



Money-Saving Measures:

A Global Consumer Report

April 2006



All about your consumers

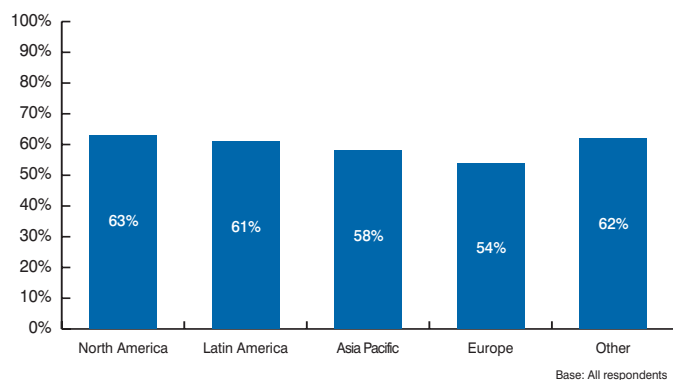
Social lives and personal image the first to suffer when the going gets tough: ACNielsen

Out of home entertainment, spending on new clothes and upgrading technology are consumers top three belt-tightening strategies globally

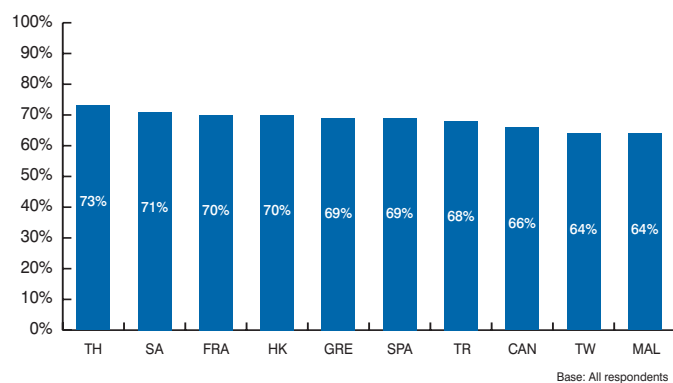
When the cost of living is rising faster than salaries can keep pace with, the world's consumers are fairly unanimous about what they'd cut back on to avoid blowing their budget, with out of home entertainment, spending on new clothes and upgrading technology the top three

belt-tightening strategies worldwide, according to a recent online survey by ACNielsen, the world's leading market research and information company. The survey, conducted in November 2005, polled over 23,500 respondents – regular Internet users – in 42 markets.

Percentage that will cut down on out of home entertainment



Top 10 markets that will cut down on out of home entertainment



Just over half the respondents claimed they would cut down on out of home entertainment (57%) and spend less on new clothes (53%) to stay within their budgets, with nearly half (48%) also saying they would delay upgrading technology to tighten their belts.

Across the five regions surveyed, consumer priorities varied, most notably in North America. While out of home entertainment was the first thing consumers would cut down on in Latin America (61%), Asia Pacific (58%) and Europe (54%), in North America, the first thing to go for 70 percent of Canadians and 66 percent of Americans would be the take-away meal, ahead of out of home entertainment, which ranked second. Moreover, North Americans cited 'trying to save on gas and electricity' as their third preferred cost-saving measure.

To a degree, the strategies reflect lifestyles in each region, and the potential for where the biggest saving can be made. It also reflects priorities – where consumers will look first to cut back, and also where they are not prepared to make concessions. Clearly for most consumers, out of home entertainment is an area of discretionary spending and where savings can be readily made. Similarly, not upgrading your mobile phone or laptop with the latest version, or making do with last season's colours, isn't going to kill you, if you have to go without.

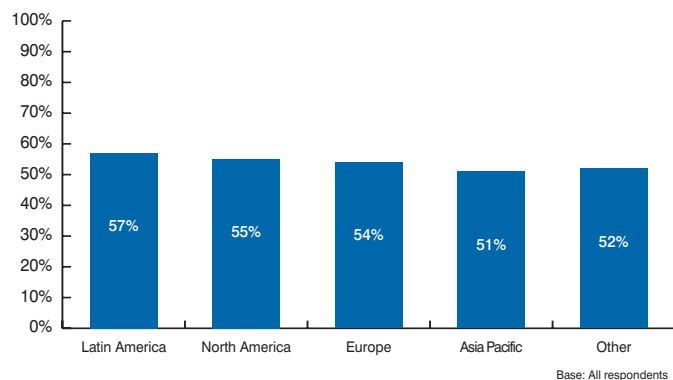
Staying home to entertain themselves Compared to a global average of 57 percent, Thais (73%), South Africans (71%), the French and Hong Kongers (70%) were most likely to opt for staying home when the going got tough.

Making do with last season's fashion Compared to a global average of 53 percent, more than two thirds of Brazilians (70%), Italians (66%) and Irish (66%) would cut back on the latest fashion.

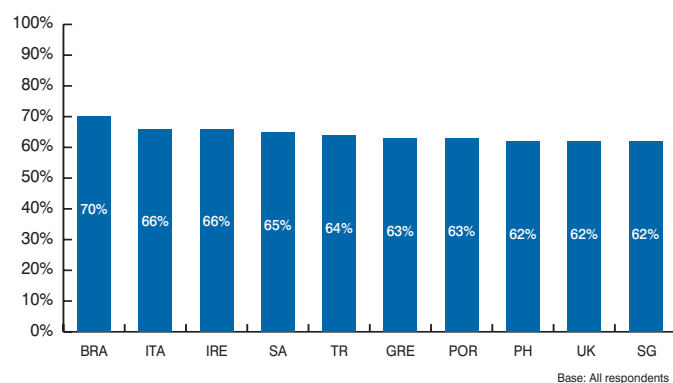
Top three cost saving measures by region

	North America	Europe	Asia Pacific	Latam	Other
1	Takeaways	Entertainment	Entertainment	Entertainment	Entertainment
2	Entertainment	Clothes	Takeaways	Technology	Clothes
3	Gas/Electric	Technology	Clothes	Clothes	Technology

Percentage that will spend less on new clothes



Top 10 markets that will spend less on new clothes



Settling for the current version of their PC, mobile phone

Against a global average of 48 percent, nearly two thirds of Filipinos, Taiwanese and Thais (61%) would delay upgrading their personal technology. Indeed, six of the 10 markets most likely to cut back on technology upgrades hailed from Asia Pacific. The Germans were least likely to make this kind of saving, and the Japanese, renowned for their high technology adoption, were third least likely to delay an upgrade to the next best thing.

Sparing their waistline along with their cash

Most likely to cut down on takeaways were the Canadians (70%), followed by South Africans (68%), Australians and Mexicans (67%). Least likely to cut down on takeaways were the Hong Kongers, where only 17 percent said they would take this action. The takeaway may be regarded by Hong Kongers as one of life’s essentials, rather than a discretionary purchase – a recent ACNielsen study, LifeChoices, found that in Hong Kong as well as a number of other Asian markets, many no longer cook at home, preferring to outsource all their catering needs.

Turning out the lights to save on energy bills

Most likely to cut back on energy sources are Filipinos (69%), Mexicans

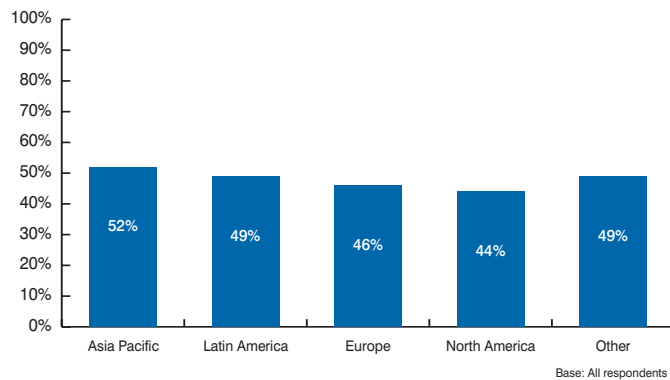
(64%) and Americans (61%). Least likely to turn down the heating or the lights were the Russians, Finns (11%) and Swedish (12%), where perhaps the long nights and need for warmth override the need to cut costs.

Putting off replacing major household items was the cost savings strategy most preferred by the Dutch (54%), South Africans and Finns (51%).

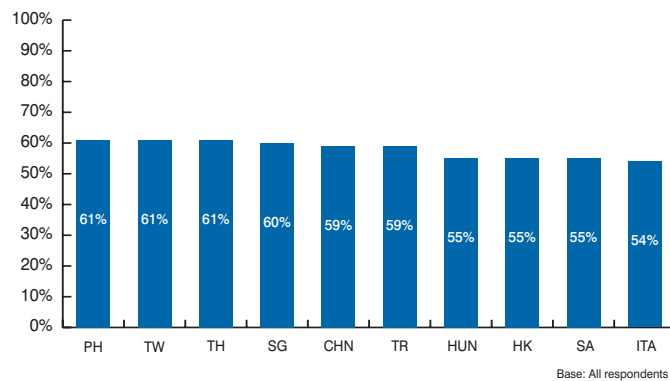
A switch to cheaper grocery brands

was the strategy most preferred by over half of the French, Portuguese, Austrians and Dutch. In fact, seven of the markets most likely to switch to cheaper brands hailed from Europe – an indicator of the strength of Private Label in this region. Least likely to switch to cheaper brands are Indians (10%), Koreans (13%) and Arabs (10%).

Percentage that will delay upgrading technology



Top 10 markets that will delay upgrading technology



Cutting down on mobile phone use

was most likely to be the option for South Africans, Brazilians and Mexicans. Swedes (10%), Hong Kongers (12%) and Danes (14%) were least likely to opt for this belt-tightening strategy.

Foregoing the annual vacation

was one way to save for Brazilians, Austrians and Singaporeans, while at the other end of the scale, the least likely to cut out an annual vacation were the Swedes. In fact, all four Nordic countries ranked in the bottom 10 least likely to cut out their annual vacation, in company with the Malaysians, Chinese and Kiwis.

Using their vehicle less

Americans, Canadians and Australians were most likely to opt for public transport or walk instead, while only 10 percent of Hong Kongers thought this a worthwhile strategy – and possibly a reflection of the low car ownership in this market

Use coupons more often

Americans, French and Belgians were the most likely use coupons more often.

Money-saving strategies

	Global Average	Most likely to	Least likely to
Cut down on out of home entertainment	57%	Thailand South Africa France/Hong Kong	Germany Hungary Sweden
Spend less on new clothes	53%	Brazil Italy Ireland	Indonesia Sweden Germany
Delay upgrading technology	48%	Philippines Taiwan Thailand	Germany Sweden Japan
Cut down on take-away meals	44%	Canada South Africa Mexico/Australia	Hong Kong Thailand Italy
Save on gas and electricity	37%	Philippines Mexico US	Russia Finland Sweden
Delay replacement of major household items	36%	Netherlands South Africa Finland	Czech Republic Sweden Germany
Switch to cheaper grocery brands	35%	France Portugal Austria/NL/PH/ARG	India Korea UAE
Cut down on telephone expenses	34%	South Africa Brazil Mexico	Sweden Hong Kong Denmark
Cut out annual vacation	29%	Brazil Austria Singapore	Sweden Malaysia China
Use vehicle less often	27%	US Canada Australia	Hong Kong Denmark Russia
Use coupons more often	19%	US France Belgium	Norway Denmark UAE
Look for better deals on loans, insurance, cc	17%	Norway Russia UK	Hungary Czech Republic Spain
Cut down on smoking	10%	Austria Germany Chile	Sweden Hong Kong Denmark
Buy cheaper brands of alcohol	8%	Ireland Japan Russia/UK	Indonesia Malaysia UAE



Categorising countries according to their money-saving strategies:
top three 'cut backs'

Party Poopers

- Austria** entertainment, cheaper grocery brands, vacation
- Belgium** entertainment, clothes, cheaper grocery brands
- Chile** entertainment, takeaways, clothes
- Czech Republic** entertainment, clothes, gas/electric
- France** entertainment, clothes, cheaper grocery brands
- Greece** entertainment, clothes, takeaways
- Hong Kong** entertainment, clothes, technology
- Japan** entertainment, gas/electric, clothes
- Norway** entertainment, technology, clothes
- Russia** entertainment, major household goods, clothes
- South Africa** entertainment, takeaways, clothes
- Spain** entertainment, clothes, technology
- Sweden** entertainment, clothes, technology
- Switzerland** entertainment, clothes, technology
- Taiwan** entertainment, technology, takeaways
- Thailand** entertainment, technology, clothes
- Turkey** entertainment, clothes, technology
- UAE** entertainment, technology, telephone

TechnoPhobes

- China** technology, takeaways, entertainment
- Hungary** technology, clothes, major household goods
- India** technology, clothes, gas/electricity

Power Savers

- Philippines** gas/electronic, clothes, technology

Categorising countries according to their money-saving strategies:
top three 'cut backs'

Fashion Victims

Brazil	clothes, vacation, entertainment
Denmark	clothes, entertainment, technology
Germany	clothes, use vehicle less, gas/electricity
Ireland	clothes, takeaways, entertainment
Italy	clothes, entertainment, technology
Netherlands	clothes, major household goods, technology
Poland	clothes, major household goods, entertainment
Portugal	clothes, entertainment, cheaper grocery brands
Singapore	clothes, technology, entertainment
UK	clothes, takeaways, technology

Fast Food Canners

Argentina	takeaways, entertainment, clothes
Australia	takeaways, entertainment, clothes
Canada	takeaways, entertainment, clothes
Indonesia	takeaways, entertainment, technology
Malaysia	takeaways, entertainment, technology
Mexico	takeaways, gas/electric, entertainment
New Zealand	takeaways, entertainment, clothes
South Korea	takeaways, entertainment, clothes
US	takeaways, gas/electric, entertainment

Less House Proud

Finland	major household goods, clothes, technology
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About the Survey

The ACNielsen Global Online Survey, the largest twice-yearly survey of its kind, is conducted to gauge consumers' attitudes and opinions towards a variety of topical issues. The most recent wave of the survey took place in November 2005 and polled over 23,500 consumers – regular Internet users – in 42 markets in Europe, North and Latin America, Asia Pacific region, Africa (Republic of South Africa) and the Middle East (UAE).

About ACNielsen

ACNielsen, a VNU business, is the world's leading marketing information provider. Offering services in more than 100 markets, 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.

The 42 Markets covered in the 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

Asia Pacific:

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

Latin America:

Argentina
Brazil
Chile
Mexico

North America:

USA
Canada

Other:

Russia
South Africa
United Arab Emirates

For further information, please visit:
www.acnielsen.com