IRELAND’S CONSUMER CONFIDENCE UP 17 POINTS ON LAST YEAR

IRELAND

Consumer confidence up 5 points at an index of 82 in Q1 2014. That’s a 17 point increase on Q1 2013

Recessionary mind-set down marginally at 86% (-1pts versus Q4 2013)
32% are optimistic about future job prospects (+6pts versus Q4 2013)
A significant 39% are optimistic about their Finances (-1pts versus Q4 2013)
While 33% are ready to spend (+4pts versus Q4 2013)

CONCERNS AND SPENDING INTENTIONS THIS QUARTER VS. LAST

Biggest Concerns are Job Security (-2pts), Increasing Utility Bills (+1pts) and Debt (+2pts)

75% say they have changed household spending in order to save (-3pts)
Those with ‘no spare cash’ decreases to 26% (-2pts). While those ‘paying off debts’ and ‘putting into savings’ increases to 24% and 34% respectively
A slight increase to 68% (+1pt) for those ‘switching to cheaper grocery brands’
Global consumer confidence returned to a pre-recession level with an index score of 96 in the first quarter—the highest score since first-quarter 2007, according to consumer confidence findings from Nielsen, a leading global provider of information and insights into what consumers watch and buy. The Nielsen consumer confidence index measures perceptions of local job prospects, personal finances and immediate spending intentions.

Regional consumer confidence was highest in Asia-Pacific with an index score of 106, a one-point increase from the previous quarter (Q4 2013) and a three-point increase from a year ago (Q1 2013). North America posted the largest quarterly increase of five points to reach the optimism baseline of 100—the highest level since 2007. The Middle East/Africa region increased four points to 94, and Europe rose two points to 75, compared to fourth-quarter 2013. Latin America reported the only quarterly regional consumer confidence decline, falling one point to 93.

"With global consumer confidence at a seven-year high, it marks a significant milestone for the longest recession since the great depression. A global sentiment moves to one of cautious stability. As recovery continues, signs of optimism are increasing," said Dr. Venkatesh Bala, chief economist at the Cambridge Group, a part of Nielsen."
GLOBAL CONSUMER CONFIDENCE SURVEY

60 COUNTRIES – 3-MONTH TREND
Q1-2014 NIELSEN CONSUMER CONFIDENCE INDEX

*Survey is based on respondents with Internet access. China survey results reflect a mixed methodology. Index levels above and below 100 indicate degrees of optimism/pessimism.

Source: Nielsen Global Survey of Consumer Confidence & Spending Intentions, Q1 2014
EUROPE’S RECOVERY IS FRAGILE, BUT PROGRESSING

Consumer confidence in Europe increased in 21 of 32 markets in the first quarter, with the biggest increases from some of the region’s lowest index performers. Confidence in France (59) and Greece (53) increased eight index points each, and Portugal (51) and Spain (61) increased seven and three points, respectively, compared to fourth-quarter 2013. Consumer confidence in Germany remained robust with a score of 99, an increase of four points from the previous quarter and the country’s highest index score recorded (since Nielsen began measuring consumer confidence in 2005).

“THE LONG ROAD TO RECOVERY HAS BEGUN IN KEY MARKETS, SUCH AS FRANCE, ITALY AND SPAIN, SAID DR. BALA. GERMANY CONTINUES TO PERFORM WELL, REPORTING THE LOWEST UNEMPLOYMENT RATE IN THE EURO ZONE, AND RECOVERY IN THE U.K. CONTINUES TO GATHER MOMENTUM.”

Future job prospects in Europe increased in 24 of 32 markets. The most notable job optimism increases came from Switzerland, up 8 percentage points; Austria, Ireland, Greece and Estonia, up 6 percentage points each; Germany and France up 5 percentage points each; and the UK, Russia, Finland and Hungary up 4 percentage points each, compared to fourth-quarter 2013. Discretionary spending, however, remained virtually flat across all spending categories measured in the first quarter.

“In the UK, consumer confidence rose to its highest level in six years, boosted by improving sentiment for job prospects,” said Chris Morley, managing director, Nielsen UK and Ireland. “While the macroeconomic situation continues to recover, optimism has not yet filtered through to people’s personal finances. There has been only a minor improvement in British consumers’ willingness to spend, and 1 in 4 still reports having no spare cash.”

Source: Nielsen Global Survey of Consumer Confidence & Spending Intentions, Q1 2014
IRELAND’S CONSUMER CONFIDENCE BOOSTED YET AGAIN

Ireland’s consumer confidence increased again this quarter reaching an index of 82. This is five points higher than the previous quarter (Q4 2013) and a significant seventeen points higher than the same period last year. This latest wave of research comes on the back of Ireland’s exit from the EU/IMF aid programme and the country’s full return to sovereign debt markets for the first time since the euro-region’s crisis began in 2009. Reaching such a significant milestone is sure to have had a positive impact on the nation’s optimism.

IRELAND CONSUMER CONFIDENCE Q1 2014

IRELAND CONSUMER CONFIDENCE INDEX TREND 2005-2014
(VERSUS GLOBAL, EU, UK, FRANCE AND USA)

Source: Nielsen Global Online Survey Q1 2014
MORE POSITIVITY ON JOB PROSPECTS AND READINESS TO SPEND

Encouraging news also as the nation’s unemployment rate continues to fall and is at its lowest rate in more than four years, only marginally above the euro zone average. Ireland was among the most notable job optimism increases on the latest results, along with Switzerland, Austria, Greece and Estonia. In Ireland, those who felt job prospects were good or excellent increased six percentage points on the previous quarter to 32%.

Meanwhile those who feel it is a good time to buy the things they need and want also increased to 33% (up four percentage points), now above the EU average of 29%.

Q. CONSIDERING THE COST OF THINGS TODAY AND YOUR OWN PERSONAL FINANCES, WOULD YOU SAY AT THIS MOMENT THE TIME TO BUY THE THINGS YOU WANT AND NEED IS...

GLOBAL
- Good/Excellent: 39%
- Bad/Not So Good: 58%
- Don’t Know: 3%

IRELAND
- Good/Excellent: 33%
- Bad/Not So Good: 65%
- Don’t Know: 2%

EU
- Good/Excellent: 29%
- Bad/Not So Good: 68%
- Don’t Know: 3%

UK
- Good/Excellent: 36%
- Bad/Not So Good: 58%
- Don’t Know: 6%

Source: Nielsen Global Online Survey Q1 2014
JOB SECURITY REMAINS A KEY CONCERN

Despite this positivity we still have our worries and job security continues to top the list with 17% saying this is their top concern. This is followed in importance by increasing utility bills (14%) and debt at 13%. Work/life balance increased significantly on our list of concerns this quarter with 9% saying it is their biggest concern (compared to 5% in the previous quarter).
SAVING STRATEGIES CONTINUE TO BE ENTRENCHED

Little change was recorded on household saving strategies this quarter with 75% of Irish respondents saying they have changed their spending habits to save (down three percentage points) compared to the European average of 62%. Ireland continues to rank highly in terms of those ‘switching to cheaper grocery brands’ at 68% (the European average is 50%) and ‘cut down/buy cheaper brands of alcohol’ at 36% (the European average is 21%). While 26% say they have no spare cash once essential living expenses are covered.

NO SPARE CASH

Q. ONCE YOU HAVE COVERED YOUR ESSENTIAL LIVING EXPENSES, WHICH OF THE FOLLOWING STATEMENTS BEST DESCRIBES WHAT YOU DO WITH YOUR SPARE CASH? THIS CHART RELATES TO THE ANSWER OF ‘I HAVE NO SPARE CASH’

% SAYING THEY HAVE NO SPARE CASH

Source: Nielsen Global Online Survey Q1 2014
IRELAND CONSUMER CONFIDENCE

RECESSIONARY MIND-SET CONTINUES ITS SLOW DECLINE

This quarter we see another slight decline in the numbers feeling that Ireland is still in a recession with 86% saying this is the case (down one percentage point on Q4 2013). Furthermore, on the latest results 62% say that we will still be in a recession in twelve months time, this is four percentage points lower than the previous quarter.

HOUSEHOLD SAVING STRATEGIES

“Q. COMPARED TO THIS TIME LAST YEAR, WHICH OF THE FOLLOWING ACTIONS HAVE YOU TAKEN IN ORDER TO SAVE ON HOUSEHOLD EXPENSES? Q1 2014 IRELAND

(% CHG IS VERSUS Q4 2013)

DOMESTIC

- Switch to Cheaper Grocery Brands 68% (+1)
- Save on Gas & Electricity 65% (+4)
- Cut down on Telephone Expenses 48% (+8)
- Delay Upgrading PC or Mobile 41% (+3)
- Look for Better Deals on Loans etc. 38% (+1)
- Delay Replacing HHLD items 37% (-4)

LIFESTYLE

- Spend Less on New Clothes 67% (-)
- Cut down on Take-Aways 63% (+11)
- Cut down on OOH Entertainment 57% (+5)
- Cut down on Holidays/Breaks 46% (-)
- Use my Car less often 36% (-)
- Cut Down /buy Cheaper Brands of Alcohol 36% (+6)
- Cut down on At-Home Entertaining 27% (+2)

Source: Nielsen Global Online Survey - Ireland Results Q1 2014
Recessionary Sentiment Q1 2014

Percent globally saying the country is in a recession

86% say we are still in recession

Source: Nielsen Global Online Survey Q1 2014
ABOUT THE NIELSEN GLOBAL SURVEY

The Nielsen Global Survey of Consumer Confidence and Spending Intentions was conducted Feb. 17 – March 7, 2014 and polled more than 30,000 online consumers in 60 countries throughout Asia-Pacific, Europe, Latin America, the Middle East, Africa and North America. The sample has quotas based on age and sex for each country based on its Internet users, and is weighted to be representative of Internet consumers. It has a margin of error of ±0.6 percent. This Nielsen survey is based only on the behaviour of respondents with online access. Internet penetration rates vary by country. Nielsen uses a minimum reporting standard of 60 percent Internet penetration or an online population of 10 million for survey inclusion. The China Consumer Confidence Index is compiled from a separate mixed methodology survey among 3,500 respondents in China. The sub-Saharan African countries in this study are compiled from a separate mobile methodology survey among 1,600 respondents in Ghana, Kenya and Nigeria. The Nielsen Global Survey, which includes the Global Consumer Confidence Index, was established in 2005.

ABOUT NIELSEN

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence and mobile measurement. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA and Diemen, the Netherlands.

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