



# SIENA RESEARCH INSTITUTE

SIENA COLLEGE, LOUDONVILLE, NY

[www.siena.edu/sri](http://www.siena.edu/sri)

QUARTERLY CONSUMER CONFIDENCE BY NINE NY STATE MSA'S – NEW - LONG ISLAND INCLUDED

For Immediate Release: Tuesday, January 13, 2009

Contact: Dr. Don Levy: 518-783-2901 (office) or [dlevy@siena.edu](mailto:dlevy@siena.edu)

PDF version; trends: [www.siena.edu/SRI/CCI](http://www.siena.edu/SRI/CCI)

## Confidence Erodes as '08 Ends; Consumers Brace for Difficult Year Majority in Every Region: "I'm worse off today than I was a year ago" Consumer Spending Unlikely to Pull Economy Out of Recession

Loudonville, NY –Consumer Confidence in New York State decreased in the fourth quarter of 2008 by just over a point to 54.4, according to the latest *Quarterly Consumer Confidence* survey released today by the Siena (College) Research Institute (SRI). At 56.2, the New York City region had the highest overall consumer confidence of the eight regions, and the Buffalo region had the lowest, at 50.1.

<b>Overall confidence is up:</b> 0.6 points in Binghamton to 53.5 (#4) 0.4 points in Utica to 52.6 (#5)	<b>Current confidence is up:</b> 3.0 points in Binghamton to 59.5 (#2) 1.2 points in Rochester to 60.7 (#1)	<b>Future confidence is up:</b> 2.5 points in Syracuse to 50.9 (#6) 1.7 points in Utica to 52.1 (#3) Albany had no change with 52.3 (#2)
<b>Overall confidence is down:</b> 4.4 points in Buffalo to 50.1 (#8) 2.8 points in NYC to 56.2 (#1) 2.4 points in Mid Hudson to 51.7 (#7) 0.7 points in Rochester to 55.3 (#2) 0.7 points in Albany to 54.7 (#3) 0.3 points in Syracuse to 51.9 (#6)	<b>Current confidence is down:</b> 5.7 points in NYC to 51.6 (#7) 4.5 points in Syracuse to 53.5 (#5) 2.7 points in Buffalo to 54.6 (#4) 1.9 points in Albany to 58.4 (#3) 1.5 points in Utica to 53.5 (#5) 1.1 points in Mid Hudson to 51.2 (#8)	<b>Future confidence is down:</b> 5.6 points in Buffalo to 47.2 (#8) 3.2 points in Mid Hudson to 52.1 (#3) 2.0 points in Rochester to 51.8 (#5) 1.0 points in NYC to 59.1 (#1) 1.0 points in Binghamton to 49.6 (#7)

**“It’s not a rosy picture. Across every region a majority of consumers are worse off financially today than they were a year ago,”** according to Dr. Don Levy, Director of the Siena College Research Institute. **“Despite falling gas prices this quarter, overall confidence slid as between 57% of consumers in New York City and 73% in Buffalo expect bad economic conditions to persist through 2009. With most New Yorkers ready for things to get worse before they get better, few, regardless of incentives and advertisements, are ready to make major purchases.”**

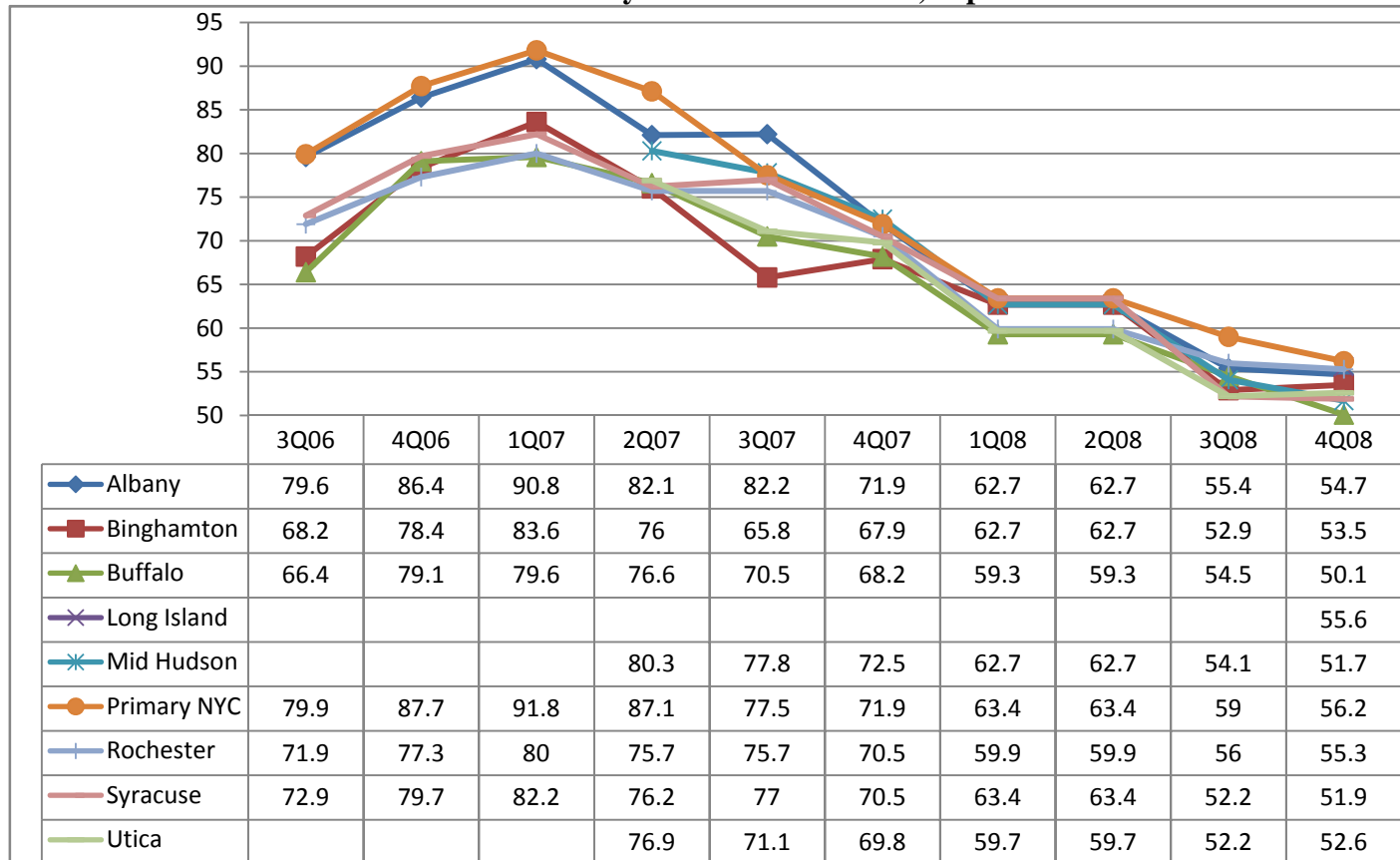
SRI’s **Quarterly Consumer Confidence Index report** reports regions known as “metropolitan statistical areas” (MSA’s). An MSA is a core urbanized area of 50,000 or more people plus adjacent counties with strong social or economic ties, as measured by commuting patterns. SRI has been following quarterly consumer confidence trends by MSA since the 4<sup>th</sup> quarter of 2001. The following table compares the 4<sup>th</sup> quarter of 2007 with the 4<sup>th</sup> quarter of 2008 across each of the MSA’s and states the percentage decline. The table restates consumer confidence for each MSA as a percentage of “Equilibrium”, that is, the point at which equal percentages of respondents feel optimistic and pessimistic about the economy.

	4 <sup>th</sup> Quarter Index 2007	4 <sup>th</sup> Quarter Index 2008	Percent Decline from Previous Year	Current Index as Percentage of Equilibrium
Albany	71.9	54.7	24%	72%
Binghamton	67.9	53.5	21%	70%
Buffalo	68.2	50.1	27%	66%
Long Island		55.6		73%
Mid Hudson	72.5	51.7	29%	68%
NYC	71.9	56.2	22%	74%
Rochester	70.5	55.3	22%	73%
Syracuse	70.5	51.9	26%	68%
Utica	69.8	52.6	25%	69%

*The intent of the Consumer Confidence Index is to measure peoples’ willingness to spend, as opposed to their ability to spend. The nine MSA’s studied - Albany, Binghamton, Buffalo, Long Island, Mid Hudson, NYC, Rochester, Syracuse, and Utica - are profiled in an attempt to provide regional measures of the state’s economic health. This data reports consumer confidence for the 4<sup>th</sup> quarter by MSA and should not be confused with SRI’s monthly New York State index.*

The SRI survey measures *current* and *future* consumer confidence, which combined provides the *Overall* Consumer Confidence.

**Overall Consumer Confidence by MSA and Statewide, September '06 to December '08**



While Consumer Confidence is reported as an *index* number, the *buying plans* portion of the survey reflects the percentage of respondents who plan specific expenditures in the next six months. Of the 40 buying decisions possible across the eight MSA's, 27 were down this quarter and all were below their historic average. Each buying plan per MSA displays the current percentage of respondents intending to purchase, the change from last quarter and the average percentage of respondents by MSA that have intended to purchase.

<b>Buying Plans: 4<sup>th</sup> Quarter 2008, by MSA with Change from last Quarter and Historic Average</b>									
	Albany	Binghamton	Buffalo	Long Island	Mid Hudson	NYC	Rochester	Syracuse	Utica
<b>Car/Truck</b>	8.7% (0.2 pt) <i>14.1%</i>	6.6% (-0.2 pt) <i>12.3%</i>	7.5% (-2.7 pts) <i>13.4%</i>	10.7%	8.3% (-2.4 pts) <i>11.6%</i>	6.8% (-1.2 pts) <i>12.7%</i>	9.0% (1.3 pts) <i>12.0%</i>	7.1% (-3.4 pts) <i>13.9%</i>	7.1% (-4.3 pts) <i>10.5%</i>
<b>Computer</b>	10.4% (1.4 pts) <i>11.9%</i>	8.5% (1.9 pts) <i>9.8%</i>	6.1% (0.8 pt) <i>10.4%</i>	7.5%	10.5% (-0.9 pt) <i>11.3%</i>	12.8% (-0.9 pt) <i>17.9%</i>	8.5% (-0.2 pts) <i>14.7%</i>	9.7% (3.1 pts) <i>10.3%</i>	5.9% (0.6 pt) <i>7.4%</i>
<b>Furniture</b>	12.5% (-0.7 pt) <i>19.0%</i>	9.8% (-2.4 pts) <i>14.8%</i>	7.5% (-3.4 pts) <i>16.6%</i>	13.4%	10.5% (-1.4 pts) <i>15.0%</i>	14.5% (-0.2 pt) <i>23.0%</i>	10.9% (1.5 pts) <i>15.3%</i>	8.3% (-3.4 pts) <i>15.6%</i>	7.6% (-1.4 pts) <i>13.2%</i>
<b>Home</b>	3.1% (0.7 pt) <i>4.2%</i>	1.0% (-2.4 pts) <i>3.7%</i>	2.2% (0.3 pt) <i>4.2%</i>	2.9%	2.7% (-0.4 pt) <i>3.9%</i>	3.0% (-0.9 pt) <i>6.8%</i>	1.2% (-1.2 pts) <i>3.9%</i>	1.9% (0.2 pt) <i>4.0%</i>	0.7% (-1.2 pts) <i>2.6%</i>
<b>Maj. Home Improvement</b>	15.4% (-4.1 pts) <i>23.8%</i>	12.7% (-8.5 pts) <i>20.9%</i>	12.2% (0.1 pt) <i>19.2%</i>	11.9%	14.6% (-3.6 pts) <i>19.9%</i>	10.7% (-1.6 pts) <i>16.6%</i>	16.5% (-0.4 pt) <i>19.1%</i>	12.7% (-2.6 pts) <i>21.1%</i>	13.2% (0.1 pt) <i>18.3%</i>

( ) reflects change from previous quarter; historic average in italics

The SRI survey was conducted by random telephone calls to adults over the age of 18. The New York City index is based on an average of SRI's monthly consumer confidence surveys. Each of the other metro area indexes is based on over 400 respondents. Survey crosstabs and frequencies for the consumer confidence of each metro area can be found on the Web at: