

A woman with dark curly hair, wearing a yellow and white striped shirt, is standing in a grocery store aisle. She is holding a clear plastic water bottle in her right hand and a red shopping basket handle in her left hand. The background shows shelves stocked with various products, including bottled water and canned goods.

# EY-Parthenon US Consumer Sentiment Survey

Wave 2 findings



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

The EY Parthenon logo, featuring the letters 'EY' in a bold, sans-serif font, followed by 'Parthenon' in a lighter, sans-serif font. A yellow diagonal line is positioned above the 'Y' in 'EY'.

**EY** Parthenon  
Shape the future with confidence

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# Overview

EY-Parthenon's (EYP's) 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, 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)

“

**Tariff Whiplash Spooks U.S. Consumers**

Uncertainty around Trump's trade war is weighing on Americans and causing some to hold back on purchases.

“

**Consumer Confidence Is Tumbling as Financial Concerns Mount**

The level in the Conference Board's latest monthly survey was the lowest since January 2021.

“

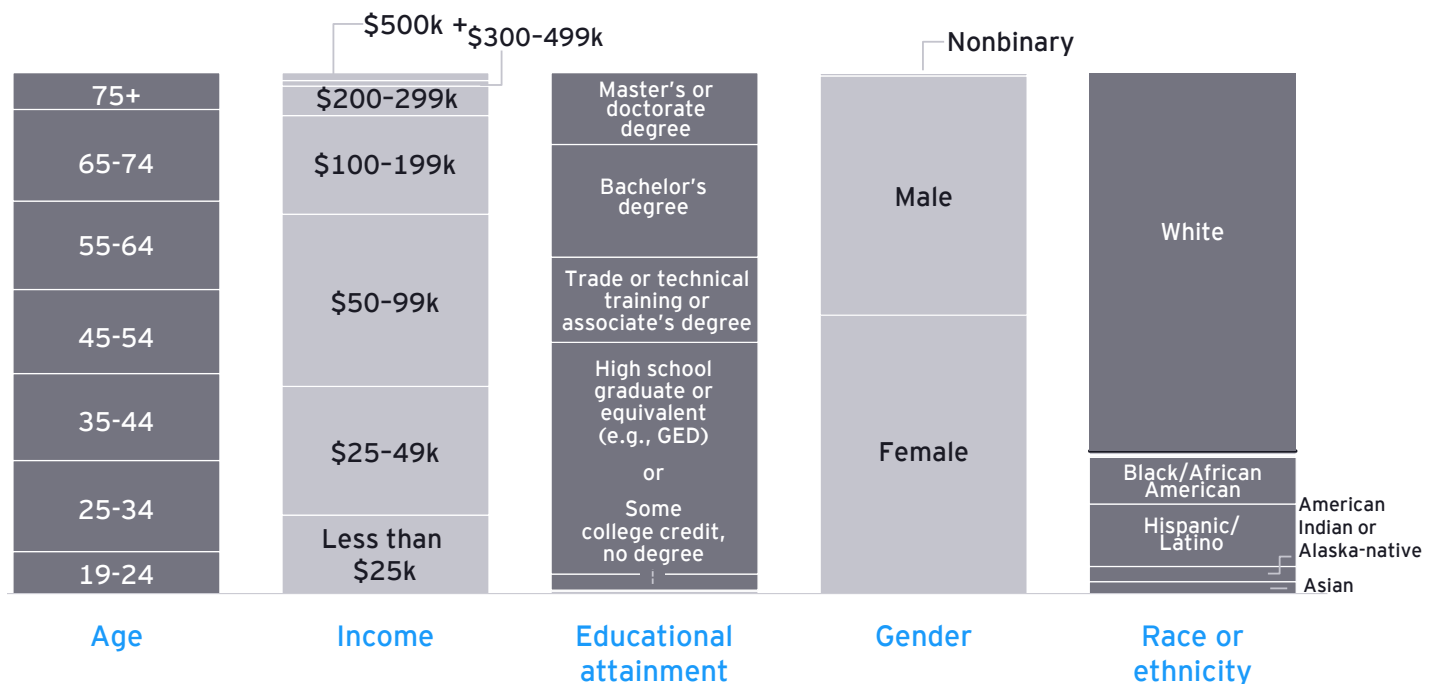
**'Kicking butt' or 'going too fast'? Trump voters reflect on 100 days**

This analysis draws on over **2.1k survey respondents** that represent a cross-section of the US general population across multiple key attributes

### 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=2,132)



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



# Selected findings

## Wave 2

### KEY FINDINGS



Americans' confidence in their personal finances has **further deteriorated** over the past three months, as macroeconomic and political concerns mount across the board.

Consumers increasingly feel the effects of **tariffs** and **government stability and politics**.



**Food prices** are a major source of concern, along with **transportation and housing**.

**More households are tightening spend** on discretionary categories (e.g., dining out, travel, home goods) to offset the mounting costs of essentials – **91% compared to 86% three months ago**.



Restaurants continue to be vulnerable to traffic declines, with **nearly 60% of households already cutting back on meals out**.

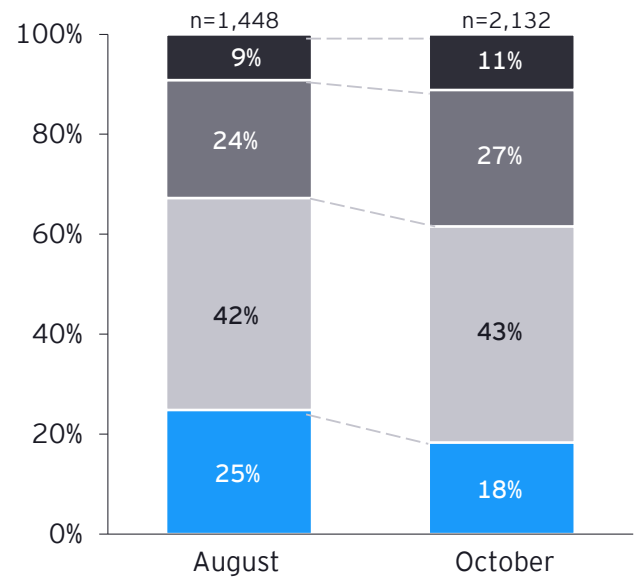
Fast-moving goods such as **beauty and personal care, groceries and pet products** appear susceptible to **brand switching, promotional activity and private labels**.

## Americans' confidence in their personal finances has further deteriorated over the past three months, as macroeconomic and political concerns mount across the board

### Current personal financial confidence

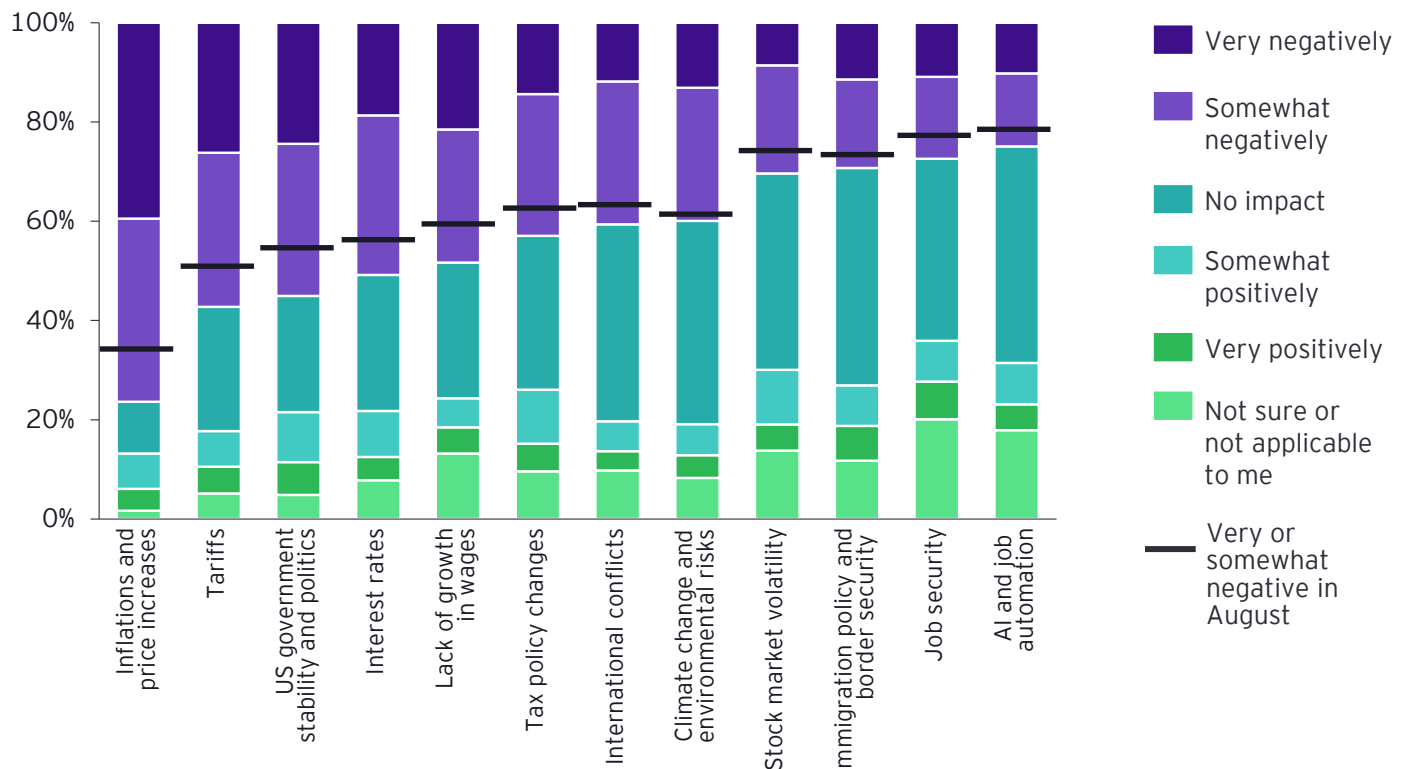
Q: Generally, how confident do you feel about your financial situation right now? (n=2,132)

Very confident      Not very confident  
Somewhat confident      Not at all confident



### Perceived impacts of macroeconomic and geopolitical topics

Q: How do you think that each of the following is impacting you and your household? (n=2,132)



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

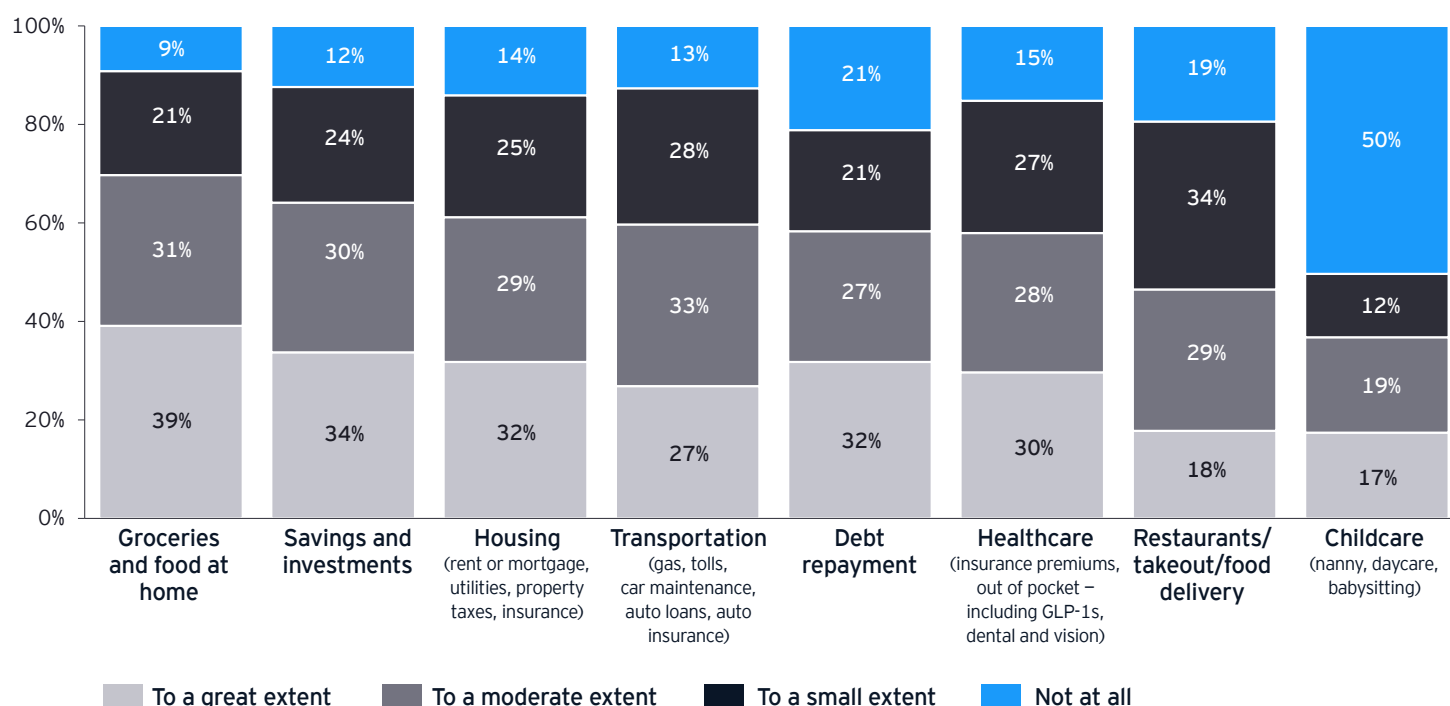


Food at home (groceries), housing and transportation are major stressors, and most Americans are also concerned that they are not saving and investing sufficiently



## Concern with expenses

Q: To what extent are you concerned by your personal expenses in each of the following areas? (n=2,131<sup>1</sup>)

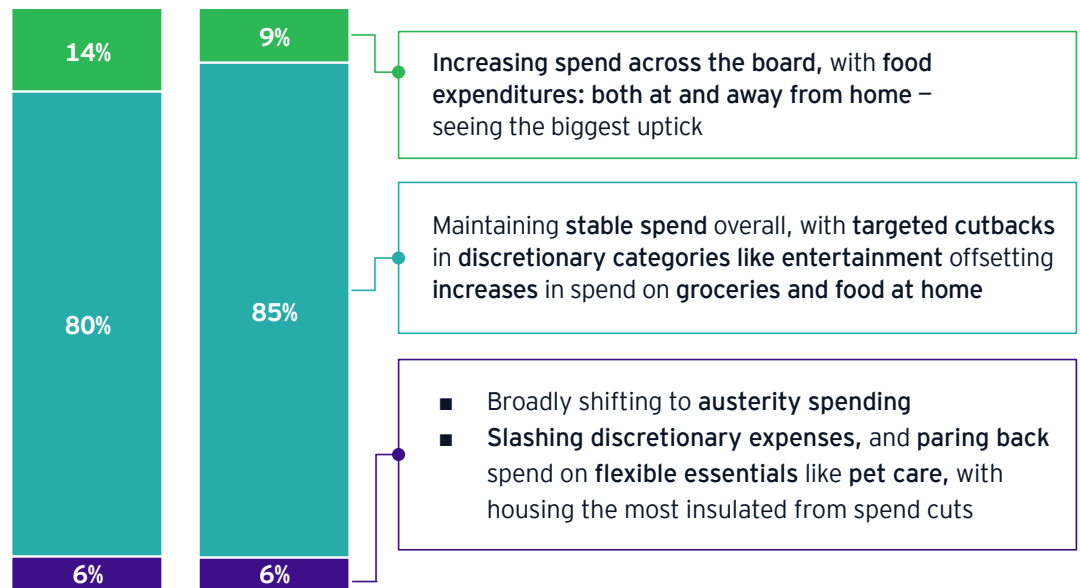


1. Excludes "n/a" responses.

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

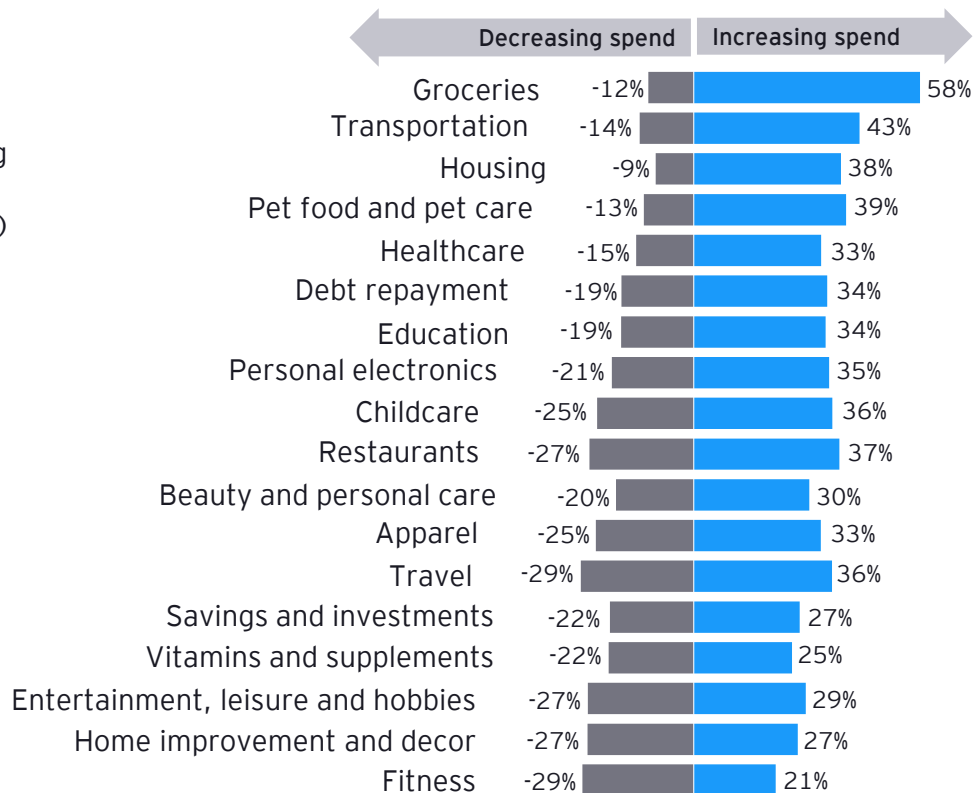
## More households are taking steps to tighten spending on discretionary categories (e.g., dining out, travel, home goods) to offset mounting expenses on essentials

### Consumer spending segmentation



### Net spending changes (% of households)<sup>1</sup>

Q: Roughly speaking, did you spend more or less on each of the following goods and services this month compared to last month? (n=2,131<sup>2</sup>)



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

2. Weights “a lot more / less” at 125% of “a little more / less”

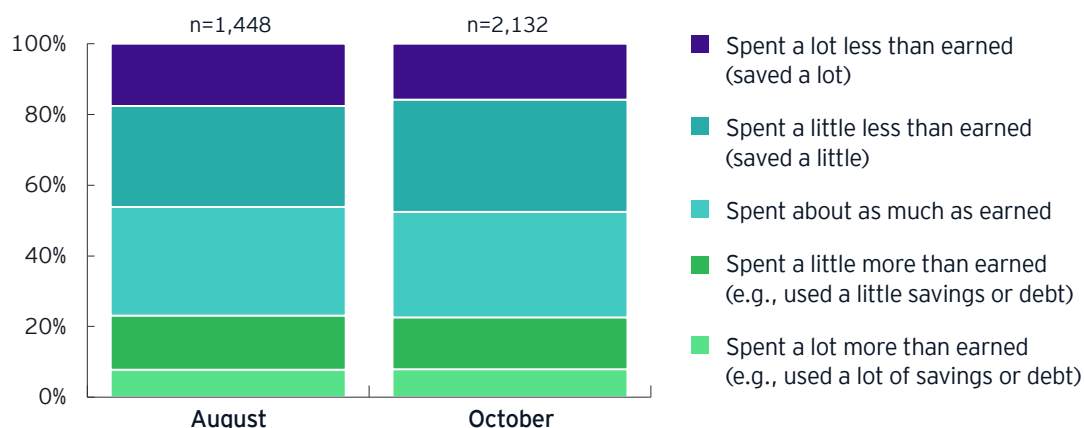
Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.



## Consumers are about as likely to use debt or savings to cover expenses as they were three months ago. ~18% of these consumers used a buy-now-pay-later platform

### Spending relative to earnings

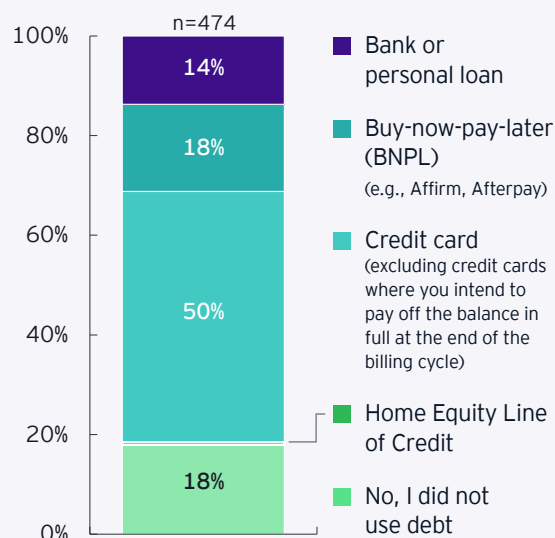
Q: Which of the following best describes your (and your household's) income and spending over the last month? (n=2,132)



## Among consumers who overspent their earnings:

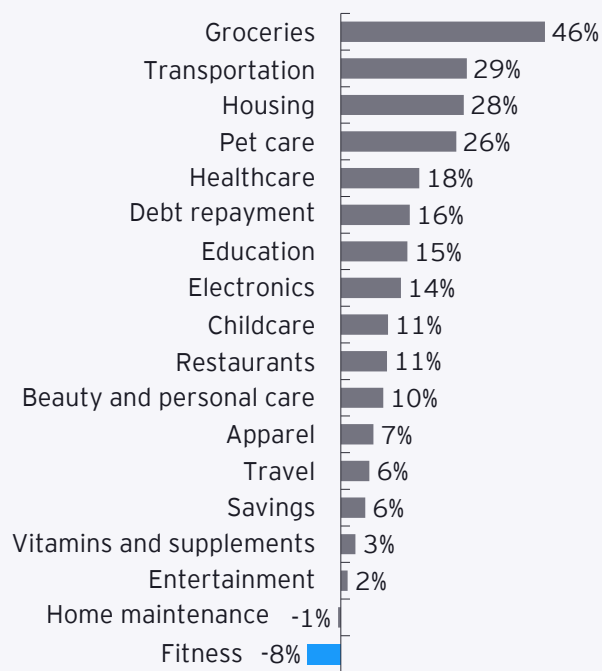
### Debt type to make purchases

Q: Did you use any of the below types of debt to make purchases? (n=474<sup>2</sup>)



### Net spending increases (% of households)<sup>1</sup>

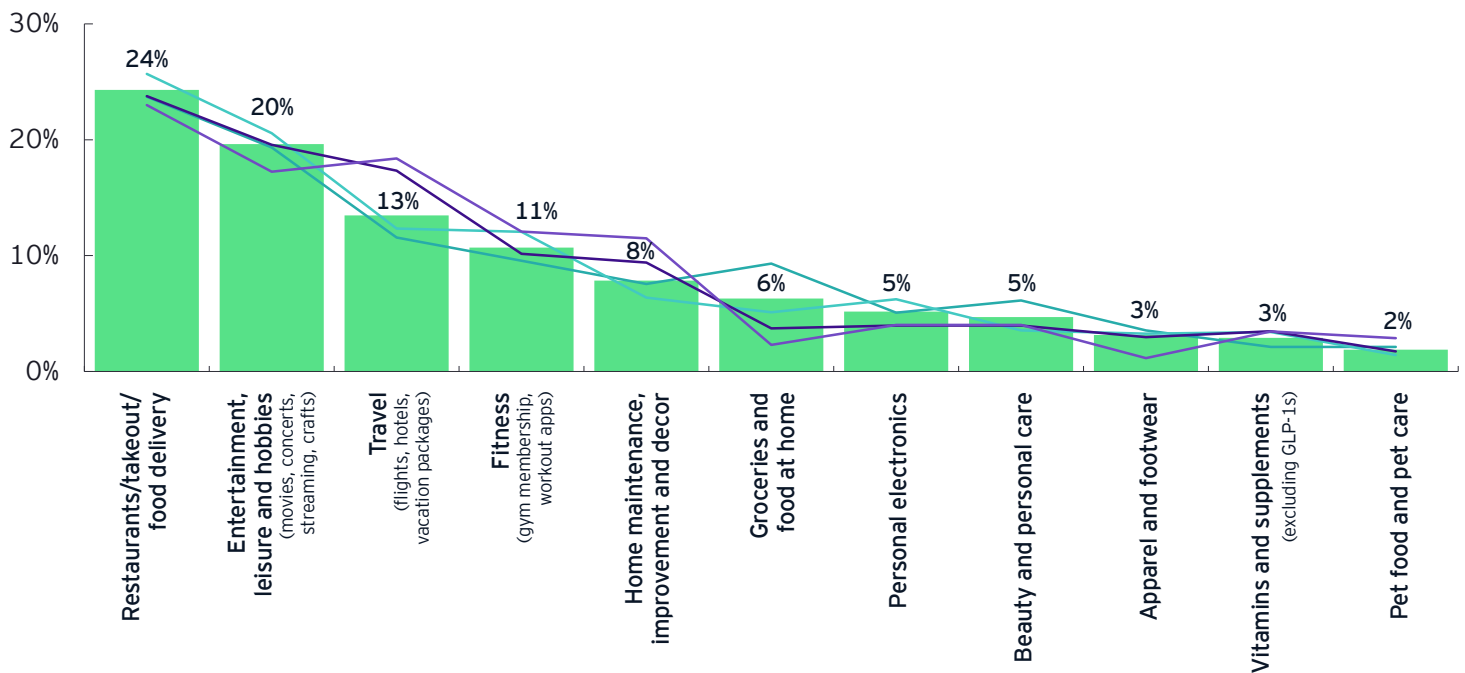
Q: Roughly speaking, did you spend more or less on each of the following goods and services this month compared to last month? (n=2,131<sup>2</sup>)



Restaurants remain vulnerable to continued and future spend decreases, and sentiments are generally uniform regardless of consumer income level

## Category to cut if facing financial concerns

Q: What is the category that you will first cut spend on if facing financial concerns? (n=1,275)



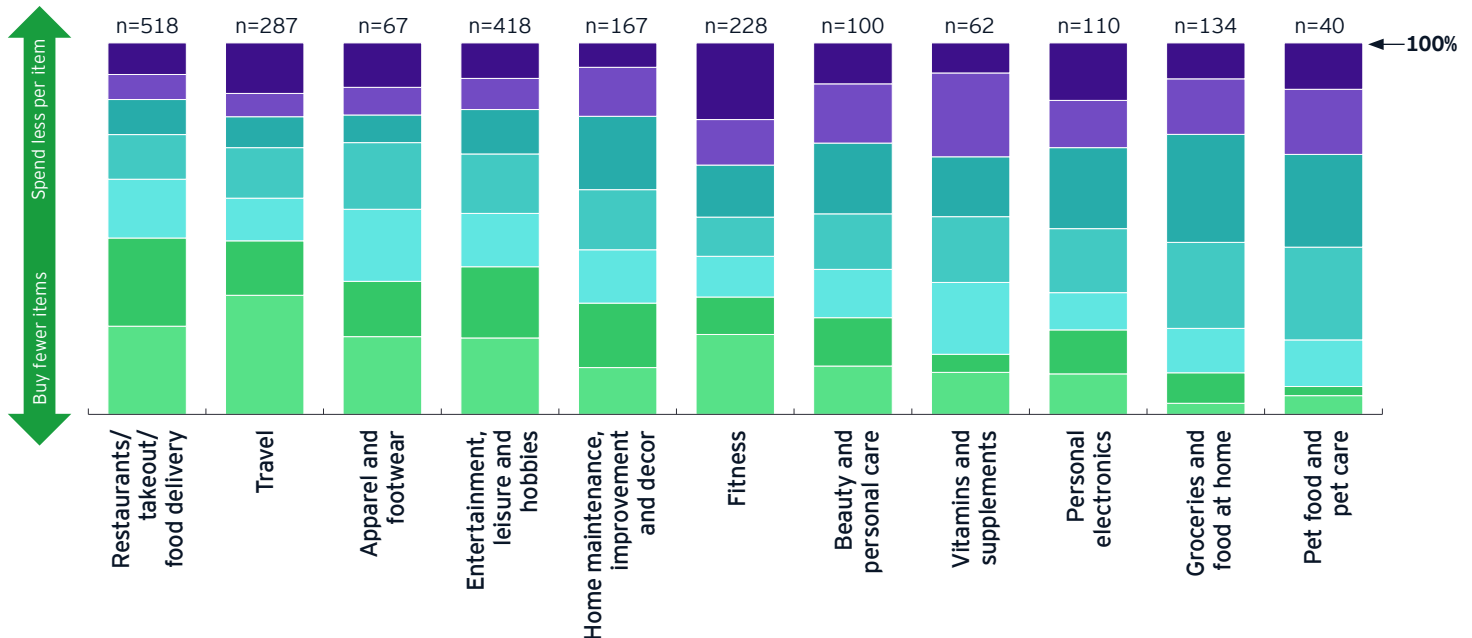
Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.



## Among consumers who identified restaurant, travel, apparel and entertainment/leisure as savings opportunities, most plan to target purchase volume and frequency

### Anticipated cost-saving measures

Q: How do you think you could save money for this category, where 1 = Cut down on volume and frequency of purchases; 7 = Cut down on price and expense of purchases?

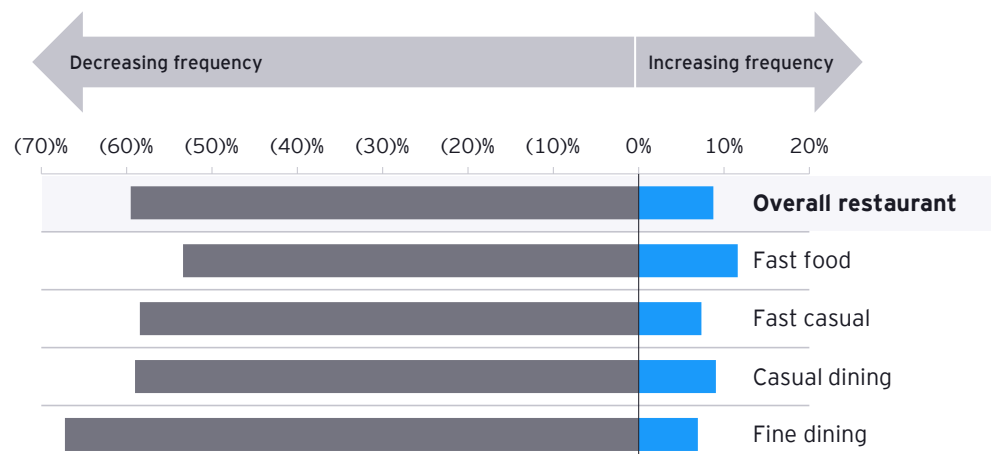


Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.

**Nearly 60% of households have already cut back on their total meals eaten out over the past month, with higher-end restaurants hit hardest**

### Frequency of meals out

Q: Roughly speaking, how has your purchase frequency from the below restaurant formats changed from this month compared to three months ago? (n=2,131)



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

# Additional findings



**Additional  
comparisons  
to Wave 1**



**Cross-cuts  
by income  
and age**



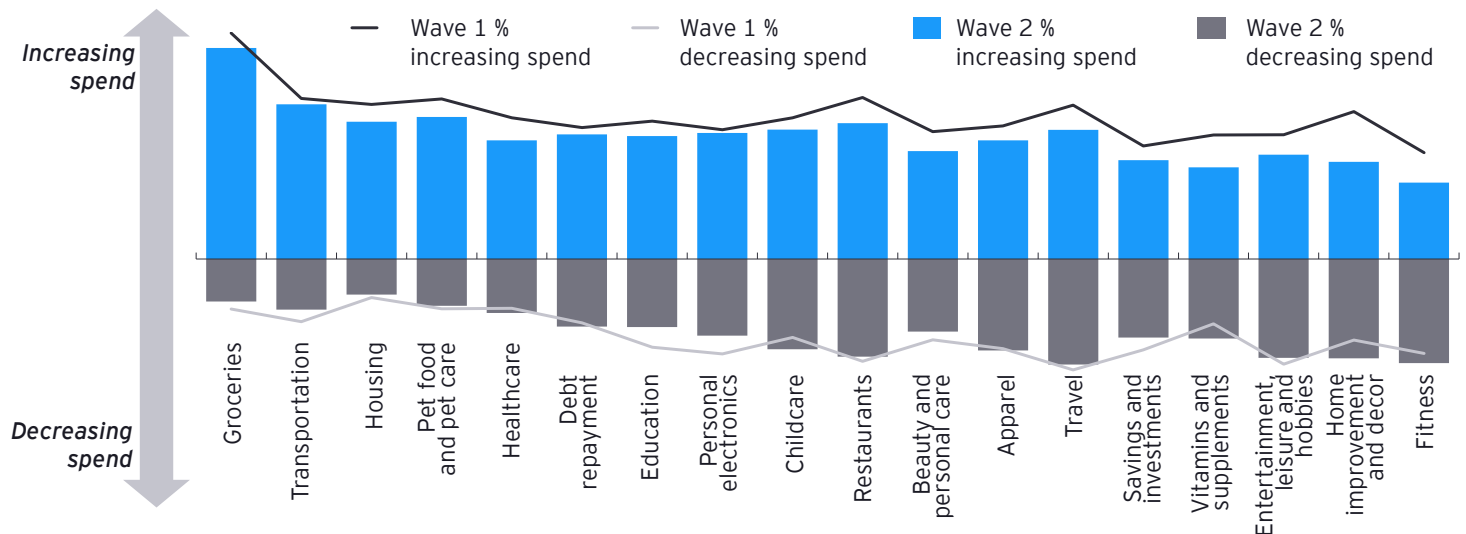
**Observations  
on home  
ownership  
and children**



## Spending patterns this month are relatively consistent with patterns three months ago

### Net spending changes (% of households)<sup>1</sup>

Q: Roughly speaking, did you spend more or less on each of the following goods and services this month compared to last month? (n=2,131<sup>2</sup>)



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

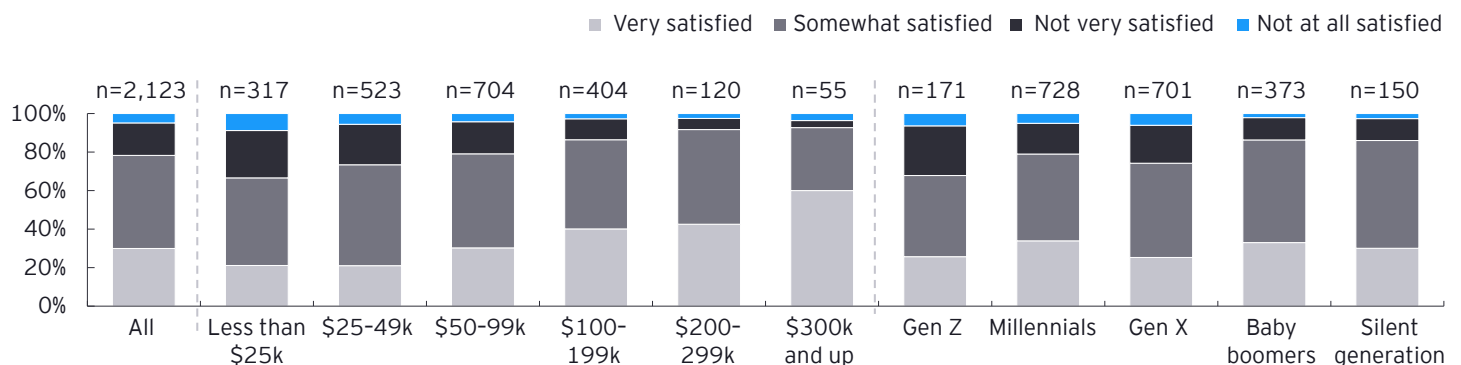
2. "N/A - I haven't bought this in the last two months" responses are excluded from the analysis.

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

## Life satisfaction is strongly correlative with income and, to a lesser extent, age, but the majority of Americans are at least somewhat satisfied regardless of income or age

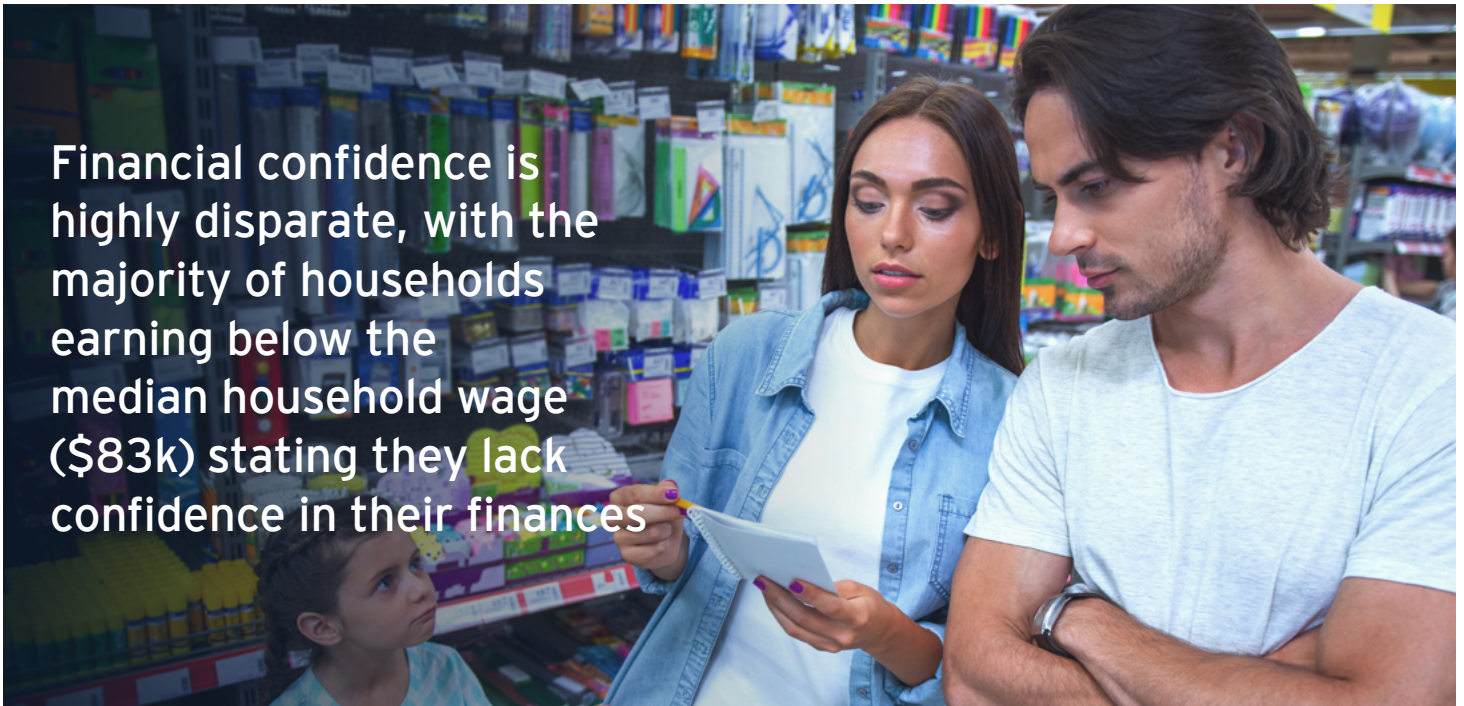
### Overall life satisfaction by income level and age group

Q: How satisfied are you with your life overall right now? (n=2,123<sup>1</sup>)



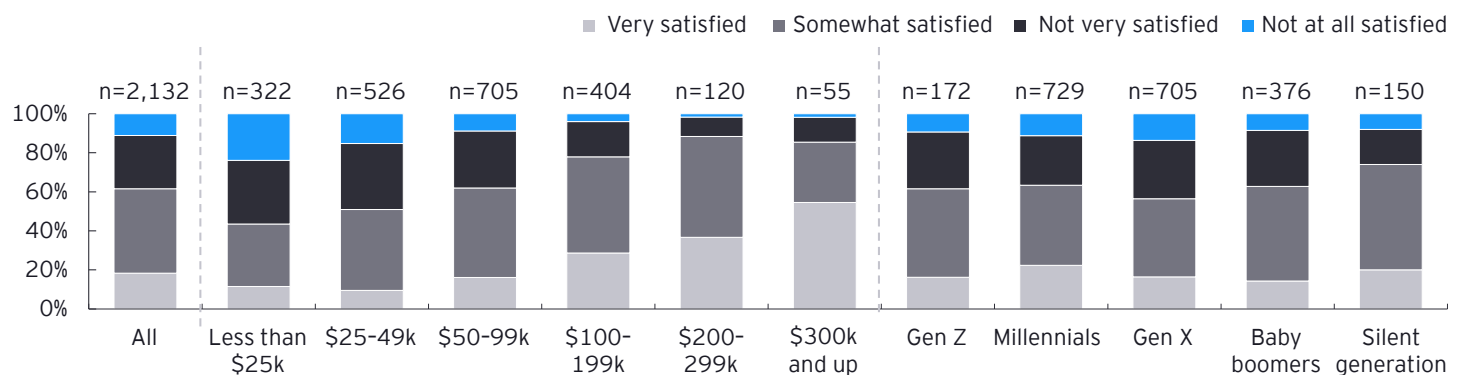
1. "Prefer not to answer" responses are excluded from the analysis.

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



### Financial confidence by income level and age group

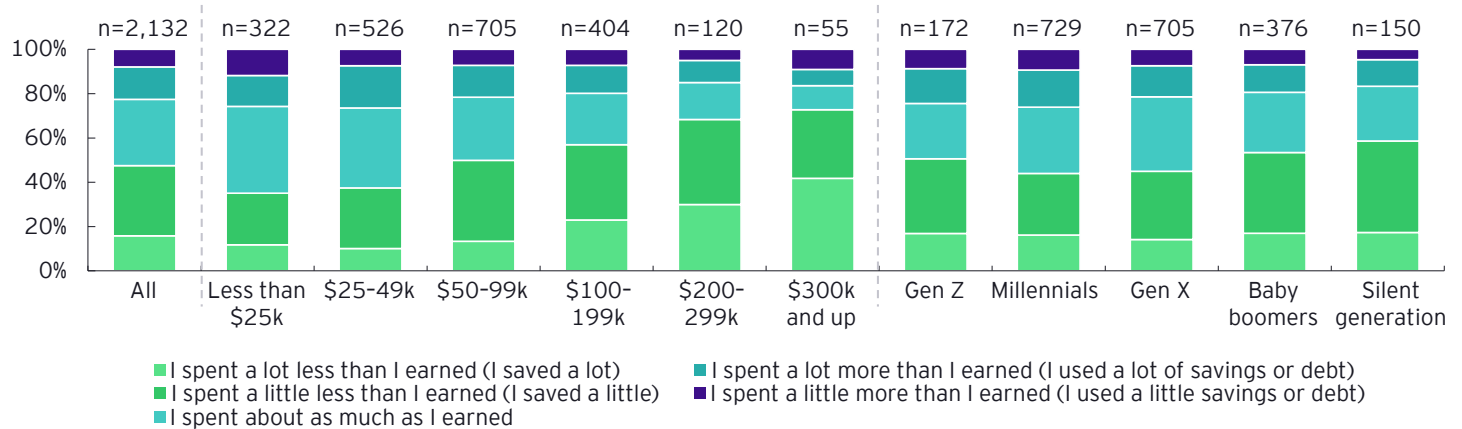
Q: Generally, how confident do you feel about your financial situation right now? (n=2,132)



Propensity to save increases with income but is largely consistent by age; which is interesting, as propensity to overspend earnings is fairly consistent regardless of income

### Income vs. spend

Q: Which of the following best describes your income and spending over the last month? (n=2,132)

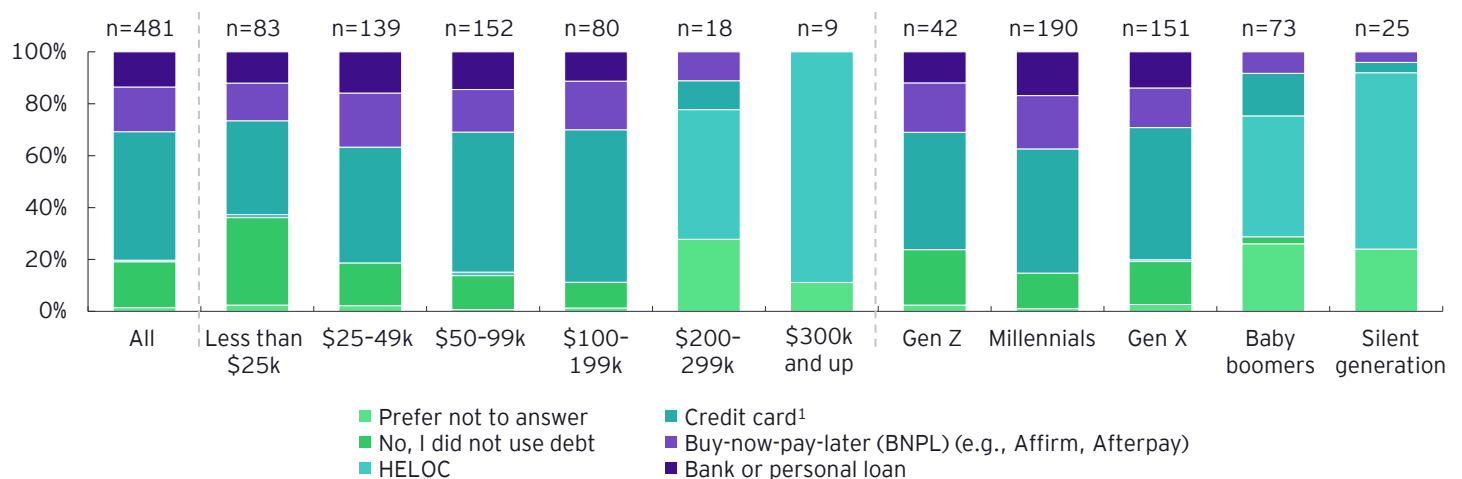


Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.

BNPL usage is most common among middle- and upper-middle income households and younger consumers, but does have some traction among the wealthier and older

### Purchasing enablers among consumers who overspent earnings

Q: Did you use any of the below types of debt to make purchases? (n=481)



1. Excluding credit cards where you intend to pay off the balance in full at the end of the billing cycle.

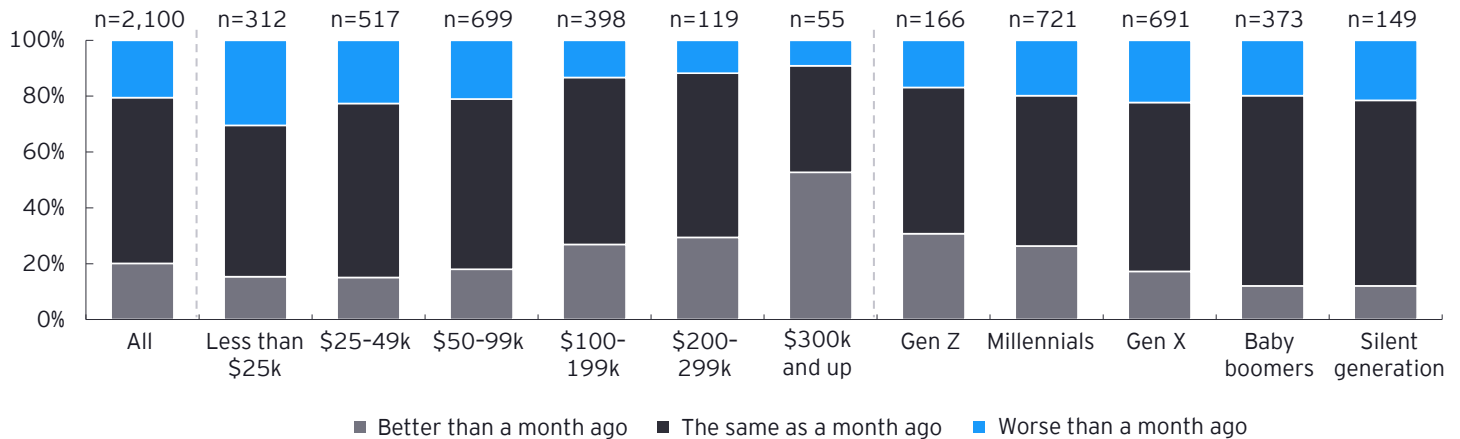
Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.



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=2,100)

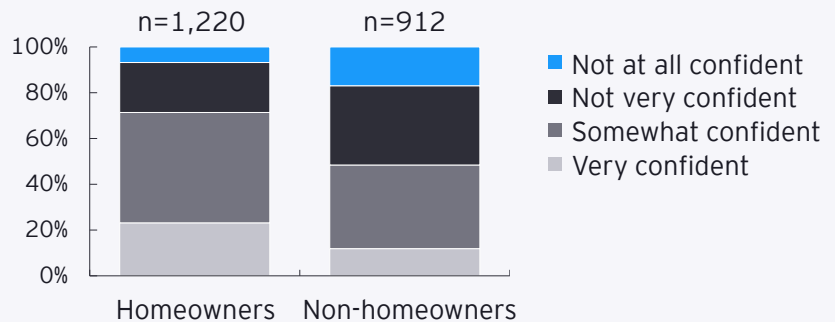


Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey.

Home ownership is highly correlative with financial confidence. Of adults who do not own their home, only half expect to buy a home in the next 10 years

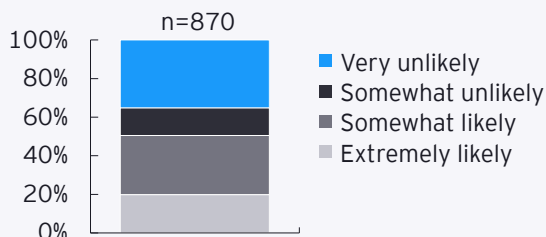
### Relative financial position

Q: Would you say that you (and your household) are better off or worse off financially than you were one month ago? (n=2,100<sup>1</sup>)



### Likelihood to purchase home<sup>1</sup>

Q: How likely do you believe it is that you will purchase a home in the next 10 years? (n=870)



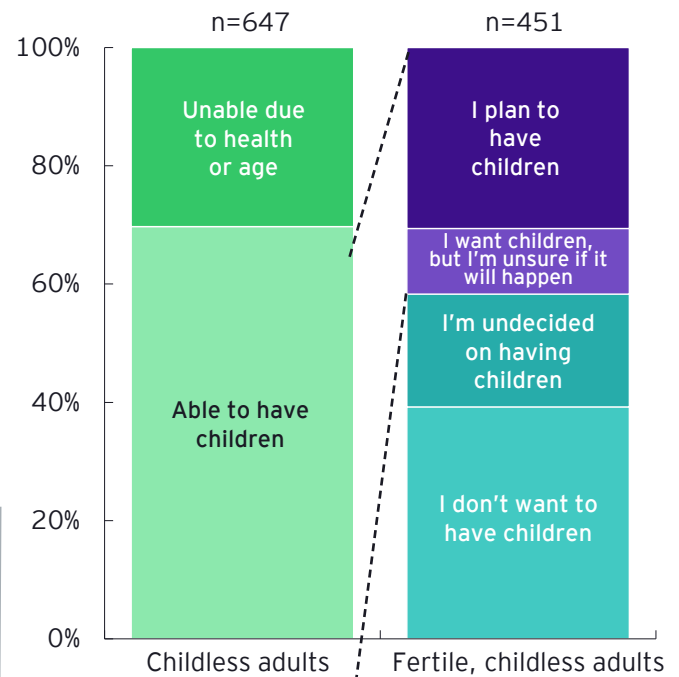
1. "Prefer not to answer" responses are excluded from the analysis.

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

## Of childless adults who are capable of having children, almost 60% do not want to have children or are still uncertain about their plans, for a wide range of reasons

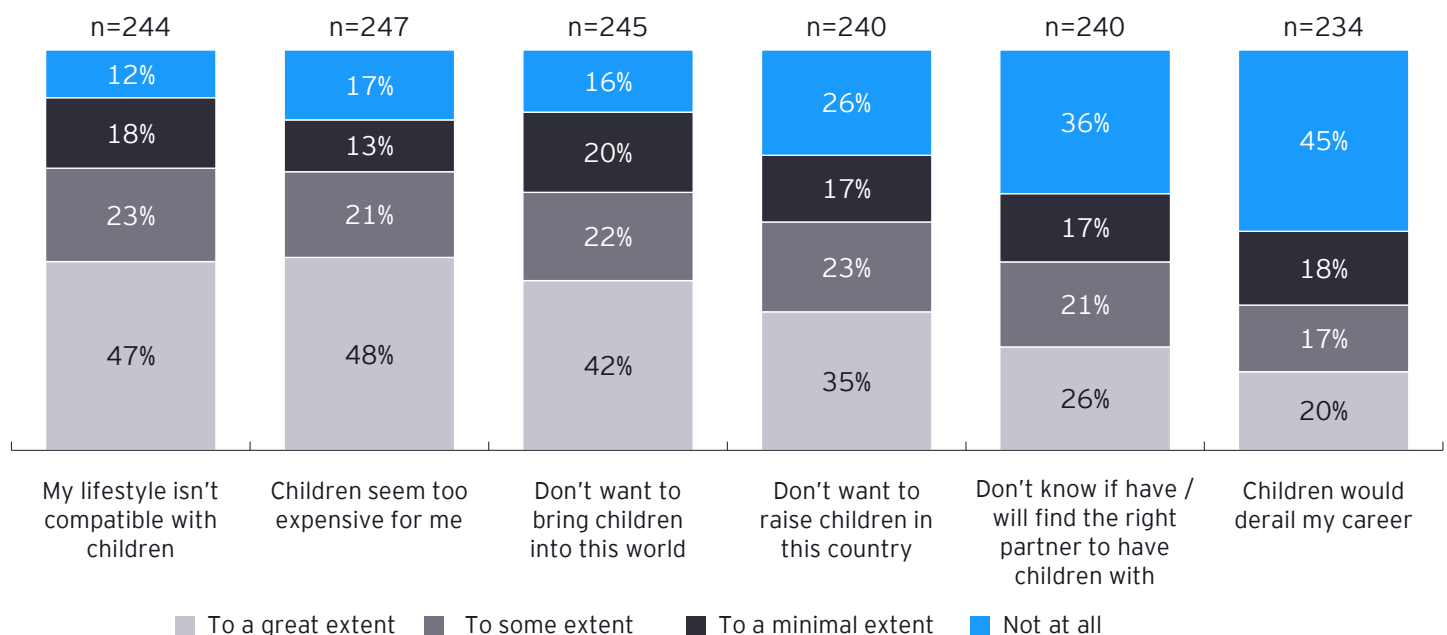
### Future plans around having children

Q: Which of the following best describes you? (n=647<sup>1</sup>)



### Drivers for not wanting to have children or ambivalence around having children

Q: To what extent do you relate to each of the following statements? (n=263<sup>2</sup>)



1 "Prefer not to answer" responses are excluded from the analysis.

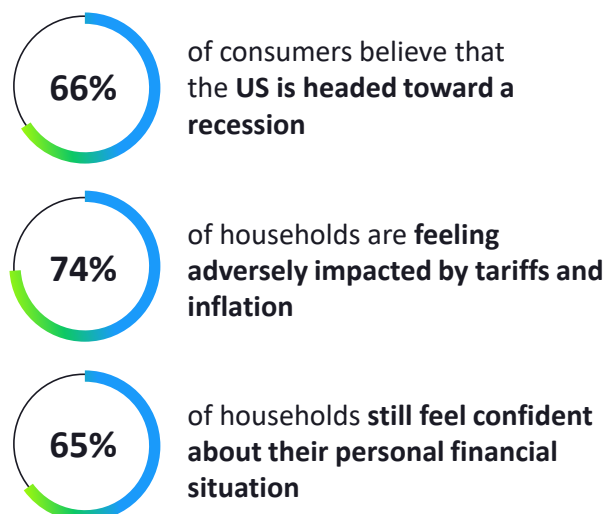
2 "Prefer not to answer or don't know" responses are excluded from the analysis.

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

# Wave 1 highlights

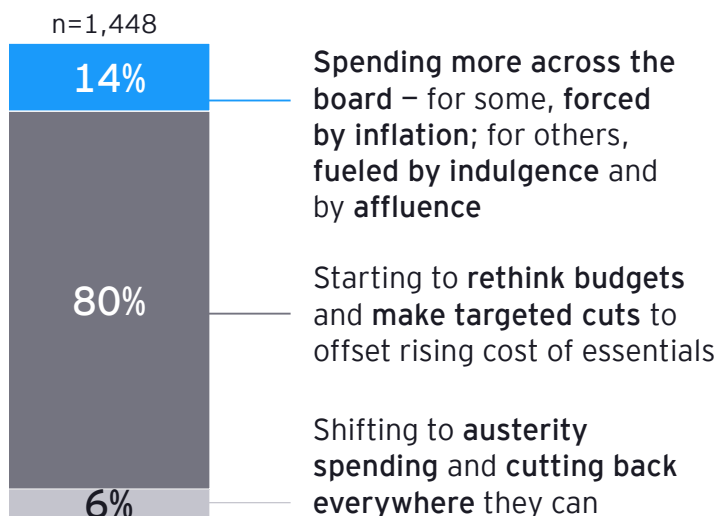
Most consumers believe the US is headed toward a recession, and are feeling the weight of macroeconomic pressures come to bear, but are not yet making real changes

**While consumers expect tough times ahead, and are starting to feel the squeeze, most still feel solid about their finances ...**



**... and are not yet making drastic adjustments to spending habits**

US household spending segmentation



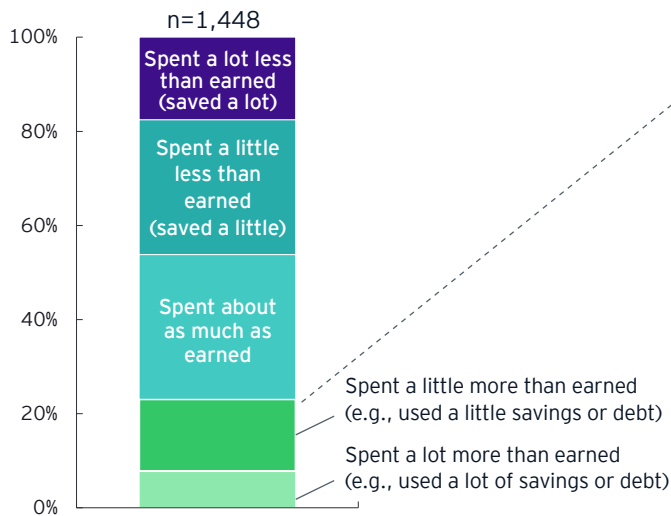
Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey, July 2025.



# Consumer debt is taking a substantial (and likely growing) role in propping up spending across all categories, with 23% of consumers outspending their earnings last month

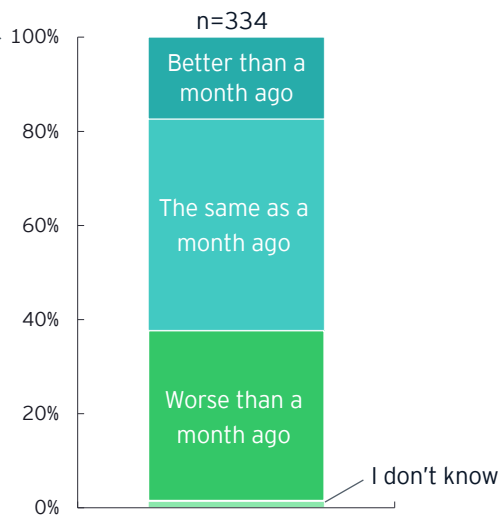
## Spending relative to earnings

Q: Generally, how confident do you feel about your (and your household's) financial situation right now? (n=1,448)



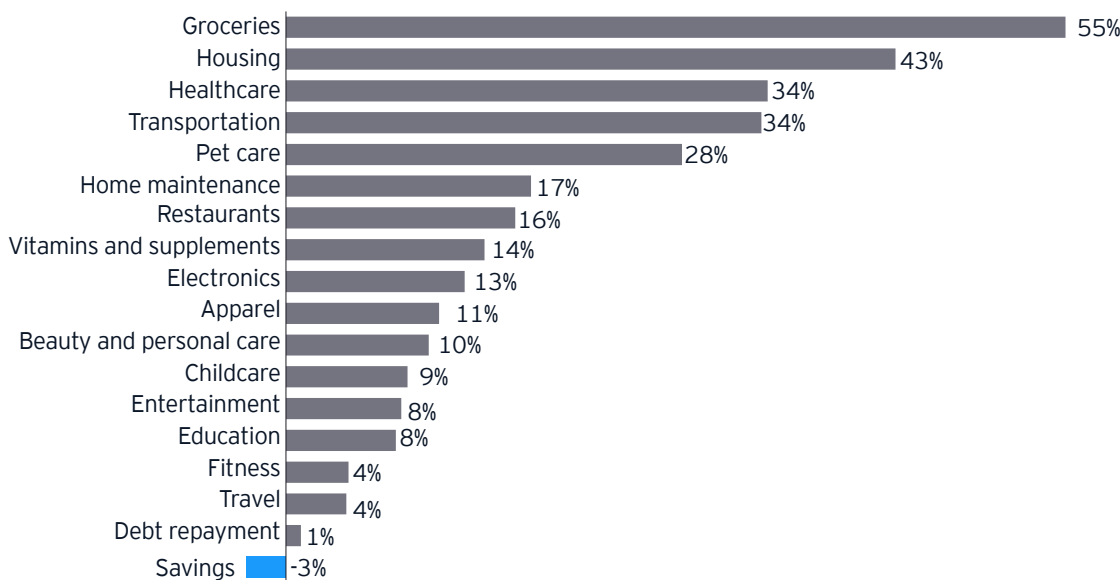
## Financial trajectory

Q: Would you say that you (and your household) are better off or worse off financially than you were one month ago? (n=334)



## Net spending increases (% of households)

Q: Roughly speaking, did you spend more or less on each of the following goods and services this month compared to last month? (n=334)<sup>2</sup>



1. Represents % of households increasing spend per survey, net of households decreasing spend - does not translate into dollars;

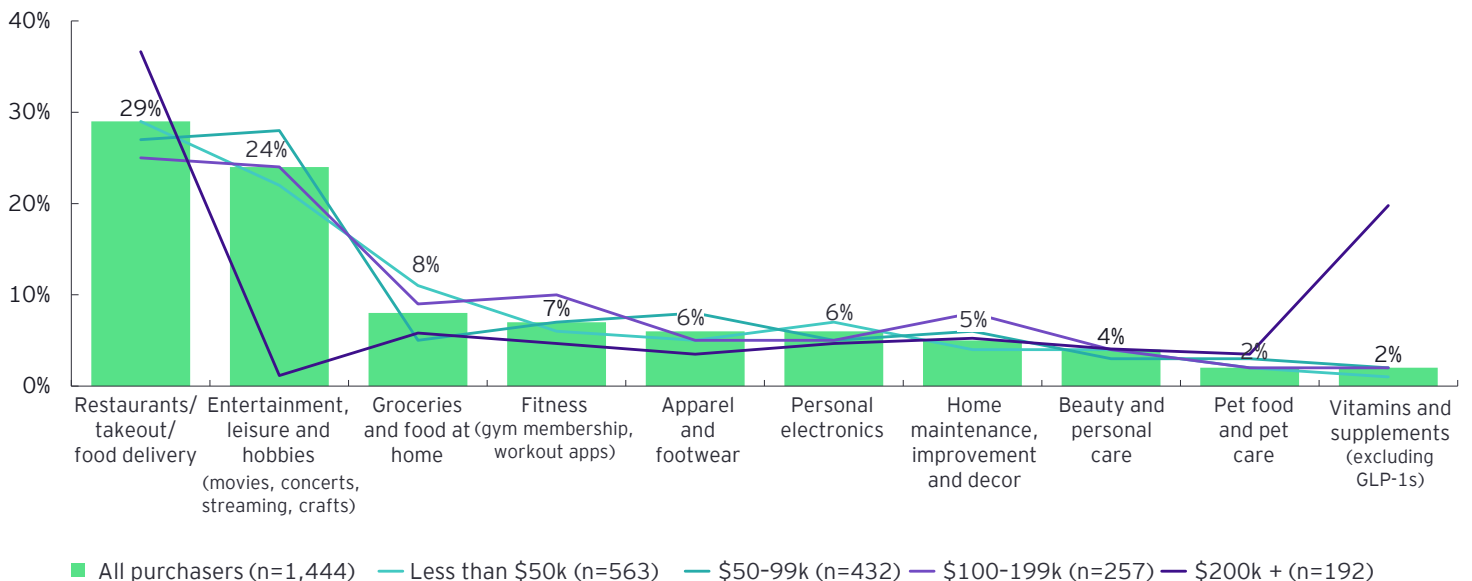
2. Weights "a lot more / less" at 125% of "a little more / less."

Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey, July/August 2025.

If, and when, consumers need to rein in spending, restaurants/food away from home and entertainment/leisure are particularly vulnerable

### Category to cut if facing financial concerns

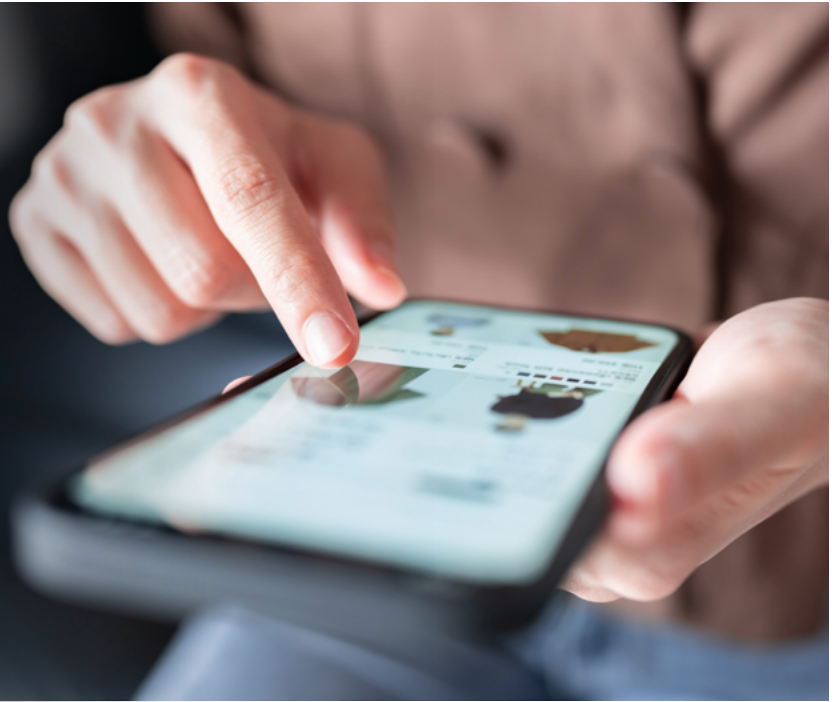
Q: What is the category that you will first cut spend on if facing financial concerns? (n=1,444)



1. Excludes "Other" and "Don't know" responses.

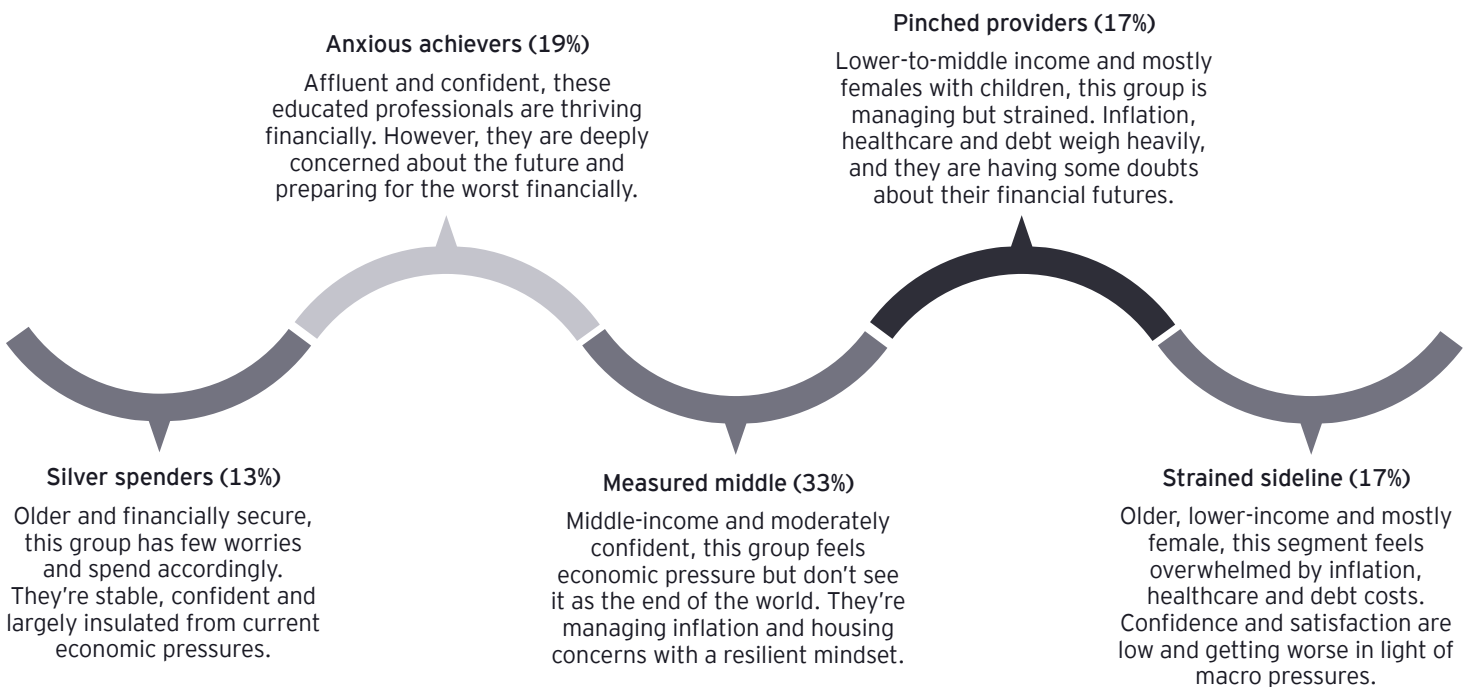
Source: EY-Parthenon analysis of EY-Parthenon US Consumer Sentiment Survey, July/August 2025.

We have identified five segments with distinct financial outlooks, day-to-day priorities and spending patterns



## EY-Parthenon consumer segments

Based on statistical analysis of 1,448 consumer survey respondents

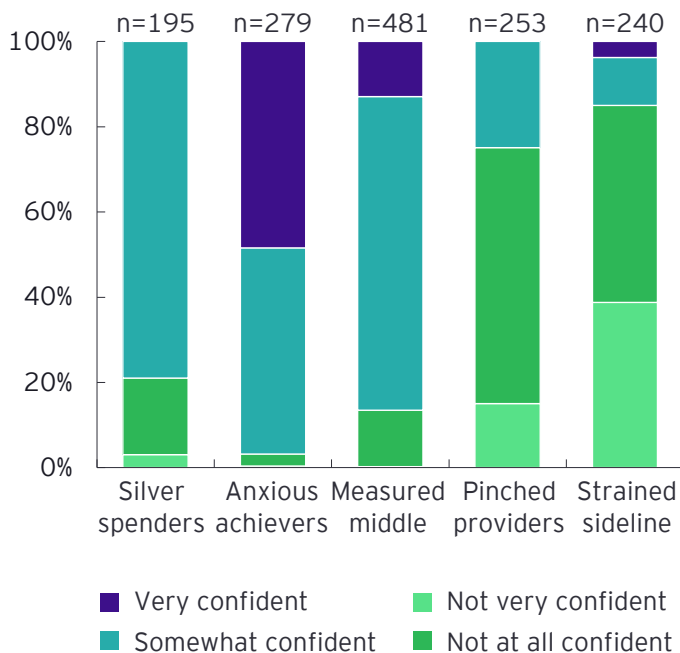




These segments are characterized by vastly different financial situations, which naturally inform spending patterns; however, finances do not fully explain mindsets

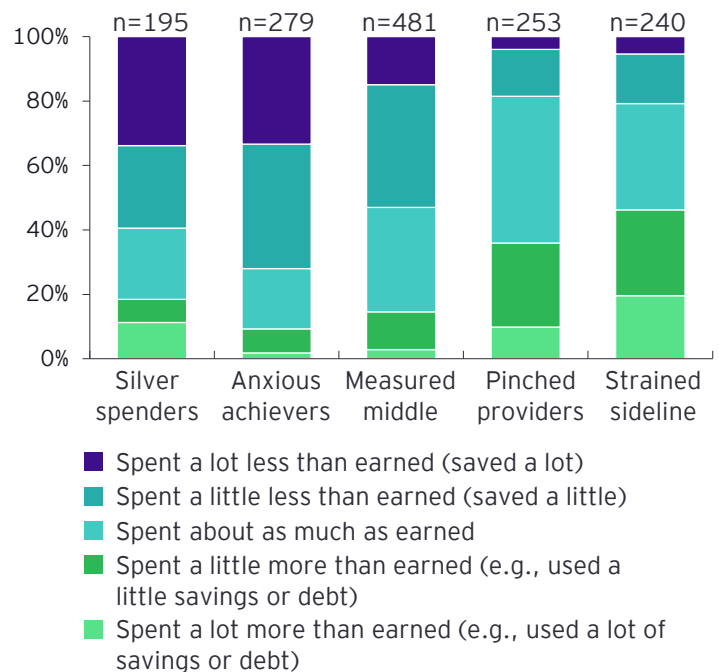
### Personal financial confidence

Q: Generally, how confident do you feel about your (and your household's) financial situation right now? (n=1,448)



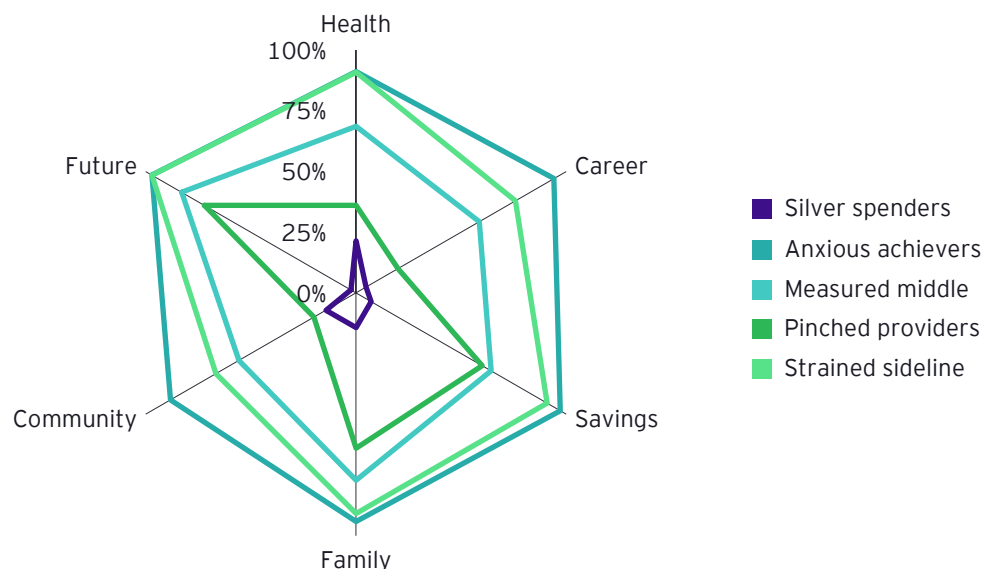
### Saving and spending habit

Q: Which of the following best describes your (and your household's) income and spending over the last month? (n=1,448)



### Personal financial confidence

Q: Generally, how confident do you feel about your (and your household's) financial situation right now? (n=1,448)



# 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 EYP consumer insights and analytics team for questions



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US SCORE no. 29393-251US  
2509-10769-CS  
ED None.

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