

## **'Tis the Season to Spend \$869**

To the delight of retailers across the country, Americans are planning to spend record amounts on gifts this holiday season.

Just over half (53 percent) say they'll spend at least \$500 this year, including 28 percent who are really putting Santa to shame with plans to spend \$1,000 or more. All told, Americans expect to spend an average of \$869 on holiday gifts, a sharp surge from last year and the most in polls dating to 1989.

Average spending plans on holiday gifts	
12/12/99	\$869
12/6/98*	\$702
12/5/94	\$634
12/6/93	\$639
12/18/92	\$605
12/15/91	\$617
12/2/90	\$588
10/15/89	\$634

\*1998 and previous by Gallup

**BIG SPENDERS** – Who are the big holiday spenders? Men expect on average to spend much more than women – \$1,070 compared to \$677. And higher-income groups have higher spending plans: an average of \$1,063 among people in households with more than \$50,000 in income, compared to \$849 in households with under \$50,000 in income.

Average spending plans	
Men	\$1,070
Women	\$ 677
Under \$50,000	\$ 849
Over \$50,000	\$1,063

It's not only traditional retailers who will benefit from the free flow of cash this holiday season. An ABCNews.com poll last month found that 18 percent of Americans planned to buy some holiday gifts online this year, up from only seven percent last year.

**CONFIDENCE** – This jump in holiday spending plans should come as little surprise: Consumer confidence has soared this year, lifted by rising incomes, low inflation, low unemployment and low interest rates.

This week 54 percent of Americans say it's a good time to buy things, two points shy of the record in 14 years of weekly polls. More, 73 percent, rate the economy positively, and 66 percent say their own finances are in good shape, each four points off its all-time high.

Positive ratings:	Today	----- Since 12/85 -----		
		Highest	Lowest	Average
National Economy	73%	77	7	38
Personal Finances	66	70	42	56
Buying Climate	54	56	20	37

INDEX –The ABC News/Money magazine Consumer Comfort Index, based on these gauges, stands at +29 on its scale of +100 to –100, down slightly after four weeks of gains. The index has averaged +28 this year, which is sure to be its best year ever since this poll began in late 1985.

	ABC/Money	Index
Today	+29	
Last week	+31	
Record high	+32	(1/17, 3/7, 3/14)
1999 average	+28	
1998 average	+24	Best full year
1992 average	-44	Worst full year
Feb. 9, 1992	-50	Record low
Average since 12/85	-12	

Call the ABC News Polling Unit, ext. 2621, for a chart tracking the ABC/Money index over time.

GROUPS – As usual, confidence is higher among better-off Americans: The index is +64 in higher-income households compared to –32 in the lowest; +47 among college graduates but -15 among high-school dropouts; +35 among whites but -11 among blacks; and +41 among men compared to +17 among women.

Here's a closer look at the three components of the index:

NATIONAL ECONOMY- The poll asks: Would you describe the state of the nation's economy these days as excellent, good, not so good or poor? Seventy-three percent say excellent or good, down one point from last week. The record, 77 percent, was set Jan. 10 and tied in March, April and July. The worst rating was seven percent in late 1991 and early 1992.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	73%	13	60	27	20	7
Avg. since 12/85	38	3	35	62	41	21

PERSONAL FINANCES - The poll asks: Would you describe the state of your own personal finances these days as excellent, good, not so good or poor? Sixty-six percent

say excellent or good, down one point from last week. The record, 70 percent, was set Aug. 30, 1998, and tied this January, June and September. The worst was 42 percent March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	66%	7	59	34	26	8
Avg. since 12/85	56	4	52	44	31	13

**BUYING CLIMATE** - The poll asks: Considering the cost of things today and your own personal finances, would you say now is an excellent time, a good time, a not so good time or a poor time to buy the things you want and need? Fifty-four percent say excellent or good, down two points from last week. The record, 56 percent, was set on Nov. 29, 1998 and tied Dec. 5, 1999; the worst rating, 20 percent, was set in fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	54%	4	50	46	33	13
Avg. since 12/85	37	3	35	63	41	22

**METHODOLOGY** - The ABC News/Money magazine Consumer Comfort Index represents a rolling average based on telephone interviews with about 1,000 adults nationwide each month. This week's results are based on 1,047 interviews in the month ending Dec. 12 and have an error margin of plus or minus three percentage points. The question on Christmas spending was conducted Dec. 1-Dec 12 among 526 respondents; that result has a 4.5-point error margin. Fieldwork by ICR-International Communications Research of Media, Pa.

The ABC/Money index is derived as follows: The negative response to each index question is subtracted from the positive response to that question. The three resulting numbers are then added and divided by three. The index can range from +100 (everyone positive on all three measures) to -100 (all negative on all three measures). The survey began in December 1985.

Analysis by Daniel Merkle.

ABC News polls can be found at ABCNEWS.com on the Internet, at:

<http://abcnews.go.com/sections/politics/PollVault/PollVault.html>

12/12/99	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
Group	-----	-----	-----	-----	-----	-----	-----	-----
GENERAL POPULATION:								
Overall Index	29	31	25	30	25	32	22	28
State of Economy	46	48	40	46	40	54	38	46
Personal Finances	32	34	32	40	30	40	28	33
Buying Climate	8	12	4	4	4	12	-4	4
	-----	-----	-----	-----	-----	-----	-----	-----
	OVERALL INDEX BY DEMOGRAPHIC GROUPS							
Sex:								
Men	41	39	34	34	34	44	30	35

Women	17	22	16	25	16	31	11	20
Age:								
18 - 34	20	19	17	29	22	35	16	26
35 - 44	35	32	23	32	28	40	13	28
45 - 54	35	41	33	32	29	41	13	28
55 - 64	34	36	28	23	21	47	13	28
65 +	29	34	25	30	25	37	17	27
Income:								
Under \$15K	-32	-29	-27	-19	-22	-11	-42	-24
\$15K To \$24.9K	4	2	12	-1	3	12	-15	-1
\$25K To \$39.9K	33	29	20	29	17	38	8	25
\$40K To \$49.9K	31	41	35	35	28	56	27	42
Over \$50K	64	66	54	64	64	67	53	60
Region:								
Northeast	41	33	23	40	16	42	16	29
Midwest	28	34	25	25	39	41	20	32
South	26	31	29	22	21	31	14	24
West	23	21	18	38	23	43	13	26
Race:								
White	35	35	28	33	27	37	26	31
Black	-11	2	1	12	5	22	-11	5
Politics:								
Republican	49	47	41	40	34	49	32	40
Democrat	25	33	30	35	25	35	15	26
Independent	21	16	13	19	20	34	13	23
Education:								
< High School	-15	0	-10	-9	-22	6	-27	-10
High Sch. Grad.	23	20	15	24	14	31	12	20
College +	47	48	42	48	48	52	38	45
Home:								
Own	38	40	34	32	31	40	26	34
Rent	6	4	5	22	7	26	-3	11
Marital Status:								
Single	21	21	23	24	22	36	8	24
Married	36	38	28	37	32	41	27	34
Sep/Wid/Div	9	9	7	7	-2	18	-9	6
Employ. Status:								
Full-Time	37	38	33	35	38	42	30	36
Part-Time	24	27	29	38	15	38	7	23
Not Employed	17	18	11	20	7	26	6	16

239. Roughly how much money do you think you personally will spend on holiday gifts this Christmas season?

	Under \$100	\$100-\$249	\$250-\$499	\$500-\$999	\$1000 or more	No op./Don't celebrate	Mean
12/12/99	4	19	16	25	28	9	\$869
12/6/98*	8	14	22	25	24	7	\$702
12/5/94	9	19	23	20	22	7	\$634
12/6/93	8	17	20	27	19	9	\$639
12/18/92	10	18	20	24	19	9	\$605
12/15/91	7	19	22	24	20	8	\$617
12/2/90	7	19	23	25	17	9	\$588
10/15/89	4	15	25	23	18	15	\$634

\*1998 and previous, Gallup

\*\*\*END\*\*\*