McDERMOTT MILLER Strategies™

WESTPAC : McDERMOTT MILLER CONSUMER CONFIDENCE SURVEY
December 2015

BACKGROUND

The Westpac : McDermott Miller Consumer Confidence Survey is carried out under joint sponsorship by Westpac and consulting firm McDermott Miller.

McDermott Miller has conducted quarterly consumer confidence surveys since June 1988, using international techniques to analyse answers to five standard questions on personal financial circumstances, expectations for the economy and attitudes to buying substantial household items. Index scores are produced for the nation, the regions and demographic groups which measure consumer confidence in the economy, with a score of more than 100 showing more optimism than pessimism and vice versa for a score below 100.

Consumers are also asked to indicate their savings, investment and spending intentions. The Westpac : McDermott Miller Consumer Confidence Survey and Index remains the only regionalised "demand" oriented economic indicator published outside official statistics and is the only available "leading" indicator of consumer spending and savings intentions.

SURVEY SPECIFICATIONS OF DECEMBER 2015 CONSUMER CONFIDENCE SURVEY

The **Sample Universe** is all households in permanent private dwellings in New Zealand. A **Sample Size** of 1565 interviews in December 2015 was obtained following a 44% response rate. Interviews for the latest Consumer Confidence Survey were conducted during 1 – 11 December 2015, between the hours of 5.30 pm and 9.00 pm weekdays and 12.30 pm and 7.30 pm Saturday and Sunday.

The **Margin for error** of the Consumer Confidence Survey is a maximum of plus or minus 2.5 percent, at 95% confidence.

The **Sampling Technique** employed is stratified by Regional Council region, with randomised quotas within regions based on local telephone directories. Respondent's towns of residence are recorded, allowing analysis by a three-way split: **Metropolitan Centres** (Auckland, Wellington, and Christchurch) **Secondary Centres** (ranging in size from Timaru up to Hamilton and Dunedin), or **Rural** (the remainder).

The **Data Collection Methodology** is computer aided telephone interviews. The Survey is conducted by McDermott Miller. **Respondent Recruitment** selects the household member over 18 years whose birthday falls next. Up to three call-backs are mandatory where the target respondent is not available. No incentives are offered. **Quality Control** is assured by close management of field administrators and interviewers by a Senior Consultant. All telephone numbers and response codes are recorded by each interviewer and random auditing of respondents is carried out.

The Consumer Confidence Index is calculated by McDermott Miller from percentage response to five questions. It is 100 plus the unweighted average of the difference between positive/optimistic responses and negative/pessimistic responses. A score above 100 shows more optimism than pessimism and vice versa for a score below 100.

ACKNOWLEDGEMENT

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