



# Consumer Confidence Tracker

**March 2015**

PREPARED BY:  
Luke Reaper and Ciara McCarthy

Behaviour & Attitudes  
J.6245

# Introduction



# Introduction

- This report presents the findings of the February 2015 phase of the Behaviour & Attitudes' Consumer Confidence Tracker.
- Survey results for this phase are based on a sample of 1,006 adults aged 16+, quota controlled in terms of age, gender, socio-economic class and region to reflect the profile of the adult population of the Republic of Ireland.
- All interviewing on the survey is conducted on our fortnightly face-to-face Barometer by trained members of the B&A field force working under ESOMAR guidelines.
- Fieldwork on the latest wave was carried out between the 5<sup>th</sup> – 15<sup>th</sup> of February, 2015.

# Summary

- Macro-level indicators continue to shine light on Ireland's recovery: the number of Live Register claimants has fallen, employment figures have risen and confidence in the economy looking forward has hit an all-time high.

## CONSUMER CONFIDENCE RESULTS:

- Irish people are more confident in the economy looking ahead than they have been since the boom years:
  - While the gap in sentiment between Dublin and Outside Dublin remains, both remain in positive territory for the fourth wave in a row.
  - The number of adults agreeing that the economy will improve during the oncoming year has risen by 6% points to 33% overall vs. the same period last year. Just 1 in 4 (26%) feel that the economy will be worse off in one year's time (-8% points vs. February 2014).
- With the exception of Dubliners, ABC1's and those under the age of 35, overall perceptions of personal finances for the year ahead has *not* seen an improvement this wave and remains in negative territory.
- Similarly, propensity to save throughout the oncoming year has remained in negative territory (albeit figures are improving gradually).

# Summary

- The greatest improvement overall this wave was seen in perceptions of personal asset value looking ahead: both those living in Dublin and Outside Dublin feel that the value of their assets will increase during the year ahead (however Dubliners are twice as optimistic overall). Irish people haven't felt as confident about the value of their assets since 2007.
- Propensity to purchase goods in the oncoming still shines light on cautious nature of Irish consumers: just 1 in 10 (12%) expect to spend more in the next 12 months.
- In line with the latter, current weekly discretionary income has not really moved since sept, all but year-on-year a degree of increase is evident. Dubliners and middle classes (ABC1) have greater levels of disposable income vs. those living Outside Dublin and Blue Collar sector (C2DE's) respectively.

# The Macro Context: Growth and Improvements in Sentiment





# Positive indicators

**Ireland tipped to be fastest-growing euro area economy in 2015.**

**For the first time since 2007, consumer spending and investment helped fuel the growth in the economy.**

**Budget 2015 is expected to be the last austerity Budget, and somewhat softer than previous years.**

**2014 was the year that saw a surge in prices for homes in the capital: good news for those in negative equity.**

**Retail Sales Index volume increased 3.3% in February 2015 vs. December 2014.**

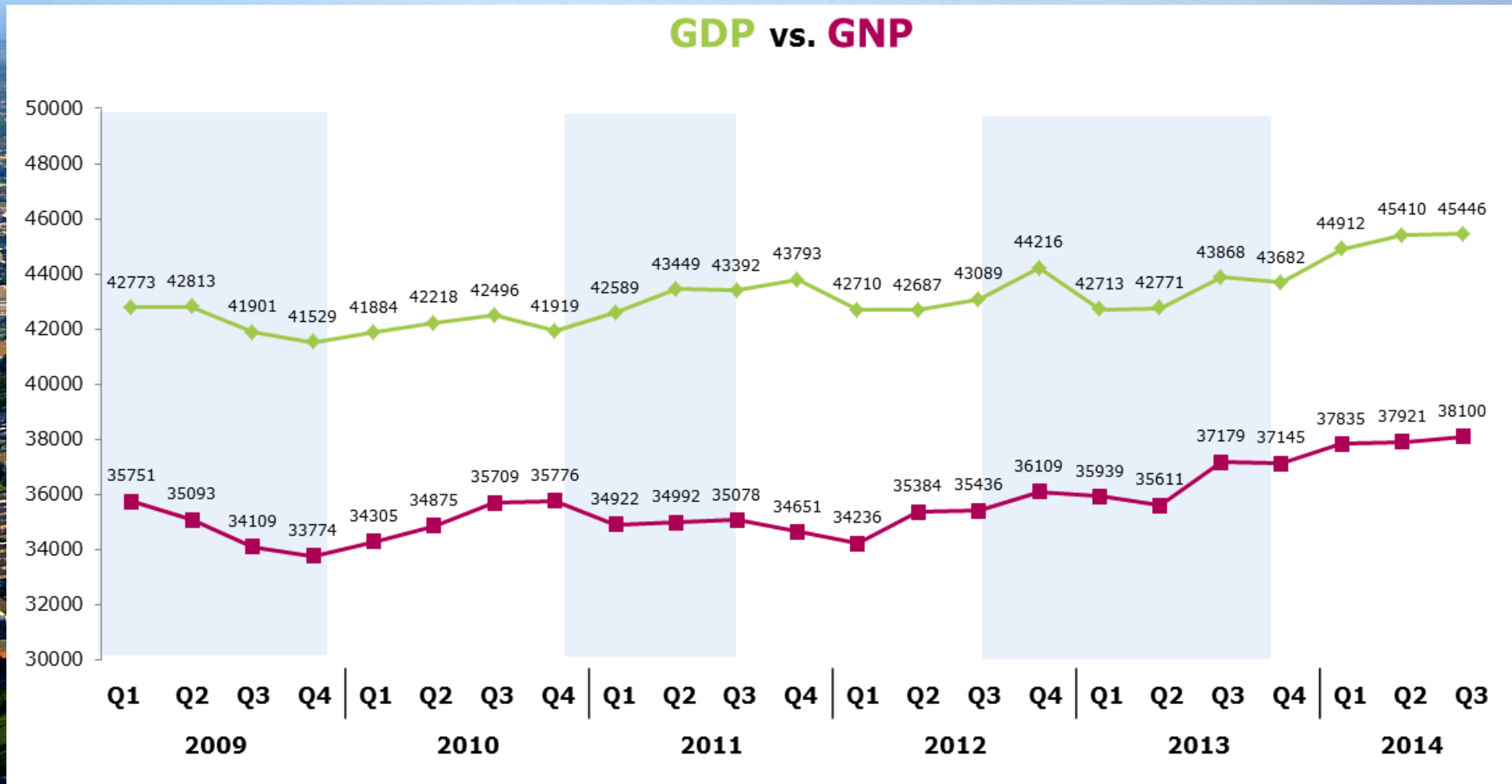
**There were 355,600 people signing on the Live Register in February 2015. This represents an annual decrease of 42,900 (-10.8%)**

*Source: Goodbody Stockbrokers (Jan. 2015), Central Statistics Office and The Irish Independent (Jan. 2015), CSO Estimates as of the 5<sup>th</sup> of March 2015.*





# Fastest growth in 7 years



Source: CSO as of February 23<sup>rd</sup> 2015



# More job security

## The Live Register

**-10.8%** ↓

**Annual Decrease**  
of Live Register Signers in Feb 2015

**139,239**



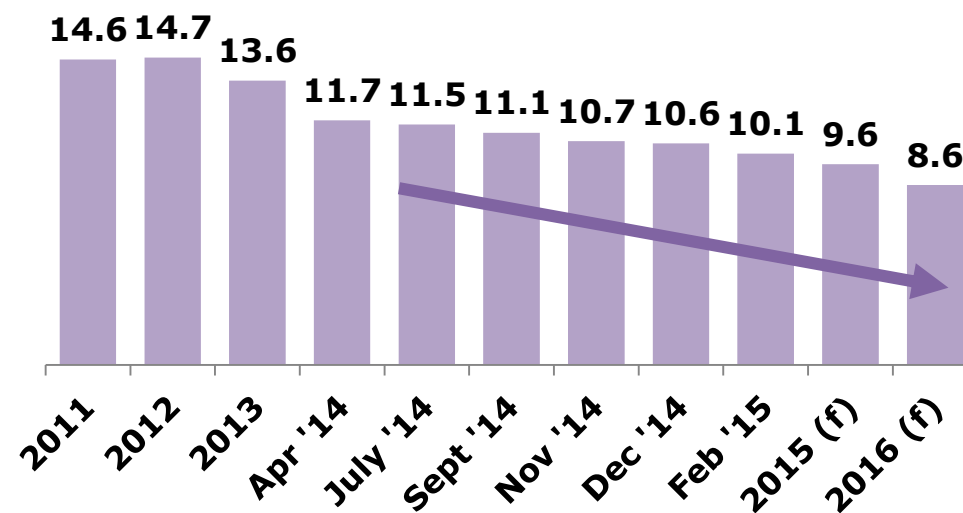
**-7.6%**  
vs. Feb 2014

**215,885**



**-12.7%**  
vs. Feb 2014

## Unemployment in Ireland



**10.1%**

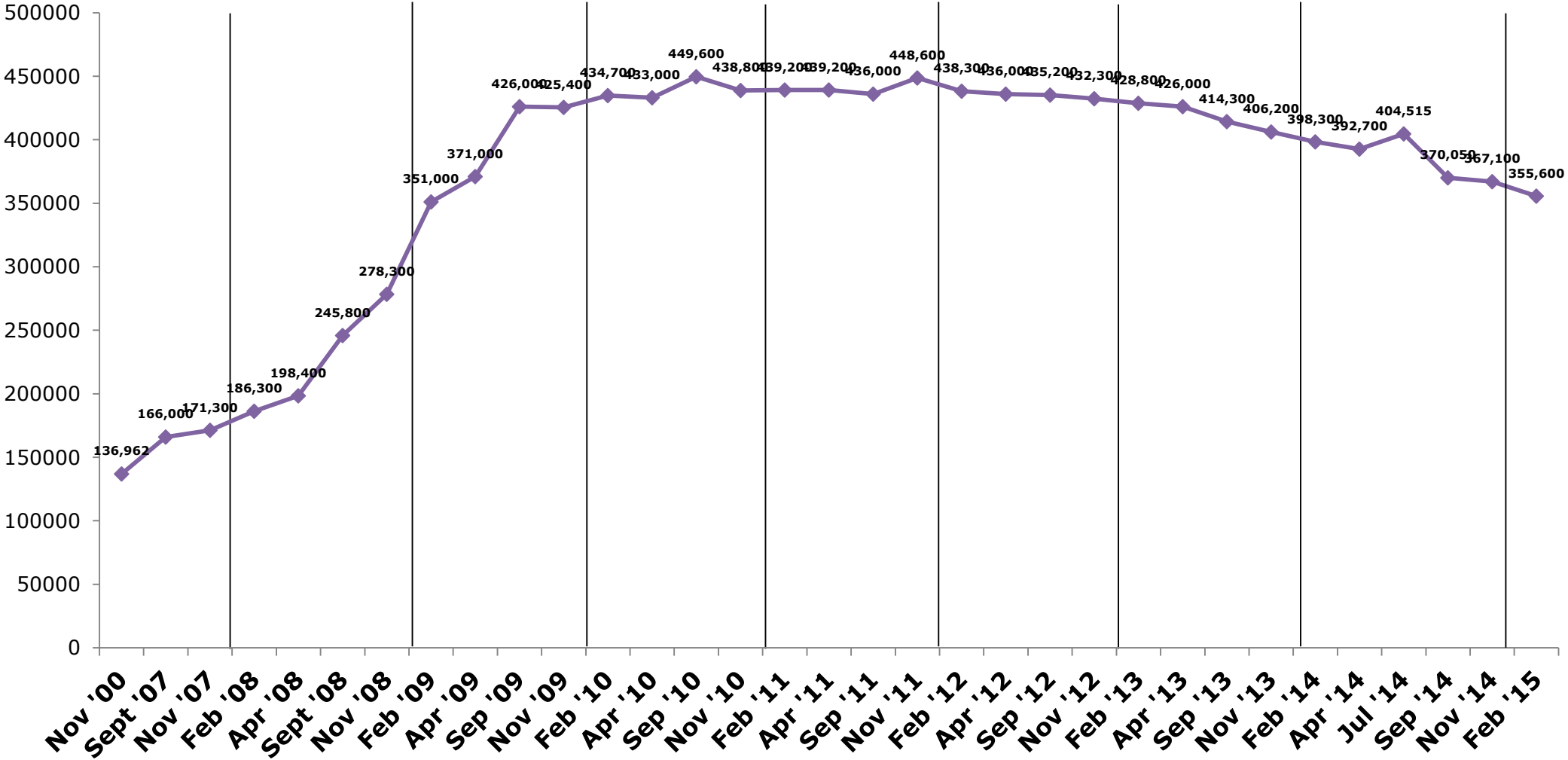
**Current rate of  
unemployment**

# Number in employment increasing



\*Source: CSO latest estimates as of Oct 20<sup>th</sup> 2014

# Unemployment consistently decreasing

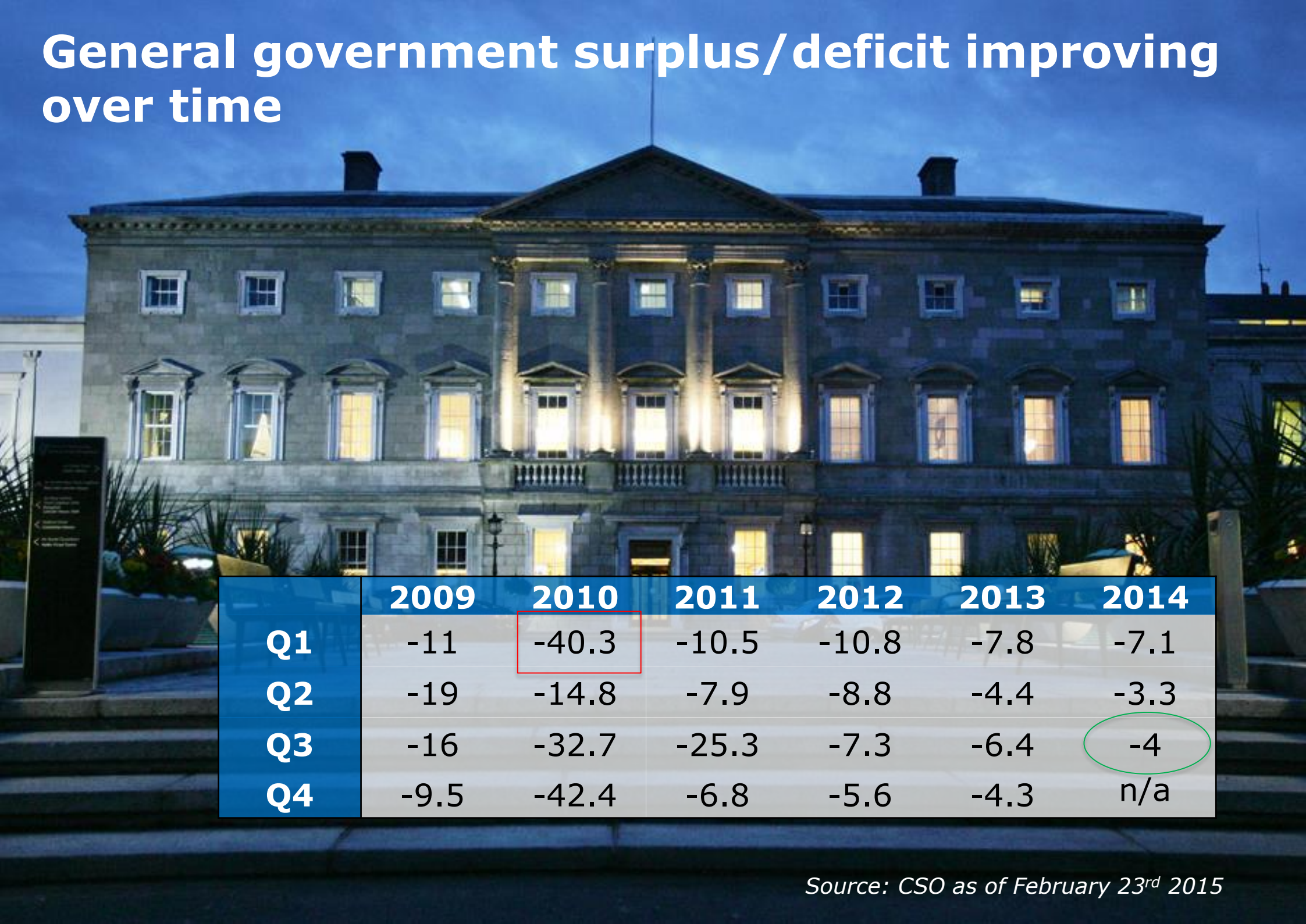


\* The Live Register is not designed to measure unemployment. It includes part-time work e.g. seasonal & casual workers who work up to 3 days per week

\*Source: CSO latest estimates as of Oct 20<sup>th</sup> 2014 12



# General government surplus/deficit improving over time



|    | 2009 | 2010  | 2011  | 2012  | 2013 | 2014 |
|----|------|-------|-------|-------|------|------|
| Q1 | -11  | -40.3 | -10.5 | -10.8 | -7.8 | -7.1 |
| Q2 | -19  | -14.8 | -7.9  | -8.8  | -4.4 | -3.3 |
| Q3 | -16  | -32.7 | -25.3 | -7.3  | -6.4 | -4   |
| Q4 | -9.5 | -42.4 | -6.8  | -5.6  | -4.3 | n/a  |

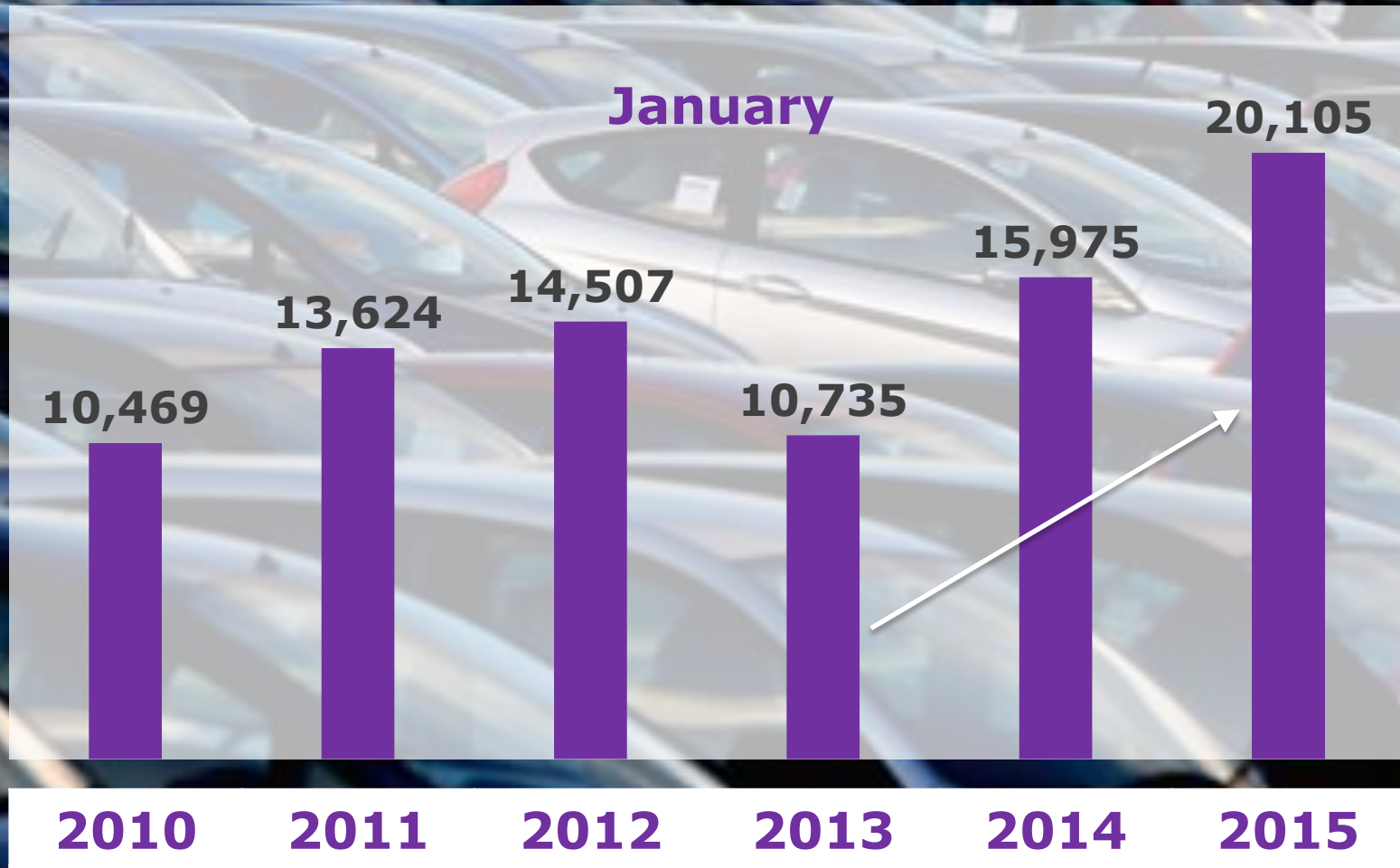
Source: CSO as of February 23<sup>rd</sup> 2015





***Ireland now officially has the fastest growing economy in Europe; GDP, grew by 4.8% in 2014, exports increased 10.5%, and domestic demand - a key driver of jobs growth - rose 3.5%.***

**+25.9%** *annual increase in number of new private cars licensed in January 2015.*





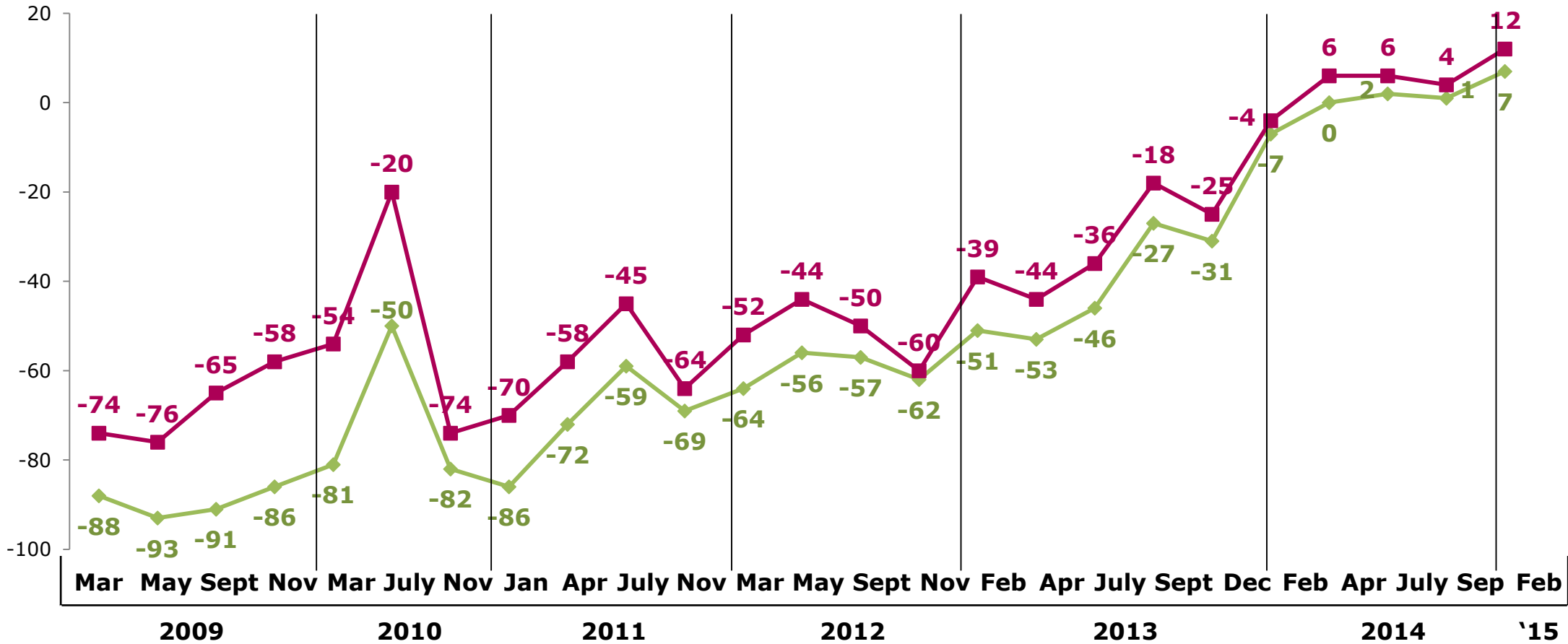
# Consumer Confidence Findings



# Positivity is evident: Improvements consistently being made over time

|                          |            |
|--------------------------|------------|
| Net diff looking forward |            |
| <b>Outside</b>           | <b>+29</b> |
| <b>Dublin</b>            | <b>+6</b>  |

## Looking Back vs. Looking Forward (Net Diff: Positive-Negative)



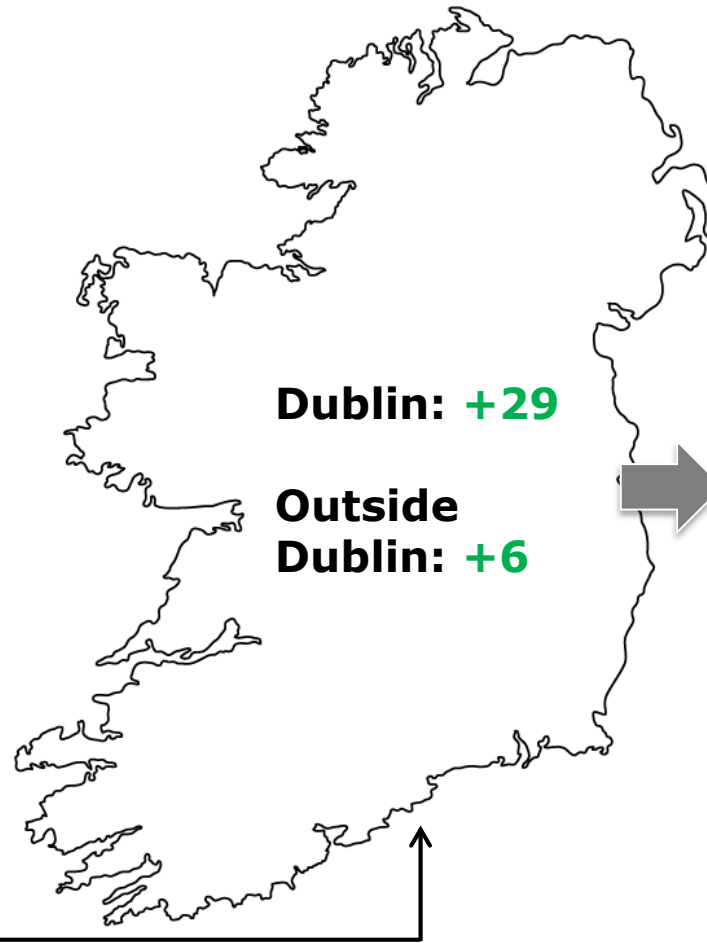
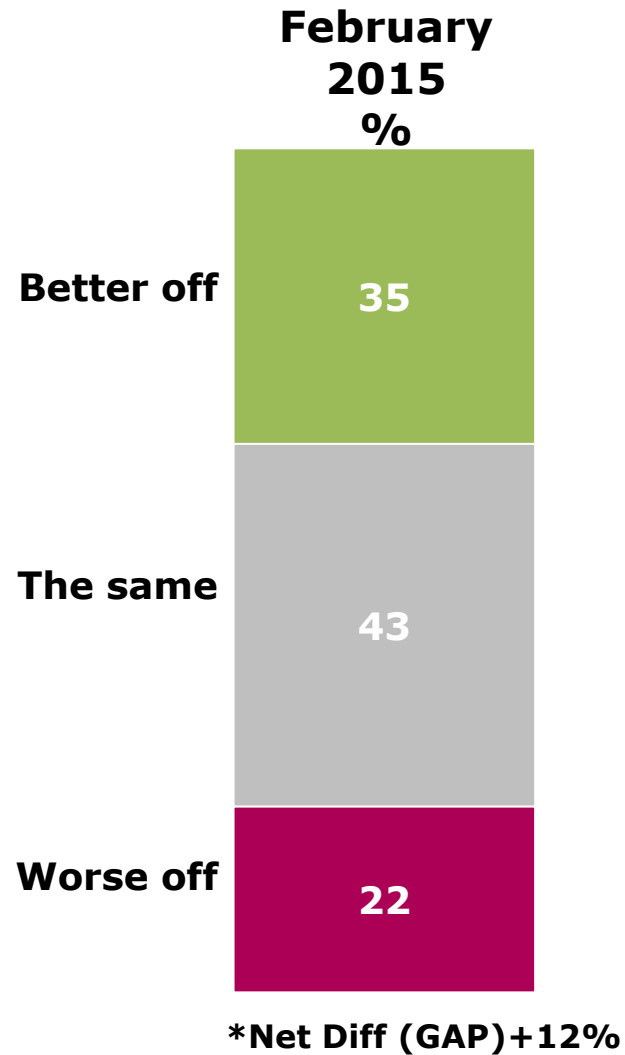
Source: B&A Consumer Confidence Report

Q.1 Thinking about the economy as a whole, do you think that the country is better off, worse off, or about the same as last year?  
 Q.2 And what about the coming year, do you think that the country will be better off, worse off or about the same as this year?



# The Economy: Looking Forward – We remain in positive territory for the forth wave in a row

Base: All Adults 18+



Dublin scores performing far greater vs outside Dublin.

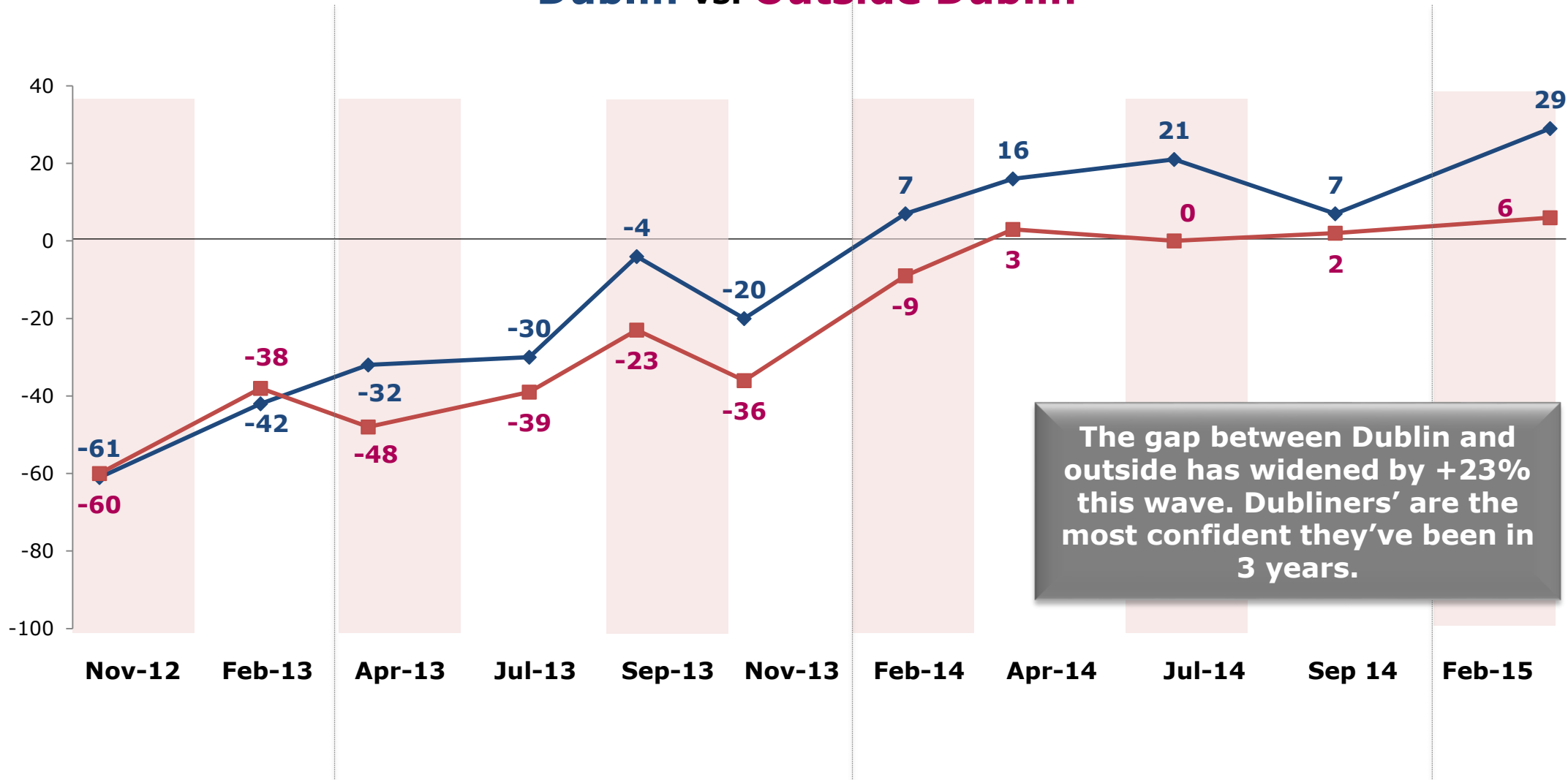
|     | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | Feb '14 | Apr '14 | Jul '14 | Sep '14 | Feb 14' |
|-----|------|------|------|------|------|------|------|------|---------|---------|---------|---------|---------|
| Gap | =    | -15  | -59  | -68  | -49  | -58  | -52  | -32  | -5      | +6      | +6      | +4      | +12     |



# The Economy: Looking Forward – Gap between Dublin and Outside Dublin has widened once again

Base: All Adults 18+

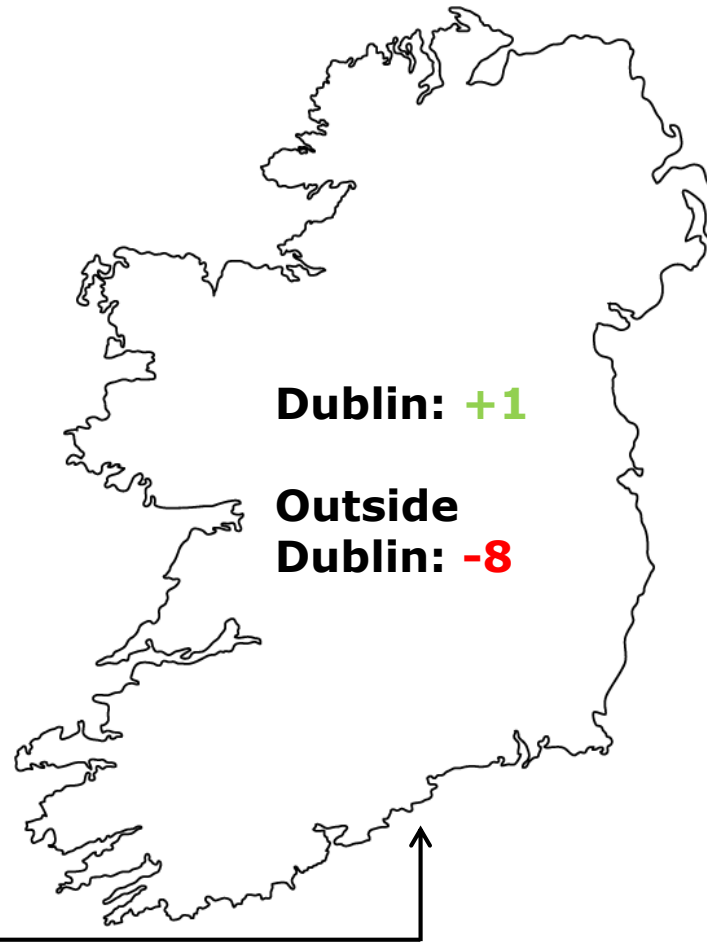
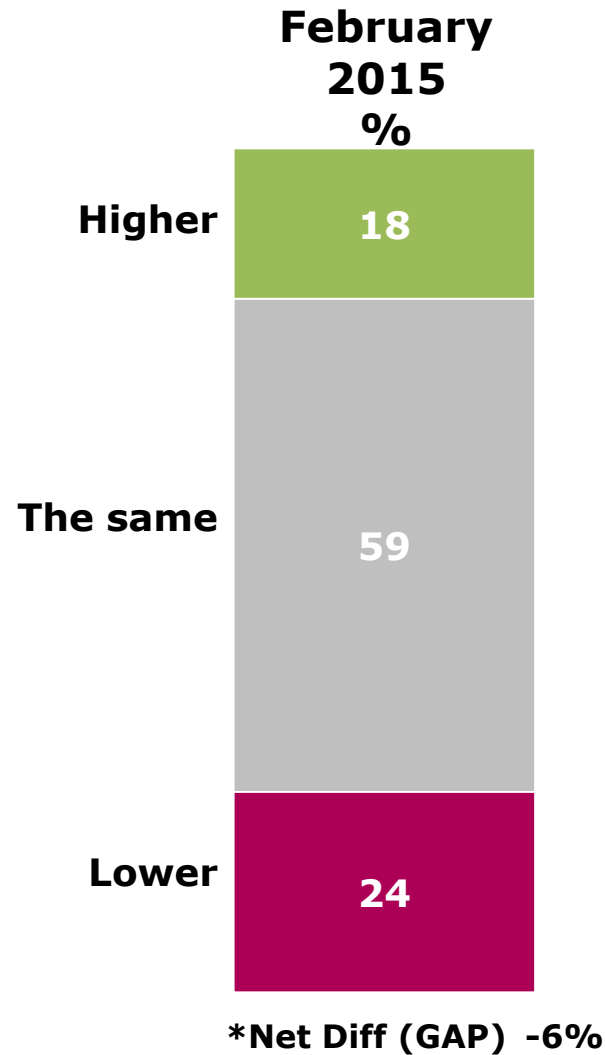
## Dublin vs. Outside Dublin



Source: B&A Consumer Confidence Report

# Personal Finances – Looking Forward: Caution is still Evident

Base: All Adults 18+



After showing signs of positivity for two consecutive waves in 2014, we remain in negative territory once again.

|     | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | Feb '14 | Apr '14 | Jul '14 | Sep '14 | Feb '15 |
|-----|------|------|------|------|------|------|------|------|---------|---------|---------|---------|---------|
| Gap | =    | -15  | -59  | -68  | -49  | -58  | -52  | -32  | -5      | +6      | +6      | -13     | -6      |



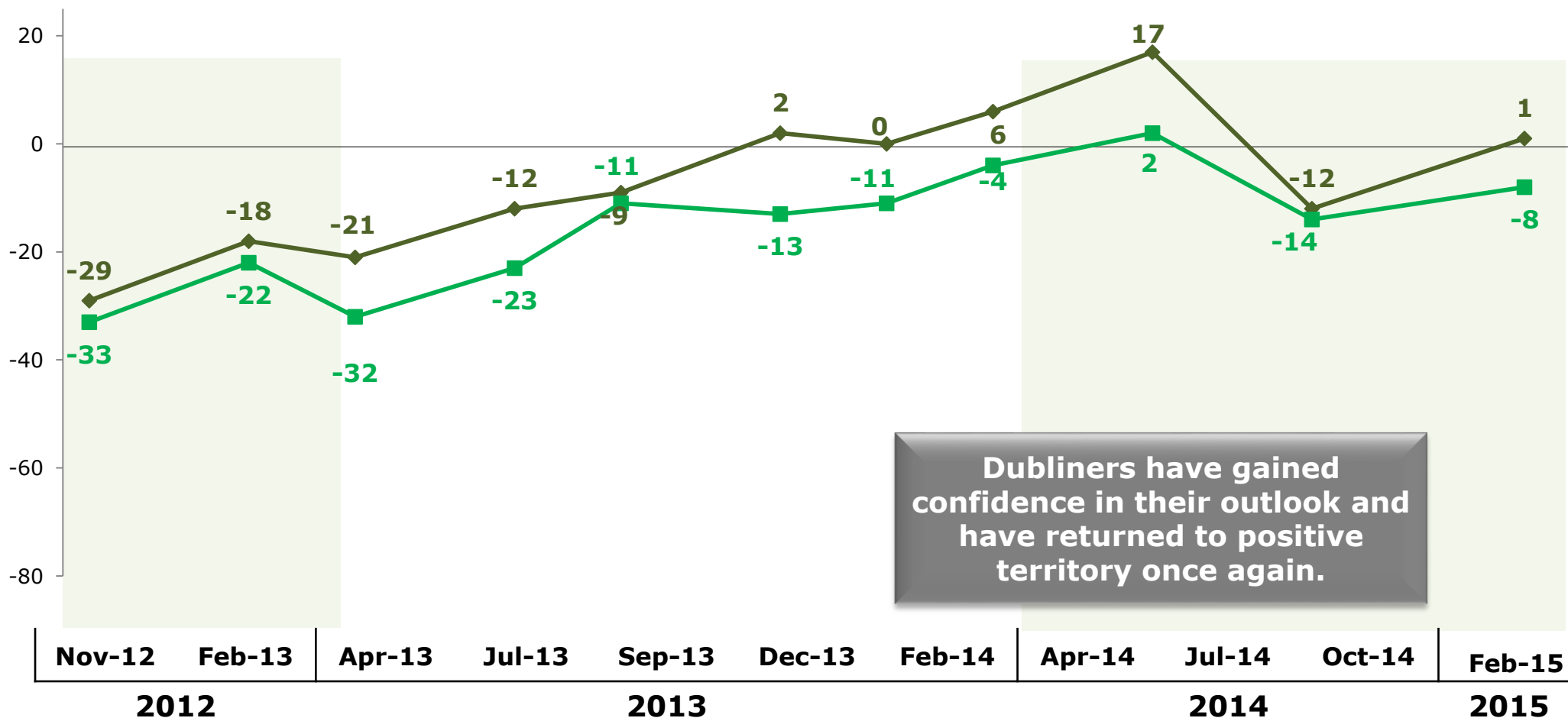
Q.5

Do you expect your income in the next year, after inflation and taxes, to be higher, lower or the same as in the last twelve months?

# Personal Finances – Looking Forward x Region

Base: All Adults 18+

## Dublin vs. Outside Dublin



Dubliners have gained confidence in their outlook and have returned to positive territory once again.

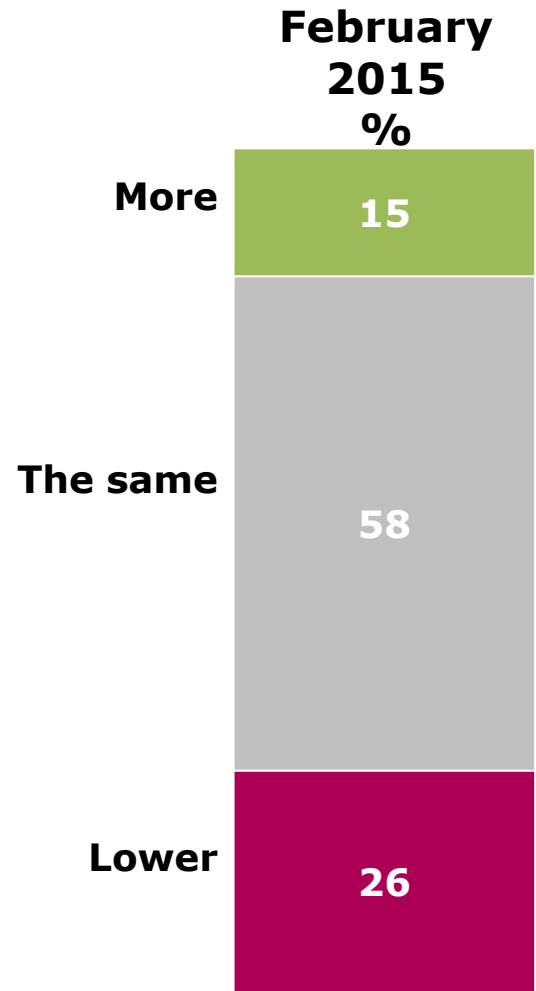
Q.5

Do you expect your income in the next year, after inflation and taxes, to be higher, lower or the same as in the last twelve months?

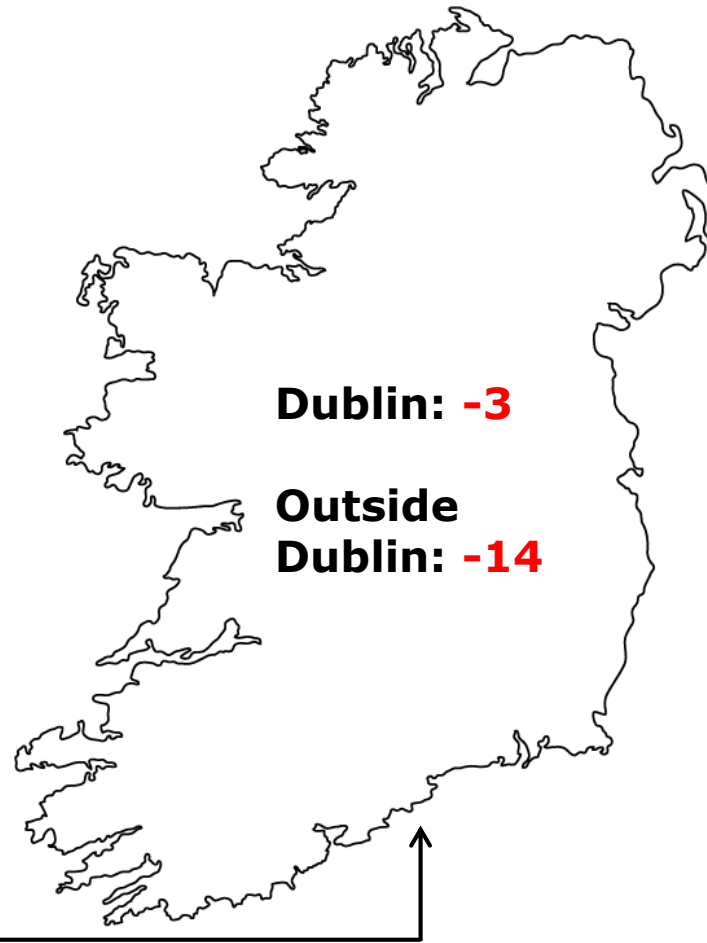


# Savings – Looking Forward

Base: All Adults 18+



\*Net Diff (GAP) -11%



|            | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | Feb '14 | Apr '14 | Jul '14 | Sep '14 | Feb'15 |
|------------|------|------|------|------|------|------|------|------|---------|---------|---------|---------|--------|
| <b>Gap</b> | -1   | -5   | -34  | -56  | -48  | -50  | -48  | -40  | -33     | -23     | -20     | -21     | -11    |



Q.8

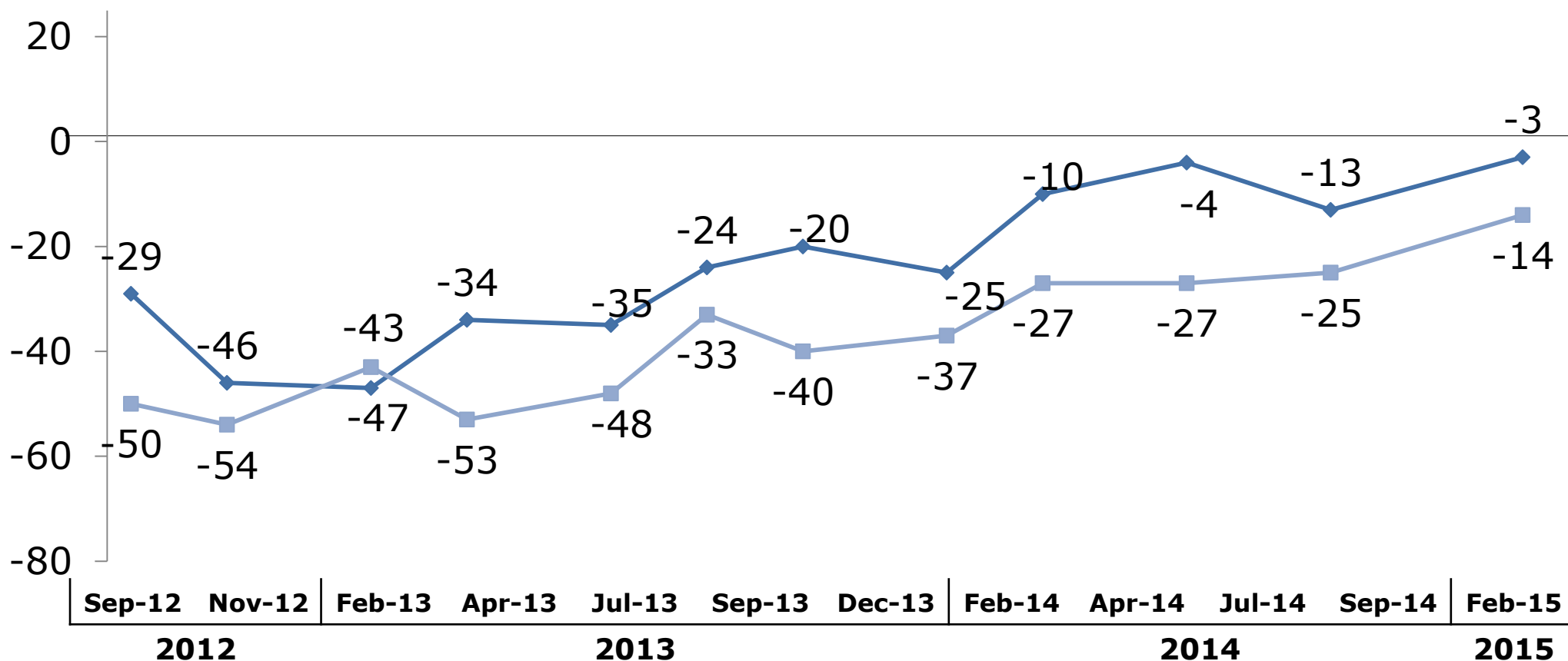
Do you expect to save more, less or the same amount in the year ahead compared with the last twelve months?

# Savings – Looking Forward x Region

Base: All Adults 18+

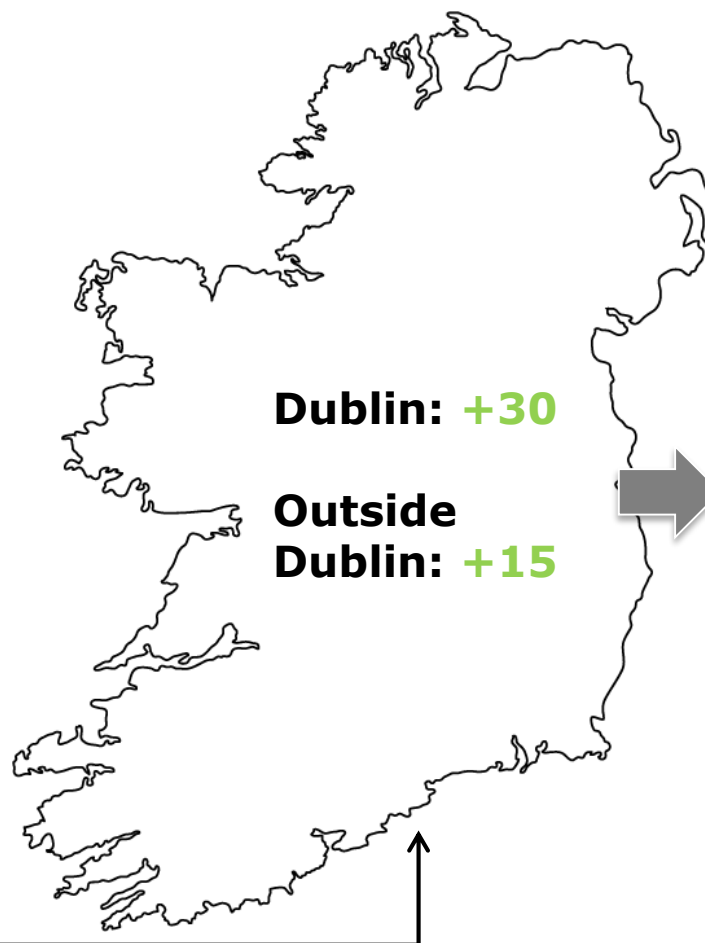
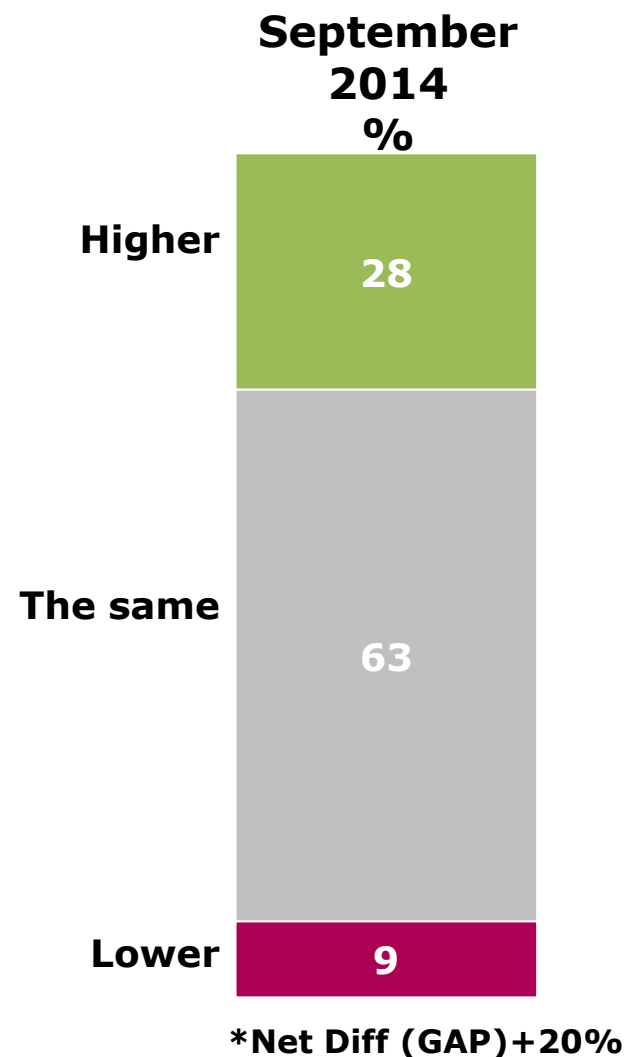
## Dublin vs. Outside Dublin

Gap between Dublin has tightened somewhat this wave.



# Personal Assets– Looking Forward

Base: All Adults 18+



Those living in Dublin feel twice as optimistic about their personal assets looking ahead vs. those outside Dublin.

|     | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | Feb '14 | Apr '14 | Jul '14 | Sep '14 | Feb'15 |
|-----|------|------|------|------|------|------|------|------|---------|---------|---------|---------|--------|
| Gap | +33  | +20  | -25  | -53  | -43  | -41  | -31  | -18  | -8      | -1      | +3      | +8      | +20    |

Q.6

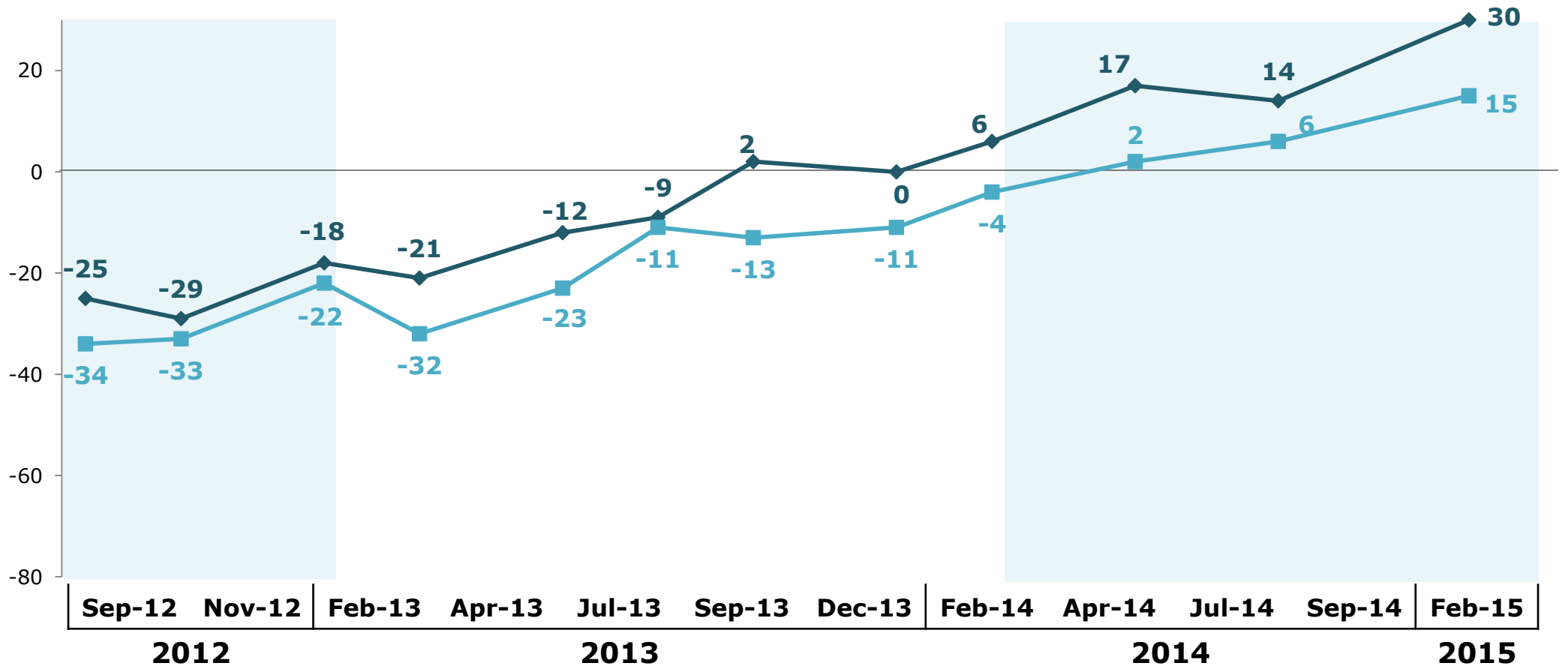
Do you expect your assets (your house, shares, pension entitlements, savings) In the next year to be higher, lower or the same as in the past year?

# Personal Assets – Looking Forward x Region

Base: All Adults 18+

## Dublin vs. Outside Dublin

Dublin continues its positive trajectory for the fourth wave in a row.



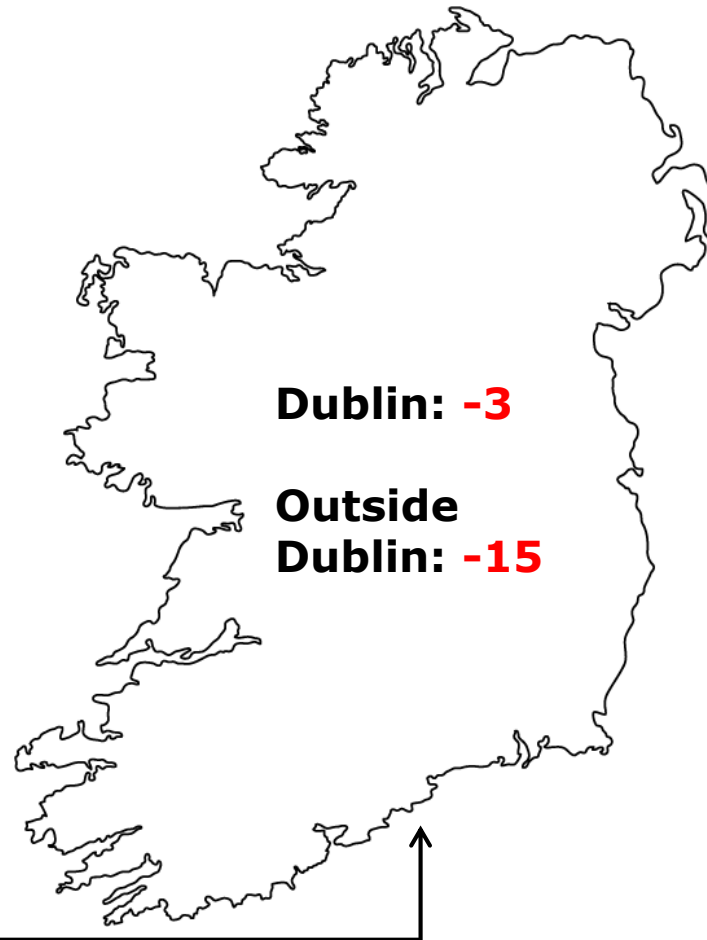
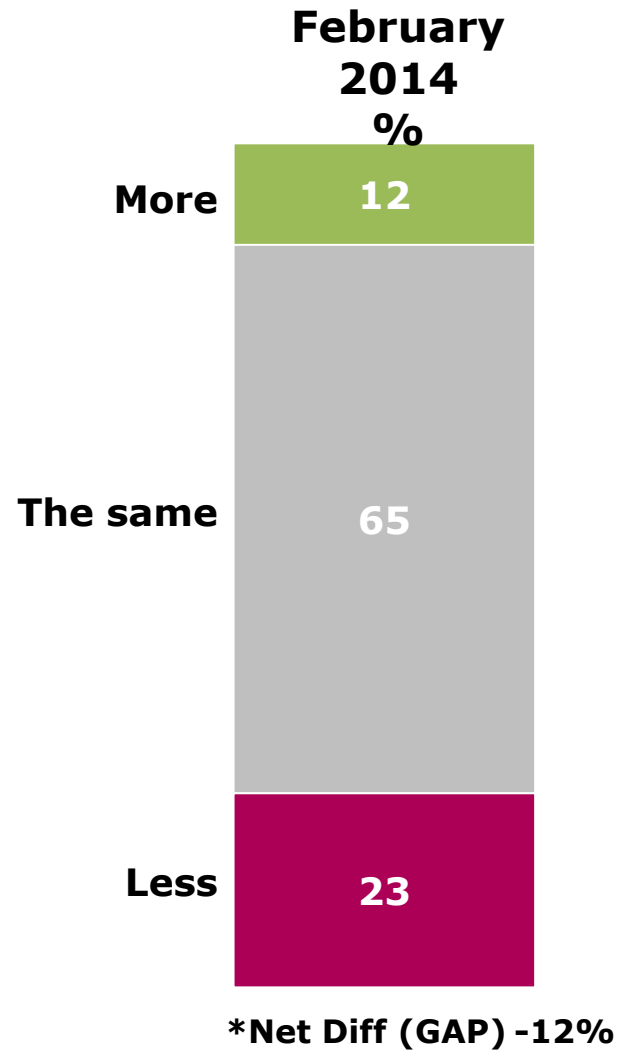
Q.6

Do you expect your assets (your house, shares, pension entitlements, savings) in the next year to be higher, lower or the same as in the past year?



# Purchasing Goods and Services – Looking Forward: Improvements are Evident

Base: All Adults 18+



|            | 2006      | 2007      | 2008       | 2009       | 2010       | 2011       | 2012       | 2013       | Feb '14    | Apr '14    | Jul '14    | Sep '14    | Feb '15    |
|------------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Gap</b> | <b>+7</b> | <b>+5</b> | <b>-29</b> | <b>-63</b> | <b>-47</b> | <b>-52</b> | <b>-45</b> | <b>-37</b> | <b>-29</b> | <b>-16</b> | <b>-15</b> | <b>-13</b> | <b>-12</b> |

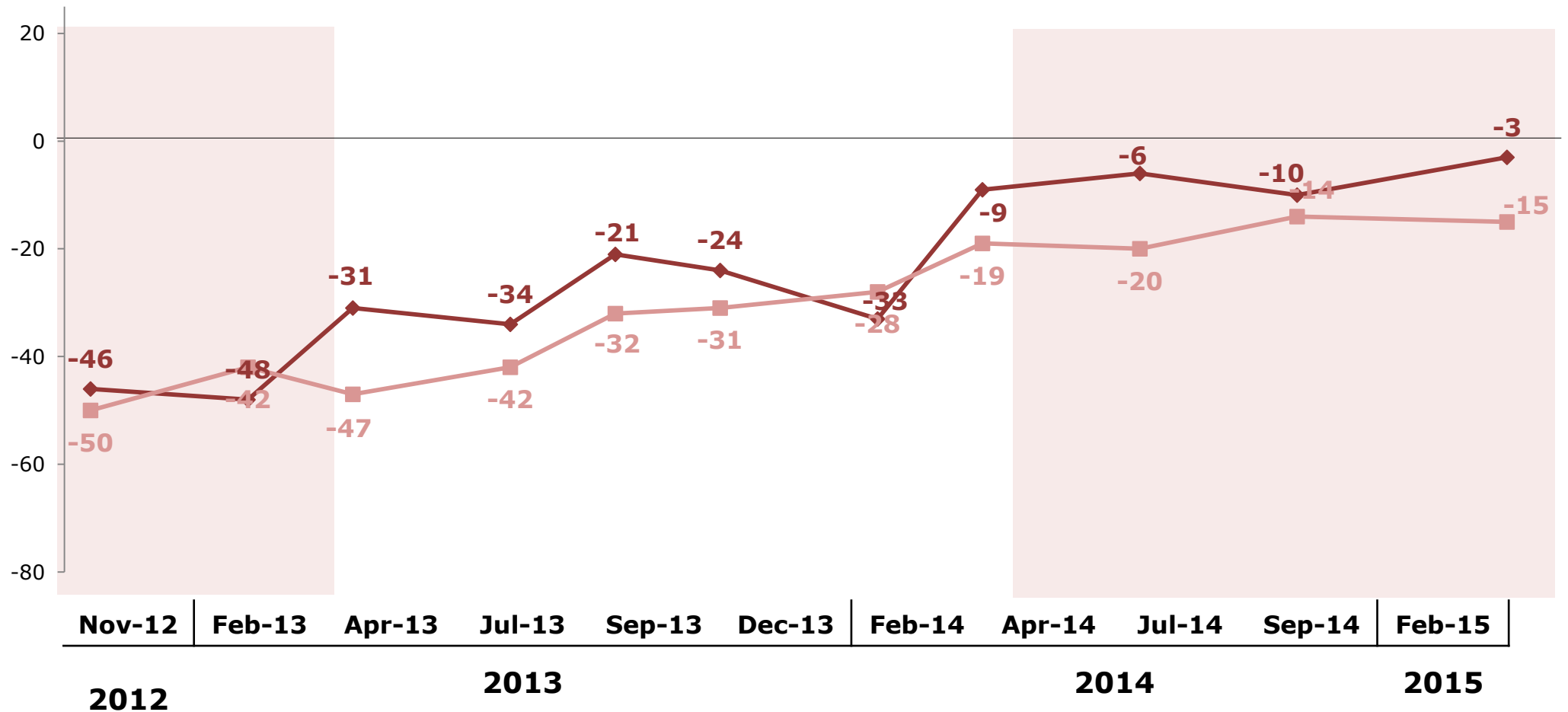
Q.7

In the year ahead, do you expect to purchase more, less or the same amount of goods and services as in the past year?

# Purchasing Goods & Services – Looking Forward x Region

Base: All Adults 18+

## Dublin vs. Outside Dublin



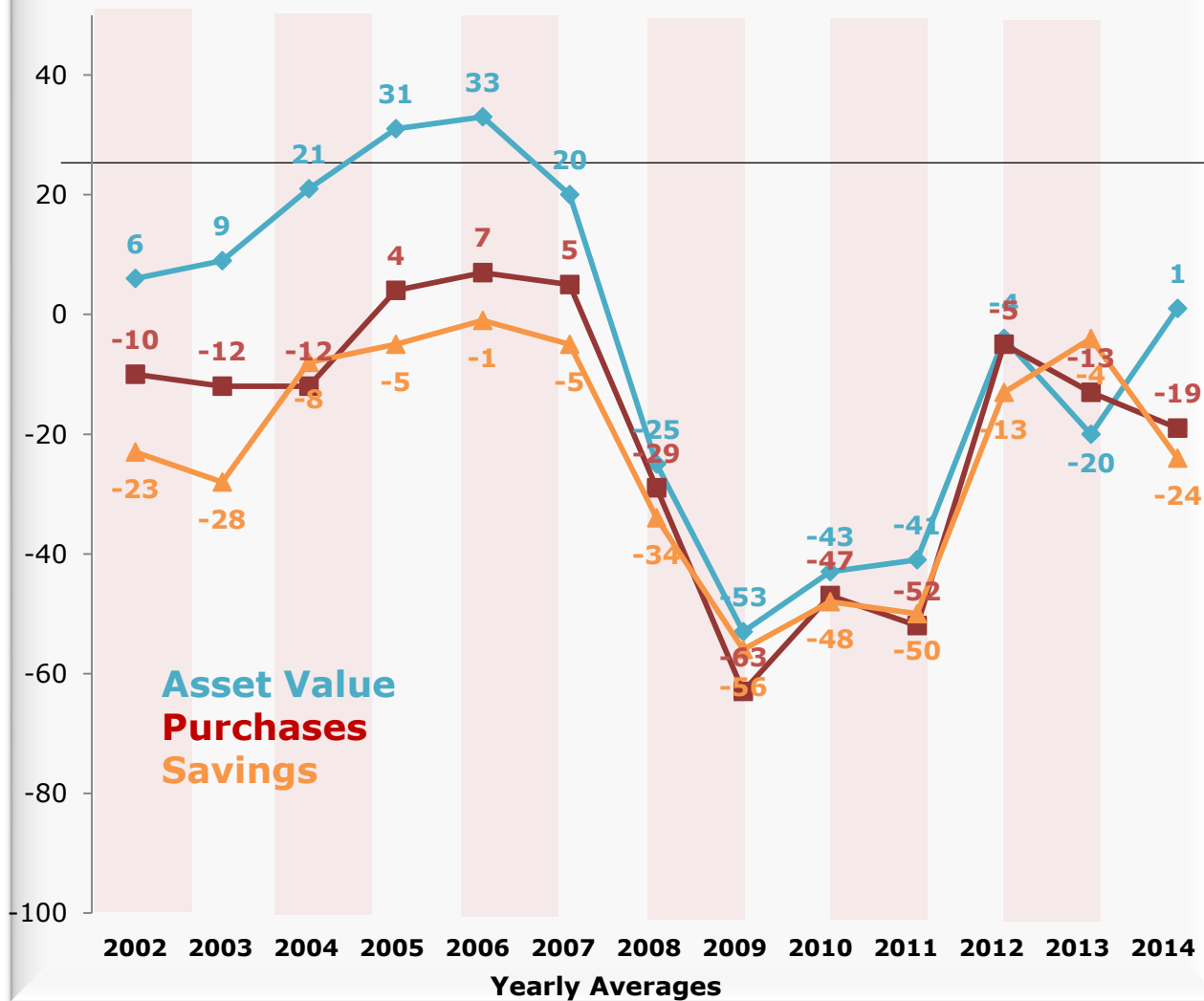
Q.7

In the year ahead, do you expect to purchase more, less or the same amount of goods and services as in the past year?

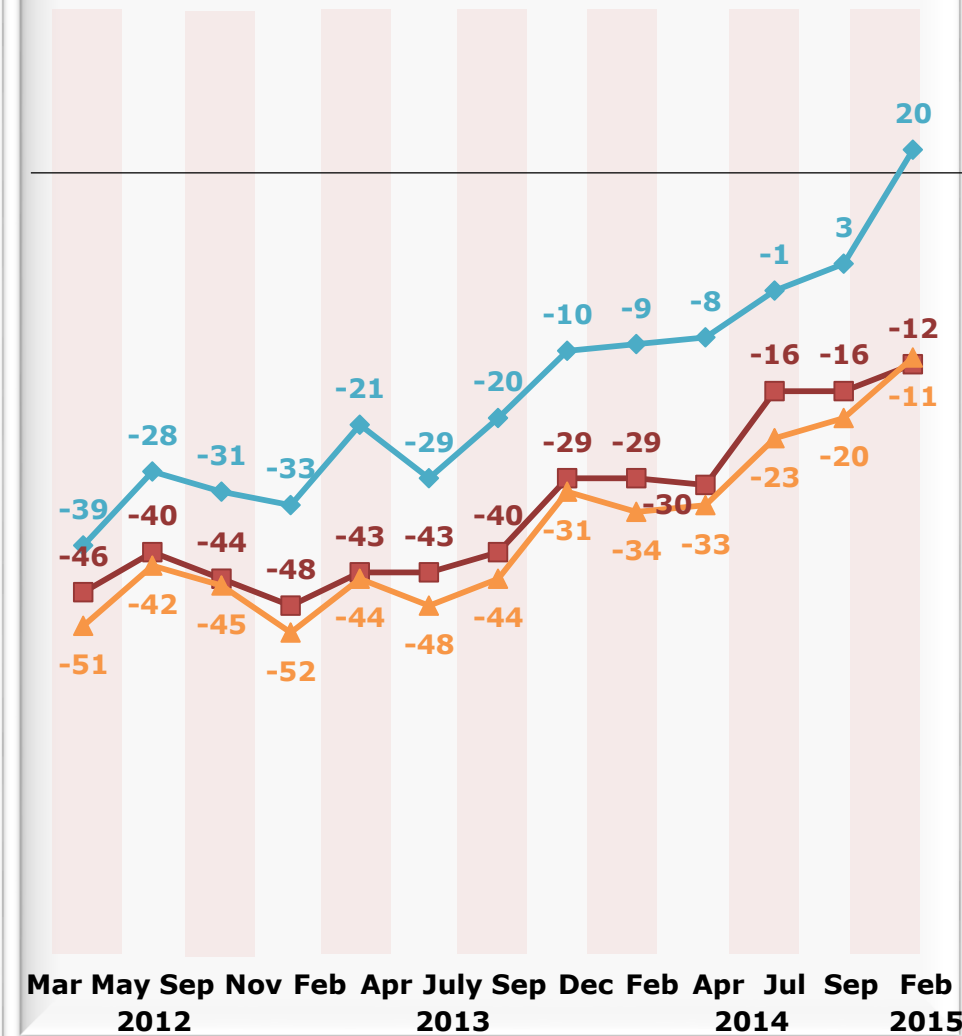
# Balance Of Opinion in Summary – The Year Ahead

Expectations in regard to asset value, purchases, and savings.

## Long Term



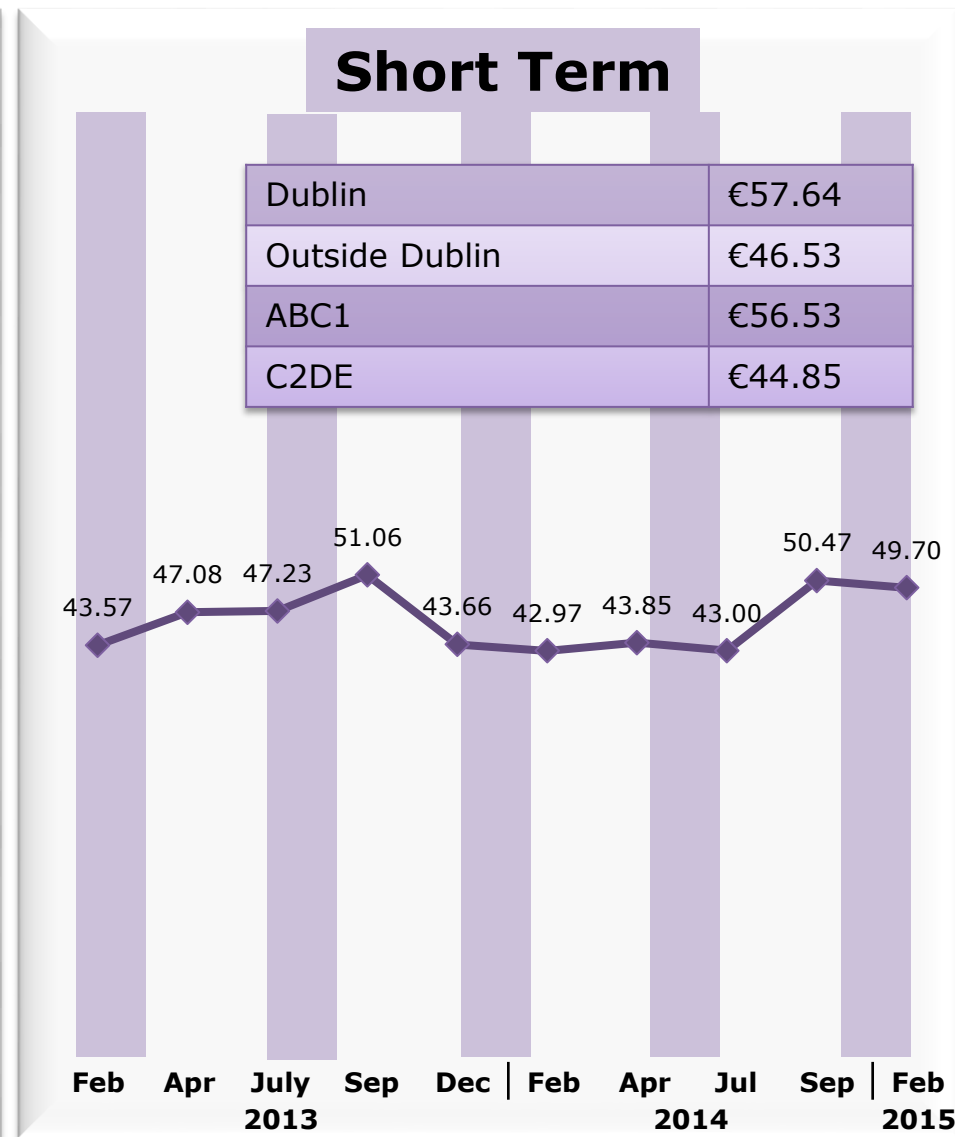
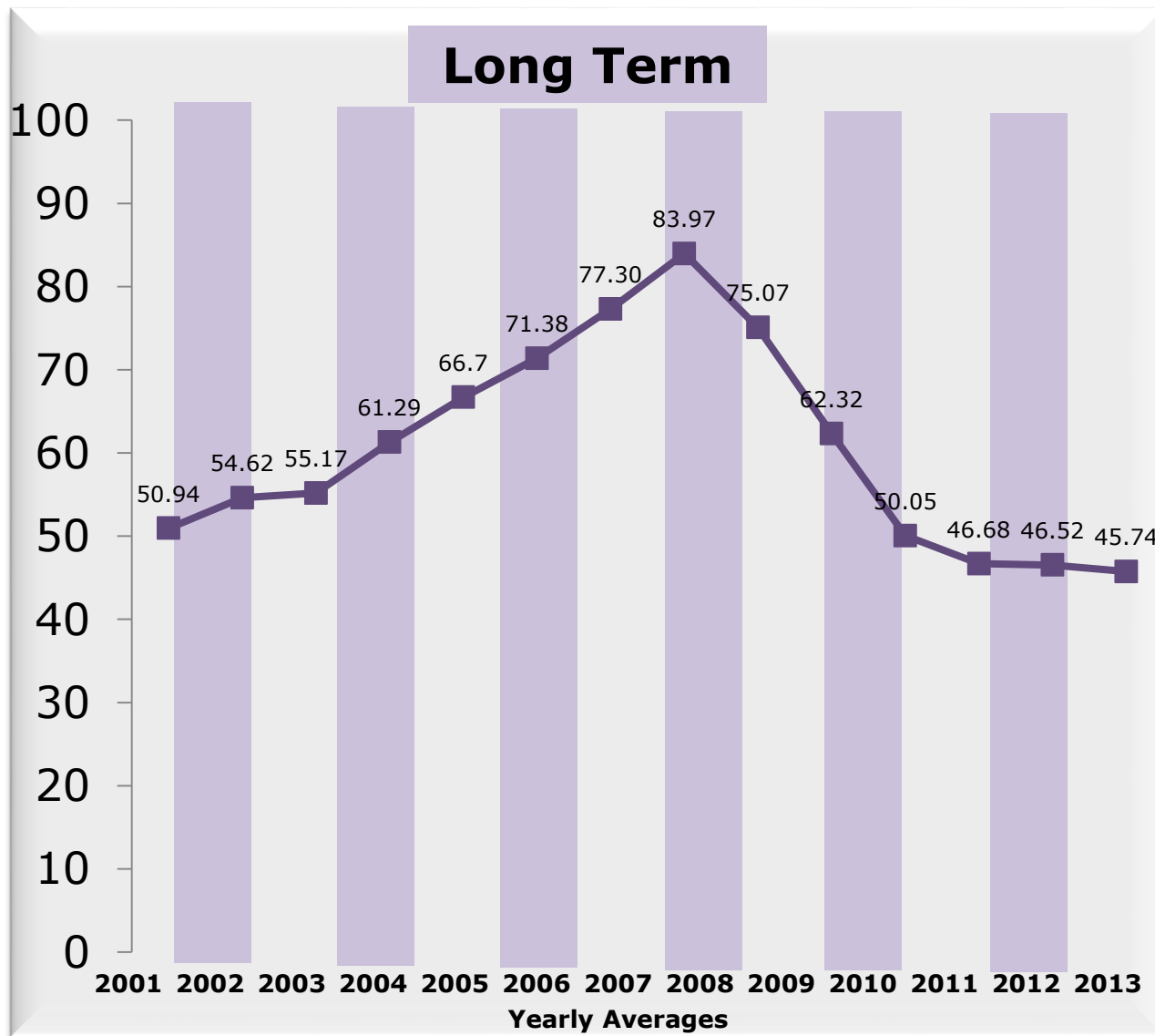
## Short Term



Perception of asset value for the year ahead has reached the highest rate since 2006.

# Overall Discretionary Income still long way from high of 2008

Base: All Adults 18+



Q.10

About how much would you say you spend each week on things you buy for yourself including money spent on clothes, eating out, going for a drink, going to the cinema, gambling, sporting activities and so on?



# Thank You



**BEHAVIOUR & ATTITUDES**

MILLTOWN HOUSE  
MOUNT SAINT ANNES  
MILLTOWN  
DUBLIN 6

+353 1 205 7500  
info@banda.ie

[www.banda.ie](http://www.banda.ie)

# About Behaviour & Attitudes

- B&A is Ireland's largest and most experienced independently owned research company.
- We pride ourselves on having the **most experienced director team in Ireland**. All projects have a director involved.
- Established over 25 years ago, Behaviour and Attitudes provides a full range of market research services, ranging from CAPI, CATI, online and of course qualitative.
- Specialist sectors include: Retail & Shopper, Technology & Telecoms, Media, Financial, Political & Social, Polling, Automotive, Healthcare and Public Sector & Utilities.
- For more information please visit our website at: [www.banda.ie](http://www.banda.ie) or contact us on +353 1 2057500.

