



Press release

Embargoed until 00:01AM (BST) Friday 28th October 2011

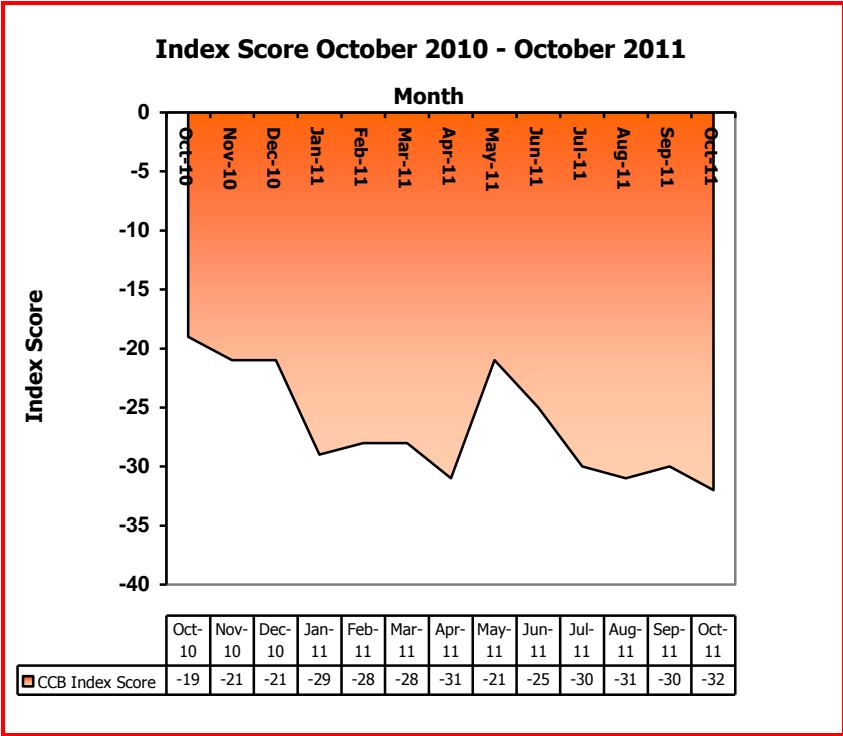
October sees a fall in UK's Consumer Confidence

Date
28th October 2011

The GfK NOP Consumer Confidence Index has decreased two points this month to -32.

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Nick Moon, Managing Director of GfK NOP Social Research, comments: "The latest index shows consumer confidence at its 10th lowest figure since it began in 1974. In fact, it is only the third occasion in its history that it has breached -32. On both previous occasions - June 2008 and March 1990 - consumer confidence was entering periods of sustained weakness and the UK economy was going into recession.

"At this point in time, consumers' outlook is becoming increasingly pessimistic about the UK's general economic situation over the coming year. Additionally, the climate for major purchases has worsened,

suggesting the government can't rely on people spending their way out of the double-dip recession that is likely to be on the horizon."

UK Consumer Confidence Measures – October 2011

The overall index score this month has increased by two points to -32, thirteen points lower than this time last year. Three of the measures saw decreases this month, and two measures staying at the same levels as September 2011. The annual moving average drops one point to -27.

Measure	↑↔↓	Oct 2011	Sept 2011	Oct 2010
Overall Index Score	↓2	-32	-30	-19
Personal Financial situation over last 12 months	↔	-24	-24	-13
Personal Financial situation over next 12 months	↔	-10	-10	-2
General Economic situation over last 12 months	↓4	-62	-58	-43
General Economic situation over next 12 months	↓4	-31	-27	-20
Climate for major purchases	↓4	-32	-28	-15

Personal Financial Situation

The index measuring changes in personal finances during the *last* twelve months has stayed the same this month at -24; this is eleven points lower than this time last year.

The forecast for personal finances over the *next* twelve months has stayed the same this month at -10; this is eight points lower than October '10.

General Economic Situation

The measure for the general economic situation of the country during the *last* twelve months has decreased four points this month at -62; nineteen points lower than this time last year.

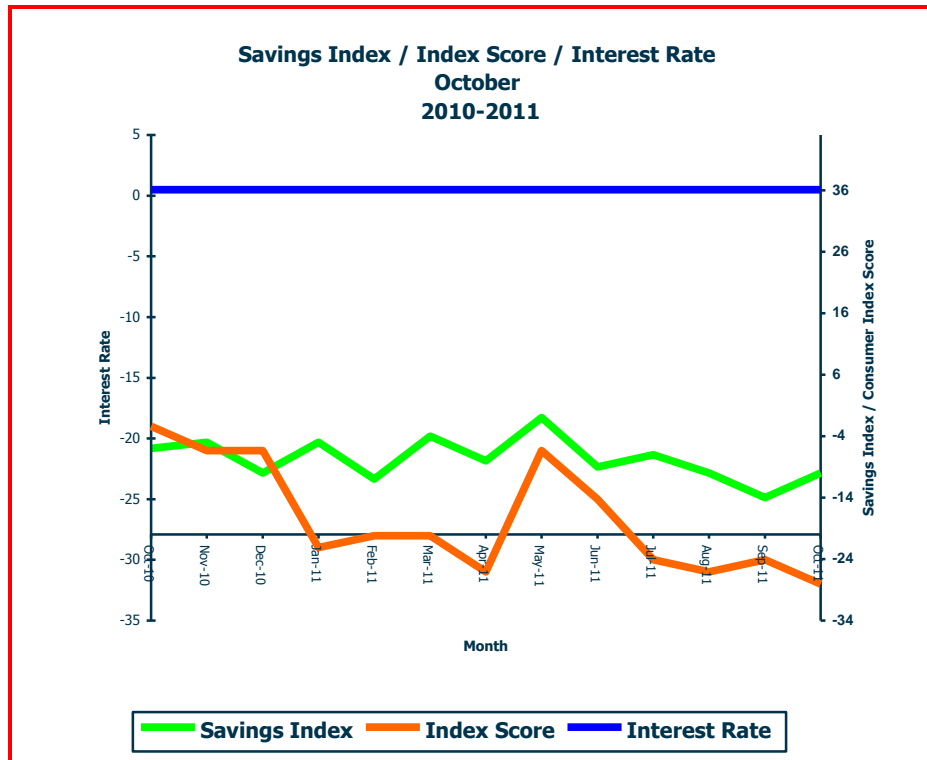
An expectation for the general economic situation over the next twelve months has decreased by four points to -31, eleven points lower than October '10.

Climate for Major Purchases

The major purchases measure has decreased four points this month to -32; which is seventeen points lower than this time last year.

Savings Index

The 'now is a good time to save' Index, has increased four points to -10, which is four points lower than October '10.



- ENDS -

EDITOR'S NOTE: Please source all information to GfK NOP.

For further details or to arrange an interview, please contact Band & Brown Communications Tel: +44 (0) 20 3451 9400 gfnop@bbpr.com

About the survey

- The UK Consumer Confidence Barometer is conducted by GfK NOP on behalf of the EU, with similar surveys being conducted in each European country. In producing its own reports on the whole of Europe, the EU applies a seasonal adjustment to the data, to smooth out any changes that are functions at least in part of the time of year.
- Historically, the UK data have not been seasonally adjusted in this way, and to maintain comparability, GfK NOP continues not to apply this adjustment. This can lead to situations where the EU figures show different movements in a particular month from those produced by GfK NOP. Individual months may be affected, but the long term trend is not.
- The UK Consumer Confidence Survey from GfK NOP was conducted amongst a sample of 2,000 individuals aged 16+ on behalf of the European Commission.



- Quotas are imposed on age, sex, region and social class to ensure the final sample is representative of the UK population.
- Interviewing was carried out during 30th September – 9th October 2011.
- The figures contained within the Consumer Confidence Barometer have an estimated margin of error of +/-2%
- Results for the Consumer Confidence Barometer are normally available on the last working day of each month at 00.01am; the release date for November is Wednesday 30th November 2011.
- **Any published material requires a reference to both GfK NOP and the European Commission e.g. 'Research carried out by GfK NOP on behalf of the European Commission'.**
- This study has been running since 1974. Back data is available from 1996.
- **Want to know even more? ~ Annual subscriptions are also available for £1,800 plus VAT.**
- The table below provides an overview of the questions asked to obtain the individual index measures:

Personal financial Situation (Q1/Q2)	This index is based on the following questions to consumers: How has the financial situation of your household changed over the last 12 months? Q2 'How do you expect the financial position of your household to change over the next 12 months?' (a lot better – a little better – stay(ed) the same – a little worse - a lot worse)
General Economic Situation (Q3/Q4)	This index is based on the following questions to consumers: 'How do you think the general economic situation in this country has changed over the last 12 months?' 'How do you expect the general economic situation in this country to develop over the next 12 months?' (a lot better – a little better – stay(ed) the same – a little worse - a lot worse)
Climate for major purchases (Q8)	This index is based on the following question to consumers: 'In view of the general economic situation, do you think now is the right time for people to make major purchases such as furniture or electrical goods?' (right time – neither right nor wrong time – wrong time)
Savings Index (Q10)	This Savings index is based on the following question to consumers: 'In view of the general economic situation do you think now is?' (a very good time to save – a fairly good time to save – not a good time to save – a very bad time to save) (Commented on but not included in the Index score)

About GfK NOP

GfK NOP Ltd is part of the GfK Group and a leading market research agency in the UK and internationally. It is a renowned supplier of market information and insight, offering sector specialists and best-in-field research for qualitative, quantitative, ethnographic, omnibus and online research services.

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GfK NOP

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