RESEARCH
& INSIGHT

# Consumer Confidence Tracker

September 2020

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# Introduction

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

Survey results are based on a sample of 1,006 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 17th-30th September.

# 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.*

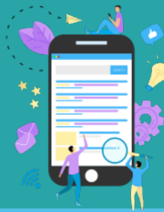
# B&A research services during Covid-19

### 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.

### 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 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 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 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.

### 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.

### B&A Telephone 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.

### Online Web Journey
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.

### 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.

### Remote Shopper Journey
B&A has a great deal of experience in 'shopper pathways' research. This uses technology to access a shopper experience in the moment. The respondent is unaccompanied but is wearing glasses that records the trip while they explain their selection. We then re-run the video with them in order to delve deeper into their thinking, reaction to display, pricing, branding and more. This provides a remote means of accessing shopper journeys which is extremely important in the current Covid environment.

**For further information contact any of our senior research team:** luke@banda.ie, ian@banda.ie, larry@banda.ie, elaine@banda.ie, neil@banda.ie, john@banda.ie, maggie@banda.ie, anita@banda.ie, cathy@banda.ie, david@banda.ie, niall.brennan@banda.ie, rachael@banda.ie, kate@banda.ie

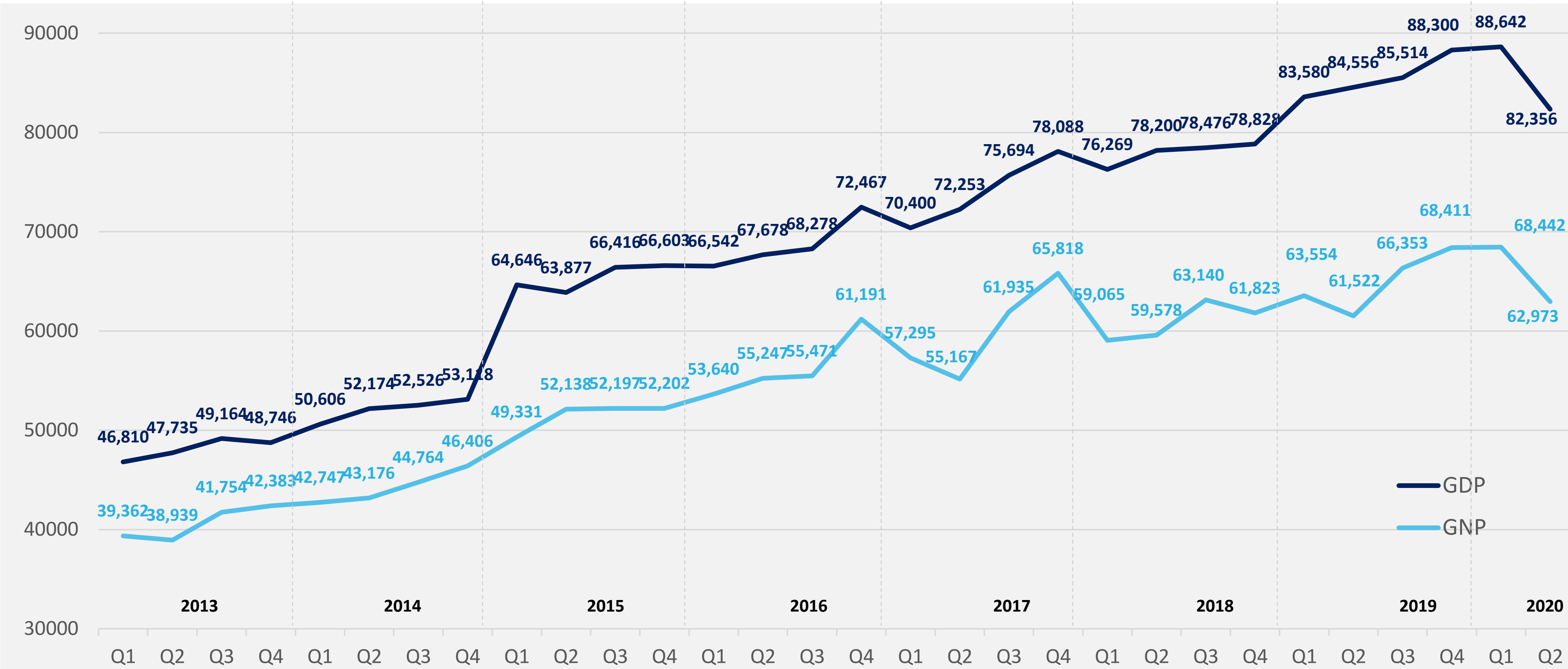
# Key highlights

# Economic confidence remains weak as 83% feel the country will be worse off in the coming year

- This latest wave of the B&A Consumer Confidence Barometer was conducted from 17th – 30th September 2020.
- Similar to the previous wave, **83% of people feel the country will be worse off economically in 2021**; while just 6% believe the country will be better off (these results came just days before level three restrictions were imposed across the entire country).
- The latest figures also show that there has **been some decline in attitudes towards ability to save and purchasing** intentions.
- Attitudes towards the **value of personal assets and personal income have remained relatively** stable however.
- Given these results, and as restrictions have since been upgraded to level 5, it is probable that **consumers will become increasingly nervous** as the virus continues to significantly impact across society.


# Macro context

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




*Source: www.CSO.ie Quarterly National Accounts*

**GDP and GNP data correct as of November 2019*

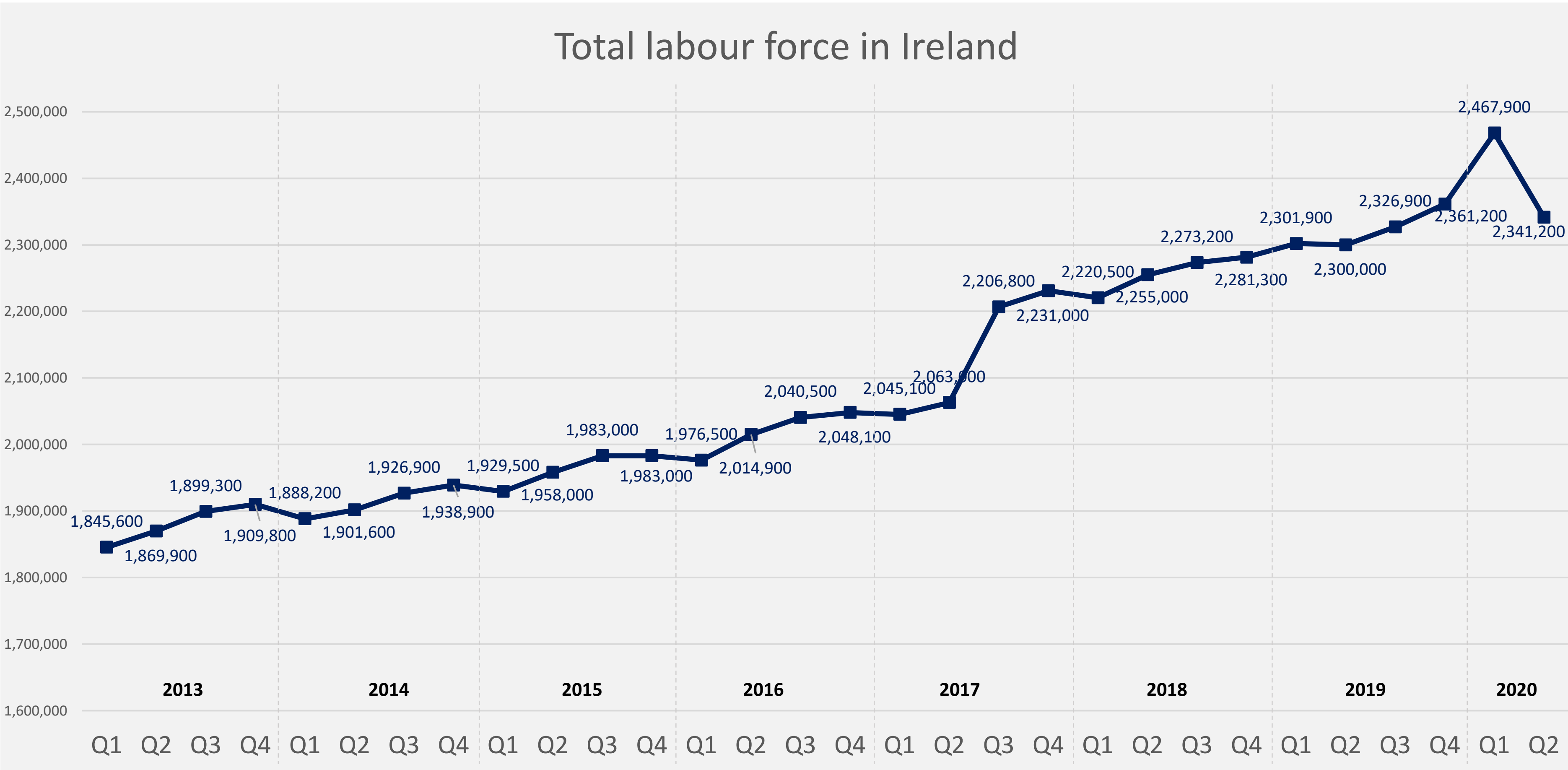
*QTR 3 2020 data not yet available*

# Economy in recession over impact of Covid-19 restrictions


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.

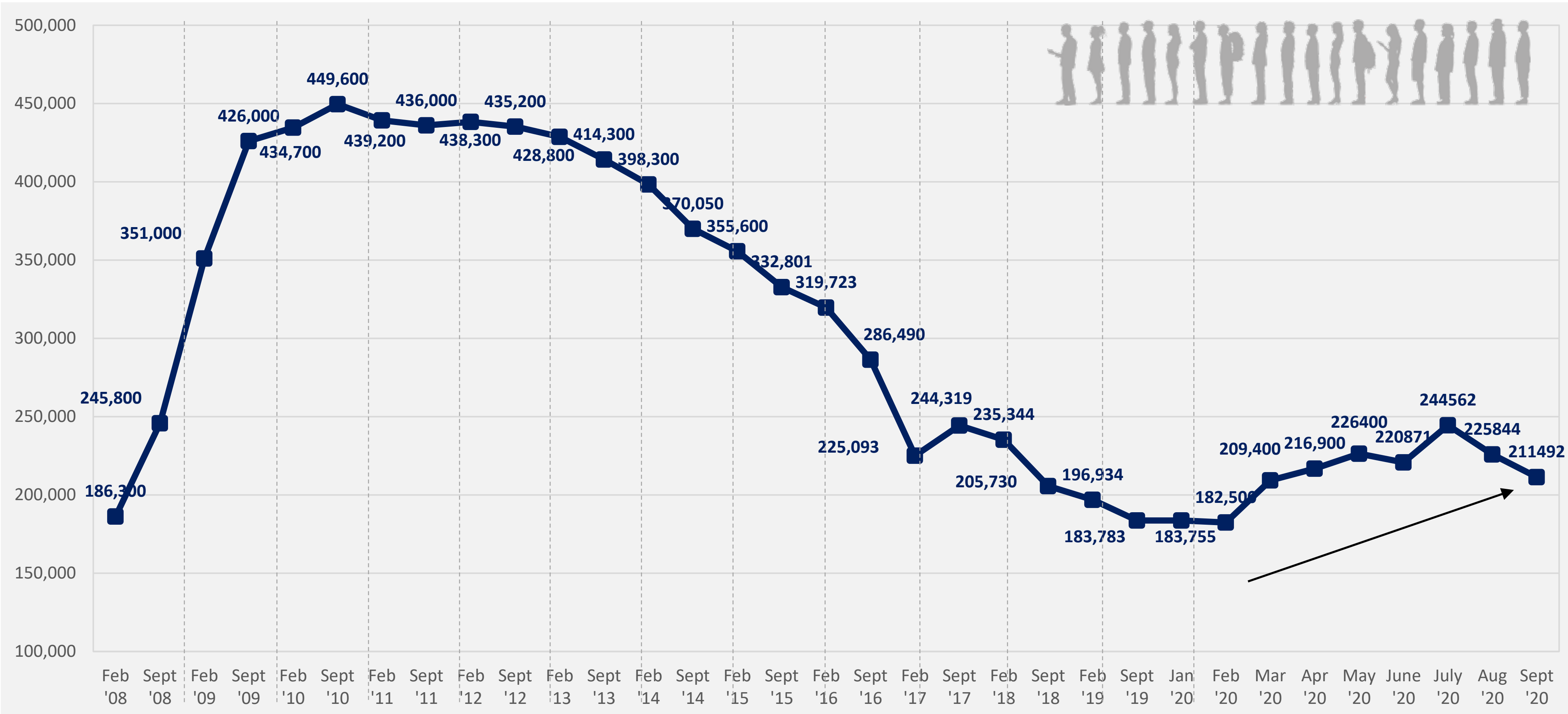
This means the economy is now in recession after an initial estimate that it expanded in the first quarter was revised downwards.
A recession is defined as a fall in GDP for two quarters in a row.

# Employment levels dropped significantly during Q2 2020




**Source: www.CSO.ie/ Labour Force survey*
*Q3 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*

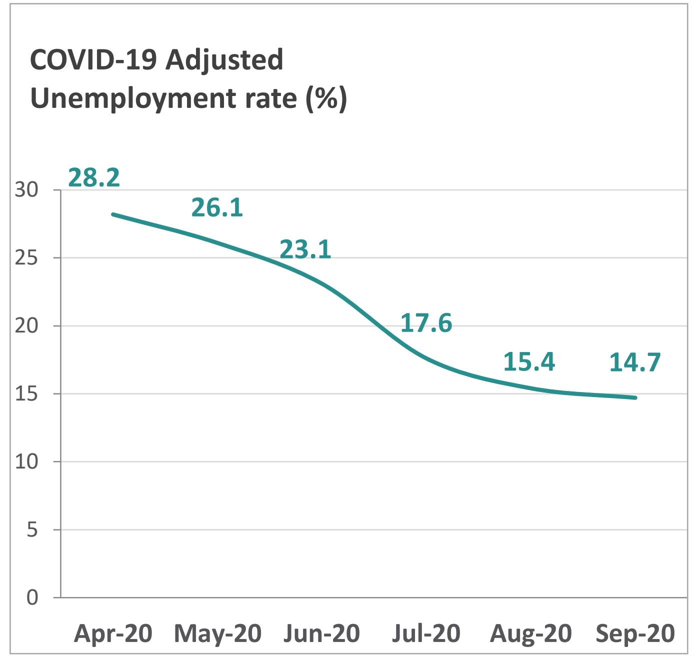
** The Live Register is not designed to measure unemployment. It includes part-time work e.g. seasonal & casual workers who work up to 3 days per week*

The Live Register does not include those on Pandemic Unemployment Payments

# Covid-19 adjusted unemployment rate falls to 14.7% in September, while the standard measure for unemployment gradually increases to 5.4%

## Monthly Unemployment

| | Seasonal Adjusted Figures | | Non-Seasonally Adjusted Figures | |
|---|---|---|---|---|
| | Number of persons unemployed | Unemployment rate (%) | Traditional Unemployment rate (%) | COVID-19 Adjusted Unemployment rate (%) |
| **Sept 2020** | 126,200 | 5.4 | 5.4 | 14.7 |
| **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 September 2020. While the standard measure of Monthly Unemployment was 5.4% in September 2020, a new COVID-19 Adjusted Measure of Unemployment could indicate a rate as high as 14.7% if all claimants of the Pandemic Unemployment Payment (PUP) were classified as unemployed.

# Pandemic Unemployment Payment claims increased by 11% over seven days when level 3 restrictions were extended across the country

- On the 12th October 2020 the number of people claiming the Pandemic Unemployment Payment increased by more than 23,000 over the space of seven days.
- The 11% increase coincided with the government decision to extend Level 3 restrictions beyond Dublin and Donegal to the whole of the country.
- Some 228,858 people will receive the PUP compared to just under 206,000 seven days ago.
- The number of under-25s claiming the payment soared by 23% over the same period - from 44,724 to 54,999.

**National Framework for living with COVID-19**

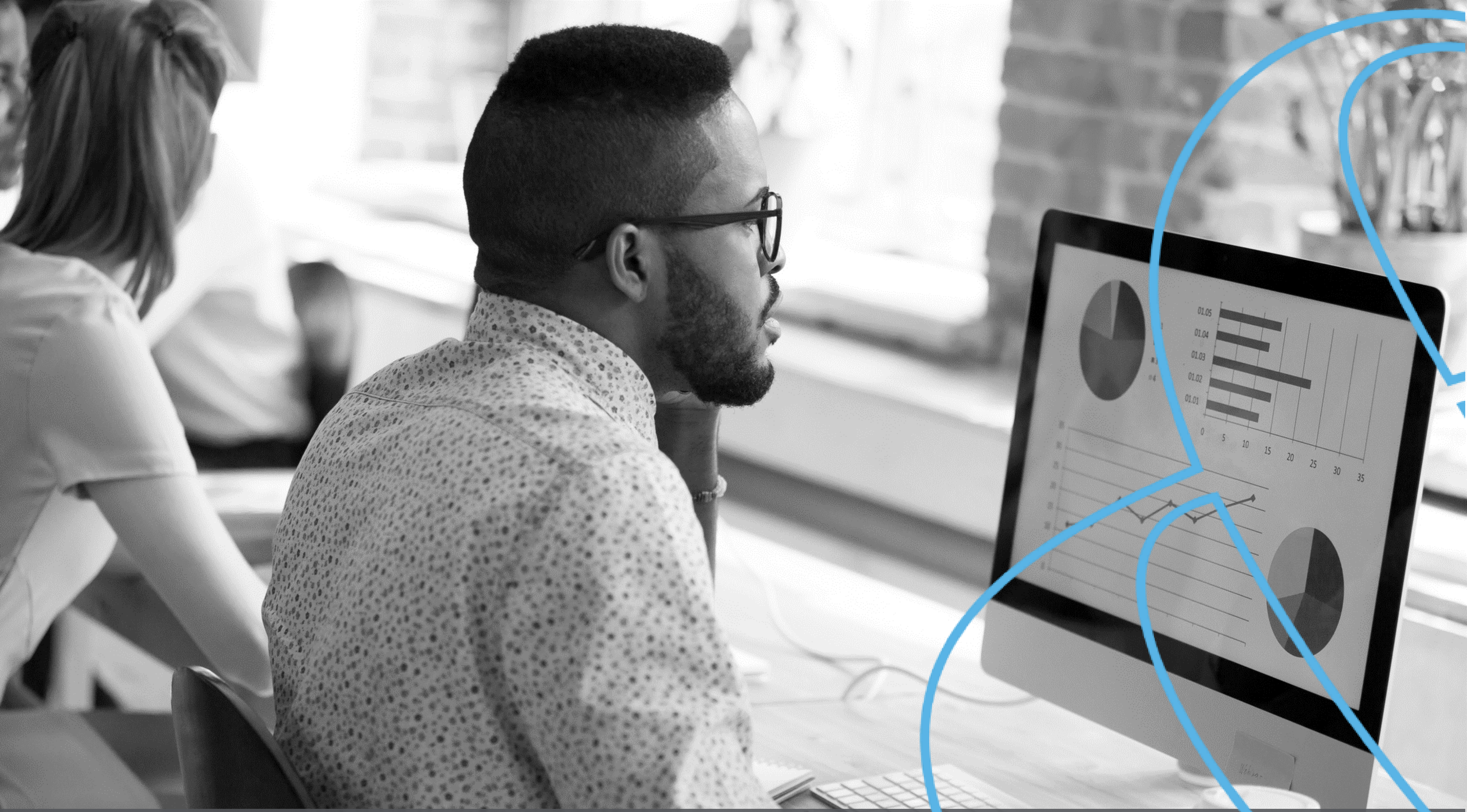
Very low rate of COVID-19 infections Low R-Number → Very high rate of COVID-19 infections High R-Number

| | Level 1 | Level 2 | Level 3 | Level 4 | Level 5 |
|---|---|---|---|---|---|
| Social & Family Gatherings | Max: 10 from 3 other households | Max: 6 from 3 other households | Max: 6 from 1 other household | No visitors | No visitors |
| Weddings | Max: 100 | Max: 50 | Max: 25 | Max: 6 | Max: 6 |
| Indoor Events | Depending on venue size 100 \| 200 | Depending on venue size 50 \| 100 | No organised events | No organised events | No organised events |
| Outdoor Events | Depending on venue size 200 \| 500 | Depending on venue size 100 \| 200 | Gatherings of up to 15 | Gatherings of up to 15 | |
| Sports Training | Normal training with protective measures | Indoors Pods of 6; Outdoors Pods of 15 | 1 Individual only; Pods of 15 Non-contact | 1 Individual only; Pods of 15 Non-contact | Individual training only |
| Matches & Events | 100 indoor \| 200 outdoor \| 500 stadia | 50 indoor \| 100 outdoor \| 200 stadia | Except specific exemptions | Except specific exemptions | No events |
| Gyms, Pools & Leisure Centres | Open with protective measures | Open with protective measures | Individual training only | Closed | Closed |
| Religious Services | 50 (or sub-groups of 50) | 50 (or sub-groups of 50) | Services move online; Funerals 25 | Services move online; Funerals 25 | Services move online; Funerals 10 |
| Bars serving food, Cafés & Restaurants | Open with protective measures | Open Groups of 6 from up to 3 households | Range of restrictions up to and including no indoor dining | Outdoor dining only Max: 15 Takeaway/Delivery | Takeaway/Delivery only |
| Wet Pubs | Open with protective measures | Open Groups of 6 from up to 3 households | Range of restrictions up to and including no indoor service* | Outdoor only Max: 15 persons Takeaway/Delivery | Takeaway/Delivery only |
| Hotels, Guesthouses B&Bs | Open with protective measures | Open with protective measures | Services limited to Residents only | Existing Guests & Essential Purposes only | Essential Purposes only |
| Retail & Services (Mandatory face coverings) | Open with protective measures | Open with protective measures | Open with protective measures | Primarily outdoor Essential retail/services | Essential Retail only |
| Indoor Cultural Venues | Open with protective measures | Open with protective measures | Venues closed Libraries available for e-services/call & collect | Venues closed Online services available | Venues closed Online services available |
| Workplace (Work from home if possible) | Staggered attendance | Essential Meetings, Induction & Training only | Attend only if absolutely necessary | Essential & other designated workers only | Essential workers only |
| Domestic Travel | No restrictions | No restrictions | Stay in your county except for work, education & essential purposes | Stay in your county Except for essential work, education & essential purposes | Stay at home Exercise within 5km |
| Public Transport (Cycle or walk if possible \| Mandatory face coverings) | Off-peak hours | 50% Capacity; Peak hours prioritised to essential workers & purposes | 50% Capacity; Only when necessary | 25% Capacity; Avoid public transport | 25% Capacity; Avoid public transport |
| Schools & Childcare | Open with protective measures | Open with protective measures | Open with protective measures | Open with protective measures | Recommendations based on situation and evidence at time |
| Adult & Higher Education | Open with protective measures | Open with protective measures | Open Escalate all appropriate protective measures / limit congregation | Move online On-site attendance only when essential | Recommendations based on situation and evidence at time |
| Care Homes | Open with protective measures | Open with enhanced protective measures | Visiting suspended, aside from critical and compassionate circumstances | | |
| Over 70s & Medically Vulnerable | Exercise judgement regarding engaging with others and in activities outside home. | | | | |

*Pubs currently remain closed in Dublin

More detailed information is available at gov.ie/COVID19

Coronavirus COVID-19 National Programme



# Consumer Confidence findings

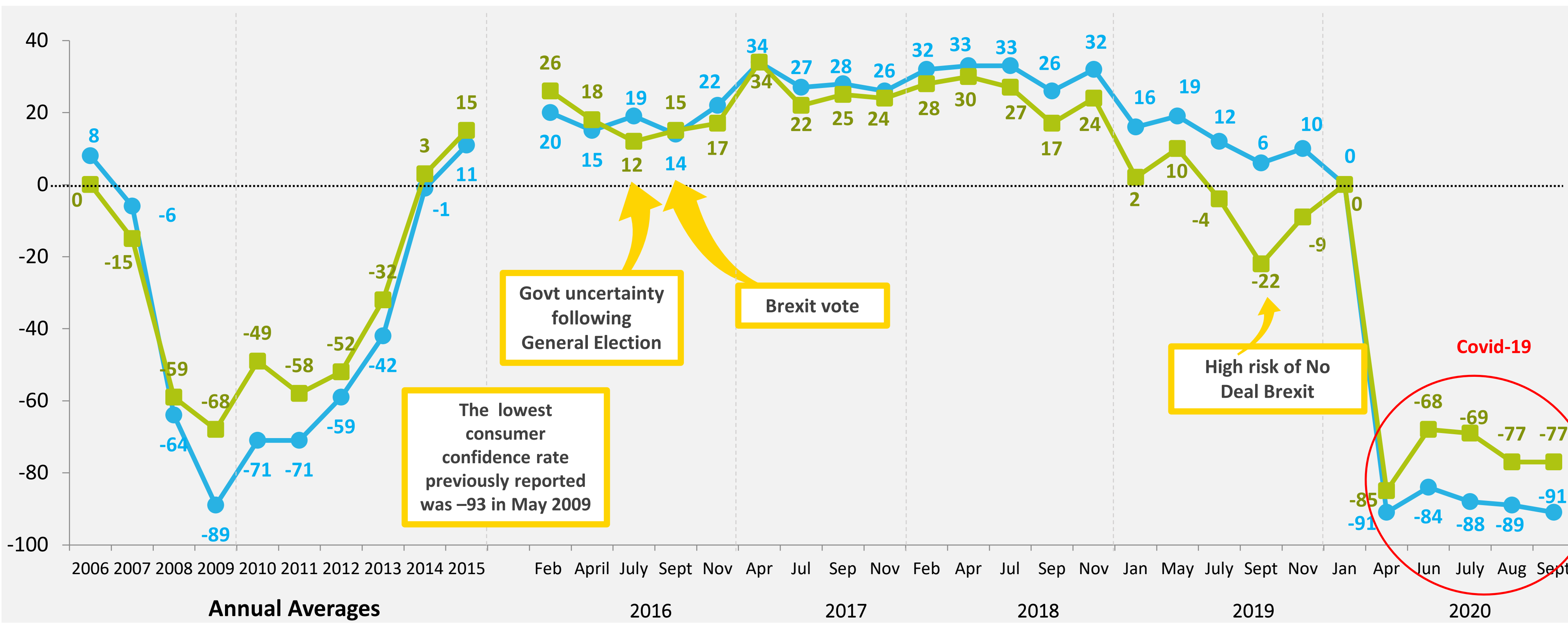
# Economic confidence remains weak as 83% feel the country will be worse off economically in the coming year

B&A

**Looking forward**
**(Net Diff: Positive-Negative)**

| | |
|---|---|
| Dublin | -71 |
| Outside Dublin | -79 |

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.**

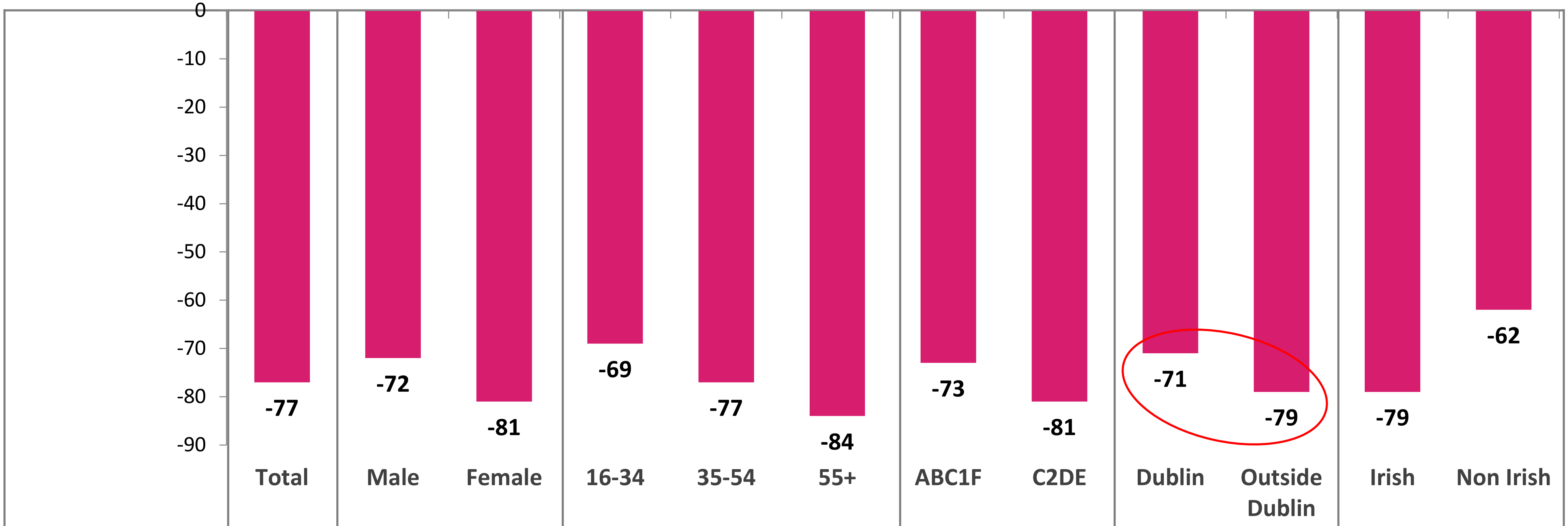
*Source: B&A Consumer Confidence Report*

*Q.1 Thinking about the economy as a whole, do you think that the country is better off, worse off, or about the same as last year?*
*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?*

# Females, older demographic, blue collar and those living outside Dublin are the most pessimistic

B&A

Base: All Adults 16+

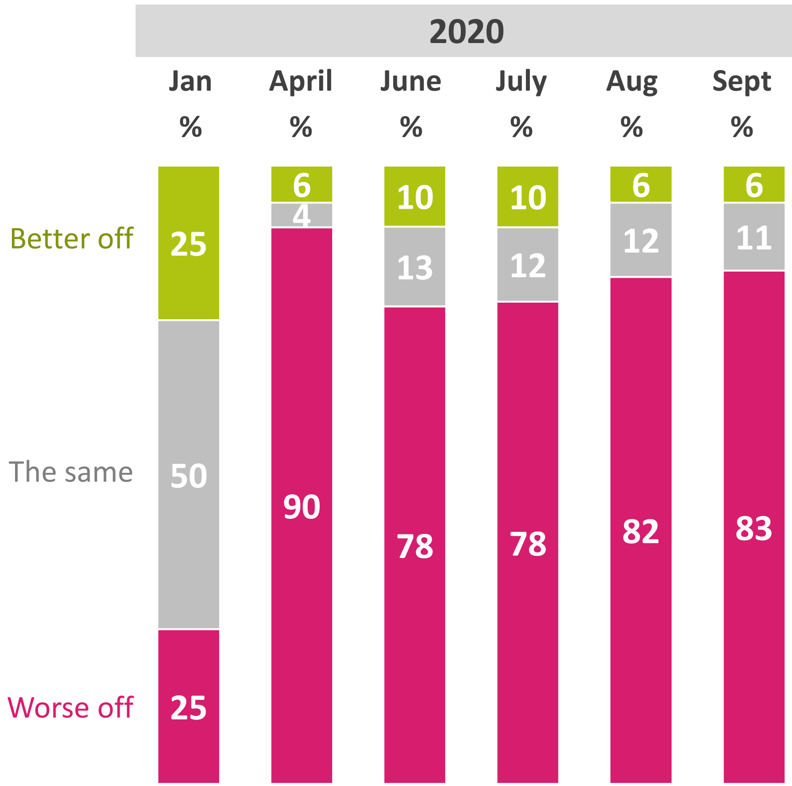



| | Total | Male | Female | 16-34 | 35-54 | 55+ | ABC1F | C2DE | Dublin | Outside Dublin | Irish | Non Irish |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| NET Diff Aug '20 | -77% | -75% | -79% | -74% | -73% | -84% | -77% | -77% | -76% | -77% | -79% | -61% |
| NET Diff July '20 | -69% | -58% | -79% | -66% | -68% | -72% | -66% | -71% | -68% | -69% | -70% | -58% |
| NET Diff June '20 | -68% | -67% | -69% | -61% | -68% | -76% | -63% | -73% | -71% | -67% | -69% | -60% |
| NET Diff Apr '20 | -85% | -84% | -85% | -75% | -89% | -89% | -86% | -84% | -87% | -84% | -87% | -71% |
| NET Diff Jan '20 | 0% | +2% | -3% | +5% | +4% | -10% | +3% | -3% | +3% | -2% | -1% | +5% |
| NET Diff Nov '19 | -9% | -6% | -12% | 1% | -12% | -16% | -7% | -11% | 5% | -15% | -11% | 2% |
| NET Diff Sept '19 | -22% | -15% | -29% | -15% | -24% | -27% | -22% | -21% | -7% | -29% | -24% | -12% |
| NET Diff July '19 | - 4% | 0% | - 9% | 9% | - 4% | -19% | -2% | -5% | - 4% | -5% | -7% | 11% |
| NET Diff Apr '19 | 10% | 16% | 4% | 22% | 12% | -4% | 22% | 2% | 16% | 8% | 9% | 16% |
| NET Diff Jan '19 | 2% | 6% | -1% | 15% | 1% | -9% | 11% | -2% | 11% | -1% | 1% | 13% |

*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

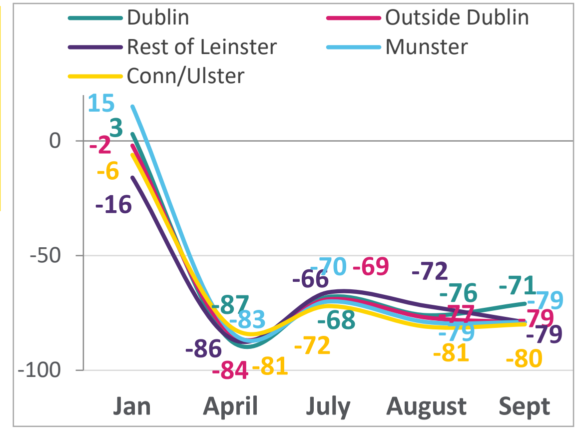
Base: All Adults 16+

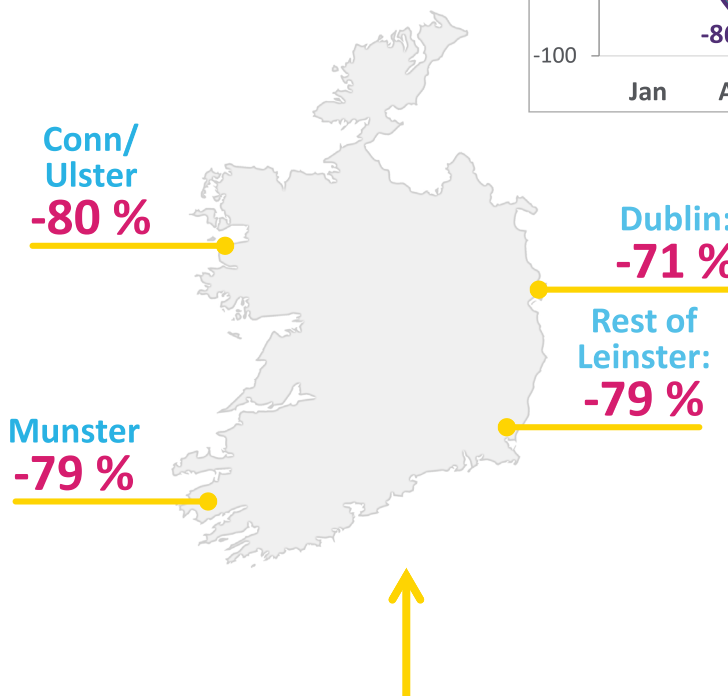



| *Net Diff (GAP) | Jan | April | June | July | Aug | Sept |
|---|---|---|---|---|---|---|
| | 0 | -85% | -68% | -69% | -77% | -77% |

**Looking forward**

| | Sept '20 |
|---|---|
| Dublin | -71 |
| Outside Dublin | -79 |



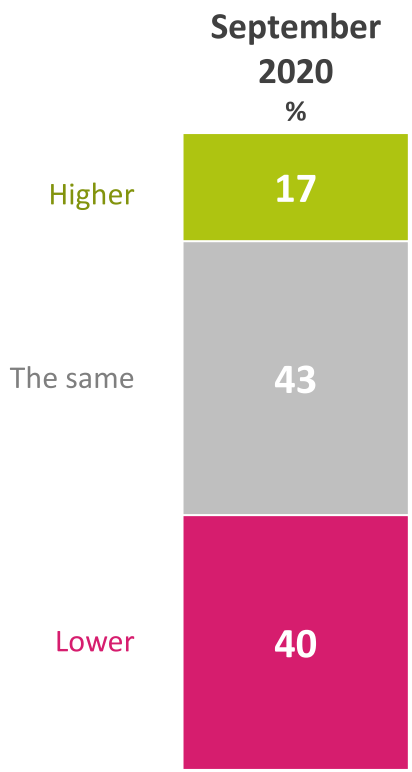




| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Jan 19 | May 19 | July 19 | Sept 19 | Nov 19 | Jan 20 | Apr 20 | Jun 20 | July 20 | Aug 20 | Sept 20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gap | -15%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

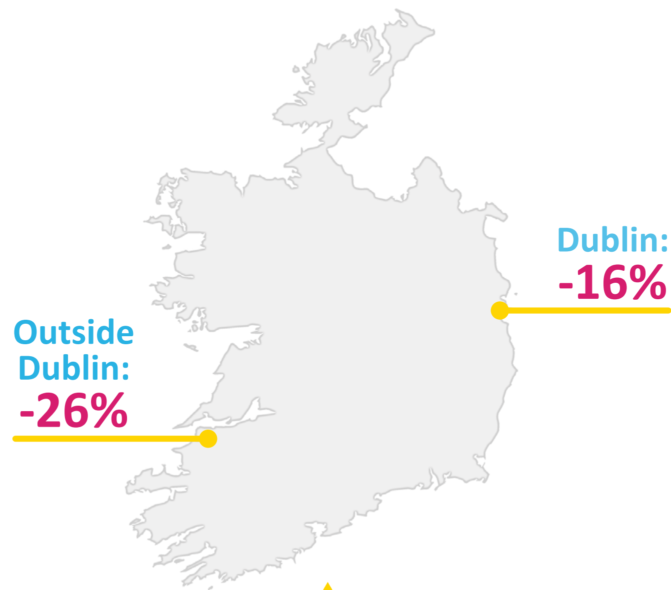
*Q.2 And what about the coming year, do you think that the country will be better off, worse off or about the same as this year?*

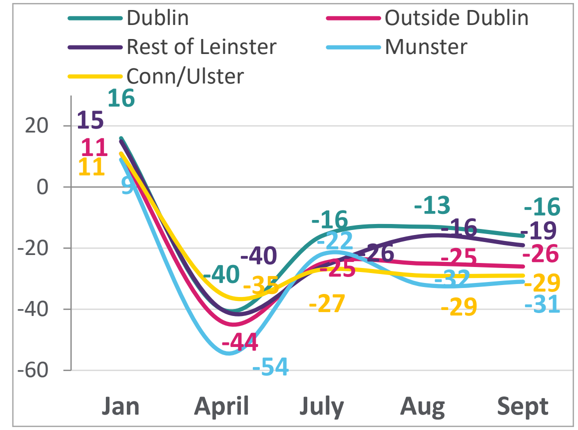
# Attitudes towards the value of *personal assets* remains similar to last wave

Base: All Adults 16+




*Net Diff (GAP) -23%



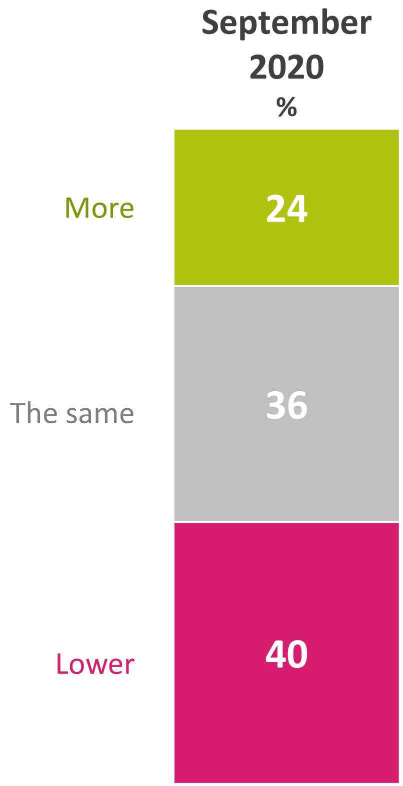

Those living outside Dublin are most concerned about the value of their personal assets, but Dubliners are concerned too.

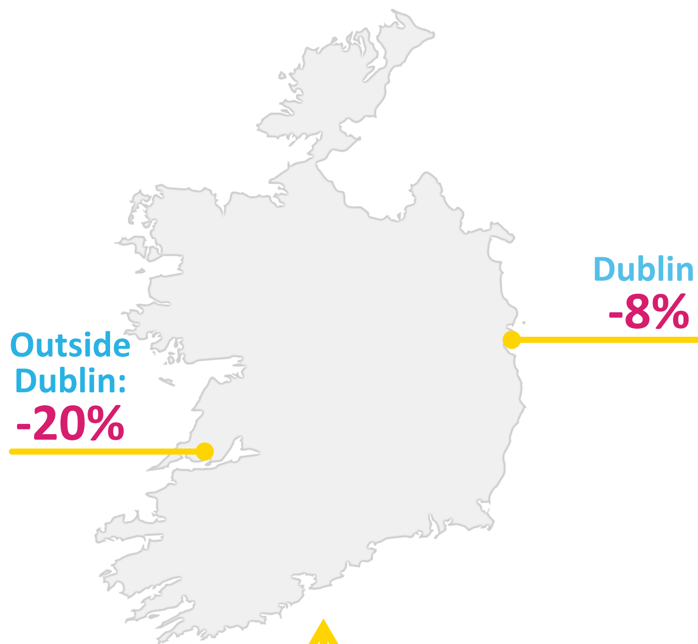
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Jan 19 | May 19 | July 19 | Sept 19 | Nov 19 | Jan 20 | Apr 20 | Jun 20 | July 20 | Aug 20 | Sept 20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gap | +20% | -25% | -53% | -43% | -41% | -31% | -18% | -1% | +14% | +15% | +26% | +25% | +20% | +20% | +10% | +8% | +9% | +13% | -43% | -24% | -22% | -22% | -23% |

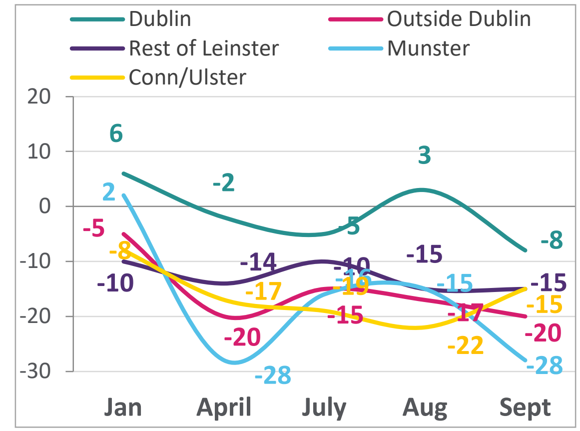
*Q.6 Do you expect your assets (your house, shares, pension entitlements, savings) In the next year to be higher, lower or the same as in the past year?*

# Intention to *save* has fallen back nationwide.

Base: All Adults 16+




More positive in Dublin; albeit still low.

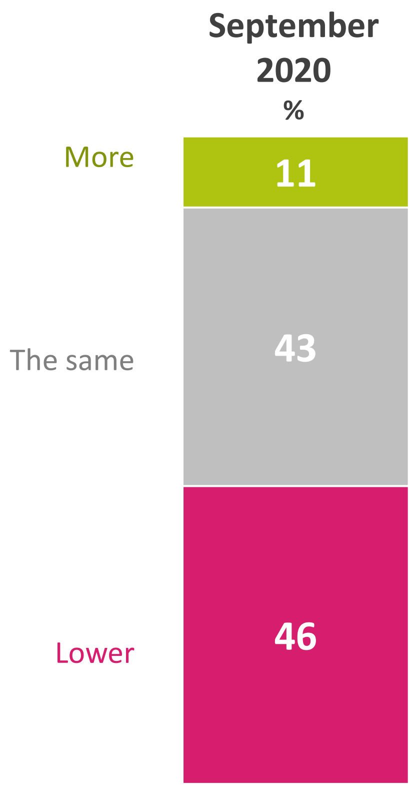
***Net Diff (GAP)** -16%

| | 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 | Sept 20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gap | -5% | -34% | -56% | -48% | -50% | -48% | -40% | -24% | -13% | -5% | -1% | = | -2% | = | -8% | -11% | -8% | -2% | -15% | -13% | -12% | -11% | -16% |

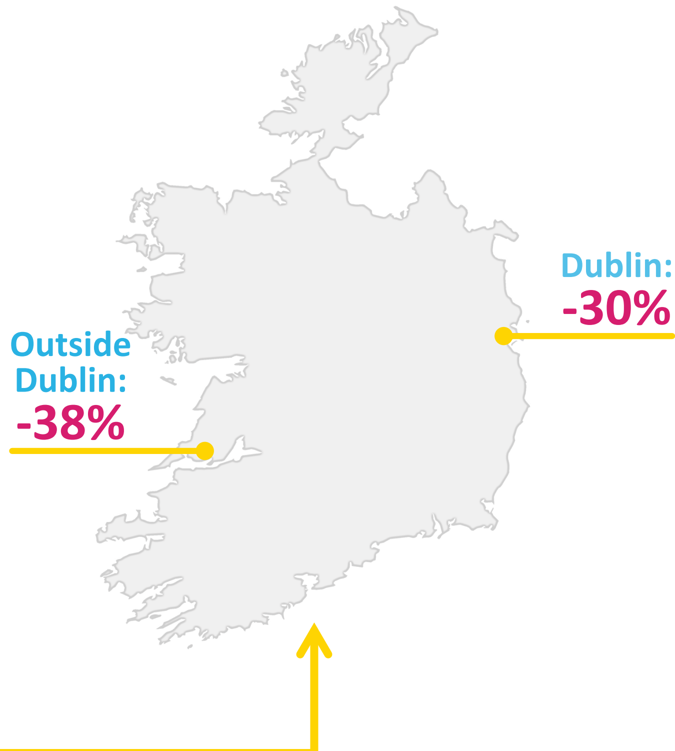
*Q.8 Do you expect to save more, less or the same amount in the year ahead compared with the last twelve months?*

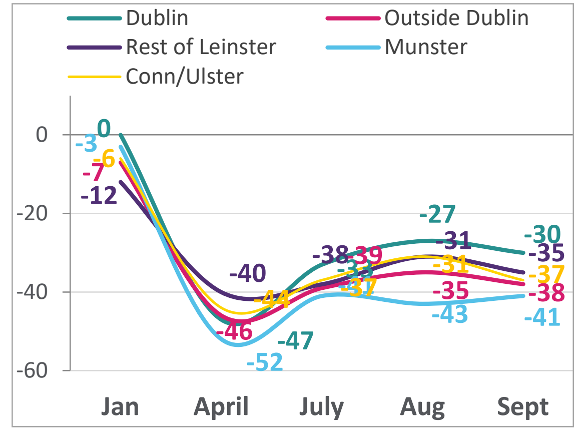
# Consumer caution towards spending remains low.

Base: All Adults 16+




*Net Diff (GAP) -36%



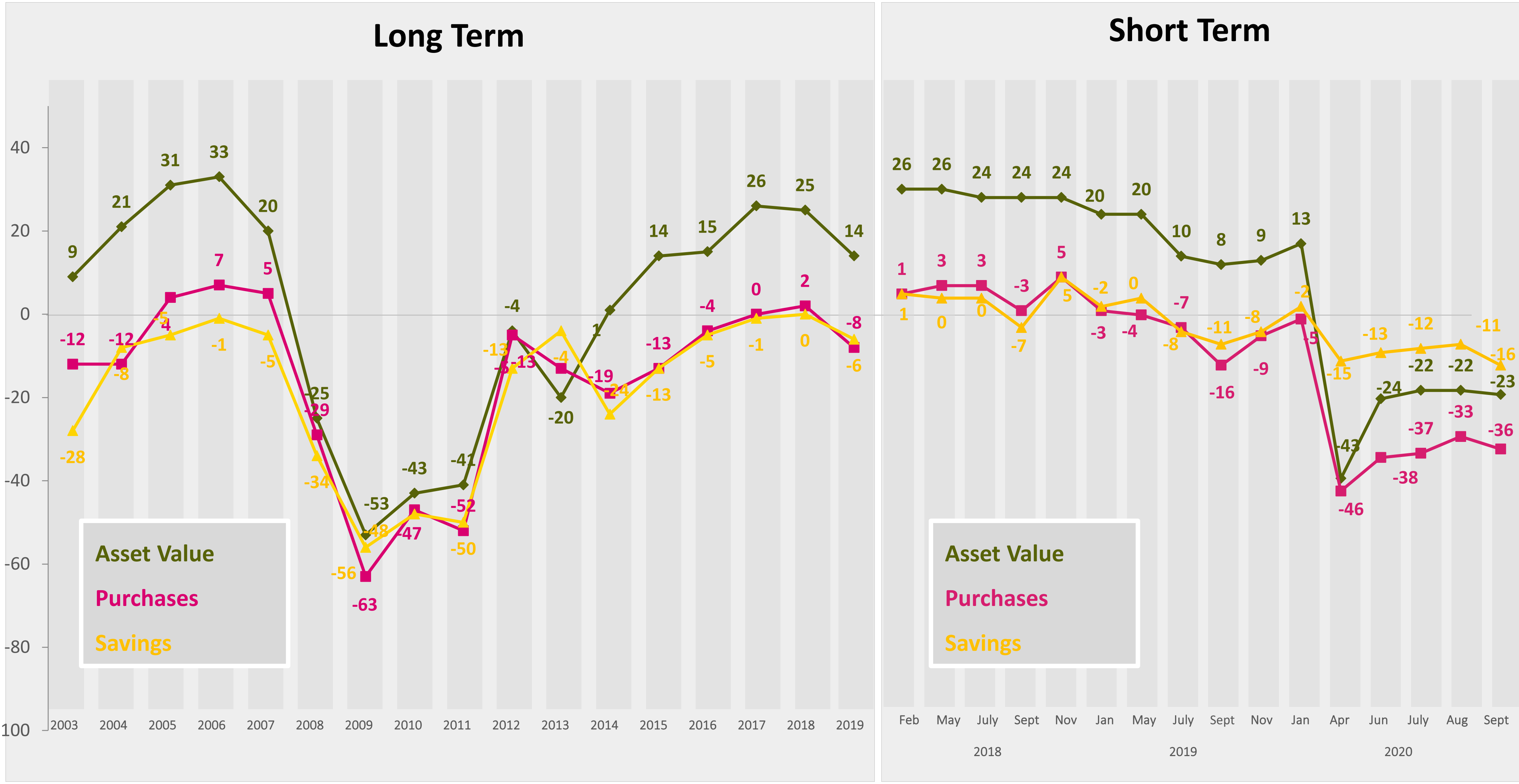

**High levels of consumer caution towards spending across the country.**

| | 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 | Sept 20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gap | +5% | -29% | -63% | -47% | -52% | -45% | -37% | -19% | -13% | -4% | = | +2% | -3% | -4% | -7% | -16% | -9% | -5% | -46% | -38% | -37% | -33% | -36% |

*Q.7 In the year ahead, do you expect to purchase more, less or the same amount of goods and services as in the past year?*

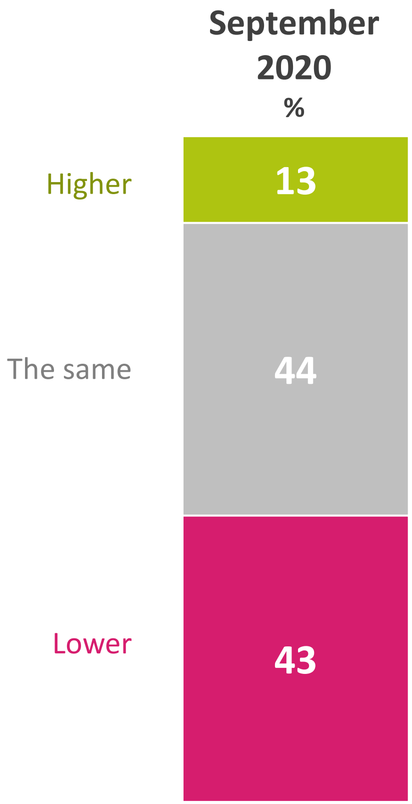
# Balance Of Opinion in Summary - The Year Ahead

*Expectations in regard to asset value, purchases, and savings*

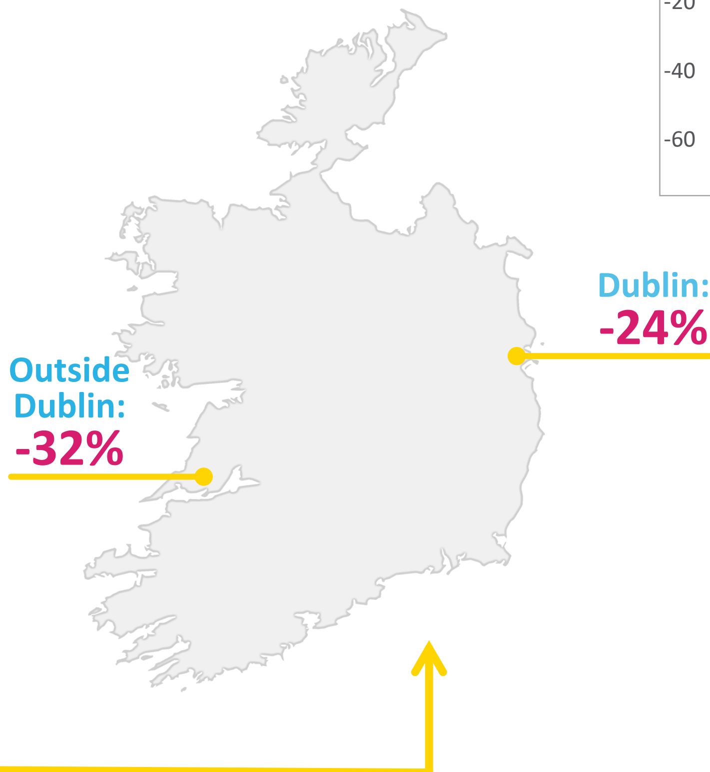


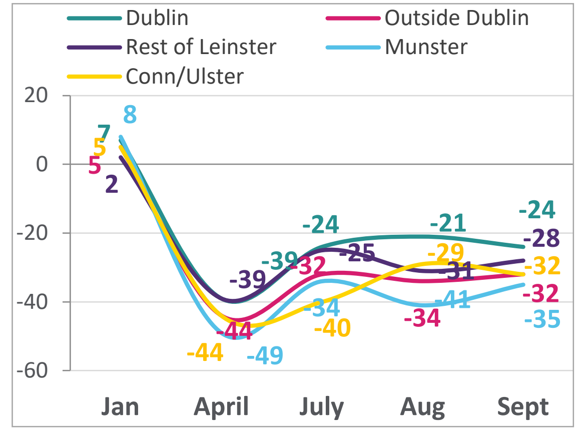
# Concerns about personal *income* have remained relatively stable over the past month

Base: All Adults 16+




*Net Diff (GAP) -30%




Concerns about personal finances remain high across the country.

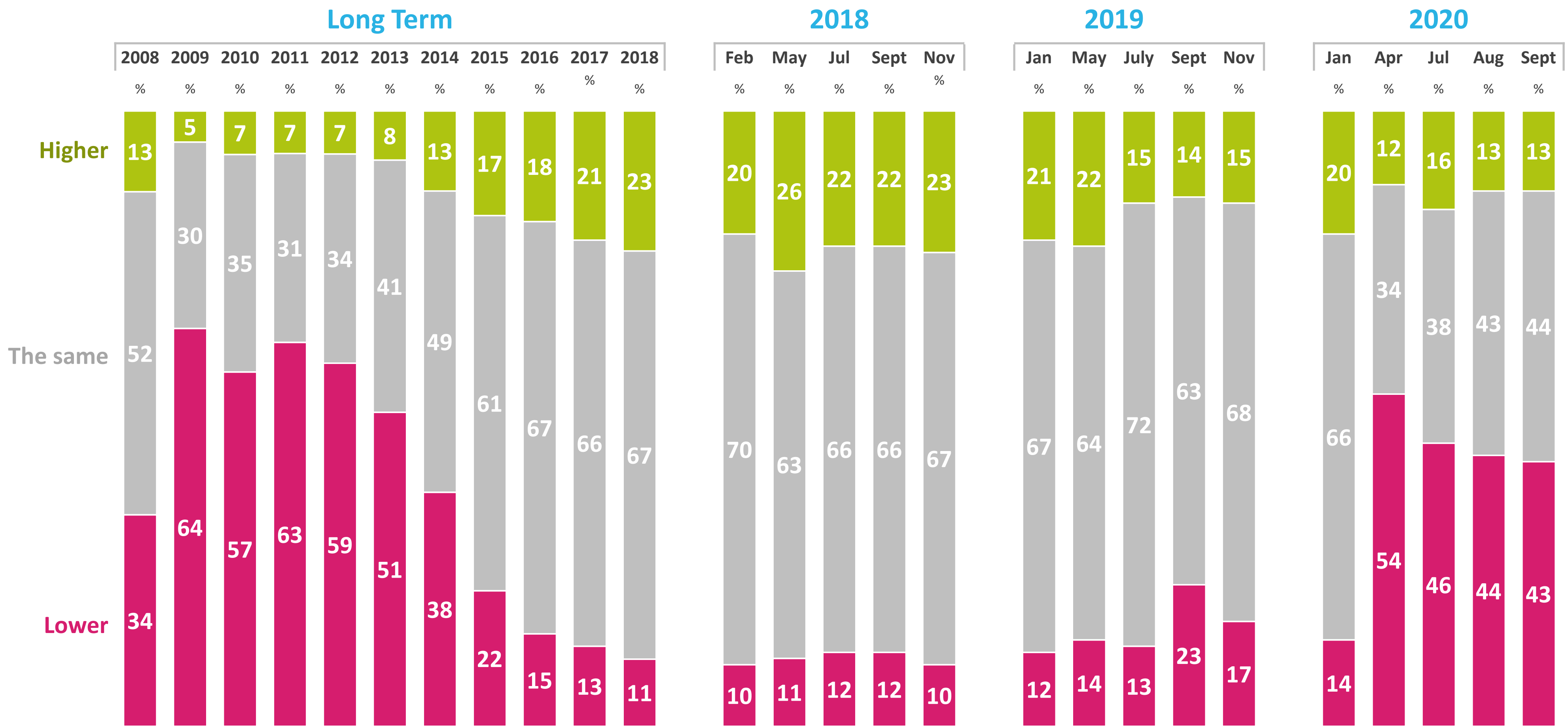
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Jan 19 | May 19 | July 19 | Sept 19 | Nov 19 | Jan 20 | Apr 20 | Jun 20 | July 20 | Aug 20 | Sept 20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gap | -15%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

*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…**




| Gap | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Feb 2018 | May 2018 | Jul 2018 | Sept 2018 | Nov 2018 | Jan 2019 | May 2019 | July 2019 | Sept 2019 | Nov 2019 | Jan 2020 | Apr 2020 | Jul 2020 | Aug 2020 | Sept 2020 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gap | -21 | -59 | -50 | -56 | -52 | -43 | -25 | -6 | +3 | +8 | +12 | +10 | +15 | +10 | +9 | +14 | +9 | +8 | +2 | -8 | -2 | +6 | -43 | -30 | -31 | -30 |

*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