



The American Dream--Redefined, but Still Viable for Many

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Millennials Show Most Resilience after Great Recession vs. Gen X and Boomers

ATLANTA, June 9, 2014 /PRNewswire/ -- Many consumers in America continue to believe in the "American Dream" despite the lingering economic conditions, but find that their standard of living has been significantly impacted since the Great Recession. The survey, commissioned by Aaron's, Inc. (NYSE: AAN), found that 42 percent still believe the American Dream is alive and well but 53 percent believe that they now live in a "new normal" with different expectations about their future.



Aaron's, Inc., the nation's leading lease-to-own retailer of residential furniture, consumer electronics, and home appliances, commissioned the survey of 1,020 adults with household incomes ranging from \$25,000 to \$75,000. The online survey of adults ages 17 to 65 was designed and analyzed by Ketchum Global Research & Analytics and fielded by GfK Knowledge Networks on behalf of Aaron's from April 17 to 24, 2014.

The American Dream Redefined

The phrase "American Dream" was originally coined in 1931 following the Great Depression. James Thurslow Adams writes about the American Dream in his book, *The Epic of America*, as Americans' ability to transcend social class, rather than the acquisition of material possessions. Traditionally, it has brought to mind images of comfortable living, ownership of a home or car, financial and job security, and the freedom to pursue aspirations.

Yet, most consumers surveyed now equate the American Dream with having a good job (92 percent) and owning their own home (91 percent). However, "social freedom" (89 percent) and "believing my children will have a better life than me" (89 percent) are strong contenders to the new definition of the American Dream.

Also, 89 percent agree that being able to save money for the things you want is a critical component of their definition of the American Dream. However, 42 percent note that budgets are getting harder to manage; many (43 percent) have been spending less in recent years, and are more inclined to save money (39 percent) to make a household purchase rather than use a credit card (30 percent).

Furniture (40 percent) and technology (27 percent) products are among the most essential material things that now define the American Dream – more so than jewelry (21 percent). And despite more challenging economic times, these are items in which these consumers have continued to invest over the past 5 years (furniture at 26 percent, appliances at 35 percent, and tablets at 24 percent).

"While trying to recover from the Great Recession, many consumers are eager for alternatives to using personal credit or savings for the items they need to create a quality environment for their home," said Andrea Freeman, Vice President of Marketing, Aaron's. "We understand now more than ever the financial pressures our customers face and how much of a lasting impact the Great Recession has on their long-term dreams and financial goals."

By example of the following quotes, sentiment about the American Dream reflects that many consumers are living in an era of lowered standard-of-living expectations:

- "I believe the core definition of American Dream has changed over the years - Post 1929 depression, it was opportunity-based, post 2008 recession it has become security-based."
- "It used to be about becoming rich and living on your own accord. Now it's about staying out of debt and survival. It probably changed before 2008 though."
- "Sad to say but the new normal is being buried in debt and just trying to manage and keep up with your bills and finances."

"Within this 'new normal,' consumers are looking for a financially responsible way of maintaining their standard of living," said Freeman. "Economic challenges don't limit consumers' aspirations. As they seek an easier path to achieve their household needs, Aaron's offers a responsible financial option through lease-to-own agreements for those who would otherwise have to wait to buy quality products or forgo those purchases, simply because they don't have available credit."

Millennials Show Most Resilience

Now, less than a decade after the Great Recession began in 2007, more than 86 percent of respondents said they are still impacted by the economic downturn, and more than half (51 percent) say they are working harder to sustain their lifestyle. Millennials show the most resilience after the Great Recession with only 19 percent being negatively financially impacted versus the Gen X (32 percent) and Boomer (36 percent) consumers.

While Gen X and Boomer consumers are operating with "new normal" standard-of-living expectations, Millennials have a "just normal" or "business as

usual" approach. This result is most likely because they are entering the job market and beginning to rise through the ranks in their careers despite the recession, thereby causing improvements and an increase in household income and finances.

Twenty-seven percent of Millennials reported an increase in household income since the recession vs. Gen X (20 percent) and Boomers (18 percent). Many Millennials are divided on the state of the U.S. economy with similar proportions indicating improvement and decline over the past year. And, similar proportions indicate optimism and pessimism regarding future economic outlook with 15 percent of Millennials as the most optimistic about an economic rebound and Gen X and Boomers both at 10 percent.

The survey concludes that after the Great Recession, many consumers are living in a "new normal" shaped by different expectations about their future. However, consumers are resourceful at finding flexible but financially responsible to obtain the items they need while getting by with less.

To learn more, join the conversation by "liking" Aarons on Facebook (facebook.com/aaronsinc) and following Aaron's on Twitter (twitter.com/AaronsInc).

About Aaron's, Inc.

Aaron's, Inc. (NYSE: AAN), a leader in the sales and lease ownership and specialty retailing of residential furniture, consumer electronics, home appliances and accessories, has more than 2,130 Company-operated and franchised stores in 48 states and Canada. Aaron's was founded in 1955, is headquartered in Atlanta and has been publicly traded since 1982. For more information, visit www.aarons.com. Aaron's, Inc. includes the Aarons.com and ShopHomeSmart.com brands.

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