

Jordan Consumer Sentiment Index (Q4)

Jordan
January 2023

Data Collected in December 2022

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?

Jordan Consumer Sentiment Index



Q4, 2022 Summary

JCSI Q4 Summary

JCSI, Q4 2022

33.8

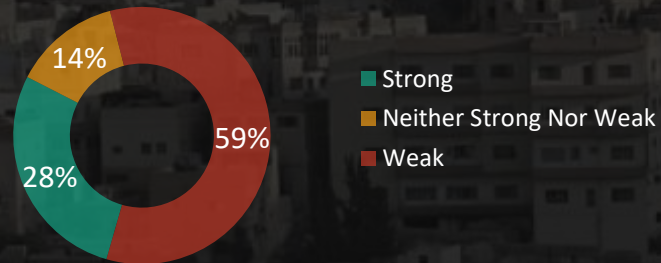
Versus
Previous
Wave
Q3 2022



37.2

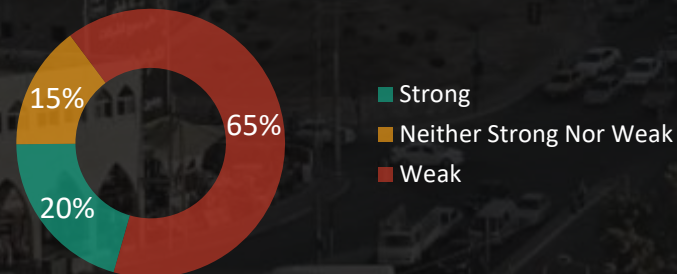
Country Economic Situation

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



59%
High Cost of
Living/Inflation



54%
Unemployment



42%
Poverty & Social
Inequality

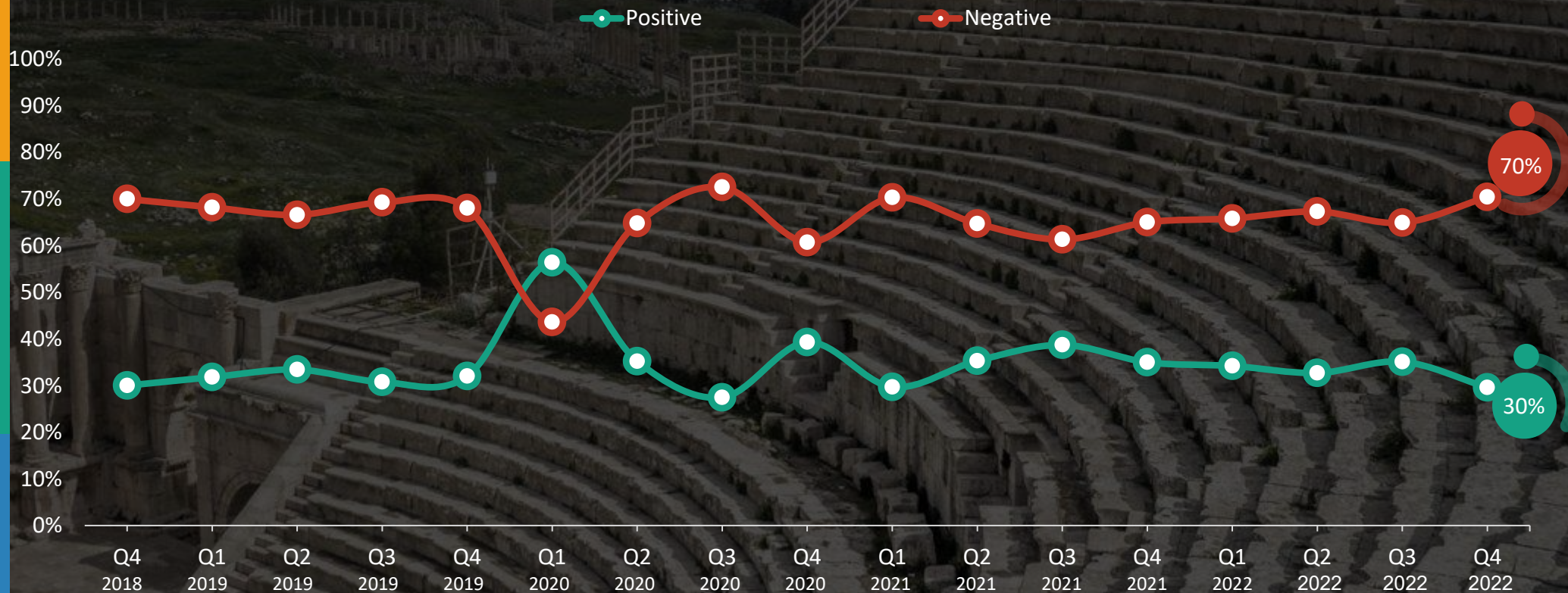
Country's General Situation



Current Economic Situation

Trending

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

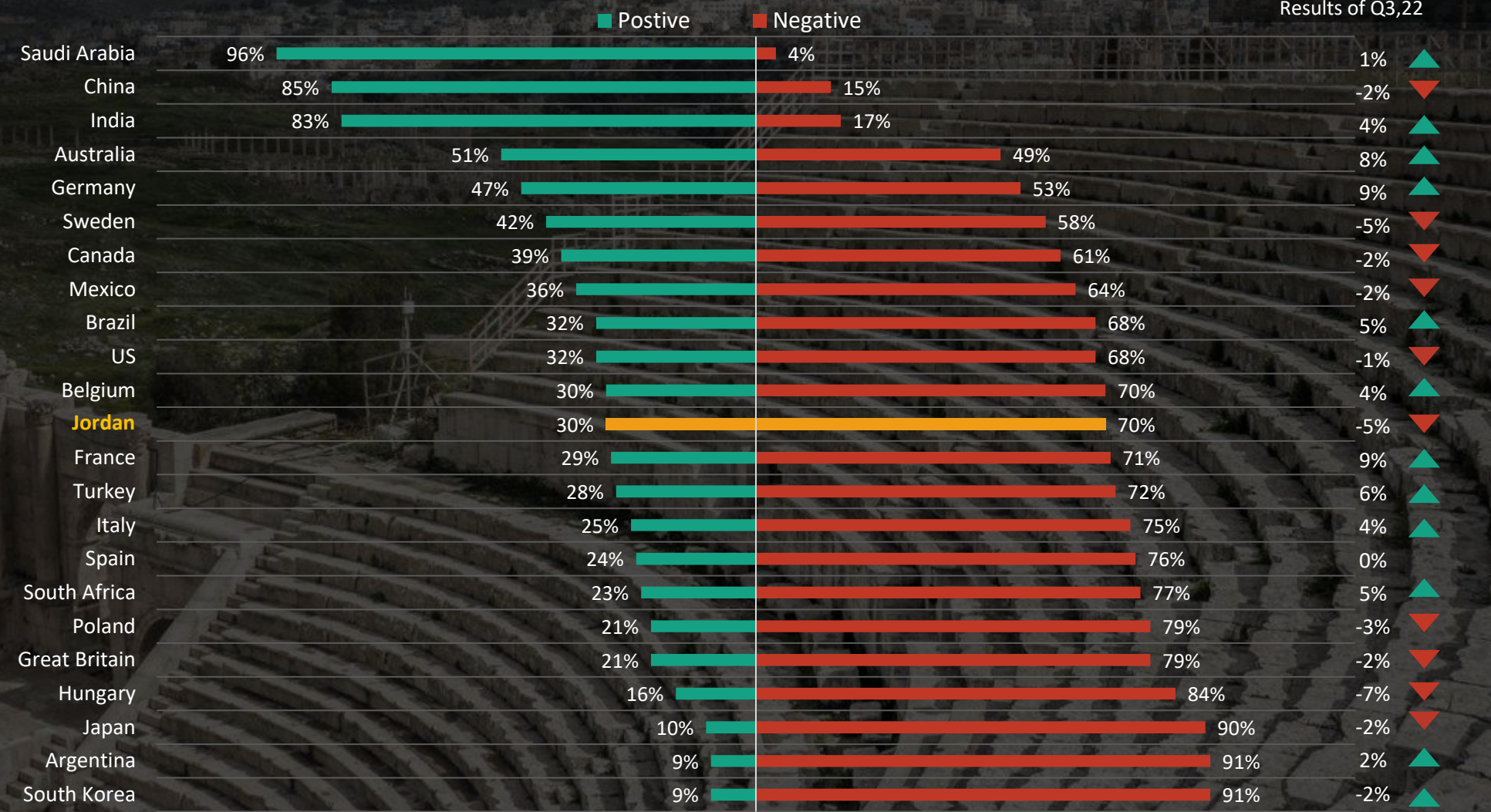


Current Economic Situation

Global Comparison

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

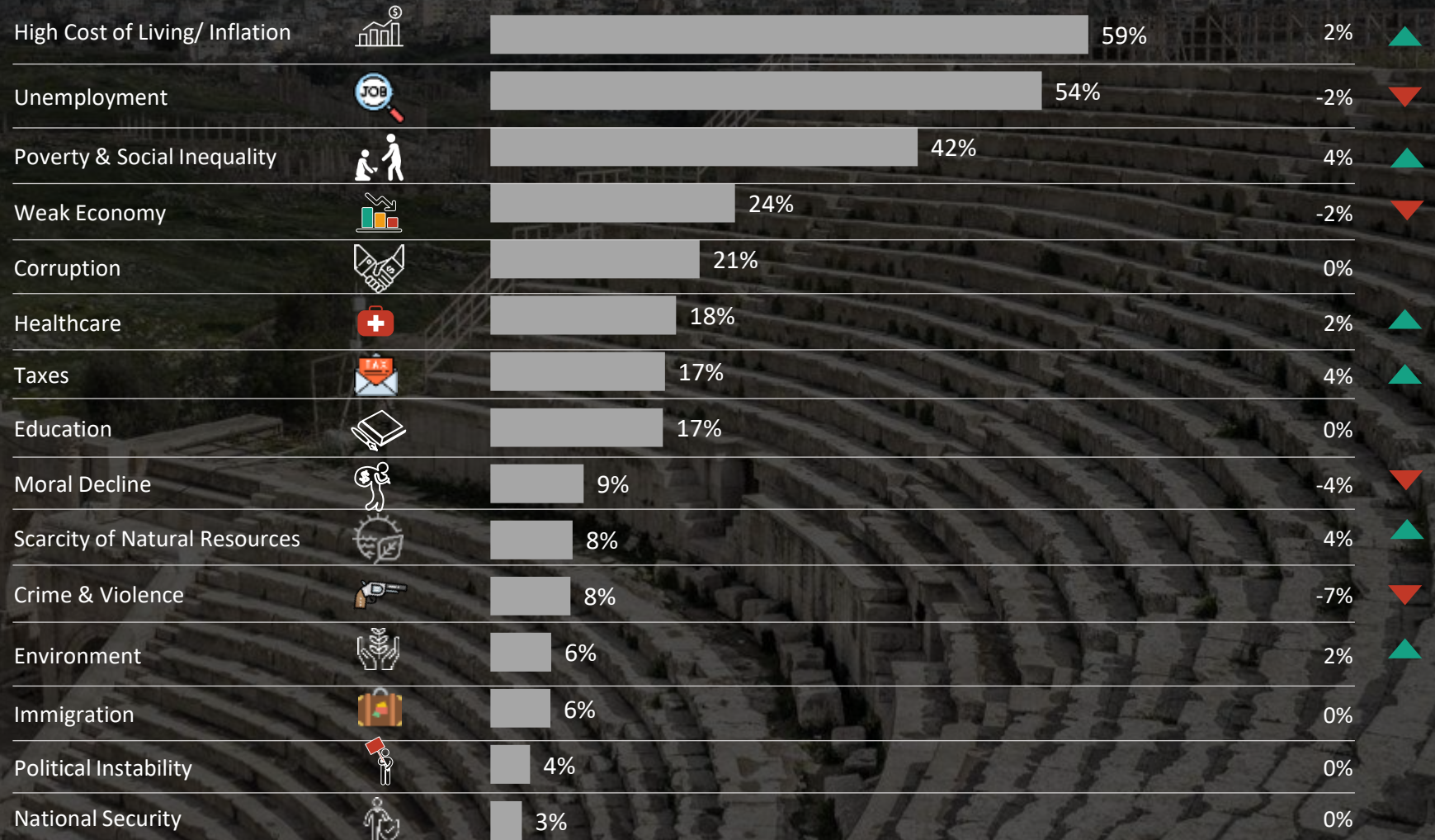
Compared to the Positive Results of Q3,22



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 Q3,2022

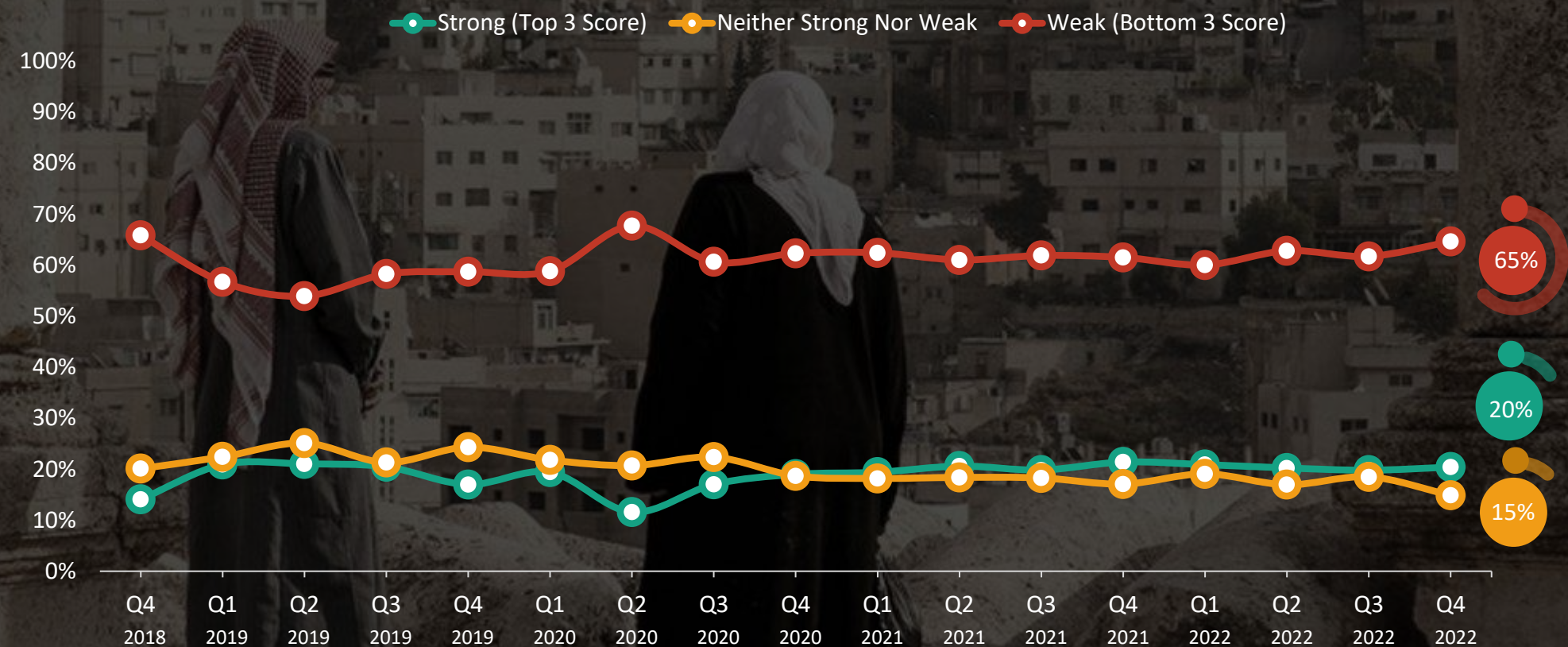




Personal Financial Situation

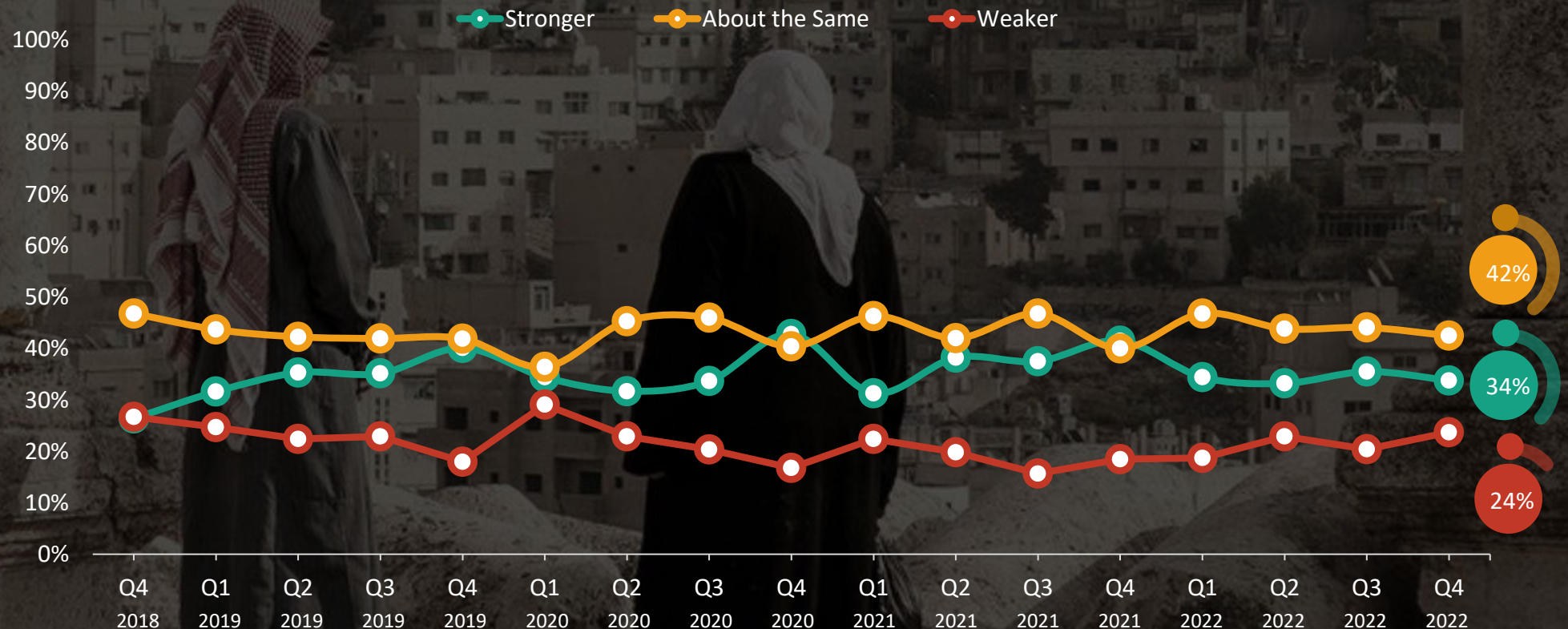
Current Personal Financial Situation

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?

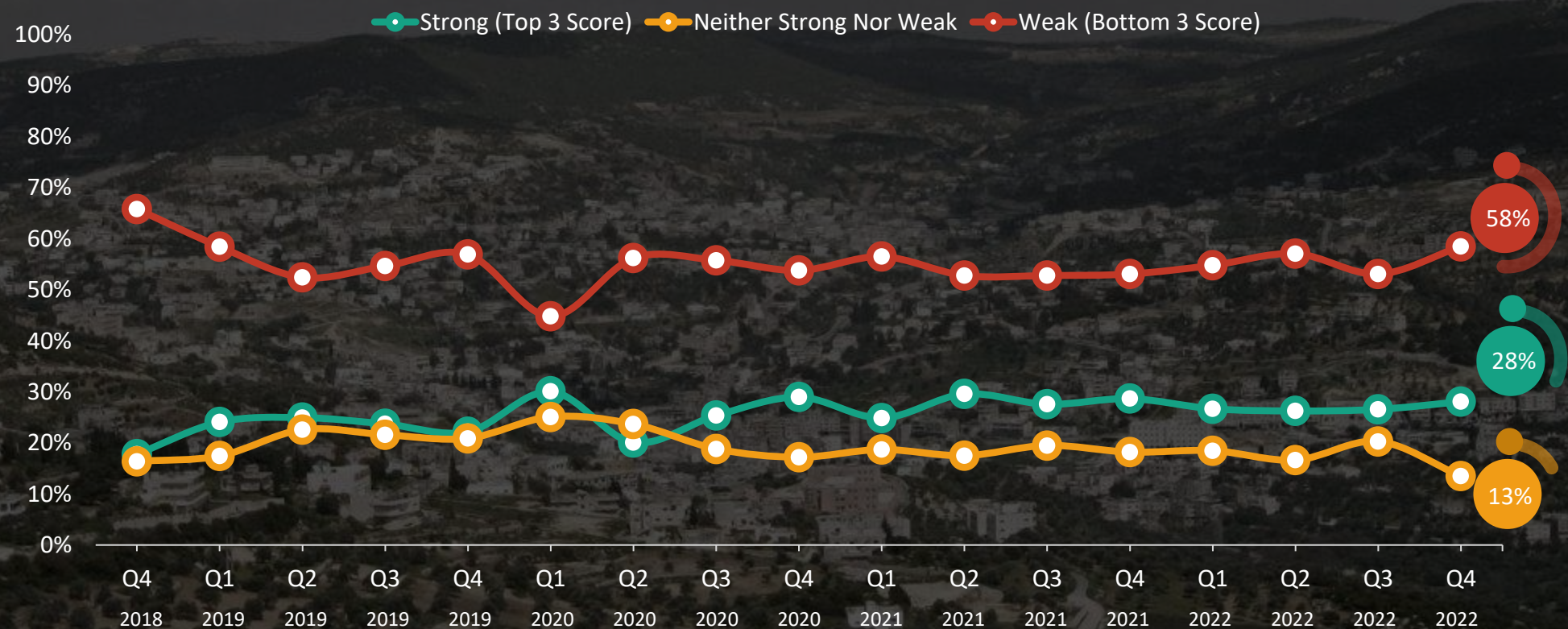




Jordan's Economic Situation

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.

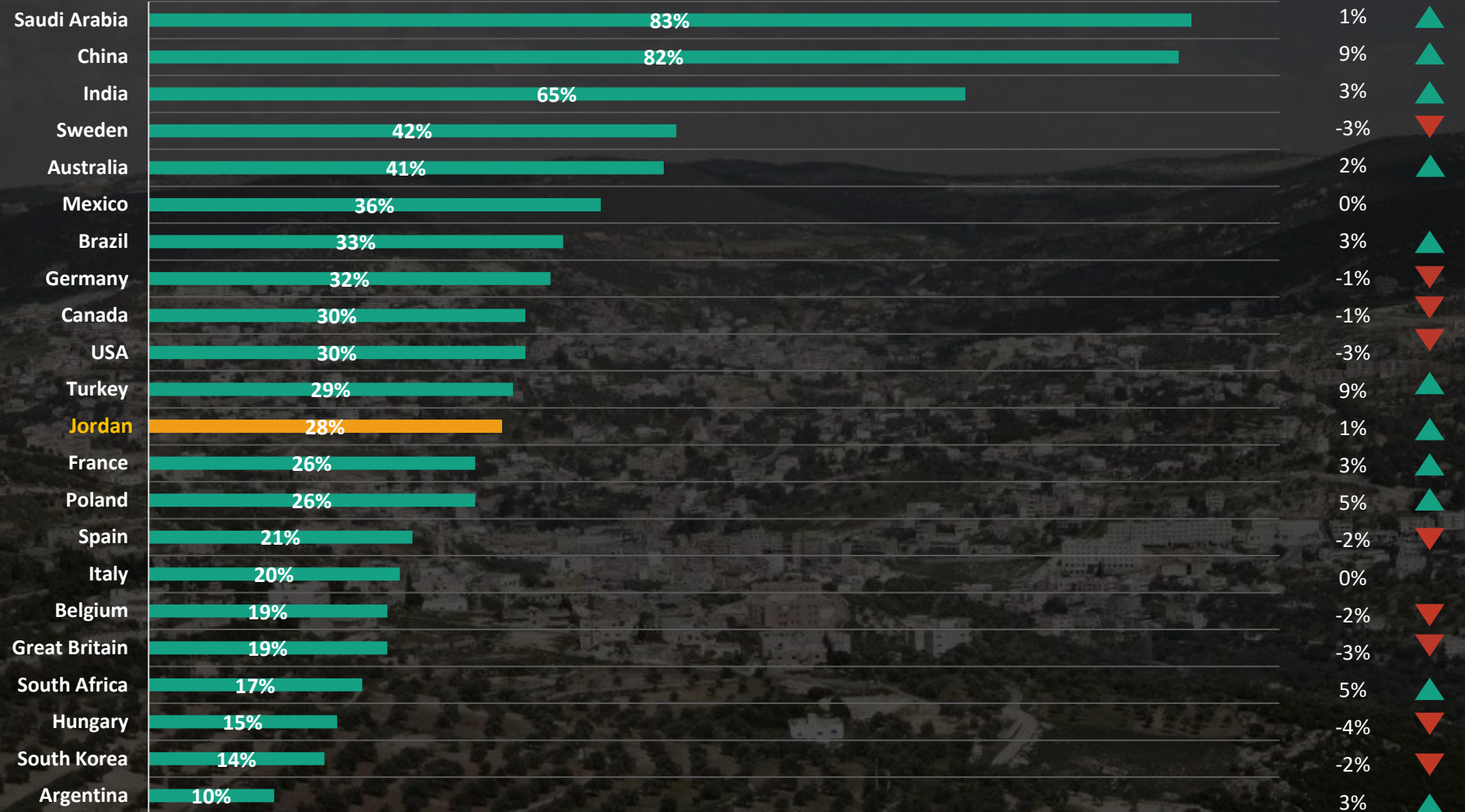


Current Local Area State of the Economy

Global Comparison

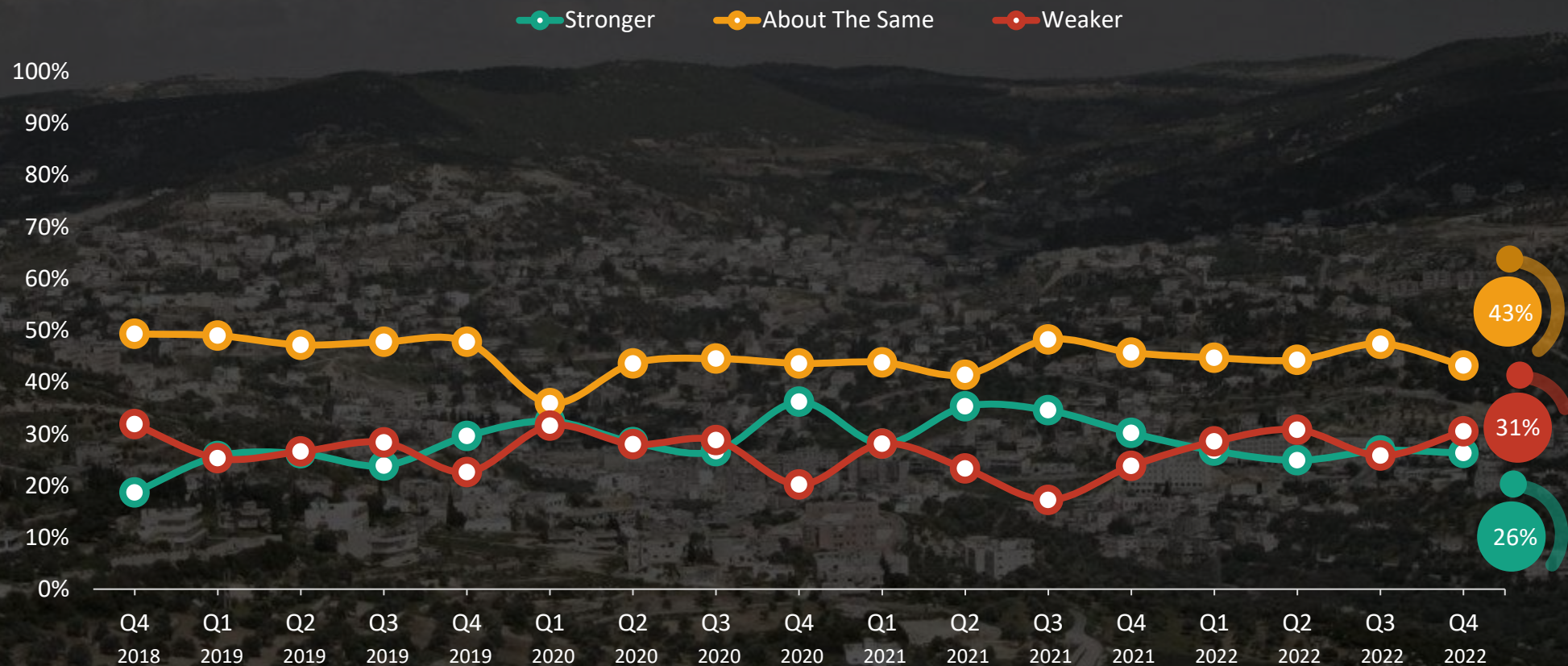
Q: Now Rate the current state of the economy in your local area using a scale from 1 to 7, where 7 means a very strong economy today and 1 means a very weak economy.

Compared to the Positive Results of Q3,2022



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?

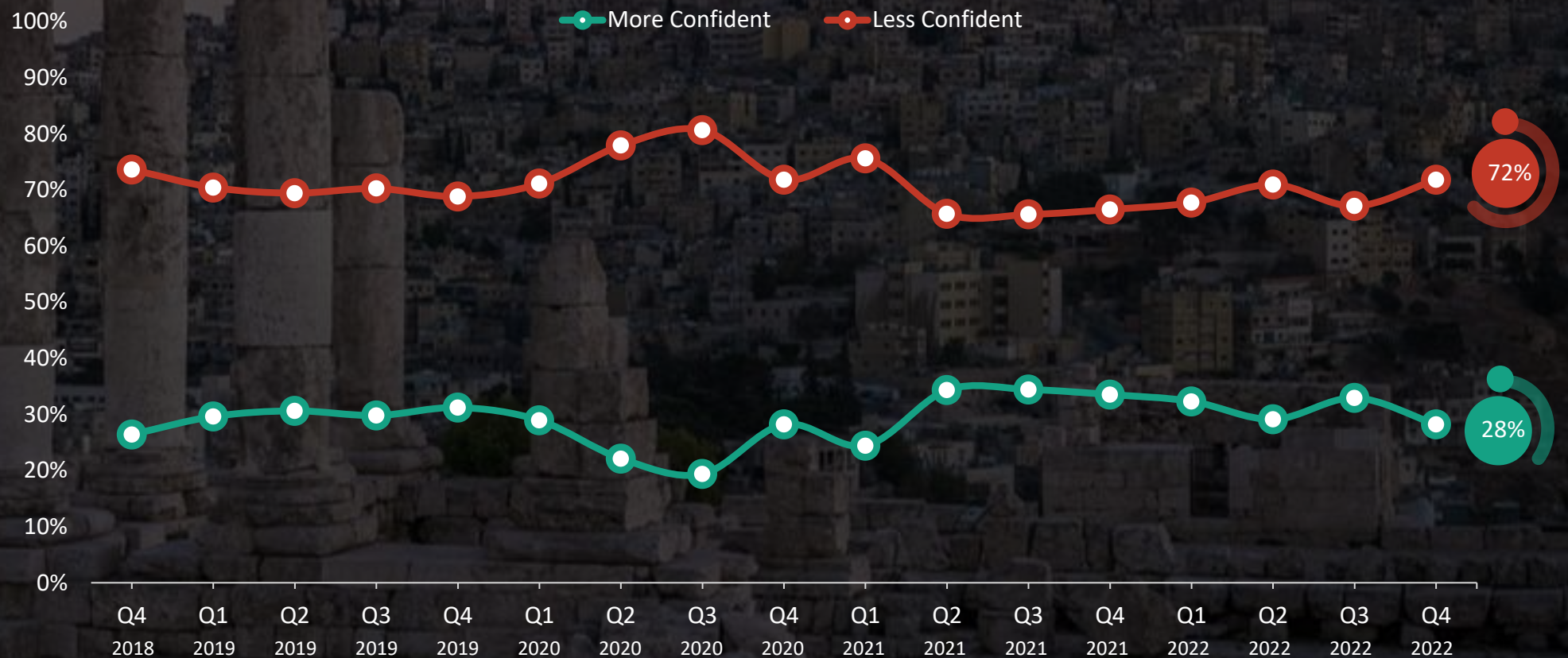


Employment



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?

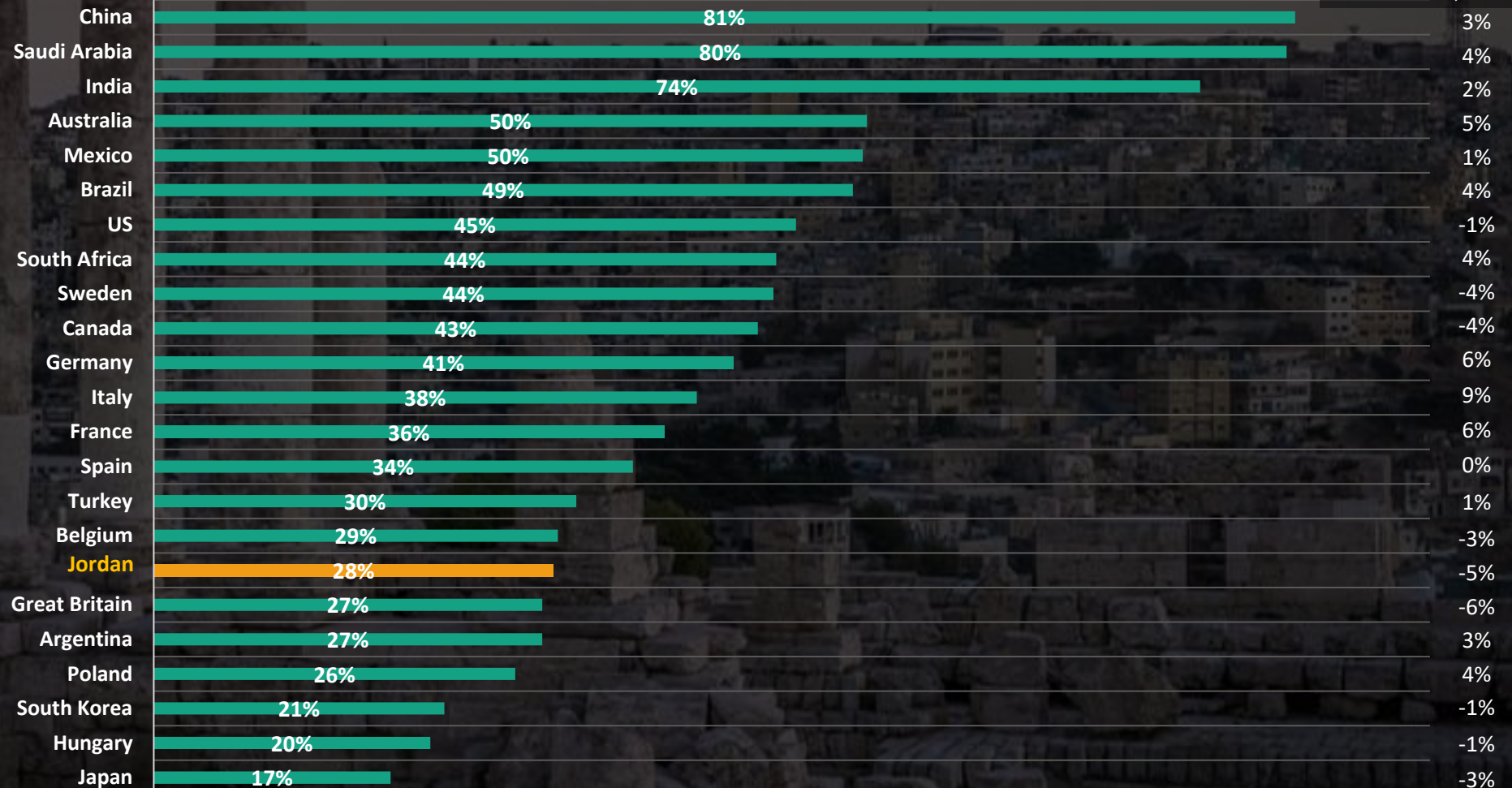


Job Security

Global Comparison

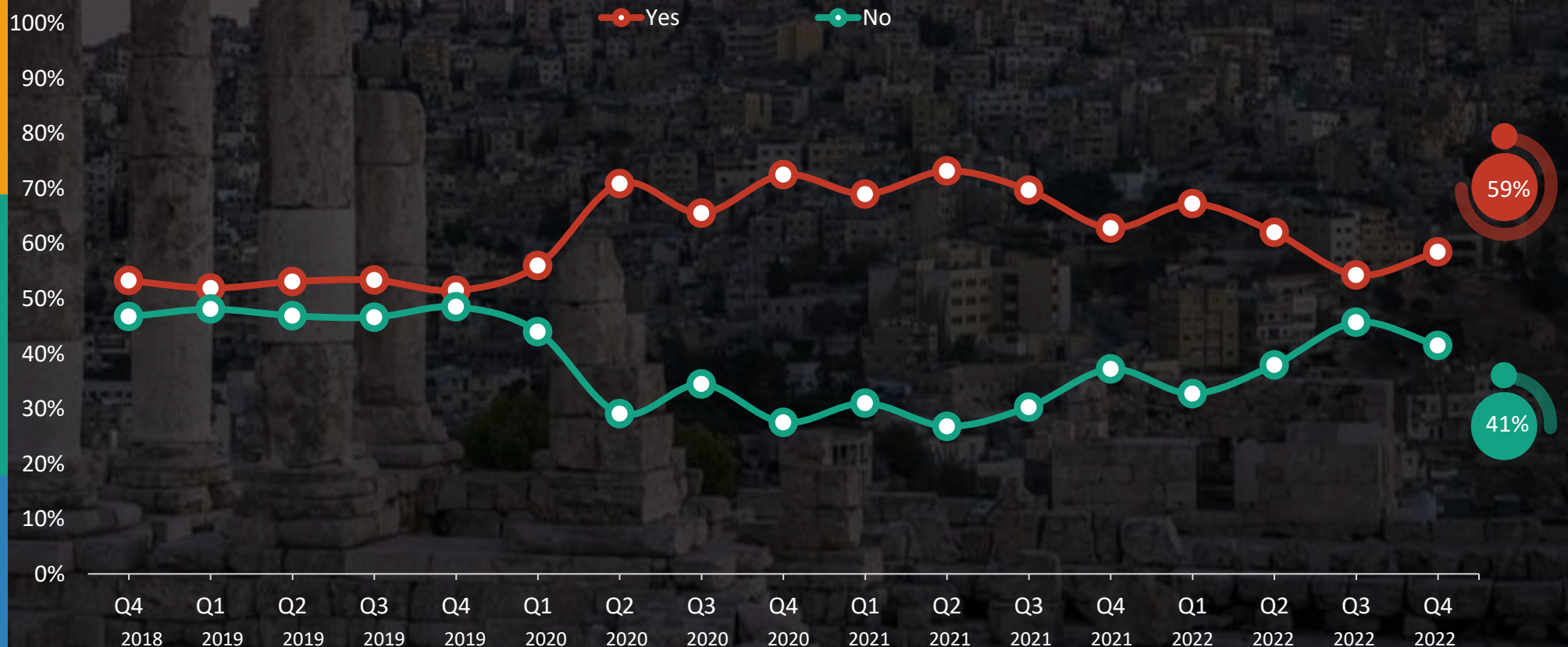
Q. Compared to 6 months ago, are you now more or less confident about job security for yourself, your family and other people you know personally?

Compared to More
Confident Results of
Q3,2022



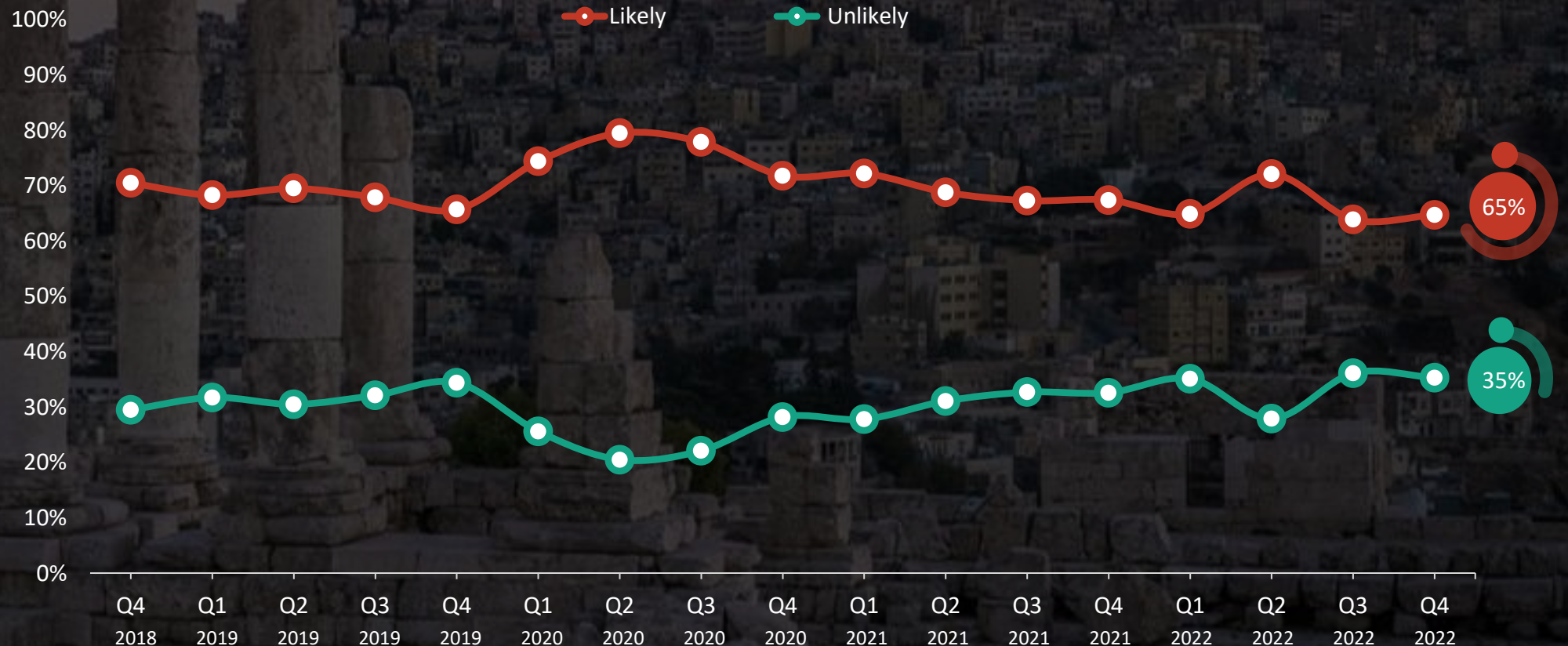
Job Losses in the Past Six Months

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?

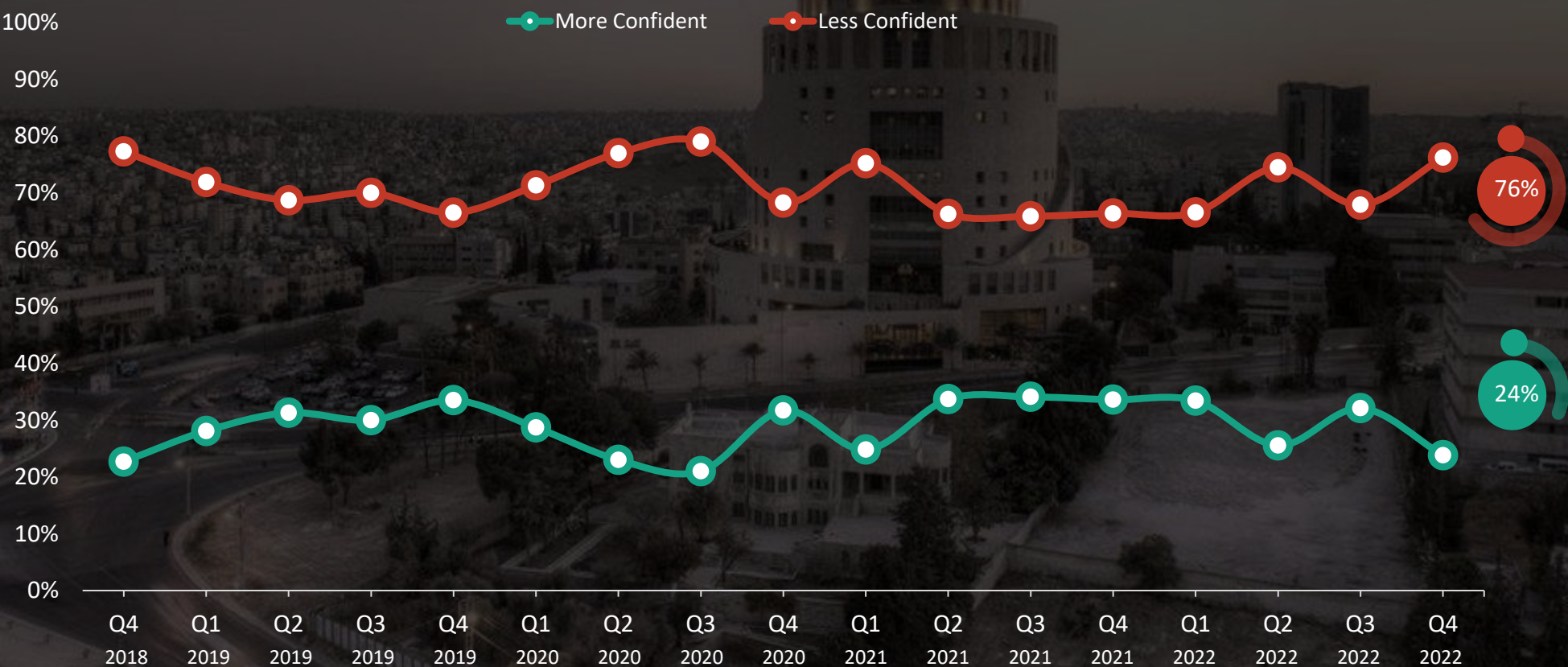




Investment Climate

Ability to Invest in The Future

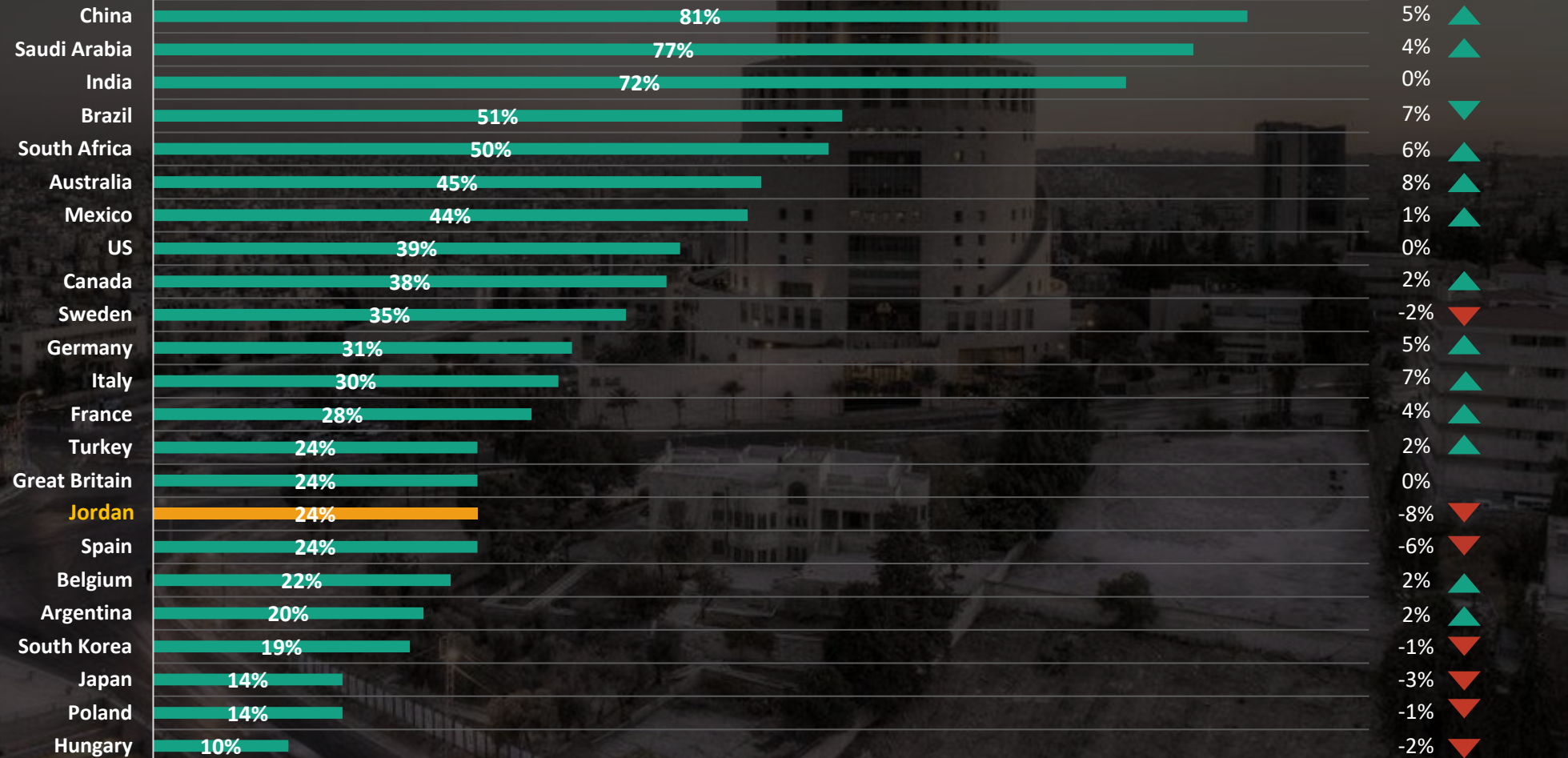
Q. Compared to 6 months ago, are you NOW more or less confident about your ability to invest in the future, including your ability to save money for your retirement and your children's education?



Ability to Invest in The Future

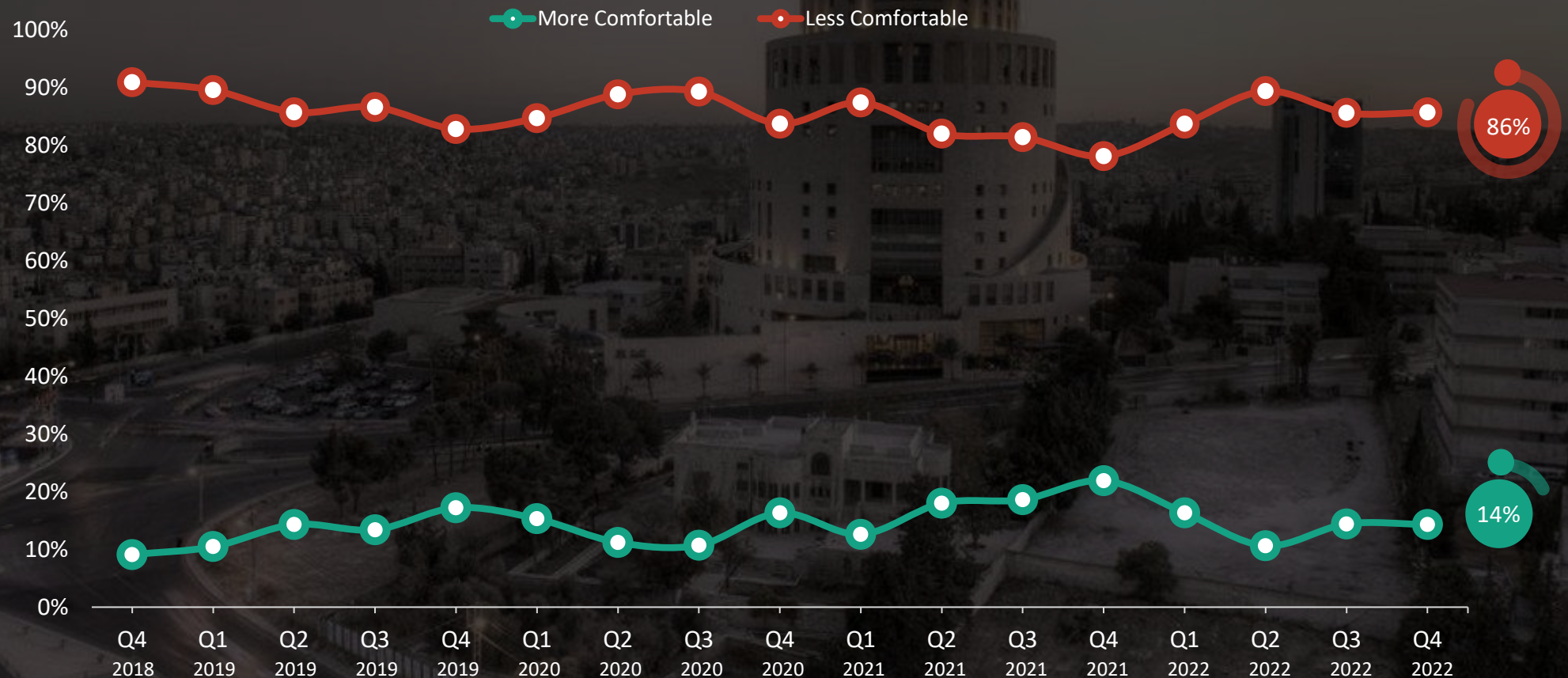
Global Comparison

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?



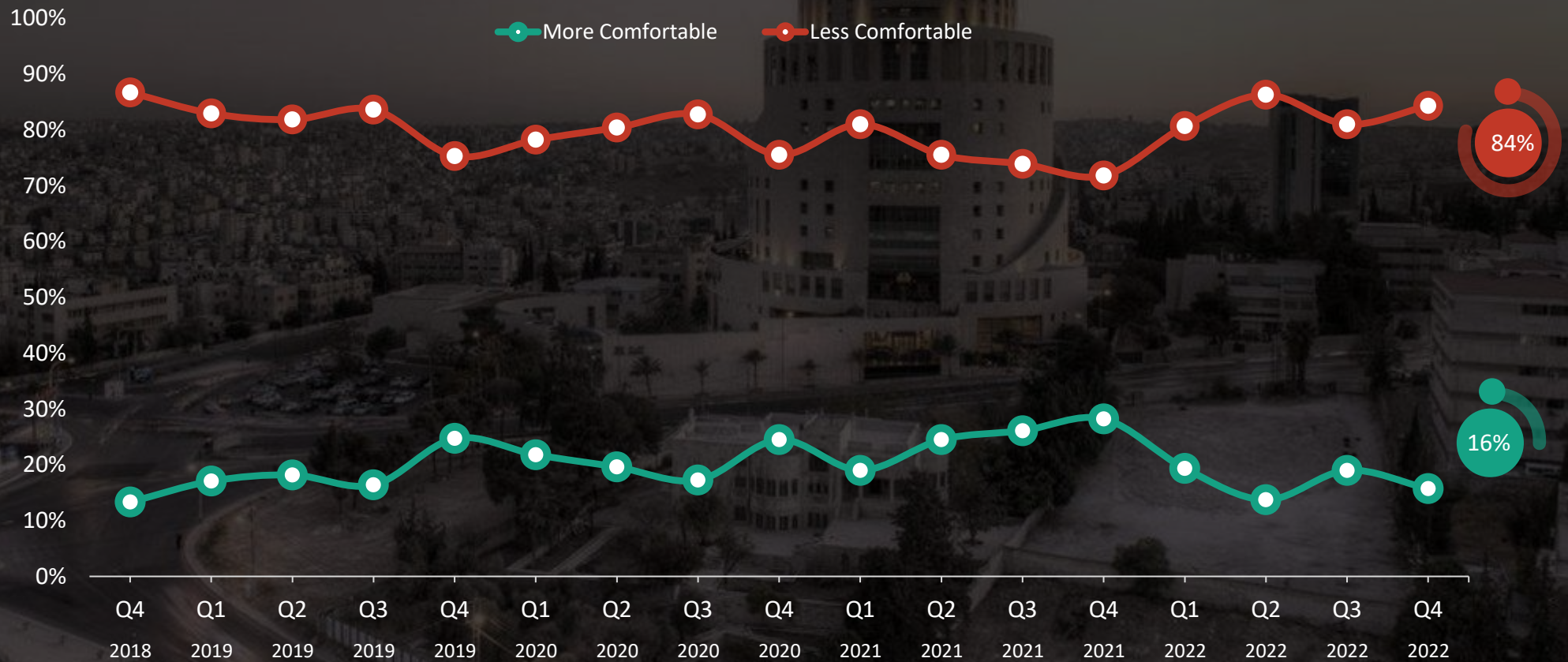
Ability to Make a Major Purchase

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



Buying Household Durables

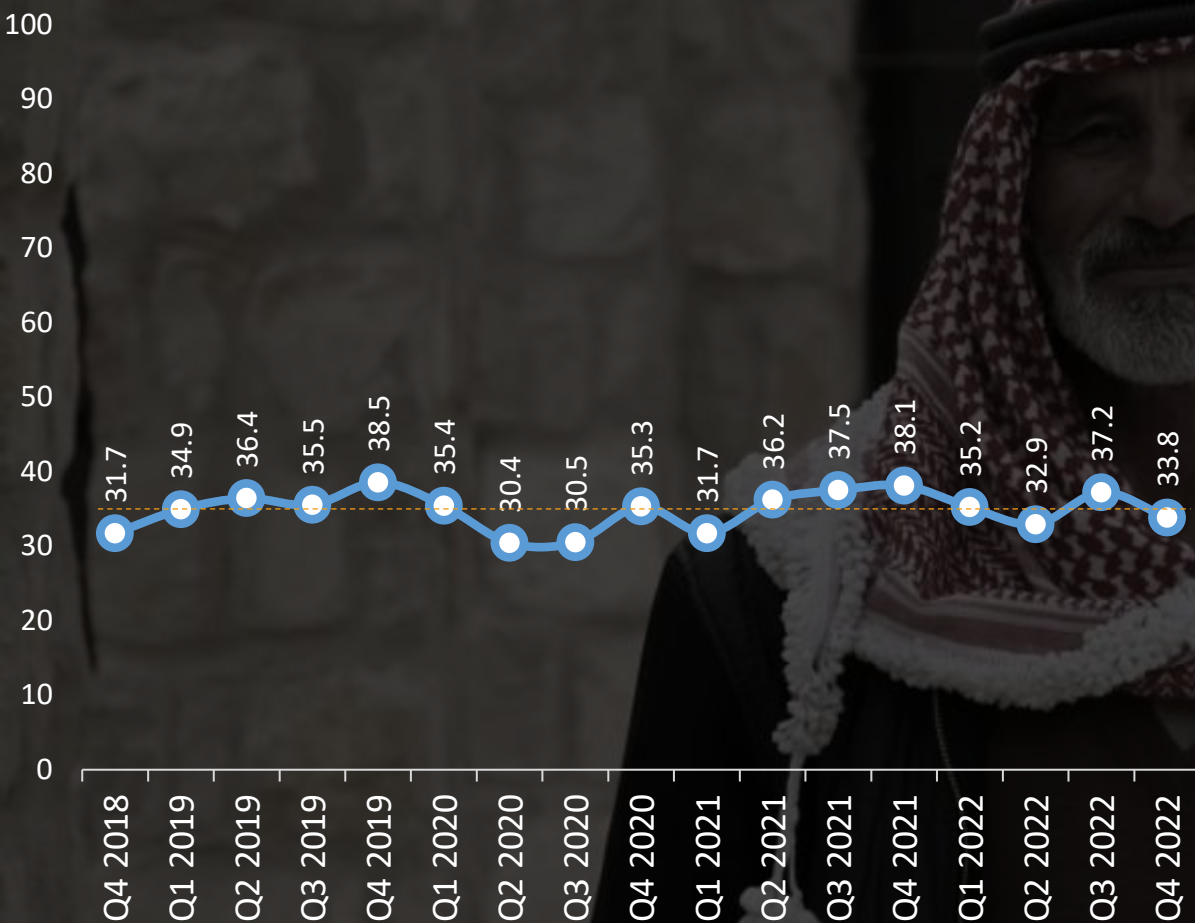
Q. Compared to 6 months ago, are you now more or less comfortable making other household durables?



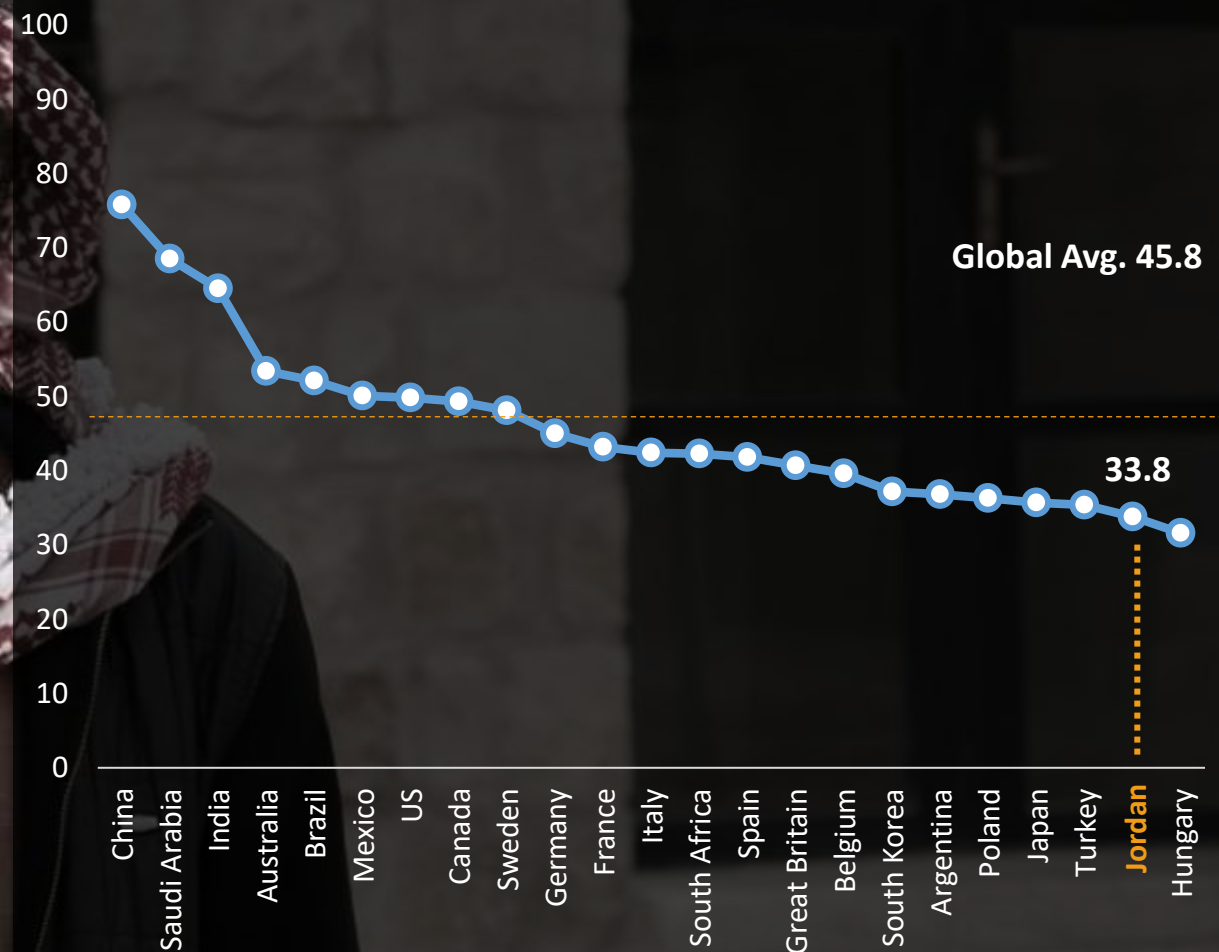
JCSI Deep Dive

Overall JCSI

JCSI- Trending



JCSI- Global Comparison

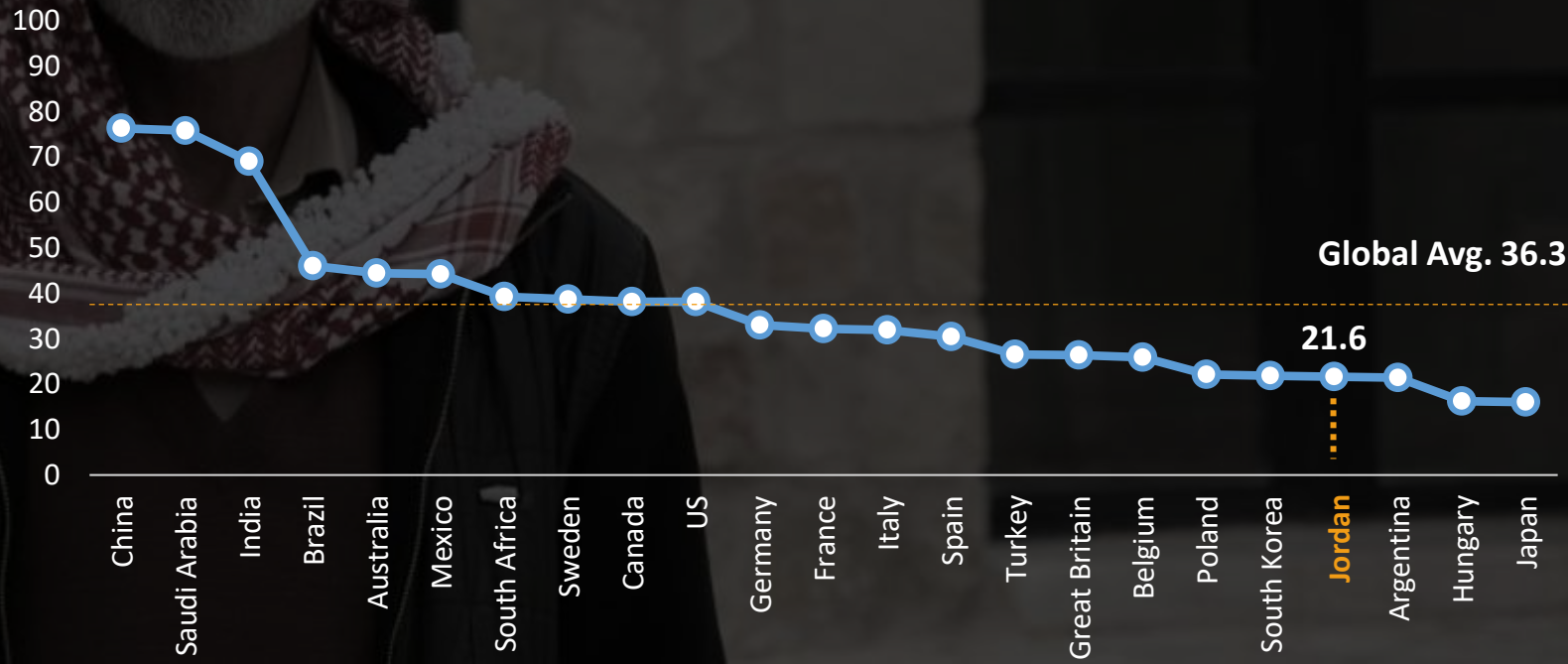
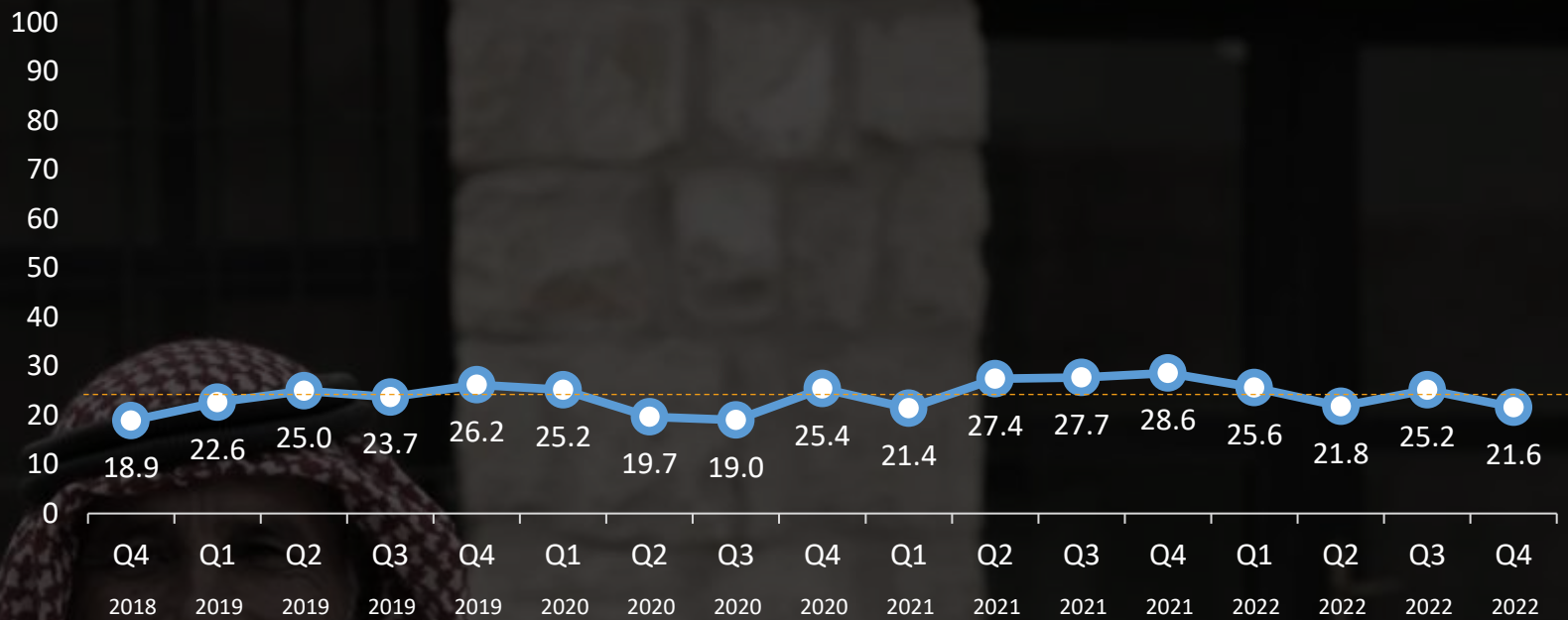




JCSI Personal Financial Conditions

This quarter's index on personal financial conditions has seen a 3.6 point decrease, Jordan is currently holding the 20th 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.

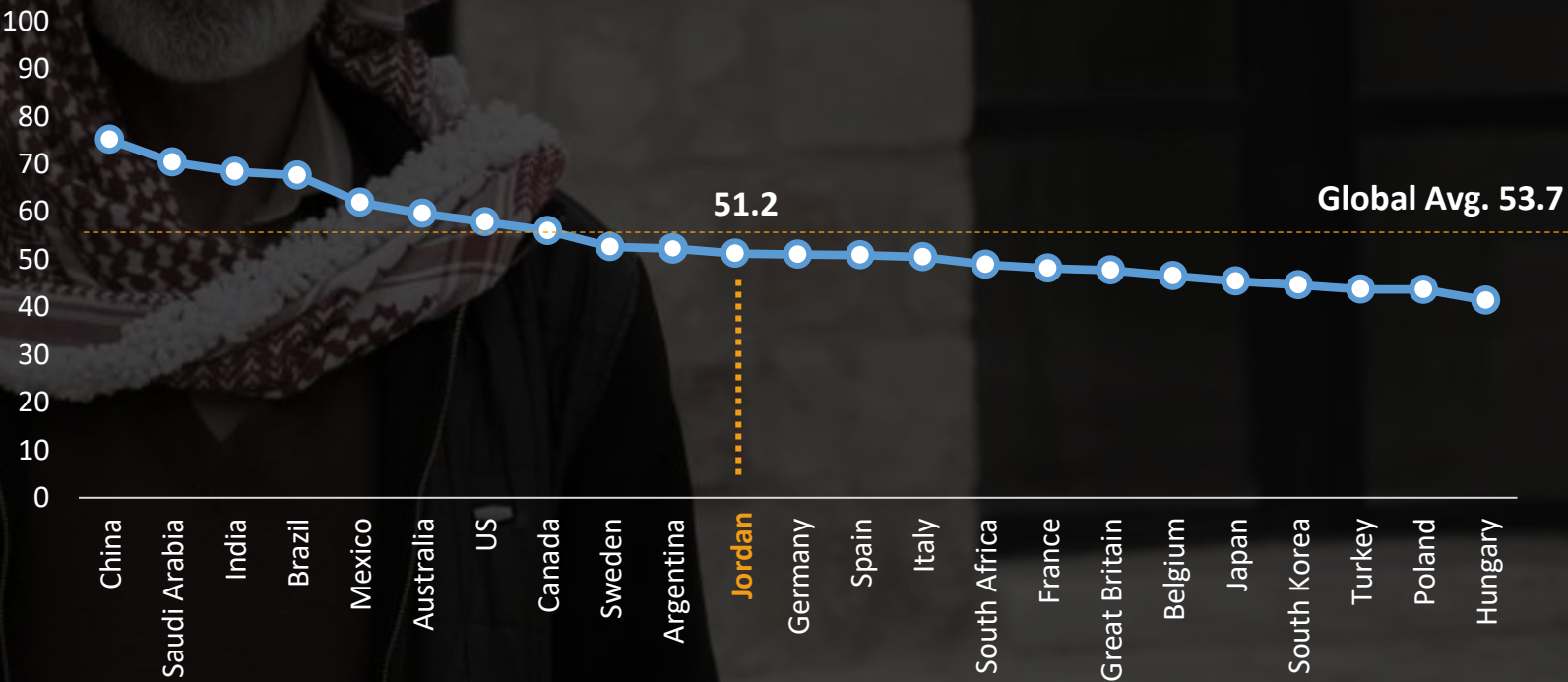
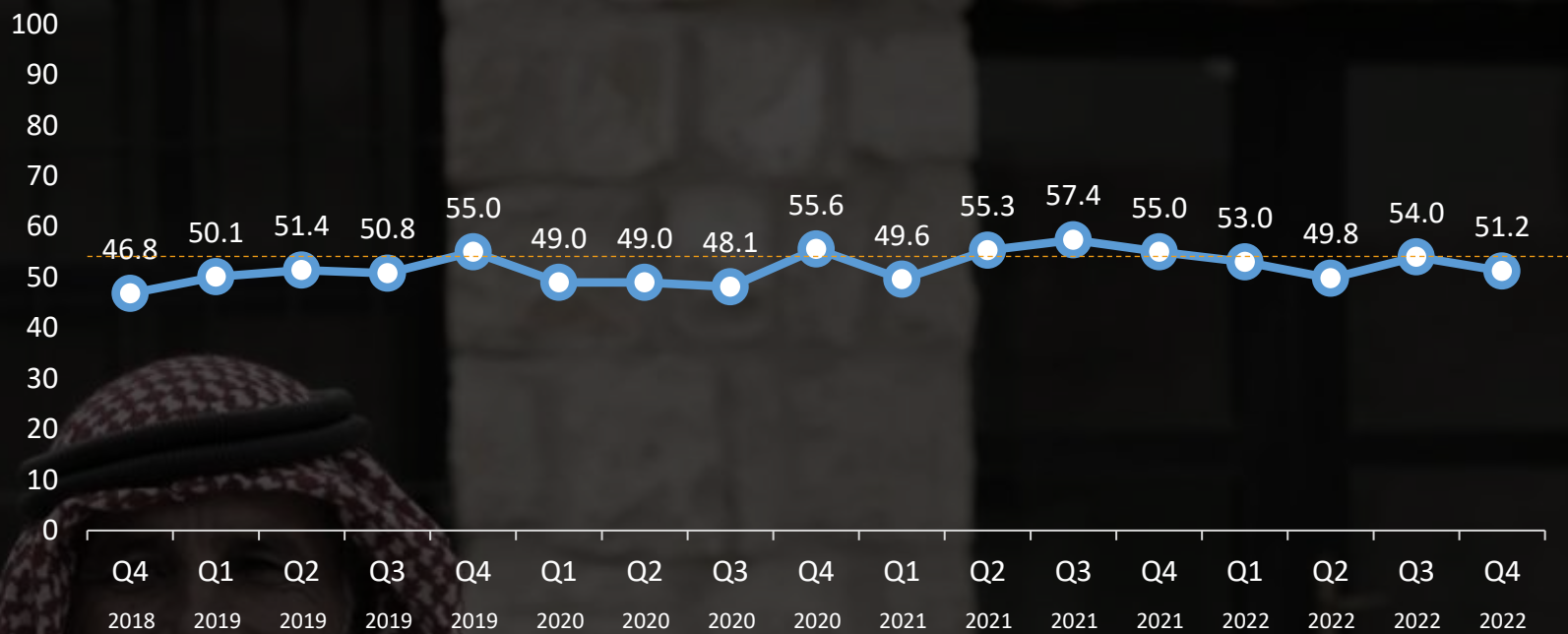




JCSI Economic Expectations

Jordanians' economic expectation index saw a 2.8 point decrease. This increase is reflecting a somewhat negative outlook on the future Economy.

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?

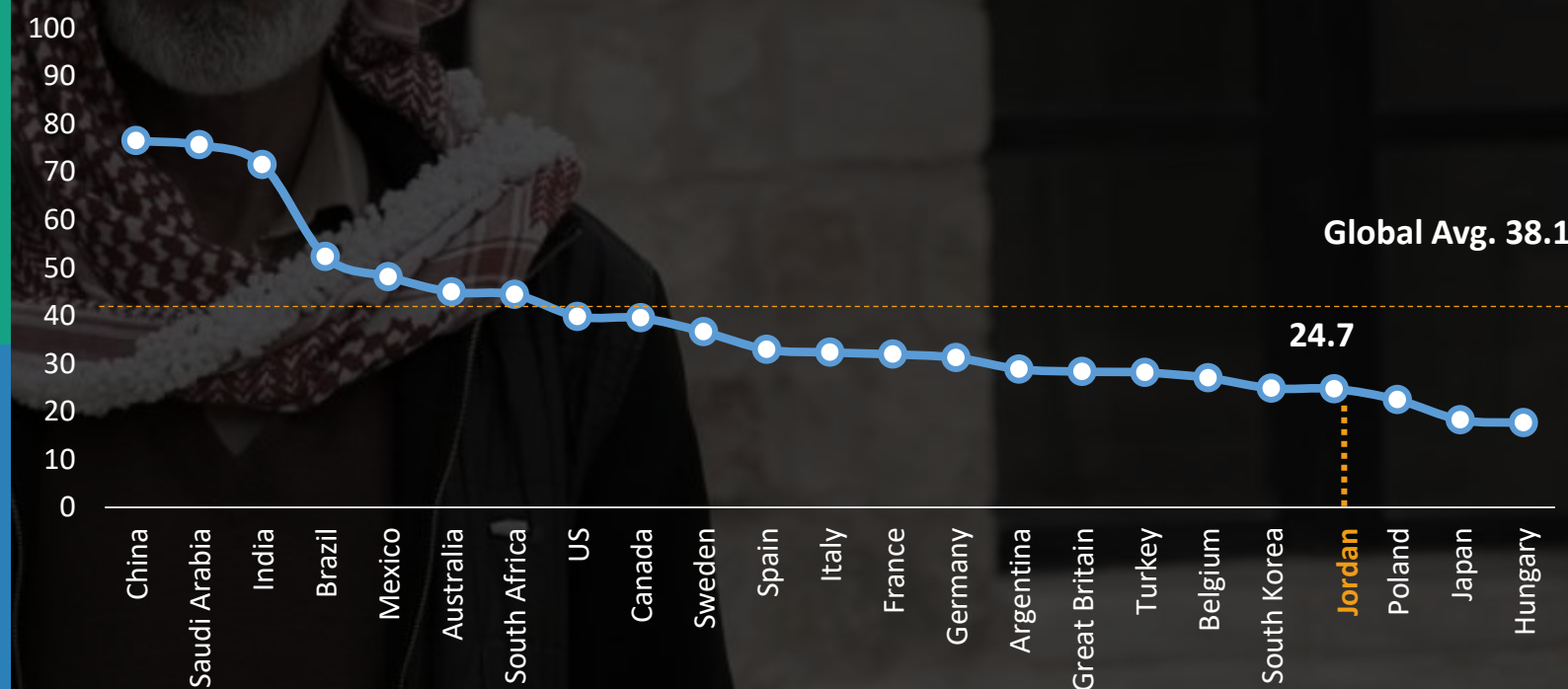
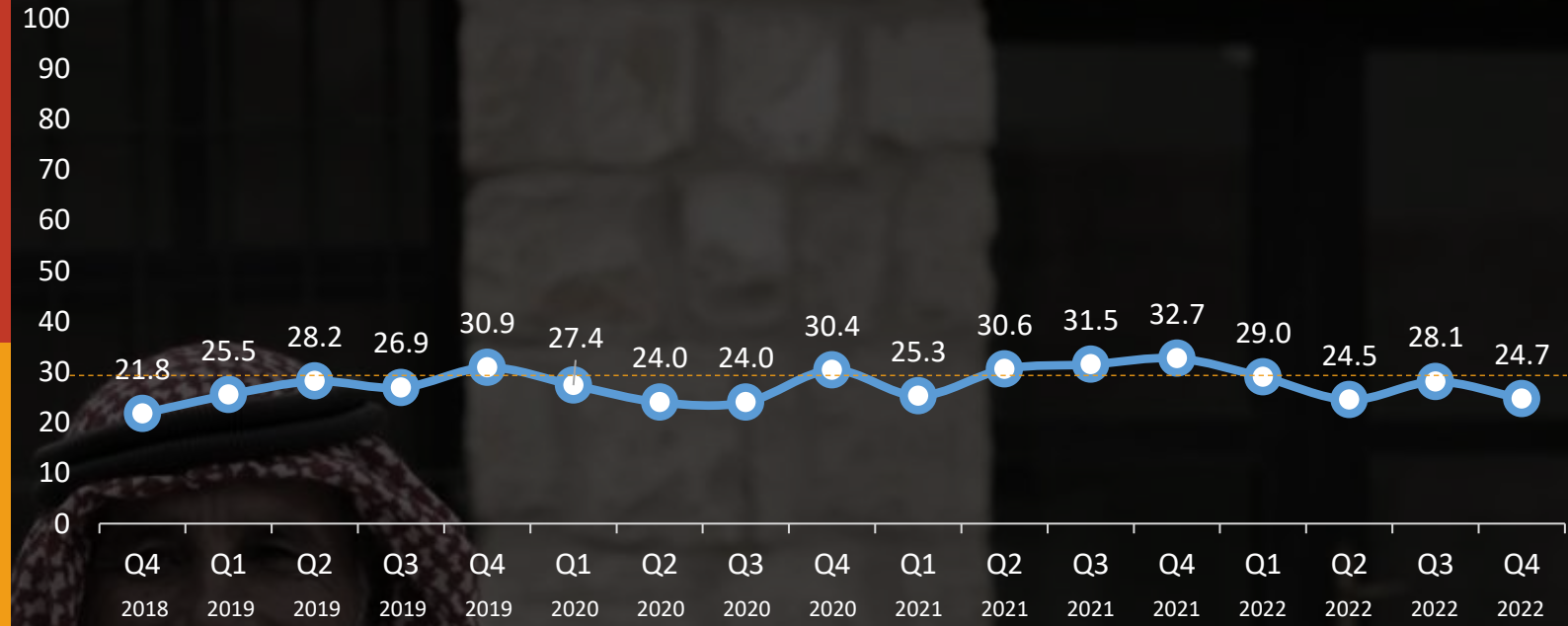




JCSI Investment Climate

Jordanians' confidence in the investment climate has decreased by 3.4 points compared to the previous quarter, placing it in the 20th rank 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?

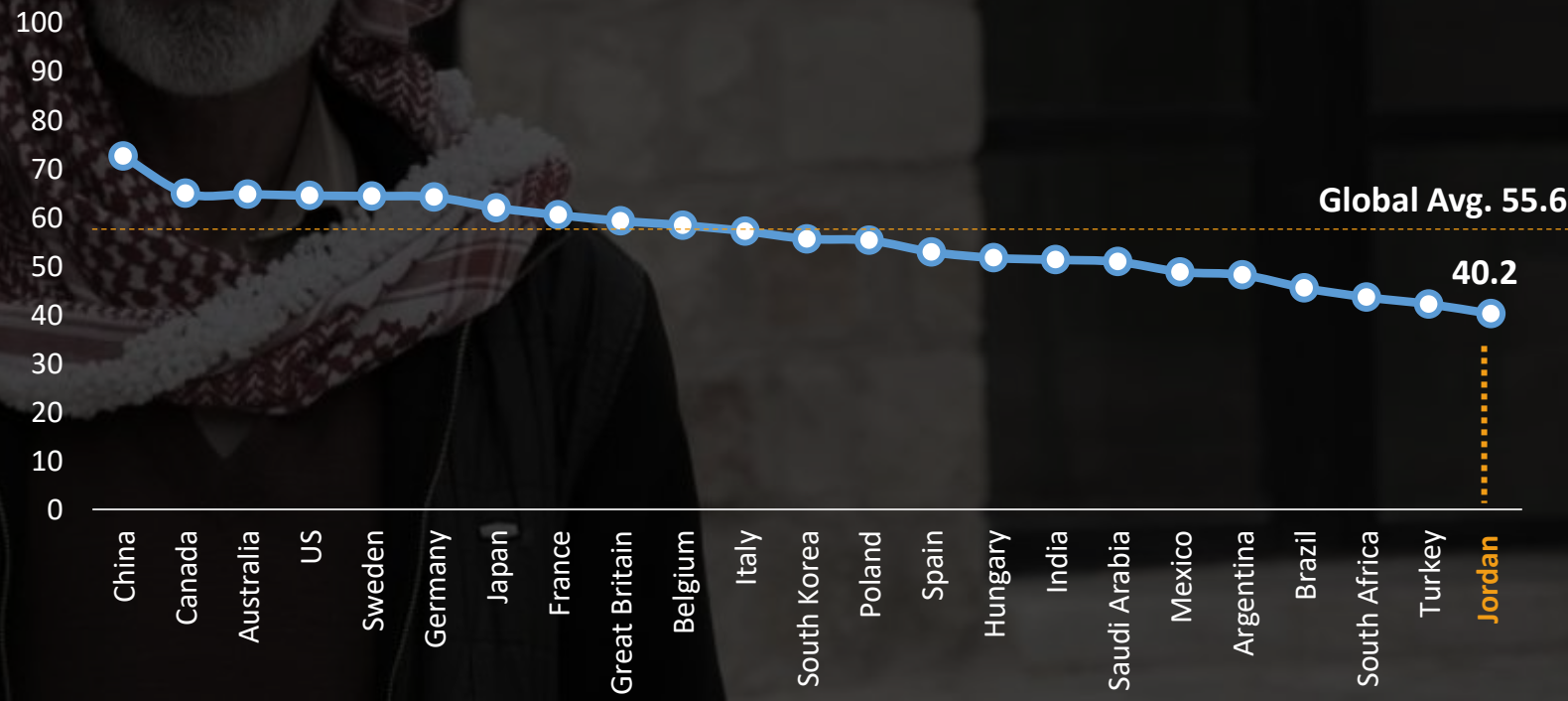
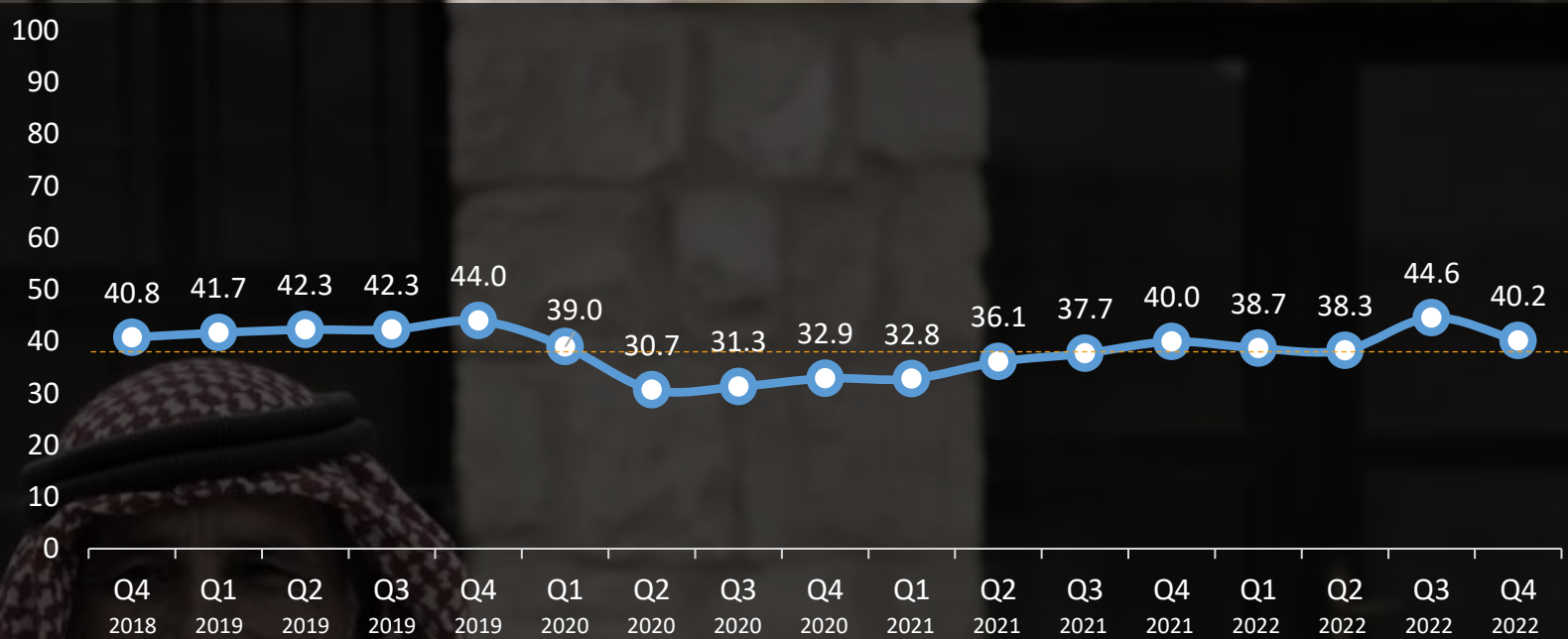




JCSI Employment Confidence

The employment index saw a 4.4 point decrease for this quarter, which has dropped Jordan's rank to the 23rd position globally.

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

For more information, please contact:

Nasser Alassad

Managing Director of Jordan and Iraq

Nasser.Alassad@ipsos.com

Seham Naser

Accounts Manager – Head of Market Strategy and Understanding & Brand Health Tracking – Ipsos Jordan

Seham.Naser@ipsos.com

Rita Ammari

Research Analyst – Ipsos Jordan

Rita.Ammari@ipsos.com