



Consumer Confidence Tracker *July 2017*

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A close-up photograph of a woman's face, framed by her hands. She has light blue eyes and is looking directly at the camera. The word "Introduction" is overlaid in white text on the left side of the image.

Introduction



Introduction

This report presents the findings of the April 2017 phase of the Behaviour & Attitudes' Consumer Confidence Tracker.

Survey results 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 CAPI omnibus service by trained members of the B&A field force working under ESOMAR guidelines.

Fieldwork on the latest wave was carried out between 29th June – 11th July 2017.

About B&A

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Key Highlights



Key Highlights:

Dubliners bracing themselves for the future

- As GDP and GNP continue to improve and live register numbers balance out, consumer confidence remains positive, but has fallen back on the high levels of optimism experienced during the first quarter of 2017.
- While all areas of the country remain positive towards the broader economic prospects, the gap between Dubliners and the rest of the country has narrowed.
- The Dublin centred dip in consumer confidence which followed the Brexit vote has returned and Dubliners confidence in the country's economic future has reduced considerably, versus early 2017 levels. Albeit, confidence has also reduced outside of Dublin but to a lesser degree.
- At a countrywide level personal assets are expected to retain their value, while optimism towards personal finances and savings have fallen back marginally. Reflective of the sharp decline in consumer confidence amongst Dubliners vs outside Dublin, these declines in optimism are most apparent amongst Dubliners, indicating that Dubliners may be more concerned about any future consequences of Brexit.
- Consumers' cautious attitude towards spending continues, with Dubliners again showing a more pronounced decline in future spending expectations. Nevertheless, discretionary income has stabilised, with Dubliners and the middle class continuing to be the most financially well off.

Macro Context



GDP and GNP continue an upward trend

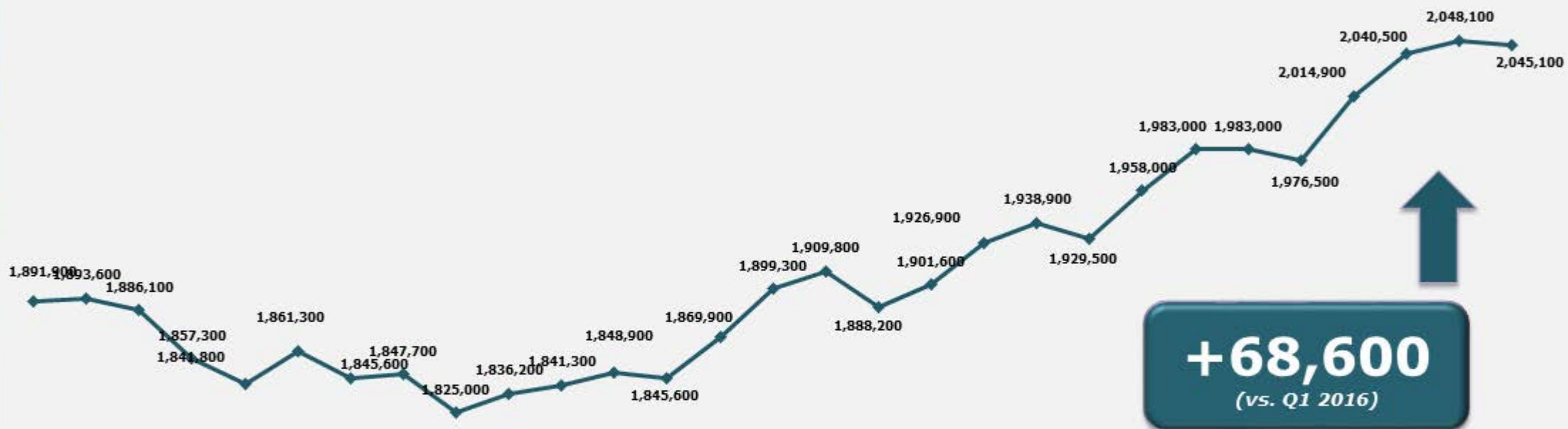
GDP Vs GNP



*GDP and GNP data correct as of July 2017

Source: www.CSO.ie
 Quarterly National Accounts
 * Q2 2017 results not yet available

The number in employment is continuing to grow YoY

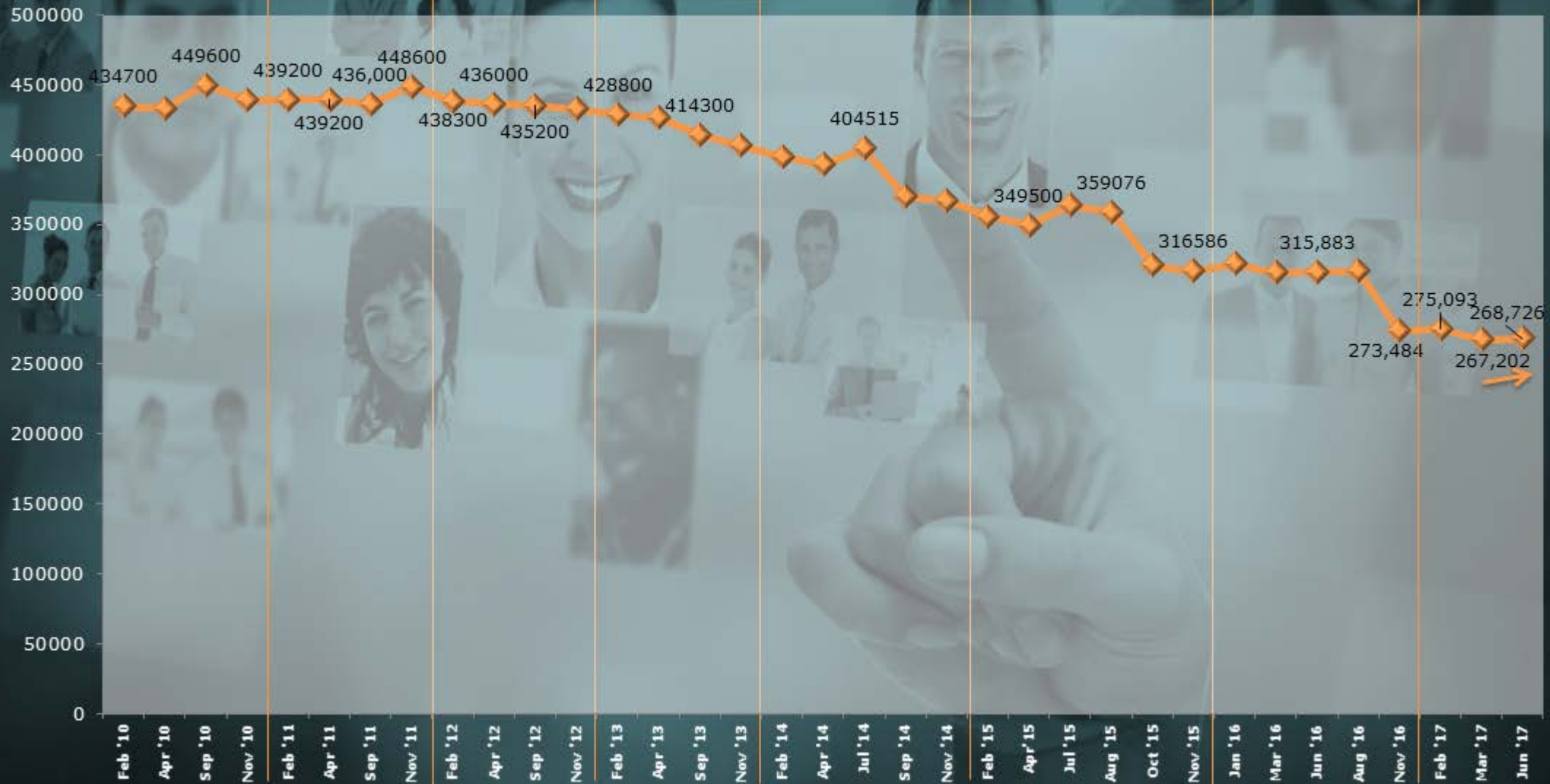


2010	2011	2012	2013	2014	2015	2016	2017
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4



*Source: www.CSO.ie/Quarterly National Household survey
Q2 2017 data not yet available

Live Register numbers have stabilised



* 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: [www.CSO.ie/Persons on live register](http://www.CSO.ie/Persons%20on%20live%20register)

Signs of improvement are evident

The Live Register

-14.8%

Overall Change
vs. Qtr 1 2016



-13.2%

vs. June 2016

-16.1%

vs. June 2016

Unemployment in Ireland

Rate of unemployment



6.7%

Current Rate of
unemployment
(vs. 8.4% in Qtr1 2016)

Imports vs Exports €m (seasonally adjusted)



Retail Sales Index (Excluding Motor)



General government surplus/deficit is balancing out



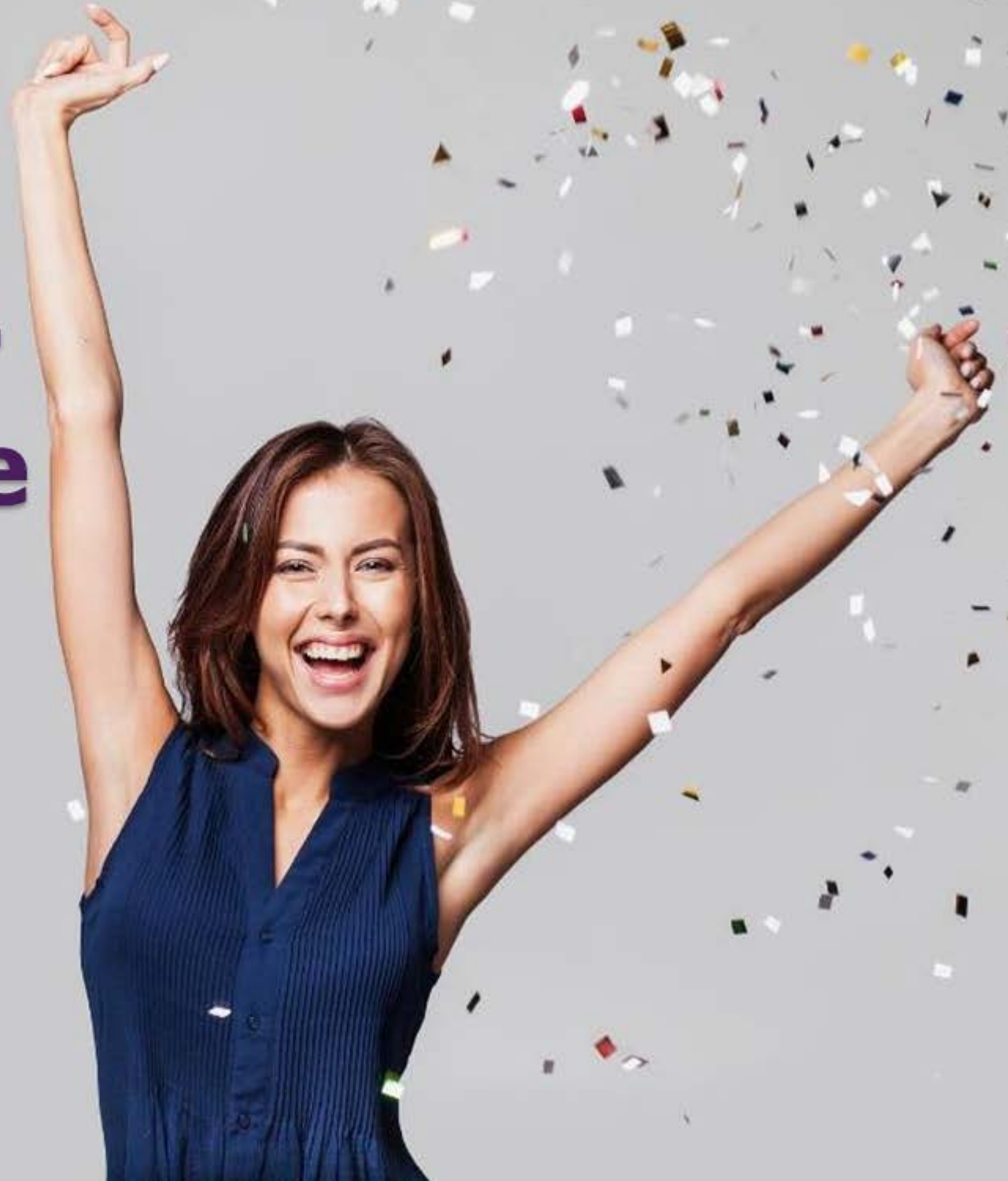
	2011	2012	2013	2014	2015	2016	2017
Q1	-10.0	-11.1	-9.8	-6.3	-3.6	-2.8	-2.0
Q2	-7.9	-8.6	-4.2	-3.1	-0.8	0.2	
Q3	-24.9	-7.1	-5.9	-4.1	-2.0	-2.3	
Q4	-7.5	-5.4	-4.7	-1.4	-1.3	2.0	

Source: www.CSO.ie/Indicators/default

*Qtr 2 2017 results not yet available



Consumer Confidence Findings



Consumer Confidence has fallen back but remains positive.

- The improvement in consumer confidence experienced during the first quarter of 2017 has subsided and returned to levels experienced during early 2016

(Net Diff: **Positive-Negative**)

Looking forward

Dublin	+29
Outside Dublin	+19

Looking Back vs. Looking Forward



Govt uncertainty following General Election

Brexit

Source: B&A Consumer Confidence Report

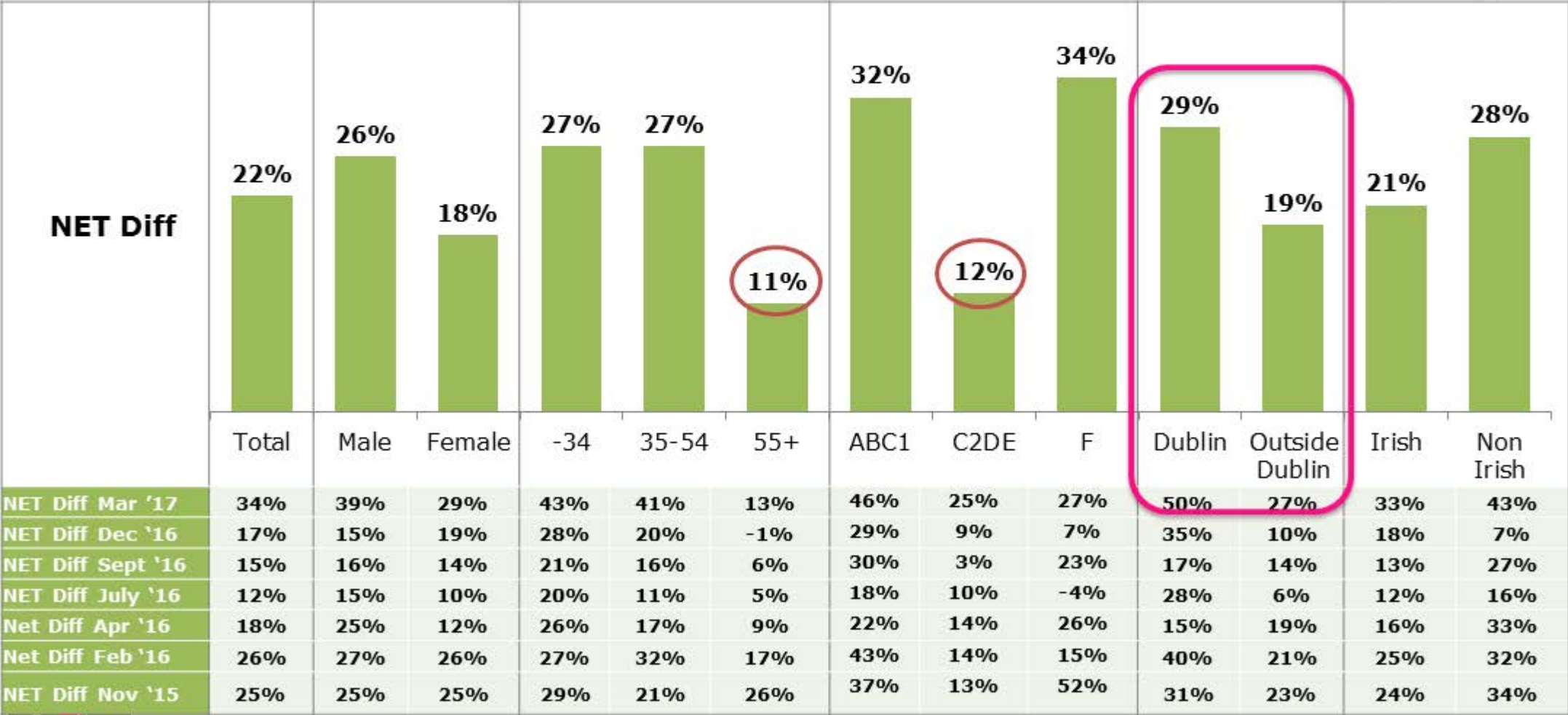


Q.1 Thinking about the economy as a whole, do you think that the country is better off, worse off, or about the same as last year?
 Q.2 And what about the coming year, do you think that the country will be better off, worse off or about the same as this year?

Dubliners confidence in the country's economic future has reduced most significantly versus the first quarter of 2017.

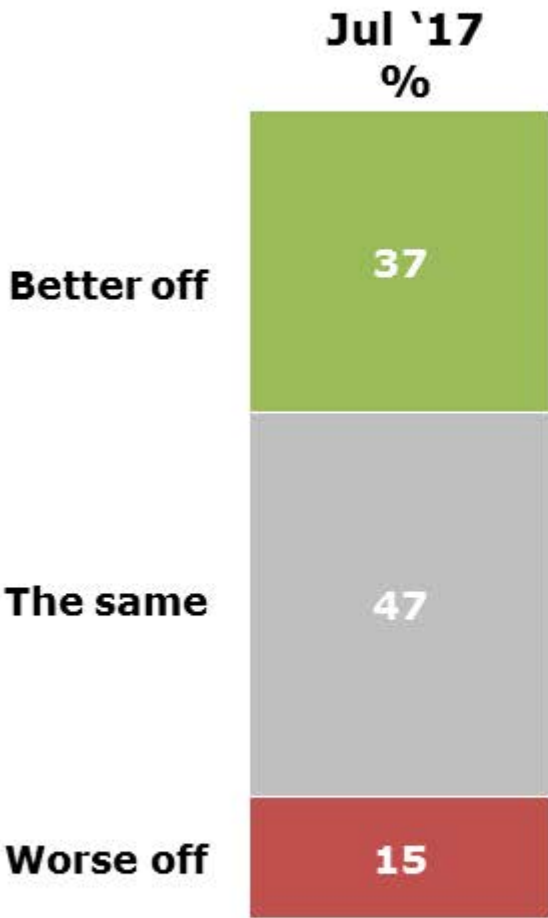
Base: All Adults 16+

The over 55s and working class are least optimistic about the country's economic future.

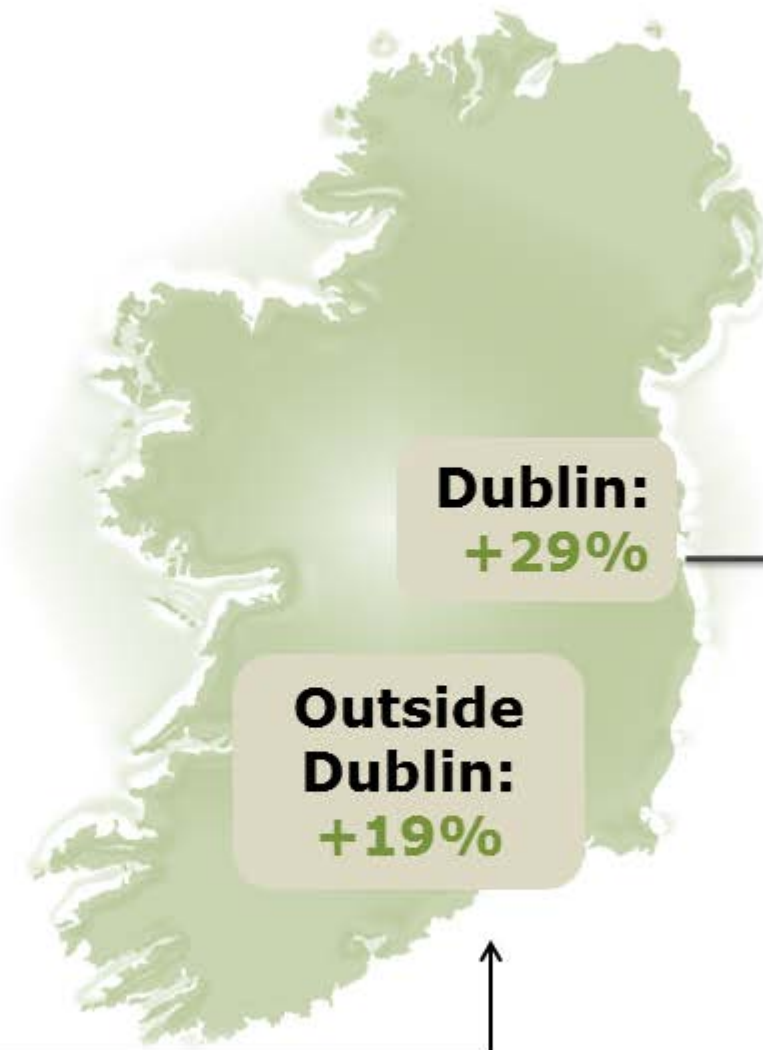


Overall, the country remains positive towards our economic prospects - despite declines in confidence versus early 2017 levels

Base: All Adults 16+



*Net Diff (GAP) +22%



The gap in confidence between Dublin and outside Dublin has again narrowed, as Dubliners confidence has declined significantly versus April 2017.

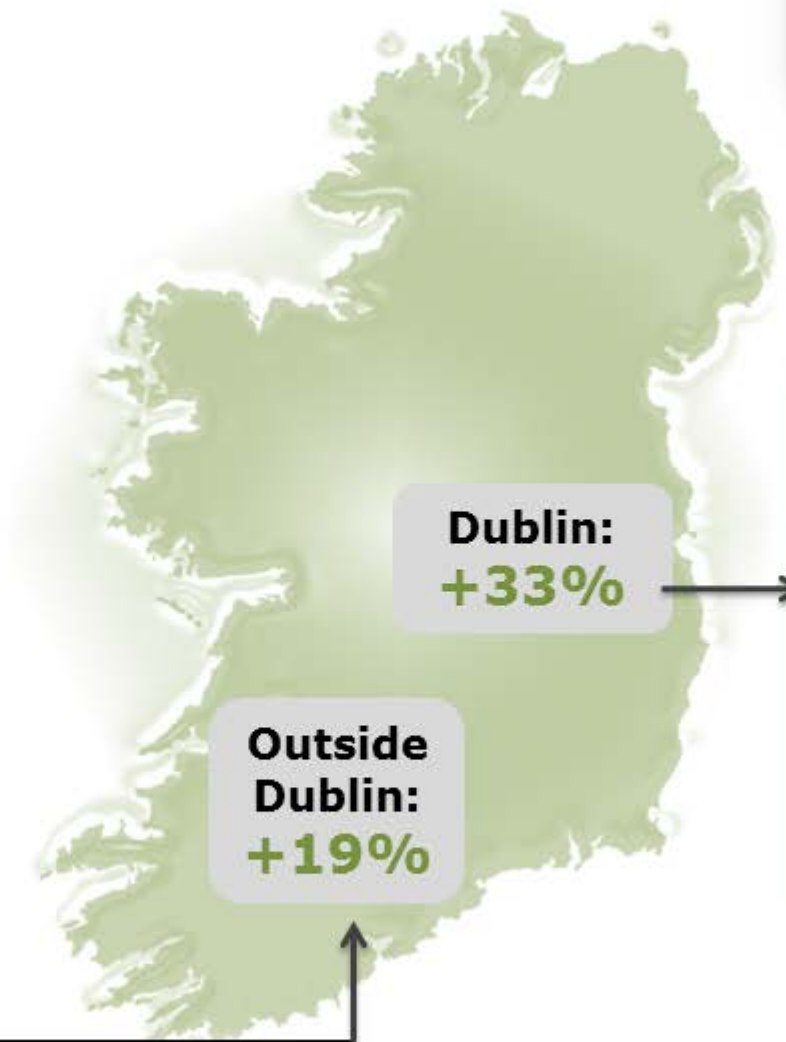
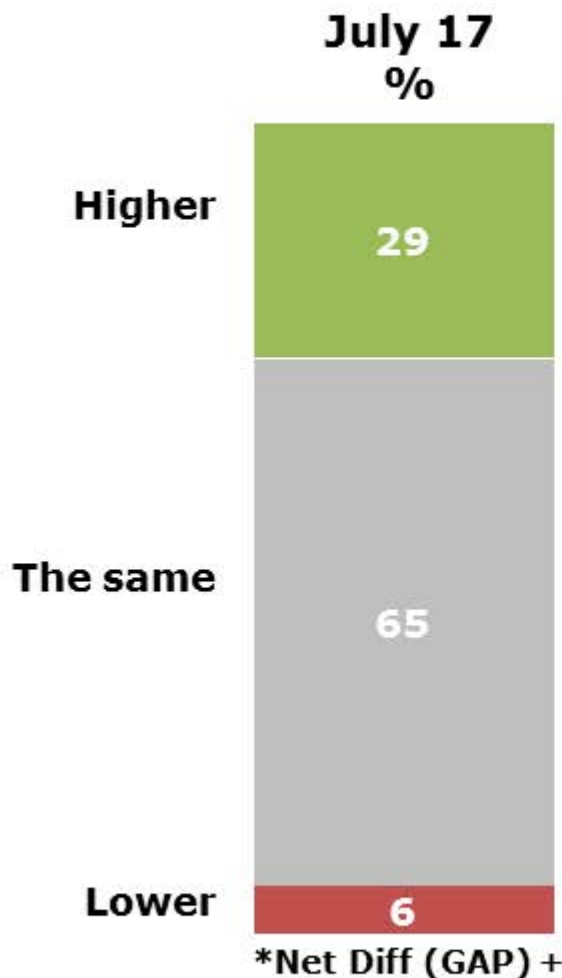
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Apr 17	Jul 17
Gap	=	-15%	-59%	-68%	-49%	-58%	-52%	-32%	+3%	+15%	+18%	+34%	+22%



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?

Personal Assets– Overall positivity towards the value of personal assets remains high

Base: All Adults 16+



Dubliners positivity towards the value of personal assets has fallen back, while those living outside Dublin have become more positive.

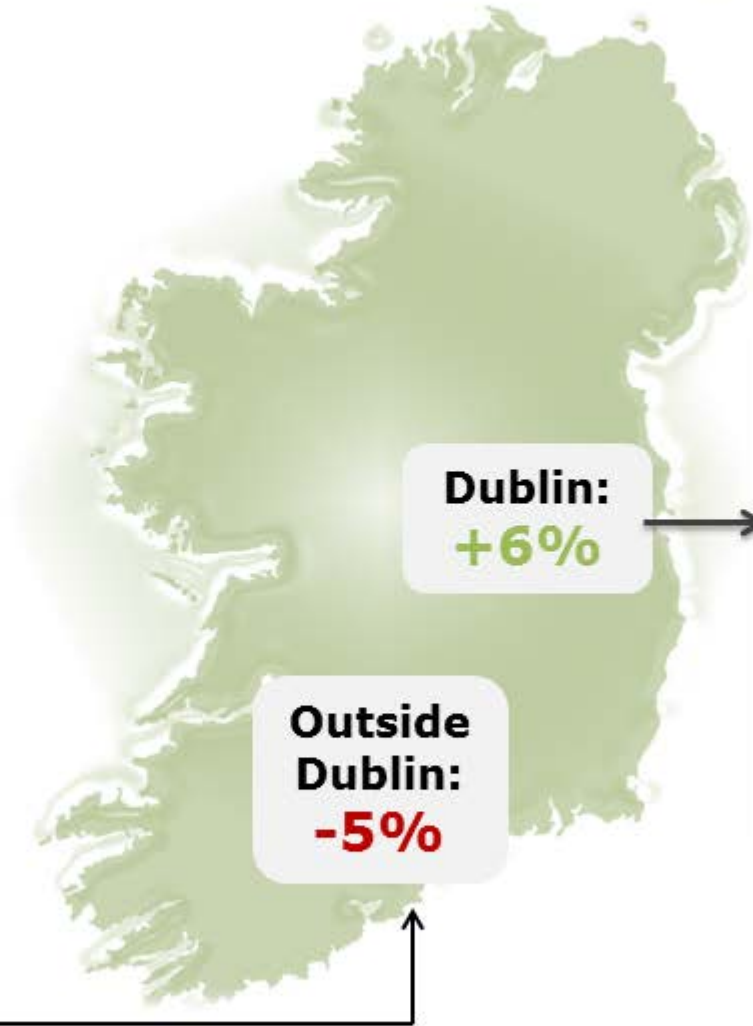
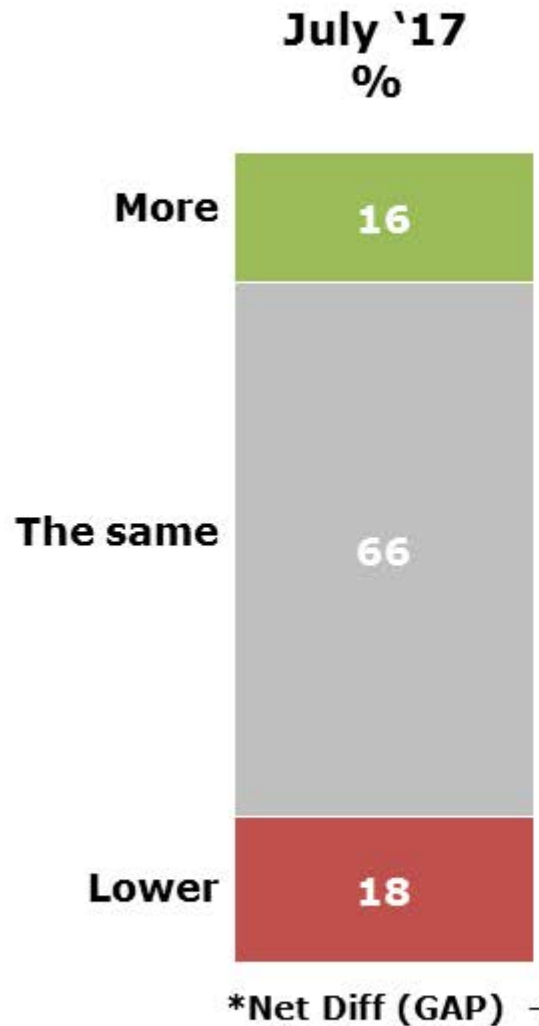
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Apr '17	Jul '17
Gap	+33%	+20%	-25%	-53%	-43%	-41%	-31%	-18%	-1%	+14%	+15%	+22%	+23%



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?

Savings – Positive attitudes towards net future savings have declined

Base: All Adults 16+



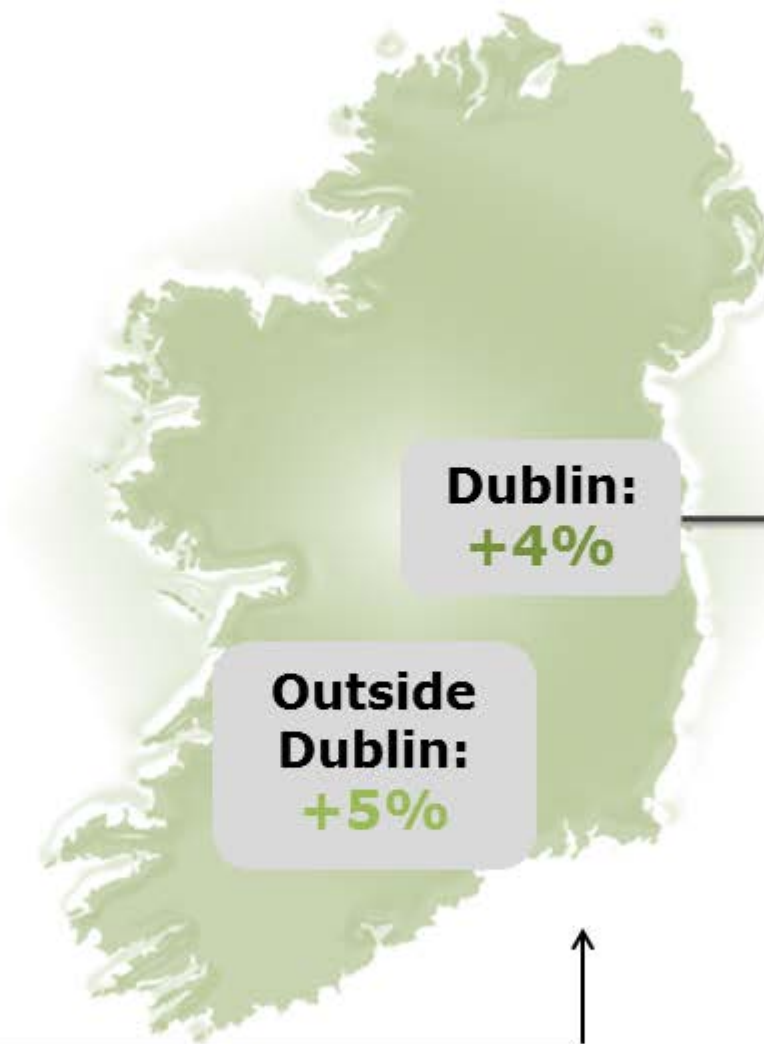
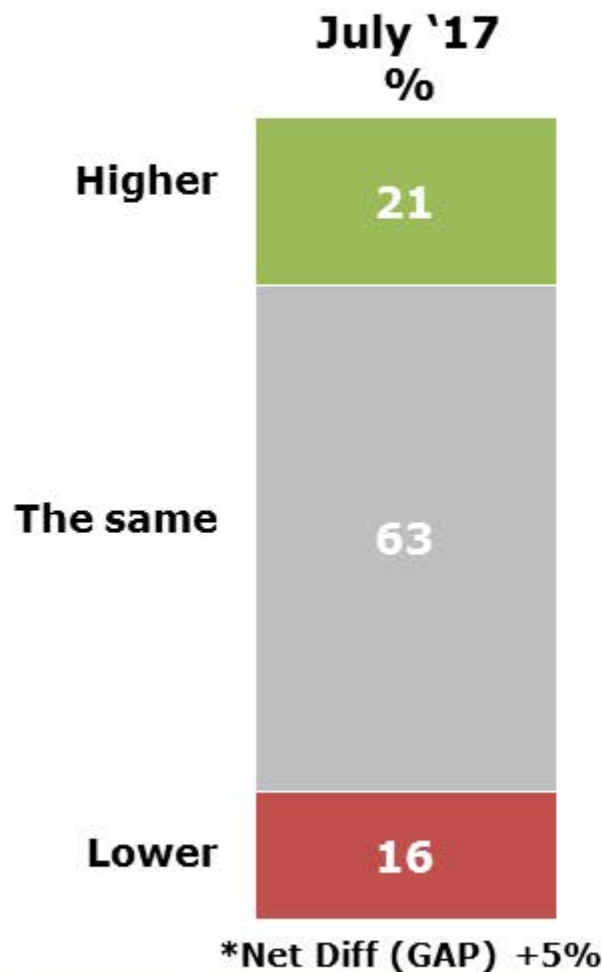
Both Dubliners and those living outside Dublin are not as positive towards their future savings as they were at the beginning of 2017.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Apr '17	Jul '17
Gap	-1%	-5%	-34%	-56%	-48%	-50%	-48%	-40%	-24%	-13%	-5%	+2%	-2%



Personal Finances – At countrywide level attitudes towards personal finances over the coming year are less optimistic

Base: All Adults 16+



The gap in optimism towards personal finances between Dubliners and the rest of the country has narrowed.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Mar 17	Jul 17
Gap	=	-15%	-59%	-68%	-49%	-58%	-52%	-32%	-22%	-6%	+3%	+9%	+5%



Q.5

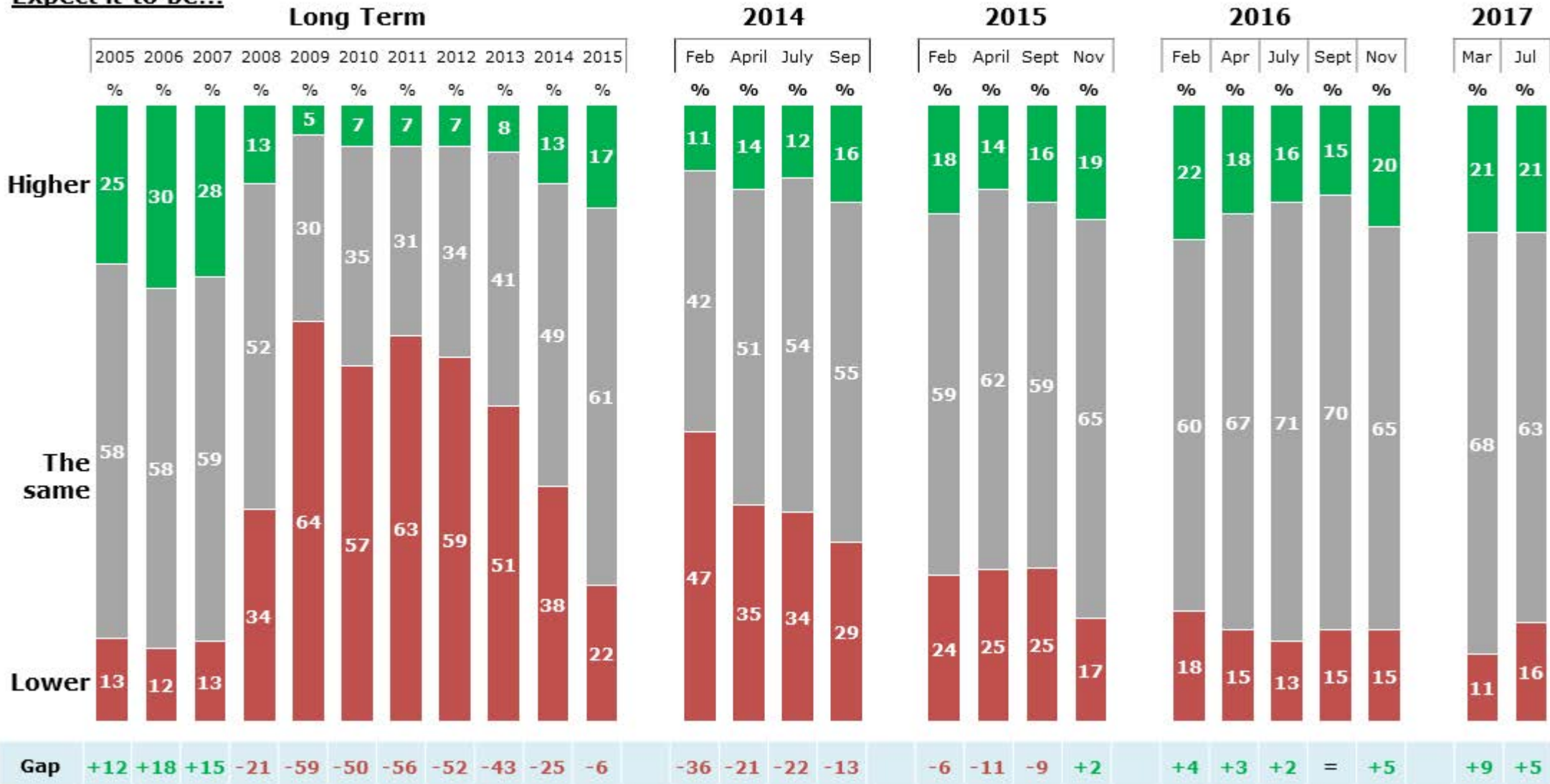
Do you expect your income in the next year, after inflation and taxes, to be higher, lower or the same as in the last twelve months?

Personal Finances – Looking Forward YOY

Base: All Adults 16+



Expect it to be...

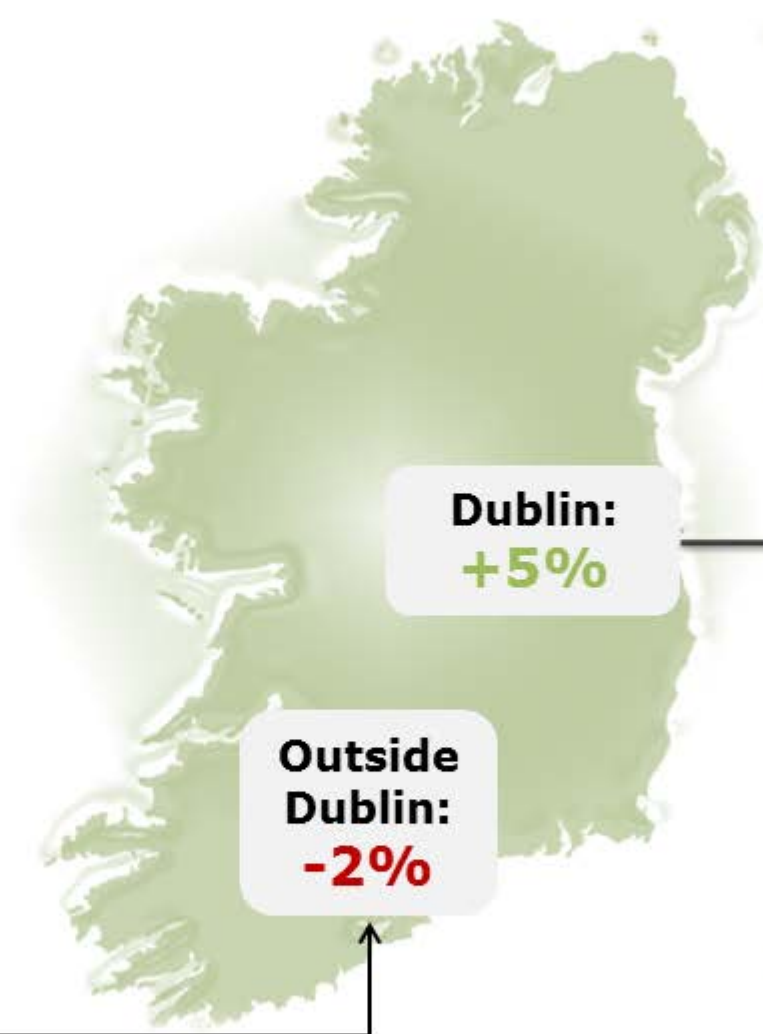
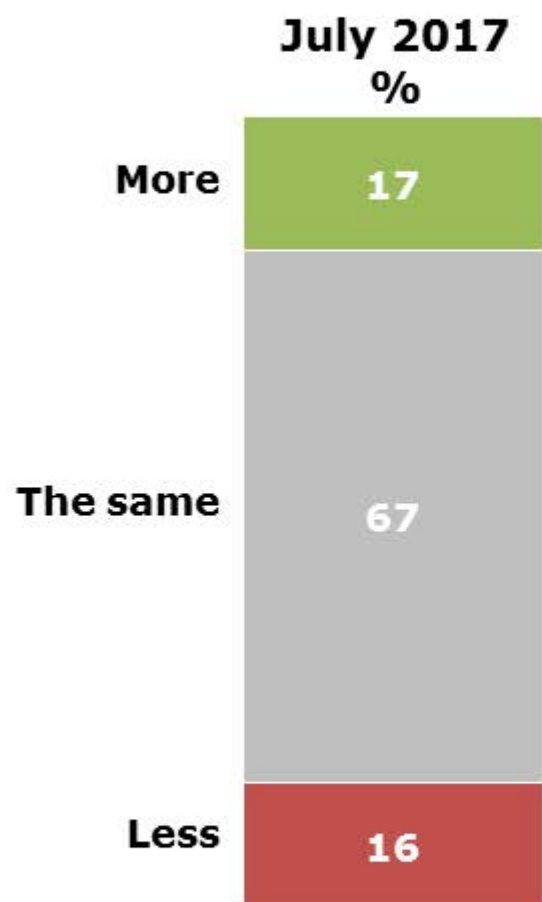


Q.5

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?

Purchasing Goods and Services – Irish consumers remain cautious when it comes to spending

Base: All Adults 16+



Dubliners optimism towards future spending has declined, while there has been no change in attitudes among those living outside Dublin.

*Net Diff (GAP) =

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Mar '17	Jul '17
Gap	+7%	+5%	-29%	-63%	-47%	-52%	-45%	-37%	-19%	-13%	-4%	+1%	=



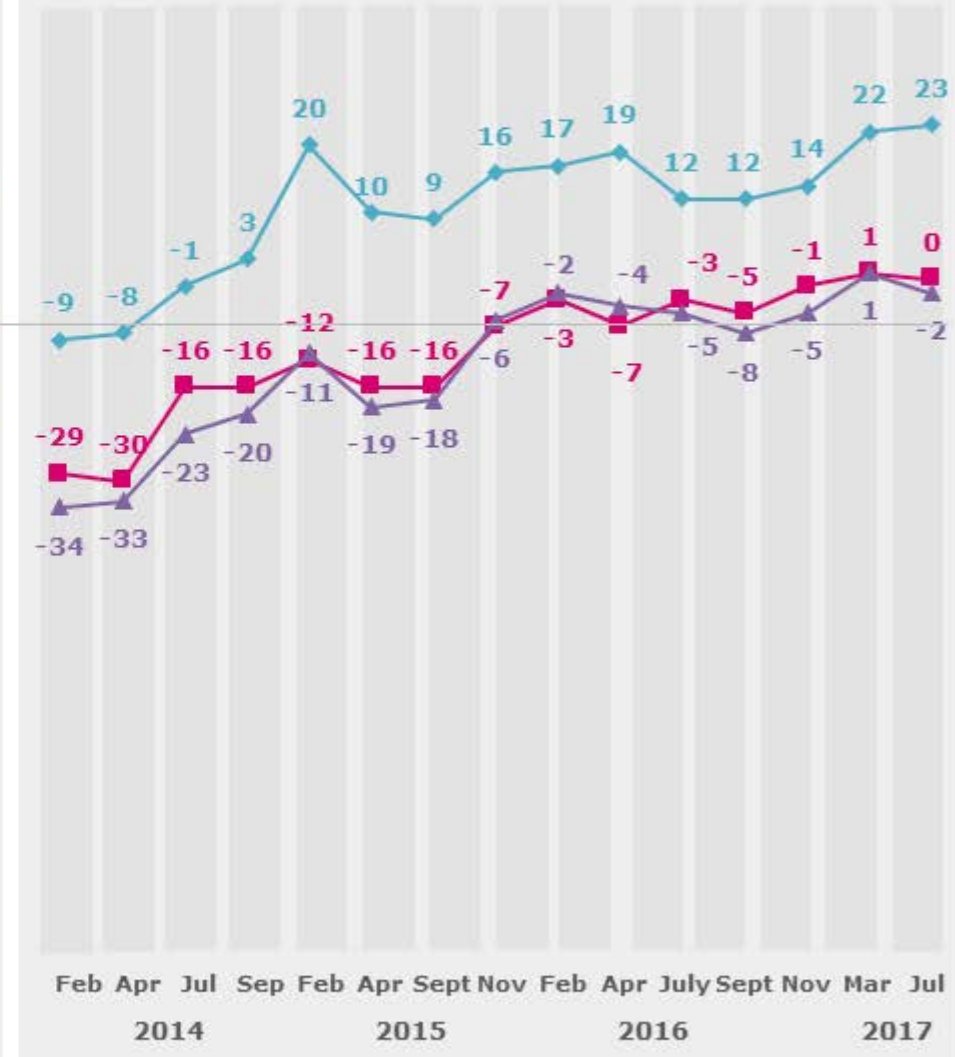
Balance Of Opinion in Summary – The Year Ahead

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

Long Term

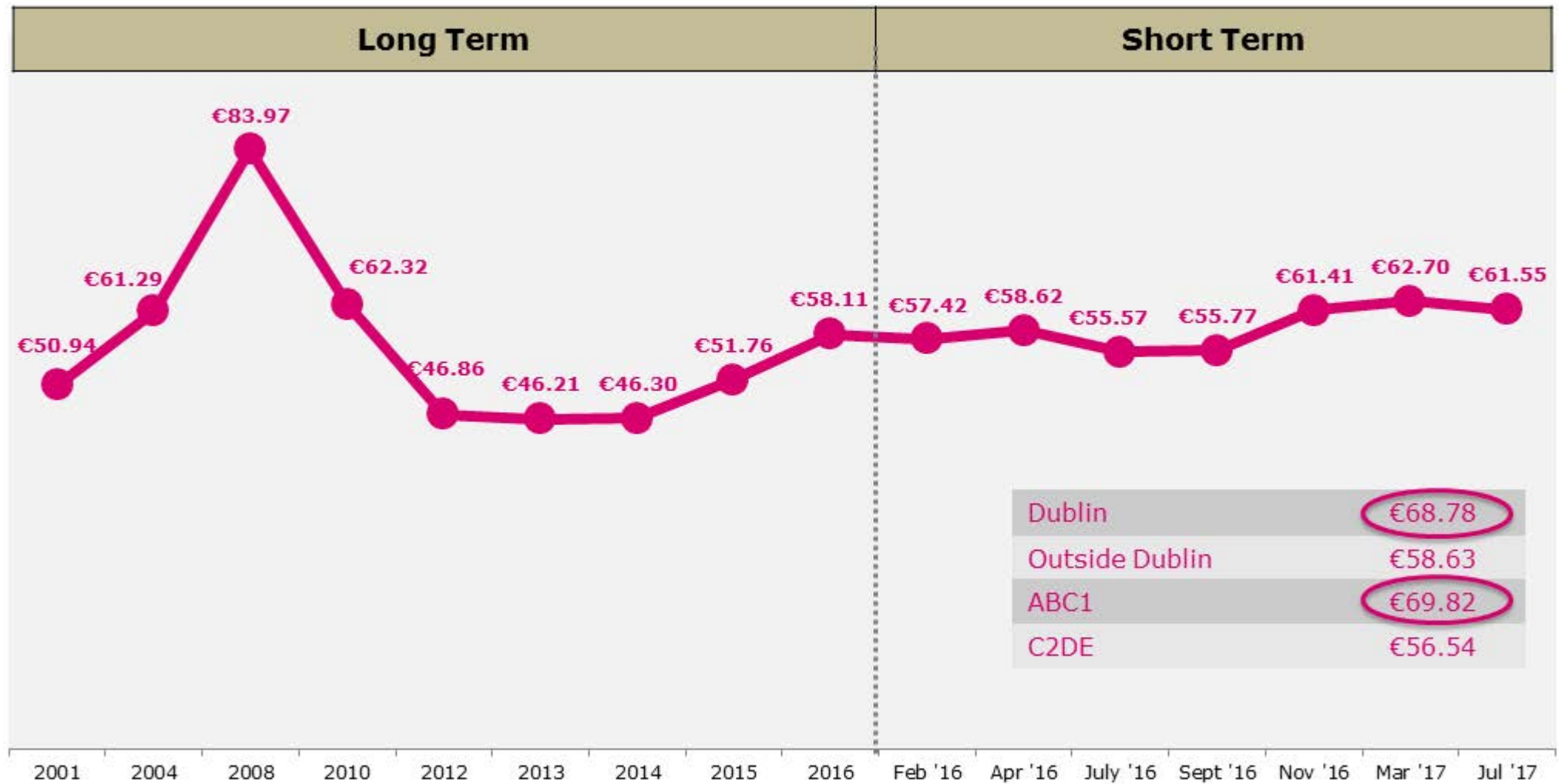


Short Term



Disposable income has balanced out, however Dubliners and the middle class continue to be the most well-off

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

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