

INNOVATING TO IMPACT

dentsu

US EDITION

AMERICAN MINDSET

JULY 2025



PART OF THE DENTSU CONSUMER NAVIGATOR SERIES

ABOUT THIS STUDY

Survey Methodology

- The survey was conducted by dentsu via Toluna, an online research panel.
- Administered on July 14, 2025.
- Distributed among a random sample of 800 U.S. respondents 18 years of age or older.
- Controls for nationally representative weighting across age, gender, region, race and ethnicity (using the latest publicly available U.S. Census numbers)



WHERE WE'VE BEEN: THE PAST FOUR WAVES

APRIL

BRACING FOR IMPACT.

- 52% of consumers expect more pain than gain from tariffs, while just 25% feel the impact will be net-positive.
- Consumers' economic anxiety is increasing as they look to the next 6-12 months.
- While many consumers – especially higher income – are feeling financially secure, worry is growing.
- There are signs consumers are “pulling up” certain purchases ahead of tariffs while doubling down on “substituting” behaviors.

MAY

CONTINUED PESSIMISM AHEAD.

- Consumers pessimism continues to increase when it comes to the current state of the economy and looking to the future.
- Tariffs continue to be seen as driving more negative impacts than positive impacts.
- Consumers have “pulled up” select purchases, while tamping down spend in other categories and looking for budget or second-hand alternatives to products.

JUNE

MIXED SIGNALS AS CONSUMERS ‘WAIT AND SEE’.

- Perceptions that the impact of tariffs will be negative are softening as price hikes have yet to materialize.
- Many consumers appear to be somewhat loosening the purse strings to increase discretionary spending.
- At the same time, anxiety about the future US economy continues to grow.
- More consumers report not being able to afford their monthly expenses – across income levels.

JULY

CAUTIOUS STABILIZATION WITH PERSISTENT DIVIDES.

- Economic anxiety begins to cool, but Americans remain split between those finding financial relief and those facing intensifying pressure.
- Consumers outlook on personal finances is polarized: high earners are insulated, while everyone else struggles.
- Consumer spending reveals sophisticated priority management - protecting valued discretionary categories while aggressively trading down on essentials.



VIEWS ON THE ECONOMY VS. LIVED EXPERIENCE

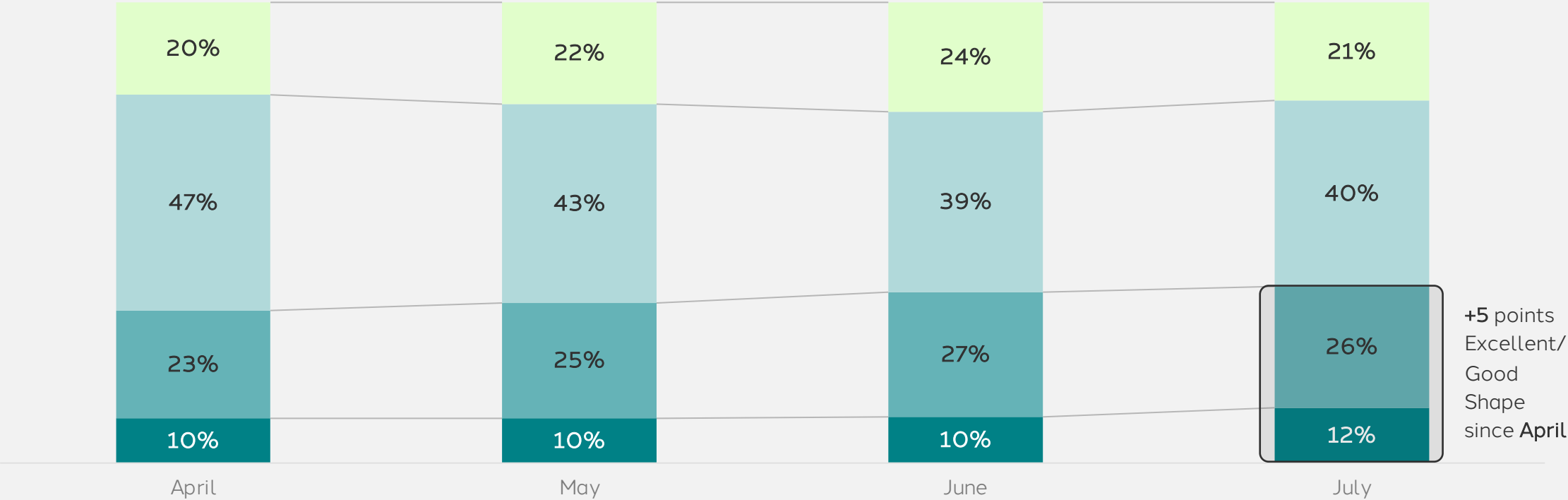


ECONOMIC WORRIES SOFTEN AFTER RISING IN JUNE.

Consumer sentiment edges up 5 points from April, aligning with the [University of Michigan's](#) recent report of the first sentiment increase in six months. However, this modest improvement masks deeper anxieties—61% still view the economy as struggling, suggesting the recent uptick reflects short-term relief rather than sustained optimism.

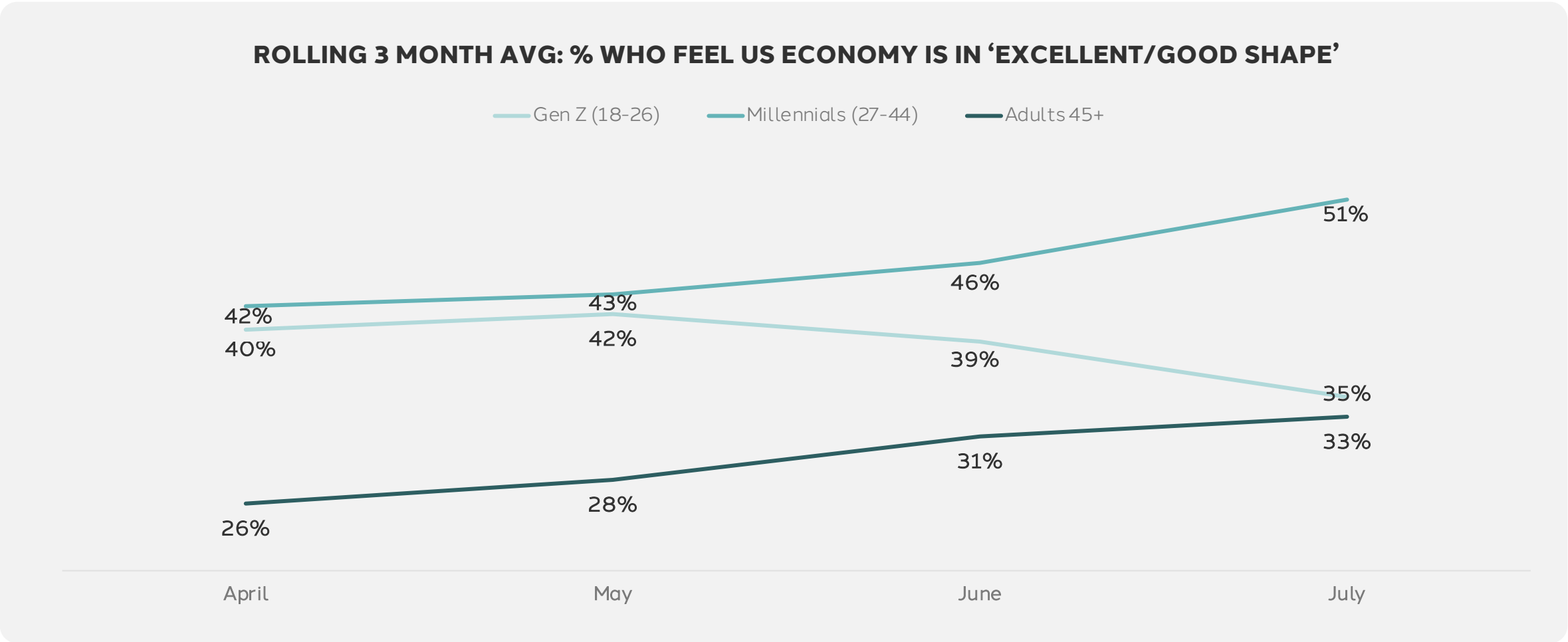
ROLLING 3-MONTH AVG.: HOW CONSUMERS FEEL ABOUT THE SHAPE OF THE US ECONOMY

■ Excellent shape ■ Good shape ■ Not very good shape ■ Terrible shape



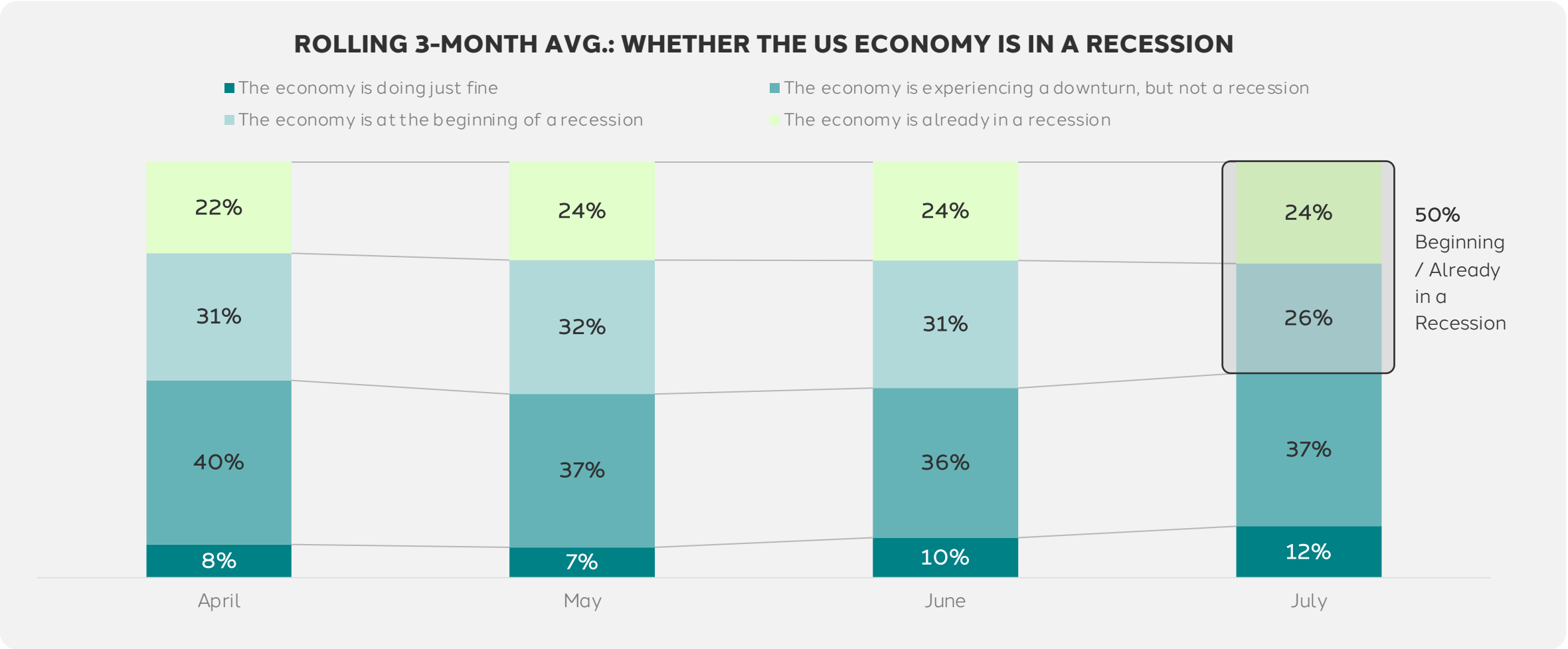
ECONOMIC OPTIMISM RISES FOR MILLENNIALS & TANKS FOR GEN Z.

The widest generational confidence gap emerges as Millennials hit 51% optimistic while Gen Z plummets to just 35%. This divergence reveals how economic relief is being experienced unevenly.



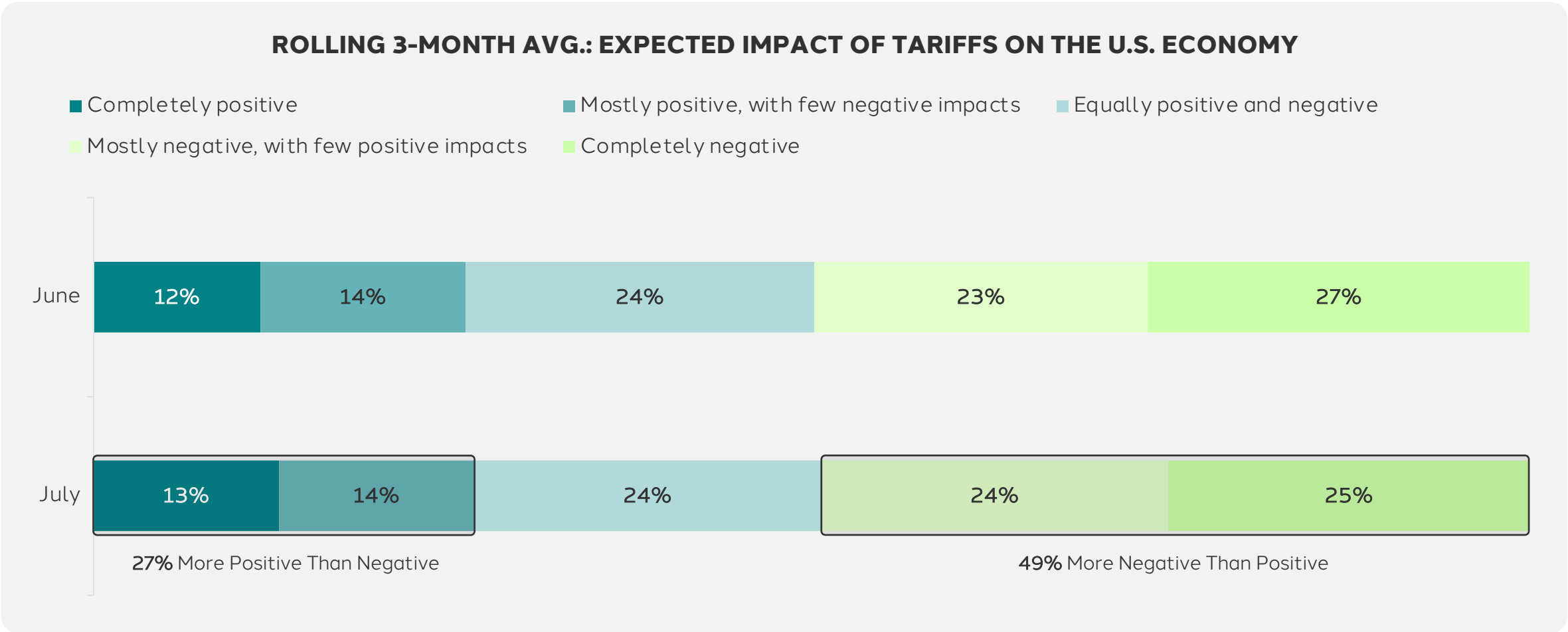
HALF OF AMERICANS STILL BELIEVE U.S. IN RECESSION TERRITORY.

Half of consumers maintain we're either beginning or already experiencing a recession. This persistence directly contradicts recent economic data showing stability and suggests a fundamental disconnect between perception and official metrics.



AMERICANS EXPECT MORE PAIN THAN GAIN FROM TARIFFS.

Nearly half anticipate economic damage from trade policy while only 27% see benefits, reflecting deep skepticism about promised outcomes.

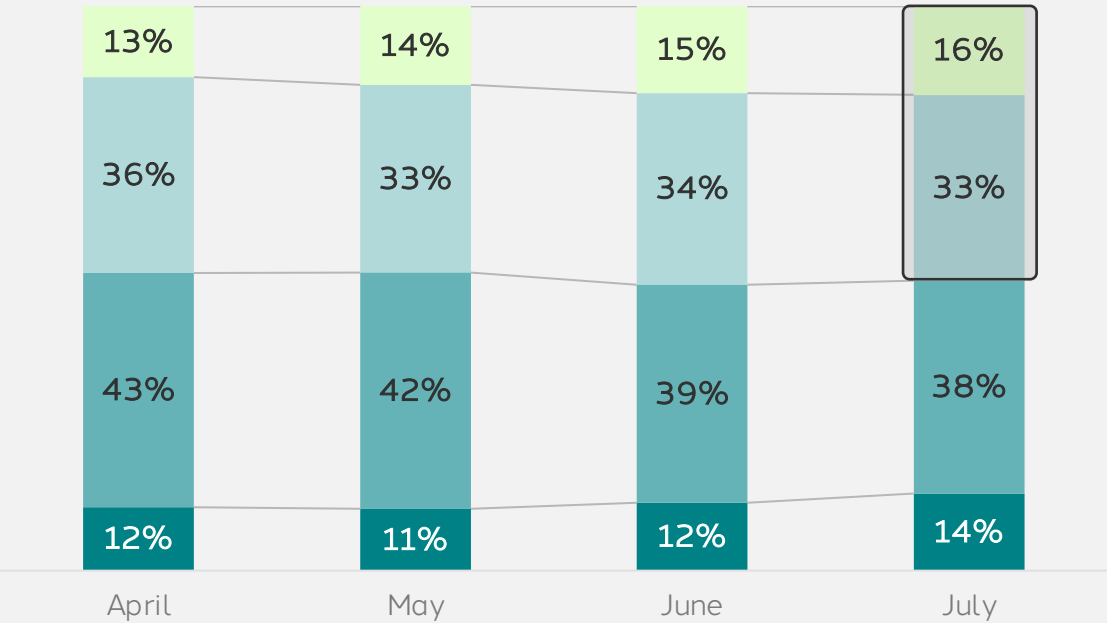


PERSONAL FINANCE SQUEEZE: HALF OF AMERICANS STRUGGLING.

Almost half (49%) of consumers report that their personal finances are in ‘terrible or not very good shape’. Fewer Americans report being able to afford ‘all their necessary month expenses’ (47%) than those who could ‘only afford some’ or ‘struggled to afford any’ (54%).

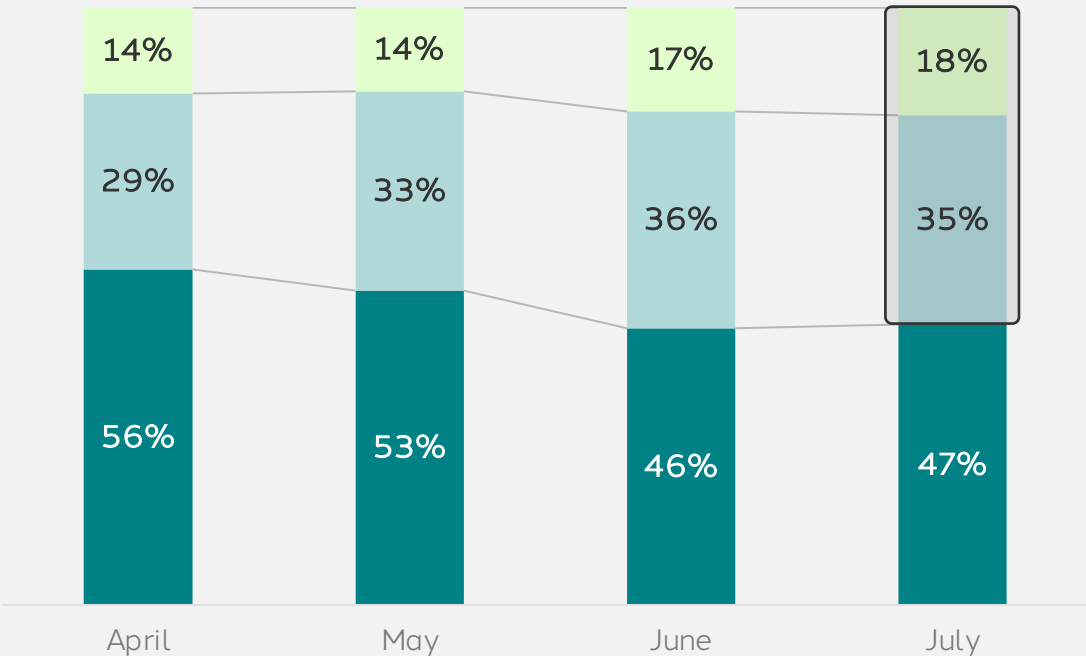
ROLLING 3-MONTH AVERAGE:
SENTIMENT ABOUT PERSONAL FINANCES

■ Excellent shape ■ Good shape ■ Not very good shape ■ Terrible shape



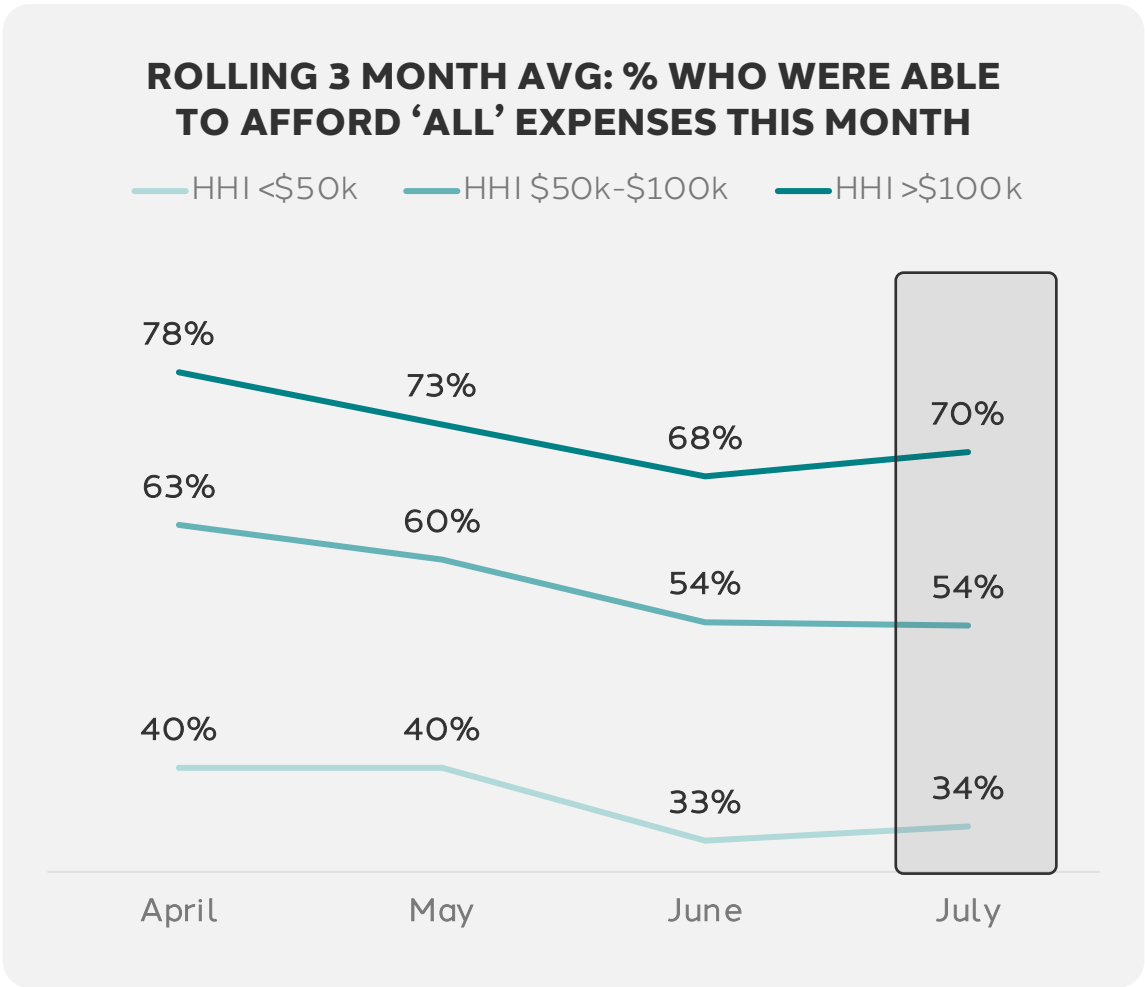
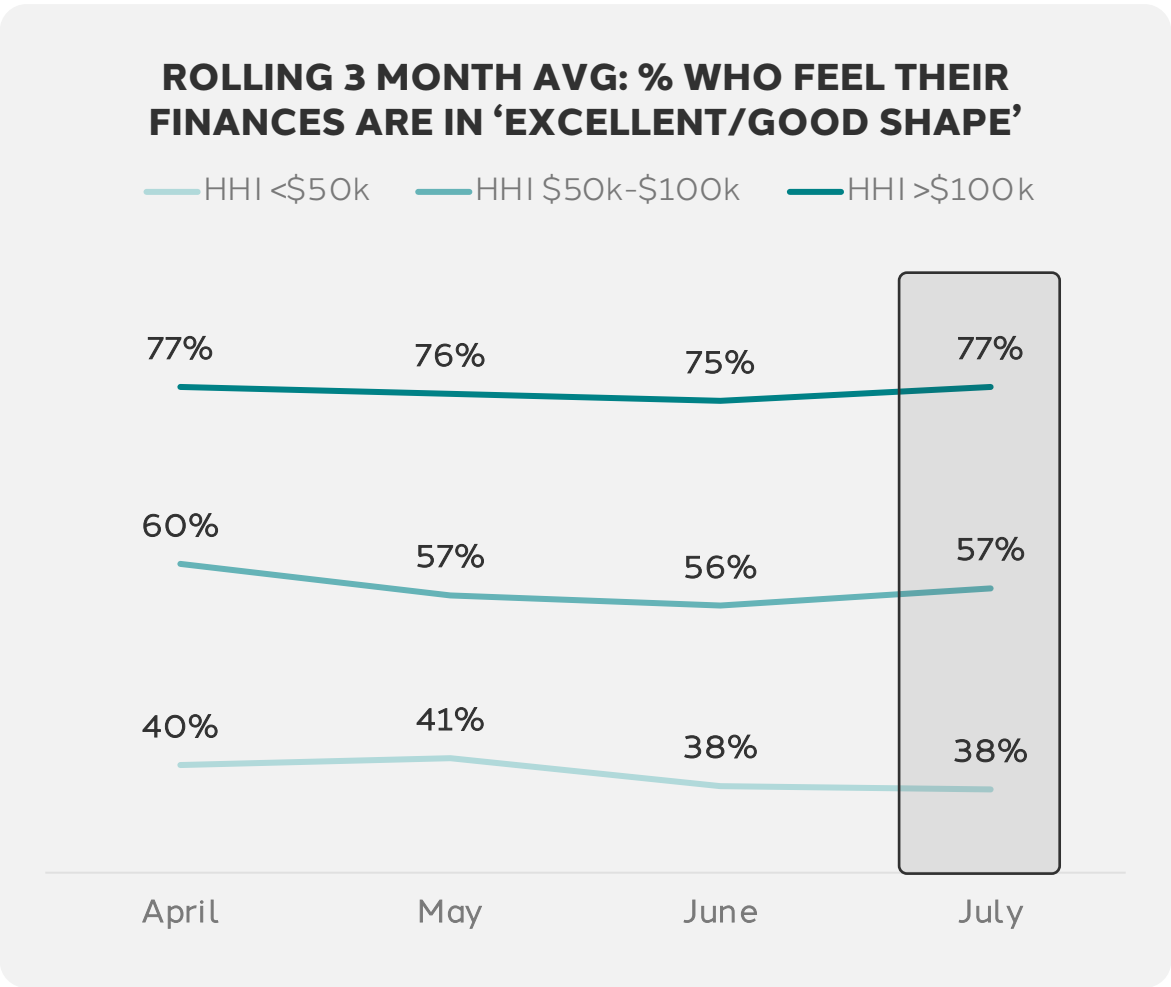
ROLLING 3-MONTH AVERAGE: ABILITY TO
AFFORD MONTHLY EXPENSES IN PAST MO

■ I struggled to afford any of my expenses
■ I was only able to afford some of my expenses
■ I was able to afford all my expenses



HIGHER EARNERS ARE MORE INSULATED FROM ECONOMIC ACTIVITY.

While 77% of high earners feel financially secure, only 38% of lower-income households share that confidence—highlighting America's two-tier economic realities. [Business Insider's](#) CEO sentiment also reflect bifurcated experiences: some feel stable, others are still struggling.



HOW AMERICANS ARE ADJUSTING THEIR SPENDING

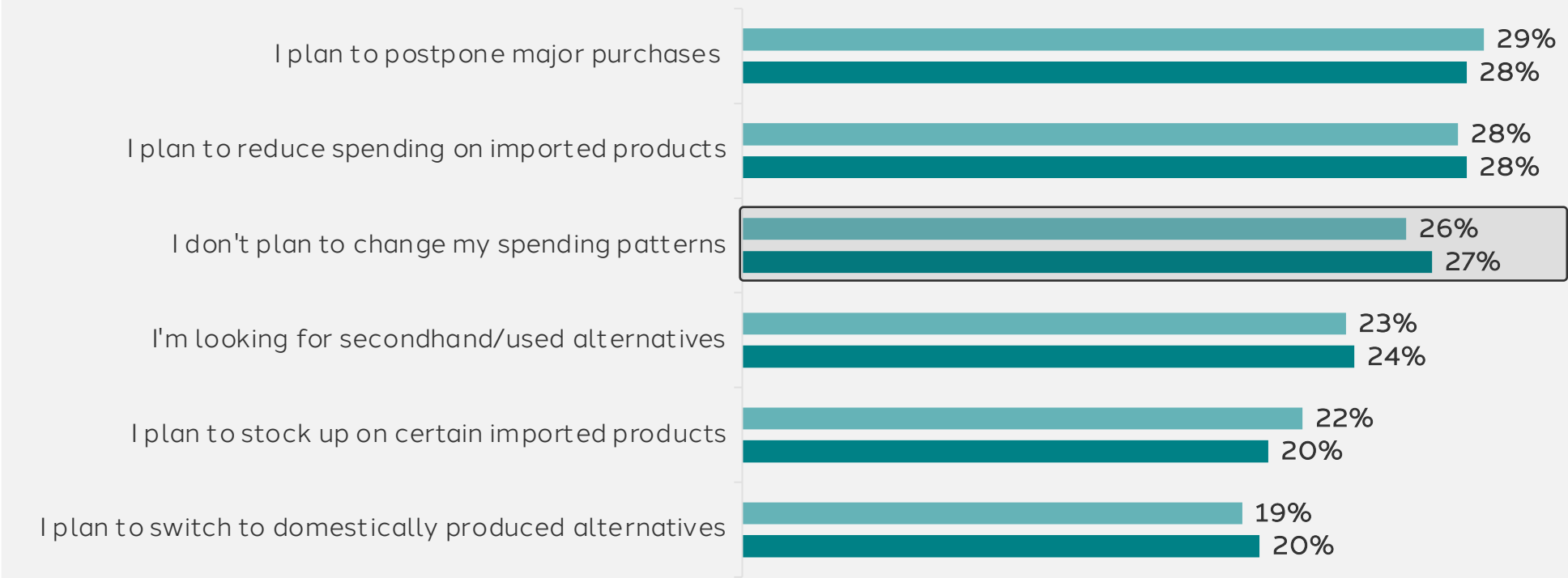


TARIFF CONCERN IS FUELING NEW CONSUMER BEHAVIORS.

Three-quarters of Americans plan spending changes with 29% postponing major purchases and 22% stockpiling imports as hedging strategies. These proactive behavioral shifts demonstrate how tariff anxiety is already reshaping consumer patterns before actual price increases materialize, amplifying the economic impact beyond direct policy effects.

ROLLING 3 MONTH AVG: ANTICIPATED CHANGES TO SPENDING DUE TO TARIFFS

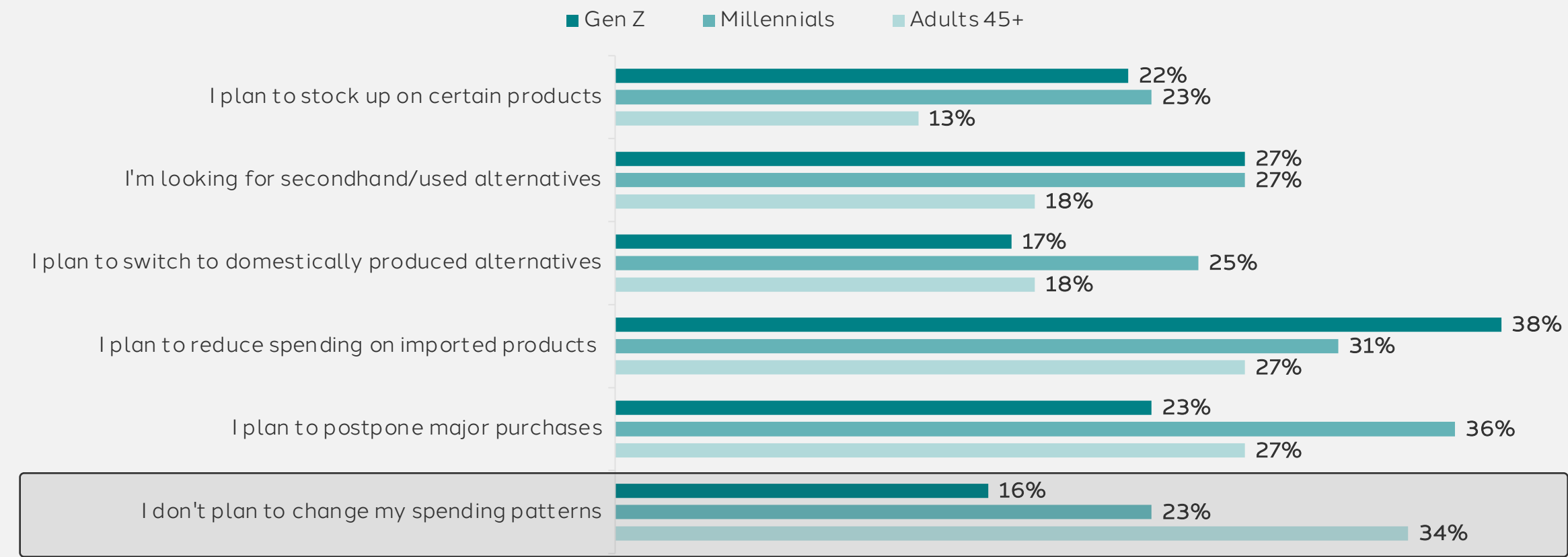
■ June ■ July



YOUNGER CONSUMERS MOST LIKELY TO CHANGE SPENDING HABITS.

Gen Z and Millennials lead behavioral shifts with 38% of Gen Z reducing imported goods and 36% of Millennials postponing big purchases.

JULY: ANTICIPATED CHANGES TO SPENDING DUE TO TARIFFS

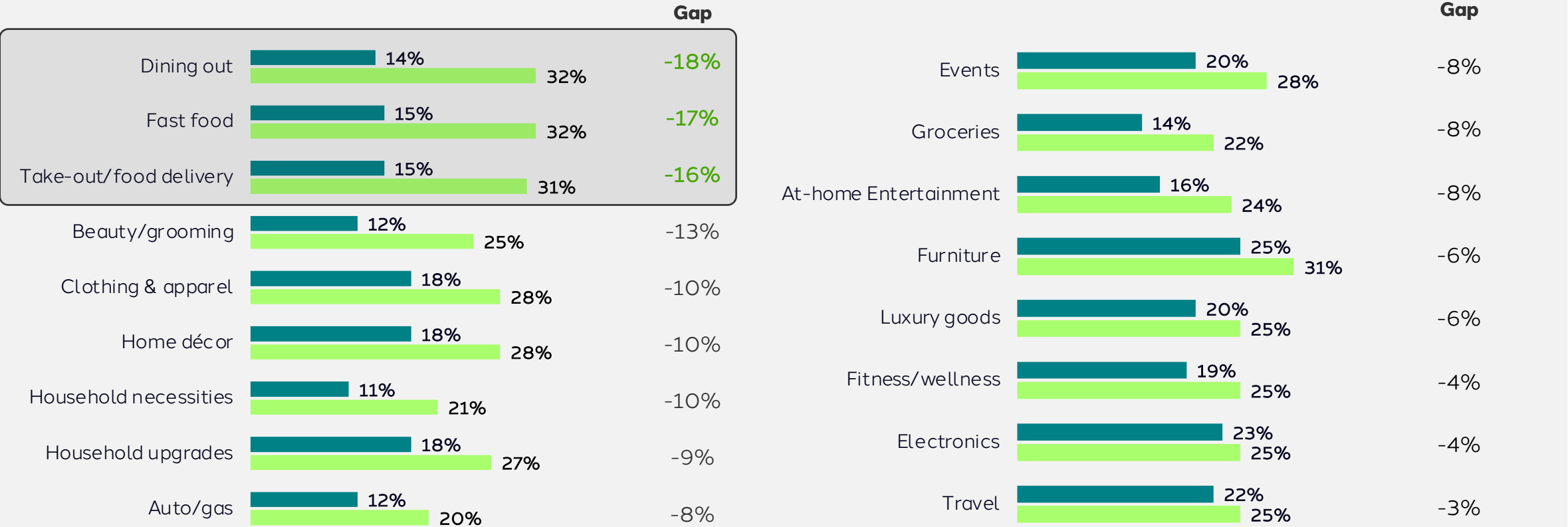


CONSUMER SPENDING REVEALS STRATEGIC SWAPS.

Americans slash dining and fast-food spending while protecting travel and electronics—signaling calculated priority shifts amid uncertainty.

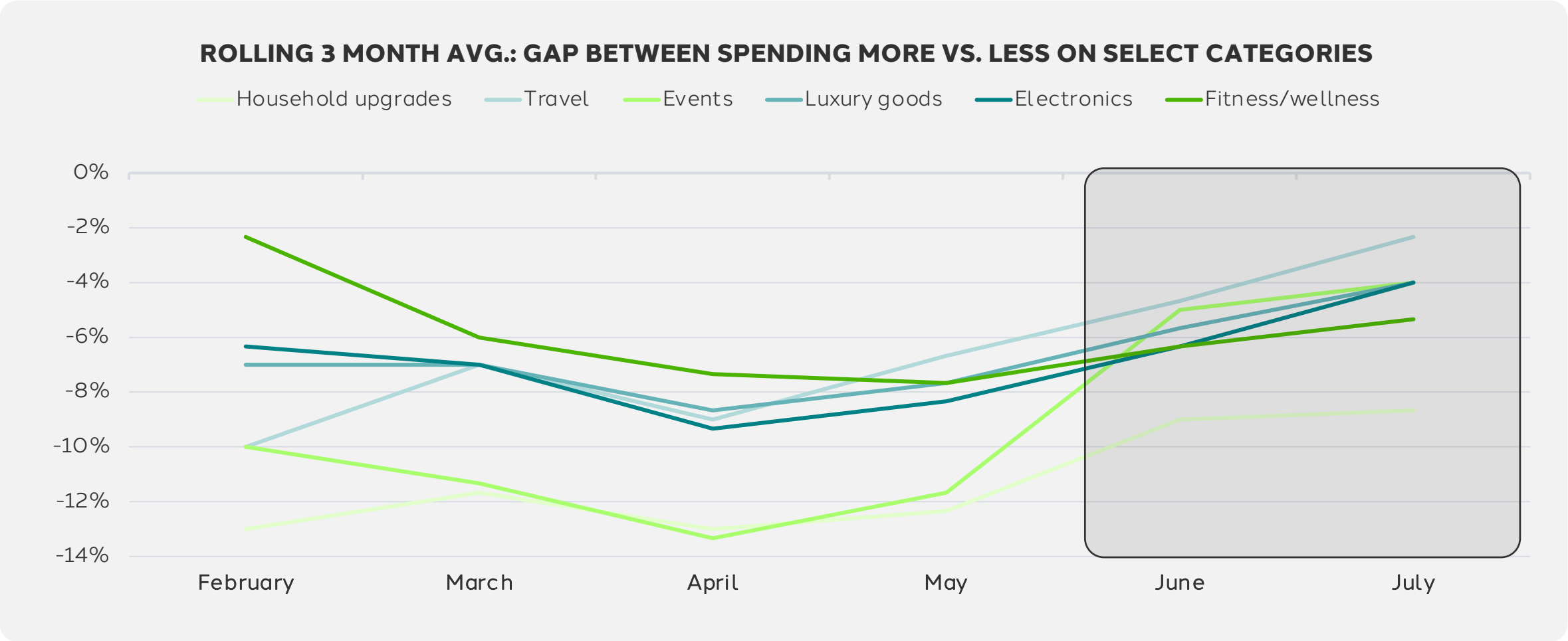
CATEGORY PURCHASERS WHO HAVE DONE THE FOLLOWING IN THE PAST 30 DAYS

■ Increased my spending or made an impulse purchase. ■ Reduced my spending or delayed a purchase.



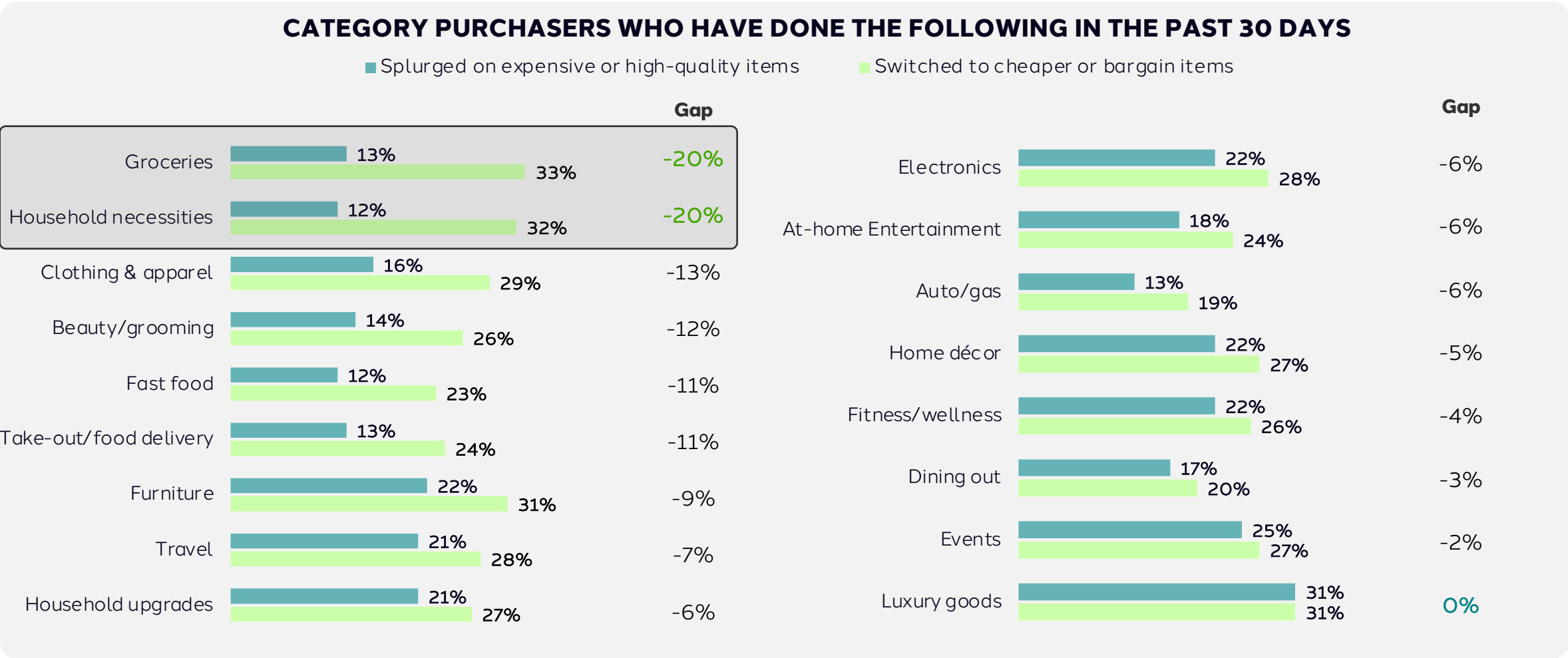
DISCRETIONARY SPENDING SHOWS SURPRISING RESILIENCE.

Trending reveals upticks in net spend against select discretionary categories- including those likely impacted by tariffs such as electronics and summer travel and events. [U.S. retail sales jumped by 0.6% in June](#) despite inflation concerns.



CONSUMERS CONTINUE TO TRADE DOWN ON MANY PURCHASES.

[Fortune](#) writes, “While the average American consumer is still spending, they’re getting pickier about where the money goes—cutting back to just the necessities, where possible.” Essentials such as groceries and household necessities bear the brunt of downgrading. Meanwhile, they appear least willing to compromise on select, higher-end discretionary categories.

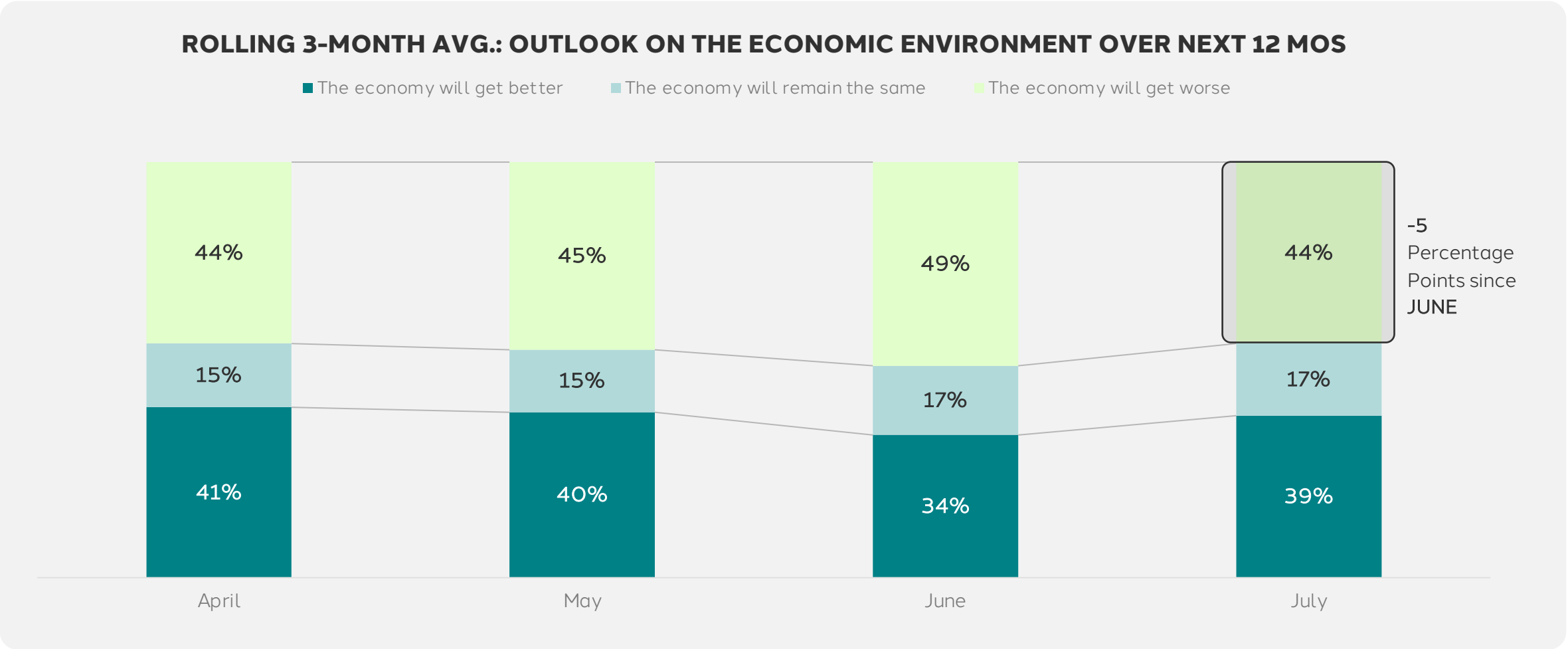


OUTLOOK ON WHAT LIES AHEAD



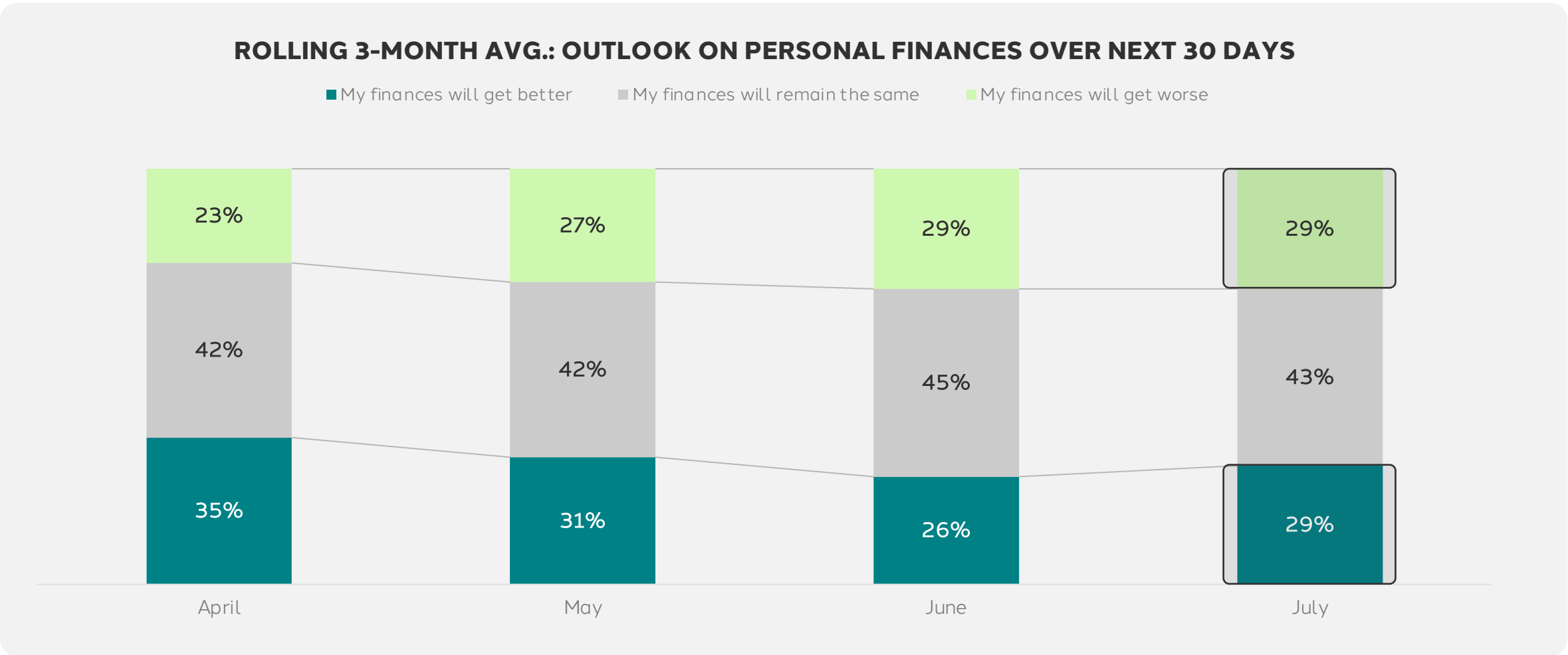
FUTURE ECONOMIC ANXIETY MAY BE STARTING TO COOL.

Americans expecting economic deterioration drops 5 points to 44% as immediate tariff impacts remain absent. This cooling anxiety aligns with recent Fed reports of stable economic activity but contradicts the persistent recession fears shown earlier in the data.



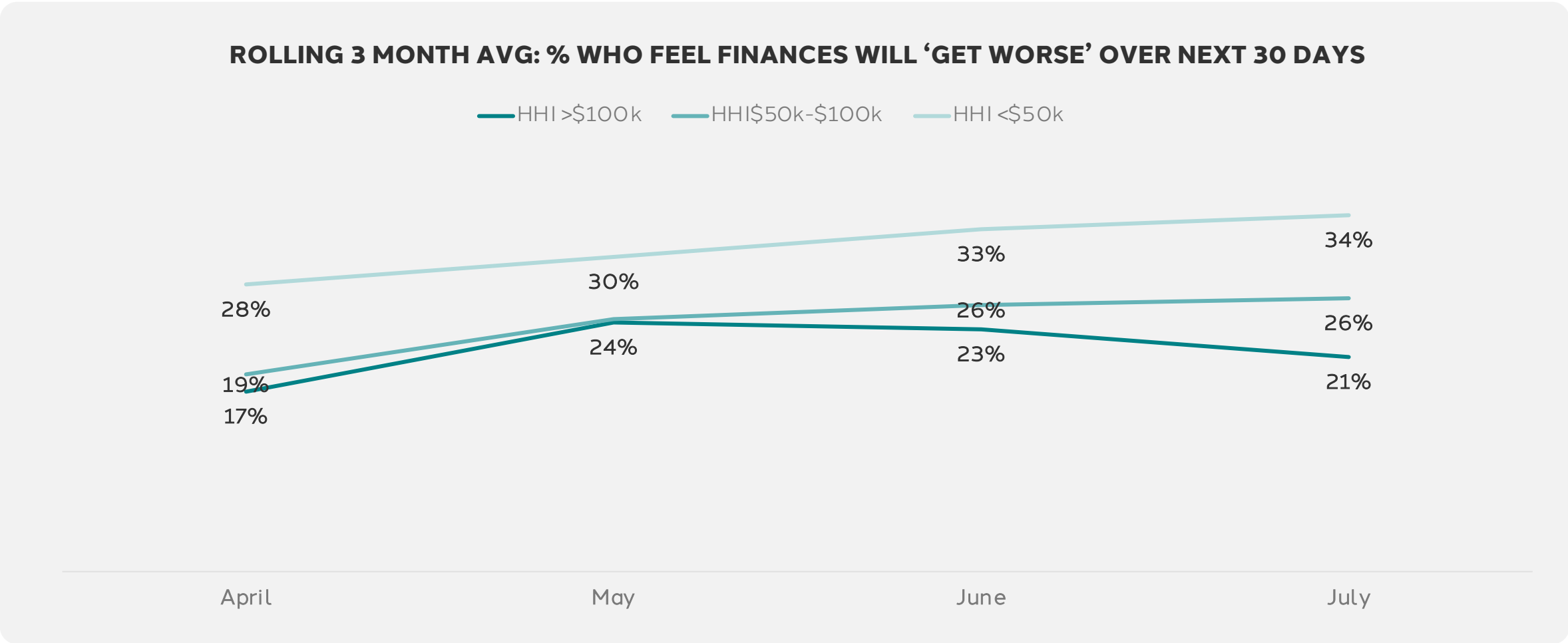
FINANCE OPTIMISM REBOUNDS SLIGHTLY AS PESSIMISM REMAINS.

Americans expecting financial improvement rises 3 points since June to 29%; however, that optimism is down significantly from April's 35%. At the same time, pessimism has risen 6 points since April and remains at 29%.



LOWER-INCOME ANXIETY RISES, AS HIGH EARNERS FIND SOME RELIEF.

Financial anxiety is increasing among lower-income households (34%), who remain particularly vulnerable to economic uncertainty and unexpected cost increases. After increasing, it appears that worry is beginning to ebb for households making over \$100k.



IMPLICATIONS FOR MARKETERS

DESIGN FOR A POLARIZED CONSUMER REALITY.

Americans are living in fundamentally different economic realities, with both optimism and pessimism growing simultaneously within the same demographic. Create campaigns with modular messaging that emphasizes different benefits for different consumer segments. A car brand might lead with "smart investment" messaging for optimists while emphasizing "reliable value" for pessimists.

LEVERAGE THE NEW CONSUMER SPENDING CALCULUS.

Consumers are making calculated trade-offs—cutting essentials while protecting discretionary categories they value. This isn't about affordability—it's about priority. Position your brand within consumers' "protected categories" rather than competing on price. If you're in a category consumers are cutting, create premium sub-lines that justify higher prices. If you're in a protected category, emphasize experience and quality over discounts.

PLAN FOR ADAPTIVE, NOT REACTIVE CONSUMERS.

Consumers are actively managing uncertainty through diverse strategies like secondhand shopping and selective stockpiling. They're hedging their bets across multiple behaviors simultaneously. Build campaigns that can pivot quickly based on consumer adaptation patterns. Create modular media strategies and product lines that serve different hedging behaviors—premium tiers for stockpilers, value options for substitution-seekers, rental services for postponers.



MEET OUR EDITORIAL TEAM



MEGAN KEANE

VP, Integrated Strategy



DIRK HERBERT

Global Head of Thought Leadership



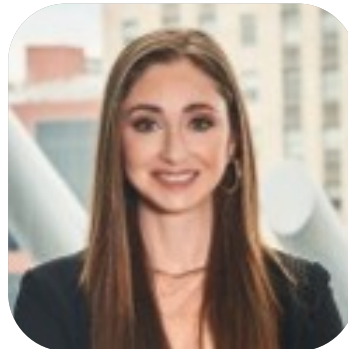
JACK BOITANI

VP, Content



ASHA COWELL

VP, Integrated Strategy



WHITNEY FISHMAN

EVP, Futures & Insights



THANK YOU

INNOVATING TO IMPACT

dentsu

ABOUT DENTSU

Dentsu is an integrated growth and transformation partner to the world's leading organizations. Founded in 1901 in Tokyo, Japan, and now present in over 145 countries and regions, it has a proven track record of nurturing and developing innovations, combining the talents of its global network of leadership brands to develop impactful and integrated growth solutions for clients. Dentsu delivers end-to-end experience transformation (EX) by integrating its services across Media, CXM and Creative, while its business transformation (BX) mindset pushes the boundaries of transformation and sustainable growth for brands, people and society.

Dentsu, innovating to impact.

<https://www.dentsu.com/>

<https://www.group.dentsu.com/en/>