

Personal Loans – Ireland – September 2014

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This report looks at the following areas:

- What type of personal loan products do consumers own?
- Why do consumers take out personal loan products?
- What would motivate consumers to take out a personal loan product in the future?
- Where are consumers most inclined to get personal loan products from?
- What level of research do consumers do prior to taking out a personal loan product?

Although the financial crisis and economic downturn had a profound effect on Irish consumers' attitudes towards borrowing and debt – a marked aversion to debt emerged, and borrowing was seen as a last resort – this mentality will be severely tested by economic recovery, higher levels of employment and buoyant consumer confidence, and it is widely expected that consumers' appetite for borrowing will return. Whether this will extend beyond 'essential' or 'sensible' borrowing (things like cars or home improvements) to include borrowing to fund non-essential or lifestyle consumption remains to be seen.

This report examines Irish consumers' ownership of personal loan products (including credit union loans, personal loans, car loans and other car finance plans, loans from family and friends, home collected credit, student loans, payday loans, and peer-to-peer loans). It also examines the reasons and purposes for consumers' most recent borrowings via a personal loan product, as well as what would motivate future borrowing. Finally, it looks at consumers' general behaviour and attitudes when taking out their most recent personal loan product.



"As a result of the financial crisis and ensuing economic downturn, there has been a dramatic decline both in financial institutions' willingness and ability to lend and consumers' willingness and capacity to borrow. With economic recovery now under way, it remains to be seen whether banks and consumers alike will revert to their pre-recessionary lending and borrowing behaviour."

– Brian O'Connor, Production Manager

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