The American Strain

FINANCIAL PRESSURE IS WIDESPREAD, OFTEN HIDDEN, AND RESHAPING EVERYDAY DECISIONS.

Southpaw Insights

AMERICANS' WIDESPREAD FINANCIAL STRAIN IS OFTEN KEPT UNDER WRAPS.

56% describe their financial situation as **struggling** or stressful

43% agree that they're working or living in a way that doesn't feel like them

52% agree that "from the outside my life probably looks more stable than it feels"

> *"I don't look like what I'm going through."*
> – Tracy, 59, Massachusetts

FINANCIAL STRAIN LOOKS DIFFERENT ACROSS AMERICANS.

A multidimensional index shows the disparities of experience.

Stable — **30%**

Longer-term stressors; unable to save **like they want, retirement feels challenging.**

> *"After years of making a 6 figure salary I am finding that I do not have to have my dream wedding or take luxury vacations."*
> – Jamie, 28, Massachusetts

Managing — **36%**

Getting by, but making sacrifices.

> *"We have money to get by and do minor things like going out to eat or going to some local venues. We're not taking big trips."*
> – Jeff, 61, Arizona

Under Pressure — **34%**

Hard to focus beyond the paycheck-to-paycheck cycle.

> *"I'm just winging it, taking things day by day. I'm in anxiety mode, thinking about how I can borrow from Peter to pay Paul."*
> – Brandi, 45, Arizona

FINANCIAL STRAIN HAS FAR-REACHING RIPPLE EFFECTS.

63% agree that they spend a lot of time thinking about how to make their money stretch

39% say financial pressure has affected their relationships

41% feel embarrassed by some of the financial choices they have to make or how they get by

63% have had to rethink a critical life element because of financial pressure

> *"I used to visit my mother at her assisted living facility whenever I wanted but now I have to take into consideration the cost of gas!"*
> – Jeri, 71, Arizona

PROUD & PROACTIVE PRAGMATISM AND POSITIVITY.

Americans are not taking these challenges lying down, but addressing them head on by getting scrappy and creative in finding ways to save money and generate income.

53% "I've had to find creative or non-traditional ways to make things work"

19% have multiple jobs or do gig work

53% are far more likely to believe their financial situation will improve (53%) vs. get worse (16%) over the next five years

> *People might describe my situation as struggling, rebuilding, or overwhelmed, but I don't feel defeated. I feel like someone trying to grow through a difficult season while still holding onto hope, goals, and identity."*
> – Nicole, 41, Texas

SELECTIVE TRADEOFFS VS. CUTTING BACK ACROSS THE BOARD.

Financial pressure is curbing spending, but Americans are still protecting their priorities. Brands need to align with what matters most to stay in the value equation.

82% of consumers named at least one item they would keep spending on — even if it means cutting back on basics.

- **34%** Takeout/ small treats
- **26%** Clothing/shoes/ accessories
- **22%** Haircuts/ grooming
- **21%** Pet care

THE CALCULUS OF SELF-CARE

Consumers believe that investing in small treats can pay big dividends in terms of boosting mood and mindset. Treats are ...

- **34%** A small reward for working hard or making it through
- **28%** A way to take care of myself
- **26%** A reminder that life is not only about bills and responsibilities
- **26%** Something that helps me feel like myself

MAKE OR BREAK MOMENT FOR COMPANIES AND BRANDS

A perceived lack of empathy can bring frustration and rejection, while companies that show flexibility, understanding or constructive support can engender deep loyalty and goodwill.

- **59%** "Brands and companies do NOT understand what people like me are going through financially."
- **56%** "I notice when brands understand what people are going through financially."
- **73%** "I appreciate brands that help me save without making me feel judged."
- **68%** "I still care about quality when money is tight."

> *"Companies don't understand that people can have problems. When they raise prices and are not inclusive with their products it makes me feel angry, like they think I don't matter."*
> – Cynthia, 43, Ohio

> *"I'm a loyal customer, but I'm stretched thin. You need to understand how hard it is to keep up with my expenses."*
> – Jonathan, 42, California

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