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47% Won't Increase Discretionary Spending in Any of These Popular Categories

Young adults most likely to splurge and take on debt

NEW YORK – April 6, 2022 – Nearly half (47%) of U.S. adults won't increase their spending in any of the following discretionary categories over the next six months: travel, dining, out-of-home entertainment, in-home entertainment, clothing/accessories, electronics, physical fitness and the broadly defined "other discretionary/non-essential spending," according to a new CreditCards.com report. Click here for more information:

https://www.creditcards.com/statistics/future-spending-poll/

"With COVID cases down sharply, conventional wisdom would have suggested this spring and summer would include a surge in travel, dining and out-of-home entertainment," said Ted Rossman, senior industry analyst at CreditCards.com. "However, that appears to be in jeopardy with inflation at a 40-year high and gas prices setting all-time records. This may end up being the third straight summer of staycations for many families."

Just 30% of U.S. adults plan to spend more on travel over the next six months compared with the previous six months. A mere 18% say they will up their spending at bars and restaurants. And the same relatively low percentage intends to lay out more money for out-of-home entertainment such as concerts, movies and sporting events.

Younger generations are most inclined to say they're planning to spend more in at least one of these three in-person discretionary categories (travel, bars/restaurants, out-of-home entertainment). That includes 51% of Gen Zers (ages 18-25) and 46% of millennials (ages 26-41) compared with 35% of Gen Xers (ages 42-57) and 34% of boomers (ages 58-76).

A majority (57%) of higher-income households (those with annual incomes of $100,000 or more) are planning to spend more on travel, dining or out-of-home entertainment, versus 42% of middle-income households (annual incomes between $50,000 and $99,999) and 34% of lower-income households (annual incomes under $50,000).

Returning to the larger set of eight discretionary categories, a little over half of U.S. adults (53%) say they are planning to spend money this spring and summer specifically to treat themselves and/or their families in celebration of COVID-19 restrictions lifting. Travel (26%) leads the way. Those inclined to revel in at least one category include 68% of Gen Zers, 57% of millennials, 48% of boomers and 45% of Gen Xers.

Troublingly, 30% of U.S. adults are willing to accrue debt for these non-essential purchases this spring and summer. That includes 45% of Gen Zers, 39% of millennials, 24% of Gen Xers and 22% of boomers.

Methodology:

CreditCards.com commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,466 adults. Fieldwork was undertaken between February 23-25, 2022. The figures have been weighted and are representative of all US adults (aged 18+). The survey was carried out online and meets rigorous quality standards. It employed a nonprobability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

About CreditCards.com:

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