



RESEARCH
& INSIGHT

Consumer Confidence Tracker

August 2020

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Introduction



This report presents the findings of B&A's Consumer Confidence Tracker during Qtr. 3 2020.



Survey results are based on a sample of 1,005 adults aged 16+, quota controlled in terms of age, gender, socio-economic class and region to reflect the profile of the adult population of the Republic of Ireland.



All interviewing on this wave was conducted via B&A's online barometer.



Fieldwork on the latest wave was conducted from 20th – 31st August 2020.

About B&A

- B&A is Ireland's largest and most experienced independently owned research company.
- We pride ourselves on having the most experienced director team in Ireland.
- Established over 30 years ago, Behaviour and Attitudes provides a full range of market research services, ranging from CAPI, CATI, online and of course qualitative.
- Specialist sectors include: Retail & Shopper, Technology & Telecoms, Media, Financial, Political & Social, Automotive, Healthcare and Public Sector & Utilities.

For more information please visit our website at:
www.banda.ie or contact us on info@banda.ie



*Marketing Society Research Excellence Awards
25 time award winners, including 5 Grand Prix
in 11 years.*

B&A



B&A Online Omnibus Survey

A twice monthly omnibus survey amongst a representative sample of 1,000 adults aged 16 years plus. Surveys costed on a per Question Unit basis.



Virtual Focus groups

Focus groups conducted via an online platform that respondents log on to. Fully audio and visually enabled allowing us to moderate via camera, interact with respondents in real time, show all manner of stimulus and interactive tools and observe their responses at first hand.



B&A online Acumen Panel service

Access to the full breadth of ad hoc quantitative research applications, via our online panel of 30,000 + consumers. From fully representative nationwide surveys, to smaller surveys amongst niche markets and audiences.



Online Forums

Collaborative virtual discussion space where we interact with participants over a 3-5 day period. Respondents can be shown stimulus, asked to comment on various topics and material and probed on their answers. Respondents can comment on each other's answers and react, build, question.



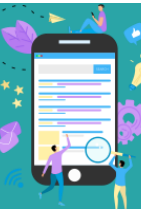
B&A Online Client/Customer Surveys

Gauge accurate and timely feedback from your own customer base by way of carefully designed CEX, Communications, Client needs etc surveys. All conducted to the highest levels of GDPR compliance.



Online digital ethnography

Respondents use mobile devices to answer our questions and show us their world. We have our own digital ethnography app for this purpose, allowing respondents to capture answers to our questions in the form of video, photos and text responses. Our moderators are on hand to follow up 24/7, probing for more info, clarifying points and setting new challenges.



B&A CATI Unit

B&A continues to provide a full suite of Consumer and Business to Business Telephone research applications through our panel of CATI-At-Home interviewers across the country.



Virtual depth interviews

In depth interviews with research participants, conducted in the comfort of own homes. We use a variety of platforms such as Skype, Zoom, Teams to talk to participants easily, watch their non verbal response, show stimulus and interact on a personal level.



For further information contact any of our senior research team:

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Key highlights

2021 economic confidence remains weak

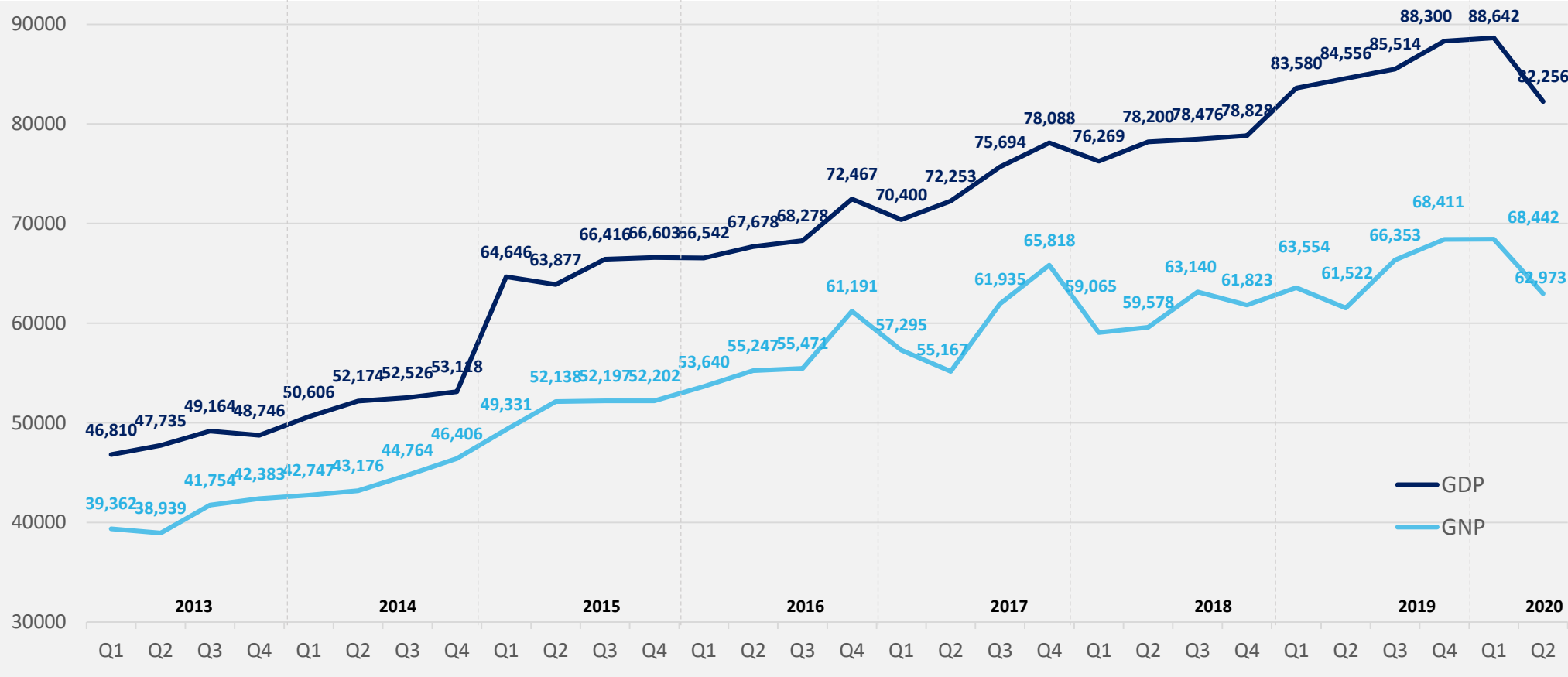
- This latest wave of the B&A Consumer Confidence Barometer was conducted from 20th – 31st August 2020, amid a backdrop of increasing cases, the imposing of local lockdowns and just days before the Irish economy officially entered a recession (9th September 2020).
- Against this background, **82% of people feel the country will be worse off economically in 2021**. This is a dent in the initial confidence uptick experienced when the country began to reopen during June.
- The latest figures also suggest little movement on attitudes towards the value of personal assets, savings and personal income.
- There is **some marginal improved outlook in spending** however, albeit from very low levels (-33 in August from -37% in July).
- It is clear that **people sense the longer term ramifications** of the virus.
- In the months ahead, it will be **critical to grow confidence that we can function as a society**, while the virus exists without a vaccine.





Macro context

The economy contracted by 6.1% during the second quarter of 2020



*GDP and GNP data correct as of November 2019

Source: www.CSO.ie
Quarterly National Accounts

QTR 2 2020 data not yet available

Figure 1: Quarterly Growth Rate

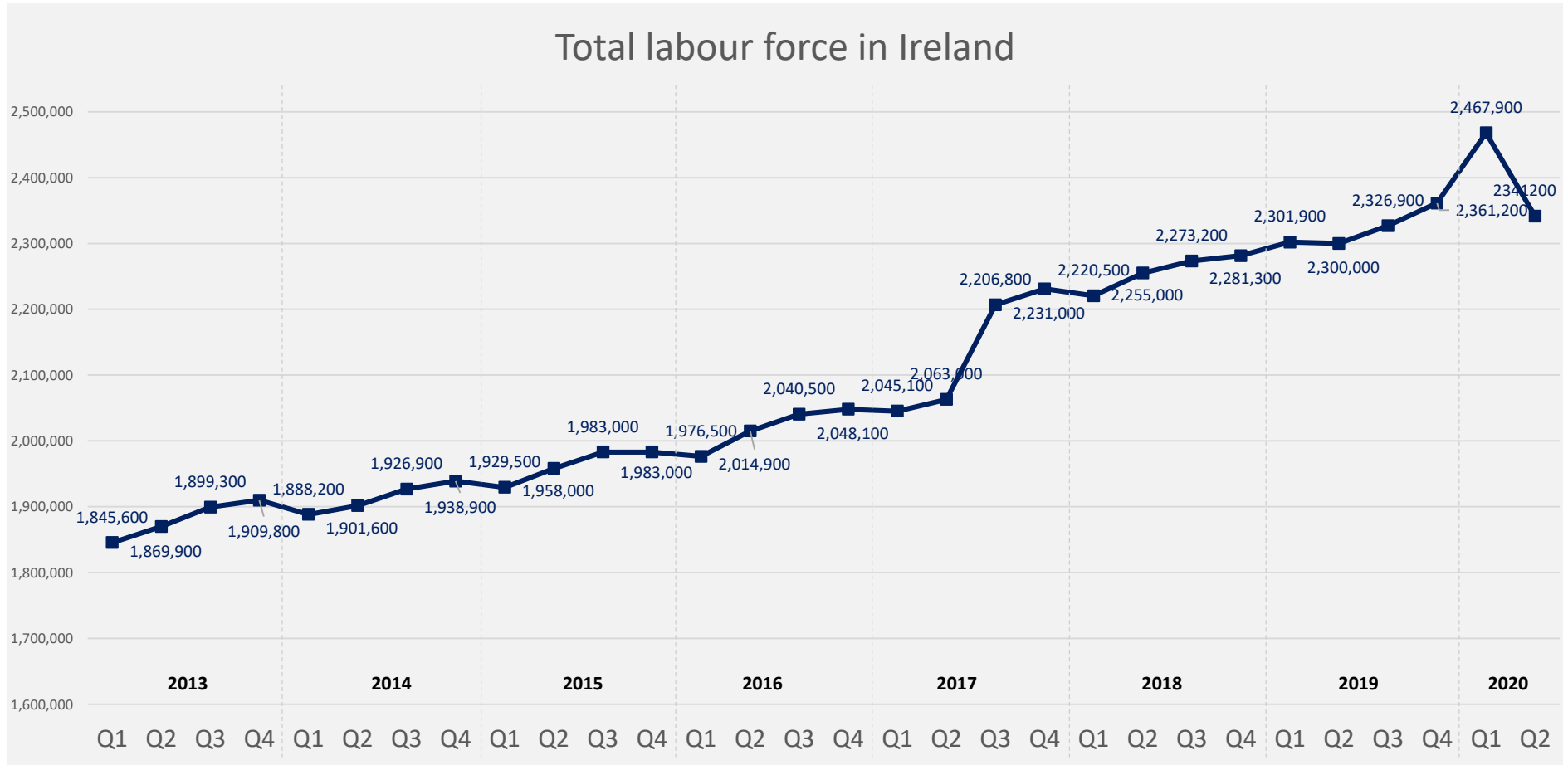


Source: CSO Ireland

New figures from the Central Statistics Office (released on the 9th September 2020) show that the economy contracted by 6.1% during the second quarter of 2020 due to the impact of the Covid-19 restrictions - the biggest quarterly drop ever recorded.

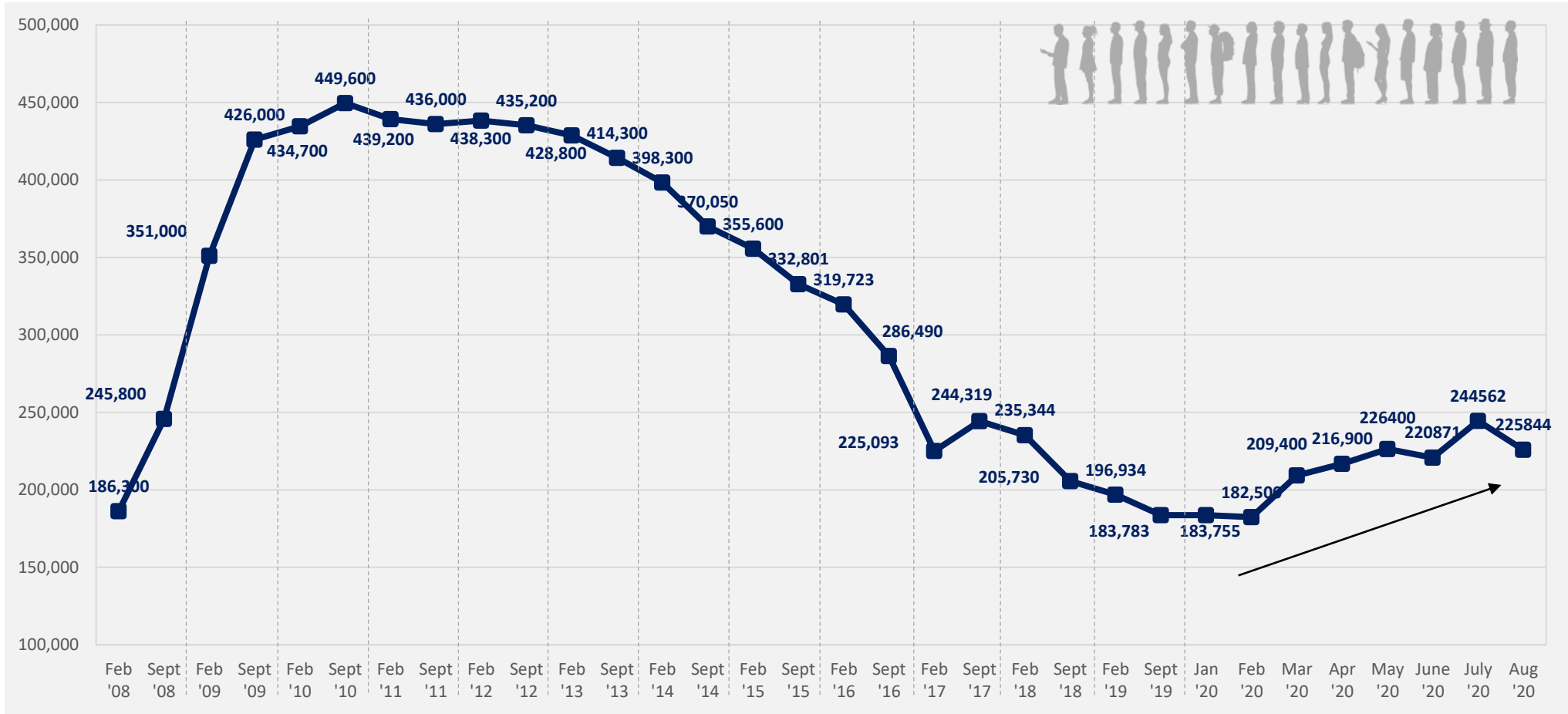
This means the economy is now in recession after an initial estimate that it expanded in the first quarter was revised downwards. A recession is defined as a fall in GDP for two quarters in a row.

Employment levels dropped significantly during Q2 2020



*Source: www.CSO.ie/ Labour Force survey
Q2 2020 data not yet available

Live register figures show a gradually increasing trend - note these do not include those in receipt of Pandemic Unemployment Payments



** July figures not yet available



* The Live Register is not designed to measure unemployment. It includes part-time work e.g. seasonal & casual workers who work up to 3 days per week

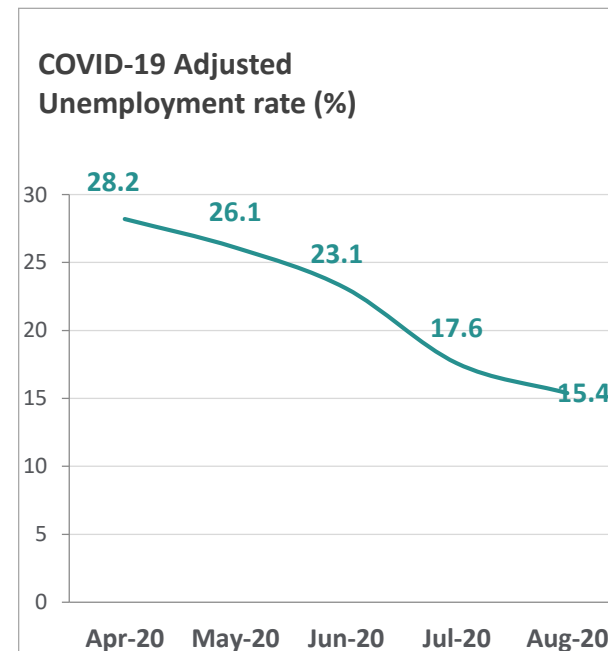
The Live Register does not include those on Pandemic Unemployment Payments

Covid-19 adjusted unemployment rate falls to 15.4% in August, while the standard measure for unemployment gradually increases to 5.2%



Monthly Unemployment

	Seasonal Adjusted Figures		Non Seasonally Adjusted Figures	
	Number of persons unemployed	Unemployment rate (%)	Traditional Unemployment rate (%)	COVID-19 Adjusted Unemployment rate (%)
Aug 2020	121,200	5.2 	5.8	15.4 
July 2020	118,600	5.0	5.5	17.6
June 2020	106,300	4.6	5.1	23.1
May 2020	139,200	5.6	5.8	26.1
April 2020	133,800	5.4	5.4	28.2



Source: CSO website (Monthly Unemployment)

The COVID-19 crisis has continued to have a significant impact on the labour market in Ireland in August 2020. While the standard measure of Monthly Unemployment was 5.2% in August 2020, a new COVID-19 Adjusted Measure of Unemployment could indicate a rate as high as 15.4% if all claimants of the Pandemic Unemployment Payment (PUP) were classified as unemployed.



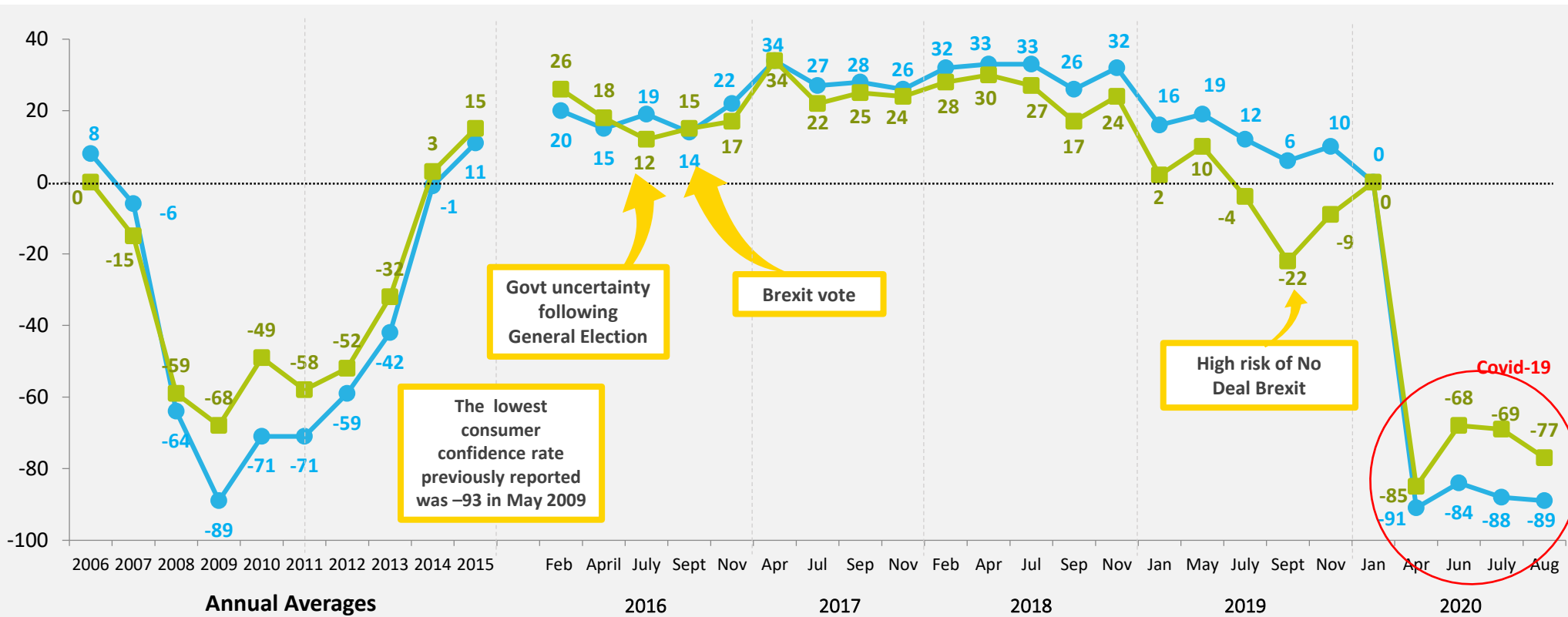
Consumer Confidence findings

Economic confidence has fallen back on the initial uptick experienced when the country began to reopen during June: 82% feel the country will be worse off economically in the coming year, with only 6% believing it will be better off

Looking forward
(Net Diff: Positive-Negative)

	Dublin	-76
	Outside Dublin	-77

Current vs. Looking Forward



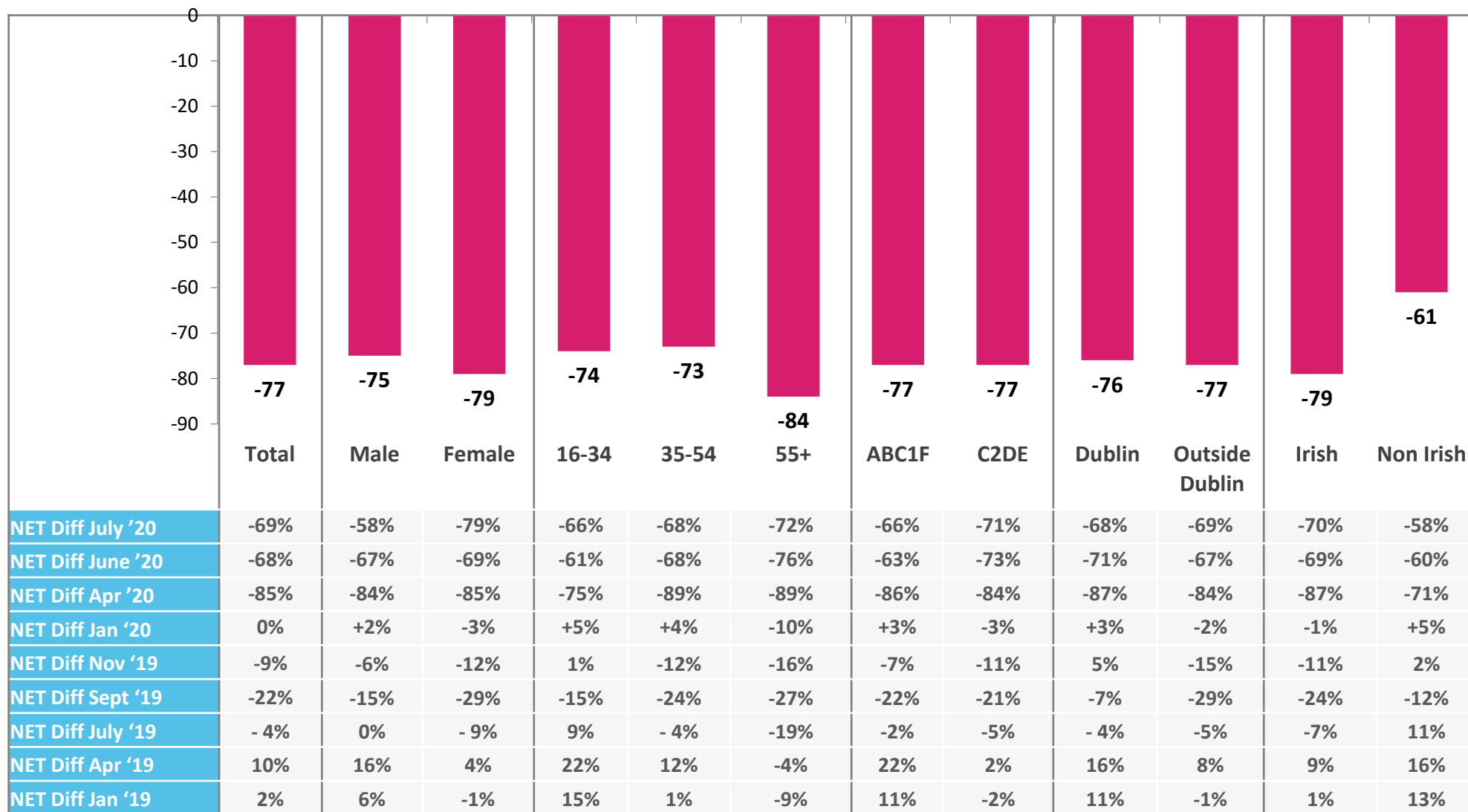
*Figures in the graph represent the net difference between those thinking the country will be economically better off minus those thinking it will be worse off.

Source: B&A Consumer Confidence Report

Females and the older demographic continue to be the most pessimistic

Base: All Adults 16+

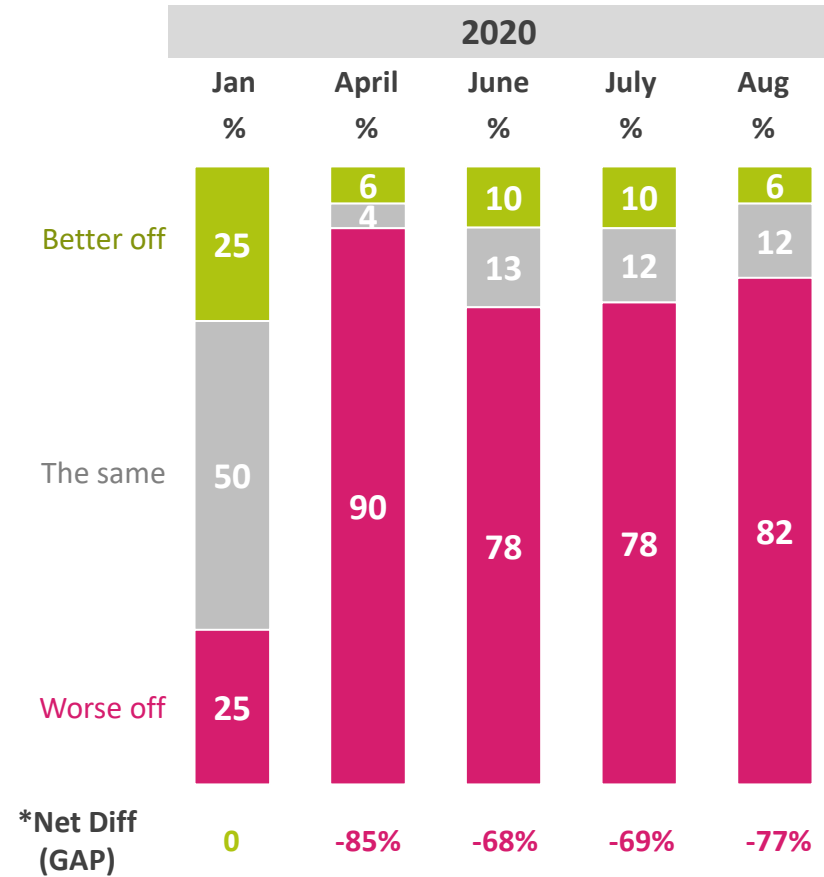
No variation in consumer confidence between Dublin vs outside Dublin



Q.2 And what about the coming year, do you think that the country will be better off, worse off or about the same as this year?

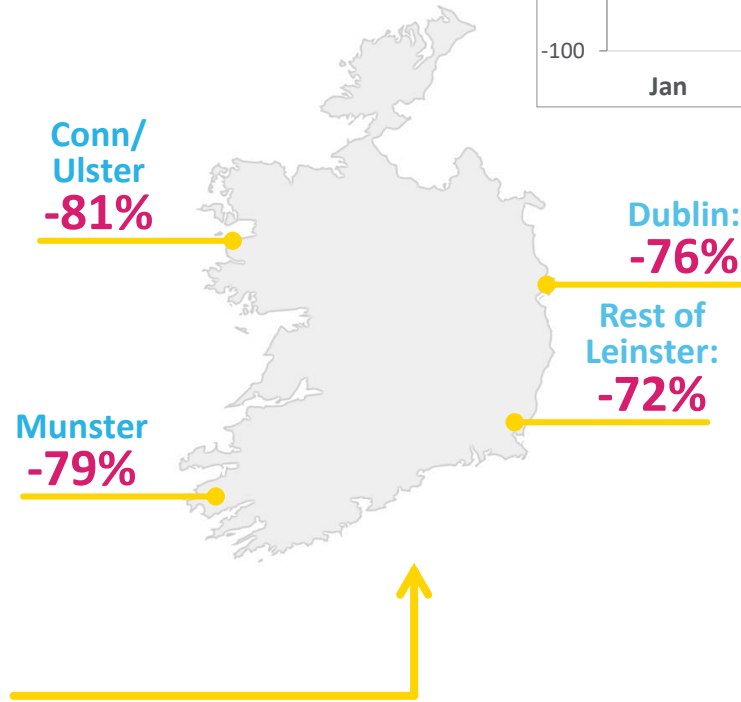
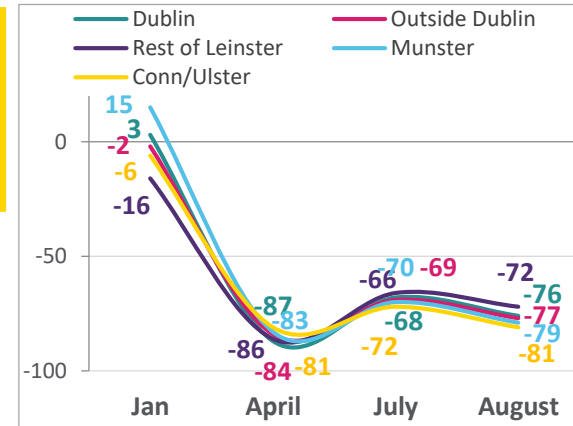
Consumer economic confidence for the next year remains low across the country

Base: All Adults 16+



Looking forward
August '20

Dublin **-76**
Outside Dublin **-77**



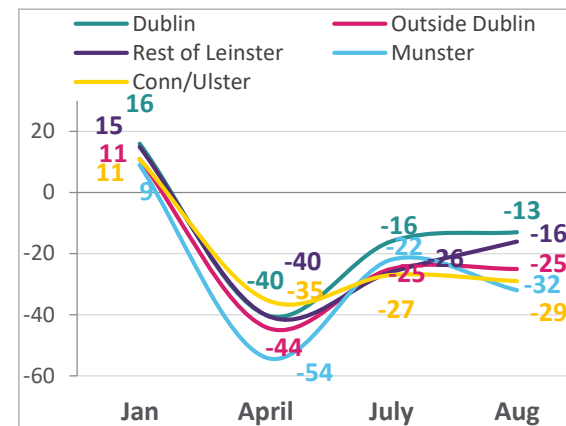
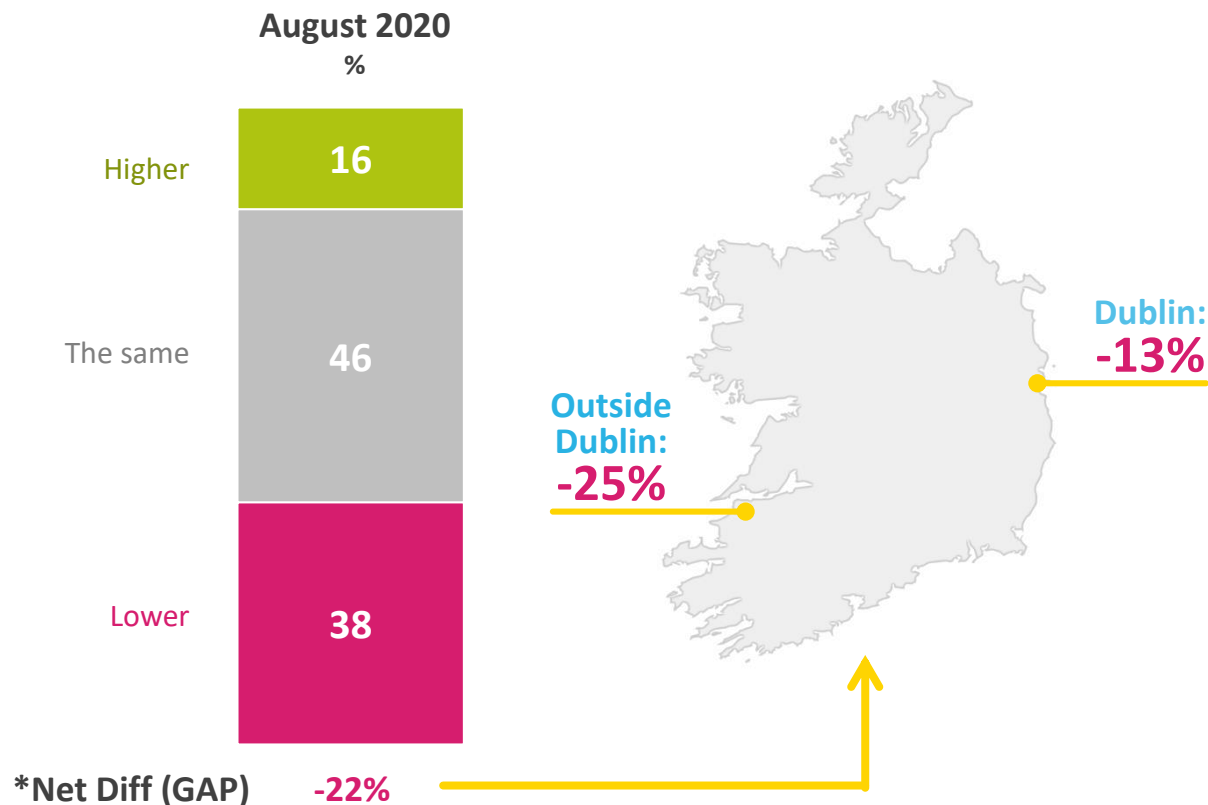
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Jan 19	May 19	July 19	Sept 19	Nov 19	Jan 20	Apr 20	Jun 20	July 20	Aug 20
Gap	-15%	-59%	-68%	-49%	-58%	-52%	-32%	+3%	+15%	+18%	+26%	+22%	+2%	+10%	-4%	-22%	-9%	0%	-85%	-68%	-69%	-77%

Q.2 And what about the coming year, do you think that the country will be better off, worse off or about the same as this year?

Attitudes towards the value of personal assets has plateaued



Base: All Adults 16+



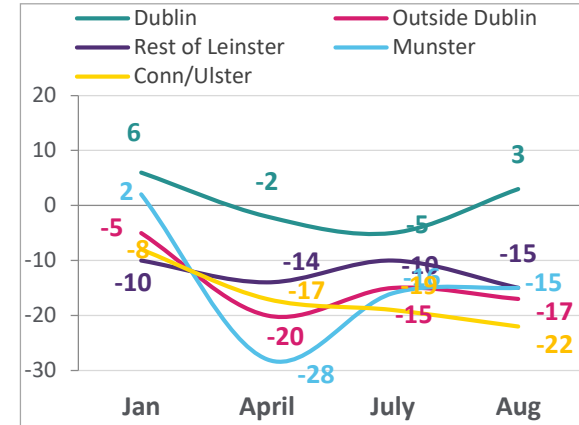
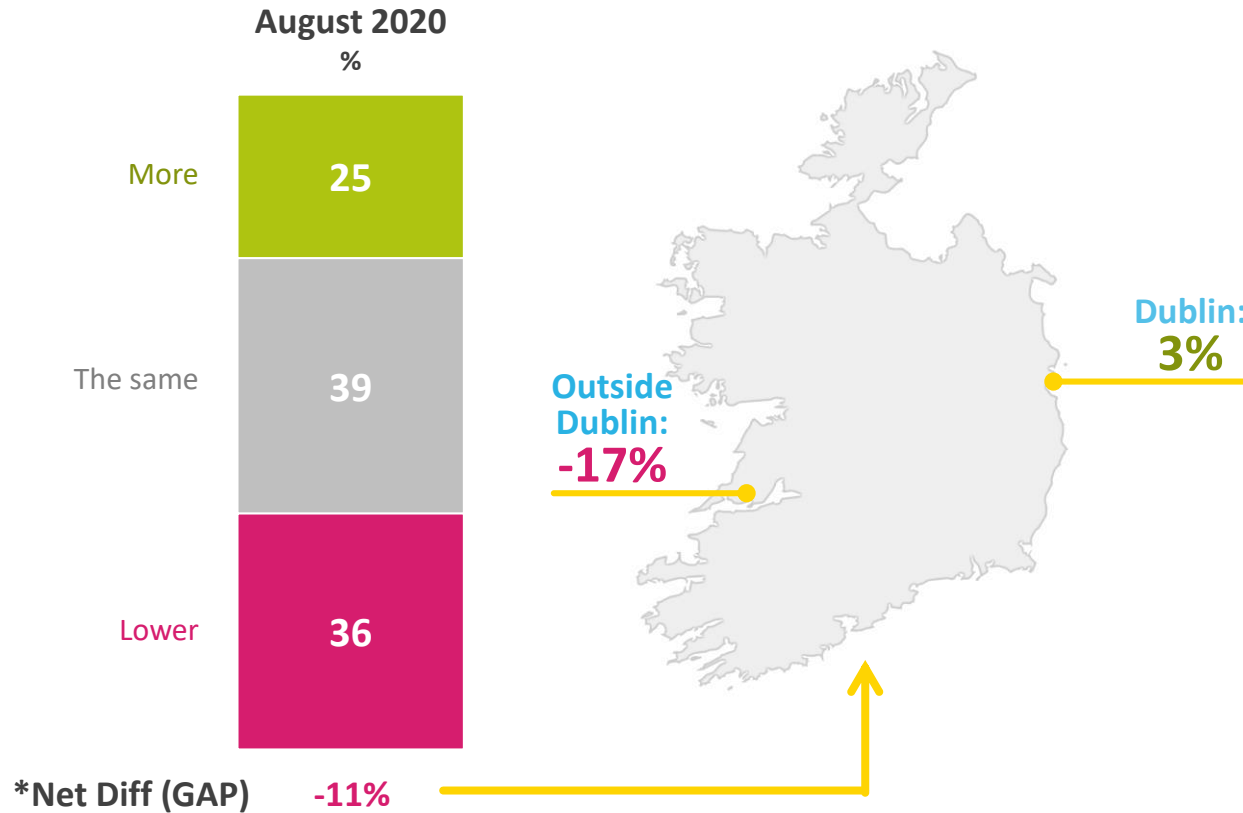
Those living outside Dublin are most concerned about the value of their personal assets.

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Jan 19	May 19	July 19	Sept 19	Nov 19	Jan 20	Apr 20	Jun 20	July 20	Aug 20
Gap	+20%	-25%	-53%	-43%	-41%	-31%	-18%	-1%	+14%	+15%	+26%	+25%	+20%	+20%	+10%	+8%	+9%	+13%	-43%	-24%	-22%	-22%

Q.6 Do you expect your assets (your house, shares, pension entitlements, savings) in the next year to be higher, lower or the same as in the past year?

Intention to save shows little movement over the past month

Base: All Adults 16+



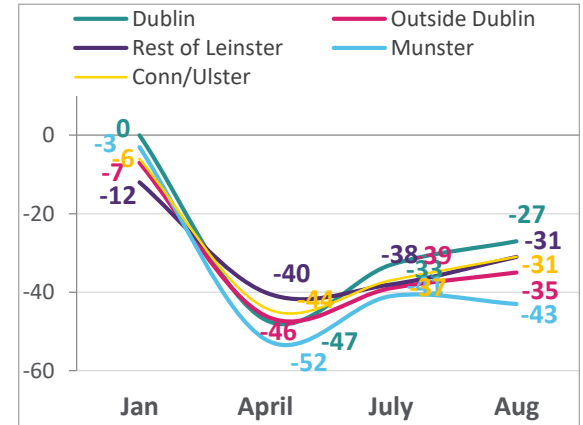
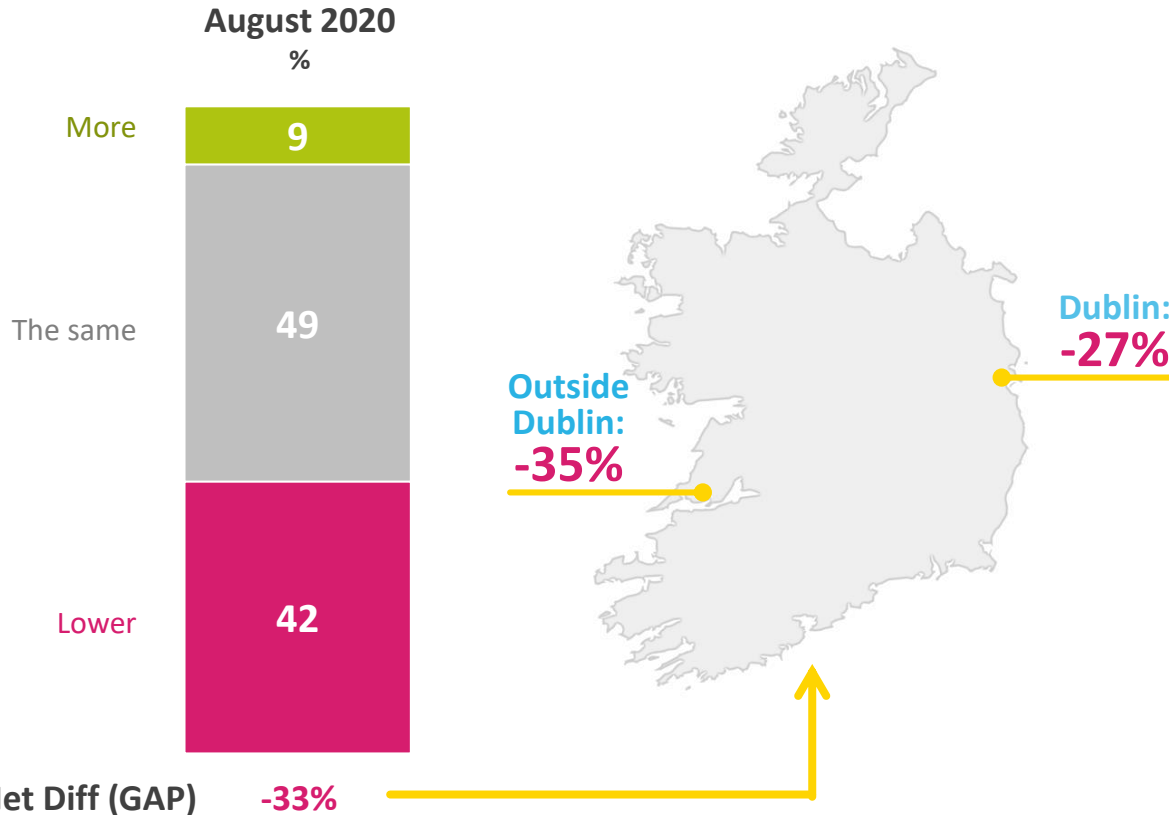
More positive in Dublin.

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Jan 19	May 19	July 19	Sept 19	Nov 19	Jan 20	Apr 20	Jun 20	July 20	Aug 20
Gap	-5%	-34%	-56%	-48%	-50%	-48%	-40%	-24%	-13%	-5%	-1%	=	-2%	=	-8%	-11%	-8%	-2%	-15%	-13%	-12%	-11%

Q.8 Do you expect to save more, less or the same amount in the year ahead compared with the last twelve months?

Consumer caution towards spending remains but some improvement is evident (albeit from a low level)

Base: All Adults 16+



Similar levels of consumer caution towards spending amongst those living in and outside Dublin.

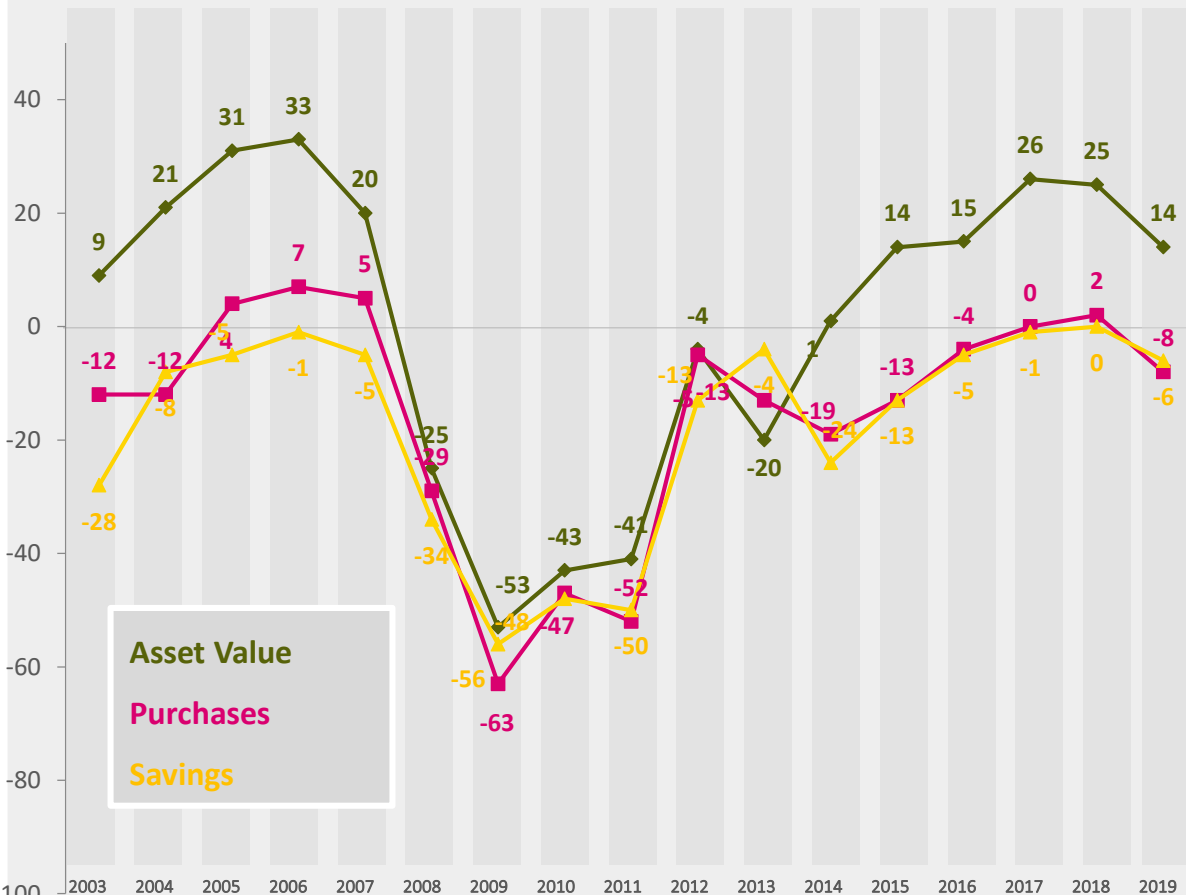
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Jan 19	May 19	July 19	Sept 19	Nov 19	Jan 20	Apr 20	Jun 20	July 20	Aug 20
Gap	+5%	-29%	-63%	-47%	-52%	-45%	-37%	-19%	-13%	-4%	=	+2%	-3%	-4%	-7%	-16%	-9%	-5%	-46%	-38%	-37%	-33%

Balance Of Opinion in Summary - The Year Ahead

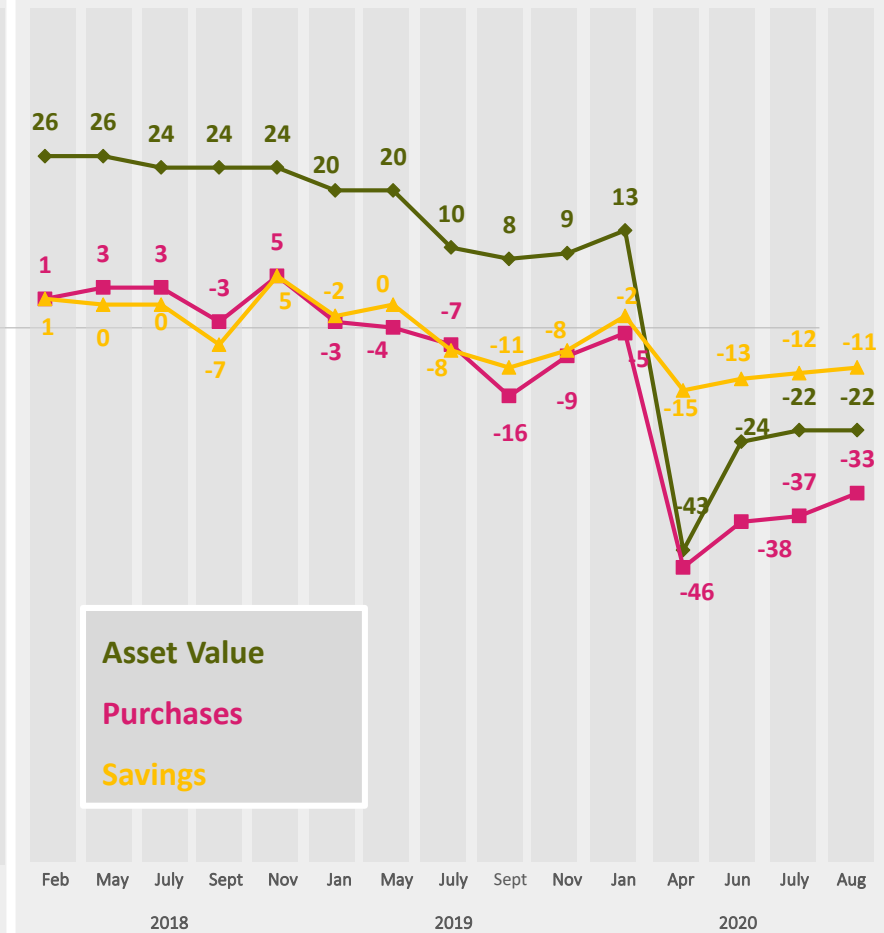
Expectations in regard to asset value, purchases, and savings



Long Term

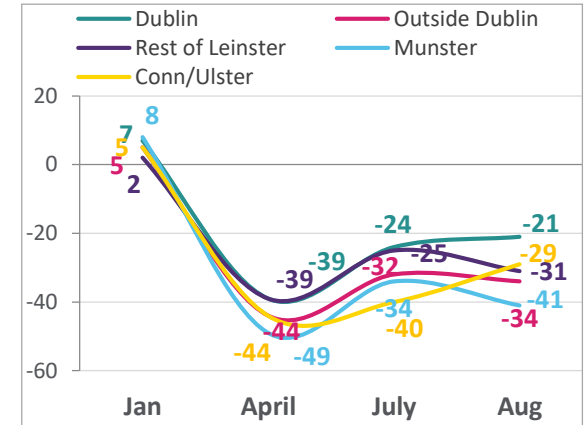
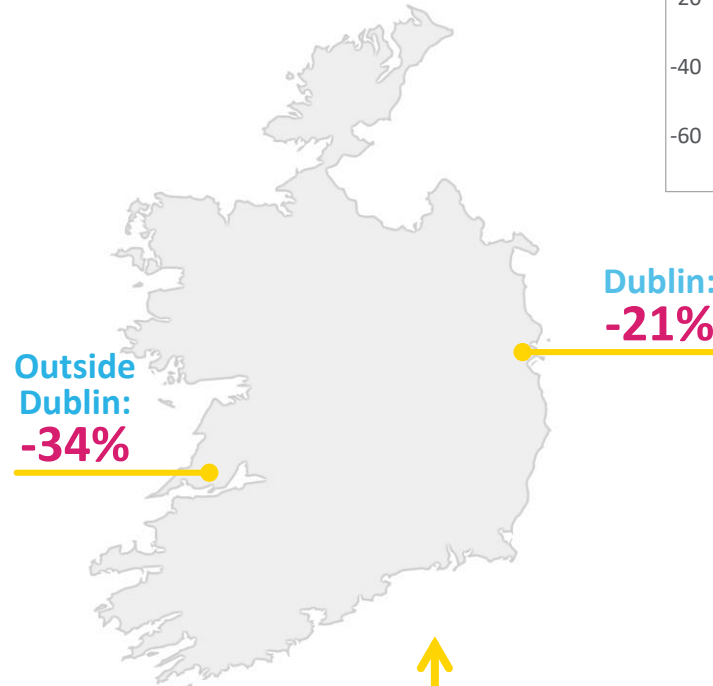
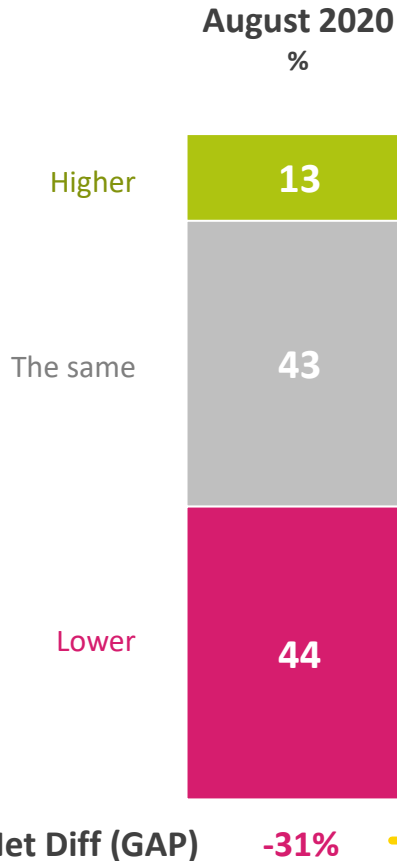


Short Term



Concerns about personal income remains similar to last wave

Base: All Adults 16+



Concerns about personal finances remain high countrywide.

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Jan 19	May 19	July 19	Sept 19	Nov 19	Jan 20	Apr 20	Jun 20	July 20	Aug 20
Gap	-15%	-59%	-68%	-49%	-58%	-52%	-32%	-22%	-6%	+3%	+8%	+12%	+9%	+8%	+2%	-8%	-2%	+6%	-43%	-36%	-30%	-31%

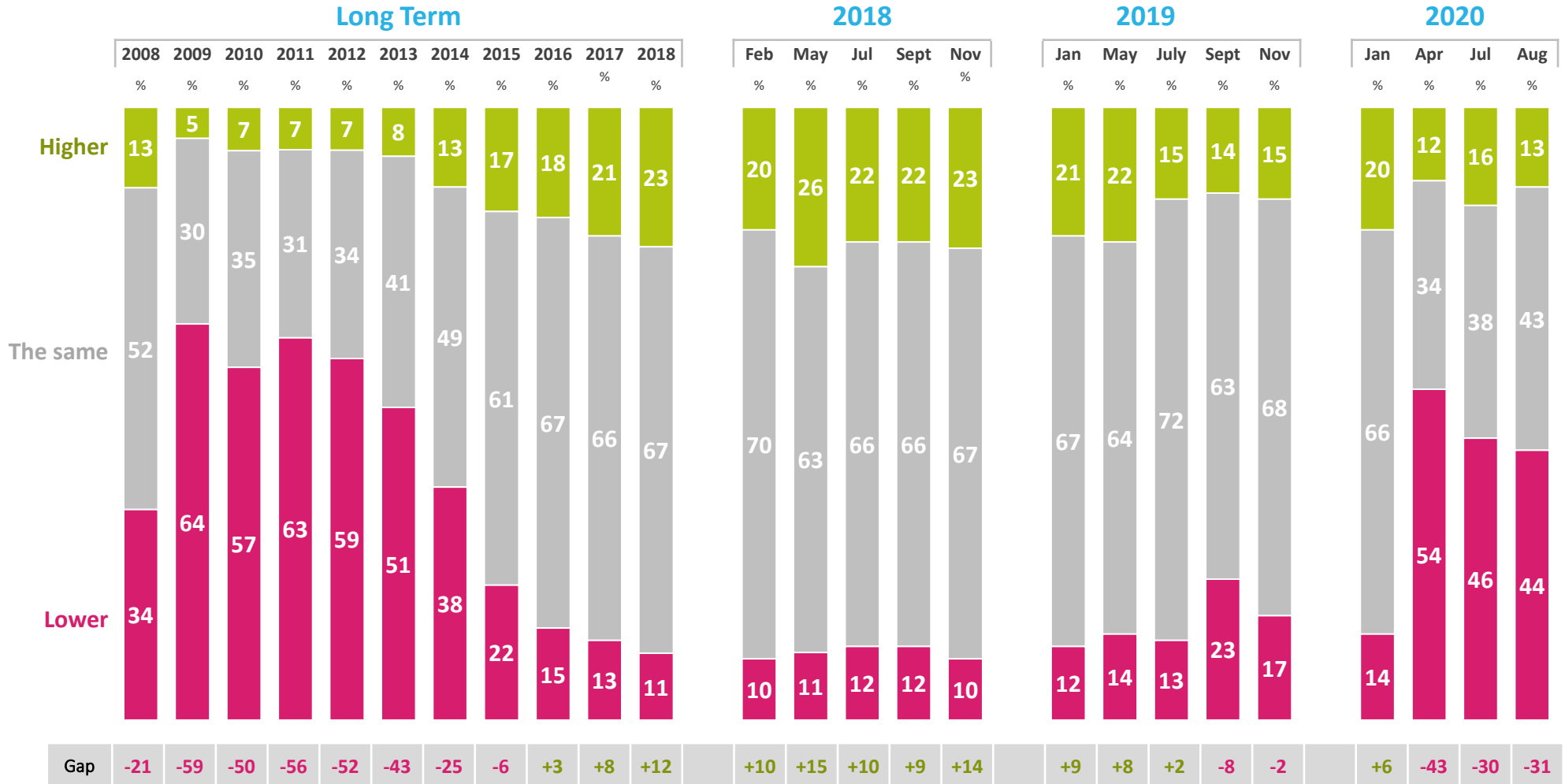
Q.5 Do you expect your income in the next year, after inflation and taxes, to be higher, lower or the same as in the last twelve months?

Personal Finances - Looking Forward YOY



Base: All Adults 16+

Expect it to be...



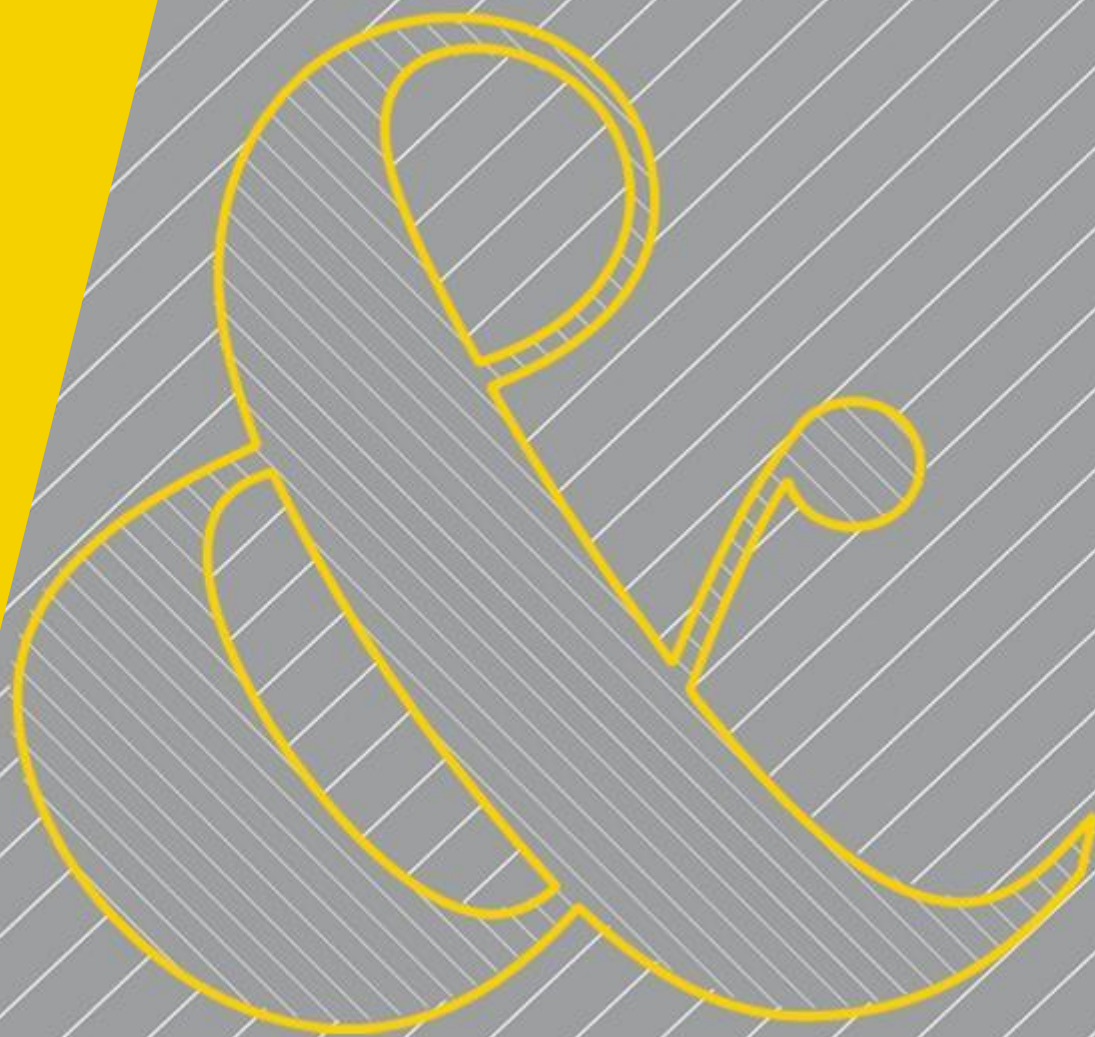
Q.5 Do you expect your income in the next year, after inflation and taxes, to be higher, lower or the same as in the last twelve months?

Thank you.



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Delve deeper