



Consumer Mood Monitor

*Economic Recovery Breaking through
on a Personal Level*

June 2015
Ref: 06312



Very positive outlook for Irish economy and sense that recovery now has personal benefits...

- ✓ Consumer outlook for the Irish economy sees a further increase and is very positive with almost 2 in 3 believing that the economy will fare better in the next 6 months.
- ✓ The expectations to the World Economy have improved as well, in spite of the situation in Greece.
- ✓ Almost half of the population now feel personally impacted by the economy recovery – however this is more limited outside Dublin.
- ✓ It is also evident that personal finances have improved with almost 1 in 4 feeling comfortable financially while benefitting further from the improved economic climate.
- ✓ But 1 in 4 continue to claim that they are struggling to make ends meet – this is more so the case outside Leinster.
- ✓ The improved consumer confidence combined with improved personal finances has led to increased spend intentions for consumer goods and groceries.
- ✓ Holiday spend has the highest potential however over the next 6 months.



Consumer Mood - Headline Facts

- / **63%** believe the Irish economy will improve in the next 6 months – up from 59% in January
- / **77%** believe recovery is underway in Ireland – up from 75%
- / **60%** of those believing in the recovery feel they benefit from this personally – up from 57%
- / **34%** of consumers believe they are living comfortably – up from 31%
- / BUT **25%** are still struggling financially – however this is down from 27%
- / Circa **20%** anticipate spending more goods & services over the next 6 months – especially on holidays.



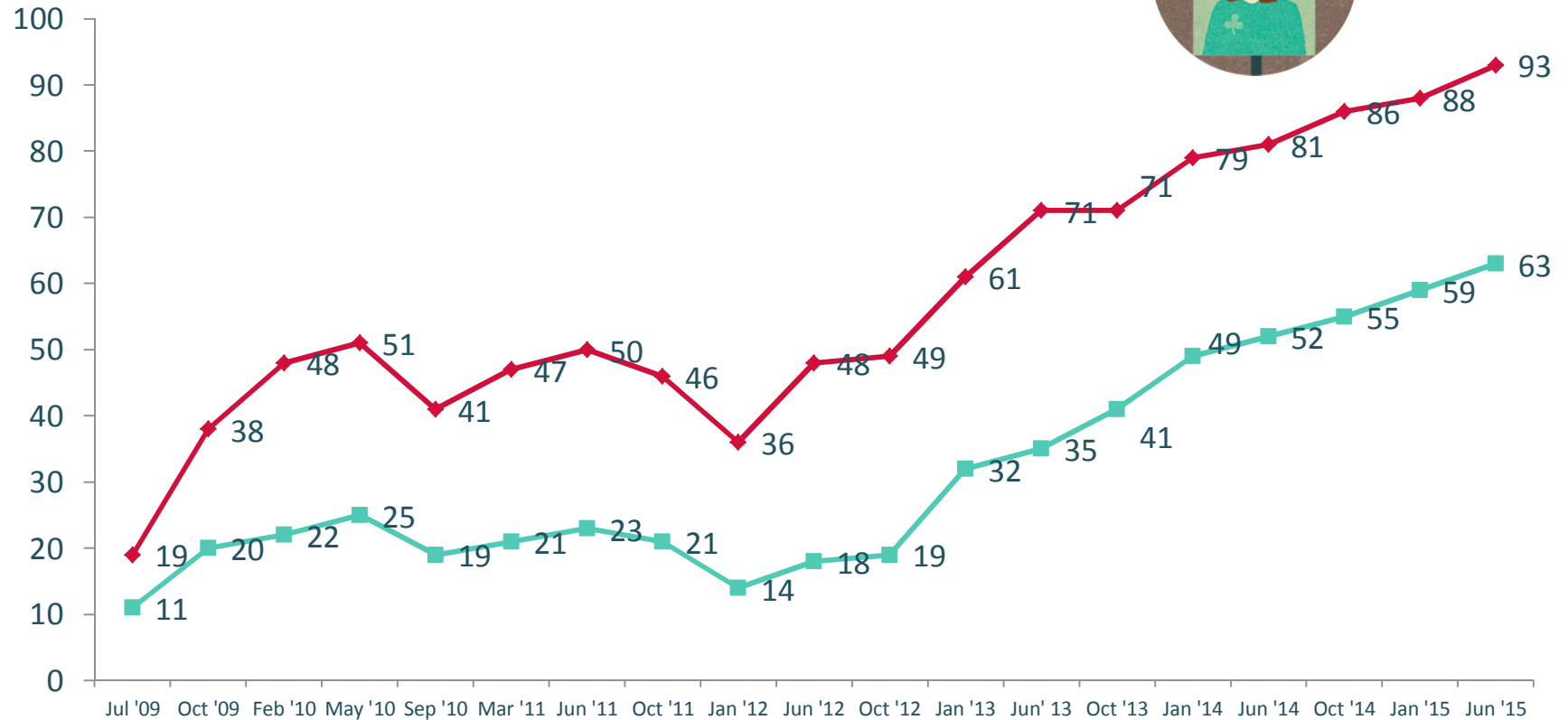


**Consumer Outlook
for Irish Economy is
Very Positive**

How do you expect the Irish economy to fare in the next 6 months?

% NET Better/Same
(next 6 months)

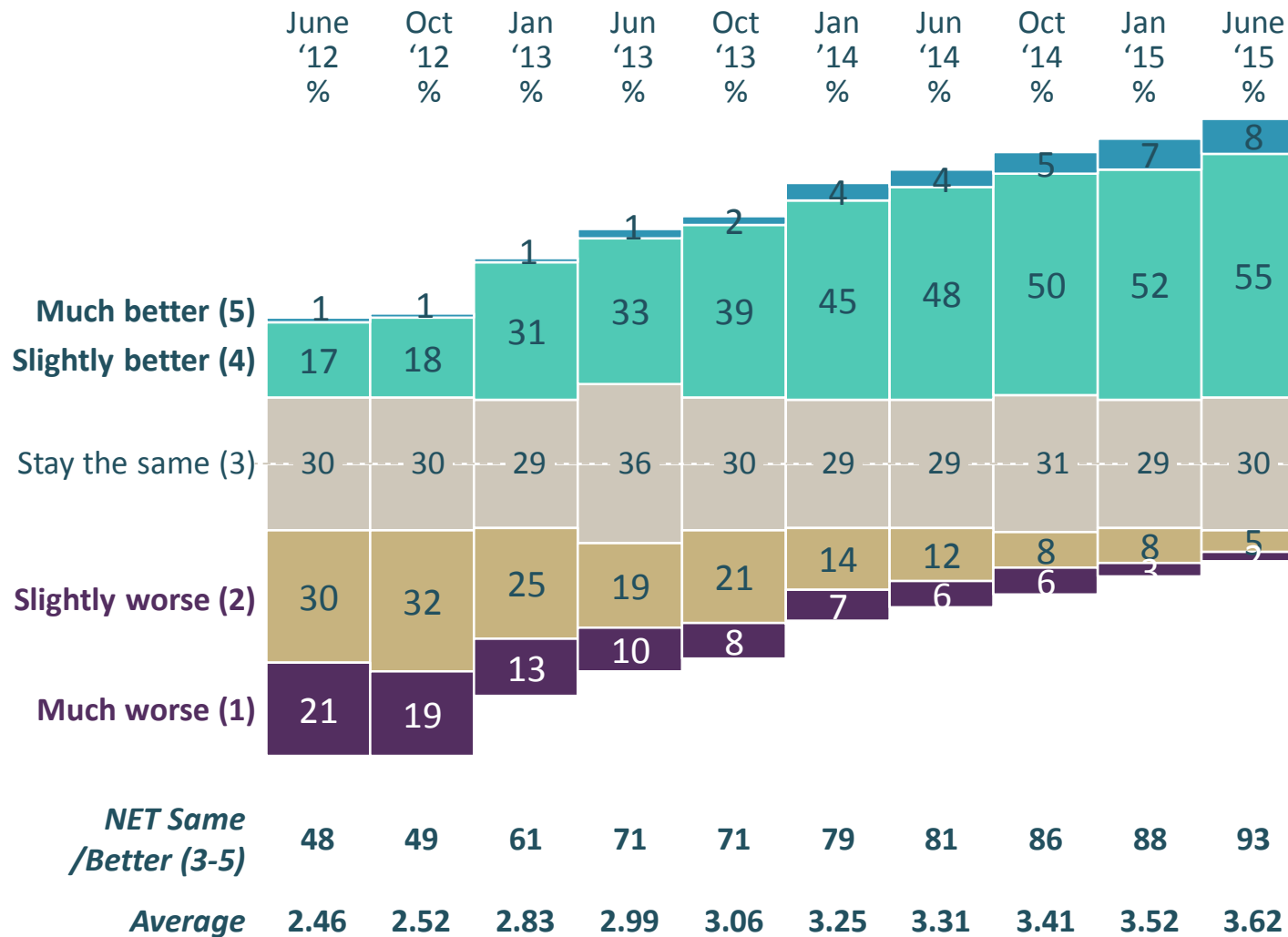
NET Better/Same Better



Almost 2 in 3 expect the Irish economy to fare better than it does now over the next 6 months. Almost 19 in 20 expect the economy to remain the same or improve.

REDC

How do you expect the Irish economy to fare in the next 6 months?

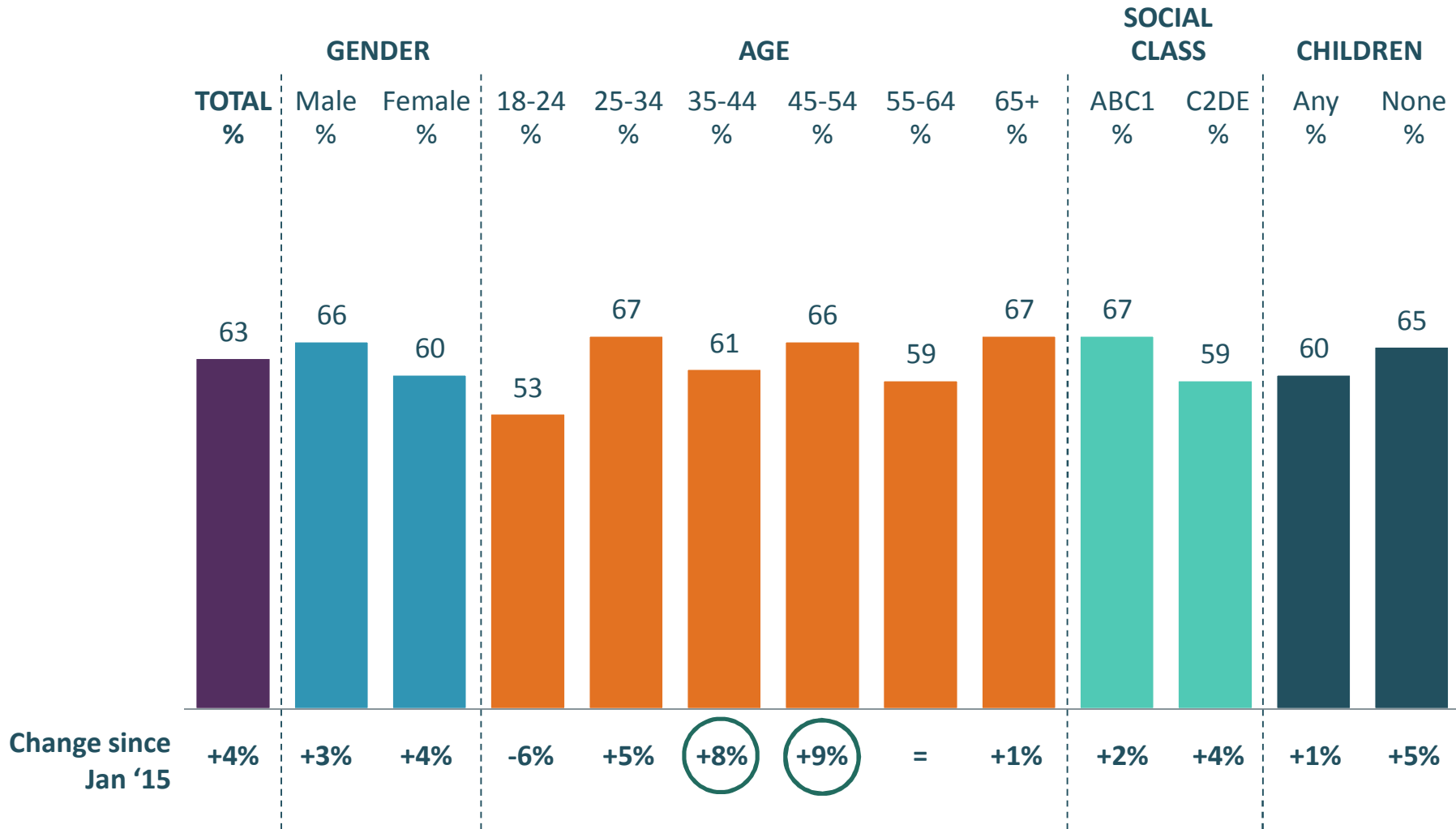


✓ 2 in 3 expect the Irish economy to fare better in the coming 6 months.

✓ Just 7% expect the economy to be worse in the next 6 months.

Expectations for the Irish economy 6 months from now

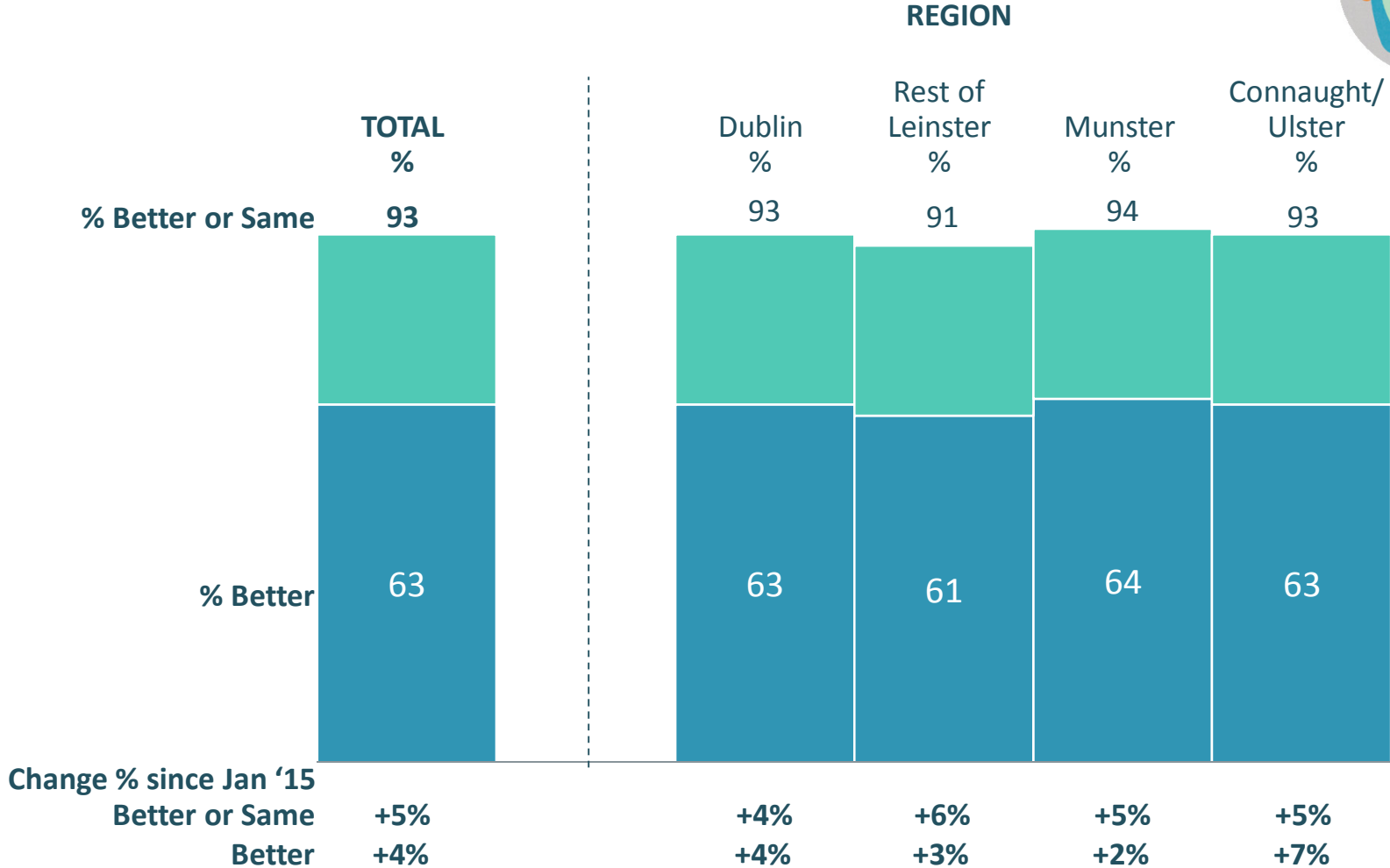
% Stating they believe it will be better



The positive outlook for the Irish economy is uniform overall across different demographic groups. The 35-54 year old age group see the biggest increase in consumer outlook.

REDC

Expectations for the Irish economy across the country...



The higher expectations to the Irish economy is uniform across the different regions of Ireland.





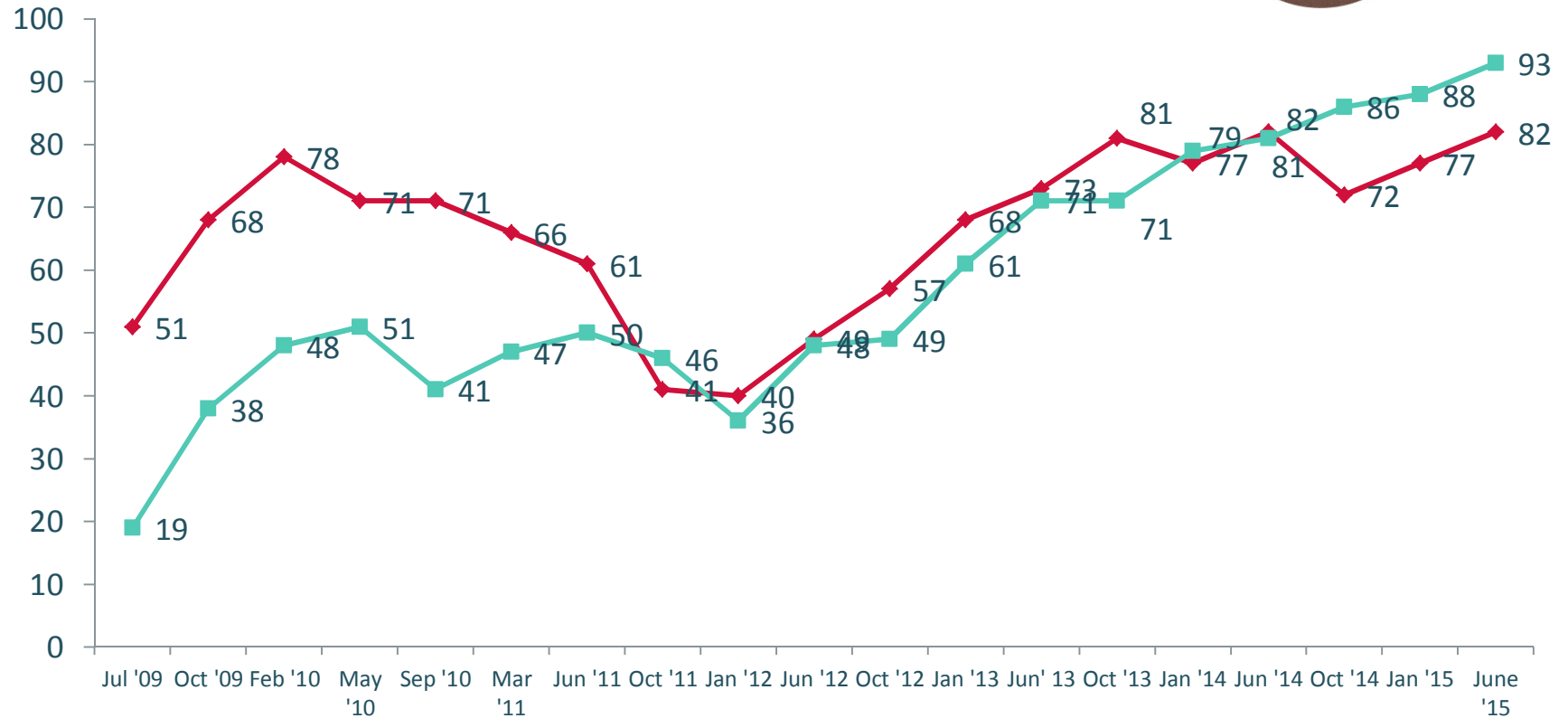
Positive Outlook Extends Beyond Ireland

Expectations for the World Economy



% NET Better/Same
(next 6 months)

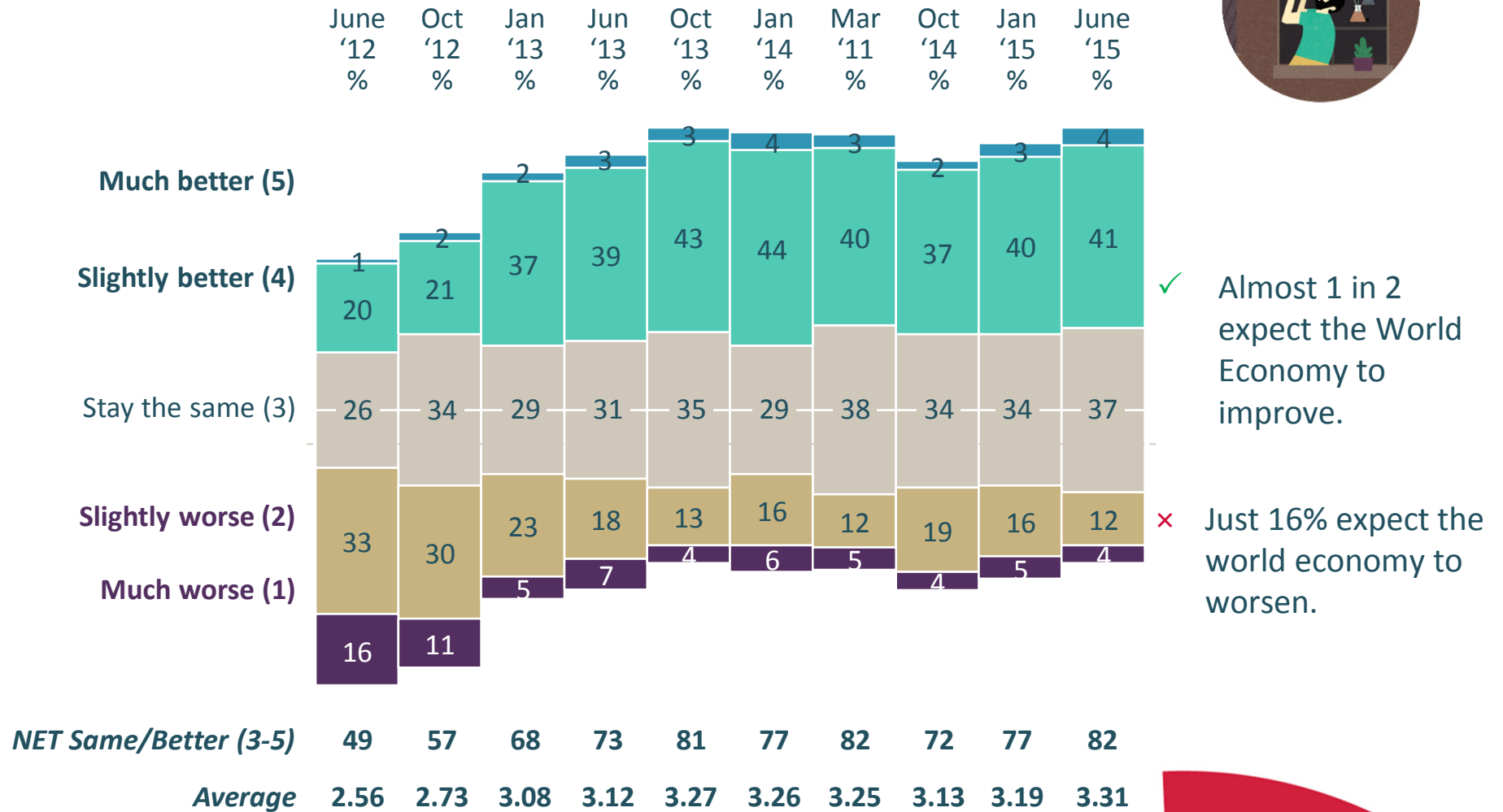
—●— World Economy —■— Irish Economy

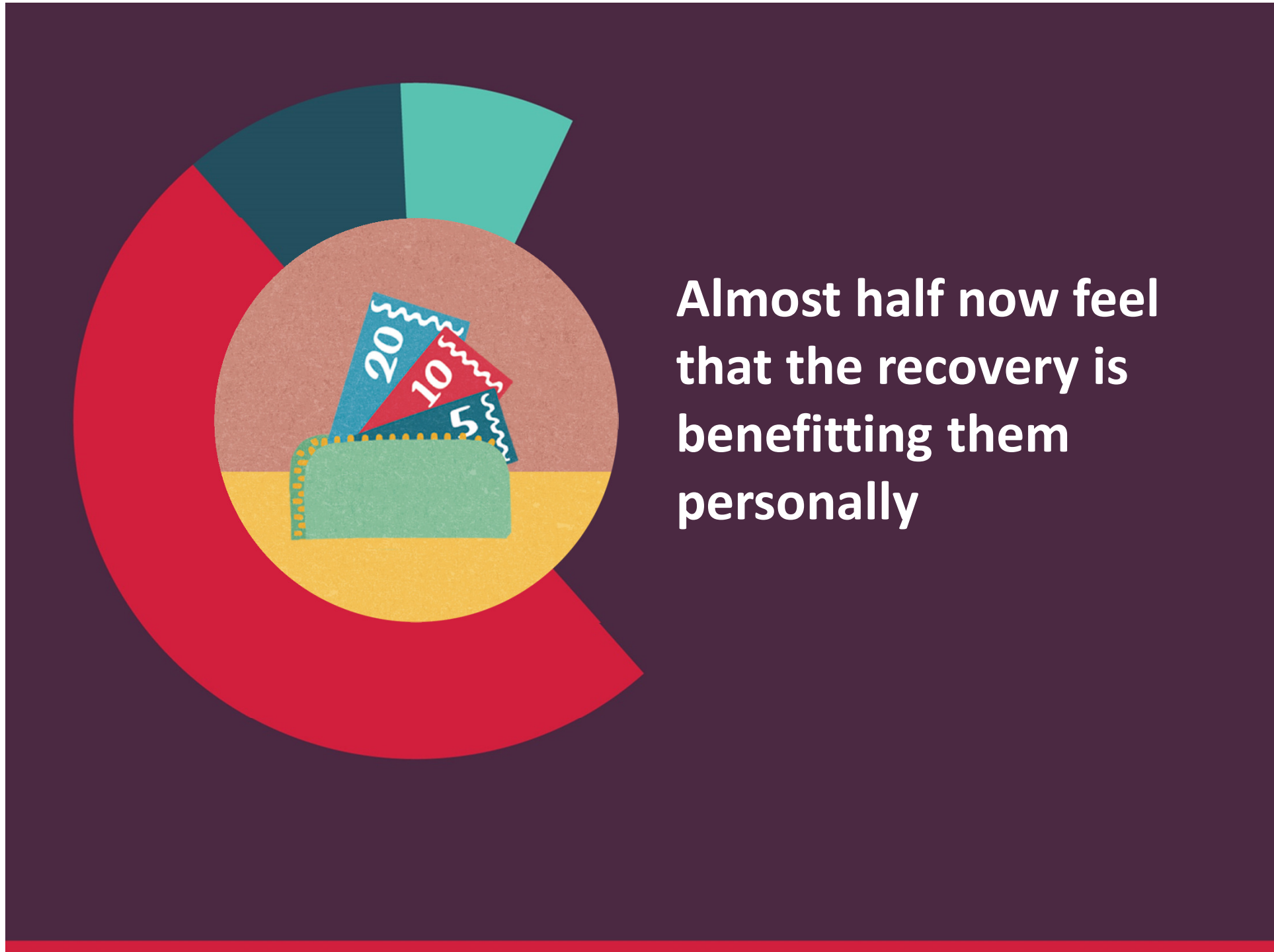


In spite of the crisis in Greece, we see a further increase in outlook for the World Economy with 4 in 5 expectations this to improve or remain unchanged in the next 6 months.

REDC

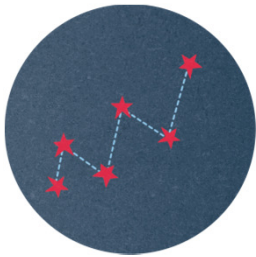
How do you expect the World economy to fare in the next 6 months?



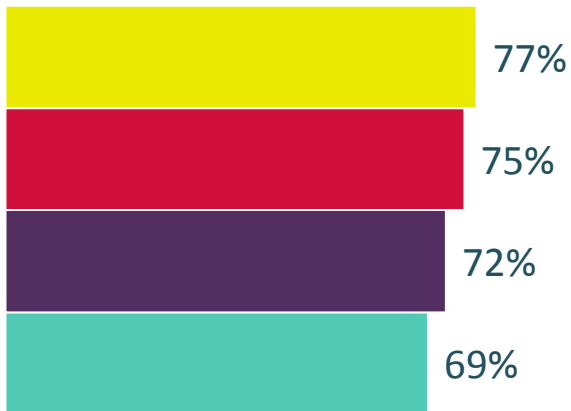


**Almost half now feel
that the recovery is
benefitting them
personally**

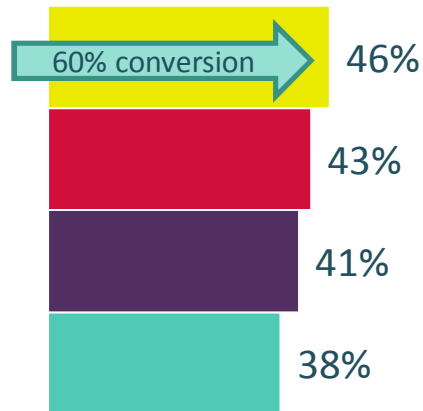
Do you believe that an Economic Recovery in Ireland is...?



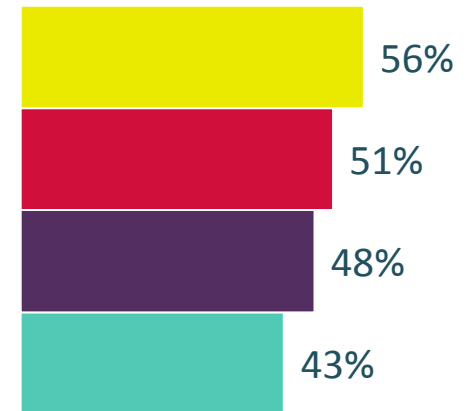
Underway



Benefitting You Personally



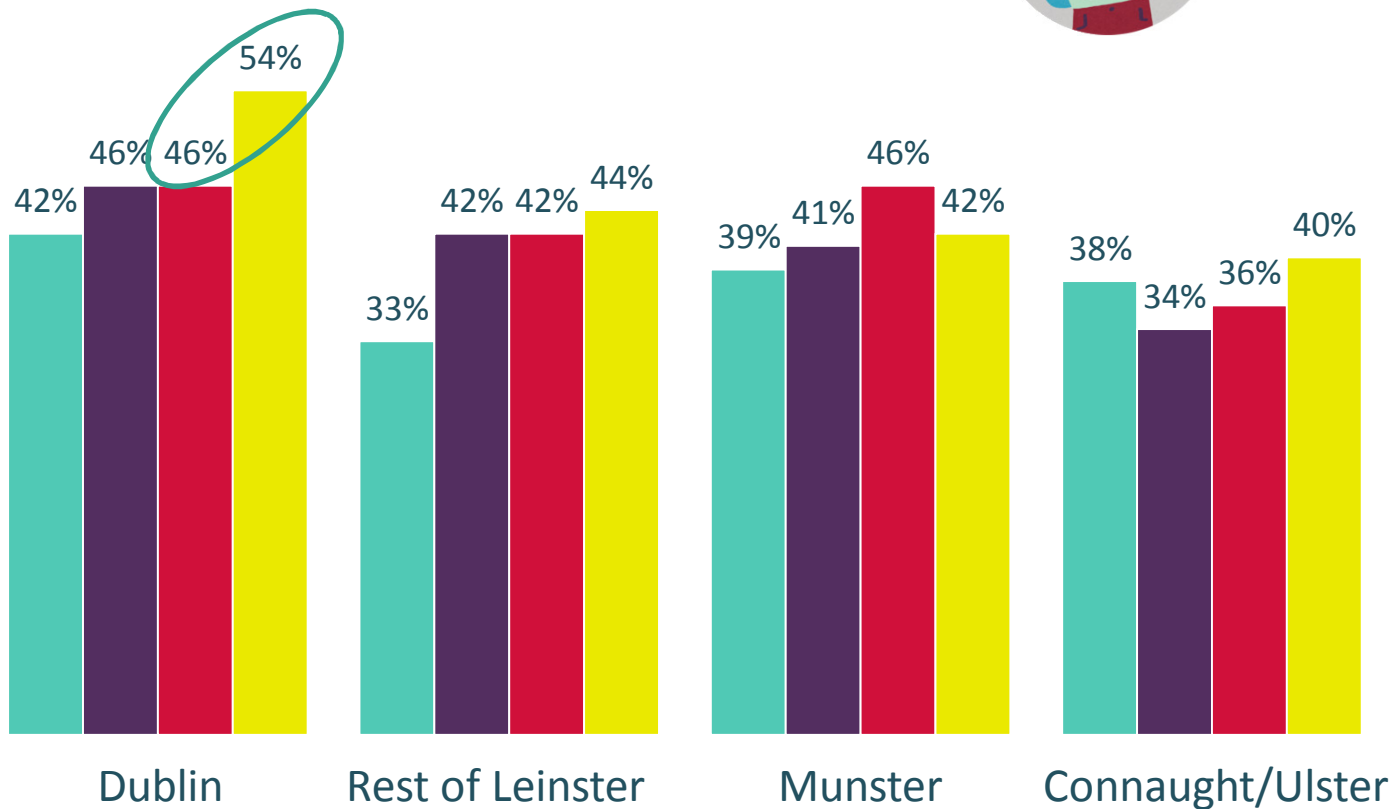
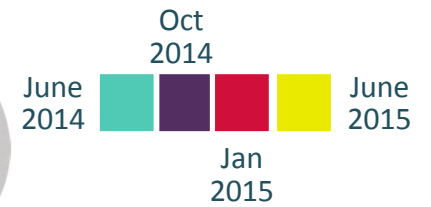
Set to Make Next Generation Better Off



We see a steady increase in the proportion of consumers feeling that they benefit personally from the recovery. 3 in 5 consumers who believe in the recovery claim to feel personal benefits of this recovery.

Personal benefits of recovery by region

% Stating Yes

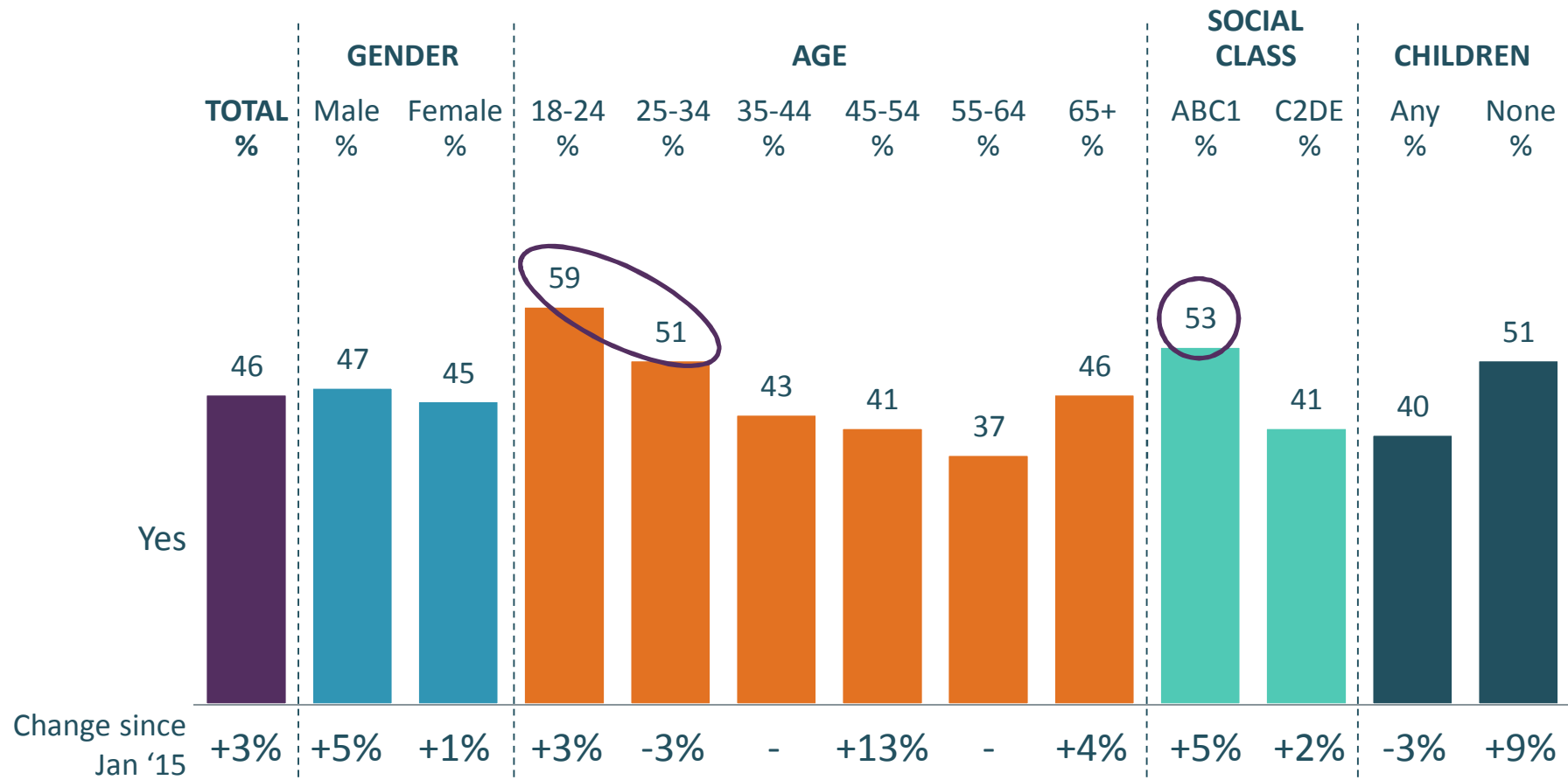


While outlook for the economy is uniform across the country, Dubliners are much more likely to feel personally benefits from the recovery than those outside Dublin.

REDC

Ireland's Economic Recovery Benefitting You Personally?

% Stating Yes



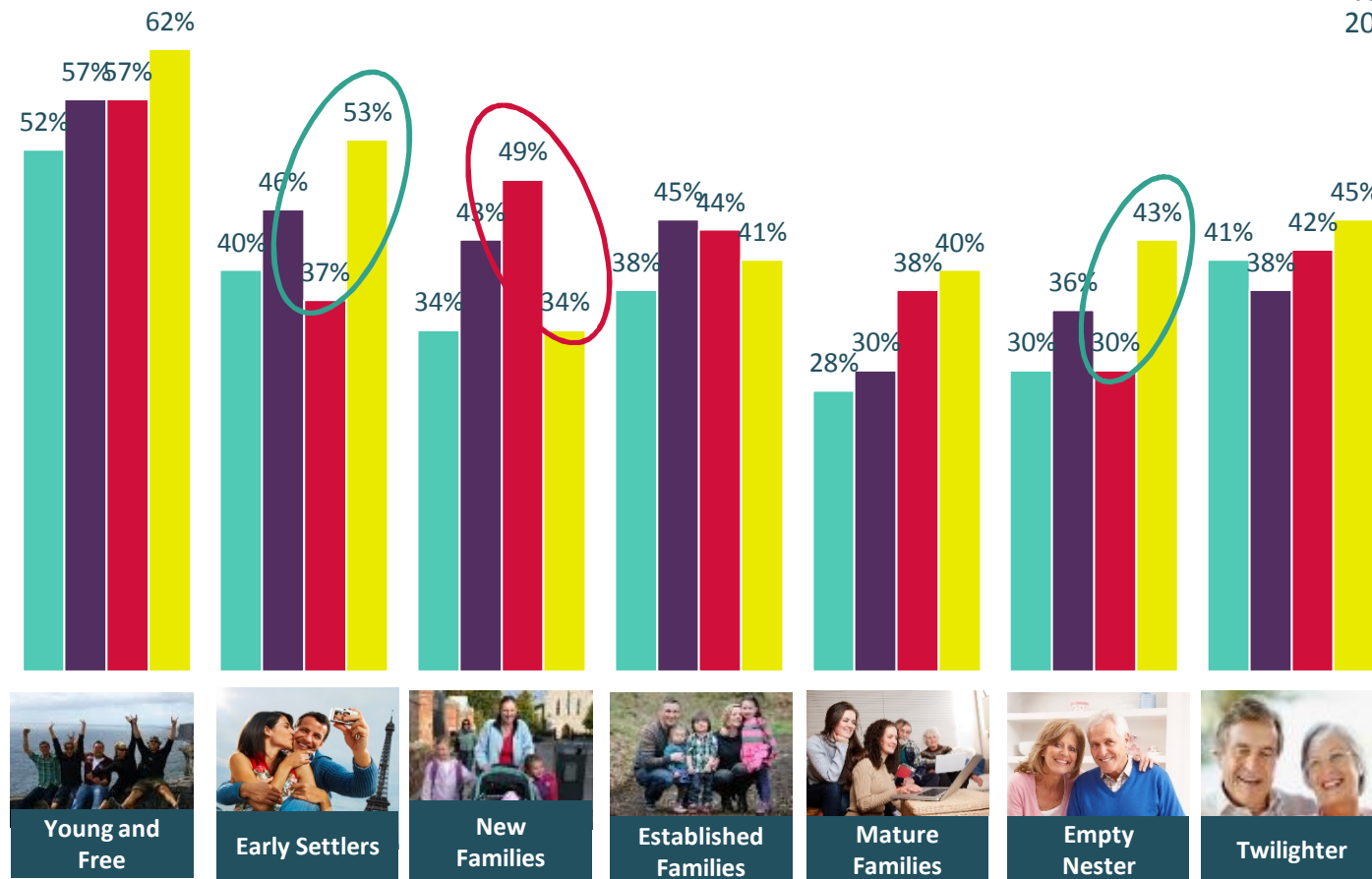
Younger age groups and higher social classes are most likely to feel the benefits of the improved economy.

REDC

Personal benefits of recovery by life stage

% Stating Yes

Oct 2014
 June 2014 June 2015
 Jan 2015



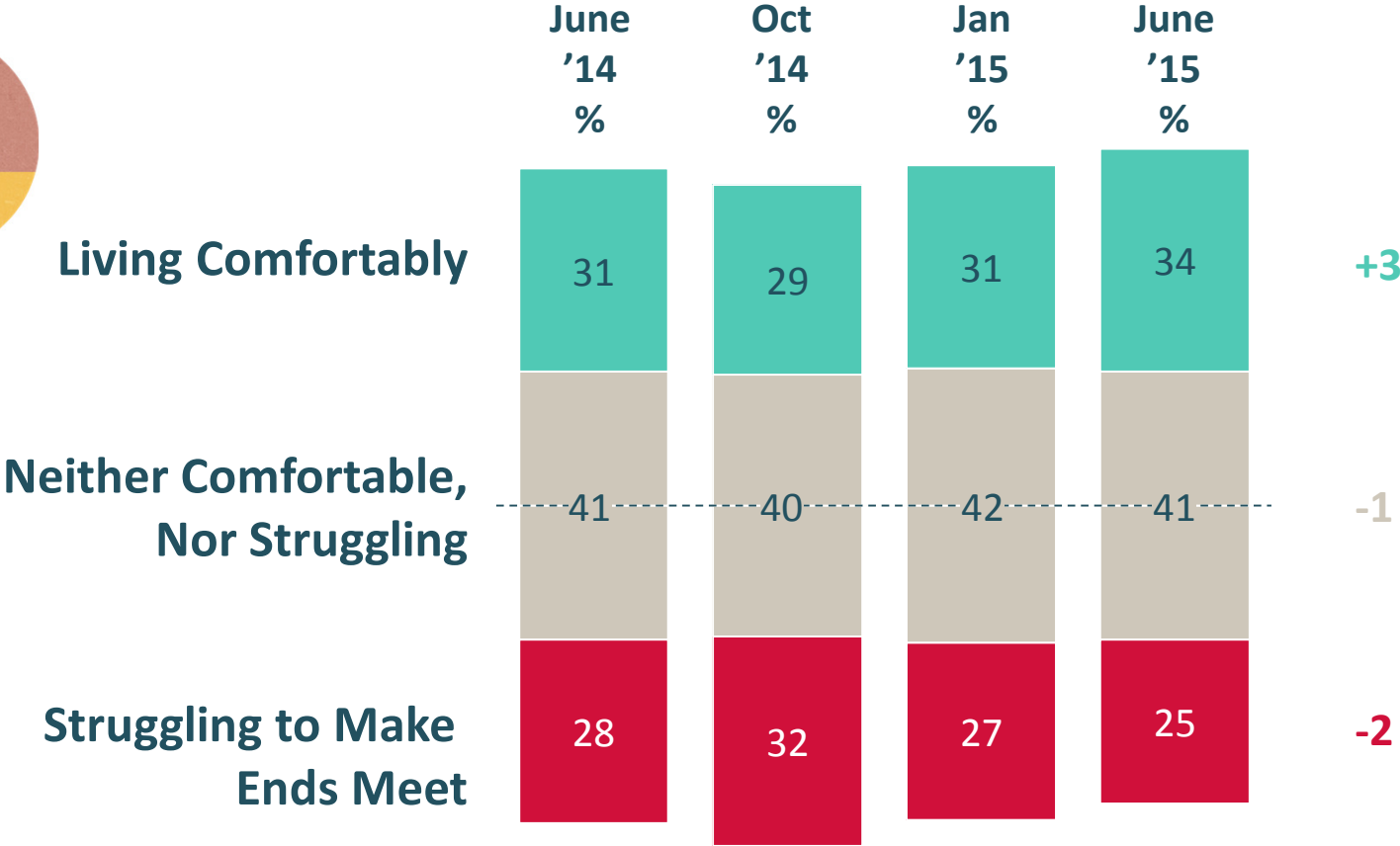
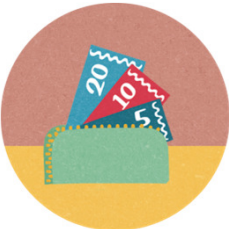
While the younger age groups are more likely to feel the recovery, it is Early Settlers and Empty Nesters who see the biggest increase in personal impact of recovery.





**Personal finances
have improved
further but 1 in 4
continue to struggle
financially**

Personal Impact of Recovery is evident when looking at Current Financial Situation...

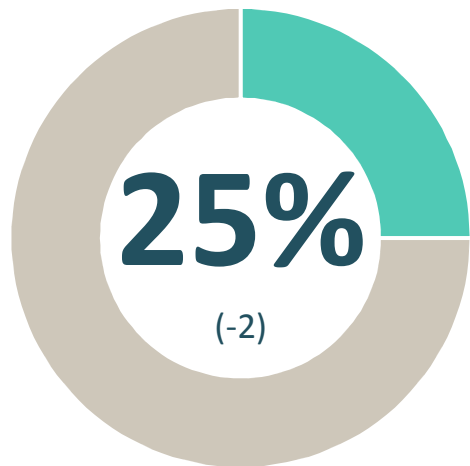


Improvements in personal finances are also evident – but 1 in 4 continue to claim that they are struggling financially.

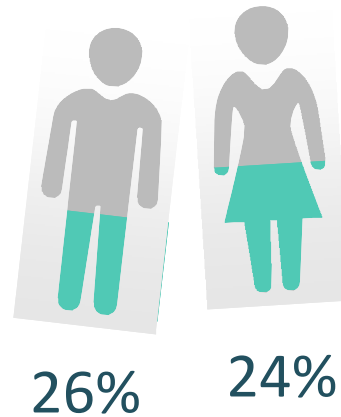


Who is Struggling to Make Ends Meet?

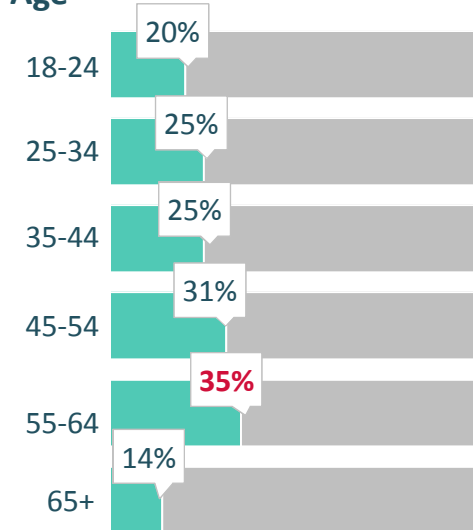
Total – 1 in 4 struggle to make ends meet



Gender



Age



Social Class

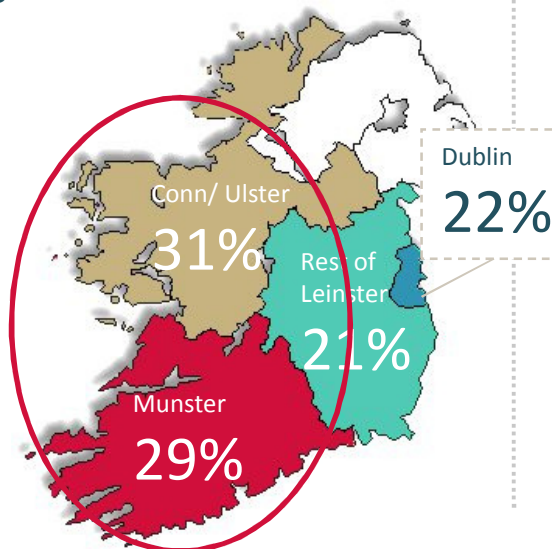
Higher Social Grades: 17%



Lower Social Grades: 32%



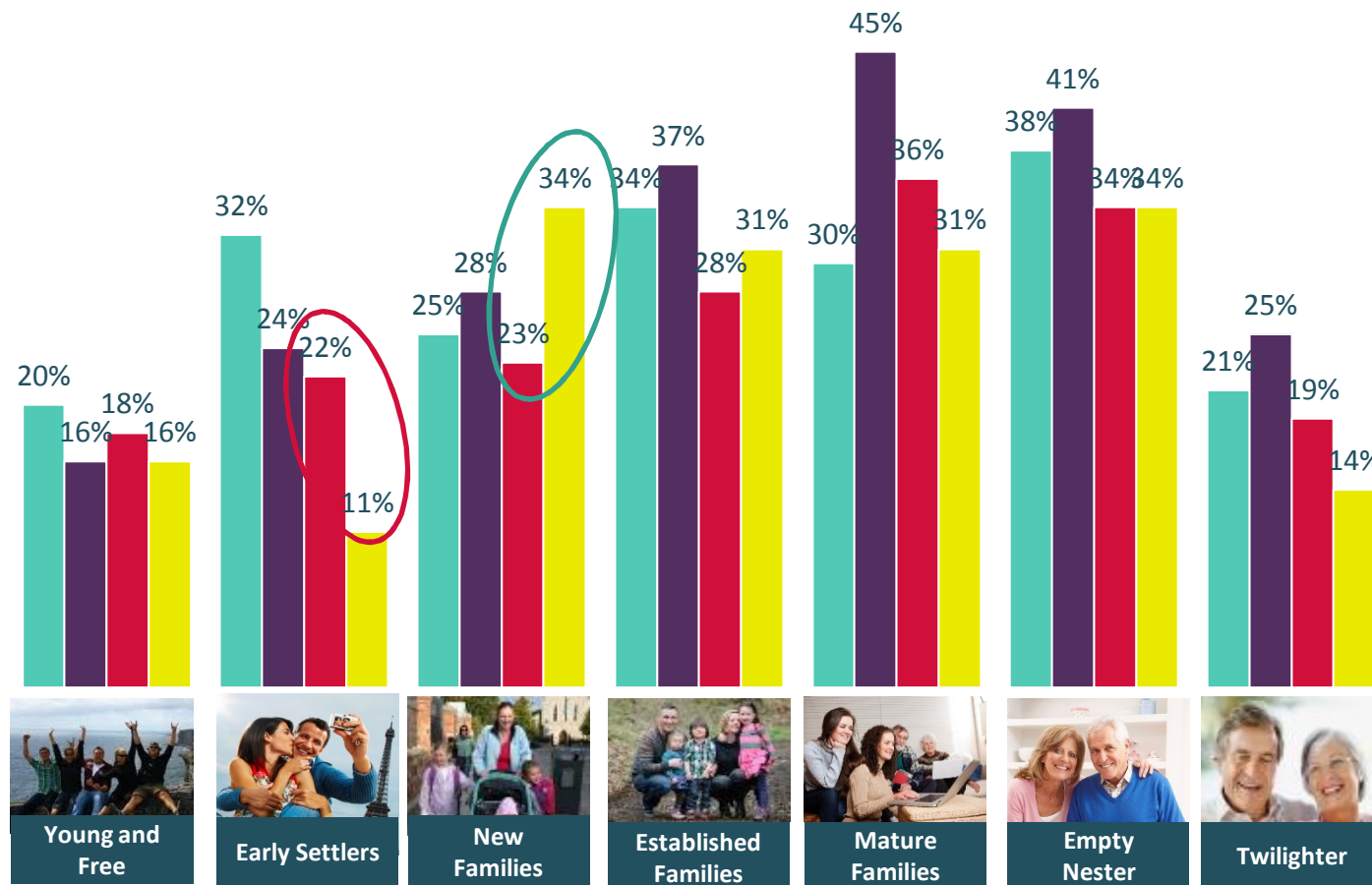
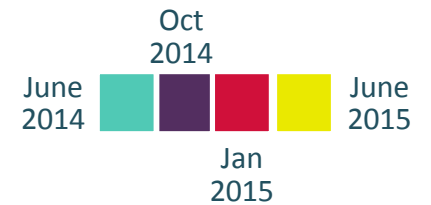
Region



REDC

Who is struggling to make ends meet?

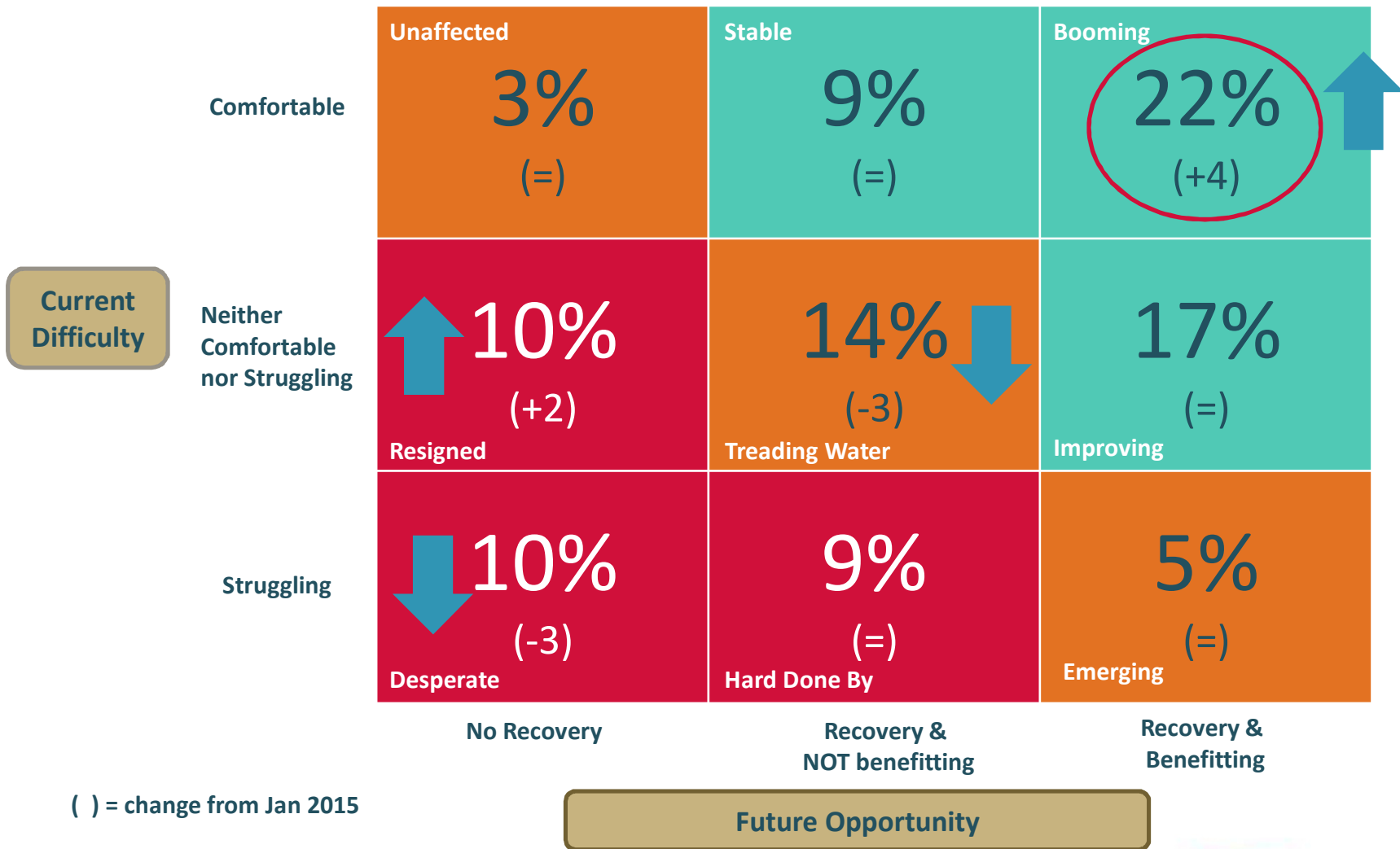
% Struggling to make ends meet



The family life stages are more likely to be struggling financially and we see an uplift in the proportion who claim to be struggling among New Families.

REDC

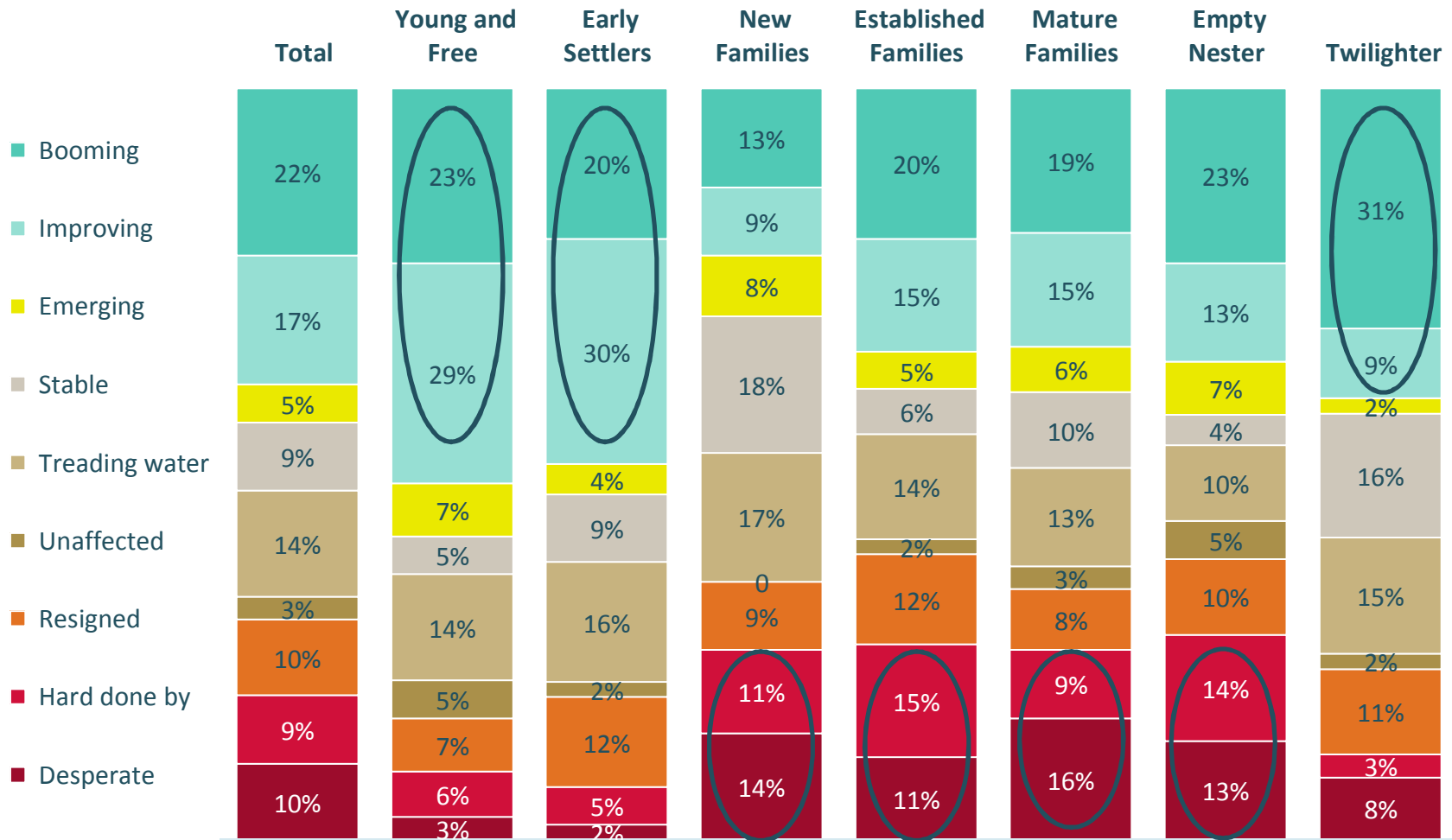
Relationship between Economic Situation and Impact of Recovery



Almost 1 in 4 are now “booming”, i.e. living comfortable and feeling personal benefits of recovery. However, 1 in 5 continue to be struggling financially with no personal feeling of recovery.



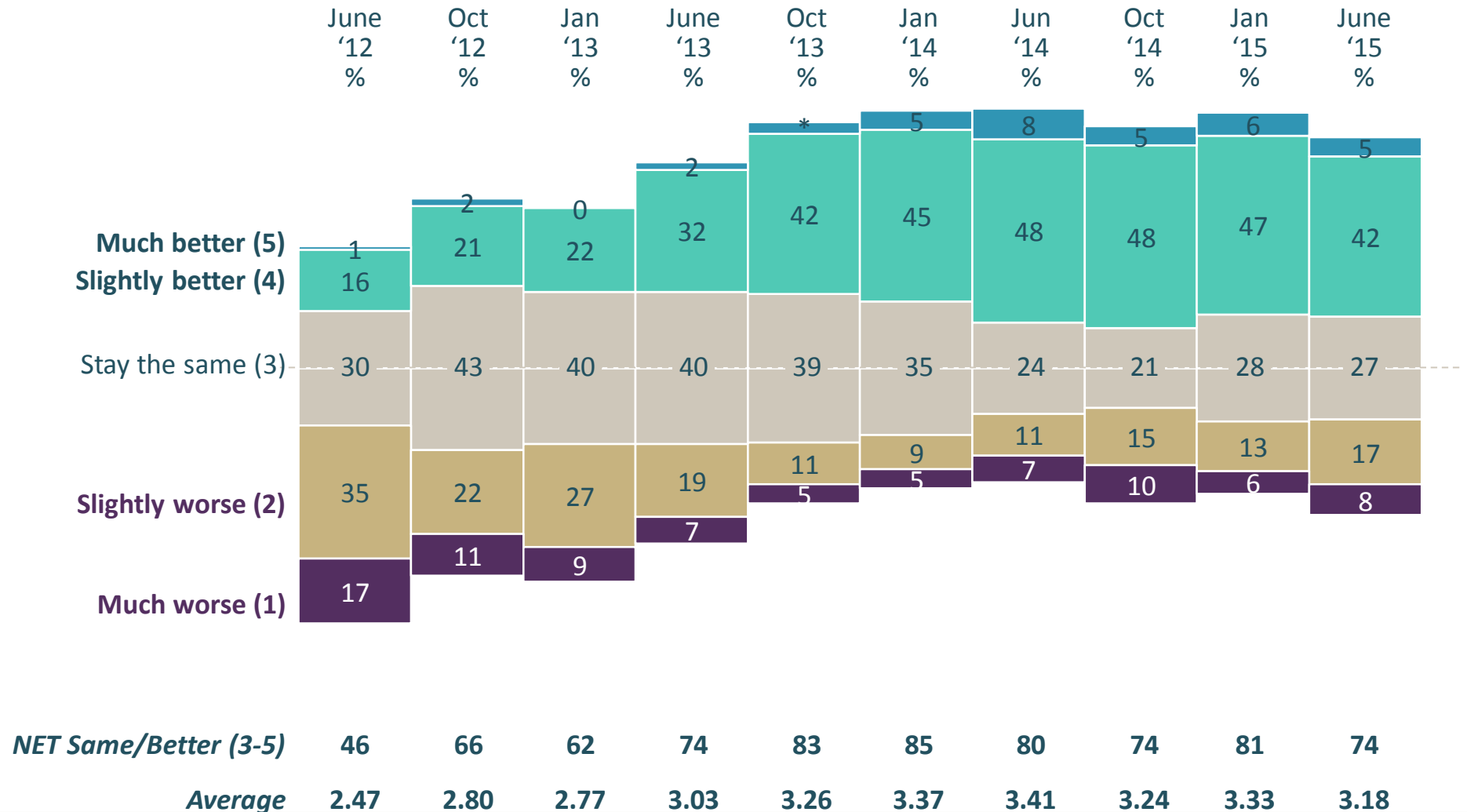
Families are much more likely to feel hard done by or desperate in financial terms.





Positive outlook for housing and job markets but stabilisation rather than growth is evident

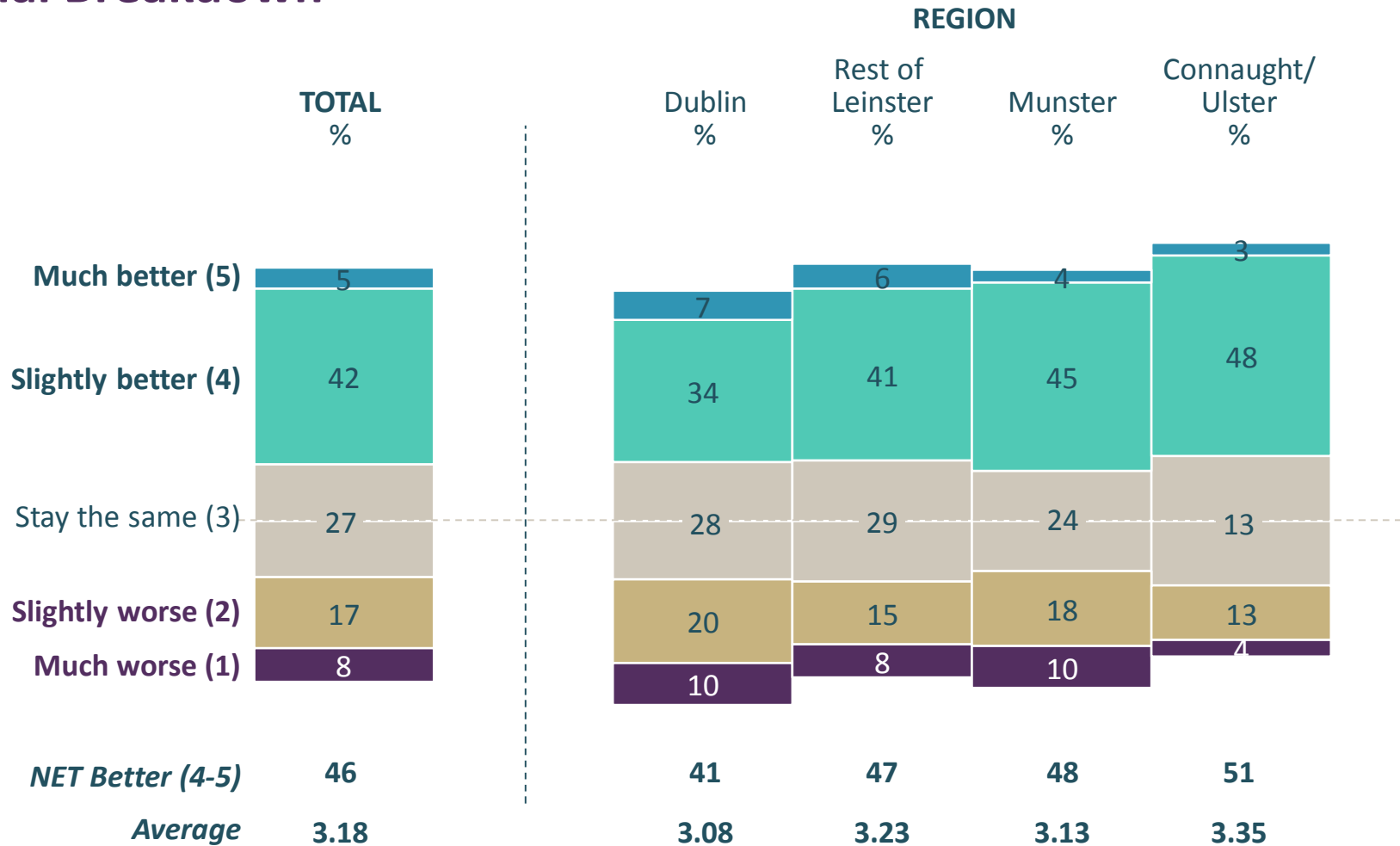
How do you expect the Housing Market to fare in the next 6 months?



Expectations to the housing market has stabilised over the past year but almost half continue to expect that the housing market will fare better in the next 6 months.

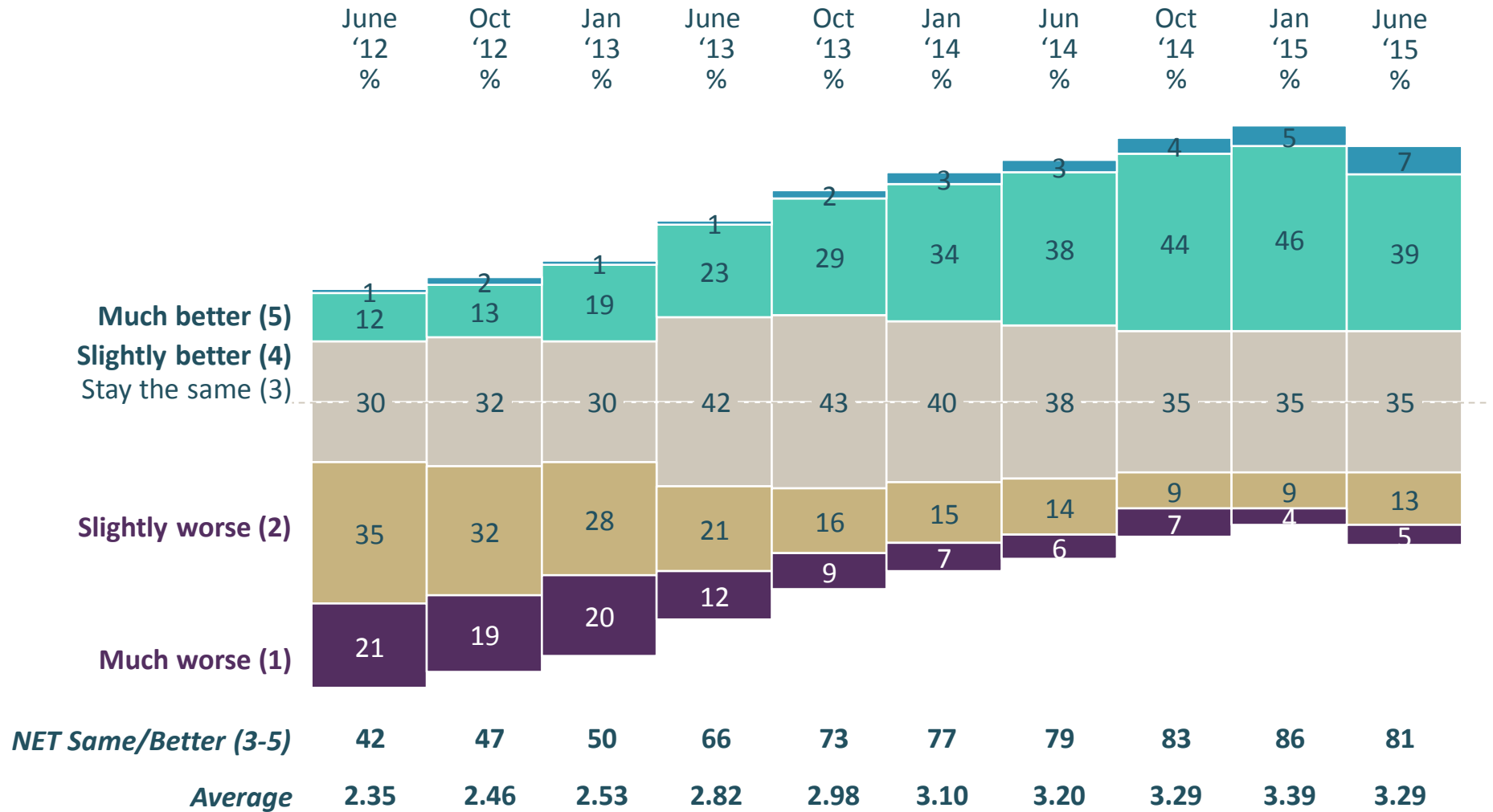
How do you expect the housing market to fare in the next 6 months?

Regional Breakdown



Expectations to the housing market are higher outside Dublin – perhaps reflecting on the price increases already taken place within the Dublin area.

How do you expect the job market to fare in the next 6 months?



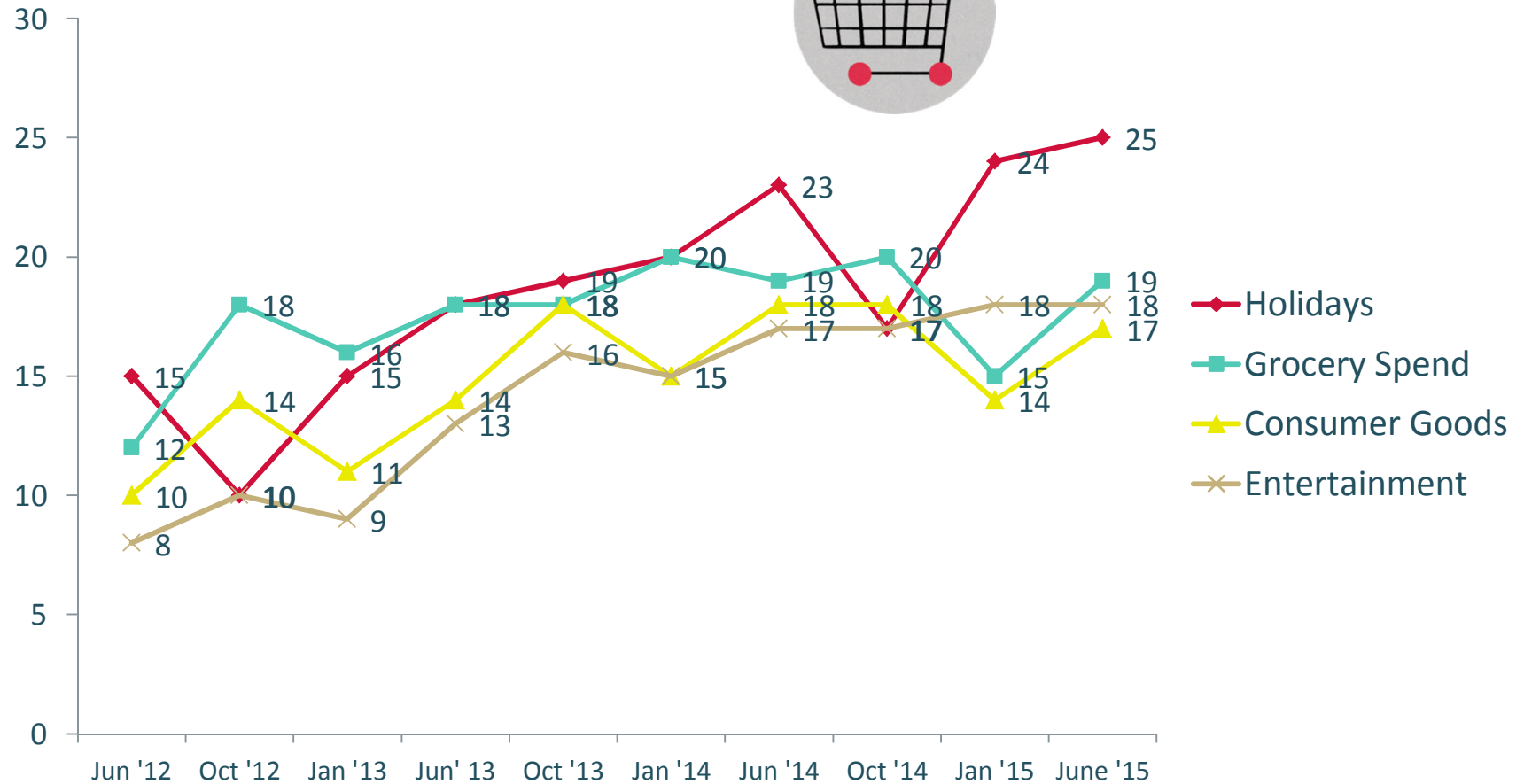
While almost half expect the job market to improve further in the next 6 months, the expectations have decreased compared to January 2015.



**We see an uplift in
spending intention
with holiday spend
seeing the biggest
potential**

Expected Increase in Spend In The Next 6 Months

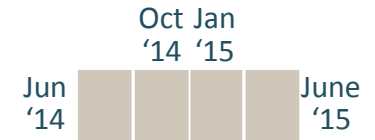
% Likely to increase spend
(next 6 months)



We see an uplift in spend intentions for groceries and consumer goods with holiday spend remaining at the highest level – 1 in 4 expect to increase holiday spend over the next 6 months.

REDC

Expected Changes In Spend Over The Next 6 Months



Entertainment such as going out, eating, drinking or socialising



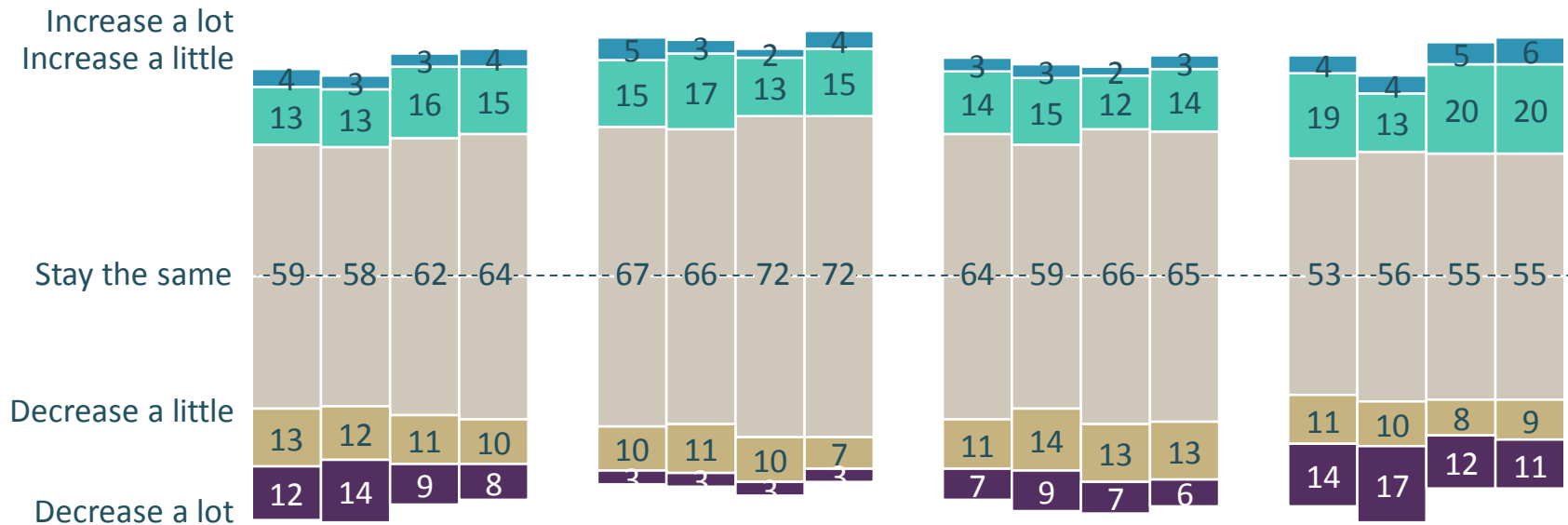
Grocery spend



Consumer goods and services – e.g. hairdresser, clothes, mobile phone, gaming etc.



Holidays and short breaks



Spend intention has increased for grocery spend and consumer goods. Holiday spend has the highest potential – but some of this is seasonal in nature.

The younger age groups are most likely to increase spend in the next 6 months...



% Likely to increase spend in next 6 months	Entertainment	Grocery Spend	Consumer Goods/ Services	Holidays/ Shorter Breaks
Total	18	19	17	25
Gender				
Male	20	21	19	29
Female	17	17	14	21
Age				
18-24	39	30	27	28
25-34	19	21	20	29
35-44	18	16	13	25
45-54	16	15	14	23
55-64	10	15	14	23
65+	13	18	14	22
Social Class				
ABC1	19	17	20	27
C2DE	19	20	15	25
Region				
Dublin	19	21	21	31
Rest of Leinster	18	21	17	24
Munster	20	15	17	24
Connaught/Ulster	14	17	9	18

Methodology

- / 1,007 telephone interviews (CATI) were conducted using a random digit dial sample to ensure coverage of all households, including ex-directory.
- / Quotas were set and data weighted to ensure a nationally representative sample of the population aged 18+ years.
- / This is the 23rd wave of the Consumer Mood Monitor & fieldwork was conducted 22nd-24th June 2015.



**THANK
YOU**

REDC
