

Press release

European purchasing power climbs by a nominal 1.9 percent

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GfK Purchasing Power Europe 2017 is now available

Bruchsal, Germany, November 7, 2017 – Europeans have an average of €13,937 per person available for spending and saving in 2017. This is one of the many results of GfK’s newly released study, “GfK Purchasing Power Europe 2017”. The available net income among the researched 42 countries varies enormously: Liechtenstein, Switzerland and Iceland have the highest average purchasing power, while Belarus, Moldova and the Ukraine have the lowest.

In 2017, Europeans have a total of around €9.4 trillion for spending on food, accommodation, living expenses, services, energy costs, private retirement savings, insurance, vacation, mobility and other consumer purchases. This corresponds to an average per-capita purchasing power of €13,937, which indicates moderate growth of 1.9 percent and a significant improvement over last year’s figures. But some countries deviate from this average value: For example, Iceland has robust, above-average growth of more than 37 percent, while countries such as Liechtenstein and Switzerland have stagnating growth rates.

Top ten European countries

2017 ranking (previous year)	country	inhabitants	GfK Purchasing Power 2017 per inhabitant in €	purchasing power index Europe*
1 (1)	Liechtenstein	37,622	63,267	453.9
2 (2)	Switzerland	8,327,126	42,142	302.4
3 (5)	Iceland	338,349	33,399	239.6
4 (3)	Luxembourg	590,667	30,499	218.8
5 (4)	Norway	5,258,317	29,407	211.0
6 (6)	Denmark	5,748,769	24,493	175.7
7 (7)	Austria	8,700,471	22,597	162.1
8 (9)	Germany	82,175,684	22,239	159.6
9 (8)	Sweden	9,995,153	21,764	156.2
10 (10)	Great Britain	65,648,054	20,857	149.6
	Europe (total)	675,389,942	13,937	100.0

source: © GfK Purchasing Power Europe 2017

*index per inhabitant: European average = 100

exchange rate for non-euro countries: prognosis of European Commission for 2017 from May 11, 2017

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As the rankings make clear, the amount available to consumers for purchases varies starkly from country to country. Far surpassing the other countries in the rankings, Liechtenstein has a per-capita purchasing power of €63,267, which is more than 350 percent above the European average. With €42,142 per person, Switzerland comes in at second place. Inhabitants of this country thus have more than three times what is available to the average European. The other countries in the rankings also have above-average purchasing power that exceeds the European average by 1.5 times or more.

Seventeen countries have above-average purchasing power, including Spain, which just barely exceeds the average with €14,080 per person. By contrast, 25 countries have below-average per-capita purchasing power. In the least affluent countries considered by the study, inhabitants have just €949 per person and less than seven percent of the European average. For example, the Ukraine has just one sixty-sixth of the per-capita purchasing power available to inhabitants of Liechtenstein.

Some reshuffling has occurred among the top-ten countries compared to last year, primarily due to exchange rate disparities. Luxembourg and Norway fell one slot apiece to fourth and fifth place, while Iceland moved two slots higher to third place. Germany and Sweden switched places in the rankings, with Germany pulling ahead to eighth place.

Comparison of selected countries and regions

A comparison of countries in close proximity and with similar purchasing power reveals insights into the regional distribution of purchasing potential. Below is an overview of purchasing power distribution in France, the Netherlands, Italy, Spain, Poland and Hungary. The results of the GfK purchasing power studies for these countries show large differences in per-capita purchasing power both within and between these nations.

2017 ranking (previous year)	country	inhabitants	GfK Purchasing Power 2017 per inhabitant in €	European purchasing power index*
13 (12)	France	64,027,958	19,537	140.2
15 (15)	The Netherlands	16,979,120	18,257	131.0
16 (16)	Italy	60,589,445	17,119	1228
17 (17)	Spain	46,557,008	14,080	101.0
	Europe (total)	675,389,942	13,937	100.0
29 (29)	Poland	38,432,992	6,710	48.1
30 (30)	Hungary	9,797,561	6,204	44.5

source: © GfK Purchasing Power Europe 2017

*index per inhabitant: European average = 100

exchange rate for non-euro countries: prognosis of European Commission for 2017 from May 11, 2017

Purchasing power homogeneously distributed in the Netherlands

The Netherlands have an average per-capita purchasing power of €18,257, which puts the country in fifteenth place and 31 percent above the European average.

This purchasing power is fairly evenly distributed among the nation's 12 provinces. In half of the provinces, the average per-capita purchasing power deviates less than four percent from the national average. Inhabitants of the province of Noord-Brabant have €17,932 per person, which equates to 1.8 percent less than the national average.

Purchasing power in the Dutch provinces

rank (of 12)	province	inhabitants	per-capita purchasing power in €	national index*	European index*
1	Noord-Holland	2,784,854	19,937	109.2	143.0
2	Utrecht	1,273,613	19,293	105.7	138.4
3	Zeeland	381,252	18,675	102.3	134.0
4	Zuid-Holland	3,622,303	18,668	102.3	133.9
5	Noord-Brabant	2,498,749	17,932	98.2	128.7
6	Limburg	1,116,260	17,788	97.4	127.6
7	Flevoland	404,068	17,616	96.5	126.4
8	Gelderland	2,035,351	17,607	96.4	126.3
9	Overijssel	1,144,280	16,812	92.1	120.6
10	Friesland	646,040	16,758	91.8	120.2
11	Drenthe	488,629	16,652	91.2	119.5
12	Groningen	583,721	15,989	87.6	114.7

source: © GfK Purchasing Power Netherlands 2017

*index: value per inhabitant / average = 100

Encompassing the capital city of Amsterdam, the province of Noord-Holland takes first place this year among the Netherlands' provinces, surpassing Utrecht. Inhabitants in this province have €19,937 per person, which is nine percent more than the national average and 43 percent more than the European average.

A disparate picture emerges when it comes to the country's three north-easternmost provinces: Groningen, Drenthe and Friesland. With a per-capita purchasing power of €15,989, Groningen is 12 percent below the national average, which puts it in last place. Even so, inhabitants of this province still have €2,000 per person, which is almost 15 percent more than the European average.

Purchasing power hotspots in and around Paris, France

France has an average per-capita purchasing power of €19,537, which puts it more than 40 percent above the European average and in thirteenth place, closely followed by Belgium (€19,198 per person) and the Netherlands.

France's previous 22 regions were consolidated into just 13 regions as part of an administrative reform that went into effect on January 1, 2016. With a per-capita purchasing power of €19,522, the region Provence-Alpes-Cote d'Azur hovers right around the national average.

Top ten regions in France

rank (of 13)	region	inhabitants	per-capita purchasing power in €	national index*	European index*
1	Ile-de-France	12,027,565	22,983	117.6	164.9
2	Auvergne-Rhone-Alpes	7,820,966	19,849	101.6	142.4
3	Provence-Alpes-Cote d'Azur	4,983,438	19,522	99.9	140.1
4	Centre-Val de Loire	2,577,435	19,189	98.2	137.7
5	Bourgogne-Franche-Comte	2,820,623	18,938	96.9	135.9
6	Nouvelle-Aquitaine	5,879,144	18,826	96.4	135.1
7	Bretagne	3,276,543	18,776	96.1	134.7
8	Normandy	3,335,645	18,603	95.2	133.5
9	Pays de la Loire	3,690,833	18,585	95.1	133.3
10	Grand Est	5,554,694	18,516	94.8	132.9

source: © GfK Purchasing Power France 2017

*index: value per inhabitant / average = 100

Only two of France's 13 regions have per-capita purchasing power above the national average. These same two regions comprise almost one-third of the French population: Ile-de-France and Auvergne-Rhone-Alpes. The capital city region of Ile-de-France leads the rankings by a significant margin. Inhabitants of Paris and the surrounding area have €22,983 per person, which is almost 18 percent more than the national average and 65 percent more than the European average.

As was the case last year, last place is occupied by Hauts-de-France, which consists of the former regions of Nord-Pas-de-Calais and Picardie. Hauts-de-France has a per-capita purchasing power of €17,103, which is 12.5 percent less than the national average, but still almost 23 percent more than the European average.

The Germany-bordering region of Alsace was among France's regions with the most purchasing power in the years prior to the administrative reform. Following the fusion of Alsace with less affluent Champagne-Ardenne and Lorraine, the newly formed region of Grand Est is now in tenth place among France's 13 regions.

Spain firmly in the midfield

With a per-capita purchasing power of €14,080, Spain is just one percent above the European average. The country is relatively alone in the midfield with regard to the purchasing power values of the other countries considered by the study. No other nation comes close to the European average. Italy, the next most affluent country, has a per-capita purchasing power of €17,119, which is almost 23 percent more than the European average. By contrast, Malta, the next least affluent country, has a per-capita purchasing power of €11,648, which is more than 16 percent less than the European average.

The most average purchasing power values in Spain can be found in the northern province of Asturias: This province lies directly on the Bay of Biscay and is known for its green coastal landscape. With a per-capita purchasing power of €13,995, Asturias is 0.6 percent below the Spanish average and 0.4 percent above the European average.

Top 10 provinces in Spain

rank (of 54)	province	inhabitants	per-capita purchasing power in €	national index*	European index*
1	Araba/Alava	324,126	18,973	134.7	136.1
2	Gipuzkoa	717,832	18,725	133.0	134.4
3	Navarra	640,647	17,563	124.7	126.0
4	Madrid	6,466,996	17,509	124.4	125.6
5	Bizkaia	1,147,576	17,486	124.2	125.5
6	Barcelona	5,542,680	16,611	118.0	119.2
7	Lleida	434,041	15,828	112.4	113.6
8	Girona	753,576	15,768	112.0	113.1
9	Tarragona	792,299	15,597	110.8	111.9
10	Huesca	221,079	15,553	110.5	111.6

source: © GfK Purchasing Power Spain 2017

* index: value per inhabitant / average = 100

Spain's province with the most purchasing power is Araba/Alava, which toppled Gipuzkoa to take first place in this year's rankings. Inhabitants of Araba/Alava have €18,973 per person, which is 35 percent more than the national average. Ranked in last place in 2016, the Andalusian province of Cadiz remains in that position in this year's rankings. Inhabitants of this province have a per-capita purchasing power of €9,729, which is more than 30 percent less than the national average.

Major purchasing power gap between northern and southern Italy

Italy has an average per-capita purchasing power of €17,119. This puts the country at almost 23 percent above the European average and in sixteenth place among the 42 countries considered by the study.

Among Italy's 109 provinces, Macerata and Pistoia have the most average purchasing power values. Inhabitants of Macerata have an average of €17,178 per person, while inhabitants of Pistoia have an average of €17,176 per person. This is 0.3 percent higher than the national average and more than 23 percent higher than the European average.

Top 10 provinces in Italy

rank (of 112)	province	inhabitants	per-capita purchasing power in €	national index*	European index*
1	Milano	3,218,201	23,409	136.7	168.0
2	Bologna	1,009,210	22,538	131.7	161.7
3	Trieste	234,682	22,235	129.9	159.5
4	Bolzano	524,256	21,990	128.4	157.8
5	Genoa	850,071	21,443	125.3	153.9
6	Parma	448,899	21,251	124.1	152.5
7	Lecco	339,238	21,113	123.3	151.5
8	Monza e della Brianza	868,859	21,064	123.0	151.1
9	Valle d'Aosta / Vallee d'Aoste	126,883	20,850	121.8	149.6
10	Modena	700,862	20,473	119.6	146.9

source: © GfK Purchasing Power Italy 2017

*index: value per inhabitant / average = 100

There is a clear gap in the distribution of purchasing power in northern and southern Italy. All of Italy's provinces ranked in the top ten are located in northern Italy. Surpassing all others are the province of Milano and the fashion metropolis by the same name, whose inhabitants have a per-capita purchasing power of €23,409. This is almost 37 percent more than the national average and 68 percent more than the European average.

By contrast, the ten least affluent provinces are all located in southern Italy (from Naples southward). Last place is occupied by Crotona, which is situated in the country's far south. Inhabitants of this province have a per-capita purchasing power of just €10,141, which is 41 percent less than the national average and 27 percent less than the European average. Average purchasing power values characterize the provinces in the country's geographic middle (along a similar latitude as Rome).

Sharp contrasts between rich and poor in Poland

Poland has a 2017 per-capita purchasing power of €6,710. Ranked twenty-ninth, Poland has almost 48 percent of the average European purchasing power.

A closer look at the data at the level of Poland's districts reveals extreme contrasts between rich and poor. Inhabitants of the country's wealthiest district have three times the funds available to inhabitants of the country's poorest district.

Top 10 districts (powiaty) in Poland

rank (of 380)	district	inhabitants	per-capita purchasing power in €	national index*	European index*
1	Warszawa	1,753,977	12,473	185.9	89.5
2	Piaseczynski	179,496	9,860	146.9	70.7
3	Sopot	36,849	9,846	146.7	70.6
4	Poznan	540,372	9,608	143.2	68.9
5	Warszawski Zachodni	114,079	9,537	142.1	68.4
6	Katowice	298,111	9,414	140.3	67.5
7	Wroclaw	637,683	9,393	140.0	67.4
8	Pruszkowski	161,645	9,240	137.7	66.3
9	Tychy	128,351	8,713	129.8	62.5
10	Gliwice	182,156	8,659	129.0	62.1

source: © GfK Purchasing Power Poland 2017

*index: value per inhabitant / average = 100

Among Poland's districts, Warszawa has the highest purchasing power: Inhabitants of the Polish capital have an average of €12,472 per person, which is almost 86 percent more than the national average and 89.5 percent of the European average. With €6,681 per person, the district of Sochaczewski hovers around the national average.

The number of wealthier and poorer districts has continually increased in recent years. Twenty-two of Poland's 380 districts have purchasing power that is at least 20 percent above the national average, which is indicative of growing affluence in some regions of the country. But the country also has 119 districts that lie 20 percent or more below the national average. The gap between rich and poor is thus becoming ever greater: Inhabitants of the poorest district Przysuski have less than 62 percent of the country's per-capita average and just 29.8 percent of the European average.

Hungary's purchasing power highest around Budapest and toward Austria

Hungary has an average per-capita purchasing power of €6,204, which amounts to 44.5 percent of the European average. As such, Hungary is ranked thirtieth, just below Poland.

Of Hungary's 20 counties, seven have above-average purchasing power. These are all located in and around the capital city of Budapest and in a continuous cluster toward the Austrian border to the west. The capital city of Budapest leads the pack with €7,649 per person, which is more than 23 percent higher than the national average, but still 45 percent lower than the European average.

Top 10 counties (megyek) in Hungary

rank (of 20)	county	inhabitants	per-capita purchasing power in €	national index*	European index*
1	Budapest	1,752,704	7,649	123.3	54.9
2	Komárom-Esztergom	297,381	6,918	111.5	49.6
3	Fejér	416,215	6,825	110.0	49.0
4	Pest	1,247,372	6,504	104.8	46.7
5	Vas	253,109	6,477	104.4	46.5
6	Veszprém	342,501	6,348	102.3	45.5
7	Győr-Moson-Sopron	457,344	6,326	102.0	45.4
8	Heves	296,927	6,059	97.7	43.5
9	Tolna	221,799	5,979	96.4	42.9
10	Zala	272,798	5,903	95.1	42.4

source: © GfK Purchasing Power Hungary 2017

*index: value per inhabitant / average = 100

In last place among Hungary's counties is Szabolcs-Szatmár-Bereg, which lies in the northeastern area of the country along the border with Romania and the Ukraine. Inhabitants of this county have a per-capita purchasing power of €4,803, which is 77.4 percent of the national average and 34.5 percent of the European average. The northwesternmost county of Győr-Moson-Sopron on the border of Austria and Slovakia has a per-capita purchasing power of €6,326, which is just two percent above the national average.

About the study

The study "GfK Purchasing Power Europe 2017" is available for 42 European countries at detailed regional levels such as municipalities and post-codes, along with seamlessly fitting data on inhabitants and households as well as digital maps.

Purchasing power is a measure of disposable income after the deduction of taxes and charitable contributions and including any received state benefits. The study indicates per-person, per-year purchasing power levels in euros and as an index value. GfK Purchasing Power is based on the population's nominal disposable income, which means values are not adjusted for inflation. The study draws on statistics on income and tax levels, government benefits and forecasts by economic institutes.

Consumers use their general purchasing power to cover expenses related to eating, living, services, energy, private pensions and insurance premiums as well as other expenditures, such as vacation, mobility and consumer purchases.

Additional information on GfK's regional market data can be found [here](#).

Print-quality illustrations can be found [here](#).

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