



EY-Parthenon US Consumer Sentiment Survey

Wave 4 findings, with a
spotlight on AI usage



Together with EY's full spectrum of skills, services and ecosystem partners.



Shape the future with confidence

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Overview

EY-Parthenon bimonthly survey of US consumers is a window into consumer beliefs and behaviors in response to fast-evolving macroeconomic and geopolitical events

Initiative overview

Bimonthly consumer survey to assess how consumers' priorities – and the trade-offs that they are willing to make – are impacted by current economic and (geo)political developments.

Objectives

- Define proprietary, universal consumer segments that allow clients to zero in on the sentiments relevant to their target consumers.
- Describe the psychological state and headline priorities of each consumer segment.
- Go beyond basic spend data to identify the specific trade-offs that different consumers are making and the underlying decision drivers.
- Identify the brands and retailers that are best positioned to win or lose – and with which consumer segments – in the current environment.
- Assess opportunities to field deep-dive surveys on emerging trends – e.g., artificial intelligence (AI) in shopping, channel shifts.

A note on timing

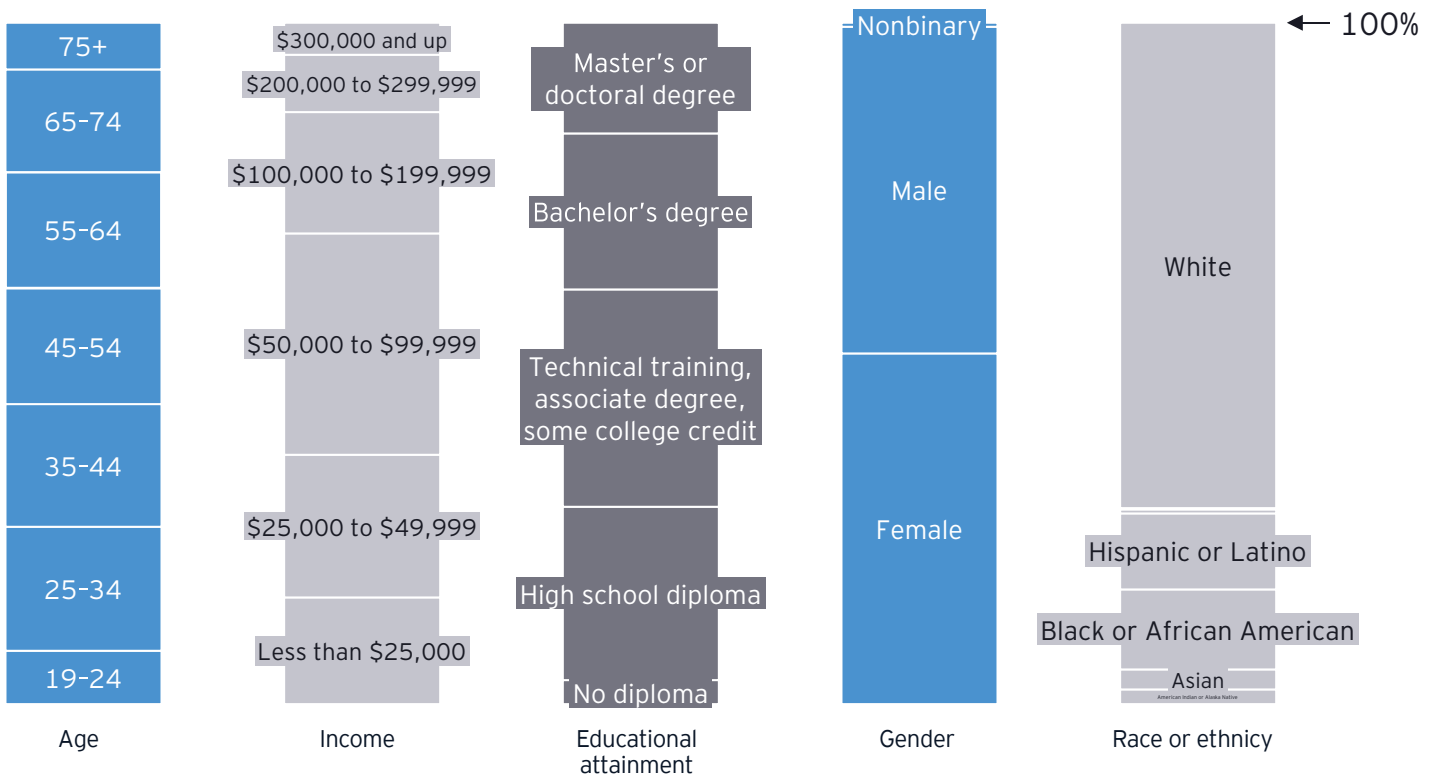
This survey was fielded between February 23 and March 2. This was shortly after the U.S. Supreme Court rejected President Trump's sizable tariffs, which could have impacted consumer outlook on prices and trade. Furthermore, US-Iran relations broke into active warfare on February 28, which could have influenced some respondents' views on fuel prices, geopolitical stability, etc.

This analysis draws on over **1,500 survey respondents** that represent a cross section of the US general population

Key question areas

- Personal financial confidence
- Spending vs. savings rate
- Personal financial trajectory
- Macroeconomic outlook
- External stressors
- Category-level spending trends
- Category-level key purchase criteria
- Retailer and restaurant traffic
- Channel preferences
- AI usage
- General demographics and psychographics

Demographic summary (n=1,505)



Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.

Selected findings

Wave 4

KEY FEBRUARY FINDINGS



Consumers have **adapted to the high costs of living**, and are increasingly **confident in their ability to manage expenses** through **creative budgeting**. We may be approaching a **“new normal.”**



However, consumers remain under chronic **stress and anxiety** and express grave **concerns about the future**. This has the potential to **reshape spending over the short and long term**.



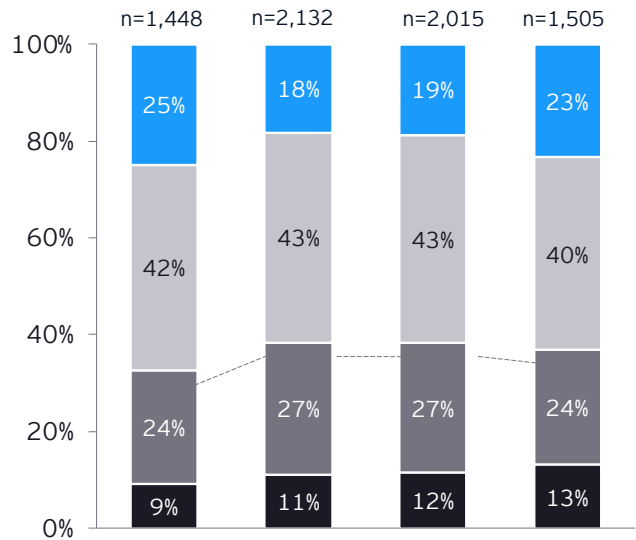
Consumers are still **unsure how to feel about advances in AI**. One thing that does seem certain, however, is that **AI is already changing the way consumers make purchases**.

Personal financial confidence is stabilizing, though it remains low, as consumers are still concerned about cost of living and markers of their longer-term financial wellness

Current personal financial confidence

Q: Generally, how confident do you feel about your financial situation right now? (n=1,505)

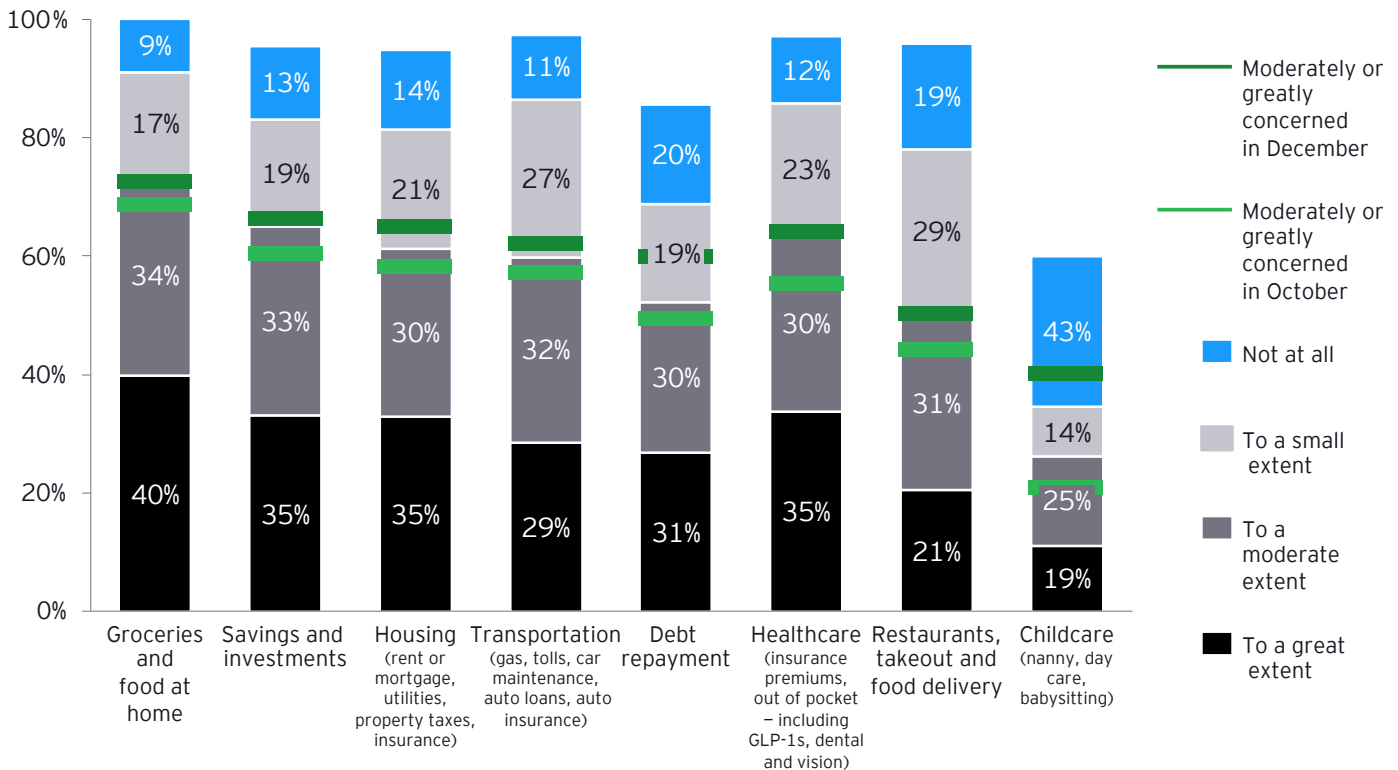
■ Very confident ■ Somewhat confident
■ Not very confident ■ Not at all confident



August 2025 October 2025 December 2025 February 2026

Concern with expenses

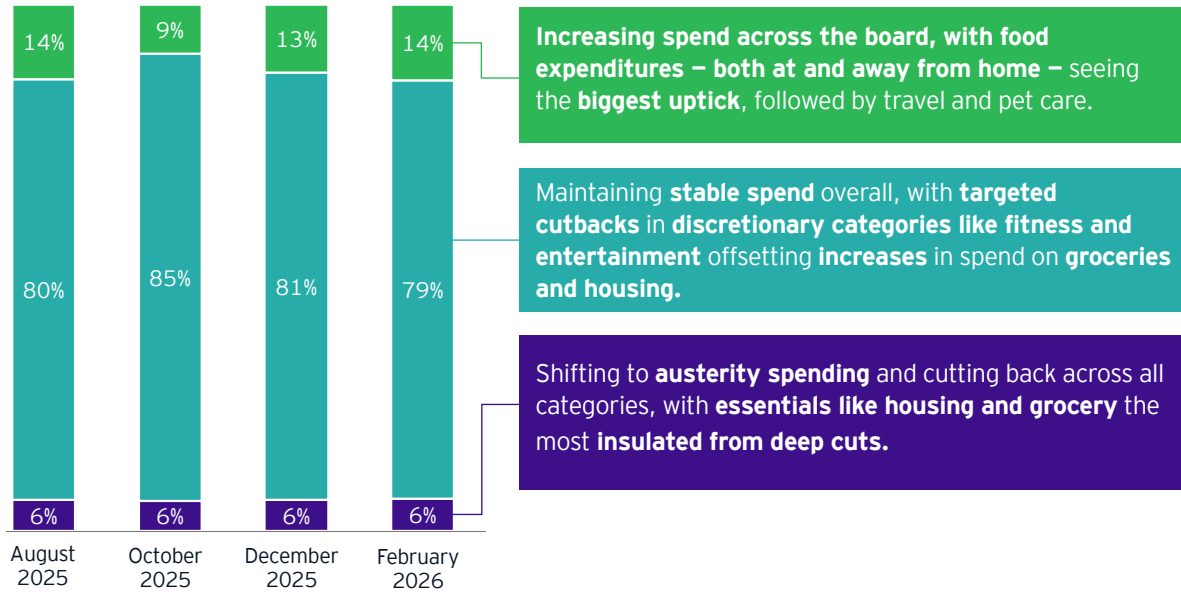
Q: To what extent are you concerned about your personal expenses in each of the following areas? (n=1,505¹)



Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.

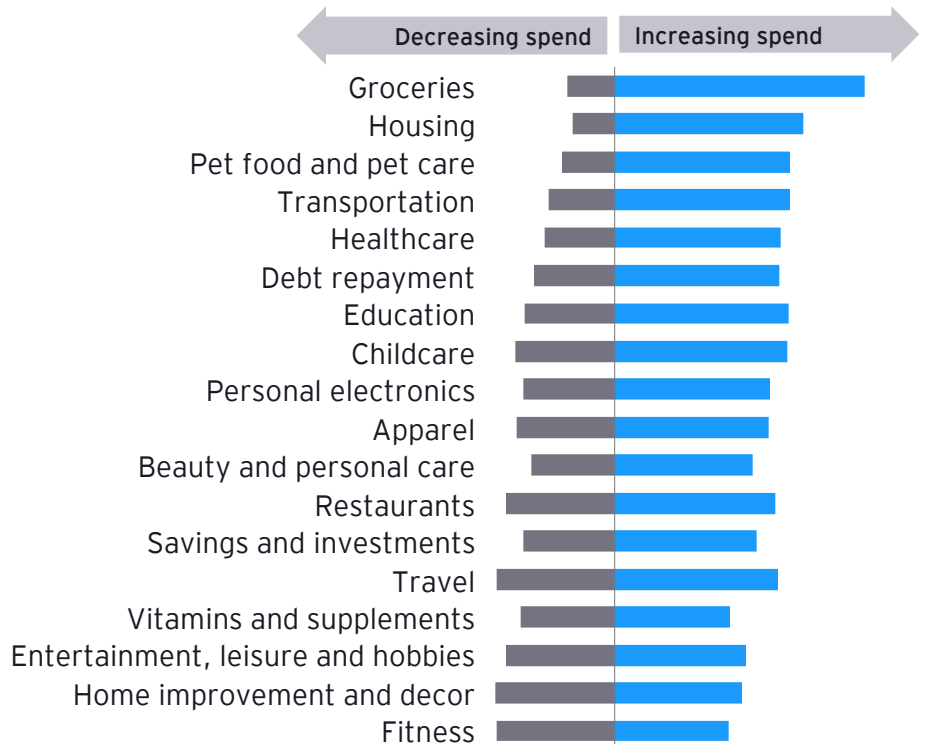
Household spending is overall stable, and even some discretionary categories (apparel, restaurants, travel) are relatively resilient

Consumer spending segmentation



Net spending changes (% of households)¹

Q: Roughly speaking, did you spend more or less on each of the following goods and services this month compared to last month? (n=1,505²)



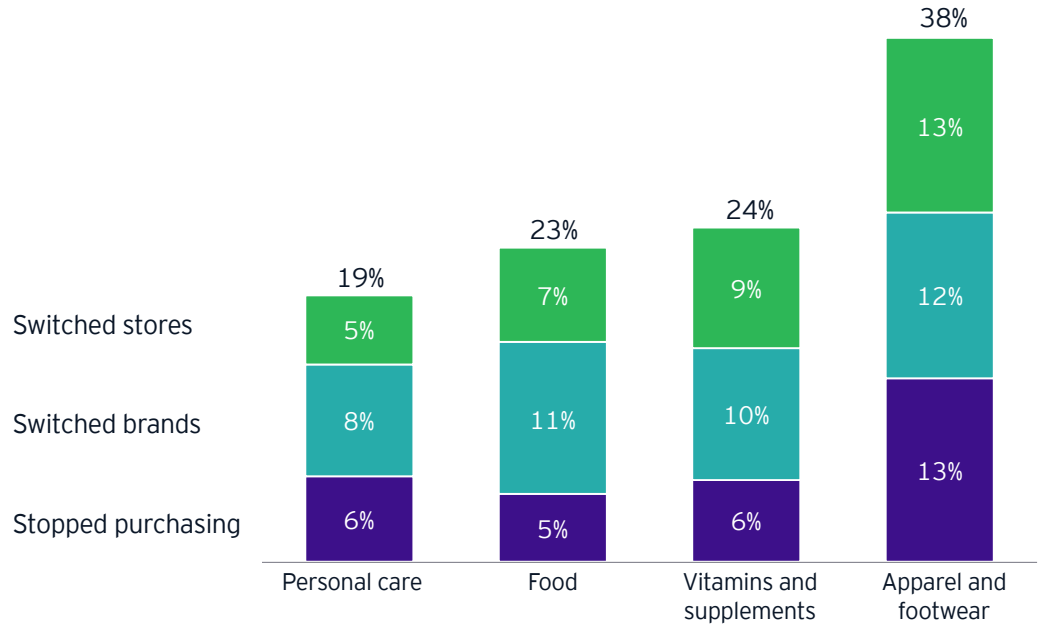
1. Represents % of households increasing spend per survey and net of households decreasing spend – does not translate into dollars.

2. Weights "a lot more or less" at 125% of "a little more or less"

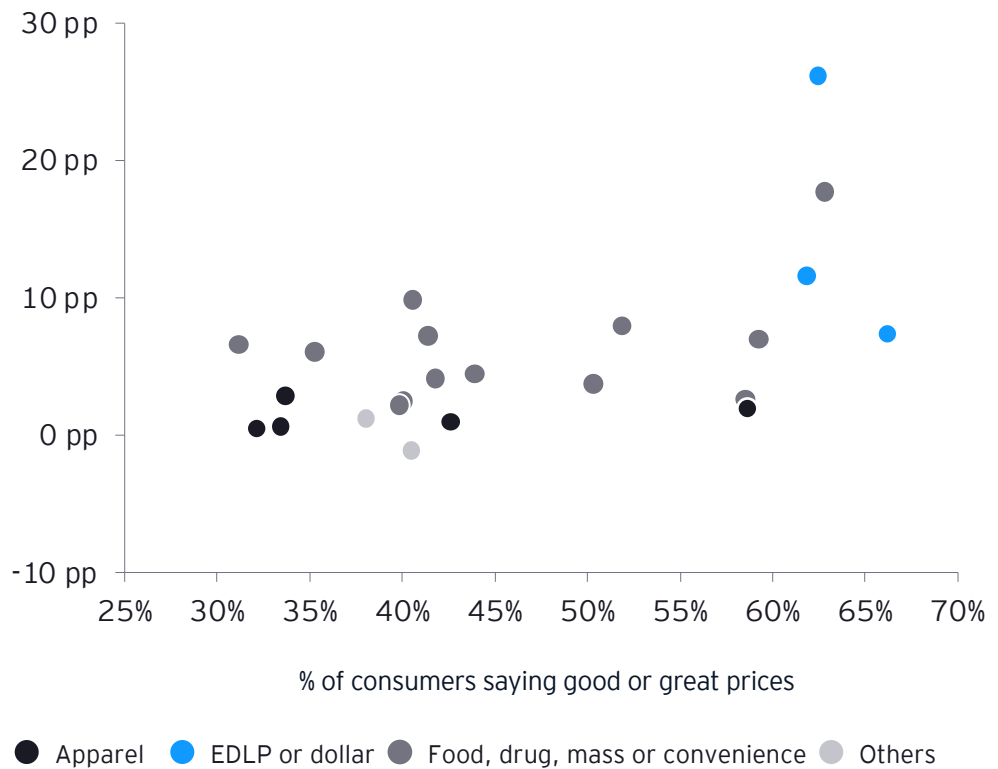
Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.

Consumers are nearly as likely to seek out more affordable stores as they are to choose lower-priced brands – leading to an upswing in traffic to everyday-low-price (EDLP) and dollar stores

Affordability-driven shopping behaviors



4-month traffic1 change vis-à-vis price perception

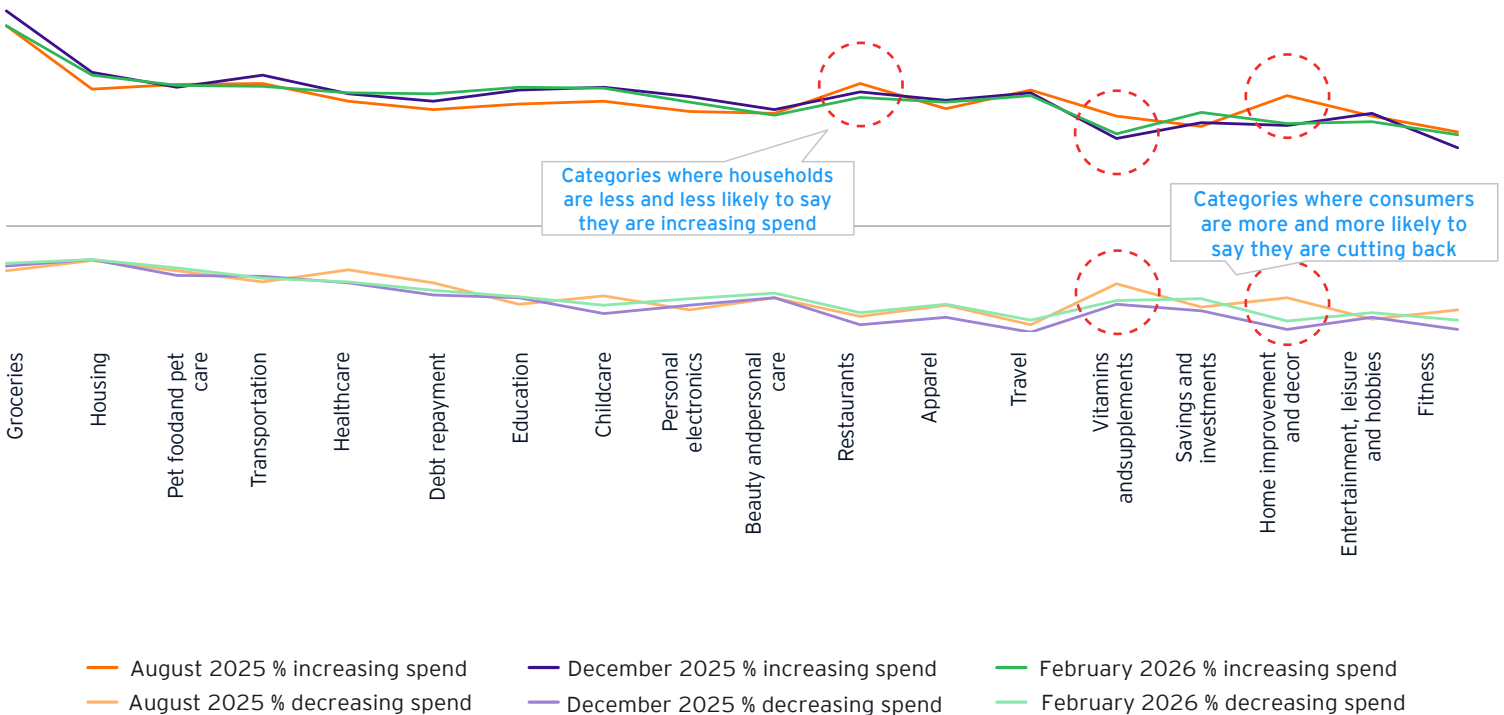


Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.



Net spending changes (% of households)¹

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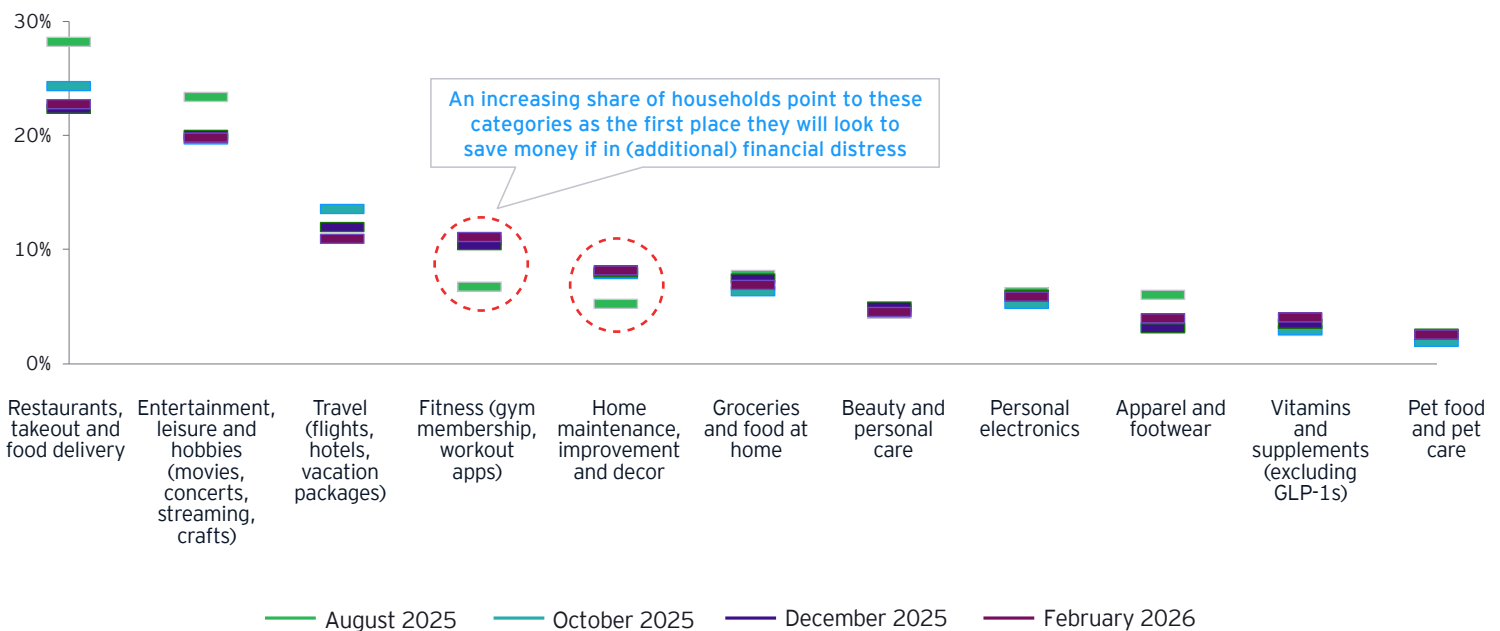
1. Excludes "n/a" responses.
Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.



Fitness and Home may be ripe for consumer disruption, as an increasing share of households point to these categories as prime saving opportunities

Category to cut if facing financial concerns

Q: What is the category that you will first cut spending on when facing financial concerns? (n=1,505)

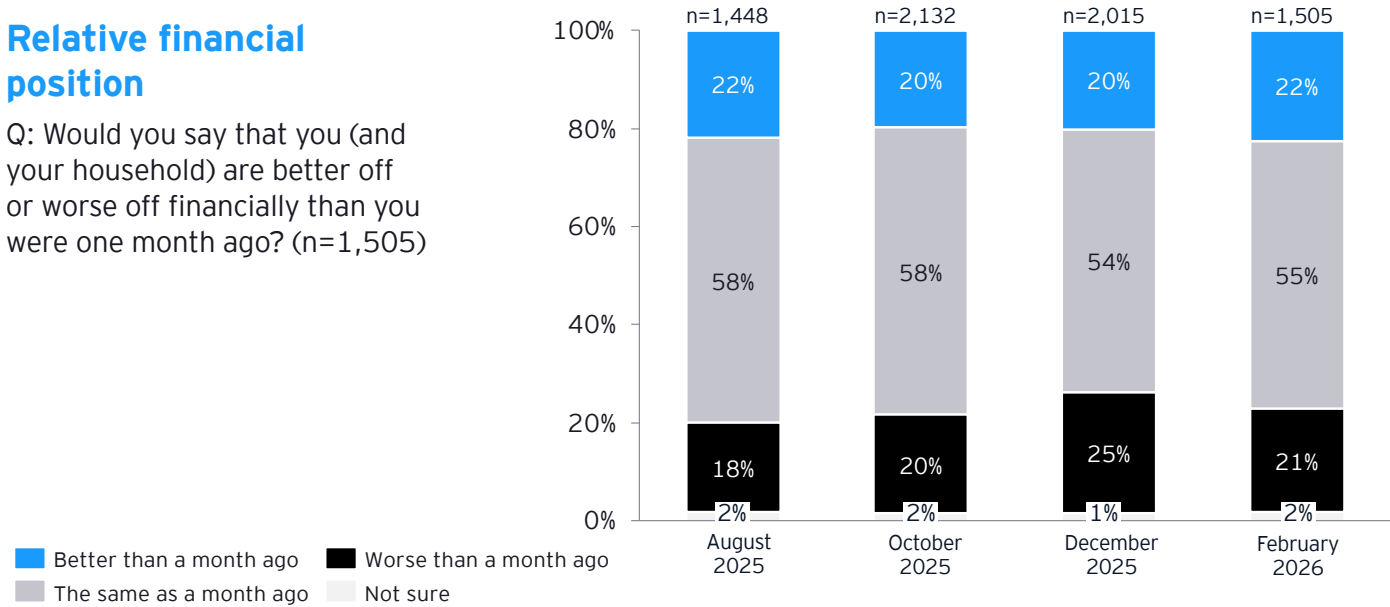


1. Represents %4 or 5 respondents
 Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.

Though consumers are learning to live with high prices, many still feel that their finances are getting worse month-to-month, and are pessimistic about the US macro outlook

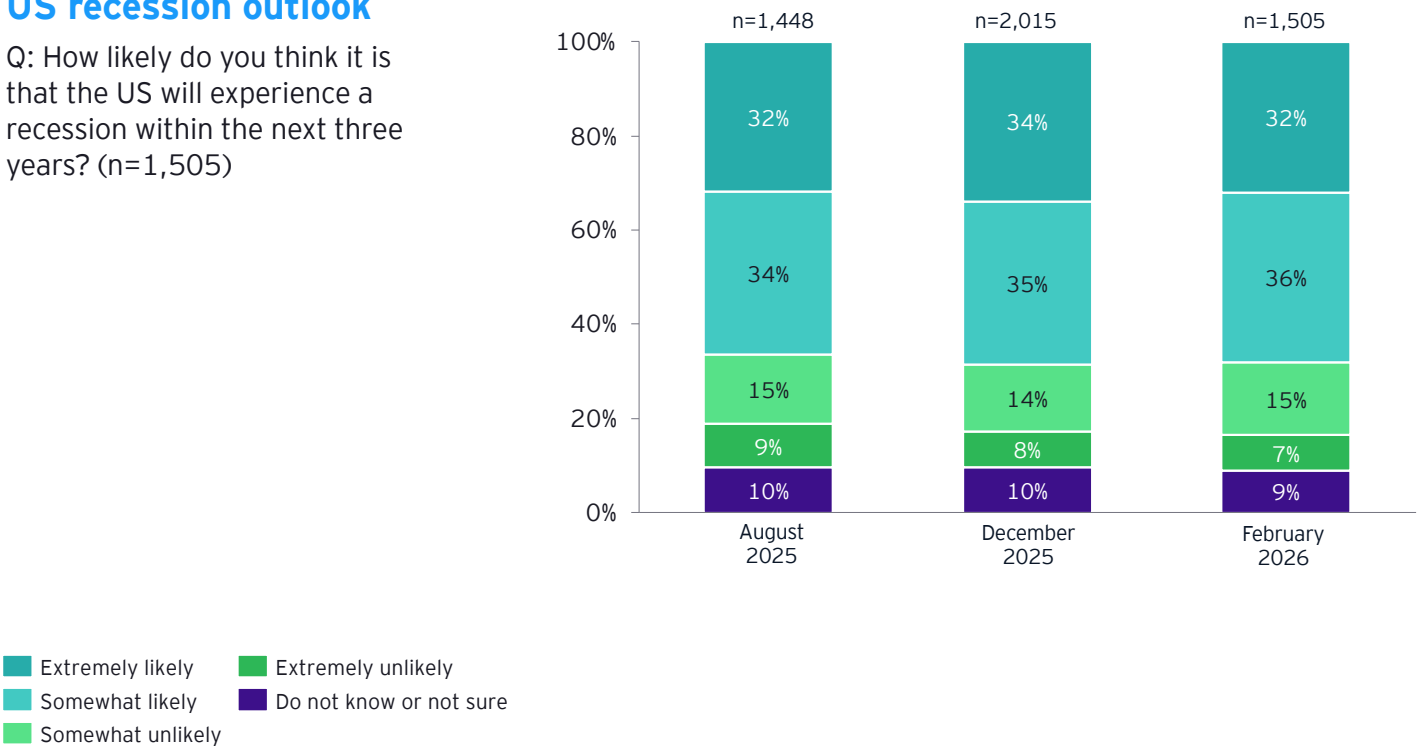
Relative financial position

Q: Would you say that you (and your household) are better off or worse off financially than you were one month ago? (n=1,505)



US recession outlook

Q: How likely do you think it is that the US will experience a recession within the next three years? (n=1,505)



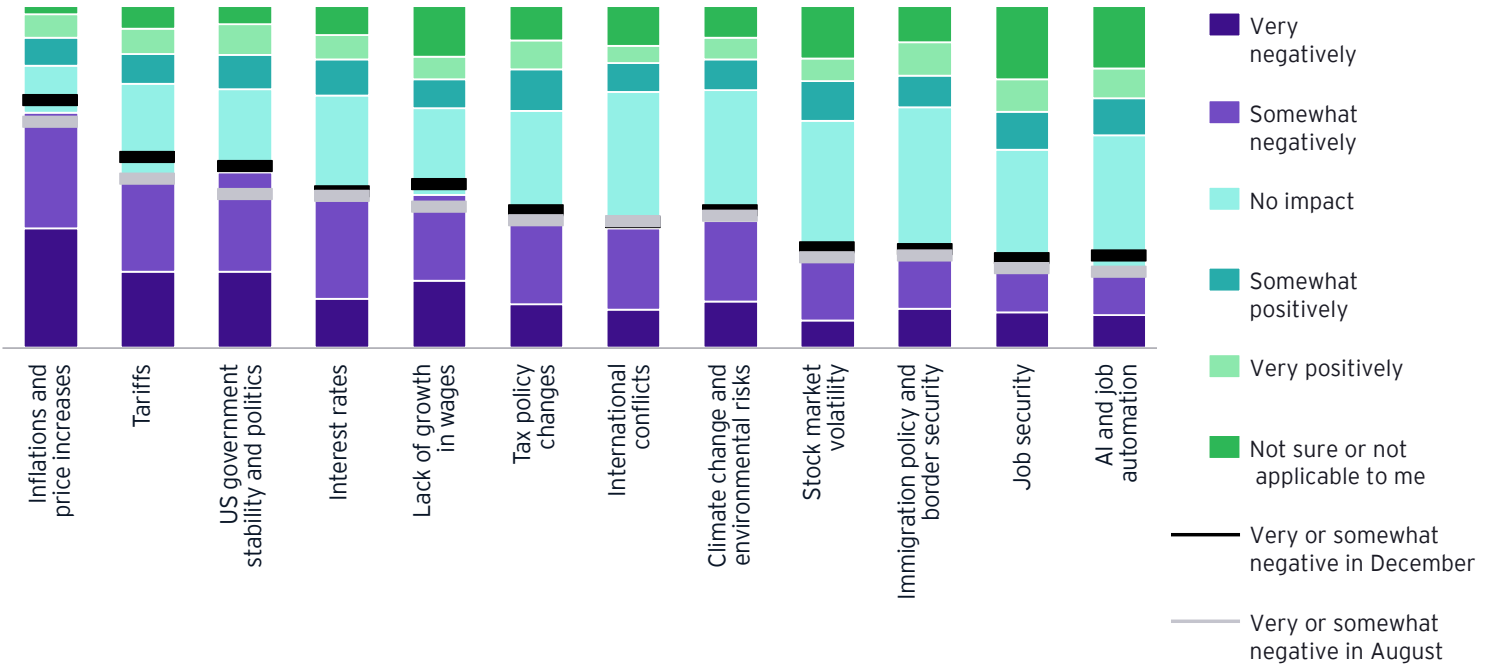
1. Represents % of households increasing spend per survey and net of households decreasing spend – does not translate into dollars.
 2. Weights "a lot more or less" at 125% of "a little more or less"
 Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.



Most households state they are still adversely impacted by the current macro environment – though concerns about inflation, tariffs and interest rates have abated since December

Perceived impacts of macroeconomic and geopolitical topics

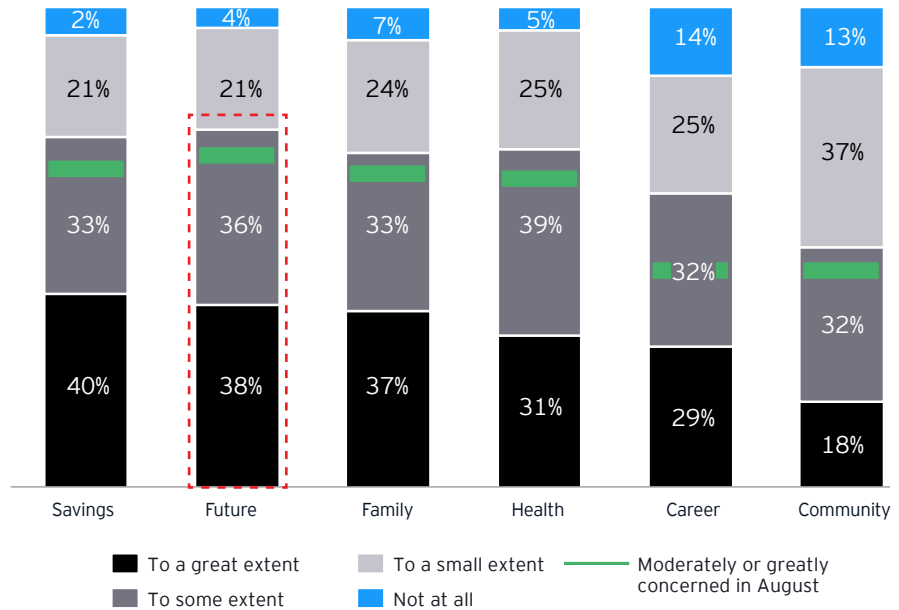
Q: How do you think that each of the following is impacting you and your household? (n=1,505)



These sustained pressures could be contributing to consumers' growing concerns about the future, family and other weighty topics, which appear to factor into declining fertility rates

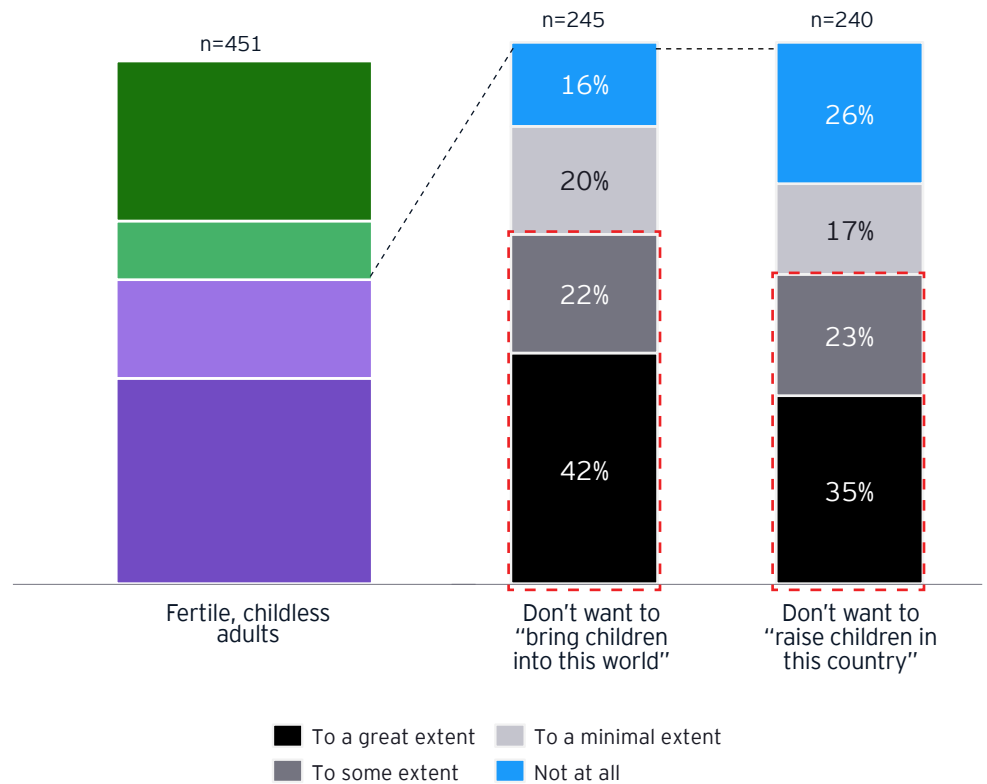
Major life concerns¹

Q: To what extent are you concerned about each of the following? (n=1,505)



Fertility outlooks²

Q: To what extent do you relate to each of the following statements?



1. Represents % of households increasing spend per survey and net of households decreasing spend – does not translate into dollars.

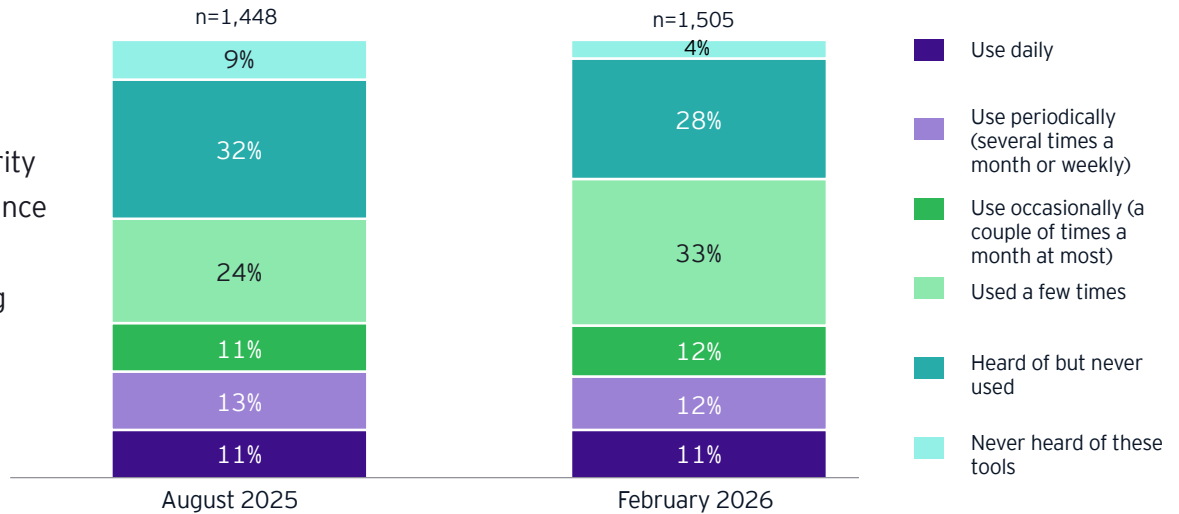
2. Weights "a lot more or less" at 125% of "a little more or less"

Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.

AI awareness and trial has increased, but new users are not becoming routine users, and even existing routine users have mixed views on how AI might impact them and their jobs

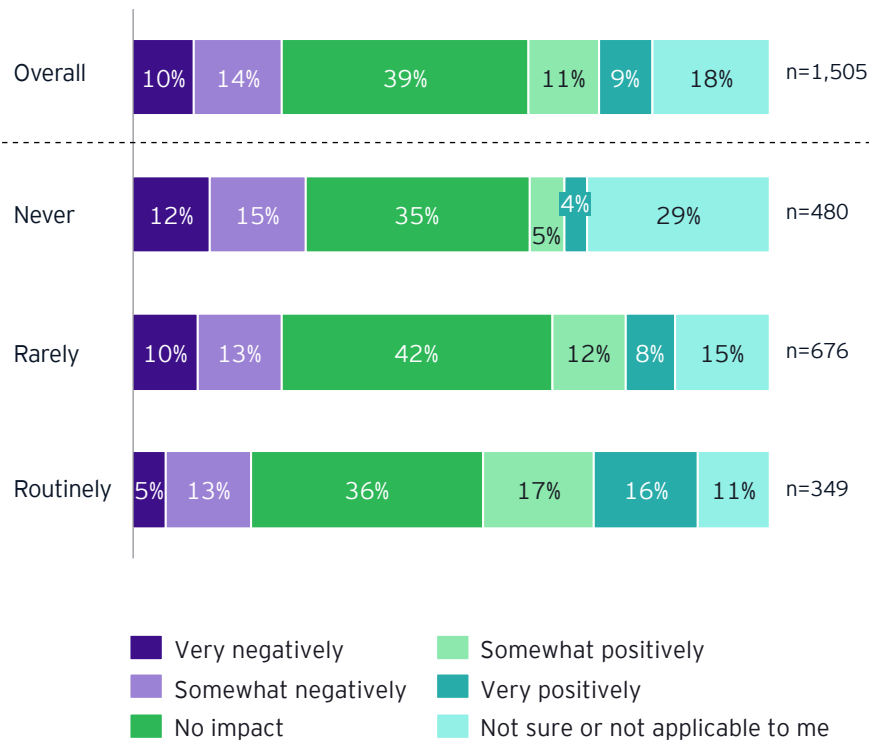
AI familiarity

Q: How would you describe your familiarity with artificial intelligence tools (including but not limited to [leading examples])?



AI attitudes

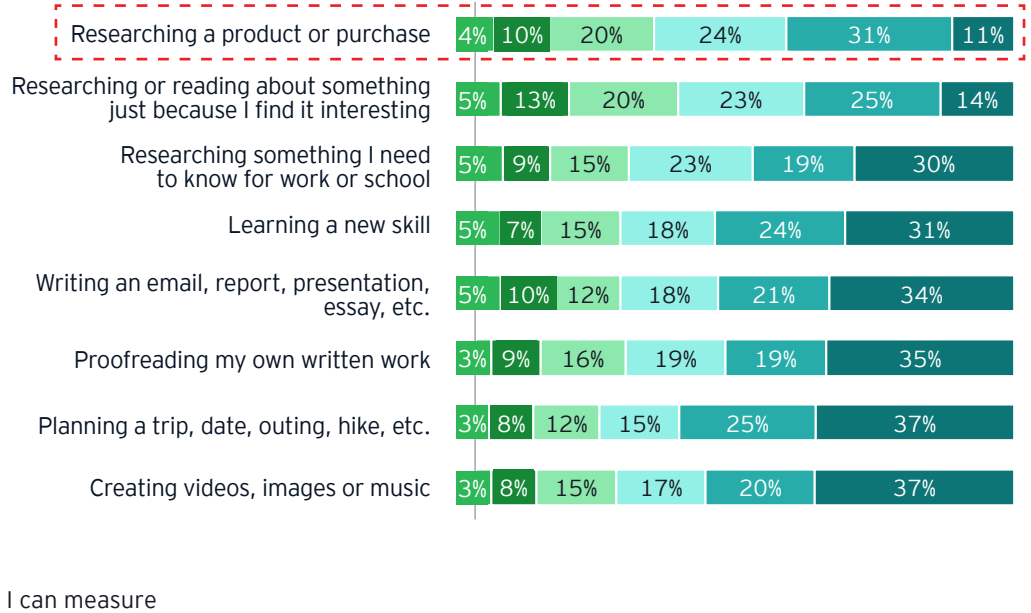
Q: How do you think that [AI and job automation] is impacting you and your household?



Purchase research may be the single most common use case for AI chatbots, and AI chatbots are now second only to word of mouth as a source for purchase research

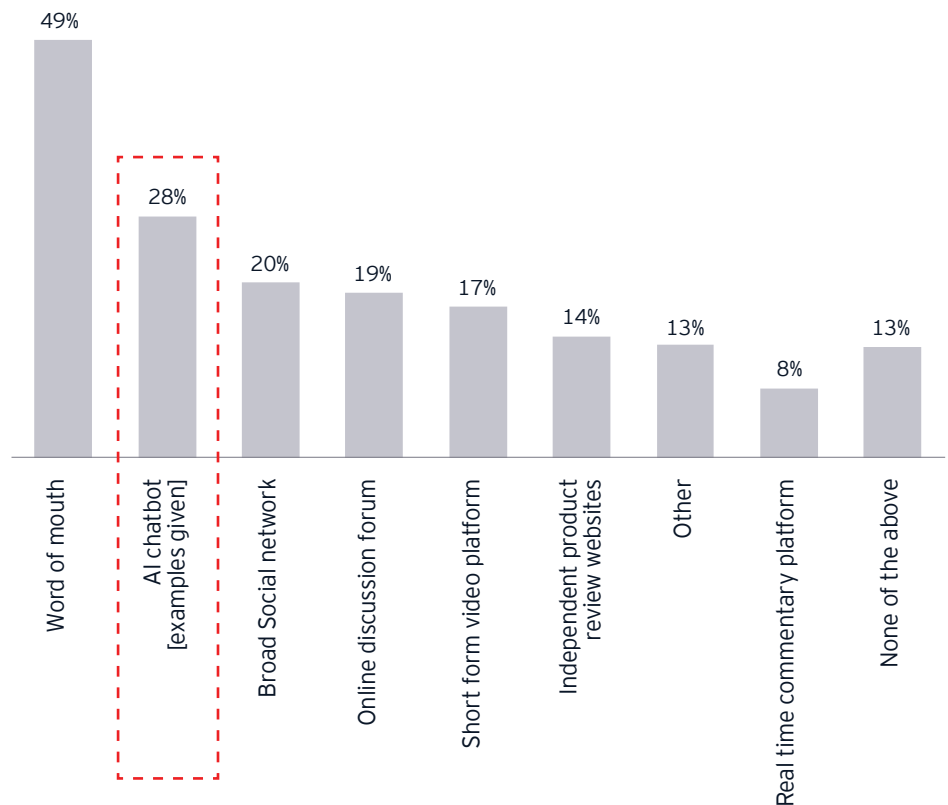
AI chatbot use cases

Q: How often do you use AI tools like [leading examples] for each of the following? (n=523)



Purchase research sources

Q: Where do you generally go to research major products or purchase decisions? (n=1,505)



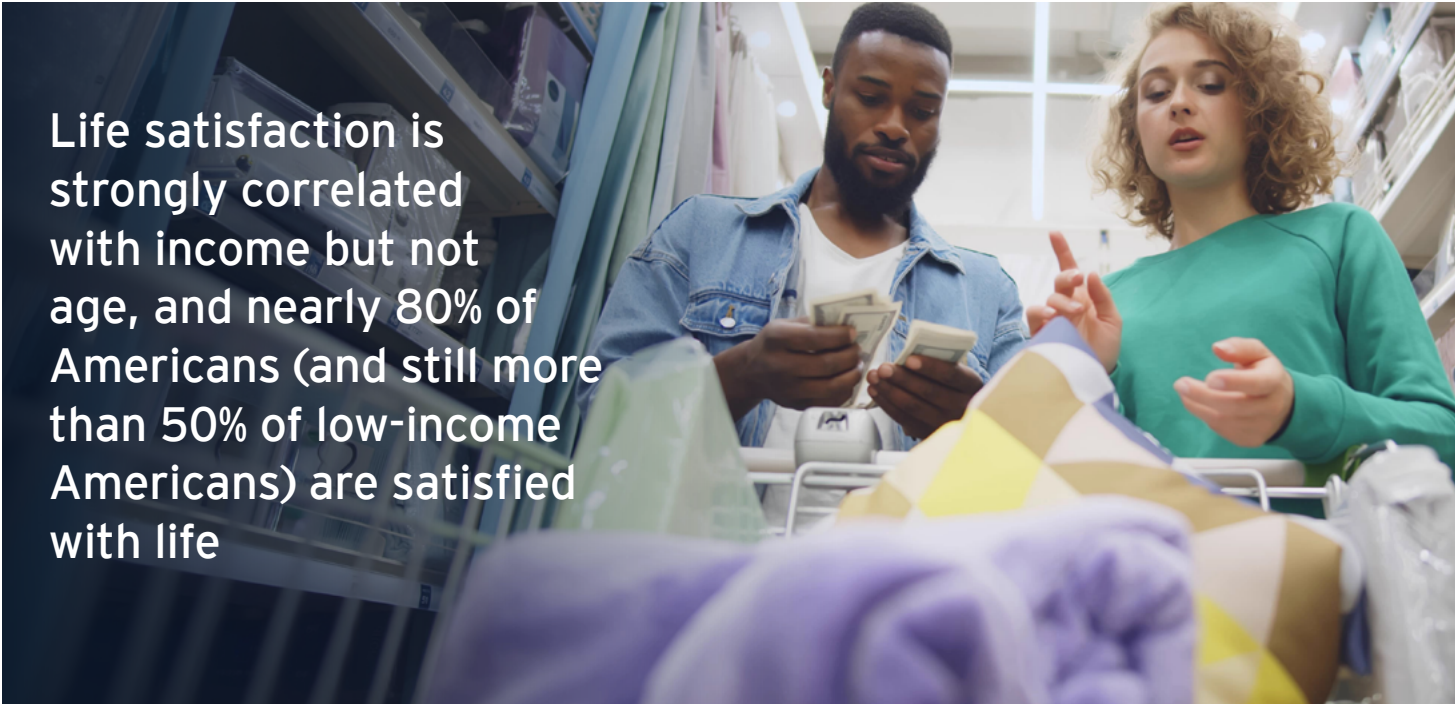
Additional findings



Additional comparisons to prior waves

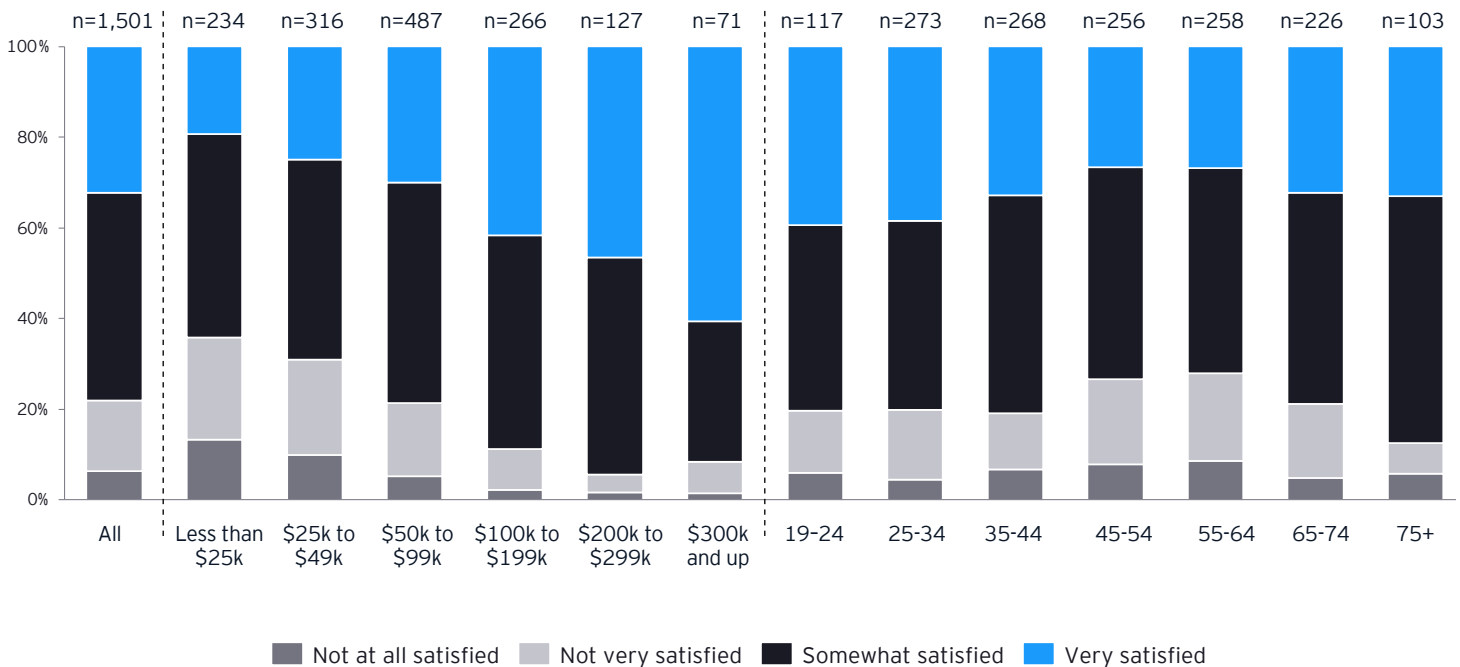


Cross-cuts by income and age



Overall life satisfaction by income level and age group

Q: How satisfied are you with your life overall right now? (n=1,5011)

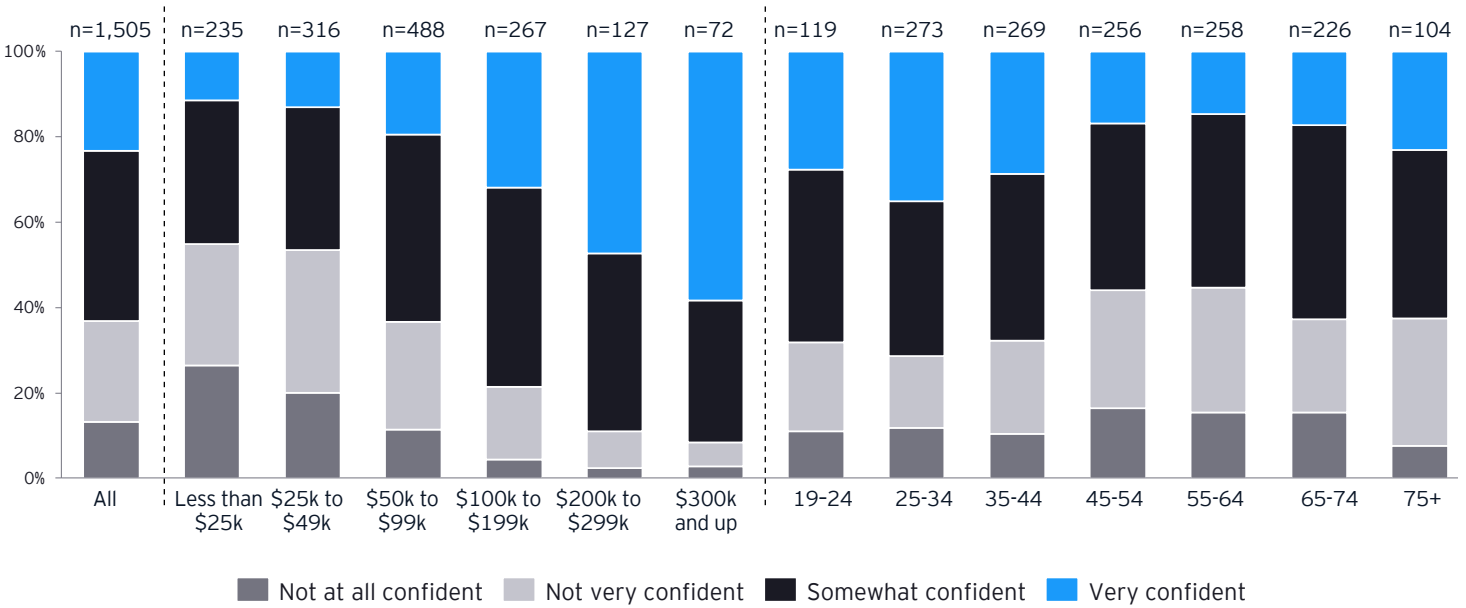


1. "Prefer not to answer" responses are excluded from the analysis
 Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.

Financial confidence is highly disparate, with the majority of households earning below the median household wage (\$83,000) stating they lack confidence in their finances

Financial confidence by income level and age group

Q: Generally, how confident do you feel about your financial situation right now? (n=1,505)

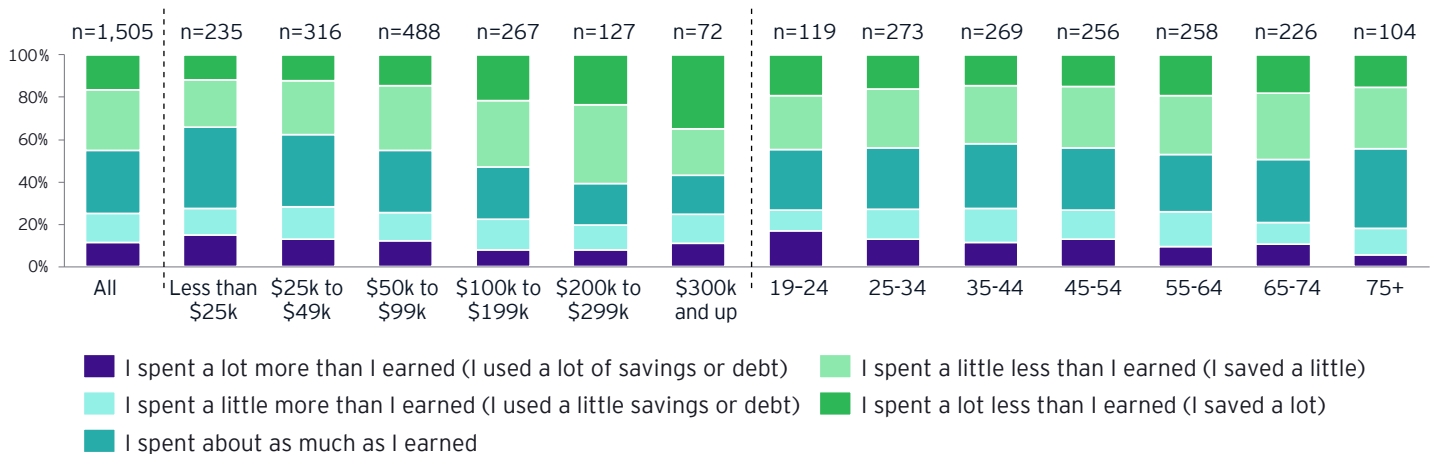


Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.

Overspending is happening at both the lower and upper ends of the income spectrum but is less common among older Americans

Income vs. spend

Q: Which of the following best describes your income and spending over the last month? (n=1,505)



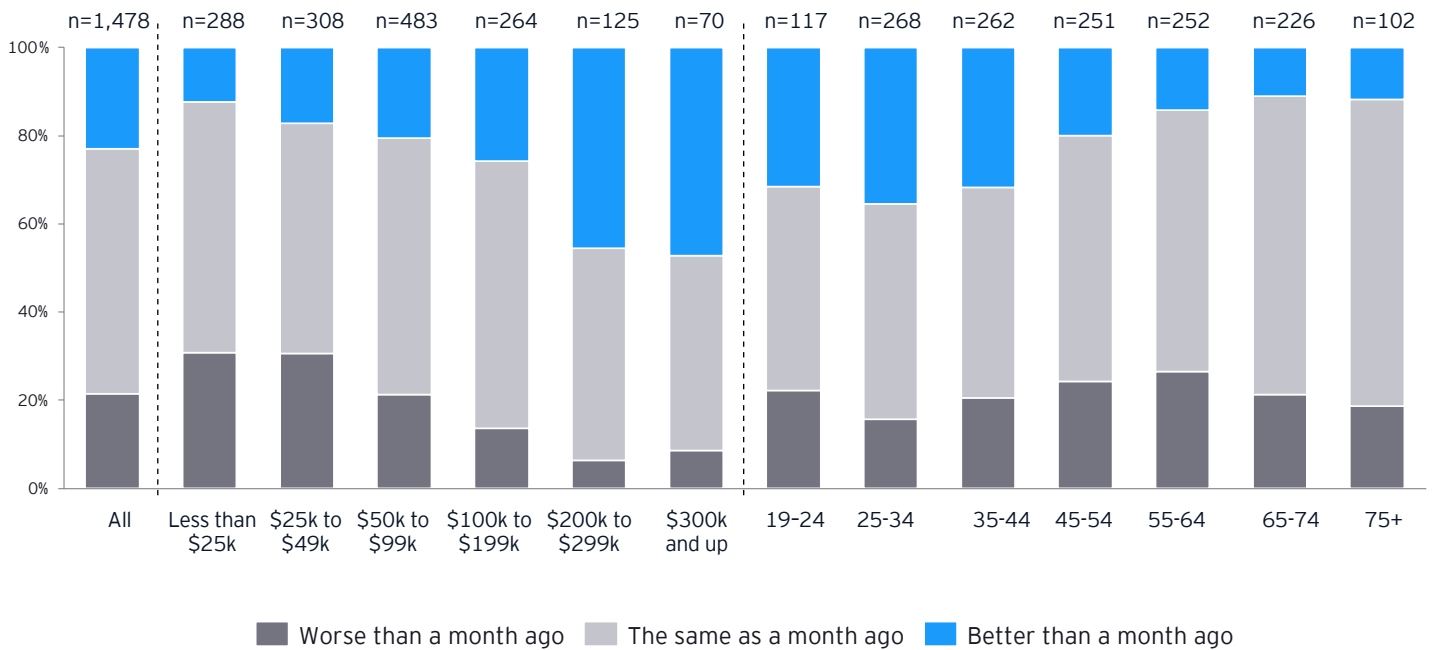
Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.



Most households, regardless of income or age, feel that their financial position is stable this month, and many high-income households believe their situation is even improving

Relative financial position

Q: Would you say that you (and your household) are better off or worse off financially than you were one month ago? (n=1,4781)



Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.

Will retailers chase trends or reshape demand?

At the EY organization, we see disruption as opportunities for retailers to transform how they deliver value. We work with retailers to define their relevance in the market. By empowering leaders to invest boldly, implement strategically and innovate meaningfully, we help retailers remain essential in their customers' lives.



Transforming complex journeys into confident outcomes for retailers

Contact the EY-Parthenon consumer insights and analytics team for questions



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US SCORE No. 30783-261US_2
2509-10769-CS
ED None.

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