



# Consumer Confidence

TORONTO, November 6, 2013

Notwithstanding some monthly ups and downs, Canadian consumer confidence appears to be on a slow decline since the beginning of 2013. According to the latest consumer confidence survey conducted by TNS, the Canadian Consumer Confidence Index dropped over the summer from a high of 97.7 to 94.6 in August, to 93.3 in September and coming back slightly to 93.7 in October.

The lacklustre results can be attributed to continued slow economic growth, which is resulting in the lack of big increases in salaries or employment prospects, which has been somewhat tempered by a corresponding rise in stock market indices over the same time period.

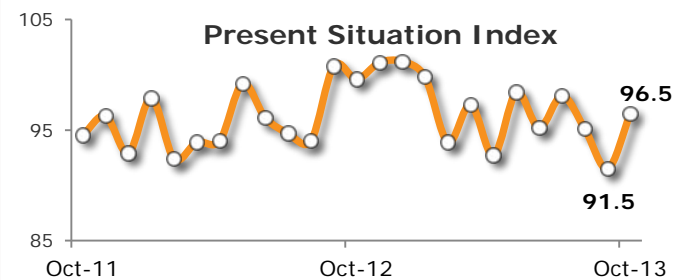
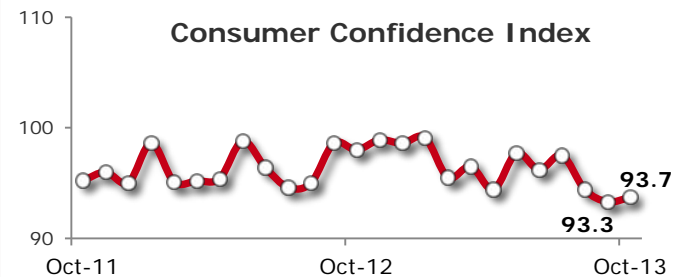
The *Present Situation Index*, which measures how people feel about the economy right now, fell sharply in August and September, only to bounce back to 96.5 in October, netting out pretty much even over the year (to-date).

*“When looking past the month-to-month gyrations, it looks like Canadians’ see little to no improvement in their own situation “right now” since the*

*beginning of the year.”* explained Norman Baillie-David, Senior Vice President of TNS in Canada and Director of the Marketing and Social research firm’s monthly tracking study.

*“The economy has taken a back seat in the media in recent weeks, and we can also point to this as a reason that consumer confidence tends to gyrate. The recent large upswing in the Present Situation Index tends to coincide with the signing of the Comprehensive Trade Agreement with Europe, even though no tangible benefits are yet to be seen for years to come”.*

## Indices Overview



# Consumer Confidence

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The *Expectations Index*, which measures people's outlook for the economy six months from now, is also on a slow, gradual decline, and probably best encapsulates what underlies the state of consumer confidence during recent surveys. The *Expectations Index* dropped from 97.9 in September to 97.0 in October, and notwithstanding a couple of slight "bumps", has been steadily declining since the early summer months. "With the exception of the CETA announcement, economic news over the last few months has been neutral to bad, with announcements of job losses and company closures overshadowing climbing stock market indices." continued Mr. Baillie-David

The *Buy Index*, which measures the extent to which Canadians feel that now is a good time to purchase a "big ticket item" such as a car or a major household appliance, dropped sharply in October, falling to 86.6 from 91.3 in September, which is considerably below its long term average over the last few years.

"Right now, we're treating this as an outlier and waiting to see what happens

next month, so no one is pushing the panic button yet. It may reflect a pre-holiday hold back in spending plans, but the November figures will bear that out." added Mr. Baillie-David.

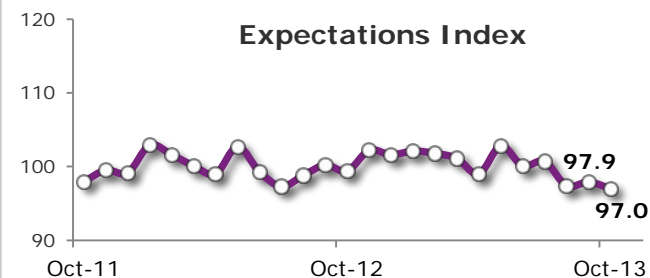
Consumer Confidence Index tracks Canadians' attitudes about the economy each month and is part of a global study conducted by TNS in 18 countries. Three indices are produced each month to show how confidence in the economy is changing: Present Situation Index; an Expectations Index; and a Buy Index.

The Canadian fieldwork is conducted using the firm's national bi-weekly online omnibus service, TNS Express Online. A total of 1,000 nationally representative Canadian adults were interviewed between October 3 and October 7, 2013.

## Indices Overview



## Expectations Index

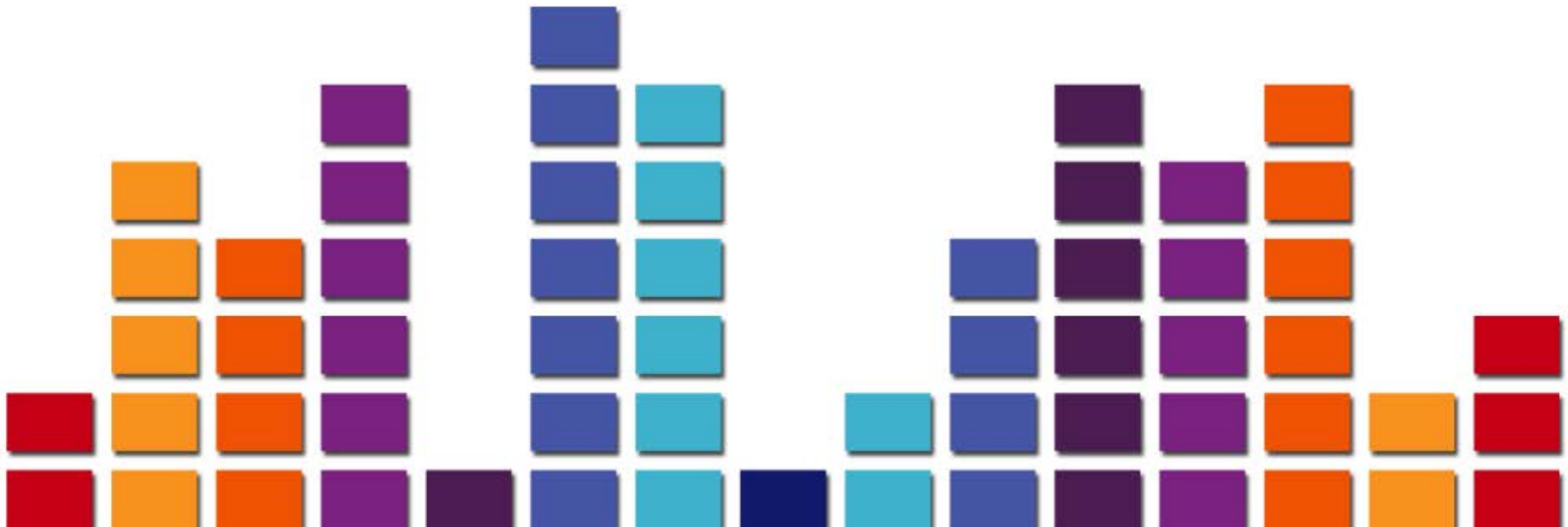


## Buy Index





## About the CCI Study



# About the CCI Study

Seven questions make up the core survey of Consumer Confidence. While the overall CCI index uses all 7 questions to produce an index score, there are three sub-indices that rely on some of the questions. Beginning in July, TNS conducted the survey using both telephone and online methodologies, and switched completely from a telephone to an online methodology. Weighting factors have been used to correct for any deviations caused by this transition.

The margin of error on the telephone survey results is 3.1%, 19 times out of 20. As the online panel sample is a non-probability sample, margins of error do not apply.



## CCI Index:

- Includes all 7 variables



## Present Situation Index:

- How would you describe your country's current economic situation?
- How would you describe your country's current employment situation?



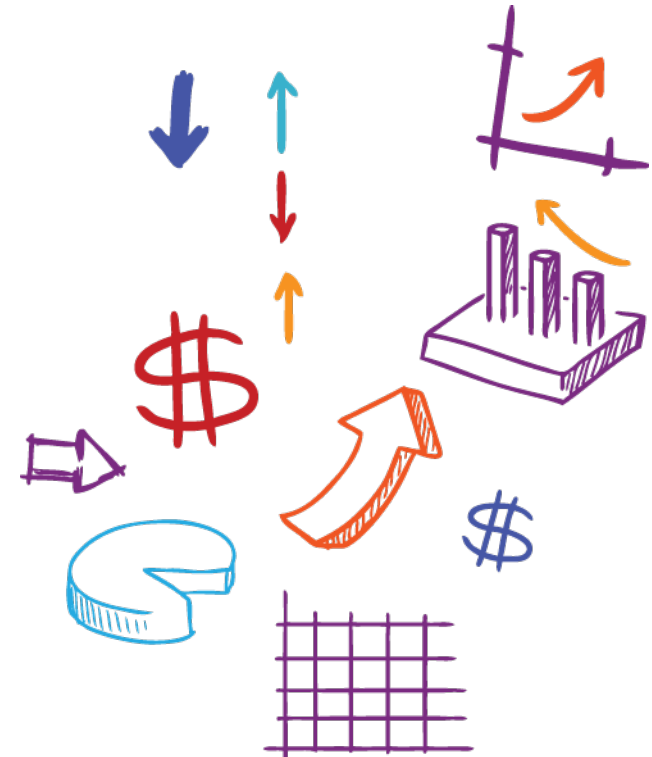
## Expectations Index:

- What do you think will be your country's economic situation in the next 6 mos?
- What do you think will be your country's employment situation in the next 6 mos?
- What do you think your income will be in 6 mos time?



## Buy Index:

- Taking into consideration the cost of things today and the financial situation in general, to what extent would you say that now is a good or bad time to buy products such as: a house or apartment, a car, household appliances such as a washing machine, a refrigerator, a TV set etc.?



# About the Director of the CCI Study

Norman ("Norm") Baillie-David is Senior Vice President, Director of Public Opinion Research, and Head of Qualitative Research and Strategy for TNS in Canada. He also leads the TNS office in the National Capital Region, as well as sitting on the TNS Global Steering Committee for Political and Social Research.

Over his twenty-five year plus career, Norm has designed and managed more than 1,000 surveys in a wide-variety of areas, ranging from high-technology to consumer products, and Norman is a recognized "expert" in complex survey methodology design and multivariate statistical analysis. He is in frequent demand by the media and market research industry in Canada to speak on the comparisons and contrasts of public opinion in Quebec and the rest of Canada, and has published widely. In addition, Norm has conducted assignments in more than 40 different countries around the world, and has a keen interest in cross-cultural issues, especially related to public opinion, the economy, and the use of technology.

Before joining TNS, Norm was Managing Partner of an Ottawa-based public opinion research and management consulting firm (2001-2009). He spent most of his preceding career at a major management consulting firm, as well as three years with a well-known Quebec market research firm. He is a Certified Marketing Research Professional (CMRP), member of the Market Research Intelligence Association (MRIA), and he served as a President of the Ottawa Chapter from 2002 to 2004.

If you would like to add proprietary questions to the CCI study, obtain full tabular results, receive a historical time series for all the index scores, or if you have other inquiries about CCI, please contact:

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# About TNS and Kantar

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Please visit [www.tnsglobal.com](http://www.tnsglobal.com) for more information.

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