



# TRAJECTORY

OUVERTURE

22

14 00 UNE PEINTURE PARLÉE  
15 00 BEAUBOURG-LA-REINE: LES KELLERS  
19 00 BEAUBOURG-LA-REINE: JULIE NICOLLE ET SIR ALICE  
20 00 TEATRINO PALERMO: INAUGURATION  
20 30 GRANDE SALLE: ELMGREEN & DRAGET

23

14 00 UNE PEINTURE PARLÉE  
16 00 BEAUBOURG-LA-REINE: LAURENT FRIQUET  
ET MARIE-PIERRE BRÉBANT

## The Optimism Index (UK)

Report: April 2021 | Fieldwork: 9<sup>th</sup> – 14<sup>th</sup> April

**UK Optimism  
April 2021**

**52**

Up 2 points on March 2021

Up 2 points on April 2020

**Rolling Average  
April 2021**

**52**

Up 1 point on March 2021

Down 1 point on April 2020

*Scale 0-100. A score of 50 or more indicates higher levels of optimism*

**Net spending  
expectations**

**-6%**

*Spending expectations have risen slightly as a result of reopening of hospitality*

**Net household  
confidence**

**6%**

*Consumer confidence has been significantly boosted this month*

**Net Trust**

**-16%**

*Levels of trust have slightly worsened this month*

# Headlines

## Comment

Is the worst behind us? The message from consumers – as hospitality reopens and the stay-at-home order ends – is to sit on the fence.

On one hand, we have consumer confidence rising so substantially that expectations for household finances are actually clearly positive. More people now expect their household finances to improve than at any point since the Index began in January 2018.

Nowhere is that more true of those working in the worst affected sectors, who will find further cause for cheer in consumers' spending expectations which are hugely encouraging for those crossing their fingers for a summer of fun.

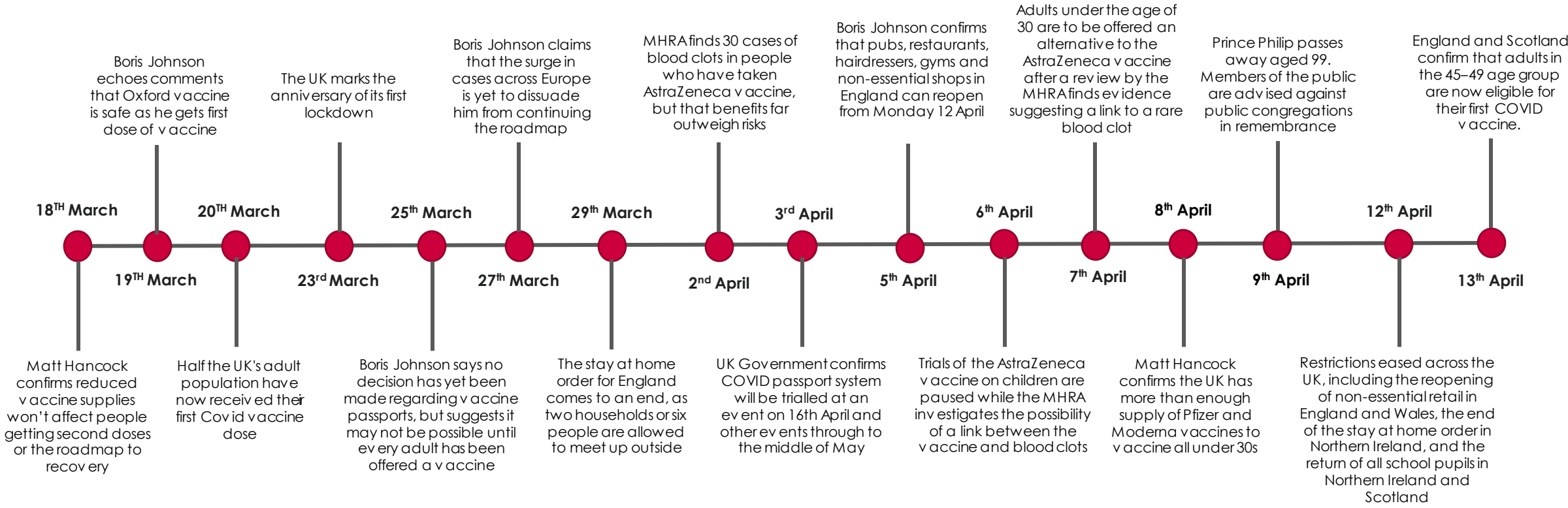
But elsewhere we find equally compelling evidence of caution. It remains the (slim) majority view to be worried about returning to public spaces and although more people are vaccinated two-thirds still say that they are more concerned about the health risks of the pandemic than the economic consequences. That caution will impede a consumer-driven recovery – whatever conclusions are drawn from busy pub gardens.

Meanwhile, our economic experiences of the pandemic continue to fragment. Outright pessimism is in decline but those feeling 'left behind' now account for a fifth of all adults, after growing for the third straight month.

Whenever the worst is behind us, it may not be behind *all* of us.

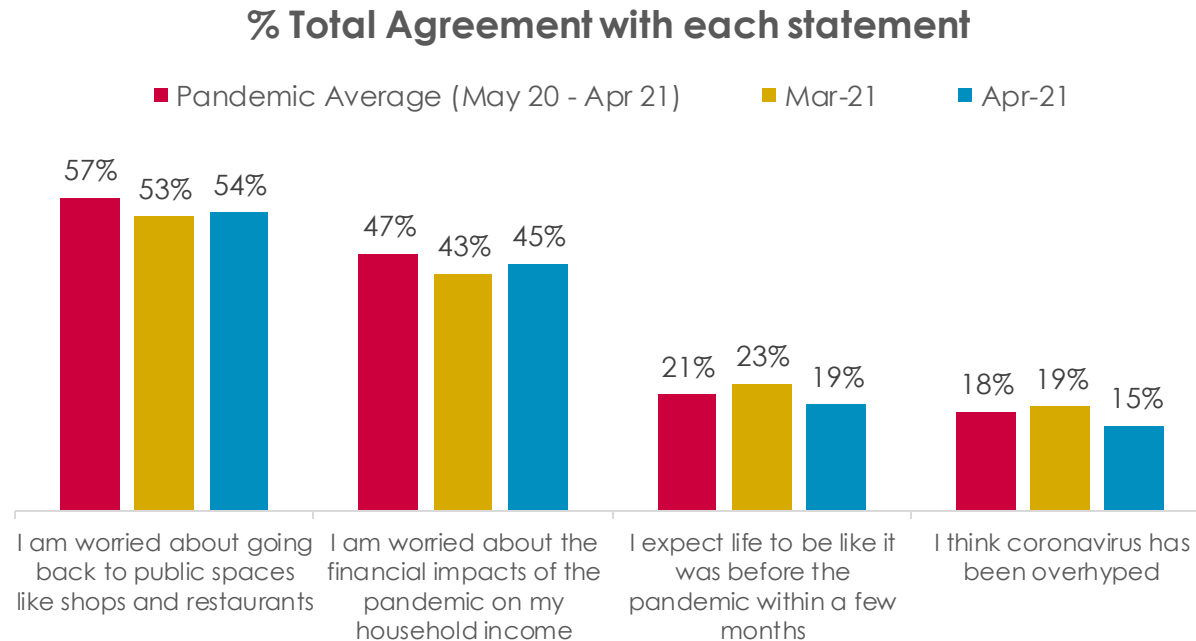
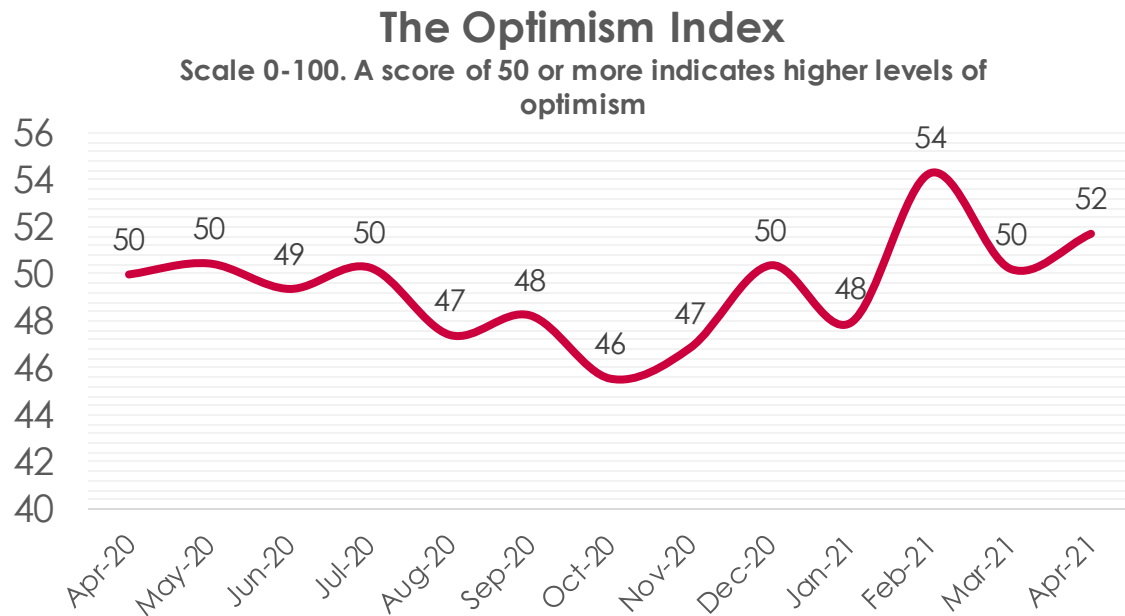


# Last Month's Key Events



Fieldwork: 9<sup>th</sup> – 14<sup>th</sup> April

# The Optimism Index: Headlines



- This month's edition of **The Optimism Index** sees consumer sentiment rise by two points from 50 to 52.
- As pubs, restaurants and non-essential retail reopen their doors once more, consumers have seen levels of economic confidence reach new heights, whilst net spending expectations on out of home leisure are far higher than at any other point pre-pandemic.
- Such bullishness has perhaps not translated into a greater rise in overall sentiment due to the continued degree of consumer caution when it comes to the health risk of the coronavirus pandemic.
- More than half remain concerned about visiting public spaces, whilst less than a fifth expect life to return to pre-pandemic normality within a few months. This caution is likely to have been driven by discussions of the safety and accessibility of future vaccine doses (despite more than half the adult population now having received at least one dose).

# The Optimism Index: Rolling Average

- The three month rolling average of **The Optimism Index** rose by one point this month up from 51 to 52.
- This month's one point rise continues to indicate the positive longer term trends in overall sentiment since the turn of the year. Whilst February's average of 51 was the first score above 50 since last summer, that the average has remained above 50 for two further months suggests that this was more than just an anomaly.
- Whilst recent trends in sentiment have undoubtedly been influenced by the vaccine rollout and the movements towards a reopening of the economy, it is worth noting that these trends may also have had a seasonal influence.
- Despite falling consistently below levels seen in 2019-20, the rolling average for optimism over the past 12 months has followed a remarkably similar pattern to what was seen in the previous year – declining to its lowest point in the Autumn before gradually rising in the approach to Christmas and into the new year.

**The Optimism Index, 3 Month Rolling Average**  
Scale 0-100. A score of 50 or more indicates higher levels of optimism

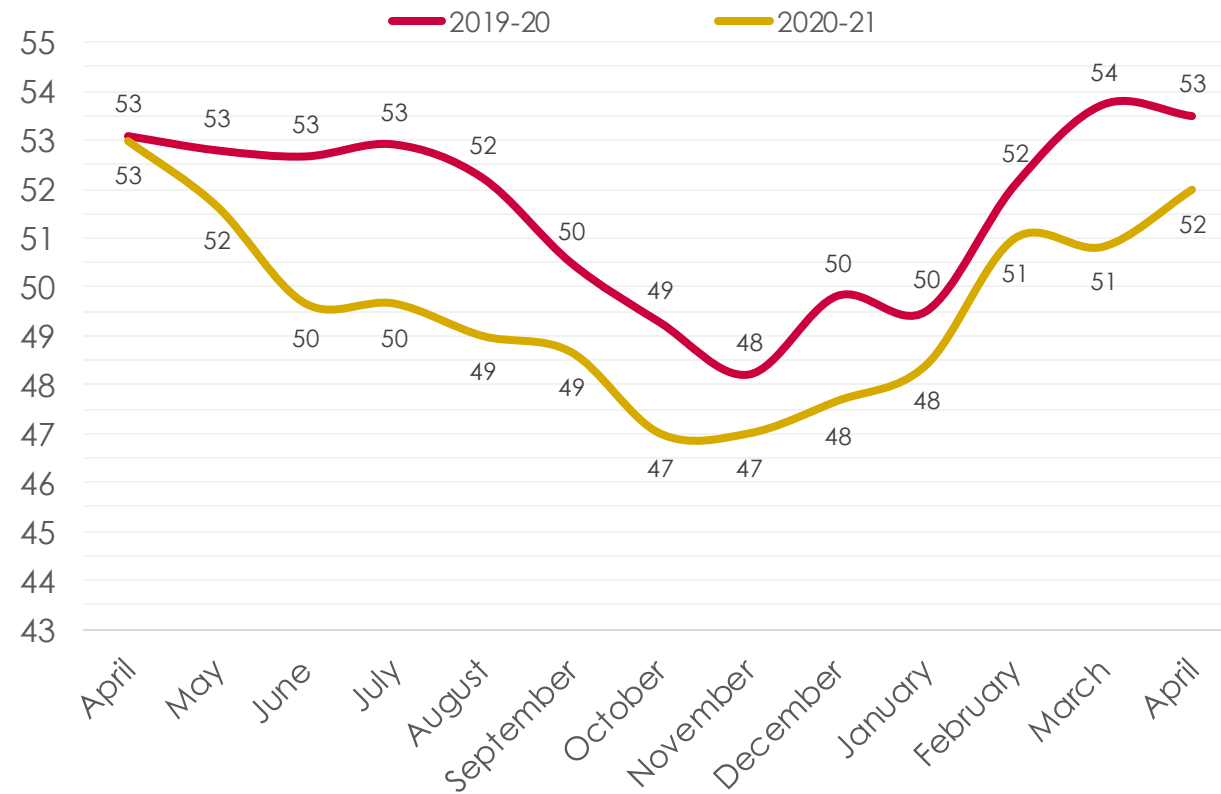
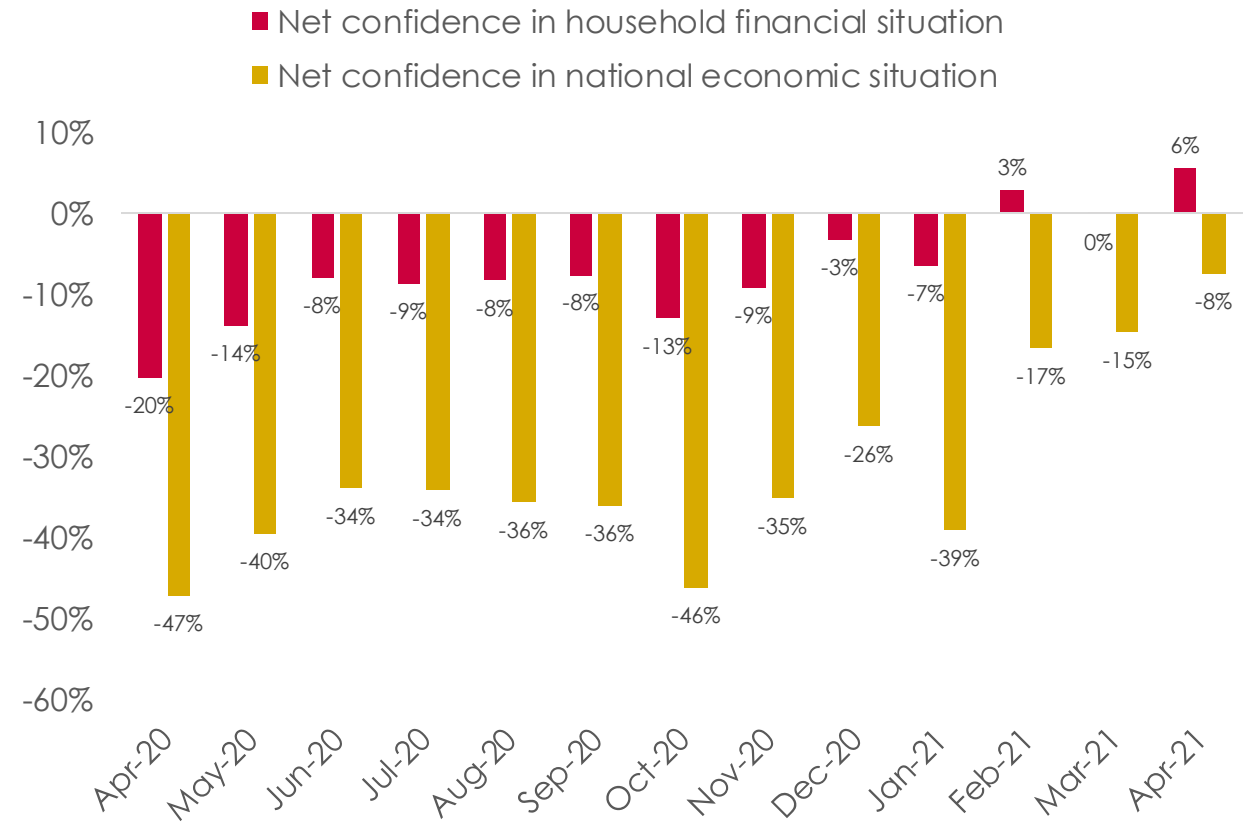


Chart labels are rounded to whole numbers, but *The Optimism Index* is rounded to one decimal place

# Financial & Economic Drivers

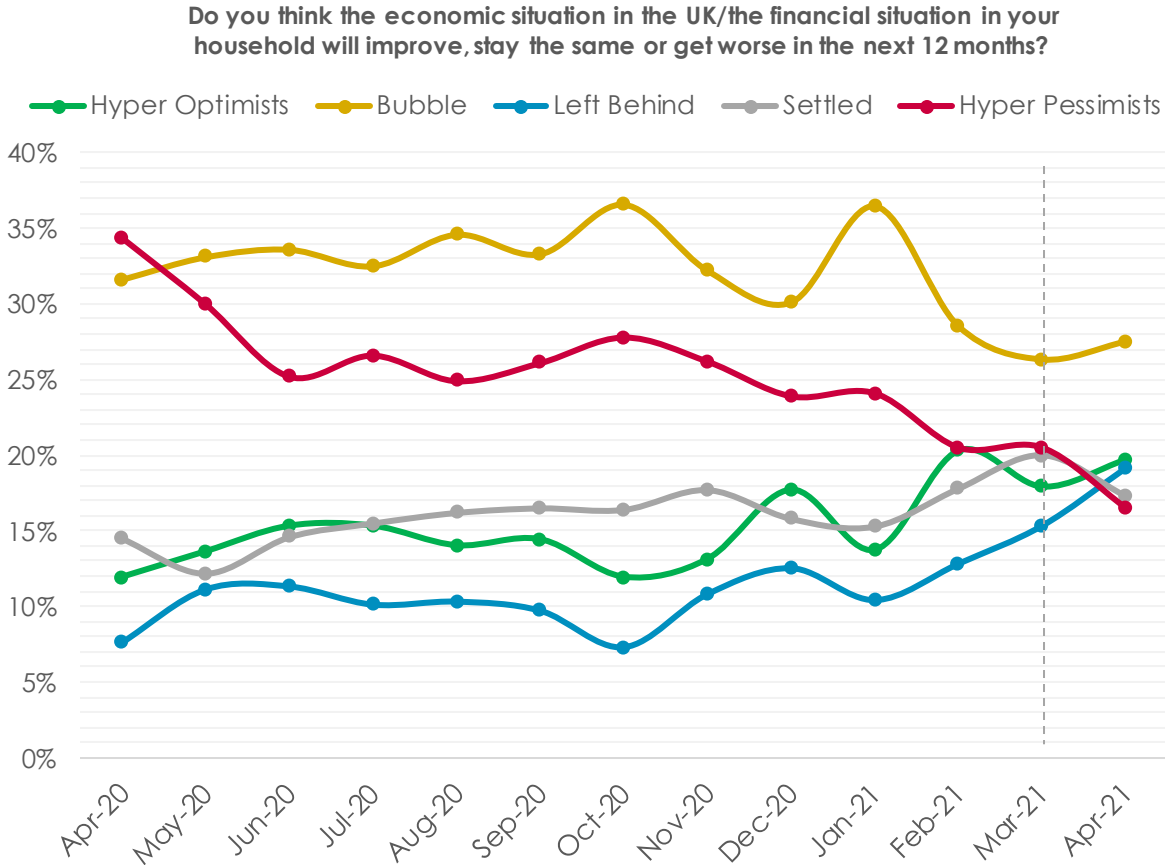
- This month sees net confidence in the economy as a whole rise from -15% to -8%, whilst net household financial confidence rose from 0% to 6%.
- These findings now represent not only the highest levels of net confidence we have seen during the pandemic, but also since we began measuring confidence on a monthly basis back in 2018.
- Whilst these trends are promising, it is, however, worth highlighting that such findings are at least in part a result of the current unique economic landscape in the UK, with around 5 million workers still on furlough.
- This is particularly the case given the gradual shifting of consumer priorities in recent months. This month sees more than a third (34%) feel that the economic consequences of lockdown are now a greater priority than the health risks of the pandemic – higher than any previous month.

**Financial & Economic Drivers;**  
 (Net: % thinking will improve minus % thinking will get worse over next 12 months)



# Consumer Confidence Groups

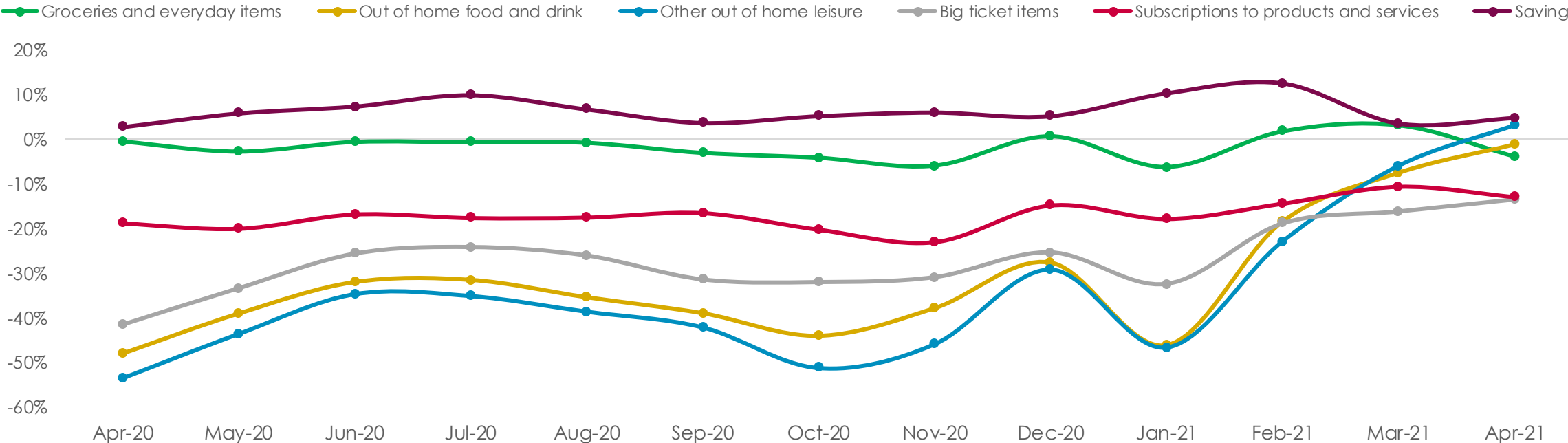
- This month's increase in consumer confidence has driven further changes in our confidence segments. Most notably, we see a 4% decline in 'Hyper Pessimists' (21% to 17%) alongside a 4% rise in the proportion feeling 'Left Behind' (15% to 19%).
- These findings highlight the increasingly fragmented nature of confidence that has developed in recent months. This time last year, the difference between the proportion of Hyper Optimists and Hyper Pessimists was 22%. This month, the difference is just 3%.
- Trends in confidence have seen significant shifts beyond segments at the extremities of the spectrum however. Convergence continues between those feeling 'Left Behind' and those in 'The Bubble', with each seeing a 9% increase and decrease in representation respectively since January of this year. Those in The Bubble now account for 28% of consumers, compared to 19% feeling Left Behind.
- The recent rise in those feeling 'Left Behind' may be of particular concern to those who feel the reopening of the economy will have a knock-on impact on household confidence. Whilst net economic confidence at a topline level has risen by 31% since January, net household confidence has only risen by 13% during the same period.



**Hyper Optimists** = Economy and own finances will improve  
**The Bubble** = Economy will get worse, own finances improve or stay same  
**Left Behind** = Economy will improve, own finances get worse or stay same  
**Settled** = Economy stay the same, own finances stay the same  
**Hyper Pessimists** = Economy will get worse or stay same, own finances get worse

# Spending Expectations

Over the next few months, how will you change spending on the following? [% Net Increase minus Decrease Spending]

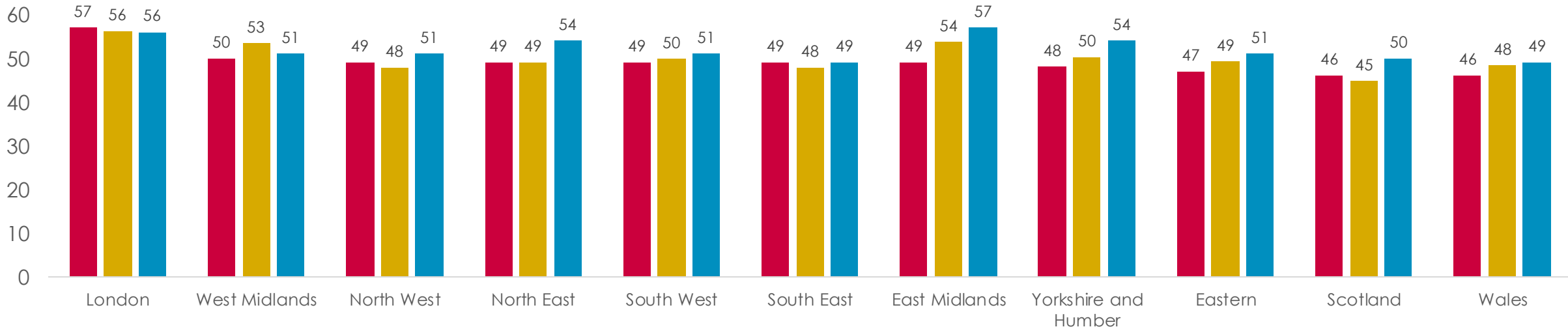


- With shops, bars and restaurants back open to the public once again, this month sees expectations for out of home leisure spending rise further – both for out of home food and drink (-8% to -1%) and other out of home leisure activities (-6% to 3%).
- These findings continue the remarkable turnaround in expected leisure spending since the turn of the year. Not only are net expectations for both measures up by over 40% compared to January, but this month's expectations for other out of home leisure activities are now net positive for the first time since we began measuring expected spending in 2018.
- This month's increase in expectations for out of home leisure have come at the cost of expected grocery spending. Despite temporarily reaching net positive levels in the last few months, a 7% decline (3% to -4%) brings this measure back down to levels more consistent with what has been seen throughout the pandemic.



### The Optimism Index by Region Scale 0-100. A score of 50 or more indicates higher levels of optimism

■ Average Apr 20 - Apr 21      ■ Mar-21      ■ Apr-21



- Outlook across different regions in Great Britain is once again anything but consistent this month. Despite being by far the most optimistic over the past year, those in London saw sentiment stagnate, whilst regions such as Scotland and Yorkshire and the Humber, typically more pessimistic throughout the pandemic, have seen sentiment rise sharply.
- Perhaps it is no coincidence that London based consumers are the only group whose sentiment this month is below average for the pandemic as a whole, given the degree of positivity consistently felt amongst consumers in this region over the past year compared to other parts of the UK.
- Despite a rise of five points (45 to 50), optimism amongst Scottish consumers as well as those in Wales continues to, for the most part, fall short of those in England this month. This is unsurprising given the slightly different roadmaps out of lockdown being followed in these countries, meaning that outdoor hospitality will not reopen until April 26<sup>th</sup> - two weeks later than in England.



- This month sees the gap in optimism between men and women decline by one point, as men see a one point rise from 52 to 53 whilst women see a two point rise up from 49 to 51.
- These findings further highlight the more detrimental impacts of the pandemic on women than men. It is likely no coincidence that the gap has slowly begun to close as the UK starts easing out of lockdown given the [widely reported](#) inequalities faced by women throughout the pandemic.
- In fact, in the twelve months prior to the first lockdown, (April 19 – March 20) the average gap between men and women was only two points. Since April 2020, that gap has averaged at five points.
- Despite more promising trends in recent months, men have continued to remain more optimistic than women throughout the pandemic. The disparity in sentiment this month has coincided with differing degrees of concern in relation to risks associated with the virus, with women being 10% more likely to feel worried about visiting public spaces than men (59% to 49%).

# Gender

**The Optimism Index by Gender**  
Scale 0-100. A score of 50 or more indicates higher levels of optimism

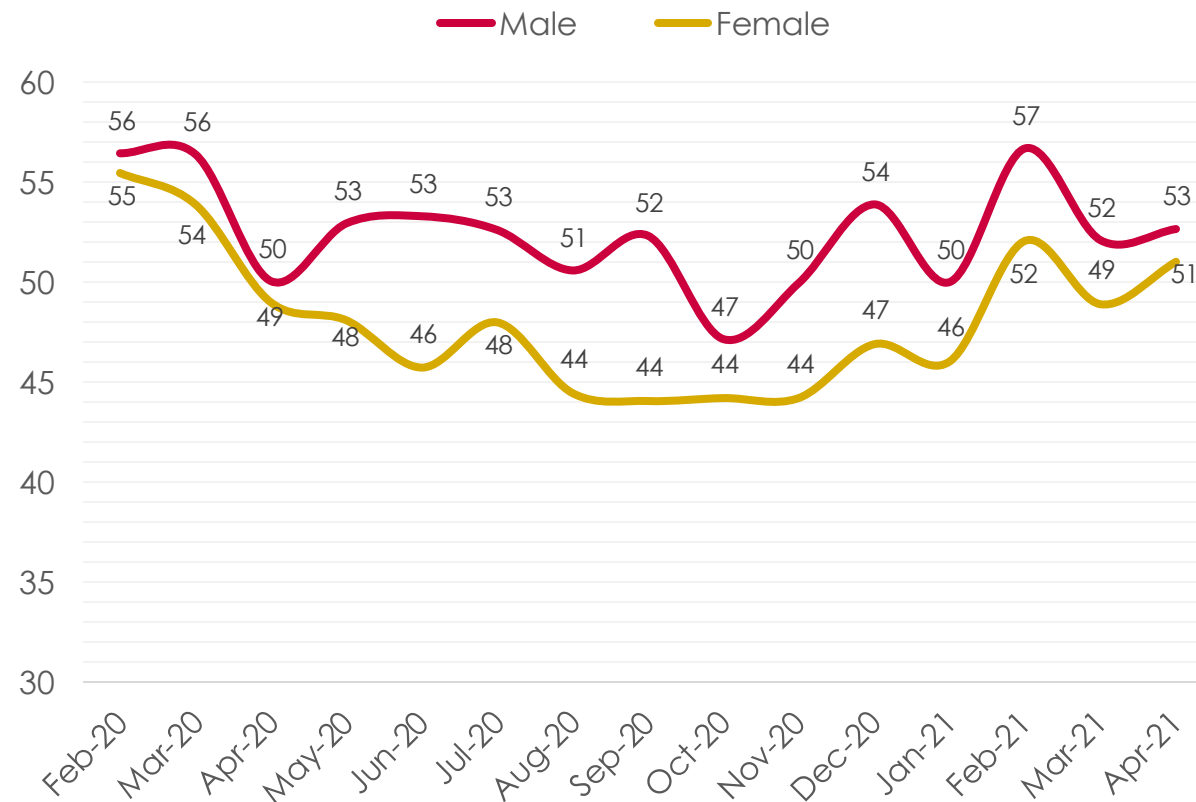


Chart labels are rounded to whole numbers, but *The Optimism Index* is rounded to one decimal place

- This month sees differing trends in optimism across generations. Older age groups, most notably Gen X, grew more optimistic, whilst both Gen Z and Gen Y saw sentiment decline for a second consecutive month.
- The context for these trends lies in the staggered rollout of the vaccine. With 45 to 49 year olds now eligible for their first dose, the majority of Gen X can now take greater confidence in the reopening of the hospitality and leisure sectors, particularly given that our data has consistently shown that older consumers are more concerned about visiting public spaces than younger age groups.
- In the midst of the reopening of out of home leisure, this month's decline in sentiment amongst younger generations might come as a surprise to some. Rather than concerns over their health, this decline is likely driven instead by the growing uncertainty in relation to the supply of vaccines for younger age groups alongside the continued support for vaccine passports.
- This month's findings suggest this is particularly the case for Gen Y, seeing a 5% decline in those feeling a high sense of choice and control (37% to 32%) and a 7% decline in those feeling that life will return to normality within a few months (34% to 27%).

## Generation

### The Optimism Index by Generation

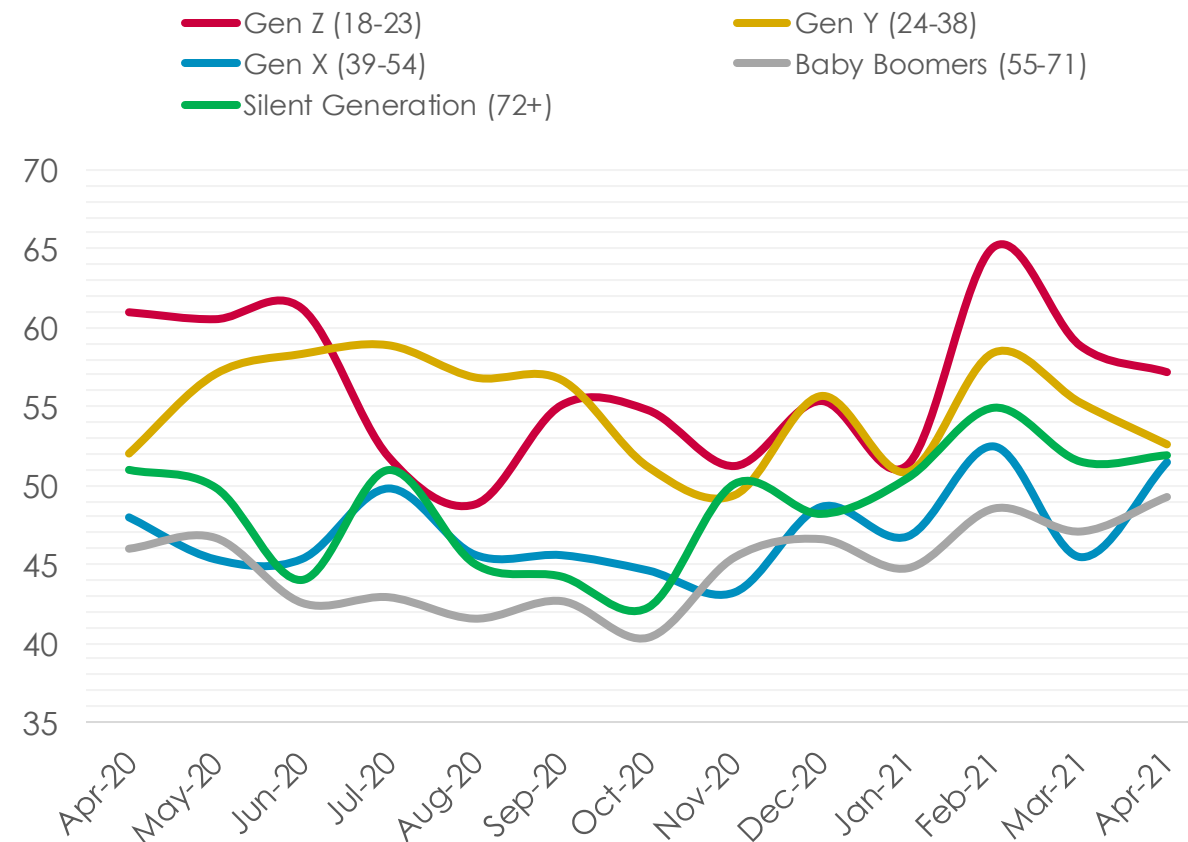


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- This month sees optimism rise amongst households earning under £21k and earning between £21k and £41k, each seeing a three and four point rise respectively. Despite the reopening of the economy, higher earners saw sentiment either stagnate or decline this month.
- In a similar vein to what was seen last December, this month's increase in optimism amongst lower earners is a likely result of the reopening of the hospitality and leisure sectors - typically a more likely source of employment for those in lower income households.
- For those earning £21k-£41k, a score of 53 this month is higher than at any previous point during the pandemic, with only February's announcement of the roadmap out of lockdown driving a higher degree of optimism for those earning less than £21k.
- Those earning more than £62k this month have seen sentiment decline further, despite maintaining a score well above 50. Our findings indicate that this decline over recent months has been paralleled by a loss of household confidence amongst this group - with the proportion feeling their own finances will improve down by 11% compared to February (39% to 28%).

# Income

The Optimism Index by Income  
(annual, pre tax household income)

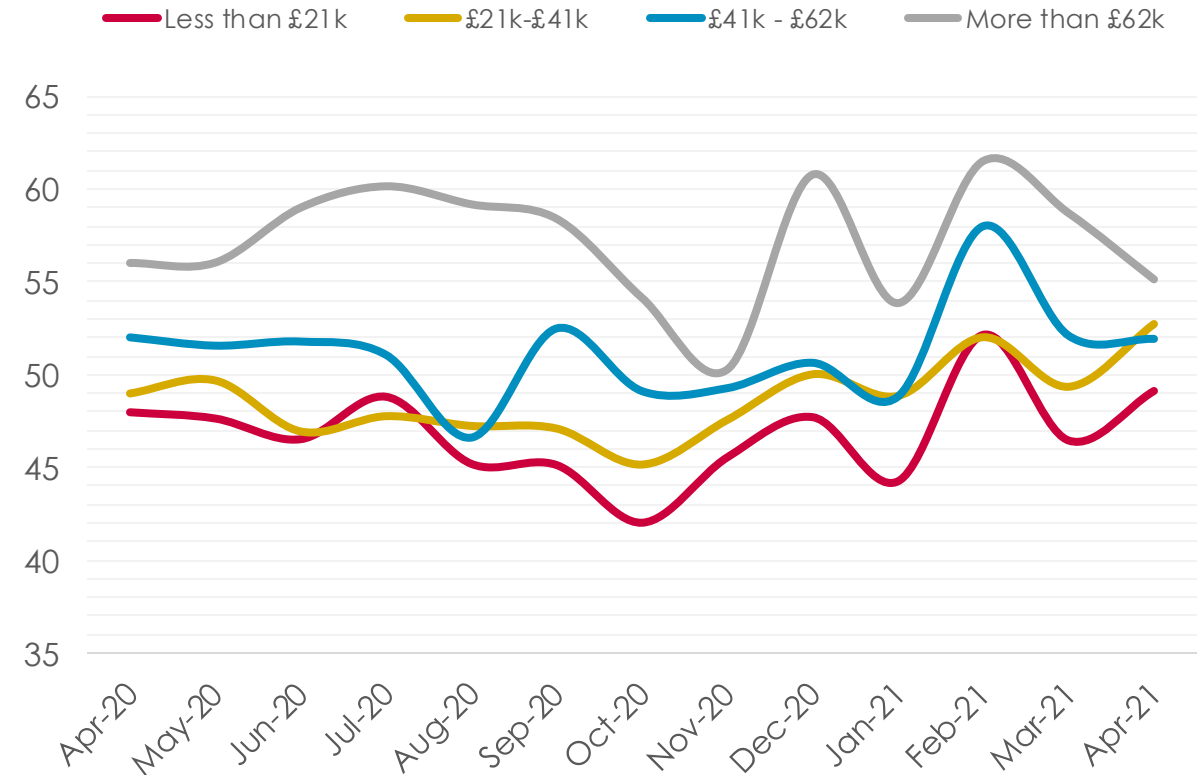
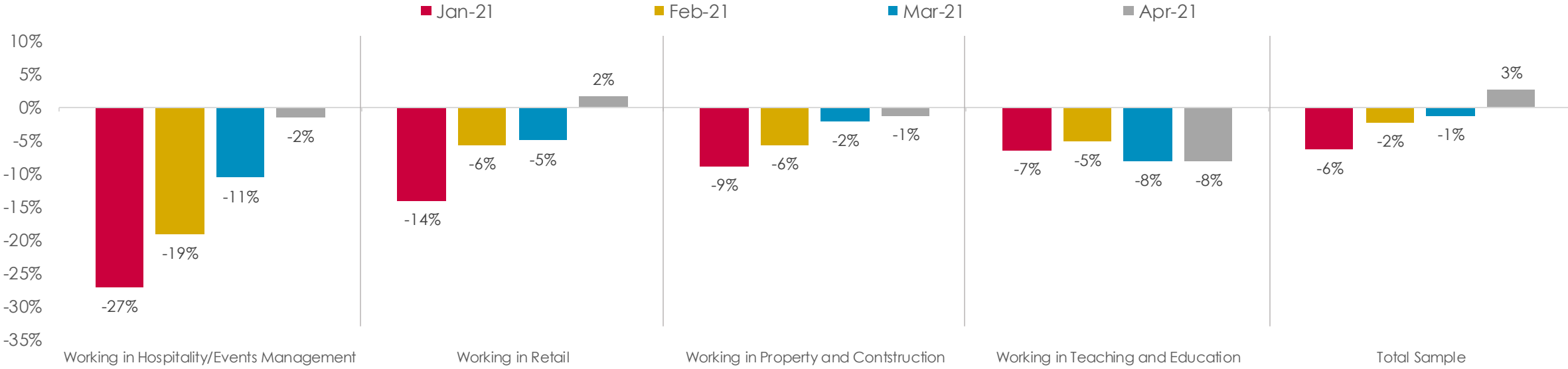


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# Reopening drives sharp rise in household confidence for those working in retail and hospitality

## Three Month Rolling Average – Net Household Confidence

(Net: % thinking own finances will improve minus % thinking own finances will get worse over next 12 months)

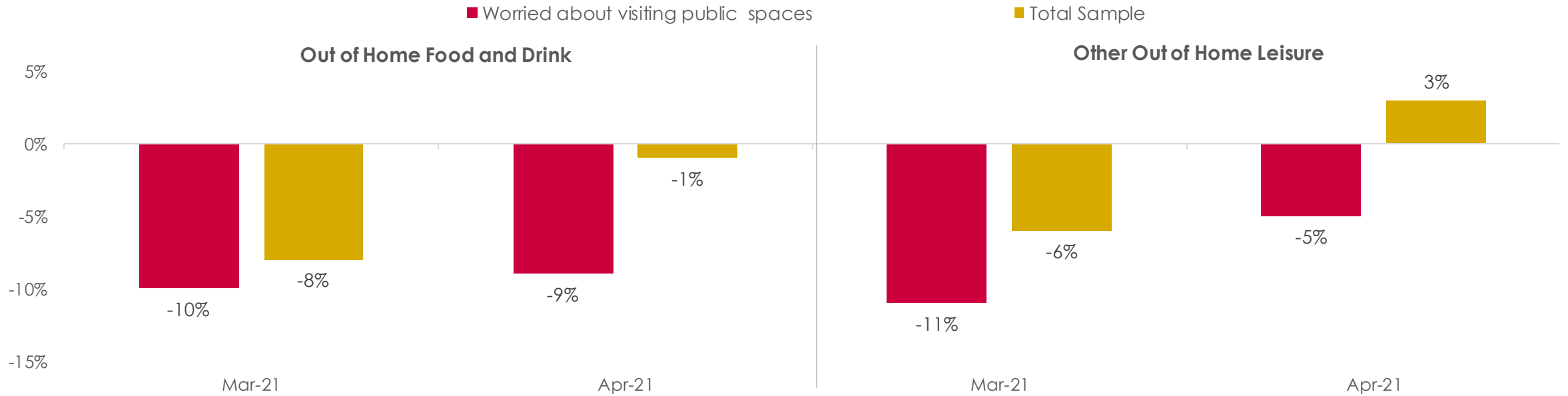


- The sustained increase in household confidence we have seen over the past few months is a likely consequence of the planned roadmap towards the reopening of the retail and hospitality sectors.
- As a result, net confidence has risen to a far greater degree over this period amongst respondents who are currently working in either retail or hospitality. The three month rolling average of net household confidence rose by 25% for hospitality workers and 16% for retail workers since January – compared to just a 9% rise across the whole sample.
- For those working in sectors that have consistently remained in work throughout the pandemic, recent trends have been less stark. Respondents working in property and construction have seen just an 8% rise in the three month average of net confidence since January, whilst those in teaching have actually experienced a 1% decline over the same period.



# Less bullish trends in expected leisure spending amongst those concerned over visiting public spaces

Over the next few months, how will you change spending on the following? [% Net Increase minus Decrease Spending]



- With pubs, restaurants and non-essential shops now open to the public once again, it is no surprise to have seen packed shopping centres and queues out the door for pub gardens in the first week of reopening.
- Our findings this month suggest that not everyone is sharing the same degree of excitement however. Whilst amongst the total sample we see a 7% and 9% rise in net spending expectations for out of home food and drink and other out of home leisure respectively, these increases fall to just 1% and 6% amongst those who say they feel concerned about visiting public spaces.
- This is of particular concern to businesses given that more than half of respondents have consistently felt this degree of anxiety over returning to public spaces (54% this month). With a significant proportion of the population remaining unvaccinated, it is clear that further efforts in the vaccine rollout are required before many feel comfortable with returning to typical out of home leisure spending levels.

# TRAJECTORY

Each month Trajectory survey 1500 adults in the UK on a range of issues including consumer confidence, personal choice and control, social trust, opportunities in technology, optimism and their place in the world.

This data is analysed and produces The Optimism Index. The data presented here is a snapshot of the full data, which can be used for bespoke analyses on request – including time-series analysis (from 2011 onwards) and global comparisons.

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