



Summer 2022

Consumer pulse report

Are consumers being pushed to the edge?

Implications from our recent consumer pulse survey for consumer spend, inflation, summer travel and return to work

June 2022



Key themes from our recent consumer pulse survey (1 of 2)

01

Updates on consumer spend adapting to the higher cost of goods

- KPMG conducted a survey of over 1,000 U.S. consumers with demographics in terms of age, gender and income levels closely aligned with the 2020 Census.
- Anticipated year-over-year change in household spend this summer is highest for essential product categories (groceries, personal care, and medications); most respondents who expect to spend more on groceries (66 percent) expect to spend more due to price increases.
- Across most product categories (9 of 11), consumers have been spending up to 12 percent less online than they were in the spring of 2021; however, this summer, consumers expect to spend more online across all essential product categories, with grocery showing the greatest increase in online share of wallet.
- Most consumers (~80 percent) prefer to use a credit or debit card to make online purchases instead of using PayPal/Venmo, Apple Pay, buy-now-pay-later methods, cryptocurrency, or gift cards.
- Most consumers (94 percent) estimate their cost of living has increased in the last year, with 48 percent saying by 6-10 percent and 37 percent by more than 10 percent.
 - Over 70 percent of consumers expect a recession within the next 12 months and over two-thirds of them have a financial plan in place to prepare for any challenges ahead.

02

Concerns on the horizon: higher prices and recession fears may curb demand

- Over 50 percent of consumers agree with the statements “price increases are an inevitable part of life,” “my household budget cannot accommodate continued price increases,” and “I worry about being able to afford food or basic household goods.”
- Most consumers (87 percent) are at least somewhat concerned with inflation, including 43 percent who are extremely concerned.
- Nearly 70 percent of consumers plan to change their discretionary spending due to inflation, with the top three categories being restaurants and bars, luxury, and travel.
- 95 percent of consumers have perceived price increases across all product categories over the last six months, especially in grocery, restaurants, and travel/vacations
- Across product categories, most consumers (nearly 60 percent) plan on making some change to their purchase behaviors in response to price increases such as buying fewer items (20 percent), looking for bargains or promotions (14 percent), and switching retailers(13 percent).
 - The majority of consumers (85 percent) are concerned with rising gas prices; nearly 40 percent are researching local gas prices before purchase and nearly 30 percent are driving less.

Key themes from our recent consumer pulse survey (2 of 2)

03

Consumers not willing to give up summer travel

- Nearly 40 percent of consumers feel more comfortable travelling this summer than in summer 2021 and ~50 percent feel equally comfortable; male, younger, and higher household income demographic segments are more likely to feel more comfortable with travel.
- Consumers plan to travel more in summer 2022 than in summer 2021; however, 59 percent say travel plans and budgets will be tempered due to inflation.
- Overall, more consumers are planning to take fewer(one to two trips) and longer(one to two weeks) trips with a slight increase in trips to international destinations this summer, compared to summer 2021.
 - Male, younger, and higher household income demographic segments are more likely to be planning multiple trips this summer.
 - Baby boomer+ and high household income (\$200K+) demographic segments are more likely to be planning longer trips this summer (one to two weeks or longer).
 - Male, Gen Z, millennial, and higher household income demographic segments are more likely to be planning international trips this summer.

04

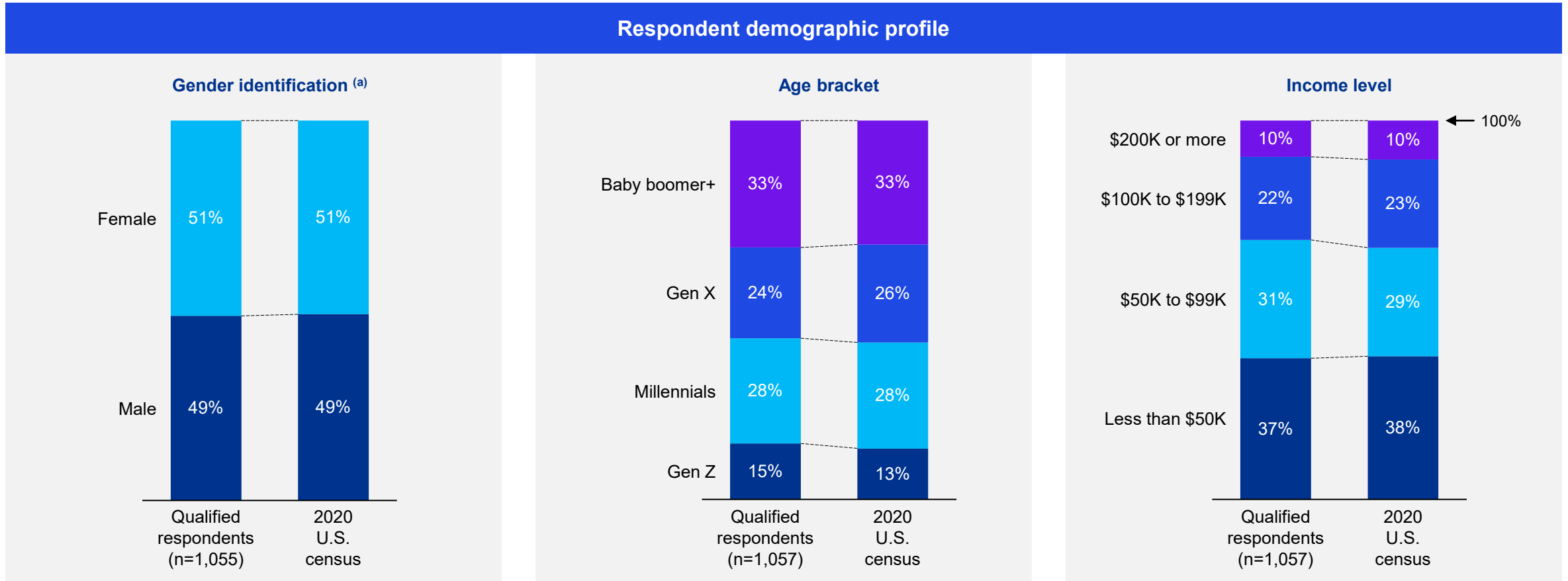
Flexibility in remote work driving employment choices and transport implications

- Among consumers whose jobs can be done remotely, the average number of days per week worked from home has decreased in 2022 (3.1 versus. 3.4 in 2021) but still has not returned to pre-COVID-19 levels.
 - Female, Gen X, and baby boomer+ demographic segments and consumers with no kids are more likely to work three or more days from home per week.
- The top 3 reasons why consumers who work from home four or more days per week have not returned to working in office more are COVID-19 health concerns, commuting expenses, and better productivity at home.
- Most consumers (61 percent) whose employers have required a return to on-site/in-office work arrangements will look for a new job that offers work from home flexibility and 52 percent would even consider a decrease in pay in exchange for permanent remote work.
- Most consumer pulse survey respondents (85 percent) who own a car are at least somewhat concerned about rising gas prices, with lower-income households being most concerned (89 percent) and higher-income households being least concerned (73 percent).
- Nearly 50 percent of gas and diesel car owners are considering purchasing an electric or hybrid car for their next car.
 - Of consumers considering an electric or hybrid car, 63 percent plan to purchase within the next two years.

01

Consumer spend
update

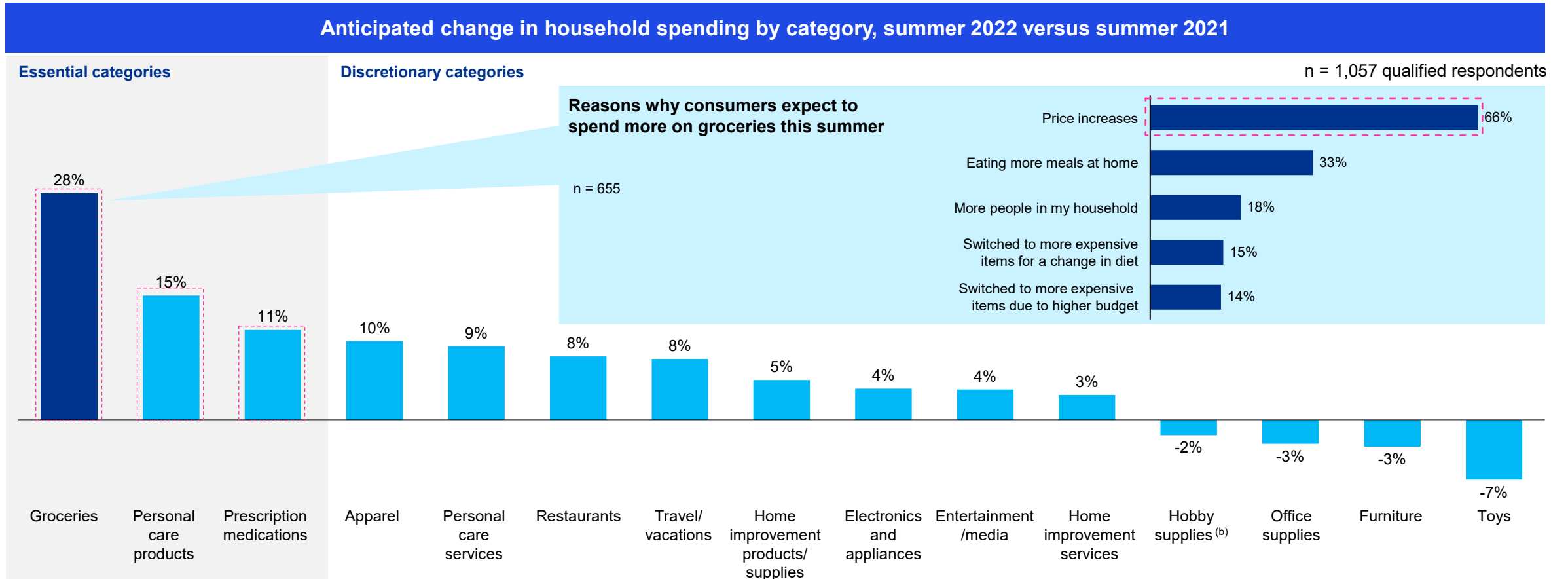
Survey sample is closely aligned with 2020 U.S. census demographics.



Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and asked, "Please select your gender," "Please select the annual income range that best describes your total household income in 2021," and "Please enter your current age," (b) Gender identification omits survey respondents who selected "Prefer to self-describe" due to small sample size.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022; 2020 U.S. Census

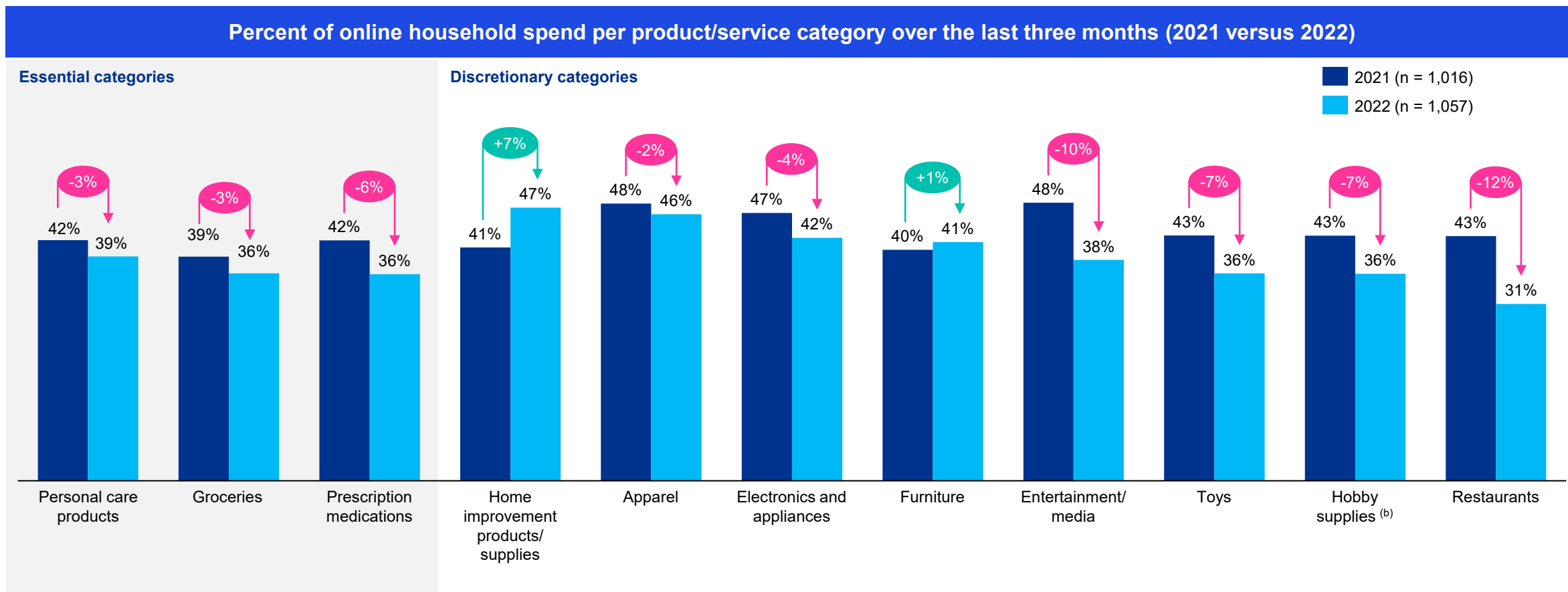
Anticipated year-over-year change in household spend this summer is highest for essential product categories; for respondents expecting an increase in groceries, it is due to price.



Note(s): KPMG conducted surveys of 1,057 consumers across the United States and asked, "Please select your gender," "Please select the annual income range that best describes your total household income in 2021", "Please enter your current age", (b) Gender identification omits survey respondents who selected "Prefer to self-describe" due to small sample size.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022; 2020 U.S. Census

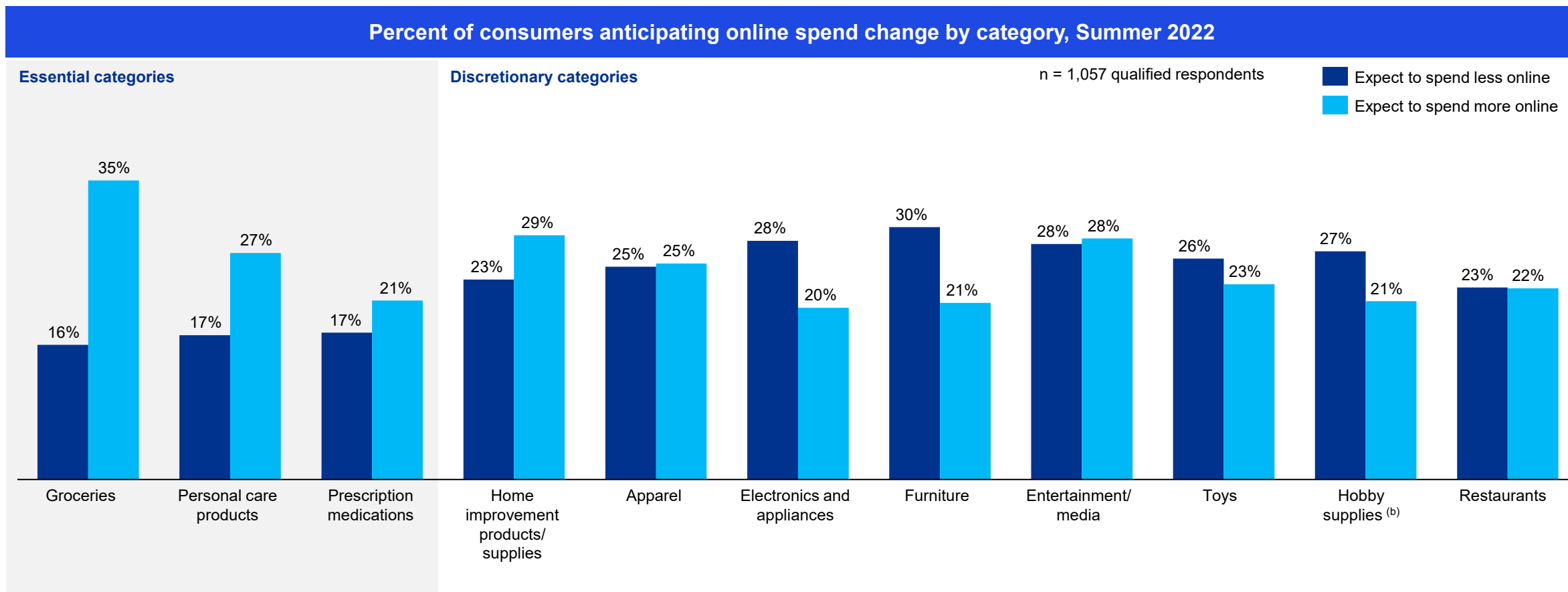
Across most product categories (9 of 11), consumers have been spending less online (up to 12 percent) than they were in the spring of 2021.



Note(s): KPMG conducted surveys of 1,057 consumers across the United States and, in all instances, they were asked the question: “Over the last three months, approximately what percentage of your household spend on each of the following product categories occurred online?”; (b) Hobby supplies includes sporting goods, musical instruments, and books.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

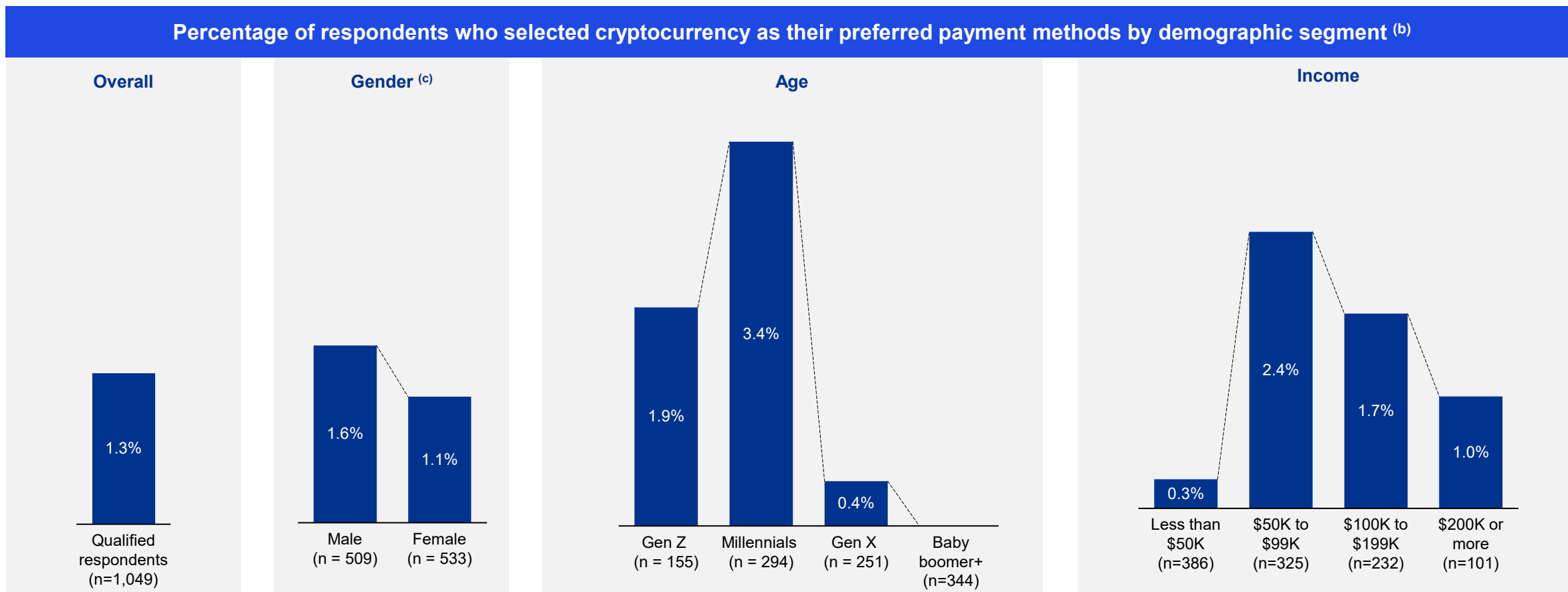
This summer, 20 percent – 35 percent of consumers expect to spend more online across all essential product categories, with the most consumers anticipating to spend more on online on groceries.



Note(s): KPMG conducted surveys of 1,057 consumers across the United States and, in all instances, 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 summer of 2022 compared to the summer of 2021?”; (b) Hobby supplies includes sporting goods, musical instruments, and books.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

While a very small portion of overall respondents, crypto currency is showing up as a preferred method of payment that millennial respondents are most likely to select.



Note(s): KPMG conducted surveys of 1,057 consumers across the United States and in all instances, they were asked the questions: "When making a purchase online, what method of payment do you typically select?"; (b) Excludes 8 respondents who selected "Other"; (c) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size.

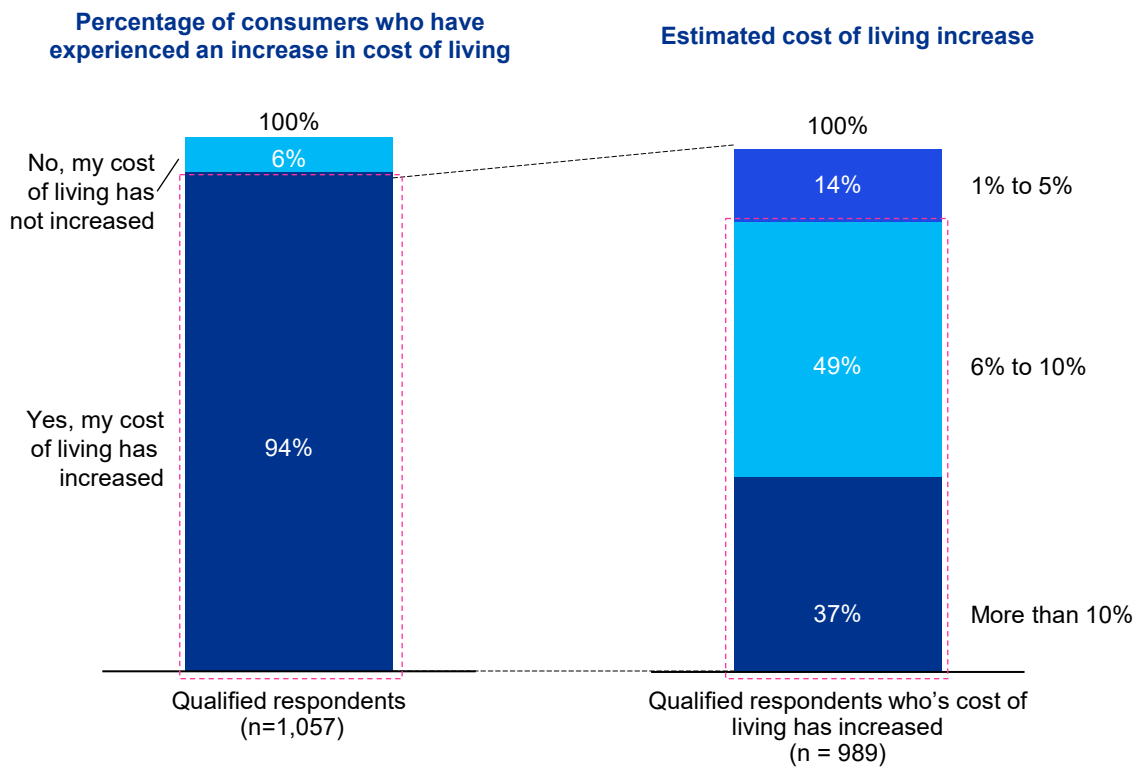
Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

02

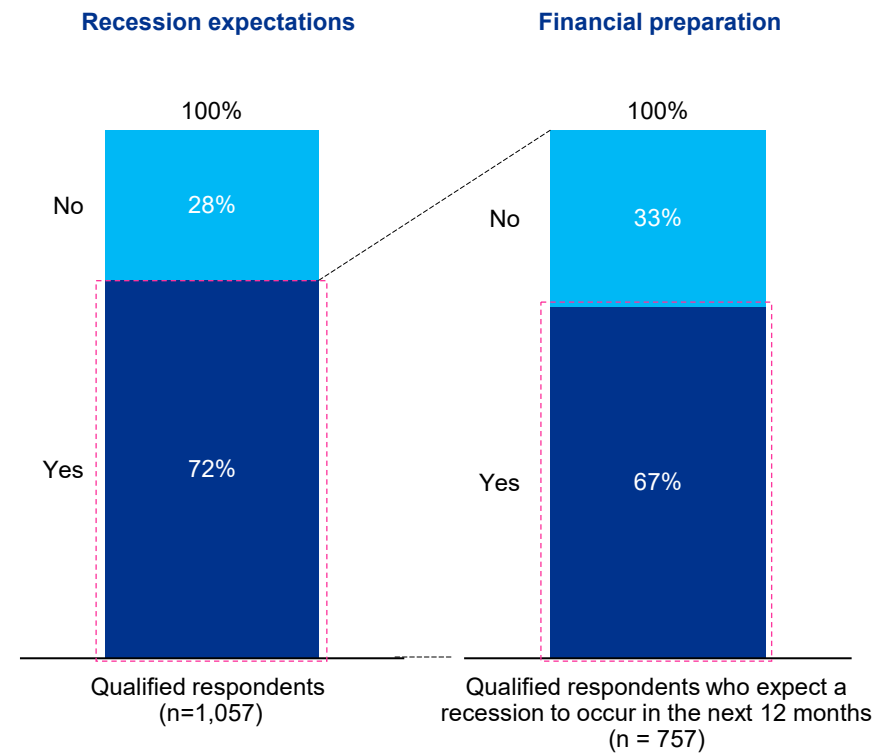
Inflation and Stockouts

Most consumers estimate their cost of living has increased in the last year, with 49 percent citing an increase of 6-10 percent and 30 percent by more than 10 percent, and most believe (72 percent) there will be a recession in the next 12 months.

Consumer perceptions regarding increasing cost of living



Consumer expectations regarding and preparation for a recession in the next 12 months



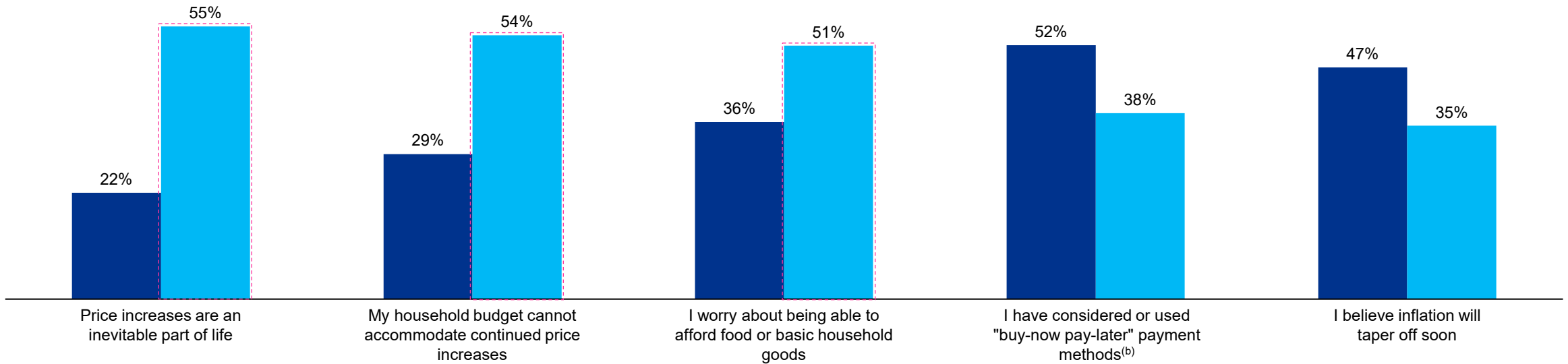
Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and, in all instances, they were asked the question: "Do you believe that your cost of living has gone up in the last year?" and, if applicable, "How much do you believe your cost of living has gone up in the last year?" "Do you expect a recession to occur in the next 12 months?" and, if applicable, "Do you have a plan in place to prepare for financial challenges associated with an economic recession (e.g., save for a rainy day)?"

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

55 percent of consumers believe “increases are inevitable,” but also, 54 percent state “my household budget cannot accommodate continued increases” and 51 percent “worry about ability to afford basic household goods.”

Consumer sentiments regarding inflation

Disagree Agree n = 1,057 qualified respondents

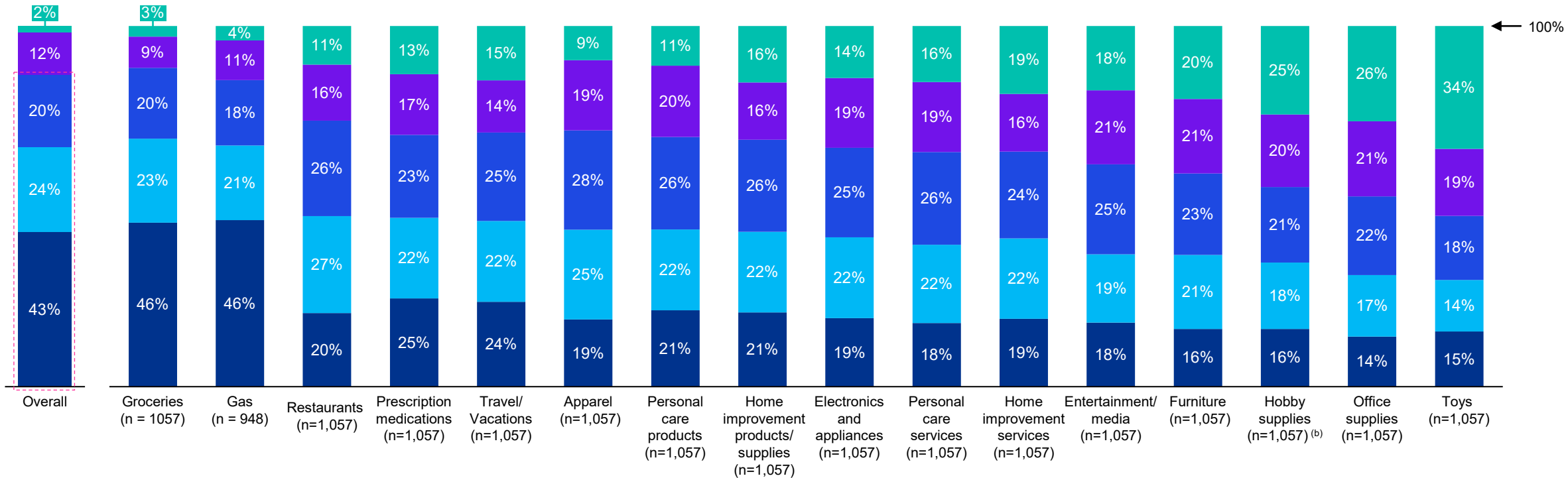


Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, in all instances, they were asked the question, “To what extent do you agree with the following statements? (1= Strongly disagree and 7= Strongly agree).”
 Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022 – May 18, 2022

Most consumers (87 percent) are at least somewhat concerned with inflation, including 43 percent who are extremely concerned.

Consumer concern regarding inflation by product category

Extremely concerned Moderately concerned Somewhat concerned Slightly concerned Not at all concerned

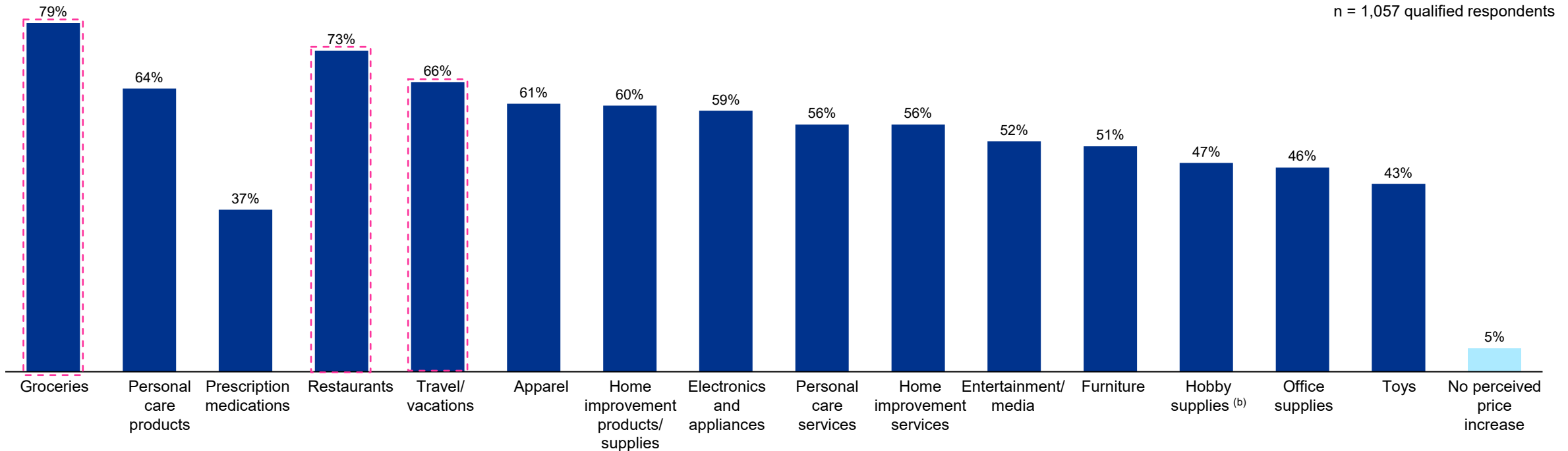


Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and, in all instances, they were asked the questions, “How concerned are you with rising prices/inflation in each of the following product categories?” and, if applicable, “How concerned are you with rising gas prices?”; (b) Hobby supplies includes sporting goods, musical instruments, and books.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

95 percent of consumers have perceived price increases across all product categories, especially in grocery, restaurants, and travel/vacations.

Percentage of consumers who believe prices have increased over the last six months by product category

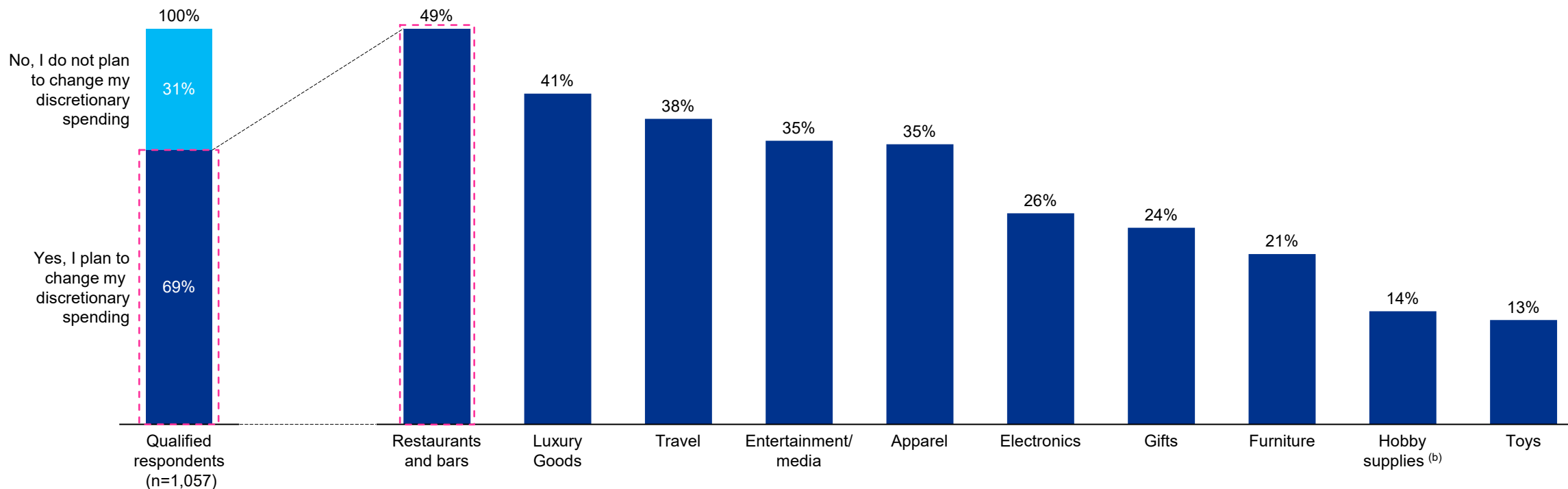


Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and asked, "For each of the following product categories, please indicate whether you believe prices are lower, about the same, or higher than they were six months ago?"; (b) Hobby supplies includes sporting goods, musical instruments, and books.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Nearly 70 percent of consumers plan to change the amount of discretionary spending due to inflation, top 3 categories being restaurants and bars, luxury goods, and travel.

Consumer plans to change discretionary spending due to inflation



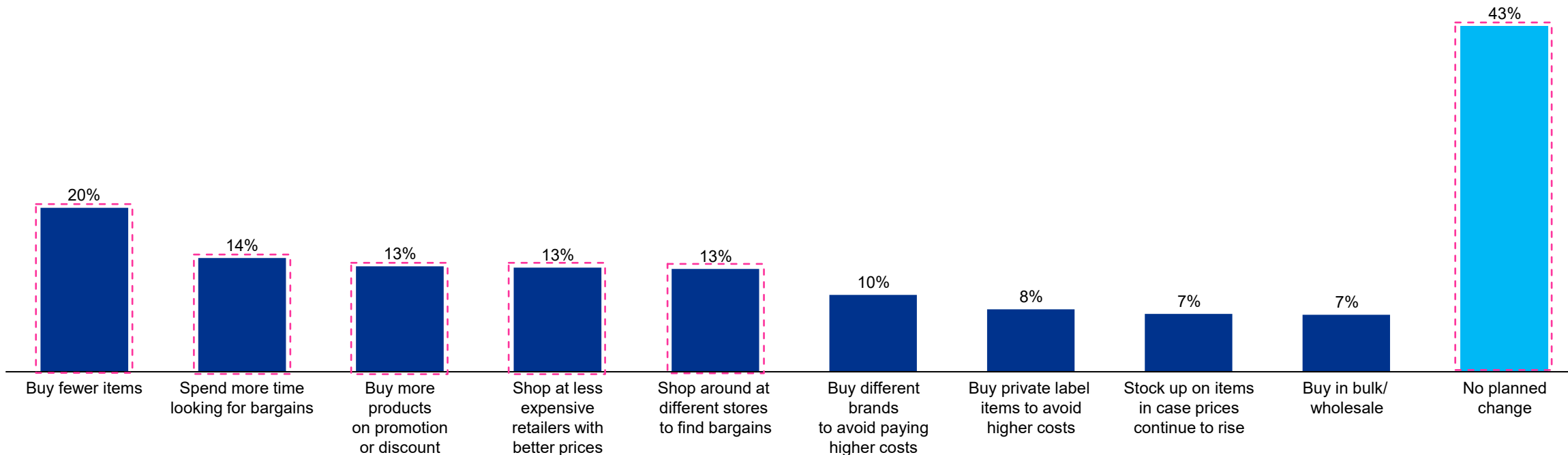
Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and, in all instances, they were asked the question, “Do you plan to change your discretionary spending as a result of recent price increases?” and, if applicable, “Please select and rank up to three top discretionary spending categories where you expect to reduce your spending the most due to inflation.” (b) Hobby supplies includes sporting goods, musical instruments, and books

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Consumers plan on changing purchase behaviors: buying fewer items, looking for bargains or promotions, and switching retailers, but 43 percent are also not making changes.

Planned changes in shopping behaviors to offset price increases – cross-category average ^(b)

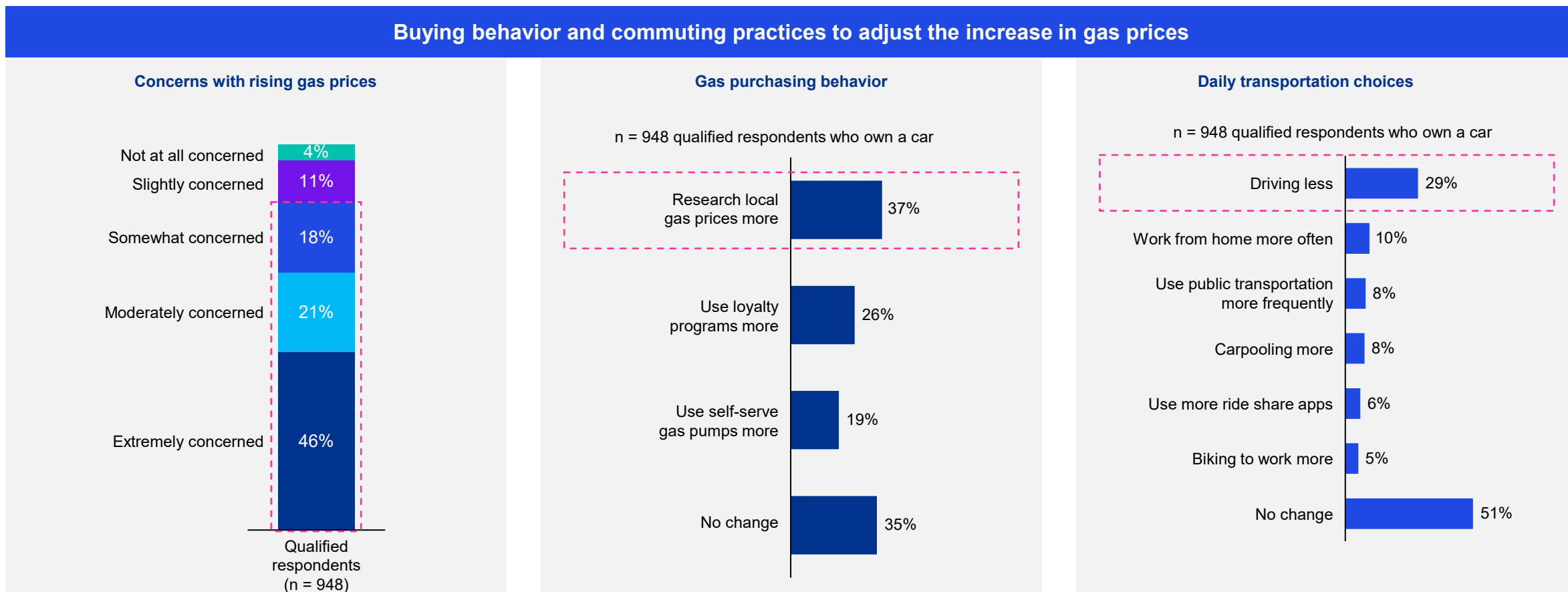
n = 8982 responses ^(c)



Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States, and if applicable, they were asked the questions: “Do you plan on changing your purchasing behaviors to mitigate rising prices in [category]?” and “How do you plan on changing your behaviors to mitigate rising prices for [category]?”; (b) Respondents were allowed to select more than one option; therefore, percentages total over 100 percent; (c) Sample (n) count indicates the number of responses across all product categories.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

The majority of consumers (85 percent) are concerned with rising gas prices and nearly 40 percent are researching local gas prices before purchase and nearly 30 percent are driving less.

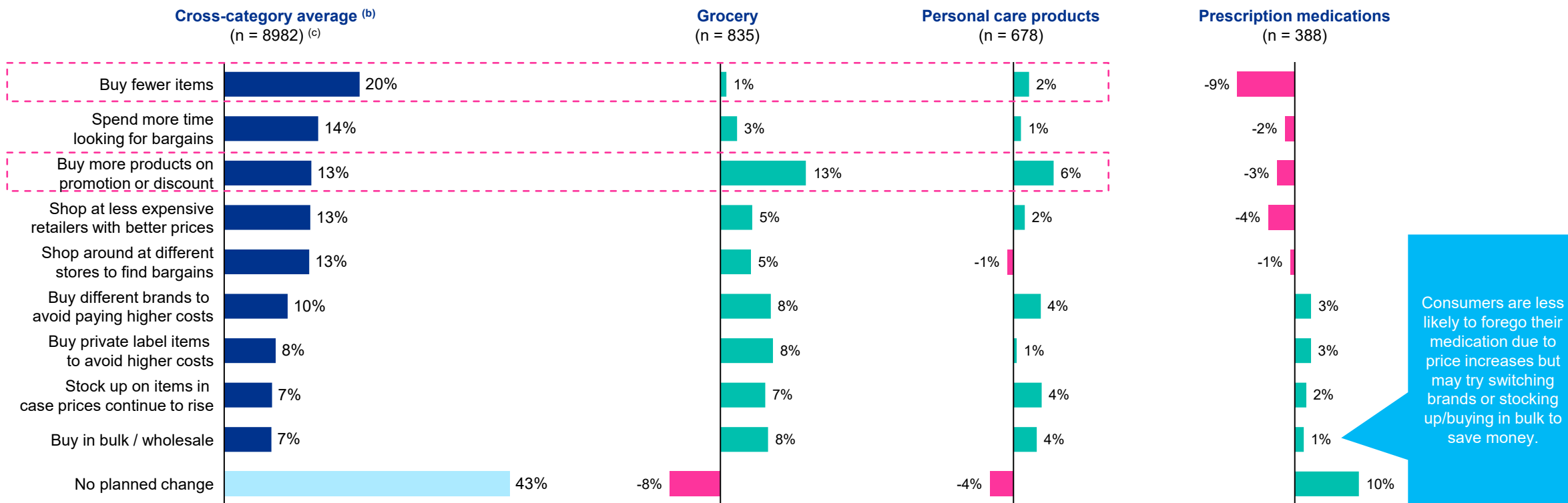


Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, if applicable, they were asked the questions: “How concerned are you with rising gas prices?”; “Have rising gas prices impacted your gas purchasing behaviors?”; “Have rising gas prices impacted your daily transportation choices (i.e., how you commute to work)?” and “How have rising gas prices impacted your daily transportation choices?”

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Consumers are more likely to buy more products on promotion or discount in essential categories such as grocery and personal care.

Planned changes in shopping behaviors to offset price increases – Essential product categories

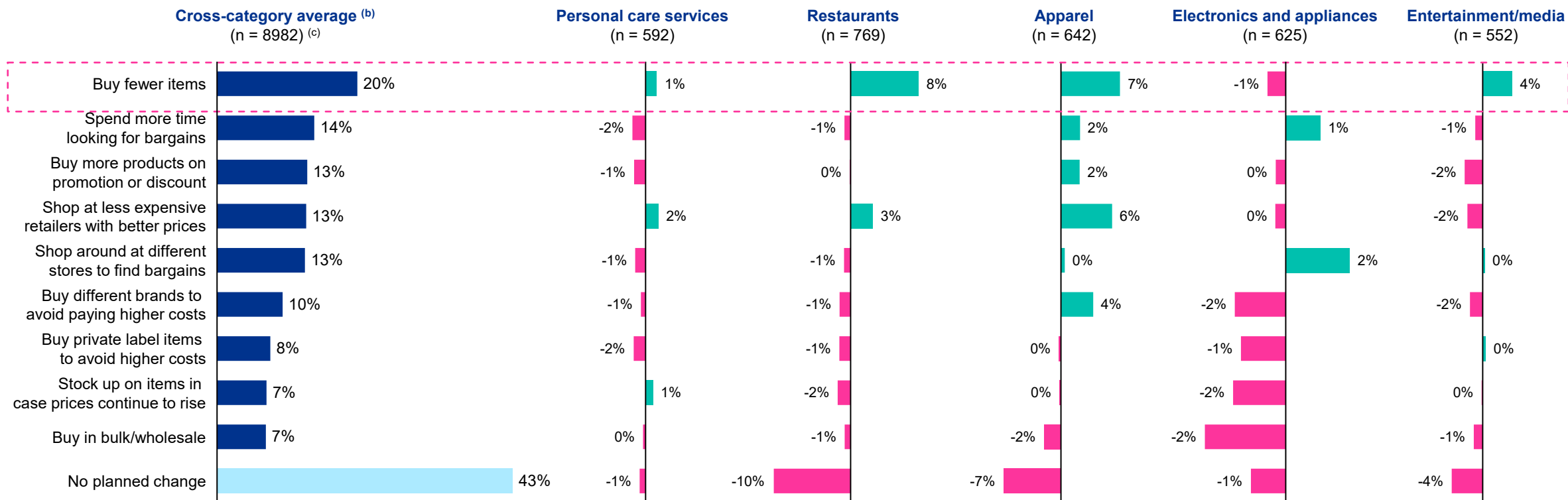


Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and, if applicable, they were asked the questions: “Do you plan on changing your purchasing behaviors to mitigate rising prices in [category]?” and “How do you plan on changing your behaviors to mitigate rising prices for [category]?”; (b) Respondents were allowed to select more than one option; therefore, percentages total over 100percent; (c) Sample (n) count indicates the number of responses across all product categories.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Consumers are more likely to react to inflation by cutting back purchases in three discretionary categories such as restaurants, apparel, and entertainment/media.

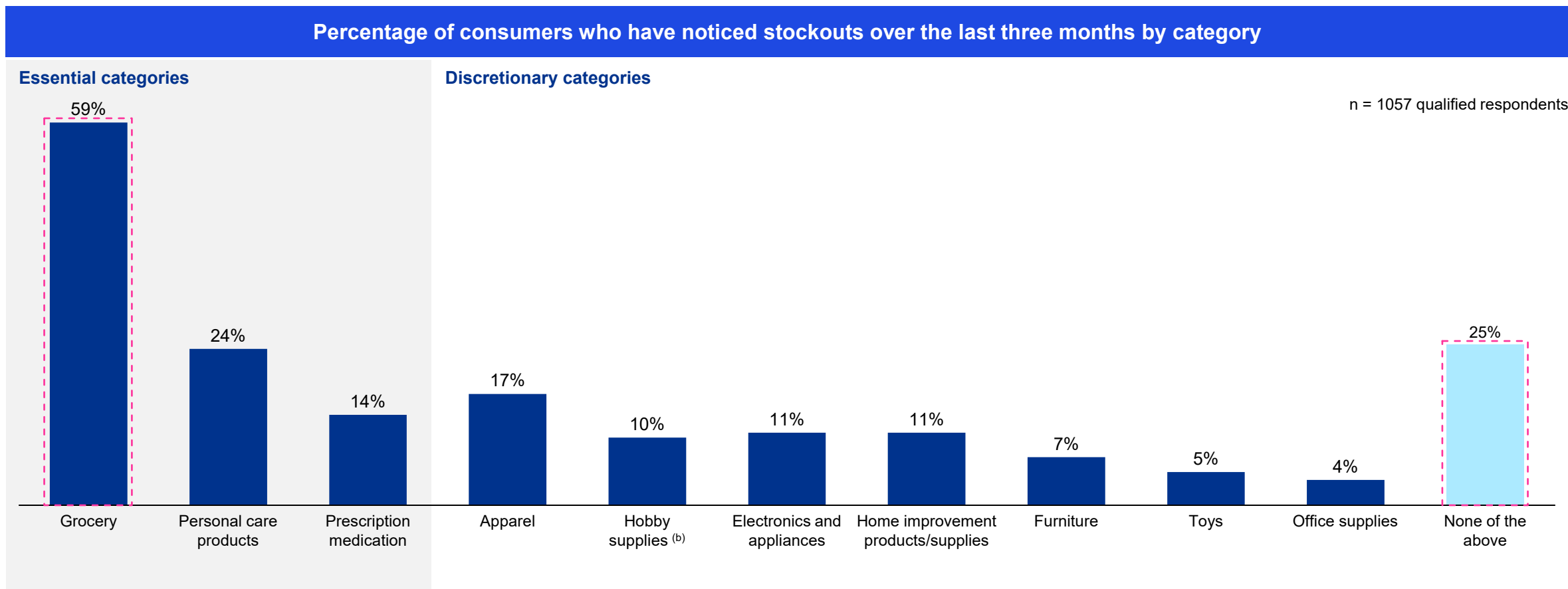
Planned changes in shopping behaviors to offset price increases – Discretionary product categories (1 of 2)



Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and, if applicable, they were asked the questions, “Do you plan on changing your purchasing behaviors to mitigate rising prices in [category]?” and “How do you plan on changing your behaviors to mitigate rising prices for [category]?”; (b) Respondents were allowed to select more than one option; therefore, percentages total over 100 percent; (c) Sample (n) count indicates the number of responses across all product categories.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

In addition to price increases, most consumers have observed stockouts in the last three months; nearly 60 percent of consumers have observed stockouts in grocery over the last three months.

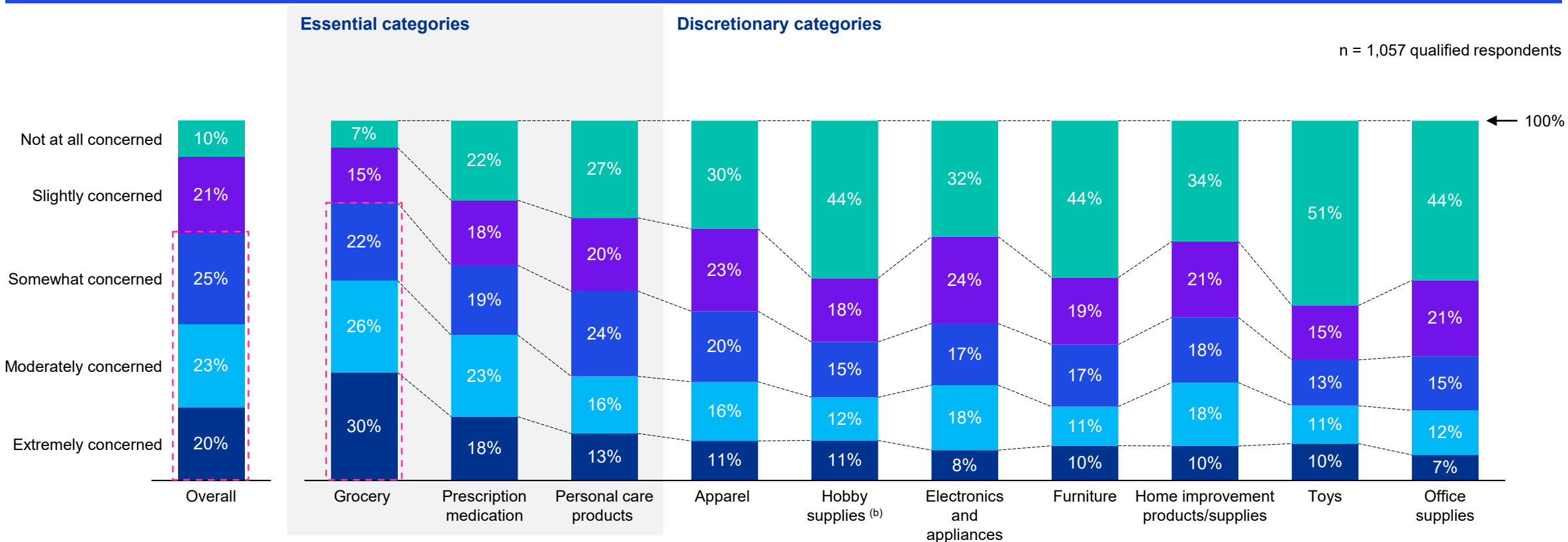


Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States, and in all instances, they were asked the question: "Over the last three months, have you experienced any stockouts or product shortages for any of the following product categories?"; (b) Hobby supplies includes sporting goods, musical instruments, and books.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Nearly 70 percent of consumers say that they are at least somewhat concerned about stockouts; primary concerns are around grocery.

Level of concern for stockouts and product shortages



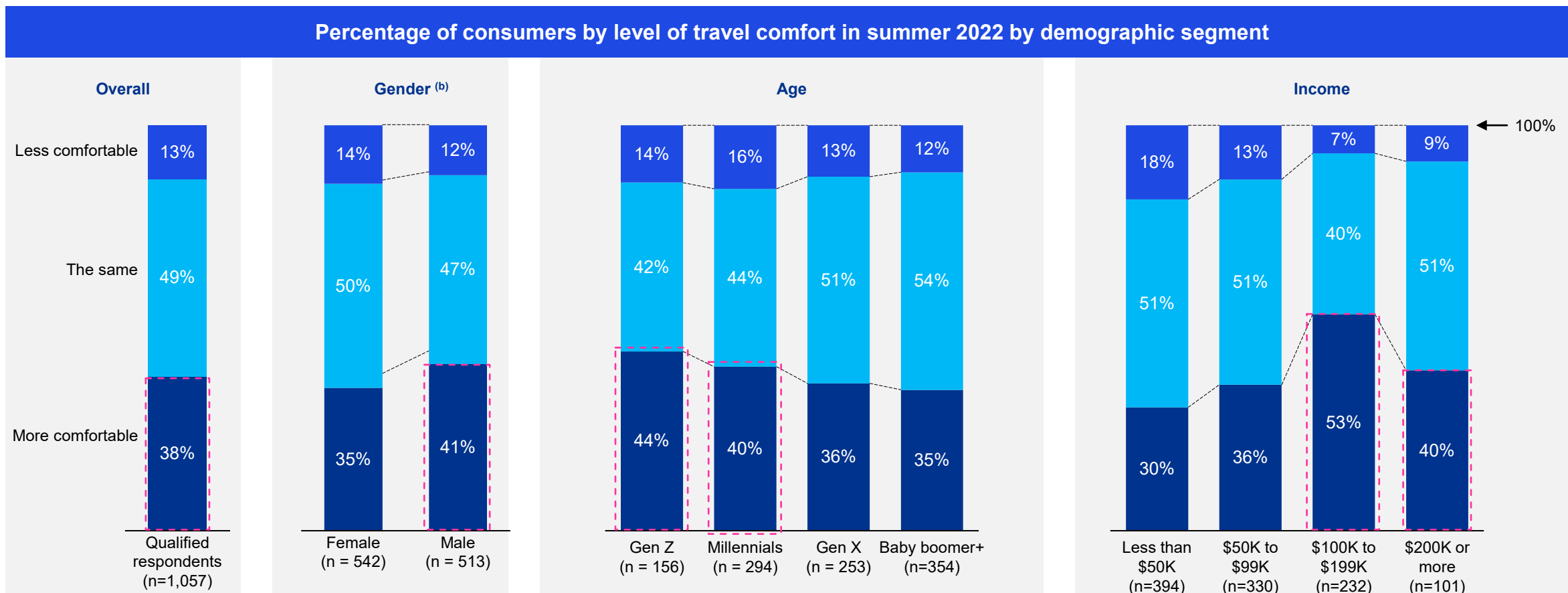
Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States, and in all instances, they were asked the question: "Over the last three months, have you experienced any stockouts or product shortages for any of the following product categories?"; (b) Hobby supplies includes sporting goods, musical instruments, and books.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

03

Summer travel

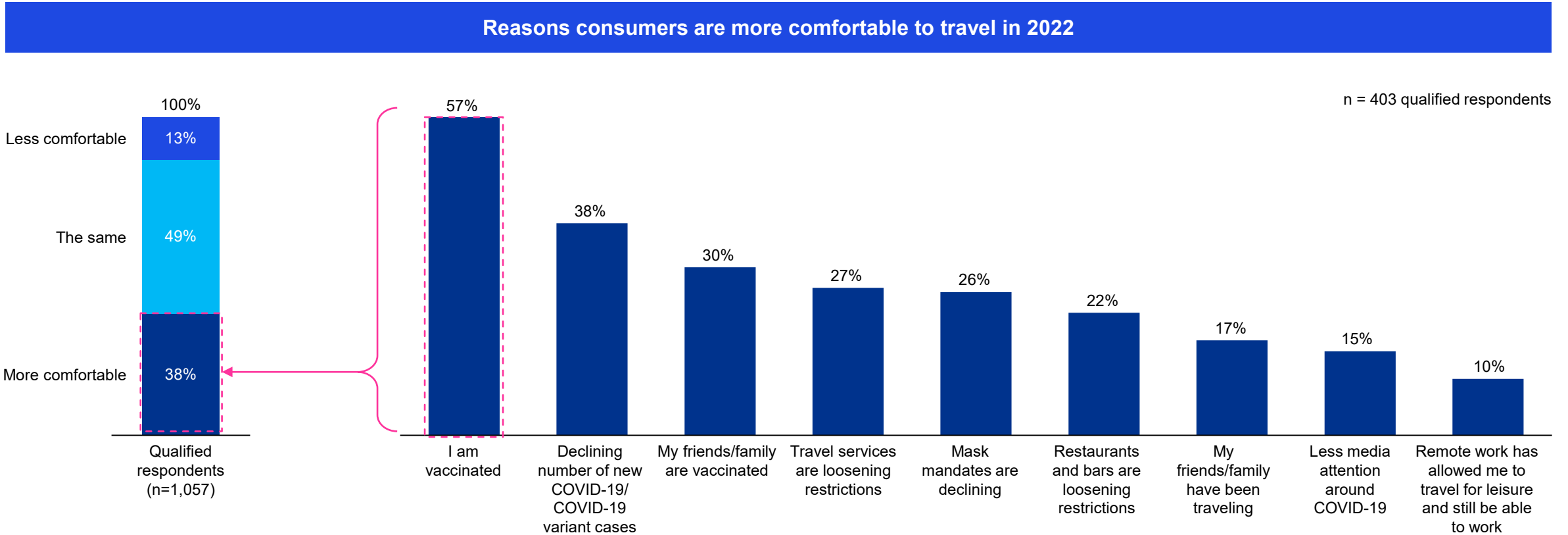
Nearly 40 percent of consumers feel more comfortable traveling this summer than in the summer of 2021, and ~50 percent equally feel comfortable; male, younger, and higher household income segments are more likely to feel more comfortable.



Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, in all instances, they were asked the question: "Do you feel more or less comfortable traveling in 2022 versus 2021?"; (b) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Most consumers who indicated that they are more comfortable travelling this summer attribute it to being vaccinated.

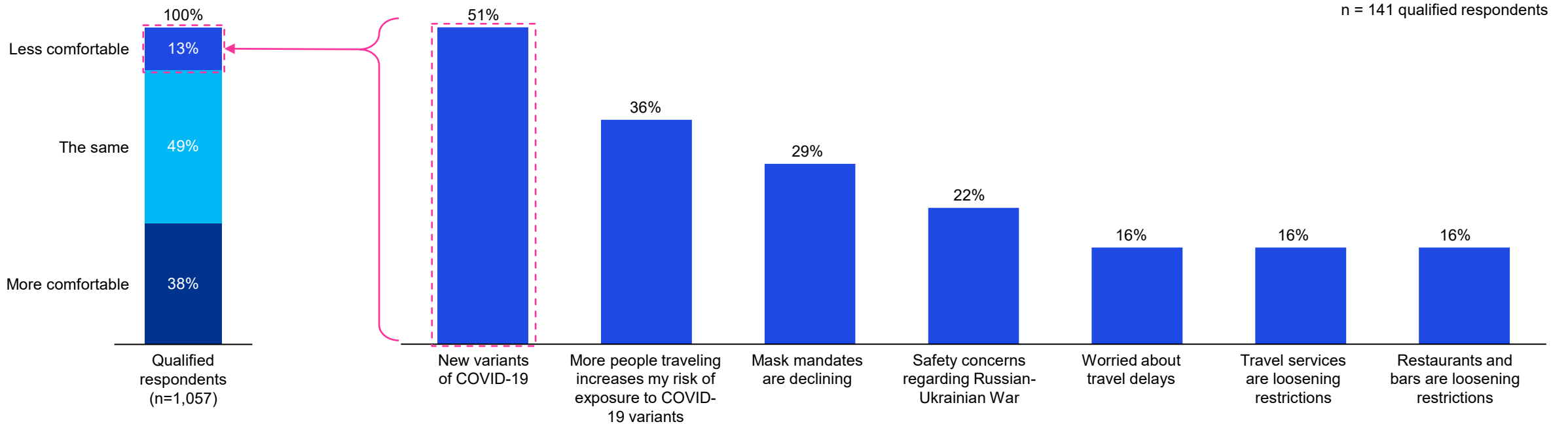


Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, in all instances, they were asked the question: "Do you feel more or less comfortable traveling in 2022 versus 2021?" and, if applicable, "Why are you more comfortable traveling in 2022 versus 2021?"

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Of the 13 percent of consumers who are less comfortable traveling in summer 2022 than they were in summer 2021, more than half attribute their heightened concern to new variants of COVID-19.

Reasons consumers are less comfortable to travel in 2022



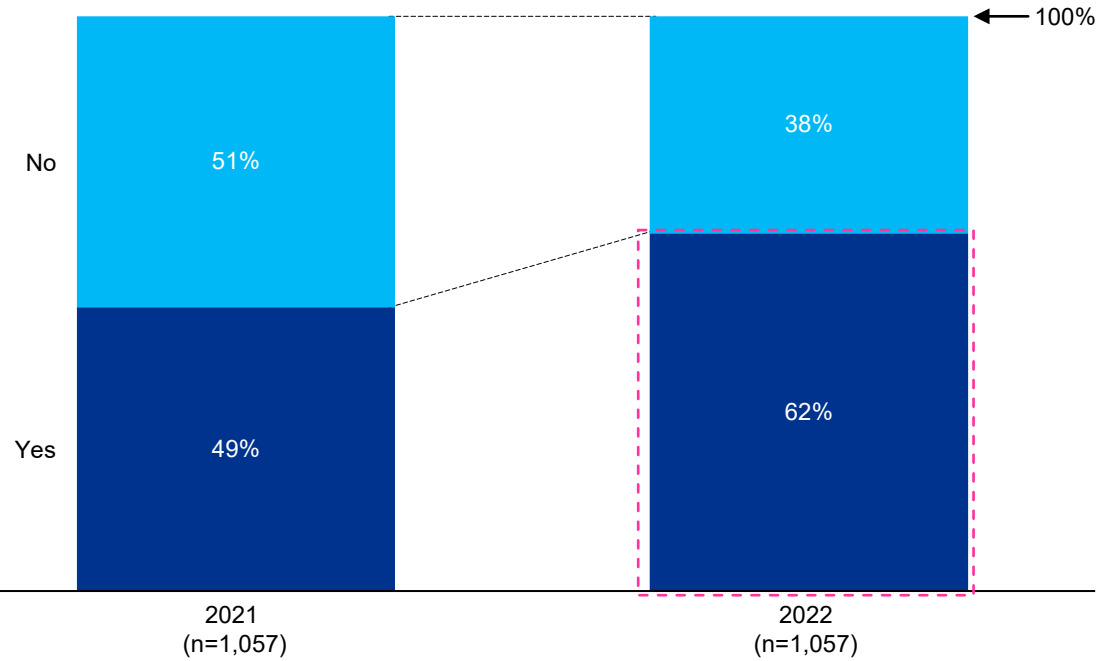
Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, in all instances, they were asked the questions: "Do you feel more or less comfortable traveling in 2022 versus 2021?" and, if applicable, "Why are you less comfortable traveling in 2022 versus 2021?"

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

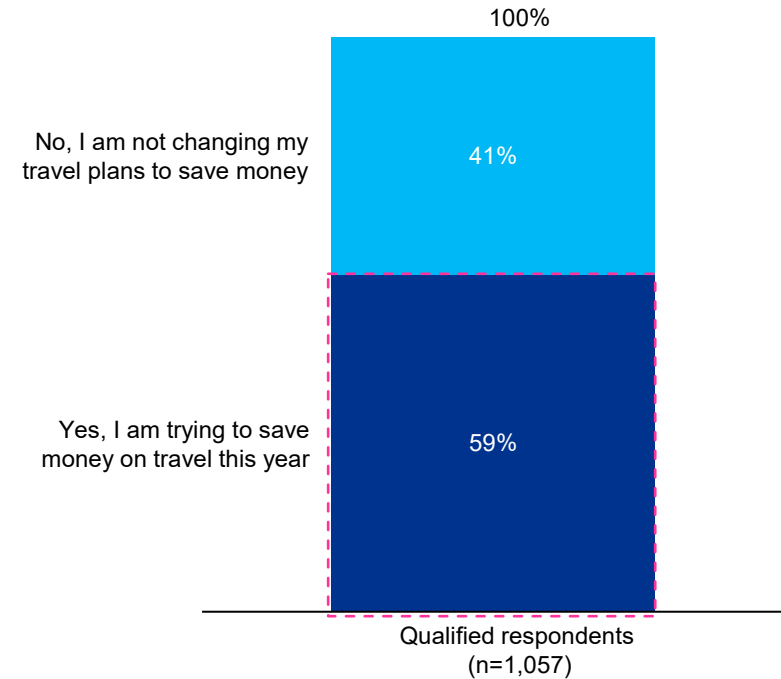
Consumers plan to travel more in summer 2022 than in summer 2021; however, 59 percent say travel plans and budgets will be tempered due to inflation.

Consumer travel plans, summer 2022 versus summer 2021

Percentage of consumers who traveled/plan to travel by year



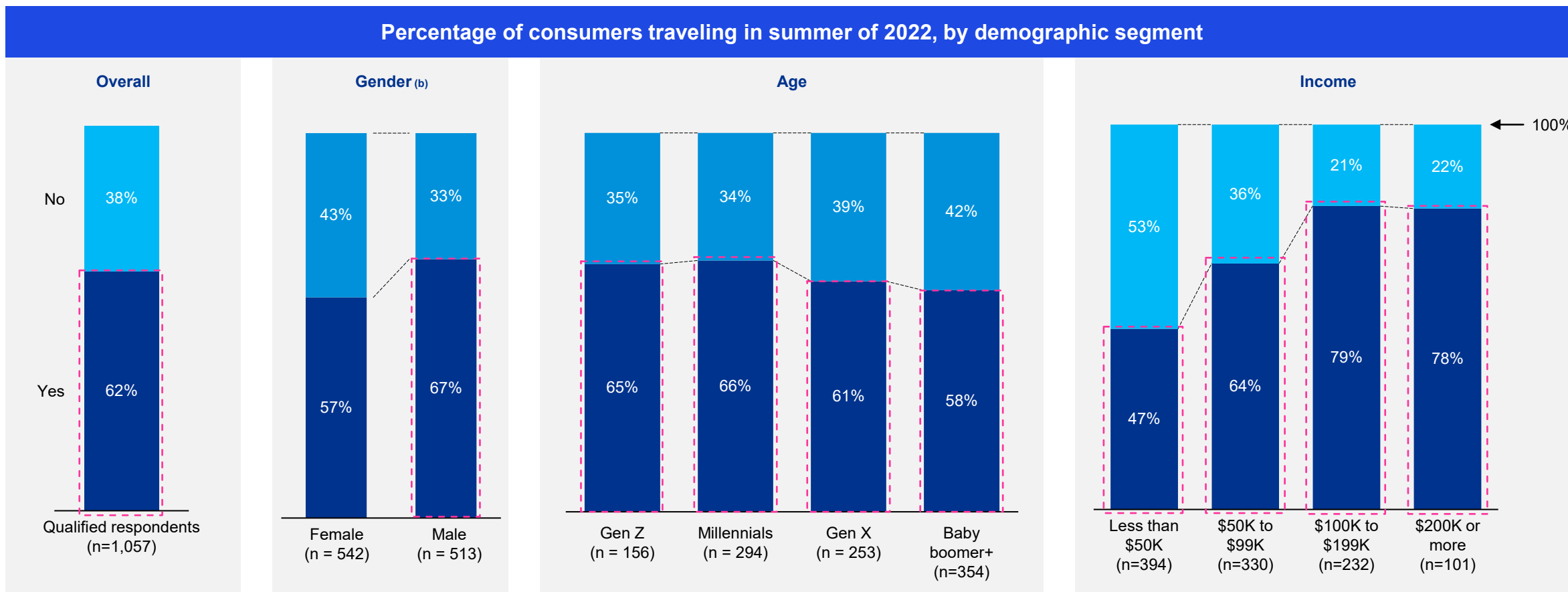
Percentage of consumers who are changing their summer travel plans due to inflation



Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, in all instances, they were asked the questions: "Do you feel more or less comfortable traveling in 2022 versus 2021?" and, if applicable, "Why are you less comfortable traveling in 2022 versus 2021?"

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Most consumers plan to travel in summer 2022; male, younger, and higher household income demographic segments are more likely to travel this summer.



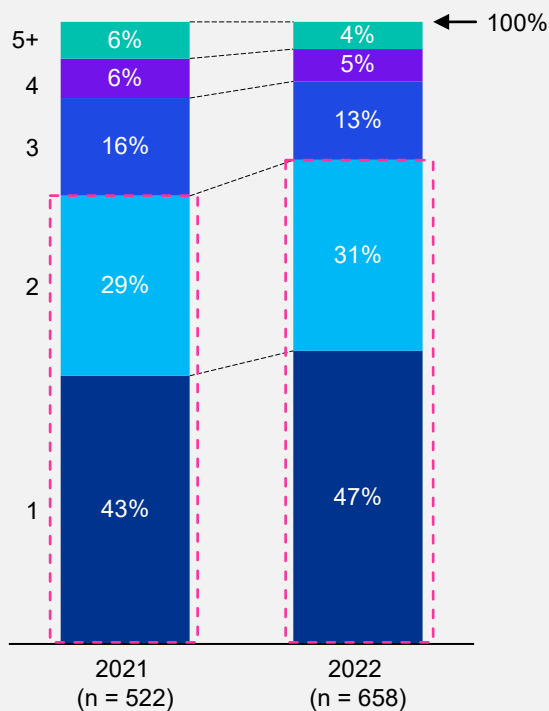
Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, in all instances, they were asked the question: "Do you plan on traveling for vacation during the summer of 2022?"; (b) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

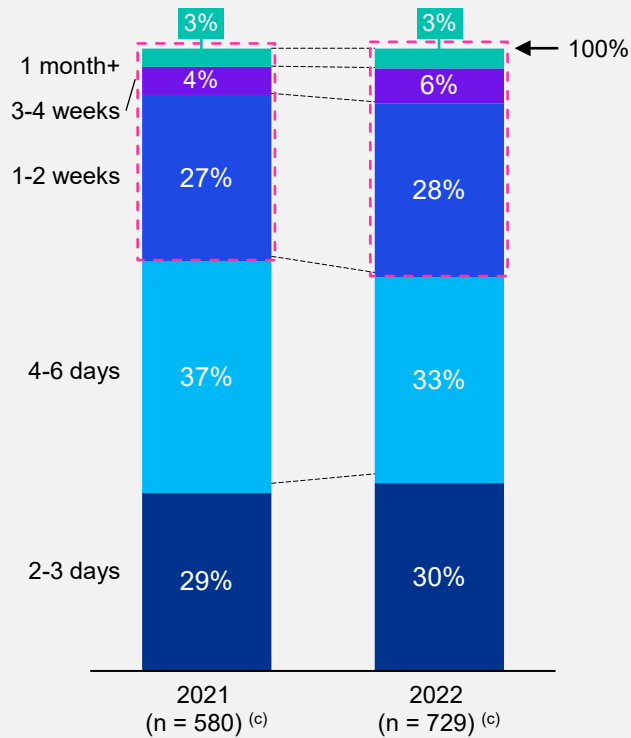
Overall, more consumers are planning to take fewer (one to two trips) and longer trips (one to two weeks) with a slight increase in trips to international destinations this summer compared to summer 2021.

Consumer travel plans, summer 2022 versus summer 2021

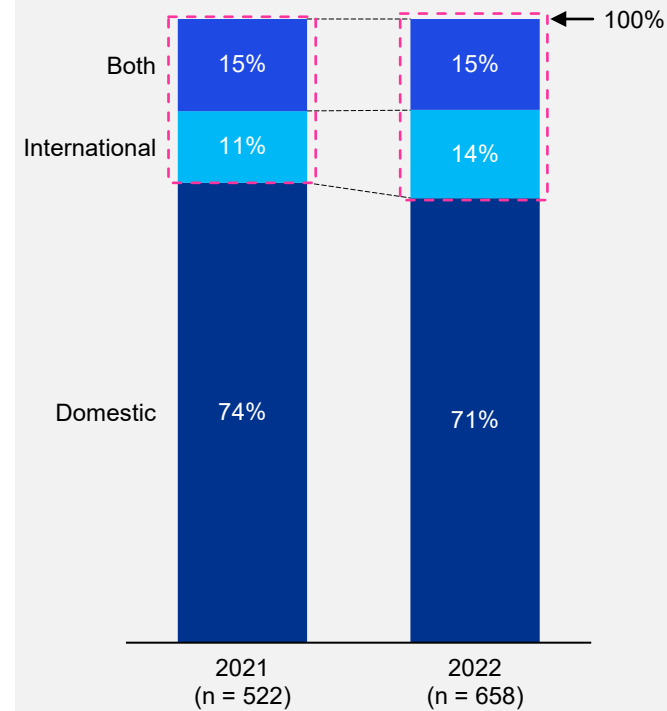
Number of trips taken/planned by year



Length of trips taken/planned by year^(b)



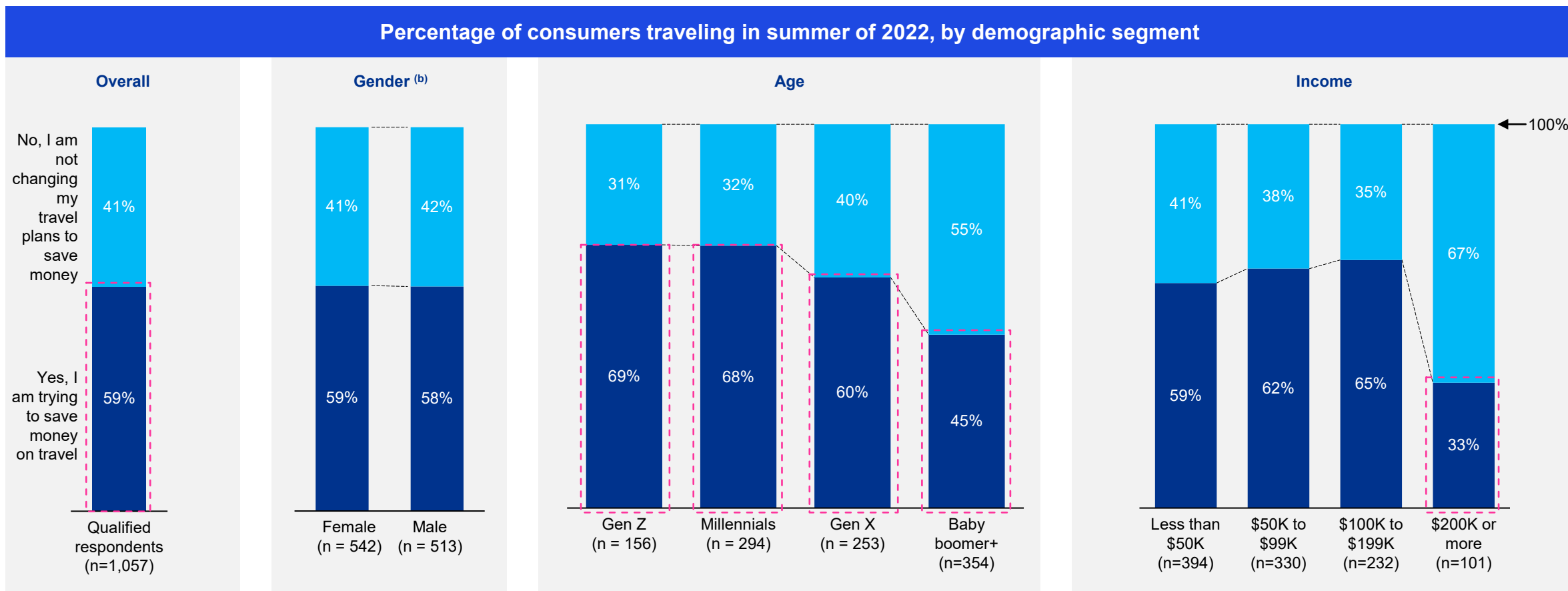
Destination type by year



Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and, if applicable, asked the questions: “How many vacation trips did you take during the summer of 2021?”; “How many vacation trips do you plan to take during the summer of 2022?”; “How long of a vacation trip did you take during the summer of 2021?”; “How long of a vacation trip do you plan to take during the summer of 2022?”; “Were your summer 2021 vacation travels domestic or international?”; and “Are your summer 2022 vacation travel plans domestic or international?”; (b) Excludes respondents who selected “Day trips only”; (c) Sample (n) is indicative of number of responses as respondents were allowed to select more than one response.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Gen Z and millennials are more inclined to save money on travel than gen X, baby boomer+, and \$200k+ household income consumer segments.

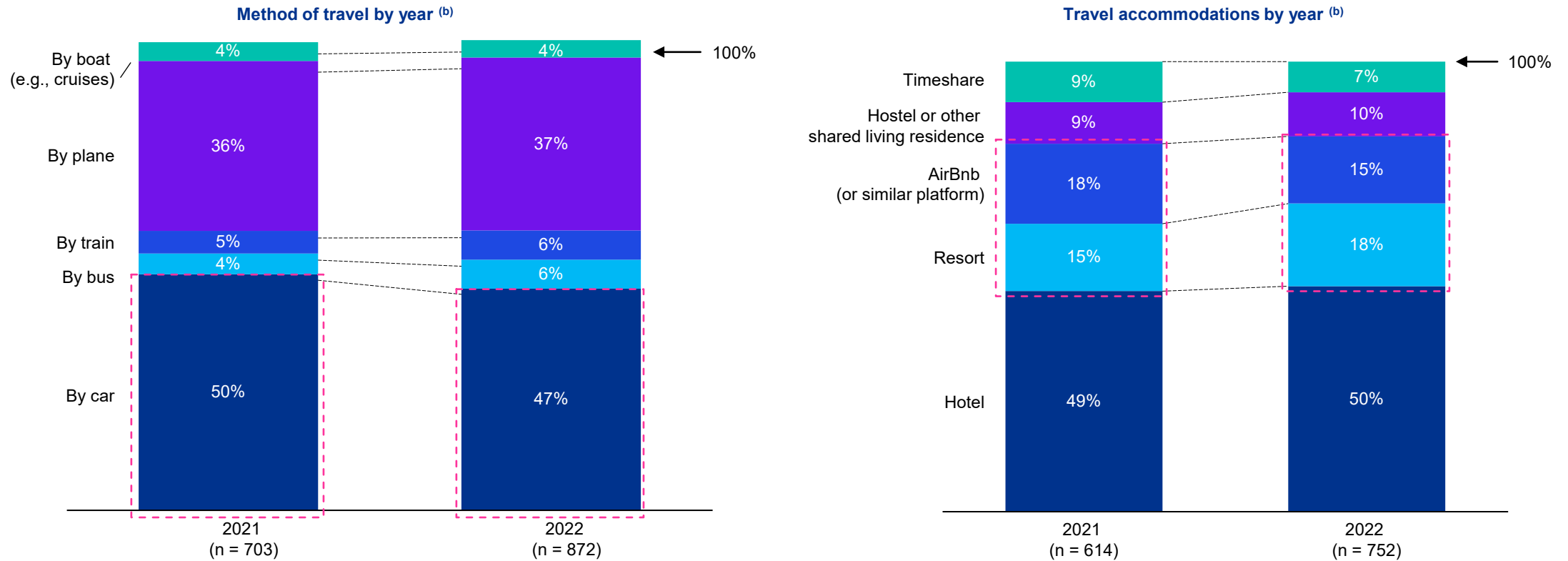


Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, in all instances, they were asked the question: "Have rising prices and increases in cost of living impacted your summer travel plans for 2022?"; (b) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Consumers feel more comfortable being around people, as evidenced by a decrease in planned road trips and a shift from Airbnb to resorts.

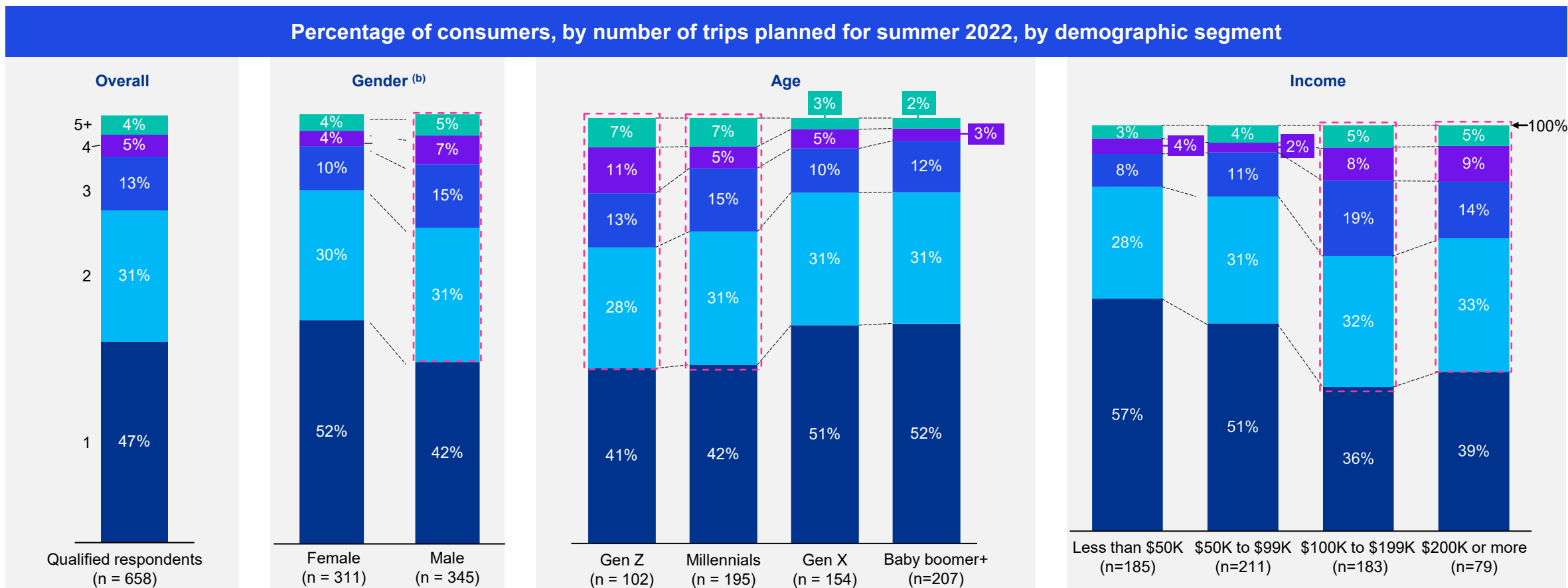
Vacation travel and accommodation preferences, summer 2022 versus summer 2021



Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and, if applicable, asked the questions: "How did you travel to your vacation destination(s) during the summer of 2021?"; "How do you plan on traveling to your vacation destination(s) during the summer of 2022?"; "Where did you stay during your summer 2021 vacation trip(s)?" and "Where do you plan to stay during your summer 2022 vacation trip(s)?" (b) Sample (n) is indicative of number of responses as respondents were allowed to select more than one response.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Most consumers (63 percent) are planning one trip this summer; male, younger, and higher household income demographic segments are more likely to be planning multiple trips this summer.

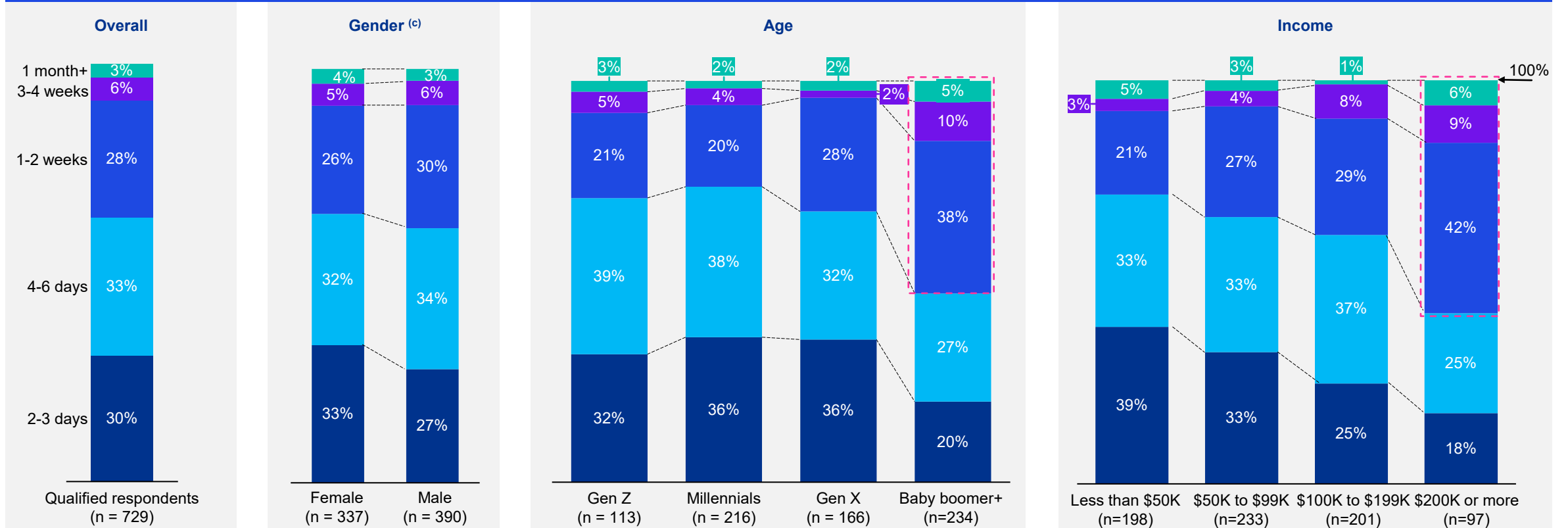


Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and, if applicable, asked the question "How many vacation trips do you plan on taking during the summer of 2022?"; (b) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Most consumers are taking a trip that is less than one week, baby boomer+ and high household income segments are more likely to be planning longer trips this summer.

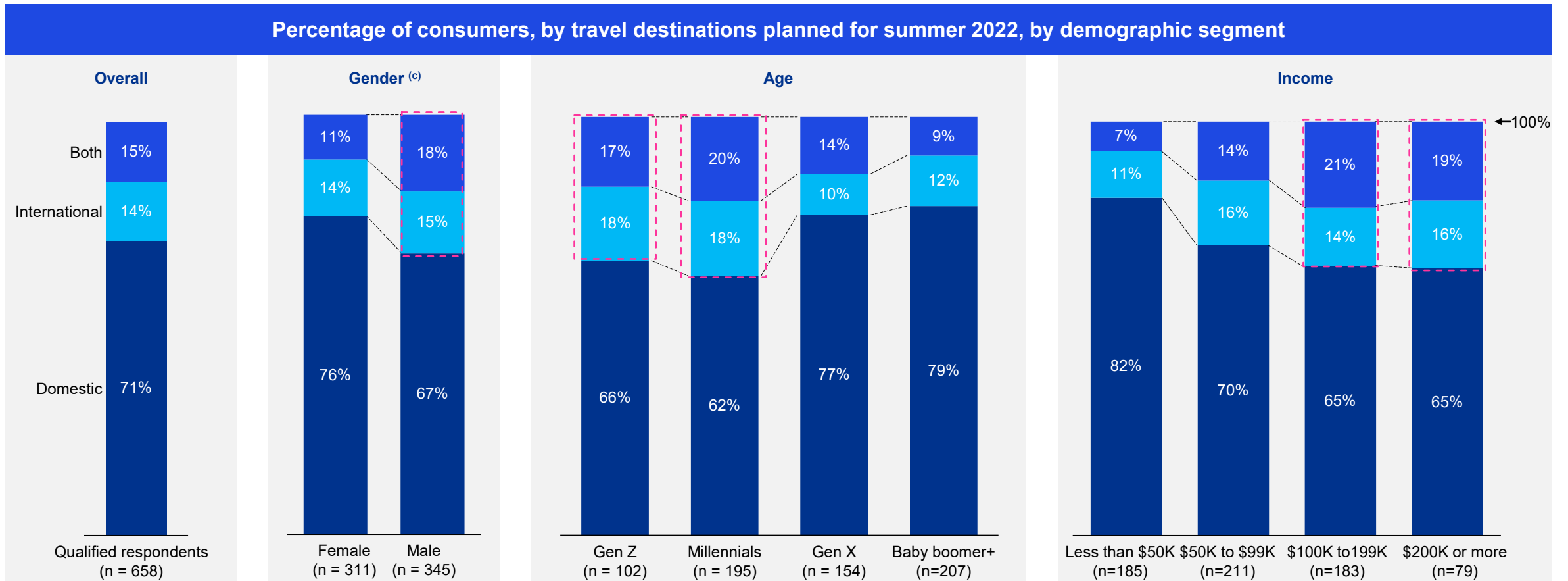
Vacation duration in summer 2022, by demographic segment ^(b)



Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and, if applicable, asked the question: "How long of a trip do you plan on taking during the summer of 2022?"; (b) Sample (n) is indicative of number of responses as respondents were allowed to select more than one response; (c) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

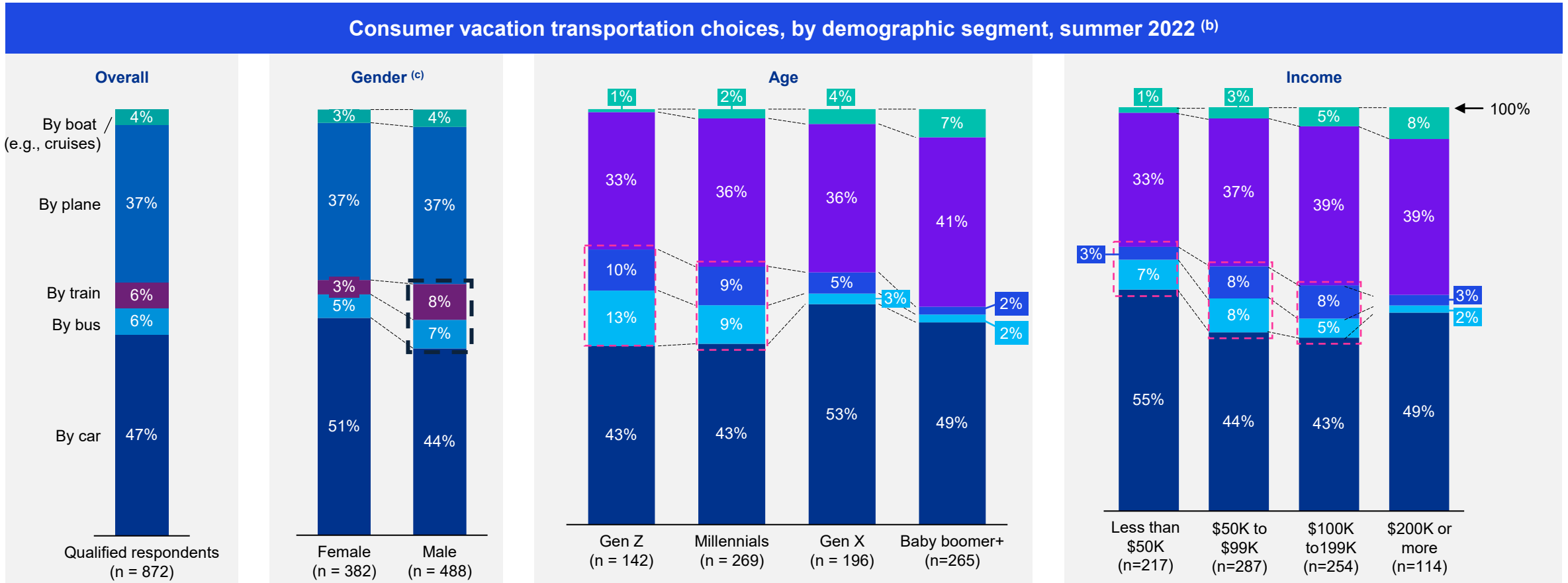
Most consumers are preferring domestic travel. Male, gen Z, millennial, and higher household income demographic segments are more likely to be planning international trips this summer.



Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and, if applicable, asked the question: "Are your summer 2022 vacation travel plans domestic or international?"; (b) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

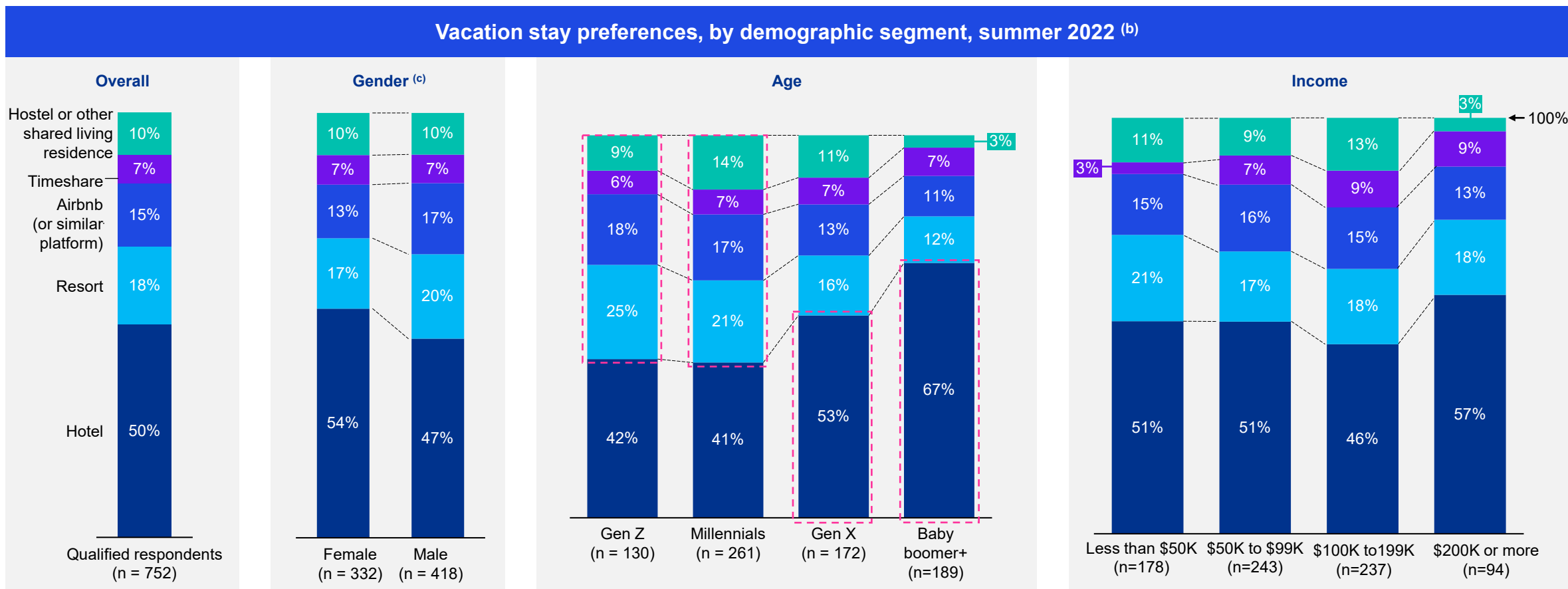
Most consumers prefer travel by plane/car. Gen Z, millennial, lower-to middle-income level, and male consumer segments are more likely to take a bus or train to their vacation destinations.



Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and, if applicable, asked the question: "How do you plan on traveling to your vacation destination(s) during the summer of 2022?"; (b) Sample (n) is indicative of number of responses as respondents were allowed to select more than one response; (c) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Most consumers plan to stay at a hotel or resort. Gen Z and millennial consumers are more likely to stay at Airbnbs, timeshares, or hostels.



Note(s): (a) KPMG conducted a survey of 1,057 consumers across the United States and, if applicable, asked the question: "Where do you plan on staying during your summer 2022 vacation trip(s)"; (b) Sample (n) is indicative of number of responses as respondents were allowed to select more than one response; (c) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

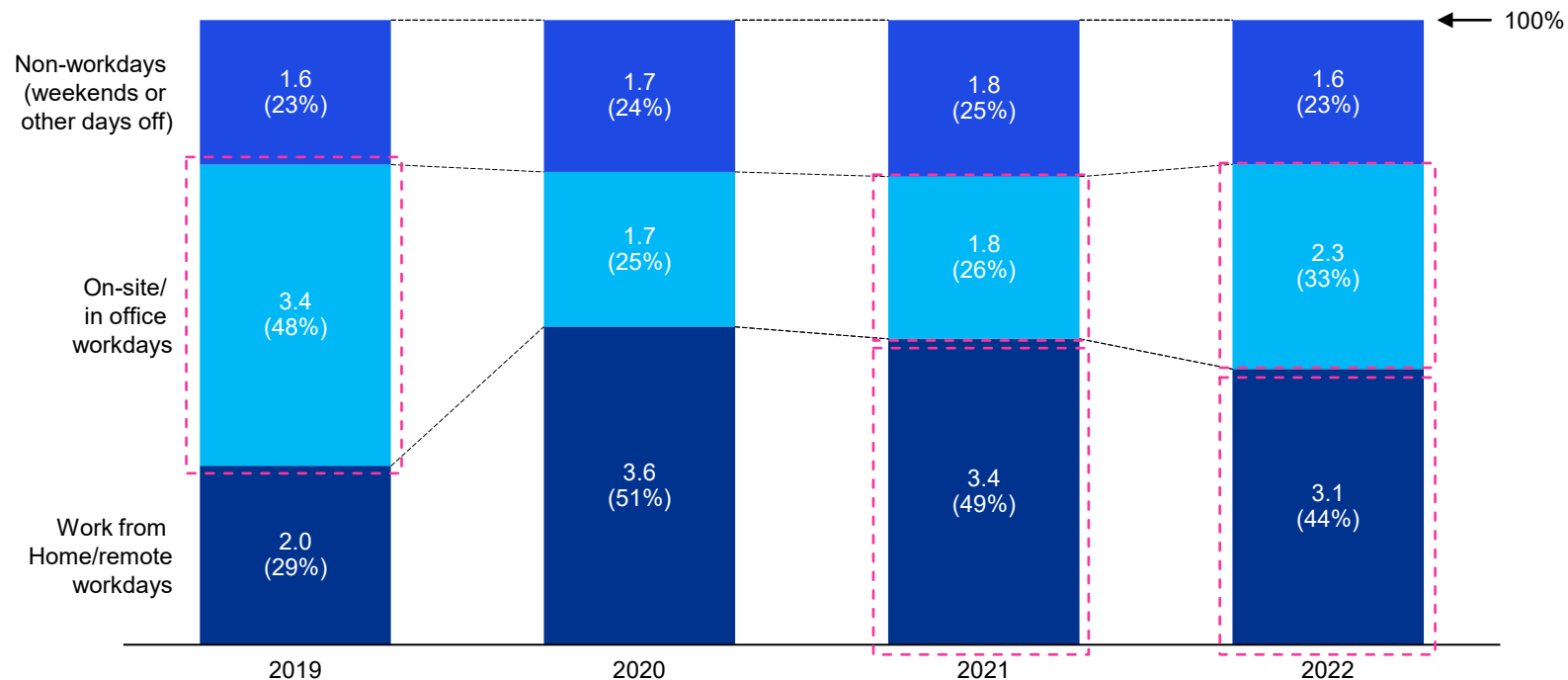
04

Transportation and
return to the office

Among consumers whose jobs can be done remotely, the average number of days per week worked from home has decreased in 2022 (3.4 versus 3.1 in 2021) but still has not returned to pre-COVID-19 levels.

Allocation of weekly onsite, remote, and nonworkdays per week by year

n = 379 qualified respondents who are employed and able to work from home in their current profession ^(b)



Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, in all instances, they were asked the questions: “Do you currently have a job/occupation?” and, if applicable, they were asked the questions “Are you able to work from home/work remotely in your current profession?” and “For each of the following time periods, please indicate your typical weekly split between remote workdays, on-site workdays, and non-workdays (e.g., weekends).”

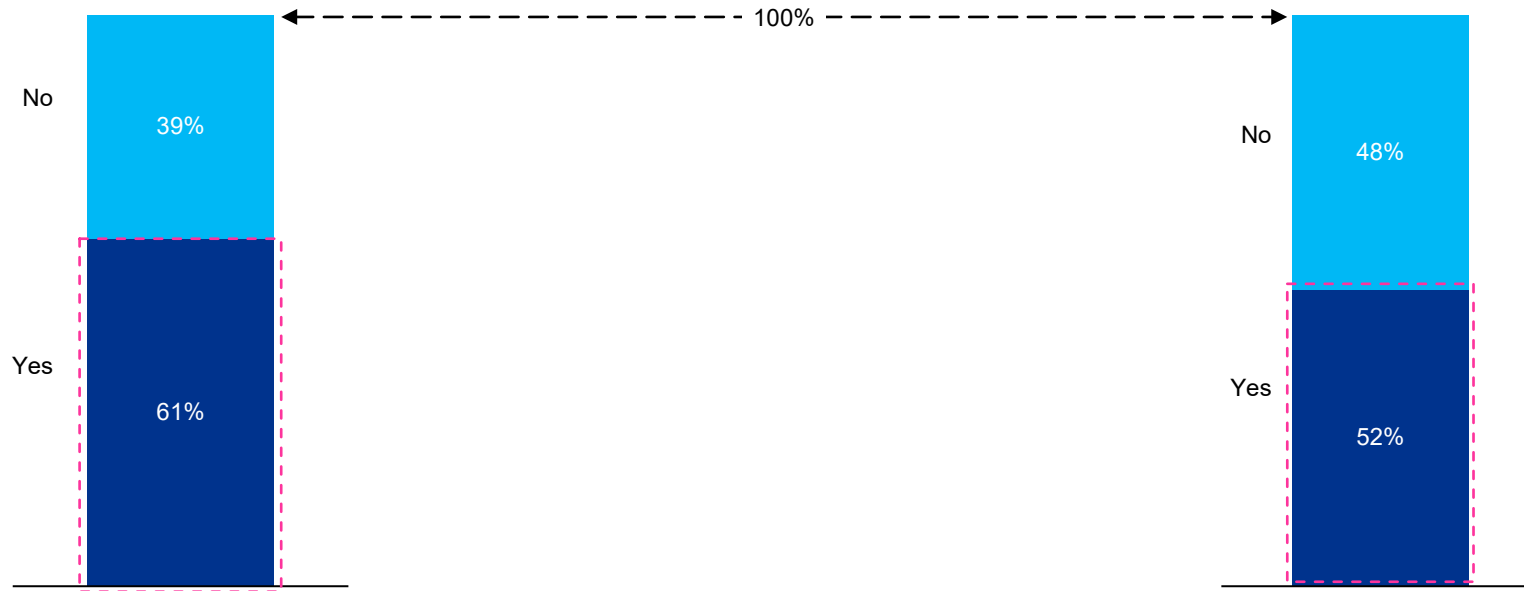
Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Most consumers (64 percent) would look for work with more flexibility in work location if required to return to the office; 52 percent would even consider a decrease in pay in exchange for permanent remote work.

Appetite of on-site/in-office workers for remote work

Plan to find a job that offers more work site location flexibility

Would consider a pay decrease in exchange for remote work



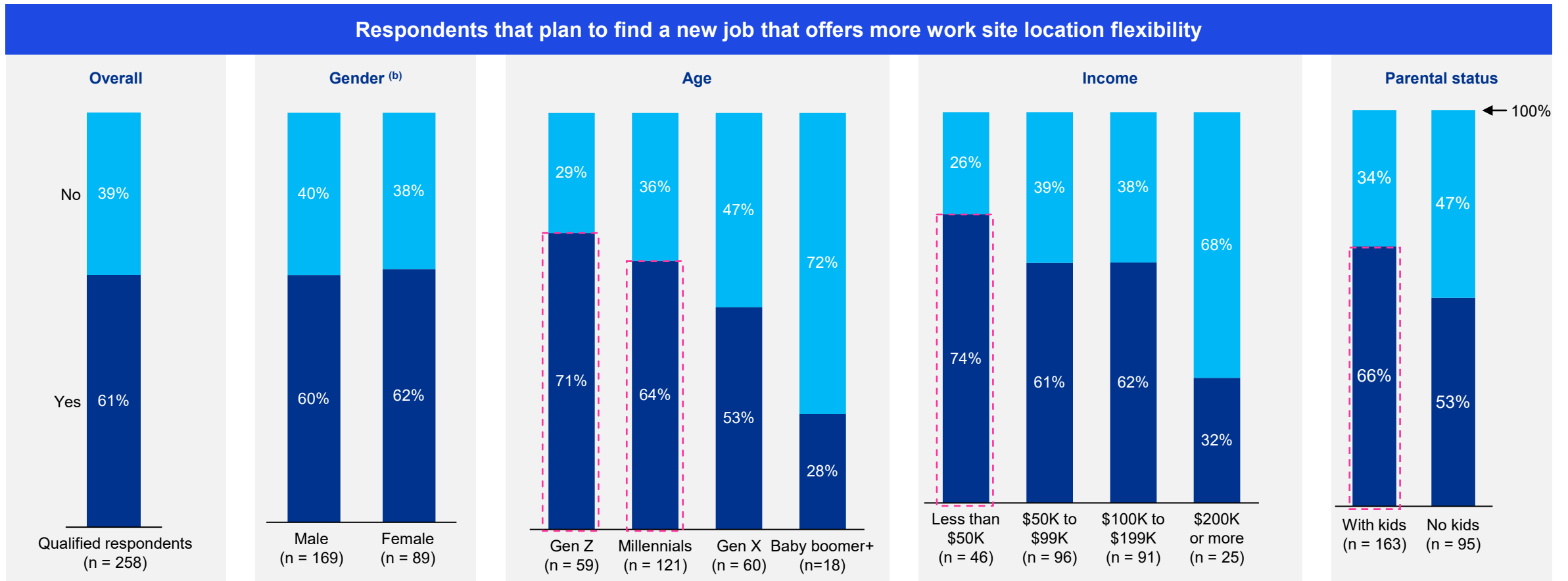
Qualified respondents whose employers have or plan to require them to return on-site (n = 258)

Qualified respondents whose employers have or plan to require them to return on-site (n = 258)

Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, if applicable, they were asked the questions: "Do you plan to look for a new job that offers more work from home flexibility in 2022?" and "Would you consider a decrease in pay in order to work remotely permanently?"

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Gen Z, millennial, and low-income demographic segments as well as households with kids are more likely to look for jobs offering more work from home flexibility.

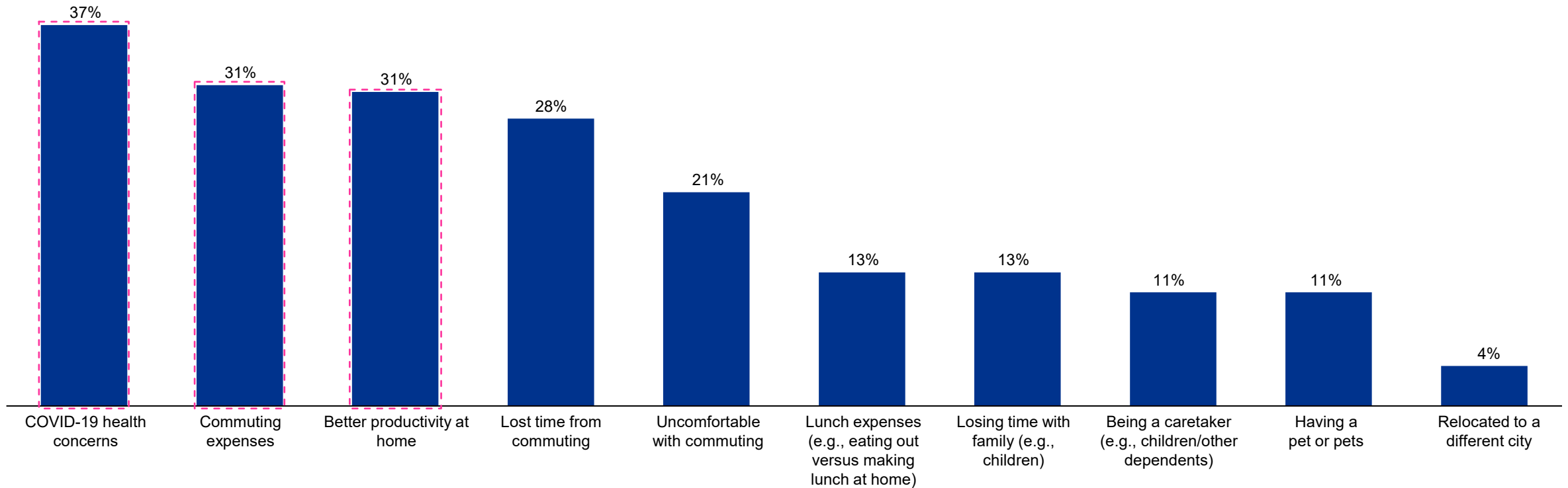


Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and asked, "Do you plan to look for a new job that offers more work from home flexibility in 2022?"; (b) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size. Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

The top 3 reasons why consumers who work from home four or more days per week have not returned to working in office more are COVID-19 health concerns, commuting expenses, and better productivity at home.

Barriers to returning to on-site/in office work environment

n = 153 qualified respondents who work from home four or more days per week

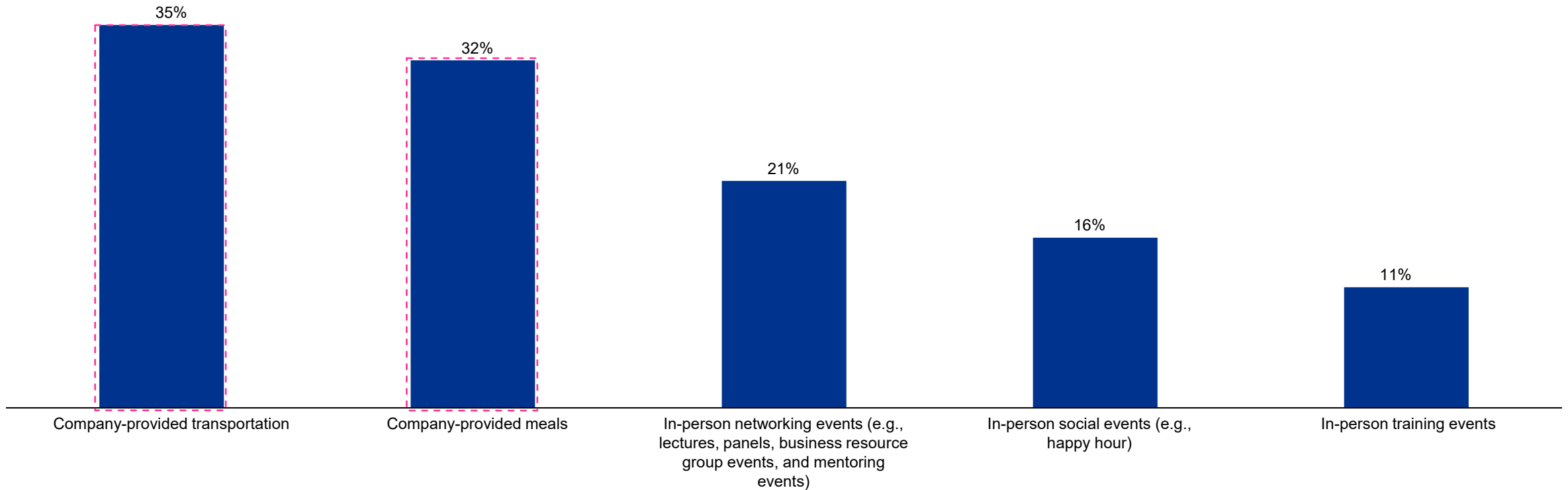


Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and if applicable, they were asked the question: "What is holding you back from returning to your on-site/in office work environment?"
 Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Over 30 percent of consumers who work from home four or more days per week would consider working on-site/in office more frequently if their company provided transportation and/or meals.

Preferred incentives to return to onsite/in-office work environment

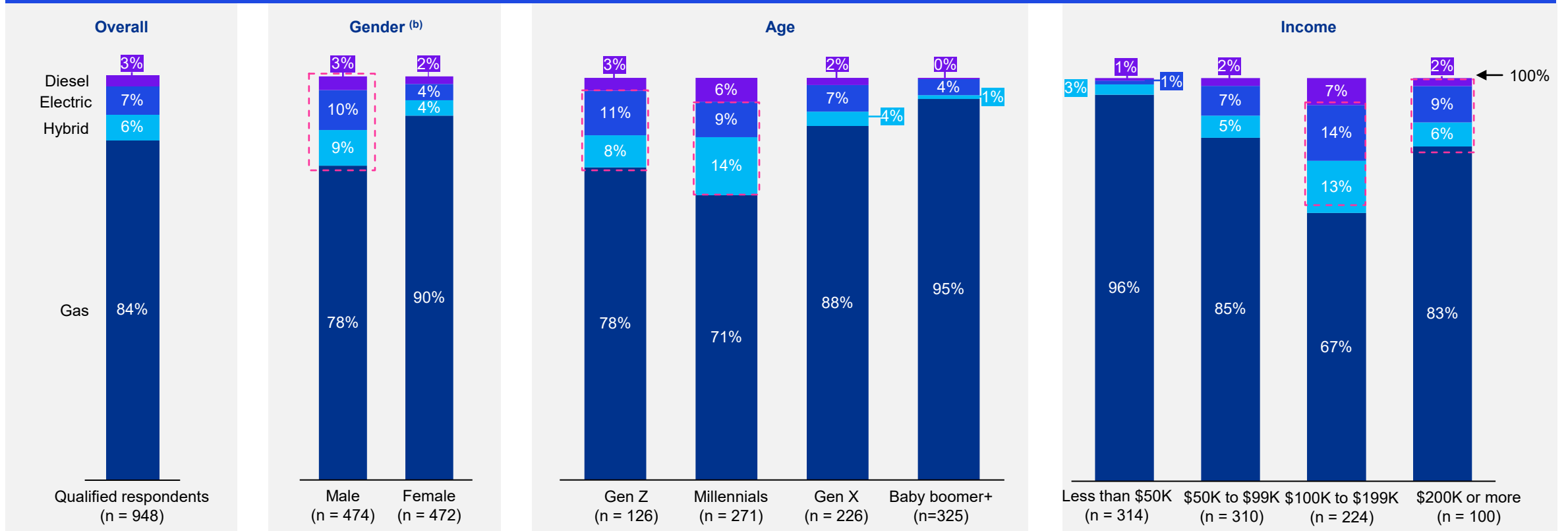
n = 153 qualified respondents who work from home four or more days per week



Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, if applicable, they were asked the question: "What would incentivize you to come into your on-site/in office work environment?"
 Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Currently, most consumers drive gas-powered vehicles; but male, gen Z, millennial, and higher income demographic segments are most likely to drive hybrid or electric vehicles.

Vehicle fuel type by demographic segment

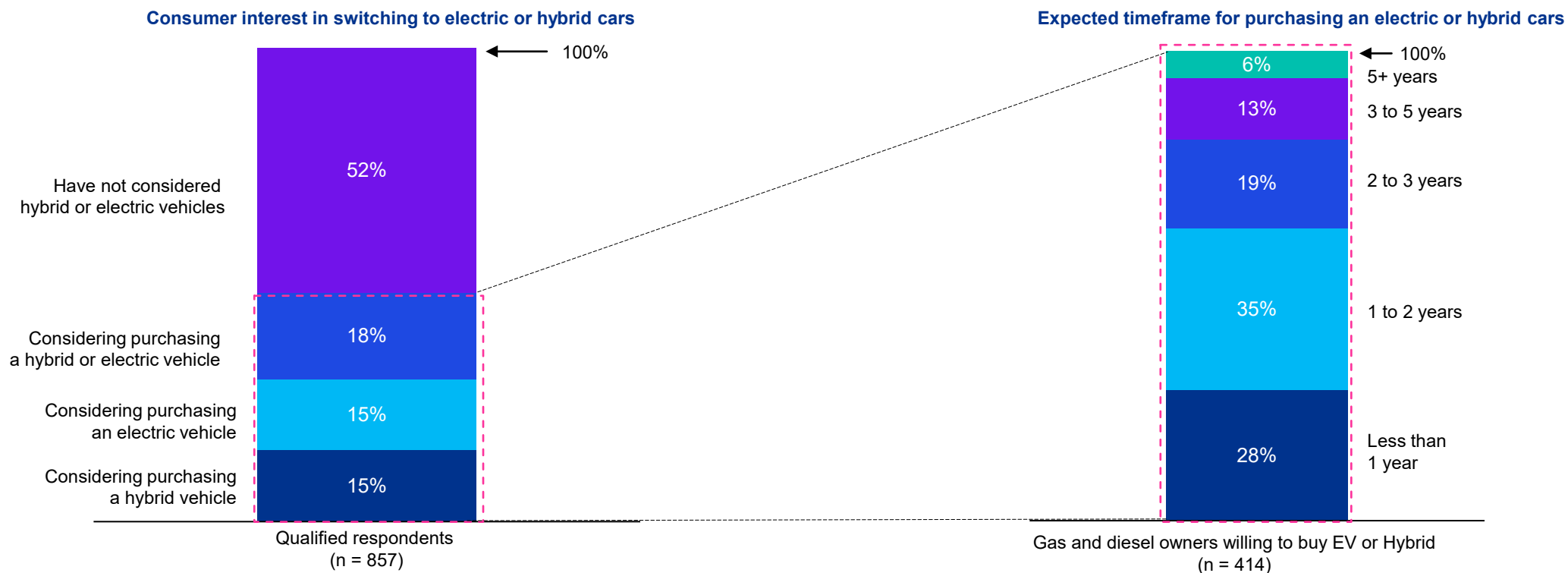


Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, if applicable, they were asked the question: "Which of the following best describes your vehicle's fuel type?"; (b) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

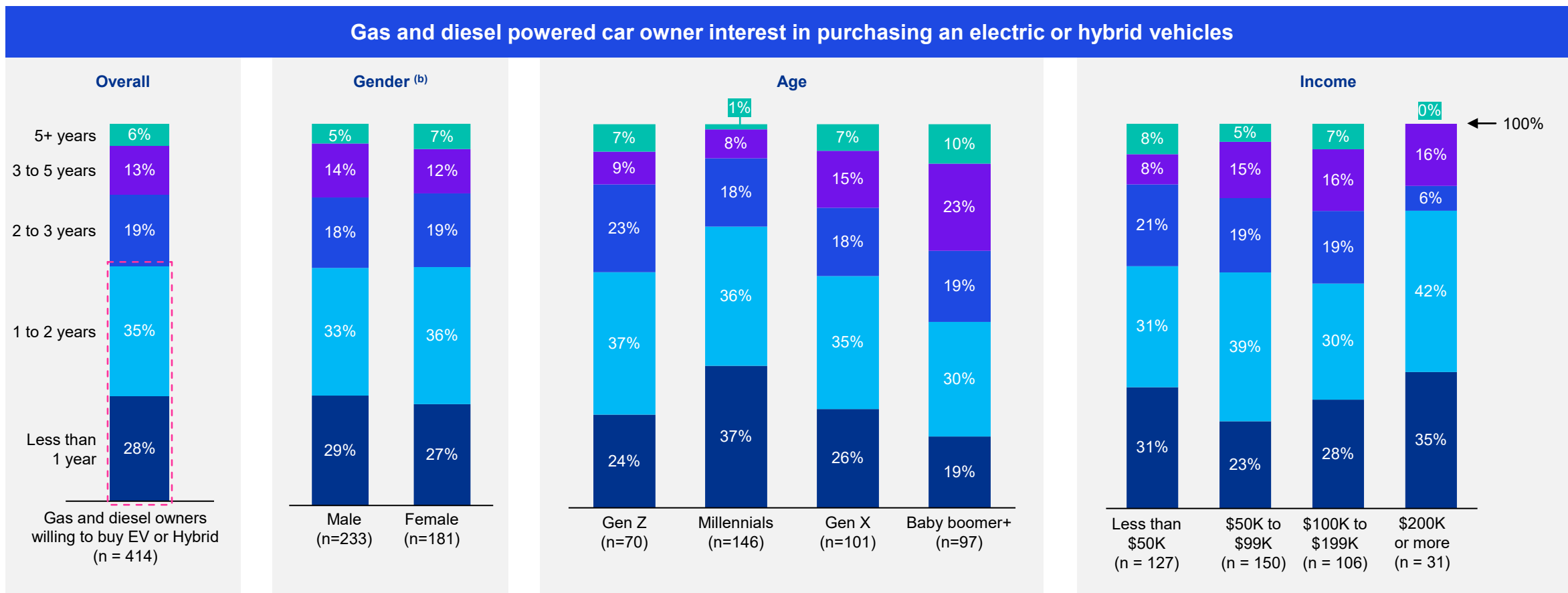
Nearly 50 percent of gas and diesel car owners are considering purchasing an electric or hybrid car for their next car.

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



Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, if applicable, they were asked the questions: "Have rising gas prices made you consider purchasing a hybrid or electric vehicle?" and "When do you think you will purchase your next car?"
 Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

Of consumers interested in purchasing an electric or hybrid for their next car, 63 percent plan to purchase within the next two years.



Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, if applicable, they were asked the questions: "Have rising gas prices made you consider purchasing a hybrid or electric vehicle?" and "When do you think you will purchase your next car?"; (b) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size.
 Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

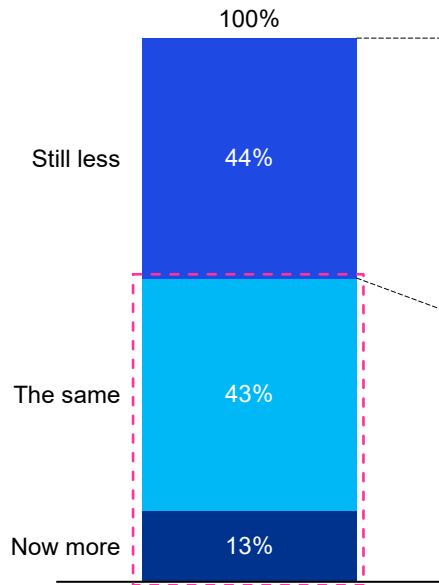
05

Appendix

Nearly 60 percent of consumers who experienced a loss of household income during COVID-19 have seen their household income return to or surpass their pre-COVID-19 household income.

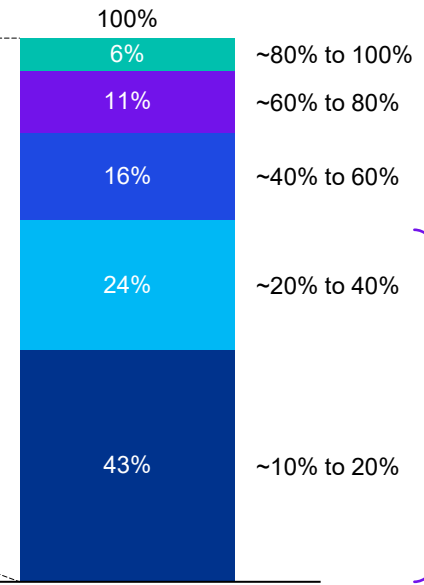
Lasting impact of COVID-19 on household income

Current household income versus pre-COVID-19



Qualified respondents whose household income was impacted by COVID-19 (n = 521)

Lasting impact of COVID-19 on household income



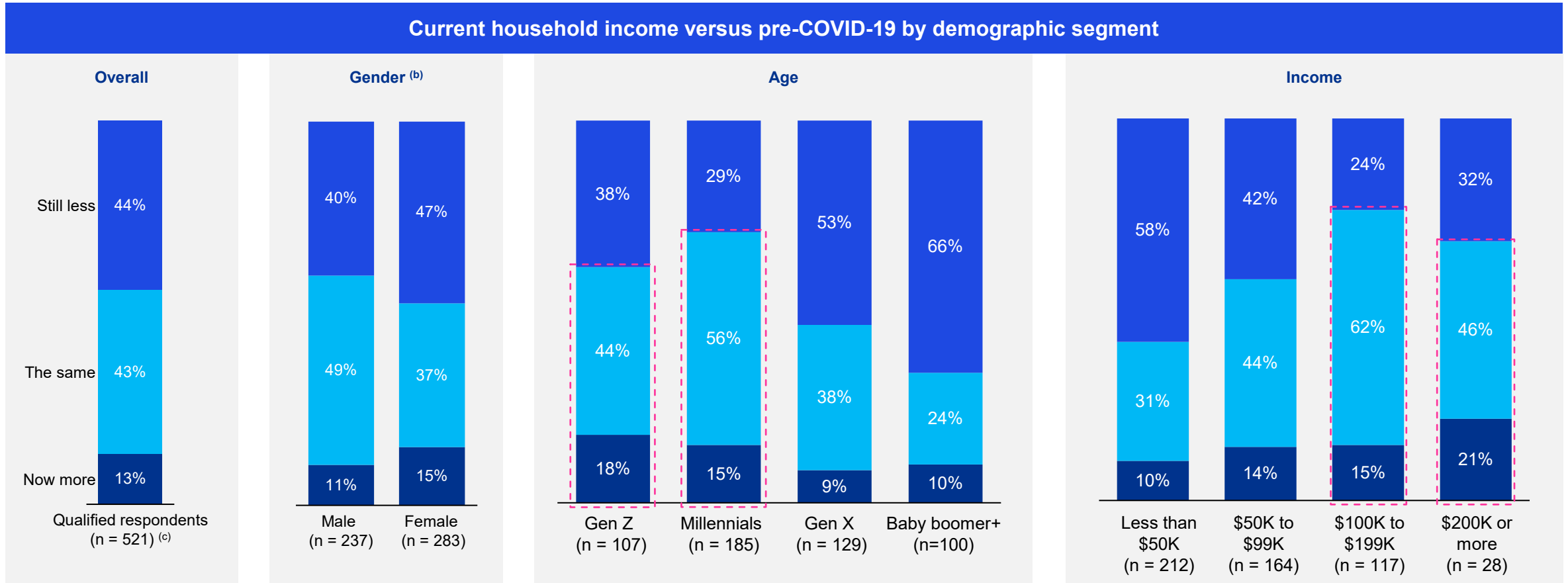
Qualified respondents whose household income is still less than pre-COVID-19 (n = 230)

Most consumers (67 percent) whose household income is still less than pre-COVID-19, have a household income that is ~10 percent to ~40 percent lower than pre-COVID-19.

Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, if applicable, they were asked the questions: "Do you believe your household income has returned to pre-COVID-19 levels" and "Please indicate the percent decrease in your current household income compared to your pre-COVID-19 household income."

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

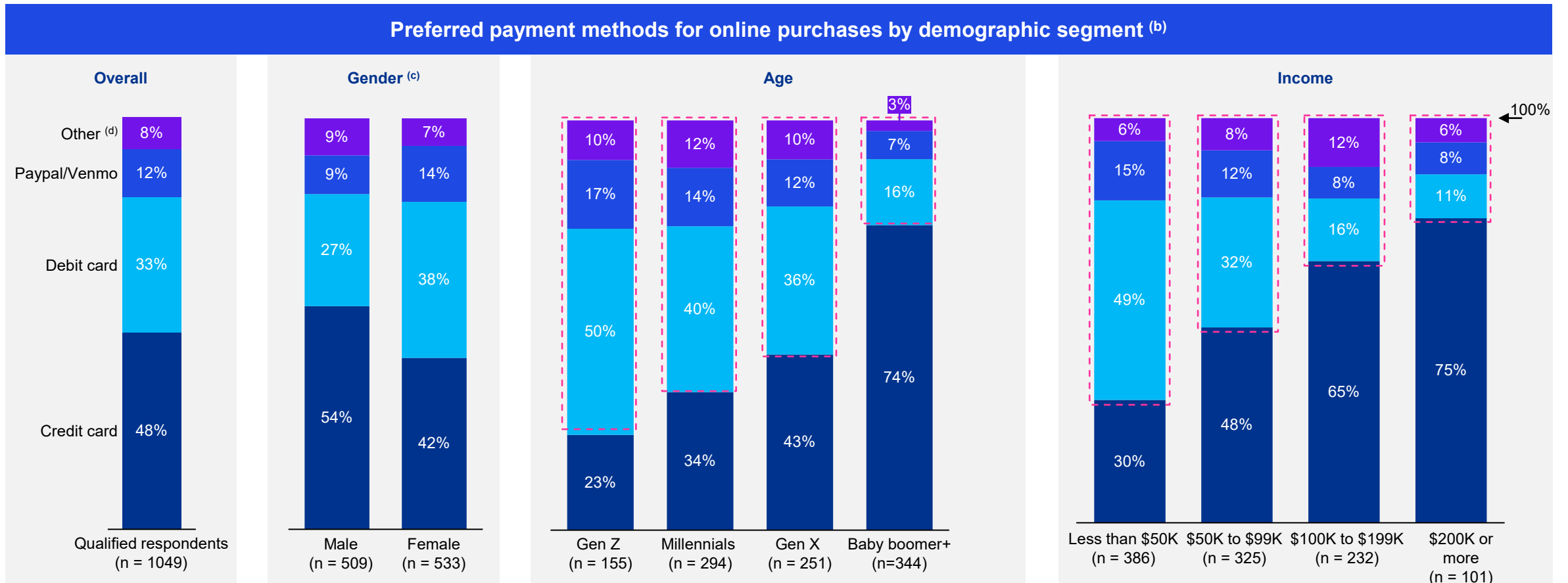
Younger and higher-income demographic segments are more likely to have returned to or exceeded their pre-COVID-19 household income.



Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, if applicable, they were asked the questions: “Do you believe your household income has returned to pre-COVID-19 levels?”; (b) Qualified respondents includes respondents who report that their household income was impacted by COVID-19 at any point since March 2020; (c) Omits 2 survey respondents who selected “prefer to self-describe” due to small sample size.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022 –May 18, 2022

Younger and lower income demographic segments are more likely to prefer making online payments with debit cards, PayPal/Venmo, and other forms of payment.



Note(s): (a) KPMG conducted surveys of 1,057 consumers across the United States and, in all instances, they were asked the question: "When making a purchase online what method of payment do you typically select?"; (b) Excludes 8 respondents who selected "Other"; (c) Omits 2 survey respondents who selected "prefer to self-describe" due to small sample size; (d) Other includes Apple Pay, buy-now-pay-later methods, cryptocurrency, and gift cards.

Source(s): KPMG Consumer Pulse Survey, fielded May 10, 2022–May 18, 2022

U.S. KPMG Consumer & Retail leadership team



Matt Kramer
National Sector Leader,
Consumer & Retail



Scott Rankin
Advisory Industry and
Strategy Leader, Consumer &
Retail



Allan Colaco
Consumer Goods Audit Leader



Brian Campbell
Tax Industry Leader



Elizabeth Miller
Retail Audit Leader



Kevin Martin
Deal Advisory Leader



Sam Ganga
Consulting Industry Leader



Julia Wilson
Managing Director
Research Lead



Monica Rodriguez
Manager
Research Lead

We are a leading provider of professional services to the consumer and retail industry and our experience includes knowledge of all major international markets and strongly positions us to assist our clients in seizing opportunities in response to industry, marketplace, and regulatory changes.

- 550 U.S. partners and performance improvement professionals
- 3,500 global network of PI practitioners
- 24,000 team members globally
- Provide professional services to 78 percent of top 100 consumer and retail companies on the Fortune 1000



Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2022 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization. DAS-2022-7269