

News Release

Contact: Gaëlle Vilatte
Press & Communications
Tel. + 32 2 600 61 64
Email: gvilatte@deloitte.com

Xmas 2009: The rebound?

Less pessimistic consumers sense an economic recovery in 2010 and show that their new purchasing behaviours are here to stay

Brussels, 12 November 2009: The 2009 Xmas study is Deloitte's 12th publication on Europeans' purchasing intentions for the year-end holiday season. This year, the study covers 18 countries. Prepared in an exceptional economic environment, large representative samples of consumers (17,567 in total) responded to questions about their state of mind and the amount that they intend to spend on gifts, additional food/drink purchases for holiday meals and leisure activities.

Less doom and gloom, but caution still prevails

Consumers in Belgium perceive a probable economic recovery in 2010. The feeling of being in recession persists, but is receding considerably compared with last year. Thus, this year, 55% of respondents state that they feel the economy is in recession, compared to 87% last year.

In a similar vein, 'only' 43% of consumers believe that their purchasing power is eroding, whereas last year they were 75%.

Despite these improvements in the perception of the economic situation, a feeling of anxiety prevails, and is still constraining the propensity to consume. Consumers are prudent in their spending, and are extremely concerned about keeping their budget under control. Spending budgets for the year-end holidays should therefore drop by 2% in Belgium and by 6.3% in Western Europe. The average spending budget in Belgium is expected to decrease slightly to 580 euro in 2009. After Switzerland, this is the "best" result within Western Europe.

Consumers are adopting more rational purchasing behaviours

After several years of a perceived erosion in purchasing power followed by the global financial and economic crisis, consumers have learnt to adopt a new set of behaviours. *"A new breed of consumer is evolving, making new types of trade-offs. This new consumer prefers utility, durability, making carefully considered purchase decisions and avoiding impulse buys, rationally comparing prices, assessing the quality of innovations based on their real substance... The crisis has been a learning experience for consumers. These more rational, more carefully considered behaviours will be here to stay after the crisis has abated"*, according to Koen De Staercke partner and Consumer Business Industry Leader at Deloitte Belgium.

New purchasing patterns are emerging or have already taken root: use of the internet and new media to find the best price, or a preference for products which meet sustainable development criteria, at least as long as they are sold at more or less equivalent prices.

Competition will be fierce among retailers to fill consumers' modest shopping trolleys

“Despite this backdrop, retailers have opened new sales space, they have launched novel sales concepts and internet use is growing. In a nutshell, retail supply is fragmenting and is growing at a faster pace than demand, which is stagnating. This means that the hunt is on for customers, who will end up reaping the benefits of promotions and highly attractive prices. On the other hand, the profitability of certain retailers that do not respond as well to customers' expectations will suffer”, further commented Koen De Staercke.

Top 5 preferred gifts for Xmas 2009

Top 5 of the most preferred gifts in Belgium in 2009 (in 2008):

1. (1.) Gift vouchers

2. (3). Cash

3. (4.) Books

4. (2.) Clothes/shoes

5. (5.) CDs/Music

The top 5 of most preferred gifts in Belgium has remained unchanged compared to 2008 although 'cash' has moved up one spot. Gift vouchers are still considered to be the number 1 desired gift, which makes us unique in Europe. Almost 1 on 2 Belgians would like to receive such gift as a present.

Overall, in Europe, the demand for gifts in the form of money and gift vouchers continues to rise. This reflects a persistent desire on the part of consumers to make their own gift choices or simply to have cash to cover everyday expenditure.

About our survey

This Deloitte study evaluates year-end consumption in 17 European countries and in South Africa. In total 17,567 people were surveyed. A similar survey was conducted in the USA. Survey data was collected in co-operation with a research company during the end of September and the first week of October 2009. This year, two new countries were included: Luxembourg and Poland. Respondents were aged 18 years and older.

About Deloitte

A leading audit and consulting practice in Belgium, Deloitte offers value added services in audit, accounting, tax, consulting and corporate finance.

In Belgium, Deloitte has more than 2,400 employees in over 12 offices across the country, serving national and international companies, from small and middle-sized enterprises, to public sector and non-profit organisations. The turnover reached 317 million euros in the financial year 2009.

The Belgian firm is a member of the international group Deloitte Touche Tohmatsu, an organisation of independent member firms devoted to excellence in providing professional services and advice.



We are focused on client service through a global strategy executed locally in more than 140 countries. With access to the deep intellectual capital of more than 168,000 people worldwide, our member firms (including their affiliates) deliver services in various professional areas covering audit, tax, consulting, and financial advisory services. Our member firms serve over one-half of the world's largest companies, as well as large national enterprises, public institutions, and successful, fast-growing global companies. In 2009 Deloitte Touche Tohmatsu's turnover reached over 26 billion dollars.

Deloitte Touche Tohmatsu is a Swiss Verein (association), and, as such, neither Deloitte Touche Tohmatsu nor any of its member firms has any liability for each other's acts or omissions. Each of the member firms is a separate and independent legal entity operating under the names "Deloitte," "Deloitte & Touche," "Deloitte Touche Tohmatsu," or other related names. The services described herein are provided by the member firms and not by the Deloitte Touche Tohmatsu Verein.