Consumer Confidence Tracker - October 2008.

Contributed by BRMB
Wednesday, 05 November 2008
Last Updated Sunday, 04 January 2009

2008

As profit warnings and redundancies hog the media headlines, the October Confidence Tracker from British Market Research Bureau looks at how confident a typical cross section of the Great British public is.

Financial security
Less than 1 in 10 adults aged 16-64 (9%) feel financially secure at the moment. 46% say they do to a degree and a further 44% say not really or not at all

Job security
A fifth of workers feel insecure in their current employment. Workers in London are feeling particularly insecure, with more than a third (36%) saying this, followed by those working in the Midlands (25%). The highest region for job security is East Anglia (88%).
Â

Â Housing Market
Just under 1 in 3 (31%) of adults and just under a half of Londoners (48%) said they would be likely to move house, start the process of moving house or buy their first house in the next 3 years. Younger respondents, those aged under 34, were more likely to consider a house move in the next 3 years than older respondents.More than half of homeowners (53%) expect their house to decrease in value over the next year. Three in 10 expect the price to depreciate by 6% or more.

Expenditure on basic necessities
More than three-quarters of respondents (76%) said their expenditure on basic necessities has increased over the past three months. Just under a third (32%) said their expenditure had increased by more than 10%. Older age groups perceive to be worse off than younger age groups, 40% of the 55-64 group experienced an increase in expenditure of more than 10% compared to 21% of the 16-24 group.

Recent cutbacks
Just under three-quarters of adults aged 16-64 have cut back on purchases recently due to the current economic climate. More than half (56%) have been more prudent with the household budget. 25% of more affluent category ABC 1 admitted to driving less to reduce their fuel bills. If the financial situation worsens, just under 1 in 3 (29%) said they will cut back on holidays and just under 1 in 3 (29%) said they will cut back on going/eating out.

Likely future expenditure
When asked about the likelihood of spending Â£3,000 pounds or more on a single piece of expenditure, a sum substantial enough to indicate a key purchase like a new car or new conservatory, 38% of adults are likely to spend such a sum in the next 12 months. Those aged between 25-34 were the most optimistic at 46% versus 36% for the 55-64 year olds

Not surprisingly, ABC1â€™s (44%) are more likely than C2DEâ€™s (27%) to forecast this type of expenditure. Expenditure is more likely amongst parents (44%), than those without children (35%).

Those who â€˜definitely will notâ€™ be spending that sum are more likely to live in Scotland (31%), the North (28%) and the North West (26%) against those in Greater London at (12%).

Editor's Notes
BMRB is one of the leading market research agencies in the UK and a key operating company within the Millward Brown Group which, in turn, is part of Kantar, WPP's insight, information and consultancy division. For more, visit http://www.bmrb.co.uk/

Survey Information
Sample: 1000 nationally representative adults aged 16-64, completed an online questionnaire, between 2nd-5th October 2008. Key Questions were

Q1 Likelihood of spending 3000 pounds or more on a single piece of expenditure in the next 12 months. Q2 Whether consciously cut back on purchases recently due to current economic climate. Q3 First thing to cut back on, if financial situation worsened. Q4 Likelihood of moving home/starting the process of moving home buying first home in the next 3 years. Q5 Which of the following applies to you? Q6 Expectation of value of home in a yearâ€™s time. Q7 Whether feel financially secure at present. Q8 Whether feel secure in current employment. Q9 Whether expenditure on basic necessities changed over the past 3 months.

Online Omnibus Methodology
Respondents are sent an email invitation to complete an online questionnaire. The sample is drawn from a pre-recruited online access panel that is itself recruited from multiple sources. A detailed registration survey is completed by all panellists and the information is kept up to date to ensure that results can be analysed by accurate classifications. Panellists are selected for invitation to a survey on a random basis (with controls). Quota controls are used to ensure that the final sample is made up of the correct proportion of adults in terms of key demographics such as gender and age. The final data is also weighted to ensure that the sample profile is demographically correct. Tried and tested incentives maximise response rates. Contact with respondents is carefully managed to maximise participation without impacting on the reliability of results. The professional maintenance and management of the panel is undertaken by a specialist sister-agency of BMRBâ€™s.