

THE PULSE OF THE AMERICAN CONSUMER

CONSUMER INSIGHTS FOR BUSINESS

NOVEMBER 16, 2021

The economic outlook, inflation, and cryptocurrency are all on the minds of Americans this week.

Gain insight on these issues and more in this week's The Pulse of the American Consumer.

Economic Outlook and Update

Over the past 30 days, **70%** of Americans have done at least one of the following as a direct result of the increased cost of living Americans are currently experiencing:

28%

Stocked up on grocery items, fearing that prices will get even higher

25%

Waited longer than usual to turn on the heat/set the thermostat lower than usual

20%

Postponed the purchase of a discretionary item to have more funds on hand for everyday necessities

18%

Cancelled specific plans to dine out or order takeout

16%

Cancelled plans for trips by car that weren't absolutely necessary

14%

Postponed a short trip/getaway to have more funds on hand for everyday items

14%

Eating less/went on an unplanned diet

14%

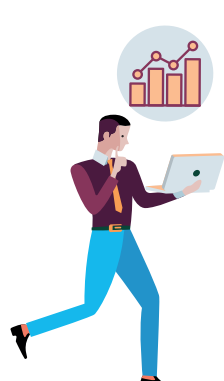
Postponed the purchase of a major home appliance

12%

Drove around to look for a gas station that had the lowest price per gallon

7%

Adopted a far more plant-based diet due to the increased costs of meats/proteins



38% of U.S. Adults believe the economy will improve over the next 12 months — optimism is driven heavily by young consumers.

Gen Z - **41%** | Millennials - **43%** | Democrats - **59%**

Still, 36% believe the economy will decline within the next year.

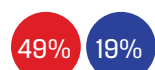
Republicans (**59%**) appear to feel particularly pessimistic, as well as Baby Boomers (**46%**).

Of those that anticipate any change, positive or negative, the biggest drivers include:

● Republicans ● Democrats

31%

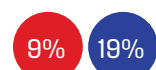
Actions by the Biden Administration

**17%**

What happens with inflation

16%

The rate of COVID-19 spreading

**9%**

Consumer spending

8%

The spread of mis-information on the internet and social media

**7%**

The rate of vaccinations in the U.S.

**4%**

Climate change

4%

Changes in interest rates

2%

China's economic performance

Among those who think the economy will improve, the top drivers include:

**21%**

The rate of COVID-19 spreading

**19%**

Actions by the Biden Administration

**15%**

What happens with inflation

On the other hand, among those who see the economy declining, the top drivers include:

**45%**

Actions by the Biden Administration

**20%**

What happens with inflation

**10%**

The rate of COVID-19 spreading

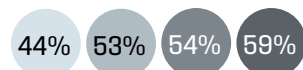
In the event the U.S. economy were to experience a downturn over the next 12 months, **65%** of U.S. consumers feel they are financially prepared to manage through it, though just **13%** claim to be very well prepared. The **65%** represents a **5%** drop in feeling financially prepared when this data was previously collected during October 22-24.

Still, only **16%** wouldn't make any changes if there was a downturn – while many consumers would take some of the following actions:

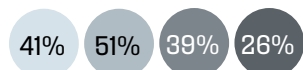
● Gen Z ● Millennials ● Gen X ● Baby Boomers

54%

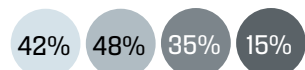
Reduce their daily spending

**37%**

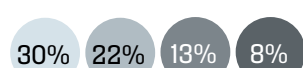
Seek other ways of making money (e.g., a part-time job or side gig)

**33%**

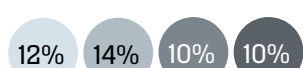
Start saving more of their income

**16%**

Change their investment strategy

**11%**

Meet with a financial advisor to review and adjust their investments



A Special Update on Investing

31% of U.S. Adults believe they can become millionaires off crypto investments, driven heavily by young adults. **59% of Gen Z and 46% of Millennials** believe they could become millionaires from crypto investments.



Of the following investment instruments, which do you trust with your money?

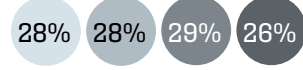
*Comparisons are made from September 10-12, 2021

● Gen Z ● Millennials ● Gen X ● Baby Boomers

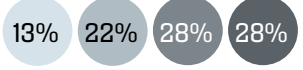
Interestingly, the net of those who say they trust at least one of these decreased by **6%** (from **84%** to **58%**) over the past two months, perhaps suggesting a general decrease in trust of 'traditional' investment instruments.

28%

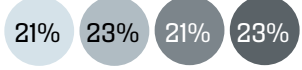
Stocks -5%

**24%**

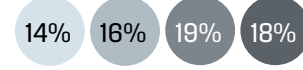
Mutual funds -6%

**22%**

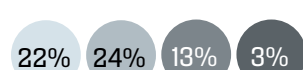
Real estate -6%

**17%**

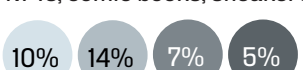
Bonds -7%

**14%**

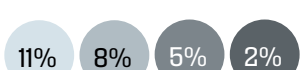
Crypto +1%

**8%**

Collectables (e.g., baseball cards, NFTs, comic books, sneakers) -2%

**5%**

Physical art -2%

**4%**

In-game video game items -3%



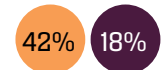
Suppose you have an extra \$2,000 to invest in the following options...which are you investing in?

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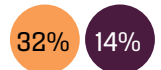
● As 'long-term' investments ● As 'quick-buck' investments

53%

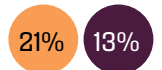
Stocks -5%

**42%**

Mutual funds -5%

**29%**

Crypto +7%

**15%**

NFTs

