

CONSUMPTION BAROMETER 2011

OBSERVATORIO ECONÓMICO



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ÁREA DE GOBIERNO
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FOREWORD

Miguel Ángel Villanueva González

Government delegate for Economy, Employment, and Citizen Participation.

The city of Madrid, with its 3.269.861 inhabitants as for January 1, 2011, is the second largest European city after Berlin, and the central hub of the third largest metropolitan area in Europe, only after Île de France and Greater London; not surprisingly, it is also a leading consumer capital of the world.

On the other hand, the economic situation has a decisive impact on people's lives, on their behavior, attitudes, motivations, emotions, and expectations, and this influence is even more evident in their consumer habits. Madrid's Consumption Barometer, calculated on a four-month basis, measures the consumption of households in Madrid, thus enabling the objective appraisal of its main aspects and of its inflections, increases and decreases. It is therefore an important tool for capturing the mood of our society, and for analyzing the reasons of such variations in time.

To summarize all of the above in one index –Madrid's Consumer Confidence Index – makes it possible to have a quick overview of the state of affairs and allows us, drawing on the information on which the index is calculated, to consider in greater detail issues that do not show at first glance.

Furthermore, these studies reveal economic phenomena that become evident in consumption, and which accurately pinpoint and confirm what is often but a rough guess based on intuition. When citizens express their opinion on key aspects of consumption such as their own economic expectations, season trips and holidays, their readiness to save and their ability to make ends meet; or about the quantitative trend in spending, and payment structure in households, they are drawing a picture that helps understanding the indexes and provides the basis for their explanation, both in relation to other variables as well as in terms of their own variation in time.

In addition, this evaluation undertaken periodically every four months is complemented with monographs that examine in greater depth certain topics of interest. This time, the chosen issues are leisure and transportation in Madrid, and the main results obtained are shown in the following pages.

In short, the present document offers a useful synopsis of the results for the year 2011, and it allows us to check the evolution of the variables under study as well as the rest of the topics here addressed, thus providing an excellent picture of the situation of consumption in the City of Madrid

December 2011

1. THE PREVAILING ECONOMIC CLIMATE

One of the goals of the Consumption Barometer is to monitor every four months the overall state of mind in the homes of Madrid, reflected on the way the household members assess what they regard as their current situation when compared with a recent past and a near future. This allows us to put into figures something that goes beyond the mere quantitative data, but which helps providing a summarized, quick and accurate overview of what is happening.

1.1 Consumer Confidence in Madrid

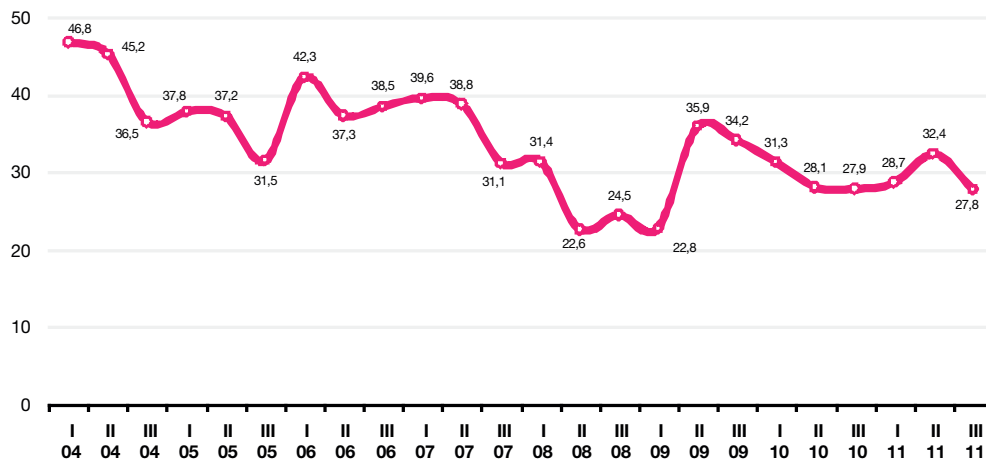
A snapshot of consumer confidence in Madrid is taken every four months by comparing the perception that consumers have on the economic situation – both in their households and at a national level – with that from the previous year; likewise, they assess their expectations for the next four months. Finally, consumers assess whether the time is right to embark in the purchase of durable goods. All this is summarized in Madrid's Consumer Confidence Index (MCCI).

1.1.1 Madrid Consumer Confidence Index (MCCI)

Madrid's Consumer Confidence Index (MCCI) is calculated by assessing, each four-month period, the items mentioned above, thus gauging the current prevailing mood of consumers.

The MCCI this year fluctuated between 27.8 in the last four-month period and 32.4 in the previous one, remaining practically at the same level as a year ago, and following a trend that has affected the index since the consumer first caught glimpse of the economic crisis, as illustrated by the figures of the second and third four-month periods of 2008.

Madrid's Consumer Confidence Index (MCCI) trend



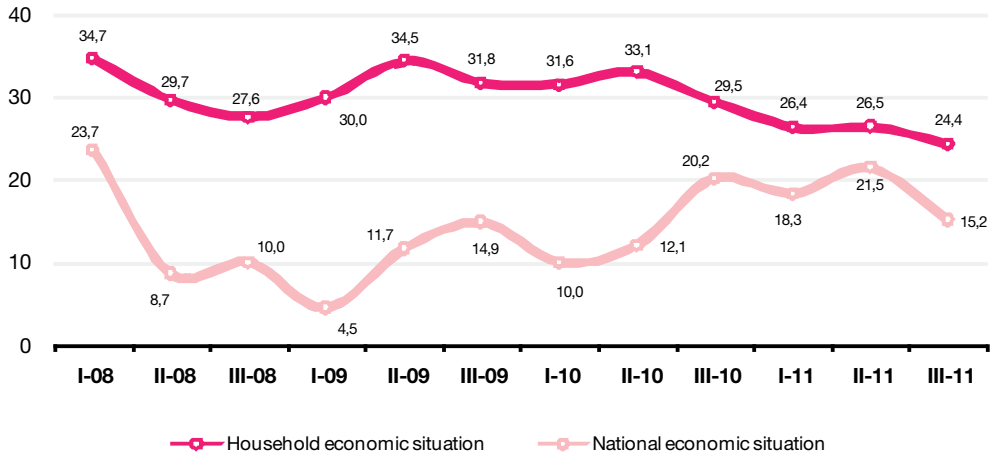
Source: ECCM. 2004-2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

This year has as well exhibited the typical fluctuation, with peaks of optimism (second four-month period), driven perhaps more by a desire for an improvement in the situation than by the objectivity of the facts, and relapses (third four-month period) that mirror the persistently bleak national economic outlook as well as the worrying financial situation of a growing number of households in Madrid, which in turn undermine consumer confidence and expectations.

1.1.2 Index of consumers' appraisal of the present situation for household and national economies over the last year

Analyzing the sub-index that deal with the household and national economic situation as compared with that of last year, the following chart shows their evolution since the beginning of the crisis.

Present situation index trend



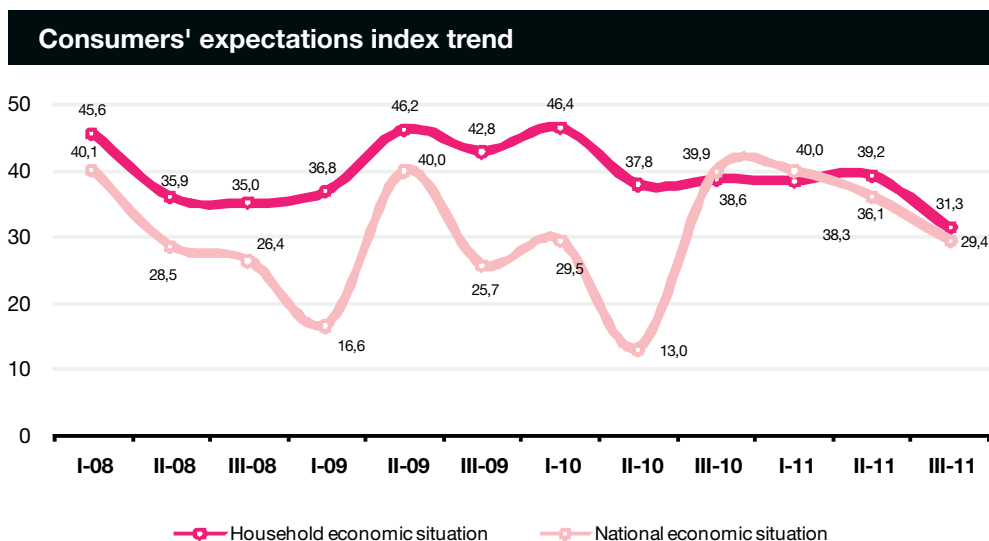
Source: ECCM. 2008-2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

In 2011, the index of consumers' appraisal of the household economic situation has fallen one step as compared with that of last year's four-month periods. In fact, the third four-month period has lost 5.1 points with respect to the same period in 2010. These appraisals have been strongly influenced this year not only by objective data and a very active opinion mood, but also by the economic hardship of a growing number of households in the wake of a high and increasing unemployment rate, precarious working conditions, and wage cuts.

As for the index of appraisal of the national economic situation in 2011, it has moved at an even lower level than in the previous year, fluctuating more as well, with a greater span between peak and trough values; the index fell 5 points compared with a year ago, to a level of 15.2. The appraisal of the national economic situation is clearly more negative than that of the household, although the gap between both indexes is gradually narrowing, falling from 25.5 points in the first four-month period of 2009 to the current 9.2 points.

1.1.3 Index of consumers' expectations about the household and national economic situation for the next months

Household assessments on expectations about the near future are a mix of mood, opinion and real economic prospects. Even though they refer to realities at different levels, it is quite normal that they influence each other.



Source: ECCM. 2008-2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

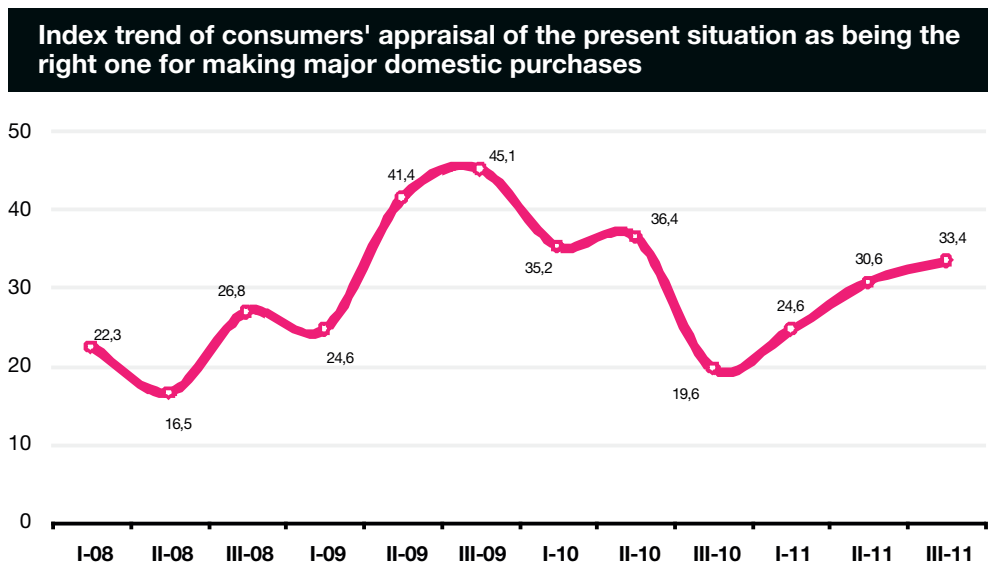
Expectations for the household economic situation fell sharply to 31.3 in the third four-month period of 2011, i.e. 7.9 points less than in the previous period, and 7.3 points below the same period of 2010, dragging the index under a baseline that had been kept for the four previous four-month periods in a row. There is a steady rise in the number of households who are pessimistic about their near future.

As for the expectations about the national economic situation during 2011, they have undergone a parallel process, although with an even greater fall of the index as compared to household expectations: a decrease of 10.5 points in one year clearly reflects the prevailing atmosphere of uncertainty about the near future among the public opinion. A major contribution to this atmosphere has been the impact of the debate about the national debt crisis and its potential solutions,

which has undermined the confidence on the sustainability of both public finances and household living standards.

1.1.4 Index of consumers' appraisal of the present situation as the right time to make major purchases

The last sub-index of Madrid's Consumer Confidence Index is a consumer assessment on whether the time is right to make domestic purchases.



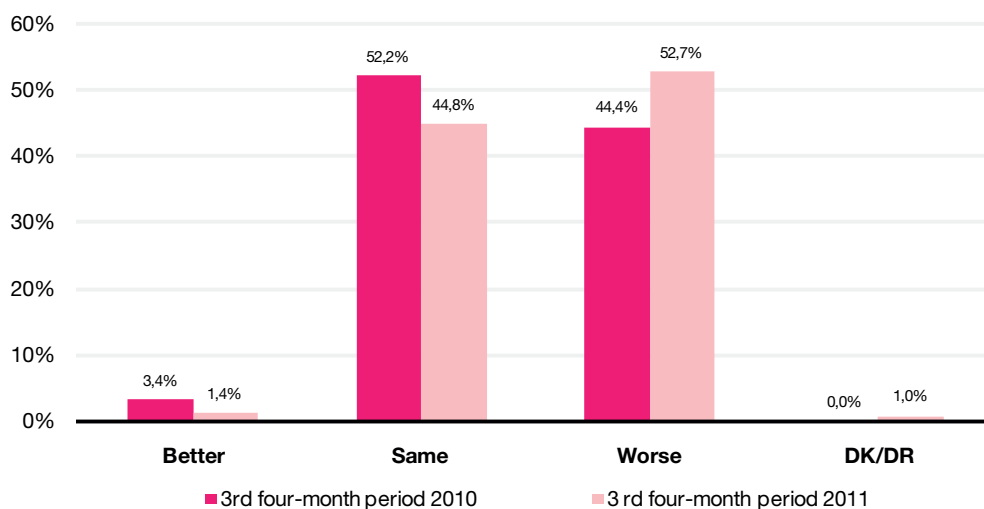
Source: ECCM. 2008-2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

Consumers' assessment on whether the time is right to make major domestic purchases has increased from 24.6 points in the first four-month period to 33.4 in the third, with a raise of 13.8 points over the last year. This indicates that consumers in Madrid are more aware of the fact that objective data suggests the present time is not at all bad for making such purchases, particularly in view of the containment, if not substantial drop, of retail prices. Nevertheless, the reduction in the availability of credits, the growing lack of confidence in the future, along with expectations about further falls in retail prices may explain the slump in major purchases.

1.2 Comparison of figures between the third four-month period of 2010 and 2011

In order to improve our understanding of the sub-indexes mentioned before, the data from which they are derived, stemming from the last four-month period of 2010 and 2011, are shown next.

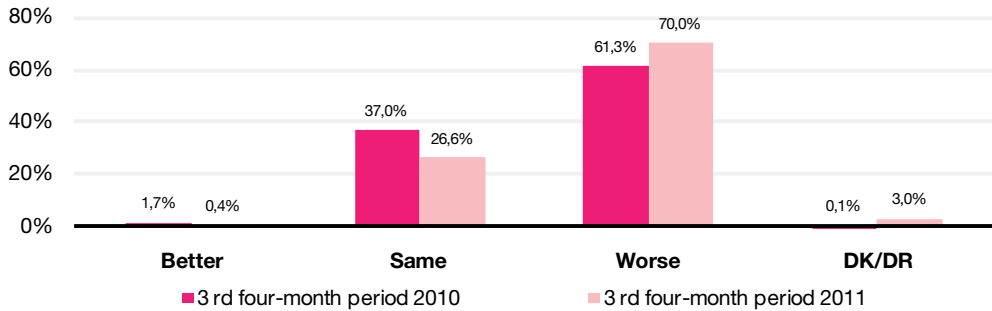
Evolution of consumers' appraisal of the present household economic situation as compared to a year ago



Source: ECCM. Third four-month period 2010 and 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

Households in Madrid had a substantially poorer appraisal of the financial situation with respect to the 3rd four-month period of the year 2010. Back then, a majority of 52.2% of the households regarded their situation as being the same as in the previous year. In 2011 this figure has dropped to 44.8%, with a new majority (52.7%) of households regarding their situation as worse than in the previous year. In contrast, the number of households who felt their financial situation had improved was insignificant and declining steadily.

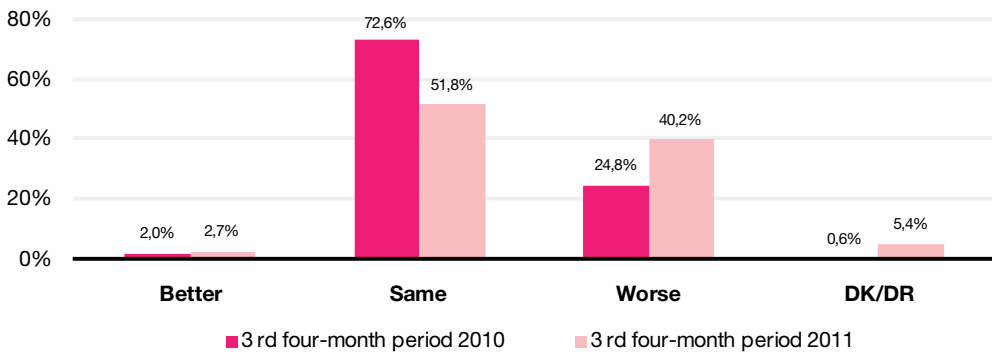
Evolution of consumers' appraisal of the present national economic situation as compared to a year ago



Source: ECCM. Third four-month period 2010 and 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

As for consumers' appraisal of the national economic situation, it has worsened even more in relation to that for the same four-month period of 2010; indeed, where 61.3% of consumers in the last four-month period of 2010 viewed the economic situation as worse than that of the previous year, this figure rose to 70.0% for the same period of 2011. The figures appear to reflect public opinion concerning the alarming facts that burden the national economy such as high unemployment, sluggish economic growth and rising national debt.

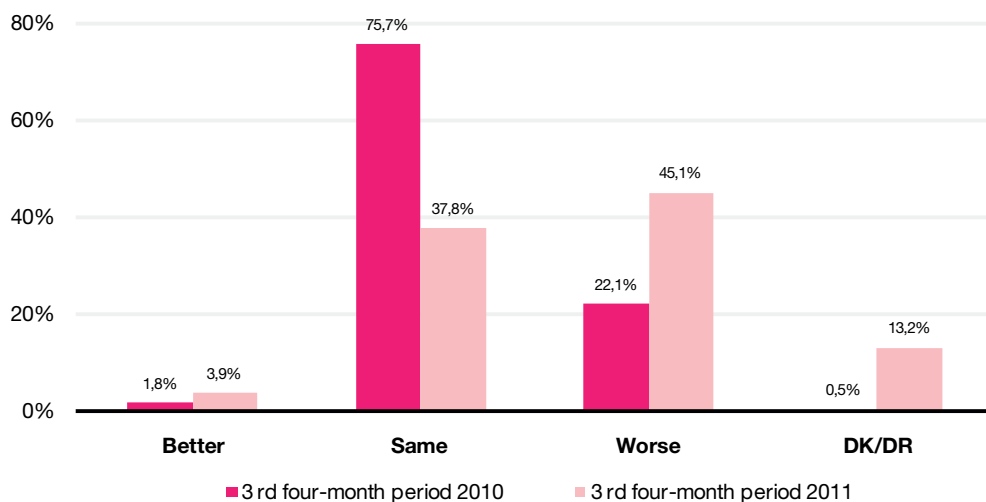
Evolution of consumers' expectations about their household economic situation in the next four months



Source: ECCM. Third four-month period 2010 and 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

Likewise, consumers' expectations have evolved negatively over the last year, although a majority still expects their household economic situation to remain the same in the next four months. Yet, the percentage of households that expect their short-term future to be worse has risen from 24.8% to 40.2%, indicating a growing number of households that are assuming financial difficulties in the months to come.

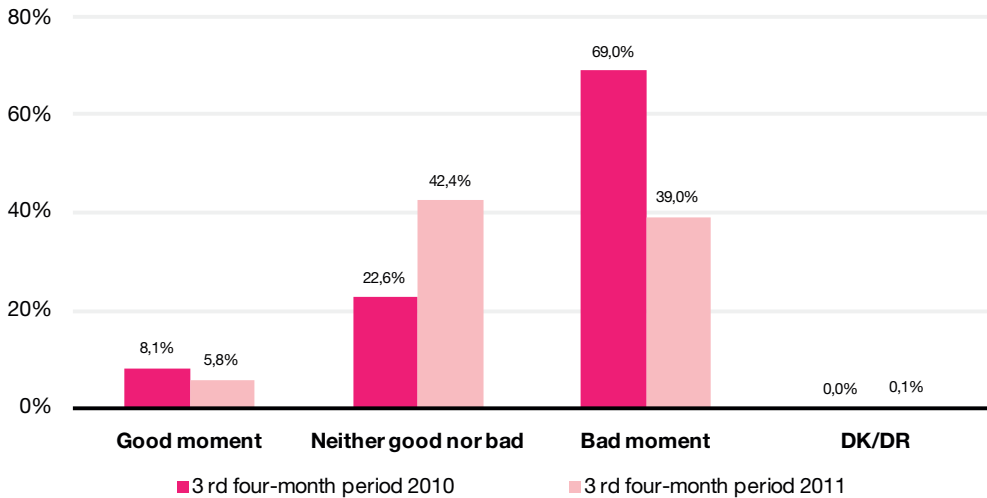
Evolution of consumers' expectations about the national economic situation in the next four months



Source: ECCM. Third four-month period 2010 and 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

As for the expectations of consumers in Madrid about the national economic situation for the next four months, they are not better than those regarding household economy. The percentage of those who expect the situation to worsen, compared with the same period of the previous year, has doubled up. On the other hand, it is also worth noting the fact that 13.2 percent of consumers do not have a clear idea of what can happen in the near future, a symptom of the prevailing atmosphere of uncertainty and confusion that permeates part of the society, that cannot make out what is going on or how to interpret the messages received.

Evolution of consumers' appraisal of the present time as being the right one to make major domestic purchases



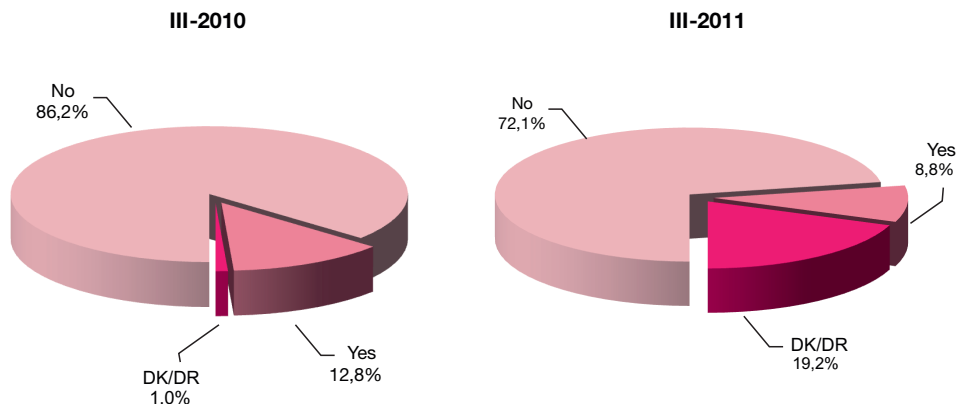
Source: ECCM. Third four-month period 2010 and 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

Consumer appraisal on the issue of whether the time is right to make major purchases of durable goods has improved over the last year. Yet, although it is generally accepted that the current objective conditions to acquire this type of goods are not the worst, hardly 5.8% of the consumers regard the present time as being the right one for these purchases.

1.3 Difficulties to make ends meet and households saving

There are two issues that speak for themselves about the household economic situation: the attitude towards saving and the struggle to make ends meet.

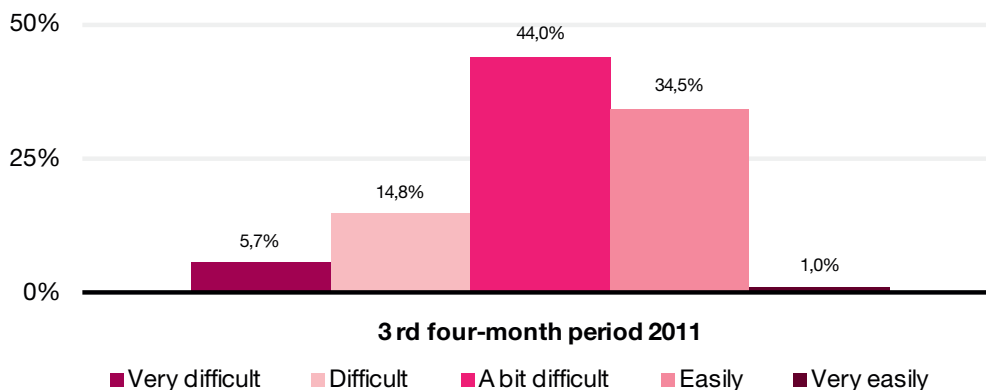
Percentage of households that save



Source: ECCM. Third four-month period 2010 and 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

The percentage of households that saved in the last four-month period of 2011 fell by 4% if compared with the same period of 2010. This is yet another indication of the decline of the economic situation in many households, unable to save part of their dwindling income, as they witness their savings dwindle as well.

Percentage of households ranked by their difficulties to make ends meet



Source: ECCM. Third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

Regarding the difficulties to make ends meet, it is worth noting that 20.5% of the households declare that they find it hard or very hard to make it to the end of the month, a significant figure that suggests that new pockets of poverty are growing in the wake of the economic crisis.

Also, 44.0% of the households find it somewhat difficult to make ends meet. These are households that are forced to cut down in their spending, undertaking adjustment policies in their domestic economies, due to a decrease of their income or to a grim outlook for the near future. Finally, 35.5% of the households declare they do not struggle to make ends meet.

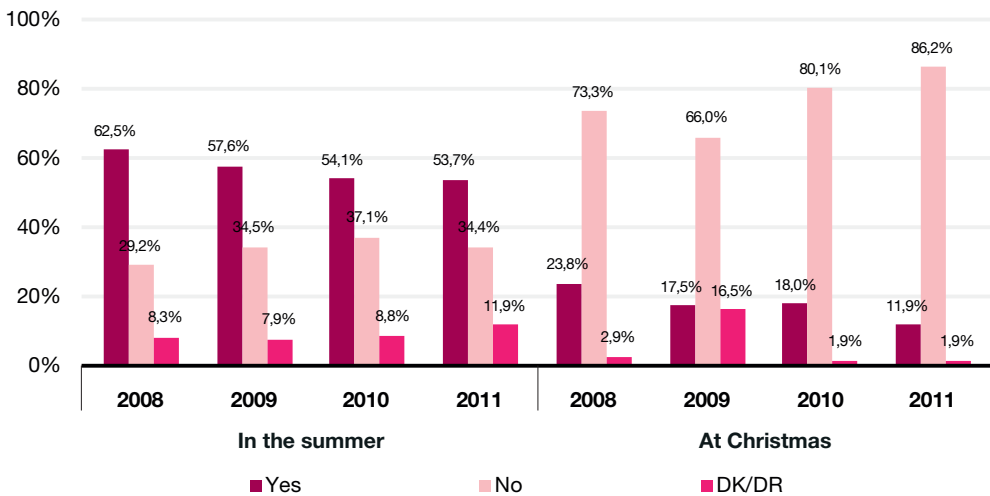
This overall fall in consumer spending has further dragged down total consumption in the national economy.

2. TODAY'S PROSPECTS

This section, called Today's Prospects, deals with travelling prospects in the household, which are common every season of the year, corresponding to each of the three four-month periods: Easter, summer and Christmas.

Although readiness to travel does usually reflect a certain state of mind within the household regarding consumption, it is also true that there are significant economic differences between different kinds of trips.

Percentage of households that had trip prospects for summer or Christmas (2008-2011)

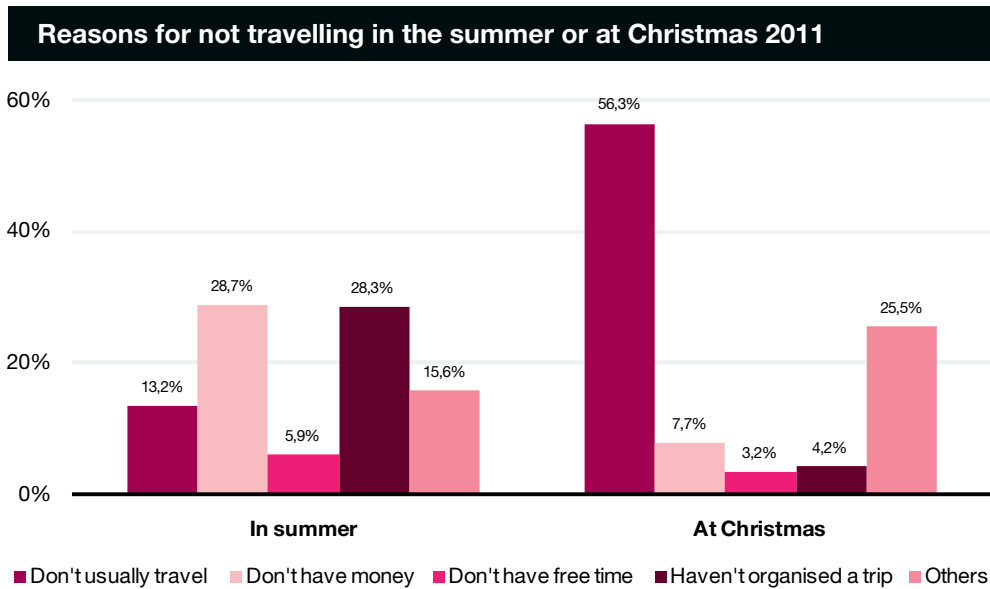


Source: ECCM. Second and third four-month period from 2007 to 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

At first sight, data suggests that, when it comes to travelling, summer and Christmas are two totally different periods for the consumers in Madrid, according to their habits and holiday planning. In 2011, the percentage of those who had trip prospects for the summer was 53.7, with this figure reaching just 11.9% when planning a Christmas trip.

The crisis has also made itself evident on these figures. Trip prospects this summer were 0.4% lower than last summer and 8.8% lower if compared with the year

2008. As for trip prospects for Christmas holiday, they have decreased by 6.2% with respect to last year, with this fall reaching 11.2% in relation to the year 2008. Many households seem to have adjusted their expenditure either by eliminating holidays or by reducing holiday expenditure.

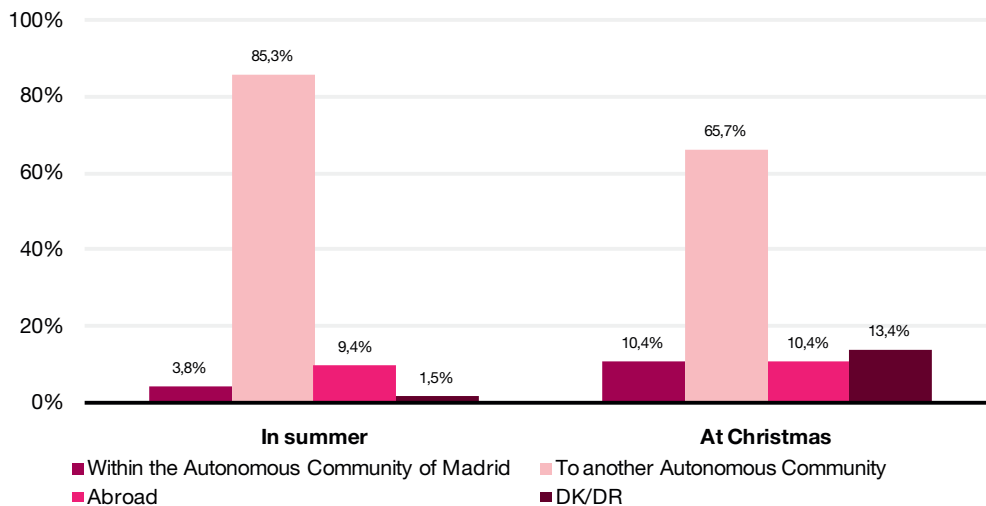


Source: ECCM. Second and third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

The main reason for households not having trip prospects for this Christmas was largely a question of habit (56.3%), whereas the lack of money was the alleged reason for just 7.7% of the households. In contrast, the main reason for households not travelling in the summer was not having enough money (28.7%) or not having organized the trip (28.3%). We should bear in mind that consumers often make trade-offs to keep up appearances. Thus, those who cannot afford to go on holiday may conceal the fact by indicating they haven't organized the trip. Finally, not being in the habit of travelling during the summer was the alleged reason for 13.2% of the households.

Notwithstanding, summer continues to be the main holiday season for most households in Madrid, although an increasing number of households tend to spread their holiday leave throughout the year. Regarding Christmas trips, this holiday period is usually driven by goals of other nature and, besides, it falls in a season where the weather is not particularly favorable for travelling.

Percentage of households that had trip prospects for summer or Christmas 2011, ranked by destination

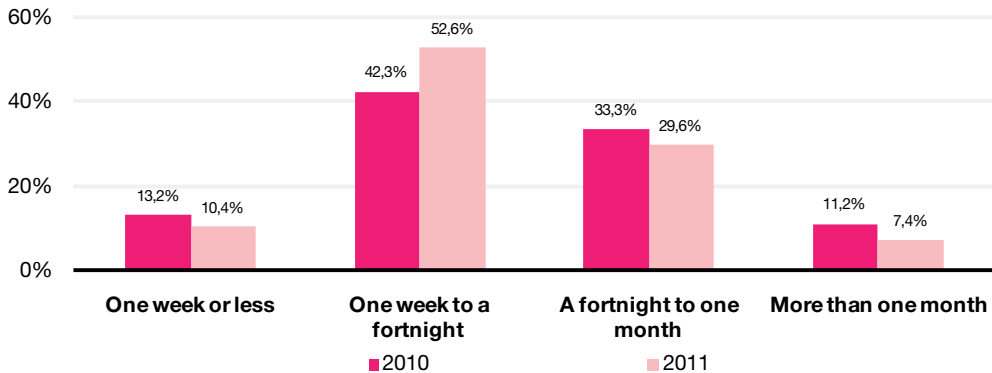


Source: ECCM. Second and third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

The choice of summer holiday destinations for the citizens of Madrid is quite logical and is linked to the main reason of the trip. Madrid is an inland city and therefore the coast is a major appeal for its citizens; in fact, 85.3% of those who plan on travelling during the summer are having in mind a destination in other Autonomous Communities, particularly destinations on the coast.

The destination distribution for Christmas trips is similar, although the percentage of those who plan on travelling during Christmas is much lower. It is worth noting that Madrid has historically hosted a large number of immigrants with family roots elsewhere in Spain. This, along with the fact that many people have a second residence outside the Community of Madrid, explains that 65.7% of the trips planned for this holiday season have a destination in another Autonomous Community. Likewise, immigrants from abroad living in Madrid tend to return to their countries of origin for Christmas which would account for a great deal of those citizens of Madrid who planned on travelling to a foreign country (10.4%).

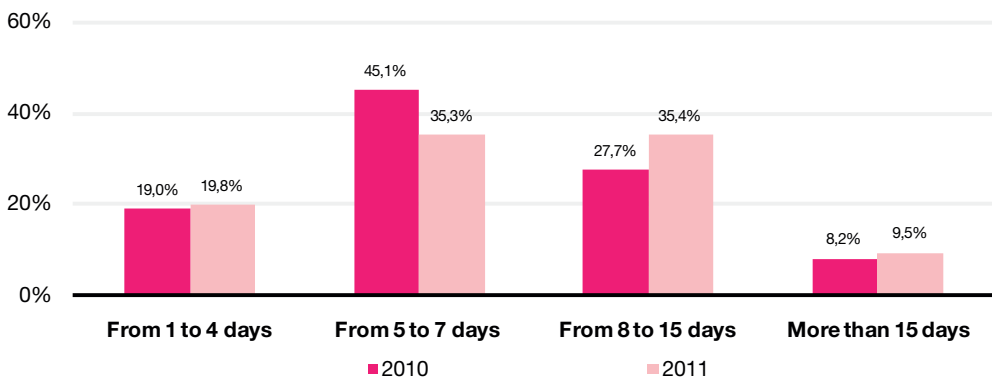
Percentage of households that had trip prospects for the summer, ranked by trip duration



Source: ECCM. Second four-month period 2010 and 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

The duration of summer holidays for most respondents planning on travelling in the summer of 2011 ranged from one week to a fortnight (52.6%), which is gradually becoming the trend for summer holidays. Besides financial reasons, the trend may be explained by a tendency to spread out annual holidays more evenly, rather than concentrating all annual leave in the summer period.

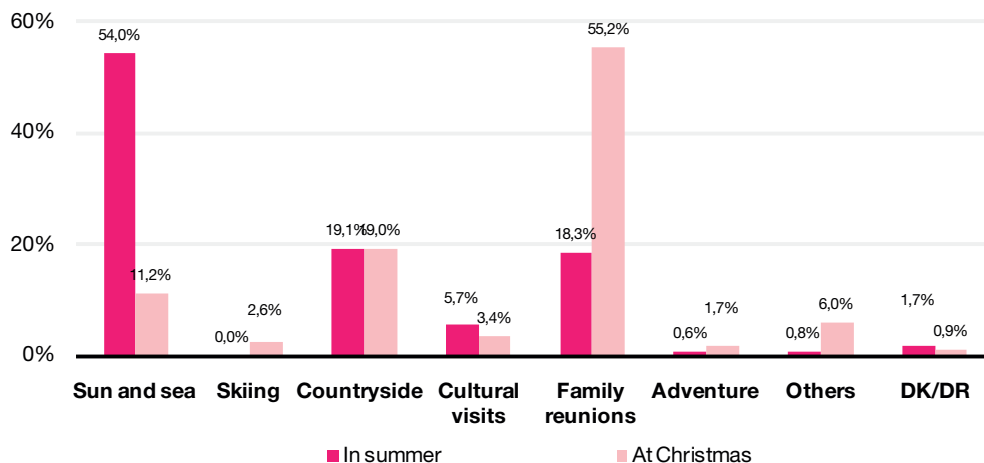
Percentage of households that had trip prospects for Christmas, ranked by trip duration



Source: ECCM. Third four-month period 2010 and 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

As for the duration of Christmas holidays, the majority ranged between one week and a fortnight (70.7%), a choice which is tied to the distribution of bank holidays during the week.

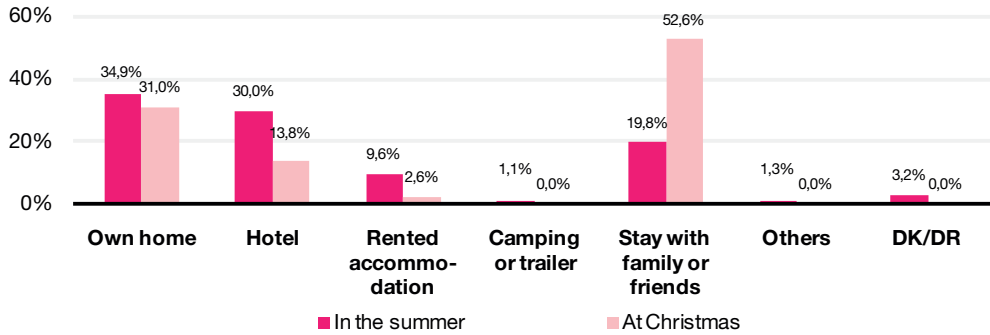
Main reason for travelling in the summer and at Christmas 2011



Source: ECCM. Second and third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

The underlying reasons for travelling in the summer differed from those for travelling at Christmas, for the majority of respondents. Whereas seeking beach and sun accounted for more than half of summer trips (54.0%), the chief reason for travelling at Christmas was family reunions (55.2%), a fact that explains itself considering the cultural significance of these dates. The remaining reasons for travelling accounted for significantly lower percentages, with seeking the countryside as the most important of these reasons, both in the summer and at Christmas (around 19%).

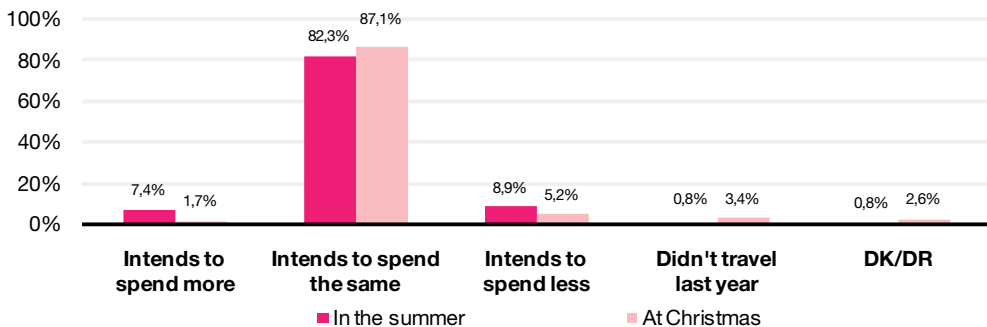
Main lodging for summer and Christmas trips in 2011



Source: ECCM. Second and third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

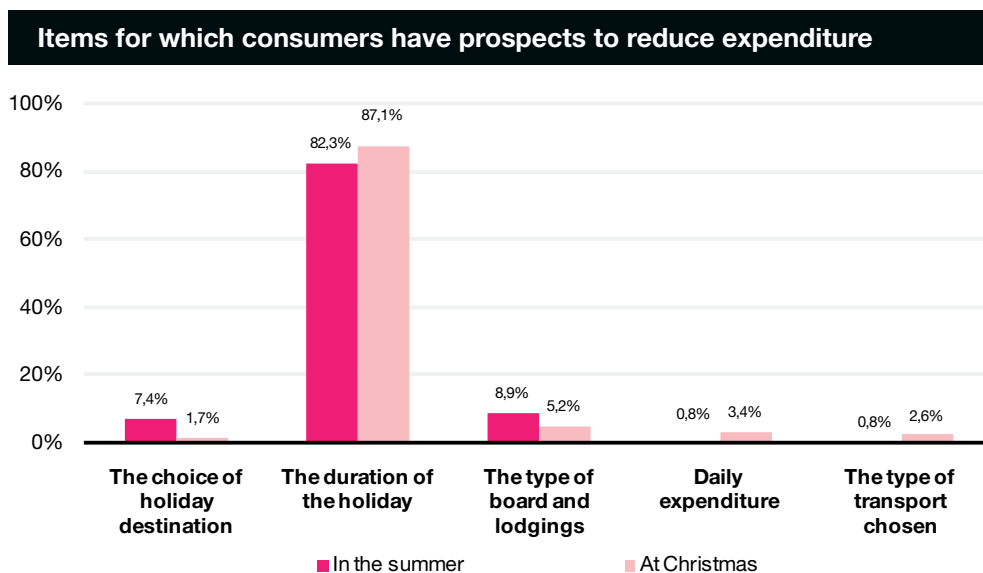
The type of board and lodging, along with the trip destination and duration, is a good indicator of the relevance of the trip, particularly from an economic perspective. Lodging at hotels or rented accommodations account for a significant share of holiday expenses. In the summer, 40.7% of the travelers had prospects of lodging at hotels or rented accommodations, whereas most of them planned on staying at their own residences or with family and friends (54.7%). At Christmas, the latter figure rises to 83.6%, while only 16.4% of the travelers stay at hotels or rented accommodation.

Intended travelling expenditure



Source: ECCM. Second and third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

On the whole, it appears that most consumers have somewhat fixed holiday expenses, i.e. the vast majority of respondents indicated they would spend the same amount during the summer or Christmas holidays as they did the year before (80%). Nevertheless, consumers intending to spend less than the previous year in summer and Christmas holidays outweigh those intending to spend more, which highlights the fact that consumers have prospects of cheaper trips than in the previous year.



Source: ECCM. Second and third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

Consumers who intend on travelling, either in summer or at Christmas, often plan their holidays well in advance by making choices as to the items on which they prefer to reduce spending.

Of the consumers in Madrid who intended to travel in the summer, a large number indicated they would reduce expenses on the duration of the holiday (48.9%), followed by holiday destination, and daily expenditure (23.4% each).

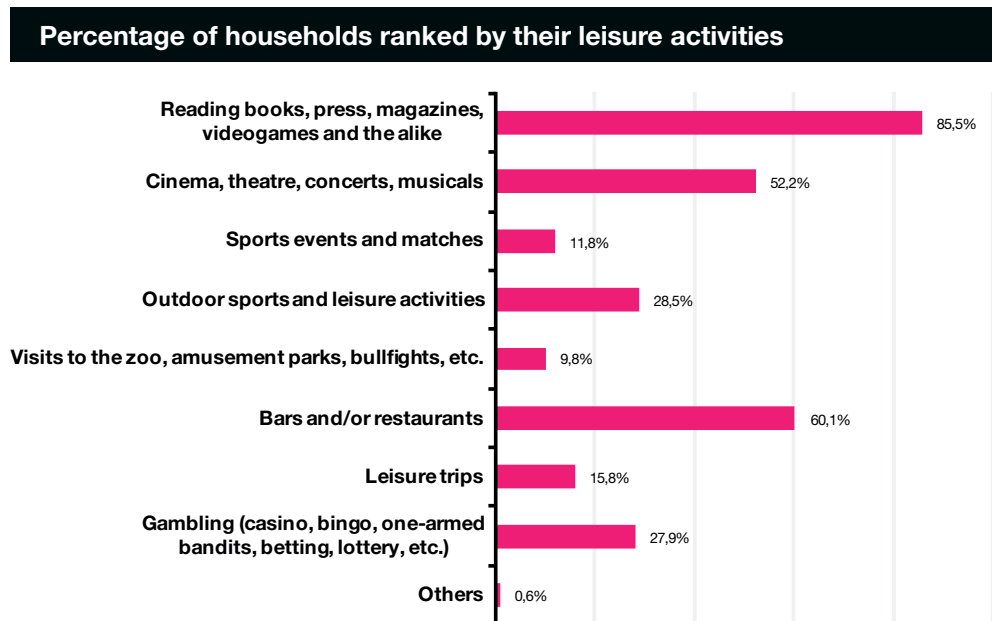
As for trip prospects for Christmas, the items chosen to reduce expenditure were the duration of the holiday, and the type of board and lodgings (58.7% each), followed by the choice of holiday destination, and daily expenditure (33.3% each).

3. MONOGRAPHS: LEISURE ACTIVITIES AND TRANSPORTATION

The Consumption Barometer for this year was complemented by two market research monographs focusing on leisure and transportation in Madrid in a working day.

3.1 Leisure

Among the diversity of activities on which the citizens of Madrid spend their time, those linked to leisure are very relevant, not only because of their content and its meaning (the leisure distribution for the citizens speak of their society) but also because of their economic impact.



Source: ECCM. Second four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

The type and popularity of leisure activities of households in Madrid varies according to socioeconomic factors such as age, sex, income, etc. The most frequent leisure activities in Madrid were reading, playing videogames, etc., (85.5%), socializing in bars and/or restaurants (60.1%), and cultural events such as going to the cinema or the theatre (52.2%).

Frequency of leisure activities

	Daily	Twice a week	Once a week	Several times per month	Less than once a month
Reading books, press, magazines, videogames and the alike	69,0	17,7	8,1	2,7	2,5
Cinema, theatre, concerts, musicals	1,9	2,5	17,5	31,7	46,4
Sports events and matches	0,0	2,6	4,3	32,8	60,3
Outdoor sports and leisure activities, playing musical instruments and other hobbies	14,2	48,1	27,4	5,0	5,3
Visits to the zoo, amusement parks, bullfights, etc.			1,1	14,4	84,5
Bars and/or restaurants	6,2	14,9	26,7	29,3	22,9
Leisure trips	1,3	0,0	3,2	12,8	82,7
Gambling (casino, bingo, one-armed bandits, betting, lottery, etc.	2,2	5,8	67,6	8,4	16,0

Source: ECCM. Second four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

Understandably, the frequency of leisure activities varies according to the very nature of the activity as well as to the amount of leisure time available and the costs involved. Reading and outdoor sports are leisure activities that can be undertaken daily (a 69.0% of the respondents reads daily); attending cultural and sports events are leisure activities that take one month as a more natural reference (they tend to show a monthly frequency); leisure trips, visits to the zoo, amusement parks and so forth are activities that typically show frequencies lower than once-a-month.

Consumers' appraisal of leisure activities

	Average appraisal	% of households with the same or higher than average	Variance
Reading books, press, magazines, videogames and the alike	7,4	62,9	3,0
Cinema, theatre, concerts, musicals	6,7	69,1	3,5
Sports events and matches	6,8	69,0	3,5
Outdoor sports and leisure activities, playing musical instruments and other hobbies	7,1	47,7	3,6
Visits to the zoo, amusement parks, bullfights, etc.	6,9	66,0	3,9
Bars and/or restaurants	6,9	72,3	2,7
Leisure trips	6,9	71,8	6,4
Gambling (casino, bingo, one-armed bandits, betting, lottery, etc.	5,9	68,7	4,5

Source: ECCM. Second four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

On the whole, the average appraisal scores tend to be high and relatively homogeneous, with a gap of just 1.5 points between the highest score (reading) and the lowest (gambling).

Moreover, the percentage of appraisal scores for each activity equal to or higher than the average is above 60% for all items under study, save outdoor sports and leisure activities (47.7%). This reveals that the sample distribution tends towards average or higher-than-average values.

Finally, it appears that dispersion is similar for all items (variance around 3.5), with appraisals scores on bars and restaurants coming closest to their mean values (a variance of 2.7). In contrast, leisure trips exhibited the greatest dispersion in relation to the mean (variance of 6.4). In other words, consumers' appraisals of leisure activities linked to bars and restaurants resemble each other far more than those appraisals dealing with leisure trips.

Percentage of households that reported spending on leisure, mean household monthly expenditure on leisure, and percentage of households that spend below average

	Have expenses	Mean monthly household expenditure	% households with below average spending
Reading books, press, magazines, videogames and the alike	75,9	32,1	71,9
Cinema, theatre, concerts, musicals	75,7	38,1	60,9
Sports events and matches	43,1	55,2	64,0
Outdoor sports and leisure activities, playing musical instruments and other hobbies	31,3	67,4	77,3
Visits to the zoo, amusement parks, bullfights, etc.	68,9	56,5	64,3
Bars and/or restaurants	82,6	109,3	68,6
Leisure trips	88,5	353,6	78,3
Gambling (casino, bingo, one-armed bandits, betting, lottery, etc.	95,4	25,8	67,0

Source: ECCM. Second four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

There are households that report that the leisure activities they undertake are practiced at no cost. Indeed, several of the items under study are free for those who practice them, such as outdoor sports (68.7%) and attending sports events (56.9%). Reading and attending cultural events is also done at no cost by a 25% of the respondents.

The relevance of the spending figure for each item is closely linked to the nature of the services demanded. In other words, a book, a meal, a bicycle or a trip abroad are items that entail expenses that cannot be compared. Thus, the figures and their variations cannot be extrapolated from one leisure activity to another. By far the most expensive of these items is leisure trips, with a mean monthly expenditure of 353.6 Euros, followed by bars and restaurants with 109.3 Euros. At the lower end of the scale we find gambling (25.8 Euros), reading (32.1 Euros), and cultural events (38.1 Euros).

Notwithstanding, the mean expenditure for each item may be of little significance given that the third column reveals that over 60% of households reported below-average spending, and in the case of leisure trips and outdoor sports and leisure activities this percentage rose to 78.3% and 77.3%, respectively.

Spending evolution in relation to the previous year

	Spends more	Spends the same	Spends less	DK/DR
Purchase of books, press, magazines, videogames and the alike	2,4	85,2	5,1	7,4
Cinema, theatre, concerts, musicals	2,3	83,1	6,0	8,5
Sports events and matches	1,7	68,1	9,5	20,7
Outdoor sports and leisure activities, playing musical instruments and other hobbies	2,5	66,9	2,8	27,8
Visits to the zoo, amusement parks, bullfights, etc.	3,1	71,1	4,1	21,6
Bars and/or restaurants	2,7	76,9	7,9	12,5
Leisure trips	3,2	71,8	3,8	21,2
Gambling (casino, bingo, one-armed bandits, betting, lottery, etc.	0,4	87,3	4,0	8,4

Source: ECCM. Second four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

Overall, spending on leisure activities was sluggish particularly in comparison to the previous year's expenditure. Notwithstanding, there were differences in expenditure among items given the fact that these are subject to variations in consumer income, the cost of the leisure activity, the amount of free time, and so forth. For example, gambling (buying the lottery, bingo or one-armed bandits) is a habit that can be easily maintained (87.3%), more so than expenses for outdoor sports (66.9%).

However, when the inertia disappears, households tend to spend less on all items, particularly on sports events (a difference of 7.8%), and bars and restaurants (a difference of 5.2%).

It is also worth noting the significant number of households whose members do not have a precise idea of the evolution of their expenditure within the last few months, which is to a certain extent explained by the weaker control they have on these expenditure items of as compared to other items.

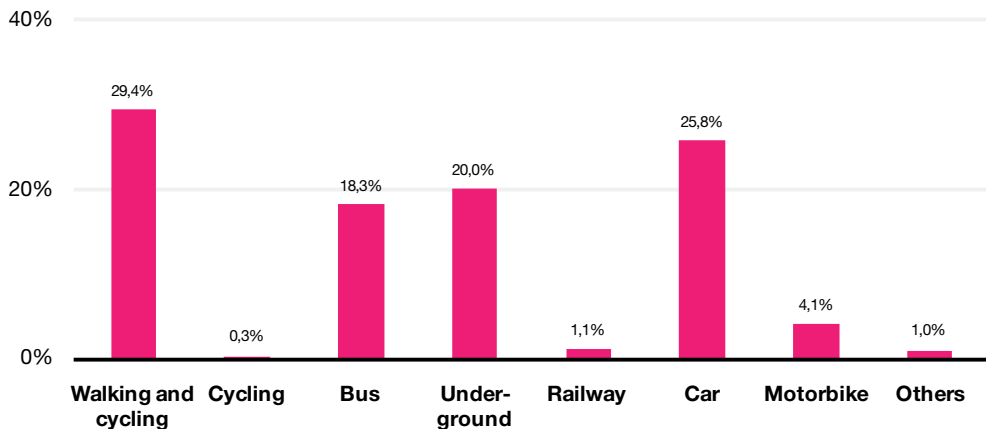
3.2 Transportation

A key factor for the inhabitants of any city is their mobility; the means of transportation are often associated to a particular lifestyle, social events and gatherings, and the geographical distribution of urban areas.

An individual's quality of life is not exclusively restricted by parameters associated to transportation; nonetheless, these play a vital role in determining a person's standard of living in terms of pollution, journey time and distance, parking spaces, weather, facilities for pedestrians and/or cyclists, etc., which are crucial to enable, sustain, or enhance standards of living in any modern city.

In spite of all the drawbacks associated to travelling in the city, and the problems that arise from this travelling, and that the citizen has necessarily to live with, consumption cannot possibly disregard the question of transportation, given not only its economic dimension, which in some cases is considerable, but also its impact on the distribution of the citizens' time to spend and distances to cover.

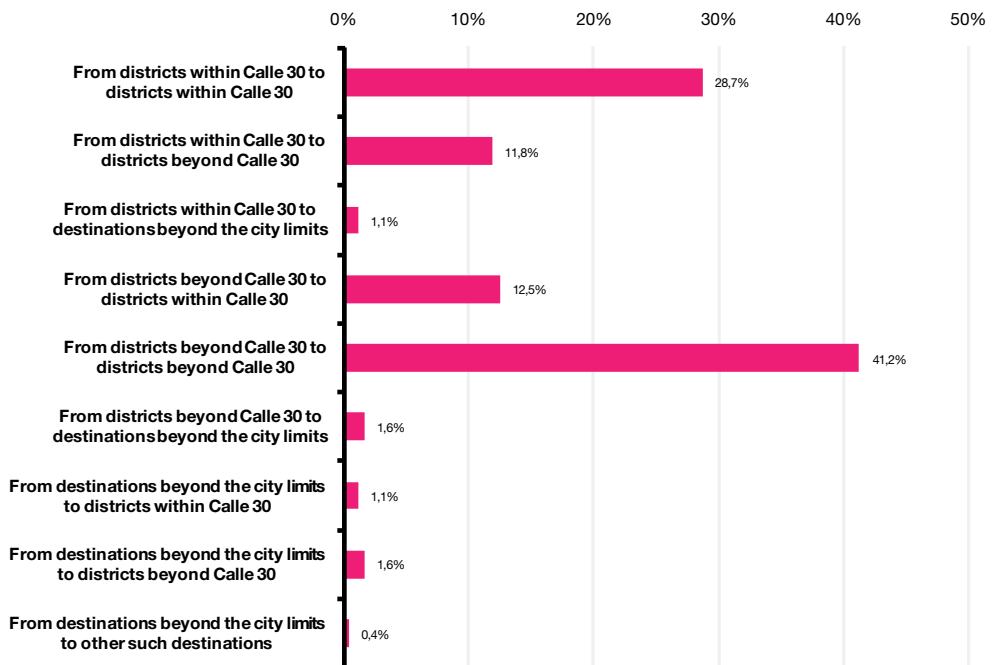
Percentages of means of transportation used daily by consumers in Madrid



Source: ECCM. Third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

The graph shows that the most popular means of transportation was walking (29.4%), implying that a great deal of the respondents reported they go walking when the distance takes more than five minutes, and bearing in mind that walking is often combined with other means of transportation. The means of transportation that follow are the car (25.8%), underground (20.0%), and bus (18.3%). The railway was not a primary means of transportation for the inhabitants of the City de Madrid (1.1%) though it is for commuters and residents from other autonomous communities.

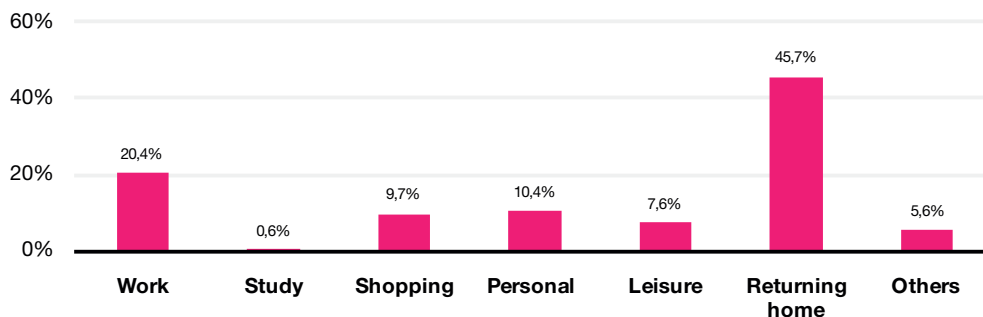
Travelling frequency and distance from point of departure to destination



Source: ECCM. Third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

Most journeys on a normal working day were from districts beyond Calle 30 to districts beyond Calle 30 (41.2%), followed by those from districts within Calle 30 to districts within Calle 30 (28.7%). There follow those journey from districts within Calle 30 to districts beyond Calle 30 (11.8%) and vice-versa (12.5%). Consumers seldom travelled beyond the city limits on a daily basis.

Reasons for travelling



Source: ECCM. Third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

The main reason for making a journey was returning home (45.7%), final journey at the end of a working day. Work-related journeys account for 20.4% of the journeys, making it evident that work is the backbone of the journey distribution in any city in a working day. Consumers travel for other reasons, and these journeys are typically distributed along the day in time zones, based on the nature of the journey. Travelling for personal reasons (10.4%) occurs chiefly during morning office hours, whereas shopping journeys occur during commercial hours, and leisure trips can stretch to the end of the day.

Distribution of means of transportation, ranked by the reason for travelling

	Work	Personal	Return home	Total
Un-motorized (walking or cycling)	10,0	43,1	28,5	29,5
Public transportation	48,6	32,9	37,9	38,5
Motorized private transportation	39,9	24,0	33,2	31,5
Private and public transportation	1,6	0,0	0,4	0,5

Source: ECCM. Third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

Public transport was the main means of transportation for work related reasons (48.6%), followed by private motorized transportation (39.9%), and un-motorized transportation (10.0%). Most consumers tend to prefer walking or cycling around when they are travelling for personal reasons (43.1%), followed by public transportation (32.9%), and private motorized transportation (24.0%). Few respon-

dents used a combination of both private and public transport either for work or any other reason. Such combination is much more common for those consumers who do not live in the city, but elsewhere within the autonomous community. Finally, it is worth noting that the distribution of means of transportation for the return trip home – typically at the end of the day – resembles average values, suggesting that this kind of journey is an average of the other journeys combined. The main means of transport for returning home was public transport (37.9%) with a peak time from 6pm to 10pm. It is worth noting that the means for returning home were similar to the total means, almost as if they were the mean for mean totals of the means of transport.

Percentage of journeys in terms of means of transportation, reason for travelling and time zone

Means of transportation	From 5am to 10am	From 10am to 2pm	From 2pm to 6pm	From 6pm to 10pm	From 10pm to 5am
Un-motorized	13,7	48,5	21,8	21,4	30,0
Public transportation	46,9	29,5	44,3	37,9	42,5
Private motorized transportation	37,8	22,0	33,7	40,0	27,5
Private and public transportation	1,6	0,0	0,3	0,7	0,0
Reason for travelling					
Work	75,2	6,3	10,9	3,2	15,0
Personal	20,8	52,9	29,4	19,6	2,5
Returning home	3,9	40,8	59,7	77,1	82,5

Source: ECCM. Third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

The results reveal that both the reasons for travelling and the means of transportation vary according to the time zone. As expected, work related reasons tend to dominate early in the day giving way gradually to personal reasons. Different time zones also favor the use of public or private means of transportation.

From 5am to 10am, going to work was the main reason (75.2%), and public transportation the main means (46.9%) followed by private motorized transportation (37.8%). Thereafter, from 10am to 2pm, going to work ceased to be the main reason for travelling and personal reasons became the main reason (52.9%), with most consumers walking or cycling (48.5%).

From 2pm to 6pm the use of public transport rose to (44.3%) and the figure remained fairly constant till the end of the day; the reason returning home rose to (59.7%), but peaked off at the end of the day; finally, personal reasons rose to (29.4%), before dipping only to rise once again by the end of the day. From 6pm to 10pm, private motorized transportation leads (40.0%), followed by public transportation (37.9%), and un-motorized transportation (21.4%). From 10pm to 5am, the last time zone, public transportation leads (42.5%), followed by un-motorized transportation (30.0%), and private motorized transportation (27.5%).

Mean household monthly expenditure on motorized and un-motorized transportation

	Household spending on transportation			Total households
	Un-motorized	Motorized	Total	
Public transportation	33,1	46,3	41,6	37,6
Taxi	58,0	63,0	60,9	3,1
Fuel		94,5	94,5	58,5
Parking		64,1	64,1	4,4
Total			108,1	103,6

Source: ECCM. Third four-month period 2011. Department of Economy, Employment, and Citizen Participation, Madrid City Council.

The table shows the differences between households who reported spending on any of the transportation items and the total survey sample. For example, household mean expenditure on means of transportation was 41.6 Euros for public transportation for the first group and 37.6 Euros for the second; for taxis 60.9 Euros, plummeting to a total average of 3.1 Euros; for those reporting expenditure on fuel and parking the mean was 94.5 Euros and 64.1 Euros, respectively whereas as the total mean for the same items for the entire survey sample fell sharply to 58.5 Euros and 4.4 Euros, respectively. The greater the parity between the figures in both of the columns located to the right of the table, the greater the number of users or consumers of such items of expenditure.

An analysis of the differences between households who reported spending on motorized or un-motorized transportation revealed spending on public transportation and taxi was somewhat greater for households using motorized transportation, but essentially the behavior of both was alike. Obviously, spending on fuel and parking was only applicable for households using motorized transportation.