



Press release

Embargoed until 00:01AM (GMT) Wednesday 21st December 2011

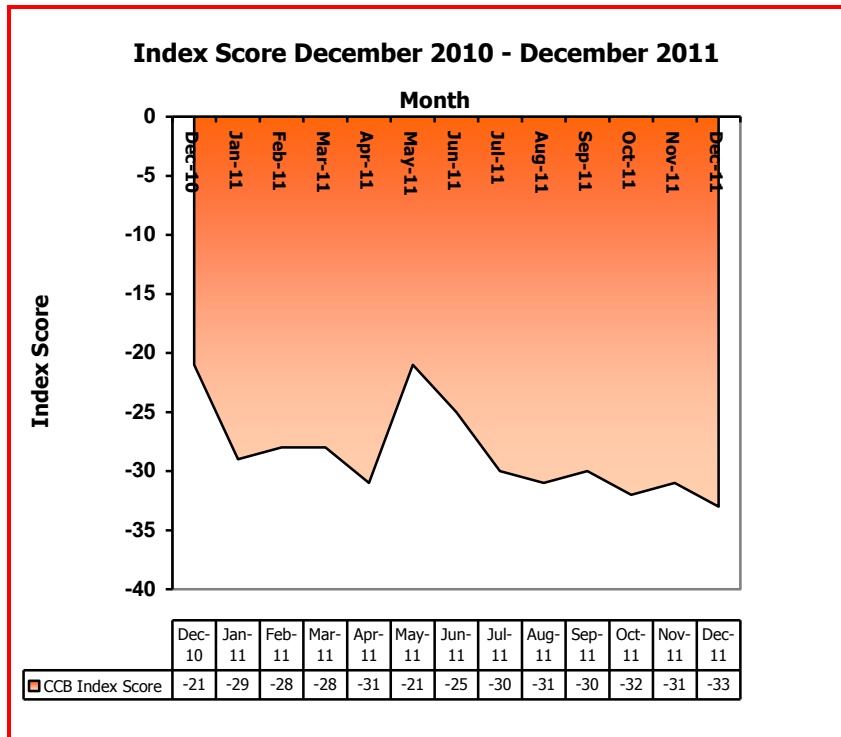
December sees UK's Consumer Confidence drop two points

Date
21st December 2011

The GfK NOP Consumer Confidence Index has decreased two points this month to -33.

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Nick Moon, Managing Director of GfK NOP Social Research, comments: "The two point drop in the index this month means consumer confidence is now at its lowest ebb in almost three years. In fact, in the 37 years the index has been running it has only been lower on two occasions – a single month in 1990, and eight months during the 2008-2009 recession.

"Optimism has not been lifted by pre-Christmas spending and it is hard to see grounds for a recovery in confidence in the near future. The eight per cent drop in the score for the general economic situation over the next 12 months is significant and will make chilling reading for the Government and British businesses."

UK Consumer Confidence Measures – December 2011

The overall index score this month has decreased two points to -33, twelve points lower than this time last year. Three of the measures saw decreases this month, with two measures staying at the same level as November 2011. The annual moving average stays the same at -28.

Measure	↑↔↓	Dec 2011	Nov 2011	Dec 2010
Overall Index Score	↓2	-33	-31	-21
Personal Financial situation over last 12 months	↔	-23	-23	-16
Personal Financial situation over next 12 months	↔	-10	-10	-8
General Economic situation over last 12 months	↓1	-62	-61	-51
General Economic situation over next 12 months	↓8	-41	-33	-23
Climate for major purchases	↓4	-31	-27	-7

Personal Financial Situation

The index measuring changes in personal finances during the *last* twelve months has stayed the same this month at -23; this is seven 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 two points lower than December '10.

General Economic Situation

The measure for the general economic situation of the country during the *last* twelve months has decreased one point this month to -62; eleven points lower than this time last year.

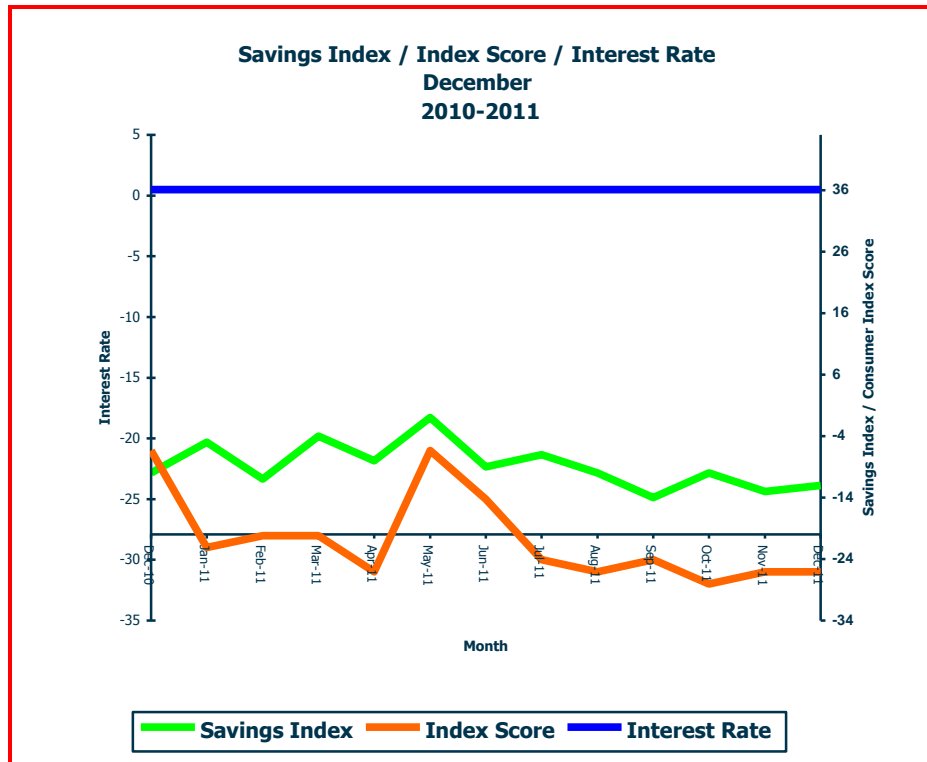
An expectation for the general economic situation over the next twelve months has decreased by eight points to -41, eighteen points lower than December '10.

Climate for Major Purchases

The major purchases measure has decreased four points this month to -31; which is twenty four points lower than this time last year.

Savings Index

The 'now is a good time to save' Index, has increased one point to -12, which is two points lower than December '10.



- ENDS -

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

For further details or to arrange an interview, please contact Citizen Relations Tel: +44 (0) 20 3451 9400 gfnop@citizenrelations.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 2,001 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 2nd – 11th December 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 January 2012 is Tuesday 31st January 2012.
- **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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