



# Global Consumer Confidence Report

September 2006

# Indian consumers still on top of the world: ACNielsen

**Six of the world's most optimistic markets hail from Asia Pacific**

**Economy and job security continue to worry the region's consumers**

**Concern for health top of mind for consumers in Europe**

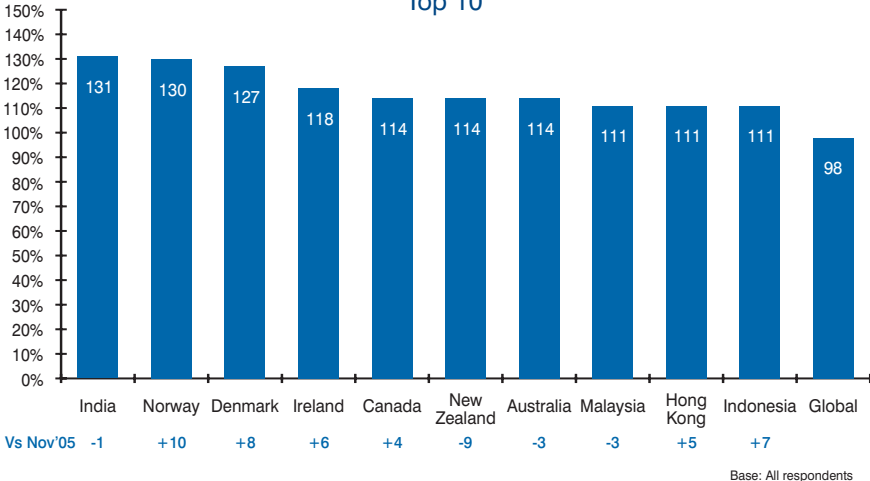
Global consumers' confidence remains at 2005 levels, with Indians leading the world in the 2006 ACNielsen Global Consumer Confidence Index, followed by the Norwegians and Danes.

According to ACNielsen, the world's leading market research and information company, the 2006 ACNielsen Global Consumer Confidence Index hit 98, showing confidence levels of the world's consumers on a par with those in November 2005, when the survey was last conducted. In the regions, only North America managed to maintain confidence at its November 2005 levels, while Asia Pacific and Europe both experienced a drop.

India again tops the world with the highest score of 131, closely followed by Scandinavians, who made their way into the ranking as the world's second and third most optimistic markets, with Norway and Denmark hitting 130 and 127 respectively.

"Consumers in India remain very optimistic about their economy and are upbeat about the future, with India topping the world as the most optimistic nation for the third time in a row since the Index was established in early 2005", said Tom Markert, Senior Vice President, VNU Marketing Information Group. "India's score climbed from 94 to 132 and settled at 131 this time round. Besides India, six out of the top 10 most optimistic markets all hail from Asia Pacific".

**Global Consumer Confidence Index  
Top 10**



The survey found that the world's most optimistic consumers live in Asia Pacific, in spite of New Zealand, Australia and Malaysia registering a drop in their scores in this survey. On the other hand, Hong Kong (111) and Indonesia (111) registered an increase of five and seven points respectively.

"This is a major turnaround for Indonesia, which has gradually climbed the Global Confidence ranking, making it into the top 10 most optimistic countries list for the first time", commented Mr. Markert.

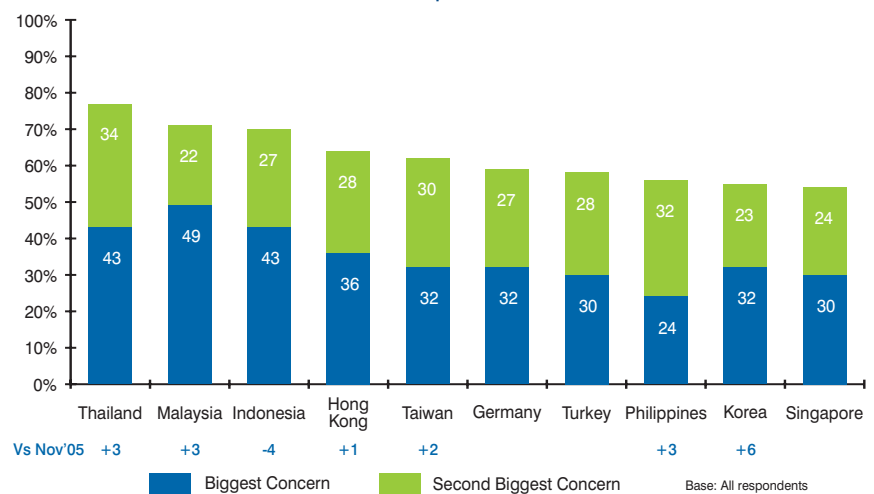
### Major concerns

While overall consumer confidence has been sustained, globally, consumers continue to cite the Economy (47%), Health (37%) and Job Security (31%) as their major concerns for the next six months. Their level of importance however, varies by regions. The Economy and Job Security rank highly in Asia Pacific, and concern about Health is top of mind among many Europeans. Interestingly, compared to other regions, North Americans were the least concerned about Job Security.

Led by Thailand (77%), Malaysia (71%) and Indonesia (70%), eight of the 10 markets expressing greatest concern for the Economy originated from Asia Pacific, with many of them experiencing an increase in concern compared to when the survey was conducted last November. On the other hand, Filipinos and Koreans appear to be less concerned with

their Economy, with 55 percent of consumers citing the Economy as their major concern compare to 69 percent and 64 percent respectively in the previous survey. Germany and Turkey are the other, and only, two European markets concerned about the Economy, taking over from Greece and Austria who both made the top 10 list in the previous survey.

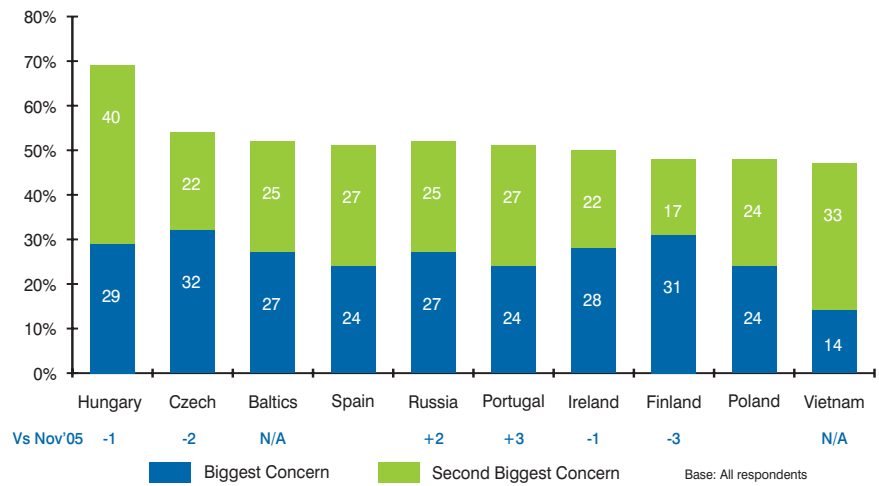
Major Concerns – The Economy  
Top 10



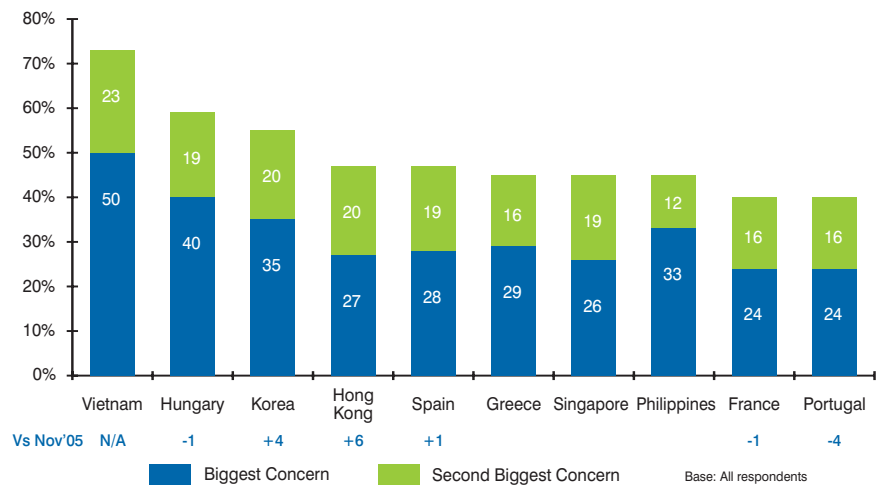
A newcomer to the global survey, Vietnam, ranked first on the global list with nearly three quarters of Vietnamese concerned about Job Security, followed by Hungary (59%) at a distant second and Korea (55%). Other Asian markets occupying the list were Hong Kong, Singapore and the Philippines. Interestingly, Greece replaced Germany as one of the European countries most concerned when it comes to Job Security.

Ever since reports of outbreaks of the avian flu first appeared in Europe, on the tail of an occasional mad-cow outbreak, consumers on the European continent have shown increasing concern for their own health, surpassing their North American counterparts with an eight-point increase in concern for their health. In the latest survey, nearly four in 10 Europeans cited Health as one of their major concerns, followed by those in Asia Pacific (36%) and North America (34%). Topping the world with the greatest number of hypochondriacs were Hungary, Czechoslovakia and people in the Baltics.

Major Concerns – Health  
Top 10



Major Concerns – Job Security  
Top 10



While not always a top of mind concern for consumers in Asia Pacific, Political Stability appears to be a major concern for more than four in 10 people in Thailand and Taiwan, surpassing more personal concerns such as Job Security and Health, and representing an increase of 23 percentage points for Thailand, and eight percentage point for Taiwan compare to the last round of the survey in November.

### Buying things over the next 12 months

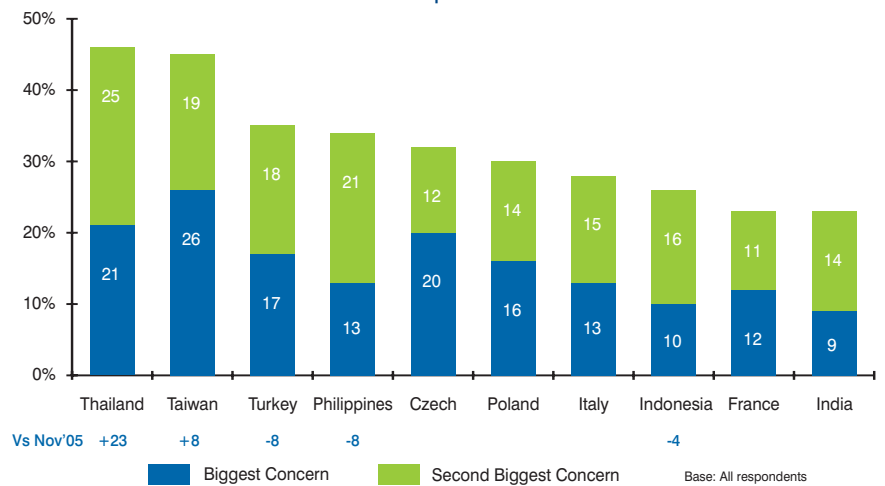
More consumers this time round claim not to have any spare cash compared to the previous survey and more than half of online consumers globally consider it not a good time to buy things they want over the next 12 months.

Among those who think 'now is a good time to buy things I want' are North Americans (48%) despite rising national concern for personal debt and soaring fuel prices. More cautious are consumers in Europe and Asia Pacific where only 40 percent and 34 percent respectively believe that "now" is a good time to spend.

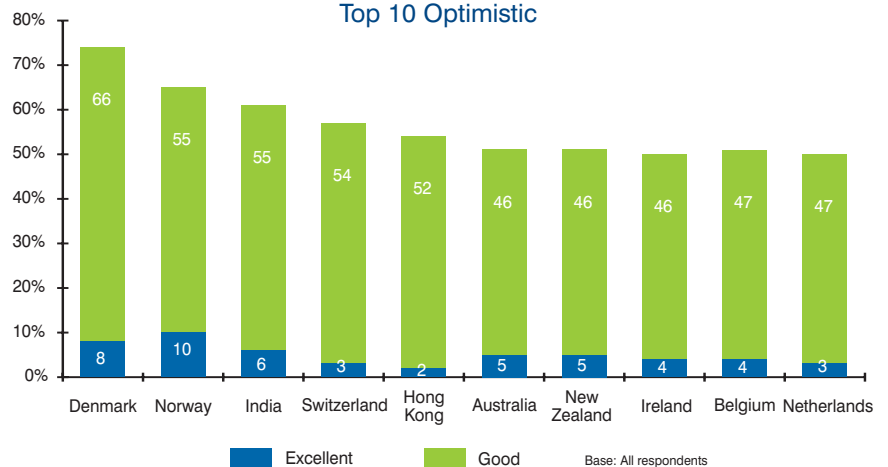
"Consumers who are most likely to go on a spending spree in the next twelve months hail from Denmark (74%), Norway (65%) and India (61%). "In Asia Pacific, over half of consumers

in Hong Kong (54%), Australia and New Zealand (52% each) think it is a good time to indulge themselves in some retail buying therapy."

Major Concerns – Political Stability  
Top 10



Good or bad time to buy the things you want and need over the next 12 months  
Top 10 Optimistic



## Spending intentions after covering living expenses

Continuing the trend from previous surveys, the world's top savers are still to be found in Asia Pacific. 54 percent of Asia Pacific consumers will put their spare cash into savings, compared to 37 percent of North Americans and 29 percent of Europeans. "Asian nations occupy every position in the "Top Ten Global Savers" list, with Thailand (70%) topping the global ranking with the highest percentage of savers and a significant 15 percentage points increase compared to six months ago," Markert added. Six in 10 consumers in Philippines, Singapore and Taiwan also opt to save any spare cash.

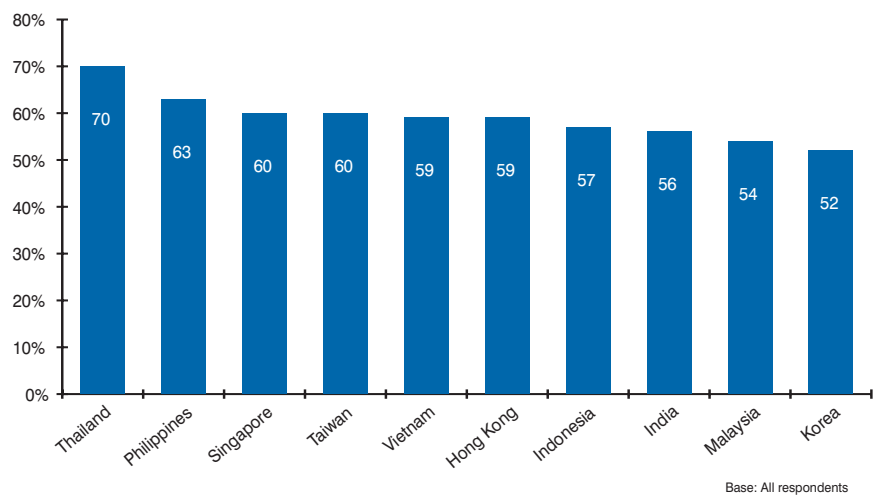
"Economic and cultural factors influence Asians penchant to save for a rainy day, with levels higher than other part of the world. With more than a third of consumers in Asia Pacific concerned about job security, putting spare cash into saving is certainly the safest financial option for consumers who may feel insecure about their jobs," said Markert.

When consumers were asked how they spend money left after covering essential living expenses, Holidays/Vacations topped the spending list with 34 percent of global online consumers choosing it, followed by a third for Out of Home Entertainment, Paying Off Debts/Credit Card Bills/Loans and New Clothes respectively. A quarter would also choose to spend on Home Improvements/Decorating and New Technology and increasingly, 16 percent would invest in the Stock/Mutual Funds. Spending habits and priorities varied by region, with Holidays

topping the list for European and Asia Pacific consumers - while paying off Debts/Credit Cards/Loans were a priority for North Americans (42%).

In Asia Pacific, while Holidays/Vacations (37%) has consistently been the number one preference for consumers to indulge themselves, priorities for other spending options have changed over time, consumers now opt to spend on Out of Home Entertainment (30%) and New Clothes (28%) rather than New Technology (24%) gadgets.

Utilising spare cash after covering essential living expenses  
Top 10 Putting into Savings

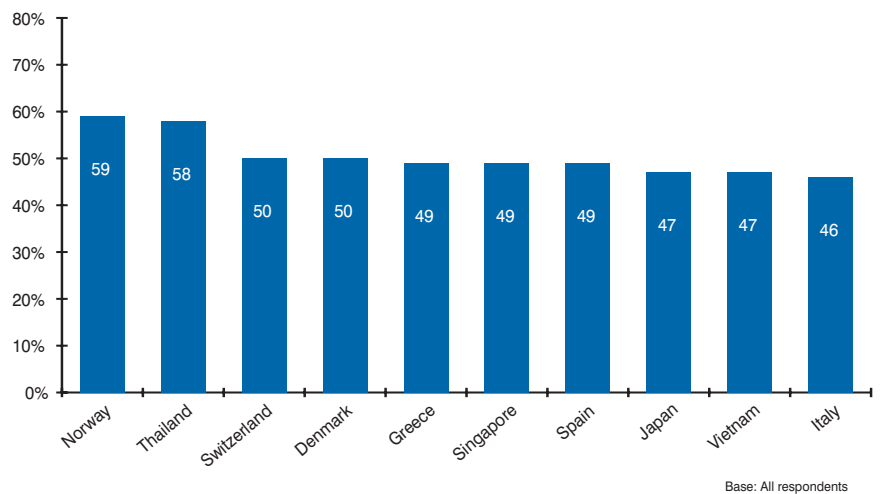


Thai consumers (58%) top the Asia Pacific region and rank second on the global list following Norwegians (59%) in opting to spend their spare cash on Holidays/Vacations. Singaporeans, Vietnamese and Japanese are the other passionate travellers on the global list.

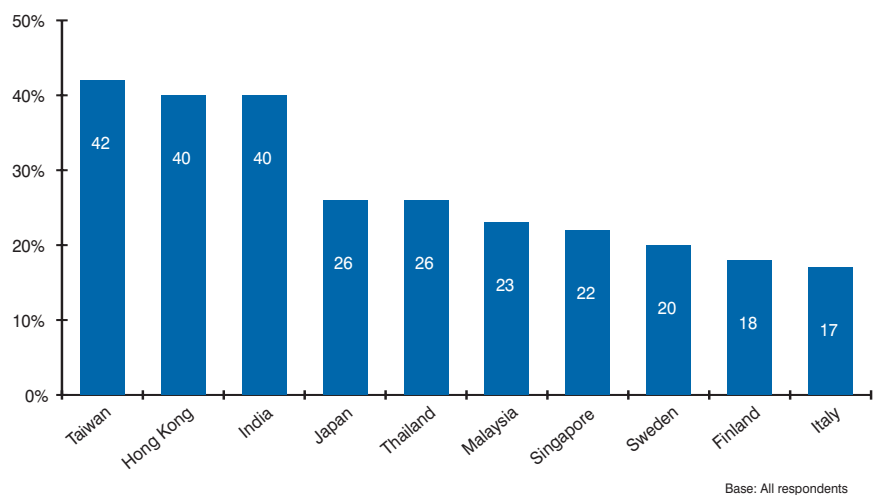
Out of home entertainment is most sought-after by over half of Russians and Vietnamese. Fashion conscious Russians (71%) are equally interested in Buying New Clothes with any spare cash, along with people in Greece (50%).

Globally, consumers in Asia Pacific also seem to be more interested in playing the financial markets than any other region with one in four consumers choosing to invest in stocks/mutual funds. This trend is led by Taiwan (42%), Hong Kong and India (each 40%). Seven out of the top ten countries that invest in the financial markets all hail from Asia Pacific.

Utilising spare cash after covering essential living expenses  
Top 10 Spend on Holidays/Vacations



Utilising spare cash after covering essential living expenses  
Top 10 Spend on Shares/Mutual Fund



## The Survey

The ACNielsen Online Consumer Confidence and Opinion Survey is the largest half-yearly survey of its kind aiming at gauging current confidence levels, spending habits/intentions and current major concerns of consumers across the globe. The ACNielsen Consumer Confidence Index is developed based on consumer's confidence in the job market, status of their personal finance and their readiness to spend. The latest survey, conducted in late May/early June, polled about 21,780 internet users in 40 markets from Europe, Asia Pacific, North America to the Baltics.

## About ACNielsen

ACNielsen, a VNU business, is the world's leading marketing information provider. Offering services in more than 100 countries, the unit provides measurement and analysis of marketplace dynamics and consumer attitudes and behaviour. Clients rely on ACNielsen's market research, proprietary products, analytical tools and professional service to understand competitive performance, to uncover new opportunities and to raise the profitability of their marketing and sales campaigns. To learn more, visit [www.acnielsen.com](http://www.acnielsen.com).

## The 40 Markets covered in the July 2006 Global Online Survey were:

### Europe:

Austria  
Belgium  
Czech Republic  
Denmark  
Finland  
France  
Germany  
Greece  
Hungary  
Ireland  
Italy  
Netherlands  
Norway  
Poland  
Portugal  
Spain  
Sweden  
Switzerland  
Turkey  
UK

### Baltics:

Estonia  
Latvia  
Lithuania

### Asia Pacific:

Australia  
Hong Kong  
India  
Indonesia  
Japan  
South Korea  
Malaysia  
New Zealand  
Philippines  
Singapore  
Taiwan  
Thailand  
Vietnam

### North America:

USA  
Canada

### Other:

Russia  
South Africa

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