

Consumers' views and behaviours in response to the rising cost of basics

A report from the Consumer Council for Northern Ireland

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Executive summary

The Consumer Council commissioned Social Market Research (SMR) to survey a representative sample of 1033 adult consumers living in Northern Ireland on issues relating to the cost of basics. The survey was conducted independently by Social Market Research (SMR) and in line with the ISO20252:2019 Standard.

Key findings

Concern about the cost of basics

- The majority (90%) of consumers are either very concerned or concerned about the cost of basics.
- When broken down by specific areas of essential spend, energy costs were a concern for 91%, with 80% concerned about food and non-alcoholic drinks, 71% about transport costs, 67% for communication and technology, and 64% regarding mortgage/rent/rates.
- Words like "scared", "concerned" and "worried" appear often in consumer's comments when talking about how they are managing the current cost of basics.

Coping with the cost of basics

- Similar numbers of consumers are struggling to afford the cost of basics (44%) and are not coping well with the cost of basics (46%).
- Over a third (34%) said their household is struggling with debt because of the cost of basics, with more than a quarter (28%) concerned about their ability to cope.
- Looking ahead, over two-thirds (68%) of consumers are worried about their ability to cope in the future if the cost of basics stay as they are.
- Over half (54%) say they try to hide their struggle to cope with the rising cost of basics from friends, family, and children, and almost half (49%) are using their savings to try and keep up with rising costs.
- A significant number (15%) of consumers had taken out additional credit/loans with official lenders such as banks and building societies. Other actions included 13% who were getting financial support from friends and family members, 6% had turned to food banks, and 3% said they were using unofficial money lenders.

Control over household costs

- Shopping around and switching provider were activities undertaken by the majority (90%) of consumers in the last 12 months, with 70% shopping around for food and groceries, and 54% for petrol or diesel.
- Almost half of consumers (49%) believe they have most control over their spending on food and non-alcoholic drinks, with just 11% saying they have most control over their energy costs.
- Consumers commented on the perceived lack of competition in the NI home energy market (gas, oil and electricity) which they say makes it difficult for them to control spending in these areas.
- In addition, consumers voiced a wariness to changing electricity supplier as they feel it is often not worthwhile because the previous supplier could drop their prices after they switch.
- Fear of eviction would prevent many in private rentals from discussing potential difficulties paying the rent, meaning they will look to cut costs elsewhere.

Shopping for food and groceries

- Shopping in-store is the most popular method for most consumers (80%) whilst 19% do the majority of their food shopping online.
- Of those who mostly shop in-store, 62% said this was because it is easier to source best value, and 60% do so to get the best use-by dates. Almost half (49%) shop in-store because they find it convenient.
- Of those who shop online, over half (51%) say they find it easier to monitor their spending and avoid impulse buying, whilst 45% say it is easier to shop around for best value. Just under a third (31%) like to shop online to research products and special offers.

Changing behaviours to cut food costs

- Similar numbers of consumers reported cutting back on eating out and socialising (66%) and buying food outside of the home (62%).
- Other changes included reducing the amount of impulse food and groceries purchased (55%), changing to cheaper brands (53%), reducing overall food expenditure (45%), and changing where they food shop (44%).
- Over a quarter of consumers (27%) have eaten poorer quality or less nutritious food due to higher food prices, and the same percentage have reduced portion sizes. Similar numbers report skipping meals (24%) and eating fewer times in the day (23%).
- Lack of access to a discounter store (e.g., Lidl) or discount variety stores (such as pound shops or homeware/food retailers) has impacted 40% of consumers when shopping around for best value, with 20% saying they do not have a low-cost supermarket close by. A further 15% say lack of mobility or ill health acts as a barrier to shopping around.
- Besides cutting back on eating out and socialising, half (50%) of consumers had reduced spending on clothing and footwear, more than a third had reduced spending on subscriptions (39%), home furnishings (37%), and spending on food and non-alcoholic drinks (34%).

Impact on health and wellbeing

- Just under a third (31%) said that cutting back on eating out and socialising had the greatest impact on their household, with some saying this had reduced their quality of life, made it difficult to unwind and relax, and led to feelings of social isolation.
- Over half (56%) of consumers said the current cost of basics is having an adverse effect on their mental health. Of these, over half (59%) report increased worry, stress, and anxiety.
- Over a third (37%) say rising costs have negatively impacted their physical health, with many attributing a less nutritious diet to unwanted changes in weight.

Summary conclusion

Consumers are being challenged by the high cost of basics relative to their income. They continue to make cutbacks where they can, saving money and doing without even the smallest of luxuries. Shopping around for best prices is common practice, though this research shows consumers feel it is easier in some sectors than in others.

The ease or difficulty of shopping around and switching supplier or product clearly contributes to the sense of control consumers feel over different areas of the household spend. Consumers feel they have more control over food in comparison to other areas, for example, home energy costs, rent and mortgage costs.

The comparatively high number of retailers in the food and household sector, and competition between stores means that most consumers have regular opportunities to compare prices and make choices according to the money they have available.

Furthermore, shopping for food and household goods are frequent activities, unlike changing energy supplier or switching internet and broadband provider for example, and this is likely to contribute to an increased sense of control over this area of spending.

However, it is clear from this research that whilst consumers feel more in control of their spend on food and groceries, their ability to cut costs can often come with consequences in terms of sacrifices in quality and/or quantity, and this is taking its toll on physical and mental health. The high cost of eating out and socialising is also preventing some from accessing this form of enjoyment and connecting with others, leading to feelings of social isolation.



Main report

1. Introduction

The Consumer Council is a non-departmental public body (NDPD) with a statutory duty to promote and safeguard the interests of consumers in Northern Ireland.

Carrying out research is a critical part of the Consumer Council's work, which allows it to have a deeper understanding of the consumer position and develop a strong evidence base to inform policy, respond to consultations, and place consumers' concerns at the centre of strategic decision making.

In July 2023 the Consumer Council commissioned Social Market Research (SMR) to survey a representative sample of consumers living in Northern Ireland on issues relating to the rising cost of basics. The survey focused on issues of affordability, levels of concern, ability to cope financially, physically, and emotionally.

This research defines 'basics' as being the everyday areas of spend for the average person/household i.e., housing costs, energy, fuel, food, transport, and communications.

2. Context

When looking at how consumers are dealing with the rising cost of living, it is important to understand the economic backdrop. Northern Ireland has the lowest gross average weekly income in the UK at £270.92, compared to a UK average of £295.16.

Discretionary income for lowest earning households leaves consumers with £31 at the end of the week after all the essentials are paid for. This is an increase of 17.8% since the last quarterly tracker, but it means households are still vulnerable to price increases and unexpected bills such as a broken washing machine or car repairs. It also represents a drop of 15.8% compared with two years ago.

In addition, low-income households spend a greater proportion of their basic spend on food (21%) than higher earners (15%), and must spend more on food (21.2%) than the combined costs of housing, water, electricity, gas and other fuels (19.7%).

Food prices have risen by 26.2% from December 2021 to December 2023. Various factors have driven up prices including supply chain challenges, increased transport costs, extreme weather conditions impacting harvests, and labour shortages. As with consumers, businesses have been hit by higher energy costs. After Russia's invasion of Ukraine, food prices rose more steeply due to increased costs for animal feed, energy and fertilisers.

In last year's research programme, the Consumer Council commissioned a series of food focus groups. These heard from 94 participants who took part in 12 food focus groups between August 2022 and January 2023. Consumers spoke of their shock at increased food costs, saying they felt caught off guard by the sudden price increases. The research heard how consumers were using a range of coping strategies in response to the high cost of basics, including buying less food, skipping meals, turning to friends and family, or visiting food banks to meet their basic needs.

This research report quantifies the consumer experience and delves deeper into what the consequences are for those households who are struggling to keep up with the high cost of living. We wanted to know where consumers are adjusting their buying behaviours, and the impact this is having.

3. Objectives

The objectives of this research are:

- Conduct a demographically representative household survey to determine how many consumers in Northern Ireland have had to adjust their food shopping and eating habits because of rising food prices; and,
- Compare spending decisions, thought processes, attitudes and behaviours related to food purchases with other areas of household spending.

A copy of the survey questionnaire is included as Appendix 1.



4. Methodology

The research was conducted in line with ISO20252:2019 of which Social Market Research (SMR) is fully accredited. The survey is based on 1033 interviews with consumers. Interviews were conducted using an online panel methodology with adults aged 18+. Survey fieldwork was conducted 25 August - 25 September 2023.

Table 1 presents the weighted sample profile compared with known population parameters and shows that sample estimates are in line with census estimates. The 95% Confidence Intervals are also presented.

Table 1 Sample Profile Compared with NI Population Profile (NI Population aged 18+) [n=1033]

		Census (%)	Sample (%)	95% Confidence Interval (+/-)
Sex	Male	48	49	46.0-52.0
	Female	52	51	48.0-54.0
Age	18-29	31	28	25.3-30.7
	30-59	42	43	40.0-46.0
	60+	27	29	26.2-31.8
Social Class	ABC1	47	47	44.0-50.0
	C2DE	53	53	50.0-56.0
Local Government District	Antrim and Newtownabbey	8	8	6.3-9.7
	Ards and North Down	9	9	7.3-10.7
	Armagh City, Banbridge and Craigavon	10	10	8.2-11.8
	Belfast	18	18	15.7-20.3
	Causeway Coast and Glens	8	8	6.3-9.7
	Derry City and Strabane	8	8	6.3-9.7
	Fermanagh and Omagh	6	6	4.6-7.4
	Lisburn and Castlereagh	8	8	6.3-9.7
	Mid and East Antrim	7	7	5.4-8.6
	Mid Ulster	8	8	6.3-9.7
	Newry, Mourne and Down	10	10	8.2-11.8

Source: Northern Ireland Census of Population (2021 Mid-Year Estimates)

Prior to analysis the sample has been weighted by gender, age, socio-economic group and area of residence. Please note that due to rounding, row and column totals in tables and figures may not sum to 100. Also, please note that any differences between consumer subgroups (e.g., age, gender, social class etc.) alluded to in the report commentary are statistically significant to at least the 95% confidence level. The use of [-] within tables denotes less than 1%.



Survey findings

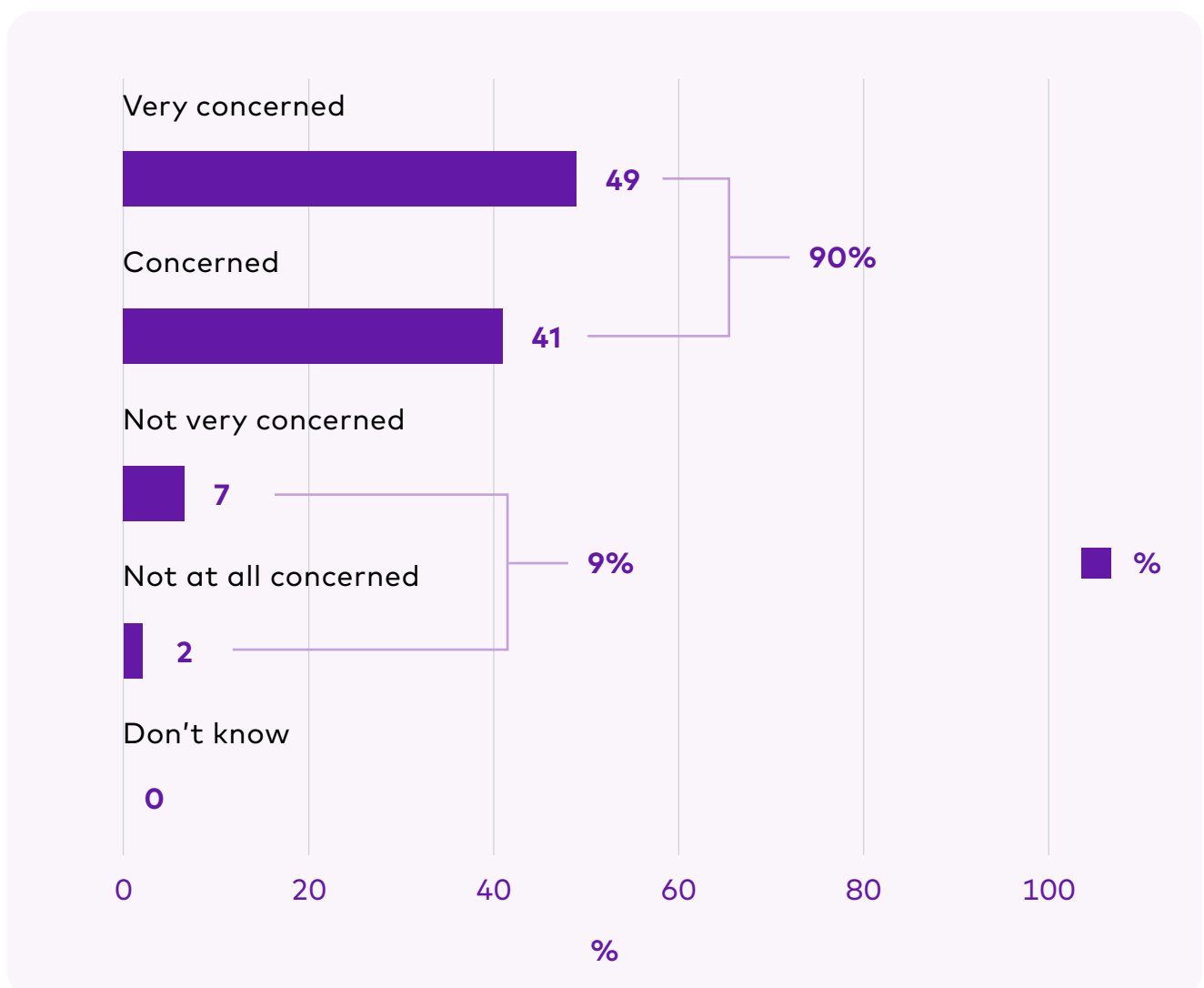
The cost of basics

In this survey, the 'cost of basics' was defined as the cost associated with everyday living essentials such as housing, energy, food, transport and communications.

Level of concern

The survey sought to measure how concerned consumers are about the cost of basics, with Figure 1 showing that the overwhelming majority (90%) of consumers are concerned (very concerned, 49%: concerned, 41%).

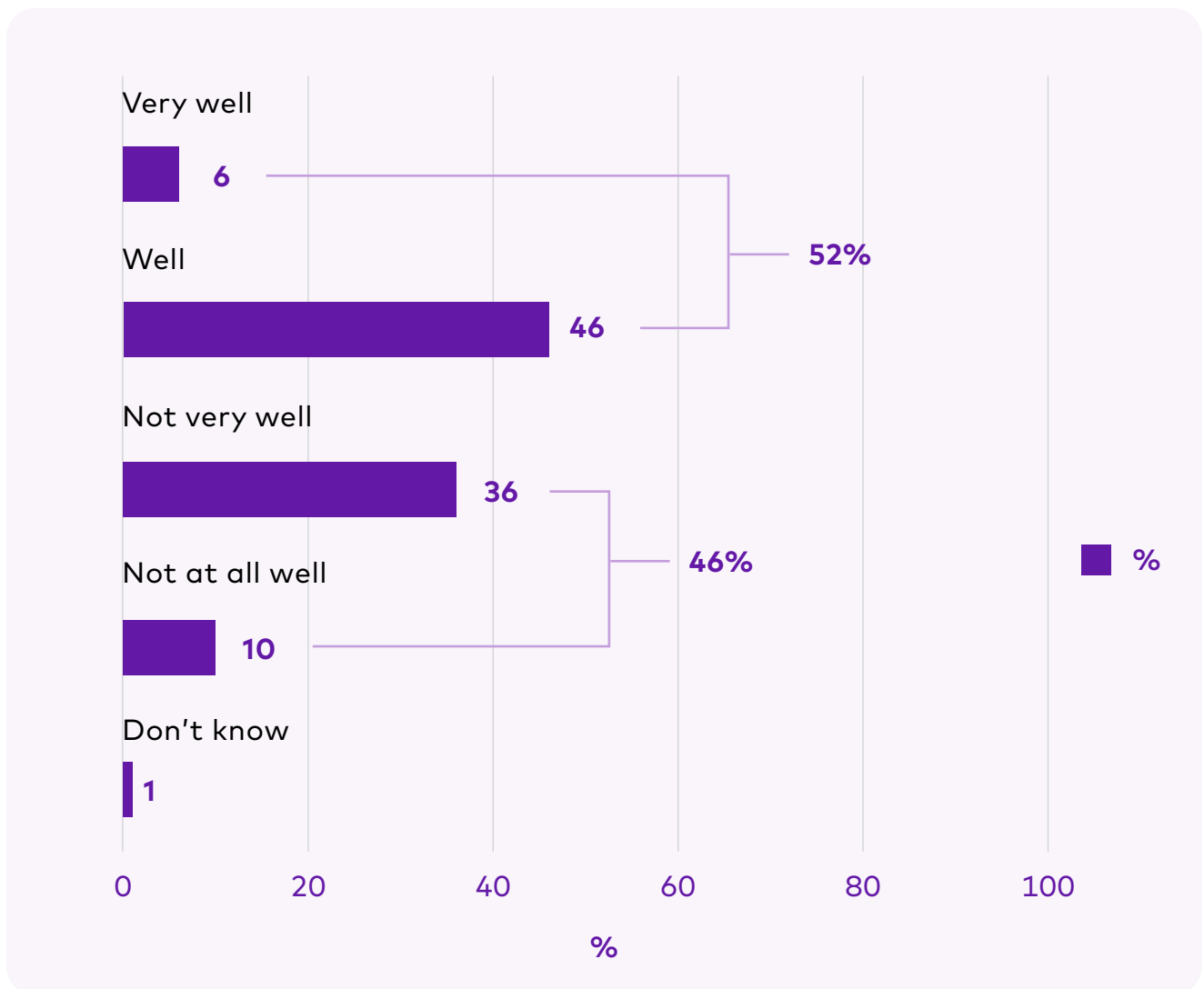
Figure 1: How concerned are you about the cost of basics? (base=1033)



Coping with the cost of basics

Almost half (46%) of consumers said their household is not coping as well with the current cost of basics, with 36% stating 'not very well' and 10% saying 'not at all well'.

Figure 2: How is your household coping with the current cost of basics? (base=1033)



Managing costs

Consumers were asked how they are managing to afford the current cost of basics.

Over a third (38%) say they are dipping into savings, 15% said they have taken out additional credit/loans with official lenders such as banks and building societies, and 13% said they are getting financial support from friends and family members.

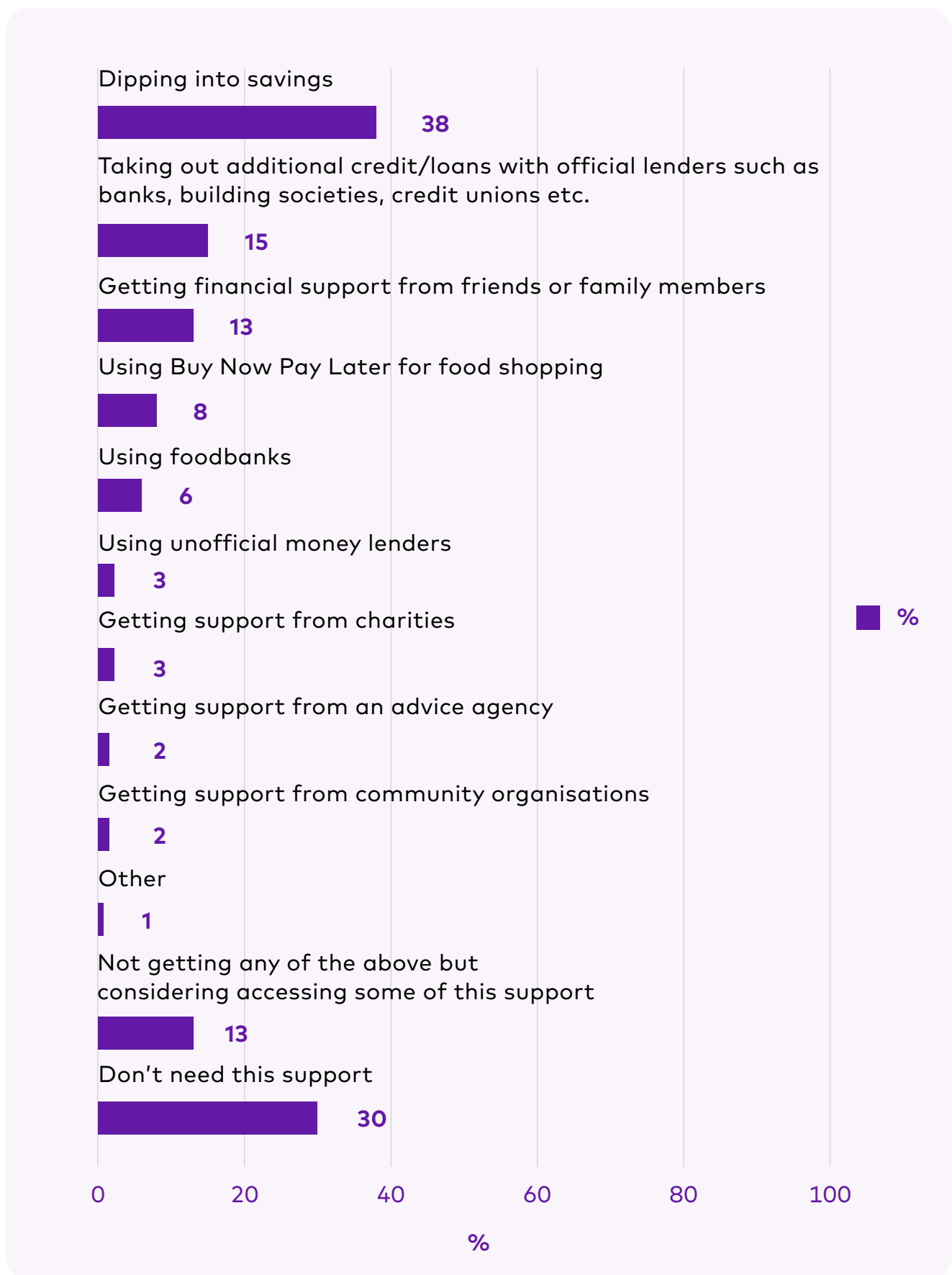
Other responses included using buy now pay later (BNPL) for food shopping (8%¹); using foodbanks (6%); using unofficial money lenders (3%); getting support from charities (3%); getting support from an advice agency (2%); and getting support from community organisations (2%). One percent of consumers said their household is getting other forms of support².



¹ Consumer Council have completed further research into BNPL and illegal money lending see <https://www.consumercouncil.org.uk/research/our-research/research-publications>

² Included: using credit card (n=1); having two jobs (n=1); and using Olio to pay a donation and get better value food (n=2). Olio is a mobile app for community sharing, lending and borrowing to reduce household and food waste.

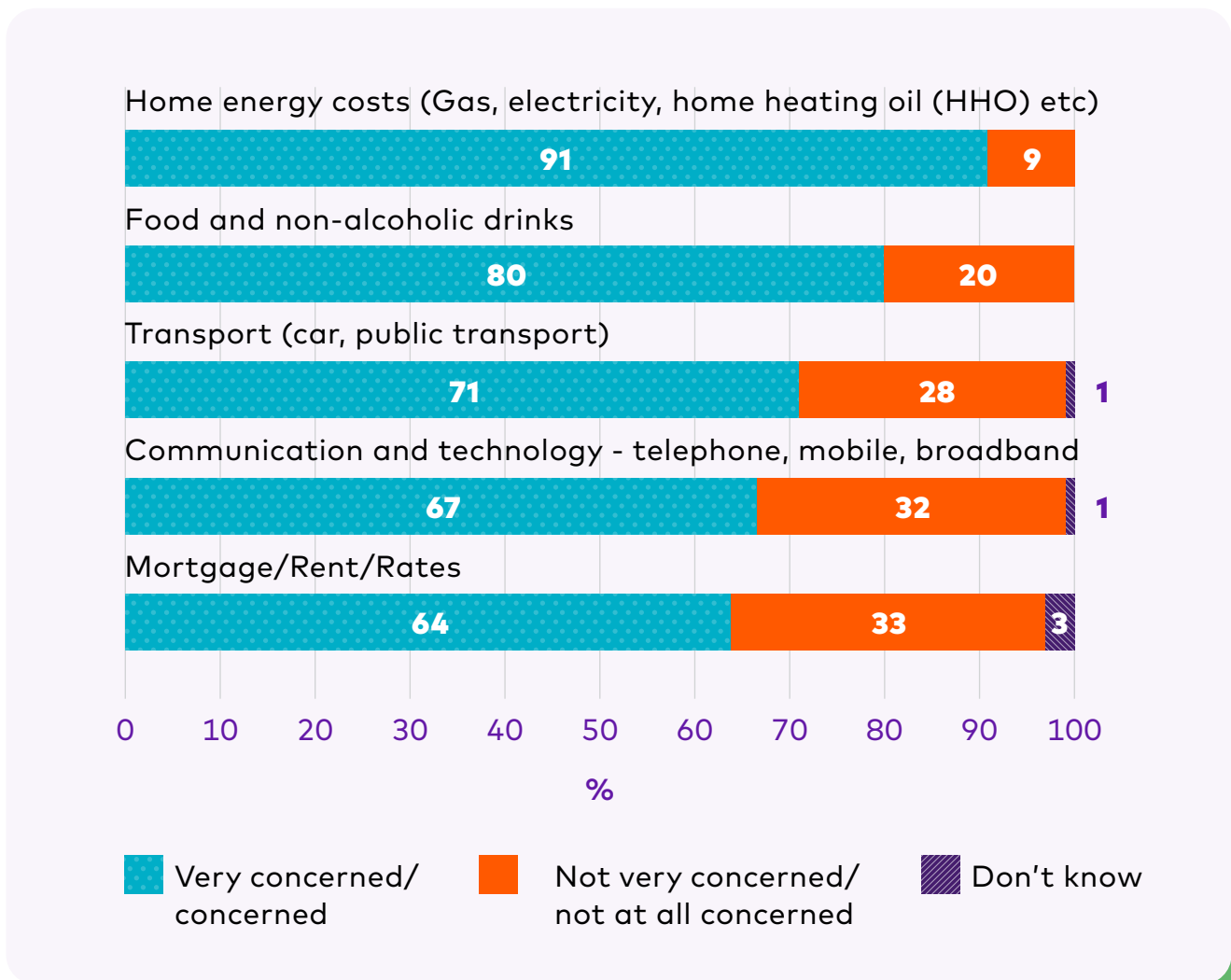
Figure 3: Is your household getting support or doing any of the following to help with the current cost of basics? (base=1033)



Concerns about affordability

Most consumers said they are concerned about the affordability of all the categories of household spend listed below, however, when broken down by areas of spend, Figure 4 shows concerns are relatively higher for home energy costs (91%), food and non-alcoholic drinks (80%), transport (71%), communication and technology (67%) and mortgage/rent/rates (64%).

Figure 4: How concerned are you about being able to afford each of the following? (n=1033)



Other affordability concerns

Consumers were asked what other areas of essential spend were missing from the list, which they were concerned about:



7% Clothes and shoes

7% The general cost of living

7% Increased bills and worrying about everything

5% Back to school costs

2% Costs associated with pets

2% Insurance (excluding car)

2% Childcare costs

2% Private healthcare costs

2% Holiday/Travel costs

2% Home maintenance costs

2% Socialising costs

Consumers were asked to comment further on the anxieties they had regarding the cost of basics. Words like "scared", "concerned" and "worried" appear often in these responses.

"Compared to pre-COVID times, my weekly spend has gone up by 50%. I'm worried about the winter months as the price of gas and electricity has gone up so much. The cost of fuel for my car has gone through the roof. It's going to be a long cold winter and I am hoping the government take notice and they help the people to have a full belly and heat on in the house on those cold winter days."

Families with children expressed worry about the cost of uniforms and clothing in general.

"I am scared about the additional costs of clothes, uniforms and school supplies. I need to buy clothes and shoes for myself, husband and three children; normal clothes, school clothes, school accessories, school shoes, normal shoes, nappies, wipes etc."

"I am genuinely concerned at the cost of childcare and school uniforms combined with the cost of school activities."

Some consumers pointed to the trade-off between having to focus the family budget tightly on affording the basics. They mentioned treats and experiences they can no longer afford.

"My children are missing out on life skills/learning experiences/ social experiences for my family. Taking the children "on a day out" is extortionate in price now, e.g., a day trip to the Giant's Causeway to learn history/ heritage etc over the summer holidays just wasn't affordable."

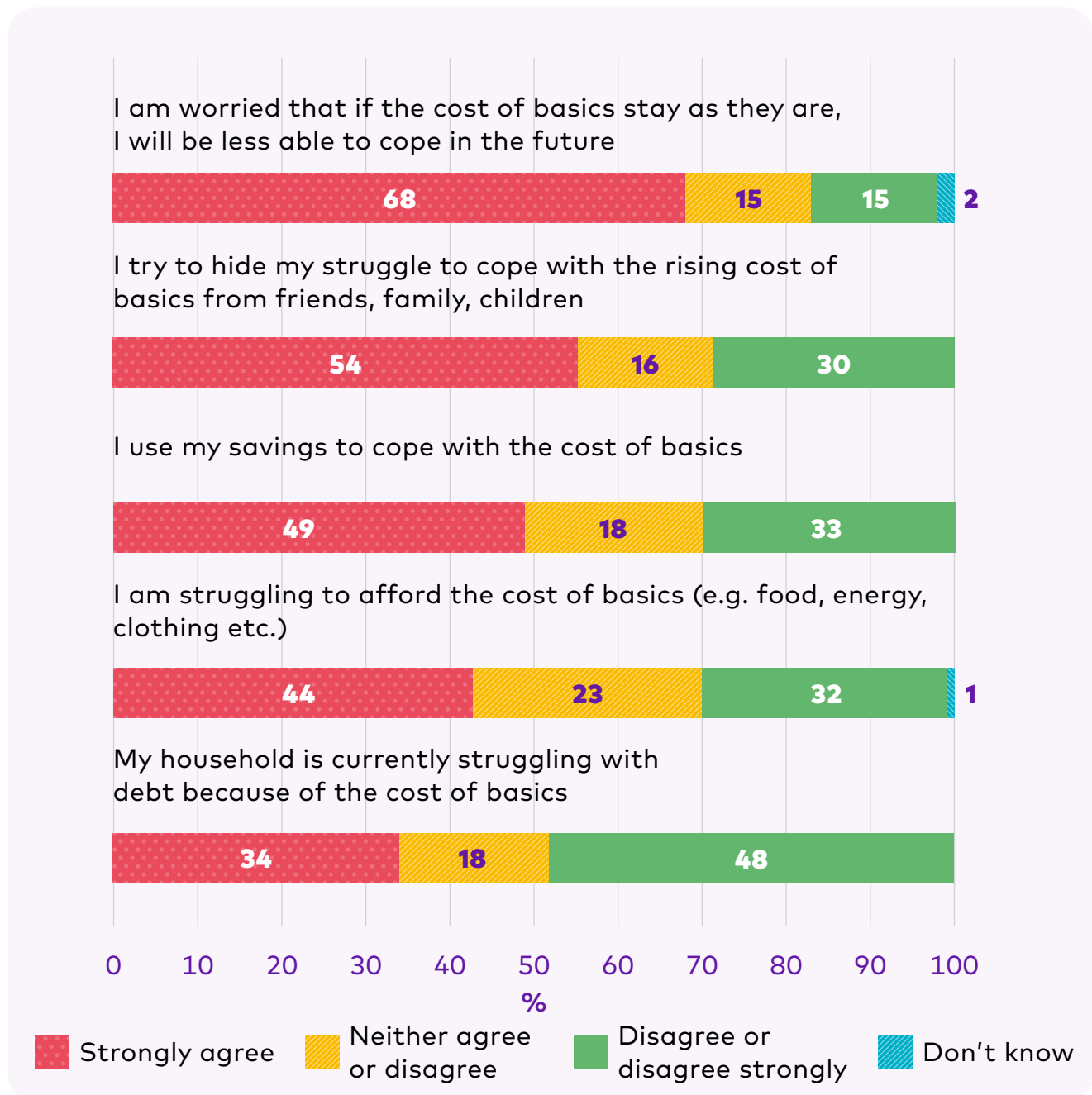
"The cost of a meal out (is exorbitant), which was our treat after working hard."

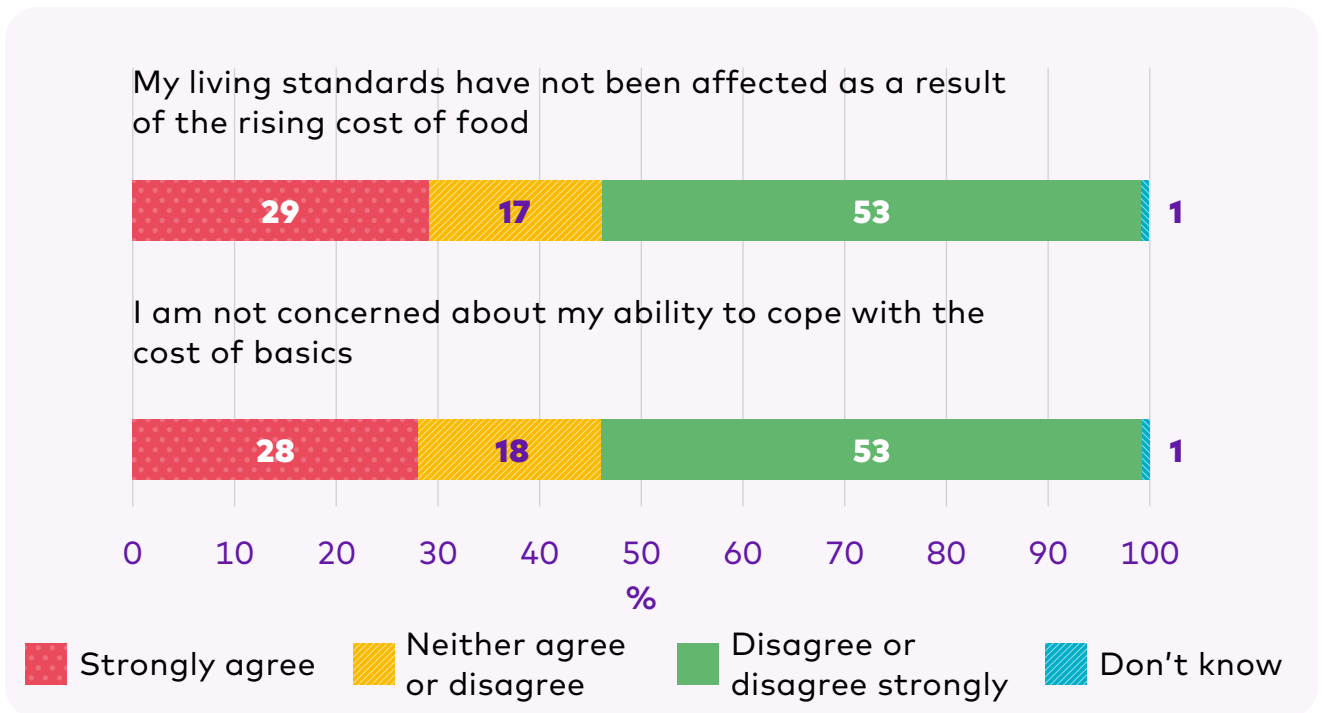
Impact of the cost of basics

Consumers were presented with a series of statements relating to the impact of the cost of basics.

Figure 5 shows that over two-thirds of consumers agreed with the following statement: **'I am worried that if the cost of basics stay as they are, I will be less able to cope in the future'** (68%). It is also concerning to find that over half (54%) agreed with the statement **'I try to hide my struggle to cope with the rising cost of basics from friends, family, children.'**

Figure 5: Please say to what extent you agree or disagree with each of the following statements. (n=1033)

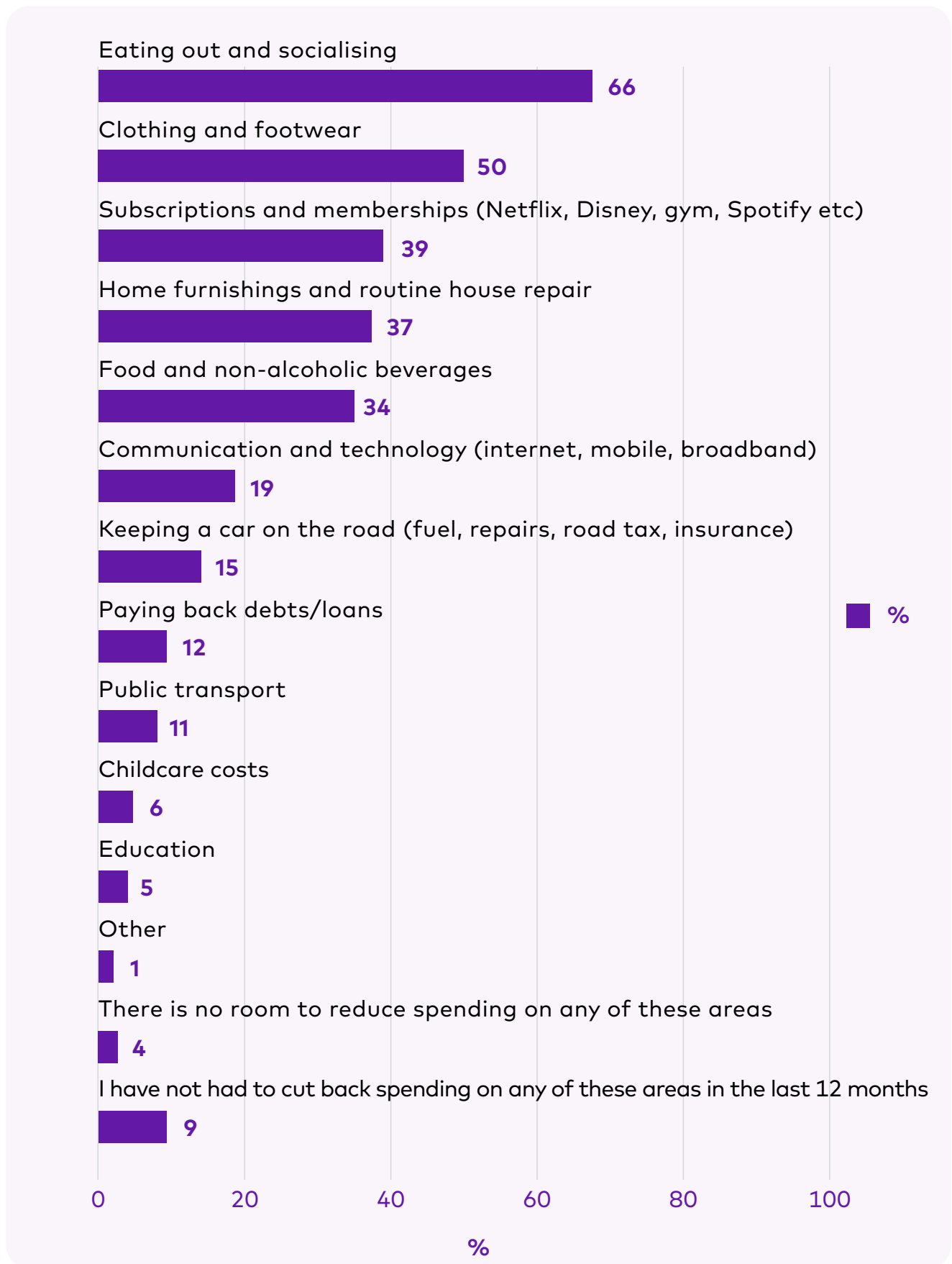




Cutting back on household spend

Figure 6 shows the areas where consumers have been able to reduce their spending in the last 12 months including eating out and socialising (66%) and spending on clothing and footwear (50%).

Figure 6: Which areas in your household spending, if any, have you been able to cut back in the last 12 months? (base=1033)



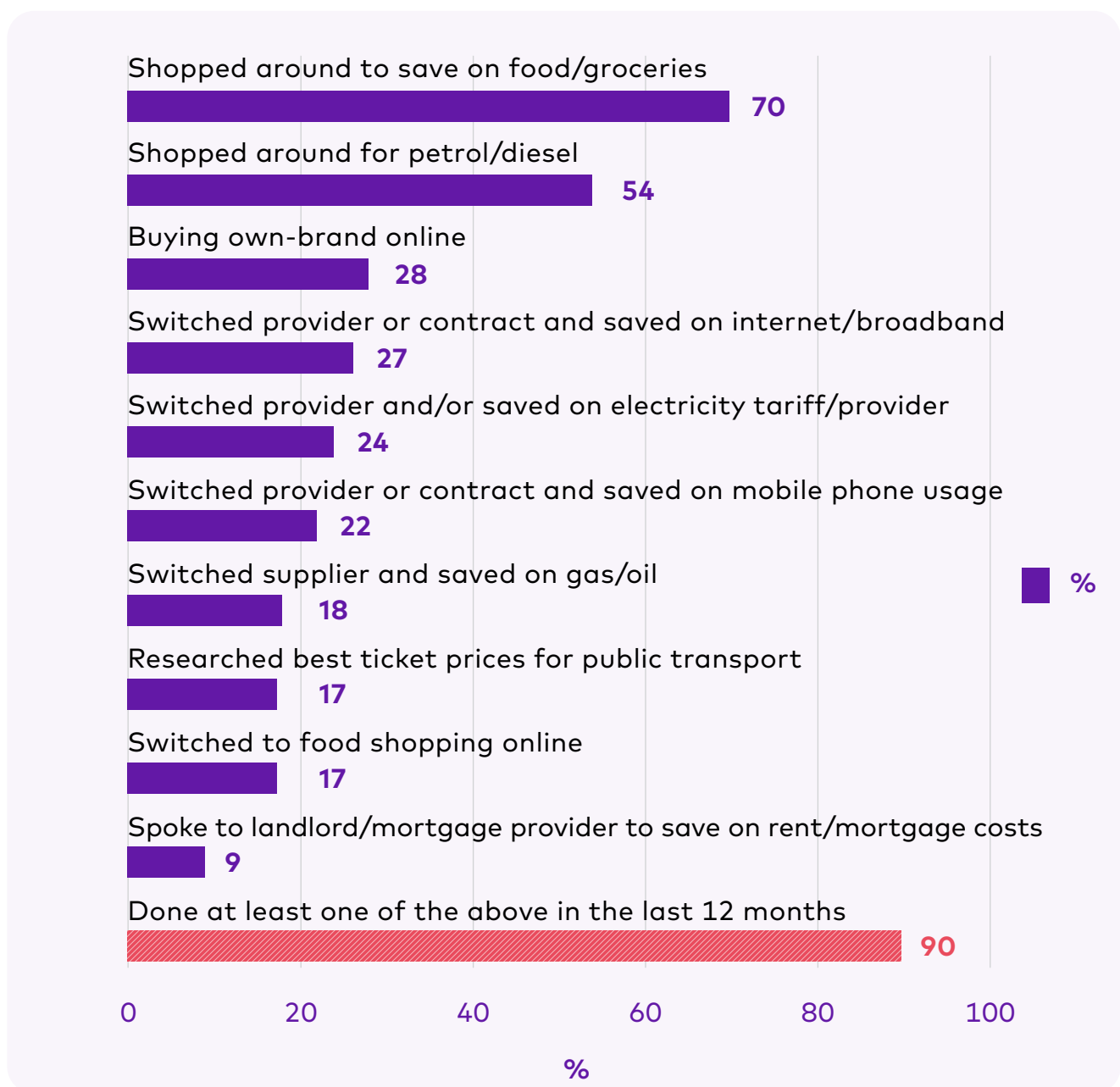
Switching and shopping behaviours

Consumers were asked if in the last 12 months they have switched or spoken to service providers or changed their shopping behaviours to save on their household bills.

Figure 7 shows that most consumers reported having shopped around to save on food/groceries (70%), with just over half (54%) having shopped around for petrol/diesel.

The majority (90%) of consumers reported having undertaken at least one of the switching or shopping behaviour changes listed below:

Figure 7: In the last 12 months have you done any of the following? (base=1033)



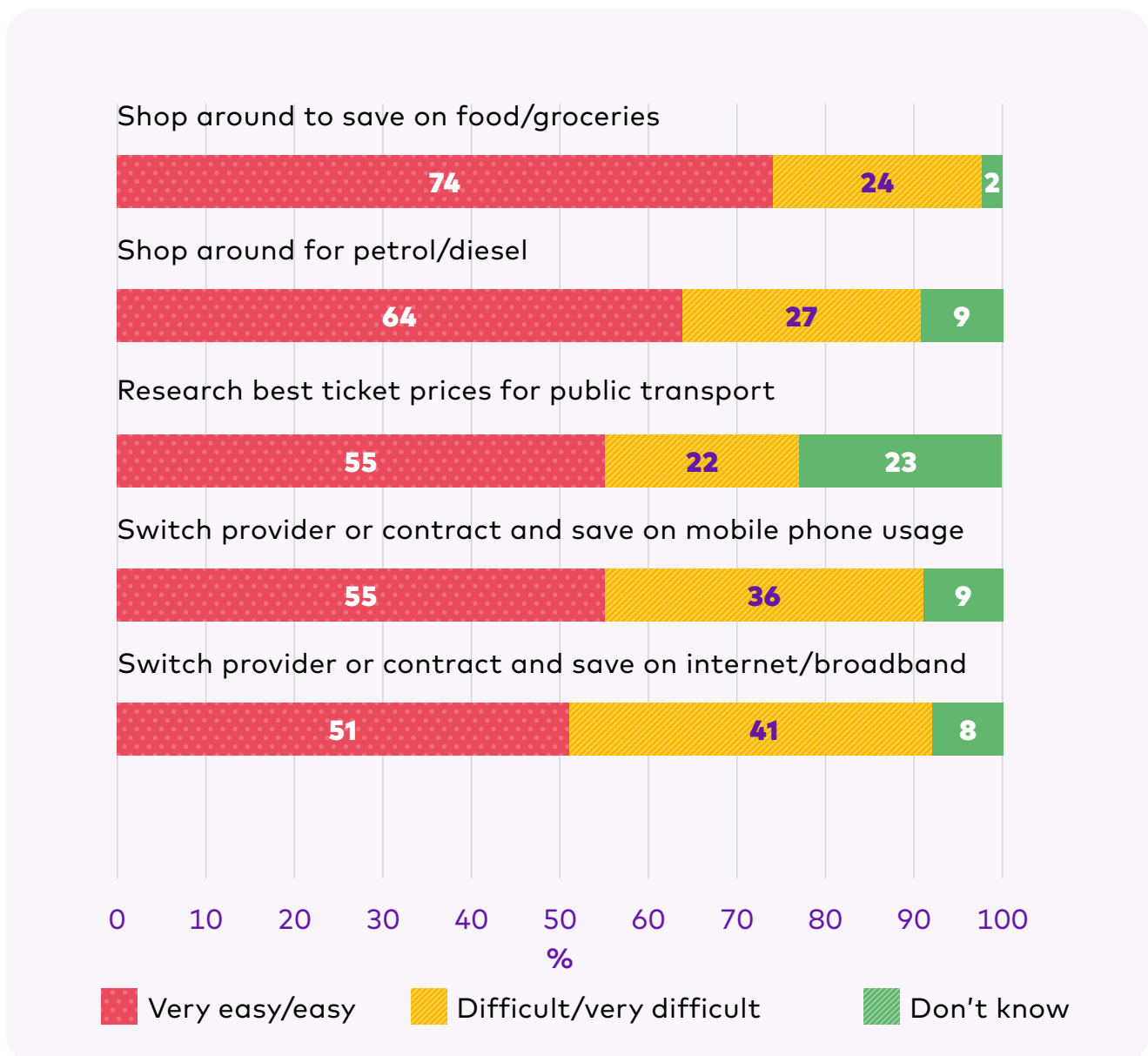
Ease or difficulty to switch and save or reduce payments

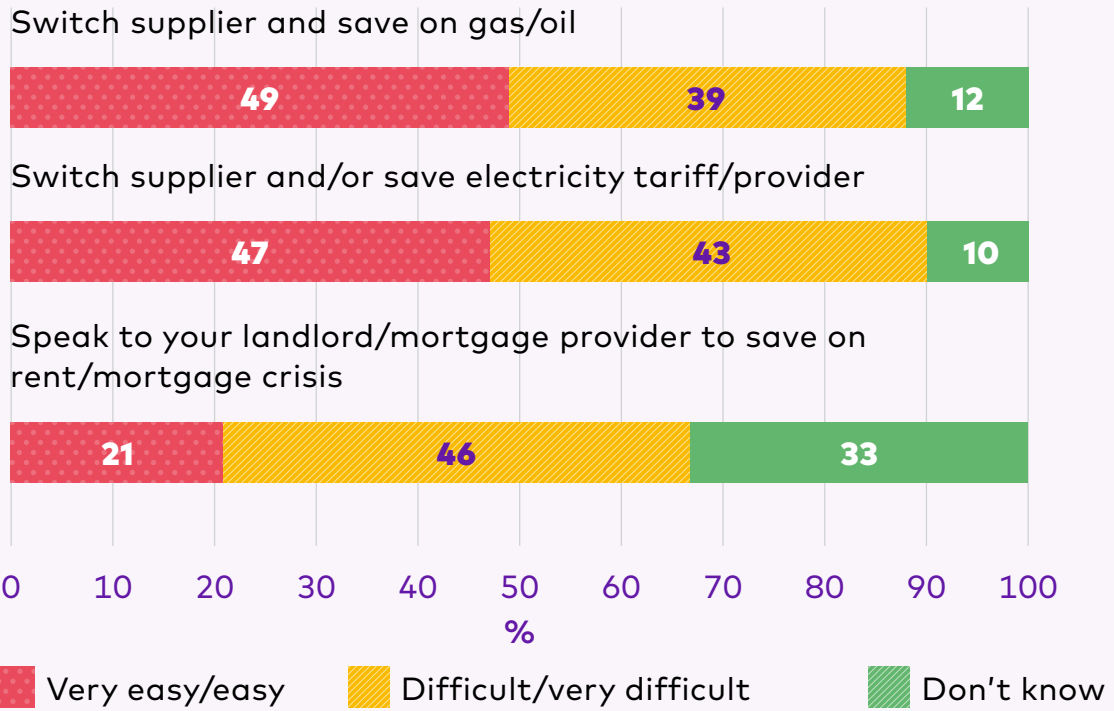
Consumers were presented with several activities associated with saving money and were asked if they believed each to be easy or difficult.

Figure 8 shows consumers were more likely to find it very easy or easy to shop around to save money on food/groceries (74%); petrol/diesel (64%); research best ticket prices for public transport (55%); and switch provider or contract to save on mobile phone usage (55%).

The activities felt to be more difficult included speaking to their landlord or mortgage provider to save on rent/mortgage costs (46%) and switching supplier or tariff to save on electricity costs (43%).

Figure 8: How easy or difficult do you think it is to undertake the following activities? (n=1033)





Common characteristics that make it difficult

When asked what makes an area of spend difficult to shop around for, or to switch providers, consumers' perceptions and responses can be grouped as follows:

- Not enough competition/difference between providers to make it worthwhile
- Too time consuming
- Too complicated to compare the difference between providers
- Too technological to ascertain value for money
- Fear of losing power, telecommunications, direct debit mix-ups etc
- Fear of making the wrong choice such as the price dropping after the switch
- Costs associated with shopping around such as driving around for cheaper fuel
- Being locked into a contract or facing exit fees
- Company/service provider not having easy communication channels including overseas call centres.

Common characteristics that make it easy

Conversely, when asked what makes shopping around or switching provider easy, the following characteristics emerged. These were either already in existence, or represent what consumers would like to see in place:

- Existence of a trusted and easy comparison website or app
- Clear pricing structure
- Loyalty discounts
- Easy switching (and cancellation) process
- Improved communication channels
- Price controls
- Greater choice of provider
- Lack of price-fixing.

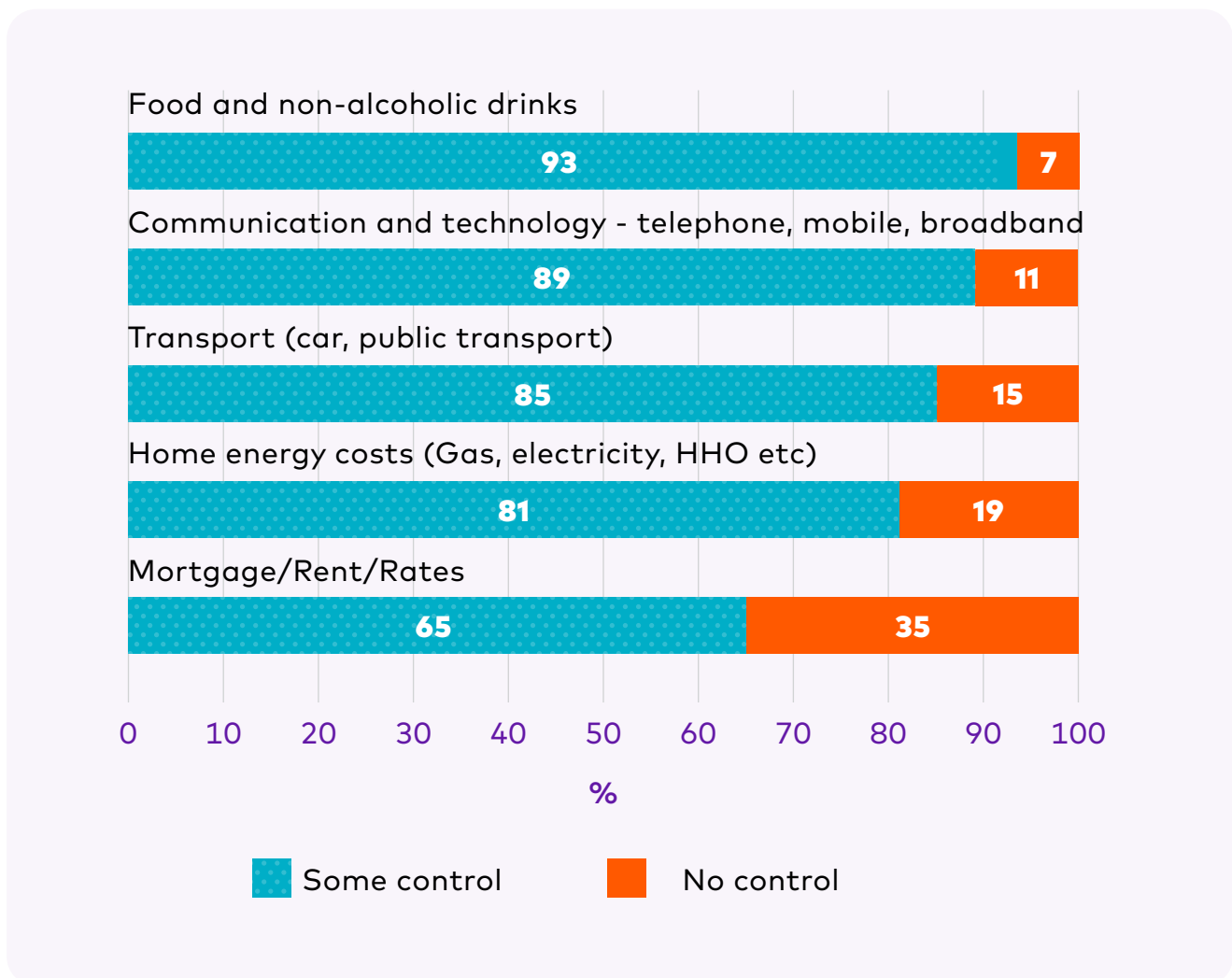


Control over spending on basics

Consumers were asked how much control they feel they have over different areas of their household spending, which is closely related to how easy or difficult they find it to shop around and switch.

Figure 9 shows that most (93%) consumers believe they have some degree of control over their spending on food and non-alcoholic drinks. Spending on communication and technology is another area where a high percentage (89%) believe they have some control.

Figure 9: How much control do you have over your spending on? (n=1033)

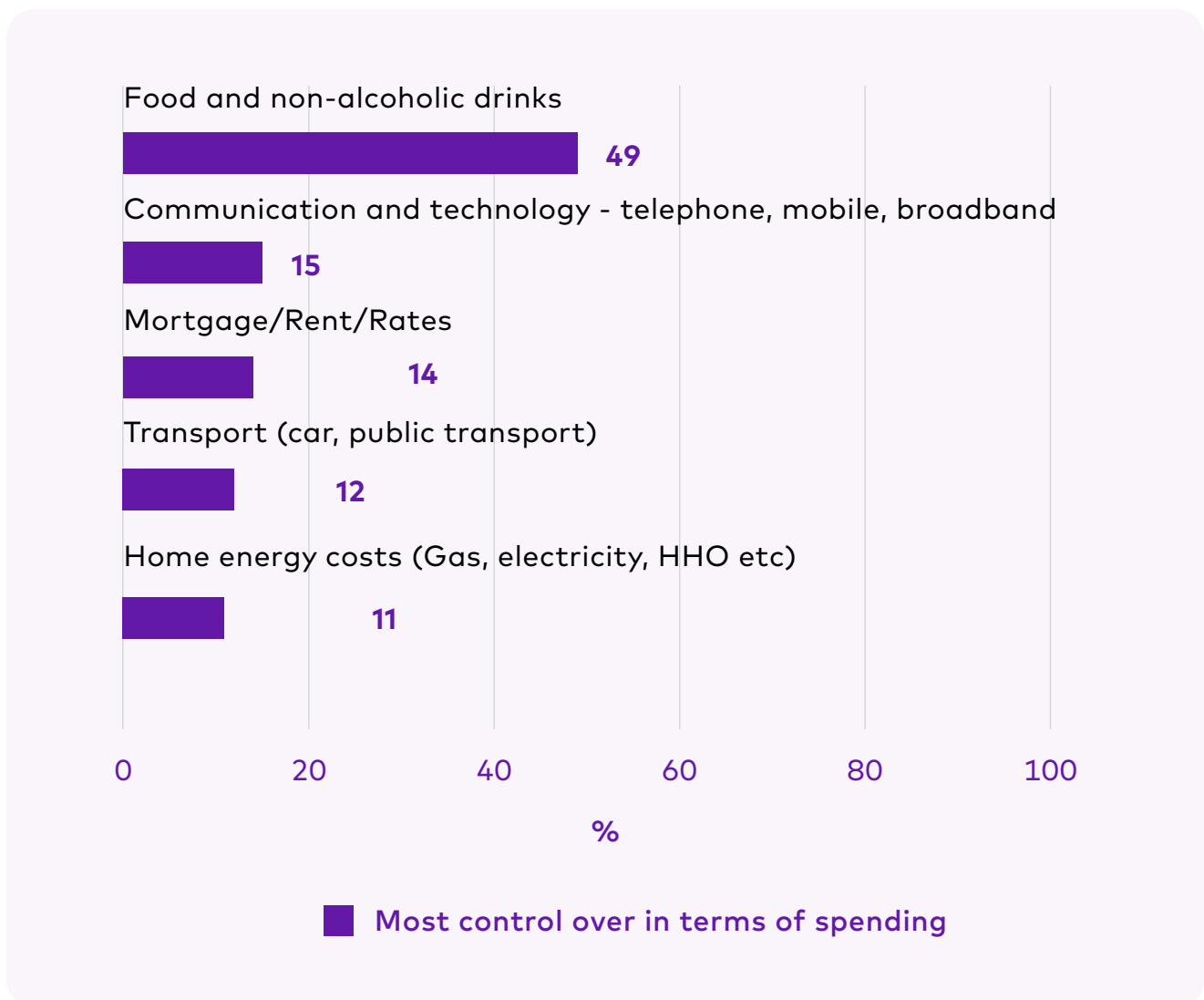


Areas where consumers feel they have most and least control over spending

Consumers were asked to say which household essentials they believe they have most control over in terms of spending.

Figure 10 shows that consumers most commonly (49%) believe they have most control over their spending on food and non-alcoholic drinks, with relatively few consumers saying they have control over their spending in other areas (e.g. home energy costs, 11%).

Figure 10: Of each of the following, which do you feel you have most control over in terms of spending? (n=1033)



Focus on food – consumer impacts

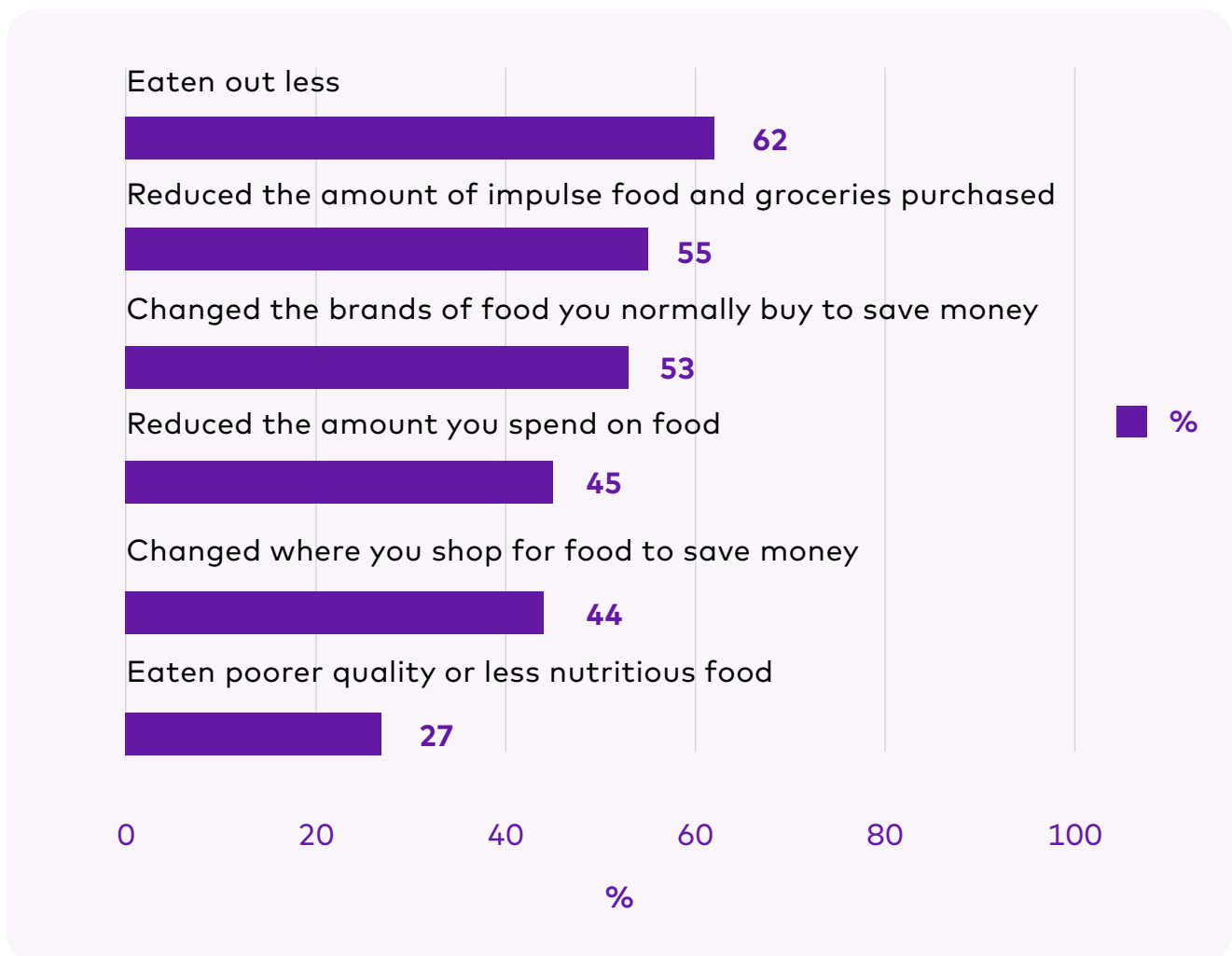
Consumers were asked if they had done anything in the last 12 months to reduce the cost of their food shopping.

Figure 11 shows that almost two-thirds of consumers reported eating out less (62%), over half (55%) reduced the amount of impulse food and groceries purchased, and over half (53%) changed to less expensive brands of food.

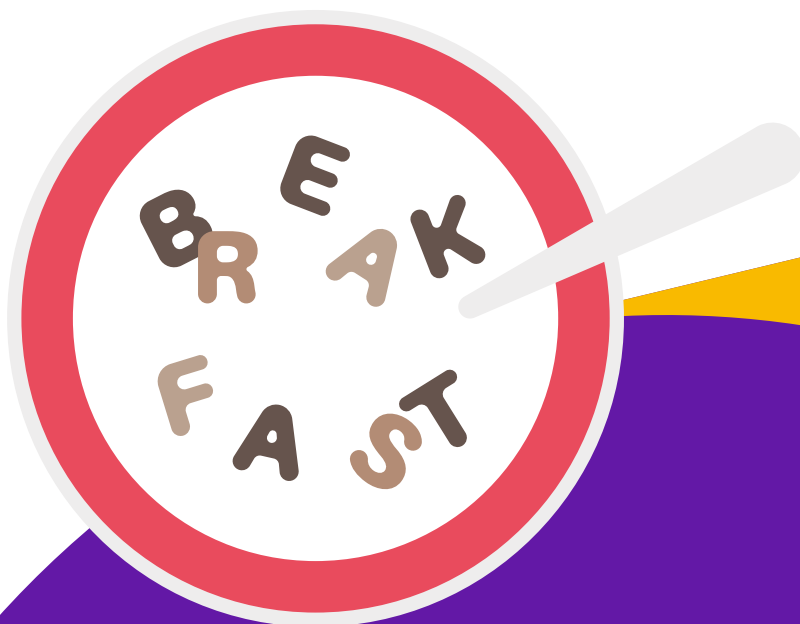
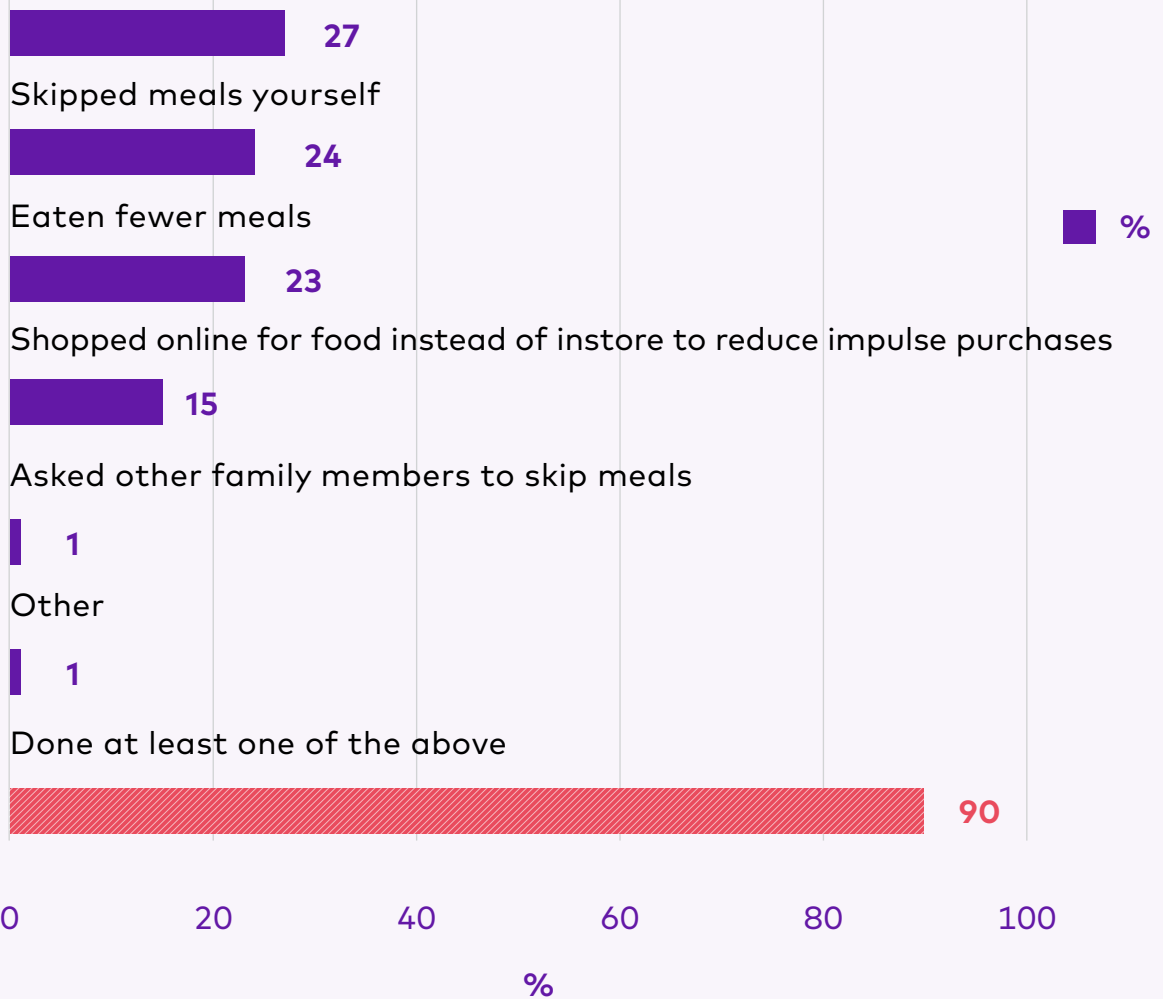
Approximately one in four consumers said they have eaten poorer quality or less nutritious food (27%) to cut the cost of their food bills. 24% had reduced the portion size of their meals, or skipped meals altogether, and 23% had eaten on fewer occasions throughout the day. Shopping online was another way in which consumers sought to reduce impulse buys and monitor their spending (15%).

Overall, nine out of ten (90%) consumers reported taking at least one of the actions in the last 12 months.

Figure 11: Please say if you have done any of the following in the last 12 months to cut the cost of basics (base=1033)



Reduced portion size/how much you eat during meals



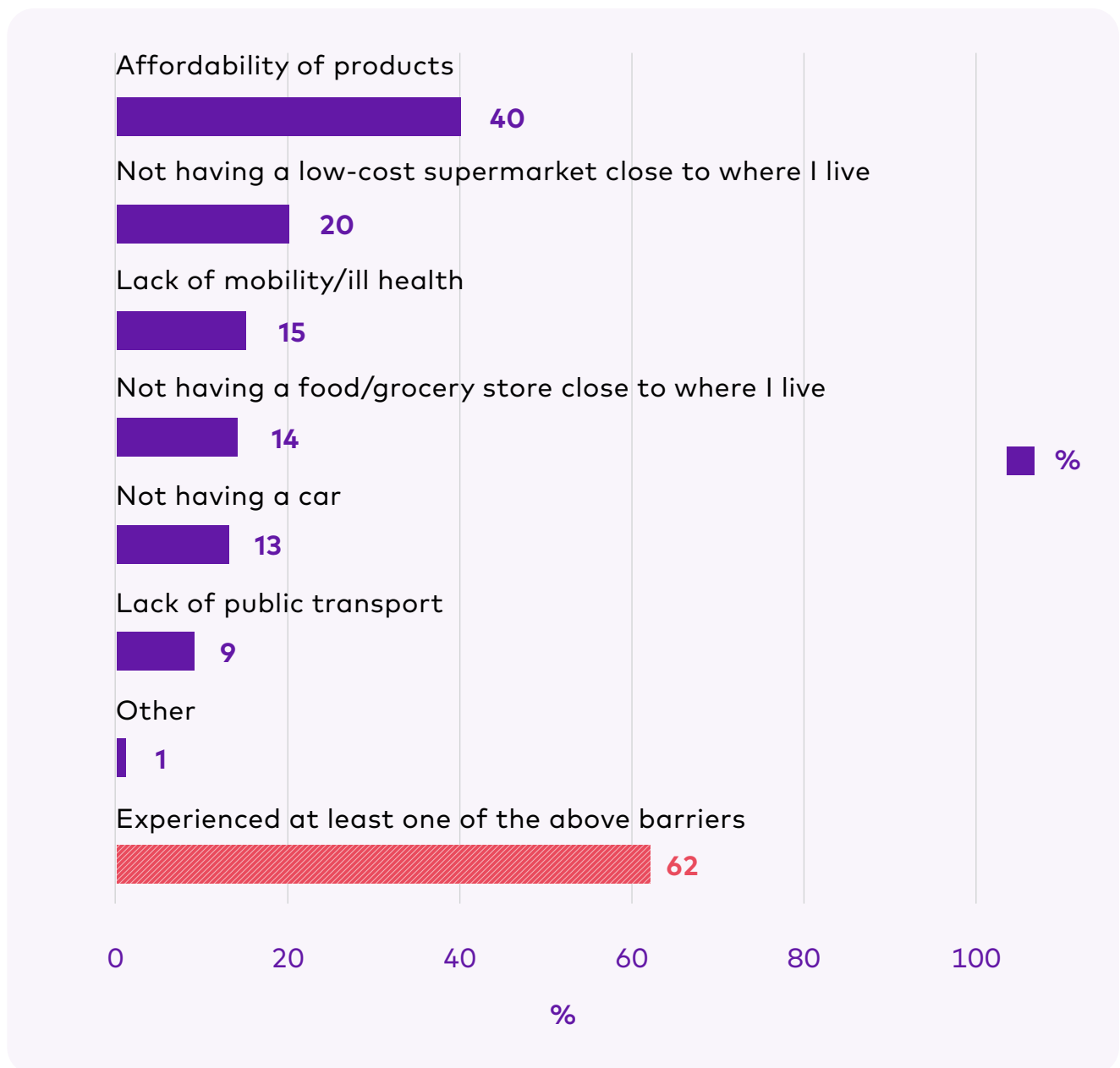
Barriers when shopping around for best value in food shopping

Consumers were asked if they had experienced any barriers when shopping around for best value in their food shopping.

Figure 12 shows that affordability of products was the most common barrier (40%) followed by not having access to a low-cost supermarket (20%), and lack of mobility/ill health (15%).

Almost two-thirds (62%) of consumers had experienced at least one of the barriers listed.

Figure 12: Have you experienced any the following barriers when shopping around for the best value in your food shopping? (base=1033)

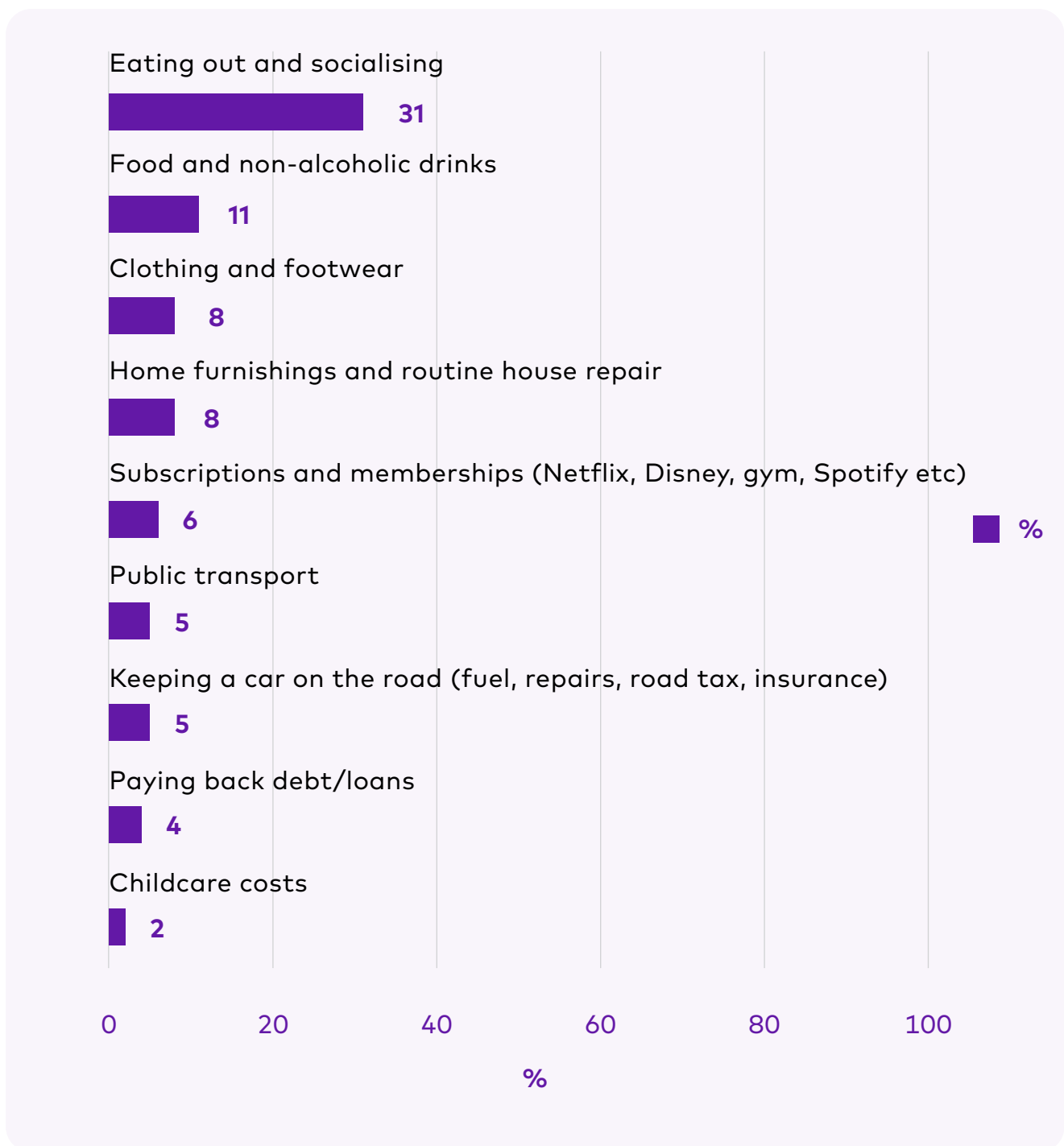


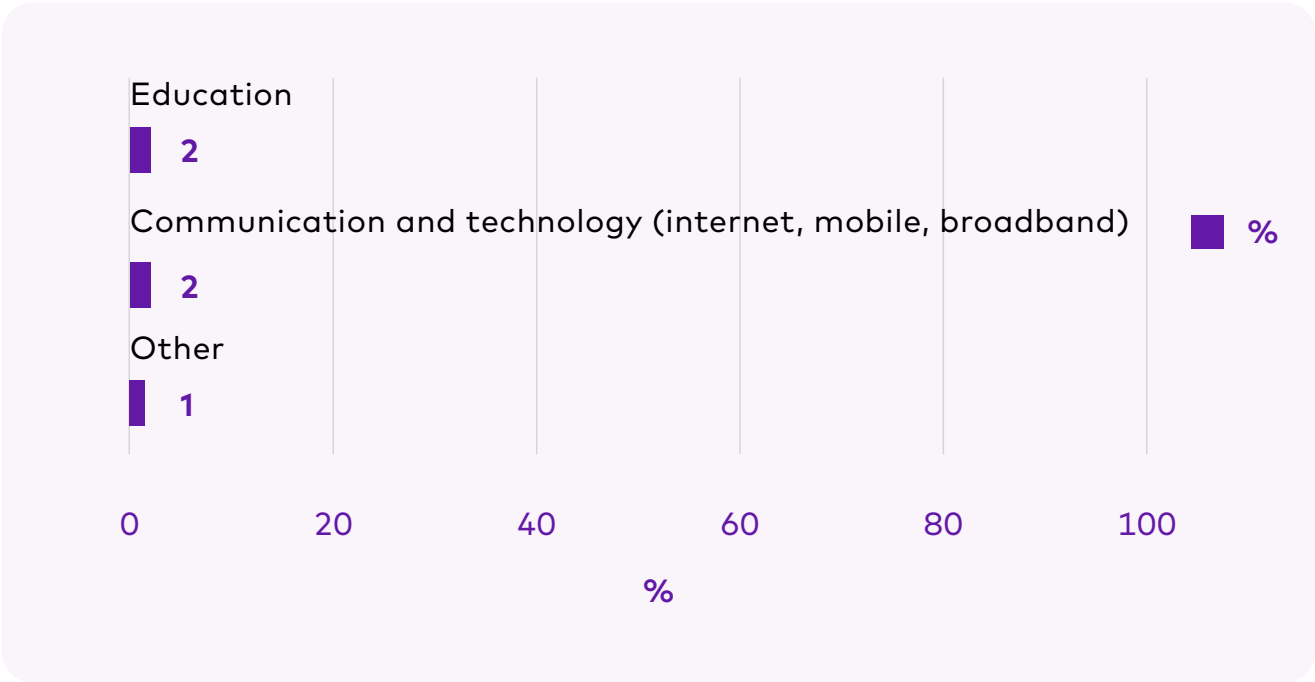
Impacts on health and wellbeing

Consumers who had cut back on their spending in the last 12 months (N=899) were asked which area of reduced household spending had the greatest impact on them.

Figure 13 shows almost a third (31%) of consumers said that cutting back on eating out and socialising had the greatest impact on them.

Figure 13: You said that you have cut back your spending on the following areas. Which of these areas has had the greatest impact on your household? (base=899)





Cutting back on food and non-alcoholic drinks

Cutting back on food and drinks has enabled consumers to save some money, but this has come at a cost to a healthy, nutritionally adequate diet.



Eating out and socialising less

Some consumers believed cutting back in this area had a positive impact:

"I moved from a city where I was eating out every day to the countryside where I had to either travel 15 minutes to eat out or just cook what I had at home so saved a lot of money."

"By not eating out as much I have been able to afford the heavy increases in grocery prices."

"It has had the greatest impact on my household as I previously spent a significant amount on these activities, but no longer do, as I realised how much money I was spending and that it could be better invested elsewhere, especially during a cost-of-living crisis."

However, for others, not eating out or socialising as much has been blamed for more negative impacts. With fewer opportunities to socialise, some consumers reported stress and a feeling of isolation, which has contributed to poor mental health.

"I used to look forward to eating a meal at a restaurant but now can't afford to."

"Eating out and socialising less has meant no time to unwind and relax and has led to more tension in the home."

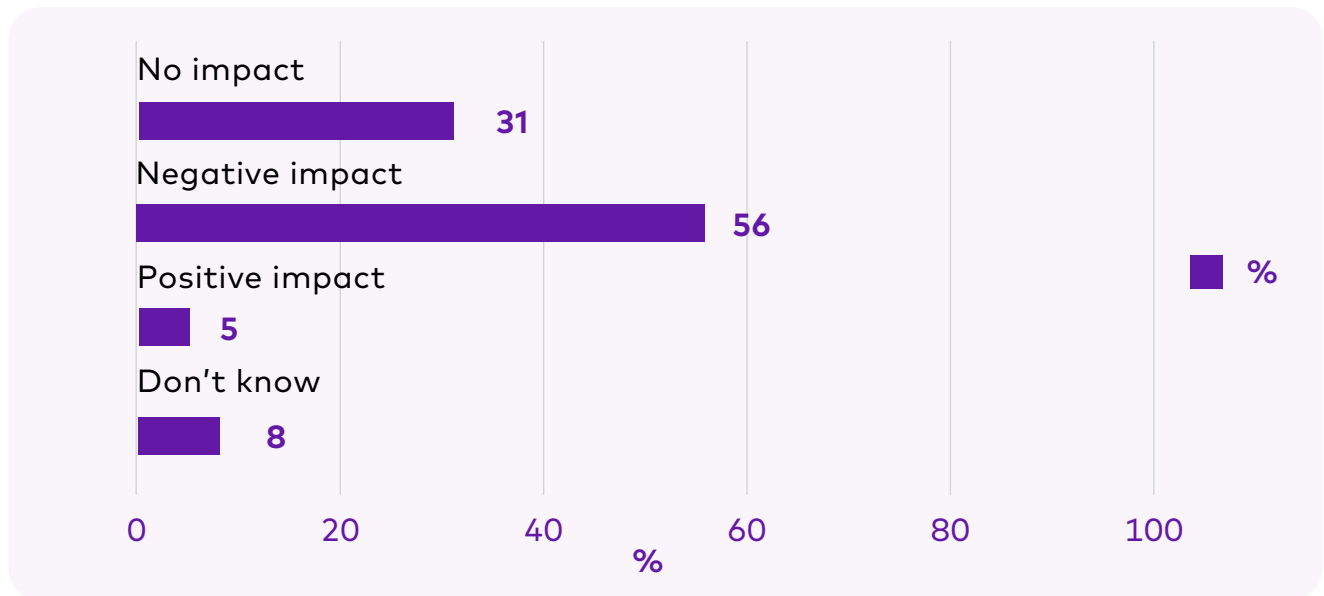
"It takes the pleasure out of life."

"It has made me feel very isolated and negatively affected my mental health."

Impact of current cost of basics on mental health

Figure 14 shows that although 31% of consumers said that the current cost of basics has had no impact on their mental health, over half (56%) said that the impact has been negative.

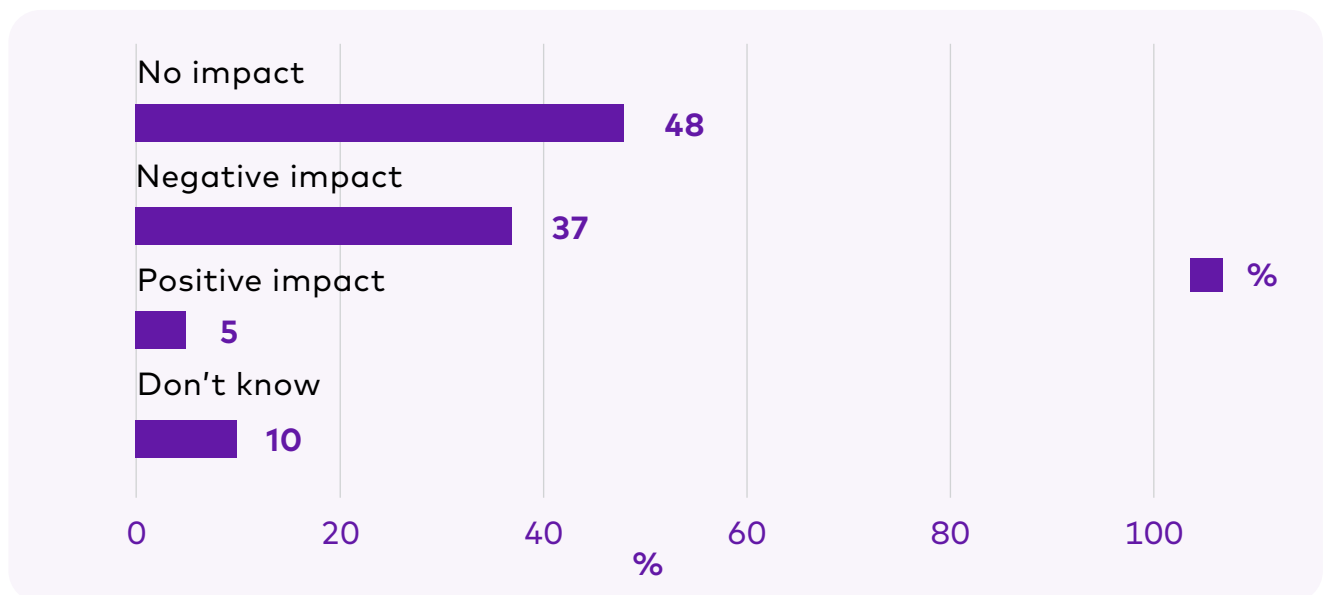
Figure 14: Please say what impact, if any, the current cost of basics is having on your mental health? (base=1033)



Impact of current cost of basics on physical health

It is not only mental health that has been affected. Figure 15 shows that whilst under half (48%) of consumers said the current cost of basics has not had an impact on their physical health, over a third (37%) said it has been negatively impacted.

Figure 15: Please say what impact, if any, the current cost of basics is having on your physical health? (base=1033)



Specific impacts of current cost of basics on mental or physical health

Consumers who said that the current cost of basics has had a negative impact on either their mental or physical health (n=603), were asked to say more about how they have been affected.

"It's very depressing when affording things is a struggle. Especially when you have young children."

"Worrying about lack of money stresses me out and makes my mental and physical disabilities worse."

"It's just the worry about being able to afford the basics and worry that the quantity and quality of what I am buying is so poor".

"The stress and strain of worrying about providing even the most basics and the continued escalating prices."

"I'm putting on weight because of unhealthy food, I'm having depressive thoughts, I'm constantly worrying about providing the basics for my family."

"Not being able to get out and about as much as I would like effects my mental health which in turn effects my physical health."

"I am stressed out constantly just wanting to give the kids comfortable living and a happy childhood, but I can't afford to do anything with them or buy them what they want and what their friends are getting. My kids can't have very much at all, and it leaves you feeling beat. I just want to provide right for them. If I was fit to work, I would be straight to it but it's a vicious cycle as this situation is causing my mental health to deteriorate so much."

Impact of cost of basics on priority groups and vulnerable consumers

The following section looks specifically at consumers who are classed as being vulnerable or at a social disadvantage, and how they are coping with the current cost of basics.

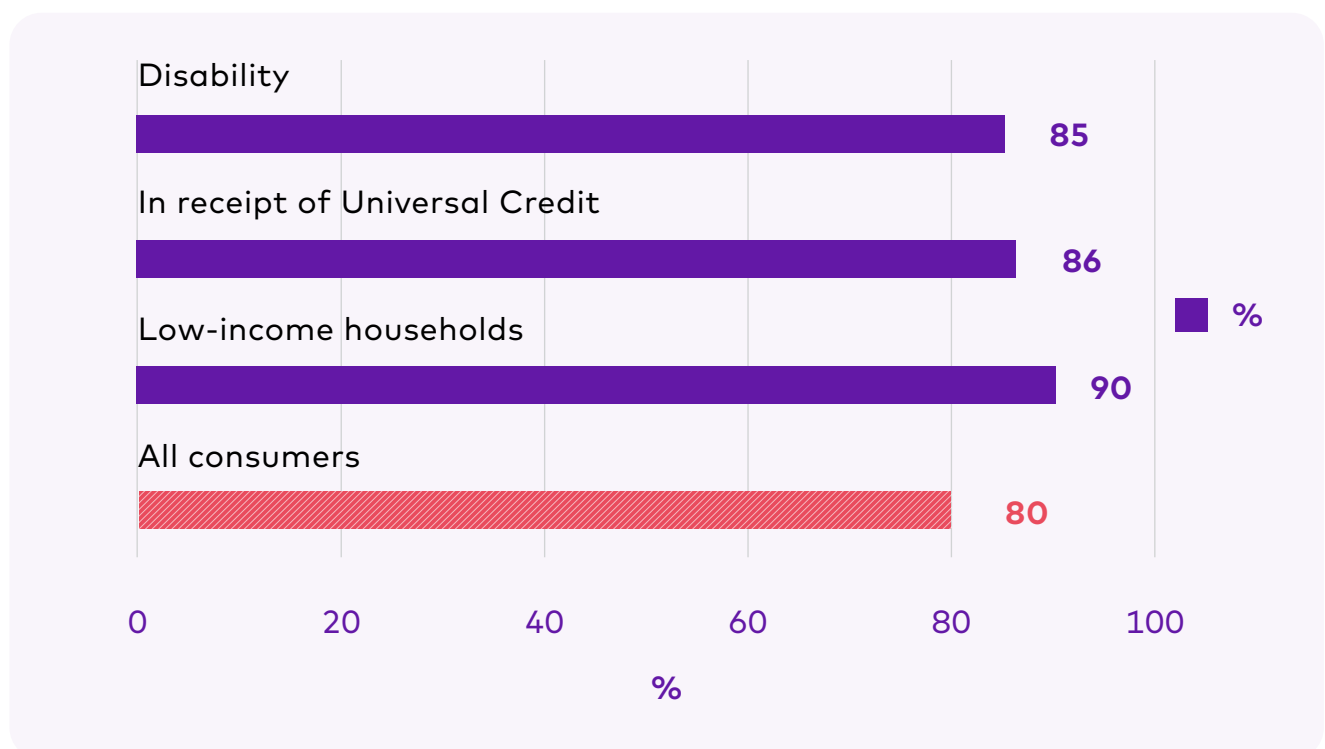
Concern about the cost of basics

Most consumers said they are concerned about the affordability of everyday basics; however, this concern is being felt more keenly by consumers in vulnerable circumstances.

Consumers from low-income households³, or those in receipt of Universal Credit, have shown higher levels of concern for certain areas of essential household spend in comparison to the general population.

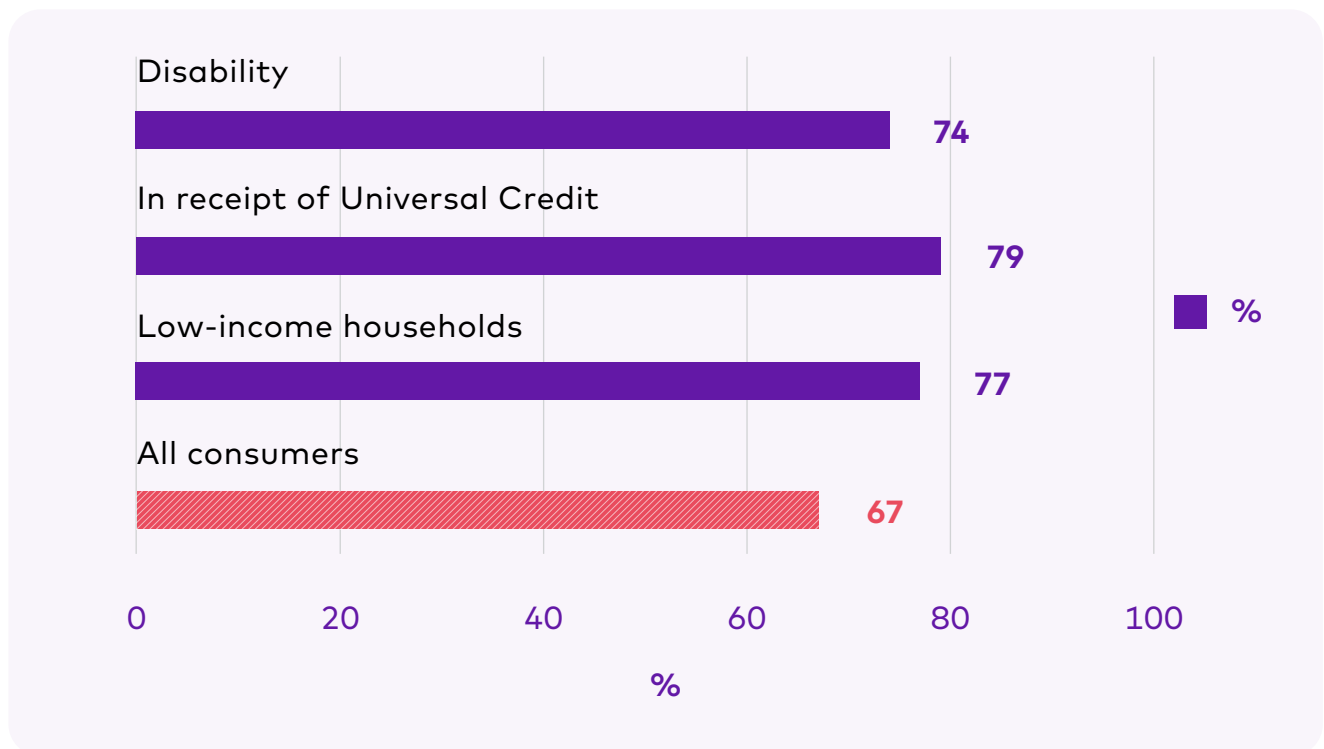
Consumers with a disability are experiencing higher levels of concern about food and non-alcoholic drinks (see Figure 16), and communication and technology (see Figure 17).

Figure 16: Concerned about being able to afford food and non-alcoholic drinks (base=1033)



³ Low-income households are defined as having a total household income of less than 60% of the median income i.e. £333 per week or £17,364 per annum after paying housing expenses (<https://www.gov.uk/government/statistics>).

Figure 17: Concerned about being able to afford communication and technology (base=1033)



This research has also highlighted the impact on consumers in urban areas that we had not previously been aware of. Consumers living in urban areas expressed high levels of concern about mortgage/rent/rates (see Figure 18), and home energy costs (see Figure 19), in comparison to those those living in rural areas.

Figure 18: Concerned about being able to afford mortgage/rent/rates (base=1033)

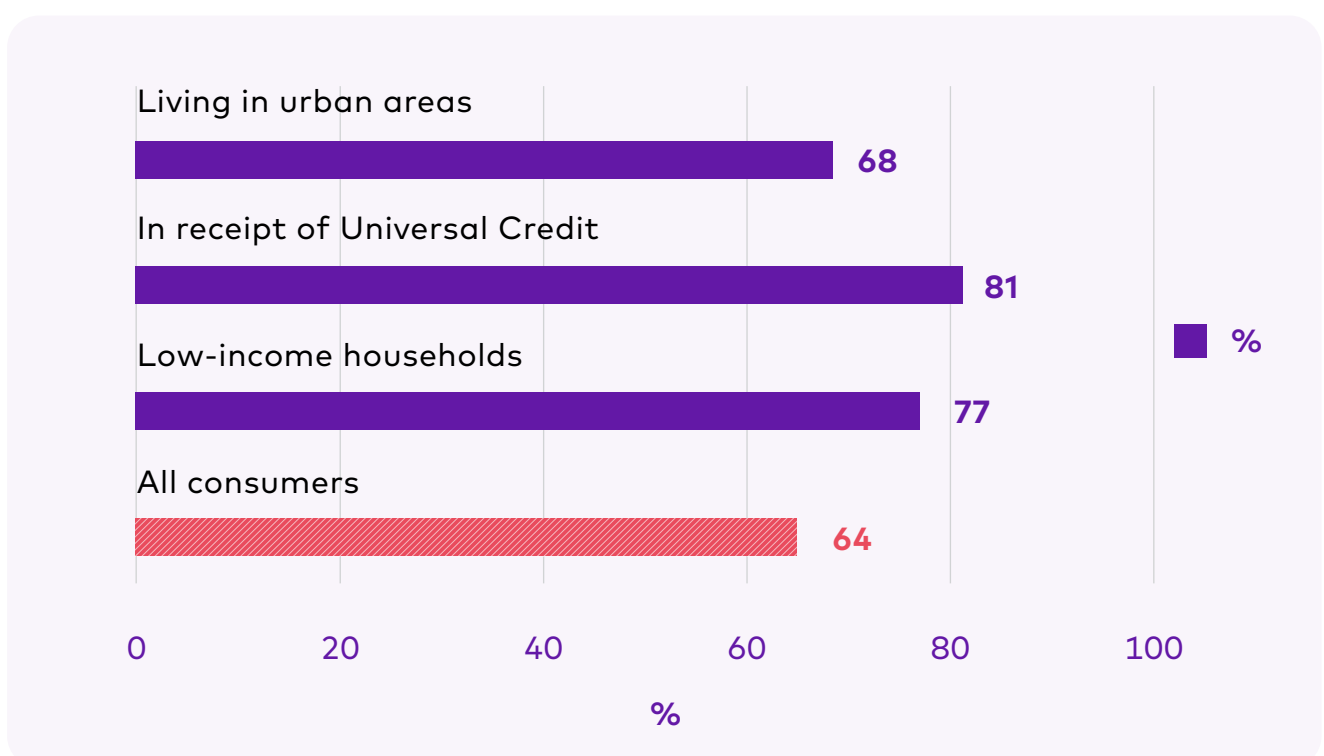
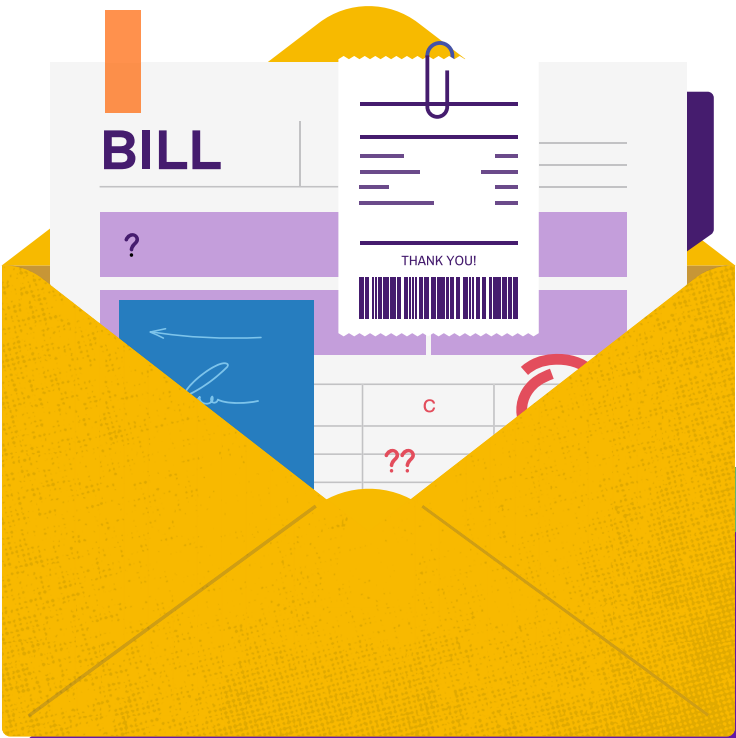
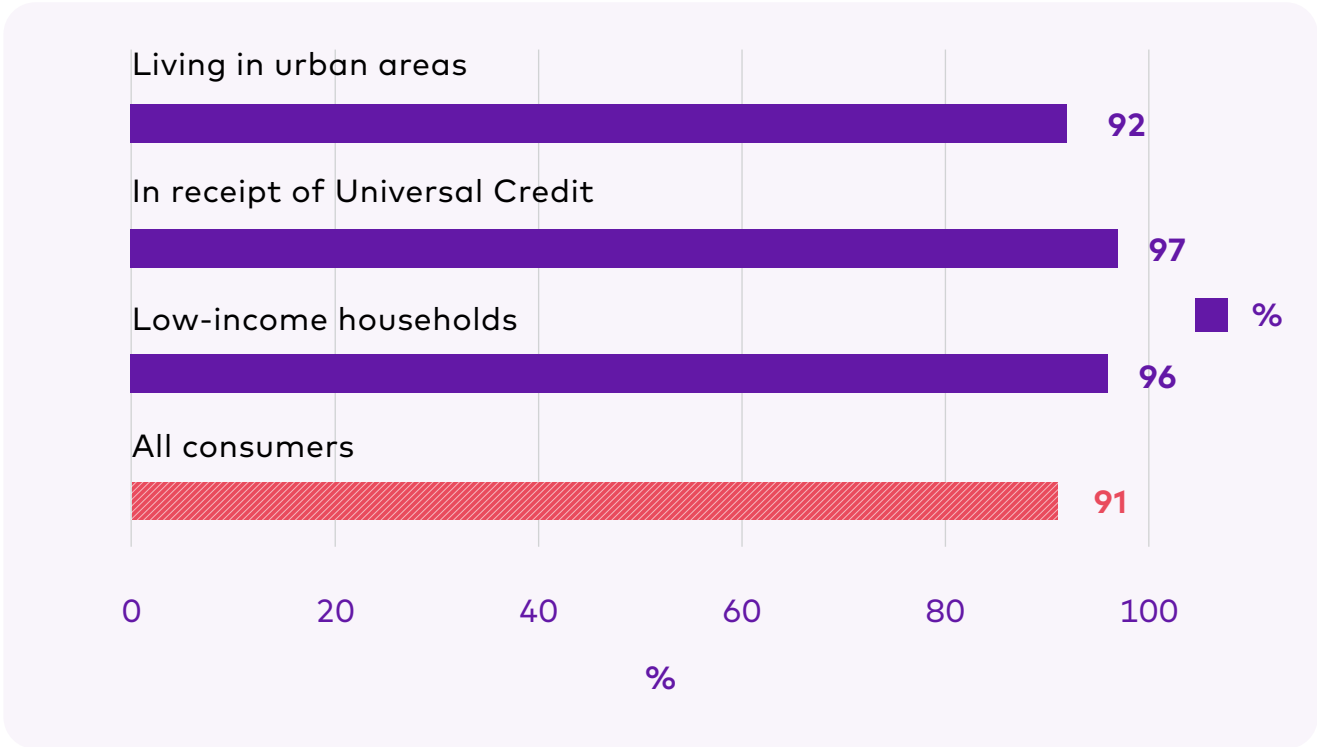


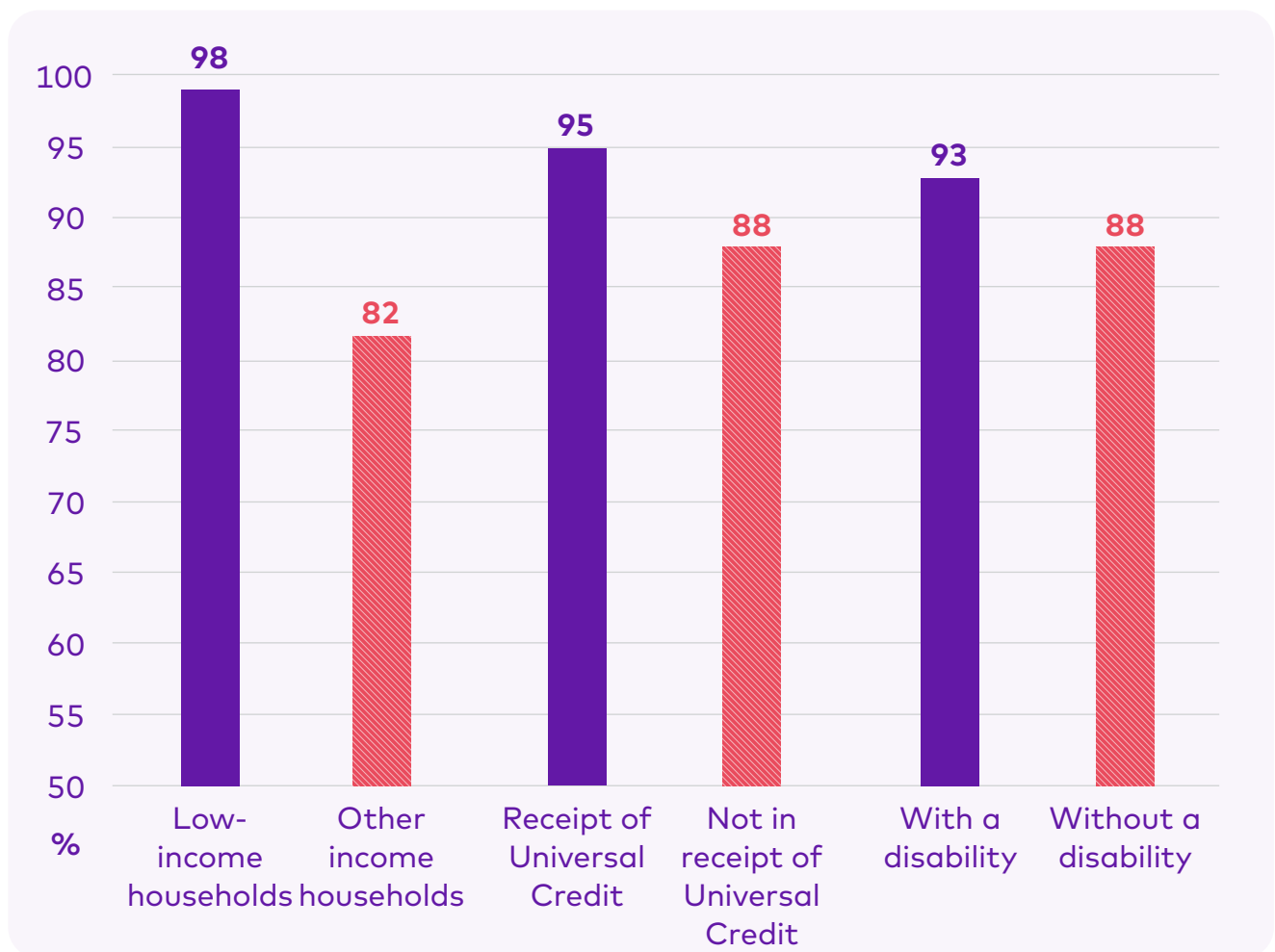
Figure 19: Concerned about energy costs (base=1033)



Actions taken and barriers faced

As has already been shown, consumers in general are adopting different coping strategies to try and manage the increased cost of food. While most have implemented at least one strategy, consumers from low-income households, those in receipt of Universal Credit, and those who have a disability are even more likely to have undertaken activities such as eating out less, reducing the amount of impulse food purchases, and changing to less expensive brands.

Figure 20: Taken at least one action in last 12 months to cut the cost of basics (base=1033)

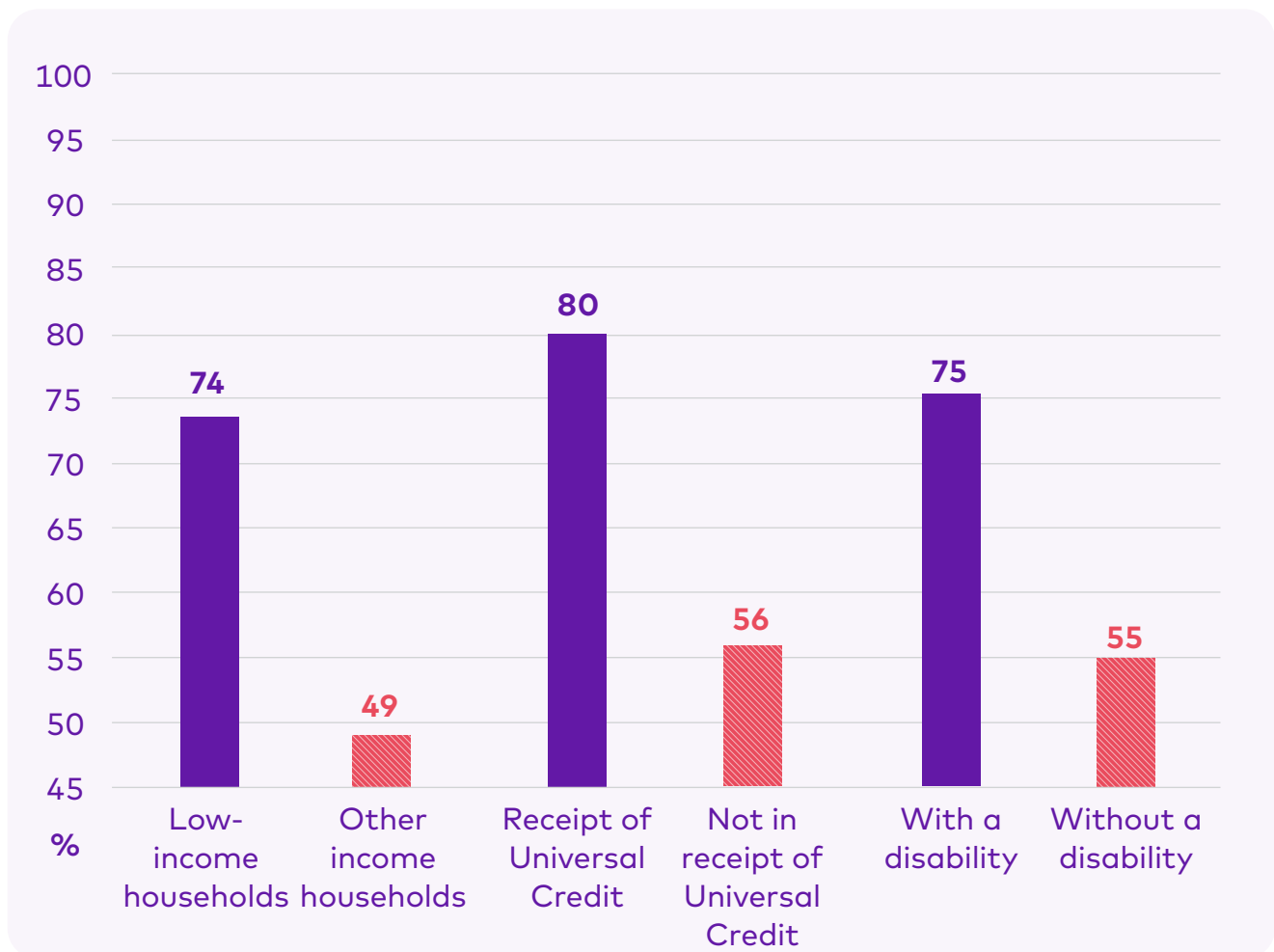


While this research has shown food is an area of spending consumers feel they have the most control over, many are facing barriers when trying to access good quality and affordable food.

Vulnerable consumers are more likely to face these barriers when trying to cut the costs of basics, with those from low-income households, those in receipt of Universal Credit, or those with disability more likely to have experienced at least one barrier.


As with the overall survey, the most common barriers experienced by these groups are the lack of affordability of products, not having a low-cost supermarket nearby, and lack of mobility or ill health.

Figure 21: Experienced any barriers when shopping around for the best value in your food shopping (base=1033)



Impact on health

With vulnerable consumers more likely to have taken action to cut costs, and more likely to face barriers when trying to do so, there have been consequences in terms of sacrifices on quality and/or quantity which is taking its toll on physical and mental health.



"I have constant worry and stress as to how and where to source affordable food and other items, which takes a lot of time and energy. Also, I am stressed about having to constantly prepare ahead of time, make sure I budget well, and at the same time, carry anxiety over the thought of an unexpected bill."

"I just worry all the time about not being able to afford things. I've just finished paying credit card debts off and I've had to use cards again to pay for diesel for my car, get groceries and buy the kids their back-to-school supplies."

"I am constantly worrying about being able to make the money stretch and when I need to clothe my child. Stress also comes along with all this which can in turn effect my sleep."

"I suffer from a brain tumour and the stress and anxiety attributed to current costs means I am having more seizures on a daily basis. The house isn't as warm as it should be, so my pain is worse and this all impacts my mental health in a negative way. Sometimes feeling waking up is horrible."

Figure 22: Cost of basics is having a negative impact on physical health (base=1033)

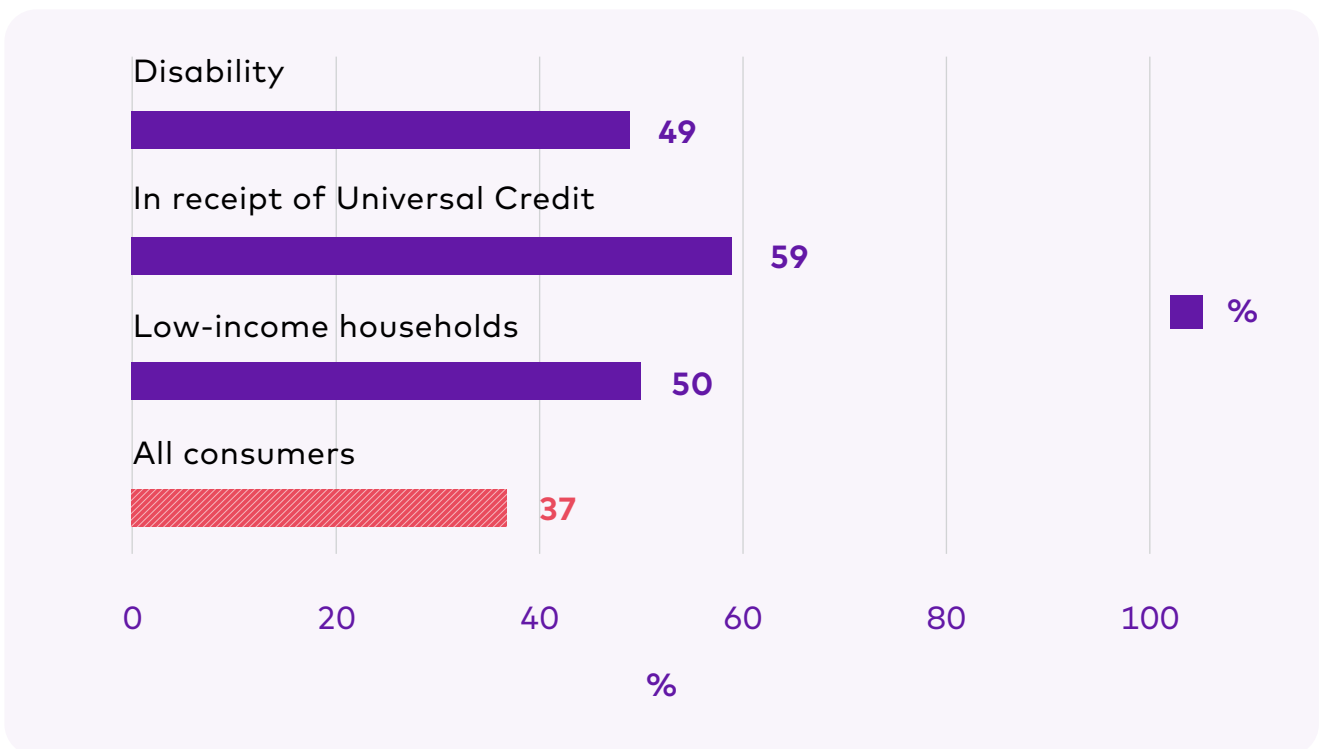
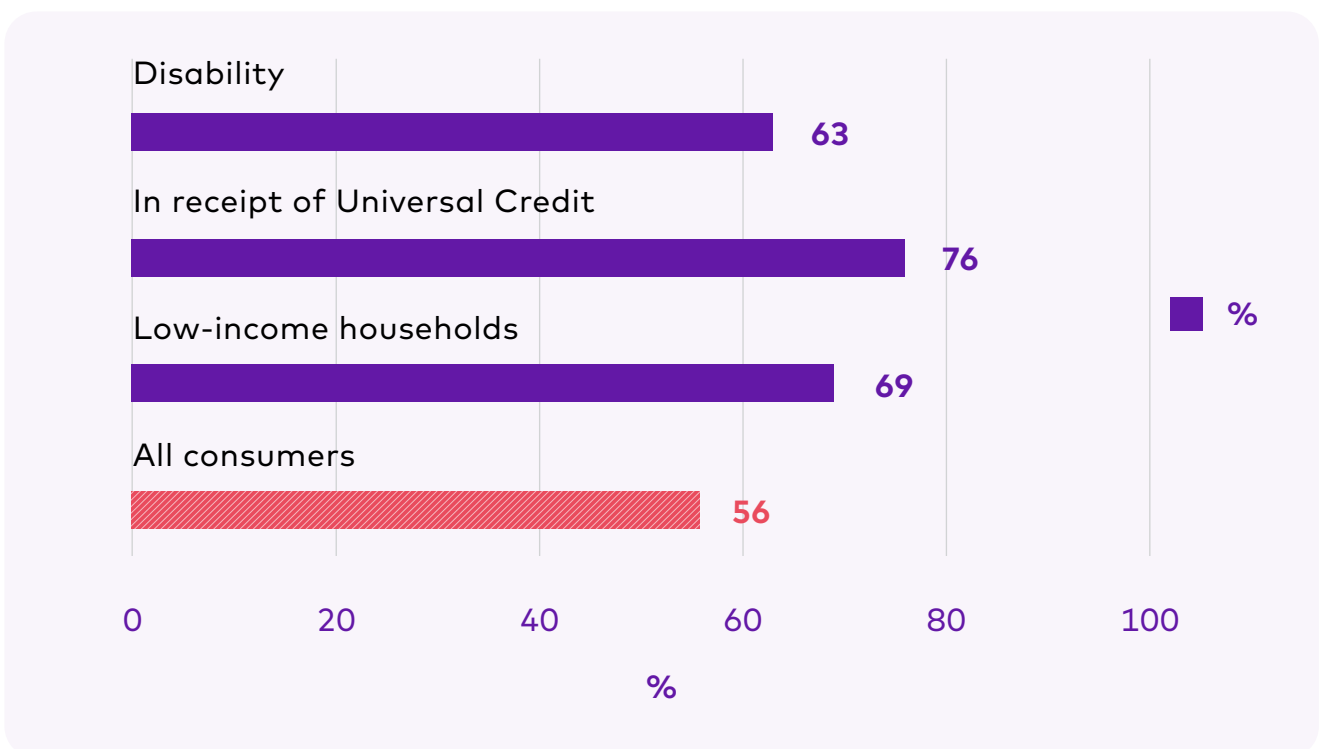


Figure 23: Cost of basics is having a negative impact on mental health (base=1033)





Conclusion

What this research shows is that we cannot take at face value the positive and confident responses we tend to receive when we ask how able consumers are to cope with rising food costs. Yes, it's clear this is an area of spend that is easier to cut back on when budgets are tight, but for many, this response masks the negative impacts that come with these cutbacks, that affect them physically, mentally and emotionally.

In the case of food, it is sobering how many consumers talk about the food choices they are being forced to make, including cutting back on the quality and quantity of food they consume. It is alarming to hear words like malnourishment, and also concerning the amount of people that are having to use their savings (38%), take out additional credit (15%), including high-cost credit such as BNPL (8%). A further 6% report using food banks, whilst 3% say they have resorted to illegal money lenders to feed themselves and keep up with their basic and fundamental needs. These figures may not reflect the full scale of this issue due to perceived stigma.

In areas where consumers believe there is less market competition, for example, energy and rent and rates, consumers feel much less in control. Some consumers reported trying to compare energy prices, however many find the task complicated. Researching comparisons and making choices is also found to be too challenging for some and is something they avoid. Furthermore, consumers think energy tariffs are quite volatile and worry they may make a change to a lower tariff only to find that the provider they left brings down their prices a short time later.

In other spending areas consumers can find their choices and their control over budgetary areas is limited. Tenants in private rented accommodation worry that approaching their landlord to try to reduce their rent would only have negative consequences and potentially lead to eviction.

Some consumers feel that approaching internet/broadband suppliers and banks and building societies results in them being drawn into complex conversations, having to make difficult decisions and being upsold products they don't want.

There appears, therefore, to be several elements that contribute to consumers feeling the areas of spending over which they have most control are in food and household shopping. The frequency with which they undertake this activity, the competition in the marketplace and the relatively easy manner in which it is possible to compare and make choices contribute to this sense of control.

Whilst being able to make frequent choices engenders a sense of control in food and household shopping, the choices that people are making feel enforced due to high prices. Most would prefer to be able to choose better quality food, for example, rather than having to buy the lowest cost items. Any consumer satisfaction gained by having an element of choice is, therefore, compromised by the fact that most choices are in a downward direction towards poorer quality and of less nutritional value.

This is having a negative effect on quality of life, with consumers feeling everything revolves around looking after every penny. On top of this, opportunities for social participation and enjoyment are being severely limited because so much focus is on being able to afford the basics of life. Indeed, consumers made frequent references to the negative impacts of the cost of basics on both physical and mental health. Families with children are under particular pressure and parents who are skipping meals and who cannot afford to feed and clothe their children were candid about the negative mental health they are suffering.



Appendix 1 – Questionnaire



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Preamble: This survey is being undertaken on behalf of the Consumer Council for Northern Ireland and the focus is on consumer opinion on the cost of basics. By 'cost of basics' we mean the cost associated with everyday living essentials such as housing, energy, food, transport and communications.

SECTION A: Cost of Basics

A1. How concerned are you about the cost of basics? **(Single Code)**

Very concerned	1
Concerned	2
Not very concerned	3
Not at all concerned	4
Don't know	5

A2. How concerned are you about being able to afford each of the following?
(Single code)

Very concerned	1
Concerned	2
Not very concerned	3
Not at all concerned	4
Don't know	5

A	Transport (car, public transport)
B	Food and non-alcoholic drinks
C	Communication and technology - telephone, mobile, broadband
D	Home energy costs (Gas, electricity, HHO etc)
E	Mortgage/Rent/Rates

A3. Please say if you are concerned about any other basic costs that are missing from the above list?

A4. How is your household coping with the current cost of basics? **(Single Code)**

Very well	1
Well	2
Not very well	3
Not at all well	4
Don't know	5

A5. Please say to what extent you agree or disagree with each of the following statements:

Strongly agree	1
Agree	2
Neither agree nor disagree	3
Disagree	4
Strongly disagree	5
Don't know	6

A	I am struggling to afford the cost of basics (e.g. food, energy, clothing etc.)
B	I am not concerned about my ability to cope with the cost of basics
C	I am worried that if the cost of basics stay as they are, I will be less able to cope in the future
D	My living standards have not been affected as a result of the rising cost of food
E	I try to hide my struggle to cope with the rising cost of basics from friends, family, children
F	I use my savings to cope with the cost of basics
G	My household is currently struggling with debt because of the cost of basics

Section B: Shopping Around, Switching and Saving to Save Money

B1. How much control do you have over your spending on?

A lot	1
A little	2
No control	3

A	Transport (car, public transport)
B	Food and non-alcoholic drinks
C	Communication and technology - telephone, mobile, broadband
D	Home energy costs (Gas, electricity, HHO etc)
E	Mortgage/Rent/Rates

B2. Of each of the following, which do you feel you have **most control over** in terms of spending? **(Single Code)**

Transport (car, public transport)	1
Food and non-alcoholic drinks	2
Communication and technology - telephone, mobile, broadband	3
Home energy costs (Gas, electricity, HHO etc)	4
Mortgage/Rent/Rates	5

B3. And which area do you feel you have **least control over** in terms of spending? **(Single Code)**

Transport (car, public transport)	1
Food and non-alcoholic drinks	2
Communication and technology - telephone, mobile, broadband	3
Home energy costs (Gas, electricity, HHO etc)	4
Mortgage/Rent/Rates	5

B4. In the last 12 months have you done any of the following?
(Please select all that apply)

Switched supplier and/or saved on electricity tariff/provider	1
Switched supplier and saved on gas/oil	2
Shopped around for petrol/diesel	3
Shopped around to save on food/groceries	4
Switched provider or contract and saved on mobile phone usage	5
Switched provider or contract and saved on internet/broadband	6
Switched to food shopping online	7
Buying own-brand online	8
Spoken to landlord/mortgage provider to save on rent/mortgage costs	9
Researched best ticket prices for public transport	10
Not done any of the above in the last 12 months	11

B5. How easy or difficult do you think it is to undertake the following activities?

Very easy	1
Easy	2
Difficult	3
Very difficult	4
Don't know	5

A	Switch supplier and/or save on electricity tariff/provider
B	Switch supplier and save on gas/oil
C	Shop around for petrol/diesel
D	Shop around to save on food/groceries
E	Switch provider or contract and save on mobile phone usage
F	Switch provider or contract and save on internet/broadband
G	Speak to your landlord/mortgage provider to save on rent/mortgage costs
H	Research best ticket prices for public transport

ASK IF ANY AT B5A TO B5F EQ 3 OR 4 AND MORE THAN ONE ITEM FLAGGED AS 3 OR 4 AT B5A TO B5F

B6. You said that it would be difficult or very difficult to do the following. Which of these would be most difficult?

ONLY DISPLAY OPTIONS LISTED AS EITHER DIFFICULT OR VERY DIFFICULT AT B5A TO B5F

Switch supplier and/or save on electricity tariff/provider	1
Switch supplier and save on gas/oil	2
Shop around for petrol/diesel	3
Shop around to save on food/groceries	4
Switch provider or contract and save on mobile phone usage	5
Switch provider or contract and save on internet/broadband	6
Speak to your landlord/mortgage provider to save on rent/mortgage costs	7
Research best ticket prices for public transport	8

ASK IF B6 LE 8 OR ONLY ONE ITEM AT B5A TO B5H FLAGGED AS 3 OR 4

B7. Why do you say that it would be difficult to [SUBSTITUTE FROM B6 OR FROM B5 IF ONLY ONE ITEM FLAGGED AS 3 OR 4 AT B5A TO B5H]?

B8. What would make it easier for you to [SUBSTITUTE FROM B6 OR FROM B5 IF ONLY ONE ITEM FLAGGED AS 3 OR 4 AT B5A TO B5H]?

ASK IF ANY AT B5A TO B5F EQ 1 OR 2 AND MORE THAN ONE ITEM FLAGGED AS 1 OR 2 AT B5A TO B5F

B9. You said that it would be easy or very easy to do the following.
Which of these would be easiest?

ONLY DISPLAY OPTIONS LISTED AS EITHER EASY OR VERY EASY AT B5A TO B5F

Switch supplier and/or save on electricity tariff/provider	1
Switch supplier and save on gas/oil	2
Shop around for petrol/diesel	3
Shop around to save on food/groceries	4
Switch provider or contract and save on mobile phone usage	5
Switch provider or contract and save on internet/broadband	6
Speak to your landlord/mortgage provider to save on rent/mortgage costs	7
Research best ticket prices for public transport	8

ASK IF B9 LE 8 OR ONLY ONE ITEM AT B5A TO B5H FLAGGED AS 1 OR 2

B10. Why do you say that it would be easy to
[SUBSTITUTE FROM B9 OR FROM B5 IF ONLY ONE ITEM FLAGGED AS 1 or 2 AT B5A TO B5H]?

Section C: Shopping for Food and Groceries

C1. How do you do the majority of your food shopping? **(Single code)**

Mostly in-store	1
Mostly online	2
Don't know	3

ASK IF C1 EQ 1

C2. Why do you mostly do your food shopping in-store? **(Please select all that apply)**

Because it is easy for me to get to a supermarket/large store	1
Because I like to be inspired by products and deals on offer	2
Because I want to ensure I am getting the best use-by dates on things	3
Because it is easier to shop around for best value	4
Because I enjoy the shopping experience	5
Because I don't have internet access to shop online	6
Because you have to spend a minimum amount to shop online	7
Other (please specify)	8

ASK IF C1 EQ 2

C3. Why do you mostly do your food shopping online? **(Please select all that apply)**

Because it is difficult for me to get to a supermarket/large store	1
Because I like to research products and deals on offer	2
Because I have mobility issues due to age, disability or a long-term health condition	3
Because it is easier to shop around for best value	4
Because I find it easier to monitor my spending and avoid impulse buys	5
Because I find it difficult shopping in-store when I have the kids with me	6
Other (please specify)	7

C4. Please say if you have done any of the following in the last 12 months to cut the cost of basics. **(Please select all that apply)**

Reduced the amount you spend on food	1
Reduced the amount of impulse food and groceries purchased	2
Changed where you shop for food to save money	3
Eaten out less	4
Skipped meals yourself	5
Asked other family members to skip meals	6
Changed the brands of food you normally buy to save money	7
Reduced portion size / how much you eat during meals	8
Eaten fewer meals	9
Shopped online for food instead of in-store to reduce impulse purchases	10
Eaten poorer quality or less nutritious food	11
Other (please specify)	12
Not done any of the above	14

C5. Have you experienced any the following barriers when shopping around for the best value in your food shopping? **(Please select all that apply)**

Affordability of products	1
Having a food / grocery store close to where I live	2
Having a low-cost supermarket close to where I live	3
Lack of public transport	4
Lack of mobility / ill health	5
Not having a car	6
Other (please specify)	7
Not experienced any of these barriers	8

Section D: Managing Household Expenditure

D1. Which areas in your household spending, if any, have you been able to cut back in the last 12 months? **(Please select all that apply)**

Keeping a car on the road (fuel, repairs, road tax, insurance)	1
Public transport	2
Food and non-alcoholic drinks	3
Home furnishings and routine house repair	4
Clothing and footwear	5
Communication and technology (internet, mobile, broadband)	6
Eating out and socialising	7
Subscriptions and memberships (Netflix, Disney, gym, Spotify etc)	8
Education	9
Childcare costs	10
Paying back debts/loans	11
Other (please specify)	13
There is no room to reduce spending on any of these areas	14
I have not had to cut back spending on any of these areas in the last 12 months	15

ASK IF MORE THAN ONE ITEM FLAGGED AT D1 AND D1 LE 13

D2. You said that you have cut back your spending on the following areas. Which of these areas has had the greatest impact on your household? **(Single Code)**

Keeping a car on the road (fuel, repairs, road tax, insurance)	1
Public transport	2
Food and non-alcoholic drinks	3
Home furnishings and routine house repair	4
Clothing and footwear	5
Communication and technology (internet, mobile, broadband)	6
Eating out and socialising	7
Subscriptions and memberships (Netflix, Disney, gym, Spotify etc)	8
Education	9
Childcare costs	10
Paying back debts/loans	11
Other (please specify)	13

ASK IF D2 LE 13 OR D1 LE 13 AND ONLY ONE ITEM FLAGGED AT D1

D3. Why has cutting back on spending on [SUBSTITUTE FROM D2 OR FROM D1 IF D1 LE 13 AND ONLY ONE ITEM FLAGGED AT D1] had the greatest impact on your household?

D4. If your household had £20 left to spend at the end of each week (after all the essentials had been paid), which of the following would you be most likely to spend it on? **(Single code)**

Keeping a car on the road (fuel, repairs, road tax, insurance)	1
Public transport	2
Food and non-alcoholic drinks	3
Home furnishings and routine house repair	4
Clothing and footwear	5
Communication and technology (internet, mobile, broadband)	6
Eating out and socialising	7
Subscriptions and memberships (Netflix, Disney, gym, Spotify etc)	8
Education	9
Childcare costs	10
Paying back debts/loans	11
Contribute to savings	12
Other (please specify)	13

D5. Why would you spend the money on this area?

D6. What impact would spending £20 more a week on this area have on your household?

Section E: Health and Wellbeing

E1. Please say what impact, if any, the current cost of basics is having on your mental health? **(Single Code)**

No impact	1
Negative impact	2
Positive impact	3
Don't know	4

E2. Please say what impact, if any, the current cost of basics is having on your physical health? **(Single Code)**

No impact	1
Negative impact	2
Positive impact	3
Don't know	4

ASK IF E1 EQ 2 OR E2 EQ 2

E3. Please say why the current cost of basics has had a negative impact on your health.

Section F: About You

F1. Are you...? (Single Code)

Male	1	Female	2
------	---	--------	---

F2. What age are you?

F3. Does your household have any of the following? (Please select all that apply)

children aged under 18	1
children aged under 16	2
children aged under 11	3
None of the above	4

F4. Including you, how many adults live in your household?

F5. CAPTURE SEG (Single Code)

ABC1	1	C2DE	2
------	---	------	---

F6. What is your current employment status? (Single Code)

Self-employed	1
Working full-time	2
Working part-time	4
Seeking work for the first time	5
Unemployed, i.e. not working but actively seeking work	6
Not actively seeking work but would like to work	7
Not working and not seeking work	8
Looking after home and family	9
Unable to work due to permanent illness or disability	10
Student (full time)	11
Student (part time)	12
On a government or other training scheme / apprenticeship	13
Retired	14
Other (please specify)	15

F7. What is your highest educational qualification? **(Single Code)**

Degree Level or higher	1
BTEC (Higher), BEC (Higher), TEC (Higher), HNC, HND	2
GCE A 'Level (including NVQ Level 3)	3
BTEC (National), BEC (National), TEC (National), ONC, OND	4
GCSE (including NVQ Level 2), GCE O' Level (including CSE Grade 1), Senior Certificate, BTEC (General), BEC (General)	5
CSE (Other than Grade 1)	6
Other (Please specify)	7
No formal qualification	8
Prefer not to say	9

F8. Are your day-to-day activities limited because of a health problem or disability which has lasted or is expected to last, at least 12 months? Include problems which are due to ageing. **(Single Code)**

Yes, limited a lot	1
Yes, limited a little	2
No	3
Prefer not to say	4

F9. Which area do you live in? **(Single Code)**

Antrim and Newtownabbey Borough Council	1
Ards and North Down	2
Armagh City, Banbridge and Craigavon	3
Belfast	4
Causeway Coast and Glens	5
Derry and Strabane	6
Fermanagh and Omagh	7
Lisburn and Castlereagh	8
Mid and East Antrim	9
Mid Ulster	10
Newry, Mourne and Down	11

F10. What type of area do you live in? **(Single Code)**

City	1
A town	2
A village	3
Rural or countryside	4

F11. Could you please indicate the number that best describes **your total household income** per year (whether from employment, pensions, state benefits, investments, or any other sources) before the deduction of tax. **(Single code)**

Less than £10,000	1
£10,001 – £20,000	2
£20,001 – £30,000	3
£30,001 – £40,000	4
£40,001 – £50,000	5
£50,001 - £60,000	6
£60,001 - £70,000	7
£70,001 - £80,000	8
£80,001- £90,000	9
£90,001 - £99,999	10
£100,000+	11
Prefer not to answer/ Don't know	12

F12. After paying housing expenses (i.e. rent or mortgage), is your total household income below £333 per week or £17,364 per annum? **(Single Code)**

Yes	1
No	2
Don't know	3
Prefer not to say	4

F13. Do you have any caring responsibilities? **(Please select all that apply)**

Yes, for an elderly person (65+)	1
Yes, for an adult with a disability	2
Yes, for a child with a disability	3
No	4
Don't know	5
Prefer not to say	6

ASK IF F13 LE 3

F14. Does caring for an elderly person, adult with a disability or a child with a disability contribute to spending more on the cost of basics (i.e. everyday living essentials such as housing, energy, food, transport and communications). **(Single code)**

Yes	1	No	2
-----	---	----	---

ASK IF F14 EQ 1

F15. Please say what impact this extra expenditure has had on your household.

F16. Do you live in a single parent household? **(Single code)**

Yes	1
No	2
Prefer not to say	3

F17. Is your household in receipt of universal credit? **(Single Code)**

Yes	1
No	2
Don't know	3
Prefer not to say	9

F18. At the moment, how would your household be able to cope with the following unexpected bills?

	Would be able to cope with this without any difficulty	Would just about be able to cope with this but it would be difficult	Would not be able to cope with this at the moment
Replacing a washing machine that has broken down	1	2	3
Replacing a heating boiler that has broken down	1	2	3
Unexpected car repairs	1	2	3

F19. Is your household getting support from or doing any of the following to help with the current cost of basics? **(Please select all that apply)**

Getting financial support from friends or family members	1
Using foodbanks	2
Getting support from charities	3
Getting support from community organisations	4
Taken out additional credit / loans with official lenders such as banks, building societies, credit unions etc.	5
Using unofficial money lenders	6
Support services from an advice agency	7
Using Buy Now Pay Later for food shopping	8
Dipping into savings	9
Other (please specify)	10
Not getting any of the above but considering accessing some of this support	11
Don't need any of this support	12

THANKS AND CLOSE



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