

2026 back-to-school spending trends

The impact of rising costs on consumer spending,
brand loyalty insights and AI use across generations.





Back-to-school shopping is here—and parents are feeling the impact of inflation and rising costs like never before.

Is it 2022 again? Inflation is back as the number one concern for parents as we enter a busy back-to-school season. It's starting to feel like whiplash—consumers felt the pain of inflation, pivoted to uncertainty over tariffs and now, in 2026, we're back to inflation again.

Everything costs more now, but how are families supposed to manage when they have to navigate growing children, gear for various sports and activities—not to mention uniforms—plus the usual essentials like 2B pencils, notebooks and electronics?

Epsilon Pulse checked in with parents, ranging from those with kids in grade and high school to university and college, to see how they're planning to approach the 2026/2027 back-to-school shopping season, including key shopping windows, how they're using AI, cost-saving measures and more.

What's in this report?

- The impact of inflation and rising costs on back-to-school shopping
- How AI influences parents' shopping decisions
- The importance of loyalty and rewards on where parents choose to shop
- The primary window for back-to-school shopping and whether parents plan to shop in-store or online

Let's begin.



2026 back-to-school spending trends

Inflation and rising costs are impacting how consumers approach back-to-school shopping.

- Mass merchandisers and online-only retailers continue to be the **top preferred retailers** for back-to-school shopping.
- Back-to-school shopping ramps up in early July and slows by late August. The weeks between **late July and early August are the most popular times to shop.**
- Almost half of parents use AI for back-to-school shopping; **AI usage doesn't differ between grade/high school parents and college/university parents.** ChatGPT is the most popular AI tool, and parents are most likely using it to compare prices, search for deals and discounts and conduct initial research.
- Most parents expect to spend more than last year on many back-to-school items. In addition to inflation, the **top reasons parents expect to spend more** are growing children/more children going to school followed by changing grades/schools.

Quick stats

59% agree that earning rewards impacts where they shop.

46% use AI for back-to-school shopping.

80% say inflation and rising costs are the main reason they expect to spend more.

\$829 was the average spend in 2025.

66% expect to spend more this year.

3 in 4 act after seeing an ad.

Why this matters for marketers

As consumers feel the pressure of high costs, your marketing strategy needs to adapt to highlight value. Better understanding who your customers are and what they care about gives you deeper insight into what they're looking for so your messages hit the mark across channels.





Key findings

KEY FINDINGS

Inflation is parents' number one concern heading into the back-to-school season.

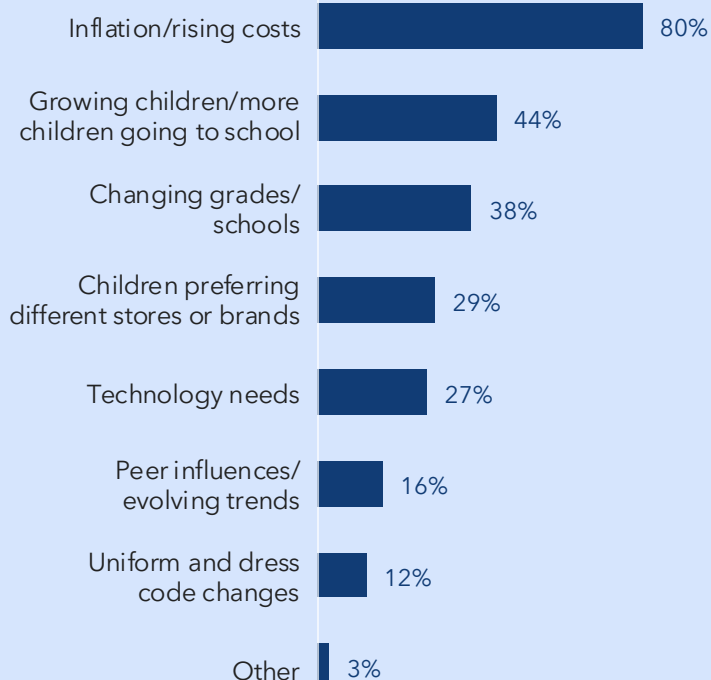
Parents estimated that they spent \$829 on average in 2025, and this year, most parents expect to spend more. Fifty-four percent expect to go over budget, and it's no surprise parents are feeling the squeeze, since **inflation rose to a new three-year high** in May.

Aside from inflation, the top reasons parents expect to spend more include growing children or more children going to school this year, changing grades or schools and children preferring different stores or brands. The top categories parents expect to spend more on are clothing and shoes, electronics and sports equipment.

Top categories parents expect to spend more on compared to 2025			Total
	Clothing and shoes	(n=992)	59%
	Electronics	(n=366)	59%
	Sports equipment	(n=275)	51%
	Pantry/stock up	(n=60)	50%
	School uniforms	(n=254)	54%
	School supplies	(n=992)	48%
	Backpacks and lunchboxes	(n=723)	46%
	Cleaning supplies	(n=53)	42%
	Toiletries	(n=61)	33%

Reasons parents expect to spend more

Total (n=742)



66%

expect to spend more in 2026.



KEY FINDINGS

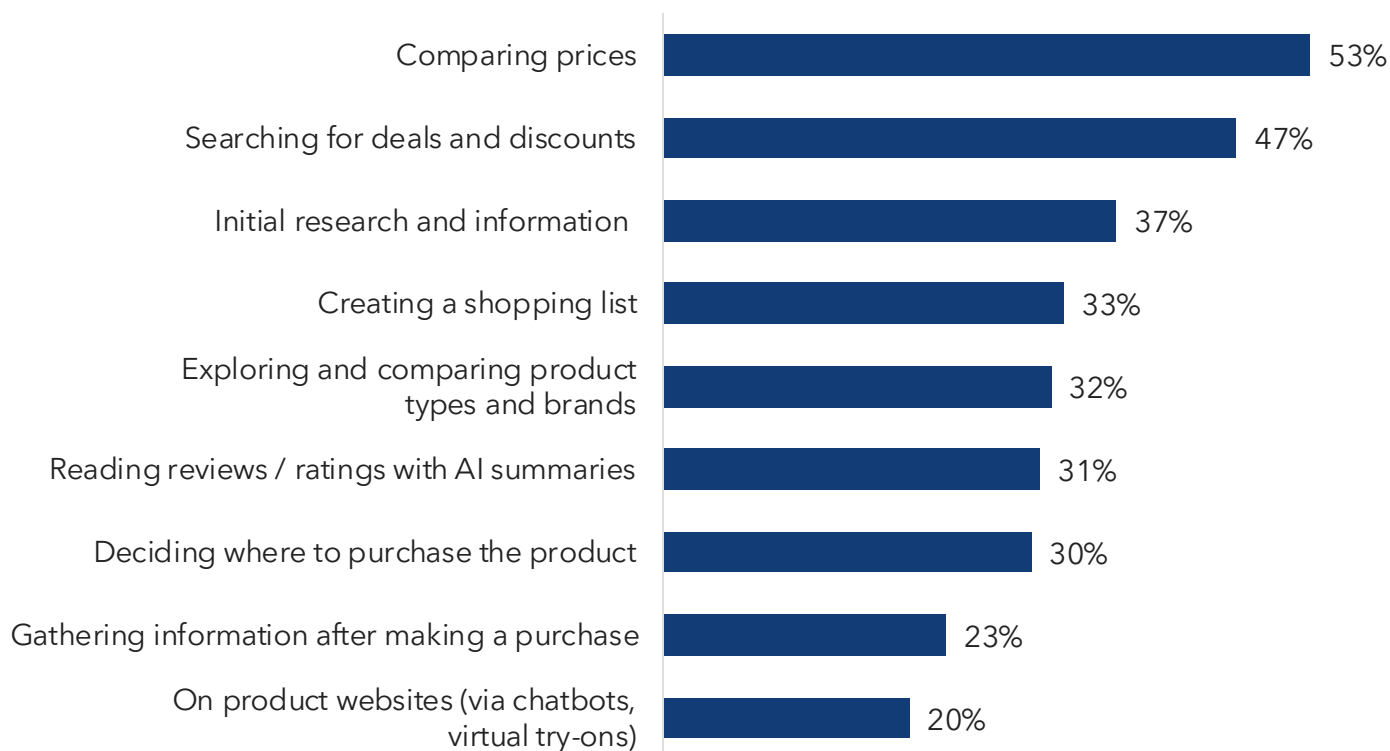
AI is increasingly influencing parents' shopping decisions.

As AI tools continue to become more accessible, it's no surprise that almost half of the parents we surveyed are using them to help with back-to-school shopping. Eighteen percent noted AI as extremely or very influential, and usage is especially popular among Gen Z and millennial parents. ChatGPT is the most popular AI tool, with 64% of AI users using it. The top AI use cases for back to school include comparing prices, searching for deals and discounts and information gathering, showing the deeper impact of inflation on consumer behavior.

As AI tools continue to change the consumer journey, brands need to keep AI search visibility in mind when they're building their websites, product pages and offers. Learn more about [how consumers are using AI in 2026](#) and how to adapt your strategy to reach your audience.

How AI is used for back-to-school shopping

Total (n=565)



46%

use AI tools for back-to-school shopping, especially Gen Z and millennials.

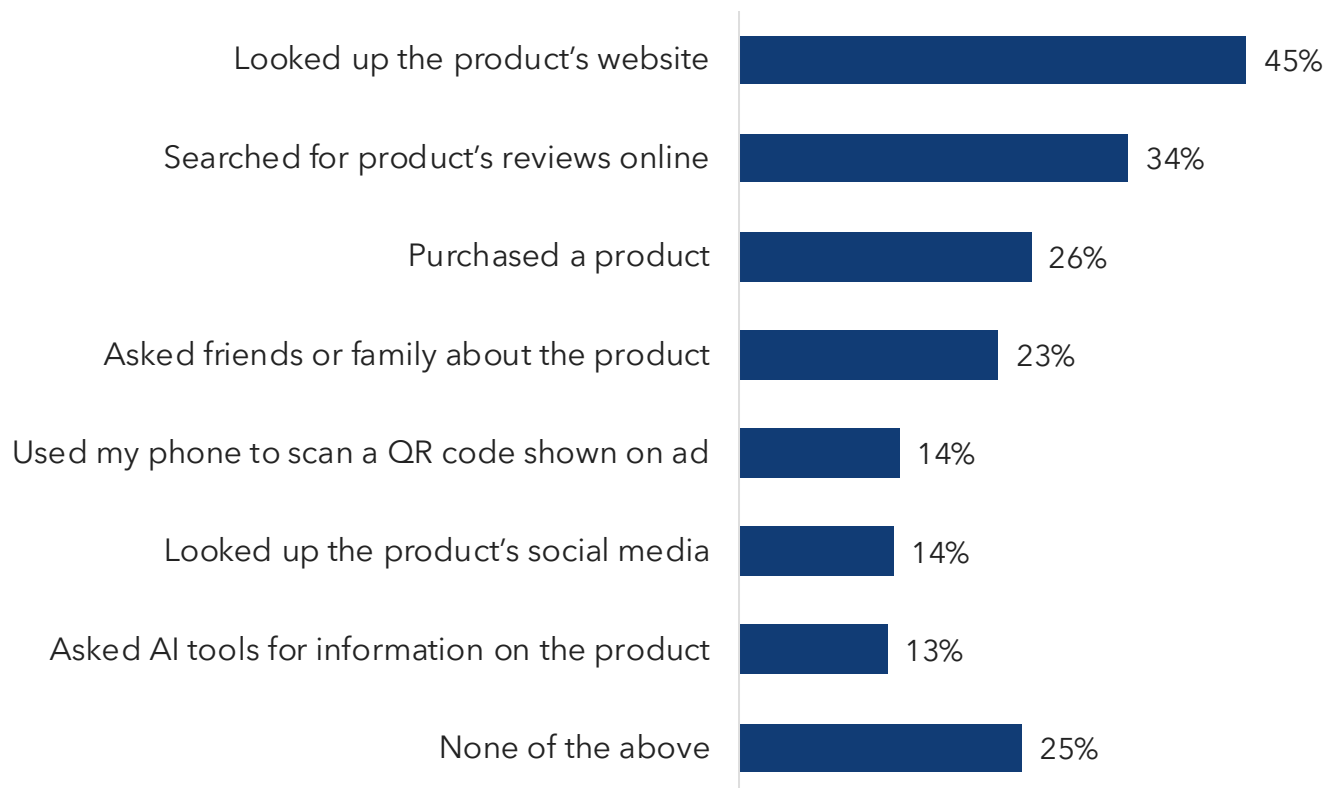
KEY FINDINGS

Ads lead to real action when it comes to back-to-school shopping.

While the most popular actions are associated with boosting brand awareness like looking up a product's website or searching for reviews, 26% end up purchasing the product (it's worth noting that grade and high school parents are more likely than college and university parents to click "add to cart").

Actions taken after seeing a back-to-school ad

Total (n=1,234)



3 in 4

act after seeing a back-to-school ad.



KEY FINDINGS

Loyalty isn't the deciding factor, but it certainly influences shopping preferences.

Loyalty programs and rewards are more influential in retailer preferences during back-to-school shopping. Twenty-seven percent of parents surveyed say that loyalty programs influence which brands they choose, but 46% (+7% year over year) say they use loyalty rewards and perks to save money. What's more is that 59% agree that the ability to earn loyalty rewards influences their choice of where to shop.

Consider including loyalty program details or earning potential in back-to-school messaging campaigns, rewarding loyalty members with exclusive deals or offers (like earning 3x points on back-to-school supplies) or providing early access to back-to-school products on your app. Make sure that your loyalty program offers good value and makes it easy to earn and use points and rewards to **encourage retention and build long-term brand loyalty.**

Planned cost-saving measures

Total (n=1,234)



59%

agree that the ability to earn rewards influences choice of where to shop.

KEY FINDINGS

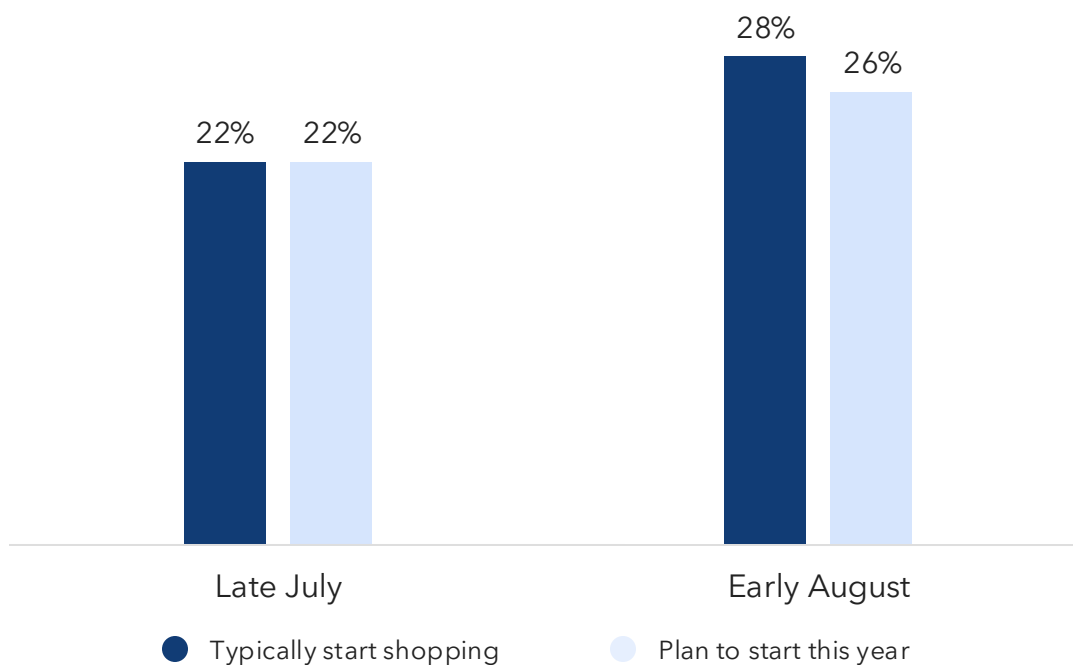
Most parents plan to shop in late July and early August, with a slightly higher percentage waiting until August to shop.

Most parents are back-to-school shopping in late July and early August, with 42% shopping in July alone and 31% waiting to shop until August (a slight increase since 2025). Overall, parents are spending more time looking for sales and discounts and are trying to spread expenses over a longer period of time.

"Retailers will need to take a truly individualized approach, with personalized offers and messaging complementing the overall shopping experience for parents—no matter if executed in-store, online or both. First-party and third-party data will be the key for retailers in unlocking the wallet share with this season's rush to get kids ready for their first days at scale," says Heather Campain, Epsilon's VP of Growth Strategy.

Timing for back-to-school shopping

Total (n=1,234)



42%

plan to start in July.

31%

plan to start in August
(statistically higher than in 2025).



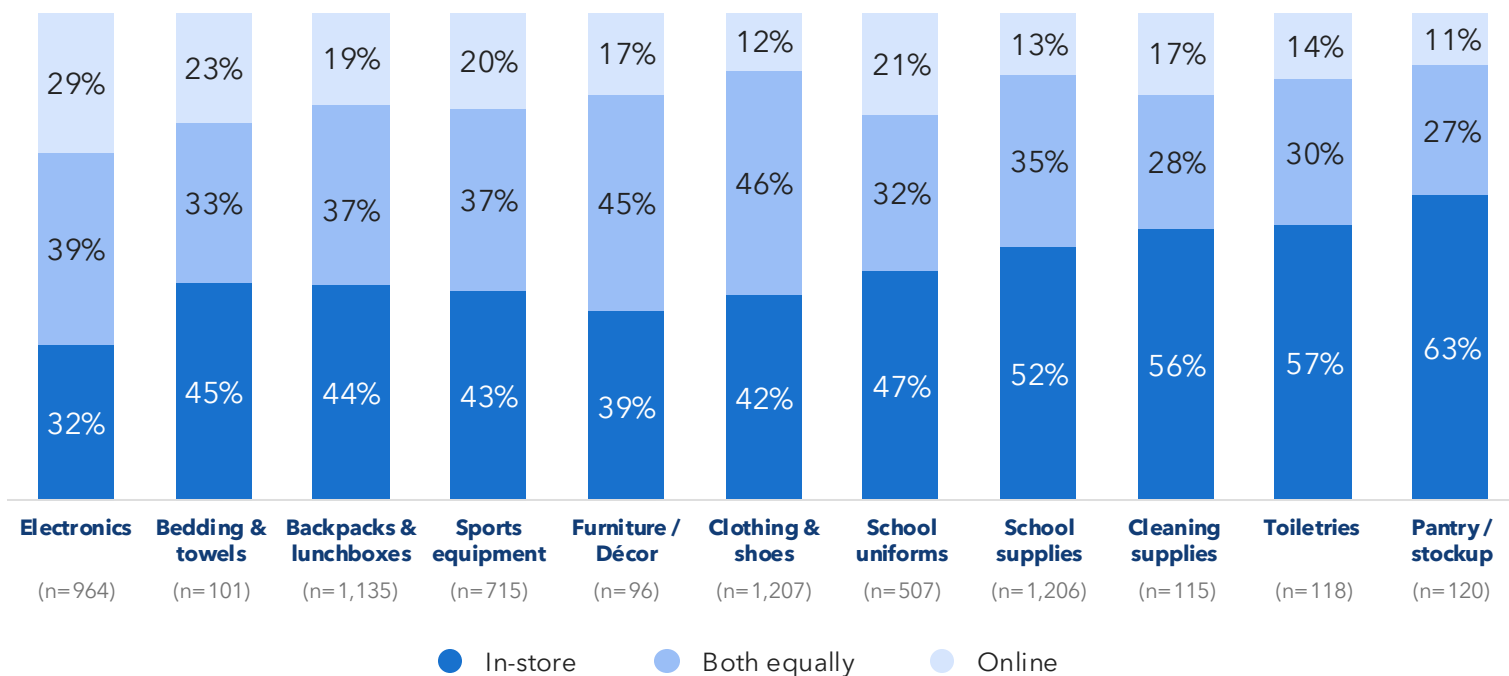
KEY FINDINGS

Consumers shop both in-store and online for back-to-school; it just depends on what they're buying.

When it comes to brand and retailer preferences, it comes down to balancing the best price with good value and product quality. And between managing kids' busy schedules, maintaining homes and demanding jobs, parents are always looking for ways to save time and money, which often means shopping both in-store and online.

How parents choose to shop also depends on the item category. The top expected spending categories for 2026 include school supplies, clothing and shoes, backpacks and lunchboxes, electronics and cleaning supplies. Sports equipment and school uniforms are also top spending categories for parents of grade and high school children.

Preferred channel: Online vs. in-store



64%

say "free delivery" has a significant impact on whether they decide to make a purchase. "Buy now pay later" and "buy online pickup in store" are not as impactful as free delivery or same-day delivery.

KEY FINDINGS

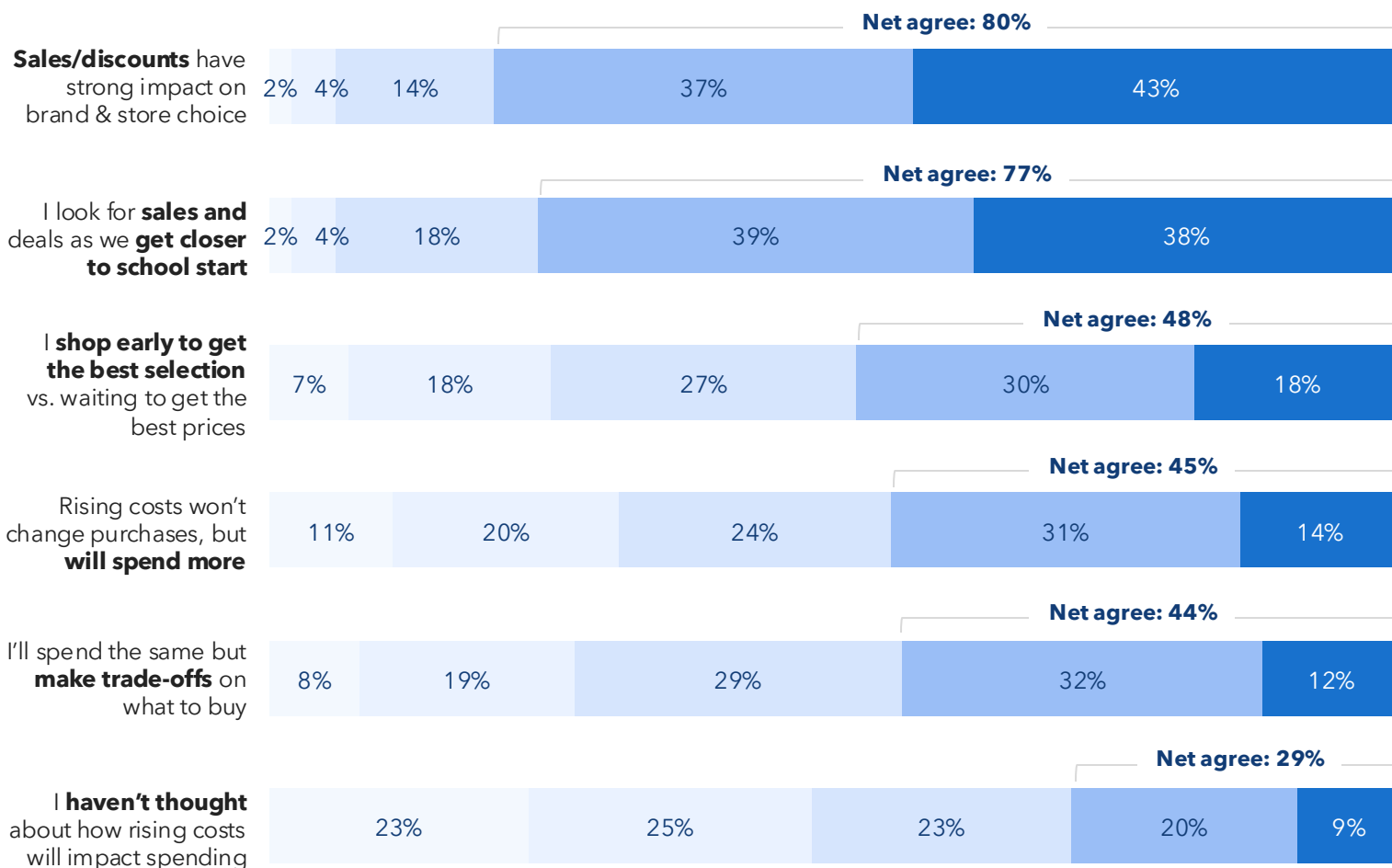
Sales, discounts and deals have a strong impact on brand and store choice, but nearly 50% still choose to shop early to get the best selection.

Sixty-four percent of parents agree that back-to-school shopping puts unnecessary financial pressure on families, so sales and discounts have the strongest impact on the brands and stores parents choose as a result. Nearly 50% of parents anticipate shopping early to get the best selection. To reach these parents, it's key to promote and merchandise products that will go fast so they can get exactly what they want.

Make sure the offers you're sharing for key shopping events like back to school align with what consumers are really looking for and what they plan to spend the most money on (like electronics and clothing items). If consumers feel like they're able to cross more items off their list *and* get a better deal, they're more likely to choose a site that balances value and available selection.

Spending strategies

Total (n=1,234)



Strongly disagree Somewhat disagree Neutral Somewhat agree Strongly agree

Methodology

Survey respondents (total n=1,234)

To qualify for the research, respondents had to be between 18 and 77 years of age and had to be parents responsible for making shopping decisions. Sample was weighted (by age and gender) to align with census distribution.

	Number of completes
Grade school parents	1,102
College parents	132

This survey was in field from May 18 to May 29, 2026.



Key takeaways

Key takeaways

1

Be mindful of AI's transformative impact on the customer journey.

With consumers increasingly using AI for back-to-school shopping (especially on the product research and price comparison side), the buyer's journey is changing. To consistently reach customers across channels, retailers need to tailor web content to increase AI search visibility, ensuring product information is easily accessible and scannable.

2

Lead with value to win cautious consumers.

2026 back-to-school shoppers are feeling the hit of inflation and rising costs. To win cautious consumers, brands need to focus on what's important to their audience and shift messaging to emphasize value. Deeper customer understanding helps brands move beyond broad demographic targeting and identify the motivations driving purchase decisions. These insights power more actionable segmentation strategies to deliver relevant messages to each audience.

3

Stay up to date with consumers wherever they are with relevant messaging.

Consumers are equally buying in-store and online, and they expect information to be correct and updated across channels. The buyer's journey is far from linear, so retailers need to invest in tools, processes and systems that help them keep up with consumers so they can reach back-to-school shoppers with the right message at the right time.

4

Take advantage of first-party data.

Most retailers are still not fully tapping into the rich behavioral and transactional data they can collect during the back-to-school shopping surge. To get the most out of this year's shopping event, retailers should partner with a data solution that can help them actively capture, connect and enrich that data—not just to drive immediate wins but to also lay the groundwork for more efficient and effective campaigns in the future. The more complete the customer picture, the better positioned marketers will be to deliver timely, relevant offers when it matters most next year.

Ready to reach your audience during the busy back-to-school season?

Reach out to an Epsilon expert

Create audiences that convert.

Know what's important to your customers and prospects to better connect with them.



Use your best customers to find more just like them.



Retarget lapsed customers with personalized incentives and loyalty rewards.



Segment customers based on key attitudes that drive purchase.

Featured audiences

Use these featured audiences to reach your customers across channels or talk to an Epsilon expert to help you build a custom audience.



Back-to-school shoppers



Bargain shoppers



Brick-and-mortar shoppers



Children's apparel customers

Looking for more data?

From streaming services and cable to double-screening, dive into how people watch TV in 2026.



What's inside:

- Preferred channels and devices for watching TV, movies, sports and news
- How consumers feel about commercials and how ads impact the customer journey
- How much consumers spend on streaming and cable

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Epsilon capabilities help brands market smarter.

Data & identity

Connect people, channels and outcomes at scale by activating data and identity—the essentials of modern marketing.

Customer data platform

Unify, expand and enrich your first-party data to understand people clearly and activate across channels with privacy built in.

Loyalty

Design and evolve programs backed by activation expertise to deepen engagement and drive measurable growth.

Clean room

More than an empty container—enrich first-party data, uncover deeper insight, activate with confidence and measure impact from day one.

Digital media

Gain the clarity and control to reach real people, reduce waste and drive stronger performance across every channel.

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