# Interactive Chart Guide for SCE Spending Survey

<u>**EXPERIENCES**</u>
- **Change in Spending**
    - Median change in monthly household spending compared with a year ago
        - Question QSP2 asks, in percentage terms, how much respondents' monthly household spending has changed compared to 12 months ago. Given that almost all respondents - when asked about continuous variables - provide integer responses, throughout in computing medians based on point predictions, we treat the responses as rounded grouped data and compute linearly interpolated medians (see [https://www.newyorkfed.org/medialibrary/media/research/epr/2017/epr_2017_survey-consumer-expectations_armantier.pdf](https://www.newyorkfed.org/medialibrary/media/research/epr/2017/epr_2017_survey-consumer-expectations_armantier.pdf)).

- **Large Purchases**
    - Any Large Purchase
        - Percentage of households that made at least one large purchase over the past four months
            - Question QSP3 asks whether any members of the respondents' household purchased:
                - Home appliances
                - Electronics, computers or cell phones
                - Furniture
                - Home repairs, improvements or renovations
                - Cars or other vehicles
                - Trips and vacations
                - A house or apartment
                - An open-ended 'other' option requiring further specification
                - None of the above during the last 4 months.
            - If a respondent reported anything other than 'none of the above,' they are considered a household that made at least one large purchase in the past four months. The percentage of respondents that made at least one large purchase is displayed.
    - Specific items
        - Percentage of households that made a purchase in each category over the past four months
            - Question QSP3 asks respondents whether any members of their household purchased large items in the categories listed above. The percentages of respondents that report purchases in these categories are displayed.
- **Income variability**

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- Percentage of respondents who characterize their monthly household income as falling within each category
  - Question QSP15new asks respondents by how much their pre-tax household income, on average, changes from month to month. Respondents select one of the three ranges: varies by less than 5%, between 5% and 15%, and more than 15%. The percentage of respondents selecting each category is displayed.

## Expectations
- **Change in Spending**
  - Total spending
    - Median expected change in household spending over the next twelve months
      - Question QSP7dens asks for the percent chance that, over the next 12 months, the respondent's household spending will change by 12% or more; increase by 8% to 12%; increase by 4% to 8%; increase by 2% to 4%; increase by 0% to 2%; decrease by 0% to 2%; decrease by 2% to 4%; decrease by 4% to 8%; decrease by 8% to 12%; decrease by 12% or more. A generalized beta distribution is fitted to the responses of each survey participant and the mean of this distribution is calculated. We call this mean the respondent's expected change in household spending. This series is the median across all respondents of their expected change in household spending.
  - By Expense Category
    - Median expected change in monthly household spending over the next twelve months by category
      - Question QSP6b asks, in percentage terms, how respondents think their monthly household spending 12 months from now will compare to their current monthly spending in the following categories:
        - Clothing
        - Education
        - Food
        - Housing
        - Medical care
        - Recreation
        - Transportation
        - Utilities
      - Given that almost all respondents - when asked about continuous variables - provide integer responses, throughout in computing medians based on point predictions, we treat the responses as rounded grouped data and compute linearly interpolated medians (see https://www.newyorkfed.org/medialibrary/media/research/epr/2017/epr_2017_survey-consumer-expectations_armantier.pdf).

- o Needs/Wants
  - ▪ Median expected change in household spending on essential items over the next twelve months
    - • Question Q7c3part2 asks, in percentage terms, how respondents think their spending on essential items will change over the next 12 months, compared to the last 12 months. The relevant survey question specifies that spending on essential items mean daily living expenses that are related to what the respondent absolutely needs. Given that almost all respondents - when asked about continuous variables - provide integer responses, throughout in computing medians based on point predictions, we treat the responses as rounded grouped data and compute linearly interpolated medians (see https://www.newyorkfed.org/medialibrary/media/research/epr/2017/epr_2017_survey-consumer-expectations_armantier.pdf).. "Dispersion" shows the area between the linearly interpolated 25th and 75th percentiles of this variable.
  - ▪ Median expected change in household spending on non-essential items over the next twelve months
    - • Question Q7c4part2 asks, in percentage terms, how respondents think their spending on non-essential items will change over the next 12 months, compared to the last 12 months. The relevant survey question specifies that non-essential spending includes items like hobbies, leisure, vacation, and others that the respondent does not absolutely need. Given that almost all respondents - when asked about continuous variables - provide integer responses, throughout in computing medians based on point predictions, we treat the responses as rounded grouped data and compute linearly interpolated medians (see https://www.newyorkfed.org/medialibrary/media/research/epr/2017/epr_2017_survey-consumer-expectations_armantier.pdf).. "Dispersion" shows the area between the linearly interpolated 25th and 75th percentiles of this variable.
- • **Large Purchases**
  - ▪ Average percent chance of household purchasing each item over the next four months
    - • Question QSP4 asks what respondents think the percent chance that a member of their household will make a purchase in the following categories within the next four months:
      - o Home appliances
      - o Electronics, computers or cell phones
      - o Furniture
      - o Home repairs, improvements or renovations
      - o Cars or other vehicles
      - o Trips and vacations
      - o A house or apartment

- The average percent chance of households purchasing an item in each category is displayed.
- **Spending Response**
  - Response to income gain
    - Average expected allocation of a 10% increase in household income
      - Question QSP12n asks respondents to imagine that they find their household next year with 10% more income than they currently expect, and what they would do with that extra income:
        - Use it all only in one of the following ways: save or invest, or spend or donate, or pay down debts
        - Spend some and save some
        - Spend some and use part of it to pay down debts
        - Save some and use part of it to pay down debts
        - Spend some, save some and use some to pay down debts
      - If respondents answered any combination of the three options, question QSP12a asks what share of that extra income they would use to allocate to the three categories: save or invest, spend or donate, and pay down debts. The three proportions need to add up to 100%. For respondents that noted in QSP12n that they would only use the money in one category, we manually code the relevant category in QSP12a to be 100%. The average allocation for each category is displayed.
  - Response to income loss
    - Average expected adjustments to a 10% decrease in household income
      - Question QSP13new tells respondents to imagine that they find their household next year with 10% less income than they currently expect. In a conditional situation analogous that described under 'Response to income gain,' respondents then indicate what share of the lost income they would cover by reducing spending, reducing savings, or increasing borrowing by answering QSP13a. The three proportions need to add up to 100%. For respondents that noted in QSP13new that they would only use the money in one category, we manually code the relevant category in QSP13a to be 100%. The average allocation for each category is displayed.