PMI | U.S.

WHAT AMERICANS WANT FROM INNOVATION NOW

SUMMER 2026

The next test of innovation lies not in what companies invent, but in whether those breakthroughs make life better in the communities where trust still lives.

Table of Contents


30

Letter from the CEO

As America celebrates its 250th anniversary, it is worth asking a simple question: What kind of innovation will help write the country's next chapter?

To find out, we commissioned **a nationwide survey conducted by market research firm The Harris Poll**. We learned that Americans already know the answer.

According to the survey results, people are not looking for innovation for innovation's sake. They are looking for innovation that solves real problems, creates opportunities, strengthens communities, and improves life in visible, measurable ways. They want proof, not promises. And they increasingly place their trust in the people, businesses, and organizations closest to where they live and work.

At PMI U.S., we believe that this perspective reflects an important shift in how a business earns its license to operate. In today's environment, credibility does not come from what a company says about innovation. It comes from what that innovation accomplishes—for consumers, for communities, and for the country.

That belief is at the heart of our commitment to being **Invested in America**.

Since 2022, PMI U.S. has invested more than $1 billion in U.S. manufacturing capacity, operational capabilities, and people costs,[1] supporting more than 3,300 jobs across the country and helping advance modern manufacturing in states including Colorado, Kentucky, and North Carolina. We have also contributed more than $35 million to charitable and community partnerships.

Our commitment extends beyond economic investment. It also reflects our belief that innovation should address one of the country's most persistent public health challenges: the continued use of combustible cigarettes by approximately 25 million legal-age U.S. adults.

Since 2008, Philip Morris International, our parent company, has invested more than $16 billion globally in the development, scientific assessment, and commercialization of smoke-free products designed as better options for adults who would otherwise smoke. Today, PMI U.S. is helping accelerate that transformation in the United States through a portfolio of science-based smoke-free alternatives and a commitment to responsible commercialization.

That commitment is reflected in our leadership within the U.S. regulatory framework. As of July 2026, PMI's smoke-free products account for more than 41 percent of all premarket tobacco product

1 Through September 30, 2025.

application (PMTA) authorizations and 90 percent of all modified risk tobacco product (MRTP) authorizations granted by the U.S. Food and Drug Administration (FDA). We are also proud that *ZYN* has become the No. 1 modern nicotine brand in America, demonstrating the growing demand among legal-age adult nicotine users for better alternatives. In June 2026, the FDA issued MRTP orders for 20 variants of *ZYN* nicotine pouch products, making it the first nicotine pouch product to receive these orders. This decision authorizes the communication of an important public health message: Using these *ZYN* products instead of cigarettes puts adults who smoke at a lower risk of certain smoking-related diseases.

These regulatory milestones matter because they represent something larger than product success. They represent innovation operating as intended: grounded in science, evaluated through rigorous regulation, and deployed responsibly to provide better choices for adults who would otherwise smoke.

The research outlined in this paper reinforces that Americans are seeking a similar standard from companies across industries. They want innovation that is practical, trusted, and connected to everyday life. They want businesses to invest in communities, support local economies, and demonstrate their impact in ways people can see.

By commissioning this survey and producing this report, we aim to help other organizations contribute to America's better future.

The findings provide a roadmap not only for business leaders but for anyone interested in how America can strengthen trust, expand opportunity, and foster innovation in the years ahead. They also reinforce our belief that the future of innovation will not be determined solely in boardrooms, research labs, or traditional innovation hubs. It will be shaped in communities across the country by people solving real problems, creating new opportunities, and building a stronger future from the ground up.

As we celebrate America250, PMI U.S. remains committed to being invested in that future—through responsible innovation, American jobs and manufacturing, and meaningful community partnerships.

Innovation, done right, will help move America forward with confidence into its next 250 years.

Stacey Kennedy
Chief Executive Officer
PMI U.S.

Executive Summary

76%

Just over three-quarters of U.S. adults believe innovation will play a central or significant role in building a better future for America.

America does not have an innovation shortage. It has a proof-of-meaningful-impact shortage. As the country celebrates its 250th anniversary, new research from PMI U.S. and The Harris Poll[2] shows that the public still believes innovation can help build a better future—but is no longer willing to accept it in the form of abstract promises. **Americans are applying a tougher test: Does the innovation make life better, more affordable, safer, healthier, or more workable in the communities where people live?**

That is the tension revealed in the data. Just over three-quarters of U.S. adults (76 percent) believe innovation will play a central or significant role in building a better future for America, yet 81 percent say that the way companies talk about innovation

2 PMI U.S. / The Harris Poll, Innovation and Communities Survey, conducted online May 19–June 2, 2026, among 2,000 U.S. adults aged 21 and older, with market samples in Atlanta, Chicago, Houston, Jacksonville, Los Angeles, Nashville, New York, Phoenix, Pittsburgh, and Stamford.

"The best ideas for America's next chapter are already out there, waiting to be discovered."

—Hugh Forrest, Co-President & Chief Programming Officer, SXSW

often feels disconnected from daily problems. Even more troubling, 79 percent say America is innovating in the wrong areas. This is a warning to companies: The public still believes in innovation, but it no longer trusts companies and institutions to define its value on their own terms.

The data on trust explain why the test has become so unforgiving. **Only 43 percent of adults are confident America is headed in the right direction**, compared with 58 percent who are confident their community is on the right track. That 15-point gap is the study's first major finding: Confidence has moved closer to home. The institutions and individuals Americans trust most are the businesses and entrepreneurs, nonprofits, and organizations in their communities. Optimism is

evidence-based—and that evidence must be close enough to verify.

The second finding is that locally driven progress is real, but under-resourced. Many Americans see that their communities are working to improve public safety, infrastructure, housing, education, jobs, and more, but the progress they're seeing is uneven—and, in most cases, inadequate. The use of technology to solve local problems and providing support for small businesses are recognized as areas where gains are being made. Housing affordability remains a weak spot. Local ideas are trusted, but they cannot scale on goodwill alone. They need connection, long-term commitment, coordination, funding, tools, platforms, visibility, and partners willing to help what works travel beyond one place.

The third finding has potential political implications: In a time when the country is polarized by identity and ideology, the Harris data show a shared pressure map, with Americans still agreeing on the problems that matter. Healthcare, housing, good-paying jobs that do not require a four-year degree, education, trust, infrastructure, support for small businesses, resilience, and broader access to innovation form a practical consensus agenda. **Americans do not lack common priorities; they lack enough institutions and businesses organized around delivering on them**.

The fourth finding is that corporate innovation has a usefulness problem. Americans see companies investing heavily in AI, software, and moonshots—but not enough in the priorities communities value most: making everyday essentials more affordable, expanding access to healthcare, creating local jobs, strengthening schools, supporting small businesses, improving public safety, and building community resilience. **The public test for innovation is no longer novelty; it is utility**. Innovation earns permission when people can see what it improves, whom it serves, and that its benefits reach beyond investors, corporations, and already-advantaged communities.

The fifth finding is that market proof must align with the local mood. Stamford is already convinced that innovation is working; Nashville wants proof that innovation is aimed at the right problems; and Chicago believes the next breakthrough can come from any community. The strongest innovation story, therefore, is not one national message repeated everywhere. It is a national argument, supported by local evidence that aligns with what each market is already prepared to believe.

Taken as a whole, the research points to a growing belief that America's next era of innovation will be shaped by a broader range of voices, experiences, and communities than ever before. As technology, talent, and opportunity become more accessible, the potential for transformative ideas is no longer confined to a handful of established centers. **The challenge—and opportunity—ahead is to create conditions where innovation can thrive wherever ambition and ingenuity exist**.

Scope and Methodology

The Harris Poll was conducted online on behalf of PMI U.S. between May 19 and June 2, 2026. The survey sample consisted of 2,000 U.S. adults aged 21 and older. National results were weighted by age, gender, region, race/ethnicity, household income, education, marital status, household size, employment status, and political party affiliation. The national sample has a Bayesian credible interval of ±3.1 percentage points at a 95 percent confidence level.

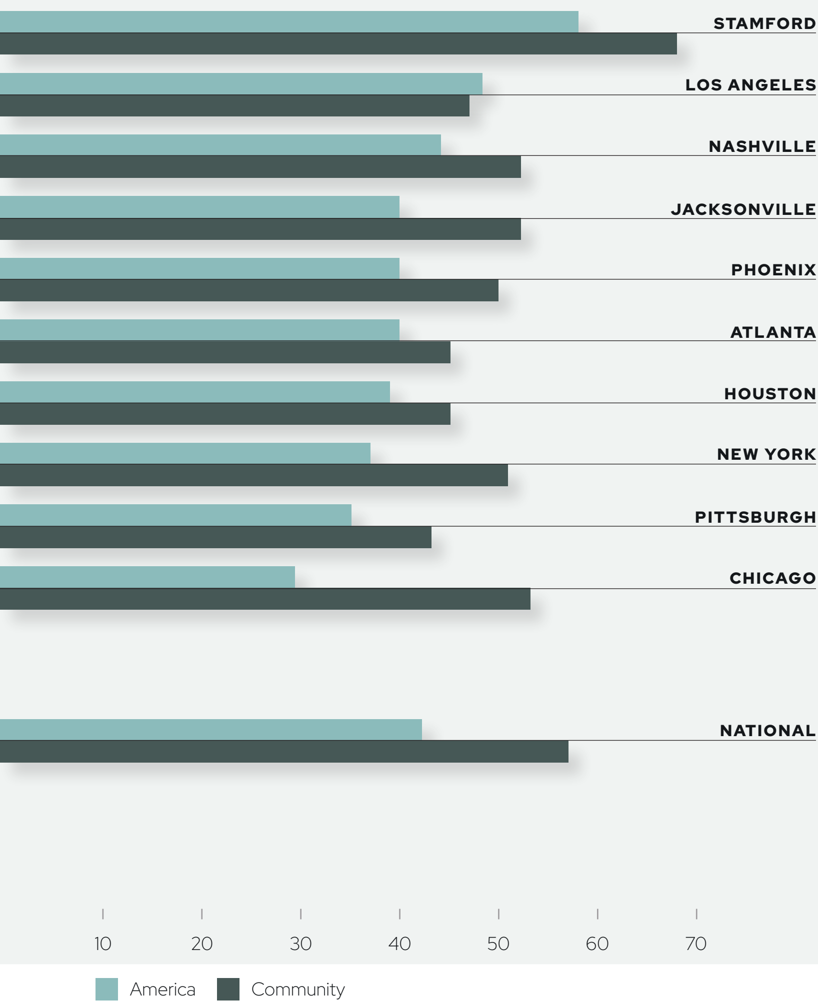
The research also included market-level samples of approximately 200 adults in each of 10 cities: Atlanta, Chicago, Houston, Jacksonville, Los Angeles, Nashville, New York, Phoenix, Pittsburgh, and Stamford. Market-level results were weighted by age, gender, race/ethnicity, marital status, and education, with Bayesian credible intervals ranging from ±7.7 to ±9.2 percentage points.

To provide context for the Harris Poll findings, we have supplemented the report with third-party research.

Figure 1

Confidence in America vs. Confidence in Community

% somewhat/very confident



Americans often trust community direction more than national direction.
Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

Trust Has Gone Local

43%

America is headed in the right direction

58%

My local community is headed in the right direction

+15%

Community confidence advantage

The Harris Poll's confidence gap illustrates what has happened to public trust: 43 percent of respondents are confident America is headed in the right direction, while 58 percent are confident in the track their local community is on. **The national story is losing credibility because promises made in the nation's capital are too distant for most to verify**. The local story still has a chance because residents can see the work, know the people, and judge whether progress is real.

A study conducted by Pew Research Center supports the view that trust in central institutions is eroding. Pew reported that only 17 percent of Americans trusted the federal government to do what is right in September 2025, down from 22 in 2024.[3] Moreover, its 2024 institutional review revealed that mistrust is spreading beyond the federal government into institutions such as news media, higher education, science, and the Supreme Court.[4] The Harris

3 Pew Research Center, Public Trust in Government: 1958–2025.

4 Pew Charitable Trusts, Americans' Deepening Mistrust of Institutions.

"I am seeing more local businesses opening up, cleaner public spaces, and stronger community support for neighborhood events and small charities."

—F, 21, CA

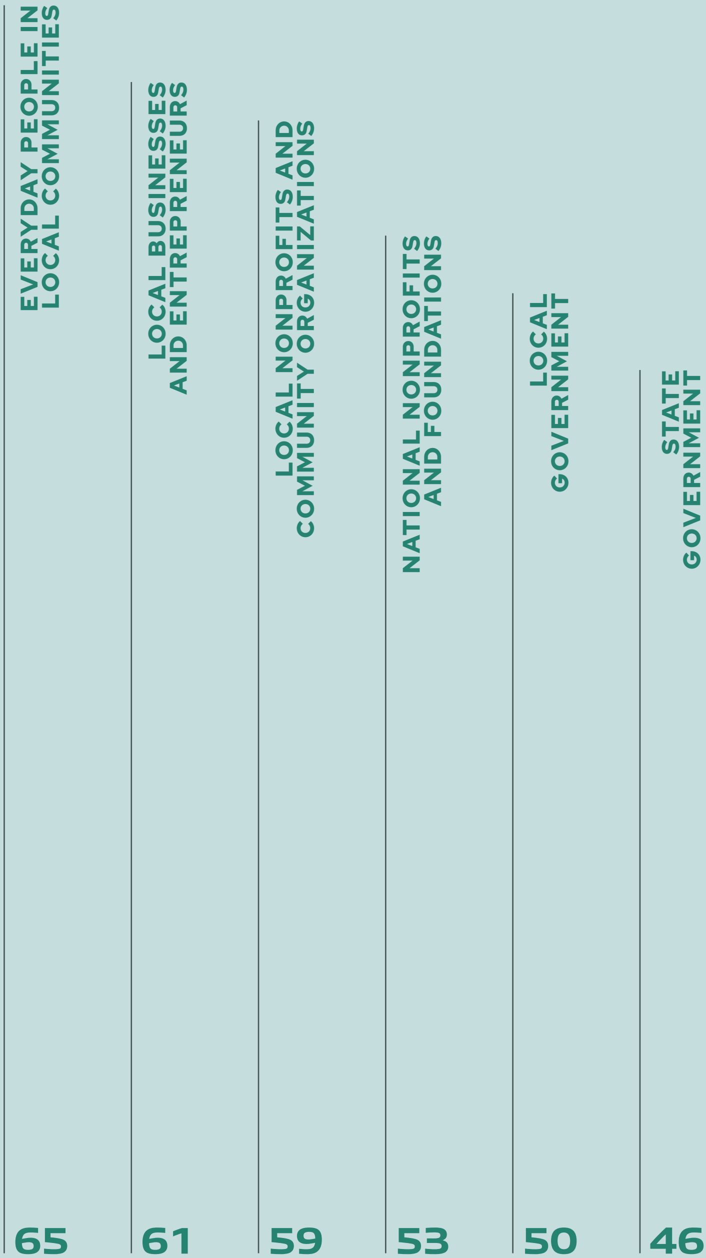

EVERYDAY PEOPLE IN LOCAL COMMUNITIES
65
LOCAL BUSINESSES AND ENTREPRENEURS
61
LOCAL NONPROFITS AND COMMUNITY ORGANIZATIONS
59
NATIONAL NONPROFITS AND FOUNDATIONS
53
LOCAL GOVERNMENT
50
STATE GOVERNMENT
46

Figure 2

Q. How much is each of the following increasing your confidence that America is headed in the right direction?

% AGREEING SOMEWHAT / A GREAT DEAL

The top confidence boosters:

65%
everyday people in local communities

61%
local businesses and entrepreneurs

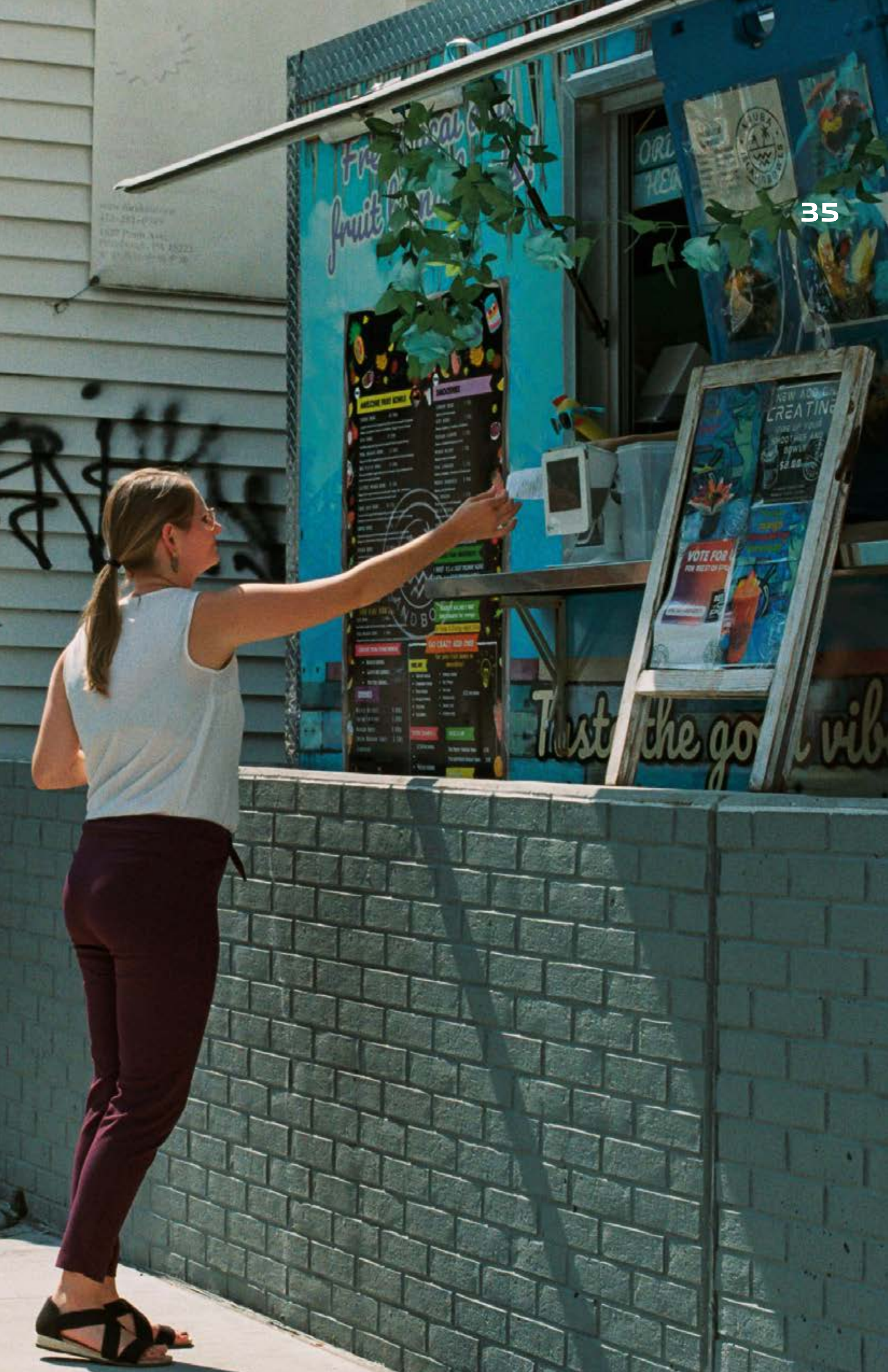
59%
local nonprofits and community organizations

findings, therefore, should not be read as a one-off snapshot. They are part of a broader collapse of confidence in institutions that ask Americans to believe without showing sufficient proof.

To determine where confidence migrates when national trust breaks down, the Harris Poll asked respondents to rate the extent to which various entities increase their confidence in America's direction. The top confidence boosters are everyday people in local communities (cited by 65 percent), local businesses and entrepreneurs (61 percent), and local nonprofits and community organizations (59 percent). The federal government lagged at 41 percent. That is not a marginal difference; it is a legitimacy ladder. People trust the actors closest to the consequences.

The pattern becomes even more pronounced when respondents are asked whom they trust to drive positive change in their communities. Figure 3 shows that trust is concentrated among actors with direct, visible ties to local life. Small business owners and entrepreneurs, healthcare workers, everyday residents, educators, nonprofit leaders, and community organizations all rank ahead of formal political authority. Local elected officials place at the bottom of the list. The finding reinforces a central theme of this research: Americans have not withdrawn their trust altogether—they have become more selective about where they place it. Trust increasingly follows demonstrated performance rather than formal authority, favoring actors whose impact is visible, immediate, and rooted in the communities they serve.


Lins Hair
412.281.0989
TIST
ICEY


CREATING
VOTE FOR

Gallup's institutional data[5] help explain why small businesses are such a force in the Harris results. Gallup found average confidence in major institutions at a historically low 28 percent in 2024. Small businesses stood out as the most trusted institution, at 68 percent, ahead of the military and police. In other words, Americans have not stopped trusting all institutions. They are putting their faith in those that feel human-scale, useful, and accountable.

The Harris data also reveal the frustration underlying the turn toward things local: 79 percent say they have stopped waiting for national solutions and started focusing inward, on their local communities; 75 percent say the gap between what politicians talk about and what their community needs has never felt wider; and 82 percent trust people in their community more than any national institution to figure out what they need. This is not quaint neighborliness. It is a referendum on distant problem-solving.

Edelman's 2025 Trust Barometer[6] gives that frustration a sharper name: *grievance*. It reports that 61 percent globally hold a moderate or high sense of grievance against government, business, and the rich, and it recommends that institutions rebuild trust by investing in local communities, quality information, and job skills. The Harris findings are the U.S. community-level version of the same warning: If institutions want to re-earn trust, they have to go where trust still has a pulse.

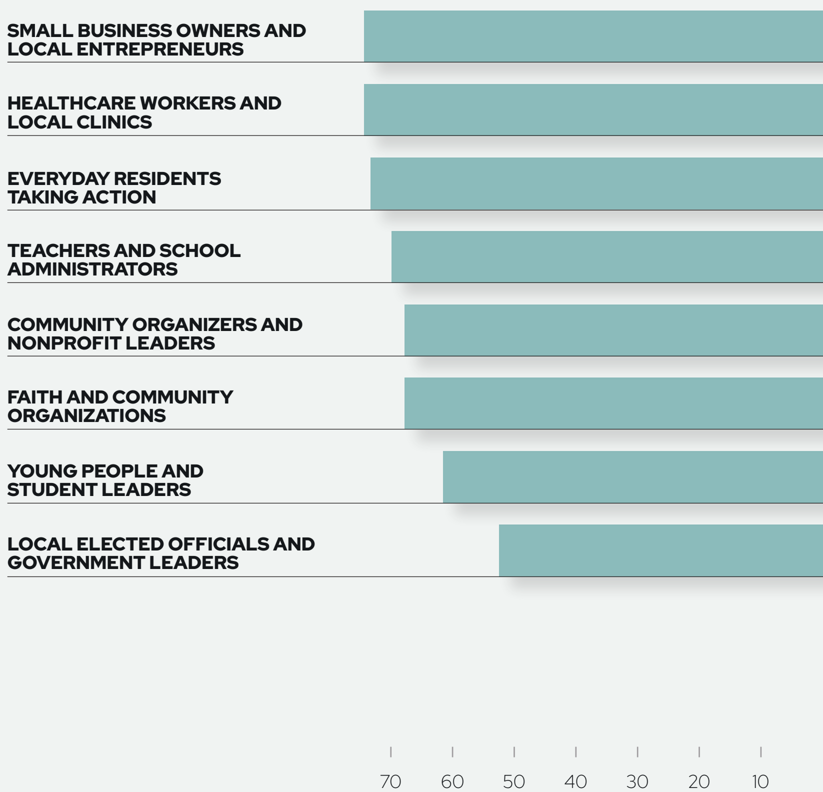
5 Gallup, U.S. Confidence in Institutions Mostly Flat, but Police Up.
6 Edelman, 2025 Edelman Trust Barometer.

Figure 3

Trusted Drivers of Community Change

Q. How much do you trust the following parties to drive positive change in your community?

% somewhat/highly trust



Local actors outrank formal authority as trusted drivers of community change.
Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

Local Progress Is Visible but Uneven

84%

of Americans see their community actively addressing at least some meaningful challenge.

The Harris Poll finds that 84 percent of Americans see their community actively addressing at least some meaningful challenge. Public safety is the most visible issue, selected by 37 percent, followed by roads and infrastructure at 35 percent, housing affordability at 33 percent, supporting small businesses and entrepreneurs at 32 percent, education at 31 percent, and jobs at 31 percent. That list tells a blunt story: **People are not looking for abstract promises**. They are looking for proof that something practical is getting fixed.

The progress scores expose where local action feels credible—and where it does not. Nearly three-quarters of respondents (71 percent) who agree that effort is being made in these areas see community progress underway in supporting small businesses and entrepreneurs and employing technology to solve local problems. In contrast, fewer than half (48 percent) of those seeing efforts to improve housing affordability think they're paying off. That is the coldest reality check: Communities may be trying, but their attempts to address housing are falling short.

"I'm seeing progress in community support initiatives, with more local businesses and residents collaborating on volunteer programs and neighborhood improvement projects."

—M, 27, CT

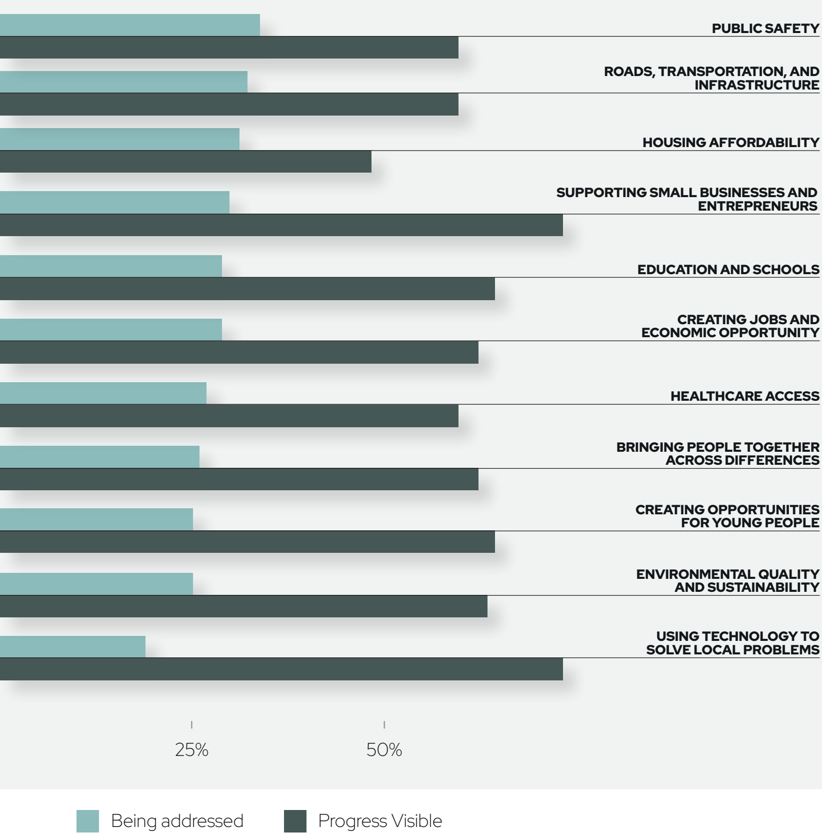
Figure 4

Local Action vs. Visible Progress

Q. Which of the following is your community actively working to solve right now?

Q. Out of the areas your community is actively working on, how much positive progress is your community making?

% choosing meaningful/significant progress



Where communities are acting and where residents see progress.
Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

Harvard's 2025 State of the Nation's Housing report[7] highlights the challenge, stating that high home prices and elevated interest rates reduced homebuying to the lowest level since the mid-1990s and that high rents left more people than ever cost-burdened. The Harris finding that housing progress lags is not a communications problem; it is a reality problem.

From the open-ended responses, we were able to glean what does cut through: local businesses opening, cleaner public spaces, neighborhood events, charitable work and volunteerism, community outreach programs, resident-business collaboration, neighborhood improvements, and housing for low-income families and people experiencing homelessness. These examples are not glamorous,

7 Harvard Joint Center for Housing Studies, The State of the Nation's Housing 2025.

but that is the point. In a low-trust environment, glamour is often less persuasive than evidence.

Yet local proof has a distribution problem. Pew reported that just 21 percent of Americans followed local news very closely in 2025, down from 37 percent in 2016.[8] That collapse matters because Harris finds that 79 percent of Gen Zs and millennials and 76 percent of Gen Xers and boomers agree that positive things are happening in their communities that do not get enough attention. The country is relying on local progress to rebuild national confidence, even as the channels that carry news of it have weakened.

8 Pew Research Center, Local News Fact Sheet.

-SHIRTS
USA
HATS
SUNGLASSES
ZIPPO
PENNY PRESS
PATCHES
PINS
SHOT GLASSES
OPEN
32
OPEN
$9.99
LEGEND
HIKE


FOREVER YOUNG
OUTLET
One stop Souvenir shop
SPOONS
THIMBLES
MONEY CLIPS
KNIVES
T-SHIRTS
OPEN

The belief in local problem-solving is not fringe. **Eighty-five percent of Harris Poll respondents agree America's next chapter will depend on ideas from communities across the country**, reinforcing the conviction that the nation's future is more likely to be built from the ground up than handed down from national institutions.

That contradiction should influence how organizations think about community engagement. Doing good work locally is not enough if the work remains invisible, isolated, or trapped in a single market. The data point to a more aggressive model: Make the work tangible, make it useful, make it durable, and then make it travel.

Communities Need Infrastructure, Not Applause

91%

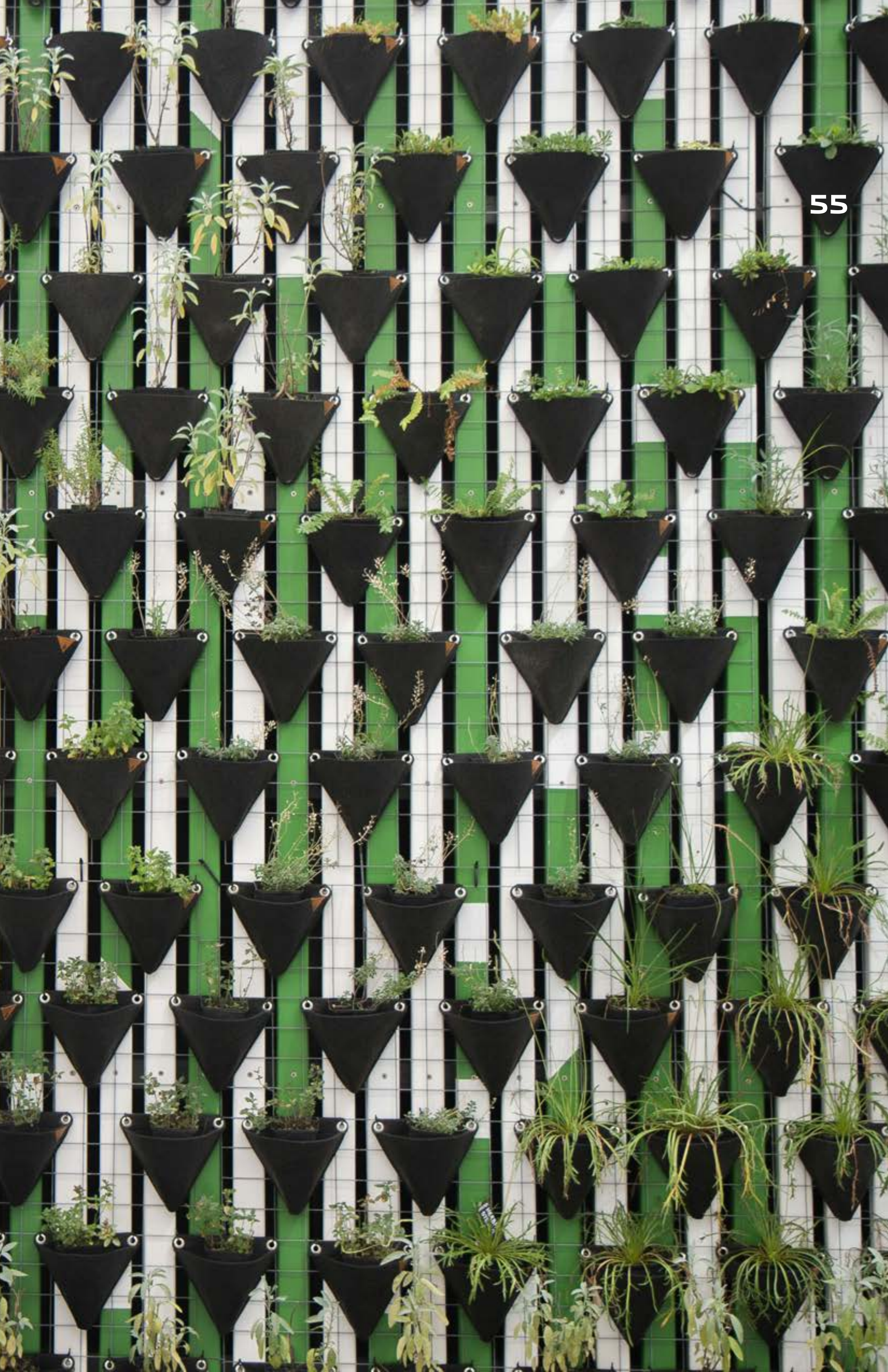
91 percent of Harris Poll respondents agree that communities need connection to other communities solving similar problems.

The Harris Poll highlights an important distinction: Americans recognize that communities are generating ideas, but they do not believe those ideas can scale on goodwill alone. **Local progress earns trust because it is visible and accountable**. But visibility is not the same as durability. A neighborhood program, a small-business partnership, a workforce pathway, or a local health initiative can work in one place and still fail to endure, expand, and travel because it lacks funding, coordination, technical support, communications capacity, or a partner willing to stay involved after the initial announcement.

Communities rarely progress in isolation. At least 9 in 10 Harris Poll respondents agree that communities need connection to other communities solving similar problems; long-term commitment, not one-time grants; companies acting as partners, not saviors; and better coordination among local organizations. Funding, tools, expertise, platforms, visibility, and national attention follow closely behind. The message is clear: Americans are not

"I am seeing more local businesses opening up, cleaner public spaces and stronger community support for neighborhood events and small charities."

—M, 41, NY



asking institutions to cheer from the sidelines. They are asking them to help build the connective tissue that lets useful local ideas mature and spread.

Pragmatic Philanthropy and Its Implications for America250

The Harris Poll findings suggest the role of business in community innovation needs to evolve. The most effective approach is not to arrive with a prepackaged solution or to translate community work into a corporate halo. It is to ask what is already working, what is missing, and what would help that work scale. It's an approach PMI U.S. has termed *pragmatic philanthropy*.[9] In practice, that means listening to learn, patient investment, providing communications and operational support, convening power, and having the discipline to let local leaders steer the ship.

If the challenge is to help local ideas reach their full potential, this year's America250 commemoration presents a unique opportunity to do exactly that. A national milestone of this nature can easily become symbolic—dominated by flags, speeches, and flowery language about unity. The Harris data suggest a more demanding opportunity. If Americans believe the next chapter will depend on ideas from communities

9 PMI U.S., Pragmatic Philanthropy: A New Imperative of Corporate Citizenship, Summer 2025.

across the country, then we should take the occasion of America's 250th anniversary to not only celebrate American ingenuity but also to help identify, connect, and accelerate it. The anniversary becomes a credibility test: **Can national attention be used to make local proof more visible, useful, and lasting?**

For PMI U.S., that points to a practical model for community engagement. The strongest programs will not be those that attach the business to a worthy cause without measurable impact. They will be those that help local ideas move from isolated examples to shared learning: connecting communities facing common challenges, elevating trusted local actors, supporting small businesses and workforce pathways, investing beyond a launch moment, and showing how responsible innovation can expand capacity where people already see possibility.

The broader implication is just as important. Community impact should not be framed as charity or brand storytelling. It should be treated as infrastructure: the conditions that allow practical solutions to take root, improve, travel, and prove themselves in more than one place. In a low-trust environment, that is what separates applause from contribution.

The Consensus Hiding in Plain Sight

44%

of Americans agree on what hurts: healthcare affordability.

For political leaders, an instructive finding of the Harris Poll is that Americans still agree on today's most pressing pain points. Healthcare affordability ranks first (cited by 44 percent), housing second (42 percent), and good-paying jobs without a four-year college degree third (36 percent). Schools, trust, infrastructure, support for small businesses, resilience, and broader access to innovation follow. **This is not a dreamy unity narrative; it is a pressure map**.

The finding takes on added import when placed against polarization research. Gallup reported in January 2025 that the major U.S. political parties are ideologically more polarized than at any other point in more than three decades, with 77 percent of Republicans identifying as conservative and 55 percent of Democrats identifying as liberal.[10] The Harris data do not contradict polarization; they expose its limit. Americans may be divided on identity and ideology, but many are living through the same affordability squeeze.

10 Gallup, U.S. Political Parties Historically Polarized Ideologically.

“There’s a large number of community outreach programs that are starting up that it seems like a lot of people are getting involved in, which makes me feel good that people care about this community.”

–M, 66, IL

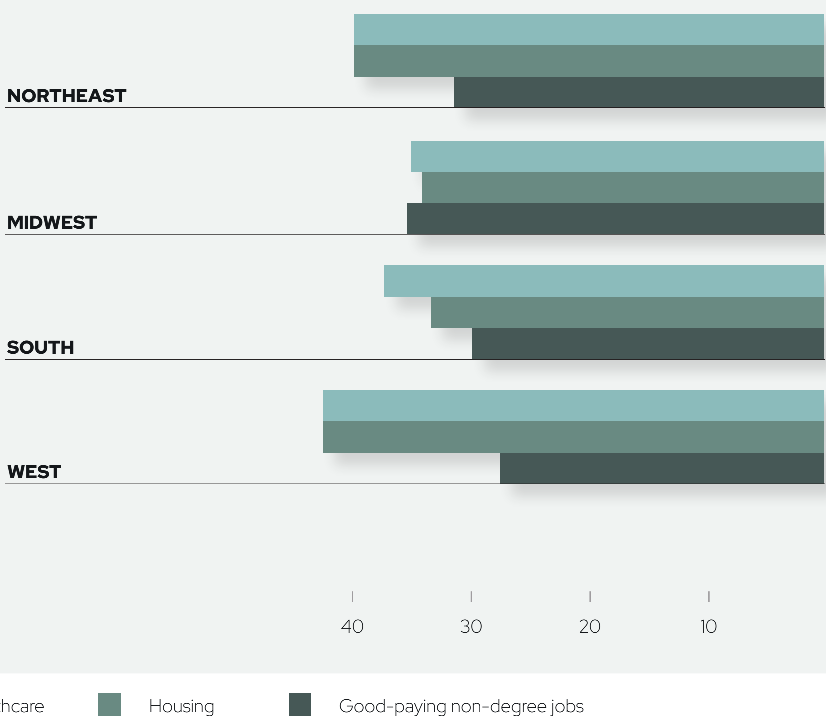

Campbell's P
FOOD-COCKTAILS
FIESTA III
PIZZA
NO
STOPPING
BUS
ZONE
END
SCHOOL
ZONE

Figure 5

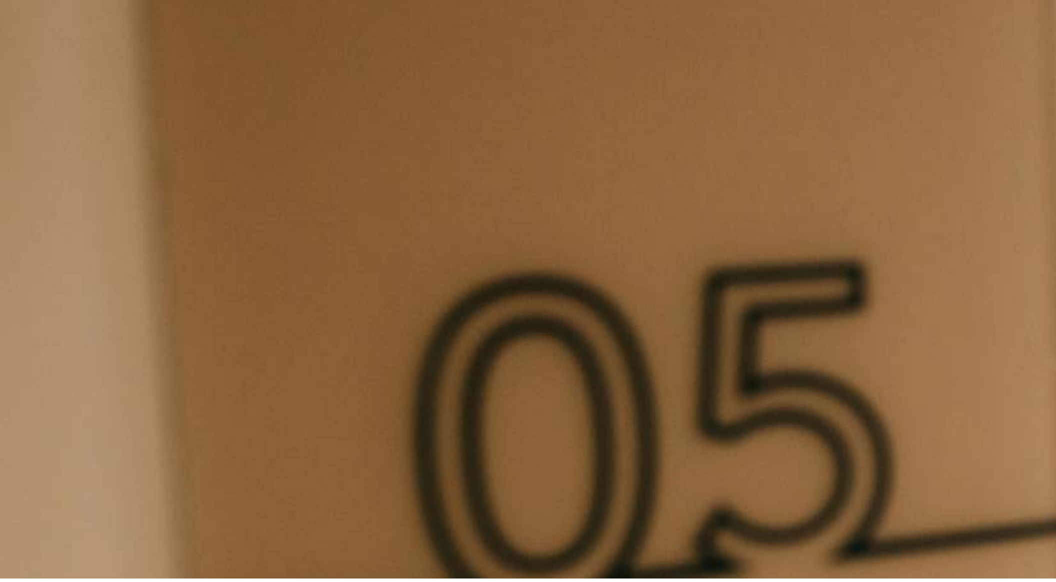
The Consensus Agenda by Region

Q. What should matter most as America thinks about its future?

% selecting as top-three



Healthcare, housing, and non-degree jobs are the cross-regional consensus agenda.
Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.



Healthcare leads the list of concerns because health costs are no longer a healthcare-sector issue; they are a household solvency issue. KFF reported that U.S. health spending reached $4.9 trillion in 2023 and generally outpaced inflation.[11] Peterson-KFF reported that in 2024, 17 percent of U.S. adults delayed or did not seek healthcare due to cost, and 45 percent worried about their ability to pay medical bills if they were sick or injured.[12] The Harris finding that healthcare is the top priority for Americans is not surprising; the surprise would be if it were not.

Housing ranks second because the promise of rootedness and generational upward mobility is rupturing. Harvard's 2025 report[13] pointed to homebuying at its lowest level since the mid-1990s, high rents leaving more people cost-burdened, rising home insurance rates and taxes, and climate disasters adding pressure to the housing stock. The Harris Poll wording—"housing affordable enough to build a life where people grew up"—captures what market statistics often miss: Housing unaffordability is not just a price shock; it is a forced displacement engine.

11 KFF, Health Care Costs and Affordability.

12 Peterson-KFF Health System Tracker, How Does Cost Affect Access to Healthcare?

13 Harvard Joint Center for Housing Studies, The State of the Nation's Housing 2025.

The emphasis on non-degree jobs is equally important because it challenges the prestige economy. More than a third of respondents (36 percent) classified good-paying jobs that do not require a four-year degree as a top priority, with the Midwest at 41 percent, boomers at 43 percent, rural/nonmetro respondents at 38 percent, and Independents/others at 38 percent. McKinsey's work on skills-based hiring makes the same point from the employer side: Degree screens can block capable workers, while skills-based hiring can expand talent pools and help fill technical roles amid shortages.[14]

The regional, generational, income, party, and urbanicity crosstabs all point to the same conclusion: **The country doesn't lack shared priorities; it lacks shared execution and preferred approaches**. Democrats, Republicans, and Independents—as well as urban and rural respondents—all rank healthcare, housing, and non-degree jobs in the top tier of concerns. The elite conversation tends to ask what divides Americans. The more useful question is why public institutions and companies have not organized more effectively around what Americans already agree matters.

14 McKinsey & Company, Right Skills, Right Person, Right Role.

The Innovation Gap: When Investment and Public Priorities Diverge

79%

of Americans say America is innovating in the wrong areas.

The Harris Poll does not show that Americans reject innovation. It shows something more consequential for companies: *Americans still believe in innovation but are no longer willing to let companies define it unchallenged*. Just over three-quarters of the national sample (76 percent) say innovation plays a central or significant role in building a better future for America, and 71 percent say the word *innovation* describes everyday changes at least somewhat well. Yet 81 percent say company innovation talk often feels disconnected from daily problems, and 79 percent say America is innovating in the wrong areas.

The investment gap is sizeable. Respondents perceive companies investing most in AI and machine learning, apps and software, and space or moonshot projects. **But where do Americans want companies to invest?** They want to see investment in reducing everyday costs, making healthcare more accessible, creating good-paying local jobs, making housing more affordable, improving schools, making neighborhoods safer,

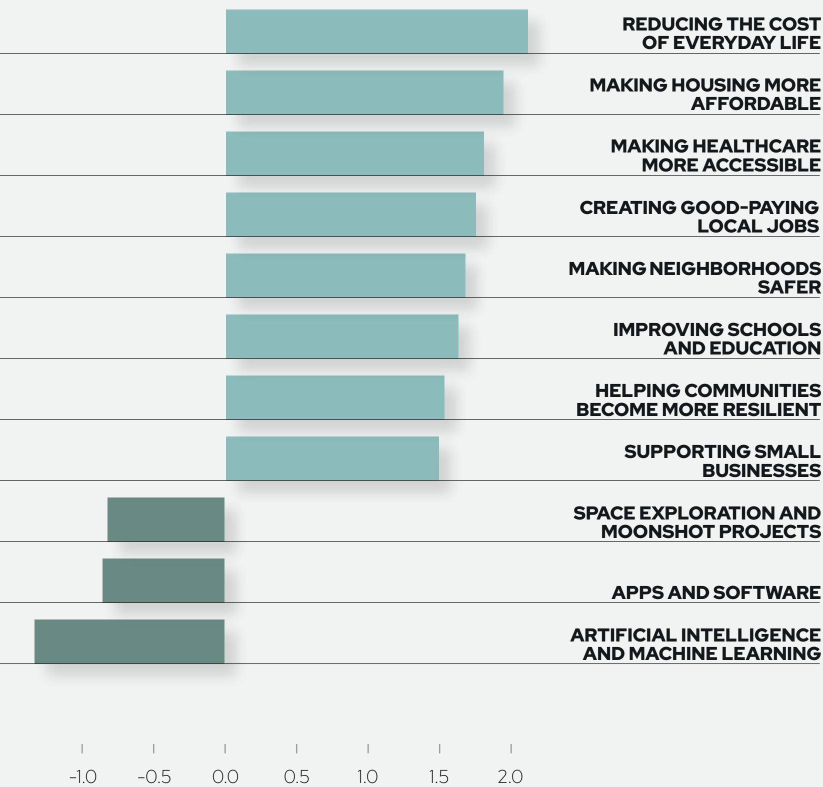

tab
Q
caps lock
A
shift
fn
control
alt

Figure 6

The Innovation Mismatch

Q. When it comes to innovation—where do you think American businesses are currently putting their investment? And where do you think they should be putting it?

Additional investment desired (+) / overinvestment perceived (–)



Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

supporting small businesses, and building resilience. **Respondents believe companies are underinvesting most in reducing everyday costs and overinvesting most in AI. That is not an anti-technology position. It is anti-disconnect**.

Stanford HAI's 2026 AI Index offers further context: Organizational adoption of AI reached 88 percent in 2025; global corporate AI investment more than doubled; private investment grew 127.5 percent; and generative AI funding rose more than 200 percent.[15] Capital markets are sprinting toward AI while the public is asking who benefits from it, what gets cheaper, what gets easier, and where the local proof is.

15 Stanford Institute for Human-Centered Artificial Intelligence, 2026 AI Index Report.

How the American public define innovation:

23%

economic innovation—creating jobs, growing small businesses, building pathways to economic opportunities

21%

technology innovation—AI, software, scientific breakthroughs that reshape industries

High Impact > High Tech

The Harris data also show that the American public may be less inclined than most companies to identify innovation primarily with technological advances. When asked how they define innovation, only around a fifth of adults surveyed (21 percent) selected “technology innovation—AI, software, scientific breakthroughs that reshape industries.” Instead, 23 percent pointed to “economic innovation—creating jobs, growing small businesses, building pathways to economic opportunities”; 21 percent chose “applied innovation—practical ideas that improve everyday life: healthcare, safety, schools, housing, infrastructure”; 18 percent said “social innovation—community-led solutions, improving access, increasing mobility, elevating local leadership”; and the remaining 17% prioritized “environmental innovation—solutions that address climate, sustainability, and community resilience.”

That distribution is a warning to any company that treats innovation as synonymous with software, AI, or venture-backed novelty. **The public definition of innovation prioritizes advances that impact the basics of everyday life.**

A Demographic Divide

The national averages hide an important gender split. Men and women largely agree that innovation should address real problems, does not have to be high-tech, and can come from anywhere. However, whereas men were most likely to define innovation as technological advances, women prioritized economic innovation. In plain terms, men are more likely to see the machine; women are more likely to see the marketplace, the household, and the neighborhood.

That difference matters because optimism tracks with the definition. **Men are more likely than women to say every type of innovation listed adds to their confidence in America's future**, with the widest gap on technology innovation: 70 percent of men say it boosts confidence, compared with 55 percent of women. Men are also significantly more likely to say innovation in America is thriving and moving in

the right direction, at 70 percent versus 54 percent among women. Women are not rejecting innovation. They are applying a more conditional test—and are less satisfied with the current state of affairs. They are more likely to say America is innovating in the wrong areas, solving the wrong problems for the wrong people, and they appear less willing to grant innovation the benefit of the doubt until it delivers visible, practical benefit.

For companies, the implication is simple: A technology-first innovation story may overperform among audiences already inclined to view innovation as a source of national optimism, but it will underperform among audiences seeking evidence of economic opportunity and everyday impact. The stronger message is not "technology will change everything." It is "innovation will make life work better," with technology positioned as one tool for delivering jobs, affordability, access, safety, health, and community resilience.

Corporate Innovation Has a Usefulness Problem

57%

of Americans say under-resourced or low-income communities are only slightly served or not served at all by innovation.

The Harris data set a clear expectation for innovation: It must solve real problems for real people, and the benefit has to be visible enough to earn trust and allow the solution to gain traction.

At present, many Americans perceive innovation as benefiting corporations and investors more than communities, working families, and small businesses. More than half the sample (57 percent) say under-resourced or low-income communities are only slightly served or not served at all by innovation; 52 percent say the same of working families; 48 percent of local communities; 46 percent of young people and future generations; and 42 percent of small businesses and entrepreneurs. Compare that with investors and corporations, which only 24 percent and 21 percent of Americans, respectively, deemed only slightly served by innovation or not served at all. **The public sees the innovation economy as upside-down: The people with the greatest need are perceived as the least served**.

Edelman's grievance research helps explain why this matters for trust. Edelman reports widespread grievances against business and government, and warns that institutions need to address economic realities and invest in local communities, high-quality information, and job skills.[16] The Harris data translate that into a business test: If innovation does not demonstrate practical benefit to ordinary people and communities, it will be regarded as companies talking about things that pertain only to the elite.

Bottom line: **Progress must be demonstrated, not described**. It has to show up in ways people can see—in better products and services, economic contribution, and tangible community impact. Companies earn credibility when they demonstrate what their innovation changes in the immediate term—the problems they are addressing, the people they are serving, the economic contribution they are making, and the standards they are operating within. Innovation matters most when it delivers proof that people recognize—not just potential that companies describe.

16 Edelman, 2025 Edelman Trust Barometer.

Innovation Is Local: Why Each Market Needs Its Own Proof Points

The city-level findings show why no single national innovation story can carry the full argument. Perceptions of innovation are filtered through local confidence, visible progress, and whether residents believe it is solving the right problems. Across markets, people are more willing to believe in progress when it is close enough to evaluate, but the proof they need varies sharply by place.

Three markets illustrate the spectrum. Nashville is the **"innovation is broken, communities will fix it"** market. Stamford is the "innovation is working, and I can feel it" market. Chicago is the "big ideas can come from anywhere" market. The differences aren't about whether people value innovation; they're about whether people in a particular part of the country believe innovation

is aimed at the right problems, reaching real communities, and producing evidence they can see. Intensity is also unevenly distributed. Los Angeles and Houston sit below the national average on several measures of community-innovation skepticism, while Phoenix runs closer to the middle. That pattern reinforces the point that the places most likely to feel innovation has passed them by are often the ones speaking most clearly about where it needs to go next.

Technology often shows up in people's sightings of local progress, but **the desired innovation agenda remains practical: innovation that impacts healthcare, everyday**

costs, jobs, education, housing, and small businesses. Technology has credibility when it is a tool for solving problems, not when it becomes the story itself.

Taken together, the market reads point to a practical rule: To be most effective, local proof has to match local mood. In Stamford, that means building on confidence. In Nashville, it means demonstrating usefulness and community benefit. In Chicago, it means elevating local potential. In other markets, it means listening for the specific practical pressure points—costs, jobs, housing, healthcare, schools, safety, or support for small businesses—that make innovation feel relevant.

Where the Innovation Story Splits:

- Chicago
- Nashville
- Stamford

Chicago
Nashville
Stamford

KEY DATA POINT

92%

say the next big American idea could come from any community.

KEY FINDING

National confidence is weak, but belief in community-originated innovation is strong.

TAKEAWAY

Local problem-solvers are the source of credibility; the story should elevate the work already underway.

Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

Chicago

Chicago's signature is its belief that greatness can come from anywhere. The market is the most convinced that the next big American idea could come from any community, not just a traditional innovation hub (92 percent versus 87 percent nationally). It also leads on the belief that the best innovation does not disrupt, it delivers (91 percent versus 86 percent).

One place Second City residents likely aren't expecting to see the next great innovation: the nation's capital. While most Chicagoans (54 percent) are confident in the direction their community is moving, only 30 percent feel the same about the nation. That 24-point difference demonstrates that **residents' optimism stems not from a sense that the national story is persuasive, but from their belief in what local problem-solvers can deliver**. Already, 77 percent point to the progress they're seeing in their city's use of technology to address local challenges. The opportunity now is to spotlight and support the people and organizations earning that belief.

KEY DATA POINT

85%

say America is innovating in the wrong areas and solving the wrong problems for the wrong people.

KEY FINDING

Residents believe innovation is misdirected and prefer practical, community-led solutions.

TAKEAWAY

Usefulness is the trust test: Innovation must address visible community needs.

Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

Nashville

Nashville is the clear skeptic among the markets in the study. It reports the highest level of agreement that **America is innovating in the wrong areas and solving the wrong problems for the wrong people**—at 85 percent, compared with 79 percent nationally. It also demonstrates the strongest belief that innovation earns credibility when people see it benefit real communities (93 percent versus 89 percent nationally) and that companies investing in practical, community-led innovation will earn more trust (91 percent versus 85 percent). Moreover, Nashville is below the national average on the idea that innovation in America is thriving and moving in the right direction—at 58 percent versus 62 percent nationally.

The market is not anti-innovation. It is demanding proof that innovation is aimed at the right problems and rooted in community benefit. Residents are not asking companies to own the solution. They are asking them to help serious local work go further.

KEY DATA POINT

88%

say innovation in America is thriving and moving in the right direction.

KEY FINDING

Innovation confidence is already high and locally reinforced.

TAKEAWAY

The opportunity is to sustain visible progress so optimism remains evidence-based.

Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

Stamford

Stamford sits at the opposite end of the spectrum from Nashville. It is the clearest optimism outlier, with the highest agreement that innovation in America is thriving and moving in the right direction (71 percent versus 62 percent nationally) and that innovation plays a significant or central role in the country's future (83 percent versus 76 percent). It also offers the clearest evidence that **innovation breeds optimism**, with technological innovation boosting confidence for 81 percent of Stamford respondents.

In Stamford, the national innovation story and the local experience appear to be mutually reinforcing. Stamford's confidence pattern proves the point. It is the only city in the sample to show majority confidence (59 percent) in the direction America is moving, and it is the most confident in its own direction (69 percent). Moreover, 86 percent of Stamfordians say progress in communities like theirs makes America seem more capable of change. This is not to say that residents are not still hungry for change: The people of Stamford want healthcare, schools, and good-paying local jobs to remain at the center of the innovation agenda.

Stamford's confidence is more than an opportunity to celebrate optimism. It offers a chance to connect the existing confidence to sustained investment, visible community progress, and corporate partnerships that continue to prove why that confidence is warranted.


DRINK
PLAY
SHARE

Where Usefulness Beats Hype:

- Jacksonville
- New York City
- Pittsburgh

KEY DATA POINT

88%

say companies investing in practical, community-led innovation earn more trust than those chasing the next big thing.

KEY FINDING

Practical innovation outperforms novelty.

TAKEAWAY

The strongest proof points are in housing, healthcare, jobs, coordination, and sustained local investment.

Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

Jacksonville

Jacksonville offers a practical-innovation argument. Around 9 in 10 Jacksonvillians (88 percent) say **companies investing in practical, community-led innovation will earn more trust than those chasing the next big thing**. The priorities are housing, healthcare, and good-paying local jobs. For now, residents are most impressed by the progress they're seeing their city make in applying technology to solve local problems.

The market's strongest needs—coordination between organizations, commitment, partnership, housing, healthcare, and jobs—make the path to earning corporate credibility clear.

KEY DATA POINT

38%

are confident America is headed in the right direction, compared with 52% who are confident in their community.

KEY FINDING

Innovation visibility does not automatically translate into perceived benefit.

TAKEAWAY

Credibility depends on connecting innovation to healthcare, jobs, the cost of living, and visible neighborhood progress.

Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

New York City

New York is not asking for a bigger innovation story; it is asking for a more useful one. The Big Apple is one of the places Harris Poll respondents named most often when asked where innovation is happening now. And yet, barely half of New Yorkers (52 percent) express confidence in the direction their community is moving. Even fewer—38 percent—are confident in the nation's direction. **Innovation alone is not enough if ordinary people do not feel the benefit**.

New Yorkers do point to signs of progress in several areas, mostly notably the use of technology to solve local problems, environmental sustainability, and public safety, but healthcare, local jobs, and everyday cost relief remain high on their agenda. New York's message is that innovation needs to be more useful. Credibility will come from showing how innovation improves healthcare access, creates local jobs, reduces costs, and visibly strengthens community progress.

KEY DATA POINT

87%

are more likely to believe in a company's innovation when they can see how it benefits communities.

KEY FINDING

The market applies a practical partnership test to innovation.

TAKEAWAY

Trust grows through long-term commitment, local capacity, and proof that companies remain beyond the announcement.

Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

Pittsburgh

Pittsburgh is not especially optimistic, with just 44 percent of residents confident in the direction their community is headed, and 36 percent saying the same of the nation's direction. They do see visible signs of progress, including in the use of technology to solve local problems, sustainability, and increased opportunities for young people. **What they want from companies is proof of commitment and impact**: 87 percent say they are more likely to believe in a company's innovation when they can see how it benefits real communities. Residents want cost relief, good-paying jobs, healthcare, and sustained corporate support.

Pittsburgh underscores the national push for companies to act as partners, not headline sponsors, and they will remain skeptical of intent until they see the progress with their own eyes.

Where Generic Innovation Falls Short:

- Atlanta
- Houston
- Los Angeles
- Phoenix

KEY DATA POINT

88%

say America's next chapter depends on ideas from communities across the country.

KEY FINDING

Community ideas are linked to the next generation and resilience.

TAKEAWAY

Corporate partners should back community ideas with tools, coordination, and long-term support.

Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

Atlanta

Atlantans view progress through the lens of collaboration and community capacity. Rather than looking solely to breakthrough technologies or major institutions, **residents place value on the networks and relationships that help local ideas become lasting change**.

Among Atlanta residents, 90 percent say better coordination between local organizations would help communities progress faster, while 86 percent point to the importance of long-term commitment from partners in helping local initiatives succeed. The findings confirm that Atlantans regard innovation not as something that happens in isolation, but as a collective effort driven by partnership, shared purpose, and access to opportunity.

The findings paint a picture of a city cautiously optimistic about its potential but fully aware that the ideas its residents generate won't succeed without support, visibility, and requisite resources. The market points to an innovation story rooted in the next generation, but grounded in practical tools, coordination, and long-term commitment.

KEY DATA POINT

86%

say the most meaningful innovation solves real problems people face every day.

KEY FINDING

Technology is visible, but usefulness determines credibility.

TAKEAWAY

Breakthroughs matter most when they translate into practical capacity for communities.

Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

Houston

While places such as Boston, Silicon Valley, and the nearby city of Austin remain synonymous with innovation, three-quarters of Houstonians say the hype generated is often stronger than the impact. More than 8 in 10 Houston residents (82 percent) believe **America's next chapter will depend on ideas coming not from so-called innovation hubs, but from communities across the country**. That potentially includes their own: 61 percent of Houstonians say people in their community are solving problems that no one else is paying attention to.

Houston's skepticism toward headline-generating innovations is exacerbated by the fact that 70 percent believe the country is innovating in the wrong areas. What do they want instead? The most meaningful innovation, according to 86 percent, solves real problems people face every day. Their investment priorities are local jobs, schools, and support for small businesses.

Houston's data make the case for practicality. Residents want companies to invest in improving things that impact ordinary people's everyday lives. Corporate messaging—and action—should be less about announcing breakthroughs and more about providing usefulness at scale.

KEY DATA POINT

91%

say communities need platforms to surface what is already working.

KEY FINDING

A creative market still needs clear local proof.

TAKEAWAY

Even high-visibility innovation markets need better amplification, coordination, and relevance to daily life.

Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

Los Angeles

Los Angeles is the only market where confidence in the community's direction (48 percent) sits slightly below confidence in America's direction (49 percent). Visible progress centers on sustainability, technology, and public safety, while the strongest support need is amplification: 91 percent say communities need platforms that surface what is already working.

Los Angeles shows that even in markets associated with technology and creativity, innovation must still pass the practical-benefit test. **The strongest opportunity is to connect environmental progress, local jobs, healthcare access, and trusted small-business voices in a story residents can recognize as their own**.

KEY DATA POINT

41%
are confident America is headed in the right direction, compared with 51% who are confident in their community.

KEY FINDING

Affordability pressure defines the local innovation test.

TAKEAWAY

Innovation must reduce pressure on daily life, or it will feel disconnected from what residents need most.

Source: PMI U.S. / The Harris Poll, Innovation and Communities Survey, May 19–June 2, 2026.

Phoenix

Phoenix is the affordability market. Confidence in the path their community is taking sits at 51 percent, compared with 41 percent who think the U.S. is moving in the right direction, but **residents are keen to see more progress in reducing everyday costs, creating good-paying local jobs, and making housing more affordable**. The city's visible areas of progress—bringing people together, public safety, and youth opportunity—are meaningful, but the market's real test is whether innovation lowers pressure on the cost of living.

With around two-thirds of Phoenicians (67 percent) agreeing that the country is innovating in the wrong areas and 83 percent emphasizing the need for innovation that solves the real-world problems people face every day, any innovation message that does not connect to kitchen-table budgeting will sound out of touch.

Local Proof Has to Match Local Mood

The market findings complicate any simple national-versus-local confidence narrative. Chicago has the least confidence in America's direction among the markets shown, yet the strongest local-confidence advantage. Los Angeles breaks the pattern in the opposite direction, with community confidence slightly below national confidence. Stamford shows that some markets are ready for a confidence-

based story, while Nashville illustrates why others need a repair-based story rooted in usefulness and community benefit. The lesson is straightforward: Local proof must match local mood.

Conclusion

The Harris Poll findings point to a new reality for America's 250th anniversary: **The future is not losing meaning, but people in the present are losing patience**. Americans still believe in progress, but they demand proof. The majority place more confidence in their community's path than in the nation's, trust local actors more than distant institutions, and define innovation by practical benefit rather than novelty. The country still has a future story, but it must begin where evidence already exists.

External studies support this view. Pew shows that institutional trust is at near-historic lows.[17] Gallup shows that small businesses remain among the few trusted institutions.[18] KFF[19] and Harvard[20] show why healthcare and housing dominate practical priorities. McKinsey shows why non-degree pathways matter

17 Pew Charitable Trusts, Americans' Deepening Mistrust of Institutions.
18 Gallup, U.S. Confidence in Institutions Mostly Flat, but Police Up.
19 KFF, Health Care Costs and Affordability.
20 Harvard Joint Center for Housing Studies, The State of the Nation's Housing 2025.

"Innovation only earns trust when people can see how it improves their lives."

—Stacey Kennedy, CEO, PMI U.S.

in a rapidly changing skills economy.[21] Stanford shows why AI is consuming corporate investment and attention.[22] Edelman shows why public grievance punishes institutions that appear detached.[23] Pew's local news data show why local progress needs amplification.[24]

For PMI U.S., these findings underscore why innovation and investment in America belong together. Innovation is credible when it expands access to better choices, strengthens local economies, supports good jobs, and gives communities greater capacity to solve the problems people face every day. That is the standard Americans are applying to corporate engagement efforts now.

Americans are not done with innovation. They are done with innovation that demands trust before it delivers proof. For PMI U.S., the path forward is clear: build responsibly, invest in U.S. manufacturing and local economies, improve public health by expanding access to better choices for legal-age adults who smoke, and demonstrate measurable impact. That is how innovation earns its place in writing America's next chapter.

21 McKinsey & Company, Right Skills, Right Person, Right Role.
22 Stanford Institute for Human-Centered Artificial Intelligence, 2026 AI Index Report.
23 Edelman, 2025 Edelman Trust Barometer.
24 Pew Research Center, Local News Fact Sheet.

PMI | U.S. AMERICA 250

U.S. Businesses of Philip Morris International

PMI U.S.: Invested in America
Philip Morris International Inc.'s U.S. businesses are invested in America's future and advancing a smoke-free nation. The businesses are committed to providing the approximately 25 million legal-age consumers who smoke cigarettes with better, smoke-free alternatives and to ensuring the products are marketed responsibly. From PMI's global headquarters in Stamford, Connecticut, and other locations nationwide, PMI U.S. contributes leadership, jobs, investment, and innovation in the U.S. The U.S. businesses employ more than 3,300 people across America and operate product manufacturing facilities in Aurora, Colorado; Owensboro, Kentucky; and Wilson, North Carolina. For more information, please visit www.uspmi.com.

References to "PMI" mean the Philip Morris International family of companies. "PMI U.S.," "we," "our," and "us" refer to one or more PMI U.S. businesses.

677 Washington Blvd, Ste 1100
Stamford, CT 06901
www.uspmi.com