



Pre-Budget Irish Zeitgeist September 2023

J.235119

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Introduction

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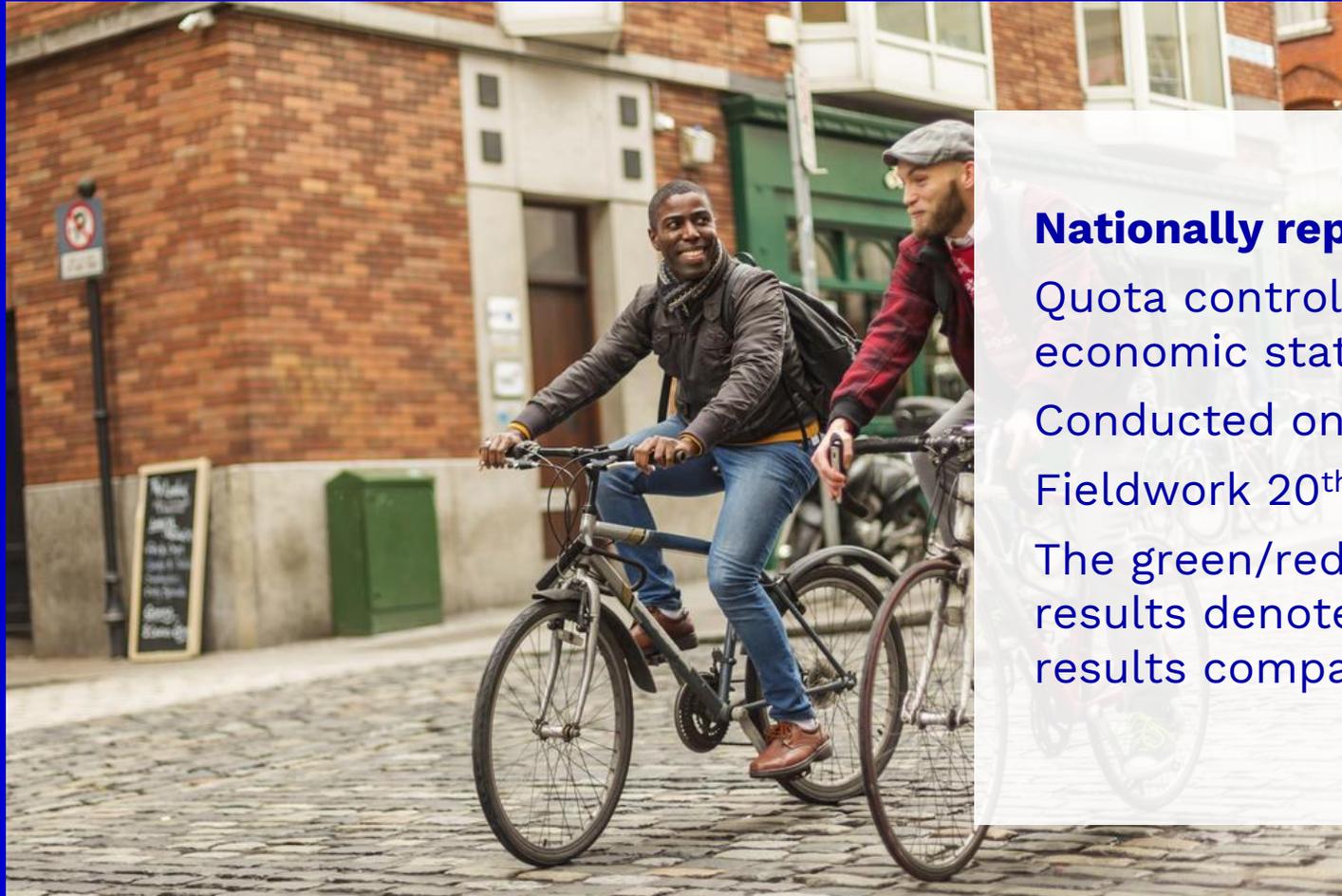


Introduction



Following on from the B&A Sign of the Times (SOTT) report in Spring 2023, this report provides an update on the current mindset of people, their concerns, and impact on their behaviours.

Research methodology



Nationally representative sample (n = 1,010)

Quota controlled on; gender, age, socio-economic status and region.

Conducted online.

Fieldwork 20th – 25th September 2023.

The green/red highlights on the survey results denote significantly higher/lower results compared to the total population.

How people feel

Pre-Budget Irish Zeitgeist 2023

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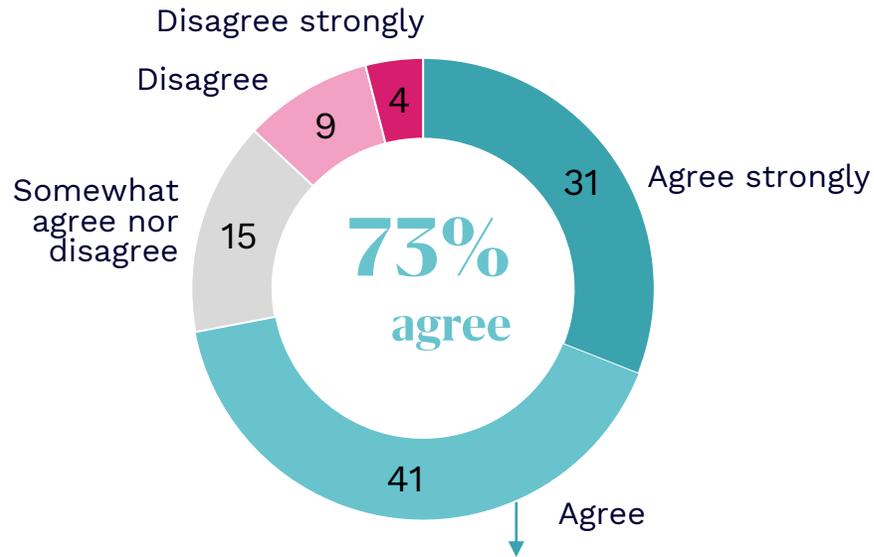
Delve Deeper

Firstly, let's not forget, that despite the challenging times, most are positive about Ireland and their lives

Base: All adults aged 16+ - n-1,010

I feel Ireland is a good place to live

%

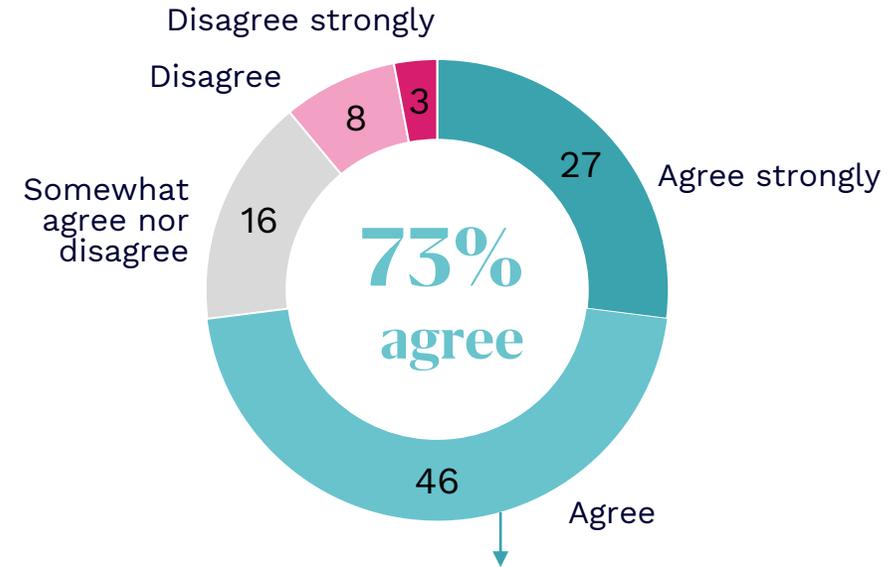


ANY AGREE

16 – 34	60%
35 – 54	71%
55+	87%

I am happy with my life

%



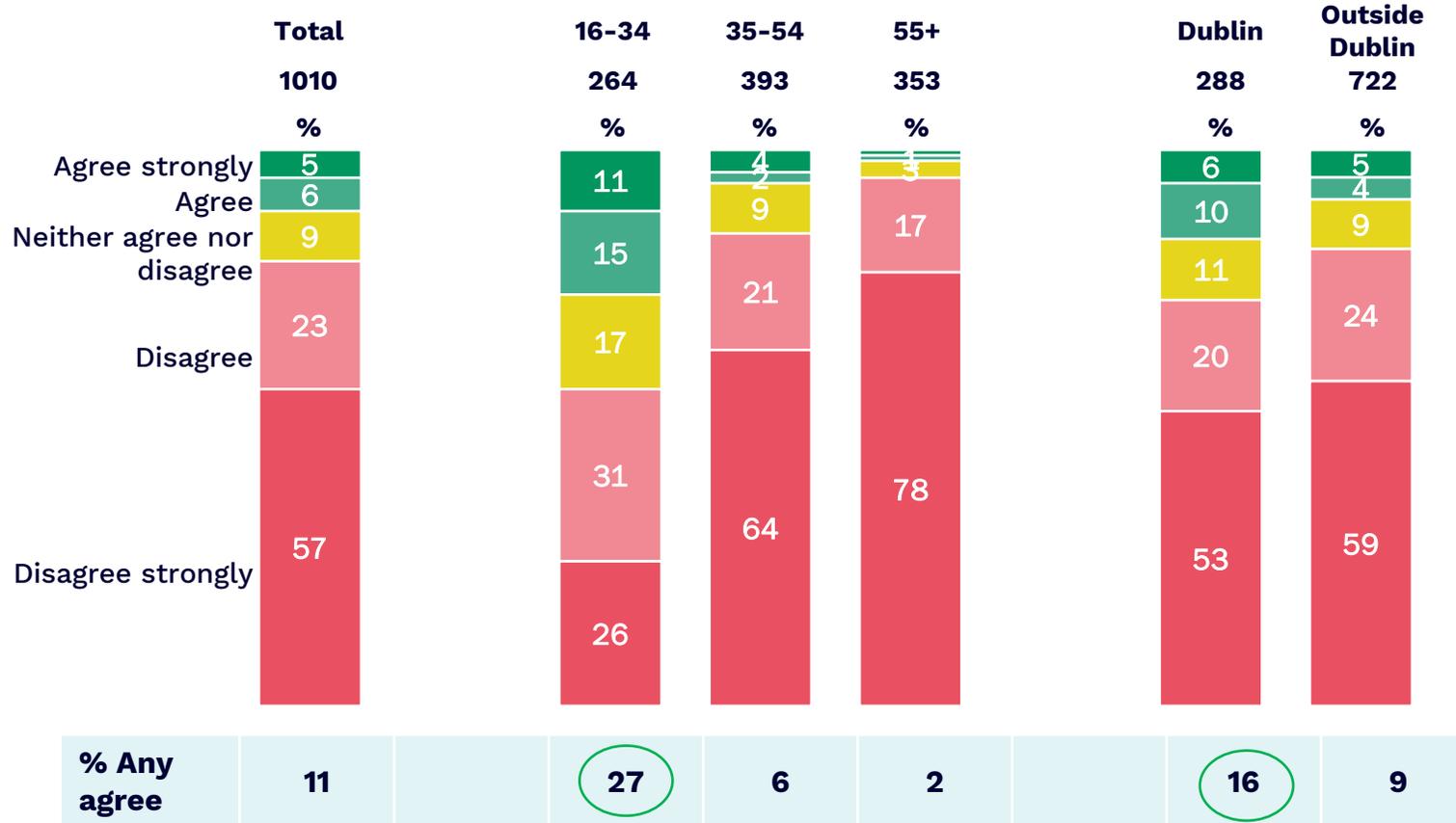
ANY AGREE

16 – 34	68%
35 – 54	70%
55+	82%

○ = Significantly higher
 □ = Significantly lower

Potential emigration is higher amongst younger cohorts and Dubliners.

Base: All adults aged 16+ n-1,610



1 in 10
16-34 year olds strongly agree that they are planning to emigrate.

Economic situation & outlook

Pre-Budget Irish Zeitgeist 2023

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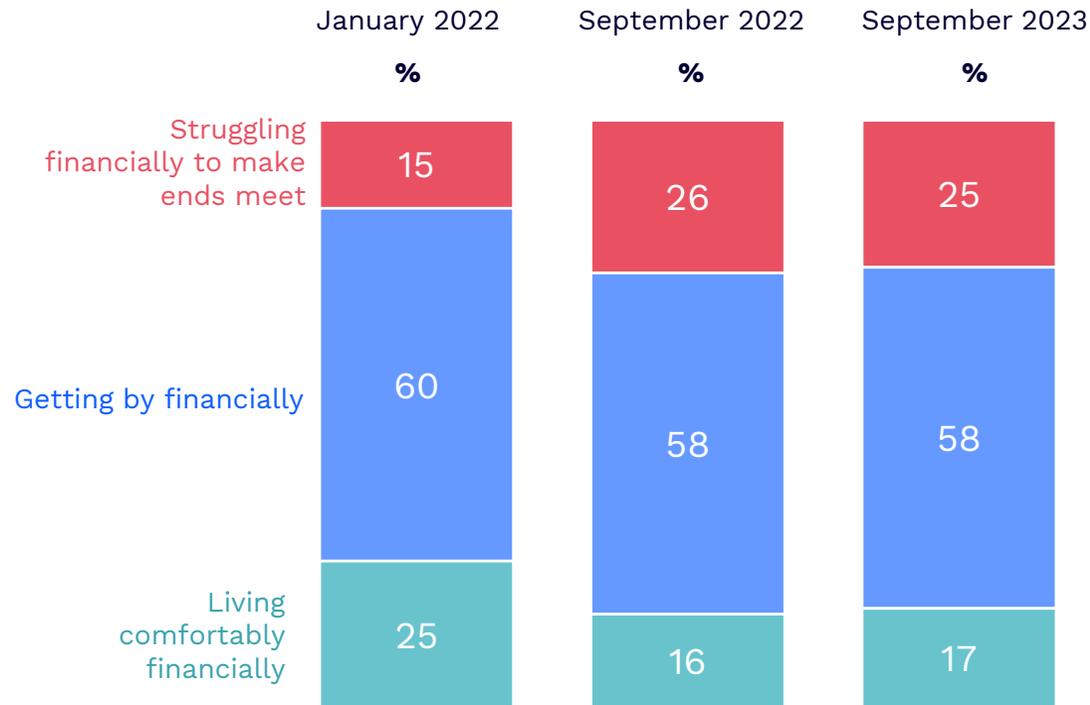


Delve Deeper

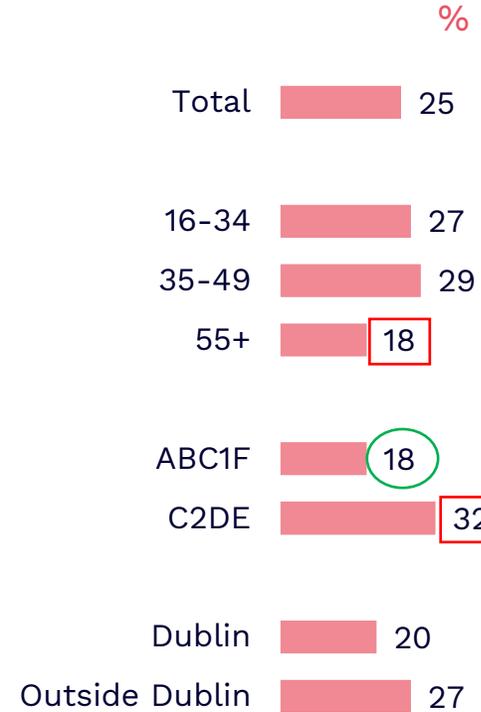
However, still, one quarter of Irish people are struggling to make ends meet, and a further 58% are getting by financially

Base: All adults aged 16+ - n-1,010

Which best describes your household?



Struggling financially to make ends meet



○ = Significantly higher
 □ = Significantly lower

Over a quarter of the population are ‘struggling to make ends meet’ (equates to almost 1 million people). The cost of living crisis is having a disproportionately negative impact on more blue collar/non-professional people (C2DE), with one third now stating they are struggling to make ends meet. Also those living outside Dublin are struggling more than Dubliners.

One quarter of Irish households are struggling to make ends meet

Base: All adults aged 16+ - n-1,010

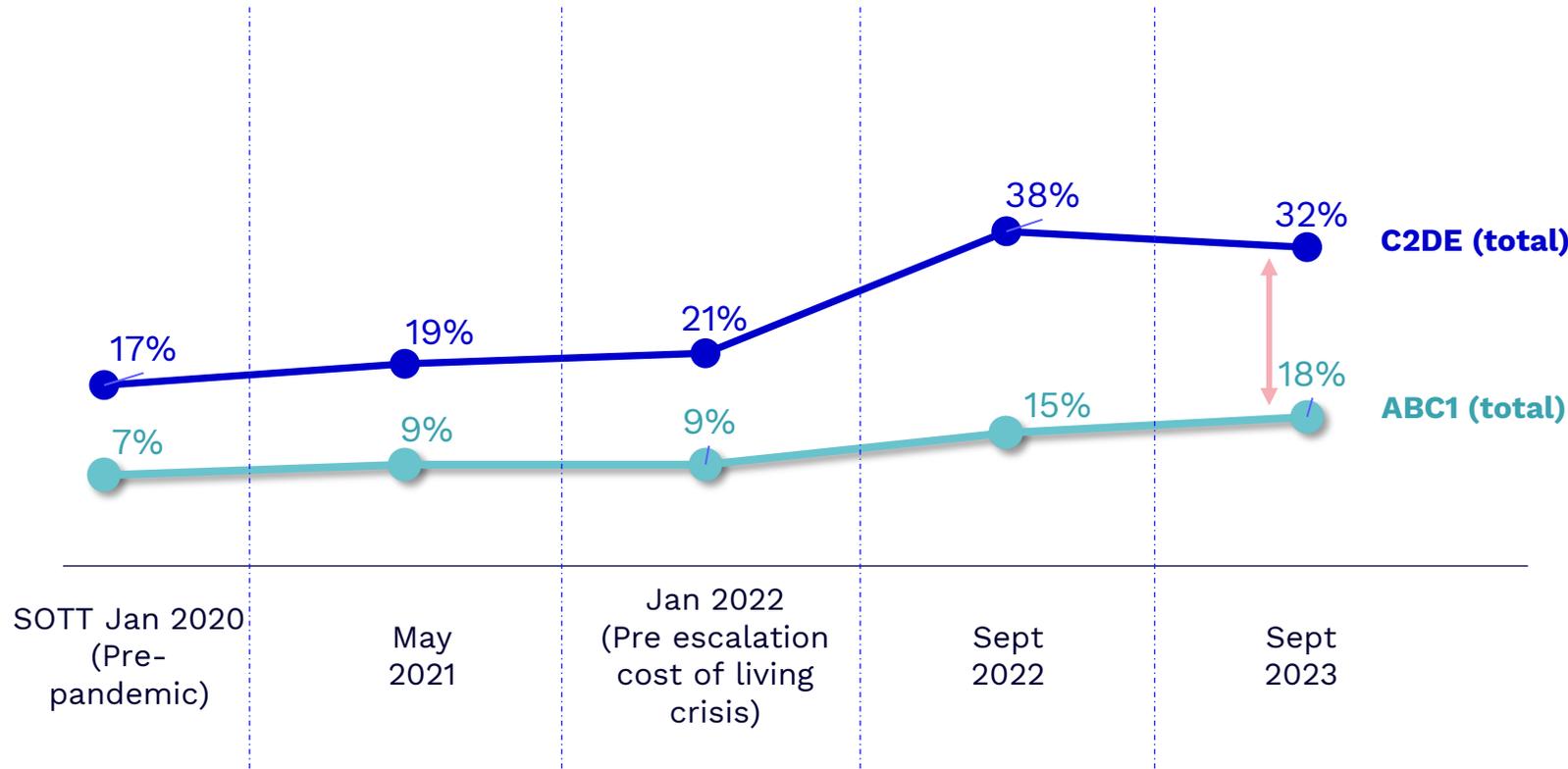
	Total	Gender		Age						Class		Region					FamilyBreak				Nationality	
		Male	Female	16-24	25-34	35-44	45-54	55-64	65+	ABC1F	C2DE	Dublin	Out-side Dublin	Leinster	Munster	Conn / Ulster	25-35 no dependent children	36-44 no dependent children	25-45 family with kids under 13	25-45 family with kids aged 13-18	Irish	Non Irish
UNWTD	1010	490	520	97	167	199	194	161	192	517	493	288	722	259	288	175	115	52	57	93	828	182
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Struggling financially to make ends meet	25	23	26	23	31	30	29	25	12	18	32	20	27	30	22	30	26	18	16	38	23	35
Getting by financially	58	56	60	59	58	62	56	59	55	64	53	56	59	57	64	56	61	67	65	52	60	47
Living comfortably financially	17	20	14	18	12	8	14	16	33	18	16	24	14	13	15	14	13	15	19	10	17	18

Those aged 25-45 with teenagers (13-18 years). Also those of non-Irish nationality are even more impacted.

The gap between the middle and the more blue collar/non-professional socio-economic cohorts on financial security has lessened since 2022

Base: All adults aged 16+ - n-1,010

% Struggling financially to make ends meet



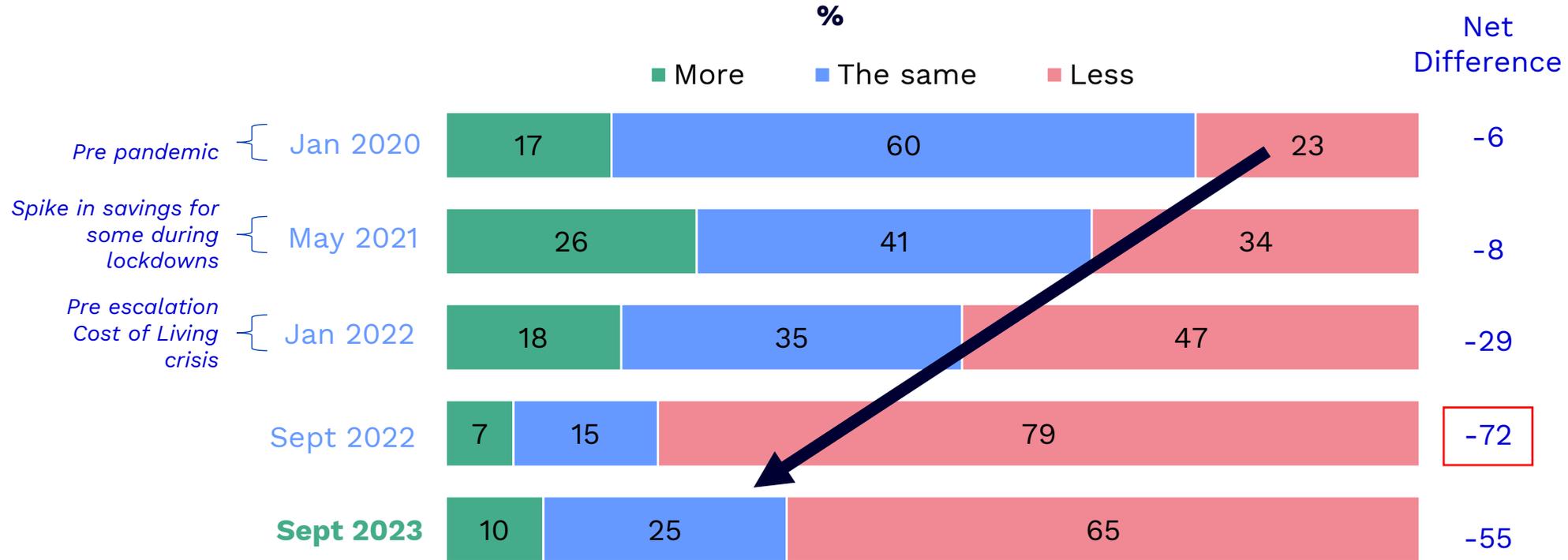
An increase in middle classes (ABC1) struggling over the last 18 months, with impact on blue collar – professional cohorts lessening, albeit still very high.

2 in 3 feel they have less money in their pockets compared to this time last year – and last year was tough

Base: All adults aged 16+ - n-1,010

Do you feel that you have more, less or the same amount of money in your pockets (i.e. disposable income) compared to this time last year?

○ = Significantly higher
 □ = Significantly lower



The percentage of people who feel they have less money in the pockets remains high despite more stating they have the same amount/more in the pockets compared to this time last year, which was a very difficult period.

2 in 3 have less money in their pockets compared to this time last year

Base: All adults aged 16+ - n-1,010

○ = Significantly higher
○ = Significantly lower

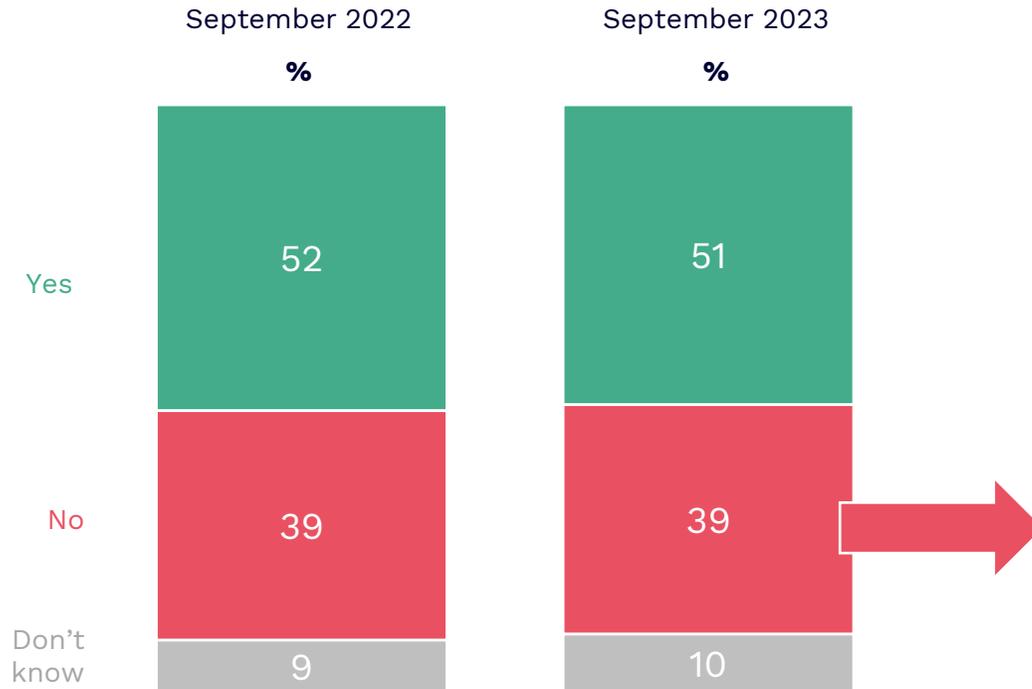
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	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
More	10	11	9	18	9	11	8	6	8	10	10	13	9	10	7	10	9	11	12	4	10	8
Less	65	61	69	53	65	71	71	72	58	63	68	59	68	67	67	71	65	71	60	79	65	67
The same	25	28	22	29	26	18	22	22	34	27	22	29	24	24	27	18	26	18	28	16	25	25
NET (Diff)	-55	-50	-61	-35	-55	-61	-63	-66	-50	-53	-58	-46	-59	-57	-60	-61	-57	-60	-49	-75	-55	-59

While all sectors are being hit, those outside Dublin and those aged 25-45 with teenagers (13-18 years) are more likely to feel they have less disposable income.

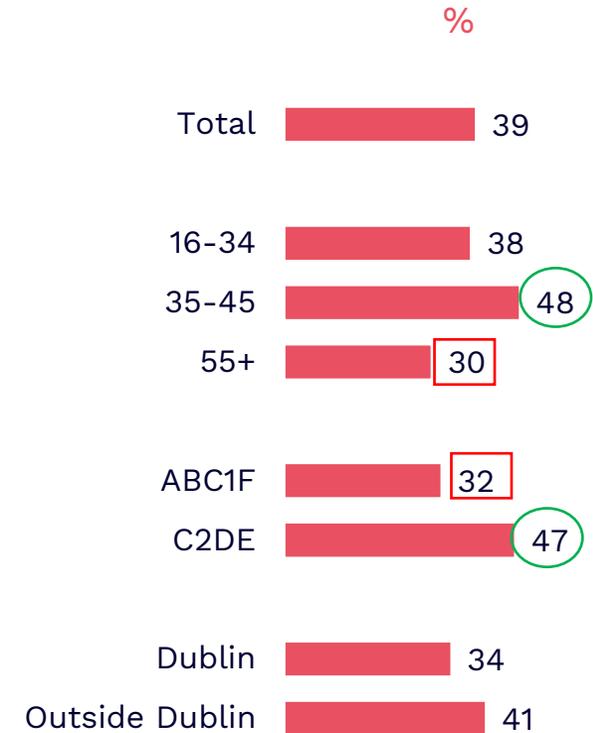
Similar to 2022, 2 in 5 people could not afford to pay an unexpected expense of €1,000

Base: All adults aged 16+ - n-1,010

Could your household afford to pay an unexpected, but necessary, expense of €1,000?



Couldn't afford to pay unexpected €1,000



○ = Significantly higher
 □ = Significantly lower

2 in 5 (1.5 million people) would not be able to pay an unexpected expense of €1,000. This rises to almost half of more blue collar/non-professional households and for those aged 35-54 years.

Who cannot afford to pay unexpected expense of €1,000?

Base: All adults aged 16+ - n-1,010

○ = Significantly higher
 □ = Significantly lower

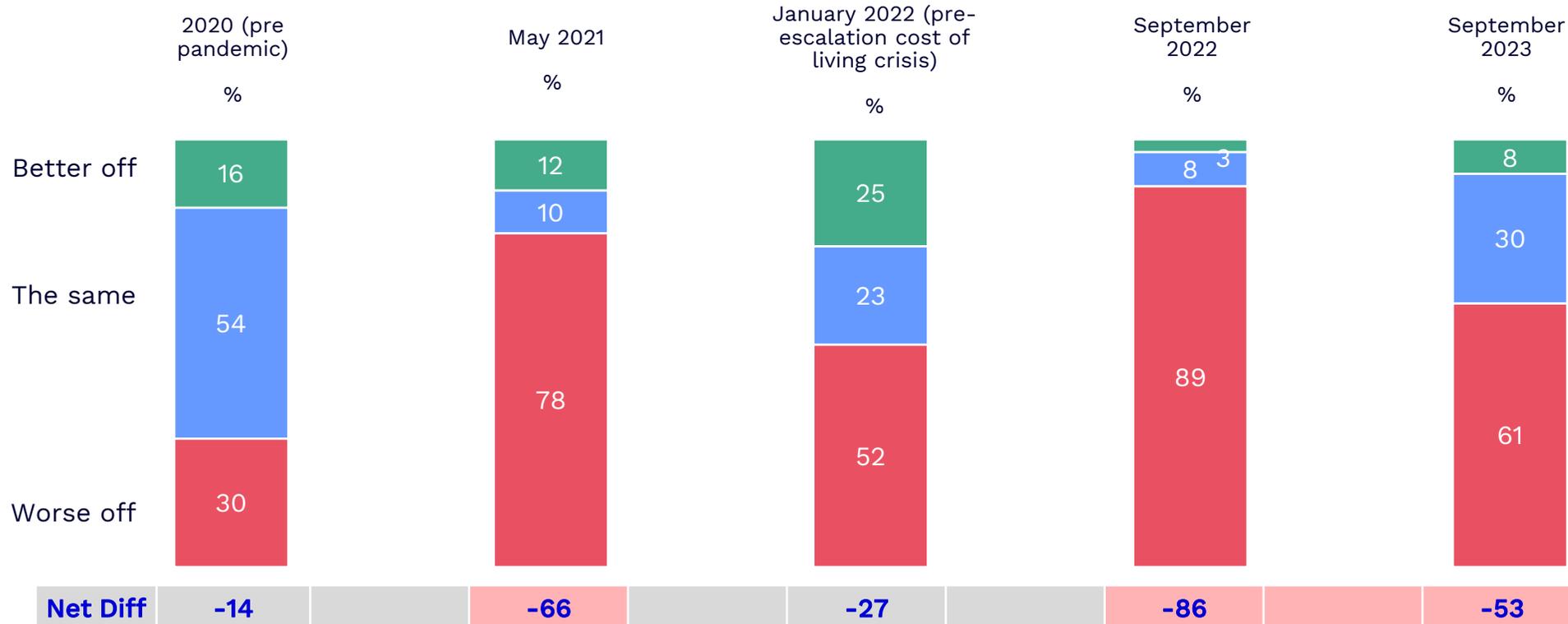
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UNWTD	1010	490	520	97	167	199	194	161	192	517	493	288	722	259	288	175	115	52	57	93	828	182
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Yes	51	56	46	46	50	42	48	52	68	58	44	55	50	48	53	47	53	58	61	48	52	48
No	39	36	43	37	40	48	49	37	24	32	47	34	41	45	39	40	36	30	35	47	39	41
Don't know	10	8	11	17	10	10	4	10	8	10	9	11	9	7	8	13	11	12	4	5	9	10

3 in 5 feel that the global economy will be worse off over the next 12 months

Base: All adults aged 16+ - n-1,010

○ = Significantly higher
 □ = Significantly lower

Do you feel the Global economy will be better, worse or the same over the next 12 months?



The large majority (61%) of the Irish population are pessimistic about the global economy over the next 12 months. However, we are more positive about the global economy than we were in September 2022.

3 in 5 feel that the global economy will be worse off over the next 12 months

Base: All adults aged 16+ - n-1,010

○ = Significantly higher
 □ = Significantly lower

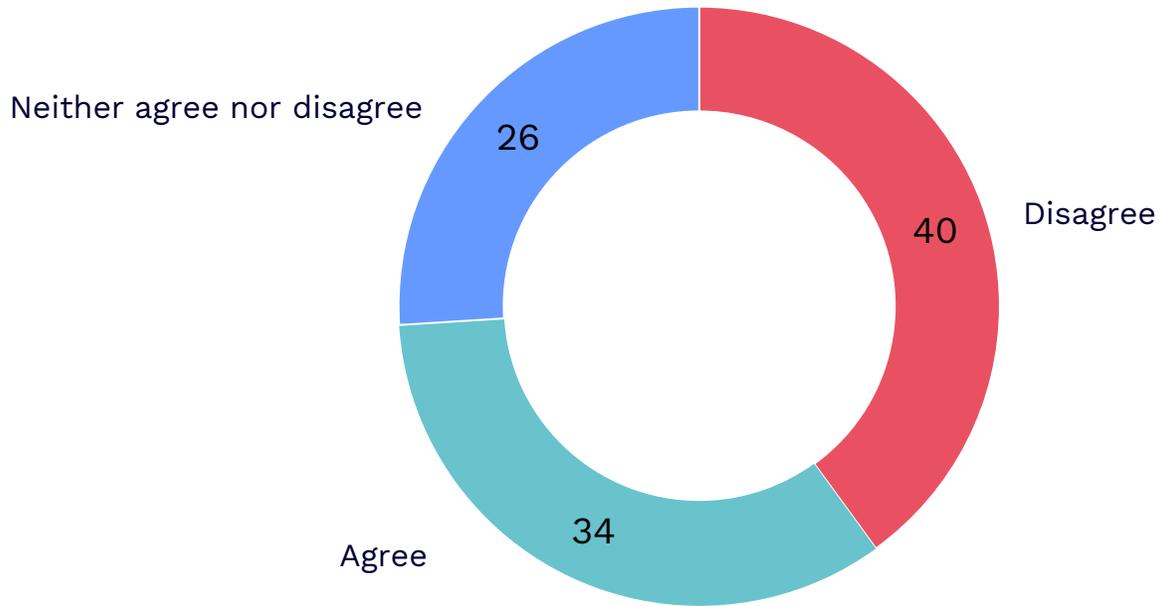
	Total	Gender		Age						Class		Region					FamilyBreak				Nationality	
		Male	Female	16-24	25-34	35-44	45-54	55-64	65+	ABC1F	C2DE	Dublin	Outside Dublin	Leinster	Munster	Conn/Ulster	25-35 no dependent children	36-44 no dependent children	25-45 family with kids under 13	25-45 family with kids aged 13-18	Yes	No
UNWTD	1010	490	520	97	167	199	194	161	192	517	493	288	722	259	288	175	115	52	57	93	828	182
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Better off	8	11	6	18	7	7	7	4	7	8	9	10	7	9	6	8	7	9	17	3	9	6
The same	30	31	30	28	32	27	35	33	29	32	29	36	28	28	30	25	31	35	24	38	30	30
Worse off	61	58	64	54	61	67	58	63	64	60	63	54	65	63	65	66	62	57	59	59	61	63
NET (Diff)	-53	-47	-59	-36	-54	-60	-51	-59	-57	-52	-54	-43	-57	-54	-59	-58	-56	-48	-42	-55	-53	-57

Dubliners are less pessimistic towards the global economy, albeit still over half believe it will be worse over the next 12 months.

2 in 5 are fearful that the cost of living crisis will not ease in 2024, with a further quarter uncertain

Base: All adults aged 16+ - n-1,010

Level of agreement:
'I think the cost of living rise will ease early 2024'
%



At the moment consumers do not necessarily see an end in sight.

The impact of the cost of living

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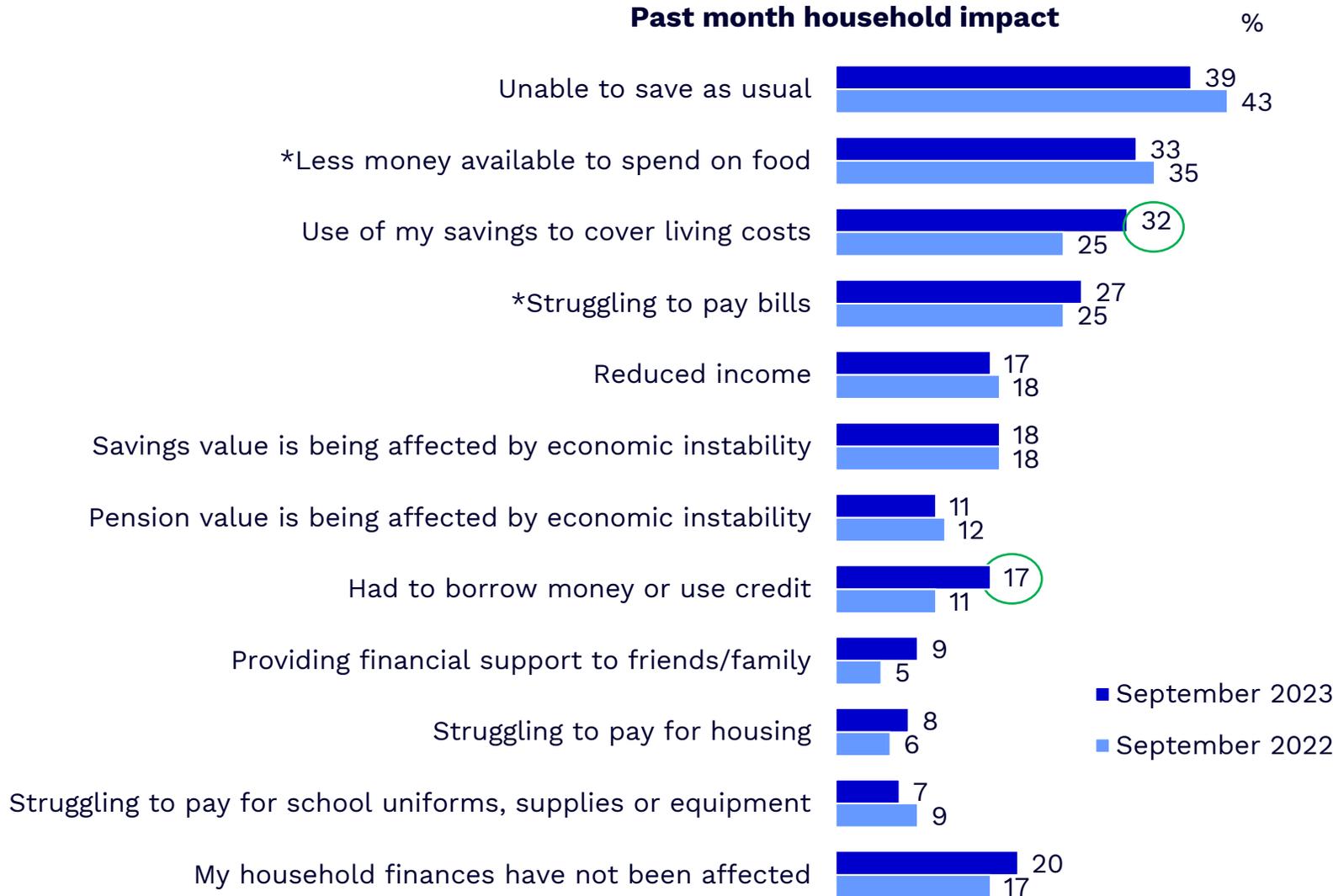
B&A

Delve Deeper



Household income is being impacted

Base: All adults aged 16+ - n-1,010



One third have less money to spend on food, one quarter are struggling to pay bills.

This year more are needing to use savings to cover living costs, or had to borrow money or use credit.

○ = Increased vs 2022

Household income is being impacted

■ = Significantly higher
■ = Significantly lower



Base: All adults aged 16+ n-1010

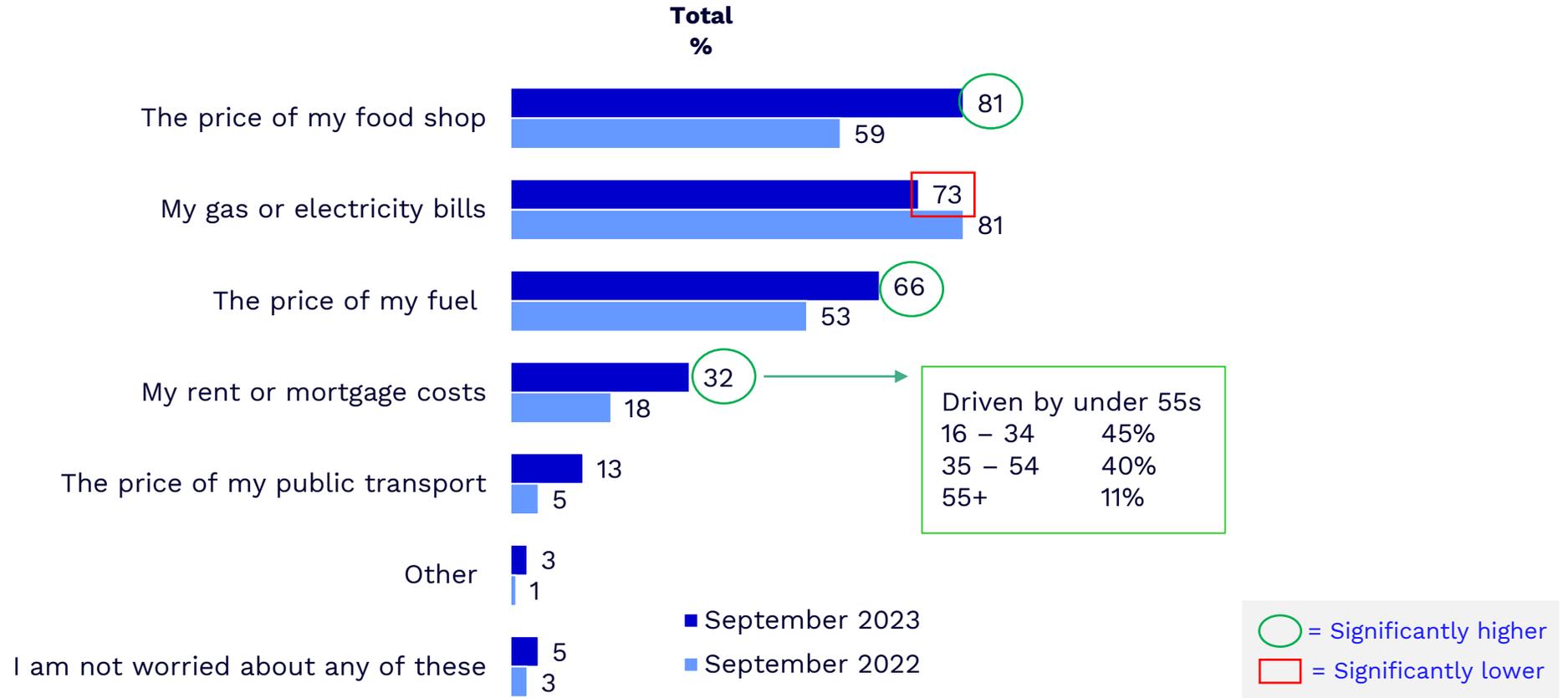
	Total	Gender		Age						Class		Region					Kids in HH	
		Male	Female	16-24	25-34	35-44	45-54	55-64	65+	ABC1F	C2DE	Dublin	Outside Dublin	Leinster	Munster	Conn/ Ulster	Yes	No
Base	1010	490	520	97	167	199	194	161	192	517	493	288	722	259	288	175	331	679
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Unable to save as usual	39	35	43	28	42	47	45	47	25	37	42	33	42	41	42	42	45	36
Less money available to spend on food	33	31	35	37	33	42	32	35	20	30	36	28	35	33	34	40	37	31
Use of my savings to cover living costs	32	28	36	21	40	40	33	34	22	34	30	23	35	34	38	32	36	30
Struggling to pay bills	27	24	29	18	30	34	37	28	13	20	33	21	29	31	25	31	37	22
My household finances have not been affected	20	21	18	16	17	10	17	21	37	20	20	25	18	18	17	18	11	24
Savings value is being affected by economic instability	18	20	15	12	20	16	15	17	25	18	17	16	18	19	19	16	17	18
Reduced income	17	17	18	19	16	17	15	25	13	17	17	18	17	15	14	22	16	18
Had to borrow money or use credit	17	13	21	13	20	25	20	15	7	17	17	12	19	23	15	19	25	13
Pension value is being affected by economic instability	11	11	12	3	7	4	10	16	27	10	13	10	12	11	14	10	7	13
Providing financial support to friends and family	9	9	9	8	13	7	10	7	11	8	11	8	10	9	12	8	8	10
Struggling to pay for housing	8	10	7	11	15	10	10	5	1	8	9	7	9	10	8	8	11	7
Starting to save	7	7	7	18	12	7	4	2	1	9	5	8	7	9	6	5	7	7
Struggling to pay for school uniforms, supplies or equipment	7	6	9	7	4	13	17	3	-	5	10	7	8	10	5	10	19	2
Childcare costs increased	6	6	6	4	10	12	4	1	0	8	3	6	5	4	5	8	14	1
No income	4	4	4	7	10	5	1	3	0	4	4	4	4	4	4	4	3	4
Increased income	3	3	3	9	4	6	2	1	1	5	2	5	3	3	2	4	4	3
Delay to sick pay	2	2	2	6	2	1	3	1	-	3	1	2	2	2	2	2	3	2
Delay to State welfare benefits	2	2	3	1	4	3	3	2	1	2	3	2	2	3	1	4	3	2
Had to use food banks	2	3	2	5	4	3	0	1	1	1	4	3	2	3	1	0	2	2
Other please specify	1	1	1	-	1	1	2	2	1	1	1	0	1	1	1	2	1	1

Those with families, particularly those from more blue collar/non-professional cohorts are being impacted more.

Food (81%) has replaced larger energy bills as the aspect that worries people the most – however, 3 in 4 are still worrying about energy, and rent/mortgage worries have jumped.

Base: All adults aged 16+ n-1010

Of these, which are you most worried about?



Food, energy, and fuel are the largest contributors to the increase in the cost of living

Base: All adults aged 16+ n-1010

○ = Significantly higher
 □ = Significantly lower

	Total	Gender		Age						Class		Region					Kids in HH	
		Male	Female	16-24	25-34	35-44	45-54	55-64	65+	ABC1F	C2DE	Dublin	Outside Dublin	Leinster	Munster	Conn/Ulster	Yes	No
	1010 %	490 %	520 %	97 %	167 %	199 %	194 %	161 %	192 %	517 %	493 %	288 %	722 %	259 %	288 %	1010 %	331 %	679 %
The price of my food shop has increased	81	76	85	82	83	84	86	82	70	81	80	76	83	84	81	84	85	79
My gas or electricity bills have increased	73	69	77	60	74	77	78	76	72	71	75	71	74	74	72	76	75	72
The price of my fuel has increased	66	64	69	43	61	70	73	74	73	63	70	51	73	71	72	76	70	65
My rent or mortgage costs have increased	32	33	31	44	47	39	40	20	5	35	29	32	32	32	30	36	40	28
The price of my public transport has increased	13	14	13	31	22	6	10	8	7	14	12	17	12	13	11	12	9	15
Other please specify	3	3	3	1	2	3	2	5	5	3	4	3	3	4	2	4	3	3
I am not worried about any of these	5	7	4	4	2	1	4	6	14	5	6	8	4	4	5	3	2	7

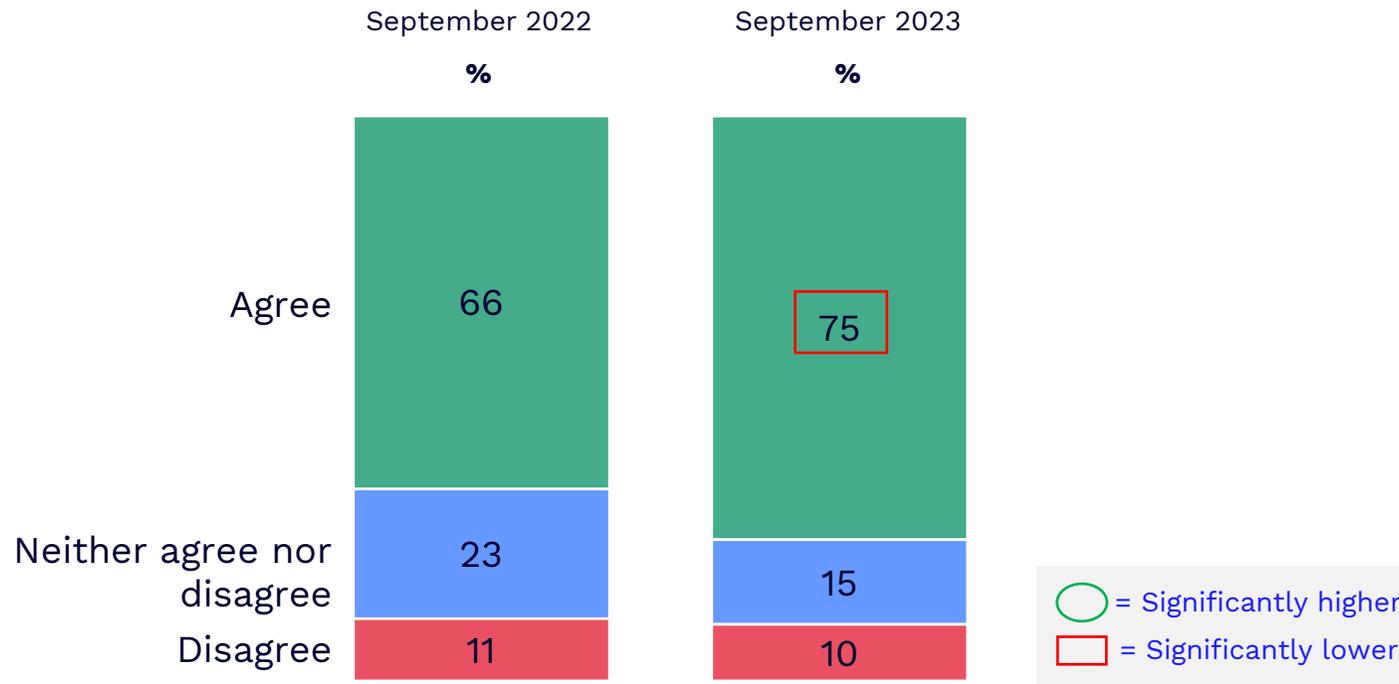
Those living outside of Dublin are significantly more likely to be feeling the effects of fuel increases. Rent or mortgage costs appear to be a more significant contributor to the rising cost of living amongst 25-34 year olds in particular.

And shoppers are now even more open to the idea of shopping at the discount stores this year

Base: All adults aged 16+ n-1010

Level of agreement:

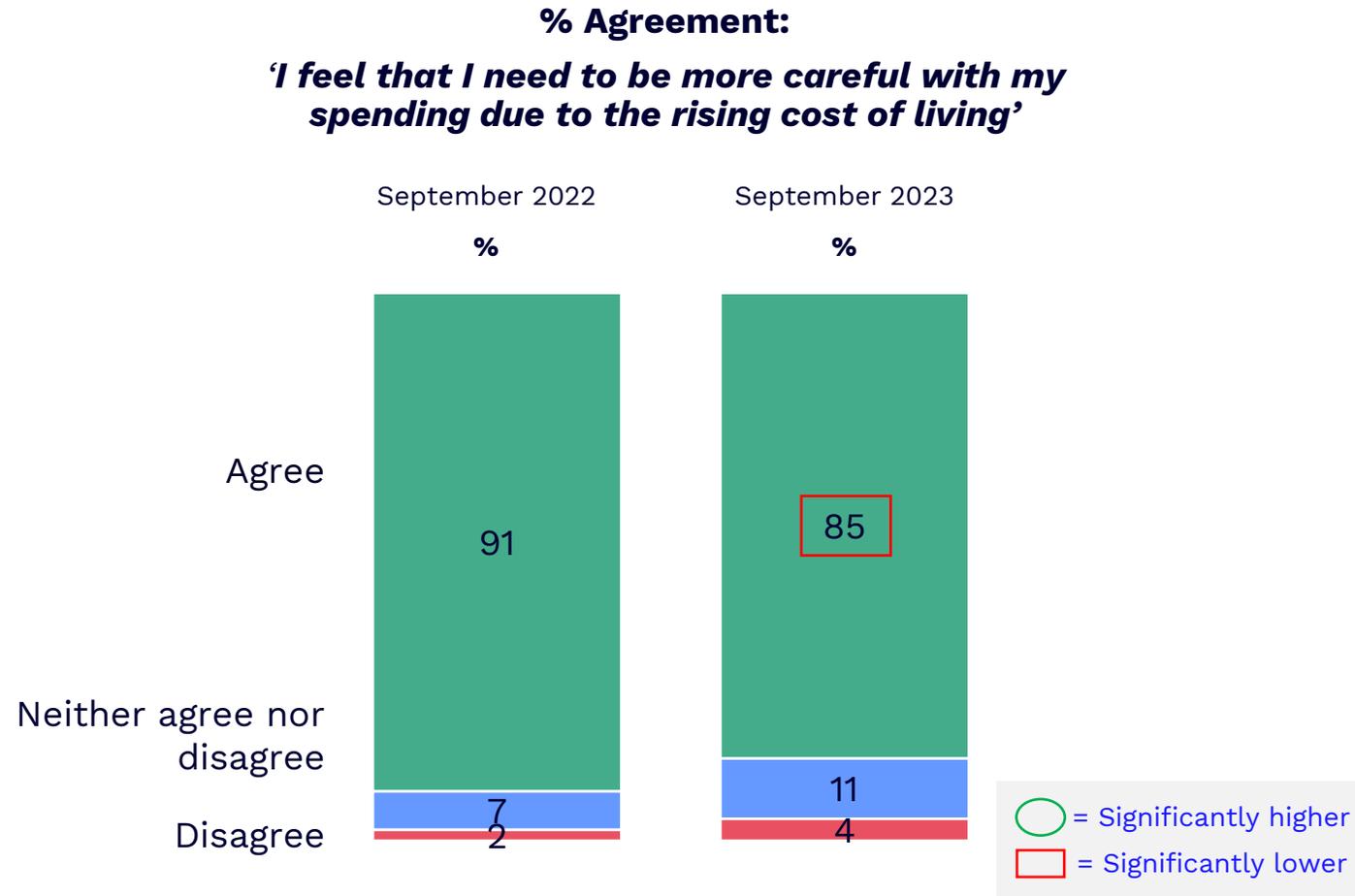
'I am more open to shopping at discounters such as Dealz and Mr. Price for toiletries, household or grocery products'



3 in 4 are now more open to shopping at discount stores – with the rising cost of living driving value seeking behaviour.

4 in 5 feel that they need to be more careful with their spending

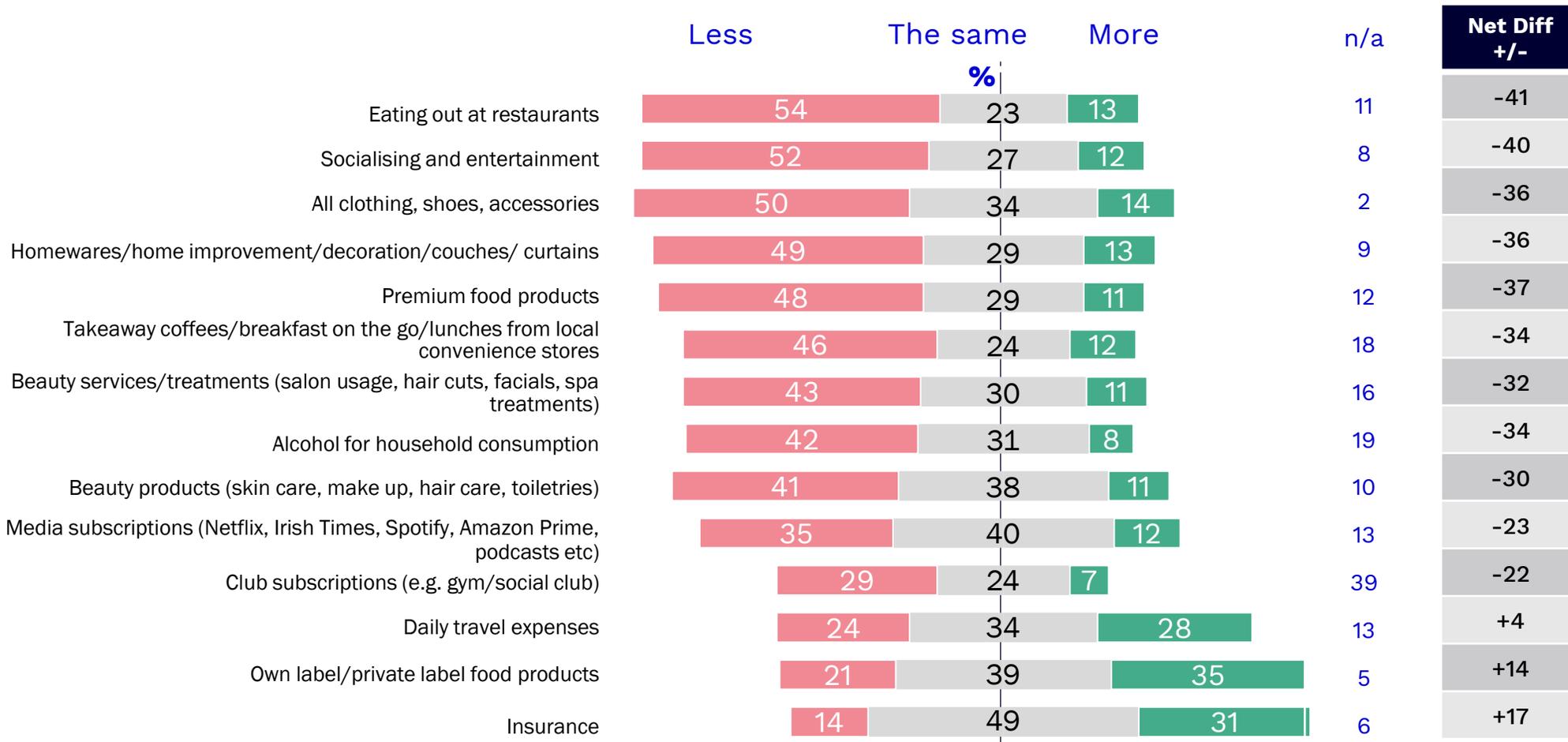
Base: All adults aged 16+ n-1010



Many have cut down on discretionary spending – hence why it is so important that the media do not over indulge in negativity

Base: All adults aged 16+ n-1010

In the past month, are you spending more, the same, or less in any of the following areas?

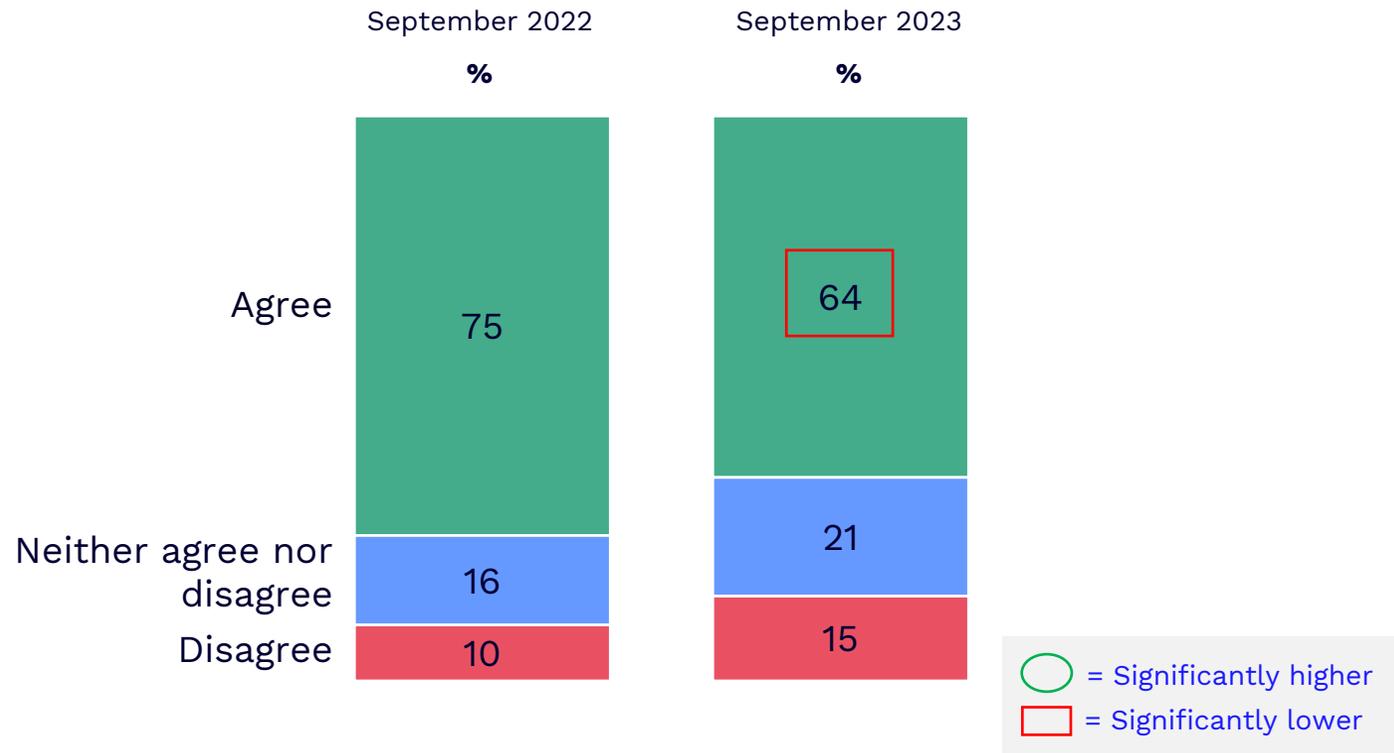


Many are spending more on own label/private label food products, and insurance in particular. There appears to be a large amount of people spending less on clothing, eating out & on-the-go and socialising, amongst other reductions.

2 in 3 are concerned about the cost of Christmas this year – down from last year, albeit concern remains high

Base: All adults aged 16+ n-1010

Level of agreement:
'I am concerned about the cost of Christmas this year'

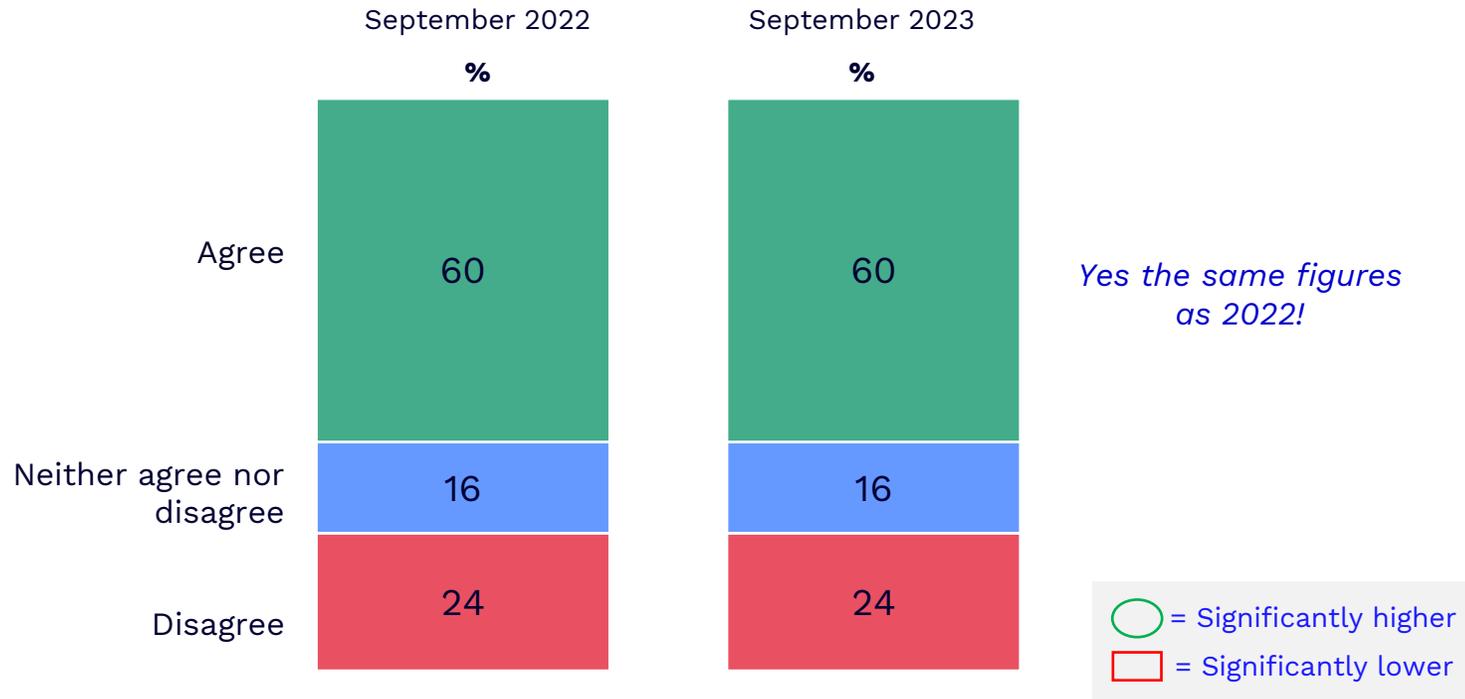


How we communicate will be crucial, as people are anxious and being careful

Base: All adults aged 16+ n – 1010

Level of agreement:

‘My household finances are generally fine, albeit I am keeping a watchful eye of the cost of living and the economy’



60% agree that their household finance are generally fine, albeit I am keeping a watching eye on the cost of living and the economy.

A further 16% are in the middle, with one quarter (24%) in worrying territory (equates to 960k people).

Summary 2023

Pre-Budget Irish Zeitgeist 2023

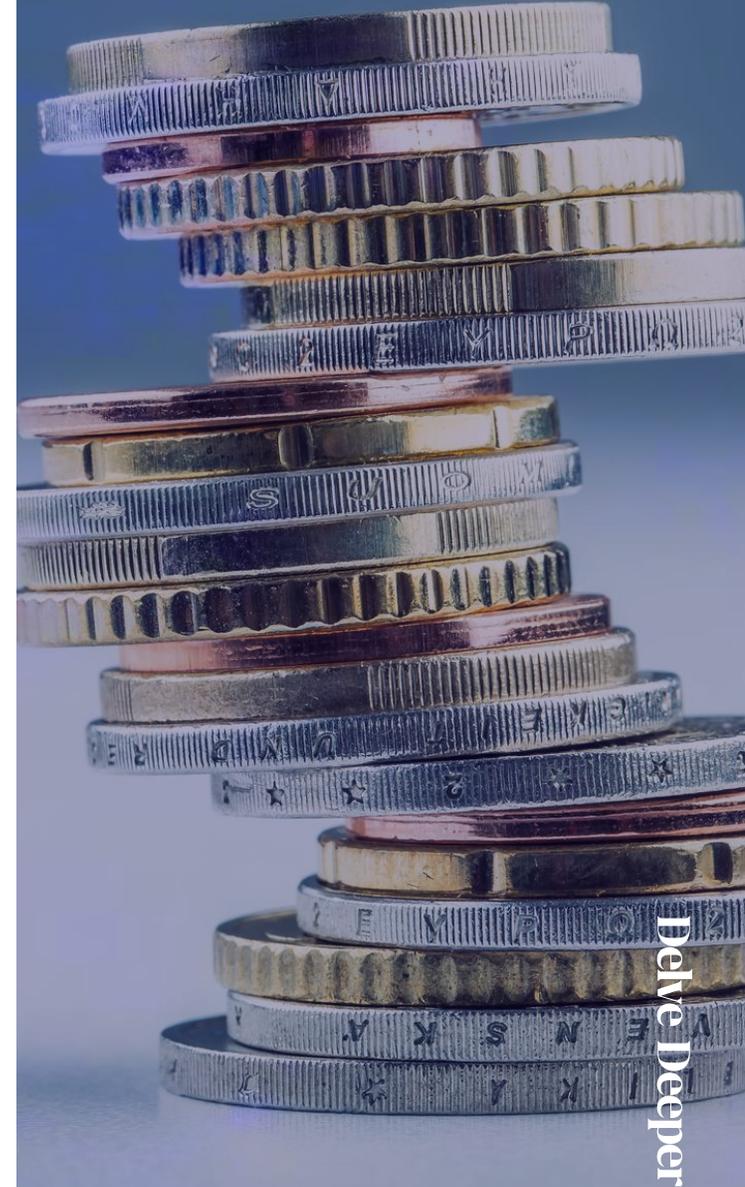


Delve Deeper

Key Highlights I

- The background to this study was one of:
 - Headline inflation increasing unexpectedly in September as energy and food prices rose.
 - Prices in the economy, as measured by the harmonised index of consumer prices (HICP), grew by an estimated 5 per cent in the 12 months to September, up from 4.9 per cent in August.
 - Energy prices made the biggest contribution to the headline figure, according to the Central Statistics Office (CSO), rising 3.7 per cent in September and 9 per cent over 12 months.
 - Food price growth also picked up in the month, up 0.4 per cent in September and 7.5 per cent since last year.
 - Transport prices, including air fares, are estimated to have decreased by 1.2 per cent but remain 8 per cent higher on average than September 2022.
 - Excluding volatile energy and food prices, prices are estimated to have increased by 4.5 per cent over the last 12 months.
- These estimates are subject to revision when the final results are published on October 12th.

B&A

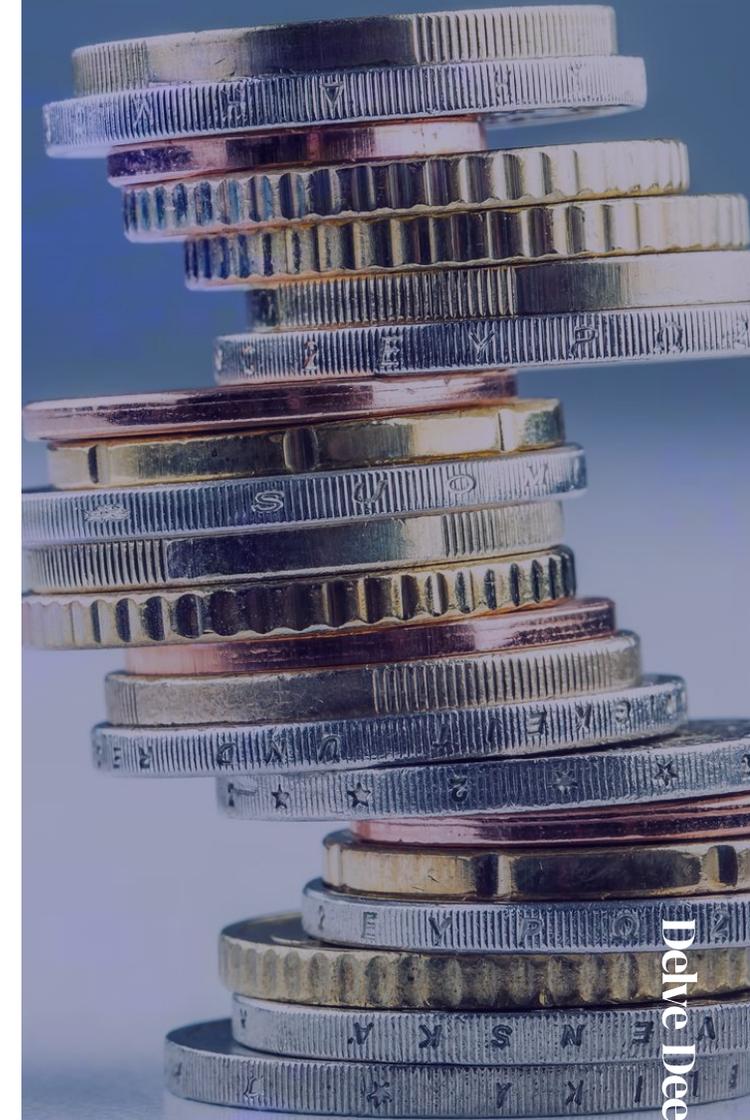


Delve Deeper

Key Highlights II

- Despite the challenging times, **most people are positive about Ireland as a place to live** (73%), and indeed their lives (&3%). Positivity increases with age.
- Potential emigration is low, but higher openness amongst younger cohorts and Dubliners.
- Still **one quarter (25%) of Irish people are struggling to make ends meet**, with 3 in 5 (58%) getting by financially. The 16-54 age group and blue-collar/non-professional cohorts are struggling most in society. However, the gap between middle classes and blue-collar has lessened. We see that **more middle classes are being impacted**, with a softening of the blue-collar impact, albeit one third of the latter still struggle.
- We also see **families with teenagers being impacted**, with 38% of those aged 25-45 with teenagers struggling to make ends meet.
- While **2 in 3 (65%) feel they have less disposable income compared to this time last year**, this has reduced from 79% in September 2022. A stabilisation or a 'getting use to' the situation of higher prices seems to be emerging, albeit not for most people.
- Despite some degree of stabilisation of people's fears, still **2 in 5 (51%) of people could not afford to pay unexpected, but necessary €1,000 expense**, should it arise.
- More blue-collar/non-professional people are more likely to indicate that they cannot afford such an expensive (47% C2DE, 32% ABC1).
- In terms of outlook, 2 in 5 (40%) are fearful that the cost-of-living crisis will not ease in 2024, with a further quarter remaining uncertain. Thus, at the moment consumers do not necessarily see an early ending in sight.
- In the past month we see that household finances are being impacted or **people are using savings to cover living costs (32%), 17% had to borrow money or use credit** and less have been able to save as usual (39%). We are also seeing that a third (33%) have less money available to spend on food and a quarter (27%) are struggling to pay bills.

B&A

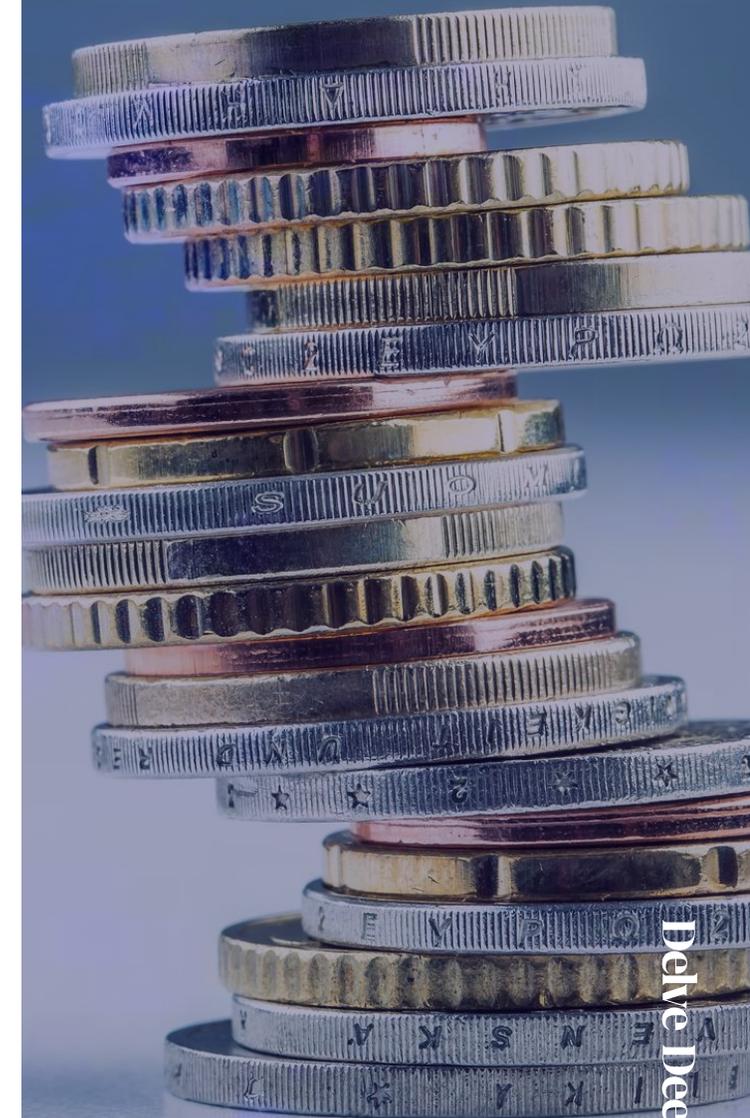


Delve Deeper

Key Highlights III

- **Food (81%) has replaced larger energy bills** as the aspect that worries people the most. However, 3 in 4 are still worrying about energy costs (73%). In addition **rent/mortgage worries have increased this year** compared to last, with one third (32%) being most worried about this expense. The latter is driven by under 55-year-olds in particular (16-34 years 45%, 35-54yrs 40%, 55+ years 11%).
- As a coping mechanism shoppers are now even more open to the idea of shopping at discount stores such as Dealz and Mr. Price for toiletries, household, or other grocery products (75% compared to 66% in 2022).
- In addition, 4 in 5 (85%) feel they need to be more careful in spending due to the rising cost of living.
- **2 in 3 (64%) are concerned about the cost of Christmas** this year. This is down from the last years high of 75%, albeit it remains high.
- How we communicate as we move forward will be crucial as people are anxious and are being careful about their spending. For example, **60% agree that a household finances are generally fine, albeit they keep a watchful on the cost of living and the economy**, while 24% would disagree with this statement which equates to approximately 960,000 adults aged 16+ stating their household finances are not fine. Note these figures are practically identical to 2022.
- Thus, while we see a softening of some of the extreme scores seen last year, the proportion of **people that are concerned and anxiousness remains high**, with about one quarter of the population consistently struggling. And while all cohorts have been impacted to some degree it is clear that blue-collar/non-professional remain the cohort that is struggling the most, the middle class cohort have also been impacted more in the past 18 months.

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Thank You



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