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No embargo

JUST A QUARTER OF CONSUMERS THINK SAVING IS VERY IMPORTANT
Current economic situation deters consumers from prioritising saving

New research* from Nationwide Building Society reveals consumers increasingly think saving is less important than it once was. In June, just 26% of consumers thought saving was very important – this compares to 49% of people in May and 46% of consumers in April**.

The Society's research also reveals:

- Just over half (59%) of consumers think it is personally important for them to save – a decrease of 12% from May's report;
- Less than half (46%) of consumers are saving regularly, with 33% saving occasionally, whilst a fifth (20%) are not saving at all;
- Nearly two thirds (61%) of people are saving less than they think they need to;
- However, 48% of consumers are optimistic that in six months' time they'll be saving what they need to – although a third (32%) think they won't be saving enough.

Matthew Carter, director for savings at Nationwide, says: "Our latest research on consumers' propensity to save is concerning. A sharp decrease has been seen in the store people put on saving and, if this decline continues, there will be trouble ahead if consumers do not put money aside.

"The increasing cost of living is clearly having an impact on household finances and consumers are prioritising bills over their savings. It is encouraging that half of consumers are still saving regularly, but nearly two thirds of people are not saving as much as they think they need to. If the economic situation gets more difficult, without the money put aside to fall back on, these consumers may find the going gets even tougher."

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Notes to editors:

* Data was collected between 19 May-22 June 2008 by TNS, a global market information and insight group. 1,000 people were questioned. Research is collected on a monthly basis and this is the third such release using the data collated.

Previous releases are available via the following links:

May release issued 18 June 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1219

April release issued 27 May 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1210

**May's data was collected between 30 May-1 June 2008 by TNS – 1,010 people were questioned.
April's data was collected between 18-20 April 2008 by TNS – 1,005 people were questioned.