



Ireland Consumer Mood Monitor Q2 2025

April 2025



**Amid fears of a looming US-EU trade war,
the Consumer Mood takes a sharp
downturn as concerns mount over potential
negative impacts on the Irish economy**

Consumer Mood falls sharply on back of fears over global trade war

01

Our measure of the Consumer Mood in Ireland fell to -78 (the % of people that think things will get better versus the % that think it will get worse), a decline of 55 points compared with last January. The last time the Mood was this low was at the start of the cost-of-living crisis back in Apr-22.

02

A large majority of people (77%) believe that US tariffs will have a significant negative impact on the Irish economy, with nearly half (49%) believing this could result in many US companies leaving Ireland. This is clearly weighing heavily on consumer minds and their concerns over the economic outlook.

03

As a consequence, consumers are considerably less optimistic about the outlook for the jobs market, disposable incomes, the cost of living and their financial wellbeing. Even despite the ECB cutting rates again in April, consumers are more downbeat about the outlook for the cost of borrowing.

04

The decline in sentiment also points to a contraction in consumer spending (most notably on consumer goods and holidays), but is a bit more measured relative to the decline in the mood – consumers are clearly worried about the economic outlook, but many are holding back only cautiously for now, signalling concern rather than outright alarm.

Note: fieldwork for this wave of the Consumer Mood Monitor took place between 10th and 15th April 2025. The US announced a 20% tariff on all EU imports on April 2nd, although a 90-day pause on these tariffs was announced on April 9th.

**A significant decline
in the Consumer
Mood sees it at its
lowest point since
the start of the cost-
of-living crisis back in
early 2022**



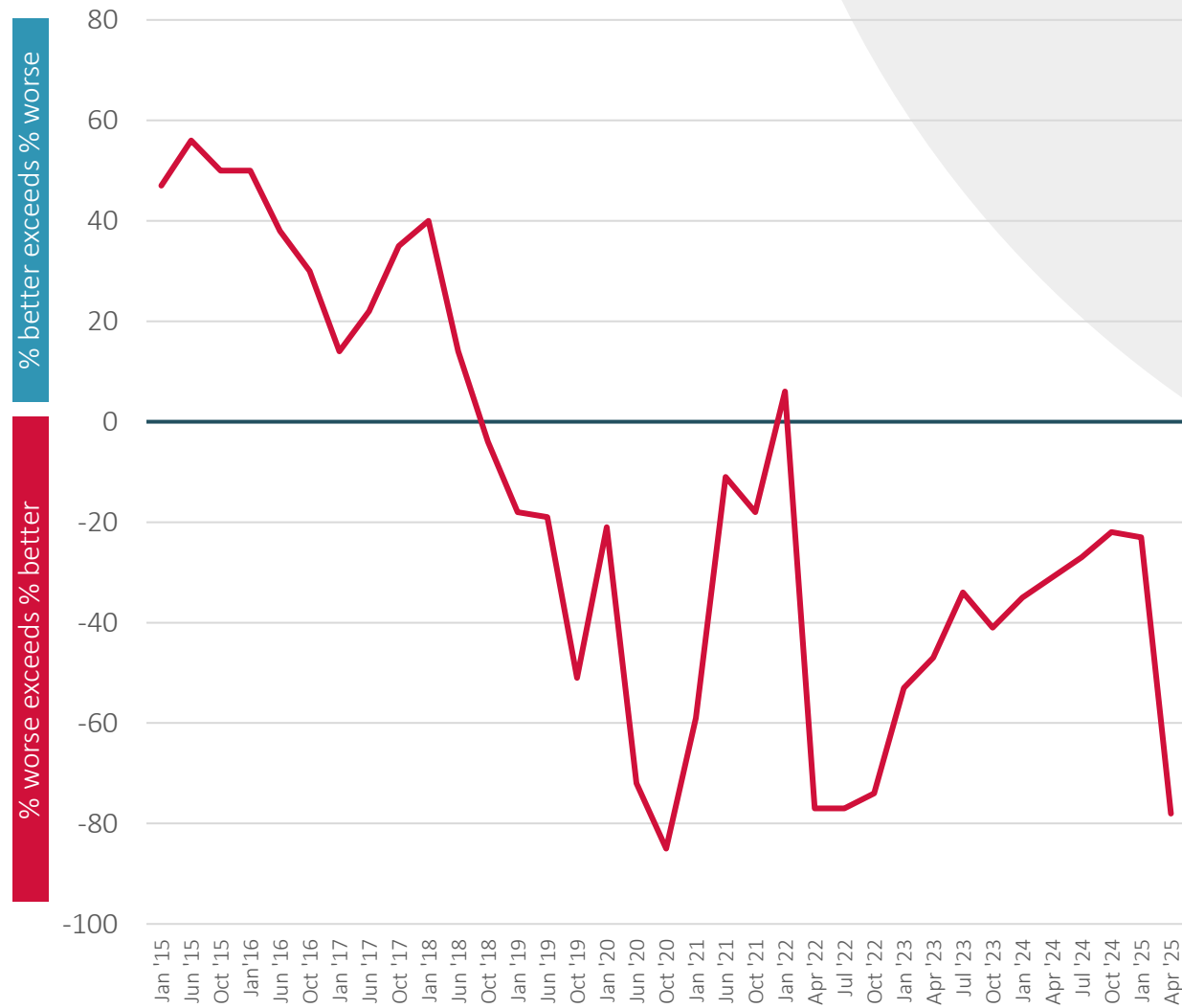
The Consumer Mood falls to levels last seen at the start of COVID and the cost-of-living crisis

The RED C Consumer Mood Monitor is at -78 in April, down 55pts from last January and 47pts lower versus the same time last year. With fieldwork conducted just after the announcement of tariffs on EU goods by the US (and a pause on these tariffs), consumers are clearly concerned about the consequences this may have for the Irish economy.

Base: all adults living in ROI aged 18+

The RED C Consumer Mood – outlook for the Irish economy

% get better LESS % get worse over the next six months



RED C Consumer Mood:

-78

-55 v Jan '25
-47 v Apr-24

Above zero: % expect things to get better GREATER than % expect things to get worse
Below zero: % expect things to get better LESS % than expect things to get worse

Consumer confidence down steeply across all demographics



Consumer Mood Monitor by key demographics: expectations for the Irish economy six months from now

% get better LESS % get worse over the next six months



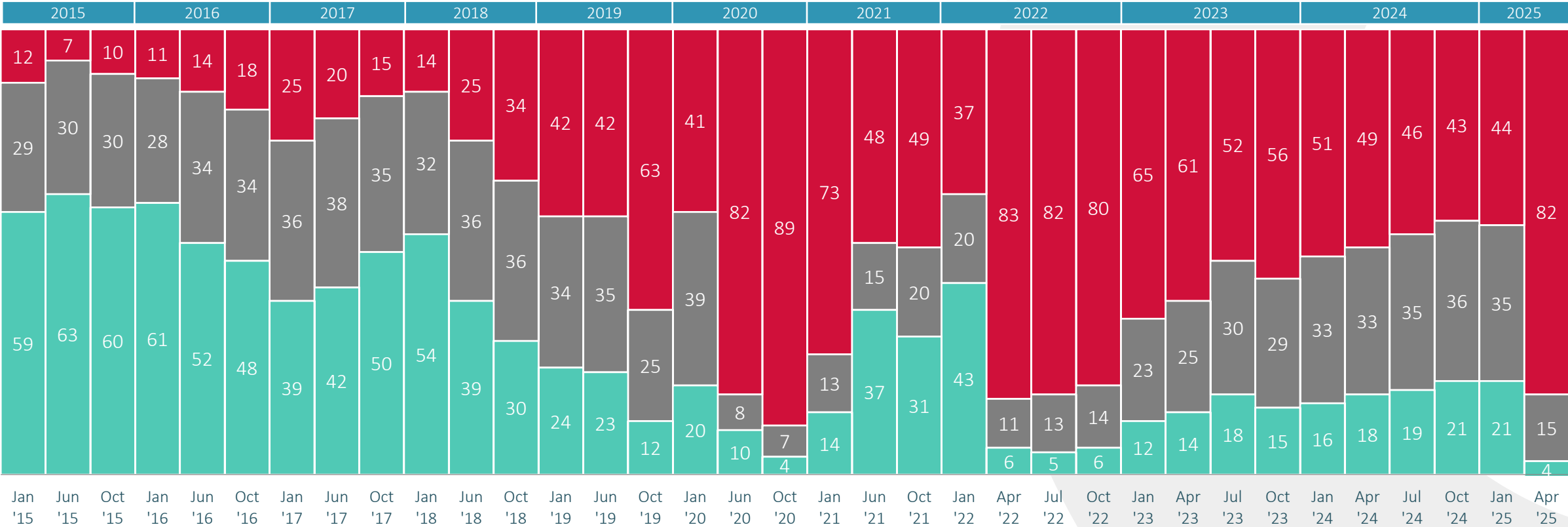
Over 4 in 5 believe the Irish economy will worsen



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

% worse / better / stay the same

■ Worse ■ Same ■ Better



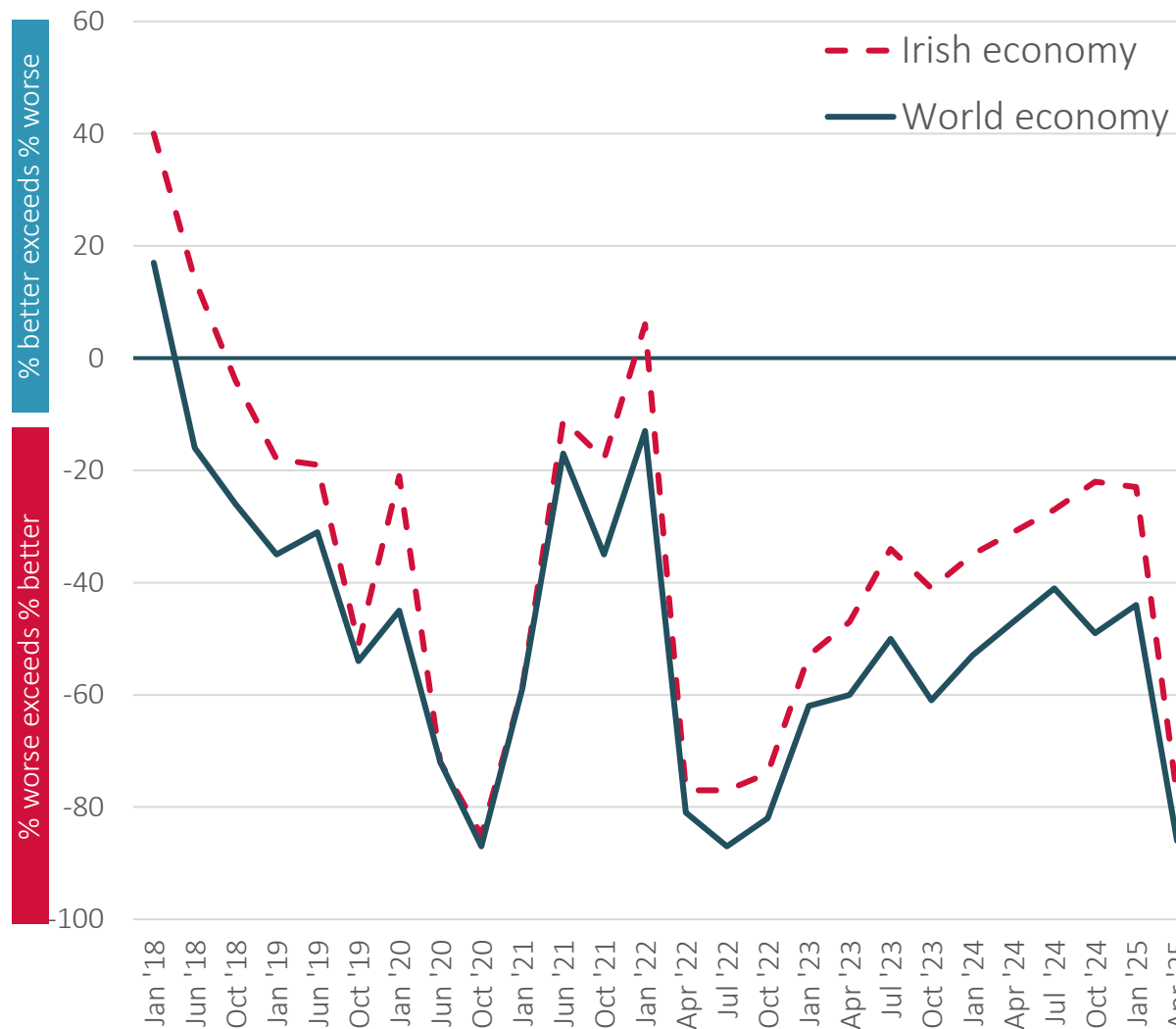
Notable drop also seen in confidence in global economy

Irish consumers are clearly worried about the outlook for the global economy too, with the prospect of a global trade war potentially leading to a decline in economic activity.

As a small open economy heavily dependent on trade and foreign direct investment, it's not all that surprising to see consumers becoming increasingly worried about the economic outlook both here and internationally.

Outlook for the World Economy

% get better LESS % get worse in next six months



Global economy
Apr 2025:

-86

-42 v Jan-25
-39 v Apr-24

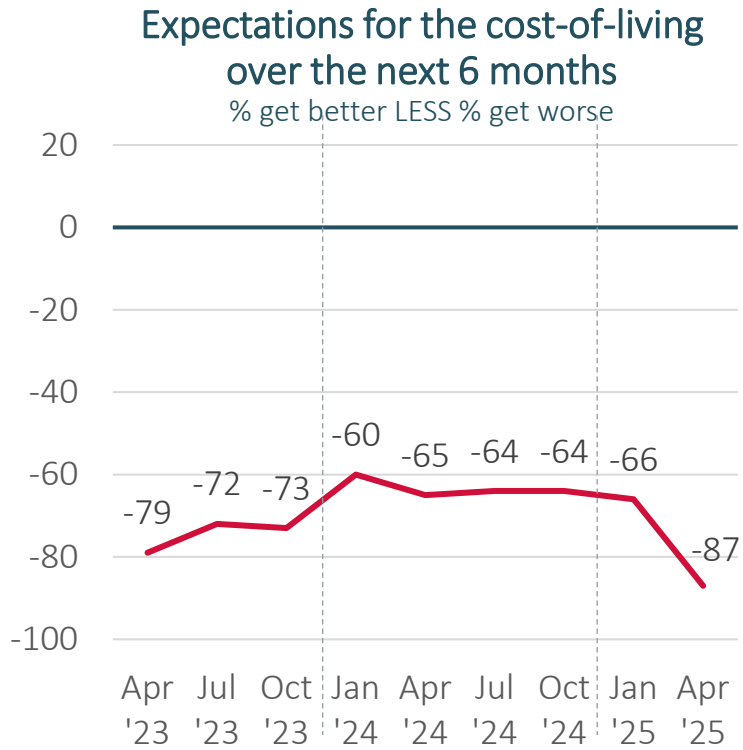
Above zero: % expect things to get better GREATER than % expect things to get worse
Below zero: % expect things to get better LESS % than expect things to get worse

Fears over the outlook for the Irish economy are seen across a range of indicators, including cost-of-living, cost of borrowing, incomes, the jobs market and financial wellbeing



Further deterioration in cost-of-living is expected in coming months

Consumers appear to be worried that the impact of tariffs will lead to higher prices for goods and services, with a significant increase in the proportion of people that expect the cost-of-living in Ireland to deteriorate in the next six months relative to those that think it will improve.



Above zero: % expect things to get better GREATER than % expect things to get worse
Below zero: % expect things to get better LESS % than expect things to get worse

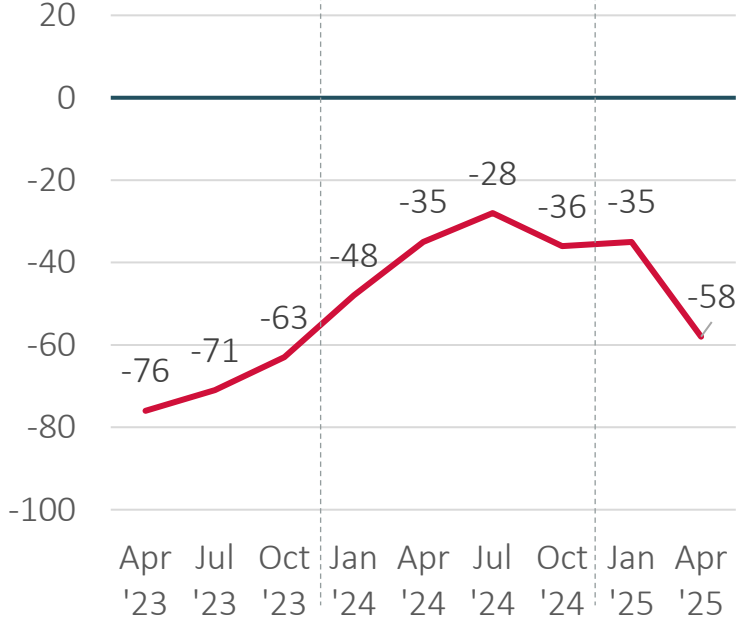


Consumers even less optimistic about outlook for the cost of borrowing

Despite the ECB having cut rates by 2.25% over the last eighteen months (the most recent cut of .25% earlier in April), consumers have become even less optimistic about the outlook for the cost of borrowing in Ireland, possibly uncertain as to whether this will be passed on in full by financial institutions.

Expectations for the cost of borrowing money over the next 6 months

% get better LESS % get worse



Above zero: % expect things to get better GREATER than % expect things to get worse
Below zero: % expect things to get better LESS than % expect things to get worse

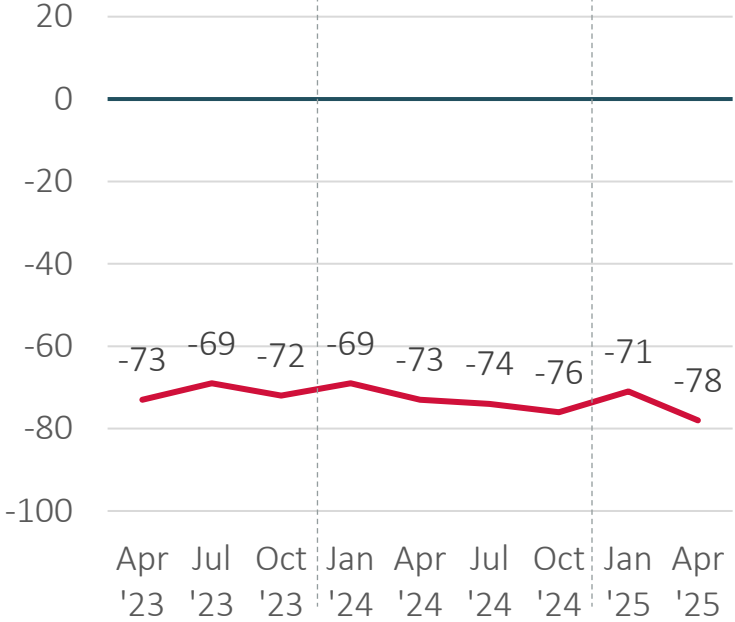


Mood on housing remains downbeat

Consumers feel even more negative about the affordability of housing than they did at the start of the year. This is on the back of sustained growth in house prices, with supply tight in the second-hand market and new home completions last year not quite as high as initially expected.

Expectations for the affordability of housing over the next 6 months

% get better LESS % get worse

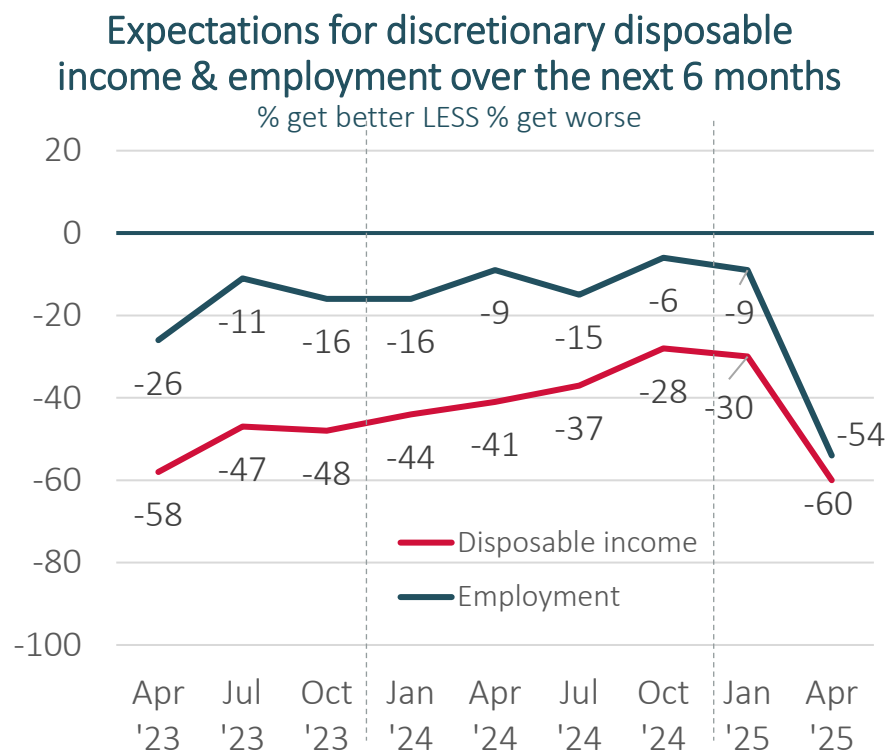


Above zero: % expect things to get better GREATER than % expect things to get worse
Below zero: % expect things to get better LESS % than expect things to get worse



Significant increase in those concerned about jobs and incomes

Consumers are clearly wary of a global trade war and the consequences that this could have for the multinational sector and those that rely on international trade – as a result, we see a notable increase in those concerned about the outlook for the jobs market and disposable incomes.

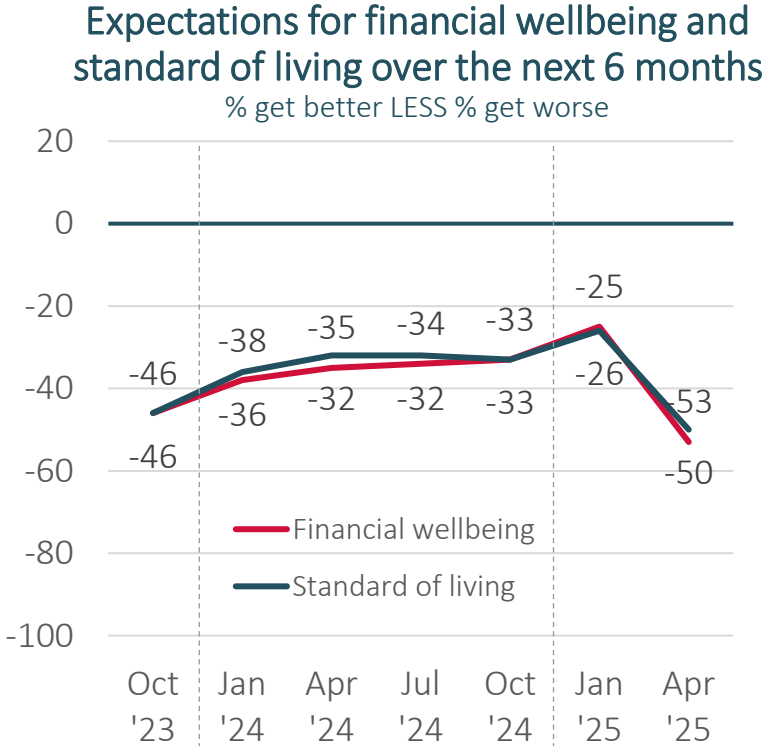


Above zero: % expect things to get better GREATER than % expect things to get worse
 Below zero: % expect things to get better LESS % than expect things to get worse



Financial wellbeing and standard of living expected to fall

With an increase in consumers concerned about the outlook for the cost-of-living, incomes and the labour market, it is not surprising to see that there is growing concern about the outlook for both financial wellbeing and the standard of living.



Above zero: % expect things to get better GREATER than % expect things to get worse
 Below zero: % expect things to get better LESS % than expect things to get worse



Confidence down since January across all metrics



% get better less % get worse
over the next six months
() = change v Jan-25



Growing concerns over economic outlook point to some tightening of belts on spending, but reflects a more modest pullback on spending rather than significant cuts

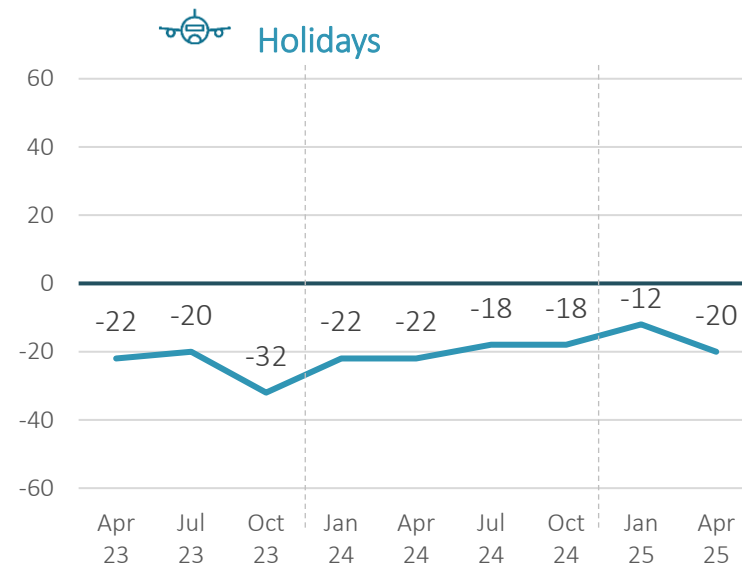
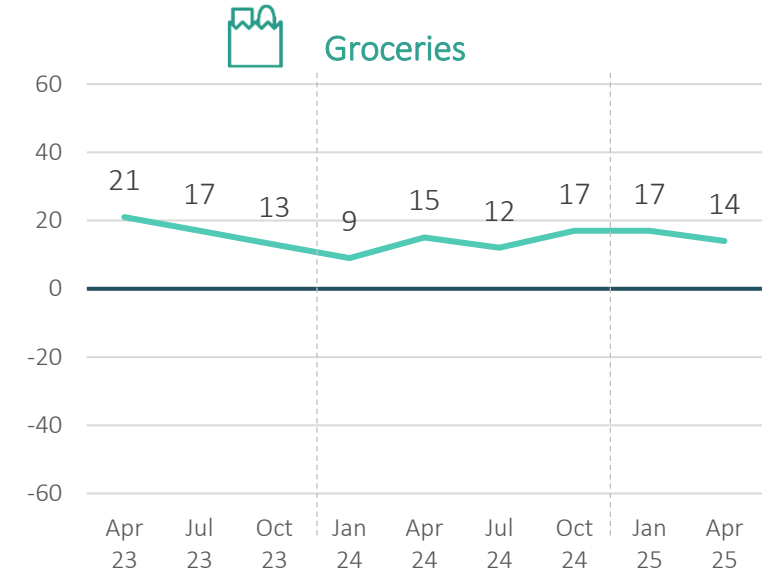
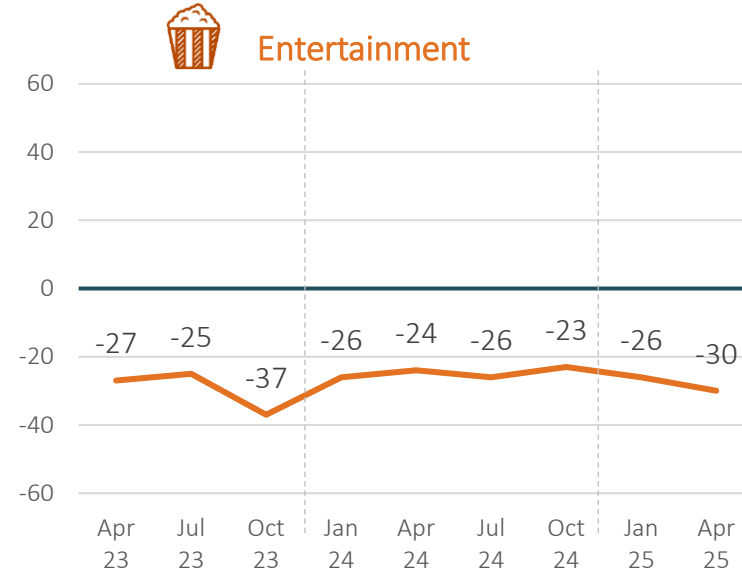


Consumers expecting to spend less across key discretionary categories

Consumers still expect some increase expenditure on groceries (this in part is likely to be price rather than volume driven), while planning to cut back across entertainment, holidays, and consumer goods. However, in the context of the more benign outlook for the economy, these shifts are relatively modest and do suggest consumers are adopting a cautious rather than a reactionary approach.

Expectations for expenditure over the next 6 months

% increase LESS % decrease



Above zero: % expect spend to increase GREATER than % expect spend to decrease
 Below zero: % expect spend to increase LESS than % expect spend to decrease



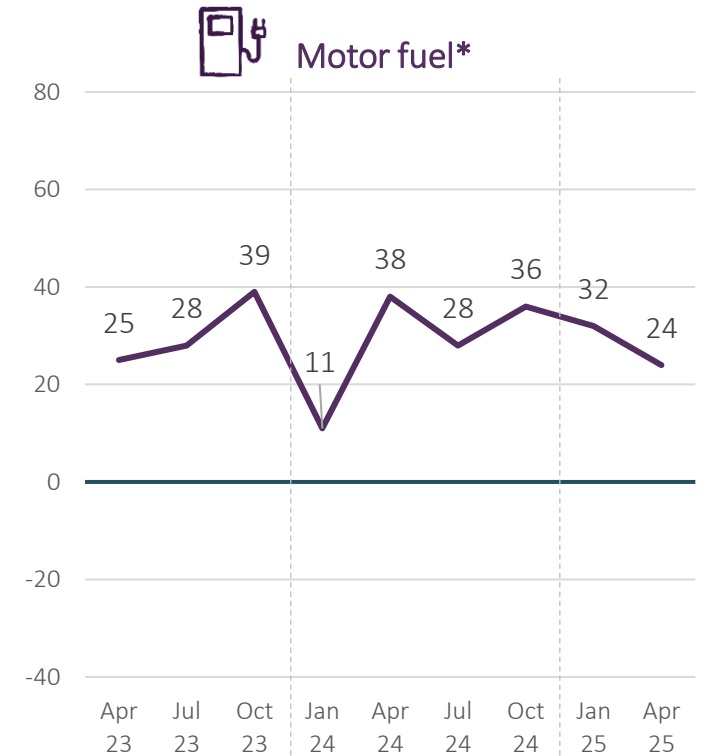
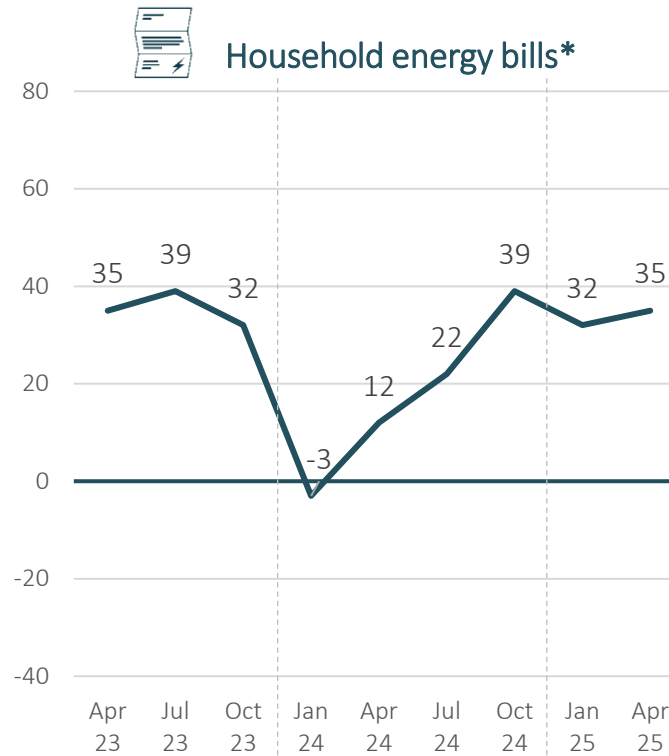
Consumers expecting, on balance, for energy to become more expensive

More expect household energy bills to increase than decrease in the coming six months, up slightly on January, but much higher than this time last year.

More expect fuel to become more expensive than for the price to fall, but this is actually down somewhat over time .

Expectations for expenditure over the next 6 months

% increase LESS % decrease



Above zero: % expect spend to increase GREATER than % expect spend to decrease
 Below zero: % expect spend to increase LESS than % expect spend to decrease

*excludes not applicable

Tariffs expected to hit Ireland with significant concern around the impact on the cost of goods, and on the Irish and world economies as a whole

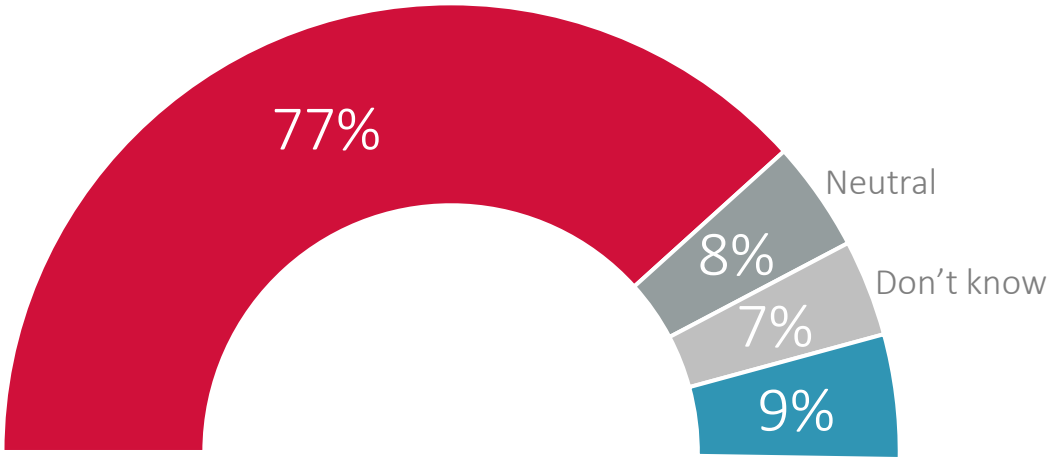


Clear majority expect tariffs to negatively impact Irish economy



Nearly two-thirds of people also expect tariffs to make consumer goods and services more expensive in Ireland

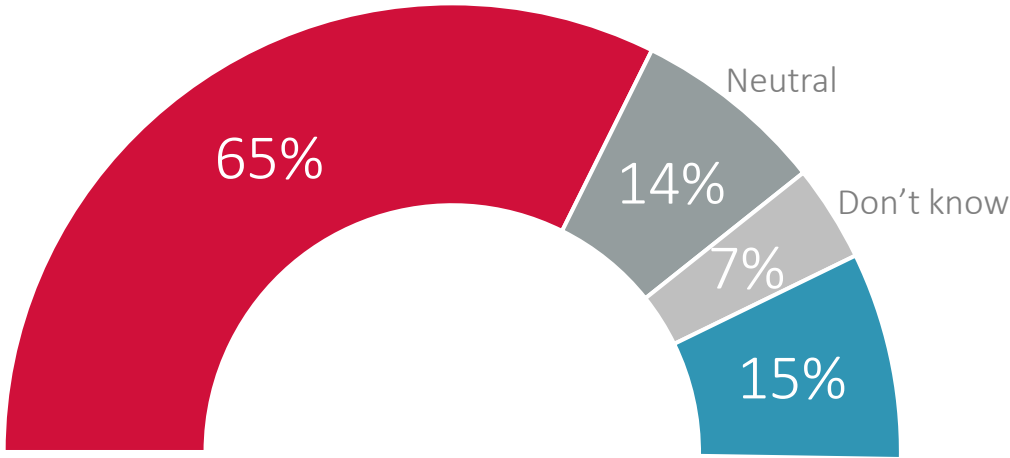
Impact of tariffs on the Irish economy



Tariffs will have a **significant negative impact** on the Irish economy

Tariffs will have **little or no impact** on the Irish economy

Impact of tariffs on prices in Ireland



Tariffs **will** make a lot of things I buy more expensive

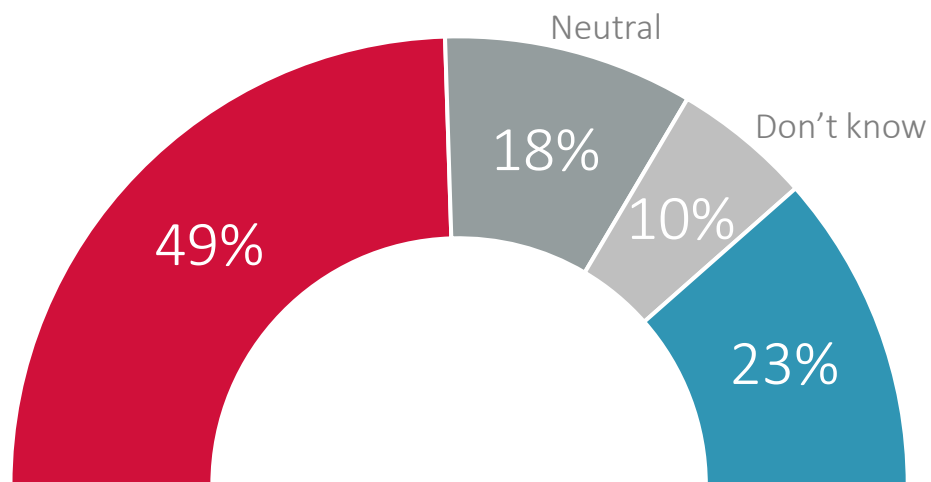
Tariffs **will not** make a lot of things I buy more expensive

Nearly half believe many US firms will exit Ireland over tariffs



Roughly half expect that US companies will leave Ireland due to tariffs, over twice the level who think they are unlikely to leave. 2 in 5 are worried about job losses, although a high number are unsure.

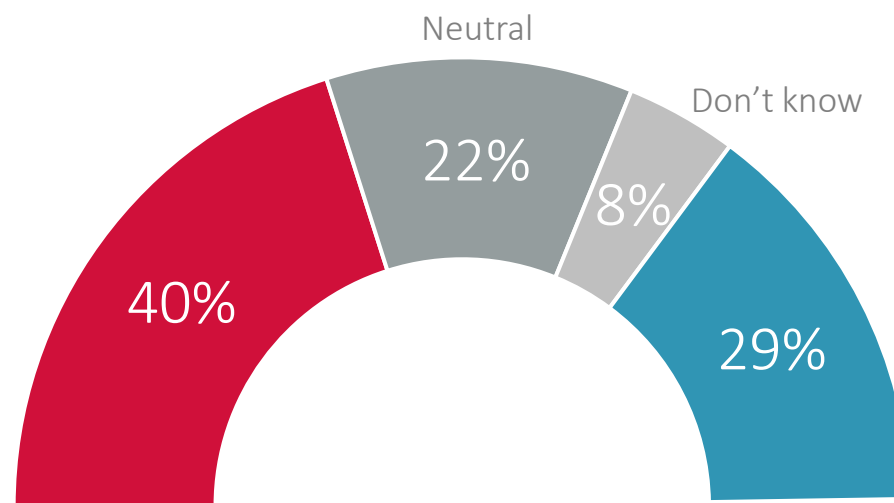
Will tariffs lead to US companies leaving Ireland?



Tariffs **will** lead to many US companies leaving Ireland

Tariffs will **not** lead to many US companies leaving Ireland

Will tariffs lead to job losses in Ireland?



I **am** worried that new US tariffs could mean I or someone I live with might lose their job

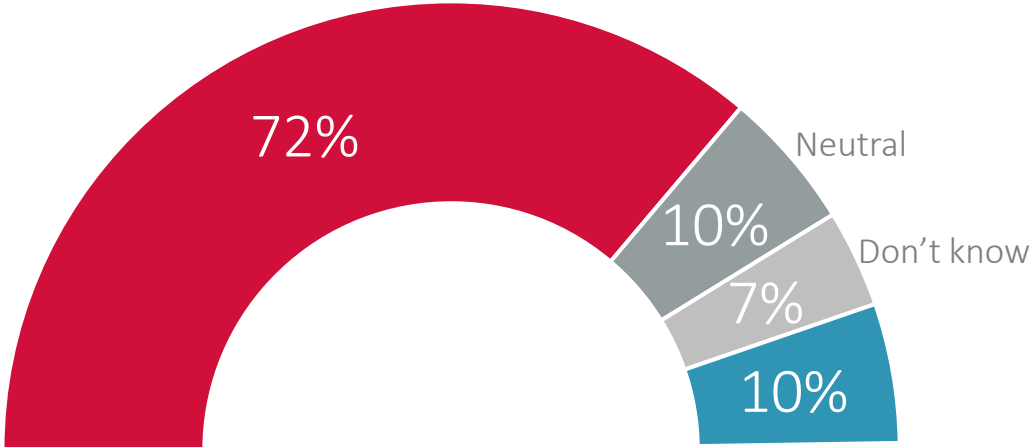
I am **not** worried that new US tariffs could mean I or someone I live with might lose their job

Most think tariffs are likely to lead to a global recession



Around half feel that the EU should retaliate by placing tariffs on US goods and services

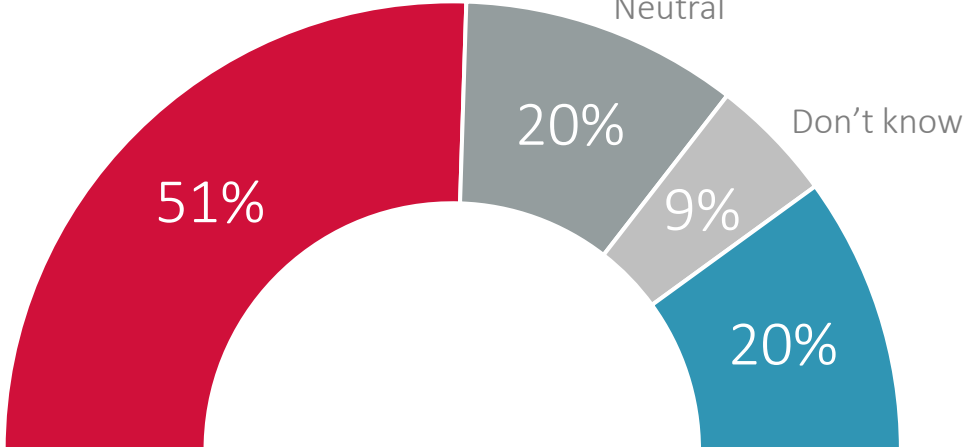
Will tariffs lead to a global recession?



Tariffs are likely to lead to a global recession

Tariffs are not likely to lead to a global recession

Should the EU retaliate?



The EU should retaliate by placing tariffs on US goods and services

The EU should not retaliate by placing tariffs on US goods and services



Appendix
- Methodology
- About RED C

Methodology

- n=1,005 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
- This is the 55th wave of the RED C Consumer Mood Monitor and fieldwork was conducted from the 10th – 15th April 2025



REDC **Who are we?**

With offices in **Dublin, Dundalk and London** RED C are one of Ireland and the UK's premier providers of research-based consultancy services.

Founded in Dublin in 2003, we have been providing **high quality** research based consultancy services to both blue chip and up and coming businesses both **nationally and internationally** for many years.

Now **50 highly experienced and skilled** staff, look after the insight needs of companies **worldwide**.





Helping you **See More Clearly**, by better understanding business opportunities, plus growth, retention and change strategies

We deliver

CLARITY

to business by truly understanding how humans behave, feel and act

Opportunity



Understanding people, behaviour, markets, society and technology in order to uncover opportunities.

Growth



Uncovering choices, preferences and decisions that enable business to design brands, products and services that beat the competition.

Retention



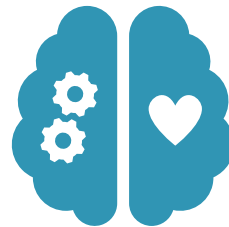
Mapping and delivering easy and enjoyable customer journey's and experiences to maximize purchase and retention.

Change



Accelerating how products and services are adopted and marketed.

Underpinned by understanding of real human behaviour, and using a set of specially designed products

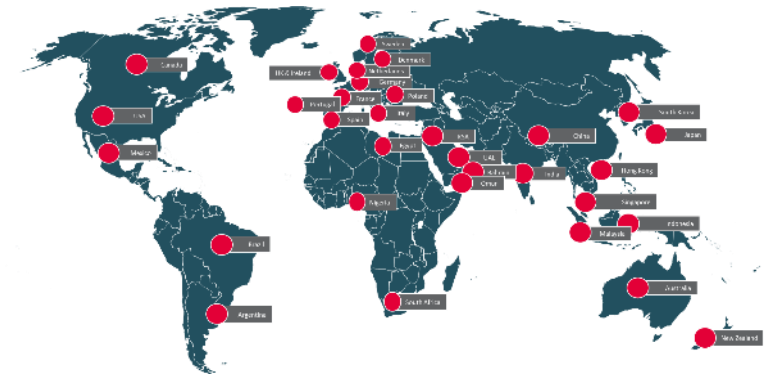


System 1



RED Star

Conducted in over 30 markets across the world in the past year



Using a variety of techniques to uncover & understand





RESEARCH
EVALUATION
DIRECTION
CLARITY

See More, Clearly

REDC