

BUSINESS

Survey: Consumer gloominess lingers

By Paul Davidson
USA TODAY

Nearly three years into the recovery, more than four in 10 Americans don't believe the economy will improve over the next few years and the majority plan to rein in spending over the next 12 months, according to a Boston Consulting Group survey being released today.

Nearly half of the respondents said they aren't financially secure and almost a third said they have no savings.

Consumers also have dramatically shifted their priorities in the past two years, putting less value on luxury and status, and more on saving money and staying healthy.

The survey paints a gloomy portrait of consumers who, despite an improving economy, remain hunkered down and don't seem poised to open their wallets and kick-start a still-halting recovery.

"The consumer does not believe the recession is over," said Michael Silverstein, a senior

partner at Boston Consulting.

The survey of about 1,500 Americans and consumers in 15 other countries was conducted in March and April.

The Reuters/University of Michigan consumer sentiment index, released Friday, showed Americans' outlook improved slightly in early May as gasoline prices fell.

Silverstein blames consumers' generally dour mood on falling inflation-adjusted wages and worries about retirement savings.