

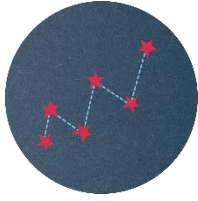
Consumer Mood Monitor

Consumer Outlook is Up but Concerns over Brexit

June 2017



Brexit driving down Consumer Confidence & Spend



Consumer Outlook for the Irish economy is up for the first time since June 2015 - more than 2 in 5 believe that the economy will fare better in the next 6 months with only 1 in 5 believing that the economy will fare worse.



But Brexit remains a significant concern with 4 in 5 being worried that Brexit will have a negative impact on the Irish economy – this is an increase from the previous wave.



Consumers do not expect any major change to their disposable income but they do expect improved employment opportunities over the next 6 months.



Spend intention remains unchanged for most categories but consumers are expected to increase spend for entertainment/socialising.



It is also evident that the weaker British Pound has less of an impact on the spend in the Republic of Ireland with less consumers shopping online directly from the UK or across the Border to Northern Ireland.

Consumer Mood - Headline Facts

First increase in outlook for the Irish economy since June 2015. **42%** believe the economy will improve in the next 6 months – up from 39% in January.

80% are worried that Brexit will have a negative impact on Ireland's economy – up from 77% in January.

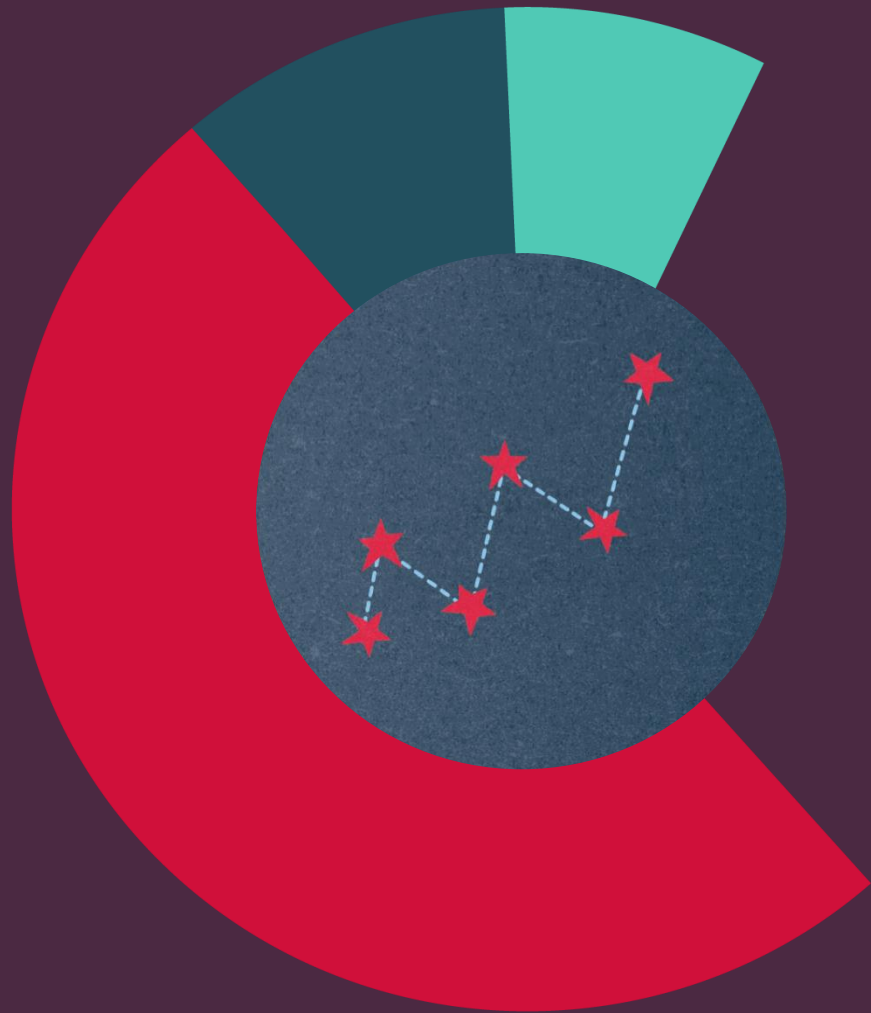
49% expect employment opportunities to improve in the next 6 months – up from 42% in January.

But consumers are expecting little change in their disposable income with **60%** believing their income will stay the same in the next 6 months.

Spend intention for the next 6 months remains stable but consumers expect to increase spend on entertainment/ socialising.

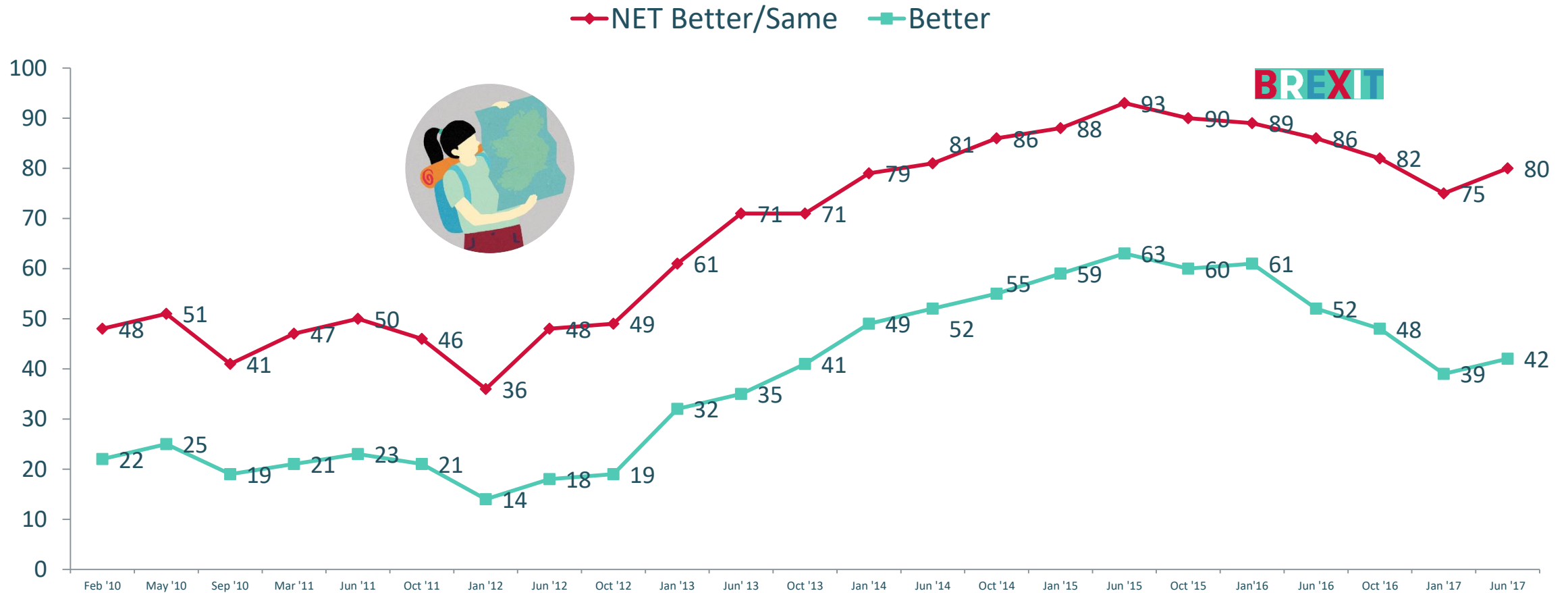
20% claim to have purchased more goods online directly from the UK since Brexit – this is down from 29% in January,

62% would like to see a United Ireland as a result of Brexit.



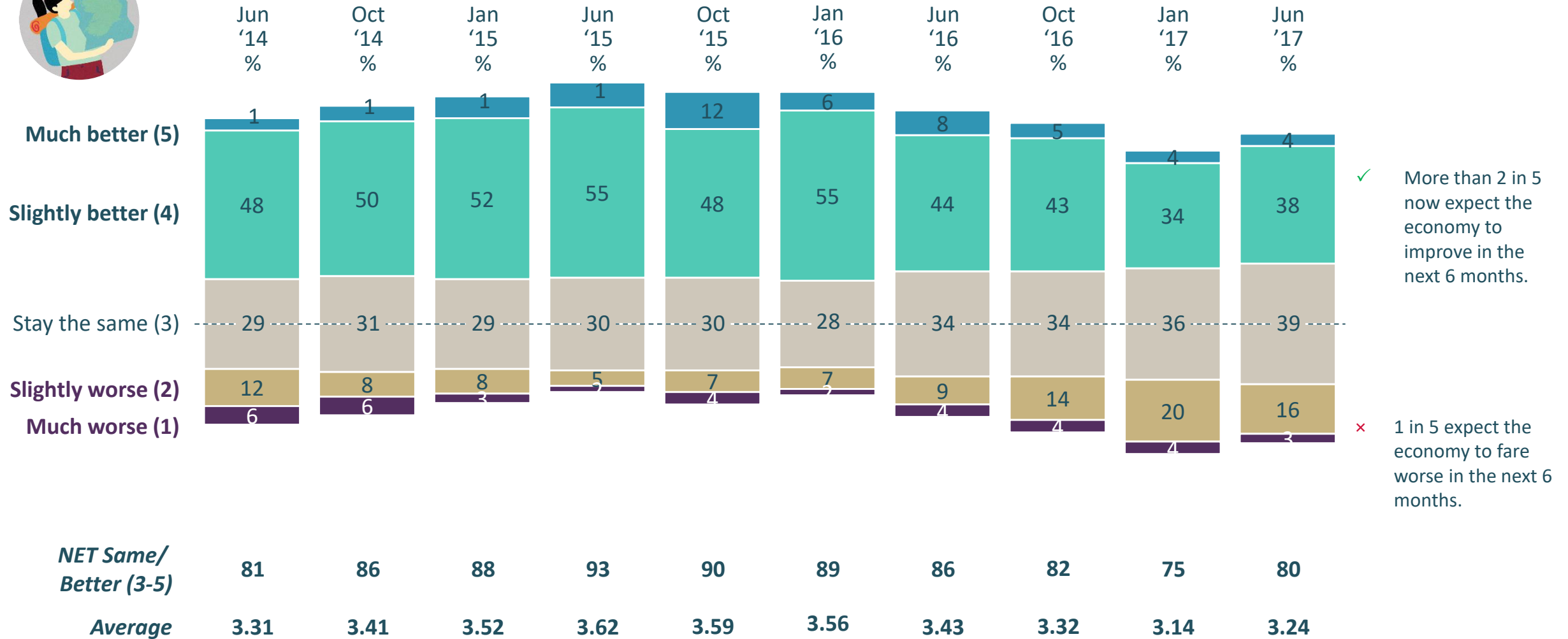
**Consumer Outlook is up in spite
of continued concerns about the
impact of Brexit on the Irish
Economy**

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



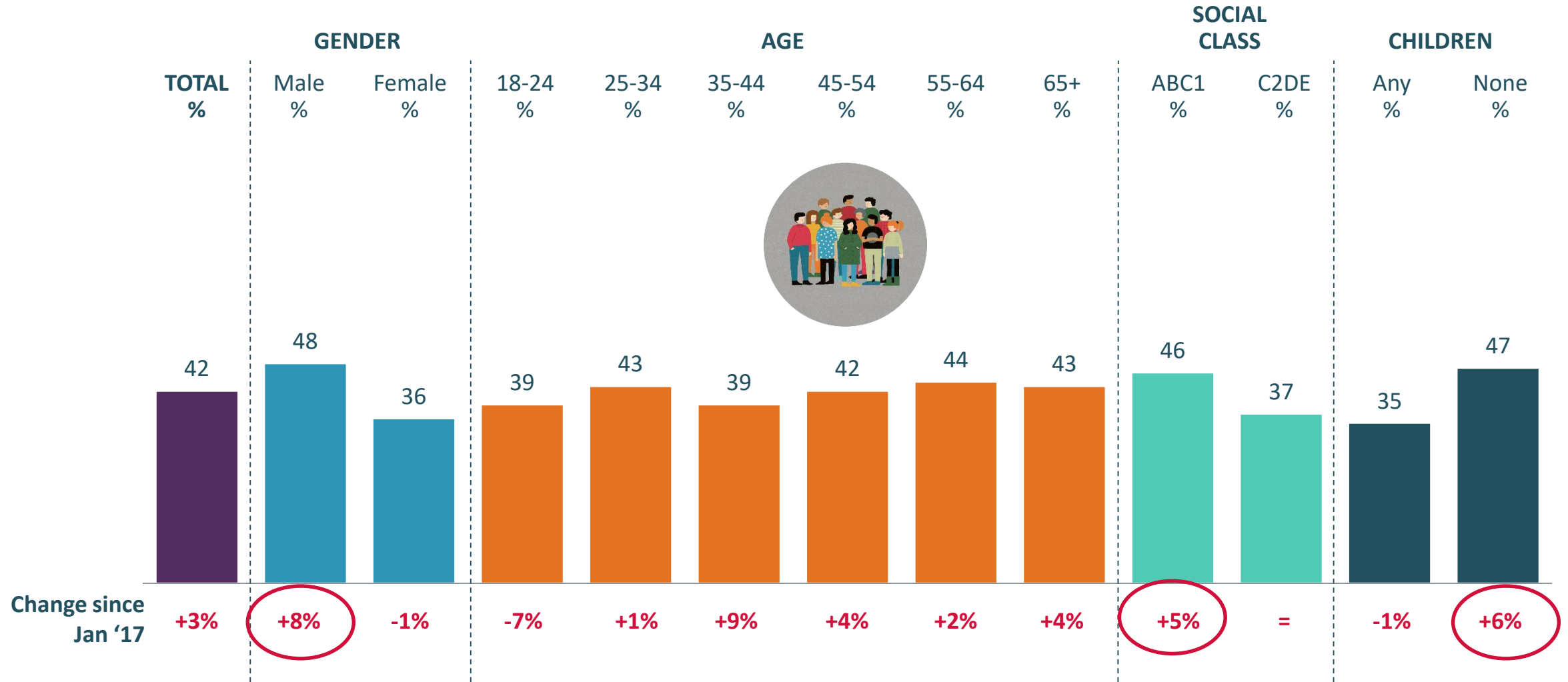
In spite of the uncertainty surrounding Brexit, consumer outlook has improved from January to June 2017. 2 in 5 expect the Irish economy to fare better in the next 6 months, with only 1 in 5 expecting it to fare worse.

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



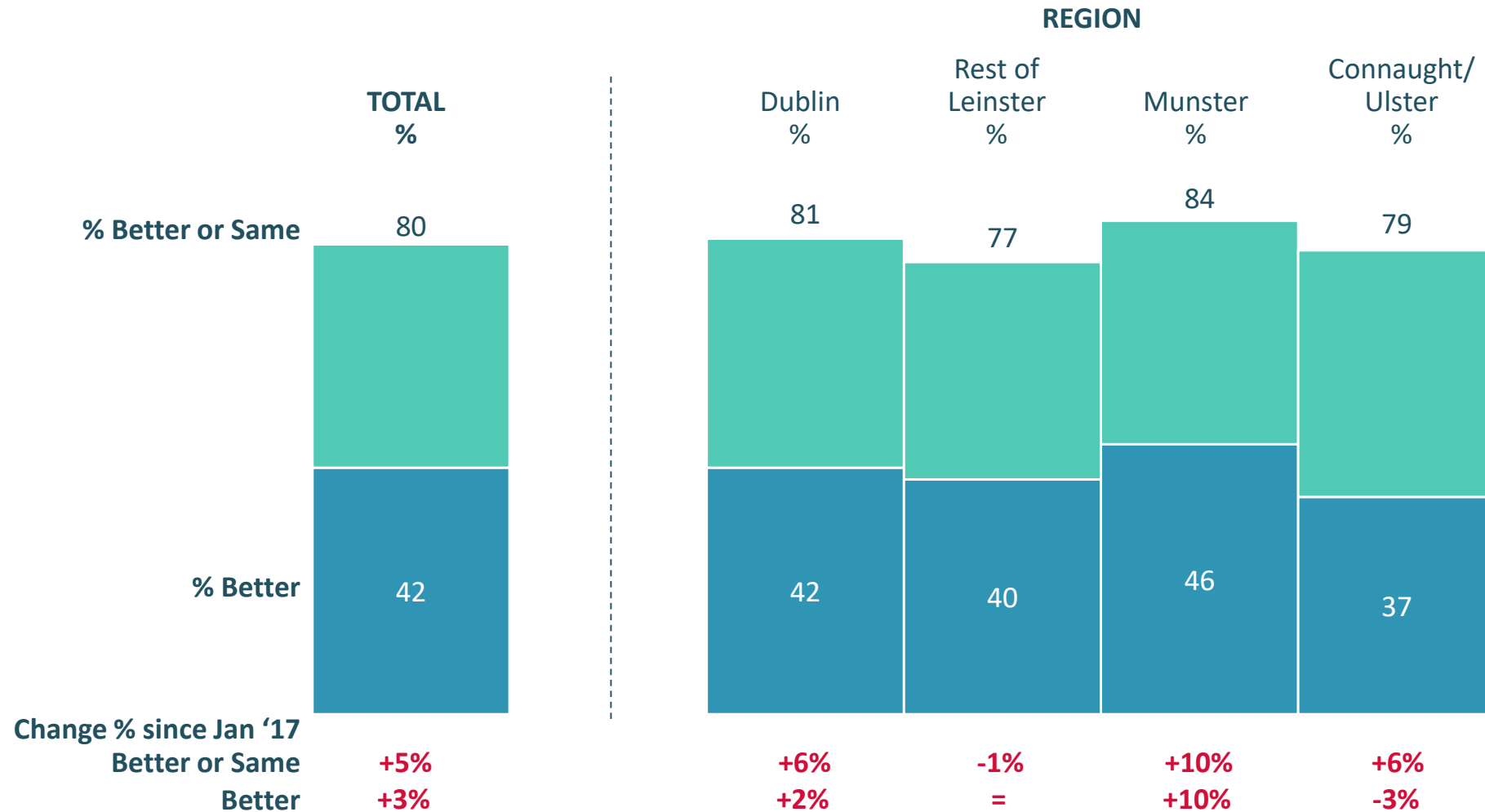
Expectations for the Irish economy 6 months from now

% Stating they believe it will be better



Males, higher social classes and those without children are more likely to expect the Irish economy to improve in the next 6 months.

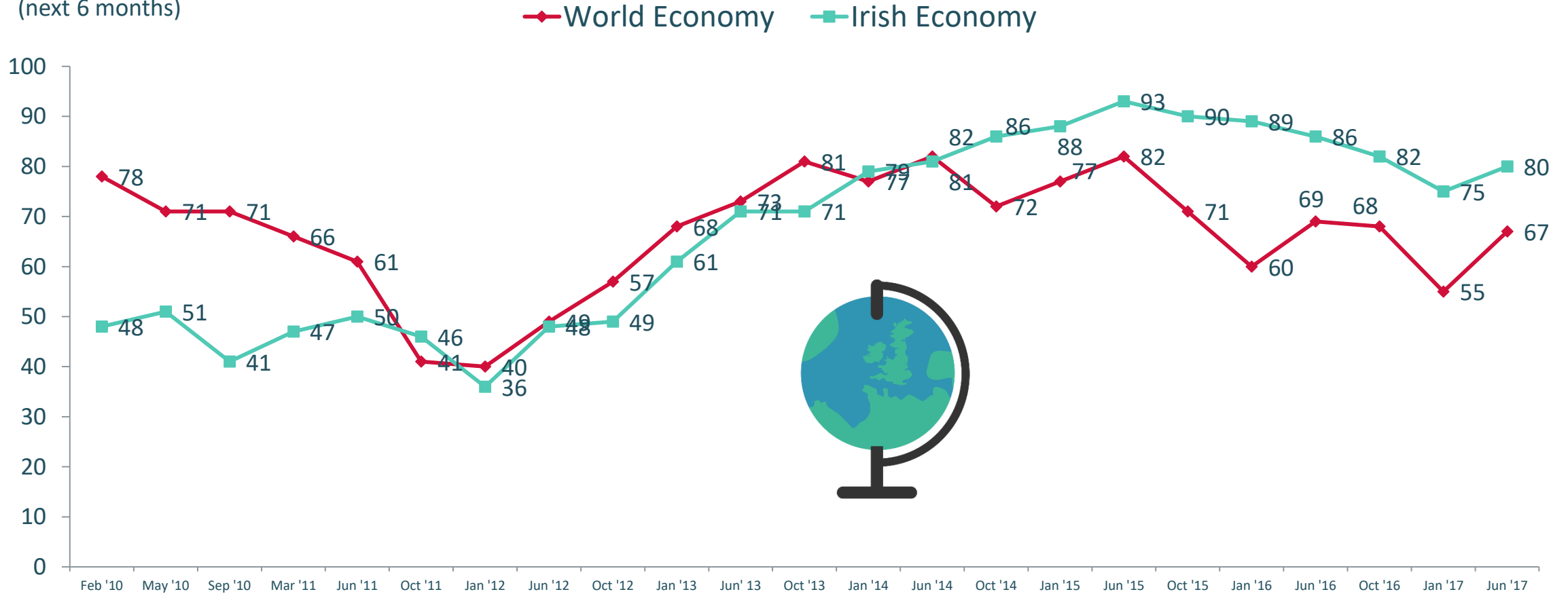
Expectations for the Irish economy across the country...



Very few differences in outlook across the country. Those living in Munster are slightly more positive than the rest of the country.

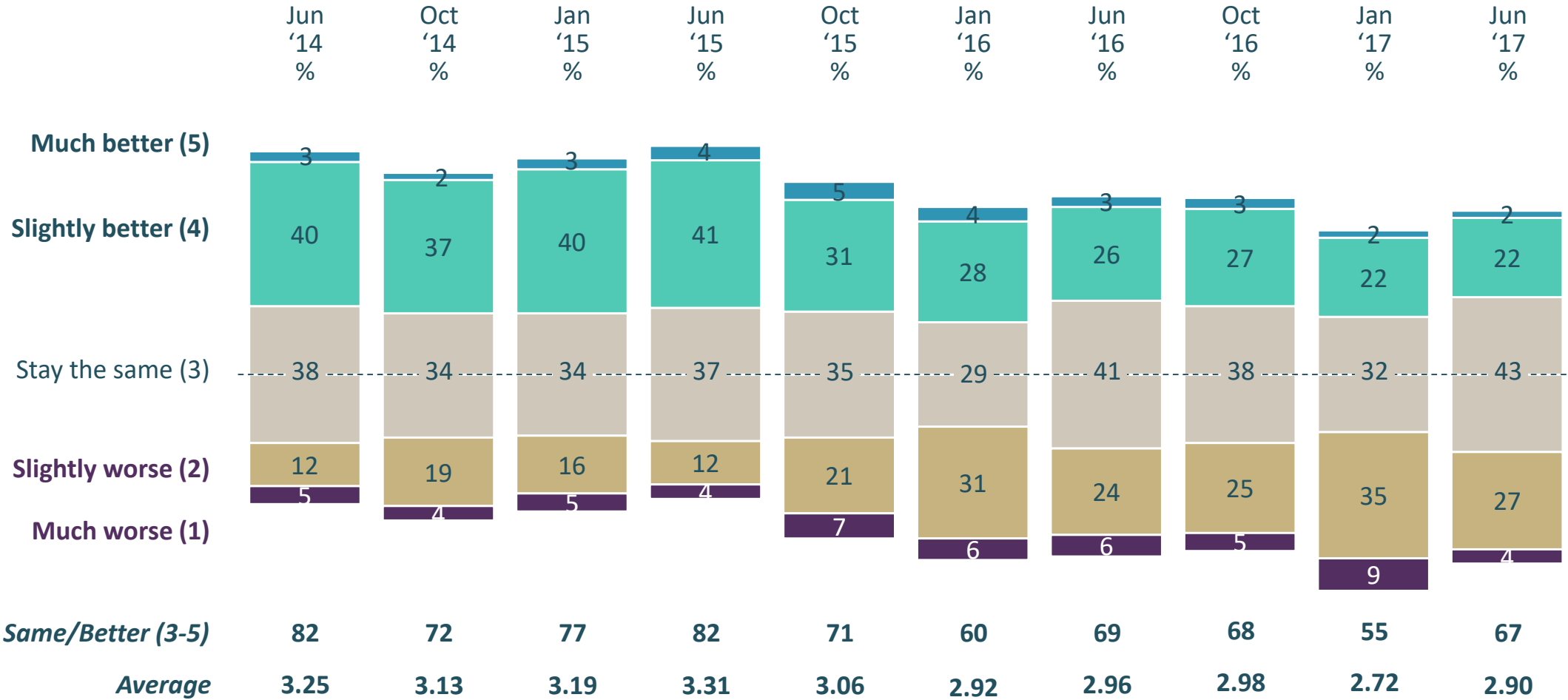
Expectations for the World Economy

% NET Better/Same
(next 6 months)



Outlook for the World Economy sees a full recovery from the decline seen back in January 2017. 2 in 3 expect the World Economy to improve or stay the same in the next 6 months.

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



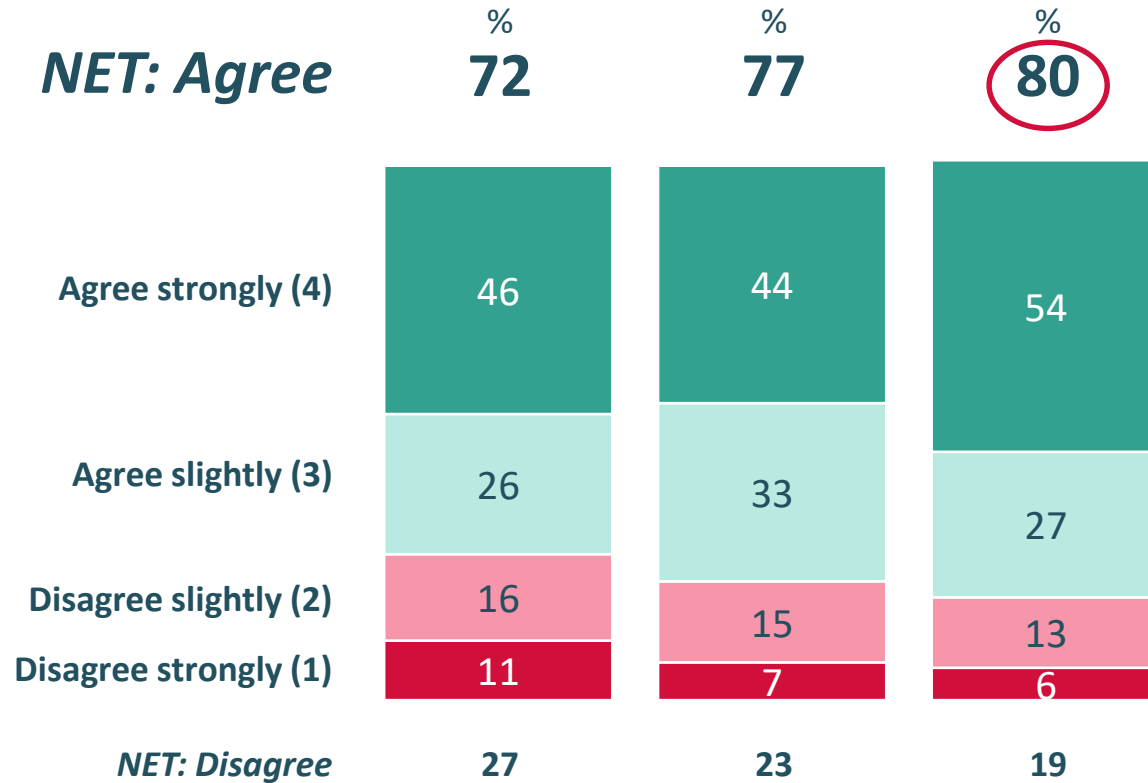
✓ 1 in 4 believe the World Economy will fare better in the next 6 months.

✗ Less than 1 in 3 feel the World Economy will get worse in the next six months.

Impact of Brexit on Ireland's Economy

"I am worried that Brexit will have a negative impact on Ireland's economy"

Oct 2016 Jan 2017 Jun 2017

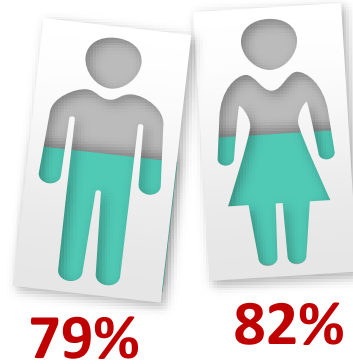


In spite of the improved consumer outlook for the Irish and World economy, consumers remain concerned about the impact of Brexit on the Irish economy. 4 in 5 are concerned that Brexit will impact the Irish economy negatively.

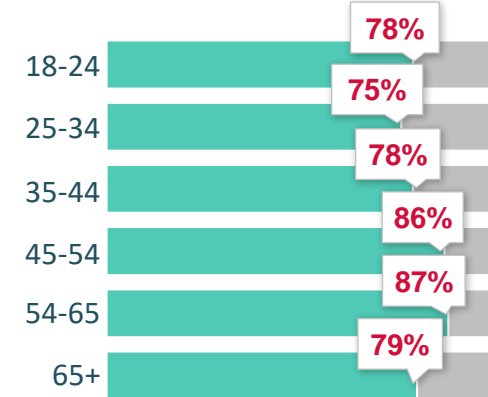
Who are worried that Brexit will have a negative impact on Ireland's Economy



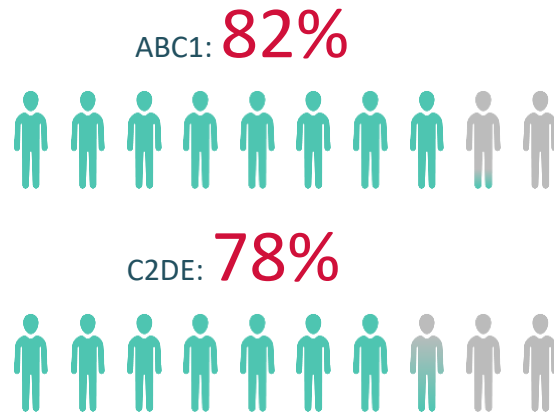
Gender



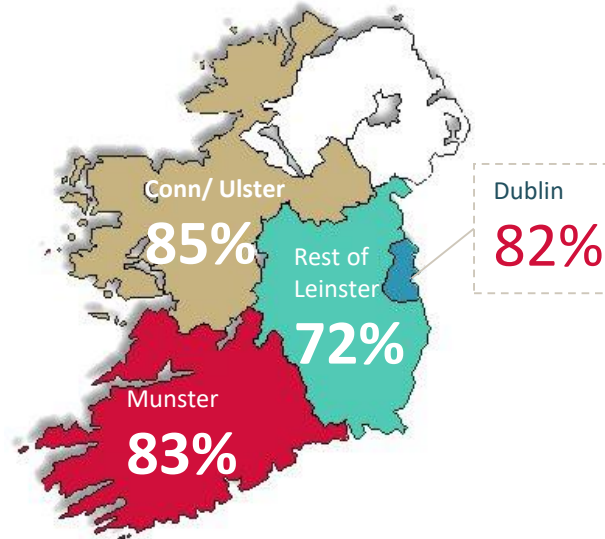
Age



Social Class



Region

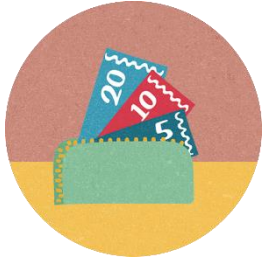


Across the population, there are significant concerns about how Brexit is going to impact the Irish economy. Those aged 45-65 years, and those living in Connaught/Ulster are more worried.

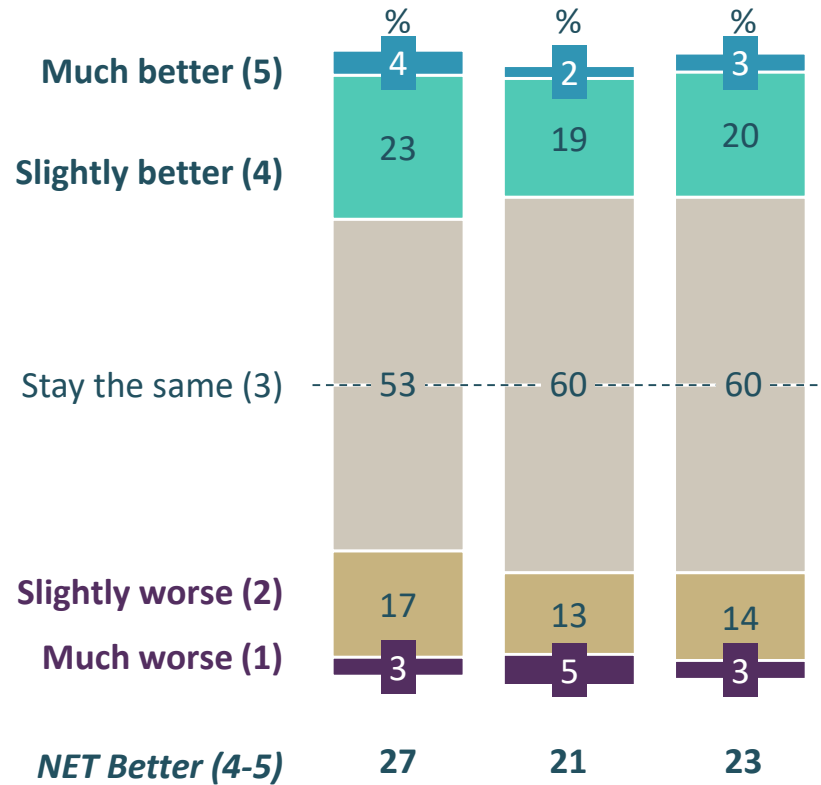


**Improved outlook for
employment but no
change in disposable
income**

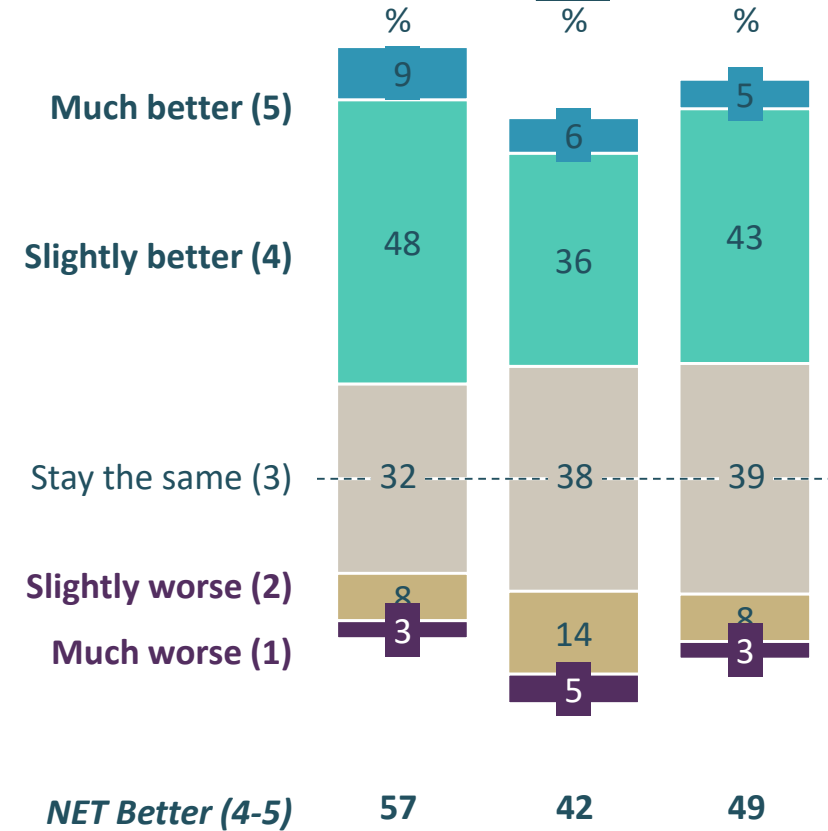
Expectations for the next 6 months for...



Your Disposable Income



Employment; the ability to get & move jobs



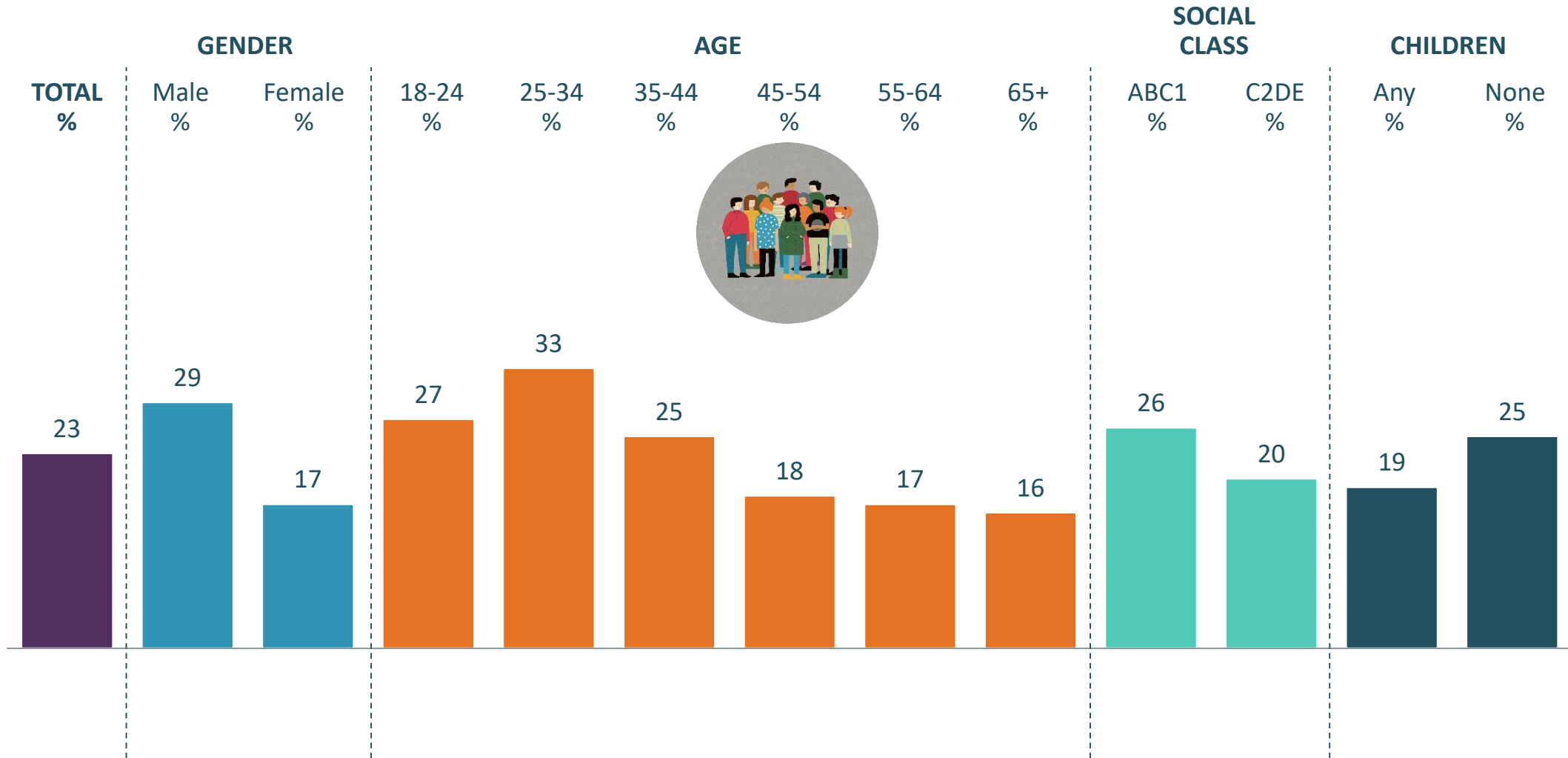
Oct 2016 Jan 2017 Jun 2017



Outlook for employment has improved with half expecting employment opportunities to improve in the next 6 months. Outlook for disposable income is unchanged.

Expectations for disposable income in the next 6 months?

% Stating they believe it will be better



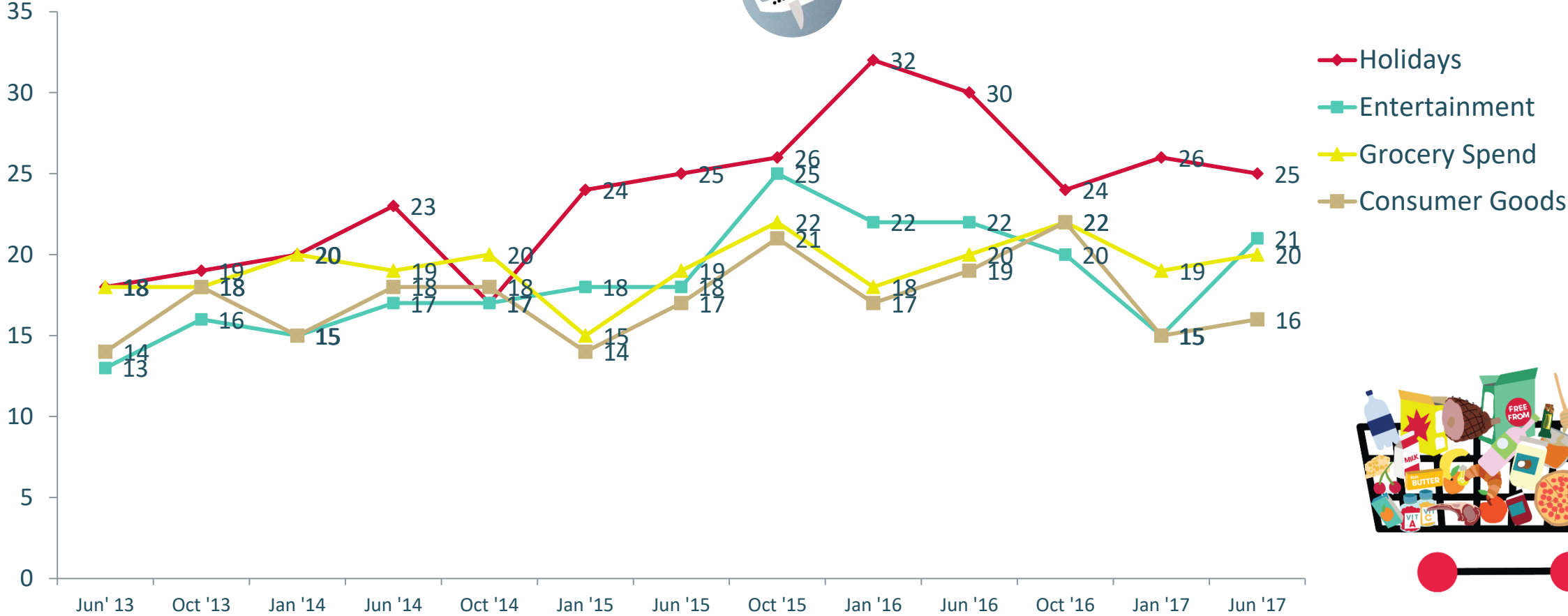
Males, the younger age groups and higher social classes are more likely to expect improved disposable income over the next 6 months.



Recovery in consumer spend for socialising. Brexit shopping in Northern Ireland and the UK still evident but to a lesser degree.

Expected Increase in Spend In The Next 6 Months

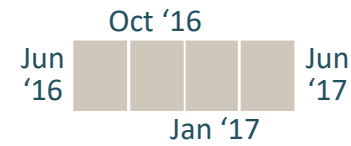
% Likely to increase spend
(next 6 months)



Spend intentions remain steady for holidays, groceries and consumer goods. But we see a recovery in spend intentions for entertainment, e.g. going out, socialising etc.



Expected Changes In Spend Over The Next 6 Months



Entertainment such as going out, eating, drinking or socialising



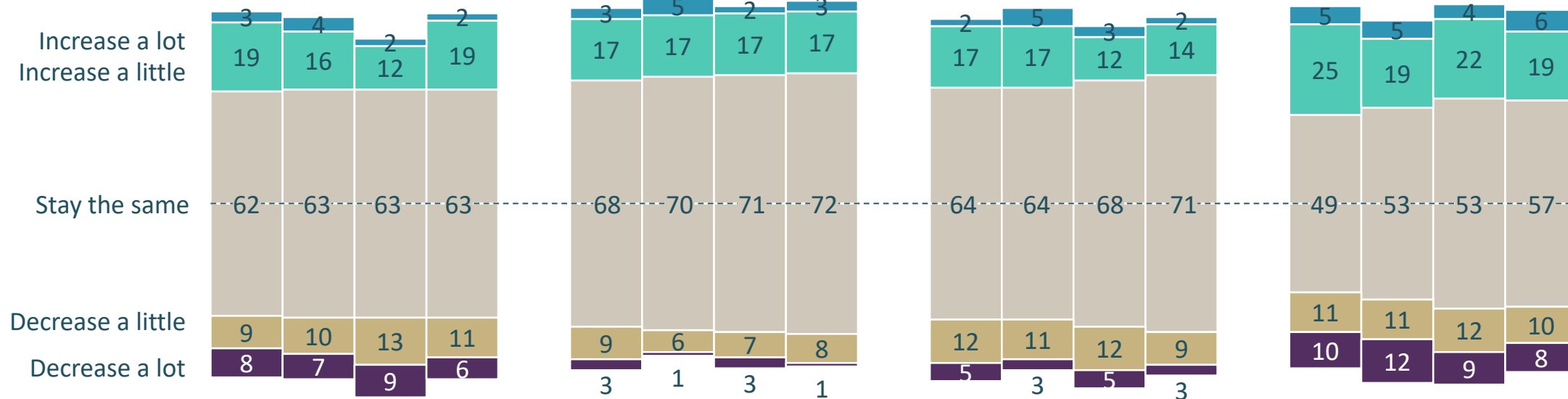
Grocery spend



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



Holidays and short breaks



Spend intentions remain steady from January to June for holidays, groceries and consumer goods. But intention to spend has improved for entertainment following a negative trend over past year.

The 18-34 year olds are more likely to increase spend on socialising and holidays over the next 6 months...



% Likely to increase spend in next 6 months	Entertainment	Grocery Spend	Consumer Goods/ Services	Holidays/ Shorter Breaks
Total	21	20	16	25
Gender				
Male	23	19	16	26
Female	18	21	16	23
Age				
18-24	28	21	16	36
25-34	26	17	15	30
35-44	21	20	17	21
45-54	20	16	11	21
55-64	21	22	20	21
65+	12	23	18	23
Social Class				
ABC1	22	18	14	29
C2DE	20	20	18	22
Region				
Dublin	21	20	17	31
Rest of Leinster	23	18	17	23
Munster	20	23	19	24
Connaught/Ulster	18	17	8	19

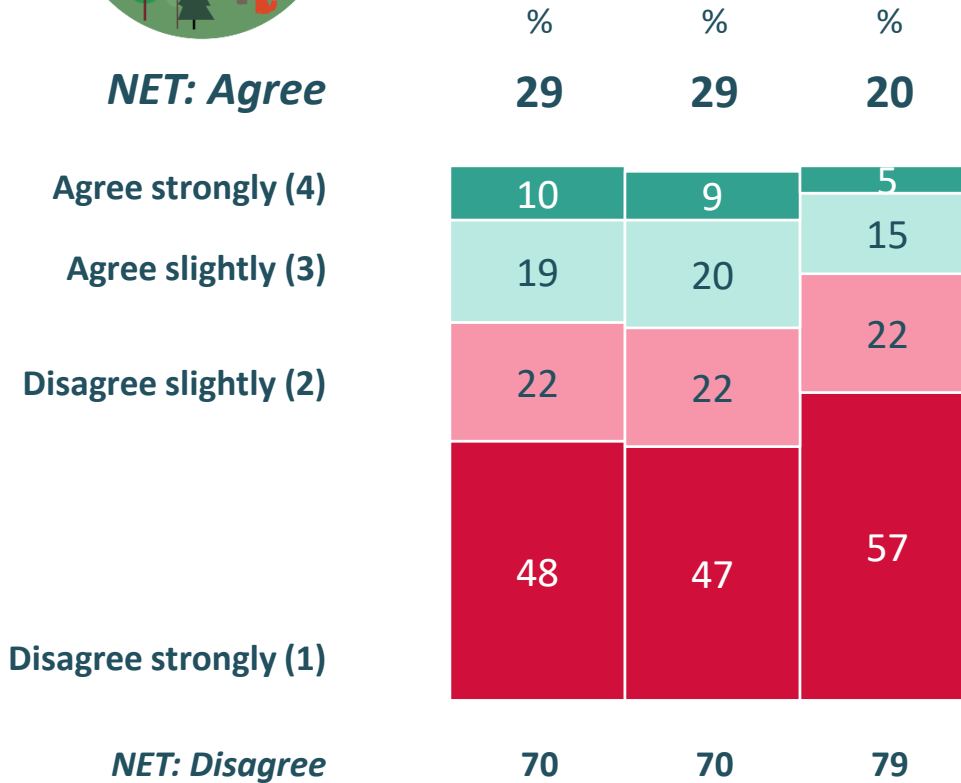
Brexit Impact on ROI Spend

Oct 2016 Jan 2017 Jun 2017

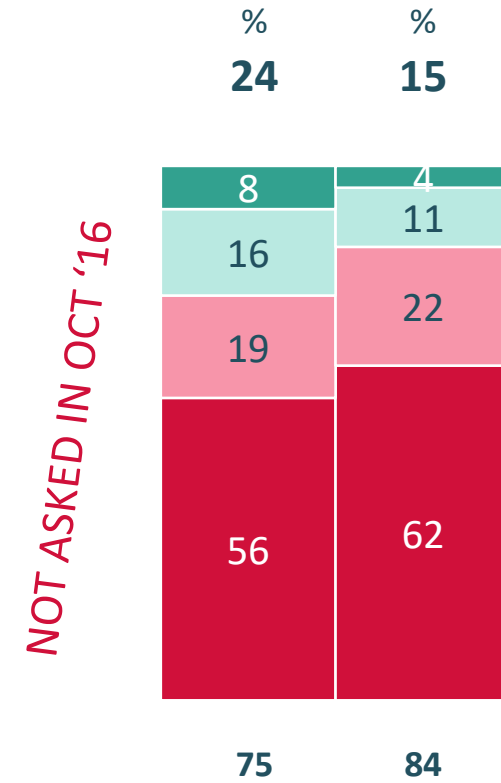


NET: Agree

"I have been purchasing more goods online directly from the UK since Brexit"



"I have been purchasing more goods from across the border in Northern Ireland since Brexit"

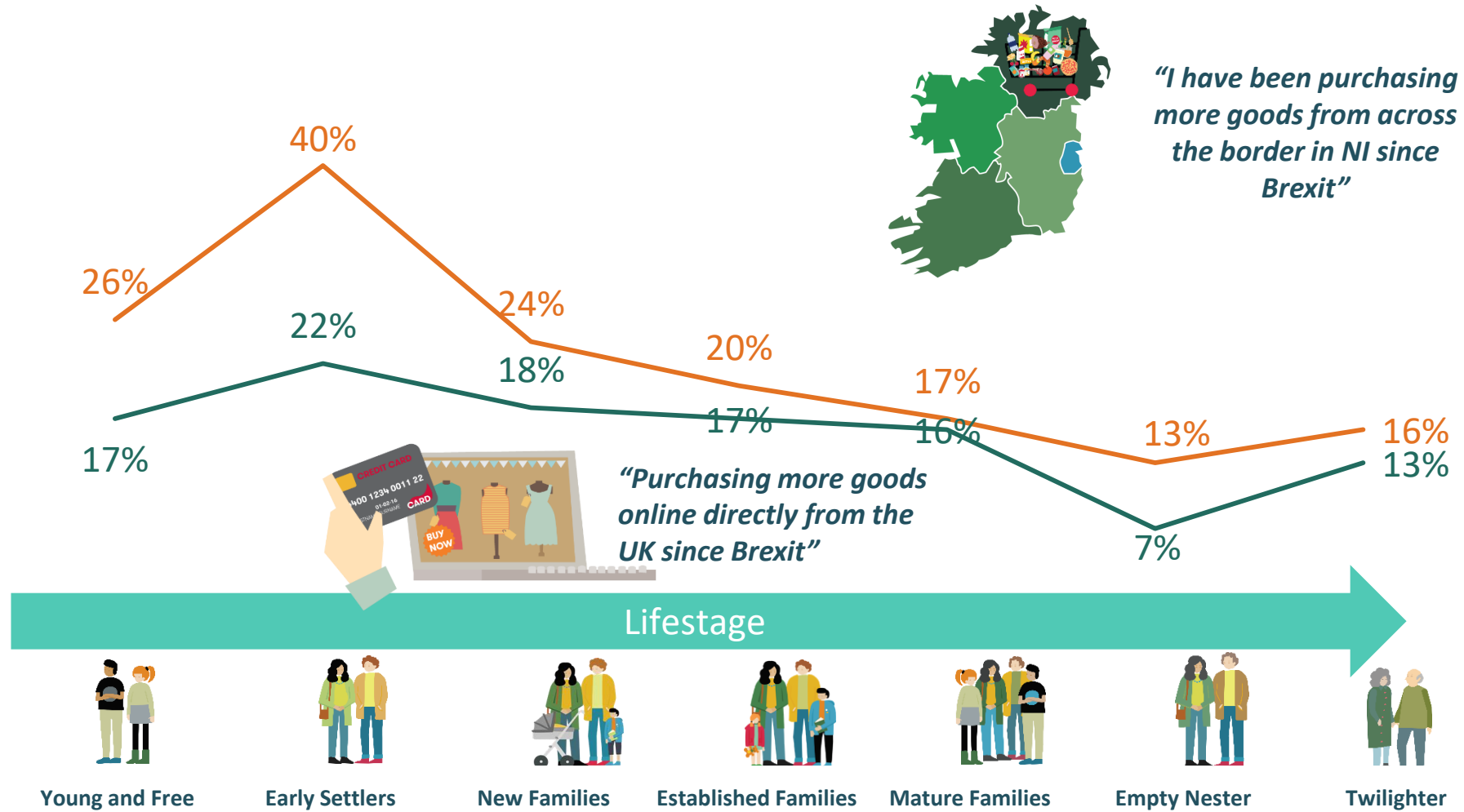


NOT ASKED IN OCT '16

We see a decline in the proportion of consumers who claim to shop more in the UK/Northern Ireland following Brexit.



Brexit Impact on ROI Spend by Life Stage

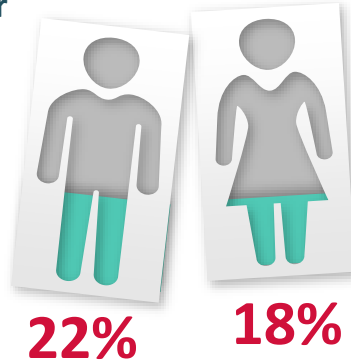


The Early Settlers are more likely to have utilised the weaker Pound by shopping in Northern Ireland following the Brexit vote.

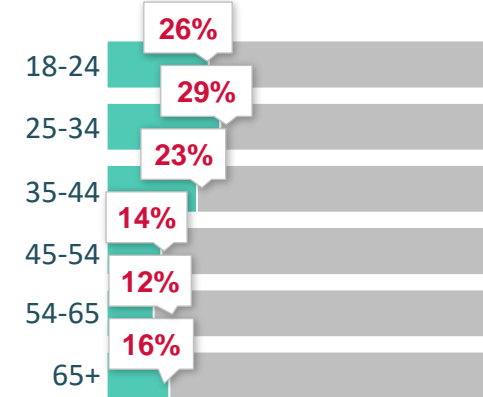
Who has been purchasing more goods online directly from the UK since Brexit?



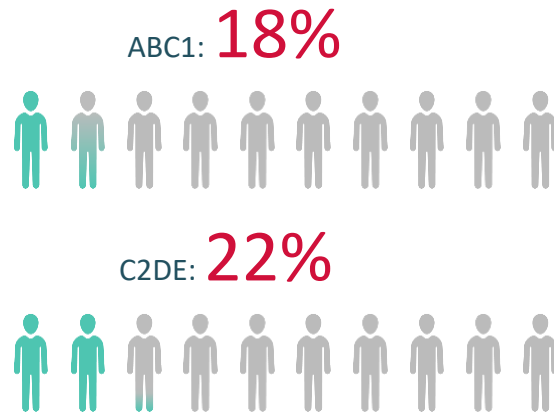
Gender



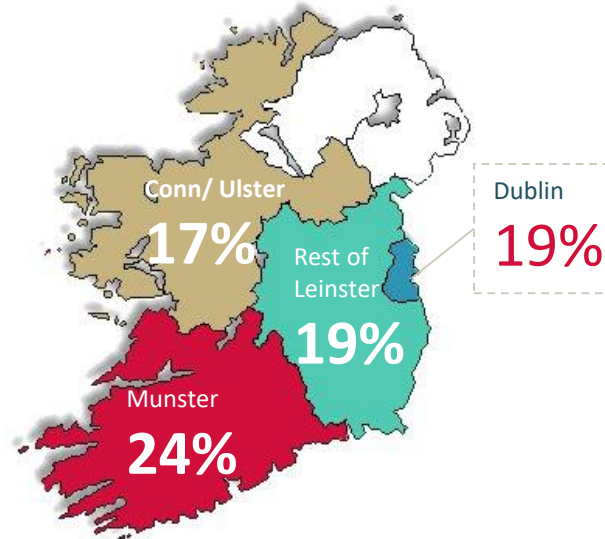
Age



Social Class

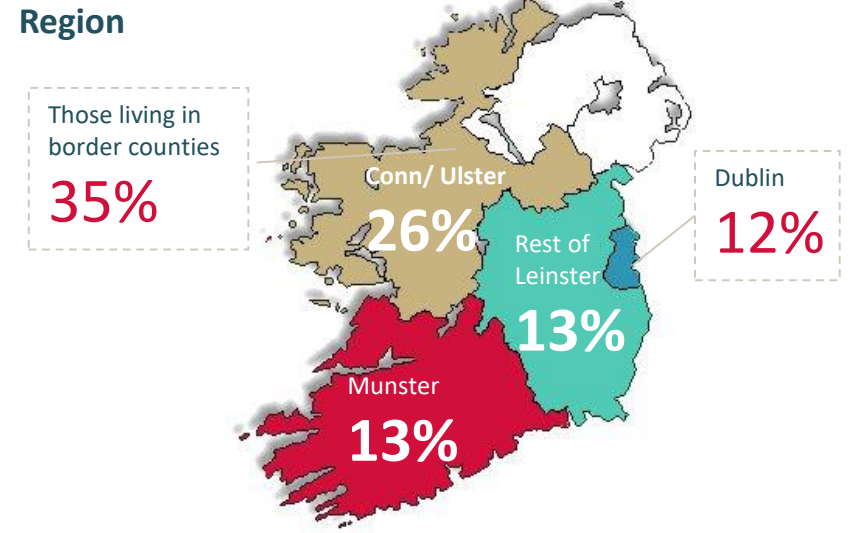
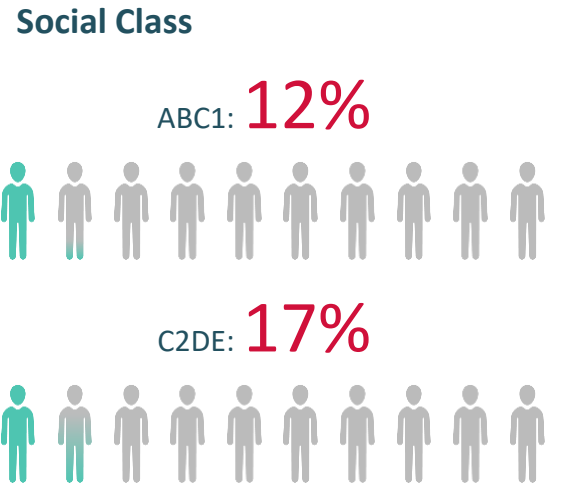
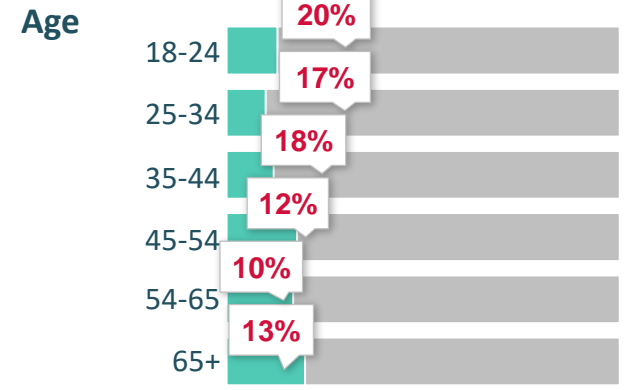
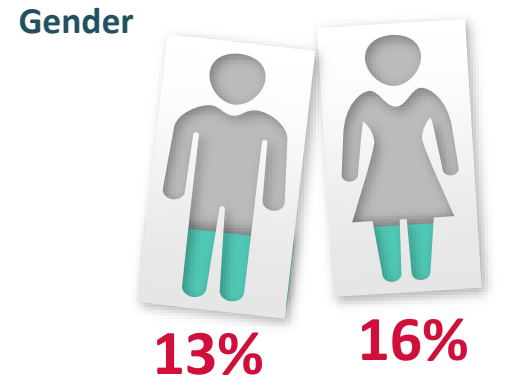
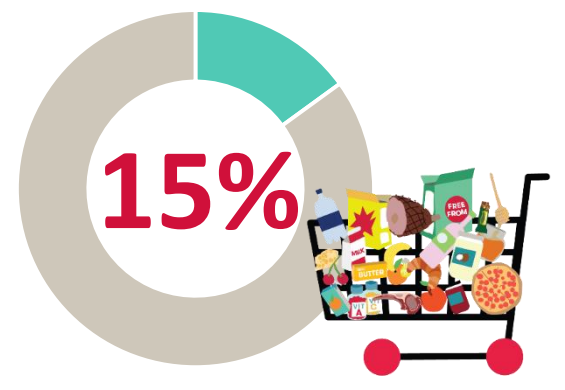


Region



The 18-34 year olds are more likely to have bought more goods online directly from the UK since the Brexit vote.

Who has been purchasing more goods across the Border in Northern Ireland since Brexit?



More than 1 in 3 of those living in the Border Counties to Northern Ireland claim to have purchased more in the North following the Brexit vote.



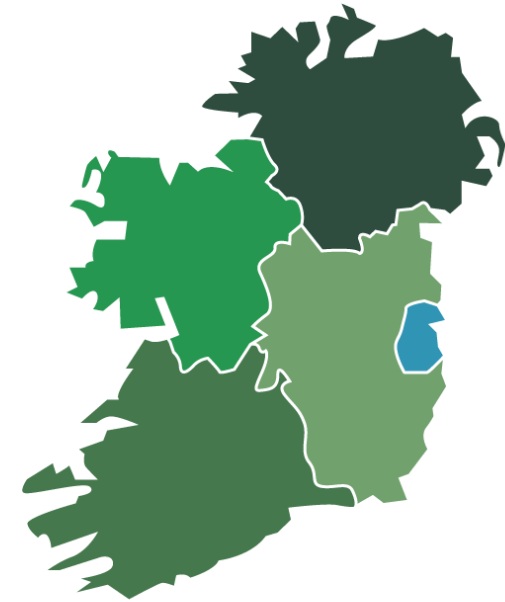
**3 in 5 would like to see a
United Ireland as a result
of Brexit**

A United Ireland as result of the Brexit

Oct 2016 Jan 2017 Jun 2017

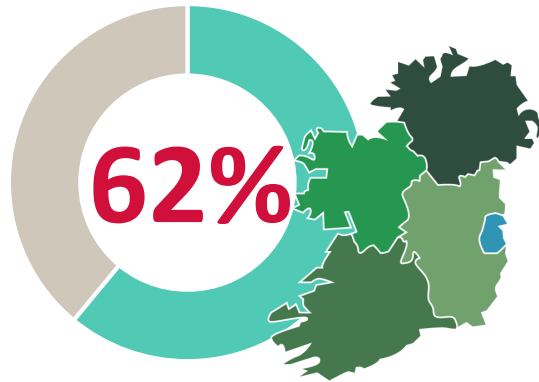
“I would like to see a United Ireland as result of the Brexit”

	%	%	%
NET: Agree	67	61	62
Agree strongly (4)	33	33	29
Agree slightly (3)	34	28	33
Disagree slightly (2)	17	20	20
Disagree strongly (1)	15	18	15
NET: Disagree	32	38	35

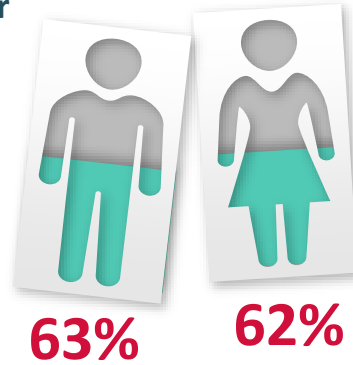


3 in 5 would like to see a United Ireland as result of Brexit – this is similar to the level seen in January.

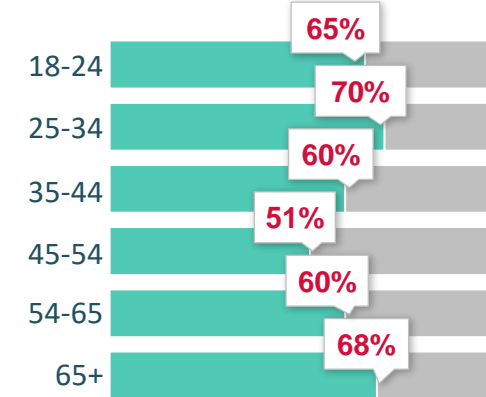
Who would like to see a United Ireland as a result of Brexit?



Gender



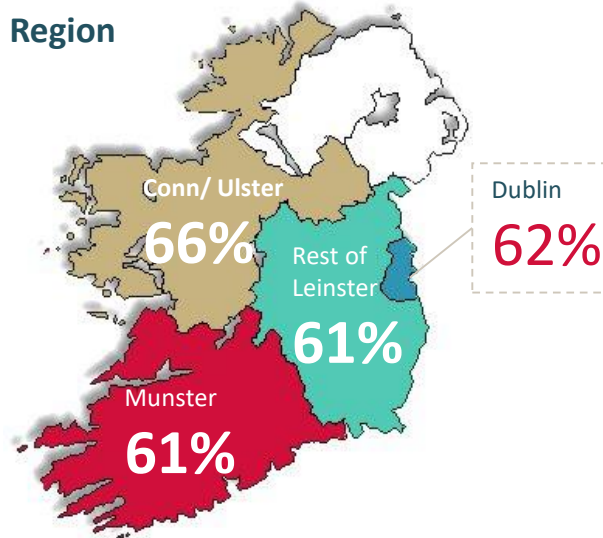
Age



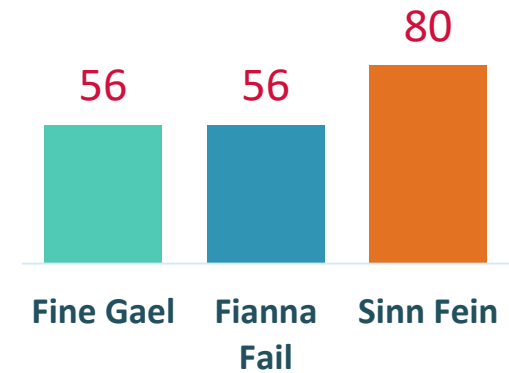
Social Class



Region



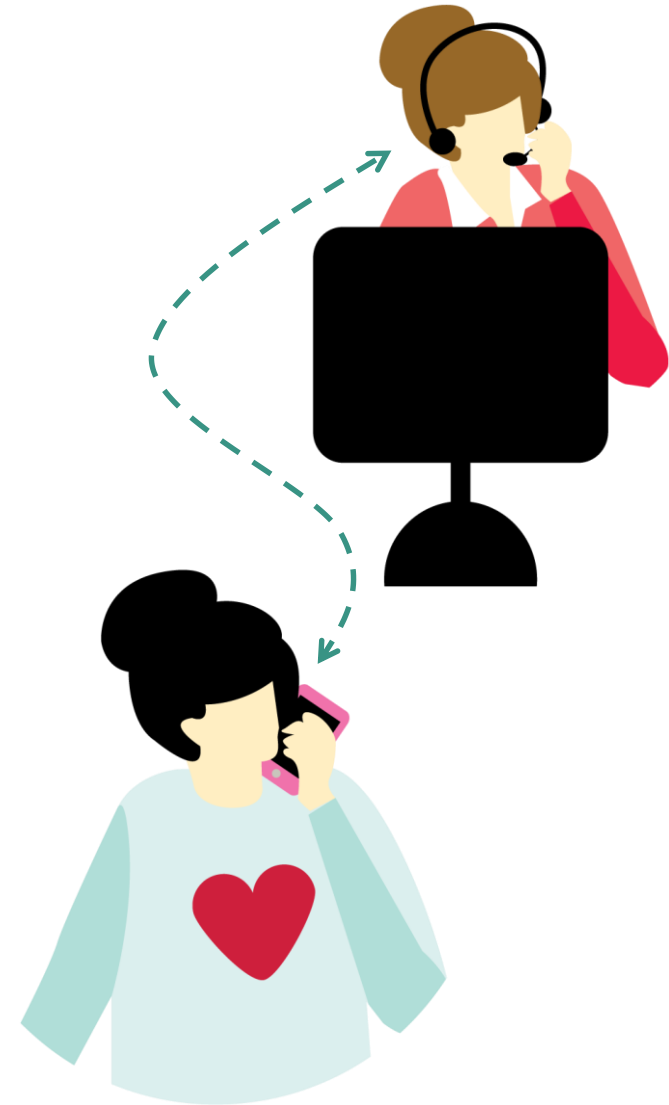
Party Support



Lower social classes and Sinn Féin voters are more likely to support a United Ireland as a consequence of Brexit.

Methodology

- / 1,004 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 29th Wave of the Consumer Mood Monitor and fieldwork was conducted 30th June – 5th July 2017.



**THANK
YOU**

REDC