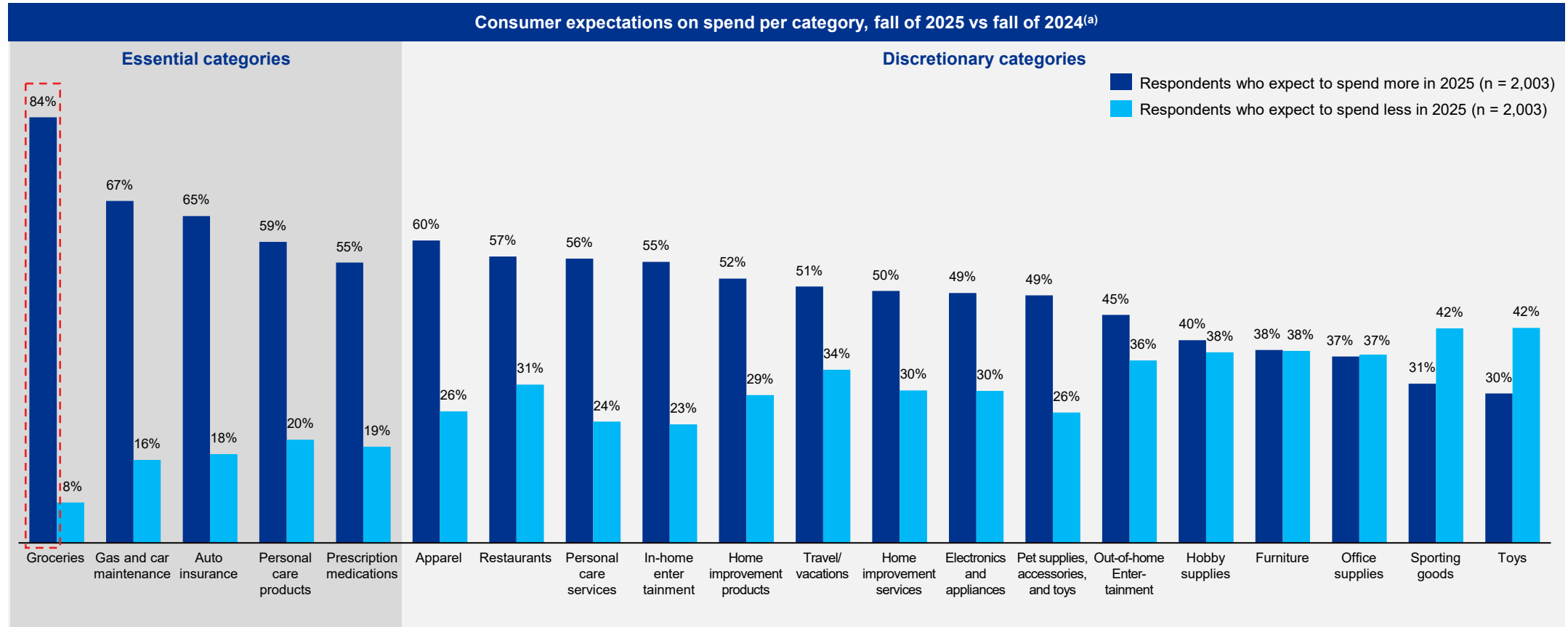
Note(s): KPMG conducted a survey of 2,003 consumers across the United States and in all instances, asked "Compared to last year how do you feel financially this year?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

39 percent of consumers report a worse financial situation than last year—with more consumers from lower income groups (43 percent) reporting it to be worse.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and in all instances, asked "Compared to last year how do you feel financially this year?"; (a) Respondents who selected "Prefer to self describe" have been excluded due to low sample size
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

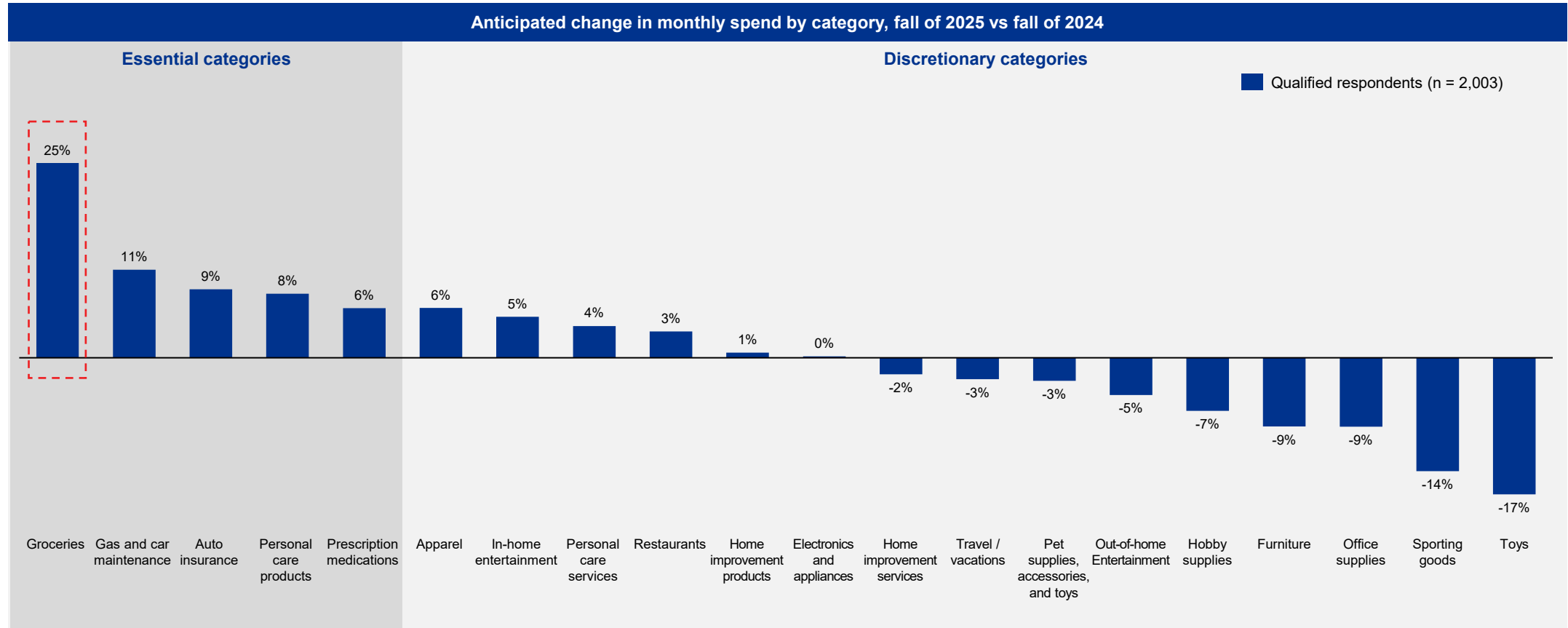
Consumers expect to spend more on essential goods and services in 2025 compared to 2024, especially groceries.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "How much do you think your monthly household spend on each of the following products/services will change in the fall of 2025 compared to fall of 2024?"; (a) Respondents who mentioned change in their monthly household spend for a category greater than 0 are considered as respondents who expect to spend more in 2025 and respondents who mentioned change in their monthly household spend for a category less than 0 are considered as respondents who expect to spend less in 2025.

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025; KPMG Consumer Pulse Survey, fielded July 15, 2024 – July 23, 2024

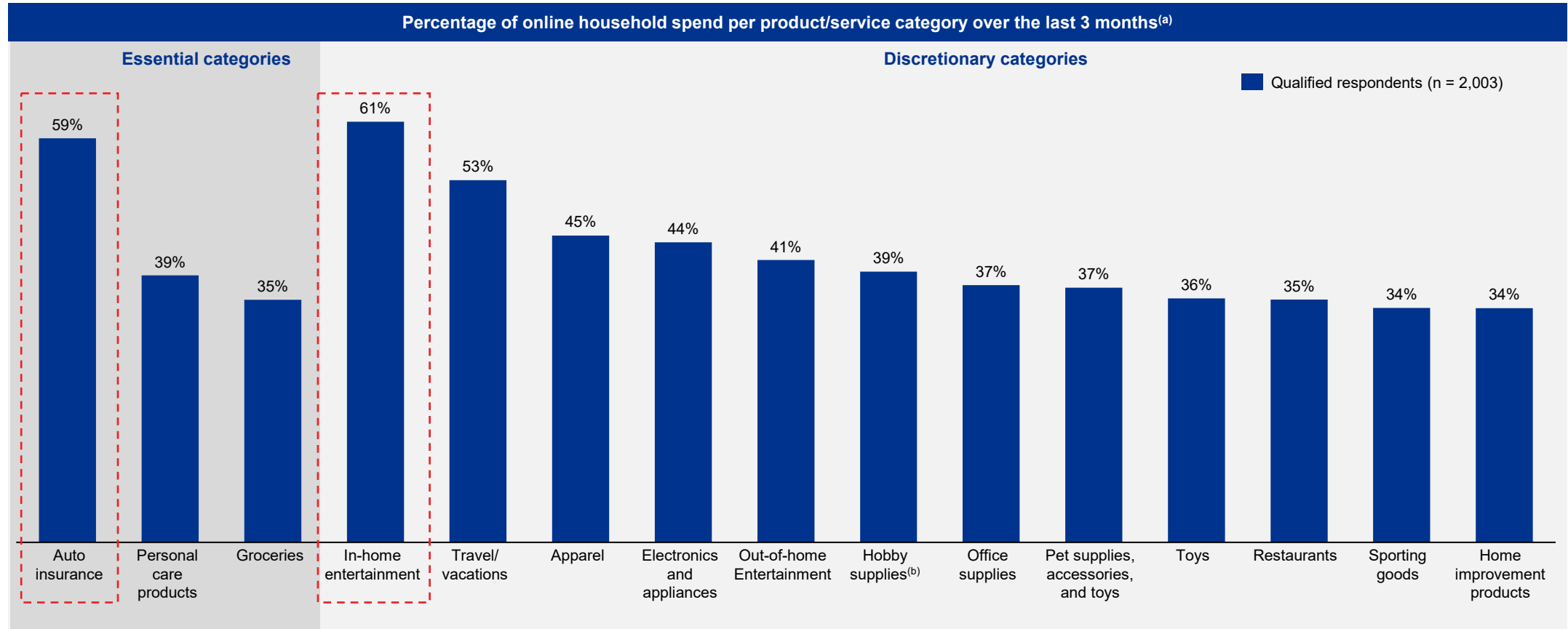
Consumers report a mixed spending outlook—expecting to spend more in some categories (e.g., groceries) and less elsewhere.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "How much do you think your monthly household spend on each of the following products / services will change in the fall of 2025 compared to fall of 2024?"

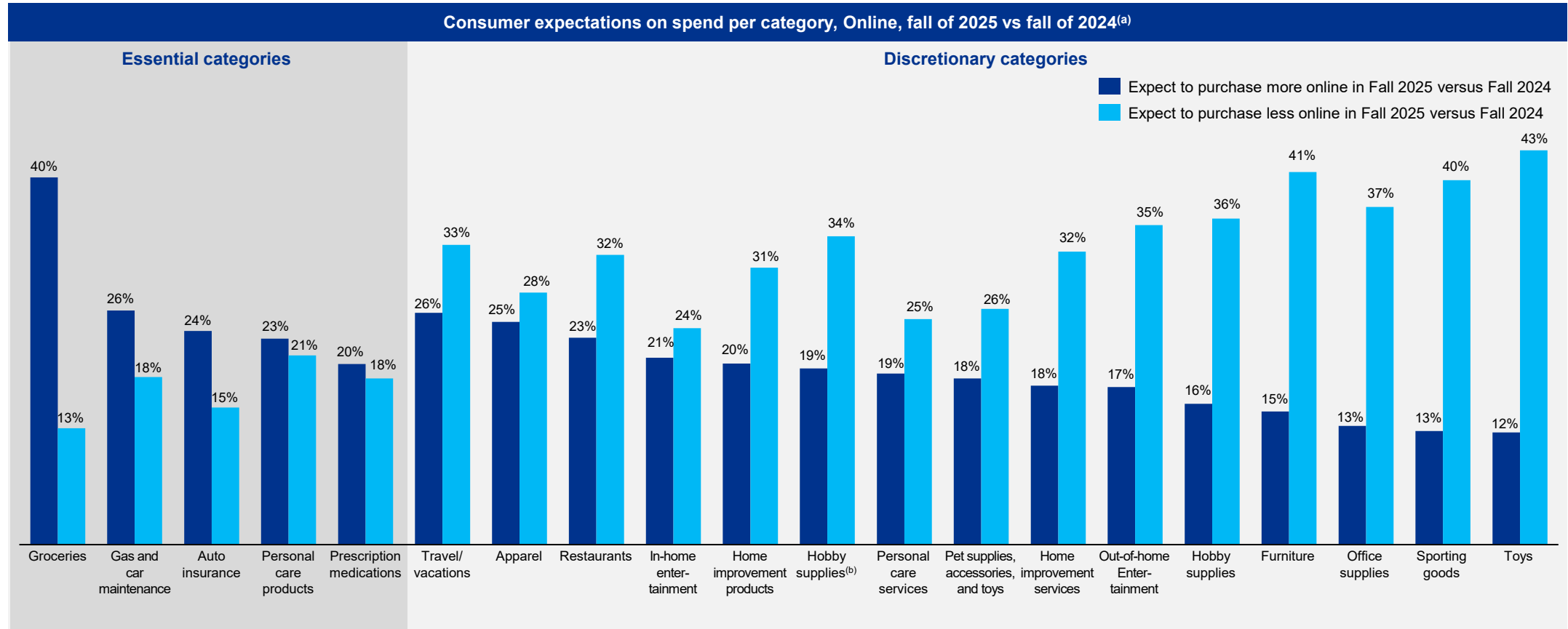
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Over the last three months, the highest share of online spending has been in auto insurance and home entertainment categories



Note(s): KPMG conducted a survey of 2,003, consumers across the United States and, in all instances, asked "In the last 3 months (February through April 2025), approximately what percent of your household spend on each of the following product categories occurred online/via mobile app?";
 (a) Product categories sorted in descending order of percentage of online household spend over the last three months within essential and discretionary categories separately; (b) Hobby supplies includes sporting goods, musical instruments, and books.
 Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

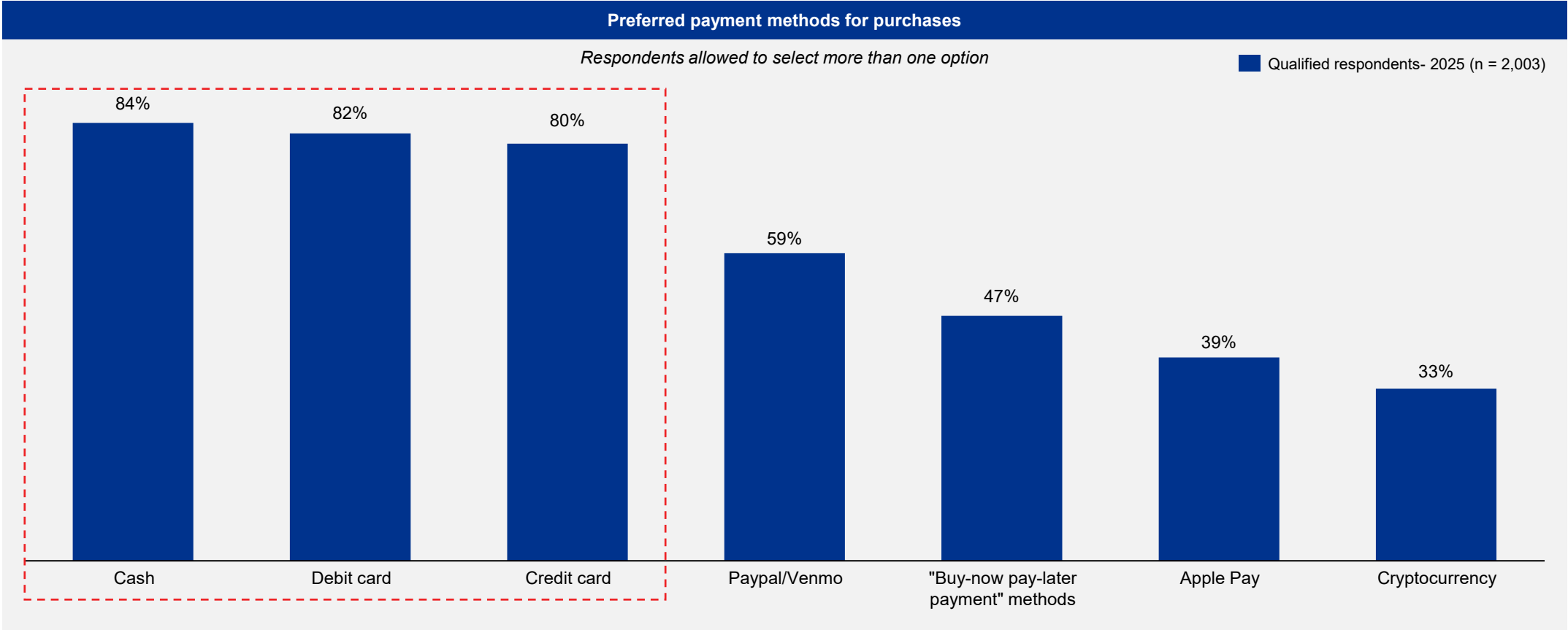
Consumers plan to spend a larger share online for essential goods while spending less on discretionary categories.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "In the fall of 2025 compared to the fall of 2024, do you expect to purchase more, the same, or less online for each of the following product categories?"; (a) Product categories sorted in descending order of percentage of households that expect to spend more online in Fall of 2025 vs Fall 2024 within essential and discretionary categories separately; (b) Hobby supplies includes sporting goods, musical instruments, and books.

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025; KPMG Consumer Pulse Survey, fielded July 15, 2024 – July 23, 2024

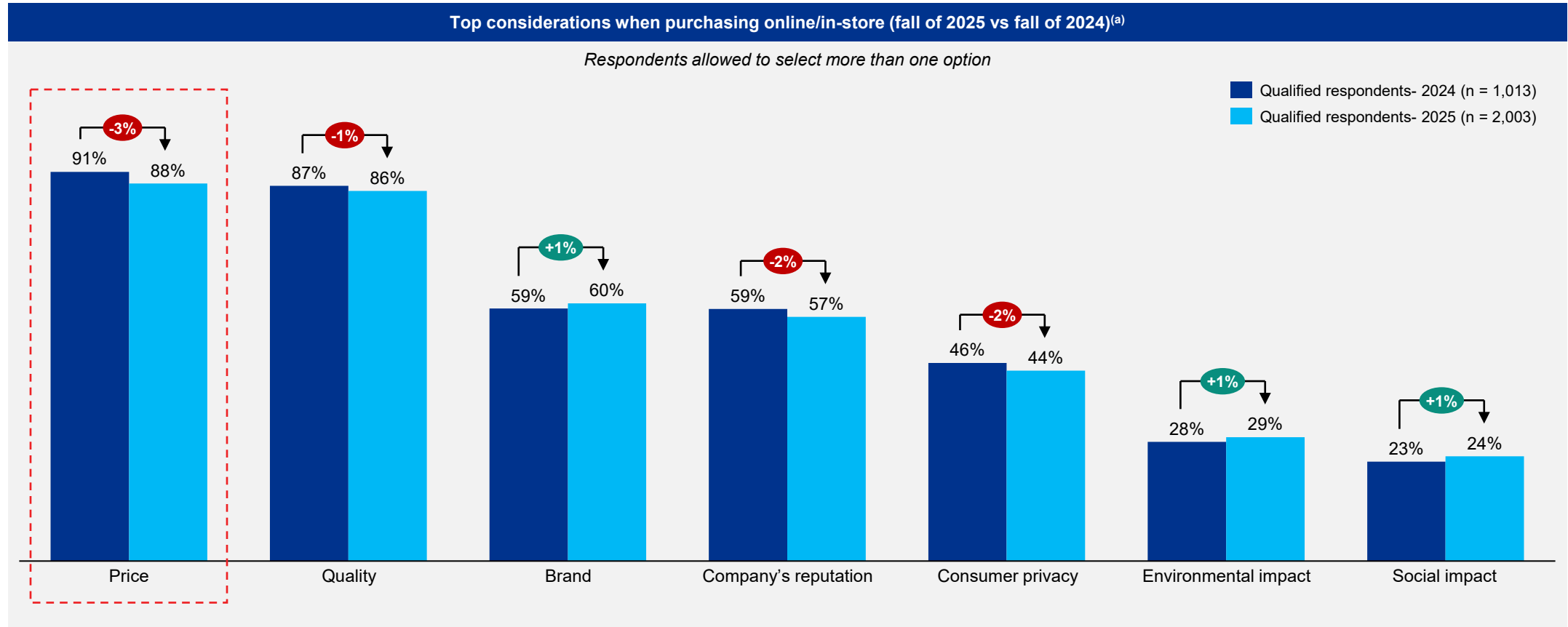
Cash is the most preferred payment method, followed by debit and credit cards.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, in all instances, asked "How do you typically pay for purchases? Please select the payment methods that you use and rank the selected payment methods from most frequently used to least frequently used."

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025; KPMG Consumer Pulse Survey, fielded July 15, 2024 – July 23, 2024

Compared to 2024, online shoppers in 2025 place slightly more importance on brand, environmental impact and social impact while emphasis on price, quality, etc. has declined.



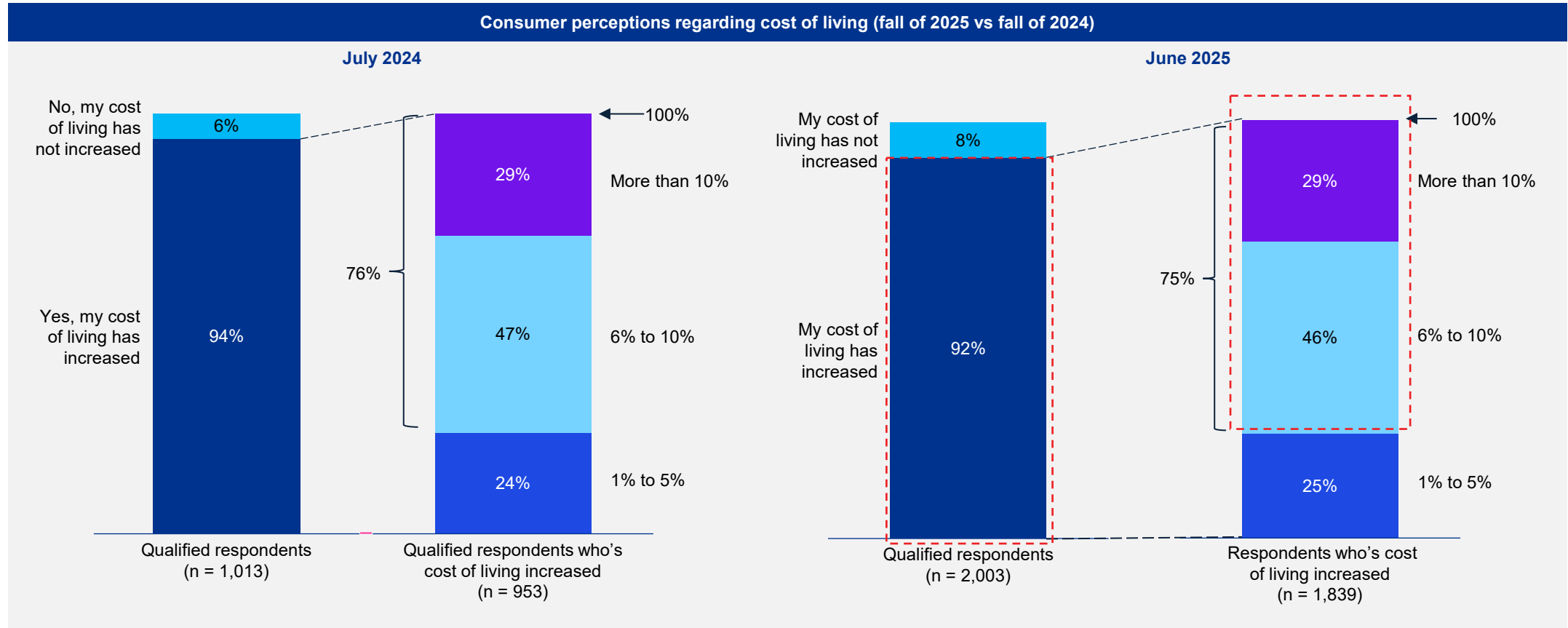
Note(s): KPMG conducted a survey of 2,013 consumers across the United States, and, in all instances, asked "When making a purchase online or in-store to what extent do you typically consider the following?"; (a) The data reflects ratings of 4 and 5 from a scale of 1 = "not at all" and 5 = "a great deal".

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025; KPMG Consumer Pulse Survey, fielded July 15, 2024 – July 23, 2024

02

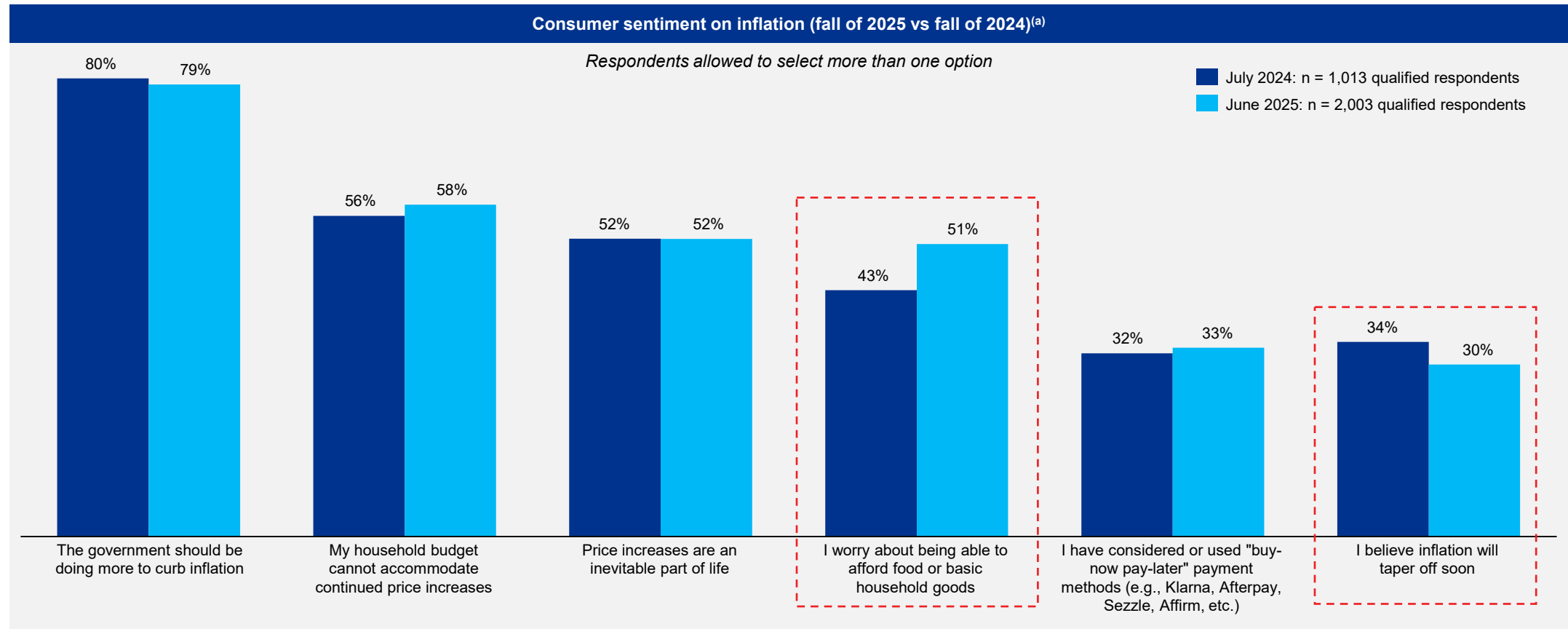
Inflation

92 percent of consumers reported increased cost of living—out of which 75 percent reported an increase of more than 5 percent.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, in all instances, asked "Do you believe that your cost of living has gone up in the last year?"; "How much do you believe your cost of living has gone up in the last year?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025; KPMG Consumer Pulse Survey, fielded July 15, 2024 – July 23, 2024

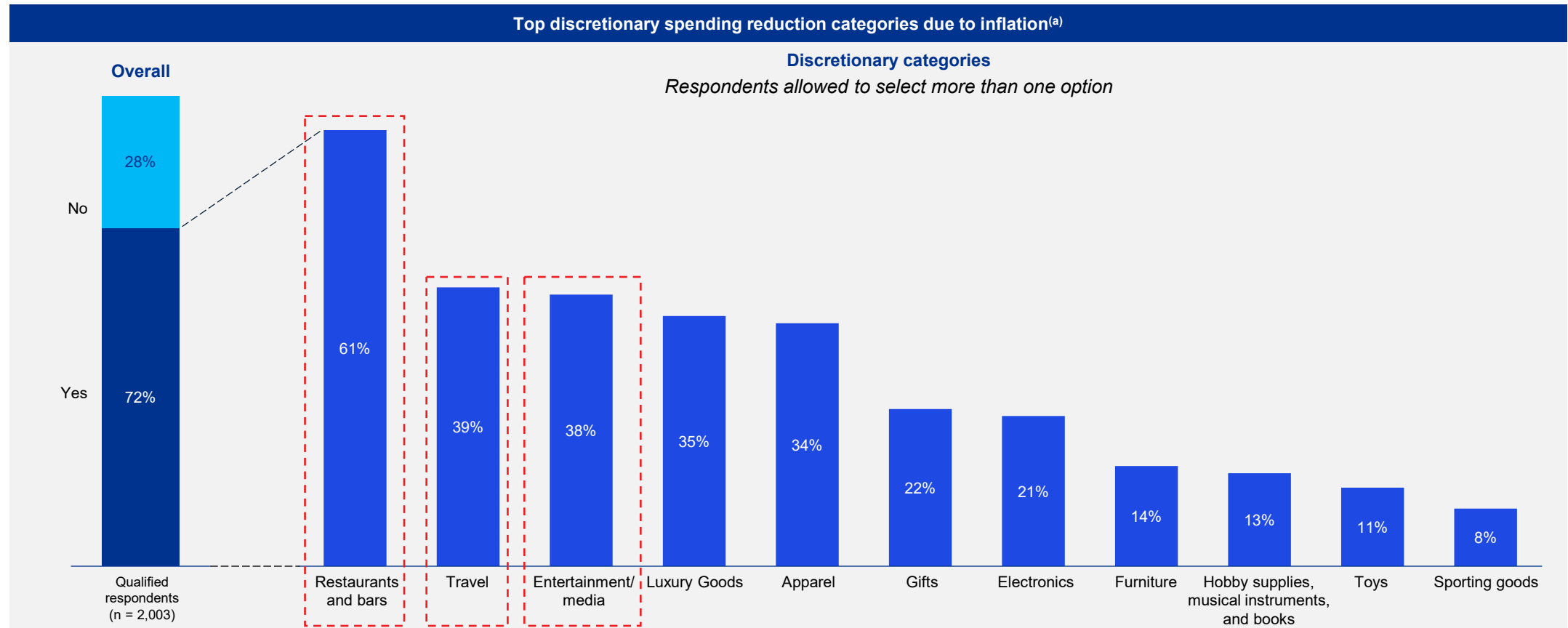
Concerns about affording essentials have increased compared to last year from 43 percent to 51 percent.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "To what extent do you agree with the following statements? (1= strongly disagree and 7= strongly agree)"; (a) Respondents were asked to rate each of the statements on a scale of 1-7 and the above visualization represents the proportion of respondents who agree (rated 5-7) with the statement.

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025; KPMG Consumer Pulse Survey, fielded July 15, 2024 – July 23, 2024

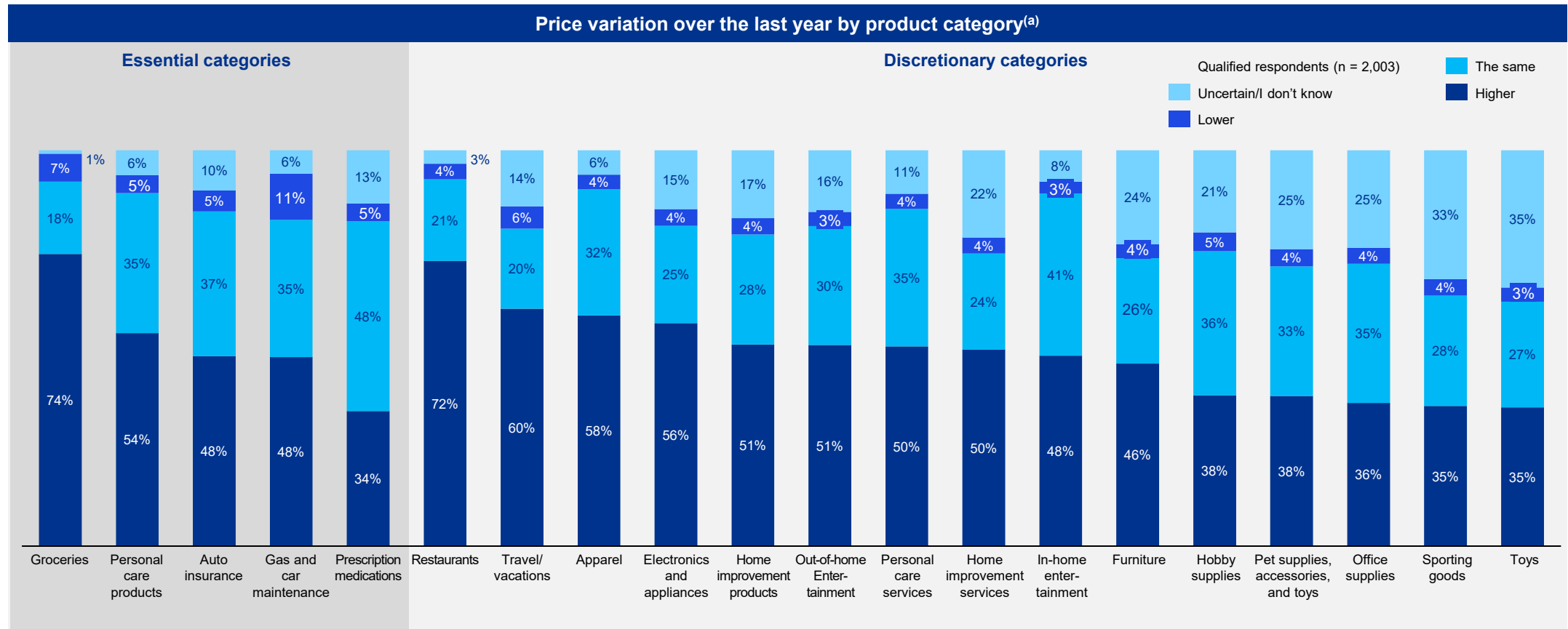
Due to rising prices, 72 percent of consumers plan to adjust their discretionary spending; Consumers are most likely to cut back on restaurants and bars, travel, and entertainment.



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Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

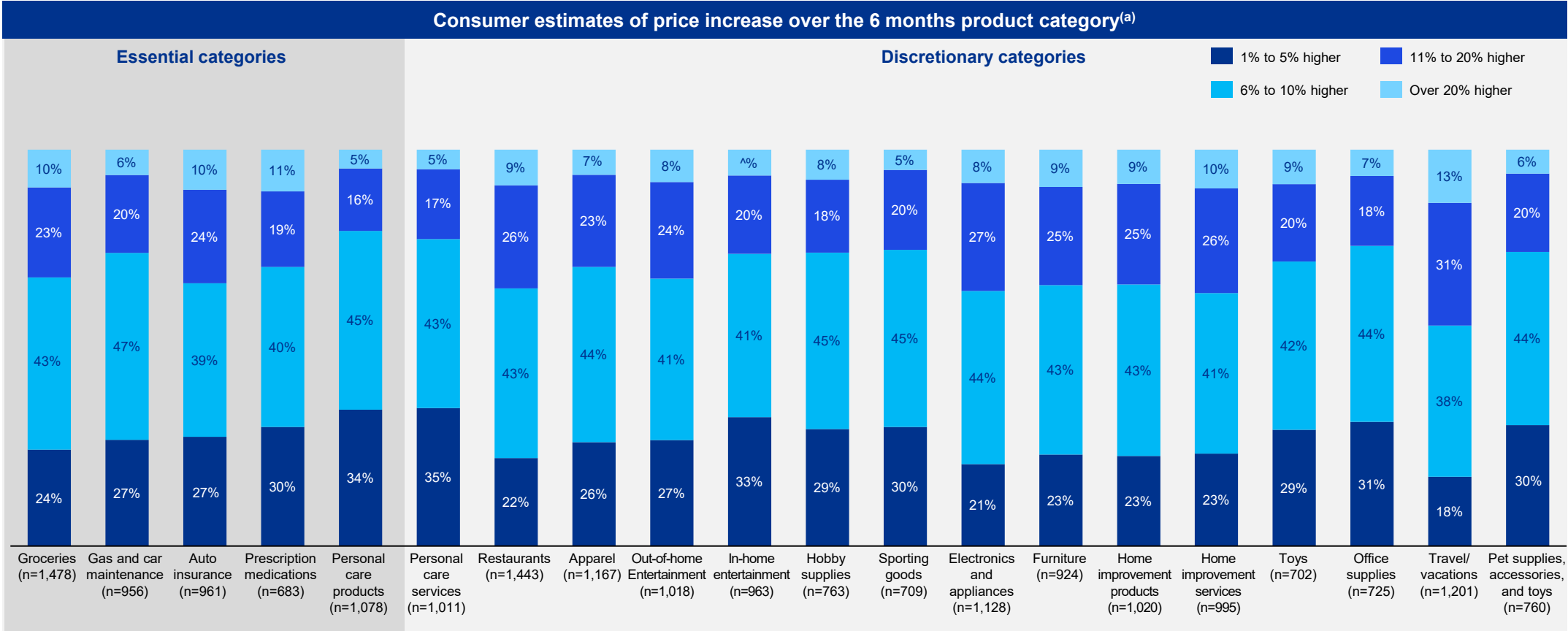
Over the past six months, most consumers have noticed price rises particularly in groceries (74 percent) and restaurants (72 percent)—as well as in travel, apparel, personal care.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "For each of the following product categories, please indicate whether you believe prices are lower, about the same, or higher than they were 6 months ago."; (a) Respondents were asked to rate each of the statements on a scale of 1-7 and the above visualization represents the proportion of respondents who agree (rated 5-7) with the statement.

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

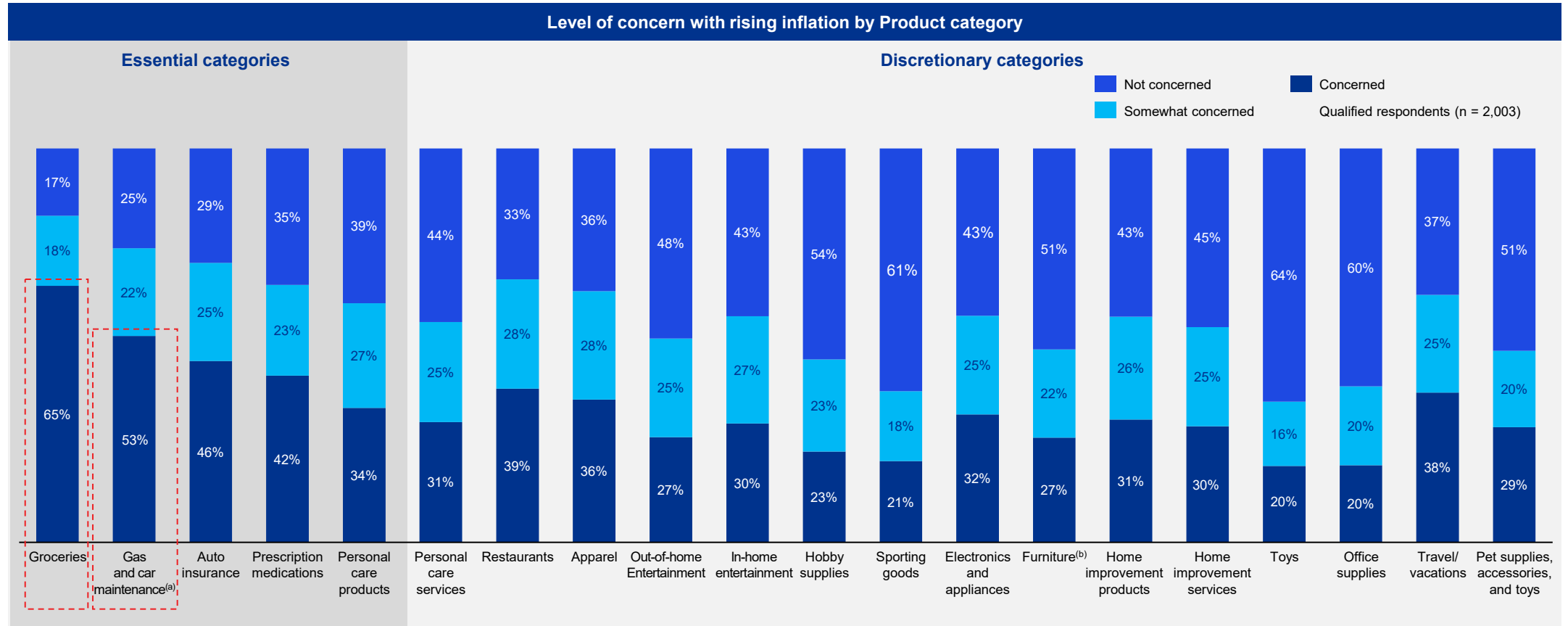
Price increases are most pronounced in the travel and restaurant sectors, where 84 percent and 80 percent of consumers, respectively, reported increases exceeding 5 percent.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked “You indicated that you believe prices are higher for each of the following product categories now than they were 6 months ago. Please indicate how much higher you believe prices are for each of the following product categories.”; (a) The n count for each category varies since this question was asked to those respondents who mentioned “Prices are higher than they were 6 months ago” for the product when asked “For each of the following product categories, please indicate whether you believe prices are lower, about the same, or higher than they were 6 months ago.”; (b) Automotive includes gas, tolls, auto insurance, and auto maintenance; (c) Hobby supplies include sporting goods, musical instruments, and books.

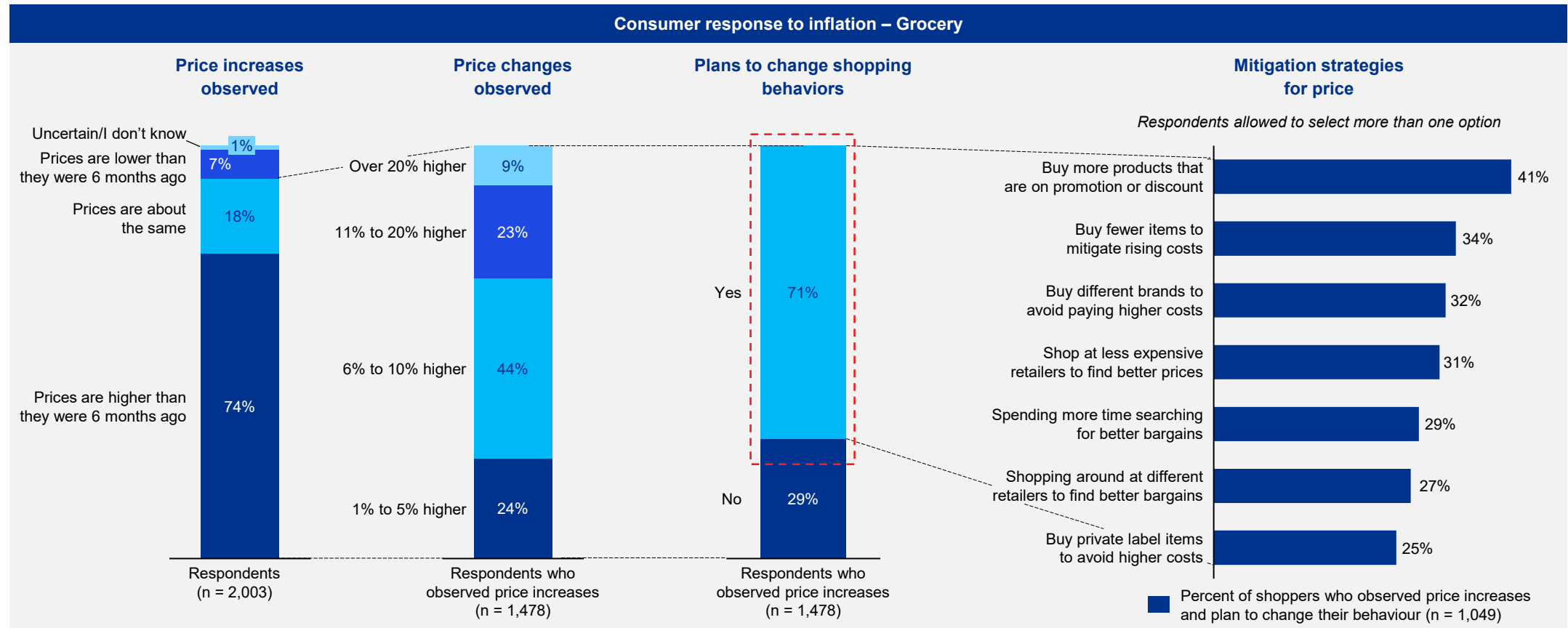
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Consumers are most concerned with inflation in grocery (65 percent) and gas and car maintenance (53 percent) prices.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, in all instances, asked "How concerned are you with rising prices/inflation in each of the following product categories?";
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

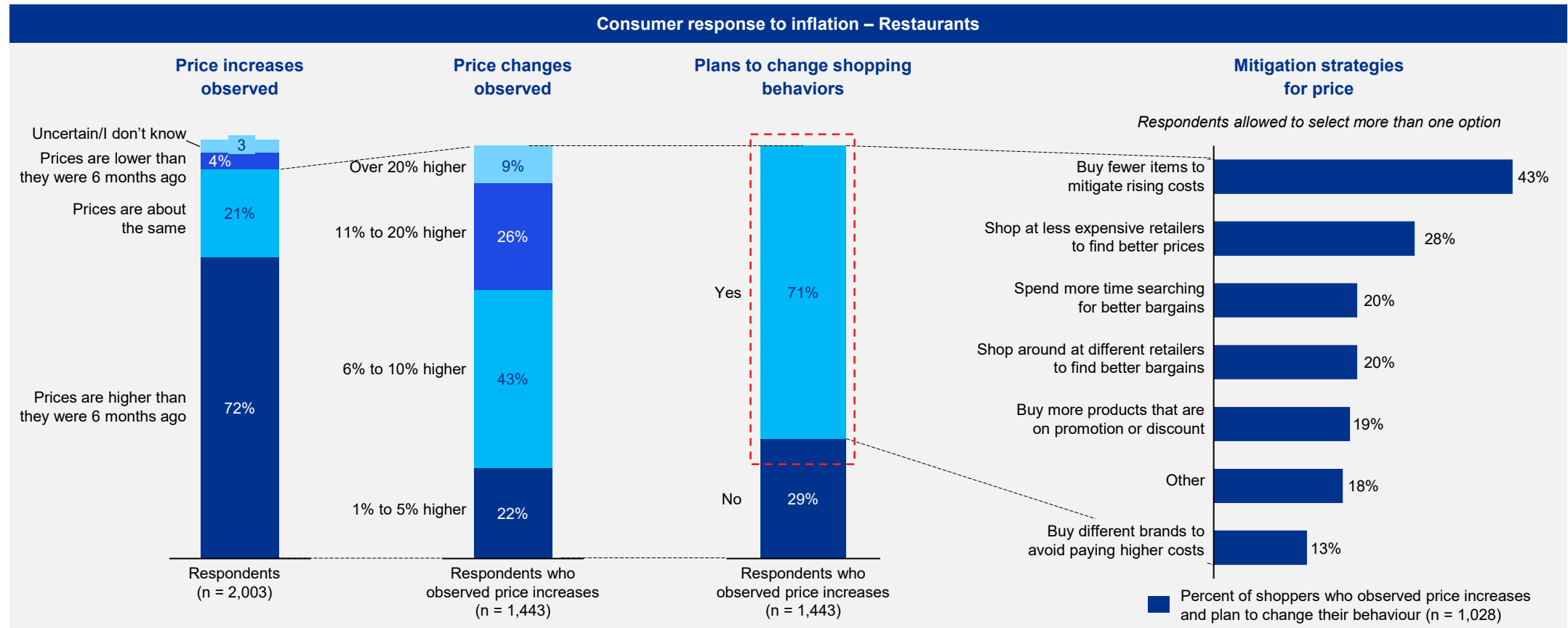
For grocery, 71 percent of consumers noticing price hikes plan to change buying habits; 41 percent intend to buy more discounted groceries.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, in all instances, asked "For each of the following product categories, please indicate whether you believe prices are lower, about the same, or higher than they were 6 months ago.", "You indicated that you believe prices are higher for each of the following product categories now than they were 6 months ago. Please indicate how much higher you believe prices are for each of the following product categories.", "You indicated that you have noticed rising prices for Groceries (food and beverage), do you plan on changing your shopping behaviors to mitigate rising prices for Groceries (food and beverage)?", "How do you plan on changing your behaviors to mitigate rising prices for Groceries (food and beverage)?".

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

For restaurants, 71 percent of consumers seeing price hikes plan to change buying habits; 43 percent plan to buy fewer items to offset rising costs.



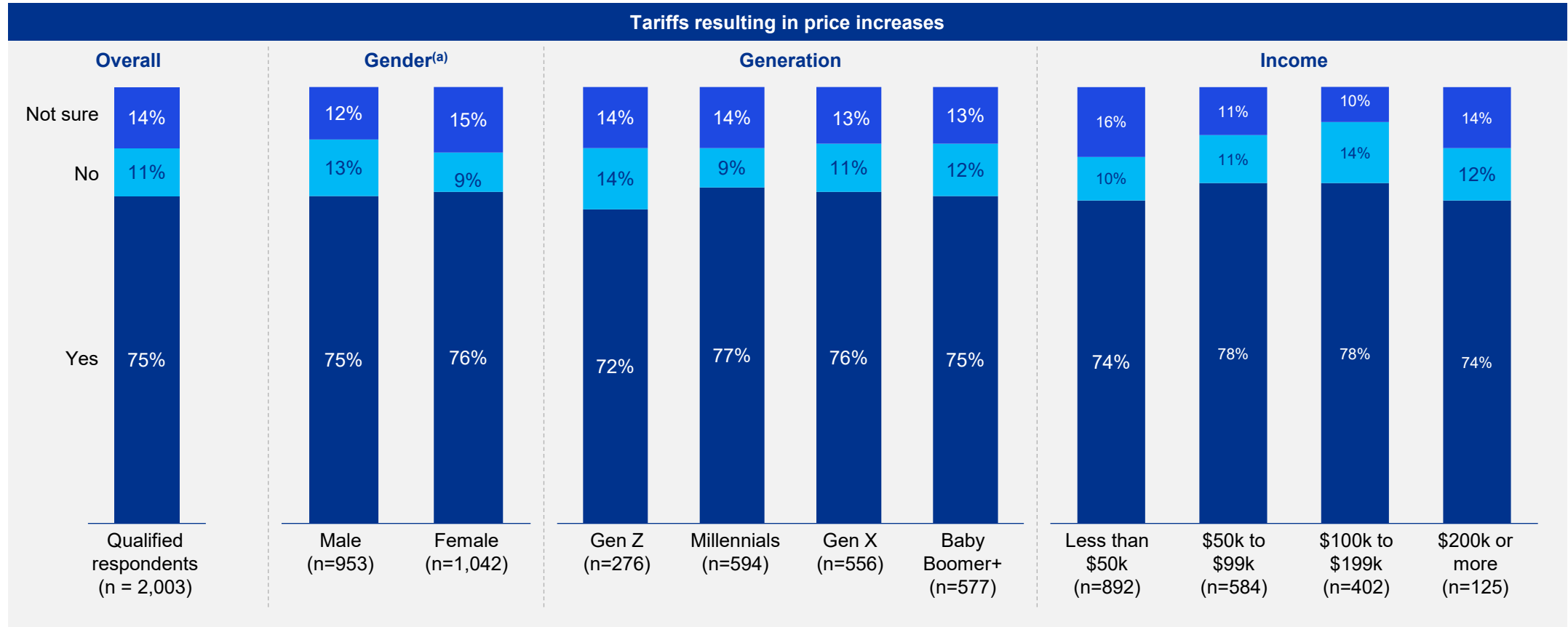
Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, in all instances, asked "For each of the following product categories, please indicate whether you believe prices are lower, about the same, or higher than they were 6 months ago.", "You indicated that you believe prices are higher for each of the following product categories now than they were 6 months ago. Please indicate how much higher you believe prices are for each of the following product categories.", "You indicated that you have noticed rising prices for Restaurants (in-person, take-out, or delivery), do you plan on changing your shopping behaviors to mitigate rising prices for Restaurants (in-person, take-out, or delivery)?", "How do you plan on changing your behaviors to mitigate rising prices for Restaurants (in-person, take-out, or delivery)?".

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

03

Impact of tariff

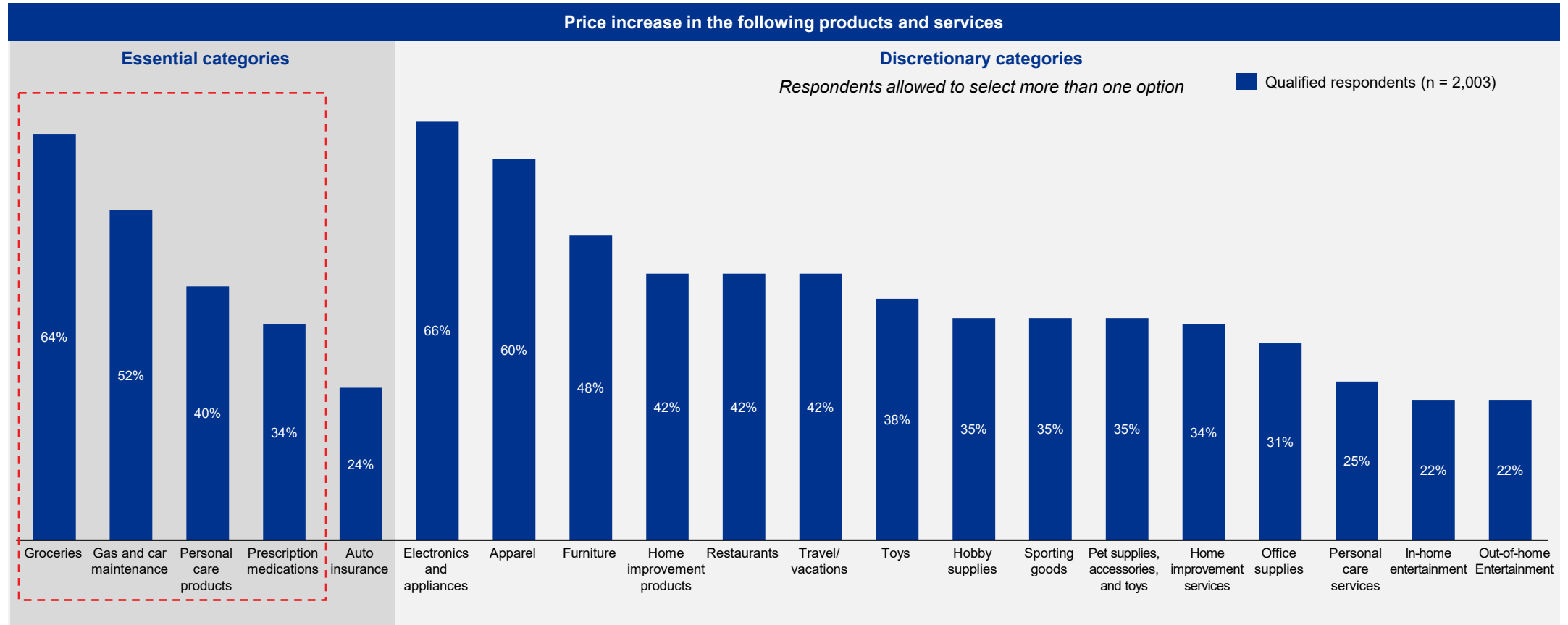
75 percent of consumers believe tariffs will lead to price increases.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "Please select your gender:", "Do you think tariffs will result in prices of products/services increasing further in the future? Please select the annual income range that best describes your total household income in 2025."; (a) Gender identification omits respondents that mentioned "Prefer to self-describe"

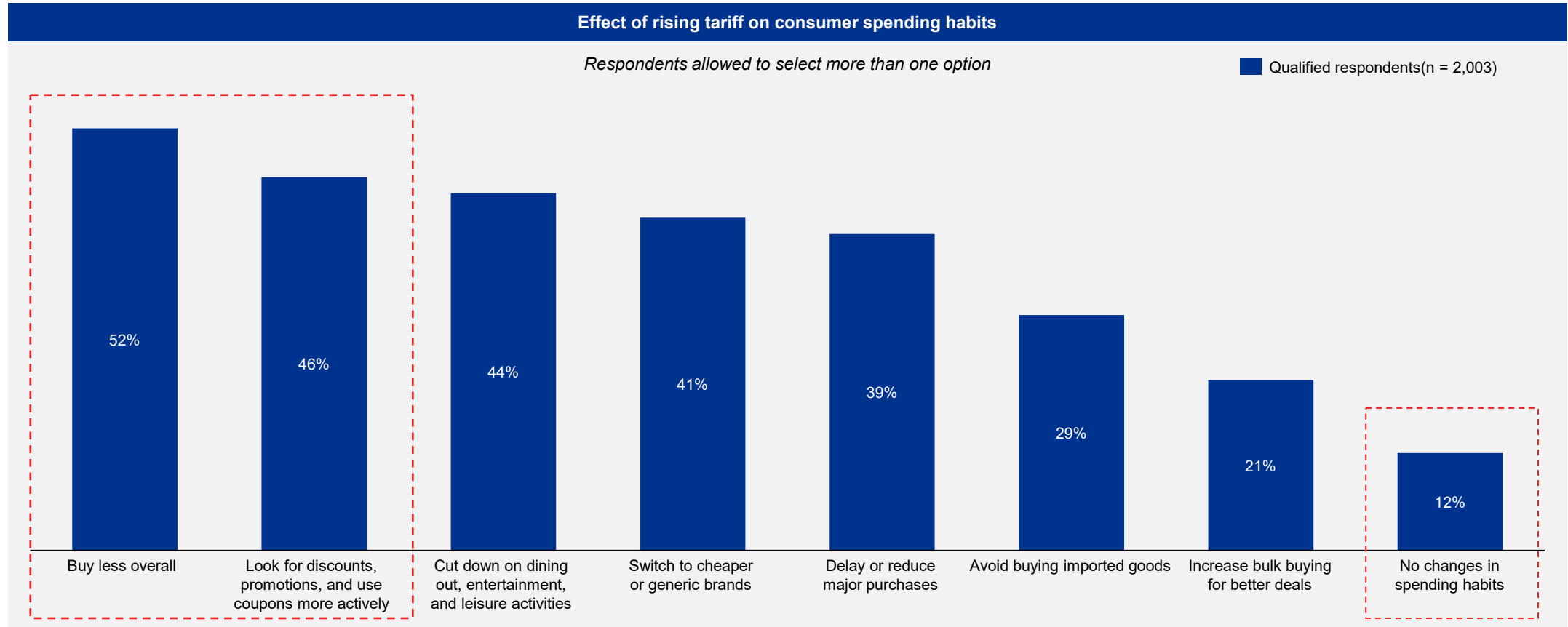
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Electronics (66 percent) are expected to be the most expensive products/services due to tariffs followed by groceries (64 percent), and apparel (60 percent).



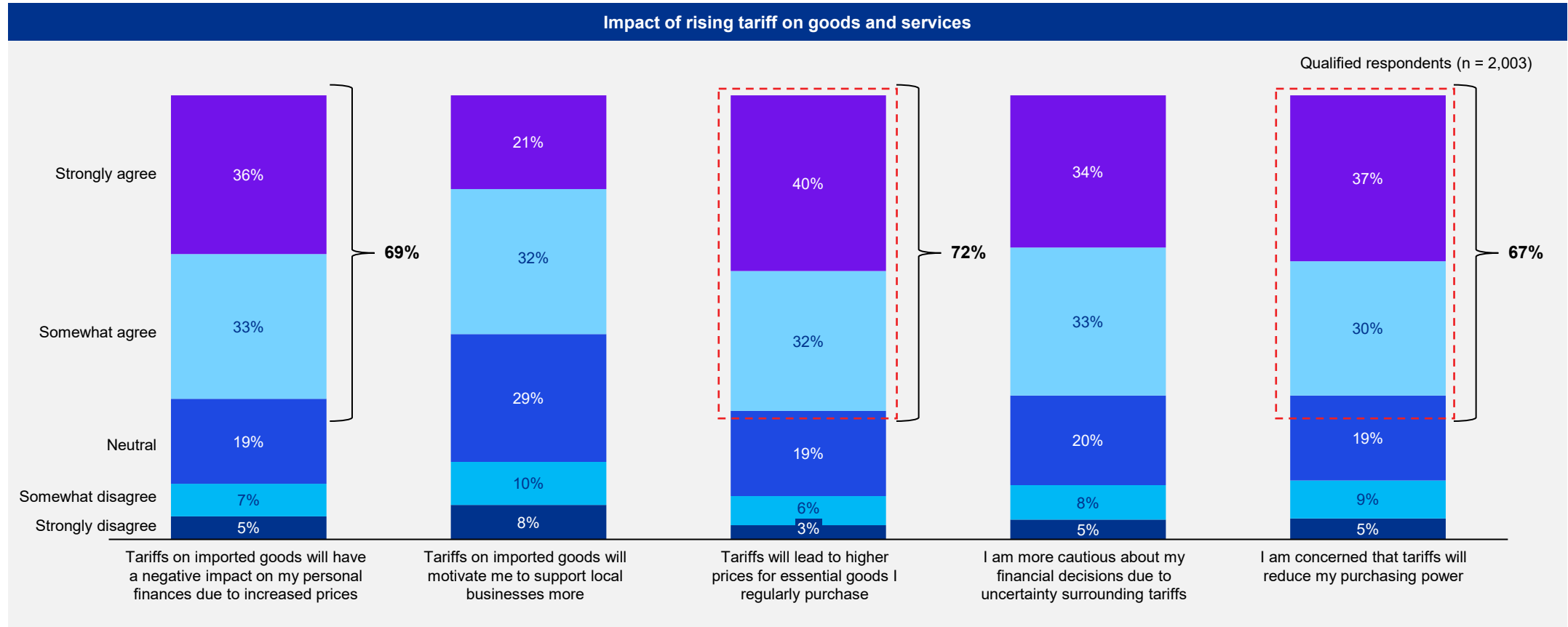
Note(s): KPMG conducted survey of a representative sample of 2,003 consumers across the United States and, in all instances, asked, "Which of the following product/services do you think will become more expensive due to tariffs?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Majority of consumers are buying less overall and are looking for discounts, promotions, and using coupons more actively; but only 12 percent indicated they made no changes to their spending habits.



Note(s): KPMG conducted survey of a representative sample of 2,003 consumers across the United States and, in all instances, asked, "How are rising tariffs likely to affect your spending habits?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

72 percent of consumers agree that tariffs will lead to higher prices for essential goods they regularly use followed by 69 percent concerned that tariffs will impact personal finances.



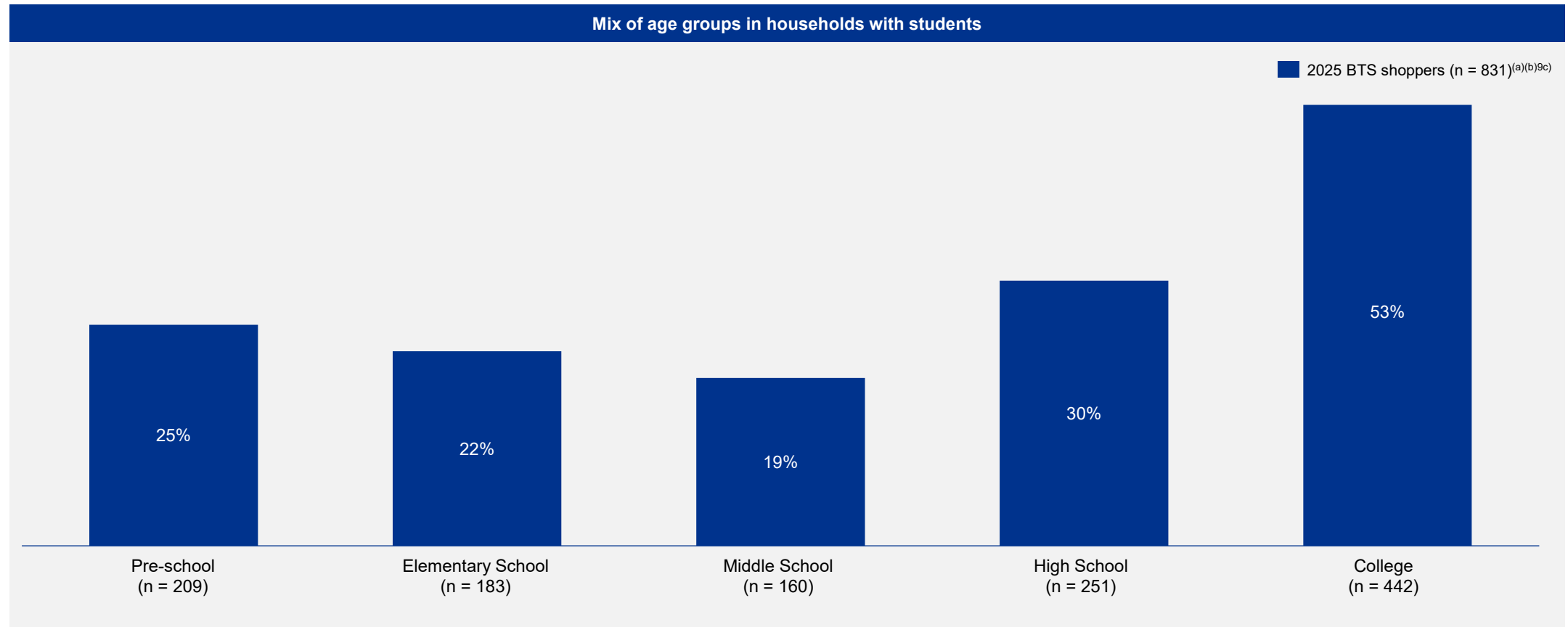
Note(s): KPMG conducted survey of a representative sample of 2,003 consumers across the United States and, in all instances, asked, "To what extent do you agree with the following statements"

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

04

Back-to-School

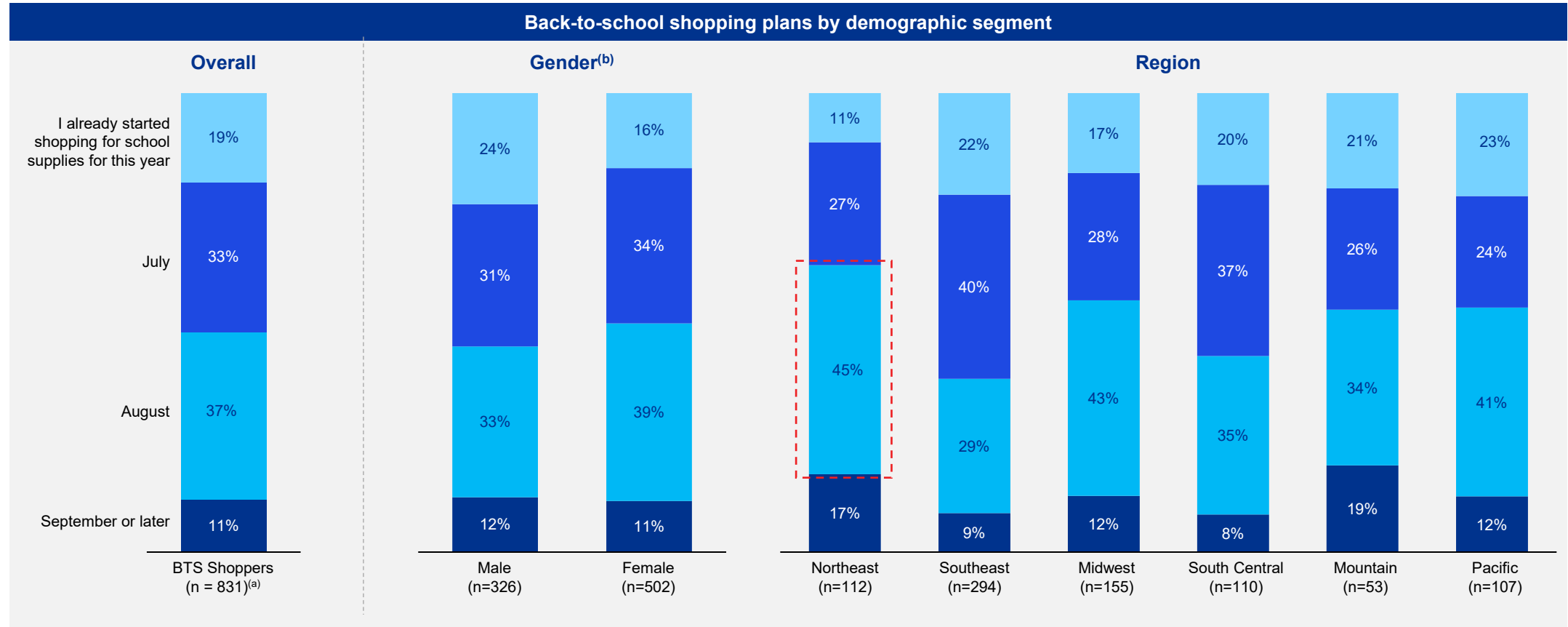
Of households with students, 25 percent have pre-school children, 22 percent have elementary school children, and nearly half have college students.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "How many children under the age of 18 live in your household?", "How many children of each of the following age ranges are in your household?"; (a) BTS shoppers include the 831 households with children and/or adult students; (b) Pre-school indicates children up to 5 years old, elementary school indicates children from 6 to 9 years old, middle school indicates children from 10 to 12 years old, high school indicates children from 13 to 17 years old & college indicates adults more than 18 years old; (c) Sum of segment within age-group does not add to the total BTS shoppers since a household may have more than one student across different age groups.

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

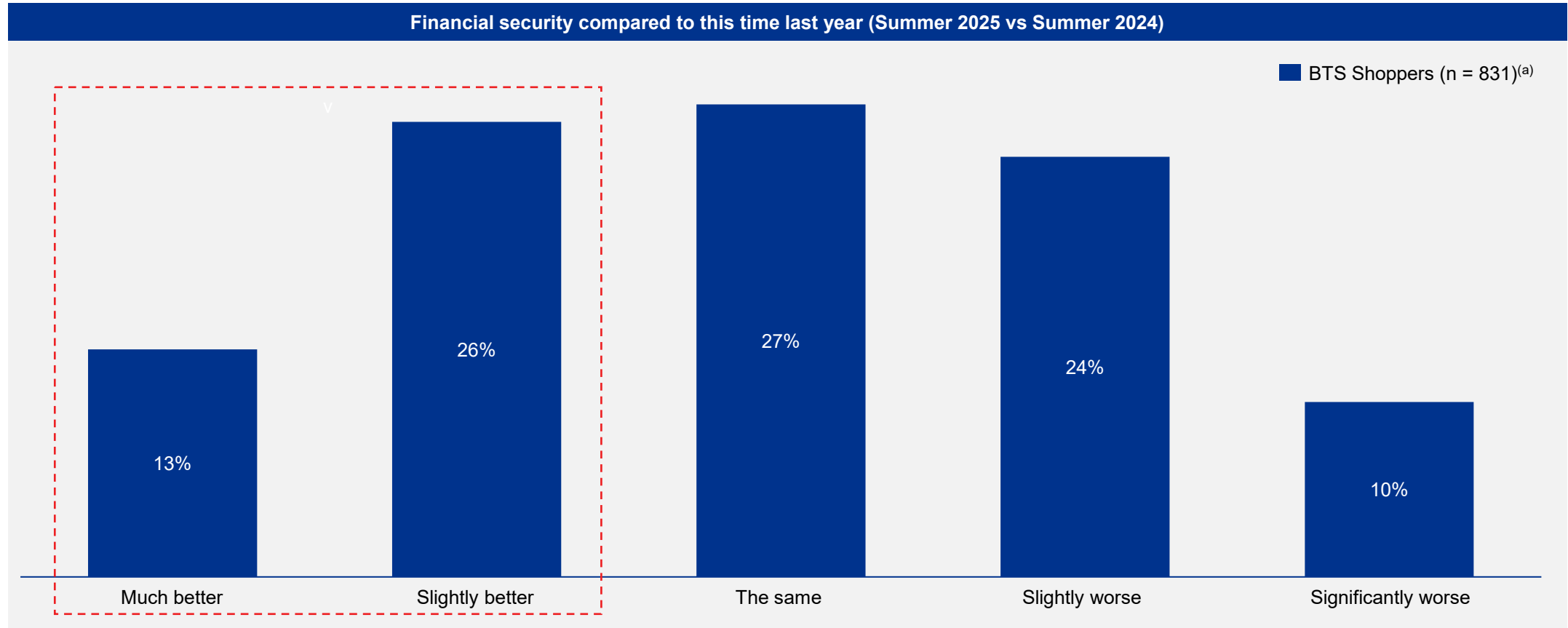
Back-to-school shopping timing differs by region due to varying school start dates. In the Northeast, 45 percent of BTS shoppers plan to start in August.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, if applicable, asked "When do you plan to start shopping for back-to-school?"; and "Please enter your current zip code"; (a) BTS shoppers include the 831 households with children and/or adult students; (b) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.

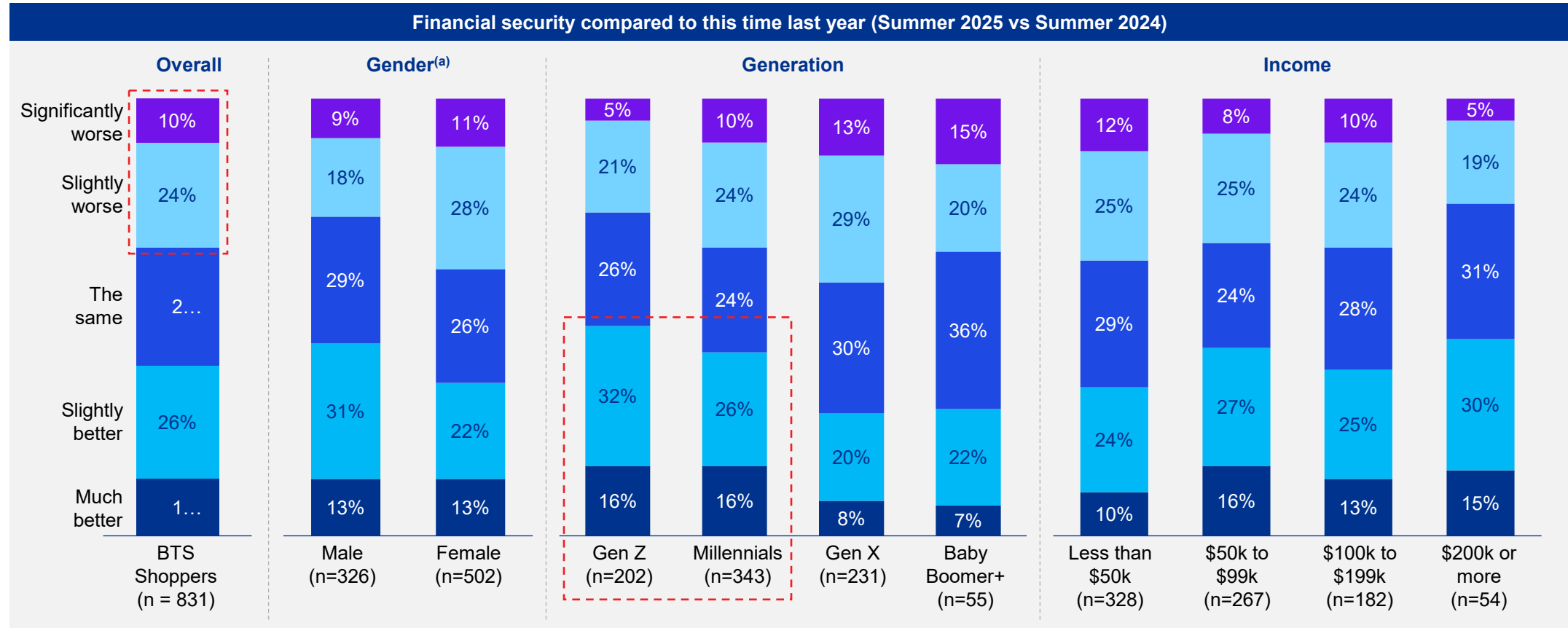
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Change in BTS financial situation is mixed—with 39 percent of BTS shoppers reporting it is better this year while 34 percent say it is worse.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, in all instances, asked "Compared to last year how do you feel financially compared to last year?"; (a) BTS shoppers include the 831 households with children and/or adult students.
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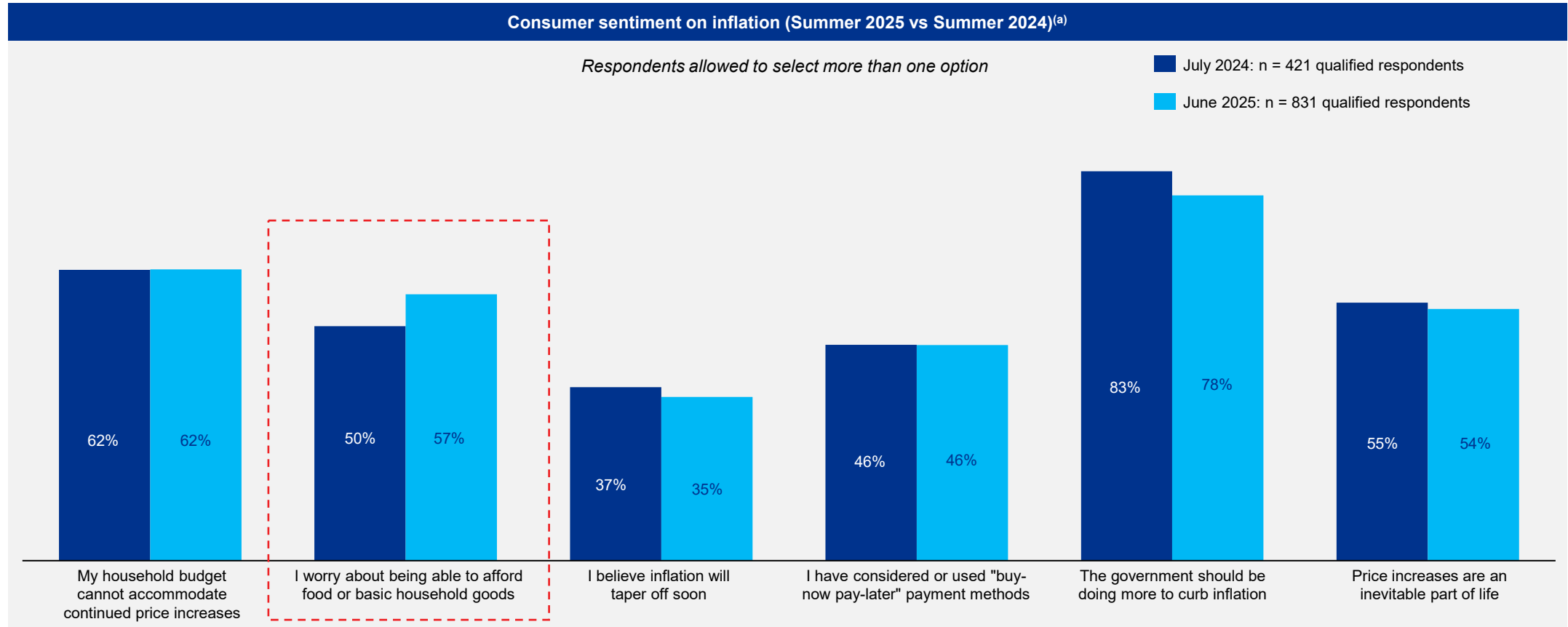
39 percent of BTS shoppers reporting it is better this year while 34 percent say it is worse — with newer generation Gen Z and millennials reporting it to be better.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, in all instances, asked "Compared to last year how do you feel financially compared to last year?"; (a) BTS shoppers include the 831 households with children and/or adult students.; (b) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.

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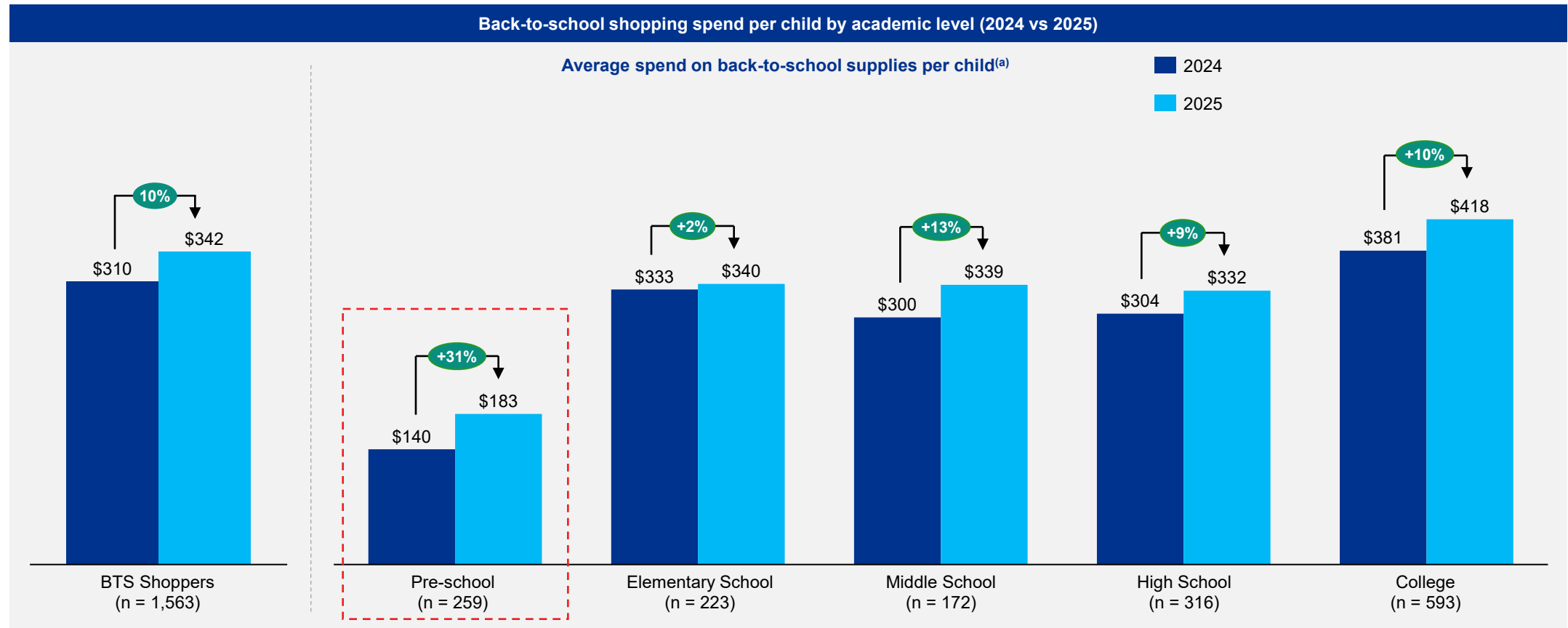
More BTS shoppers are concerned about affording food and basic household goods, with a 7 percent increase in 2025 compared to 2024.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "To what extent do you agree with the following statements? (disagree: 1-3= disagree to strongly agree 5-7= agree to strongly agree)"; (a) Indicates the percent of respondents (rated 5-7) who agree with the statement.; (b) BTS shoppers include the 831 households with children and/or adult students.

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

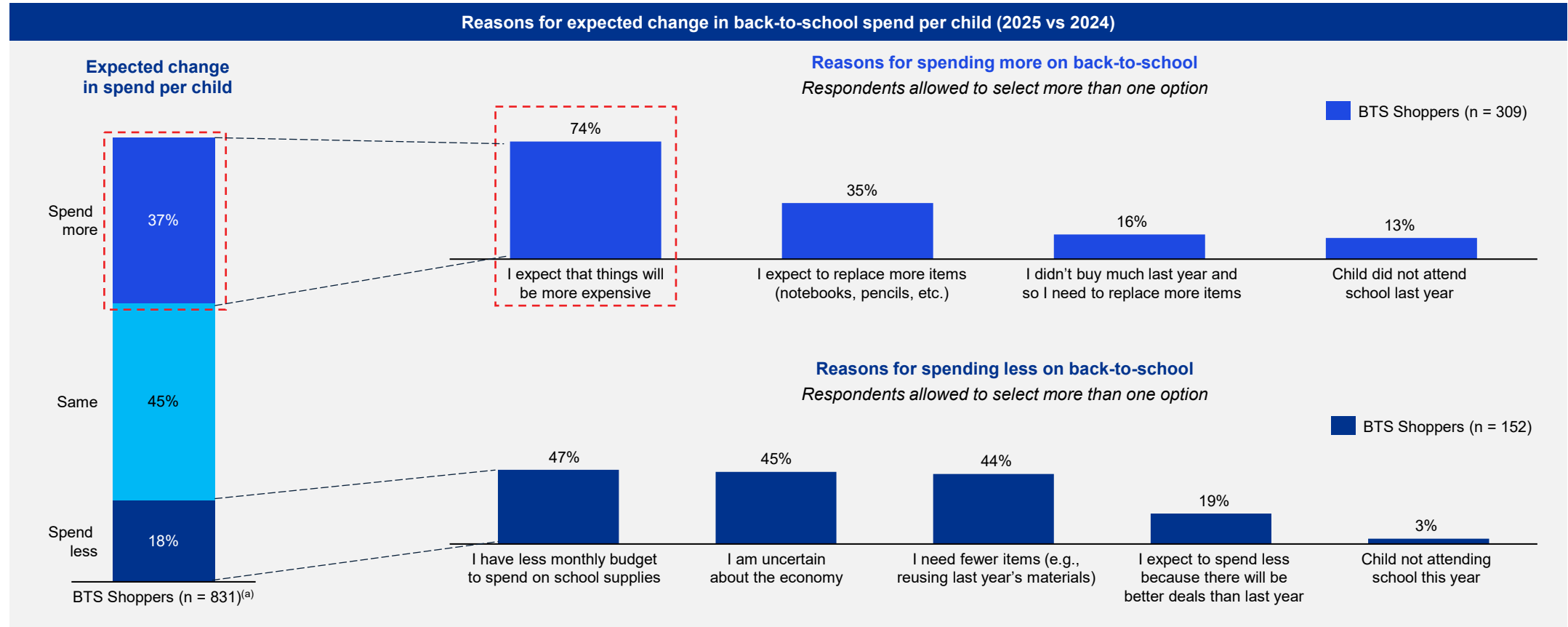
BTS shoppers expect to spend more in 2025 across all education levels with average spend per student expected to increase ~10 percent with highest increase in spend for pre-school child.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, if applicable, asked "On average, how much do you plan on spending on back-to-school supplies per child in each of the following academic age groups this year (2024)? Please include apparel/uniforms and footwear spend."; and "How much did you spend on back-to-school supplies per college student last year (2024)? How much do you plan on spending on back-to-school supplies per college student this year (2025)? Please include apparel, footwear/uniforms, and dorm furnishings"; (a) n count represents number of responses and is higher than the number of households that have students in each of the category since each respondent was asked to provide average spend for every child in each age group

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025; KPMG Consumer Pulse Survey, fielded July 15, 2024 – July 23, 2024

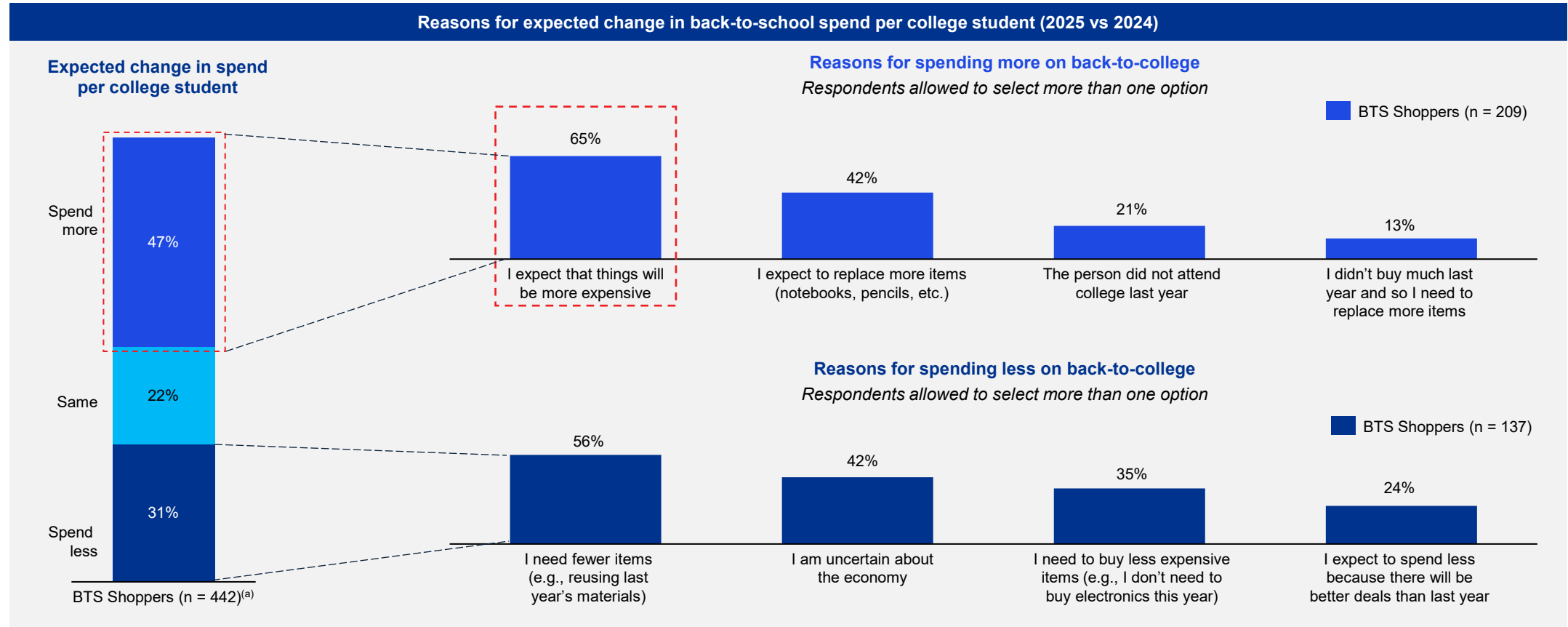
37 percent expect to spend more on back-to-school per child compared to 18 percent spending less.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, if applicable, asked "How much did you spend on back-to-school supplies per last year (2024)?, How much do you plan on spending on back-to-school supplies per this year (2025)? Please include apparel/uniforms spend.", "Why do you plan to spend less per child?", "Why do you plan to spend more per child?"; (a) BTS shoppers include the 831 households with children and/or adult students.

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

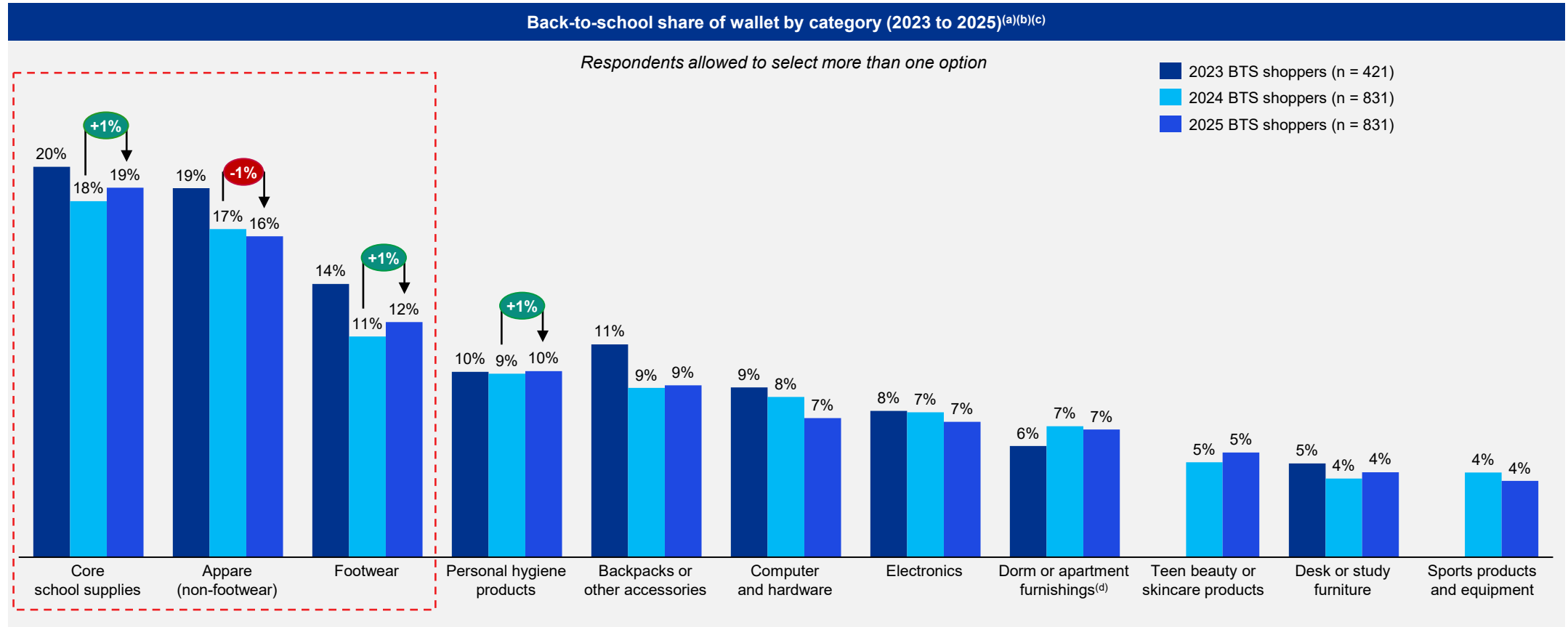
In 2025, 47 percent of BTS shoppers intend to spend more on back-to-college compared to 2024, mainly due to the expectation of rising price.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, if applicable, asked "You indicated that you have at least one college student in your household. How much did you spend on back-to-school supplies per college student last year (2024)?, How much do you plan on spending on back-to-school supplies per college student this year (2025)? Please include apparel/uniforms, footwear and dorm furnishings.", "Why do you plan to spend less per college student?", "Why do you plan to spend more per college student?"; (a) BTS shoppers include the 442 households with adult students in college

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

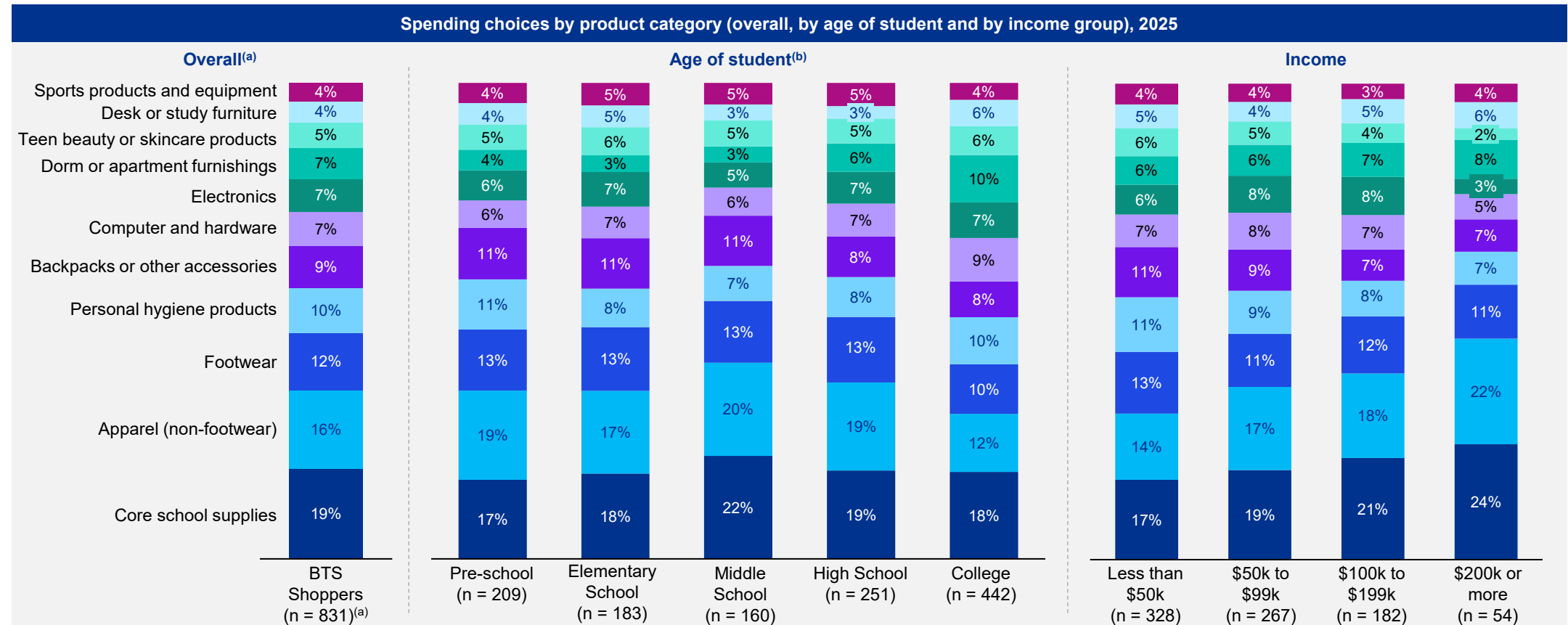
In 2025, BTS shoppers anticipate that core school supplies, apparel, and footwear will be their largest spending categories, accounting for a combined 47 percent of expenditures.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, if applicable, asked "What percent of your back-to-school budget did you spend on each of the following product categories last year (2024)?, What percentage of your back-to-school budget do you expect to spend on each of the following product categories this year (2025)?"; (a) BTS shoppers include the 831 households with children and/or adult students; (b) Numbers highlighted are not growth rates. They are an absolute increase between 2024 and 2025.; (c) Some of the answer options are added in this iteration, therefore a comparison will not be possible.; (d) Dorm or apartment furnishings include décor, bedding, storage bins.

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025; KPMG Consumer Pulse Survey, fielded July 15, 2024 – July 23, 2024

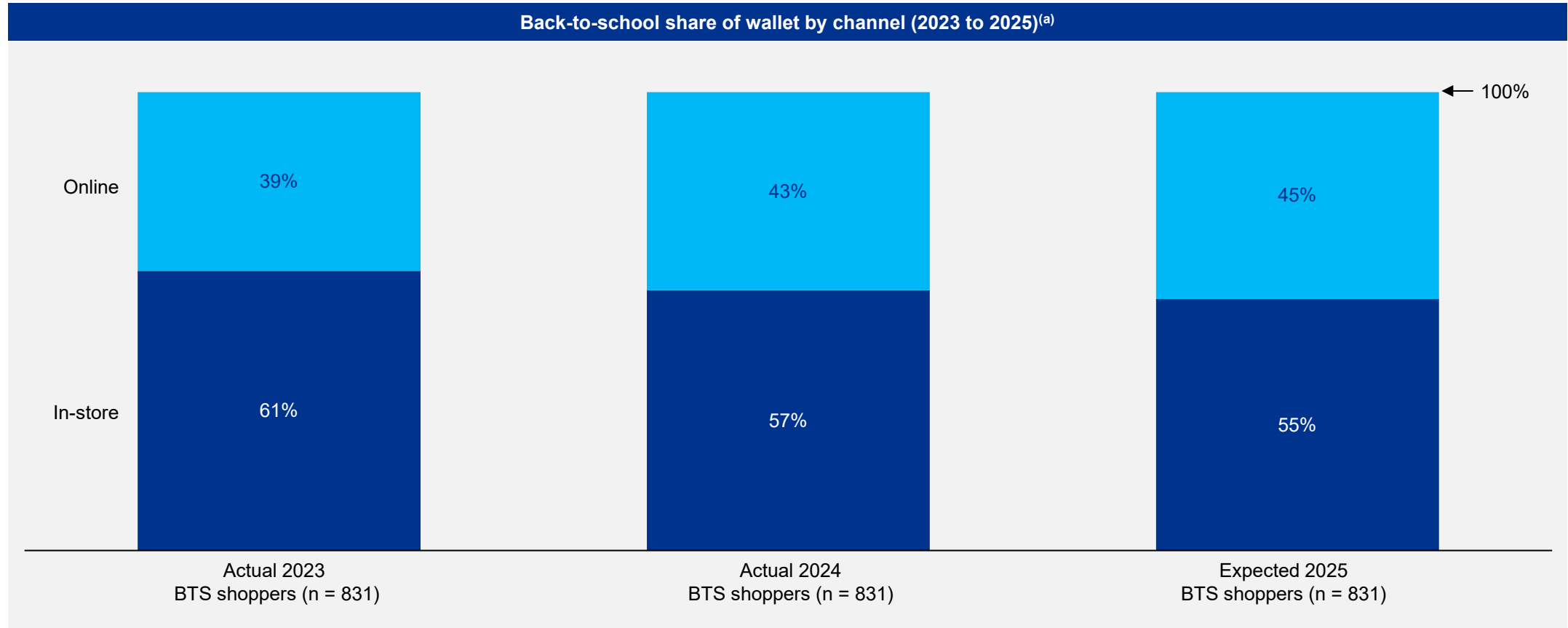
Core school supplies, apparel, and footwear together comprise nearly half (47 percent) of back-to-school spending by share of wallet.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, if applicable, asked "What percent of your back-to-school budget did you spend on each of the following product categories last year (2024)?", "What percentage of your back-to-school budget do you expect to spend on each of the following product categories this year (2025)?"; (a) BTS shoppers include the 831 households with children and/or adult students; (b) Sum of segment within age-group does not add to the total BTS shoppers since a household may have more than one student across different age groups

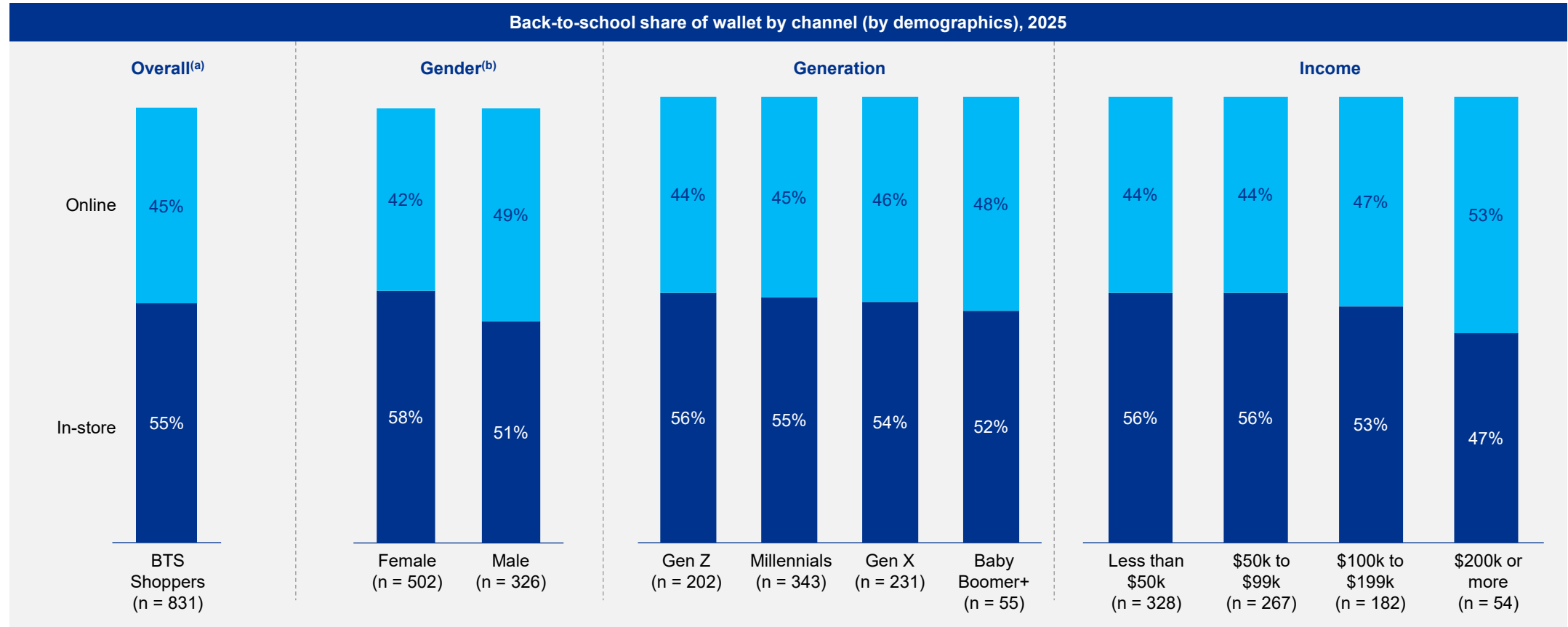
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Over the past two years, back-to-school share of wallet spending online increased from 39 percent to 45 percent.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, if applicable, asked "How do you expect to shop for back to school this year vs last year vs the previous year?"; (a) BTS shoppers include the 831 households with children and/or adult students.
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

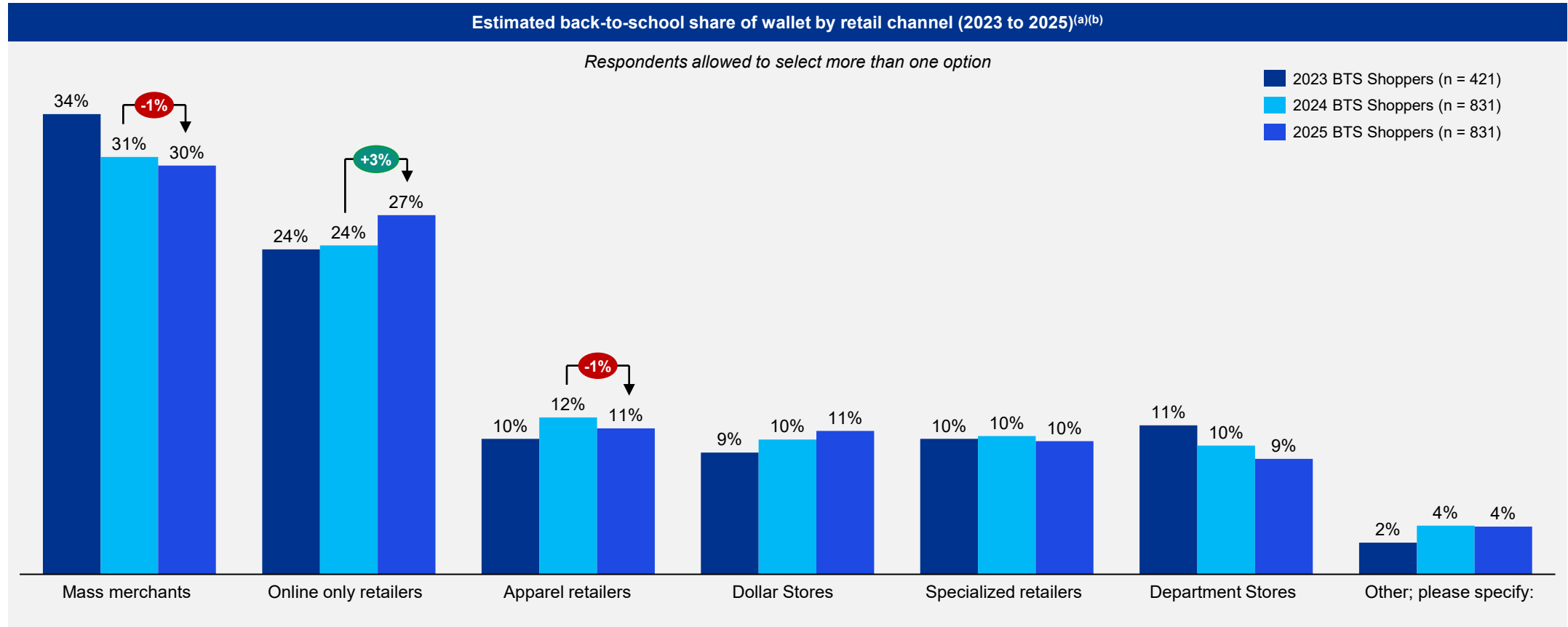
Higher income households spend a larger share of wallet (53 percent) online than lower income households.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, if applicable, asked "How do you expect to shop for back to school this year vs last year vs the previous year?"; Please select your gender"; "Please select the generation"; "Please select the annual income range that best describes your total household income in 2024.; (a) BTS shoppers include the 831 households with children and/or adult students.; (b) Gender identification omits respondents that mentioned "Prefer to self-describe"

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

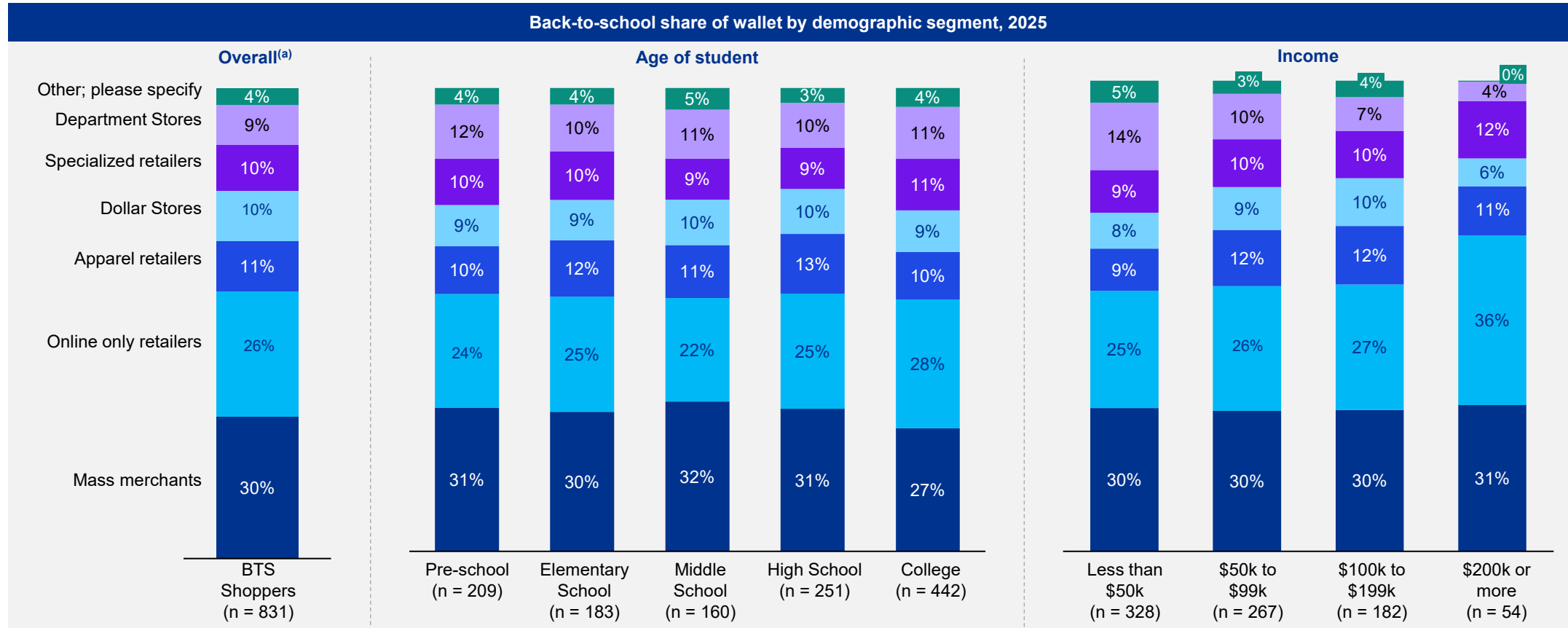
Back-to-school share of wallet has declined for mass merchants and increased for online only retailers.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, if applicable, asked "Where did you shop last year/where do you plan to shop this year for back-to-school?"; (a) BTS shoppers include the 831 households with children and/or adult students; (b) Survey respondents were prompted with a table to enter percent of spend by channel"

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025; KPMG Consumer Pulse Survey, fielded July 15, 2024 – July 23, 2024

Higher income households were more likely to shop at online retailers.



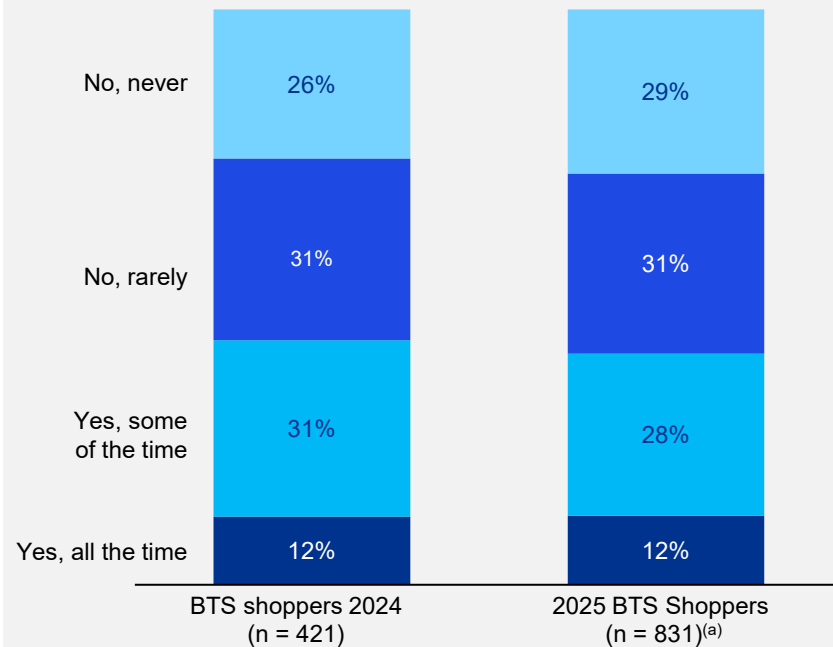
Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, if applicable, asked "Where did you shop last year / where do you plan to shop this year for back-to-school?"; (a) BTS shoppers include the 831 households with children and/or adult students"

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

40 percent of consumers purchase luxury items for back-to-school; This year designer clothing were the most common luxury item—rather than electronics last year.

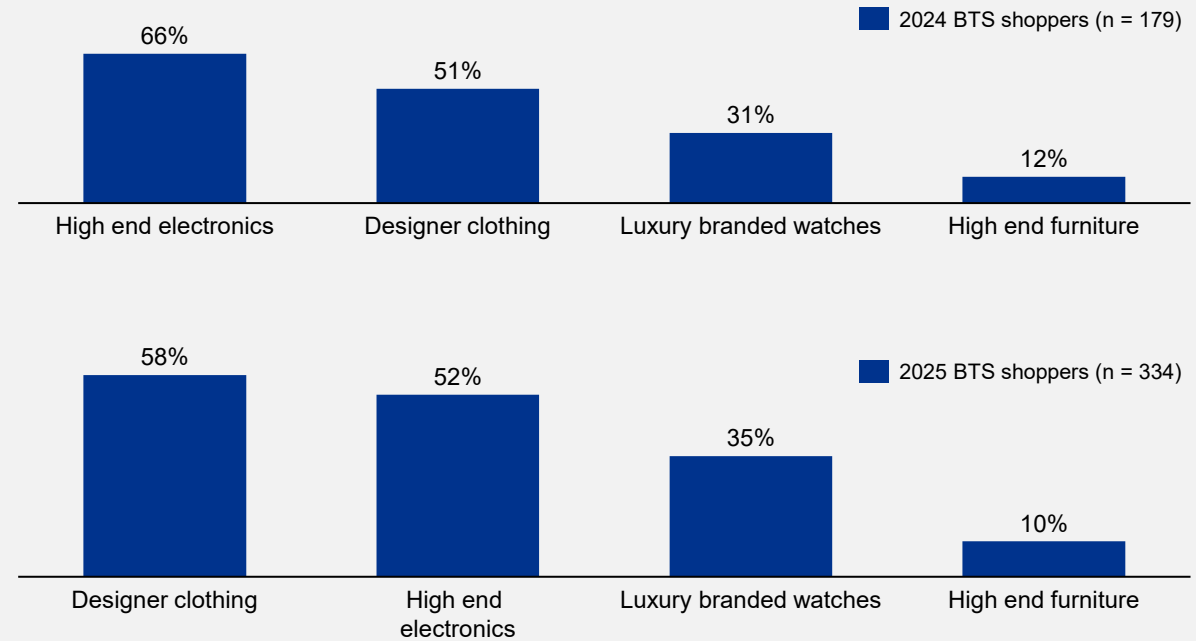
Consumer perceptions regarding luxury items as part of back-to-school spends and types of luxury items purchased

Percentage of consumers who purchase luxury items as part of their back-to-school spend



Percentage of consumers who have purchased following luxury items as part of their back-to-school spend

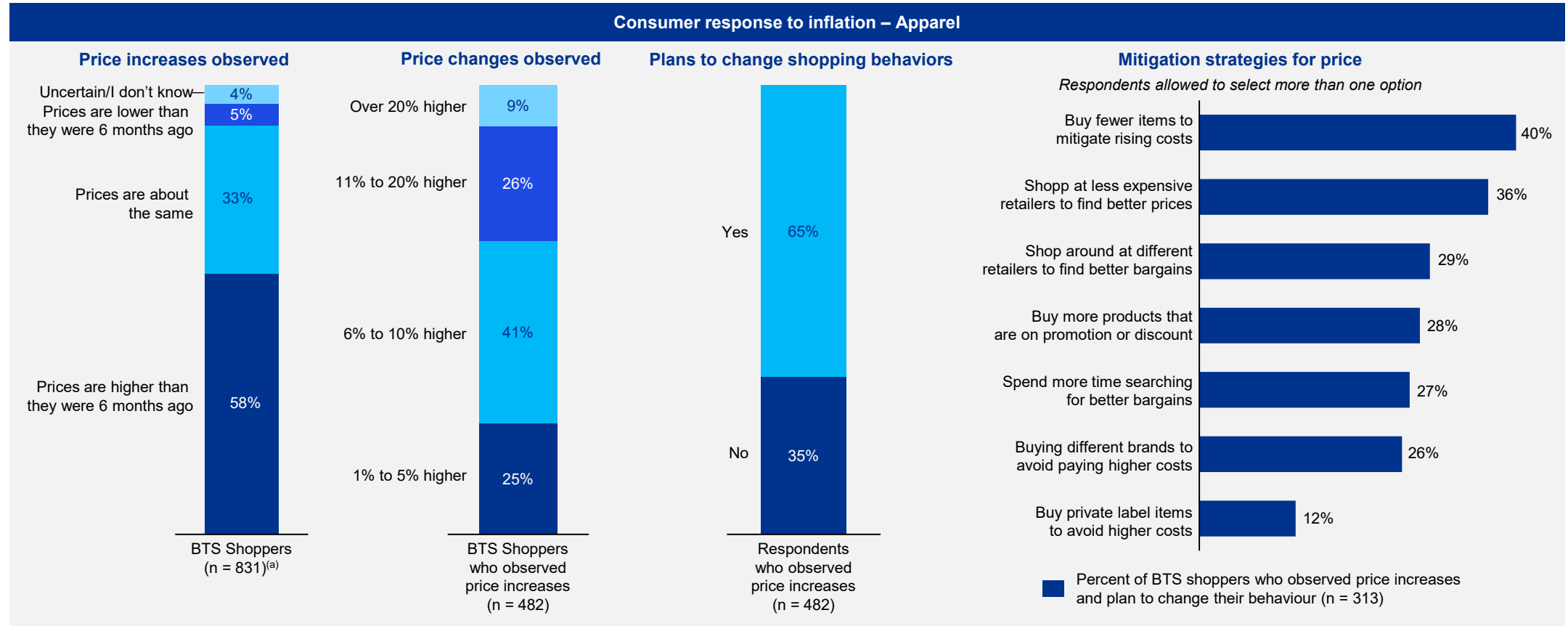
Respondents allowed to select more than one option



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, if applicable, asked "Do you typically purchase items that are considered luxury items as part of your back-to-school purchases (high-end electronics, designer apparel, designer watches, luxury furniture, etc.)?" and if applicable, "You mention that you purchase items considered luxury as part of your back-to-school spend, what items do you typically purchase."; (a) BTS shoppers include the 831 households with children and/or adult students

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025; KPMG Consumer Pulse Survey, fielded July 15, 2024 – July 23, 2024

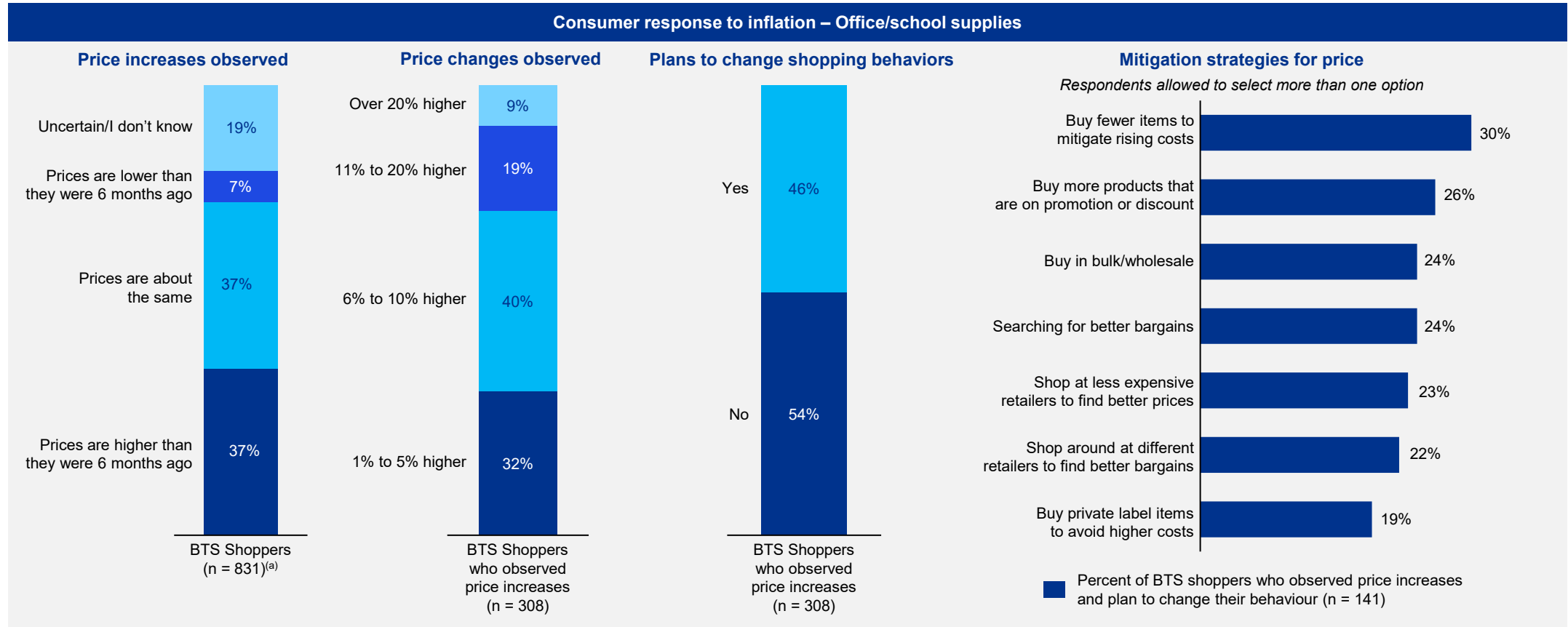
58 percent of back-to-school shoppers say apparel prices are higher now than six months ago; Among those who report price increases, 40 percent are buying fewer items.



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, if applicable, asked "For each of the following product categories, please indicate whether you believe prices are lower, about the same, or higher than they were 6 months ago.", "You indicated that you believe prices are higher for each of the following product categories now than they were 6 months ago. Please indicate how much higher you believe prices are for each of the following product categories.", "You indicated that you have noticed rising prices for apparel, do you plan on changing your shopping behaviors to mitigate rising prices for apparel?", "How do you plan on changing your behaviors to mitigate rising prices for apparel?"; (a) BTS shoppers include the 831 households with children and/or adult students"

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Only 37 percent say prices for office and school supplies have increased in the past six months.



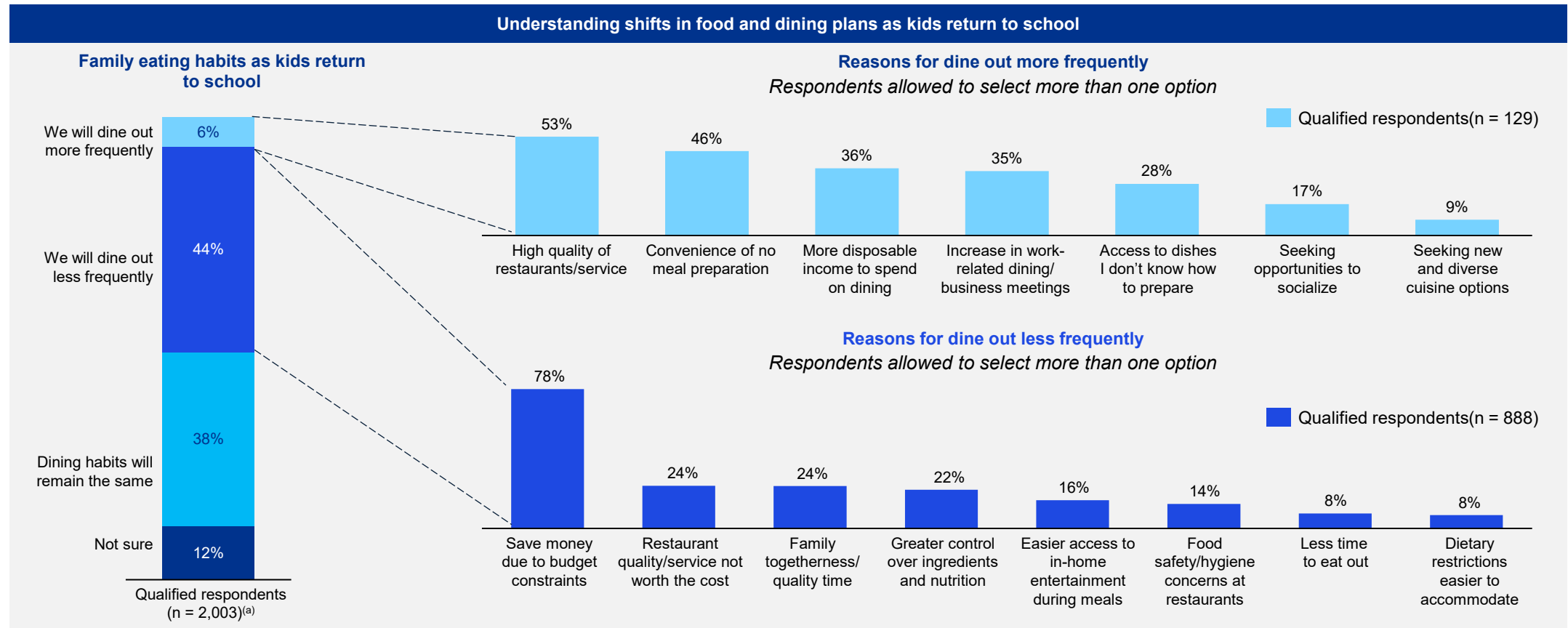
Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, if applicable, asked "For each of the following product categories, please indicate whether you believe prices are lower, about the same, or higher than they were 6 months ago.", "You indicated that you believe prices are higher for each of the following product categories now than they were 6 months ago. Please indicate how much higher you believe prices are for each of the following product categories.", "You indicated that you have noticed rising prices for office/school supplies, do you plan on changing your shopping behaviors to mitigate rising prices for office/school supplies?", "How do you plan on changing your behaviors to mitigate rising prices for office/school supplies?"; (a) BTS shoppers include the 831 households with children and/or adult students"

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13

05

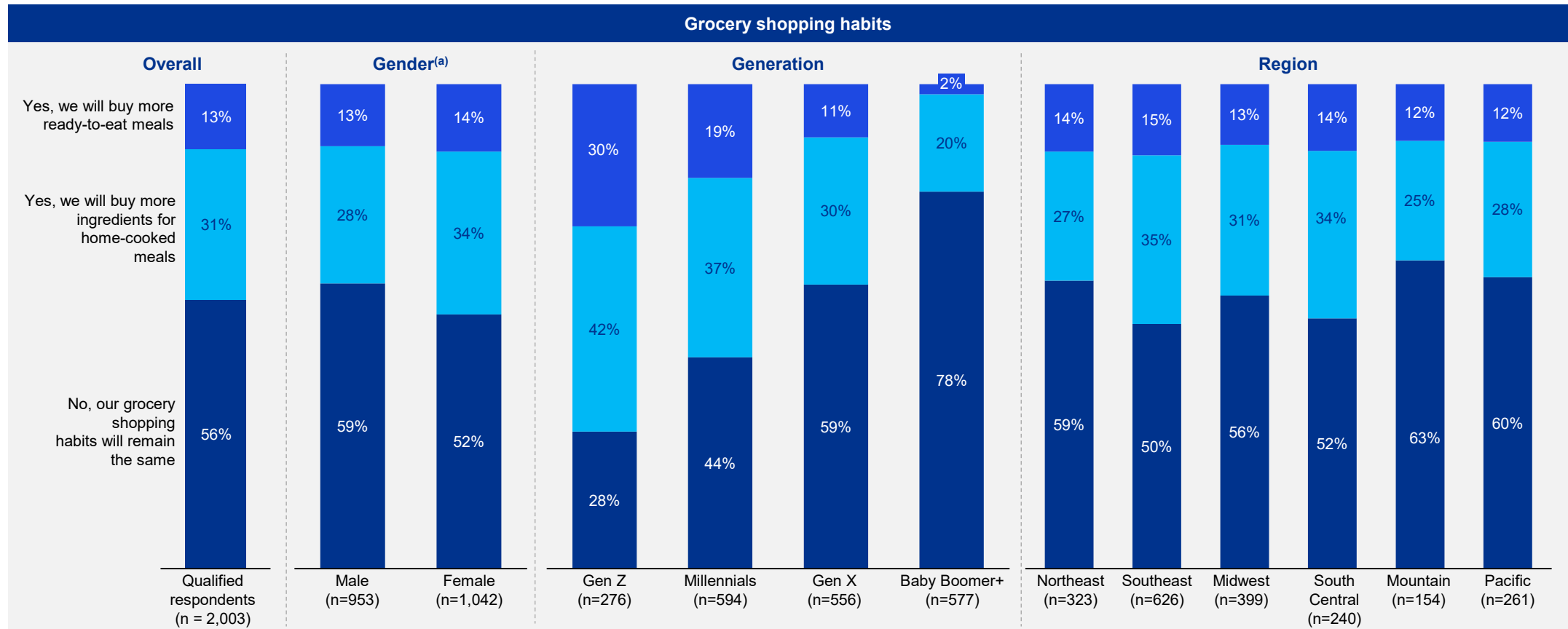
Work life changes

44 percent plan to dine out less frequently—while only 6 percent plan to dine out more frequently



Note(s): KPMG conducted a survey of 2,003 consumers across the United States, and, if applicable, asked "How do you expect your family's eating habits to change as kids head back to school?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

56 percent say grocery shopping habits will not change as their kids go back to school—but nearly one-third plan to buy more ingredients for home-cooked meals



Note(s): KPMG conducted a survey of 2,003 consumers across the United States and, in all instances, asked "Do you expect your grocery shopping habits to change as kids go back to school?"; (a) Gender identification omits respondents that mentioned "Prefer to self-describe"

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

06

Teen beauty

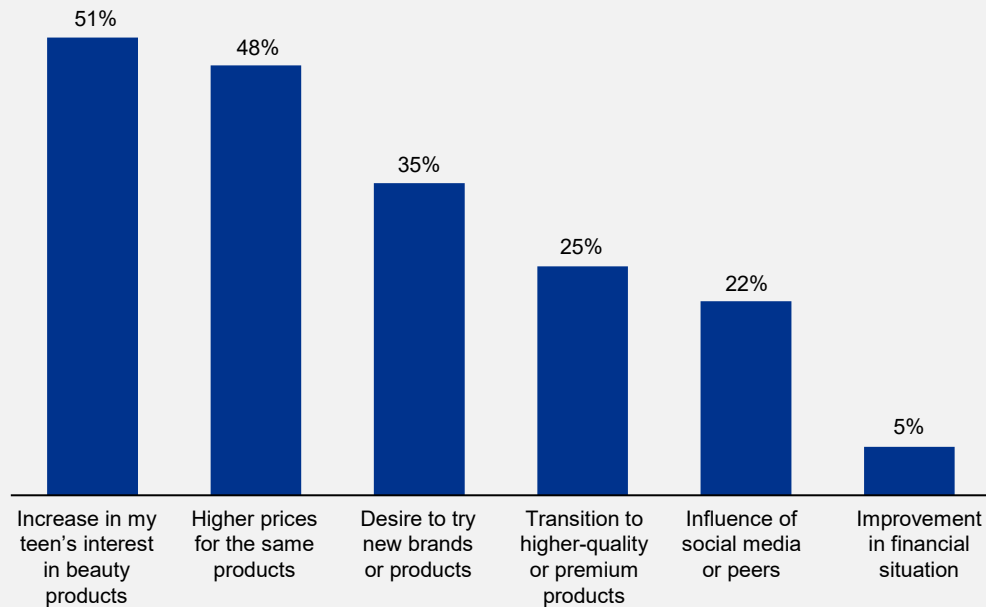
Among those who increased spending on their teen's beauty products, 51 percent did so due to greater interest in the products—while only 5 percent did so due to their improved financial situation.

Spending patterns on teen beauty products

Reasons for increased spending on teen beauty products in 2025 vs. 2024

Respondents allowed to select more than one option

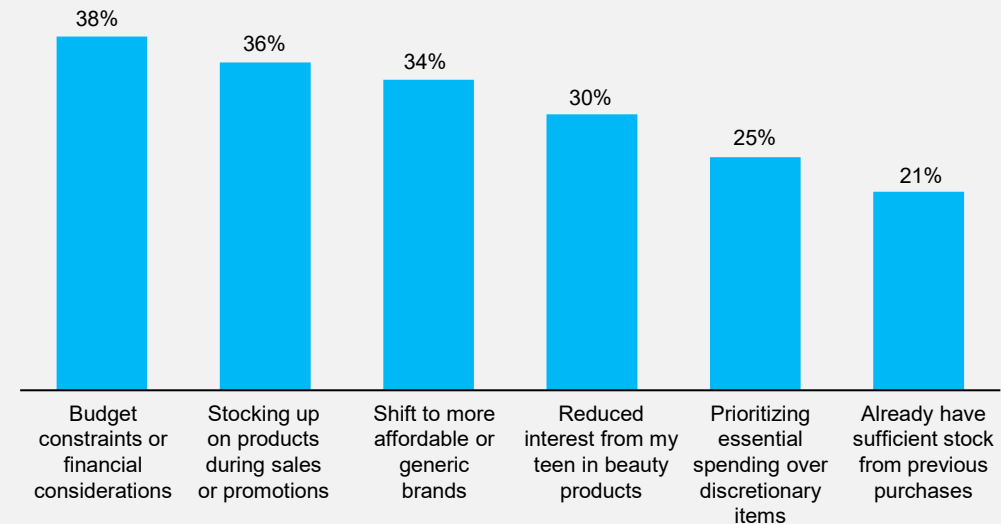
■ Qualified respondents (n = 130)



Reasons for decreased spending on teen beauty products in 2025 vs. 2024

Respondents allowed to select more than one option

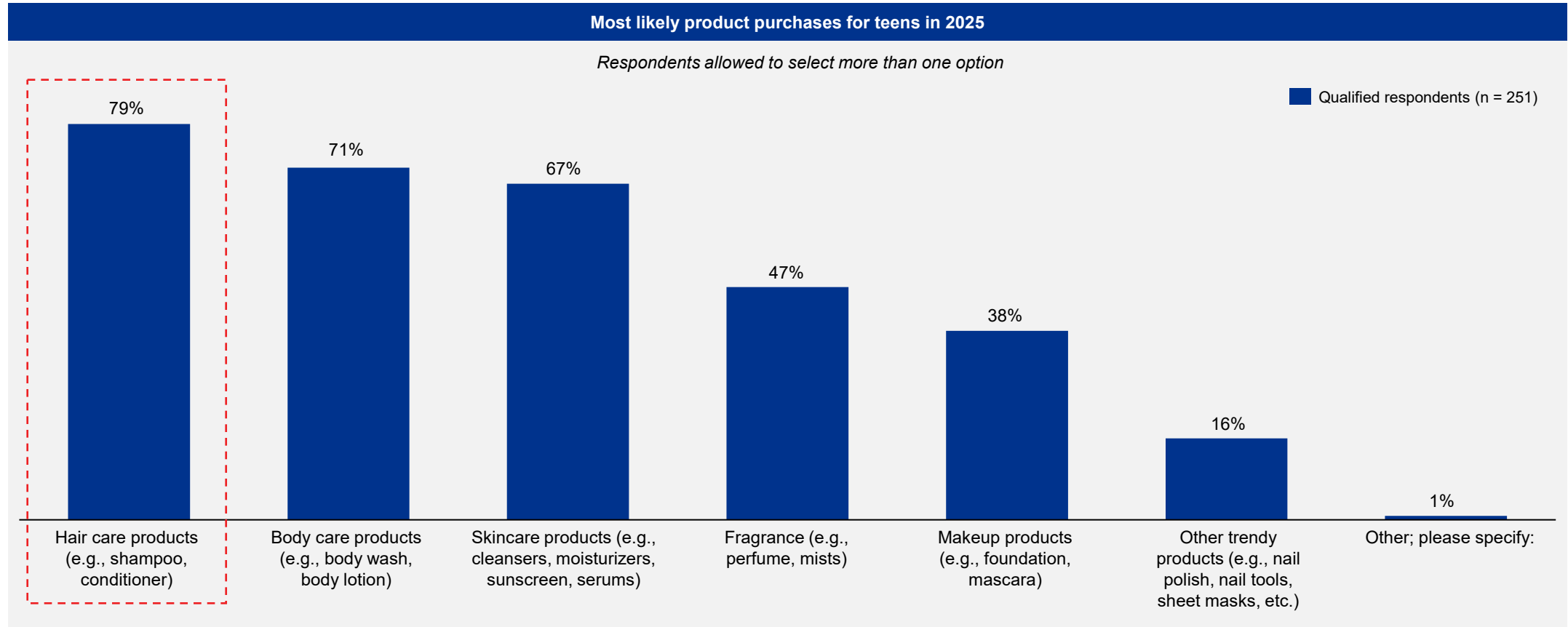
■ Qualified respondents (n = 107)



Note(s): KPMG conducted survey of a representative sample of consumers across the United States who indicated increased (n=130) or decreased (n=107) spending on teen beauty products. In all instances, KPMG asked "Why are you spending more on your teen's beauty products this year compared to last?" or "Why are you spending less on your teen's beauty products this year compared to last?"

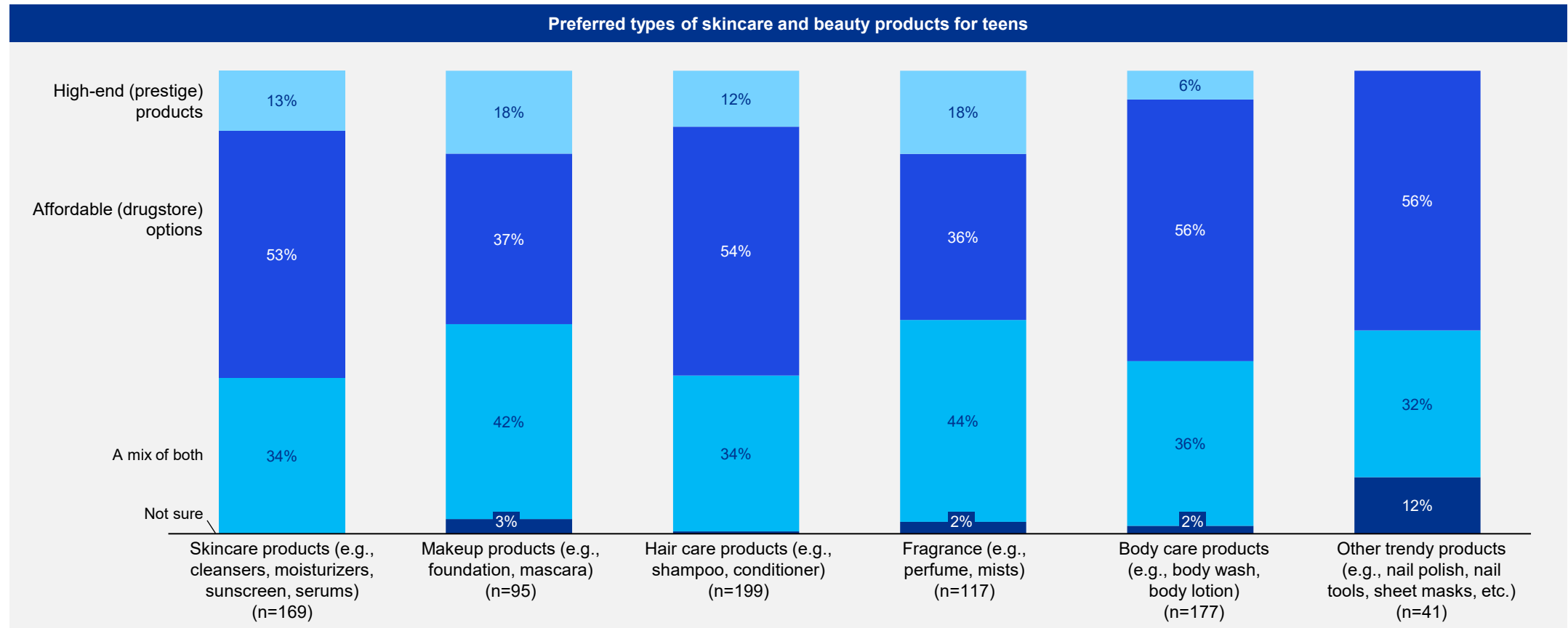
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Hair care products are the top product purchased for teens (79 percent).



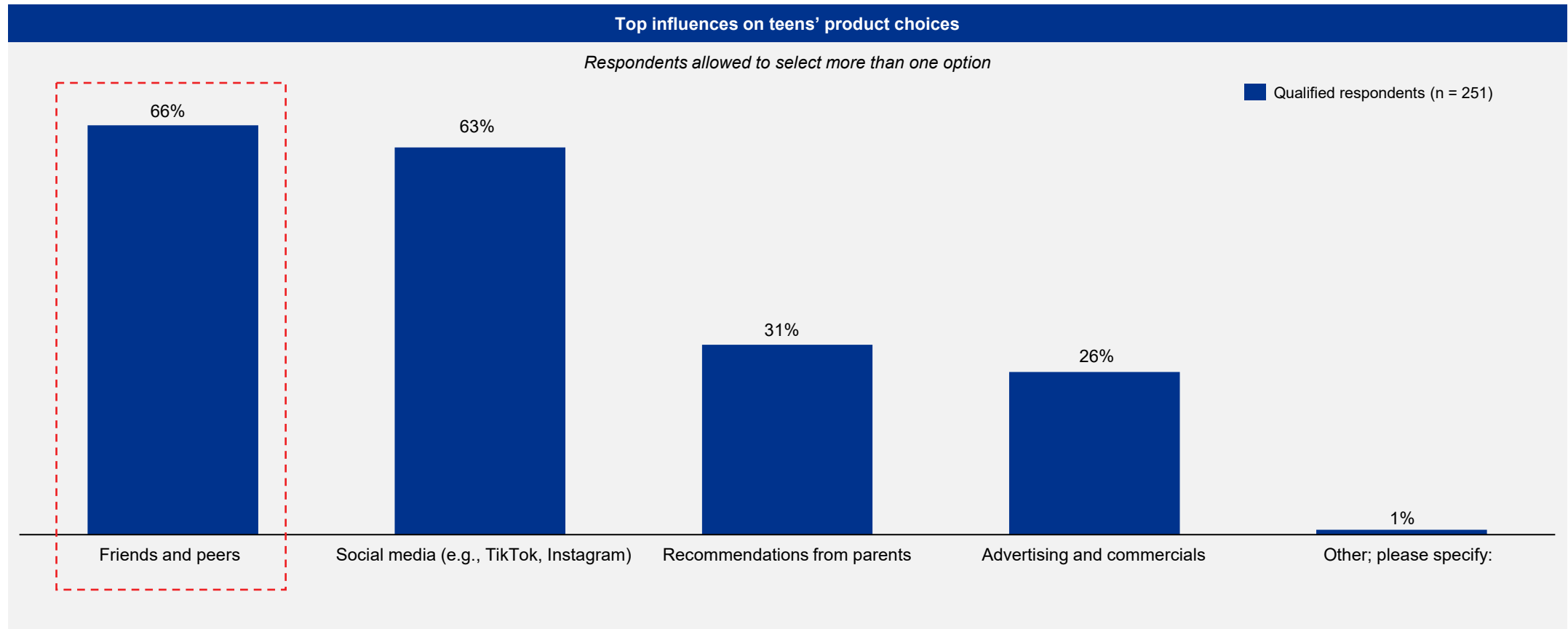
Note(s): KPMG conducted survey of a representative sample of 2,003 consumers across the United States and, in all instances, KPMG asked "What type of products are you most likely to purchase for your teen?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Consumers prefer affordable/drugstore options over high-end/prestige options for skin care and body care products.



Note(s): KPMG conducted survey of a representative sample of 2,003 consumers across the United States and, in all instances, KPMG asked "When it comes to buying skincare or beauty products for your kids, which type are they more inclined to choose?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

66% say their choices for teen products are most influenced by friends and peers while only 26% are most influenced by advertising and commercials.

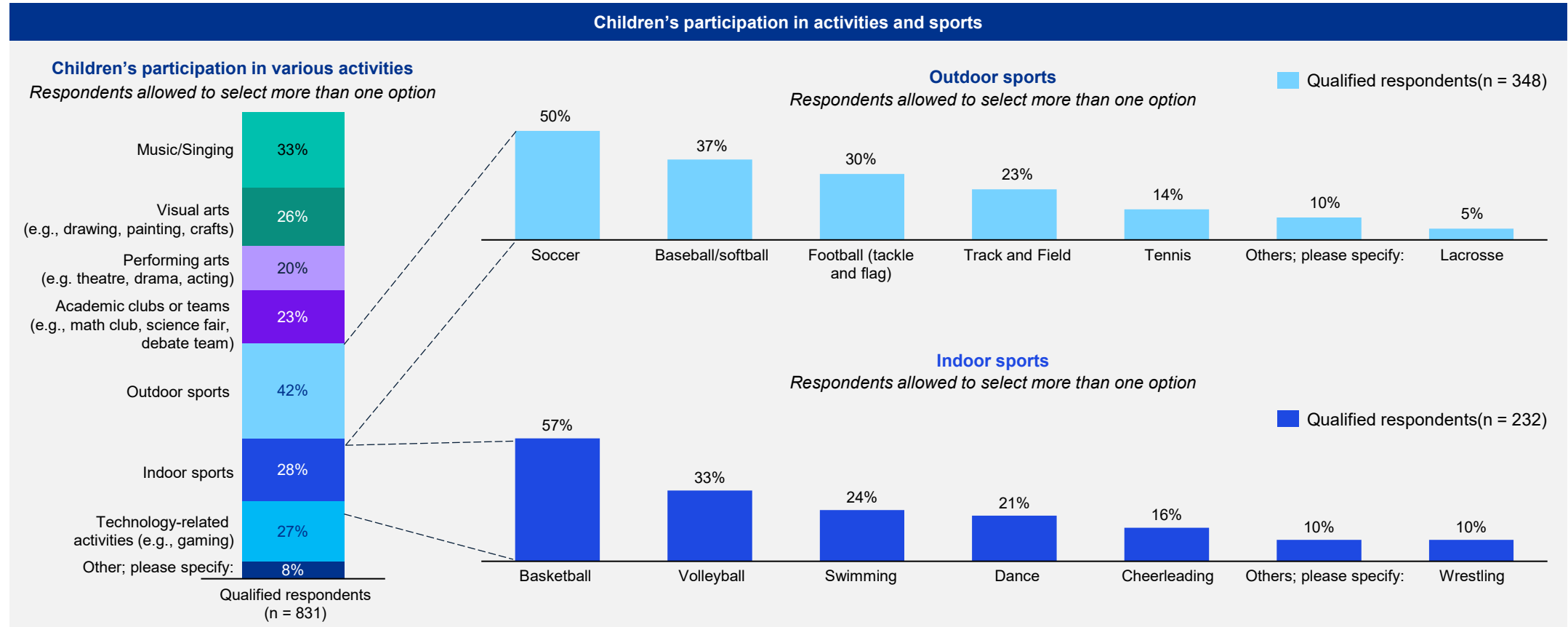


Note(s): KPMG conducted survey of a representative sample of 2,003 consumers across the United States and, in all instances, KPMG asked: "What influences your teen's product choices the most?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

07

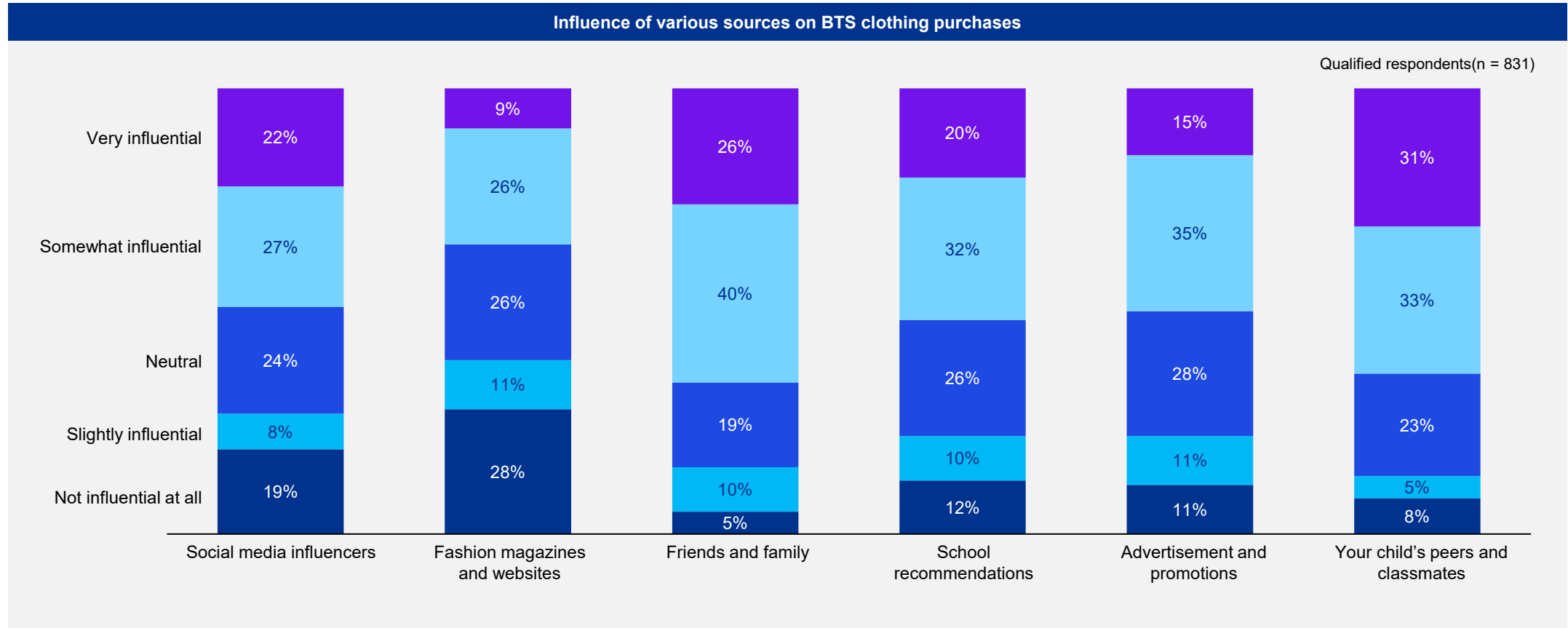
Apparel/Clothing and sports related purchases

Outdoor sports (42 percent) are the most common child activity—followed by music/singing (33 percent).



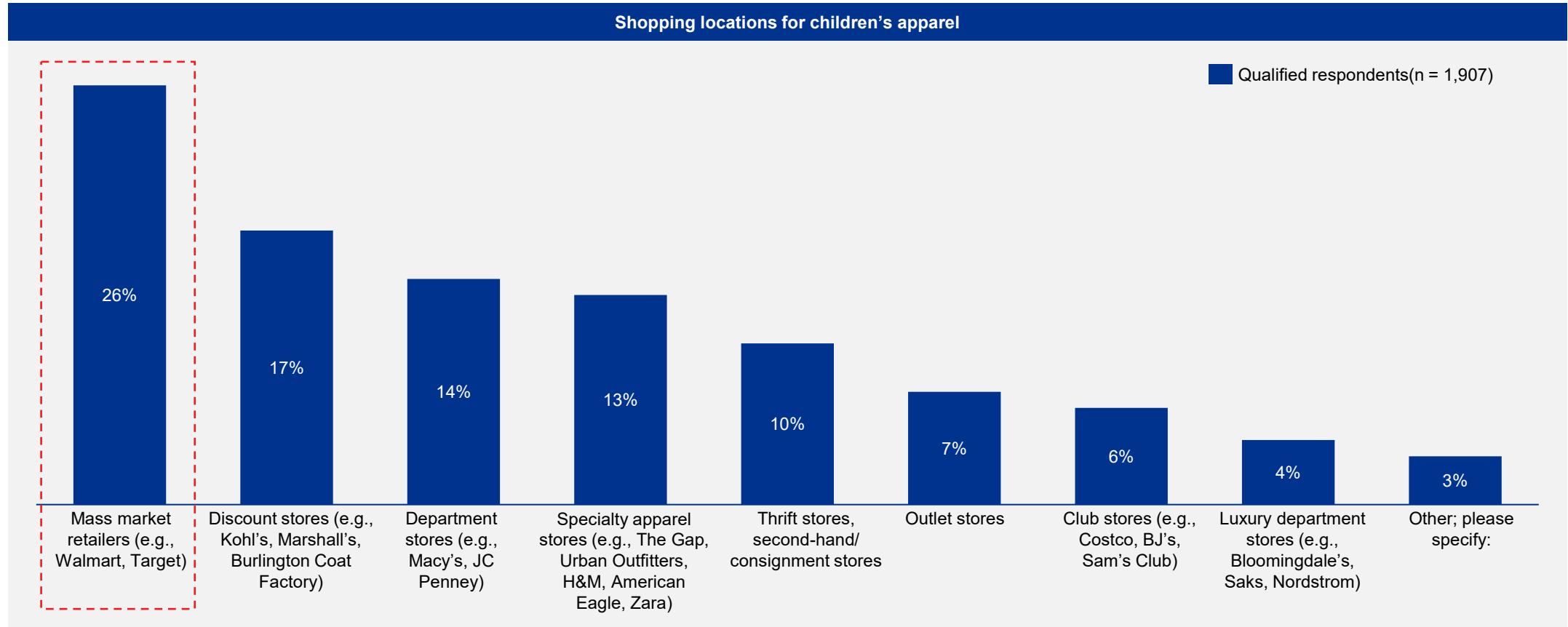
Note(s): KPMG conducted a survey of 831 back-to-school consumers across the United States and, in all instances, KPMG asked "In which of the following activities do/does your child/children participate?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

66 percent say friends and family influence back-to-school clothing purchases while only 50 percent are influenced by advertisements and promotions.



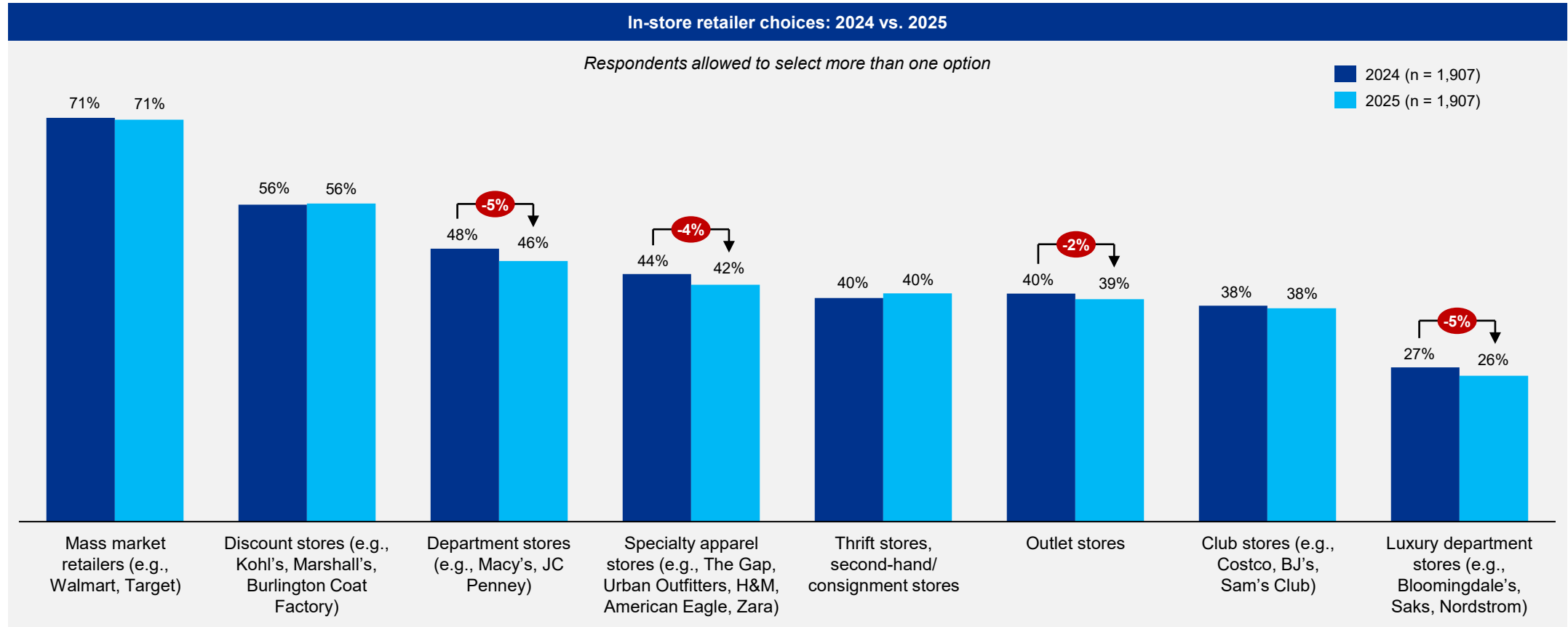
Note(s): KPMG conducted survey of a representative sample of 831 back-to-school consumers across the United States and, in all instances, KPMG asked: "How influential are the following sources on your back-to-school clothing purchases for your child?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Mass market retailers are the top channel for children's apparel shopping in-store, while only 4 percent shop at luxury stores for their kids.



Note(s): KPMG conducted survey of a representative sample of 1,907 consumers across the United States with children. In all instances, KPMG asked: "Where do you typically shop for apparel (in-store)?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

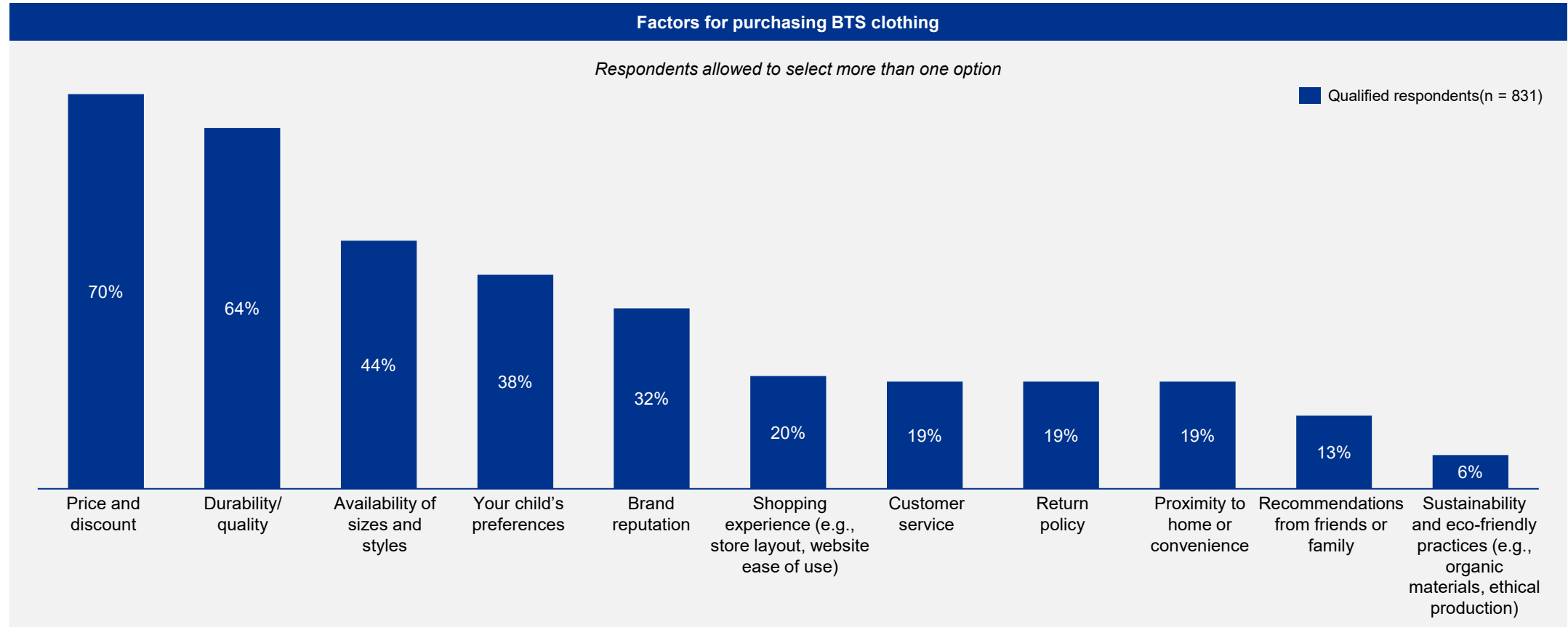
Compared to 2024, consumers expected in-store apparel spending in 2025 remains largely consistent across retailer types, with slight decline in department, specialty and luxury stores.



Note(s): KPMG conducted survey of a representative sample of 1,907 consumers across the United States with children. In all instances, KPMG asked: "Last year (2024) - What percent of your annual in-store apparel spend did you typically spend at each of the following apparel retailer types in 2024? What percent of your annual in-store apparel budget do you expect to spend at each of the following apparel retailer types in 2025?"

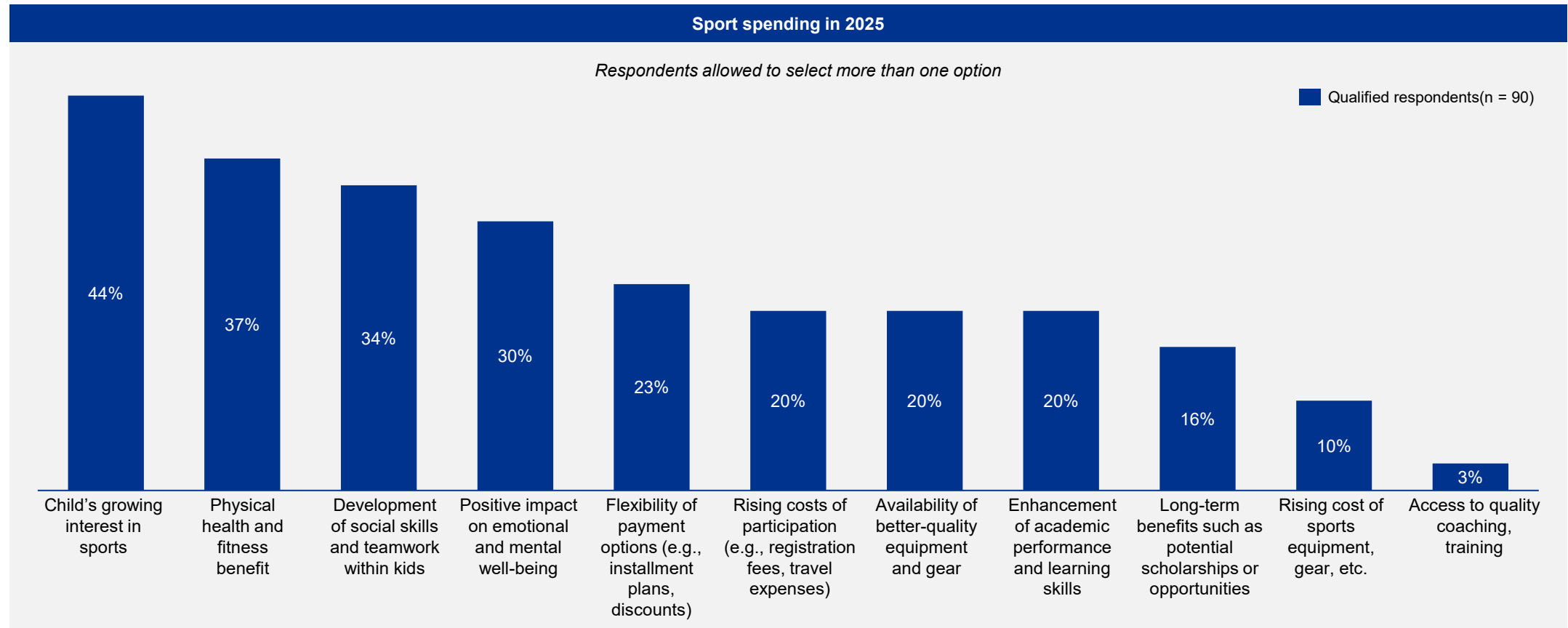
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

When purchasing BTS clothing, consumer prioritize price and discount followed by the quality, while factor like recommendation from friends or family and sustainability play a limited role.



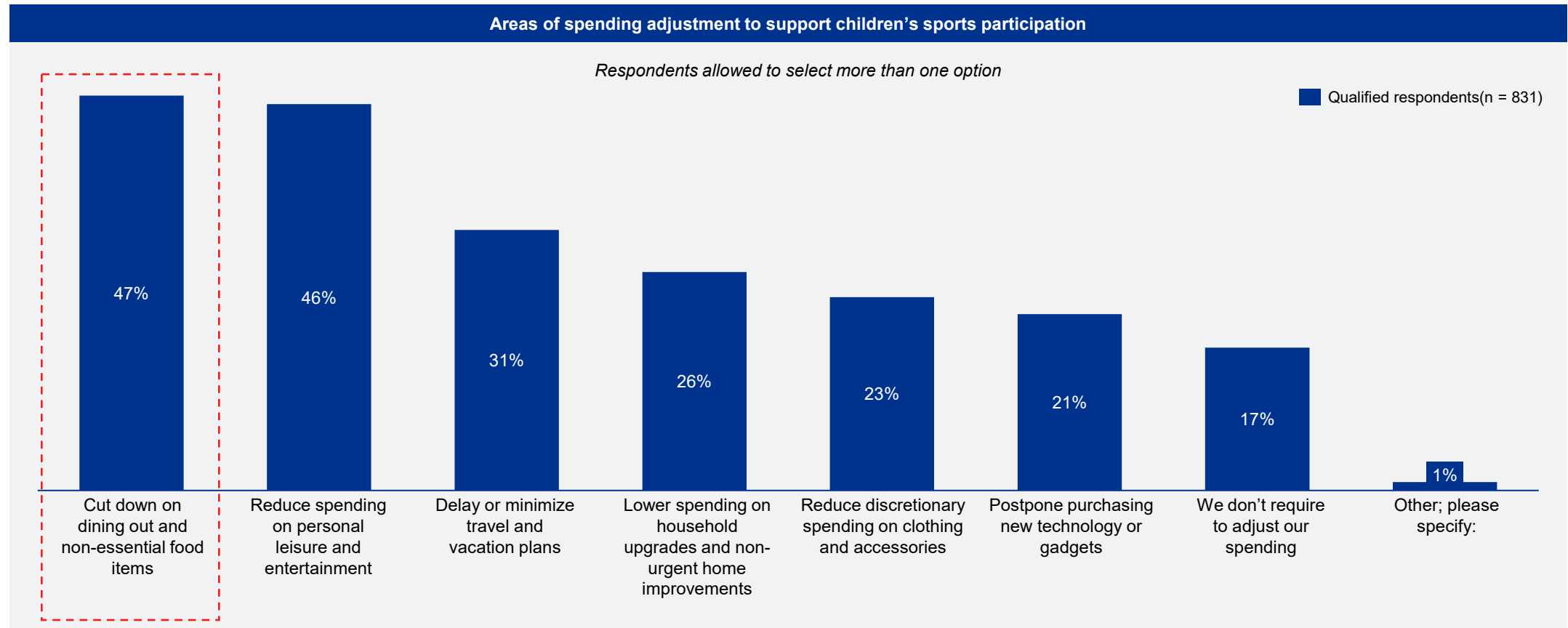
Note(s): KPMG conducted survey of a representative sample of 831 consumers across the United States with children. In all instances, KPMG asked: "What are the important factors for you when purchasing back-to-school clothing for your children?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Child's growing interest in sports and the physical health benefits as key drivers of increased sports spending in 2025.



Note(s): KPMG conducted survey of a representative sample of 90 consumers across the United States with children. In all instances, KPMG asked: "What factors influence you to increase the sports spending for your child in 2025 as compared to 2024?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Consumers are most likely to cut back on dining out, personal leisure and entertainment to ensure their child can continue participating in sports.



Note(s): KPMG conducted survey of a representative sample of 831 consumers across the United States with children. In all instances, KPMG asked: "How would you adjust spending in other areas to ensure that your child can continue participating in sports?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

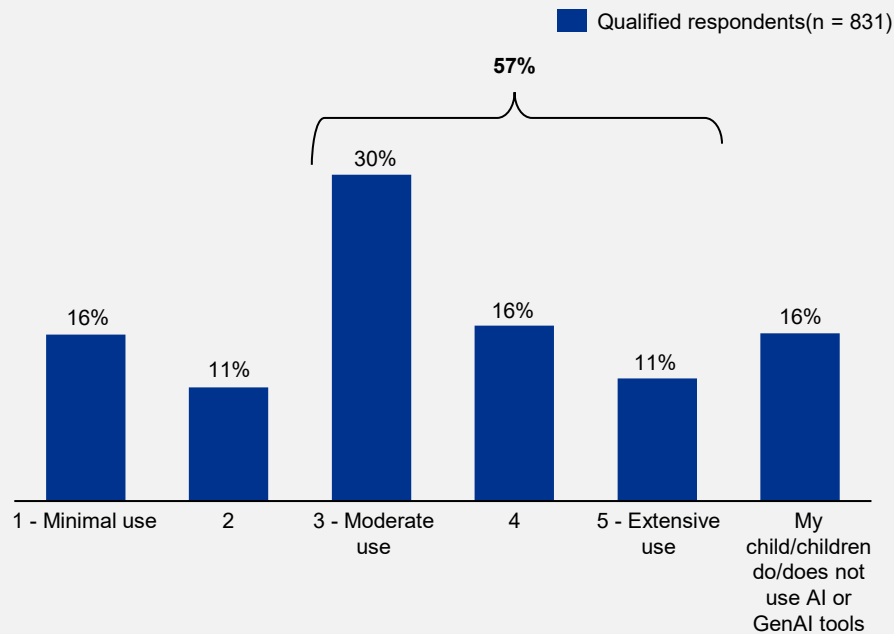
08

Technology

57 percent of students use GenAI extensively or moderately in their education; Laptop computers are the top technology investment for back-to-school.

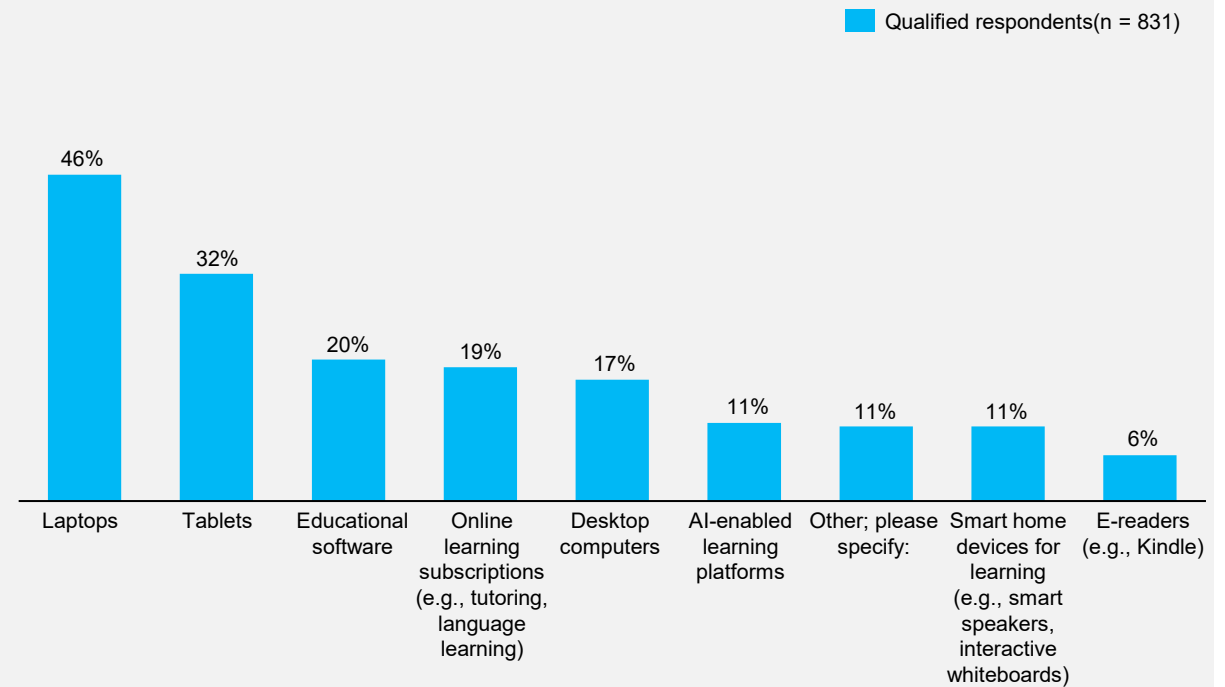
Tech investments and AI adoption for BTS shoppers

Extent of AI/GenAI tool usage in children's learning



Technology investments for BTS needs in 2025

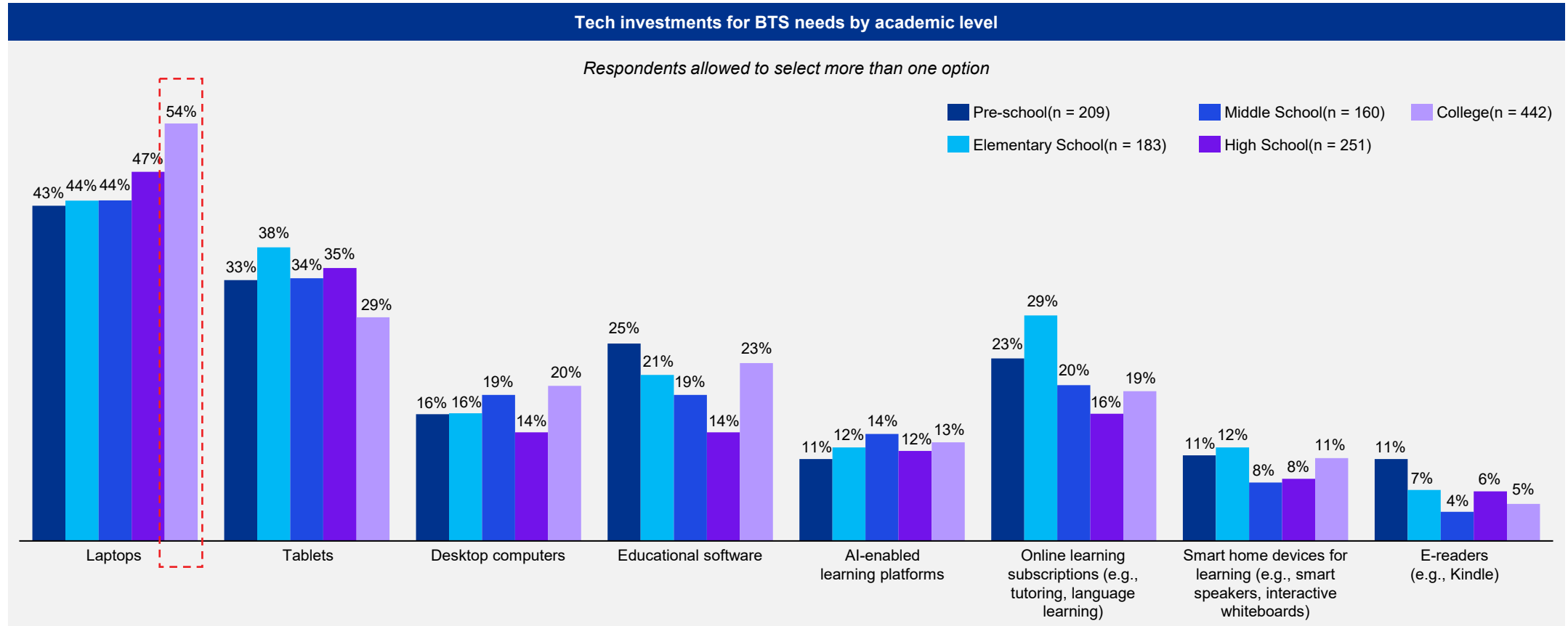
Respondents allowed to select more than one option



Note(s): KPMG conducted survey of a representative sample of 831 back-to-school shoppers across the United States and, in all instances, KPMG asked: "On a scale of 1-5, to what extent do/ does your child/children use AI or GenAI tools to support their learning?" and "What types of technology are you investing in for your child's back-to-school needs this year?"

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Laptops are the leading technology investment for students, with higher percent of college goers making this purchase (54 percent).



Note(s): KPMG conducted survey of a representative sample of 831 back-to-school shoppers across the United States and, in all instances, KPMG asked: "On a scale of 1-5, to what extent do/ does your child/children use AI or GenAI tools to support their learning?" and "What types of technology are you investing in for your child's back-to-school needs this year?"

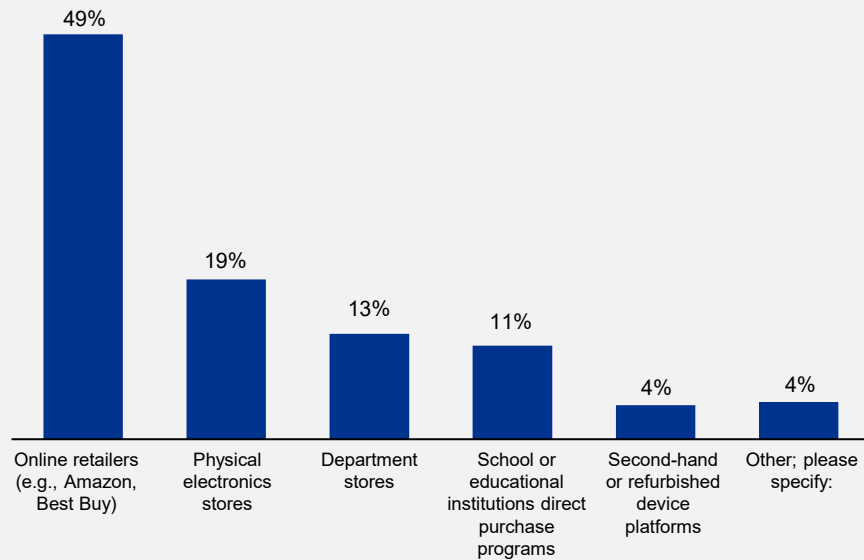
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

49 percent purchase educational technologies and learning tools online; 48 percent consider educational videos (e.g., YouTube) to be the most useful learning tool for kids at home

Tools, resources, and purchase channels for BTS shoppers

Primary channels for purchasing BTS tech and learning tools

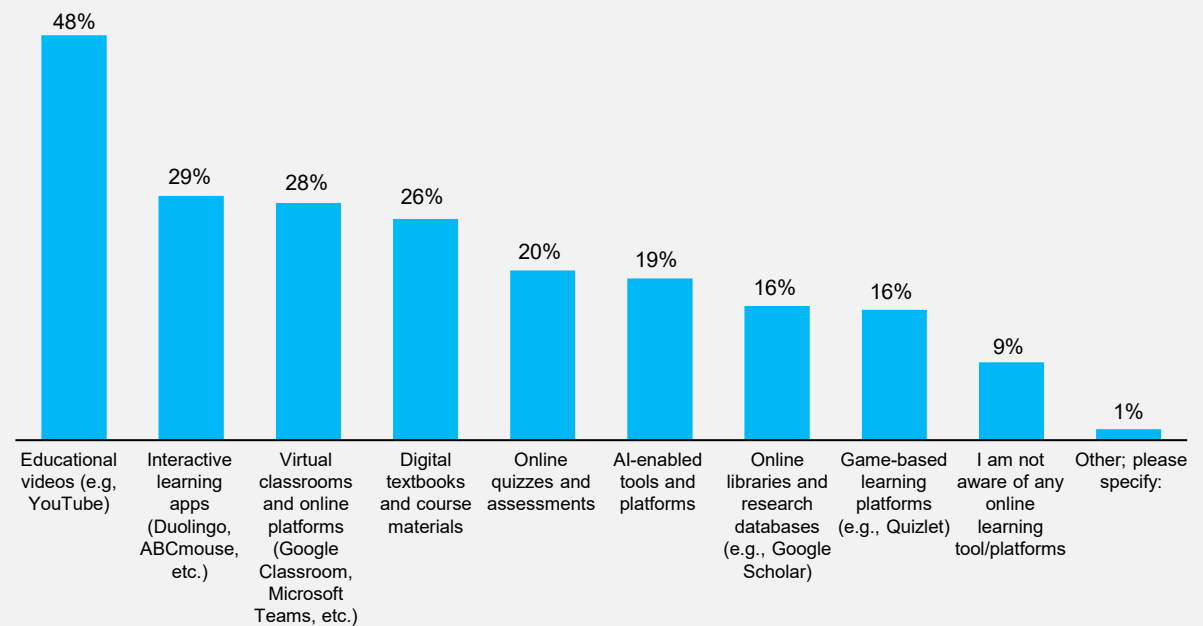
■ Qualified respondents (n = 831)



Most useful online educational tools for kids at home

Respondents allowed to select more than one option

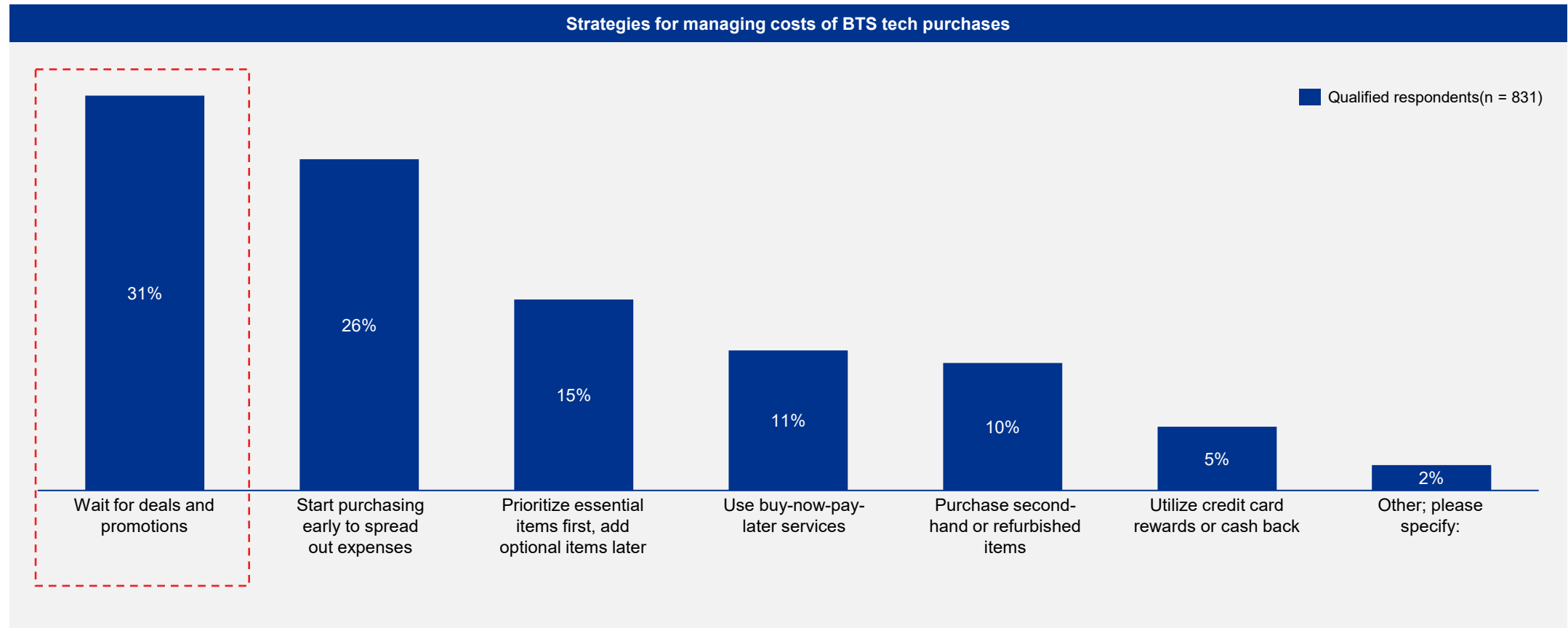
■ Qualified respondents (n = 831)



Note(s): KPMG conducted survey of a representative sample of 831 back-to-school shoppers across the United States and, in all instances, KPMG asked: "Through which channels are you primarily purchasing technology and learning tools for back-to-school this year?" and "Which of the following online educational tools or resources do you find most useful for the kids in your household?"

Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025

Waiting for deals and promotions is the top way consumers save money on technology (31 percent); only 5 percent prioritize credit card rewards/cash back.



Note(s): KPMG conducted survey of a representative sample of 831 back-to-school shoppers across the United States and, in all instances, KPMG asked, "What strategies do you use to manage the costs of back-to-school technology purchases?"
Source(s): KPMG Consumer Pulse Survey, fielded June 6, 2025–June 13, 2025



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