

# Consumers and the Economic Outlook: Quarterly Update - UK - October 2014

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“The revival in confidence has stalled. Although the economy is picking up speed, the population as a whole isn't feeling the benefit of the recovery. People are as likely to say that they feel worse off than they did a year ago as they are to say that their finances have improved.”  
 – Toby Clark, Director of Research, EMEA

## This report looks at the following areas:

- The change in consumer confidence over the last year
- Spending behaviour and intentions.
- The difference in confidence among higher and lower earners

The headline data, though, mask major differences between different income groups. Higher earners are powering ahead: their finances are improving, and they are becoming increasingly optimistic about their prospects over the coming year. Those at the lower end of the income scale, though, are much less positive. The polarisation seen in the high street is likely to continue: premium brands should benefit from the growing confidence among the more affluent, while lower earners will still be turning to the discounters in an attempt to make the most of their money.

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## DID YOU KNOW?

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Higher earners are seeing more of the benefits from the economic recovery

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### What it Means

A disconnect between economic data and consumer confidence...

...presenting continuing challenges to the mid-market

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