# The consumer dilemma: sustainability in the US

How sustainable behaviors might change during spending cuts

GWI.

# In this report

As the cost of living crisis becomes a big concern for people throughout the US, we take a closer look at what it means for sustainable behaviors and attitudes.



**Click the dots to navigate**

## Methodology & definitions

When reading this report, please note that we focus on GWI USA, which surveys over 20,000 internet users in the US aged 16+ each quarter, in addition to supplementary data from our ongoing global quarterly Core research and Zeitgeist studies. GWI Core is carried out among internet users aged 16-64 in 48 markets.

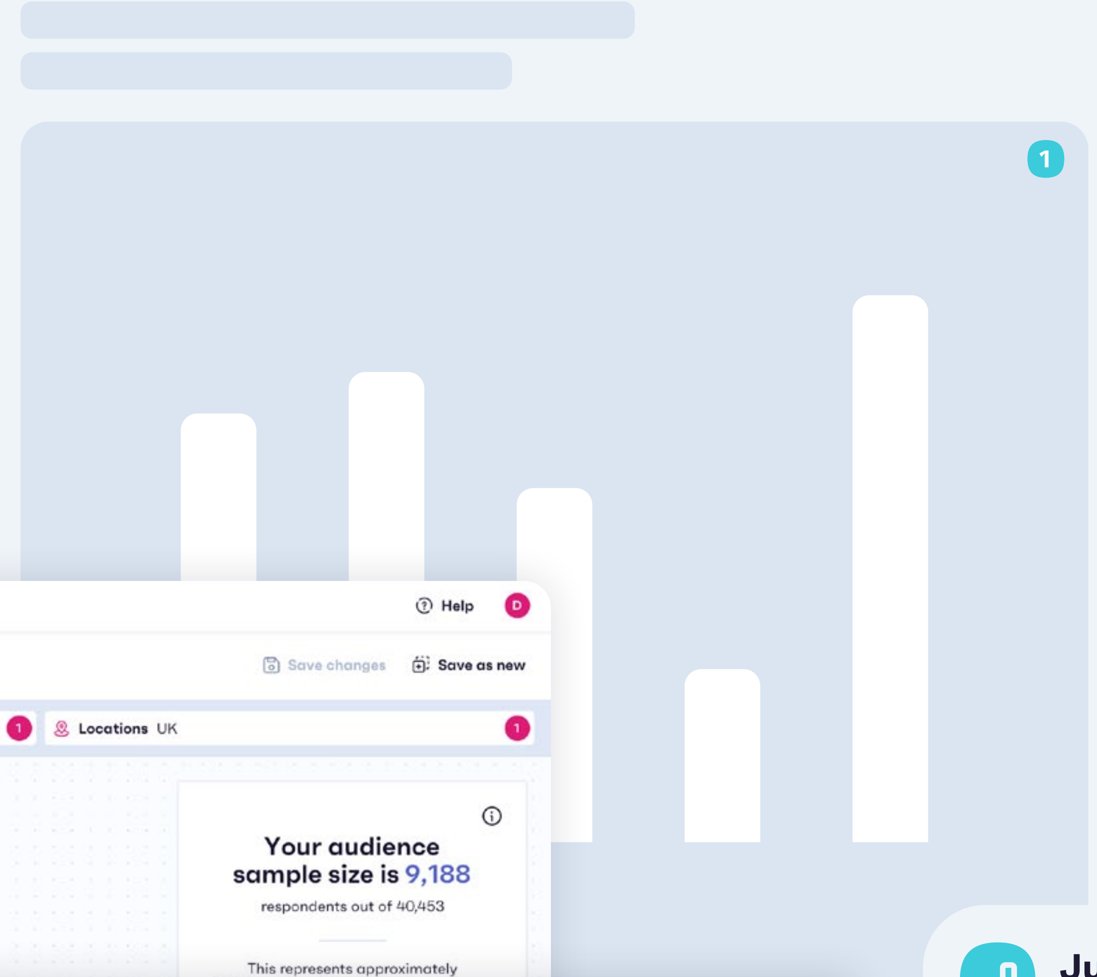
Our figures are representative of the online populations of each market, not its total population. According to our own projections, 90% of the US population aged 16+ are internet users, so it's fair to say our data reflects the online population of this market. However, in many countries in Latin America, the Middle-East and Africa, and the Asia-Pacific region, low internet penetration rates can mean that online populations are more young, urban, affluent, and educated than the total population.

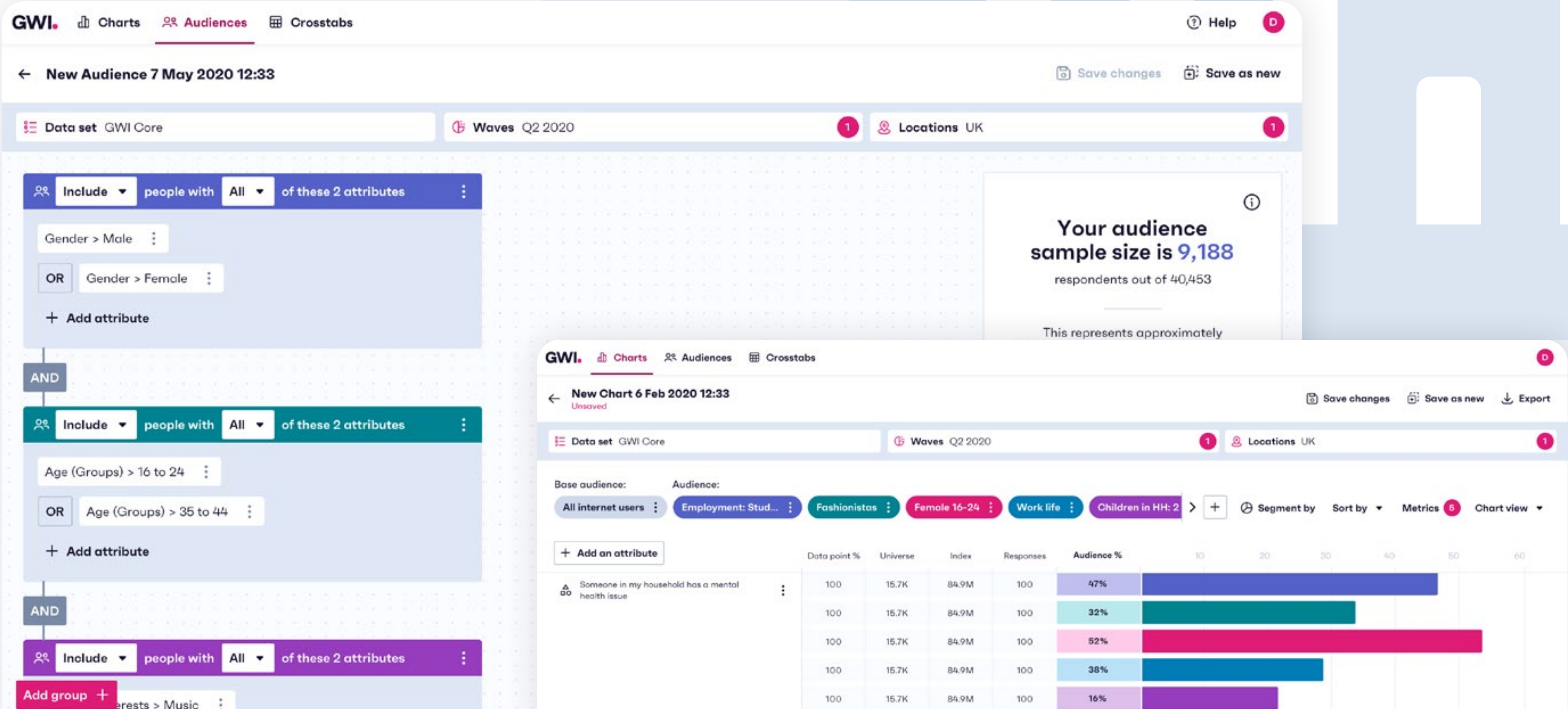
Each year, GWI interviews over 1 million internet users aged 16-64 via an online questionnaire for our Core dataset. A proportion of respondents complete a shorter version of this survey via mobile; hence the sample sizes presented in the charts may differ as some will include all respondents, and others will include only respondents who completed GWI's Core survey via PC/laptop/tablet.

Throughout this report, we refer to indexes. Indexes are used to compare any given group against the average (1.00), which unless otherwise stated refers to the global average. For example, an index of "1.20" means that a given group is 20% above the global average, and an index of "0.80" means that an audience is 20% below the global average.

# Discover the data on our platform

Each chart from our ongoing global research in this report contains a hyperlink that will bring you straight to the relevant question on our Platform, where you can investigate all data by demographics, over time, and among your own audiences.






**1** **Each of the graphs is numbered**

More information can be found in the Appendix section at the end of this report

**Just click this icon to explore the data on the platform**

**Source**

**Base**

Information about the source and base

# Key insights

## Biggest growths are in reusability

Across all the sustainable actions that we track, the most popular actions and the ones which have experienced the most growth are linked to reusing items. This could provide a win-win for consumers' pockets and the environment, and with the cost of living crisis deepening, it's likely more consumers will opt for reusable options.

## Money-saving behaviors could help cut emissions

With so many feeling the pinch right now, consumers are trying to make small changes to help them save money. Many of these actions - walking more, being energy efficient, reusing products - could help lower emissions too. This might encourage more to make small changes to their lifestyle.

## Cycling is on the rise - now is the time to introduce schemes

The number cycling weekly has increased by an impressive 27% in the last year. A further 38% say they're planning to walk or cycle more to help them save money. Now is the time for corporations to lean into the trend and introduce cycling schemes.

## The resale market is growing fast

Over a fifth say they're comfortable buying pre-owned items right now, rising to a quarter of Gen Z. This young group are pushing this more sustainable and money-saving option to new heights. And with more concerned about the cost of clothing, we may see this market growing even further.

## Brands need to up their game

Younger generations place more onus on the government, while older generations feel more responsibility lies with individual consumers, but overall more than a fifth feel that brands have the most responsibility in supporting sustainable initiatives. It's time for brands to lead the way in the movement.

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# The current landscape

## The US is feeling the pinch

Prices in the US are rising fast. In May 2022 **inflation hit 8.6%** - its highest level since 1981. In the US, 88% feel that the cost of living has increased compared to six months ago, and 93% are feeling the impact – whether it's small or mighty.

In fact, the US is ahead of the UK in feeling that the cost of living has increased, suggesting it has hit them harder than other markets we track. Similarly, out of 9 markets, the number in the US who have felt the impact of inflation is second highest.

Despite worker wages rising, they **aren't keeping pace with the cost of living**. As a result, people are looking to make cutbacks where they can.

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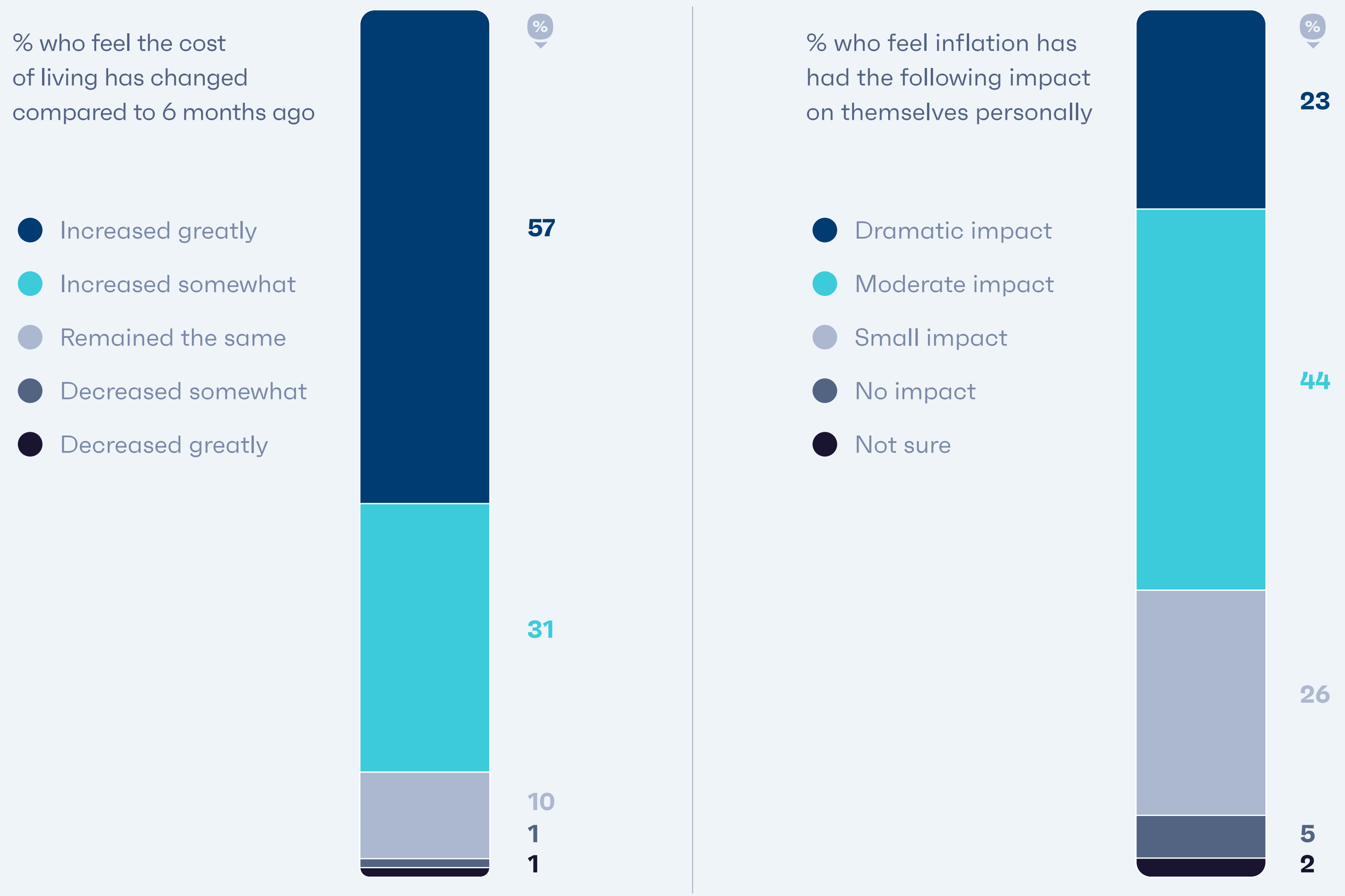
## The majority are feeling the squeeze




GWI Zeitgeist March & April 2022 2,029 (March) & 2,002 (April) US internet users aged 16-64

## Sustainability today

We live in a confusing time. Consumers want to do their bit for the environment and yet are conflicted by concerns about inflation, as well as the urge to make up for time lost during the pandemic.

Some sustainable behaviors escalated during the pandemic, not necessarily intentionally but more out of necessity. With aviation at a standstill and very few places to go, many opted for walks outside instead of driving to destinations.

But the world has largely reopened, and the feeling of wanting to make up for lost time, and being more money-conscious may weigh heavier on the consumer agenda than sustainability.

Even though around 2 in 5 consumers in the US say they're trying to make lifestyle choices to help the environment, the number who feel that they're tired of hearing about climate change all the time has increased 5% in the past year. It seems that people are experiencing fatigue from hearing about the environmental crisis, so it may be worth brands focusing more on the positives that individual climate action can make on the environment, rather than trying to hammer home the seriousness of the situation.

While concern about climate change has grown, where it ranks in people's worries and concerns depends on generation. For baby boomers and Gen X, it doesn't even appear in their top 5 concerns, however for Gen Z and millennials, it comes second out of 21 worries we track.

**FATIGUE**

5%

more consumers in the US feel they're tired of hearing about climate change compared to last year.

# Climate change doesn’t feature in older generations’ top 5 worries

% who say they’re worried about the following

**Gen Z**

| | |
|---|---|
| Racial relations/racism | 44 |
| Climate change | 43 |
| Gun violence | 41 |
| Infectious diseases/viruses | 39 |
| The US government | 39 |

**Millennials**

| | |
|---|---|
| Healthcare (quality or cost) | 39 |
| Climate change | 38 |
| Infectious diseases/viruses | 38 |
| Gun violence | 34 |
| Tax increases | 33 |

**Gen X**

| | |
|---|---|
| Healthcare (quality or cost) | 49 |
| Infectious diseases/viruses | 44 |
| Saving for retirement | 42 |
| Tax increases | 41 |
| The US government | 39 |

**Baby boomers**

| | |
|---|---|
| Healthcare (quality or cost) | 59 |
| Infectious diseases/viruses | 56 |
| Gun violence | 51 |
| Tensions with foreign countries | 50 |
| The US government | 49 |

GWI USA Q1 2022 20,625 US internet users aged 16+

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# A sustainable lifestyle

## Being sustainable in the everyday

When it comes to daily sustainable actions people are taking, some of the biggest growths and most popular actions center around reusability. For example, the number who say they carry a reusable water bottle or use a metal or glass straw have grown 10% and 9% respectively since Q4 2020. These are items that consumers only have to buy once, so it will likely save them money in the long run, making a nice win-win for consumers' pockets as well as the planet. We may also see actions like these continue to grow during the cost of living crisis as many try to save money in their daily lives.

Sustainable actions which have experienced the most significant drop since Q1 2021 are all about mobility. This is likely to be more of an incidental change - a year ago, movement was more restricted due to the pandemic, and fewer people were catching flights or driving to places. But now the world has opened up, people are moving around more. It seems that these sustainable actions were less deliberate than the actions that have grown in the past year.

Generation is also a key element at play. While all do their bit for the environment, baby boomers like to make smaller everyday sustainable choices. For example, they'd prefer to buy products made in the US more than any other generation. While this could be partly due to patriotism, 47% say they're still concerned about climate change, so this could be their way of lowering their carbon footprint too.

By comparison, Gen Z and millennials make more eco-conscious choices when it comes to the products they buy, with more seeking carbon-neutral products and avoiding brands who don't use reusable packaging. They're also more likely to take matters into their own hands and get creative at home, making home-made versions of household and personal products.

## Many sustainable habits have risen in the past year

% who say they're currently doing the following (sorted by % change)


GWI USA Q4 2020 & Q1 2022 20,030 (Q4 2020) & 20,625 (Q1 2022) US internet users aged 16+

## Money-saving measures could be a win-win for the consumer and planet

Many of the actions Americans are taking to save money during the cost of living crisis will end up helping to cut emissions too. While over a third say they're planning on walking or cycling instead of driving and being more energy efficient, a further 28% are planning on reusing items more. Some of these actions will not only help cut costs, but have a positive knock-on effect on the environment.

Brands now have a key opportunity to support consumers to live more sustainably while on a budget. This could also be a time where loyalty and reward schemes may pique their interest.

**Sweden-based start-up Bower** has combined the two, offering money, discounts, or coupons when users recycle correctly. Their technology allows users to scan all packages that have a barcode, and the app then tells them what material it's made from and where to recycle it. Once users have recycled their goods, they will be paid in cash. Similar schemes are likely to be popular in the States – 59% say they try to recycle as much as possible but adding a cash incentive could push that number further.

**RECYCLING**

59%

say they try to recycle as much as possible

# Cost-saving actions could help save the planet too

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% who say they plan to do the following


GWI Zeitgeist March 2022 2,029 US internet users aged 16-64

# 03

# Travel

## The traveler mindset: more YOLO than green

Travel is something that might make consumers more conflicted than before. The cost of living crisis is likely to have an impact on the number booking vacations, and for those who are able to get away, sustainability might not be front of mind.

The **"revenge vacation"** is real. After spending the past two years feeling locked down, those who plan to go on vacation are likely to have more of a YOLO mindset and think less about staying green. Over a third of Americans planning a vacation are aiming to spend more on vacation travel this year compared to last year, with only 10% taking into account the environmental impact of their trip.

At the moment, vacation bookings in general are on the up, with both the number booking abroad and domestic vacations increasing in the past year. While the number who are taking a vacation locally has grown more, the number who are worried about the environmental impact of travel is the lowest it has ever been, and has dropped 10% in the last year.

It seems that **people allow themselves more leeway** when it comes to trips, compared to how they might behave at home. And after being unable to travel much over the past two years, it appears that people are feeling this even more acutely now.

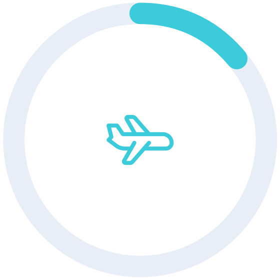


## Vacation bookings are on the up

% who say they've purchased the following in the last 3-6 months or are planning to

Q1 2022 · % change since Q1 2021

**35** | **+11** %
Vacation (domestic)



**14** | **+6**
Vacation (abroad)

GWI Core Q1 2021 & Q1 2022

24,279 (Q1 2021) & 26,325 (Q1 2022) US internet users aged 16-64

### Taking sustainable transport up a gear

The number who drive weekly is rising, but the number cycling has reached new heights with a 27% increase in the last year. That said, the number who use public transport weekly has decreased by 13% since Q1 2021. So, with people moving around more, but not taking public transport as often, it's important that the modes of transport they take are greener alternatives, which can also be cheaper.

With cycling experiencing such a boom in popularity, it's prime time to introduce more schemes to encourage consumers to use this form of transport. For companies, this could either come in the form of having a convenient and secure place to store bikes, as well as offering showering and changing facilities. It could also take the form of brands employing a bike-to-work scheme. Variations of this type of scheme already exist throughout Europe, where tax-free bonuses are added on to an employee's paycheck each month for **cycling to work** instead of driving a personal car. Other companies like Google and Facebook use **bikes as an alternative to company shuttles**, providing a greener option to travel around a large work campus.

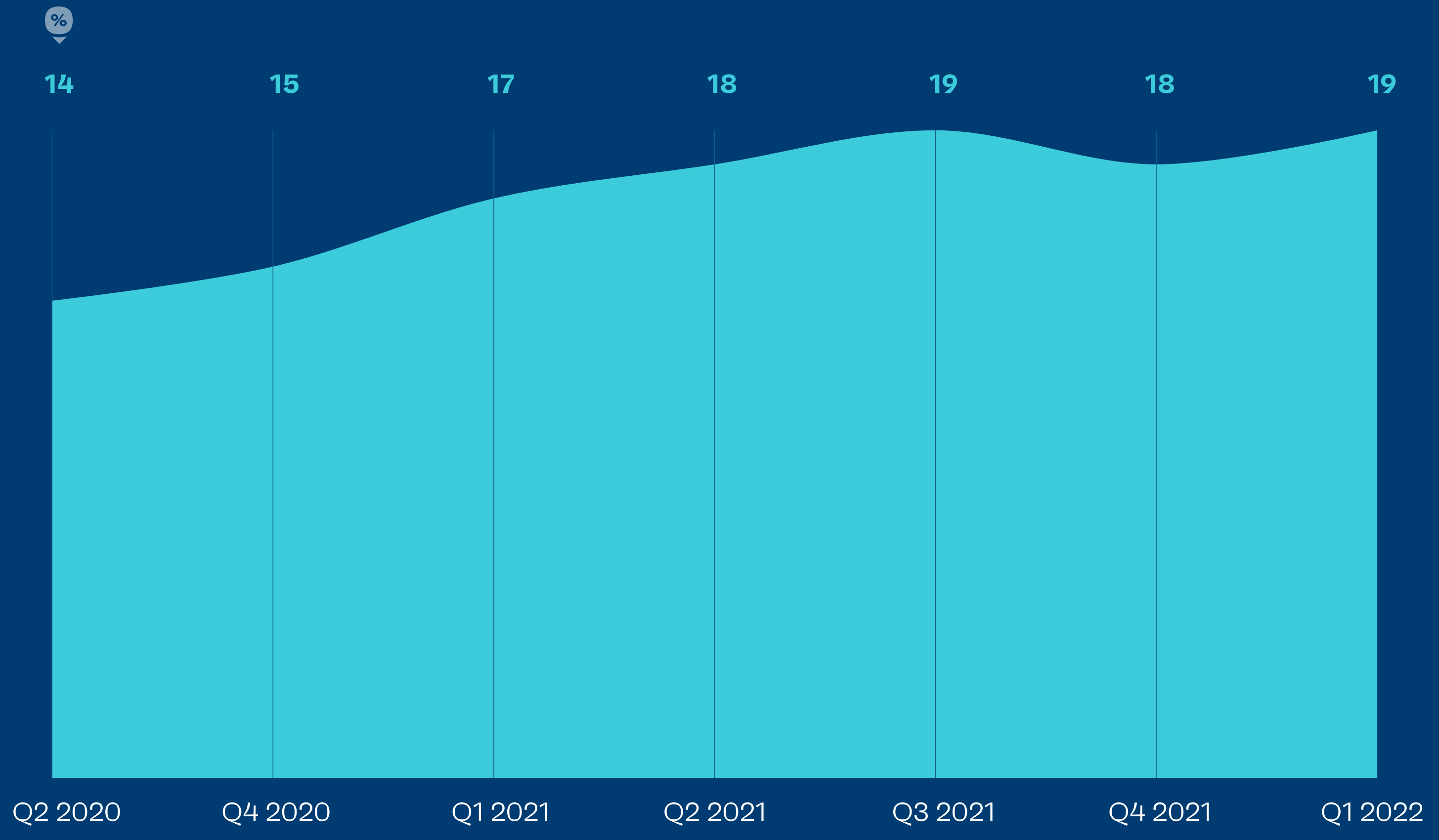
Ownership of electric or hybrid vehicles also continues to grow with a 24% increase since Q2 2020 and for those looking to buy a new car, just over 1 in 10 are looking for an electric. However, the issue with EVs is their current price point, which is unobtainable for many people - while they may be more economical to run, the initial cost will deter a lot of consumers. The number in the US from high income households who own EVs has increased 38% since Q2 2020, while the number in low income households has remained steady throughout the same time period.

When automakers **develop a new technology**, it's very common for it to be used on more luxury cars first, before production volume increases and drives down cost. And with Tesla's market dominance in the EV space, combined with rival automakers' expensive models and the rise of bigger batteries, the average price of a new electric car has been driven further up.

That said, there's still hope on the horizon. General Motors and Honda have pledged to develop **affordable electric vehicles** costing less than $30,000. It'll be more affordable EVs that will help expand their reach.

# Interest in purchasing EVs reaches new heights

% of car owners who say they're interested in purchasing an electric vehicle




GWI USA Q2 2020-Q1 2022 131,453 US car owners aged 16+



## The impact of SUVs

Over the last few years, SUVs have been getting ever more popular - currently around 2 in 5 Americans say they own one, up 14% since 2020. What's more, 3 in 10 are looking to get their hands on one in the next year. But, this trend is posing big issues for the environment. The number of SUVs driving on the world's roads has **increased by more than 35 million**, driving up annual CO2 emissions by 120 million tonnes.

Although **production of electric SUVs accelerated** in 2021, we're still left with the issue that it takes **more resources to build electric SUVs**, including bigger batteries - meaning higher emissions. Also, **demand for EVs** tends to be for smaller vehicles, rather than SUVs, which doesn't help reduce their number on the roads. Many have questioned what to do about this trend - whether it's **charging more tax on heavier vehicles**, or following Norway's lead and **taxing the sales of polluting cars.** Either way, organizations will surely need to turn it up a gear.

2 in 5 Americans say they own an SUV

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# Sustainable spending

## A greener wardrobe

Sustainable clothes shopping varies greatly depending on generation. While Gen Z are often seen as advocates for the environment, they're far more likely to say they purchase clothes or shoes that they don't strictly need, compared to baby boomers and Gen X.

Younger consumers are also far more likely to buy clothes and shoes more often, with over half of Gen Z or millennials buying clothes at least once every 2-3 months, compared to a quarter of baby boomers. As mentioned earlier, baby boomers are more likely to buy products made in the US, which has a knock-on impact on their carbon footprint. When it comes to clothing, boomers also prefer to buy more traditional styles rather than the latest trends, which could mean they end up consuming less.

Inflation could have a big impact on what clothing pieces consumers buy, with more potentially opting for traditional and timeless pieces, which won't need to be repurchased as often.

With consumers trying to make more sustainable choices when it comes to clothing, the secondhand market is getting a lot of love at the moment and it's due to get even more – in the US it's expected to **double to 82 billion dollars by 2026**. The move has mainly been driven by Gen Z, who are the most comfortable opting for pre-owned items rather than new ones.

With a third in the US currently feeling conscious about the price of clothing, we may see more consumers trying to find secondhand alternatives to items online. Just over a fifth of Gen Z and millennials say they're planning to buy more secondhand clothing due to rising costs, and we may see this number continue to grow.

As more try to be thrifty, they may opt for **renting clothes instead**, which is also a hot market right now as it's become a popular way to keep up with the latest trends, without the commitment of buying a whole new outfit.

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### Retail attitudes and habits differ by generation

% who agree with the following statements

| | Gen Z | Millennials | Gen X | Baby boomers |
|---|---|---|---|---|
| I buy clothes/shoes even if I don't strictly "need" them | 31 | 26 | 22 | 17 |
| I'm comfortable buying pre-owned items rather than new ones | 25 | 23 | 22 | 21 |
| I prefer buying traditional styles rather than trying something new | 18 | 23 | 31 | 50 |
| I prefer buying products made in the US | 16 | 23 | 32 | 45 |

GWI USA Q1 2022 20,625 US internet users aged 16+

## A green diet could also cut costs

With many trying to curb their spending at the moment, more will be reviewing what they eat. Out of a list of 13 areas people are currently most price conscious about, food or groceries comes out top in the US, with over two-thirds feeling concerned.

As a result, over half say they're planning to make an effort to cook more at home, and a quarter are considering growing or preparing their own food. Some food categories will see higher price hikes than others. **Meat has seen the most substantial price increases**, so those who keep animal products out of their diet will benefit. As a result, we may see the most price-conscious consumers moving toward a more vegetarian or flexitarian diet.

Many consumers are already looking to reduce their meat consumption. The number who say they eat meat with no plans to change is declining over time, while the number interested in moving toward a more plant-based diet or who have already cut out animal products continues to rise.

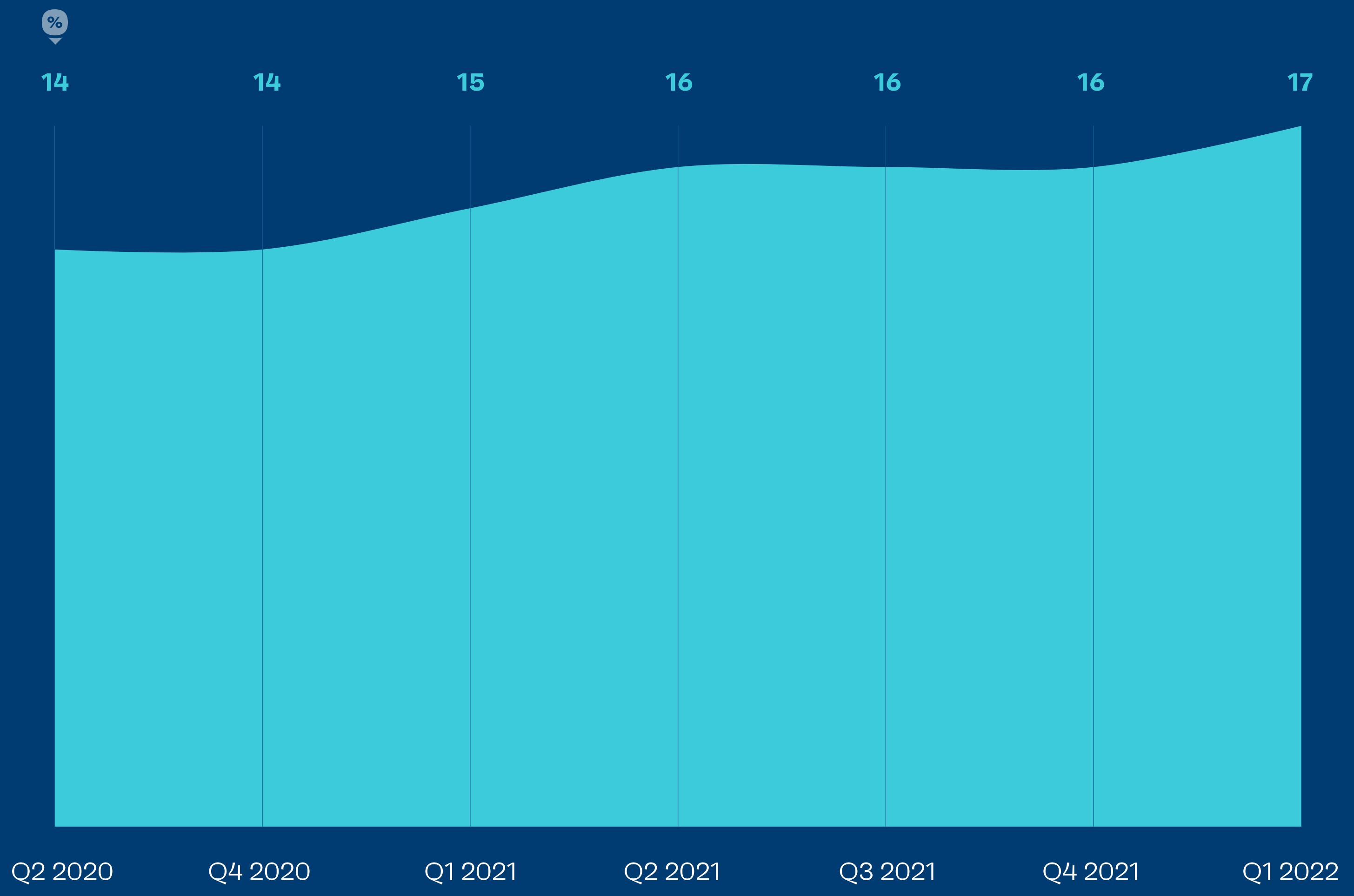
A big part of this is likely down to sustainability reasons in an effort to **reduce climate emissions**, however with animal product prices going up, people may be going veggie for price reasons too.

68%
are currently price conscious about food or groceries

## Reduced meat diets continue to grow

% who describe themselves as following a reduced meat diet:

This includes:
Flexitarian/pescatarian/vegetarian/vegetarian who eats some vegan food/vegan




GWI USA Q2 2020-Q1 2022 143,121 US internet users aged 16+

## Sustainability for businesses isn't optional

Sustainability matters for businesses. Consumers call for brands to have a moral compass, treat their staff fairly, and reduce their environmental impact - whether that's producing recyclable packaging or being transparent about how their products are made.

Brands should also be careful of their image, as negativity in the media can easily put some consumers off, as well as concerns about false sustainability claims. Often, brands who are accused of **greenwashing** don't realize as it can sometimes be due to miscommunication between marketers and sustainability champions.

Younger generations in particular call for more accountability from brands and governments - they want them to lead the way and for the onus to be shared. Gen Z and millennials are more inclined to say they want brands to be transparent about how products are made. This could help them make more informed decisions and shop more sustainably.

Brands should also bear in mind the current climate, and help consumers to find ways to be sustainable on a budget.

### Consumers want brands to have a moral compass

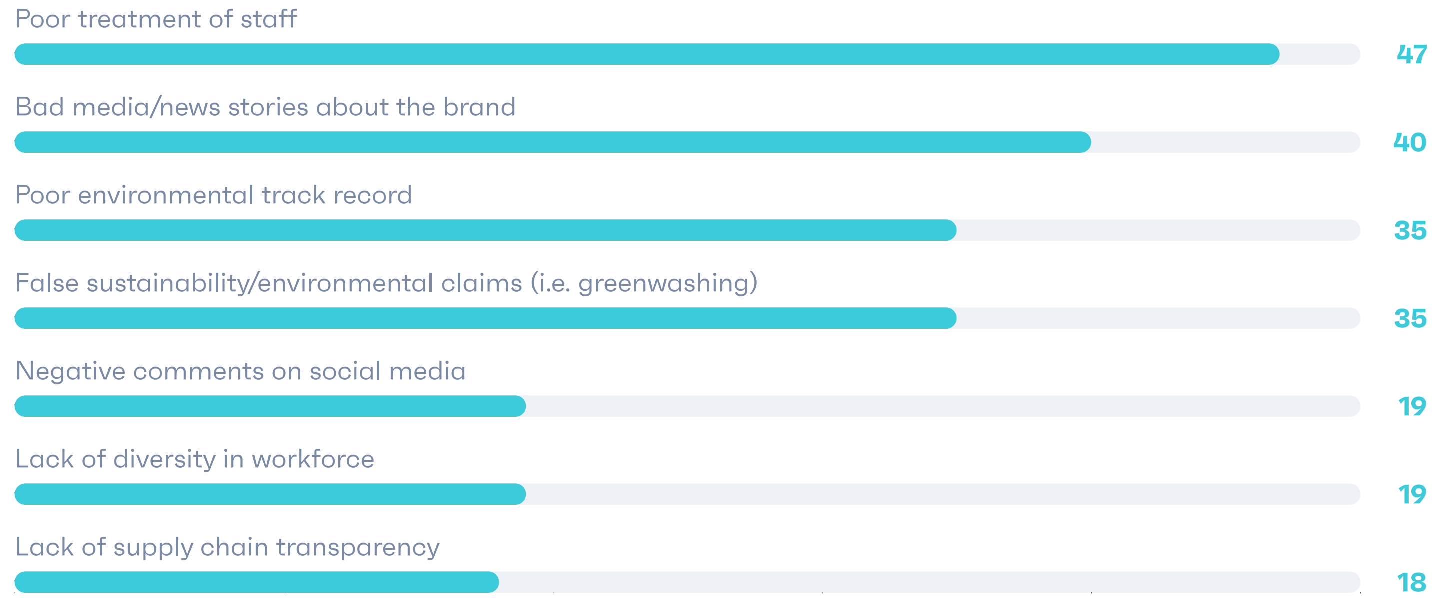
9

% who want brands to do the following


### Brand image is everything

10

% who say the following would discourage them from buying from a brand




GWI USA Q1 2022 — 20,625 US internet users aged 16+
GWI Zeitgeist March 2022 — 2,029 US internet users aged 16-64

# Want more answers?

Our GWI USA data set asks the questions others don't to paint a true picture of the modern American consumer. See how over 240 million consumers think across all 50 states.

**Find out more**

# Appendix

1. Compared to 6 months ago, I think the current cost of living has... | How much of an impact do you think inflation has had on you personally, if at all?
2. Which of these things do you worry about?
3. Are you doing any of the following?
4. Thinking ahead, which of the following do you plan on doing?
5. Which of these products have you or your household purchased in the last 3-6 months? | Which of these items are you/your household thinking about purchasing in the next 3-6 months?
6. Which of these statements do you agree with? (I'm interested in purchasing an electric vehicle)
7. Which of these statements do you agree with? | Which of these statements apply to you?
8. Which of the following would you describe yourself as?
9. Which of these things do you most want brands to do?
10. Which of these would discourage you from buying from a brand?

# Notes on methodology

## GWI USA

Figures in this report are drawn from GWI USA, GWI's online research among internet users aged 16+ in the US Because we conduct our research online, we represent the internet-using part of the US population only. According to our own projections, 90% of the US population aged 16+ are internet users.

## Representation & quotas

Each year, GWI interviews over 80,000 internet users aged 16+ in the US (or 20,000 per quarter) via an online questionnaire for our GWI USA dataset. This is representative of an estimated 240 million internet users in the US aged 16+. To ensure our sample accurately reflects the make-up of the US internet population aged 16+, we set quotas on age, gender, race/ethnicity, income, and regional location. These quotas are calculated using a number of demographic research sources, including the US Census Bureau and Pew Research Centre. During each wave of research, responses are weighted based on the age, gender, race/ethnicity and income of the respondent.

## Sample size

This report mainly draws insights from GWI USA's Q1 2022 wave of research, with a US sample of 20,625 respondents.

## Language & cultural indicators

Separate from asking about racial identity, we also ask about Hispanic identity. Any respondent is able to identify as Hispanic, regardless of their answer to the racial identity question. Within the Hispanic group, we monitor language preferences to ensure we achieve a good balance of those identifying as Spanish-dominant vs English-dominant. We interview a minimum of 2,500 Hispanic respondents each quarter. Multicultural questions are shown only to Hispanic, Black/African American and Asian American respondents. All respondents choose whether they want to complete the survey in Spanish or English.

## Mobile

GWI USA has been designed so that all questions are mobile-friendly. Respondents are therefore able to complete the survey via mobile, tablet, PC/desktop or laptop/notebook. This means respondents take the same version of GWI USA regardless of the device they are using.

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