The New Basics Survey
Exploring the non-essential must haves for the lifestyle of today

January 2019
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Methodology

A 13-minute online survey was conducted with 1,110 American adult investors with at least $10,000 in investable assets by True North Market Insights, between September 10, 2018 and September 16, 2018, on behalf of TD Ameritrade Holding Corporation. The statistical margin of error for the total sample of 1,110 American adults within the target group is +/- 2.6 percent. TD Ameritrade and True North Market Insights are separate and unaffiliated firms and are not responsible for each other’s services or policies.

About TD Ameritrade Holding Corporation

TD Ameritrade provides investing services and education to more than 11 million client accounts totaling approximately $1.3 trillion in assets, and custodial services to more than 6,000 independent registered investment advisors. We are a leader in U.S. retail trading, executing an average of approximately 800,000 trades per day for our clients, more than a quarter of which come from mobile devices. We have a proud history of innovation, dating back to our start in 1975, and today our team of nearly 10,000-strong is committed to carrying it forward. Together, we are leveraging the latest in cutting edge technologies and one-on-one client care to transform lives, and investing, for the better. Learn more by visiting TD Ameritrade’s newsroom at www.amtd.com, or read our stories at Fresh Accounts.

Brokerage services provided by TD Ameritrade, Inc., member FINRA (www.FINRA.org)/SIPC (www.SIPC.org).
Defining the Necessities
Gifts for family or friends (32%) and coffee (31%) viewed as the basics of our parents

Which do you think your parents would consider basics?

- Gifts for family/friends: 32%
- Coffee: 31%
- Vacation/travel: 22%
- Dining out/take-out: 19%
- Home decorating/enhancements: 12%
- Hobbies: 12%
- Entertainment (sports, concerts): 7%
- Technology/Electronics: 6%
- Memberships (gym, streaming services): 4%
- Spa services every now and then: 3%
- Expensive clothing and accessories: 3%
- Cosmetic enhancements: 2%

Source: True North Market Insights on behalf of TD Ameritrade (September 2018); n = 1,110
Defining the Necessities

**Vacations (61%) and dining out (59%) emerging as the must haves of today**

Americans are now three times more likely to call vacations and dining out their new basics

<table>
<thead>
<tr>
<th>Which do you consider basics to your lifestyle?</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacation/travel</td>
<td>61%</td>
</tr>
<tr>
<td>Dining out/take-out</td>
<td>59%</td>
</tr>
<tr>
<td>Coffee</td>
<td>46%</td>
</tr>
<tr>
<td>Technology/Electronics</td>
<td>41%</td>
</tr>
<tr>
<td>Gifts for family/friends</td>
<td>40%</td>
</tr>
<tr>
<td>Entertainment (sports, concerts)</td>
<td>28%</td>
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<tr>
<td>Hobbies</td>
<td>27%</td>
</tr>
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<td>Memberships (gym, streaming services)</td>
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<td>13%</td>
</tr>
<tr>
<td>Spa services every now and then</td>
<td>11%</td>
</tr>
<tr>
<td>Cosmetic enhancements</td>
<td>5%</td>
</tr>
<tr>
<td>Expensive clothing and accessories</td>
<td>5%</td>
</tr>
</tbody>
</table>

Source: True North Market Insights on behalf of TD Ameritrade (September 2018); n = 1,110
Defining the Necessities

Millennials and Boomers differ on what they consider to be basics

Which do you consider basics to your lifestyle?

Source: True North Market Insights on behalf of TD Ameritrade (September 2018); n = 1,110
### Defining the Necessities

**Six in 10 Americans say it would be hard to live without vacation or travel**

Dining out (49%), technology (40%), and coffee (39%) also seen as must haves

| Item                                                        | Percentage
<table>
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</tr>
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<tbody>
<tr>
<td>Vacation/travel</td>
<td>60%</td>
</tr>
<tr>
<td>Dining out/take-out</td>
<td>49%</td>
</tr>
<tr>
<td>Technology/electronics</td>
<td>40%</td>
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<tr>
<td>Coffee</td>
<td>39%</td>
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<td>Gifts for family/friends</td>
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<td>Entertainment (sports, concerts)</td>
<td>26%</td>
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<tr>
<td>Hobbies</td>
<td>24%</td>
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<td>Memberships (gym, streaming services)</td>
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</tbody>
</table>

Source: True North Market Insights on behalf of TD Ameritrade (September 2018); n = 1,110
Defining the Necessities

Boomers are more inclined to enjoy coffee and giving gifts to friends, Gen X could not live without travel and electronics, while Millennials hold firm on dining out.

Of the items you said would be hard to live without, which would you not give up, no matter what?

Source: True North Market Insights on behalf of TD Ameritrade (September 2018); n = 1,110
Defining the Necessities

When asked which items they could not give up, under any circumstances, Americans stood firm in their ways.

- 21% Could not give up vacation/travel.
- 12% Could not give up coffee.
- 11% Could not give up getting gifts for family/friends.
- 11% Could not give up technology/electronics.
- 9% Could not give up dining out/takeout.

Source: True North Market Insights on behalf of TD Ameritrade (September 2018); n = 1,110
Costs of Non-Essentials
Costs of Non-Essentials

Americans spend on average $697 a month on non-essential expenses

Millennials spend the most ($838 per month), followed by Boomers ($683 per month), while Gen X spends the least with $588 a month

How much do you spend on non-essential expenses per month?

Source: True North Market Insights on behalf of TD Ameritrade (September 2018); n = 1,110
Costs of Non-Essentials

Millennials feel the most pressure to spend on non-essentials

Which of the following has an effect on the amount you spend on non-essentials?

- Friends and family: Millennials 43%, Gen X 31%, Boomers 30%
- Boredom: Millennials 33%, Gen X 24%, Boomers 16%
- Advertising: Millennials 20%, Gen X 8%, Boomers 4%
- Social media: Millennials 21%, Gen X 8%, Boomers 2%

Source: True North Market Insights on behalf of TD Ameritrade (September 2018); n = 1,110
Costs of Non-Essentials

A third of Americans (32%) say non-essential expenses contribute to their credit card debt.

Spending money on non-essential expenses affects my credit card debt.

- Millennials: 49%
- Gen X: 46%
- Boomers: 23%

Source: True North Market Insights on behalf of TD Ameritrade (September 2018); n = 1,110
Non-essential expenses hit retirement savings of nearly half (48%) of Americans.

Millennials (64%) and Gen X (61%) are most affected.

Spending money on non-essential expenses affects my retirement savings.

Source: True North Market Insights on behalf of TD Ameritrade (September 2018); n = 1,110
**Costs of Non-Essentials**

**Attitudes on spending money for non-essential expenses vary**

- **32%** My non-essential expenses **serve a purpose** (such as helps me relax, pursues my hobbies, improves my looks/fitness).

- **28%** I strive to spend money on non-essentials **in moderation**.

- **18%** It may not be an absolute necessity to but spending on non-essentials **keeps me happy**.

- **11%** **Life is short.** I spend money on what I want now and don't want to wait to enjoy life until I'm older.

- **11%** I **save** the money I would have otherwise wasted on non-essentials.

Source: True North Market Insights on behalf of TD Ameritrade (September 2018); n = 1,110
22% of Americans say they would not be able to last a month without spending on non-essentials.

I would not be able to last one month without spending money on non-essentials.

Source: True North Market Insights on behalf of TD Ameritrade (September 2018); n = 1,110
APPENDIX
## Demographics

<table>
<thead>
<tr>
<th>Generation</th>
<th>Birth Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millennials</td>
<td>1989 – 1977</td>
</tr>
<tr>
<td>Gen X</td>
<td>1976 – 1965</td>
</tr>
<tr>
<td>Boomers</td>
<td>1964 – 1946</td>
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