

# Q2 2024 MassMutual Consumer Spending & Saving Index U.S. Oversample

Commissioned by [MassMutual](#), this research was conducted online by PSB Insights from April 10 to 29, 2024, among a nationally representative sample of 1,000 U.S. adults (ages 18+) as well as an additional sample of 500 adult Massachusetts residents from April 10 to May 3, 2024.

## CURRENT ECONOMIC OUTLOOK

**American concerns over their day-to-day finances remain unchanged from Q1 2024, as does their optimism for their financial outlook.**

- **Inflation** remains the topic Americans are most concerned about, virtually unchanged from the previous quarter (86% Q2 2024 vs 84% Q1 2024).
- 50% of Americans remain **optimistic about their current financial outlook**, unchanged from the previous quarter.

**More Americans believe we are headed towards a recession in the next year though this has not translated to changes in spending habits.**

- 45% of Americans believe that the U.S. is headed towards a **recession** in the next year, up from 37% the previous quarter. This shift is led by more Baby Boomers (39% Q2 2024 vs 28% Q1 2024) and The Silent Generation (38% Q2 2024 vs 22% Q1 2024).
- Expectations that a **recession will negatively impact employment** is also up from the previous quarter (14% Q2 2024 vs 11% Q1 2024).
- No significant shift is seen in the number of Americans making changes to their **spending habits in preparation for a potential recession** (44% Q2 2024 vs 47% Q1 2024).

**Fewer Americans say they are planning to retire in the future and AI has not yet broken out as an information source for retirement planning, with only 2% of non-retired Americans having used AI chatbots as a source for information on retirement planning.**

- 21% of non-retired Americans say they **do not ever plan to retire**, up from 17% the previous quarter. This shift is led by Millennials (28% Q2 2024 vs 18% Q1 2024) compared to Gen Z (14% Q2 2024 vs 12% Q1 2024) and Gen X (17% Q2 2024 vs 20% Q1 2024).

**More Americans think inflation will have the greatest impact on their personal finances, with many reducing expenses on dining, clothing, and self-care because of it.**

- 42% of Americans think **inflation** will have the greatest impact on their personal finances in Q2 2024, up from 37% the previous quarter.
- Many Americans are **reducing spending** on dining out (63%), clothing (47%), and 'self-care' activities such as massages or hair salons (41%) due to inflation. Half (50%) of American women are reducing spending on self-care activities due to inflation.

## SUMMER SPENDING

**A quarter of Americans think they will spend more this summer compared to last summer, led by Gen Z who are looking to spend money on refreshing their wardrobe, eating out and day trips or activities.**

- 25% of Americans think their **summer spending** will increase, 55% think it will stay the same, and 19% believe it will decrease from what they spent in summer 2023. 34% of Gen Z Americans anticipate increased summer spending for 2024 compared to last year, slightly more than Millennials (27%) and more than Gen X (24%), Baby Boomers (24%) and The Silent Generation (15%).
- Americans anticipating an increase in summer spending say they will **spend money on things they didn't last year**, including gas (40%), vacations (40%), and day trips or activities (37%).
- More Americans plan on **traveling** this summer compared to last year (55% Q2 2024 vs 49% Q2 2023) with fewer reporting not being able to afford a **summer vacation** compared to last year (31% Q2 2024 vs 36% Q2 2023).
- **Gen Z** Americans anticipating an increase in summer spending say they will spend money on things they didn't last year, including new clothes (59%), eating out (57%) and day trips or activities (52%).

## PARENTAL WISDOM

**Financial lessons are often taught by both parents, however, there are gender and generational differences. And like their parents did with them, parents today have taught (or have plans to teach) their own children the same lessons on personal finances they learned, however, younger generations tend to be more honest with their children about their financial mistakes.**

- 62% of Americans agree that their parents did a **good job setting them up for financial success**, however, **males** are more likely to 'strongly agree' that their parents set them up for financial success compared to females (29% vs 23%).
- Among Americans **encouraged to be financially independent** by their parent(s), 44% said this encouragement came from both their mother and father (29% said only their father, 27% said only their mother).
- American parents have helped or are planning to help their children learn how to manage **personal finances** by talking to them about paying bills on time (56%), talking to them about the importance of budgeting and saving (55%), and encouraging their financial independence (47%) – the same most common lessons they received from their parents.

### Mothers

- Americans report mothers had a higher level of influence on them learning how to manage their **personal finances** than fathers. 59% say their mother was 'very' or 'somewhat' influential (vs. fathers at 53%) in helping them learn how to manage their personal finances.
- **Younger generations**, especially Gen Z, report greater influence from their mothers than older generations. Gen Z (47%) are significantly more likely to say their mother(s) were 'very influential' in them learning about managing their personal finances compared to Millennials (34%), Gen X (32%), Baby Boomers (28%), and The Silent Generation (24%).

- The most common **financial lessons** learned from their mother include budgeting and saving (40%), paying bills on time (41%) and encouragement to be financially independent (35%).
- Mothers are more likely to share/ have **shared their financial failures** with their children compared to fathers (33% vs 25%).

### Fathers

- 53% of Americans say their father was 'very' or 'somewhat' influential in helping them learn how to manage their **personal finances**. The most common financial lessons learned from their father include budgeting and saving (40%), paying bills on time (40%) and encouragement to be financially independent (36%).
- Fathers are more likely to teach their children **how to manage debt** compared to mothers (46% vs 38%).
- Americans with fathers that **encouraged them to be financially independent** are more likely to be **prepared for retirement**. They are more likely to plan to retire in the future (if not already retired) (85% vs 76%), contribute to a qualified retirement plan (48% vs 35%), or have an individual retirement account (44% vs 33%).

### Younger Generations of Parents

- **Younger generations of parents** are more likely than Baby Boomers or The Silent Generation to have helped (or plan to help) their children learn how to manage their personal finances by sharing their own financial failures (Gen Z 56%, Millennials 35%, Gen X 37%, Baby Boomers 15%, Silent Generation 15%).
- **Millennial parents** are much more likely to have provided/plan to provide their children with an allowance to manage (48%) compared to earlier generations of parents (Gen X 27%, Baby Boomers 20%, The Silent Generation 5%).

### RECENT GRADUATES

**Many American graduates wish they had done some things differently in terms of their finances after finishing high school or college, primarily saving more and avoiding taking on debt.**

- 39% of Americans whose highest level of education is a **high school diploma** report they felt optimistic about their financial outlook after graduating from high school, however, most wish they started saving for retirement earlier (38%) and avoided taking on debt (33%) after graduating from high school.
- Just over half of Americans (54%) report they **felt optimistic about their financial outlook after graduating from college**, however, most wish they had started saving for retirement earlier (44%), avoided taking on debt (33%) and invested in stocks, bonds, or mutual funds (32%) after graduating from college.
- 76% of Americans with a college degree say the **financial investment made to obtain their degree was worth it**, with 37% saying it was 'very much worth it'. Gen Z (23%) and Millennial (23%) college graduates are less likely to say the investment in their college degree(s) was 'very much worth it' compared to Gen X (38%) and Baby Boomer (53%) college graduates.