

# Consumer Survey

2012, December

## Consumers believe in their saving possibilities

Consumers' confidence in the economy continued to strengthen slightly. The consumer confidence indicator stood at 3.5 in December whereas in November it was 1.0 and in October -1.6. Confidence in the economy was slightly higher than one year ago in December (0.4) but clearly below the long-term average (12.6). The data are based on Statistics Finland's Consumer Survey, for which 1,365 people resident in Finland were interviewed between 3 and 17 December.

### Consumer confidence indicator (CCI)



\* average 10/1995 - 12/2012

Of the four components of the consumer confidence indicator, only consumers' already bright assessments about their own saving possibilities improved significantly in December from the previous month. In addition, views on development of employment in Finland were less pessimistic than before. Consumers' expectations concerning their own and Finland's economy remained unchanged in December, the former cautious and the latter gloomy.

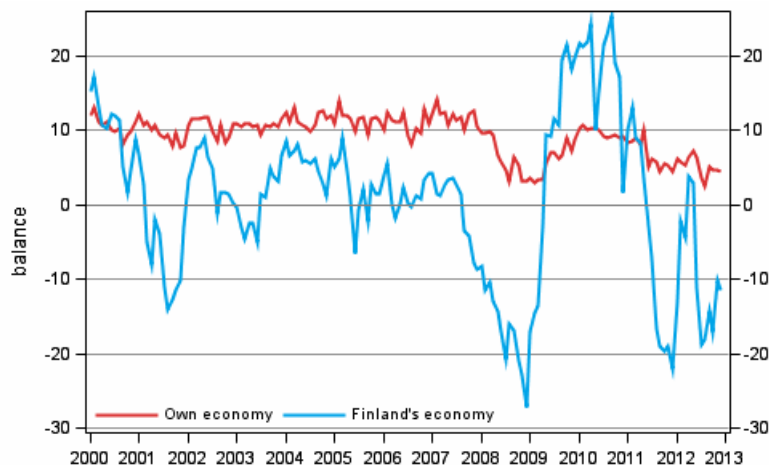
Employed consumers felt some personal threat of unemployment in December. In addition, consumers thought in December that the time was more favourable for saving than for raising a loan or buying durable goods.

### Consumers' own and Finland's economy

In December, 23 per cent of consumers believed that Finland’s economic situation would improve in the coming twelve months, while 40 per cent of them thought that the country’s economy would deteriorate. In last year’s December, the corresponding proportions were 14 and 51 per cent.

In all, 24 per cent of consumers believed in December that their own economy would improve and 17 per cent of them feared it would worsen over the year.

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



**Unemployment and inflation**

In December, 11 per cent of consumers expected that unemployment would decrease in Finland over the next 12 months, while 61 per cent of them believed it would increase. The corresponding proportions were 9 and 68 per cent in November and 11 and 63 per cent one year ago.

In December, 10 per cent of employed persons believed that their personal threat of unemployment had lessened over the past few months, whereas 21 per cent thought it had grown. Nearly half (47%) of employed persons thought the threat of unemployment had remained unchanged and one-fifth (22%) felt that they were not threatened by unemployment at all.

Consumers predicted in December that consumer prices would go up by 3.1 per cent over the next 12 months. The long-term predicted average inflation rate is 2.2 per cent.

**Saving and taking out a loan**

In December, 57 per cent of consumers considered the time favourable for saving. Twelve months ago, the respective proportion was 65 per cent. Two out of three households (66%) had been able to lay aside some money in December and four out of five (81%) believed they would be able to do so during the next 12 months. The latter proportion was 78 per cent in November.

In December, 56 per cent of consumers regarded the time good for raising a loan. One month ago, the respective proportion was 62 per cent and one year ago, 40 per cent. In December, slightly fewer households than usual, or 11 per cent of them, were planning to raise a loan within one year.

**Buying of durable goods**

Thirty-six per cent of consumers considered the time favourable for buying durable goods in December. As many (36%) regarded consuming as a bad idea. Despite moderate consumption intentions, 16 per cent of households were fairly or very certain to buy a car and seven per cent a dwelling in the next twelve months. In December, 19 per cent of households were planning to make renovations to their dwelling.

### Consumers' views of the economy

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	12/2011	11/2012	12/2012	Outlook
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	12,6	22,9	-6,5	0,4	1,0	3,5	--
B2 Own economy in 12 months' time (balance)	8,7	14,1	2,3	4,6	4,6	4,4	--
B4 Finland's economy in 12 months' time (balance)	3,8	25,3	-27,1	-22,0	-10,1	-11,4	--
B6 Inflation in 12 months' time (per cent)	2,2	4,6	0,6	3,1	3,2	3,1	
B7 Unemployment in Finland in 12 months' time (balance)	-0,6	27,6	-51,1	-29,9	-34,5	-28,1	--
B8 Own threat of unemployment now (balance)	0,6	7,6	-18,8	-6,9	-6,6	-5,8	-
C1 Favourability of time for purchasing durables (balance)	19,8	41,8	-14,2	-0,0	5,0	0,1	--
C2 Favourability of time for saving (balance)	11,7	36,8	-19,6	20,1	9,4	10,1	+/-
C3 Favourability of time for raising a loan (balance)	17,4	42,0	-47,1	-10,7	17,5	9,7	-
D2 Household's saving possibilities in the next 12 months (balance)	38,3	52,2	10,9	48,9	43,9	49,0	+

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 population and sample of the Survey

The population of the Consumer Survey comprises 4.4 million persons aged 15 to 84 and their 2.6 million households in Finland. The population was extended to persons aged 75 to 84 starting from January 2012. The gross size of the monthly sample of the Survey is 2,350 persons (previously 2,200 persons).

In December, the non-response rate of the Survey was 41.9 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.

The extension of the population, that is, responses from persons aged 75 to 84, is estimated to have weakened the value of the consumer confidence indicator by good one unit starting from January 2012.

### EU results

The (seasonally adjusted) Consumer Survey results for all EU countries are 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)

# Contents

1. Method of the Consumer Survey.....	6
---------------------------------------	---

## *Tables*

### **Appendix tables**

Appendix table 1. Consumers' views and intentions.....	7
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## *Figures*

### **Appendix figures**

Appendix figure 1. Consumer confidence indicator (CCI).....	9
Appendix figure 2. Micro and macro indicators.....	9
Appendix figure 3. Own economy.....	9
Appendix figure 4. Finland's economy.....	10
Appendix figure 5. Inflation.....	10
Appendix figure 6. Unemployment.....	10
Appendix figure 7. Favourability of time for.....	11
Appendix figure 8. Household's financial situation.....	11
Appendix figure 9. Household's intentions to raise a loan, next 12 months.....	11
Appendix figure 10. Spending on durables, next 12 months vs last 12 months.....	12
Appendix figure 11. Household's intentions to buy, next 12 months.....	12

# *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 2,350 persons monthly. The non-response rate nowadays being about 35 per cent, approximately 1,500 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 84-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**

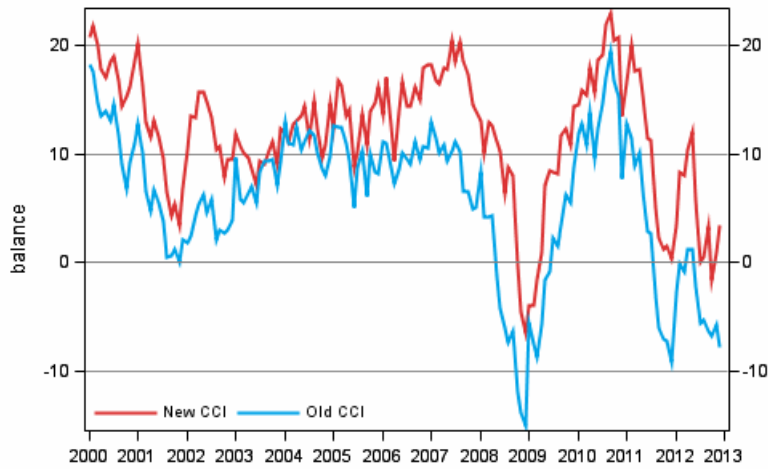
	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	12/2011	11/2012	12/2012	Outlook
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	12,6	22,9	-6,5	0,4	1,0	3,5	--
A2 Old CCI = (B1+B2+B3+B4+C1)/5	7,6	19,4	-15,0	-9,1	-5,7	-7,7	--
A3 Micro indicator = (B2+D1+D2)/3	24,9	33,4	9,5	28,7	26,7	28,6	+
A4 Macro indicator = (B4+B7)/2	1,6	22,8	-39,1	-26,0	-22,3	-19,8	--
B1 Own economy now (balance)	4,6	9,8	-4,0	3,2	0,8	0,6	--
- Better (%)	24,1	30,6	16,7	23,3	20,0	20,1	
- Worse (%)	15,9	22,7	11,4	18,0	18,1	19,7	
B2 Own economy in 12 months' time (balance)	8,7	14,1	2,3	4,6	4,6	4,4	--
- Better (%)	26,0	33,4	18,2	22,3	22,8	24,1	
- Worse (%)	10,8	17,2	6,6	14,4	15,8	17,0	
B3 Finland's economy now (balance)	0,9	29,5	-60,9	-31,3	-28,9	-32,3	--
- Better (%)	28,8	62,1	2,0	6,7	7,9	6,5	
- Worse (%)	24,5	88,5	4,2	60,8	56,9	61,1	
B4 Finland's economy in 12 months' time (balance)	3,8	25,3	-27,1	-22,0	-10,1	-11,4	--
- Better (%)	30,9	57,3	11,6	14,1	21,1	23,3	
- Worse (%)	22,1	57,3	6,0	50,7	37,5	40,1	
B5 Inflation now (per cent)	2,3	5,8	-2,0	3,6	3,5	3,3	
B6 Inflation in 12 months' time (per cent)	2,2	4,6	0,6	3,1	3,2	3,1	
B7 Unemployment in Finland in 12 months' time (balance)	-0,6	27,6	-51,1	-29,9	-34,5	-28,1	--
- Less (%)	32,7	60,8	6,4	10,6	9,0	11,3	
- More (%)	31,5	83,3	6,9	63,4	68,1	61,1	
B8 Own threat of unemployment now (balance)	0,6	7,6	-18,8	-6,9	-6,6	-5,8	-
- Decreased (%)	13,6	20,0	5,3	8,8	10,9	9,5	
- Increased (%)	15,3	31,9	7,9	21,7	23,2	20,9	
C1 Favourability of time for purchasing durables (balance)	19,8	41,8	-14,2	-0,0	5,0	0,1	--
- Favourable time (%)	45,1	62,4	29,6	36,6	38,5	36,0	
- Unfavourable time (%)	25,3	45,7	17,7	36,6	33,5	35,9	
C2 Favourability of time for saving (balance)	11,7	36,8	-19,6	20,1	9,4	10,1	+/-
- Good time (%)	58,9	80,7	33,4	64,8	56,9	56,8	
- Bad time (%)	35,3	58,5	15,5	31,6	37,6	38,9	
C3 Favourability of time for raising a loan (balance)	17,4	42,0	-47,1	-10,7	17,5	9,7	-
- Good time (%)	62,1	78,2	13,3	40,4	61,7	55,9	
- Bad time (%)	30,5	83,4	12,1	55,1	32,5	38,4	
D1 Household's financial situation now (balance)	27,8	35,1	14,7	32,5	31,6	32,2	+
- Can save (%)	58,6	70,0	38,6	66,3	64,9	65,5	
- Uses savings or gets into debt (%)	6,7	10,1	4,5	6,1	6,7	5,9	

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	12/2011	11/2012	12/2012	Outlook
D2 Household's saving possibilities in the next 12 months (balance)	38,3	52,2	10,9	48,9	43,9	49,0	+
- Can save (%)	73,2	82,3	56,6	80,9	77,6	80,7	
- Cannot save (%)	24,8	40,3	16,5	18,1	20,6	18,5	
D5 Household's intentions to raise a loan in the next 12 months (% of households)	13,4	17,8	9,1	11,6	11,7	11,2	--
- Yes, certainly (%)	5,6	8,5	3,1	5,2	5,0	5,1	
- Possibly (%)	7,8	11,4	5,2	6,4	6,7	6,1	
E1 Spending on durables, next 12 months vs last 12 months (balance)	-8,1	-2,4	-18,2	-12,5	-12,2	-12,3	--
- More (%)	22,4	30,8	14,3	17,4	16,6	17,0	
- Less (%)	32,5	40,4	26,5	34,4	33,7	33,5	
E2 Intentions to buy a car in the next 12 months (% of households)	17,3	21,7	13,6	14,8	14,6	15,7	-
- Very likely (%)	8,9	12,1	5,9	6,6	7,0	7,3	
- Fairly likely (%)	8,4	10,4	6,2	8,1	7,7	8,4	
E4 Intentions to buy a dwelling in the next 12 months (% of households)	7,1	11,3	4,1	7,3	7,7	6,6	-
- Yes, certainly (%)	3,1	5,2	1,3	3,3	2,9	3,1	
- Possibly (%)	4,0	6,2	2,2	4,0	4,9	3,4	
E5 Intentions to spend money on basic repairs of dwelling in the next 12 months (% of households)	18,7	27,0	9,8	21,6	20,4	18,7	+/-
- Very likely (%)	12,3	19,0	5,0	13,9	14,0	12,8	
- Fairly likely (%)	6,4	9,1	3,2	7,6	6,4	5,9	

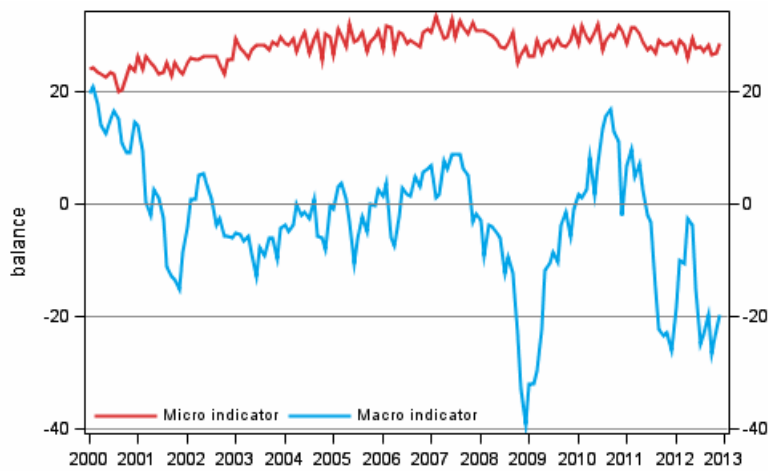


# Appendix figures

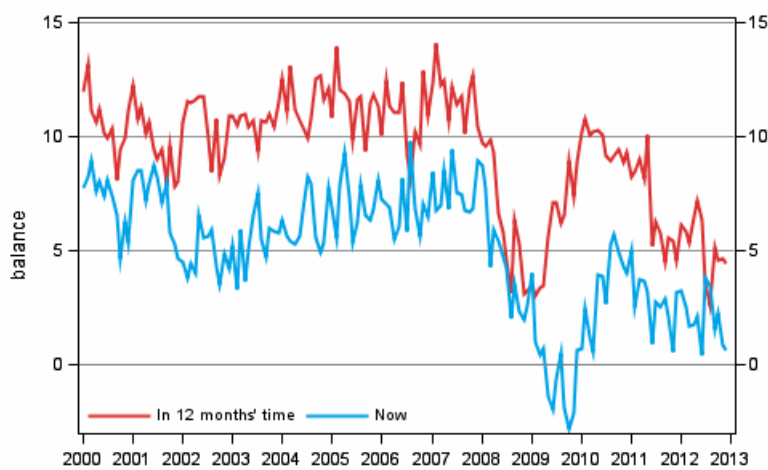
**Appendix figure 1. Consumer confidence indicator (CCI)**



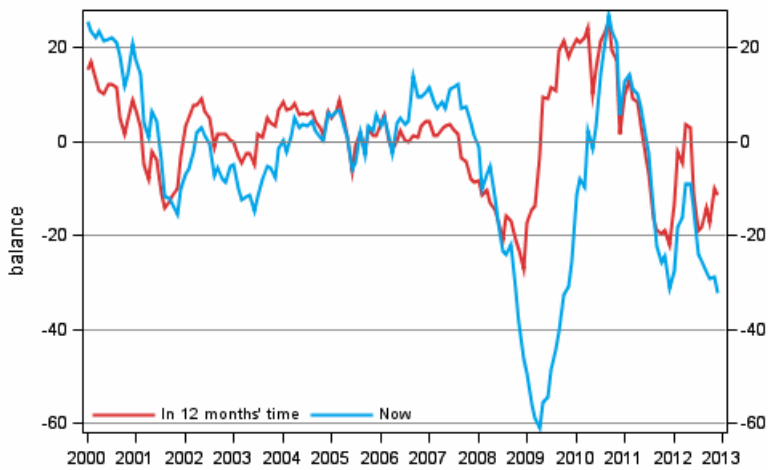
**Appendix figure 2. Micro and macro indicators**



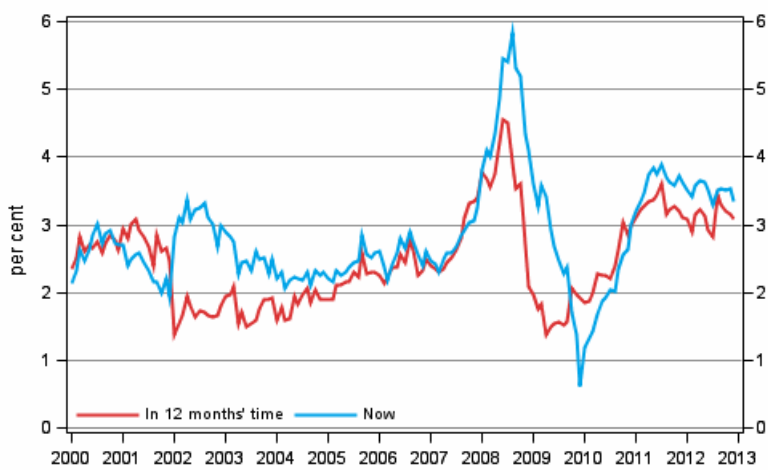
**Appendix figure 3. Own economy**



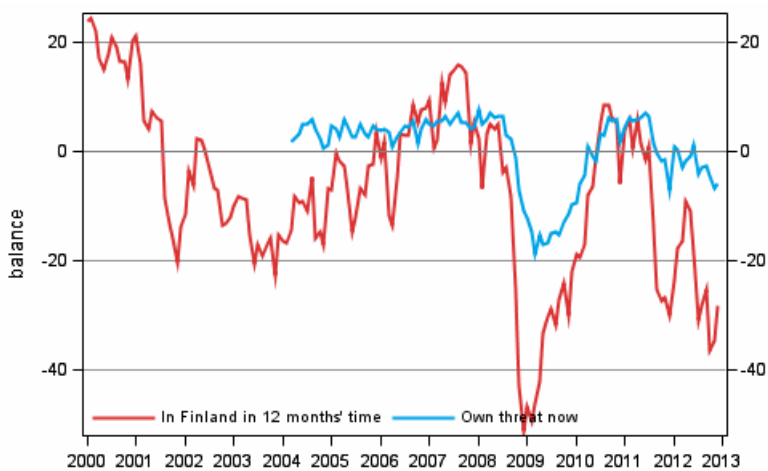
**Appendix figure 4. Finland's economy**



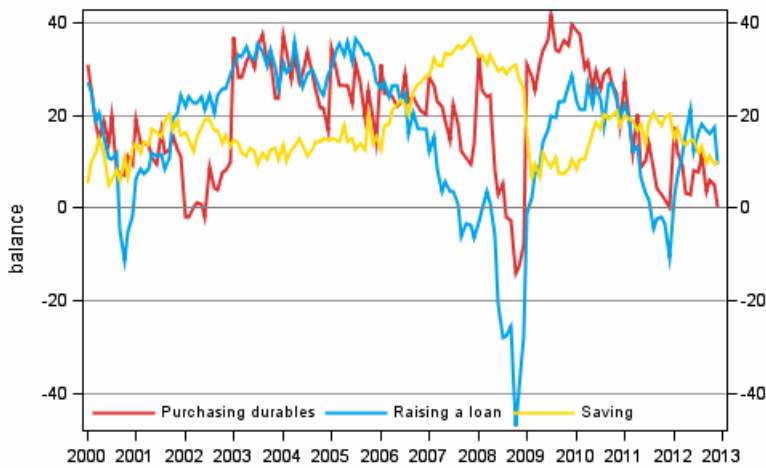
**Appendix figure 5. Inflation**



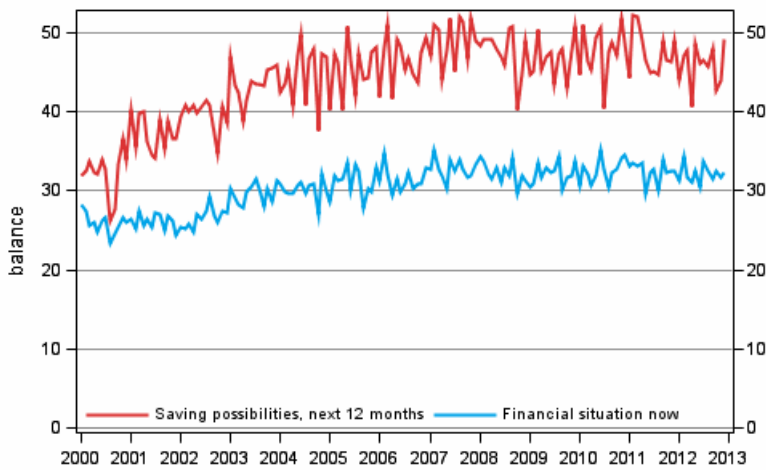
**Appendix figure 6. Unemployment**



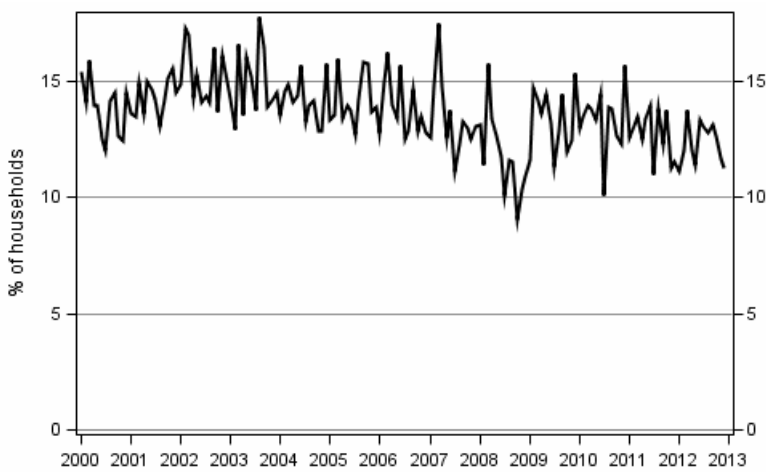
**Appendix figure 7. Favourability of time for**



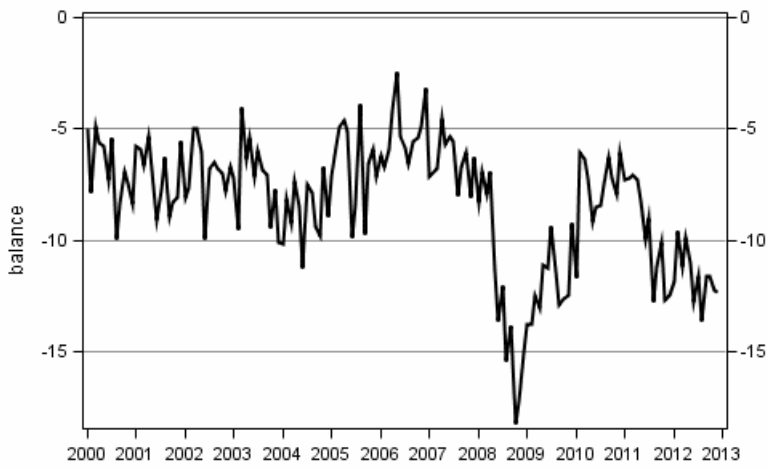
**Appendix figure 8. Household's financial situation**



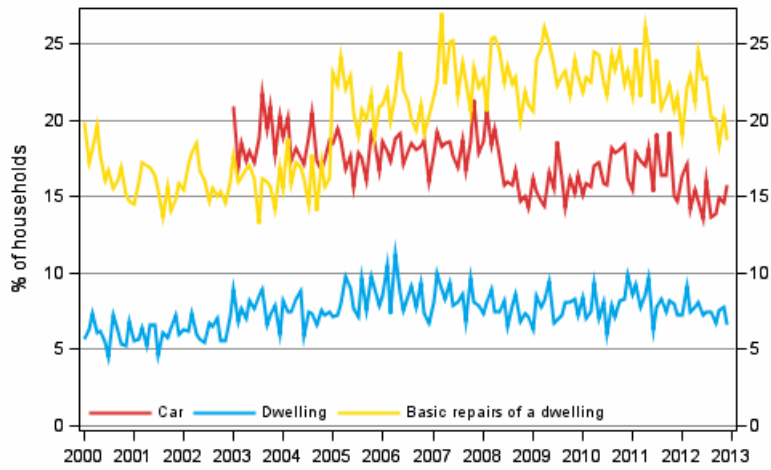
**Appendix figure 9. Household's intentions to raise a loan, next 12 months**



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



**Appendix figure 11. Household's intentions to buy, next 12 months**



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Suomen virallinen tilasto  
Finlands officiella statistik  
Official Statistics of Finland

Income and Consumption 2012

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Source: Consumer Survey 2012, December. Statistics Finland