

THE VISION-NET QUARTERLY

RECOVERY INDEX



PLANNED MAJOR FINANCIAL PURCHASES
IN THE NEXT 18 MONTHS

In Association With



- **A. Research Methodology**
- **B. Profile of Sample**

MAIN FINDINGS:

- **RESEARCH INSIGHTS & IMPLICATIONS**

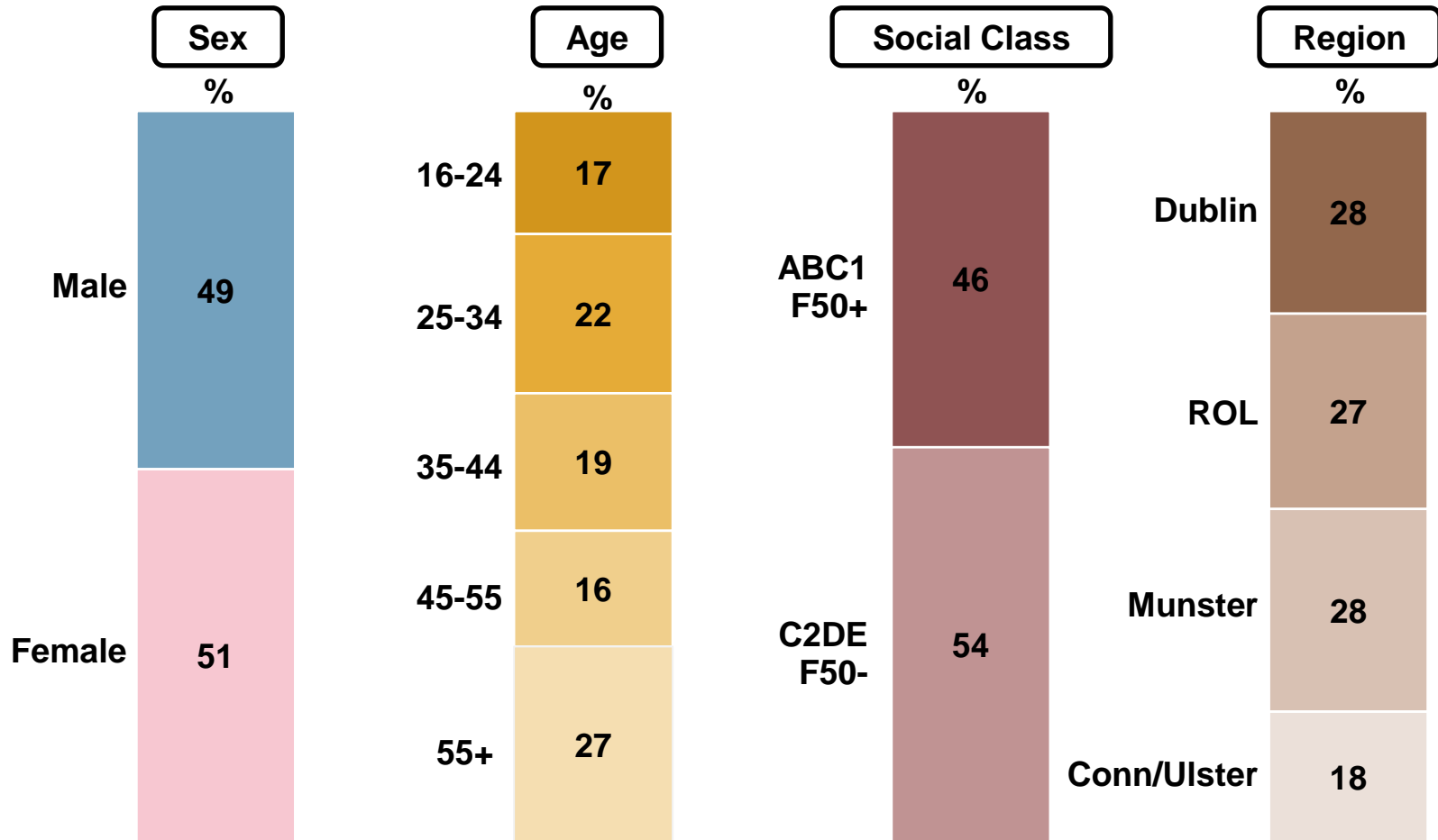


- **A number of questions were placed on the Amárach Research June omnibus. The omnibus survey is a syndicated survey whereby clients can include questions within the survey.**
- **A total sample of 1,000 was achieved with quotas set on gender, age, social class and region to achieve a sample aligned with national population. Due to the high proliferation of the internet among the Irish population, the Amárach Research omnibus is completed fully online.**
- **Interviewing fieldwork dates were June 13th-17th.**

B. Sample Profile

4

(Base: All Irish adults 16+)

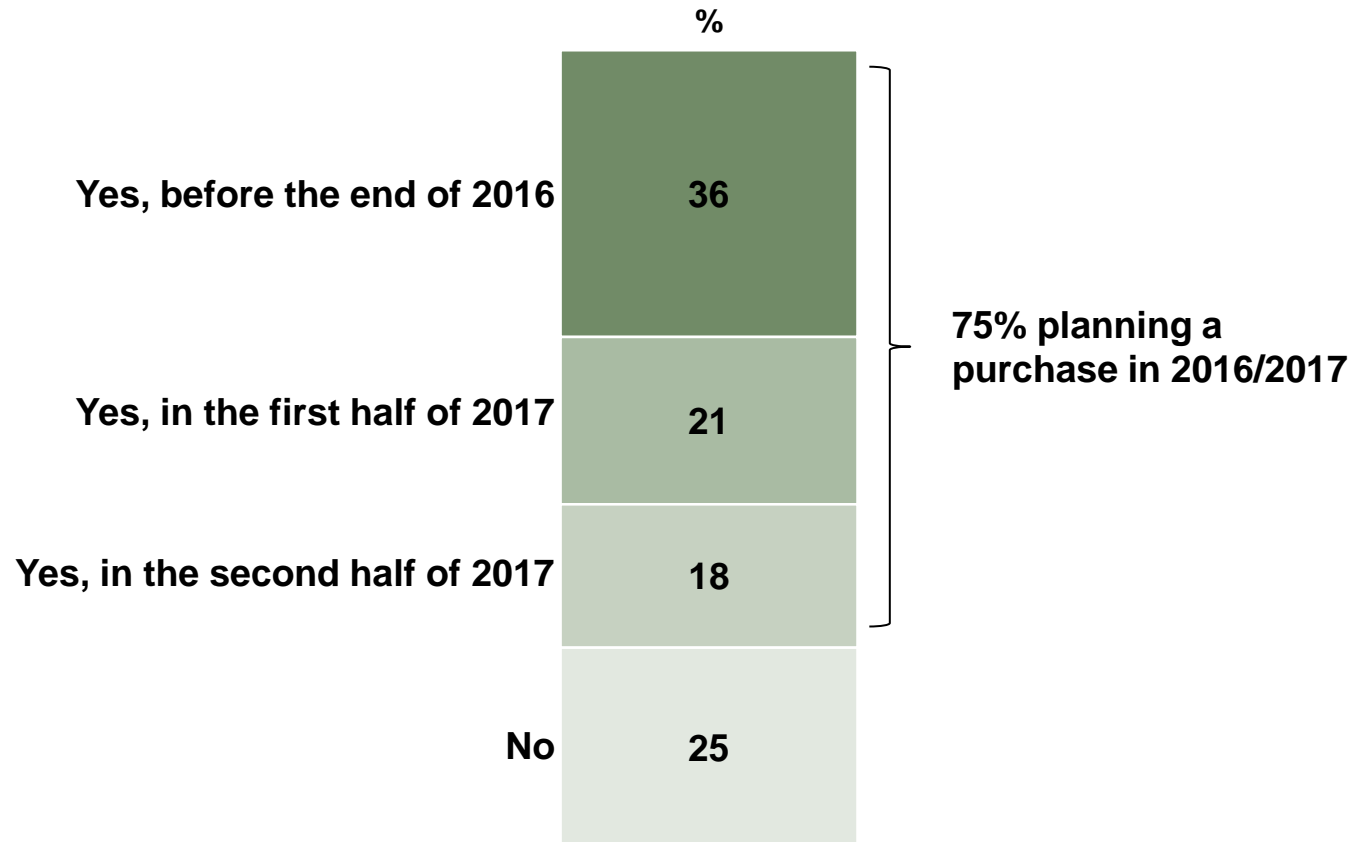


Quotas were set to ensure that the sample attained is aligned to the Irish population, any sampling error is corrected with minor data weighting.

Potential Major Financial Purchases in 2016/2017

5

(Base: All respondents – 1,000)



Three quarters of respondents are planning to make a purchase in 2016/2017, with 4 in 10 (39%) holding off until next year.

Potential Major Financial Purchases in 2016/2017 – Demographics

6

(Base: All respondents – 1,000)

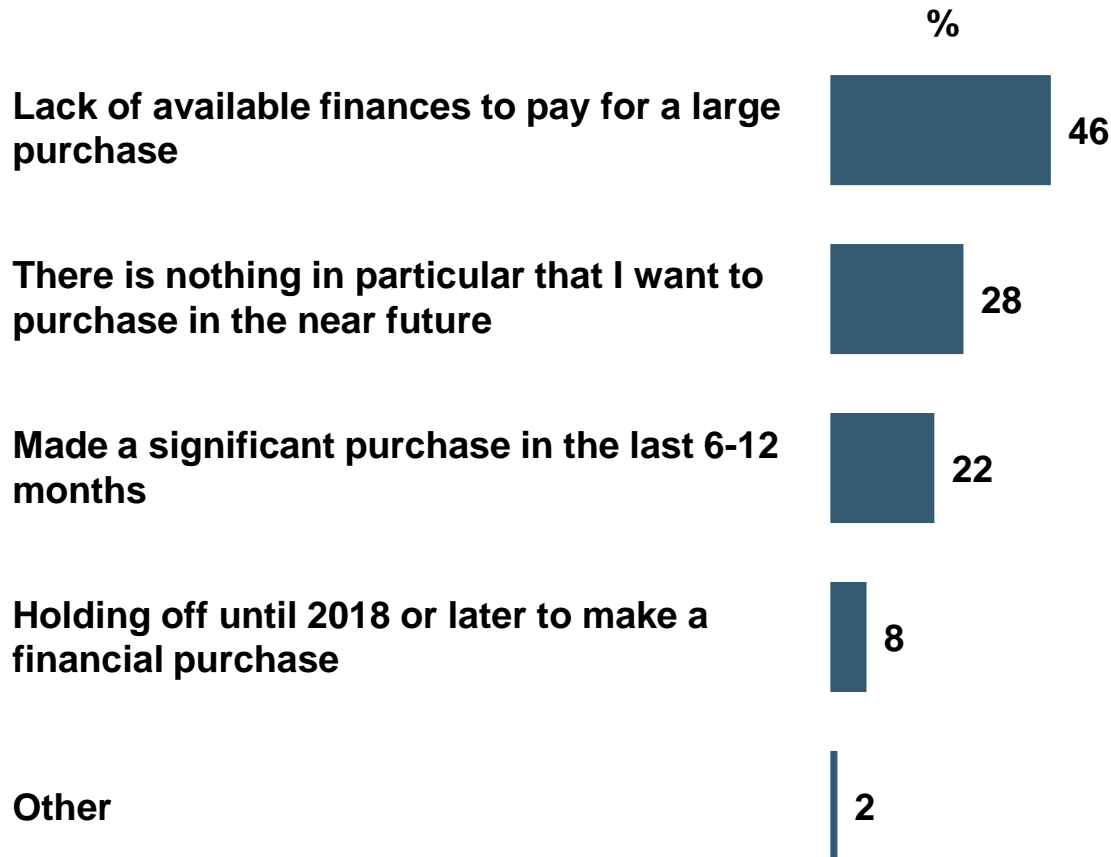
	%													
	Total	Male	Female	16-24	25-34	35-44	45-54	55+	Dublin	ROL	Munster	Conn/ Ulster	ABC1	C2DE
Yes, before the end of 2016	36	38	33	29	38	41	38	33	38	36	33	34	39	33
Yes, in the first half of 2017	21	21	20	18	21	23	17	22	21	18	24	21	23	19
Yes, in the second half of 2017	18	18	17	21	23	15	18	12	20	13	20	17	18	17
No	26	22	30	32	17	21	27	33	21	33	23	28	20	31

Those aged 35- 44 are most likely to make a purchase before the end of 2016. Those aged 25-34 and Munster residents are most likely to make a purchase sometime in 2017 (44%).

Reasons Against Making a Purchase in 2016/2017- Prompted

7

(Base: All not making a purchase –260)



For those not planning on making a major financial purchase within the next year and a half, a lack of available funds is the main factor holding people back.

Reasons Against Making a Financial Purchase in 2016/2017 – Demographics

8

(Base: All not making a purchase – 260)

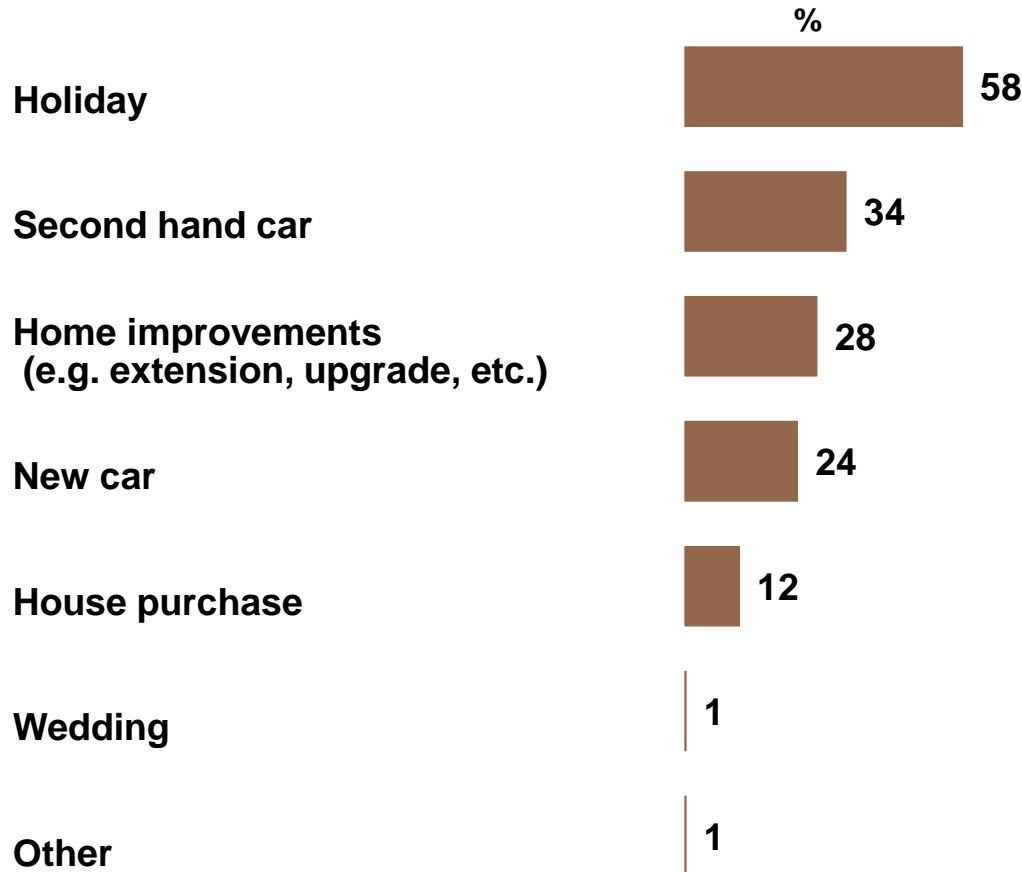
	Total	Male	Female	16-24	25-34	35-44	45-54	55+	Dublin	ROL	Munster	Conn/ Ulster	ABC1	C2DE
Lack of available finances to pay for a large purchase	46	46	46	37	36	58	59	45	53	48	36	47	35	52
There is nothing in particular that I want to purchase in the near future	28	29	27	36	23	24	20	31	28	31	34	14	35	24
Made a significant purchase in the last 6-12 months	22	18	24	19	35	16	22	20	18	14	23	37	25	20
Holding off until 2018 or later to make a financial purchase	8	8	9	14	20	2	3	5	6	9	9	10	10	7

Lack of finances is particularly an issue for those aged between 35 and 54. Connaught/ Ulster residents and those aged 25-34 were most likely to have made a significant purchase in the last 6-12 months and therefor not planning another major purchase in the near future.

Potential Purchases- Prompted

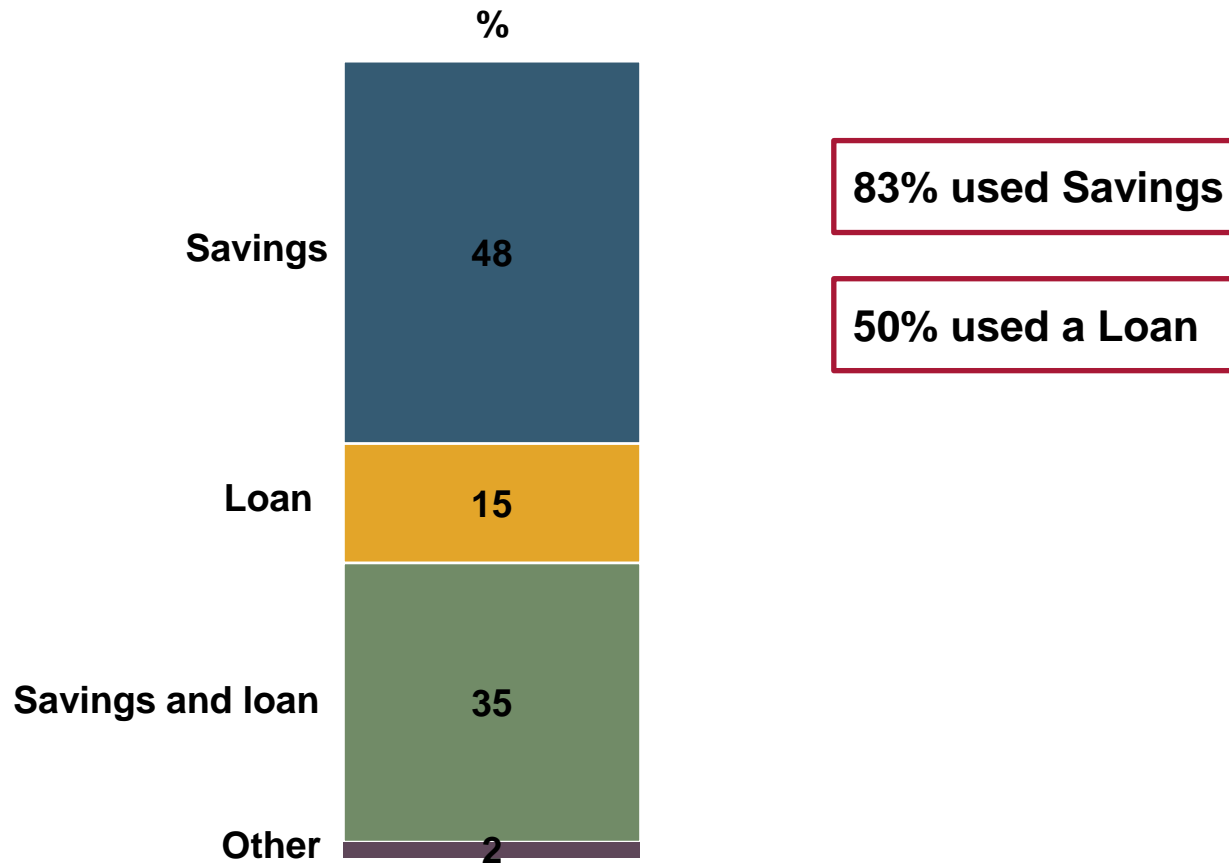
9

(Base: All respondents making a purchase-740)



A holiday is the most common financial purchase planned within the next year and a half. Over half (58%) of respondents are planning to buy a new or second hand car.

(Base: All respondents making a purchase - 740)



Just over one third (35%) will use a combination of loans and savings to fund their planned future purchase, while just under half (48%) plan to solely use their savings.

Funding Purchases – Demographics

11

(Base: All not making a purchase – 740)

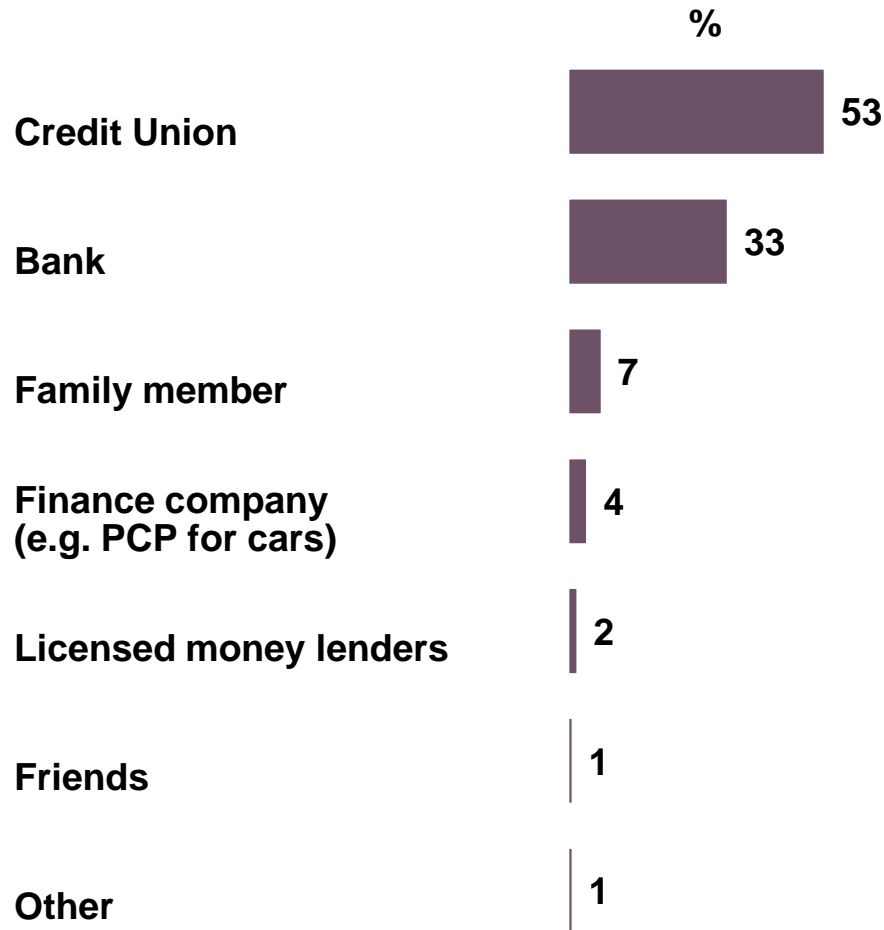
	Total	Male	Female	16-24	25-34	35-44	45-54	55+	Dublin	ROL	Munster	Conn/ Ulster	ABC1	C2DE
Savings	48	45	50	56	47	40	41	53	53	46	48	41	48	47
Loan	15	19	12	11	17	19	19	11	15	12	14	23	13	18
Loan and Savings	35	35	35	33	36	41	37	29	29	41	37	33	38	32

Females are more likely than males to use savings (50%vs 45%), while males are more likely to take out a loan (19% vs. 12%). Connaught/Ulster residents are most likely to take out a loan to fund a major financial purchase.

External Sources of Finances- Prompted

12

(Base: All borrowing money-388)



For all those borrowing money to fund their future purchase, the Credit Union is the main source of finance.

External Sources of Finances – Demographics

13

(Base: All not making a purchase – 388)
%

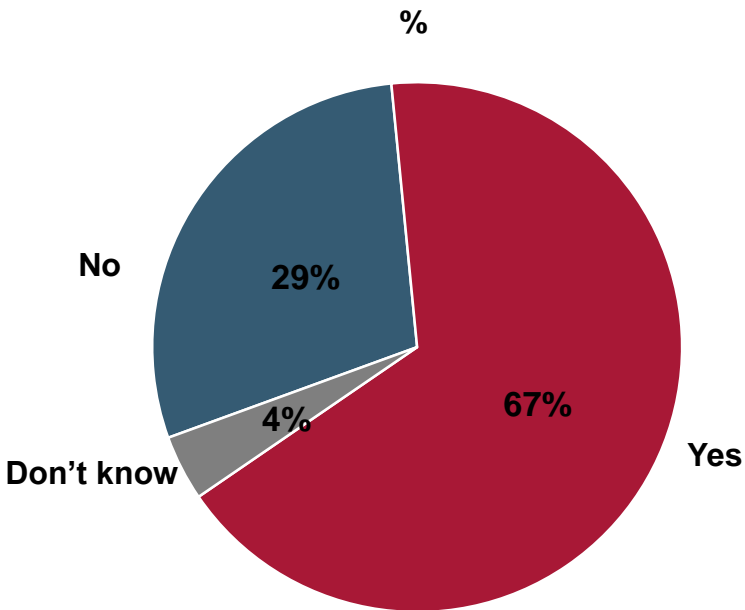
	Total	Male	Female	16-24	25-34	35-44	45-54	55+	Dublin	ROL	Munster	Conn/ Ulster	ABC1	C2DE
Credit Union	53	50	55	42	44	54	53	68	41	60	56	55	47	58
Bank	33	36	29	35	43	34	30	21	43	27	29	34	40	27
Family member	7	5	9	14	8	4	6	6	4	7	11	6	6	7
Finance company (e.g. PCP for cars)	4	5	3	4	2	5	6	2	4	4	5	2	5	3
Licensed money lenders	2	2	2	-	3	3	2	1	4	2	0	3	1	5
Friends	1	1	2	6	0	0	2	0	3	1	0	0	*	2
Other		1	1	-	0	0	2	1	2	0	0	0	0	1

Those over 55 are most likely to go to the Credit Union for finance, while those aged under 25 are most likely to turn to a family member or friend.

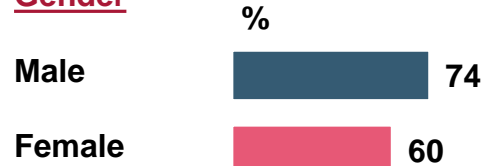
(Base: All respondents – 1,000)

Do you have any savings on deposit?

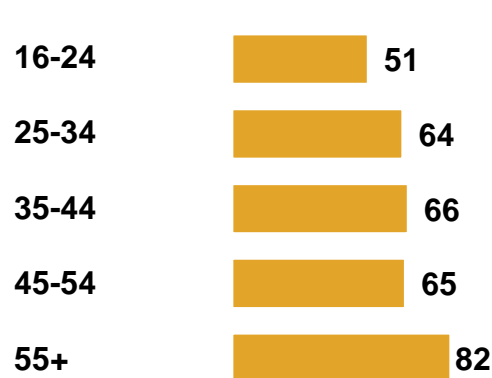
Demographics for yes



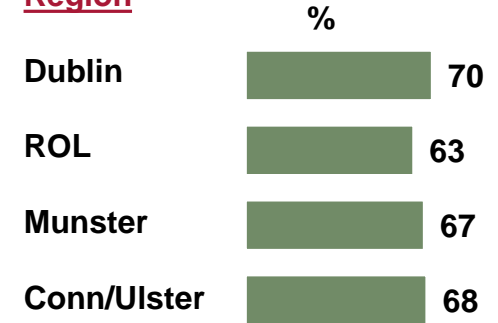
Gender



Age



Region



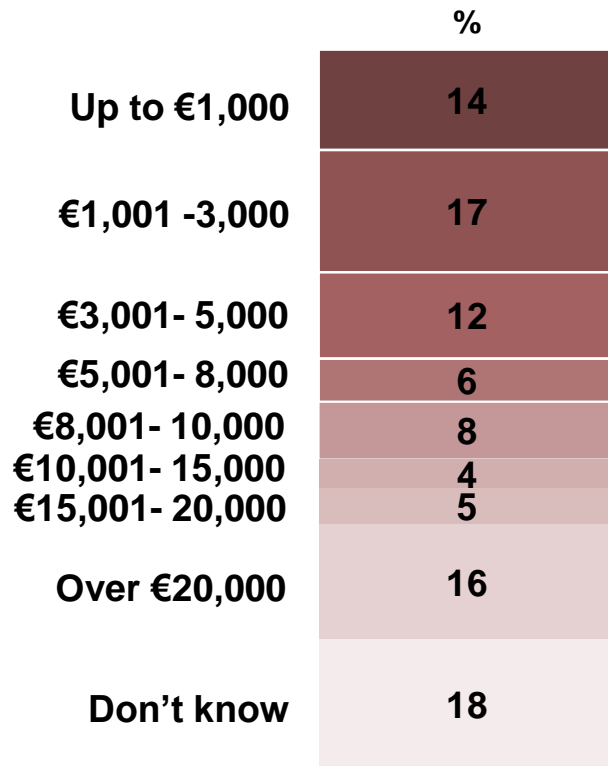
Social Class



Two thirds (67%) of respondents have savings on deposit. Those aged over 55, males and those in the ABC1 social class are most likely to have saving on deposit.

(Base: All who have savings on deposit - 669)

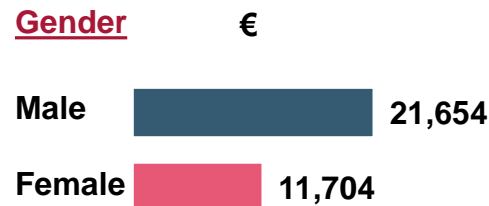
How much savings do you have on deposit



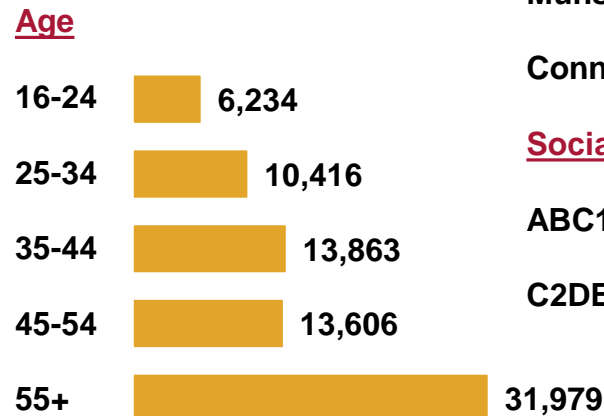
Average €17,341

Demographics for average savings

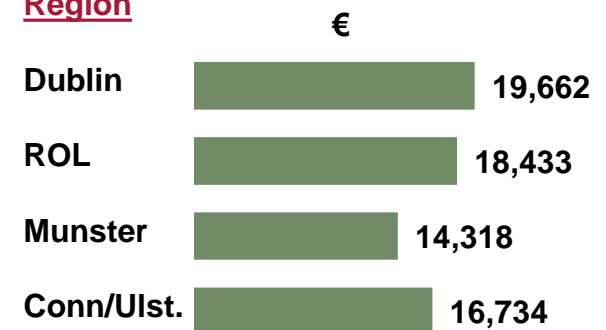
Gender



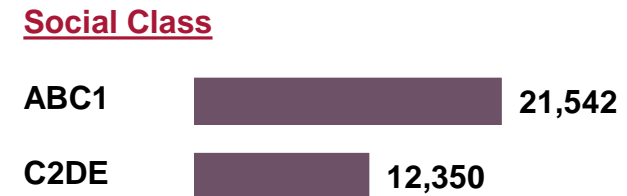
Age



Region



Social Class

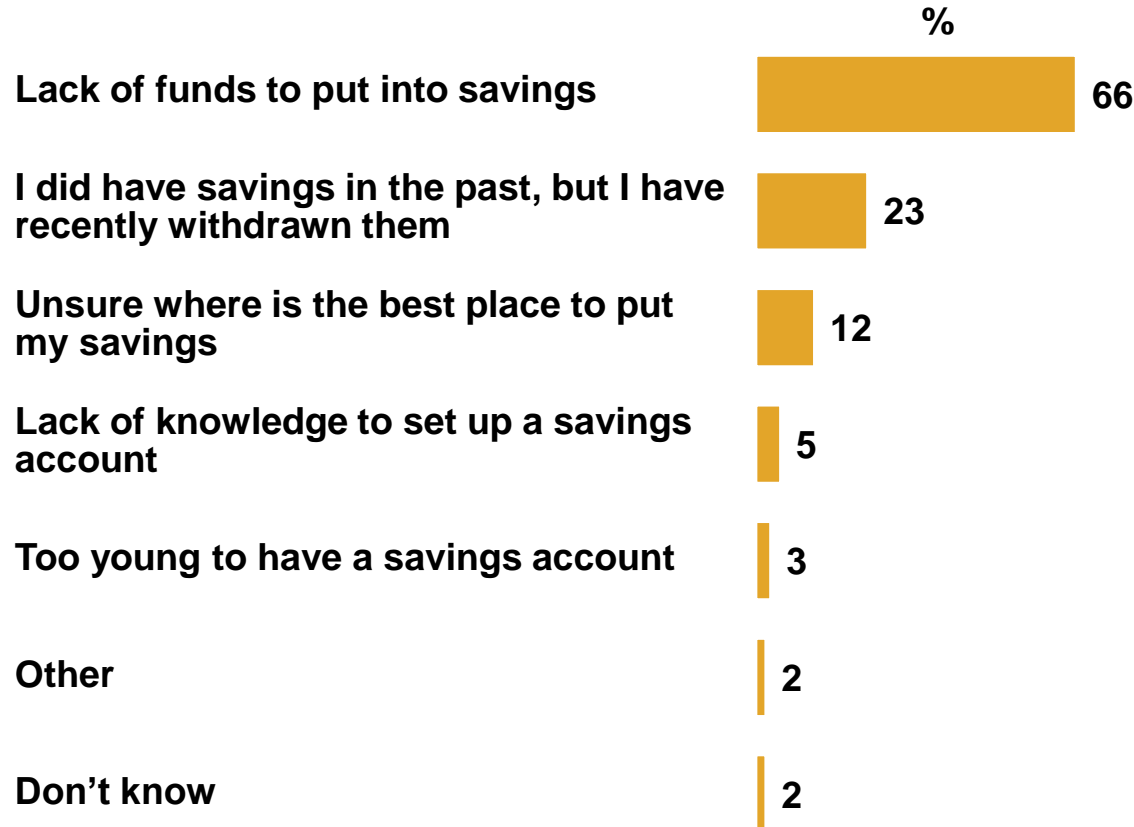


43% have up to €5,000 in savings on deposit, while 16% have over €20,000. The average amount of savings on deposit is €17,341.

Reasons Against Having Savings on Deposit

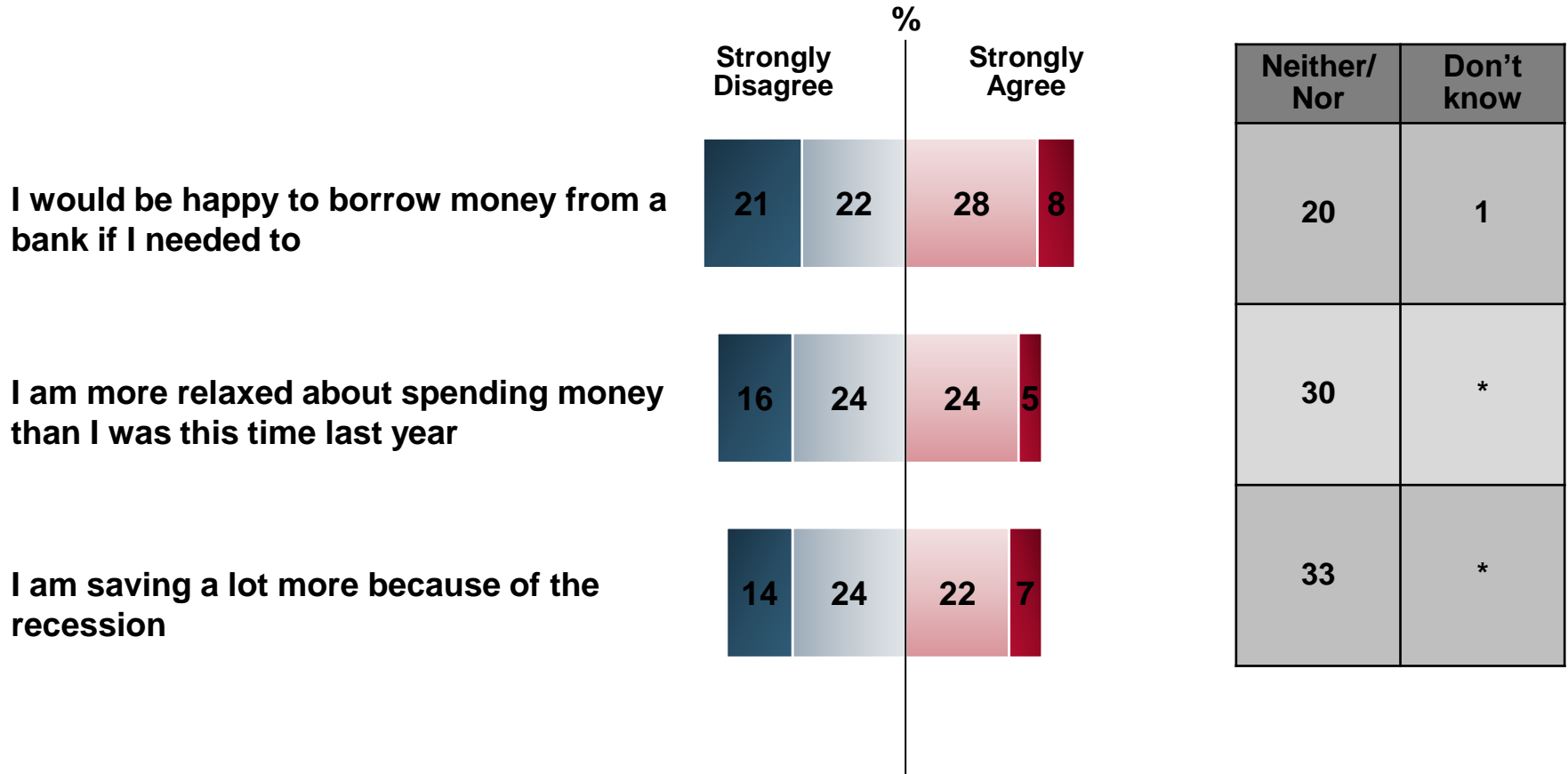
16

(Base: All without savings on deposit- 288)



The main reason respondents do not have savings on deposit, is due to a lack of available funds to place into savings. Almost one quarter (23%) previously had savings but recently had to withdraw them.

(Base: All respondents – 1,000)



36% would be happy to borrow money from a bank if needed, however 43% disagree with this statement.

(Base: All Respondents -1,000)

%	Total	Male	Female	16-24	25-34	35-44	45-54	55+	Dublin	ROL	Munster	Conn/ Ulster	ABC1	C2DE
I would be happy to borrow money from a bank if I needed to	35	41	30	29	46	40	36	27	35	33	37	38	40	32
I am more relaxed about spending money than I was this time last year	30	33	27	38	32	34	19	27	28	28	34	28	35	26
I am saving a lot more because of the recession	29	30	27	39	34	28	24	21	25	27	31	31	31	26

**Those aged 25 – 34 are most comfortable with borrowing money from bank if needed.
Those aged 45 to 55 are least likely to be more relaxed about spending money compared to this time last year.**

- **Three quarters of respondents are planning a major financial purchase by the end of 2017, with 36% making it within the next six months before the end of 2016.**
- **Those at each end of the life stages, under 25's and over 55's are least likely to make a purchase in the next year and a half.**
- **The desire to make a purchase or not may be beside the point for many, as for 46% a lack of available finances was the reason against making a purchase in the near future.**
- **Lack of available funds is an issue for the middle aged groups in particular from the ages of 35 to 54.**
- **Those aged 25-34 are among those most likely to have made a purchase in the last 6 – 12 months and holding off until 2018 or later to make a significant purchase.**
- **A holiday is the most common planned financial purchase, cars are also popular as 34% are planning on buying a second hand car and a further 24% planning on purchasing a new car.**
- **Respondents are cognisant of getting into debt as they more in favour of using their savings rather than taking out a loan to fund their future purchase, with only 15% using a loan as the sole means of finance.**
- **Those in the C2DE social class are more likely to take out a loan than those in the ABC1 social class (18% vs 13%).**
- **Although a higher percentage of males have savings on deposit, females are more likely than males to use savings to fund a purchase, while males are more likely to take out a loan.**

- For those borrowing money, over half (53%) would go to the Credit Union, the bank is less popular but is still in the top two external sources of finances (33%).
- Two thirds (67%) have savings on deposit, with an average amount of €17,341.
- Those aged over 55, males and the ABC1 social class are most likely to have savings on deposit.
- While the main reason for not having money in savings is a lack of funds to do so, a lack of knowledge is also an issue as 12 % are unsure where to put savings and 5% are unsure of how to set up an account.
- There are mixed feeling about borrowing from the bank and regards saving and spending money.
- Those aged between 25 and 34 are most likely to be happy to borrow money from the bank.
- Those aged over 55 are most likely to go to the credit union to borrow money if needed for a major financial purchase and least likely to feel comfortable borrowing from the bank.
- Those aged under 25 are most likely to agree that they are saving more because of the recession, but also most likely to agree that they are more relaxed about spending money than they were a year ago.