
Americans Continue to Decrease Spending on Entertainment and Eating Out

Strong majorities also not likely to purchase any big ticket items in next six months

ROCHESTER, N.Y. – March 31, 2009 – The Obama Administration is focused on trying to stimulate the economy and is actively encouraging spending. Americans, however, are not that inclined to spend and are still decreasing the amount they will be spending on eating out and entertainment.

These are some of the results from *The Harris Poll* a new study of 2,355 U.S. adults surveyed online between March 9 and 16, 2009 by Harris Interactive.

Americans are cutting back on their spending over the next six months. Specifically:

Three quarters of Americans say it is likely that they will decrease spending on eating out in restaurants (74%) and reduce their spending on entertainment (74%). This is up from November when 65% said they would decrease spending on eating out and 64% would reduce entertainment spending;

Two-thirds of Americans (65%) say it is not likely they will take a vacation away from home lasting longer than a week while 35% say they will vacation away from home. In November, three in ten (29%) of Americans said they would be likely to take a trip;

Large purchases will also suffer as more than three-quarters of Americans say it is not likely they will buy a new computer (78%), move to a different residence (80%), buy or lease a new car, truck or van (89%), purchase a house or condo (90%), start a new business (90%) or buy a boat or recreational vehicle (95%). These numbers are all very similar to November so people are still not ready to spend on the big-ticket items;

Only one in five Americans (21%) say it is likely they will have more money to spend the way they want in the next six months which is slightly down from 25% in November; and,

People are split on saving or investing as 50% say it is likely they will save or invest more money while 50% say it is not likely they will do so, almost unchanged from November when 49% said they were likely to save or invest and 51% said it was not likely.

So What?

While President Obama continues to take to the airwaves and conduct town hall meetings, including the first online town hall meeting by a President, Americans are not quite ready to take his message to heart. The administration may want people to spend to help stimulate the economy, but Americans are still not in the spending mood. The only bright spot is that the number of people who say they will take a vacation in the next six months has gone up slightly, so the summer travel season may be slightly safer. But once on vacation, will people cut back on what they do while there?

TABLE 1
SPENDING/SAVINGS OVER NEXT SIX MONTHS

“How likely will you be to do the following within the next 6 months?”

Base: All adults

		LIKELY (NET)	Very likely	Somewhat Likely	NOT LIKELY (NET)	Not that likely	Not at all likely
Decrease spending on eating out at restaurants	%	74	38	36	26	16	10
Reduce spending on entertainment	%	74	37	37	26	17	9
Save or invest more money	%	50	21	29	50	23	27
Take a vacation away from home lasting longer than a week	%	35	17	18	65	21	44
Have more money to spend the way you want	%	21	7	14	79	34	44
Buy a new computer	%	22	8	14	78	22	56
Move to a different residence	%	20	10	10	80	12	68
Buy or lease a newly manufactured car, truck or van	%	11	5	7	89	15	74
Purchase a house or condo	%	10	5	4	90	8	83
Start a new business	%	10	5	5	90	9	80
Buy a boat or recreational vehicle (e.g. trailer, motor home))	%	5	4	1	95	6	89

Note: Percentages may not add to 100% due to rounding

TABLE 2
SPENDING/SAVINGS OVER NEXT SIX MONTHS - TREND

“How likely will you be to do the following within the next 6 months?”

Percent saying “Very/Somewhat Likely”

Base: All adults

		Nov. 2008	March 2009
Decrease spending on eating out at restaurants	%	65	74
Reduce spending on entertainment	%	64	74
Save or invest more money	%	49	50
Take a vacation away from home lasting longer than a week	%	29	35
Have more money to spend the way you want	%	25	21
Buy a new computer	%	22	22
Move to a different residence	%	18	20
Buy or lease a newly manufactured car, truck or van	%	12	11
Purchase a house or condo	%	10	10
Start a new business	%	9	10
Buy a boat or recreational vehicle (e.g. trailer, motor home))	%	5	5

Note: Percentages may not add to 100% due to rounding

Methodology

This Harris Poll was conducted online within the United States March 9 and 16, 2009, among 2,355 adults (aged 18 and over). Figures for age, sex, race/ethnicity, education, region and household income were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting was also used to adjust for respondents' propensity to be online.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, Harris Interactive avoids the words "margin of error" as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

Respondents for this survey were selected from among those who have agreed to participate in Harris Interactive surveys. The data have been weighted to reflect the composition of the adult population. Because the sample is based on those who agreed to participate in the Harris Interactive panel, no estimates of theoretical sampling error can be calculated.

These statements conform to the principles of disclosure of the National Council on Public Polls.

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