



## Back to School Inflation Fighting Tips

This back to school shopping season, amid surging inflation, finds parents focusing on the basics while looking for ways to stretch their dollars. After many months of worrying about the pandemic, shoppers now say high prices are their top concern. Many families are already struggling but I believe parents are resilient. They are determined to ensure their children get the supplies they need to succeed in school this year. Yet, financial anxiety is now a common part of the shopping experience.

Second only to Christmas holiday shopping, back to school shopping is the family's largest expense. And now, according to the National Retail Federation, this expense averages \$661 per student and that amount is up 8% over last year's spending. Clothing and accessories lead the increased costs with an 16% average increase over last year and a 7% increase in the cost of school supplies. It's not that people are really buying more, it's just that costs are up. This is in fact how inflation works—spending more for goods and services but getting less.

I know from my years as a community banker and as a parent that in such economic times, consumers will shop sales, cut back on non-essentials, likely skip family travel, reuse supplies on hand and dip into savings. Unfortunately, with squeezed family budgets some will be forced to take on new debt. All this in a year where we are dealing with higher grocery and gas prices, so we are all forced to really watch our budget. Here are a few tips to help you in this process:

1. Prepare a list and prepare a budget. Stick to both!
2. Shop with stores that offer discounts and rewards programs. Free rewards programs are often available for money off future purchases.
3. Shop clearance and overstock sales. Food inflation has caused some major retailers to mark down general merchandise to move the inventory so take advantage.
4. Hold off for Labor Day sales if you can. This holiday weekend is expected to be a great time for clothing purchases.
5. Buy in bulk with friends and family. Split the purchases for things like notebooks, paper, pens and pencils.
6. Beware of overspending on sale and bulk items. Buy only what you need. This is not the year for new gadgets, flashy backpacks, and other extras.

7. Swap and reuse textbooks where you can. Look at options like Facebook Marketplace before you buy new.

The bottom line is this: 2022 is expected to be the most expensive school shopping season to date. Every dollar counts so keep these tips in mind and you just might have a little extra cash in your wallet. Anything we can do to help here at Anahuac National Bank, please let us know. We are most grateful for your loyalty.

