



# Press release

Embargoed until 00:01AM (BST) Tuesday 31st August 2010

## Consumer Confidence Barometer (August 2010)

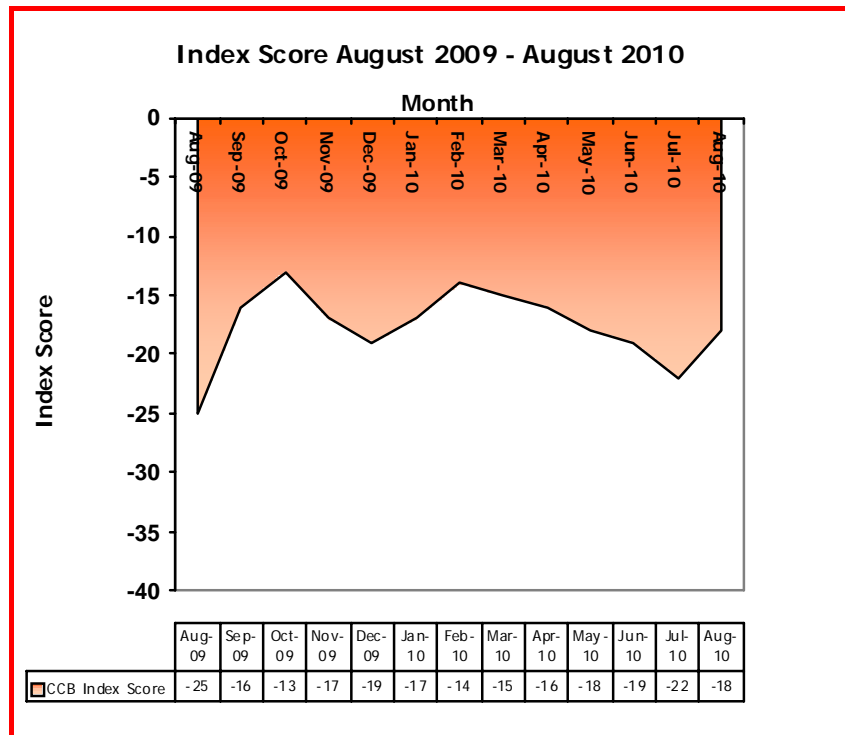
### Confidence rises for the first time since February

Date  
**31st August 2010**

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- The GfK NOP Consumer Confidence Index increased by four points this month to -18. This is the first time since February that we have seen the overall confidence level increase.
- August saw increases for confidence in their personal financial situation over the last 12 months, confidence in their personal financial situation over the next 12 months, confidence in the “general economy” over the last 12 months and confidence in the “general economy” in the next 12 months.
- The ‘major purchase Index’ was the only measure to decrease this month by four points, and is now -20.



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Nick Moon, MD of GfK NOP Social Research, comments: "Overall consumer confidence has been in constant decline for the last five months and a further fall would have made a double-dip recession seem a very real prospect. The government will undoubtedly read these figures with a great deal of relief.

"The single biggest improvement has been in confidence in the economy over the next 12 months and this looks particularly encouraging on first sight. However, this gain merely reverses a similarly large drop in July and in reality confidence in the economy's future prospects remains below its June level and similar to May 2009 when we were still in the grips of a recession."

**UK Consumer Confidence Measures – August 2010**

The overall index score this month rose by four points to -18, seven points higher than this time last year. Four of the five measures this month increased, with one measure decreasing. The annual moving average stays the same at -18.

Measure	↑↔↓	August 2010	July 2010	August 2009
<b>Overall Index Score</b>	↑4	-18	-22	-25
<b>Personal Financial situation over last 12 months</b>	↑2	-12	-14	-18
<b>Personal Financial situation over next 12 months</b>	↑3	-3	-6	*
<b>General Economic situation over last 12 months</b>	↑5	-43	-48	-69
<b>General Economic situation over next 12 months</b>	↑11	-14	-25	-9
<b>Climate for major purchases</b>	↓4	-20	-16	-25

\* = less than 0.5

**Personal Financial Situation**

The index measuring changes in personal finances during the *last* year has increased two points this month, and is now -12; this is six points higher than this time last year.

The forecast for personal finances over the *next* year increased by three points to -3, this is three points lower than August '09.



### General Economic Situation

The measure for the general economic situation of the country during the *last* twelve months has increased by five points to -43; twenty six points higher than this time last year.

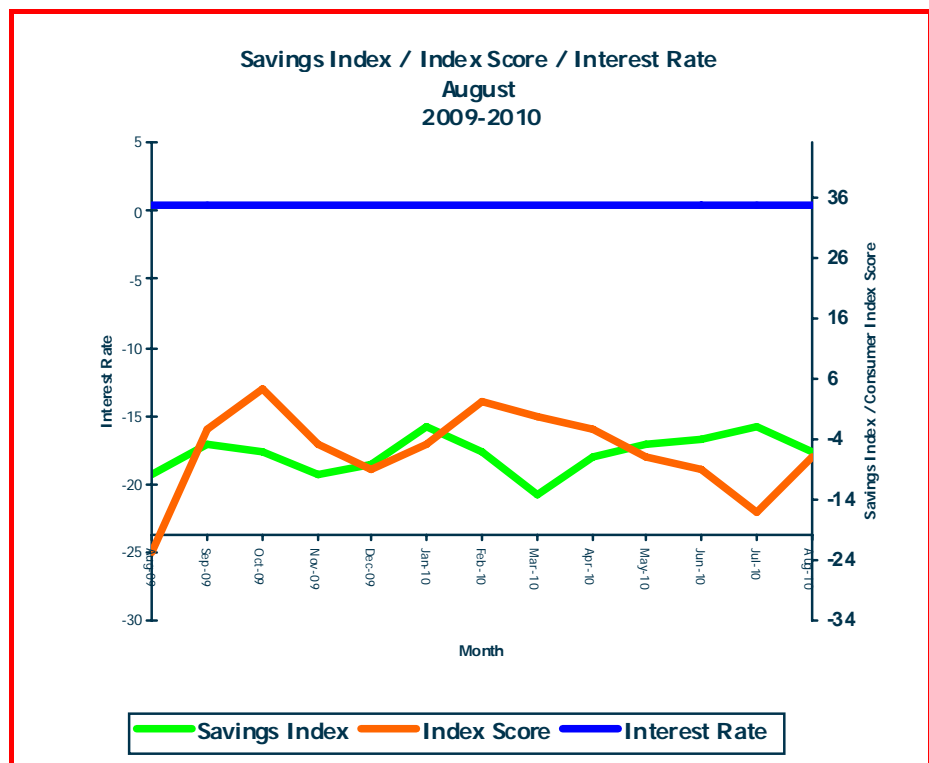
An expectation for the general economic situation over the next twelve months has increased by eleven points to -14, five points lower than August '09.

### Climate for Major Purchases

The major purchases measure has decreased by four points this month to -20; five points higher than this time last year.

### Savings Index

The 'now is a good time to save' Index, has decreased four points to -6, which is four points higher than August '09.



- ENDS -



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

**For further details or to arrange an interview,** please contact Allison Joyce, PR Manager, tel: +44 20 7890 9432 / email: allison.joyce@gfk.com

**About the survey**

- The UK Consumer Confidence Survey from GfK NOP was conducted amongst a sample of 2000 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 30<sup>th</sup> July – 15<sup>th</sup> August 2010.
- The figures contained within the Consumer Confidence Barometer have an estimated margin of error of +/-2%
- Results for the Consumer Confidence Barometer are available on the last working day of each month at 00.01am the next release is Thursday 30<sup>th</sup> September 2010.
- **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 £1,775 plus VAT.**
- The table below provides an overview of the questions asked to obtain the individual index measures:

<b>Personal financial Situation (Q1/Q2)</b>	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)
<b>General Economic Situation (Q3/Q4)</b>	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)
<b>Climate for major purchases (Q8)</b>	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)
<b>Savings Index (Q10)</b>	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) <b>(Commented on but not included in the Index score)</b>



## **GfK NOP**

### **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.

Responsible under press legislation:

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