

November 2023

# DUBLIN

Mastercard SpendingPulse™

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

DUBLIN  
ECONOMIC  
MONITOR

## KEY HIGHLIGHTS YEAR-ON-YEAR Q3 2023\*



**+3.7%**  
OVERALL  
SALES



**+13.4%**  
OVERSEAS  
TOURISM SPEND



**+4.2%**

NECESSITIES



**+1.9%**

DISCRETIONARY



**+2.5%**

HOUSEHOLD GOODS



**+11.3%**

ENTERTAINMENT



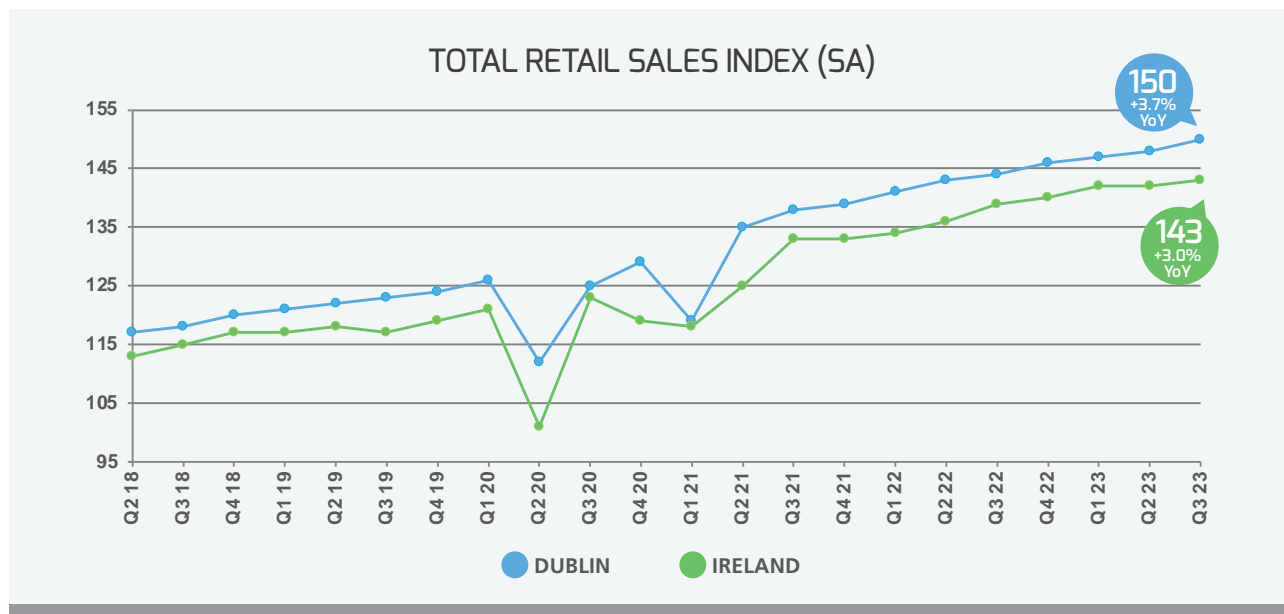
**+6.3%**

ECOMMERCE

\*RETAIL SALES VALUE (SA)



# DUBLIN RETAIL SPENDING INCREASES BUT AT SLOWING PACE



The value of retail spending in the Dublin economy continued to expand in Q3 2023, but at a marginally slower pace than in previous quarters. The index for total retail sales in the Capital reached 149.7 (100=Q1 2014) in the quarter, up by 0.9% QoQ and 3.7% YoY (both SA). The QoQ growth rate was the weakest since Q1 2021 and likely reflects a maturing in the post-pandemic recovery phase, combined with the impact of high inflation rates on disposable incomes. Despite the modest slowdown in growth, the expansions were higher than recorded QoQ (+0.4%) and YoY (+3%) across Ireland.

Household Goods spending was the only segment in which meaningful growth was seen in Q3 2023. Expenditure on such goods – which typically consist of higher value ‘white products’ – grew by 0.7% which was largely in line with previous quarters. Spending on Necessities and Discretionary goods was stable in the quarter. Entertainment spending, which had recovered at sharp rates since the end of the

pandemic era, was also stable in the quarter (-0.1% QoQ).

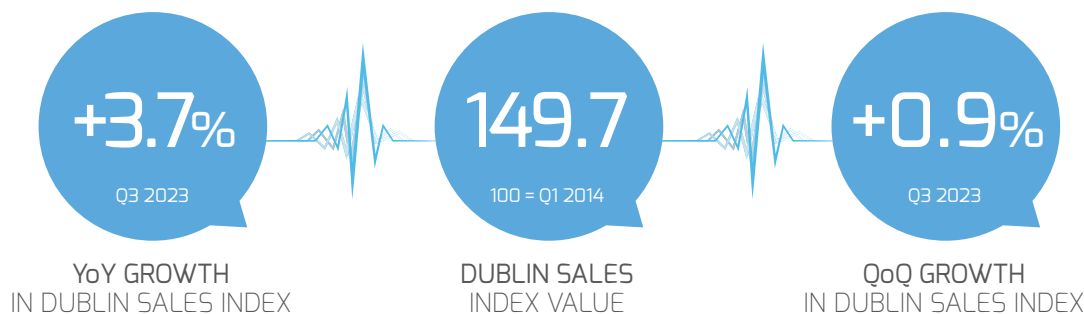
Expenditure via online platforms expanded by 1.9% QoQ. This was the highest rate of growth since the tail end of the pandemic in Q1 2022, and highlights the continued momentum in eCommerce spending.

*Overall retail sales growth in Dublin as well as across Ireland decelerated slightly in Q3 2023 versus Q3 2022.*

*In Dublin, the Entertainment sector had been seeing large growth rates recovering from the pandemic dating back to Q2 2021. The growth rates in the sector are normalising as we move away from the deep declines experienced during the pandemic.*

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

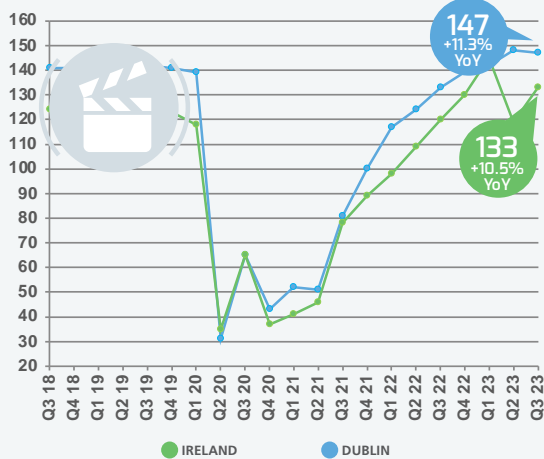
## DUBLIN RETAIL SALES VALUE INDEX (SA)



### 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.

## RETAIL CATEGORY: ENTERTAINMENT

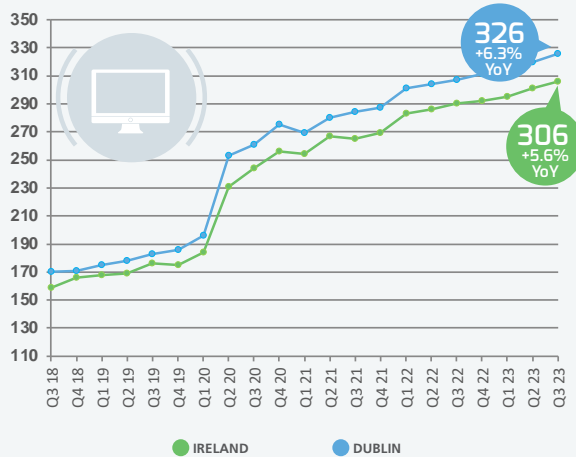


Hotels, restaurants and bars.

## ECOMMERCE REMAINS INFLUENTIAL IN CONSUMER SPENDING PATTERNS

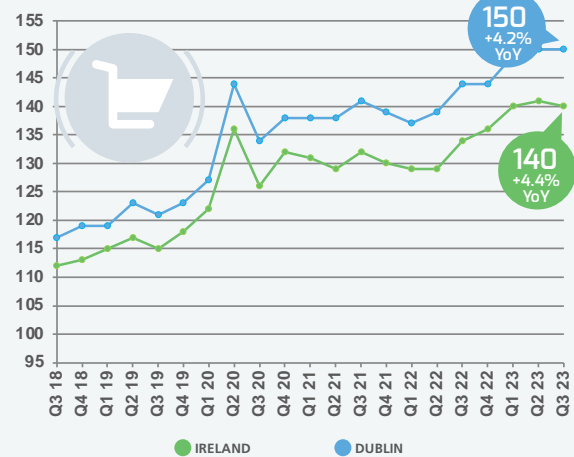
Dublin retail spending growth of 3.7% YoY in Q3 was primarily driven by the Entertainment sector. While spending in hotels, restaurants and bars was largely flat QoQ, it increased by 11.3% YoY. This YoY growth is largely related to the post-pandemic recovery where spending in the sector was still subdued in Q2 2022. Expenditure via eCommerce platforms also expanded at a strong rate YoY in Q3 2023. Growth of 6.3% was the most robust since late 2022 and continues an exceptional run of growth which stretches back to when the series began in 2015. Spending on Necessities such as groceries stood at 4.2% YoY in Q3. This is below the medium-term average and may be a reflection of modest reductions in grocery price inflation. Retail spending growth was also supported by the Household Goods and Discretionary categories in Q3. Expenditure in these categories expanded, albeit at slowing respective YoY rates of 2.5% and 1.9%. Spending growth in Dublin and across Ireland (+3% YoY) were broadly aligned in Q3, with Entertainment (+10.5%) and eCommerce (+5.6%) also to the fore nationally.

## METHOD: ECOMMERCE



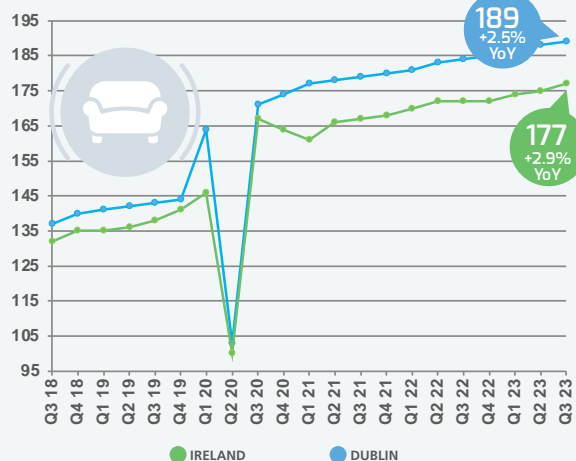
Non store Retailers including Electronic Shopping and Mail-Order Houses, Direct Selling Establishments.

## RETAIL CATEGORY: NECESSITIES



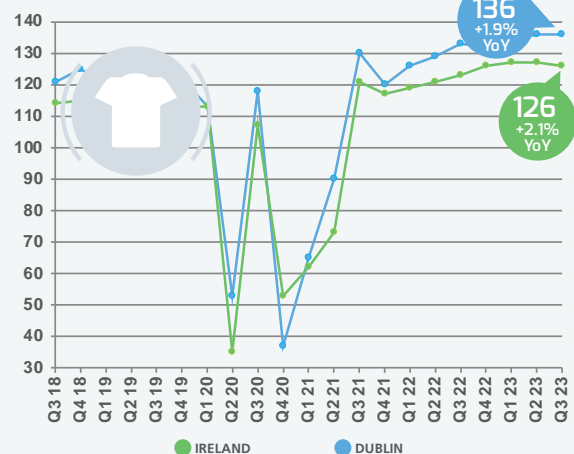
Grocery: all food and beverage stores.

## RETAIL CATEGORY: HOUSEHOLD GOODS



Household furniture, electronics and hardware.

## RETAIL CATEGORY: DISCRETIONARY



Discretionary Retail: Department Stores and Clothing Stores.

# UK & US TOURISTS DRIVE SPENDING GROWTH, BUT CONCERNS PERSIST

UK and US visitors contributed significantly to expansions in Dublin tourist spending of 2.5% QoQ and 13.4% YoY (both SA) in Q3 2023. The QoQ growth recorded over the summer period was the weakest in three quarters and signals concerns for the tourism sector, especially as the reduced VAT rate for tourism and hospitality was discontinued in early September.

The Chinese market had the largest growth rate in Q3 2023, increasing by 27.6%. The UK market was also a strong performer in Q3 2023. A QoQ growth rate of 10.9% marked a radical turnaround from a contraction of 13.8% in the previous quarter. This is a positive development as the winter approaches, especially given the importance of UK tourists' weekend breaks in the Irish Capital.

The US market, an integral element for tourism in Dublin and across Ireland, continued to show positive signals. Spending by visitors from the US grew by 6% QoQ in Q3, down from 7.5%

in Q2, but remaining one of the strongest performers in the quarter.

The French and German markets were of greater concern in Q3. Spending by tourists from France receded by almost 23% in the quarter. This compounded a QoQ contraction of 6.4% in Q2. Similarly, spending by German visitors to the Capital fell by 7.3% QoQ – the same level of contraction as was recorded in Q2.

The Chinese market, which has taken time to recover, recorded further strong growth of over 27% QoQ – albeit down from a rate of over 50% QoQ in Q2.

At the national level, tourist retail spending grew at a similar rate in Q3 (+2.8% QoQ) with the UK (+34.9%) and US (+15.6%) to the fore, but a significant contraction arising from the French market (-18.5%).

## Dublin and Ireland Tourist Spend by Origin – Q3 2023 (SA)

### OVERALL

**+2.8%**

QoQ OVERALL INCREASE IN TOURISM SPENDING IN IRELAND

**+2.5%**

QoQ OVERALL INCREASE IN TOURISM SPENDING IN DUBLIN

**+34.9%**

QoQ CHANGE IN SPENDING IN IRELAND

**+10.9%**

QoQ CHANGE IN SPENDING IN DUBLIN

**+15.6%**

QoQ CHANGE IN SPENDING IN IRELAND

**+6.0%**

QoQ CHANGE IN SPENDING IN DUBLIN

**+1.7%**

QoQ CHANGE IN SPENDING IN IRELAND

**-7.3%**

QoQ CHANGE IN SPENDING IN DUBLIN

**-18.5%**

QoQ CHANGE IN SPENDING IN IRELAND

**-22.8%**

QoQ CHANGE IN SPENDING IN DUBLIN

**+12.6%**

QoQ CHANGE IN SPENDING IN IRELAND

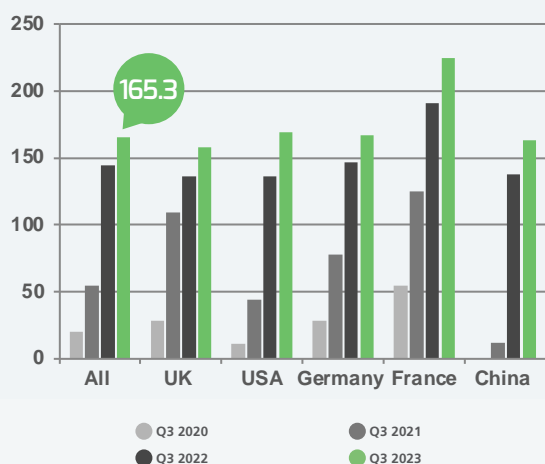
**+27.6%**

QoQ CHANGE IN SPENDING IN DUBLIN

● IRELAND ● DUBLIN

## IRELAND TOURISM SPEND SALES INDEX (SA)

Q1 2014 = 100



## DUBLIN TOURISM SPEND SALES INDEX (SA)

Q1 2014 = 100

