



# Consumer Confidence Tracker

October 2014

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Behaviour & Attitudes  
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# Introduction



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- This report presents the findings of the September 2015 phase of the Behaviour & Attitudes' Consumer Confidence Tracker.
- Survey results for this phase are based on a sample of 1,009 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 24<sup>th</sup> September – 3<sup>rd</sup> October, 2014.

# Summary

- On a macro-level, we are seeing continuous improvements being made: house prices are increasing in both Dublin and Outside Dublin, the economy is growing at the fastest rate in 7 years, and the confidence of consumers has surged to an 8 year high.
- Unemployment levels have decreased since the previous wave once again, with the current rate now standing at 11.1% (-1.5 points vs. the same period last year).

## CONSUMER CONFIDENCE RESULTS

- Looking forward at the Irish economy, we have remained in positive territory for the third time in a row.
  - Those living in Dublin are still registering more positive scores overall. However, the gap is tightening (and those living Outside Dublin have finally entered positive territory).
- Outlook on personal finances has dropped this wave and has returned to negative territory again following two consecutive waves of positive scores.
- Personal Finances: Both those living in Dublin and Outside Dublin feel equally as concerned about their personal finances going forward.
- In terms of saving ability, we seem to have stabilised somewhat (however we remain in positive territory). Those living Outside Dublin are less inclined to save throughout the oncoming year.

# Summary

- Expectation of personal asset value going forward has seen improvements again this wave (+6% increase overall).
  - Outside Dublin, in particular, showed the greatest level of improvement overall and increased by +4% since July 2014.
- Propensity to purchase in the oncoming year remained in negative territory this wave. However trended data shows that gains are being made over time (and we are increasingly nearing positivity).
- Disposable income levels have increased by +€6.53 per week this wave vs. last. Dubliners and ABC1's continue to have the most amount of disposable income overall.

# The Macro Context: Growth and Improvements in Sentiment



# On a Macro-Level, Optimism is Evident

**Irish economy growing at fastest rate in seven years.**

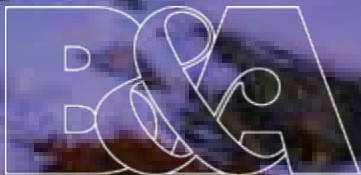
**The confidence of consumers has surged to an eight-year high.**

**Ireland is 1 of 4 EU Member States with high and improving industrial competitiveness.**

**Consumer sentiment expected to strengthen ahead of the Christmas trading period.**

**Asking prices outside Dublin rise by 7.6% vs. Q2 of 2013.**

**59% of properties now selling within four months, in comparison to 39% two years ago.**



*Source: Quarterly National Accounts (Sept. 2014), KBC Bank Ireland/ESRI Consumer Sentiment Index (Oct. 6<sup>th</sup>, 2014), European Commission (Aug. 2014), Retail Excellence Ireland, (Oct. 2014), and The Daft.ie House Price Report, (Oct. 6<sup>th</sup> 2014).*

# Irish economy growing at fastest rate in seven years

## Growth in GDP and GNP

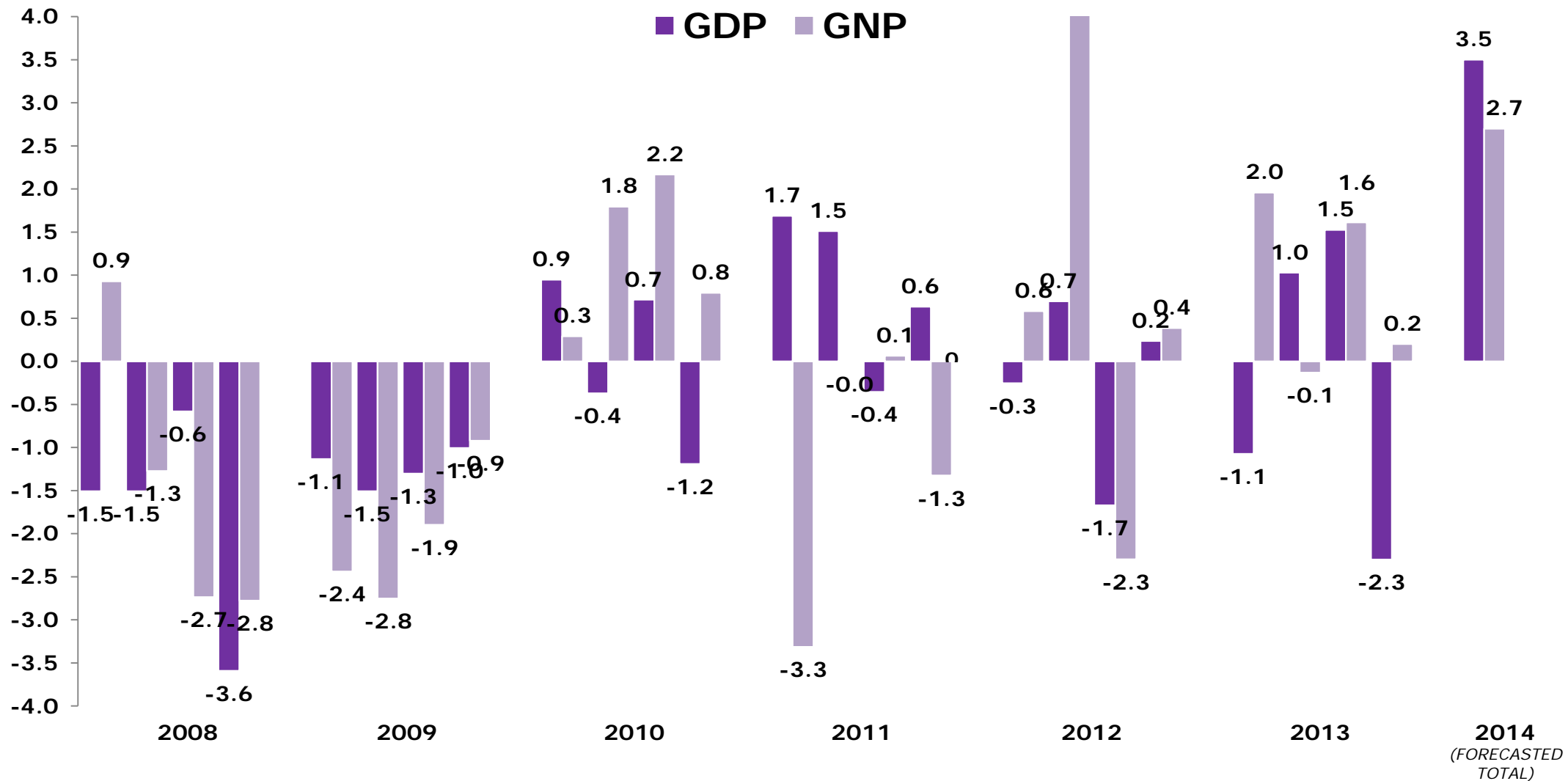
Percentage change on corresponding period of previous year



Source: Quarterly National Accounts (September 2014).



# At a Macro Level, Improvements to Ireland's Domestic Economy are evident



Ireland's GDP experienced positive growth during Q2 and Q3 2013, GNP also improved in Q3 2013. In 2014, GDP is forecasted to increase by 3.5%.

# The Live Register and The Unemployment Rate

## The Live Register

**-9.5%**



Overall Change vs.  
September 2013

145,231

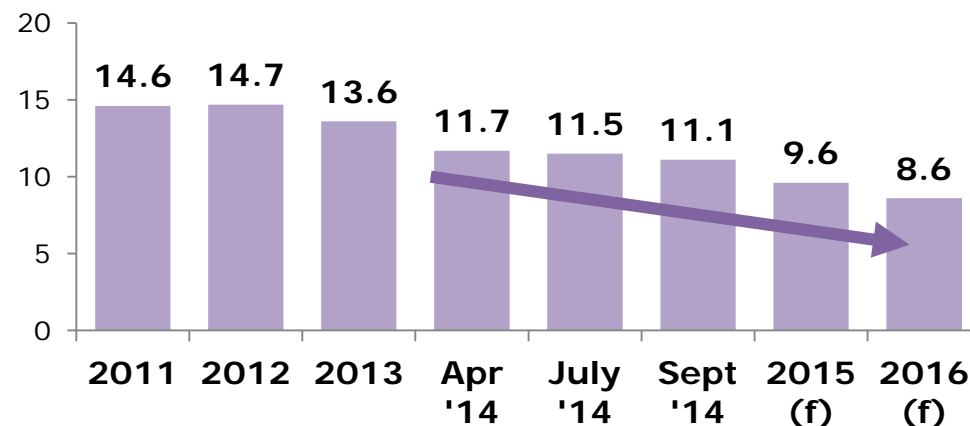
224,819



**-6.1%**  
vs. Sept 2013

**-11.5%**  
vs. Sept 2013

## Unemployment in Ireland



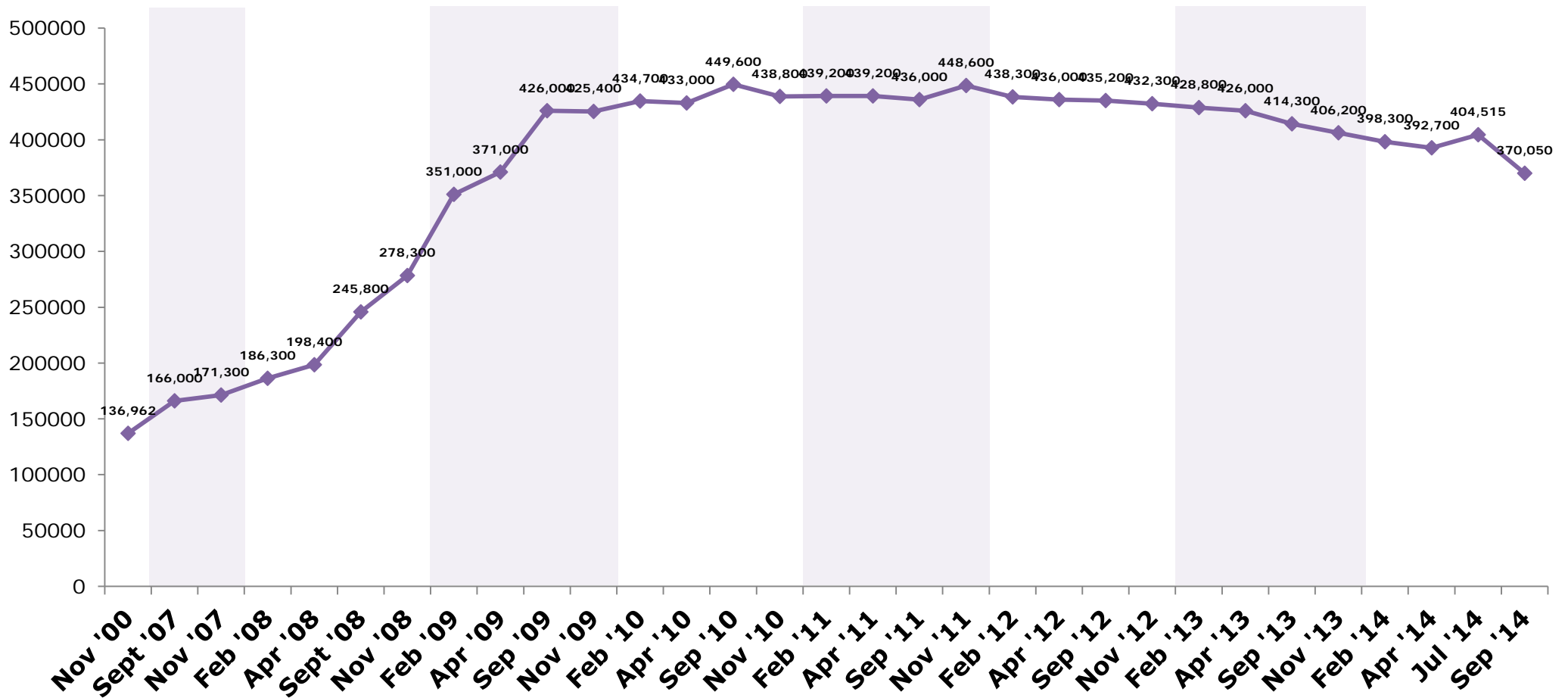
**11.1%**

Current Rate of  
Unemployment

*(-1.5 percentage points vs. Sept. 2013)*

Source: CSO Estimates as of October 20<sup>th</sup>, 2014.

# The Live Register



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

\* 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

# Consumer Confidence Findings at an 8 Year High

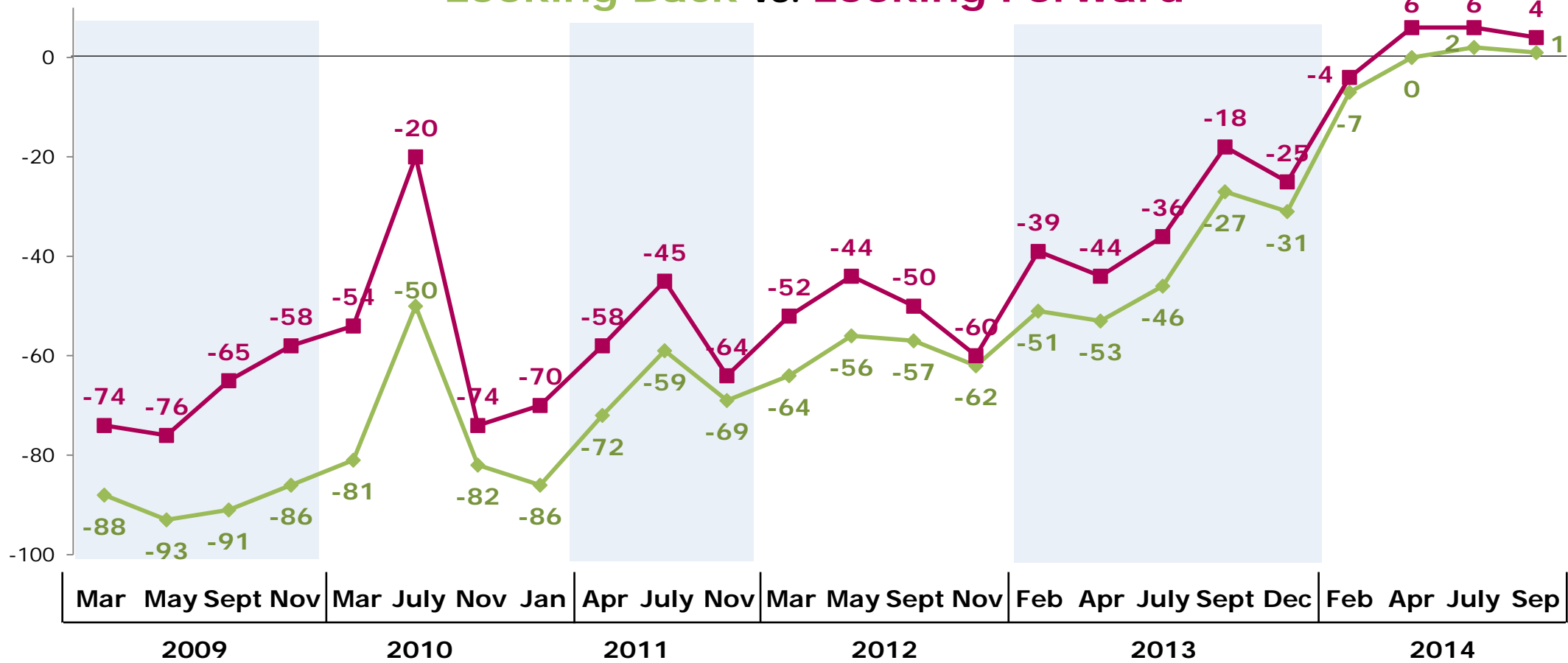




# Positivity is evident: outside Dublin has finally reached positive territory

Dublin	+7
Outside	+2

## Looking Back vs. Looking Forward



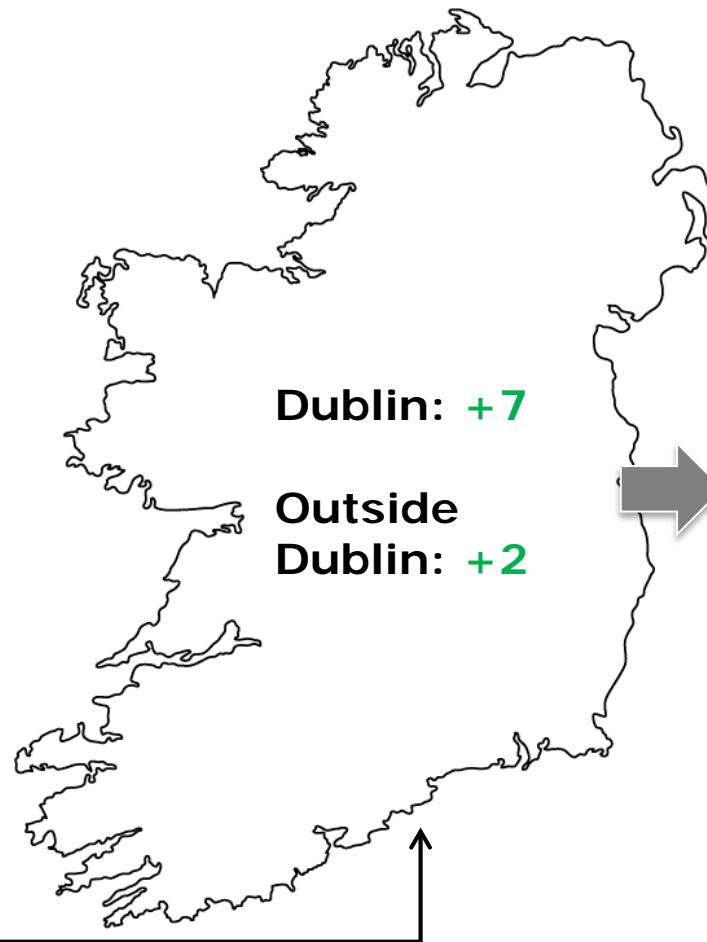
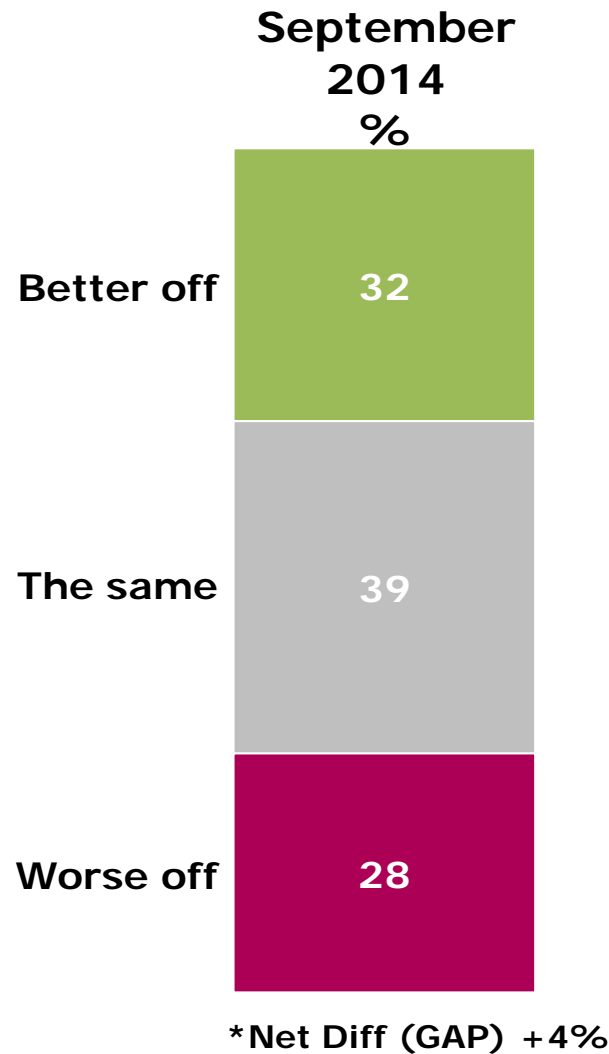
Source: B&A Consumer Confidence Report

Q.1  
Q.2

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?  
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 third wave in a row

Base: All Adults 18+



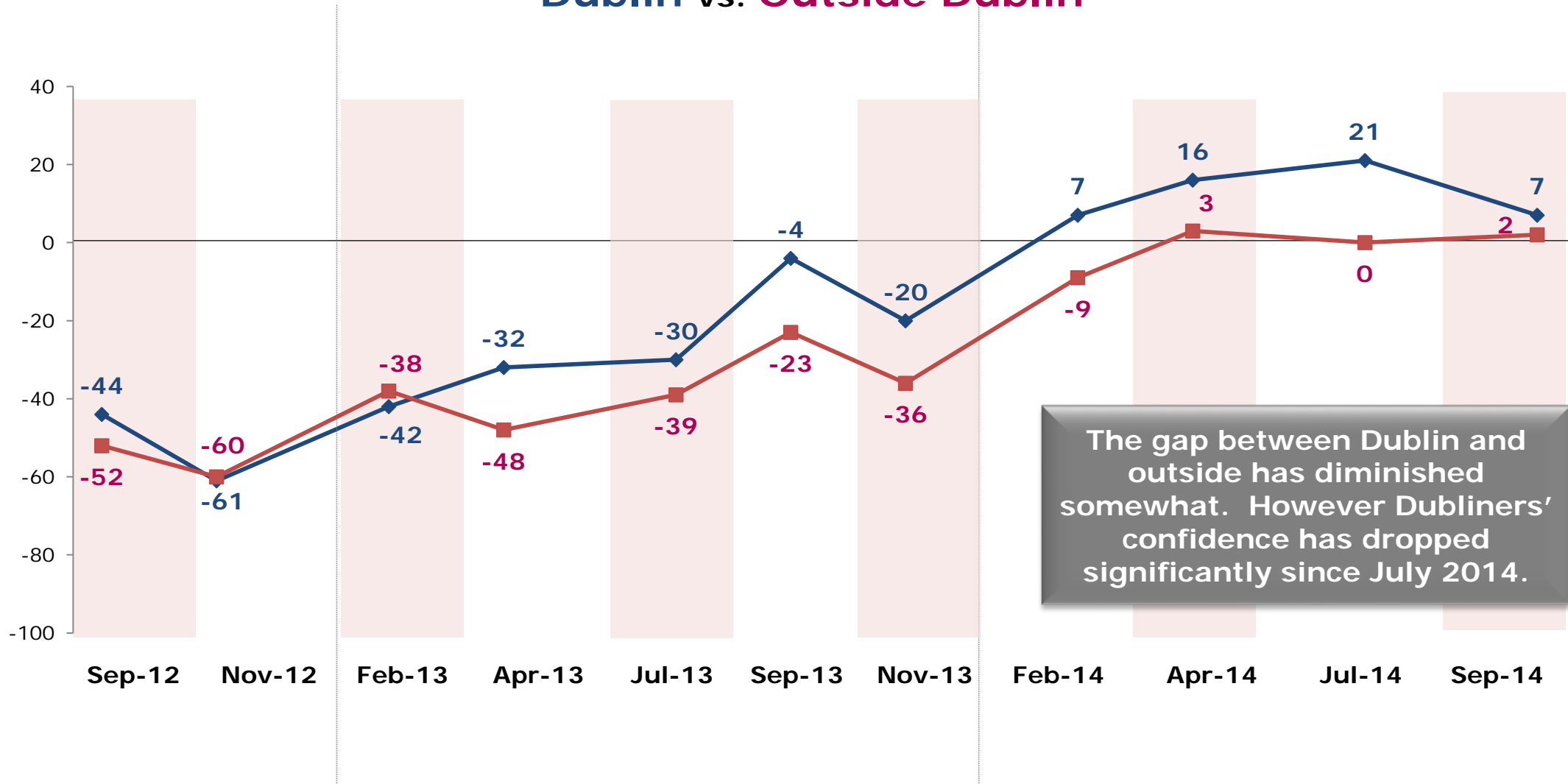
Dublin scores performing slightly worse this wave vs. last.

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

# The Economy: Looking Forward – Gap between Dublin and Outside Dublin is increasingly diminishing

Base: All Adults 18+

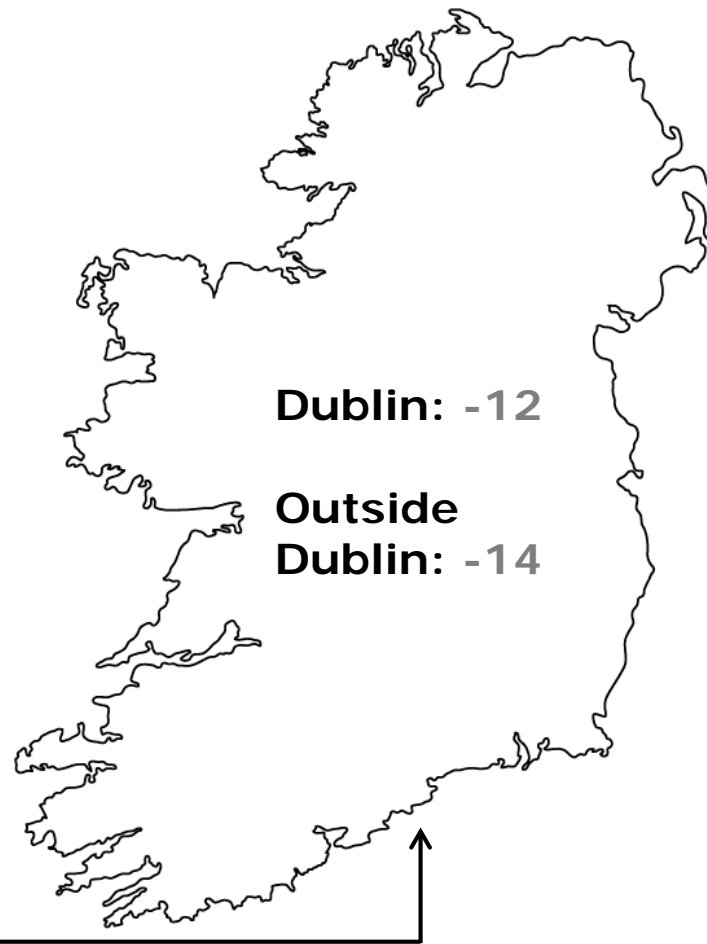
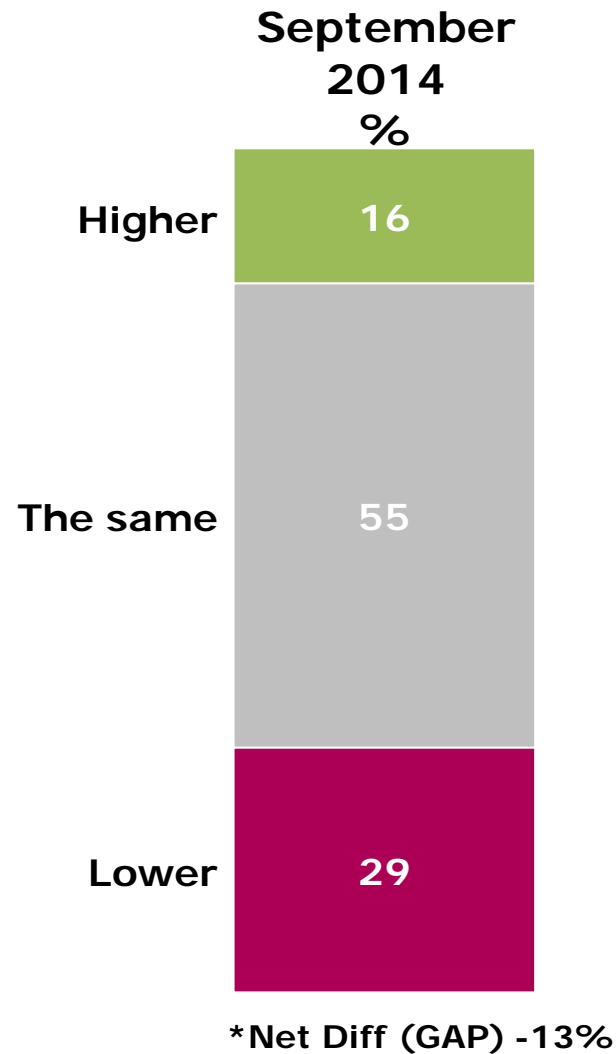
## Dublin vs. Outside Dublin



Source: B&A Consumer Confidence Report

# Personal Finances – Looking Forward: Caution is still Evident (Albeit Improving Gradually)

Base: All Adults 18+



After showing signs of positivity for two consecutive waves, we have returned to negative territory again.

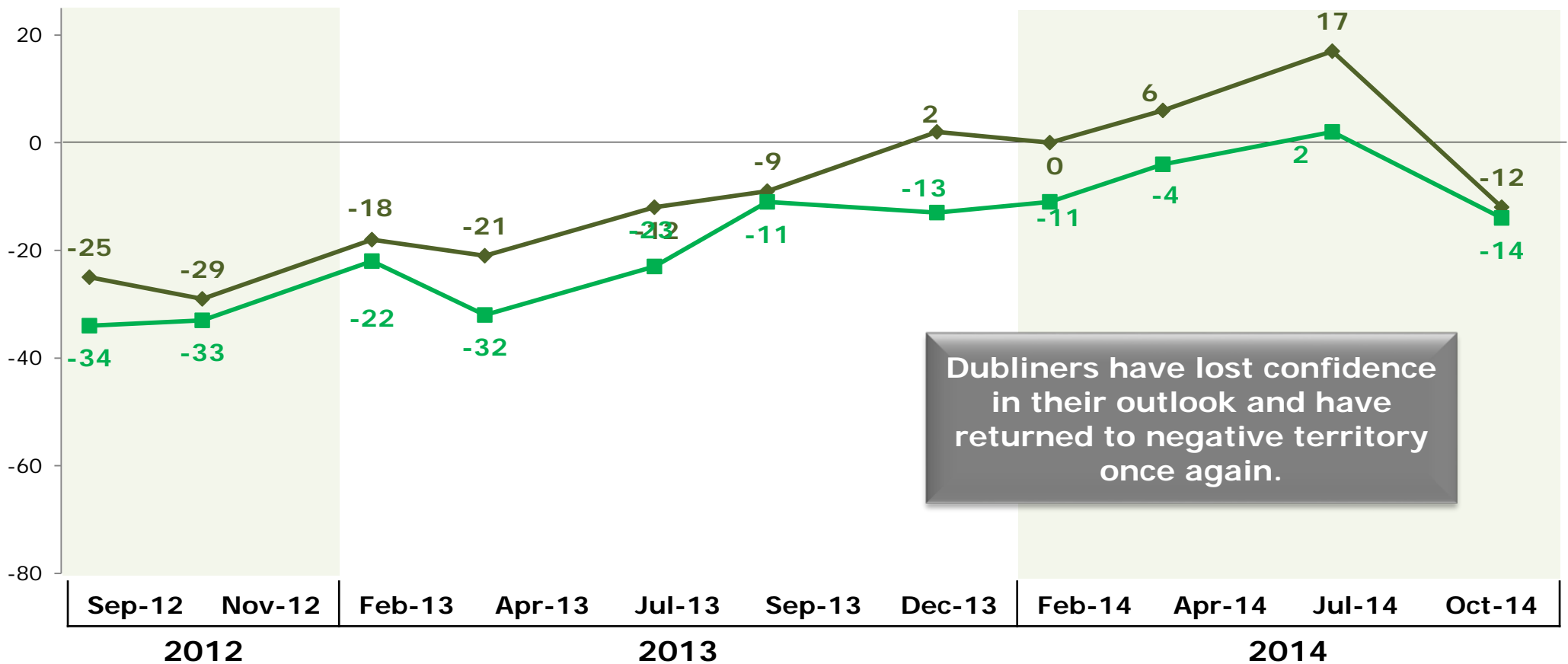
	2006	2007	2008	2009	2010	2011	2012	2013	Feb '14	Apr '14	Jul '14	Sep '14
Gap	=	-15	-59	-68	-49	-58	-52	-32	-5	+6	+6	-13



# Personal Finances – Looking Forward x Region

Base: All Adults 18+

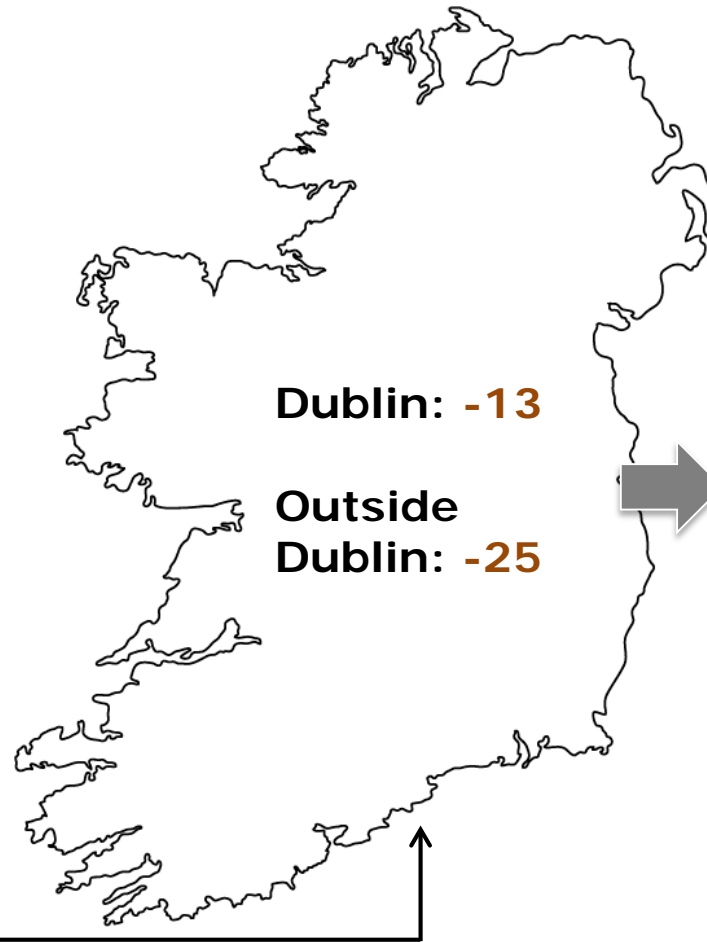
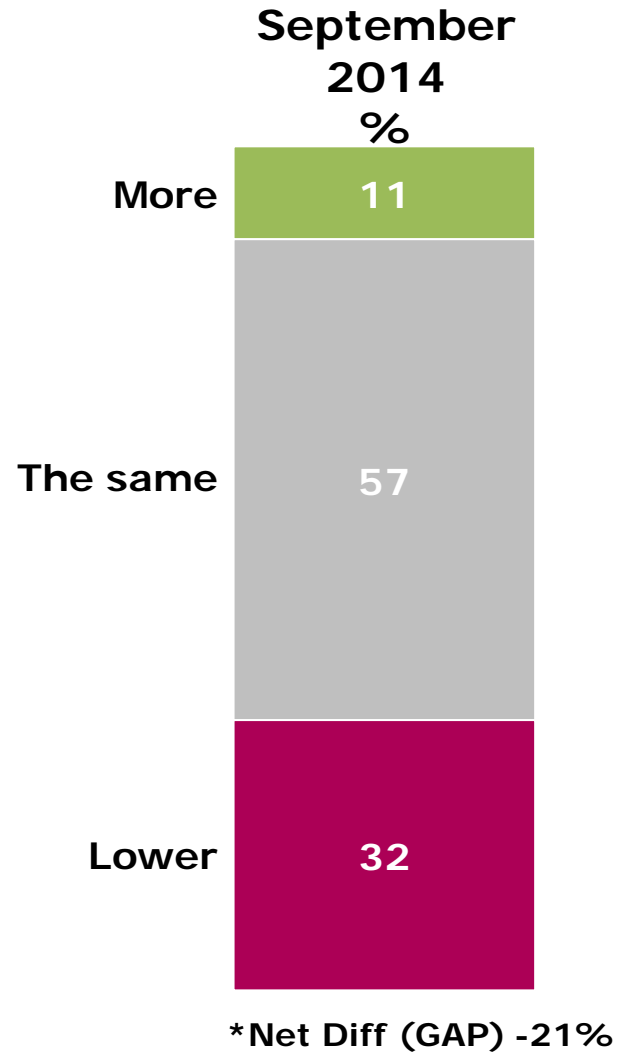
## Dublin vs. Outside Dublin



Dubliners have lost confidence in their outlook and have returned to negative territory once again.

# Savings – Looking Forward

Base: All Adults 18+



Saving levels have remained unchanged this wave versus last.

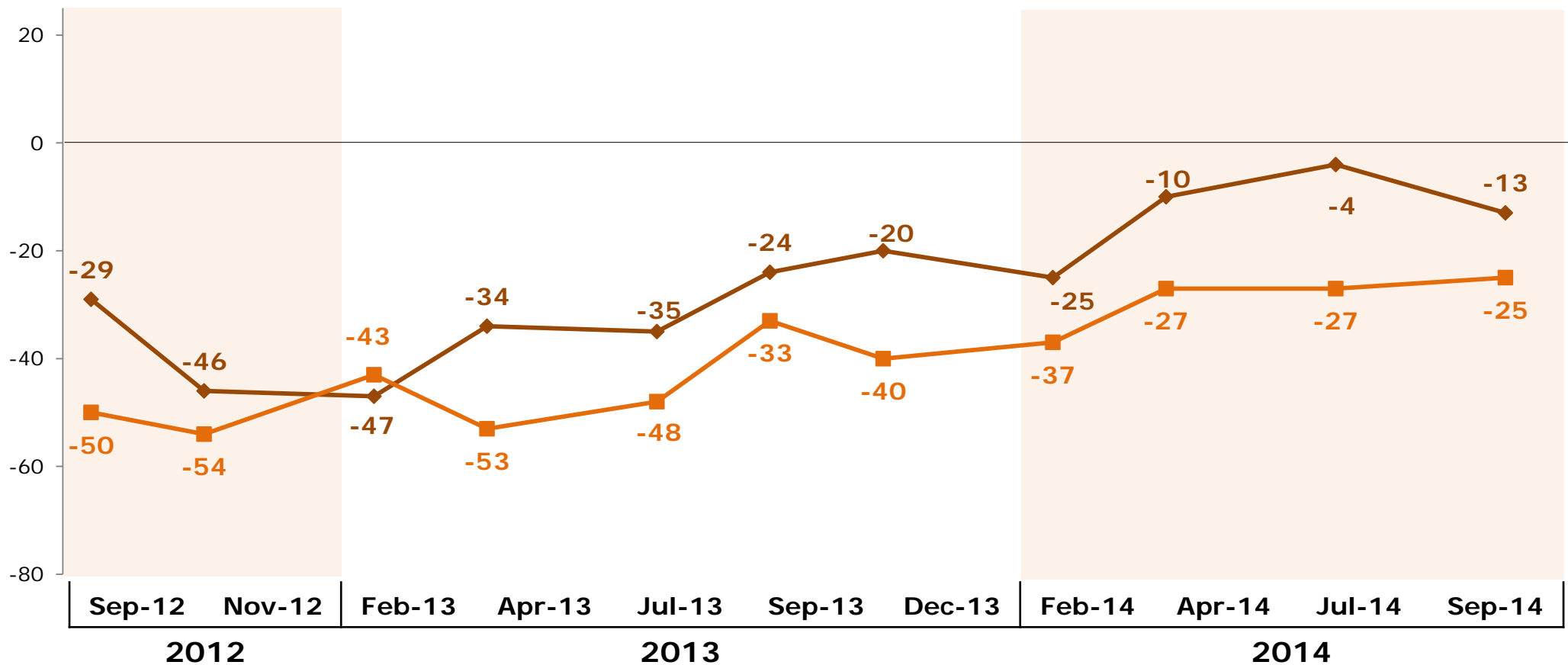
	2006	2007	2008	2009	2010	2011	2012	2013	Feb '14	Apr '14	Jul '14	Sep '14
Gap	-1	-5	-34	-56	-48	-50	-48	-40	-33	-23	-20	-21

# Savings – Looking Forward x Region

Base: All Adults 18+

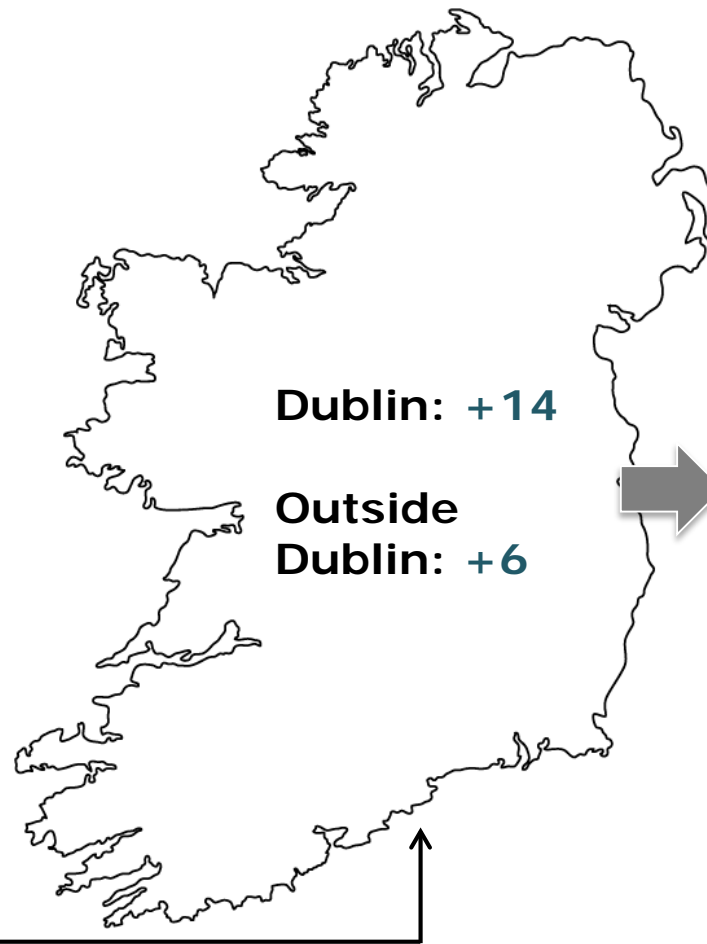
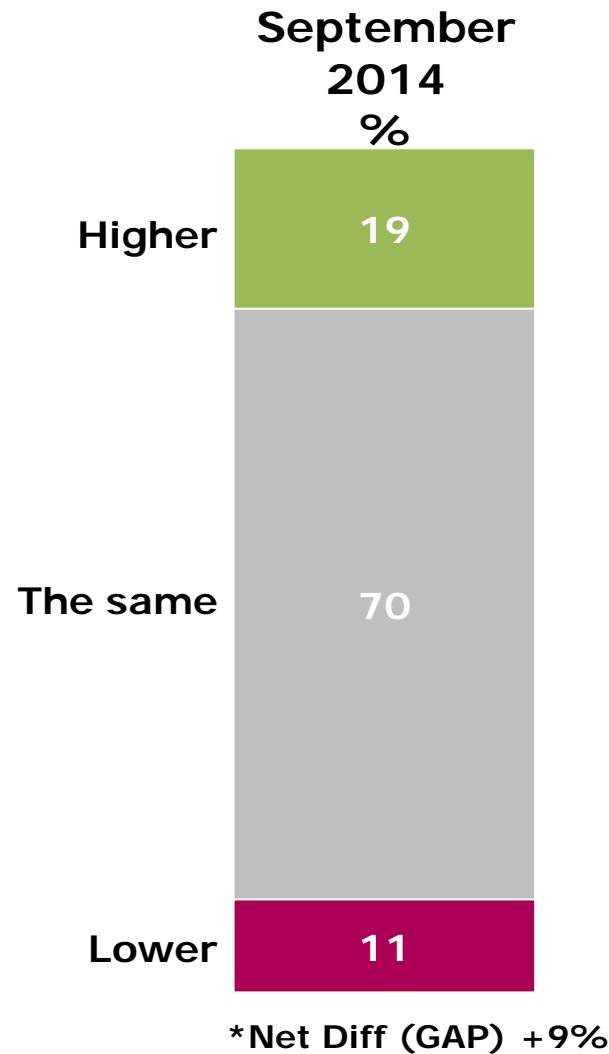
## Dublin vs. Outside Dublin

Gap between Dublin and Outside Dublin continues.



# Personal Assets– Looking Forward

Base: All Adults 18+



Those living in Dublin feel considerably more 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
Gap	+33	+20	-25	-53	-43	-41	-31	-18	-8	-1	+3	+9

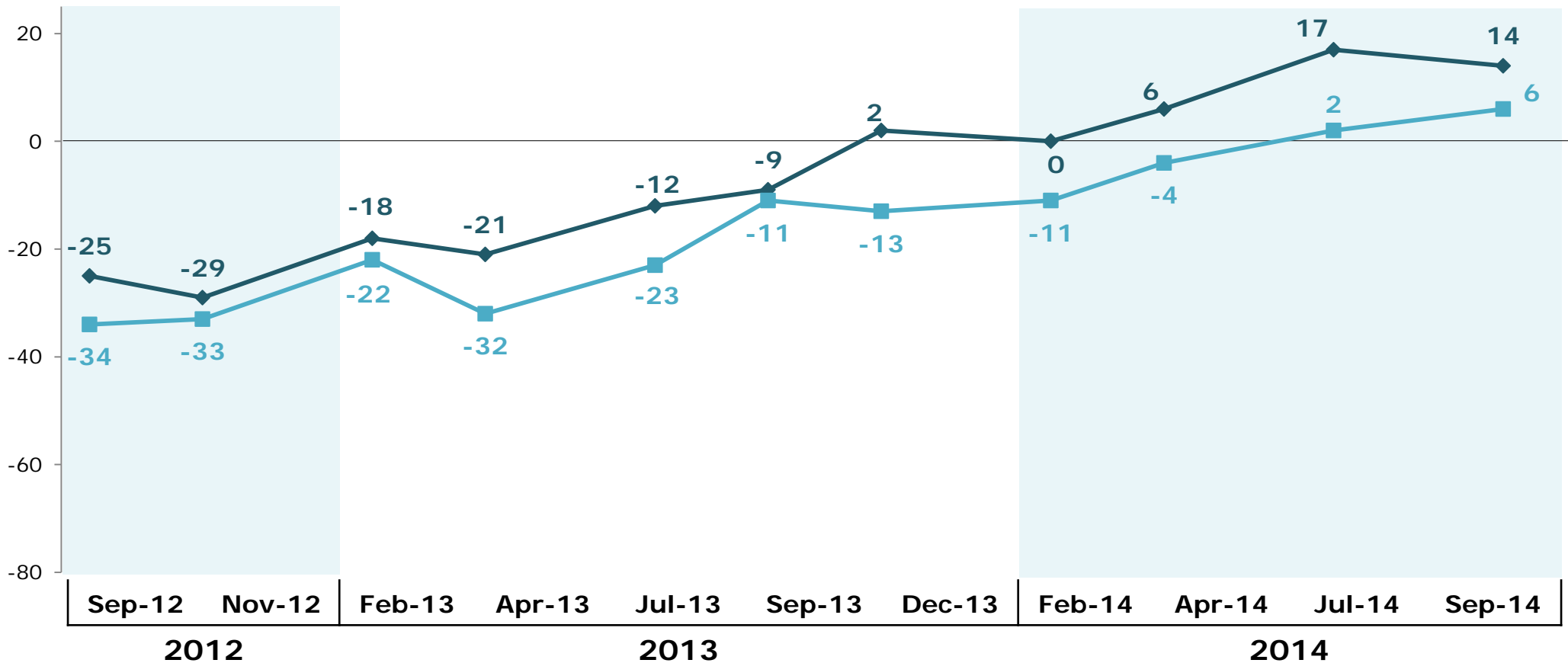


# Personal Assets – Looking Forward x Region

Base: All Adults 18+

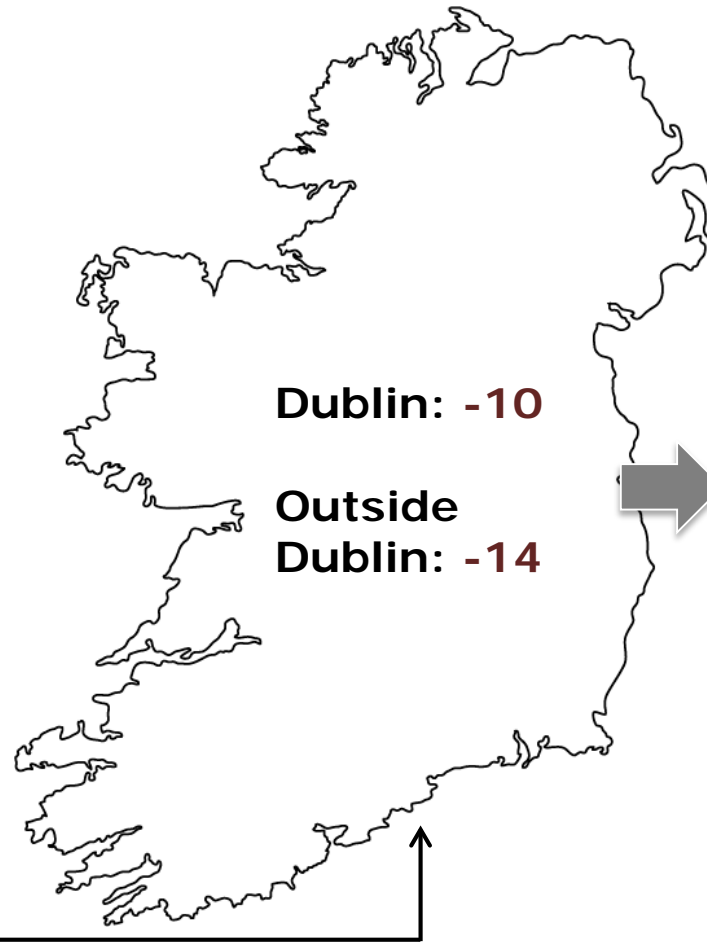
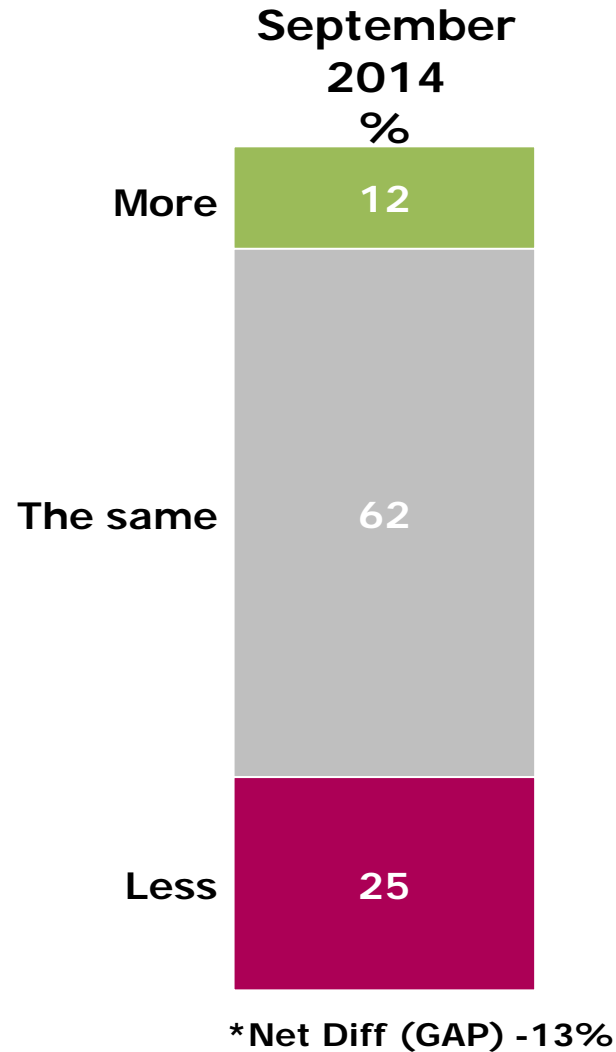
## Dublin vs. Outside Dublin

Dublin continues its positive trajectory. Outside Dublin has finally left negative territory.



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

Base: All Adults 18+



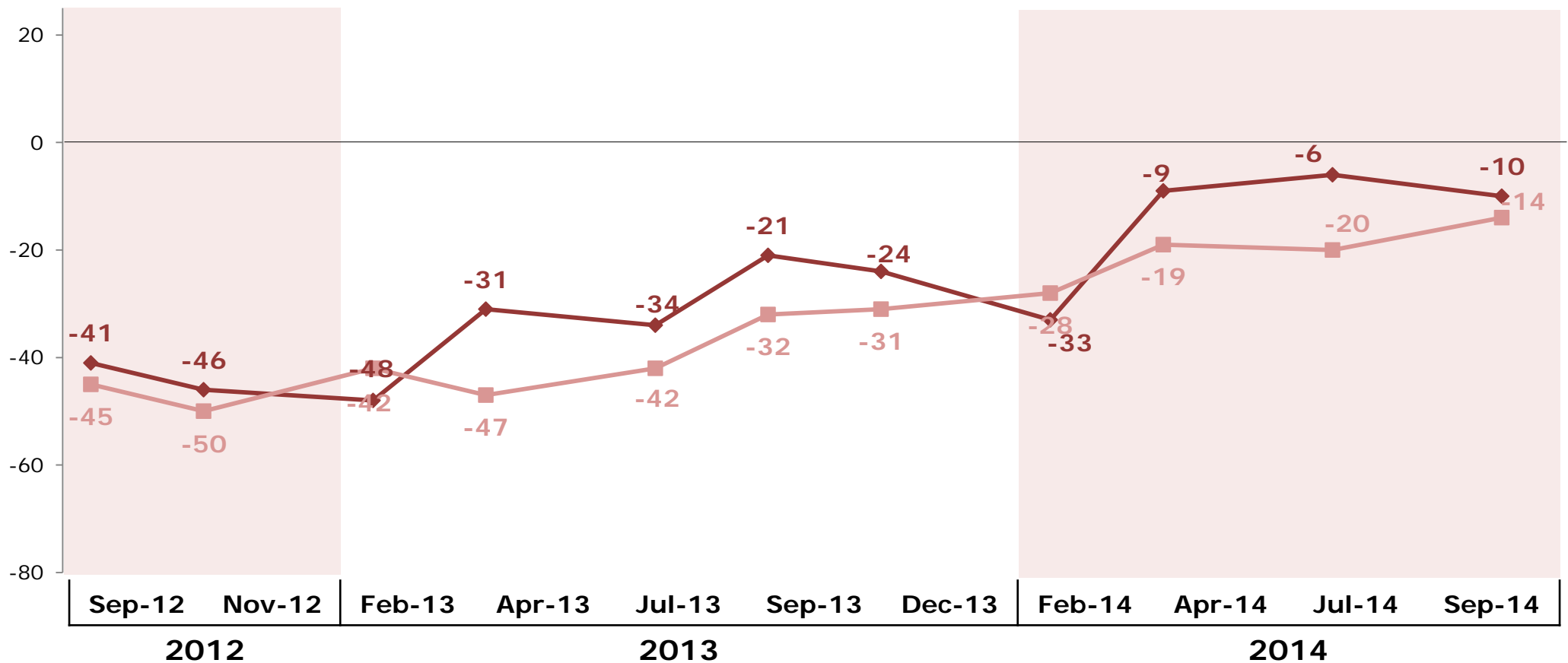
Dubliners feel slightly more confident about spending in the coming year vs. those living outside Dublin (albeit they remain in negative territory).

	2006	2007	2008	2009	2010	2011	2012	2013	Feb '14	Apr '14	Jul '14	Sep '14
Gap	+7	+5	-29	-63	-47	-52	-45	-37	-30	-16	-16	-13

# Purchasing Goods & Services – Looking Forward x Region

Base: All Adults 18+

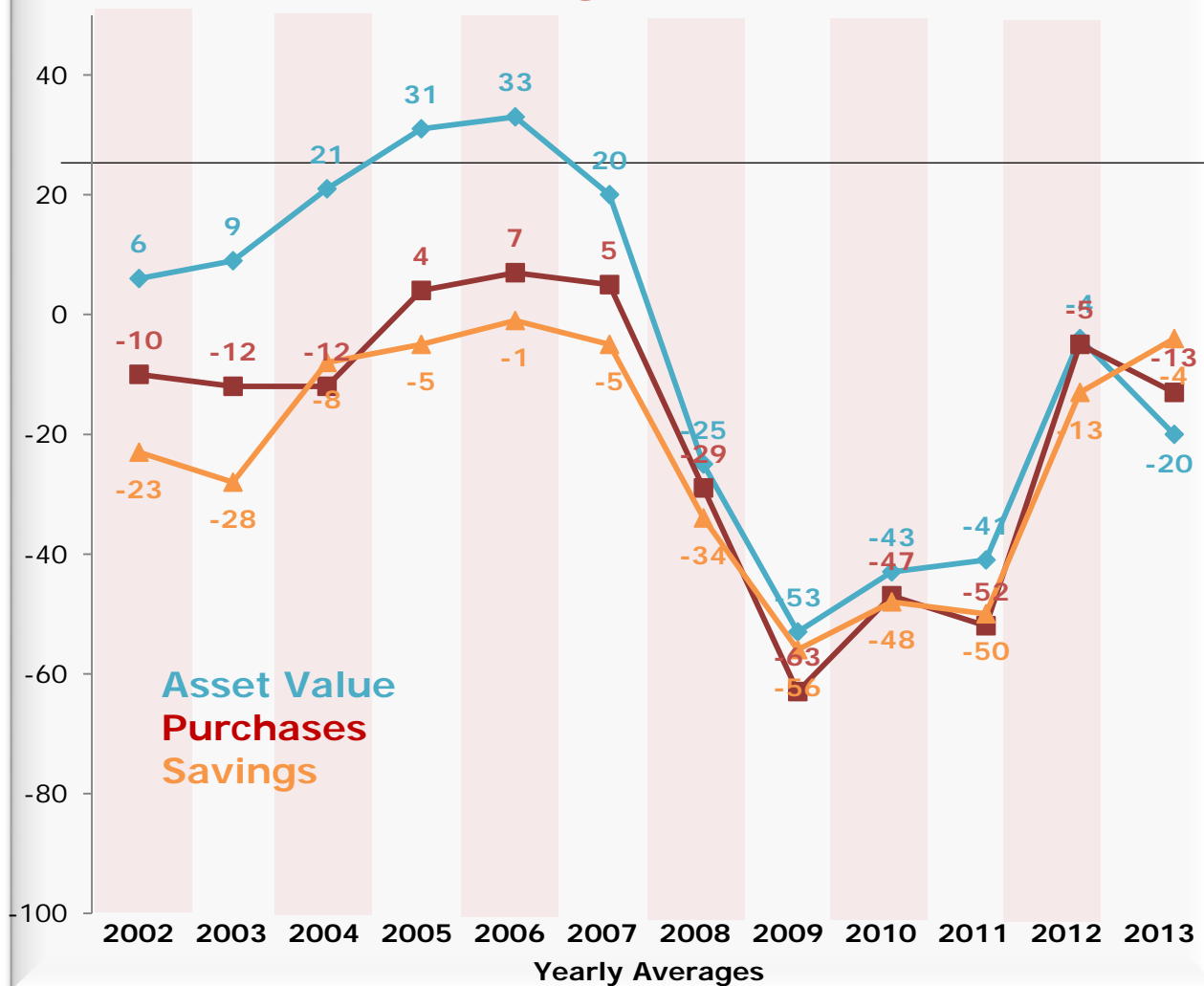
## Dublin vs. Outside Dublin



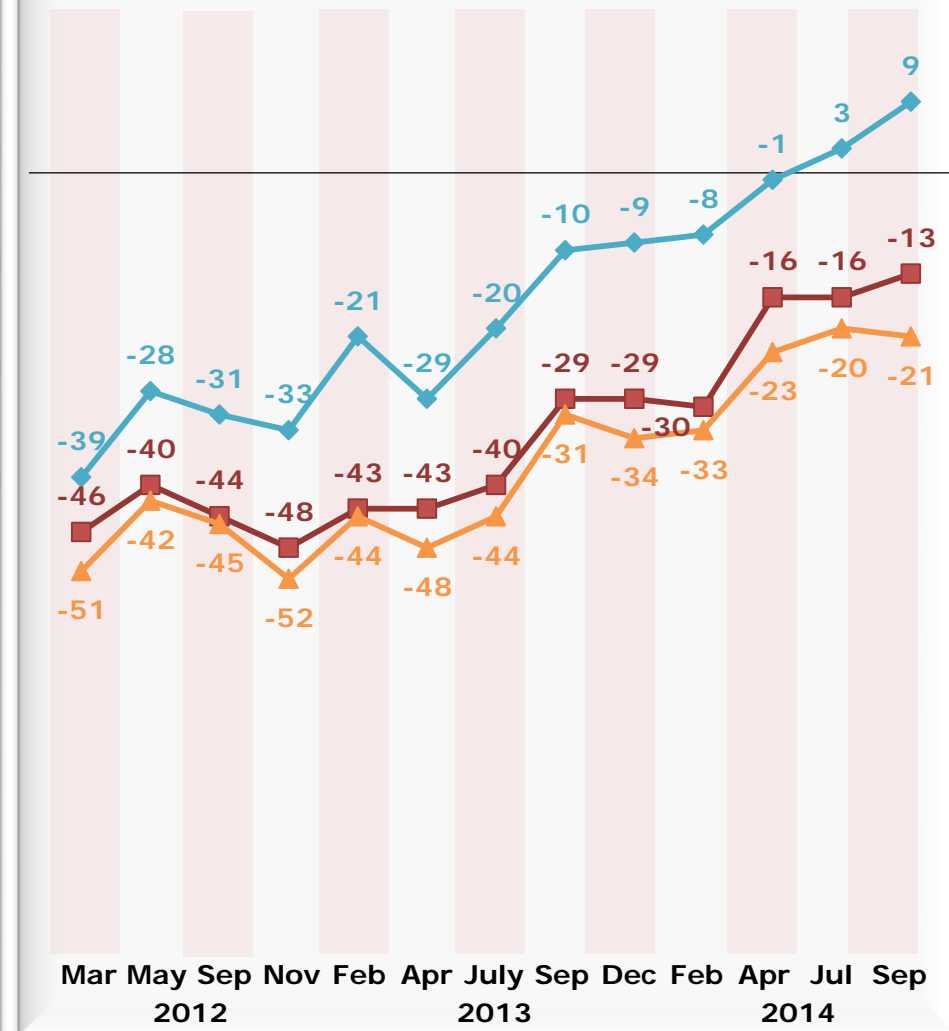
# Balance Of Opinion in Summary – The Year Ahead

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

## Long Term



## Short Term



Improvements are noted and momentum is slowly improving. However, any further imposition that directly affects real incomes of consumers will impact this area negatively. Growth in personal financial situations continues to be finely balanced.

# Discretionary Income: Positivity evident, albeit mainly for Dubliners and ABC1's

Base: All Adults 18+

Dublin	€58.99
Outside Dublin	€47.05
ABC1	€58.51
C2DE	€44.82



# Thank You



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# About Behaviour & Attitudes

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