

Report Price: £2958.60 | \$3995.00 | €3329.61

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



Middle Americans make up nearly half of the population and reflect the average in terms of their household income and level of education. This group is crucial for marketers to understand, given their size, but they can be hard to define because their attitudes and behaviors occupy a middle ground between budget shoppers and affluent consumers.

# This report looks at the following areas:

Middle Americans are optimistic that they can achieve their financial goals, but if their incomes fail to grow as fast as their expenses, the American Dream gets further out of reach.

- Middle American Dreams are within reach...
- ... but are more accessible for those in upper status group
- Middle Americans may be financially fragile
- Mainstream America has all but disappeared

# BUY THIS REPORT NOW

VISIT: store.mintel.com

**CALL:** EMEA +44 (0) 20 7606 4533

> Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

<sub>АРАС</sub> +61 (0) 2 8284 8100

**EMAIL:** reports@mintel.com

**DID YOU KNOW?** 

This report is part of a series of reports, produced to provide you with a more holistic view of this market



Report Price: £2958.60 | \$3995.00 | €3329.61

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## **Table of Contents**

#### Overview

What you need to know

Definition

## **Executive Summary**

### Overview

Figure 1: American status groups, November 2017

#### The issues

#### Middle American Dreams are within reach...

Figure 2: The American Dream, November 2017

#### ... but are more accessible for those in upper status group

Figure 3: The American Dream, achieved and believe will achieve - Select items, by status level, November 2017

#### Middle Americans may be financially fragile

Figure 4: Stability and flexibility, by status level, November 2017

#### Mainstream America has all but disappeared

Figure 5: American attitudes among Middle Americans – Mainstream America, by select demographics, November 2017

#### The opportunities

#### Despite differences, Americans rally around freedom, hard work, and equality

Figure 6: American values, November 2017

#### Life satisfaction is driven by personal factors

Figure 7: Key drivers of Middle Americans' life satisfaction, November 2017

#### Upper-status Americans look better and feel better

Figure 8: Life satisfaction – Select items, by status level, November 2017

#### What it means

#### The Market – What You Need to Know

Middle Americans account for nearly half of the US population

Household income catching up to pre-recession levels

Declining rates of marriage may disadvantage some

High cost of education changes the value proposition

Low unemployment drives consumer confidence

Americans can move up the economic ladder - to a degree

#### Who Are Middle Americans?

#### Nearly half of Americans are in the middle

Figure 9: American status groups, November 2017

#### Which Americans are struggling?

Figure 10: Lower status Americans, by key demos, November 2017

#### Which Americans are in the middle?

# BUY THIS REPORT NOW



# Report Price: £2958.60 | \$3995.00 | €3329.61

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 11: Middle status Americans, by key demos, November 2017

#### Which Americans are winning?

Figure 12: Upper status Americans, by key demos, November 2017

#### Market Factors

#### Household income grows in fits and starts

Figure 13: Median household income, in inflation-adjusted dollars, 1990-2016

#### Lack of affordable housing impedes financial mobility

#### Importance of a dual income

Figure 14: Married share of population, 2006-16

#### Value of education

Figure 15: Average annual inflation adjusted price for undergraduate tuition, 2000-15

#### Low unemployment does little to move wages up

Figure 16: Unemployment and underemployment, January 2007- October 2017

Tax code changes set into motion for 2018

#### **Market Perspective**

#### Even six-figure households can struggle to make ends meet

#### Student loan debt keeps some treading water

Figure 17: Total student loan debt, Q1 2012 - Q2 2017

#### Economic mobility

#### Wealth gap between White and Black Americans grows

Figure 18: Median household income, by race and Hispanic origin of householder, 2015

#### Despite some uncertainty, consumers remain confident

Figure 19: Consumer Sentiment Index, January 2007-October 2017

#### Key Trends - What You Need to Know

Companies in the middle try a stratified approach

Standard middle-income offerings may no longer fit the bill

Lack of savings may impact financially insecure consumers

Some Middle Americans poised to take advantage of shifting job market

#### What's Working

Reaching the Middle American consumer

### What's Not Working

#### Traditional middle-class offerings fall flat for some

Figure 20: The Faces Behind the blades | Inside the Gillette Factory, September 2015

#### What to Watch

A penchant for spending may put Americans at risk

Healthcare is a bright spot in the future labor market

Retailers develop curated value goods

# BUY THIS REPORT NOW



# Report Price: £2958.60 | \$3995.00 | €3329.61

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

The blessing and curse of the gig economy

#### The Consumer – What You Need to Know

In a divisive time, Americans still have shared values

The American Dream feels achievable to most

Most find satisfaction in their personal lives

Even with a steady income, Americans face financial challenges

TV is a crucial source of information

American pride remains despite uncertain future

Middle class doesn't equate to mainstream

#### **American Values**

For most, America stands for freedom

#### In their own words: American values

Figure 21: American values, November 2017

#### Values are shared between middle- and upper-status Americans

Figure 22: American values, by status level, November 2017

#### Patriotism means more to older Middle Americans

Figure 23: American values among Middle Americans, by age, November 2017

#### American perspective differs by cultural background

Figure 24: American values among Middle Americans, by race/Hispanic origin, November 2017

## **The American Dream**

#### Most feel parts of the American Dream are within reach

### In their own words: The American Dream

Figure 25: The American Dream, November 2017

#### Upper-status Americans more likely to have achieved their goals

Figure 26: The American Dream, achieved and believe will achieve - select items, by status level, November 2017

#### Middle American women are closer than men to the dream

Figure 27: The American Dream among Middle Americans – Select items achieved, by gender, November 2017

#### Saving for the future represents the biggest challenge

Figure 28: The American Dream – Select items, by age, November 2017

## Life Satisfaction

Adults find the most satisfaction in their family relationships

Figure 29: Life satisfaction, November 2017

Social and emotional health drive life satisfaction (key driver analysis)

Figure 30: Key drivers of Middle Americans' Life satisfaction, November 2017

#### Upper-status adults experience more satisfaction across the board

Figure 31: E\*TRADE Commercial – Plane Truth, June 2017

Figure 32: Life satisfaction, by status level, November 2017

## Middle American men seem more satisfied with the status quo

# BUY THIS REPORT NOW



# Report Price: £2958.60 | \$3995.00 | €3329.61

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 33: Life satisfaction among Middle Americans - Select items, by gender, November 2017

#### Financial situations are healthy, despite lack of satisfaction in leadership

Figure 34: Life satisfaction among Middle Americans – Finance and government, by age, November 2017

#### Financial Flexibility

#### A majority of Americans have consistent income and expenses

In their own words: Hitting the jackpot

Figure 35: Stability and flexibility, November 2017

#### Lower-status Americans experience less stability

Figure 36: Stability and flexibility, by status level, November 2017

#### Older Middle Americans have more financial security

Figure 37: Financial stability among Middle Americans, by age, November 2017

#### Marriage lends stability to middle Americans

Figure 38: Financial stability among Middle Americans, by marital status, November 2017

#### American Media

#### Television remains the most common source of news

Figure 39: American media, November 2017

#### Middle Americans seek out news across multiple channels

Figure 40: American media, count of sources among Middle Americans, November 2017

#### High-status Americans more reliant on TV for their news

Figure 41: American media, by status level, November 2017

#### Gap between generations may be exacerbated by news sources

Figure 42: American media among Middle Americans – Newspapers and social media, by age, November 2017

#### Broad popularity of news radio paves way for podcasting

Figure 43: American media among Middle Americans - Radio, by select demographics, November 2017

### **American Attitudes**

#### American pride runs deep

Figure 44: American attitudes toward the country, November 2017

#### Work-life balance not worth a pay cut

Figure 45: American attitudes toward their goals, November 2017

#### Privilege begets pride

Figure 46: American attitudes - Mainstream America, by status level, November 2017

#### Goals are within reach for those with high status

Figure 47: American attitudes – Financial goals, by status level, November 2017

### Data shows perceived narrowing of the middle class

Figure 48: American attitudes among Middle Americans – Middle class status, by age, November 2017

#### "Mainstream America" may not exist

Figure 49: American attitudes among Middle Americans - Mainstream America, by select demographics, November 2017

#### **Appendix – Data Sources and Abbreviations**

# BUY THIS REPORT NOW



Report Price: £2958.60 | \$3995.00 | €3329.61

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Data sources

Consumer survey data

Consumer qualitative research

Abbreviations

## Appendix – The Market

Figure 50: Median household income, in inflation-adjusted dollars, 2005-15

Figure 51: Married share of population, 2006-16

#### Appendix – Key Driver Analysis

## Methodology

Figure 3: Correlation of factors with overall life satisfaction – Key driver output, November 2017

Figure 4: Correlation of factors with overall life satisfaction among Middle Americans – Key driver output, November 2017

# BUY THIS REPORT NOW