

IPSOS B&A CONSUMER CONFIDENCE

August 2024

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INTRODUCTION



Introduction

1

This report presents the findings of Ipsos B&A's latest Consumer Confidence Barometer, covering August 2024.



2

Survey results are based on a sample of 1,004 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.



3

All interviewing was conducted via Ipsos B&A's Acumen Online Barometer.



4

Fieldwork on the latest wave was conducted from the 7th – 14th August 2024.





Most awarded Irish research agency with 38 Marketing Society Research Excellence Awards, including 8 Grand Prix (latest one in 2023), in 15 years.

About Ipsos B&A

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KEY HIGHLIGHTS



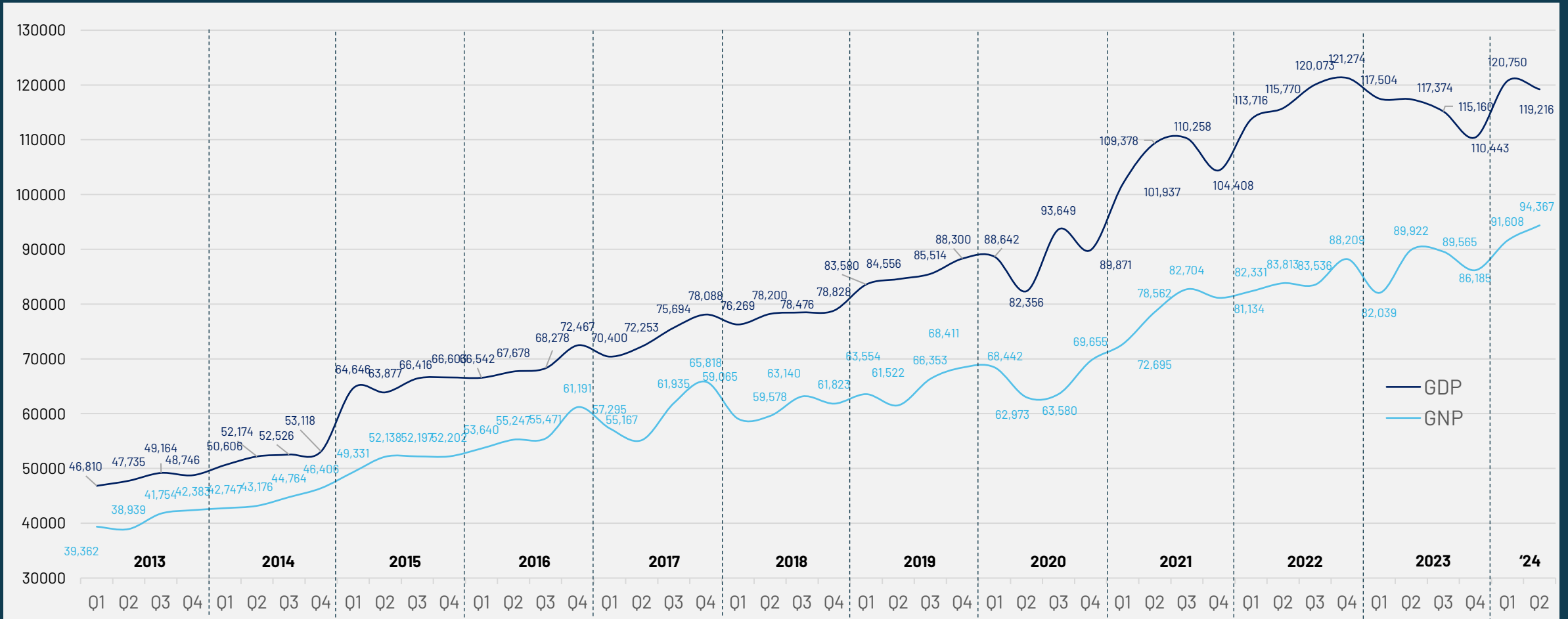
A rising economic tide doesn't necessarily float all boats.

- This wave of the Ipsos B&A Consumer Confidence Barometer was conducted from the 7th – 14th August 2024.
- Consumer confidence has improved marginally in August 2024. It now stands at a net rating of -23 (those feeling downbeat versus those feeling more upbeat), compared to -24 in July.
- What is most striking is that while positive sentiment is moving slowly, the **proportion of those who are pessimistic for the future** continues to decrease and is now at a two and a half year low.
- Indeed, confidence is at a 31-month high (stretching back to January 2022) and is up across all regions. In particular, Dubliners are more upbeat.
- Females, those aged 35-54, or from lower social classes (C2DEs), and residents living outside Dublin continue to be more pessimistic about the year ahead. These cohorts have consistently been more downbeat over time.
- Two in five (41%) expect to save less in the coming year. However, nearly a quarter (23%) are upbeat in their savings intentions; this represents an increase of five points since July in terms of saving intentions.
- One in seven plan to spend more on goods and services in the next 12 months, but they are in the minority – over two in five will cut back. Many do not forecast any change in their behaviour.
- Nearly seven in ten (68%) are “coping” with the cost-of-living crisis. Against a background of lower inflation (and interest rate cuts, along with a giveaway budget to come), they have arguably weathered the cost-of-living storm.
- But one in five are facing difficulties; a proportion of the population that has remained constant, reflecting the reality of the “Haves” and “Have nots”.
- Nearly three in ten (28%) expect their disposable income to grow this year. The net gap (higher income minus lower income) is at the narrowest seen so far (minus five points).
- In addition, two in five believe that the value of their assets will improve over the next 12 months. Just 18% disagree, and this represents an historical high in terms of net positivity towards asset appreciation, stretching back over three and a half years.

MACRO CONTEXT

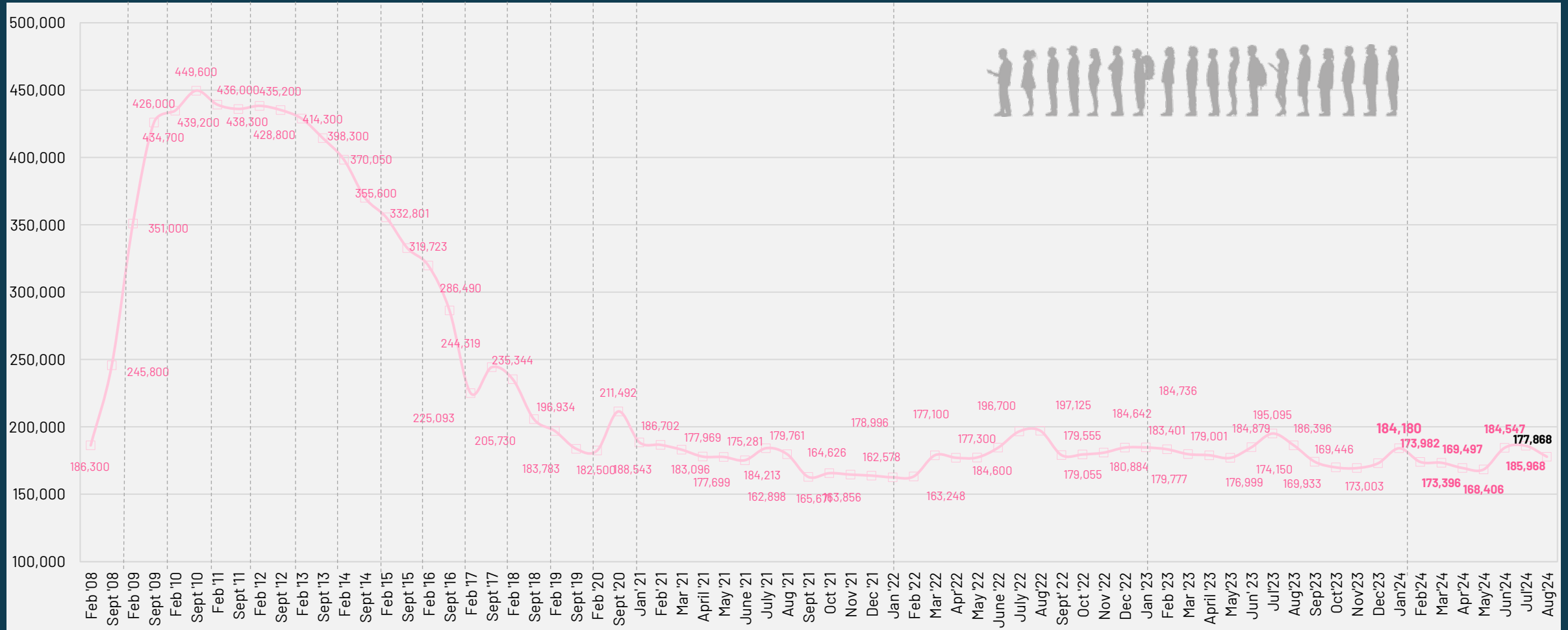


The economy observed a marginal decline in Quarter 2 2024 in terms of GDP, while GNP has increased by 3.3%, and stands at its highest level seen so far.



Source: www.CSO.ie Quarterly National Accounts
 Note: Qtr. 2'24 GDP and GNP data finalised 5th September 2024

Live Register figures have remained relatively stable over the past month, with a slight decrease in August, and now stands at 177,868.

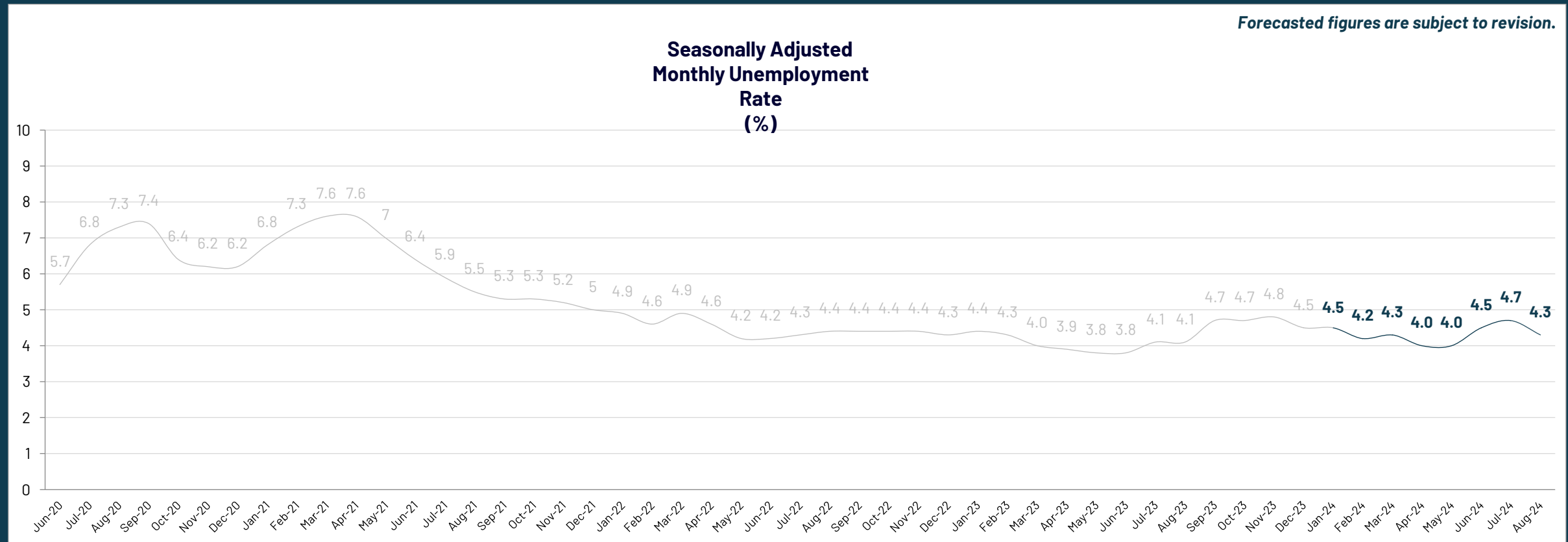


*The Live Register is not designed to measure unemployment. It includes part-time work e.g. seasonal & casual workers who work up to 3 days per week.

Source: www.CSO.ie Quarterly National Accounts

Reflecting this, the Seasonally Adjusted Monthly Unemployment Rate has fallen back by 0.4 percentage points and is now estimated to be 4.3%. We are close to what is considered a full employment rate.

Seasonally Adjusted Monthly Unemployment Rate

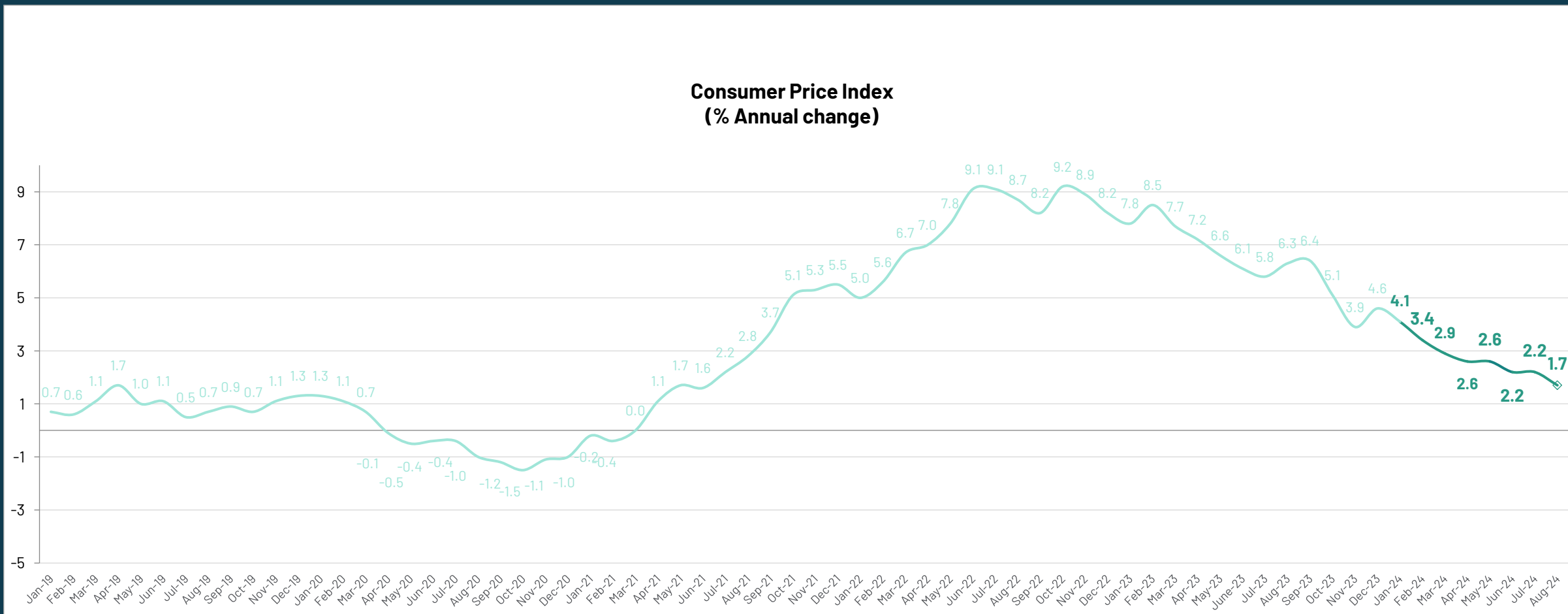


The estimates for August 2024 have been forecasted. Forecasted figures are subject to revision.

Source: www.CSO.ie Seasonally Adjusted Monthly Unemployment Rate

Consumer Price Index has also fallen to 1.7% in August. It is the first time in three years that we have dipped below the CPI target of two percent and is reflective of falling energy costs.

Consumer Price Index (% Annual change)

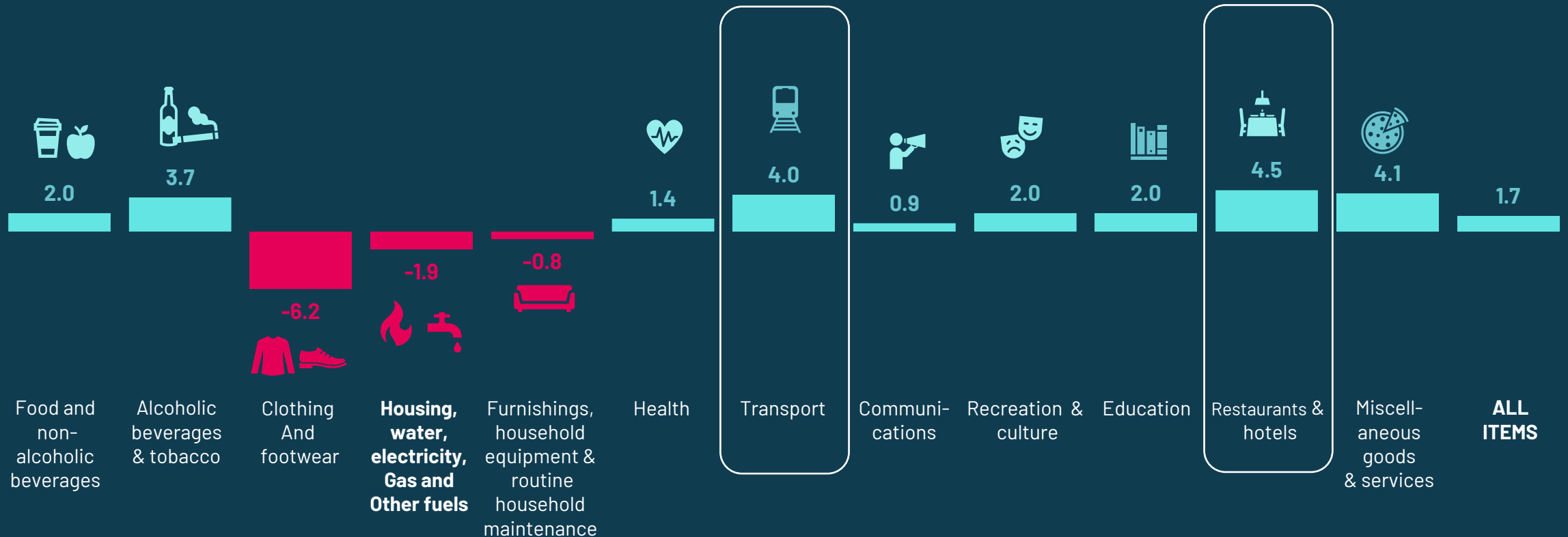


Source: www.CSO.ie

Consumer Price Index (% Annual change)

Inflation remains highest within the Hospitality (4.5%) and Transport (4.0%) sectors. The Clothing sector continues to record the largest decline followed by the Utilities and Household Furnishing sectors. Utilities are in negative territory for the first time since the Cost-of-Living crisis began.

Consumer Price Index by Sector (% Annual change)




Concerns about the Cost-of-Living and particularly housing continue to dominate headlines (despite easing inflation).

THE IRISH TIMES

Many young families are still financially squeezed. Here's why

Why are people still struggling if inflation is falling and wages are rising?



Inflation may be falling, but many families are still feeling the pinch.

Cliff Taylor
Thu Aug 15 2024 - 11:50

Many young families, even those with two incomes, are still financially pressed, struggling to juggle the bills each month. But how is this the case with inflation now falling and wages on the rise? Surely the cost-of-living crisis is drawing to a close and people should be feeling that things are a bit easier? In many cases, yes, but there are reasons why many households in Ireland are still feeling the pinch.

Inflation has fallen, but many prices remain high

THE IRISH TIMES

The things that cost less in the 1990s (like parking) and the things that cost more (like food)

Parking, housing and TV costs have shot up, while debt, flying and food are far cheaper



We are spending a significantly lower percentage of our disposable income on food than we used to. Photograph: iStock

Conor Pope
Mon Aug 05 2024 - 06:00

Irish Independent News Opinion Business Sport Life Style

Home / Business / Personal Finance

Property prices now rising at their fastest rate in 20 months



A chronic shortage of housing is driving prices up.

Charlie Weston
Wed 14 Aug 2024 at 11:19

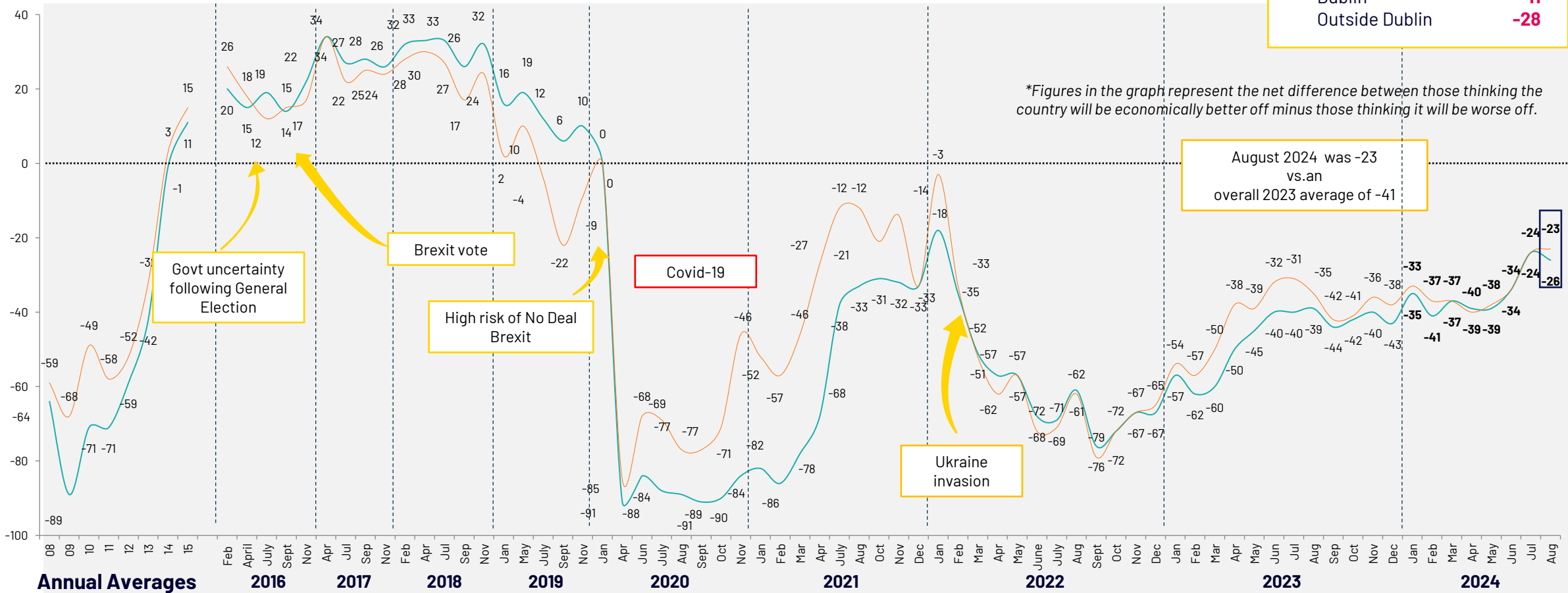
CONSUMER CONFIDENCE FINDINGS



With easing inflation, consumer confidence in August remains relatively stable and stands at -23 (an improvement of 12 points year on year). Expectations of a giveaway budget and lower interest rates are fueling these movements.

Current vs. Looking Forward

Looking forward (Net Diff: Positive-Negative)	
Dublin	-11
Outside Dublin	-28



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?

Source: Ipsos B&A Consumer Confidence Report

Similar to previous months, Females, those in the middle-aged cohort, C2DEs and those living outside Dublin are the most negative in their outlook. Broadly speaking, the longer term trend is becoming more positive.

NET DIFF	-23	-10	-35	-15	-32	-21	-17	-30	-11	-28	-24	-21
	Total	Male	Female	16-34	35-54	55+	ABC1F	C2DE	Dublin	Outside Dublin	Irish	Non-Irish
Jul'24	-24%	-8%	-39%	-24%	-30%	-17%	-16%	-33%	-12%	-29%	-24%	-24%
Jun'24	-34%	-23%	-46%	-39%	-38%	-26%	-30%	-39%	-26%	-38%	-34%	-35%
May'24	-38%	-30%	-46%	-31%	-50%	-32%	-35%	-41%	-27%	-42%	-37%	-42%
Apr'24	-40%	-24%	-55%	-35%	-50%	-33%	-34%	-46%	-30%	-44%	-39%	-41%
Mar'24	-37%	-28%	-45%	-37%	-41%	-32%	-29%	-45%	-25%	-42%	-37%	-36%
Feb'24	-37%	-29%	-46%	-33%	-46%	-33%	-31%	-44%	-28%	-41%	-37%	-42%
Jan'24	-33%	-21%	-44%	-17%	-40%	-38%	-22%	-44%	-23%	-37%	-33%	-30%
Dec'23	-38%	-28%	-48%	-27%	-46%	-40%	-33%	-44%	-26%	-43%	-39%	-37%
Nov'23	-36%	-26%	-46%	-27%	-46%	-34%	-28%	-45%	-23%	-42%	-37%	-33%
Oct'23	-41%	-33%	-50%	-42%	-46%	-36%	-39%	-44%	-29%	-46%	-43%	-33%
Sep'23	-42%	-28%	-55%	-40%	-50%	-34%	-38%	-45%	-32%	-46%	-41%	-45%
Aug'23	-35%	-23%	-46%	-20%	-46%	-35%	-24%	-47%	-25%	-39%	-35%	-32%
Jul'23	-32%	-15%	-48%	-33%	-38%	-24%	-30%	-34%	-23%	-35%	-31%	-35%
Jun'23	-32%	-15%	-48%	-33%	-38%	-24%	-30%	-34%	-23%	-35%	-31%	-35%
May'23	-39%	-22%	-54%	-38%	-52%	-25%	-33%	-45%	-34%	-41%	-38%	-41%
Apr'23	-38%	-23%	-52%	-30%	-43%	-39%	-34%	-42%	-26%	-43%	-38%	-36%
Mar'23	-50%	-38%	-62%	-44%	-58%	-47%	-47%	-54%	-43%	-53%	-51%	-41%
Feb'23	-57%	-51%	-63%	-57%	-60%	-55%	-51%	-63%	-50%	-60%	-58%	-50%
Jan'23	-54%	-44%	-62%	-48%	-56%	-56%	-50%	-57%	-41%	-59%	-55%	-44%
Dec'22	-65%	-61%	-69%	-65%	-65%	-65%	-62%	-68%	-57%	-68%	-66%	-55%
Nov'22	-67%	-61%	-72%	-56%	-75%	-67%	-68%	-66%	-64%	-68%	-68%	-58%
Oct'22	-72%	-67%	-77%	-65%	-73%	-78%	-72%	-72%	-68%	-74%	-73%	-67%
Sept'22	-79%	-73%	-85%	-74%	-82%	-80%	-80%	-78%	-72%	-82%	-81%	-64%
Aug'22	-62%	-56%	-69%	-54%	-69%	-63%	-61%	-64%	-53%	-66%	-64%	-53%
Jul'22	-71%	-65%	-77%	-59%	-77%	-75%	-73%	-68%	-62%	-74%	-72%	-63%
Jun'22	-72%	-67%	-77%	-59%	-74%	-80%	-69%	-75%	-63%	-75%	-73%	-60%
May'22	-57%	-52%	-62%	-37%	-63%	-69%	-57%	-57%	-47%	-61%	-60%	-37%
Apr'22	-62%	-54%	-70%	-53%	-65%	-66%	-65%	-58%	-59%	-63%	-63%	-54%
Mar'22	-52%	-43%	-62%	-38%	-53%	-65%	-49%	-56%	-43%	-56%	-53%	-46%
Feb'22	-33%	-23%	-43%	-18%	-40%	-38%	-32%	-34%	-23%	-37%	-34%	-25%
Jan'22	-3%	11%	-16%	7%	-8%	-7%	6%	-12%	-2%	-4%	-4%	4%
Dec'21	-33%	-23%	-42%	-27%	-35%	-36%	-29%	-37%	-29%	-35%	-34%	-26%

Base: All Adults 16+



Overall, positive sentiment is gaining traction, albeit incrementally. Consumers are not necessarily becoming overtly positive, but rather are not as negative as previously.



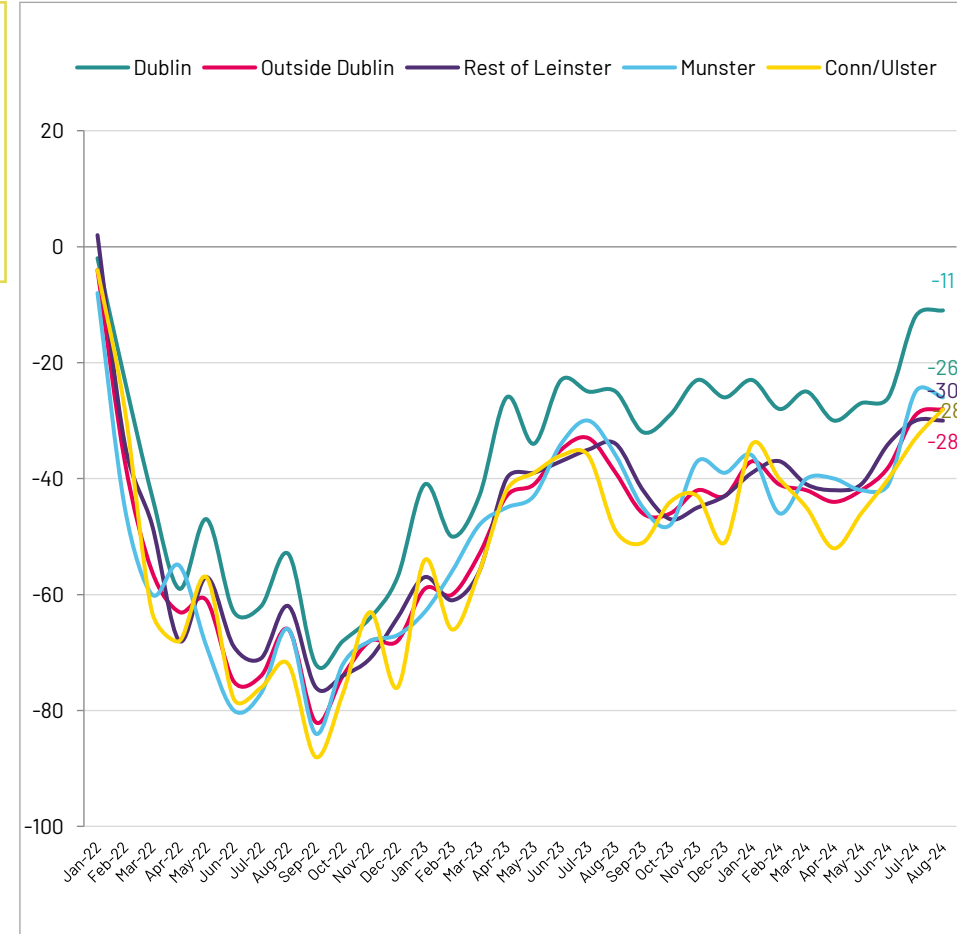
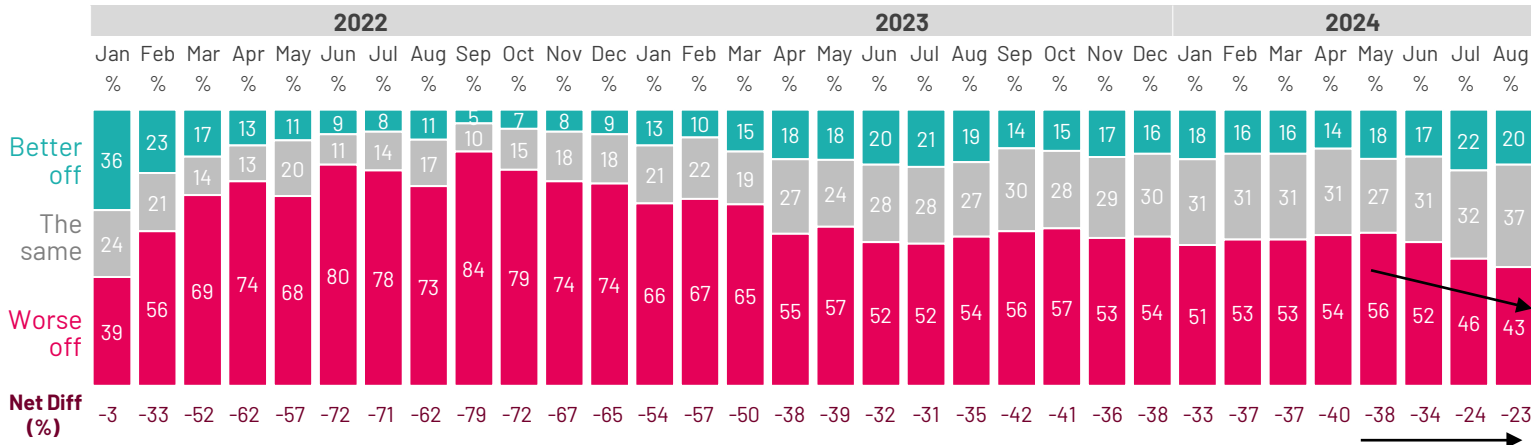
Looking forward '22

Looking forward '23

Looking forward '24

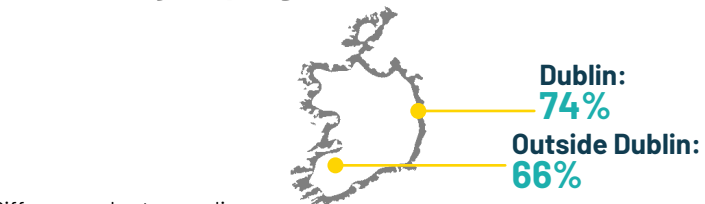
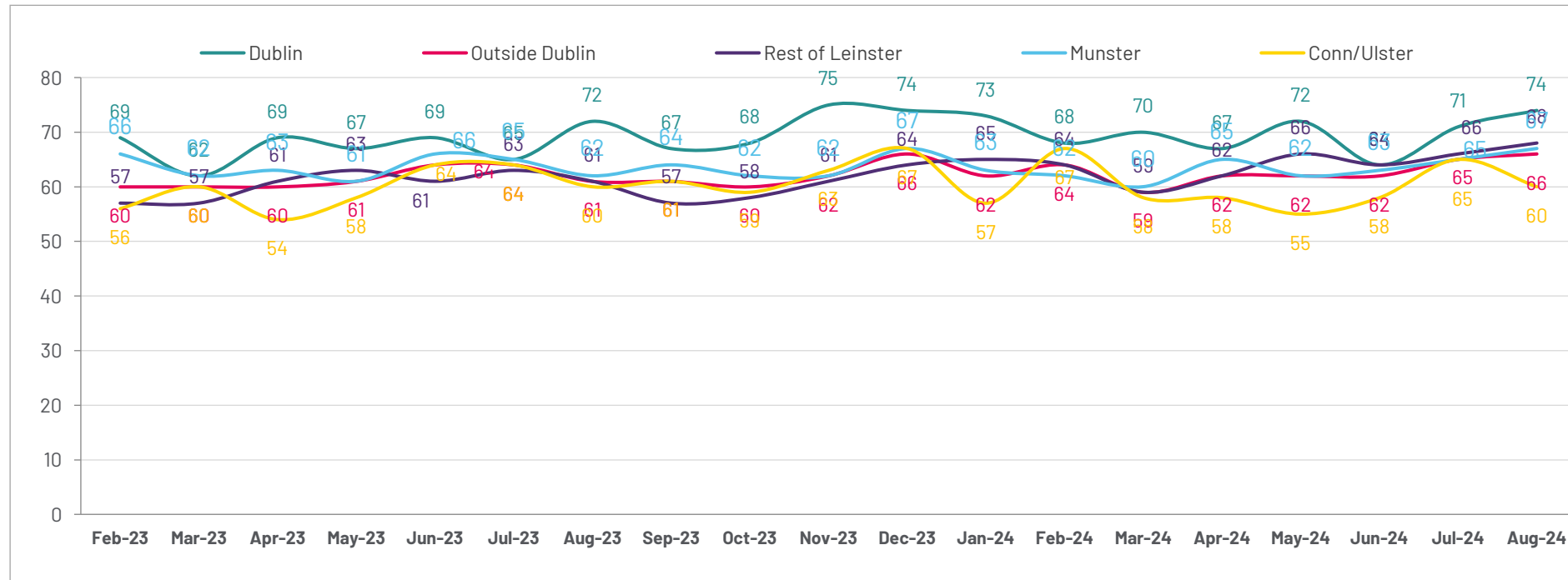
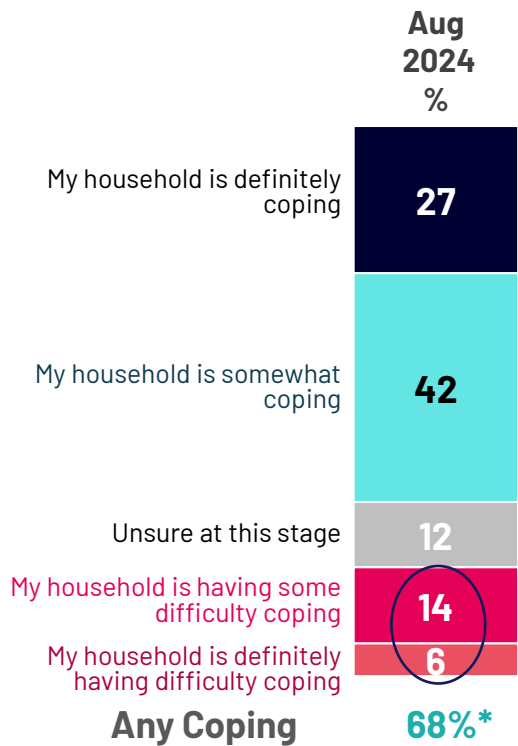
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug

Dublin	-2	-23	-43	-59	-47	-63	-62	-53	-72	-68	-64	-57	-41	-50	-43	-26	-34	-23	-25	-25	-32	-29	-23	-26	-23	-28	-25	-30	-27	-26	-12	-11
Outside Dublin	-4	-37	-56	-63	-61	-75	-74	-66	-82	-74	-68	-68	-59	-60	-53	-43	-41	-35	-33	-39	-46	-46	-42	-43	-37	-41	-42	-44	-42	-38	-29	-28



2022												2023												2024											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug				
-3	-33	-52	-62	-57	-72	-71	-62	-79	-72	-67	-65	-54	-57	-50	-38	-39	-32	-31	-35	-42	-41	-36	-38	-33	-37	-37	-40	-38	-34	-24	-23				

Nearly seven in 10 (68%) state that they are “coping” with the cost-of-living crisis. However, one in five are facing difficulties; a proportion of the population that has remained constant, reflecting the reality of the “Haves” and “Have nots”.



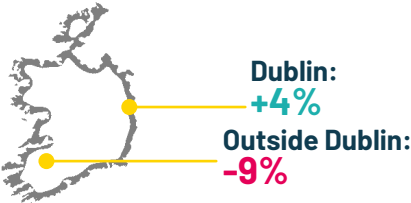
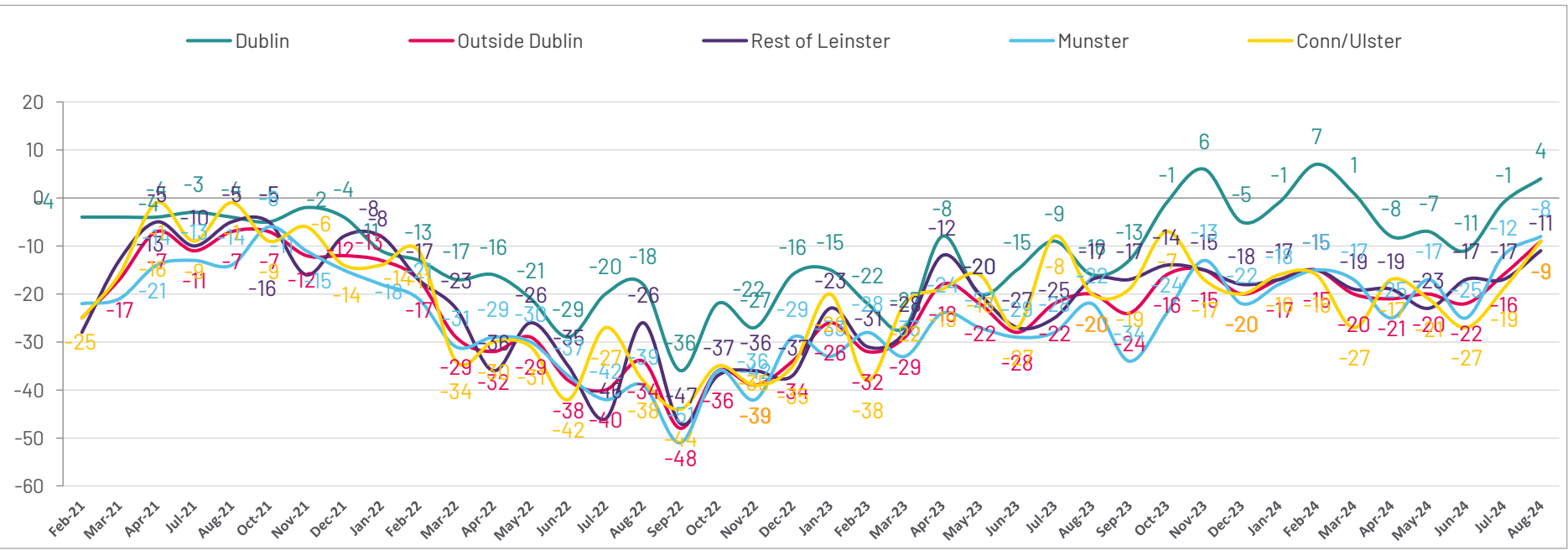
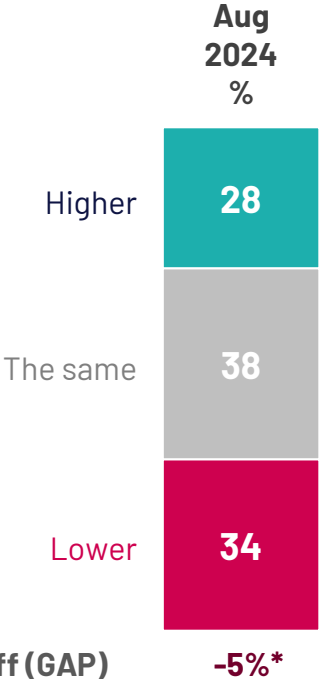
The proportion of Dubliners who are “coping” with the cost-of-living crisis remains notably higher than the rest of the country. Three in four metropolitans are weathering the storm. Those living on Conn/Ulster are consistently most downbeat.

Base: All Adults 16+

*Differences due to rounding

	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24	Aug 24
ANY Coping (%)	63	60	63	63	65	64	64	62	62	66	68	65	65	62	64	65	63	67	68

Nearly three in ten (28%) expect their disposable income to grow this year, but over a third (34%) are more pessimistic. The net gap (higher income minus lower income) is at the narrowest seen so far (minus five points).



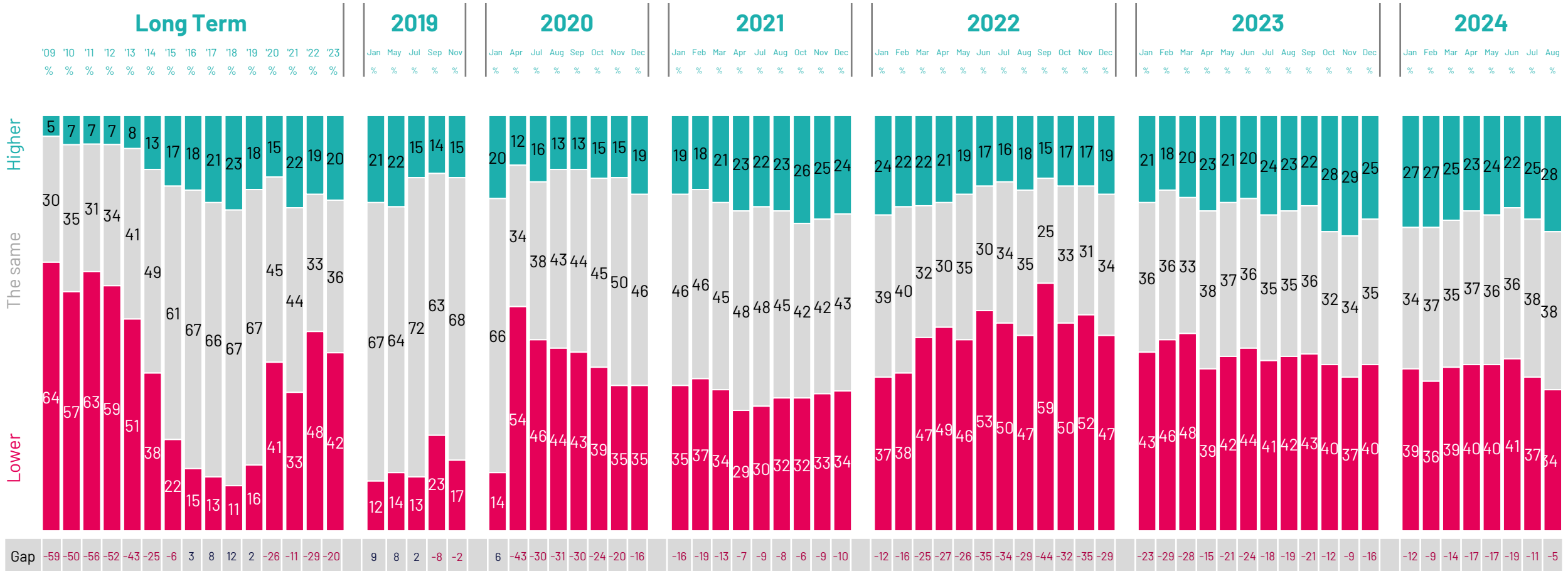
Dublin is the only region registering positive scores (ie more of them believe they will have higher income than lower income next year). However, **all** regions have registered an improvement in their outlook.

* Differences due to rounding

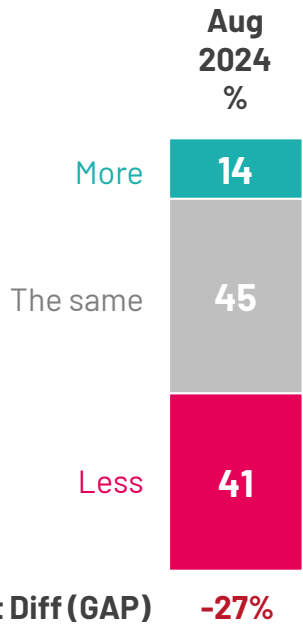
Gap (%)	2021												2022												2023												2024							
	Jan	Feb	Mar	Apr	Jul	Aug	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug-5			
	-16	-19	-13	-7	-9	-8	-6	-9	-10	-12	-16	-25	-27	-26	-35	-34	-29	-44	-32	-35	-29	-23	-29	-28	-15	-21	-24	-18	-19	-21	-12	-9	-16	-12	-9	-14	-17	-17	-19	-11	-5			

Income Projections – Looking Forward YOY

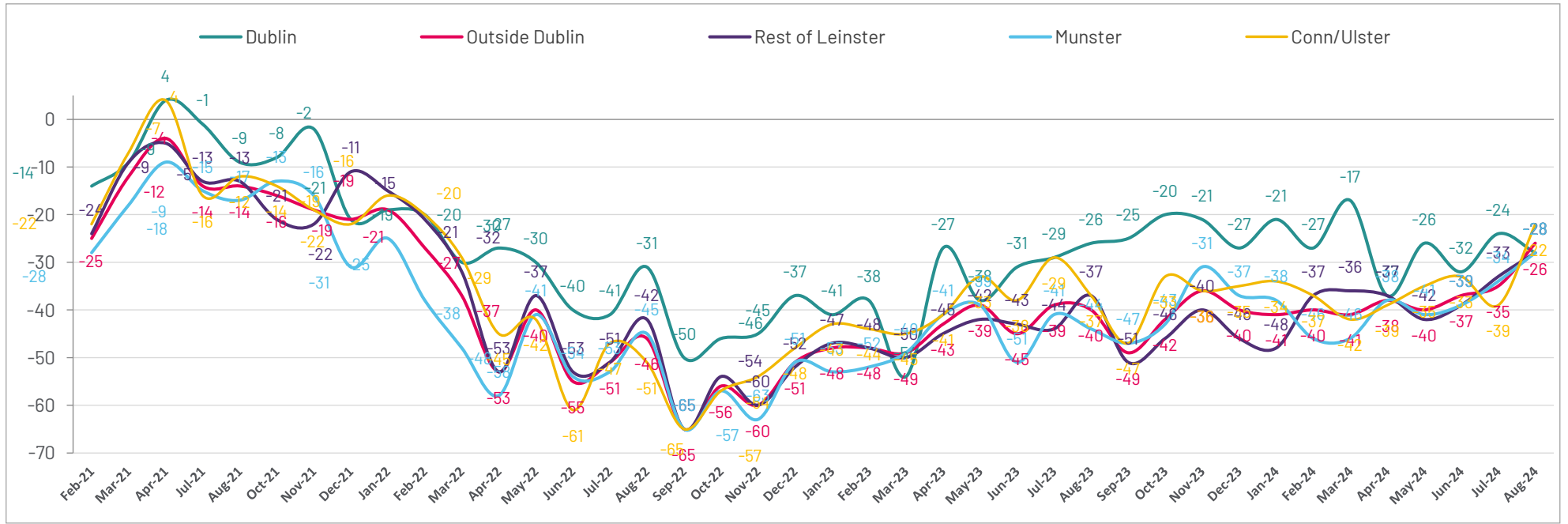
Expect it to be...



One in seven plan to spend more in the next 12 months. However, they are in the minority – over two in five will cut back. Many do not forecast any change in their behaviour.



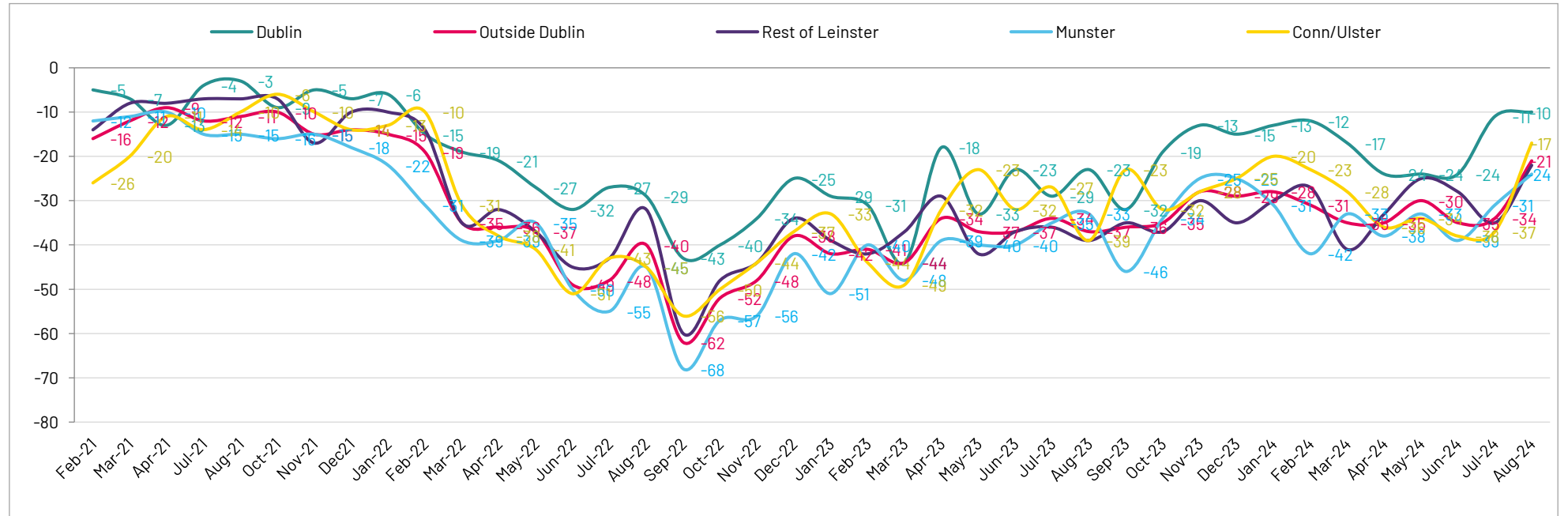
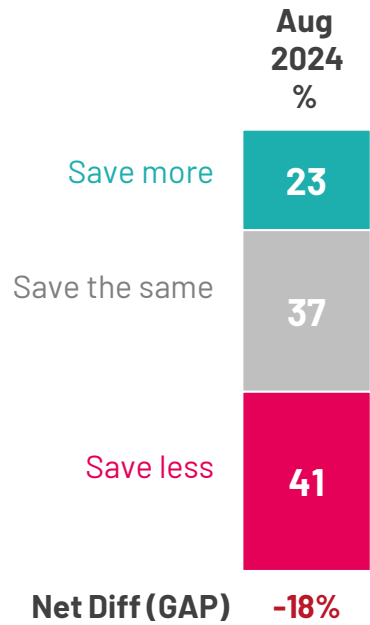
Dublin: -28%
 Outside Dublin: -26%



While spending intentions remain lower across the board, most regions have registered improvements (with the exception of Dubliners).

Gap (%)	2021										2022										2023										2024											
	Jan	Feb	Mar	Apr	Jul	Aug	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jul	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	
	-29	-22	-11	-2	-11	-13	-14	-14	-21	-19	-25	-35	-45	-37	-51	-48	-42	-61	-53	-55	-47	-46	-46	-50	-38	-38	-41	-36	-36	-42	-36	-31	-36	-35	-37	-34	-38	-36	-36	-36	-32	-27

There has been an improvement in terms of saving intentions - nearly one in four (23%) expect to save more in the year ahead (up from 18% in July). However, a sizeable minority (41%) expect to save less.

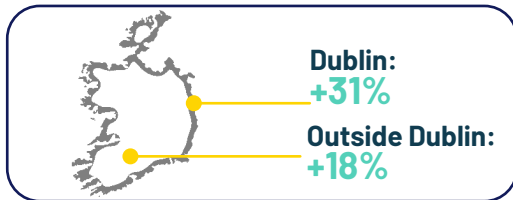
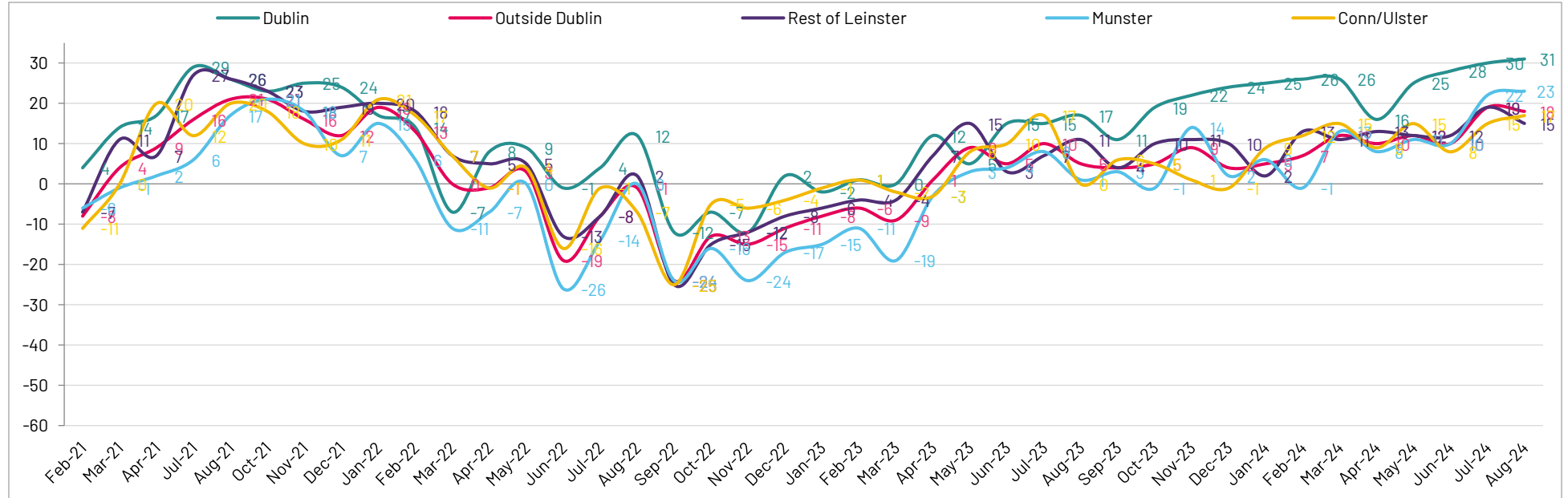
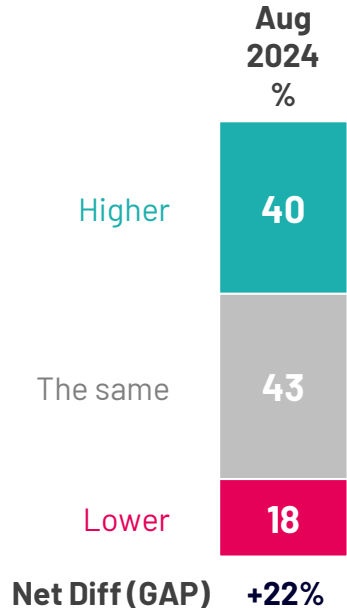


The gap between those saving more versus saving less is at its tightest since February 2022. Again, from a regional perspective, all locations outside of Dublin have improved their outlook.

Gap (%)	2021												2022												2023												2024							
	Jan	Feb	Mar	Apr	Jul	Aug	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	My	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug			
	-7	-13	-11	-10	-10	-8	-10	-12	-12	-12	-18	-31	-32	-34	-44	-42	-37	-56	-48	-44	-34	-38	-39	-44	-29	-36	-33	-32	-33	-35	-30	-23	-25	-24	-26	-30	-32	-29	-32	-27	-18			

Two in five believe the value of their assets will increase over the next 12 months, with just 18% fearing a devaluation. The overall outlook remains net positive, and at a historical high.

Base: All Adults 16+



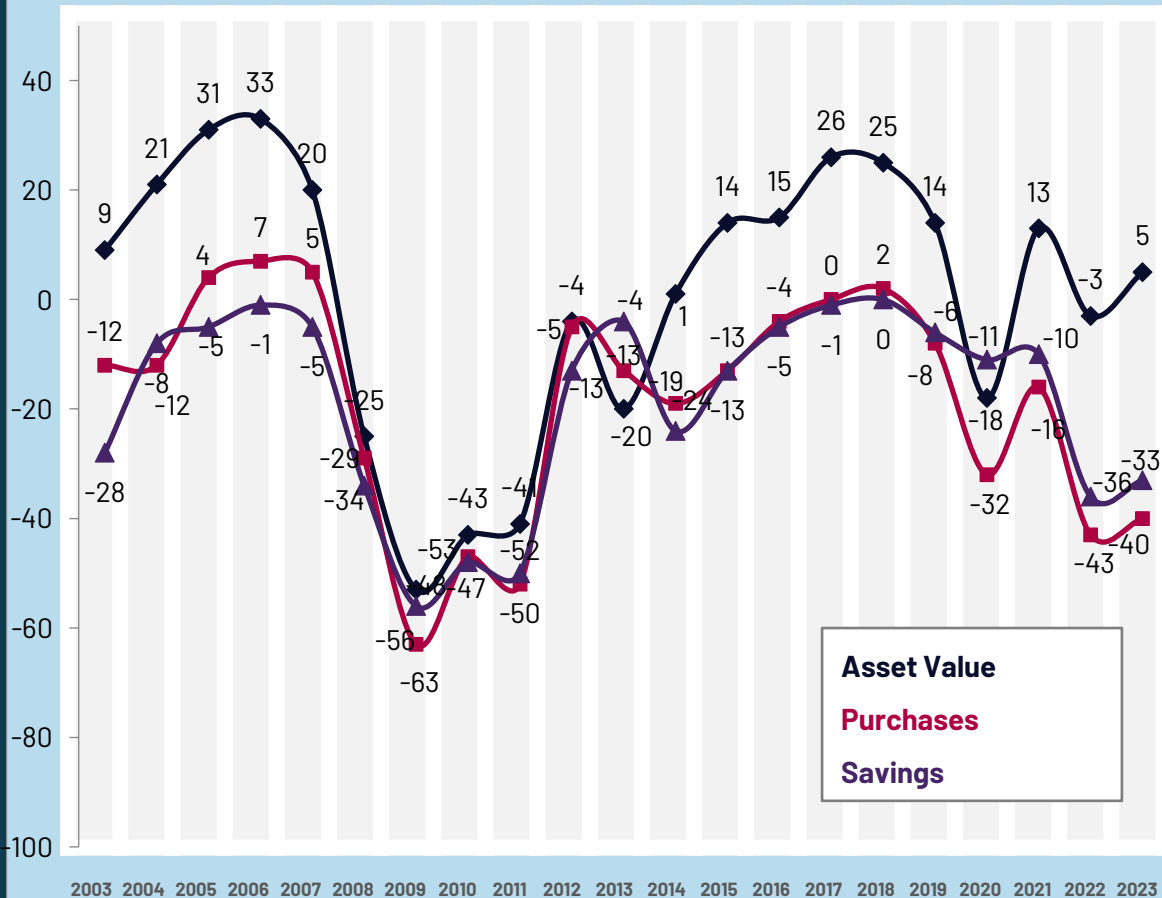
Residents of Dublin continue to be more positive regarding the value of personal assets.

Gap (%)	2021										2022										2023										2024										
	Jan	Feb	Mar	Apr	Jul	Aug	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
	0	-4	+7	+11	+20	+22	+21	+19	+16	+18	+13	-2	+2	+4	-14	-5	+3	-21	-11	-14	-7	-6	-4	-6	+4	+8	+8	+12	+8	+6	+9	+13	+10	+11	+13	+16	+12	+16	+16	+22	+22

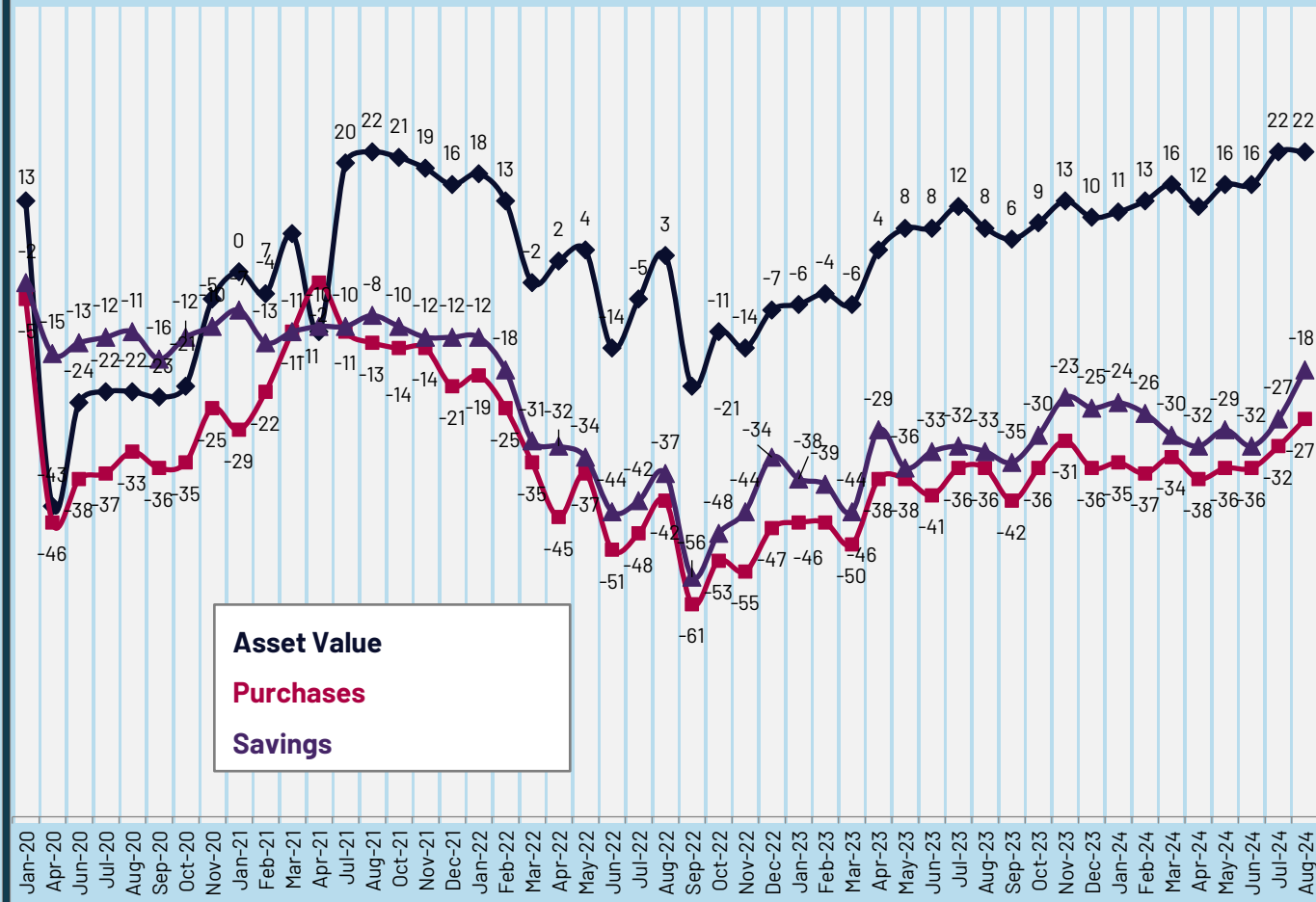
Balance Of Opinion in Summary – The Year Ahead

An overview of expectations towards asset value, purchases, and savings

Long Term



Short Term



0.6 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?

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

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



THANK YOU



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