



Global TGI Barometer

Issue 26: Giving Credit to Consumers

As we enter a new year, many of us will be making fresh resolutions about how we deal with our personal finances, or groaning at the amount of Christmas spending we put on our credit cards. How do attitudes towards credit and loans, towards debts and saving vary across the world? Using the latest data from TGI, we investigate...

A Credit Card Culture?

One notable difference is in ownership of credit cards. Whilst Britain and the US have very high levels of ownership (71% and 68% respectively), this is not common across all Western countries – for example only one in five Italians have a credit card. Within Europe Britain has the most prominent ‘card-culture’; with less than half of its consumers preferring to pay cash for everything they buy, compared to two thirds of those in the Republic of Ireland.

Credit cards are generally less popular in Eastern Europe – for example, only 6% of Bulgarians and 13% of Slovaks own a credit card. Asia is more mixed; credit cards are owned by only 7% of Chinese people,¹ compared to over 40% of those in Taiwan.

Play Your Cards Right

Despite high levels of credit card ownership, Britons are relatively cautious when using them - half make the full payment on their card balance each month. Similarly, only one in ten of French credit card owners feel their card allows them to buy the sort of things they couldn’t normally afford. In contrast, whilst far fewer people own credit cards in Greece, those who do are likely to be less conscientious about settling their balance, with only 15% paying off the full amount each time.

Debts and Borrowing

Avoiding debt seems a more universal worry. Spaniards are among the most concerned, with over 80% agreeing that they do not like the idea of being in debt, although people from Hungary and Montenegro are more relaxed, with only 44 and 54% agreeing respectively. Consumers in Western Europe seem slightly more open to borrowing; whilst a third of Germans have used some form of credit or loan to buy an expensive item in the past year, less than 20% of those in Serbia and Poland have done the same.

¹ Chinese data from 30 main cities

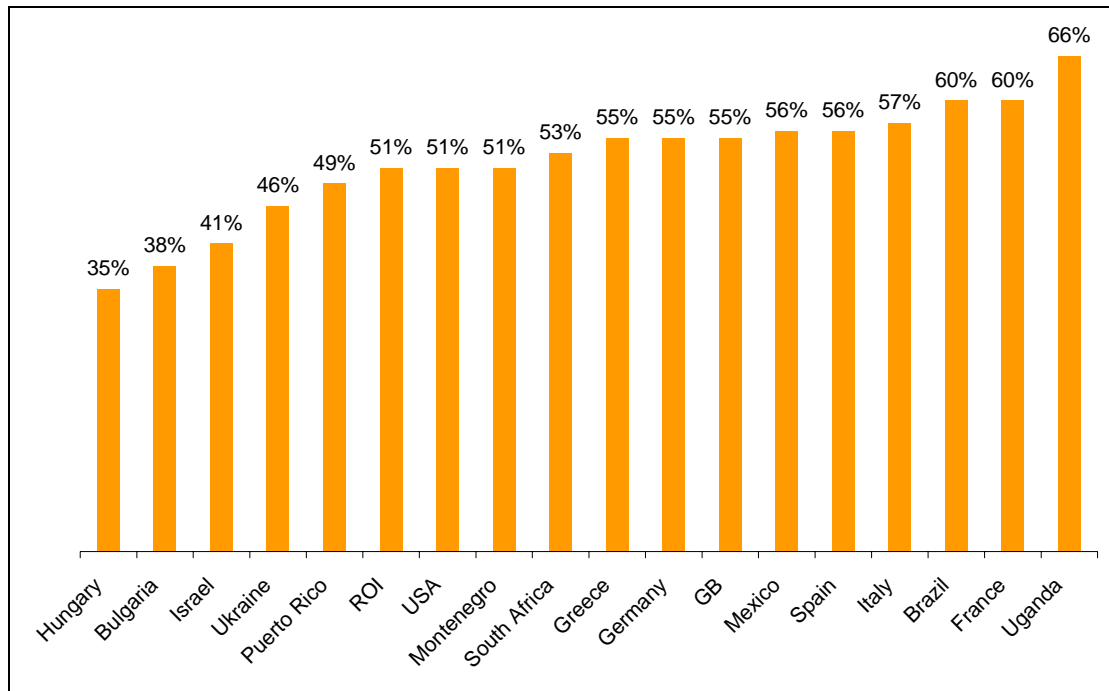


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Consumer Confidence

So overall how confident are consumers today about the way they handle their money? Well, TGI data shows considerable variation. Over 40% of South Africans feel they are no good at saving money and a third of Mexicans admit that they tend to spend to it without thinking. However, in other countries considerable consumer confidence is evident; in Uganda two thirds of people believe they are very good at managing their money and in Egypt 67% claim that if there's something they want, they would be prepared to save up for it.

'I am very good at managing money' (% agree)



Base: Individuals aged 18+

Source: Global TGI

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Editors' Notes

The Global TGI network operates single-source consumer and media studies in over 50 countries worldwide. Used by brand owners, media owners and agencies, it measures consumers' product and brand usage, media consumption and attitudes, based on large samples - over 700,000 respondents annually worldwide. A typical survey will cover around 4,000 brands and 500 product categories.

TGI was originally developed in the UK by BMRB, one of the UK's leading marketing research companies. The first survey was conducted in 1969 and for the past 37 years BMRB has continued to market the service in Great Britain. BMRB is part of the KMR Group, which markets TGI globally.

KMR Group is a division of the Millward Brown Group, part of Kantar, WPP's insight, information and consultancy division. For more information, visit www.kmr-group.com