



“Are we in the throes of an unsustainable credit binge that will end in tears?”

Bubble, Bubble, Toil and Trouble?

January 2006 saw the value of residential mortgage borrowings break the €100 billion mark for the first time - an annual increase of 29%. December 2005 also saw the monthly value of spending on credit cards break the €1 billion mark for the first time. Such numbers have a lot of economists (and a few bankers) worried. Are we in the throes of an unsustainable credit binge that will end in tears? Or are we simply playing catch-up with the rest of affluent Europe? The year ahead looks set to answer these questions with interest rate increases expected through to 2007.

Advertising Works!

November 2005 saw a repeat of the makeITsecure campaign on internet security first run in 2004. Amárach was commissioned to evaluate the performance of the campaign for those supporting the initiative (including the Department of Communications, Microsoft, Vodafone and RTÉ among others). We surveyed a representative sample of 300 home internet users - before and after the campaign - to establish its impact on consumer awareness.

The results were amazing: 44% of internet users were aware of the campaign (up from 33% in 2004), with even larger increases in awareness of specific risks post the campaign than prior to the campaign (see chart below).

More at: www.makeITsecure.ie

Groceries Disorder

The repeal of the Groceries Order promises to unleash the biggest change in the Irish grocery scene since, well, the euro. Or maybe not. Much has been made of the potential savings to Irish consumers arising

from the repeal of the order. Apparently Ireland's hard pressed consumers, groaning under the burden of their weekly supermarket trips, are only waiting for the repeal of the order to get the bargains they have been denied so far.

If only it was so. In fact, our research tells us that Irish shoppers are comparatively indifferent to special offers, discounts and money saving coupons when it comes to grocery shopping. Findings from an Amárach survey in Ireland and the UK presented to the recent ECR Ireland conference highlight the reality gap between what Irish consumers say - and what they actually do:

- 43% of Irish shoppers say that the value for money in supermarkets has got worse in recent times, compared with only 24% of UK shoppers ...
- ... but some 31% of Irish shoppers can't be bothered to avail of special offers or redeem coupons when they go grocery shopping compared with just 12% of UK shoppers.

The bottom line is that groceries and food in general have become far more affordable for Irish consumers in the past eight years than almost any other category of spending. Average earnings have grown cumulatively by nearly two thirds since Q3 1997: food prices have risen by little over a fifth in the same period.

More at: www.ecrireland.com

International Research Requirements

Amárach is delighted to announce that we have joined AIMRI - the Alliance of International Market Research Institutes. As AIMRI's only Irish member, Amárach can offer access to high quality, competitively priced international research services to exporters and others based in Ireland.

More at: www.aimri.org

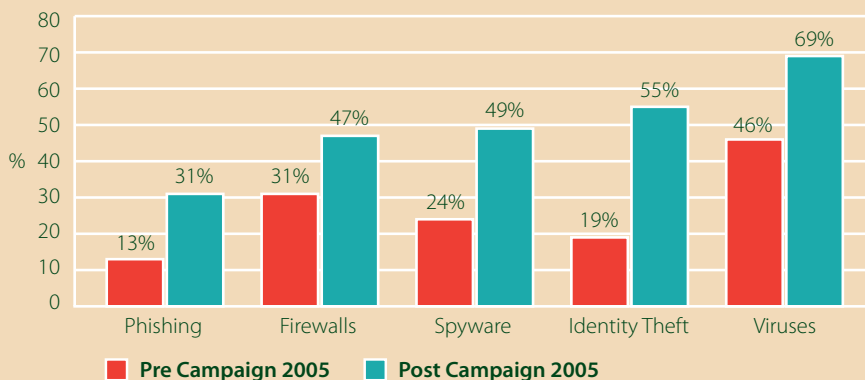
Amazing Facts (from the world of market research)

"More than half of all primary school children in China now learn English and the number of English speakers in India and China - 500 million - now exceeds the total number of mother-tongue English speakers elsewhere in the world."

Source: English Next, by David Graddol, published by The British Council, February 2006.

More at: www.britishcouncil.org

Impact of makeITsecure Campaign
% understanding each concept 'very well'



Source: Amárach surveys for makeITsecure campaign, 2005