

BRC Consumer Sentiment Monitor

May 2025

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





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Headline commentary

Consumer Sentiment Monitor – May 2025



Dr Kris Hamer, Director of Insight | British Retail Consortium

“Consumer confidence improved as UK economic growth picked up and geopolitical tensions eased as the US-China trade war began to cool. However, it remains far below levels seen last year. The over-60s saw the biggest improvement, up almost 20 points, though they are still the most pessimistic of all generations. This may reflect the stock market recovery after the turbulence caused by a slew of US tariff announcements. Overall spending expectations stayed at similar levels for a third consecutive month, while expectations of retail spend dropped slightly.

Only weeks ago, consumers were facing uncertainty arising from President Trump’s announcement of eye-watering tariffs on many countries. Fast forward to today, the UK has trade deals with some of the world’s largest economies. While agreements with the US and India may have helped this month’s boost in consumer confidence, it is hoped the latest EU deal will drive further confidence in the outlook for the economy and personal finances. There is more the UK can do to encourage spending and trade: reintroducing a tax-free shopping scheme would attract more high value shoppers from abroad, benefitting retail, hospitality, and leisure, and creating employment opportunities and boosting economic growth.”

Executive Summary

Consumer Sentiment Monitor – May 2025

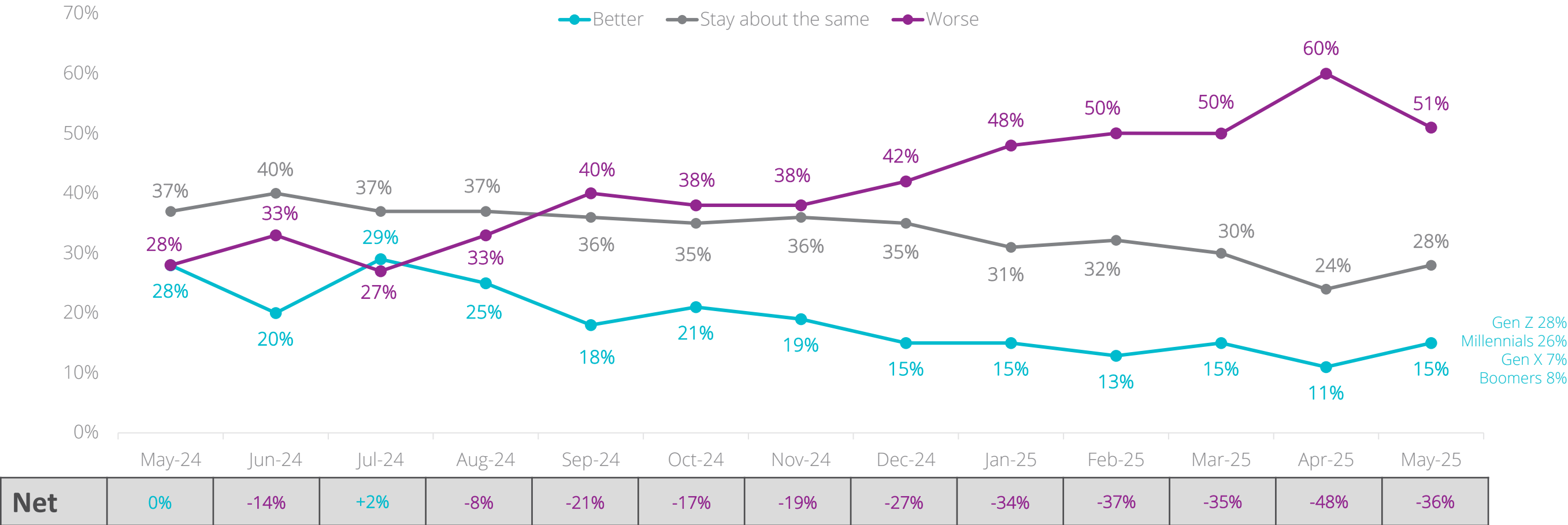
A Survey of 2,000 UK consumers weighted to be nationally representative. Consumers are surveyed monthly about their financial status, shopping behaviours, and other topical issues.

- Economic pessimism has eased slightly, with sentiment around the UK economy returning to levels seen in March (after the US tariffs announcements in April).
- Confidence in current personal financial situations is stable, while expectations for future finances have improved after dropping in April.
- Those stating they have debt is falling, albeit slowly over time; however, spending and saving intentions remain steady, though younger adults continue to lead in expected savings.
- Consumers plan to cut back, particularly on retail purchases, even as non-essential spending on dining out becomes more of a priority this month.
- Food and groceries remain the top spending category, while fashion spend is expected to stay low.
- The majority of UK adults expect everyday goods to rise because of changes in global trade policy, with a quarter thinking they will significantly rise.
- Furthermore, two thirds of UK adults are concerned that the global trade tensions could affect their personal finances in the next 3 – 6 months.

After a sharp rise in pessimism in the state of the UK economy in April, consumer pessimism has returned to the levels seen from January - March 2025

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

Total sample



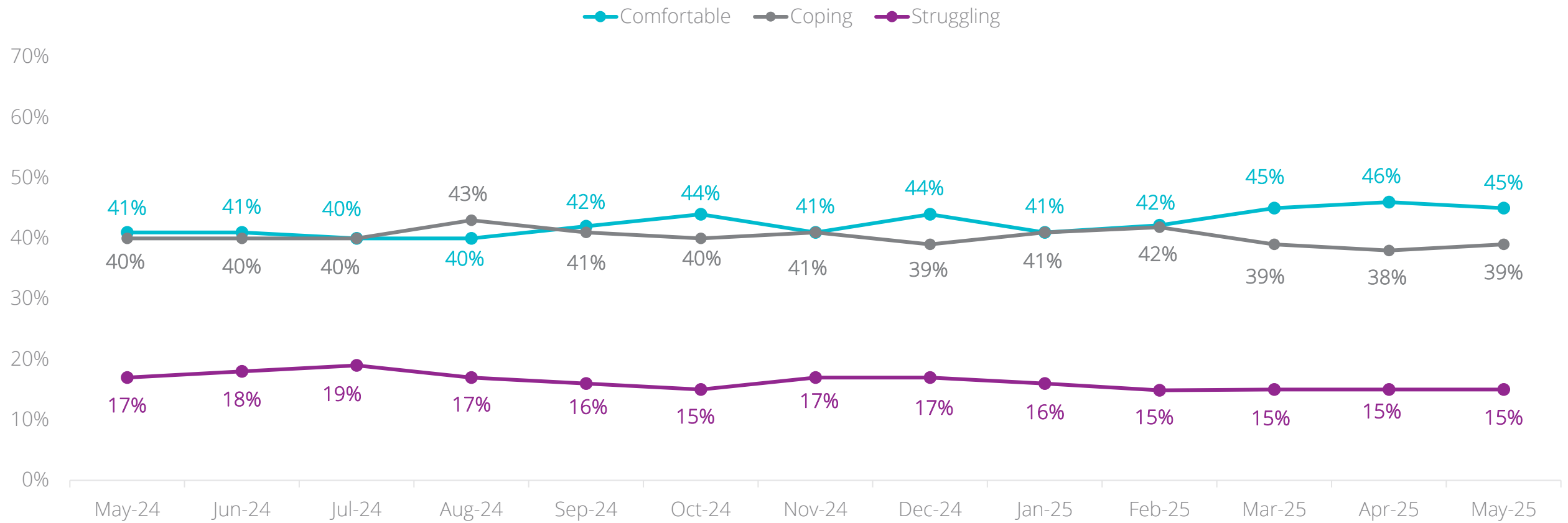
Q2. Over the next 3 months, do you expect the following to get better or worse? State of the UK economy. Base size (2,000)

*Some net figures may be impacted by rounding differences

Those feeling comfortable with their personal financial situation has been stable since March

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

Total sample



Net	+23%	+23%	+22%	+23%	+26%	+29%	+23%	+27%	+25%	+27%	+30%	+32%	+30%
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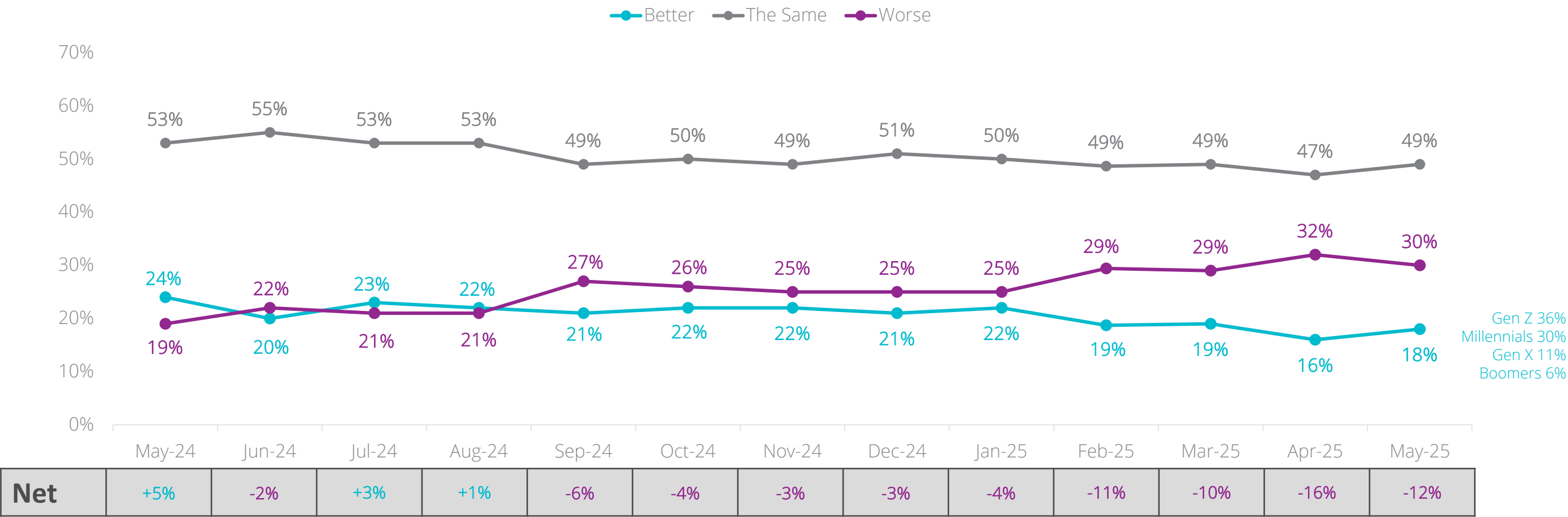
Q1. What is the best way to describe your current financial situation? (Base size: 2,000)

*Some net figures may be impacted by rounding differences

People feel slightly better about their personal finances in May after a drop in sentiment in April

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

Total sample



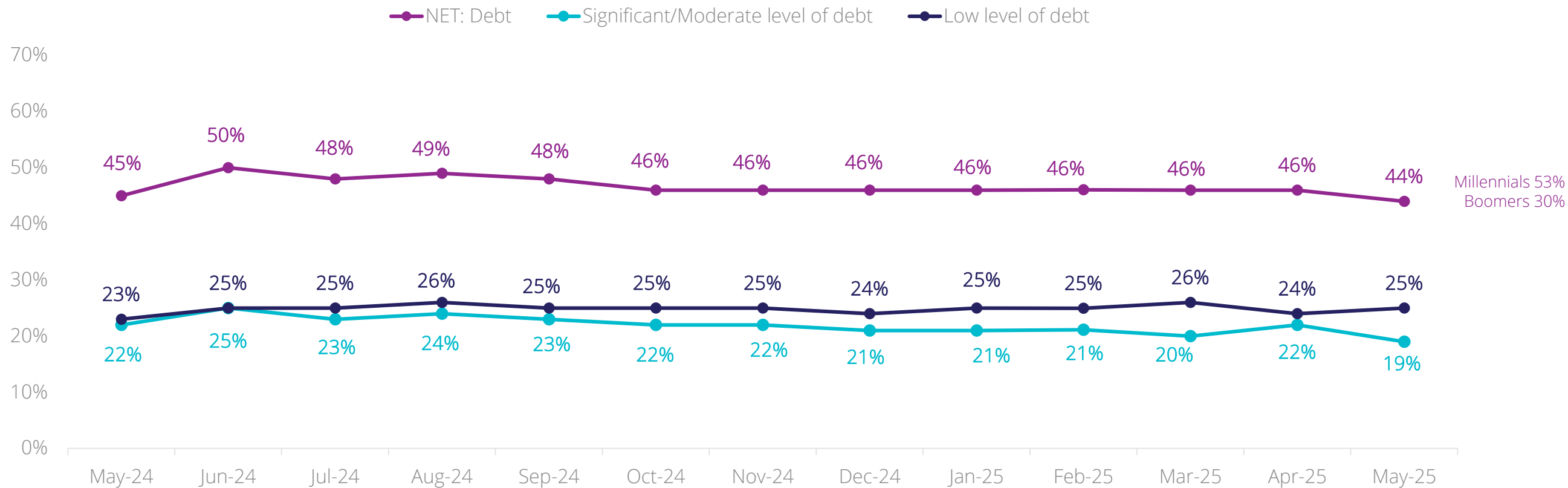
Q2. Over the next 3 months, do you expect the following to get better or worse? Your Personal Finances. Base size (2,000)

*Some net figures may be impacted by rounding differences

Those stating they have debt is falling, albeit very slowly over time

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

Total sample



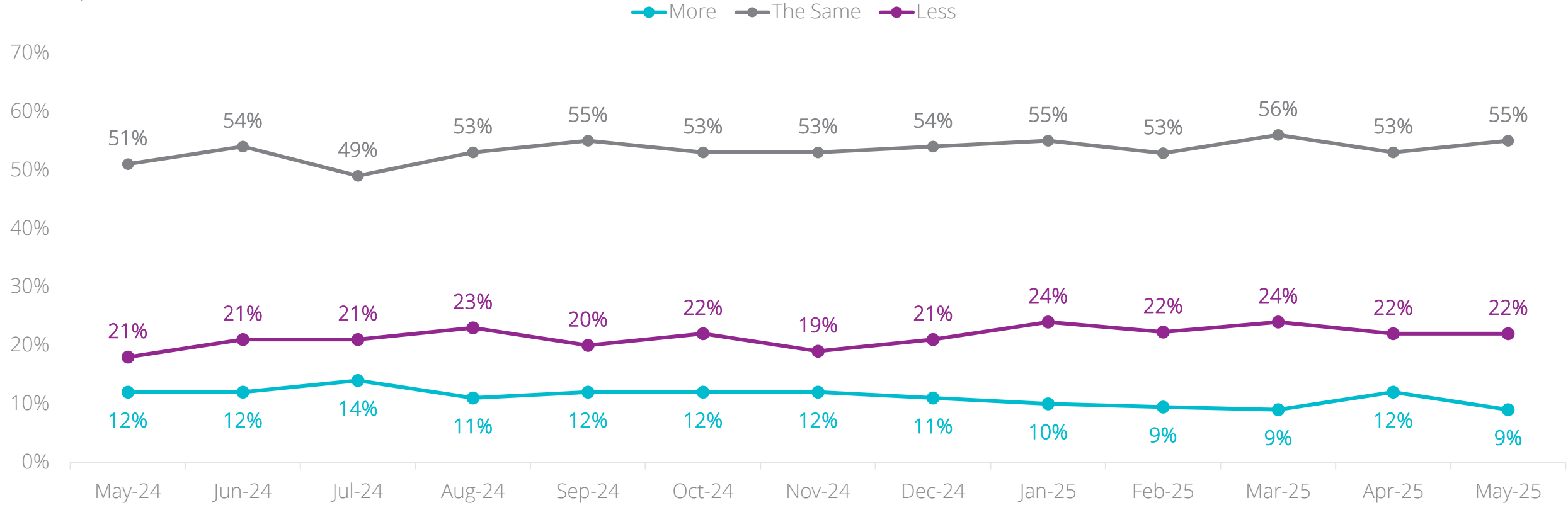
Q7. What is your perception of the overall level of consumer debt you currently hold? By ‘consumer debt’ we mean any debt used to purchase goods or services for personal consumption. This includes bank overdrafts, credit card balances, personal loans etc. but excludes mortgages and student debt. Base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

*Some net figures may be impacted by rounding differences

The proportion of people expecting to borrow more has decreased back to the levels seen in March

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

Total sample



Net	-6%	-9%	-8%	-12%	-8%	-10%	-7%	-10%	-14%	-13%	-14%	-10%	-13%
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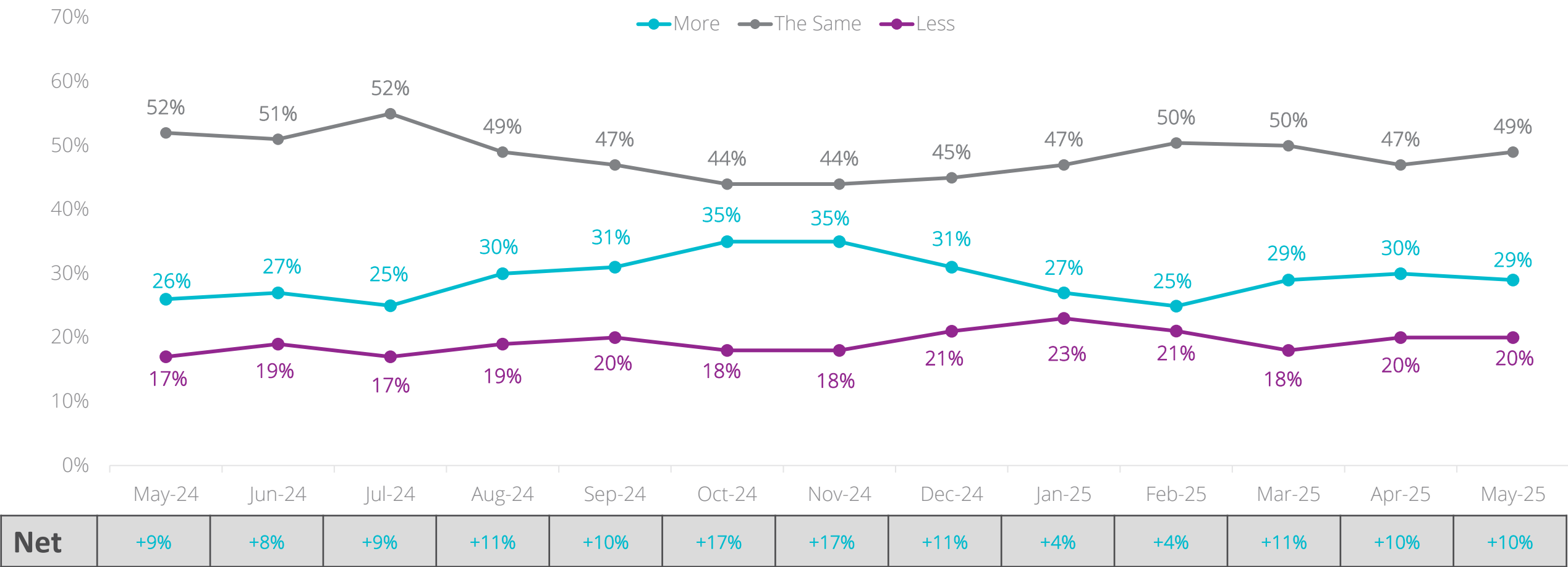
Q6. What are your expectations for borrowing over the next 3 months? Please only think about loans, overdrafts, credit etc. and not about mortgages. By 'usual' we'd like you to think about your typical borrowing habits. Base size: (2,000)

*Some net figures may be impacted by rounding differences

Levels of those who expect to spend more over the next 3 months remain consistent since March

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

Total sample



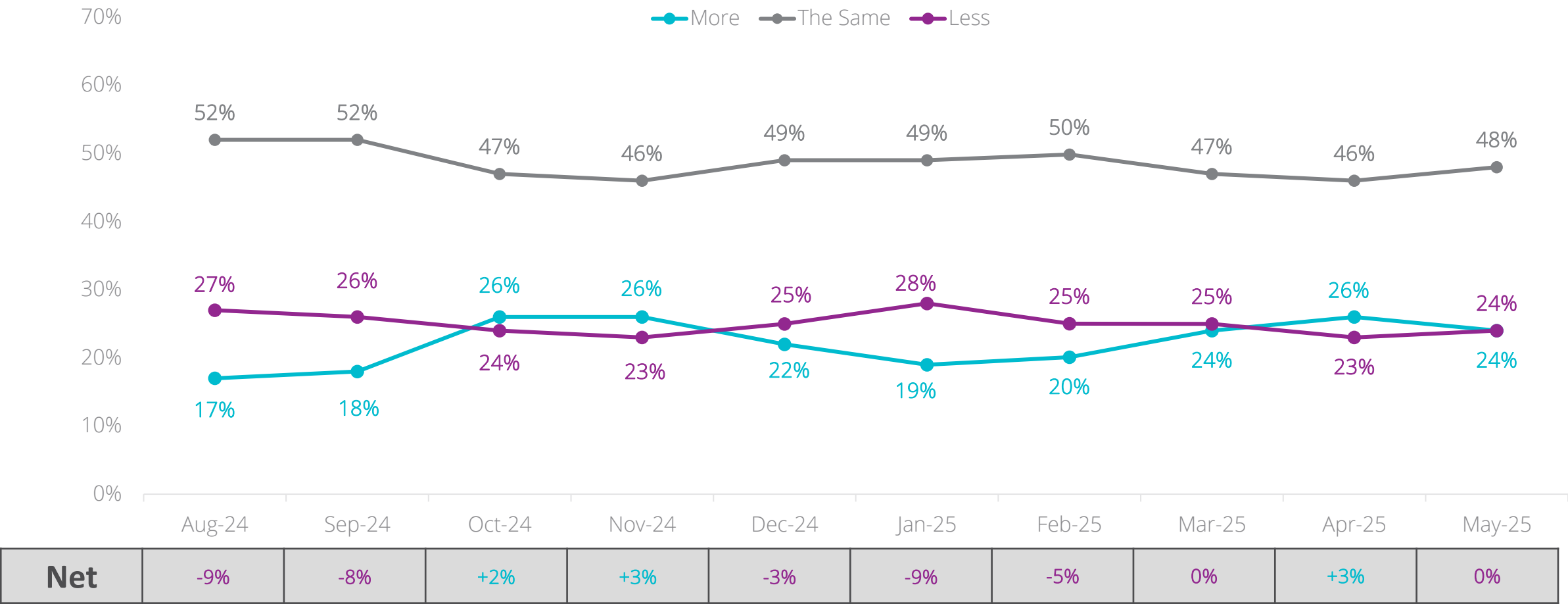
Q3. What do you plan to do in relation to your spending over the next 3 months? By 'usual' we'd like you to think about your typical spending habits. Base size: (2,000)

*Some net figures may be impacted by rounding differences

The proportion expecting their retail spend to increase is back to March levels after increasing last month

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



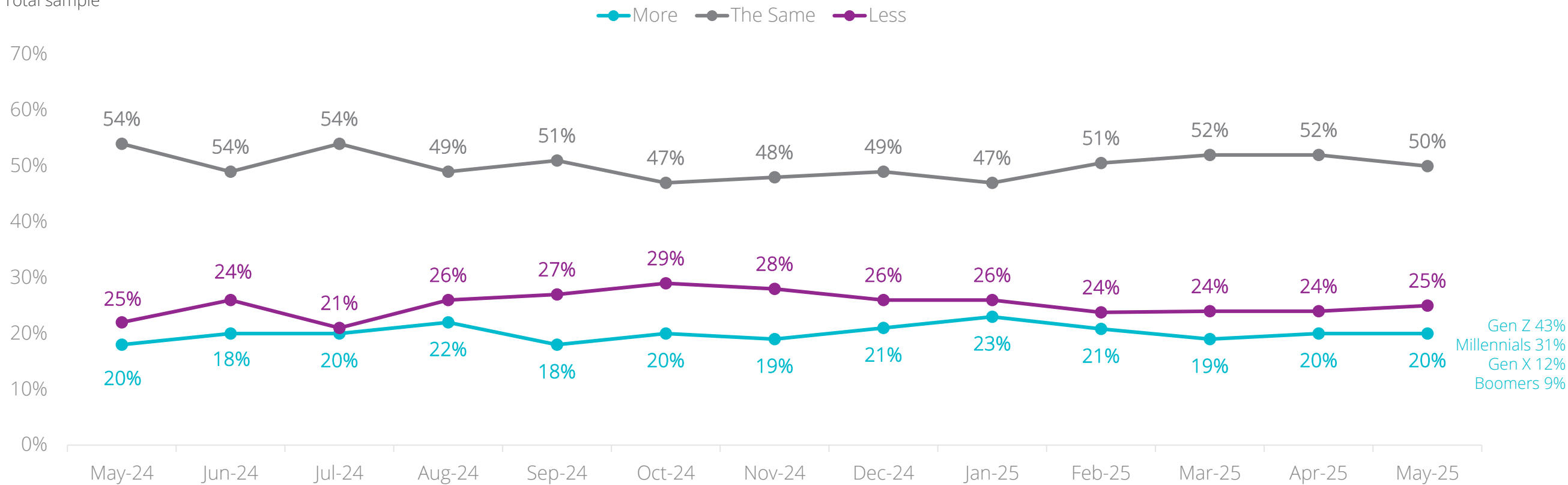
Q10. Reflecting on your retail spend across different categories, overall do you expect to spend more or less on retail items over the next 3 months? Base size: (2,000)

*Some net figures may be impacted by rounding differences

Younger people continue to expect to save more than older adults, with saving expectations remaining stable since December

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

Total sample



Net	-5%	-6%	-1%	-4%	-9%	-9%	-9%	-5%	-3%	-3%	-5%	-4%	-5%
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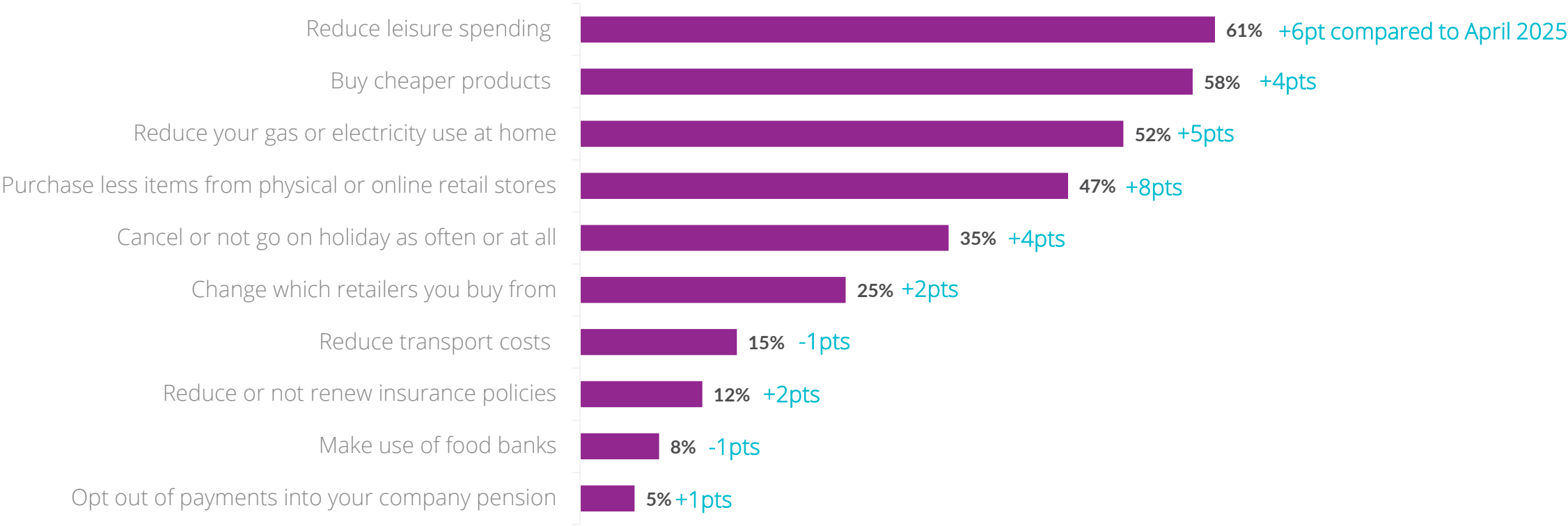
Q5. What are your expectations for saving over the next 3 months? By 'usual' we'd like you to think about your typical saving habits. Base size (2,000)

*Some net figures may be impacted by rounding differences

There have been increases across nearly all areas in how people plan to reduce their outgoings, with a particularly notable rise in those intending to buy less from retail stores

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

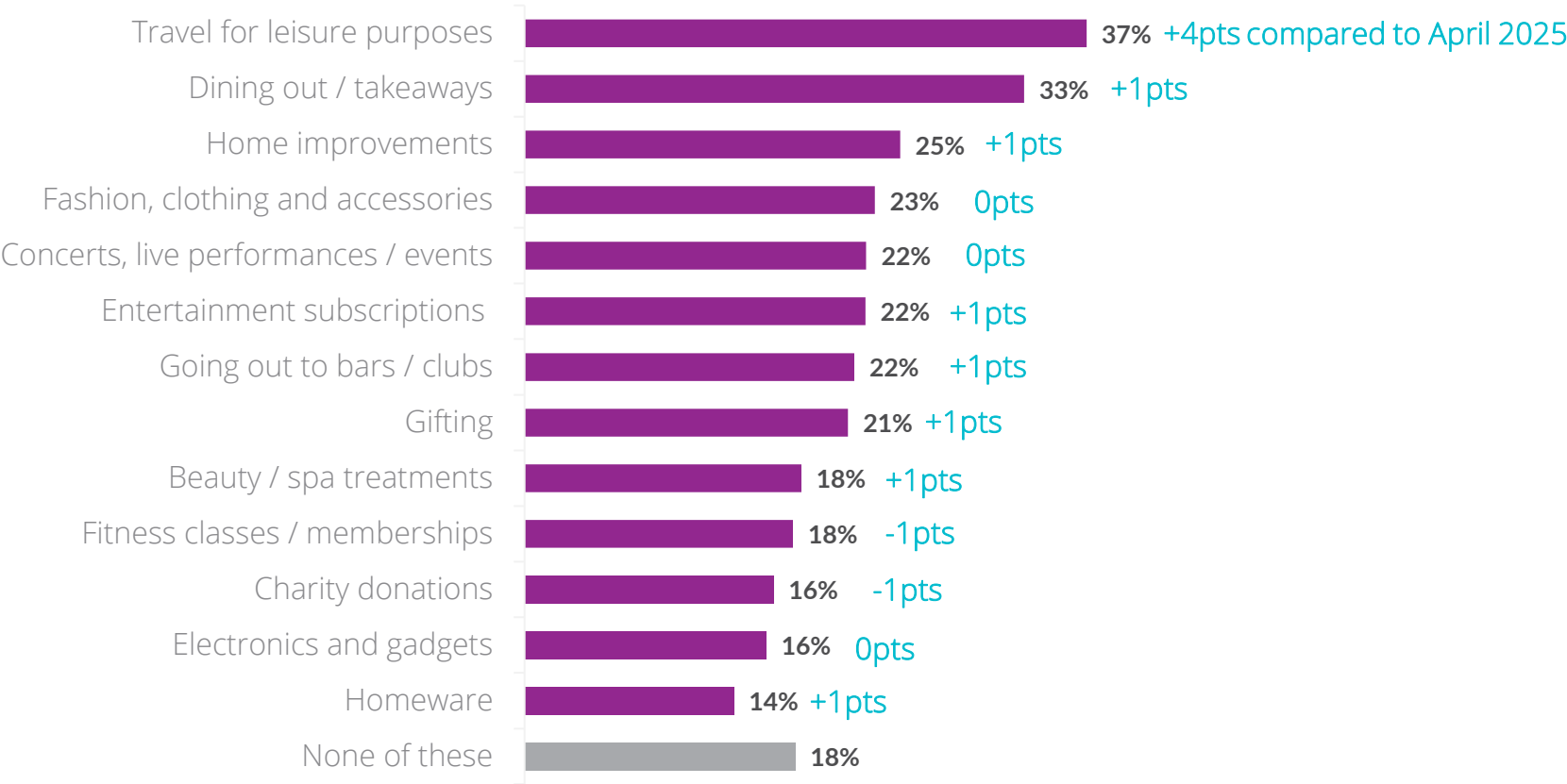


Q4. What, if anything, do you plan to do to reduce your outgoing costs over the next 3 months? Please select all that apply. Base size: (392)

Travel for leisure purposes has seen a slight rise this month in people’s non-essential spending priorities

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

Total sample

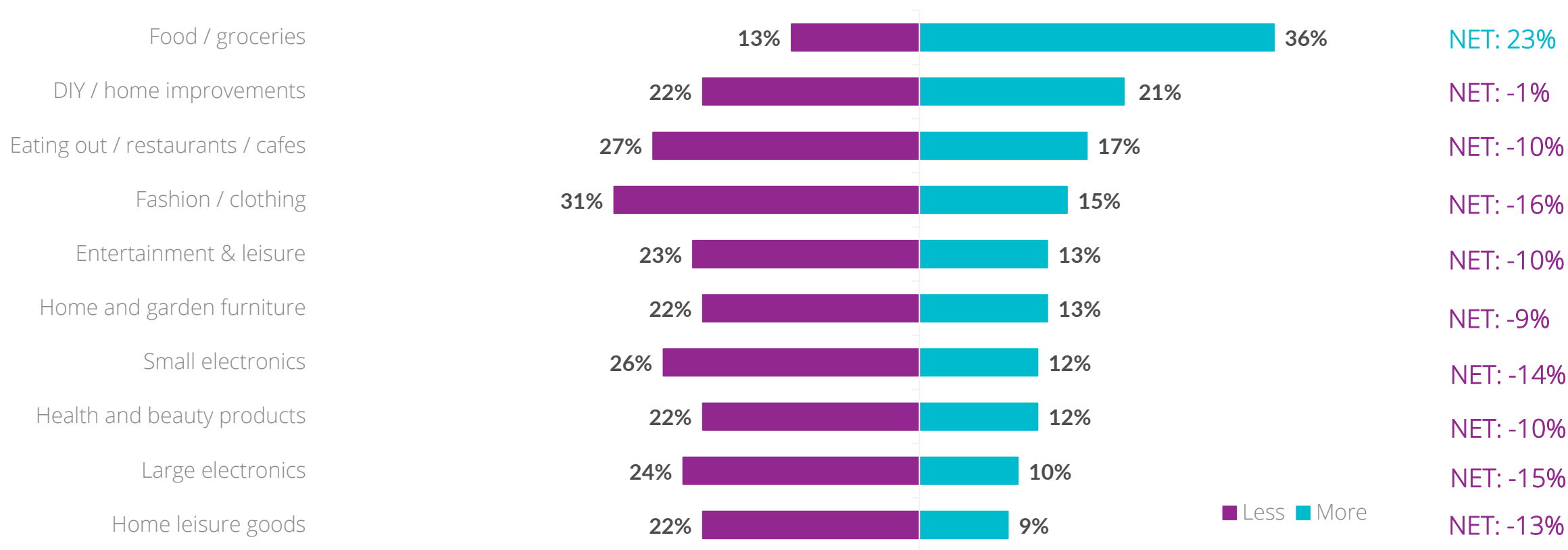


Q8. Non-essential spending is optional / discretionary spend for goods or services that are not necessary for maintaining a minimum standard of living. With this in mind, over the next 3 months, which of the following would you say are your non-essential spending priorities? Please select all that apply.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

Food and groceries remain the category where people expect to spend more, while expectations to spend less on fashion and clothing persist

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

Total sample

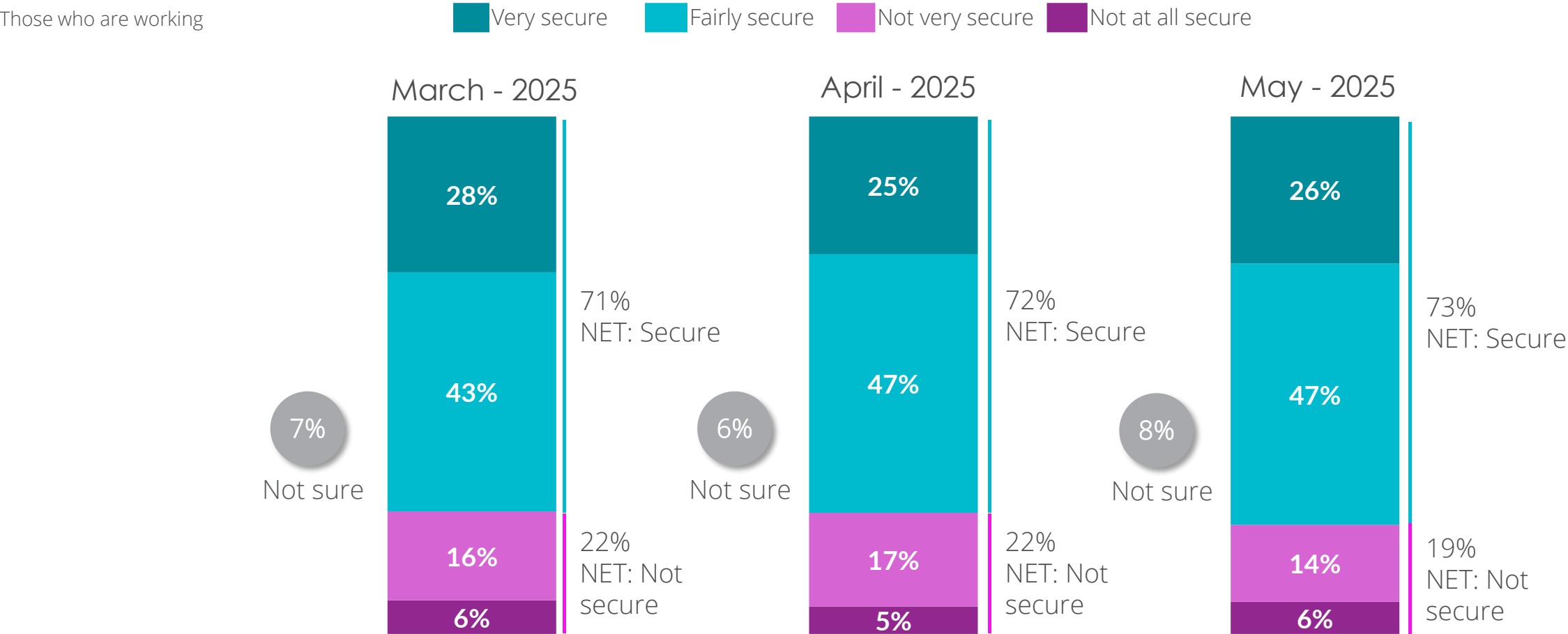


Q9. What are your expectations for spending on the following retail categories over the next 3 months, compared to the previous 3 months? Base size: (2,000)

*Some net figures may be impacted by rounding differences

Those stating they feel secure in their jobs is relatively stable albeit slightly up since March

Thinking about your employment situation, how secure do you feel in your current job?



Q11. Thinking about your employment situation, how secure, if at all, do you feel in your current job? Base: All working (1210)

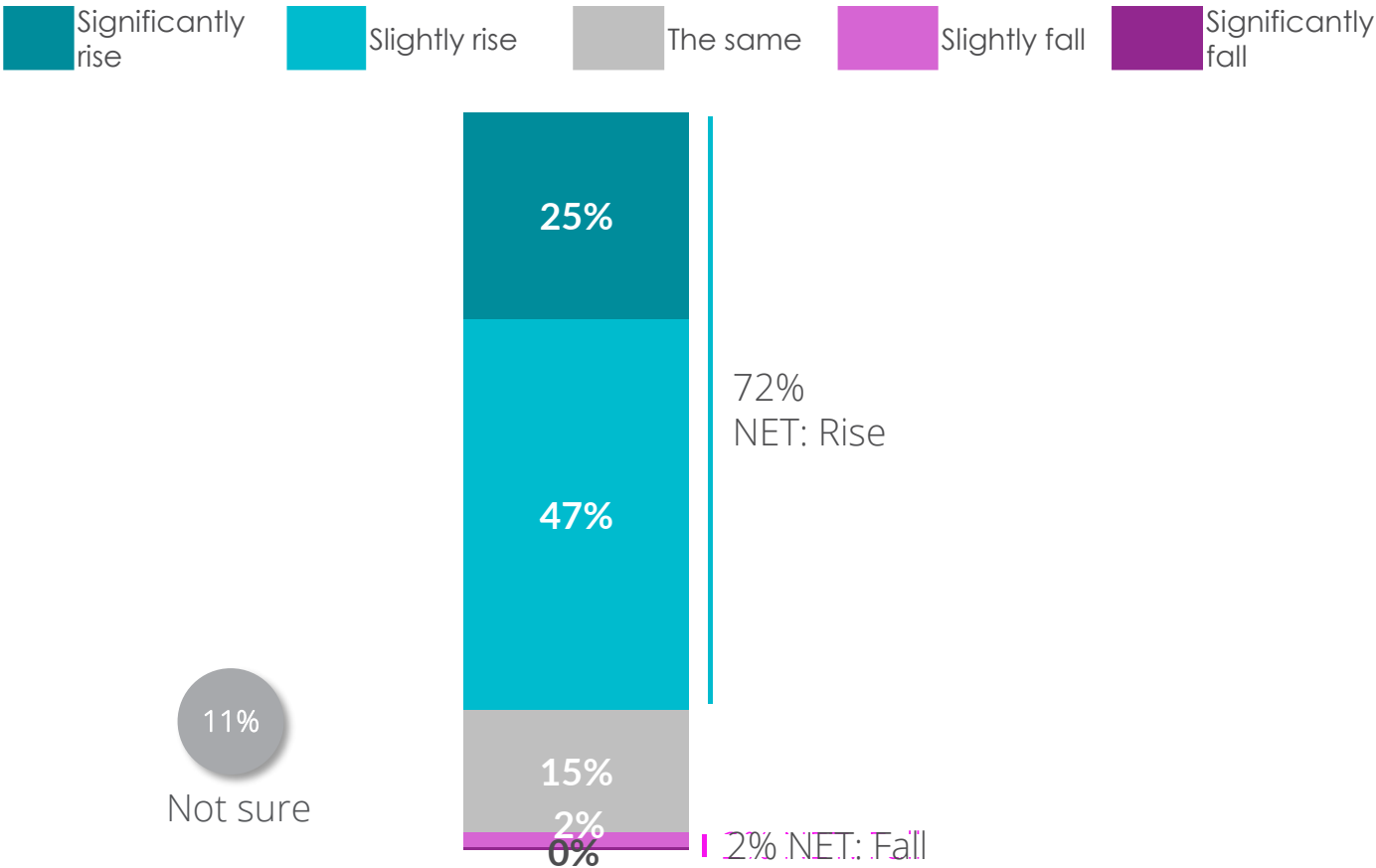
*Some net figures may be impacted by rounding differences

Ad-hoc

The majority of UK adults expect the price of everyday goods to rise because of changes in global trade policy with a quarter thinking they will significantly rise

Do you expect the price of everyday goods (e.g. food, household items) to rise or fall as a result of changes in global trade policy? (NEW May-25)

Total sample

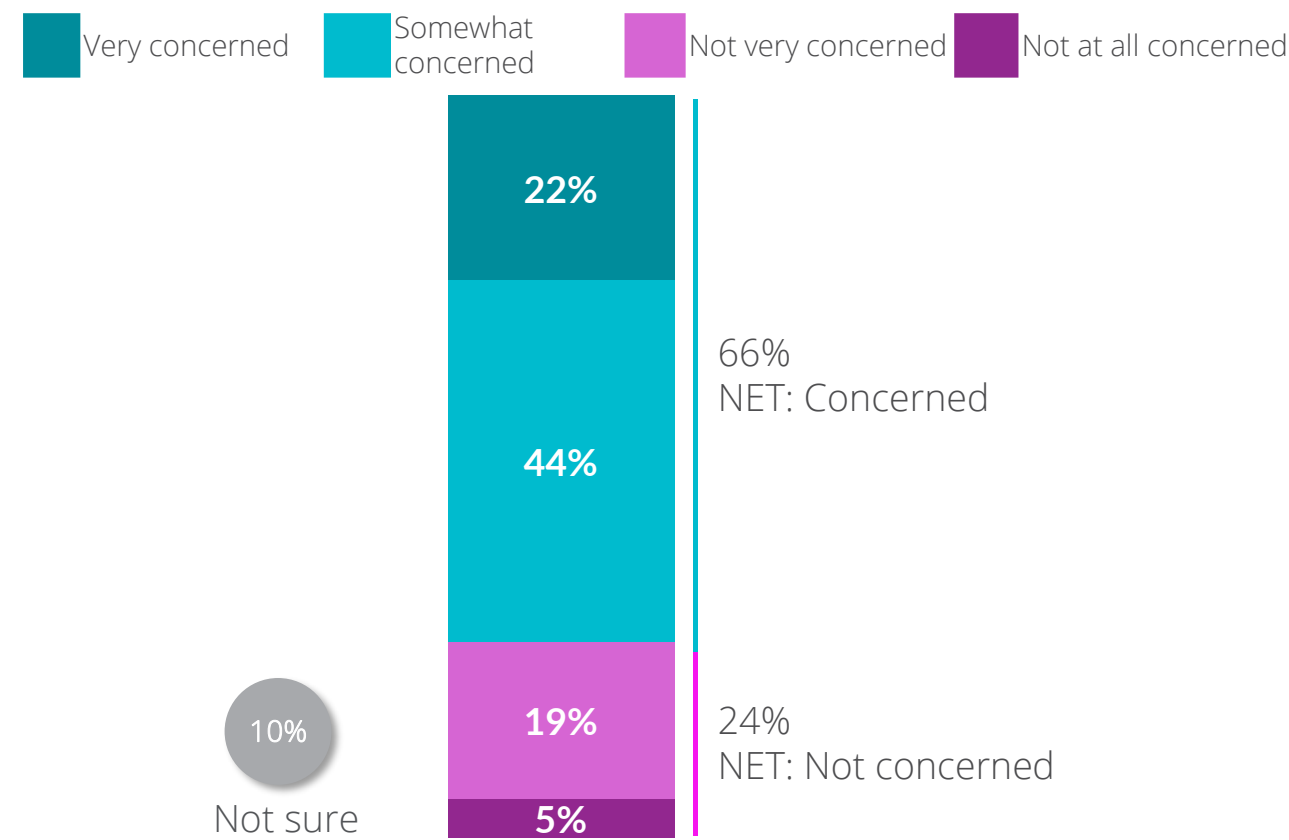


Q12. The US has recently introduced new tariffs on imports from several countries, including the UK, as part of changes to its trade policy. These moves have led to discussions about potential impacts on global trade and economic conditions in the UK. Do you expect the price of everyday goods (e.g. food, household items) to rise or fall as a result of changes in global trade policy? (Base size: 2000)

Two thirds of UK adults are concerned that the global trade tensions could affect their personal finances in the next 3 – 6 months

How concerned are you that global trade tensions could affect your personal financial situation in the next 3-6 months? (NEW May-25)

Total sample



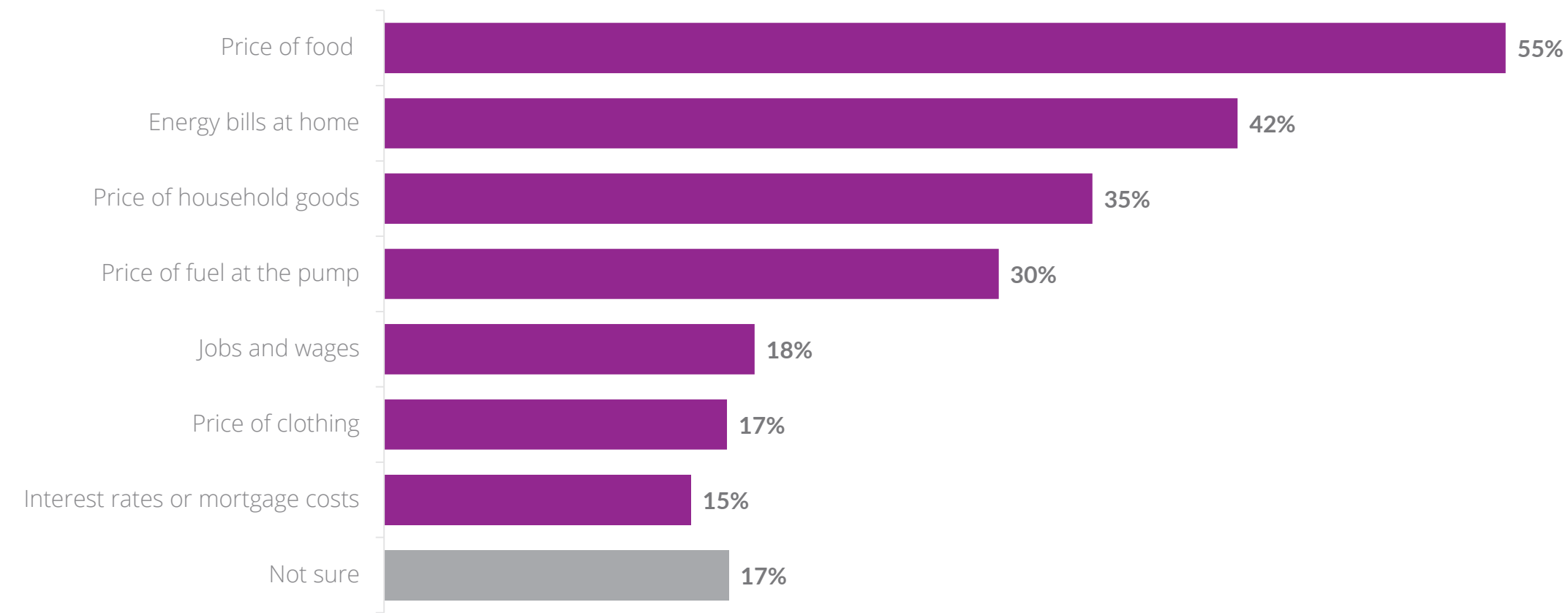
Q13. How concerned, if at all, are you that global trade tensions (e.g. between the US and other countries) could affect your personal financial situation in the next 3-6 months? (Base size: 2,000)

*Some net figures may be impacted by rounding differences

UK adults expect food prices to be the most affected by global trade tensions, followed by energy bills and the cost of household goods

Which of the following do you expect to be most affected by global trade tensions over the next 6 to 12 months? (NEW May-25)

Total sample

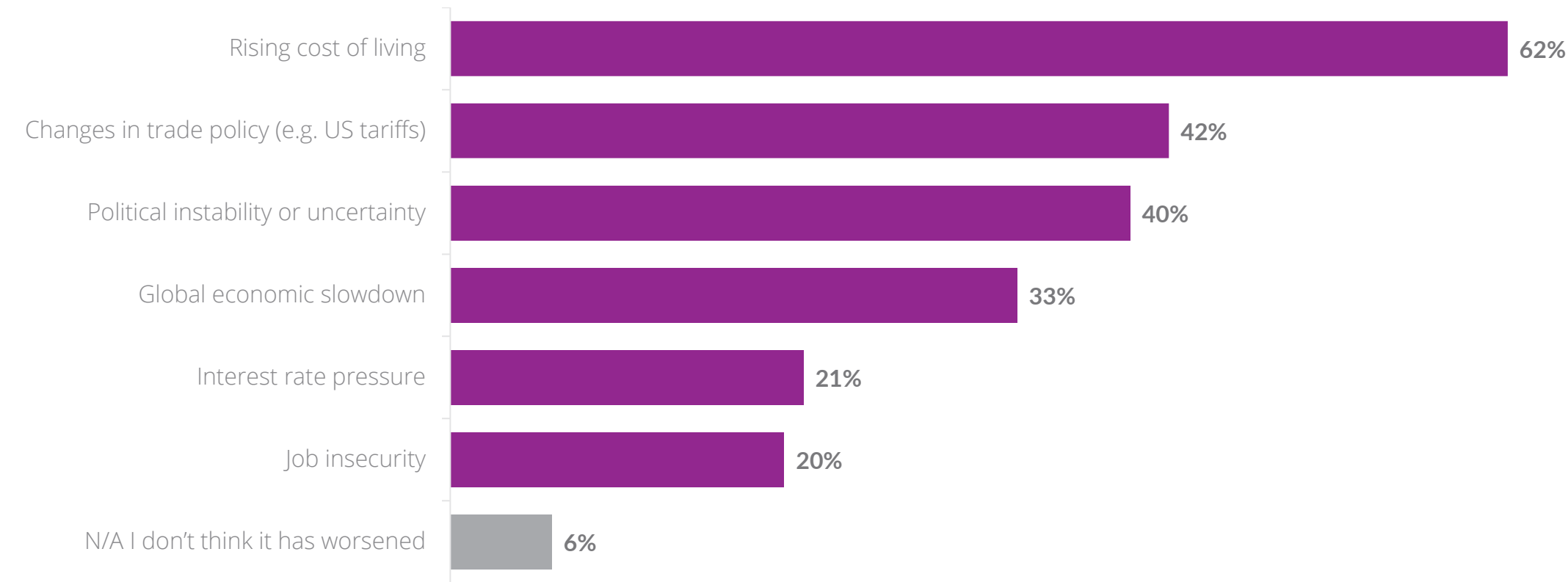


Q14. Which of the following, if any, do you expect to be most affected by global trade tensions over the next 6 to 12 months? Please select up to three impacts you think are most likely.? (Base size: 2,000)

Nearly all UK adults believe the economy has worsened, citing the rising cost of living, changes in trade policy, and political uncertainty as the main reasons

Do you think the UK’s economic outlook has worsened recently? If yes, which of the following, are reasons in your view as to why (NEW May-25)

Total sample



Q15. Do you think the UK’s economic outlook has worsened recently? If yes, which of the following, if any, are reasons in your view as to why the UK’s economic outlook has worsened? Please select all that apply. (Base size: 2000)

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.



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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.

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with impact