

Consumer confidence still grim

Vietnam's consumer confidence is forecast to remain low this year despite a slight rise of 1% to 88 percentage points in the fourth quarter of last year.

The recent report of U.S.-based market researcher Nielsen shows that the economy, which will remain in difficulty, continues to be the top concern of local consumers.

The number of people who believe that Vietnam is in an economic slump increased from 76% in last year's third quarter to 79% in the fourth quarter, a rise of 18% from 2011.

Around 37% of Vietnamese citizens said that the jobs outlook in the fourth quarter was good or very good, which fell from 40% in the third quarter and a drop from 58% in 2011.

However, 44% of Vietnamese consumers believed that their personal finances would be good or very good this year, rising slightly by 2% from last year's third quarter but falling 10% from the previous year.

Putting money into savings is still the top choice of Vietnamese consumers, which is unchanged from the previous quarter. What is noticeable is that 91% of respondents said they have changed shopping habits, and are mainly buying less new clothes (71%), cutting out-of-home entertainment (68%), gas and electricity (68%) and new technology products (57%), to cut living costs.

According to Nielsen, global consumers, including Vietnamese, are really struggling as the global economy is in a downturn, the recession in Europe has spread to major economies, and concerns are rising from financial issues in the U.S. and inflation prevention policies in China.

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