Consumer Sentiment Monitor

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

July 2026

Headline Commentary

Helen Dickinson
Chief Executive | British Retail Consortium

"Consumer confidence improved for the third month in a row, thanks in large part to a bump in sentiment among baby boomers. This rise may have been driven in part by Andy Burnham's confirmation as the next PM, ending a period of political instability, as well as by a national feel-good factor of England progressing through the World Cup knockout stages. But we should not mistake this for recovery: only around one in ten expect the economy to improve in the future, and spending intentions remain more modest, though this may reflect lower inflation expectations, rather than tighter budgets.

"While the direction of travel is encouraging, confidence remains fragile, with cost-of-living pressures continuing to weigh heavily on many families. While retailers are doing all they can to keep prices affordable for customers, the Government can play its part to reduce the cost burden on the industry, giving retailers the breathing room to invest in lower prices for the future. By tackling spiralling business costs, Andy Burnham will be helping retailers to drive down the cost of living for everyone."

Executive Summary

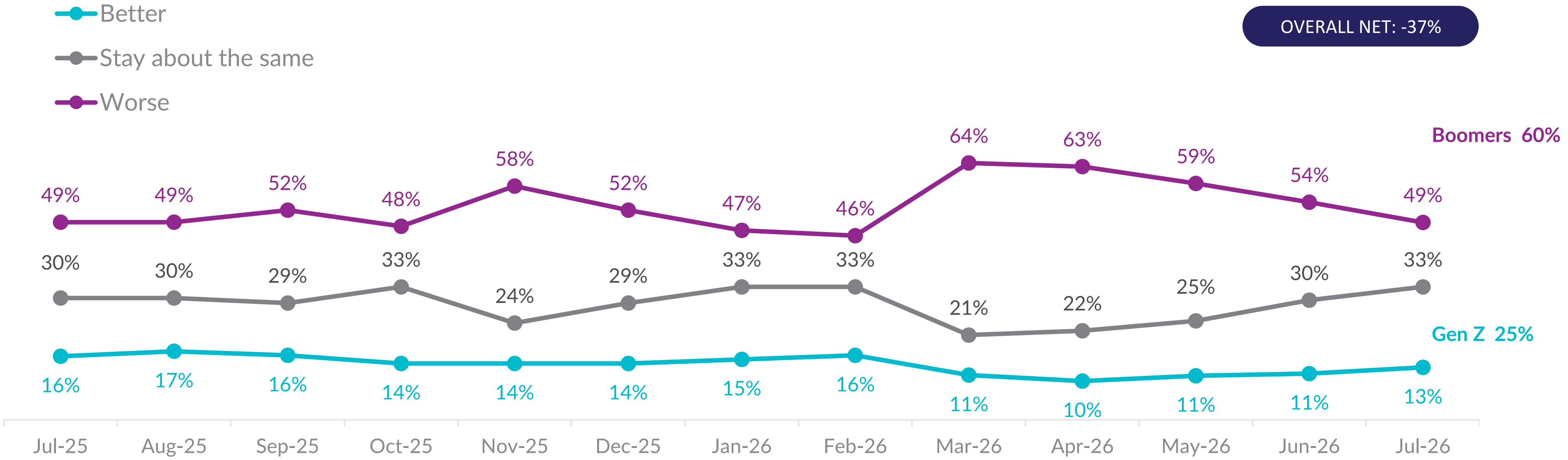
A Survey of 2,000 UK consumers weighted to be Nationally Representative. Consumers are surveyed monthly about their financial status, shopping behaviours, and other topical issues.

- Sentiment towards the economy remains negative but has improved, recovering towards levels seen before the beginning of the conflict in the Middle East.
- Views on current personal finances have recovered since June's dip.
- Groceries and food remain the retail category consumers expect to spend more on in the next 3 months; however, this sees a NET decrease from last month.
- Expectations around retail spending drop 4 percentage points from the previous month, with more people expecting to spend the same.
- Debt levels remain stable and are in line with levels seen this time last year, while saving expectations increased from the previous month.
- During the hot weather, spending intentions have declined compared to last year, with more consumers expecting to spend less across a range of categories.
- Parents are feeling more financial pressure this summer compared with previous years, with spending on groceries, and experiences or days out remaining top concerns.

Negative sentiment remains strong but continues to improve compared to March/April, returning near to pre-conflict levels

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

Total sample



Net	-33%	-32%	-36%	-34%	-44%	-38%	-32%	-30%	-53%	-53%	-48%	-43%	-37%

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

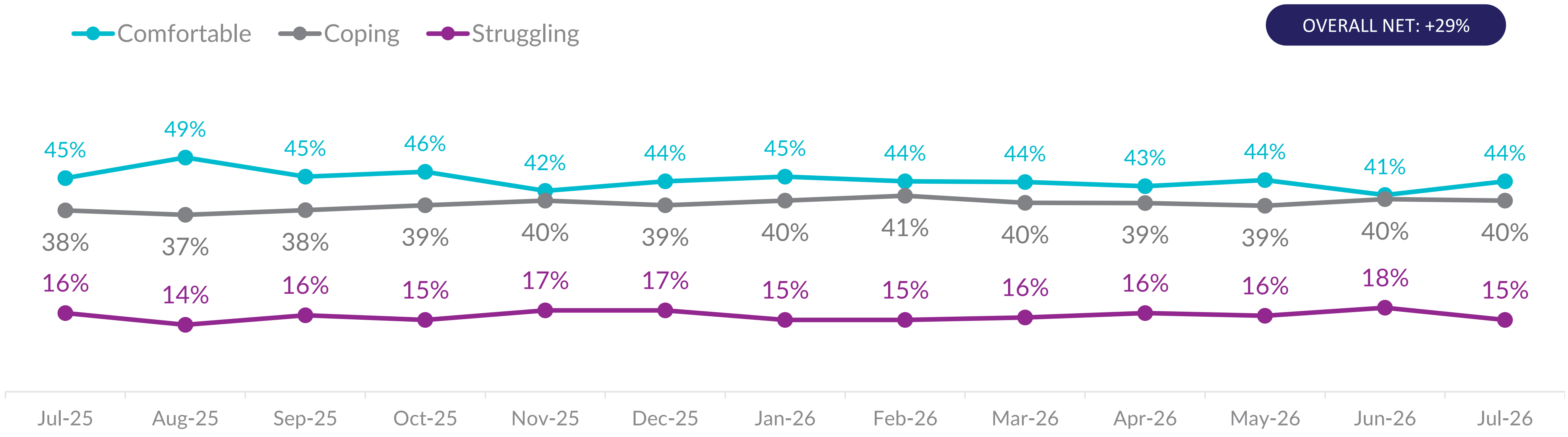
Q2. Over the next 3 months, do you expect the following to get better or worse? State of the UK economy. Base size (2,000)

*Some net figures may be impacted by rounding differences

The proportion of consumers feeling financially comfortable recovers in July, while the number of those struggling declines

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

Total sample



Net	+28%	+35%	+29%	+31%	+25%	+27%	+30%	+29%	+28%	+27%	+28%	+24%	+29%

Generations
Gen Z (18-27)
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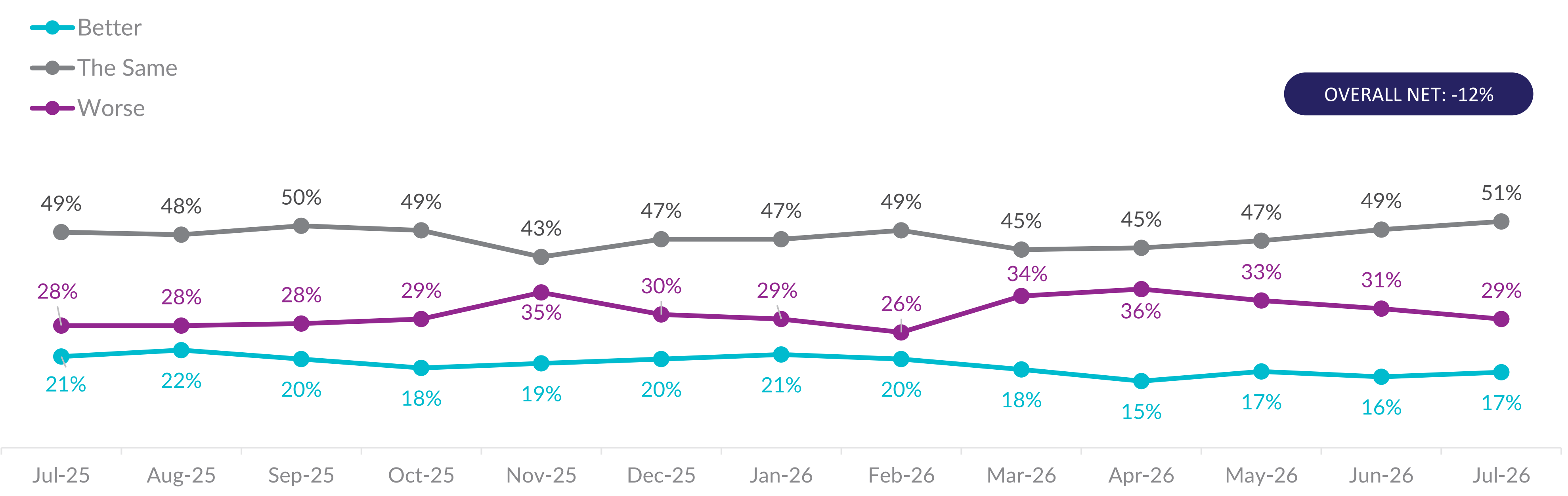
Q1. What is the best way to describe your current financial situation? (Base size: 2,000)

*Some net figures may be impacted by rounding differences

Expectations for personal finances continue to improve, with more feeling stable now than they have in over a year

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

Total sample



Net	-7%	-6%	-8%	-11%	-16%	-10%	-8%	-6%	-17%	-21%	-16%	-15%	-12%

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

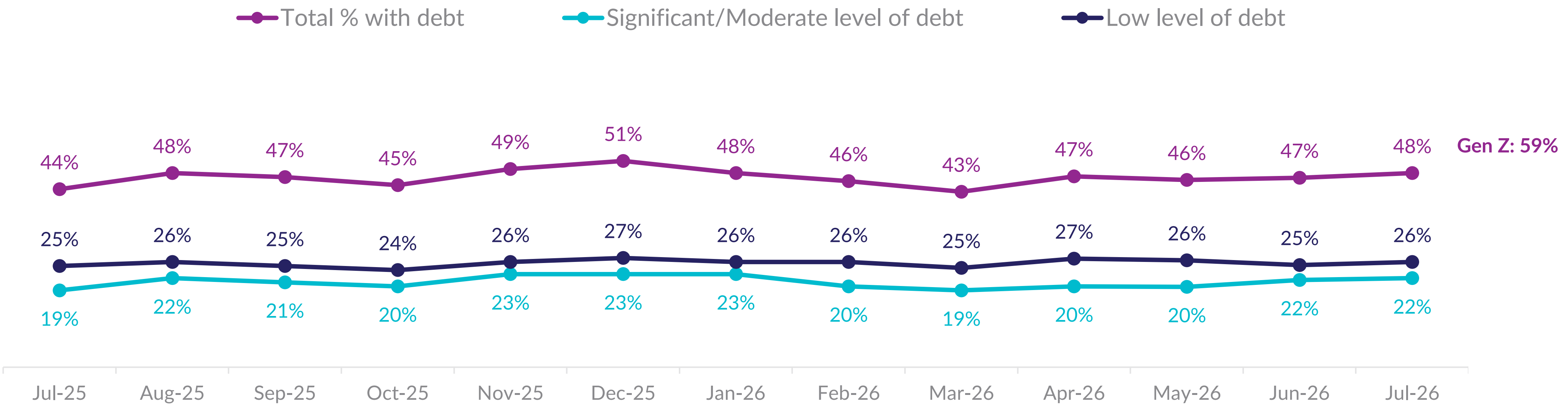
Q2. Over the next 3 months, do you expect the following to get better or worse? Your Personal Finances. Base size (2,000)

*Some net figures may be impacted by rounding differences

The total with debt remains stable, but up 4% on this time last year, including an increase of 3% of those with moderate/ significant 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)

*Some figures may be impacted by rounding differences / prefer not to say answers.

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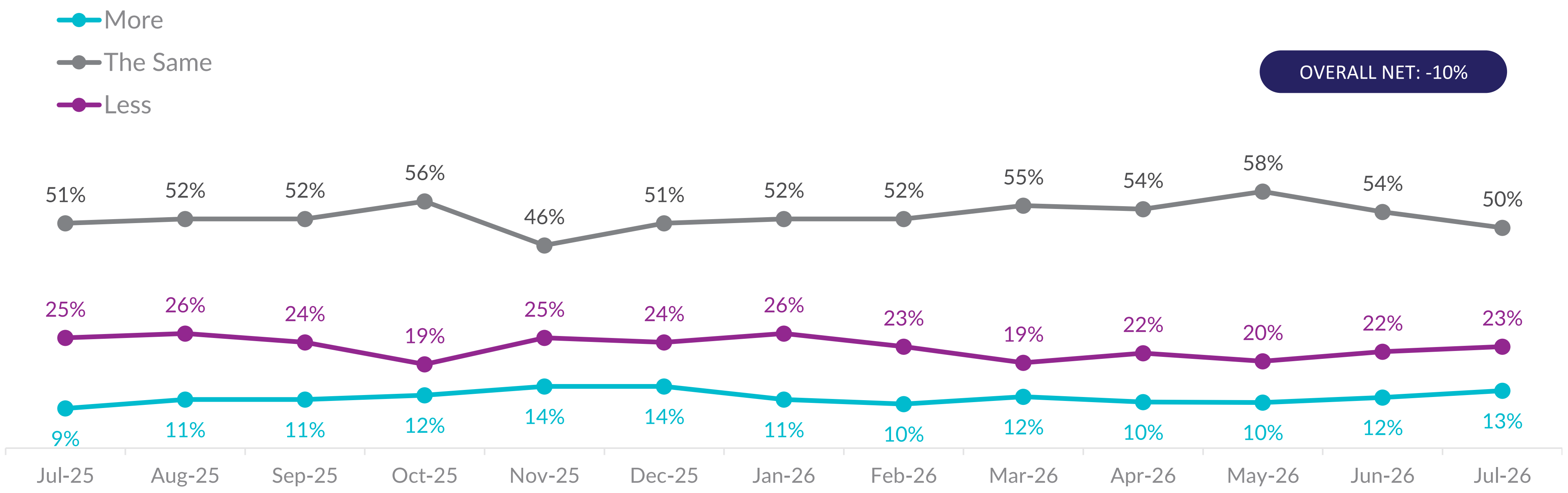
Gen X (44-59)
Boomers (60-78)

Borrowing expectations remain largely stable, with increases in those expecting to borrow more as well as in those borrowing less

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

Total sample



Net	-16%	-15%	-13%	-7%	-11%	-10%	-15%	-13%	-8%	-11%	-9%	-10%	-10%

Generations
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Boomers (60-78)

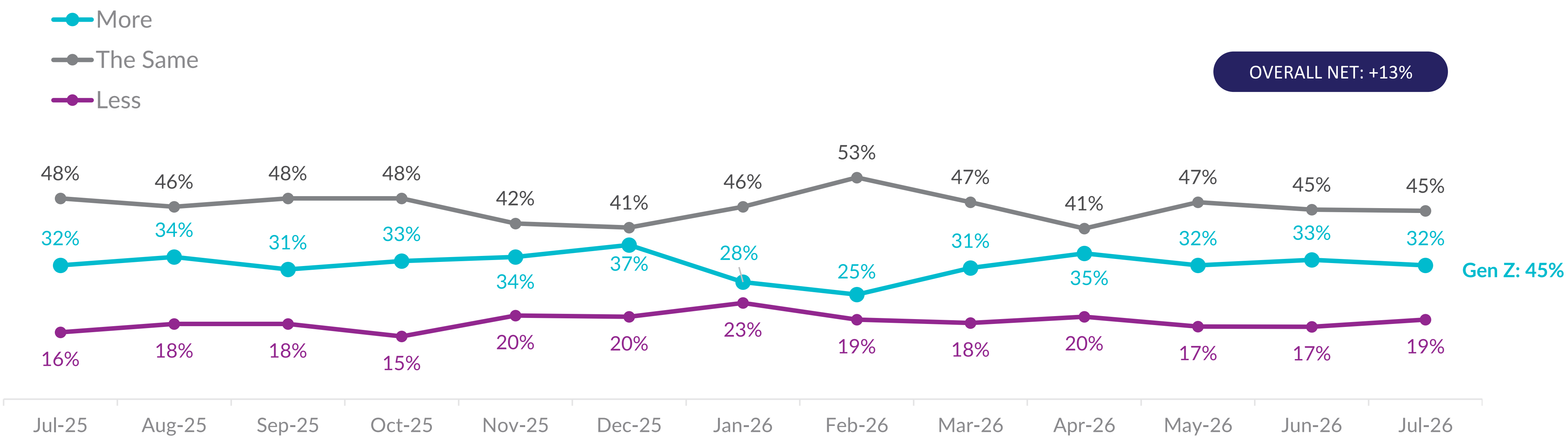
Q6. What are your expectations for borrowing over the next 3 months? Please only think about loans, overdrafts, credit etc. and not about mortgages. By 'usual' we'd like you to think about your typical borrowing habits. Base size: (2,000)

*Some net figures may be impacted by rounding differences

Spending is expected to increase but expectations have softened despite many Gen Z planning to increase their spend

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

Total sample



	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
Net	+16%	+16%	+13%	+18%	+14%	+17%	+5%	+6%	+13%	+15%	+15%	+16%	+13%

Generations
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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)

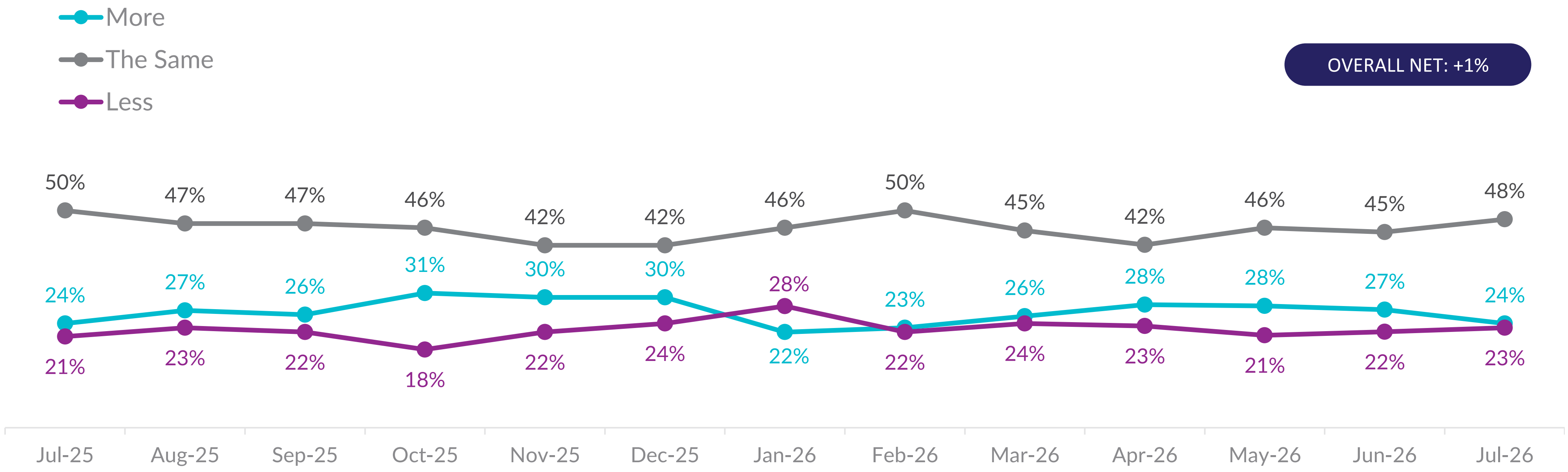
*Some net figures may be impacted by rounding differences

Expectations around retail spending drop to the lowest they have been since February

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

OVERALL NET: +1%



Net	+3%	+4%	+4%	+13%	+8%	+6%	-6%	-1%	+2%	+5%	+7%	+5%	+1%

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

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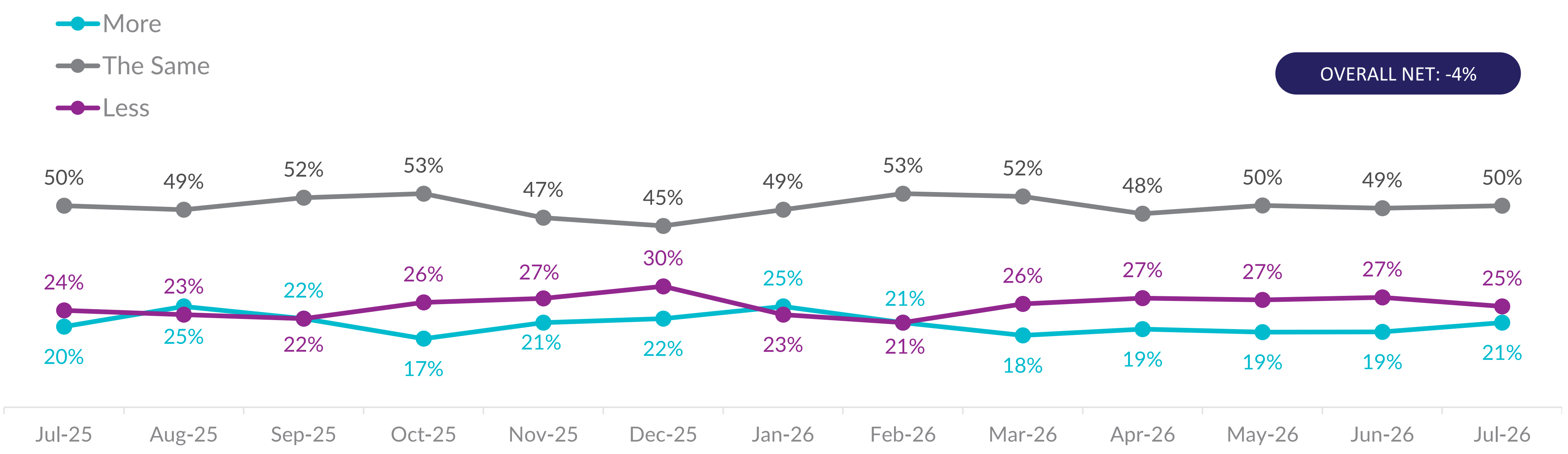
Saving expectations improve this month, but remain negative, with more expecting to save extra, and fewer expecting to save less

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

Total sample



Net	-4%	-4%	+2%	0%	-9%	-6%	-8%	+2%	0%	-8%	-8%	-9%	-4%

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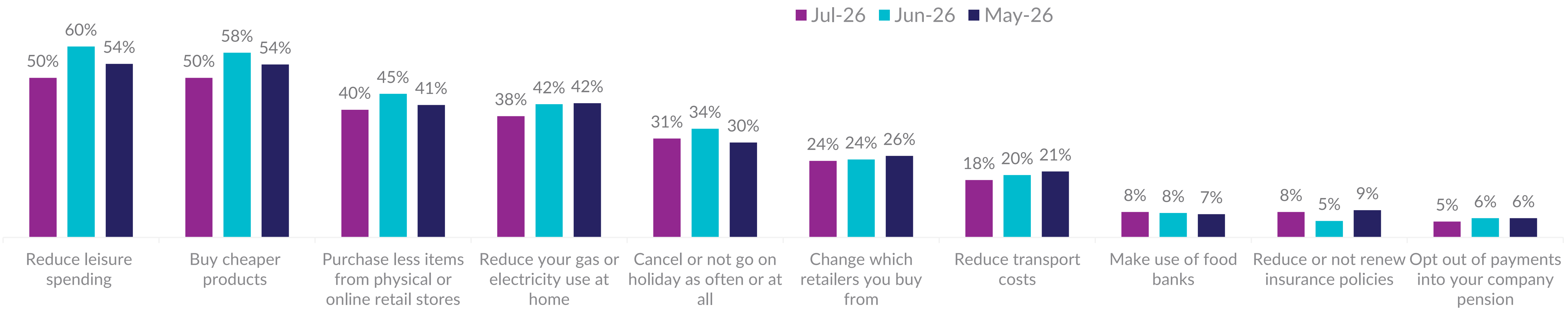
Gen X (44-59)
Boomers (60-78)

*Some net figures may be impacted by rounding differences

Reducing leisure spending and buying cheaper products remain the main ways to reduce outgoing costs, despite fewer planning to do so

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

All expecting to spend less in the next 3 months



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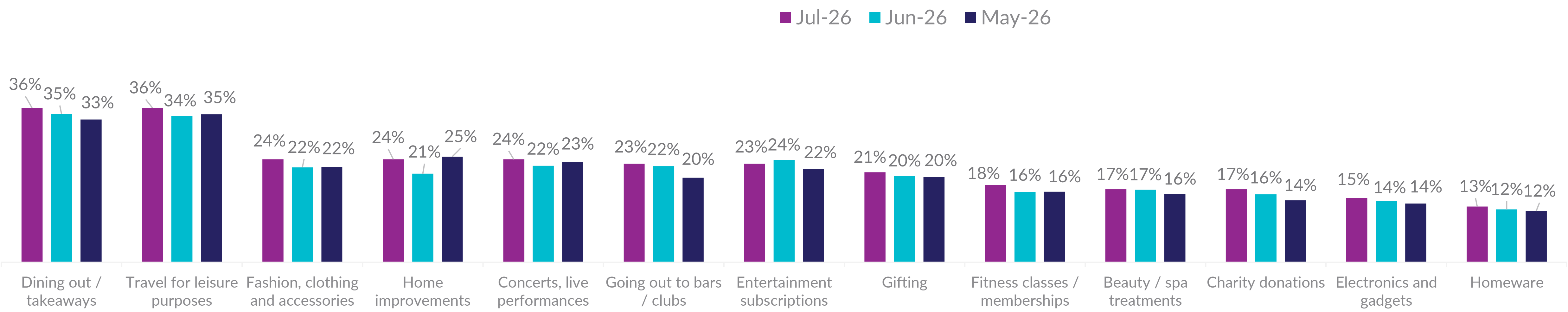
Q4. What, if anything, do you plan to do to reduce your outgoing costs over the next 3 months? Please select all that apply. Base size: (381)

*Some net figures may be impacted by rounding differences

Except for entertainment subscriptions, there has been a slight increase in spending priorities, possibly due to the warmer weather

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)

*Some net figures may be impacted by rounding differences

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Gen X (44-59)
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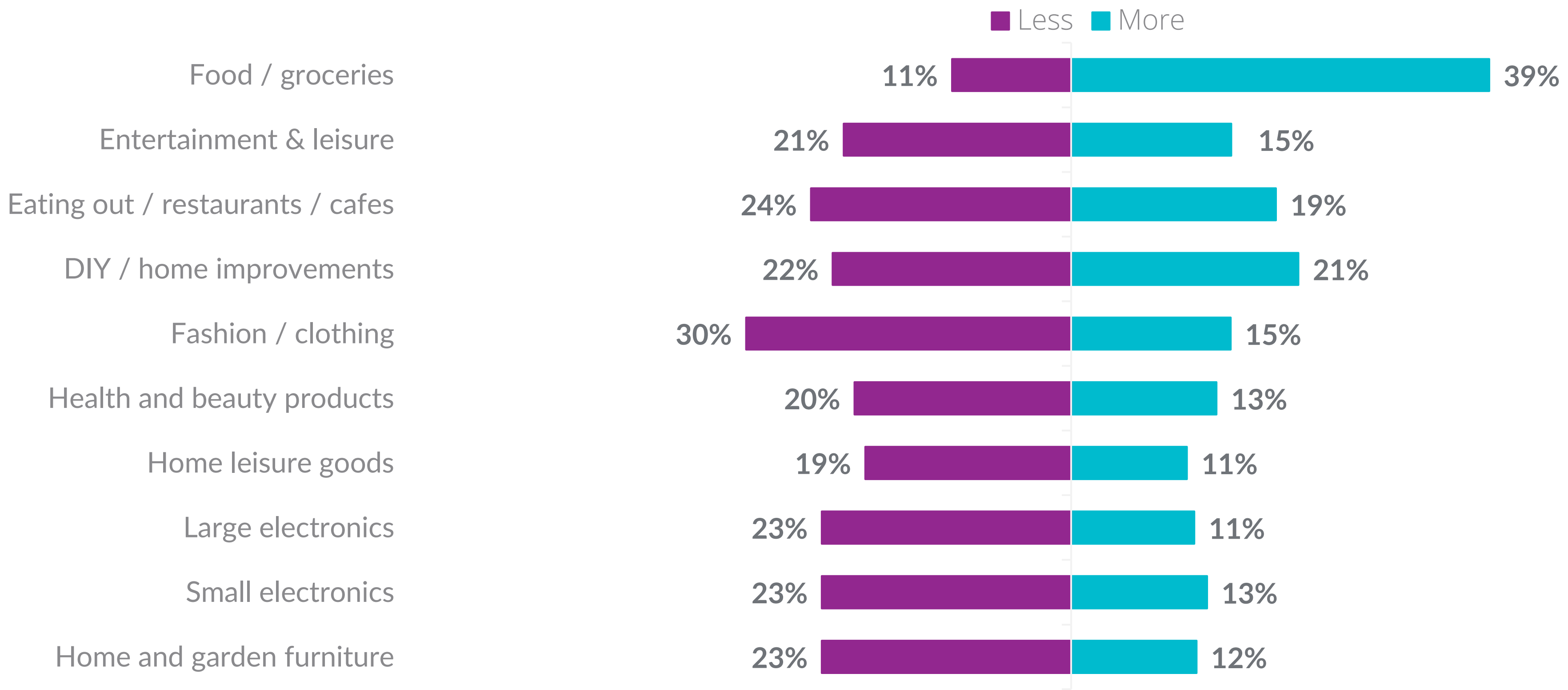
The NET expected spend on food/groceries remains strong. Other categories remain negative but slightly better than last month

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 JULY 2026	NET JUNE 2026
NET: +28%	NET: +30%
NET: -7%	NET: -8%
NET: -5%	NET: -6%
NET: -1%	NET: -3%
NET: -15%	NET: -15%
NET: -7%	NET: -9%
NET: -9%	NET: -11%
NET: -12%	NET: -12%
NET: -11%	NET: -14%
NET: -11%	NET: -12%

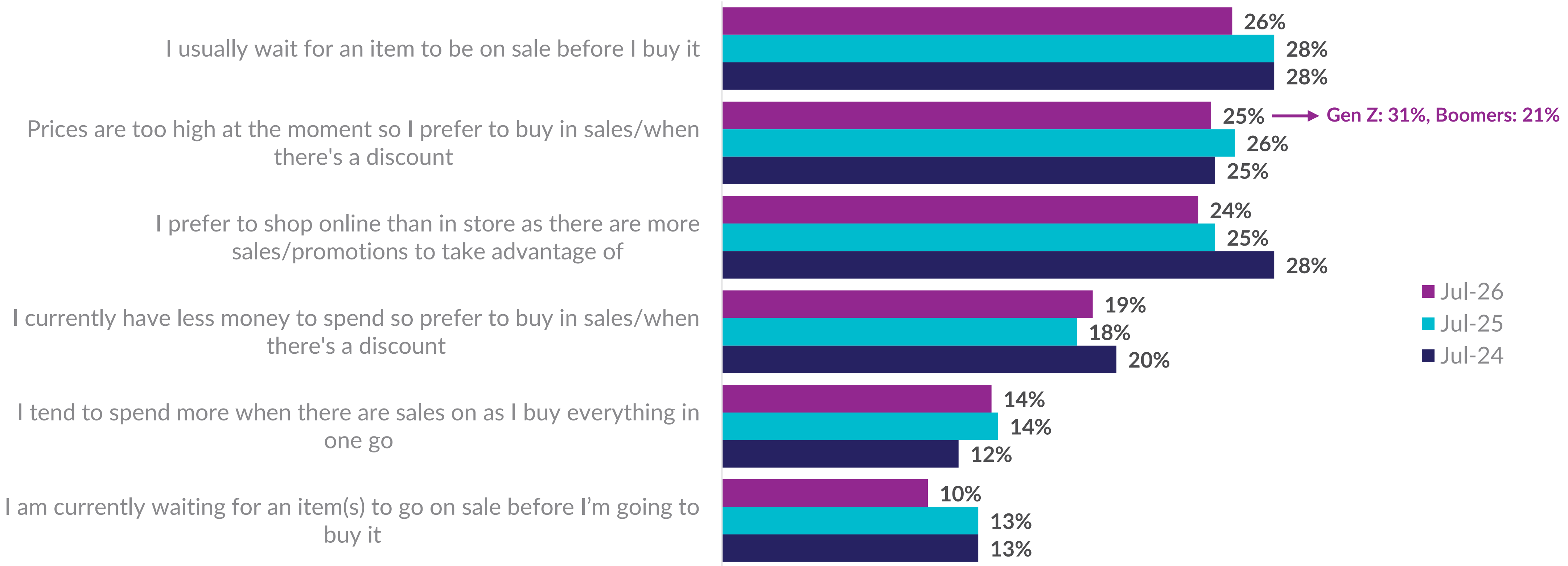
Q9. What are your expectations for spending on the following retail categories over the next 3 months, compared to the previous 3 months? Base size: (2,000) *Some net figures may be impacted by rounding differences

Appendix

Gen Z IS most likely to feel that prices are too high, so prefer to buy in sales/ discounted items, but sentiment towards sales and discounts is generally lower than last year

Thinking about shopping when there are sales or discounts, which of the following, if any, apply to you?

Total sample

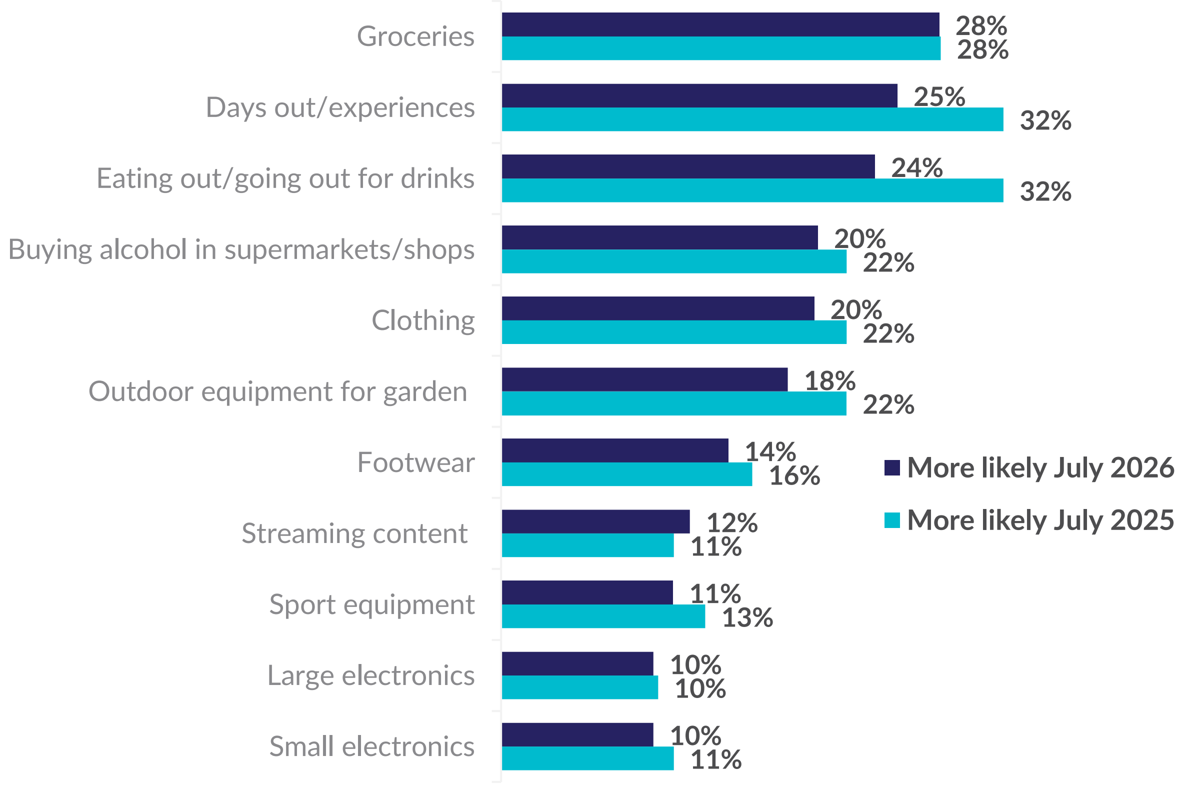


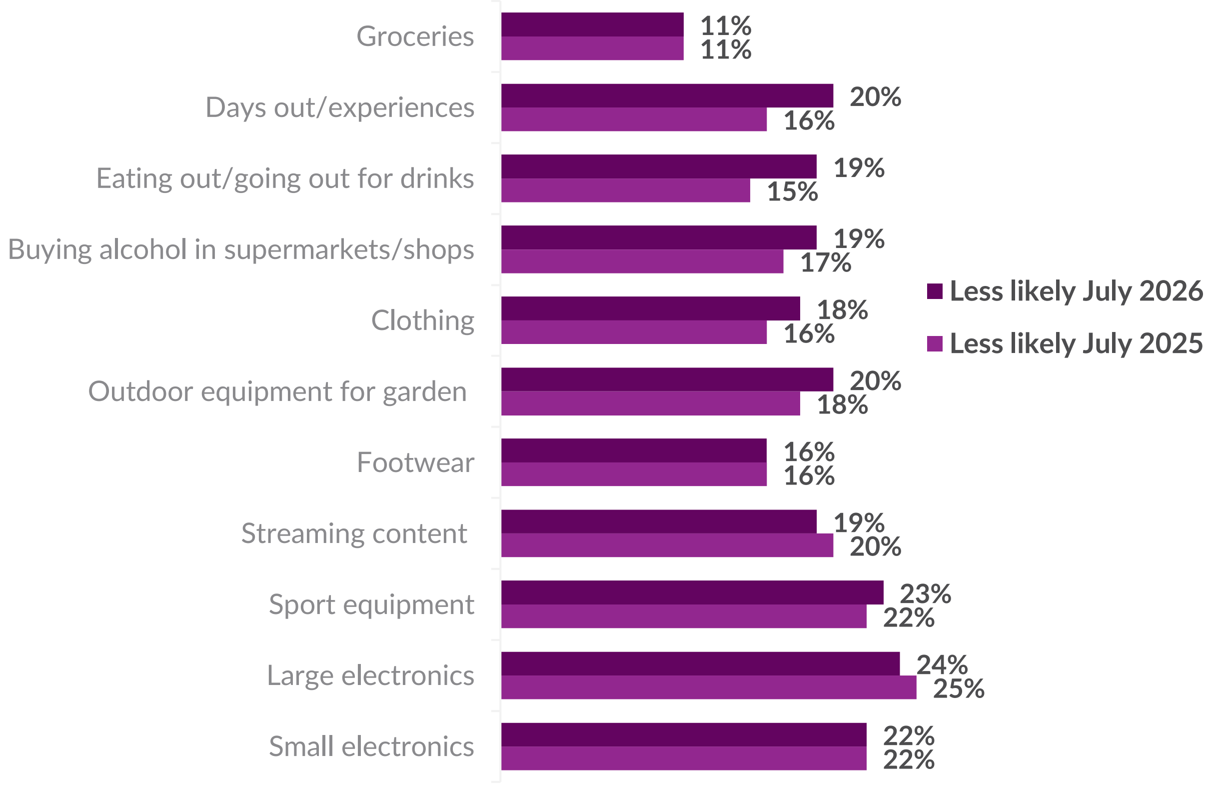
Q:CSM29. Thinking about shopping when there are sales or discounts, which of the following, if any, apply to you? Base size: (2000)

Spending intentions in hot weather were lower across most categories compared to 2025, but remain net positive for eating, drinking and days out

When experiencing hot weather periods during the summer, are you more or less likely to spend money on these items/services?

Total sample





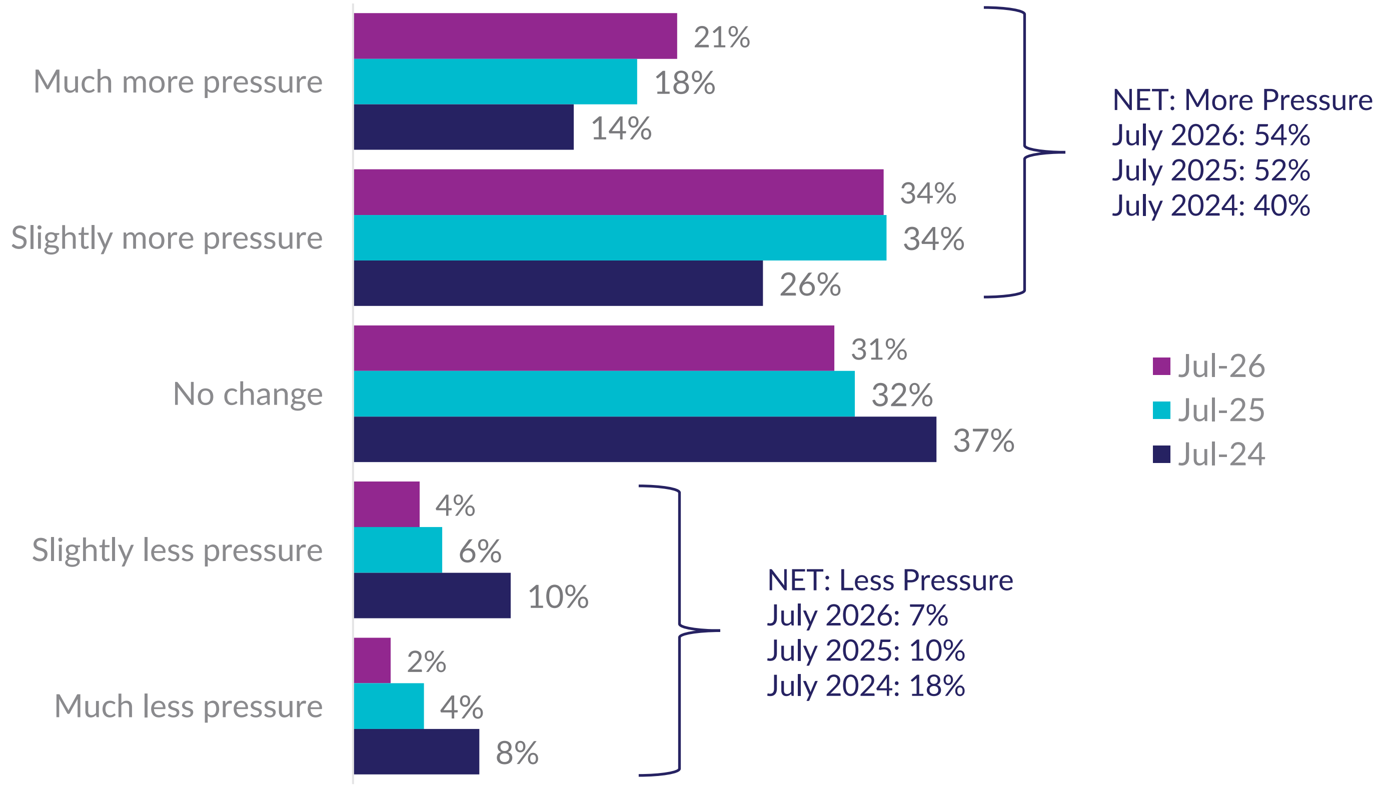
Q:CSM28. When experiencing hot weather periods during the summer, are you more or less likely to spend money on these items/services? Base size: (2,000)

*Some net figures may be impacted by rounding differences

Parents are increasingly anticipating feeling more financial pressure during summer holidays compared with the last two years

As a parent, do you feel under more or less financial pressure during the school holidays (mid July – September)?

Parents of children aged 4-17

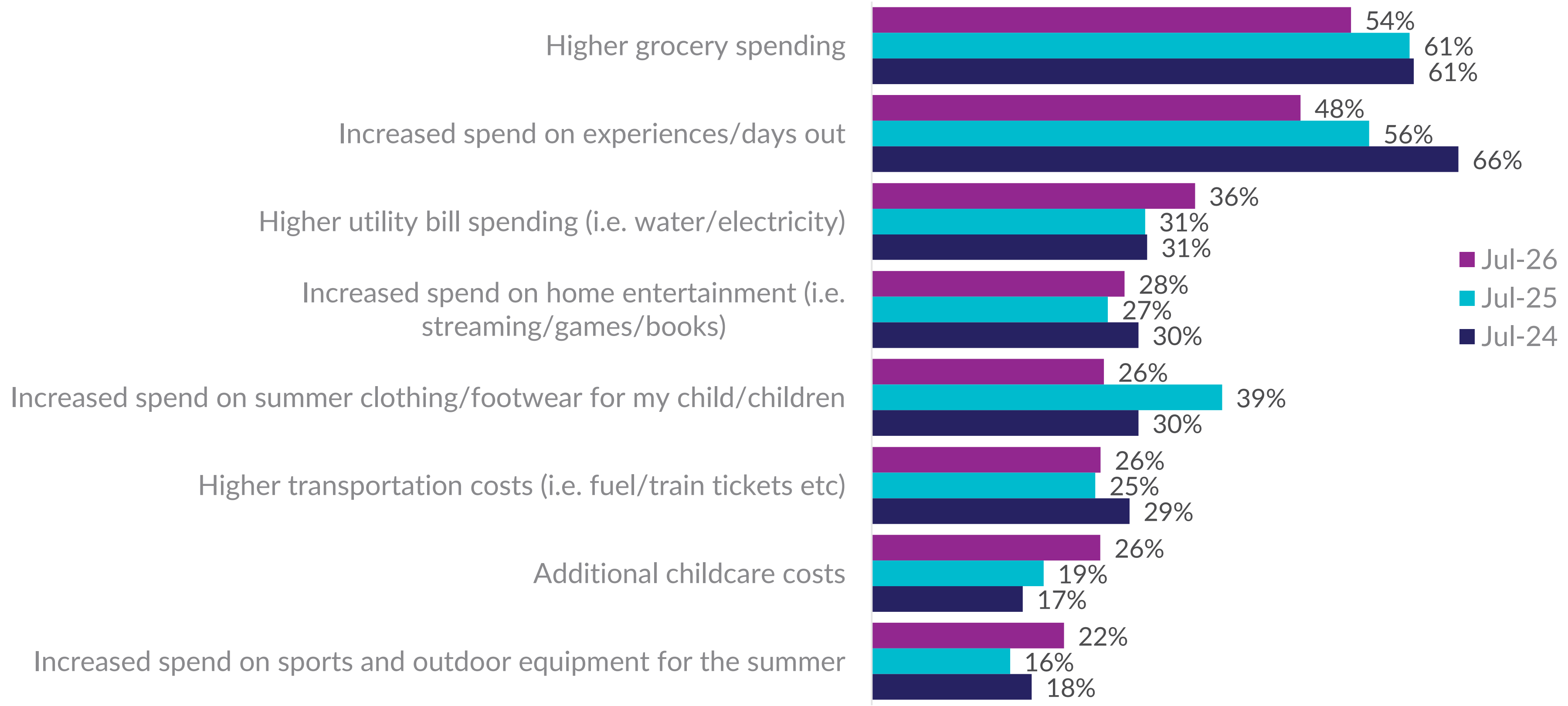


Q:CSM27. Schools are breaking up for the summer holidays this month. As a parent, do you feel under more or less financial pressure (i.e. your feeling of concern, if any, over your ability to pay for goods and services) during the school holidays (mid-July to September)? Base size: (526)

Driving this pressure for parents is anticipation of spending more on groceries, and experiences or days out; with increasing spend on utilities, childcare costs and outdoor equipment since last year

You mentioned that you feel under more financial pressure during the school summer holidays, what are the main reasons for this?

Parents who feel more under pressure during the school holidays



Q:CSM26. You mentioned that you feel under more financial pressure during the school holidays, what are the main reasons for this? Base size: (285)

THE BRITISH RETAIL CONSORTIUM

The BRC is the lead trade association for UK retail. Our purpose is to make a positive difference to the retail industry and the customers it serves, today and in the future. Retail is the 'everywhere economy', a vital part of the socio-economic fabric of the UK. The industry makes up 5% of the UK GDP and is the largest private sector employer, providing 3 million direct jobs and 2.7 million more in the supply chain. Retail has a presence in every village, town and city across the country.

Over 200 major retailers are members of the BRC, with thousands of smaller, independents represented by BRC's trade association members. Together, these businesses operate across all retail channels and categories and deliver over £350 billion of retail sales per year.

We build the reputation of the retail industry, work with our members to drive change, develop exceptional retail leaders, and use our expertise to influence government policy so retail businesses thrive and consumers benefit. Our work helps retailers trade legally, safely, ethically, profitably and sustainably.

OPINIUM

Founded in 2007 Opinium is an award-winning strategic insight agency built on the belief that in a world of uncertainty and complexity, success depends on the ability to stay on pulse of what people think, feel and do. Creative and inquisitive, the Opinium team is passionate about empowering clients to make the decisions that matter.

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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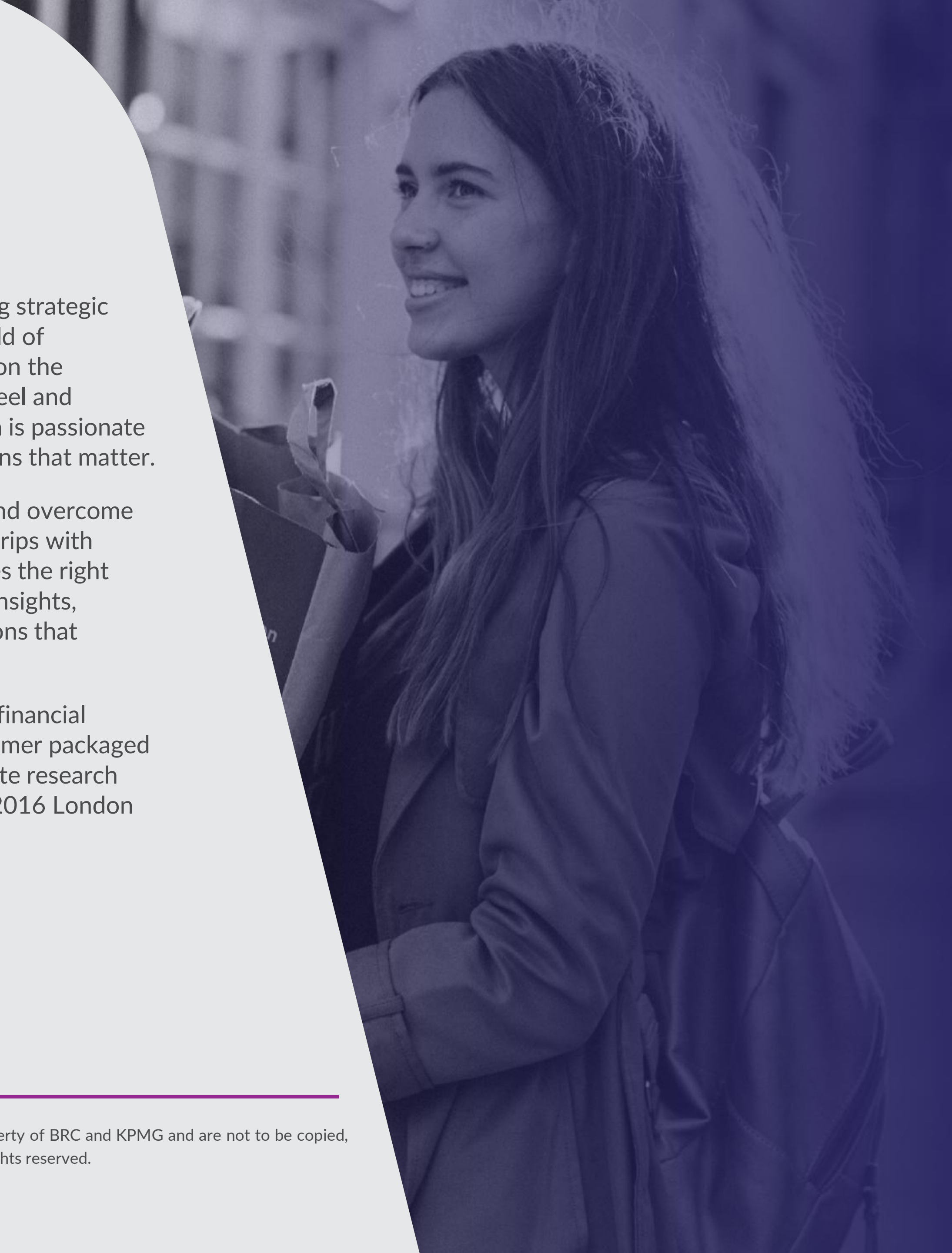

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