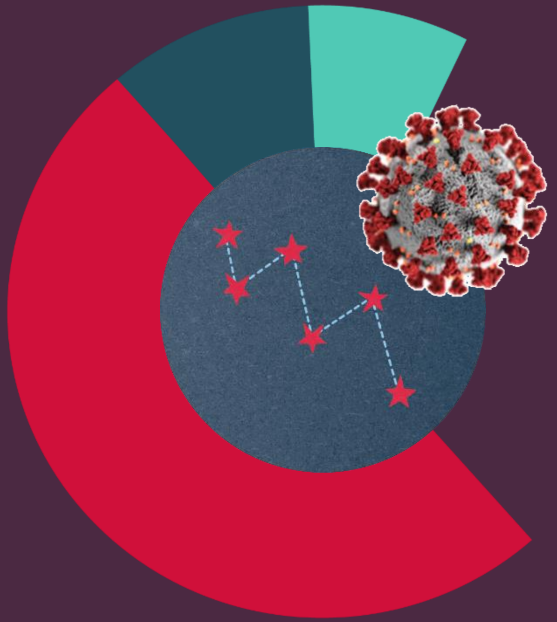
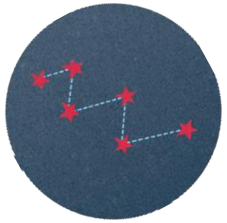


Consumer Mood Monitor

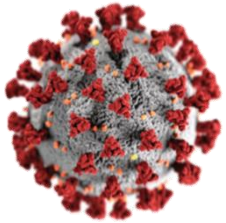
Consumer confidence plummets following COVID-19

June 2020

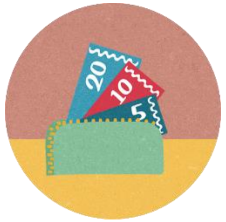
Consumer confidence plummets to recession levels following COVID-19



Consumer outlook for both the Irish and World economy plummets to recession levels following the pandemic crisis.



While Irish consumers remain concerned about Brexit, it is COVID-19 that drives the negative consumer sentiment.



COVID-19 is also expected to have a significant impact on personal finances with both employment outlook and income expectations down significantly.

Consumers are likely to decrease spend on holidays, entertainment/ socialising and consumer goods while grocery spend remains stable.

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Consumer Mood – Headline Facts

Consumer outlook for the Irish economy plummets to recession levels following the pandemic crisis.

Just **18%** believe the Irish economy will fare the same or better in the next 6 months – down from 59% in January.

Outlook for the World economy is also down significantly following COVID-19.

Just **14%** believe the World economy will fare the same or better in the next 6 months – down from 44% in January.

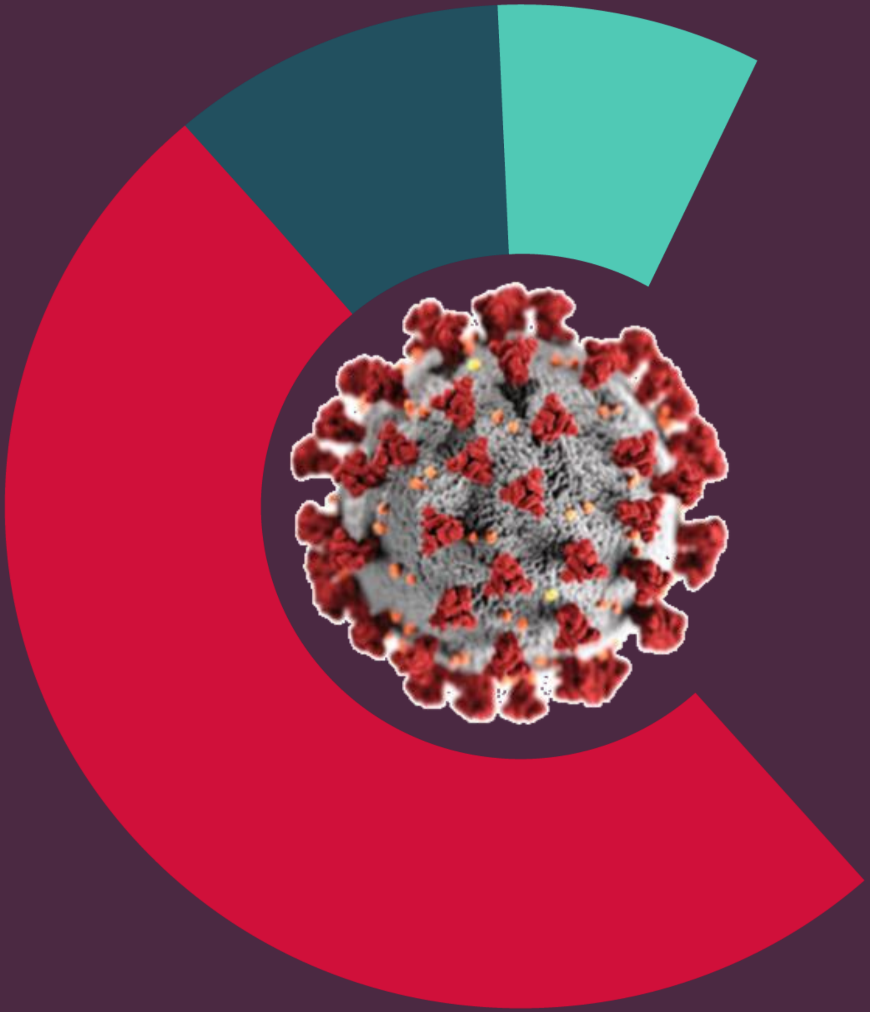
While COVID-19 dominates the headlines and drives the negative sentiment, Brexit remains a concern.

83% are concerned about the impact of Brexit on the Irish economy

The pandemic crisis is having a significant impact on personal finances with both employment outlook and income expectations down significantly.

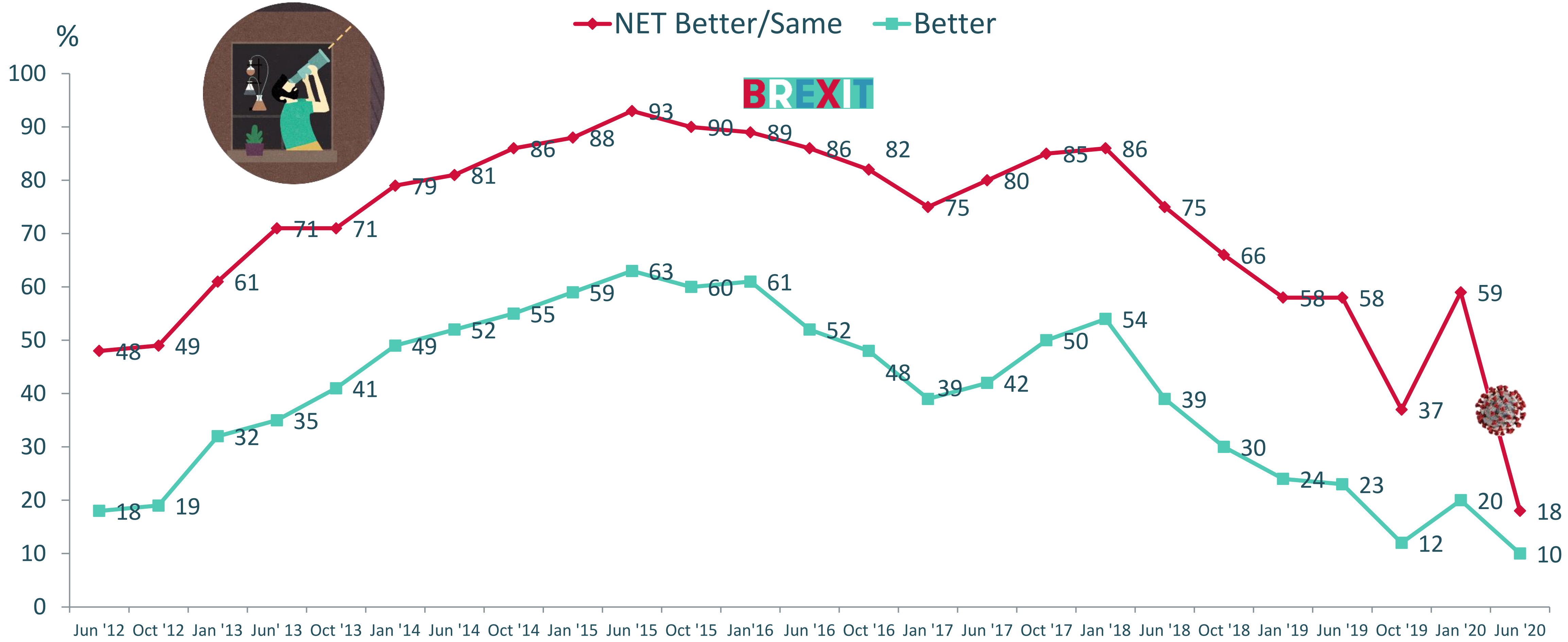
Just **22%** expect the job market to fare the same or better in the next 6 months – down from 70%!

Consumers are likely to reduce spend significantly across several categories – holidays, entertainment/socialising and consumer goods. More than **3 in 5** consumers expect to reduce their spend on holidays and entertainment in the next 6 months. Grocery spend is not affected.



Consumer confidence plummets to recession levels following COVID-19

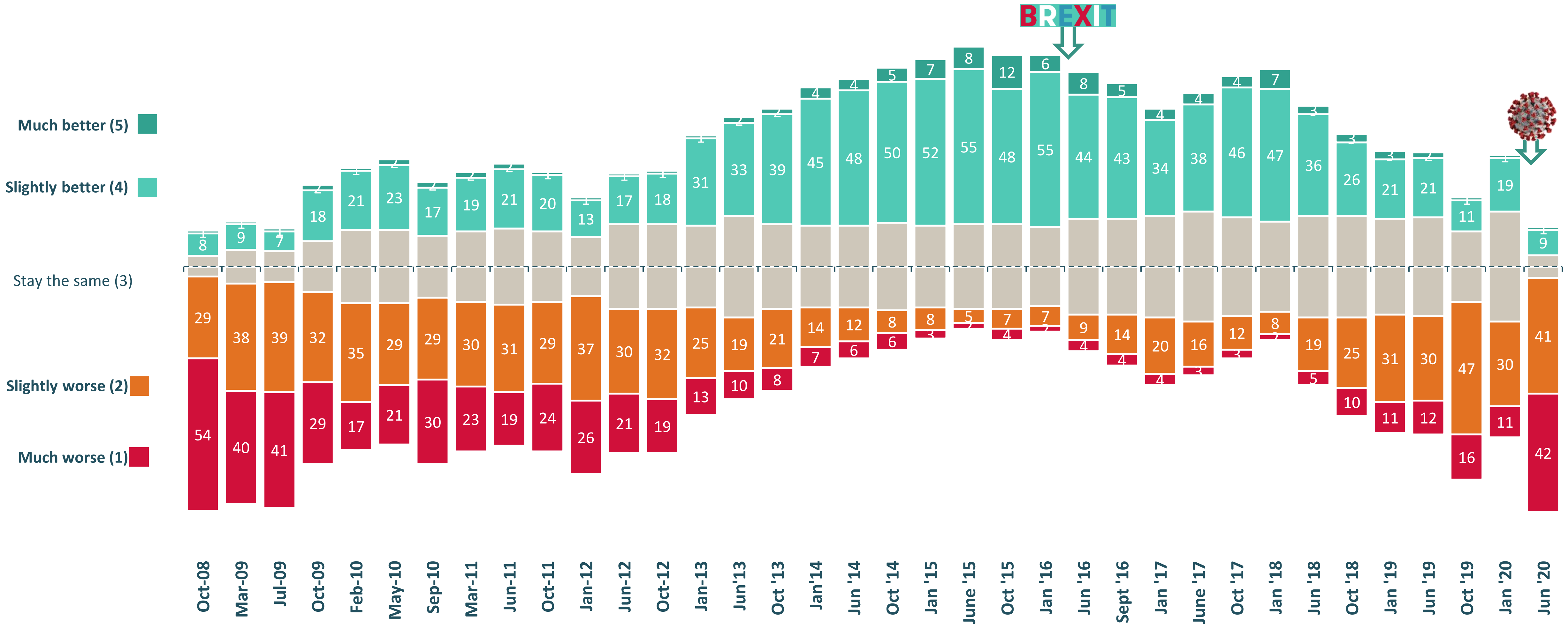
How do you expect the ***Irish economy*** to fare in the next 6 months?



Consumer confidence plummets to recession levels following the COVID-19 crisis. Just 1 in 10 expect the Irish economy to improve in the next 6 months while more than 4 in 5 expect the economy to fare worse in the next 6 months.

Consumer Mood - June 2020

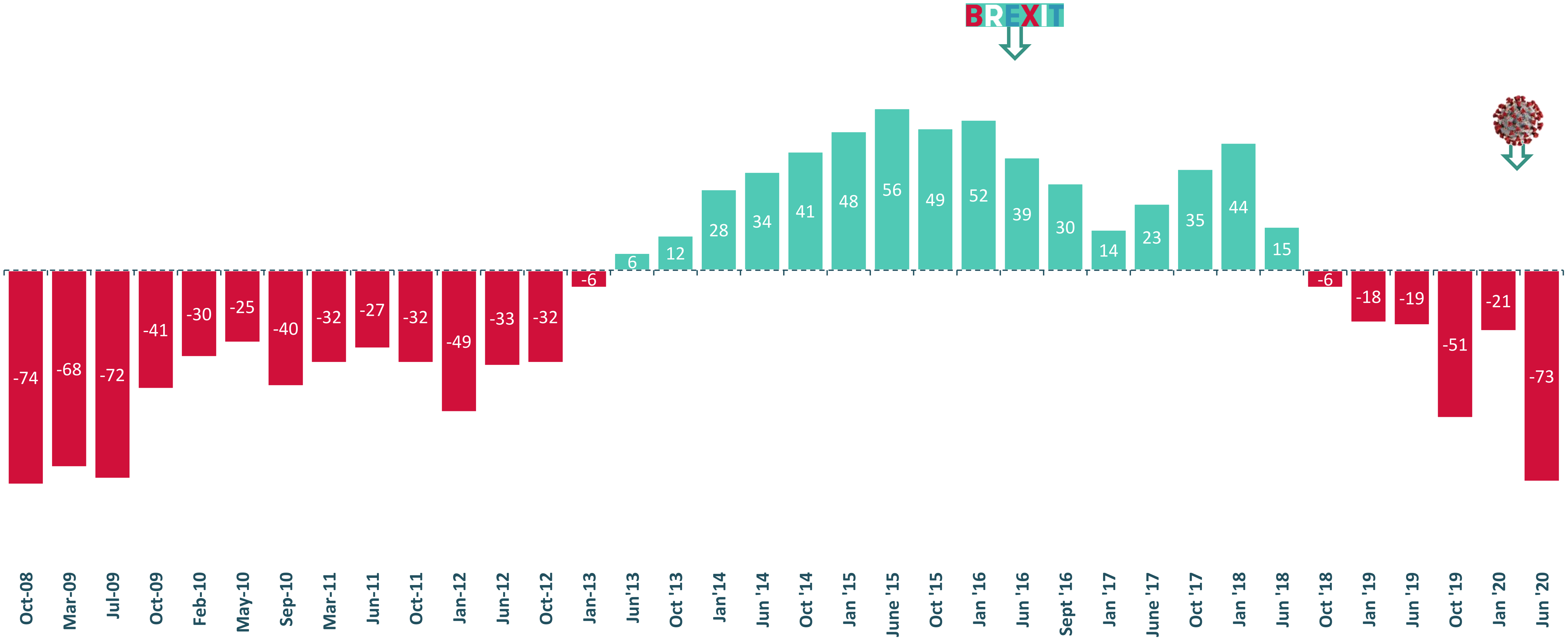
Great majority of public believe the economy will worsen in next 6 months



Q. How do you expect the Irish economy to fare in the next 6 months?
Base: All adults aged 18+

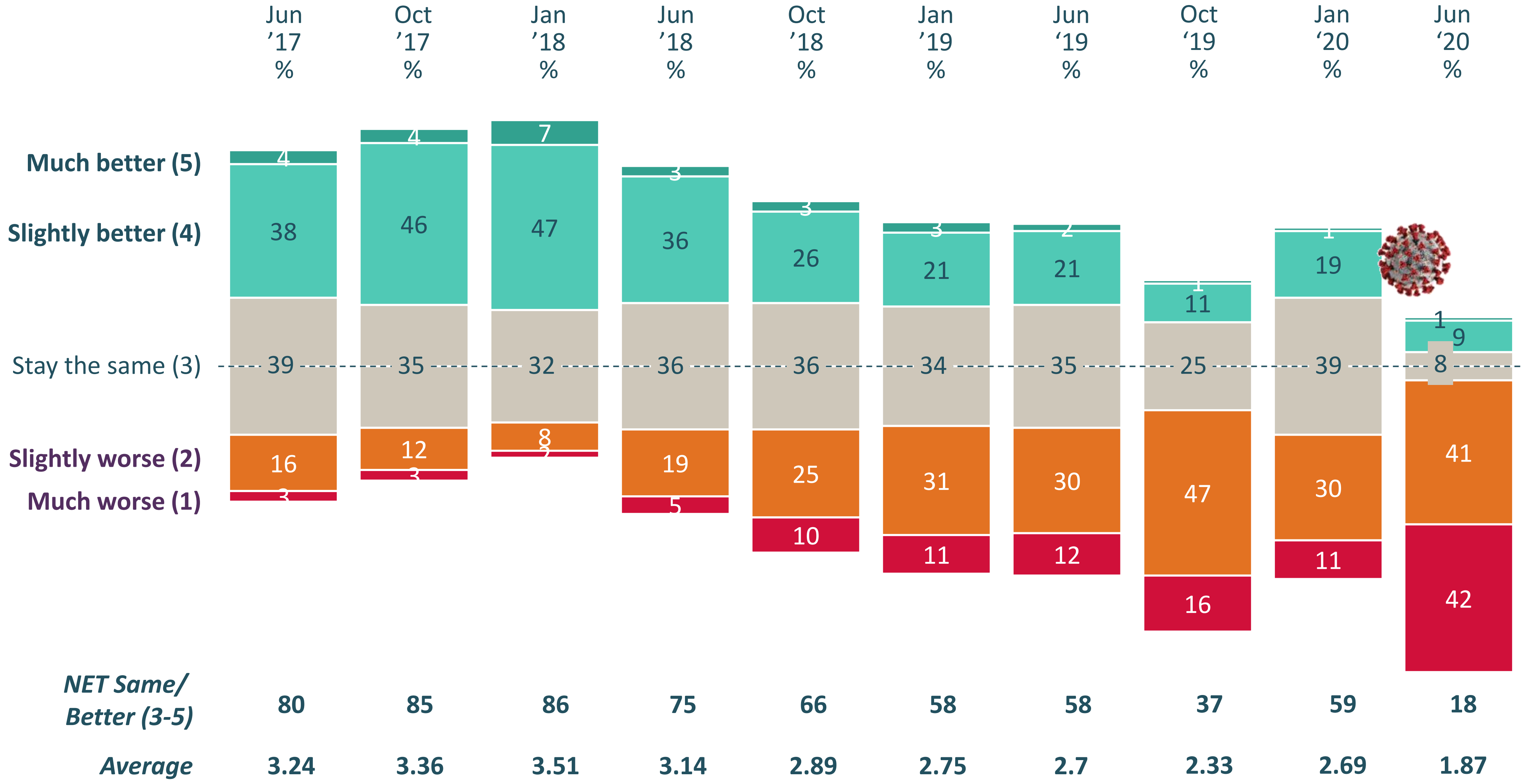
Public expectations for Irish Economy most pessimistic since 2009

NET Expectations = % Better minus % Worse in next 6 months



Q. How do you expect the Irish economy to fare in the next 6 months?
Base: All adults aged 18+

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

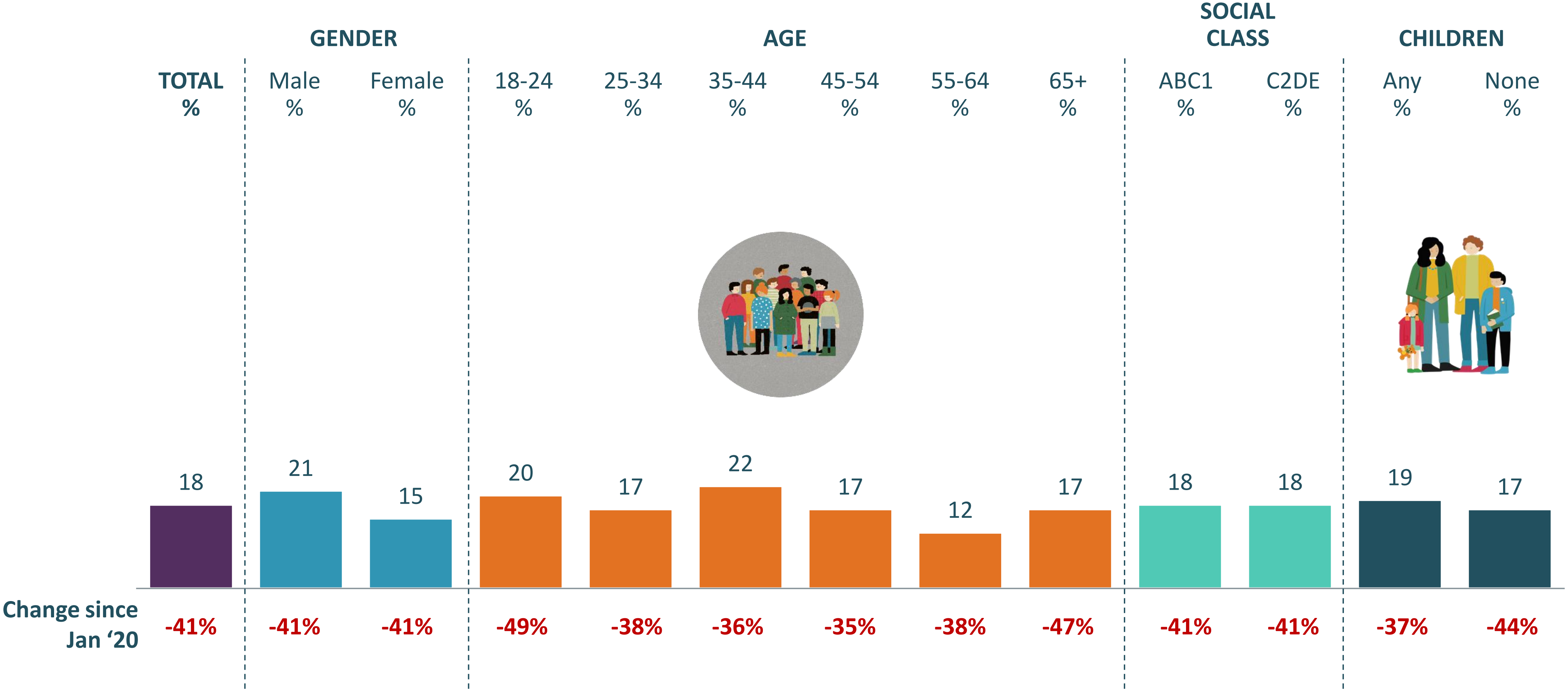


✓ 1 in 10 expect the economy to improve in the next 6 months.

✕ Over 4 in 5 expect the economy to fare worse in the next 6 months.

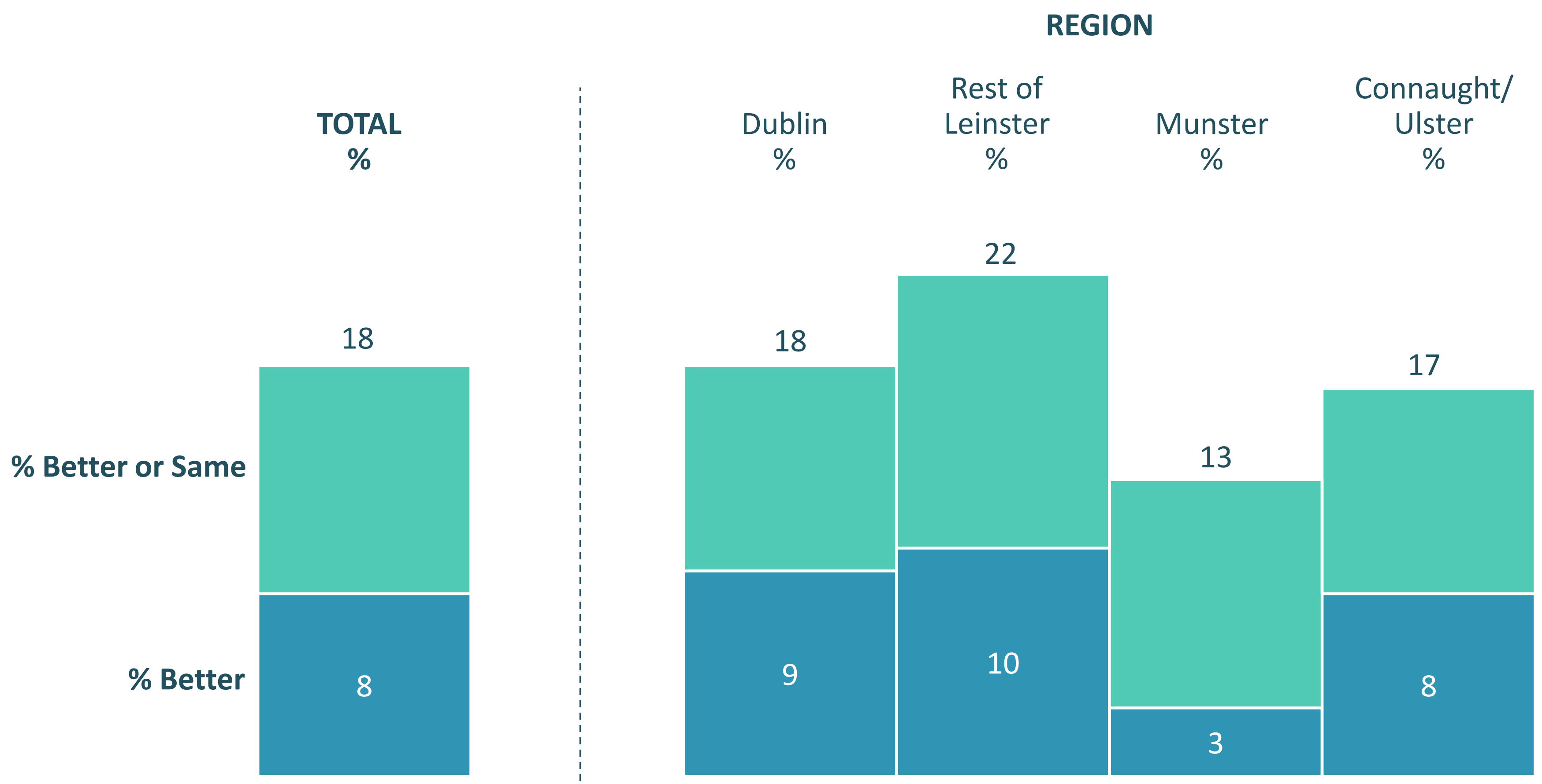
Expectations for the Irish economy 6 months from now

% Stating they believe it will be better/the same



Consumer outlook is down dramatically across all demographic groups. Men and the younger age groups are slightly more positive than the rest of the population.

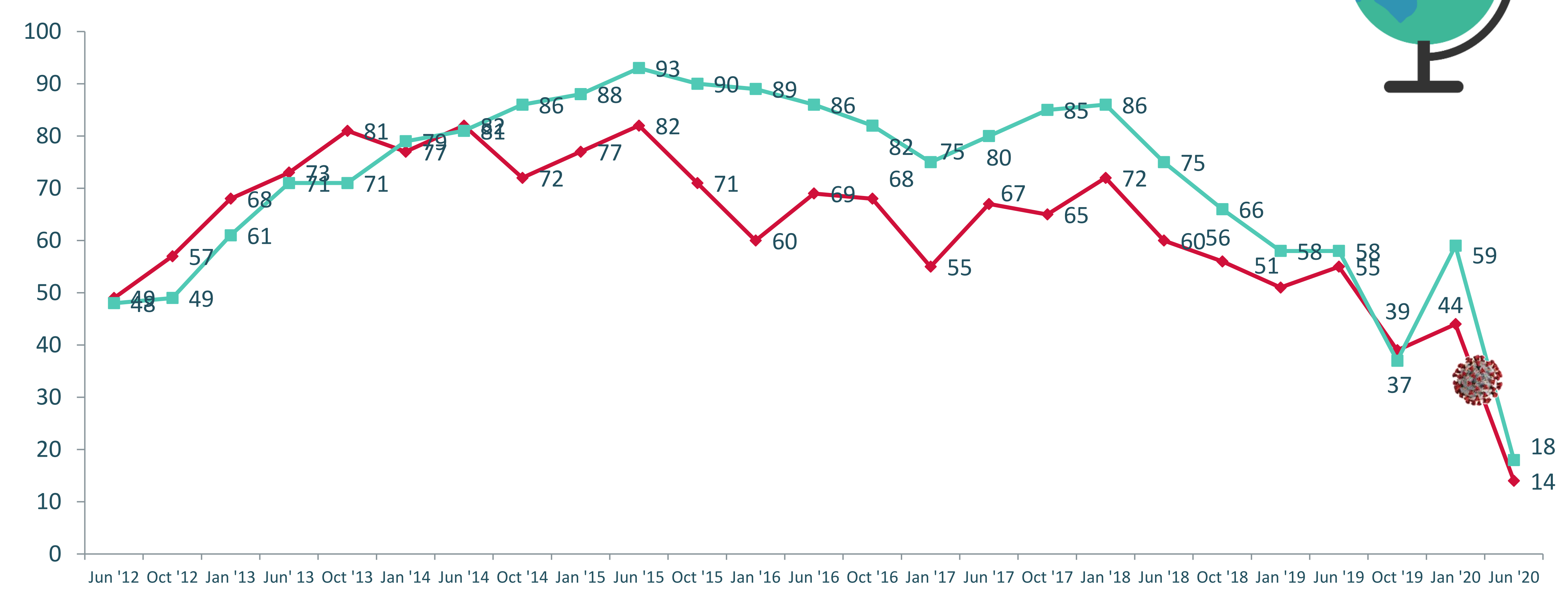
Expectations for the Irish economy across the country…



Change % since Jan ‘20	TOTAL	Dublin	Rest of Leinster	Munster	Connaught/ Ulster
Better or Same	-41%	-44%	-34%	-48%	-39%
Better	-10%	-17%	-6%	-10%	-4%

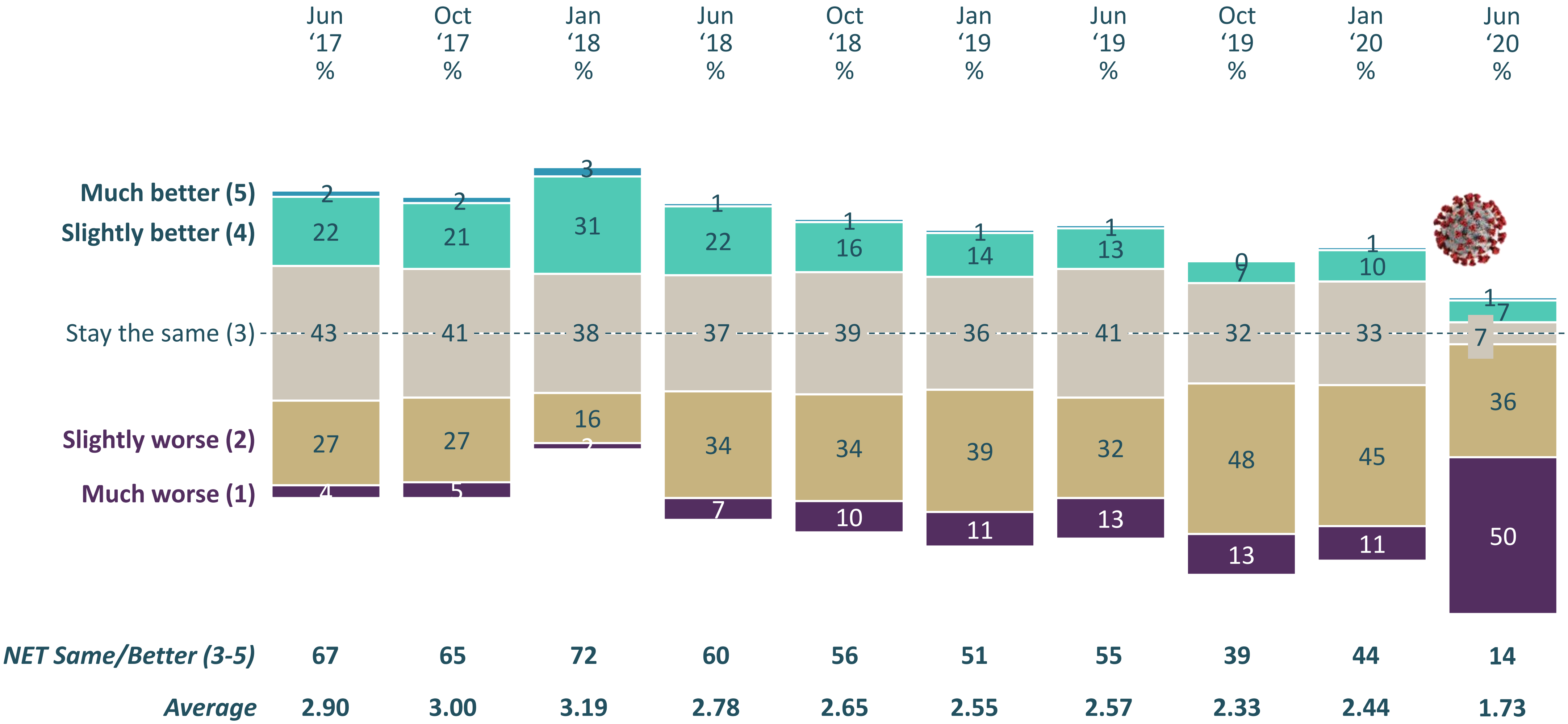
Those living in Muster are the most pessimistic in relation to the Irish economy. But consumer confidence is down dramatically across all regions.

Expectations for the World Economy



Consumer outlook is also down dramatically for the World economy, underlining the global impact of COVID-19.

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

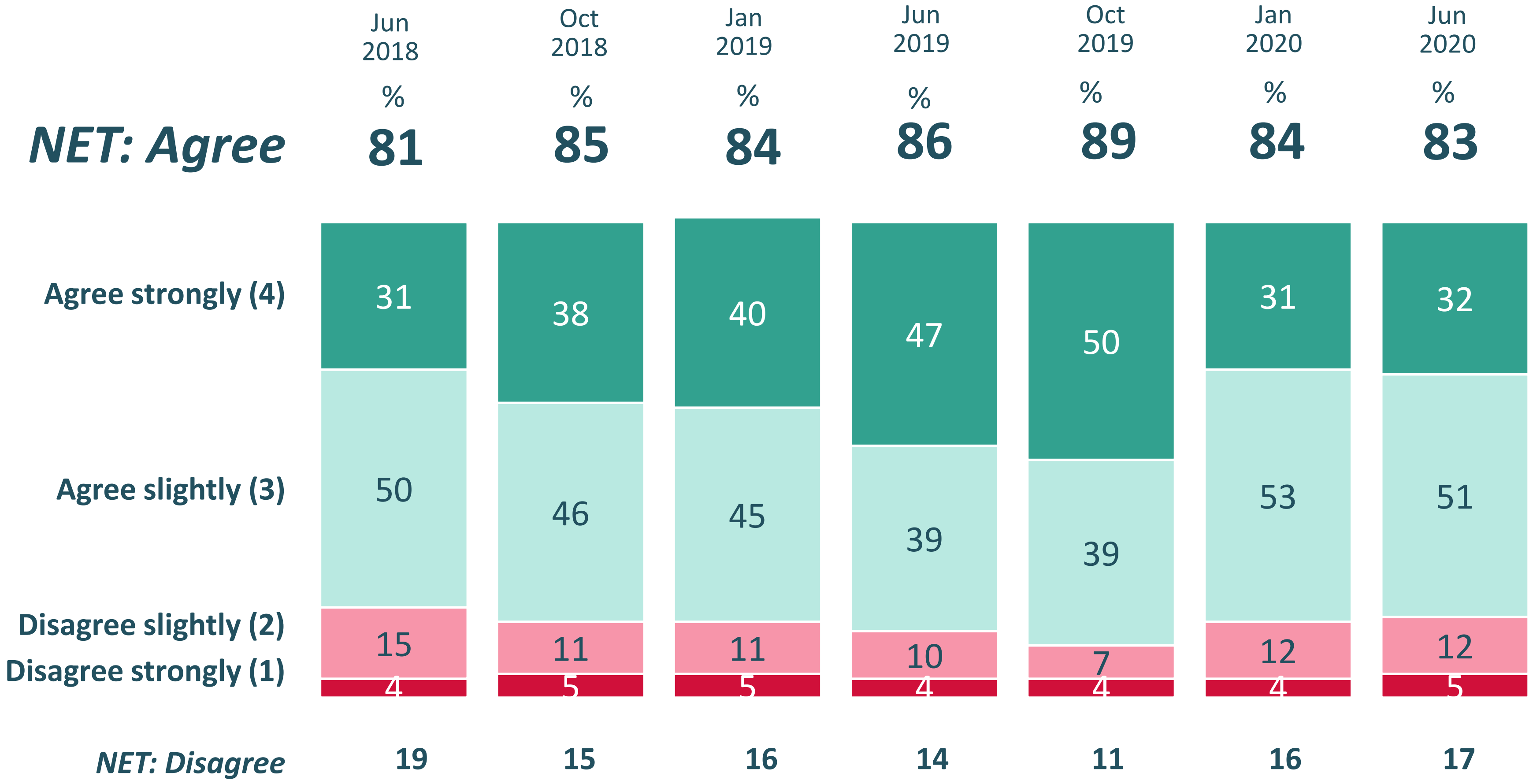


✓ Fewer than 1 in 10 expect the World economy to fare better in the next 6 months.

✕ Almost 9 in 10 believe that the World economy will fare worse in the next 6 months.

Impact of Brexit on Ireland's Economy

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



In spite of higher uncertainty about a Brexit deal now than in January, we see no change in concerns about the impact of Brexit on the Irish economy. It is clear that it is COVID-19 and not Brexit that has caused the dramatic decline in consumer confidence.

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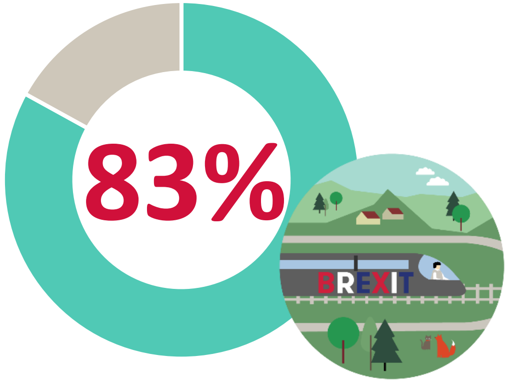
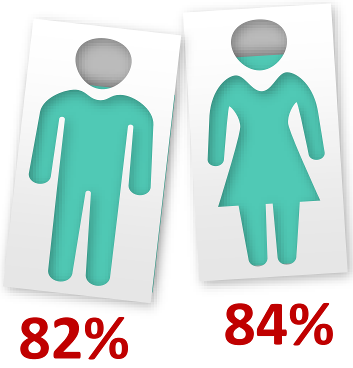
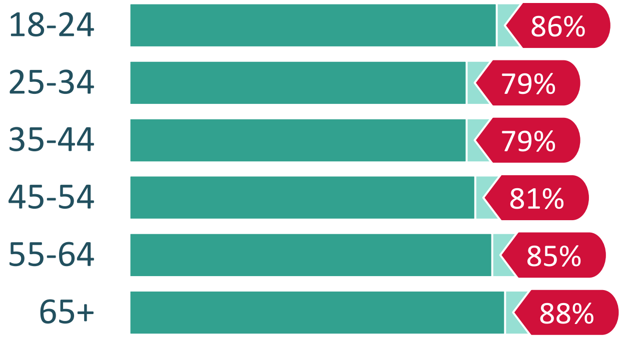
Who is worried that Brexit will have a negative impact on Ireland’s Economy?



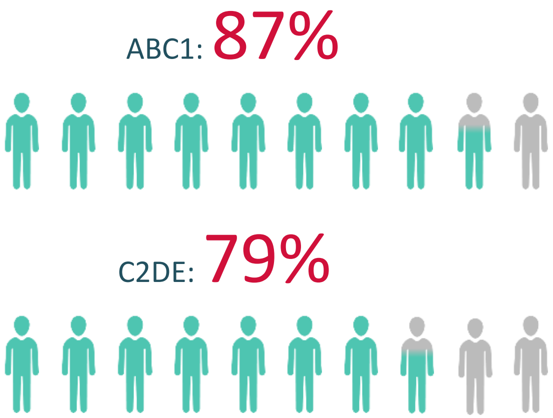
Gender



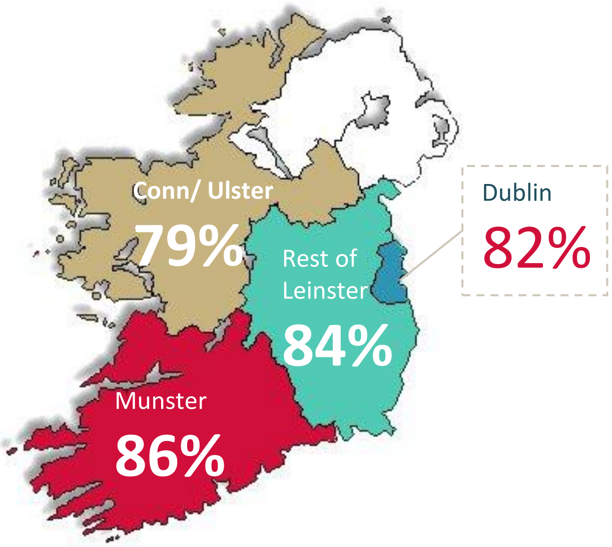
Age



Social Class



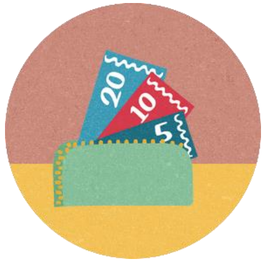
Region

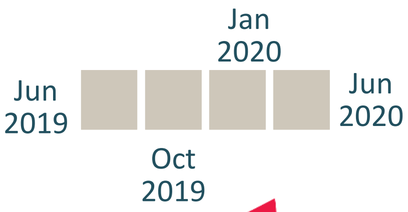


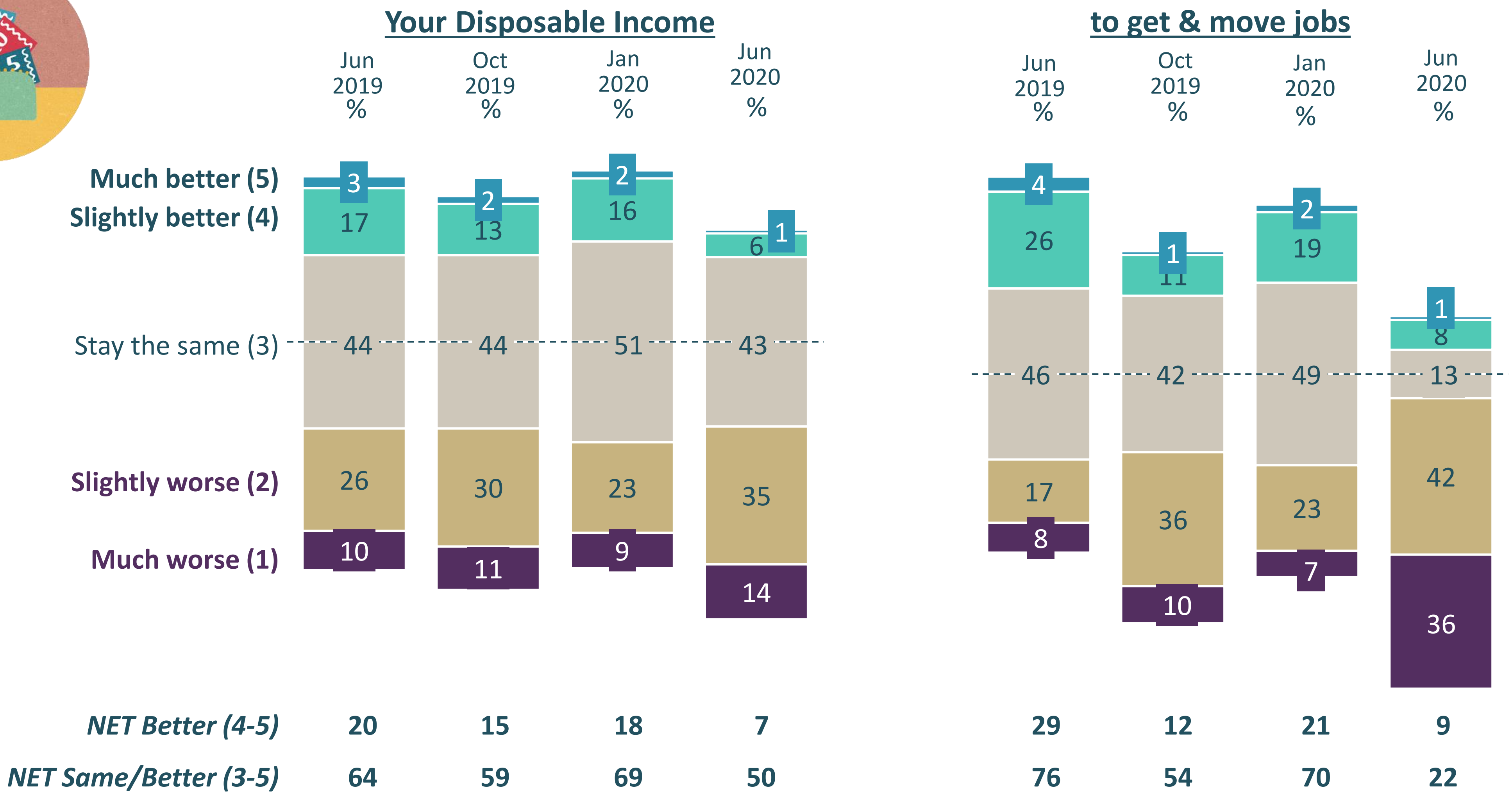
Higher social classes are more concerned about Brexit’s impact on the Irish economy than lower social classes.
We see slightly lesser concerns among those aged 25-44 years.

Significant decline in employment and income outlook

Expectations for the next 6 months for…







The dramatic decline in consumer confidence also affects our employment outlook. Less than 1 in 10 feel that the job market will improve in the next 6 months while almost 4 in 5 feel it will fare worse. Half expect a worsening of their disposable income in the next 6 months.

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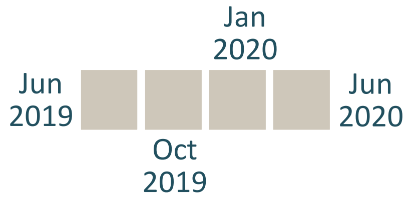
Expectations for employment in the next 6 months
% Stating they believe it will be better or stay the same

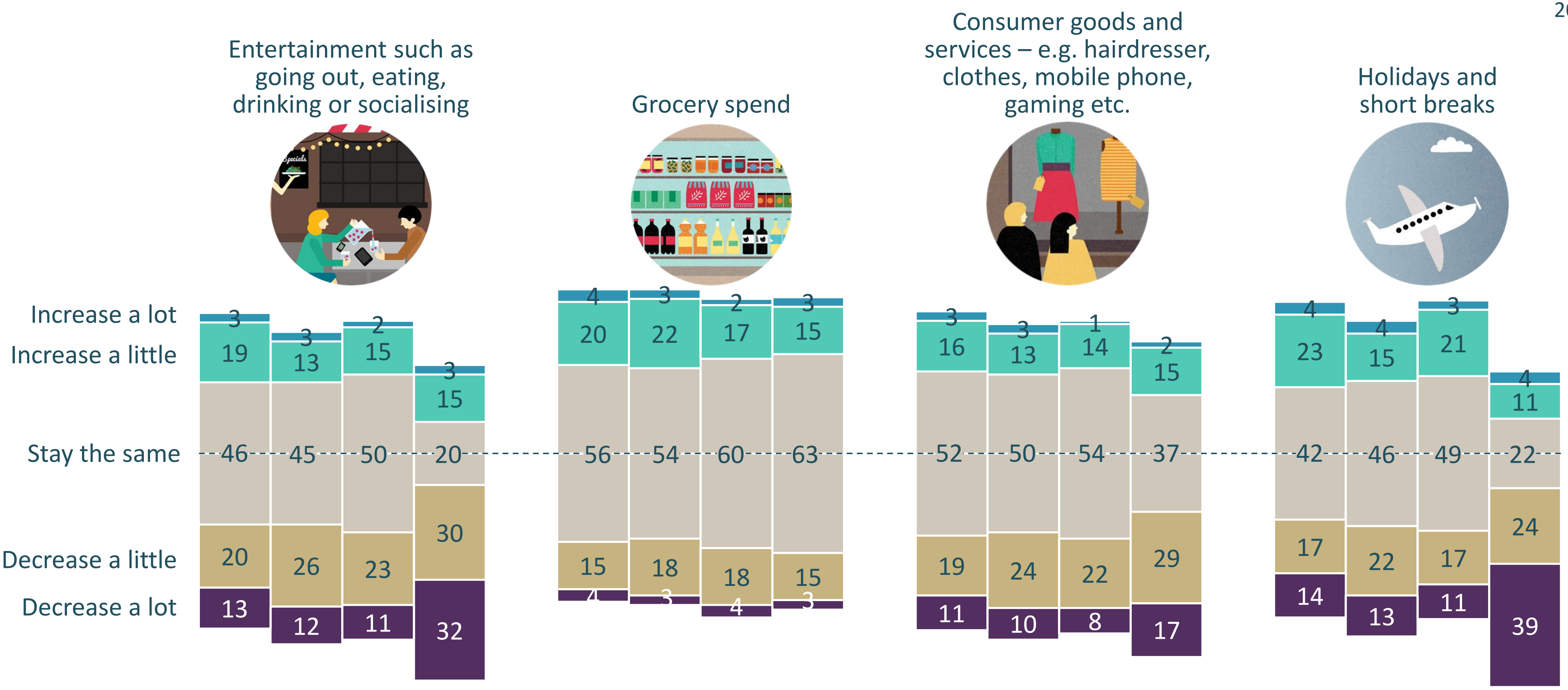
		GENDER		AGE						SOCIAL CLASS		CHILDREN	
	TOTAL %	Male %	Female %	18-24 %	25-34 %	35-44 %	45-54 %	55-64 %	65+ %	ABC1 %	C2DE %	Any %	None %
	22	23	20	23	21	25	20	20	19	21	22	24	20
Vs. Jan 2020	**-48%**	**-48%**	**-49%**	**-53%**	**-48%**	**-33%**	**+52%**	**-44%**	**-58%**	**-52%**	**-47%**	**-43%**	**-52%**

We see a significant decline in employment outlook across all demographic groups.

Holiday spend is most likely to be affected by COVID-19 followed by spend on socialising and consumer goods

Expected Changes In Spend Over The Next 6 Months





Only grocery spend is unaffected by the COVID-19 crisis with spend intention down significantly for holidays, entertainment/socialising and consumer goods.

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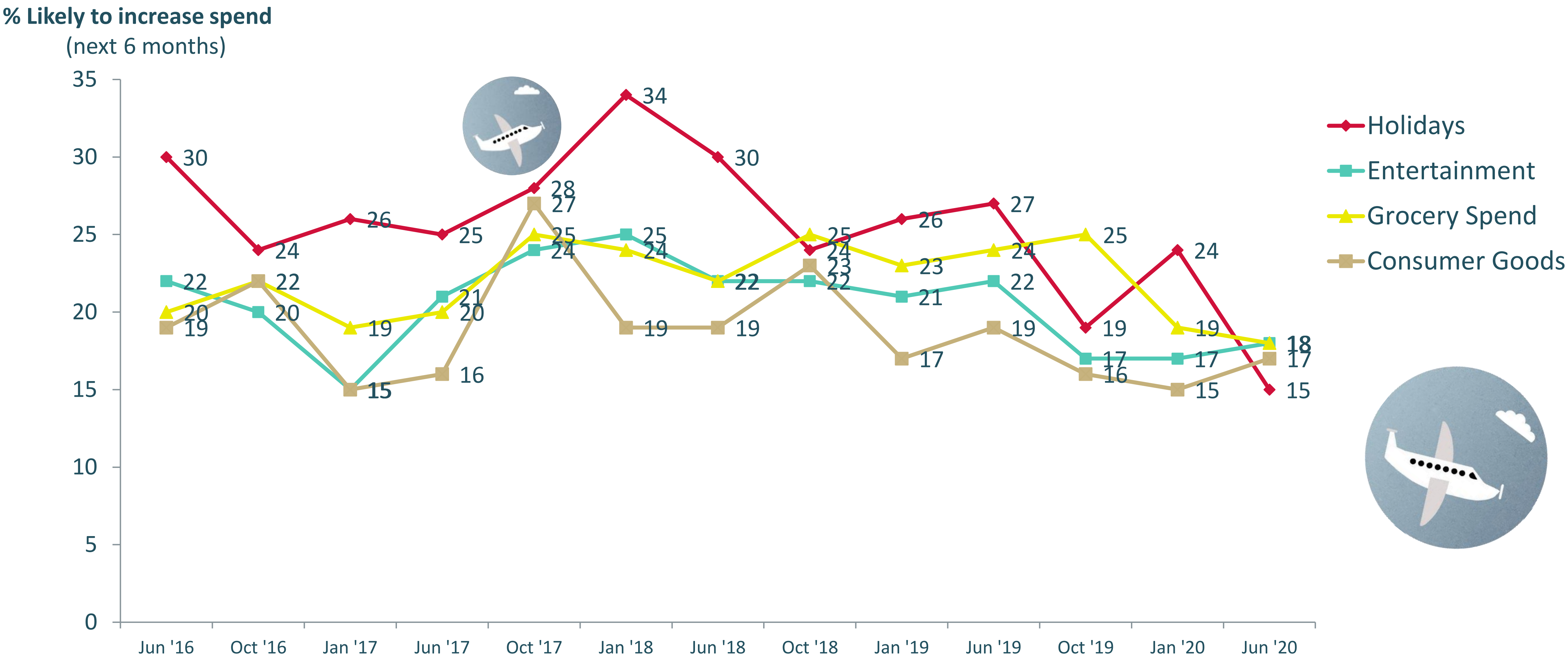
Expected Increase in Spend In The Next 6 Months



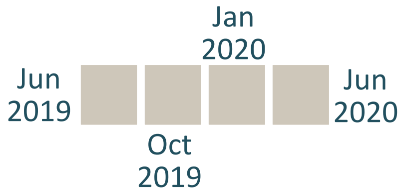
Spend intention for holidays sees a significant decline – with just 1 in 7 expecting to increase spend on holidays in the next 6 months. This is driven by the lower consumer confidence but also fears of travelling during the pandemic.

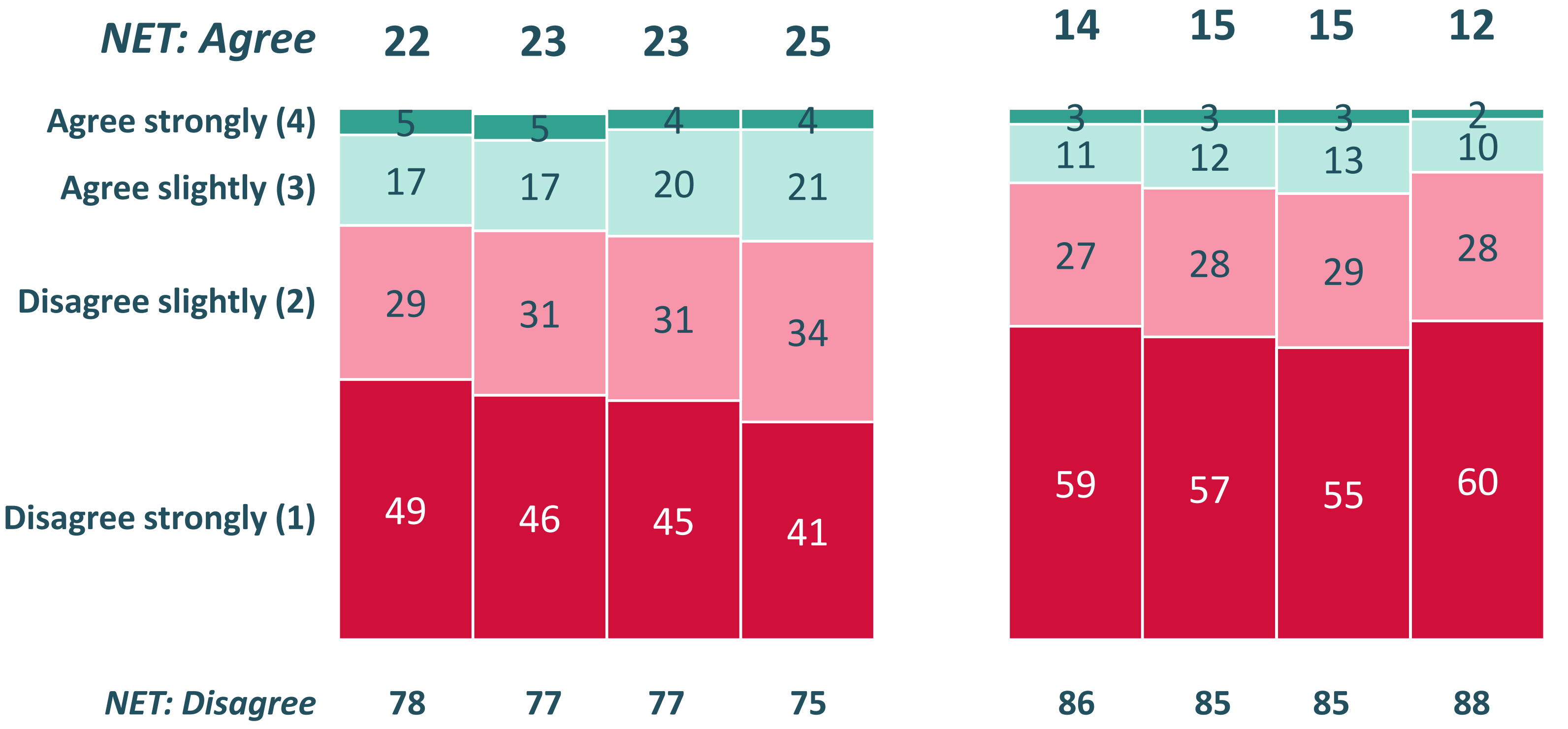
Younger cohorts are more likely to increase spend on entertainment, groceries and consumer goods/services.




% Likely to increase spend in next 6 months	Entertainment	Grocery Spend	Consumer Goods/ Services	Holidays/ Shorter Breaks
Total	**18**	**18**	**17**	**15**
Gender				
Male	19	18	15	15
Female	18	19	19	14
Age				
18-24	**32**	22	**30**	18
25-34	21	**29**	**22**	17
35-44	20	17	15	15
45-54	16	16	11	12
55-64	10	17	13	11
65+	16	11	15	17
Social Class				
ABC1	21	22	21	18
C2DE	16	16	14	12
Region				
Dublin	22	20	20	18
Rest of Leinster	18	18	15	13
Munster	17	18	17	16
Connaught/Ulster	16	17	15	10

Brexit Impact on Republic of Ireland Spend





A quarter report buying more goods online from the UK since Brexit, while 12% report having shopped more across the border, down slightly from previous waves.

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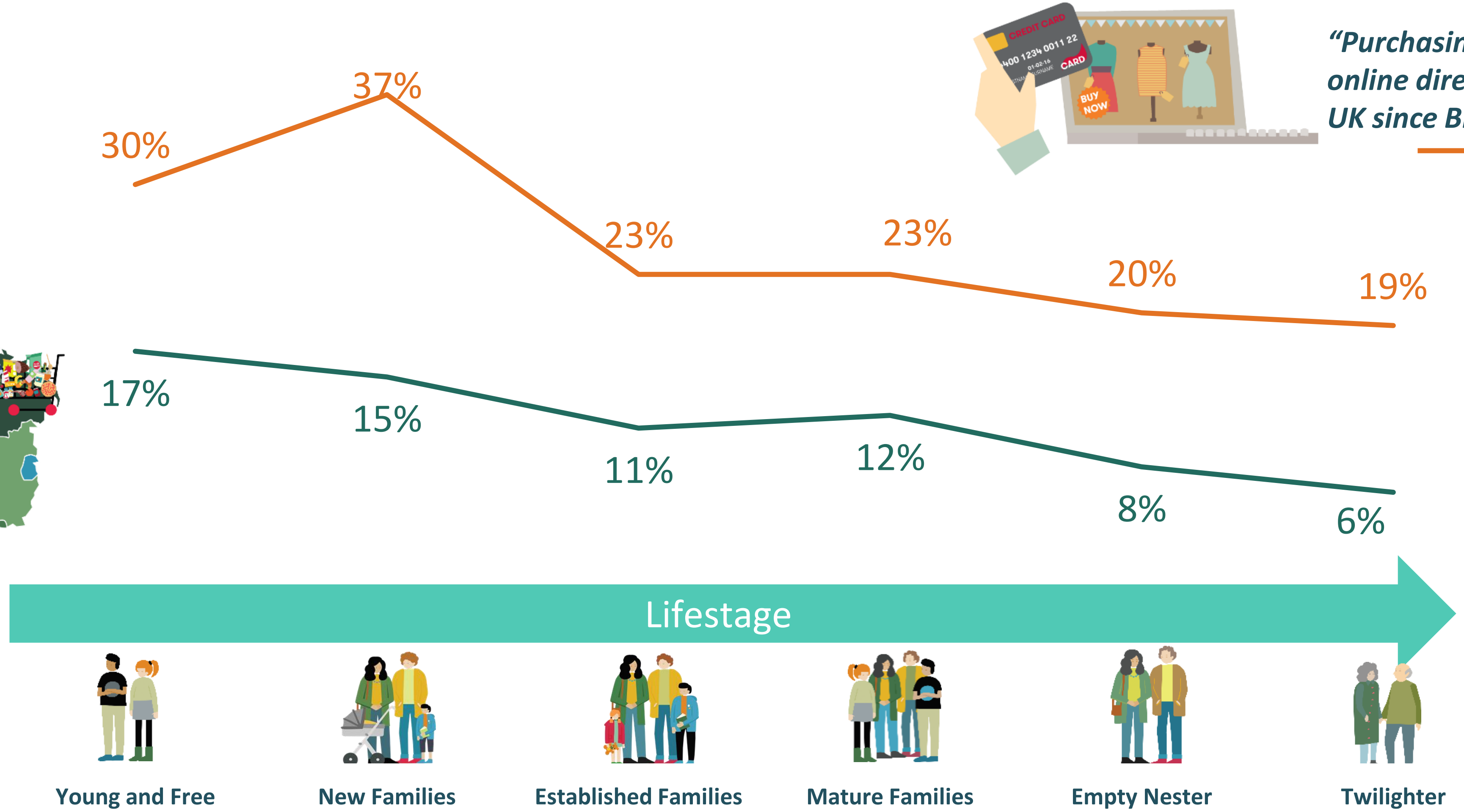
Brexit Impact on Republic of Ireland Spend by Life Stage

"Purchasing more goods online directly from the UK since Brexit"

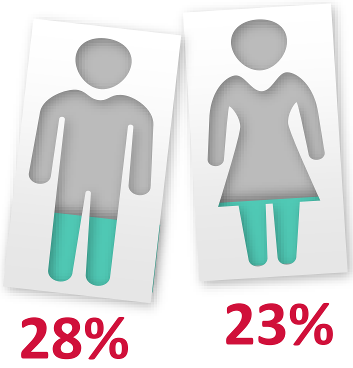
"I have been purchasing more goods from across the border in NI since Brexit"



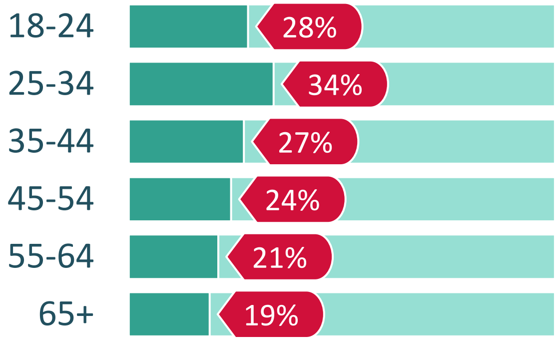
Young and Free and New Families are more likely to have purchased more online from the UK or across the border since Brexit.

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

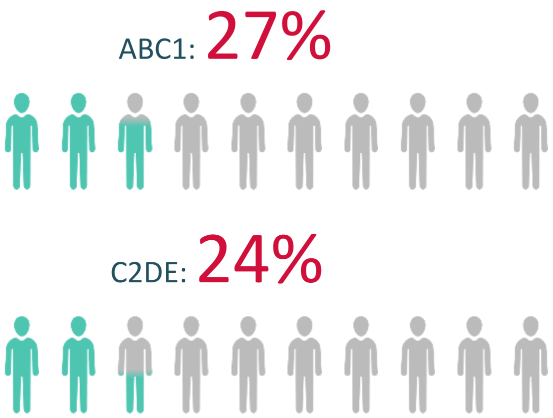
Gender



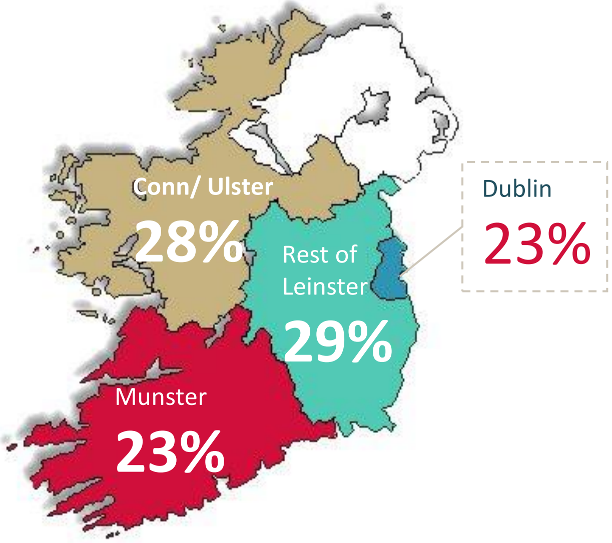
Age



Social Class



Region



The 25-34 year olds are more likely to have purchased more online from the UK than other age groups, with the older age groups being less likely.

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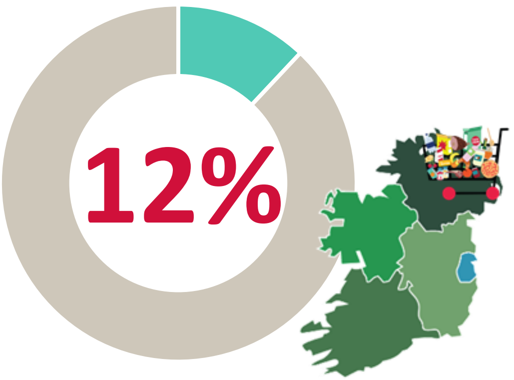
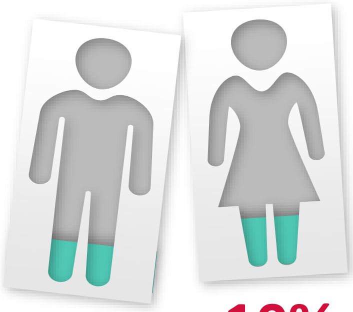
Who has been purchasing more goods across the Border in Northern Ireland since Brexit?

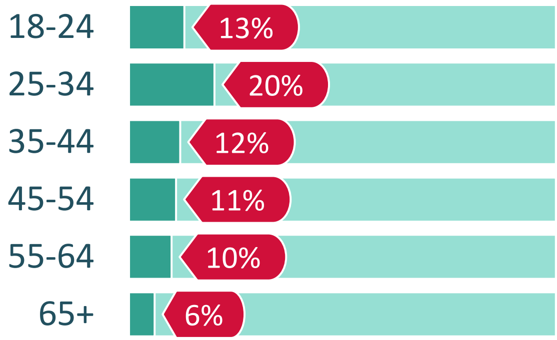


Gender



14% 10%

Age



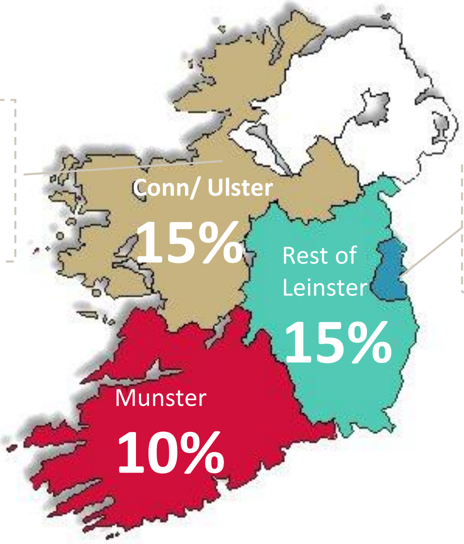
Social Class

ABC1: 11%

C2DE: 14%

Region

Those living in border counties
23%



Dublin
9%

Almost a quarter of those living in border counties express that they have bought more goods across the border since Brexit.

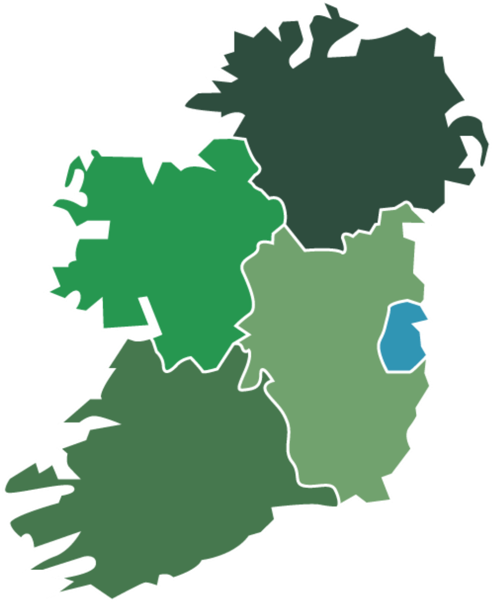
Support for a United Ireland after Brexit remains steady

A United Ireland as a result of Brexit

Jun 2019 | Oct 2019 | Jan 2020 | Jun 2020

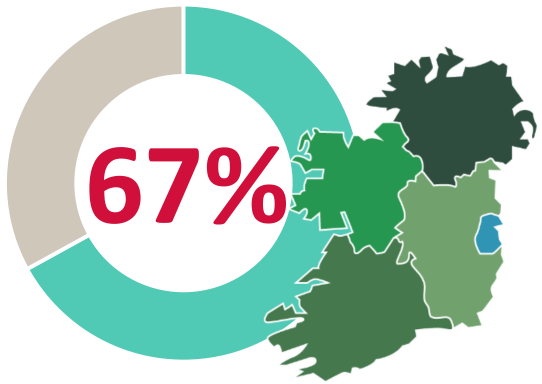
"I would like to see a United Ireland as result of Brexit"

	%	%	%	%
NET: Agree	**68**	**68**	**69**	**67**
Agree strongly (4)	32	32	27	28
Agree slightly (3)	36	36	41	38
Disagree slightly (2)	17	16	17	18
Disagree strongly (1)	15	16	15	16
NET: Disagree	**32**	**32**	**31**	**33**

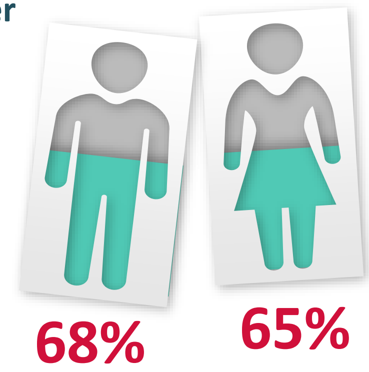


Two thirds would like to see a United Ireland as a result of Brexit, relatively unchanged from previous waves.

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

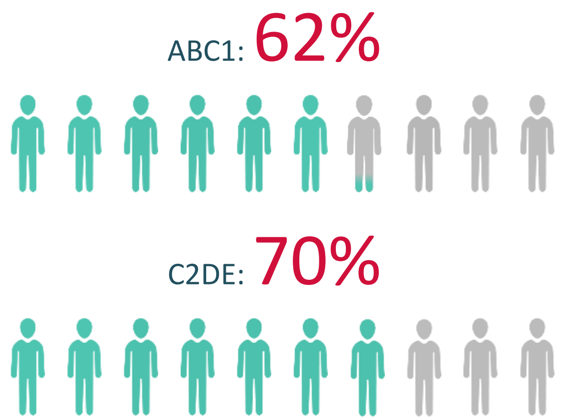


Gender

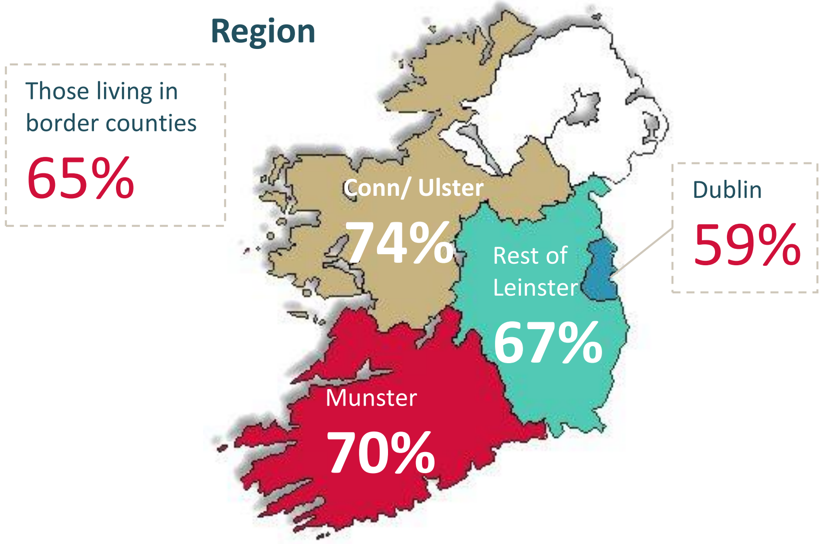


Age

Social Class



Region



More than 3 in 4 among 18-24 year olds would like to see a United Ireland. Support is also higher in Connaught/Ulster.

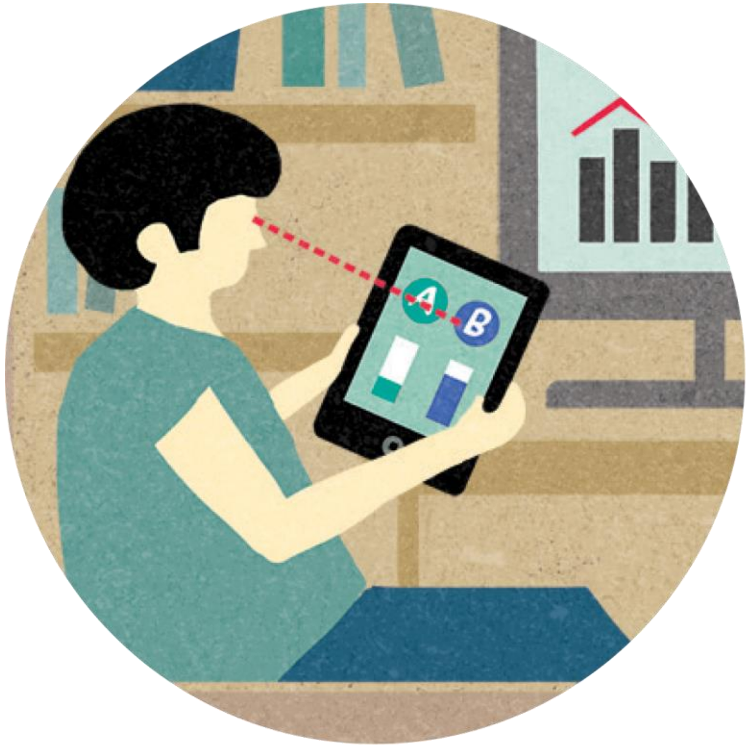
Methodology

/ 1,004 online interviews were conducted using RED C's online panel, RED C Live – this methodology has been used since June 2018.

/ Waves before and including 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 38th Wave of the RED C Consumer Mood Monitor and fieldwork was conducted from the 18th-23rd June 2020.



THANK YOU