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GALLUP PAKISTAN
Affiliated with Gallup International
Pakistan's Foremost Social Research Lab

ISSUE NO. 7

Pakistan Consumer Confidence Index (CCI)

Results of Q3 2021 Survey Report

Key highlights of change in Consumer Sentiments across Pakistan from Q2 2021 to Q3 2021

8th November 2021

Report prepared by D&B Pakistan in collaboration with Gallup Pakistan dun & bradstreet GALLUP PAKISTAN

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World's leading data & analytics company with presence across the GCC, South Asia & North Africa

Gallup Pakistan

Gallup Pakistan, the Pakistani affiliate of Gallup International, is a leading survey research agency and an emerging Social Science Research Lab in Pakistan. Gallup Pakistan is a specialist in independent third-party evaluation and ratings.

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- Economic Analysis Group
- Research & Advisory Services
- 3rd Party Risk and Compliance
- Credit Bureaus
- Financial Technology Solutions
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- **Healthcare Research**
- **Behavioral Science Lab**
- **Gallup History Project**
- **Social and Political Research**

Acknowledgements

The Consumer Confidence Index (CCI) has been quoted by various news outlets, as well as the Government of Pakistan

propakistani

GOVERNMENT OF PAKISTAN

Daily Times

CUSTOMNEWS.PK

FOUNDED BY QUAID - I - AZAM MOHAMMAD ALI JINNAH DAWN

Profit

Link News

THE EXPRESS TRIBUNE

BUSINESS RECORDER Founded by M. A. Zuberi

Siasat.pk

اردو پوائنٹ

INTERNATIONAL THE NEWS

Consumer Confidence Index (CCI), prepared by D&B Pakistan and Gallup Pakistan, has been quoted by several entities including the Government of Pakistan and leading news outlets including DAWN, Business Recorder and Daily Times.

The Consumer Confidence Index (CCI) is a survey that measures consumer optimism about the country's economic condition, their household financial situation, job prospects, and personal finances.

The survey captures consumers' response related to the Current Situation as well as their Future Expectations.

We expect this report to be useful for Government entities, as well as private organizations to strengthen their understanding of consumers across Pakistan and help in developing effective strategies and policies.

The CCI report is a quarterly publication from Dun & Bradstreet Pakistan, and Gallup Pakistan.

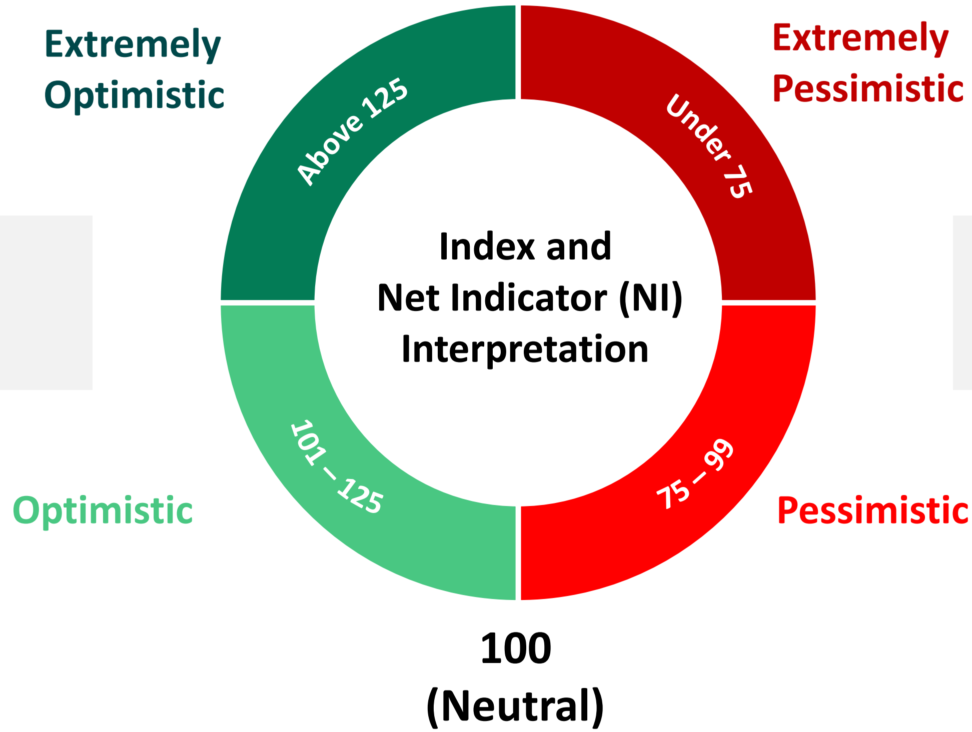
This report compares Consumer Confidence in Q3 2021 vis-à-vis Consumer Confidence in Q2 2021 (Q-o-Q comparison).

For more information on past CCI publications please visit: [D&B Pakistan Knowledge Capital]

The Index and Net Indicator (NI) scores are used in the report to indicate the level of Optimism or Pessimism with respect to specific questions, or as a composite Index

Index and Net Indicator (NI) Interpretation

Scores between 101 to 200 indicate increasing levels of optimism



Scores between 0 to 99 indicate decreasing levels of pessimism

The index ranges from 0 to 200 points

Note: Please refer to pages 26 to 30 for the detailed methodology
The Index and NI interpretation applies to rounded-off numbers.

Glossary

Key Terms	Definitions
Consumers	Respondents that have participated in the Consumer Confidence survey
Net Indicator (NI)	A composite score computed for each index parameter by assigning weights to responses received from consumers
Consumer Confidence Index (CCI - Overall)	This is an aggregate index used to determine overall optimism/ pessimism amongst consumers in Pakistan. The CCI is an average of the Current Consumer Confidence Index (CCI - Current) and Future Consumer Confidence Index (CCI - Future)
Current Consumer Confidence Index (CCI - Current)	An index that indicates consumer feedback about current economic conditions (vis-a-vis last 6 months) across four index parameters (Household Financial Situation, Country's Economic Conditions, Unemployment and Household Savings)
Future Consumer Confidence Index (CCI - Future)	An index that indicates consumer outlook for the next 6 months (compared to the month in which survey was conducted), across four index parameters (Household Financial Situation, Country's Economic Conditions, Unemployment and Household Savings)
Index Parameter	The individual constituent of each of the indices capturing the current or future economic condition. There are 4 parameters captured as part of the survey and have been explained in the methodology section of this report
Province	A province is an administrative territory which is governed by its own Government. In Pakistan, there are four provinces i.e., Balochistan, Punjab, Sindh and Khyber Pakhtunkhwa (KPK)

REPORT FLOW

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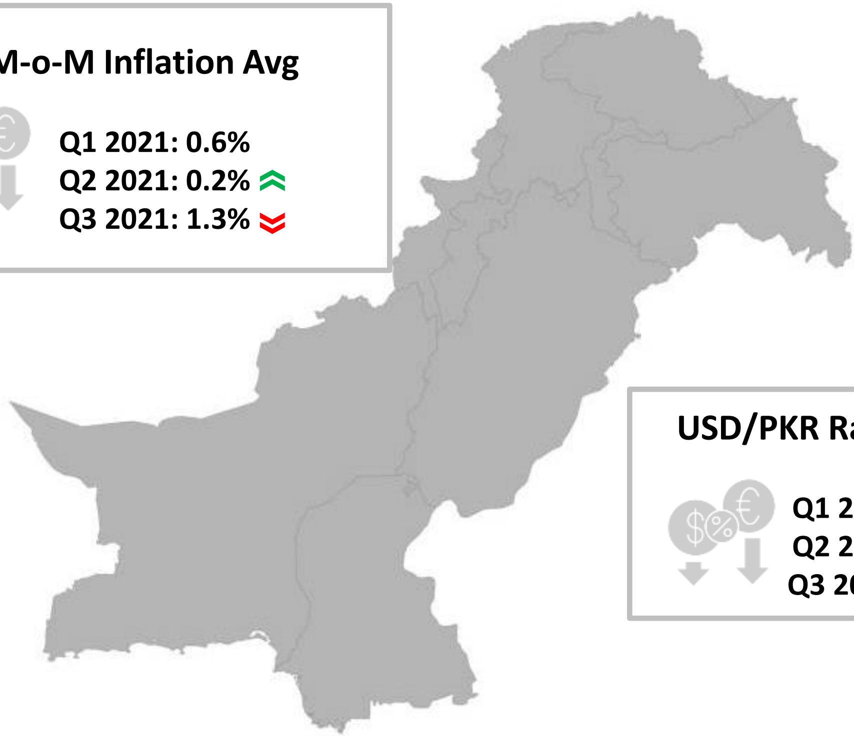
EXECUTIVE SUMMARY

Macroeconomic Indicators

Macroeconomic indicators such as inflation, exchange rate and industrial production index weakened in Q3 2021, indicating declining economic conditions

M-o-M Inflation Avg

Q1 2021: 0.6%
Q2 2021: 0.2%
Q3 2021: 1.3%



USD/PKR Rate (% change)

Q1 2021: 1.5%
Q2 2021: 2.5%
Q3 2021: -6.1%

Industrial Production Index (% change)

Q1 2021: 0.03%
Q2 2021: 1.8%
Q3 2021: -1.0%

PSX Index (% change)

Q1 2021: 10.3%
Q2 2021: 1.5%
Q3 2021: 1.6%

Macroeconomic indicators such as inflation rate, exchange rate, and industrial production index declined in Q3 2021 as compared to Q2 2021.

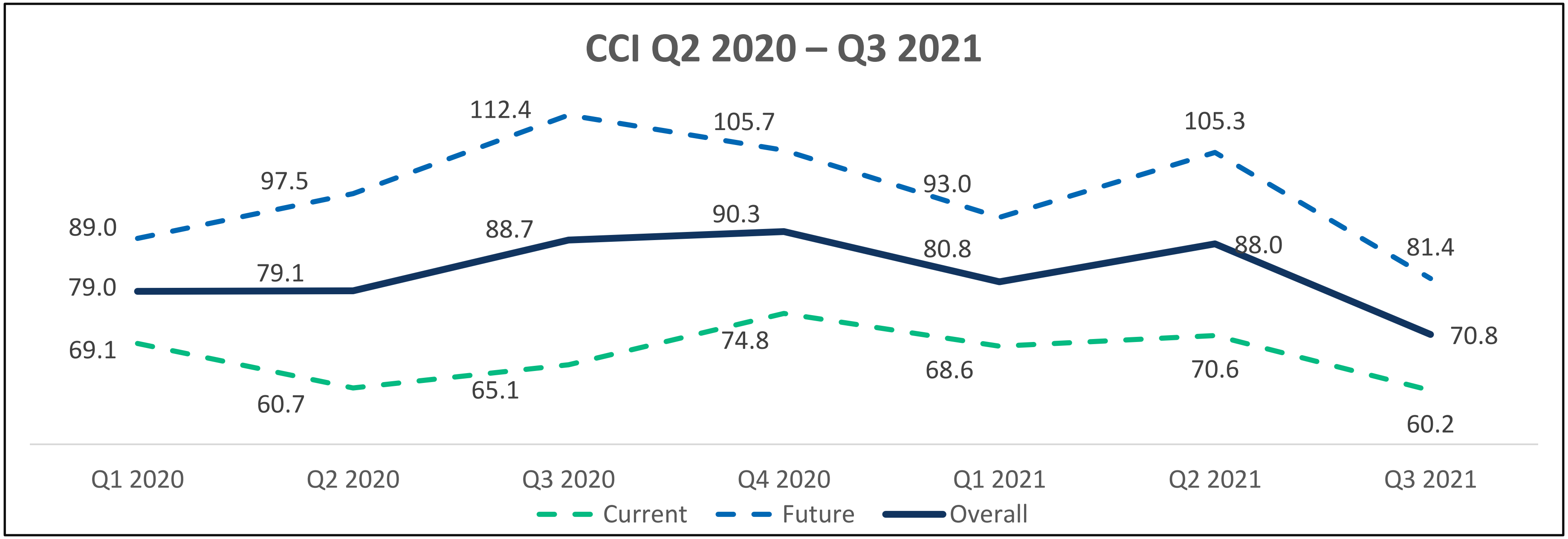
PSX index although improved on a Q-o-Q basis, declined M-o-M in Q3 2021.

Overall, weakening macroeconomic indicators have hurt consumer expectations who expect the economy to show signs of recovery.

Source: Inflation [Link]; Exchange Rate [Link]; Industrial Production Index [Link]; PSX [Link]

Key Findings: Q3 2021 Survey

CCI declined by 19.6% Q-o-Q to 70.8



The Overall CCI decreased sharply in Q3 2021 to 70.8, after a slight recovery in Q2 2021. A decline was witnessed across all Future and Current parameters of the CCI. Recent weakening in macroeconomic indicators such as rising inflation and currency depreciation have hurt consumer expectations; consumers are perceiving these declining indicators as signals for further deterioration in their personal and economic conditions.

Key Findings: Q3 2021 Survey

CCI declined by 19.6% due to weakening current situation and future expectations

Consumer Confidence Index (CCI) decreased by 19.6% in Q3 2021 compared to Q2 2021 (NI = 70.8), indicating deteriorating consumer sentiments.

Sentiments regarding Future Expectations declined more sharply by 22.7% Q-o-Q (NI = 81.4) compared to a 14.9% Q-o-Q decline in Current Situation (NI = 60.2).

Perceptions about the Country's Economic Situation witnessed the largest decline across all parameters by 24.1% Q-o-Q (NI = 73.9).

Consumers remained most concerned about the rising unemployment situation. Overall NI witnessed a 21.6% decline Q-o-Q (NI = 54.1) in Q3 2021.

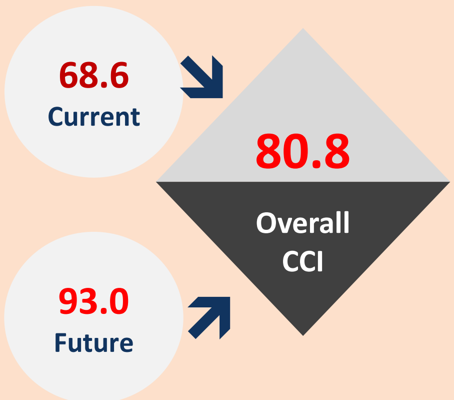
Rising prices continue to be a concern for consumers (NI = 14.5), decreasing by 27% Q-o-Q in Q3 2021

Index / Net Indicator (NI) Interpretation:* Under 75 - extremely pessimistic, *75 to 99 – pessimistic,* 100 – Neutral, *101 to 125 – optimistic* and *125 above - extremely optimistic

CONSUMER CONFIDENCE INDEX

Overall CCI decreased by 19.6% Q-o-Q (17.2 points) in Q3 2021 driven by declining future expectations and current situation sentiments

Q1 2021 Survey

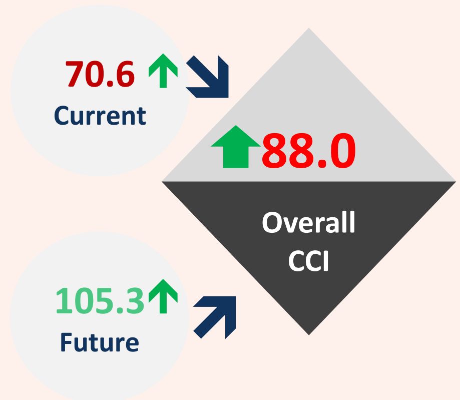


Overall CCI declined due to prevailing uncertainty

Overall CCI declined by 10.5% to **80.8** compared to Q4 2020. This was likely due to the restrictions imposed on business operations and social gatherings to prevent a likely third wave of the pandemic.

Survey conducted during: Mar-21

Q2 2021 Survey

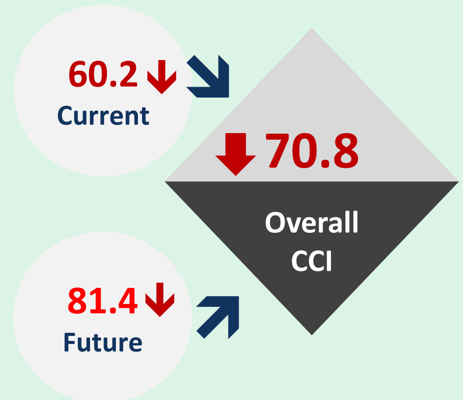


Overall CCI increased primarily due to expected improvement in financial situation

Overall CCI increased by 8.9% to **88.0** compared to Q1 2021. The increase was primarily driven by optimistic expectations regarding future as the vaccination drives have begun.

Survey conducted during: Jun-21

Q3 2021 Survey



Overall CCI decreased primarily due to high inflation and PKR depreciation

Overall CCI decreased by 19.6% Q-o-Q to **70.8** in Q3 2021. This was likely due to declining future expectations and current situation sentiments, driven by declining macroeconomic indicators.

Survey conducted during: Sep & Oct-21

Index / Net Indicator (NI) Interpretation: ***Under 75 - extremely pessimistic***, ***75 to 99 – pessimistic,*** **100 – Neutral,** ***101 to 125 – optimistic*** **and** ***125 above - extremely optimistic***

Consumers displayed relatively higher pessimism regarding Current Situation (NI = 60.2) compared to Future Expectations (NI = 81.4). However, the decline in Future Expectations (down by 22.7%) is greater than Current Situation (down by 14.9%) Q-o-Q

Key Takeaways

Consumers relatively more concerned about the Future

Future Expectations (**NI = 81.4**) declined by 22.7% compared to a 14.9% decline in the Current Situation (**NI = 60.2**). Consumers are perceiving declining macroeconomic conditions as signals of further deterioration in their personal and the country's economic situation.

Consumers remain concerned about rising unemployment

Consumers were most concerned about rising Unemployment; NI was the lowest since inception of CCI (**NI = 54.1**) down 21.6% Q-o-Q.

Apprehension about Economic Condition of the country

Weakening macroeconomic indicators led to a 24.1% decline Q-o-Q in Economic Situation of the country (**NI = 73.9**); Economic Situation witnessed the largest decline across overall CCI parameters

Consumers perceive future Savings to deteriorate sharply

Respondents indicated a 20.4% Q-o-Q decline in future Household Savings (**NI = 95.8**) compared to an 8.5% decline in sentiments regarding current savings (**NI = 55.2**).

***Index / Net Indicator (NI) Interpretation:** Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic*

Sentiments regarding future unemployment situation deteriorated the most in Q3 2021 (NI = 66.7)

Household Financial Situation

NI	Q2 2021	Q3 2021	% Change
Overall	106.8	88.7 ↓	-16.9%
Current	93.0	81.6 ↓	-12.3%
Future	120.5	95.8 ↓	-20.5%

Country's Economic Situation

NI	Q2 2021	Q3 2021	% Change
Overall	97.3	73.9 ↓	-24.1%
Current	81.8	62.3 ↓	-23.8%
Future	112.9	85.4 ↓	-24.4%

Unemployment Situation

NI	Q2 2021	Q3 2021	% Change
Overall	69.0	54.1 ↓	-21.6%
Current	47.5	41.5 ↓	-12.6%
Future	90.4	66.7 ↓	-26.2%

Household Savings

NI	Q2 2021	Q3 2021	% Change
Overall	78.9	66.4 ↓	-15.8%
Current	60.3	55.2 ↓	-8.5%
Future	97.4	77.5 ↓	-20.4%

Index / Net Indicator (NI) Interpretation: *Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic* dun & bradstreet

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Consumers are relatively less pessimistic about future Household Financial Situation (NI = 95.8) in Q3 2021 compared to Current Situation (NI = 81.6)

Surveys	Overall NI
Q2 2021	106.8
Q3 2021	88.7 ↓

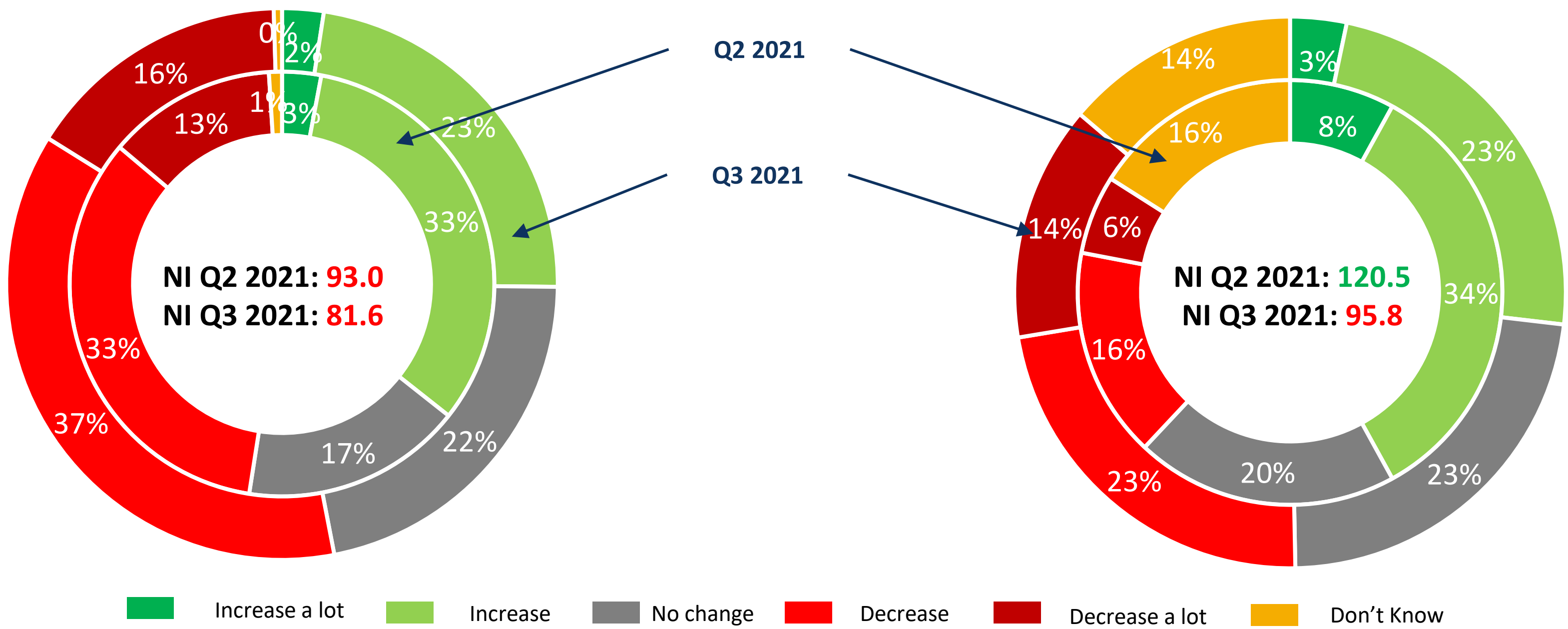
Household Financial Situation

Consumers are **relatively less pessimistic** regarding **future Household Financial Situation** (**NI = 95.8**), even though future expectations deteriorated sharply Q-o-Q (20.5%)

Nearly half of the respondents indicated that their **Household Financial Situation will improve or stay the same in the Future** (as compared to 62% in Q2 2021)

Current: In your opinion, in comparison to last 6-month, unemployment in Pakistan is …..?

Future: In your opinion, in next 6 months, unemployment in Pakistan will be….?



Index / Net Indicator (NI) Interpretation: *Under 75 - extremely pessimistic, 75 to 99 – pessimistic, **100 – Neutral,** 101 to 125 – optimistic **and** 125 above - extremely optimistic*

Sentiments regarding Country's Economic Situation witnessed a sharp decline across both Current Situation (down 23.8%) and Future Expectations (down 24.3%)

Surveys	Overall NI
Q2 2021	97.4
Q3 2021	73.9 ↓

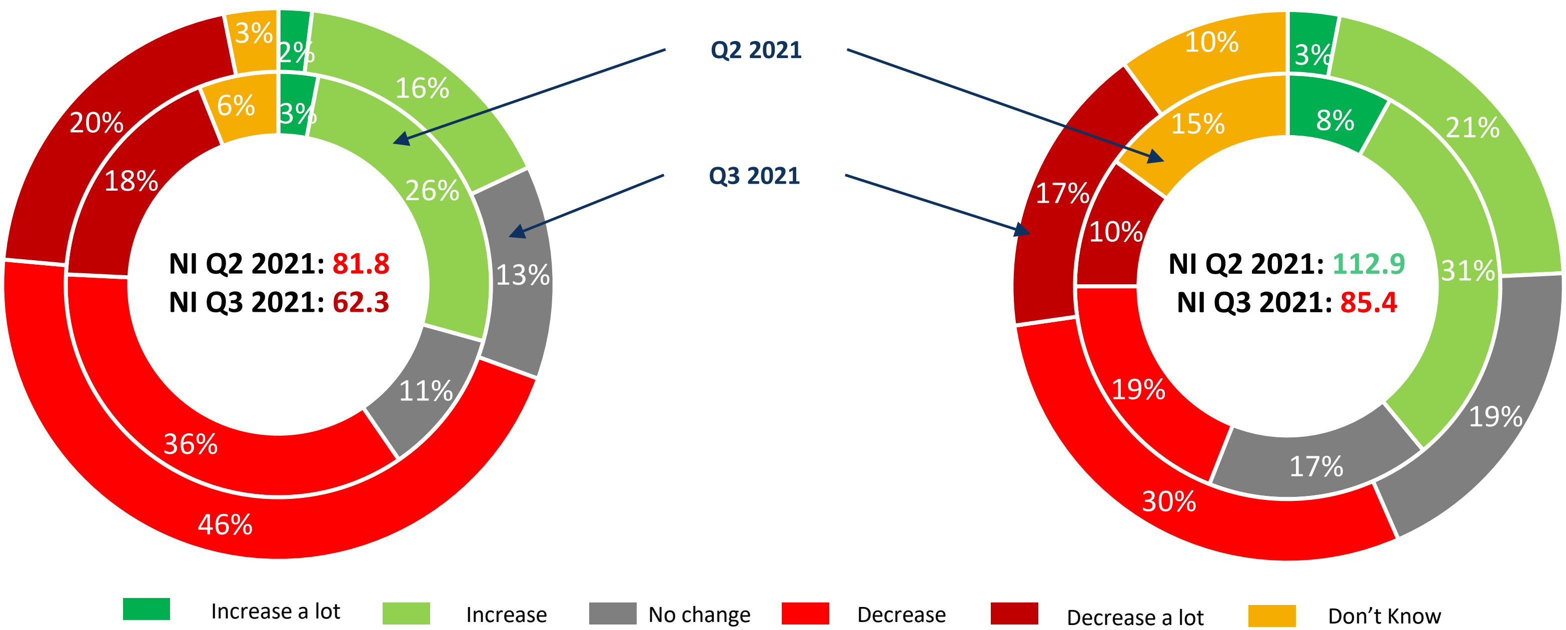
Country's Economic Situation

Sentiments deteriorated regarding Country's Economic Situation due to decline in **both Current Situation** by 23.8% (**NI = 62.3**) and **Future Expectations** by 24.3% Q-o-Q (**NI = 85.4**).

47% consumers expect Economic Condition to decline in the next six months.

Current: In your opinion, in comparison to last 6-month, unemployment in Pakistan is …..?

Future: In your opinion, in next 6 months, unemployment in Pakistan will be….?



Index / Net Indicator (NI) Interpretation:* Under 75 - extremely pessimistic, *75 to 99 – pessimistic,* 100 – Neutral, *101 to 125 – optimistic* and *125 above - extremely optimistic

Concerns regarding rising unemployment persist in Q3 2021 – Both Current Situation and Future Expectations NIs were in the extremely pessimistic zone

Surveys	Overall NI
Q2 2021	69.0
Q3 2021	54.1

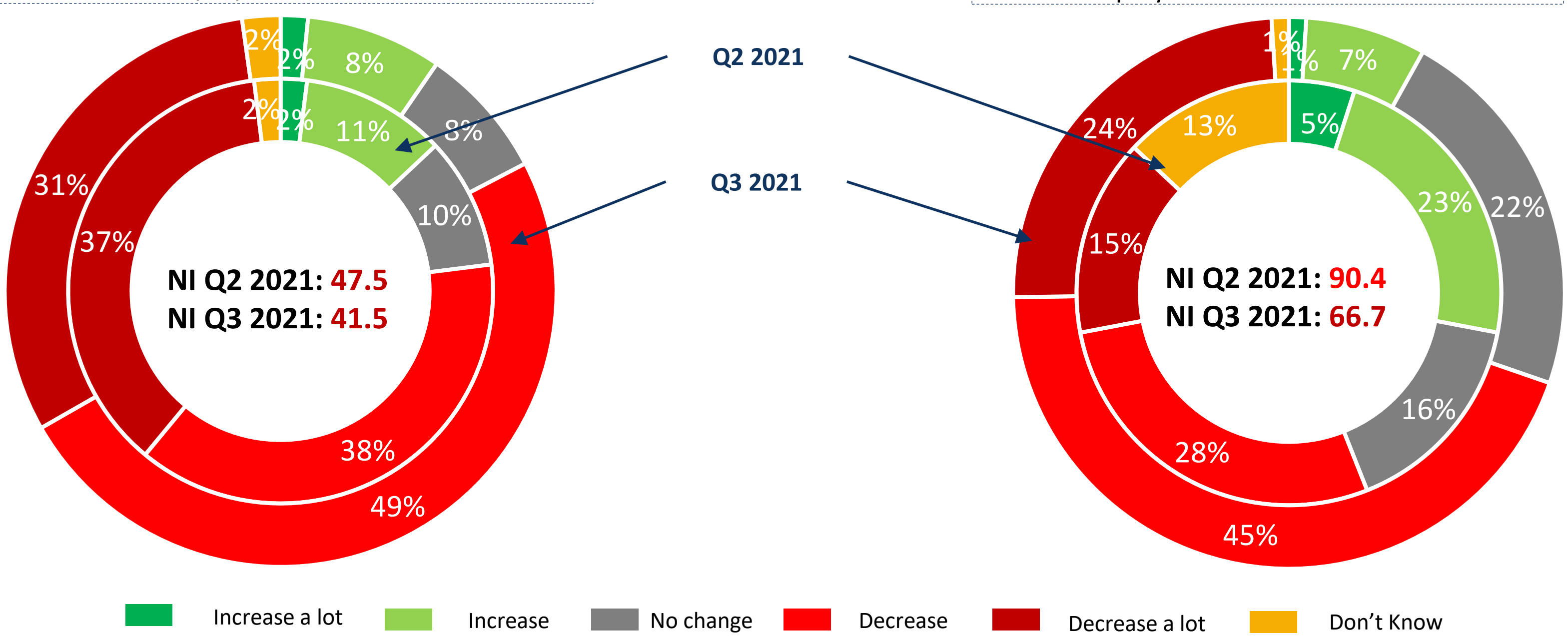
Unemployment

Unemployment Situation has the lowest NI across all CCI parameters since inception. Overall NI **witnessed a 21.6% decline**; **54.1 in Q3 2021** from **69.0 in Q2 2021**

68% of respondents highlighted that **Unemployment will increase** in the next six months compared to **43% in Q2 2021**.

Current: In your opinion, in comparison to last 6-month, unemployment in Pakistan is …..?

Future: In your opinion, in next 6 months, unemployment in Pakistan will be….?



Index / Net Indicator (NI) Interpretation:** Under 75 - extremely pessimistic, 75 to 99 – pessimistic, **100 – Neutral,** 101 to 125 – optimistic **and 125 above - extremely optimistic

Consumers perceive future Savings to deteriorate more sharply; Future Expectations declined by 20.4% Q-o-Q (NI = 77.5)

Surveys	Overall NI
Q2 2021	78.9
Q3 2021	66.4 ↓

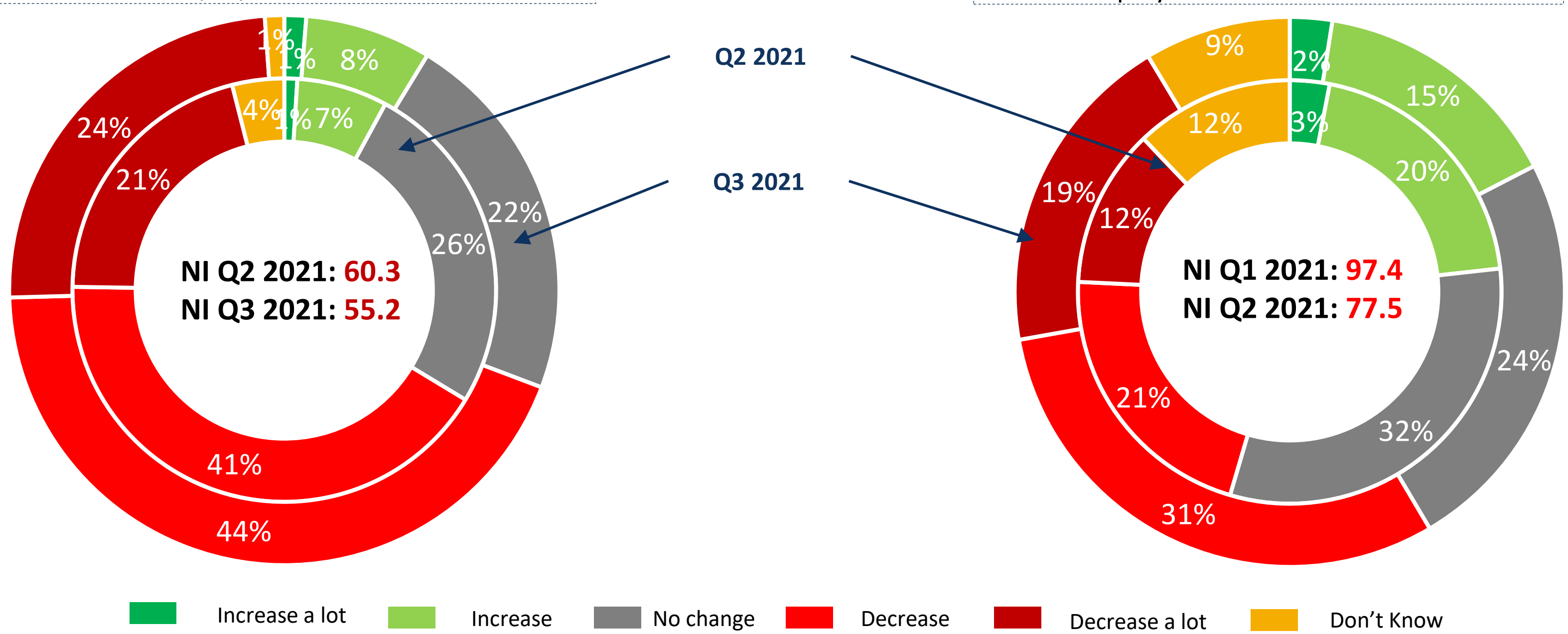
Household Savings

Future Expectations of Household Savings decreased to (**NI = 77.5**) **from** (**NI = 97.4**) **in Q2 2021 (20.4% decline)**; likely due to rising inflation affecting cost of living

50% respondents expect unemployment to increase in the next six months

Current: In your opinion, in comparison to last 6-month, unemployment in Pakistan is …..?

Future: In your opinion, in next 6 months, unemployment in Pakistan will be….?



Index / Net Indicator (NI) Interpretation:** Under 75 - extremely pessimistic, 75 to 99 – pessimistic, **100 – Neutral,** 101 to 125 – optimistic **and 125 above - extremely optimistic

All the provinces are pessimistic about Current Situation and Future Expectations – Punjab displayed the highest increase in pessimism; with Sindh close behind

Punjab

Punjab
n = 993

NI	Q2 2021	Q3 2021	% Change
Overall	88.6	70.3 ↓	-20.7%
Current	70.6	59.5 ↓	-15.7%
Future	106.5	81.1 ↓	-23.8%

Sindh

Sindh
n = 401

NI	Q2 2021	Q3 2021	% Change
Overall	86.9	69.1 ↓	-20.5%
Current	71.3	58.9 ↓	-17.4%
Future	102.4	79.4 ↓	-22.5%

KPK

KPK
n = 215

NI	Q2 2021	Q3 2021	% Change
Overall	88.9	74.7 ↓	-16.0%
Current	70.8	64.2 ↓	-9.3%
Future	106.9	85.2 ↓	-20.3%

Balochistan

Balochistan
n = 82

NI	Q2 2021	Q3 2021	% Change
Overall	83.6	73.9 ↓	-11.6%
Current	66.8	63.4 ↓	-5.1%
Future	100.4	84.3 ↓	-16.0%

Index / Net Indicator (NI) Interpretation: ***Under 75 - extremely pessimistic***, ***75 to 99 – pessimistic,*** ***100 – Neutral,*** ***101 to 125 – optimistic*** ***and 125 above - extremely optimistic.***
n represents the number of respondents from the province

Consumers in rural areas are slightly more pessimistic than urban areas. Male respondents are more pessimistic than female respondents

Urban

n = 1,246

NI	Q2 2021	Q3 2021	% Change
Overall	88.4	71.6 ↓	-19.0%
Current	71.0	60.8 ↓	-14.4%
Future	105.8	82.5 ↓	-22.0%

Male

n = 1,416

NI	Q2 2021	Q3 2021	% Change
Overall	89.7	71.3 ↓	-20.5%
Current	73.0	61.2 ↓	-16.2%
Future	106.4	81.5 ↓	-23.4%

Rural

n = 445

NI	Q2 2021	Q3 2021	% Change
Overall	87.4	68.3 ↓	-21.9%
Current	70.1	58.3 ↓	-16.8%
Future	104.7	78.3 ↓	-25.2%

Female

n = 275

NI	Q2 2021	Q3 2021	% Change
Overall	79.1	67.7 ↓	-14.4%
Current	58.5	54.7 ↓	-6.5%
Future	99.6	80.8 ↓	-18.9%

***Index / Net Indicator (NI) Interpretation:** Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic*

Consumers across all age groups are pessimistic about the future; Respondents between the ages of 30 to 49 are most pessimistic, primarily due to decline in future expectations

Below 30 yrs.

n = 647

NI	Q2 2021	Q3 2021	% Change
Overall	94.2	77.6	-17.6%
Current	78.9	66.0	-16.3%
Future	109.5	89.3	-18.4%

30 to 49 yrs.

n = 145

NI	Q2 2020	Q3 2021	% Change
Overall	84.1	65.5	-22.1%
Current	65.5	55.8	-14.8%
Future	102.8	75.3	-26.8%

50 yrs. and above

n = 262

NI	Q2 2021	Q3 2021	% Change
Overall	82.7	69.4	-16.1%
Current	64.0	58.8	-8.1%
Future	101.5	80.0	-21.2%

Index / Net Indicator (NI) Interpretation: *Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic*

PRICE SITUATION
&
HOUSEHOLD INCOME

Rising prices continue to be a concern for consumers (NI = 14.5), decreasing by 5.3 points in Q3 2021

Price Situation

Current: In your opinion, in comparison to last six months, prices of daily essentials are

	Net Indicator
Q2 2021	19.8
Q3 2021	14.5 ↓

94% of consumers said that daily essentials have become expensive / very expensive in last six months compared to **91%** in **Q2 2021**

Net Indicator	Under 30 yrs.	30 – 49 yrs.	Above 50 yrs.
Q2 2021	22.5	17.5	19.2
Q3 2021	16.5 ↓	14.0 ↓	11.2 ↓

Consumers belonging to above 50 years age group are most concerned about rising prices of daily essentials in Q3 2021

Net Indicator	Punjab	Sindh	KPK	Balochistan
Q2 2021	20.2	16.4	23.6	21.3
Q3 2021	12.8 ↓	17.0 ↓	17.2 ↓	16.4 ↓

Punjab displayed highest proportion of consumers citing an increase in prices as compared to Q2 2021

Net Indicator	Male	Female
Q2 2021	20.9	14.2
Q3 2021	15.0 ↓	12.1 ↓

Females are more concerned about the prices compared to men; 96% females cited an increase in prices.

Net Indicator	Urban	Rural
Q2 2020	17.7	22.6
Q3 2021	15.6 ↓	11.5 ↓

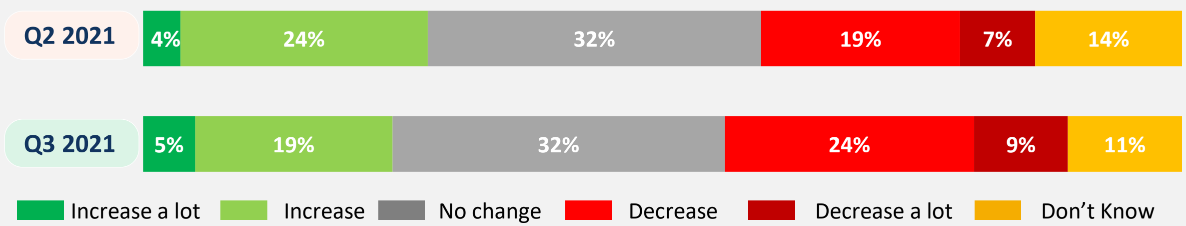
Rural consumers are more concerned about increase in prices than urban consumers in Q3 2021, contrary to Q2 2020.

Survey Question Asked for Assessing Price Situation: *In your opinion, in comparison to last six months, prices of daily essentials have…?*
i) Much cheaper, ii) Cheaper, iii) Have not changed, iv) Expensive, v) Very expensive, vi) Don't Know/ No Response

24% of Consumers have displayed optimism about Future Household Income in Q3 2021 as compared to 28% in Q2 2021. A third of the respondents cited a decrease in future household income in Q3 2021.

Household Income

Future: What change do you expect in your household income in the future?



Net Indicator
107.9
100.2 ↓

24% of respondents are confident that their income levels will improve in the next 6 months compared to **28%** in **Q2 2021.**

Net Indicator	Under 30 yrs.	30 – 49 yrs.	Above 50 yrs.
Q2 2021	110.7	107.0	102.9
Q3 2021	106.0 ↓	99.2 ↓	89.0 ↓

Youth displayed optimism (NI = 106.0). All age groups show more concern for future household income Q-o-Q

Net Indicator	Punjab	Sindh	KPK	Balochistan
Q2 2021	110.8	104.2	98.6	114.5
Q3 2021	103.0 ↓	94.9 ↓	99.7 ↓	94.5 ↓

Income expectations have weakened across all provinces, albeit marginally in KPK

Net Indicator	Male	Female
Q2 2021	107.5	110.1
Q3 2021	99.9 ↓	101.9 ↓

Male and female respondents have displayed neutrality concerning expectations on future household income

Net Indicator	Urban	Rural
Q2 2021	110.1	104.7
Q3 2021	102.5 ↓	93.8 ↓

Rural consumers turned pessimistic regarding future household income, while **Urban consumers remain optimistic**

Survey Question Asked for Assessing Household Income Situation: *what change do you expect in your household income in the future?*
i) Will increase a lot, ii) Will increase, iii) Will not change, iv) Will decrease, v) Will decrease a lot, vi) Don’t Know/ No Response

METHODOLOGY

Q3 2021 Survey: A telephonic survey was conducted among 1,691 respondents by a team of trained professionals from Gallup Pakistan

Survey Sampling

Sample Size: 1,691

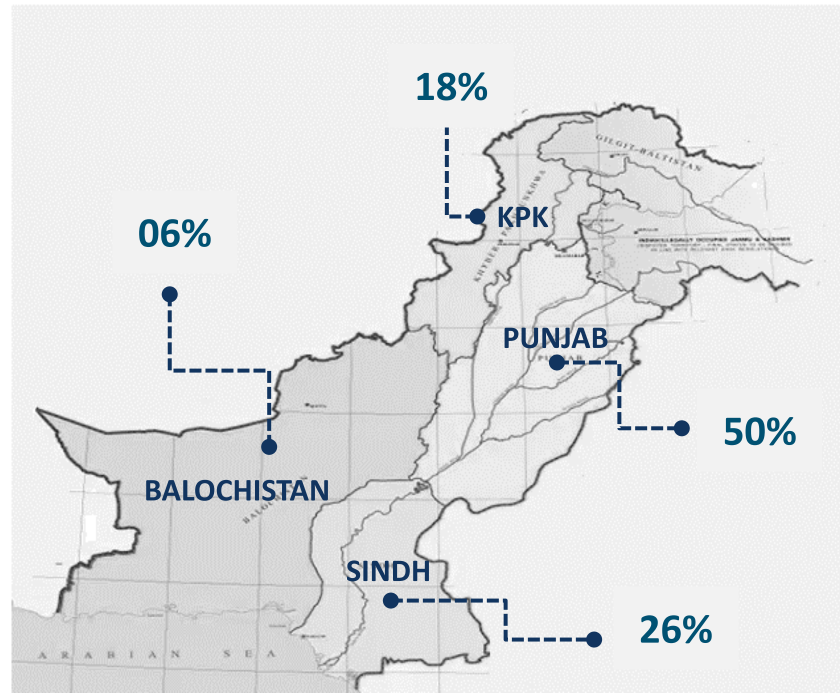
2.6% Error Margin at 95% Confidence level

Data Collection Period:
Sep & Oct-21 2021

Sample Size Distribution

Urban	73%
Rural	27%
Male	84%
Female	16%
Under 30 yrs.	39%
30 – 50 yrs.	46%
Above 50 yrs.	15%

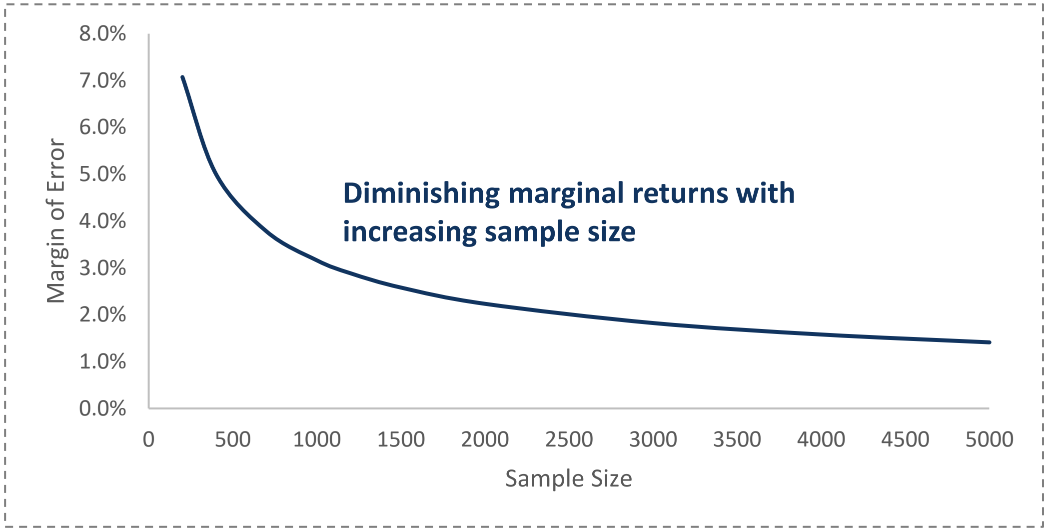
Sample Size Distribution by Province



Sample size of 1,691 respondents result in a margin of error of 2.6%, hence the sample size is representative of population.

The margin of error decreases with increase in sample size but at a much lower pace. A sample size of 1,200 is statistically significant. However, our sample size of 1,691 is more than sufficient from the point of view of statistical accuracy

Relationship between Sample Size and Margin of Error



Sample Size (n)	Margin of Error (M.E.)
200	7.1%
400	5.0%
700	3.8%
1,000	3.2%
1,200	2.9%
1,500	**2.6%**
2,000	2.2%
3,000	1.8%
4,000	1.6%
5,000	1.4%

Observations:

- A four times increase in sample size (from 1,000 to 4,000) will reduce error margin by only 1.6% (from 3.2% to 1.6%).
- The most substantial decrease in margin of error is between samples sizes of 200 and 1,200
- The margin of error does not substantially decrease at sample sizes above 1,500 (since it is already below 3%).

With Pakistan's population of ~220 Mn, a sample size of 1,200 results in a margin of error of 2.8%, which is below 3%, the accepted norm for statistical research accuracy. A Sample of 1,691 for this survey is sufficiently large to represent feedback from across the Nation.

Note: For further details on statistical concepts see page 32

This survey has been weighted using ‘post-stratification weights’

Survey Methodology

Weighting Approach

- A weighting approach has been used for the CCI to make the sample statistically representative of the population.
- The weights have been applied based on Provinces of Residence (Sindh, Punjab, KPK or Balochistan)
- The assignment of a weight to each survey respondent is such that: demographics that are under-represented (when compared to the actual population proportion) are assigned a weight larger than 1, and those in over-represented groups are assigned a weight smaller than 1.

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For estimating Net Indicator, weights have been assigned to each response asymmetrically to account for respondent's tendency to under-weigh positive responses

Survey Methodology

Response Weighting

Response Categories	Much Better	Better	Same as Before	Worse	Much worse	Don't Know
Response Weights	1.00	0.75	0.25	(0.75)	(1.00)	0.00

Net Indicator: **1 + Σ (Weighted Responses)**

Net indicator is a composite score computed for each index parameter by assigning weights to responses received from consumers. For each question asked during the survey, the respondent has six options as shown above.

Neutral responses (Same as before) are assigned a weight of 0.25 due to respondent's tendency to under-weigh positive responses.

Net Indicator is computed by taking a weighted average sum of the responses based on the weights indicated above. It is converted into an index by adding 100 to the weighted average score. The index will thus range from 0 to 200

Index / Net Indicator (NI) Interpretation: **Under 75 - extremely pessimistic**, **75 to 100 – pessimistic**, **100 to 125 – optimistic** and **125 & above - extremely optimistic**

APPENDIX

A Sample is a collection of data from a subset of the population. Margin of Error determines the accuracy of estimation about population parameter from sample survey

Sample Survey Key Concepts

Population, Sampling Frame and Sample

Population: The entire group of individuals or objects that we wish to know something about

Sample (n): Those individuals or objects who provide the data to be collected.

Sampling Frame: It is a list of all those within a population who can be sampled. Having sampling frame close to population avoids selection bias.

Relationship between Population, Sampling Frame and Sample (Process of creating a sample)

- *Want to know about a population*
- *Only really have access to a sampling frame to draw an intended sample from*
- *Get observations only from the actual sample.*

Margin of Error (ME)

- It measures the reliability of the percent or other estimate based on the survey data
- The margin of error depends directly on the square root of the size of the sample.

Formula: $ME = 1 / \sqrt{n}$
Rule of Thumb: *The larger the sample size (n) the smaller the margin of error; the size of the population does not affect the margin of error*

Confidence Interval (CI)

- It is a probability that a parameter will fall between a pair of values around the mean.

Formula: $CI = \bar{x} \pm z * \sigma / (\sqrt{n})$
($\bar{x}$ = sample mean, z = confidence level value, σ =sample standard deviation)
Observation: *Mostly constructed using confidence levels of 95% or 99%.*

If a survey is conducted using an unbiased methodology, then the margin of error tells us directly about the accuracy of the survey at estimating a population parameter.

This report has been developed to assess Consumer Confidence across Pakistan. Multiple stakeholders can use this report for strategic decision making.

The Consumer Confidence Index (CCI Index) is a globally recognized instrument that helps understand the sentiments and outlook of the common man.

The Consumer Confidence Survey measures the level of optimism that consumers have about household financial situation, country's economic condition, job prospects, personal finances and spending intentions[1].

Thus, it would help multiple stakeholders to strengthen their research, develop their strategies, and thereby aid in the process of decision making.

Target Audience

Public Institutions and Policy Makers

Large and Small Businesses (especially B2C)

Development Financial Institutions & Foundations

Banks and Non-Banking Financial Institutions

Education and Research Center

This report compares changes in Consumer Confidence across two quarters; second quarter of 2021 (Q2 2021) and the current situation (Q3 2021)

	Q2 2021	Q3 2021
Number of Respondents	1,997	1,691
Time period of Survey	June-21	Sep & Oct-21
Mode of Survey Interviews	Telephonic	Telephonic

The Consumer Confidence Index report compares survey results, and assesses current & future consumer outlook for all key parameters across demographic segments

Analysis Framework

Consumer response related to Current Situation and Future Expectations

Current
Past 6 Months sentiment from month of survey

Future
Next 6 Months outlook from month of survey

Q. How would you describe the current situation in comparison to 6 months ago?

Q. What do you expect the situation to be 6 months from now?

Quarterly Consumer Confidence Surveys

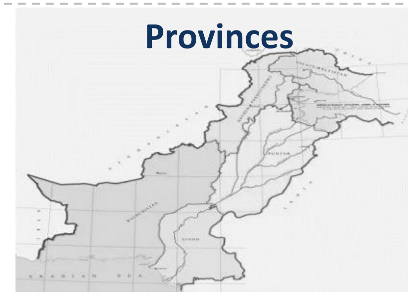
Q2 2021 Survey

Q3 2021 Survey

Different colors are used to indicate the quarterly Surveys

Demographic Split

Provinces



Location

Urban

Rural

Age Group

Below 30 yrs.

30 – 49 yrs.

50 yrs.& above

Gender

Male

Female

For each question asked during the survey, the respondents had multiple options: much better, better, same, worse, much worse and don't know

In Q3 2021 Survey, 10 questions were asked on three topics

Questionnaire Q3 2021 Survey

	CONSUMER CONFIDENCE			
Parameters	**Household Financial Situation**	**Country's Economic Condition**	**Unemployment**	**Household Savings**
Current	Q1. How is your household's financial situation in comparison to last 6 months?	Q3. In your opinion, how would you describe the current economic situation in Pakistan in comparison to last 6 months?	Q5. In your opinion, in comparison to last 6-month, unemployment in Pakistan is …..?	Q7. Do you think, in comparison to last 6 months, your household savings increased, decreased or remained the same?
Future	Q2. What do you expect your household's financial situation to be in next 6 months?	Q4. In your opinion, what do you expect Pakistan's economic situation to be in next 6 months?	Q6. In your opinion, in next 6 months, unemployment in Pakistan will be….?	Q8. Do you expect your household savings to increase, decrease or remain the same in next 6 months?

	PRICES
Parameters	**Outlook on food prices**
Current	Q9. In your opinion, in comparison to last six months, prices of daily essentials has…?

	HOUSEHOLD INCOME
Parameters	**Outlook on Household Income**
Future	Q10. What change do you expect in your household income in the future?

In Q3 2021 Survey, number of questions were reduced to manage the survey process effectively through telephonic calls, abiding by all the COVID-19 restrictions.

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