



behavior research center's

Rocky Mountain Poll

NEWS RELEASE [RMP 2003-III-04]

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HOPED FOR RISE IN CONSUMER CONFIDENCE FAILS TO MATERIALIZE IN ARIZONA

Phoenix, Arizona, July 28, 2003. After two consecutive quarterly increases in the Arizona Consumer Confidence Index, the hope for third-quarter continuation of the trend failed to materialize. The Consumer Confidence Index declined in July to 84.1 from 86.5 in April and is fully 12 points lower than July one year ago. The downward shift in consumer confidence also reveals significant geographic variations that have not been present since the beginning of the year.

The down-click in the Index traces almost entirely to significant declines in optimism in the Tucson market area where the Index fell to an historic low of 72.0 which compared to 83.1 in April and 92.7 one year ago July. In contrast, while Phoenix area consumers are not waving "excelsior" banners about the economy, they are more optimistic in their views compared to April and in fact are giving the best readings since October of last year. In Phoenix, the Index rose to 87.9 from 86.6 in April and 84.6 in January. The harsh reality, however, is that during 2003 the Index has remained stubbornly in the mid to high 80's range, whereas it had been in the mid-90s or higher most of last year.

Consumers in Arizona remain cautious in their assessments of current business conditions and the job market. Thus, the proportion who evaluate each as "good" slipped a few points and, in fact, rest at their lowest levels in three years. More specifically, only 15 percent consider the job market today to be "good" and only 32 percent believe current business conditions are "good."

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Looking to the future, the proportion who expect business conditions to improve slipped two points as did the proportion who anticipate the job market will improve. The only bright reading as consumers look ahead is a slight increase to 26 percent in the proportion who anticipate their personal family income will improve at year's end. Seventy-two percent, however, expect no improvement in their income.

Finally, while not yet calculated in these Index reports, we have been collecting the basic index data on consumers in Arizona outside of Maricopa and Pima County for a number of years. We will begin to report those results in the Fall. In this survey, optimism in the rural counties is below the average seen in either Maricopa or Pima Counties.

The findings outlined in this report are based on a survey of 701 adults across Arizona conducted between July 14th and July 18th, 2003, by the Behavior Research Center of Arizona as part of the Center's independent and non-partisan Rocky Mountain Poll series. The public is welcome to visit www.brcpolls.com to read this and other recent polls.

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EDITOR'S NOTE: This Rocky Mountain Poll Arizona (2003-III-04) is based on 701 telephone interviews with adults, conducted from July 14th through July 18th, 2003 throughout Arizona. In the overall sample, one may say with 95 percent certainty that the results have a statistical precision of plus or minus 3.8 percent of what they would have been had the entire adult population been surveyed. The Rocky Mountain Poll is conducted by the Behavior Research Center of Arizona and is an independent and non-partisan research program.

This statement conforms to the principles of disclosure of the National Council on Public Polls.

ENCLOSED: Statistical data for reference.

For this and other polls, see www.brcpolls.com/results.

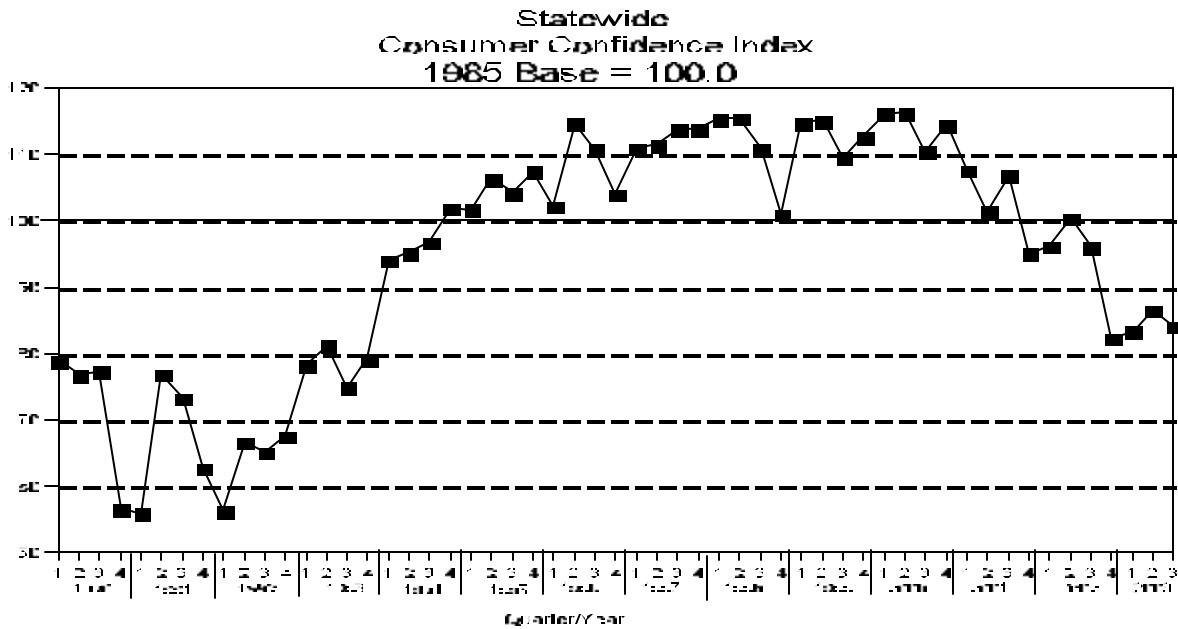
STATISTICAL DATA

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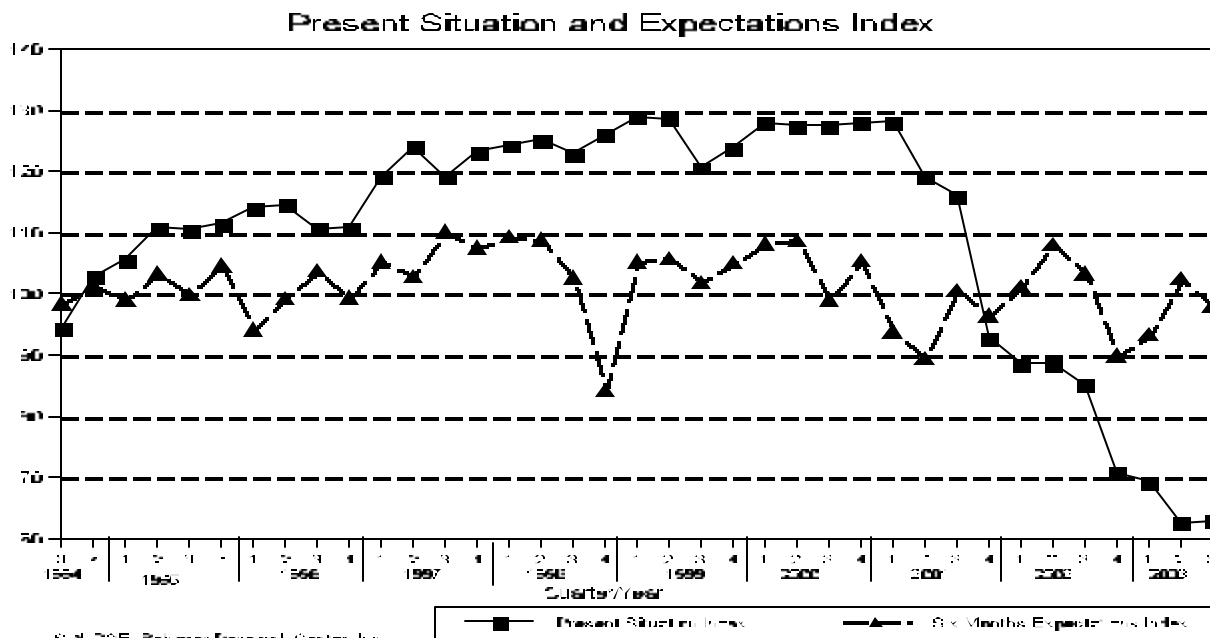
ARIZONA CONSUMER CONFIDENCE INDEX — July 2003

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SOURCE: Behavior Research Center, Inc.



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2003-III-04

	2003			2002			2001			2000			
	July	Apr	Jan	Oct	July	Apr	Jan	Oct	July	Apr	Jan	Oct	July
<u>Consumer Confidence Index</u>													
Statewide	84.1	86.5	83.3	82.3	96.1	100.4	96.2	95.1	106.8	101.4	107.6	114.5	110.4
Phoenix	87.9	86.6	84.6	85.5	96.6	102.3	97.4	96.0	110.3	101.5	109.5	115.0	110.5
Tucson	72.0	83.1	82.3	76.2	92.7	93.8	91.5	91.2	93.6	100.9	99.5	112.7	109.2
<u>Index Detail (Statewide):</u>													
Present Situation Index	63.0	62.6	69.4	70.8	85.2	88.6	88.6	92.9	116.0	119.2	128.2	128.0	127.5
Expectation Index (Next 6 Months)	98.2	102.5	93.4	90.0	103.4	108.2	101.3	96.5	100.7	89.6	93.9	105.5	99.1

*Appraisal of Present Situation:
Percent Holding Attitude*

Business Conditions:

Good	32%	34%	32%	33%	37%	41%	39%	39%	54%	51%	56%	57%	60%
Normal	42	41	47	45	42	41	43	41	34	37	36	35	31
Bad	20	19	16	19	16	13	13	14	8	9	5	5	6
Not sure	6	6	5	3	5	5	5	6	4	3	3	3	3

Employment:

Jobs plentiful	15%	16%	18%	21%	27%	27%	26%	31%	50%	52%	63%	66%	64%
Not so many	35	30	35	36	32	32	38	31	21	24	17	16	17
Jobs hard to get	37	40	32	32	26	25	24	22	16	12	10	11	10
Not sure	13	14	15	11	15	16	12	16	13	12	10	7	9

*Expectations For Six Month Hence:
Percent Holding Attitude*

Business Conditions:

Better	39%	41%	36%	30%	38%	43%	44%	38%	30%	27%	27%	24%	27%
Same	46	42	45	46	46	41	41	42	51	54	55	59	57
Worse	10	9	13	16	8	9	10	11	12	16	13	8	10
Not sure	5	8	6	8	8	7	5	9	7	3	5	9	6

Employment:

More jobs	35%	37%	30%	32%	32%	42%	38%	36%	32%	29%	30%	32%	31%
Same	39	39	40	35	43	32	35	33	43	44	43	48	48
Fewer jobs	18	15	21	24	16	15	20	21	16	21	21	12	14
Not sure	8	9	9	9	9	11	7	10	9	6	6	8	7

Family Income:

Higher	26%	23%	26%	26%	30%	29%	31%	29%	37%	31%	34%	36%	31%
Same	65	67	65	67	64	65	62	61	58	62	59	58	62
Lower	7	6	6	5	4	4	5	7	4	6	4	3	5
Not sure	2	4	3	2	2	2	2	3	1	1	3	3	2

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Rating Of <i>Current</i> General Business Conditions			Rating Of <i>Current</i> Job Availability		
	Maricopa County	Pima County		Maricopa County	Pima County
Good	34%	28%	Plenty	17%	7%
Normal	42	42	Not so many	36	33
Bad	18	24	Hard to get	34	48
Don't know	6	6	Don't know	13	12

Rating Of General Business Conditions <i>Six Months Hence</i>			Rating Of Job Availability <i>Six Months Hence</i>		
	Maricopa County	Pima County		Maricopa County	Pima County
Better	39%	37%	More	36%	33%
About the same	45	48	About the same	39	37
Worse	10	11	Fewer	16	26
Don't know	6	4	Don't know	9	4

Rating Of Family Income <i>Six Months Hence</i>					
	Maricopa County	Pima County			
Higher	27%	23%			
About the same	64	69			
Lower	7	6			
Don't know	2	2			

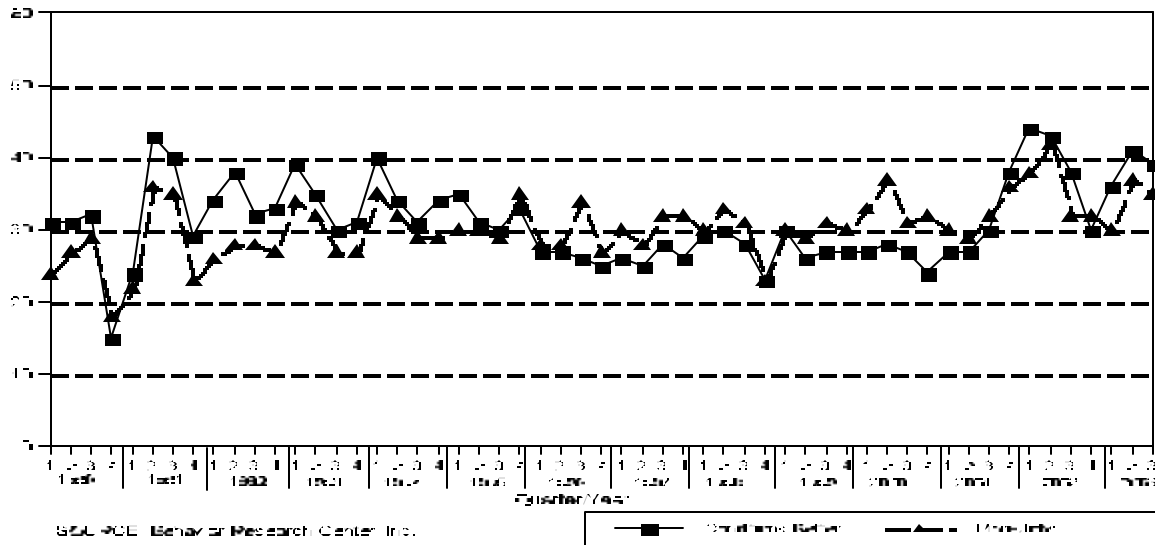
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**% with Positive Attitudes on
Future Business Conditions and Job Market**



**% with Positive Attitudes on
Current Business Conditions and Job Market**

