

# National Consumer Agency

## Market Research Findings: Household Budgeting and Financial Planning



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**October 2011**

**Research Conducted by**

**amárach**   
research

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# Key Findings

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# Key Findings - I



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- 64% of consumers indicated that “household income **decreased** since the same period in the previous year”:
  - Of these:
    - 50% = expenditure increased in the period
    - 25% = expenditure remained the same
- There has been a slight lift, up 5 percentage points to 16%, in the proportion of consumers who believe that Ireland will be through the worst of the recession in 12 months time
- **1 in 2 (50%) Irish Consumers budget for household expenses**; higher amongst 35-44 year olds and those responsible for the main grocery shop.
- Those who operate a budget are most likely to do so on a weekly basis

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## Key Findings - II



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- **Almost 1 in 4 (23%) have found themselves in financial difficulty** within the past 12 months
- Those who have found themselves in financial difficulty;
  - 3 in 5 have cut back on spending,
  - 3 in 10 borrowed money from friends/family
  - while 1 in 4 took money out of savings while a similar proportion missed a payment
- Over 7 in 10 (71%) consumers indicated that they shop around when purchasing car insurance, with over 6 in 10 (62%) doing so in relation to house insurance, and the corresponding figure for health insurance was just over 1 in 2 (52%)

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# Household Budgeting and Financial Planning

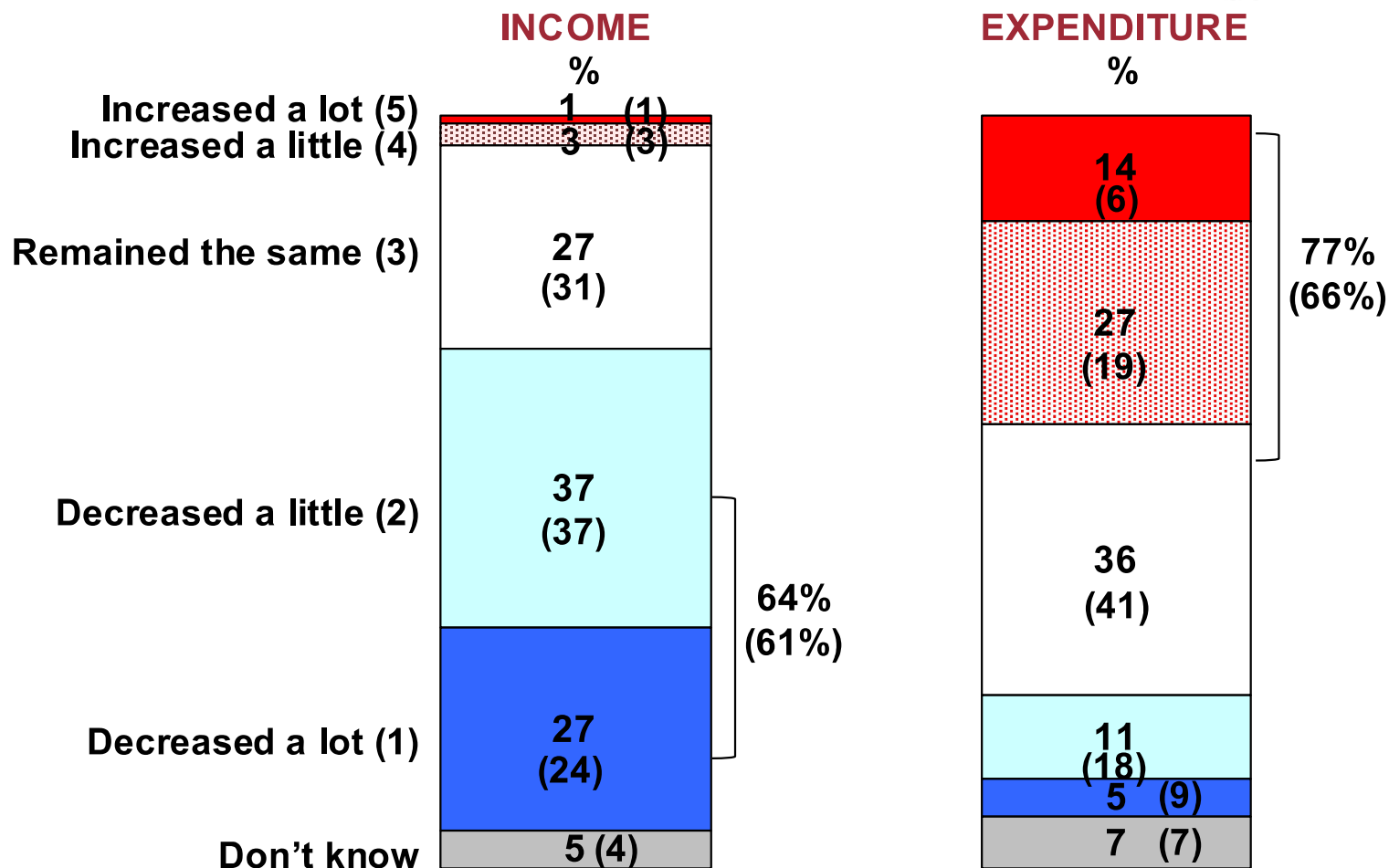
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# Household Income & Expenditure - Overview

(Base: All aged 15-74 – 1,000)



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# Household Income & Expenditure - I

(Base: All aged 15-74 – 1,000)



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## EXPENDITURE:



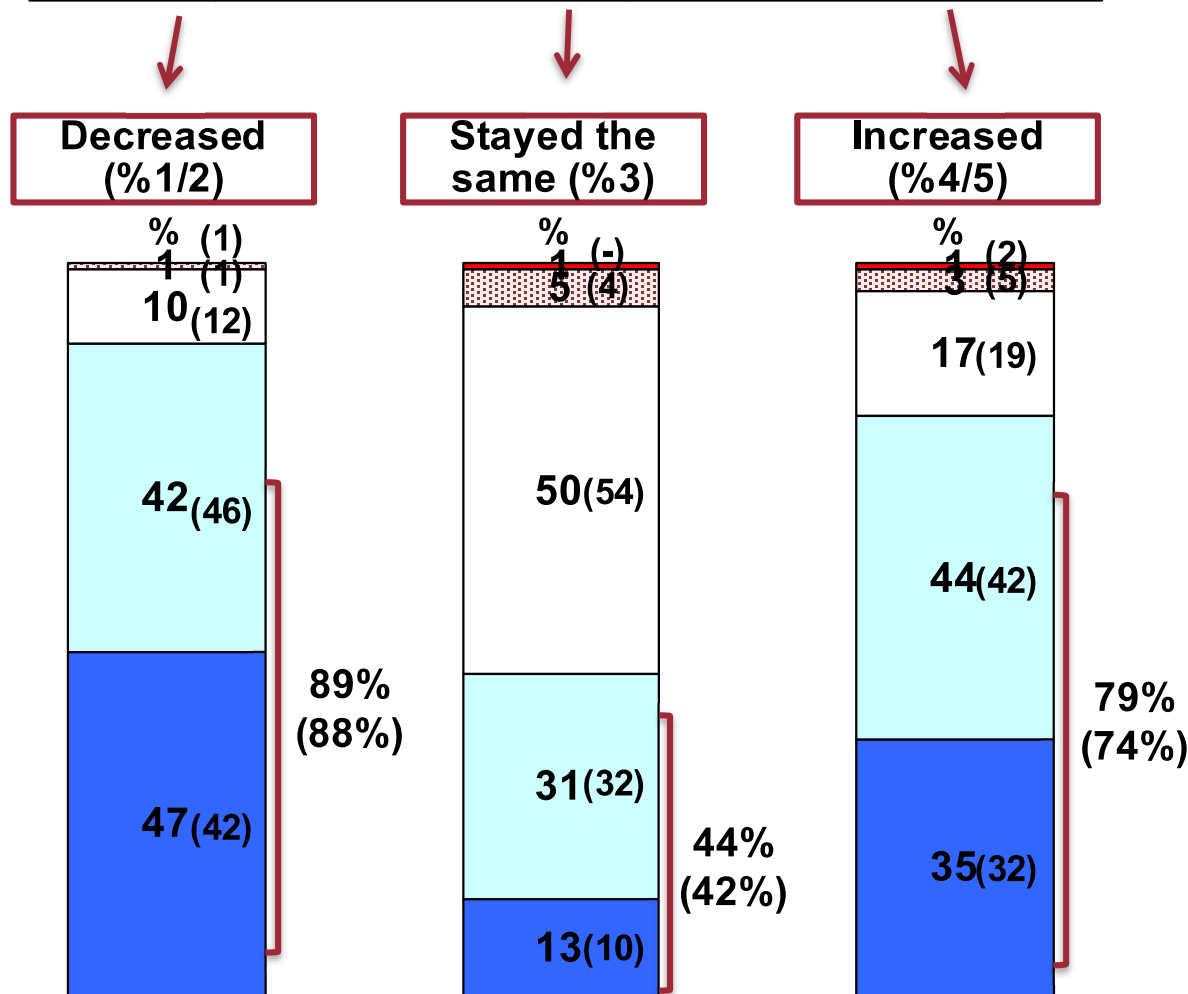
Don't know  
= 7% (7%)

## INCOME:

Increased a lot (5)  
Increased a little (4)  
Remained the same (3)

Decreased a little (2)

Decreased a lot (1)



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# Household Income & Expenditure - II

(Base: All aged 15-74 – 1,000)



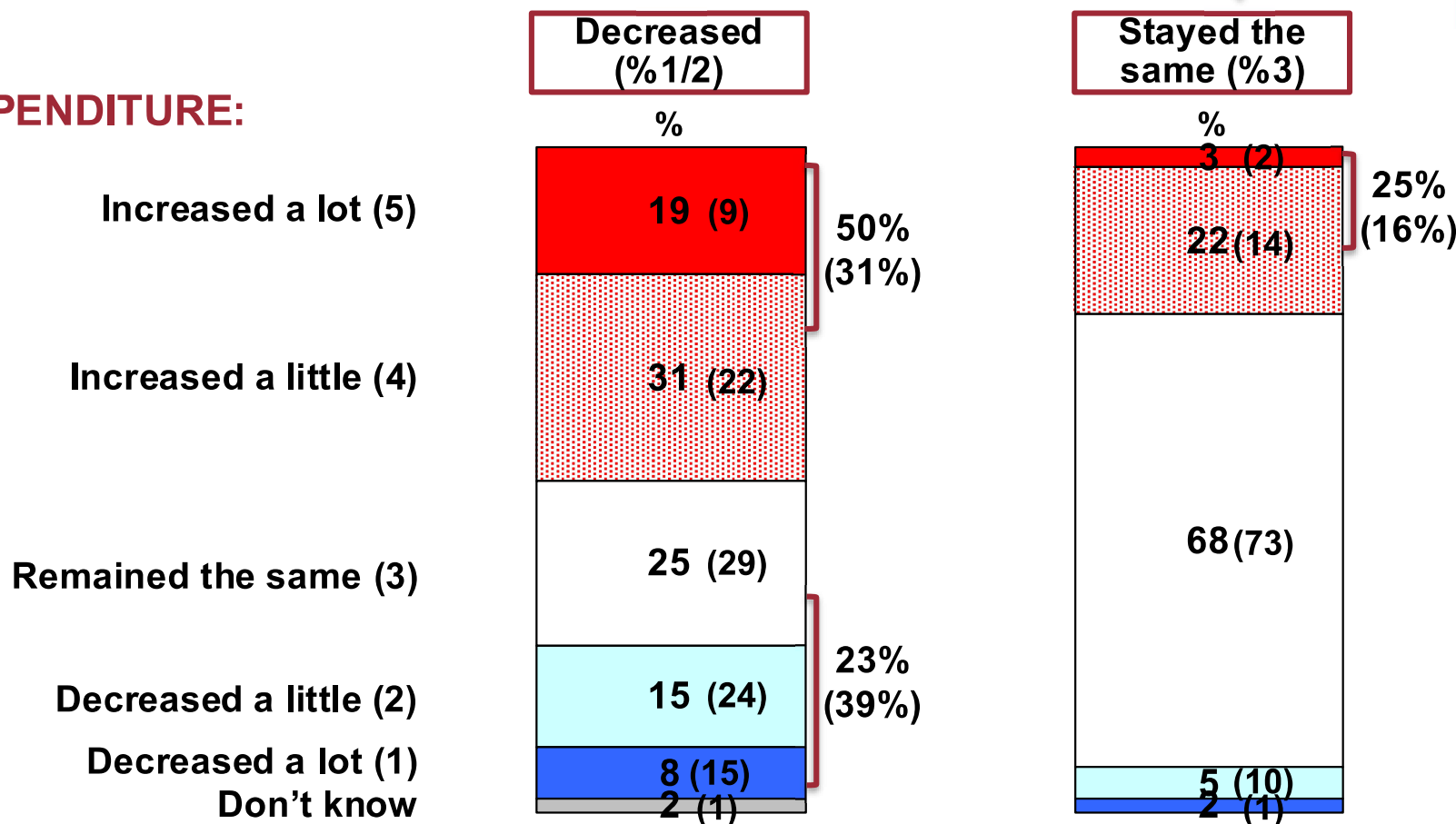
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## INCOME:



Don't know  
= 5% (4%)

## EXPENDITURE:



%4/5  
Increased:  
Base is too  
Small to  
Analyse

() = June 2010

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# One Word to Describe: *Your Current Financial Situation*

(Base: All aged 15-74 – 1,000)



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# Economic Outlook – I

(Base: All aged 15-74 – 1,000)

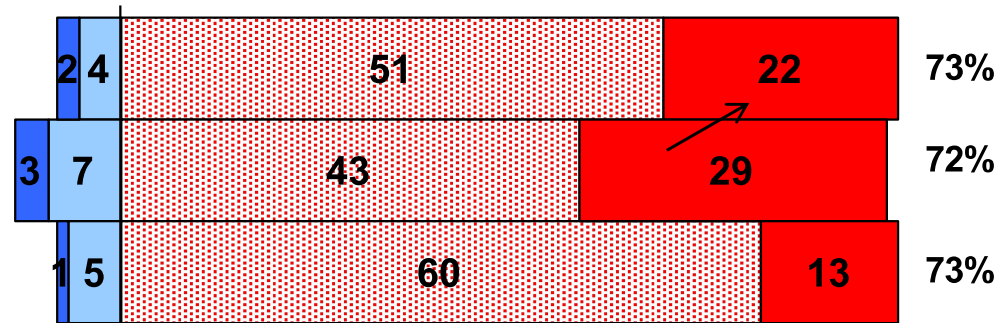


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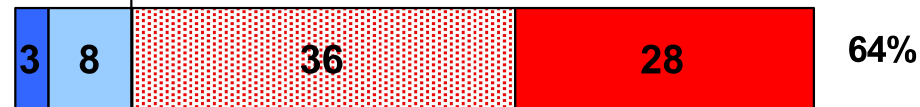
May/June '11  
 Nov/Dec '10  
 June '10

Disagree strongly (1)    Disagree (2)    Agree (4)    Agree Strongly (5)

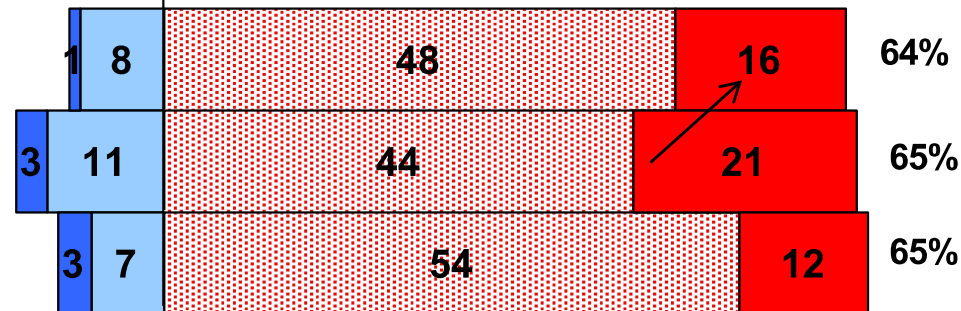
As a result of the recession I will continue to shop around for better deals when the economy has settled



I am holding off on buying large spend items \*



I have learnt to manage my finances better as a result of the recession and will continue to do so going forward



Neither /Nor (3)	Mean Score
21	3.9
18	3.9
21	3.8
25	3.8
27	3.7
21	3.7
24	3.7

\* New Statement

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# Economic Outlook – II

(Base: All aged 15-74 – 1,000)

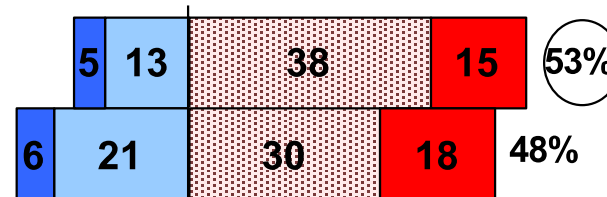


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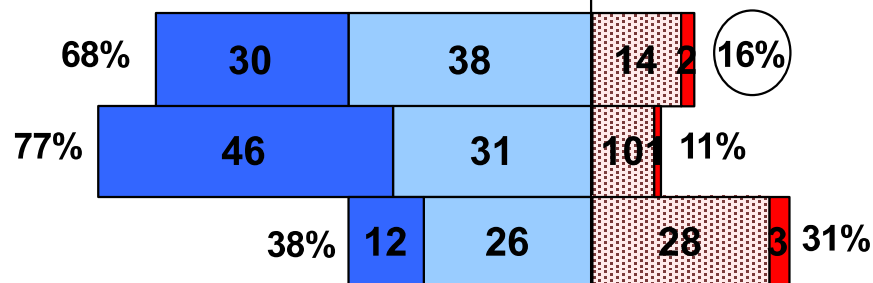
May/June '11  
 Nov/Dec '10  
 June '10

Disagree strongly (1)  
 Disagree (2)  
 Agree (4)  
 Agree Strongly (5)

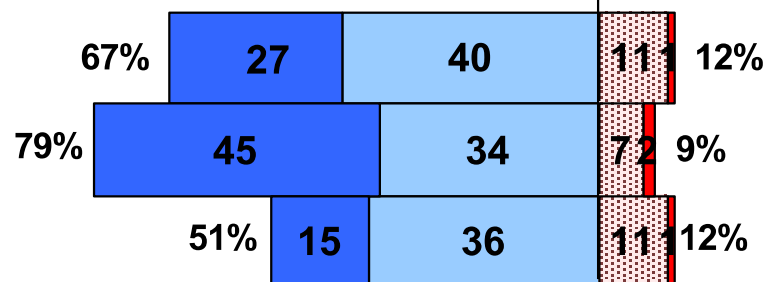
I am constantly looking for better value and am switching providers regularly to achieve this



Ireland will be through the worst of the recession in 12 months time



I am more relaxed about spending money than I was 6 months ago



Neither /Nor (3)	Mean Score
29	3.5
25	3.3
16	2.2
12	1.9
31	2.8
21	2.2
12	1.9
27	2.6

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# One Word to Describe: *Ireland in 12 Months Time*

(Base: All aged 15-74 – 1,000)



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June 2010



Nov/Dec 2010



May/June 2011

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# One Word to Describe: *Your Future*

(Base: All aged 15-74 – 1,000)



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June 2010



Nov/Dec 2010



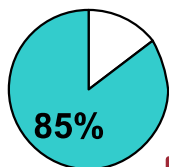
May/June 2011

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# Factors Which Influence Choice of Institution For....

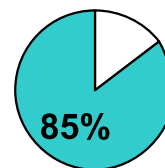
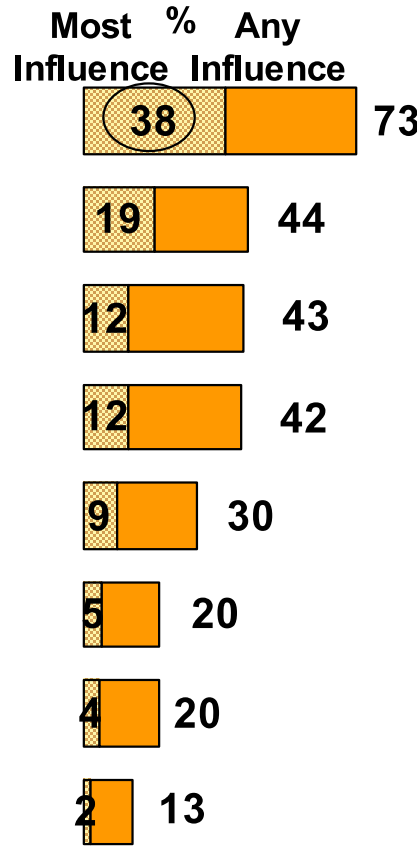


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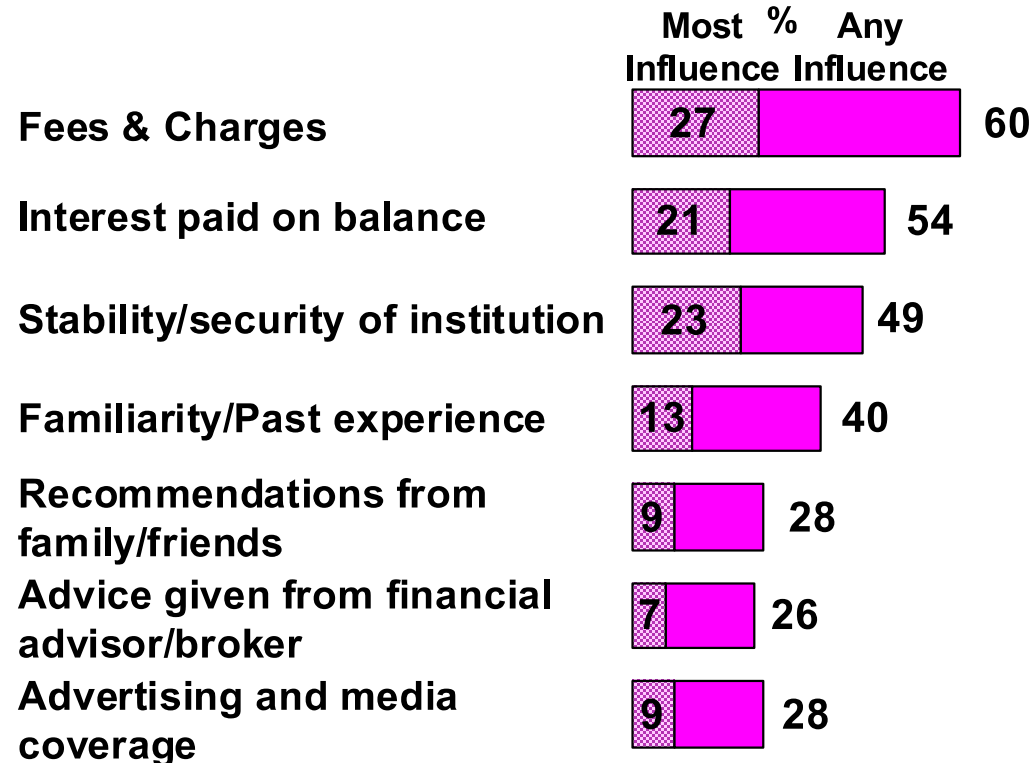
## Current Account

(Base: All with a current a/c - 852)



## Savings Accounts

(Base: All with a savings a/c - 848)



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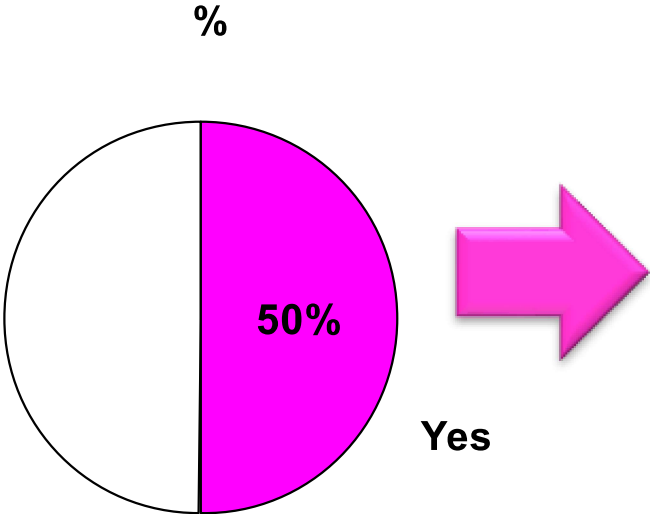
# Budgeting for Household Expenses

(Base: All aged 15-74 – 1,000)



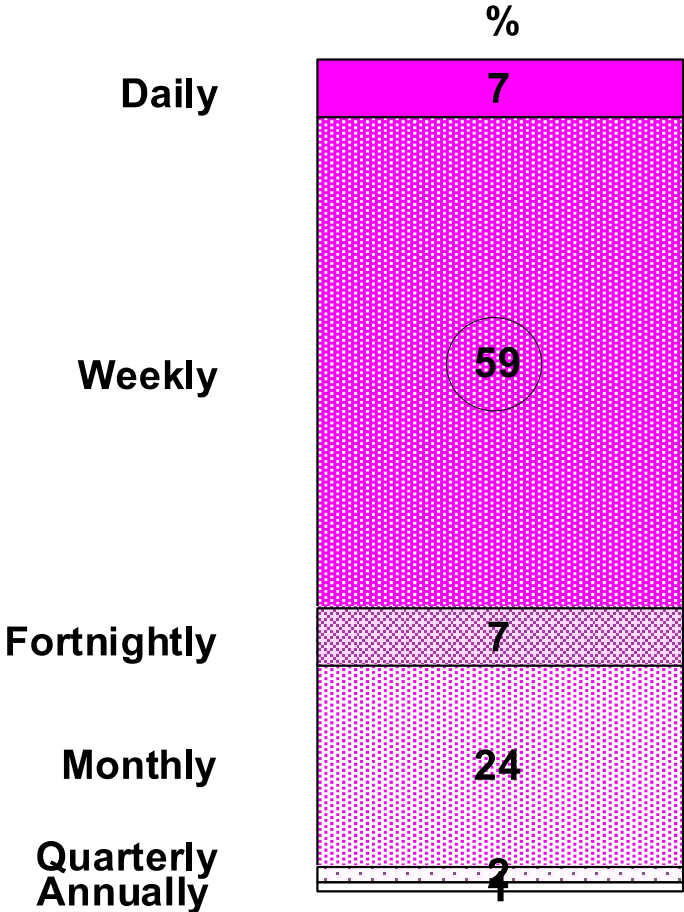
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## Incidence of Budgeting for Household Expenses



- Higher amongst:**
- ✓ 35-44 year olds 68%
  - ✓ Responsible for main grocery shop 64%
  - ✓ Living in Connaught/Ulster 60%
  - ✓ Females 57%

## Timeframe Budget Operated Within



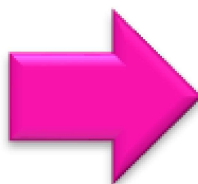
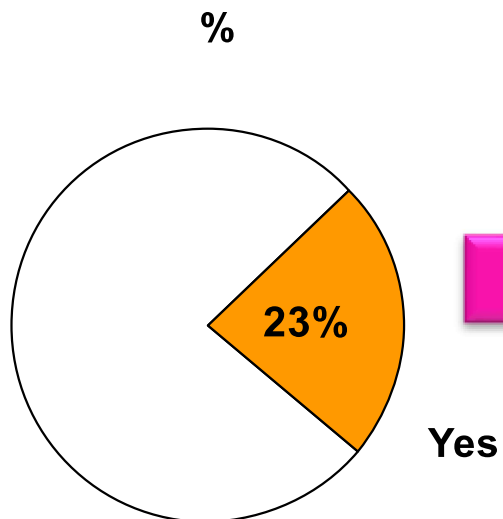
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# Experience Any Financial Difficulty

(Base: All aged 15-74 – 1,000)

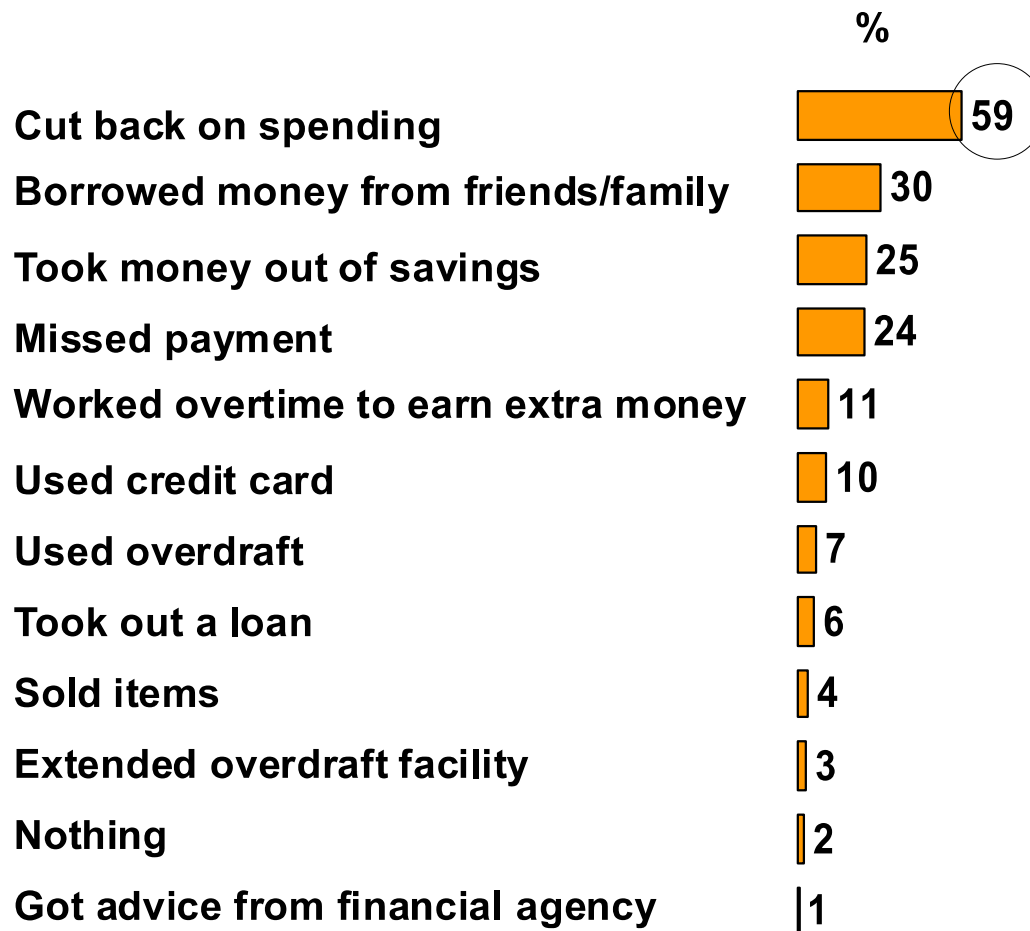


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**Higher amongst**

- ✓ Unemployed 41%
- ✓ 25-34 year olds 32%
- ✓ C2DE/F50- 31%
- ✓ Part time workers 31%



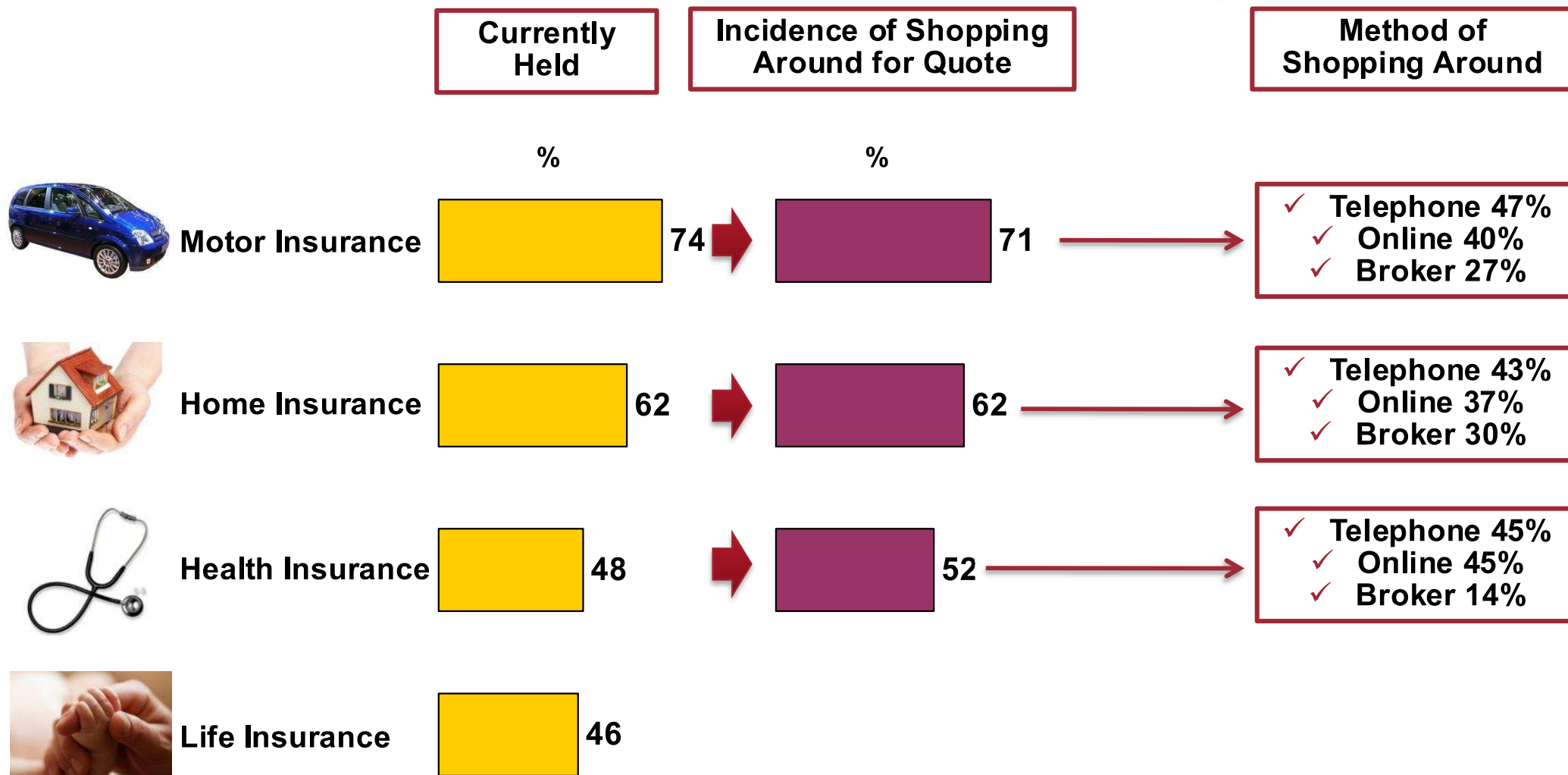
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# Insurance Products Held & Incidence of Shopping Around for Quotes

(Base: All aged 15-74 – 1,000)



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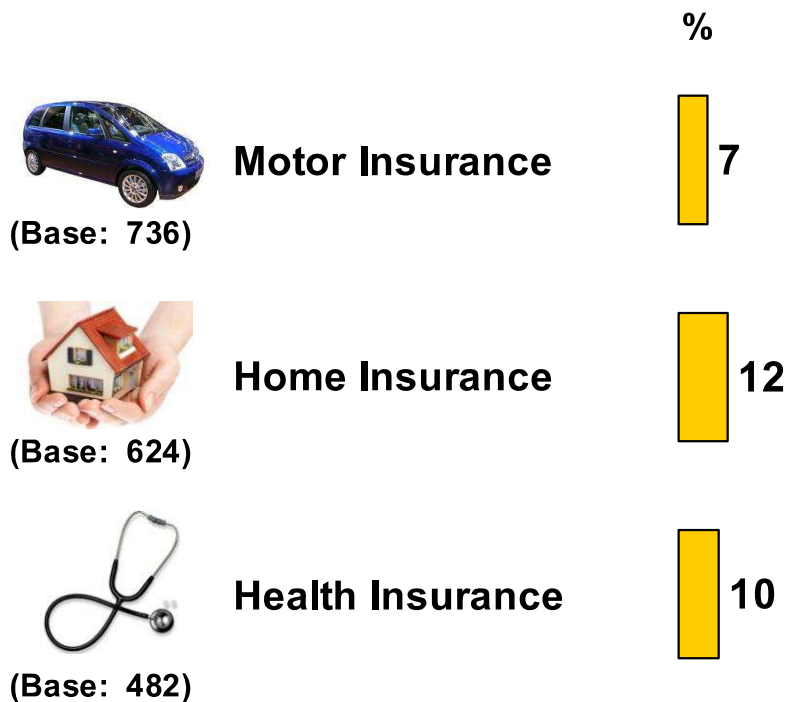
# Downgrade and Renewal of Policies



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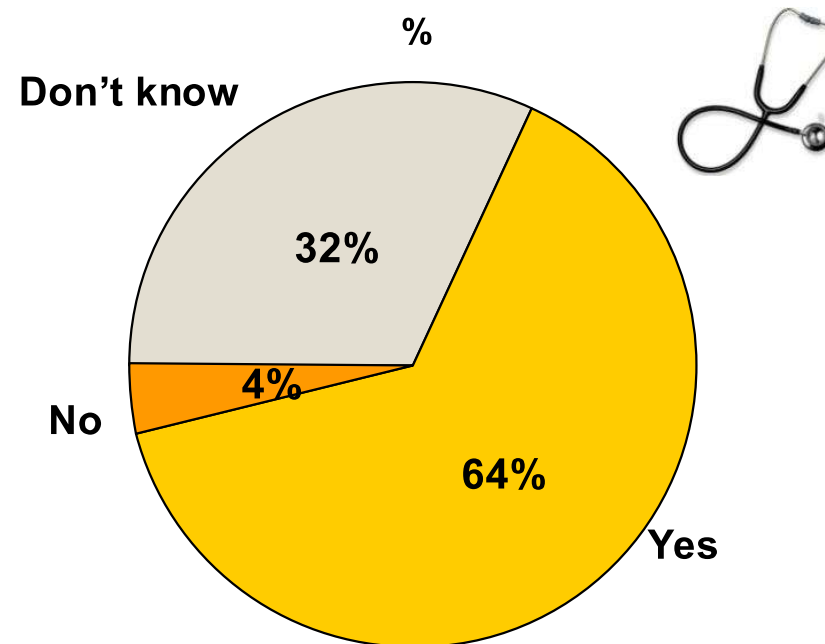
## Have you Downgraded your Policy in the last 12 Months due to Cost?

(Base: All who currently have each insurance Policy)



## Likelihood to Renew Health Insurance Policy at Renewal Date

(Base: All with health insurance - 482)



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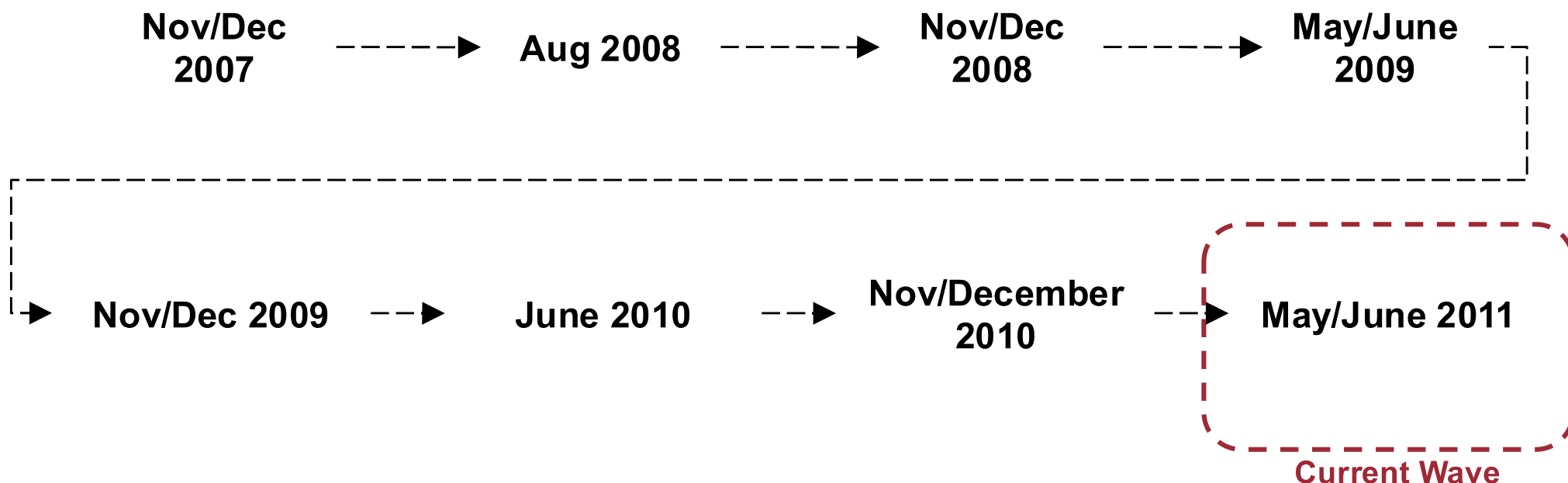
# Research Background and Methodology

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# A. Research Background and Methodology



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- The research was conducted by means of face-to-face interviewing with 1,000 people between the ages of 15-74.
- To ensure that the data is nationally representative, quotas were applied on the basis of age, gender and social class.
- Interviewing was conducted over a four week period in May/June 2011.

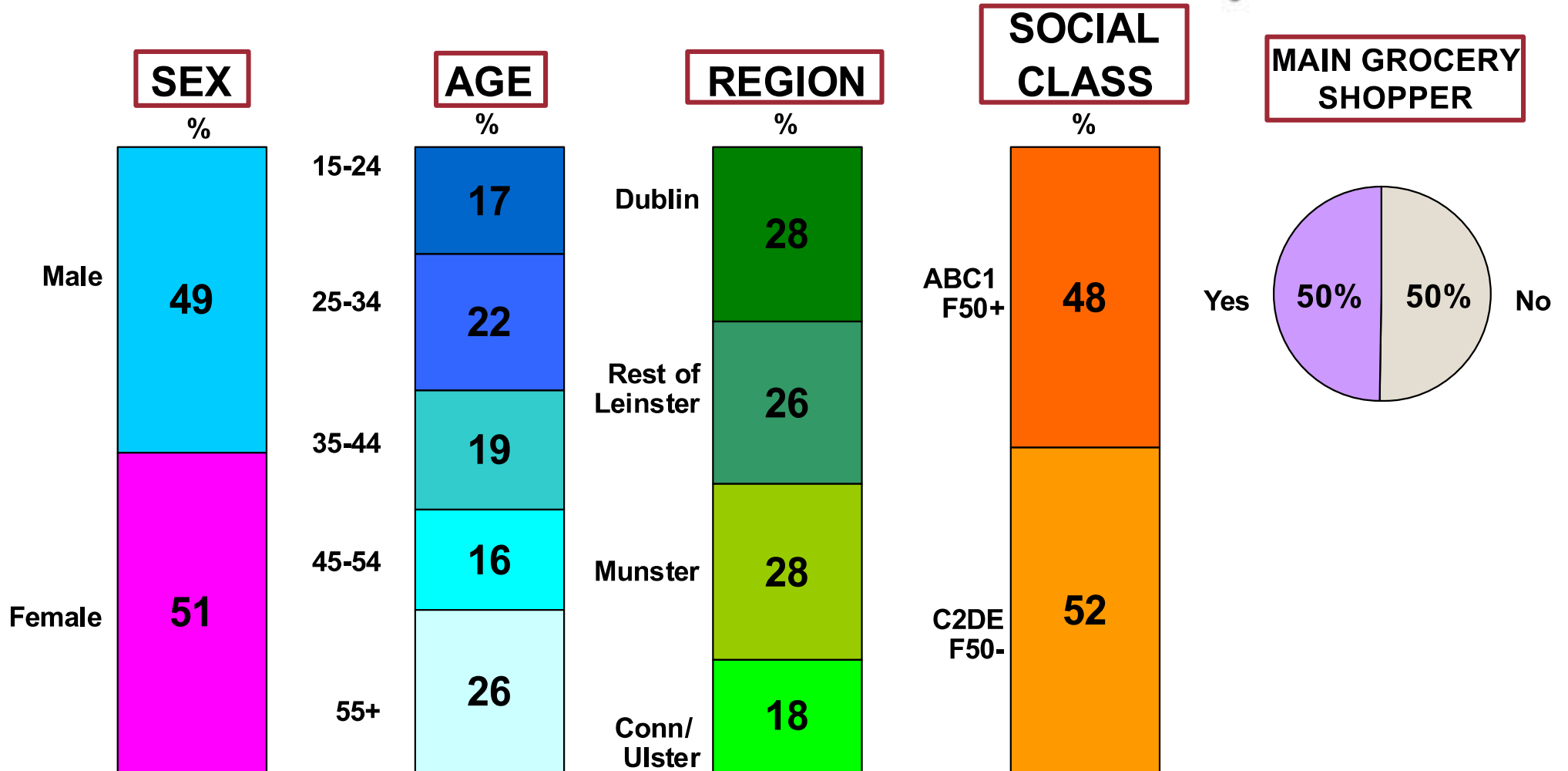
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# B. Profile of Sample – I



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(Base: All aged 15-74 – 1,000)



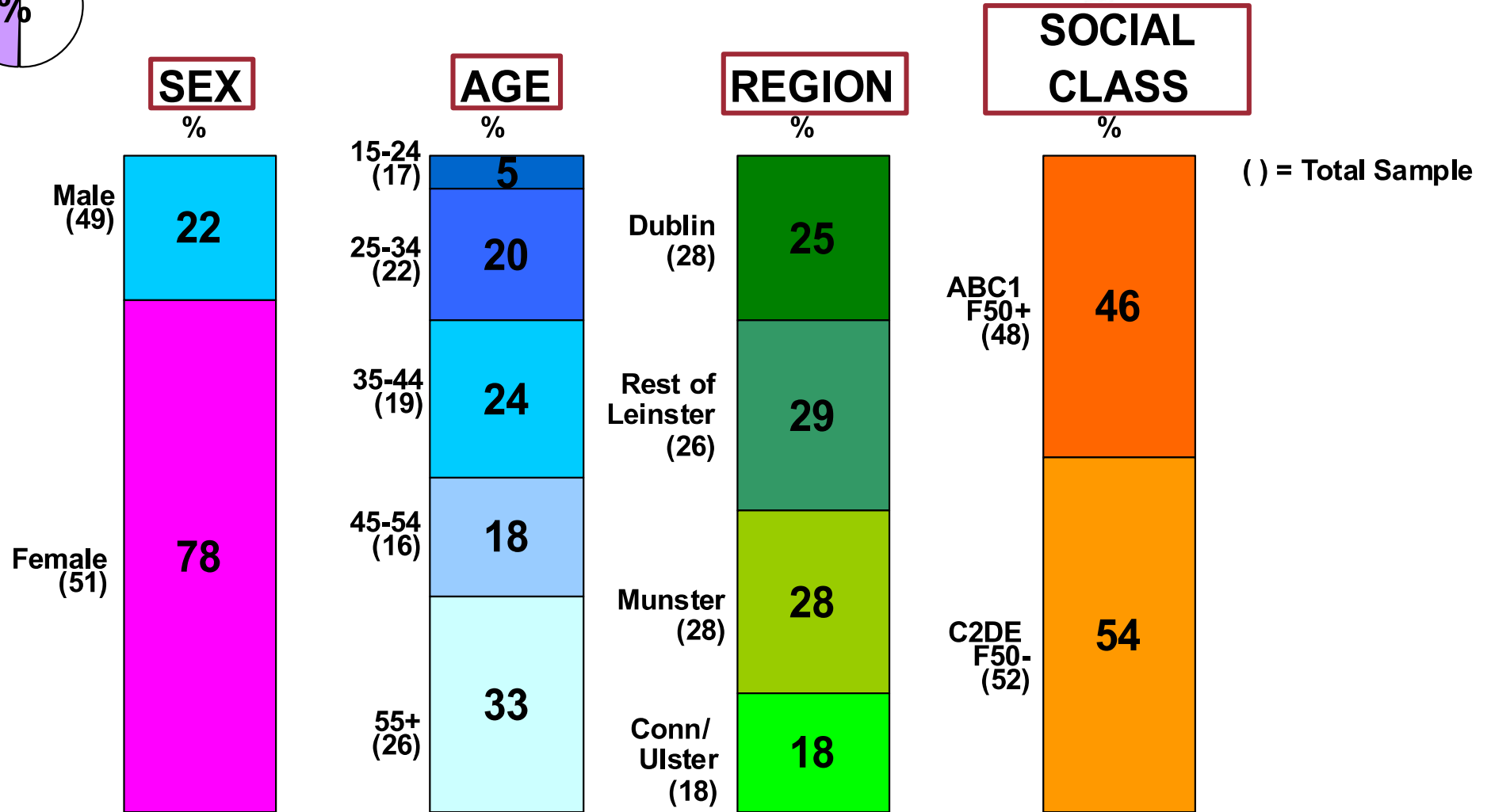
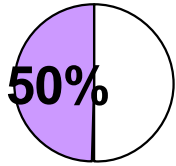
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# B. Profile of Sample – II – Main Grocery Shoppers



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(Base: All Mainly Responsible for Grocery Shopping in Home – 504)



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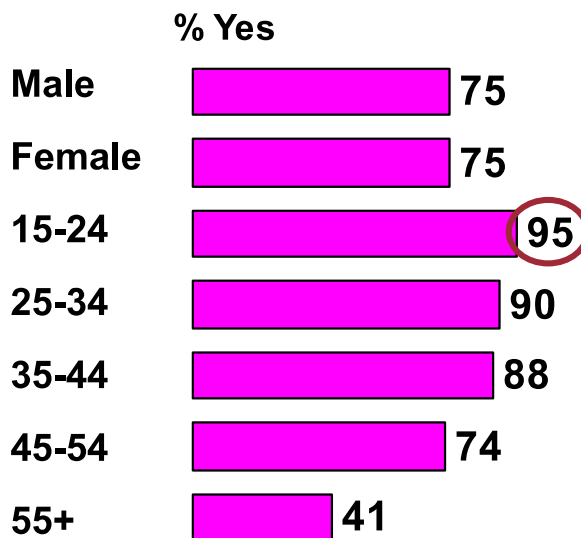
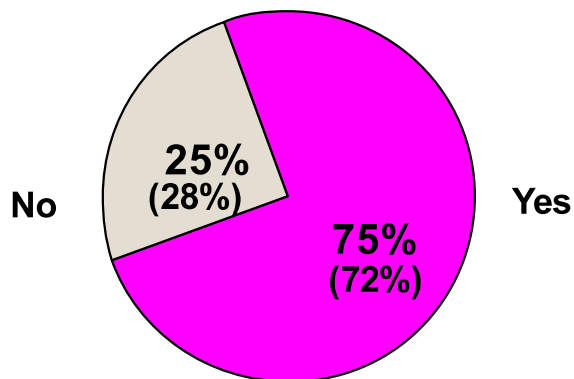
# B. Profile of Sample – III – Internet Use



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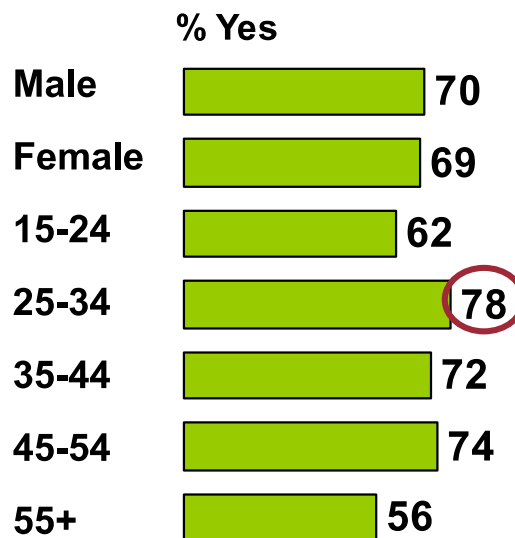
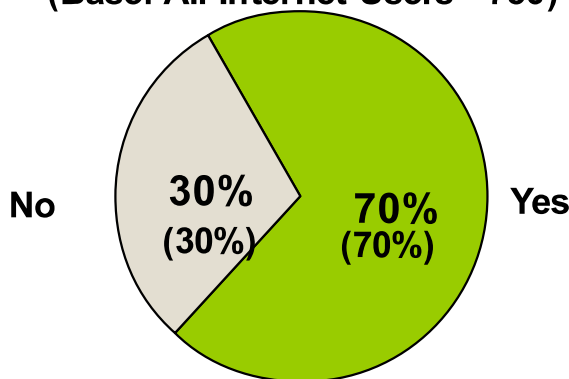
(Base: All aged 15-74 – 1,000)

## USE INTERNET



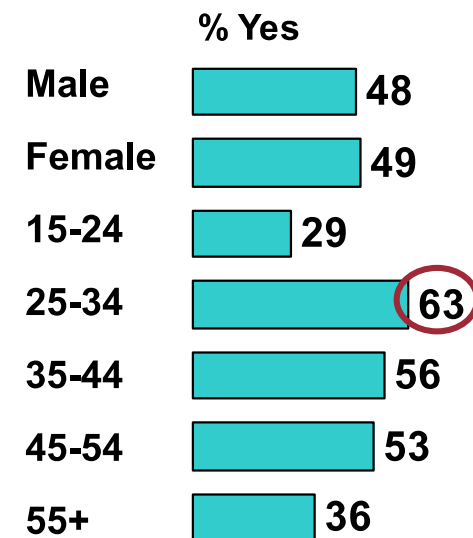
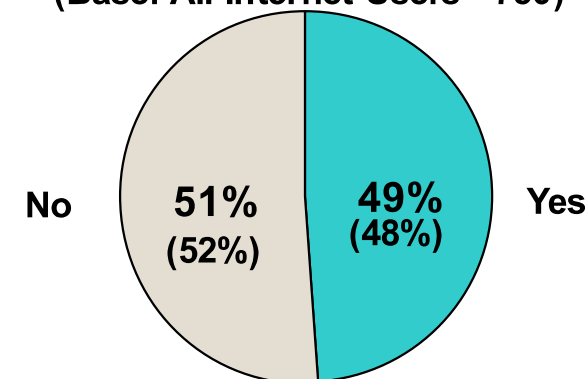
## EVER PURCHASED ONLINE

(Base: All Internet Users - 750)



## BANKING ONLINE

(Base: All Internet Users - 750)



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() = figures from Nov/Dec 2010

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# B. Profile of Sample – IV – Social Media

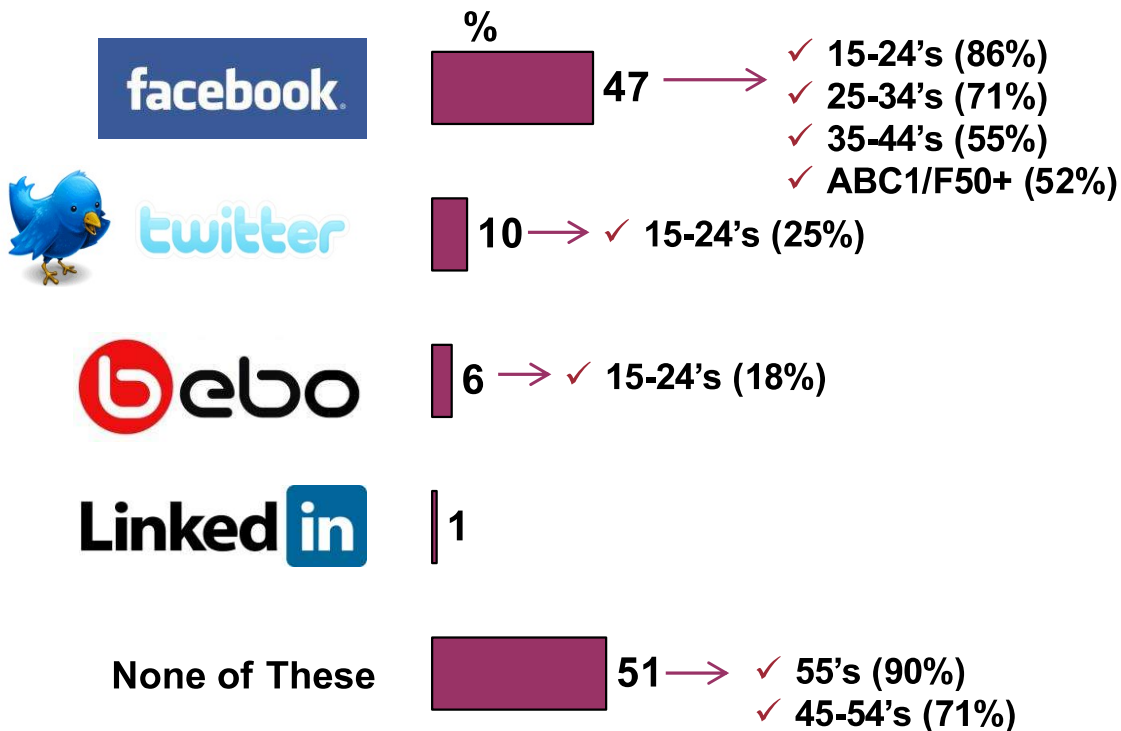


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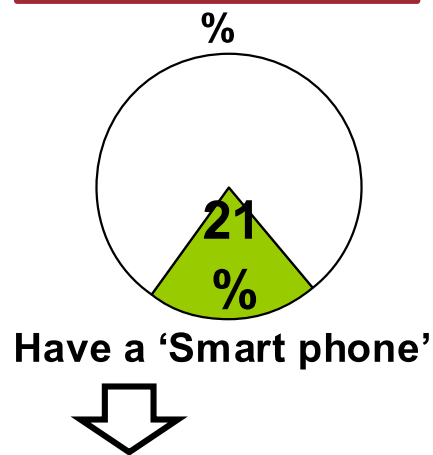
(Base: All aged 15-74 – 1,000)

Regular users of .....

Higher Amongst



Type of phone



Higher amongst:



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