

BRC Consumer Sentiment Monitor

November 2024

An analysis of UK consumer sentiment based on financial status,
shopping behaviours and attitudes





Contents

| | |
|------------------------------------------------------|-------|
| HEADLINE COMMENTARY | 3 |
| EXECUTIVE SUMMARY | 4 |
| PERCEPTIONS ON THE STATE OF THE ECONOMY | 5 |
| PERSONAL FINANCES | |
| - STATE OF PERSONAL FINANCES | 6-7 |
| - PERCEPTIONS OF DEBT AND EXPECTATIONS FOR BORROWING | 8-9 |
| SPENDING AND SAVING | |
| - SPEND AND SAVING EXPECTATIONS | 10-12 |
| - WAYS TO REDUCE SPEND | 13 |
| - NON-ESSENTIAL SPENDING PRIORITIES | 14 |
| - EXPECTED SPEND ACROSS RETAIL CATEGORIES | 15 |
| Ad Hoc | |
| - PUBLIC REACTIONS TO THE BUDGET | 17 |
| - FESTIVE PLANS | 18 |
| - FESTIVE SHOPPING PLANS/PRE-LOVED SHOP | 19-20 |
| - CHRISTMAS GIFTING | 21 |

Headline commentary

Consumer Sentiment Monitor – November 2024



Dr Kris Hamer, Director of Insight | British Retail Consortium

“After a prolonged period leading up to the Chancellor’s Budget helping to depress consumer confidence, the Budget itself did little to move the dial. We asked consumers their view on the effect of the Budget on their personal finances and the UK economy – reporting net negative results for both, -15% net and -13% net, respectively. Overall, the outlook on the economy over the next three months dipped from last month (-2pp) as well as perceptions towards current finances (-6pp).

However, if consumer plans for the Black Friday promotions convert to sales, this should give a welcome boost to Golden Quarter sales. More than a quarter of consumers plan to do the bulk of their gift shopping this Black Friday weekend, and another 37% plan to complete this by 14 December. However, consumers report they plan to spend less overall in the next three months on all non-food categories, with only food reporting increased spending, favouring instead leisure and hospitality spending.

Despite this, retailers can take comfort from consumers’ admitting to spending more than they intend - for example, half of consumers who plan to purchase over the Black Friday weekend said they usually end up buying more than they intended to. And the retail market is also evolving – a fifth of Gen X and Millennials are planning to buy more pre-loved items during this holiday season than they did last year – offering a growth opportunity for retailers that address this market.

Executive Summary

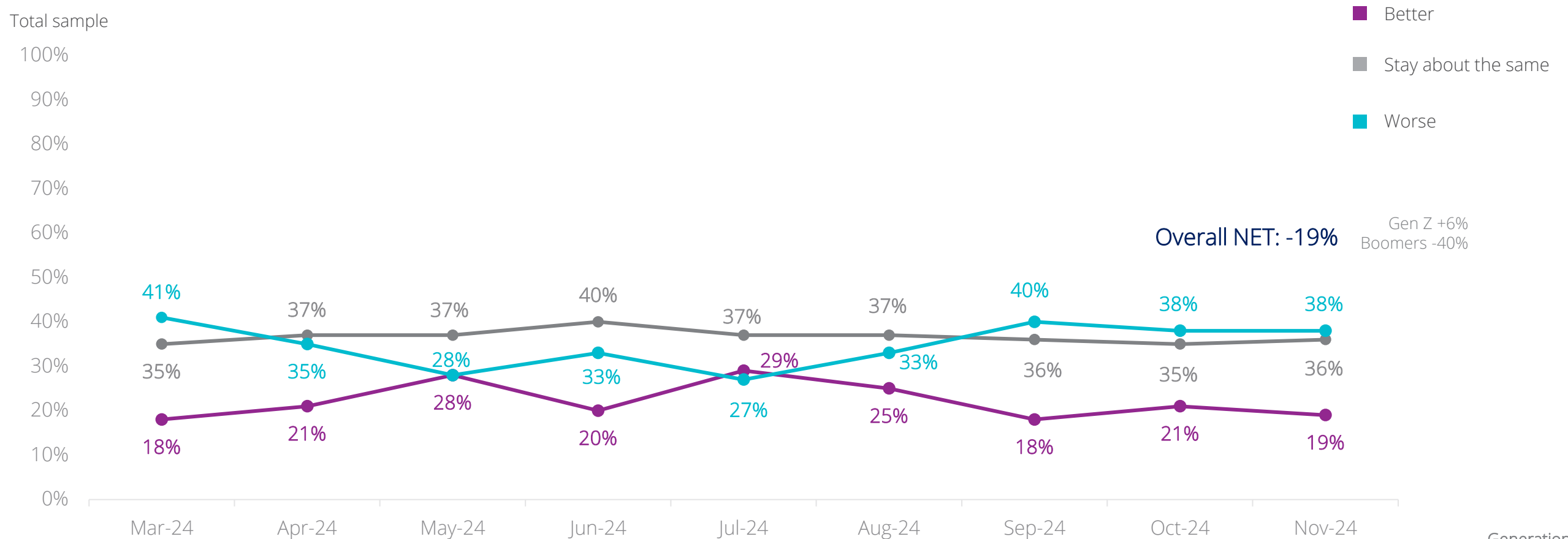
Consumer Sentiment Monitor – November 2024

A Survey of 2,000 UK consumers weighted to be Nationally Representative. Consumers are surveyed monthly about their financial status, shopping behaviours, and other topical issues.

- Thinking about the perceived effect of the recent Government Budget on personal finances and the UK economy, attitudes are mixed but are generally more likely to show negativity towards both (-15% net and -13% net, respectively). 37% said it would have no effect on their personal finances where only 25% said it would have no effect on the economy.
- As we approach holiday festivities, 27% intend to complete most of their festive gift shopping over Black Friday and Cyber Monday, while another 37% intend to finish within the first two weeks of December. 13% have already completed it and another 13% wait until the final weeks before Christmas, with 11% saying they have no intention of purchasing gifts.
- Outlook towards the UK economy over the next three months stays largely the same compared to the last wave (NET: -19%, -2 percentage points(pp)). Again, younger and older generations continue to be strongly divided between optimism and pessimism, respectively.
- This month, perceptions towards current finances have worsened (NET: 23%, -6pp), however, expectations towards personal finances over the next three months remain consistent with October, even showing a slight improvement (NET: -3%, +1pp).
- As we get further into the festive period, spending expectations remain heightened this month compared to before October (17%). Aligned with this, expected retail spend also maintains its increased level since before October (2%).
- Thinking about reducing outgoings this month, reducing leisure spend (58%) and buying cheaper products (55%) remain as top strategies.
- Christmas markets (22%) are the most popular festive plan, and, aside from money or vouchers, sweet treats are the most popular Christmas gift to receive (27%) and give (36%).
- A net +8% plan on spending more on pre-loved items over the festive period than last year with 39% saying they don't shop for pre-loved. Younger generations especially are more likely to shop for pre-loved items.

Outlook on the UK economy stays the same as last month, with younger and older generations again divided between optimism and pessimism, respectively.

Over the next 3 months, do you expect the state of the UK economy to get better or worse?



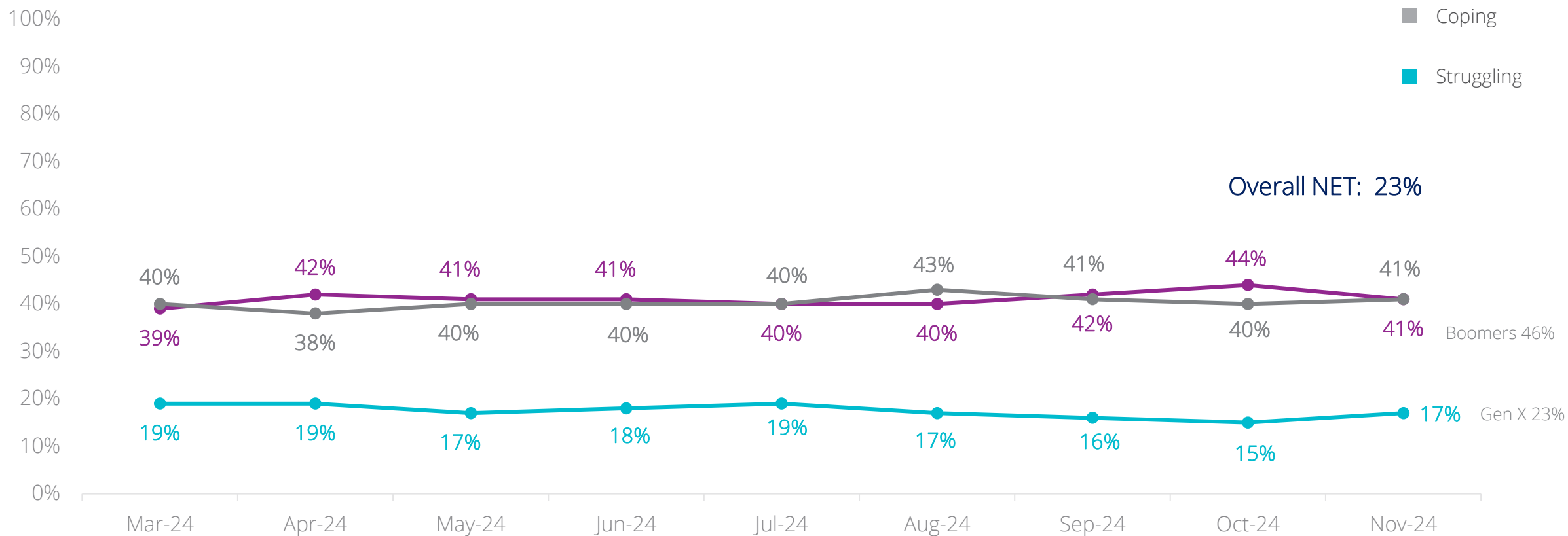
Q2. Over the next 3 months, do you expect the following to get better or worse? State of the UK economy. Base size (2,000)

*Some net figures may be impacted by rounding differences

Overall financial situations have worsened slightly since October. Boomers continue to be the most comfortable with Gen Xs the most likely to struggle.

What is the best way to describe your current financial situation?

Total sample



Q1. What is the best way to describe your current financial situation? (Base size: 2,000)

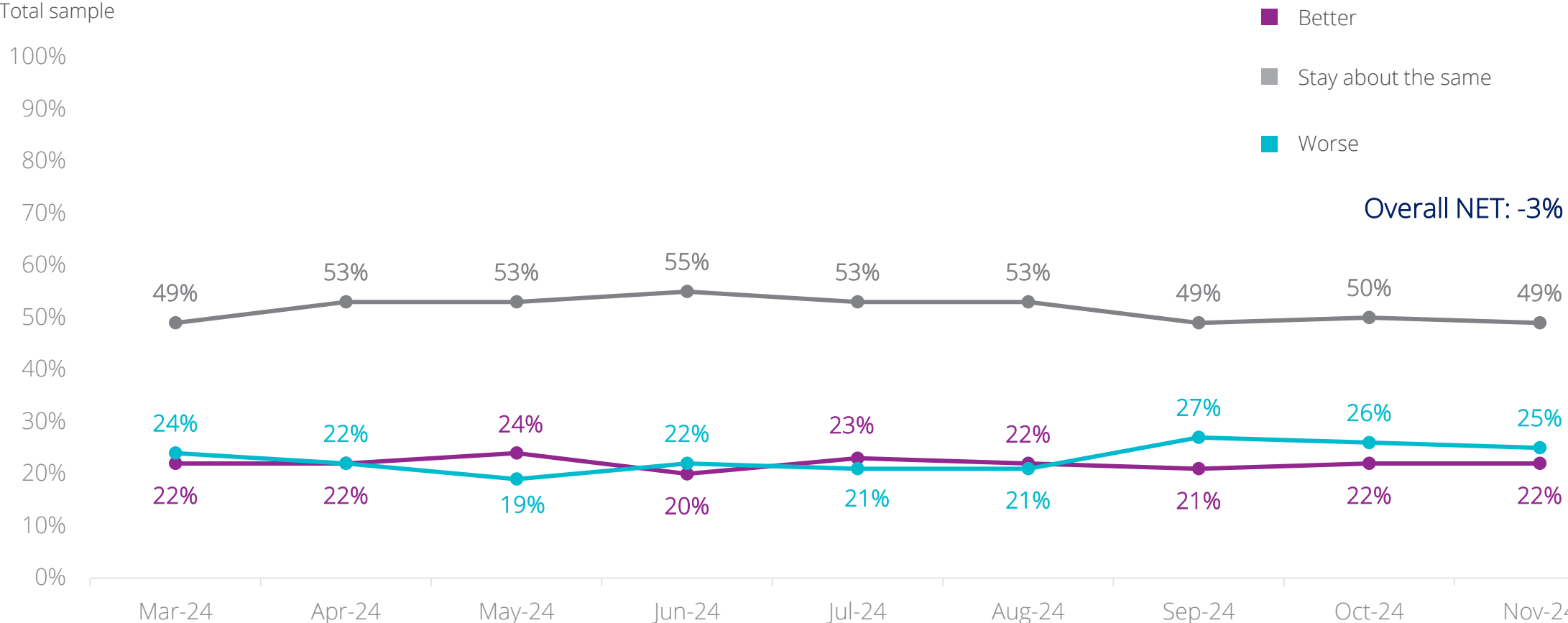
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Generations
Gen Z (18-27)
Millennials (28-43)
Gen X (44-59)
Boomers (60-78)

Expectations towards personal finances over the next three months remain consistent with previous waves. Again, younger and older generations are split between optimism and pessimism, respectively.

Over the next 3 months do you expect your personal finances to get better or worse?

Total sample



Q2. Over the next 3 months, do you expect the following to get better or worse? Your Personal Finances. Base size (2,000)

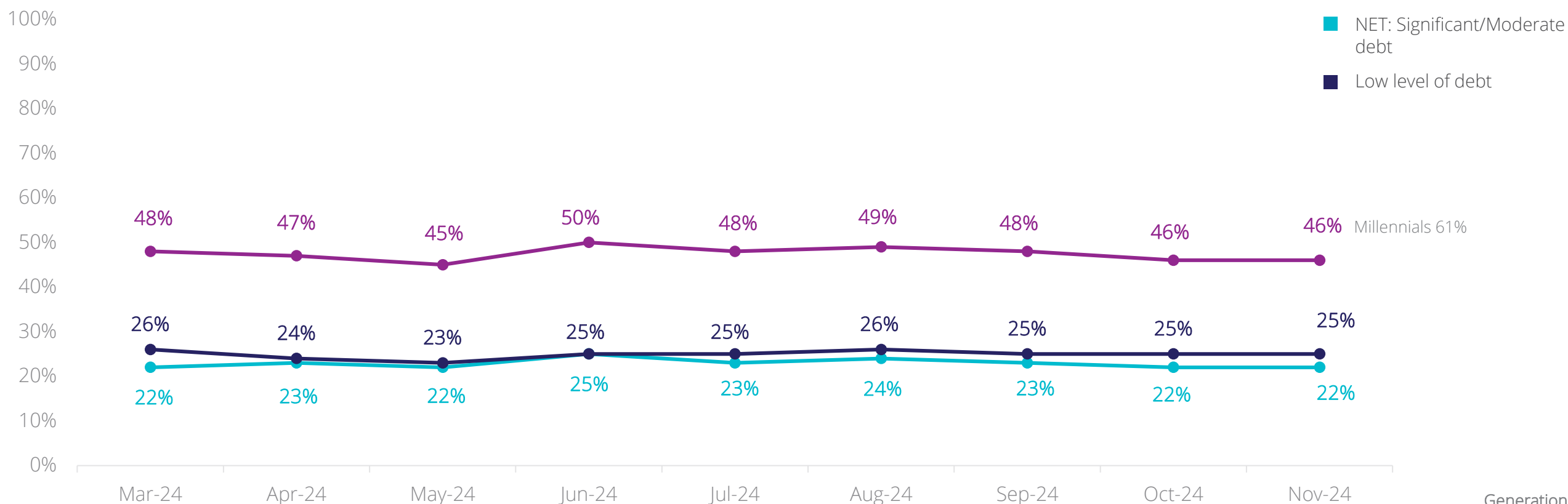
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Boomers (60-78)

Debt levels remain the same since October. Millennials continue to be the most likely to have debt.

What is your perception of the overall level of consumer debt you currently hold?

Total sample



Q7. What is your perception of the overall level of consumer debt you currently hold? By 'consumer debt' we mean any debt used to purchase goods or services for personal consumption. This includes bank overdrafts, credit card balances, personal loans etc. but excludes mortgages and student debt. Base size: (2,000)

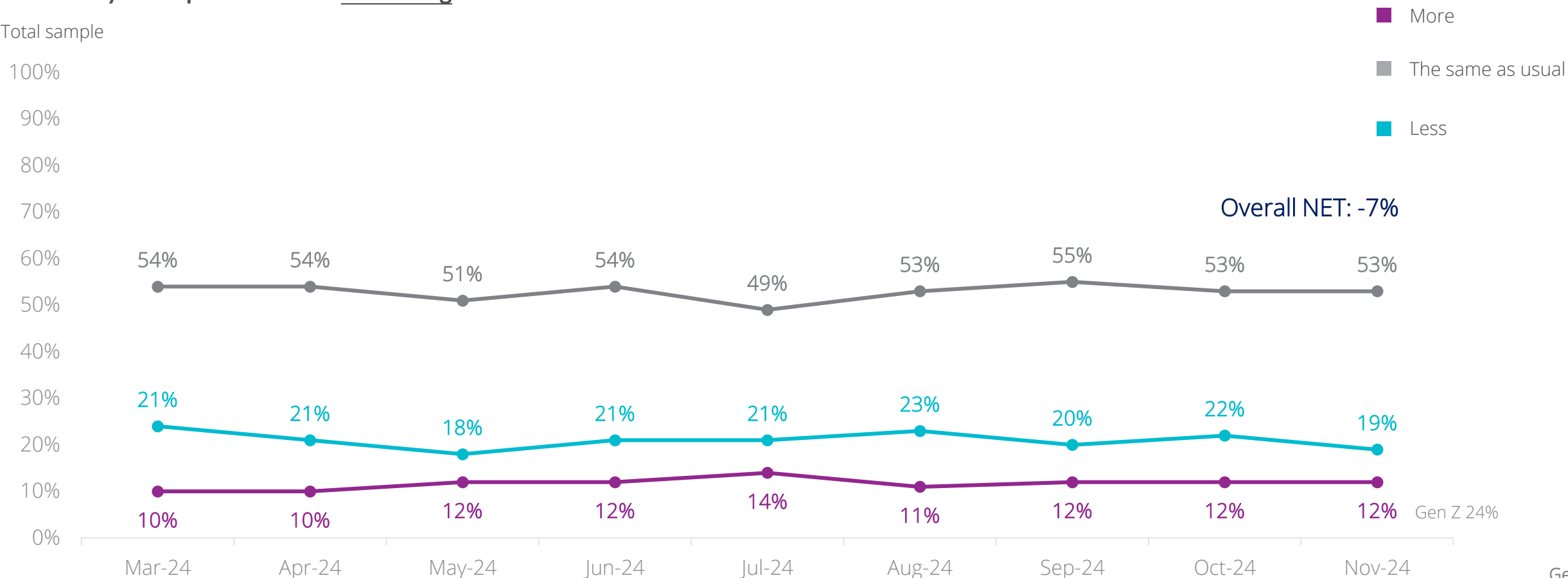
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Gen X (44-59)
Boomers (60-78)

Consumers expect to borrow the same as previous months, however, Gen Z are twice as likely to borrow more than the average adult.

What are your expectations for borrowing over the next 3 months?

Total sample



Q6. What are your expectations for borrowing over the next 3 months? Please only think about loans, overdrafts, credit etc. and not about mortgages. By 'usual' we'd like you to think about your typical borrowing habits. Base size: (2,000)

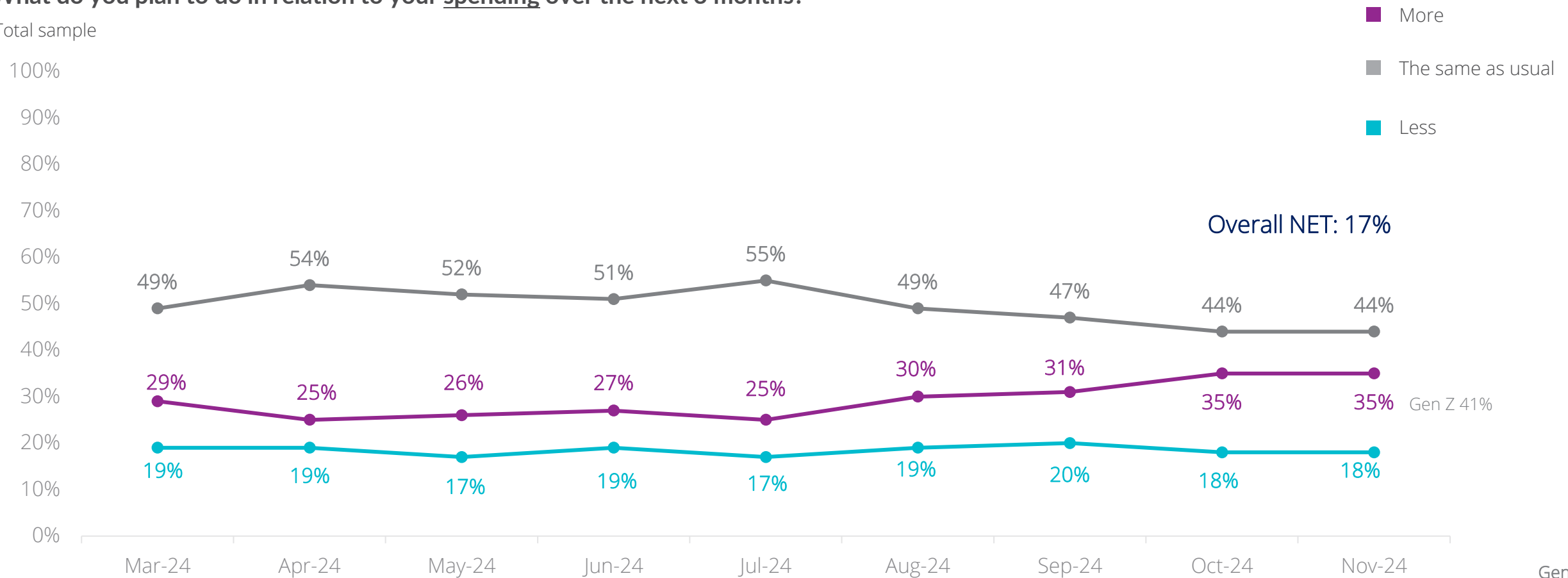
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Generations
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Millennials (28-43)
Gen X (44-59)
Boomers (60-78)

General spending expectations over the next three months remain consistent with previous waves, with Gen Z again most likely to expect to spend more.

What do you plan to do in relation to your spending over the next 3 months?

Total sample



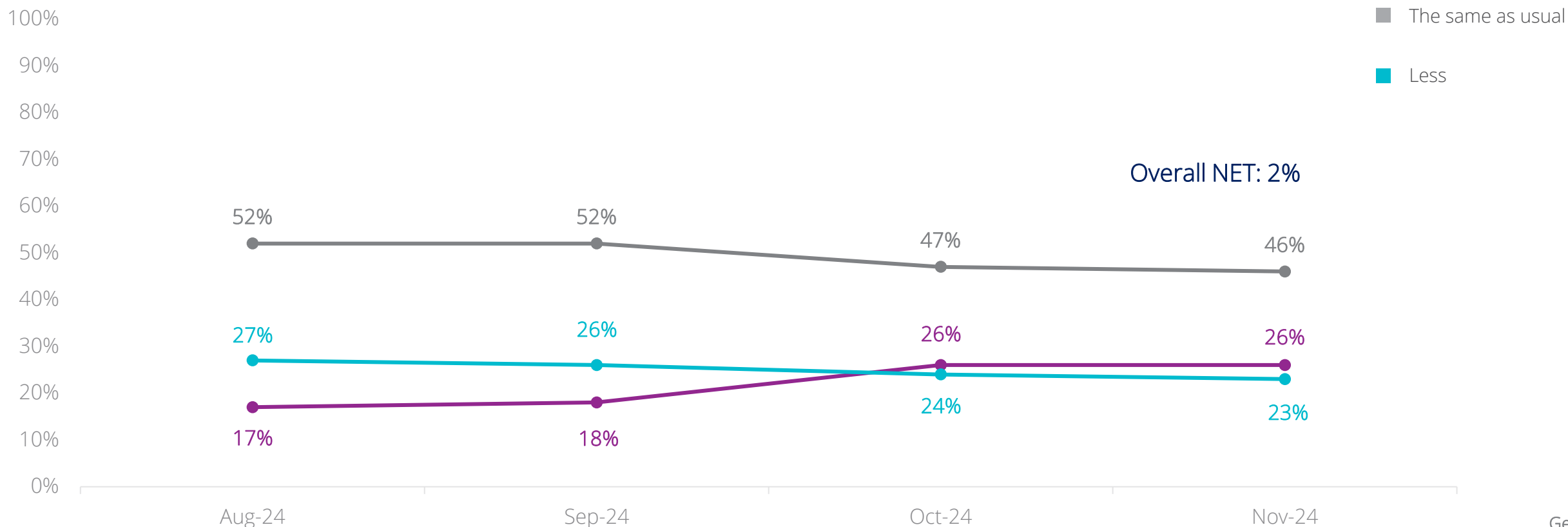
Q3. What do you plan to do in relation to your spending over the next 3 months? By 'usual' we'd like you to think about your typical spending habits. Base size: (2,000)

Generations
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Gen X (44-59)
Boomers (60-78)

Expectations towards retail spend show little change, with a minor decrease amongst those expecting to spend less.

Reflecting on your retail spend across different categories, overall do you expect to spend more or less on retail items over the next 3 months?

Total sample



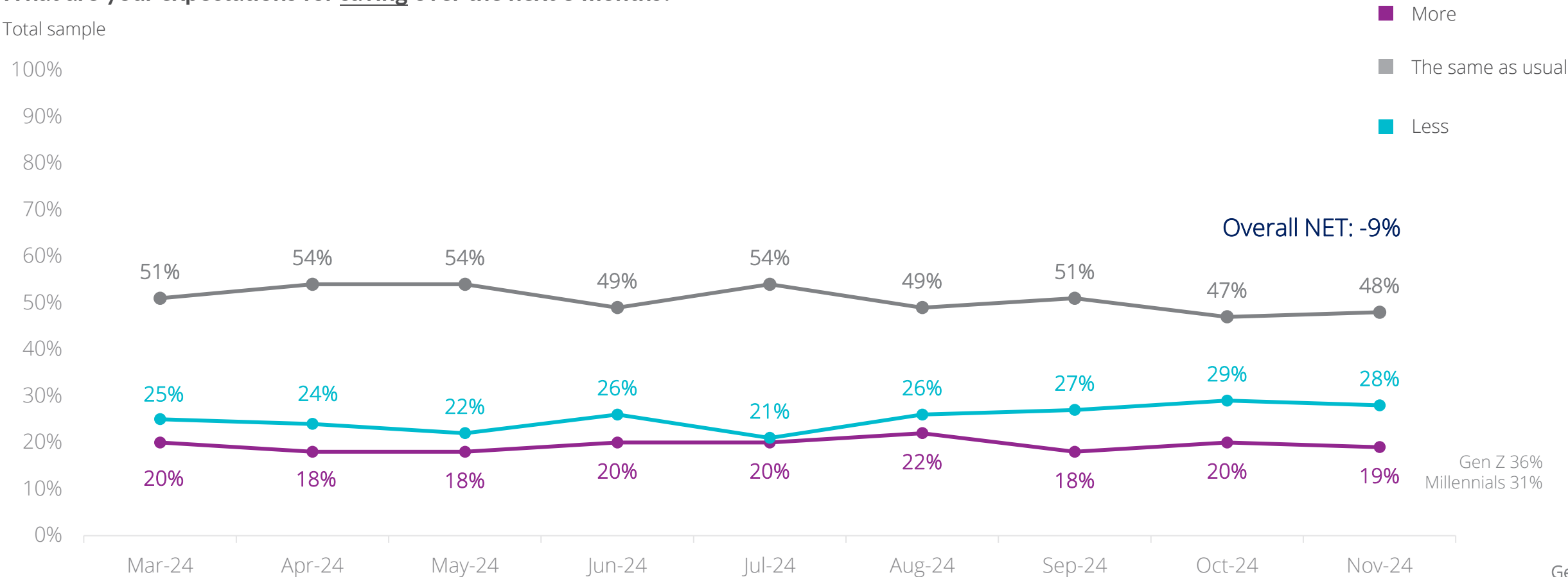
Q10. Reflecting on your retail spend across different categories, overall do you expect to spend more or less on retail items over the next 3 months? Base size: (2,000)

*Some net figures may be impacted by rounding differences

Consumers continue to expect to save at a similar rate to previous months, with Gen Zs and Millennials most optimistic to save.

What are your expectations for saving over the next 3 months?

Total sample



Q5. What are your expectations for saving over the next 3 months? By 'usual' we'd like you to think about your typical saving habits. Base size (2,000)

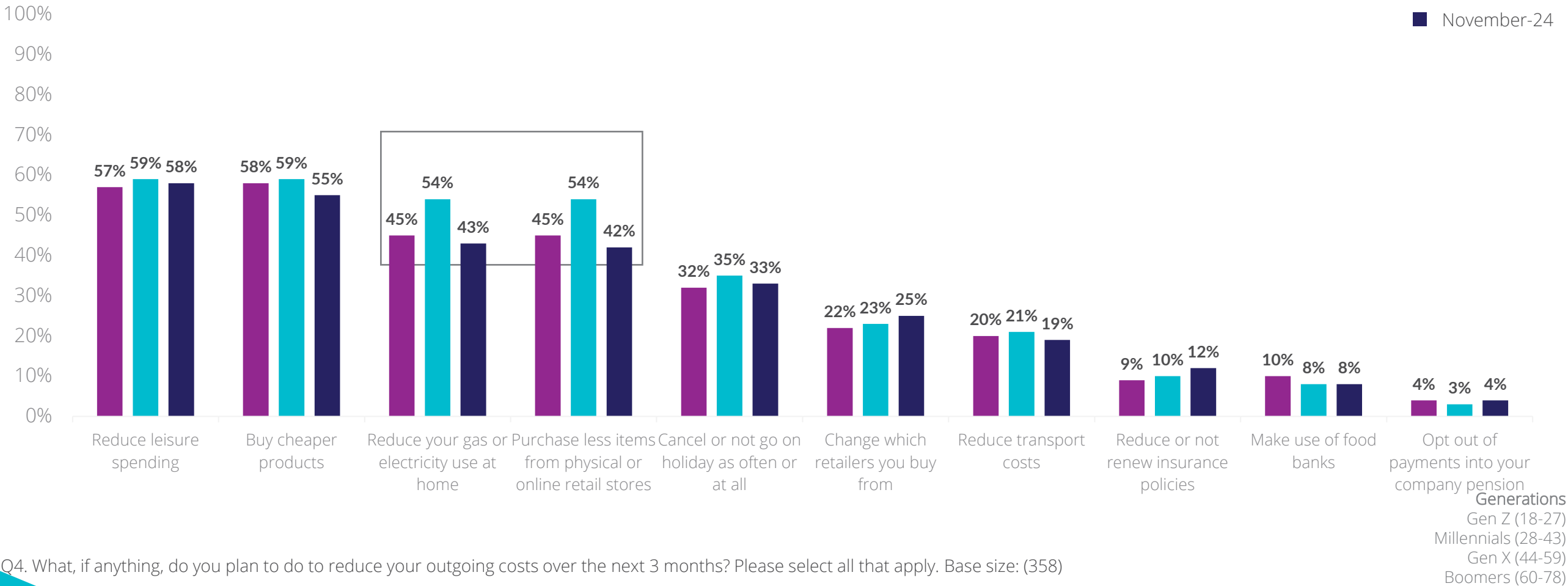
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After an uptick in October, the percentage of UK adults who plan to reduce gas/electricity use and purchase fewer physical items has lowered to similar levels to September.

What, if anything, do you plan to do to reduce your outgoing costs over the next 3 months?

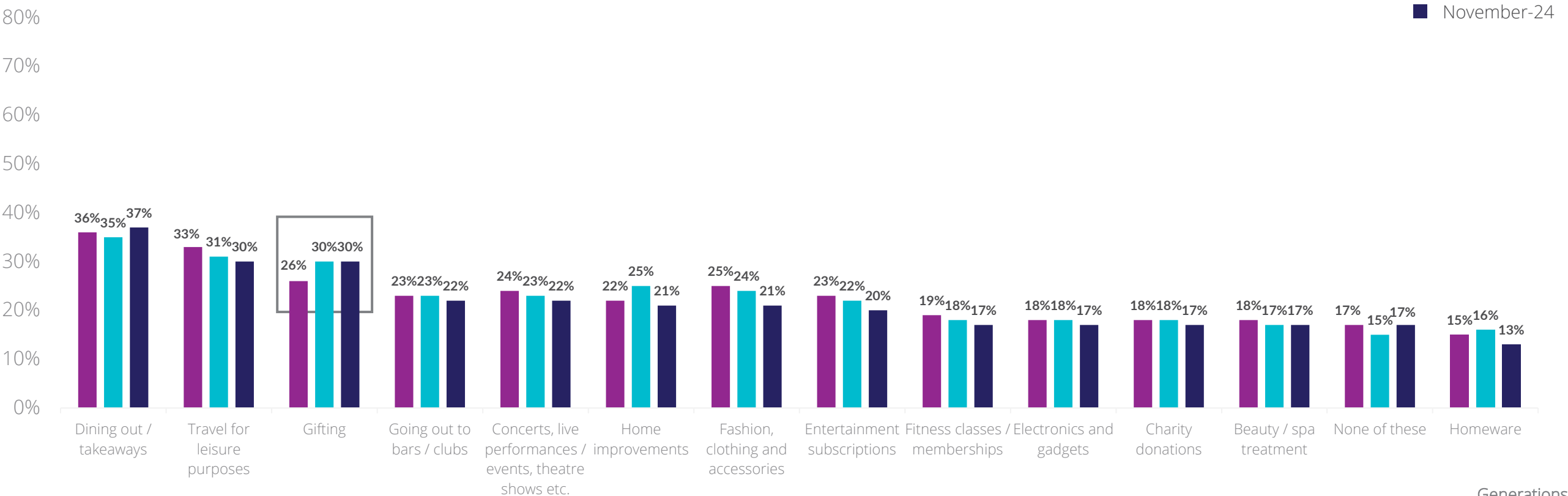
All those who plan to reduce spending



Consumers continue to prioritise dining out and traveling for leisure as non-essential spend, while gifting maintains its increase in the lead up to the festive season.

Over the next 3 months, which of the following would you say are your non-essential spending priorities?

Total sample



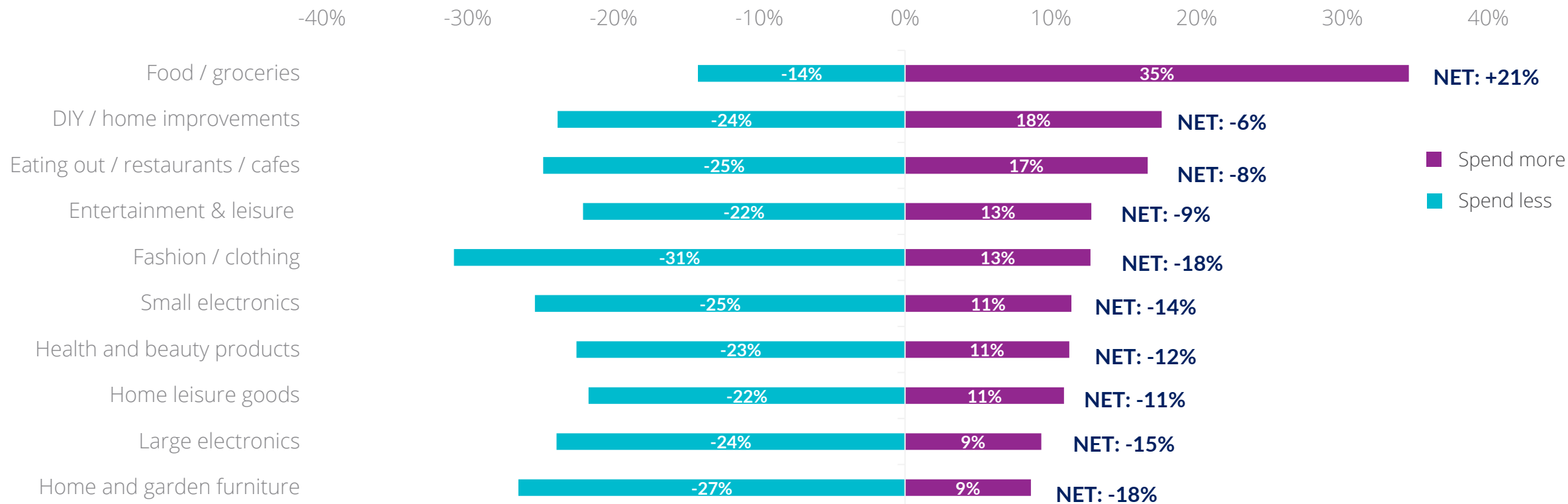
Q8. Non-essential spending is optional / discretionary spend for goods or services that are not necessary for maintaining a minimum standard of living. With this in mind, over the next 3 months, which of the following would you say are your non-essential spending priorities? Please select all that apply. Base (2,000)

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Gen X (44-59)
Boomers (60-78)

NET expectations for spending over the next three months by category. UK adults expect to spend less across all categories apart from food and groceries.

What are your expectations for spending on the following retail categories over the next 3 months, compared to the previous 3 months?

Total sample



Q9. What are your expectations for spending on the following retail categories over the next 3 months, compared to the previous 3 months? Base size: (2,000)

*Some net figures may be impacted by rounding differences

Generations
Gen Z (18-27)
Millennials (28-43)
Gen X (44-59)
Boomers (60-78)

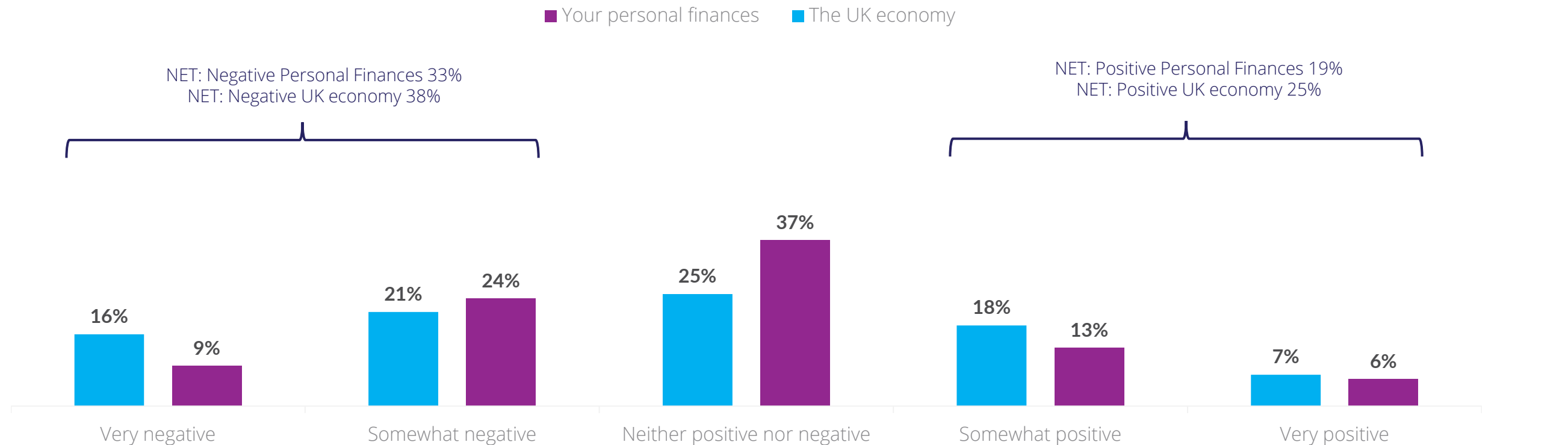
Ad Hoc



The Budget has received mixed responses, however the outlook for both the UK economy and personal finances have a negative direction.

To what extent, if any, do you feel that it [the Budget] will have an impact on... (NEW Nov-24)

Total sample



Q15. In October, the Labour announced the Government Budget, which is an annual financial plan created by a government to estimate its expected revenues and outline its planned expenditures for the coming financial year. To what extent, if any, do you feel that it will have an impact on...? Base size: (2,000)

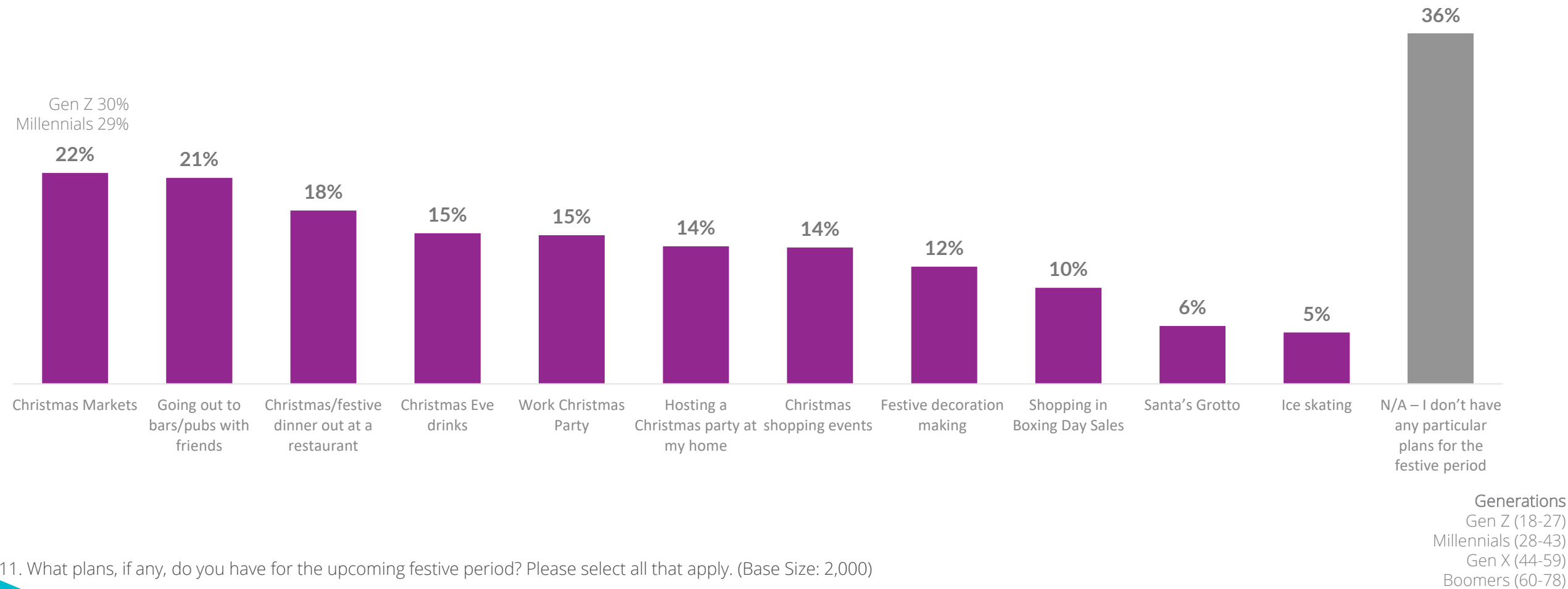
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While more than a third don't have any plans for the festive season, a fifth will be going to Christmas markets or bars and pubs, particularly the younger generations.

What plans, if any, do you have for the upcoming festive period? (NEW Nov-24)

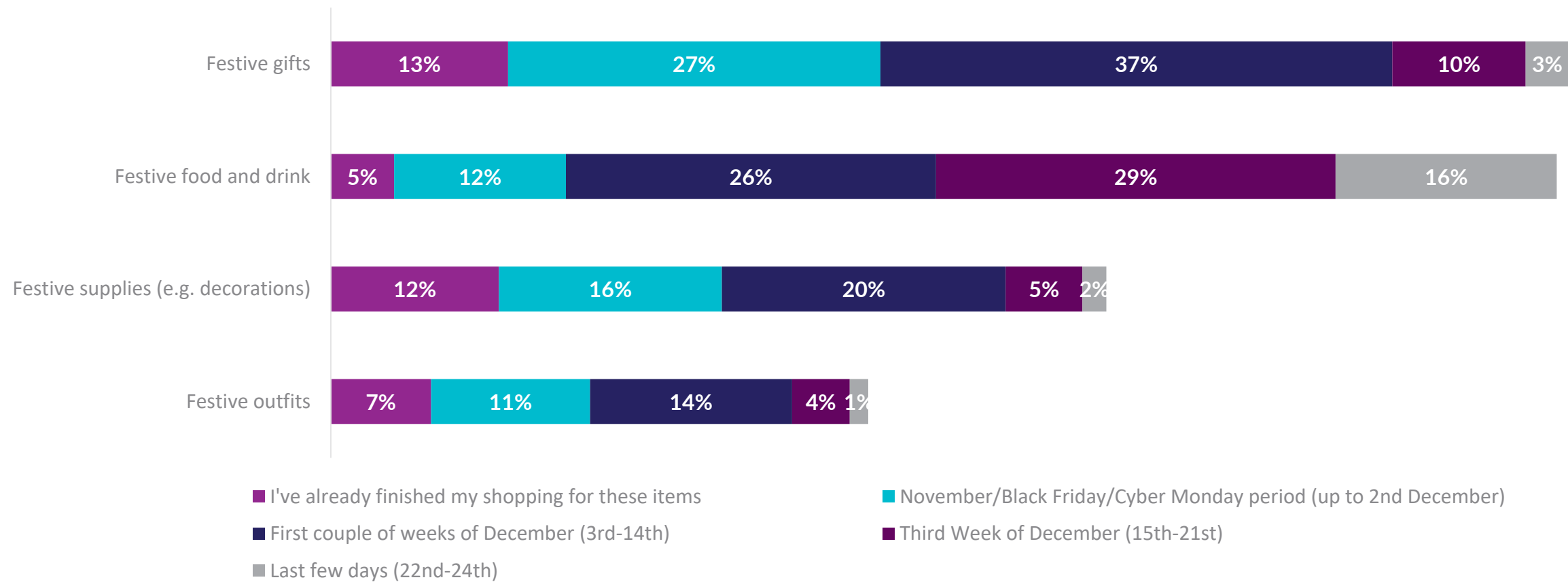
Total sample



Over one in ten have already finished shopping for festive gifts and supplies, and one in six wait until the last few days to buy most of the food and drink.

Thinking about preparing for festive season this year, when do you plan to do the majority of your shopping for the following items? (NEW Nov-24)

All who celebrate Christmas and who buy the following items



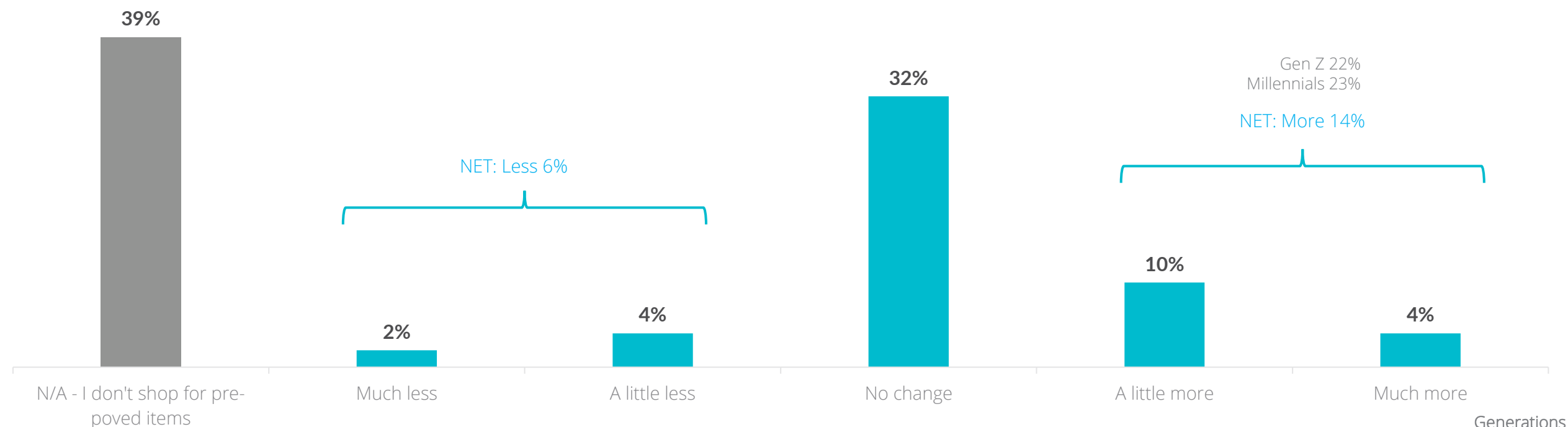
Q12. Thinking about preparing for festive season this year, when do you plan to do the majority of your shopping for the following items? (Base Size: 2,000)

Generations
Gen Z (18-27)
Millennials (28-43)
Gen X (44-59)
Boomers (60-78)

Whilst two fifths don't shop for pre-loved items, one in seven are looking to spend more on second-hand goods this Christmas compared to last year, with younger generations leading the charge.

Are you planning spending more or less on pre-loved items over the festive period this year, compared to last year, or will there be no change? (NEW Nov-24)

Total sample



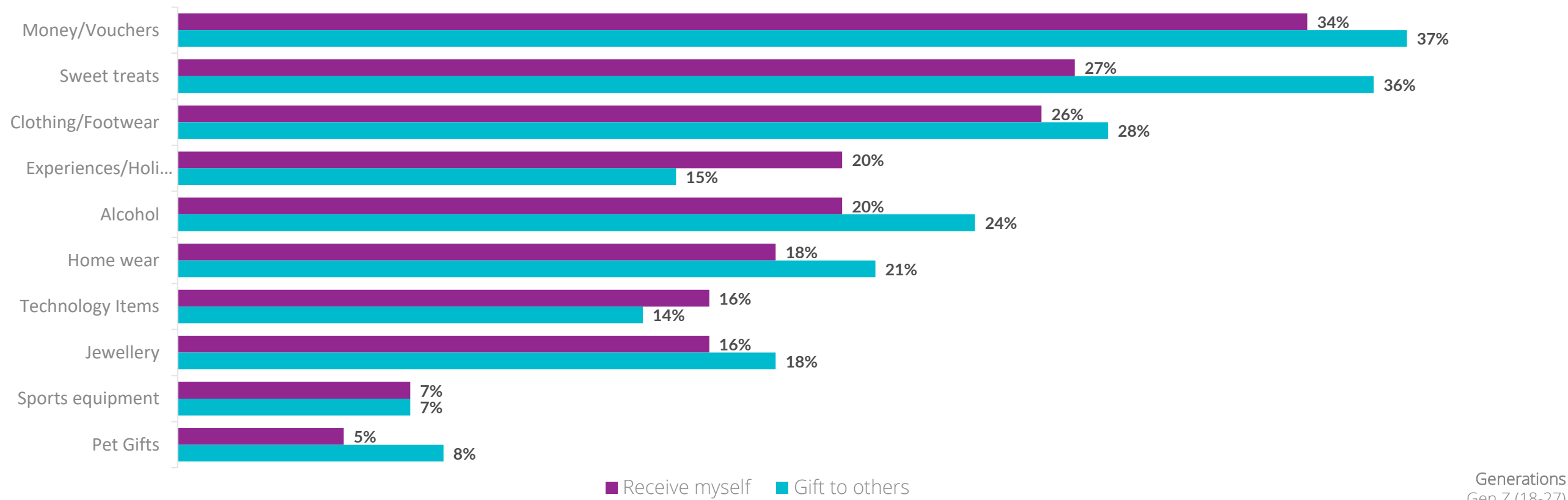
Q13. Pre-loved items refers to second-hand or previously owned items (such as clothing, home wear) that is resold or donated. Are you planning spending more or less on pre-loved items over the festive period this year, compared to last year, or will there be no change? If you don't shop for pre-loved items, select N/A. (Base size: 2,000)

*Some net figures may be impacted by rounding differences

Money, sweet treats and clothing are favoured gifts to both receive and give to others this Christmas.

Which of the following, if any, would you realistically like to receive as a Christmas gift and which would you like to gift to others? (NEW Nov-24)

All who celebrate Christmas



Q14. Which of the following, if any, would you realistically like to receive as a Christmas gift and which would you like to gift to others? Please select all that apply. (Base Size: 1,811)

*Some net figures may be impacted by rounding differences

Generations
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Millennials (28-43)
Gen X (44-59)
Boomers (60-78)

THE BRITISH RETAIL CONSORTIUM

The BRC's purpose is to make a positive difference to the retail industry and the customers it serves, today and in the future.

Retail is an exciting, dynamic and diverse industry which is going through a period of profound change. Technology is transforming how people shop; costs are increasing; and growth in consumer spending is slow.

The BRC is committed to ensuring the industry thrives through this period of transformation. We tell the story of retail, work with our members to drive positive change and use our expertise and influence to create an economic and policy environment that enables retail businesses to thrive and consumers to benefit. Our membership comprises over 5,000 businesses delivering £180bn of retail sales and employing over one and half million employees.



BRITISH RETAIL CONSORTIUM

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Opinium works with organisations to define and overcome strategic challenges – helping them to get to grips with the world in which their brands operate. It uses the right approach and methodology to deliver robust insights, strategic counsel and targeted recommendations that generate change and positive outcomes.

Opinium's consultants are experts in political, financial services, tech, industrial, healthcare and consumer packaged goods research. Opinium was the most accurate research agency in the 2019 UK General Election, the 2016 London Mayoral Election and the EU Referendum.



What people think,
feel and do