

# Jordan Consumer Sentiment Index (Q4)

Jordan  
January 2022

*Data Collected in December 2021*



## Introducing the Jordan Consumer Sentiment Index

Ipsos's Jordan Consumer Sentiment Index (JCSI), is a quarterly national survey of consumer attitudes on the current and future state of the local economy, personal financial situation, as well as confidence to make large investments and ability to save.

Consumer sentiment is a key predictor of purchase trends in the market. Despite it being a lagging indicator, if consumer sentiment is high, people will make more purchases and the economy will expand.

Businesses and Policy Makers can monitor changes in the index to factor the data in their decision-making processes. A wave-on-wave decreasing trend suggests consumers have a negative outlook on their ability to spend. Thus, manufacturers may expect consumers to avoid retail purchases, particularly items that require financing. Likewise, banks can anticipate a decrease in lending activity, mortgage applications, and credit card usage.

## Introducing the Jordan Consumer Sentiment Index

The quarterly JCSI result is driven by the aggregation of four, weighted, sub-Indices



JCSI Current Personal Financial Conditions



JCSI Economic Expectations



JCSI Investment Climate



JCSI Employment Confidence

Overall Jordan  
Consumer  
Sentiment Index



## Overall JCSI Survey Questions

1. Rate the current state of the economy in your local area using a scale from 1 to 7, where 7 means a very strong economy today and 1 means a very weak economy.
2. Looking ahead six months from now, do you expect the economy in your local area to be much stronger, somewhat stronger, about the same, somewhat weaker, or much weaker than it is now?
3. Rate your current financial situation, using a scale from 1 to 7, where 7 means your personal financial situation is very strong today and 1 means it is very weak.
4. Looking ahead six months from now, do you expect your personal financial situation to be much stronger, somewhat stronger, about the same, somewhat weaker, or much weaker than it is now?
5. Compared to 6 months ago, are you NOW more or less comfortable making a major purchase, like a home or car?
6. Compared to 6 months ago, are you NOW more or less comfortable making other household purchases?
7. Compared to 6 months ago, are you NOW more or less confident about job security for yourself, your family and other people you know personally?
8. Compared to 6 months ago, are you NOW more or less confident of your ability to invest in the future, including your ability to save money for your retirement or your children's education?
9. Thinking of the last 6 months, have you, someone in your family or someone else you know personally lost their job as a result of economic conditions?
10. Now look ahead at the next six months. How likely is it that you, someone in your family or someone else you know personally will lose their job in the next six months as a result of economic conditions?

# Demographics





# Demographics

## Gender



**51.0%**  
Males



**49.0%**  
Females

## Age

18 - 24 23.0%

25-34 25.0%

35-44 21.0%

45-54 16.0%

55 + 15.0%

## Regions

Amman 39.0%

Irbid 20.0%

Zarqa 14.0%

Balqa 6.0%

Al Mafraq 5.0%

Kerak 4.0%

Jerash 3.0%

Madaba 2.0%

Aqaba 2.0%

Ma'an 2.0%

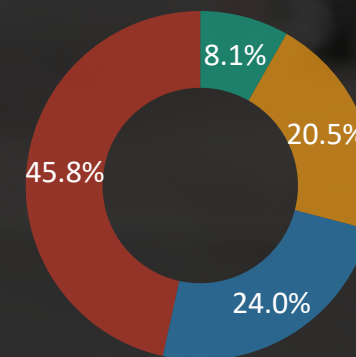
Ajloun 2.0%

Al Tafielah 1.0%

## Socioeconomic

### Class\*

A B C DE



\*Based on Household Income

\*Excluding Don't Know/ Refused To Answer

# Jordan Consumer Sentiment Index



Q4, 2021 Summary



## Ipsos' Jordanian Consumer Sentiment Stagnates in Q4 Amid a Negative Future Outlook

While Jordanians continue to lead their lives uninterrupted by curfew measures throughout the 4th quarter of 2021, the Jordanian Consumer Sentiment Index witnessed no notable improvement compared to the third quarter of 2021, resembling the Sentiment Index at the global level which also remained stable between the 3rd and the 4th quarters of 2021. In fact, Jordan's sentiment index continues to perform below pre-COVID-19 average values and currently sits alongside Turkey and Argentina amongst the bottom three countries where Ipsos conducts the sentiment index survey. Unsurprisingly, this has meant that Jordanians felt less confident about the overall state of the economy in Jordan, such that positive sentiments towards the "Current State of The Economy" index have dropped by 3.7 percentage points during the 4th quarter of 2021.

Adding to the worries, Jordanians are feeling even less confident about their future. Confidence in the future state of the economy has dropped by 6.6 percentage points during Q4, driving with it a drop in confidence towards job security, as well as a drop in Jordanians' confidence about their ability to invest in their future and the future of their children. Such sentiments are also reiterated by economic experts, arguing that the latest Global Economic Prospect report issued by the World Bank which forecasts "no acceleration of economic growth in Jordan during 2022 due to debts", is likely to be very accurate.

The survey wasn't all bad news, though. Notable improvements were witnessed in the current state of employment, such that reported job losses decreased by 7 percentage points and reported salary cuts due to COVID-19 dropped by 8 percentage points triggering, in turn, a slight improvement in consumers' current personal financial situation and their ability to make personal purchases during the recent period. While this improvement affected many demographic groups, females and lower age groups (18-24) have not reported any improvement in their current state of employment nor on their financial conditions during Q4, showcasing the continued struggle with unemployment amongst the most vulnerable segments. Despite the marginal improvement in employment, thanks in large part to the continuity of business operations with minimal restrictions, in addition to the refreshing recovery of the tourism industry compared to 2020 (90% increase in the number of tourists visiting Jordan), reported job losses values continue to be significantly higher than pre-COVID-19 average values.

This all comes at a time when Jordan is facing yet a more agile variant of COVID-19 'Omicron', whereby infection rates are already reaching unprecedented numbers in the Kingdom. Thus, jeopardizing the recovery of sectors that are considered to be the pillars of the Jordanian economy, such as tourism and services. Whether or not the current improvement may be deemed short-lived, largely depends on how quickly life can return to normalcy.



# JCSI Q4 Summary

JCSI, Q4 2021

38.1

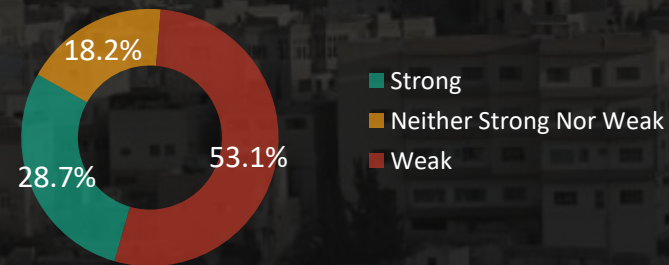


Versus  
Previous  
Wave

37.5

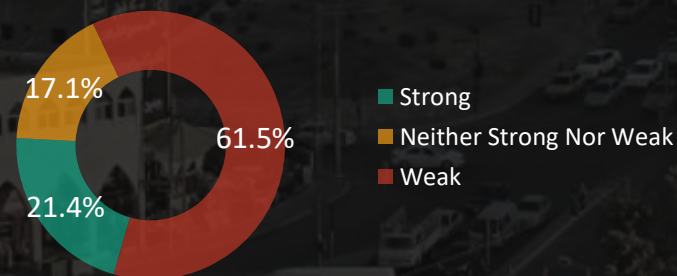
## Country Economic Situation

Q: Rate the current state of the economy in your local area using a scale from 1 to 7, where 7 means a very strong economy today and 1 means a very weak economy.



## Personal Financial Situation

Q: Rate your current financial situation, using a scale from 1 to 7, where 7 means your personal financial situation is very strong today and 1 means it is very weak.



## Top 3 Concerns For Jordanians



55.4%

Unemployment



42.2%

High Cost of  
Living/Inflation



36.6%

Poverty & Social  
Inequality





# Understanding Jordanians' Perceptions of COVID-19

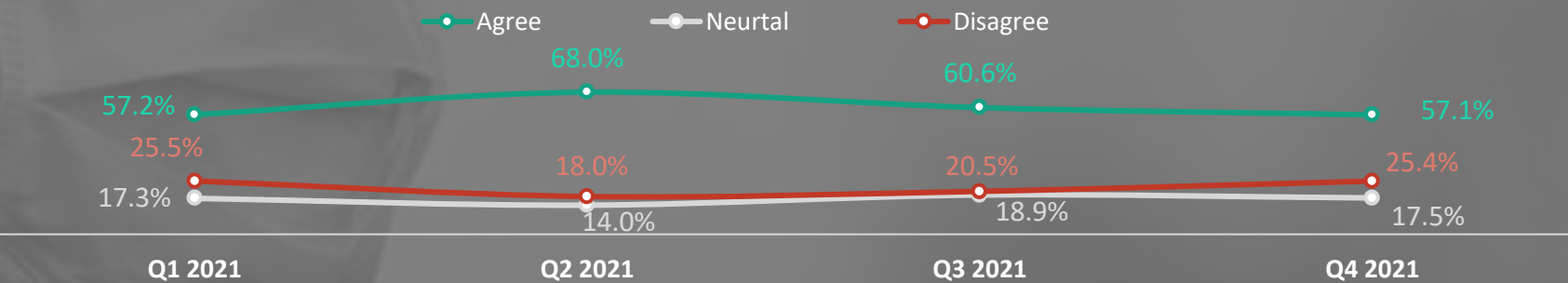
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# Impact of COVID-19 On The Country

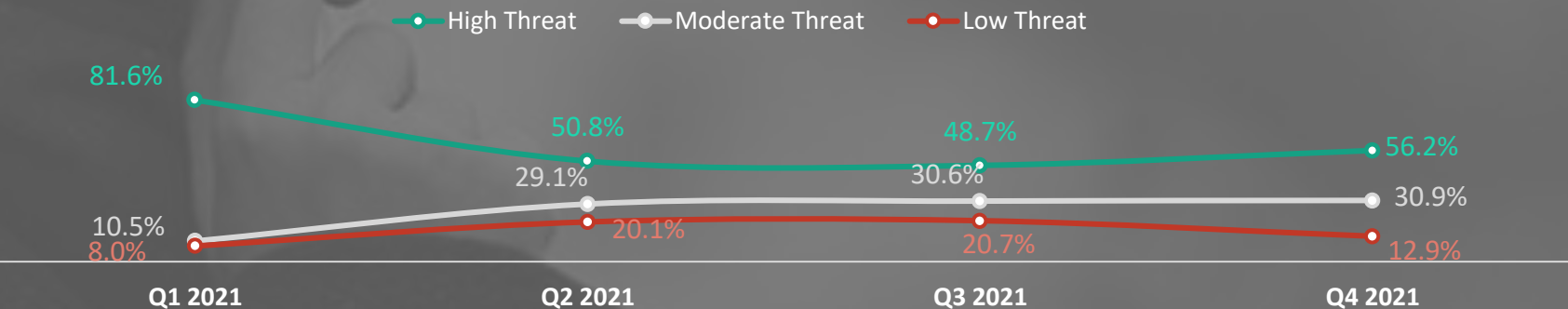
## Duration of COVID 19

Q: "COVID-19 is being contained and will soon be over", to what extent do you agree or disagree with the statement?



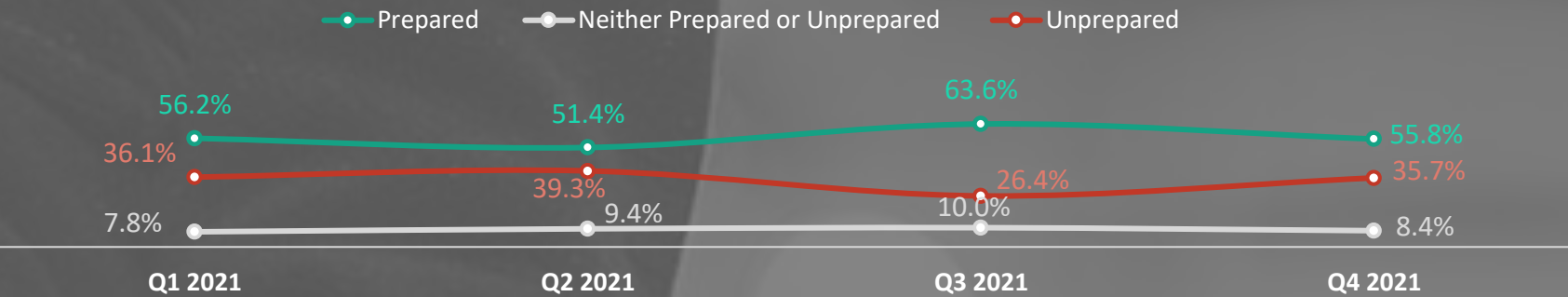
## Level Of Threat On Jordan

Q: What level of threat does the coronavirus pose to your country ?



## Preparedness to Deal With COVID-19

Q: Based on what you have seen, how confident are you about the overall preparation to effectively deal with COVID-19?

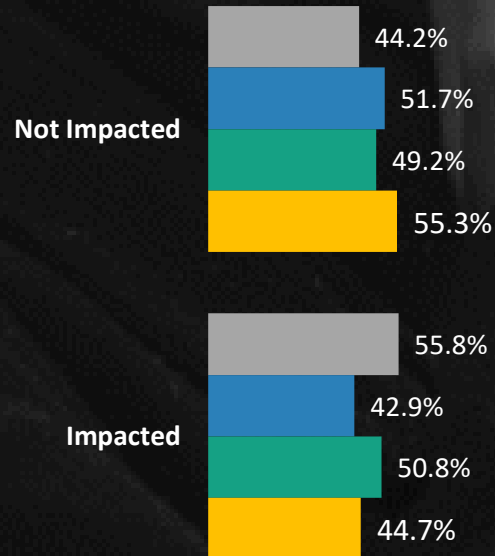


# Impact of COVID-19 on Employment

Out of Those Employed

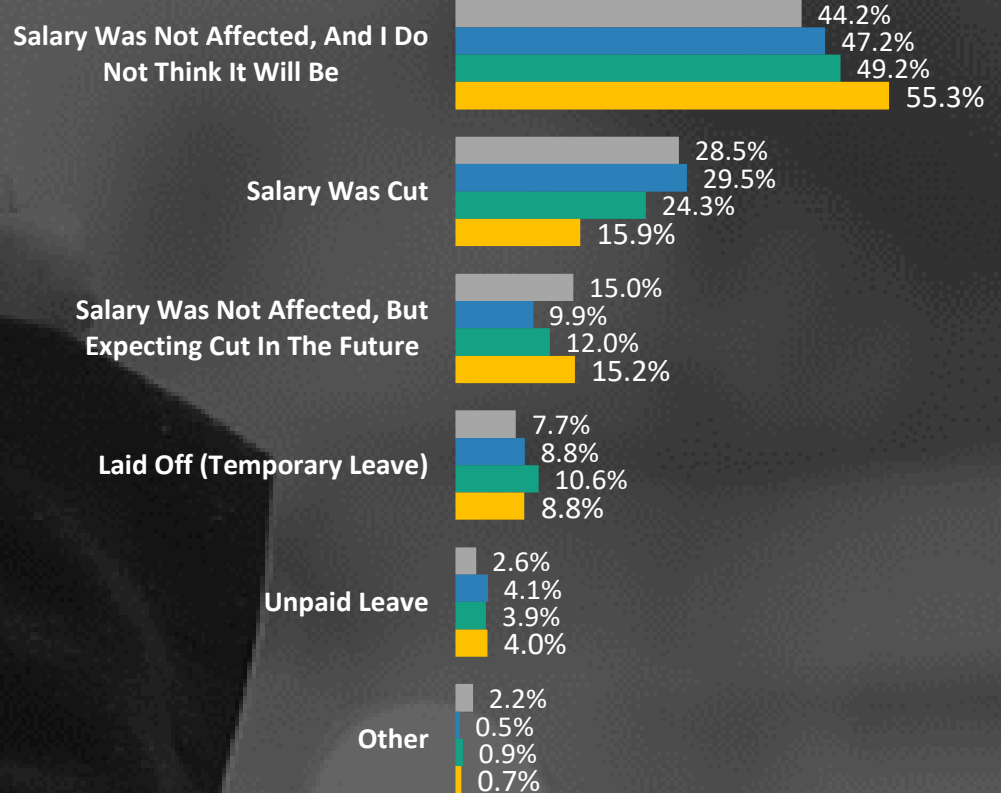
% of Those whose Employment was Impacted following the Pandemic

■ Q1, 2021 ■ Q2, 2021 ■ Q3, 2021 ■ Q4, 2021



Q: Which of the following statements apply to you? Please select all that apply.

■ Q1, 2021 ■ Q2, 2021 ■ Q3, 2021 ■ Q4, 2021







# Country's General Situation

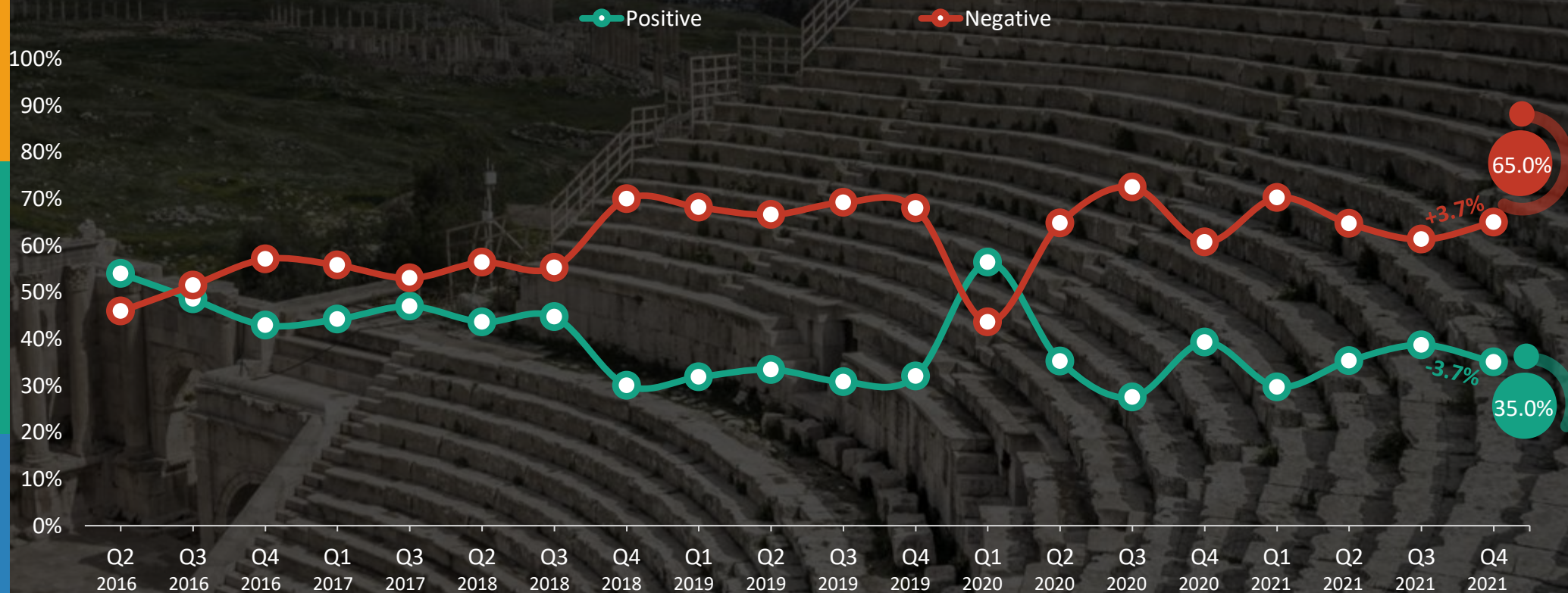
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# Current Economic Situation

## *Trending*

Q: Now, thinking about our economic situation, how would you describe the current economic situation in Jordan?



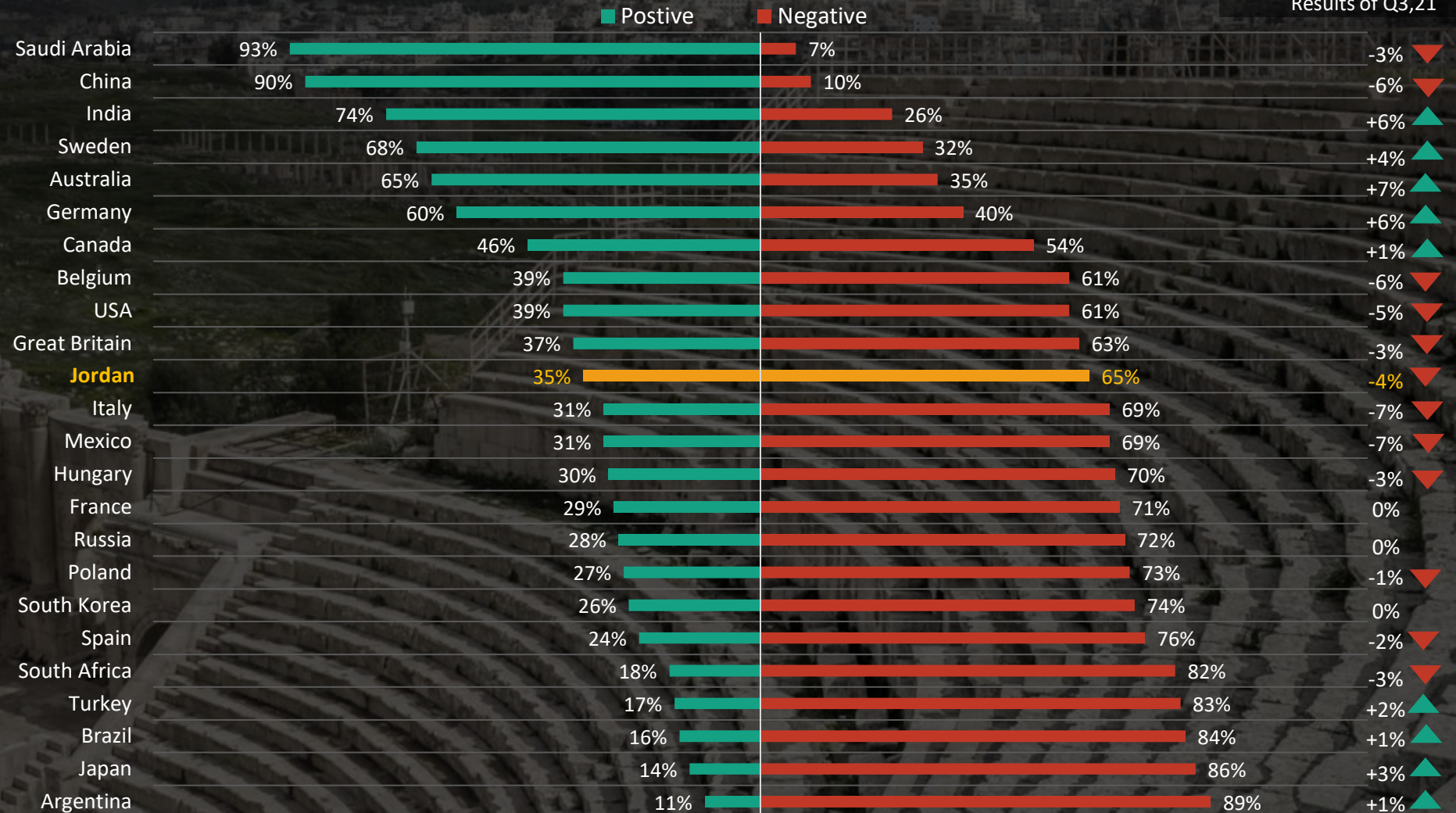


# Current Economic Situation

## Global Comparison

Q: Now, thinking about our economic situation, how would you describe the current economic situation in Jordan?

Compared to the Positive Results of Q3,21

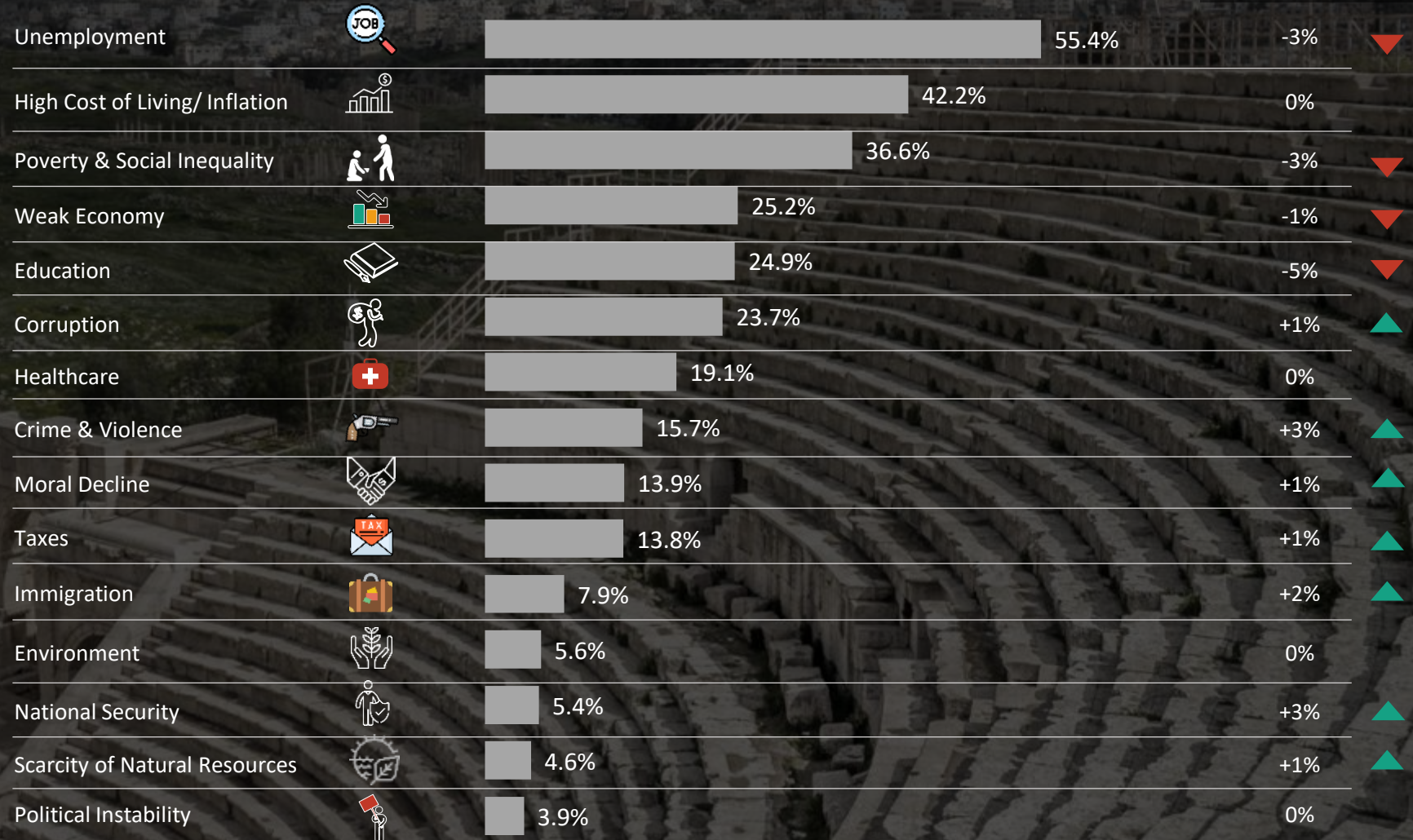




# Jordanians' Top Concerns

Q: Which of these are your top three biggest concerns as a Jordanian citizen, whether they are economic, social or political?

Compared to Q3,2021







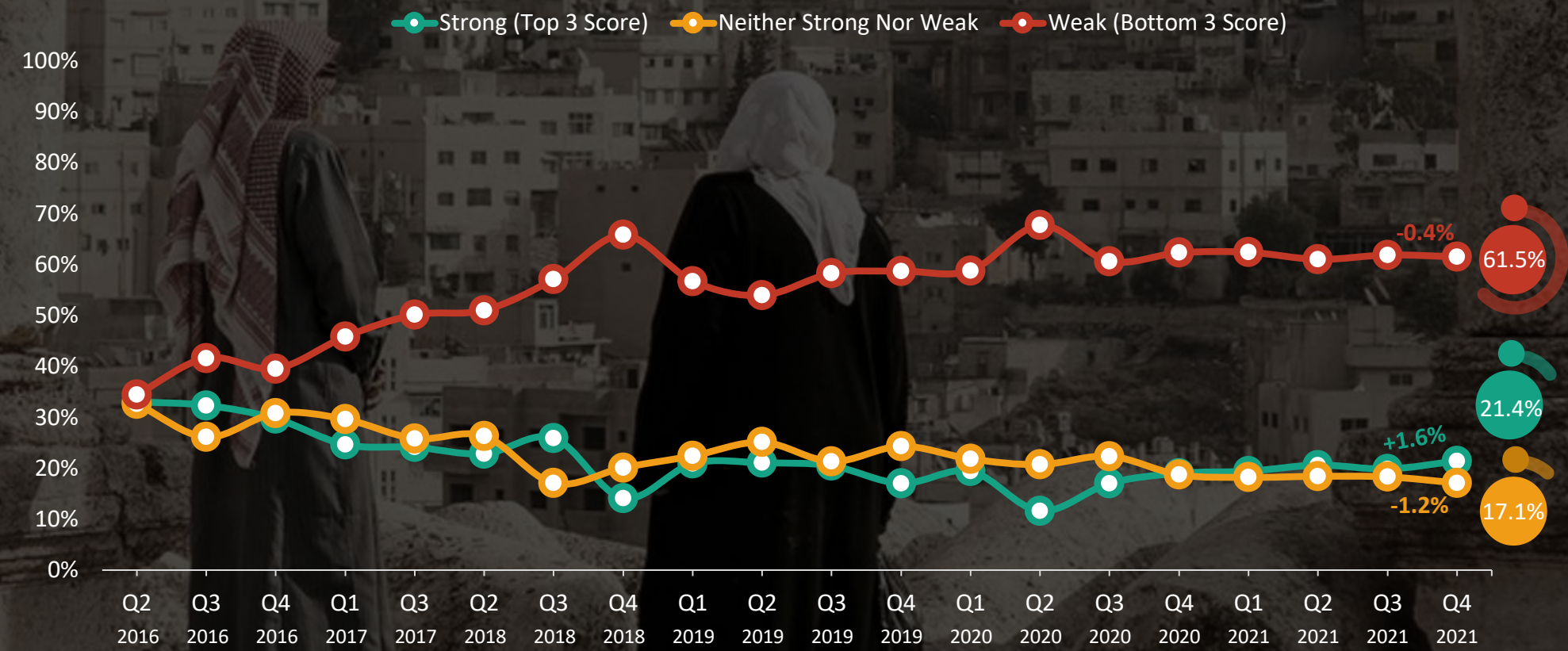
# Personal Financial Situation

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# Current Personal Financial Situation

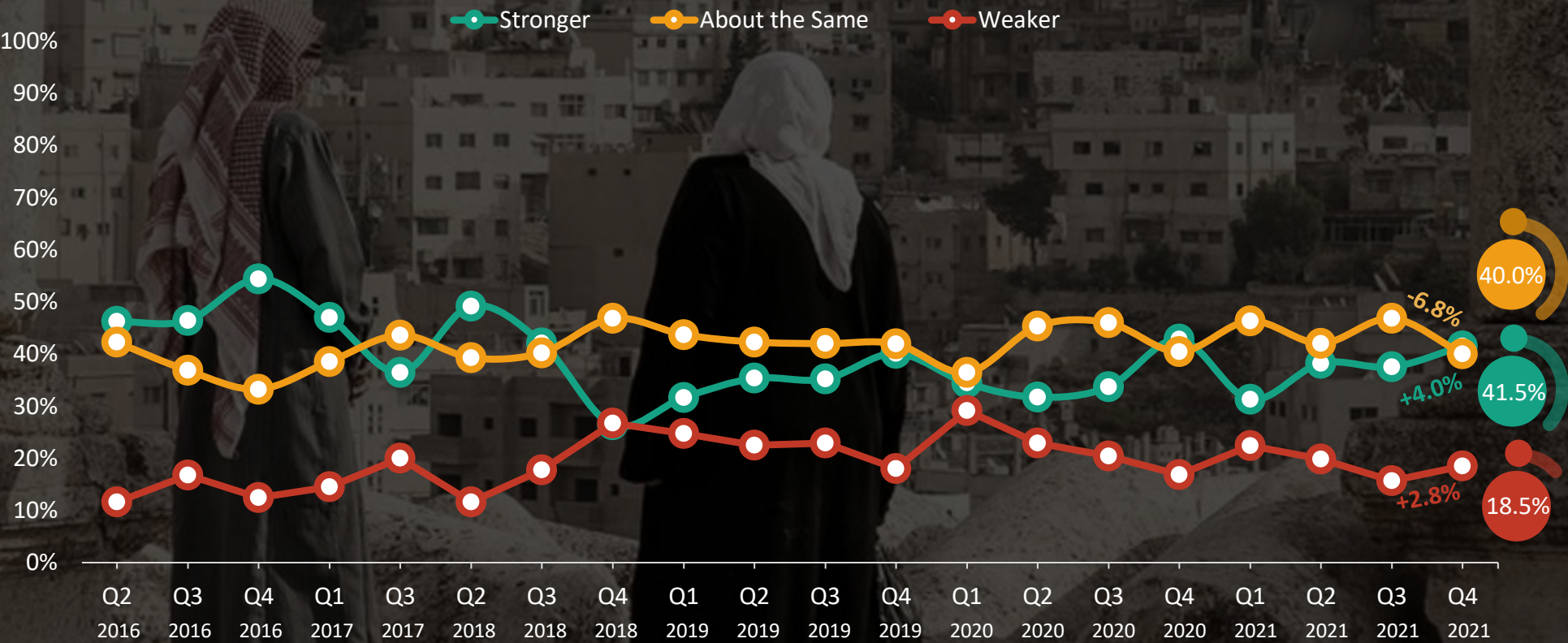
Q: Rate your current financial situation, using a scale from 1 to 7, where 7 means your personal financial situation is very strong today and 1 means it is very weak.





# Future Personal Financial Situation

Q. Looking ahead six months from now, do you expect your personal financial situation to be much stronger, somewhat stronger, about the same, somewhat weaker, or much weaker than it is now?







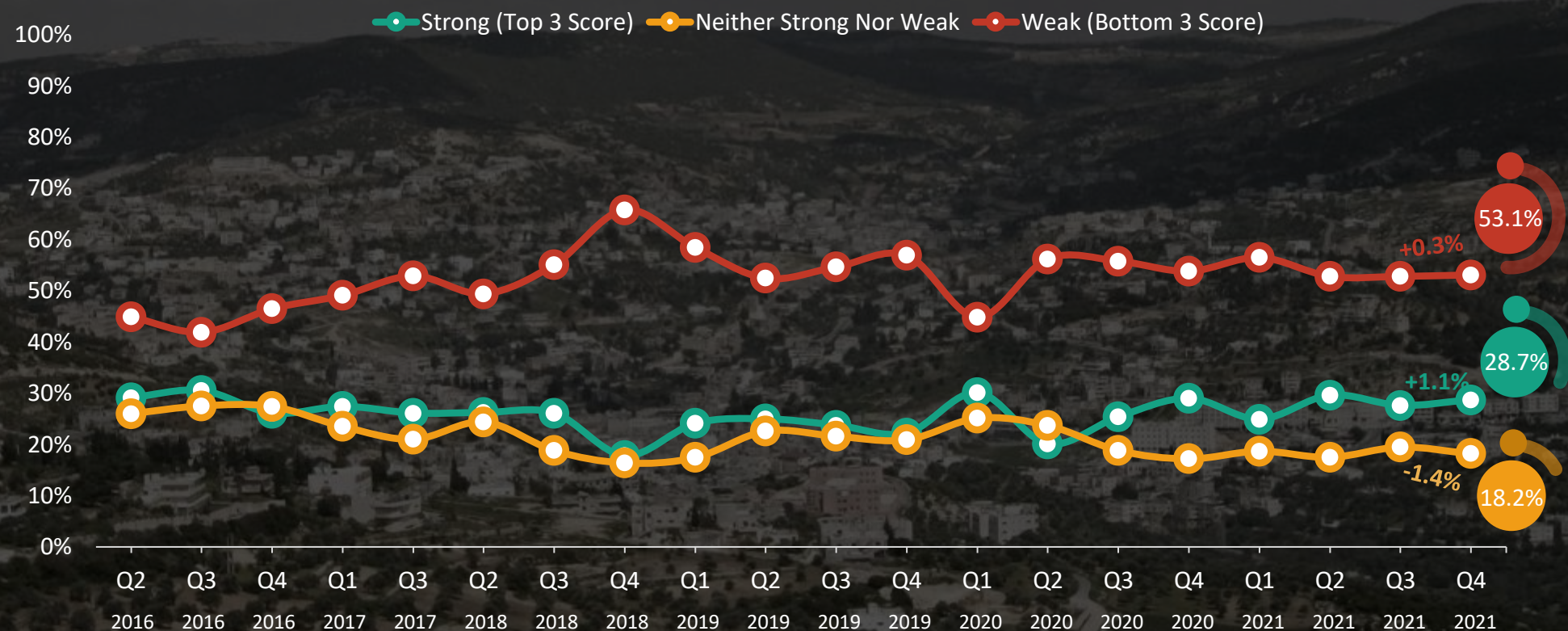
# Jordan's Economic Situation

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# Local Area State of the Economy

Q: Rate the current state of the economy in your local area using a scale from 1 to 7, where 7 means a very strong economy today and 1 means a very weak economy.

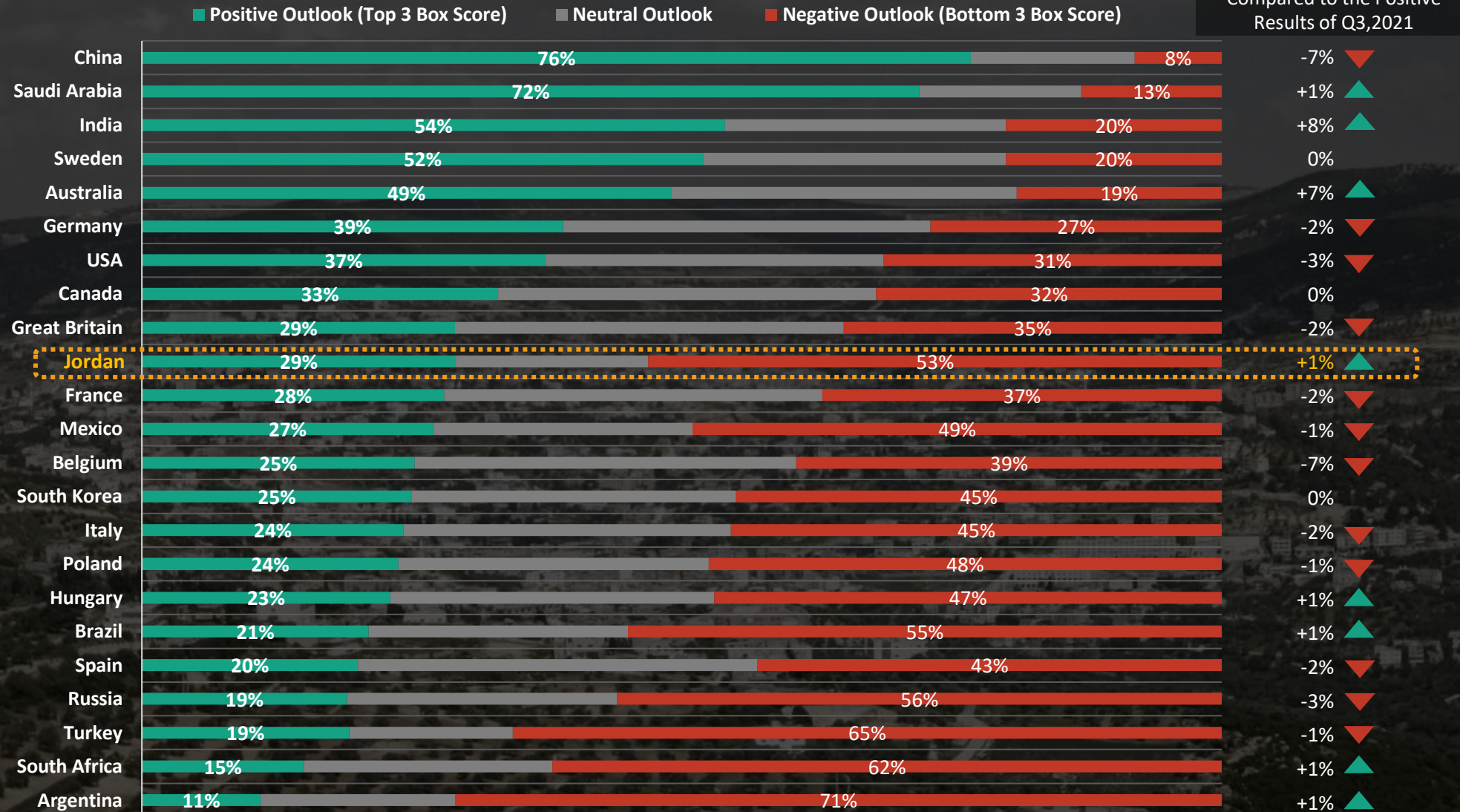




# Current Local Area State of the Economy

## Global Comparison

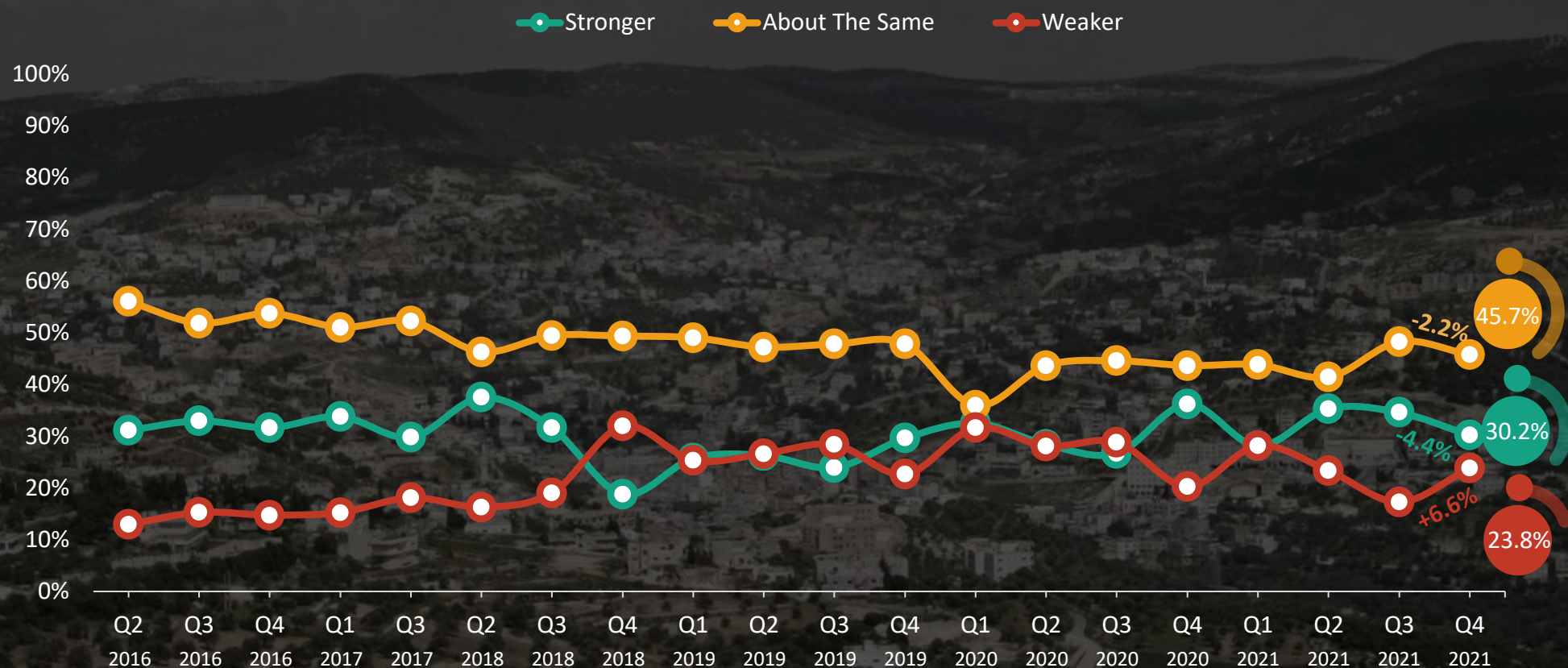
Q: Now Rate the current state of the economy in your local area using a scale from 1 to 7, where 7 means a very strong economy today and 1 means a very weak economy.





# Local Area Future State of the Economy

Q: Looking ahead six months from now, do you expect the economy in your local area to be stronger, somewhat stronger, about the same, somewhat weaker, or much weaker than it is now?





# Employment

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# Job Security

Q. Compared to 6 months ago, are you now more or less confident about job security for yourself, your family and other people you know personally?

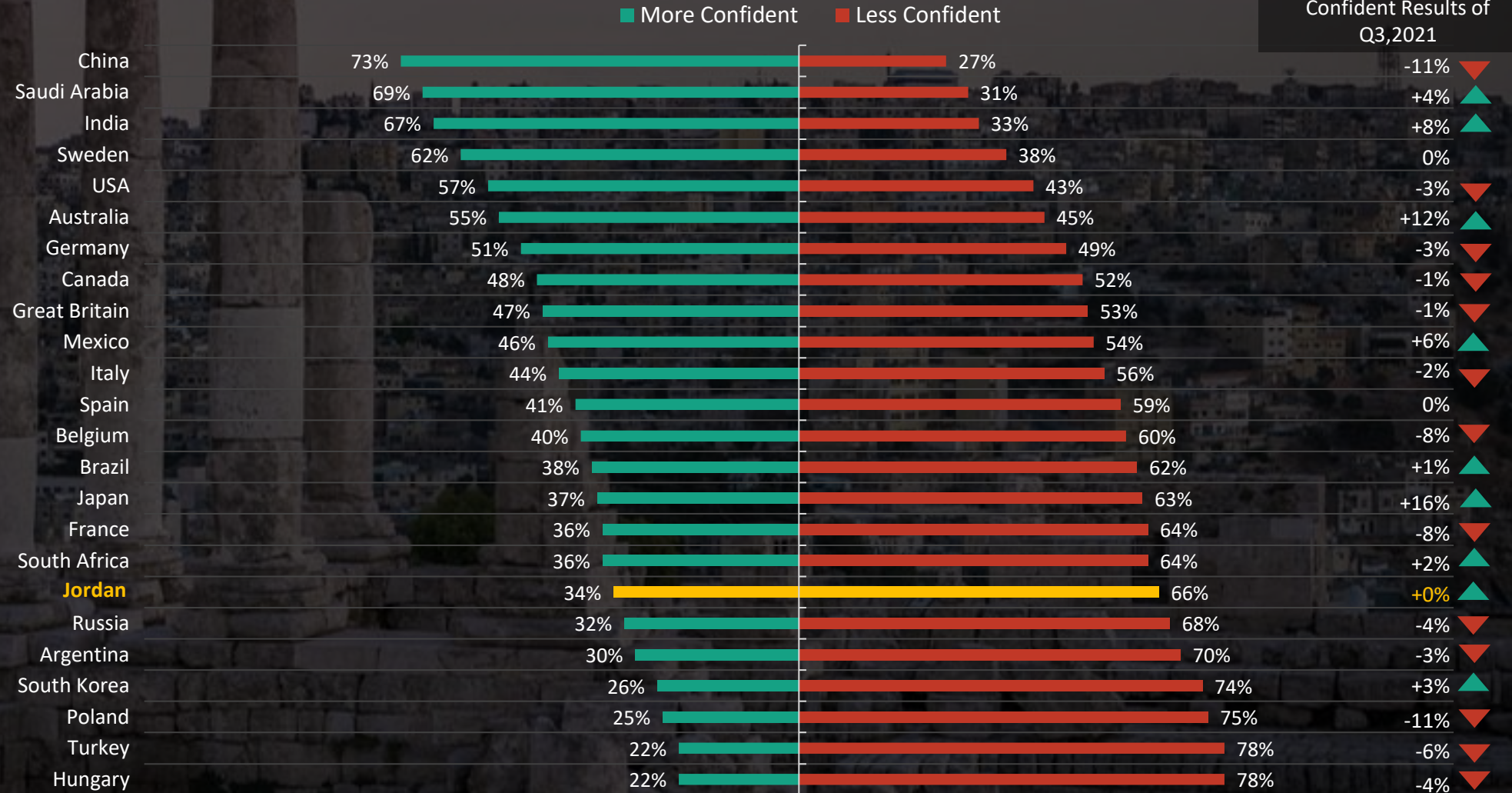




# Job Security

## Global Comparison

Q. Compared to 6 months ago, are you now more or less confident about job security for yourself, your family and other people you know personally?





# Job Losses in the Past Six Months

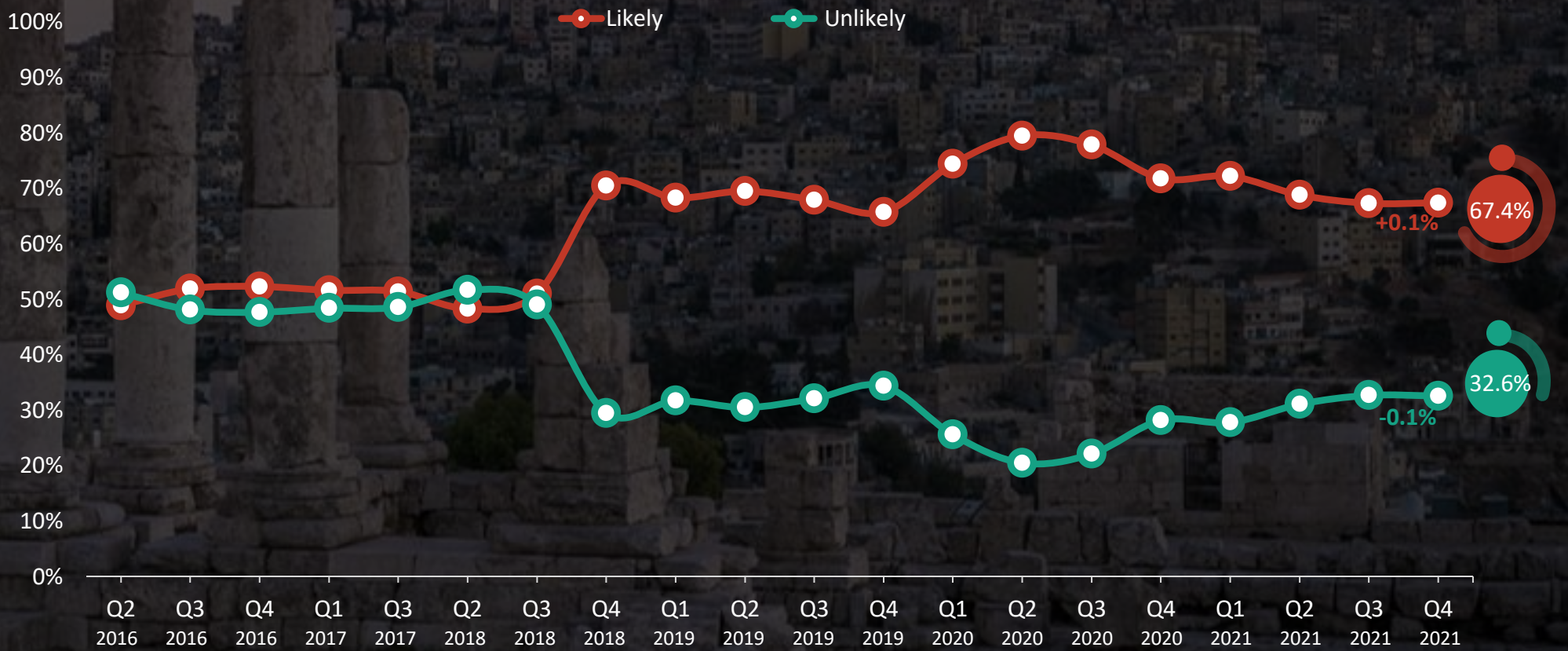
Q. Thinking about the last 6 months, have you, someone in your family or someone else you know personally lost their job as a result of economic conditions?





# Job Losses in the Next Six Months

Q. Looking ahead at the *next* six months, how likely is it that you, someone in your family or someone else you know personally will lose their job in the next six months as a result of economic conditions?





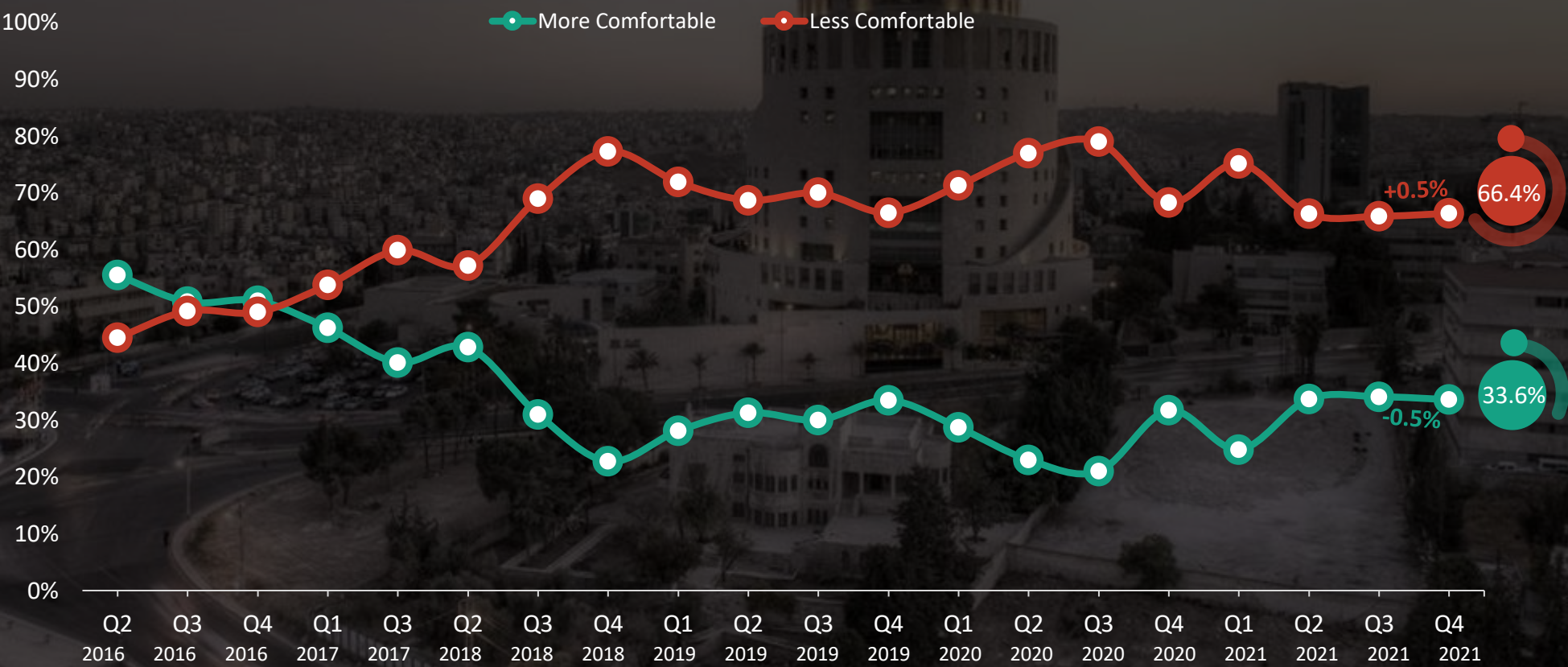


# Investment Climate



# Ability to Invest in The Future

Q. Compared to 6 months ago, are you NOW more or less comfortable about your ability to invest in the future, including your ability to save money for your retirement and your children's education?

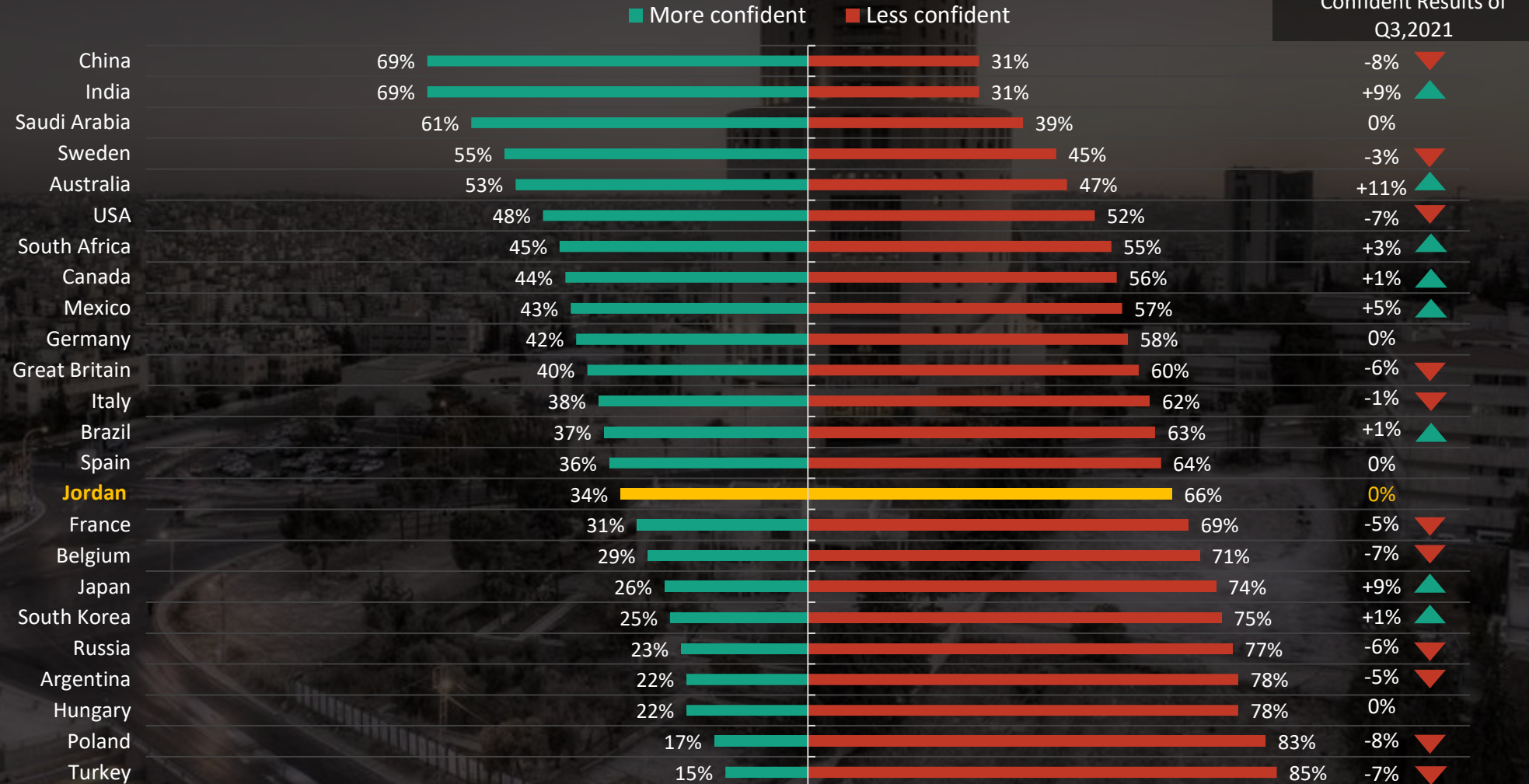




# Ability to Invest in The Future

## Global Comparison

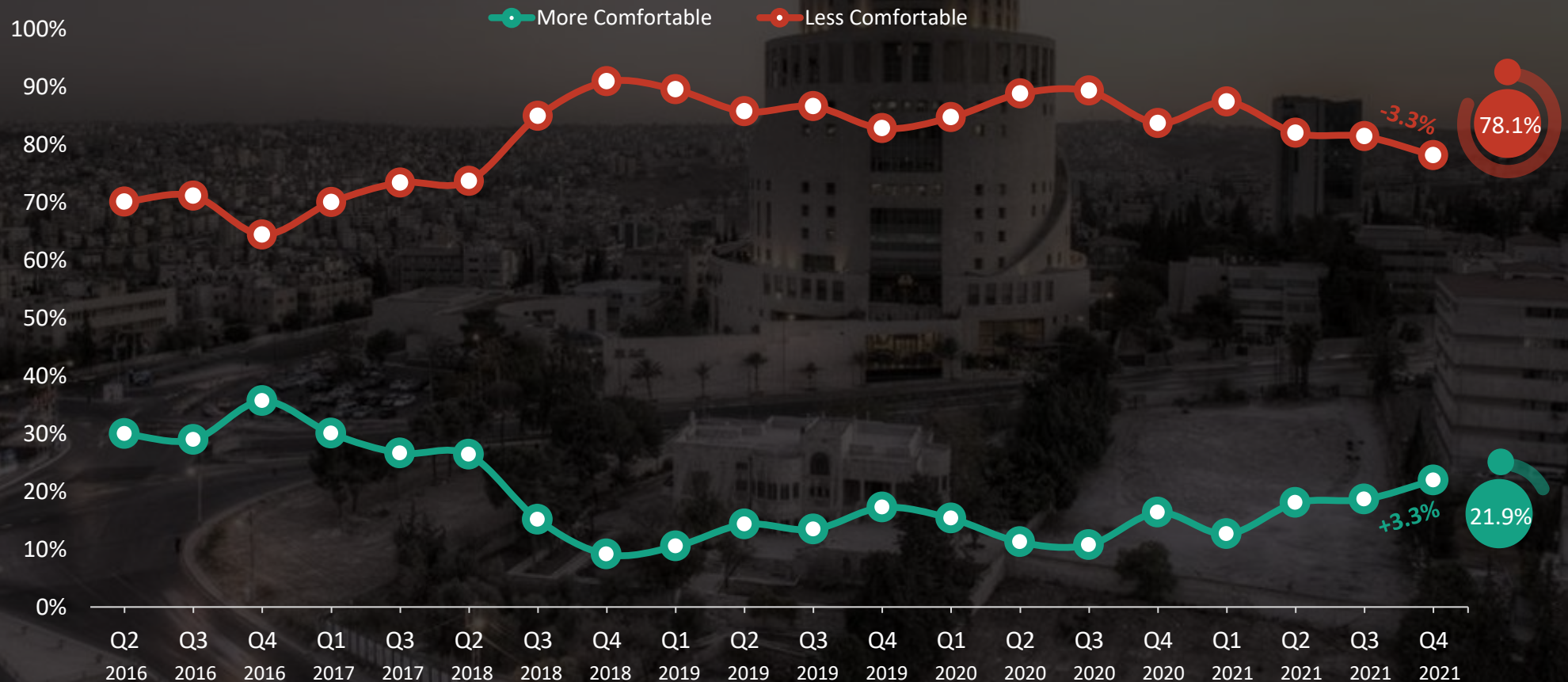
Q. Compared to 6 months ago, are you NOW more or less comfortable about your ability to invest in the future, including your ability to save money for your retirement and your children's education?





# Ability to Make a Major Purchase

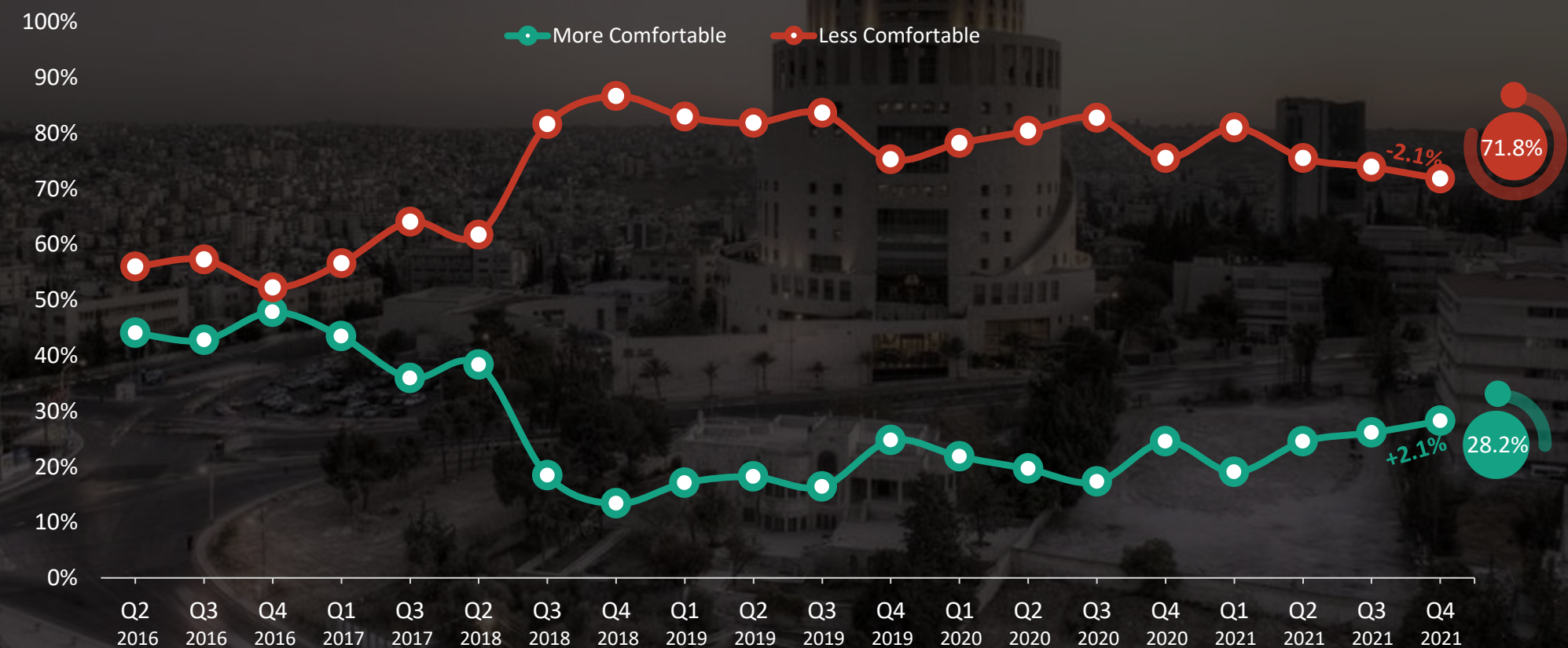
Q. Compared to 6 months ago, are you now more or less comfortable making a major purchase, like a home or car?





# Buying Household Durables

Q. Compared to 6 months ago, are you now more or less comfortable making other household purchases?



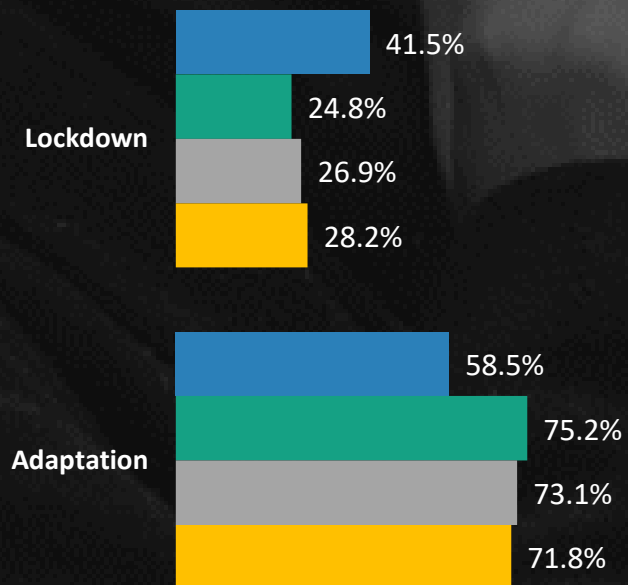


# Dealing With The COVID-19 Pandemic

## Dealing With The Surge In COVID-19 Cases

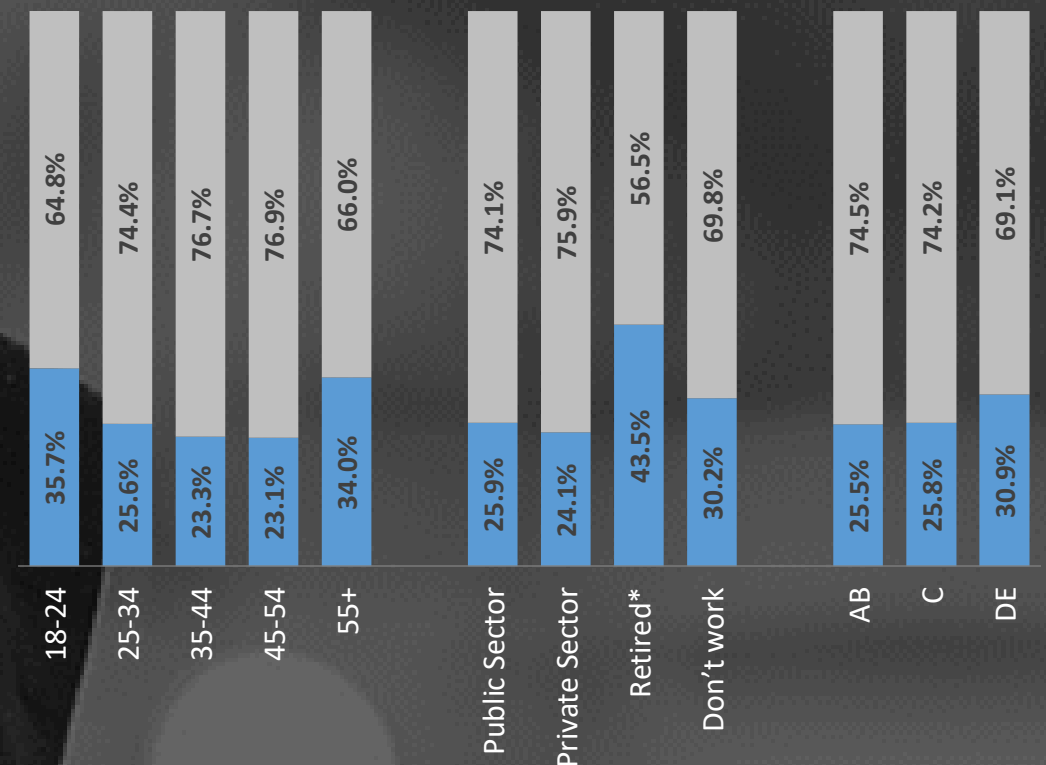
Q: In your opinion, what is the best way to deal with the surge in coronavirus cases?

■ Q1, 2021 ■ Q2, 2021 ■ Q3, 2021 ■ Q4, 2021



## By Demographics

■ Lockdown ■ Adaptation



\*Sample Size is less than 30 and should be read with caution.

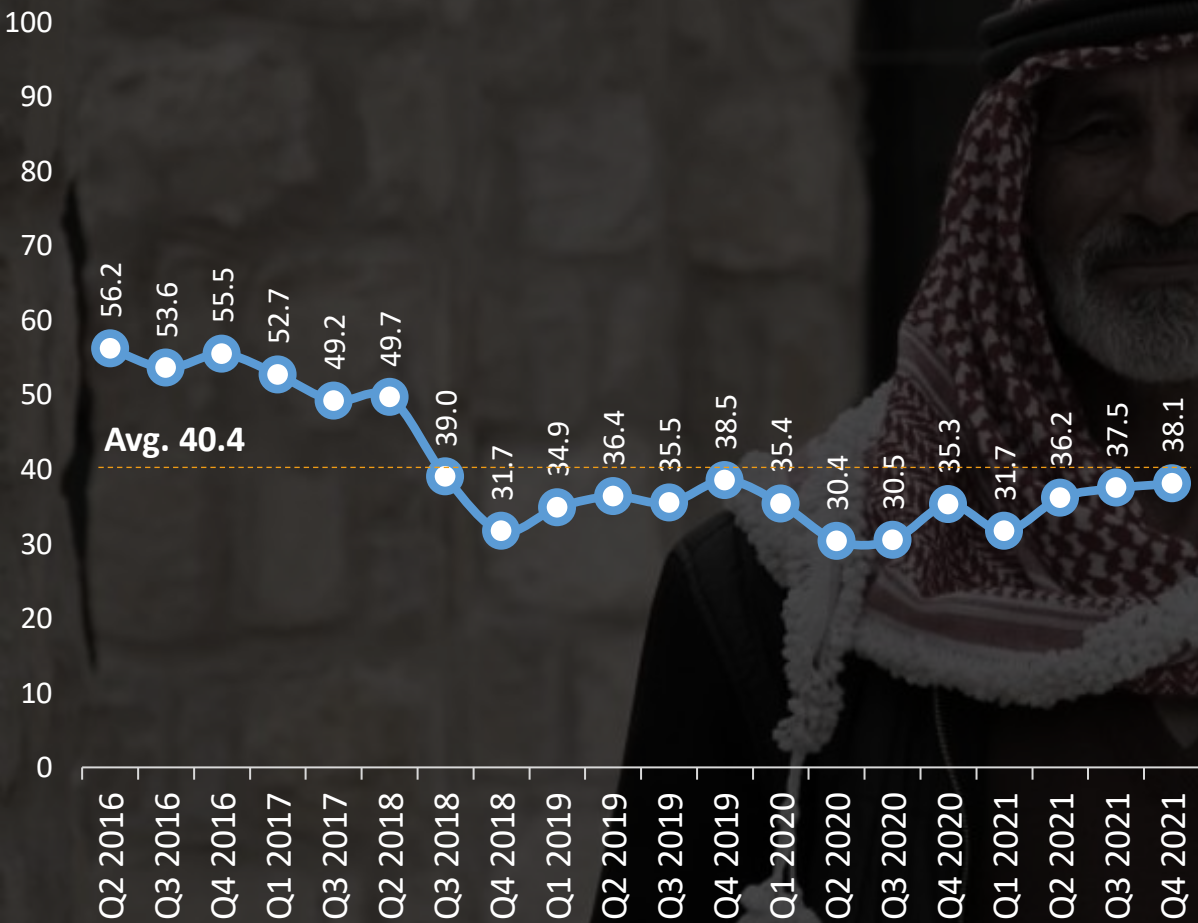


# JCSI Deep Dive

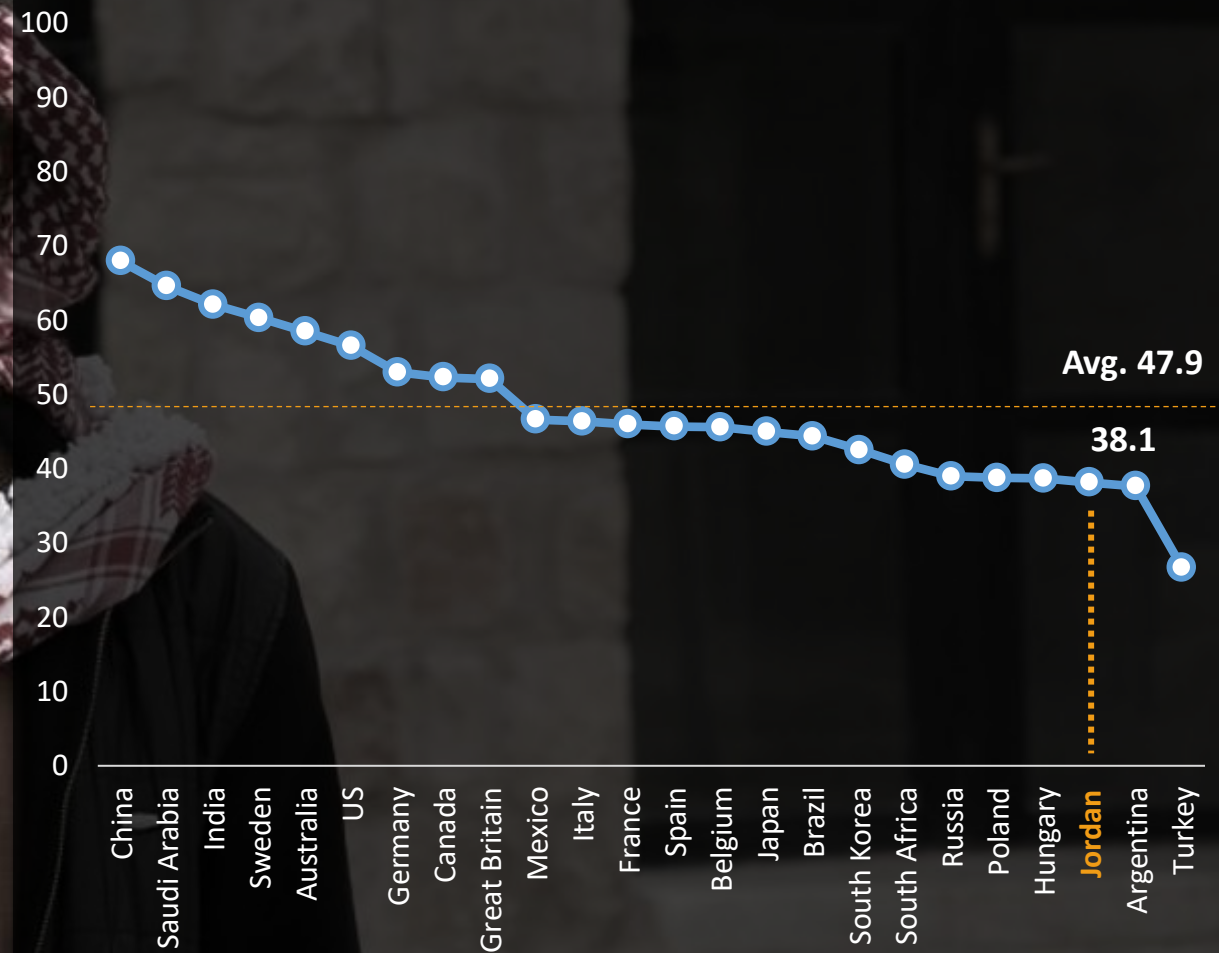


# Overall JCSI

## JCSI- Trending



## JCSI- Global Comparison



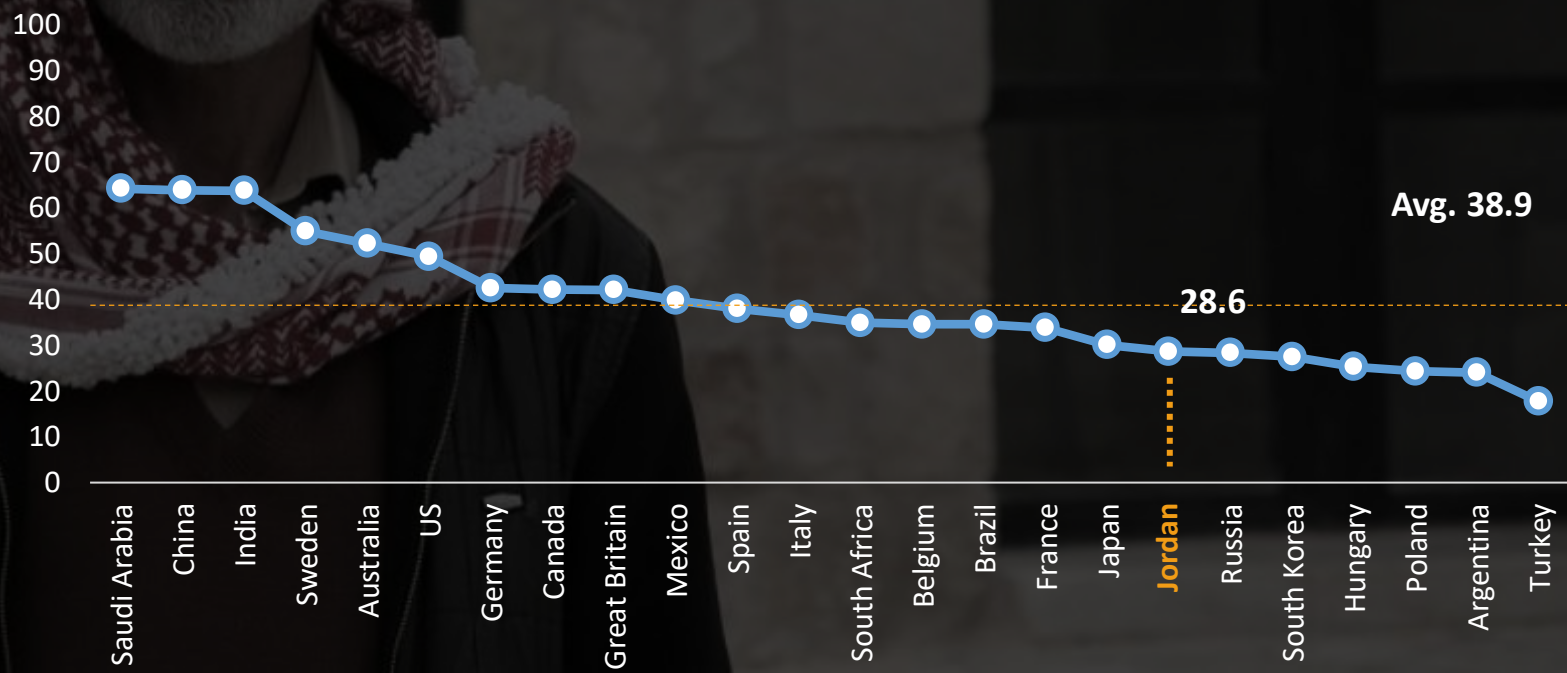
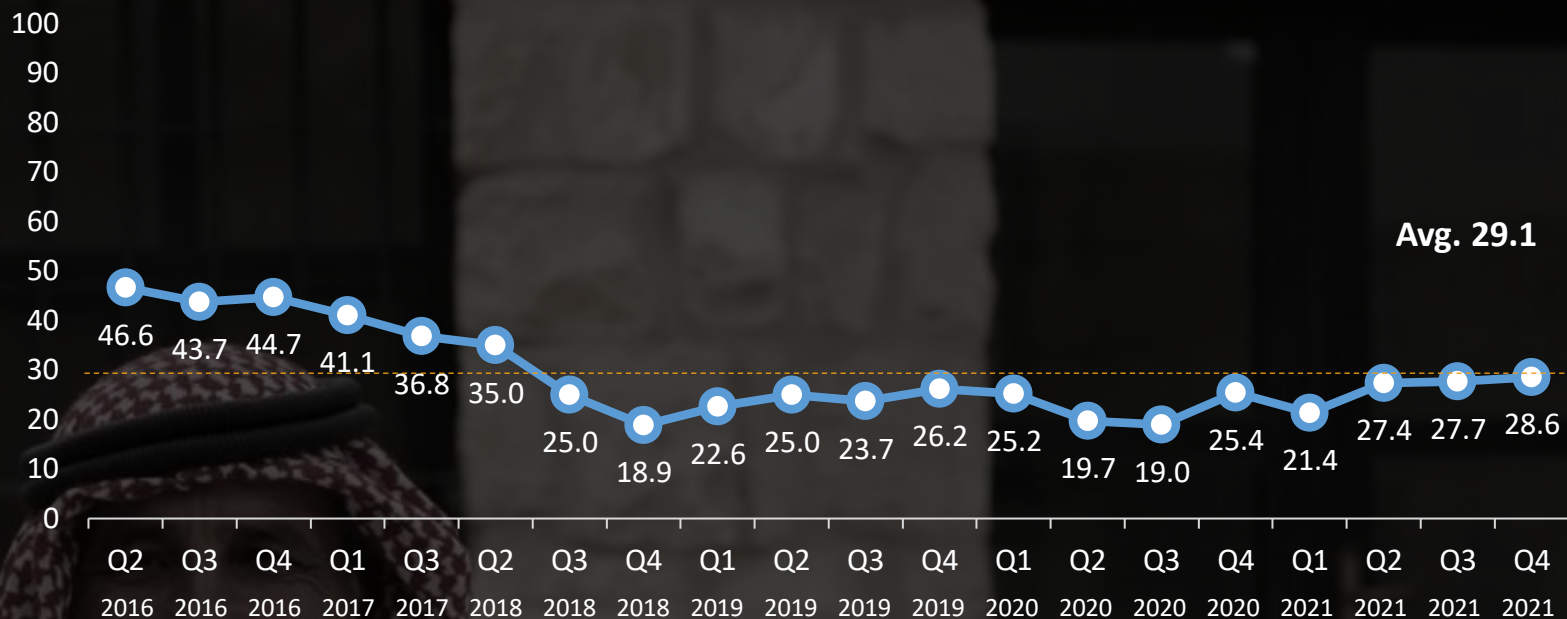




## JCSI Personal Financial Conditions

This quarter's index on personal financial conditions has seen a 0.9 increase, moving Jordan up one rank, currently holding 18<sup>th</sup> position worldwide.

1. Compared to 6 months ago, are you NOW more or less comfortable making other household purchases?
2. Compared to 6 months ago, are you NOW more or less comfortable making a major purchase, like a home or car?
3. Compared to 6 months ago, are you NOW more or less confident about job security for yourself, your family and other people you know personally?
4. Compared to 6 months ago, are you NOW more or less confident of your ability to invest in the future, including your ability to save money for your retirement or your children's education?
5. Rate your current financial situation, using a scale from 1 to 7, where 7 means your personal financial situation is very strong today and 1 means it is very weak.
6. Rate the current state of the economy in your local area using a scale from 1 to 7, where 7 means a very strong economy today and 1 means a very weak economy.



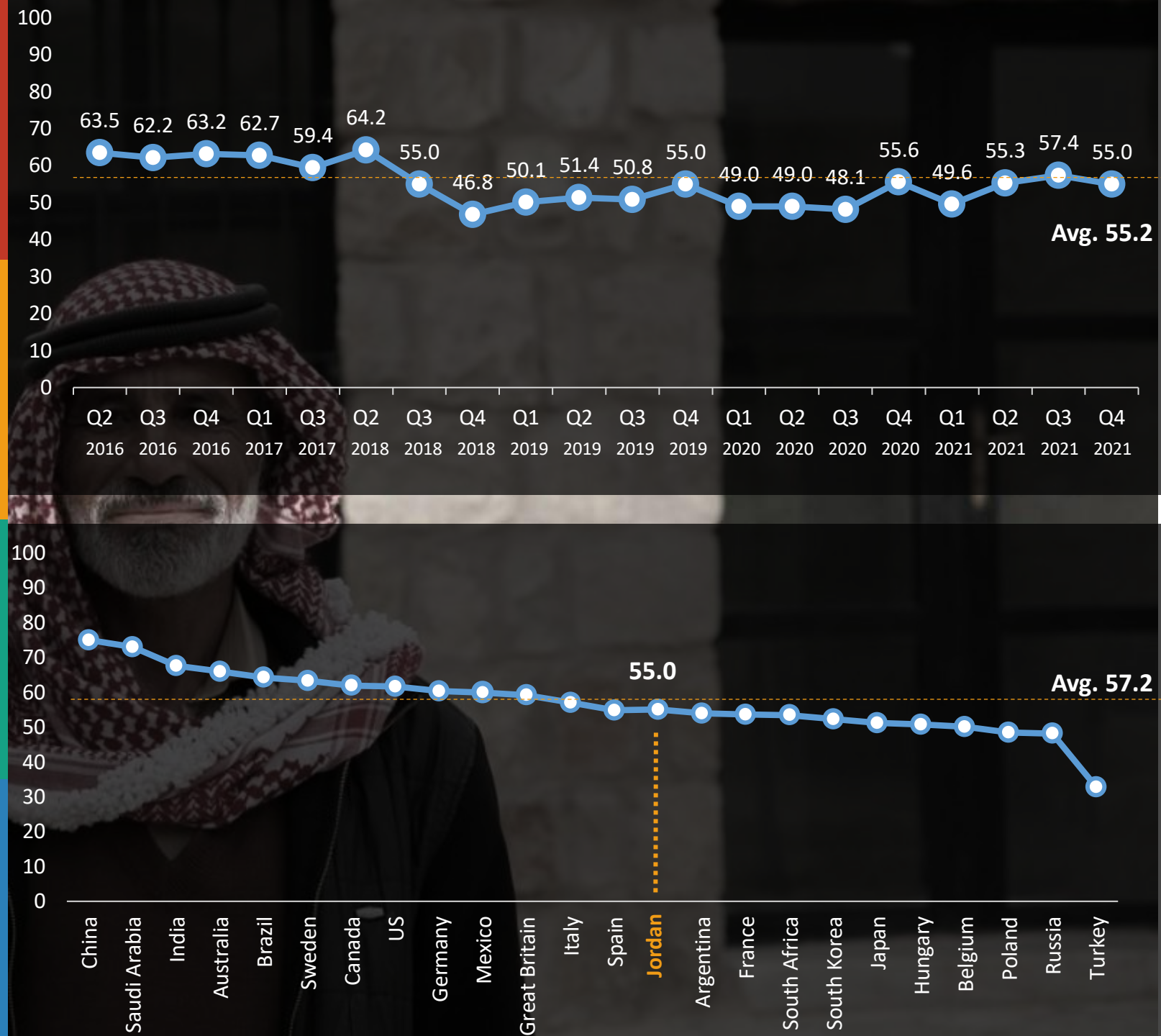


# JCSI Economic Expectations

Jordanians' economic expectation index endured a 2.4 point decrease. This decrease is owed to a shift from neutral sentiment in the third quarter of 2021, to a more negative one, reflecting a negative outlook on future Economy.

Jordan has not moved on the global rank and remains holding 14<sup>th</sup> rank compared to the previous quarter.

1. Looking ahead six months from now, do you expect the economy in your local area to be much stronger, somewhat stronger, about the same, somewhat weaker, or much weaker than it is now?
2. Looking ahead six months from now, do you expect your personal financial situation to be much stronger, somewhat stronger, about the same, somewhat weaker, or much weaker than it is now?



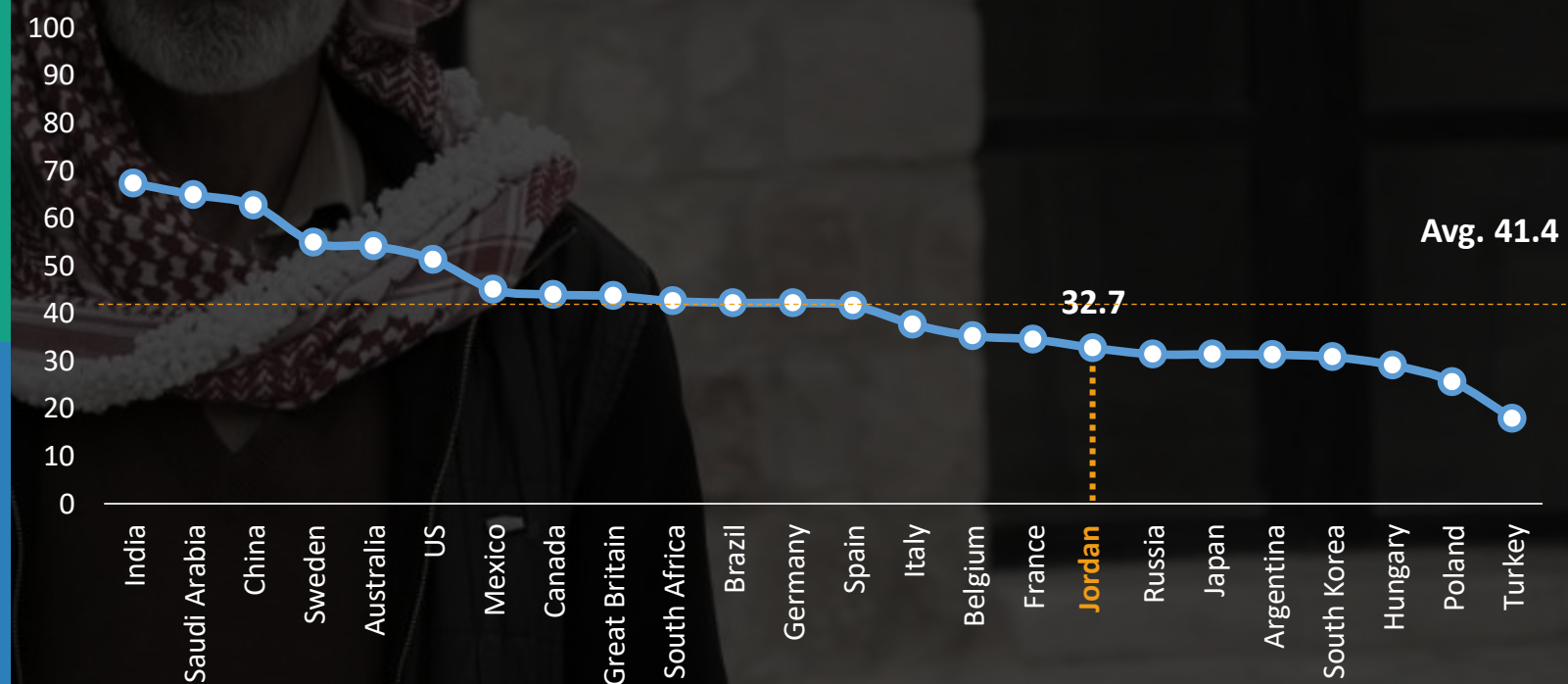
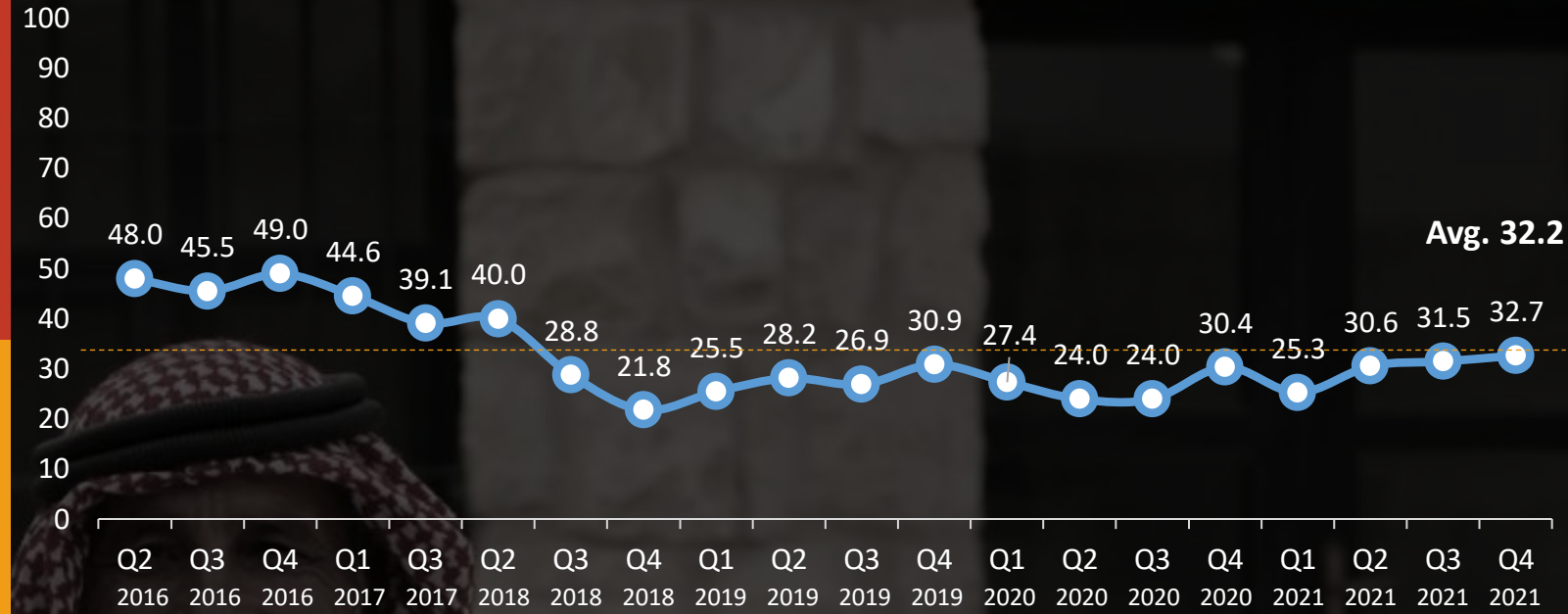




# JCSI Investment Climate

Jordanians' perspectives on the investment climate has climbed up 1.2 points compared to the previous quarter, enabling a three-rank advance, and currently hold 17<sup>th</sup> place globally.

1. Compared to 6 months ago, are you NOW more or less comfortable making a major purchase, like a home or car?
2. Compared to 6 months ago, are you NOW more or less comfortable making other household purchases?
3. Compared to 6 months ago, are you NOW more or less confident of your ability to invest in the future, including your ability to save money for your retirement or your children's education?
4. Rate your current financial situation, using a scale from 1 to 7, where 7 means your personal financial situation is very strong today and 1 means it is very weak.
5. Looking ahead six months from now, do you expect your personal financial situation to be much stronger, somewhat stronger, about the same, somewhat weaker, or much weaker than it is now?

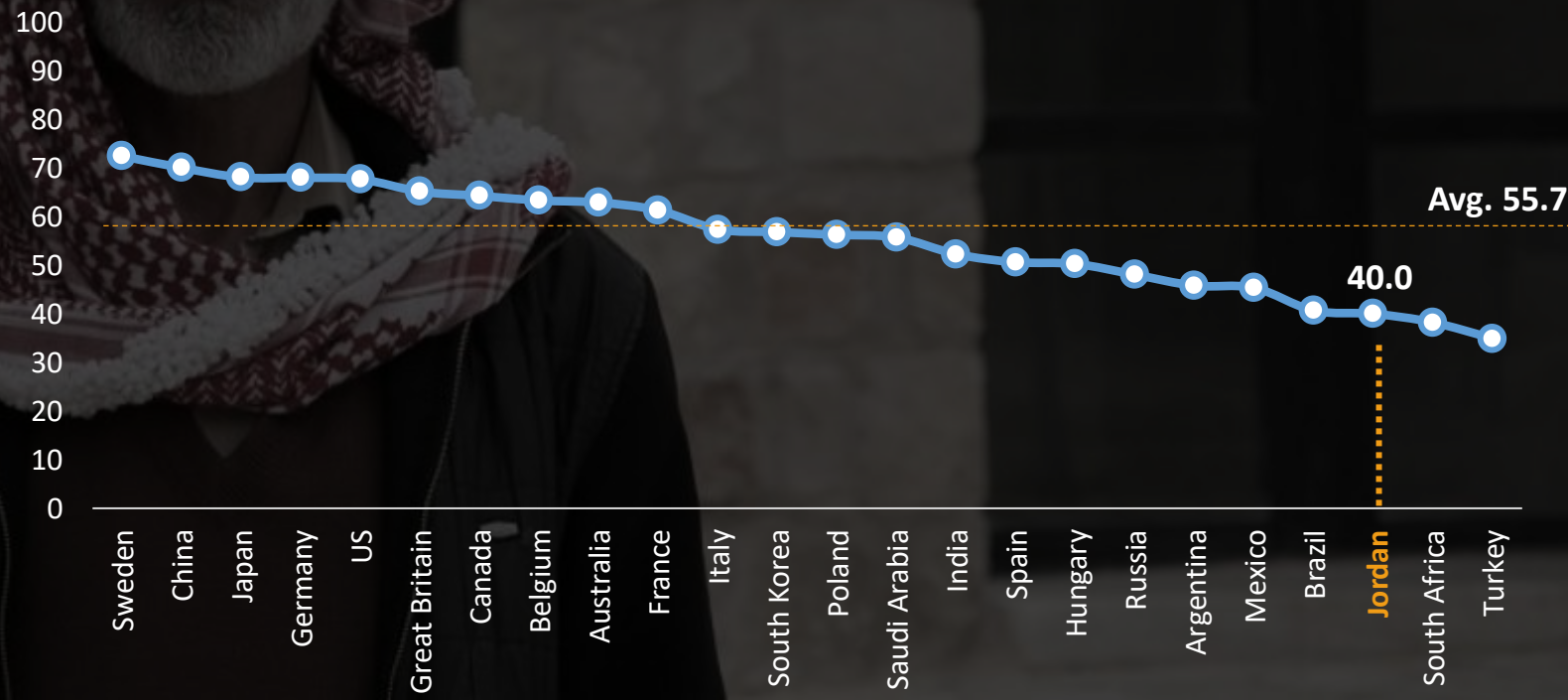
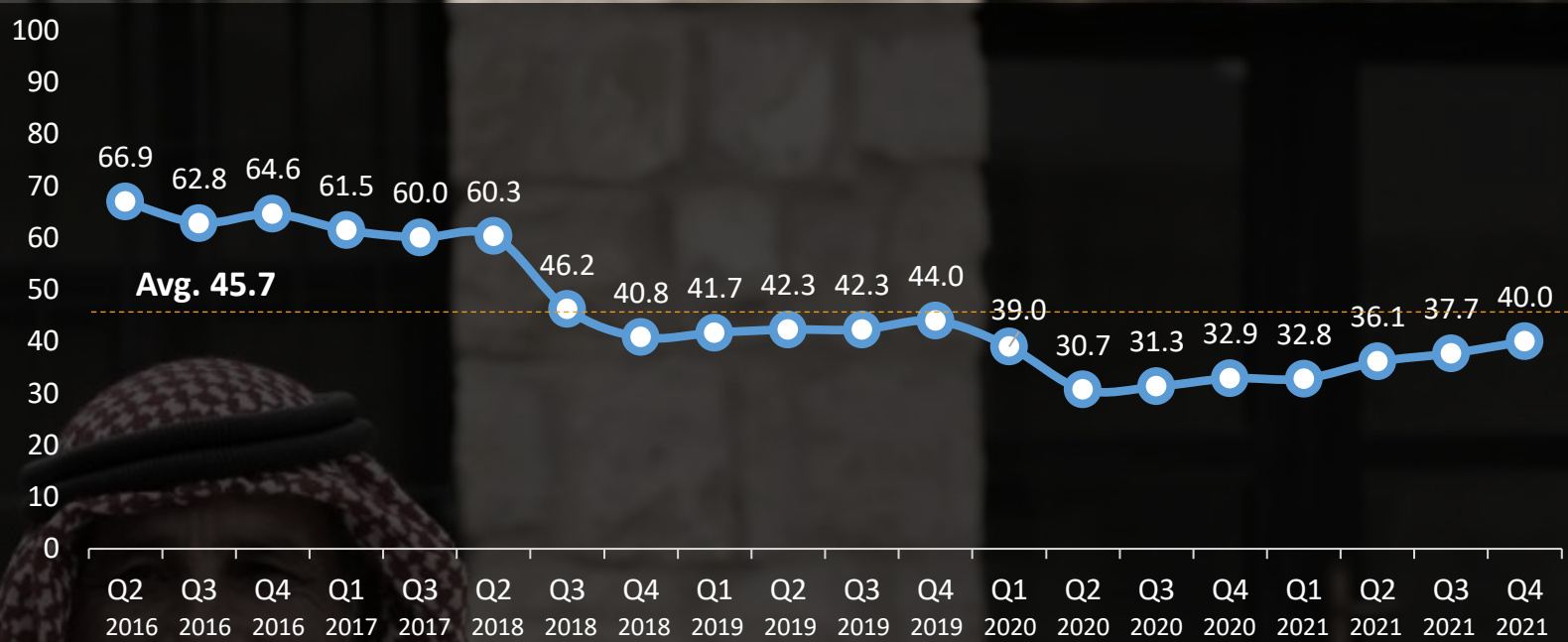




## JCSI Employment Confidence

The employment index saw a 2.3 point increase for this quarter. However, this increase aligns with the global positive trend, leaving Jordan at the same rank globally, compared to the previous quarter.

1. Compared to 6 months ago, are you now more or less confident about job security for yourself, your family and other people you know personally?
2. Thinking about the last 6 months, have you, someone in your family or someone else you know personally lost their job as a result of economic conditions?
3. Now look ahead at the next six months. How likely is it that you, someone in your family or someone else you know personally will lose their job in the next six months as a result of economic conditions?





# JCSI Methodology





## JCSI Methodology

**Methodology - Computer Assisted Telephone Interviews (CATI)**

**Sample Size – 1000 Respondents**

**Age – 18 years old and above**

**Sample Criteria – Nationally Representative Sample of Jordanians**

The JCSI Index is calculated by utilizing data from the survey results. Responses are divided into aggregated Top Box (Reward) numbers and Bottom Box (Penalty) numbers. Using Shapely Value Analysis, values were generated for the penalty and reward for each question. The magnitude of each question is the difference between the reward and penalty. An Importance factor, which is the ultimate weight of the particular question in the index, is the magnitude of each question divided by the total magnitude of all questions. A Top Box Weight for each question is calculated by dividing the Reward by the magnitude of each question. Similarly, the Bottom Weight for each question is calculated by dividing the Penalty for each question by magnitude of the same. The Index Value for each question is calculated by using the formula:  $\text{Importance} \times (\text{Top Box Wt} \times \text{Top Box \%}) - (\text{Bottom Box Wt} \times \text{Bottom box \%})$ .





## GAME CHANGERS

At Ipsos we are passionately curious about people, markets, brands and society. We make our changing world easier and faster to navigate and inspire clients to make smarter decisions. We deliver with security, simplicity, speed and substance.

### We are Game Changers

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