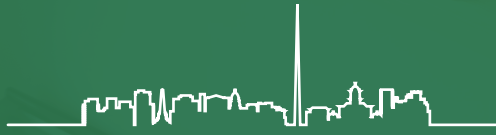


April 2023



DUBLIN  
ECONOMIC  
MONITOR

# DUBLIN

## Mastercard SpendingPulse™

Dublin Mastercard SpendingPulse Delivering Unique Insights for Consumer and Tourism Spend.

### KEY HIGHLIGHTS YEAR-ON-YEAR Q1 2023\*



**+5.8%**  
OVERALL  
SALES



**+15.3%**  
OVERSEAS  
TOURISM SPEND



**+8.4%**

NECESSITIES



**+5.2%**

DISCRETIONARY



**+4.4%**

HOUSEHOLD GOODS



**+21.1%**

ENTERTAINMENT



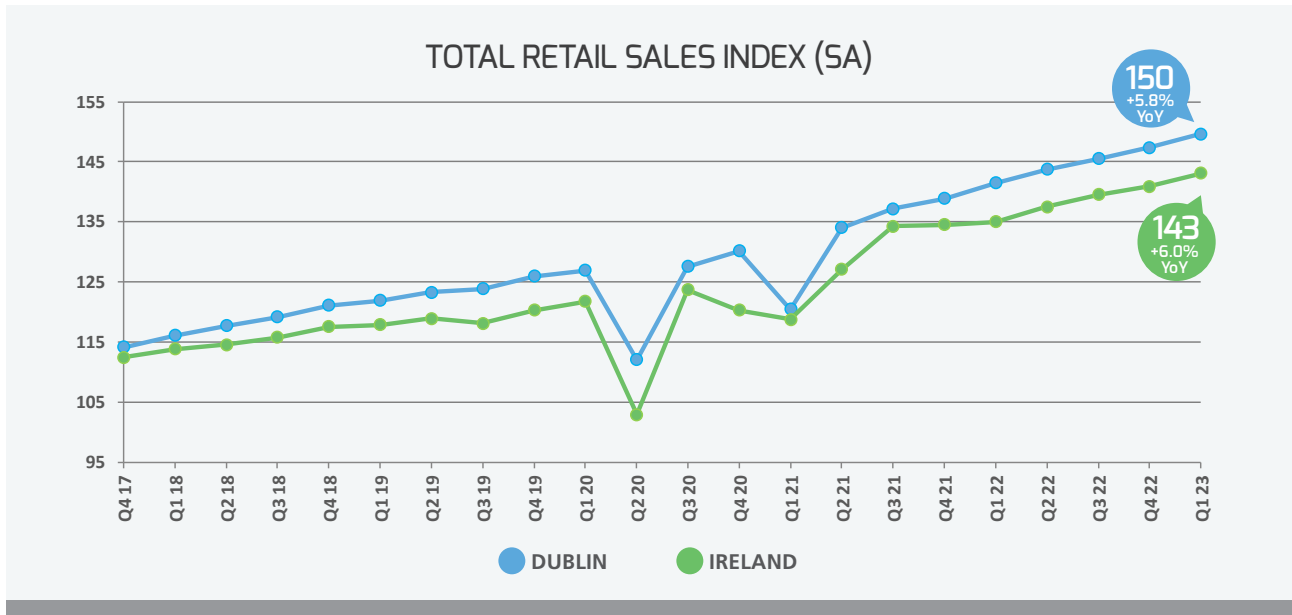
**+4.8%**

ECOMMERCE

\*RETAIL SALES VALUE (SA)



# DUBLIN RETAIL SPENDING EXPANSION CONTINUES IN EARLY 2023



The value of retail spending by consumers in the Dublin economy continued to expand in the early stages of 2023 with Q1 growth of 1.6% QoQ and 5.8% YoY (SA). Q1 was the eighth consecutive quarter in which QoQ growth in retail spending was recorded, and underlines the post-pandemic economic recovery combined with soaring inflation rates for consumer products.

The QoQ expansion in spending in Q1 was driven by increases in expenditure across all segments covered in the MasterCard SpendingPulse. Spending on Necessities also grew rapidly in Q1 (+3% QoQ) in what is likely a reflection of stubbornly high inflation rates for foodstuffs. Lower, but nonetheless positive, growth rates in spending patterns were recorded in the Entertainment (+2% QoQ) and Household Goods (+1.5% QoQ) categories. This shows the ongoing willingness of consumers in Dublin to spend on the likes of hospitality and big-ticket household items, in spite of cost of living pressures. Sales of discretionary items via department and clothing stores rose at a more modest rate of 0.5% QoQ in the first

quarter of the year.

Expenditure via eCommerce was to the fore in the quarter, with growth of 3.9% QoQ representing an acceleration of activity via online platforms, and follows a modest slowdown in expansion in this category in previous quarters.

Overall retail sales in Ireland as well as Dublin posted solid results in Q1 2023. Entertainment spending showed significant increases over Q1 2022 as travel and tourism continued to recover. Both discretionary and necessities spending showed solid growth rates in the mid-single digits while household goods spending lagged somewhat in both Dublin as well as across Ireland

**Michael McNamara**  
GLOBAL HEAD OF SPENDING PULSE, MASTERCARD

## DUBLIN RETAIL SALES VALUE INDEX (SA)



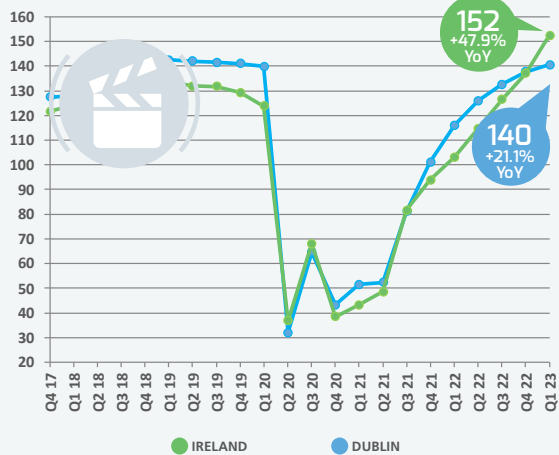
### METHODOLOGY

A macro-economic indicator, SpendingPulse™ reports on national and Dublin retail sales and is based on aggregate sales activity in the MasterCard payments network, coupled with estimates for all other payment forms, including cash and cheque. This information has been grossed up to present an estimate of the total retail sales of retail businesses in Ireland and Dublin to both residents and tourists. Data is seasonally adjusted but is not adjusted for inflation. MasterCard SpendingPulse™ does not represent MasterCard financial performance. SpendingPulse™ is provided by MasterCard Advisors, the professional services arm of MasterCard International Incorporated. See [www.dublineconomy.ie](http://www.dublineconomy.ie) for more info on methodology.

## BURGEONING YOY SPENDING GROWTH DRIVEN BY HOSPITALITY

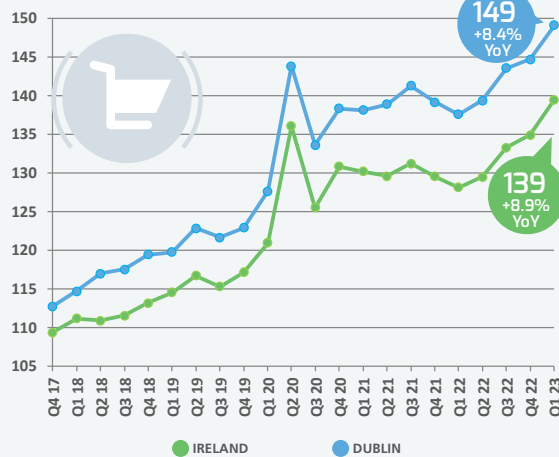
The Dublin hospitality sector continued to be a driver of YoY retail spending growth in Q1 2023. The overall increase in the value of retail expenditure of 5.8% YoY was primarily driven by an ongoing revival in hospitality – with spending at hotels, bars and restaurants expanding by more than a fifth (+22.1% SA) when compared with Q1 2022. While less significant, the second strongest YoY growth rate – +8.4% in the Necessities category – was robust, and reflects how grocery prices have risen over the course of the past 12 months. Discretionary and Household Goods spending also remained on a strong upward trajectory in Q1 with expenditure levels by consumers rising by 5.2% and 4.4% respectively. eCommerce, which had been on a remarkable growth path since the onset of the pandemic, showed some further signs of plateauing in Q1. Growth of 4.8% YoY in the value of consumer spending via online platforms was the second weakest since 2015 in what may be an indication of spending reaching a steadier state between eCommerce and bricks-and-mortar options.

### RETAIL CATEGORY: ENTERTAINMENT



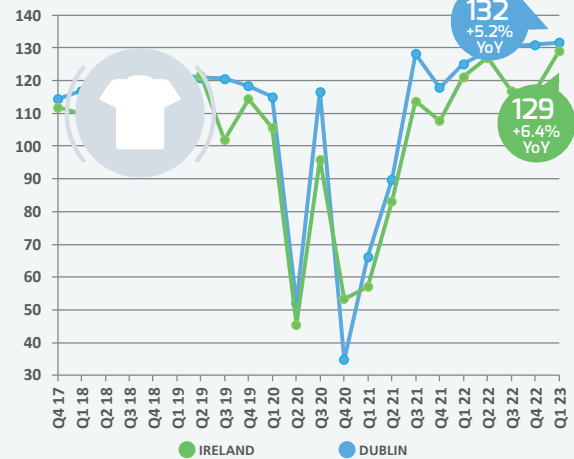
Hotels, restaurants and bars.

### RETAIL CATEGORY: NECESSITIES



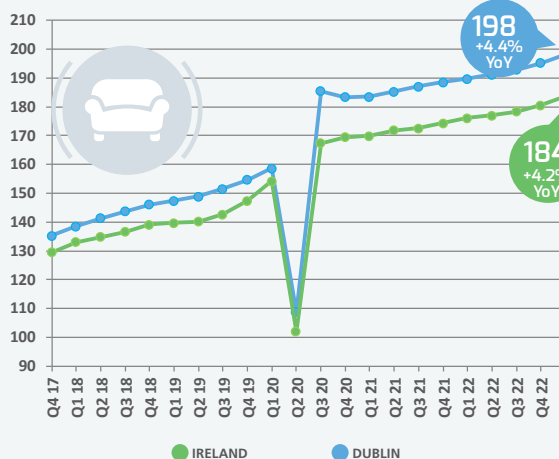
Grocery: all food and beverage stores.

### RETAIL CATEGORY: DISCRETIONARY



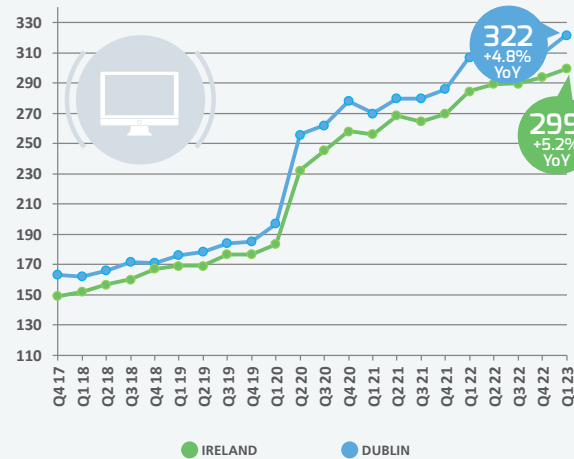
Discretionary Retail: Department Stores and Clothing Stores.

### RETAIL CATEGORY: HOUSEHOLD GOODS



Household furniture, electronics and hardware.

### METHOD: ECOMMERCE



Non store Retailers including Electronic Shopping and Mail-Order Houses, Direct Selling Establishments.

\*All values are seasonally adjusted by Grant Thornton, and have been re-adjusted since the last issue. The data in this issue is hence not directly comparable to previous issues.

# DUBLIN TOURIST SPENDING RETURNS TO ROBUST GROWTH IN Q1

Retail spending by tourists in Dublin returned to robust growth rates in the first quarter of 2023, following a subdued Q4 2022. Spending by visitors to the Capital increased by 7.3% QoQ and 15.3% YoY as the tourism sector regathered momentum.

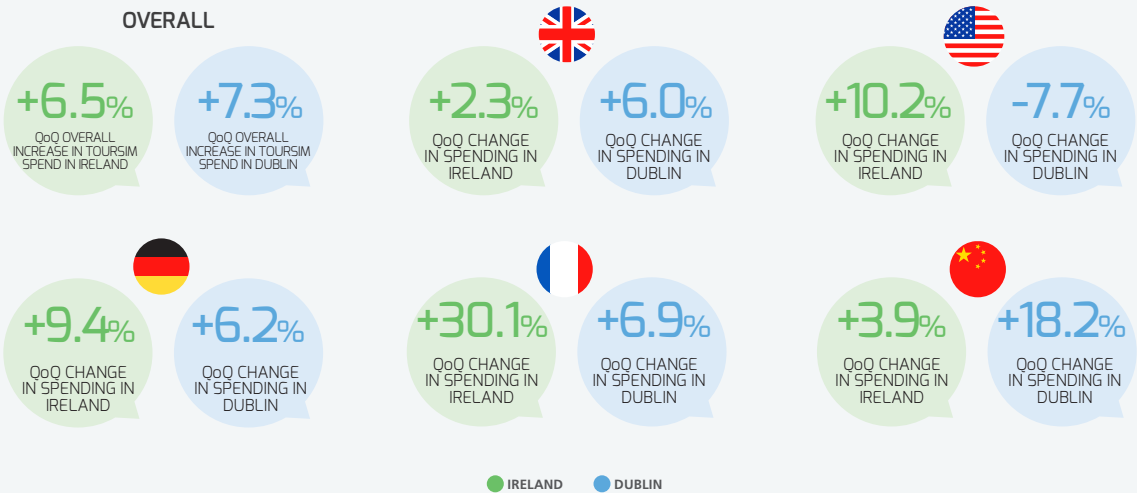
The QoQ expansion in the value of expenditure was driven by all markets covered in the MasterCard SpendingPulse, with the notable exception of the US. A QoQ decline of 7.7% in spending by American tourists was at odds with the national level (where growth of 10.2% was recorded) and will be a concern as the summer approaches given the importance of the market as a source of inbound tourism. The recent visit of President Joe Biden to Ireland has reportedly caused a surge in bookings amongst US tourists and may be a timely fillip in terms of spending from this market.

European markets were a source of positive QoQ retail spending growth rates in Q1. This was led by an expansion of 6.9% in spending by visitors from the French market. Expenditure amongst German visitors also rose at a strong rate (+6.2%) and was closely followed by the UK where spending rose by 6% QoQ. The UK is critical for tourism in Dublin and such growth is a positive bellwether for the remainder of 2023.

The Chinese market showed the strongest signs of growth in Q1 with spending increasing by 18.2% QoQ. This most recent expansion is a signal that the recovery in global tourism is broadening in the post-pandemic era.

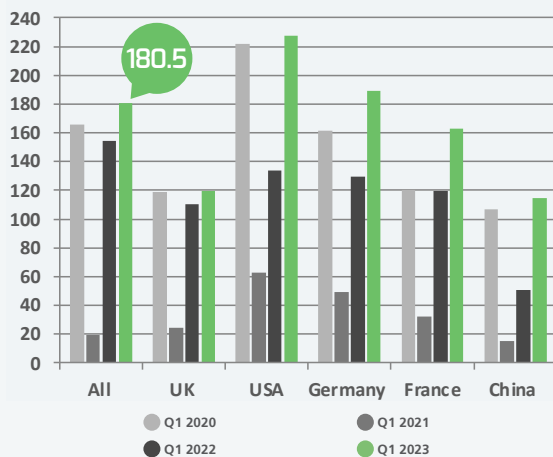
## DUBLIN AND IRELAND TOURIST SPEND BY ORIGIN - Q1 2023 (SA)

### OVERALL



## IRELAND TOURISM SPEND SALES INDEX (SA)

Q1 2014 = 100



## DUBLIN TOURISM SPEND SALES INDEX (SA)

Q1 2014 = 100

