



behavior research center's

Rocky Mountain Poll

NEWS RELEASE [RMP 2001-IV-01]

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CONSUMER CONFIDENCE IN ARIZONA FALLS TO 95.1: LOWEST RATE SINCE 1994

Phoenix, Arizona, October 25, 2001. The Consumer Confidence Index for Arizona dropped in October to its lowest level in nearly eight years, now registering 95.1 compared to 106.8 last quarter and to 114.5 at this time last year. The Index fell in both Tucson and Phoenix, driven principally by deterioration in consumer confidence in current business conditions and the job market. More specifically, only 39 percent now assess business conditions as "Good" compared to 54 percent in July.

Public assessment of the job market has also eroded seriously. Today only 31 percent are willing to say that "jobs are plentiful", compared to 50 percent in July and an impressive 66 percent at this time last year.

While consumer confidence fell in both the Tucson and Phoenix areas, it is the drop in Phoenix that has been sharpest over the past three months (down from 110.3 in July to only 96.0 today). In Tucson, confidence had already begun to drop in July, declining to 93.6 from the April reading of 100.9. This quarter, Tucson consumer confidence declined even further and now rests at 91.2.

Contributing greatly to the decline in the overall Consumer Confidence Index is the fact that consumer views about the current economic environment AND their views of the coming six months have both taken a nose dive. In the past, the Expectations Index usually held strong even when confidence in the current economy lost ground. A significant factor affecting the Expectations Index is an expansion in the percent of consumers expecting fewer jobs in the

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coming months (now 21 percent compared to 16 percent in July) and a decline in the proportion who expect their family income will rise in the coming six months (now 29 percent compared to 37 percent in July). Thus, the Expectations Index has declined markedly, even though two components of the reading, Business Conditions and Job Availability, registered modest increases in positive responses.

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EDITOR'S NOTE: This Arizona Consumer Confidence Index is based on 569 telephone interviews with adult heads of household throughout Maricopa and Pima Counties from October 12th through October 21st, 2001. Where necessary, figures for age, sex, and race were weighted to bring them into line with their actual proportion in the population. In a sample of this size, one may say with a 95 percent certainty that the results have a statistical precision of plus or minus 4.19 percent of what they would have been had the entire adult population been surveyed. The Arizona Consumer Confidence Study is sponsored and conducted by the Behavior Research Center of Arizona and is an independent and non-partisan research program.

This statement conforms to the principles of disclosure of the National Council on Public Polls.

ENCLOSED: Statistical data for reference.

For this and other polls, see www.brcpolls.com/results.

STATISTICAL DATA

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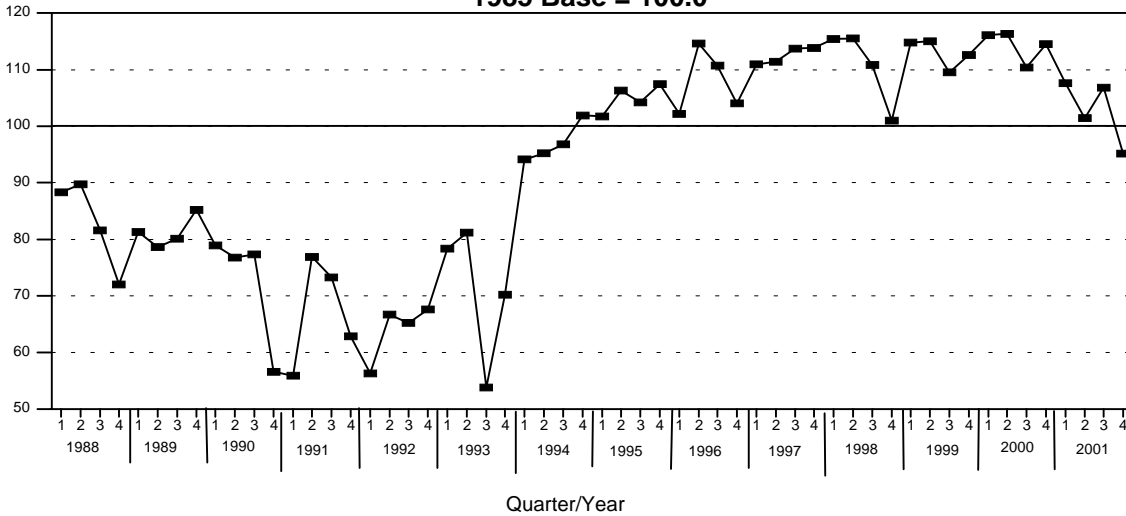
ARIZONA CONSUMER CONFIDENCE INDEX — October 2001

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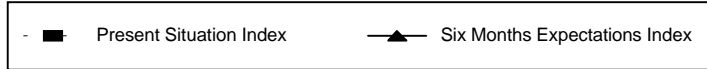
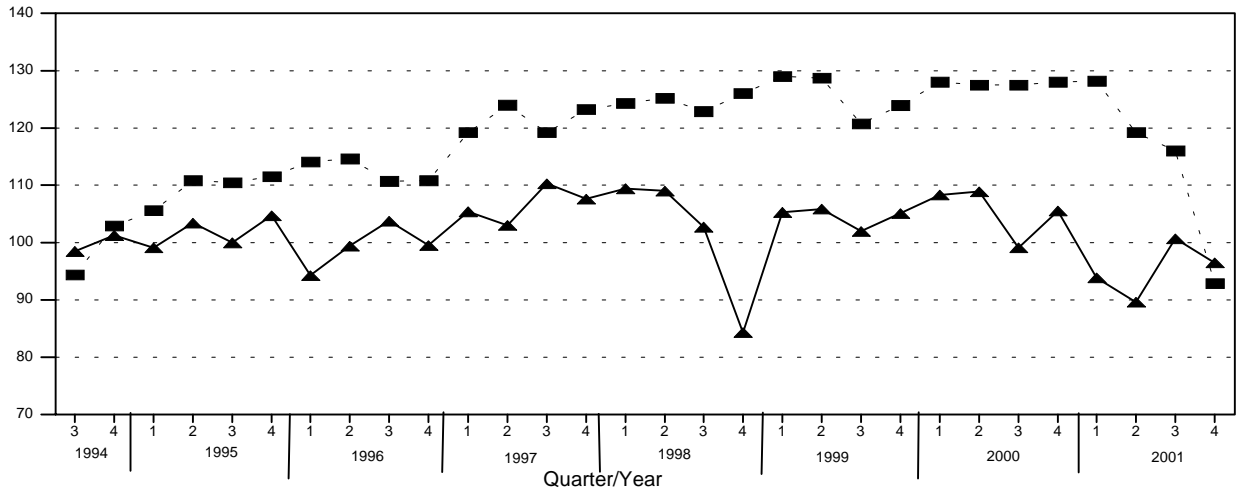
Statewide Consumer Confidence Index

1985 Base = 100.0



SOURCE: Behavior Research Center, Inc.

Present Situation and Expectatons Index



SOURCE: Behavior Research Center, Inc.

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	2001				2000				1999				1998
	Oct	July	Apr	Jan	Oct	July	Apr	Jan	Oct.	July	Apr	Jan	Oct
<u>Consumer Confidence Index</u>													
Statewide	95.1	106.8	101.4	107.6	114.5	110.4	116.3	116.1	112.6	109.5	115.0	114.8	101.0
Phoenix	96.0	110.3	101.5	109.5	115.0	110.5	117.5	118.1	114.8	111.8	116.8	117.7	101.7
Tucson	91.2	93.6	100.9	99.5	112.7	109.2	111.2	108.5	106.3	101.8	106.6	106.1	99.5
<u>Index Detail (Statewide):</u>													
Present Situation Index	92.9	116.0	119.2	128.2	128.0	127.5	127.5	128.0	123.9	120.7	128.7	129.0	126.0
Expectation Index (Next 6 Months)	96.5	100.7	89.6	93.9	105.5	99.1	108.9	108.3	105.1	102.0	105.9	105.3	84.3

*Appraisal of Present Situation:
Percent Holding Attitude*

<u>Business Conditions:</u>													
Good	39%	54%	51%	56%	57%	60%	61%	59%	60%	57%	60%	66%	59%
Normal	41	34	37	36	35	31	30	32	32	33	32	27	34
Bad	14	8	9	5	5	6	5	5	5	7	4	4	6
Not sure	6	4	3	3	3	3	4	4	3	3	4	3	1
<u>Employment:</u>													
Jobs plentiful	31%	50%	52%	63%	66%	64%	61%	65%	58%	59%	58%	64%	59%
Not so many	31	21	24	17	16	17	14	16	17	15	17	14	19
Jobs hard to get	22	16	12	10	11	10	10	10	14	15	9	10	10
Not sure	16	13	12	10	7	9	15	9	11	11	16	12	12

*Expectations For Six Month Hence:
Percent Holding Attitude*

<u>Business Conditions:</u>													
Better	38%	30%	27%	27%	24%	27%	28%	27%	27%	27%	26%	30%	23%
Same	42	51	54	55	59	57	57	61	60	59	60	57	55
Worse	11	12	16	13	8	10	8	6	8	9	6	8	16
Not sure	9	7	3	5	9	6	7	6	5	5	8	5	6
<u>Employment:</u>													
More jobs	36%	32%	29%	30%	32%	31%	37%	33%	30%	31%	29%	30%	23%
Same	33	43	44	43	48	48	43	50	50	48	50	50	49
Fewer jobs	21	16	21	21	12	14	10	12	12	14	13	13	20
Not sure	10	9	6	6	8	7	10	5	8	7	8	7	8
<u>Family Income:</u>													
Higher	29%	37%	31%	34%	36%	31%	34%	36%	34%	36%	30%	35%	26%
Same	61	58	62	59	58	62	58	58	60	58	63	59	64
Lower	7	4	6	4	3	5	4	4	3	4	4	3	7
Not sure	3	1	1	3	3	2	4	2	3	2	3	3	3

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|            | Rating Of<br><i>Current General<br/>Business Conditions</i> |                |
|------------|-------------------------------------------------------------|----------------|
|            | Maricopa<br>County                                          | Pima<br>County |
| Good       | 41%                                                         | 29%            |
| Normal     | 39                                                          | 47             |
| Bad        | 15                                                          | 14             |
| Don't know | 5                                                           | 10             |

|             | Rating Of<br><i>Current Job<br/>Availability</i> |                |
|-------------|--------------------------------------------------|----------------|
|             | Maricopa<br>County                               | Pima<br>County |
| Plenty      | 33%                                              | 23%            |
| Not so many | 32                                               | 29             |
| Hard to get | 21                                               | 26             |
| Don't know  | 14                                               | 22             |

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	Rating Of <i>General Business Conditions Six Months Hence</i>	
	Maricopa County	Pima County
Better	38%	38%
About the same	42	44
Worse	12	10
Don't know	8	8

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|                | Rating Of<br><i>Job Availability<br/>Six Months Hence</i> |                |
|----------------|-----------------------------------------------------------|----------------|
|                | Maricopa<br>County                                        | Pima<br>County |
| More           | 36%                                                       | 33%            |
| About the same | 34                                                        | 32             |
| Fewer          | 22                                                        | 19             |
| Don't know     | 8                                                         | 16             |

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	Rating Of <i>Family Income Six Months Hence</i>	
	Maricopa County	Pima County
Higher	29	29
About the same	60	63
Lower	8	6
Don't know	3	2

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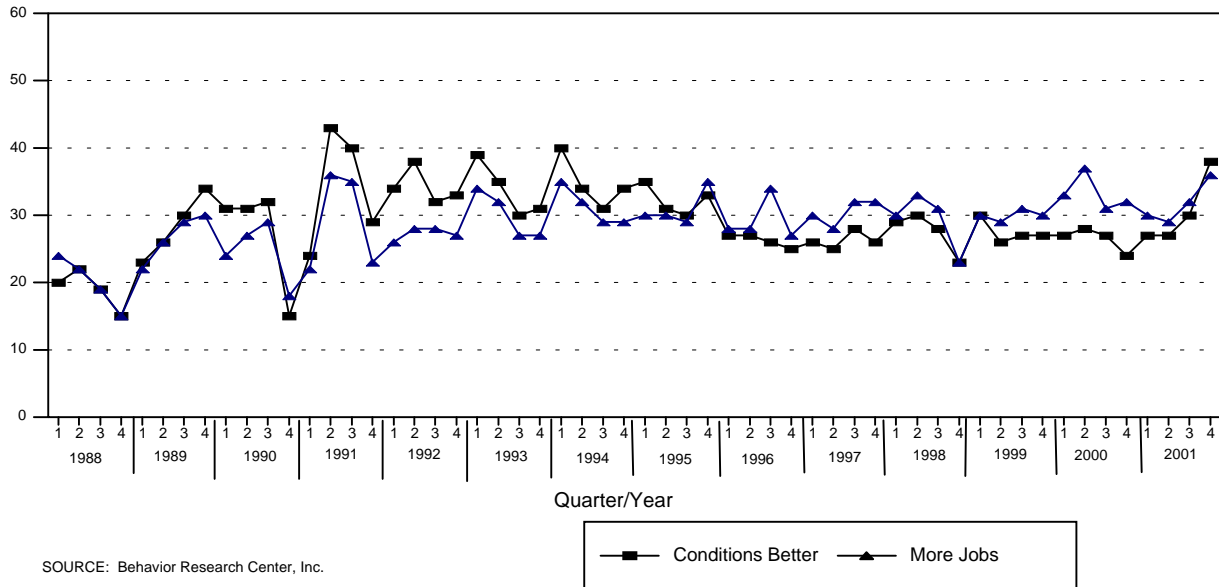
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**% with Positive Attitudes on  
Future Business Conditions and Job Market**



**% with Positive Attitudes on  
Current Business Conditions and Job Market**

