



Consumer pulse Summer 2023 report

Consumer & Retail

April 2023



Executive summary

01

Household economics & consumer spending

- Household income changes stayed relatively consistent from 2021 to 2022. Lost job and retirement are the top reasons consumers reported a decrease in household income.
- Of the consumers who reported an increase in household income, increase in salary and wages and cost of living adjustment are the top reasons.
- Consumer increase in household income is negatively correlated with generation and positively correlated with income segment.
- Consumers continue to feel the pressure on spending. Consumers are expected to spend 10 percent more for regular monthly living expenses from May 2021 to May 2023.
- Consumers are expecting to spend more on essential goods and services in 2023, specifically in groceries, automotive, prescription medications, and personal care products.

02

Inflation

- Most consumers (94 percent in 2022 and 95 percent in 2023) continued to experience the pressure of inflation from 2022 to 2023, with roughly 80 percent reported cost of living has increased by more than 5 percent.
- More than 70 percent of consumers expect a recession to occur over the next year; Of those who expect a recession to occur, 62 percent indicated that they have a financial plan with majority preparing to reduce expenses (66 percent) and increase savings (59 percent).
- Most consumers have less than \$5k in savings in their account. 58 percent of consumers have less than \$5k in their savings account in December 2021 compared to 54 percent in December 2023.
- Compared to a year ago, consumers believe that prices increased across all products, especially in groceries (83 percent) and restaurants (78 percent).

Executive summary (continued)

03

Travel Plans

- Consumers' desire to travel stays strong for summer 2023; 61 percent of consumers plan to travel this summer 2023 compared to 49% in summer 2021.
- Most consumers (61 percent) plan to travel in summer 2023; men (68 percent), Gen Zs (76 percent), and higher income households (69 percent – 85 percent) are more likely to have a plan to travel.
- Almost 80% of consumers plan to take 1 – 2 trips this summer 2023; More consumers (18 percent) are planning for international trips this year.
- Women are more likely to travel for domestic trips. Consumers in the Northeast region and Gen Zs are most excited about international trips compared to other respective demographic segments.
- Hotel is the most preferred travel accommodation across the board, but Gen Zs are more likely to consider Airbnb (or similar platform) or hostels or other shared living residence on vacations.

04

Transportation

- About 85 percent of consumers currently own a gas vehicle. 46 percent of consumers use the car for commuting and 47 percent of consumers use the car for leisure.
- Of the consumers who do not currently own an alternative fuel vehicle, 47 percent are considering to purchase an electric or hybrid vehicle due to rising gas prices and environmentally friendly reasons.
- Nearly 50 percent of gas and diesel car owners are considering alternative fuel vehicles; Men, Millennials, and higher income households of \$100k+ are more interested in purchasing alternative fuel vehicles.
- Of consumers considering an electric or hybrid car, 57 percent expect that they will purchase one within the next 2 years.
- Gen X and higher income households of \$100k+ are more likely to purchase an electric or hybrid car within 2 years.

Executive summary (continued)

05

Return to office

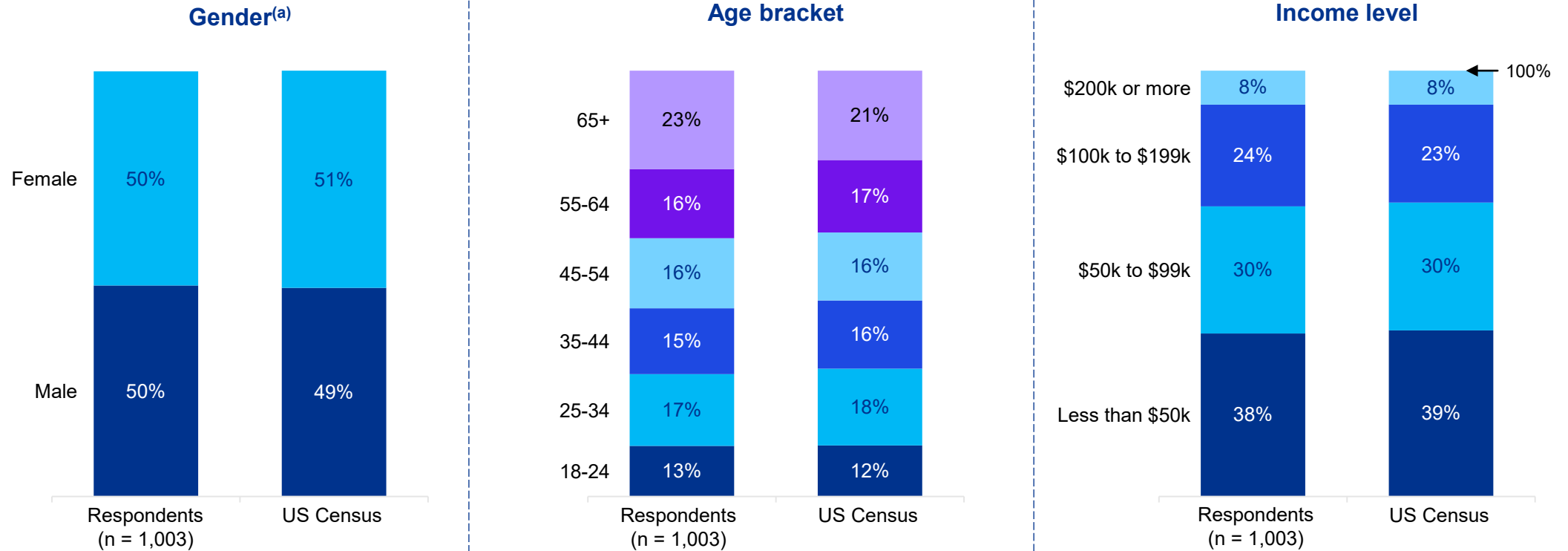
- Majority of the consumers are currently employed this summer 2023; Slightly fewer consumers have the flexibility to work from home this year compared to last year.
- More consumers are returning to work in the office compared to previous years. Of the consumers who can work remotely, the average number of onsite/in-office workdays increased from 1.7 days in 2020 to 2.3 days in 2023.
- And more employers are requiring employees to return to the office either full-time or part-time this summer 2023; 79 percent of consumers indicated that their employers require them to be onsite in some capacity this year compared to only 20% last year.
- Even when it is not required to be on-site, more employees (77 percent in 2023 versus 24 percent in 2022) are choosing to go into the office for at least 1 day of the week.
- Better productivity at home is a major barrier for employees to return onsite/in-office and in-person networking events, company-provided meals and transportation are the most preferred incentives for employees to return to office.
- Gen X (86 percent) , Baby Boomer+ (86 percent) and higher income households of \$200k+ (90 percent) care most about work from home/remote work flexibility.
- Millennials (60 percent) and higher income households of \$200k+ (77 percent) are most likely to look for a new job that offers more work from home flexibility in 2023 and they are more likely to consider a decrease in pay to work remotely permanently.

00

Demographic

Survey sample is within more than/less than 2 percent variance compared to 2020 United States census demographics for majority of the categories. (1 of 2)

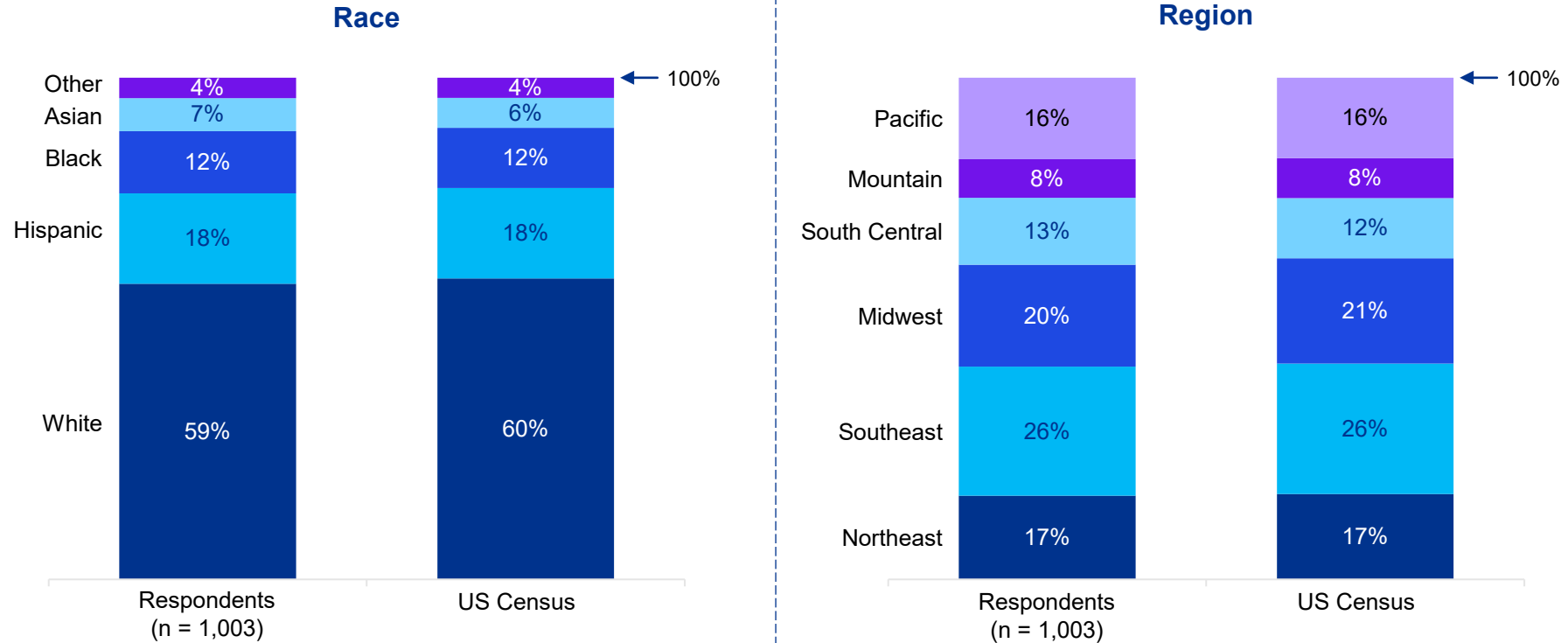
Respondent demographic profile



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Please select your gender:", "Please select the annual income range that best describes your total household income in 2023:", "Please enter your current age:"; (a) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 26, 2023

Survey sample is within more than/less than 2 percent variance compared to 2020 United States census demographics for majority of the categories. (2 of 2)

Respondent demographic profile



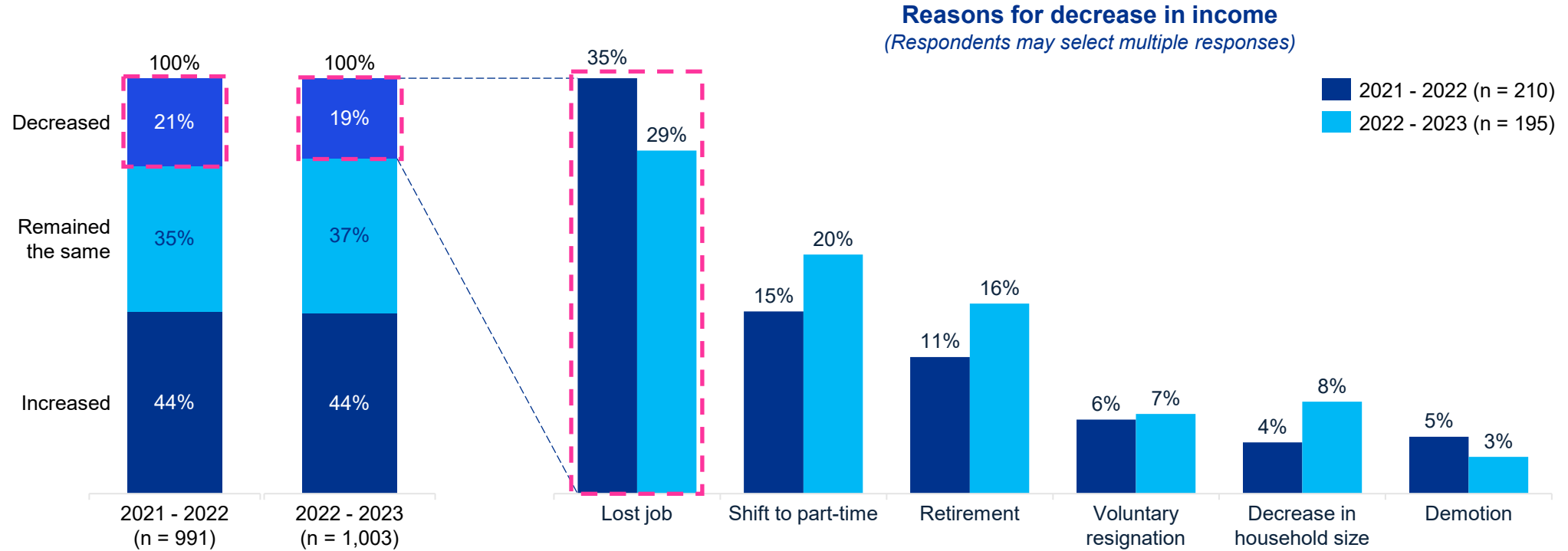
Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Please select the option which best describes your race:", "Please enter your current zip code."
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 26, 2023

01

Household economics

Household income changes stayed relatively consistent from 2021 to 2022; lost job is the top reason consumers reported a decrease in household income.

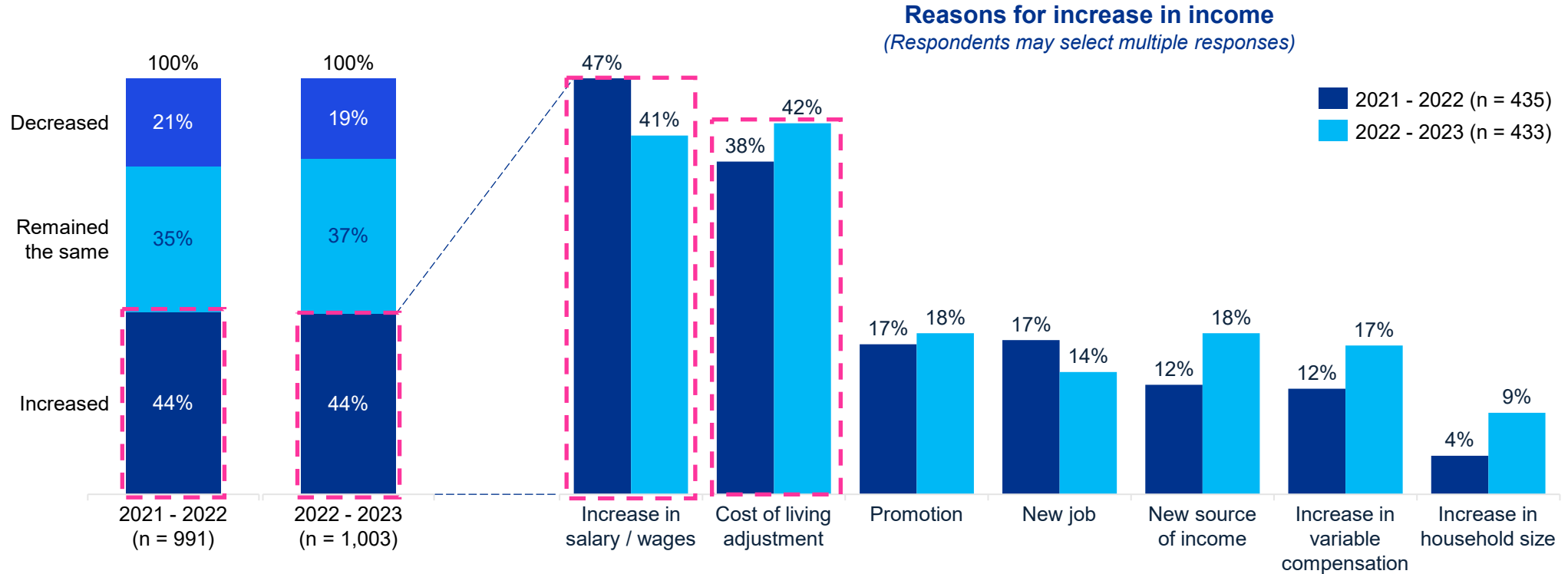
Household income change, from 2021 to 2022 versus 2022 to 2023



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Compared to 2022, has your household income increased, decreased, or remained the same in 2023?"; "What caused the recent decrease in your household income?"; Did you or someone in your household experience any of the following?".
Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 26, 2023

Of the consumers who reported an increase in household income, increase in salary and wages and cost of living adjustment are the top reasons for increase in household income.

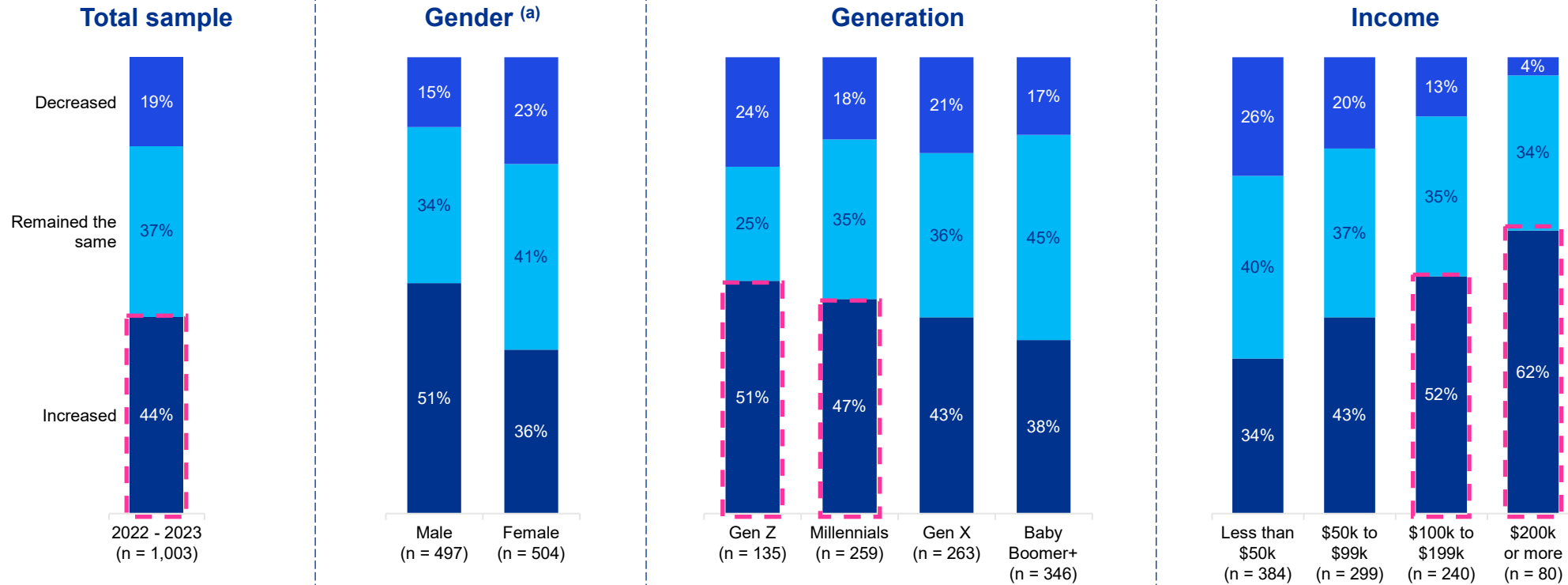
Household income change, from 2021 to 2022 versus 2022 to 2023



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Compared to 2022, has your household income increased, decreased, or remained the same in 2023?"; "What caused the recent increase in your household income? Did you or someone in your household experience any of the following?".
Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 26, 2023

Consumer increase in household income is negatively correlated with generation and positively correlated with income.

Household income changes by demographic segment



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Compared to 2022, has your household income increased, decreased, or remained the same in 2023?"; (a) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.

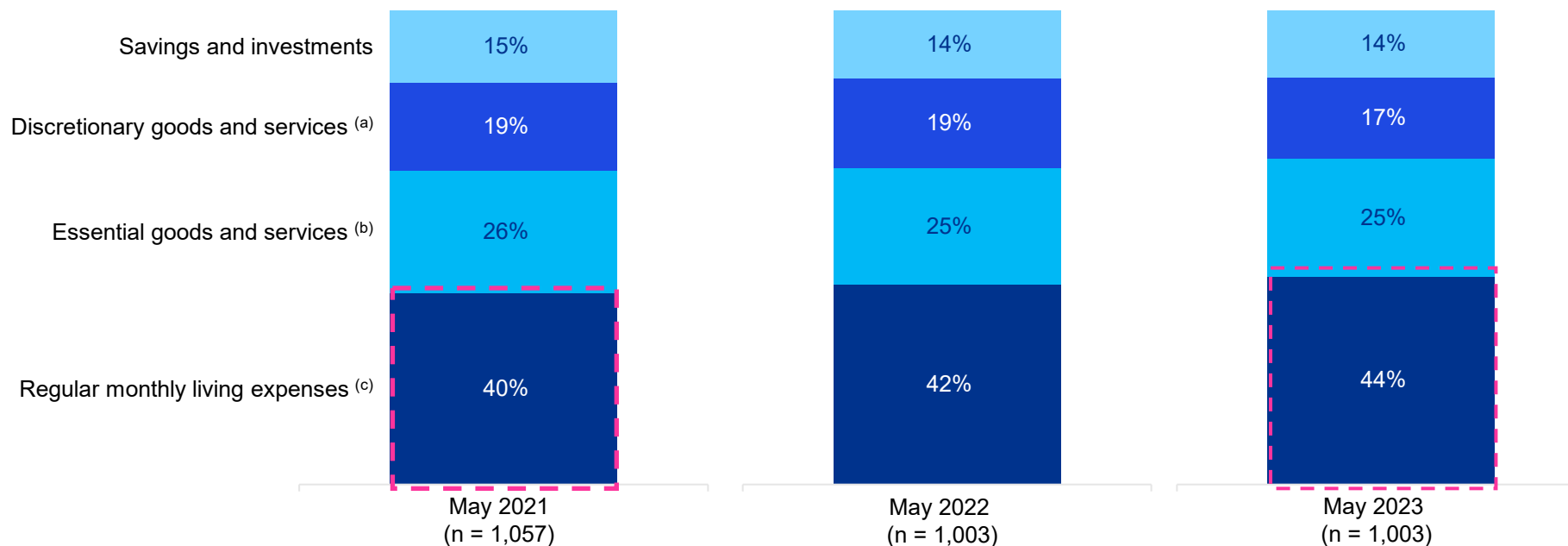
Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 26, 2023

02

Consumer category analysis

Consumers continue to feel the pressure on spending. Consumers are expected to spend 10 percent more for regular monthly living expenses from May 2021 to May 2023.

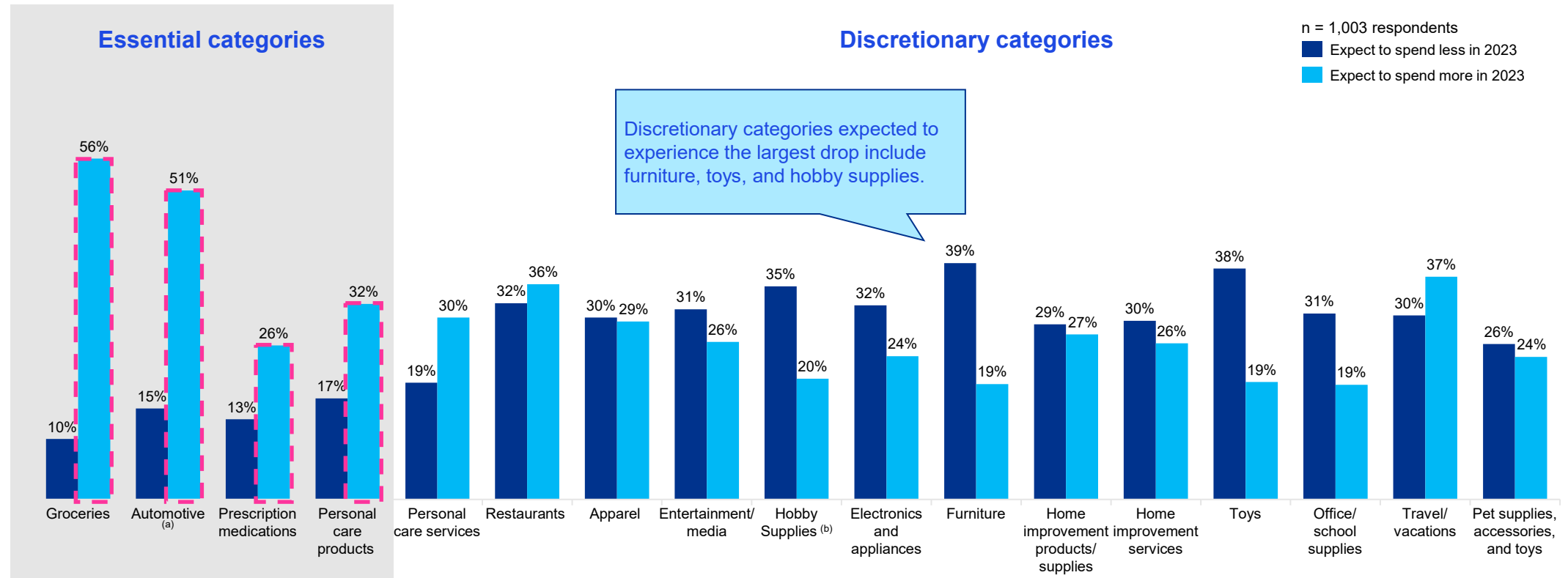
Percentage of household income spend per category, summer 2021 – Summer 2023



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Please estimate to the best of your ability what percent of your monthly household income was spent on each of the following categories in the summer of 2022 and what percent will be spent on each of the following categories in the summer of 2023. Please include both online and in-store spending."; (a) Discretionary goods and services include restaurants, clothing, and entertainment; (b) Essential goods and services include food, prescription medications, and personal care products; (c) Regular monthly living expenses include housing costs, utilities, home and auto insurance, health insurance, and education.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 26, 2023

Consumers are expecting to spend more on essential goods and services in 2023, specifically in groceries, automotive, prescription medications, and personal care products.

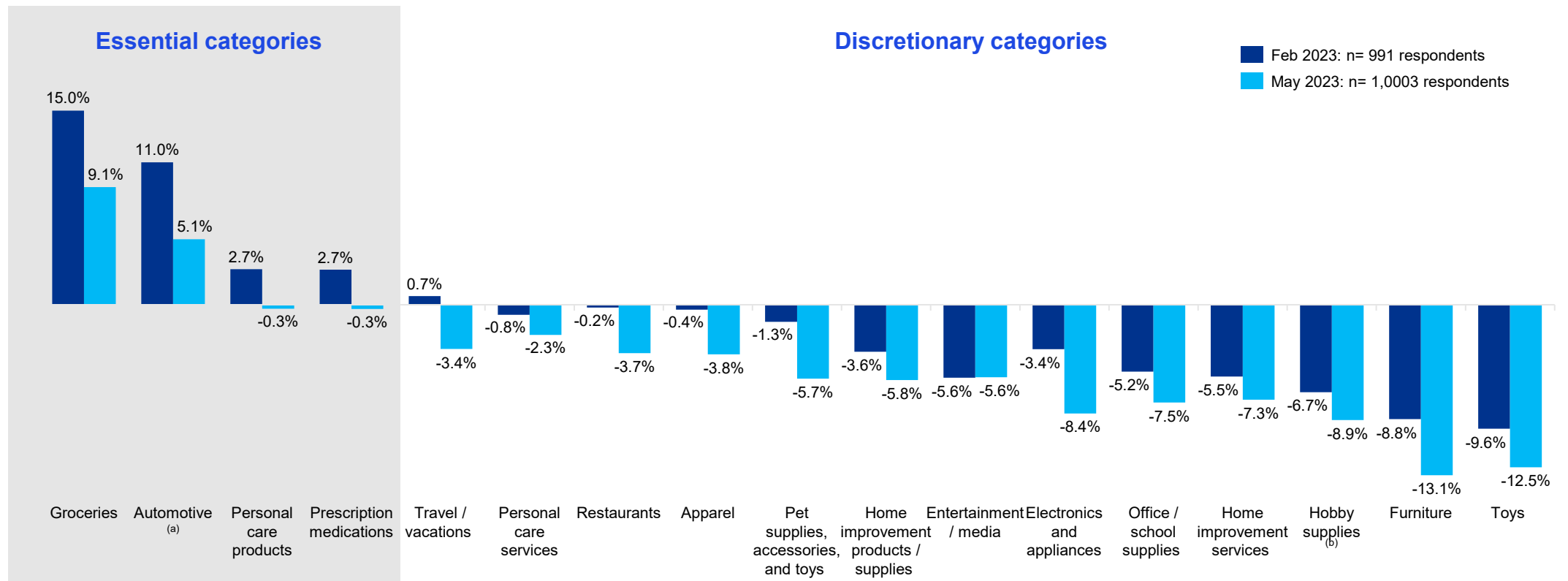
Consumer expectations on spend per category, summer 2022 versus summer 2023



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Do you expect to spend more, less, or the same amount of money on each of the following products / services this summer (2023) compared to last summer (2022)?"; (a) Automotive includes gas, tolls, auto insurance, and auto maintenance; (b) Hobby supplies include sporting goods, musical instruments, and books.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 26, 2023

Compared to winter 2023 consumers expect to spend less across essential and discretionary categories.

Anticipated change in monthly spend by category, winter 2023 versus summer 2023



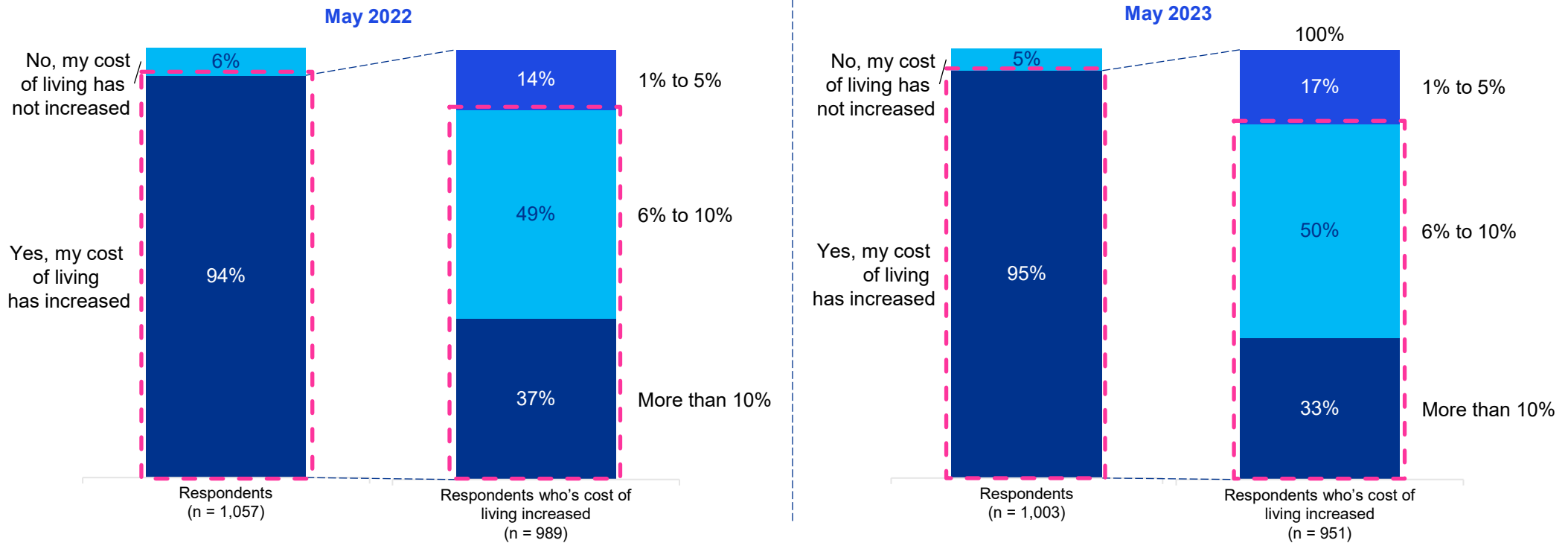
Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "How much do you think your monthly household spend on each of the following products / services will increase this summer (2023) compared to last summer (2022)? Please indicate your expected percent increase for each category below."; "How much do you think your monthly household spend on each of the following products / services will decrease this summer (2023) compared to last summer (2022)? Please indicate your expected percent increase for each category below"; (a) Automotive includes gas, tolls, auto insurance, and auto maintenance; (b) Hobby supplies includes sporting goods, musical instruments, and books.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 26, 2023

03

Inflation

Most consumers (94 percent in 2022 and 95 percent in 2023) continued to experience the pressure of inflation from 2022 to 2023, with roughly 80 percent reported cost of living has increased by more than 5 percent.

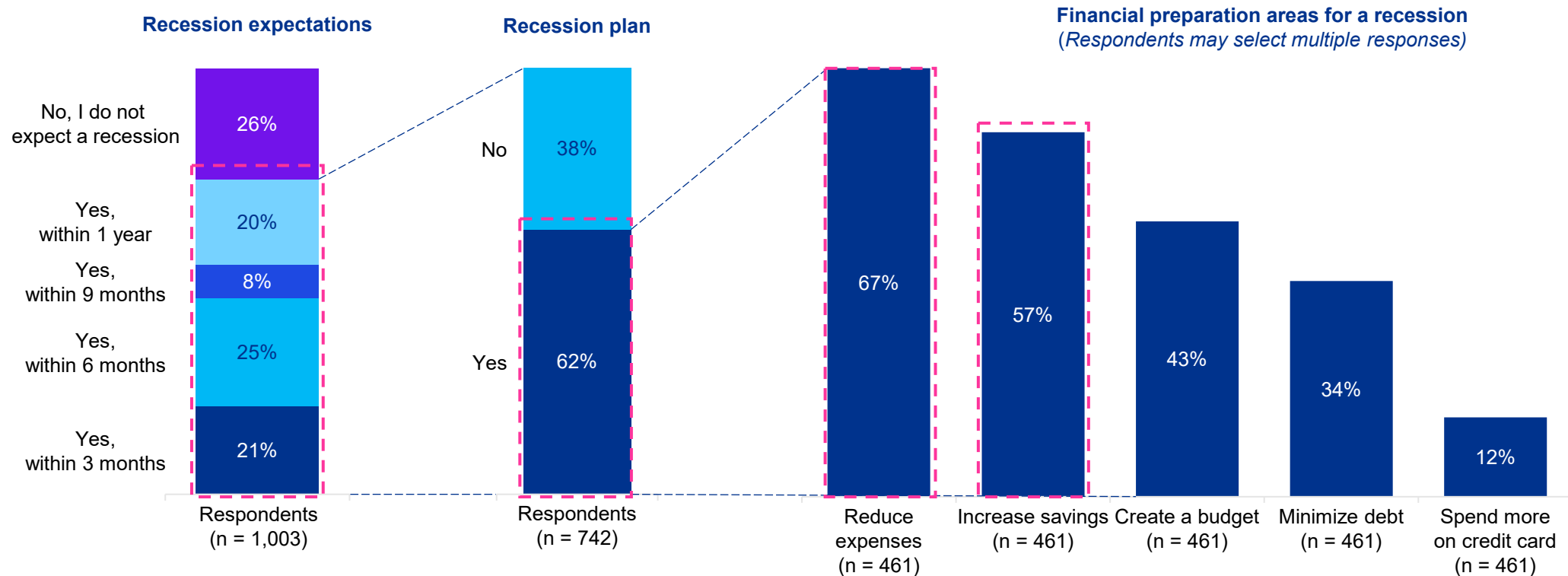
Consumer perceptions regarding increasing cost of living summer 2022 versus summer 2023



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Do you believe that your cost of living has gone up in the last year?"; "How much do you believe your cost of living has gone up in the last year?".
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

More than 70 percent of consumers expect a recession to occur over the next year; Of those who expect a recession to occur, 62 percent indicated that they have a financial plan with majority preparing to reduce expenses (66 percent) and increase savings (59 percent).

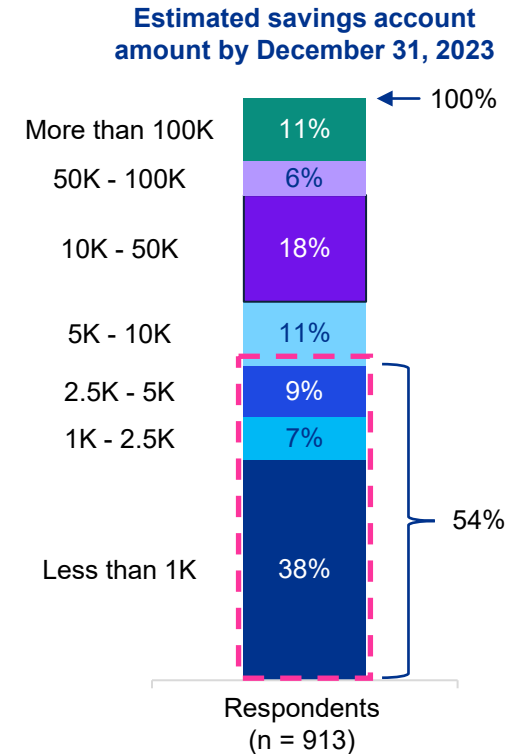
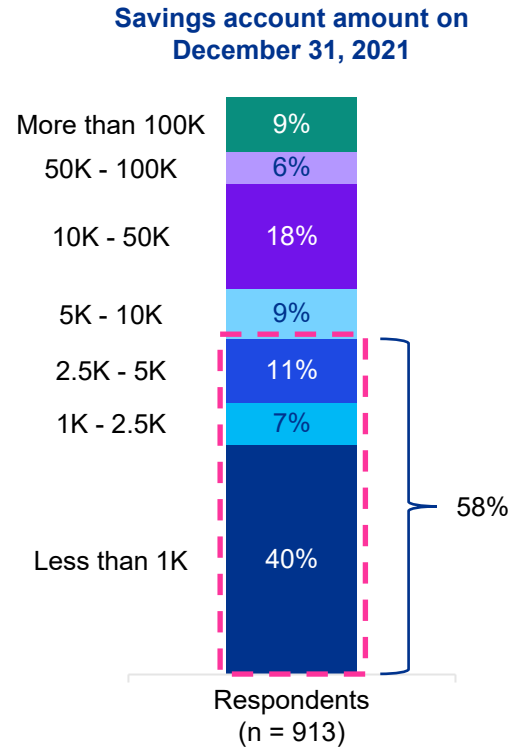
Next 12 months consumer recession expectations and financial preparation plan



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Do you expect a recession to occur in the near future? If so, when?"; "Do you have a plan in place to prepare for financial challenges associated with an economic recession?"; "What's your plan to prepare for an economic recession?".
Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Most consumers have less than \$5k in savings in their account. 58 percent of consumers have less than \$5k in their savings account in December 2021 compared to 54 percent in December 2023.

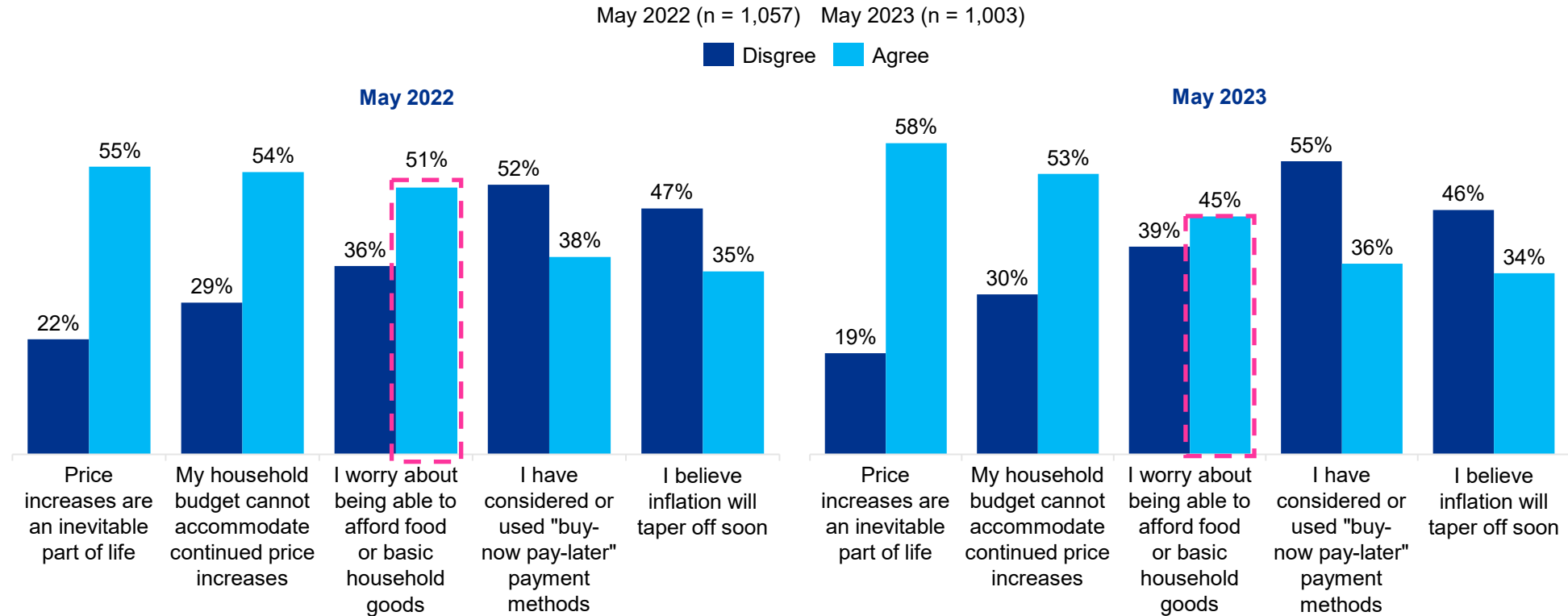
Consumer savings account balance by year



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "To the best of your recollection, how much money did you have in your savings account on December 31, 2021? Please exclude investments and retirement accounts"; "How much money do you think you'll have in your savings account by December 31, 2023? Please exclude investments and retirement accounts."
 Source(s): KPMG Consumer Pulse Survey fielded April 21, 2023 – April 26, 2023

Compared to May 2022, fewer consumers are worried about being able to afford food or basic household goods this year (51 percent versus 45 percent).

Consumer's sentiment on inflation Summer 2023 versus 2022 (a)

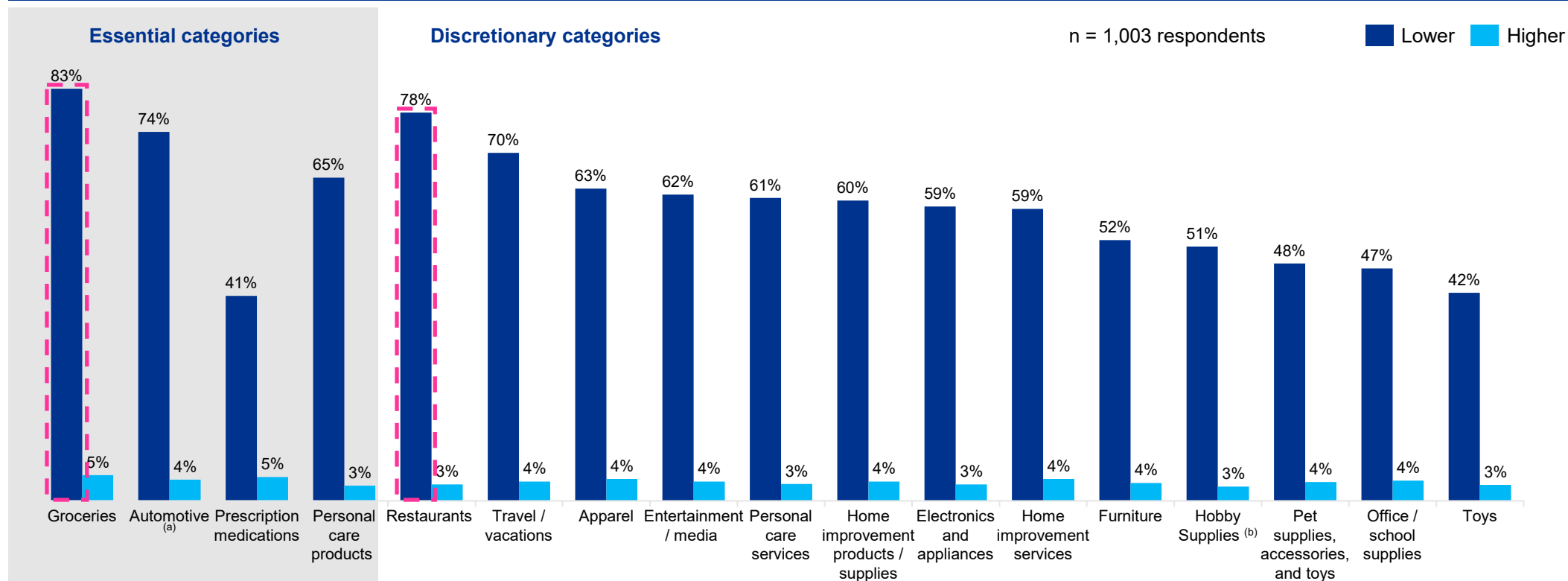


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked "To what extent do you agree with the following statements? (disagree: 1-3= disagree to strongly agree 5-7= agree to strongly agree) (a) Respondents who selected "4 neutral " have been excluded.

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Compared to a year ago, consumers believe that there are price increases across all products, especially in groceries (83 percent) and restaurants (78 percent).

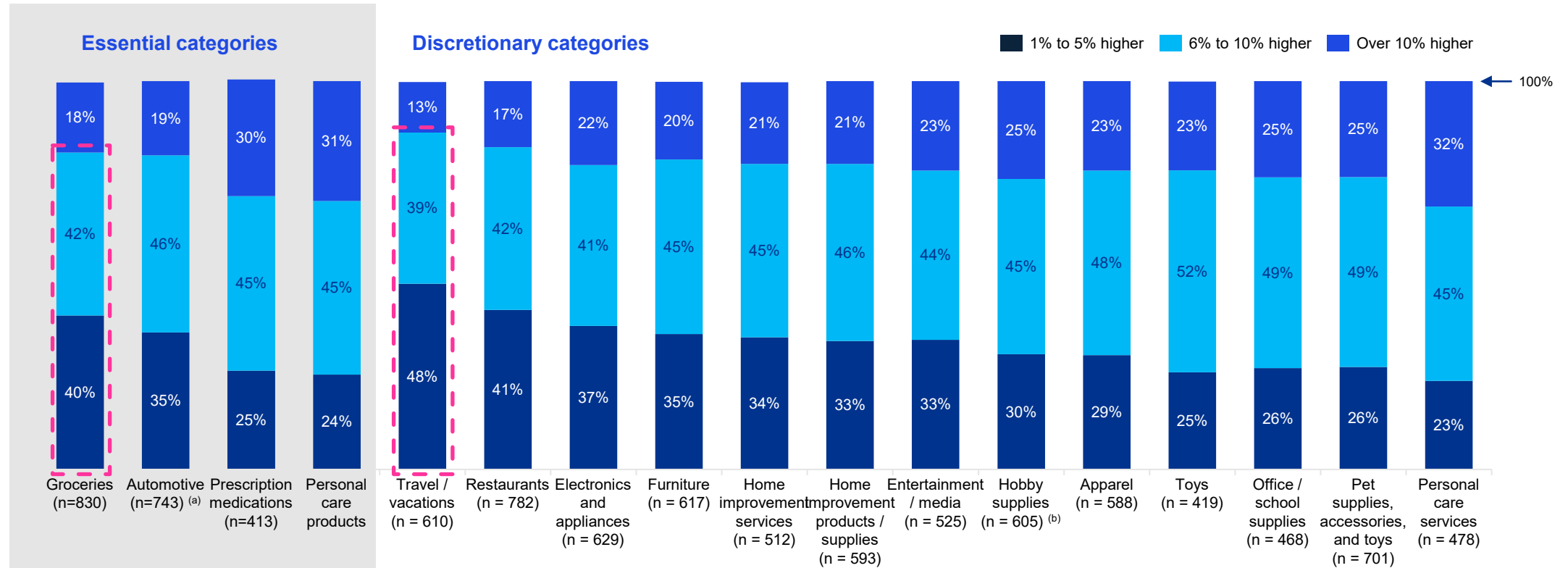
Price variation over the last year by product category



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "For each of the following product categories, please indicate whether you believe prices are lower, about the same, or higher than they were a year ago"; (a) Automotive includes gas, tolls, auto insurance, and auto maintenance; (b) Hobby supplies include sporting goods, musical instruments, and books.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Of the consumers who thought that prices are higher than a year ago, they believe that groceries (83 percent) and travel/vacations (88 percent) will have the highest price increase in essential and discretionary categories, respectively.

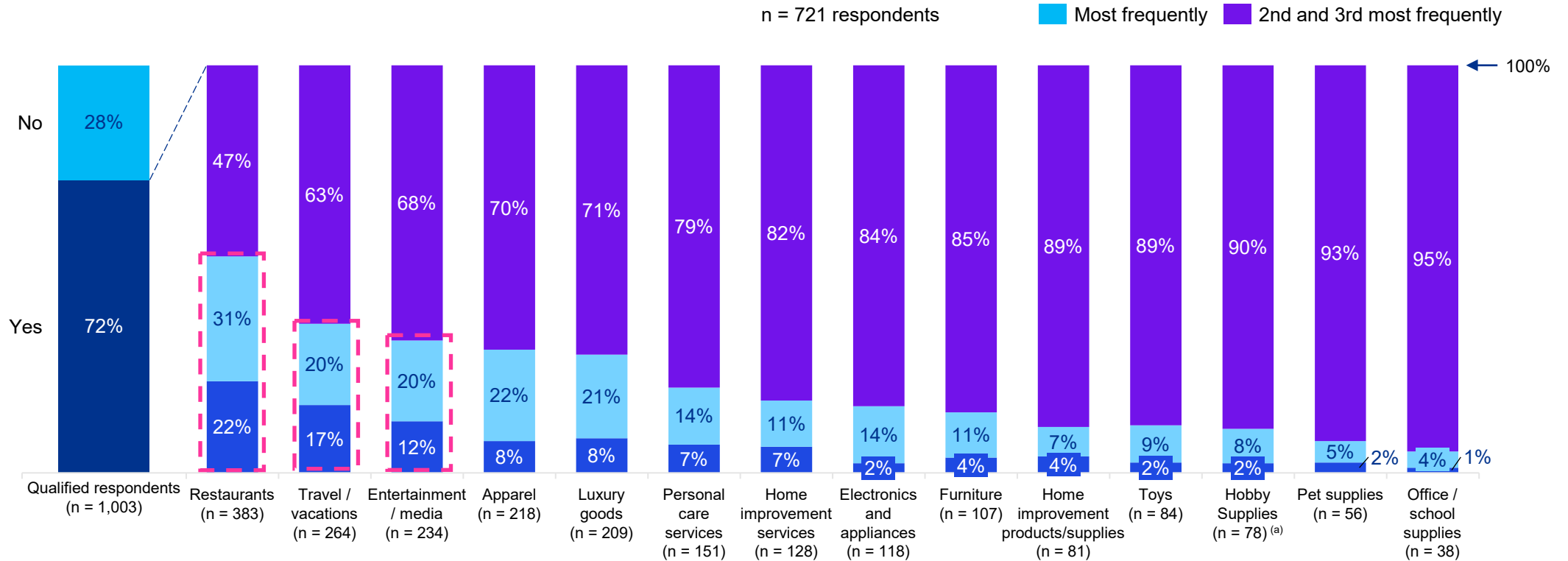
Consumer estimates of price increases over the last year by product category



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "You indicated that you believe prices are higher for each of the following product categories now than they were a year ago. Please indicate how much higher you believe prices are for each of the following product categories; (a) Automotive includes gas, tolls, auto insurance, and auto maintenance; (b) Hobby supplies include sporting goods, musical instruments, and books.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Of consumers who said that they will change their discretionary spending due to recession, restaurants, travel/vacations, and entertainment/media are the top 3 discretionary categories to reduce spend due to inflation.

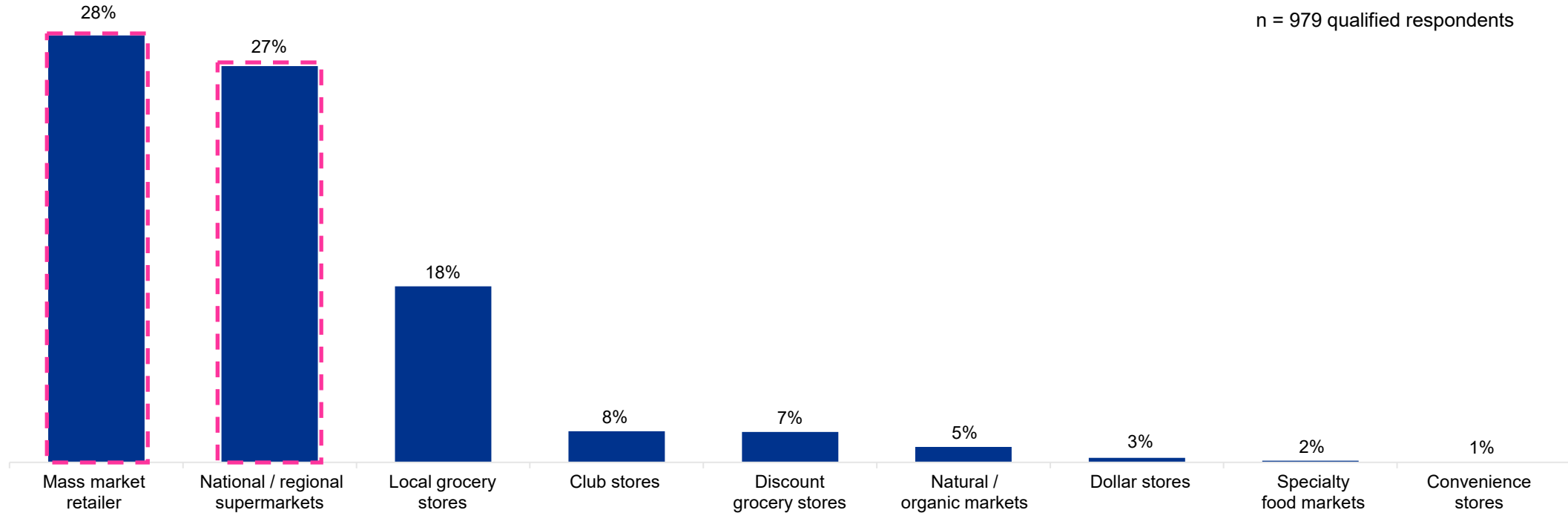
Top discretionary spending reduction categories due to inflation



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, to all adult respondents, asked "Do you plan to change your discretionary spending as a result of recent price increases?"; "Please select and rank up to 3 top discretionary spending categories where you expect to reduce your spending the most due to inflation." (a) Hobby supplies includes sporting goods, musical instruments, and books.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

More than half of consumers shop groceries at mass market retailers and supermarkets most frequently.

In-store grocery shopping channel frequency (a)

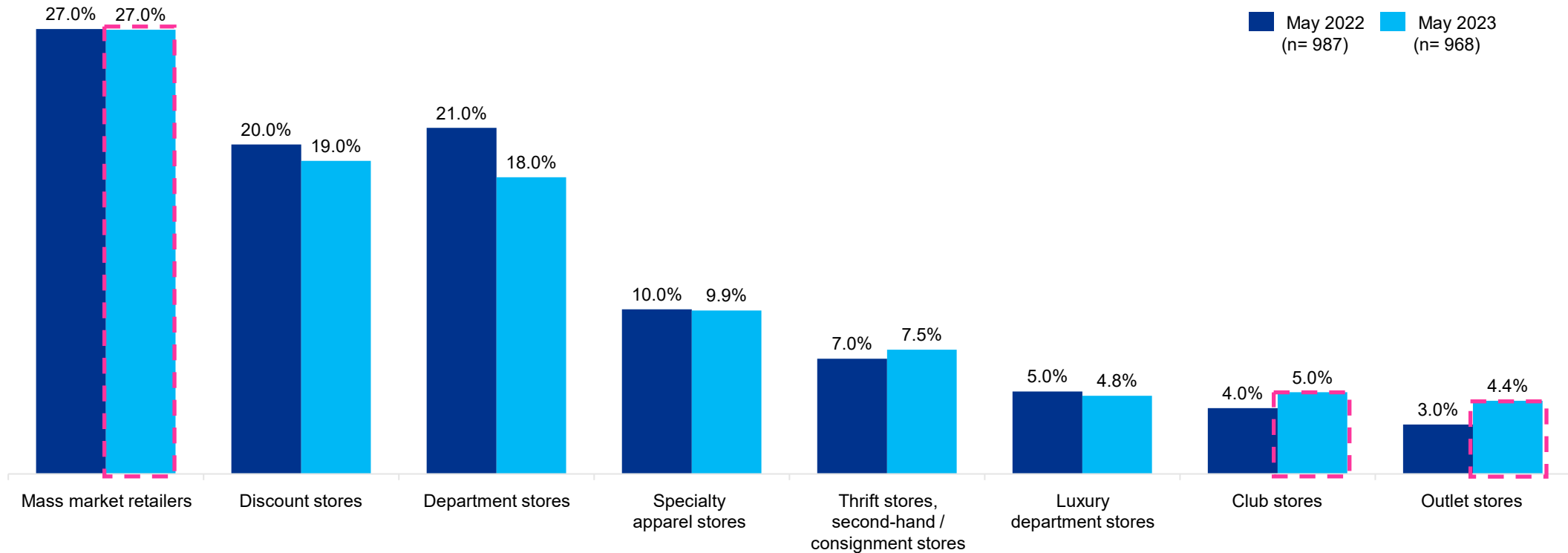


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "When you purchase groceries in-store, where do you typically shop most frequently? Please select all that apply.;" (a) Respondents who selected this option cannot select other options in the same question.

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Mass market retailers continue to be the top preference for in-store apparel store shopping; Consumers appear to shop slightly more in club stores and outlet stores in summer 2023 compared to summer 2022.

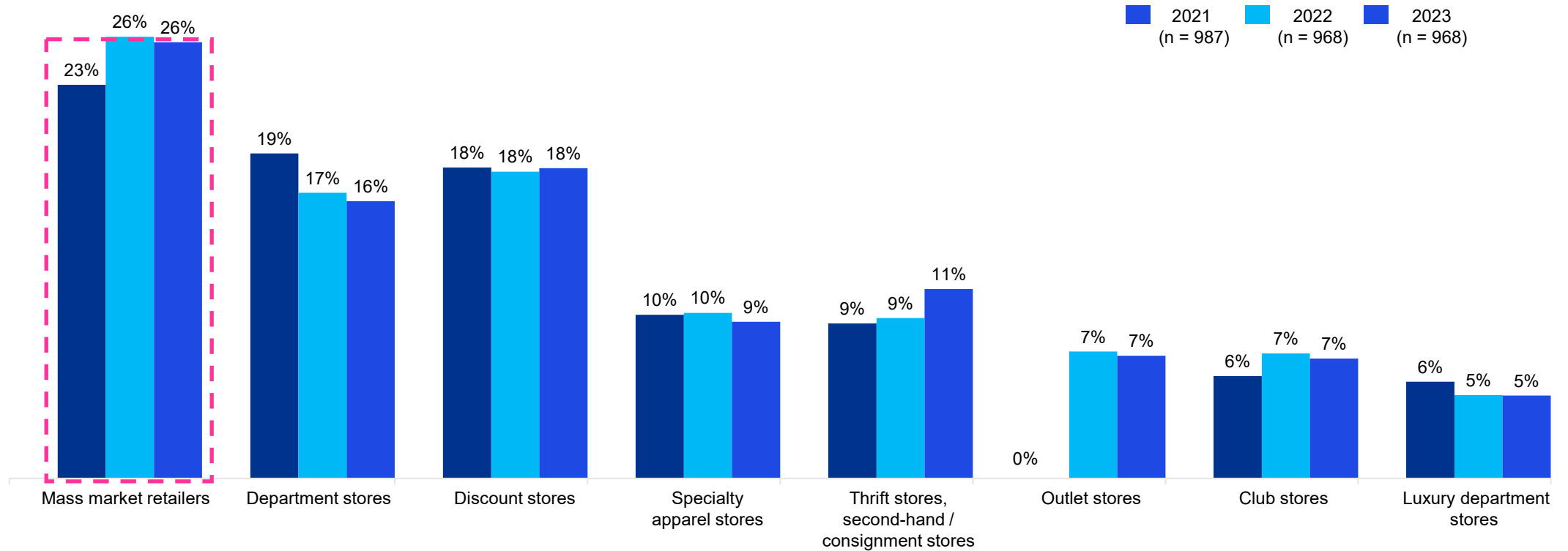
In-store apparel shopping channel frequency, summer 2022 versus summer 2023



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "When you purchase apparel in-store, where do you shop most frequently? Please include any buy online and pick up in-store apparel purchases as in-store spend. Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Consumers tend to spend most of their annual apparel budget at mass market retailers over other; Shopping trends has remained consistent in summer 2022 and summer 2023.

Annual in-store apparel spending by year



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked "What percent of your annual in-store apparel spend did you typically spend at each of the following apparel retailer types in 2022? What percent of your annual in-store apparel spend do you expect to occur at each of the following apparel retailer types in 2023?"

Source(s): KPMG Consumer Pulse Survey April 21, 2023 – April 26, 2023

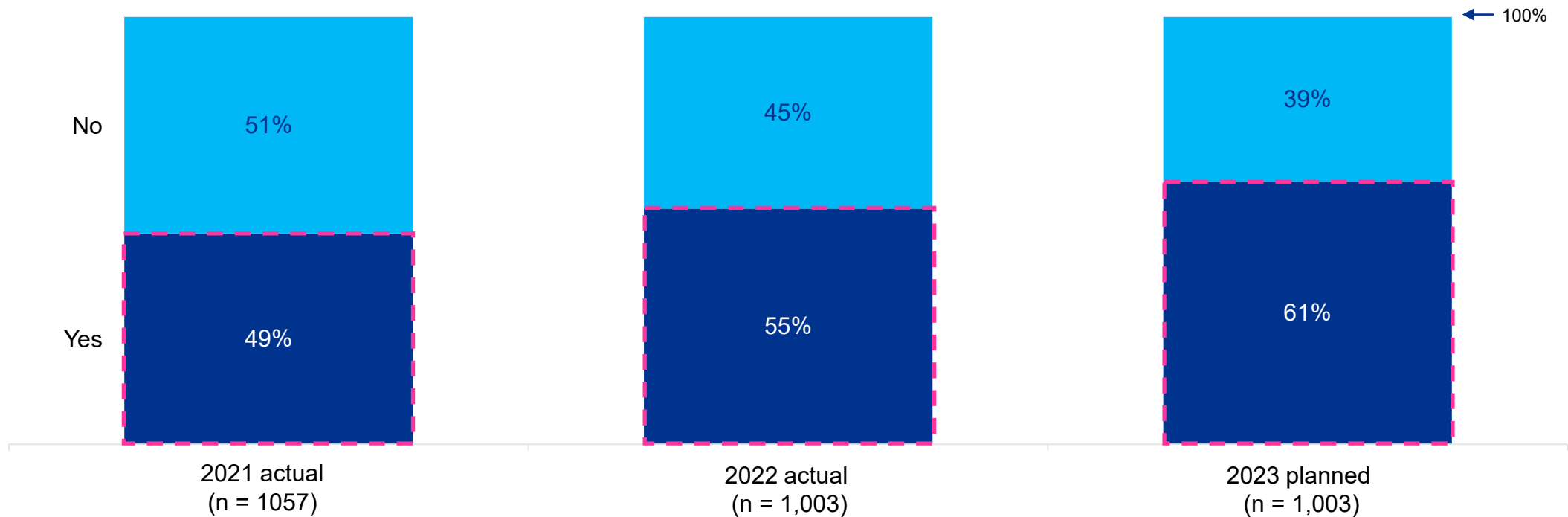
04

Travel plans

Consumers' desire to travel stays strong for summer 2023; 61 percent of consumers plan to travel this summer 2023 compared to 49 percent in summer 2021.

Consumer travel plans, summer 2021 to 2023

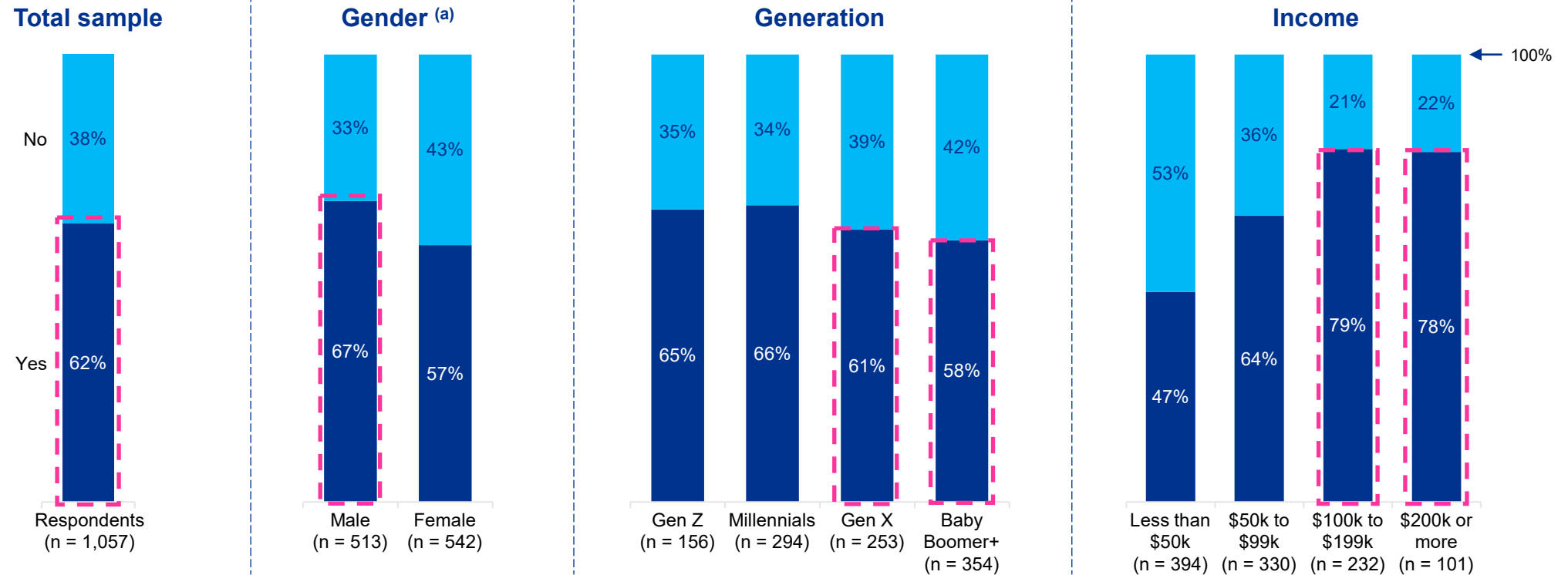
May 2022 and May 2023 survey results



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Did you travel during the summer of 2022?"; "Do you plan to travel in the summer of 2023?"
Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Most consumers (62 percent) plan to travel in summer 2022; Travel plans are negatively correlated with age, positively correlated with income, and men are more likely to travel than women.

Percentage of consumers traveling in summer of 2022, by demographic segment

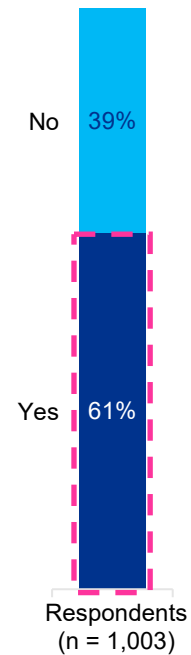


Note(s): KPMG conducted surveys of 1,057 consumers across the United States and in all instances, they were asked the question, "Do you plan to travel in the summer of 2022?"; (a) Gender identification omits 2 survey respondents who selected "prefer to self-describe" due to low sample size. Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022 – May 18, 2022

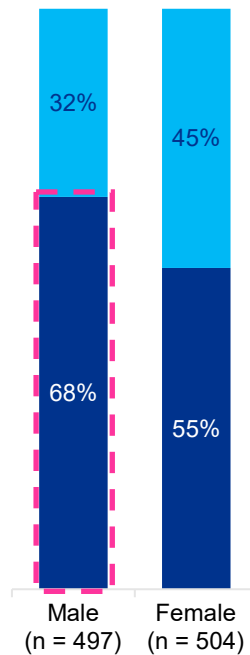
Most consumers (61 percent) plan to travel in summer 2023; men (68 percent), Gen Zs (76 percent), and higher income households (69 percent – 85 percent) are more likely to have travel plans.

Percentage of consumers traveling in summer of 2023, by demographic segment

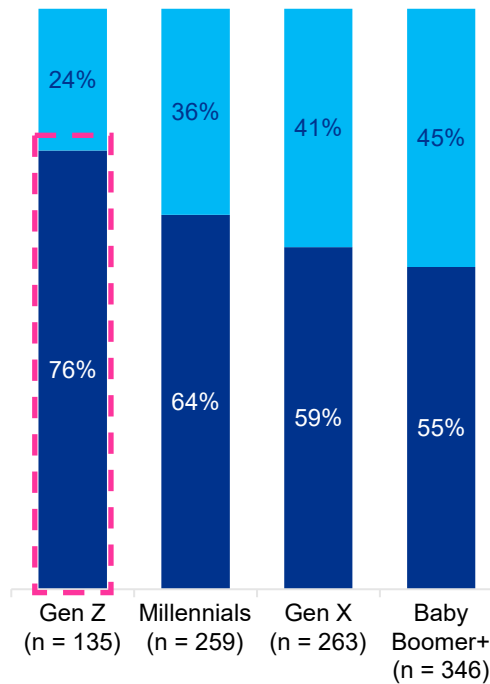
Total sample



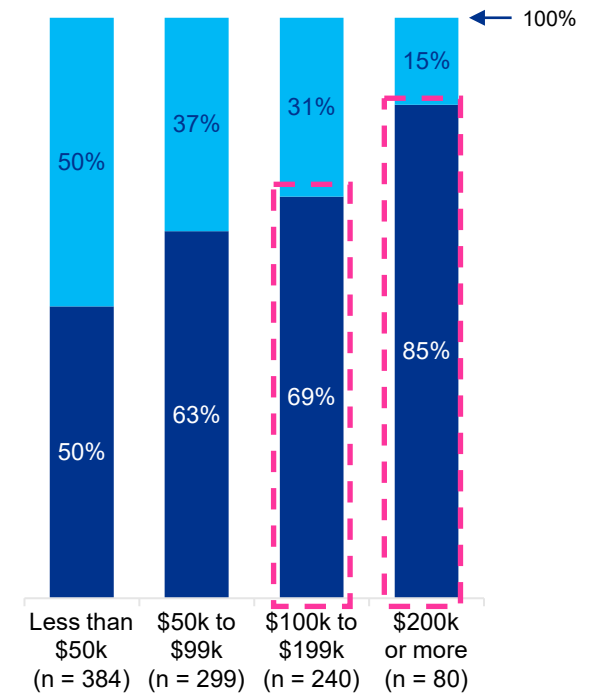
Gender (a)



Generation



Income

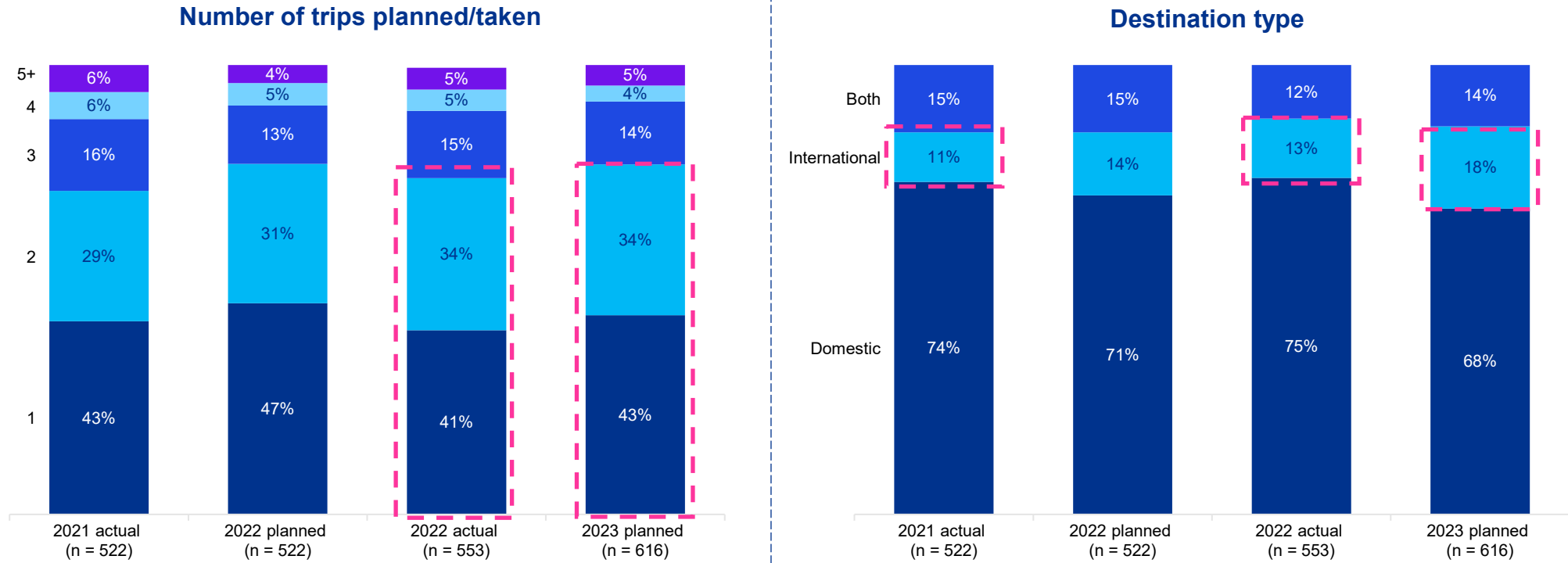


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Do you plan on traveling for vacation during the summer of 2023?"; (a) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Almost 80 percent of consumers plan to take 1–2 trips this summer 2023; More consumers (18 percent) are planning for international trips this year.

Consumer travel plans, summer 2021 to 2023

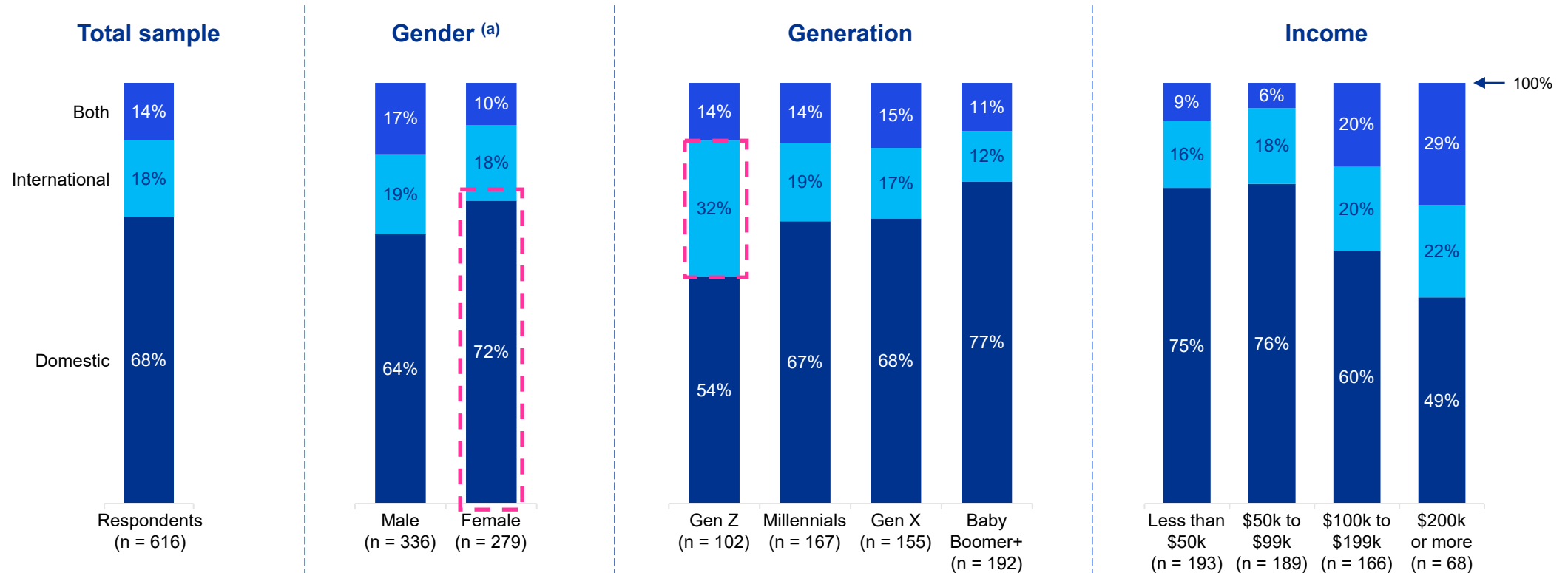


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Were your summer 2022 vacation travels domestic or international?"; "Are your summer 2023 vacation travel plans domestic or international?"; "How many vacation trips do you plan on taking during the summer of 2023?"

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

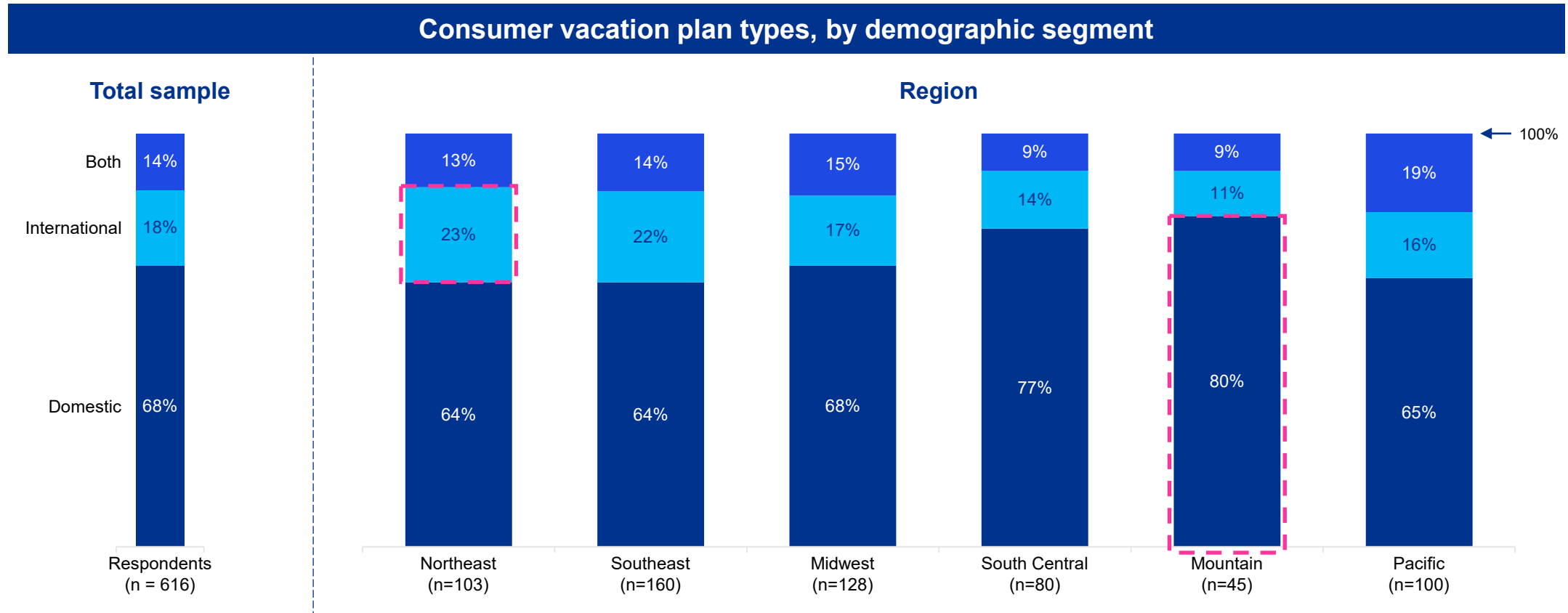
Women are more likely to travel for domestic trips, while Gen Zs are most excited about international trips compared to other age segments.

Consumer vacation plan types, by demographic segment



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Are your summer 2023 vacation travel plans domestic or international?"; (a) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Consumers in the mountain region is more likely to travel for domestic trips and the northeast region is more excited about international trips compared to other region segments.

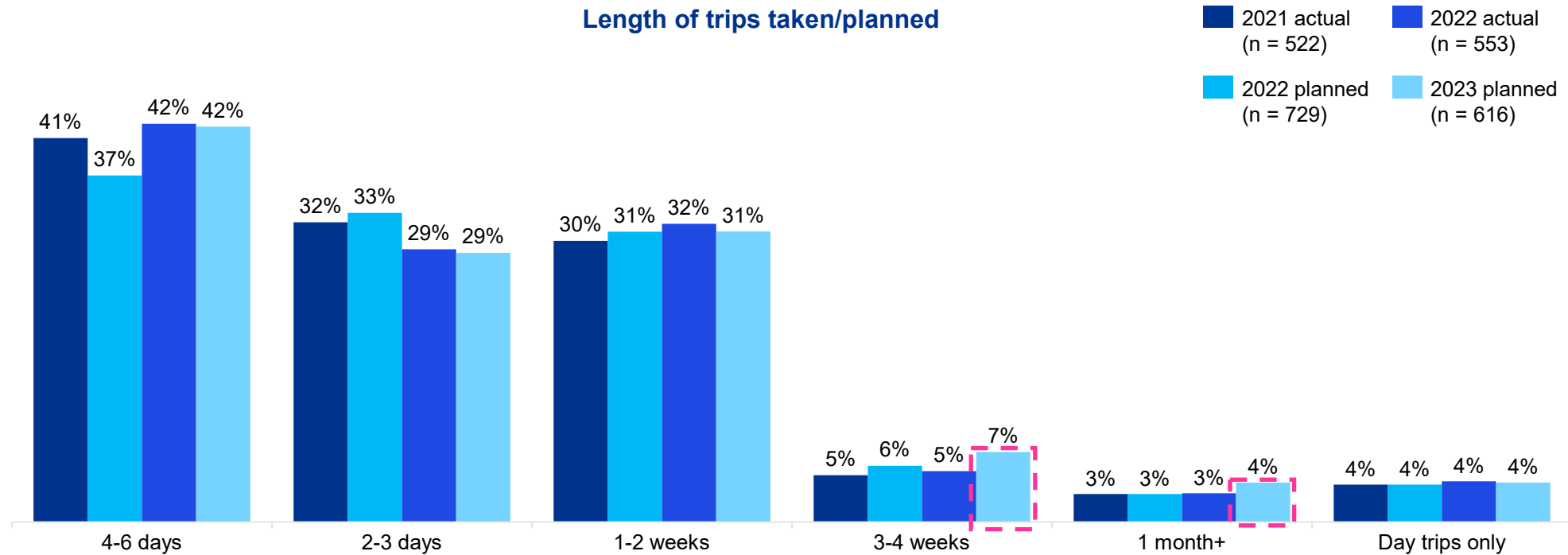


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Are your summer 2023 vacation travel plans domestic or international?"
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023



Length of trips taken/planned when consumers do travel are usually between 2 days – 2 weeks. Slightly more consumers are planning for longer trips (more than 3 weeks) this year (2023) compared to previous years (2021 and 2022).

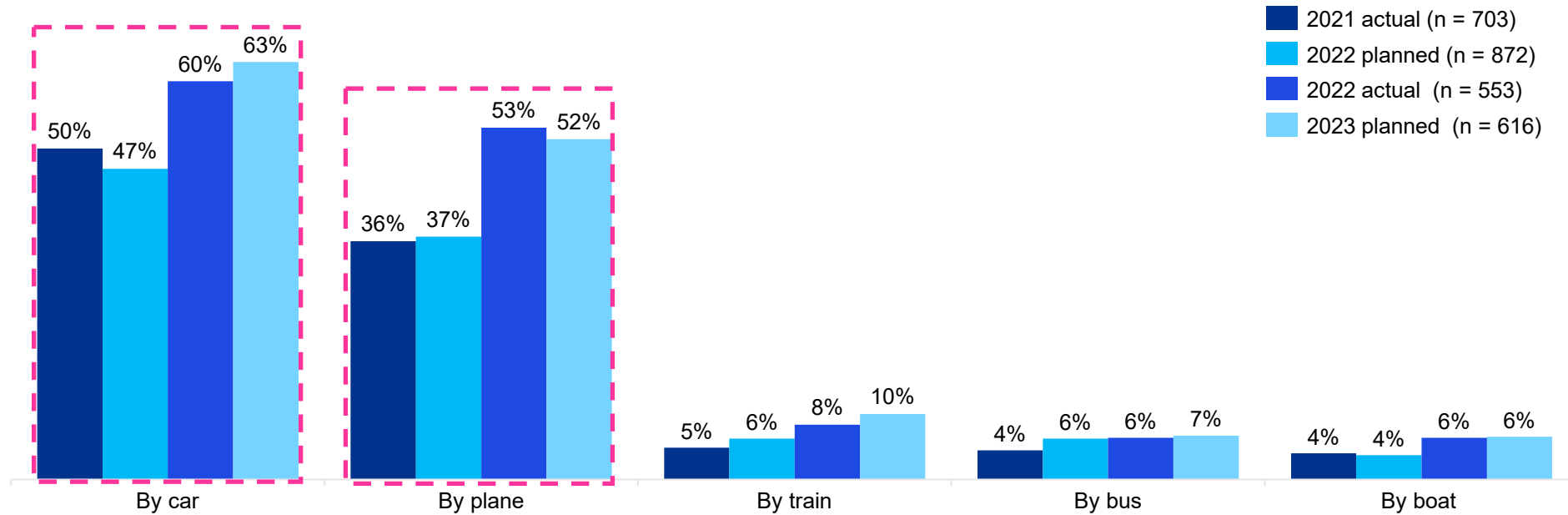
Consumer travel plans, summer 2021 to 2023



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "How long of a vacation trip did you take during the summer of 2022?"; "How long of a trip do you plan on taking during the summer of 2023?"
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Traveling by car and plane continue to be the most popular choice of travel method in summer 2023.

Travel method preference by year

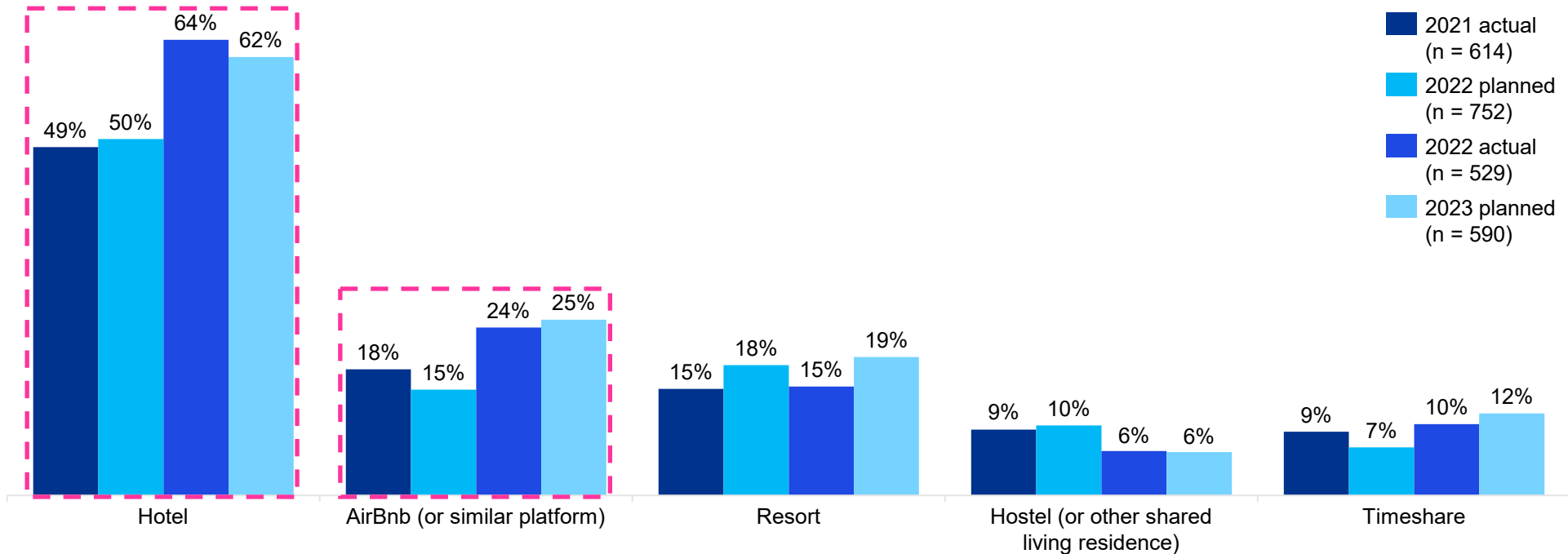


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "How did you travel to your vacation destination(s) during the summer of 2022"; "How do you plan on travelling to your vacation destination(s) during the summer of 2023?"

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Hotels are the most popular choice of accommodation year-over-year. More consumers are planning to stay at hotels and AirBnbs (or similar platforms) during the 2023 summer.

Travel accommodation by year

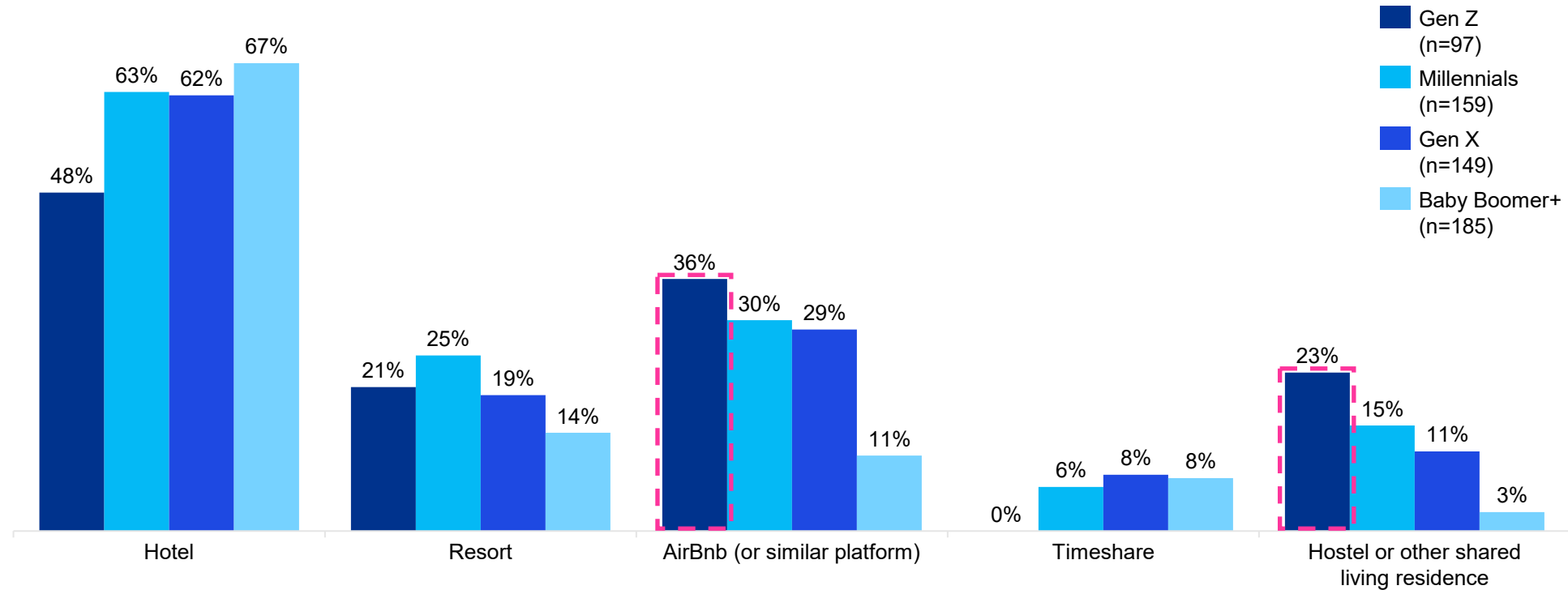


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "How did you travel to your vacation destination(s) during the summer of 2022"; "How do you plan on travelling to your vacation destination(s) during the summer of 2023?"

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Unlike other age segments, more Gen Zs prefer to stay AirBnbs (or similar platforms) or hostels.

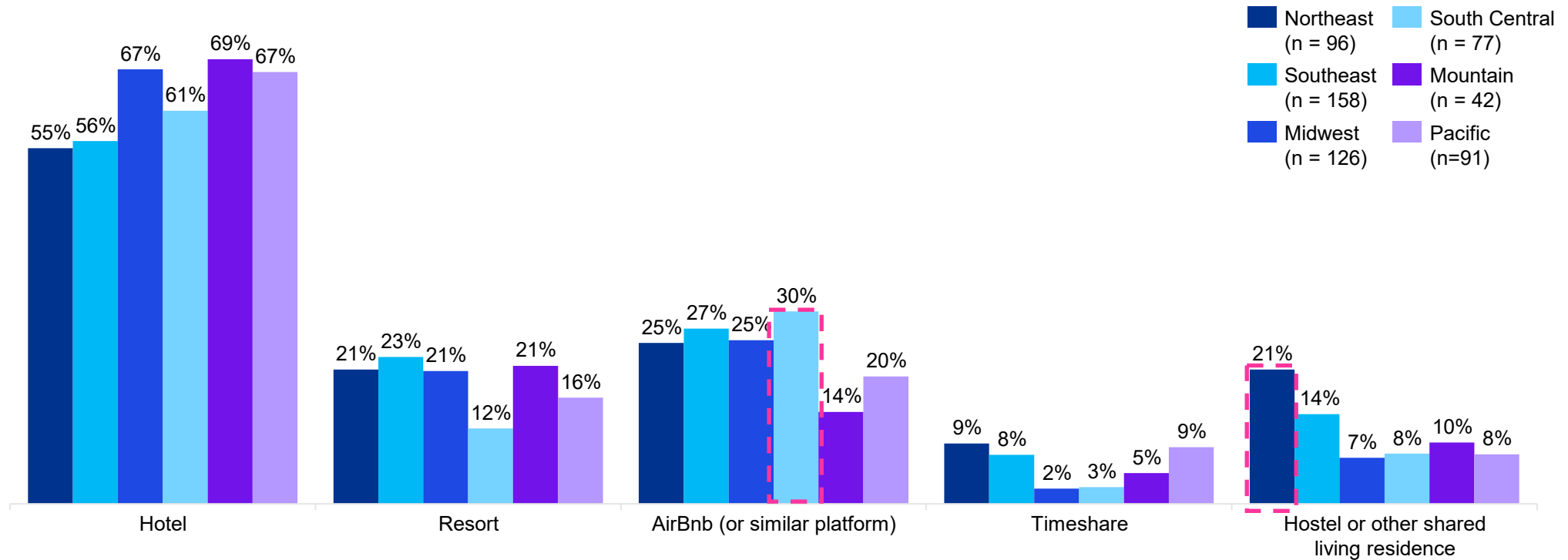
Travel accommodation preference by generation (summer 2023)



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "How do you plan on travelling to your vacation destination(s) during the summer of 2023?"
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Consumers in the South-Central region prefer to stay in AirBnbs. Consumers in the northeast region are more likely to stay in a hostel compared to other regional segments.

Travel accommodation preference by region (summer 2023)



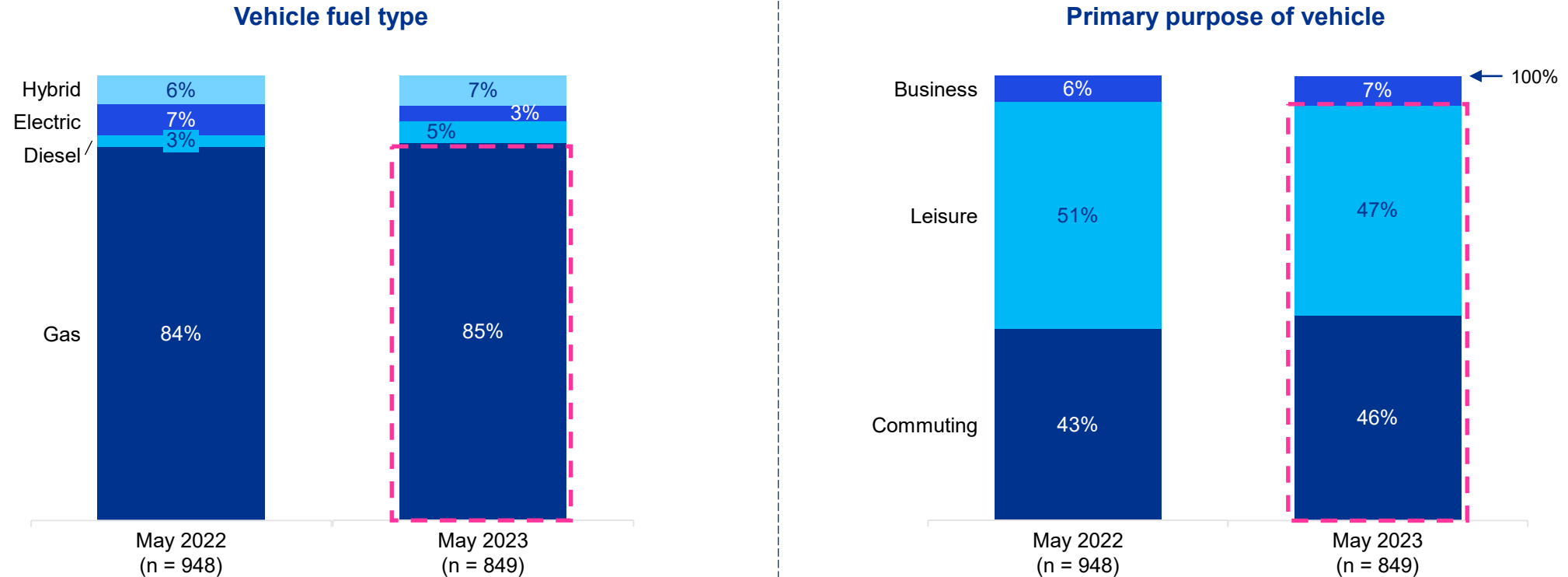
Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Where do you plan on staying during your summer 2023 vacation trip(s)?"
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

05

Transportation

About 85 percent of consumers currently own a gas vehicle. 46 percent of consumers use the car for commuting and 47 percent of consumers use the car for leisure.

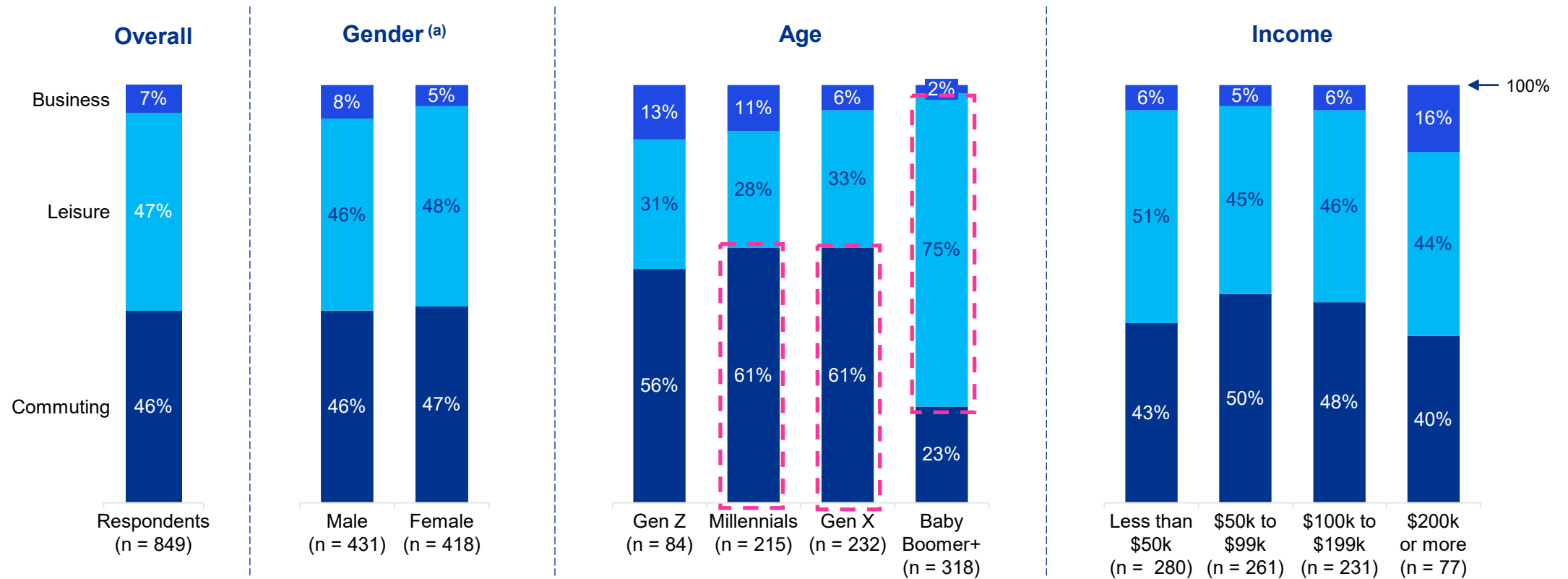
Profile of car owners



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the questions, "Do you currently own a car?"; "What is the primary purpose of your vehicle?"; "Which of the following best describes your vehicle's fuel type?". Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Millennials and Gen X are more likely to use their vehicles for commuting; Baby Boomers+ are more likely to use their vehicles for leisure.

Vehicle purpose by demographic segment

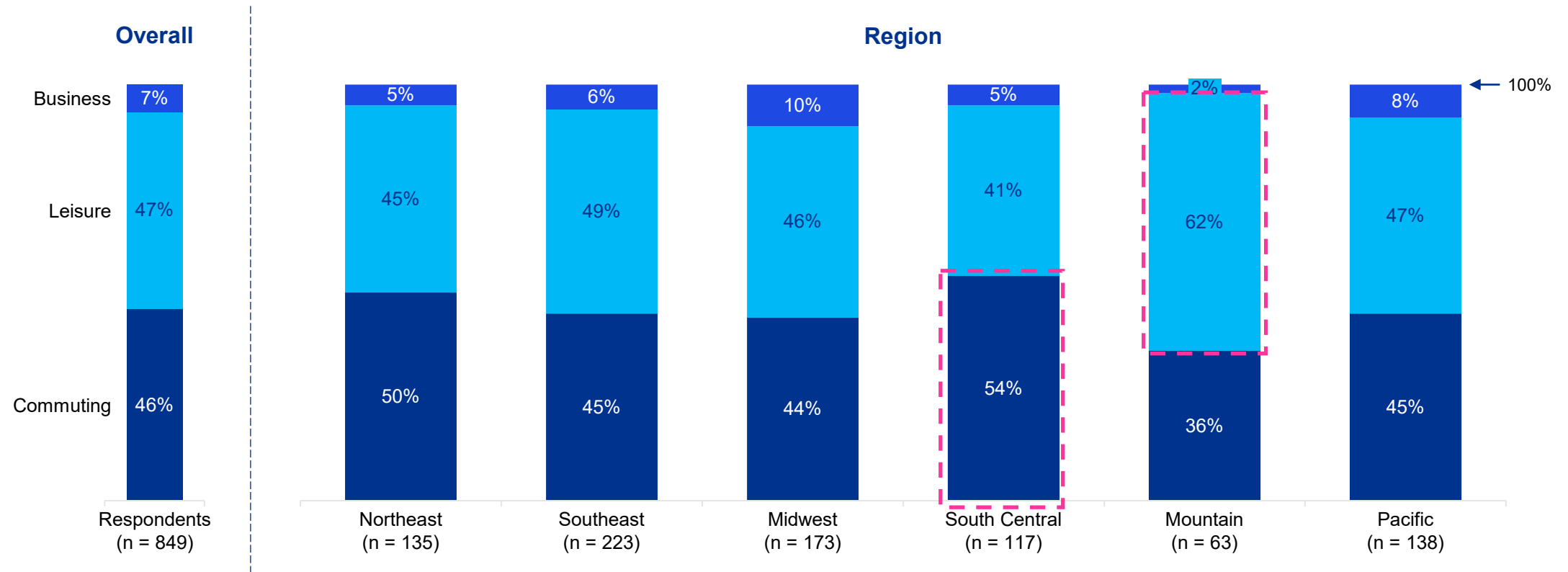


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "What is the primary purpose of your vehicle?"; (a) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Majority of consumers use their vehicles for commuting or leisure. Consumers in the south central region are more likely to use their vehicles for commuting (54 percent); Consumers in the mountain region are more likely to use their vehicle for leisure (62 percent).

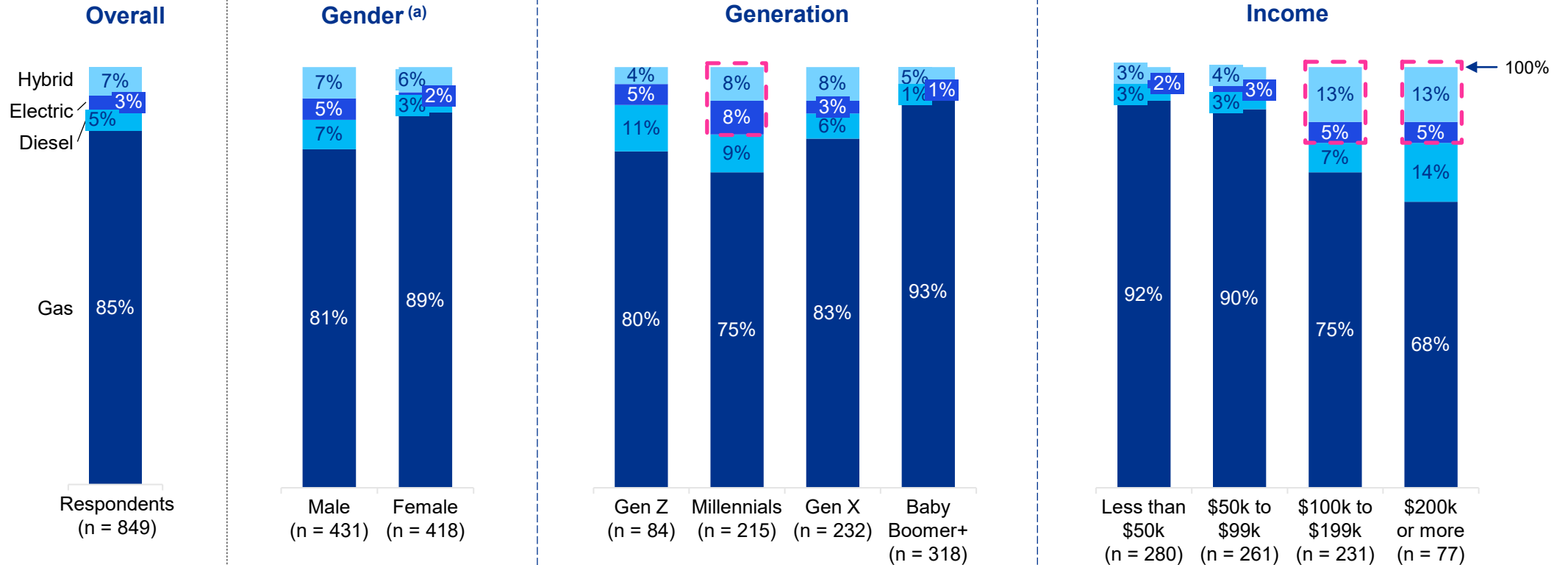
Vehicle purpose by demographic segment



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "What is the primary purpose of your vehicle?".
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Millennials (16 percent) and higher income households of \$100k+ (18 percent) are more likely to own alternative fuel vehicles.

Vehicle fuel type by demographic segment

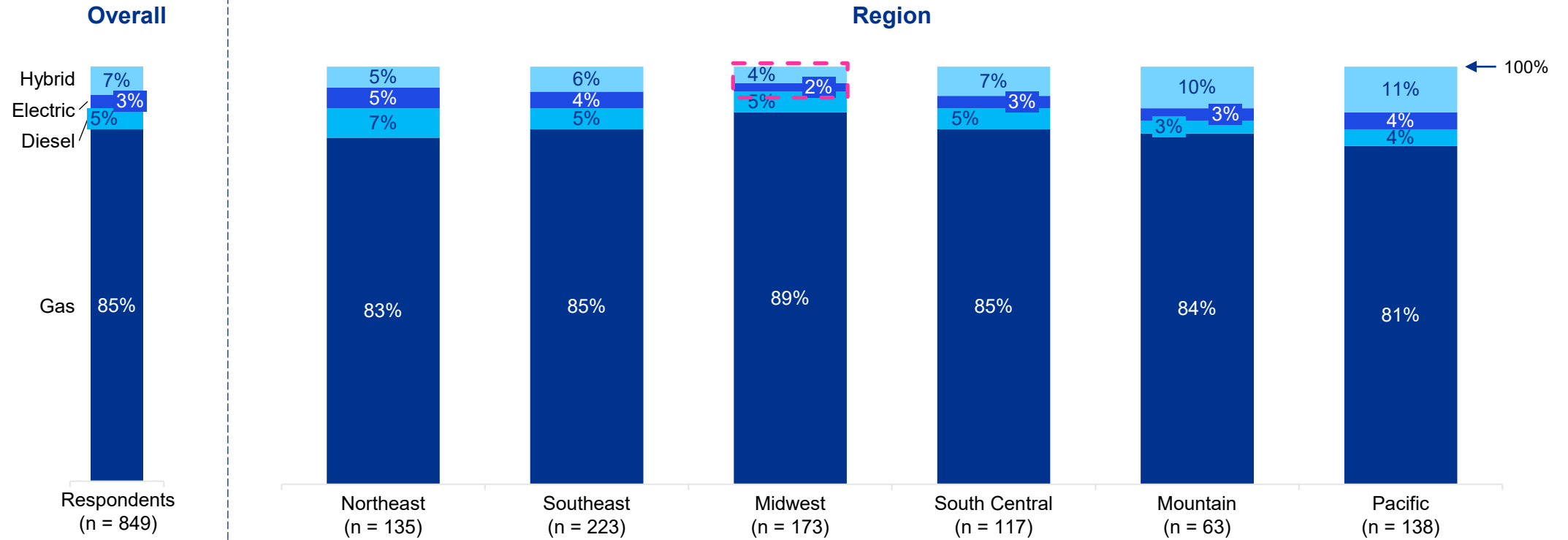


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "Which of the following best describes your vehicle's fuel type?"; (a) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Ownership of vehicle fuel type does not vary significantly by region. Consumers in the Midwest are less likely to own alternative fuel vehicles.

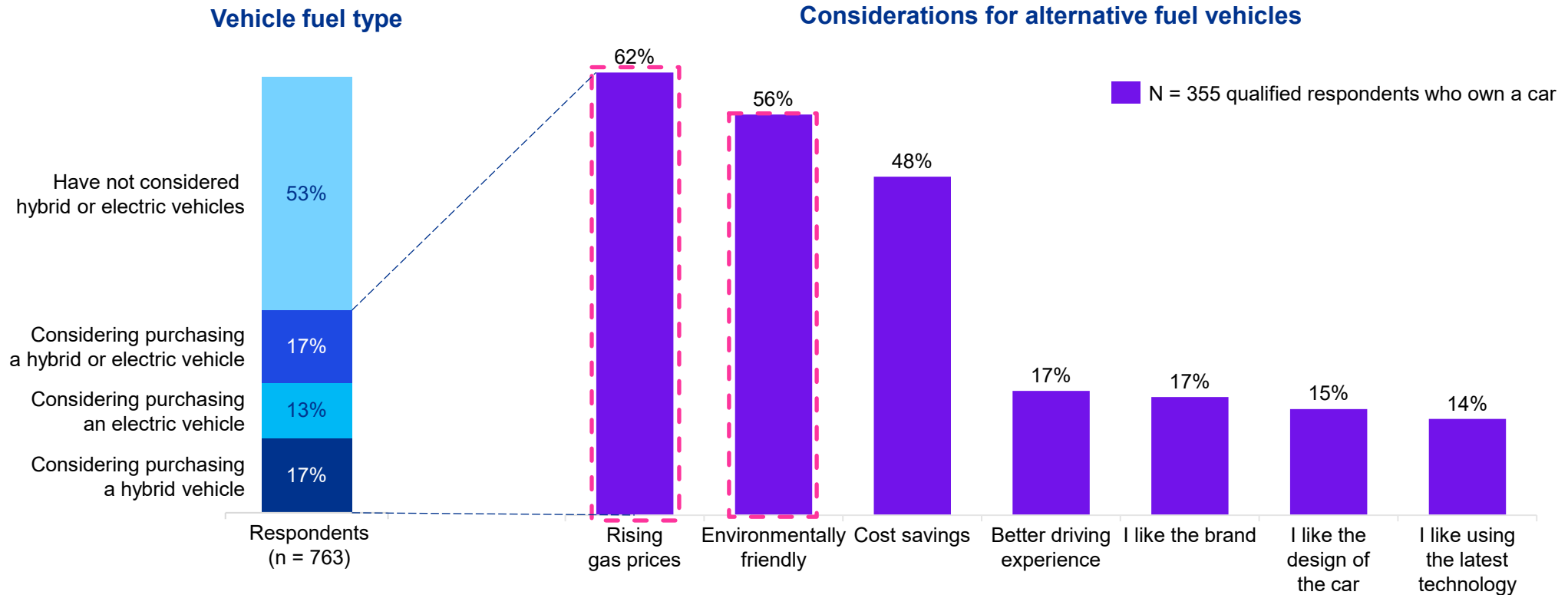
Vehicle fuel type by demographic segment



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "Which of the following best describes your vehicle's fuel type?".
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Of the consumers who do not currently own an alternative fuel vehicle, 47 percent are considering to purchase an electric or hybrid vehicle due to rising gas prices and environmentally friendly reasons.

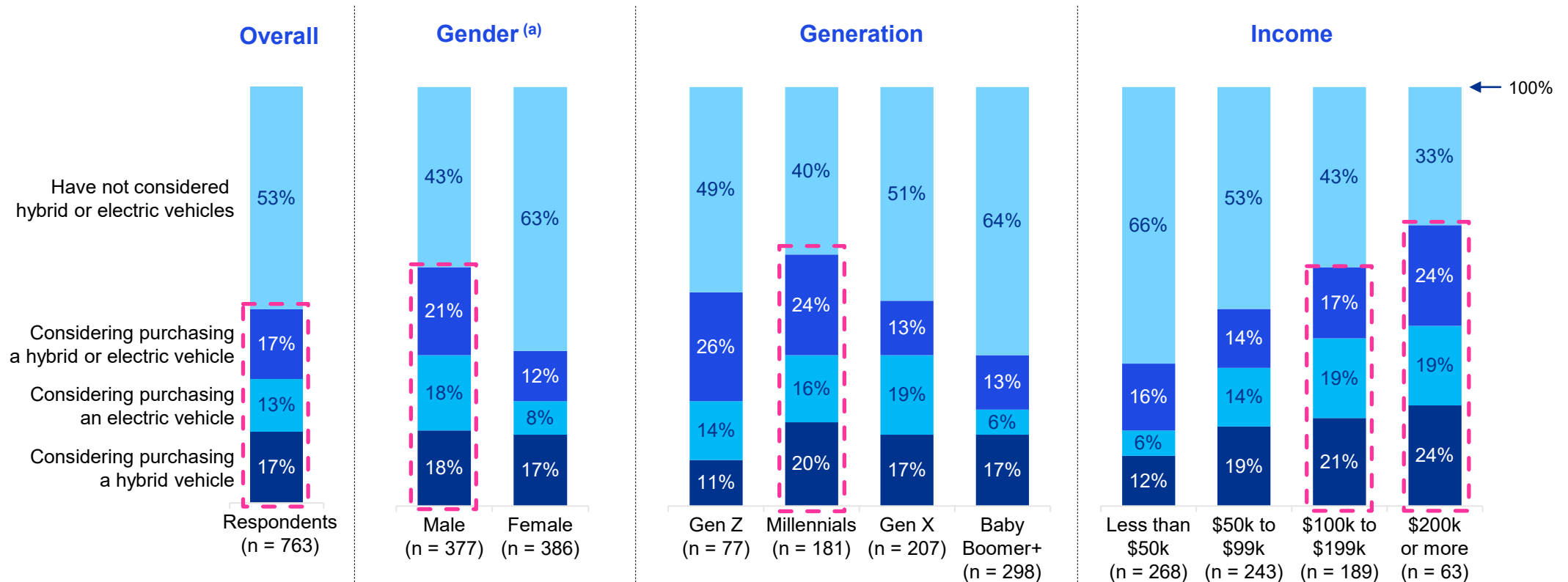
Vehicle fuel type and considerations for alternative fuel vehicles



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "Which of the following best describes your vehicle's fuel type?"; "Why are you considering purchasing a hybrid or electric vehicle?".
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Nearly 50 percent of gas and diesel car owners are considering alternative fuel vehicles; Men (57 percent), Millennials (60 percent), and higher income households of \$100k+ (57 percent) are more interested in purchasing alternative fuel vehicles than any other demographic group.

Electric or hybrid car purchase decision by demographic segment

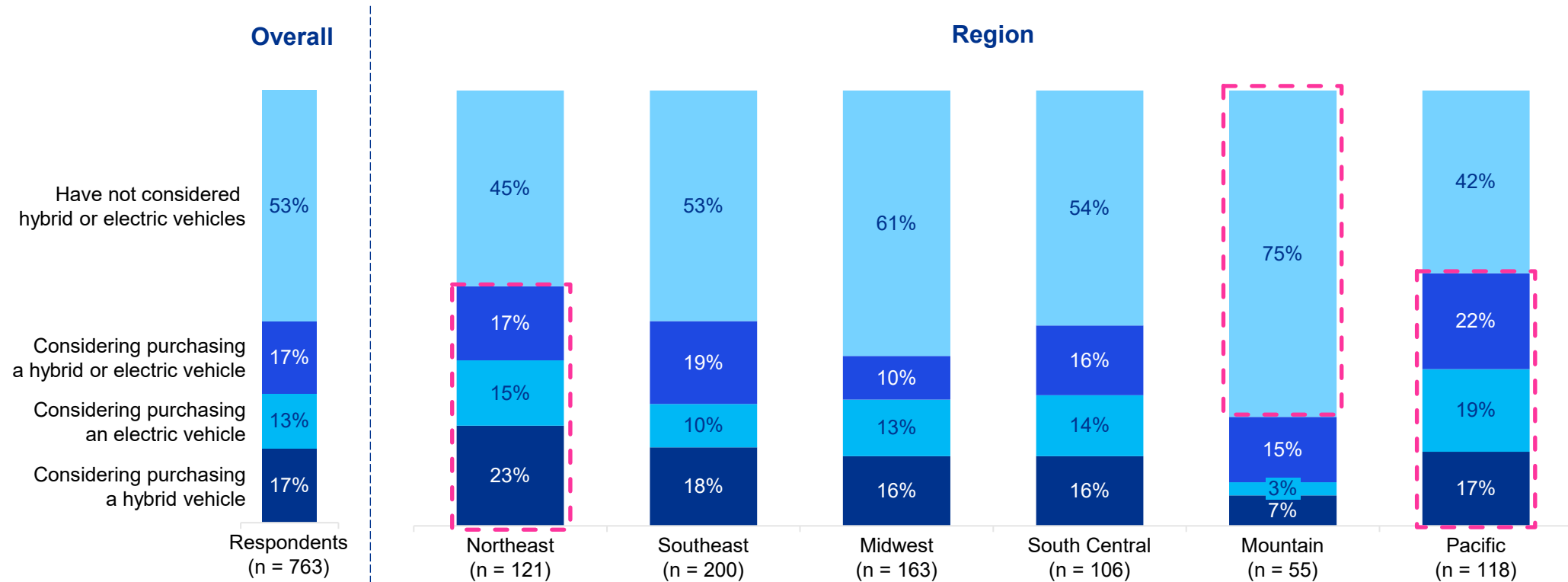


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "Have you considered purchasing a hybrid or electric vehicle?"; (a) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

More than half northeast and pacific consumers have considered purchasing a hybrid or electric vehicle, while the majority (75 percent) of consumers in the mountain region have not considered alternative fuel vehicles.

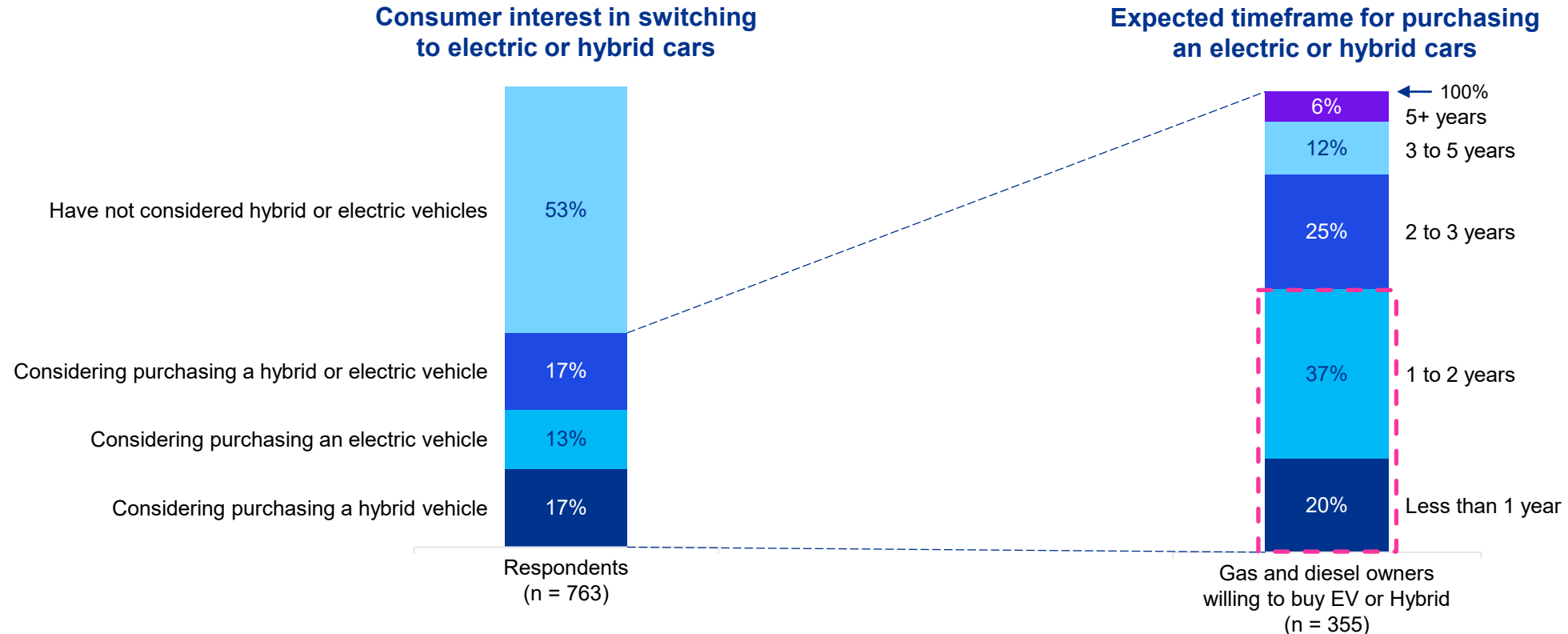
Electric or hybrid car purchase decision by demographic segment



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "Have you considered purchasing a hybrid or electric vehicle?".
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Of consumers considering an electric or hybrid car, 57 percent expect that they will purchase one within the next 2 years.

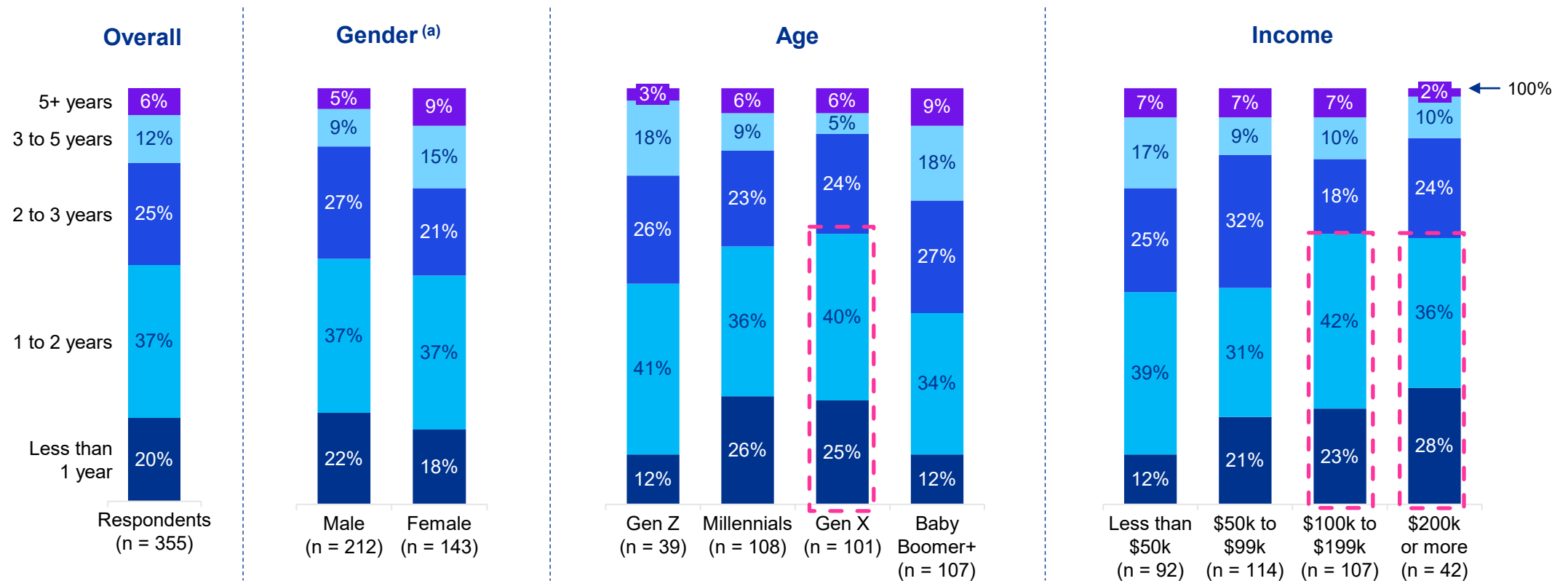
Gas and diesel powered car owner interest in purchasing an electric or hybrid vehicles



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "Have you considered purchasing a hybrid or electric vehicle?"; "When do you think you will purchase your next hybrid or electric car?".
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Of those who consider purchasing an alternative fuel vehicle, Gen X and higher income households of \$100k+ are more likely to purchase an electric or hybrid car within 2 years.

Gas and diesel powered car owner interest in purchasing an electric or hybrid vehicles

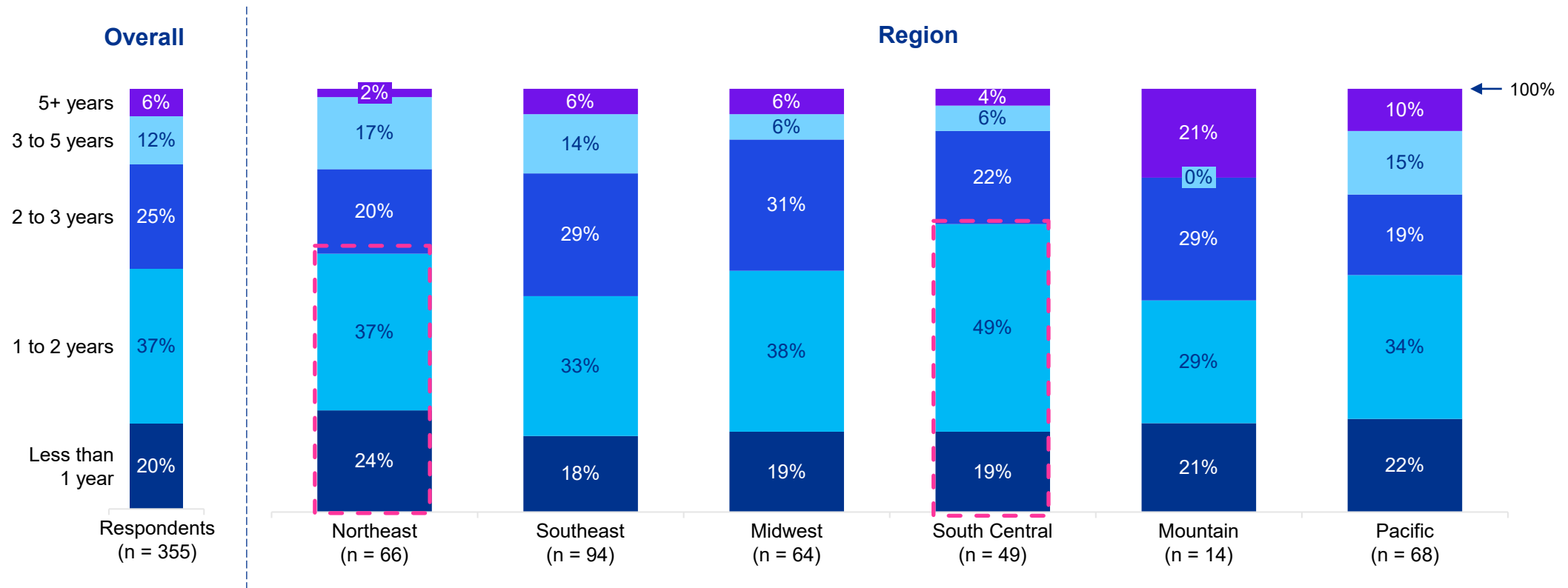


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "When do you think you will purchase your next hybrid or electric car?"; (a) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Consumers in the south central and northeast regions are more likely to buy an electric or hybrid vehicle in less than 2 years.

Gas and diesel powered car owner interest in purchasing an electric or hybrid vehicles

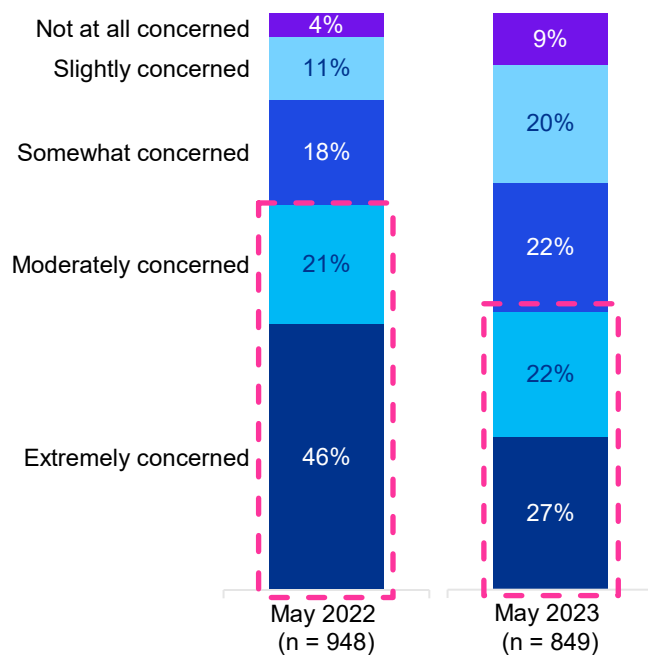


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "When do you think you will purchase your next hybrid or electric car?".
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

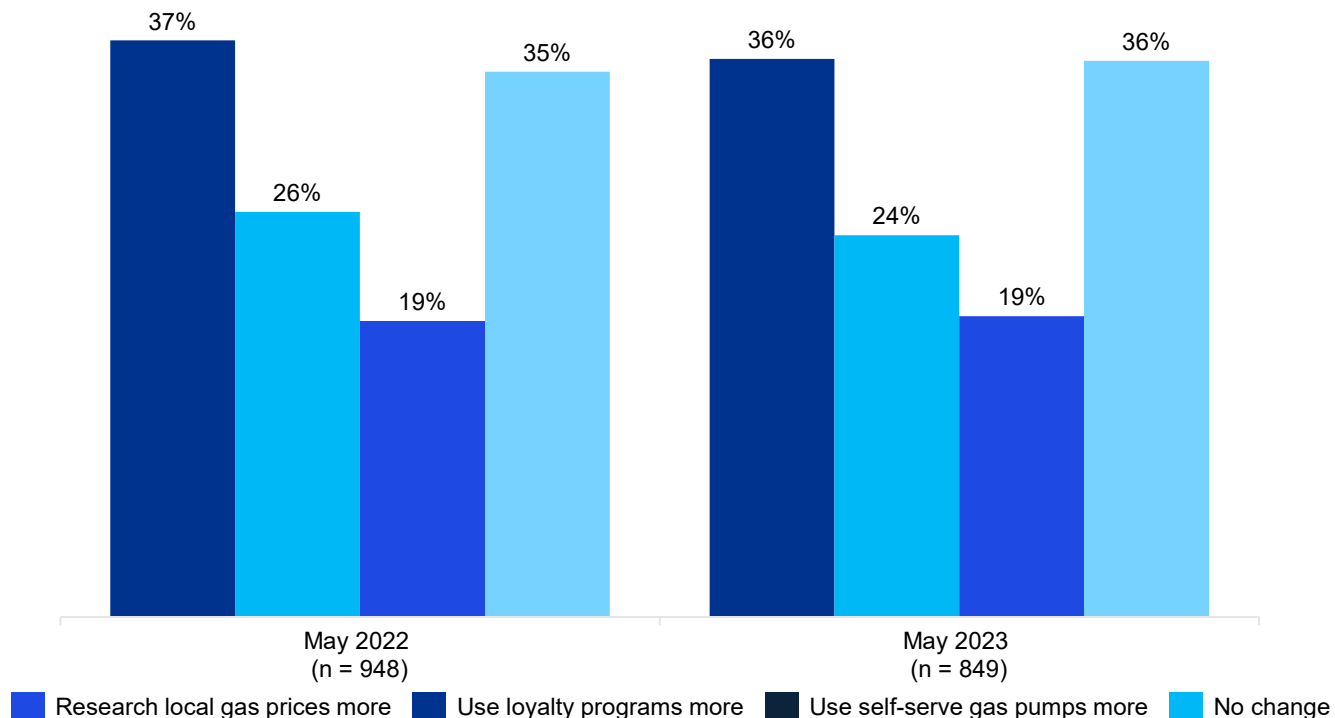
Fewer consumers are concerned about the recent rising gas prices compared to last year. Consumer behaviors to address rising gas prices do not appear to change year-over-year.

Concerns and gas purchasing behavior as result of recent gas price increase

Concerns with rising gas prices



Gas purchasing behavior

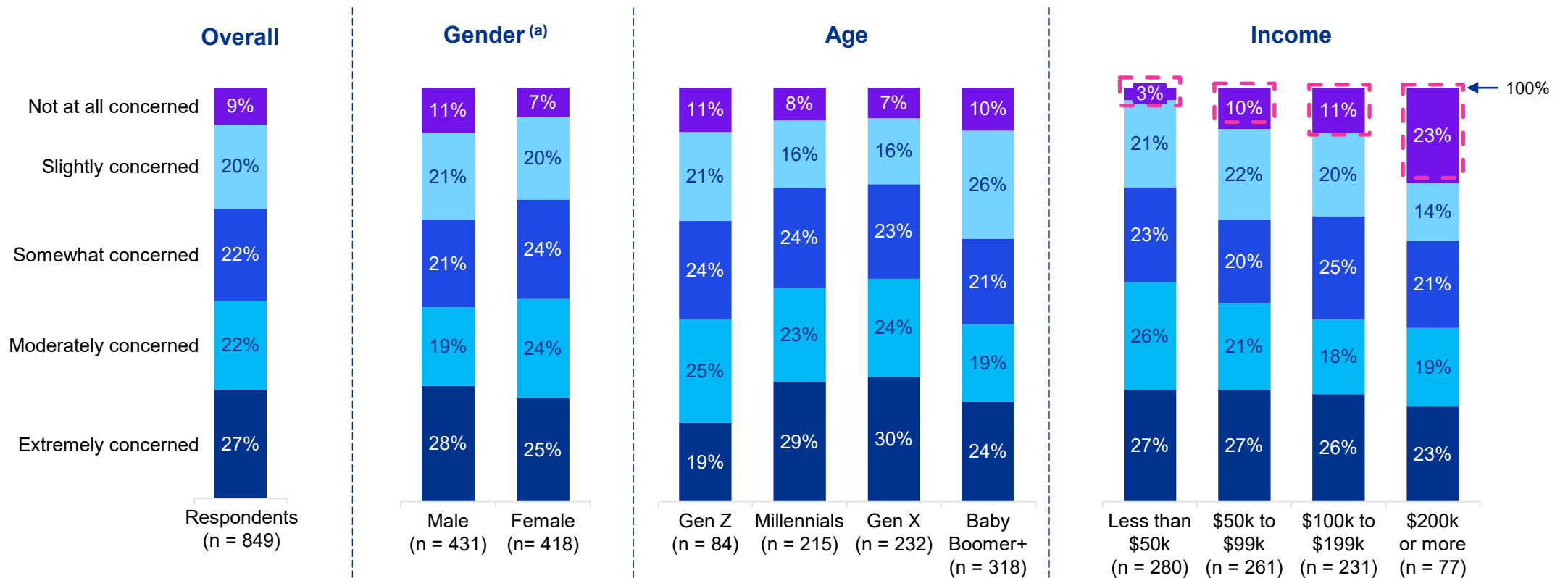


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "How concerned are you with the recent (last 3 months) rising gas prices?"; "Have the recent (last 3 months) rising gas prices impacted your gas purchasing behaviors?".

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Concerns regarding rising gas prices is negatively correlated with household income. The higher the income, the less concerned consumers are with rising gas prices.

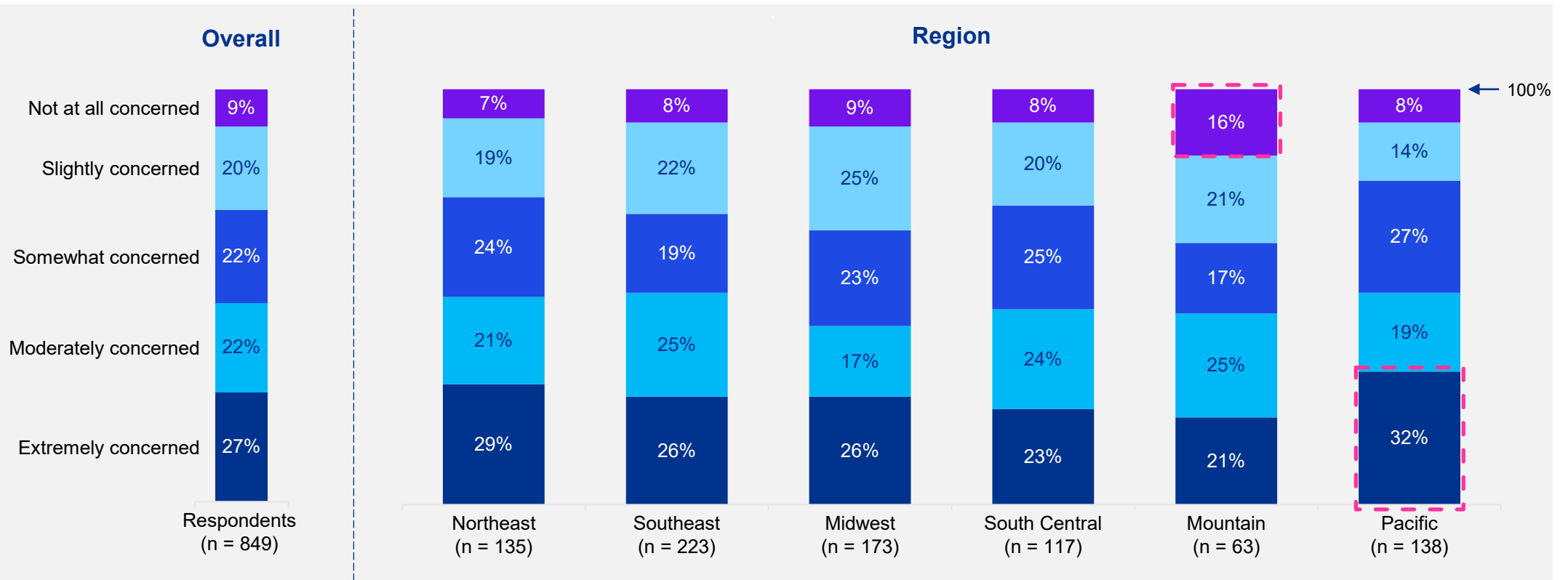
Concerns with recent gas price increases by demographic segment



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "How concerned are you with the recent (last 3 months) rising gas prices?"; (a) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Consumers in the Pacific region (32 percent) are more likely to be concerned about increasing gas prices, while consumers in the mountain region (16 percent) are less likely to be concerned.

Concerns with recent gas price increases by demographic segment



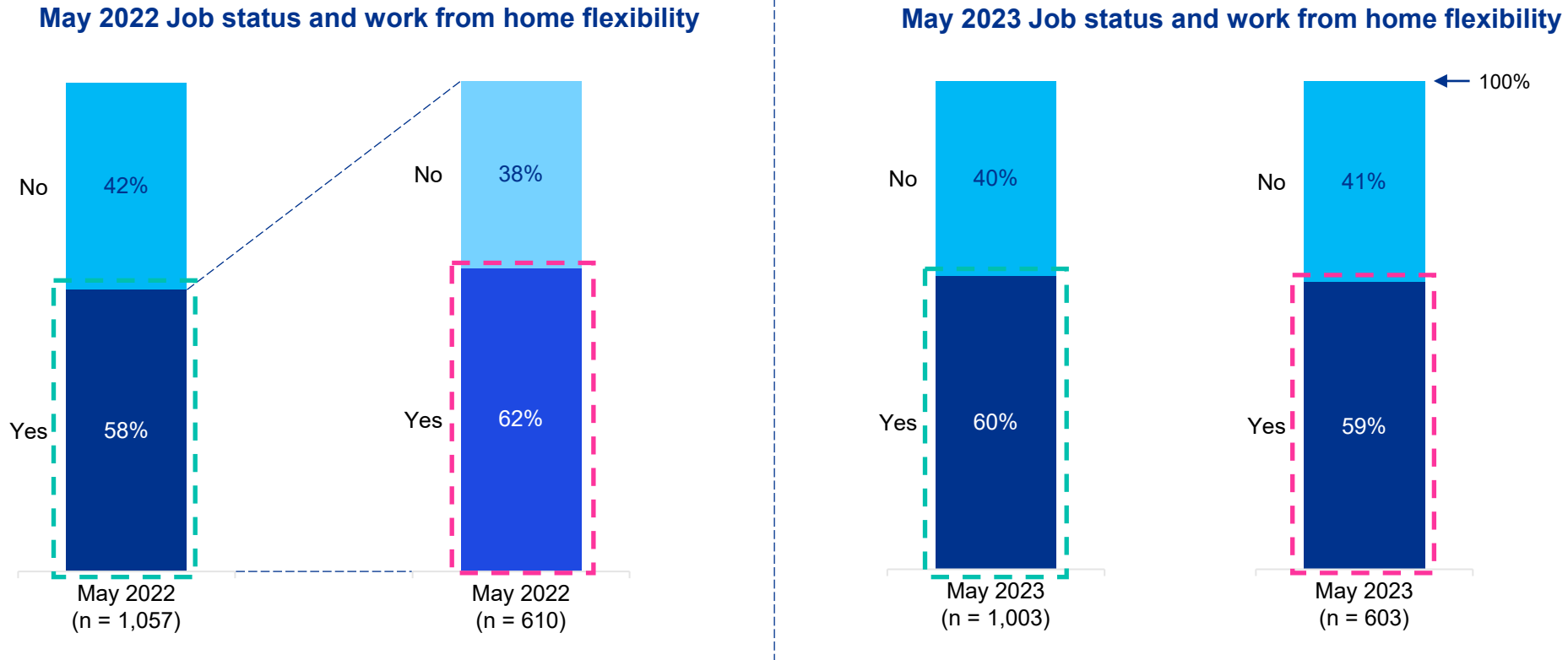
Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, if applicable, they were asked the question, "Which of the following best describes your vehicle's fuel type?".
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

06

Return to office

Majority of the consumers (60 percent) are currently employed this summer 2023; Slightly fewer consumers (59 percent) have the flexibility to work from home this year compared to last year.

Job status and ability to work from home, summer 2022 – 2023

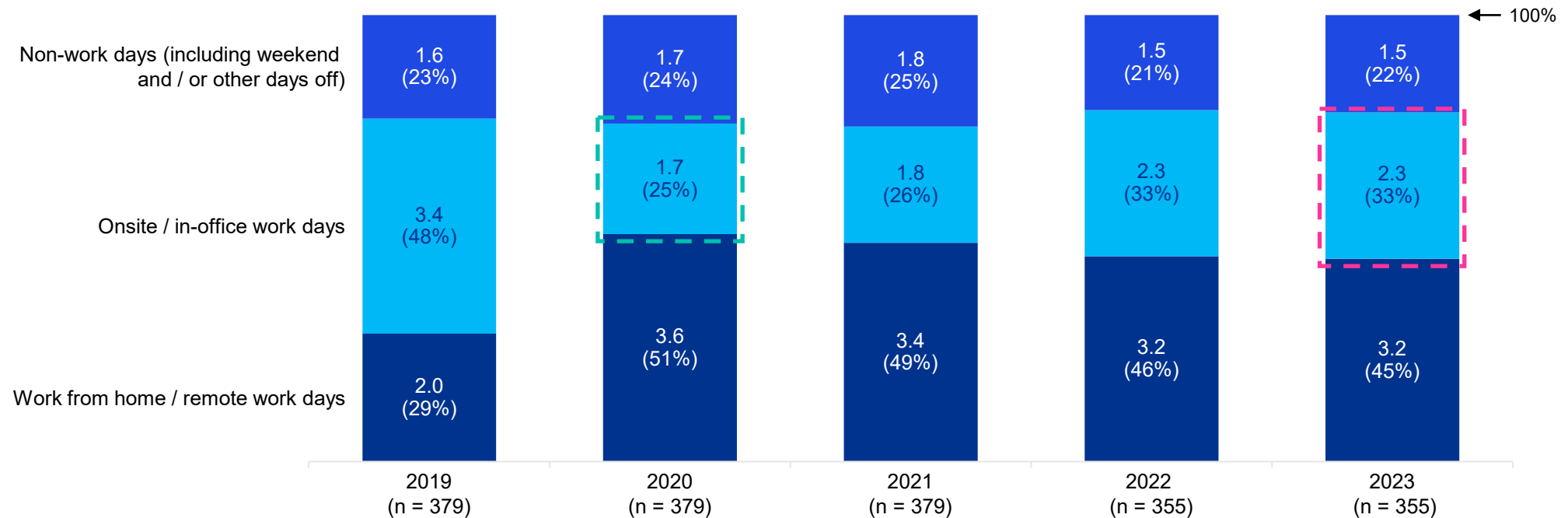


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Do you currently have a job/occupation?"; "Are you able to work from home/work remotely in your current profession?".
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

More consumers are returning to work in the office compared to previous years. Of the consumers who can work remotely, the average number of onsite/in-office workdays increased from 1.7 days in 2020 to 2.3 days in 2023.

Allocation of weekly onsite, remote, and non-work days per week by year

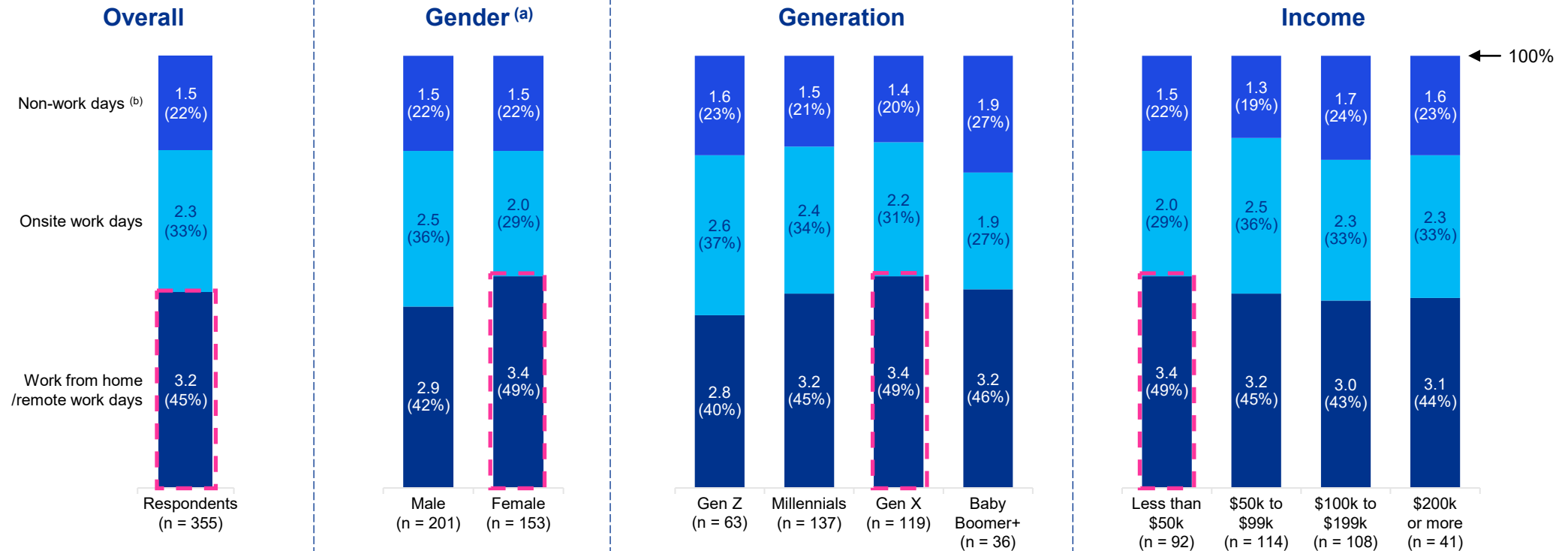
n = 312 qualified respondents who are employed and able to work from home in their current profession



Note(s): KPMG conducted surveys of a representative sample of 1,0003 consumers across the United States and, to all adult respondents, asked "For each of the following time periods, please indicate your typical weekly split between remote work days, onsite work days, and non-work days (e.g., weekends)."
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Consumers are spending approximately half of their week working from home; Women (49 percent), Gen X (48 percent), and households that make less than \$50K (50 percent) are able to work from home more days per week than other demographic groups.

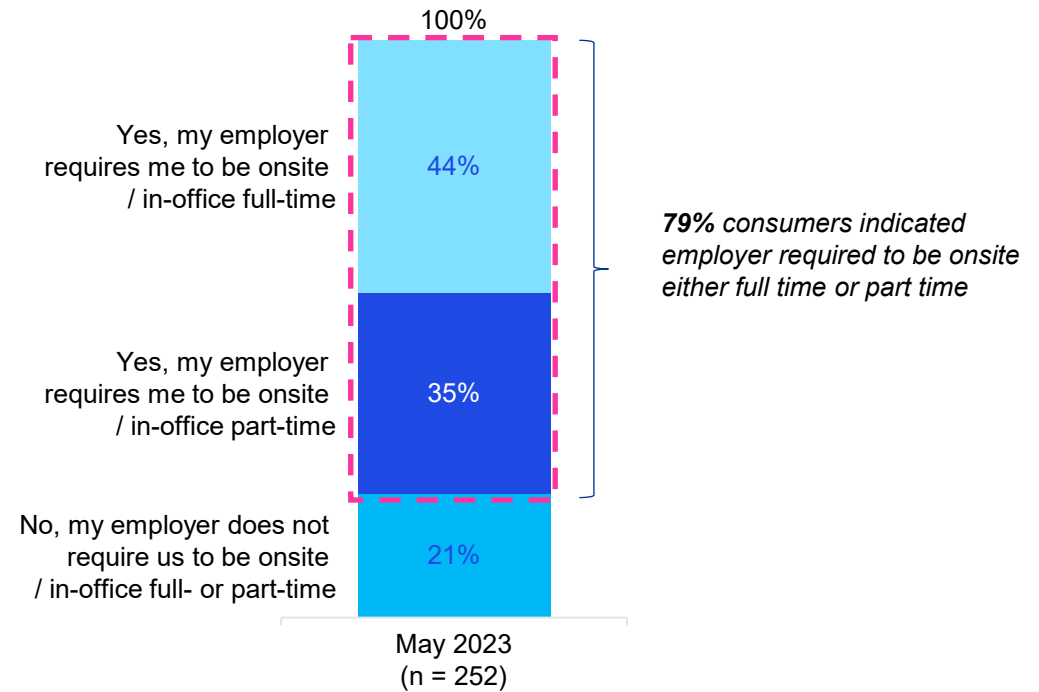
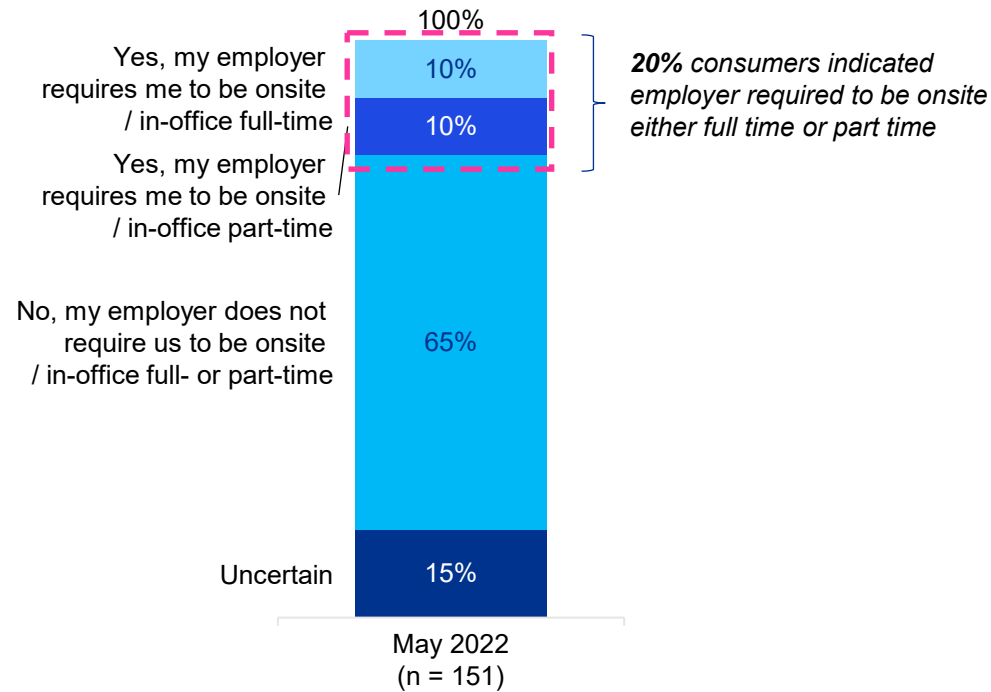
2023 Allocation of weekly onsite, remote, and non-workdays by respondent demographics



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, to all adult respondents, asked "For each of the following time periods, please indicate your typical weekly split between remote workdays, onsite workdays, and non-workdays (e.g., weekends)."; (a) Respondents who selected "Prefer to self describe" have been excluded due to low sample size; (b) Non-workdays include weekends and/or other days off.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

More employers are requiring their employees to return to the office, either full-time or part-time, in summer 2023. 79 percent of consumers indicated that their employers require them to be onsite in some capacity this year compared to only 20 percent last year.

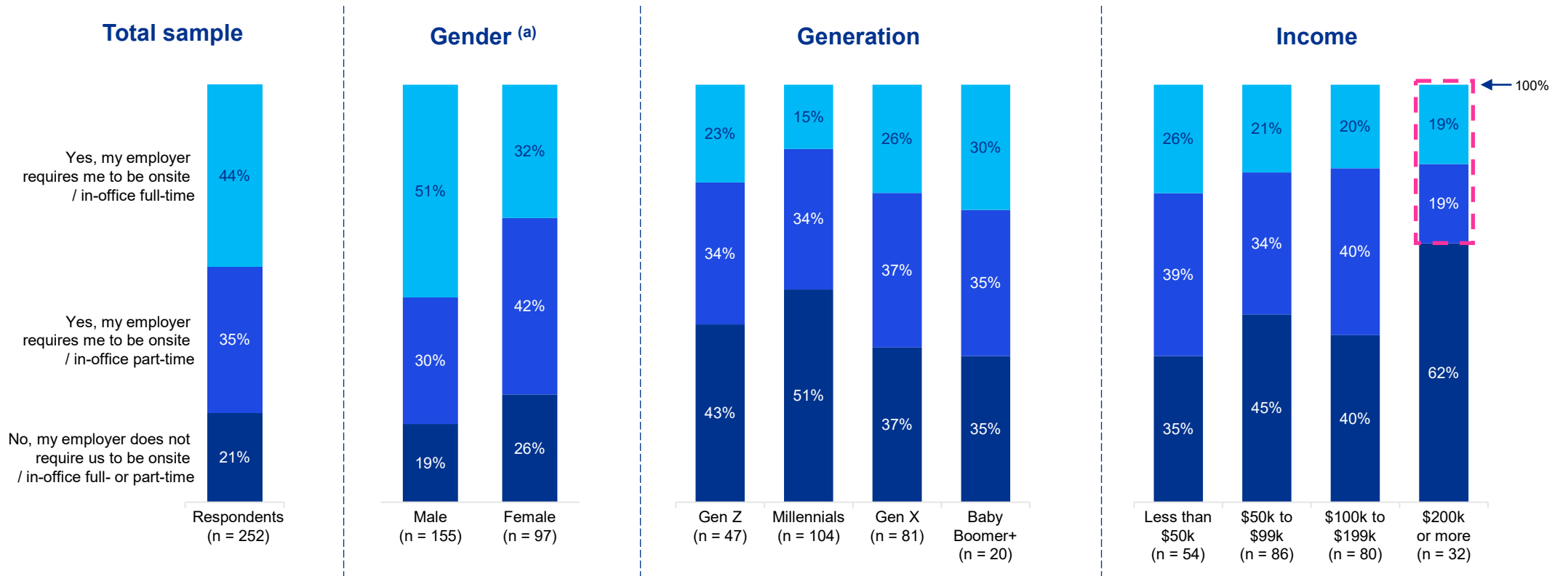
Employer in-office requirement



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Has your employer required you to return to onsite/in-office work either full- or part-time?".
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 26, 2023

Employers of higher income households (\$200k+) are less likely to have an in-office requirement compared to other income segments.

Employer in-office requirement by demographic segment

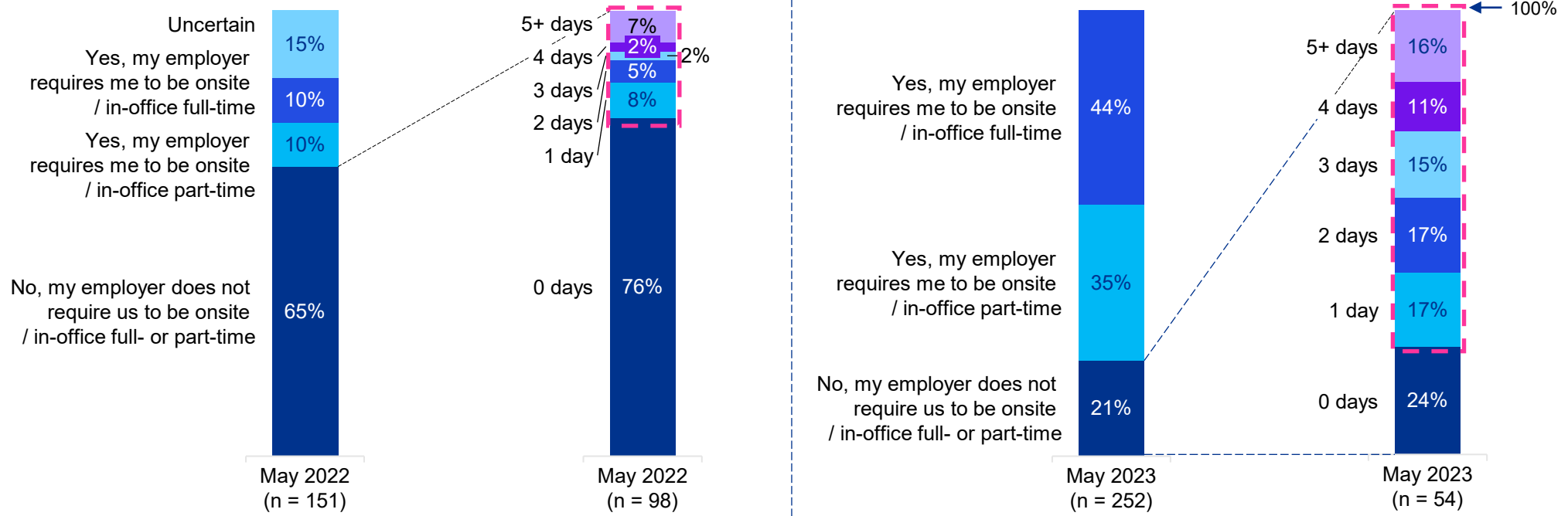


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, to all adult respondents, asked, "Has your employer required you to return to onsite/in-office work either full- or part-time?"; (a) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 26, 2023

Even when the it is not required to be on-site, more employees (77 percent in 2023 versus 24 percent in 2022) are choosing to go into the office for at least 1 day of the week.

Employee in-office work plan

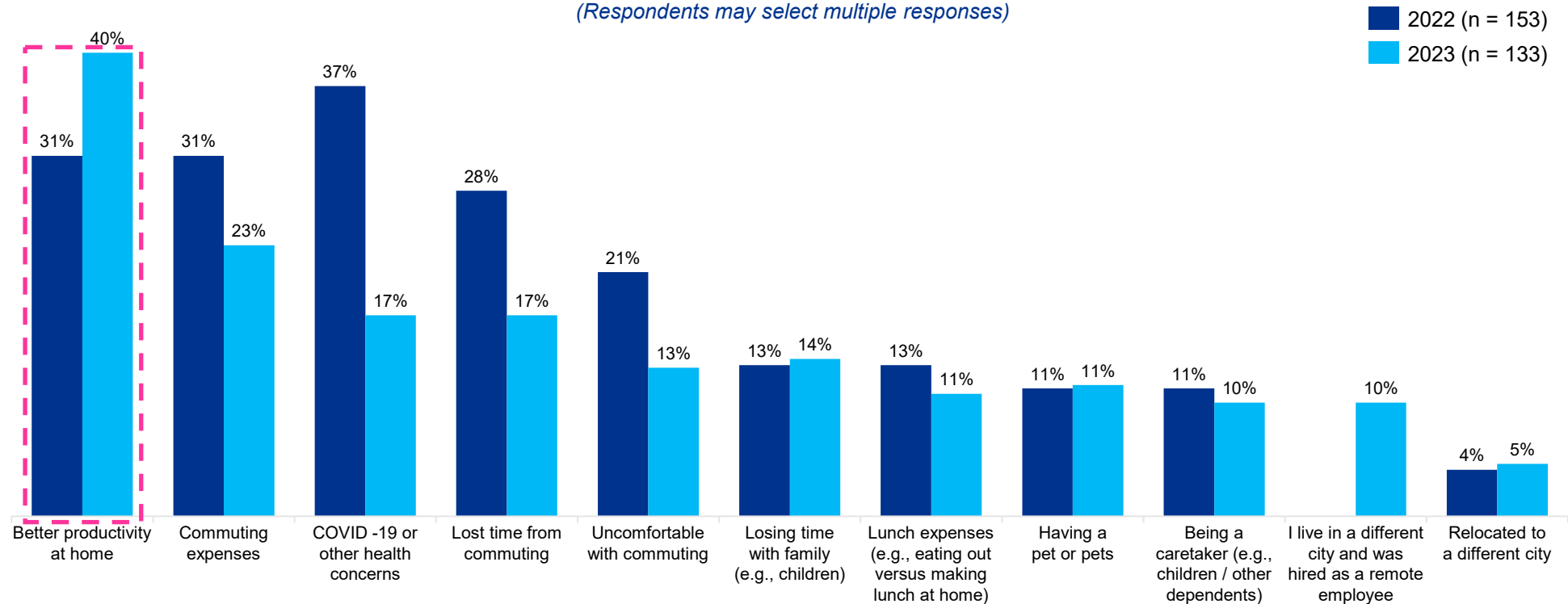


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, in all instances, asked, "Do you plan to return to working work onsite/in-office in 2023?".
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 26, 2023

Of the consumers that indicated that they go into the office less than 2 times a week, better productivity at home is a major barrier for employees to return onsite/in-office, year-over-year.

Barriers to returning to onsite/in-office work environment (a)

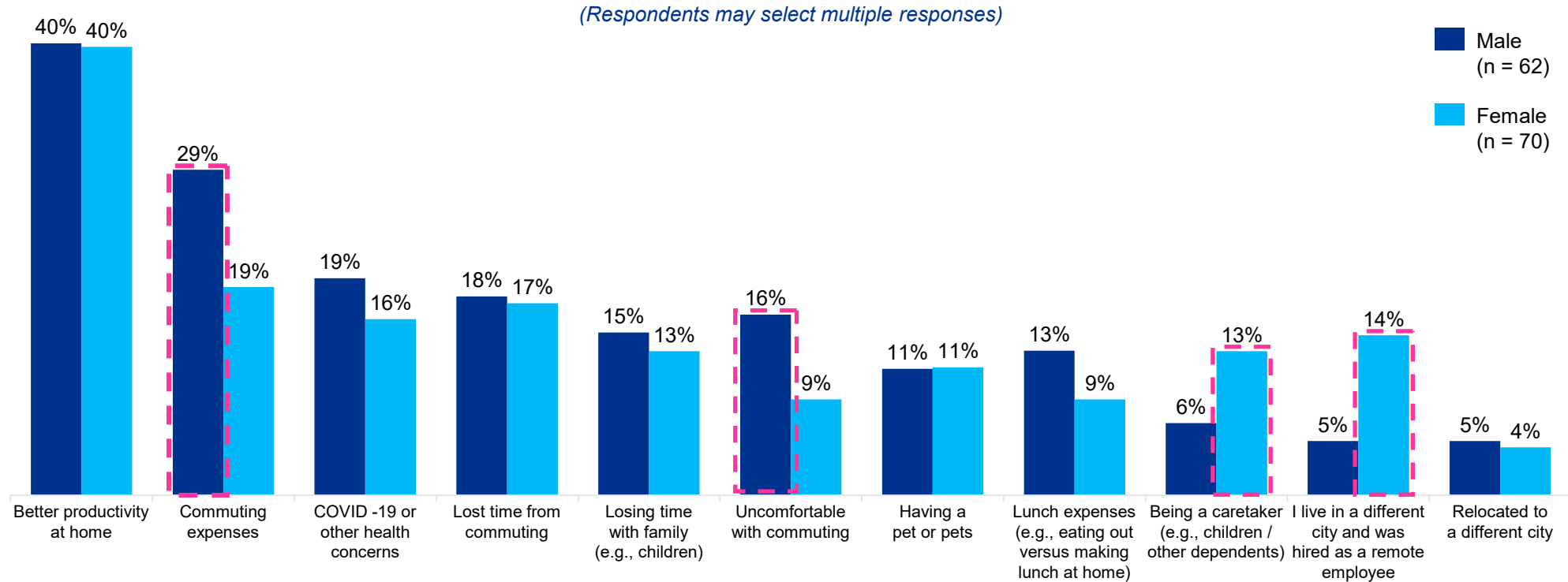
(Respondents may select multiple responses)



Note(s): KPMG conducted surveys of a representative consumers across the United States and, to all adult respondents, asked, "What is holding you back from returning to your onsite/in-office work environment?"; (a) Qualified respondents include employed adults (18+) only, with onsite workdays <2.
Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 28, 2023

Besides better productivity at home, of the consumers that indicated that they go into the office less than 2 times a week, men care more about commuting expenses and comfort while women are more likely to be hired as a remote employee and take on the caretaker role.

Barriers to returning to onsite/in-office work environment by gender (summer 2023) (a)(b)

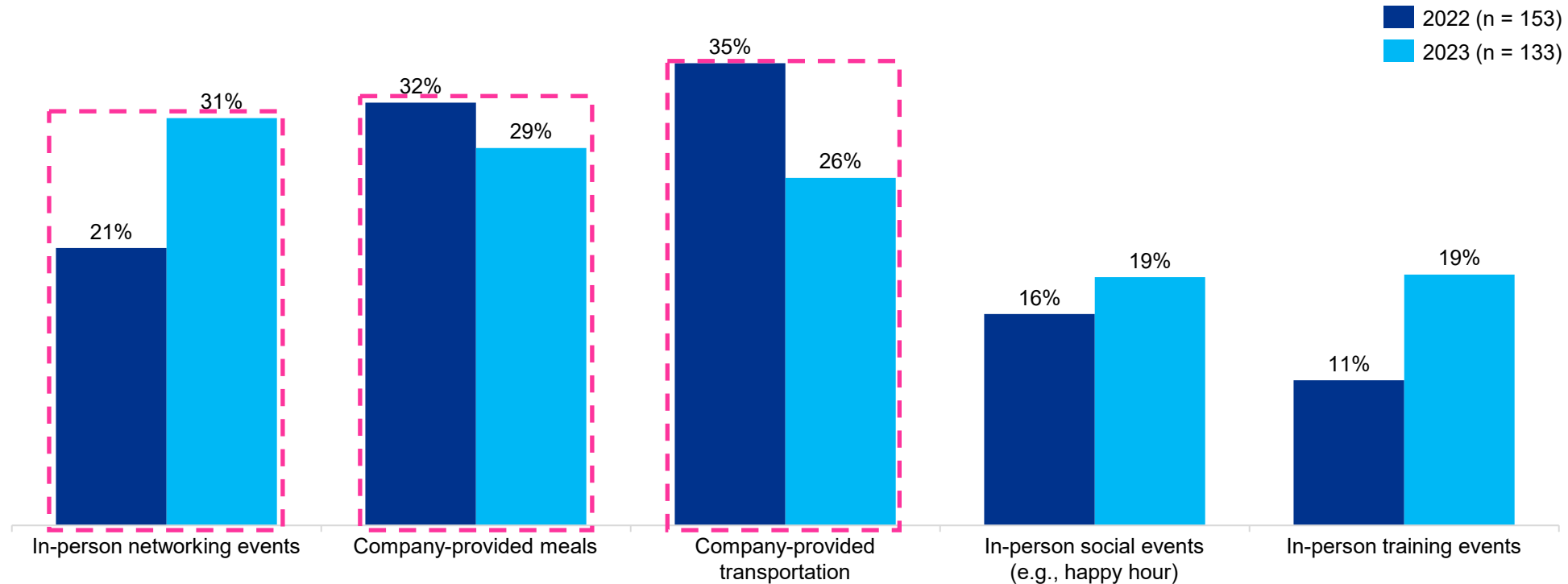


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, to all adult respondents, asked, "What is holding you back from returning to your onsite/in-office work environment?"; (a) Qualified respondents include employed adults (18+) only, with onsite workdays <2; (b) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Of the consumers that indicated that they go into the office less than 2 times a week, in-person networking events, company-provided meals, and transportation are the most preferred incentives for employees to return to office, year-over-year.

Preferred incentives to return to onsite/in-office work environment (a)

(Respondents may select multiple responses)



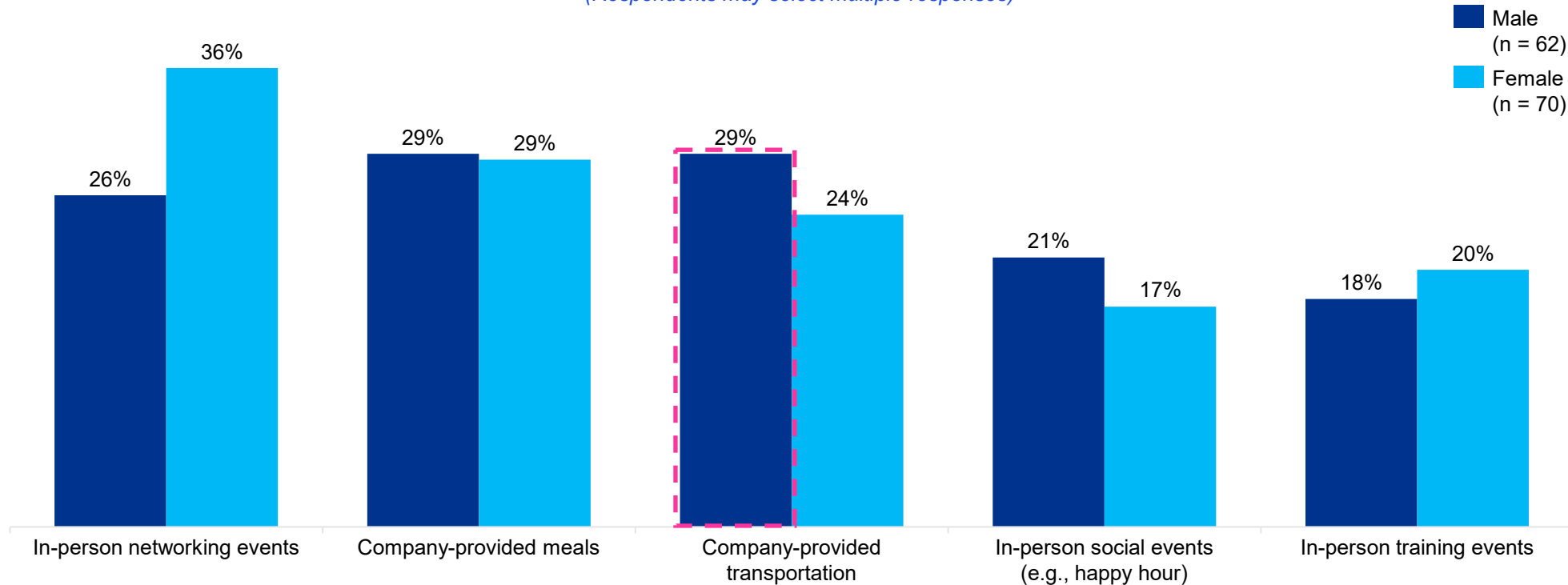
Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, to all adult respondents, asked, "What would incentivize you to come into your onsite/in-office work environment?"; (a) Qualified respondents include employed adults (18+) only, with onsite workdays <2.

Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 28, 2023

Men are more likely to return to work onsite/in-office if the company provides transportation (29 percent) and in-person social events (20 percent); whereas women are more likely to return to work onsite/in-office for in-person networking (36 percent) and training (20 percent) events.

Preferred incentives to return to onsite/in-office work environment by gender (summer 2023) (a)(b)

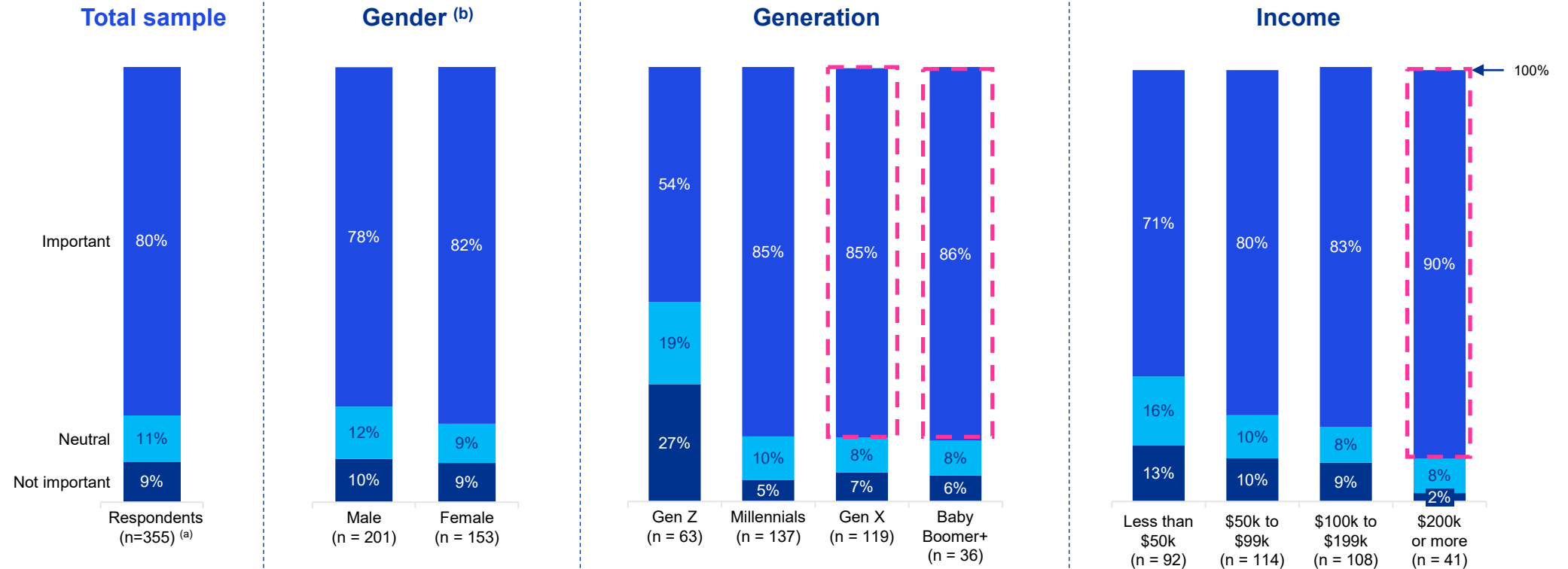
(Respondents may select multiple responses)



Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, to all adult respondents, asked, "What would incentivize you to come into your onsite/in-office work environment?"; (a) Qualified respondents include employed adults (18+) only, with onsite workdays <2; (b) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

Gen X (86 percent), Baby Boomer+ (86 percent), and higher income households of \$200k+ (90 percent) care most about work from home/remote work flexibility.

Work-from-home importance

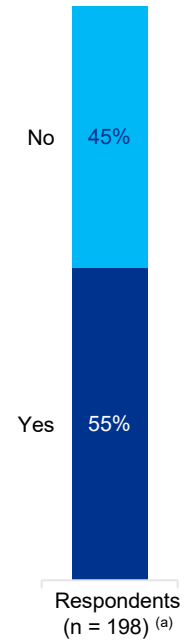


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, to all adult respondents, asked, "On a scale of 1 to 7, with 1 being not important and 7 being extremely important how important to you is work from home/remote work flexibility?"; (1-3 = not important, 4 = neutral, and 5-7 = important) (a) Qualified respondents include employed adults (18+) only; (b) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 28, 2023

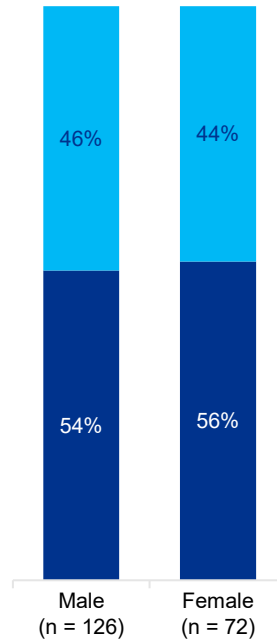
Millennials (60 percent) and higher income households of \$200k+ (77 percent) are most likely to look for a new job that offers more work from home flexibility in 2023...

Plan to pursue a new job for WFH flexibility

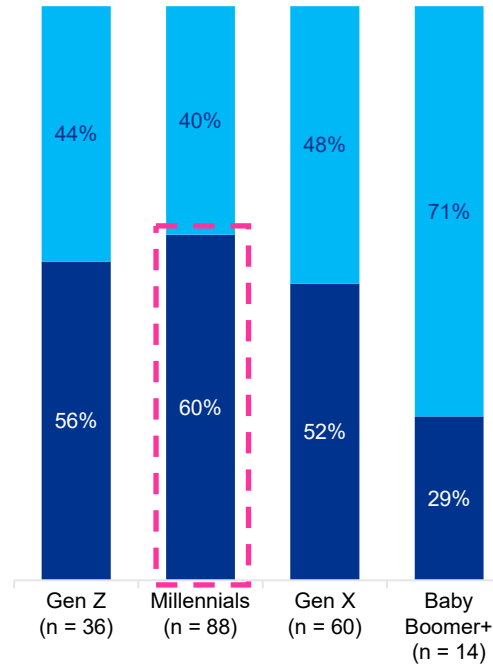
Total sample



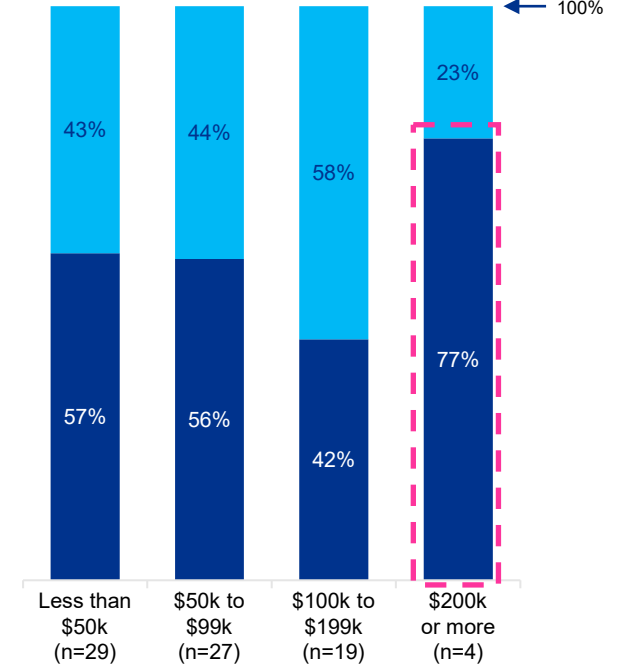
Gender ^(b)



Generation



Income

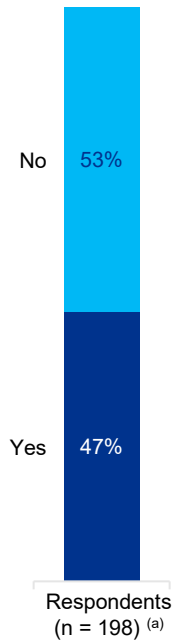


Note(s): KPMG conducted surveys of a representative sample of 1,003 consumers across the United States and, to all adult respondents, asked, "Do you plan to look for a new job that offers more work from home flexibility in 2023?"; (a) Qualified respondents include employed adults (18+) only, who are required to be onsite/in-office full- or part-time by their employer; (b) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.
 Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023 – April 26, 2023

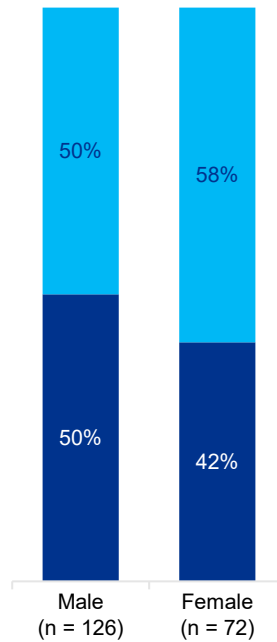
...And they are more likely to consider a decrease in pay to work remotely permanently.

Decrease in pay to work from home

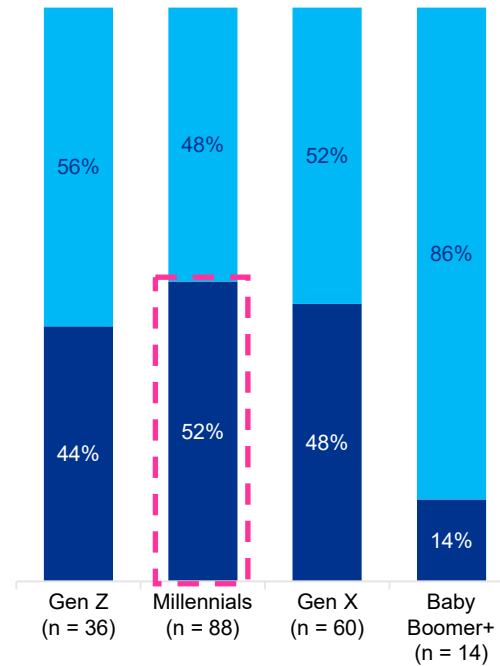
Total sample



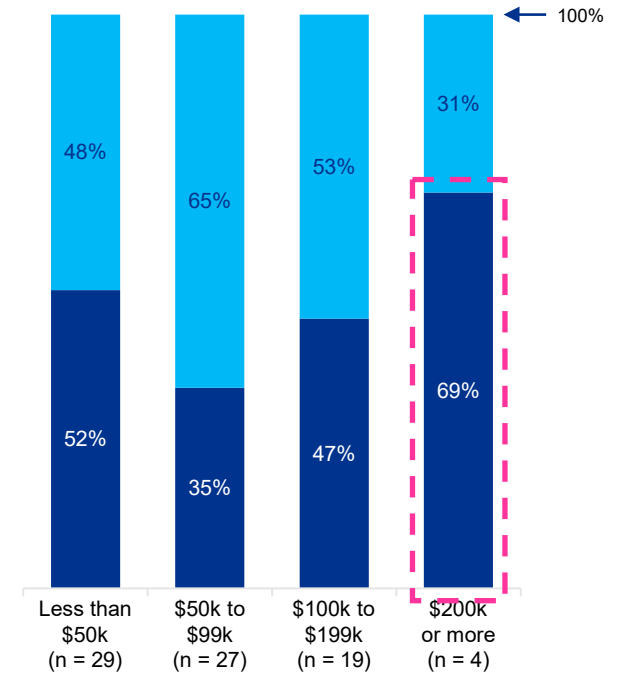
Gender ^(b)



Generation



Income



Note(s): KPMG conducted surveys of a representative sample of 1,003 across the United States and, to all adult respondents, asked, "Would you consider a decrease in pay in order to work remotely permanently?"; (a) Qualified respondents include employed adults (18+) only, who are required to be onsite/in-office full- or part-time by their employer; (b) Respondents who selected "Prefer to self describe" have been excluded due to low sample size.
Source(s): KPMG Consumer Pulse Survey, fielded April 21, 2023–April 26, 2023



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