



Numerator

MYTHBUSTERS

"Stimulus checks only funded bills and essential items."

September 2020

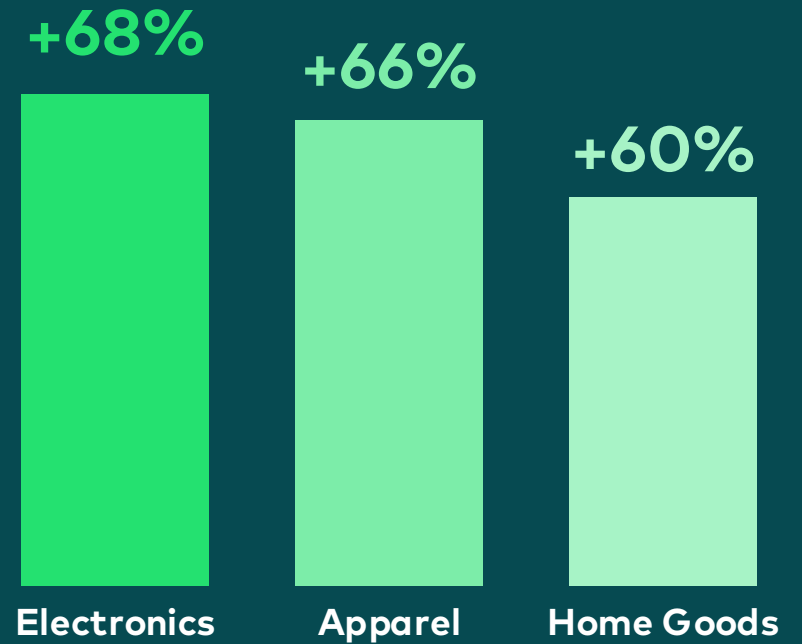
MYTH

"Stimulus checks only funded necessities."



TRUTH

Stimulus checks boosted sales of non-essentials.

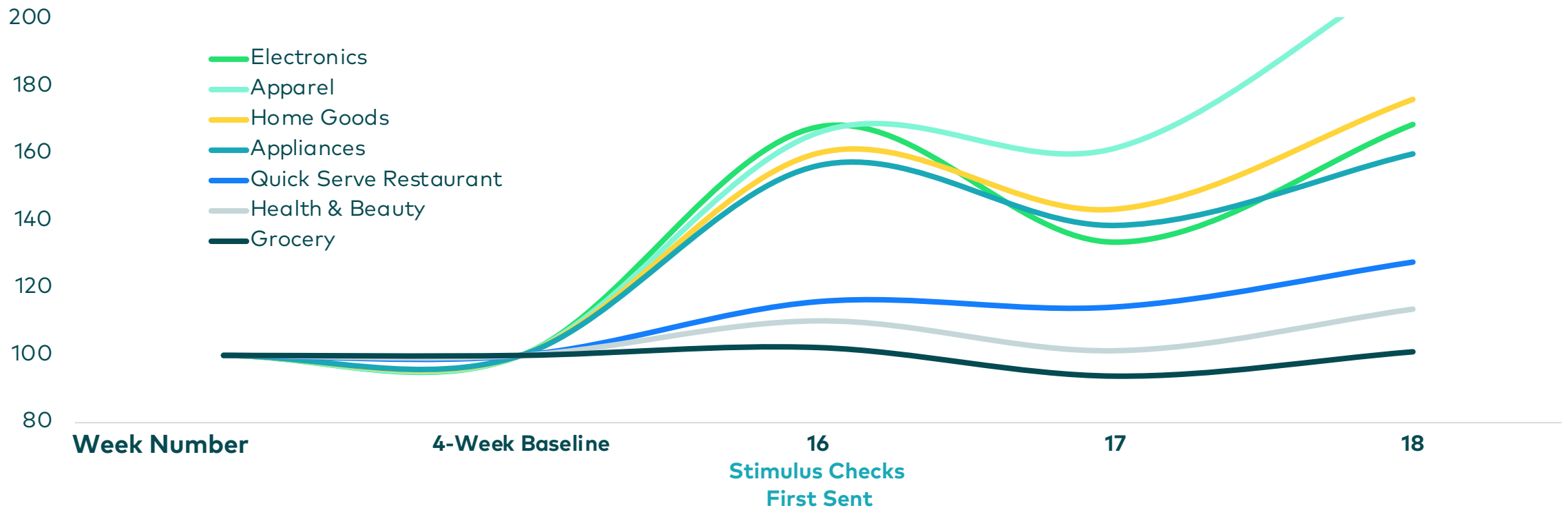


Non-essentials categories received a notable boost when stimulus checks were first sent.

Among households making under \$40k per year, non-essentials saw the most significant sales spikes, but grocery and health & beauty saw a slight increase in sales, as well.

Stimulus Sales vs. Pre-Period Average

Weekly Sales index vs. pre 4-week average, Low Income Consumers

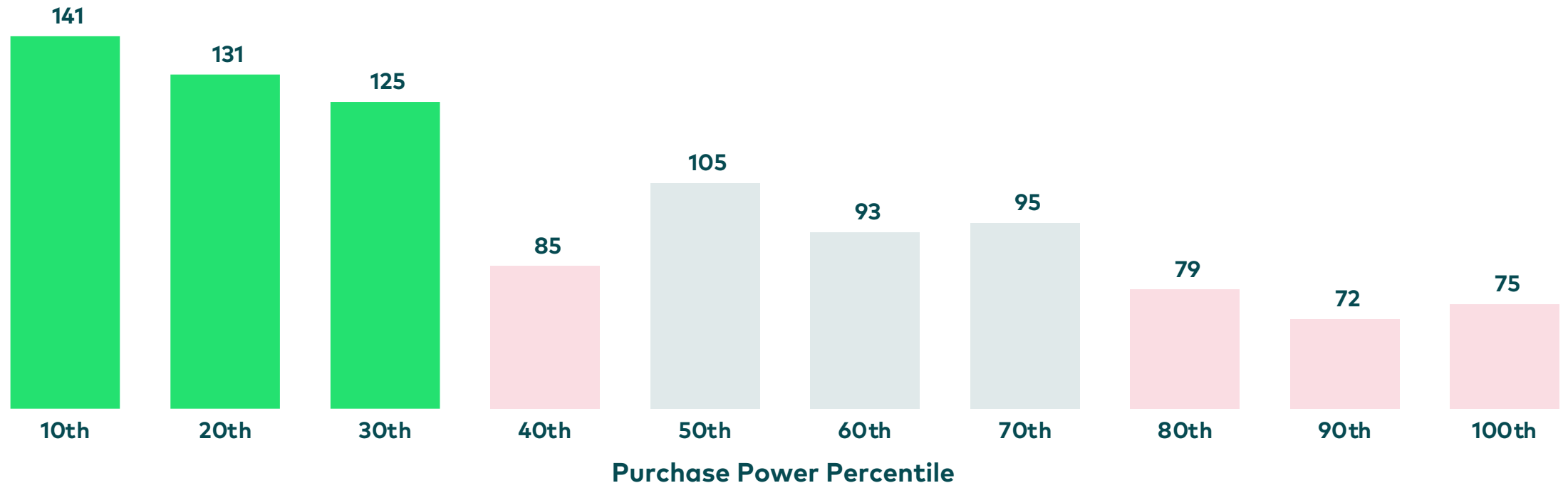


Purchase power percentiles were also very strong predictors of stimulus spending.

Those in the lowest percentiles— which factor in household size, income level, and cost of living— saw a major jump in non-essentials spending while most others stayed at or below 2019 levels.

Non-Essentials Spending

Week 16 Sales 2020 index vs. 2019

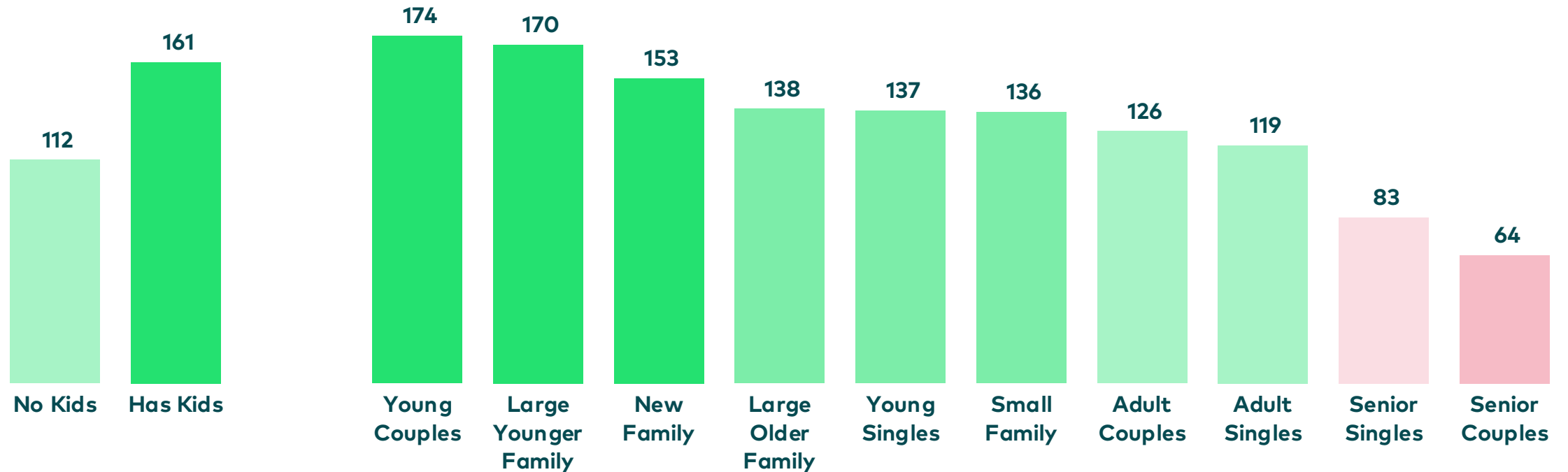


Among consumers with low purchase power, behavior still differed by lifestyle demographics.

Not everyone spent their checks the same— young couples and families saw the largest jump in non-essentials spending, as did those with children in the household compared to those without.

Non-Essentials Spending, Low Purchase Power

Week 16 Sales 2020 index vs. 2019

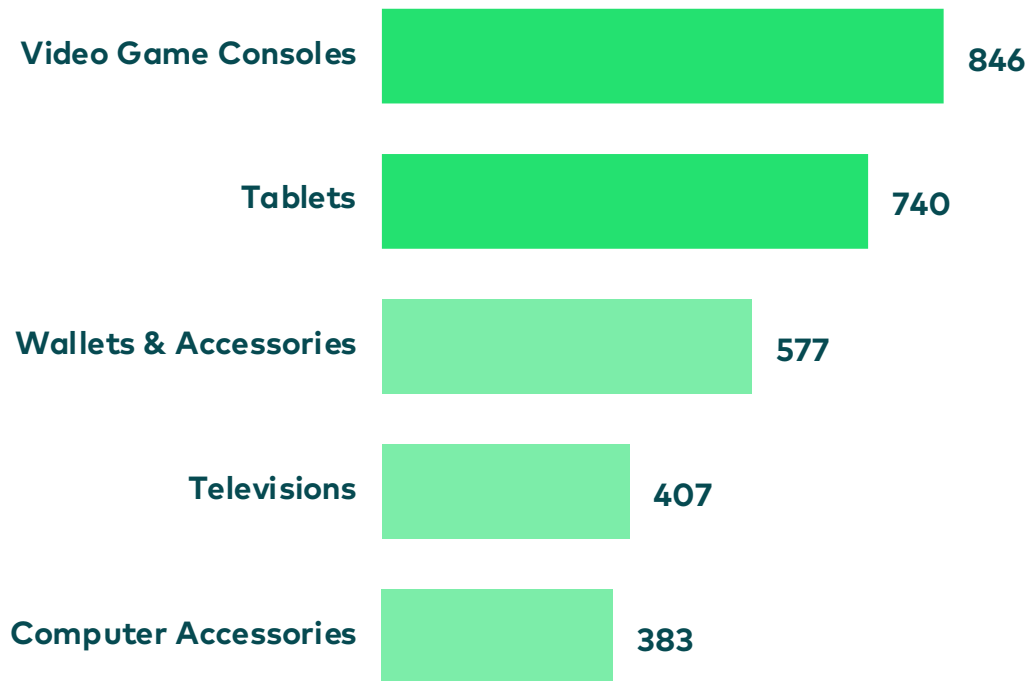


The most popular stimulus products varied between households with and without children.

Those with children were far more likely to spend their checks on products to keep their kids entertained at home, or possibly to assist with virtual learning efforts.

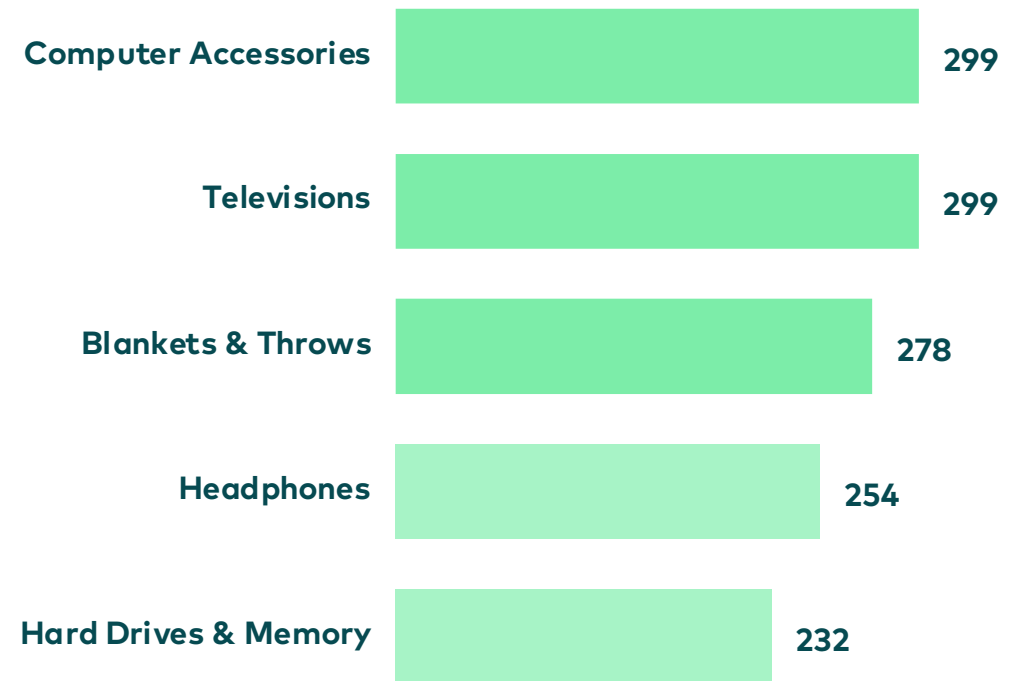
Low Purchase Power + Children

Week 16 Sales 2020 vs. 2019



Low Purchase Power, No Children

Week 16 Sales 2020 vs. 2019

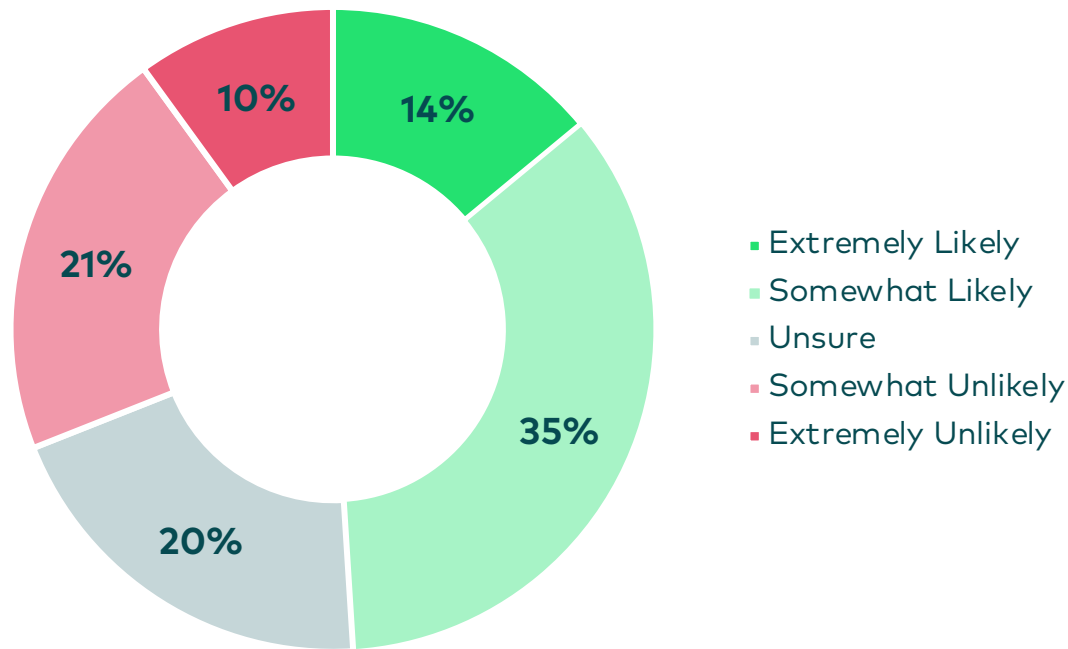


Half of consumers expect a second stimulus check, but only 12% say they'd spend on non-essentials.

Spending intentions are nearly identical to what we saw in April, when 11% said they'd spend their stimulus check on non-essentials, proving claimed behavior won't necessarily predict spending.

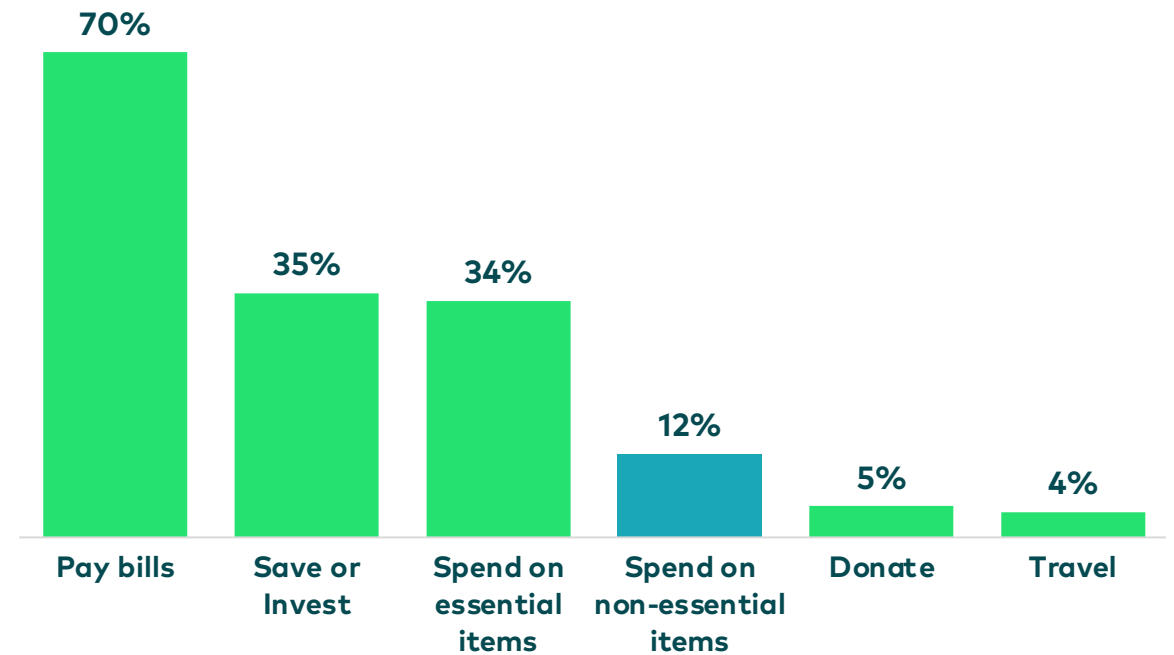
Round Two Stimulus Checks?

Perceived likelihood in next two months



Stimulus Spending Intentions

% of consumers



**Stimulus checks
boosted non-essential
spending in April.**

...Although most consumers claimed they'd only use for bills & necessities, purchase data suggests otherwise.

Questions we can help to answer:

- How can I apply these insights to a future stimulus check or periods like tax season?
- Who is most likely to purchase my brand in general, and how does that change when consumers have additional funds?
- Would specific messaging around stimulus checks or tax refunds help move the needle for my category or brand?

Any other myths you want us to bust?
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