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Practice Advisor

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spending is expected to hit an all-time high this year while back-to-school spending is expected to see its second-highest spending level on record, according to the ...

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With consumer confidence rising and more young people in school, back-to-college spending is expected to hit an all-time high this year while back-to-school spending is expected to see its second-highest spending level on record, according to the National Retail Federation's annual survey conducted by Prosper Insights and Analytics. Total spending for school and college combined is projected to reach \$83.6 billion, a more than 10 percent increase from last year's \$75.8 billion.

"Families are now in a state of mind where they feel a lot more confident about the

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Back-to-School Spending

Families with children in elementary through high school plan to spend an average \$687.72 each, for a total of \$29.5 billion, an 8 percent increase from last year's \$27.3 billion. Total spending is the second-highest in the history of the survey following a peak of \$30.3 billion in 2012.

According to the survey, back-to-school shoppers plan to spend \$10.2 billion on clothing (purchased by 95 percent of respondents), \$8.8 billion on electronics such as computers or calculators (60 percent), \$5.6 billion on shoes (93 percent) and \$4.9 billion on school supplies such as notebooks, folders, pencils, backpacks and lunchboxes (97 percent). Parents say they will spend an average of \$238.89 on clothing, \$204.33 on electronics, \$130.38 on shoes and \$114.12 on school supplies. While consumers plan to spend more across all categories, shoes and school supplies seeing the highest expected increase.

For the first time, the survey asked consumers what types of electronics they plan to purchase. Among electronics shoppers, 45 percent said they would buy a laptop computer while more than a third plan to purchase a tablet (35 percent) or a

calculator (35 percent). One in four plan to purchase electronic accessories such as a

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their purchases are a direct result of their children's influence, up from 57 percent last year. And while children's influence is growing, so too is their willingness to help their parents pay the bill: teenagers will contribute \$37.64, up from last year's \$32.90, and pre-teens will contribute \$27.09, up from last years \$20.08.

More families will tackle their back-to-school lists early this year with 27 percent beginning two months before the beginning of school, up from 22 percent last year. But not all shoppers are early birds, 21 percent will wait until the last week or two before school starts, about the same as last year's 22 percent. Of those shopping early, 60 percent say they are trying to spread out their budgets, 48 percent don't want to miss out on sales and 43 percent want to avoid crowds.

When it comes to where parents will buy, they are shopping across a variety of retailers; 57 percent will shop at department stores, 54 percent at discount stores, 46 percent each at clothing stores and online, and 36 percent at office supply stores. For those shopping online, 91 percent plan to take advantage of free shipping and 54 percent will buy online and pick up in-store.

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College Spending

College students and their families plan to spend an average of \$969.88, up from last year's \$888.71. Total spending is expected to be \$54.1 billion, up from \$48.5 billion last year and surpassing 2012's record of \$53.5 billion. The increase in spending is driven, in part, to growing college enrollment. According to the National Center for Education Statistics, college enrollment has steadily increased over the last five years and is projected to reach nearly 21 million this fall.

The survey found college consumers plan to spend \$12.8 billion on electronics (purchased by 51 percent), \$8.0 billion on clothing (78 percent), \$7.5 billion on snacks and other food items (75 percent), \$5.9 billion on dorm/apartment furnishings (51 percent), \$4.5 billion on shoes (72 percent), \$4.5 billion on personal care items (78 percent), \$3.9 billion on school supplies (88 percent), \$3.9 billion on gift cards (40 percent) and \$3.2 billion on branded collegiate gear (56 percent). Households plan to spend an average of \$229.20 on electronics, \$142.90 on clothing, \$134.20 on food, \$105.58 on dorm/apartment furnishings, \$81.38 on shoes, \$81 on personal care items, \$70.08 on school supplies, \$68.99 on gift cards and \$56.57 on branded gear.

Similar to K-12, the survey asked back-to-college shoppers for the first-time what types of electronics they plan to purchase. The survey found 61 percent plan to purchase a laptop, 28 percent a tablet, 26 percent electronic accessories, 24 percent a calculator and 21 percent a smartphone/cell phone.

Also similar to K-12, more back-to-college buyers are shopping early. This year, 32 percent will start two months before school compared with 26 percent last year. And

only 21 percent will leave shopping until the last week or two before school starts,

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plans and was conducted June 30-July 5 and has a margin of error of plus or minus 1.2 percentage points.

Small Business • Technology

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