

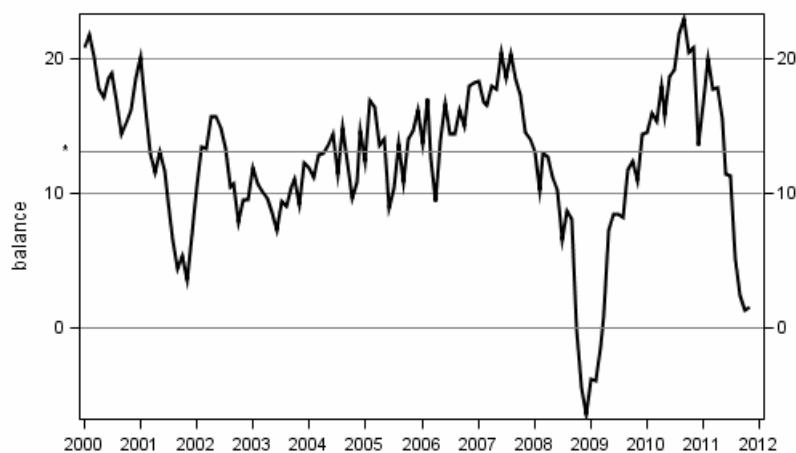
# Consumer Survey

2011, November

## Consumer confidence did not weaken further in November

The weakening of consumer confidence that had started in spring came to a halt in November. The consumer confidence indicator stood at 1.5 in November, having been 1.3 in October and 2.3 in September. In last year's November, the consumer confidence indicator received the value 20.8. The long-term average for the confidence indicator is 13.1. The data are based on Statistics Finland's Consumer Survey, for which 1,376 people resident in Finland were interviewed between 1 and 18 November.

### Consumer confidence indicator



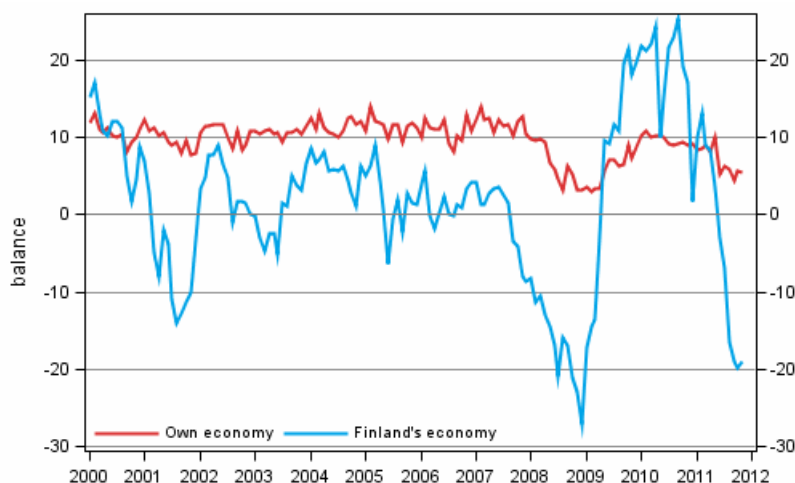
\* average 10/1995 - 11/2011

Consumers' views regarding all four components of the consumer confidence indicator remained more or less unchanged from the previous month in November. Consumers' expectations concerning general economic development, i.e. Finland's economy and unemployment, were gloomy. Their assessments regarding their own economy were also weak but they had strong faith in their own saving possibilities.

In November, employed consumers also felt some personal threat of unemployment. In addition, consumers considered saving in November clearly more worthwhile than purchasing of durable goods or raising a loan, in particular.

Only 15 per cent of consumers believed in November that Finland’s economic situation would improve in the coming twelve months, while 47 per cent of them thought that the country’s economy would deteriorate. In last year’s November, the corresponding proportions were very optimistic 47 and 13 per cent. In all, 24 per cent of consumers believed in November that their own economy would improve and 15 per cent of them feared it would worsen over the year. One year ago, the respective proportions were 28 and 12 per cent.

**Consumers' expectations concerning their own and Finland's economy in 12 months' time**



Only 11 per cent of consumers thought in November that unemployment would decrease in Finland over the next year, while 60 per cent of them believed it would increase. Twelve months earlier the corresponding proportions were 36 and 25 per cent.

In November, 13 per cent of employed persons reckoned that their personal threat of unemployment had decreased over the past few months but more, or 16 per cent, of them thought it had grown. Twelve months previously, the corresponding proportions were 20 and 14 per cent. In November, 49 per cent of employed persons thought the threat of unemployment had remained unchanged and 22 per cent felt that they were not threatened by unemployment at all.

Consumers predicted in November that consumer prices would go up by 3.2 per cent over the next 12 months. The long-term predicted average inflation rate is 2.2 per cent.

A total of 65 per cent of consumers considered saving worthwhile this November. Sixty-seven per cent of households had been able to lay aside some money and 79 per cent believed they would be able to do so during the next 12 months.

In November, 46 per cent of consumers regarded the time good for raising a loan. One year earlier the corresponding proportion was 68 per cent. Slightly fewer households than on the average, or 11 per cent of them, were planning in November to raise a loan within one year.

In November, 37 per cent of consumers considered the time favourable for buying durable goods. Twelve months ago, the respective proportion was 49 per cent. Consumption intentions were moderate in November, but many households had plans to spend money on, for instance, travel and purchases of home technology during the next six months. Fifteen per cent of households were fairly or very certain to buy a car and eight per cent a dwelling during the next 12 months. In last year’s November, the respective proportions were 18 and 8 per cent.

The population of the Consumer Survey comprises approximately 4.1 million persons and 2.5 million households in Finland. The size of the sample of the Consumer Survey is 2,200 persons monthly. In November, the non-response rate of the Survey was 37.5 per cent. The non-response rate includes those who refused from the survey or were otherwise prevented from participating as well as those who could not be contacted.

### Consumers' views of the economy

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	11/2010	10/2011	11/2011	Outlook
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	13,1	22,9	-6,5	20,8	1,3	1,5	--
B2 Own economy in 12 months' time (balance)	9,0	14,1	2,3	8,9	5,6	5,4	--
D2 Household's saving possibilities in the next 12 months (balance)	37,7	52,2	10,9	51,7	46,5	46,4	+
B4 Finland's economy in 12 months' time (balance)	4,8	25,3	-27,1	17,2	-19,7	-18,9	--
B7 Unemployment in Finland in 12 months' time (balance)	0,9	27,6	-51,1	5,3	-27,4	-26,7	--
B8 Own threat of unemployment now (balance)	1,0	7,6	-18,8	5,9	-1,7	-1,3	-
B6 Inflation in 12 months' time (per cent)	2,2	4,6	0,6	2,8	3,3	3,2	
C1 Favourability of time for buying durable goods (balance)	20,7	41,8	-14,2	24,6	2,8	1,7	--
C2 Favourability of time for saving (balance)	11,5	36,8	-19,6	21,0	17,9	19,5	+
C3 Favourability of time for raising a loan (balance)	17,8	42,0	-47,1	23,4	-1,8	-3,4	--

The **balance figures** are obtained by deducting the weighted proportion of negative answers from that of positive answers. The **consumer confidence indicator** is the average of the balance figures for the CCI components. The balance figures and the confidence indicator can range between -100 and +100 – the higher (positive) balance figure, the brighter the view on the economy.

Explanations for Outlook column: ++ Outlook is very good, + Outlook is good, +/- Outlook is neutral, - Outlook is poor, -- Outlook is very poor. Deviation of balance from average has been compared to standard deviation.

The (seasonally adjusted) Consumer Survey results for all EU countries will be later released on the European Commission website: European Commission, DG ECFIN, Business and Consumer Survey Results; [http://ec.europa.eu/economy\\_finance/db\\_indicators/surveys/index\\_en.htm](http://ec.europa.eu/economy_finance/db_indicators/surveys/index_en.htm)

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# *1. Method of the Consumer Survey*

The Consumer Survey is a telephone interview survey by means of which it is possible to measure Finns' images - assessments and expectations - of the general economic development and the financial situation of one's own household and intentions to make major purchases, save money or take out a loan. In addition, the survey is a tool for finding out how common modern machines and equipment are in households.

The first Finnish Consumer Survey was conducted in November 1987. Until 1991 it was carried out twice a year, in May and November. In 1992 the survey times were rose to four: the survey months were February, May, August and November. Since October 1995 the Consumer Survey data have been collected monthly on assignment of the European Commission.

The Consumer Survey has a totally new individual sample each month. The same sample is also used for the data collection of the Finnish Travel Survey and some other surveys as well. The sample size of the Consumer Survey is 2,200 persons monthly. The non-response rate nowadays being between 30 and 35 per cent, more than 1,400 responses are gained every month. The non-response rate includes those who refused from the survey or were otherwise prevented from participating as well as those who could not be contacted.

The interviews are conducted from Statistics Finland's CATI Centre during the first two or three weeks of the month. The target area is the whole country and the respondents of the Consumer Survey represent the 15 to 74-year-old population in Finland, according to age, gender, province of domicile and native language.

All the response data of the Consumer Survey are weighted against the total population by means of sample weights. Weighting corrects the effects of non-response and improves the statistical accuracy of the data. The weights are established by using a calibration method and the probability of each observation to be included in the sample. The figures and series presented are not seasonally adjusted.

# Appendix tables

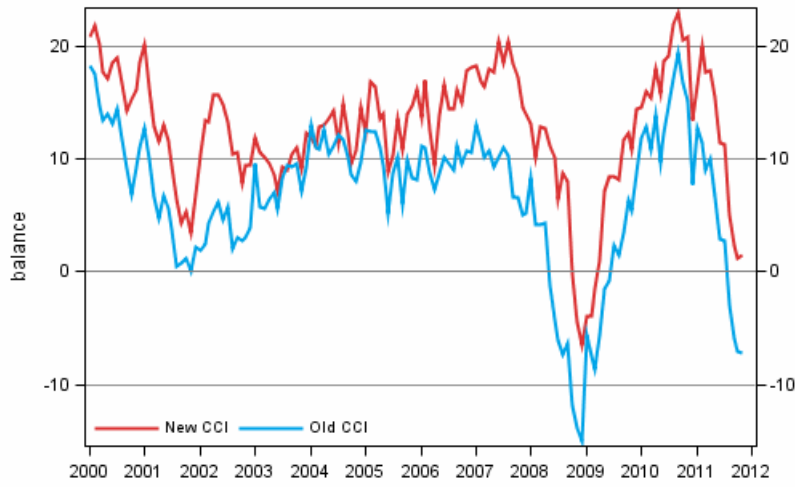
**Appendix table 1. Consumers' views and intentions**

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	11/2010	10/2011	11/2011	Outlook
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	13,1	22,9	-6,5	20,8	1,3	1,5	--
A2 Old CCI = (B1+B2+B3+B4+C1)/5	8,3	19,4	-15,0	15,2	-7,0	-7,1	--
A3 Micro indicator = (B2+D1+D2)/3	24,7	33,4	9,5	31,6	28,2	28,1	+
A4 Macro indicator = (B4+B7)/2	2,9	22,8	-39,1	11,2	-23,5	-22,8	--
B1 Own economy now (balance)	4,7	9,8	-4,0	4,3	2,1	0,5	--
- Better (%)	24,3	30,6	16,7	23,9	21,8	21,1	
- Worse (%)	15,7	22,7	11,4	16,9	18,0	19,9	
B2 Own economy in 12 months' time (balance)	9,0	14,1	2,3	8,9	5,6	5,4	--
- Better (%)	26,2	33,4	18,2	27,7	22,6	24,1	
- Worse (%)	10,5	17,2	6,6	11,8	13,9	14,6	
B3 Finland's economy now (balance)	2,5	29,5	-60,9	21,0	-25,7	-24,4	--
- Better (%)	30,0	62,1	2,0	55,4	11,2	10,2	
- Worse (%)	22,8	88,5	4,2	14,8	55,7	52,6	
B4 Finland's economy in 12 months' time (balance)	4,8	25,3	-27,1	17,2	-19,7	-18,9	--
- Better (%)	31,5	57,3	11,6	46,6	15,0	15,0	
- Worse (%)	21,0	57,3	6,0	12,8	47,5	47,2	
B5 Inflation now (per cent)	2,2	5,8	-2,0	2,6	3,6	3,7	
B6 Inflation in 12 months' time (per cent)	2,2	4,6	0,6	2,8	3,3	3,2	
B7 Unemployment in Finland in 12 months' time (balance)	0,9	27,6	-51,1	5,3	-27,4	-26,7	--
- Less (%)	34,0	60,8	6,4	35,9	11,8	10,9	
- More (%)	29,8	83,3	6,9	24,8	61,1	59,5	
B8 Own threat of unemployment now (balance)	1,0	7,6	-18,8	5,9	-1,7	-1,3	-
- Decreased (%)	13,9	20,0	5,3	19,7	10,9	12,5	
- Increased (%)	14,9	31,9	7,9	13,5	15,9	16,3	
C1 Favourability of time for buying durable goods (balance)	20,7	41,8	-14,2	24,6	2,8	1,7	--
- Favourable time (%)	45,5	62,4	29,6	48,8	38,4	37,3	
- Unfavourable time (%)	24,8	45,7	17,7	24,2	35,6	35,6	
C2 Favourability of time for saving (balance)	11,5	36,8	-19,6	21,0	17,9	19,5	+
- Good time (%)	58,8	80,7	33,4	66,7	63,2	65,4	
- Bad time (%)	35,3	58,5	15,5	28,5	32,9	31,1	
C3 Favourability of time for raising a loan (balance)	17,8	42,0	-47,1	23,4	-1,8	-3,4	--
- Good time (%)	62,5	78,2	13,3	68,1	47,0	45,7	
- Bad time (%)	30,1	83,4	12,1	25,9	47,4	49,5	
D1 Household's financial situation now (balance)	27,5	35,1	14,7	34,1	32,4	32,6	+
- Can save (%)	58,1	70,0	38,6	67,3	67,4	67,3	
- Uses savings or gets into debt (%)	6,7	10,1	4,5	6,3	7,4	6,8	

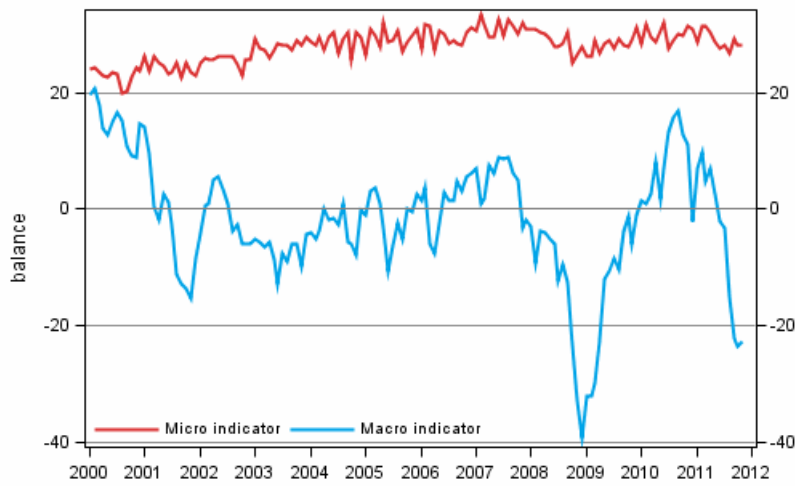
	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	11/2010	10/2011	11/2011	Outlook
D2 Household's saving possibilities in the next 12 months (balance)	37,7	52,2	10,9	51,7	46,5	46,4	+
- Can save (%)	72,8	82,3	56,6	81,7	79,2	79,0	
- Cannot save (%)	25,1	40,3	16,5	17,6	19,9	19,9	
D5 Household's intentions to raise a loan in the next 12 months (% of households)	13,5	17,8	9,1	12,3	13,7	11,3	--
- Yes, certainly (%)	5,6	8,5	3,1	5,9	6,1	5,3	
- Possibly (%)	7,8	11,4	5,2	6,4	7,6	6,0	
E1 Spending on durable goods, next 12 months vs last 12 months (balance)	-7,9	-2,4	-18,2	-7,9	-10,1	-12,7	--
- More (%)	22,8	30,8	14,3	21,3	18,8	16,6	
- Less (%)	32,4	40,4	26,5	31,2	33,2	35,2	
E2 Intentions to buy a car in the next 12 months (% of households)	17,5	21,7	14,2	18,4	19,2	15,0	--
- Very likely (%)	9,1	12,1	6,3	9,0	10,0	6,7	
- Fairly likely (%)	8,4	10,4	6,2	9,4	9,2	8,3	
E4 Intentions to buy a dwelling in the next 12 months (% of households)	7,1	11,3	4,1	8,3	8,2	8,0	+
- Yes, certainly (%)	3,1	5,2	1,3	3,5	3,8	3,8	
- Possibly (%)	4,0	6,2	2,2	4,8	4,4	4,2	
E5 Intentions to spend money on basic repairs of dwelling in the next 12 months (% of households)	18,5	27,0	9,8	22,4	22,3	20,7	+
- Very likely (%)	12,1	19,0	5,0	15,3	15,9	15,4	
- Fairly likely (%)	6,4	9,1	3,2	7,2	6,3	5,2	

# Appendix figures

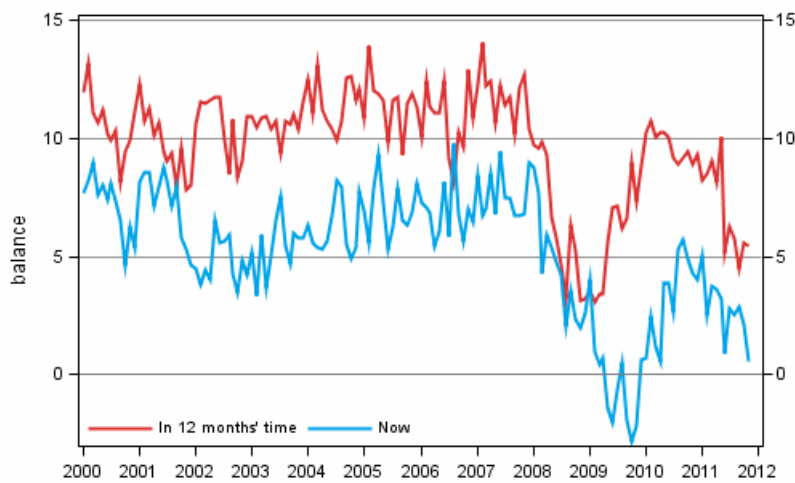
**Appendix figure 1. Consumer confidence indicator (CCI)**



**Appendix figure 2. Micro and macro indicators**

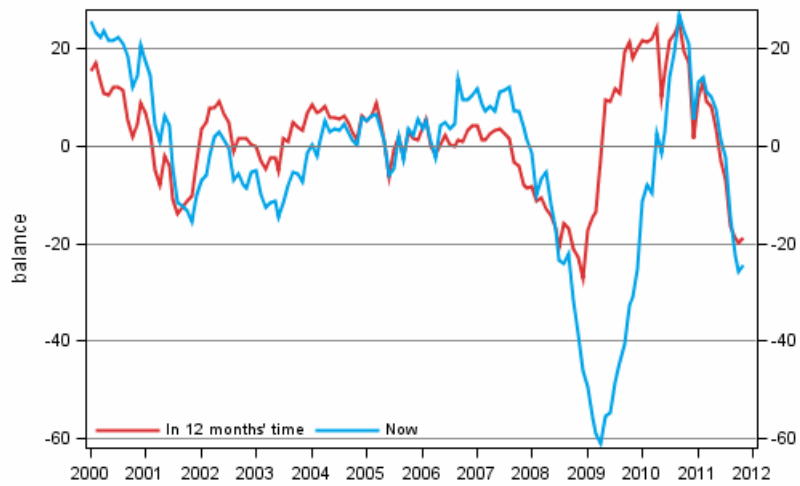


**Appendix figure 3. Own economy**

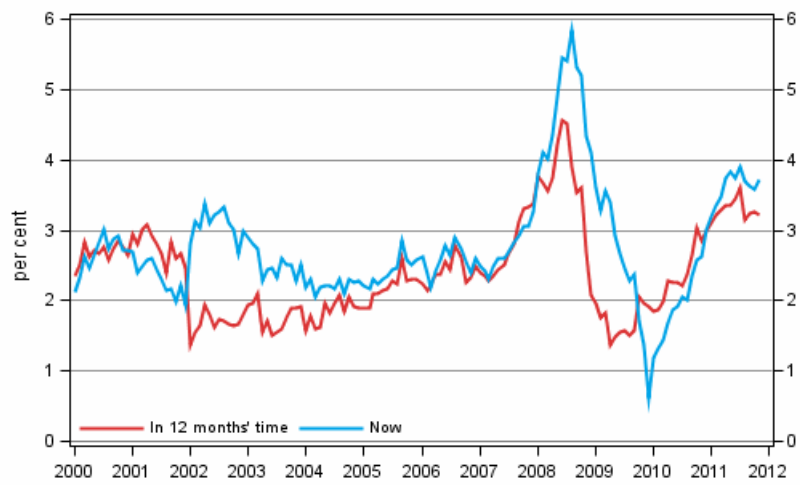




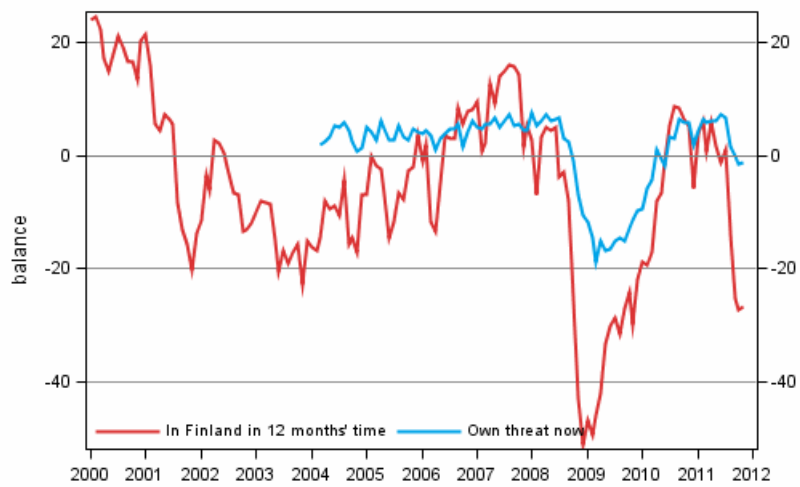
**Appendix figure 4. Finland's economy**



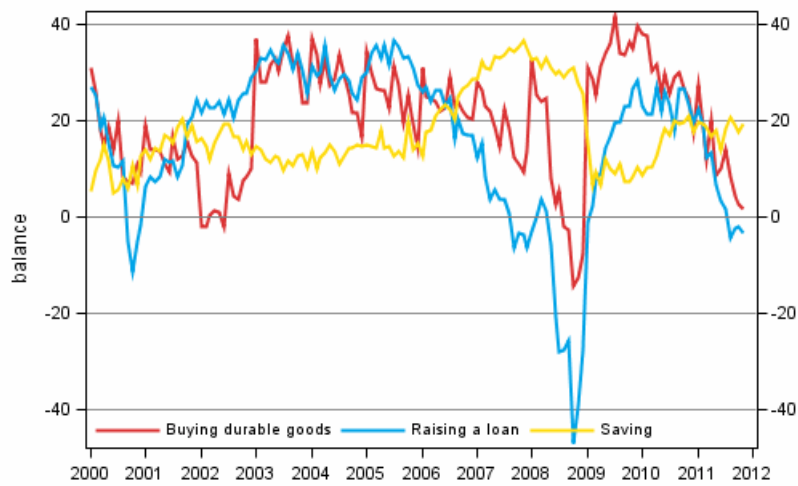
**Appendix figure 5. Inflation**



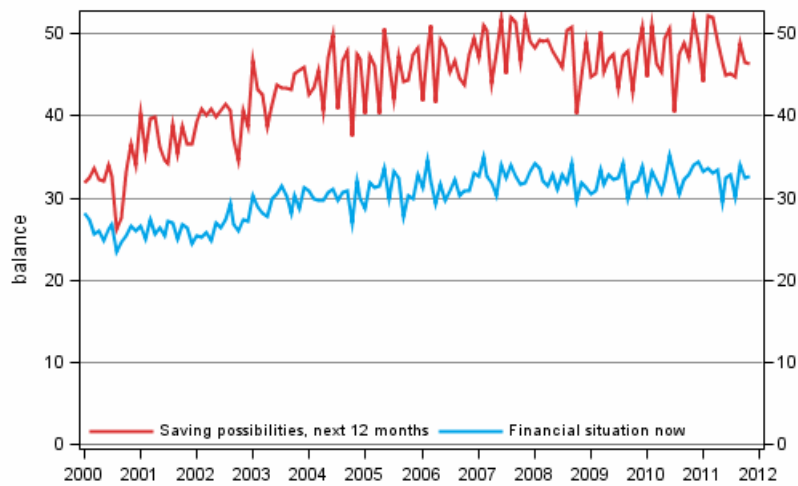
**Appendix figure 6. Unemployment**



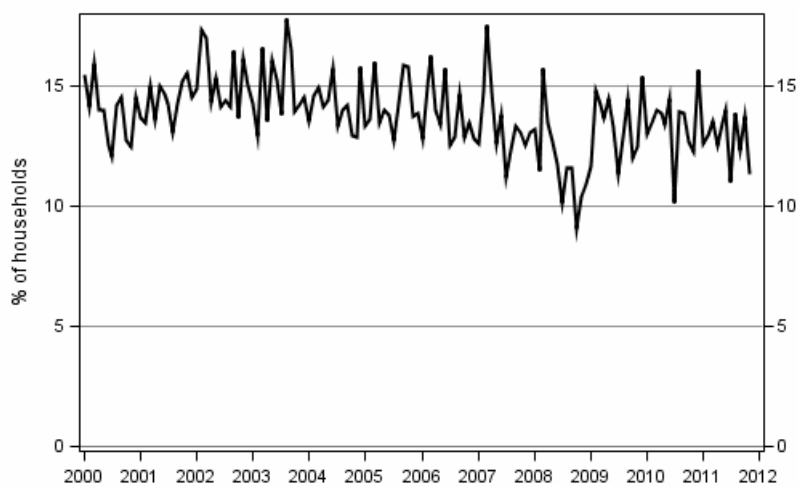
**Appendix figure 7. Favourability of time for**



**Appendix figure 8. Household's financial situation**



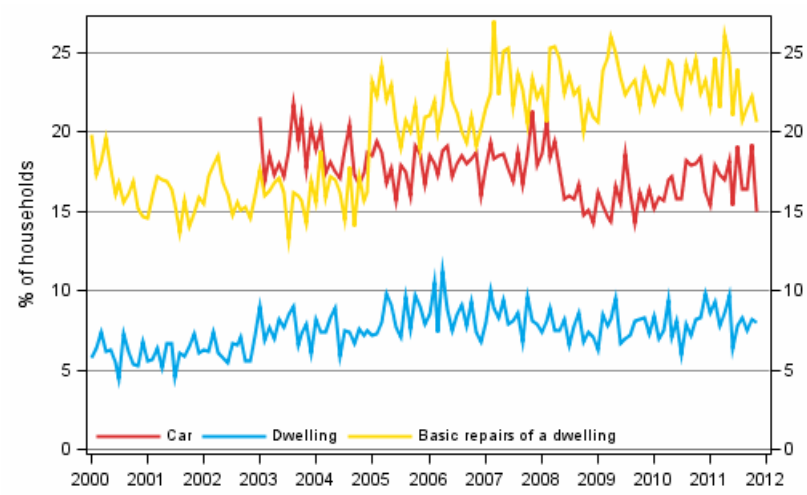
**Appendix figure 9. Intentions to raise a loan, next 12 months**



**Appendix figure10. Spending on durable goods, next 12 months vs last 12 months**



**Appendix figure 11. Intentions to buy, next 12 months**



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Suomen virallinen tilasto  
Finlands officiella statistik  
Official Statistics of Finland

Income and Consumption 2011

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Source: Consumer Survey 2011, November. Statistics Finland