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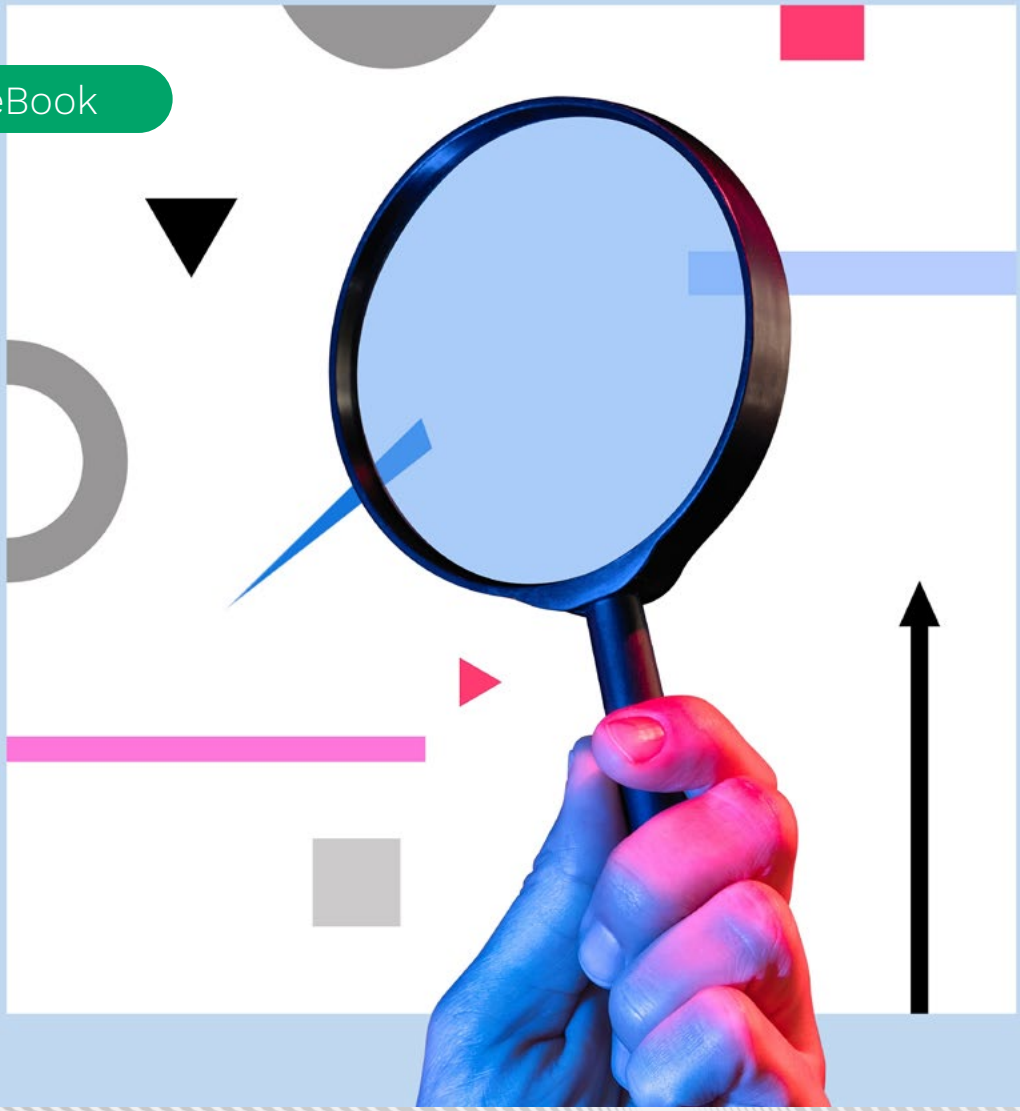
INTELLIGENCE

10 IMPACT STATEMENTS

December 2024 eBook



The New Reality Check

The PYMNTS Intelligence Team That Produced This eBook

Karen Webster
CEO

Scott Murray
SVP and Head of Analytics

Mariah Warner, MA
Senior Research Manager

Franco Coraggio
Analyst

Agustina Bassi
Analyst

Matt Vuchichevich
Senior Content Editor, Head of Reports

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The New Reality Check — 10 Impact Statements eBook is a PYMNTS Intelligence exclusive eBook. **PYMNTS Intelligence** retains full editorial control over the following findings, methodology and data analysis.

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THE FINANCIAL STRAIN LANDSCAPE

01

67%

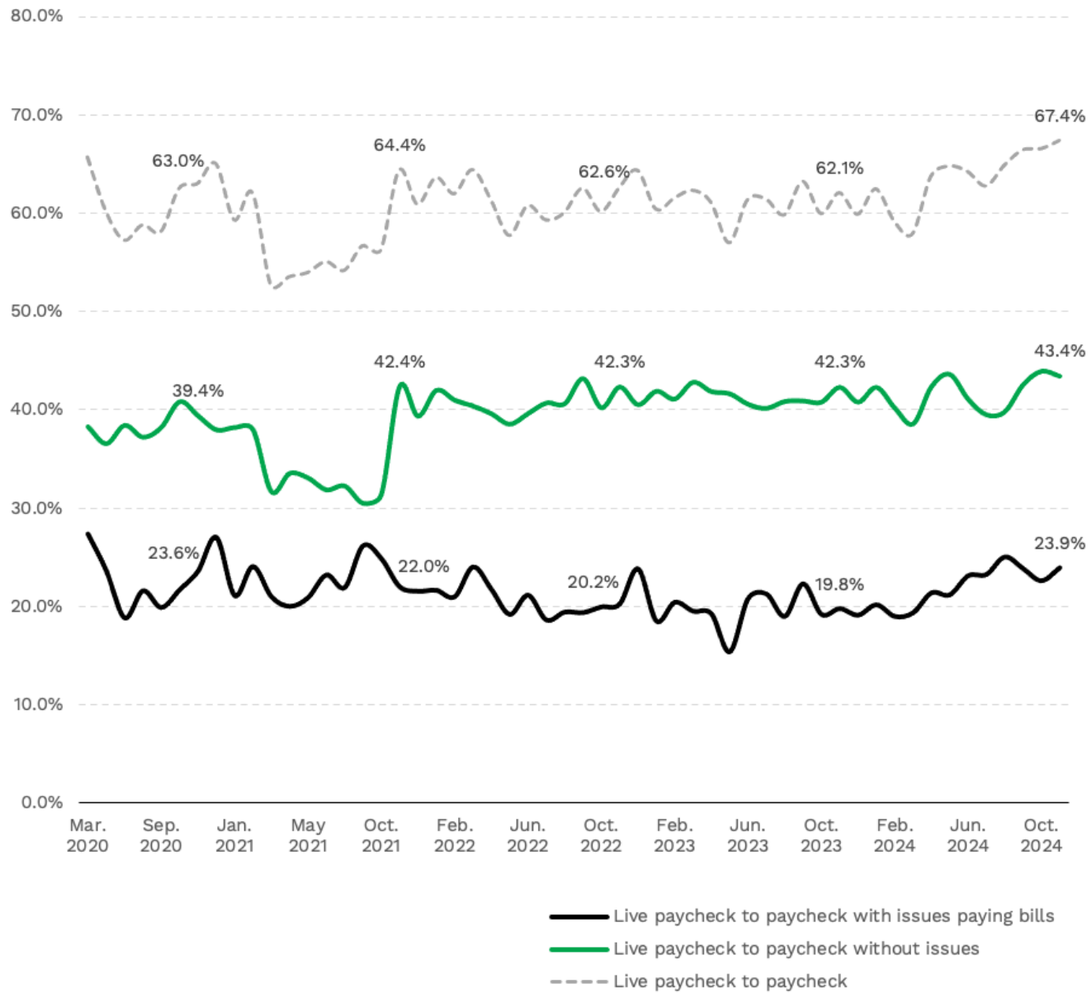
Share of consumers living paycheck to paycheck as of November 2024, the highest rate since 2020

So what:

The share of high-income consumers living paycheck to paycheck increased in recent months. This indicates that spending patterns, not just income, impact consumers' financial lifestyles.

FIGURE 1:

Consumers' paycheck-to-paycheck status
Share of consumers living paycheck to paycheck



Source: PYMNTS Intelligence
New Reality Check: The Paycheck-to-Paycheck Report, December 2024
N varies by date surveyed; N = 2,959: Whole sample, fielded Nov. 8, 2024 – Nov. 22, 2024

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02

27%

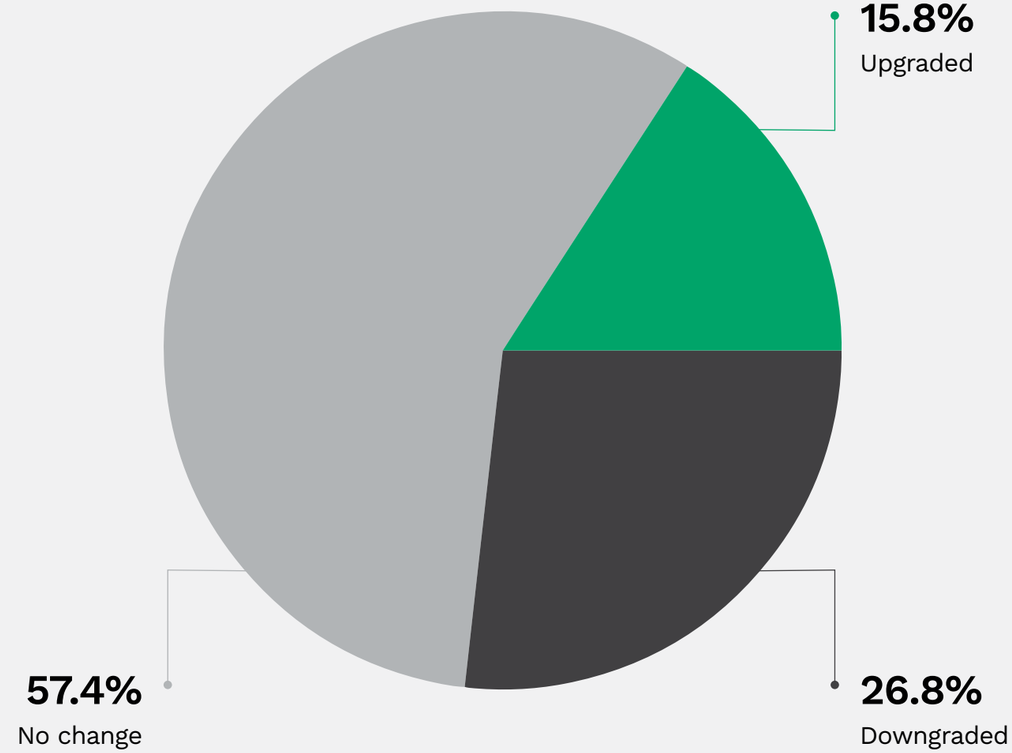
Share of consumers who experienced downward financial mobility in the last two years

So what:

Nearly half of consumers experienced financial mobility in the last two years, indicating that financial lifestyles are not permanent. While living paycheck to paycheck may be the result of spending mismanagement for some, it is an unwelcome reality for a growing number of others as costs outpace income.

FIGURE 2:

Changes in financial lifestyle
Share of consumers citing how their financial lifestyle has changed over the last two years



Source: PYMNTS Intelligence
New Reality Check: The Paycheck-to-Paycheck Report, September 2024
N = 2,321: Whole sample, fielded Aug. 1, 2024 – Aug. 11, 2024

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03

52%

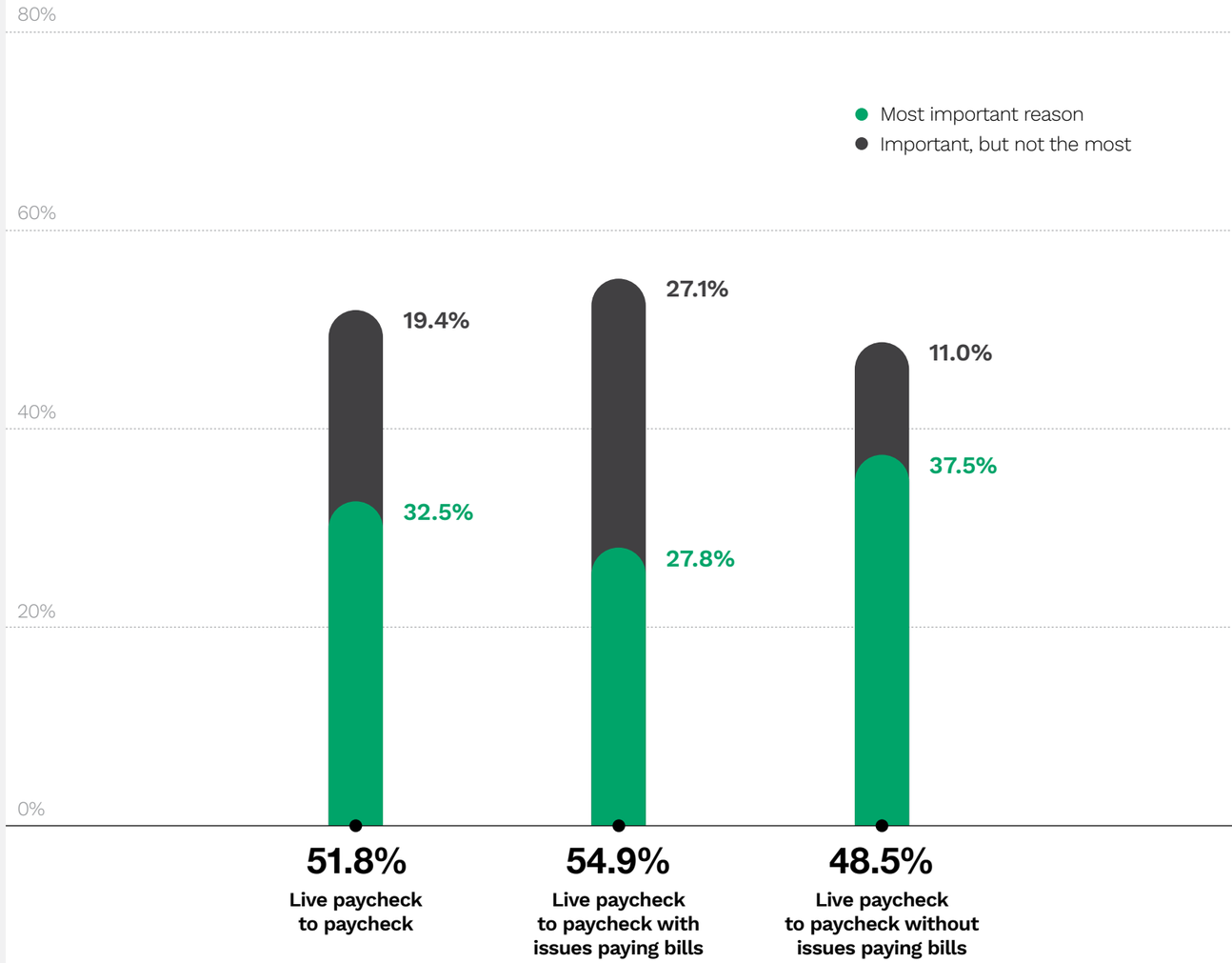
Share of downwardly mobile consumers citing the rising cost of living as a reason for their increased financial constraint

So what:

More than half of consumers who experienced declining financial stability blamed the rising cost of living for their worsening situations. Interestingly, paycheck-to-paycheck consumers who do not have trouble paying their monthly bills were more likely to say rising cost of living was the most important reason for their downward mobility than other consumers.

FIGURE 3:

Reasons consumers experienced downward financial mobility
Share of consumers citing cost of living as a reason for experiencing downward financial mobility in the last two years, by paycheck-to-paycheck status and level of importance



Source: PYMNTS Intelligence
New Reality Check: The Paycheck-to-Paycheck Report, September 2024
N = 674: Respondents whose financial lifestyle has downgraded in the last two years, fielded Aug. 1, 2024 – Aug. 11, 2024

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10 IMPACT STATEMENTS

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SPENDING PATTERNS AND PRICE PRESSURES

04

34%

Share of Generation Z paycheck-to-paycheck consumers who cited splurging as a reason for their financial lifestyle

So what:

Younger consumers disproportionately cite splurges when asked about the causes of their financial distress, while debt becomes more of an issue for middle-aged consumers. Despite these differences, the biggest concern across generations is a lack of funds.

FIGURE 4:

Consumers' reasons for living paycheck to paycheck

Share of paycheck-to-paycheck consumers citing select reasons for living paycheck to paycheck, by generation

	Generation Z	Zillennials	Millennials	Bridge millennials	Generation X	Baby boomers and seniors
Insufficient funds	39.3%	43.4%	43.5%	44.0%	43.7%	47.8%
Large amount of debt	24.3%	39.3%	37.7%	38.3%	39.7%	29.9%
Have to pay costs of other family members	21.3%	27.4%	30.7%	28.2%	28.5%	20.3%
Recently used significant amount of savings	19.9%	20.5%	23.2%	24.1%	21.2%	17.7%
Splurging	33.7%	26.8%	23.6%	24.4%	15.9%	9.5%
Medical bills	12.4%	13.5%	14.3%	14.1%	13.9%	11.0%
Unstable employment situation	13.3%	14.0%	10.7%	6.9%	6.3%	2.3%

Source: PYMNTS Intelligence
New Reality Check: The Paycheck-to-Paycheck Report, April 2024
N = 2,026: Respondents living paycheck to paycheck, fielded Mar. 5, 2024 – Mar. 15, 2024

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05

94%

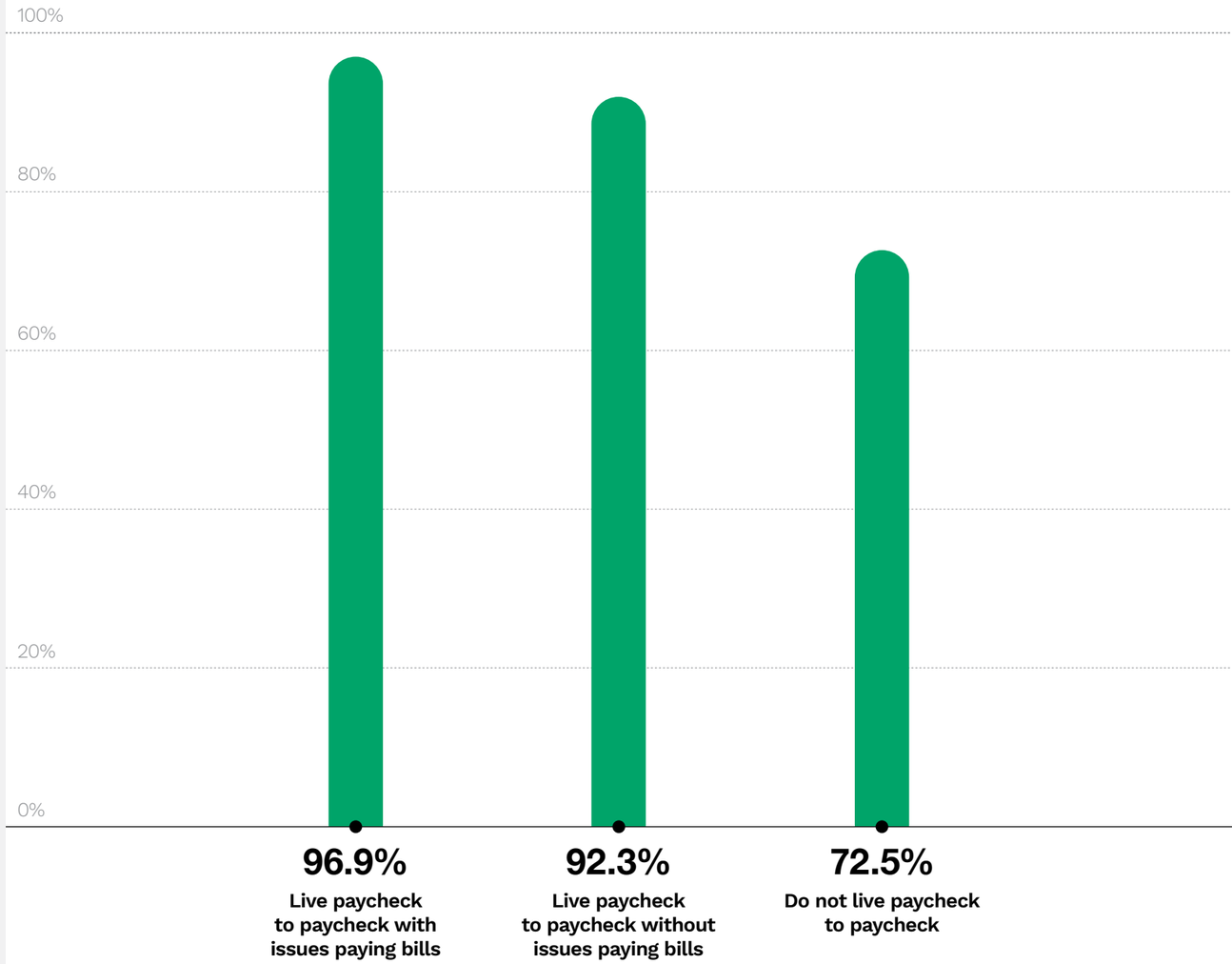
Share of paycheck-to-paycheck consumers who say price increases changed their retail shopping behavior due to perceived inflation

So what:

Consumers living paycheck to paycheck who perceive price increases are at least 27% more likely than financially stable consumers to change their retail shopping behaviors in response to perceived inflation. Other data showed perceptions of inflation increase with financial insecurity, suggesting that financially constrained consumers are the most likely to be reactionary spenders.

FIGURE 5:

How consumers shop in times of inflation
Share of consumers who took action to cope with perceived price increases in retail products, by financial lifestyle



Source: PYMNTS Intelligence
New Reality Check: The Paycheck-to-Paycheck Report, August 2024
N = 1,278: Respondents who perceived price increases on retail products over the last 12 months, fielded July 9, 2024 – July 18, 2024

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06

43%

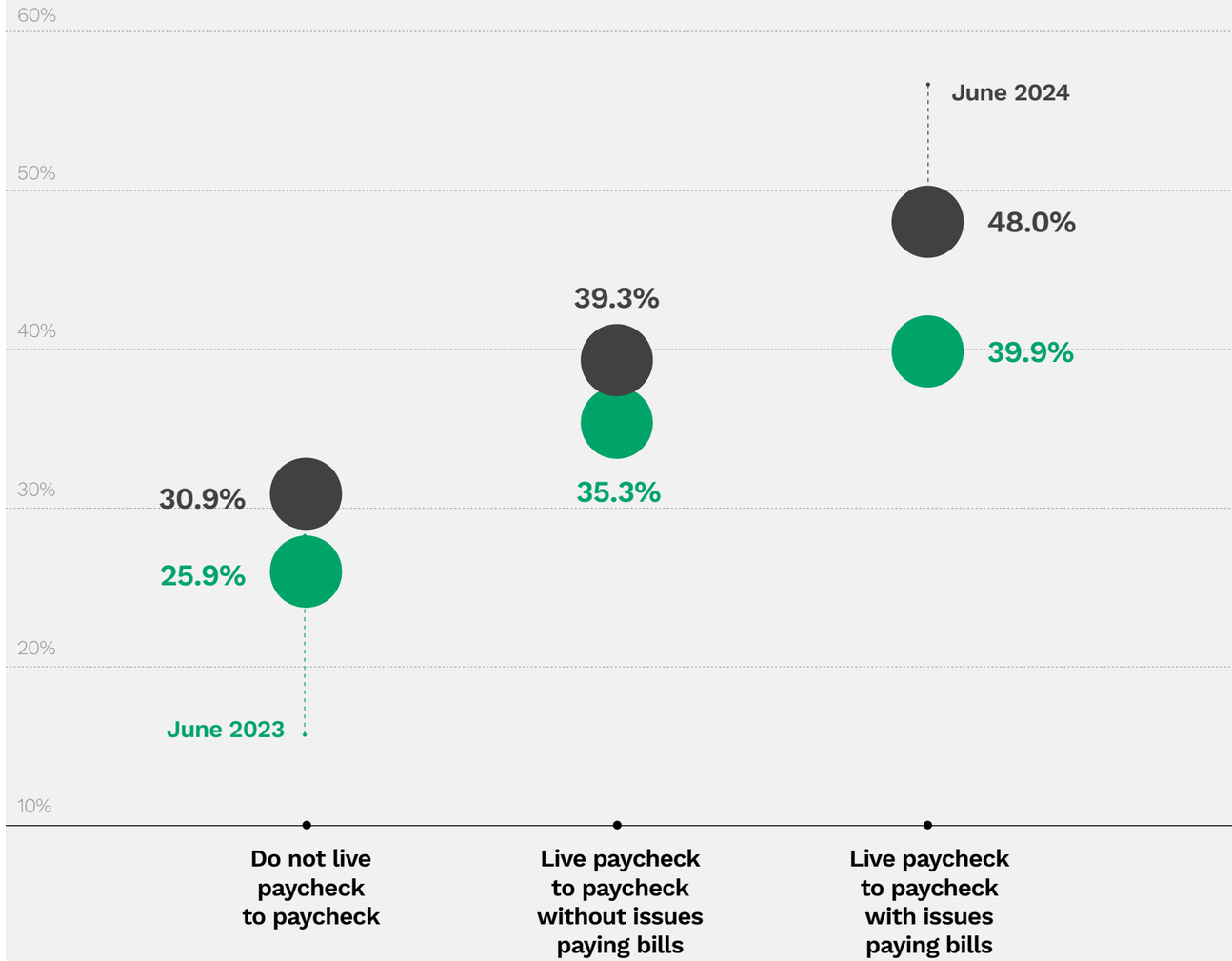
Average share of personal income consumers living paycheck to paycheck spent on housing

So what:

As financial constraint grows, consumer spend as a share of income also grows. The result is less funds available for other necessities or emergencies.

FIGURE 6:

Consumers' housing spend
Average share of personal income spent the month prior to being surveyed, by financial lifestyle



Source: PYMNTS Intelligence
New Reality Check: The Paycheck-to-Paycheck Report, July 2024
N varies by date surveyed; N = 2,222: Whole sample, fielded June 5, 2024 – June 18, 2024

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07

33%

Share of struggling paycheck-to-paycheck consumers who have had to skip or make partial bill payments due to bills increasing

So what:

When faced with increased bills, consumers seek solutions through multiple channels — from negotiating payment plans and switching providers to making partial payments. Paycheck-to-paycheck consumers particularly utilize strategies like usage reduction and payment plans, reflecting their need to more actively manage monthly financial obligations.

FIGURE 7:

Consumers' responses to increased bills
Consumer actions in the last 12 months in response to increased bills, by financial lifestyle

	Do not live paycheck to paycheck	Live paycheck to paycheck without issues paying bills	Live paycheck to paycheck with issues paying bills
Reduced usage	30.7%	38.2%	38.8%
Kept track of usage	24.4%	27.0%	22.3%
Switched to lower-cost plans or alternatives	14.3%	17.7%	23.0%
Set up payment plans	8.2%	17.6%	30.9%
Canceled services or agreements	13.1%	18.3%	22.3%
Changed service providers	12.1%	16.1%	18.4%
Skipped bills or made partial payments	5.4%	12.0%	33.0%
Bundled services	11.8%	17.0%	13.2%
Negotiated better rates or terms	16.8%	11.8%	11.8%
Changed payment methods to avoid fees	11.8%	12.4%	16.6%
Applied for assistance programs	4.6%	9.5%	23.9%
None	35.8%	24.5%	13.7%

Source: PYMNTS Intelligence
The New Reality Check — 10 Impact Statements, December 2025
N = 2,319: Respondents who reported an increase in at least one bill they pay in the last 12 months, fielded Dec. 9, 2024 – Dec. 16, 2024

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10 IMPACT STATEMENTS

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FINANCIAL MANAGEMENT AND RESOURCES

08

$7,038

Average outstanding credit balance for cardholders struggling to pay their monthly bills

So what:

Those who can least afford credit card debt have the most: Financially struggling consumers carry more than $7,000 in balances — more than twice the debt of their more stable peers. This can create a cycle in which high-interest payments make it even harder to escape living paycheck to paycheck.

FIGURE 8:

Consumers' average outstanding credit card balances
Average outstanding credit card balances consumers carry, by financial lifestyle

Source: PYMNTS Intelligence
New Reality Check: The Paycheck-to-Paycheck Report, November 2024
N = 2,088: Respondents with at least one credit card, fielded Oct. 9, 2024 – Oct. 16, 2024

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09

$5,900

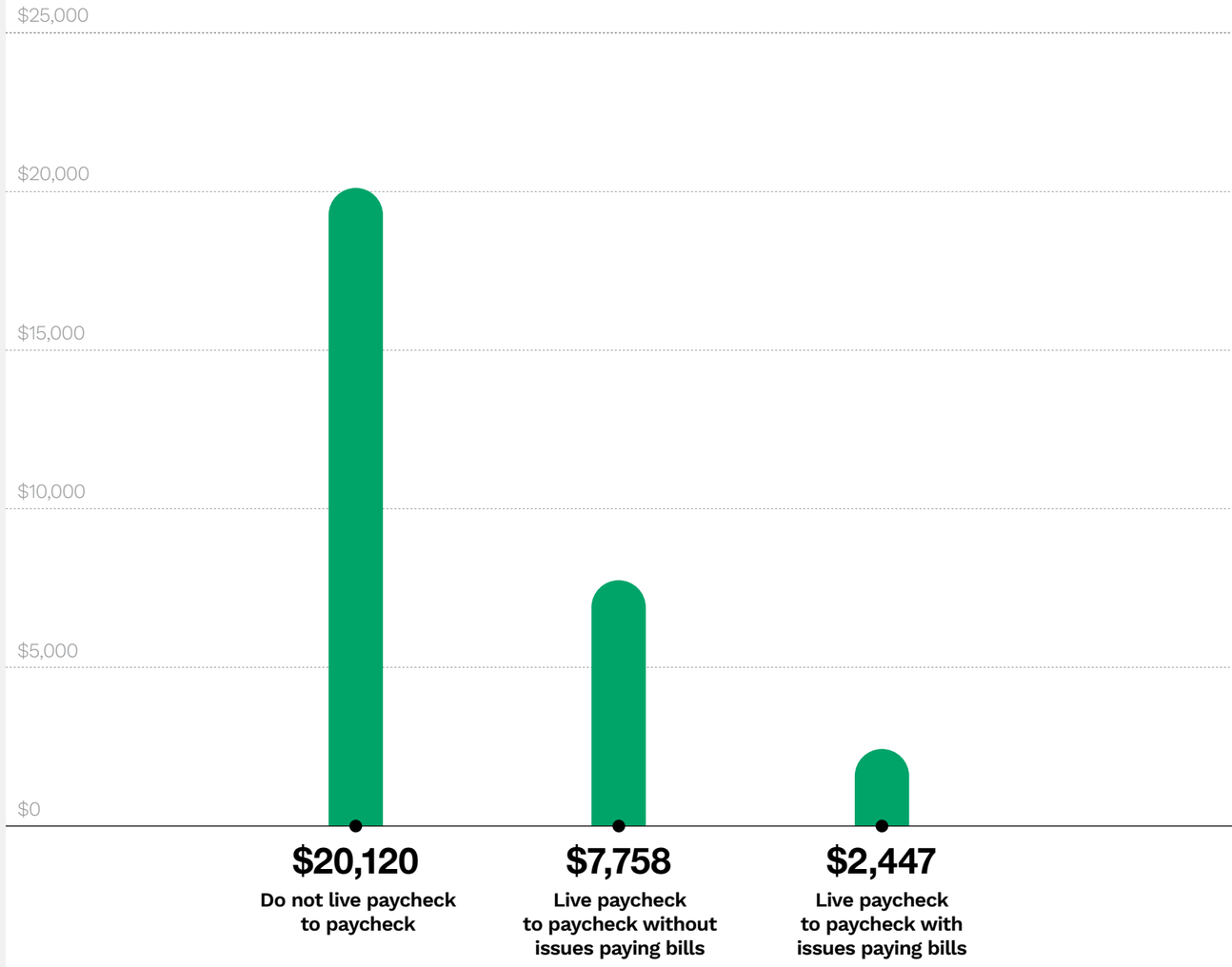
Average amount of savings consumers who live paycheck to paycheck have readily available

So what:

Financially stable consumers save more. They have more than three times the savings of those living paycheck to paycheck. Stability, more so than income or age, enables wealth-building.

FIGURE 9:

Consumer savings
Average amount of savings consumers have readily available, by financial lifestyle



Source: PYMNTS Intelligence
New Reality Check: The Paycheck-to-Paycheck Report, October 2024
N = 2,364: Whole sample, fielded Sept. 3, 2024 – Sept. 17, 2024

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10

26%

Share of paycheck-to-paycheck consumers struggling to pay monthly expenses who are confident in their financial management skills

So what:

Consumers who are less confident in their ability to manage their finances are also more likely to live paycheck to paycheck. In fact, struggling paycheck-to-paycheck consumers are three times more likely than other paycheck-to-paycheck consumers to report feeling uncomfortable handling financial situations.

FIGURE 10:

Consumer comfort when managing financial situations
Share of consumers citing their level of confidence managing financial situations, by financial lifestyle

	Do not live paycheck to paycheck	Live paycheck to paycheck without issues paying bills	Live paycheck to paycheck with issues paying bills
Do not have problems when managing financial situations	71.0%	41.8%	25.8%
Generally OK when dealing with financial situations	17.0%	40.9%	36.5%
Often could use help on how to handle financial situations	8.7%	12.2%	22.2%
Uncomfortable when dealing with fiancial situations	3.3%	5.1%	15.4%

Source: PYMNTS Intelligence
New Reality Check: The Paycheck-to-Paycheck Report, July 2024
N = 2,222: Whole sample, fielded June 5, 2024 – June 18, 2024

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ABOUT

PYMNTS INTELLIGENCE

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