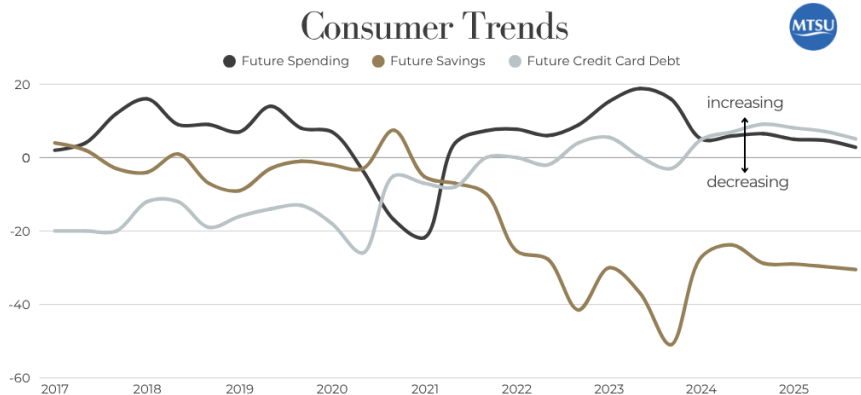


Consumers Anticipate Saving and Spending Less

Tennessee consumers do not believe now is a good time to make larger purchases, and they anticipate spending less for goods and services. Even though the Federal Reserve cut interest rates in September and October, 67% of consumers remain concerned about economic uncertainty, including 72% who are worried about inflation and 50% who are concerned about increasing taxes. With wage increases lagging the increases in the cost of goods and services, some consumer spending is occurring at the expense of savings and through credit card debt, putting future spending at risk.

- Only 10% of consumers believe it is a good time to make large purchases.
- Only 9% of consumers believe now is a good time to buy a house
- Only 11% of consumers believe now is a good time to buy a car.
- Over 50% of consumers report saving less than they did last year.



Collaborate with us

The Consumer Research Institute (CRI) frequently collects data to report insights on the Tennessee Housing Market (Market Report), Tennessee consumers (Consumer Outlook Index), and Tennessee Business Leaders (Business Barometer), all of which can be found at mtsu.edu/consumer. Please contact Dr. Michael Peasley for more information.

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Consumer Outlook FALL 2025

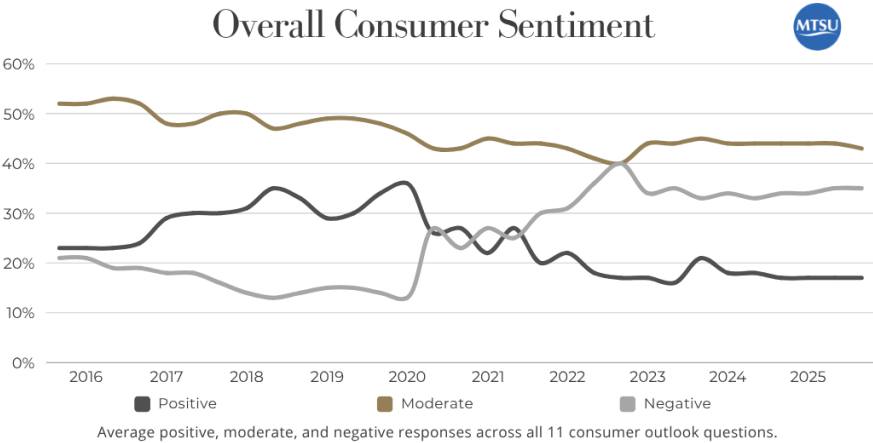
**MIDDLE
TENNESSEE**
STATE UNIVERSITY

Jones College of Business
Consumer Research Institute

We're very excited to have you here! Consumers from across Tennessee responded to the Consumer Research Institute's Consumer Outlook Survey, offering a unique perspective on the current and future economic outlook and spending trends. We hope you enjoy the Fall 2025 Tennessee Consumer Outlook Index results and outlook.

The Bifurcated Economy: Consumer Sentiment Plummets, Business Leader Sentiment Rises

The Tennessee Consumer Outlook survey reveals that positive sentiment plummeted to 16%, the score lowest in ten years, while negative sentiment increased to 35%. In contrast to Tennessee business leaders, whose positive sentiment is now at an all-time high of 48% (and negative sentiment is at 11.5%), Tennessee consumers are generally pessimistic about the state of the economy. This contrasting experience is influenced by lower income, declining savings rates, and perceived job market instability.



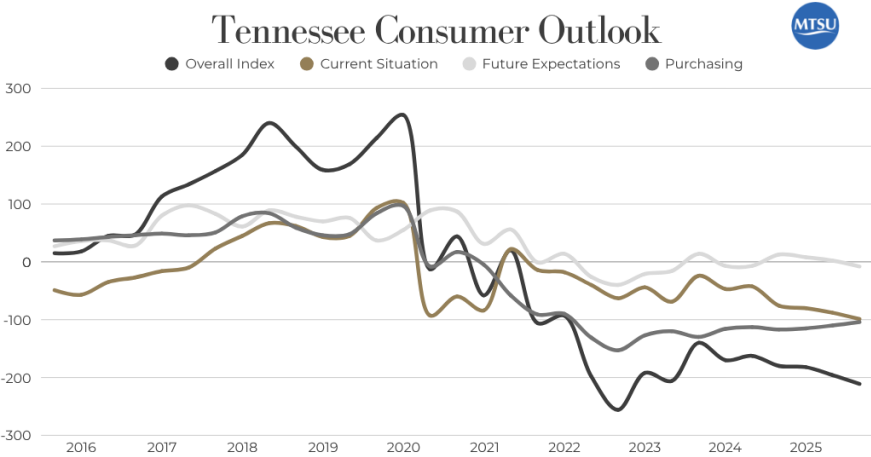
An Overview of the Tennessee Consumer Outlook Results

The Overall Consumer Outlook Index¹ provides an inverse picture of that offered by Tennessee business leaders. Only 9% of respondents this quarter said that conditions in the U.S economy

¹ The Consumer Outlook Index is based on consumers' responses to 11 questions measuring their perceptions of the current economy, the future economy, jobs, personal finances, and whether now is a good time to make large purchases. Four questions make up the Current Situation Index, four questions make up the Future Expectations Index, and three questions make up the Purchasing Index.

The scores for each index are computed by adding the percentage of favorable responses to each question and subtracting the percentage of negative responses to each question. A net positive score indicates consumers who hold positive views of the economy outnumber those who hold negative views of the economy (vice versa for a net negative score).

are favorable, and only 24% think that conditions will be better six months from now. Furthermore, only 10% of Tennessee consumers reported that their personal financial situation has improved over the last year, while 40% stated it has worsened, and 49% indicated it remains the same. Likewise, 55% of Tennessee consumers stated that they don't believe they could survive financially if they lost their job, while 18% said they probably could. This quarter, the Overall Consumer Outlook Index declined by 15 points, led by a 12-point decline in the current situation index.



Tennessee Consumer Outlook Trends				
INDEX	OVERALL OUTLOOK	CURRENT SITUATION	FUTURE EXPECTATIONS	PURCHASING OUTLOOK
Fall 2025	-211	-99	-8	-104
Δ Spring 2025	-15	-12	-10	7
Δ Fall 2024	-31	-23	-21	13