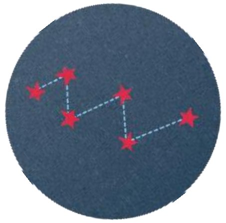
Consumer Mood Monitor

Consumer confidence at its lowest level since 2012

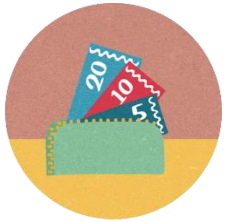
January 2019

Further declines in Consumer Confidence following fears over no deal Brexit



Consumer Outlook for the Irish economy continues a rapid decline and is now at its lowest level since 2012.

This is driven by significant fears of a no deal Brexit, with more than 4 in 5 being worried about the impact of Brexit on the Irish economy.



More consumers are expecting their disposable income to go down in the next 6 months compared to the proportion who expect an increase in disposable income.

After a decline in spend intentions in October, we see limited change in spend intention this wave, apart from seasonal variations.

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Consumer Mood – Headline Facts

Further declines in expectations for the Irish economy with **58%** expecting it to stay the same or improve – this is the lowest level seen since 2012.

51% expect the world economy to stay the same or improve – down from 56% in June.

84% are concerned about the impact of Brexit on the Irish economy. This is driving down consumer mood.

32% expect their disposable income to decrease in the next 6 months while **22%** expect an increase in their disposable income.

Taking into account seasonal variations, we see limited change for **spend intentions** after a decline in October 2018.

66% would like to see a United Ireland as a result of Brexit – this is unchanged from October.

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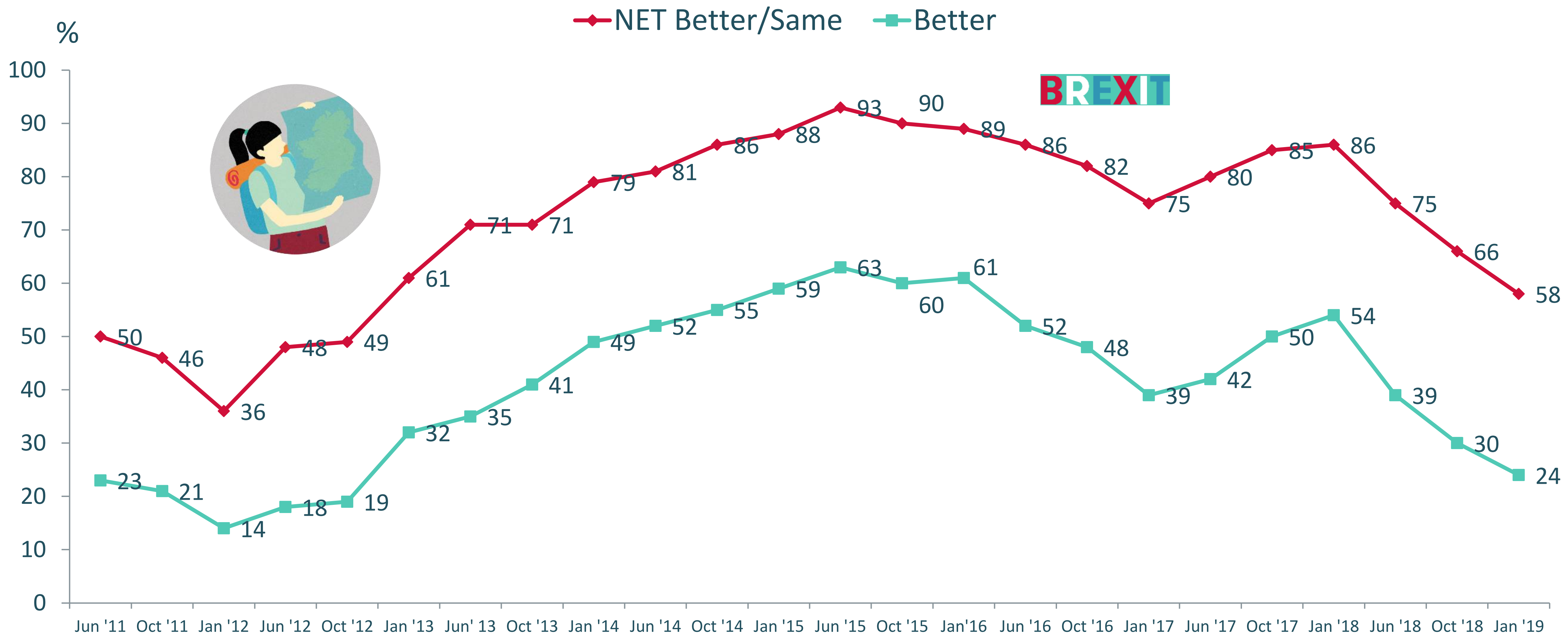
Further decline in consumer confidence, driven by fears of a no deal Brexit

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



Consumer outlook for the Irish economy continues a rapid decline, with less than 1 in 4 now expecting the Irish economy to improve in the next 6 months. Consumer outlook is at its lowest level since 2012.

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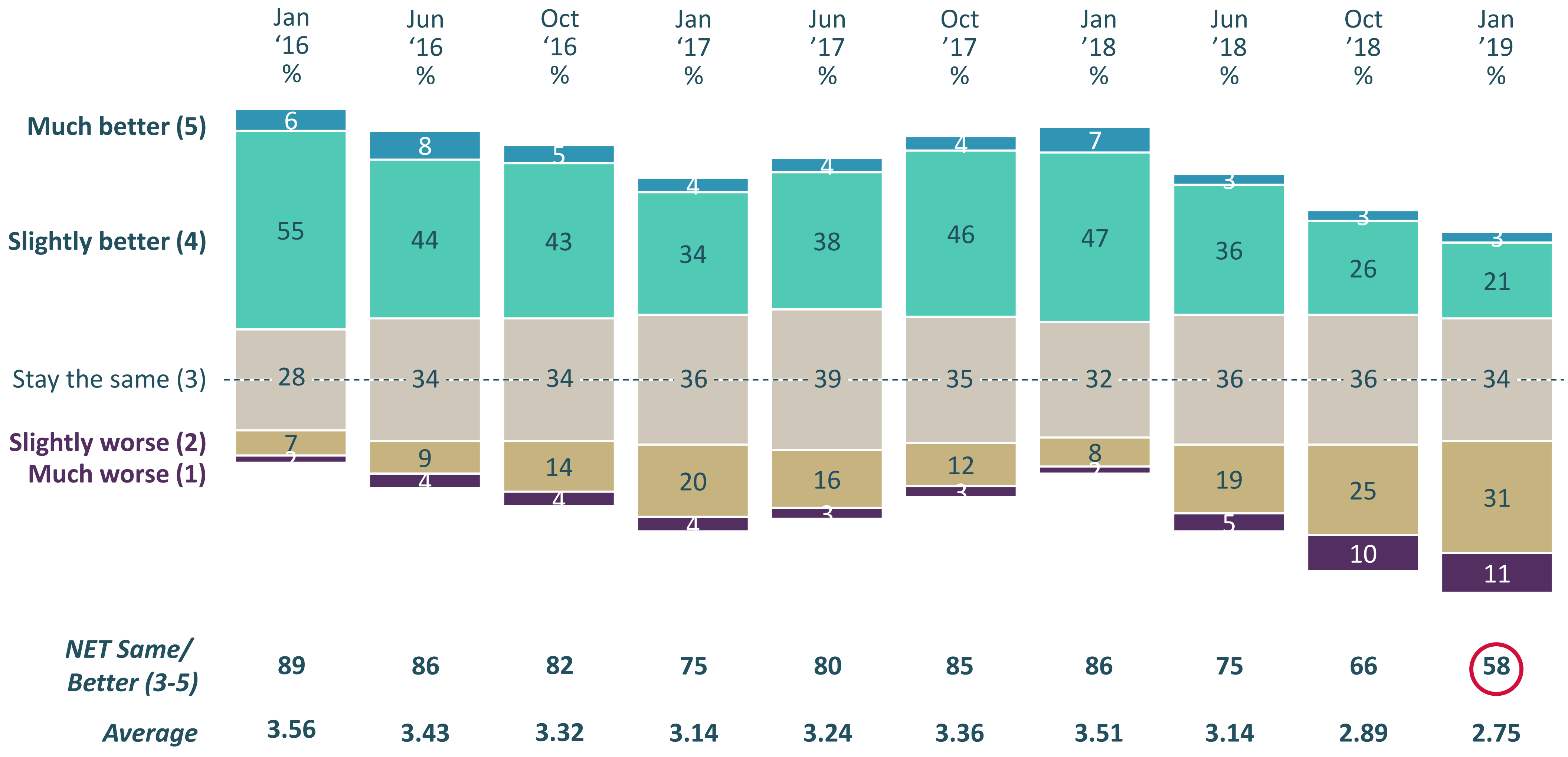
How do you expect the Irish economy to fare in the next 6 months?

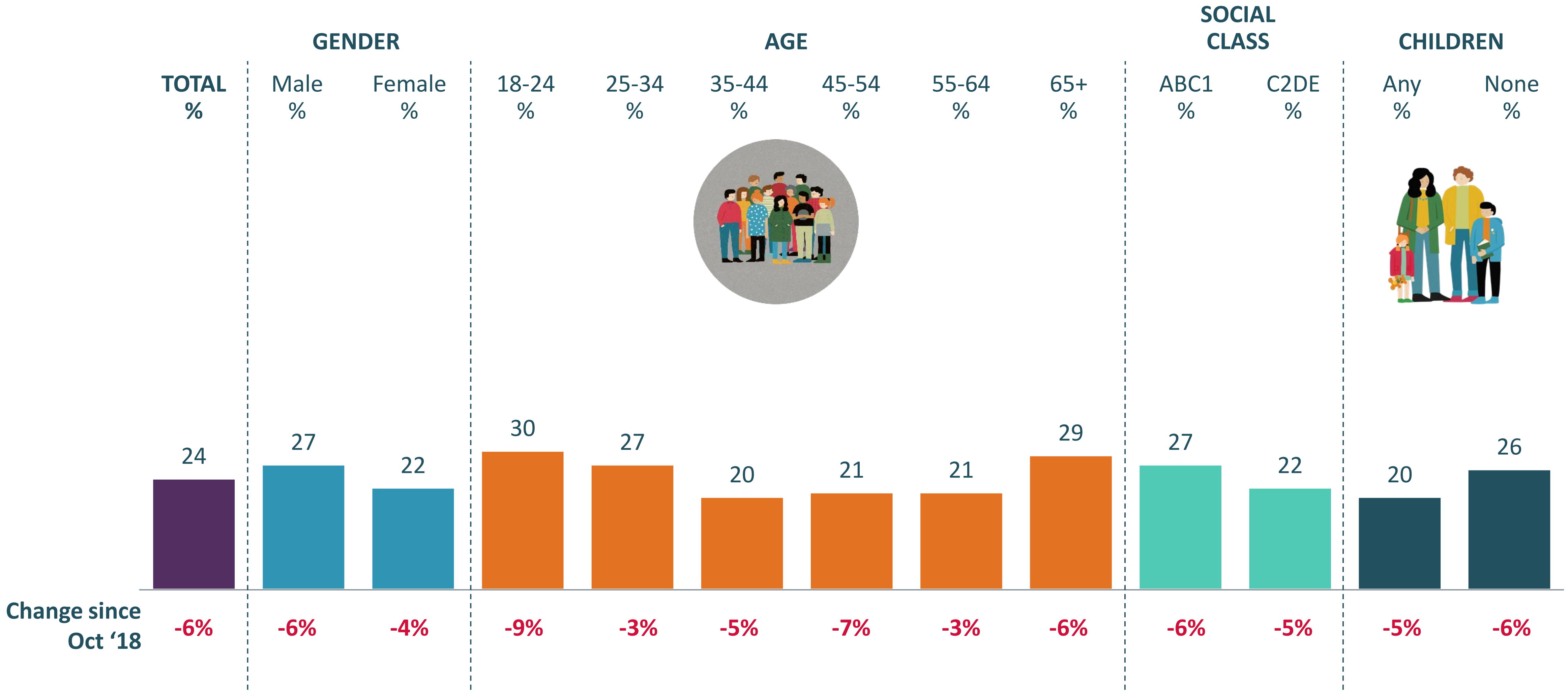


✓ Less than 1 in 4 expect the economy to improve in the next 6 months – down from 29% in October.

✕ More than 2 in 5 expect the economy to fare worse in the next 6 months – up from 35% in October.

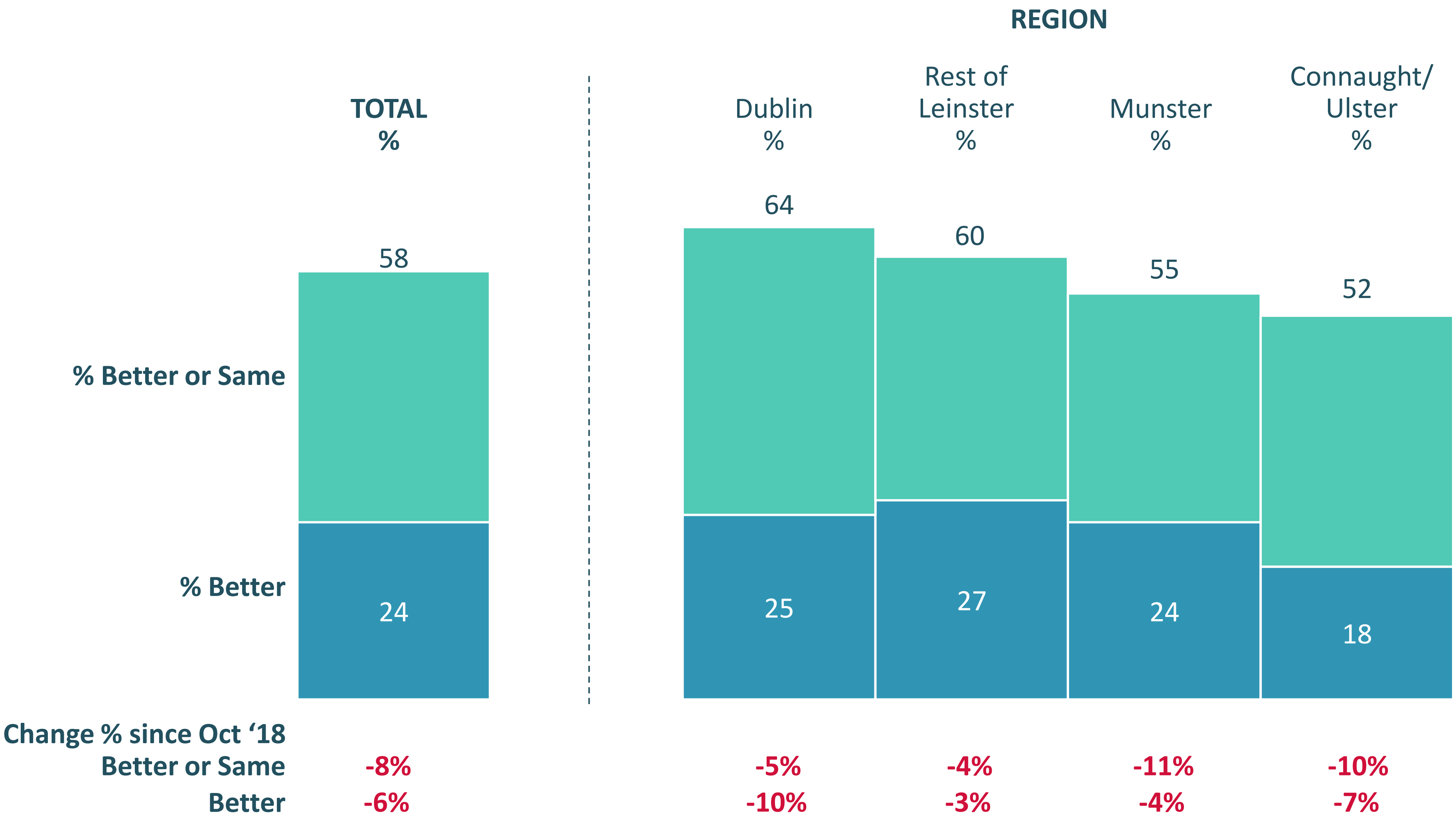
Expectations for the Irish economy 6 months from now

% Stating they believe it will be better



The decline in consumer outlook takes place across all key demographic groups.

Expectations for the Irish economy across the country…



Those based in Leinster (including Dublin) are more positive about the outlook for Irish economy than the rest of the country.

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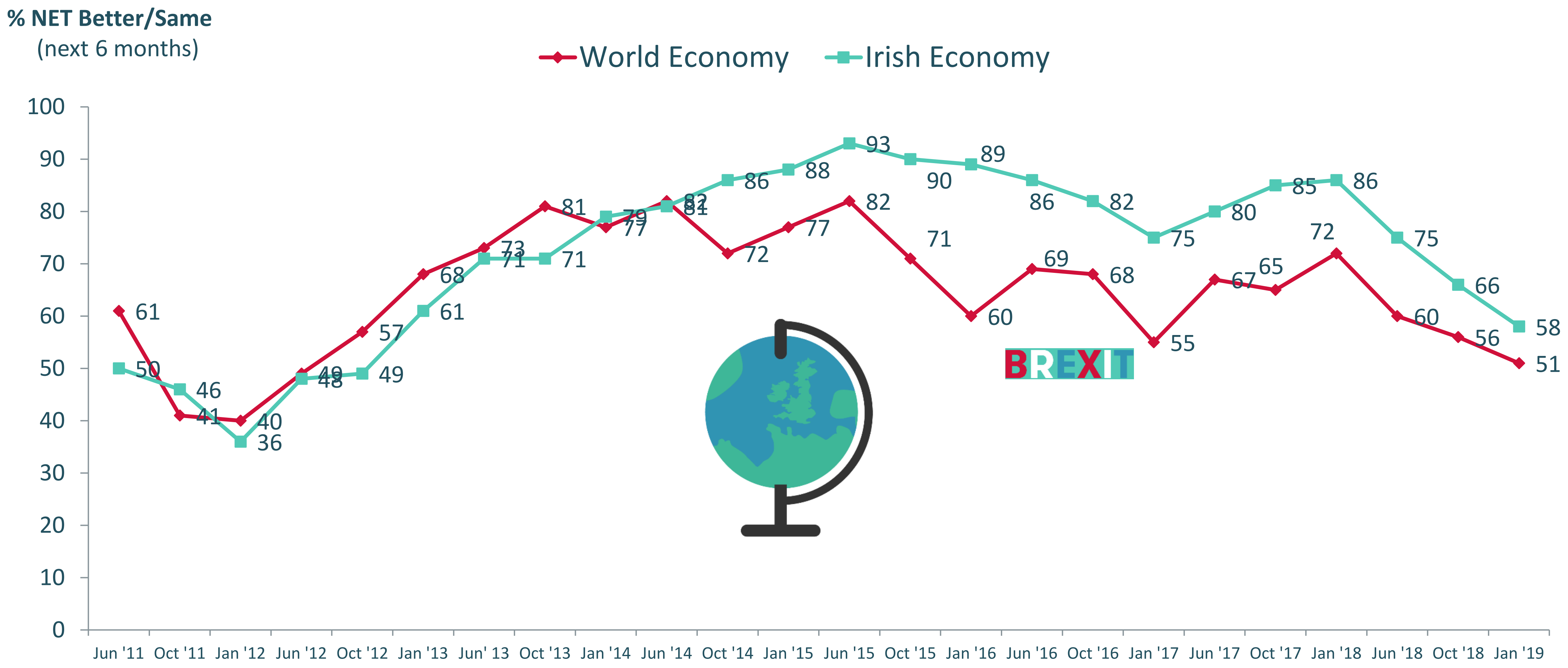
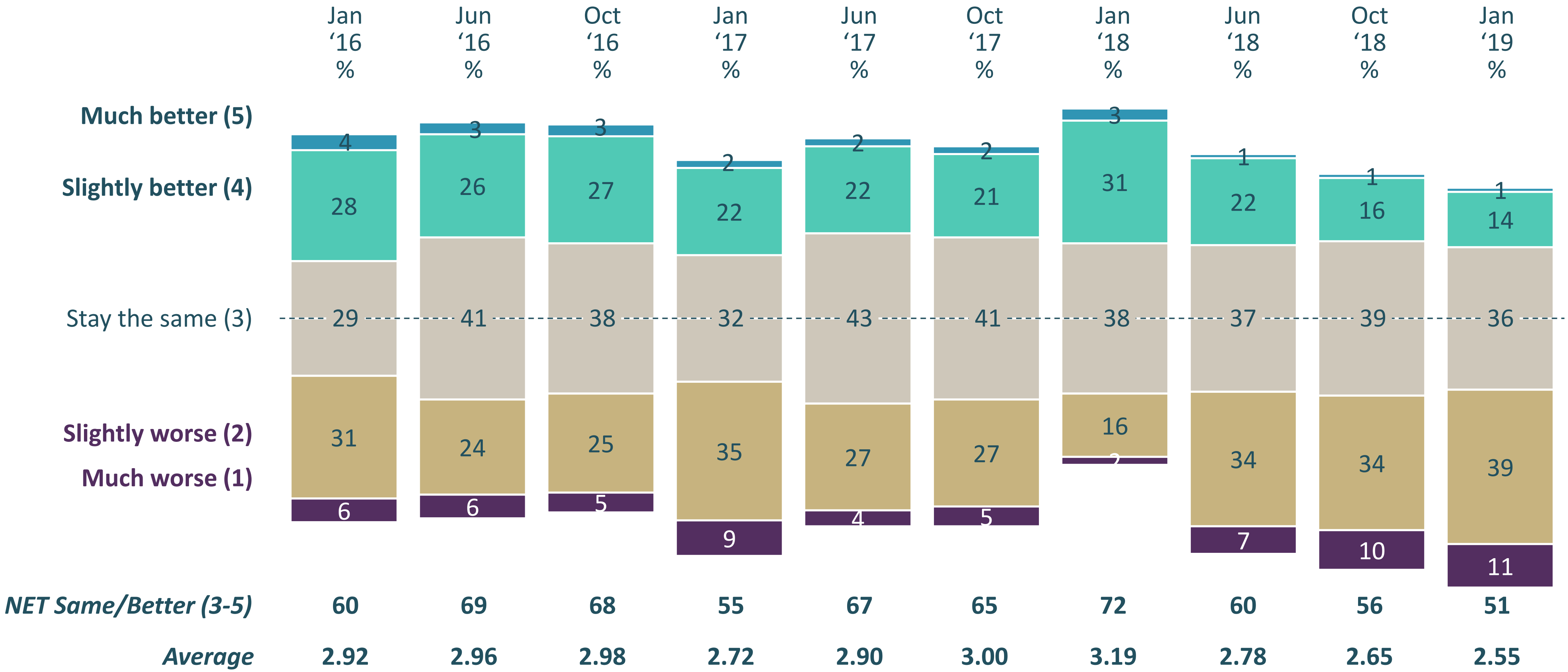
Expectations for the World Economy



The outlook for the World economy is also down and at its lowest level since 2012.

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



✓ Circa 1 in 7 expect the World economy to improve in the next 6 months.

✕ Half expect the World economy to fare worse in the next 6 months – this is up from 44% in October

Impact of Brexit on Ireland's Economy

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

	Oct 2017	Jan 2018	Jun 2018	Oct 2018	Jan 2019
	%	%	%	%	%
NET: Agree	**79**	**78**	**81**	**85**	**84**
Agree strongly (4)	46	49	31	38	40
Agree slightly (3)	33	29	50	46	45
Disagree slightly (2)	14	14	15	11	11
Disagree strongly (1)	6	9	4	5	5
NET: Disagree	**20**	**23**	**19**	**15**	**16**

84% are worried that Brexit will have a negative impact on the Irish economy, with 2 in 5 being "very concerned".

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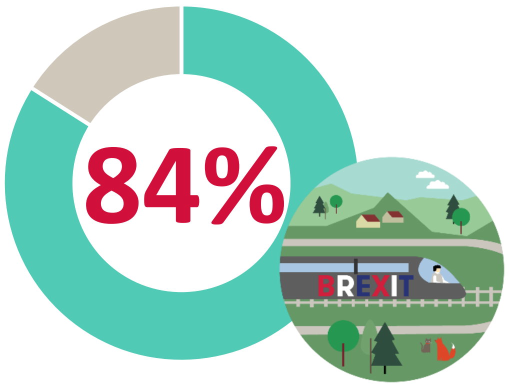
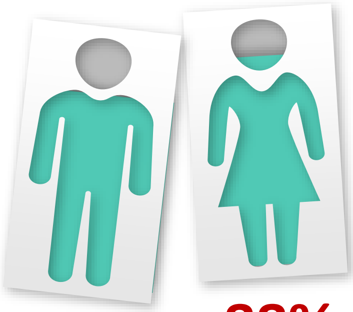
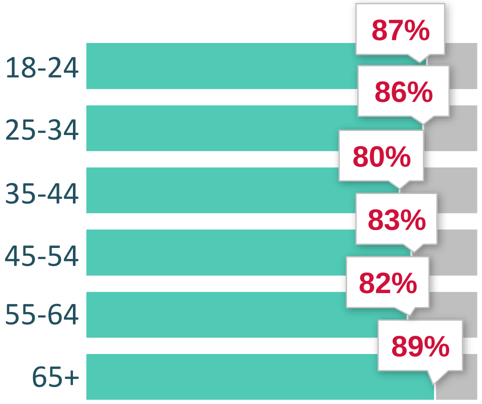
Who are worried that Brexit will have a negative impact on Ireland’s Economy



Gender



Age

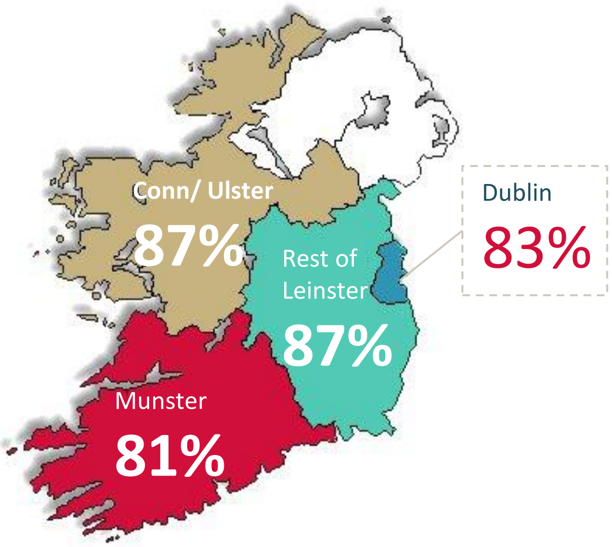


Social Class

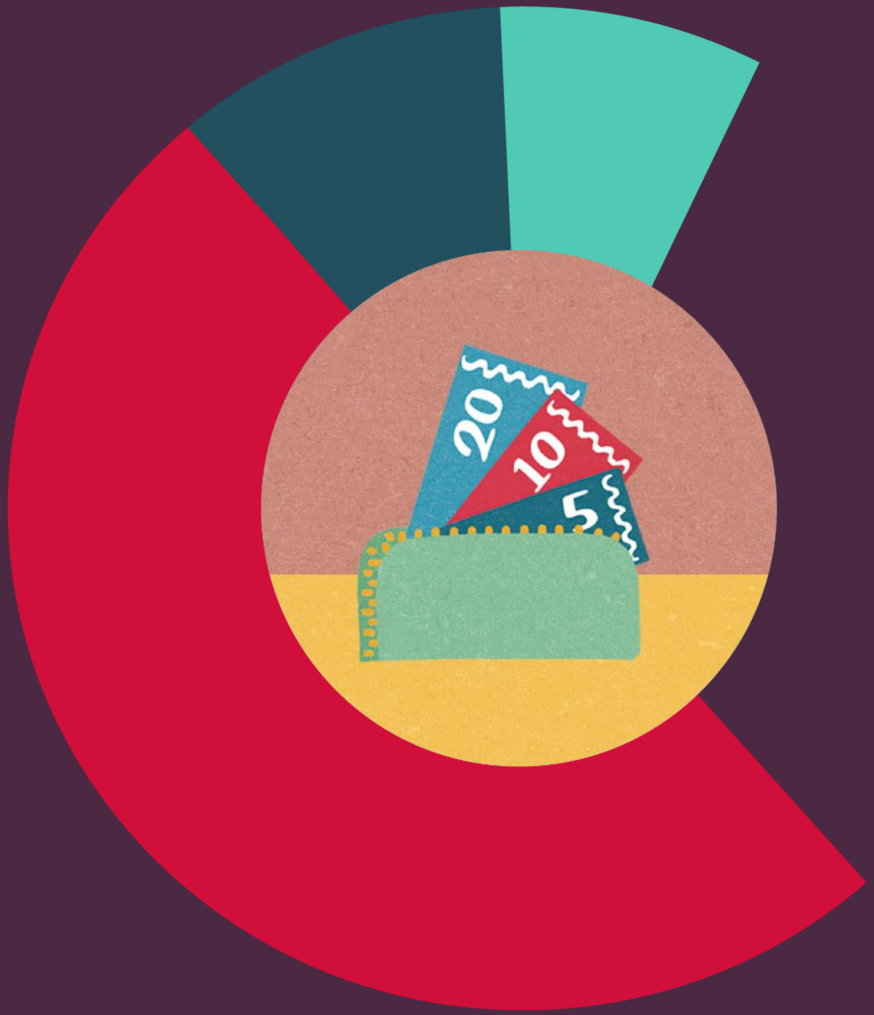
ABC1: 88%

C2DE: 81%

Region

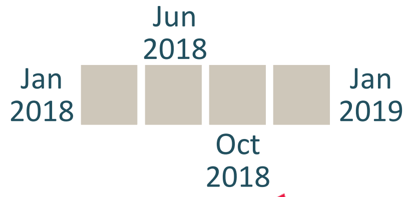


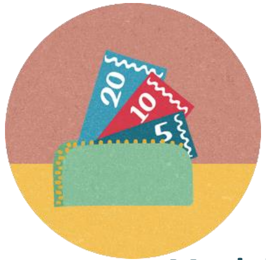
All key demographics are concerned about the impact of Brexit but we do see females and higher social classes being more concerned than the average.

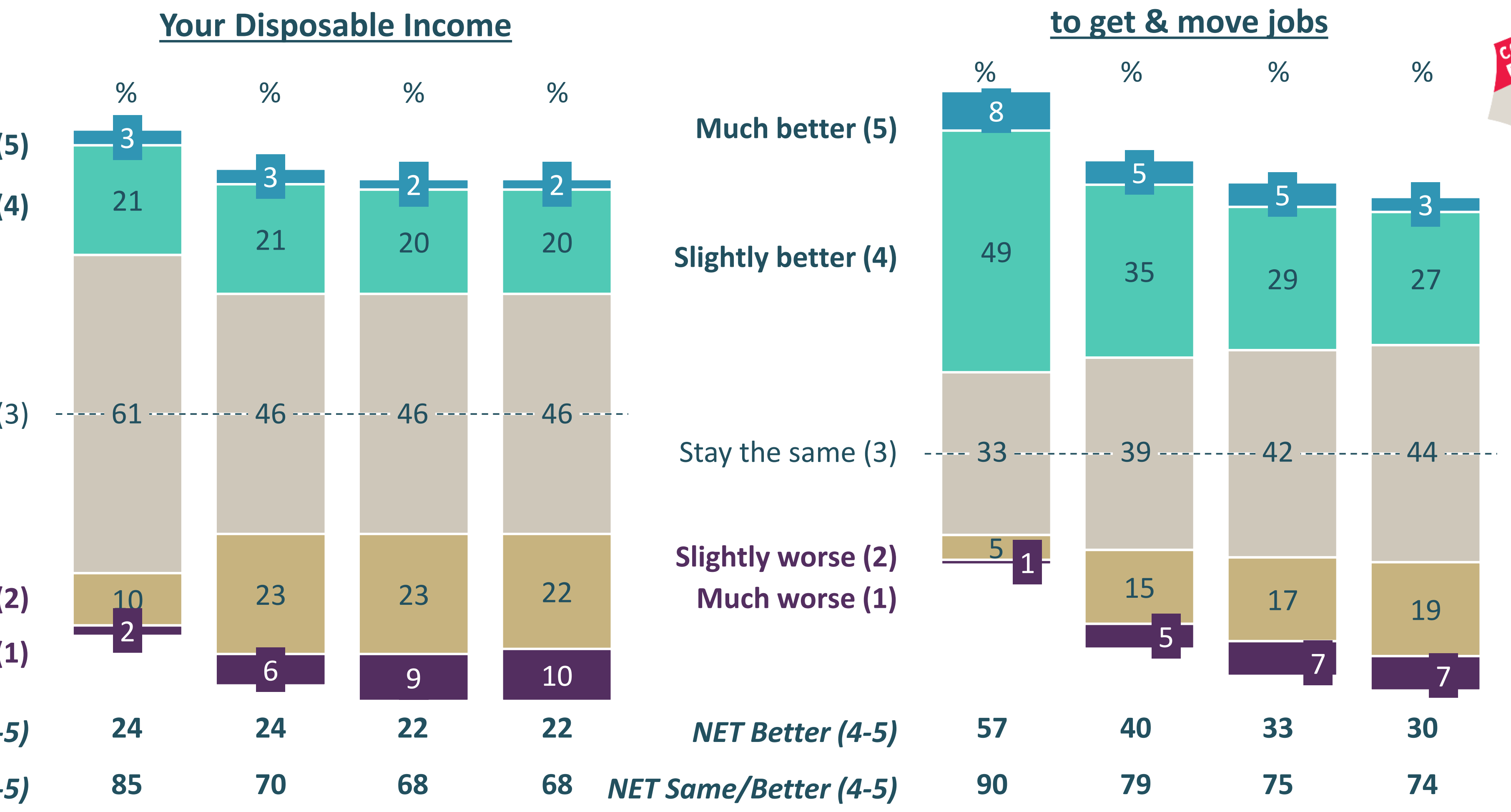


Most expect their disposable income to be unchanged or decrease over the next 6 months

Expectations for the next 6 months for…







Compared to October, we see no change in outlook for income and employment. 1 in 3 expect their disposable income to go down in the next 6 months, with just 1 in 5 expecting an increase.

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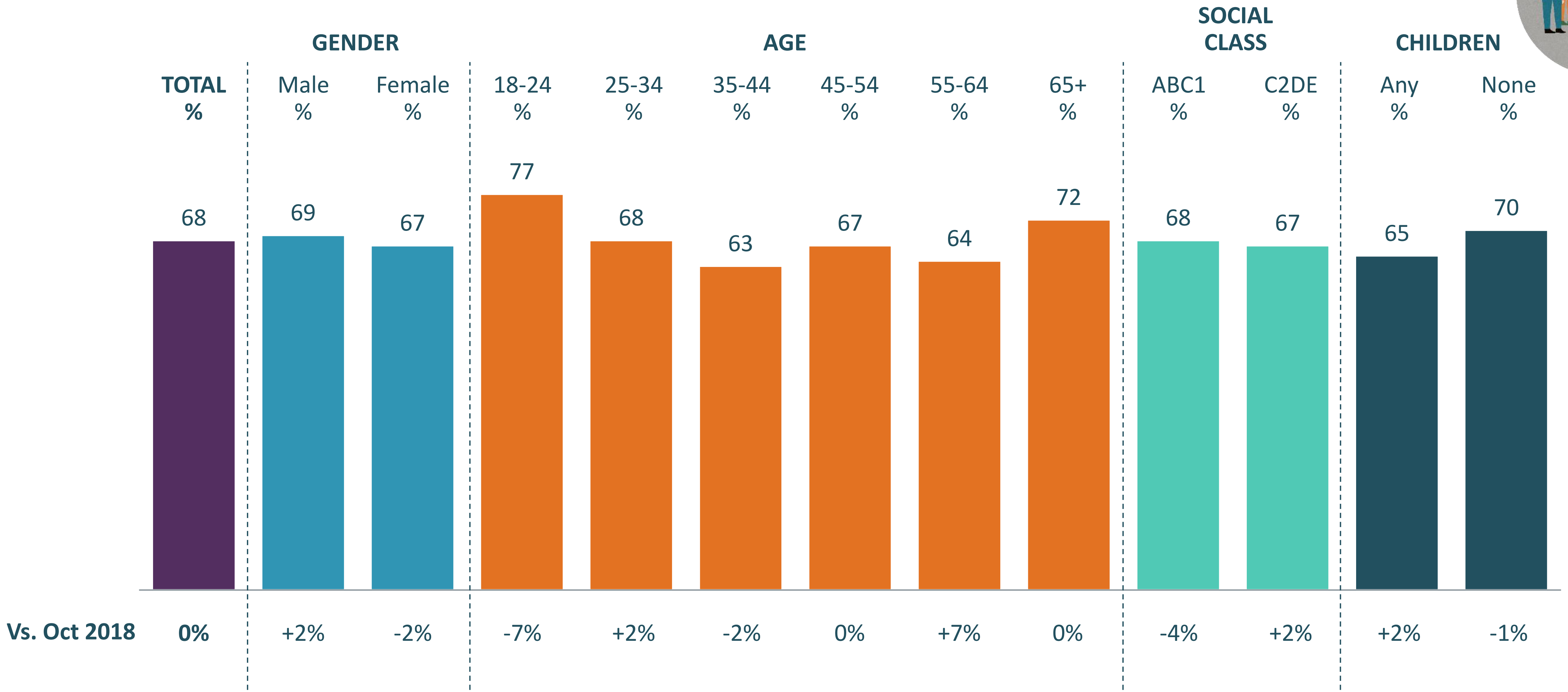
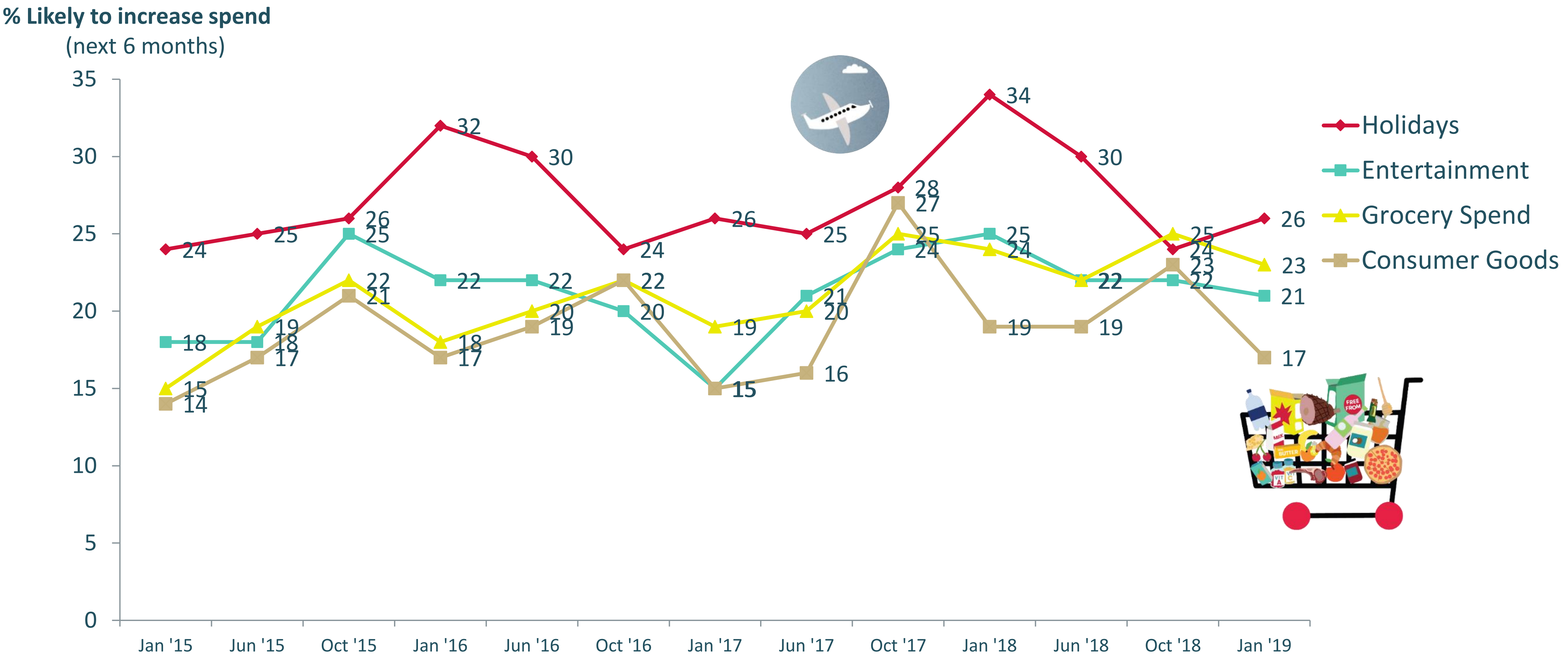
Expectations for disposable income in the next 6 months?
% Stating they believe it will be better or stay the same



Those with children are more likely to believe that their disposable income will go down in the next 6 months.

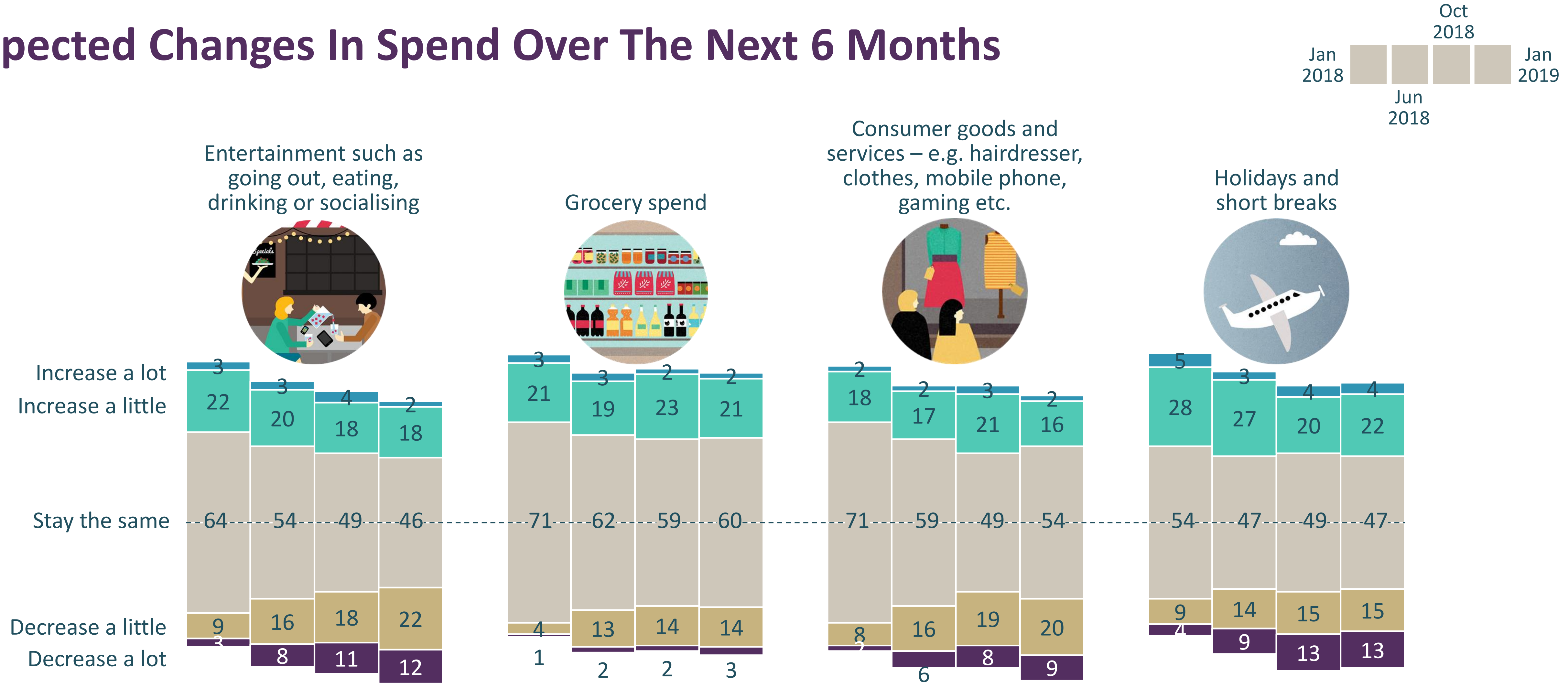
Apart from seasonal variations, we do not see any major changes to spend intentions

Expected Increase in Spend In The Next 6 Months



Spend intentions are down slightly for entertainment/socialising while unchanged for groceries. Compared to October, consumers expect to spend more on holidays and less on consumer goods – in line with seasonal variations.

Expected Changes In Spend Over The Next 6 Months



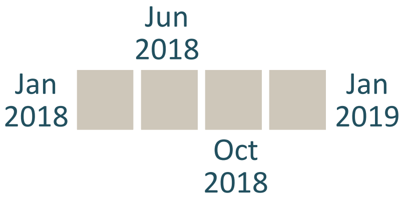
Spend intentions for entertainment/socialising follows a slightly negative trend – this spend area is most likely to be affected if consumers see a decline in disposable income.

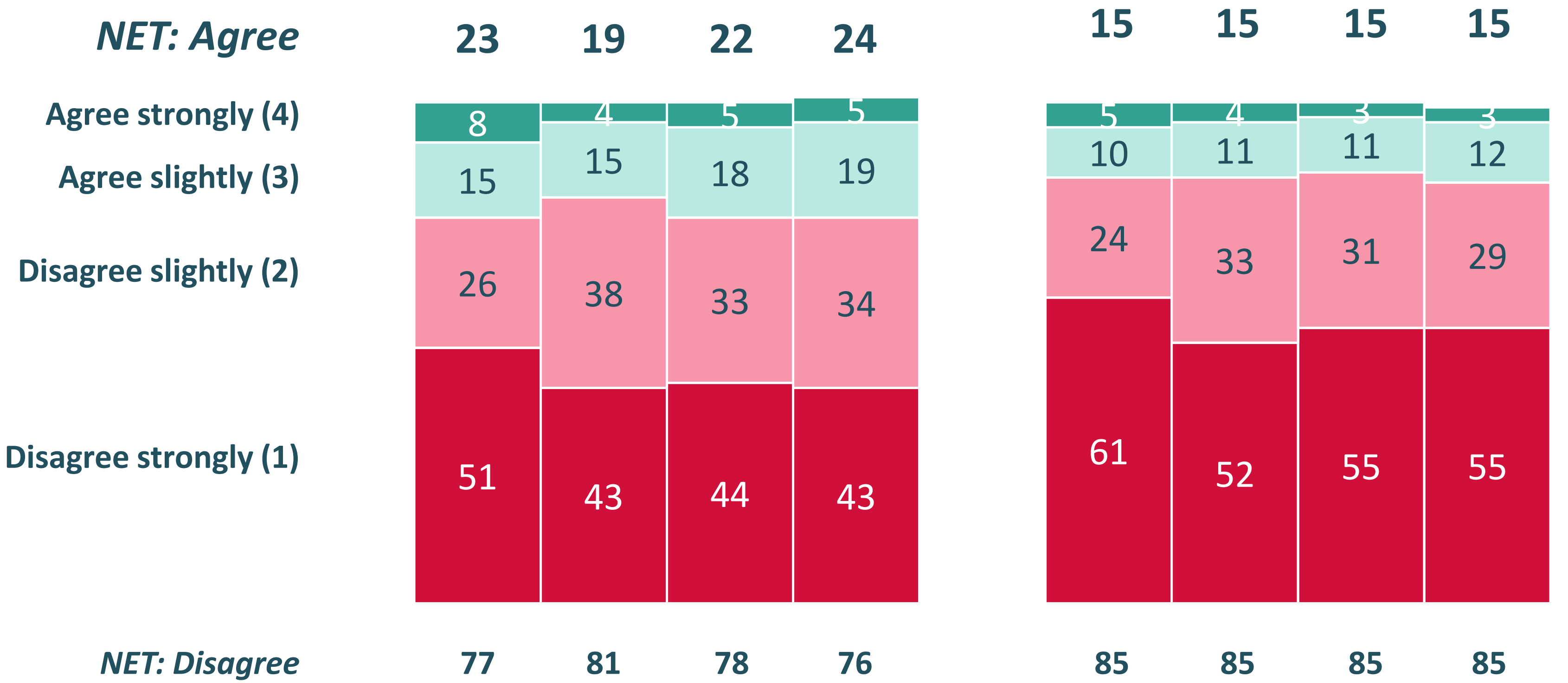
The younger age groups are more likely to increase spend in the next 6 months…




% Likely to increase spend in next 6 months	Entertainment	Grocery Spend	Consumer Goods/ Services	Holidays/ Shorter Breaks
Total	**21**	**23**	**17**	**26**
Gender				
Male	23	24	17	25
Female	19	22	18	26
Age				
18-24	**32**	20	**27**	**40**
25-34	**26**	**29**	20	**33**
35-44	24	**28**	**22**	27
45-54	20	22	15	20
55-64	8	16	11	14
65+	15	18	11	24
Social Class				
ABC1	22	23	18	30
C2DE	20	23	18	22
Region				
Dublin	24	25	19	29
Rest of Leinster	16	20	16	25
Munster	22	25	19	26
Connaught/Ulster	19	20	14	20

Brexit Impact on Republic of Ireland Spend





Almost 1 in 4 claim to have purchased more online from the UK since Brexit, with 15% having bought more across the border in Northern Ireland.

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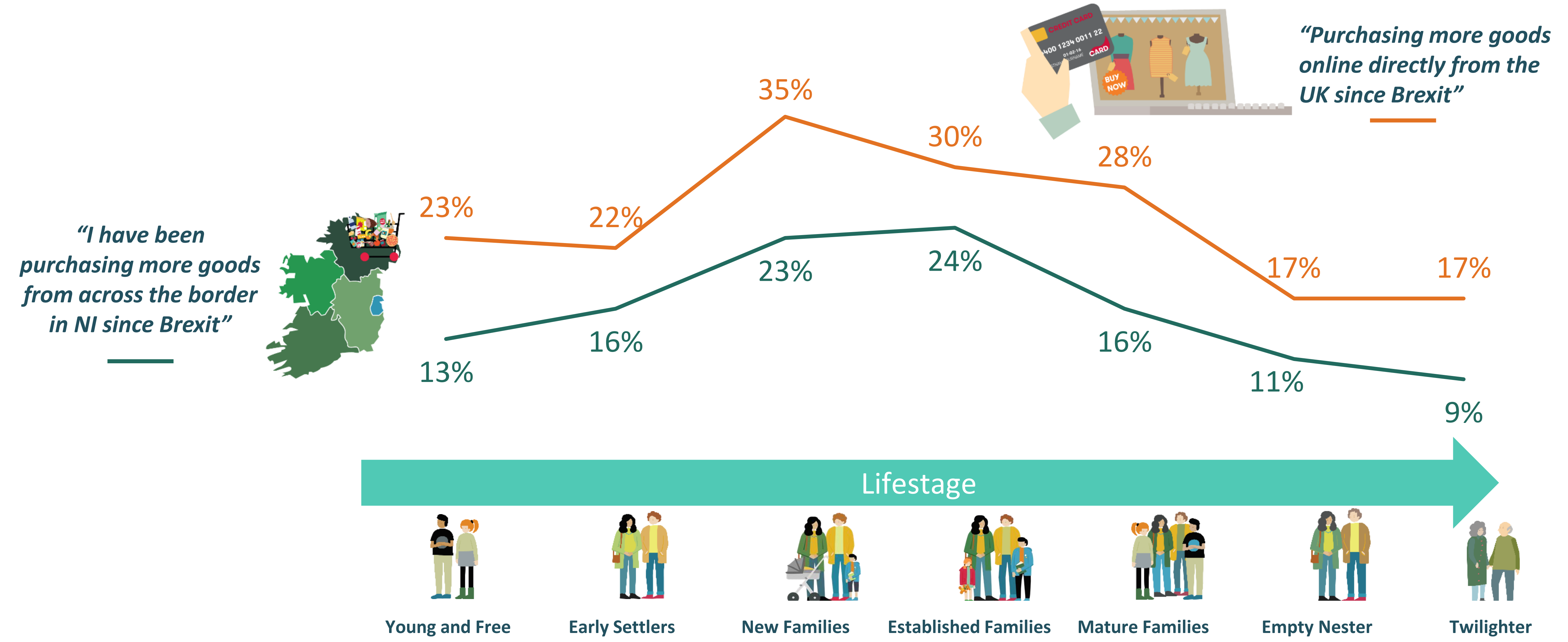
Brexit Impact on Republic of Ireland Spend by Life Stage



The family life stages are more likely to have shopped more online in the UK or across the border in Northern Ireland since Brexit.

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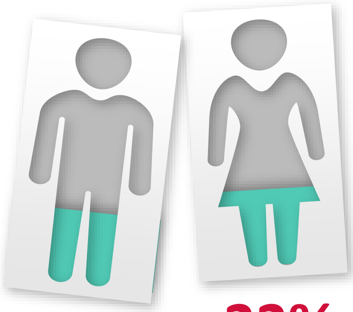
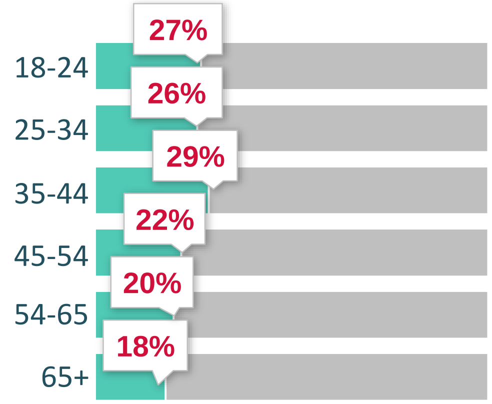
Who has been purchasing more goods online directly from the UK since Brexit?

Gender



26% 22%

Age

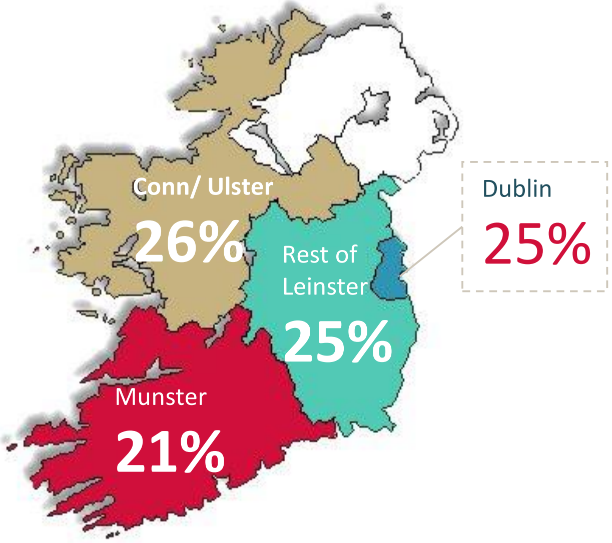


Social Class

ABC1: 21%

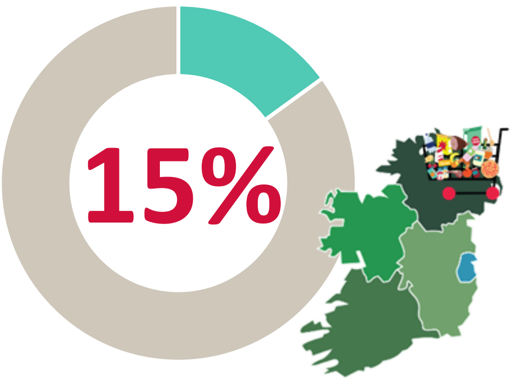
C2DE: 27%

Region

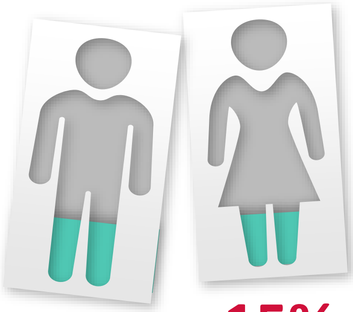


The 18-44 year olds are more likely to have purchased more online from the UK since Brexit.

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

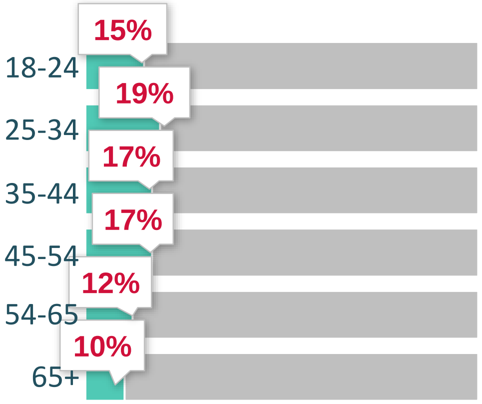


Gender



15% 15%

Age



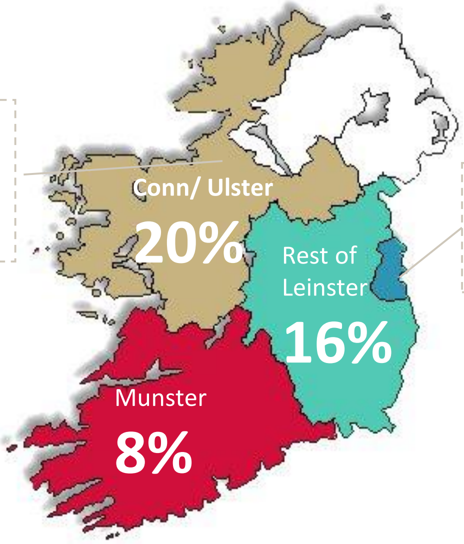
Social Class

ABC1: 13%

C2DE: 18%

Region

Those living in border counties
26%



Dublin
18%

More than 1 in 4 of those living in the border counties claim to have purchased more across the border in Northern Ireland since Brexit.

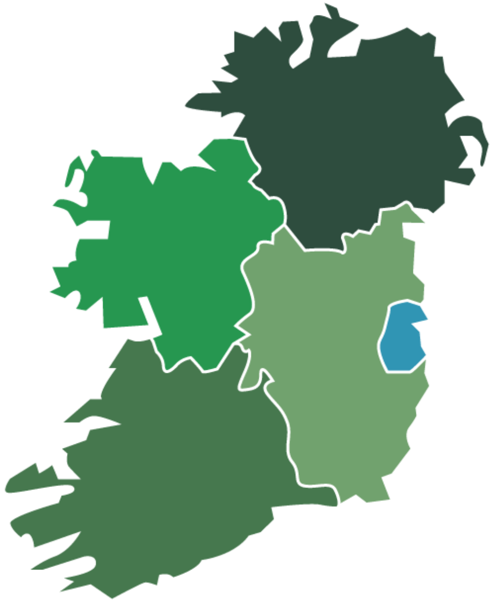
2 in 3 would like to see a United Ireland as a result of Brexit

A United Ireland as result of the Brexit

Oct 2018
Jun 2018
Jan 2019

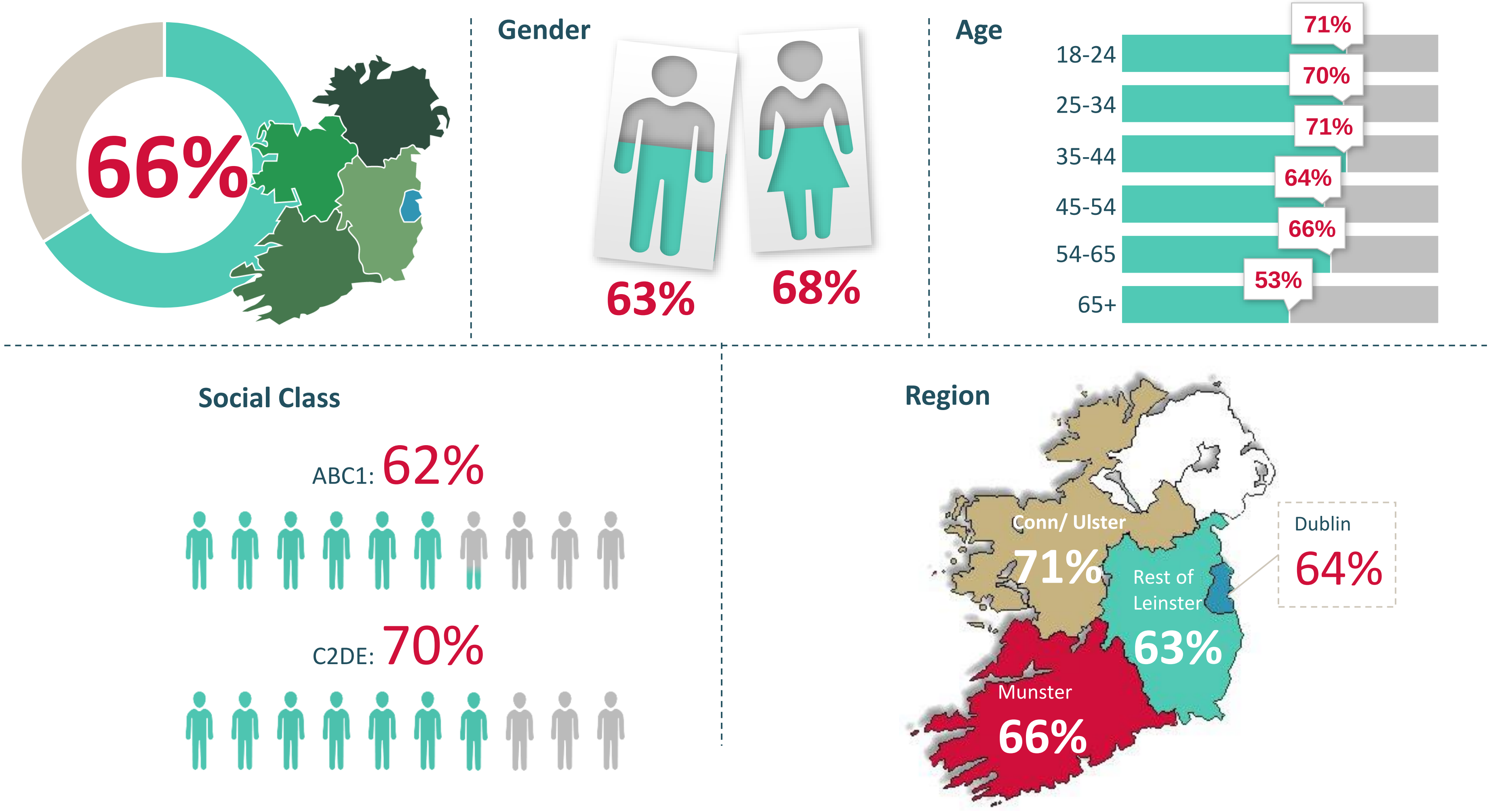
"I would like to see a United Ireland as result of Brexit"

	%	%	%
NET: Agree	**66**	**66**	**66**
Agree strongly (4)	27	29	29
Agree slightly (3)	39	37	37
Disagree slightly (2)	20	19	16
Disagree strongly (1)	14	15	18
NET: Disagree	**34**	**34**	**34**



2 in 3 would like to see a United Ireland as a result of Brexit – this is unchanged from October.

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



The 18-44 year olds, lower social classes and those living in Connaught/Ulster are more likely to want a United Ireland as a result of Brexit.

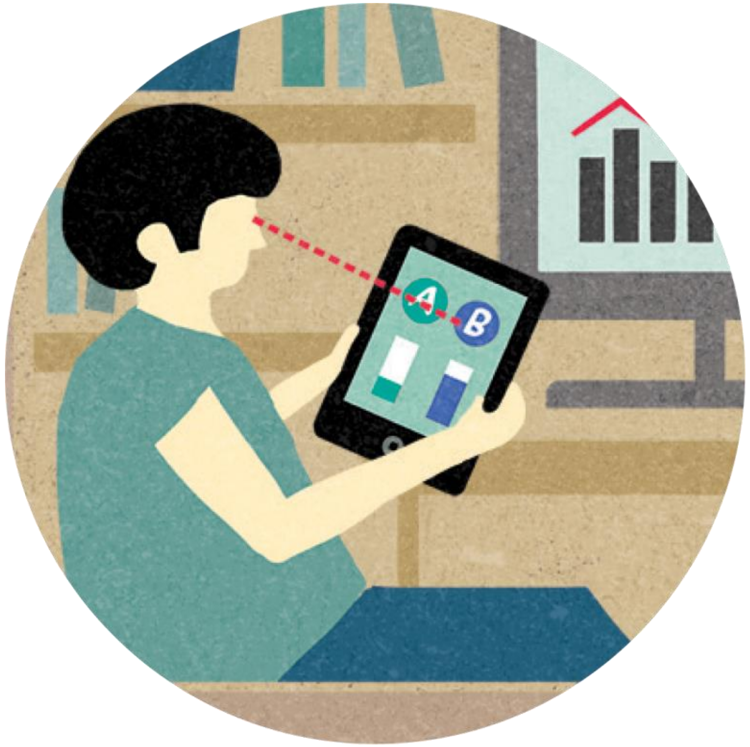
Methodology

/ 1,021 online interviews were conducted using RED C's online panel, RED C Live – same methodology was used for the October and June 2018 waves.

/ Waves from and before January 2018 were conducted using a telephone (CATI) methodology.

/ Quotas were set and data weighted to ensure a nationally representative sample of the population aged 18+ years.

/ The is the 34th Wave of the RED C Consumer Mood Monitor and fieldwork was conducted from the 9th-15th January 2019.



THANK YOU

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