



The Nielsen Company
160 McNabb Street
Markham, ON L3R 4B8
www.ca.nielsen.com

Media Alert

NIELSEN: CANADIAN CONSUMER CONFIDENCE ON DECLINE, RETURNS TO EARLY 2010 LEVELS

More than Half of Canadians Still Feel Country is in a Recession, Nearly One-Third Report No Spare Cash

JANUARY 24, 2011, Markham, ON: Canadian consumer confidence continues to decline, falling two index points to 99, (100 = average) according to the latest edition of the Nielsen Global Consumer Confidence Index. Still, Canada ranks higher than many nations around the globe, including the U.S. Canada's highest Index score, 114, was recorded in 2006.

"We're back where we started a year ago," said Carman Allison, director of Industry Insights, Nielsen. "With rising gas prices and energy costs on our minds, Canadians remain cautious when it comes to opening our wallets. We're still focused on value, and we're shopping discount retailers and buying on promotion at record levels. Saving on utility costs and spending less on groceries will continue to be cost-cutting measures for consumers in 2011."

Additional Insights:

- Despite the fact that the official end of the Canadian recession was recorded in Q3 2009, more than half (58 percent) of Canadians still feel the country is in a recession and only 19 percent think Canada will be out of the recession in the next 12 months.
- Even though unemployment has returned to pre-recession levels, Canadians are still concerned about job prospects, with 54 percent showing positive perceptions, down seven points from Q2 2010.
- In order to save on household expenses, Canadians tell Nielsen they are cutting down on out-of-home entertainment (61 percent), spending less on new clothes (60 percent), ordering less take-out meals (55 percent) and switching to cheaper grocery brands (55 percent).
- When economic conditions improve, Canadians report they will continue to try to save on gas and electricity (37 percent), order less take-out meals (36 percent) and spend less on groceries (32 percent).
- Increasing utility bills, the economy, health and debt are Canadians' top concerns.
- After covering essential living expenses, Canadians tell Nielsen they use spare cash to pay off debts/credit cards (34 percent), put money in savings (24 percent) or report they have no spare cash (28 percent).

About the Nielsen Global Consumer Confidence Survey

The Nielsen Global Consumer Confidence Survey was conducted between November 10 and 28, 2010 and polled over 29,000 consumers in 52 countries (including nearly 500 Canadians) about their confidence levels and economic outlook. The Nielsen Consumer Confidence Index is developed based on consumers' confidence in the job market, status of their personal finances and readiness to spend. The sample has quotas based on age and sex for each country based on their Internet users, and is weighted to be representative of Internet consumers and has a maximum margin of error of $\pm 0.6\%$.

About The Nielsen Company

The Nielsen Company is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence, mobile measurement, trade shows and related assets. The privately held company has a presence in approximately 100 countries, with headquarters in New York, USA. For more information on Nielsen measurement products, please visit, www.nielsen.com.

Media Inquiries:

Jennifer Frighetto, 847.605.5685 (o), 847.702.5304 (cell) or jennifer.frighetto@nielsen.com

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