

The Back-to-School Spending Burden in Iowa

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Introduction

National Retail Federation (NRF) research shows back-to-school shopping drives substantial demand throughout a wide range of retail sectors—from apparel and footwear to electronics and educational supplies.¹ Deloitte's 2025 annual back-to-school spending report corroborates the NRF's findings. Their research found spending on back-to-school items constitutes the second-largest annual spending event in the United States, trailing only the end-of-year holiday spending and surpassing Easter, Mother's Day, and Father's Day.² This report explores the change in back-to-school costs over time and the burden those expenses place on Iowa families.

Key Findings:

- **Iowa families in 2025 face the lowest financial burden from back-to-school spending in over a decade, relative to their incomes.**
- **In 2025, back-to-school spending accounts for an estimated 0.85% of the annual median income of a family of three in Iowa.**
- **In 2025, back-to-school spending accounts for an estimated 0.74% of the annual median income of a family of four in Iowa.**
- **Families in the U.S. are spending 35% more on school supplies in 2025 than in 2013, not adjusted for inflation or income growth.**

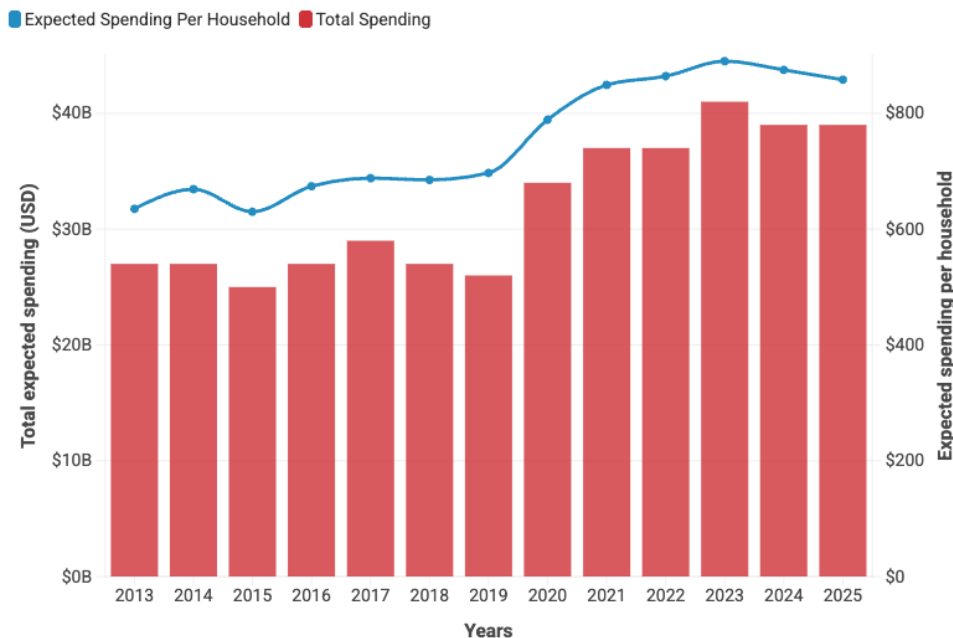
Back-to-school Spending over Time

The NRF's findings, in conjunction with Prosper Insights & Analytics, performs surveys on how much parents intend to spend on K-12 back-to-school shopping. In figure 1 below, the blue line represents the annual amount parents intend to spend on back-to-school shopping according to the NRF's annual survey results. The red columns show parents' total back-to-school spending nationally.³

Figure 1 clearly shows an upward trend, indicating parents generally intend to spend more money on school supplies each year. This is expected as the inflation of school supply products alone will naturally lead to parents spending more money to prepare their kids for school. Nevertheless, increased spending on back-to-school products increased faster than the rate of inflation.

The average American parent spent only \$635 on back-to-school expenses in 2013 compared with \$858 in 2025—a 35% increase.

National Retail Foundation Planned back-to-school spending (Current USD)



School supply spending increased by 35% from 2013-2025, while Educational Books and Supplies specific national inflation rates increased by only 30% over same period. 2015 had the lowest survey-reported expected spending of \$630, which is around 41% lower than the 2023 peak spending of \$890.

Source: National Retail Foundation

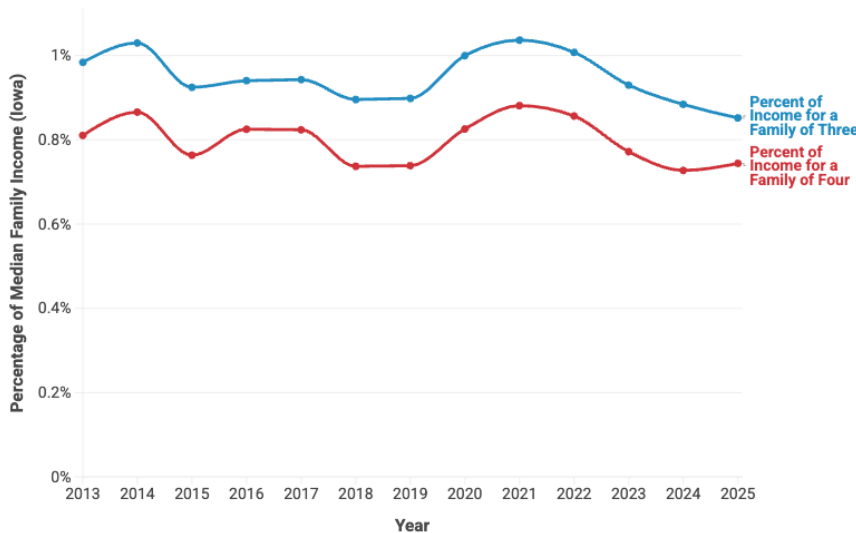


Figure 1. Average Expected Spend on School Supplies and Economic Impact, United States, 2013 to 2025

The Burden of Back-to-school Spending

While the cost of returning kids to school has increased in nominal terms over time, the incomes of Iowa families have grown also. Thanks to steady income growth for families from 2013 to 2025, the capacity for Iowa families to pay for back-to-school expenses has remained relatively consistent despite rising school supply costs. Figure 2 shows back-to-school spending as a percentage of median income for Iowa families of three and four. The figure represents the burden of back-to-school expenses on Iowa families relative to typical incomes for families with kids.⁴

School Supply Cost as a Percentage of Family Median Income in Iowa



Sources: National Retail Federation, Census Bureau



Figure 2. Percentage of Median Family Income Dedicated to School Supplies by Family Size, Iowa, 2013 to 2025

Iowa's family income growth has notably outpaced back-to-school costs over the last three years, leading to school supplies becoming more affordable relative to incomes. During the height of the pandemic in 2021, costs increased to over 1% of the median income for an Iowa family of three and 0.88% for a family of four. Since then, affordability has significantly increased as the percentage of median income has come down to 0.85% for a family of three and 0.74% for a family of four in 2025. This year is the most affordable year for families of three in the last decade and approximately matches the most affordable year for families of four.

Endnotes

¹ National Retail Federation, "Majority of Back-to-Class Shoppers Have Already Begun Purchasing School Items," July 15, 2025, <https://nrf.com/media-center/press-releases/majority-back-class-shoppers-have-already-begun-purchasing-school-items>.

² Deloitte Insights, "2025 Deloitte Back-to-School Survey," July 10, 2025, <https://www.deloitte.com/us/en/insights/industry/retail-distribution/back-to-school-survey.htm>

³ National Retail Federation, "Back-to-School Data Center," accessed [August 13th, 2025], <https://www.nrf.com/research-insights/holiday-data-and-trends/back-to-school/back-class-data-center>.

⁴ U.S. Department of Justice, "Census Bureau Median Family Income by Family Size (Cases Filed Between April 1, 2025 and May 14, 2025, Inclusive)," updated April 1, 2025, https://www.justice.gov/ust/eo/bapcpa/20250401/bci_data/median_income_table.htm.