



“Consumer spending growth will top 8.5% in 2006 - about four times the Eurozone average.”

Happy Days Are Here Again(?)

Will 2006 be 1999 all over again? It seems a long time ago now, but 1999 was the year that saw real consumer spending - before you add inflation - with actual growth of nearly 10%. In the intervening years, growth has struggled to rise above half that rate: except perhaps - this year. A recent forecast from Bank of Ireland suggests that consumer spending growth will top 8.5% in 2006 - about four times the Eurozone average. Add inflation of 2.5% and you get an 11% growth in the consumer cake in Ireland. Happy days indeed for Ireland's retailers, advertisers, media-owners and marketers.

Spend, Spend, Spend

Not everyone is as optimistic as Bank of Ireland about consumer spending prospects in 2006 - though this hardly makes them pessimists either. The ESRI recently published its quarterly economic commentary: they see consumer spending growing in real terms by 5.6% in 2006. The Central Bank of Ireland also published their quarterly bulletin and forecast a more bullish 6.25% growth rate for consumer spending this year. Both the ESRI and the Central Bank expect consumer inflation to average around 2.5% in 2006.

Nevertheless, whichever forecast you go for, the consumer cake is going to get a lot bigger in 2006: by about €6 billion if you include inflation - bringing total consumer spending to over €80 billion this year.

More at:
www.esri.ie
www.centralbank.ie

Class Unconscious

The Celtic Tiger has made nearly everyone better off - but some more so than others. Has this affected social class structures? A forthcoming study by Amárach looks at the meaning of 'class' in modern day Ireland. More people nowadays (43%) describe themselves as middle class than working class (35%). As the chart below shows, many of those in 'lower social classes' - as defined by standard market research categories (using the occupation of the main income earner in each household) - are likely to consider themselves middle class.

Save us from global warming... but not just yet

A new report from Eurobarometer - the EU's survey arm - shows the Irish to be among Europe's more 'conflicted' consumers when it comes to energy and the environment.

Though we are clearly more 'anti-nuclear' than most other EU members (and very pro-renewables), our hearts are not where our wallets are. Irish consumers are among the least likely consumers in Europe to consider issues of energy efficiency when buying bulbs, fridges and cars and among the least willing to pay more for renewable energy.

Add to that the fact that we are the least likely to use our car less even if petrol went above €2 a litre and it would seem that 'the green consumer' is still more of an aspiration than a reality in Ireland today.

More at:
http://europa.eu.int/comm/public_opinion/index_en.htm

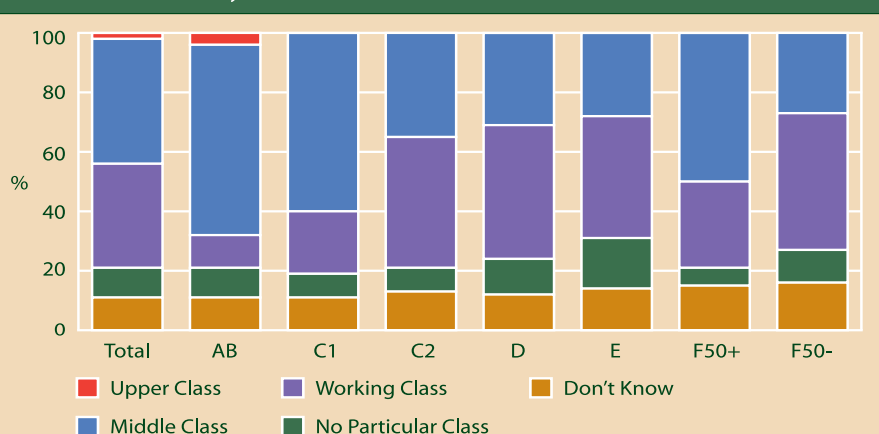
Edinburgh calling...

Amárach's British division (Market Research Partners) has recently won a number of field and tab research contracts in the public sector in Scotland, and with advertising agencies in England.

Our clients in Ireland have also availed of our large 500+ UK field force. If you have a UK research need contact Yvonne Somers in Market Research Partners.

More at:
www.marketresearchpartners.com

A class of your own
 Perceived Social Class by Actual Social Class



Source: Amárach Consulting, 2005