



# Consumer Confidence Tracker

**December 2013**

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Behaviour & Attitudes  
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# Introduction

- This report presents the findings of the latest phase of the Behaviour & Attitudes' Consumer Confidence Tracker.
- Survey results for this phase are based on a sample of 1,012 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 2<sup>nd</sup> – 13<sup>th</sup> December 2013.

# About Behaviour & Attitudes

- Behaviour and Attitudes 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.



# Findings



# Summary

- While consumer confidence in the economy for the year ahead took a slight dent in December, the score is still one of the most positive indices of the last three years. It is essential to note that despite these more positive scores consumer confidence is still in negative territory. This illustrates that the Irish economy is still in a fragile state and highly dependent on external forces.
- The gap between Dublin and outside Dublin in terms of positive sentiment towards the economy still exists, with Dubliners still registering more positive scores. Both regions registered a drop in confidence this wave.
- Despite this dip in economic confidence, stability in personal finances is evident, which bodes well for the year ahead. 18-34s, the middle class and indeed Dubliners are more positive about their finances as we move forward into 2014.
- In terms of savings, stabilisation in ability to save in the forthcoming year is evident. Hence this does call in to question the impact of the increased Dirt Rate in the recent budget. In line with the last wave more positivity in terms of saving and ability to save in Dublin is evident, with the gap widening versus outside Dublin.

# Summary

- The stability registered last wave in terms of personal assets (your house, shares, pension, savings) has held up this wave. Indeed the continued Dublin growth in personal asset worth perceptions echoes the movement in house prices. Note this is the first score (Dublin personal assets) to enter positive territory for many years.
- The litmus test for retailers and indeed the economy is purchasing behaviour. Stabilisation in perceptions of purchasing next year is evident despite the slight dent in economic perceptions this wave. Again a word of caution; we are still in negative territory but we are seeing stabilisation.

# Summary

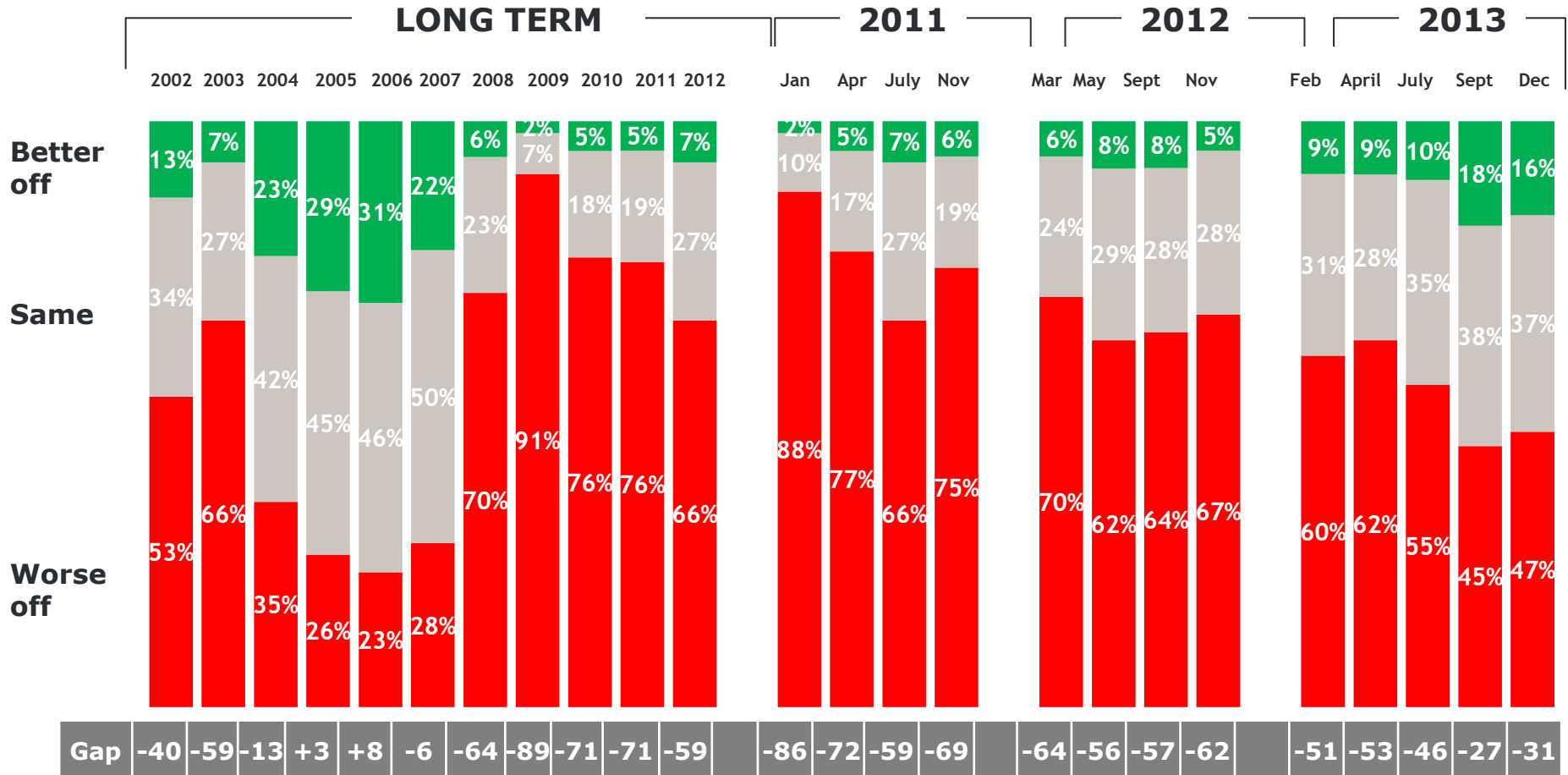
- The table below summarises the net scores for each element of the September survey, alongside those from previous waves since 2010.

	Pre 2008 Historic Low		2010			2011				2012				2013				
	Date	Net Score	Net Scores			Net Scores				Net Scores				Net Scores				
	Date	Score	Mar	July	Nov	Jan	April	July	Nov	Mar	May	Sept	Nov	Feb	Apr	July	Sept	Dec
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Economy - looking back a year	Nov '02	-62	-81	-50	-82	-86	-72	-59	-69	-64	-56	-57	-62	-51	-53	-46	-27	-31
Economy - looking forward one year	Nov '02	-63	-54	-20	-74	-70	-58	-45	-64	-52	-44	-50	-60	-39	-44	-36	-18	-25
Personal income - looking back a year	Nov '02	-40	-65	-43	-67	-72	-64	-50	-59	-61	-56	-52	-60	-52	-55	-47	-38	-44
Personal income - looking forward a year	Nov '02	-20	-54	-33	-65	-69	-55	-43	-57	-50	-49	-52	-52	-48	-54	-47	-34	-35
Personal assets - looking forward one year	Jan'02	-2	-49	-26	-55	-50	-44	-31	-41	-39	-28	-31	-33	-21	-29	-20	-10	-9
Purchasing intentions - the year ahead	Nov '02	-24	-51	-36	-56	-67	-55	-37	-51	-46	-40	-44	-48	-43	-43	-40	-29	-29
Savings - the year ahead	Nov '02	-35	-53	-37	-54	-60	-54	-39	-50	-51	-42	-45	-52	-44	-48	-44	-31	-34

**We are still in a fragile state, with personal income, purchasing and savings intentions at similar levels to September. Although our confidence in the economy for 2014 took a slight dent in December the score is still one of the most positive of the last 3 years, albeit still in negative territory.**

# Economy – Looking Back

**COUNTRY IS NOW ...**



**The momentum for recovery appears to have plateaued as we approach Christmas.**

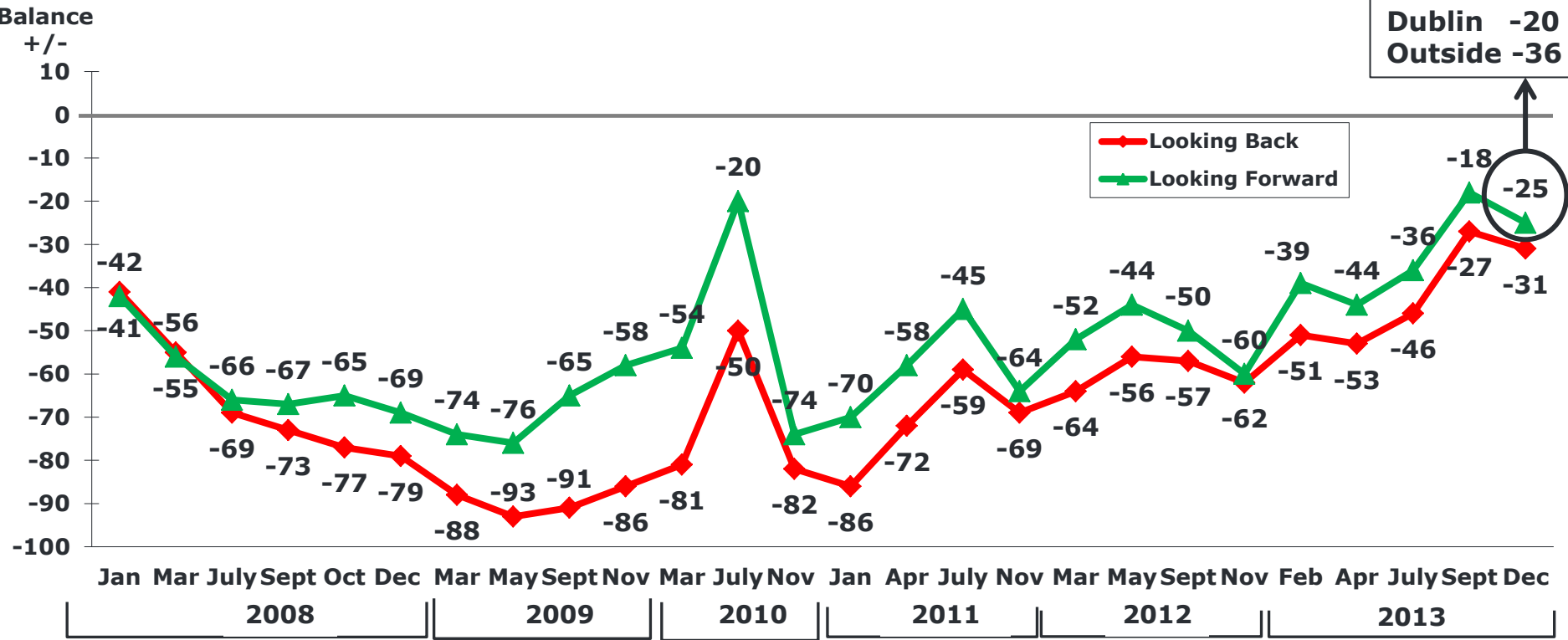
**Q.1 Thinking about the economy as a whole, do you think that the country is better off, worse off, or about the same as last year?**





# The Future: Psychologically, we may be ready to move on in 2014

Source: B&A Consumer Confidence Report



**Initial shock!**

- But widespread belief that:
  - This was a 'speedbump'
  - Things would return to 'normal'
  - Spending reined in – but not in any planned or strategic manner

**Despair! (IMF Bailout)**

- Spending habits and behaviour changing for good
- Value sought everywhere

**Readjustment**

- People adjusting to 'new reality'
- Less focus on (or interest in) doom and gloom

**Movement towards positivity**

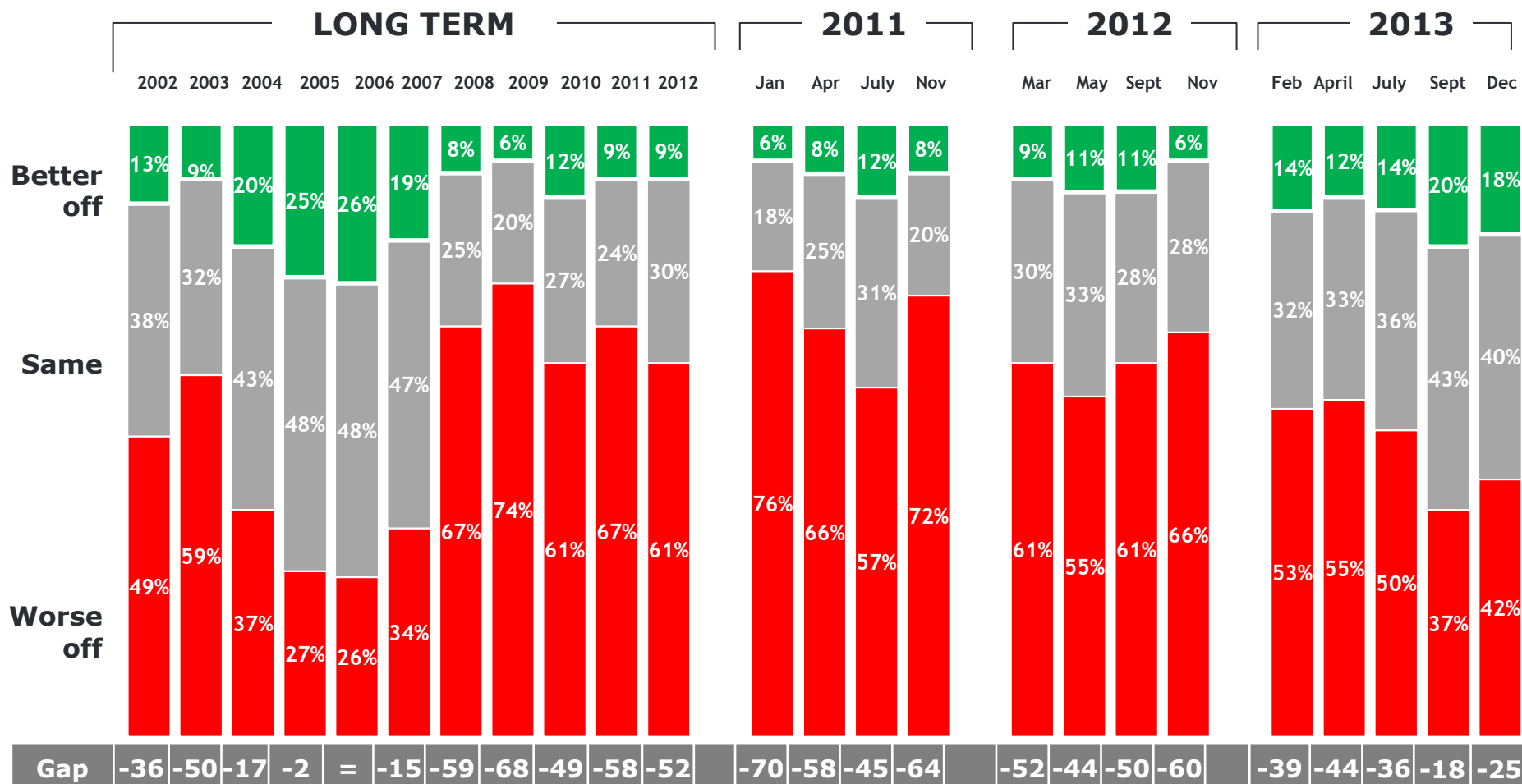
- A significant uplift in the consumer mood vs pre budget last year.
- Gap between Dublin vs outside Dublin still is evident.

- 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?



# Economy – Looking Forward

## Country will be ...

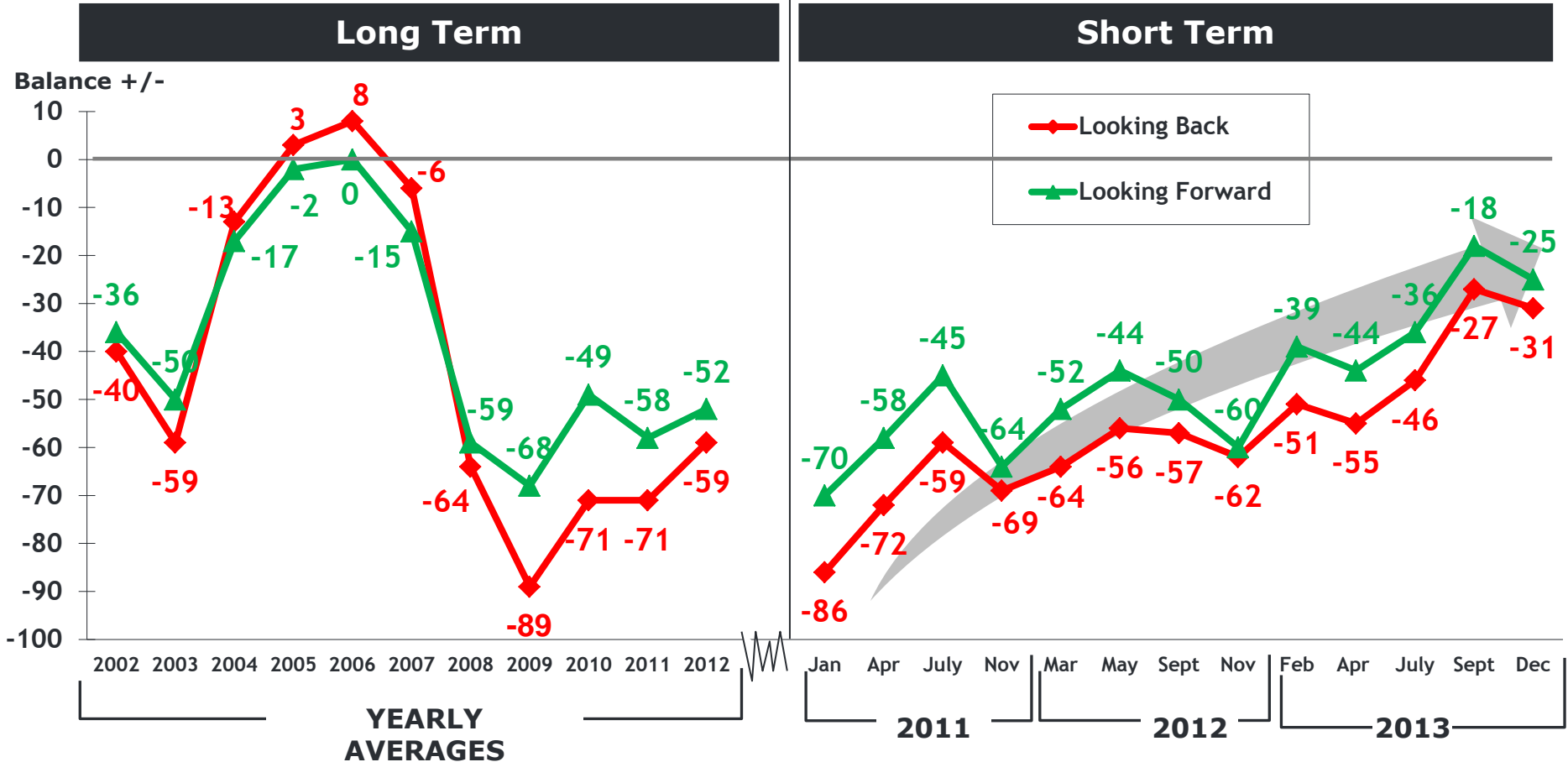


**While still in the negative, belief in the future of the Irish economy is still at one of the most positive levels in recent years. However the drop registered illustrates the fragility of confidence.**

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?



# Balance Of Opinion - Economy



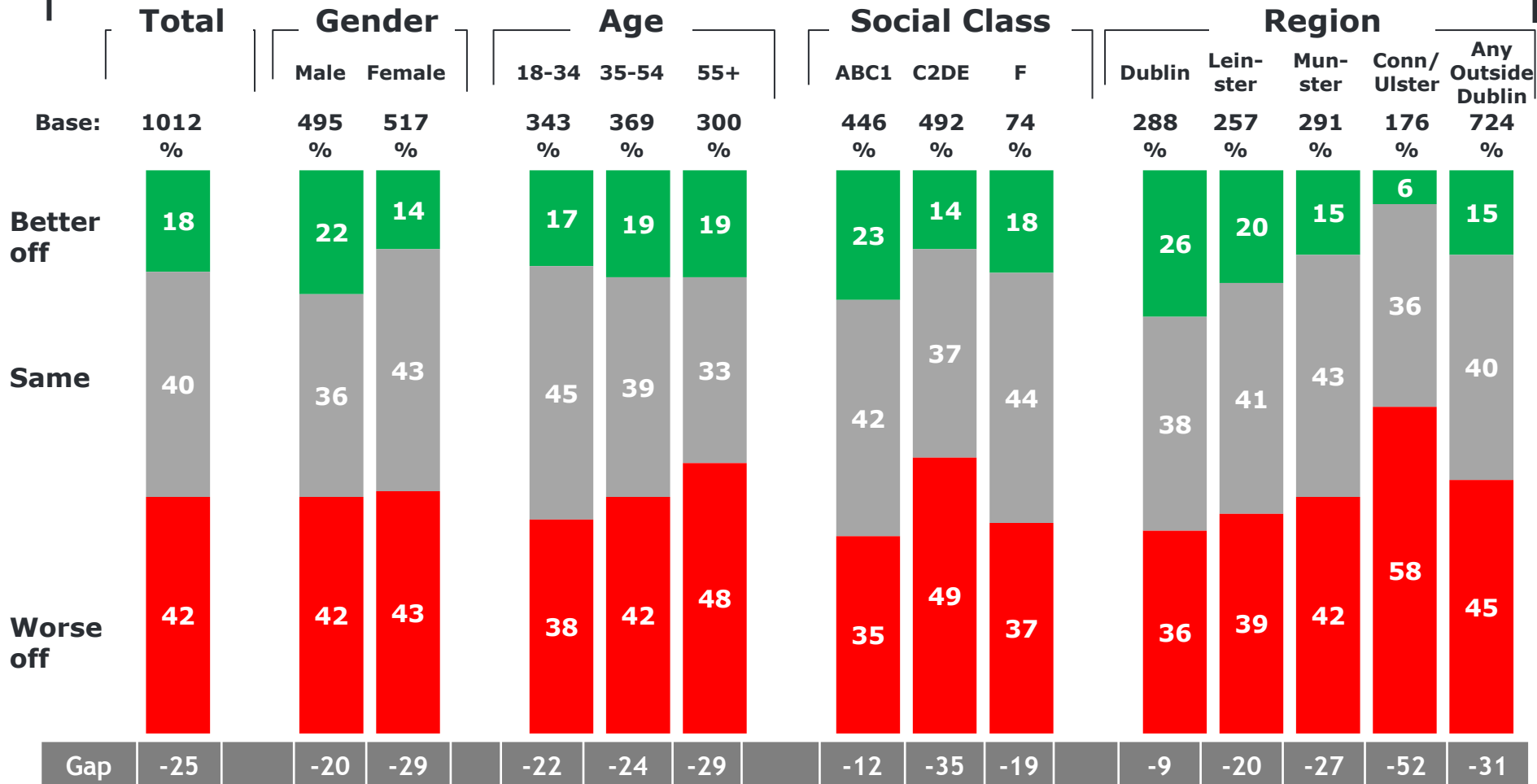
When viewed longitudinally a pattern of consistent improvement has been noted over the past two years.



# Economy – Looking Forward x Demographics

Country will be ...

NOVEMBER 2013



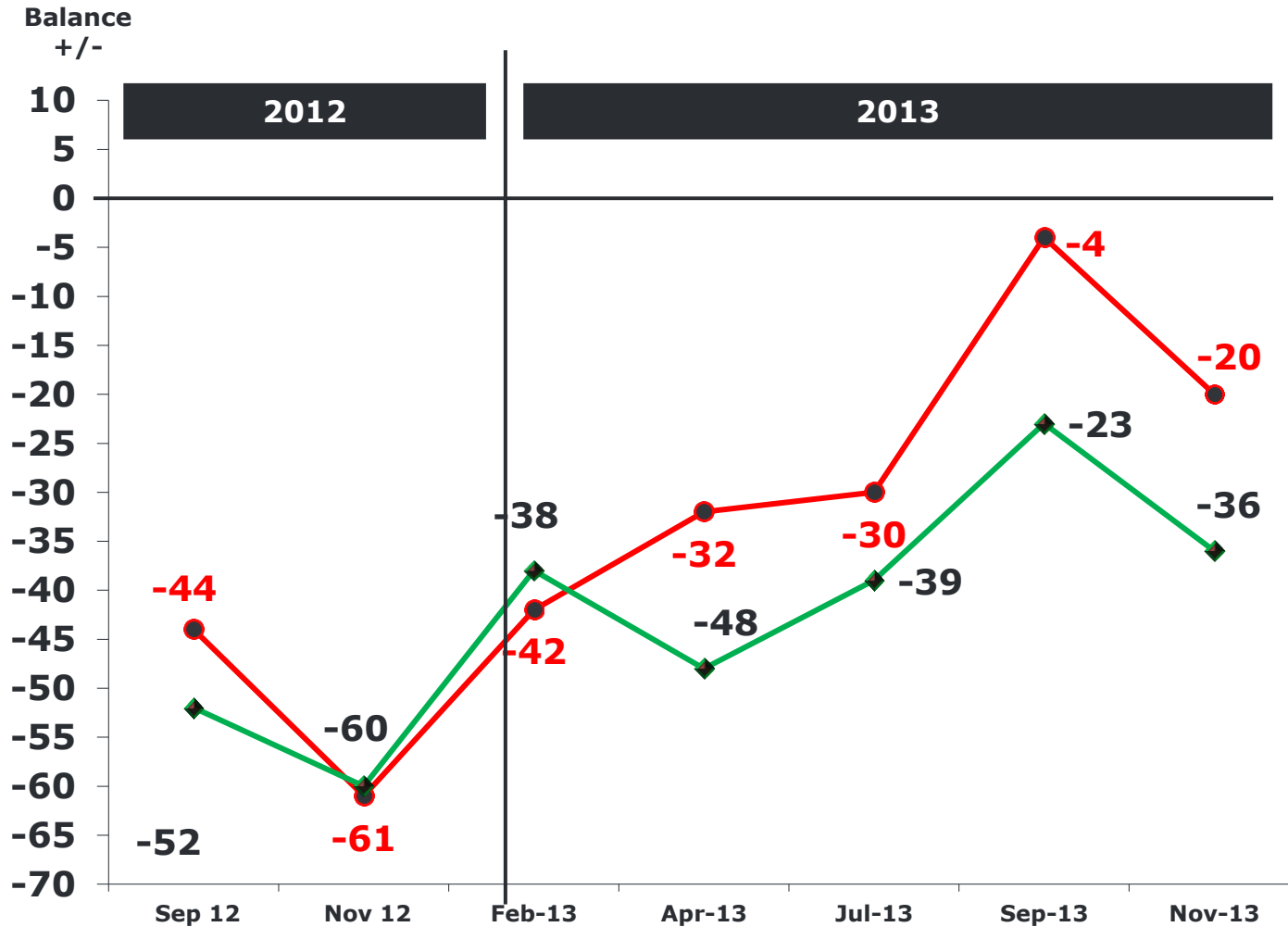
**A socio-economic and regional divide in terms of recovery still exists.**

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?



# Economy – Looking Forward Trended x Region

Base: All adults 18+



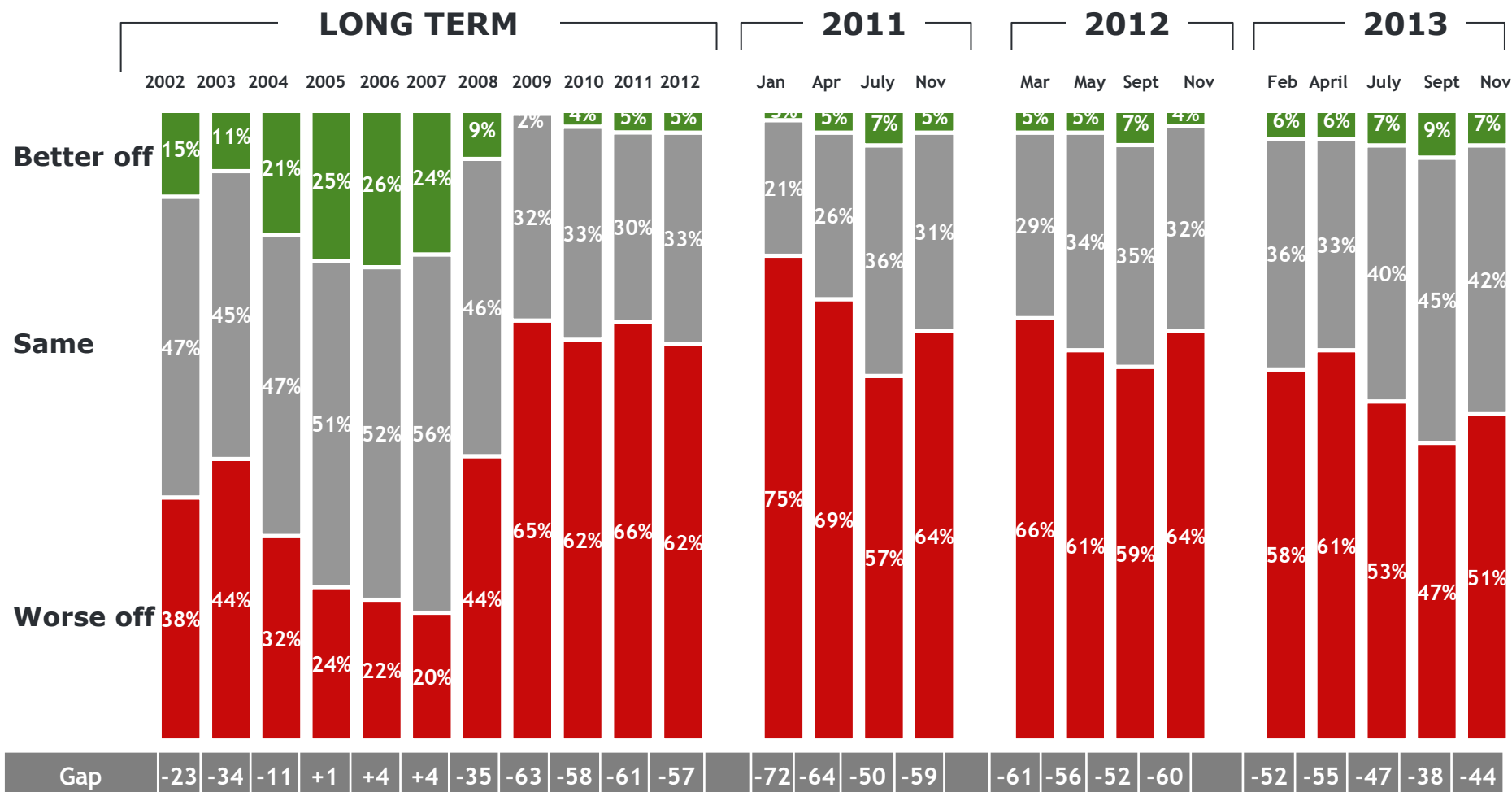
The gap between Dublin and outside still exists, with both registering a dip in confidence this wave.

● Dublin  
◆ Outside Dublin

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?

# Personal Finances – Looking Back

## Now feel ...

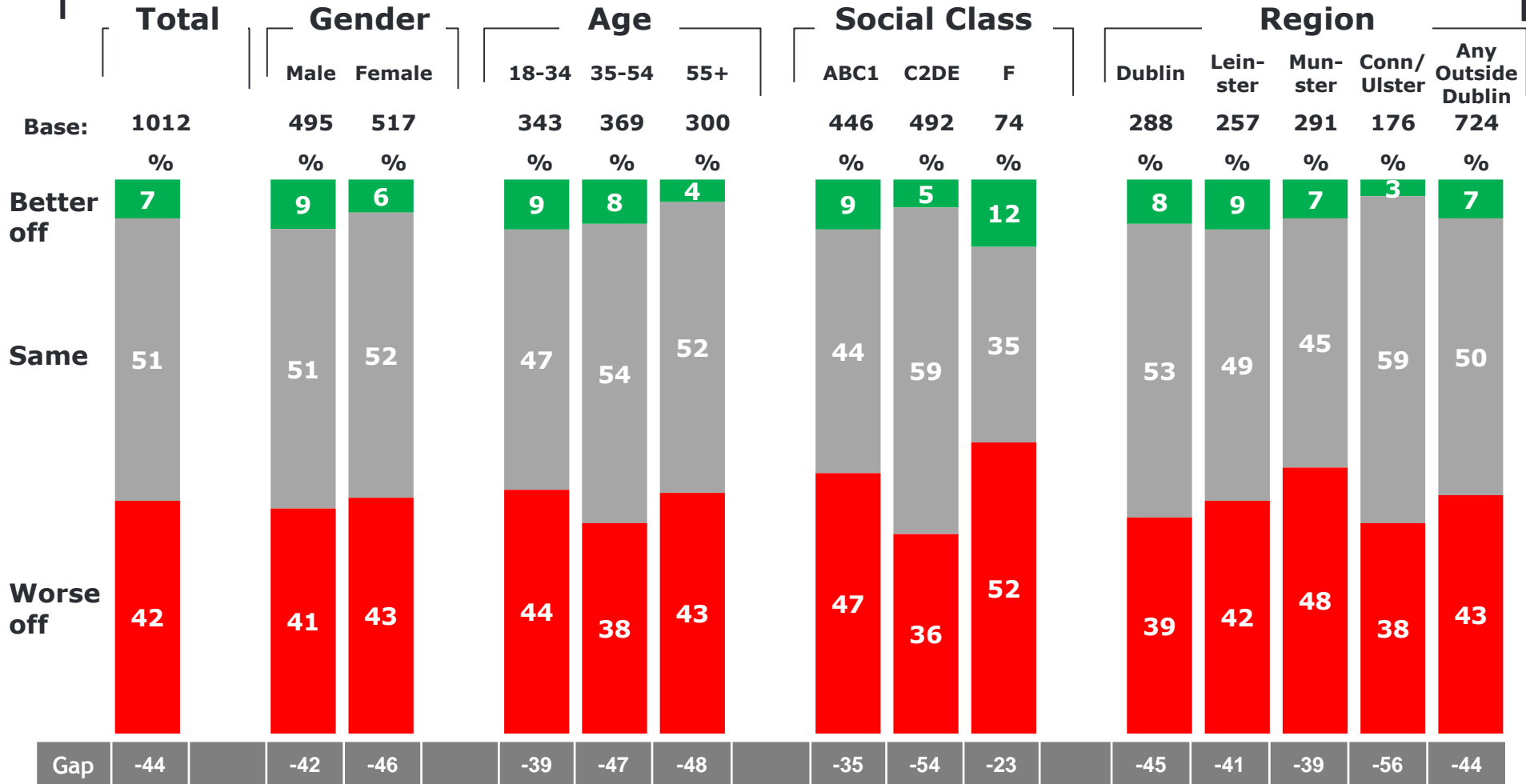


Q.3 Do you feel better off financially, worse off financially or about the same compared to last year?

# Personal Finances – Looking Back x demographics

Now feel ...

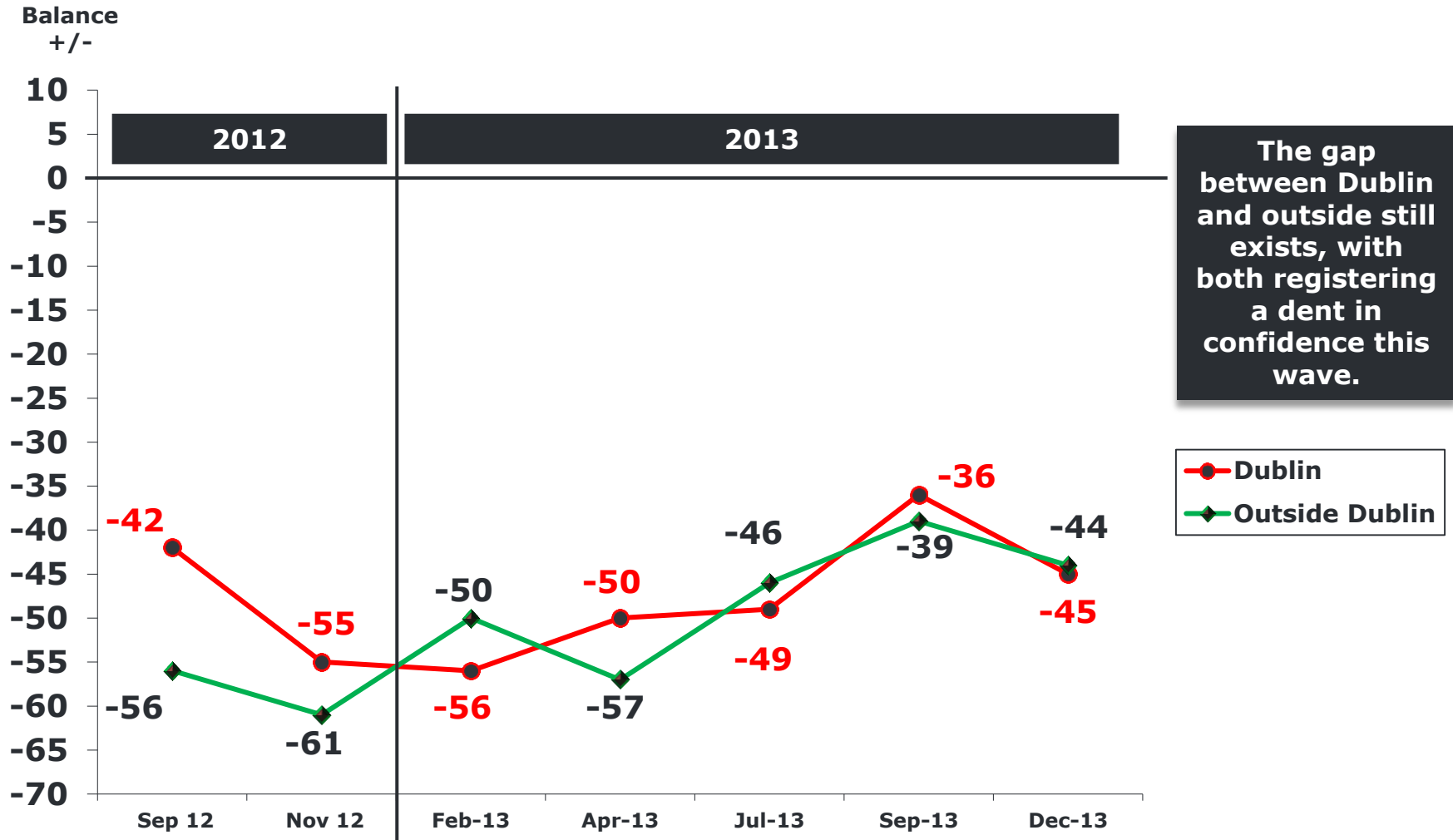
December 2013



Q.3 Do you feel better off financially, worse off financially or about the same compared to last year?

# Personal Finances - Looking Back x Region

Base: All adults 18+

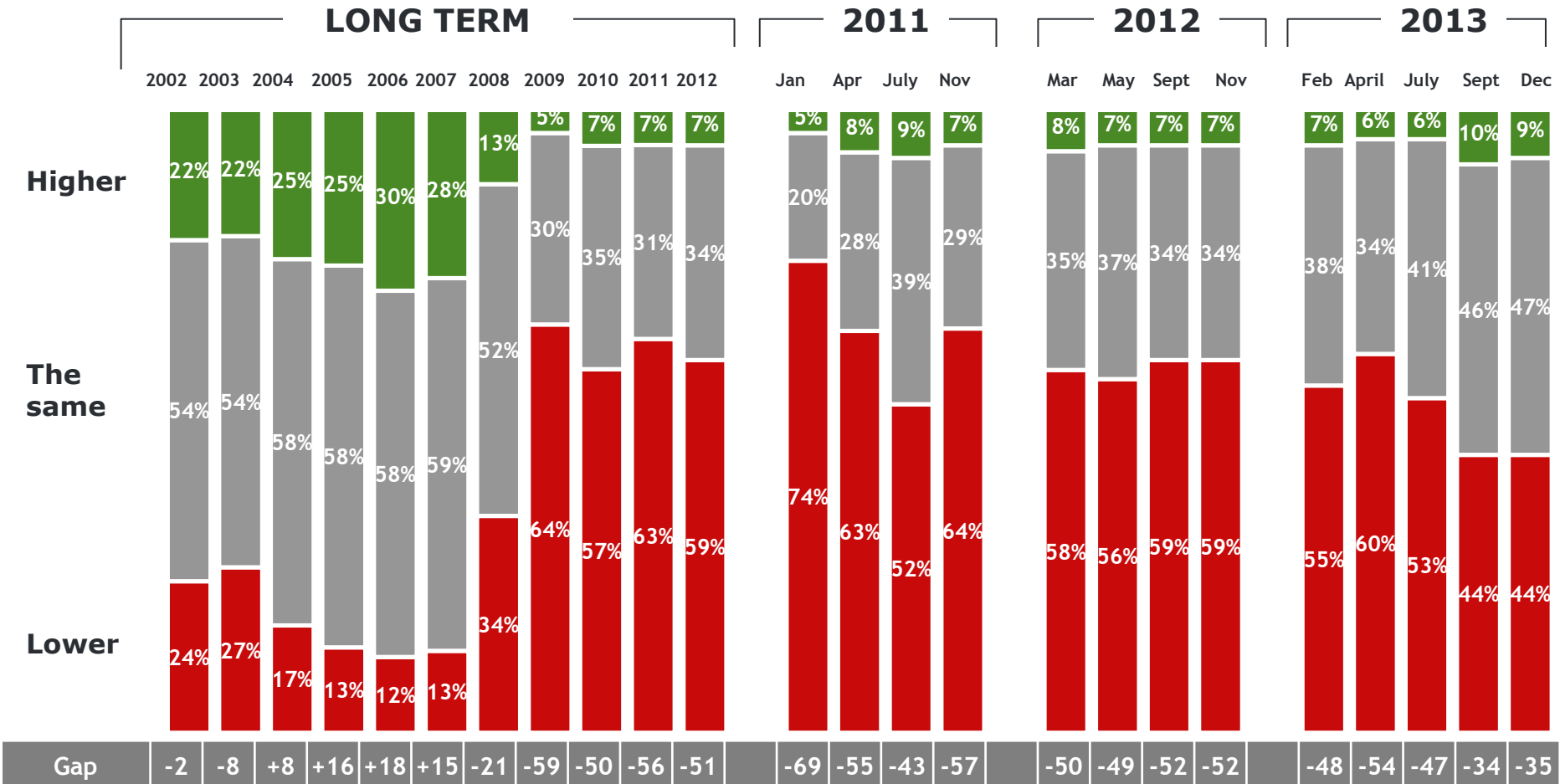


Q.3 Do you feel better off financially, worse off financially or about the same compared to last year?



# Personal Finances – Looking Forward

**Expect it to be ...**



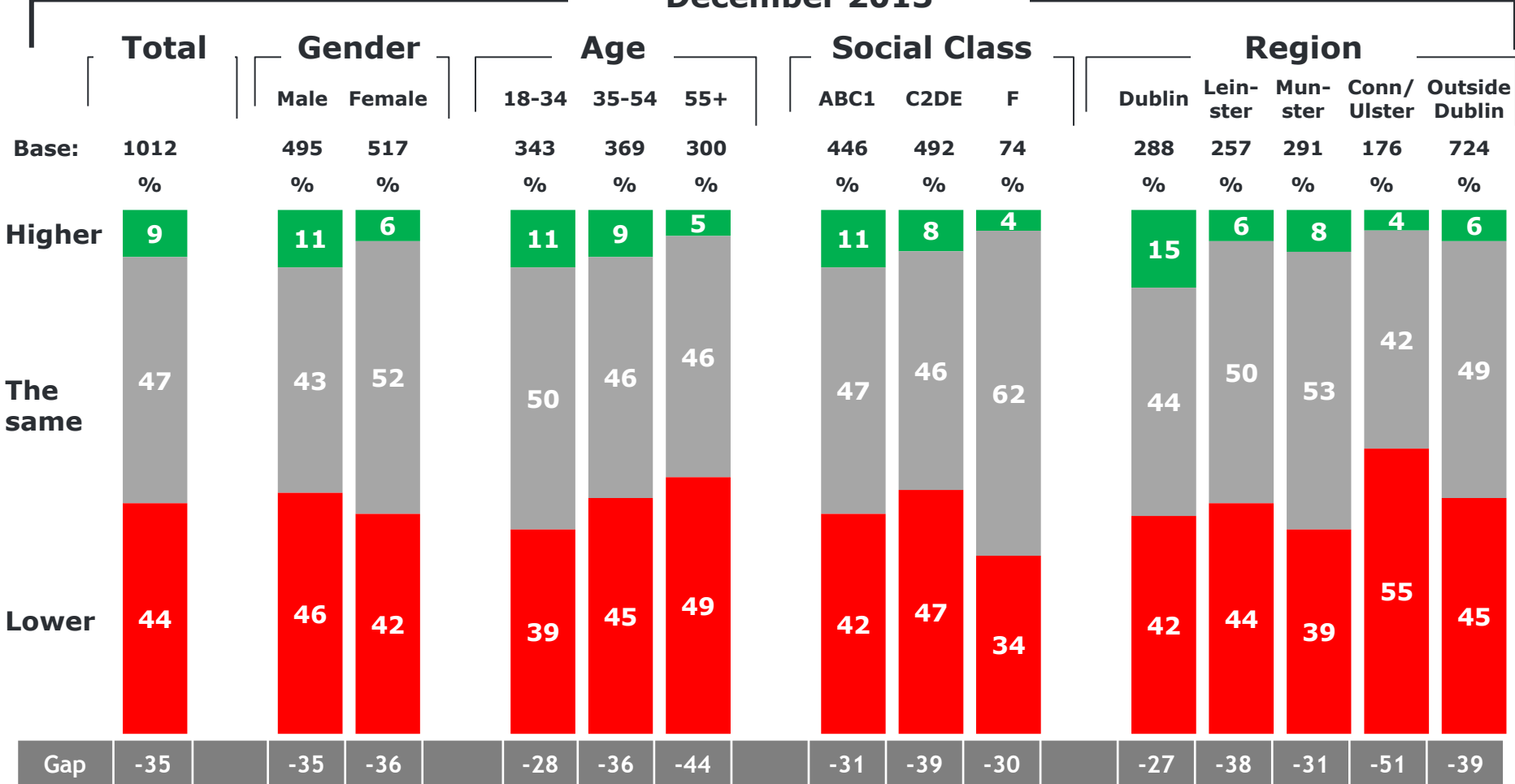
**Despite a dip in economic confidence, a stability in personal finances is evident, which bodes well for the year ahead.**

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 Demographics

Expect it to be ...

December 2013



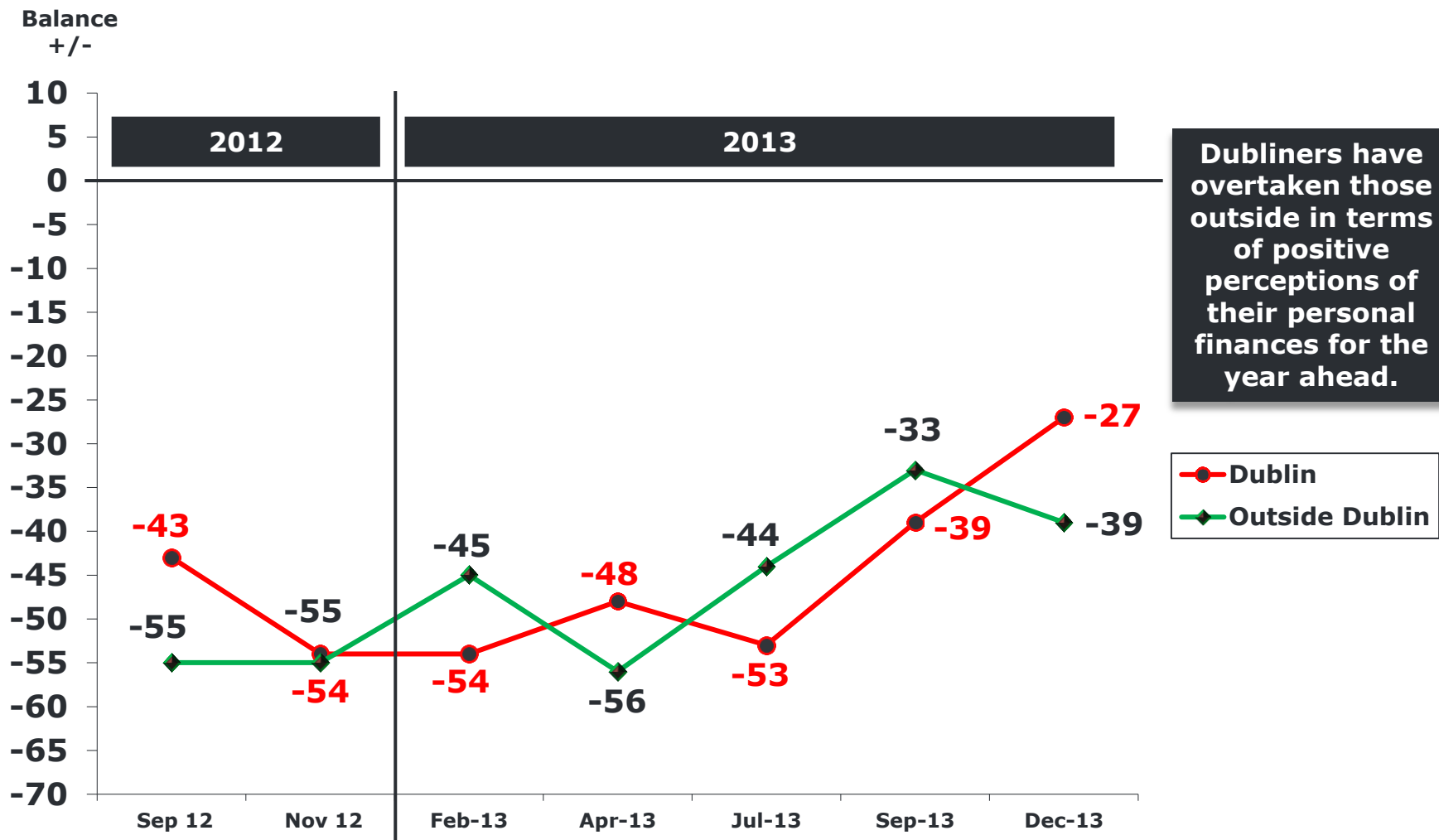
**18-34s, the middle classes and Dubliners are more positive about their finances as they move forward.**

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?



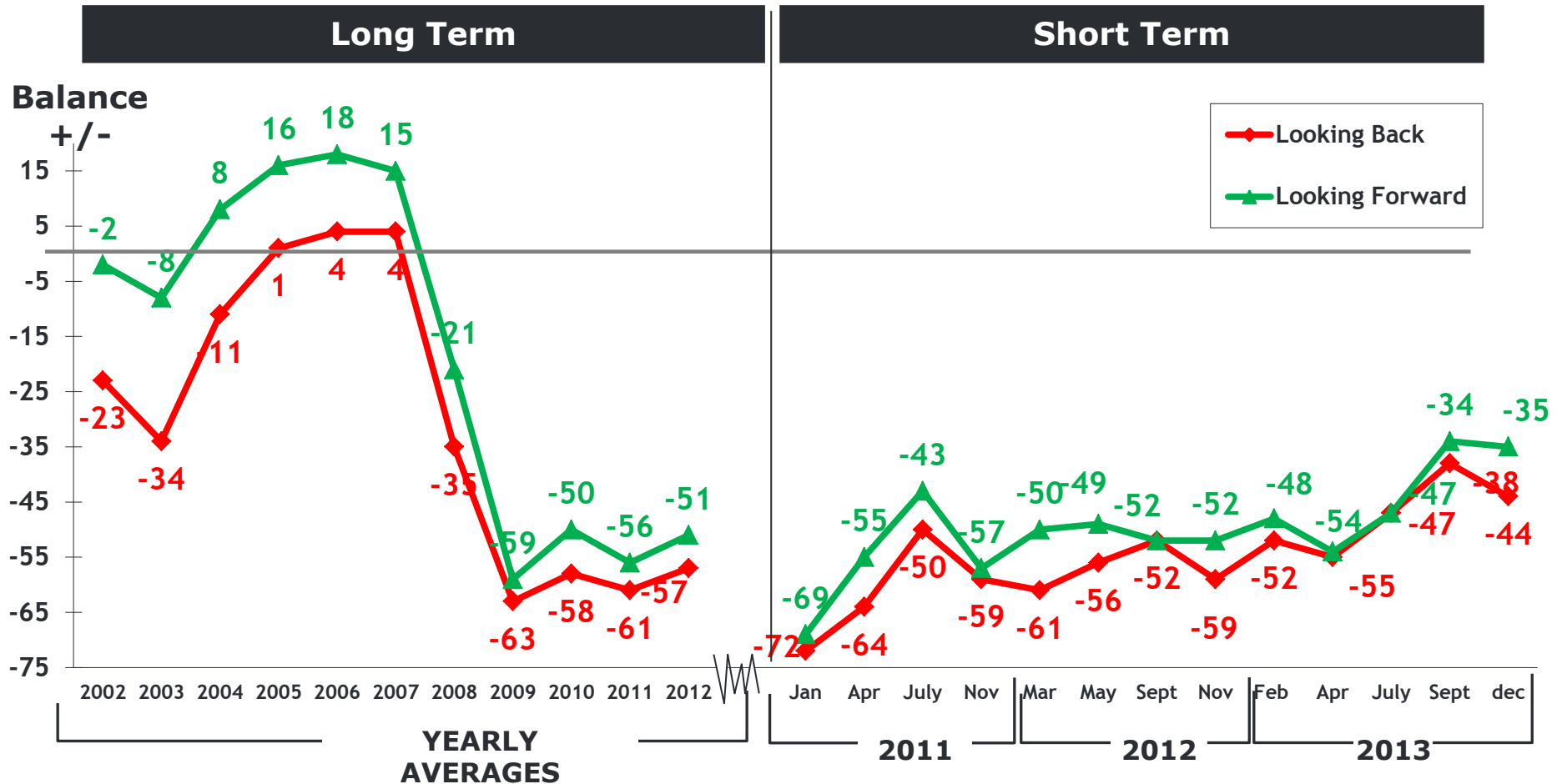
# Personal Finances - Looking Forward x Region

Base: All adults 18+



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?

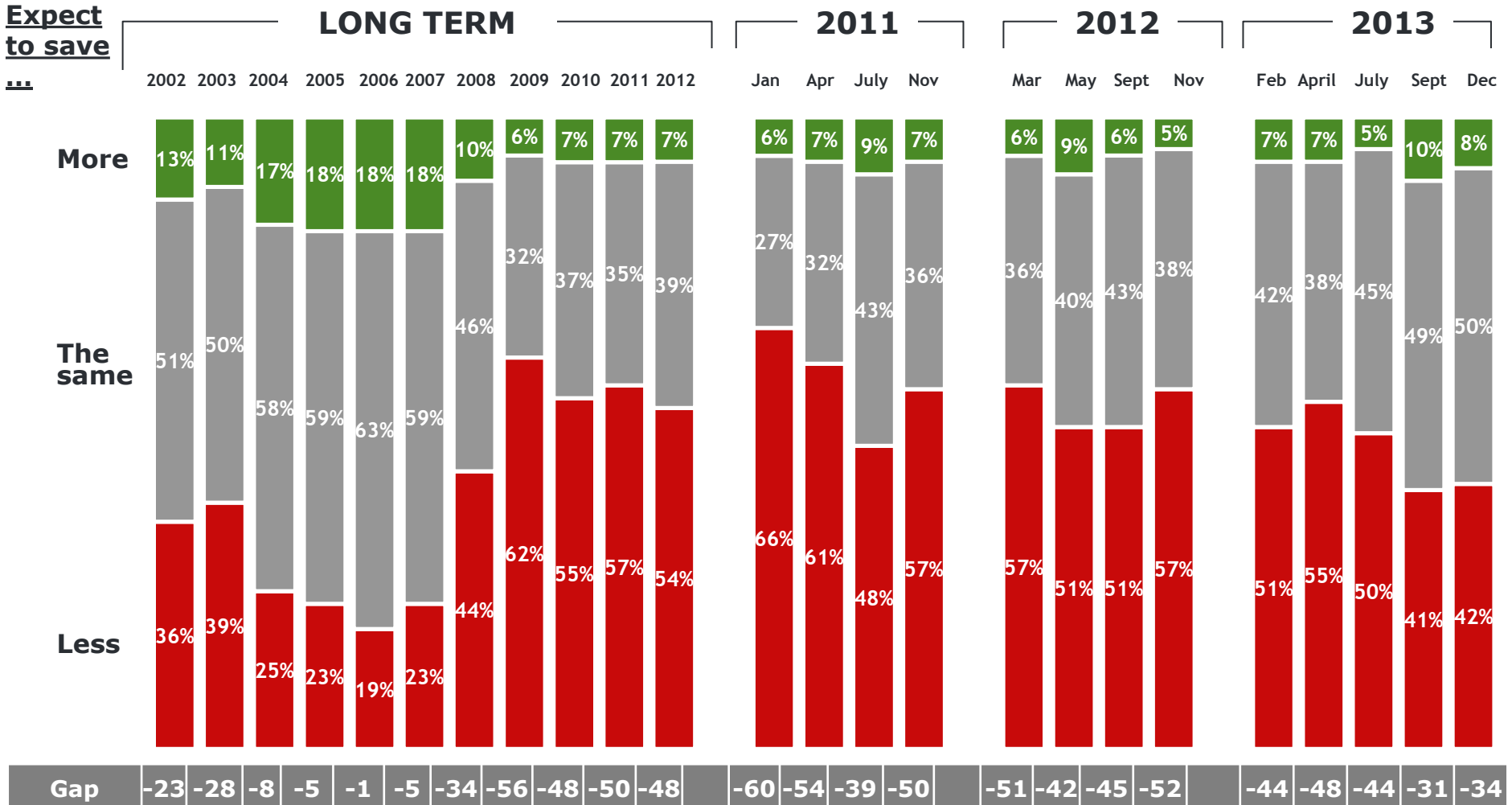
# Balance Of Opinion - Personal Finances



Gains being made over time. However we are still in negative territory.



# Savings – Looking Forward



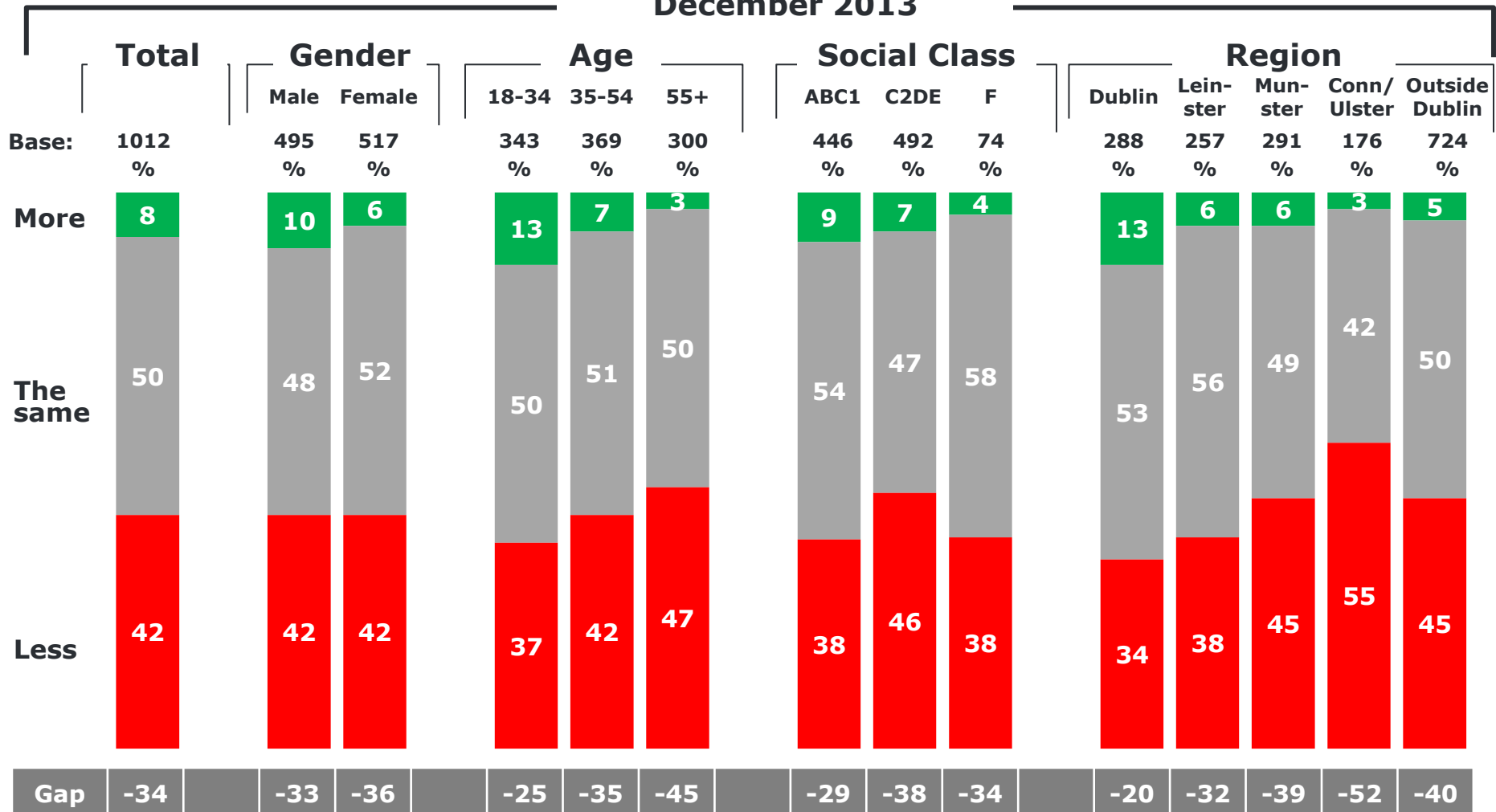
**A stabilisation in the ability to save is evident.**

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

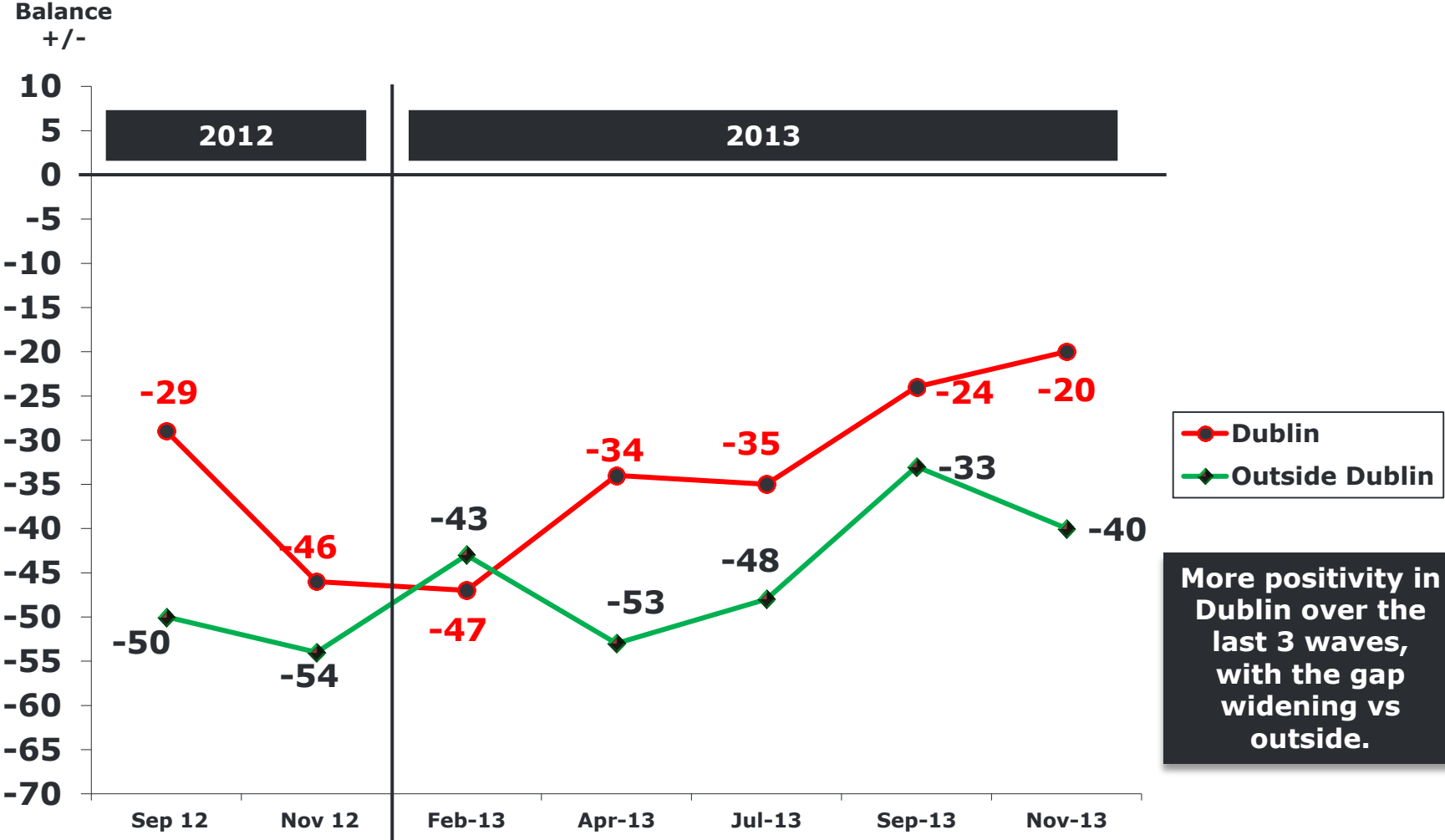
Expect to save ...

December 2013



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

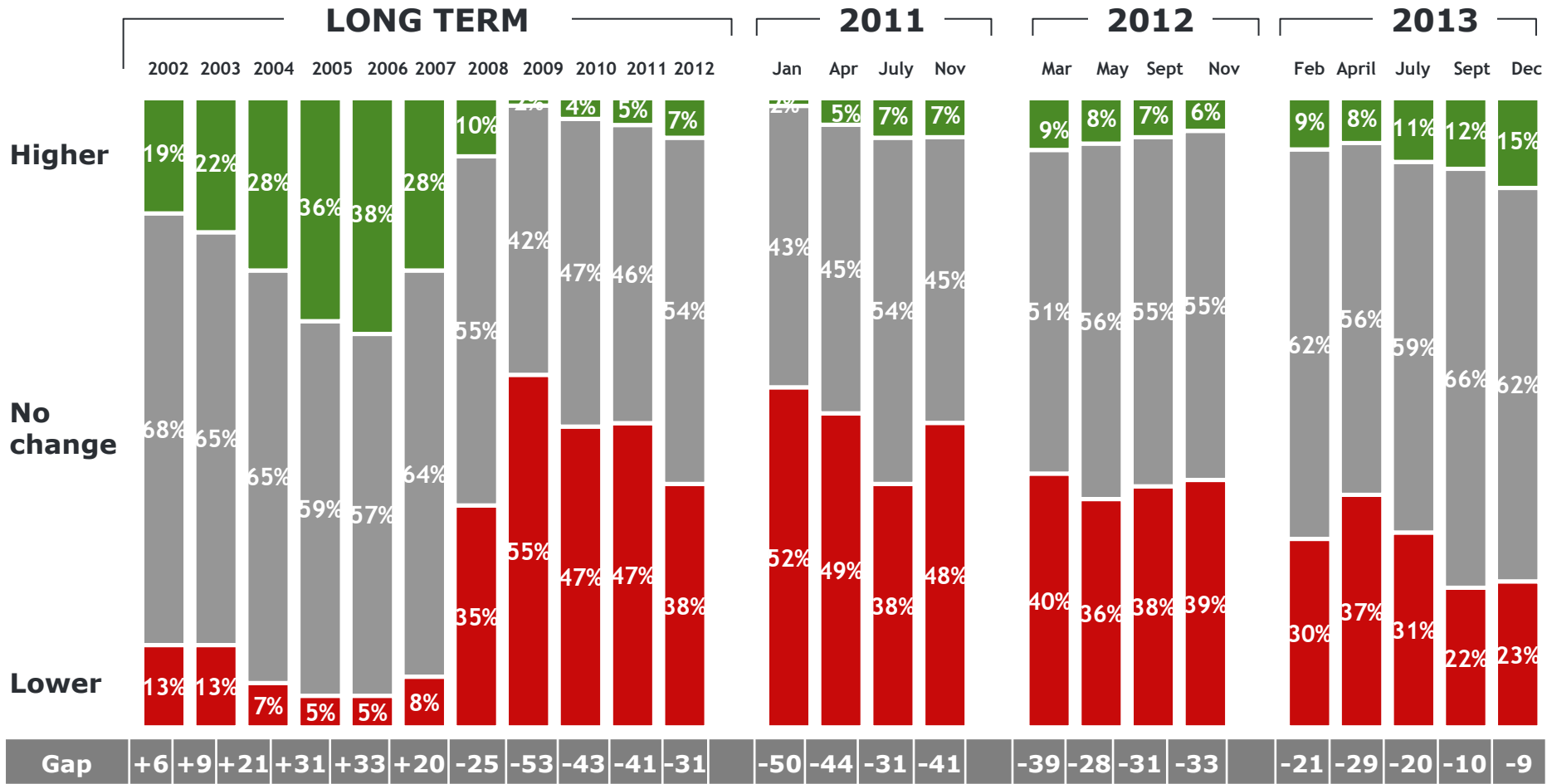


Q.8 Do you expect to save more, less or the same amount in the year ahead compared with the last twelve months?



# Personal Assets– Looking Forward

Expect them to be ...



The stability registered last wave has held up this wave. The figures at this point in time indicate belief in some asset value recovery.

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?

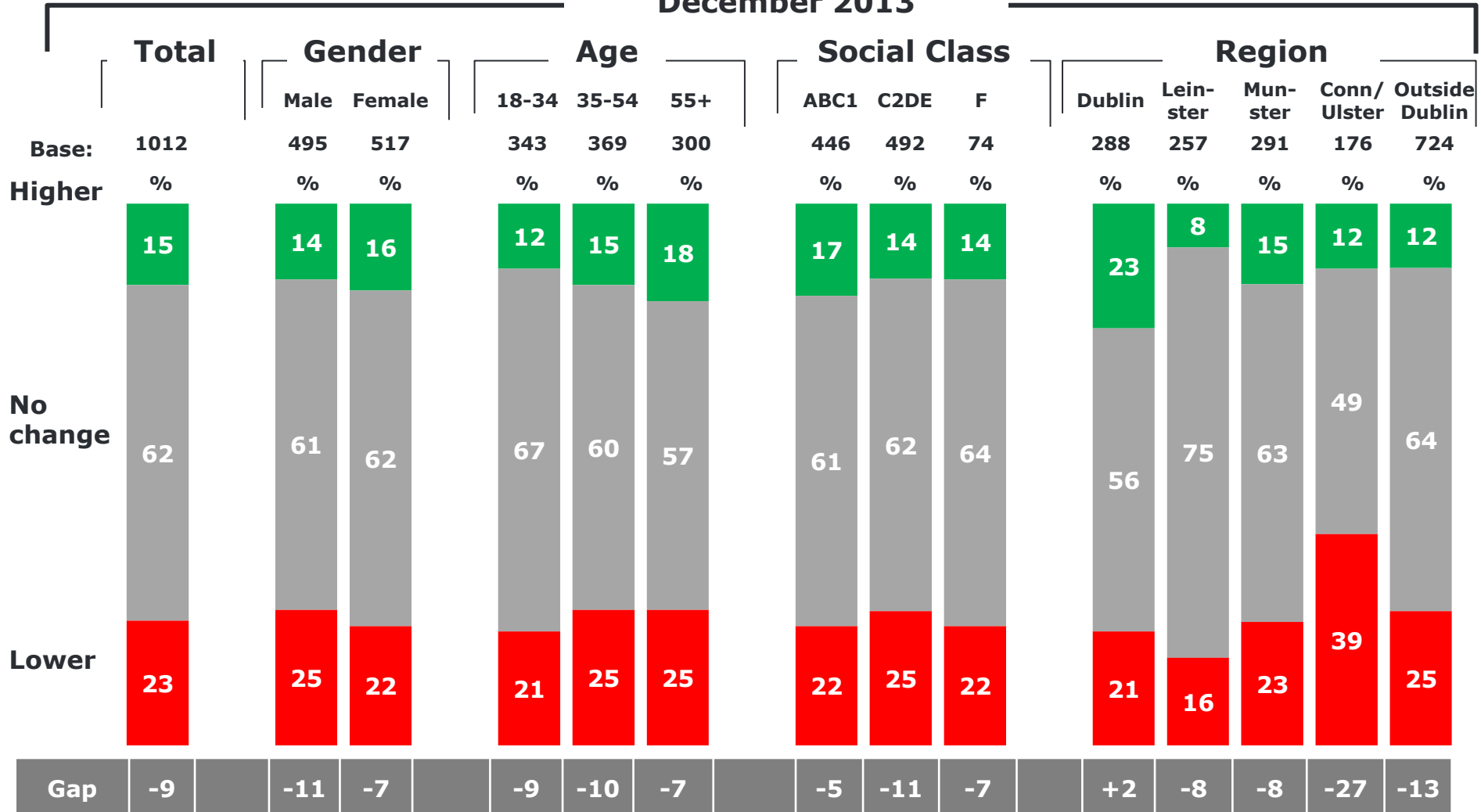




# Personal Assets– Looking Forward

Expect them to be ...

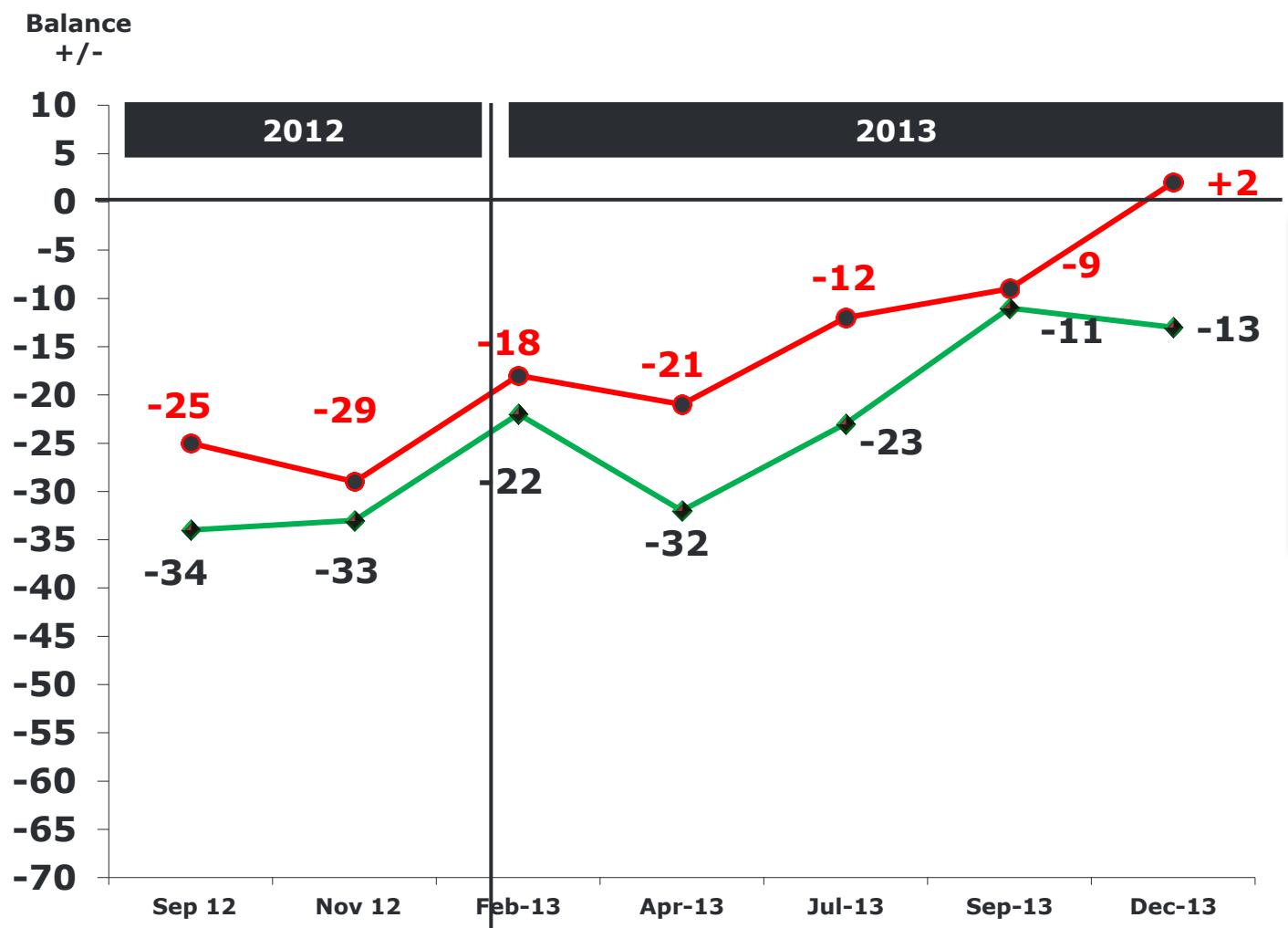
December 2013



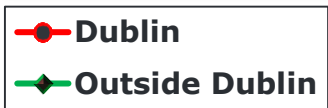
Q.6 Do you expect your assets (your house, shares, pension entitlements, savings) In the next year to be higher, lower or the same as in the past year?

# Personal Assets– Looking Forward x Region

Expect them to be ...



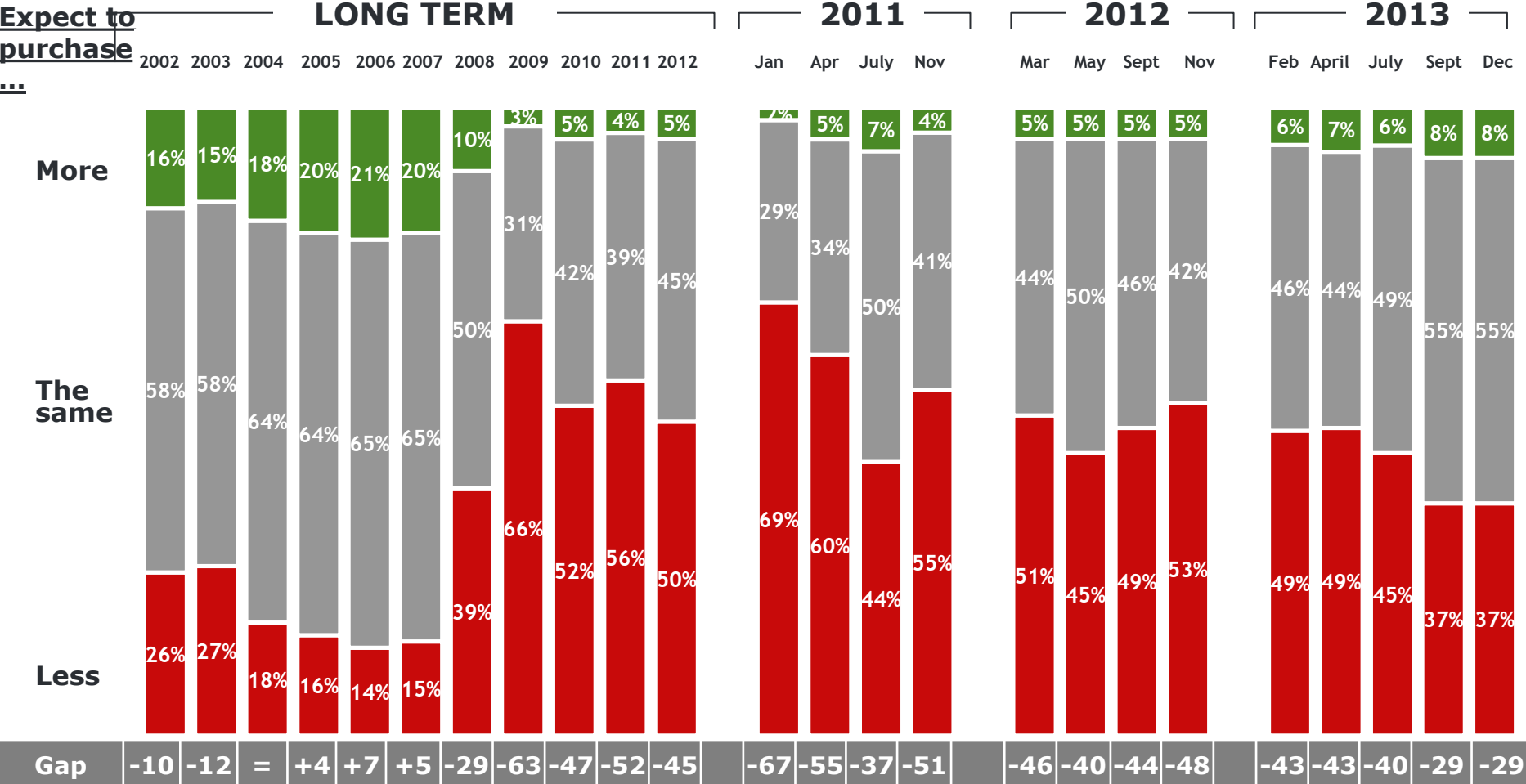
The continued Dublin growth in personal asset worth echoes the movement in house prices. Note this is the first score to enter positive territory.



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



**A stabilisation in perceptions of purchasing next year (2008 levels) evident, despite a slight dent in economic perceptions. Note we are still in negative territory.**

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?

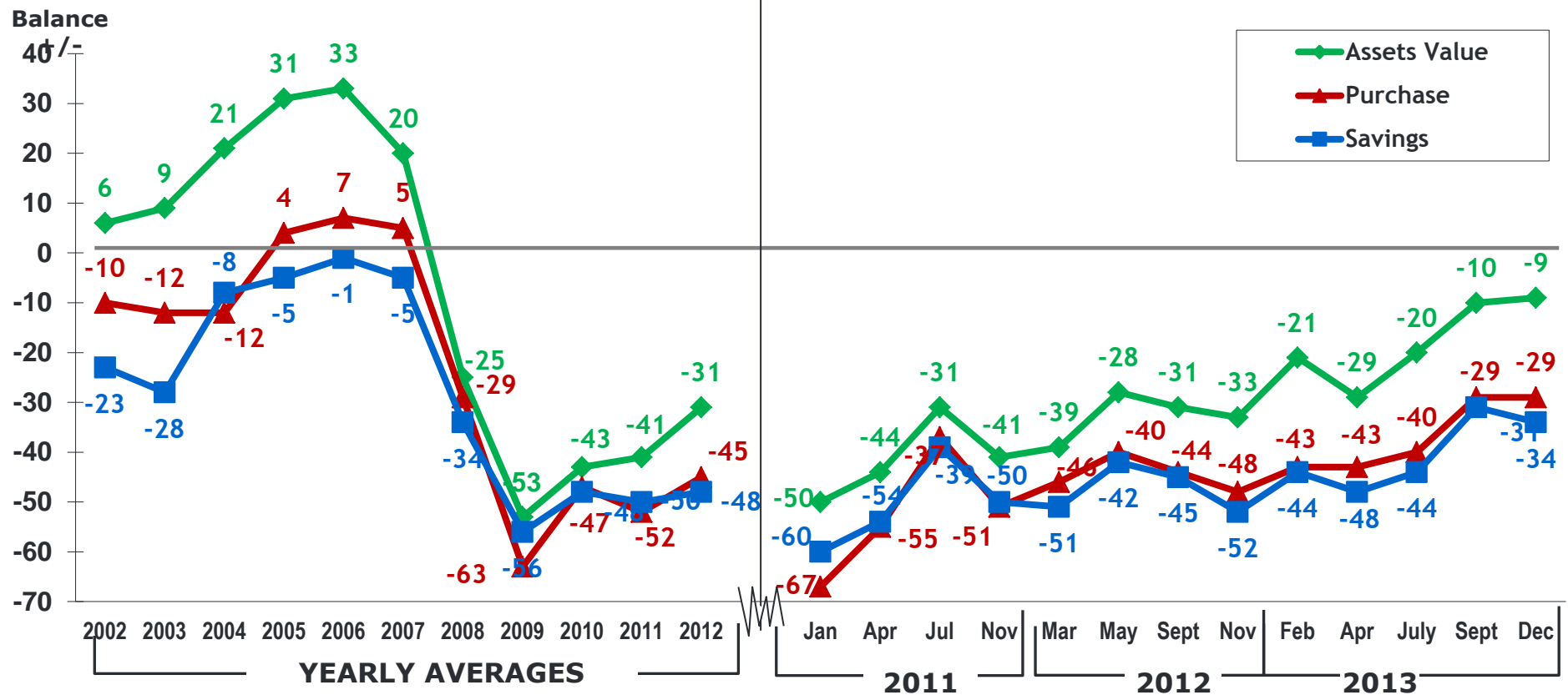


# Balance Of Opinion – The Year Ahead

Expectations in regard to assets value, purchases, and savings

## Long Term

## Short Term

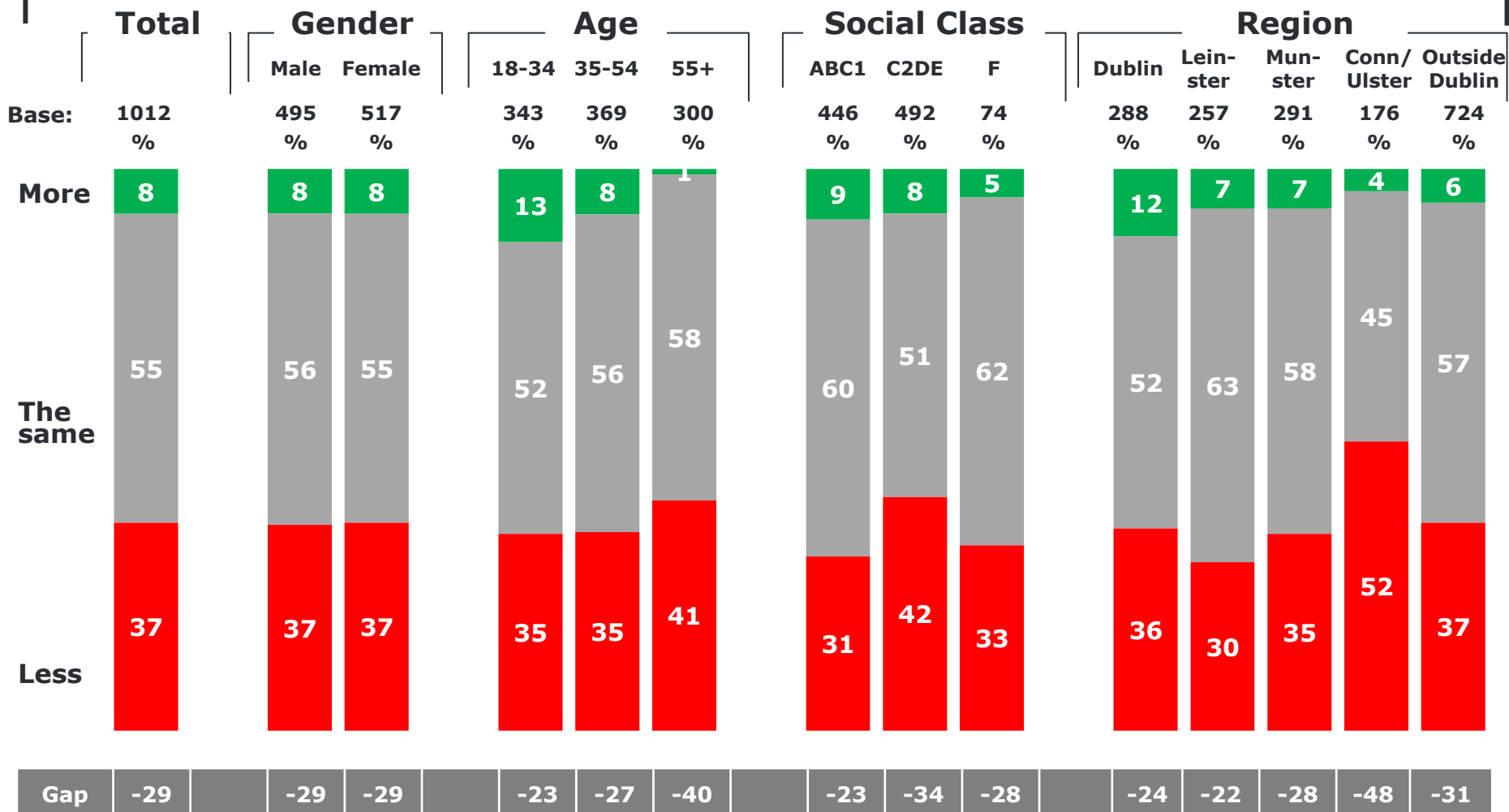


Improvements are noted and momentum is slowly improving. However, any further imposition that directly affects real incomes of consumers will impact this area negatively. Growth in personal financial situations continues to be finely balanced.

# Purchasing Goods And Services – Looking Forward

Expect to purchase ...

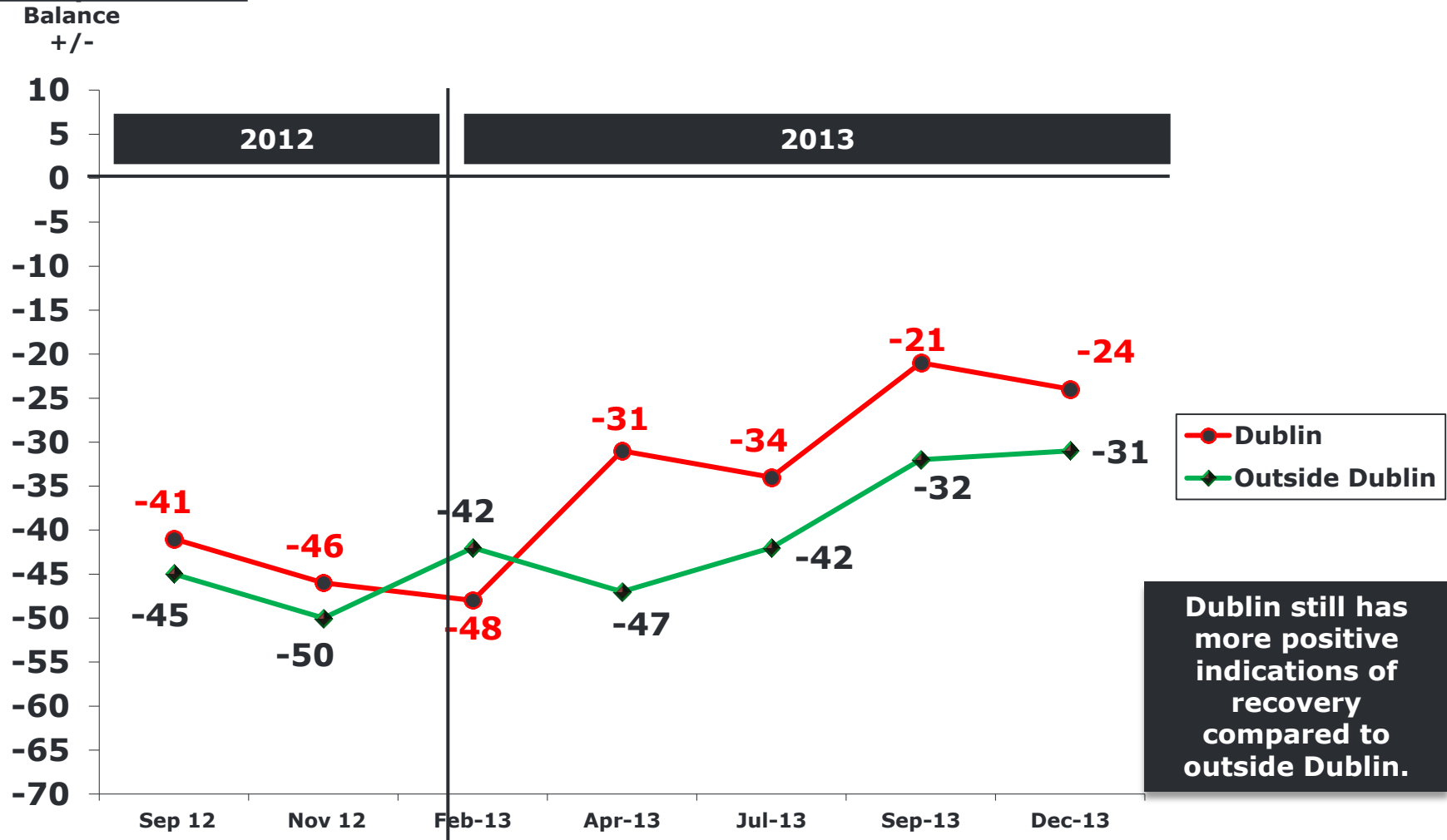
December 2013



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 And Services – Looking Forward x Region

Expect to purchase ...



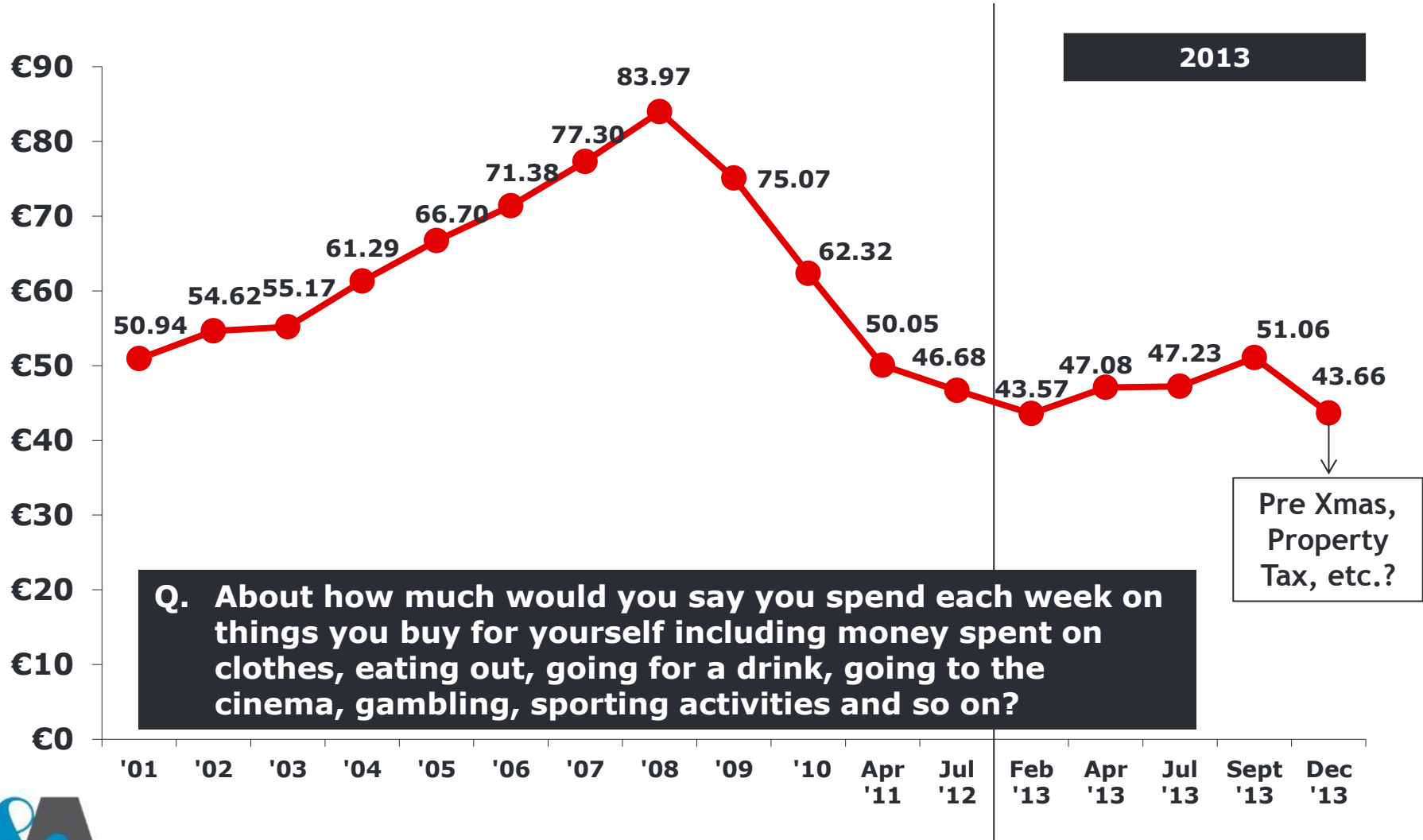
**Dublin still has more positive indications of recovery compared to outside Dublin.**

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?



# The New Reality of Recession: Discretionary Income Has Halved in Five Years but decline appears to have largely abated (albeit a dent this wave)

Base: All adults 18+



# Thank You



**BEHAVIOUR ATTITUDES**

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