

Despite tighter household budgets and an uncertain economic outlook, our research found that demand for travel, leisure, online video-gaming, and other experiences is still strong, with 51% of respondents prioritising them over other discretionary expenditure.

That said, consumers are increasingly discerning, both when it comes to which experiences they're choosing to spend on, and how they're choosing to pay for them.

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## How are consumers choosing to prioritise their discretionary spend?

According to our research, consumer demand is strongest for eating out, takeaway meals, clothes, and streaming services.

27% of respondents told us they're spending more on takeaways than they did before the cost-of-living crisis, while 30% are spending about the same. The numbers are similar for eating out, with 27% spending more and 29% spending about the same as they did before.

25% of respondents are spending more on clothes than they did before the cost-of-living crisis, with 36% spending about the same. And 25% are spending more on streaming services, with 42% spending about the same. Demand for travel has also remained strong, 17% of respondents are spending more on days out, flights, and package holidays than they did pre-cost-of-living crisis, while 28%, 23%, and 24% respectively are spending about the same.

Very few respondents have stopped their discretionary spending altogether. For streaming services, takeaways, and eating out, for instance, it's 7%. For clothes, it's 4%. And for flights, package holidays and sports bets it's 13%.

This suggests that most consumers are simply being more cautious and selective, rather than cutting this type of spending out of their budgets completely.

### Changes in spending compared to before the cost-of-living crisis

