

ThinkNow Pulse™

*Total Market Consumer Sentiment
With Comparisons to Recent Years
2015 - 2020*



January 2021

ThinkNow Pulse™

What is it?

ThinkNow Pulse™ is a national survey that examines consumer sentiment among Americans. The study analyzes the Total Market and key race/ethnic segments. Results from 2020 are compared to findings from annual studies conducted in 2015-2019.



Methodology

Survey Method

› Online: ThinkNow Omnibus Study



Field Timing

› December 2020



Regional Coverage

› National



Screening Criteria

› 18-64 years of age



Base Sizes

1,500
Total

500
Hispanics

500
Non-Hispanic
Whites

250
African-
Americans

250
Asian-
Americans



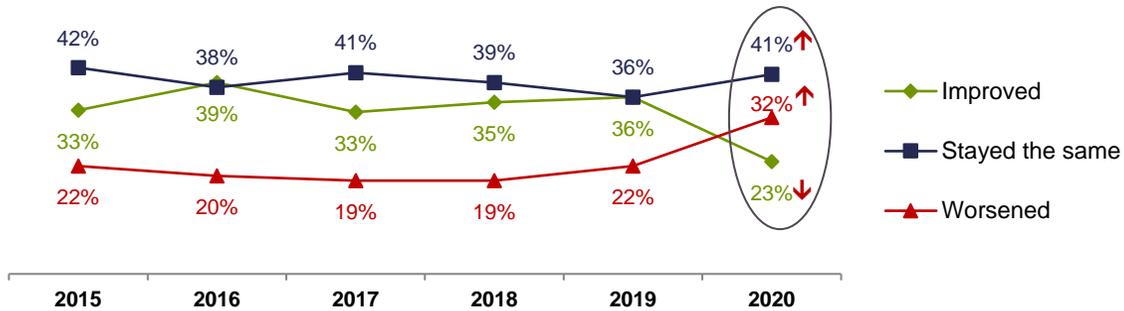
ThinkNow Pulse™ Results



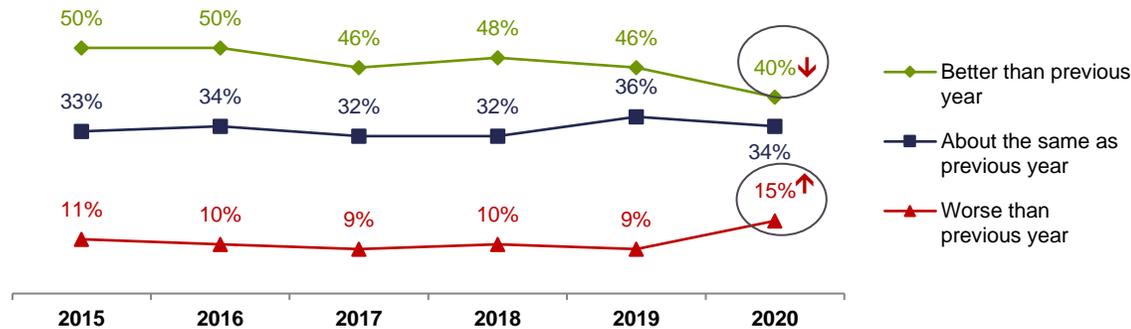
Key Findings

The events of 2020 sent the U.S. into a tailspin. During this time, Americans report worsened personal finances and a perception of a weakening economy. The outlook for 2021 is equally as dim, with fewer Americans feeling optimistic about improvements in personal finances this year. Results are mixed, however, about the state of the U.S. economy. More Americans feel that change is coming but are split on the outcome. Compared with past years, more consumers feel things will improve, but just as many think it will get worse.

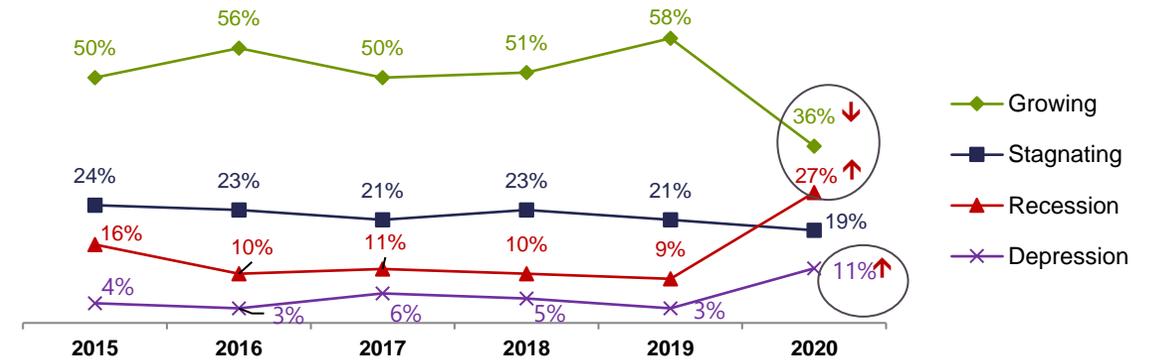
Household Income Change In The Past Year



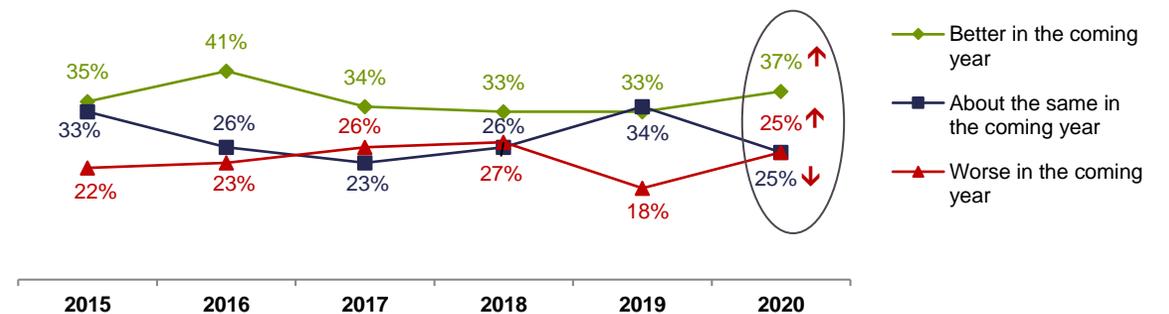
Personal Finances Outlook for Next year



America's Economy Today is...



U.S. Economy Outlook



Key Findings

Perceptions of the current state of the U.S. economy is split into two camps – those who believe the economy will improve, and those who think it will worsen. We saw a decline in the percentage of those who have a positive outlook and an increase of those who have a negative one. As a result, the net positive perception observed last year is lost.

December 2020 Results	Total Market	Hispanics	Non-Hispanic Whites	African-Americans	Asians
Household Financials – Perceived change versus year ago:					
Improved	23% (-13)	18% (-15)	25% (-14)	24% (-9)	13% (-12)
Stayed the same	41% (+5)	38%	41%	36%	49%
Worsened	32% (+10)	36% (+11)	31% (+11)	33% (+6)	33% (+14)
Household Financials – Expected change in the coming year					
Better than last year	40% (-6)	47%	36% (-7)	53%	42%
About the same as last year	34%	27%	38%	22%	30%
Worse than last year	15% (+6)	12%	17% (+8)	11% (+7)	13%
Affect of current political climate on Personal Outlook for 2021					
Much/Somewhat more optimistic	52% (+4)	56%	50%	54%	49% (+9)
No affect	23%	29%	20% (-6)	30%	28%
Much/Somewhat less optimistic	25%	16% (-8)	30%	16%	24%
I think the U.S. economy in 2021 will be...					
Better than 2020	37% (+4)	40%	35%	43%	45% (+12)
About the same as 2020	25% (-9)	23%	25% (-12)	23% (-12)	20% (-8)
Worse than 2020	25% (+7)	19%	29% (+11)	21%	19%
The U.S. economy today is...					
<u>Growing (Net)</u>	<u>36% (-22)</u>	<u>34% (-17)</u>	<u>38% (-23)</u>	<u>32% (-19)</u>	<u>34% (-16)</u>
Stagnating	19%	22%	18%	18% (-8)	19%
<u>Recession/Depression (Net)</u>	<u>38% (+26)</u>	<u>36% (+17)</u>	<u>38% (+28)</u>	<u>42% (+30)</u>	<u>38% (+24)</u>

2020 – Base: Hispanics (n=500), Whites (n=500), African Americans (n=250), Asians (n=250)

Numbers in parentheses represent the percentage point change versus previous wave (e.g., +13 means that the 2020 result is 13 percentage points higher than the 2019 result.)

Only those that are statistically significant versus year ago are shown. Statistical significance calculated @ 95% confidence level.

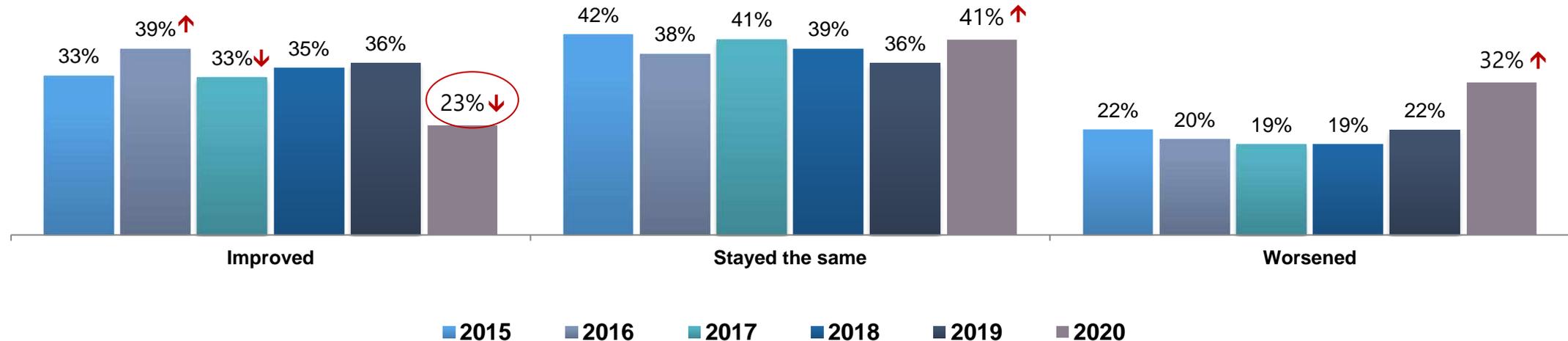


Personal Finances

Most Americans report a worsened or stable household income.

- Only one-fourth (23%) of Americans report an improvement in household income in 2020, significantly less than a year ago, and the lowest proportion seen in the past 5 years.

Recent Trends in Household Income
Total Market

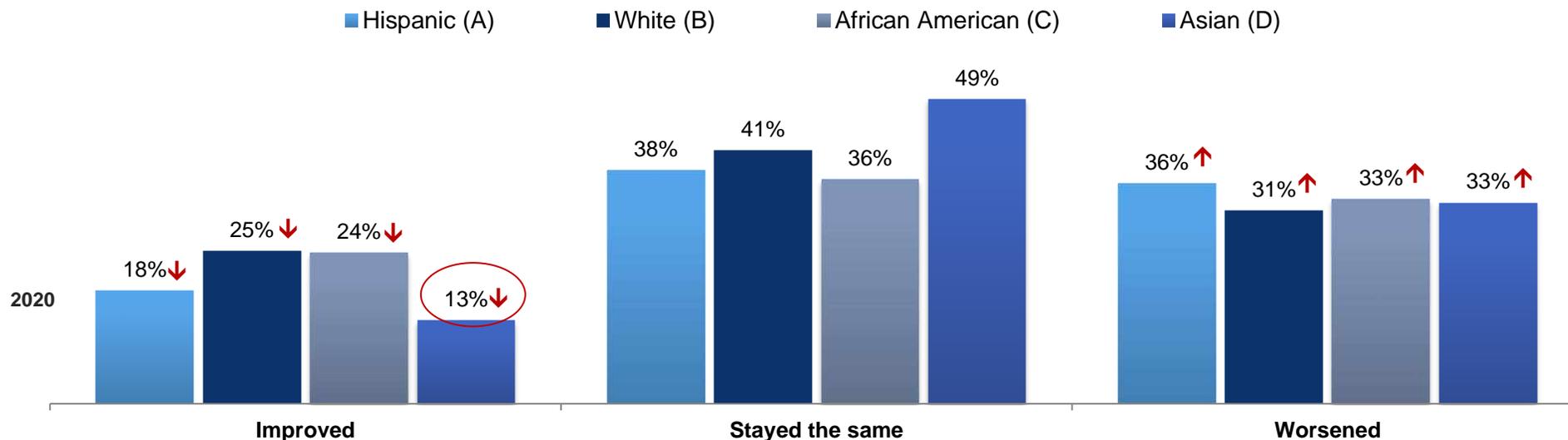


Question: Thinking of all of the sources of income that contribute to your household, compared to this same time last year would you say your household financial situation has:

All ethnic segments report a significant increase in the proportion of those who experienced 'worsened' income in 2020.

- Conversely, all segments declined in the proportion of households that experienced "improved" income.
- Asians were more likely than other cohorts to report a stable income in the past year; similar to 2019.

Recent Trends in Household Income By Race/Ethnic Segment



Question: Thinking of all of the sources of income that contribute to your household, compared to this same time last year would you say your household financial situation has:

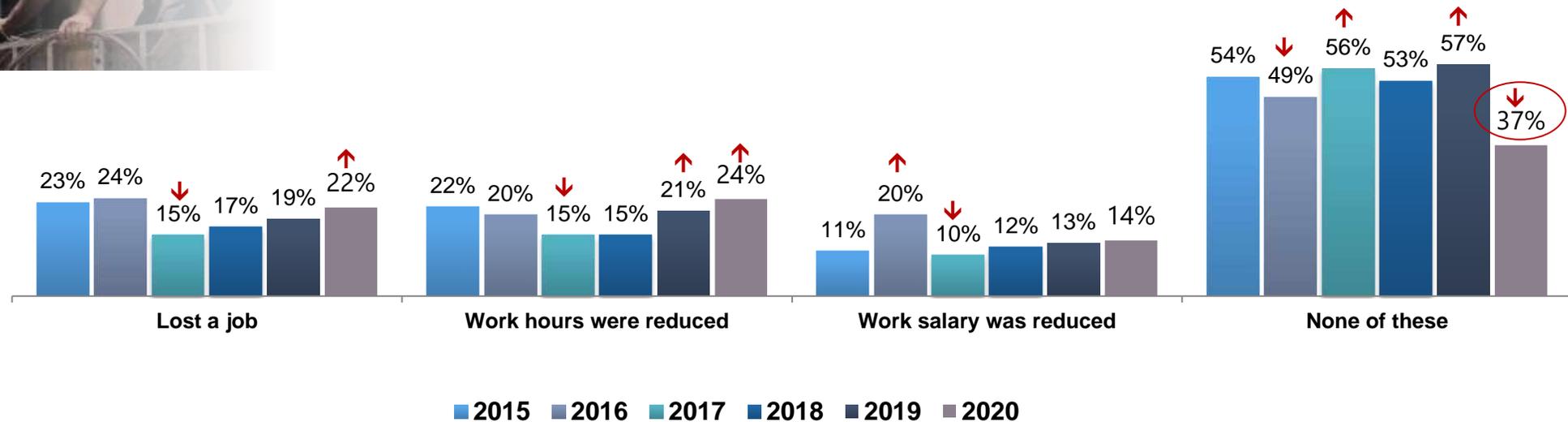
Compared to a year ago, significantly more Americans report job-related losses.

- A year ago, 57% on those surveyed reported no job-related losses, but that proportion declined by 20% in Dec 2020.



Changes In Employment

Total Market

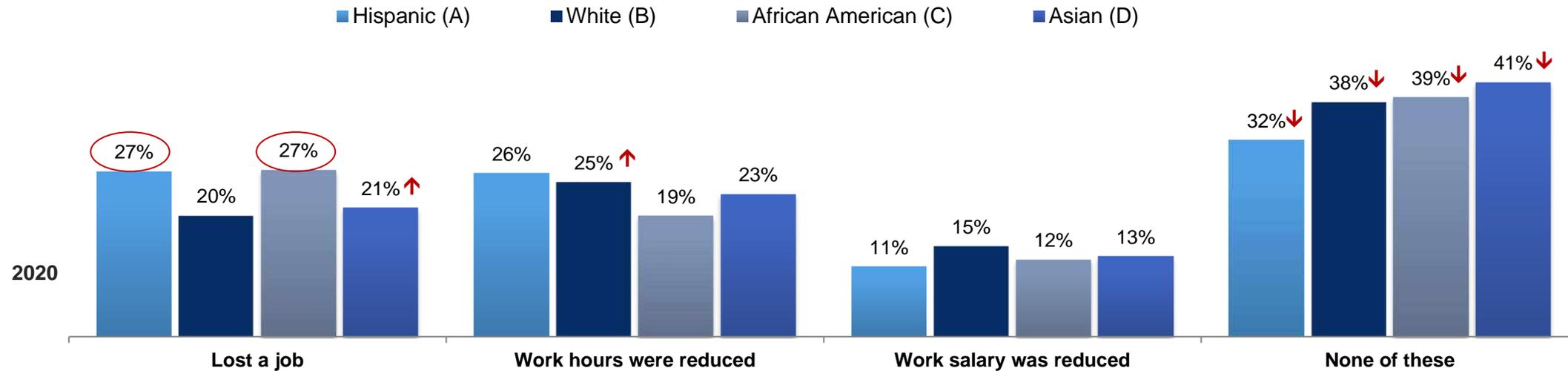


Question: During the past year, have you or someone in your family had to deal with any of the following?

In 2020, Hispanics and African-Americans continue to be the segments most likely to have lost a job.

- Unlike past years, Asians reported a significant increase in the proportion of those who lost a job in the past year. While significantly more Non-Hispanic Whites reported having had work hours reduced.
- All ethnic segments declined in the proportion of those who did not experience job-related loses.

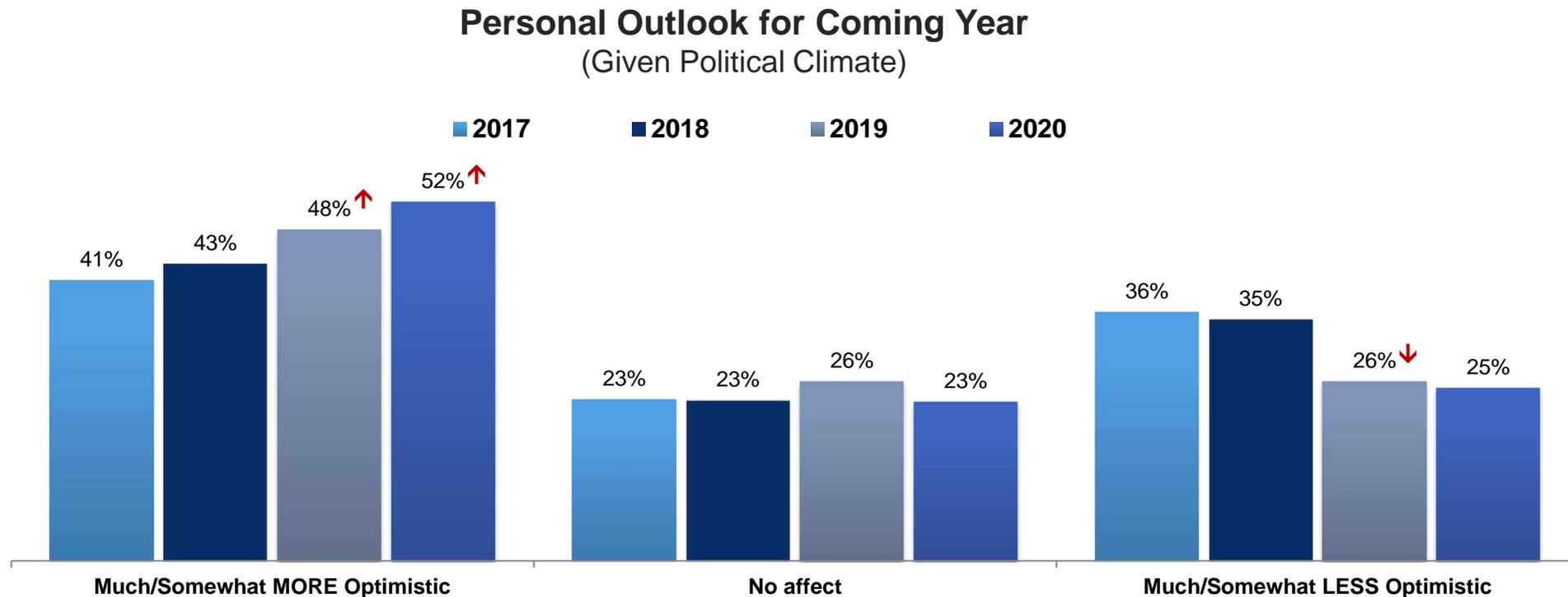
Changes In Employment By Race/Ethnicity



Question: During the past year, have you or someone in your family had to deal with any of the following?

The proportion of Americans who feel that the current political climate will have a *positive impact* on their personal outlook in the coming year continues to increase.

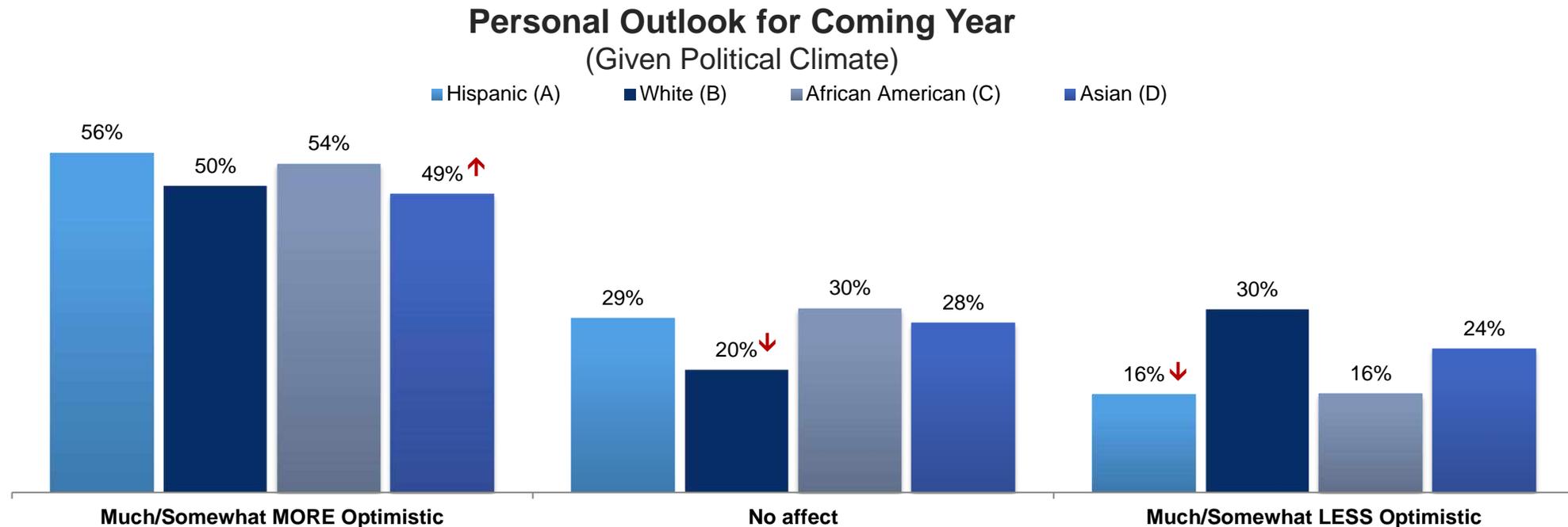
- Half are “more optimistic,” a significant increase versus a year ago. The other half is split between those who are less optimistic and those who feel the current political climate has no impact on their personal outlook.



Question: What affect does the current political climate have on your personal outlook for the upcoming year?

All ethnic segments are feeling optimistic about their personal finances, particularly Asians.

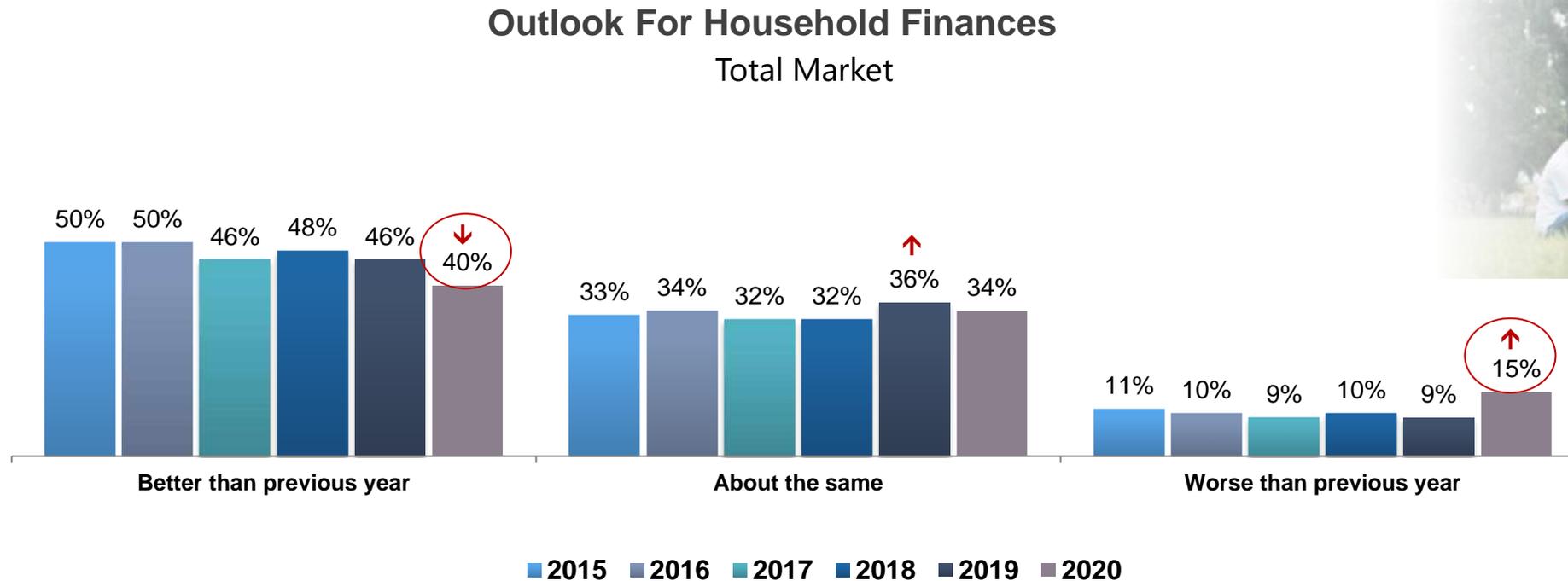
- Half in each segment is “more optimistic.” The other half is split between those who are less optimistic and those who feel the current political climate does not impact their personal outlook. Non-Hispanic Whites show the least optimism.



Question: What affect does the current political climate have on your personal outlook for the upcoming year?

Two in five Americans feel optimistic about their finances in the upcoming year, but this represents a significant decline from last year.

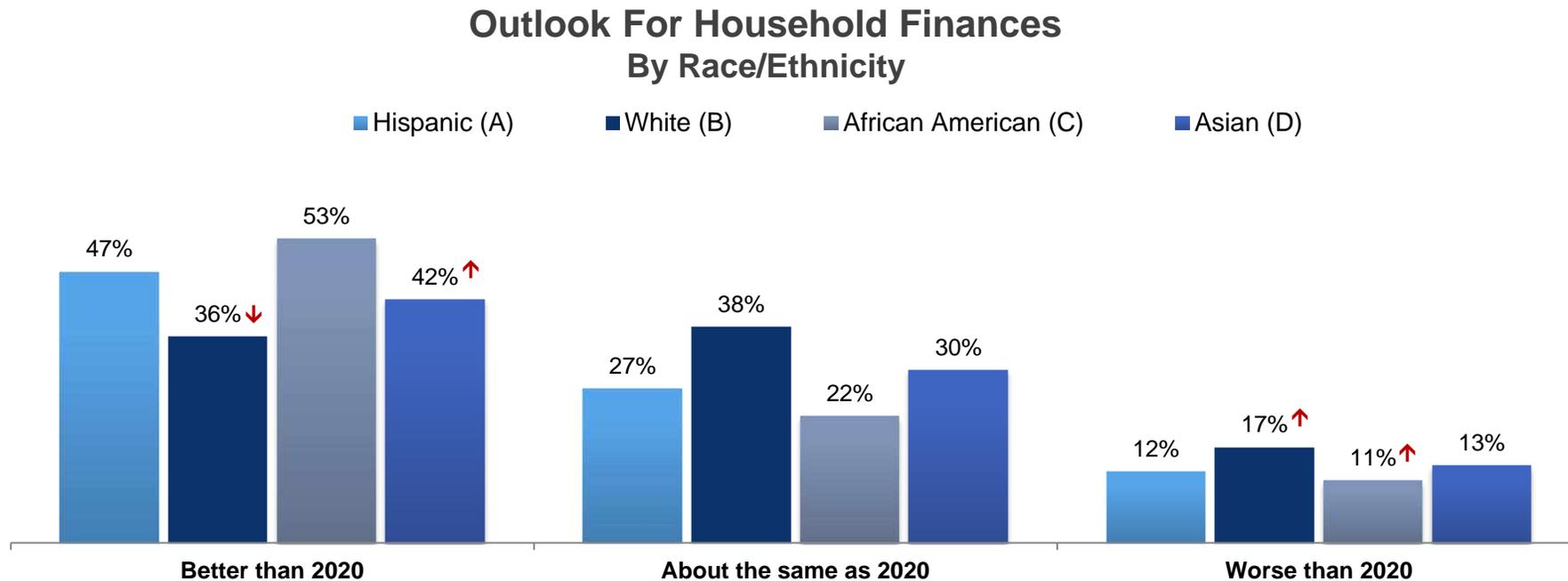
- While the majority feels optimistic, significantly more Americans feel that their finances will worsen in the upcoming year.



Question: Thinking of your own personal and your family finances for (year), which of the following would you say best describes your feelings towards this upcoming year?

Fewer feel optimistic that their household finances will improve in 2021. This sentiment is consistent across ethnic groups, except Asians.

- More Whites and African Americans are pessimistic and feel that their household finances will get worse in the coming year.



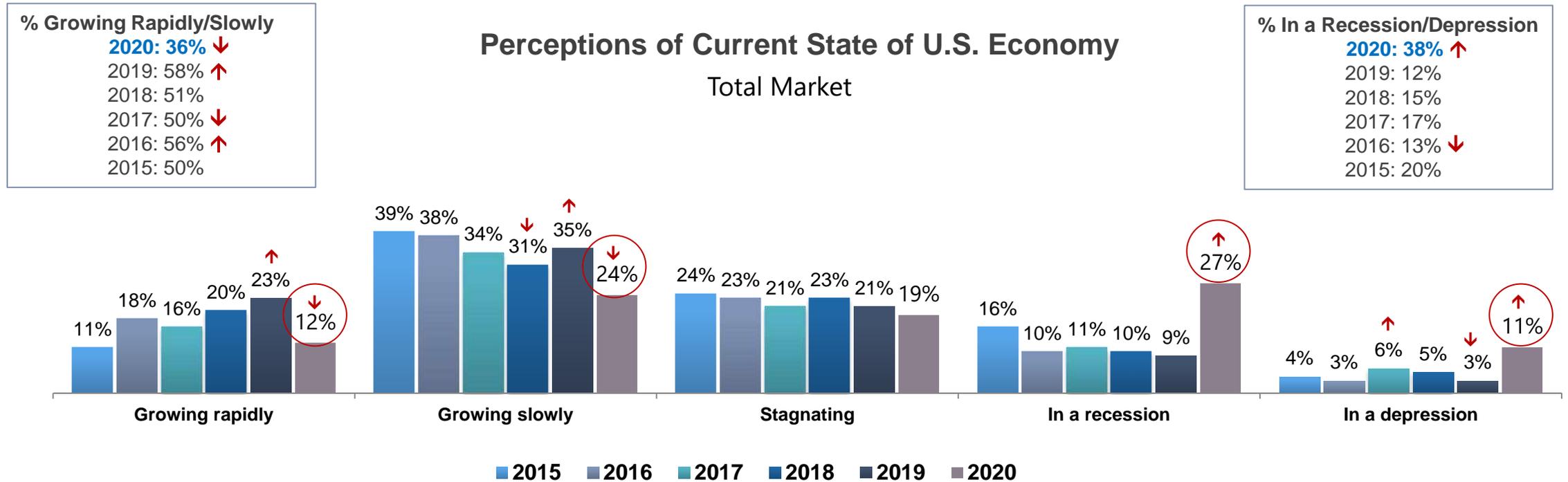
Question: Thinking of your own personal and your family finances for (year), which of the following would you say best describes your feelings towards this upcoming year?



U.S. Economy

Americans are divided in their perception of the state of the U.S. economy. Equal proportions feel the economy is growing or is in a recession/depression.

- Significant changes were observed in perceptions in the past year, with notable changes on both ends of the scale.
- The net result being a more negative perception than a year ago.

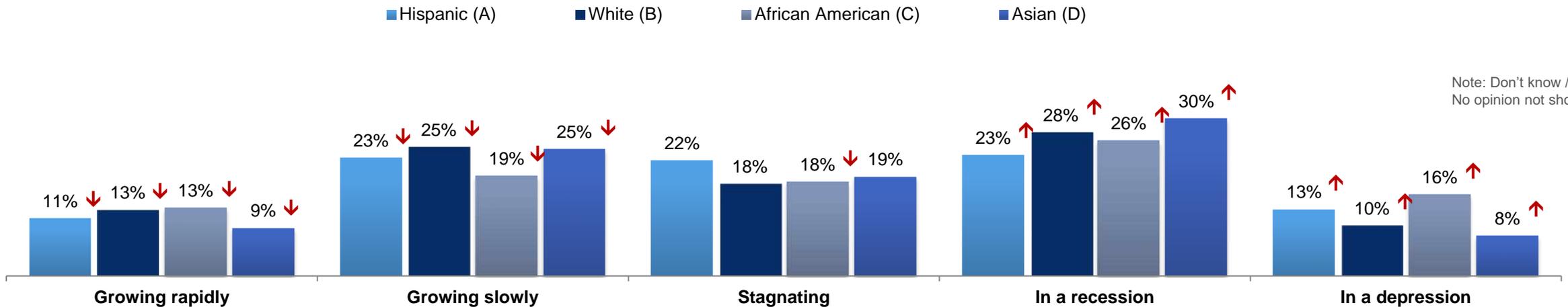


Question: When you think about America's economy today, do you think it is...

Perceptions of the state of the U.S. economy declined significantly across all race/ethnic segments.

- Similar to the Total Market, significant changes in perception are observed on the ends of the scale – more across all segments feel that the economy is declining, fewer feel it is growing.

**Perceptions of Current State of U.S. Economy
By Race/Ethnicity**



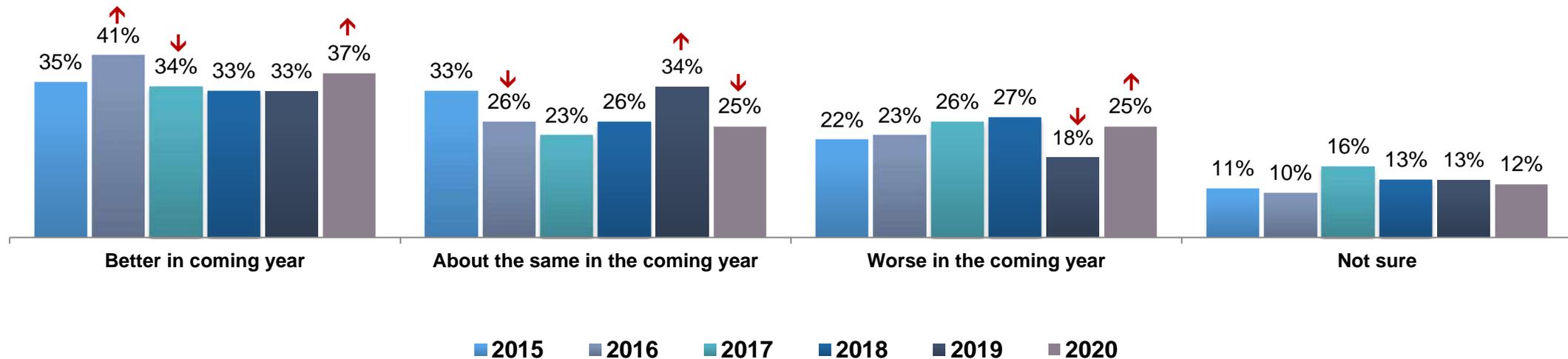
Question: When you think about America's economy today, do you think it is...

Americans are divided in terms of their 2021 outlook for the U.S. economy.

- Significantly more consumers, now than a year ago, feel optimistic (+4 percentage points), but significantly more also feel pessimistic (+7 percentage points). The proportion who feels that the economy would be stable declined significantly.

Outlook for U.S. Economy in 2021

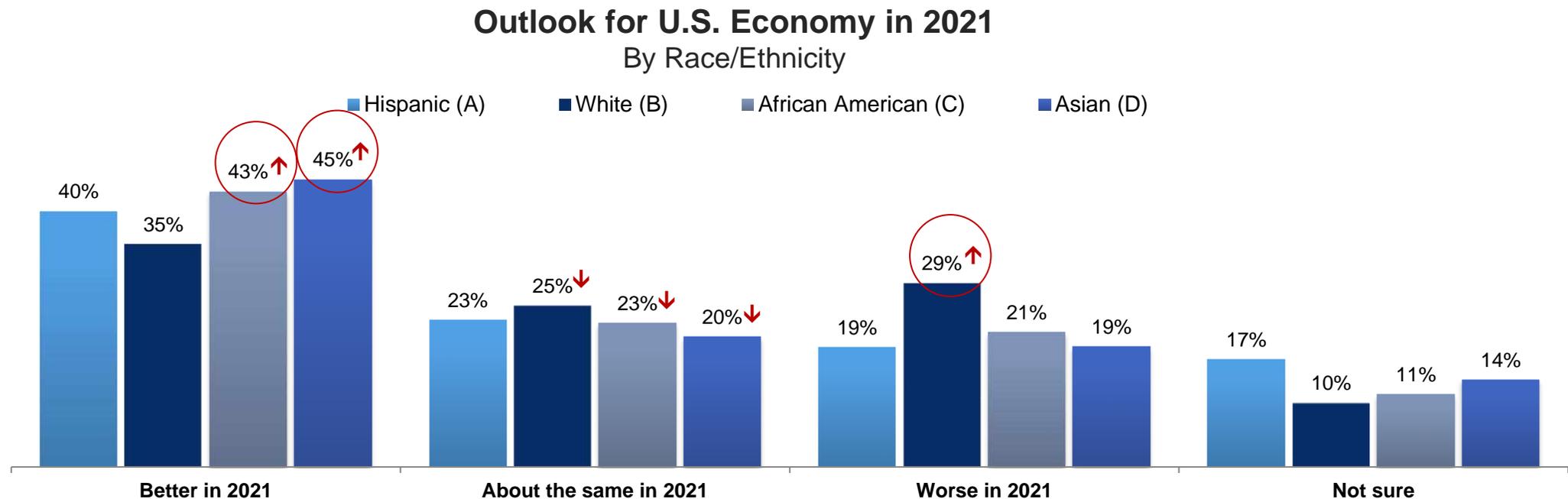
Total Market



Question: Thinking about the U.S. economy in general, which of the following would you say best describes your feelings about where things are headed over the next year?

African Americans and Asians are the most optimistic about the U.S. economy, reporting a significant increase in the belief that the economy will improve in 2021.

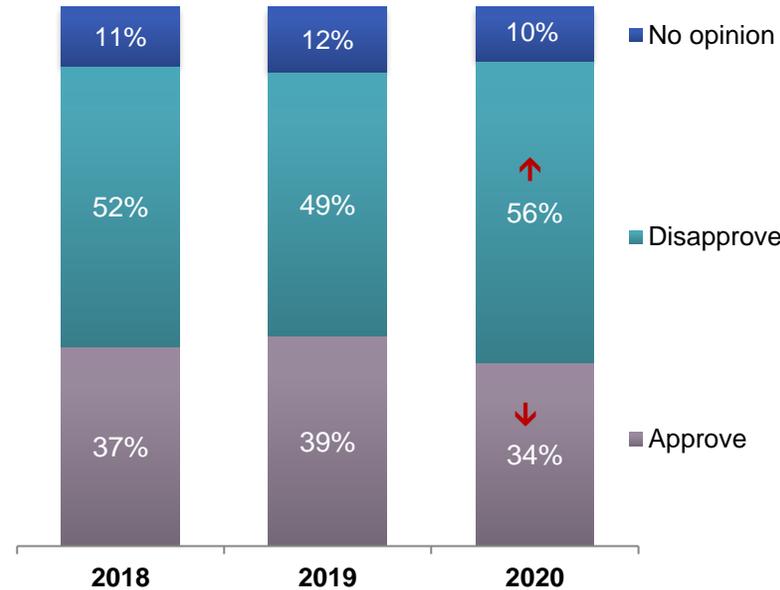
- Non-Hispanic Whites are the most pessimistic, with significantly more feeling that the economy will worsen in 2021.



Question: Thinking about the U.S. economy in general, which of the following would you say best describes your feelings about where things are headed over the next year?

Overall, the approval rate for the former U.S. president declined significantly.

President Approval (Total Market)



'Approval' experienced a directional decline (3-5 percentage points) across all ethnic segments.

'Disapproval' ratings increased significantly among N.H. whites (+9 percentage points) and only directionally across other segments.

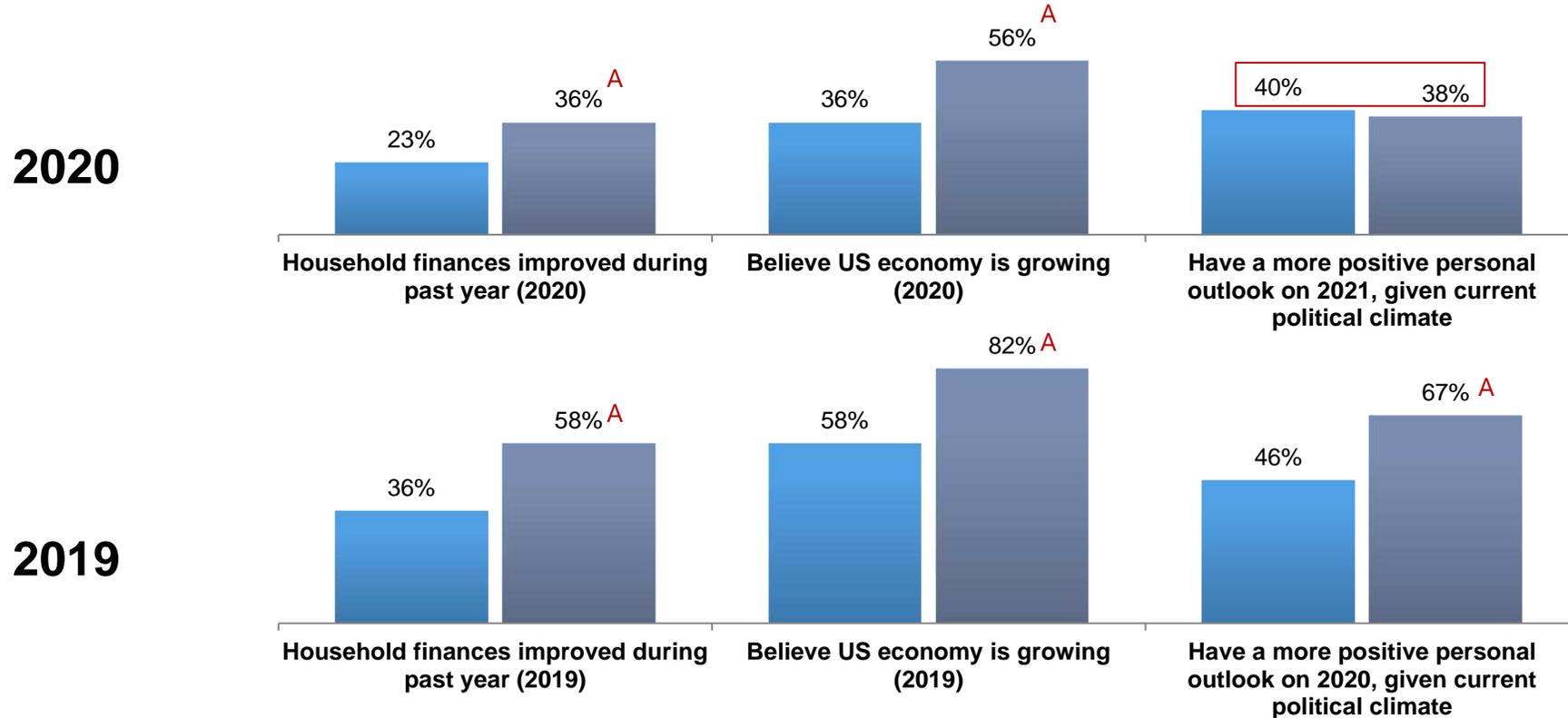
Question: In general, do you approve or disapprove of the job Donald Trump is doing as president?

As expected, those who approve of the former president also have a significantly more positive outlook on the economy.

- As expected, those who approved of the former president in 2020 also had a significantly more positive outlook on the economy. However, compared to a year ago, the gap between total and those who approve of the president has narrowed, particularly when it comes to personal finances.

Sentiment Among Those Who Approve of President – 2019 vs. 2020

■ Total Market (A) ■ Approve of President (B)



Base-2020: Total Market (n=1500), Approve of President (n=511)

Up/down arrows indicate statistically significant difference versus the previous year. Stat testing conducted at 95% confidence level.

Demographics



Sample Profile - 2020

	Hispanics	Whites	African-Americans	Asians
Gender				
Male	50%	49%	47%	46%
Female	48%	49%	51%	51%
Other	2%	1%	2%	4%
Age				
18 to 22	15%	10%	13%	11%
23 to 38	40%	31%	38%	39%
39 to 54	33%	35%	31%	34%
55 to 64	12%	24%	18%	16%
Mean age	37.38	41.96	39.18	39.65
Where you born				
Born in the U.S.	60%	95%	94%	48%
Moved here	40%	5%	6%	52%
People currently at home				
Adults at home	3	3	3	3
Children at home	1	1	1	1
Census Region				
Northeast	14%	19%	17%	21%
Midwest	9%	26%	17%	12%
South	37%	35%	58%	23%
West	40%	20%	9%	44%

	Hispanics	White	African-American	Asian
Marital Status				
Single -Net	32%	22%	45%	38%
Married or living with partner -Net	56%	64%	37%	56%
Separated/divorced/widowed -Net	11%	14%	17%	6%
Employment -Net	65%	64%	65%	60%
Household Income				
Under \$40,000 (Net)	44%	29%	49%	21%
\$40K – \$79K (Net)	30%	28%	29%	27%
\$80K+ (Net)	21%	39%	17%	45%
Median income (\$000)	\$57	\$79	\$53	\$89
Educational Attainment				
High school grad/GED	35%	27%	34%	14%
Some college/AA/trade/technical school -Net	32%	30%	39%	23%
Bachelor's degree or higher -Net	33%	42%	28%	62%
Sexual Orientation				
Heterosexual/Straight	83%	83%	87%	86%
Asexual	2%	2%	2%	1%
Bisexual	5%	8%	8%	4%
Gay/Lesbian	3%	4%	1%	3%
Pansexual	1%	1%	1%	1%

2020 – Base: Hispanics (n=500), Whites (n=500), African Americans (n=250), Asians (n=250)

Sample Profile - 2020

	Hispanics
Language Spoken at Home	
Spanish dominant	35%
Spanish and English equally	35%
English dominant	30%
Country of Origin	
Mexican	63%
Puerto Rican	10%
South American	12%
Central American	8%
Cuban	4%
Dominican	3%
Acculturation	
Less Acculturated	25%
Bicultural	50%
More Acculturated	26%

2020 – Base: Hispanics (n=500)

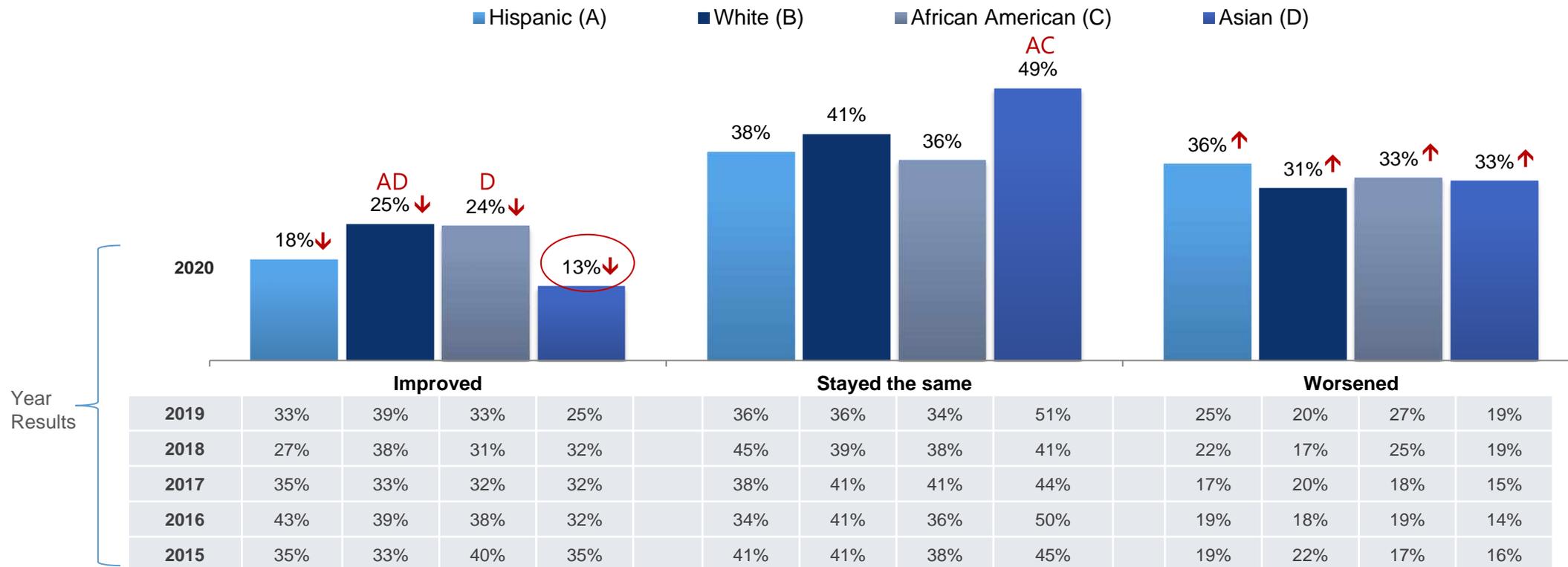
Appendix



All ethnic segments report a significant decline in the proportion of households that experienced improvement in their household income.

- Conversely, all segments increased in the proportion of households that experienced “worsened” income.
- Asians were more likely than Hispanics and African Americans to report a stable income in the past year; also stable from 2019.

Recent Trends in Household Income By Race/Ethnic Segment



Question: Thinking of all of the sources of income that contribute to your household, compared to this same time last year would you say your household financial situation has:

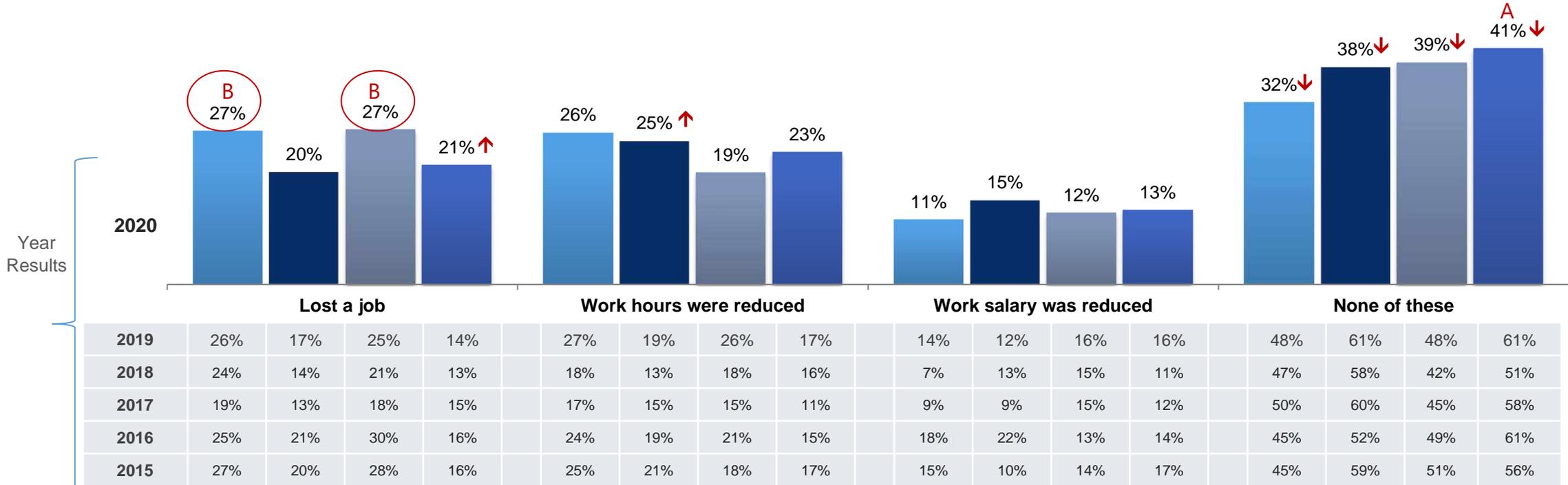
Up/down arrows indicate statistically significant difference from 2019 to 2020. Letters indicate statistically significant difference across noted subgroups within the same year. All stat testing conducted at 95% confidence.

In 2020, Hispanics and African Americans continue to be the segments most likely to have lost a job.

- Unlike past years, Asians, reported a significant increase in the proportion of those who lost a job in the past year. While significantly more Non-Hispanic Whites reported having had work hours reduced.

Changes In Employment By Race/Ethnicity

■ Hispanic (A) ■ White (B) ■ African American (C) ■ Asian (D)



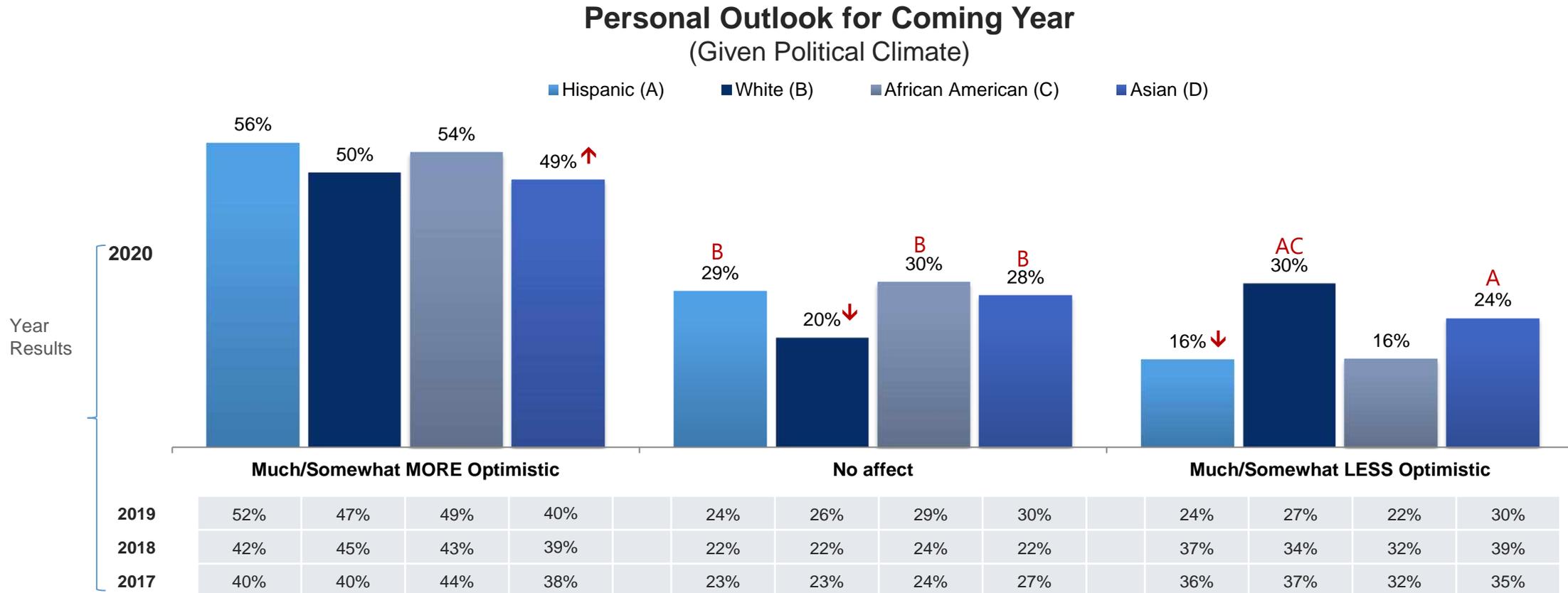
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All ethnic groups are feeling optimistic about their personal finances, particularly Asians.

- Half in each segment is “more optimistic.” The other half is split between those who are less optimistic and those who feel the current political climate does not impact their personal outlook. Non-Hispanic Whites show the least optimism.



Question: *What affect does the current political climate have on your personal outlook for the upcoming year?*

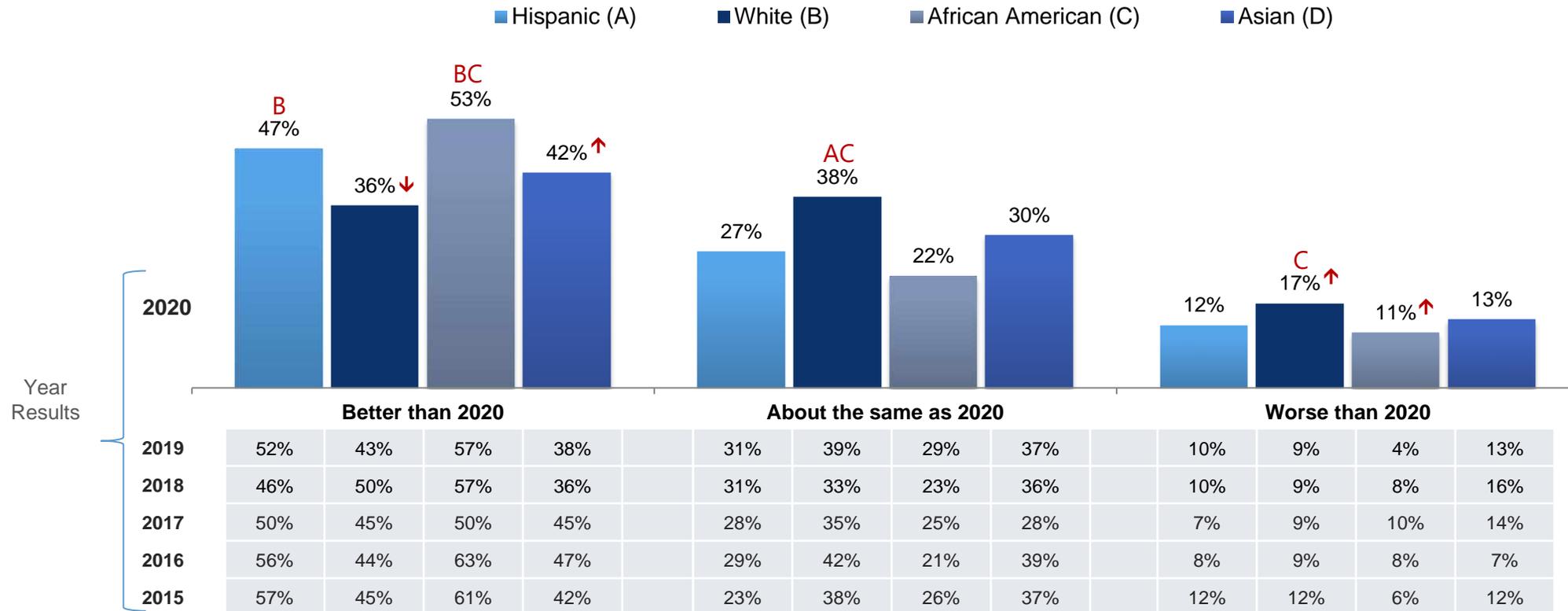
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Base – 2020: Hispanics (n=500), Whites (n=500), African Americans (n=250), Asians (n=250)

Fewer feel optimistic that their household finances will improve in 2021. This sentiment is consistent across ethnic groups, except Asians.

- More Whites and African Americans are pessimistic and feel that their household finances will get worse in the coming year.

Outlook For Household Finances By Race/Ethnicity



Question: Thinking of your own personal and your family finances for (year), which of the following would you say best describes your feelings towards this upcoming year?

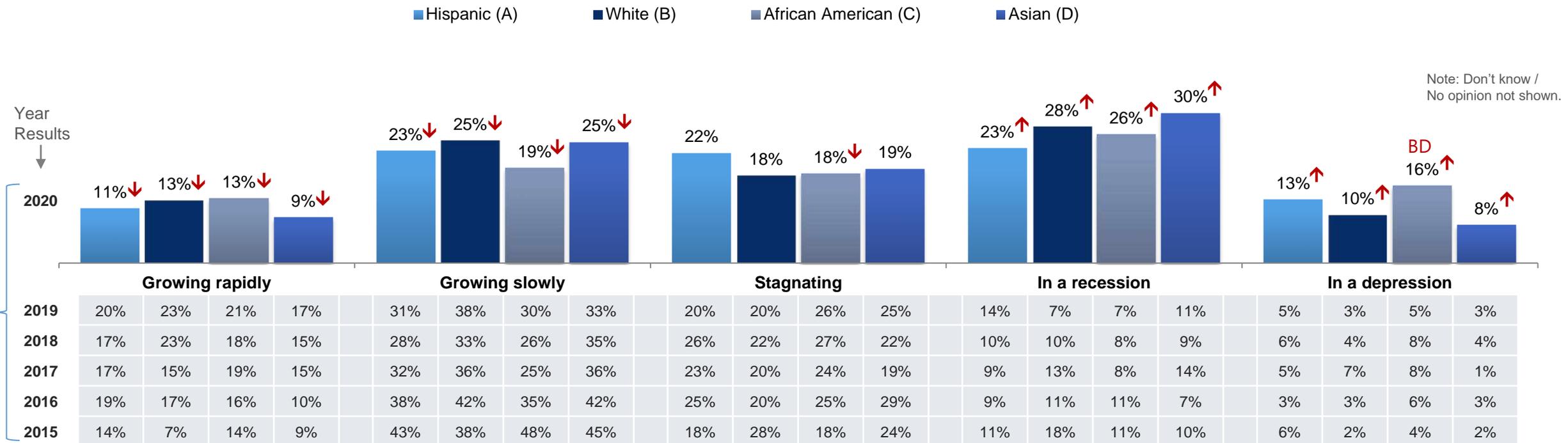
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Perceptions of the U.S. economy declined significantly across all race/ethnic segments.

- Similar to the Total Market, significant changes in perception are observed on the ends of the scale – more across all segments feel that the economy is declining, fewer feel it is growing.

Perceptions of Current State of U.S. Economy By Race/Ethnicity



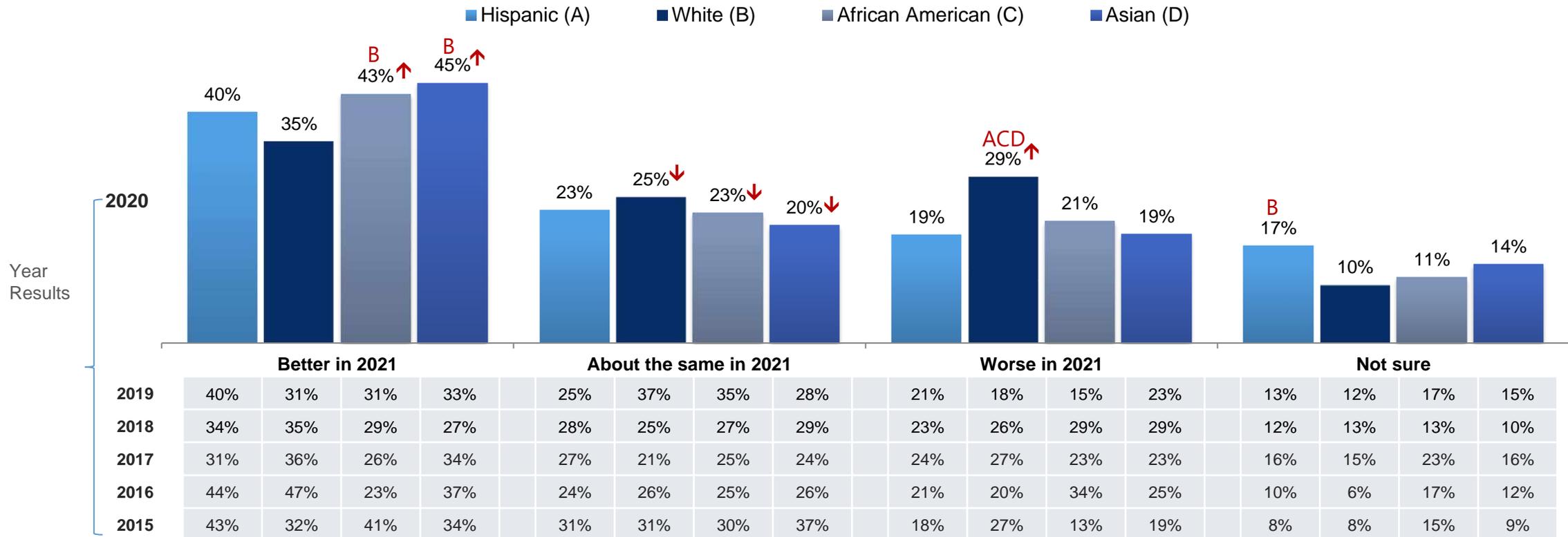
Question: When you think about America's economy today, do you think it is...

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African Americans and Asians are the most optimistic about the U.S. economy, reporting a significant increase in the belief that the economy will improve in 2021.

- Non-Hispanic Whites are the most pessimistic, with significantly more feeling that the economy will worsen in 2021.

Outlook for U.S. Economy in 2021 By Race/Ethnicity



Question: Thinking about the U.S. economy in general, which of the following would you say best describes your feelings about where things are headed over the next year?

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2020 – Base: Hispanics (n=500), Whites (n=500), African Americans (n=250), Asians (n=250)