

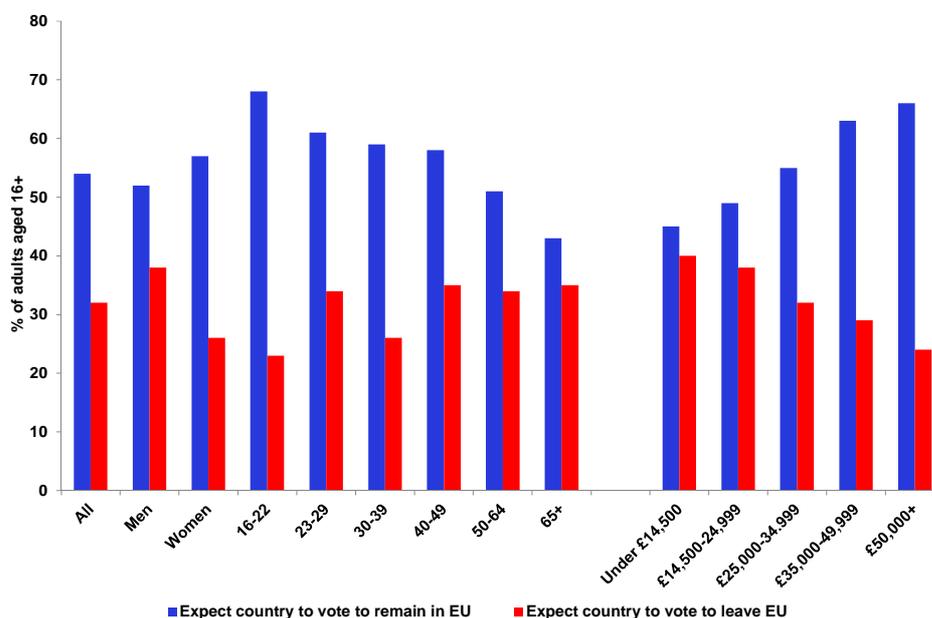
## A nation deeply divided

As the kick-off to triggering Article 50 draws near, the fact that the mood (will?) of the people can change seems to count little. Consumers are generally protected with a cooling off period when making major purchases or investments; Brexit is the most momentous national decision people will make in their lifetime, with far-reaching effects, yet there is no turning back time.

JGFR / GfK have monitored the mood of the public towards Brexit over the past year. During this period the public have become deeply divided in their attitude to the EU. Last spring a JGFR / GfK poll on the expected impact of Brexit showed more people (40%) believing the economy would be stronger in the EU than outside (30%) and that the outlook for personal finances was better in (35%) vs 28%, better out.

In June, immediately before the EU Referendum, consumers expected by a wide margin (54% vs 32%), that the UK would stay in the EU. How wrong they were come the night of June 23<sup>rd</sup>, and how wrong the experts have proved to be on the path of the economy to date. Complacency / lack of political engagement among the young may have been a contributing factor to the Brexit result. The voting power and greater political engagement of the pro-Brexit older generation won the day.

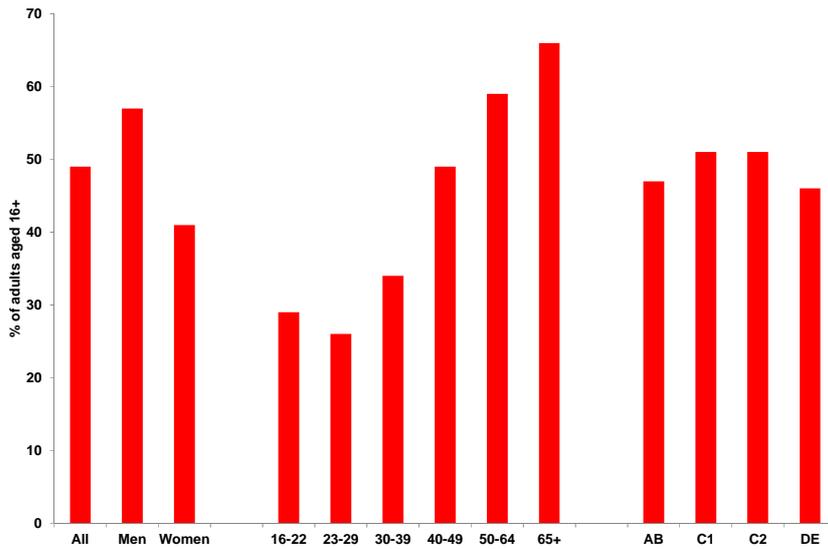
### Pre-referendum: the public expects a Remain win, June 2016



While the post-Brexit spending boom has ensured much better than expected GDP for 2016 and has helped in upgrading predictions for 2017 and called into question economic ‘experts’ negativity, the public remain uncertain and divided over Brexit.

Asked last September whether they agreed that ‘Brexit means Brexit’, just under a half of consumers believed this to be the case (49%), highlighting the large proportion of the public who are unsettled by the relentless Brexit mantra, and the costs and threats to the global lifestyles that millions of people have grown accustomed to. Cheap, frictionless European travel has become a way of life.

## “Brexit means Brexit”, September 2016\*, UK



Source: GfK / JGFR

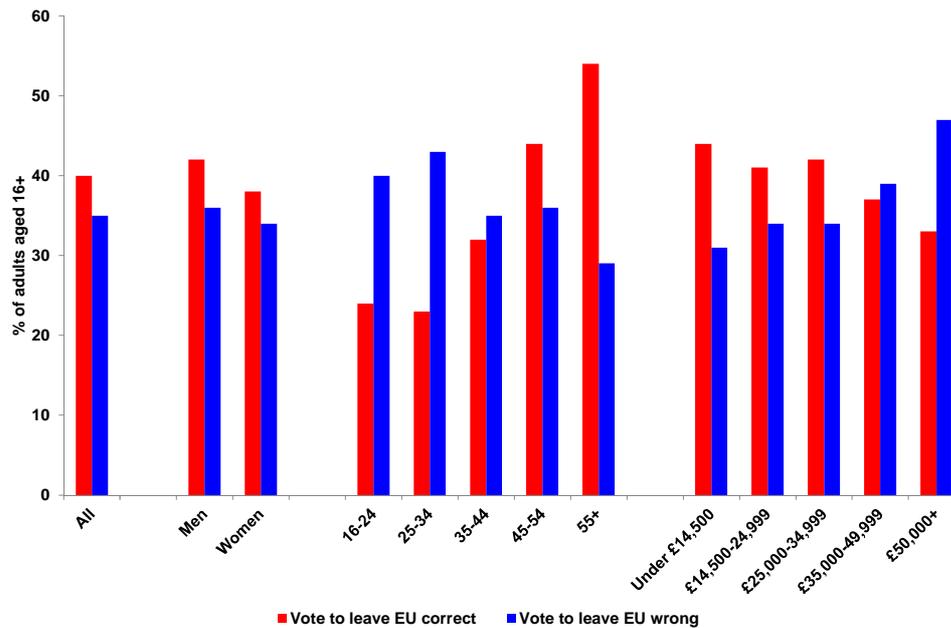
The bitter autumn debates across the country over Brexit culminating in the appeal to the Supreme Court over the Parliamentary process and agreeing the basis/ terms of the exit from the EU, has added to the uncertainty, with an ebbing away of consumer confidence.

In February to find out the current mood of the public towards Brexit JGFR / GfK asked consumers whether they agreed with, or the statements applied to them:

*“The vote to leave the European Union was the correct one”*

*“The vote to leave the European Union was the wrong one”*

## The correct vote: EU Referendum, the consumer review, February 2017



Source: GfK / JGFR

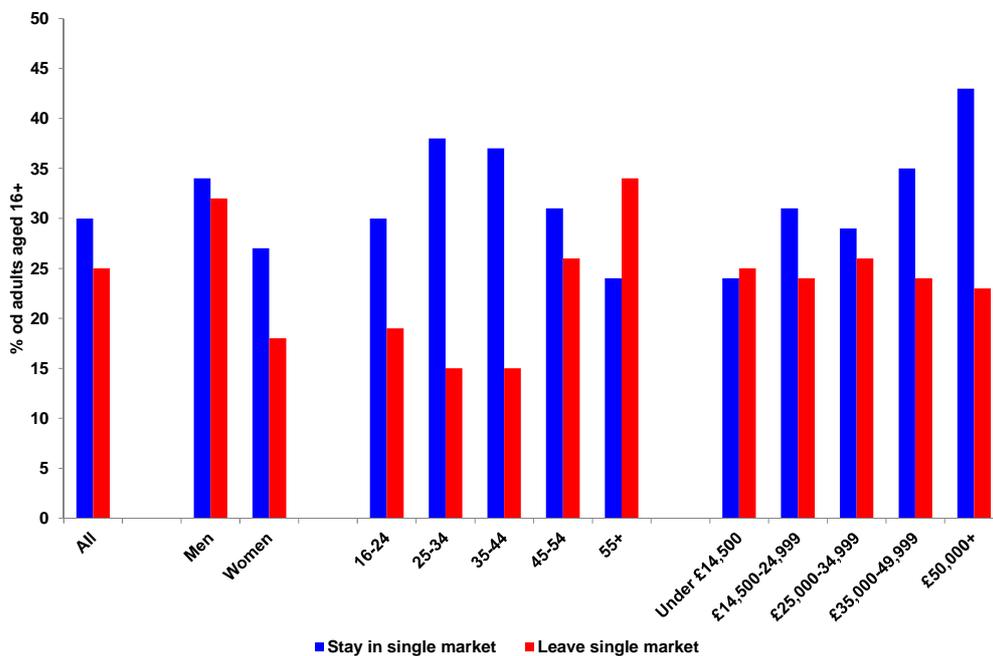
Overall the public believe by a 39%-35% vote that the vote to leave was the correct one, but again the outcome is driven by the weight of support among the over 45s who responded by a much greater proportion to the online poll (80%+) than did the under 45s (around 66%). Higher earners are more likely to believe the vote was the wrong one.

With much Brexit discussion surrounding the Single Market and the belief that the government is taking us to a 'hard' Brexit, the public was asked whether they agreed with either of the statements below, or whether they applied to them:

*"The UK should stay in the Single Market"*

*"The UK should leave the Single Market"*

### The Single Market: the voice of the public, February 2017



Source: GfK / JGFR

Compared to the combined 75% response rate to the statements on whether the vote to leave was right or wrong, fewer people (55%) responded. Among respondents, more supported staying in the single market (30%) than leaving the single market (25%), with the biggest support among the young and across nearly all household income bands. Only the over 55s are very much against staying in the single market.

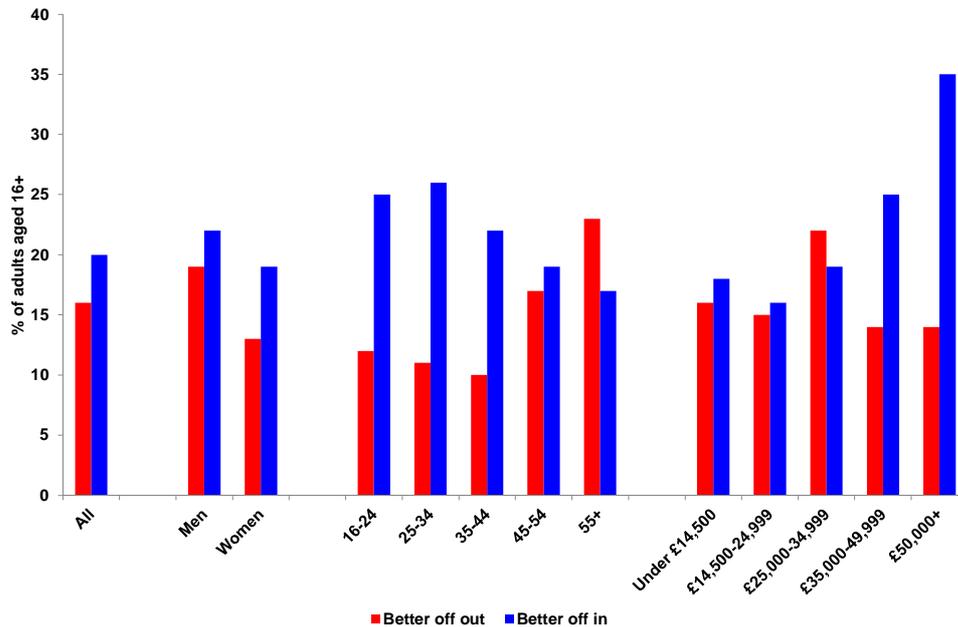
Being in the single market but outside of the EU may be the preferred option for some leavers who support the economic benefits that single market access will bring.

Two further statements sought to assess the mood of the public to the perceived financial impact Brexit may have.

*"I / my family will be better off financially outside the European Union"*

*"I/my family will be better off financially staying in the European Union"*

## The perceived impact of household finances of being in or out of the EU, February 2017



Source: GfK / JGFR

Compared to a year ago when the same statements were put to the public, far fewer people have a positive view on whether they will be better in or out. In March 2016 63% of respondents had a view about the impact of being in or out on their household finances; one year later despite the massive spend on campaigning, subsequent improvement in the post-Brexit economy and compelling speeches in Parliament on Brexit, only 37% of the public have a definite view.

Around 1 in 5 of adults believe they will be better off financially staying in the EU compared to 16% who feel they would be financially better off outside the EU. Just under two-thirds of the public are unsure of what lies in store, but with no chance of turning back.

For the young, Brexit looks like another brick in the wall, in lives already more challenging than for their baby-boomer parents. In the long journey along Brexit Road 'marry well' may be the best advice in a country where divorce will be centre stage for many years.

**Notes:** GfK interviewed 2,001 adults representative of the UK population, aged 16+ between 1 -15 February 2017 online

A breakdown by region and work-status / education is available where similar divisions exist

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