



Consumer pulse Spring 2022 report

Consumer & Retail

April 2022



Key themes from our consumer pulse survey

1

Sector highlights: Social media

- Facebook is still the most frequently used social media platform, followed by Instagram, Pinterest, TikTok, and Snapchat; however, Gen Z and Millennials engage with more social media platforms, and Gen Z respondents use Instagram more than Facebook.
- Some 50–60 percent of consumers indicate they sometimes, often, or always make purchases based on advertising recommendations or directly on social media platforms.
- Millennials appear to be most receptive to social media advertising followed by Gen Z, Gen X, and Baby Boomer+. Additionally, they are more likely to use multiple social media platforms and to make purchases directly via social media platforms.
- Across all household income levels, Facebook has the highest engagement among its social media peers; however, consumers are more receptive to advertising on Instagram, Snapchat, and TikTok, and they are more likely to make purchases directly on Instagram, Snapchat, and TikTok than Facebook.
- Respondents who make purchases via social media do their research; they search company websites and product reviews, prefer products made in the U.S., and rely on word of mouth.

2

Sector highlights: VR devices and the metaverse

- Two-thirds of consumers are at least somewhat familiar with the metaverse; familiarity with the metaverse is positively correlated with income and male respondents and negatively correlated with age.
- Thirty percent of survey consumers claim to own a virtual reality (VR) device; however, male, Gen Z, Millennial, and \$100K to \$199K household income respondents show a range of 35–56 percent in device ownership. Furthermore, repurchase intent is positively correlated with income and negatively correlated with age. Given these findings, Gen Z, millennials, and male consumers with higher incomes are likely target rich consumer segments for goods and services offered via the metaverse.
- The median time spent on VR devices per week is three to five hours; VR devices are most commonly used for gaming and movies.
- Over 40 percent of respondents have purchased a VR device for their children. According to surveyed parents, children spend an average of 8.5 hours/week on their devices and mostly use them for gaming and movies.
- Nearly 50 percent of respondents agree that “the metaverse can provide a forum to interact with friends in a way that is as meaningful as in person” and over 40 percent of respondents agree that “engaging with friends in the metaverse is an authentic way of interacting.”

Key themes from our consumer pulse survey

3

Consumer
spend update:
Anticipated spend
increases, higher
prices, and
continued shift
online

- Seventy-five percent of respondents who lost work have returned to their pre-COVID-19 employment status; 32 percent of respondents have had their employment status impacted by COVID-19 (job loss, furlough or reduced hours).
- Consumers anticipate higher spend across most product categories in 2022 versus 2021 with trending that indicates a willingness to venture outside the home; approximately 12 percent to 16 percent of consumers intend to spend more on restaurants, apparel, and personal care products and services.
 - While consumer respondents for 2022 grocery spend are elevated; industry expectations are more tempered at approximately 2 percent growth.
- Increases in spend are likely linked to price increases, as approximately half of consumers believe price increases exist across all categories over the last six months. Price increases are felt most in groceries, restaurants, and personal care products (with 80 percent, 73 percent, and 68 percent of respondents believing prices have increased in these categories, respectively).
- Nearly 60 percent of respondents agree that “COVID-19 has made them rethink about how I spend my household income” and over 50 percent of respondents agree that “I prefer to spend more money on experiences than possessions.”
- Consumers claim that their online share of wallet is 35–45 percent across all product categories, which is elevated above industry analysts calculations of 19–20 percent for 2021. Furthermore, consumers expect to spend more online in the coming months across all essential product categories as well as restaurants, apparel, and entertainment/media.

4

Sector
highlights: Apparel

- According to survey consumers, apparel spend dropped during COVID-19 and will continue to stay at the same level in the foreseeable future.
- Approximately one-third of surveyed consumers still expect to spend less on apparel in 2022 than they did in 2019 and 52 percent of these consumers say that it is because they are still going out less than they were prior to COVID-19.
- Consumers of all ages and income segments started shopping online more during COVID-19; while they expect their 2022 online share of wallet to drop versus 2021, they still believe online share of wallet will be higher than 2019.
- The majority of consumers that have shopped online in the last three months are purchasing from the same retailers online that they used to shop in-store rather than shopping at new retailers online.
- Compared to pre-COVID-19, in-store shopping frequency dropped last year at all retailers and will continue to stay at the same level in the next three months.
- Quality and price are the most important purchase criteria in apparel; however, during COVID-19, the importance of quality decreased as more consumers prioritized convenience and delivery time. For upcoming purchases, consumers expect to prioritize price, quality, and durability.
- During COVID-19, there was a slight uptick in the percent of respondents who ranked environmentally friendly as a top-two purchase criteria (three percent pre-COVID-19 to five percent during and post-COVID-19). Compared to Baby Boomer+, younger generations are more likely to consider the social and environment impact of clothing brands when making their purchase decisions.

Key themes from our consumer pulse survey

5

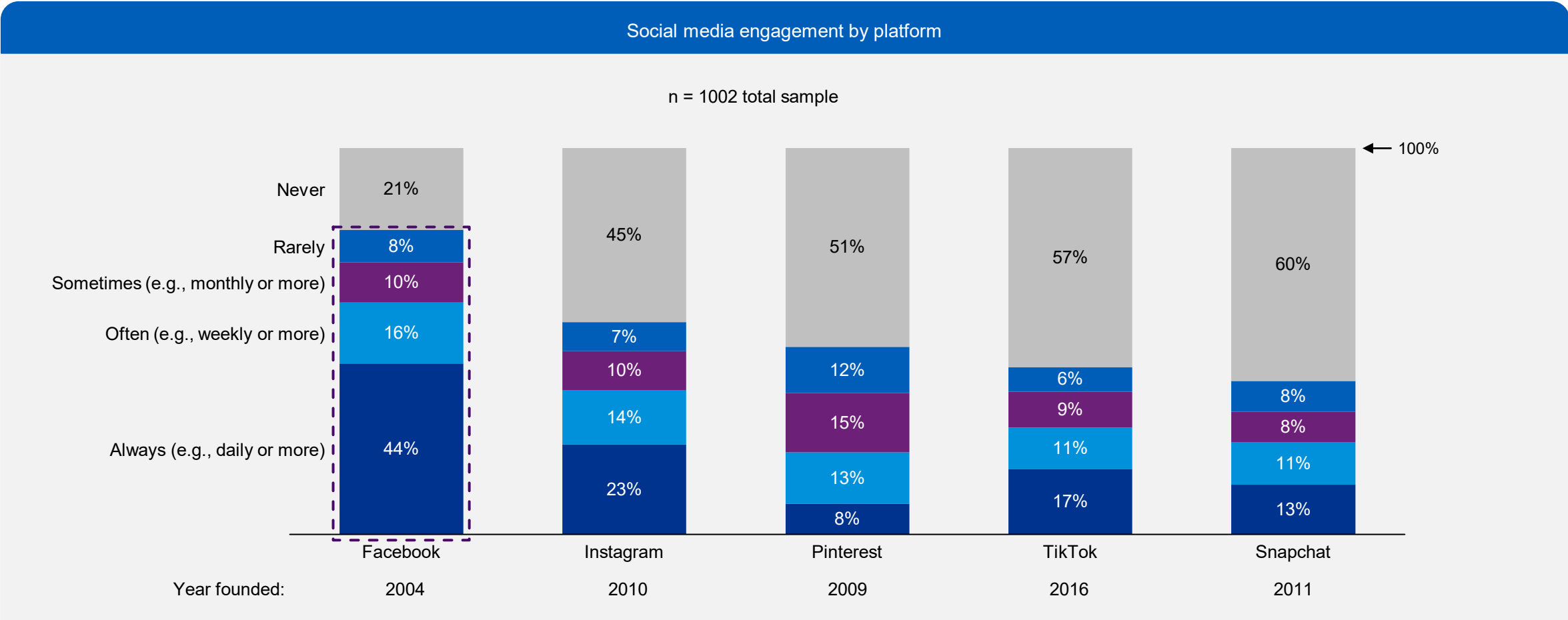
Sector highlights: Retail real estate

- Over 60 percent of consumers report that they are comfortable shopping in store, with little variation across regions.
- Nearly one-third of consumers would prefer that retail establishments require masks and proof of vaccination; however, one-third of respondents would prefer to wear masks only without needing a vaccination verification.
- Overall, there is no preference between indoor versus outdoor shopping facilities; however, there are regional differences in preference based on climate.
- Over 50 percent of consumers indicate that they select their shopping destinations based on the number of stores and retailers as they prefer one-stop shopping.
- Most (85 percent) consumers prefer shopping destinations less than 10 miles from their home.
- Over 50 percent of consumers indicate that they select their shopping destinations based on the number of stores and retailers as they prefer one-stop shopping.

01

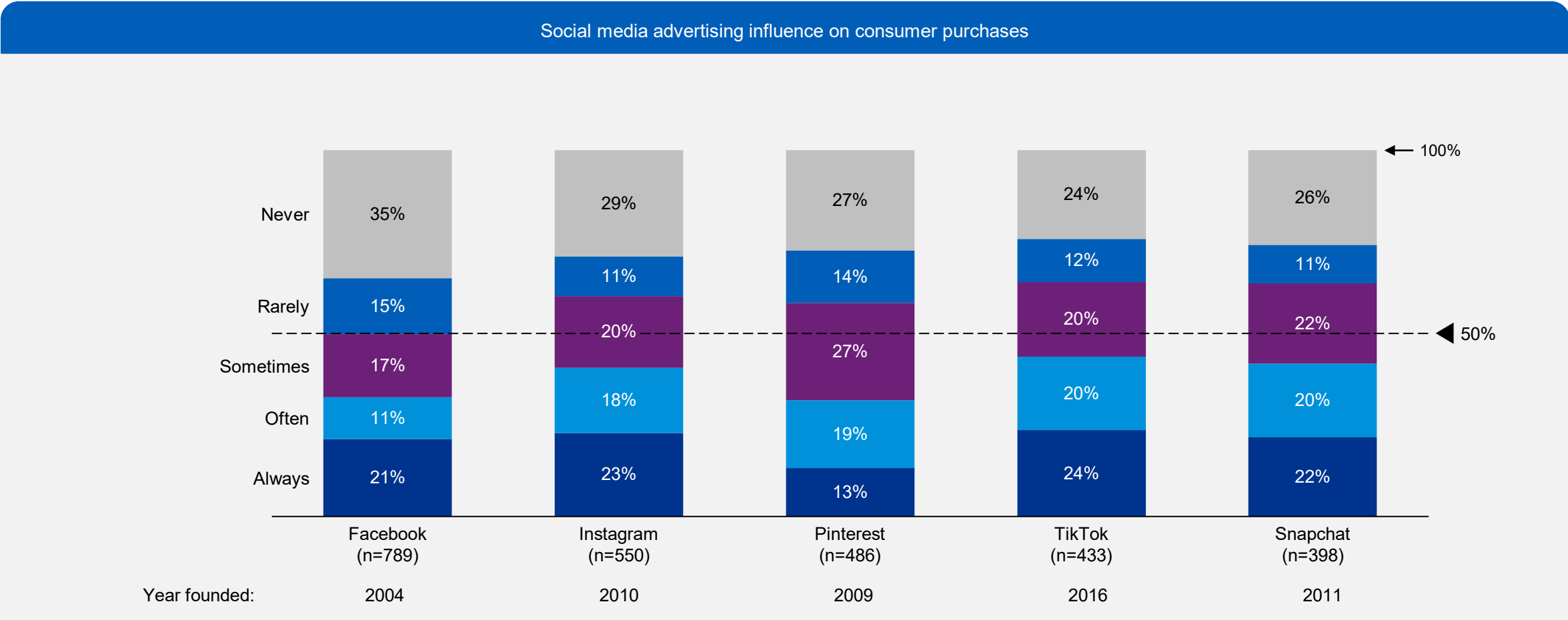
Sector highlights – Social media

Facebook is still the most frequently used social media platform, followed by Instagram, Pinterest, TikTok, and Snapchat.



Note(s): (a) KPMG conducted a survey of 1002 consumers across the United States and asked, “How often do you use each of the following social media platforms?” Numbers do not sum to 100 percent due to rounding.
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Across all platforms, 49 percent of consumers claim that they sometimes, often, or always make purchases based on advertisements seen in their social media feeds with TikTok and Snapchat representing the highest influence at 64 percent equally.

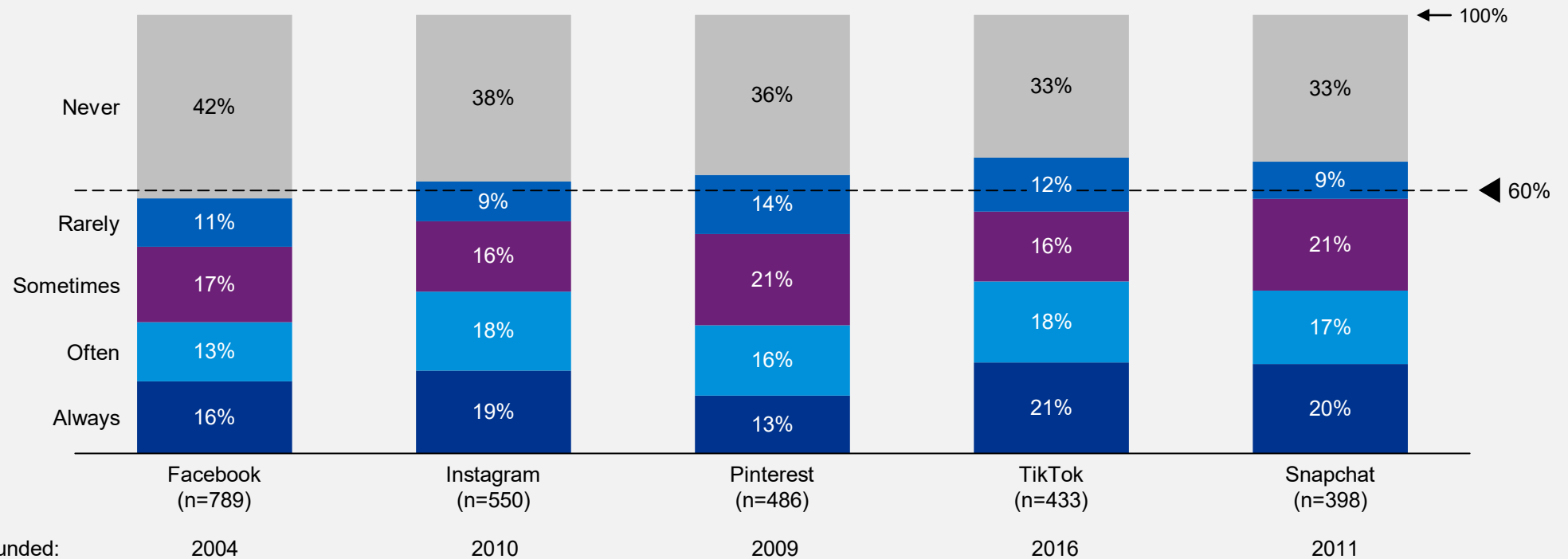


Note(s): (a) KPMG conducted a survey of 1002 consumers across the United States and asked, "Please indicate the frequency in which you make purchases based on advertisements that have appeared in each of the following social media platforms' feeds." Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Across all platforms, ~60 percent or more of consumers claim that they sometimes, often, or always make direct purchases on social media platforms (e.g., on marketplaces, via direct link to websites, via direct messages).

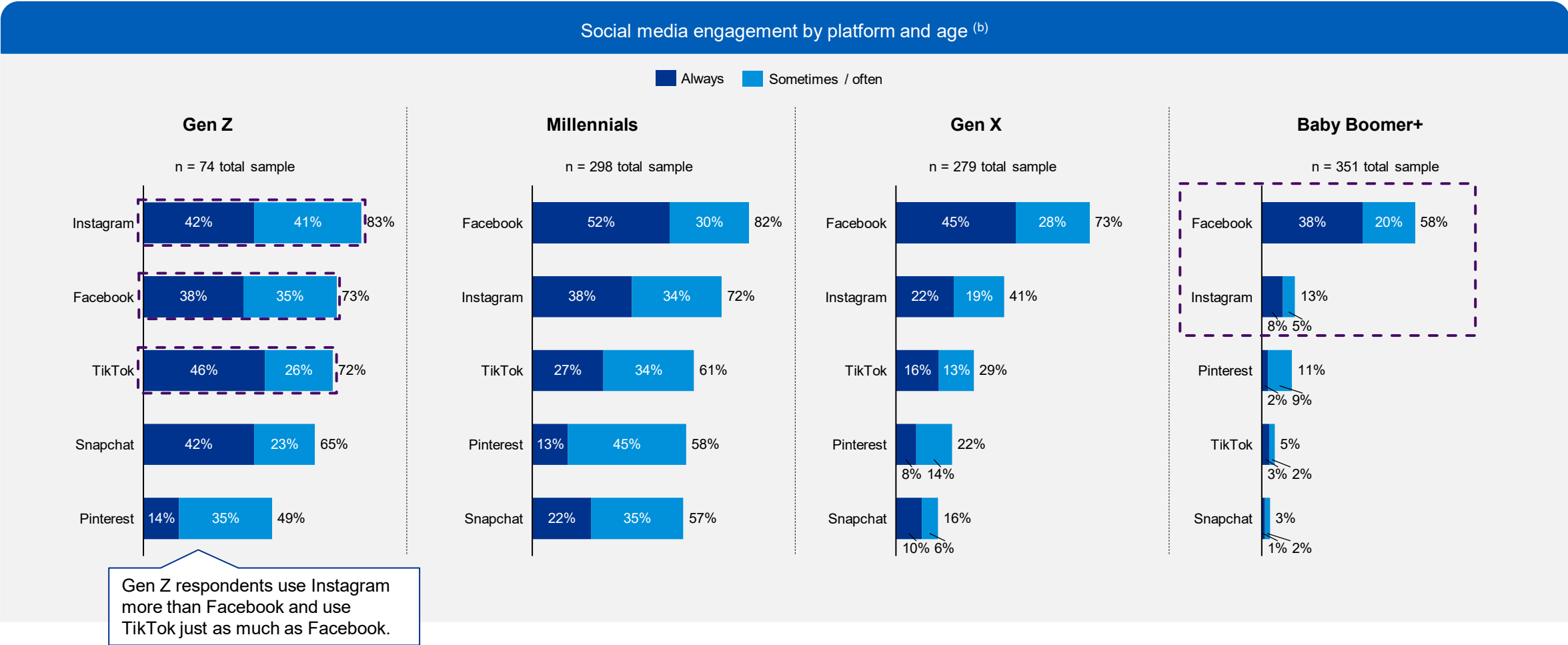
Social media usage for direct purchases (e.g., via marketplaces, links to company websites, or direct message)



Note(s): (a) KPMG conducted a survey of 1002 consumers across the United States and asked, "Please indicate the frequency in which you make purchases directly via the following platforms (e.g., on marketplaces, via direct link to company website, via direct message)." Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

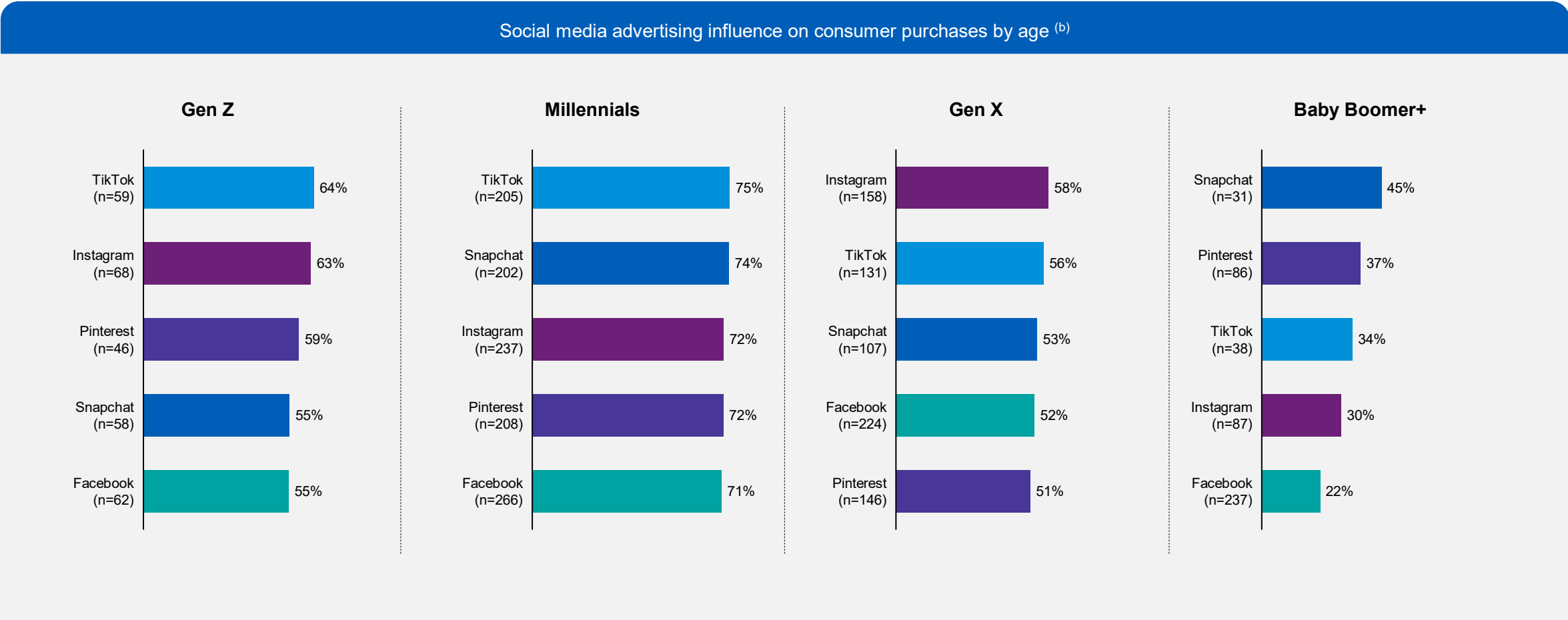
Gen Z, Millennials, and Gen X are more likely to engage regularly with multiple social media platforms than are Boomers+.



Note(s): (a) KPMG conducted a survey of 1002 consumers across the United States and asked, "How often do you use each of the following social media platforms?"; (b) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+. Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

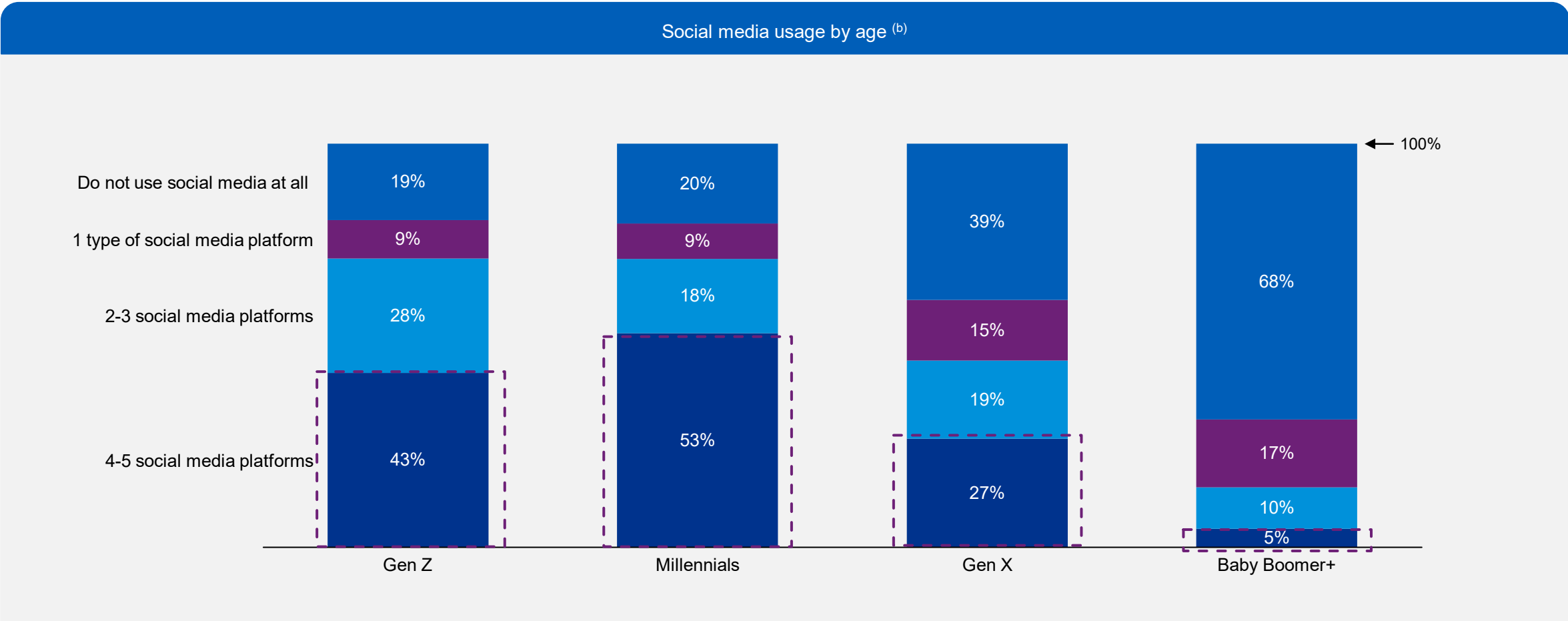
TikTok is the leading social media advertising influence for Millennials at 75 percent and Gen Z at 64 percent, with Snapchat at a close second.



Note(s): (a) KPMG conducted a survey of 1002 consumers across the United States and asked, "Please indicate the frequency in which you make purchases based on advertisements that have appeared in each of the following social media platforms' feeds."; (b) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+. Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Millennials are most likely to use multiple social media platforms when making purchasing decisions based on advertising.

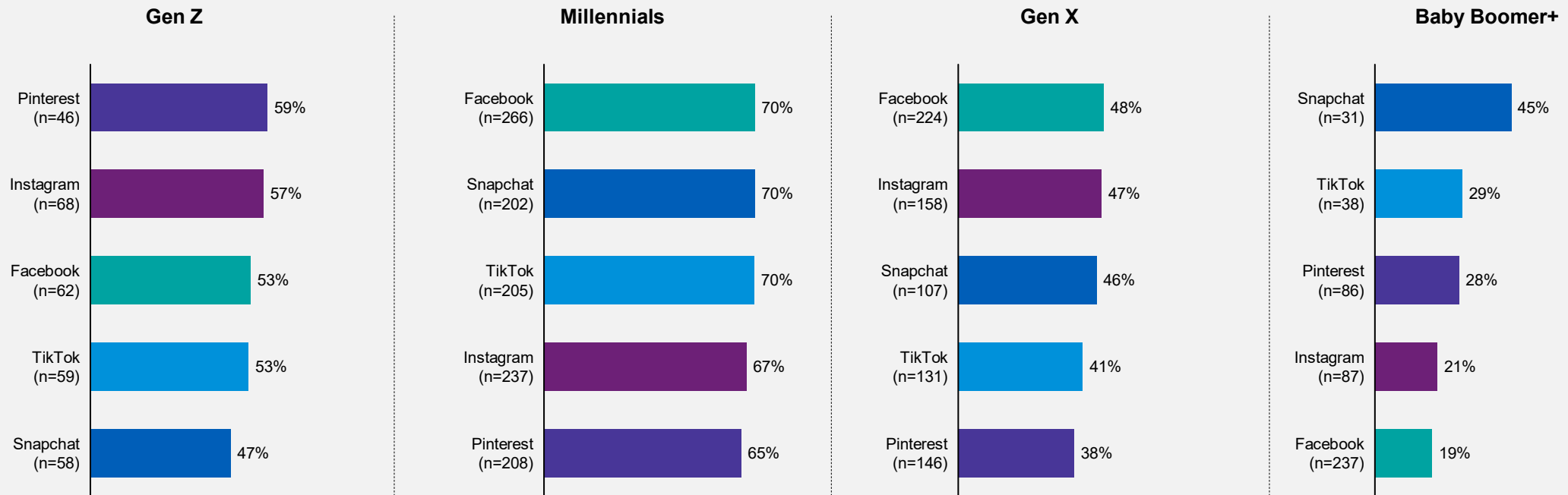


Note(s): (a) KPMG conducted a survey of 1002 consumers across the United States and asked, “How often do you use each of the following social media platforms?”; (b) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+. Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Additionally, Millennials appear to be most likely to make purchases directly via social media platforms.

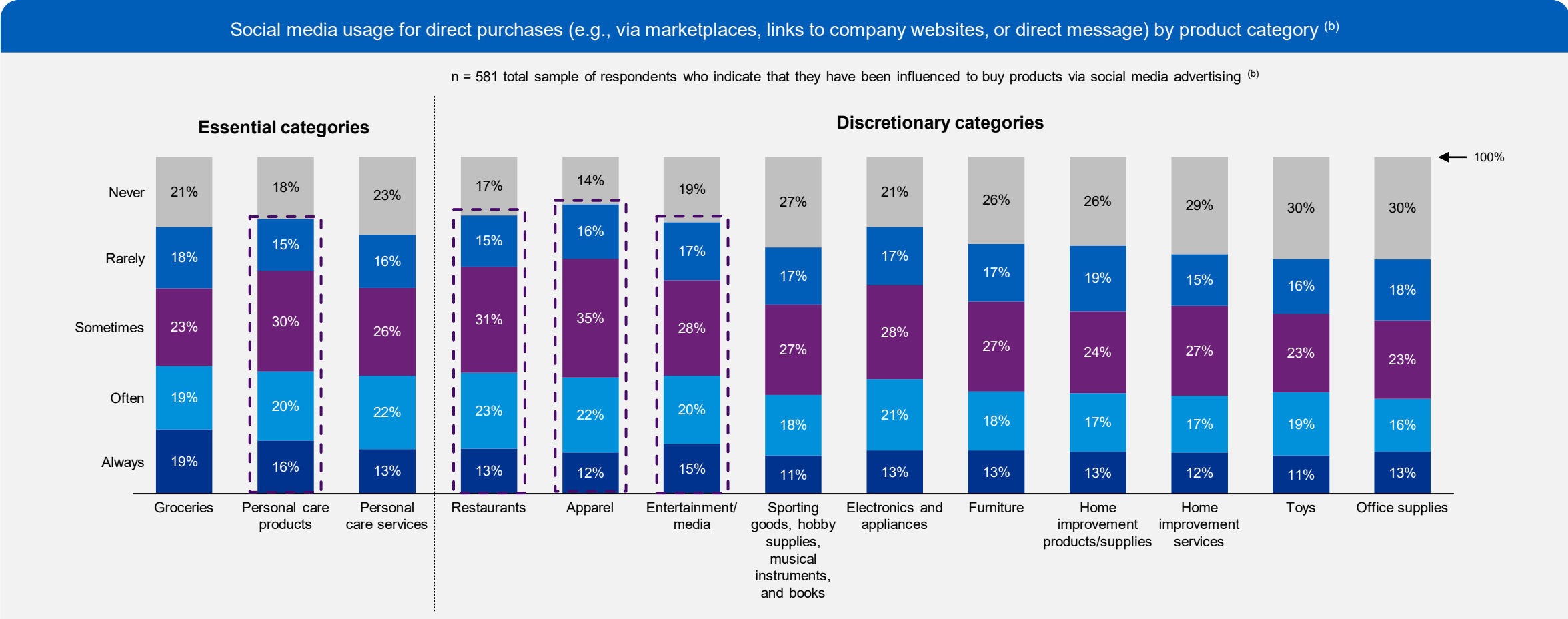
Social media usage for direct purchases (e.g., via marketplaces, links to company websites, or direct message) by age ^(b)



Note(s): (a) KPMG conducted a survey of 1002 consumers across the United States and asked, "Please indicate the frequency in which you make purchases based on advertisements that have appeared in each of the following social media platforms' feeds."; (b) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

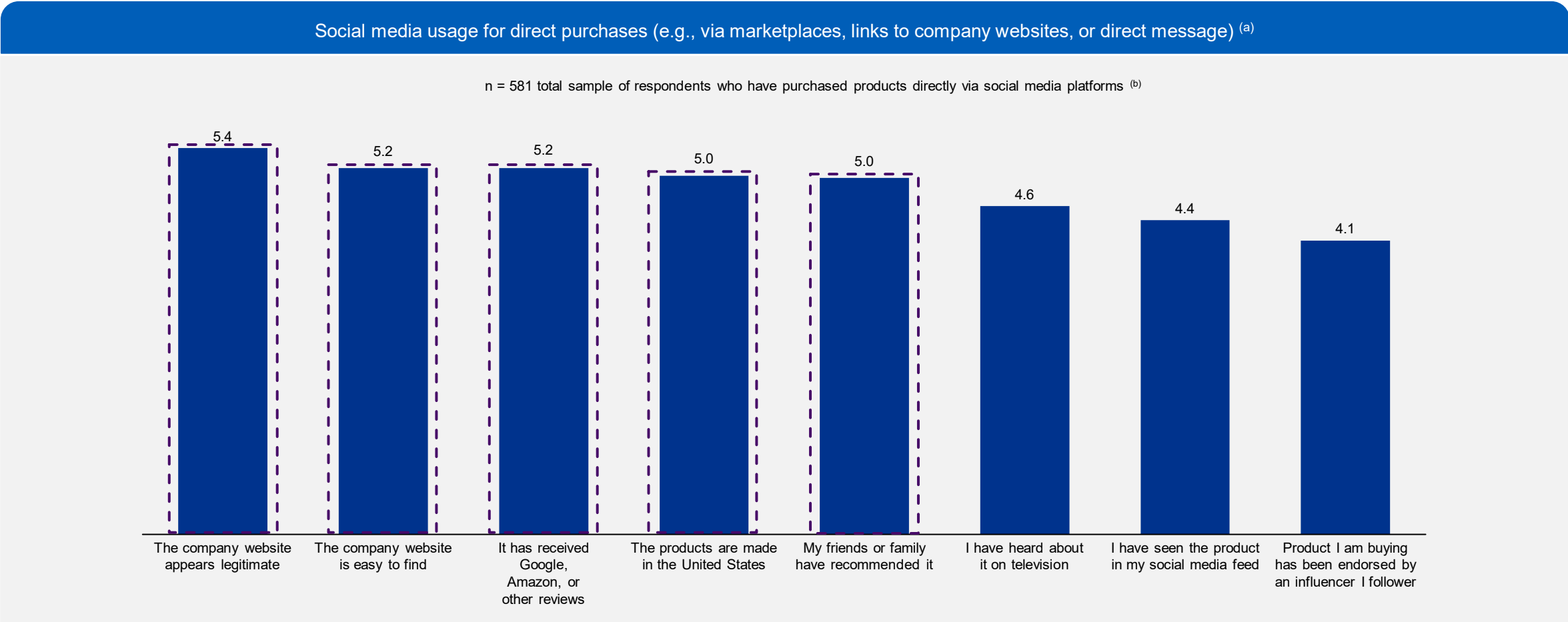
Product categories that experience the highest direct purchasing activity among consumers that claim to be influenced by social media advertising include apparel, personal care products, restaurants, and entertainment/media.



Note(s): (a) KPMG conducted a survey of 1002 consumers across the United States and asked, "How frequently have you purchased each of the following types of items based on advertisements that have appeared in your social media feeds?" (if applicable); (b) Respondents who claim that they are "never" influenced by social media advertising were excluded from this survey question. Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Respondents who make purchases via social media do their research; they search company websites and product reviews, prefer products made in the U.S., and rely on word of mouth.



Note(s): (a) KPMG conducted a survey of 1002 consumers across the United States and asked, “How important are the following characteristics to you when making purchases via social media? Please rate the importance of each of the following factors on a scale of 1 to 7, 1 being not at all important and 7 being extremely important” (if applicable); (b) Respondents who claim that they are “never” influenced by social media advertising were excluded from this survey question.

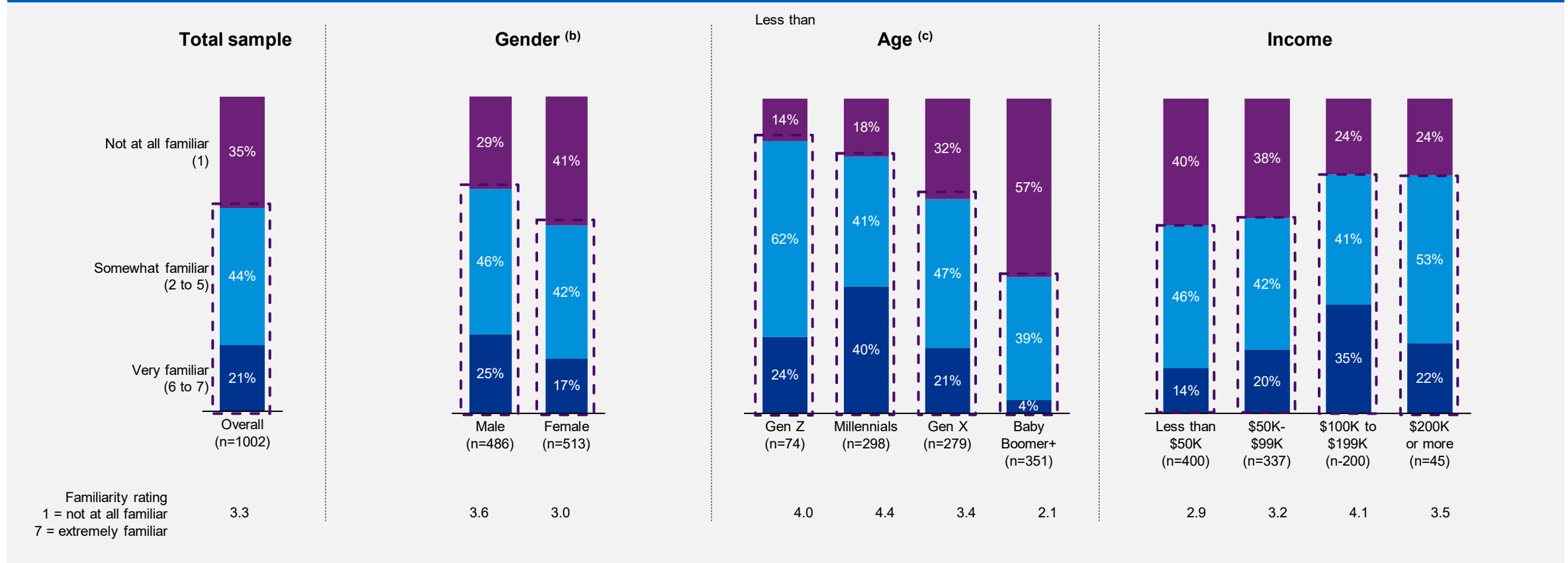
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

02

Sector highlights – VR devices and the metaverse

Nearly 2 out of 3 consumers are at least somewhat familiar with the metaverse; familiarity with the metaverse is associated with higher income levels at ~75 percent versus a 65 percent average. Males, Millennials, and Gen Z show significant familiarity at 71 percent, 81 percent, and 86 percent, respectively.

Metaverse familiarity by demographic segment

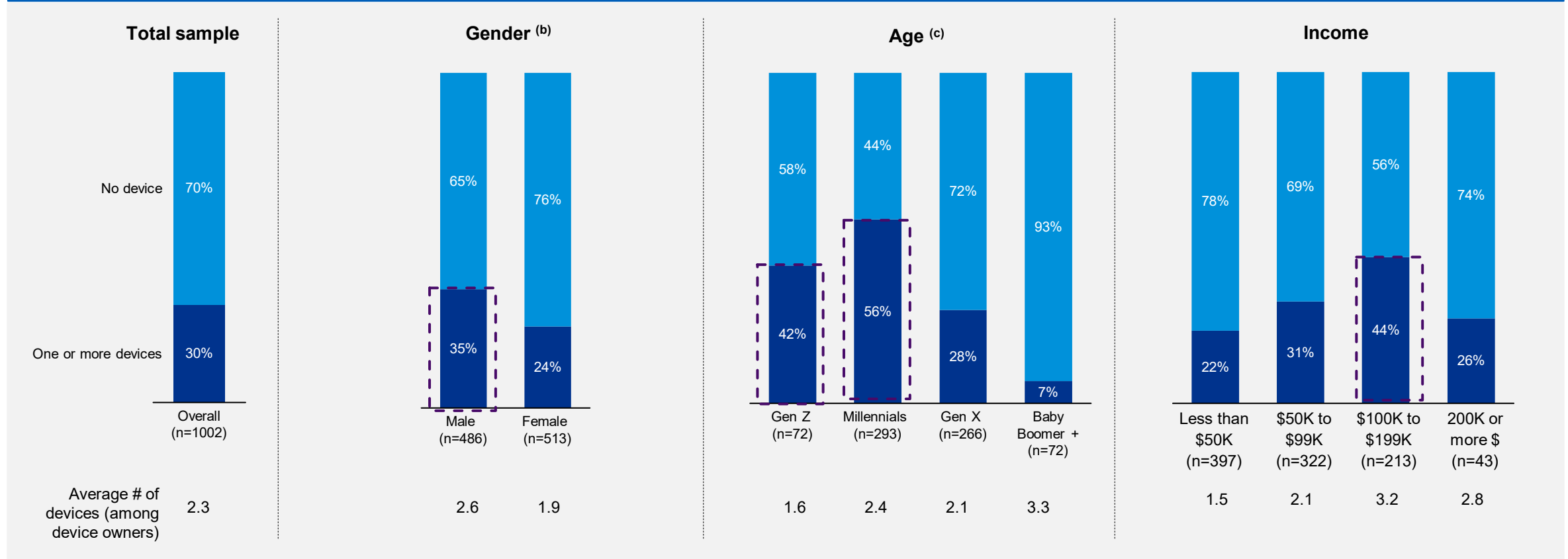


Note(s): (a) KPMG conducted a survey of 1002 consumers across the United States and asked, "On a scale of 1 to 7, with 1 being completely unfamiliar and 7 being extremely familiar, how familiar are you with the metaverse?," "Please select the annual income range that best describes your total household income in 2021," "Please select the option which best describes your race," "Please enter your current age;" (b) Nonbinary respondents were excluded due to low sample size of 3; (c) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+. Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Overall, only 30 percent of consumers claim to own a virtual reality (VR) device; however, male, Gen Z, Millennials, and \$100K to \$199K household income respondents show a range of 35–56 percent on VR device ownership.

Virtual reality (VR) device purchase by demographic segment

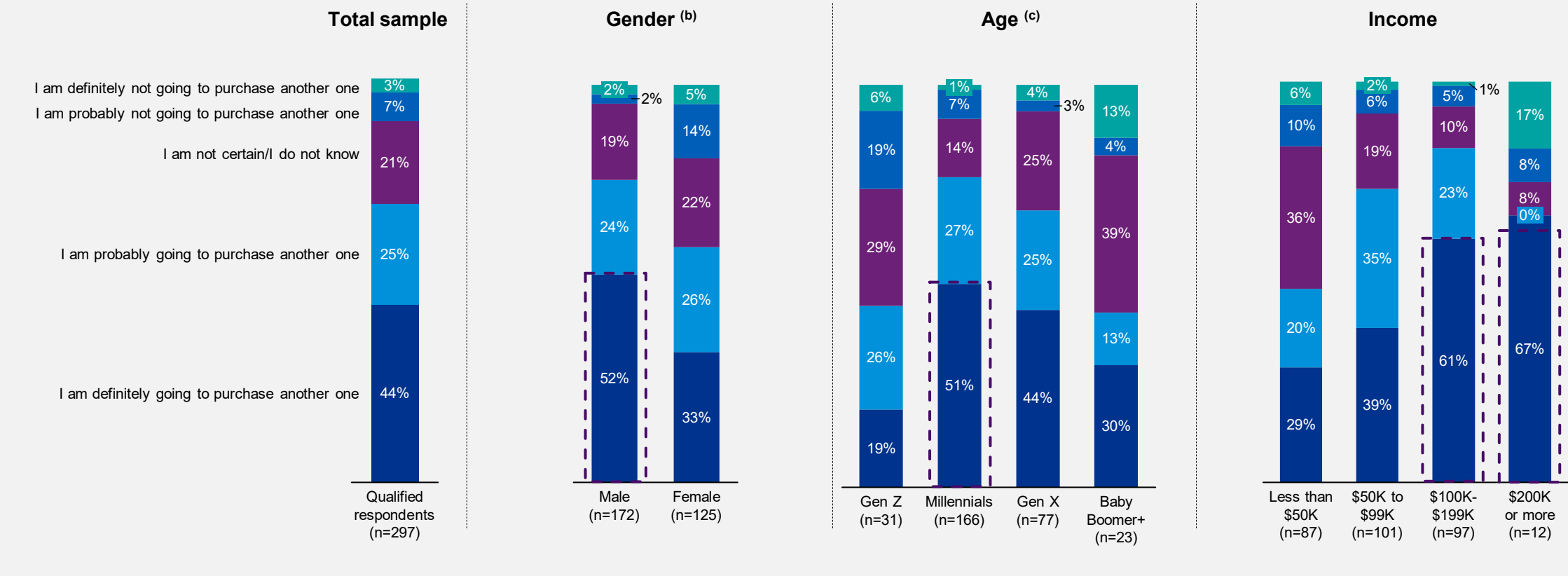


Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and asked, "How many virtual reality (VR) devices (Oculus, Google, HTC Vive, Unity, Samsung VR, etc.) do you own?"; (b) Nonbinary respondents were excluded due to low sample size of 3; (c) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Nearly half of the respondents who already own a VR device claim that they are definitely going to purchase another one in the next one to two years; male respondents, higher household income individuals, and Millennials have higher purchasing intent.

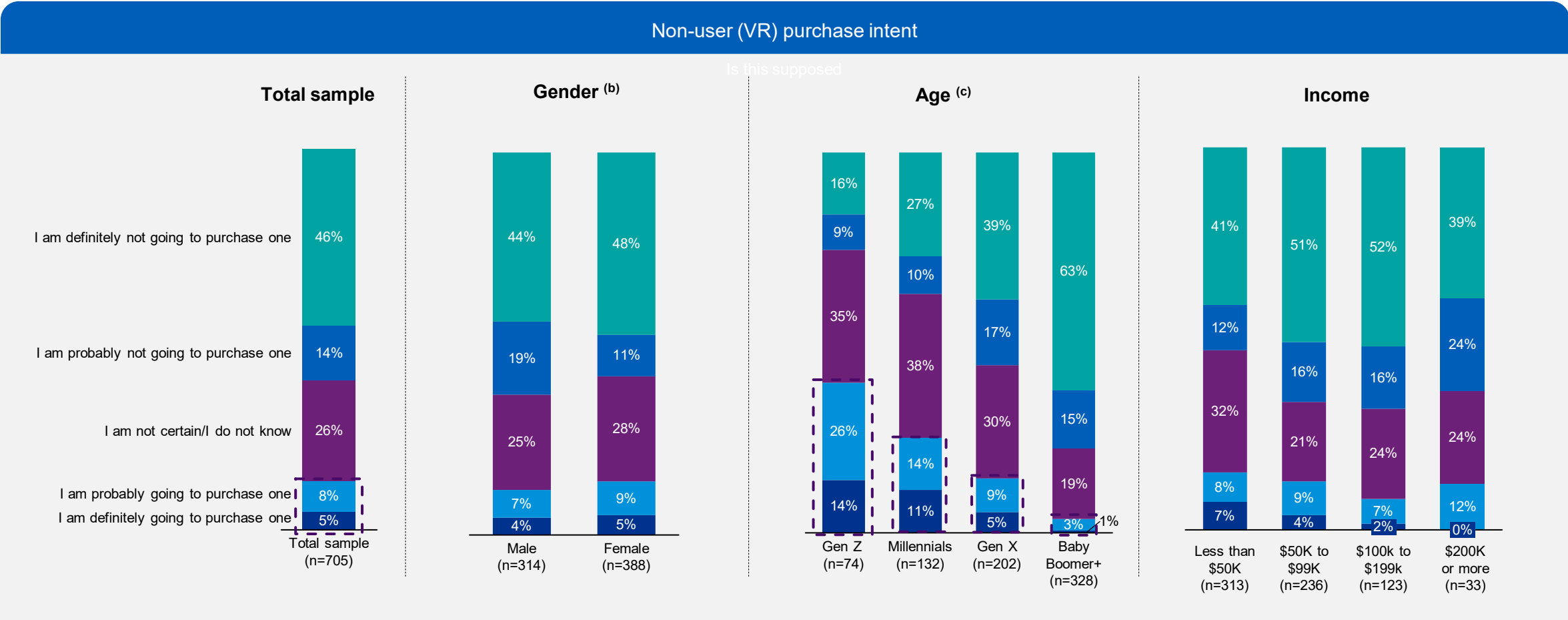
Current user (VR) purchase intent



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and asked, "Do you plan on purchasing another/upgrading your VR device within the next 1-2 years?" (if applicable); (b) Nonbinary respondents were excluded due to low sample size of 3; (c) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+. Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

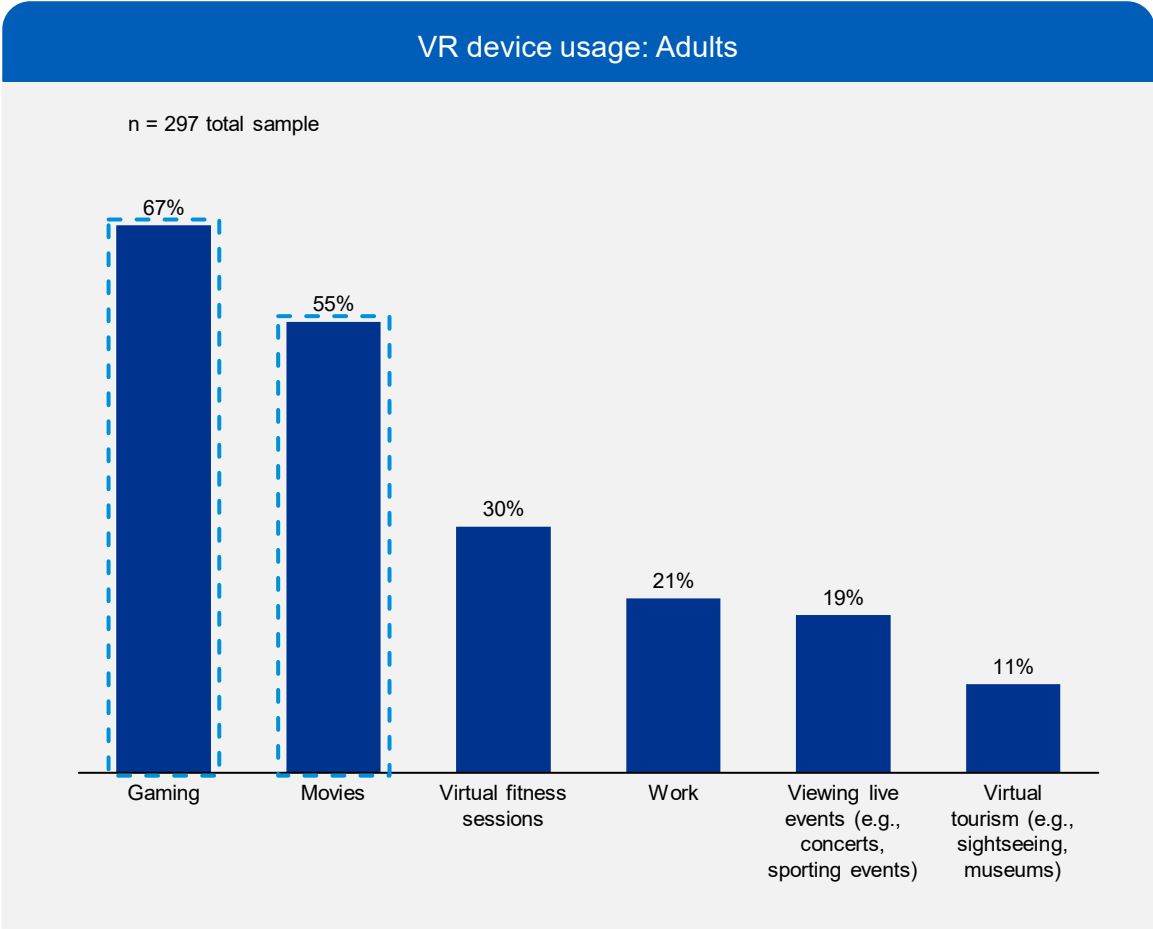
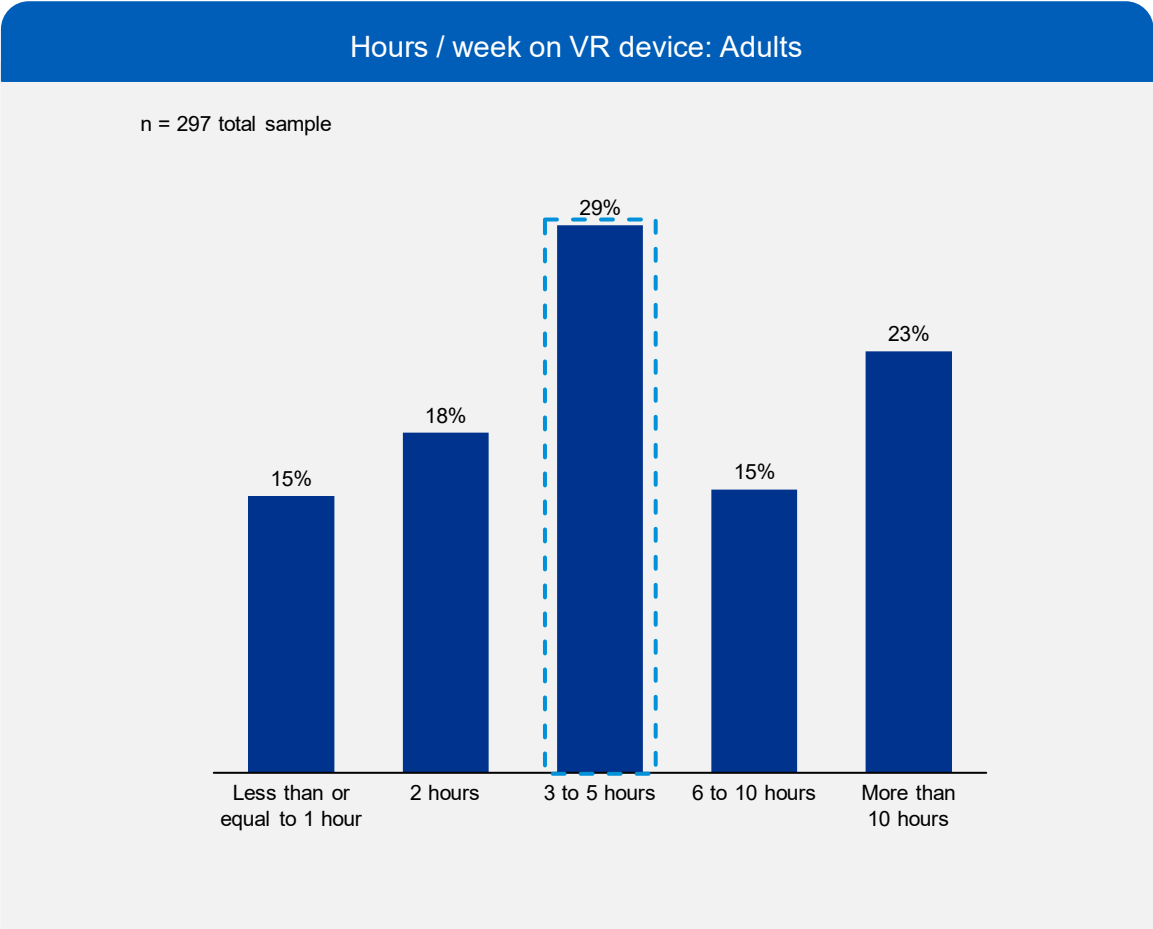
Only 13 percent of respondents who do not currently own a VR device plan on purchasing one in the next 1 to 2 years; purchase intent appears to be negatively correlated with age.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and asked, "Do you plan on purchasing a VR device within the next 1-2 years? (if applicable)"; (b) Nonbinary respondents were excluded due to low sample size of 3; (c) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+. Numbers do not sum to 100 percent due to rounding.

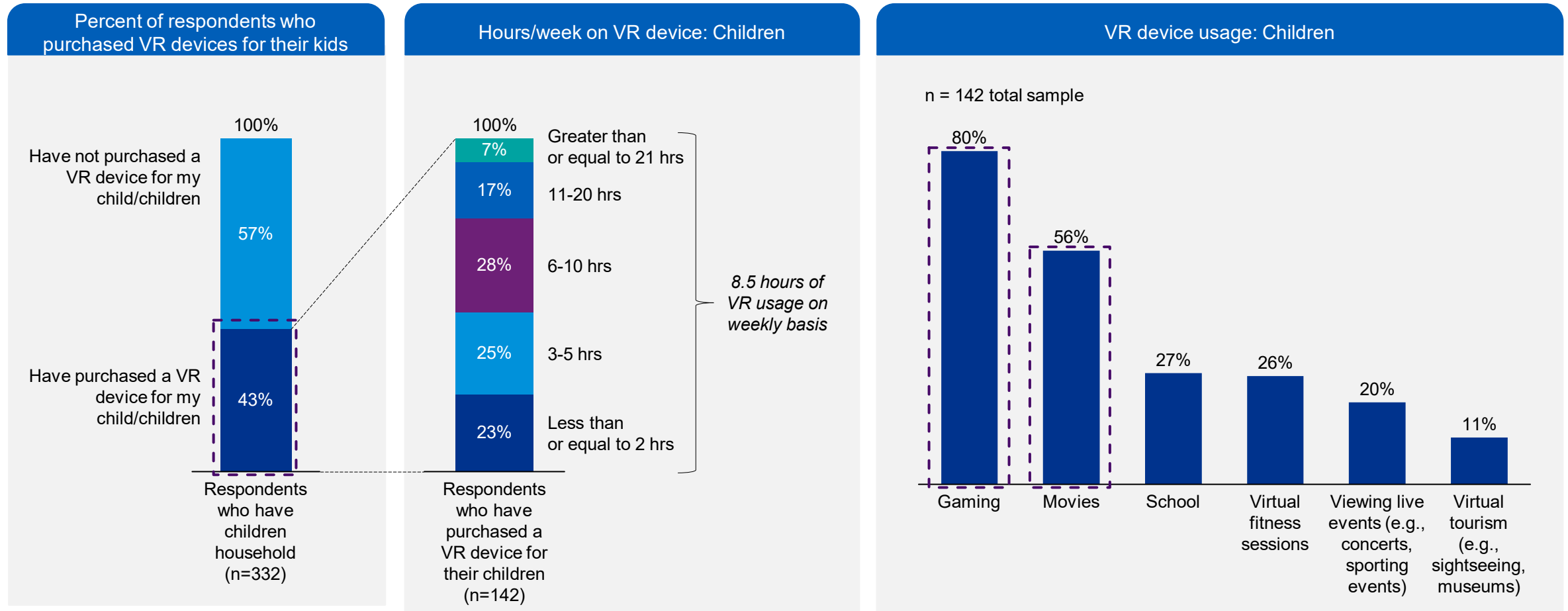
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

The median time spent on VR devices per week is three to five hours; VR devices are most commonly used for gaming and movies.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and asked, “How many hours per week do you estimate you spend on your VR device?” and “What do you use your VR device for?” (if applicable).
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Over 40 percent of respondents have purchased a VR device for their children; according to surveyed parents, children spend an average of 8.5 hours/week on their devices and mostly use them for gaming and movies.

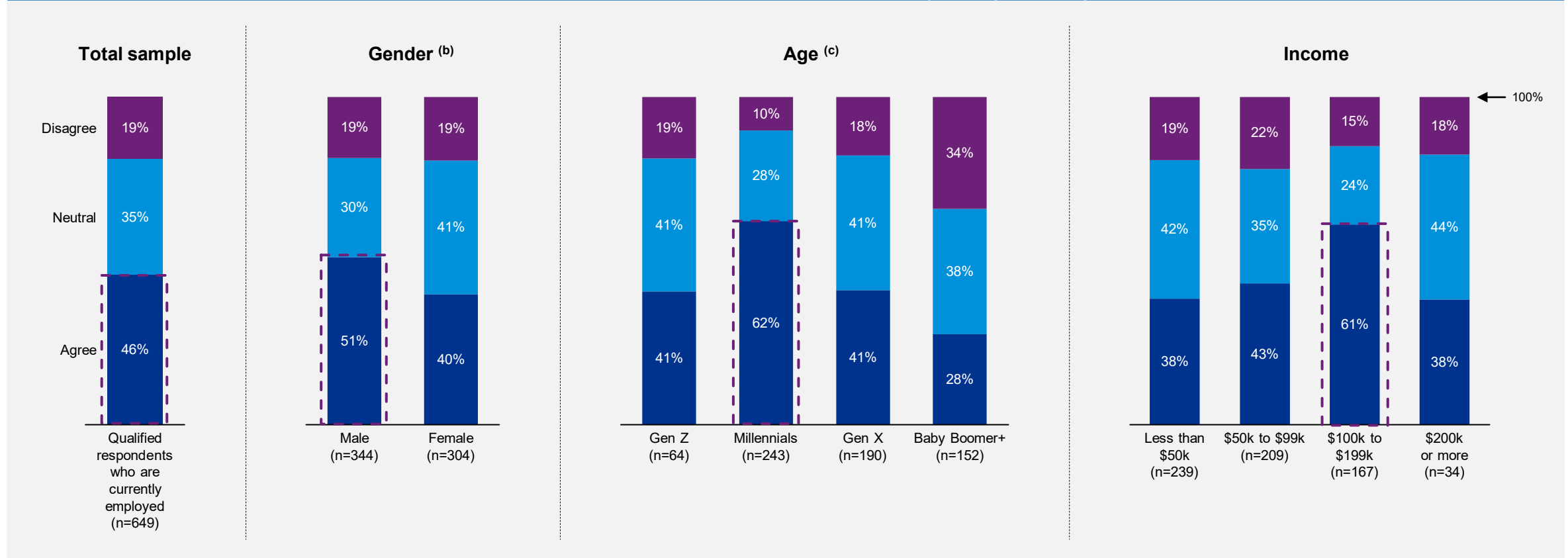


Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and asked, "Have you purchased a virtual reality device for any of your children?" (if applicable), "On average, how many hours per week does your child/do your children play on their VR device?", and "What do your children use the VR device for?"

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Nearly 50 percent of respondents agree that “the metaverse can provide a forum to interact with friends in a way that is as meaningful as in person.” Males, Millennials, and households with income of \$100K to \$199K agree with this statement at 51 percent, 62 percent, and 61 percent respectively.

Percent of respondents that agree or disagree with “I believe the metaverse can provide a forum to interact with friends in a way that is as meaningful as in person” by demographic segment

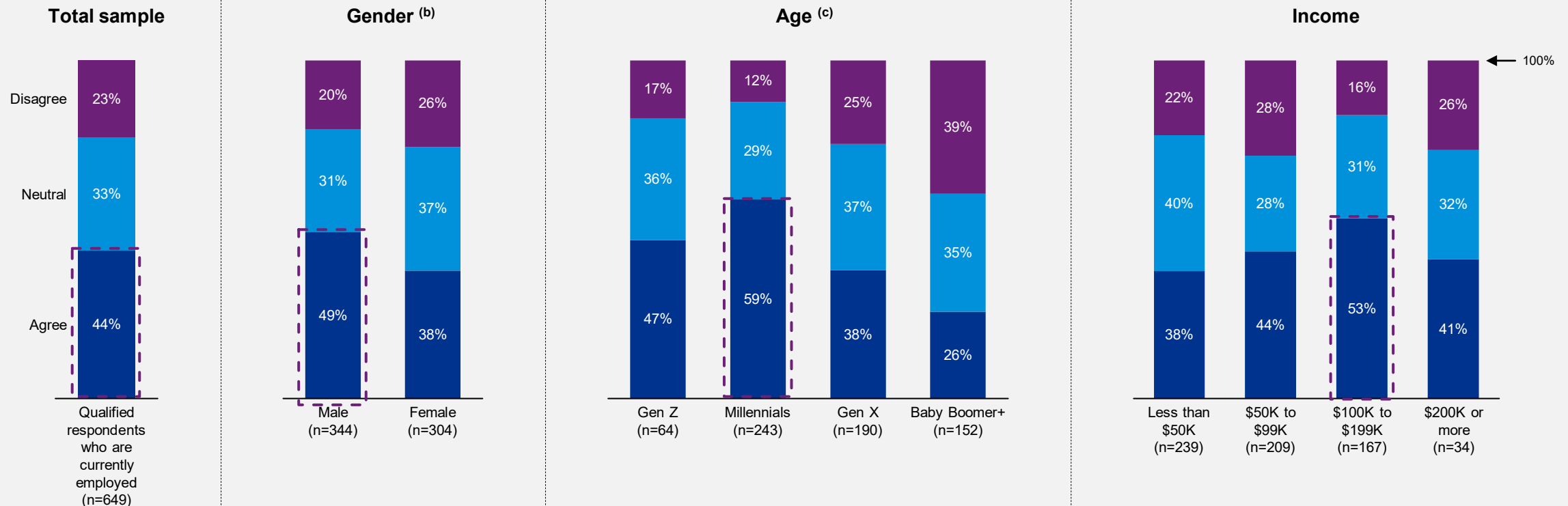


Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and asked “Please rate the extent to which you agree or disagree with each of the following statements – ‘I believe the metaverse can provide a forum to interact with friends in a way that is as meaningful as in person.’” (if applicable); (b) Nonbinary respondents were excluded due to low sample size of 3; (c) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Over 40 percent of respondents agree that “engaging with friends in the metaverse is an authentic way of interacting.” Males, Millennials, and households with income of \$100K to \$199K range from 49–59 percent in agreement with this statement.

Percent of respondents that agree or disagree with “I feel that engaging with friends in the metaverse is an authentic way of interacting” by demographic segment

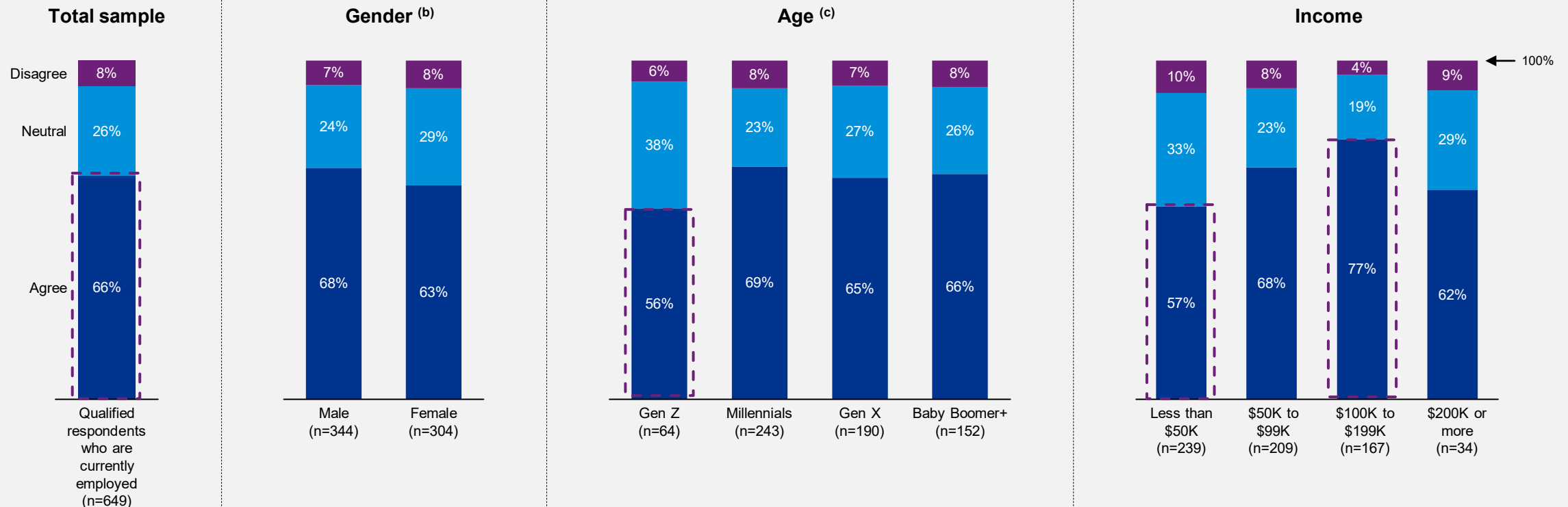


Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and asked “Please rate the extent to which you agree or disagree with each of the following statements – I feel that engaging with friends in the metaverse is an authentic way of interacting.” (if applicable); (b) Nonbinary respondents were excluded due to low sample size of 3; (c) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+. Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Nearly 70 percent of respondents agree that “I feel that engaging with friends in the metaverse is not the same as in person.” Households with income of \$100K to \$199K are 77 percent in agreement while Gen Z and households with income of less than \$50K are from 6–10 percent in disagreement.

Percent of respondents that agree or disagree with “I feel that engaging with friends in the metaverse is not the same as in person” by demographic segment



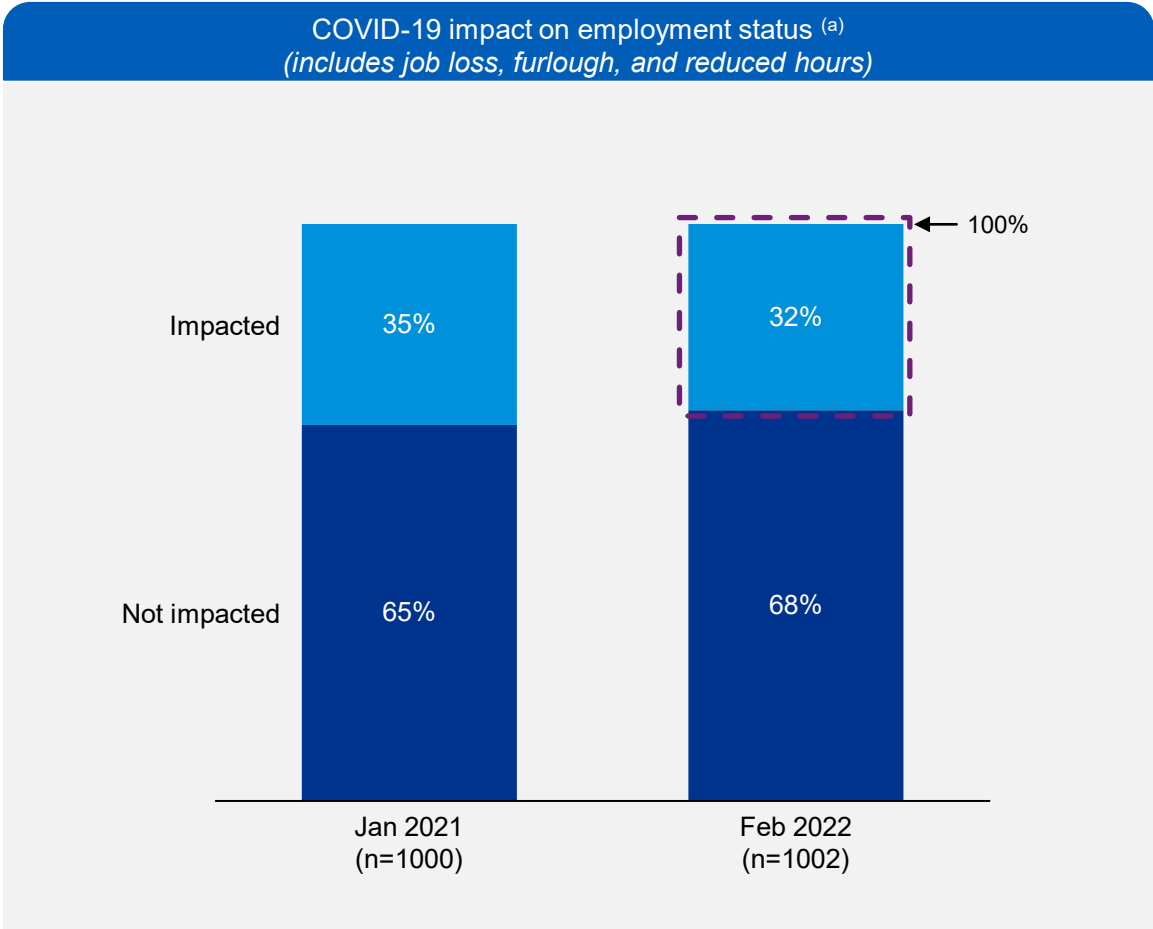
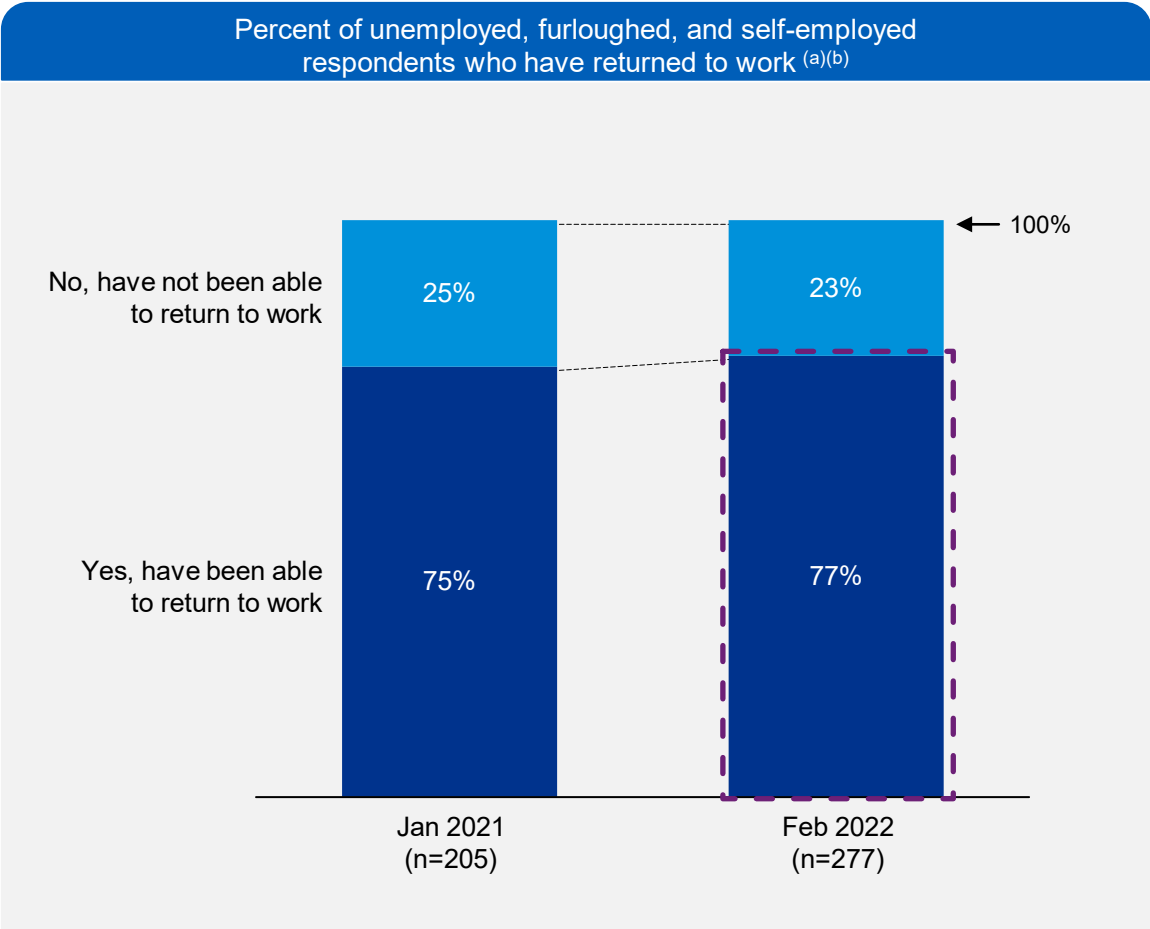
Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and asked “Please rate the extent to which you agree or disagree with each of the following statements – I feel that engaging with friends in the metaverse is not the same as in person.” (if applicable); (b) Nonbinary respondents were excluded due to low sample size of 3; (c) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+. Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

03

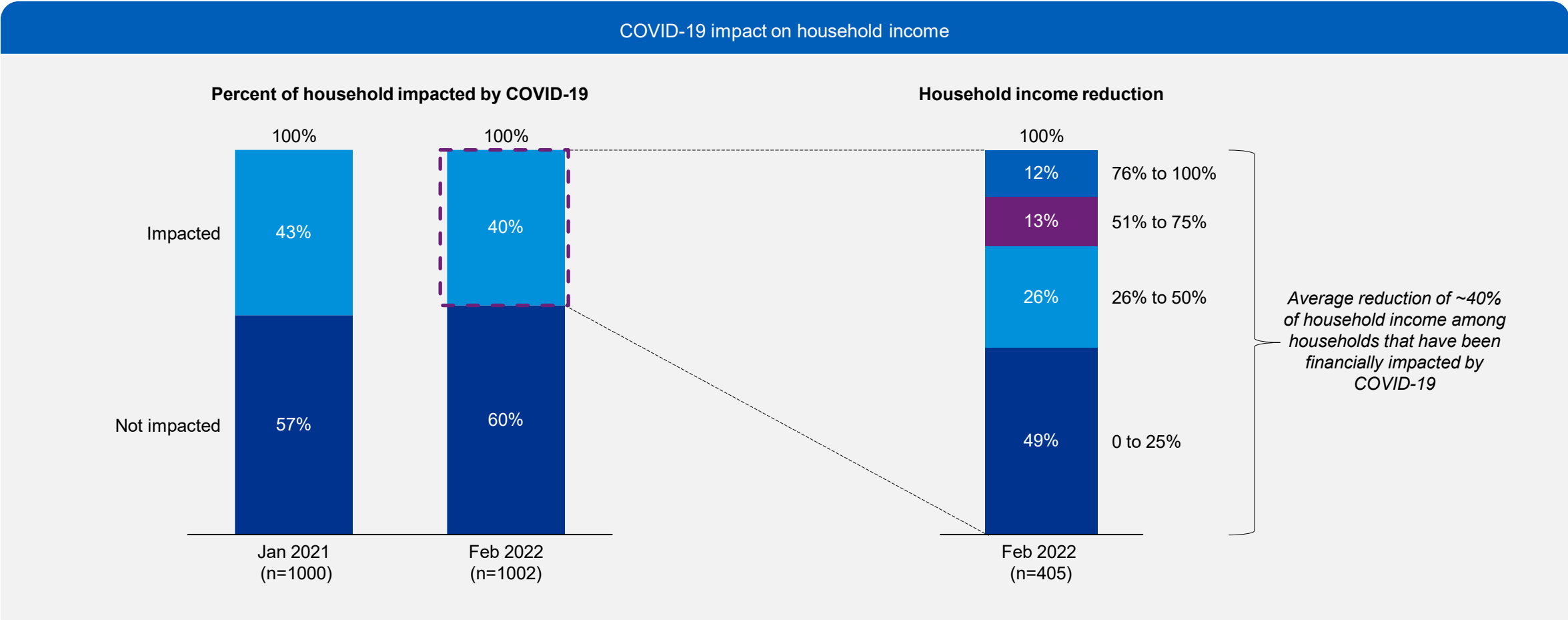
Consumer spend update

Seventy-five percent of respondents who lost work have returned to their pre-COVID-19 employment status; 32 percent of respondents have had their employment status impacted by COVID-19.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the questions "Was your employment status impacted by COVID-19?" and "You have indicated that you experienced a loss of work due to COVID-19, have you returned to work or found a new job yet?" (if applicable); (b) Includes only respondents who were furloughed, terminated, or self-employed and unable to find work due to COVID-19.
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

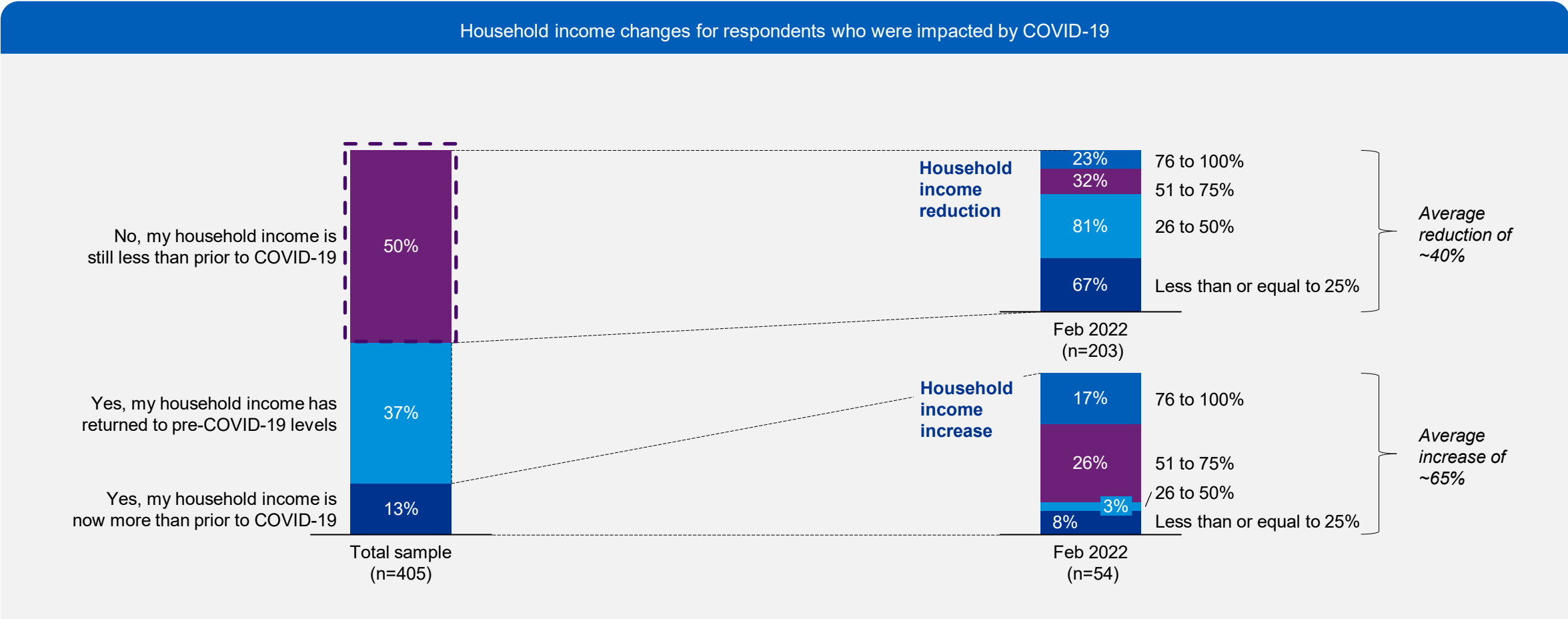
Approximately 40 percent of respondents have experienced a decrease in household income due to COVID-19, with an average decrease of ~40 percent.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the questions, "Has your household income been negatively impacted by COVID-19 at any point since March 2020?" and "Please estimate the percentage reduction of your household income caused by COVID-19." (if applicable)

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

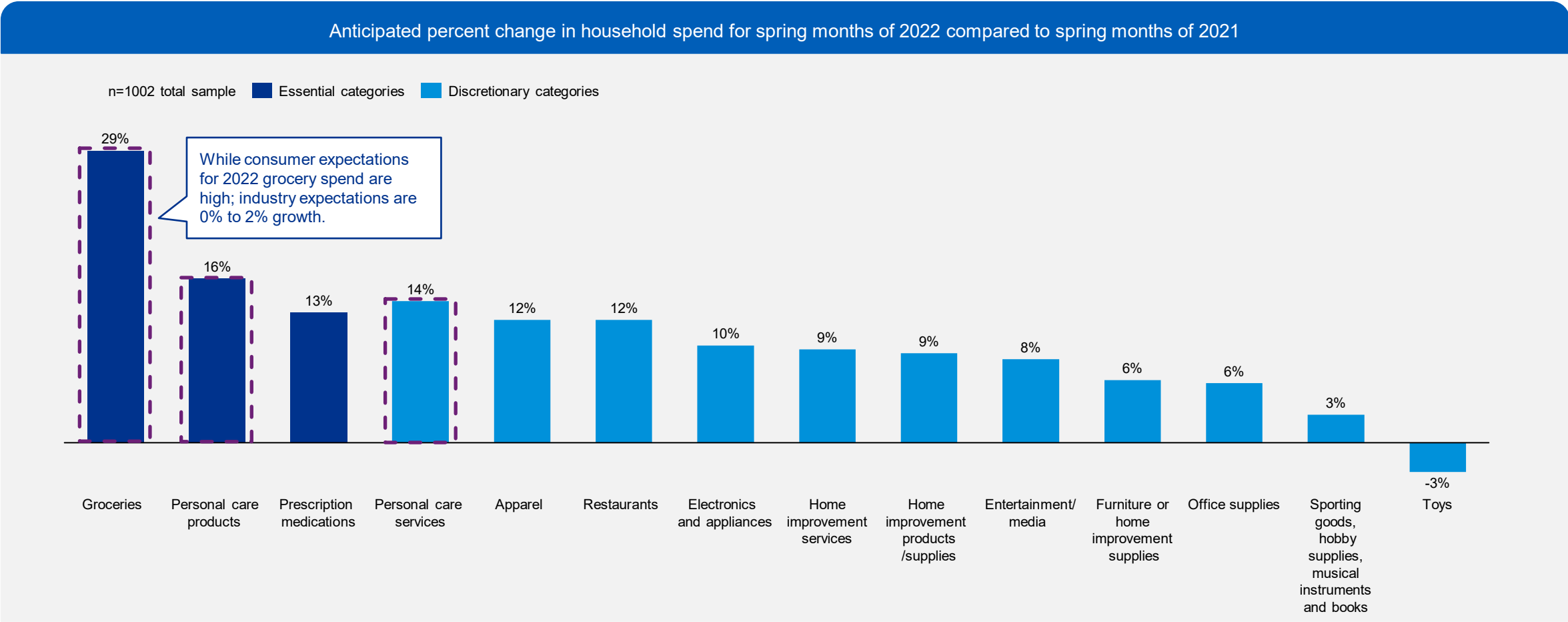
Half of consumers who experienced a decrease in household income report that their household income is still less than it was prior to COVID-19.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the questions, "Do you believe your household income has returned to pre-COVID-19 levels" (if applicable) and "Please indicate the percent increase in your current household income compared to your pre-COVID-19 household income" (if applicable) or "Please indicate the percent decrease in your current household income compared to your pre-COVID-19 household income." (if applicable)

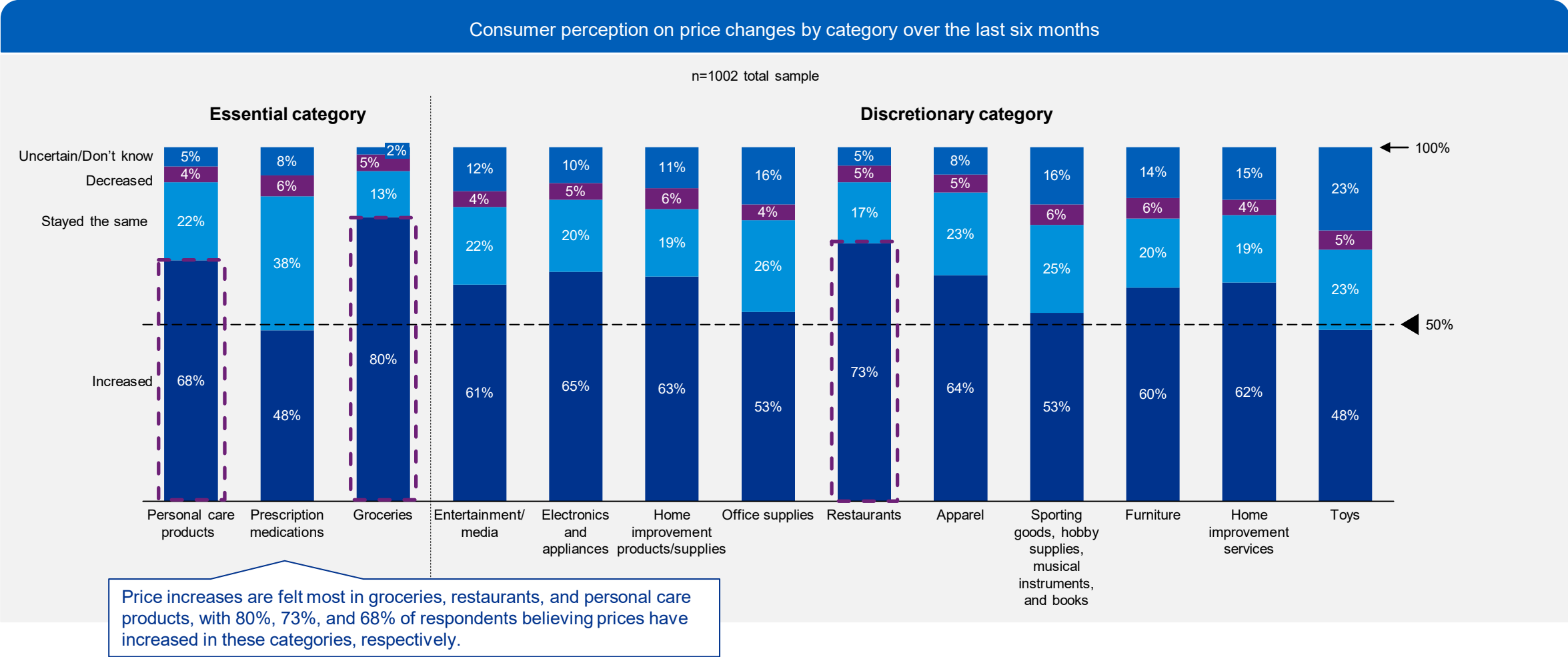
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Anticipated year-over-year change in household spend this spring is highest for groceries, personal care products, and personal care services.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the question, "How much do you think your monthly household spend on each of the following products/services will change in the spring of 2022 compared to spring of 2021?"
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

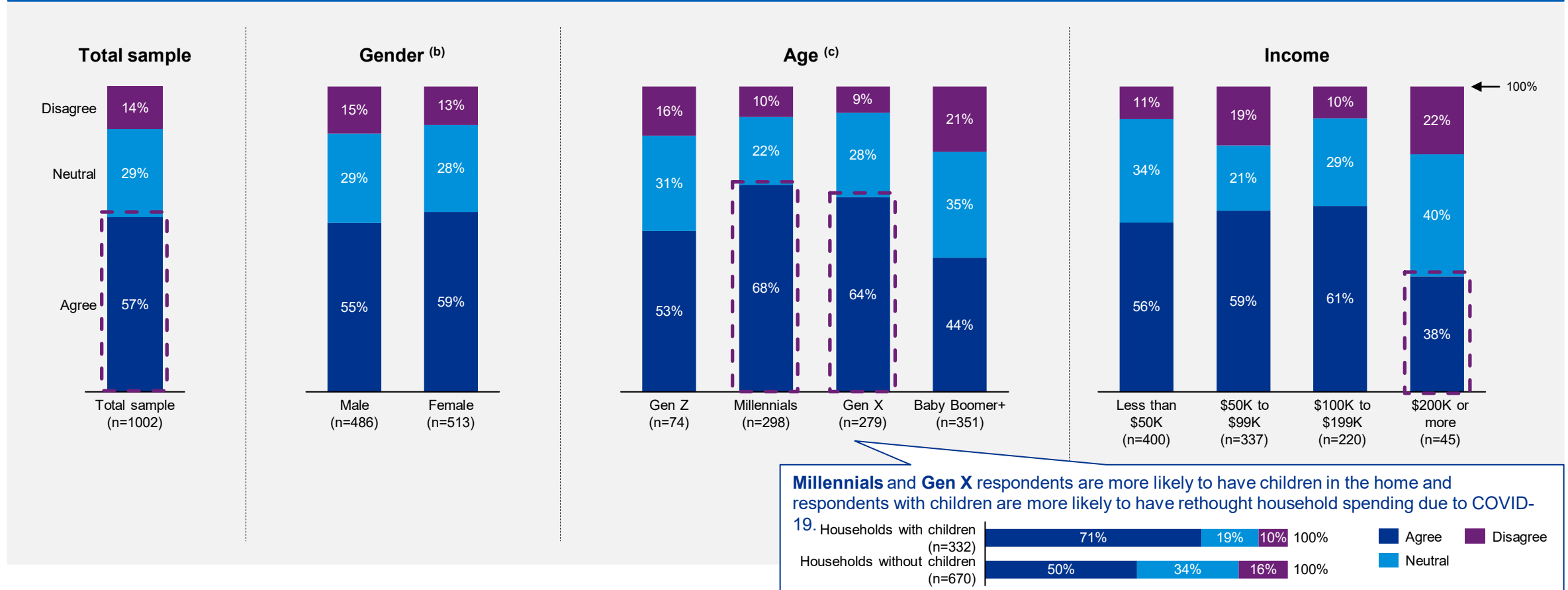
Expected increases in spend may be linked to perceived price increases as approximately half, if not more, consumers have perceived price increases across all categories over the last 6 months, particularly within grocery at an 80 percent perceived increase.



Note(s): (a) KPMG conducted survey of 1002 consumers across the United States and they were asked, "Please indicate the degree to which you believe prices have changed in each of the following product categories over the past 6 months." Numbers do not sum to 100 percent due to rounding.
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Nearly 60 percent of respondents agree that “COVID-19 has made me rethink about how I spend my household income.” Sixty-eight percent of Millennials and 64 percent of Gen X are in agreement, while 22 percent of households with income of \$200K or more disagree.

Percent of respondents that agree or disagree with “COVID-19 has made me rethink about how I spend my household income” by demographic segment

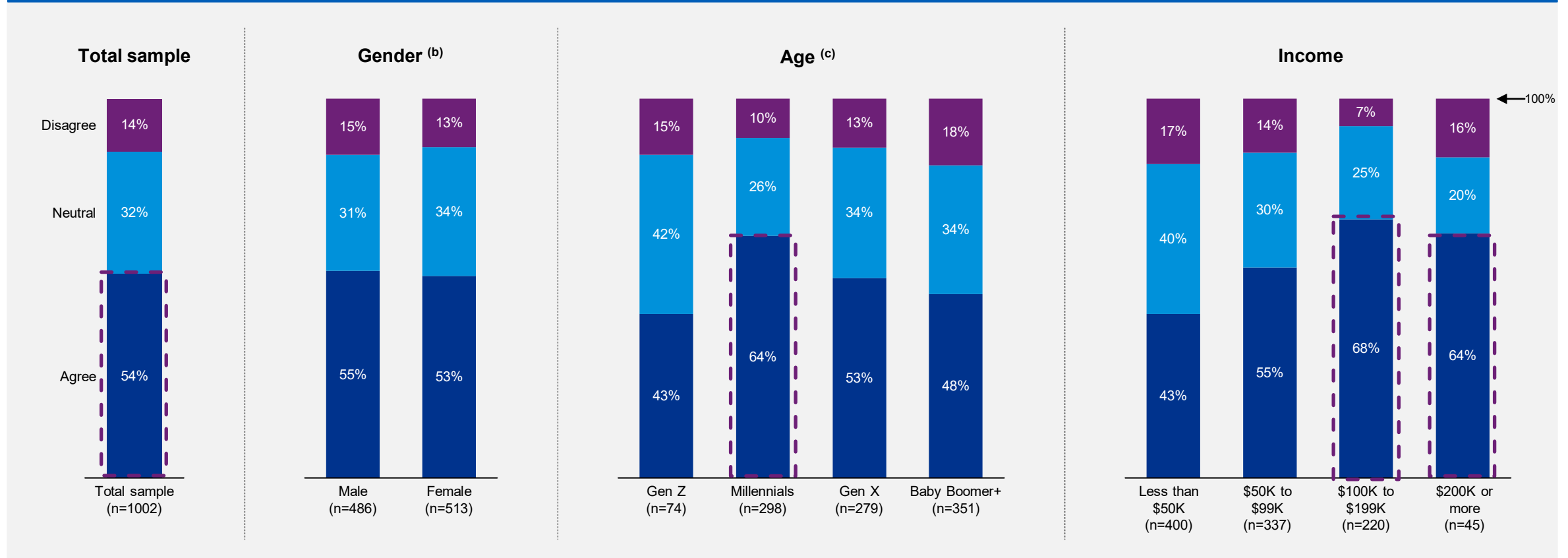


Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and asked “Please rate the extent to which you agree or disagree with each of the following statements – COVID-19 has made me rethink about how I spend my household income.”; (b) Nonbinary respondents were excluded due to low sample size of 3; (c) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+. Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Over 50 percent of respondents agree that “I prefer to spend more money on experiences than possessions.” Sixty-four percent to 68 percent of Millennials and higher income household in agreement with this statement.

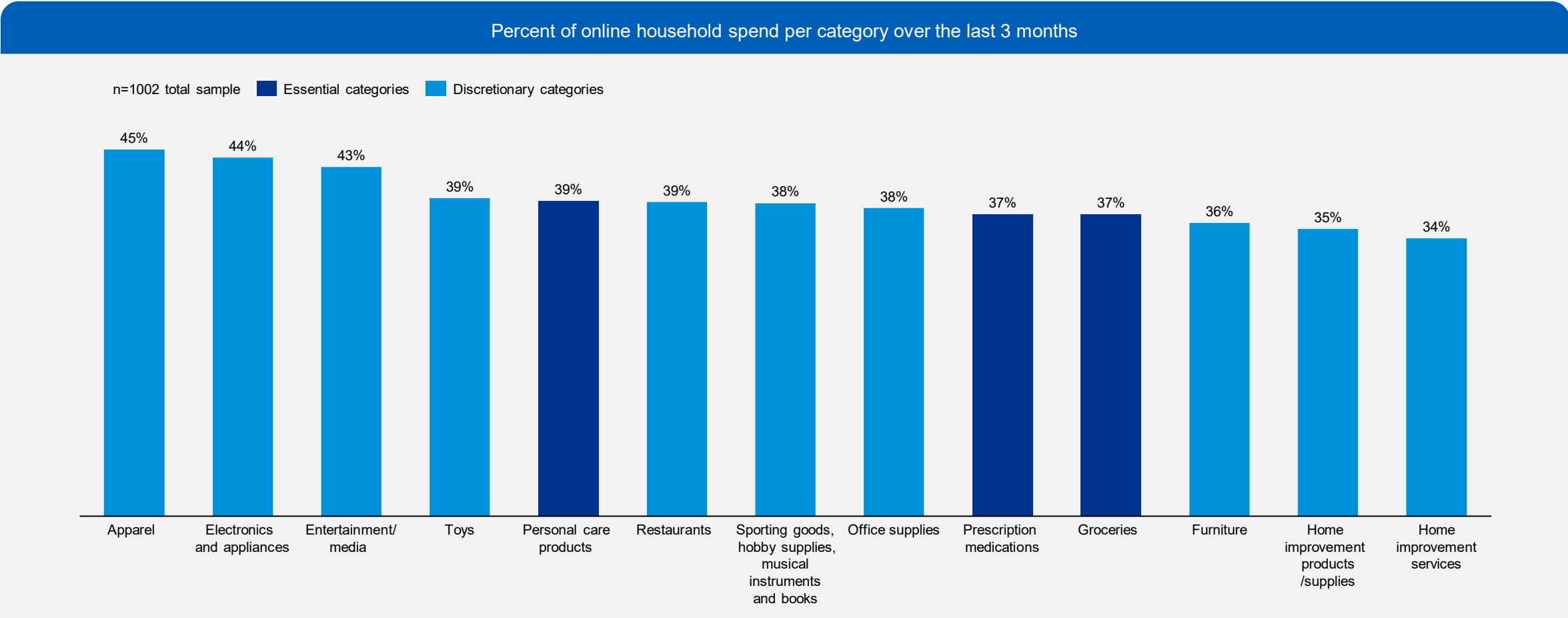
Percent of respondents that agree or disagree with “I prefer to spend more money on experiences than possessions” by demographic segment



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and asked “Please rate the extent to which you agree or disagree with each of the following statements – ‘I prefer to spend more money on experiences than possessions.’”; (b) Nonbinary respondents were excluded due to low sample size of 3; (c) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Consumers claim that their online share of wallet is ~35 percent to 45 percent across all product categories.

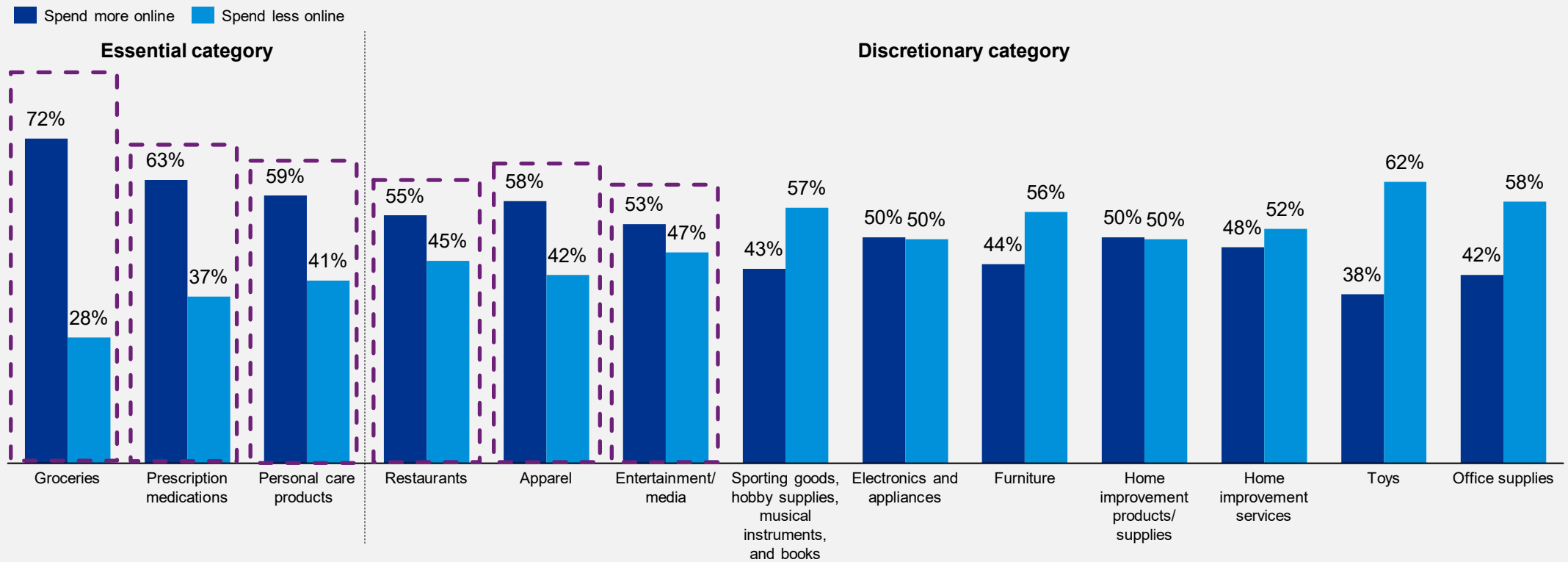


Note(s) (a) KPMG conducted survey of 1002 consumers across the United States and they were asked the question, “Over the last 3 months, approximately what % of your HH spend on each of the following categories occurred online?”
Source(s) (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Furthermore, consumers expect to spend more online in the coming months across all essential product categories as well as restaurants, apparel, and entertainment/media.

Anticipated online share of wallet by category, Spring 2022

n = 1002 total sample



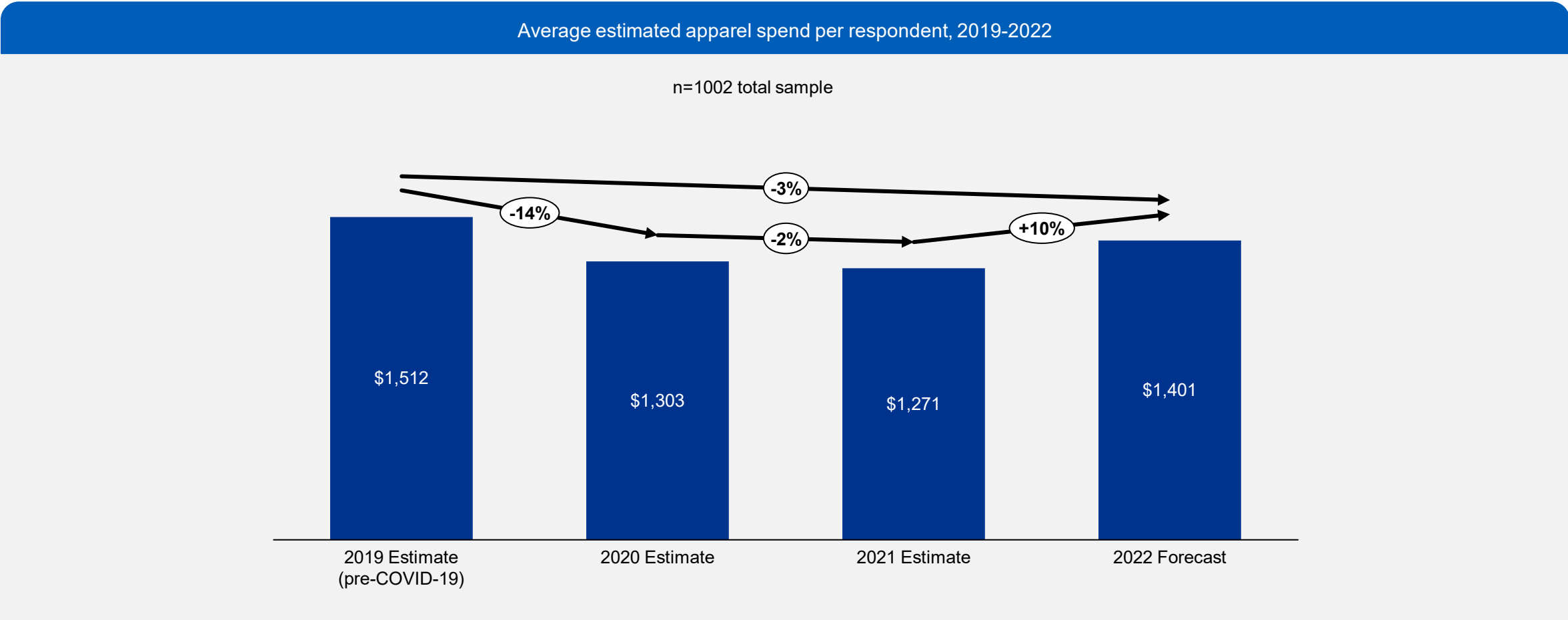
Note(s): (a) KPMG conducted survey of 1002 consumers across the United States and they were asked the question, "Do you expect to purchase more, the same amount, or less online for each of the following product categories in the spring of 2022 compared to the spring of 2021?" Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

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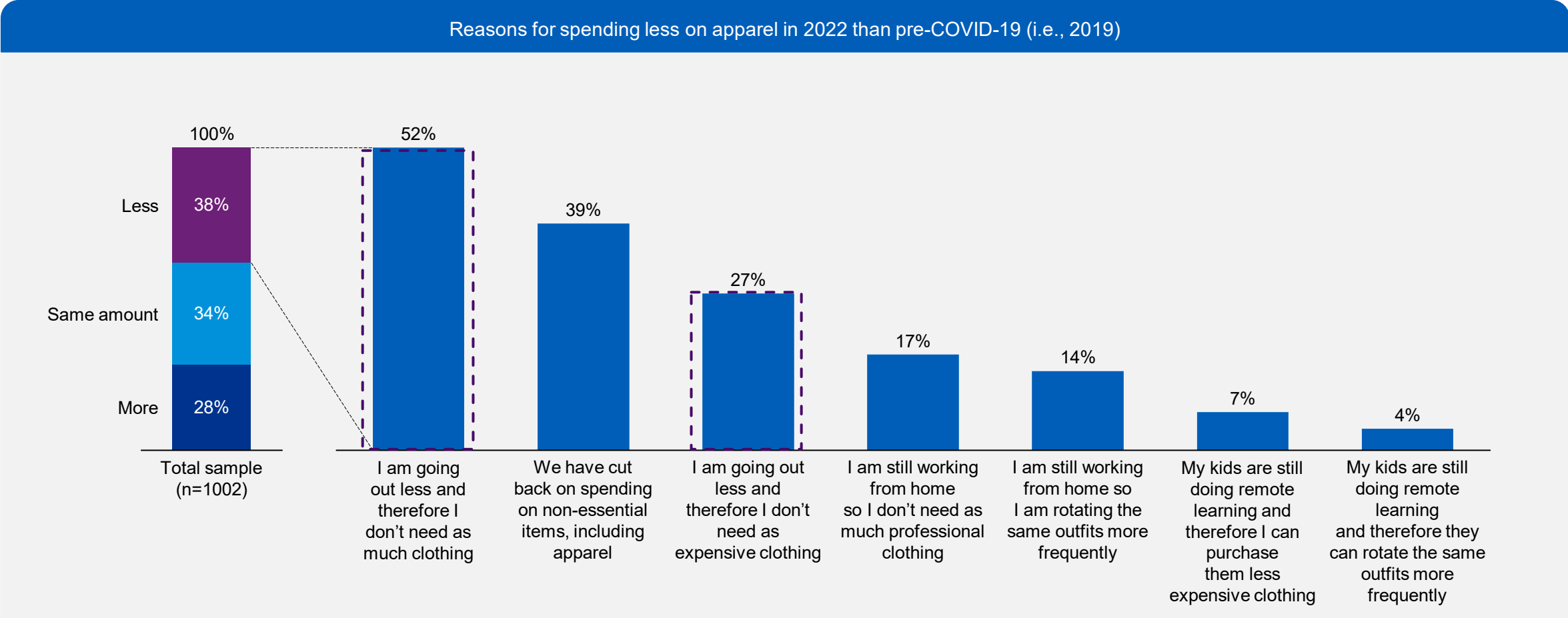
Sector highlights – Apparel

Apparel spend will increase in 2022 by 10 percent vs. 2021; however, this is still -3 percent versus 2019 spend levels.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and asked, "Please estimate your annual apparel budget for the following time periods."
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

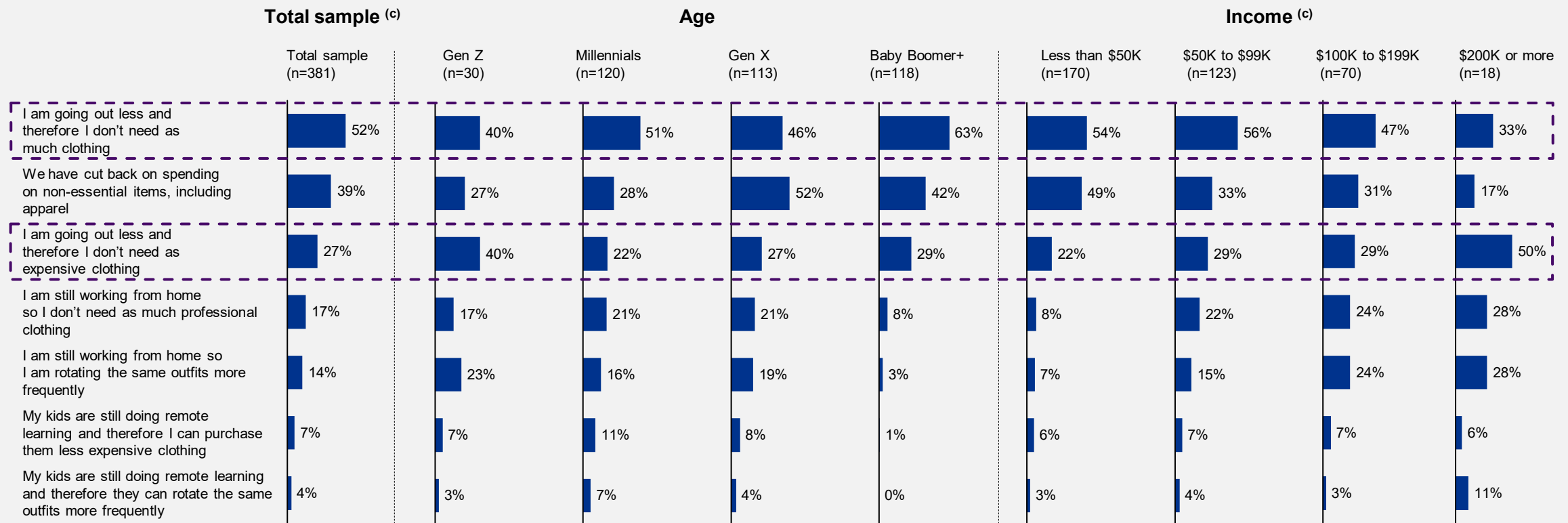
Approximately one-third of consumers still expect to spend less on apparel in 2022 than they did in 2019, and 52 percent of these consumers say that it is because they are still going out less than they were prior to COVID-19.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked, "Please estimate your how much your annual spend on apparel was in 2019, 2020, and 2021, and 'How much you think you will spend on apparel in 2022'".
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Across all age and income demographics, the main reason why consumers are spending less on apparel is because they are going out less.

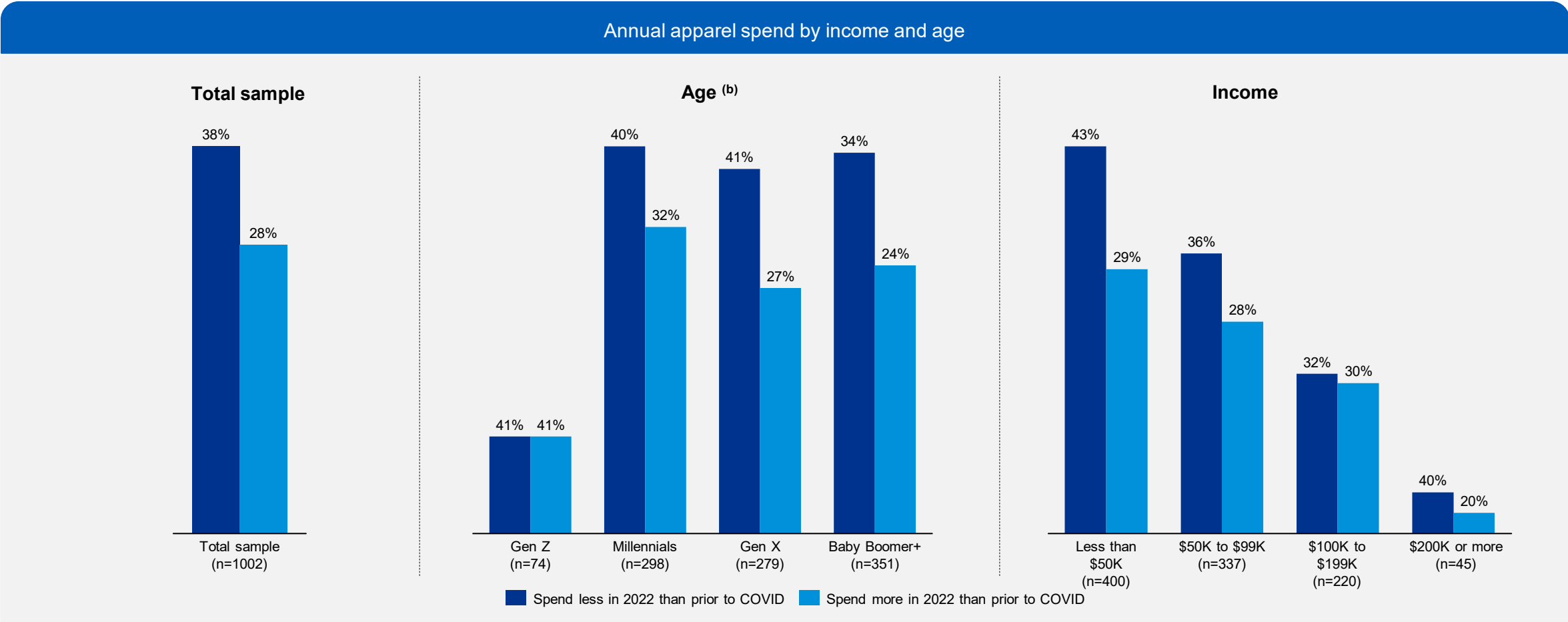
Reasons for spending less by age ^(b) and income



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked, "Are you spending more, the same amount, or less on clothing than you did prior to COVID-19?" (if applicable) and "Why are you spending less on clothing than you did prior to COVID-19?" (if applicable); (b) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer + = 57+; (c) Includes only respondents who indicated that they expect to spend less on apparel in 2022 than they did prior to COVID-19.

Source(s): (1) KPMG Consumer survey, fielded February 3, 2022 – February 10, 2022

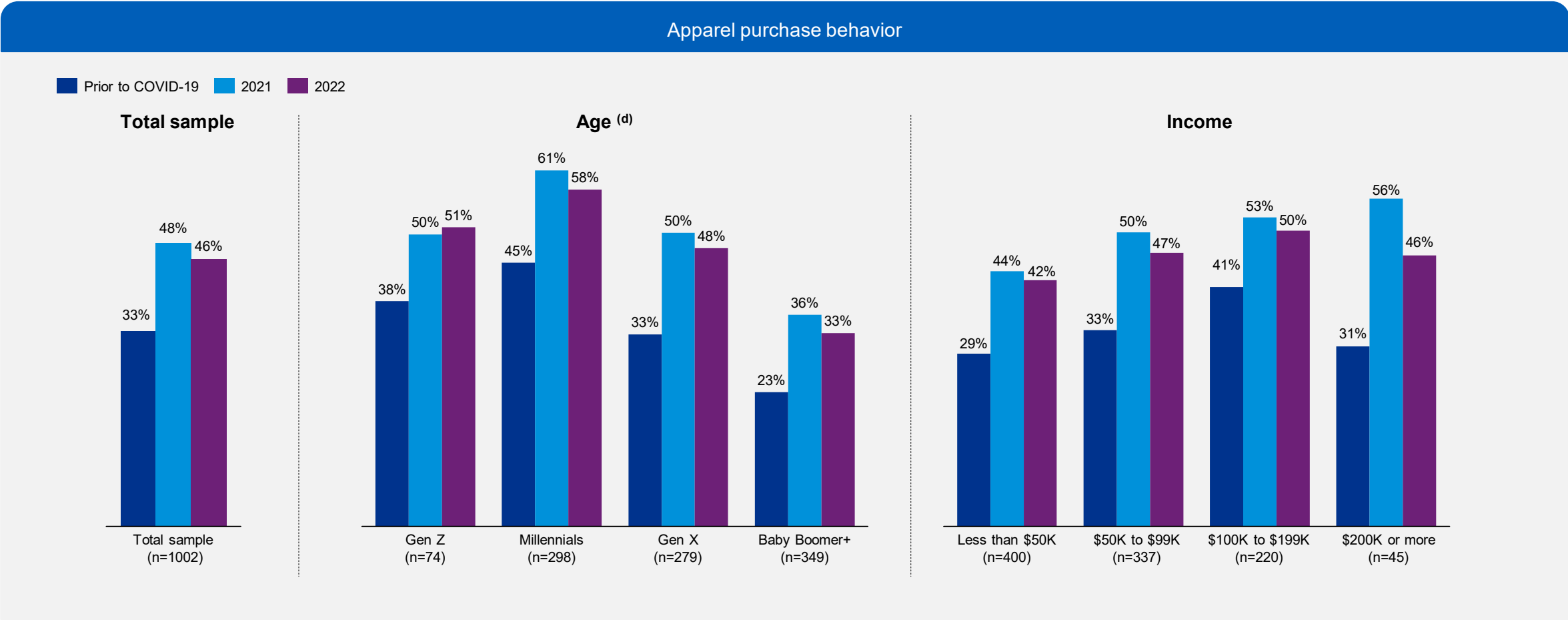
Across most demographics, consumers are expecting to spend less on apparel in 2022 compared to pre-COVID-19.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked, "Please estimate your how much your annual spend on apparel was in 2019, 2020, and 2021." and 'How much you think you will spend on apparel in 2022.;" (b) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+.

Source(s): (1) KPMG Consumer survey, fielded February 3, 2022 – February 10, 2022

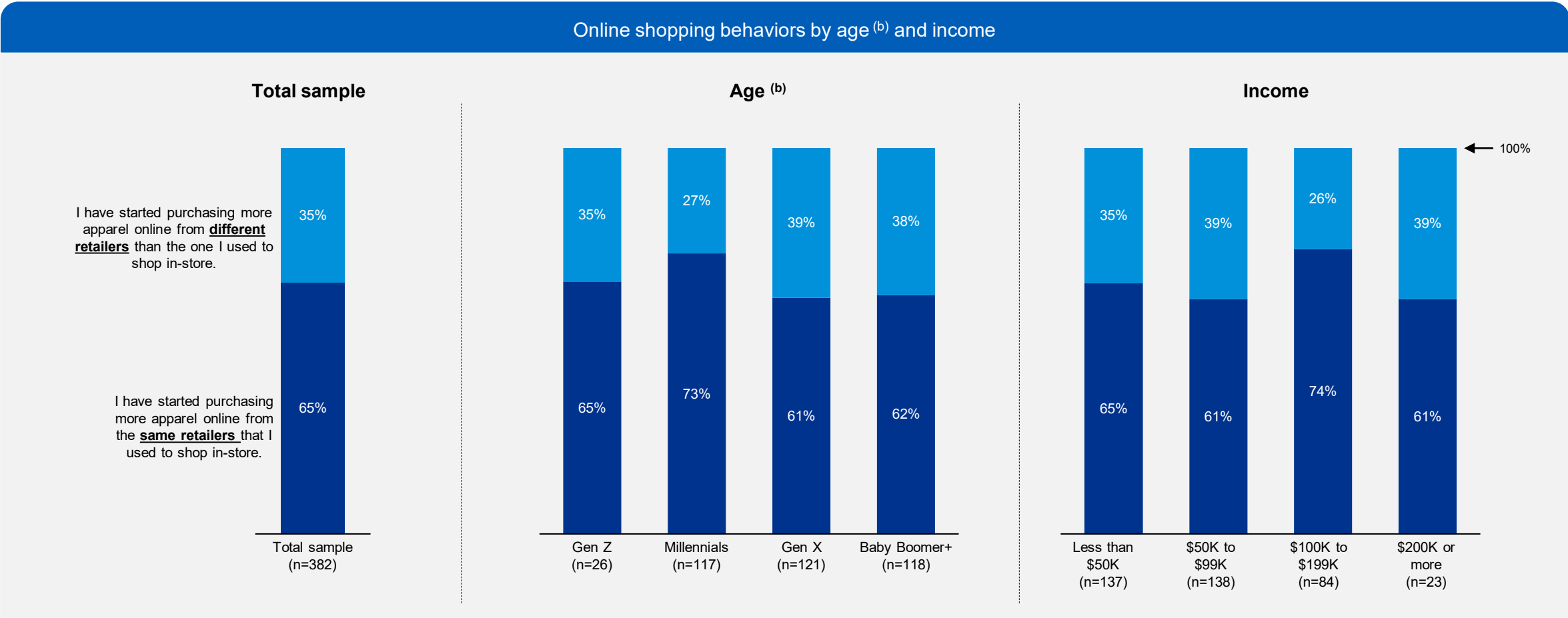
Consumers of all age and income segments started shopping online more during COVID-19; while they expect their 2022 online share of wallet to drop versus 2021, they still believe online share of wallet will be higher than 2019.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked, "Prior to COVID-19 (i.e., 2019) - For each of the following time periods, how did you make your apparel purchases? Please enter the percent of total apparel purchases made via each of the following channels.;" (b) "2021 - For each of the following time periods, how did you make your apparel purchases? Please enter the percent of total apparel purchases made via each of the following channels.;" (c) "Thinking about your upcoming apparel needs in 2022, how do you plan on making your apparel purchases?"; (d) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

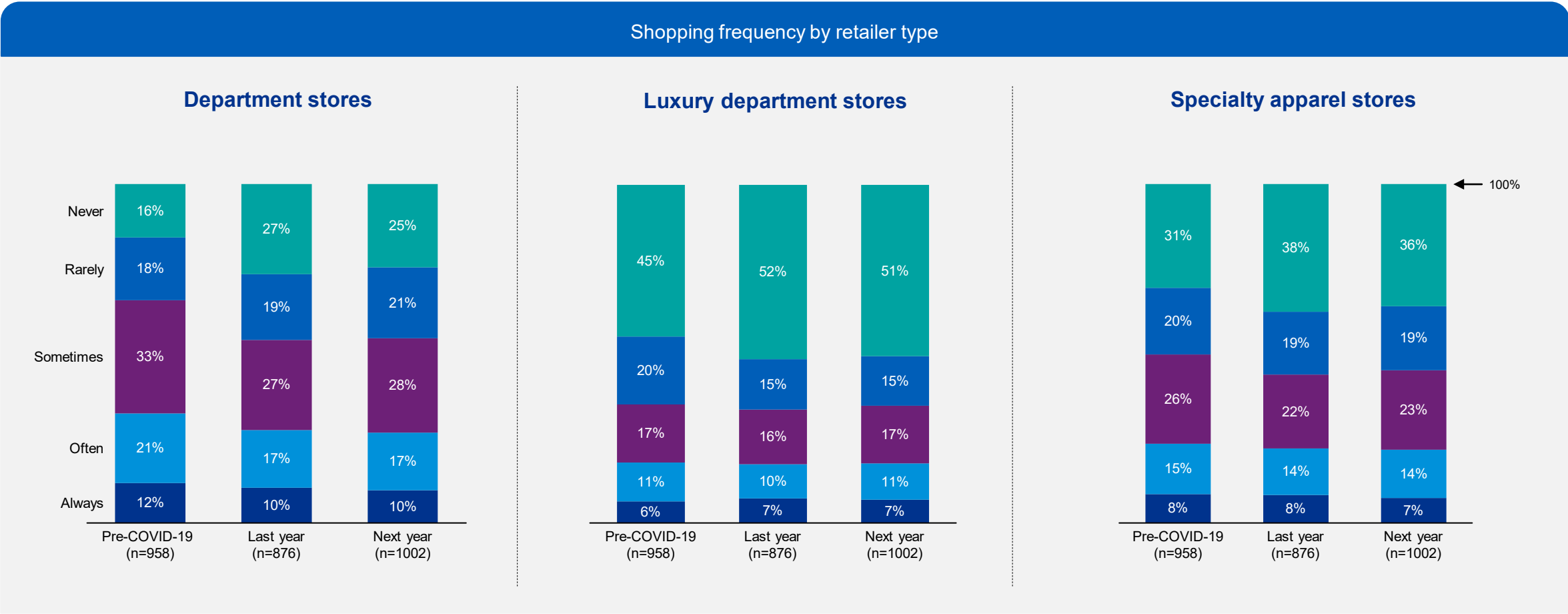
Majority of consumers that have shopped online in the last three months are purchasing from the same retailers online that they used to shop in-store rather than shopping at new retailers online.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked, "Thinking about your upcoming apparel needs in 2022, how do you plan on making your apparel purchases?" (if applicable); (b) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

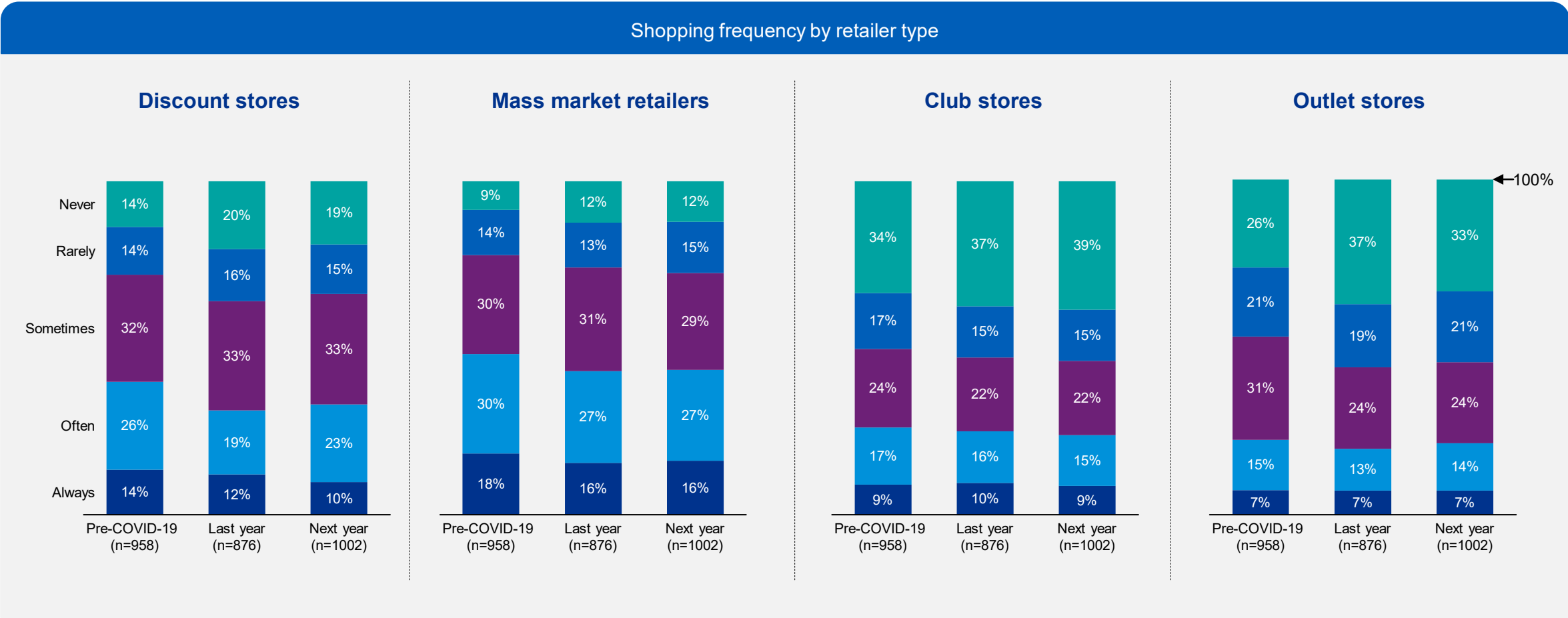
Compared to pre-COVID-19, in-store shopping frequency has dropped last year at all retailers and will continue to stay at the same level in the next three months. (1 of 2)



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked, "At which of the following retailer types did you typically shop for apparel (in-store) prior to COVID-19?" "At which of the following retailer types have you been shopping for apparel (in-store) in the last 3 months?," and "Thinking about any upcoming apparel needs you may have (e.g., winter outerwear, cold weather accessories, winter fashion), at which of the following retailer types do you plan to purchase these items in the next 3 months?;" (b) n-count for pre-COVID-19, last year, and next year are different because the number of respondents who had or will have in-store purchases varies. Numbers do not sum to 100 percent due to rounding.

Source(s): ((1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

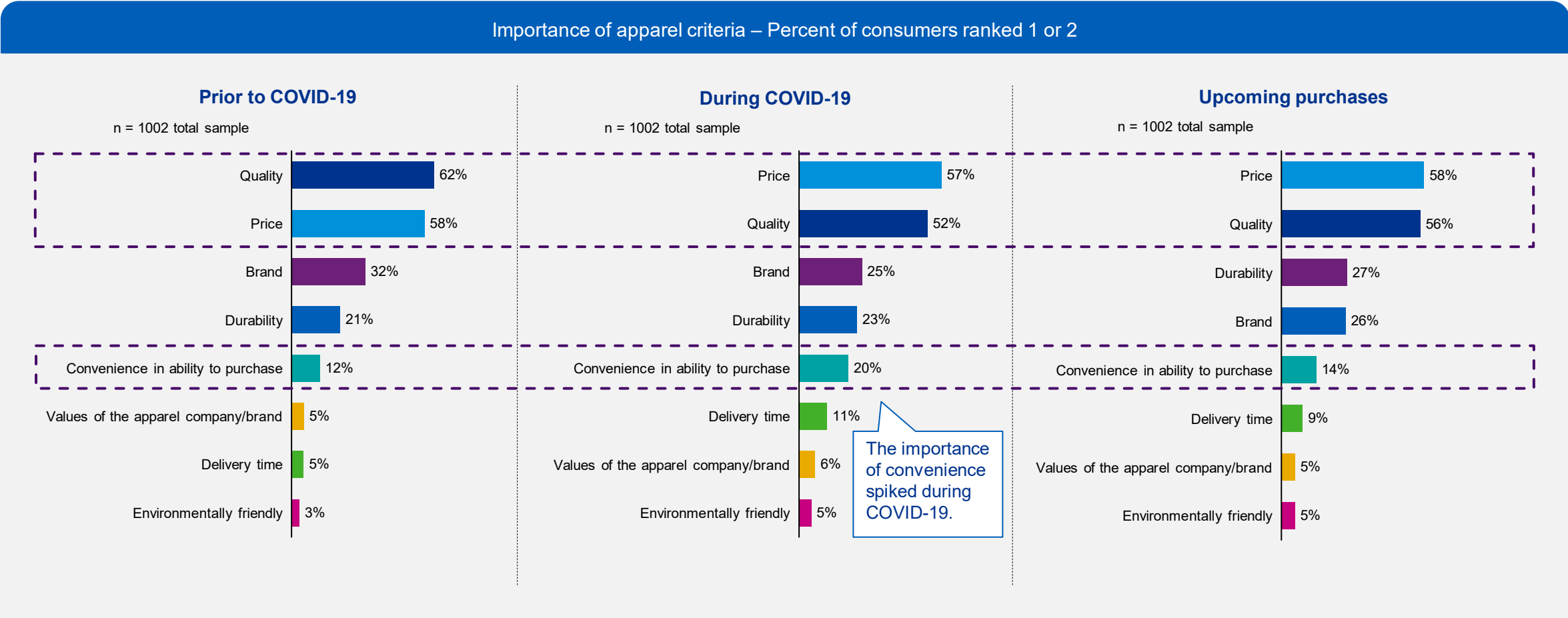
Compared to pre-COVID-19, in-store shopping frequency has dropped last year at all retailers and will continue to stay at a lower level in the next three months. (2 of 2)



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked, "At which of the following retailer types did you typically shop for apparel (in-store) prior to COVID-19?" "At which of the following retailer types have you been shopping for apparel (in-store) in the last 3 months?" and "Thinking about any upcoming apparel needs you may have (e.g., winter outerwear, cold weather accessories, winter fashion), at which of the following retailer types do you plan to purchase these items in the next 3 months?" (b) n-count for pre-COVID-19, last year, and next year are different because the number of respondents who had or will have in-store purchases varies. Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

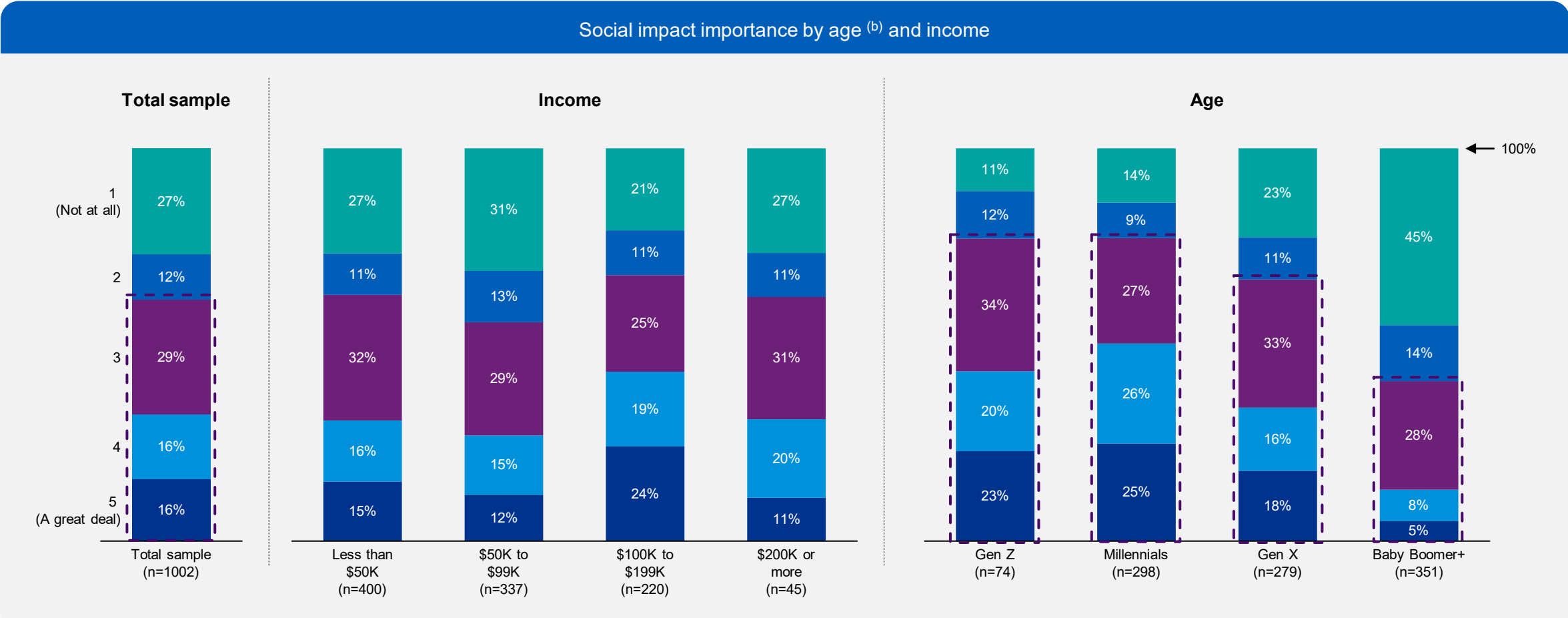
Quality and price are the most important purchase criteria in apparel; however, during COVID-19, the importance of quality decreased as more consumers prioritized convenience and delivery time. For upcoming purchases, consumers expect to prioritize price, quality, and durability.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked, “Prior to COVID-19, what was most important in selecting apparel, please rank in order of importance?,” “During COVID-19, what was most important in selecting apparel, please rank in order of importance?,” and “When thinking about your upcoming purchases, what was most important in selecting apparel, please rank in order of importance?”

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

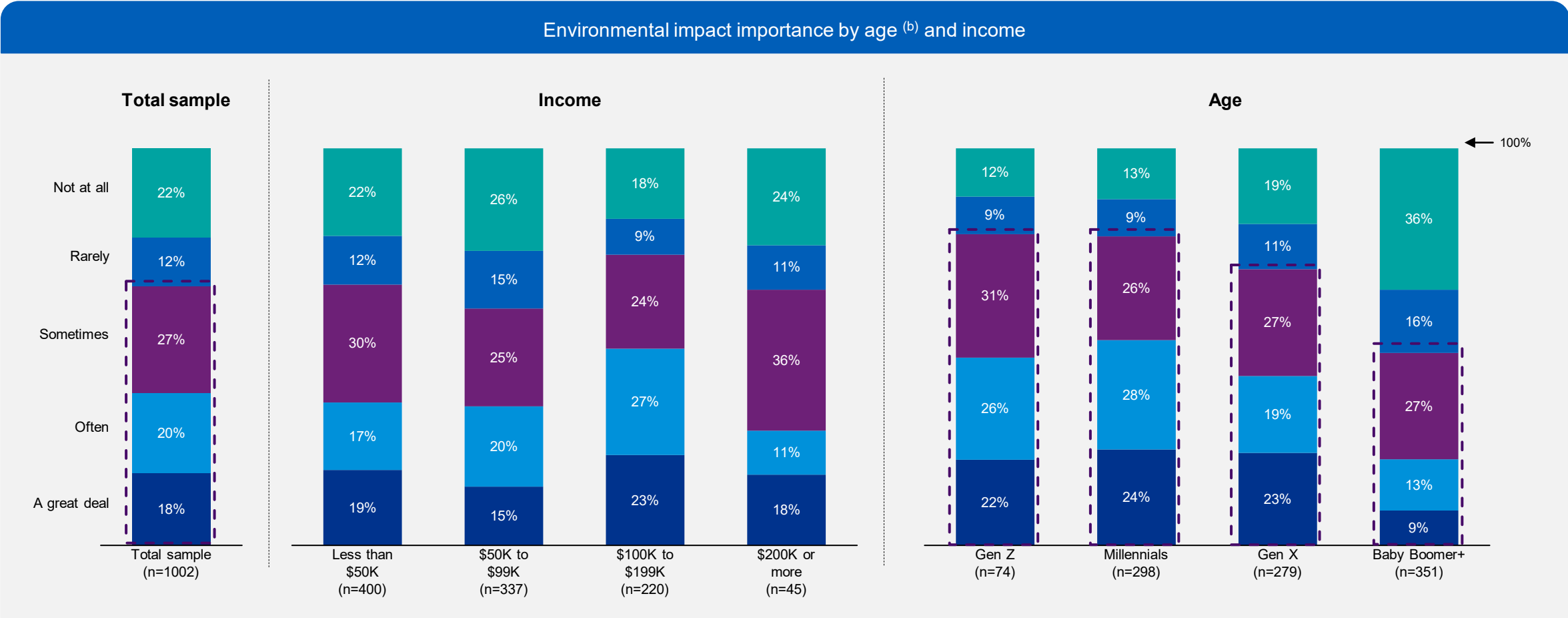
Sixty-one percent of consumers consider the social impact of apparel brands when making purchase decisions; level of consideration is negatively correlated with age.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the question, "When purchasing an item of clothing to what extent do you typically consider the social impact or environmental impact?;" (b) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+. Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

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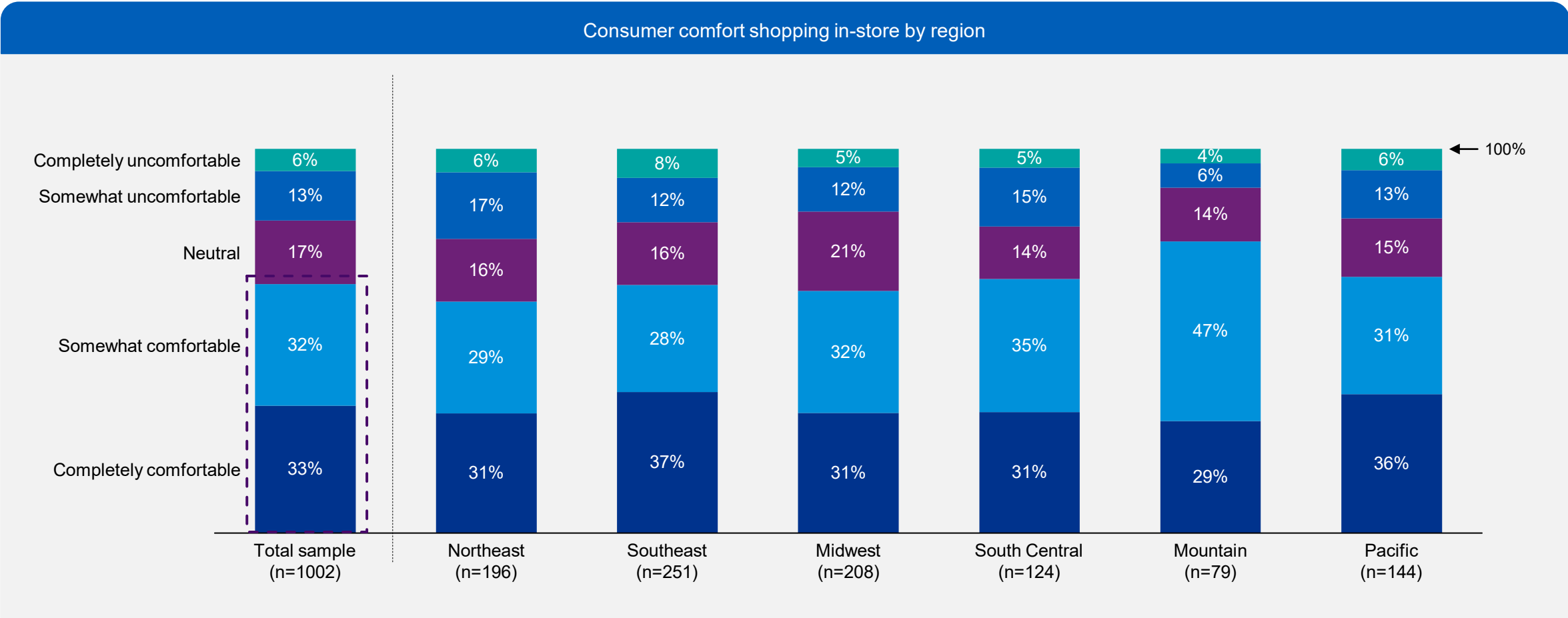
Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the question, "When purchasing an item of clothing to what extent do you typically consider the social impact or environmental impact?;" (b) Age ranges for each generation as follows: Gen Z = 9-24; Millennial = 25-40; Gen X = 41-56; Baby Boomer+ = 57+. Numbers do not sum to 100 percent due to rounding.

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

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Sector highlights – Real estate

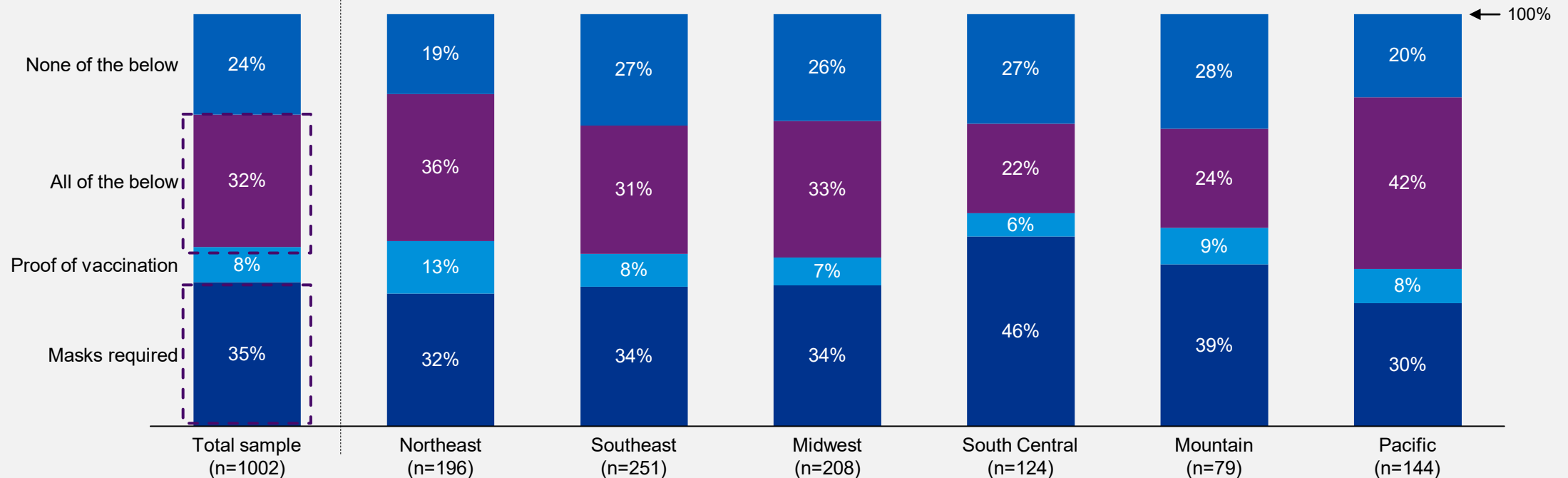
Sixty-five percent of consumers reported that they are somewhat or very comfortable shopping in store, with little variation across regions.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the question, “How comfortable are you shopping in-store?” Numbers do not sum to 100 percent due to rounding.
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

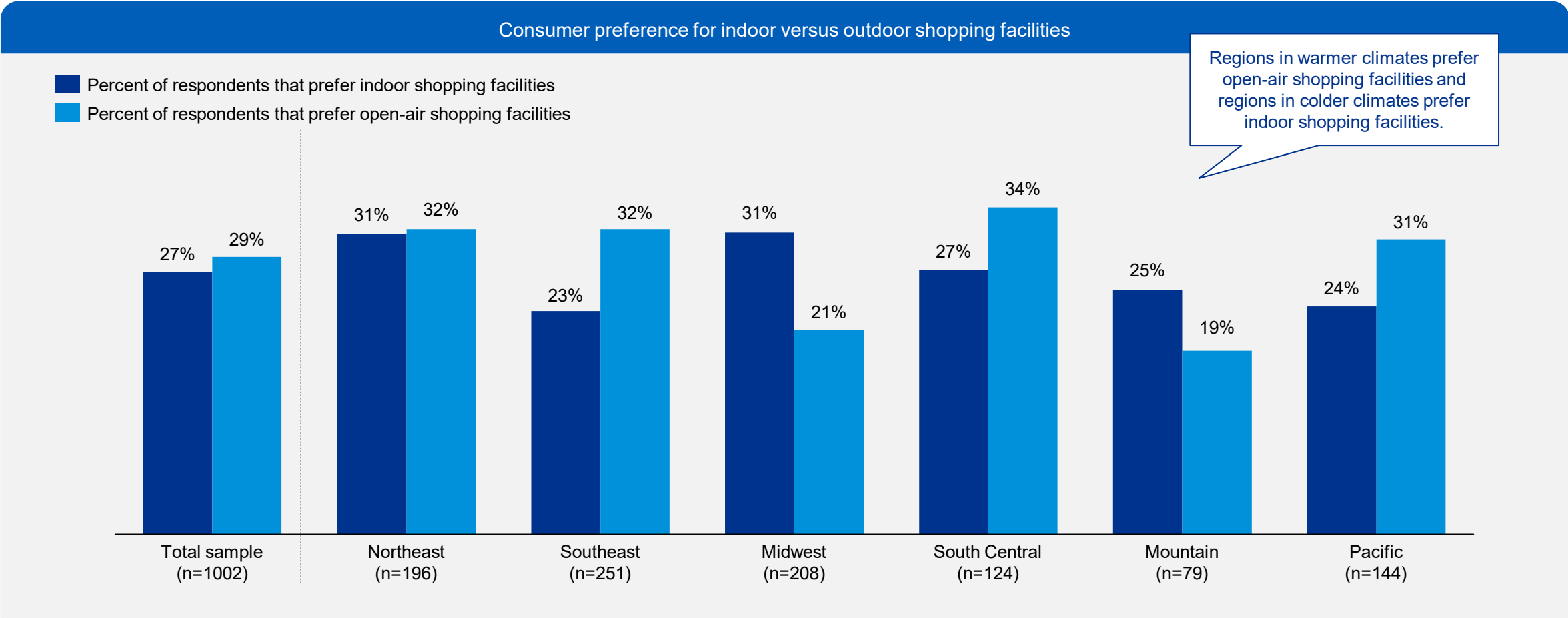
While mask and vaccine rules are changing across geographies, nearly one-third of consumers would still prefer that retail establishments require masks and proof of vaccination; an additional one-third of respondents would prefer masks only.

Consumer preference on mask and vaccine requirements



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the question, "Which health and safety protocols are important to you when deciding where to shop?" Numbers do not sum to 100 percent due to rounding.
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Overall, consumers have no preference between indoor versus outdoor shopping facilities; however, there are regional differences in preference based on climate.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the question, "Which types of in-person shopping facilities do you typically prefer?"
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

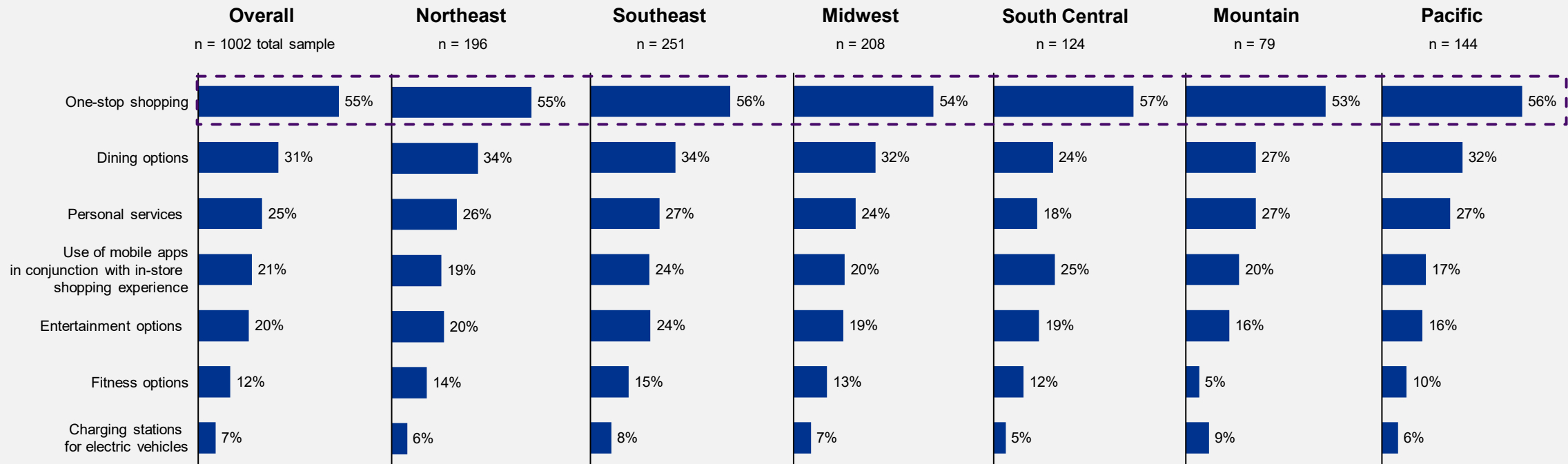
Over 50 percent of consumers indicate that they select their shopping destinations based on the number of stores and retailers as they prefer one-stop shopping.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the question, “What types of features do you look for in choosing an in-store shopping destination?”
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Across all regions, over 50 percent of consumers indicate that they select their shopping destinations based on the number of stores and retailers as they prefer one-stop shopping.

Shopping destination selection criteria

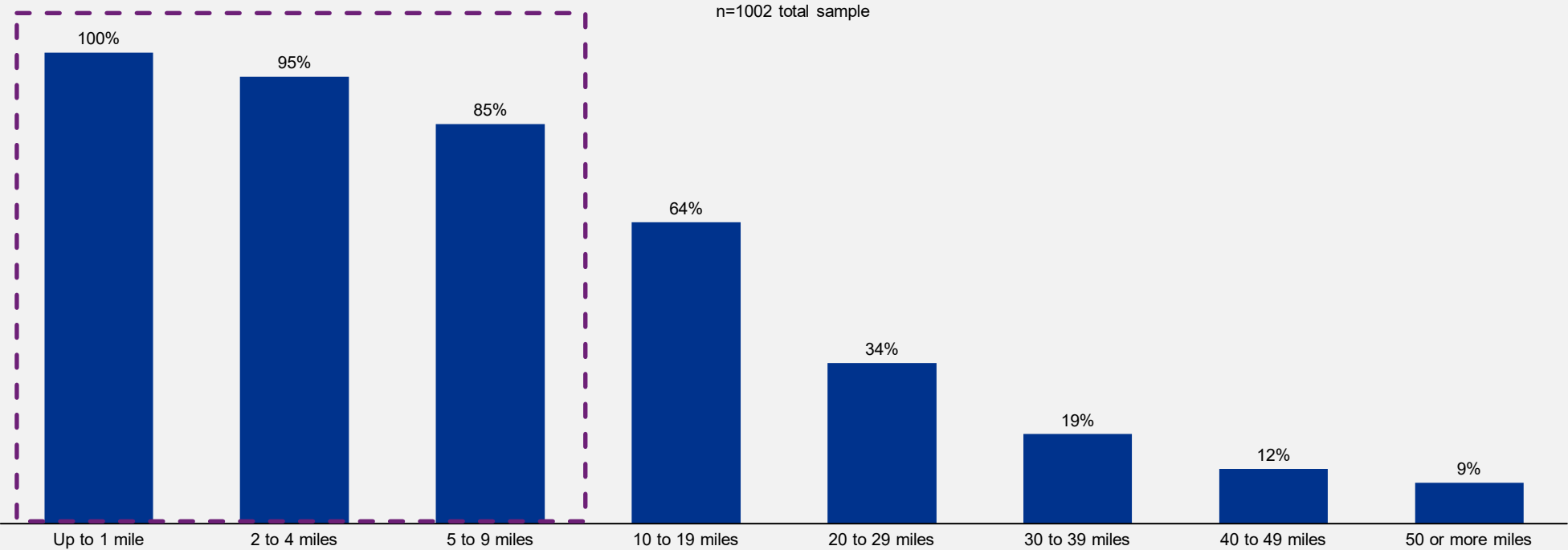


Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the question, "What types of features do you look for in choosing an in-store shopping destination?"

Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

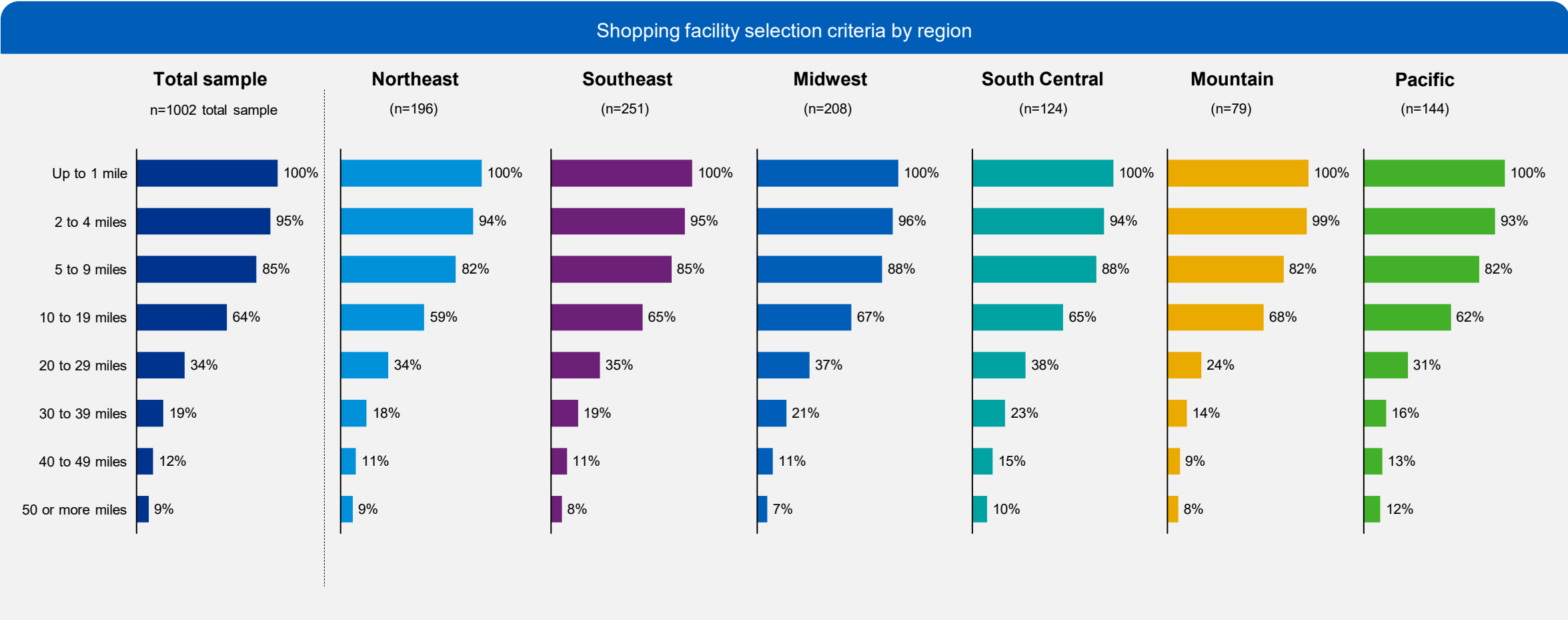
Most (85 percent) consumers prefer shopping destinations less than 10 miles from their home.

Shopping facility selection criteria



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the question, “How far are you willing to travel from home to go shopping?”
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022

Across all regions, most (over 80 percent) consumers prefer shopping destinations less than 10 miles from their home.



Note(s): (a) KPMG conducted surveys of 1002 consumers across the United States and in all instances they were asked the question, “How far are you willing to travel from home to go shopping?”
Source(s): (1) KPMG Consumer pulse survey, fielded February 3, 2022 – February 10, 2022



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