



**YouGov**<sup>®</sup>  
What the world thinks

**Cebr**

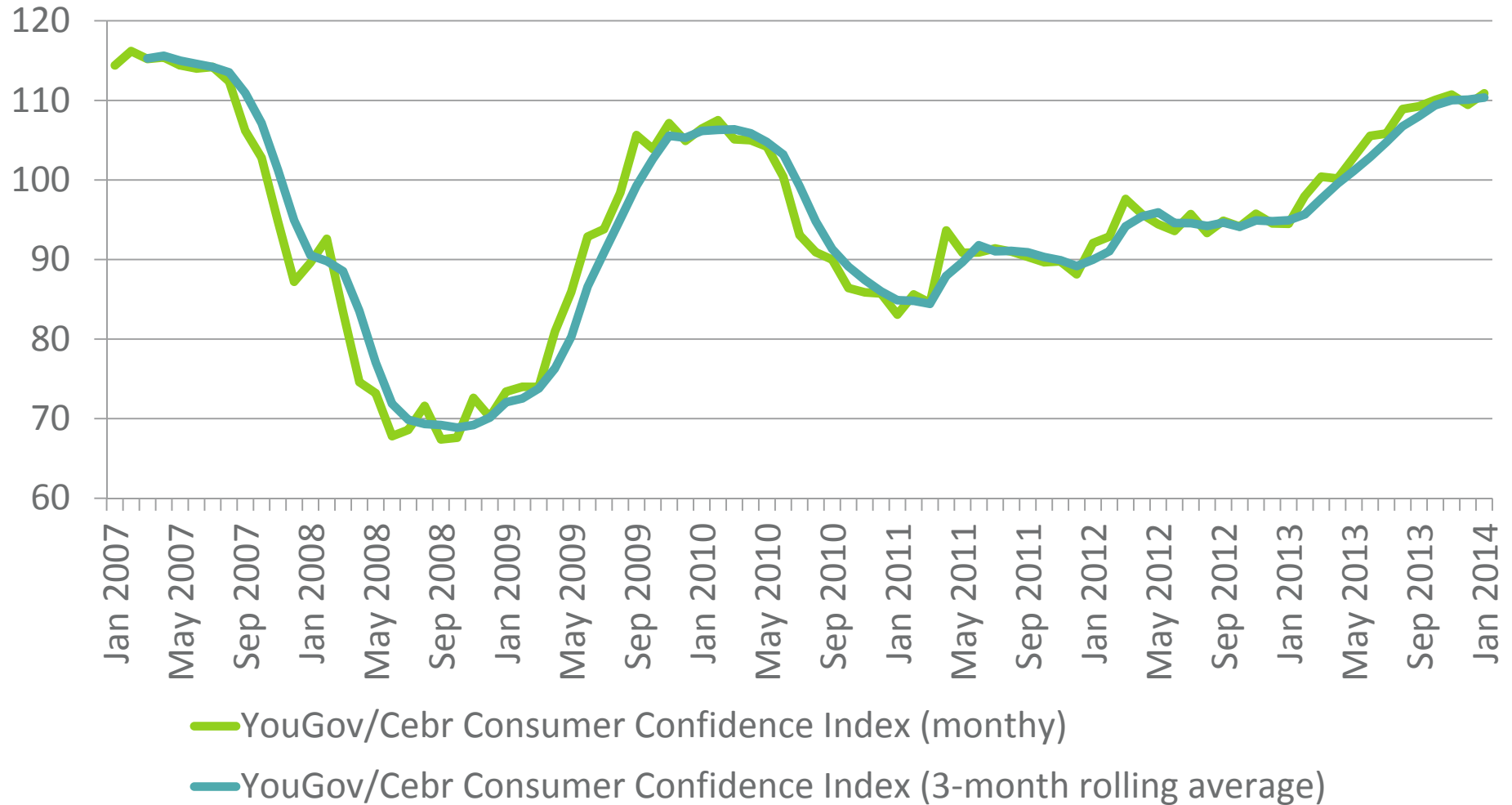


# Countdown to the next general election

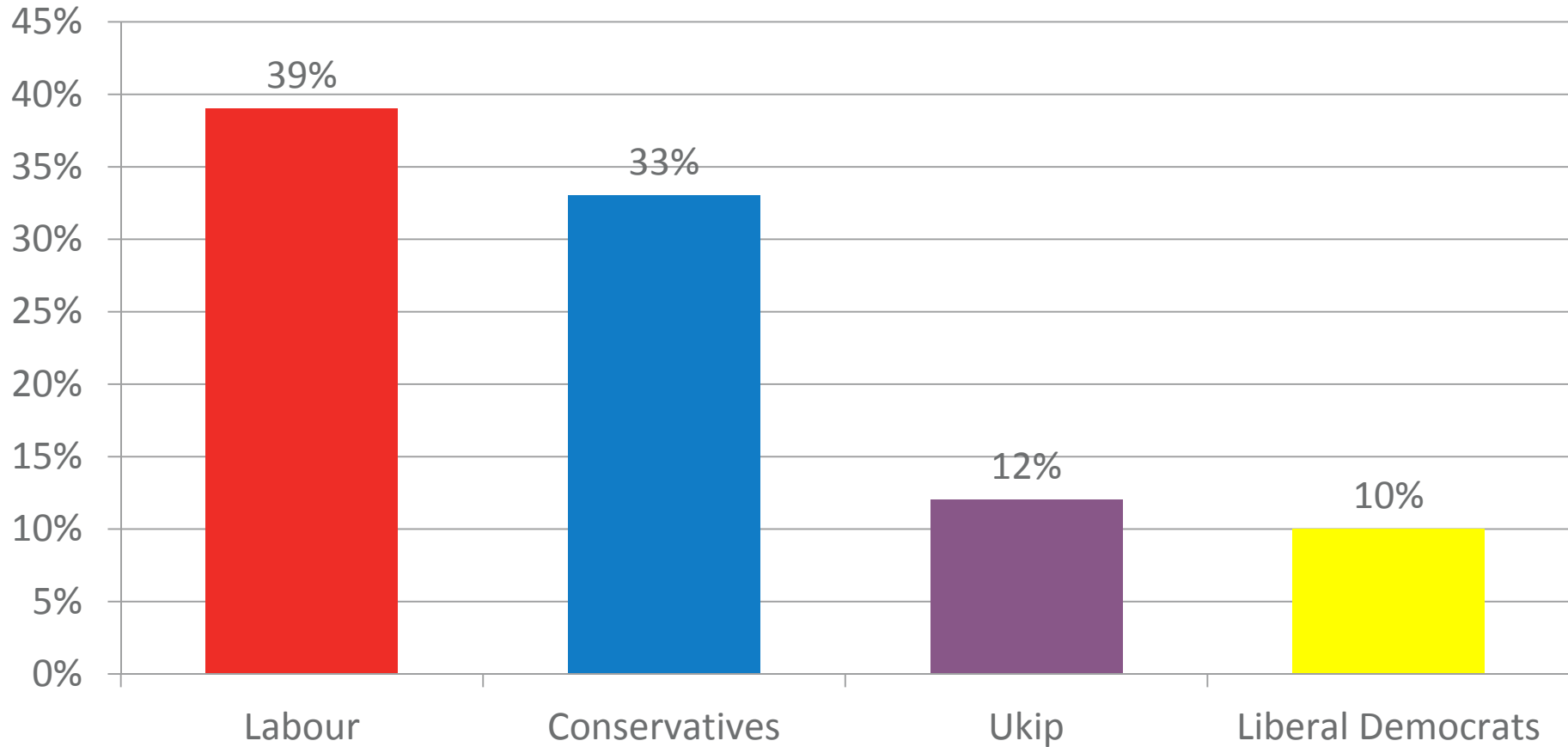
*Peter Kellner, President, YouGov*



# YouGov/Cebr Consumer Confidence Index

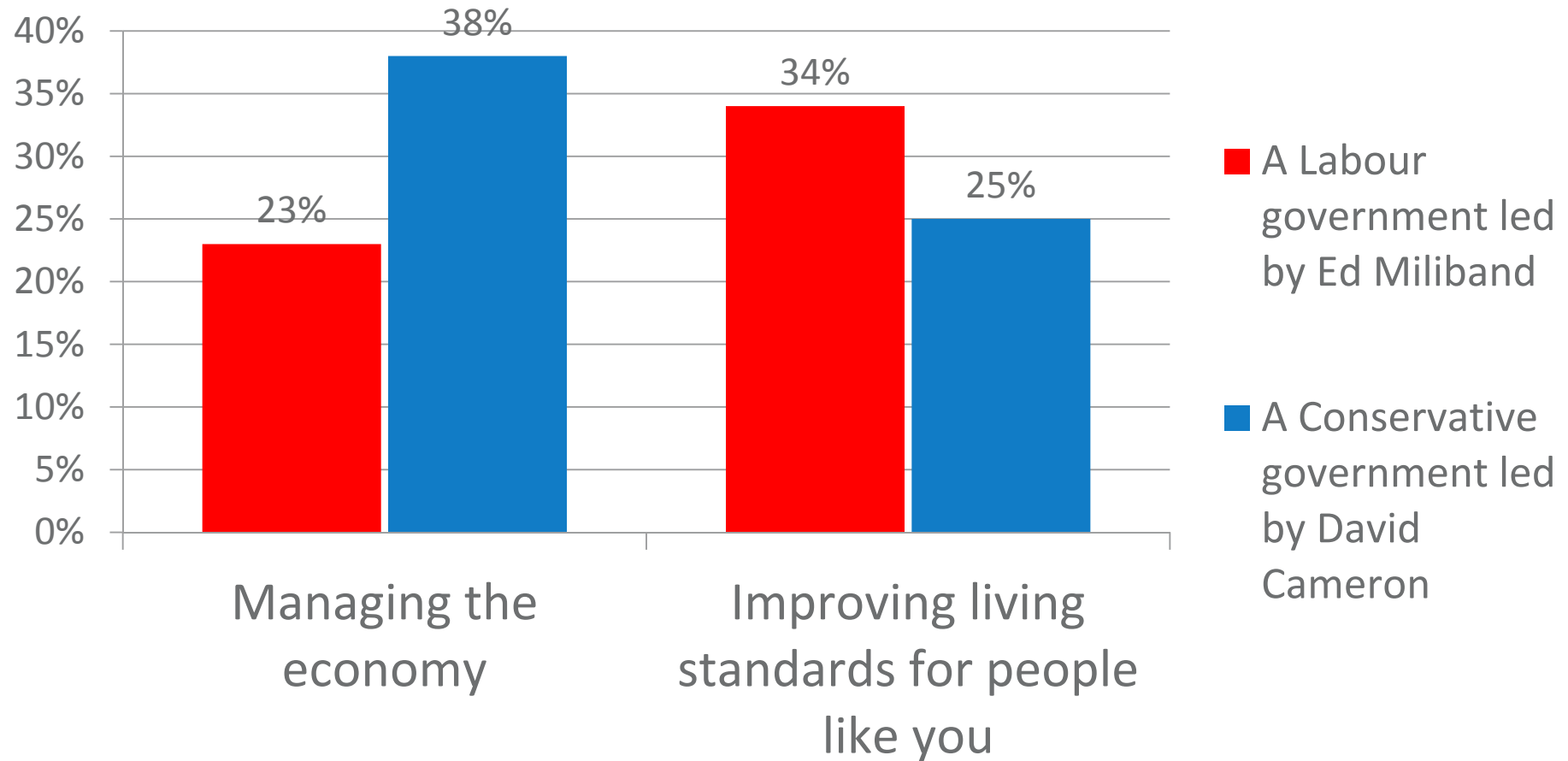


## The current position of the parties



Source: YouGov, 22 January 2014

## Which government do you think would be better for...



Source: YouGov, 9 October 2013

# The importance of the consumer to the economy

*Douglas McWilliams, Executive Chairman, Cebr*

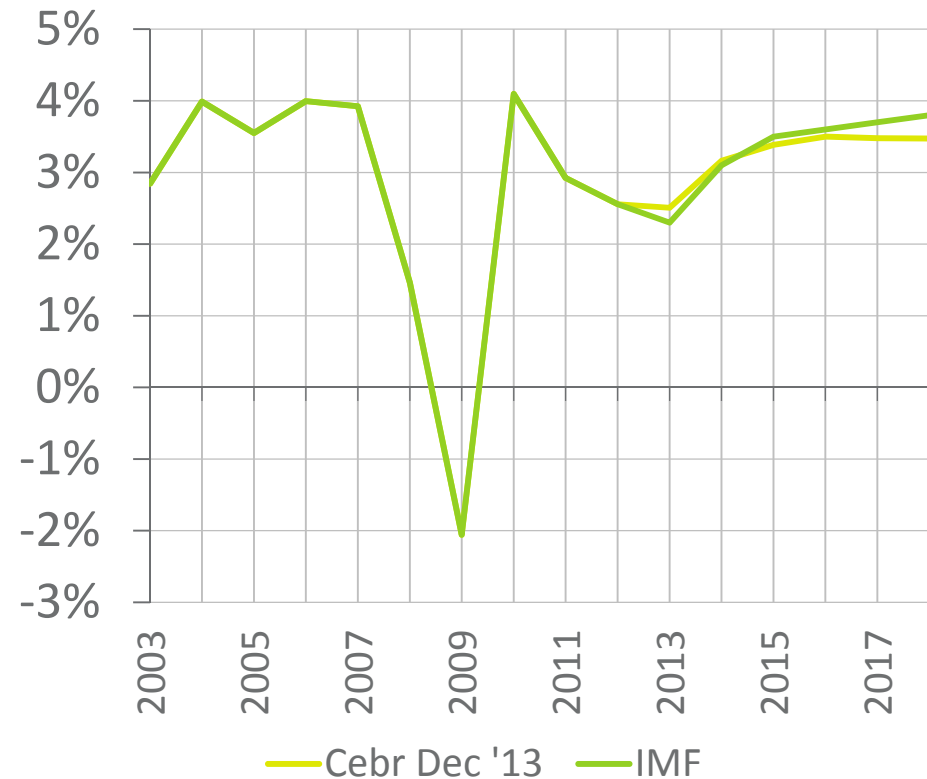
[dmcwilliams@cebr.com](mailto:dmcwilliams@cebr.com)



# Global economy to accelerate while inflationary pressures ease creating more benign external economic backdrop

- The world economy should accelerate in 2014
- The US to grow more quickly after heavy fiscal retrenchment in 2013
- Europe to grow if sluggishly
- Asia to consolidate
- Commodity prices to weaken cyclically
- Energy prices to weaken both cyclically and structurally

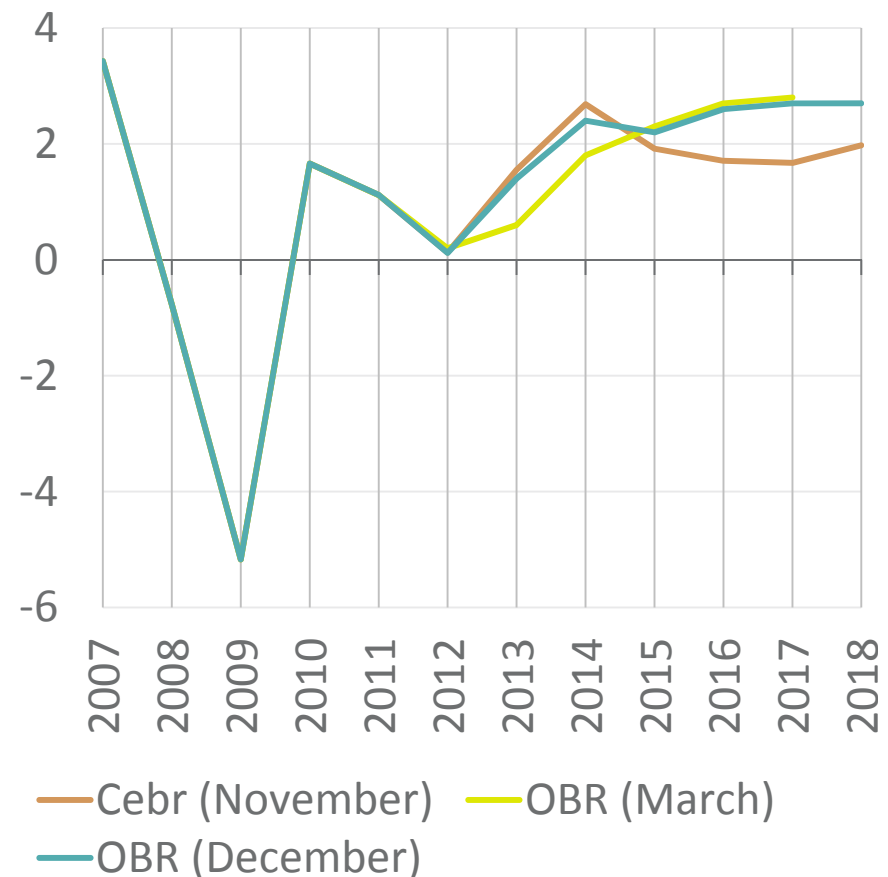
World real GDP, annual percentage growth



## The UK to have its best years since 2007 in 2014 and 2015 – but how sustainable is the recovery & what are the risks?

- UK economy should build on its 2013 acceleration & disposable income squeeze to ease in 2014
- Pressure on government spending relaxed until after the election
- Business investment ramping up but trade performance not yet good enough to sustain long term growth
- So growth to slow in 2016 & beyond because of renewed fiscal squeeze & balance of payments impact

UK real GDP, annual percentage change



## Issues for discussion

- Will the Chinese slowdown be harder than we are currently forecasting?
- What are the knock-on effects of US tapering?
- Can the Middle East instability be contained?
- How sustainable is the UK growth?
- How quickly does the MPC need to tighten monetary policy
- Is there an incipient housing bubble?
- What is the follow through from UK growth into disposable incomes and living standards?
- Would a change in government after the election fundamentally change economic policy?

# YouGov data contains important economic measures

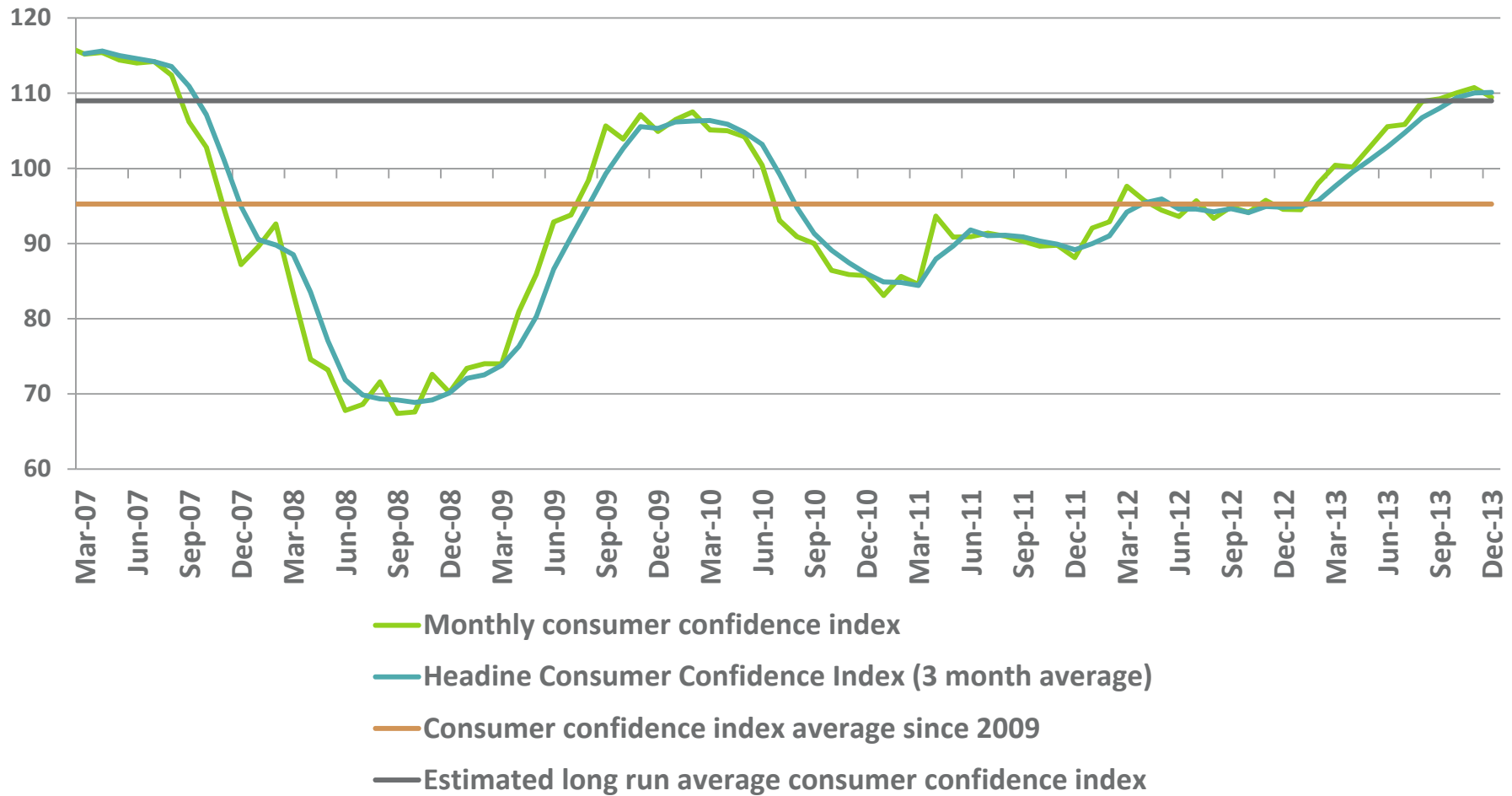
*Charles Davis, Associate Director, Cebr*

[cdavis@cebr.com](mailto:cdavis@cebr.com)



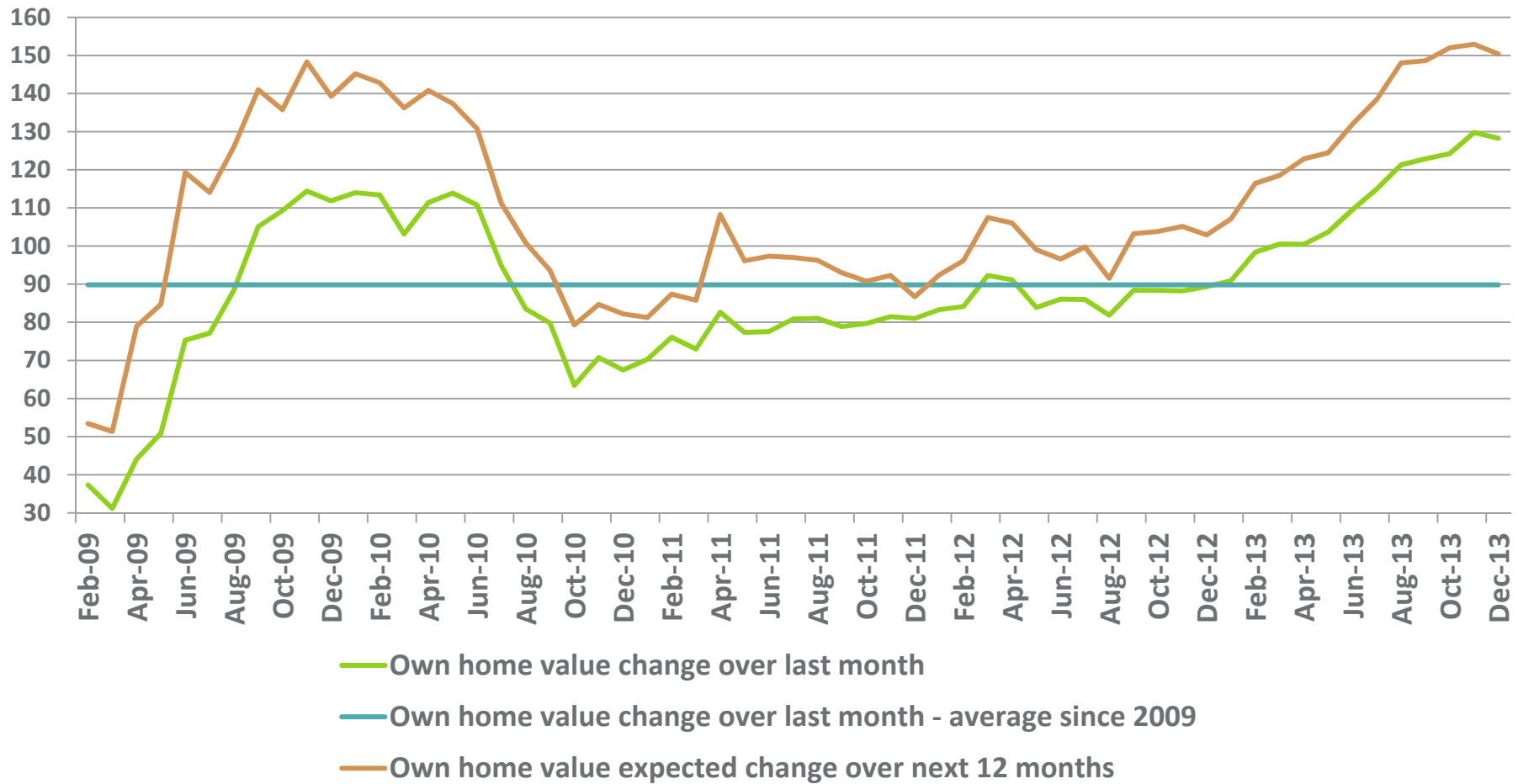
# Consumer Confidence Index continues to plateau but has recorded sustained gains over the past year

YouGov/Cebr UK Consumer Confidence Index – scale from 0-200; 100 is neutral



# It is housing market acceleration that has driven the overall rise in Consumer Confidence

YouGov/Cebr Consumer Confidence Indicator – own home value change over past month & expected change over next 12 months; index 0-200; 100 is neutral



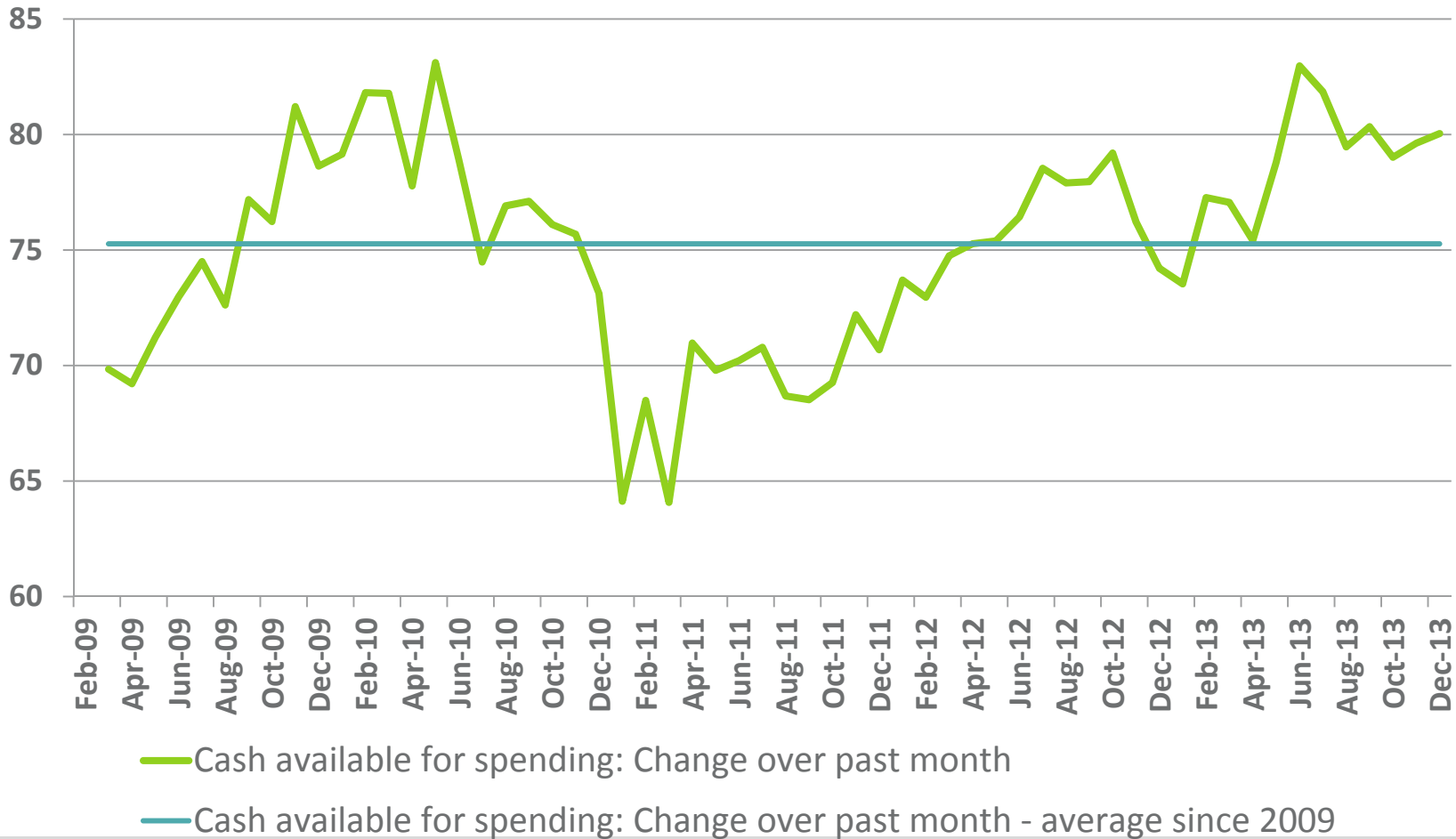
# But the labour market recovery is increasingly encouraging: consumers much less concerned about unemployment

Net balance expecting unemployment to increase over next 12 months



# Recovery isn't yet translating into higher spending power but the rate of decline has eased notably

YouGov/Cebr Spare Cash availability indicator – change over past month; index 0-200; 100 is neutral; score beneath 100 implies decline, over 100 an increase



# Forward guidance? Balance of more than 3 in 5 consumers now expect interest rates to increase

Net balance expecting interest rates to increase



# Who is benefitting from the economic upturn?

*Stephen Harmston, Head of Syndicated Reports, YouGov*



# Using up to 100million data points to examine winners and losers in upturn

Connecting our core data sets



## Profiling 'Winners' and 'Losers'?

Economic tracking survey to identify people from households who are getting better off and ones worse.

## Connecting up to 160,000 data points for up to 420,000 panellists

Panel database, real time long tail data collected through social website, TV consumption via daily surveys, BrandIndex, daily economic tracking, and volunteered data from web searches. For this study up to 160,000 data points for 20,000 panellists:

## How have we compared groups?

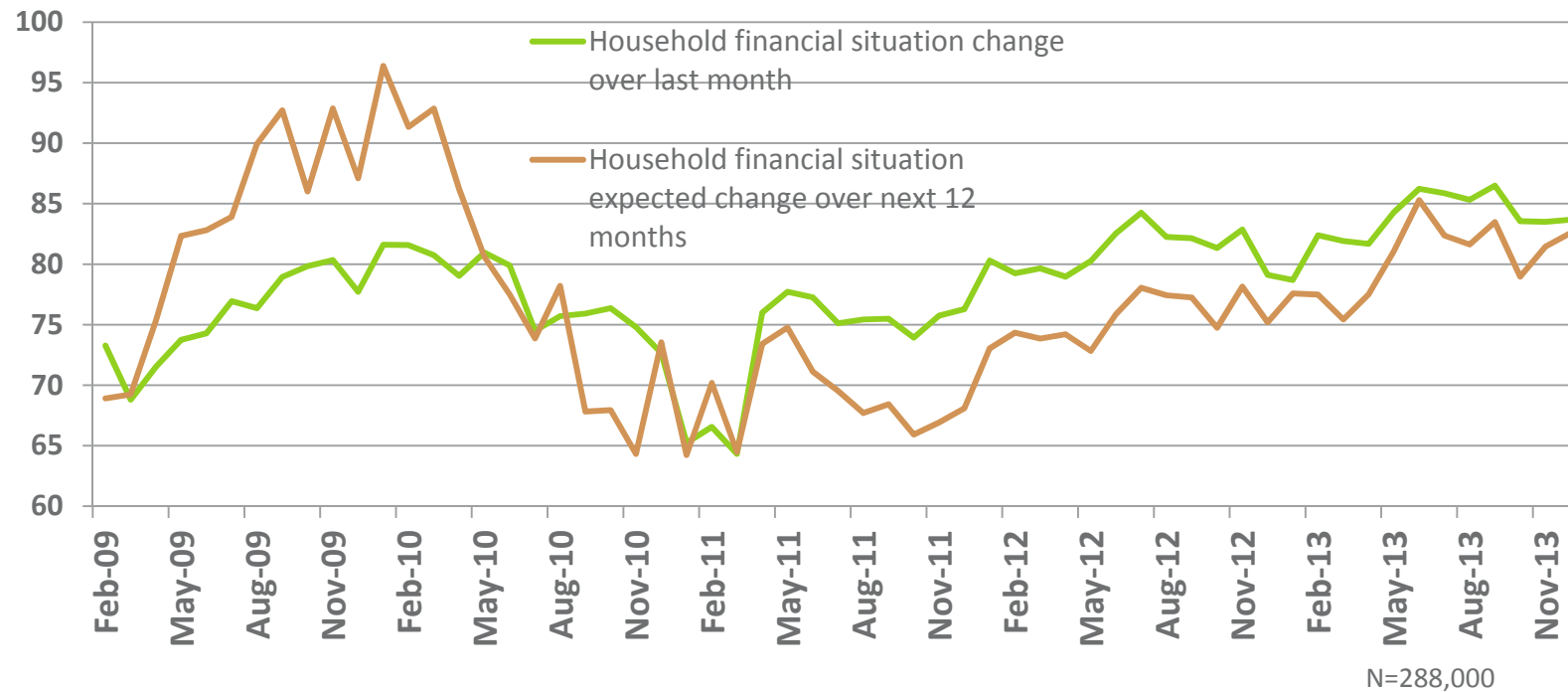
All groups have been compared against a weighted nationally representative sample.

## Using Z-scores to make sense of large dataset

Statistic representing both how large a difference between two groups is, and how confident we are in that difference. Z-scores are the number of standard deviations that the difference between two groups is away from 0.

# Only 11.1m people in households expecting to be better off

Household financial situation – expectations point to increase polarisation in the country, 100=neutral



Current Month (last quarter of 2013)

- 25% worse = 15.8 million people
- 67% no change = 42.7 million
- 8% better = 5.1 million

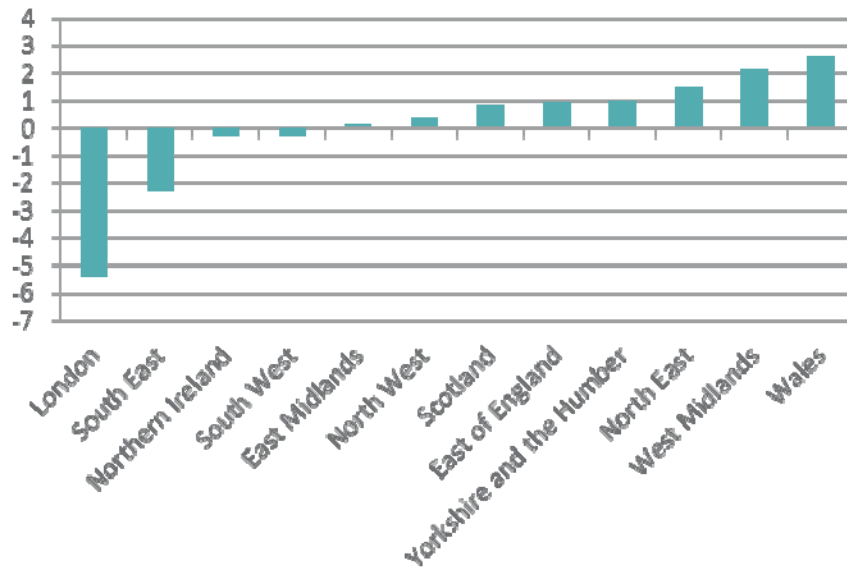
Expectation for 12 months (last quarter of 2013)

- 39% worse = 25.1 million people
- 43% no change = 27.5 million people
- 17% better = 11.1 million people

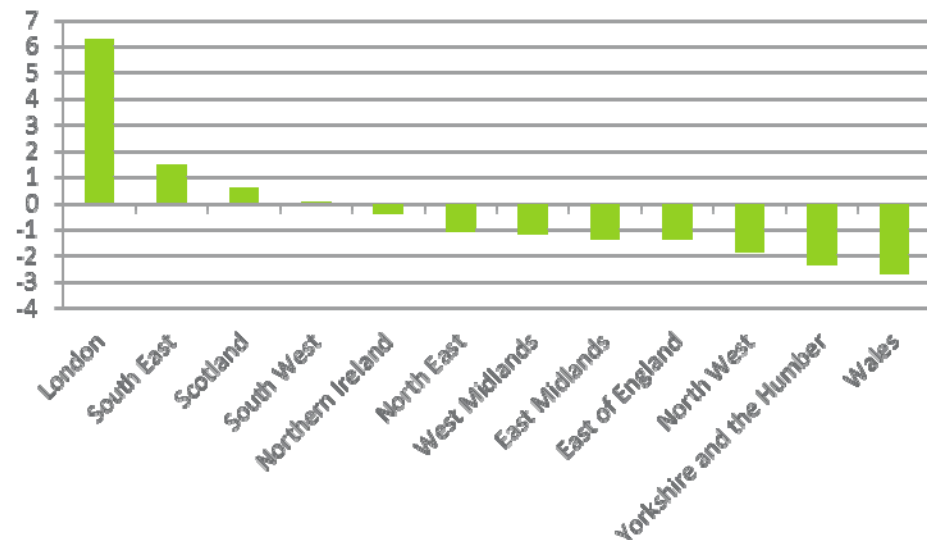
# A London and South East based recovery?

Geographic Z-scores from YouGov profiles – households in London much more likely to be expecting to be better off

Expect worse

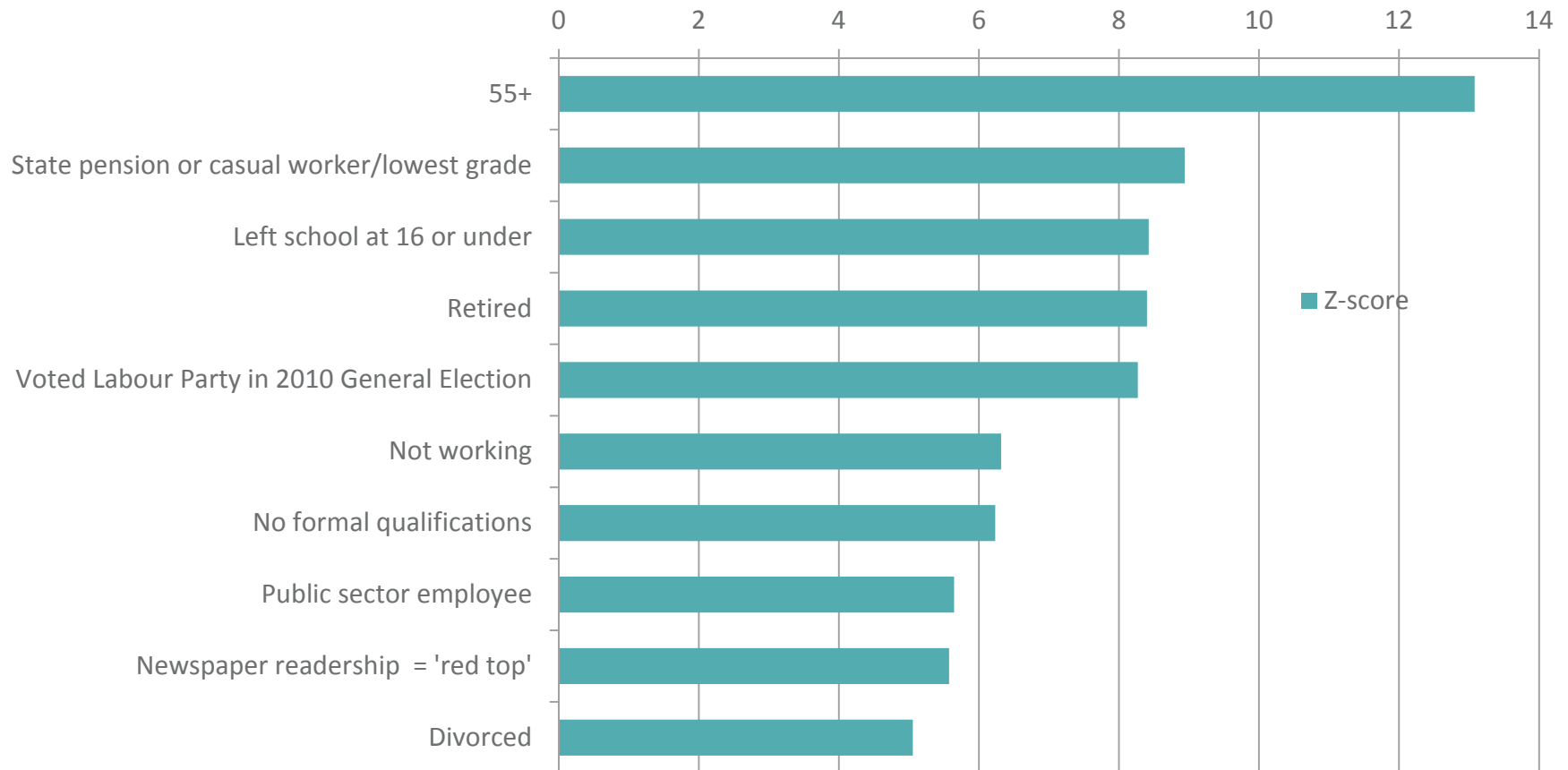


Expect better



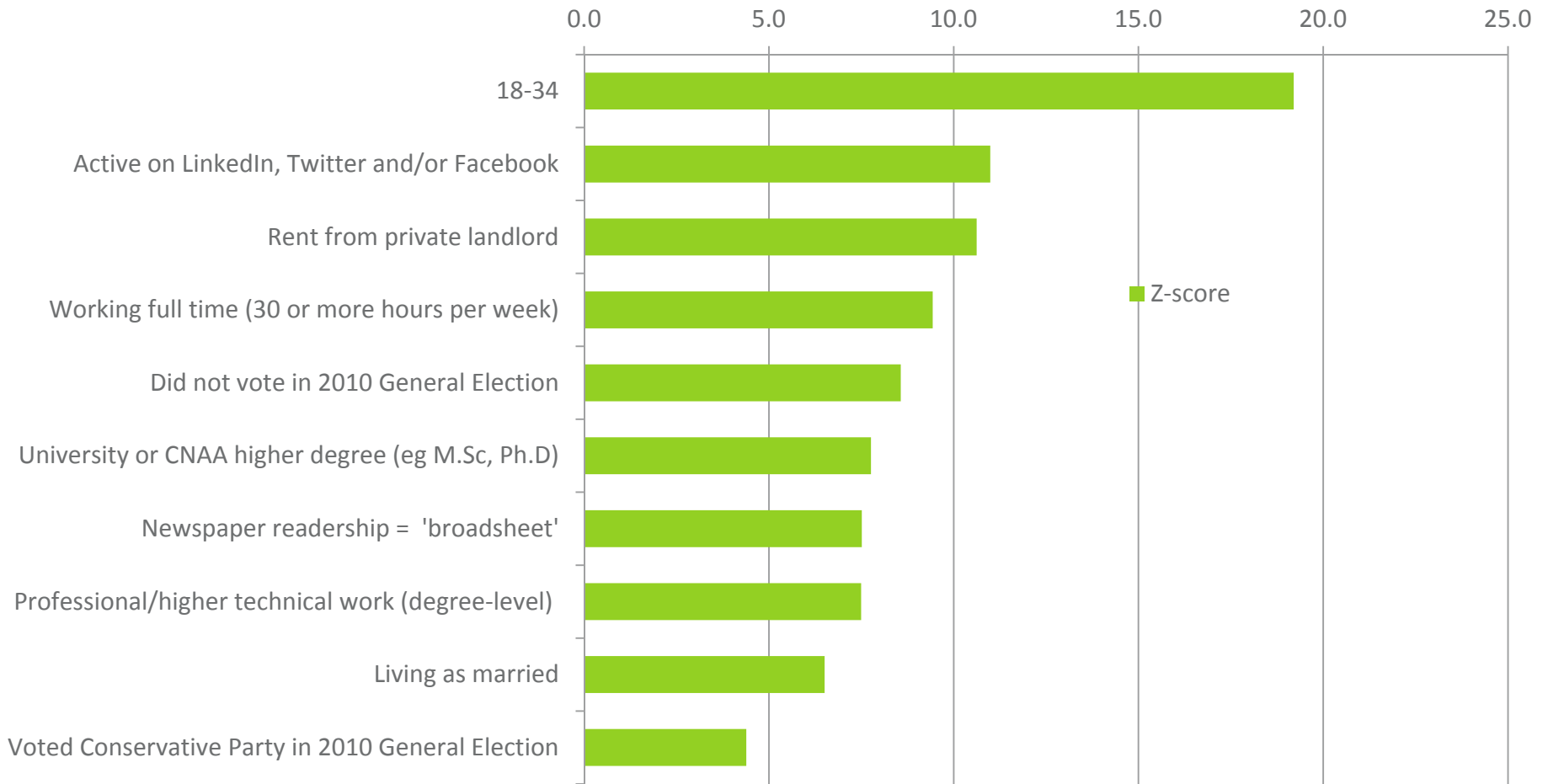
# People from households expecting to be worse off

Top demographic differentiators (from 1,100+ profile data points)



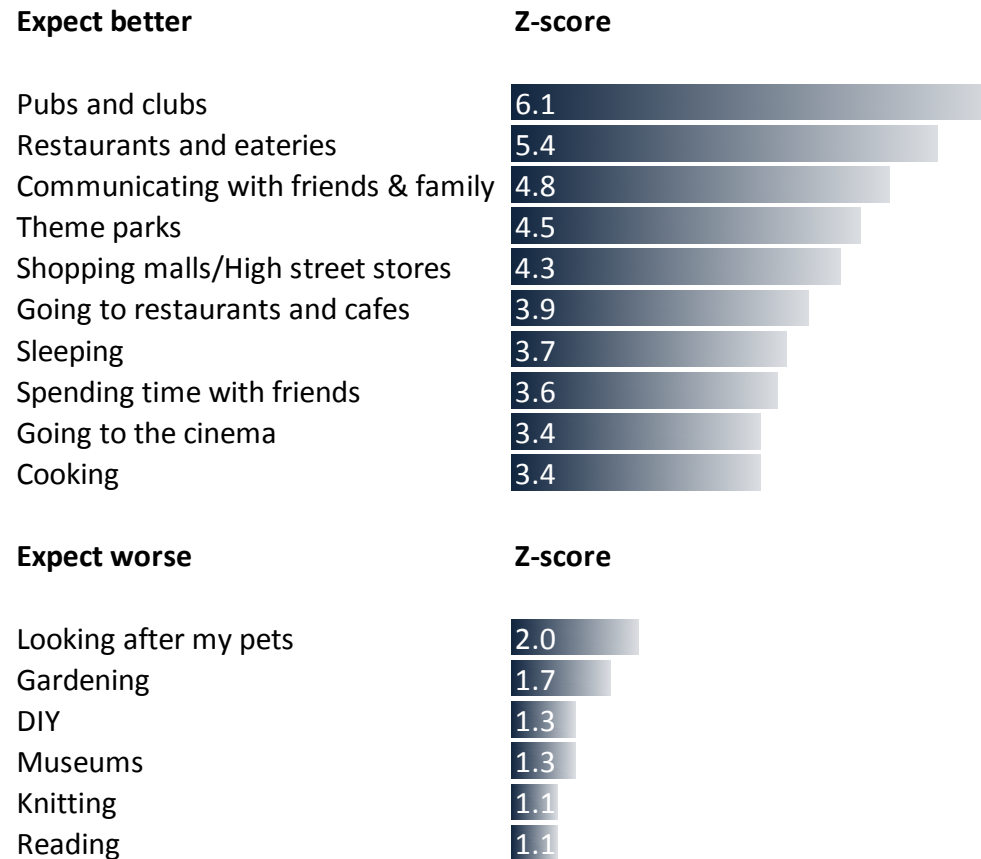
# People from households expecting to get better off

Top demographic differentiators



# Long tail profile of activities

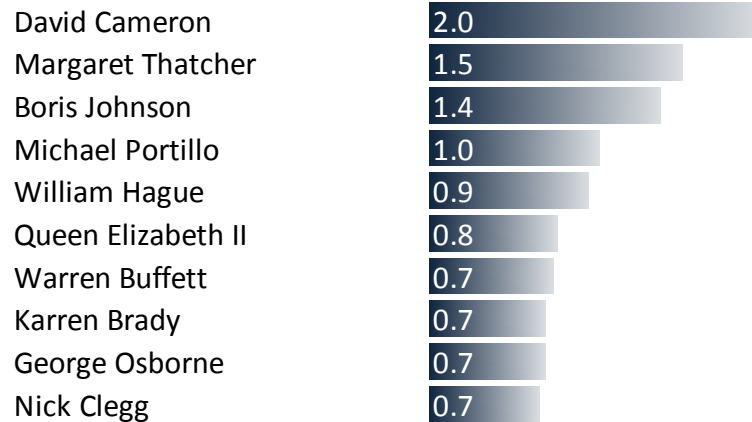
Expect better vs Expect worse (from 70,000+ long tail data sets)



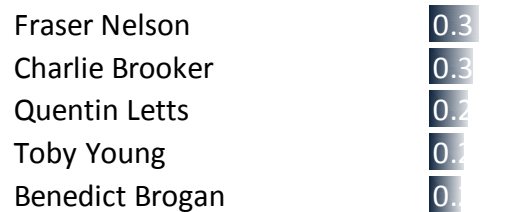
# Long tail profile of likes

Expect better vs Expect worse

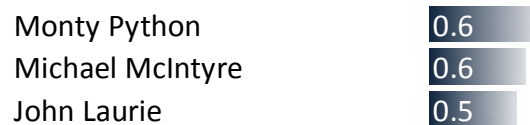
## Public figures: better



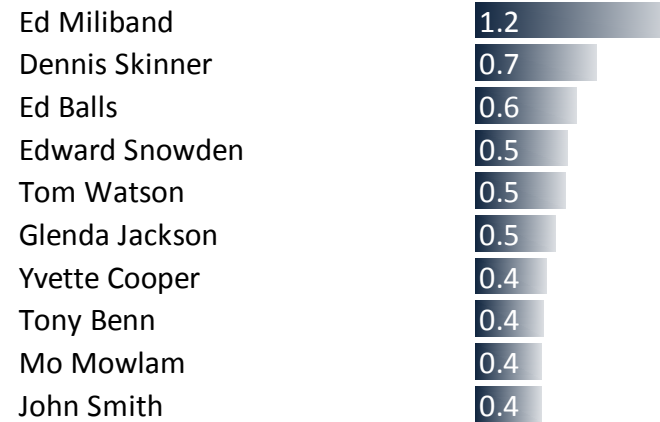
## Columnists: better



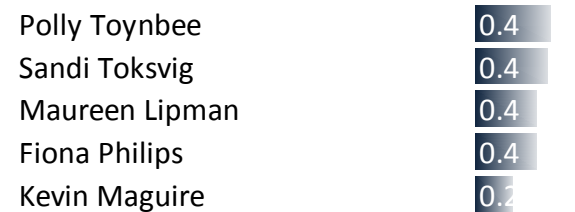
## Comedian: better



## Public figures: worse



## Columnists: worse



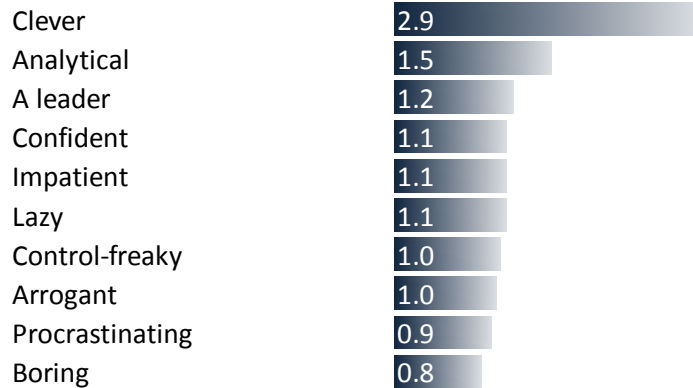
## Comedian: worse



# Long tail profile of personality traits

Expect better vs Expect worse

## Descriptors: better



## Institutions trust: better



## Institutions do not trust: better Z-score

## Descriptors: worse



## Institutions trust: worse

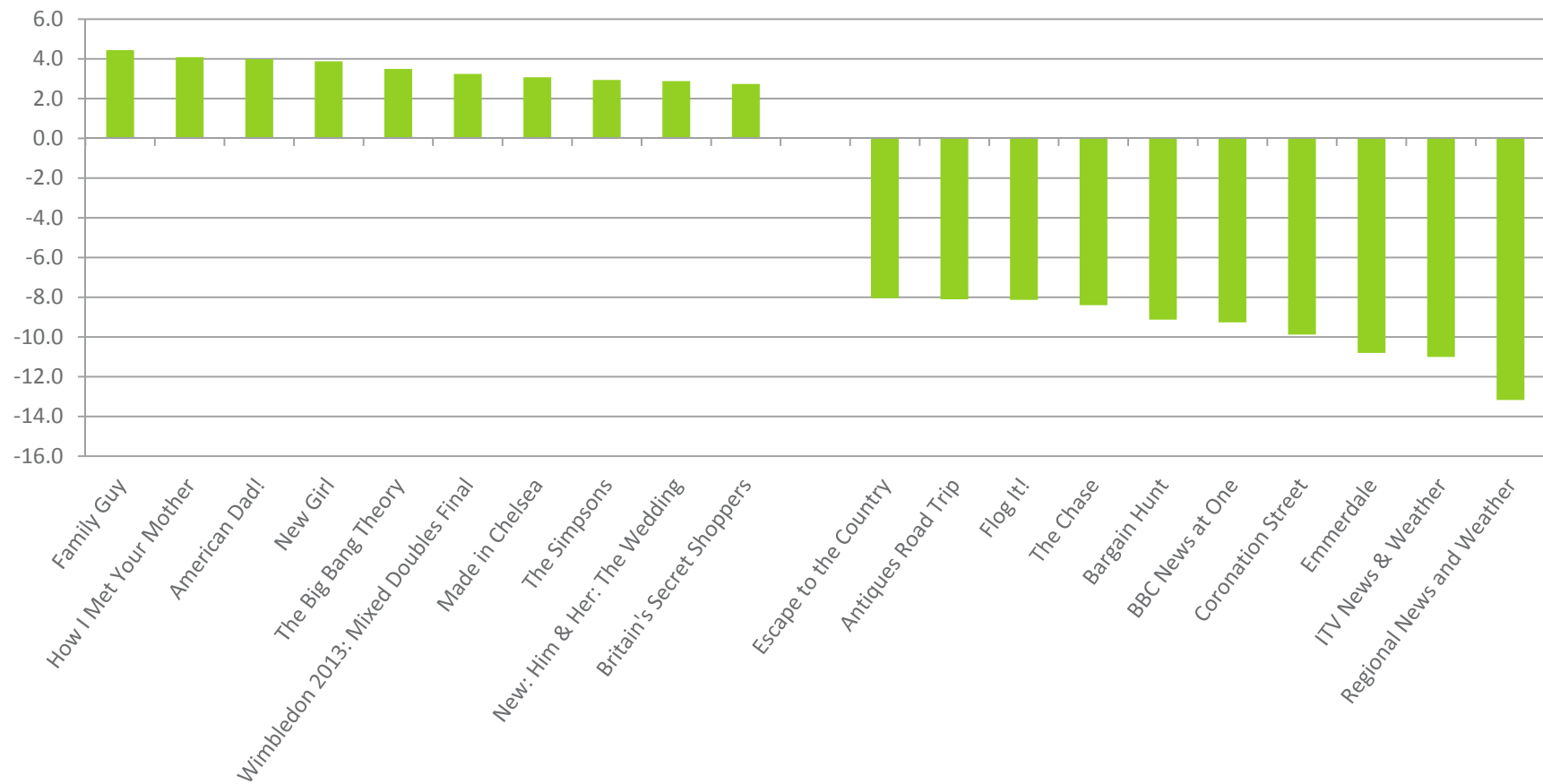


## Institutions do not trust: worse



# TV Programmes

Expect to be better off vs worse off: likely to have watched and unlikely to have watched  
(from 2,500+ programmes)



## 20 brands more likely to be customer of

Expect better compared to expect worse: from 850+ brands on BrandIndex

### Better (+ve Z-scores)

London Underground	6.3
First Capital Connect	4.6
Netflix	4.4
Starbucks	4.2
First Great Western	4.1
British Airways	3.8
Apple	3.8
Nando's	3.7
National Rail	3.7
NatWest	3.7
Pret A Manger	3.4
Waitrose	3.3
Skype	3.2
National Express	3.2
iTunes	3.1
New Look	3.1
Southern Trains	3.1
Virgin Trains	3.1
Domino's Pizza	3.0
flybe.com	3.0

### Worse (-ve Z-scores)

Iceland	4.0
Brewer's Fayre	3.8
LG	3.8
Bhs	3.7
Dunelm Mill	3.5
Wilkinson	3.5
Matalan	3.4
Lynx	3.1
Epson	3.0
Superdrug	2.8
Virgin Mobile	2.8
Ford	2.8
Parcel Force	2.7
Vauxhall	2.6
Advocaat	2.5
Alcatel	2.5
Donnay	2.5
Freeview	2.4
Nokia	2.4

## 20 brands more likely to have a positive impression of

Expect better compared to expect worse : from 850+ brands on BrandIndex

### Better (+ve Z-scores)

Lovefilm	7
Android	7
H&M	7
Netflix	7
French Connection	6
iTunes	6
Domino's Pizza	6
HTC	6
Eat.	6
Converse	6
La Senza	6
Apple iPhone	5
Spotify	5
Nando's	5
PizzaExpress	5
British Airways	5
Asics	5
Zara	5
Oasis	5
Footlocker	5

### Worse (-ve Z-scores)

Toshiba	5
Brewer's Fayre	5
Dunelm Mill	5
Wilkinson	5
Aldi	5
Iceland	5
Carpet Right	4
Lidl	4
Post Office	4
Bhs	4
Wickes	4
Morrisons	3
Bang & Olufsen	3
Matalan	3
Sanex	3
Imperial Leather	3
Argos	3
Primark	3
Greggs	3
Macleans	3

## Internet searches reinforce picture

From panellists volunteering to track internet searchers (from top 500 search terms)

Pro Better	%	Pro Worse	%
youtube	20	facebook	19
amazon	19	youtube	16
ebay	17	amazon	14
google	14	asda	12
argos	14	paypal	12
facebook	14	argos	12
hotmail	11	sainsburys	10
google maps	11	hotmail	10
tesco	11	google	9.5
post office	9.4	tesco	8.8
daily mail	7.8	national lottery	8.8
marks and spencer	7.8	ebay	8.8
maps	7.8	tesco direct	8.2
you tube	7.8	Happy Holidays	7.5
john lewis	7.8	ebay uk	6.8
bbc news	7.8	john lewis	6.1
yahoo	7.8	morrisons	5.4
asda	7.8	boots	5.4
yahoo mail	7.8	amazon uk	5.4
santander	6.3	daily mail	5.4
sainsburys	6.3	gumtree	4.8
ebay uk	6.3	google maps	4.8
rightmove	6.3	bbc	4.8
currys	6.3	marks and spencer	4.8
new year's eve 2013	6.3	facebook login	4.8
national rail	6.3	yahoo mail	4.1
Saint Andrew's day	6.3	yougov	4.1
postcode finder	6.3	just eat	4.1
gmail	6.3	iceland	4.1
hsbc	6.3	new year's eve 2013	4.1

## Conclusion:

The difference is demographic, attitudinal and behavioural

### Better

- London or South East based
- Trust the Establishment
- Employed in senior positions
- Politically conservative/centrist
- Clever and analytical
- Pubs, clubs, restaurants
- Brands offering convenience
- Search for 'Rightmove'
- Family Guy, Big Bang Theory

### Worse

- Regional
- Anti-Establishment
- Benefits, retired or low income jobs
- Politically left
- Compassionate and depressed
- Pets, garden, DIY
- Brands offering value
- Search for 'National Lottery'
- Coronation Street, Emmerdale

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