



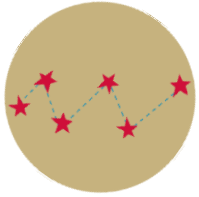
Consumer Mood Monitor

Further Decline in Consumer Outlook



October 2016

Further decline in Consumer Outlook



Consumer Expectations for the economy have decreased further with just under half expecting the economy to improve in the next 6 months – this appears to be driven by Brexit concerns.



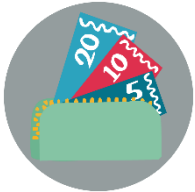
Furthermore, only 7 in 10 believe that an economic recovery is underway – this is down significantly from June. Marked by the fact that those living outside of Leinster do not believe in the recovery.



Just under half feel the recovery have benefitted them personally. We continue to see a slight improvement in the personal finances of the population but this is not attributed to the recovery.



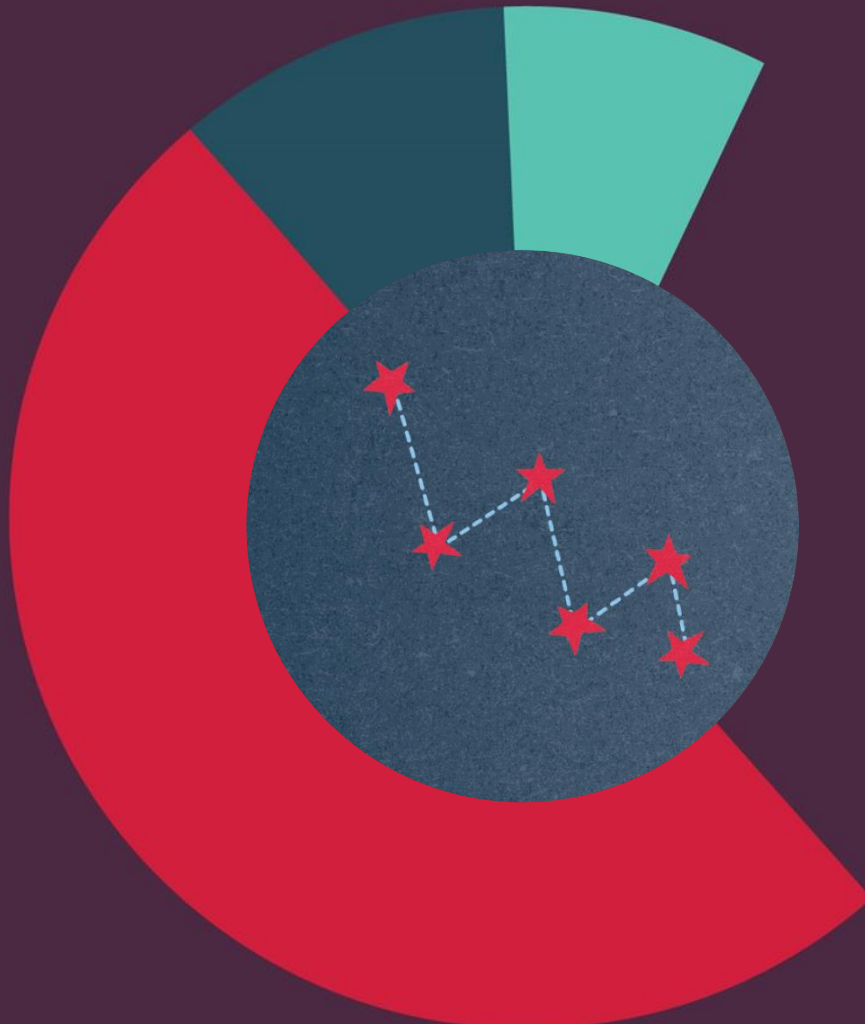
The recovery is largely seen to have no positive impact on the housing market or the social housing problems in Ireland.



As a consequence, spend intention is largely unchanged compared to the same time last year – though spend intention has decreased for entertainment, e.g. going out.

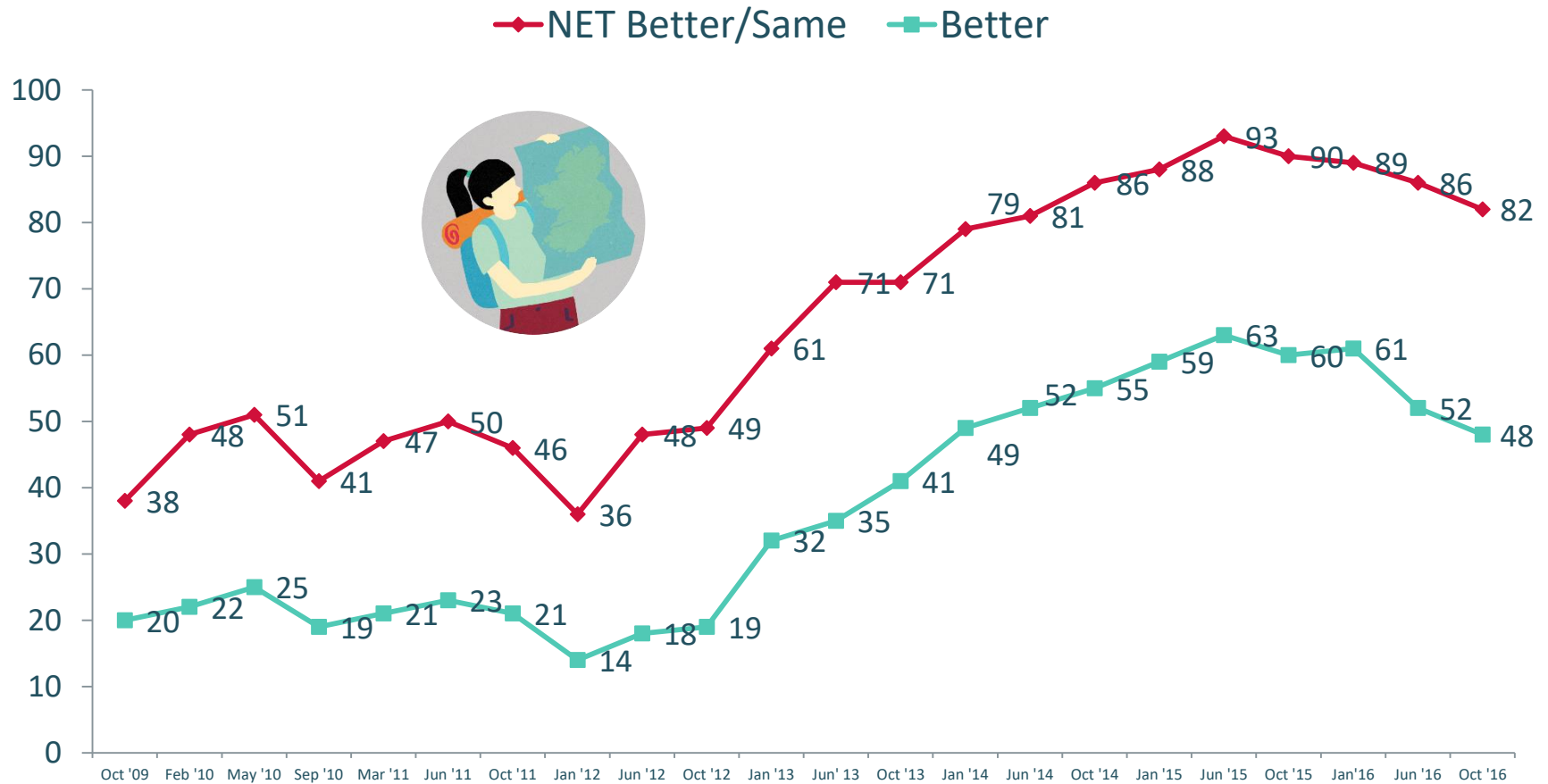
Consumer Mood - Headline Facts

- ✓ **48%** believe the Irish economy will improve in the next 6 months – down from 52% in June and 61% in January
- ✓ **71%** believe that the economic recovery in Ireland is underway – down from 76% in June
- ✓ **45%** feel the recovery is benefitting them personally – down marginally from 46% in June.
- ✓ **27%** of consumers expect their disposable income to increase over the next 6 months while **20%** expect their income to decrease.
- ✓ **19%** are struggling financially – down from 21% in June.
- ✓ Only **15%** feel that the recovery has made it easier to buy/rent your own home while **21%** feel the recovery has helped to resolve Ireland's social housing problems.



**Further decline in
consumer outlook
with significantly
fewer believing in
the economic
recovery**

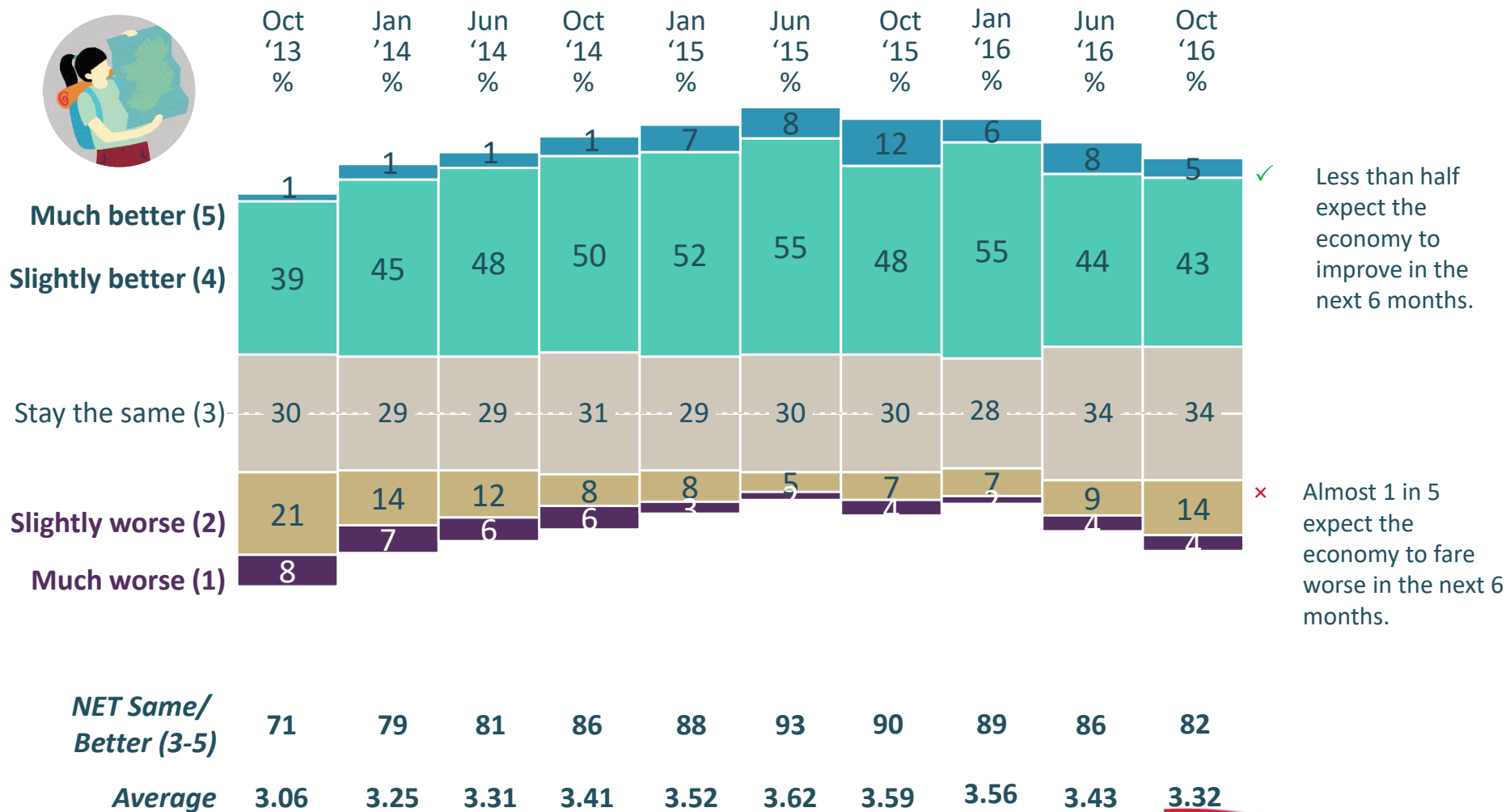
How do you expect the Irish economy to fare in the next 6 months?



Consumer outlook for the Irish economy continues a downward trend. Less than half expect improvements in the next 6 months with almost 1 in 5 expecting the economy to fare worse.

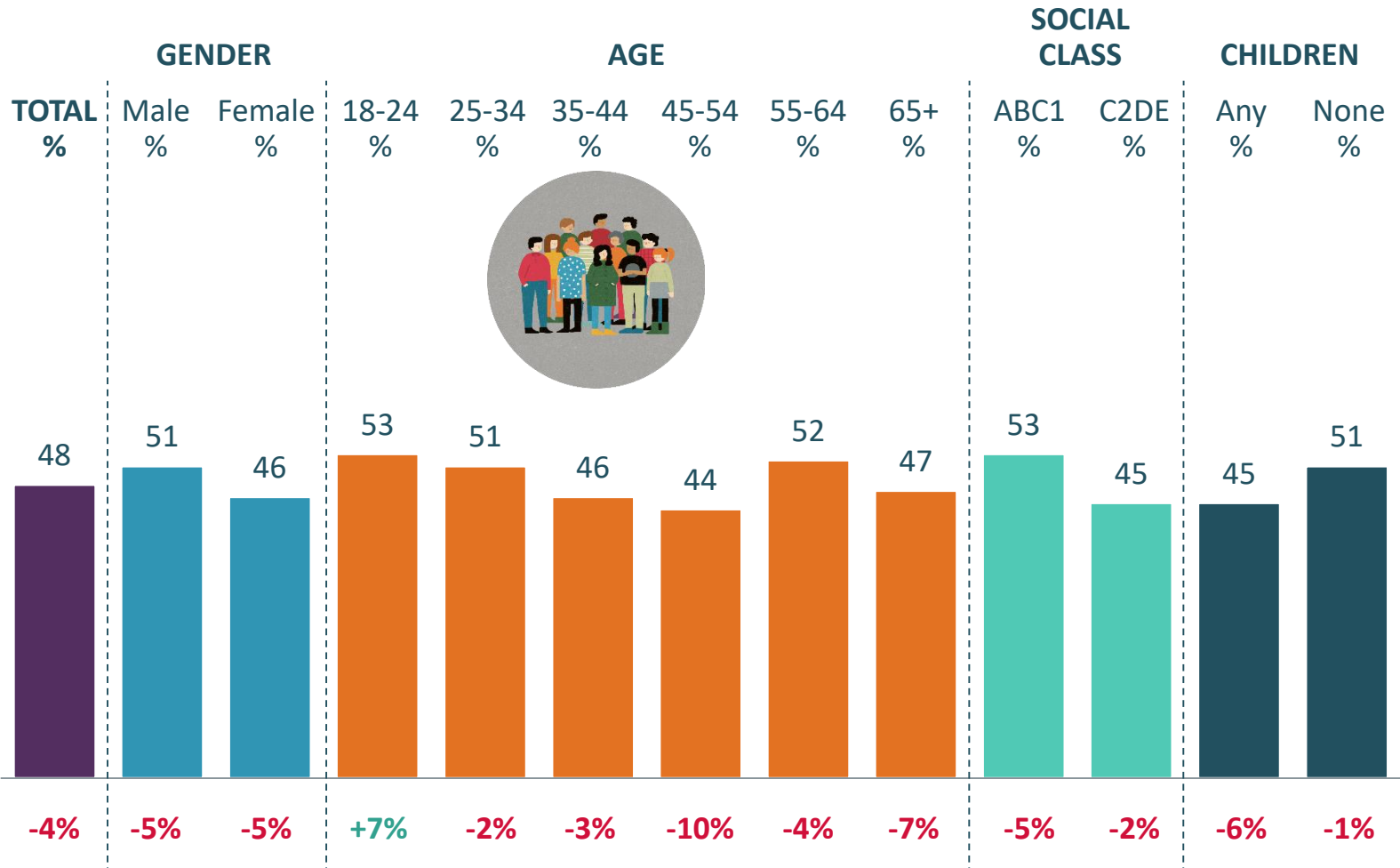
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How do you expect the Irish economy to fare in the next 6 months?



Expectations for the Irish economy 6 months from now

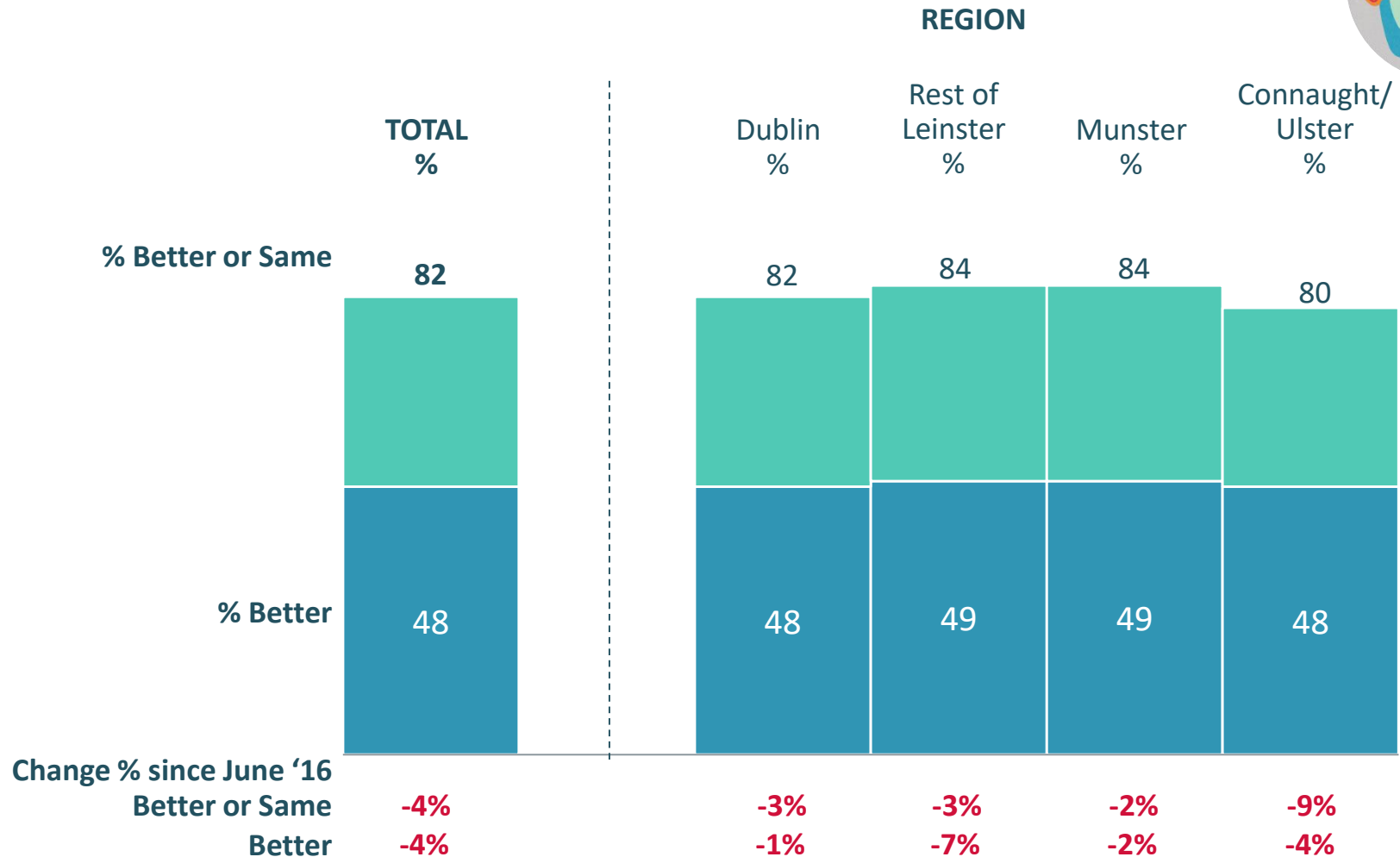
% Stating they believe it will be better



The decline in expectations is spread across all demographics with the notable exception of those aged 18-24.

REDC

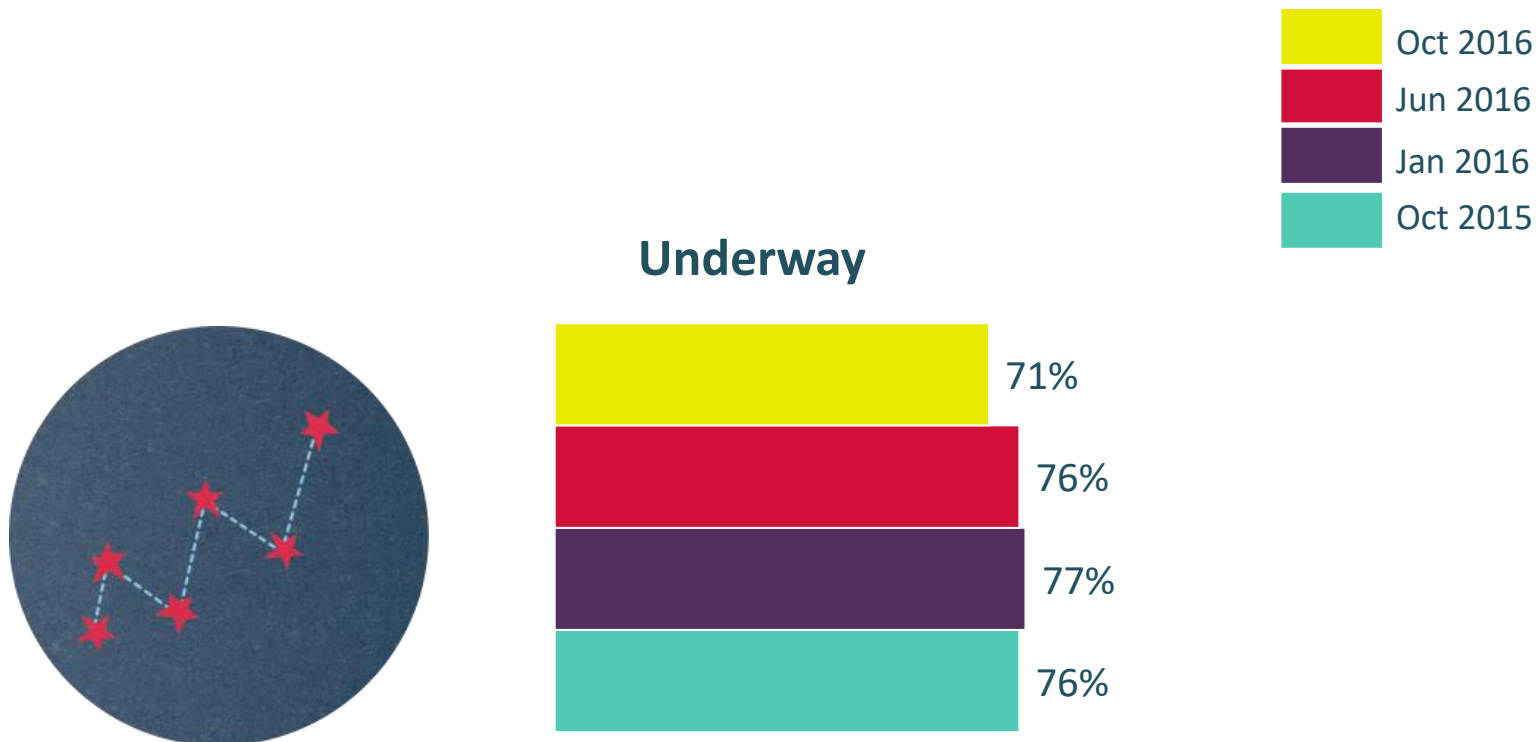
Expectations for the Irish economy across the country...



Little real regional difference in expectations for the domestic economy.



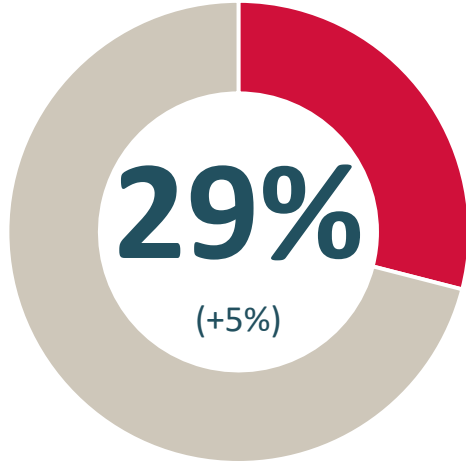
Do you believe that an Economic Recovery in Ireland is...?



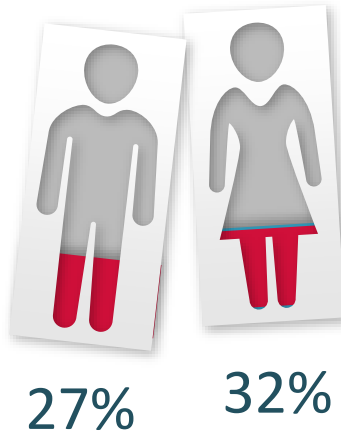
While the majority of the population believe the economic recovery is underway, we see a significant decrease in the proportion who feel this way.

Those living outside Leinster and in the family life stages are less likely to believe in the economic recovery is underway...

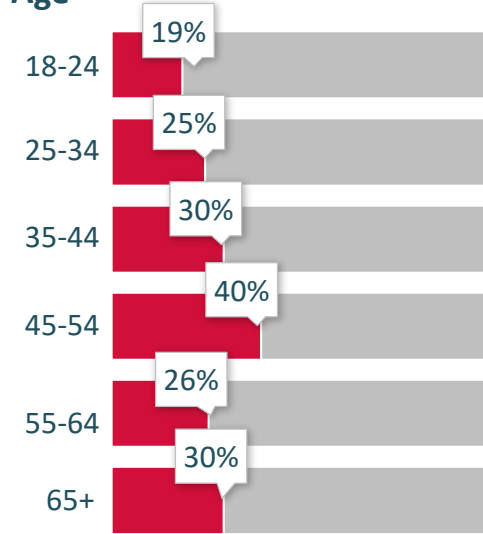
Total – 3 in 10 do not believe the economic recovery is underway



Gender



Age



Social Class

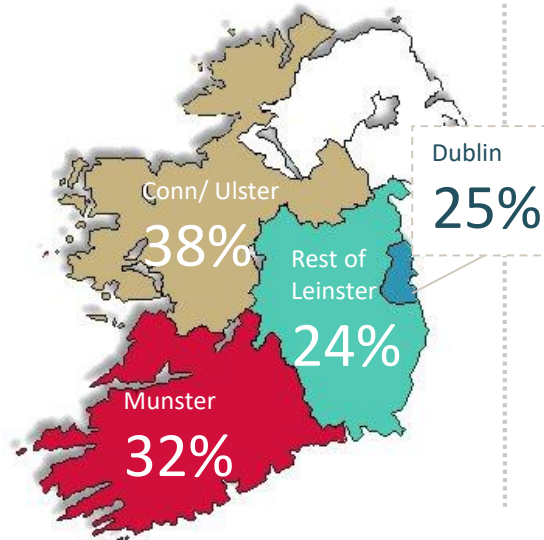
Higher Social Grades: 22%



Lower Social Grades: 35%



Region

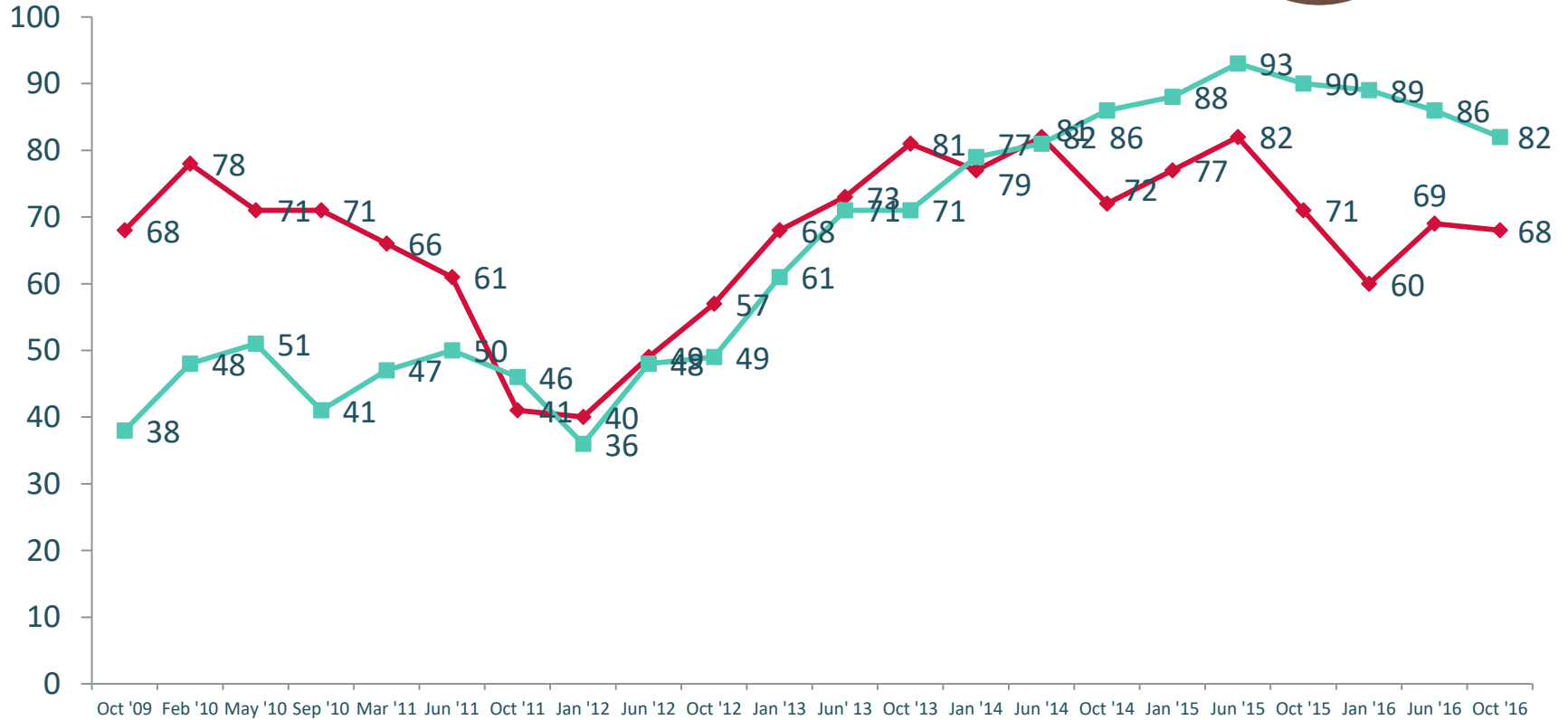


Expectations for the World Economy



% NET Better/Same
(next 6 months)

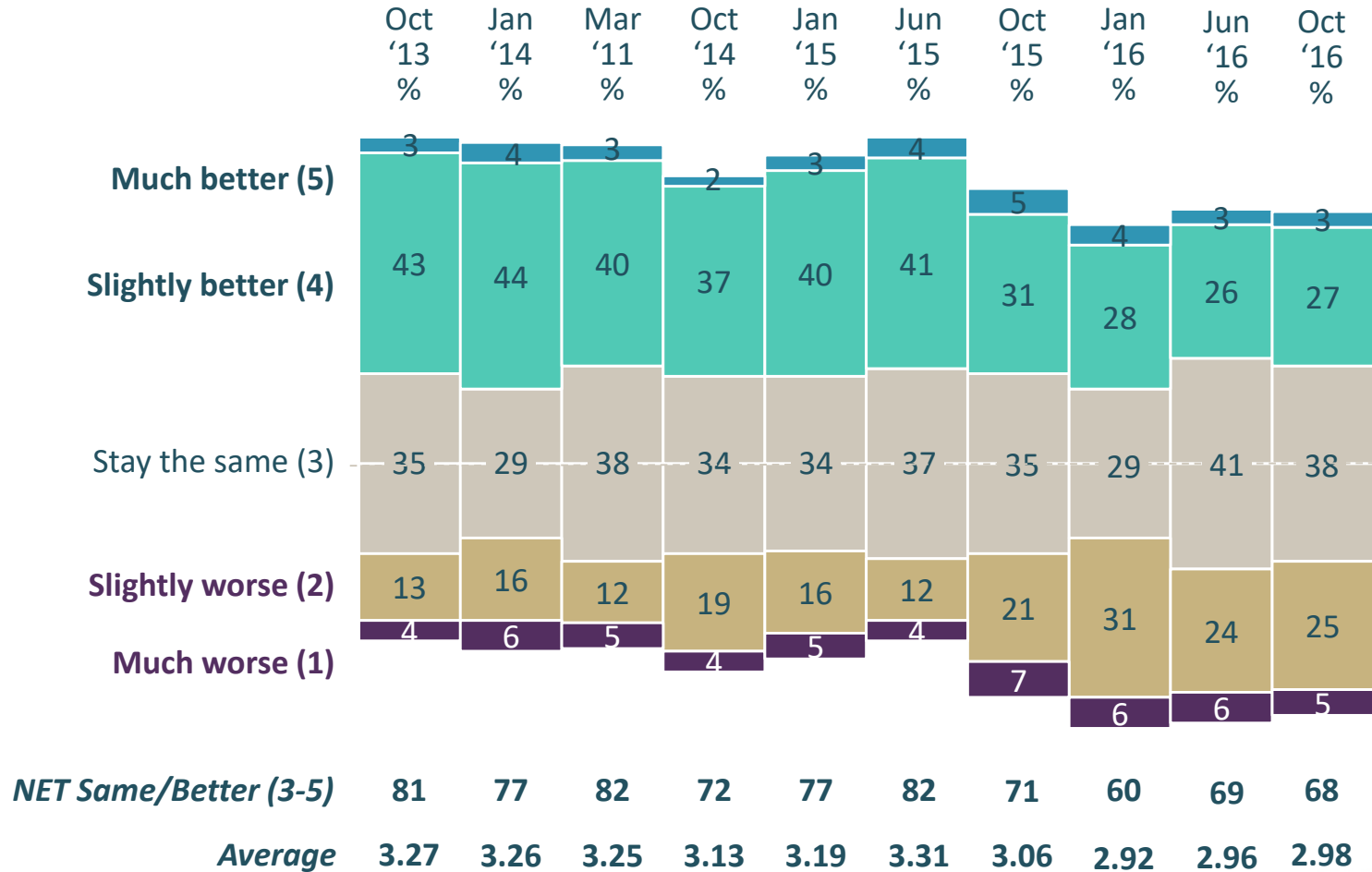
World Economy Irish Economy



Expectations for the World Economy are unchanged, thereby maintaining the improvement seen in June.

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



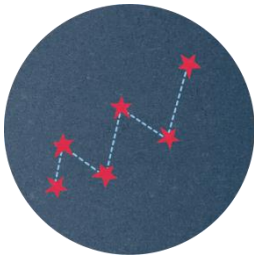
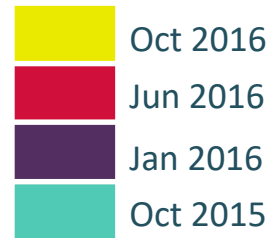
✓ Almost 1 in 3 believe the World Economy will fare better in the next 6 months.

✗ 30% feel the World Economy will get worse in the next six months.

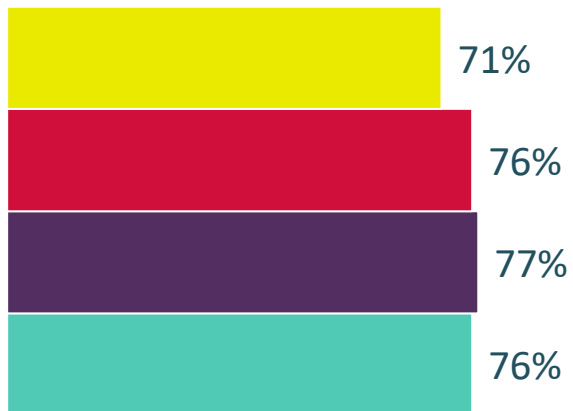
**Slight improvement
in personal finances
evident but many
continue to feel left
behind in the
recovery**



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



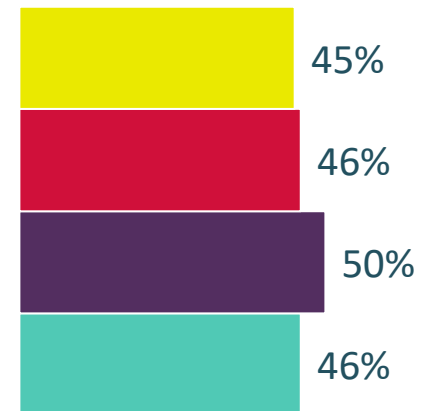
Underway



More than 1 in 3 of those who believe in the recovery claim that this recovery has not benefitted them personally



Benefitting You Personally

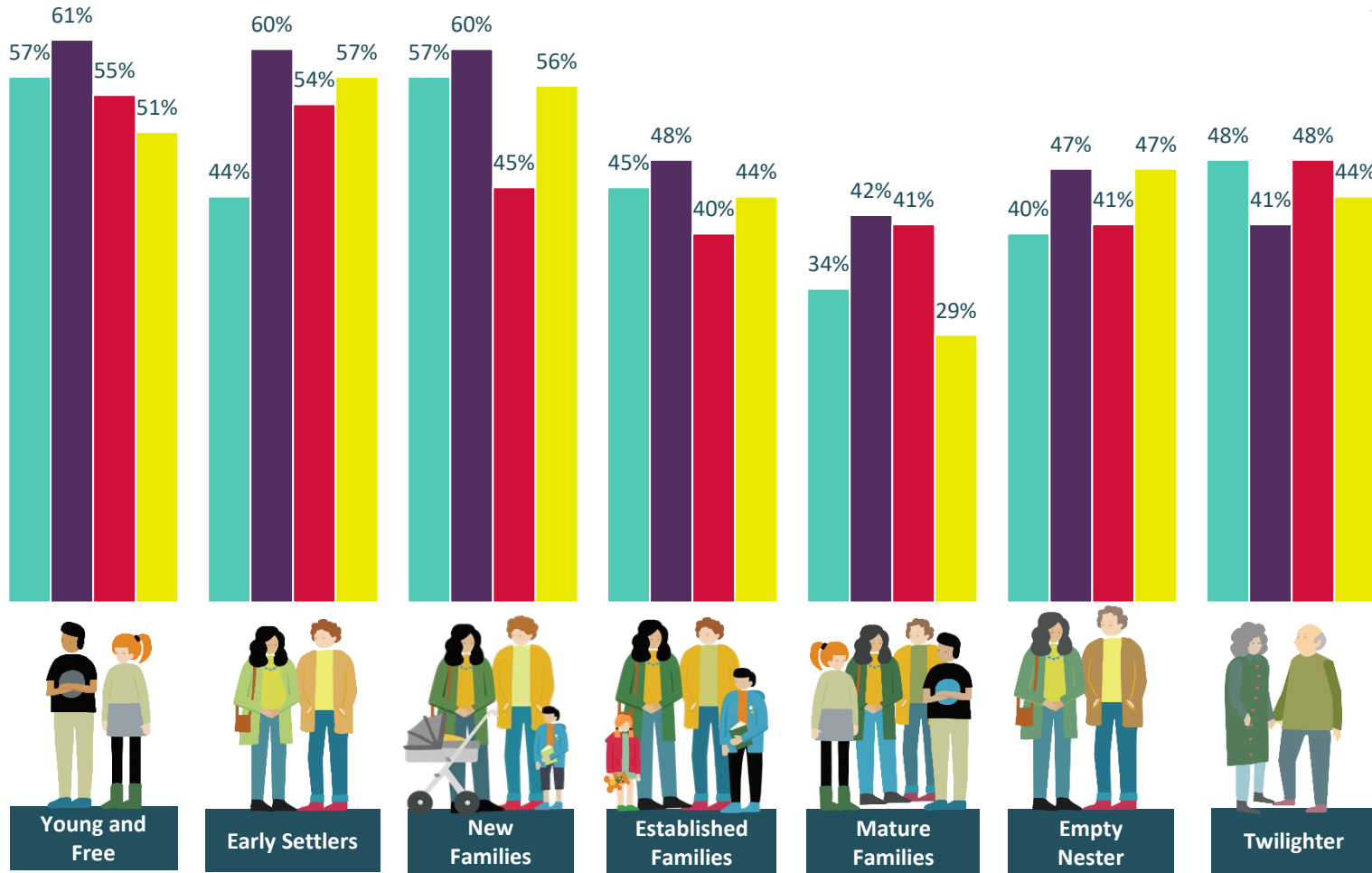
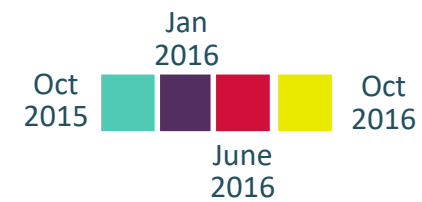


In spite of less believing in the economic recovery, we see limited change in the proportion who claim that the recovery has benefitted them personally.



Personal benefits of recovery by life stage

% Stating Yes

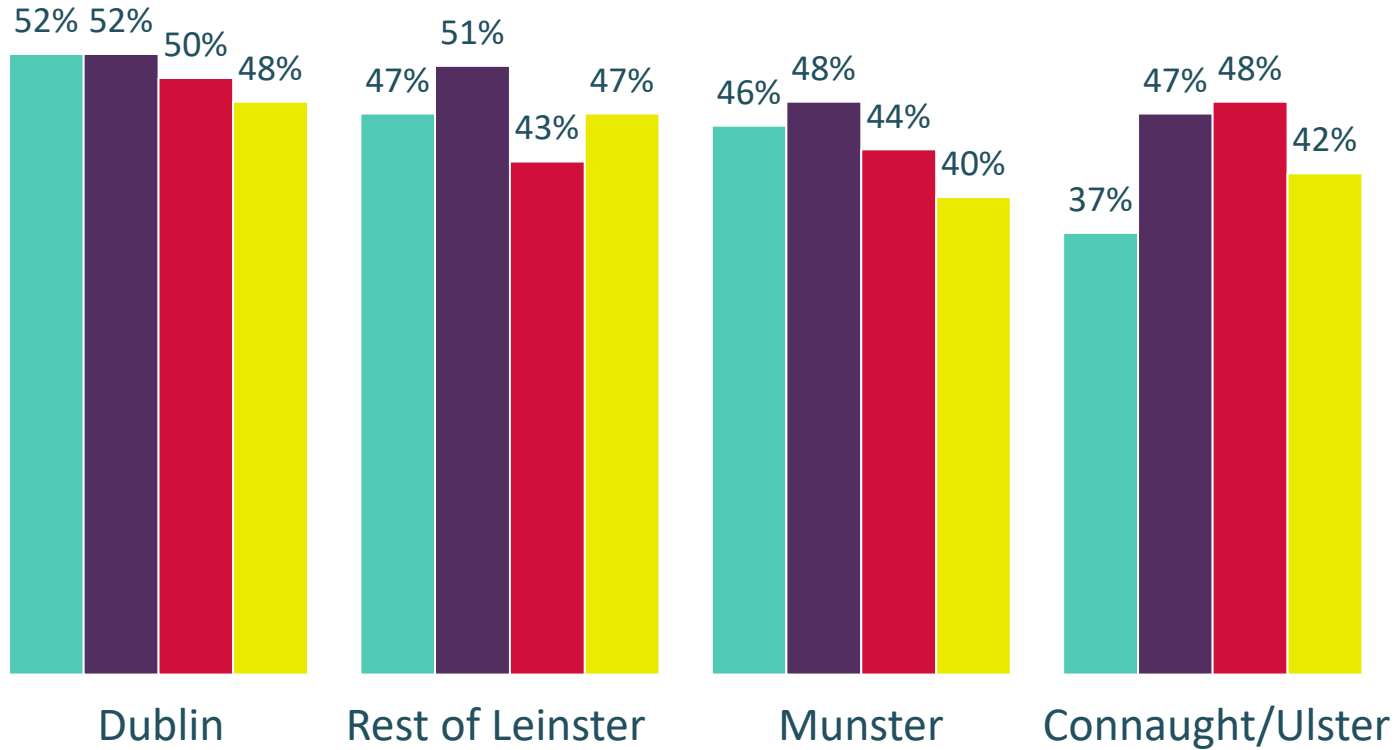


The established and mature families life stages continue to be less likely to feel a positive, personal impact of the economic recovery.



Personal benefits of recovery by region

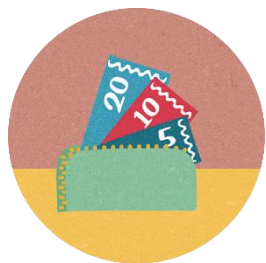
% Stating Yes



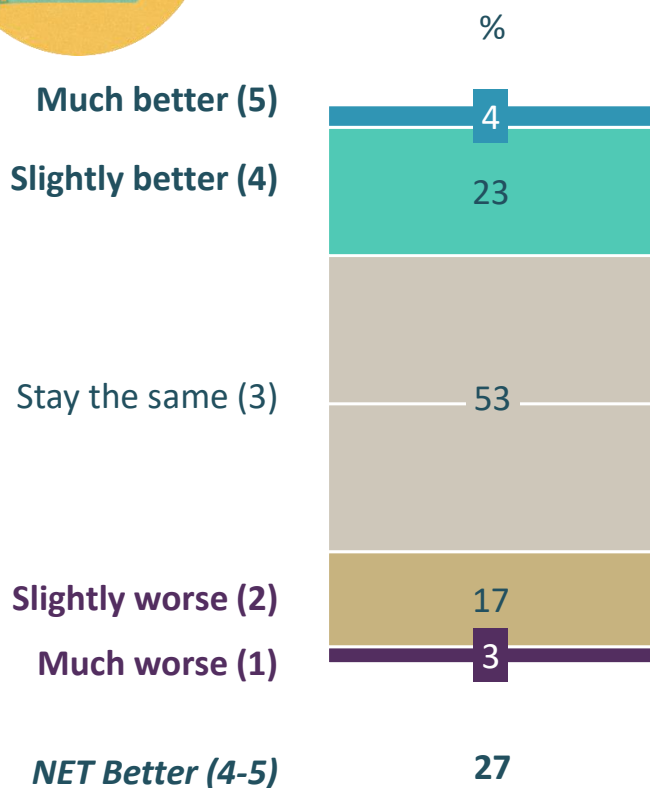
People living outside Leinster are less likely to feel personally impacted by the economic recovery.

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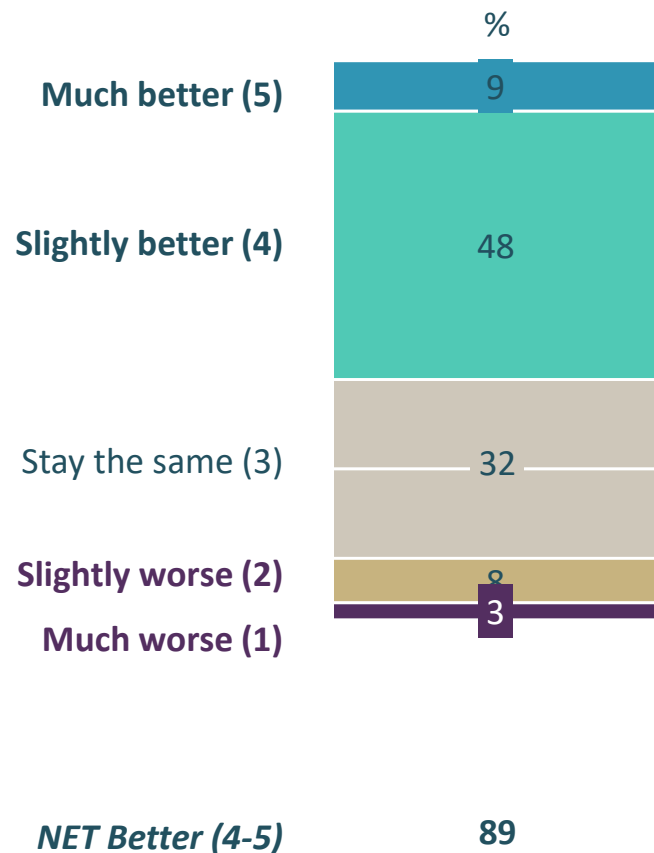
Expectations for the next 6 months for...



Your Disposable Income



Employment; the ability to get & move jobs

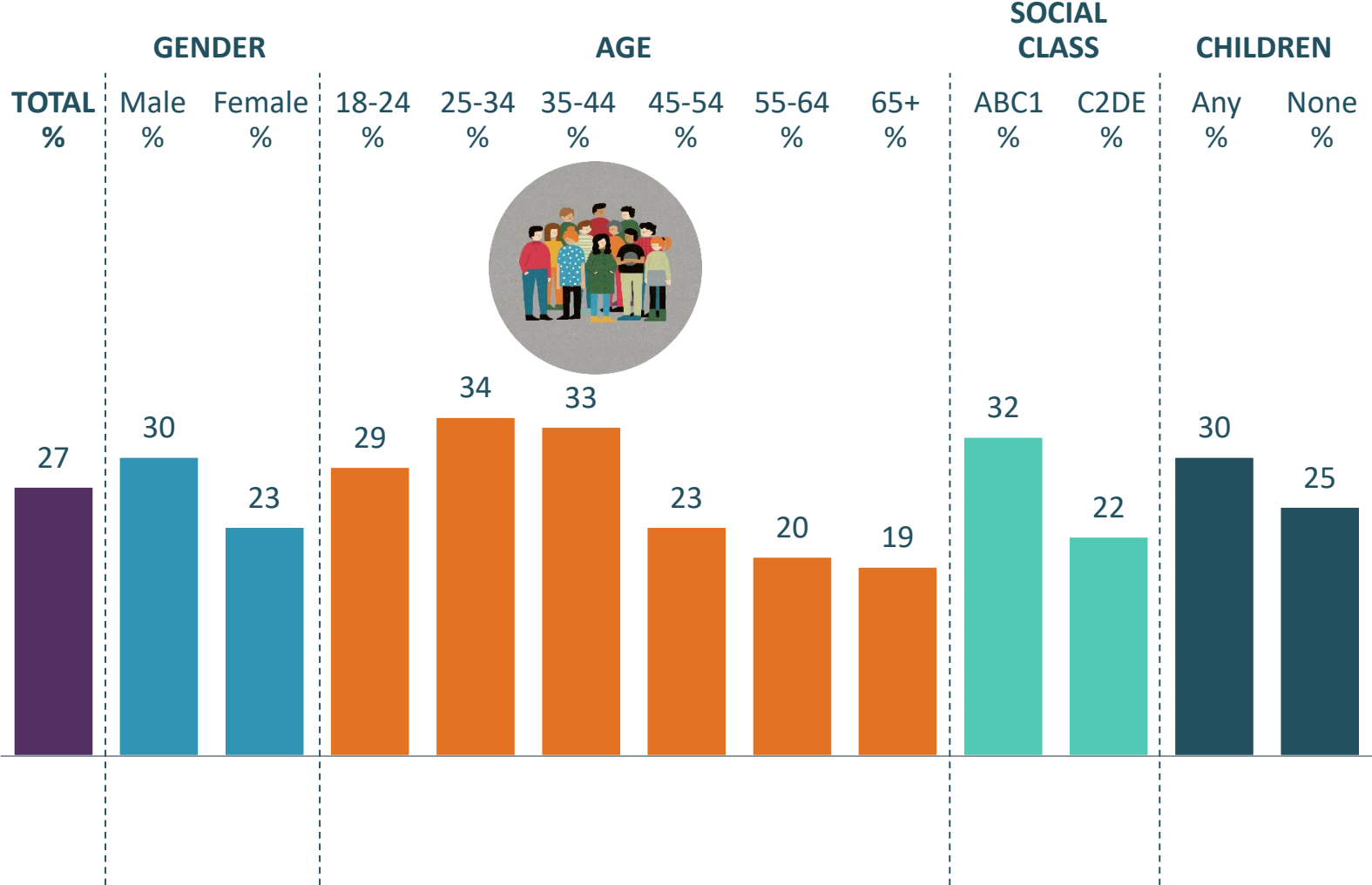


Almost 3 in 5 believe the employment opportunities will improve in the next 6 months but people are less positive in terms of how their disposable income will fare with the majority expecting no change.



Expectations for disposable income in the next 6 months?

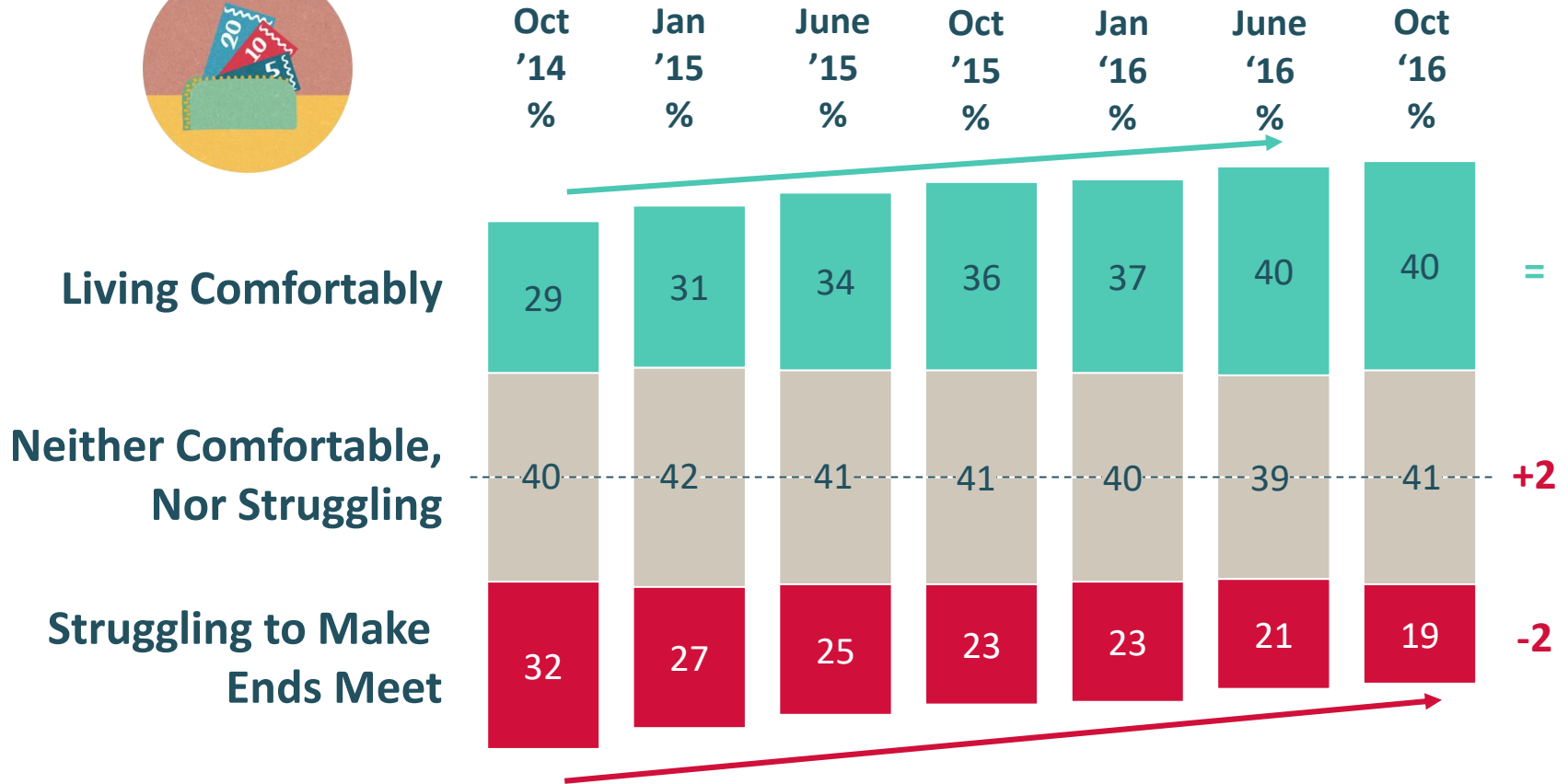
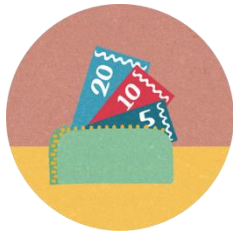
% Stating they believe it will be better



The 18-44 year olds, males and higher social classes are more likely to expect improvements to their disposable income over the next 6 months.



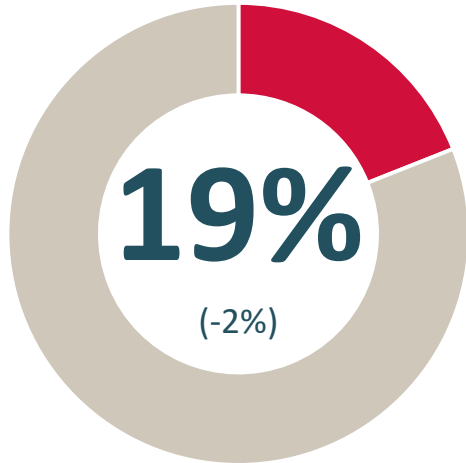
Personal Finances



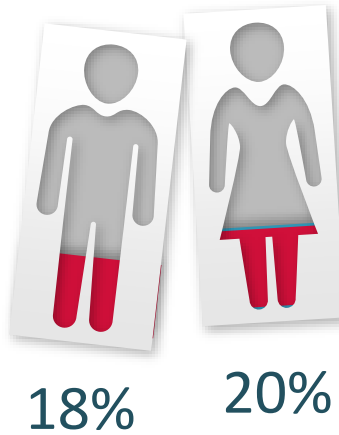
There is a further decrease in the proportion who claim to be struggling to make ends meet, while 2 in 5 people continue to express that they are living comfortably.

Who is Struggling to Make Ends Meet?

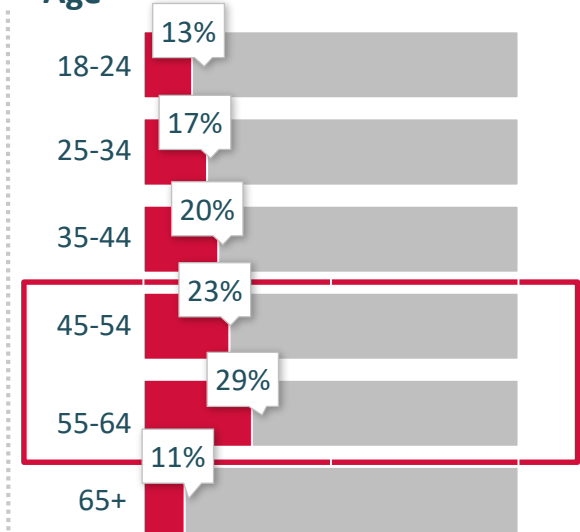
Total – 1 in 5 struggle to make ends meet



Gender



Age



Social Class

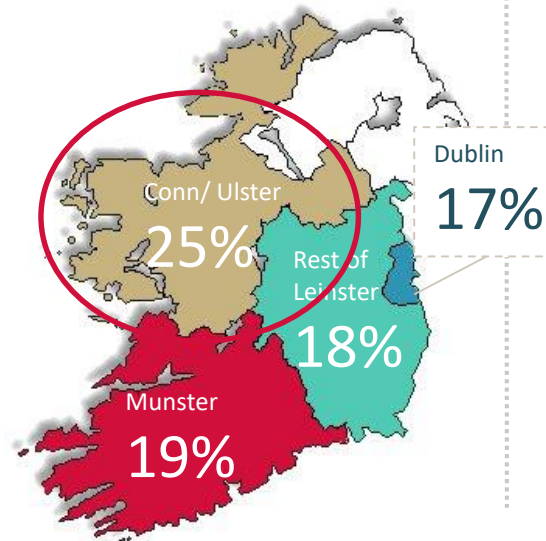
Higher Social Grades: **15%**



Lower Social Grades: **23%**



Region

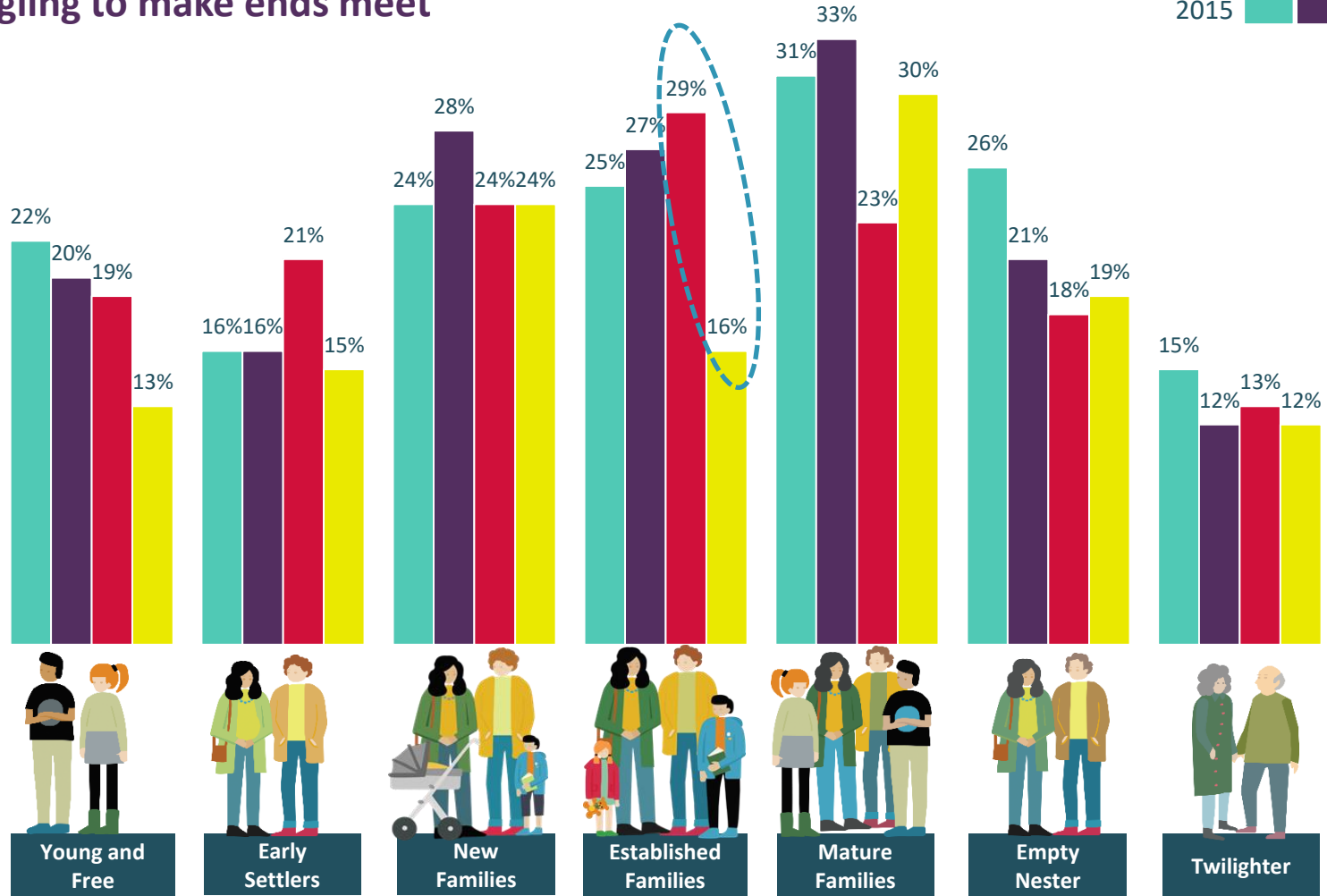


Those in Connaught and Ulster are more likely to be struggling to make ends meet

Who is struggling to make ends meet?

% Struggling to make ends meet

Oct 2015 Jan 2016 June 2016 Oct 2016



The family life stages are more likely to struggle financially but we see a significant improvement among Established Families.



Relationship between Economic Situation and Impact of Recovery

		Unaffected	Stable	Booming
Current Difficulty	Comfortable	7% (+2)	9% (-1)	24% (=)
	Neither Comfortable nor Struggling	12% (+4) Resigned	13% (-3) Treading Water	16% (-1) Improving
	Struggling	10% (=) Desperate	6% (=) Hard Done By	3% (-1) Emerging
		No Recovery	Recovery & NOT benefitting	Recovery & Benefitting

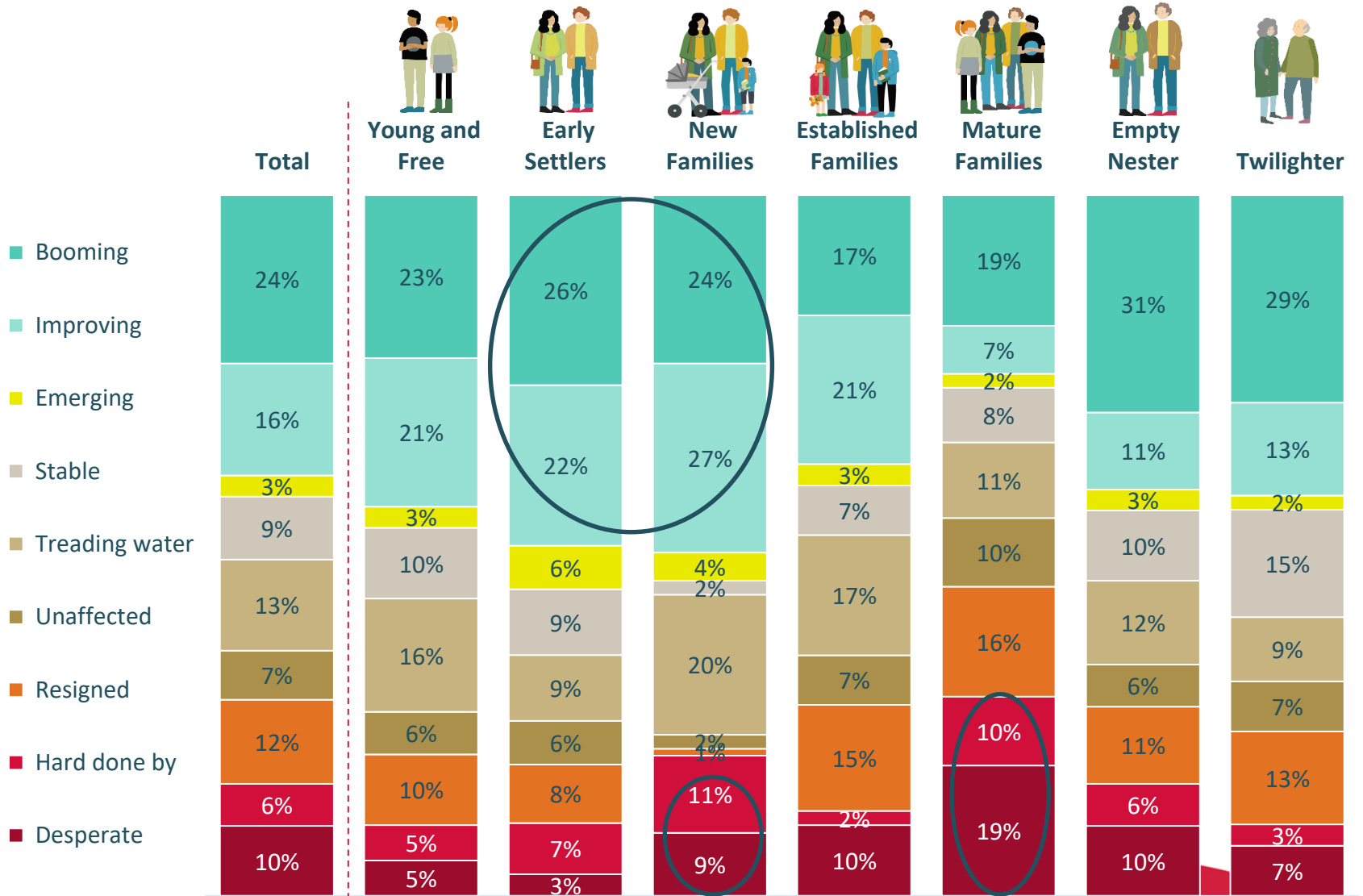
() = change from June 2016

Future Opportunity

While we do see more consumers not struggling financially, many are not associating this to the recovery.



The younger life stages are more likely to be booming/improving.



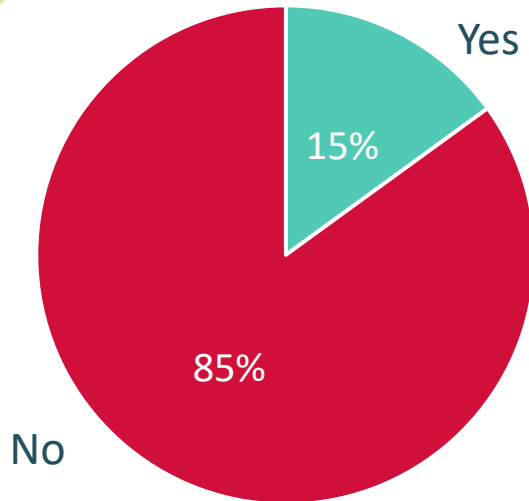


Most feel that the recovery has had no positive impact on ability to buy/rent or Ireland's social housing problems

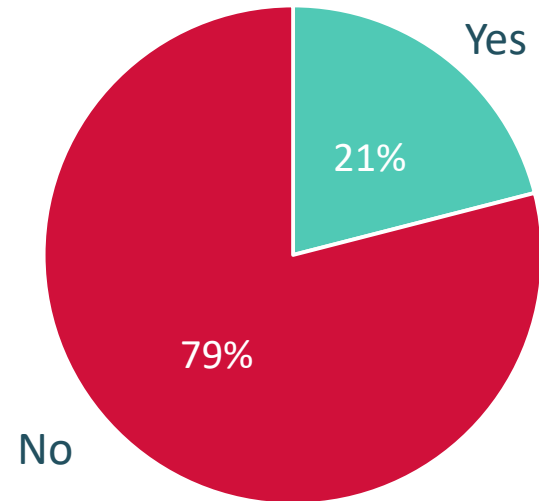
Do you believe that an Economic Recovery in Ireland is...?



Making it easier for people to buy or rent their own home



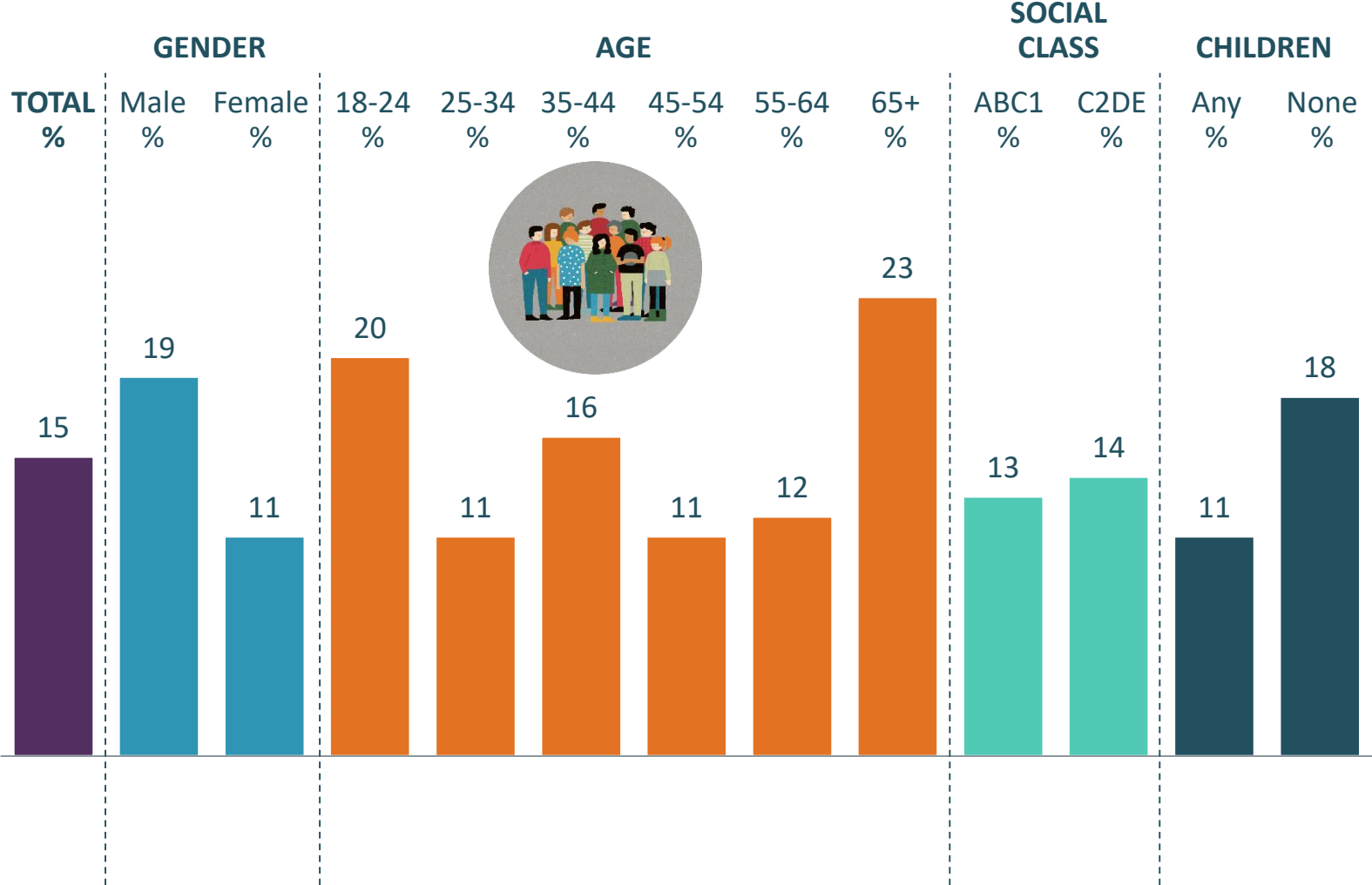
Helping to resolve the social housing problems in Ireland



Only 1 in 7 feel that the recovery has made it easier to buy or rent your own home. 1 in 5 feel that the recovery has helped resolve social housing problems in Ireland.

Recovery Impact on Buying/Renting Your Own Home

% Stating Economic Recovery has had a Positive Impact

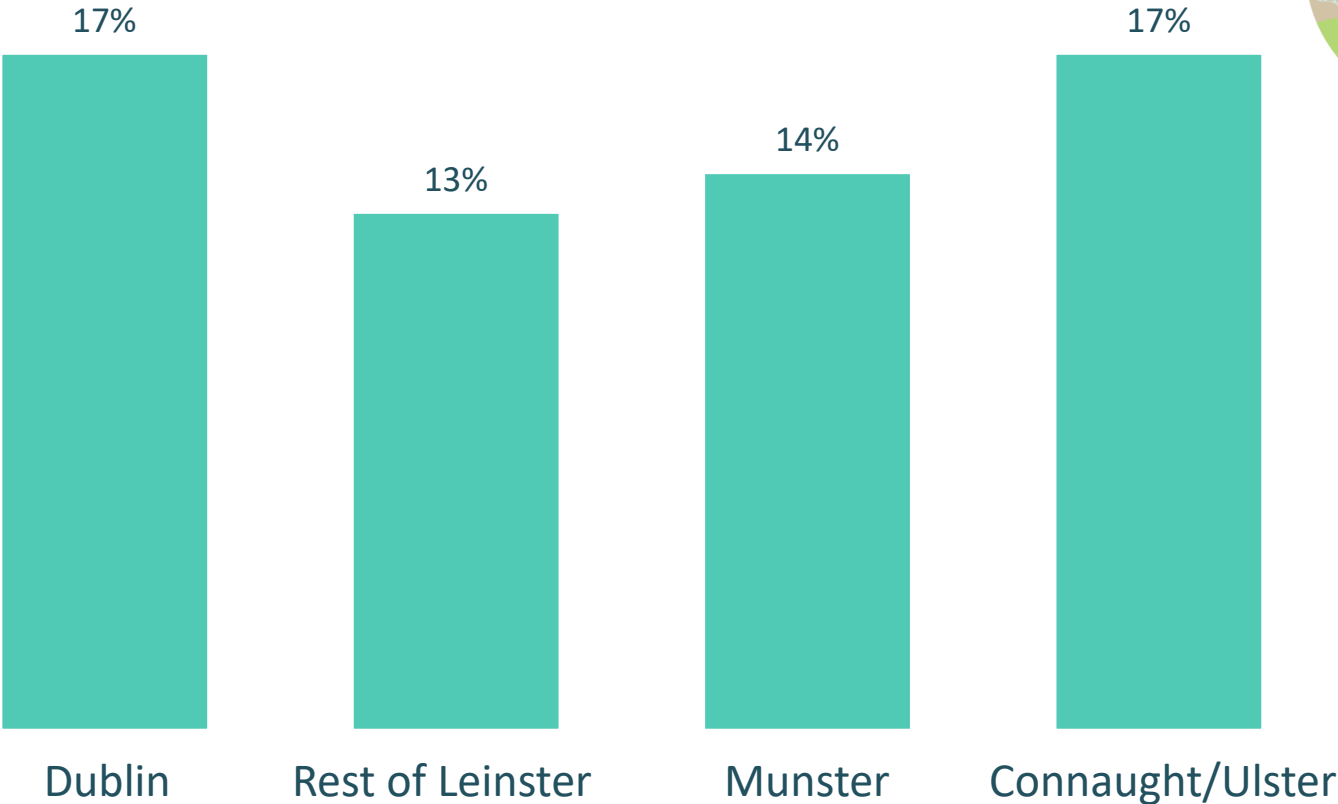


Males and those without children are more likely to feel that the recovery has made it easier to buy or rent your own home.



Recovery Impact on Buying/Renting Your Own Home

% Stating Economic Recovery has had a Positive Impact



Throughout the country, it is generally felt that the recovery has not made it easier to buy or rent your own home.

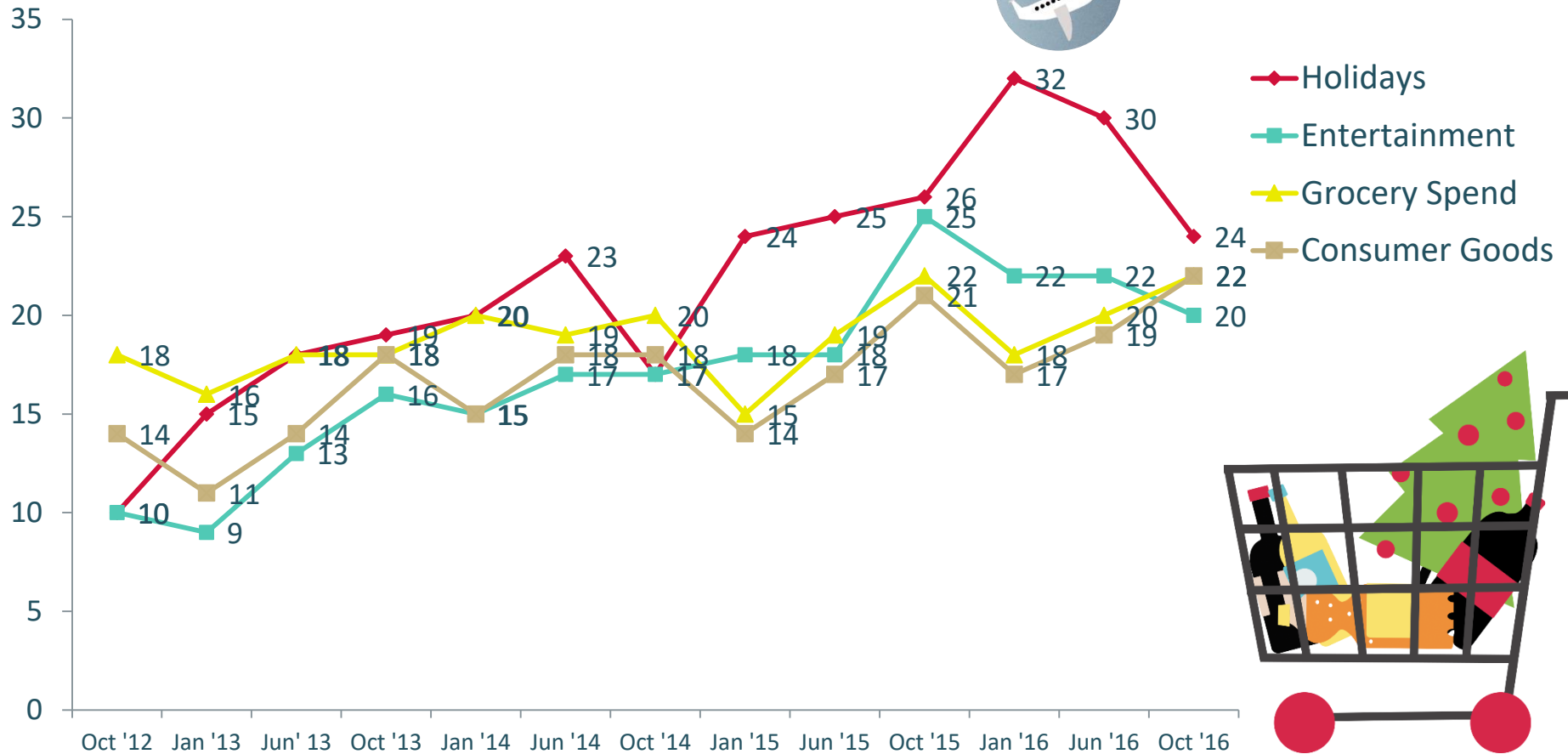




Consumer spend intention is similar to this time last year for most types of spend however anticipated spend on entertainment is falling.

Expected Increase in Spend In The Next 6 Months

% Likely to increase spend
(next 6 months)



Spend intention for holidays sees a seasonal drop but is slightly lower than the same time last year. Grocery and consumer spend is up compared to June but at the same level as last year. Spend intention is decreasing for entertainment, e.g. going out.



Expected Changes In Spend Over The Next 6 Months

Jan '16 Jun '16
 Oct '15 Oct '16

Entertainment such as going out, eating, drinking or socialising



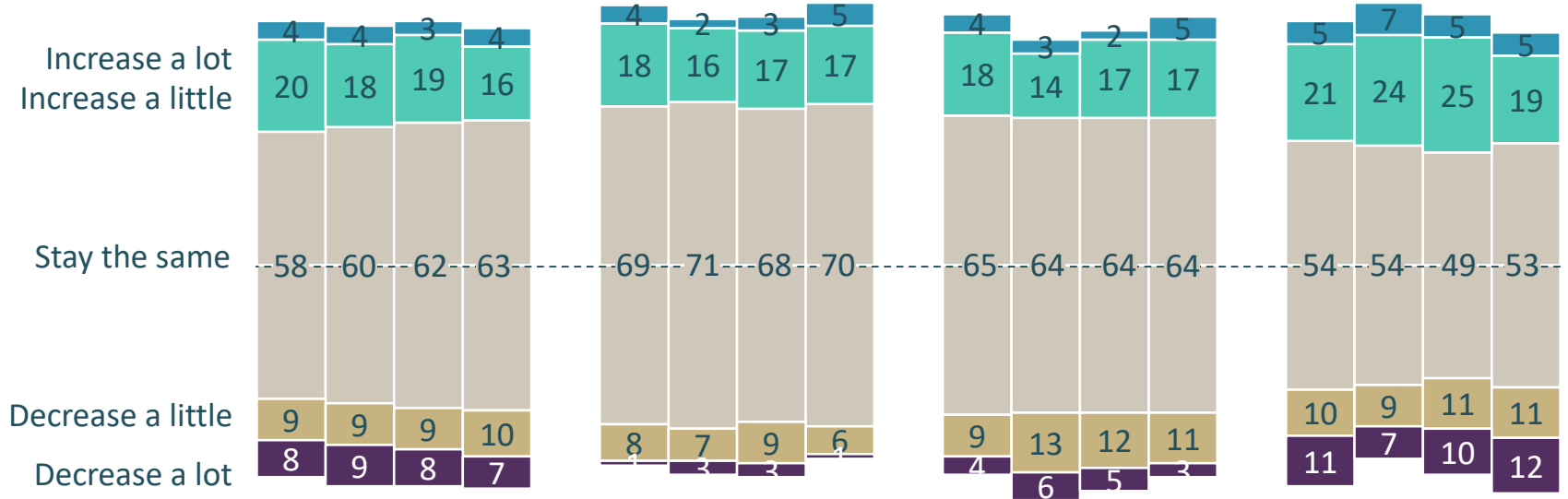
Grocery spend



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



Holidays and short breaks



Consumers are most likely to increase spend on groceries over the next 6 months while spend on entertainment and holidays will be more limited.



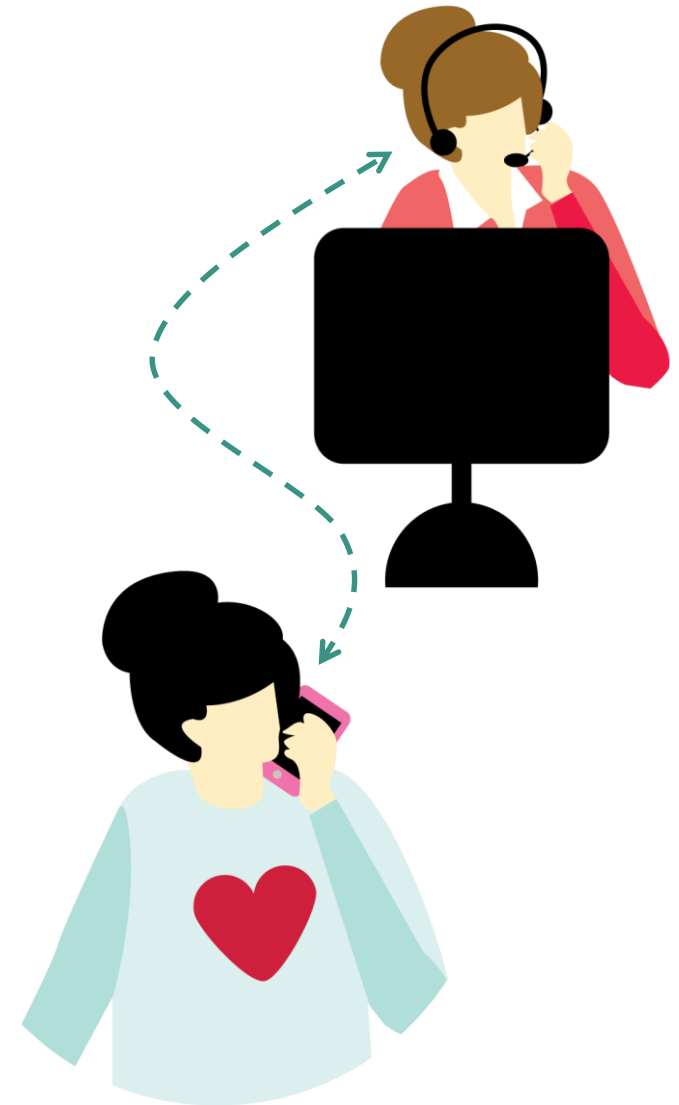
The young age groups and those based in Dublin are more likely to increase spend in the next 6 months...



% Likely to increase spend in next 6 months	Entertainment	Grocery Spend	Consumer Goods/ Services	Holidays/ Shorter Breaks
Total	20	22	22	24
Gender				
Male	21	23	21	26
Female	19	21	23	22
Age				
18-24	42	27	26	32
25-34	31	21	25	28
35-44	20	27	25	24
45-54	7	21	18	17
55-64	14	17	21	26
65+	14	21	20	19
Social Class				
ABC1	26	24	26	29
C2DE	16	22	22	19
Region				
Dublin	28	27	26	31
Rest of Leinster	19	23	18	23
Munster	19	21	23	20
Connaught/Ulster	13	16	21	17

Methodology

- / 1,002 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 **27th wave** of the Consumer Mood Monitor & fieldwork was conducted 19th-22nd September 2016.



**THANK
YOU**

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