Young Consumers Losing Confidence.

Contributed by GfK NOP
Monday, 02 February 2009

GfK NOP Consumer Confidence Index has dropped four points to -37.Â Â

Confidence in the â€œgeneral economic situation over the next 12 monthsâ€• measure has dropped seven points.Â

Confidence in the â€œnow being a good time to saveâ€• measure dropped ten points to -18.

Rachael Joy in the Consumer Confidence team at GfK NOP commented:

â€œOne of the most noticeable changes in overall confidence was apparent when we looked at the 16-29 year olds; taking this segment on their own, they showed a large confidence drop of ten points over the last month. This perhaps is a reaction to the recent spate of reported job losses, with fears that those wanting to enter the job market will be unable to do so. The Saving measure also took a significant hit this month, a clear reaction to the interest rate drops, which are aimed at rejuvenating the economy. While there was a small improvement in the Major Purchase measure, we are still nowhere near the levels seen in 2007.â€•

UK Consumer Confidence Measures â€“ January 2009

The overall index score this month has dropped four points to -37, twenty-four points lower than this time last year. Four out of the five measures, which make up the Index, recorded a drop this month. The annual moving average has dropped three points to -30.

Personal Financial Situation
The index measuring changes in personal finances during the last year dropped by three points to a score of -18; this is twenty points lower than this time last year.

The forecast for personal finances over the next year has dropped four points to a score of -14. This is twenty-one points lower than January â€™08.

General Economic Situation
The measure for the general economic situation of the country during the last twelve months has dropped by eight points to a score of â€“80; this is forty-four points lower than this time last year.

Expectations for the general economic situation over the next twelve months have dropped by seven points to -48; twenty-two points lower than January â€™08.

Climate for Major Purchases
The major purchases measure has risen by two points, from -29 to -27; but this is still fourteen points lower than this time last year.

Savings Index
The â€˜now is a good time to saveâ€™ Index, has dropped by ten points to -18, this is a massive forty-eight points lower than January â€™08.

UK consumer confidence research was conducted between 9-18 January 2009.

For more information, or to arrange an interview, please contact Amanda Wheeler, PR Manager on 020 7890 9386 or amanda.wheeler@gfk.com