



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: May 2021 | Fieldwork: 12th – 19th May

**UK Optimism
May 2021**

54

Up 2 points on April 2021

Up 4 points on May 2020

**Rolling Average
May 2021**

52

No change on April 2021

No change on May 2020

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

**Net spending
expectations**

-6%

Net spending expectations have remained promisingly high

**Net household
confidence**

7%

Levels of household confidence have risen further this month

Net Trust

-16%

Levels of trust have seen little change over the past few weeks

Headlines

Comment

Here comes the sun. Optimism is trending firmly upwards as both the continued rollout of the vaccine and the steady reopening of the economy give consumers plenty of reasons to be cheerful, even if they are forced to imagine, rather than bask in, the glorious spring sunshine.

In addition to headline optimism, other pandemic indicators are moving in a positive direction. Consumer confidence reaches the dizzying new heights of +7 for household finances and +5 for the national economy. That is, quite incredibly, the first time more people have expected the national economy to improve than decline since we started asking the question three and a half years ago. What a happy time it has been.

Anticipated leisure spending remains high while savings continue to trend downwards – perhaps the hopes of a consumer led recovery and the economy unfurling like a coiled spring aren't so far fetched after all.

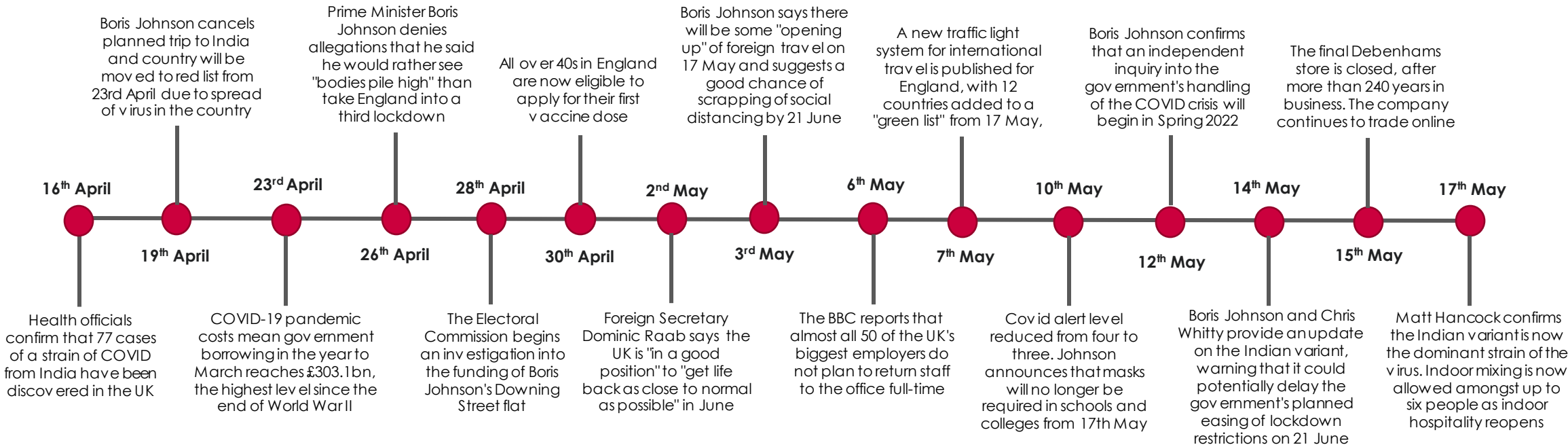
But a note of caution: even after a sizeable fall to its lowest level, one indicator should cause real concern. Almost half of consumers still say they are worried about returning to public spaces. These consumers are less than half as likely to have returned to the pub since reopening, and much less likely to have visited a restaurant, café or the high street too.

Those that are happy to be back out and about are already there. A consumer-driven recovery depends on reassuring those that aren't.

Tom Johnson, Managing Director, Trajectory



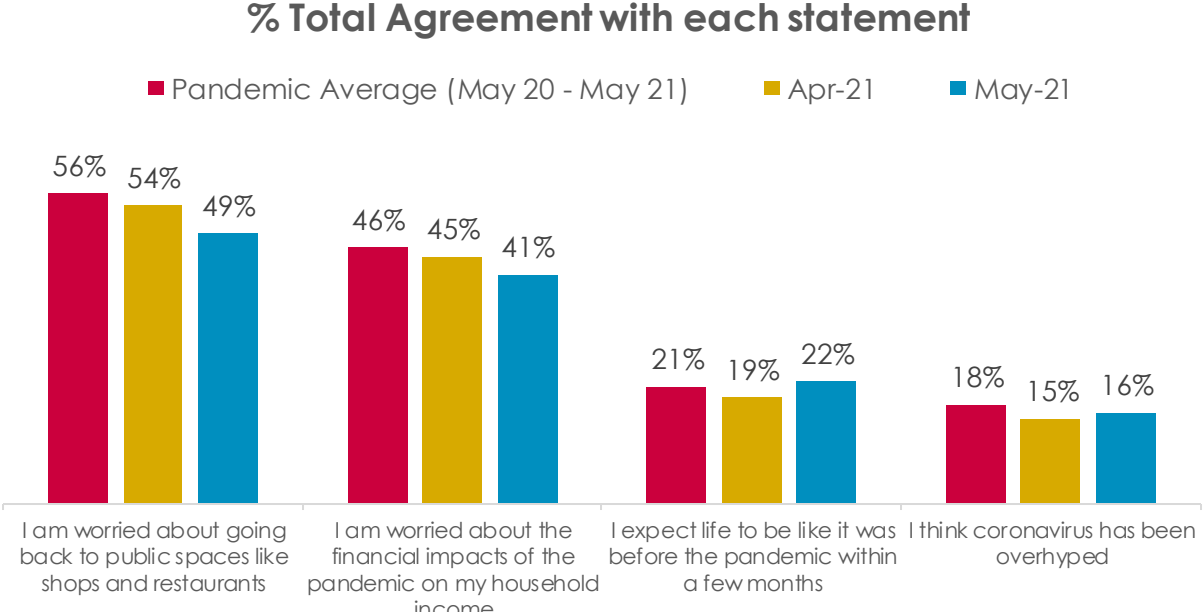
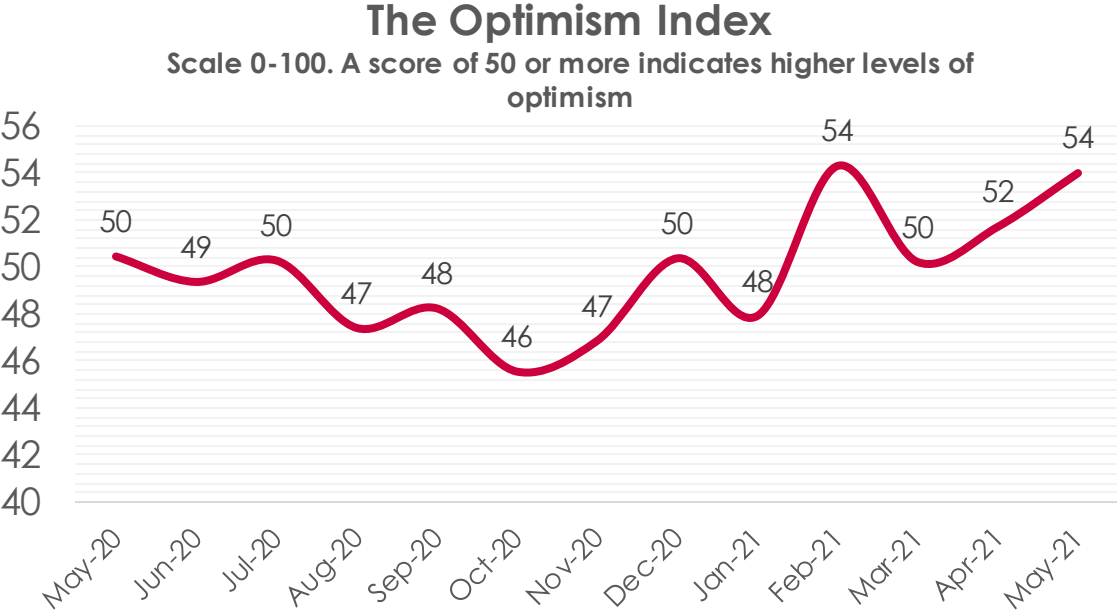
Last Month's Key Events



Fieldwork: 12th – 19th May



The Optimism Index: Headlines



- This month's edition of **The Optimism Index** sees consumer sentiment rise by two points from 52 to 54.
- While a two point rise is itself unremarkable, it has rarely been so consistent across demographics, with improved sentiment across gender, income and age cohorts this month.
- Although the fieldwork was conducted at a time of rising concern about the Indian variant, worries don't appear to have trickled down to consumers, who are likely bolstered by continued progress with the vaccine rollout and reopening of society.
- There are also positive signs in wider pandemic sentiment – with worry about returning to public spaces dropping to 49% and concern about the financial impacts of Covid dropping to 41%.

The Optimism Index: Rolling Average

- The three month rolling average of **The Optimism Index** stayed at the same level this month with a score of 52.
- Whilst stagnation might not initially appear especially positive, it is worth noting that between August and February, the rolling average had been above 50. With four consecutive scores above 50 in the months since, it would appear that a more positive outlook is becoming entrenched amongst UK consumers.
- This month also marks the first time over the past twelve months in which the rolling average is higher than at the same point in the previous year. Despite following a similar trend, the rolling average has consistently remained lower throughout 2020/21 than during the same period in 2019/20.
- With the decline in the rolling average between April and May last year primarily driven by a sharp fall in sentiment during the early months of the pandemic, we can assume that trends in the rolling average in the months ahead will continue to overtake those of the previous year.

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

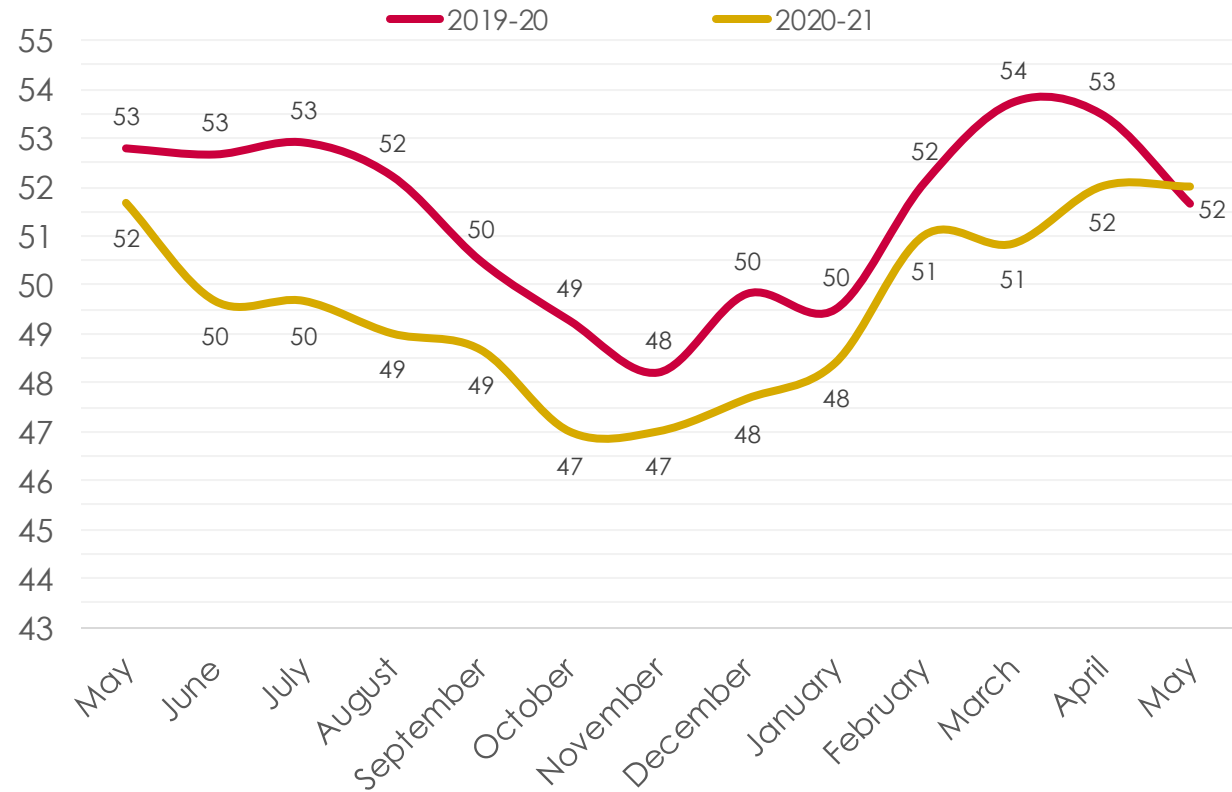
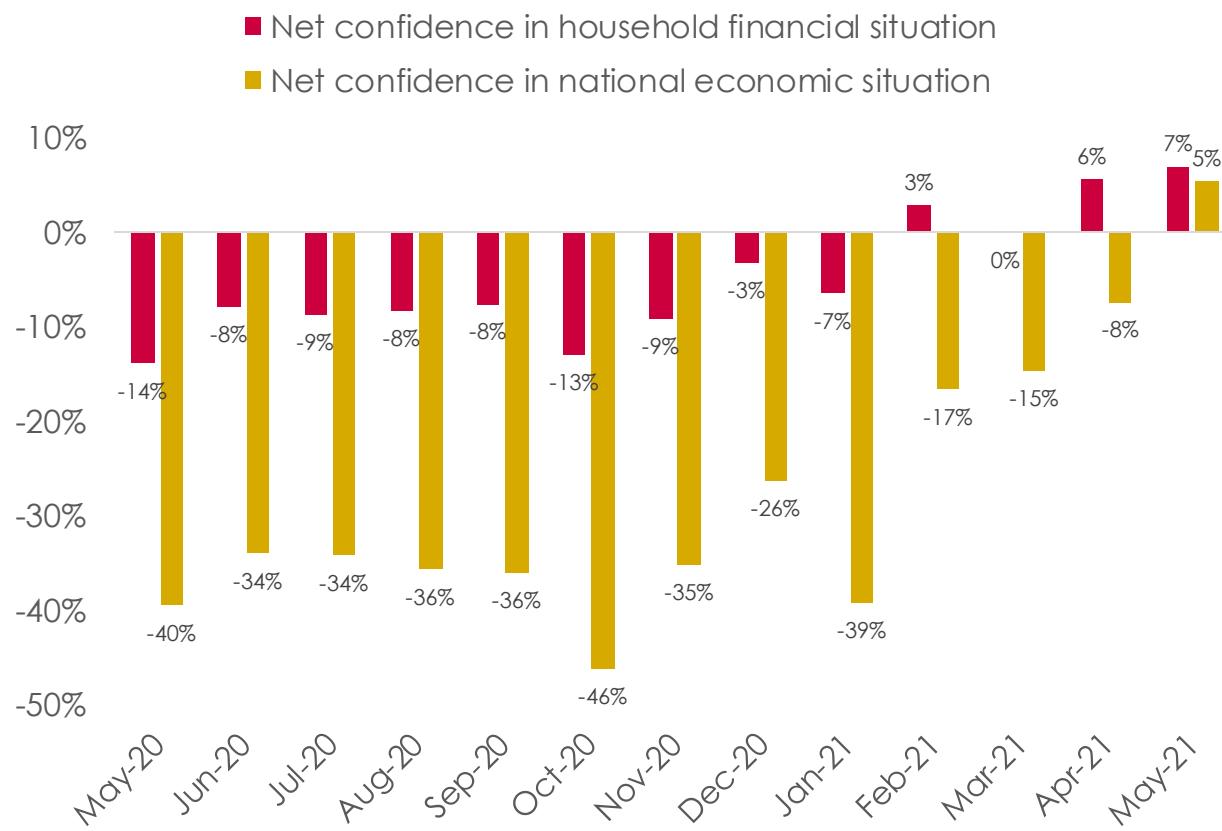


Chart labels are rounded to whole numbers, but *The Optimism Index* is rounded to one decimal place

Economic and Household Confidence

- This month sees net confidence in the economy reach unprecedented new heights – up 13% from -8% to 5%, whilst net household confidence rose from 6% to 7%.
- This represents not only the highest level of confidence in the economy seen since the start of the pandemic, but also the highest level since we began measuring confidence each month back in January 2018.
- These findings are unsurprising given the degree of positivity being reported regarding the UK economy's anticipated recovery over the next few years - even if such forecasts are being made in context to the damage the pandemic has already caused.
- Such a sharp rise in confidence has significant implications for the leisure industry. Respondents who felt a higher degree of confidence in the economy were this month far more likely to expect to increase spending on out of home leisure in the coming months.

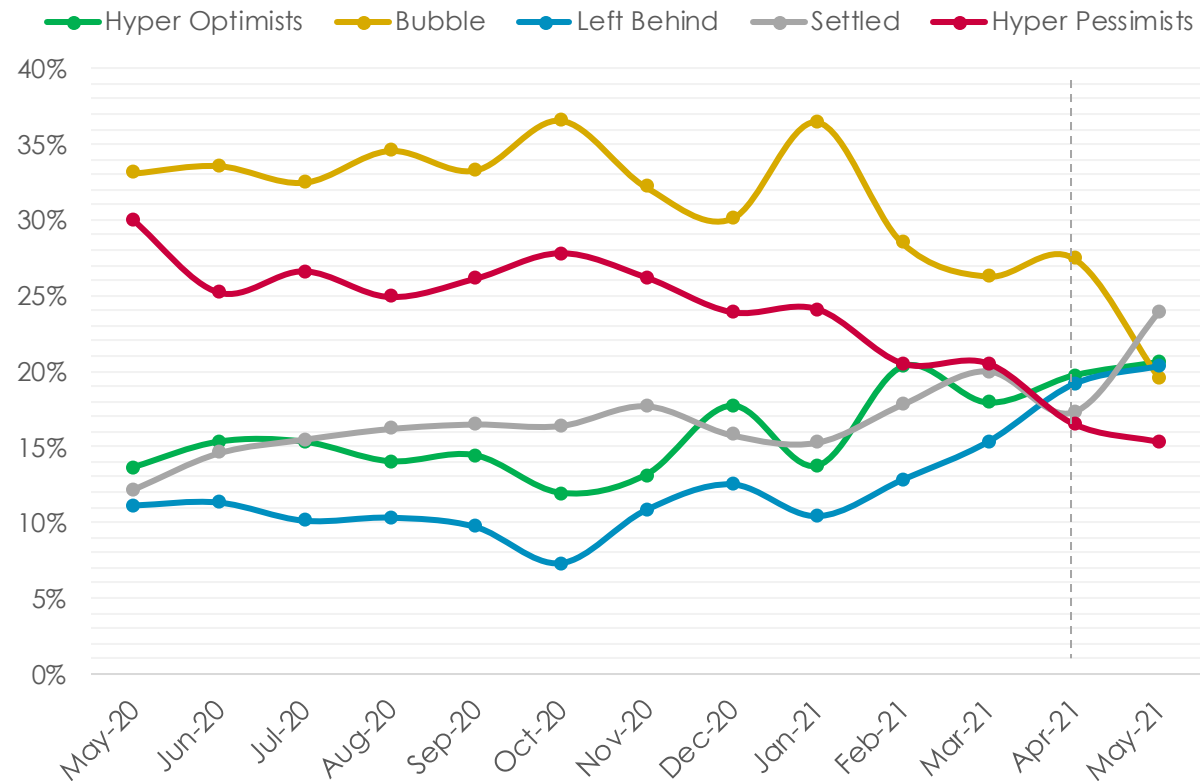
Economic and Household Confidence
 (Net: % thinking will improve minus % thinking will get worse over next 12 months)



Consumer Confidence Groups

- This month's sharp rise in economic confidence has driven significant changes in our confidence segments. 'The Bubble' now accounts for just a fifth of respondents, down from 37% at the start of the year, while less than one in six respondents are now 'Hyper Pessimists' - expecting both the economy and their own finances to deteriorate.
- However, that these declines are paralleled by a rise in those feeling 'Settled', while the proportion of 'Hyper Optimists' and 'Left Behind' have remained more stable. Despite consistently accounting for only around one in six respondents over the past year, a 7% rise sees 'Settled' now account for almost a quarter of the sample (24%).
- The result is a fragmenting of consumer confidence that we have not seen since before the pandemic. Throughout the last 12 months, two groups have been dominant, the 'Bubble' and the 'Hyper Pessimists', both united by their gloomy outlook for the economy as a whole. Rather than a dominant outlook each of our five groups now accounts for between 15% and 24% of the population – there is no single economic outlook, but equally sized fragments.

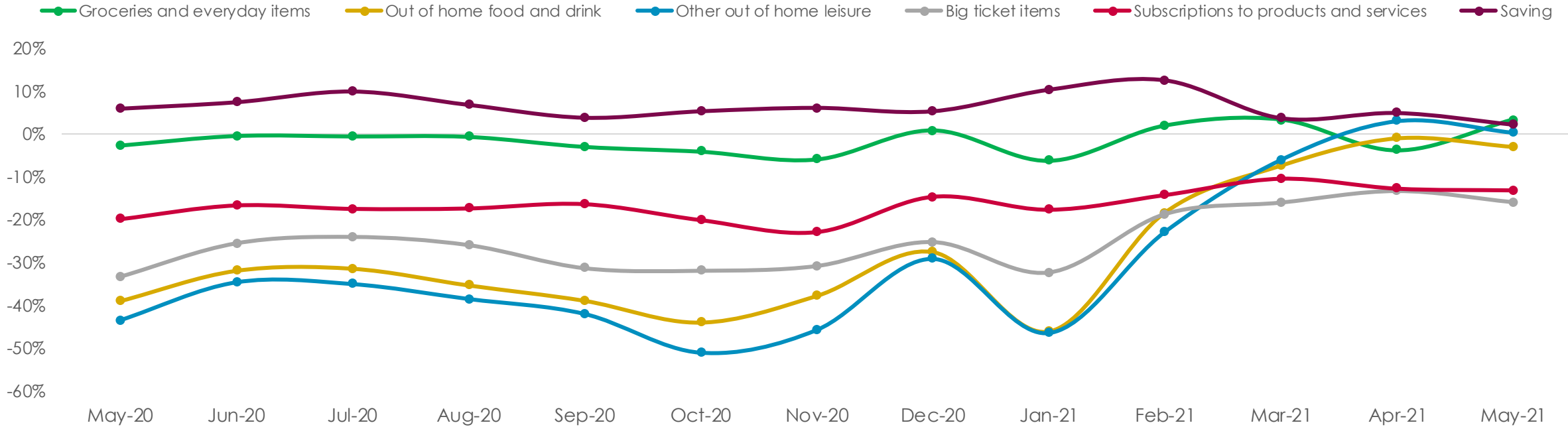
Do you think the economic situation in the UK/the financial situation in your household will improve, stay the same or get worse in the next 12 months?



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

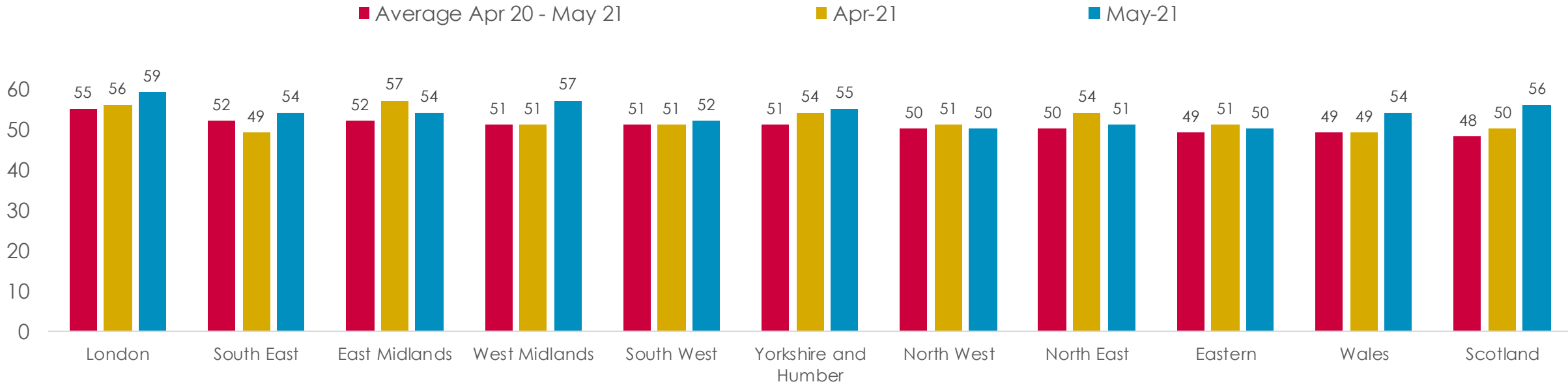
Over the next few months, how will you change spending on the following? [% Net Increase minus Decrease Spending]



- Consumer appetite for leisure spending appears to show no signs of slowing down this month. Net expectations for out of home food and drink and other out of home leisure remain over 40% higher than at the start of the year, paralleled by a further decline in expected saving.
- The leisure sector can take confidence from the fact that expectations for leisure spending appear to have settled at a far higher level than the previous reopenings that occurred last summer and just before Christmas.
- A greater degree of confidence has translated into more positive spending expectations beyond simply out of home leisure however, with net expected spending on big ticket items having more than halved over the past twelve months (-34% to -16%).
- Savings, however, have tumbled to their lowest level since 2019. Whatever savings have been built up during the pandemic, few households are now adding to them.



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



- This month’s findings further highlight the lack of a consistent pandemic experience across the UK as a whole. Those in London saw sentiment rise by three points to 59 – four points higher than average for this region over the past year.
- Respondents in Wales, benefitting from an even faster rollout of first vaccine doses than England, also saw a sharp rise in sentiment this month, with a score of 54 being five points higher both compared to last month and the pandemic as a whole.
- The spread of the Indian variant in areas such as Bolton and Blackburn has, however, dampened outlook amongst respondents in the North, causing a one point fall amongst those in the North West (51 to 50) and a three point fall in the North East (54 to 51).

Gender

- This month sees the gap in optimism between men and women grow by one point, with men seeing a three point rise from 53 to 56 whilst women see a two point rise from 51 to 53.
- These findings continue the recent trend in the difference in sentiment between men and women. With the average gap over the last three months more than three points smaller than the average for the previous nine, the disproportionate impacts of the pandemic for women are continuing to decline.
- Men continue to hold a more optimistic outlook in term of the impacts of the pandemic. This month, women were more likely to agree they are worried about returning to public spaces, and to feel worried about the financial impacts of the pandemic.

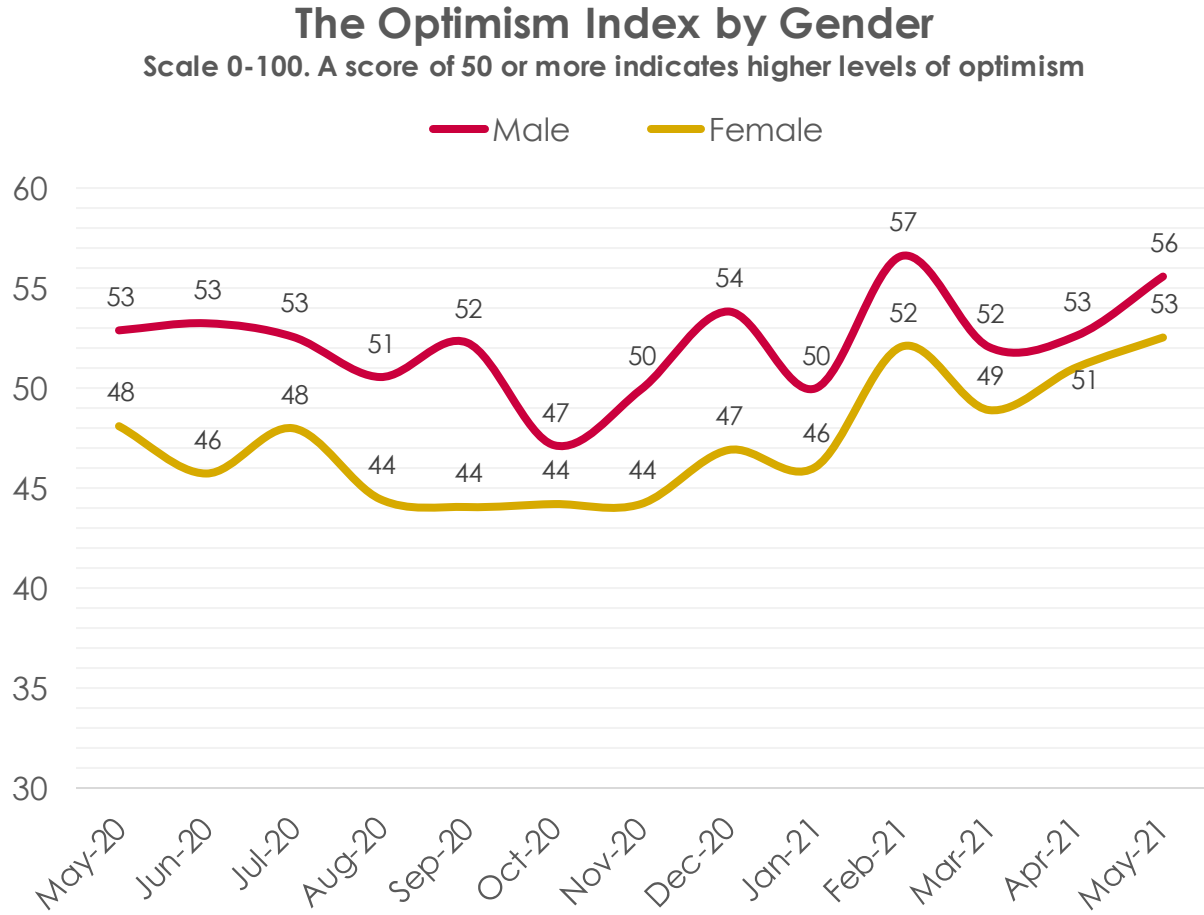


Chart labels are rounded to whole numbers, but *The Optimism Index* is rounded to one decimal place

- This month sees all generations experience improved sentiment to some degree. Older cohorts saw the sharpest rise, with the Silent Generation up five points from 52 to 57 and Baby Boomers up from 49 to 53, whilst Gen X and Gen Y each saw a two point increase.
- Despite seeing just a one point increase, Gen Z remain the most optimistic group for the fifth consecutive month, with the reopening of out of home leisure activities balancing the lack of vaccinations amongst younger age groups as of yet.
- This month's trends also see sentiment converge among generations. This highlights how experiences have grown increasingly consistent across generational cohorts, with the reopening of the economy and the vaccine rollout placing generations on a more level playing field than at this time last year.

Generation

The Optimism Index by Generation

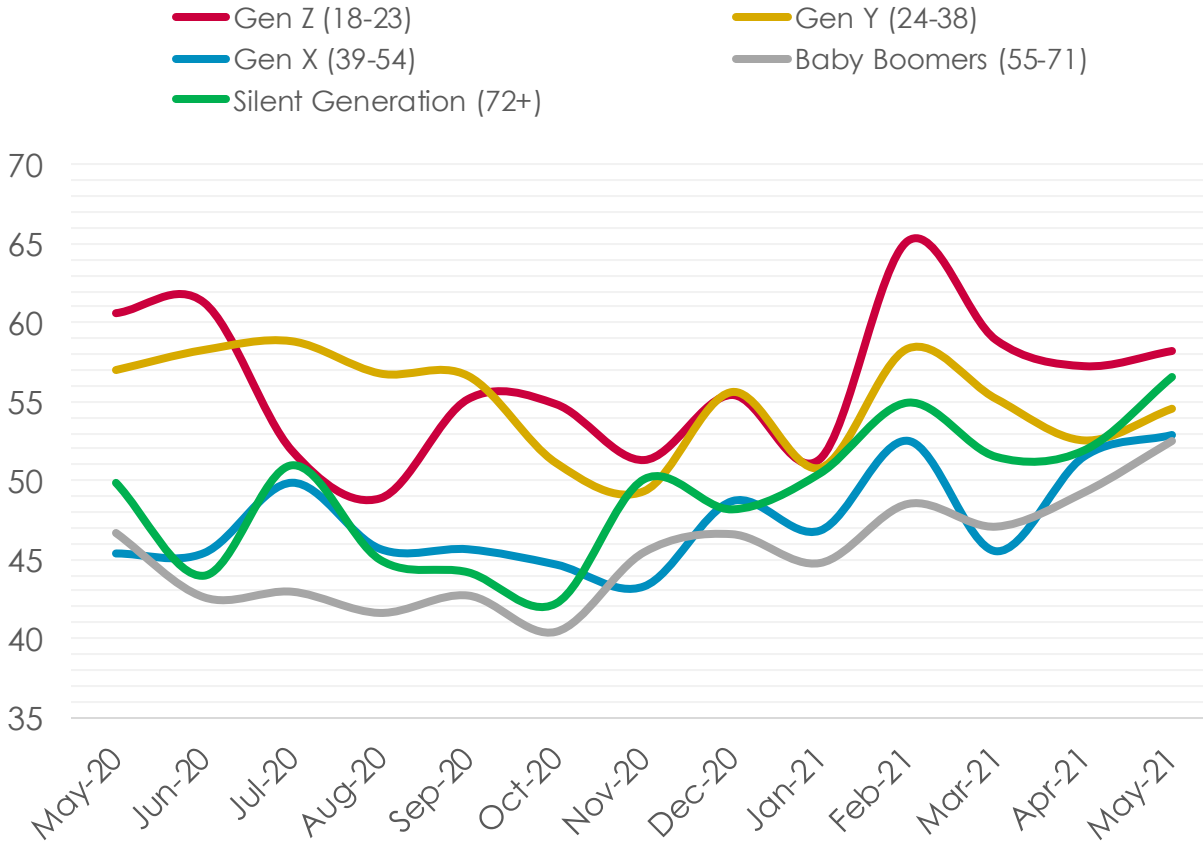


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- This month sees levels of optimism rise for all four income groups, with those earning £41k - £62k seeing the sharpest rise, up six points from 52 to 58, whilst all three other groups saw a rise of two points.
- With out of home leisure, both indoor and outdoor, now appearing to have reopened for good, it is little surprise to see sentiment rise above 50 amongst the lowest earners for only the second time since the start of the pandemic.
- These findings once again highlight how sentiment has converged amongst those earning higher and lower incomes. Compared to earlier stages of the pandemic, the top earners have seen little change in their outlook, whilst lower earners have grown more optimistic as the situation has gradually improved since the announcement of the roadmap.
- This convergence in outlook since the turn of the year has been paralleled by a closing of the gap between highest and lowest earners regarding economic confidence. In January of this year, top earners were 13% more likely to feel the economy will improve than lowest earners, compared to a gap of just 8% this month.

Income

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

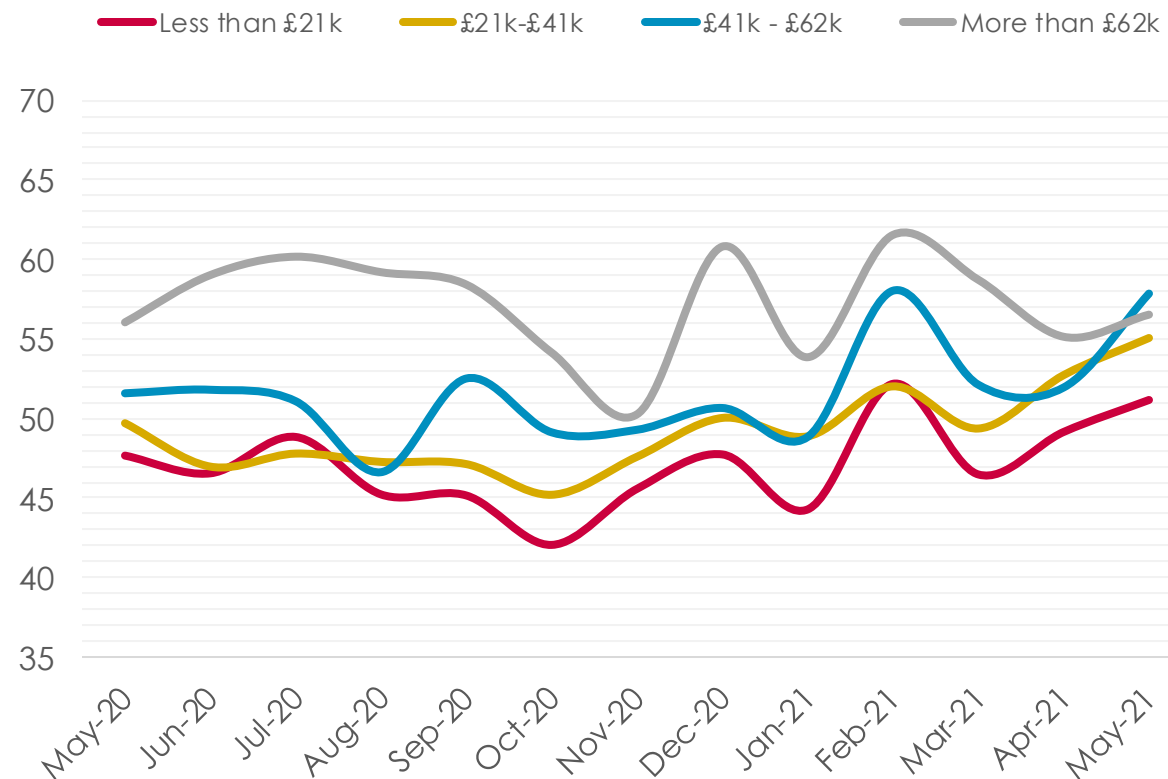
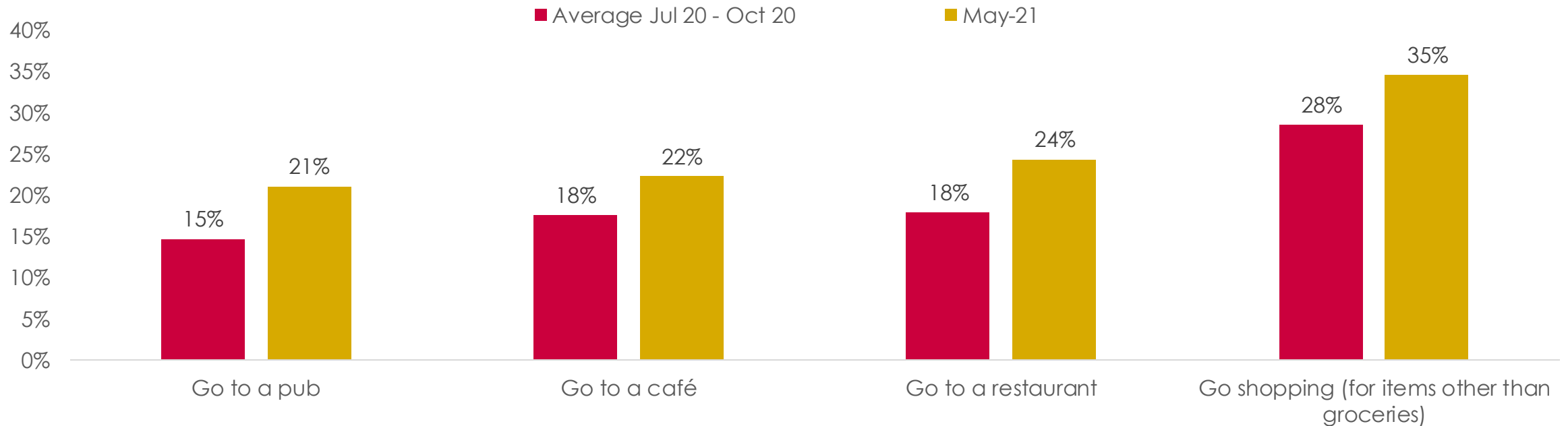


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Leisure expectations more bullish than last summer

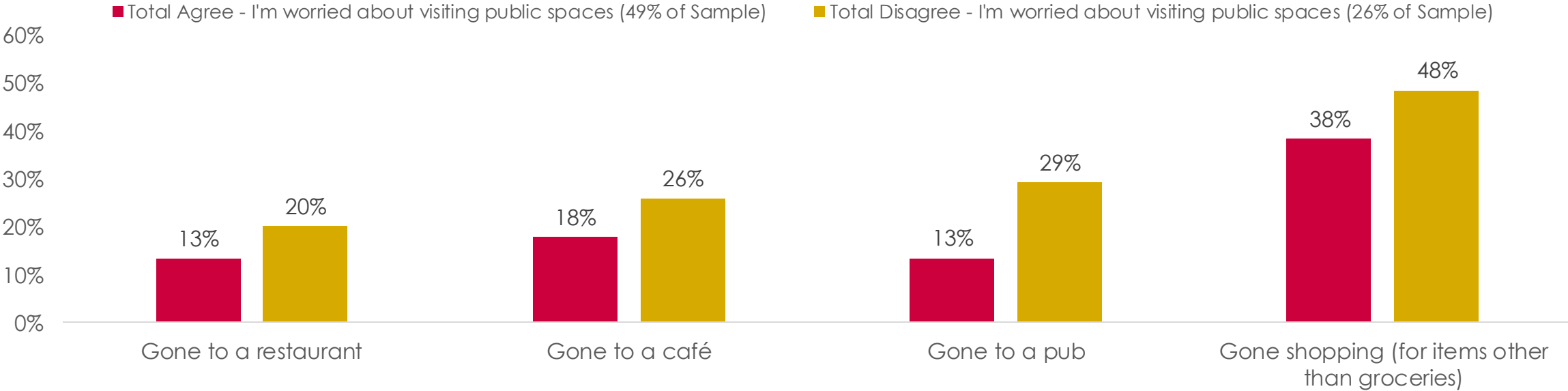
Which of the following activities do you expect to do in the next week?



- Amidst this month's reopening of indoor leisure facilities, consumers are now in a similar position to last summer's reopening, with initial signs pointing to a greater appetite for such activities this time around.
- More than a third of respondents expect to go shopping for non-groceries in the next week, up 7% compared to last year, whilst at least a fifth expect to visit a pub (up 6%), café (up 4%) or restaurant (up 6%) in the same period.
- Worth noting is that expectations are also more consistent across generations than they were last summer, suggesting that vaccinations are providing older cohorts with the confidence to spend on leisure to the same degree as younger consumers.

Health concerns remain a barrier to leisure spending for many

Which of the following activities have you done since pubs, restaurants and non-essential retail reopened in April 2021?



- Despite consumers appearing more likely to visit pubs, shops and restaurants than they were last summer, it is worth remembering that almost half (49%) of respondents remain worried about visiting such venues despite the lower risks involved.
- Such concerns have already prevented many consumers from enjoying the reopening of the leisure sector. Those who are worried about public spaces are in some cases less than half as likely to have already visited certain venues since the reopening, with pubs being the worst affected.
- If caution prevails then hopes of a consumer driven recovery could be dashed. Business leaders and policymakers alike need to consider what messages of reassurance – beyond simply further time without new outbreaks – can encourage consumers to partake in the leisure sector again.

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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