

CCPC CHRISTMAS SHOPPING RESEARCH 2023

OBJECTIVES & METHODOLOGY



1,035 interviews conducted among a representative sample of the Irish population



Survey conducted through computer-assisted telephone (CATI) interviews, with fieldwork conducted between 17th October and 31st October 2023



Data is then weighted in line with the most up-to-date population estimates for gender, age, social class and region

Objectives

To measure consumer behaviours, intentions and knowledge relating to shopping during the Christmas period 2023, including:

- How much consumers expect to spend in total on Christmas this year
- How Christmas spending patterns are likely to change vs. last year, and the reasons given by certain consumers for spending more in 2023
- How consumers intend to fund their Christmas spending this year
- Potential usage of Buy Now Pay Later
- Consumers' knowledge of their rights to return and receive redress for items they buy that turn out to be faulty

Questionnaire was designed by Ipsos in consultation with the Competition and Consumer Protection Commission and repeated many of the questions asked in a similar questionnaire in 2022.

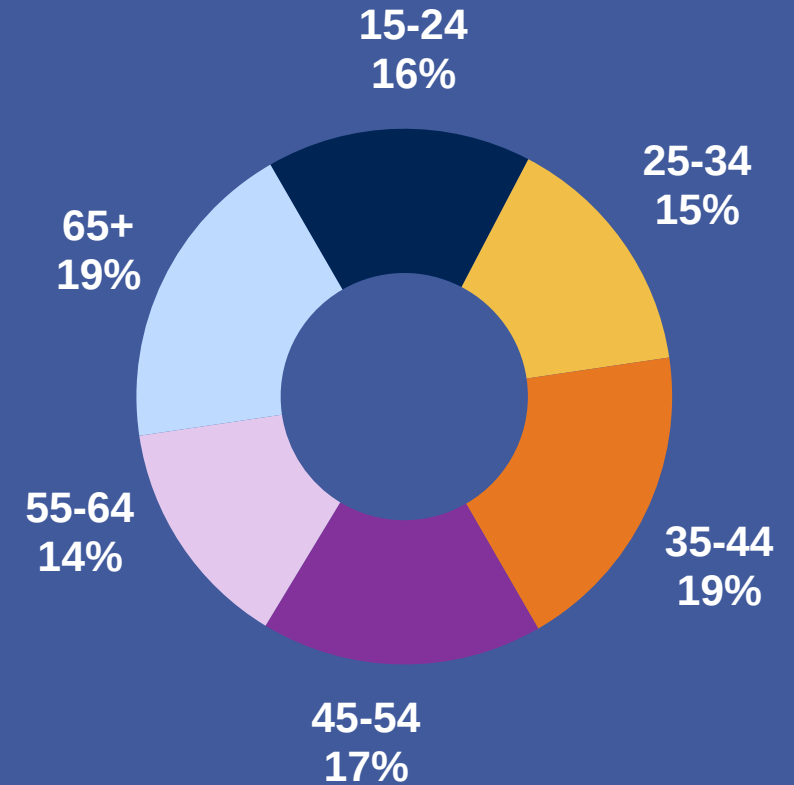
SAMPLE PROFILE

– DEMOGRAPHICS (WEIGHTED)

Gender



Age

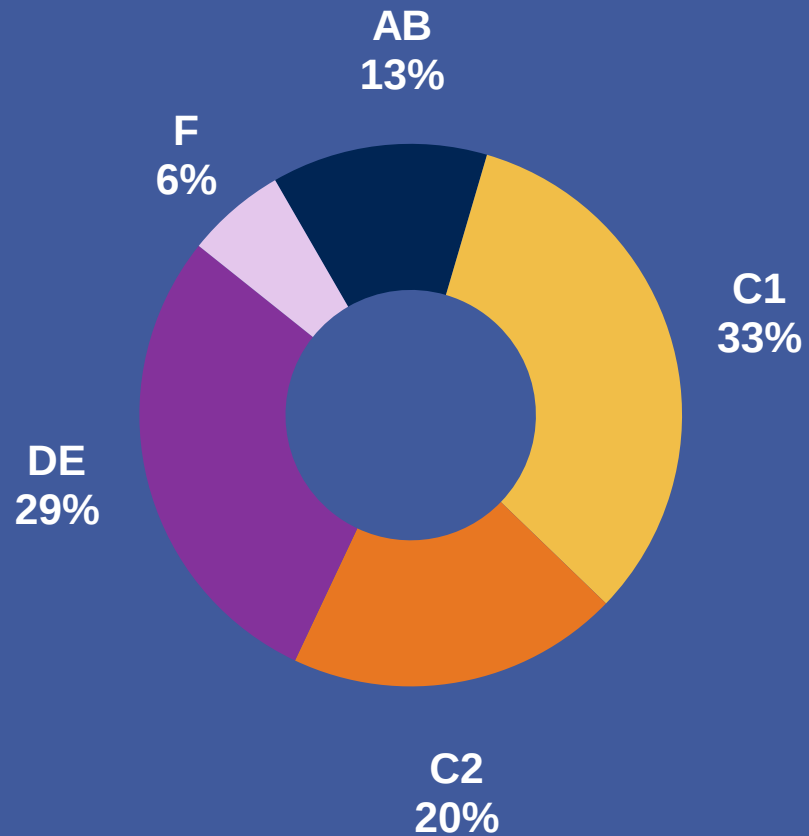


Base: All respondents (1,035)

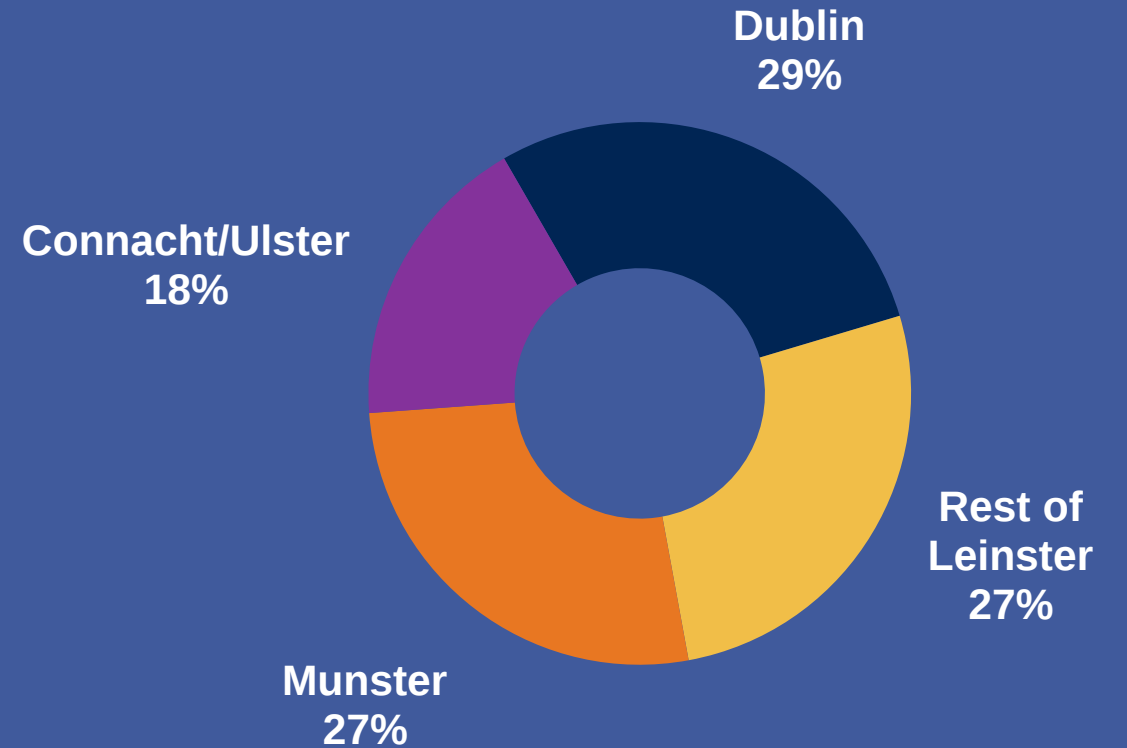
SAMPLE PROFILE

– DEMOGRAPHICS (WEIGHTED)

Social Class



Region



Base: All respondents (1,035)

EXECUTIVE SUMMARY

- The average expected spend this Christmas is lower than in 2022. On average consumers expect to spend almost €1,030, with around one in four expecting to spend at least €1,250.
- 45-54 year olds intend to spend the most. Almost half expect to spend at least €1,000, with an average expected spend of €1,334.
- Those with children reported the sharpest decline in expected spending, with anticipated spending levels back to where they were in 2021.
- Expected use of borrowing to fund spending is slightly up on last year: 29% expect to borrow money to pay for Christmas
- In terms of consumer rights, over half say that the return period depends on the length of the product guarantee/warranty, a figure that has remained unchanged from last year.

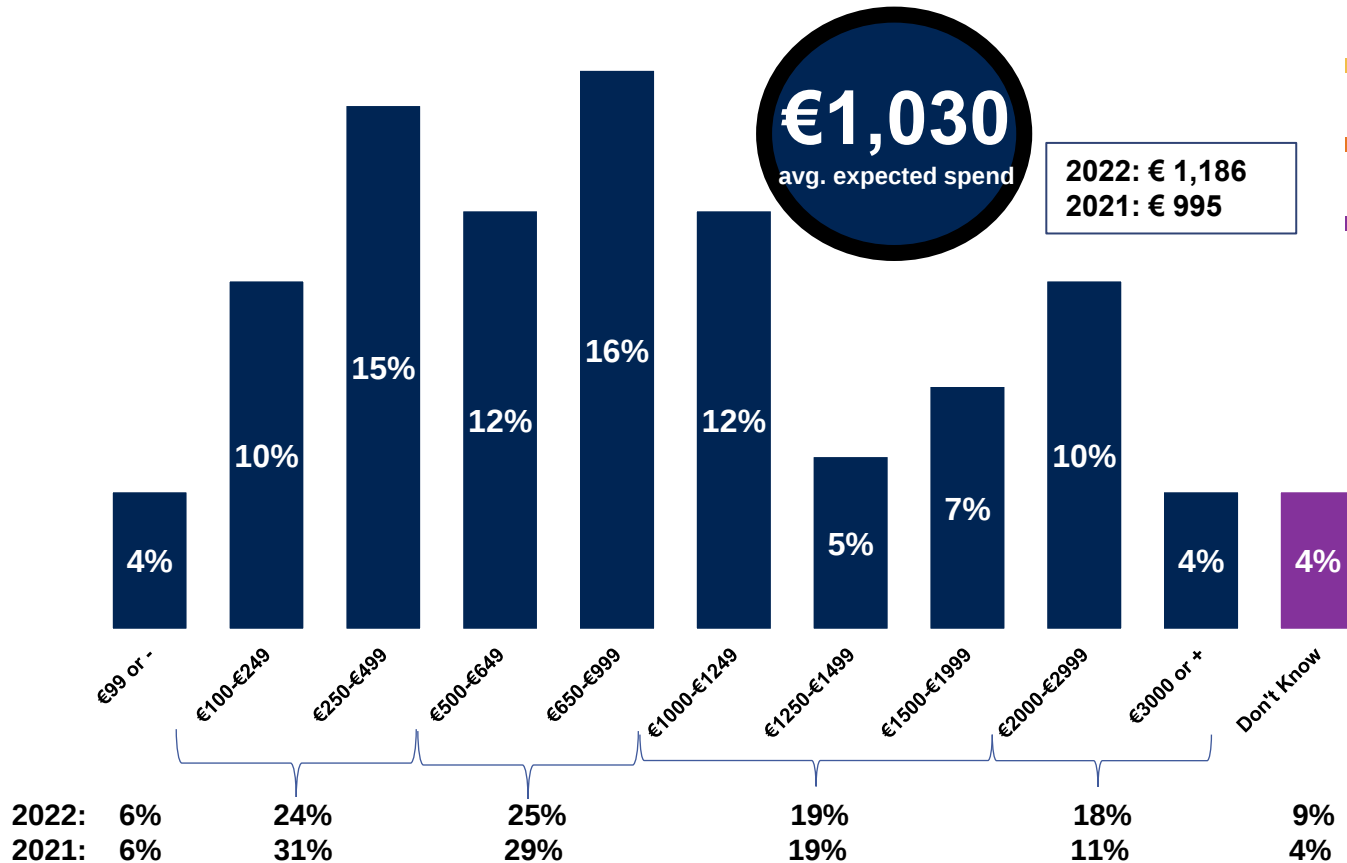
EXPECTED SPENDING AT CHRISTMAS



EXPECTED AVERAGE SPEND IN 2023 IS €1,030 – 13% LOWER THAN THE EXPECTED SPEND LAST YEAR

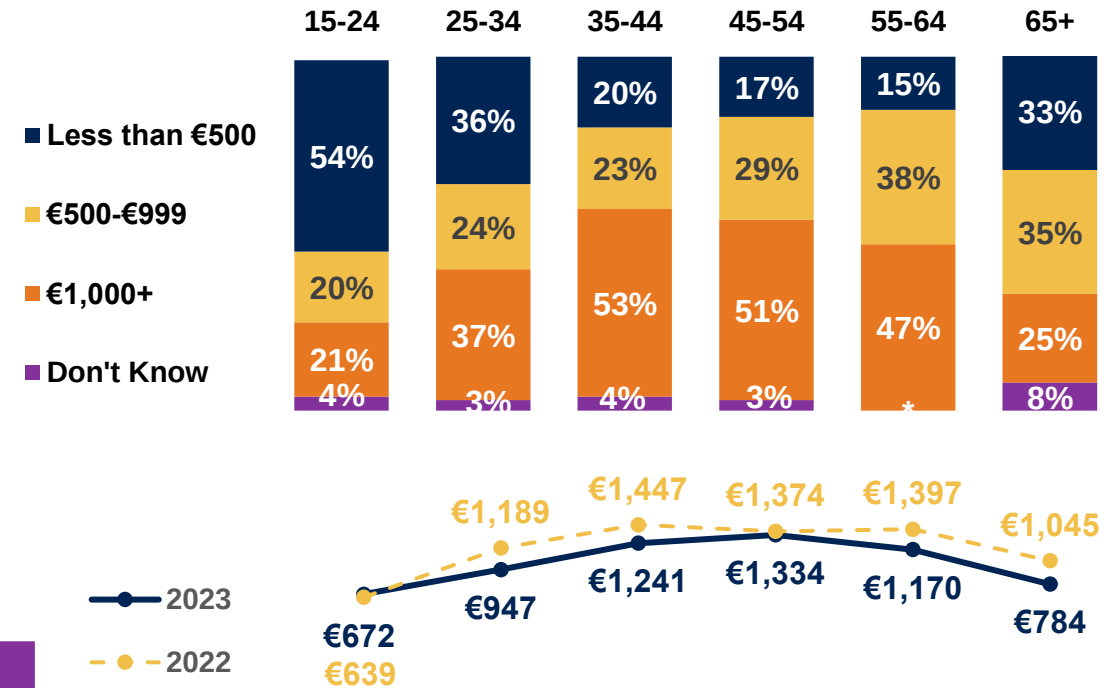
Expected Christmas expenditure

Roughly how much do you expect to spend this Christmas?



Q.1 Roughly how much do you expect to spend this Christmas? This includes gifts, food, drink, clothing, decorations etc.
Base: All respondents (1,035)

Expected spend by age

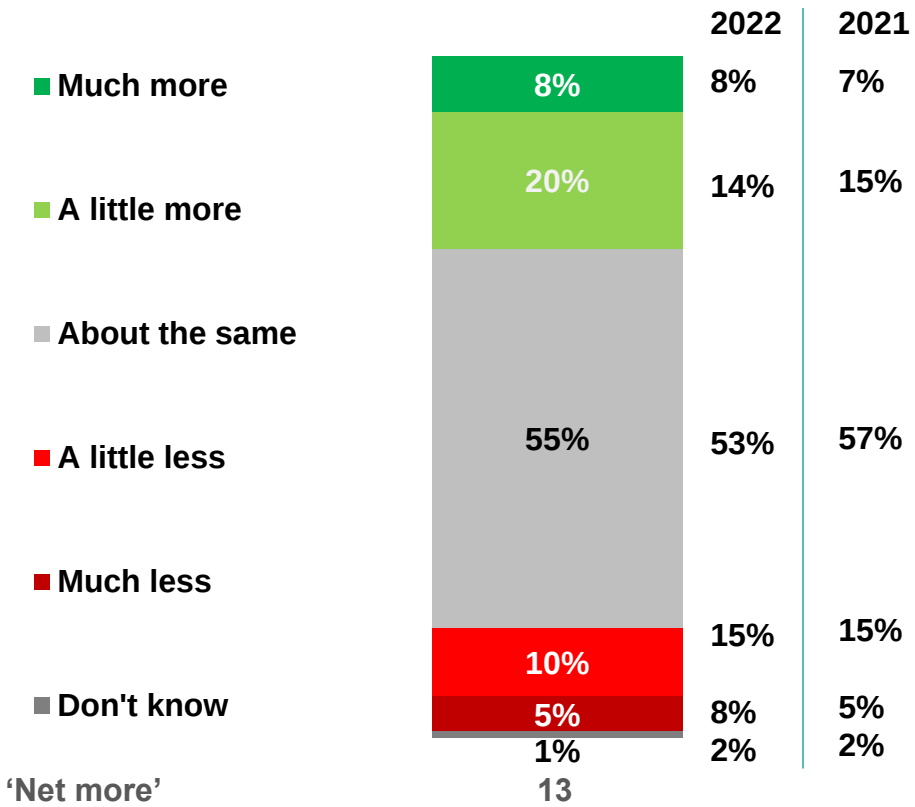


- Average expenditure is down, with 14% expecting to spend at least €2,000 this Christmas – a decline from 18% in 2022
- Anticipated expenditure rises with age, peaking among those aged 35-54, although there has been a sharp decline in most age groups.
- As in 2021 and 2022, spending is lowest among under 25s, whose average expected spend is €672, however unlike older age groups expected expenditure is increasing (2022: €639 and 2021: €525).

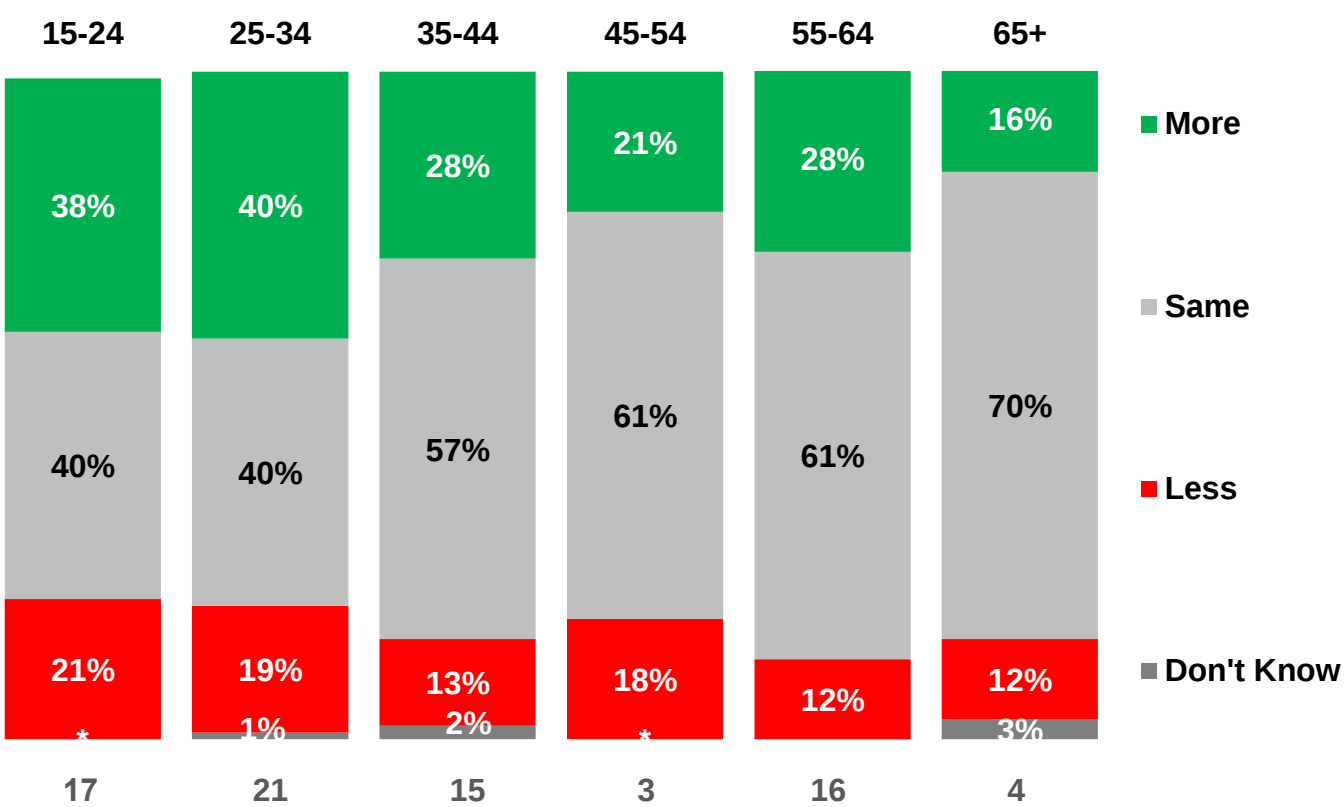
TWICE AS MANY ARE EXPECTING AN INCREASE IN THEIR SPENDING AS EXPECT A DECLINE

Expected spending vs. last Christmas

Expected spending vs. last Christmas



Expected spending vs. last Christmas by age



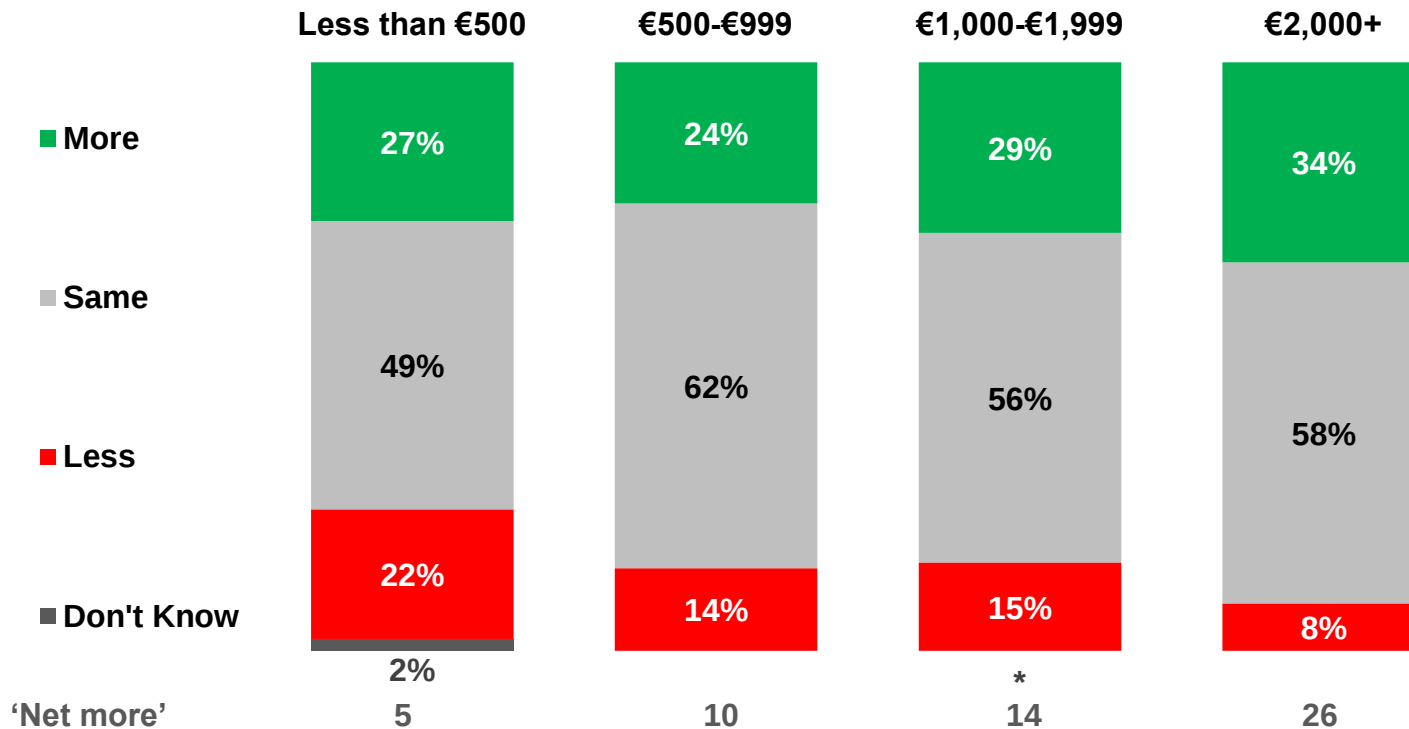
Q.2 And how would this compare to last year's Christmas spending?
Base: All respondents (1,035)



EXPECTED DECLINES IN SPENDING ARE MOST NOTICEABLE AMONG THOSE SPENDING LESS

Expected spending vs. last Christmas

Expected spending vs. last Christmas
(by amount planning to spend this year)

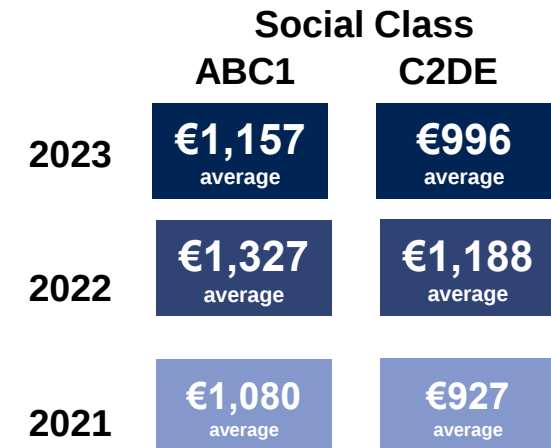
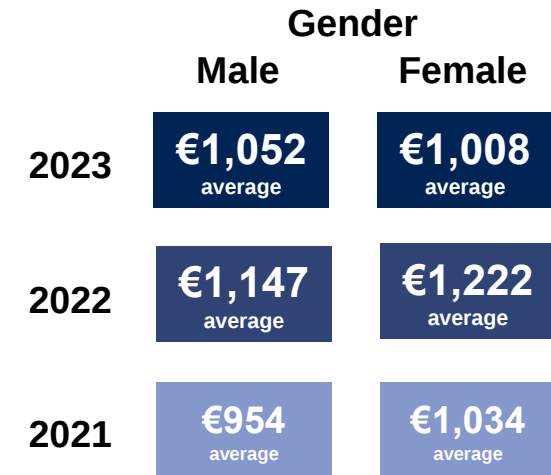
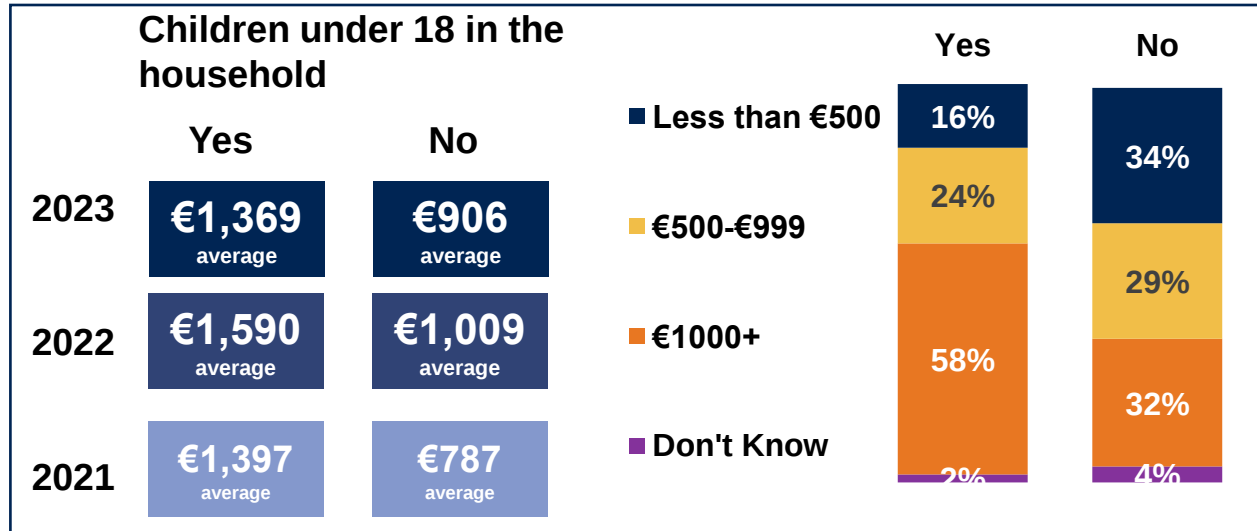


- As in 2021 and 2022, those who expect to spend higher amounts this Christmas are more likely to say that this represents an increase vs. last year.
- 28% (2022: 23%, 2021: 25%) of those who expect to spend €500 or more say that their spending will increase vs. last Christmas, compared to 27% (2022: 21%, 2021: 18%) of those spending less than €500.

Q.2 And how would this compare to last year's Christmas spending?
Base: All respondents (1,035)

HIGHER EXPECTED AMONG THOSE WITH CHILDREN, ALTHOUGH THE AMOUNT THAT PARENTS ARE SPENDING IS DECLINING

Expected Christmas expenditure



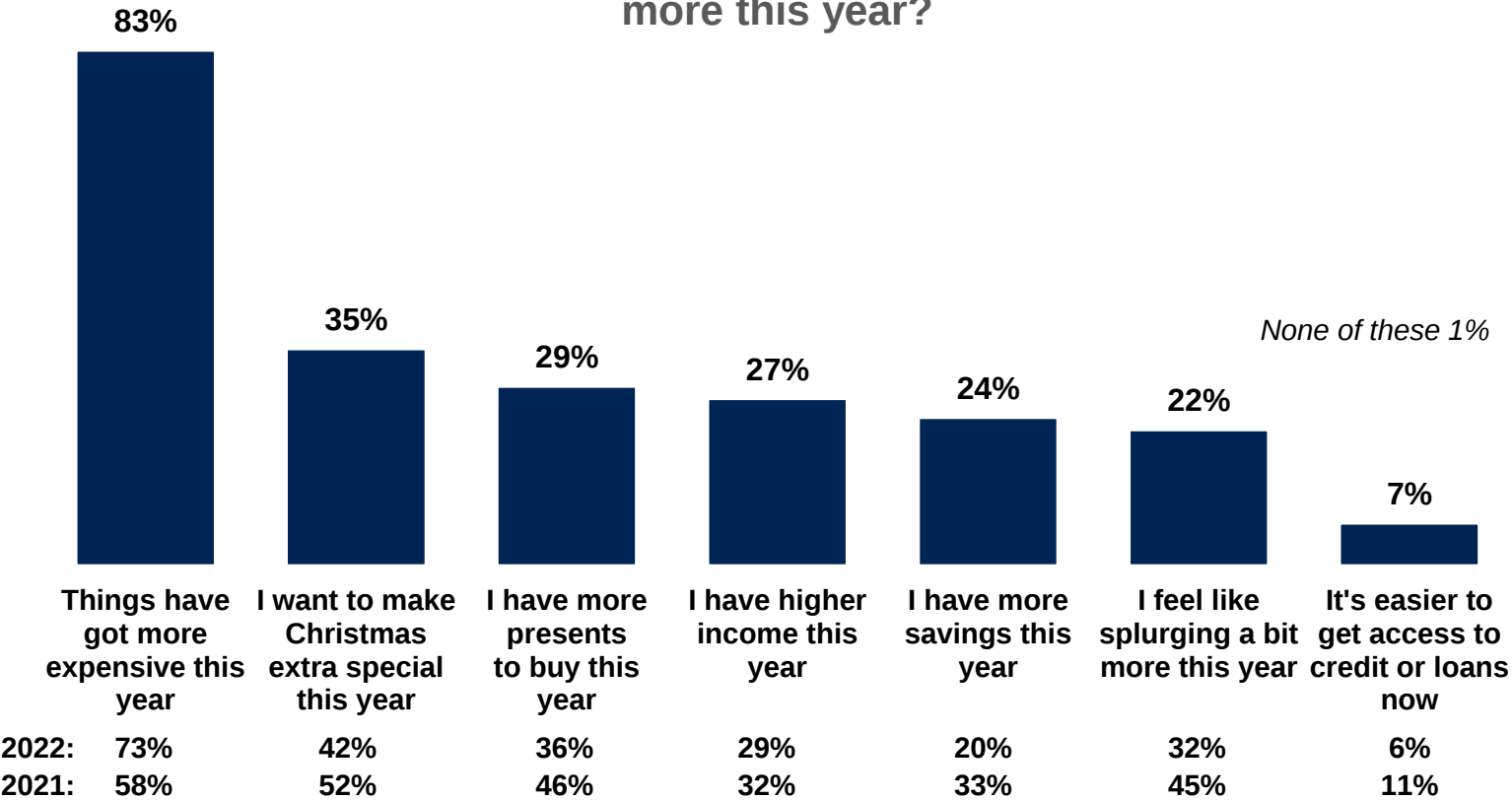
- A decline in expected expenditure among those with children means that average expenditure is now back to 2021 levels for this group. However, expected expenditure among non-parents is higher than 2 years ago.
- No strong gender difference in spending behaviours, with both men and women expecting to spend similar amounts.
- Those in the more affluent ABC1 group expect to spend more than C2DEs, although as previously there is no substantial difference.

Q.1 Roughly how much do you expect to spend this Christmas? This includes gifts, food, drink, clothing, decorations etc.
Base: All respondents (1,035)

MORE THAN 4 OUT OF 5 EXPECTING TO SPEND MORE THIS CHRISTMAS CITE INFLATION AS THE REASON

Reasons for spending more this Christmas

And for which of these reasons do you expect to spend more this year?



- Increase in prices as a cited reason for spending more this Christmas increased by 10 percentage points between 2022 and 2023 and 25 percentage points between 2021 and 2023.
- Feeling like splurging a bit more as a reason for expecting to spend more this year is down by 10 percentage points in 2023 compared to 2022.

Q.3 And for which, if any, of these reasons do you expect to spend more this year?
Base: All who expect to spend more this year (289)

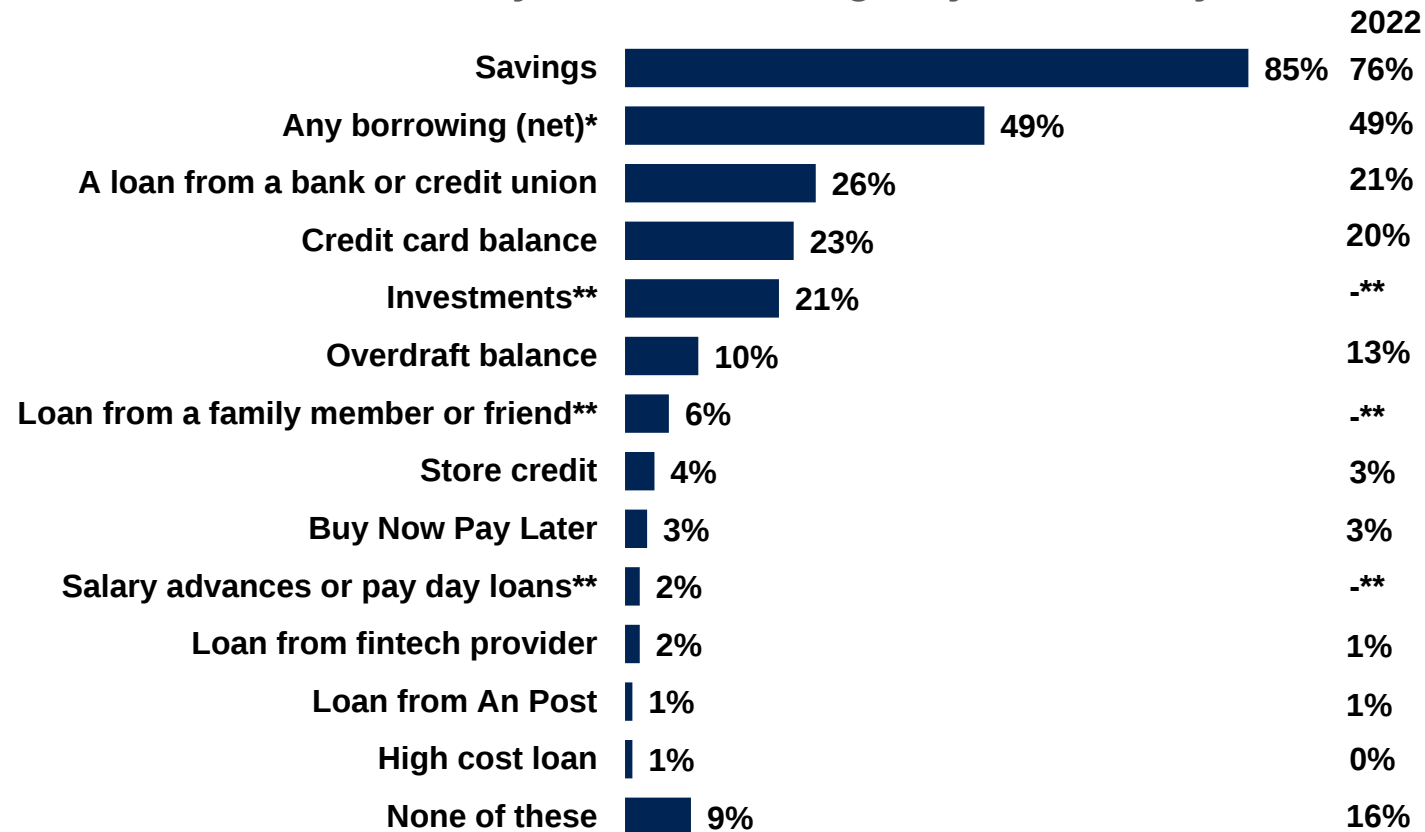
OWNERSHIP OF FINANCIAL PRODUCTS



SLIGHT INCREASE IN OWNERSHIP OF SAVINGS, WHILE OWNERSHIP OF LENDING PRODUCTS REMAINS STABLE

Financial products currently owned

Which, if any, of the following do you currently have?



**Investments, 'Loan from a family member or friend' and 'Salary advances or pay day loans' are new codes in 2023

- 85% (2022:76%, 2021: 83%) report that they currently have savings, while 49% (2022:49%, 2021: 65%) have some form of borrowing*.
- There is also cross-ownership of both categories with 49% of those with savings also having borrowings, and 24% of savers having a credit card balance
- A loan from a bank or credit union is the most common form of borrowing 26% (2022: 21%). Between these two alternatives there is an equal split of respondent who have a loan in a credit union and one with a bank.
- 31% of those aged 45-54 have a credit card balance, compared to 15% of those aged 15-24. A similar age difference exists in respect of overdraft balances (19% and 2% respectively).
- Notable gender difference in ownership of investments with 27% of men having an investment product, compared with 16% of women.

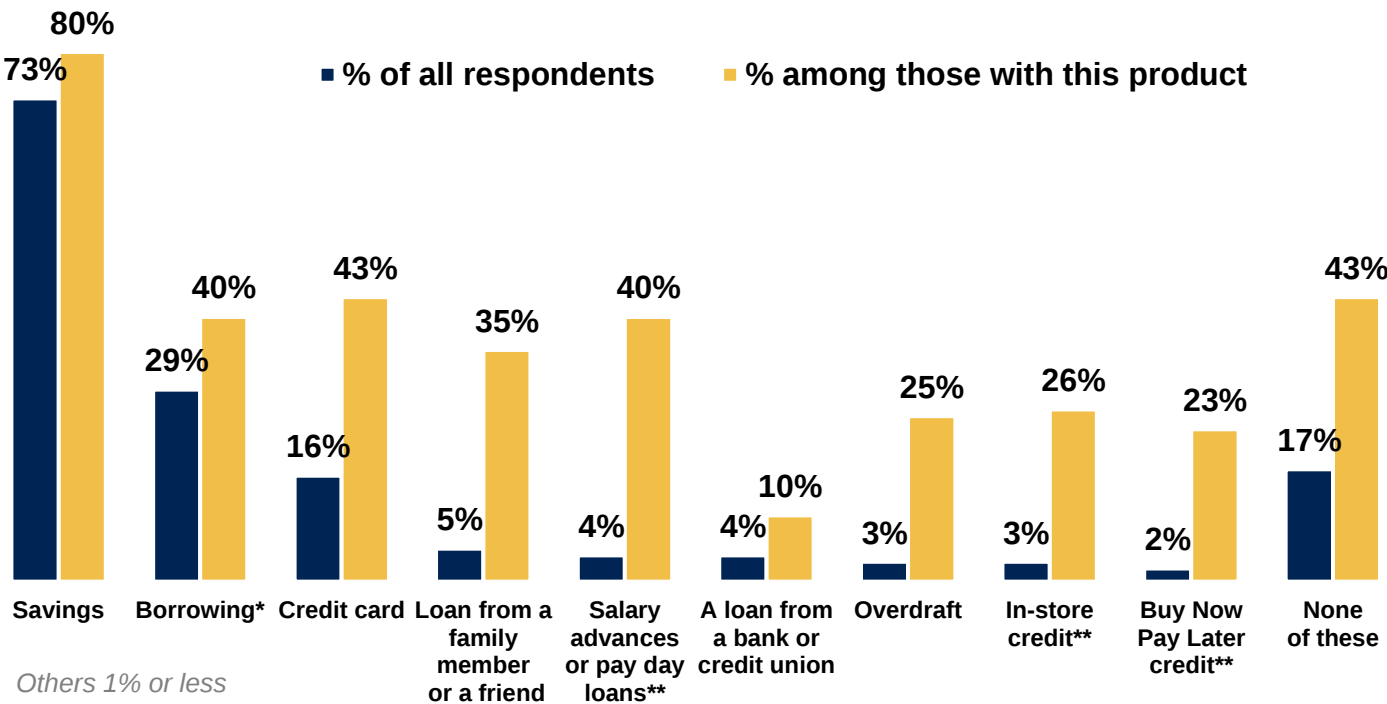
Q.5 Which, if any, of the following do you currently have?
Base: All respondents (1,035)

*Borrowing is an aggregate of credit card, Buy Now Pay Later credit, in-store credit, loan from a bank/credit union, loan from An Post, high-cost loan e.g. from moneylender, loan from a fintech provider (e.g. Revolut)

29% EXPECT TO FUND THEIR CHRISTMAS SPENDING THROUGH BORROWING – A SLIGHT INCREASE SINCE 2022, BUT A DECLINE SINCE 2021

Methods used to cover Christmas spending

Which, if any, of the following will you use to cover this spending?



****Caution: Small sample sizes for those with the following products: 'In store credit' (n=44), Buy Now Pay Later' (n = 30), 'Salary advances or pay day loans' (n=25)**

- 73% (2022:68%, 2021:65%) of respondents report that they will use their savings to fund their Christmas spending while 29% (2022:24%, 2021:34%) plan on using some form of borrowing*.
- Among respondents who have savings, 80% (2022:75%, 2021:73%) report they will use them to fund their Christmas shopping.
- 43% of respondents with a credit card will use it to fund their spending (2022:39%, 2021:53%), while 76% of this same group will use their savings (2022:68%, 2021: 62%).

Q.4 What will you use to cover this spending?
Base: All respondents (1,035)

*Borrowing is an aggregate of credit card, Buy Now Pay Later credit, in-store credit, loan from a bank/credit union, loan from An Post, high-cost loan e.g. from moneylender, loan from a fintech provider (e.g. Revolut)

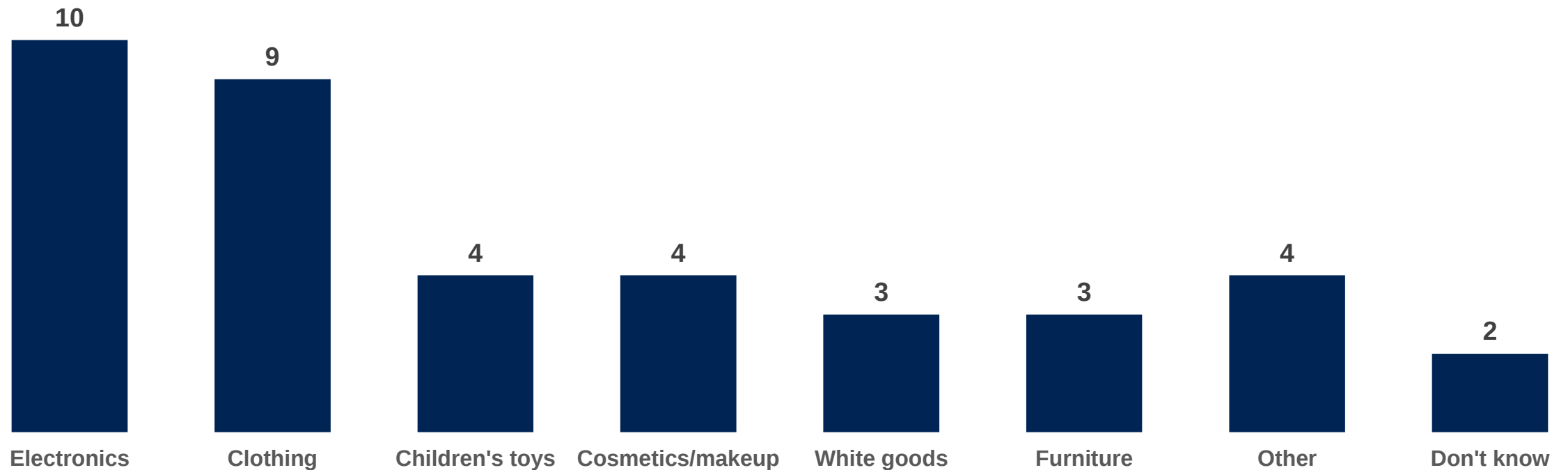


AMONG THE 2% PLANNING TO USE BNPL, ELECTRONICS AND CLOTHING ARE POPULAR PURCHASES

Buy Now Pay Later purchase intentions

***Caution: Base with a small sample size 'All planning on using Buy Now Pay Later' to cover their spending' (n = 23)**

Items expecting to purchase using Buy Now Pay Later
(Intending users of Buy Now Pay Later credit only – 2% of total sample)

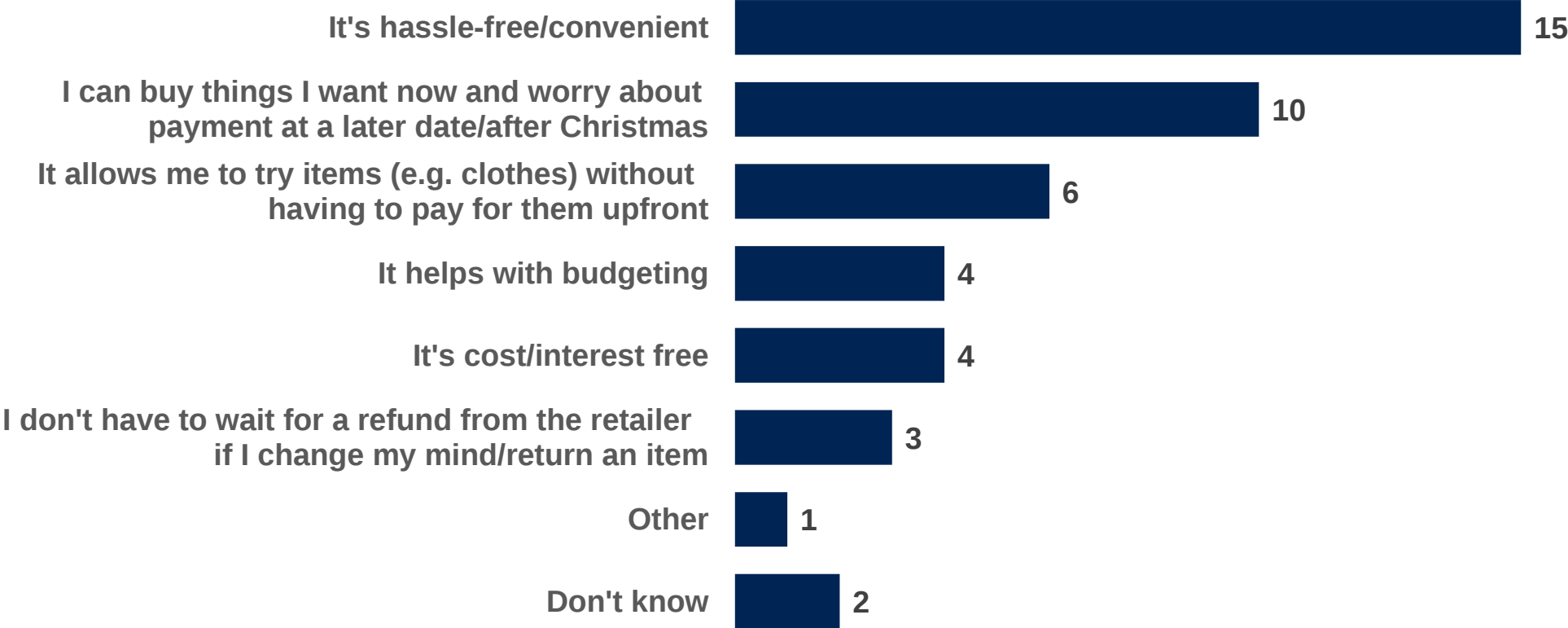


Q.6 What goods are you most likely to buy using Buy now Pay later this Christmas?
Base: All planning on using Buy Now Pay Later to cover their spending (23)*

THE MAIN REASONS CITED BY USERS OF BNPL ARE ITS CONVENIENCE AND WORRY-LESS CHARACTERISTIC

Reasons for using Buy Now Pay Later credit

***Caution: Base with a small sample size 'All planning on using Buy Now Pay Later' to cover their spending' (n = 23)**



Q.7 What best describes your reasons for using Buy Now Pay Later financing this Christmas?
Base: All planning on using Buy Now Pay Later to cover their spending (23)*

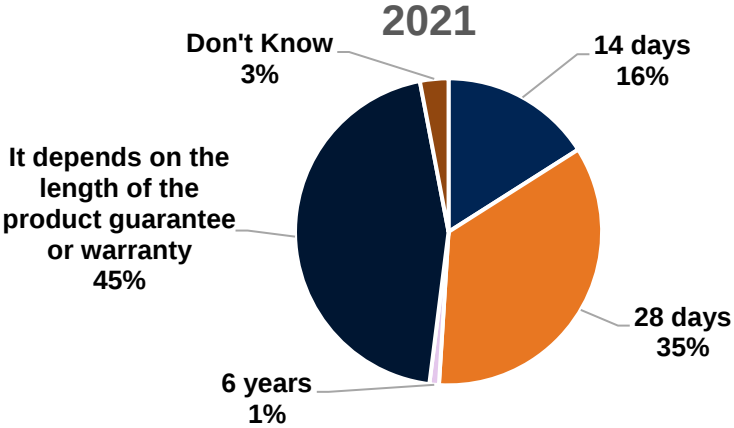
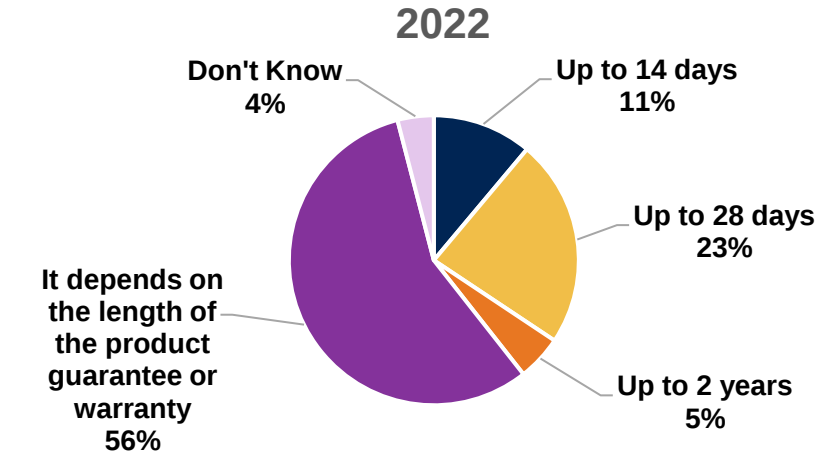
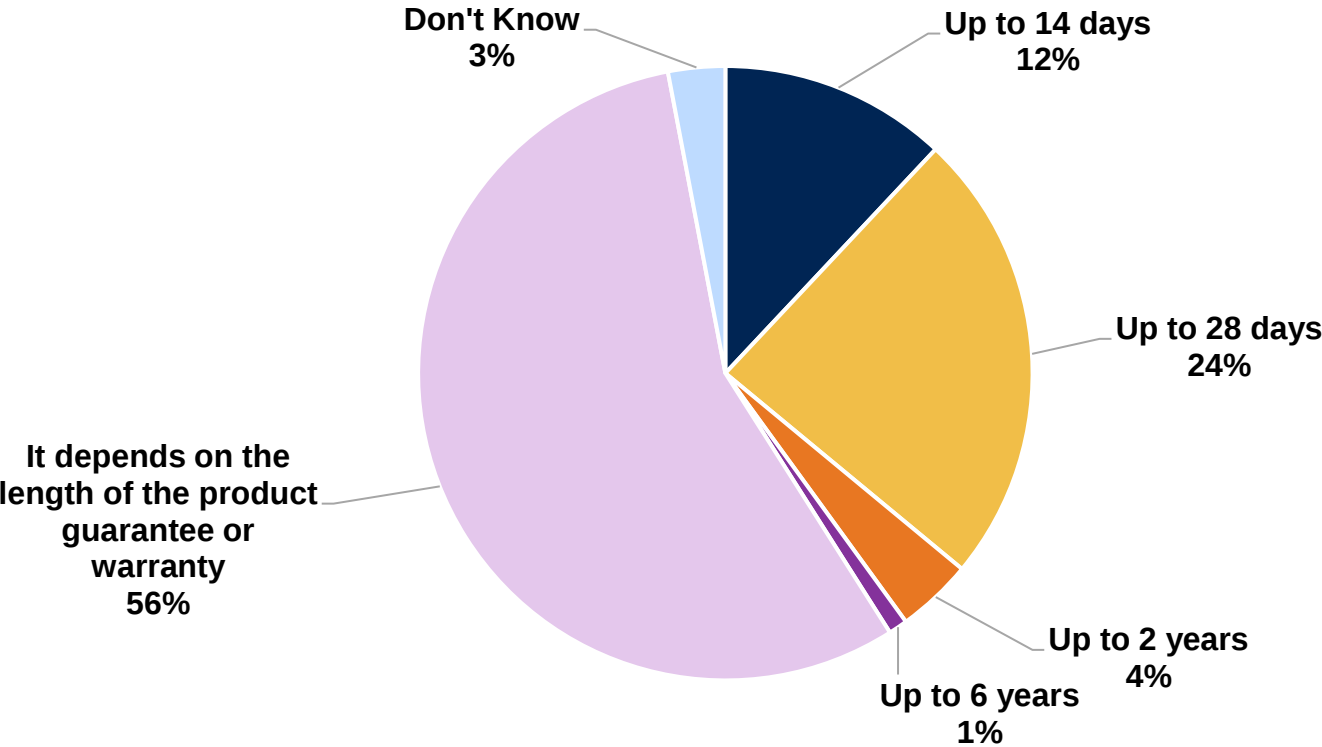
RETURNS



AS IN 2022, 56% SAY THAT THE RETURN PERIOD DEPENDS ON THE LENGTH OF THE PRODUCT GUARANTEE/WARRANTY

Consumer right to redress

How long do you have to return a faulty item to receive refund/replacement/repair?



Q.8 Imagine you bought an item which turned out to be faulty, how long after a purchase do you have consumer rights if a product turns out to be faulty?
Base: All respondents (1,035)



LITTLE DIFFERENCE BY AGE AND SOCIAL CLASS IN TERMS OF AWARENESS OF RETURN PERIODS

Consumer right to redress

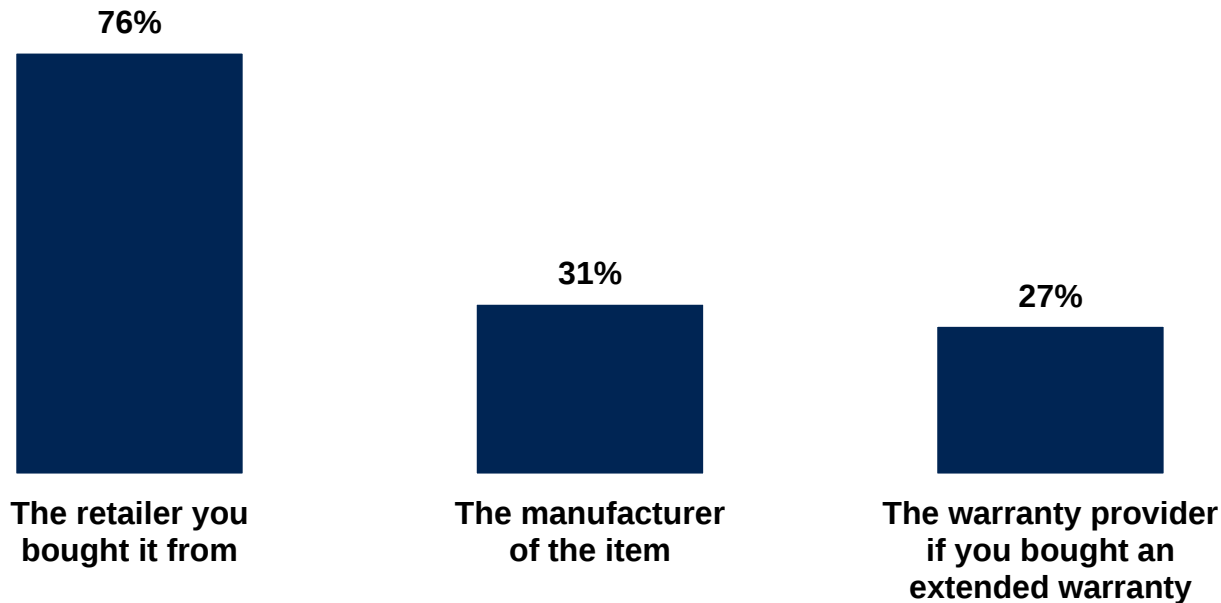
	Age						Social Class	
	15-24	25-34	35-44	45-54	55-64	65+	ABC1	C2DEF
14 days	12%	14%	9%	11%	10%	17%	10%	14%
28 days	24%	23%	25%	28%	19%	24%	26%	22%
2 years	1%	2%	5%	7%	6%	4%	4%	4%
6 years	-	1%	*	2%	-	1%	1%	1%
Depends on product guarantee/warranty	64%	57%	58%	48%	63%	49%	57%	55%
Don't Know	-	3%	3%	4%	2%	5%	2%	4%

Q.8 Imagine you bought an item which turned out to be faulty, how long after a purchase do you have consumer rights if a product turns out to be faulty?
Base: All respondents (1,035)

MORE THAN 7 IN 10 IDENTIFY RETAILER AS REDRESS PROVIDER, ALTHOUGH SIGNIFICANT PORTIONS ALSO IDENTIFY MANUFACTURER PROVIDER AND WARRANTY PROVIDER

Consumer right to redress

Whose responsibility is it to deal with an item that turned out to be faulty?



- 76% of respondents identify the retailer as bearing the responsibility if the product turned out to be faulty.
- Compared to 2022, fewer consider the warranty provider as responsible (2023: 27% vs. 2022: 35%)
- 35% (2022: 37%) of those under 35 identify the manufacturer of the item as the one bearing the responsibility to deal with a faulty item while 82% (2022: 85%) of those aged 65+ identify the retailer they bought the item from.

2022: 75%

29%

35%

Q.9 And if the product turned out to be faulty, whose responsibility is it to deal with it?
Base: All respondents (1,035)

'None of these' 1% and 'Don't know': 0%

OLDER GROUPS MORE LIKELY THAN YOUNGER ONES TO IDENTIFY THE RETAILER

Consumer right to redress

	Age						Social Class	
	15-24	25-34	35-44	45-54	55-64	65+	ABC1	C2DEF
The retailer they bought it from	69%	75%	73%	75%	78%	82%	76%	76%
The manufacturer of the item	36%	34%	33%	28%	29%	28%	33%	30%
The warranty provider	34%	28%	29%	26%	21%	24%	30%	25%
None of these	-	*	4%	1%	*	*	1%	2%
Don't Know	1%	*	-	-	-	1%	*	*

Q.9 And if the product turned out to be faulty, who's responsibility is it to deal with it?
 Base: All respondents (1,035)

CONTACT

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