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News Release

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AUSTRALIAN JOB CONFIDENCE SLUMPS: NIELSEN

- ***Consumer confidence drops to new lows***
- ***Confidence no barrier to spending – nearly half of Australians say it's a good time to buy the things they want***

Sydney, 23 April 2009 — Australians' job confidence has slumped in the past six months, with just 27 percent of Australian consumers saying local job prospects in the next 12 months looked good or excellent (down 36 points vs October 2008), according to Nielsen's latest Consumer Confidence and Sentiment survey. Job security ranked as the second highest concern for Australians behind the economy. (See Chart 1).

The Nielsen survey, conducted in April 2009, shows Australian consumer confidence levels have also dropped to new lows in recent months, with Nielsen's latest Consumer Confidence Index showing a 12 points drop to 92 since October 2008. Despite the drop, however, Australians' confidence levels were still strong compared to many other countries – 14 points higher than the Asia Pacific index and 15 points higher than the global index – and Australia ranked seventh overall on Nielsen's global Consumer Confidence Index.

Although Australians were concerned about the job market, they were not so worried about their finances – more than half of Australians (56%) said the state of their personal finances over the next 12 months was excellent or good.

Surprisingly, nearly half of Australians (46%) said it was a good time to buy the things they want and need over the next 12 months, up five points since October 2008. Globally, just 33 percent of



consumers saw it as a good time to shop and only 31 percent of Asia Pacific consumers said now was a good time to buy the things they need.

“Australians’ optimism that now is a good time to spend money is perhaps reflective of aggressive discounting and promotional activity being undertaken by retailers, coupled with the Government’s recent tax bonuses,” noted Luke Starick, Director, Measurement Science, The Nielsen Company.

As interest rates continue to fall, Australians appear to be less concerned with paying off their debts and more interested in bolstering their savings accounts. More than two fifths of Australians (45%) said they were putting any spare cash they had into savings while 42 percent were using spare cash to pay off debts, credit cards and/or loans. (See Chart 2).

“For the first time since Nielsen has been conducting its Consumer Confidence Survey, Australians are not more interested in reducing their debts than saving their money,” observed Starick. “However, we remain highly leveraged compared to most countries around the world. In comparison to the 42 percent of Australians who were using their spare cash to pay off debts, credit cards and loans, just 28 percent of consumers in the Asia Pacific and 32 percent globally were worried about reducing debt.”

The Australian technology retail sector has suffered as a result of the economic crisis – just 16 percent of Australians plan to purchase technology products in the next 12 months, compared to 22 percent across the Asia Pacific region and 21 percent globally.

Rocky stock markets have also scared off Australian investors – only eight percent of Australians said they would utilise spare cash by investing in shares, which was six points lower than the Asia Pacific average and five points lower than global levels.

Chart 1: Top 10 concerns for Australians over the next six months

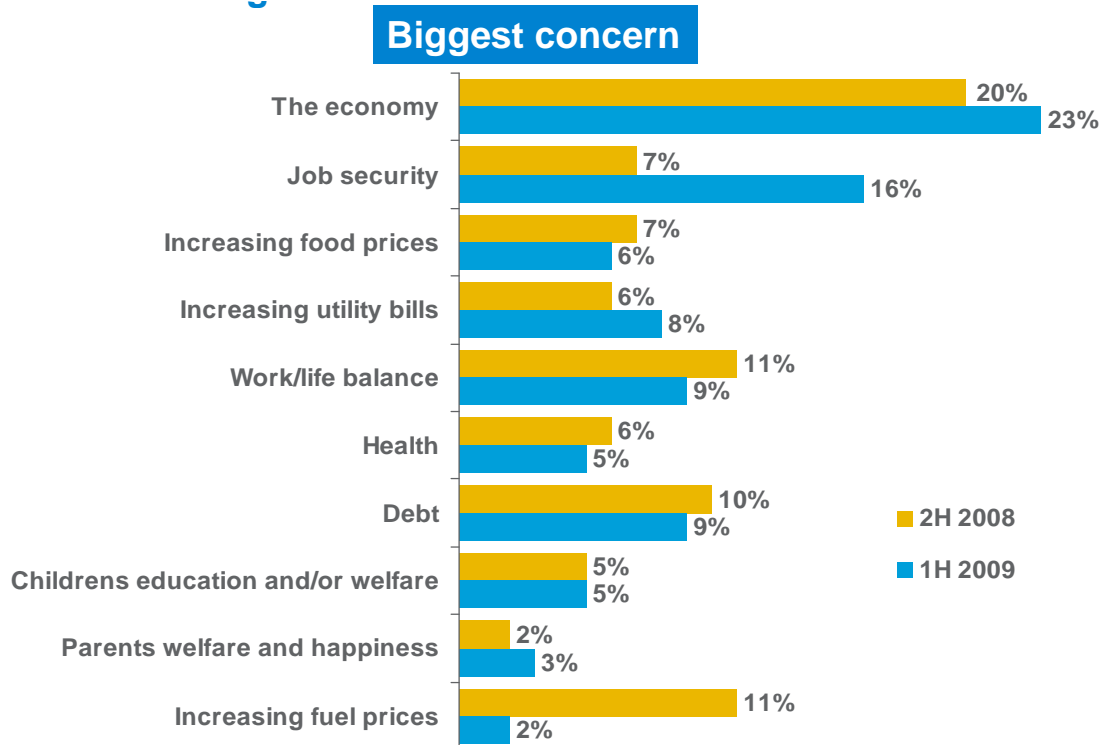
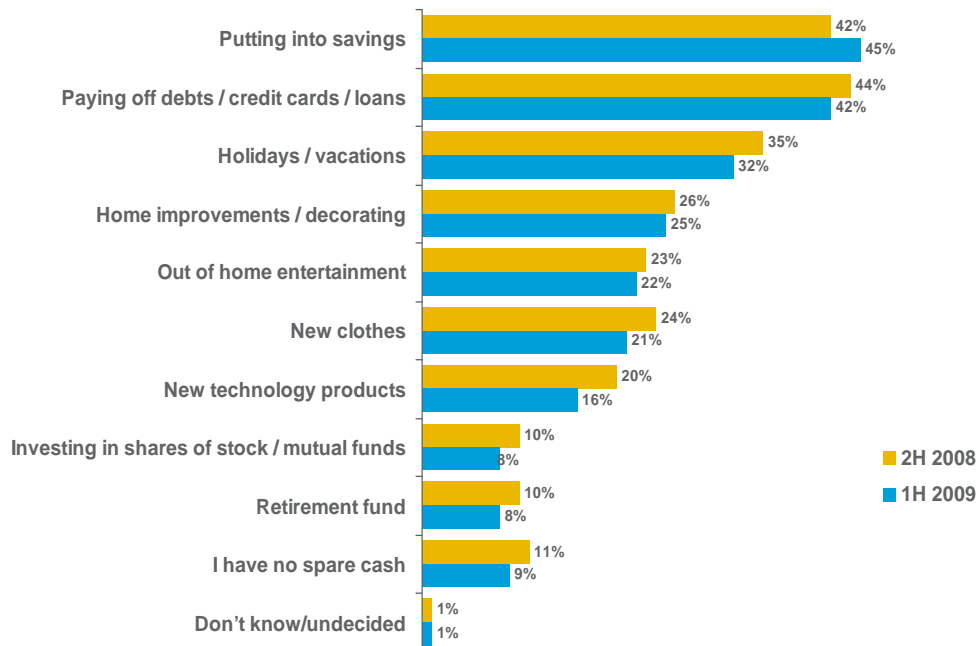


Chart 2: How Australians utilise spare cash after covering essential living expenses



About The Nielsen Global Online Consumer Survey



The Nielsen Global Online Consumer Survey, conducted by Nielsen Consumer Research, was conducted in April 2009 among 25,420 internet users in 50 markets from Europe, Asia Pacific, North America and the Middle East. The largest half-yearly survey of its kind, the Nielsen Global Online Consumer Confidence and Opinion Survey provides insight into current confidence levels, spending habits/intentions and the major concerns of consumers across the globe. The Nielsen Consumer Confidence Index is developed based on consumer's confidence in the job market, status of their personal finance and their readiness to spend.

About The Nielsen Company

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