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# A Closer Look at Local Consumer Sentiment

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# A closer look at local consumer sentiment

The Bureau of Business Research and Economic Development recently conducted a consumer confidence survey that covered the state of Georgia.



**Benjamin McKay**

The sampling technique used allows the analyst to match the collected data to the state's twelve regional commissions. This column re-examines

this data to answer a nagging question: Are residents in the Coastal Region feeling better about the economy over the past year?

To answer this question, I combined the results from the past three surveys, which include the spring of 2010, fall of 2010 and spring of 2011. Overall, this analysis finds that residents are starting to feel a bit better about the economy.

These conclusions were made based on four key

questions from the survey. These are general feelings about the economy, job availability in the next 6 months, financial situation and personal savings patterns.

When participants were asked directly do you think the economy is worse, the same or better than last year, between 54 and 59 percent responded that the economy is about the same or better. Few respondents see the economy making major improvements over the last year. It appears that consumers' views of the economy are consistent with last year's results.

Therefore, it is safe to say that any expectations for a quick recovery have disappeared over the last year. However, this is not the only way to get consumers' views on the economy.

Answers to several other questions that were asked show slightly different results. Some reflect signs of pessimism due to the slow recovery; others are more optimistic.

The results that illustrate

the expectation of a slow recovery came from answers to the question of how many jobs will be available in the next six months. Almost one-third of participants in these surveys still see fewer jobs available. In the spring of 2010 survey, 35 percent felt fewer jobs would be available in six months.

This declined to 18 percent in the fall of 2010 and then increased to 31 percent in the most recent survey. This is troubling news because many respondents are still pessimistic about job availability.

The problem is that participants with concerns about job availability will be reluctant to make large purchases such as homes, vehicles or home improvements, etc. This type of spending has a major impact on the economy because other jobs are created to service the needs of consumers making these purchases.

In contrast, there are some more optimistic results that could indicate some partici-

pants are feeling better about the economy.

One example is the increasing confidence in individuals' financial situation over the previous year. Participants' financial situations have improved from a low of 7 percent in the spring of 2010 to 17 percent in the fall of 2010 before it reached 25 percent in the most recent results.

As consumers begin to feel more financially stable, their willingness to make major purchases should increase.

Individuals are also reporting similar savings patterns over the last three surveys.

Participants who report saving more over last year have remained stable. This result ranges from 14 percent in the spring of 2010 to about 17 percent in the fall of 2010 and spring of 2011 survey.

The positive view is that consumers are not taking more money out of the economy. Saving money or paying down debt is good for the individuals but can be less

beneficial for the economy. Dollars that are saved are not spent for goods and services, and that creates and maintains employment.

Overall, there is more good news than bad news in these results. Still, the unbridled optimism of 2005 or 2006 is not back. Consumers have adjusted to the new realities and are starting to see the glass as half full instead of half empty when it comes to economic conditions.

This is an important first step in building consumer confidence. If, as many economists are predicting, private sector employment continues to increase over the next several months, the fall survey could show another increase in confidence.

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## Thomas & Hutton partners with Rotary Club of Savannah West to support troops

### BUSINESS IN SAVANNAH

Thomas & Hutton has partnered with the Rotary Club of Savannah West to support Operation Welcome Home. In addition to the SCMPD's drop off at the 4th precinct in Oglethorpe Mall, Thomas & Hutton and the Rotary Club of Savannah West is serving as additional locations to donate the items needed for the 4th Brigade Troops. Due to federal budget cuts, the soldiers returning to their barracks will only have clean sheets on their beds.

The Rotary members are bringing items to each meeting for donation. For more information on how to donate your items through the Rotary Club Savannah West contact Boyce Young: young.b@thomasandhutton.com

Thomas & Hutton drop off location: 50 Park of Commerce Drive, Savannah. 912.232.5300 or Brigman.p@thomasandhutton.com for more information.



Special to BiS

**Jennifer Roach, Thomas & Hutton and Cecilia Arango hold a box of donated items for the 4th Brigade.**

Chatham Park of Commerce Neighbors are welcome to contact us and we'll come by and pick up the items.

Hours: 8 a.m.-5 p.m. Monday through Thursday and 8-11 a.m. Friday.

Items needed: Towels, bar soap, toothbrushes, wash cloths, toothpaste, shower curtains, shower curtain rings, bottled water, sports drinks, razors and shampoo.

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**Jones named president of state health group**

**Honor/Award:** Todd Jones, environmental health director for the Chatham County Health Department, has been named president of the Georgia Public Health Association. Jones will be responsible for leading the organization's efforts over the next year. In addition, the organization recently named Jones as its environmentalist of the year.



**Jones**

**Weems receives Sellers-McCroan Award**

**Honor/Award:** Diane Weems, the chief medical officer for the Chatham County Health Department, has received the Sellers-McCroan Award from the Georgia Public Health Association. The award, named for Georgia public health pioneers Thomas Fort Sellers and John Edgar McCroan Jr. recognizes and encourages outstanding achievement and service to Georgians in epidemiology and/or laboratory services. Weems also received the association's Al Dohany Award for Community Service.



**Weems**

**Logistics Award of Excellence goes to D.J. Powers**

**Honor/Award:** D.J. Powers Company Inc. was presented the Logistics Award of Excellence in recognition of outstanding quality and service by the Thiele Kaolin Co.

**Daniels appointed to advisory council**

**Honor/Award:** Robert Daniels, chief operating officer of Bernard Williams Insurance and Financial Services of Savannah, has been asked to serve on the National Agent Advisory Council for PURE Insurance.



**Daniels**

**Background:** Daniels has 25 years of insurance experience.

**Georgia 2011 Champion of the Year named by U.S. SBA**

**Honor/Award:** Darron M. Burnette, executive vice president of Sea Island Bank, has been named Georgia's 2011 Financial Services Champion of the Year by the U.S. Small Business Administration. Burnette, with over 28 years in banking, also received the SBA Regional Award for the financial services category.



**Burnette**

**Background:** Burnette will represent Georgia and the Southeast as a financial services champion during national small business week, May 18-20. He oversees Sea Island Bank's retail banking division and manages its offices in Statesboro, Savannah and Metter.

**DeWitt Mortgage**

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<b>15 FIXED</b>	<b>3.625% / 3.78% APR</b>
<b>5/1 ARM</b>	<b>3.0% / 3.5% APR</b>
<b>30 FHA / VA</b>	<b>4.125% / 4.6% APR</b>

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