



Happy...but Anxious For Ireland

**Credit Crunch
Tracking**

September 2010



Caution remains among happy consumers

- ✓ It's not as bad as we anticipated, with less personal impact over the past year than originally feared.
- ✓ High maintenance or improvement in quality of life, happiness & in energy and motivation.
- ✗ However, caution over Irish economy means we are holding our breath to see what happens, & also our pulse strings.

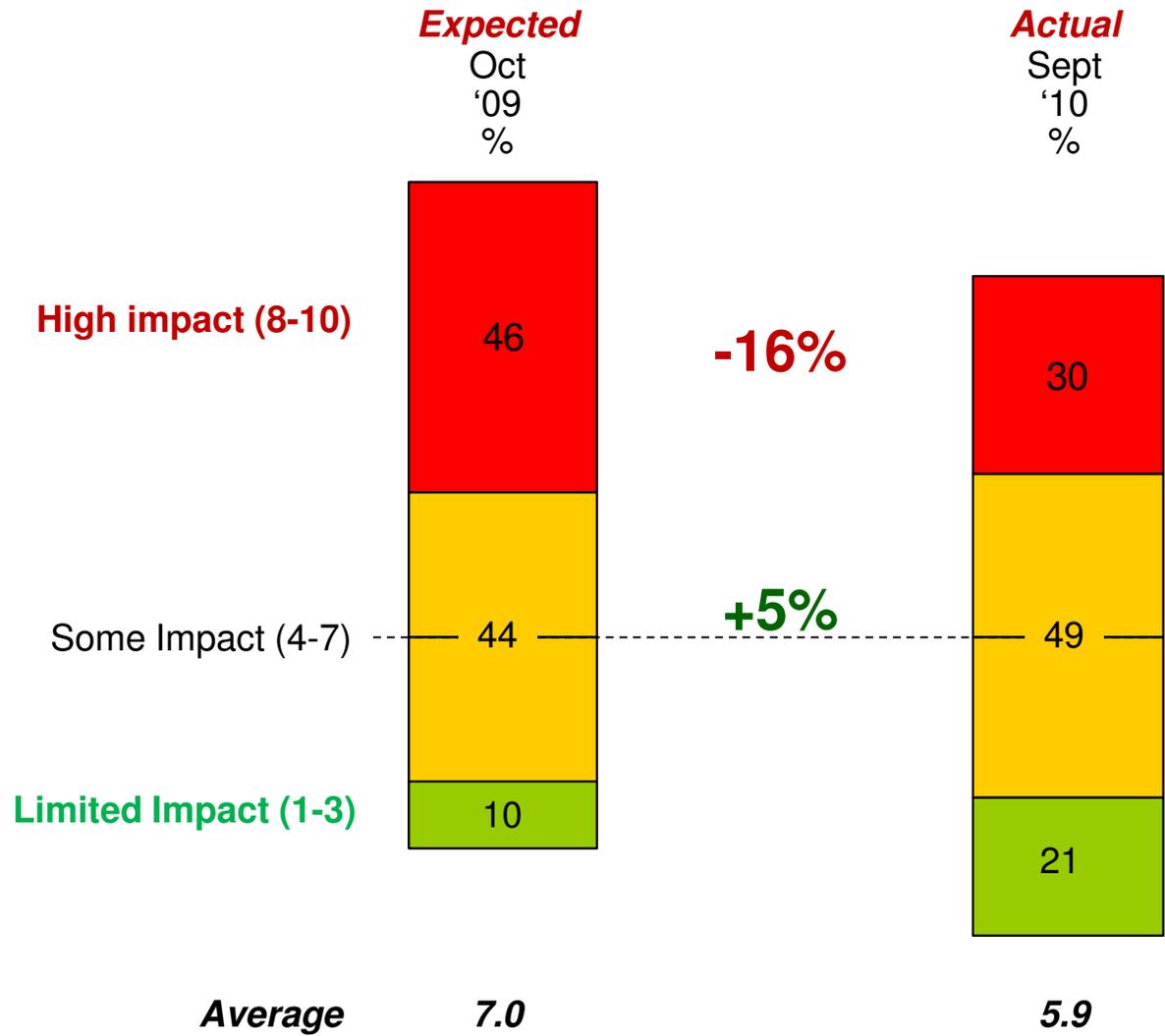


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The Recession is not as bad as we expected.

Actual personal impact overall is lower than was expected a year ago.

Expected & Actual Personal Recession Impact - Overall

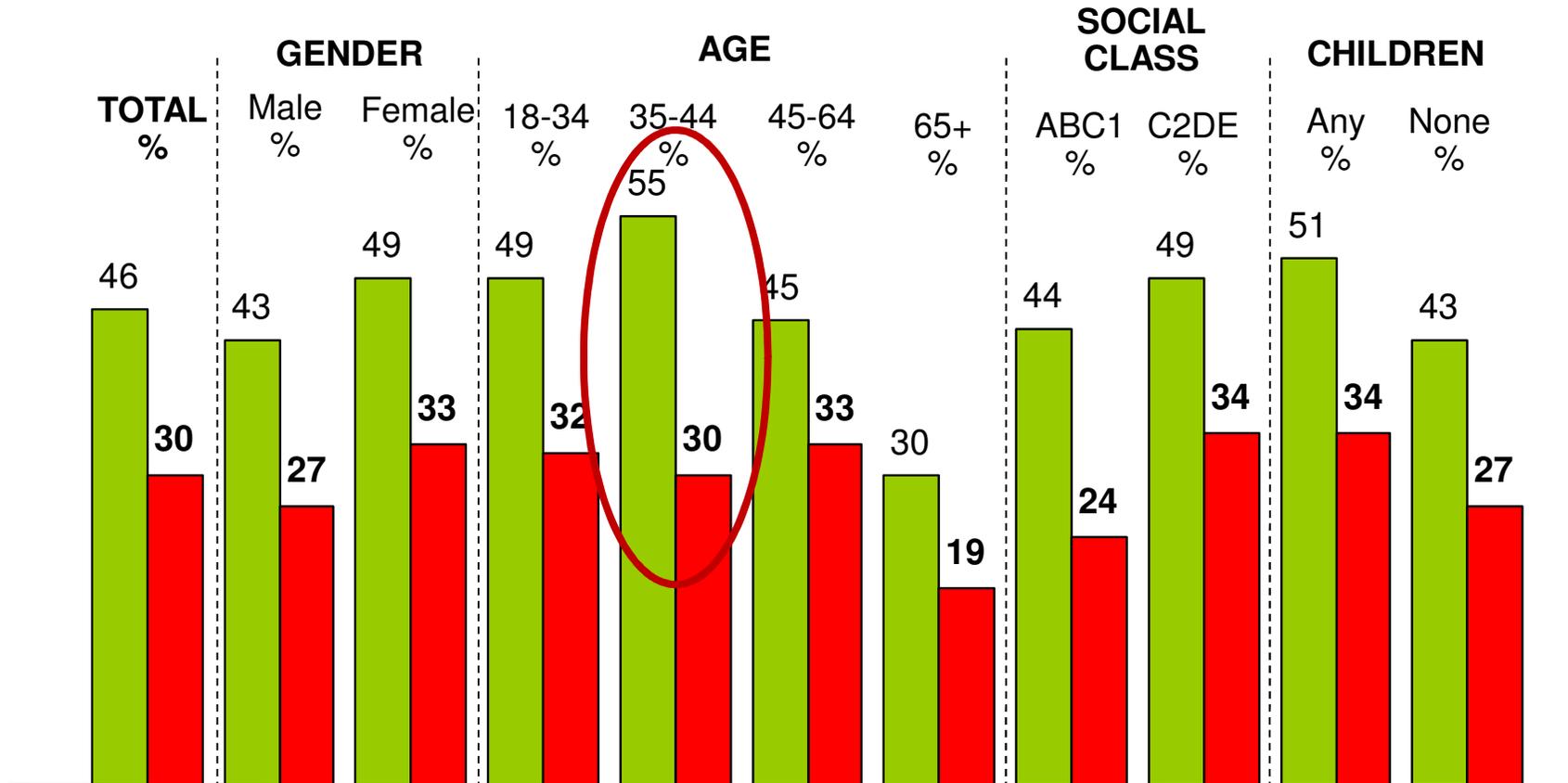


✓ We feared the worst but it hasn't happened.

Expected & Actual Personal Recession Impact – Net High Impact (8-10)



Expected Oct '10  Actual Sept '10 



The greatest gap between expected & actual impact is seen in the 35-44 year old age category. This age cohort were very pessimistic but they appear to have been impacted the same degree as the average.



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This trend of perception being worse than reality carries forward to monthly spending, way of life and job security also.

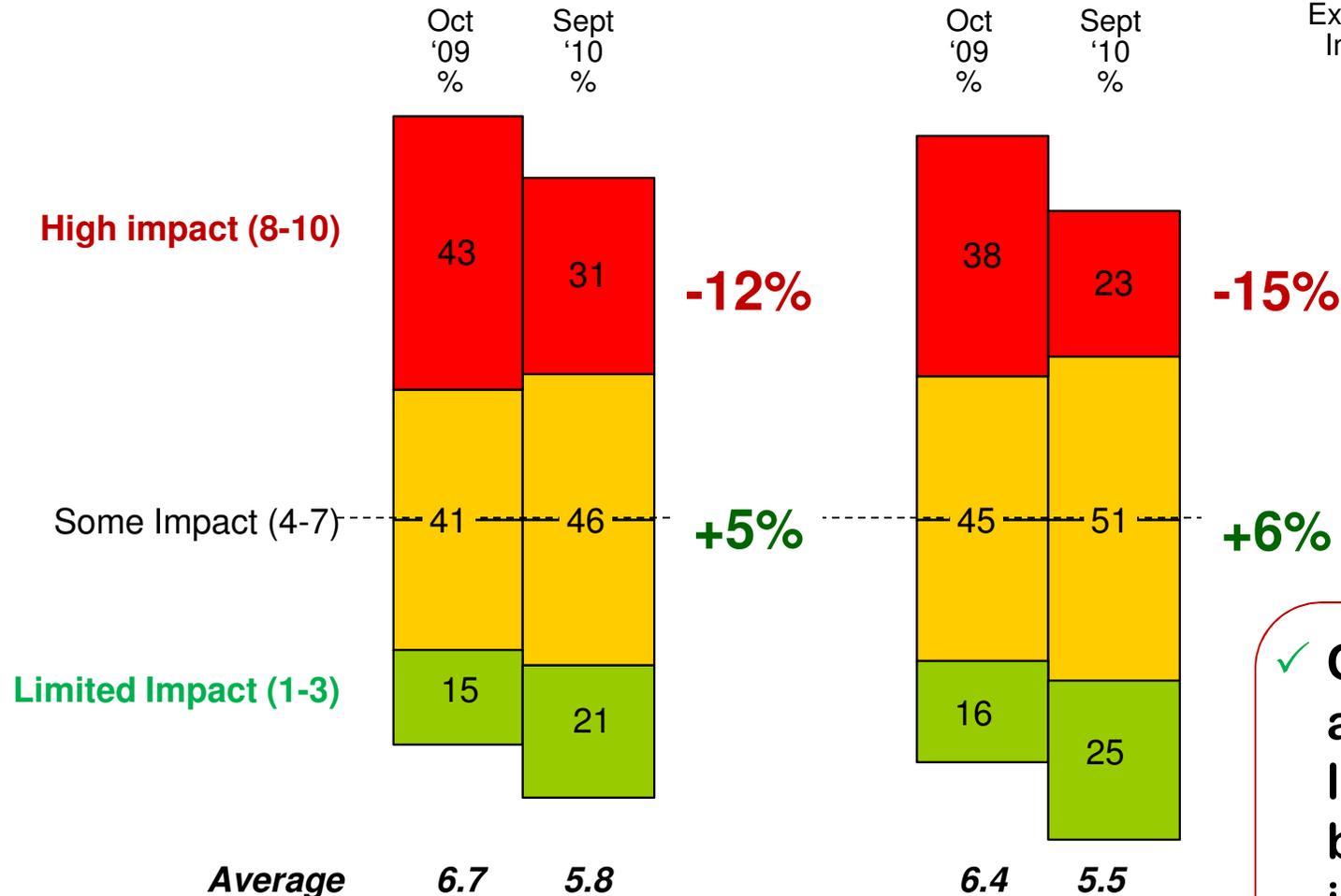
Expected & Actual Impact of Recession on....



Expected Impact   Actual Impact

Monthly Spending

Your Way Of Life



✓ **Our spending and way of life haven't been impacted as we expected.**

Job Security wasn't as shaky as expected...



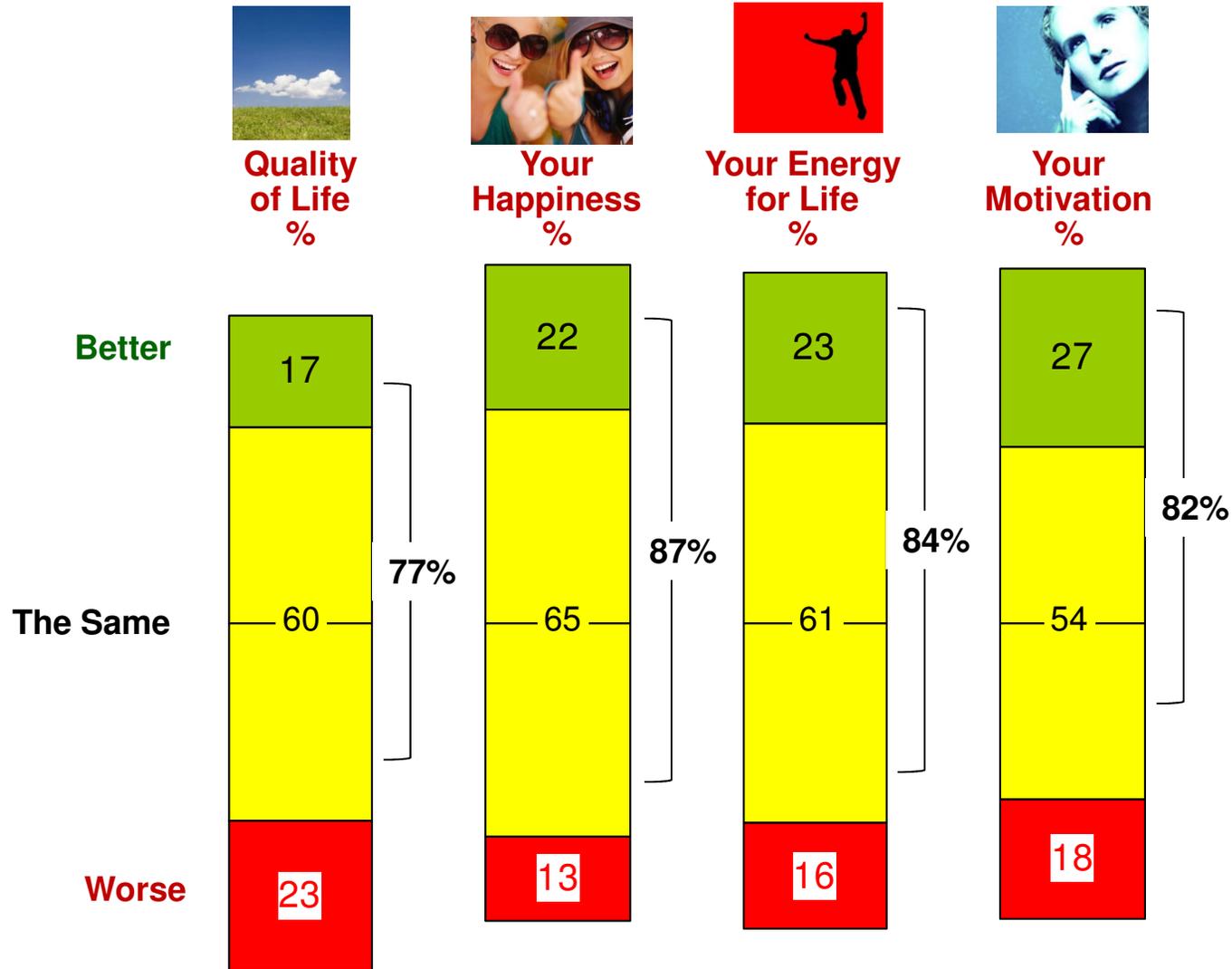


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**Even in this
time of
Recession we
are generally
happy.**

**For some
happiness has
even
increased!**

Change Compared To Same Time Last Year in



Only 1 in 4 claim their quality of life has failed since the same time last year and for 6 out of 7 their happiness has maintained or increased.

Change Compared To Same Time Last Year Analysed by key demographics



				
% Better/Same as same time last year	Quality of Life	Your Happiness	Your Energy Life	Your Motivation
Total	77	87	84	82
Gender				
Male	78	86	84	83
Female	77	88	83	80
Age				
18-34	82	89	88	86
35-44	69	87	89	79
45-64	73	82	77	79
65+	86	90	80	78
Social Class				
ABC1	80	88	86	85
C2DE	76	86	82	78

Middle ages have seen greater impact on Quality Of Life, while the Energy For Life of pre-retireds is lower than average



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Dubliners and those in urban areas have seen most improvement in quality of life, happiness, motivation & energy for life

Levels rating better than last year on....

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Quality of Life
%



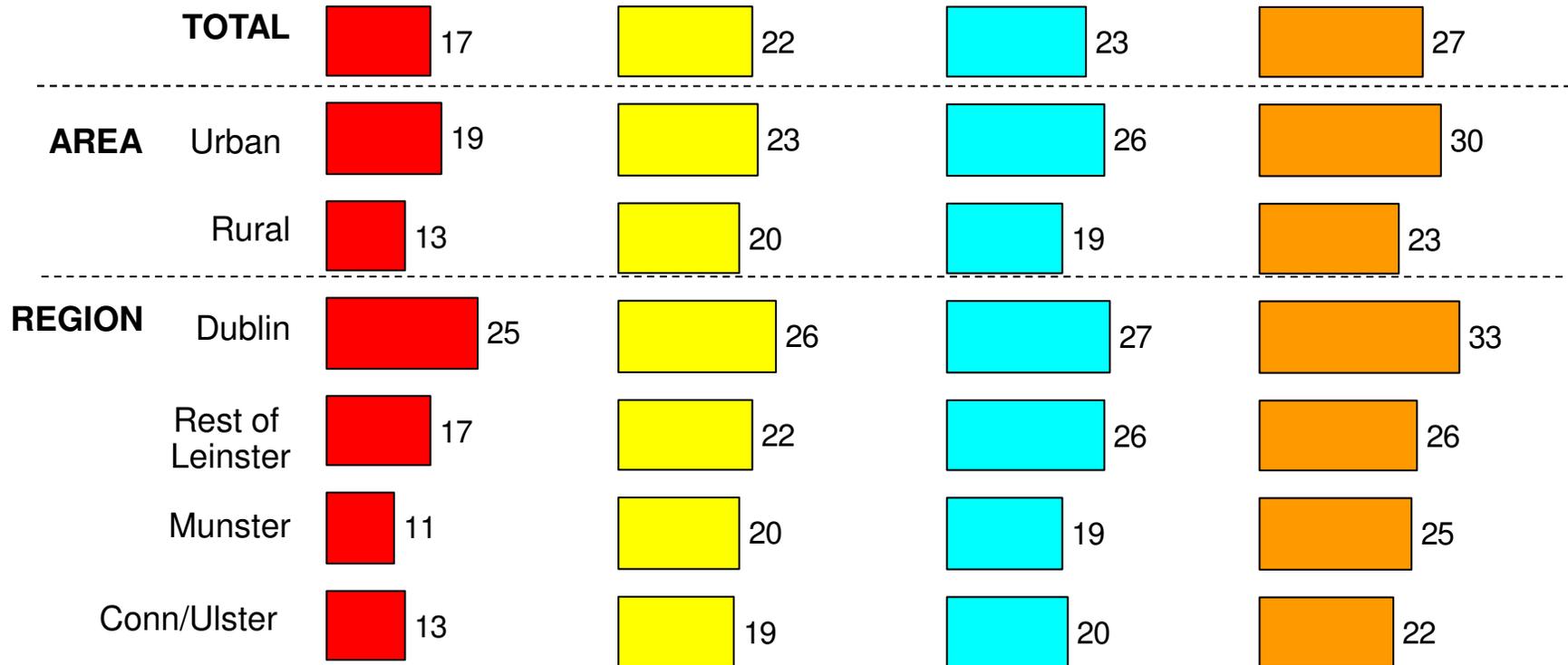
Your Happiness
%



Your Energy for Life
%



Your Motivation
%



Dubliners & those in urban areas see greatest improvement across all measures

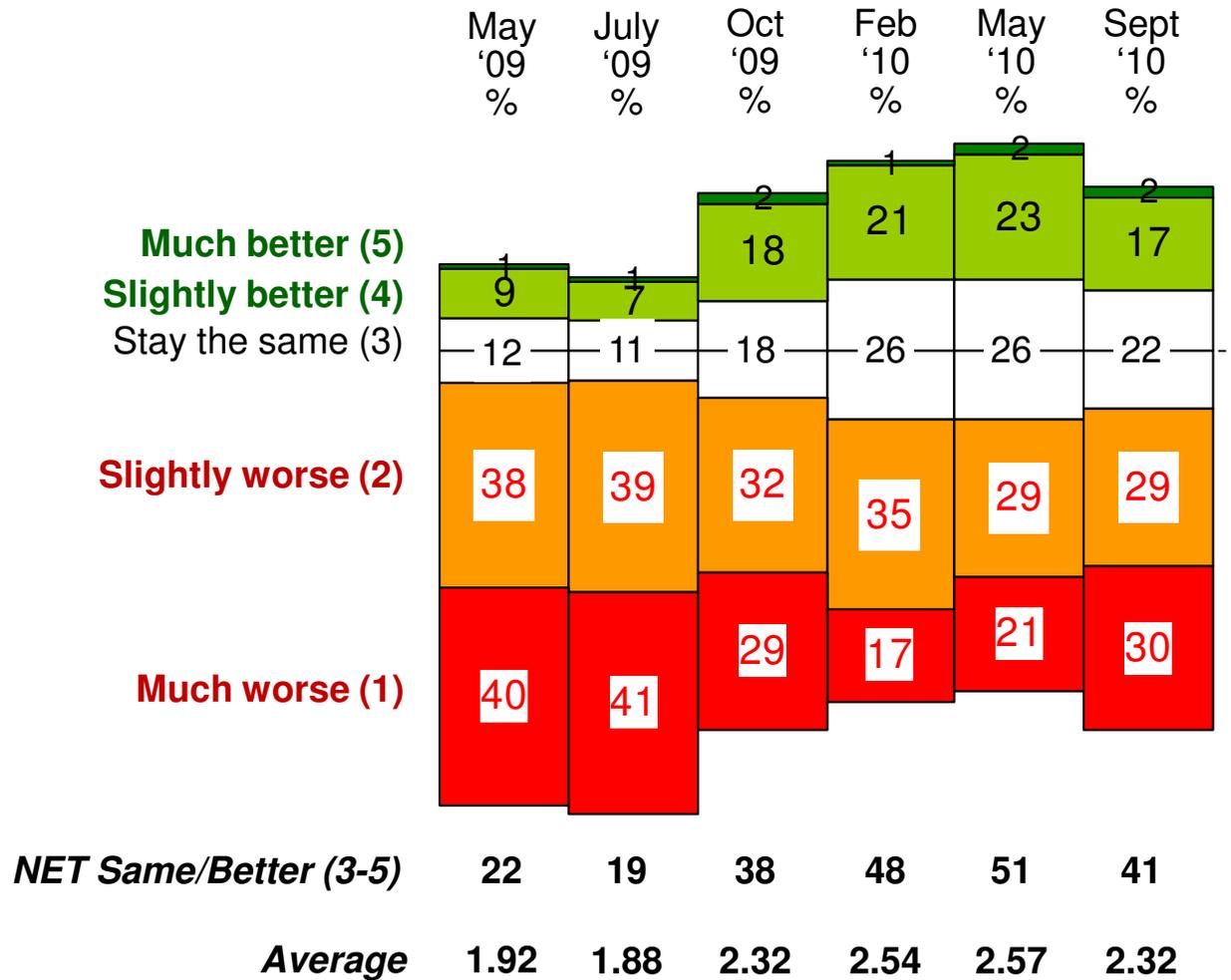


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Although it may not have been as bad as we expected so far, consumers are still holding their breaths



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



✘ The outlook is **more bleak than previous 2010 waves**, and closely matches the view at same period last year.

✘ Almost 1 in 3 expect the Irish economy to **fare much worse** over the next 6 months.

✓ But 1 in 5 expect the economy to **improve** over the next 6 months.



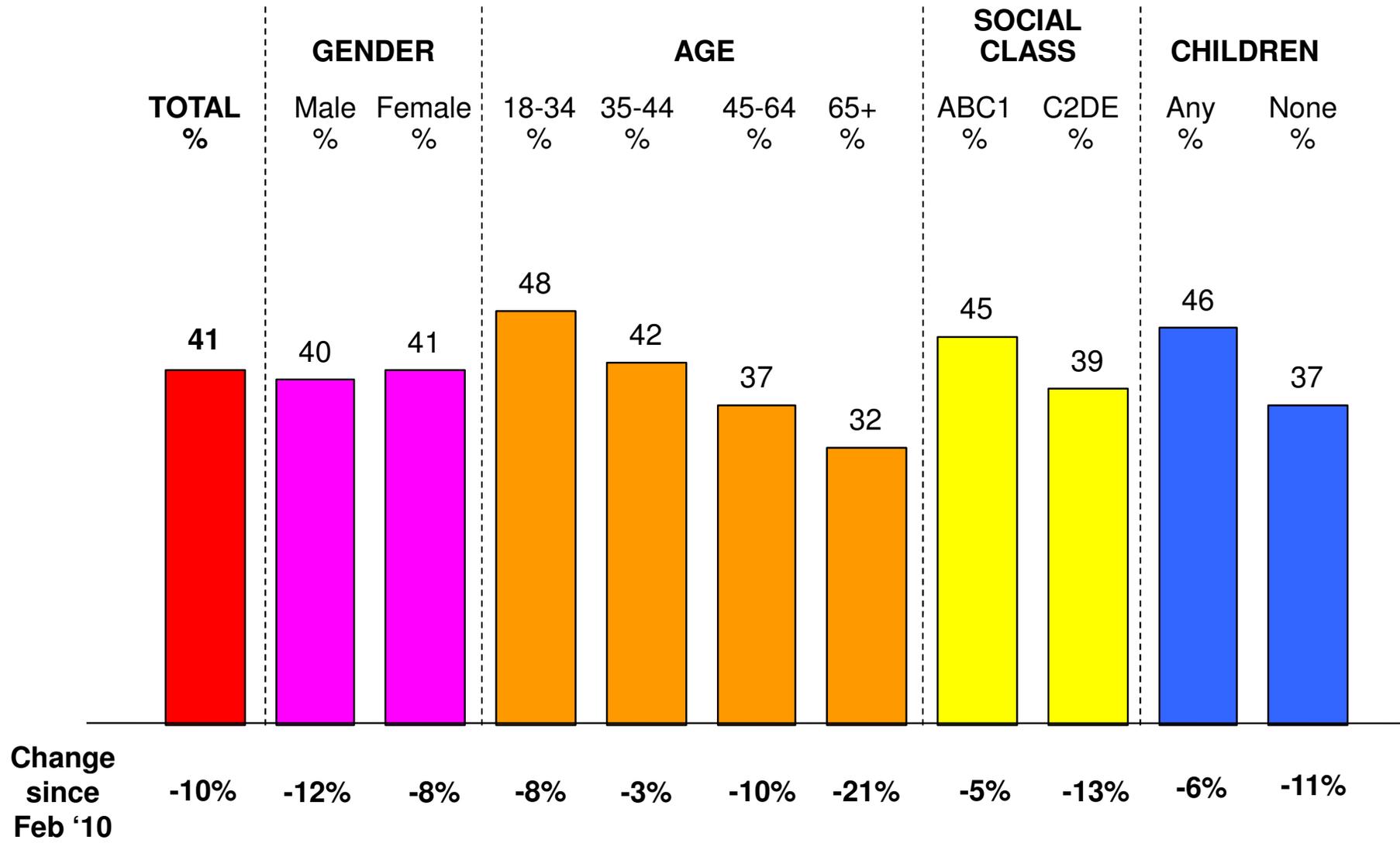
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**Once again,
higher
expectations
seen among the
youth.**

**However,
positivity
declines with
age.**

Expectations for the Irish economy 6 months from now

% Stating they believe it will be the same or better (3-5)



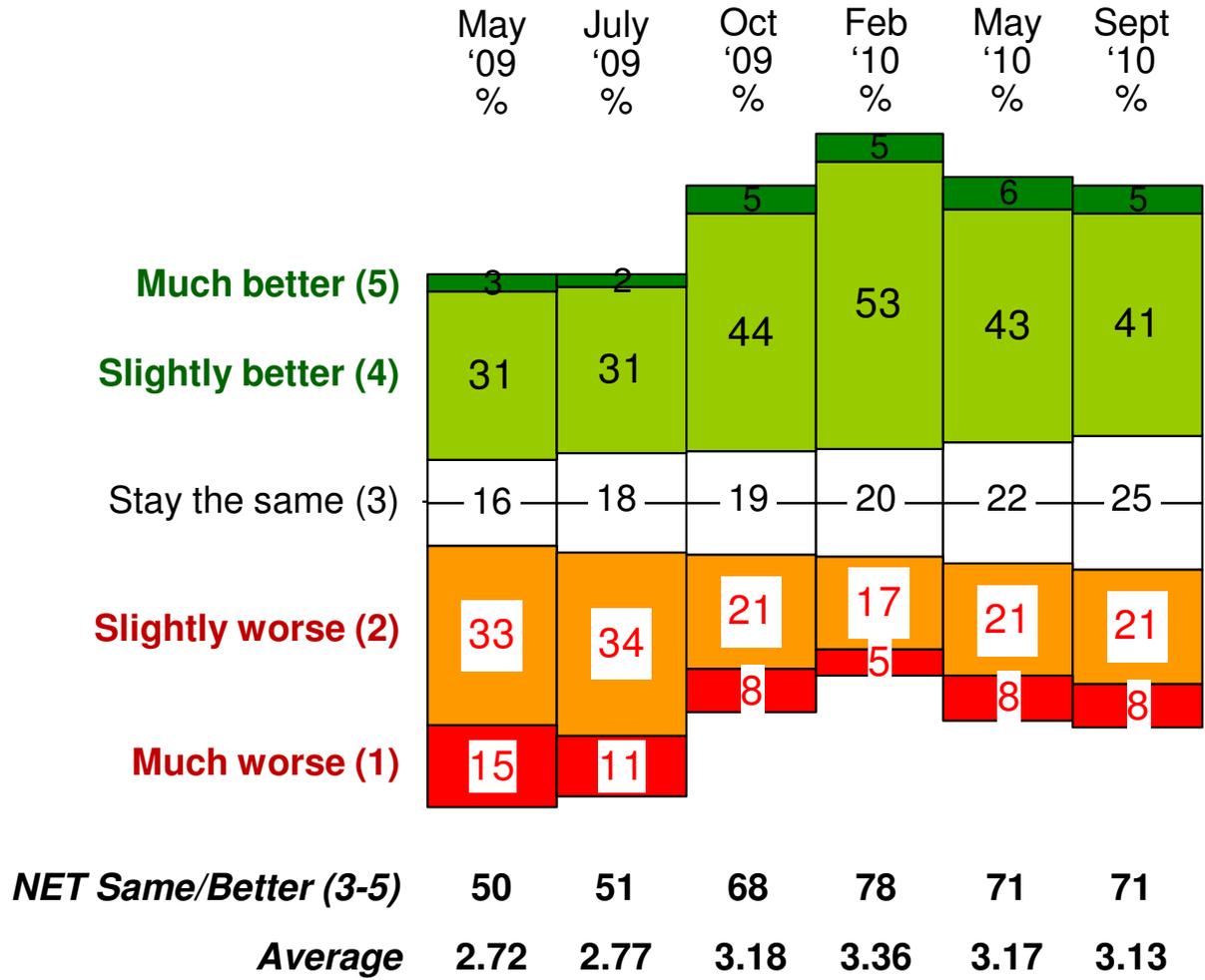
Positivity for the Irish Economy declines with age



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The less positive outlook for Ireland is not replicated for the world economy, with no change since May.

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



- ✓ Expectations for the World economy have **maintained** as in May.
- ✗ Almost 1 in 3 believe the World economy will fare **worse** in the next 6 months.
- ✓ But just under half still expect the World economy to **improve**.



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**Stability
expected for job
market...**

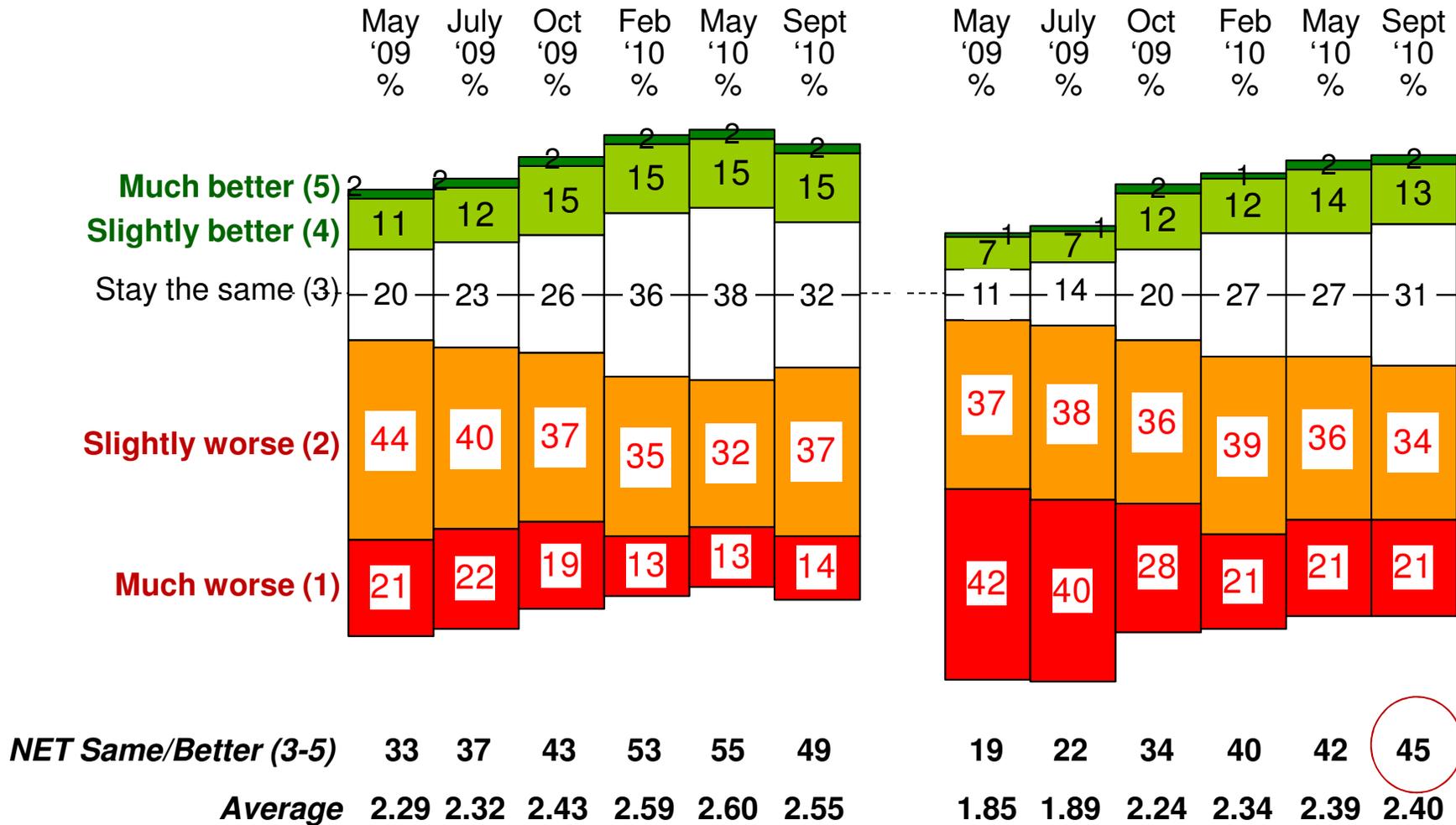
**.. but some
foresee a
worsening
house market.**

How do you expect the Housing and Job markets to fare in the next 6 months?



The Housing Market 6 months from now?

Job security 6 months from now?





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More positive spend patterns than May..

... but still remaining extremely cautious

Likelihood to increase spend in...

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Entertainment
such as going out,
eating, drinking or
socialising



Grocery
spend



Consumer goods
and services – e.g.
hairdresser,
clothes, mobile
phone, gaming etc.



Holidays
and short
breaks



Oct '09 % Feb '10 % May '10 % Sept '10 %

Oct '09 % Feb '10 % May '10 % Sept '10 %

Oct '09 % Feb '10 % May '10 % Sept '10 %

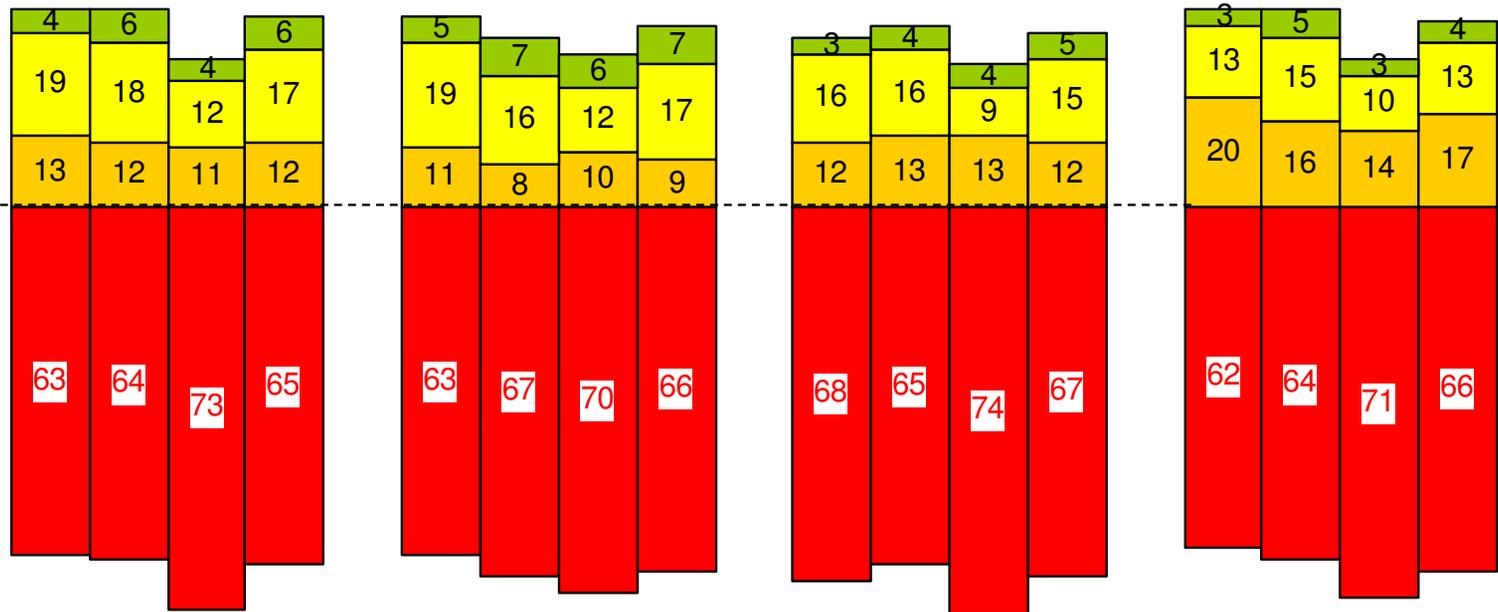
Oct '09 % Feb '10 % May '10 % Sept '10 %

Already increased

Likely to increase
in next 6 months

Likely to increase
in next 12 months

Not likely to increase



After a dip in May a return to positivity seen in February.
However, 2 in 3 still holding tightly on purse strings

But, younger age groups and higher social classes are most likely to increase spend again...

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% Likely to increase spend in next 12 months	Entertainment	Grocery Spend	Consumer Goods/ Services	Holidays/ Shorter Breaks
Total	29	26	27	30
Gender				
Male	29	24	26	29
Female	29	28	27	30
Age				
18-34	42	34	38	37
35-44	29	27	24	28
45-64	20	20	20	22
65+	15	13	17	24
Social Class				
ABC1	33	26	28	33
C2DE	28	28	29	28



Summary...



- It is not as bad as we anticipated, with less personal impact over the past year than originally feared.
- We feared the worst, but it hasn't happened for most of us. However, 3 in 10 have still had a high personal Recession impact.
- There is high maintenance or improvement in quality of life, happiness, in energy for life and motivation.
- Demographically younger and older age groups claim higher levels of maintenance or improvement of quality of life.



Summary...

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- Regionally, Dubliners and those in Urban areas have seen greatest improvement in quality of life, happiness, energy and motivation.
- Despite the past, consumers are still holding their breaths, as they expect the Irish Economy to worsen.
- This wave shows more positive spend patterns than May, but 2 in 3 still hold tightly on the purse strings and will not increase spend in the next 12 months
- Stability is expected in the job market but Irish consumers foresee a slightly worsening housing market.



Methodology – RED Express



- 1,000 telephone interviews (CATI) using a random digital sample to ensure coverage of all households, including ex-directory.
- Quotas were set and data weighted to ensure a national representative sample of the population aged 18+ years.
- This is the 9th wave of the credit crunch tracking – fieldwork was conducted 6th-8th September 2010.

