

Affluent Americans Spend Most on Home, Apparel, Travel

Geoffrey Precourt

Published: Sept 8, 2008



Affluent U.S. households, those with annual incomes at or above \$100K, make up an estimated 20 percent of U.S. households but account for more than half of all U.S. household income - and spend nearly \$1 trillion a year, [Ipsos Mendelsohn](#) estimates, MarketingCharts [writes](#). The majority of spending (54 percent) among all affluent Americans is in the areas of home, apparel, and travel, according to the [2008 Mendelsohn Affluent Survey](#), which measures the behaviors of the affluent in more than 100 expenditure categories. (See [chart](#) of expenditures.)

Internet Access

- Although virtually all affluent households own and use computers and cell/mobile devices, just 40 percent use their cell/mobile devices for internet access. Internet access via cell/mobile devices rises with increased affluence, reaching 57 percent among those with incomes of \$250K or more - view [chart](#).
- The affluent connect frequently to the internet both on their computers and on their cell/mobile devices, but their average number of activities and purchases are more numerous and varied on their computers.

Shopping

- Affluent households shopped at a wide variety of retail stores in person, online, by telephone, or by mail order in the past 12 months. In all cases, those with higher incomes outspend those who make less.
- Higher-income affluent households spend three times the average that the least affluent subgroup (those with incomes less than \$150K) spends on home, apparel, travel, leisure/entertainment/dining and watches/jewelry. View [chart](#) of expenditure categories for each income segment.

Securities Ownership

- As income rises among the affluent, the proportions of holdings in corporate stock and bonds increase, while those of mutual funds decreases.
- The incidence of owning securities is high among all income segments within the affluent group. However, most affluent of these (those with annual incomes of \$250K or more) are more likely to have used the services of a full-service broker or a private banker.

Vehicle Ownership

The most affluent are likely to own more vehicles, to have bought them new, and to have later models than the other segments. They also are more likely to lease.

Travel

- Affluent travelers fly more frequently and stay at hotels more often as affluence increases.
- The most affluent are more likely to fly in first or business class or to use a private aircraft.

Cultural and Spectator Activities

- As a whole, the affluent marketplace is very active in the area of cultural activity and spectator events.
- Activity increases with income: The most affluent are much more likely to attend the opera, fashion/trunk shows, classical music concerts, art auctions, dance performances, and the theatre.

Leisure Activities

- The affluent enjoy diverse leisure activities. All segments enjoy photography as a hobby, reading books, and gardening.
- The most affluent are much more likely to visit a spa, enjoy gourmet cooking, and visit casinos.
- The lower affluent segments (those with annual incomes less than \$250K) are more likely to spend time with online or console gaming and home repairs.

Recreation/Sports Participation

- Affluent heads-of-house participate widely and frequently in sporting activities.
- Members of the most affluent group spend disproportionately more time on their chosen sport, except for backpacking. They are also most likely to sail, play tennis, ski, golf, and go powerboating.

About the research: The Mendelsohn Affluent survey was conducted by mail between March 10 and July 15, 2008. It measures male and female heads of household in all 50 states and Washington DC who have household incomes of \$100K or more. These individuals represent an estimated 19 percent of all American adults. 2008 survey results are based on 13,522 completed questionnaires with a final response rate of 43 percent of the adults to whom the materials could be delivered. Results of the survey are projected to an estimated 42 million affluent heads of house living in an estimated 23.3 million households. The survey bases its estimates on those produced by the U.S. Census Bureau's current population surveys.