



Consumer Confidence Tracker

April 2016

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Introduction



Introduction

This report presents the findings of the April 2016 phase of the Behaviour & Attitudes' Consumer Confidence Tracker.

Survey results are based on a sample of 928 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 the 15th and 29th April, 2016.

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 30 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.
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Key Highlights



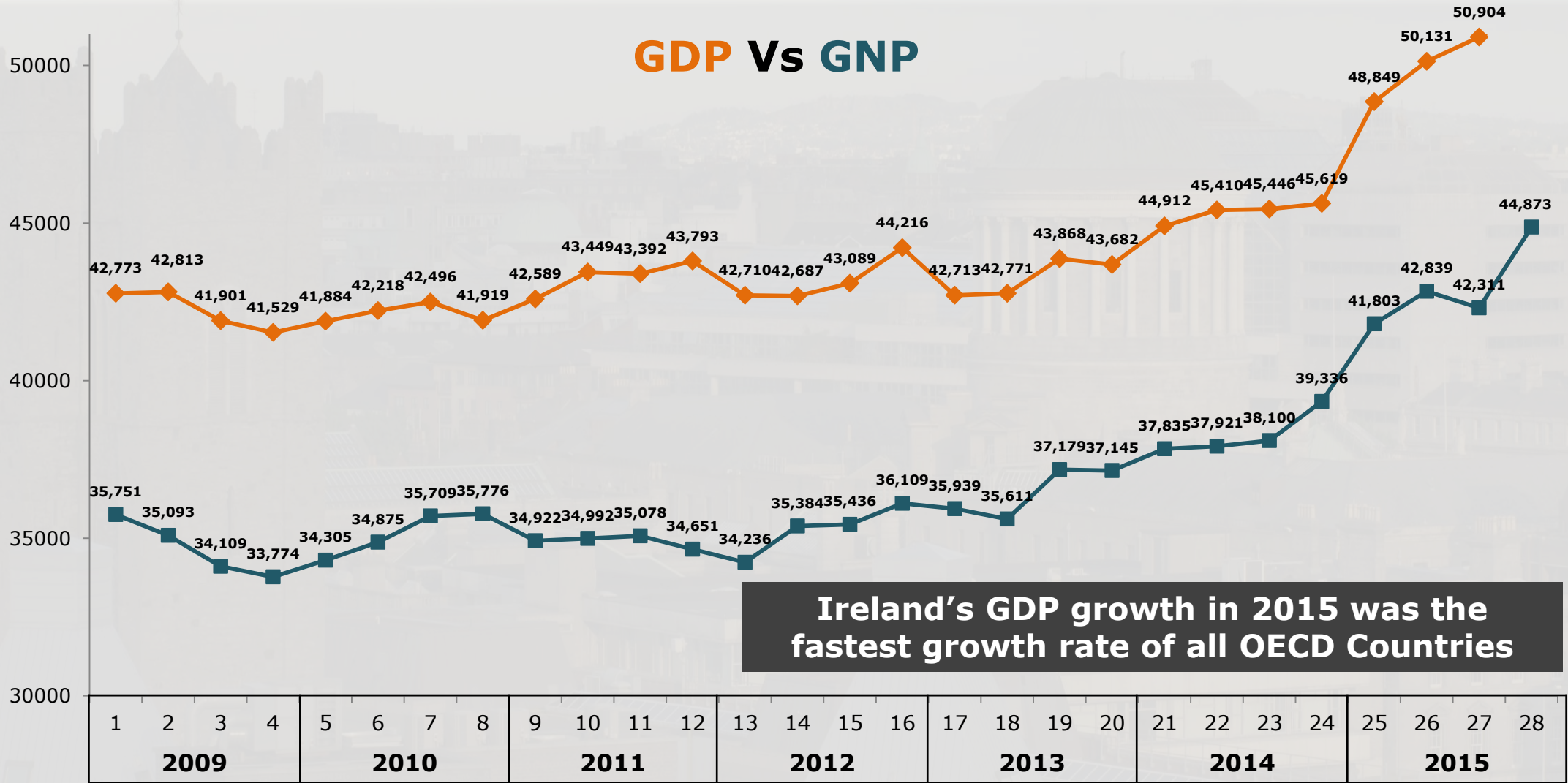
Key Highlights: Dublin confidence declines

- The macro economy is extremely positive, with GNP & GDP at their highest level since the economic downturn. Employment levels have plateaued and Government surplus/deficit has also balanced out.
- During the month of April uncertainty over the future make-up of the Government (amongst other societal challenges, especially in Dublin) appears to have taken a toll on consumers, as consumer confidence in the economy has fallen back slightly since February 2016, albeit still positive.
- While all areas of the country remain positive towards the broader economic prospects, those living in Dublin, females and those aged 35+ years show the greater reduction in confidence.
- Attitudes towards personal finances and savings are expected to remain the same over the year ahead, while the value of personal assets is expected to increase.
- In general, consumers remain cautious with regards to spending (Dubliners in particular have registered a dip), and the purchasing of goods and services is expected to remain relatively steady over the coming 12 months.
- Reflective of the stabilisation in attitudes overall, discretionary income remains relatively static.
- Overall future consumer confidence continues to be positive. However, the Irish consumer is still a nervous one and negative commentary simply impacts immediately.

The Macro Context



GDP and GNP are at their highest level since 2008



* OECD: Organisation for Economic Cooperation & Development

Source: www.CSO.ie
 Quarterly National Accounts
 * Q1 2016 results not yet available

The number in employment has stabilised



*Source: www.CSO.ie/Quarterly National Household survey
Q1 2016 data not yet available

While those on the live register continues a gradual decline, albeit at a slower rate than previously.

The Live Register

-8.14%

Overall Change
vs. April 2015



Unemployment in Ireland



8.4%

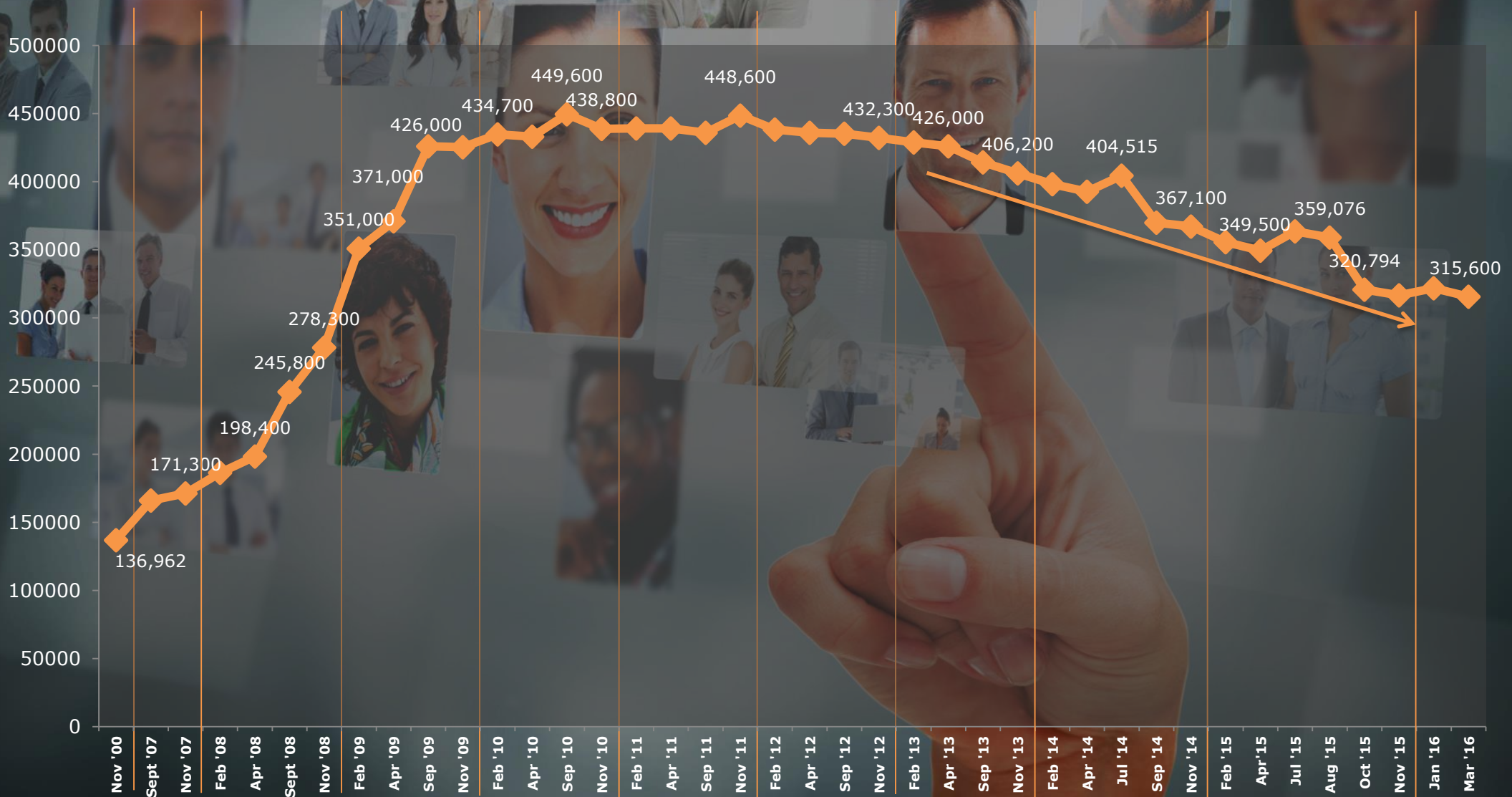
Current Rate of
unemployment
(vs. 9.7% in April 2015)



Source: www.CSO.ie/Persons on live register
* Live Register Total data

Source: www.CSO.ie/Quarterly National Household survey 10

Live Register numbers continue to show a gradual decline but are showing signs of stabilisation in 2016

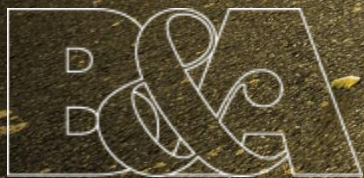


* The Live Register is not designed to measure unemployment. It includes part-time work e.g. seasonal & casual workers who work up to 3 days per week

Source: www.CSO.ie/Persons on live register

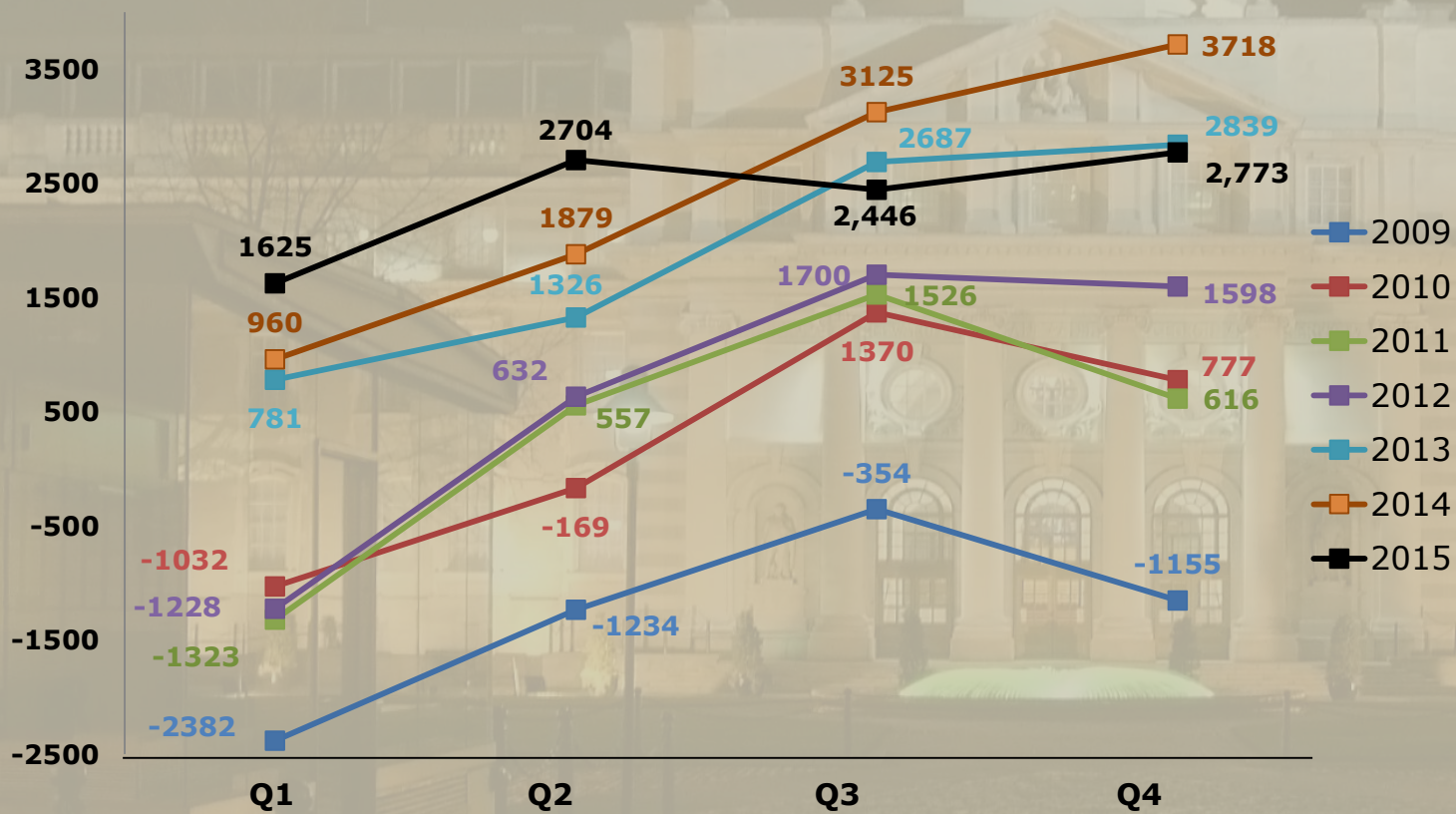
General government surplus/deficit is balancing out

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|-----------|-------------|-------------|-------------|-------------|-------------|-------------|
| Q1 | -39.9 | -10.0 | -11.2 | -8.1 | -6.5 | -4.7 |
| Q2 | -14.9 | -7.8 | -8.0 | -4.2 | -3.2 | -0.1 |
| Q3 | -32.2 | -25.0 | -7.1 | -5.9 | -4.3 | -1.6 |
| Q4 | -42.7 | -7.4 | -5.9 | -4.6 | -1.5 | -3.1 |



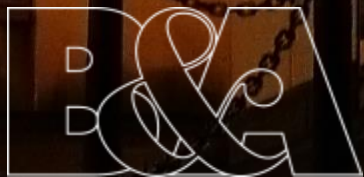
Source: www.CSO.ie/Indicators/default

Balance of Payments has stabilised




Source: [www.CSO.ie/Balance of international payments](http://www.CSO.ie/Balance%20of%20international%20payments)

* Q1 2016 data not yet available



Consumer Confidence Findings



A photograph of two men in dark suits and ties. The man on the left is giving a thumbs-up gesture. The man on the right has a more serious expression. In the background, a sign with the word 'AIRI' and the year '2011' is visible. Two purple text boxes with yellow text are overlaid on the image.

Uncertainty over the make-up of the Government appears to have had an impact on consumer confidence.

The Irish consumer is highly sensitive to any adverse publicity.

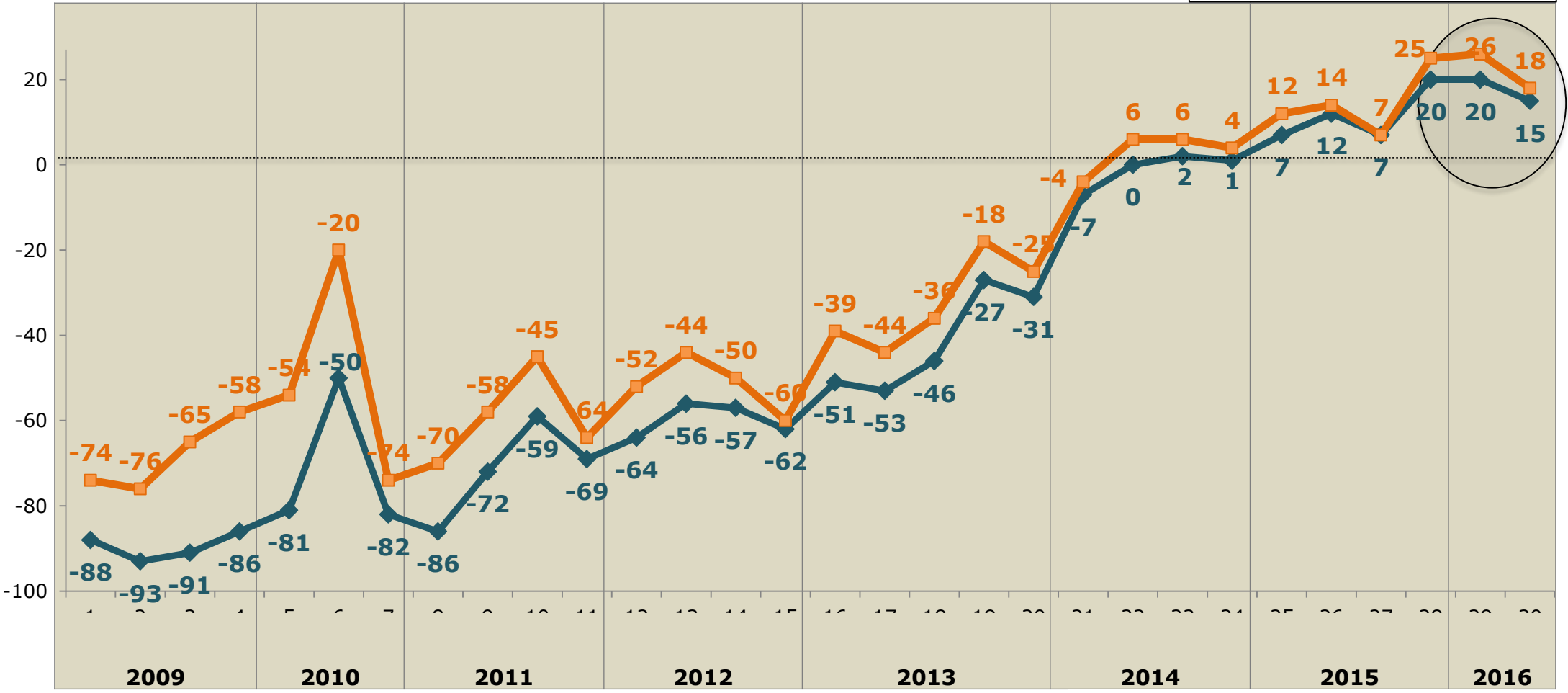


Consumer Confidence for the next 12 months remains high, but has fallen back slightly

Looking Back vs. Looking Forward

(Net Diff: Positive-Negative)

| | |
|------------------------|------------|
| Looking forward | |
| Dublin | +15 |
| Outside Dublin | +19 |



Source: B&A Consumer Confidence Report

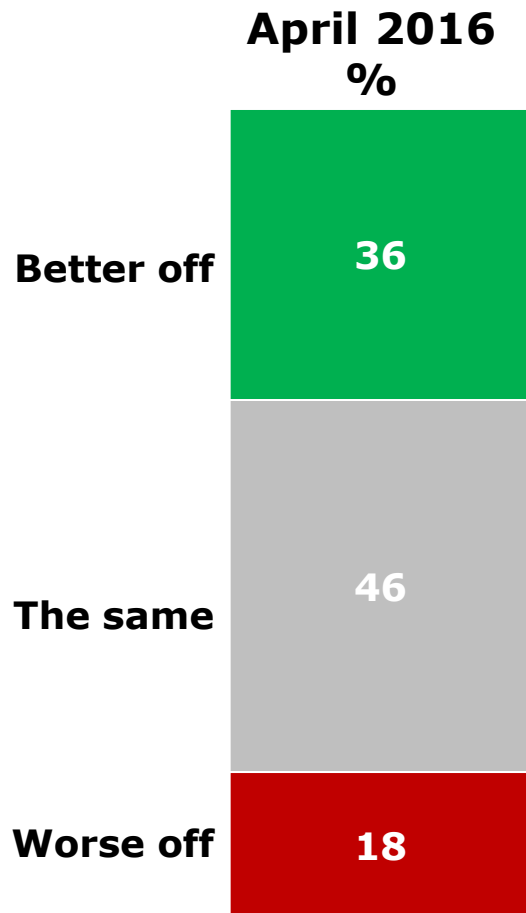


Q.1
Q.2

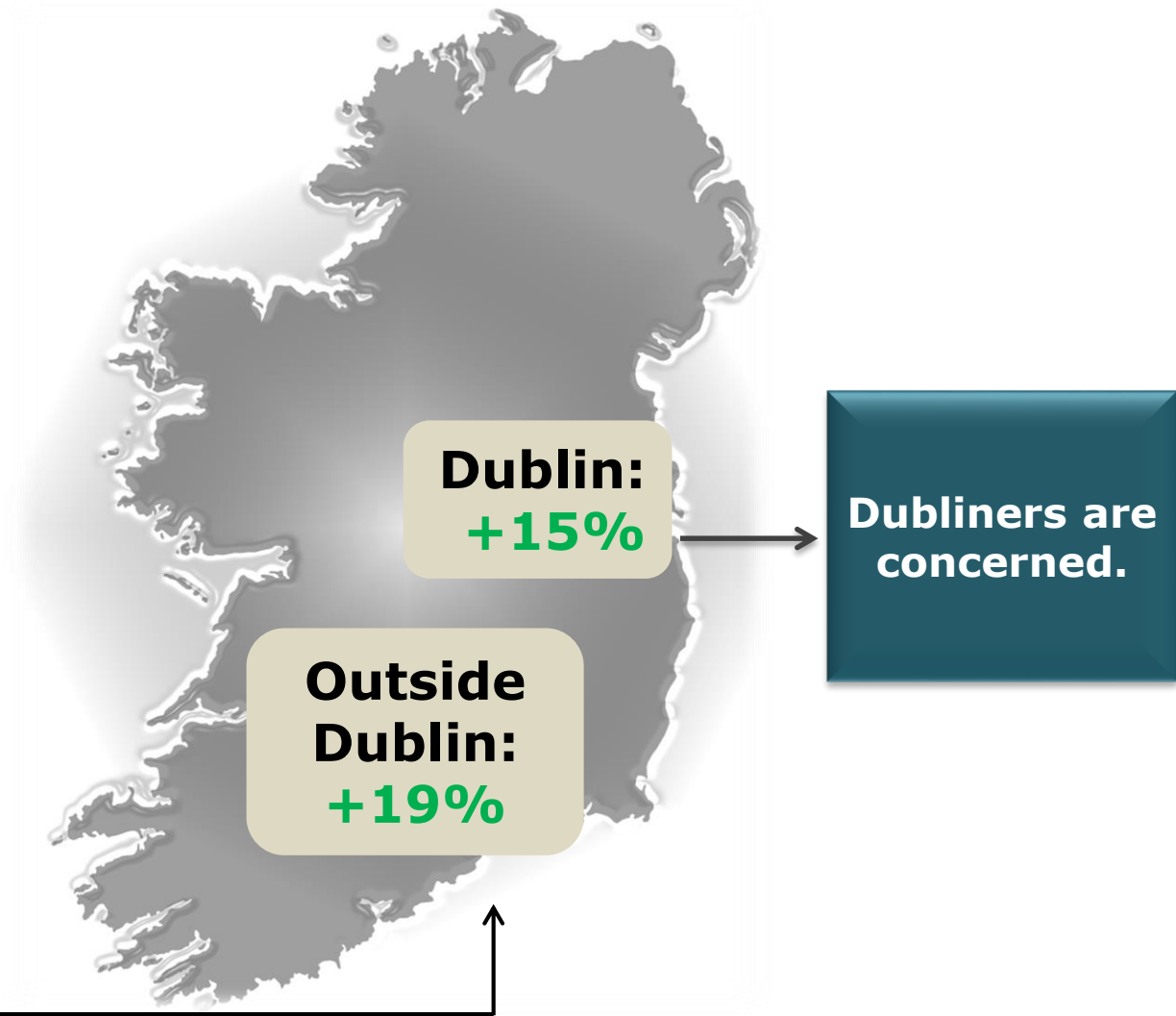
Thinking about the economy as a whole, do you think that the country is better off, worse off, or about the same as last year?
And what about the coming year, do you think that the country will be better off, worse off or about the same as this year?

All areas of the country remain positive towards the country's economic prospects, with those outside Dublin showing a higher sense of optimism than Dubliners – in this wave Dublin has declined.

Base: All Adults 16+



*Net Diff (GAP) +18%



| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015' | Feb '16 | Apr '16 |
|------------|------|------|------|------|------|------|------|------|------|-------|---------|---------|
| Gap | = | -15 | -59 | -68 | -49 | -58 | -52 | -32 | +3 | +15 | +26 | +18 |



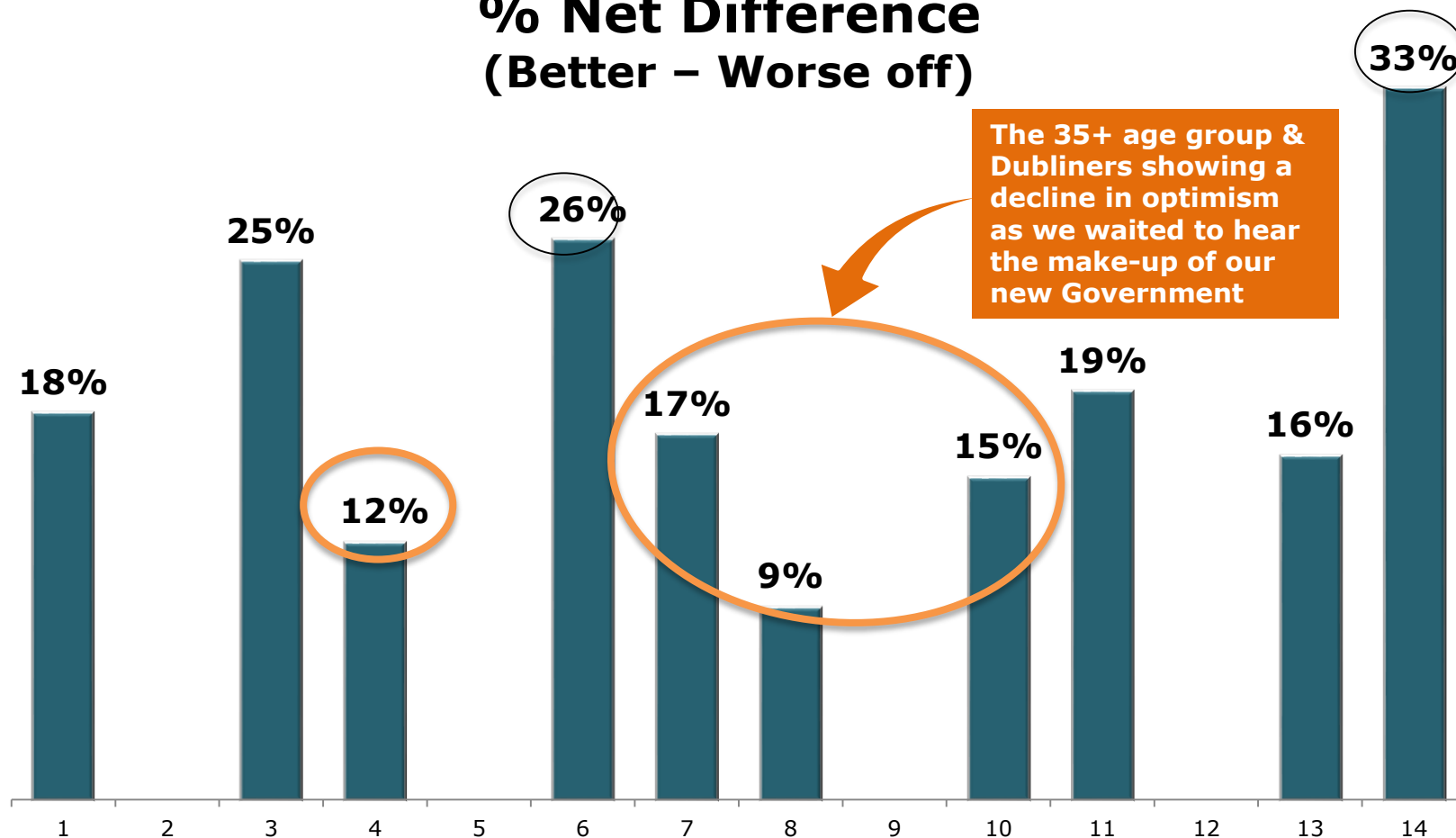
Q.2

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?

Optimism has dropped for; females, those aged 35+ and Dubliners.

Base: All Adults 16+

**% Net Difference
(Better – Worse off)**



| | | | | | | | | | | | | | | |
|------------------|-----|--|-----|-----|--|-----|-----|-----|--|-----|-----|--|-----|-----|
| Net Diff Feb '16 | 26% | | 27% | 26% | | 27% | 32% | 17% | | 40% | 21% | | 25% | 32% |
| NET Diff Nov '15 | 25% | | 25% | 25% | | 29% | 21% | 26% | | 31% | 23% | | 24% | 34% |

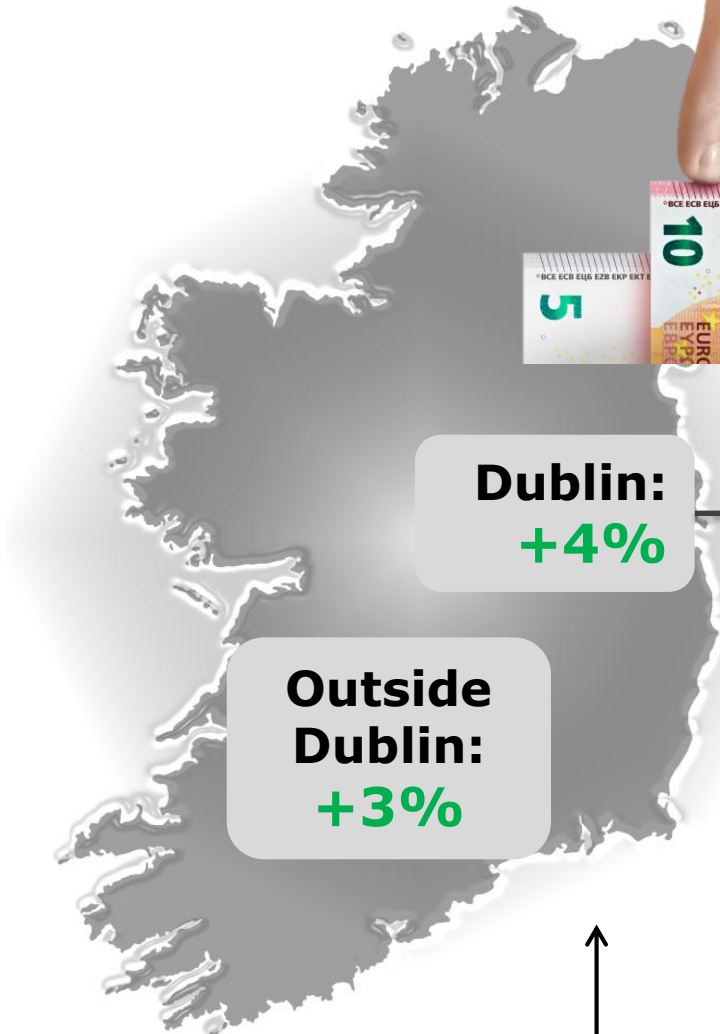
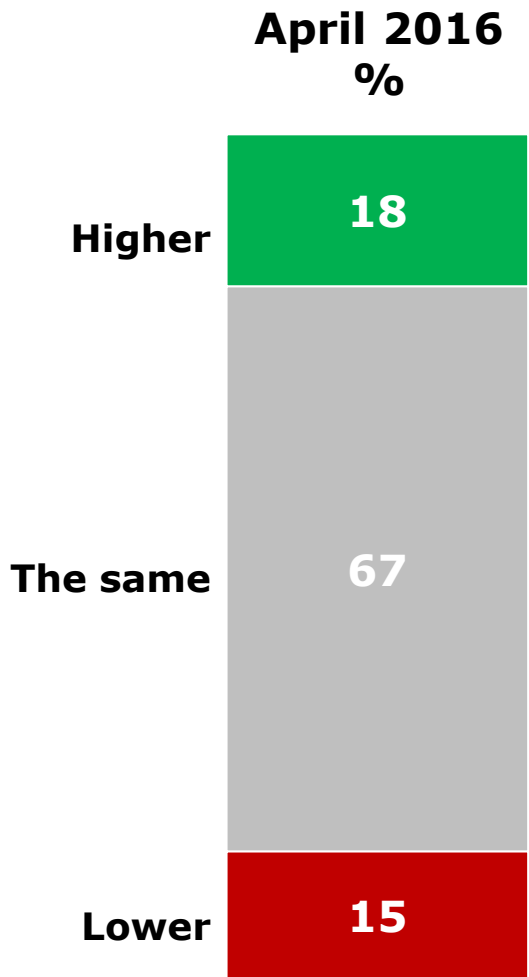


Q.2

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 Finances – overall attitudes towards personal finances have remained steady

Base: All Adults 16+



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

*Net Diff (GAP) +3%

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Feb 16 | Apr 16 |
|-----|------|------|------|------|------|------|------|------|------|------|--------|--------|
| Gap | = | -15 | -59 | -68 | -49 | -58 | -52 | -32 | -22 | -6 | +4 | +3 |



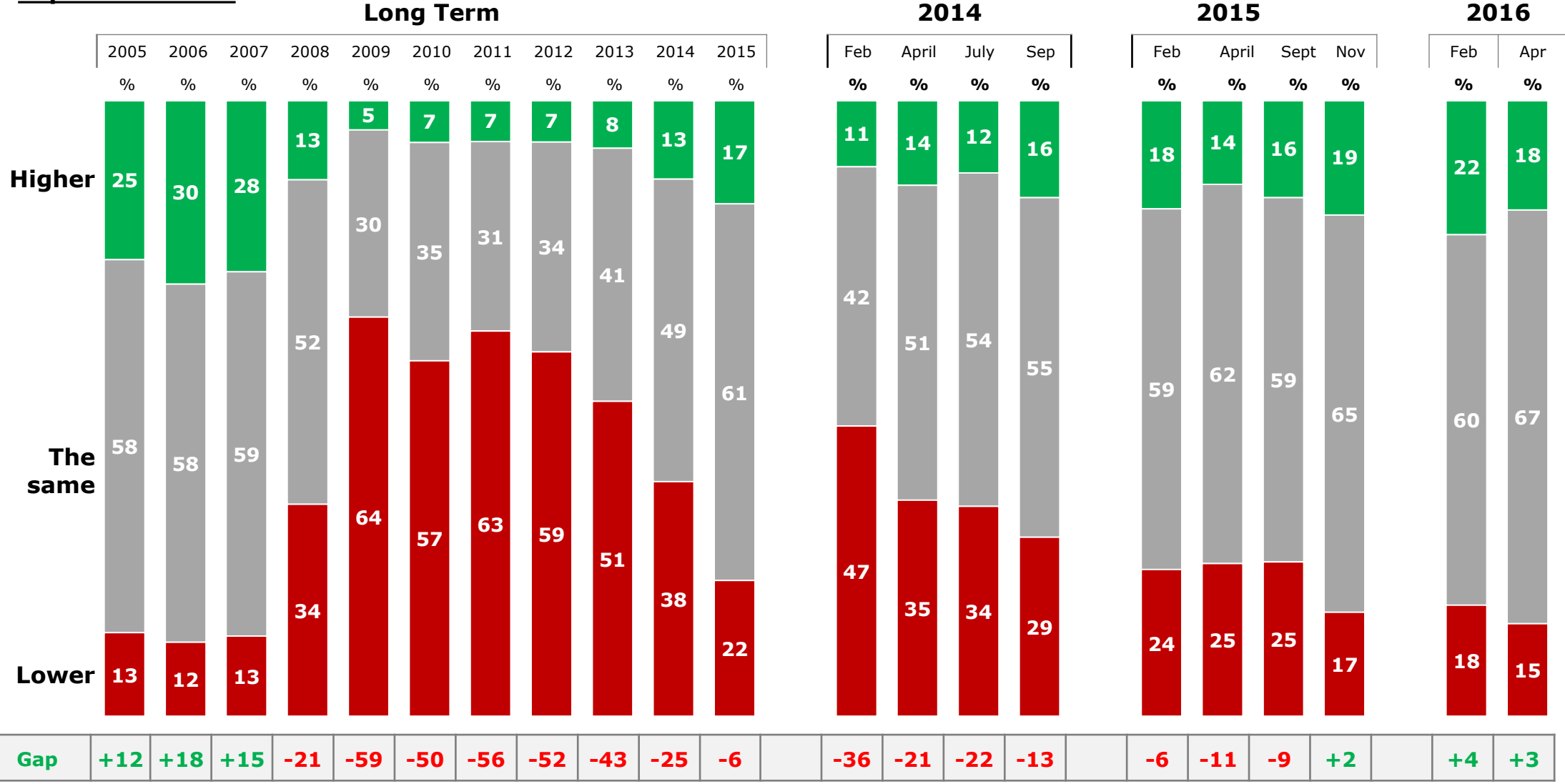
Q.5 Do you expect your income in the next year, after inflation and taxes, to be higher, lower or the same as in the last twelve months?

Personal Finances – Looking Forward YOY

Base: All Adults 16+



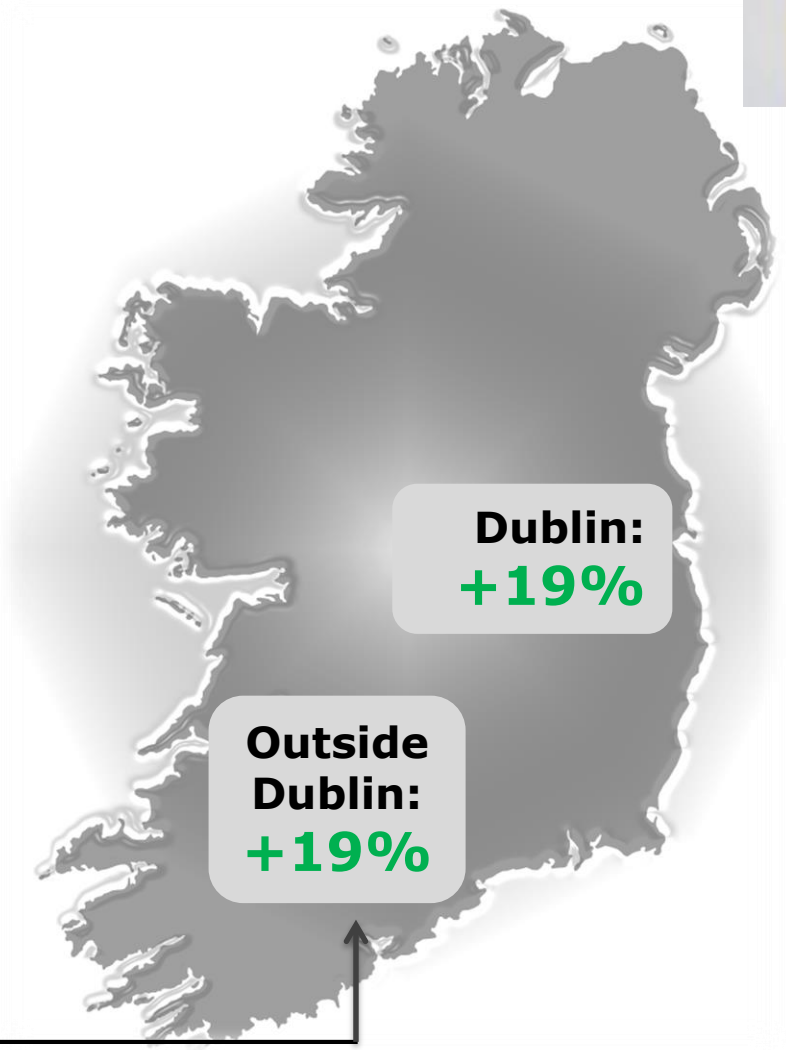
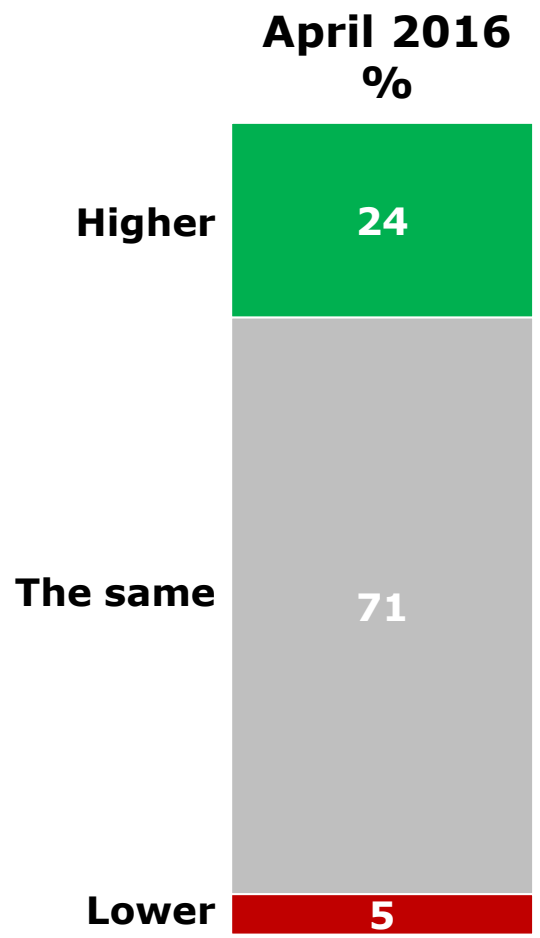
Expect it to be....



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?

Personal Assets– The value of personal assets is expected to gradually improve over the next 12 months

Base: All Adults 16+



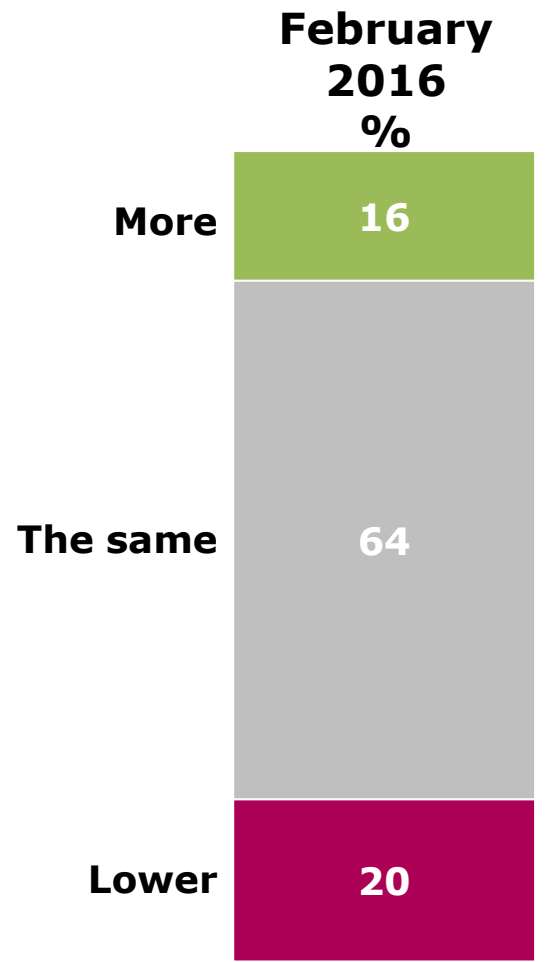
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Feb 16 | Apr 16 |
|-----|------|------|------|------|------|------|------|------|------|------|--------|--------|
| Gap | +33 | +20 | -25 | -53 | -43 | -41 | -31 | -18 | -1 | +14 | +17 | +19 |



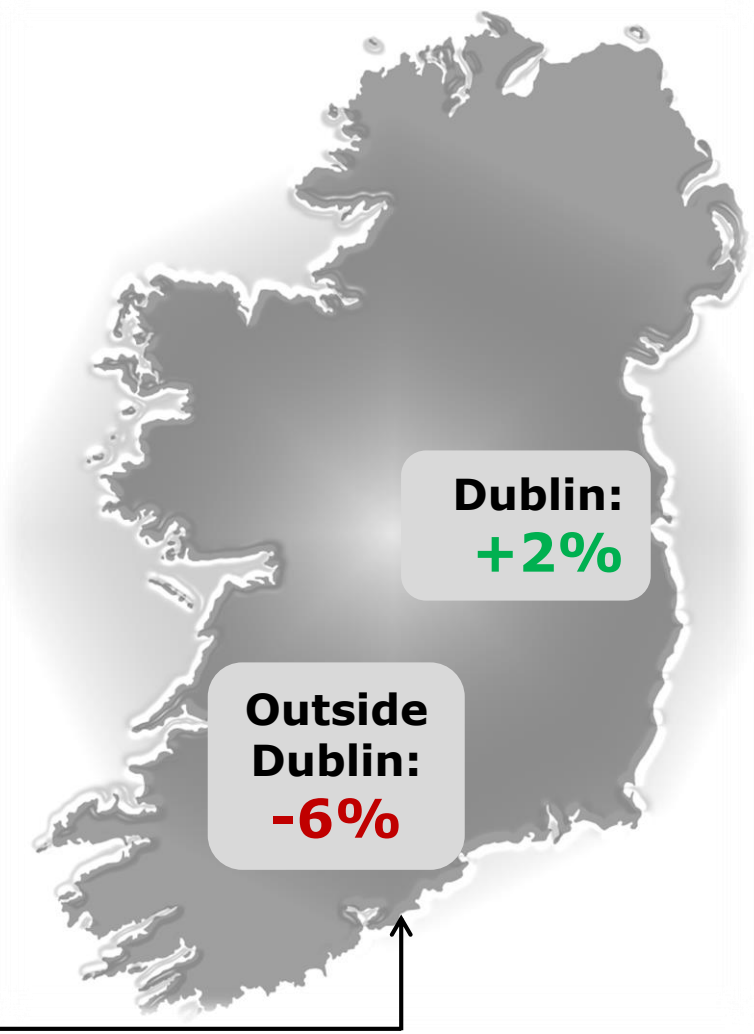
Q.6 Do you expect your assets (your house, shares, pension entitlements, savings) In the next year to be higher, lower or the same as in the past year?

Savings – Overall net future savings are expected to remain the same over the next 12 months

Base: All Adults 16+



*Net Diff (GAP) -4%



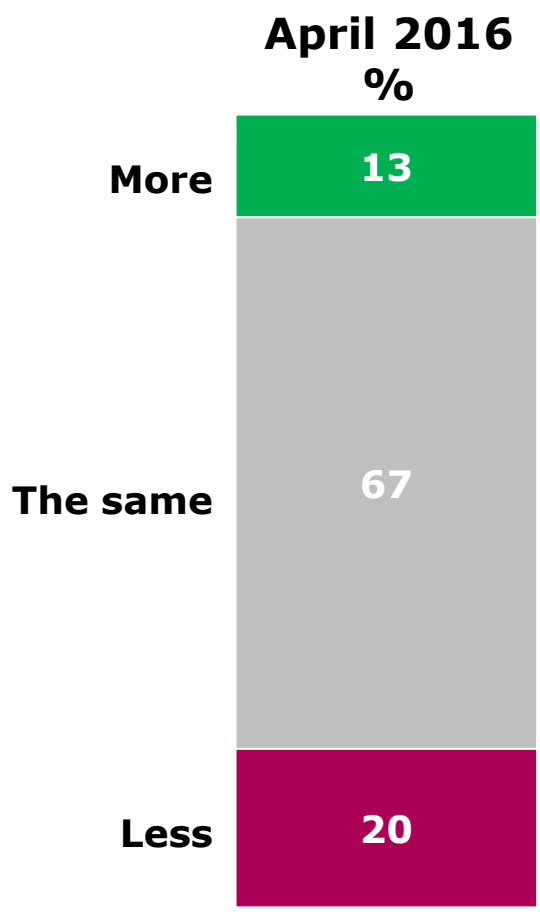
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Feb '16 | Apr '16 |
|-----|------|------|------|------|------|------|------|------|------|------|---------|---------|
| Gap | -1 | -5 | -34 | -56 | -48 | -50 | -48 | -40 | -24 | -13 | -2 | -4 |



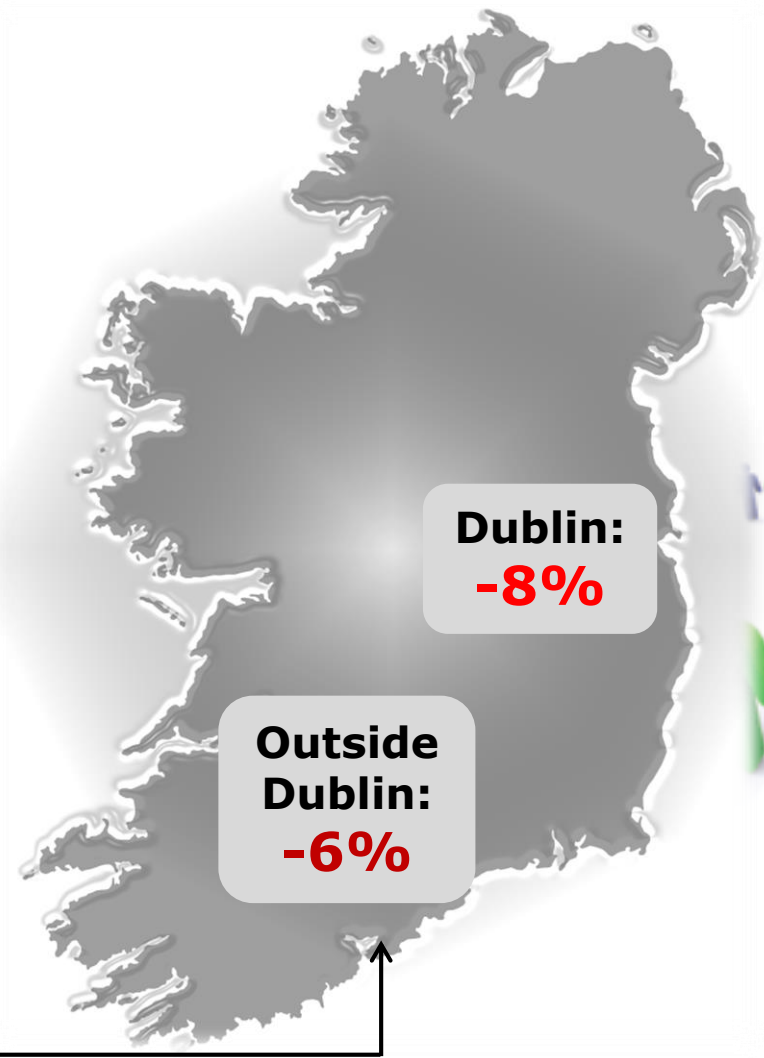
Q.8 Do you expect to save more, less or the same amount in the year ahead compared with the last twelve months?

Purchasing Goods and Services – consumers remain cautious about spending

Base: All Adults 16+



*Net Diff (GAP) -7%



| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Feb '16 | Apr '16 |
|-----|------|------|------|------|------|------|------|------|------|------|---------|---------|
| Gap | +7 | +5 | -29 | -63 | -47 | -52 | -45 | -37 | -19 | -13 | -3% | -7% |

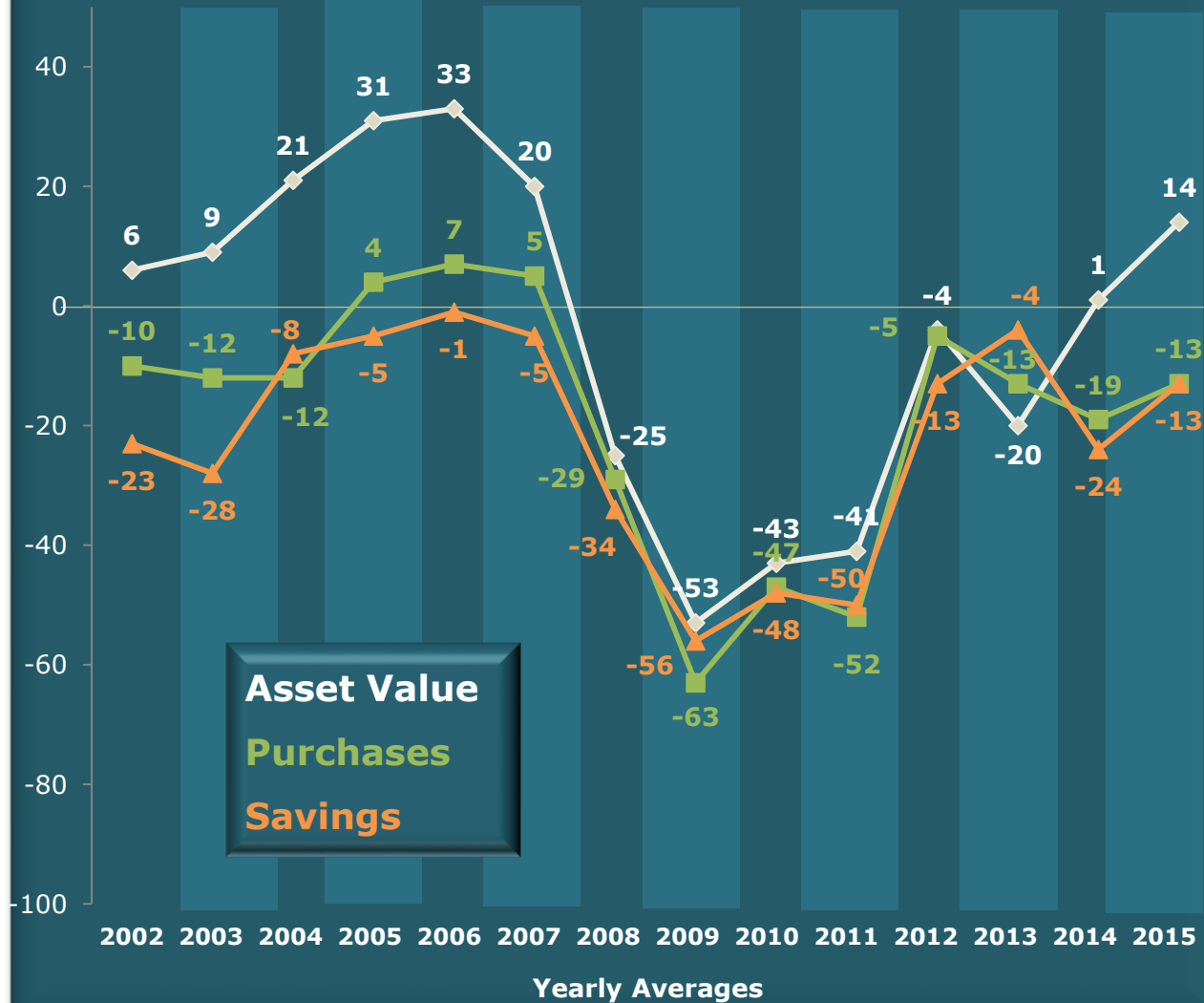


Q.7 In the year ahead, do you expect to purchase more, less or the same amount of goods and services as in the past year?

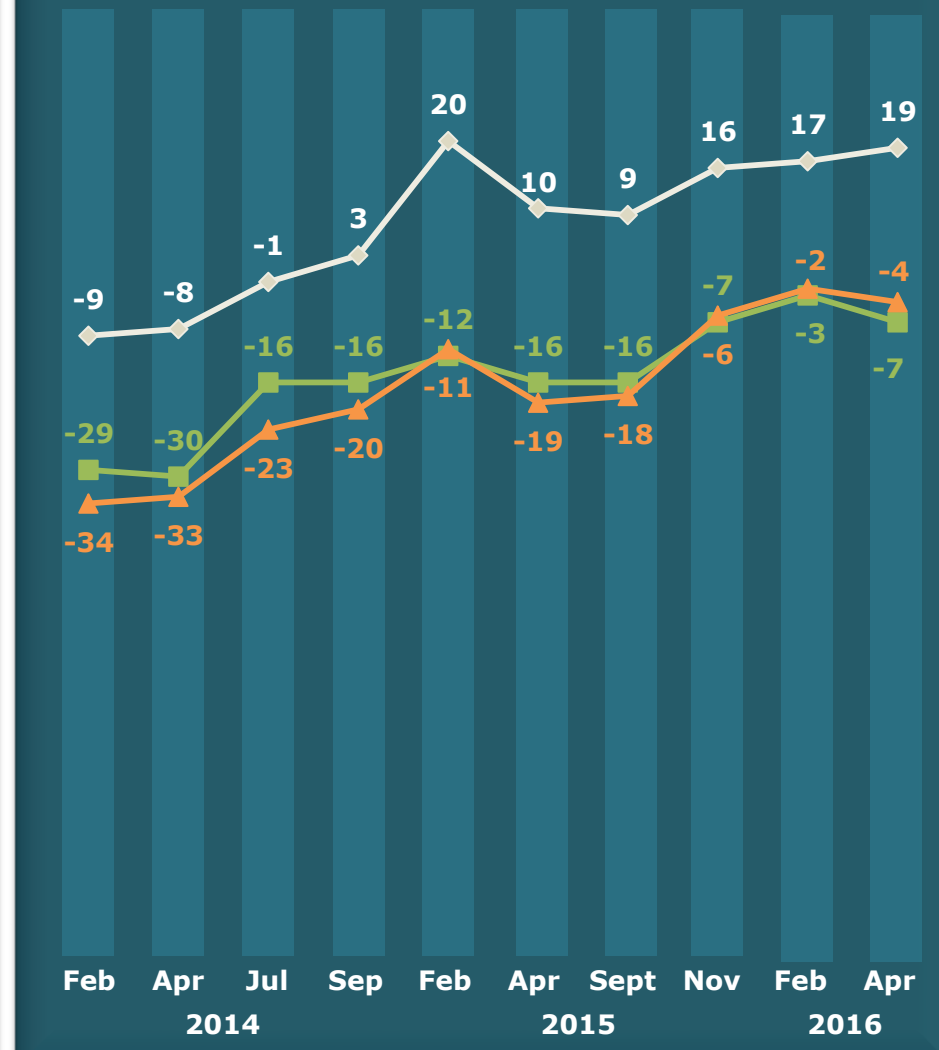
Balance Of Opinion in Summary – The Year Ahead

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

Long Term

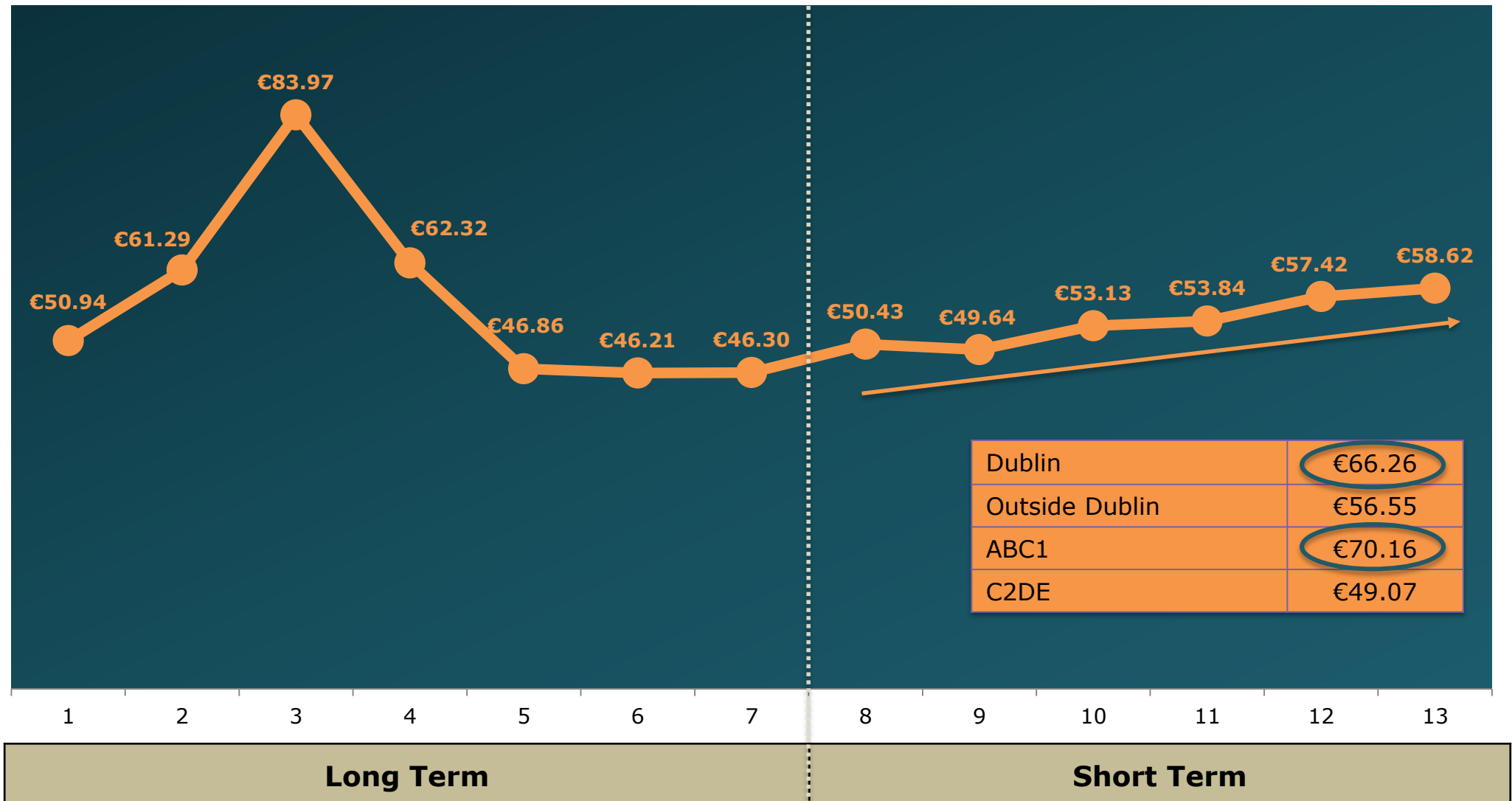


Short Term



Reflective of stabilisation in attitudes overall, discretionary income remains relatively stable, but is showing a positive upwards trend.

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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