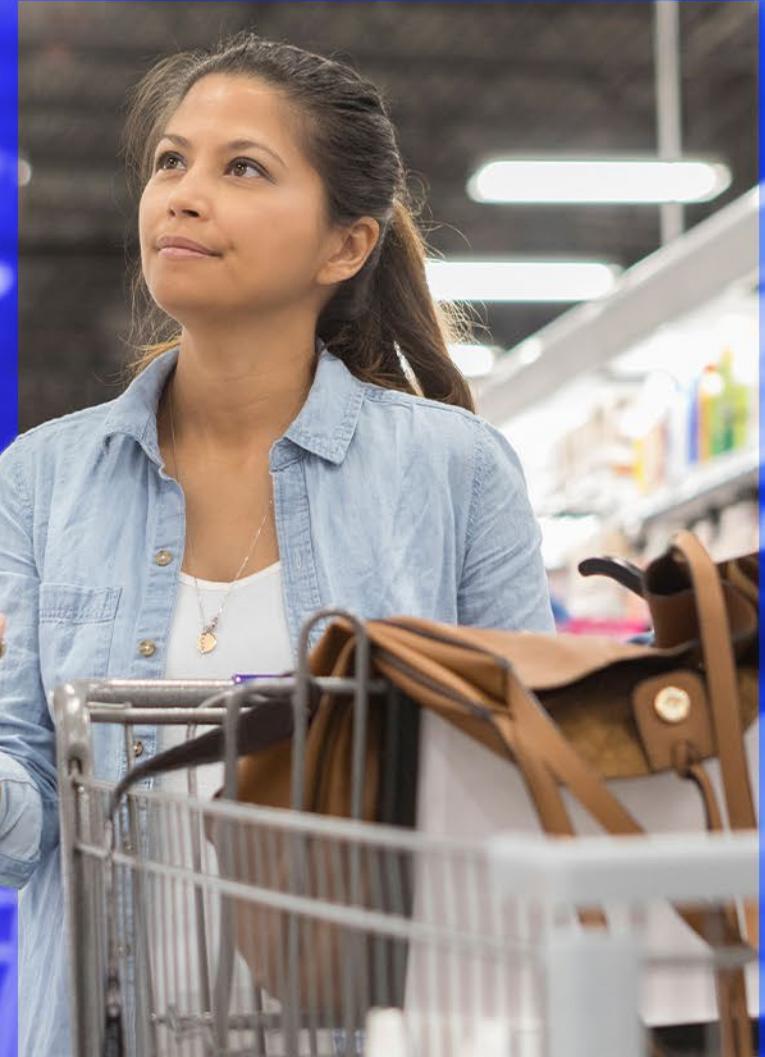




KPMG consumer pulse survey | Spring & Summer

Consumer & Retail

April 2025



Executive summary

KPMG surveyed ~1,500 consumers across the United States to understand their summer spending plans and activities

Household incomes under pressure



- 42% of households report increased incomes year-over-year
 - Higher-income households led income gains
- 39% reported decreased incomes – nearly double that of 2024
 - Job losses and demographic changes drove decreases

Consumers pull back across most categories



- Consumers plan to spend less across most categories this summer – with only groceries and automotive indicating increases
- Discretionary spending is down as consumers prioritize essential purchases
- Consumer spending outlook has soured since strong growth projections in fall 2024

Recession and tariff concerns



- 71% expect a recession in the next year
- 74% say cost-of-living increased by six percent or more
- 52% say tariffs have driven higher prices
- 79% say tariffs will cause future price increases
- 50% of consumers plan to buy less overall due to tariffs

Consumers are selective about where to spend

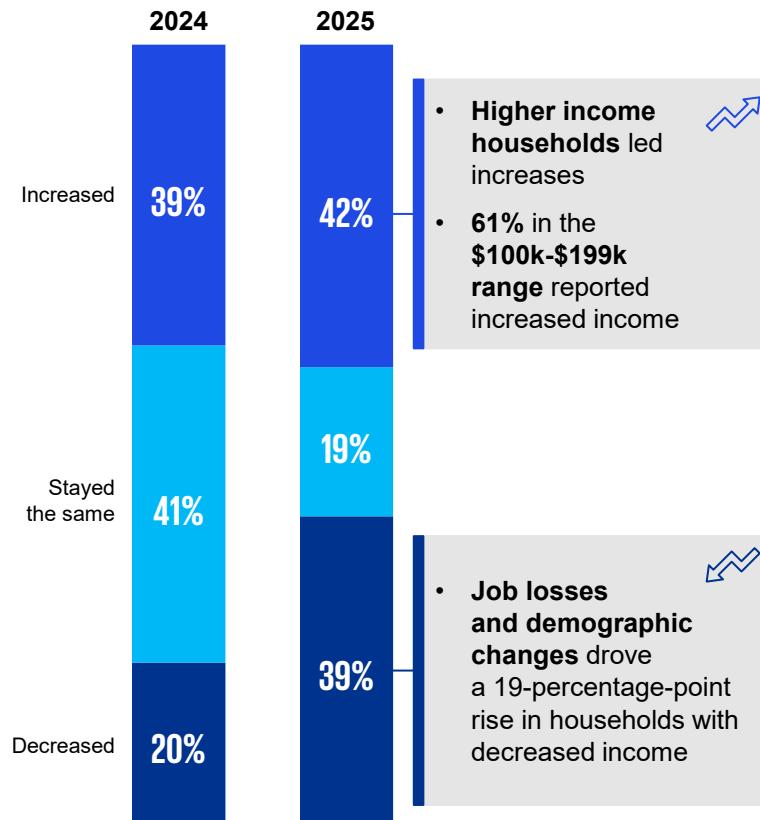


- 69% are eating at home more rather than dining out
- 38% of consumers are drinking less alcohol and another 18% are considering drinking less
- Consumers still plan to travel this summer – 58% have travel plans, up slightly from last year
- Consumers are more health conscious and prioritizing physical fitness and mental health

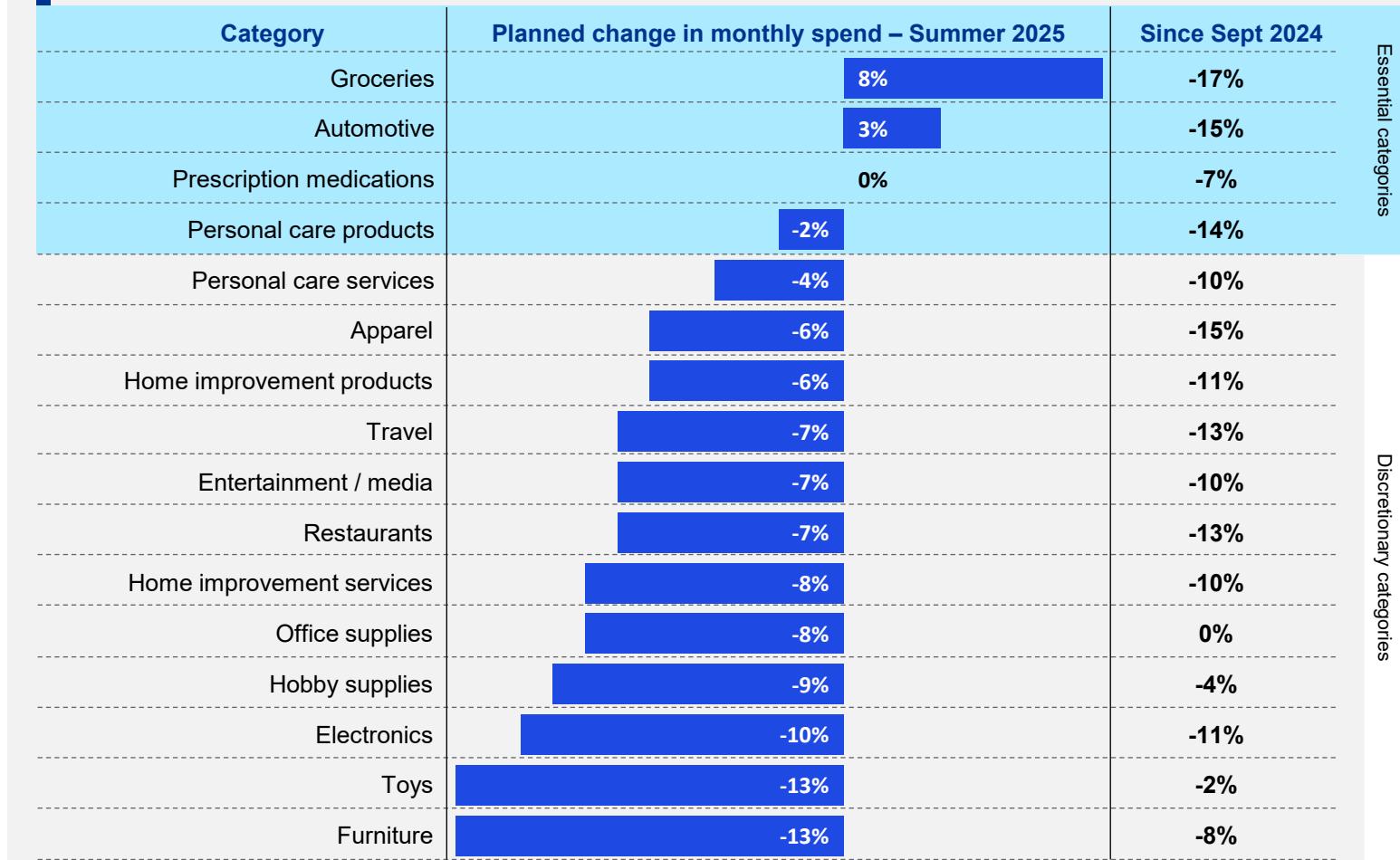
Household income and summer spending trends

Household incomes are under pressure

42% of respondents reported increased income year-over-year, but the share with decreased income nearly doubled

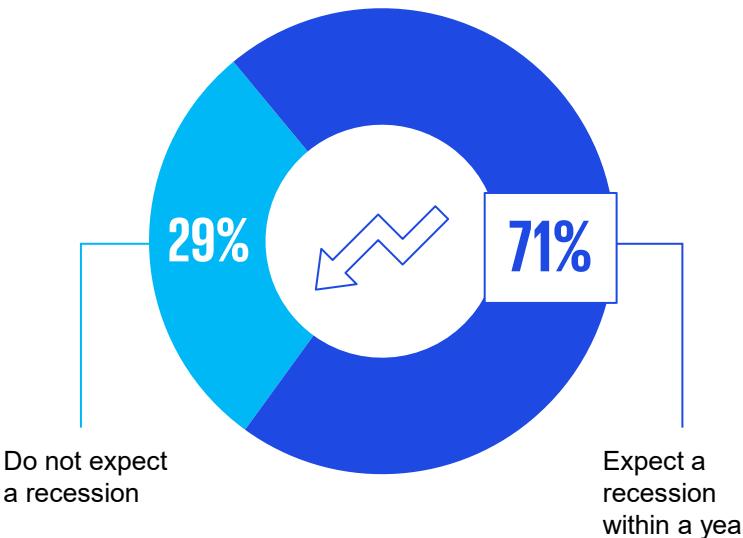


Consumers plan to spend less in most categories, with sentiment souring since fall 2024



Recession fears, cost-of-living pressures, and tariffs cloud outlook

71% expect a recession within the year

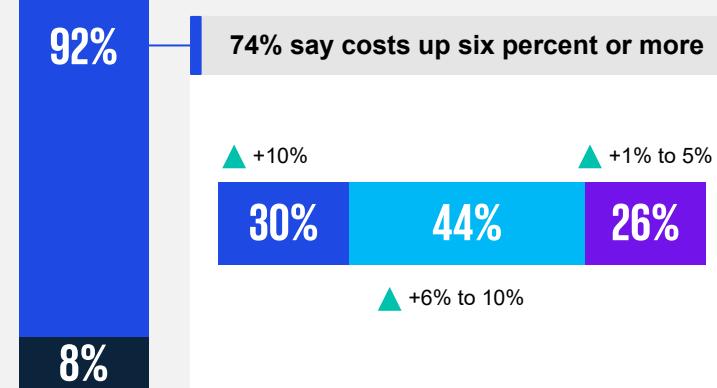


Most have a financial plan for a recession



Consumers pull back spending amid cost-of-living pressures, tariffs

92% say cost of living up year-over-year



52% say prices increased due to tariffs



79% say tariffs will drive future price increases



How consumers are responding to tariffs: 50% plan to buy less overall

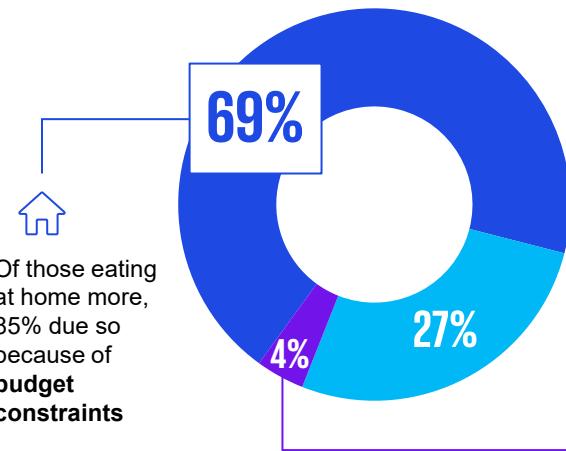


Consumers are selective about where to spend

Cutting back on restaurants, alcohol

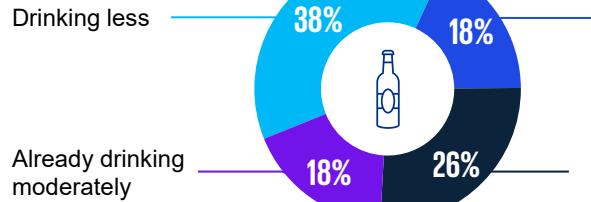
69% eating at home more rather than dining out

Eating at home more No change Dining out more



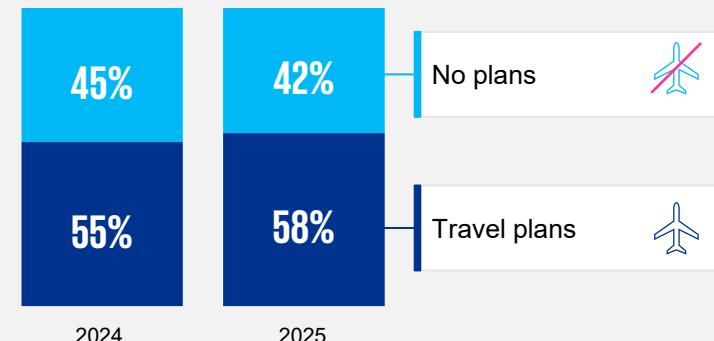
When people do dine out, 26% eat fast food more often, compared to casual dining (20%) or fine dining (14%)

Consumers are drinking less alcohol



Consumers still plan to travel

58% plan to travel this summer



81% plan 1-2 trips



28% plan international travel

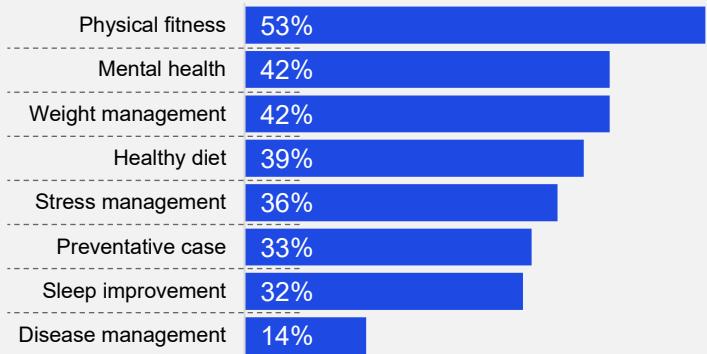


Consumers are focused on health & wellness

49% say their focus on health has increased



Top health priorities



Share of consumer using top three health products





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