Rising Fuel Prices Impact 1 in 3 Europeans

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One in Three Europeans Impacted Significantly By Rising Fuel Prices

Nearly one in two drivers using their car less

French, Portuguese, German and Belgian consumers hardest hit

37% combining errands/trips

22% cutting down on non-essential living expenses
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Consumers throughout Europe have been forced to change their driving habits and cut down on living expenses to cope with spiraling fuel and petrol prices that continue to sweep the continent.

According to an ACNielsen Global Online Survey of Internet users across 42 countries conducted last November, one in three Europeans are affected â€˜a lotâ€™ by rising fuel prices, with 45 percent of consumers using their vehicle less as a consequence.

â€œConsumers in Western Europe have been hardest hit. More than half of French respondents (55%) say that fuel prices have affected them â€˜a lotâ€™, while in Italy, in addition to using their car less, 48 percent of consumers have also cut back on non- essential living expenses in the wake of rising petrol prices,â€• said Frank Martell, CEO and President, ACNielsen Europe.

In addition to the majority of French consumers, 50 percent of Portuguese, 40 percent of Germans and 39 percent of Belgians say they have also been impacted â€˜significantlyâ€™ by oil prices. â€œThere is a growing feeling for the first time in t countries that petrol is simply becoming unaffordable,â€• said Mr. Martell.

â€œWith petrol prices reaching new record highs over the past two years, Europeans are now resigned to the fact that prices will continue to rise, or at very least stabilize at current levels. For sure, most consumers donâ€™t see a return to previous price levels in the near future and are making necessary adjustments in their lifestyle and driving habits.

Already, nearly half of Europeans (45%) say they are using their vehicle less and 37 percent are organizing their driving time to combine errands and road trips. â€œTwo thirds of Austrians say they are using their vehicles less, along with over half of Finns, Italians, Dutch, Germans, French and Belgians. Over half of Austrians, French and Belgians are also pre-planning their driving schedules to try and combine errands and trips.

â€œWe can see that in countries where fuel prices have increased - around 20 percent in the past year alone - there is serious growing concern,â€• said Mr. Martell.

Portugal has seen an increase of 32 percent in unleaded petrol prices since November 2003, while Belgian drivers have dealt with a 28 percent increase in unleaded petrol prices over the past two years. â€œThere is a growing sentiment in these countries that petrol prices are simply becoming unaffordable and as long as the global oil market remains volatile, consumers everywhere are simply having to adapt their lifestyle and driving habits,â€• observed Mr. Martell.

Not surprisingly, countries with the highest car ownership rates are also the most affected and concerned about fuel prices. Globally, Europe has one of the highest car ownerships and this is second only to the USA. Seventy-six percent of European Online internet consumers own a car, with particularly high car ownership in Italy (93%), Belgium (86%), and France (85%).

Location and cultural factors are major influencers in how Europeans are adapting to high fuel costs. â€œFor many European consumers, cost and fuel-saving alternatives such as taking public transport, driving in off-peak hours or car pooling is simply not a feasible option - thus cutting back financially on other living expenses is the only alternative,â€• said Mr. Martell.

Consumers all over Europe seem to be making some kind of lifestyle change to cope with the current fuel price crisis.

Even in oil-rich Norway, nearly 43 percent of consumers said they are making an effort to combine errands/trips, as are 47 percent of English consumers.

Leaving the car in the garage and switching to public transport for some trips has become a fuel saving option in some countries - nearly 30 percent of German and Swiss consumers are now using public transport more. Twenty-three percent of Spanish consumers, while not keen on combining errands or cutting back on living expenses, have also made the decision to use public transport more often. â€œHowever, poor public transport infrastructure or unreliable public transport systems in many European cities makes driving a car an essential part of daily life and some consumers are forced to make changes to their household budgets and non essential living expenses. In addition to trying to drive less, 43 percent of Italians and 33 percent of French drivers are also cutting back on non essential expenses in order to fill their petrol tank.

If the global oil situation worsens and European markets are subject to more record highs, consumers are likely to seek out additional cost savings, including buying â€˜petrol-efficientâ€™ cars. â€œCurrently, petrol-friendly is seen as a value-added, to-have addition but if petrol prices continue to skyrocket, the â€˜petrol-friendlyâ€™ factor will become an essential and must-have consideration when consumers buy a new vehicle,â€• said Mr. Martell. This is certainly an appealing market for car manufacturers. Around 10 percent of consumers in Austria, Germany, Italy, UK and Ireland say that buying a fuel-efficient car appeals to them now.

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