

# BRC Consumer Sentiment Monitor

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September 2024

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





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# Headline commentary

## Consumer Sentiment Monitor – September 2024



**Dr Kris Hamer, Director of Insight | British Retail Consortium**

“With the new government’s initial warning in late August that the October budget is ‘going to be painful’ and the announcement that gas and electricity prices will be increasing, consumer pessimism has increased. 40% of people surveyed think the UK economy will continue to worsen over the next three months (compared to 33% last month) and half of respondents expect the budget to have a negative impact on their finances (compared to 10% who expect a positive impact). Resultingly, those that expect their personal financial situation to be worse over the next three months has increased from 21% in August to 27% this month.

Despite the negative outlook on the economy, people’s personal financial situations have improved slightly. Millennials expect to increase spending and plan to borrow more than any other group in order to cover their spending. Respondents overall are prioritising dining out and travel for leisure ahead of retail spending. In addition, since March 2024 there has been an increase in the number of people reporting that they have reduced the number of new products they have purchased, have purchased second-hand goods, or have repaired goods rather than replacing them.”

# Executive Summary

## Consumer Sentiment Monitor – September 2024

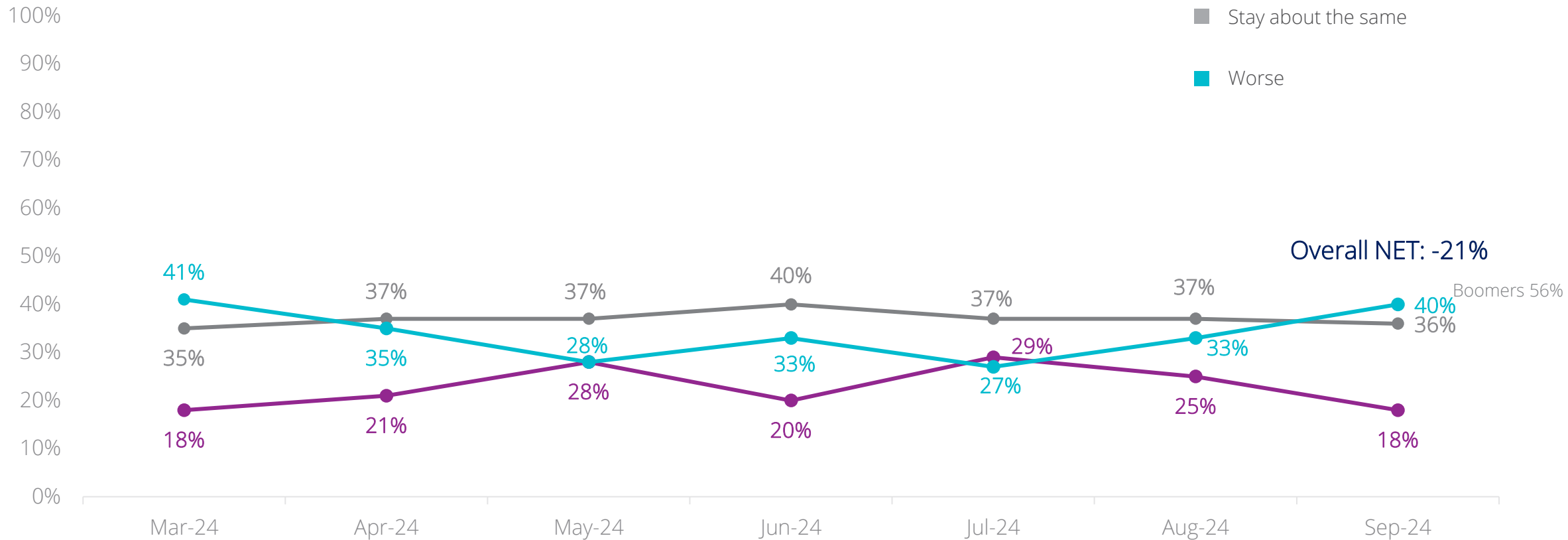
A Survey of 2,000 UK consumers weighted to be Nationally Representative. Consumers are surveyed monthly about their financial status, shopping behaviours, and other topical issues.

- Optimism towards the future of the UK economy continues to plummet over the next three months (NET: -22%, vs. -8% in August). Two fifths (40%, vs. 33% in August) think things will continue to worsen, whilst those who believe it will improve has dropped from 25% in August to 18% in September. As in August, negative responses are most common amongst older generations, particularly Boomers (56%).
- Despite increased pessimism towards the economy, the state of respondents' personal finances see a slight improvement since August (Net 26%, 22% in August) with two fifths (42%) reporting that they feel comfortable, compared to 40% in August. Those reporting that they are struggling decreased to 16% from 17% in August. However, expectations for the next three months have worsened, as three in ten (27%) expect personal finances to worsen, a rise of 6% from August. Almost half (49%) think they will stay the same (53% in August), whilst those expecting personal finances to get better has decreased to 21%, from 22% in August.
- Debt levels remain consistent to August, with half (48%) having some form of debt. Overall borrowing expectations for the next three months lower slightly ( NET: -8%, vs. -12% in August).
- Overall spending plans remain largely consistent (NET: 10%, vs. 11% in August), as Gen Z and Millennials continue to be the most likely to increase their spending (NET: 37% and 40%). However, when looking solely at retail spend, consumers are more likely to expect spending less (NET: -8%, compared to -9% in August).
- Overall savings expectations continue to lower this month (NET:-9%, vs. -4% in August).
- As seen in previous waves, buying cheaper products (58%), reducing leisure spend (57%) and purchasing fewer items overall (45%) are the most popular ways to reduce outgoings for those looking to do so, whilst people also look to reduce electricity and gas as we approach the colder months (45%).
- Top non-essential spending priorities remain as dining out (36%) and travelling for leisure (33%), while fashion and clothing spending projections remain in the top three non-essential priorities (25%).
- Finally, pessimism is high in anticipation of the first budget from the Labour government, with 50% expecting a negative impact on their personal finances, compared to just 10% who expect a positive impact (NET: -40%).

# Optimism in the economy continues to drop over the next three months, especially amongst Boomers

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

Total sample



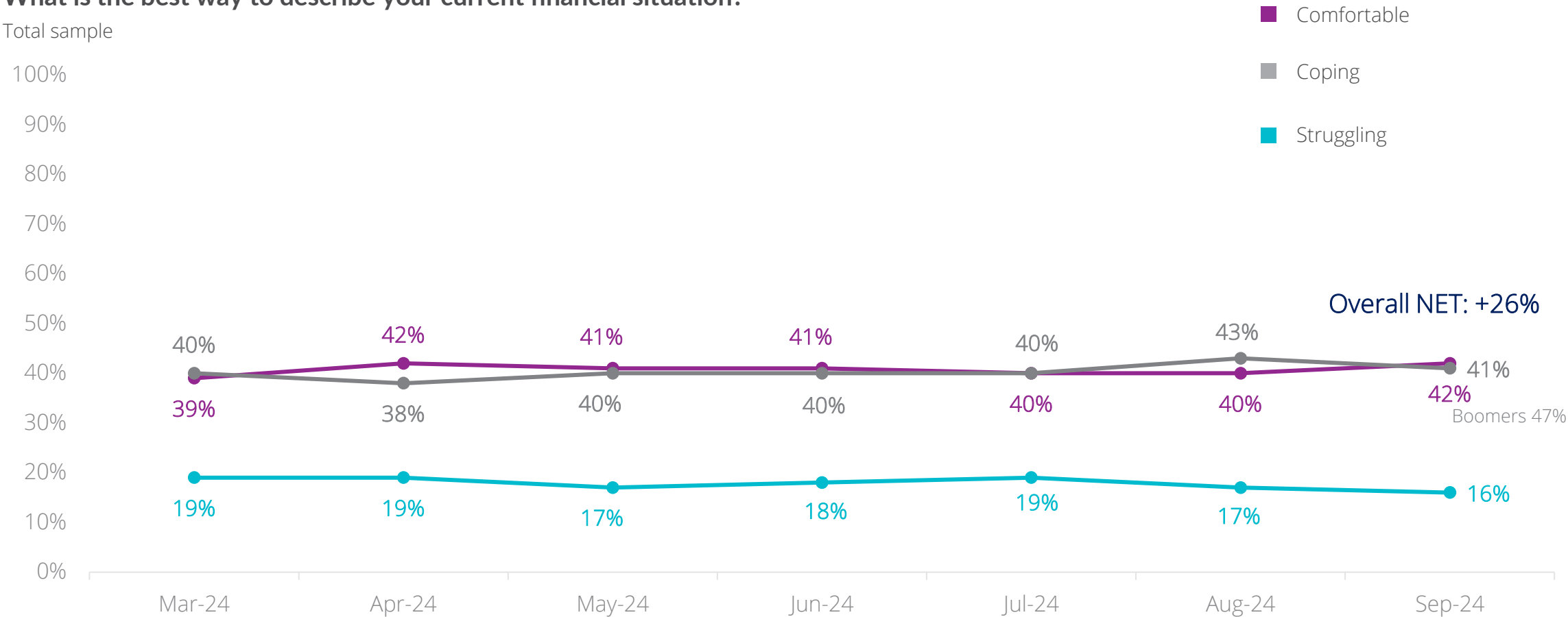
Q2. Over the next 3 months, do you expect the following to get better or worse? State of the UK economy. Base size (2,000)

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

Despite this, UK adults feel the same way about their financial situation, with boomers again feeling most comfortable.

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)

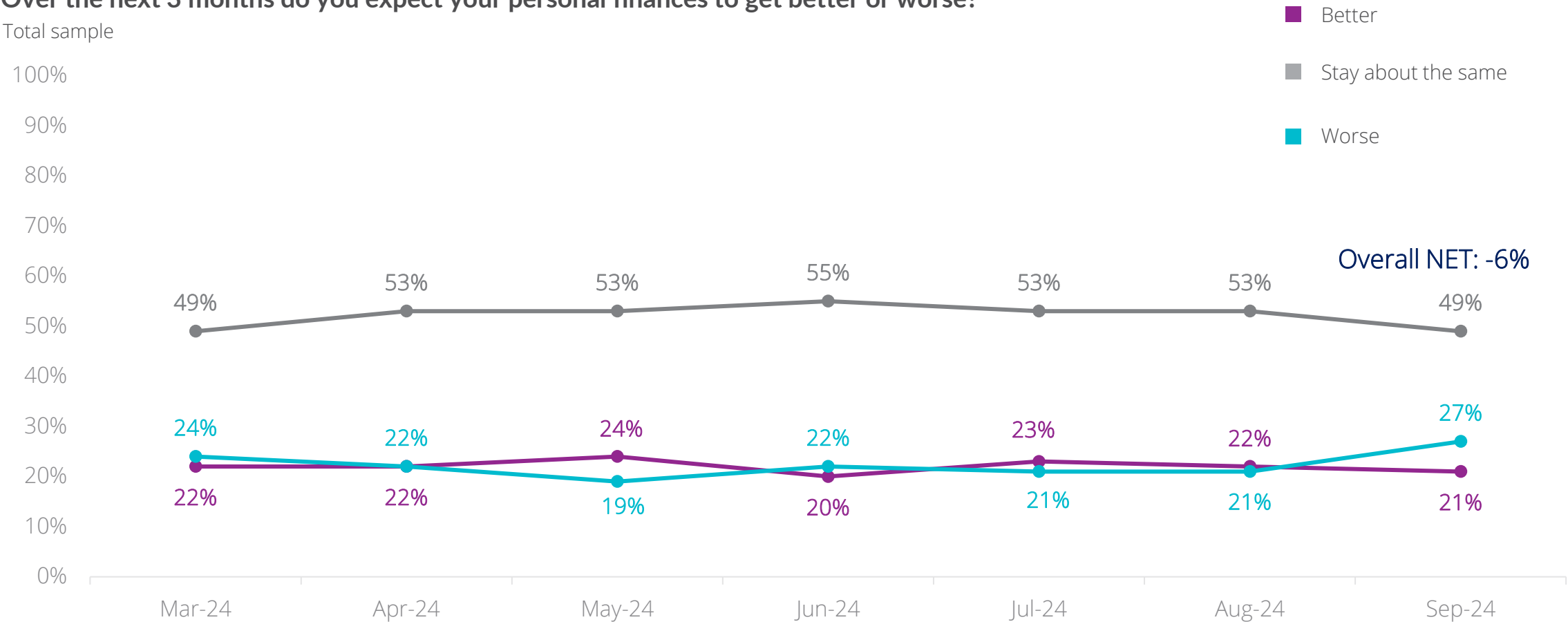
- Generations
- Gen Z (18-27)
  - Millennials (28-43)
  - Gen X (44-59)
  - Boomers (60-78)



# Expectations over personal finances have worsened since August, as almost three in ten report that things will go downhill, compared to a fifth who think things will get better

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

Total sample



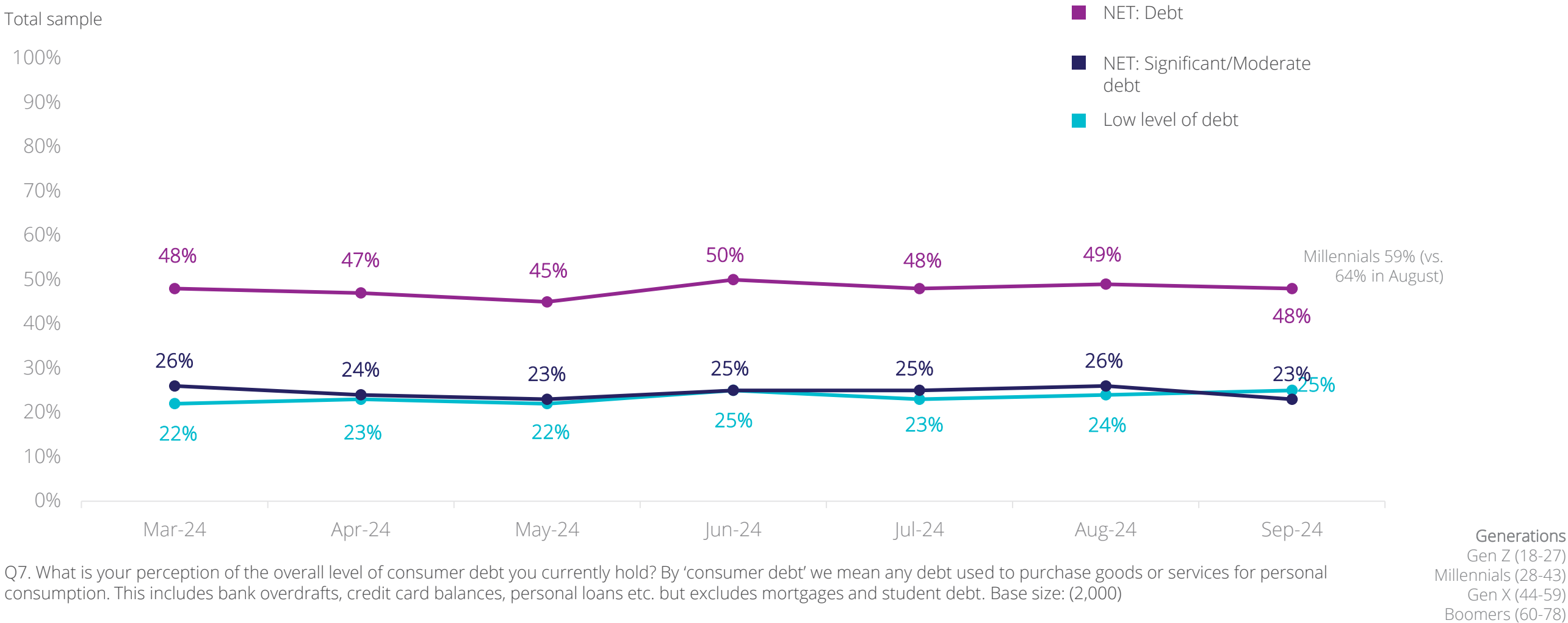
Q2. Over the next 3 months, do you expect the following to get better or worse? Your Personal Finances. Base size (2,000)

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

# Levels of debt are consistent with previous waves, with half continuing to hold some sort of debt. Millennials are again the most likely to hold some debt

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

Total sample

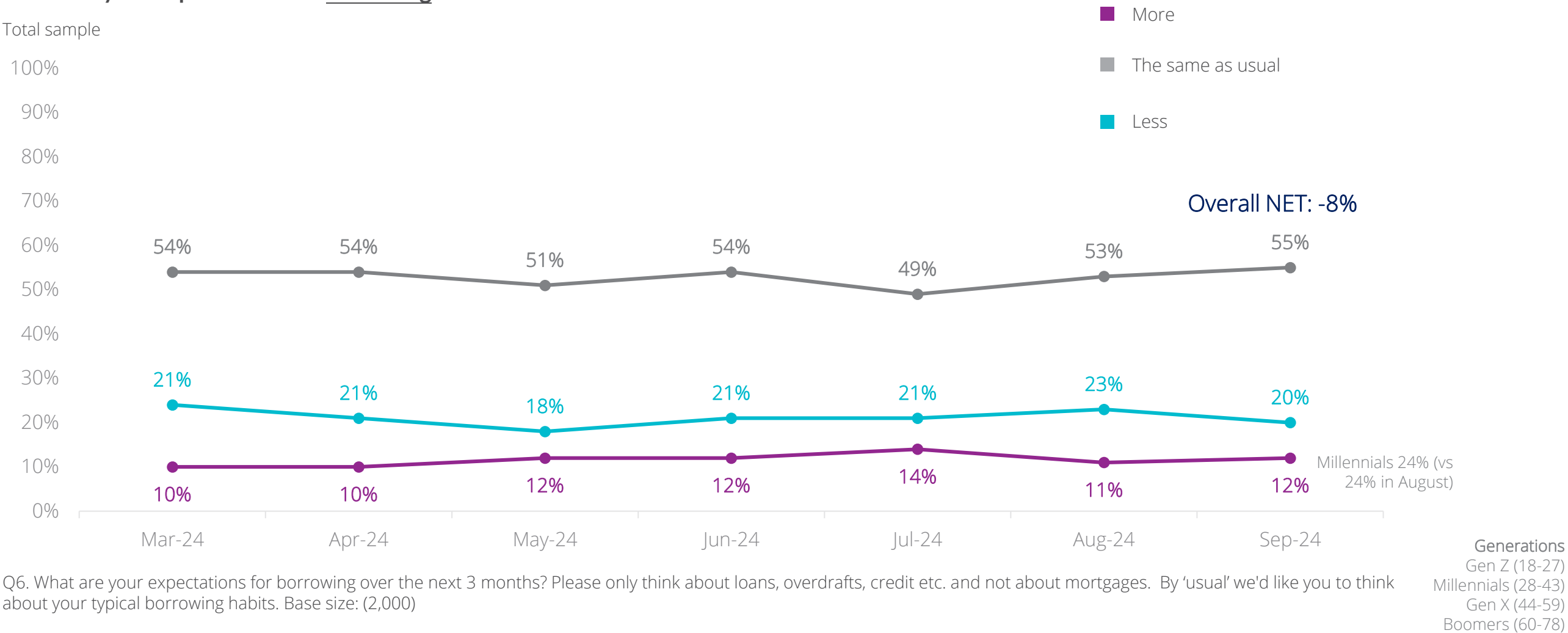




# People are expecting to borrow the same as they usually do, whilst we see minor decreases amongst those borrowing less

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

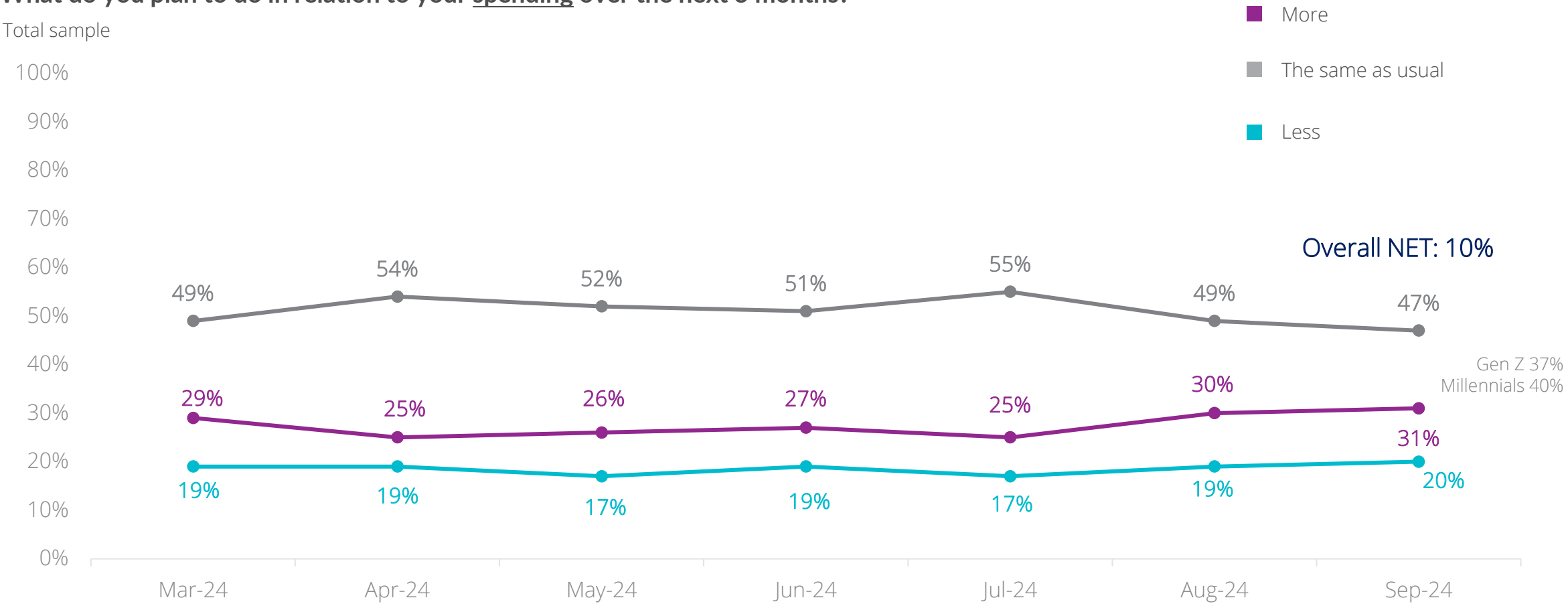
Total sample



# Gen Z and Millennials remain as top spenders, as most results remain consistent with regards to spending plans

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

Total sample

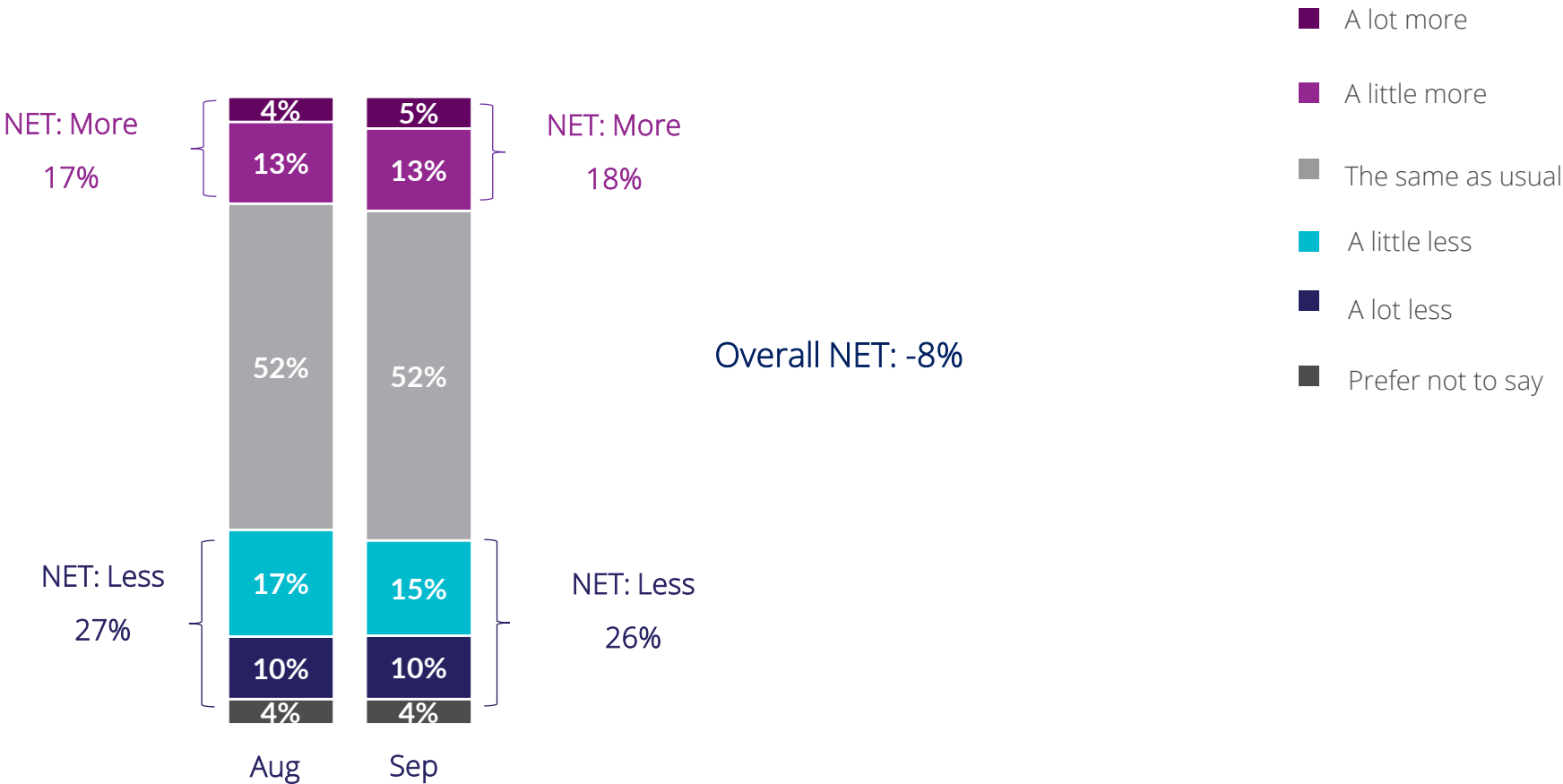


Q3. What do you plan to do in relation to your spending over the next 3 months? By 'usual' we'd like you to think about your typical spending habits. Base size: (2,000)

# Looking at overall retail spend, consumers are again more likely to reduce their spend than increase it over the next 3 months.

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

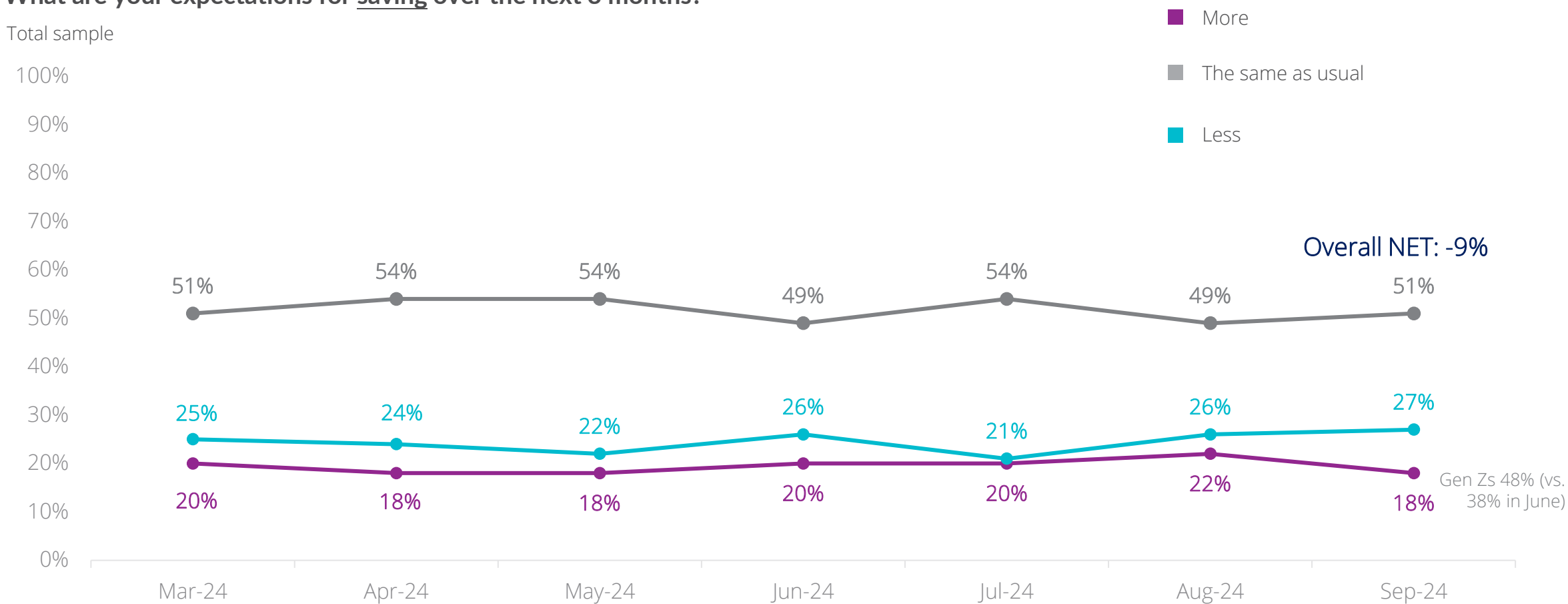


Q10. Reflecting on your retail spend across different categories, overall do you expect to spend more or less on retail items over the next 3 months? Base size: (2,000)

# Consumers are expecting to save the same as usual in September, however, there has been a slight decrease in those expecting to save more

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

Total sample



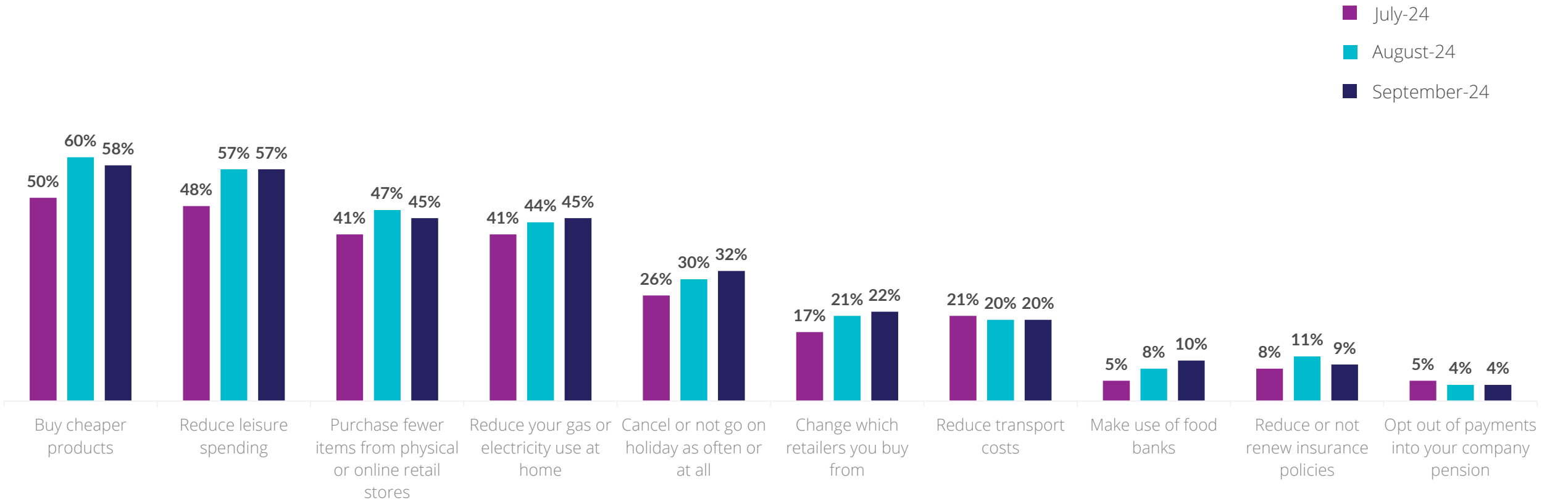
Q5. What are your expectations for saving over the next 3 months? By 'usual' we'd like you to think about your typical saving habits. Base size (2,000)

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

# Buying cheaper products and reducing leisure spend remain top ways to reduce outgoings

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

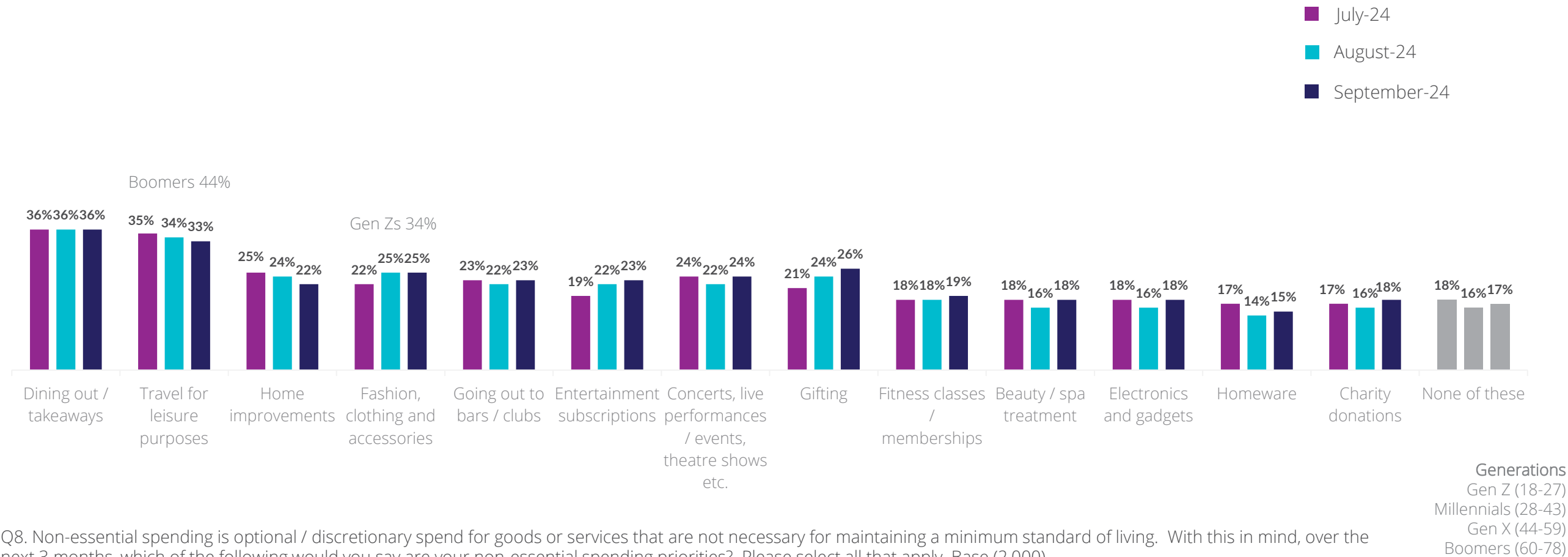


Q4. What, if anything, do you plan to do to reduce your outgoing costs over the next 3 months? Please select all that apply. Base size: (377)

# Consumers continue to prioritise their non-essential spending on dining out and leisure travel, whilst spending on gifting and entertainment subscriptions continue to grow

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

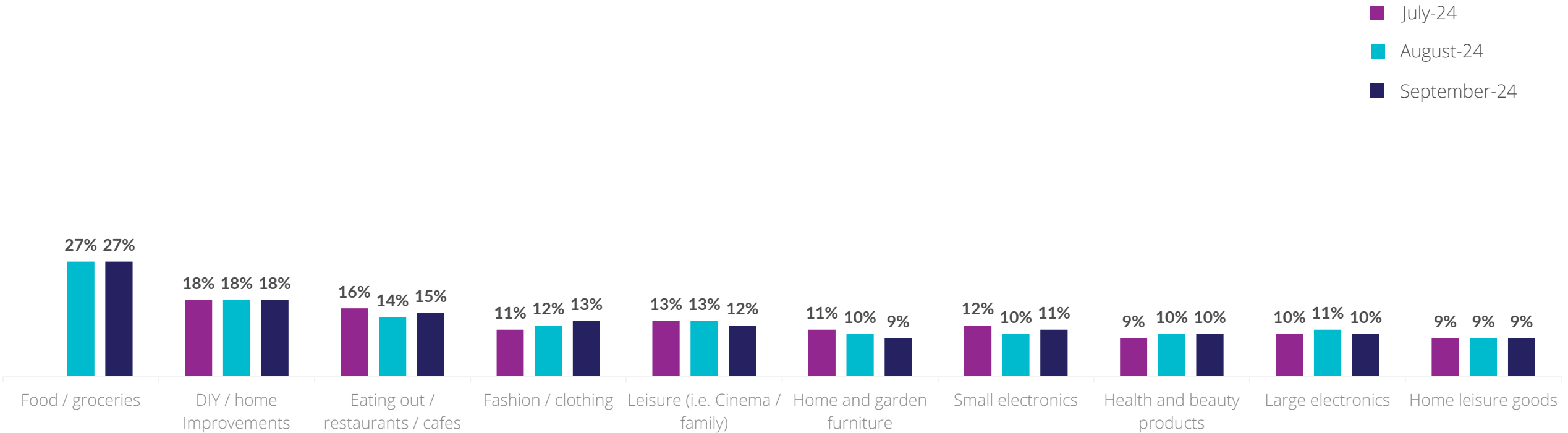
Total sample



# Compared to previous three months, consumers expect to spend more on fashion, but most results remain consistent

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

Total sample  
NET: More



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)

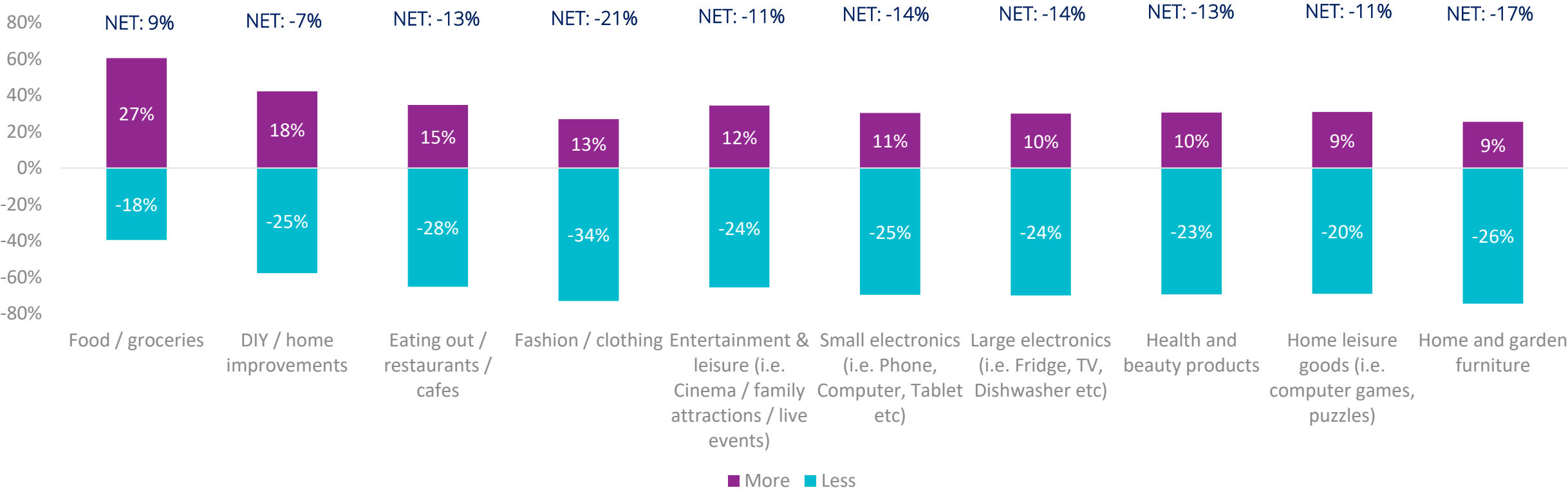


# Net expectations of spending over the next three months by category

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

Total sample

NET: More



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)

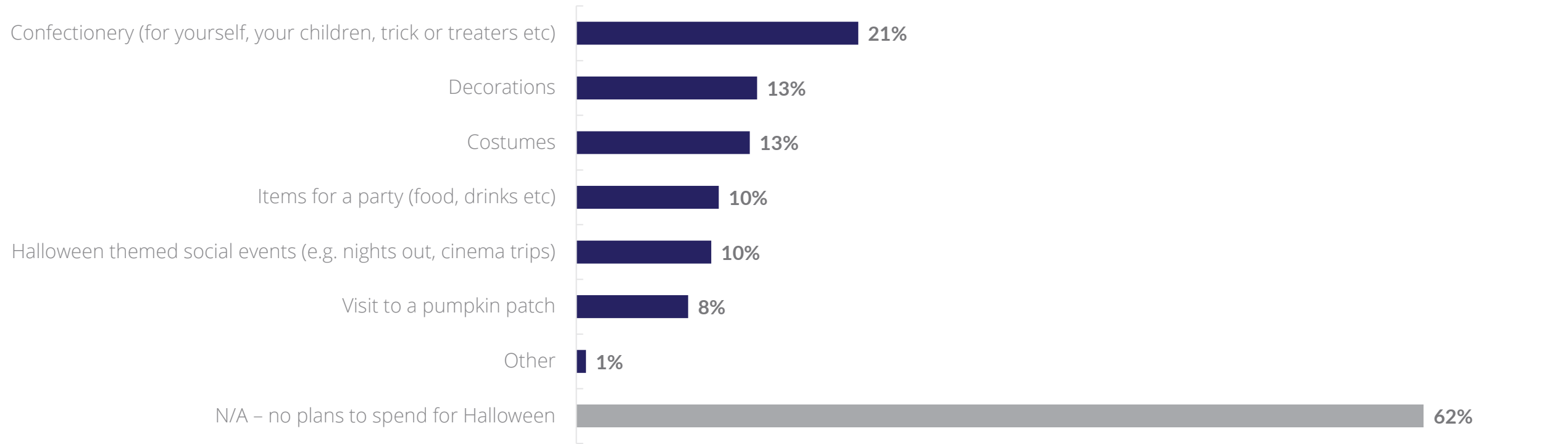
# Appendix

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# Confectionary is the most popular item people are planning on purchasing this Halloween, however, the majority don't have plans to spend for the occasion

Which, if any, of the following are you planning to spend on for Halloween? (NEW September-24)

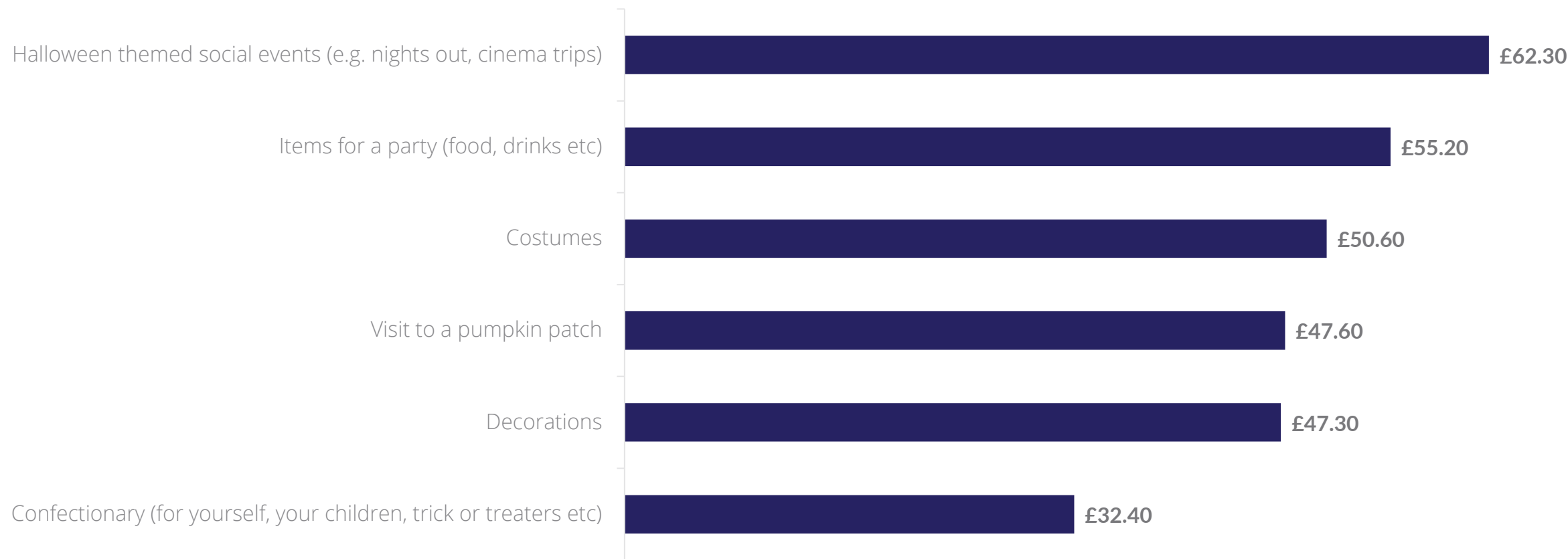
All Respondents



Q11: Which, if any, of the following are you planning to spend on for Halloween? Please select all that apply. Base size: (2,000)

# Of those who plan to celebrate Halloween, the highest average spend will be towards Halloween themed social events

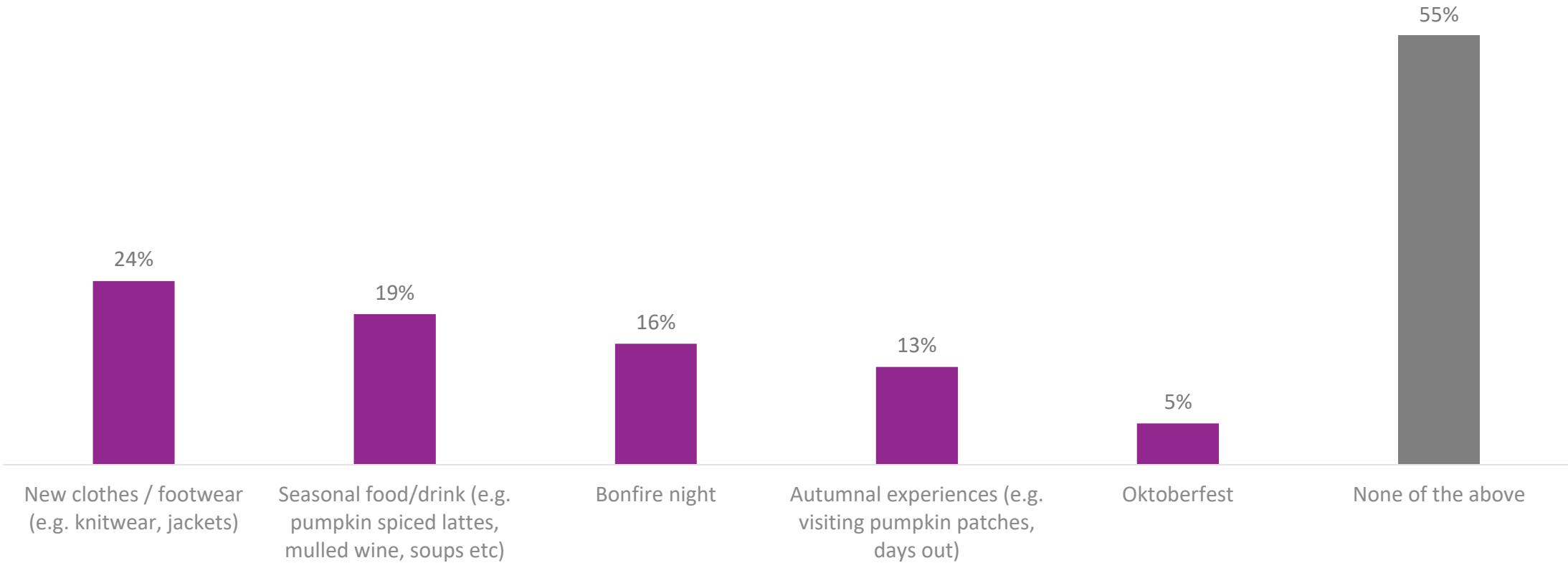
You mentioned that you’re planning to spend in preparation for Halloween. How much do you estimate to spend on each of the following?



# As we enter Autumn, people plan to spend on new clothes and seasonal foods and drinks

Which, if any, of the following Autumnal events or products are you expecting to spend money on? (NEW September-24)

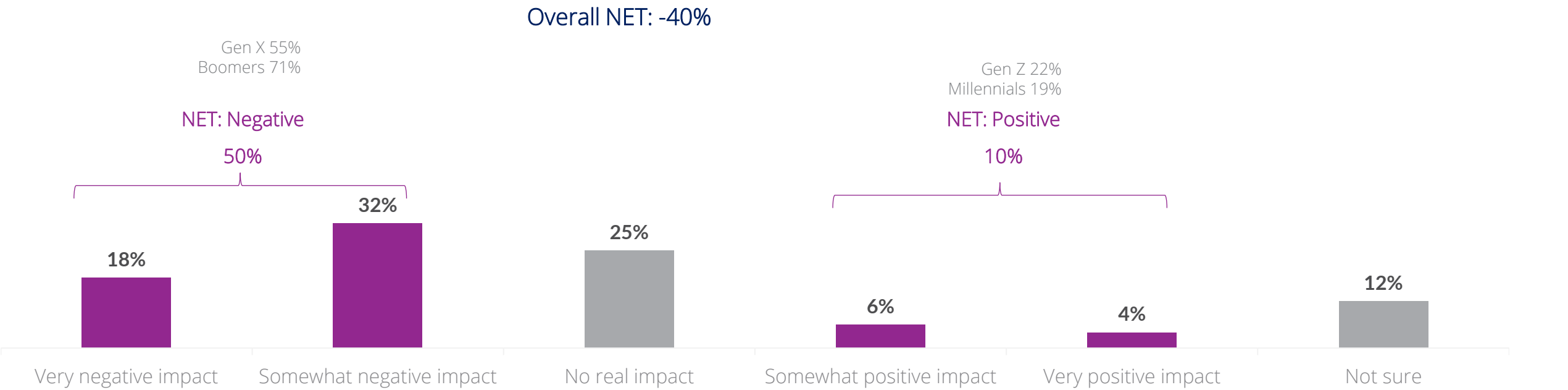
All respondents



Q13. Which, if any, of the following Autumnal events or products are you expecting to spend money on? Please select all that apply.

# Consumers, especially older consumers, are anticipating a negative impact on their personal finances as a result of the upcoming Labour budget

October will see the Labour government announce their Autumn budget. The budget includes announcements about income tax and corporation tax. The budget also includes information about the state of the UK economy, proposals for public expenditure for the next financial year and proposals to generate revenue. To what extent, if at all, do you think that this budget will impact your personal finances? (NEW September-24)



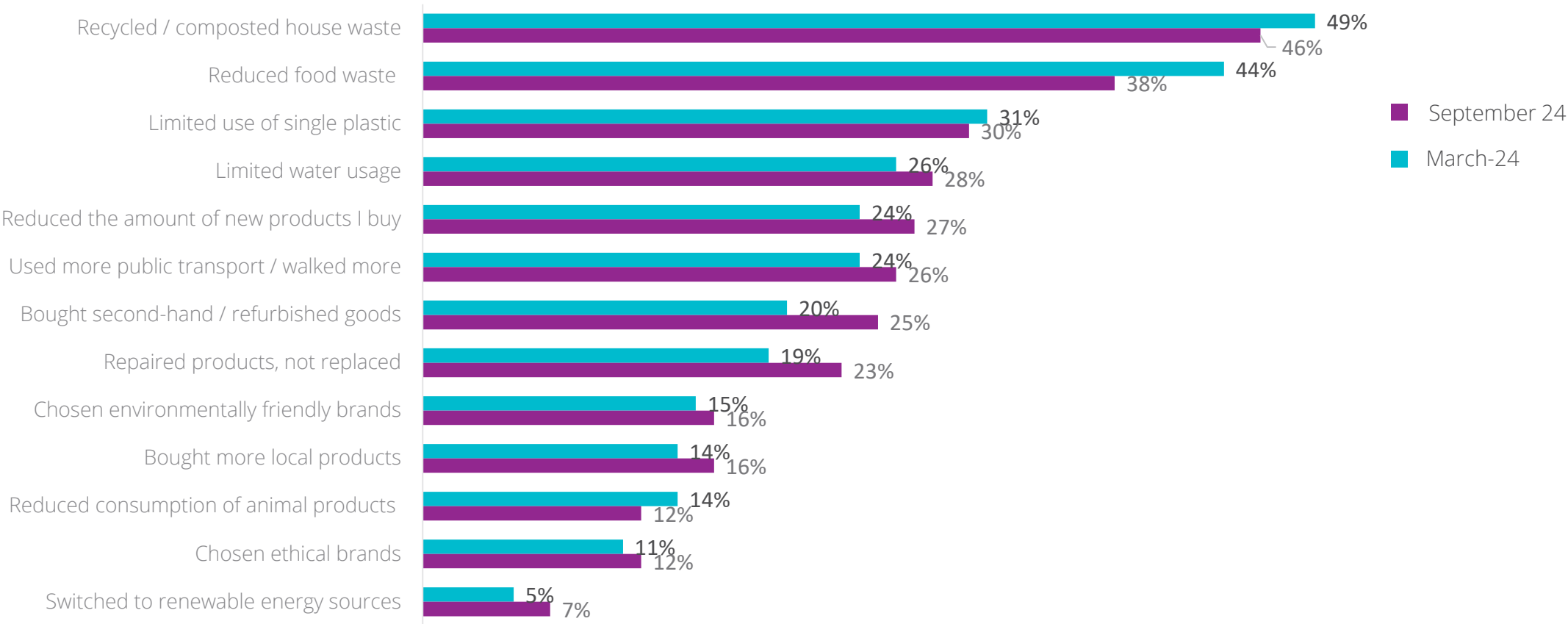
Q14. October will see the Labour government announce their Autumn budget. The budget includes announcements about income tax and corporation tax. The budget also includes information about the state of the UK economy, proposals for public expenditure for the next financial year and proposals to generate revenue. To what extent, if at all, do you think that this budget will impact your personal finances? Base size: (2,000)

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

There has been an increase amongst people who are reducing the number of new products they buy, in addition to more people buying second hand and repairing rather than replacing

Which, if any, of the following sustainable behaviours have you engaged in, in the last 3 months?

Total sample



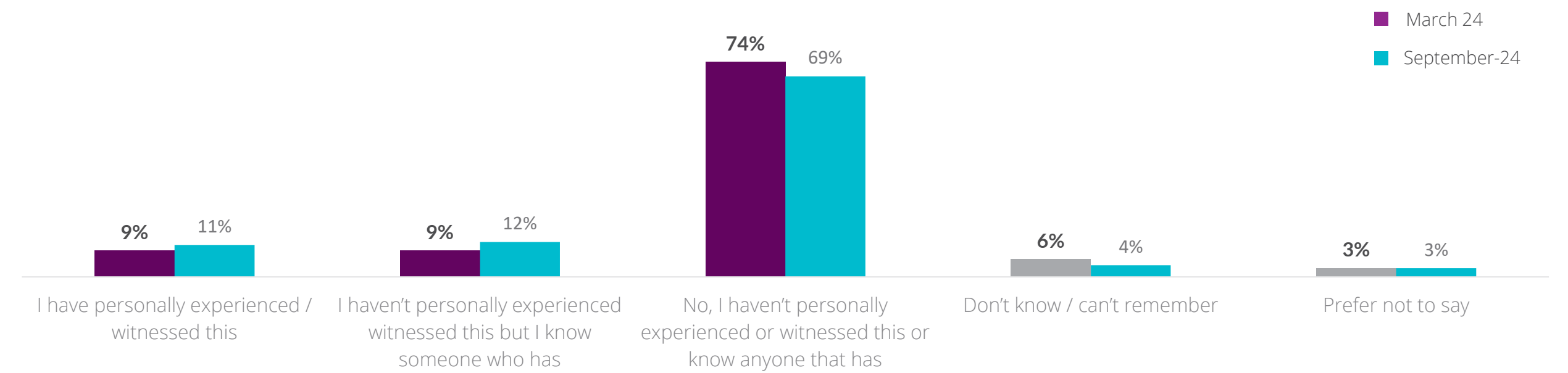
Q15. Which, if any, of the following have you done, in the last 3 months? Please select all that apply. Base size: (2,000)



There has been a slight increase amongst people who have personally experienced or witnessed /know someone who has violence, crime or abuse on their local high street compared to March

Have you witnessed or know anyone that has witnessed any violence, abuse or crime whilst visiting your / their local high street in the last 6 months?

Total sample



Q16 Have you witnessed or know anyone that has witnessed any violence, abuse or crime whilst visiting your / their local high street in the last 6 months? By violence, abuse or crime in this scenario we mean incidences such as shop lifting, abuse, harassment or violence towards shoppers or retail staff, pickpocketing, vandalism, drug use etc. (Base: 2,000)

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## 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.

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