

About the Consumer Spending Report

The Chain Store Guide US Spending Monitor, Retail Spending Index and Restaurant Spending Index are monthly indexes of consumer spending intentions and capacity based on interviews with a random sample of 1,500 U.S. adults. In addition to questions about their retail, restaurant and other discretionary spending, the survey also asks consumers their opinions on the US economy and their personal finances.

HOLIDAY HANGOVER

US SPENDING MONITOR & RETAIL SPENDING INDEX FALL IN JANUARY

2018 was one big party for many consumers, so much so that they woke up feeling surly in 2019. The CSG US Spending Monitor dropped by more than 5%, powered by a steep decline in the Retail Spending Index and concerns about the economy.

The Restaurant Spending Index was also off, which didn't help matters. However, although there is some trepidation about what 2019 will bring within the foodservice industry and among its associated pundits, we're not ready to worry about the results just yet. We've seen multiple monthly declines of 2 points each year since we began polling in 2014.

This month, there is more to the story on negative consumer economic and retail sentiment entering 2019, and we take a look at that data on the following pages. However, there's a caveat. We conducted this month's consumer polling on January 2, so that bit about consumers waking up feeling surly may be literally true in some cases. Faced with the prospect of going back to work on January 2 after time off and significant holiday spend, many folks weren't likely to be happily planning their next major purchase. Our hypothesis is that the timing of the poll may reflect a degree of negativity that would be tempered somewhat later in the month, all else being equal.

CSG
US Spending Monitor
115.2

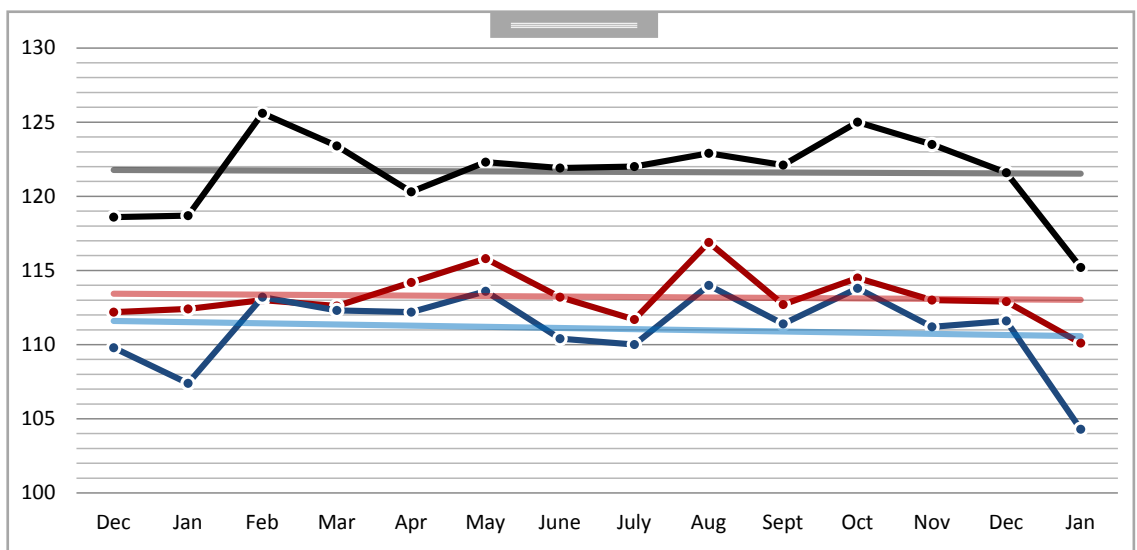
CSG
Restaurant Spending Index
110.1

CSG
Retail Spending Index
104.3

ABOUT CSG

For more than 80 years, Chain Store Guide (CSG) has been a leading provider of comprehensive and definitive retail and foodservice intelligence to businesses around the world.

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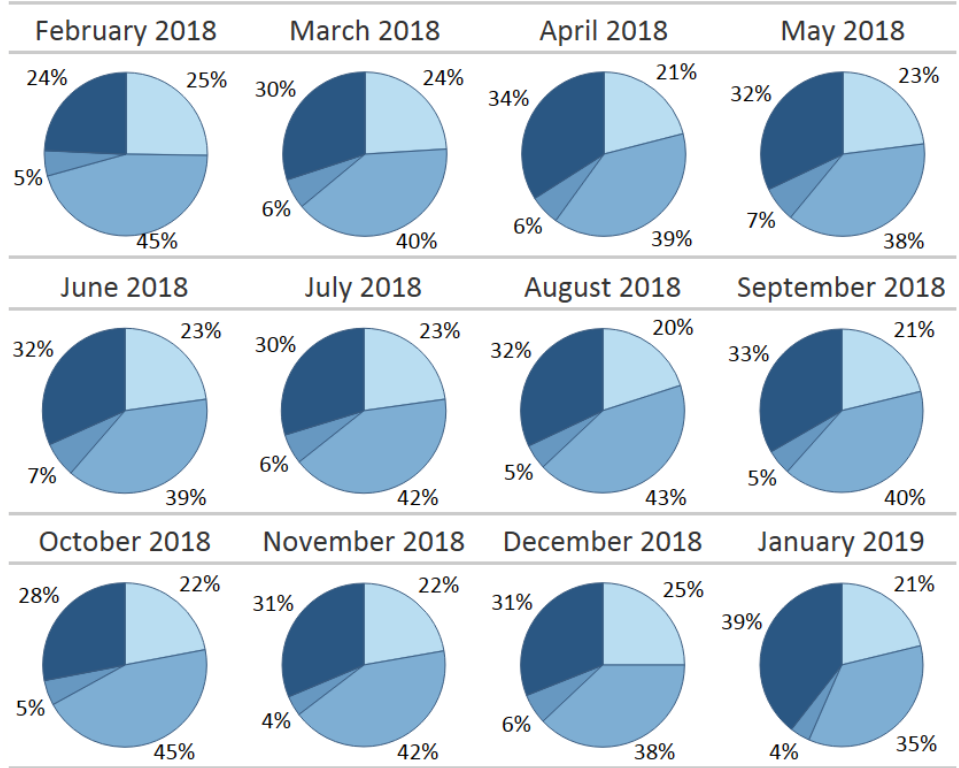
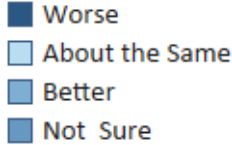


CONFIDENCE IN ECONOMY TAKES ANOTHER HIT

Consumers Go Negative for 1st Time in Over a Year

The stock market had its worst month in more than a decade in December, a government shutdown got underway, the president and the Fed were at odds, and there was talk of another round of tit-for-tat tariffs in the US-China trade war. No wonder, then, that consumers woke up to 2019 feeling a bit uncertain. More poll respondents characterized the economy as “getting worse” (39%) than did those who felt it was “getting better” (35%) for the first time in over a year.

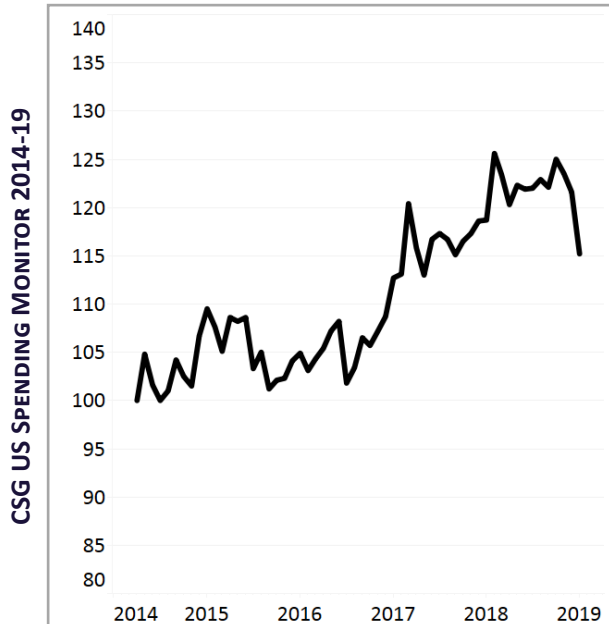
Q. IS THE ECONOMY GETTING BETTER, WORSE OR STAYING THE SAME?



CHAIN STORE GUIDE’S LONG VIEW

But, there’s always a “but.” And in this case more than one. As discussed on page 1, the timing of this month’s round of polling likely accounted for a bit more pessimism than may have been detected later in the month. Also, if we take a step back and look at a longer view, the CSG US Spending Monitor clearly trends positive since mid-2015, and with some good

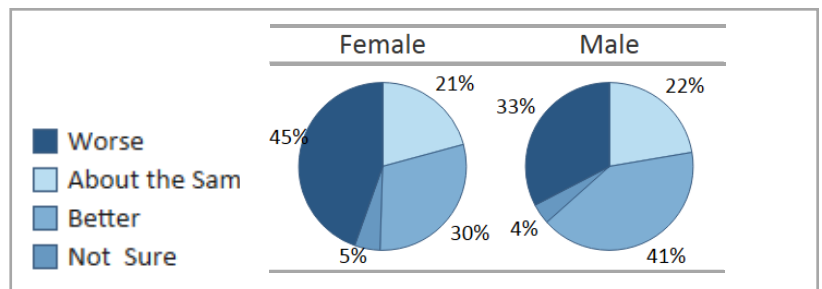
economic news late last week of a stronger-than expected hiring surge and the Dow bouncing back, we can easily see the potential for a return in consumer confidence in February.



RESPONSES BY GENDER

Segmenting the responses to this month’s featured poll question by demographics, gender produces an interesting and significant difference in views on the relative state of the economy.

Q. IS THE ECONOMY GETTING BETTER, WORSE OR STAYING THE SAME?



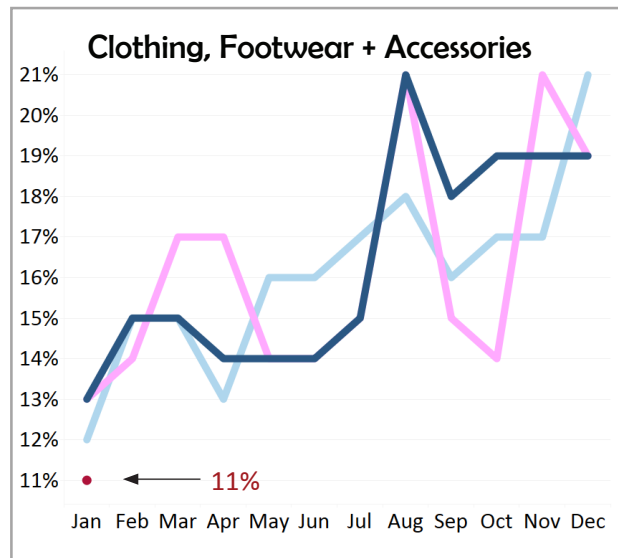
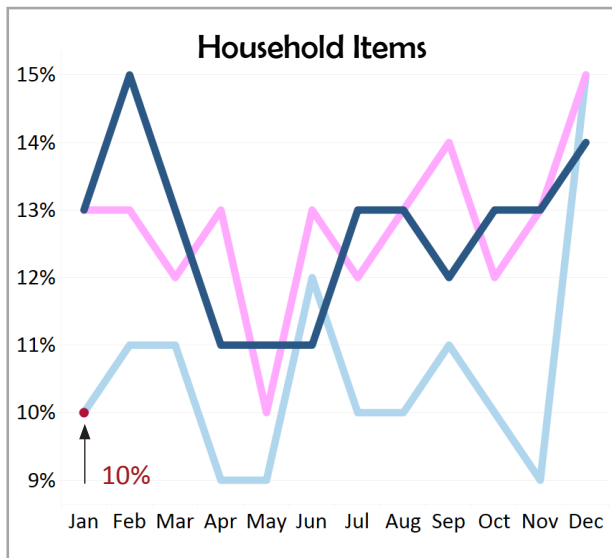
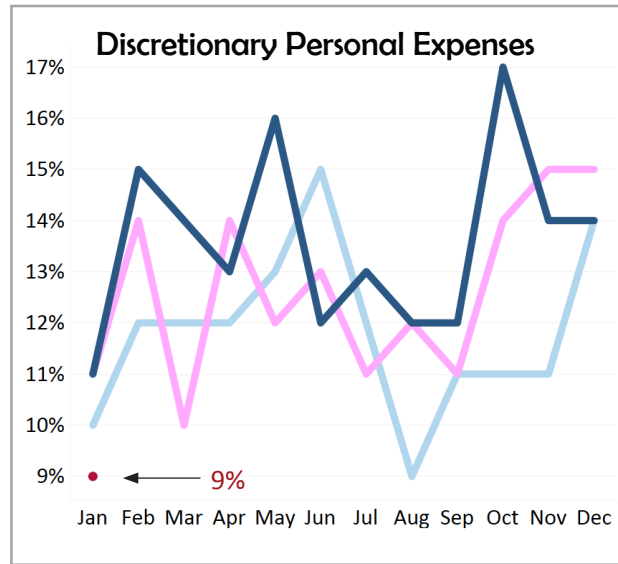
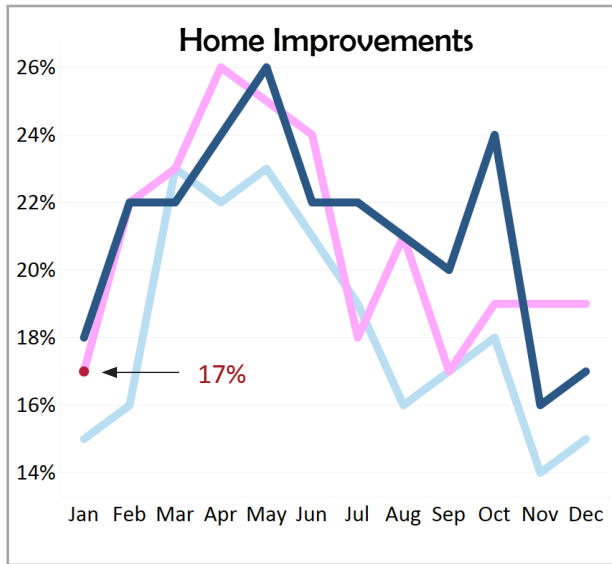
Get More Leads & Drive More Sales With
CSG’s Restaurant Franchisee Premier Database

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FOCUS ON RETAIL

After a holiday spending spree of historic proportions, consumers plan to tighten the purse strings, and Chain Store Guide’s Retail Spending Index is down significantly this month. Mix in a host of political and economic upheavals in recent weeks, and you have a slow start to the new year on tap. Digging deeper into the data, we can see that consumers who plan to spend *more* next month on clothing, footwear, accessories and discretionary expenses are as few and far between as we’ve seen in years. The silver lining? When asked about more immediate needs like household items and improvements, we see a more standard January drop-off. Taken as a whole, it seems consumer skittishness hasn’t extended beyond taking a break from buying non-essentials while Americans are still willing to shell out for more immediate needs.

Consumers Who Plan to Spend More Next Month vs Last



Year
2019
2018
2017
2016

Get More Leads & Drive More Sales With
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MORE ABOUT CHAIN STORE GUIDE

For more than 85 years, Chain Store Guide (CSG) has been the leading provider of comprehensive and definitive retail and foodservice intelligence to businesses around the world.

Chain Store Guide data is the definitive source that is used by manufacturers, suppliers, service providers, brokers, real estate professionals, retailers, analysts, consultants and other professionals seeking to gain insight into retail and foodservice markets in the U.S. and Canada.

Our data includes all major retailers, restaurants, distributors and wholesalers in the United States and Canada with contact information on over 68,800 chains.

CHAIN STORE GUIDE DATA IS USED FOR

- Competitive Analysis
- Proximity Analysis
- Market Share Reporting
- Industry Profiling
- Market + Trend Analysis
- Forecasting
- Site Planning
- Industry Profiling
- Data Appending/Cleansing
- Lead Generation

MORE ABOUT THE CONSUMER SPENDING REPORT

The CSG US Spending Monitor, Retail Spending Index, and Restaurant Spending Index are monthly indexes of consumer spending intentions and capacity **based on interviews with a random sample of 1,500 U.S. adults**. In addition to spending, the survey asks consumers their opinions on the U.S. economy and their personal finances, retail and other discretionary spending.

The Monitor began in January 2014 with a base index of 100. CSG captures a unique view of consumer, retail, and foodservice spending intentions. The CSR includes the CSG US Spending Monitor, which tracks economic confidence and spending intentions of US consumers, the CSG Restaurant Spending Index, which measures consumer spending intentions for restaurant purchases, and the CSG Retail Spending Index that measures consumer retail and discretionary spending confidence.



ABOUT THE EDITOR

Mike Baker joined Chain Store Guide in 2016, bringing with him the extensive publishing, brand management and new-product development experience that he gained over the course of a decade with John Wiley & Sons publishers in North America and the U.K. He fills the role of writer, editor and analyst for a host of retail and foodservice industries with CSG.