

# HPI Christmas Crunchometer

## *Canny consumers in the festive season*

Positive signs are confirmed - the proportion of adults agreeing that *'I feel more confident about the overall economic situation in the UK than I did a couple of months ago'* is up from 9% in Feb 09 to 27% at the end October. Despite this, the UK consumer psyche continues to be characterised by a cautious attitude to spending and a greater drive for value - note how the size of the combined 'Cautious' and 'Squeezed' groups is unchanged.

No change in consumer reserve.....	Feb	Oct
<b>Insulated:</b> <i>I'm aware of the problems in the wider economy but it has not really affected me much personally</i>	23%	22%
<b>Cautious:</b> <i>I'm just being a bit cautious about how much I spend and saving a bit more</i>	41%	38%
<b>Squeezed:</b> <i>I'm taking action to buy cheaper brands and / or going to less expensive shops</i>	22%	26%
<b>Sufferers:</b> <i>I've cut all expenditure that I can because I'm really worried about the future</i>	14%	14%

We should not be surprised therefore that the *canny consumer* is expressing a desire to do things differently this Christmas:

- a *half* of all adults agree they will be spending less this Christmas than they usually do (rising from just 18% of 'Insulated' to 84% of 'Sufferers')
- a *half* also intend to spend less on Christmas decorations, 44% less on food and drink, 39% less on their partner and 38% less on their children (in all cases it is women who intend bigger cuts than men!)
- 39% will be buying more things they need for the house rather than personal luxuries
- 58% will be buying gifts from supermarkets and 45% will do more of their shopping online than they did last year.

So Christmas buying will be more-than-usually dominated by caution and the drive for value. Marketers will have to be more inventive to encourage purses to be opened *now*. Spending will also be widely spread - some are buying especially early to hunt for bargains, more are going online for a better deal and others (especially the 'Sufferers') will wait till the last minute or defer till the January sales!

To see more or to discuss any of these issues  
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