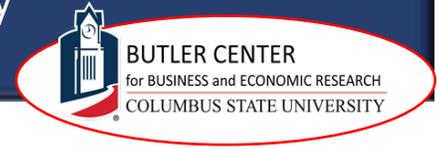


Fall 2015 Community Attitude Survey



January 2016

The Butler Center for Business and Economic Research is pleased to announce the results of the Fall 2015 Community Attitude Survey. The results of the survey are used to calculate consumer sentiment which measures the relative amounts of positive to negative attitudes by consumers in our local area with regard to current economic conditions and future expectations. Specifically, we ask five questions similar to those used by national surveys of consumer attitudes such as the University of Michigan's Index of Consumer Sentiment and the Conference Board's Consumer Confidence Index. Below we present the results from this year's survey and compare them to those from the last two years.

We measure consumer sentiment for each question on a scale from 0 to 200. A value equal to 100 indicates an equal amount of positive and negative attitudes, a value below 100 indicates relatively more pessimism, and a value above 100 indicates relative optimism. Overall consumer sentiment is then calculated as the average of all five questions. Each of the questions and the corresponding measure of consumer sentiment is presented below.

Survey Question	Consumer Sentiment		
	2013	2014	2015
Would you say that you and your household are better off or worse off financially than you were a year ago?	89.0	102.1	94.7
Do you think that a year from now you and your household will be better off financially, worse off, or just about the same?	106.3	132.1	104.0
In the country as a whole, do you think that during the next <u>12 months</u> we'll have good times financially or bad times?	78.3	91.1	99.7
In the country as a whole, do you think that during the next <u>five years</u> we'll have good times financially or bad times?	86.7	83.0	97.4
Do you think now is a good or a bad time for people to buy major household items?	105.2	166.0	100.6
Overall	93.1	114.9	99.3

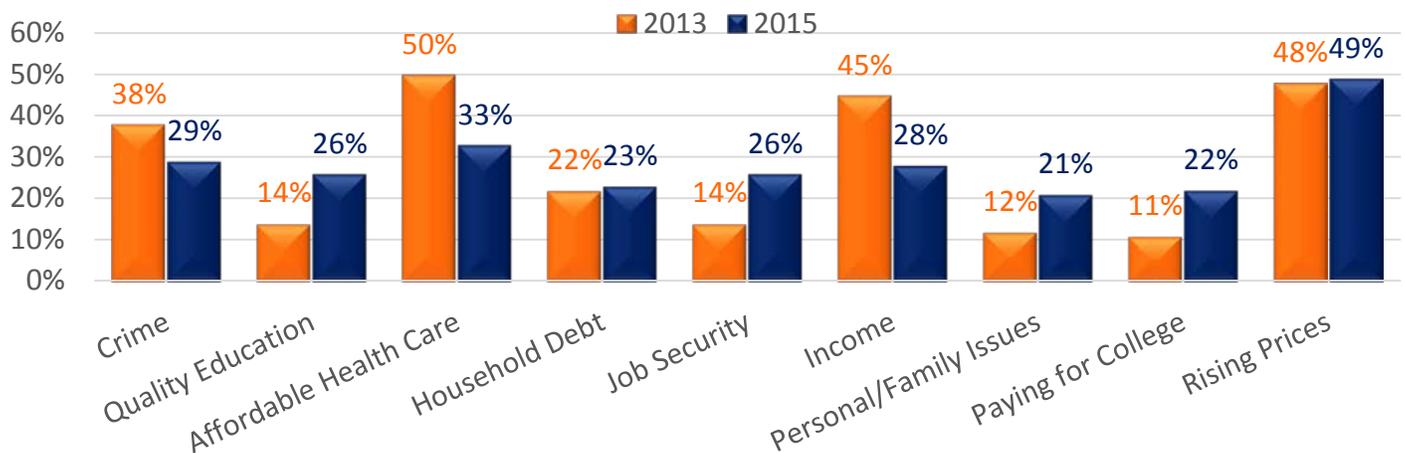
The overall measure of consumer sentiment has decreased from being optimistic in 2014 to being slightly pessimistic at the end of 2015. Local consumers perceive themselves to be worse off than a year ago but, as in previous surveys they expect their household to be financially better off by the end of the next year. However, the degree of optimism is much less than a year ago. Consistent with this decline is the significant reduction in exuberance regarding large household purchases.

Although optimism regarding the national economy has steadily increased over the past two years, local households continue to have an overall pessimistic view of the country’s short-term and long-term financial prospects.

Unlike the previous two years, the responses this year were evenly divided between optimists and pessimists. In fact, there were three groups of nearly equal size, the third group being those who were neither optimists nor pessimists. This division was consistent across all questions in the survey and consistent across racial boundaries.

We also asked respondents to indicate items that were of greatest concern to their family. Each respondent could choose up to three. The table below describes the percentage of respondents choosing each item and how the concerns of the community have changed since 2013 when we last asked the same question.

Issues of Top Concern to Local Families



The top four issues concerning families remain the same as they were in 2013 -- rising prices, affordable health care, income, and crime. However, in 2013 the concern was mostly focused only on these four issues with each listed by over 35% of those surveyed. Concern is now much more spread out among the entire list of issues. Currently, only the concern over rising prices stands out with 49%. Concerns over affordable health care has fallen by 17 percentage points from 50% to 33% most likely reflecting the reduced uncertainty regarding the implementation of the Affordable Care Act. Concern specifically over family income seems to have been replaced by a dual concern over income and job security, possibly reflecting worry over the ability of local businesses to maintain current payrolls. Nearly twice as many families now list quality education (26%) and paying for college (22%) as one of their top concerns. Concern over household debt remains a top concern for nearly one-quarter of the families surveyed.

The four issues of most concern to local families are rising prices, affordable health care, crime, and income.

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