

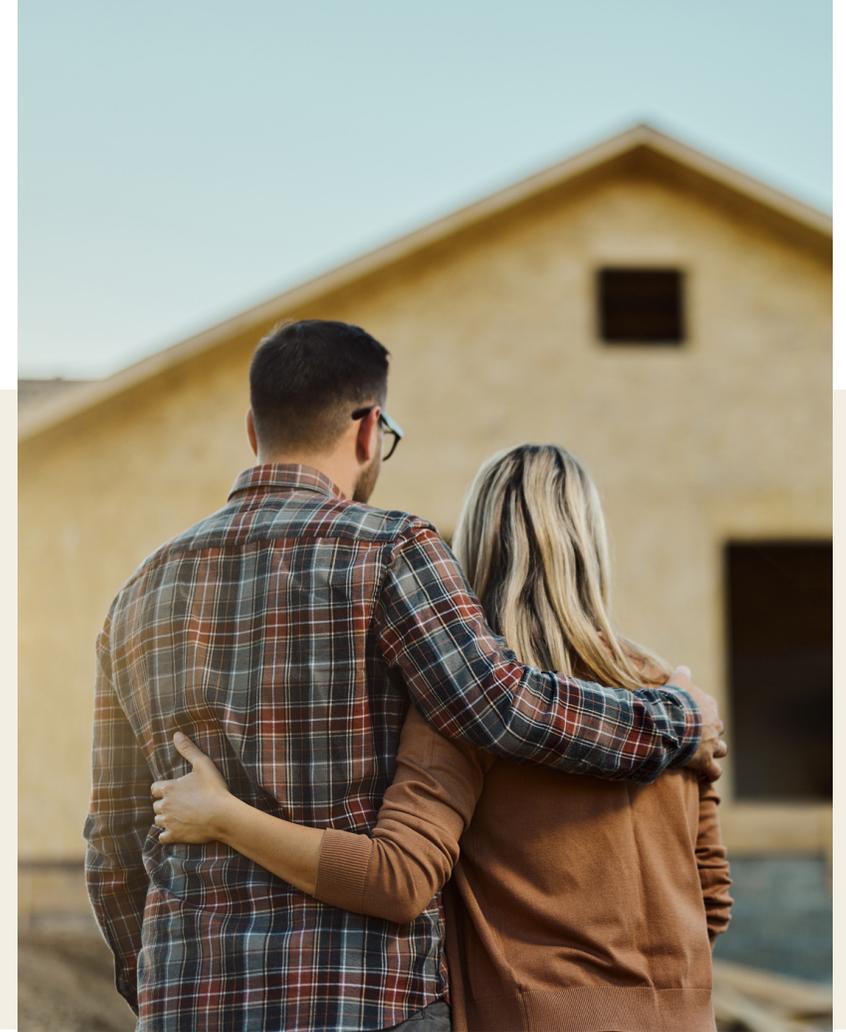
Will 2024 be the end of the vibecession?

January 4, 2024

Will 2024 be the end of the vibecession?

At-A-Glance:

- 58% of respondents are somewhat or very confident in their personal financial position going into 2024.
- 62% believe inflation will spike again in the New Year.
- 51% are concerned about a recession.

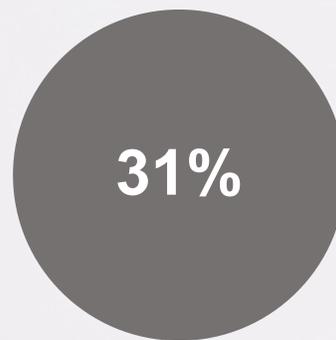


The Outlook:

While conditions in the housing market have improved – mortgage rates have been declining, there's an uptick in new home construction, and prices have been moderating – consumers will need to feel confident that now is the right time to buy. An end to vibecession could be the key to a rebound in the housing and home improvement sectors.

58% of respondents are somewhat confident or very confident in their financial position entering 2024 as opposed to 31% who are not confident.

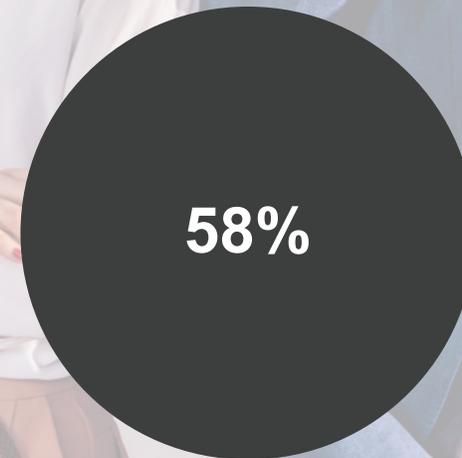
Confidence in personal financial position going into 2024



Not confident



Neutral



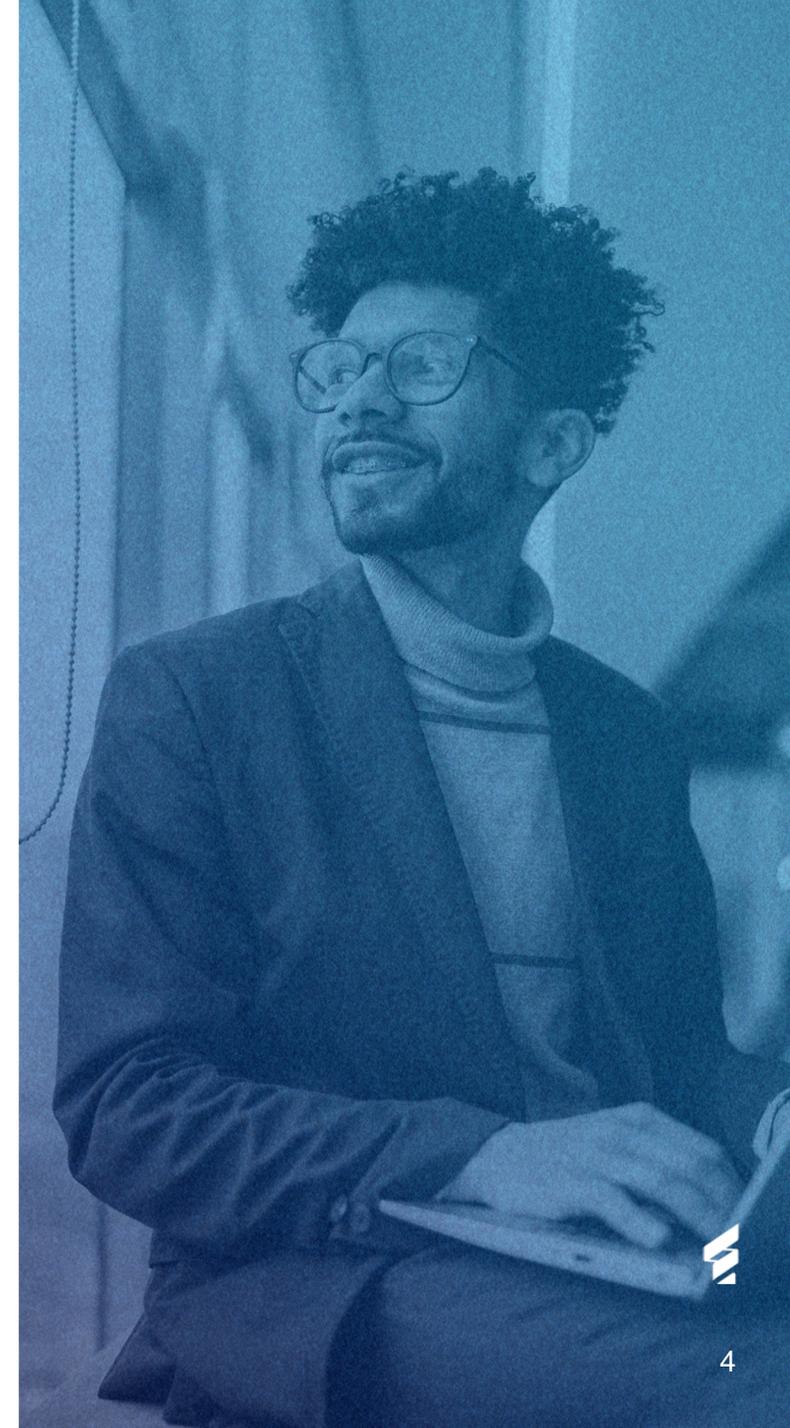
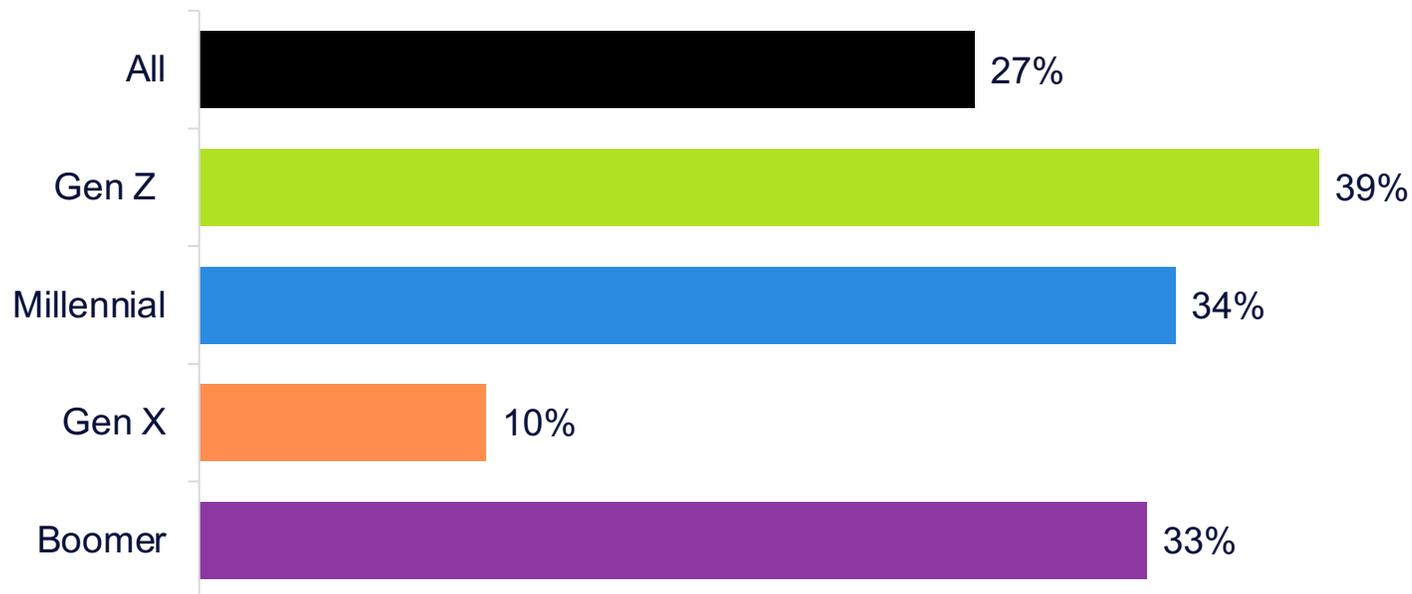
Confident

All



Interestingly, the net confidence level (those confident minus those who are not confident) is consistent among all generations except Gen X, where the confidence level is much lower than the other groups.

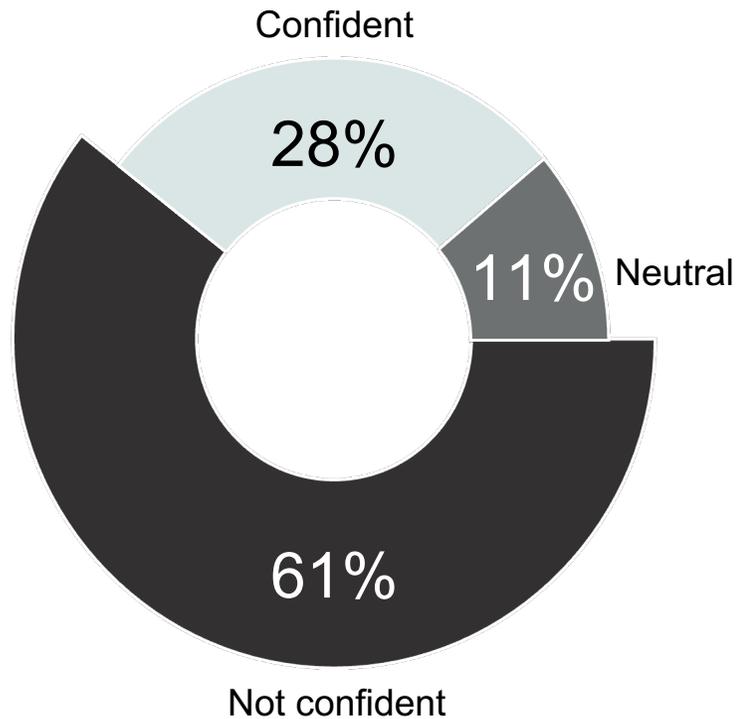
Net confidence in personal financial position going into 2024



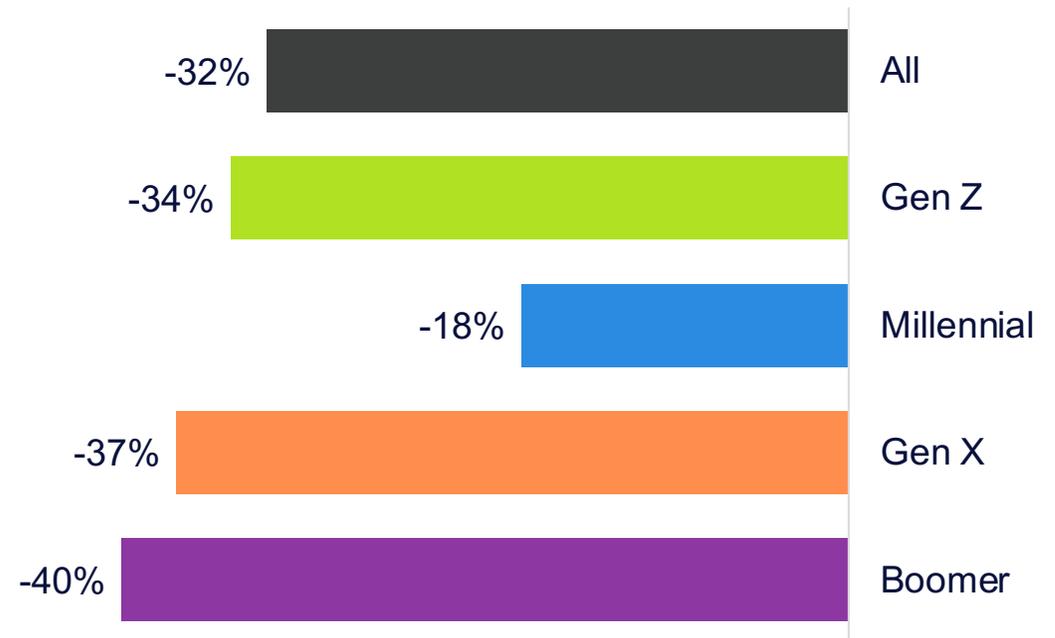
While confidence in their personal financial position is fairly high, confidence in the financial position of the federal government is only 28%.

Net confidence ranges from a high of minus 18% (Millennials) to a low of minus 40% (Boomers).

Confidence in U.S. government's financial position going into 2024

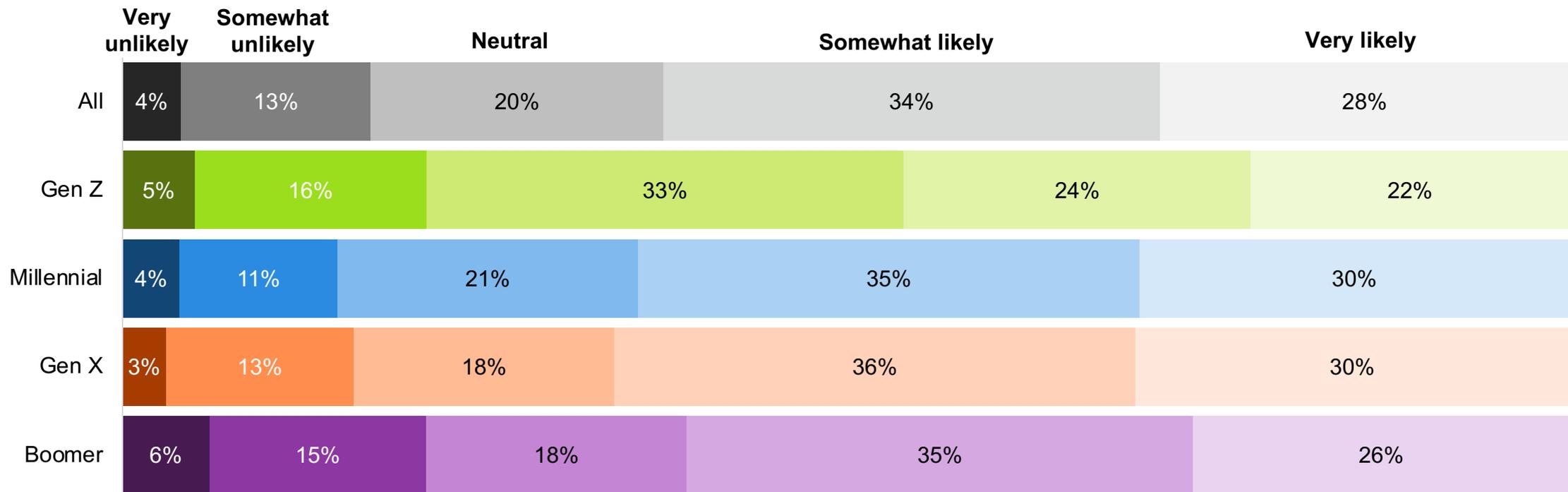


Net confidence in U.S. government's financial position going into 2024



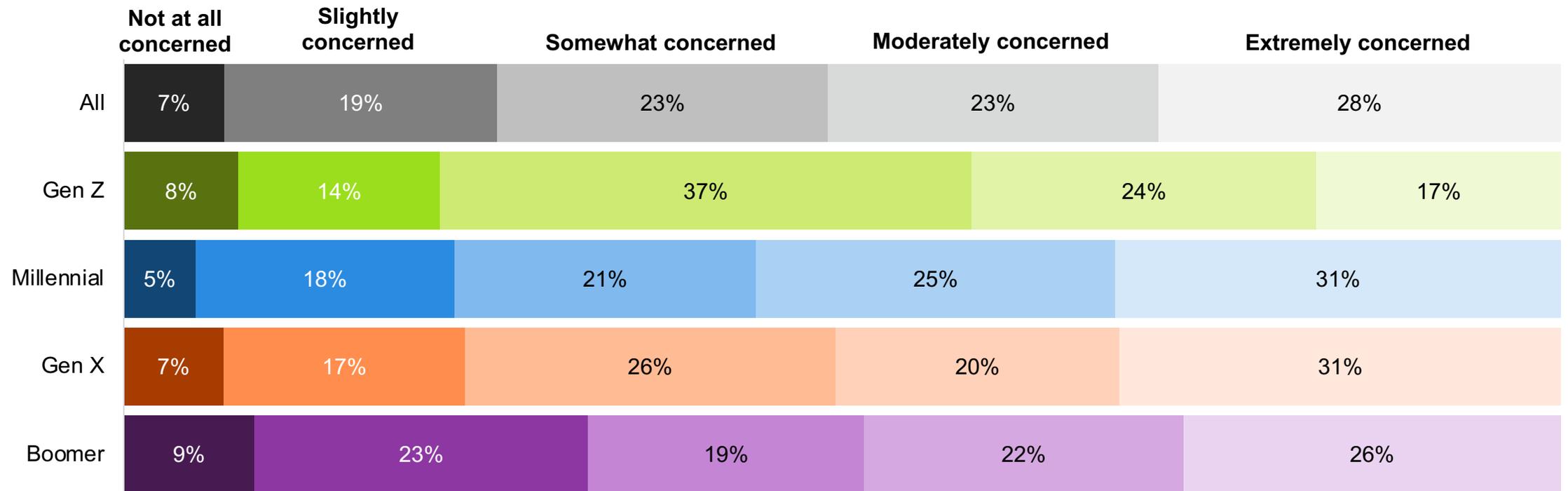
62% think it is likely that inflation will spike again while only 17% think it is unlikely. Gen Z is the least concerned at 46%.

Likelihood inflation will grow again



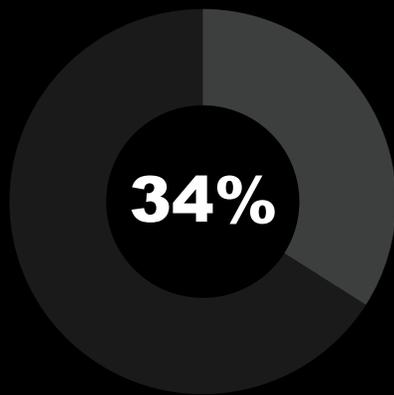
Concern about the possibility of a recession is significantly lower than the concern about a spike in inflation; however, it is still an issue for more than half of the sample (51%).

Concern about the possibility of a recession

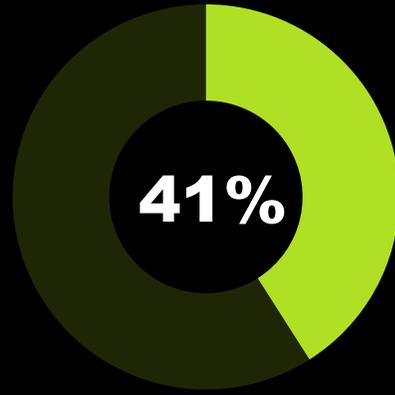


Only about one-third of respondents (34%) feel their income has kept up with inflation over the past 4 years.

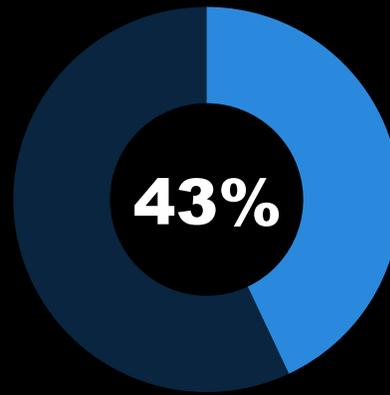
Feel their income has kept up with inflation over last 4 years



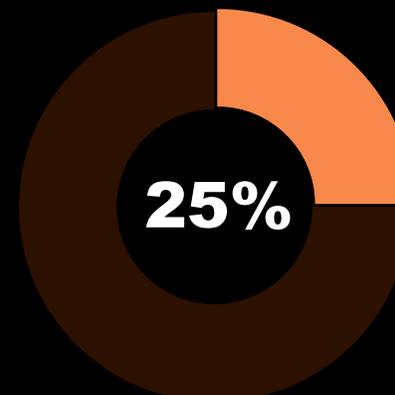
All



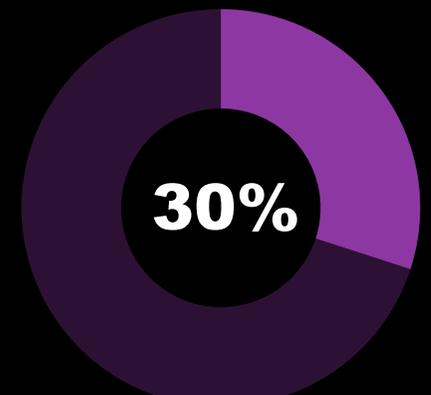
Gen Z



Millennial



Gen X



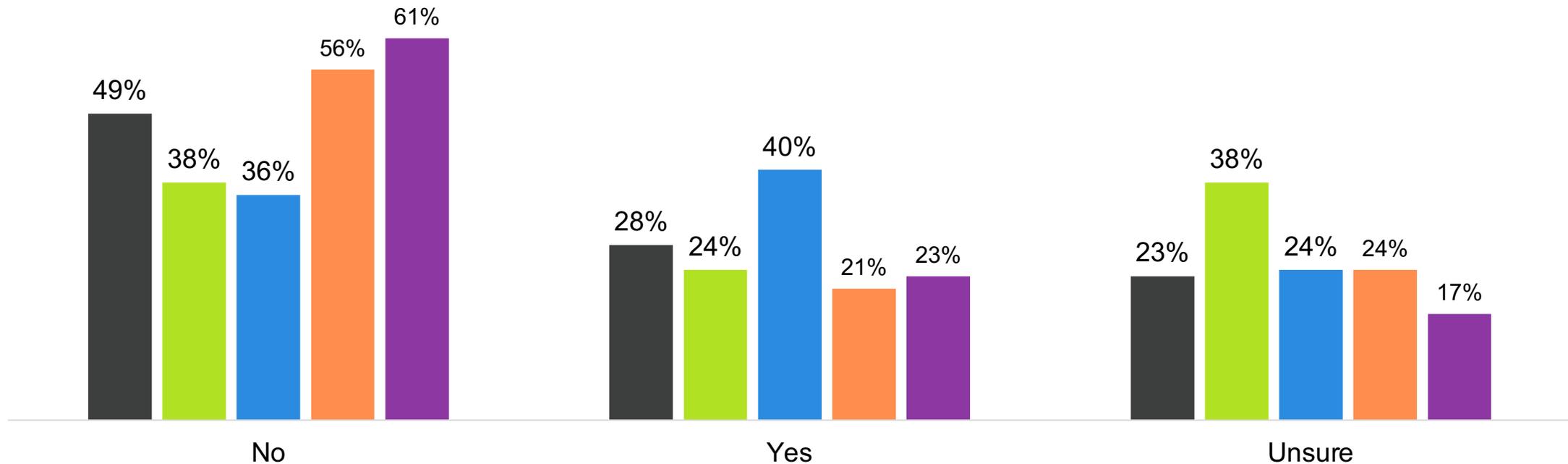
Boomer



28% are confident their 2024 income will keep up with inflation while 49% don't believe it will.

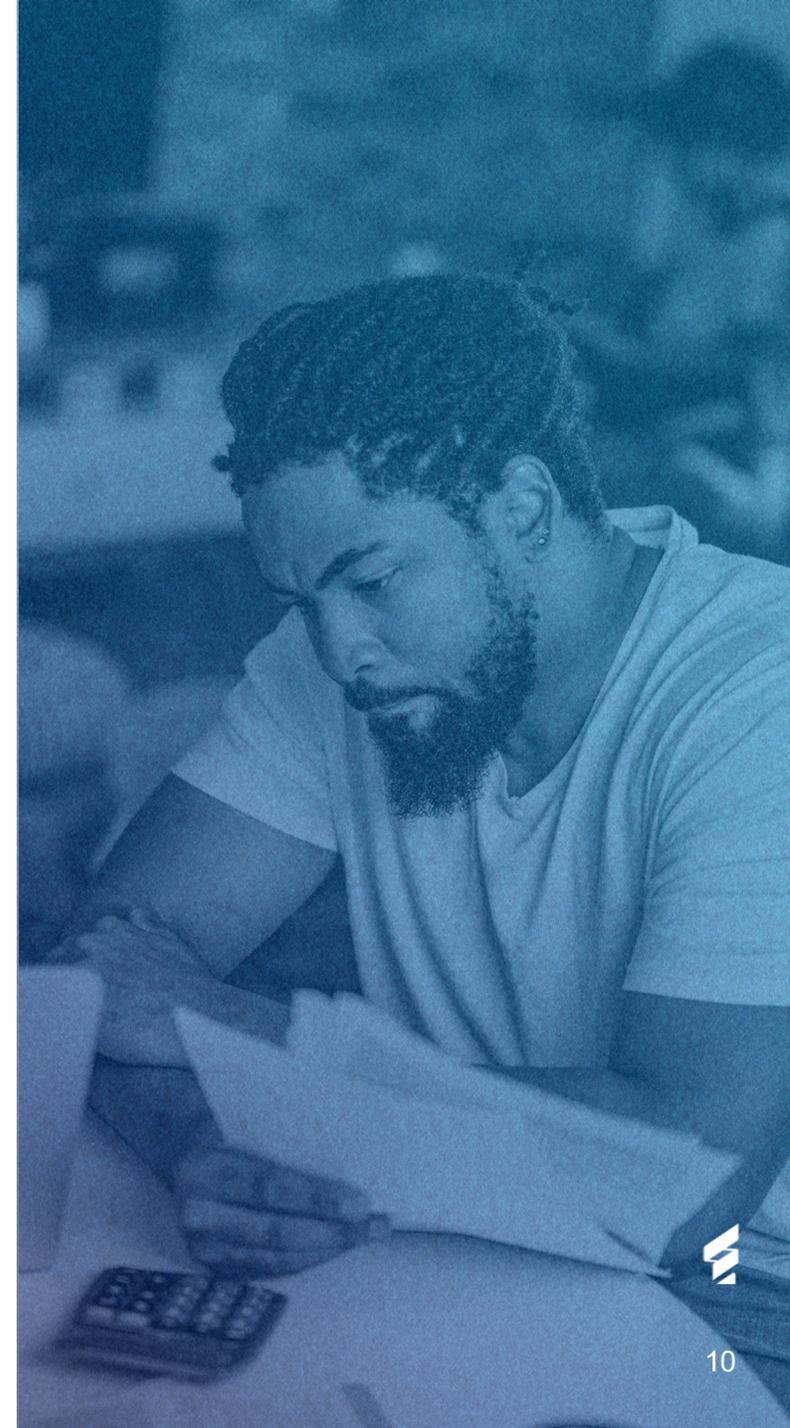
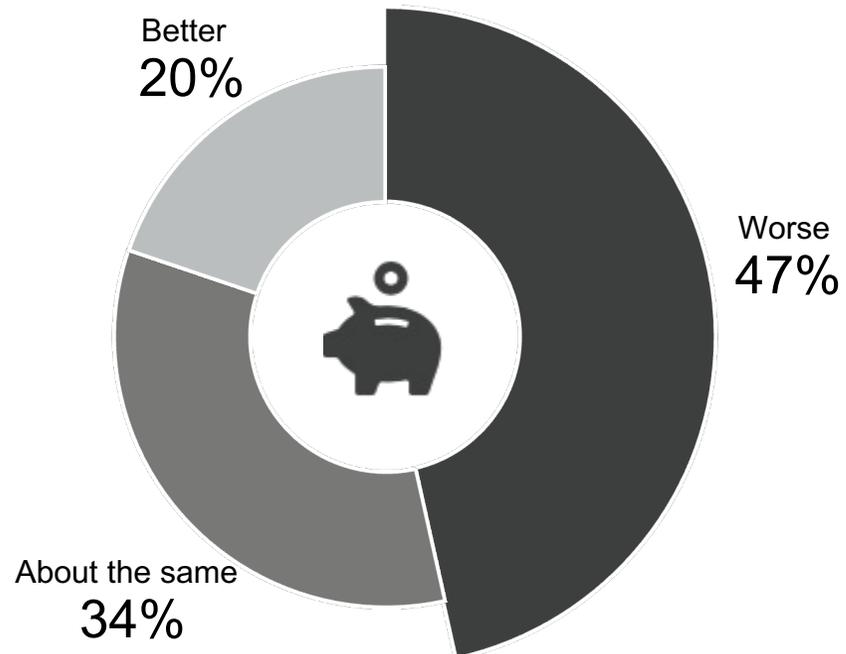
Believe 2024 income will keep up with inflation

■ All ■ Gen Z ■ Millennial ■ Gen X ■ Boomer



Nearly half of the respondents (47%) feel their finances are in worse shape than they were prior to COVID.

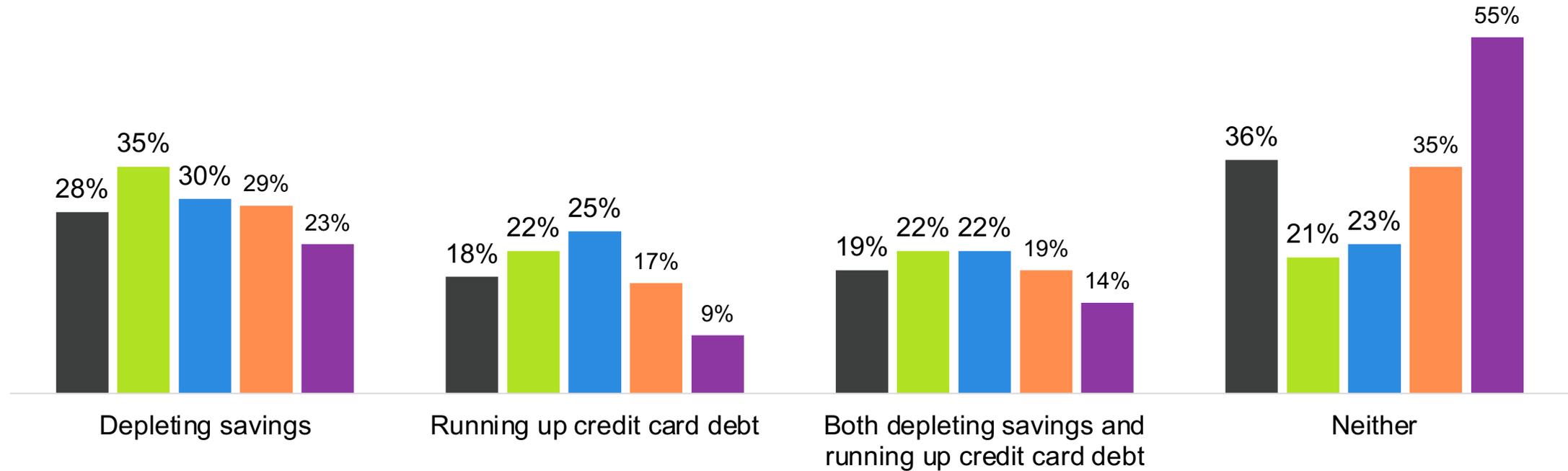
Finances today vs before COVID



Nearly two-thirds (64%) of the sample have done some form of deficit spending because of inflation in the past couple of years.

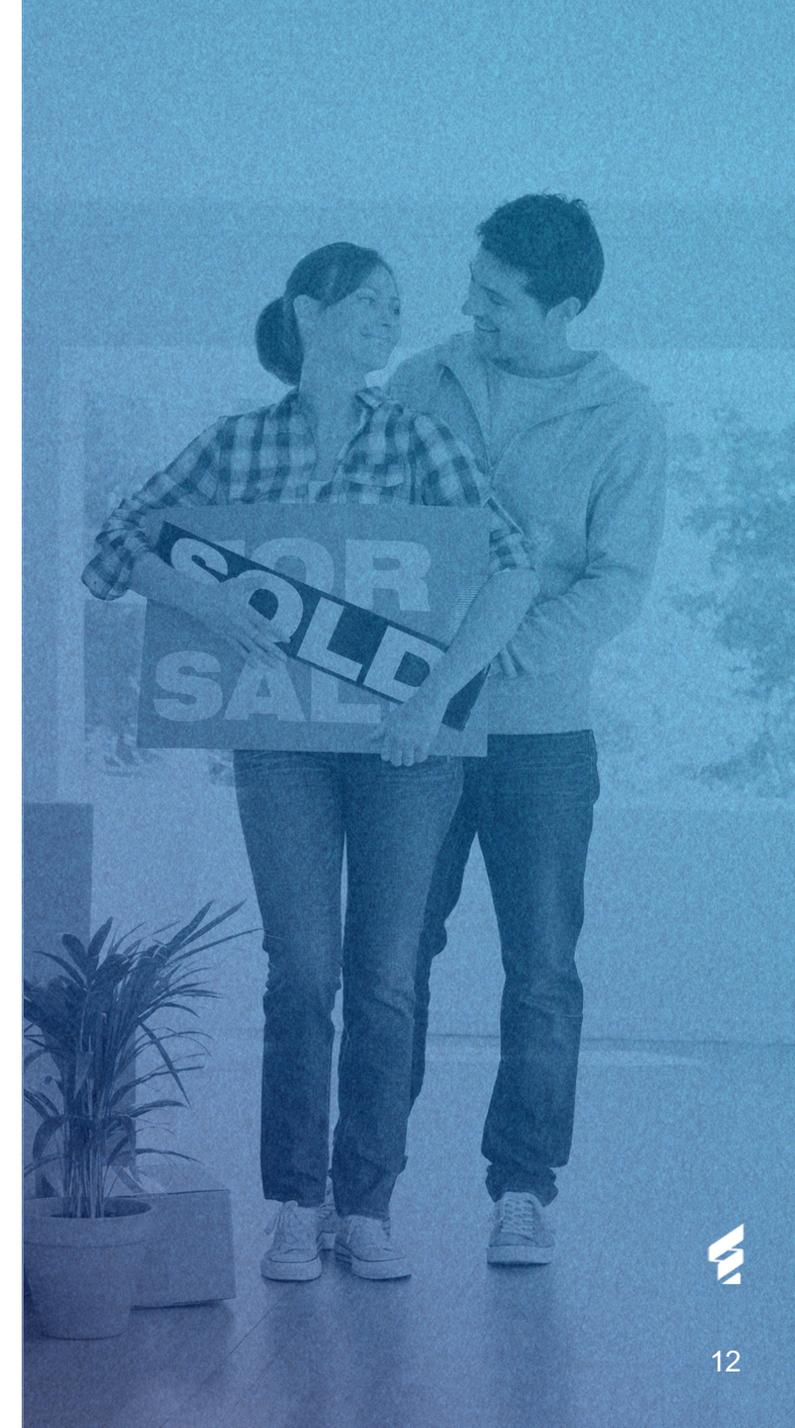
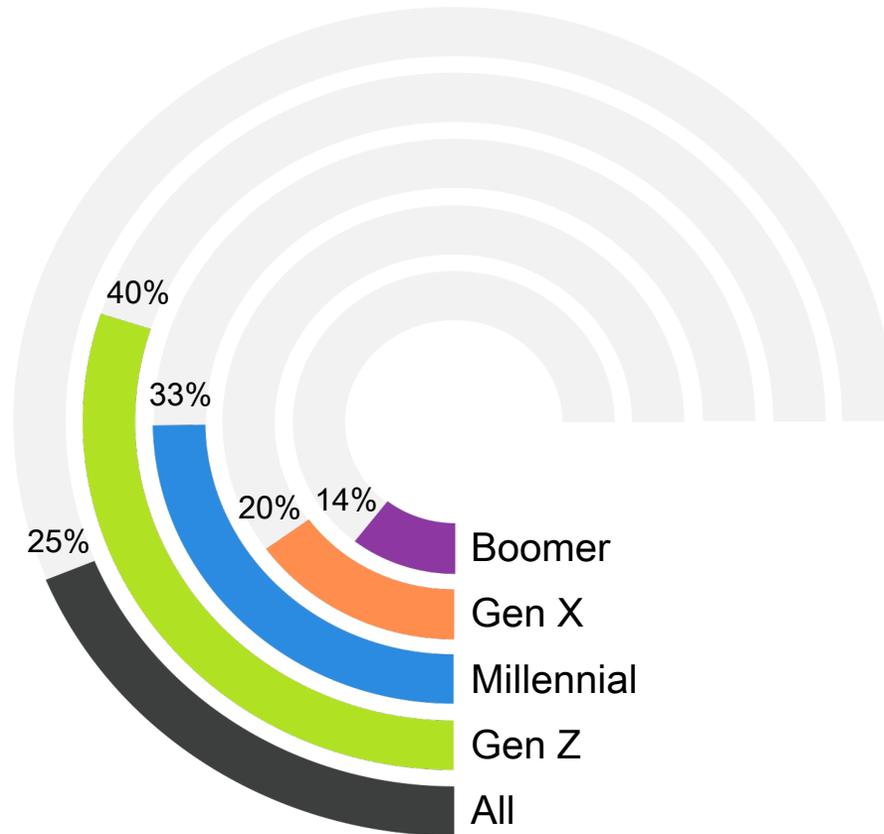
Behavior done as a result of inflation

■ All ■ Gen Z ■ Millennial ■ Gen X ■ Boomer



One in four people have a major purchase or purchases planned for 2024.

Have major purchases planned for 2024



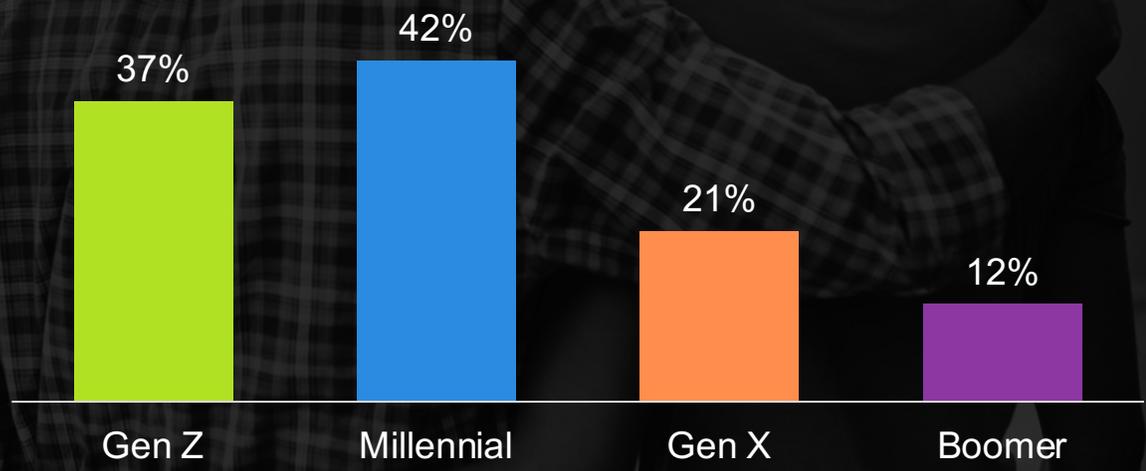
About a quarter (27%) of respondents would like to buy a new home in 2024.

Indicated wanting to buy a new home in 2024

27%



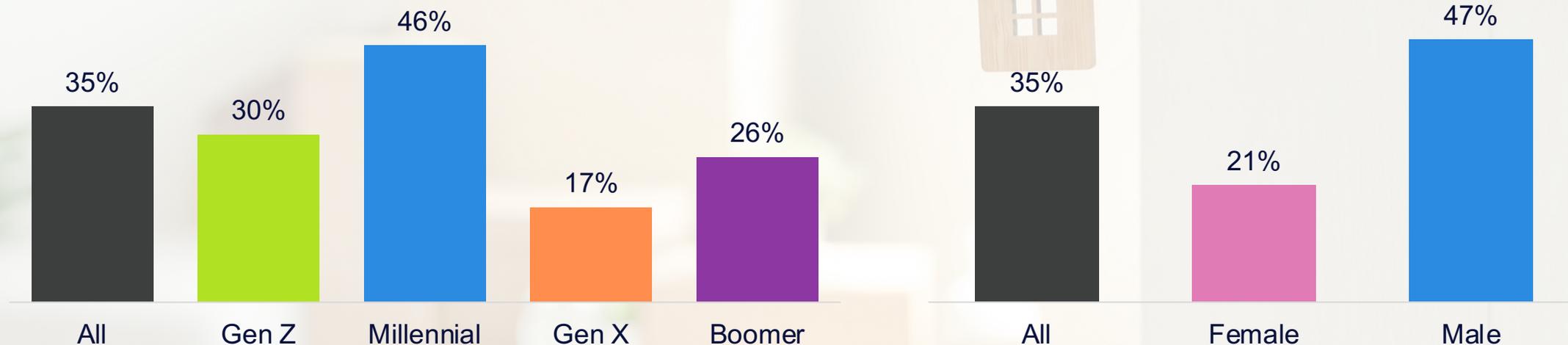
All



Among the 27% who would like to buy a new home, only 35% believe they will have the resources to do so.

Men (47%) are more than twice as likely as women (21%) to be confident in their ability to buy a home in 2024.

Believe they will be able to buy a home in the new year

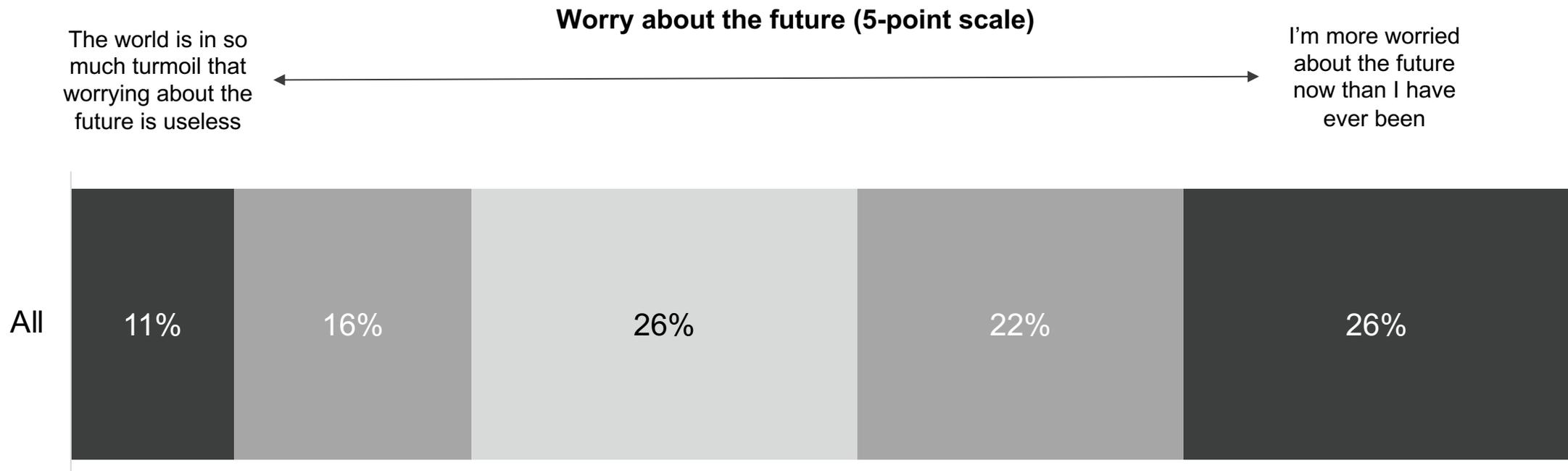


Among those who don't feel they'll be able to buy a home, the average person has two or more obstacles in their way. The leading challenges are high prices and the lack of funds for a down payment.

What needs to occur to buy a new home	All	Gen Z	Millennial	Gen X	Boomer
Drop in home prices	69%	65%	76%	64%	57%
Save more for a down payment	68%	57%	82%	48%	68%
Drop in interest rates	48%	23%	53%	42%	71%
Relocate	19%	27%	16%	15%	22%
Other	10%	12%	8%	7%	18%
None of the above	4%	0%	2%	13%	0%

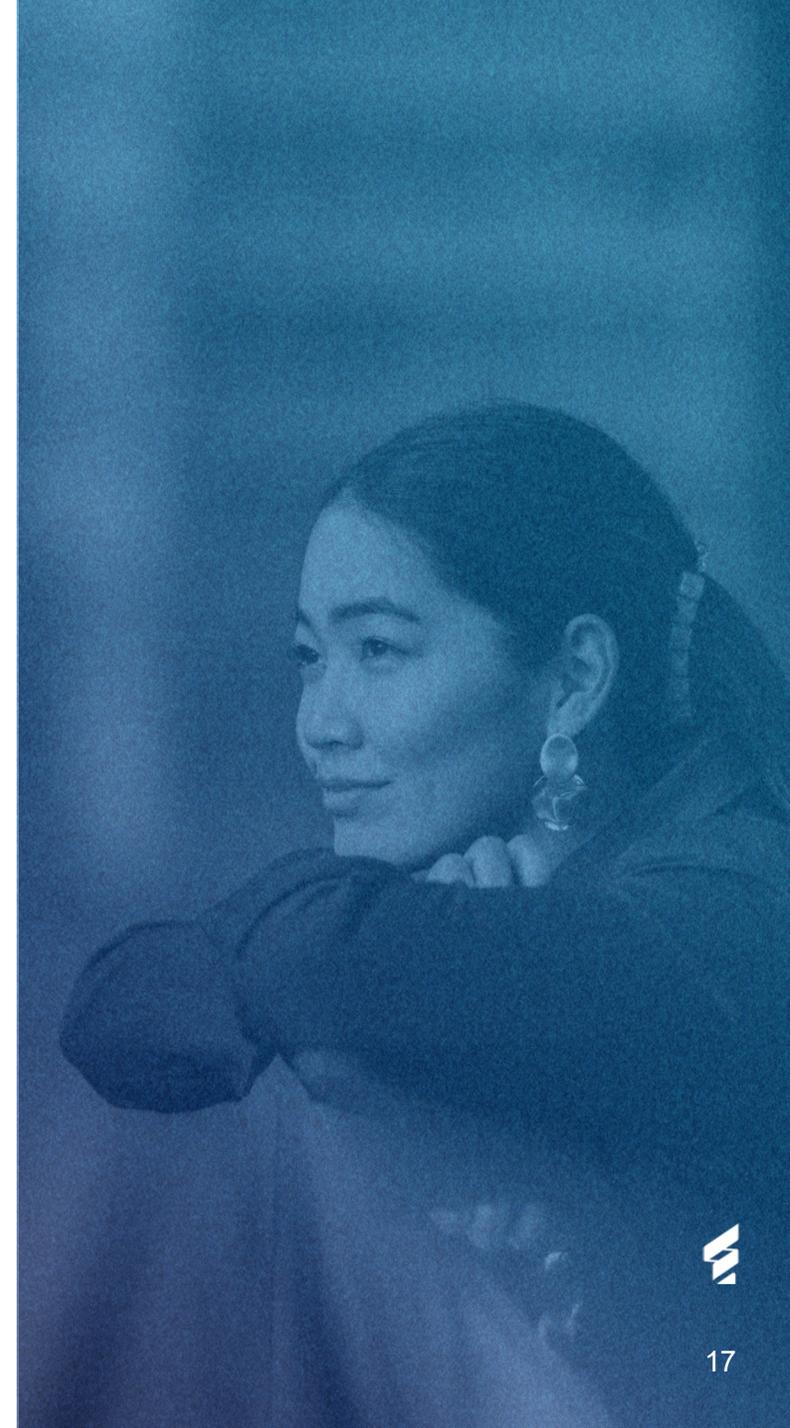
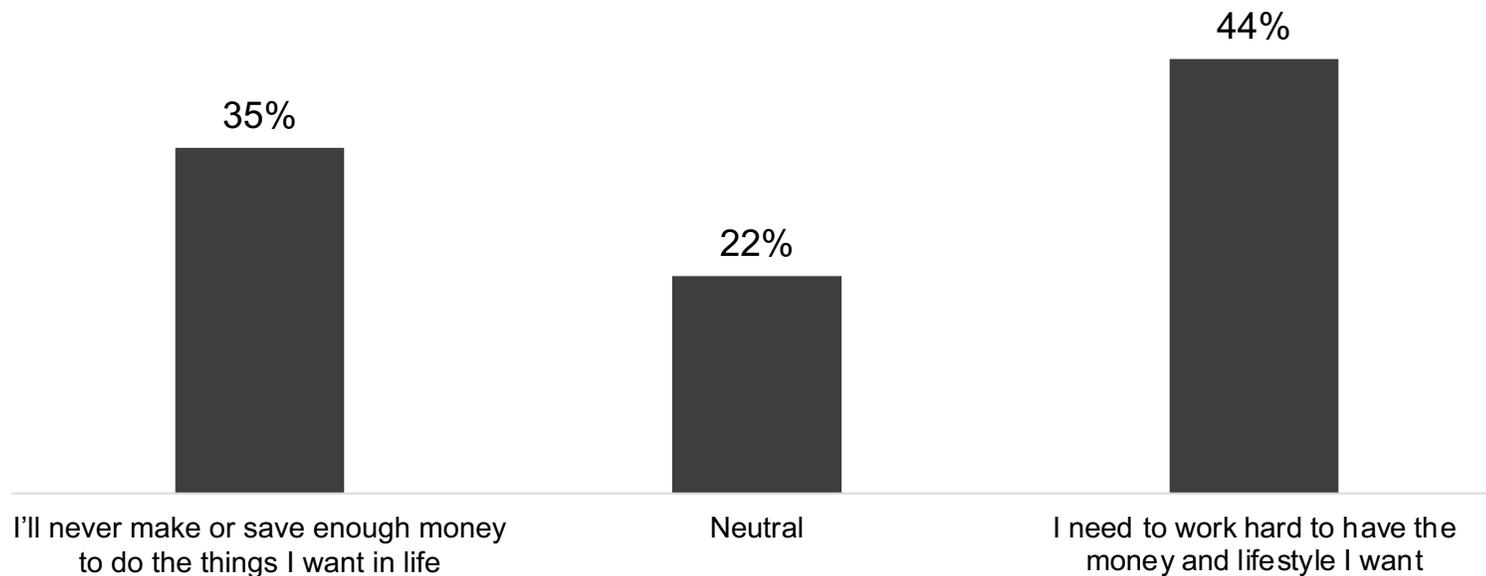


More than one in four people (27%) feel at least somewhat strongly that given the turmoil in the world, worrying about the future is useless. Conversely, 48% of respondents are at least somewhat more worried about the future than they have ever been.

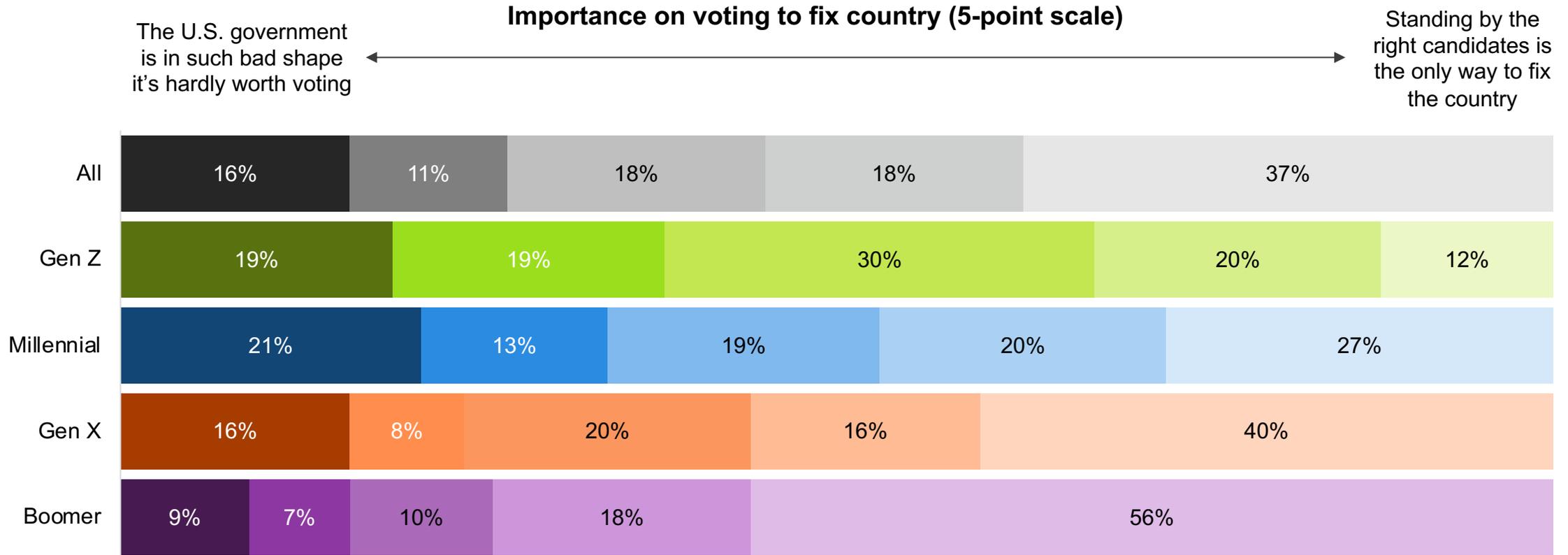


More than one-third (35%) of respondents feel they'll never accrue the assets needed to do what they would like to in life.

Ability to live the life they want

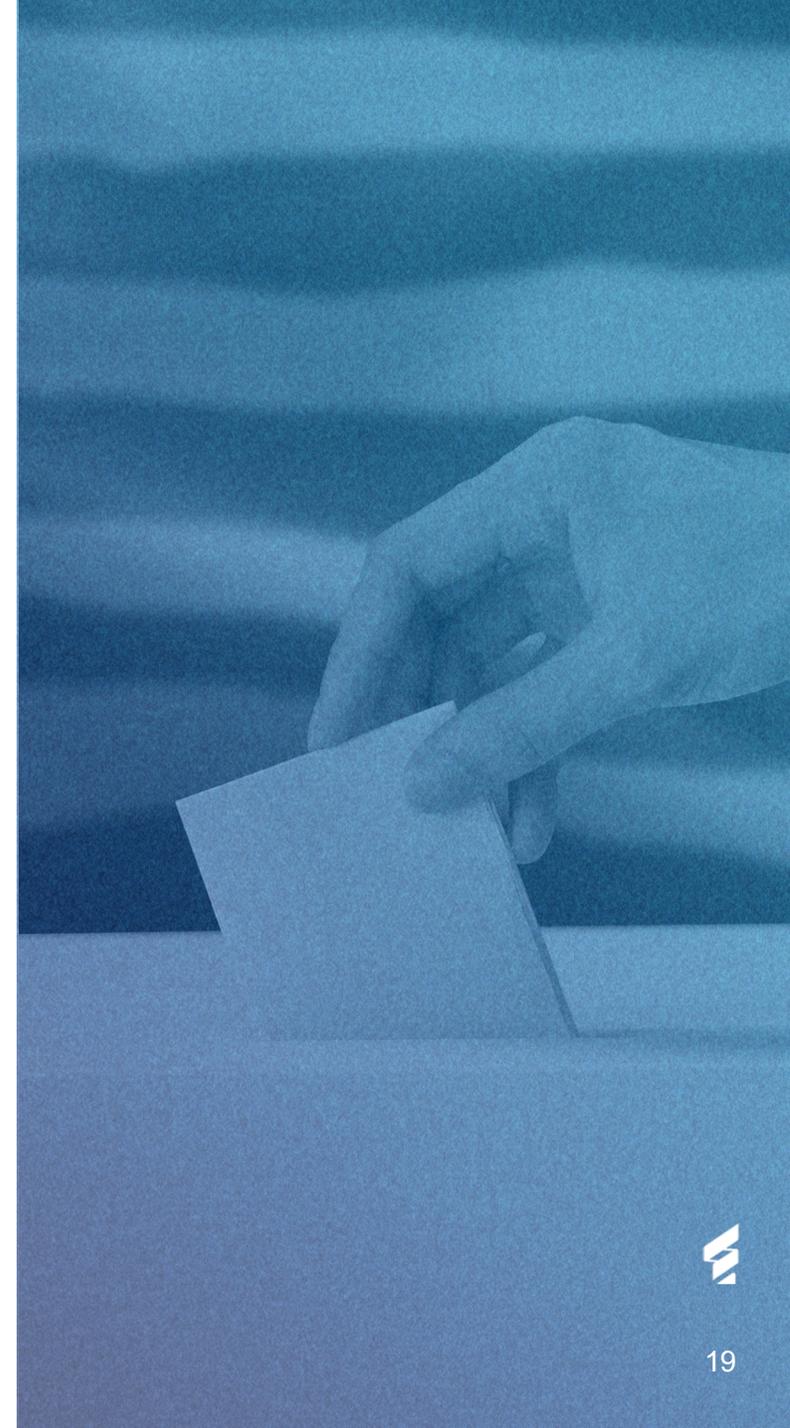
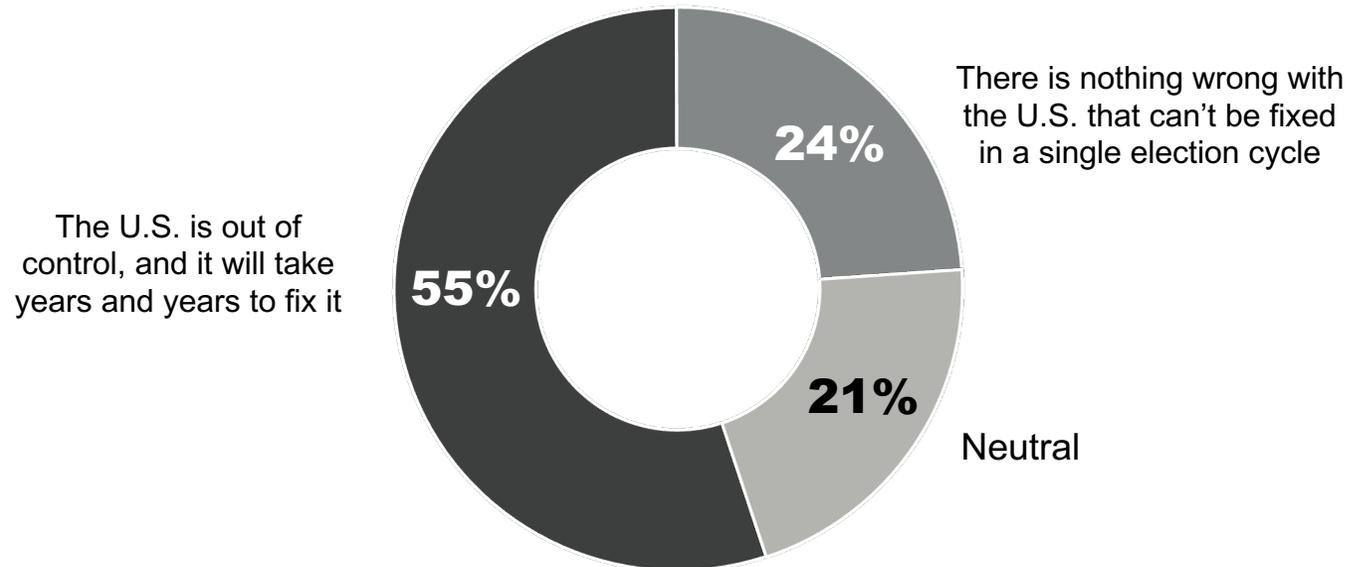


More than 1 in 4 respondents (27%) agree at least somewhat that the country is in such bad shape that it is hardly worth voting. Fortunately, more than half (55%) agree that standing behind the right candidates is the only way to fix the country.



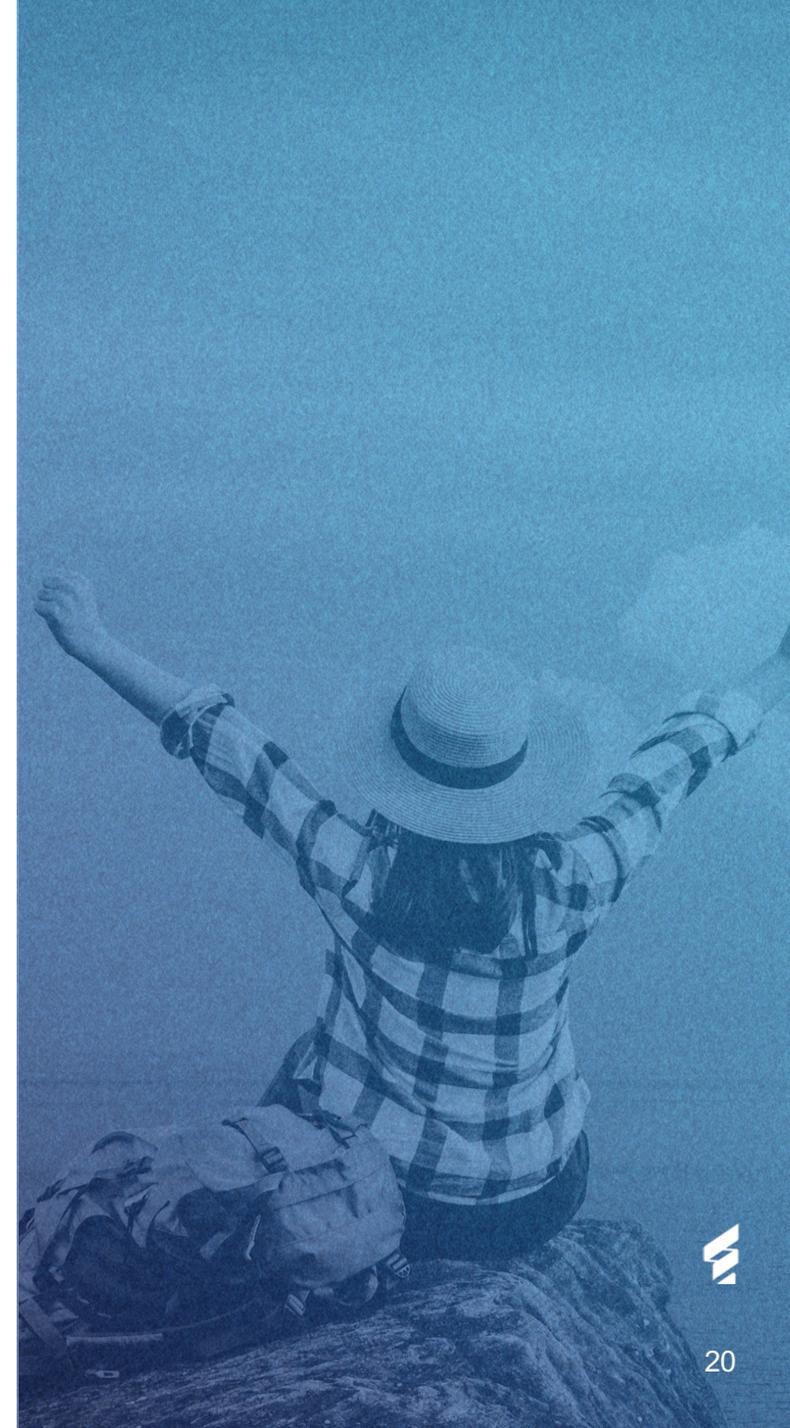
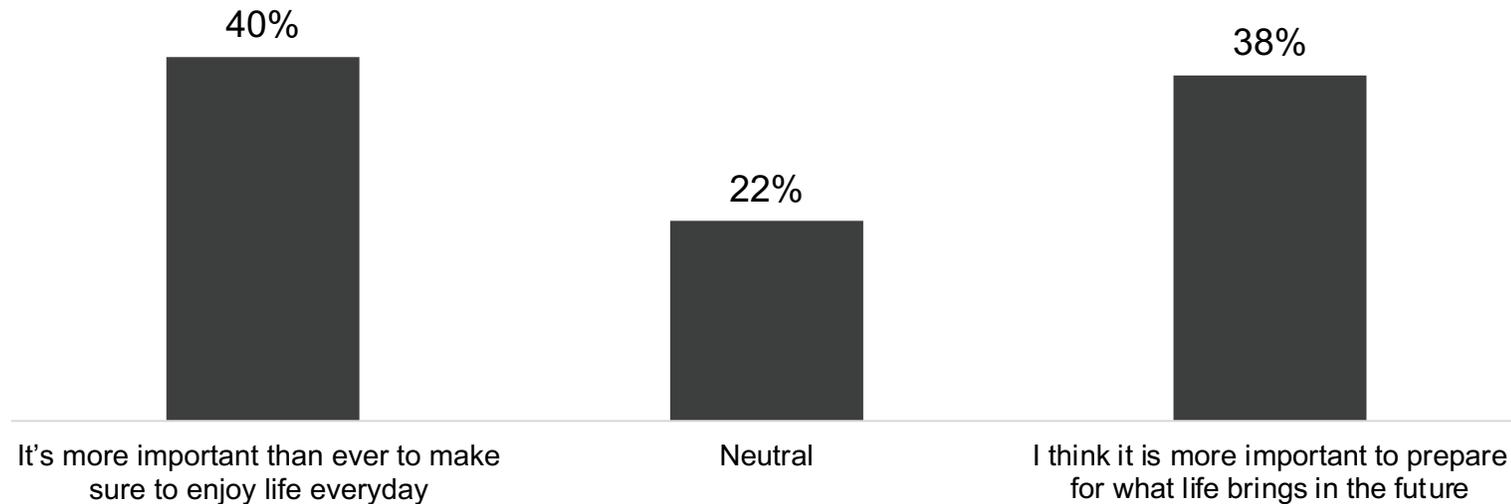
55% of respondents think it will take years to repair the problems we're experiencing in the U.S. Only 24% feel it is at all likely that the problems can be fixed in a single election cycle.

Ability to fix the U.S.



The population is fairly evenly split between those who feel it is more important than ever to enjoy life every day (40%) and those who feel it is most critical to plan for the future (38%).

Enjoy the now vs. plan for the future



Will 2024 be the end of the vibecession?

N = 801
MOE ± 3.46%
Panel: General Population
Collected: 11/17/23-11/19/23



Gen Z
11%



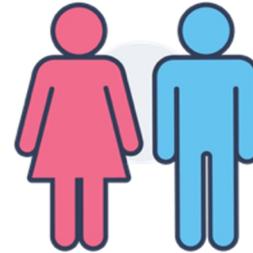
Millennial
32%



Gen X
27%



Baby Boomer
30%



Female
51%

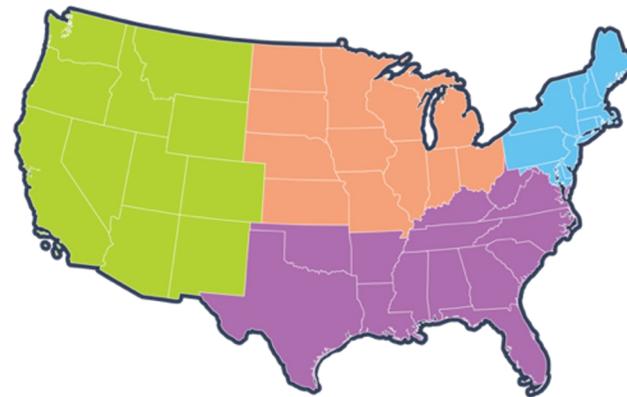
Male
49%



Urban
31%

Suburban
48%

Rural
21%



Northeast
17%

Midwest
21%

South
38%

West
24%



Do you want to take the Pulse of *your* consumers?

Our insights team will partner with you to design a study that will help you better understand your customers and their problems, and how your brand can win at retail.

To learn more about what our Four-Part Process and custom research studies can do for you, contact:

Jenni Becker SVP, Business Development
jenni.becker@salesfactory.com

The logo for Sales Factory Consumer Pulse is centered on the right side of the slide. It features the words "SALES FACTORY" in a small, white, sans-serif font above the word "Consumer" in a larger, white, sans-serif font. To the right of "Consumer" is the word "Pulse" in a bold, white, sans-serif font, with a stylized white lightning bolt symbol integrated into the letter 'e'. The background of the slide is a dark blue with a grid of white plus signs and various data visualization elements like line graphs and bar charts, all in a lighter blue tone.

SALES FACTORY
Consumer **Pulse**