



19th May 2017

Scenario 2017: Europe & Italy

©Ipsos. All rights reserved. Contains Ipsos' Confidential and Proprietary information and may not be disclosed or reproduced without the prior written consent of Ipsos.





PART 1 - EUROPE

GAME CHANGERS



The decline of society marks the end of growing expectations.

"... society is weak"

"... it is in decline"

"Do you think that your Country can recover or that this decline is irreversible?"



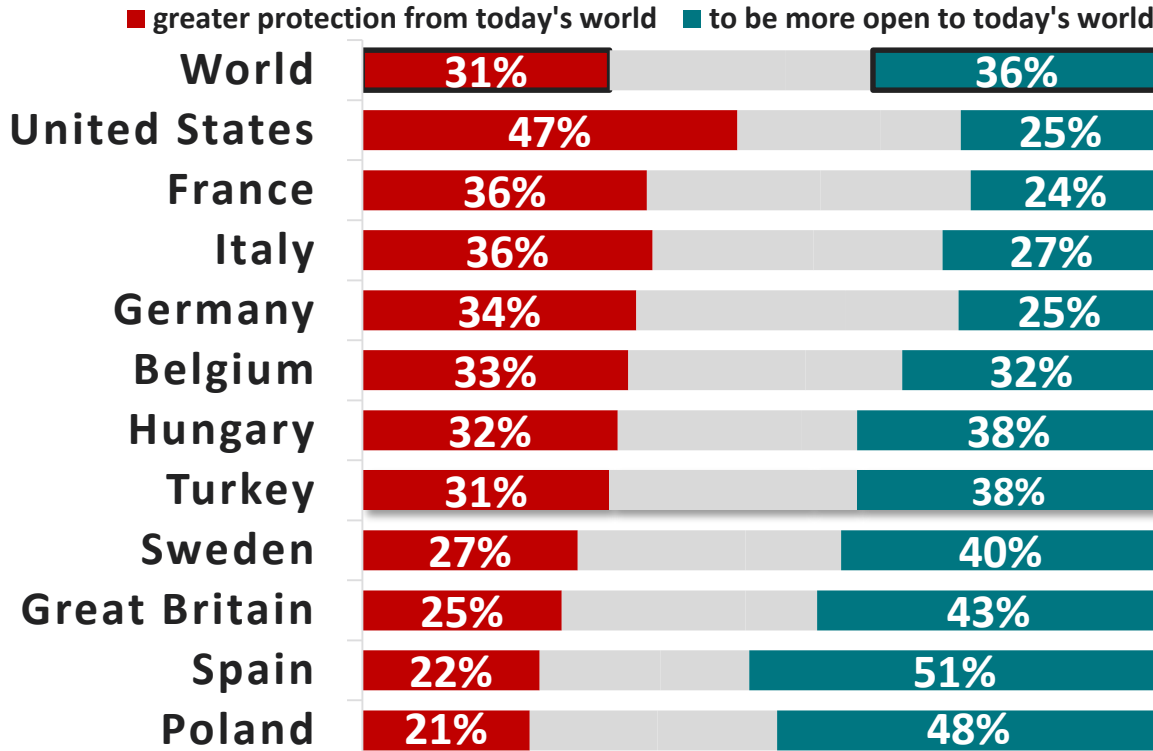
"Do you think that your generation has a better, worse or similar life compared to your parents' generation?"

"And do you think that the life of the future generations will be worse, better than or similar to your own generation's?"



Is globalisation still a hope for a better future? It doesn't seem so.

% agree with the statements – «My Country needs ...»



Public opinion increasingly shows a closed attitude, in contrast with the open-mindedness that underpins globalisation

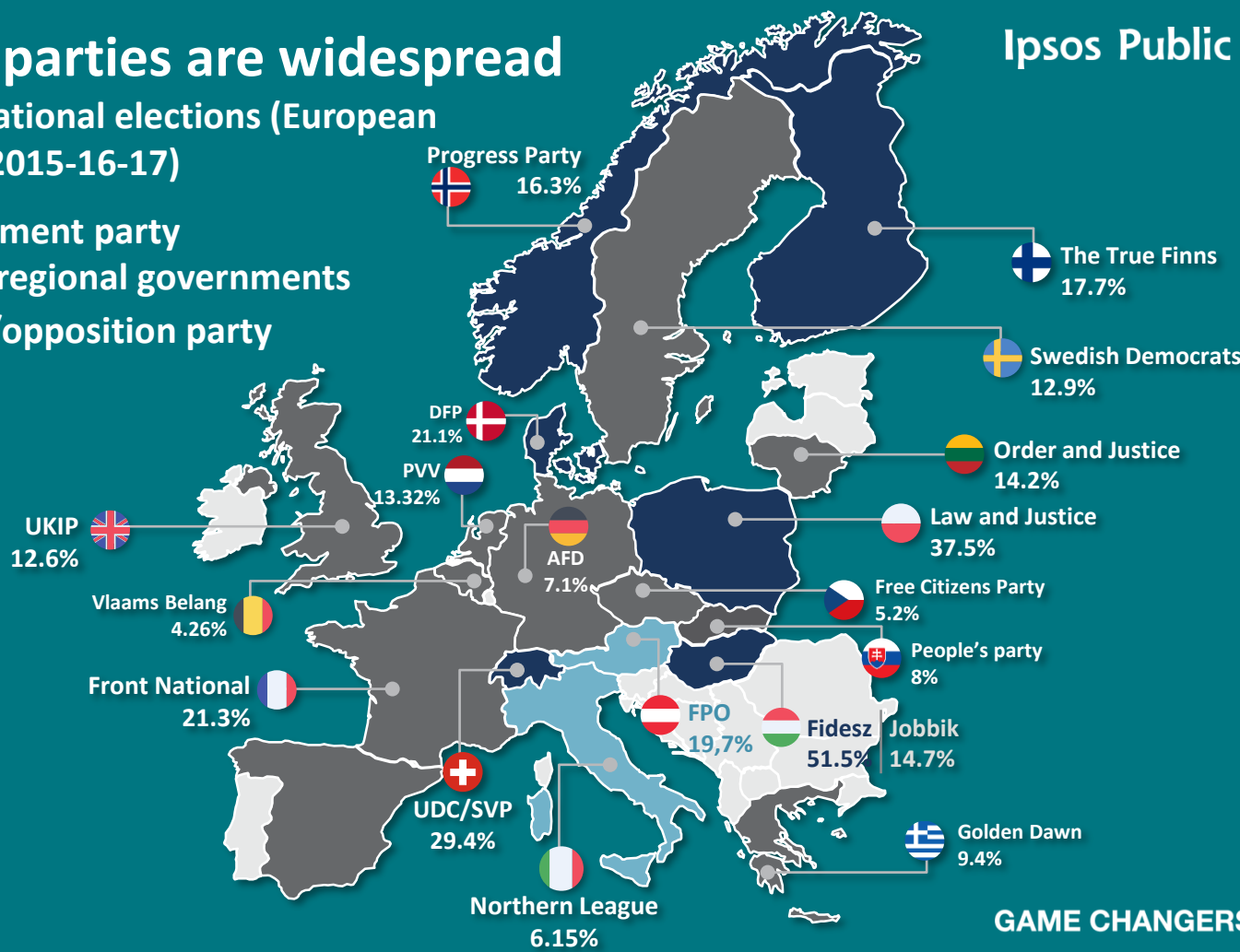
⇒ IMPOVERISHMENT OF THE WEST
⇒ PERCEIVED GROWTH OF INEQUALITY

Excluded classes (competition for work) and middle classes (innovation was expected to reward the West) come closer.

And populist parties are widespread

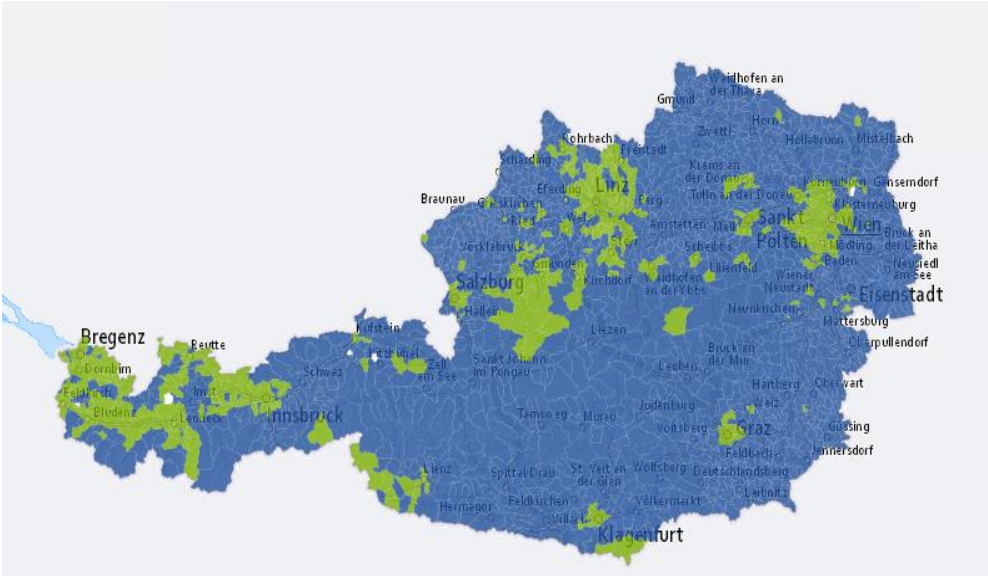
Results at the last national elections (European 2014 or Legislative 2015-16-17)

- National government party
- In majorities of regional governments
- Only local level/opposition party

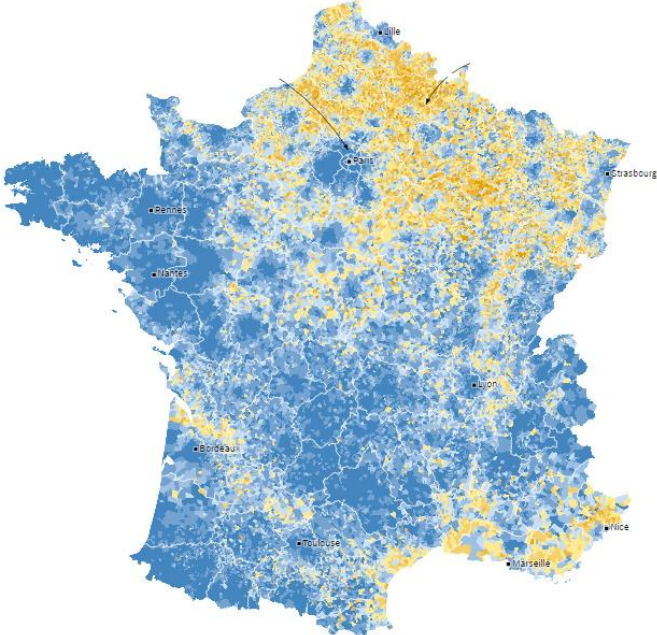


Every election shows the same pattern: a divide between cities and other areas.

AUSTRIA ■ HOFER
■ VAN DER BELLEN

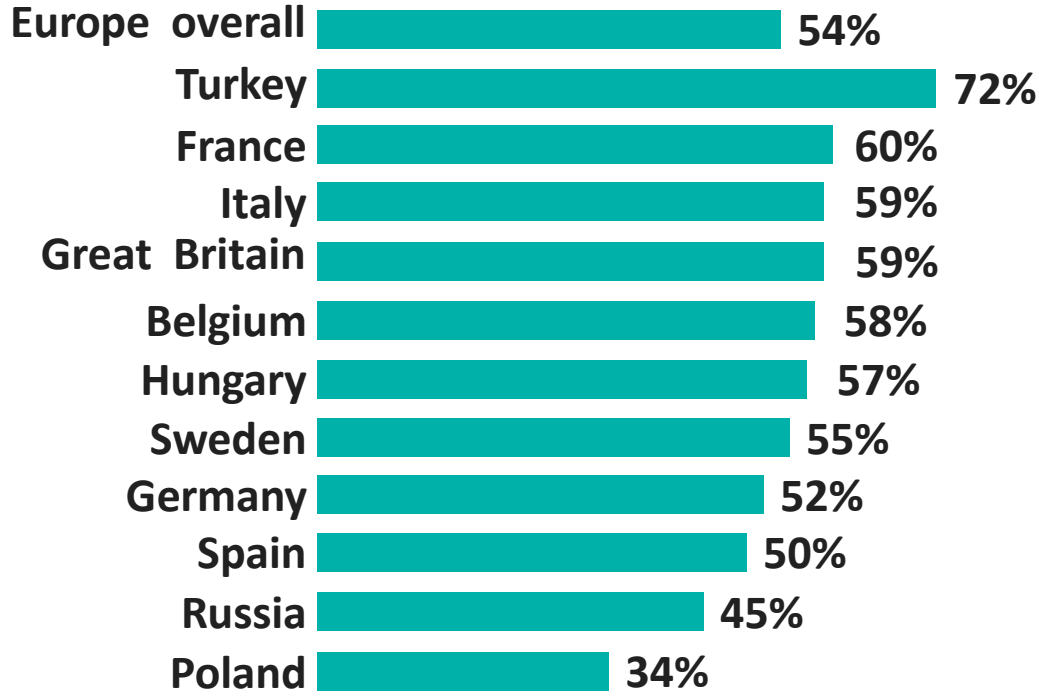


FRANCE ■ LE PEN
■ MACRON

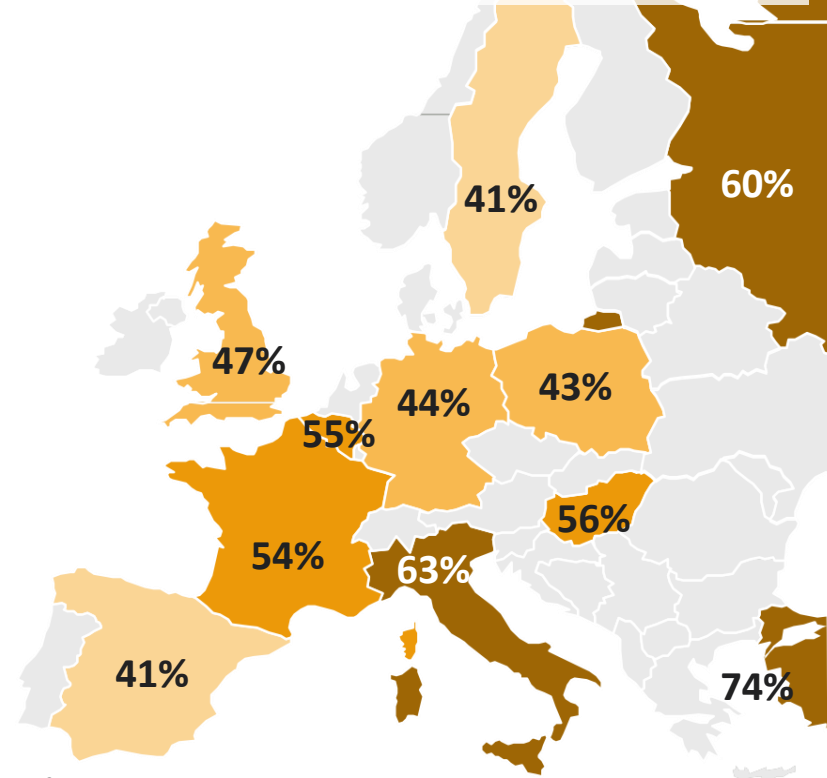


Immigration is perceived in a “schizophrenic” way.

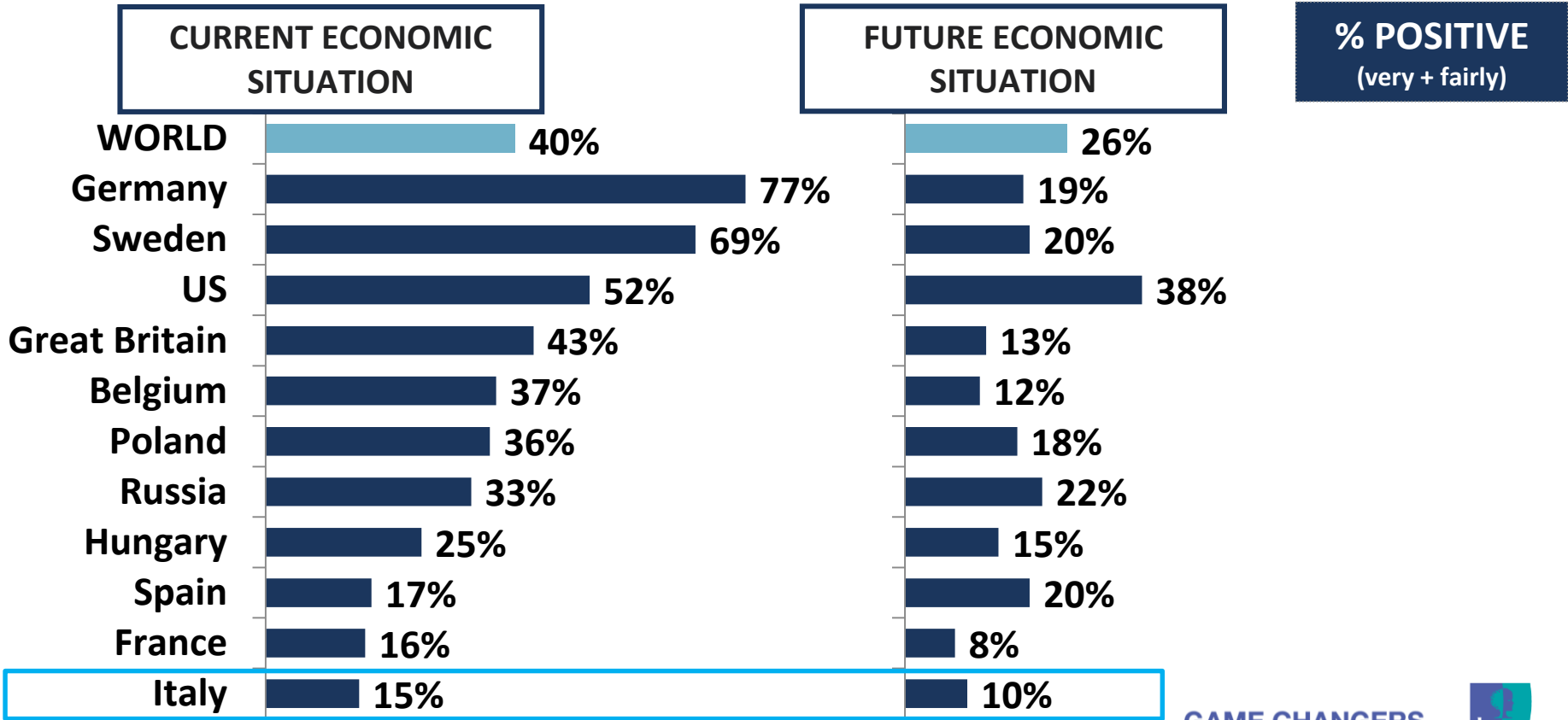
“Immigration has placed too much pressure on public services in my country” % agree:



“Immigration is causing my country to change in ways that I don’t like” % agree

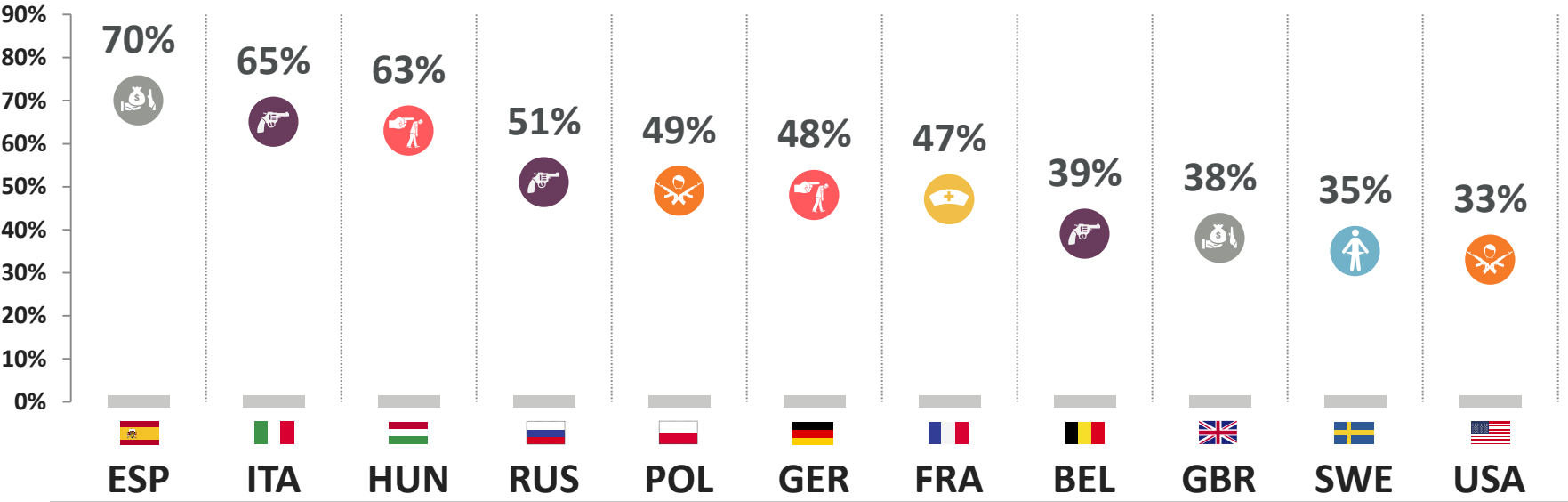







A common perception of a «gloomy» economy. Some exceptions in Europe, but optimism collapses when thinking of the future.



The issues that worry Europe are linked primarily to the economy: Southern Europe fears unemployment, Northern Europe inequality.

Which of the following issues are the most worrying ones for your Country at this time?



 Terrorism
  Unemployment
  Corruption
  Health
  Criminality
  Poverty and inequality

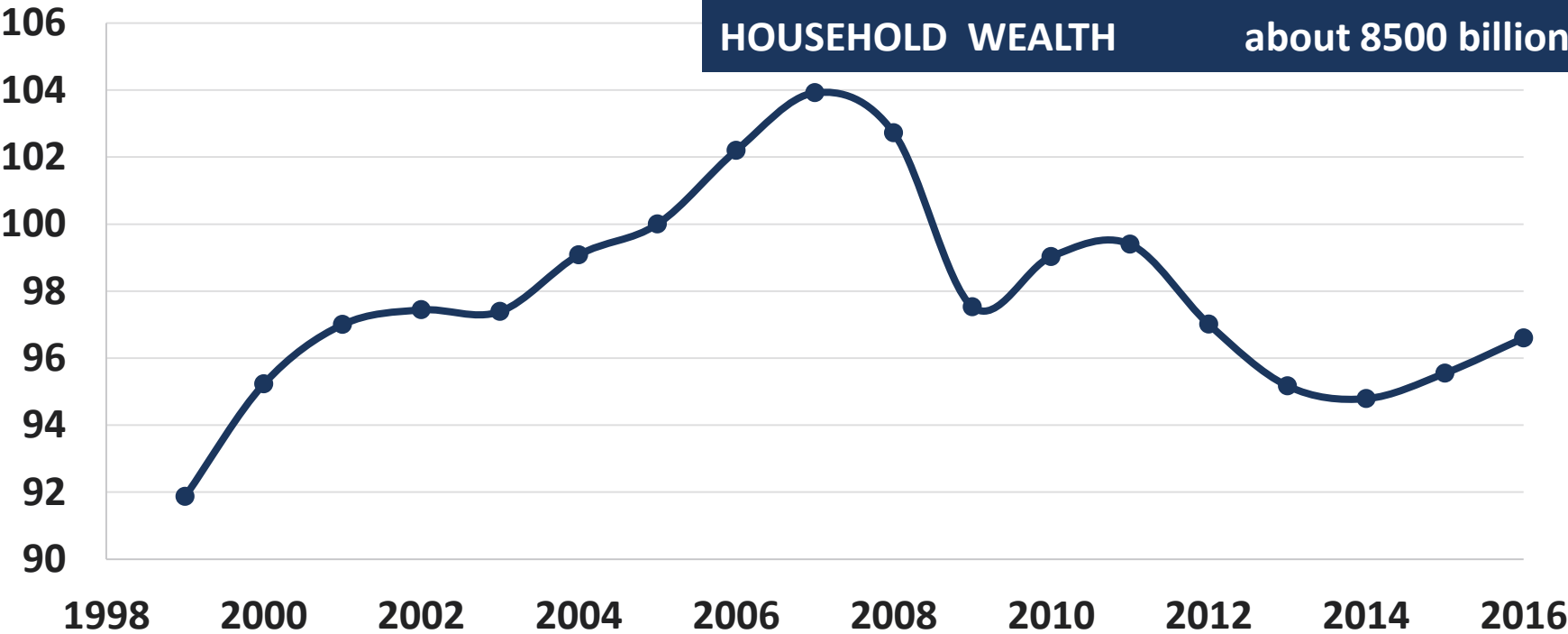


PART 2 – FOCUS ON ITALY

Economic sentiment

After years of recession, in 2016 the Italian GDP showed a small sign of life: +1.0 growth against 2015.

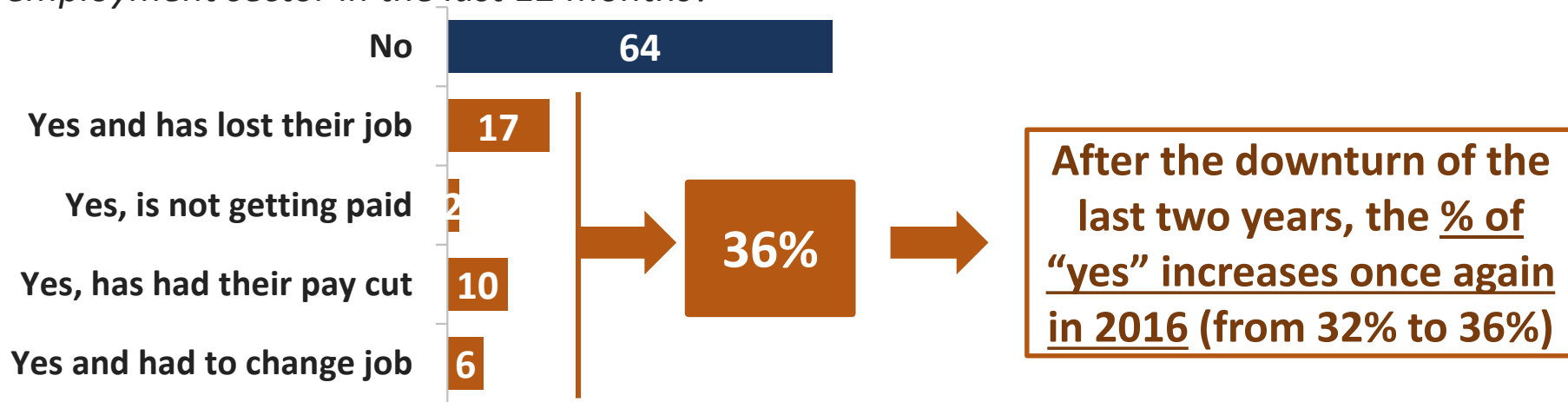
Gross Domestic product - 2005=100



ITALY GDP	about 1550 billion
GOVERNMENT DEBT	about 2100 billion
HOUSEHOLD WEALTH	about 8500 billion

However, this is still not enough for Italian families: 1 out of 3 still feel hit by the economic crisis.

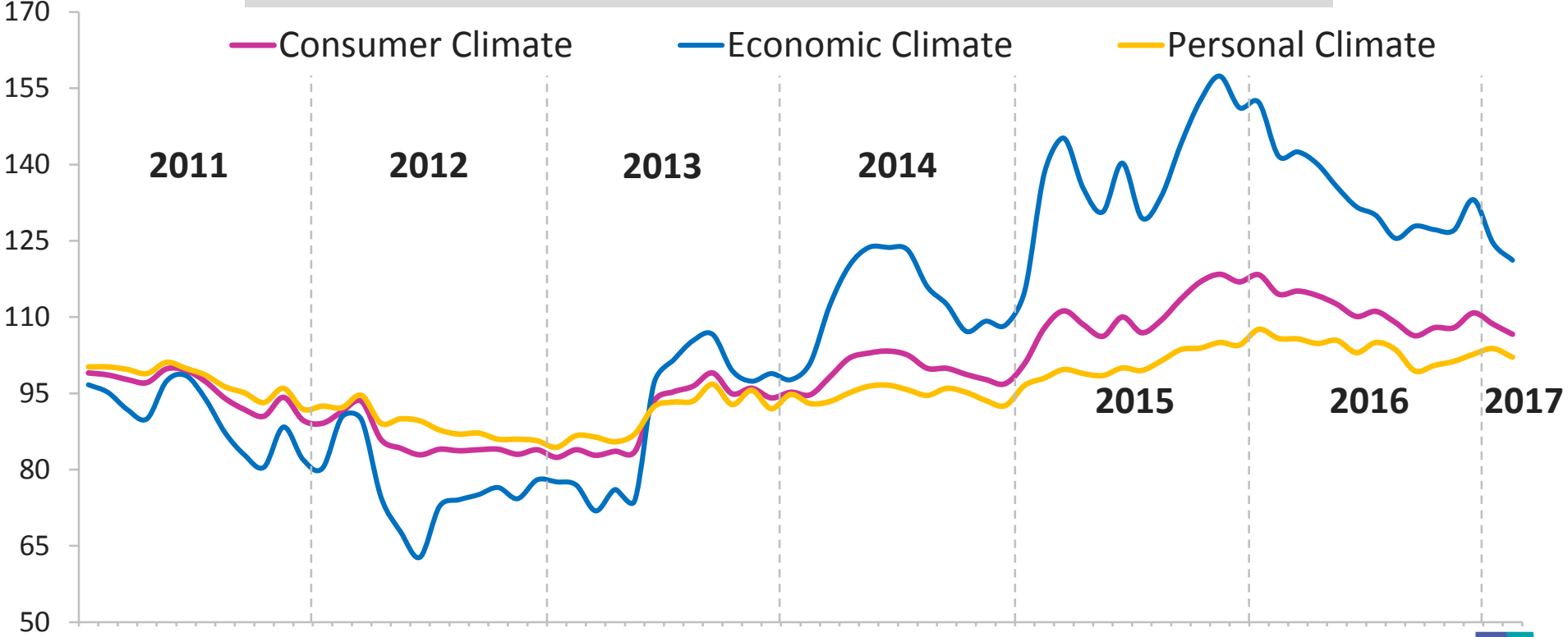
Have you and has anyone in your family been directly affected by the crisis in the employment sector in the last 12 months?



The percentage of those who think that the end of the crisis is a long way away increases from 31% in 2008 to 50% in 2016.

This all results in a fluctuating confidence.

DE-SEASONALISED CLIMATE OF CONFIDENCE (Base 2010=100)



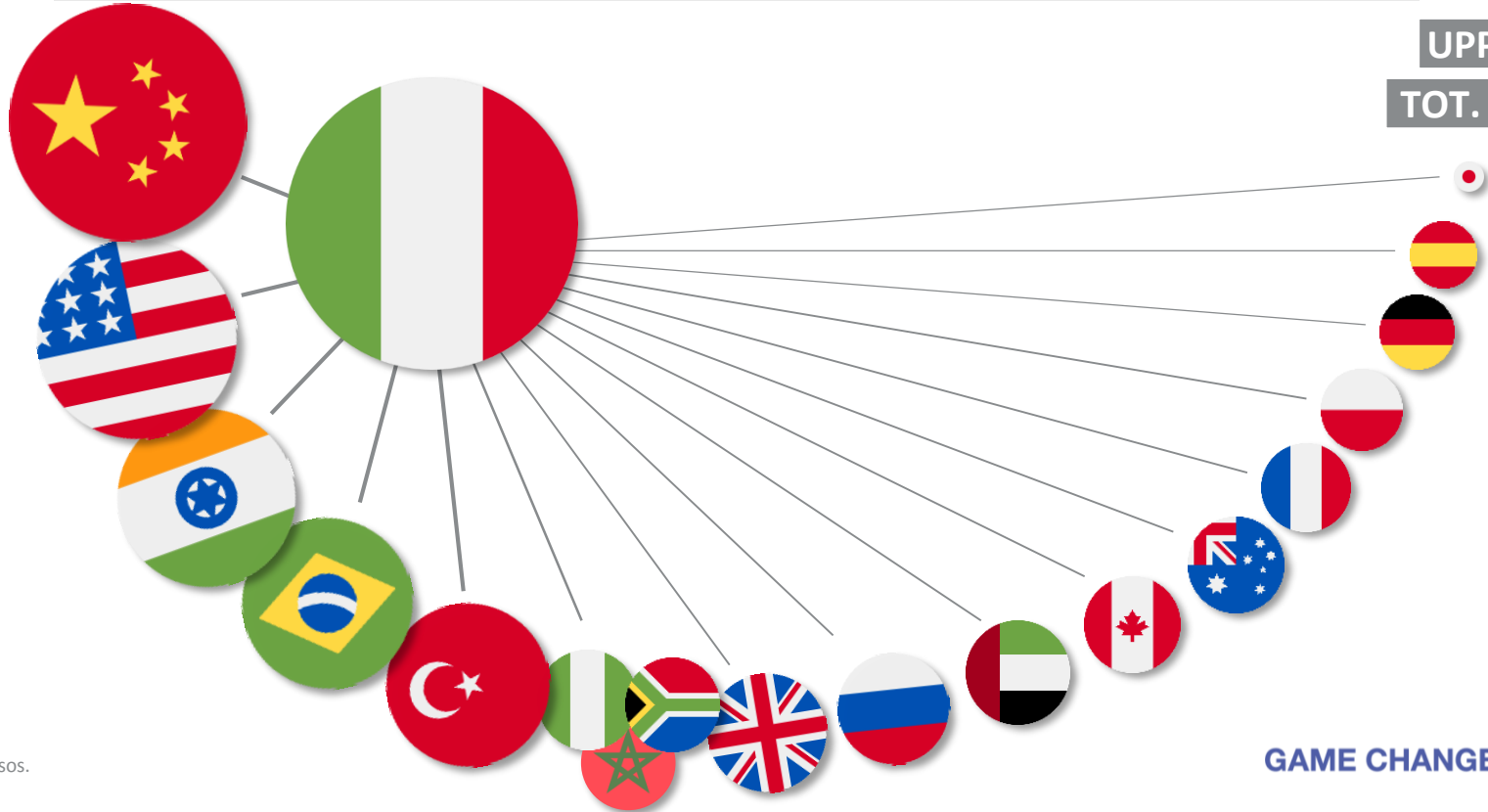
Nevertheless, Italy is still an attractive country for the emerging markets.

ATTRACTIVENESS OF THE COUNTRY – INVESTMENTS, STUDY, WORK



UPPER CLASSES

TOT. COUNTRIES



A close-up, diagonal view of the Italian flag (green, white, and red) where the surface is cracked and peeling, revealing a rough, greyish-white material underneath. The background of the slide is a solid teal color.

PART 3 – FOCUS ON ITALY

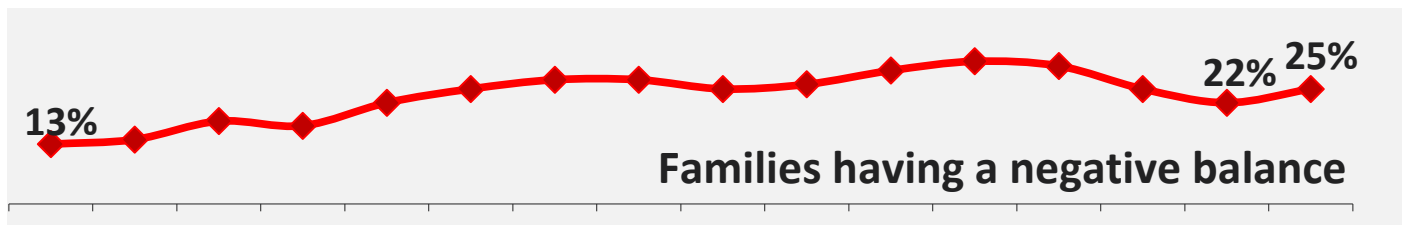
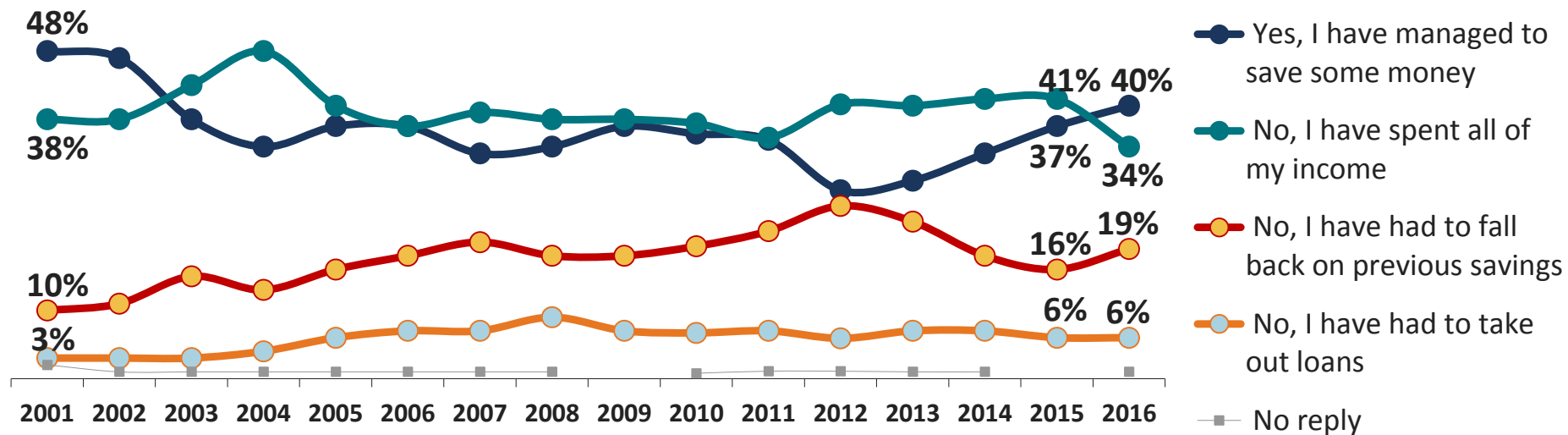
Consumption

GAME CHANGERS

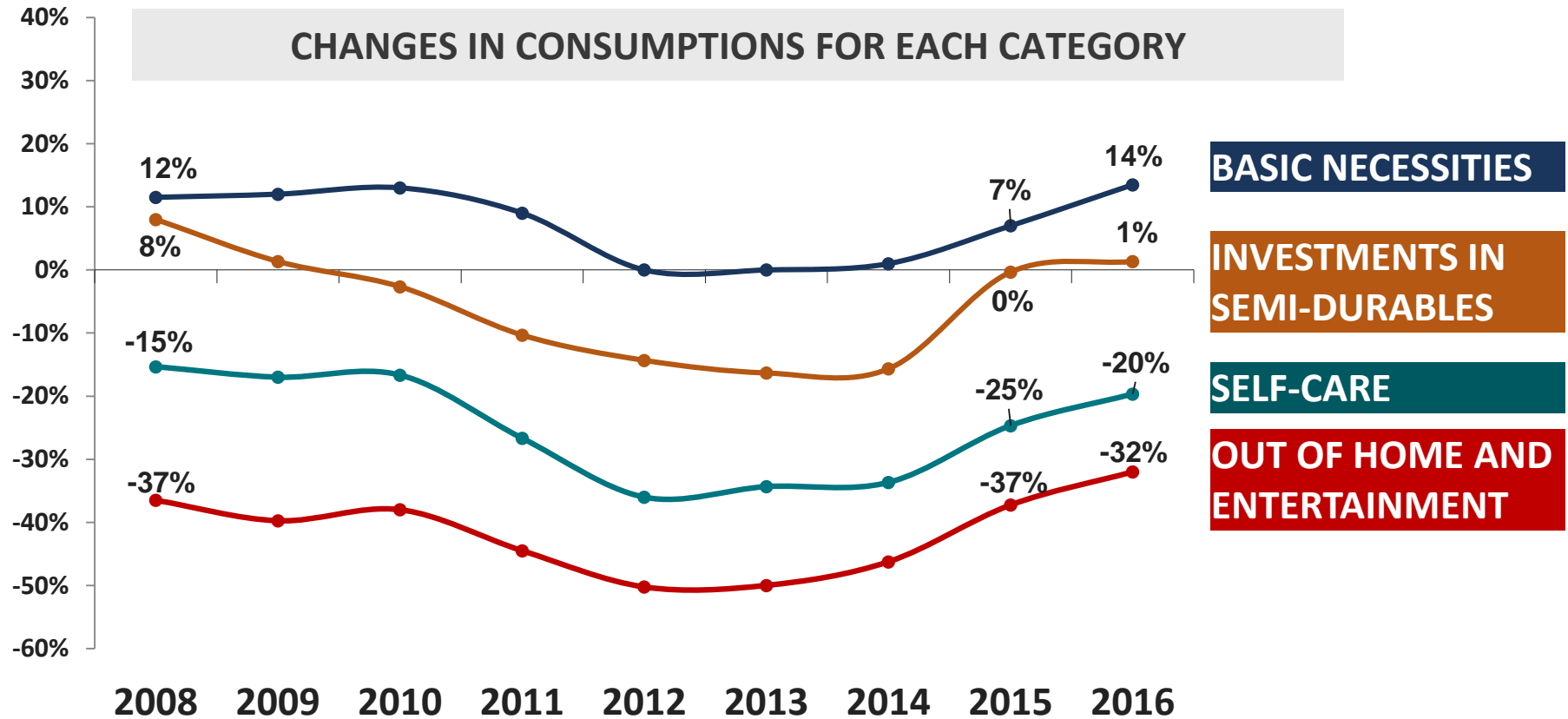


More families are now able to save

In the last 12 months have you/your family succeeded in saving any of your earned income?



There are some signs of smaller dips in consumption.



What kind of recovery? A weak one

A very weak recovery, driven by durables and semi-durables.



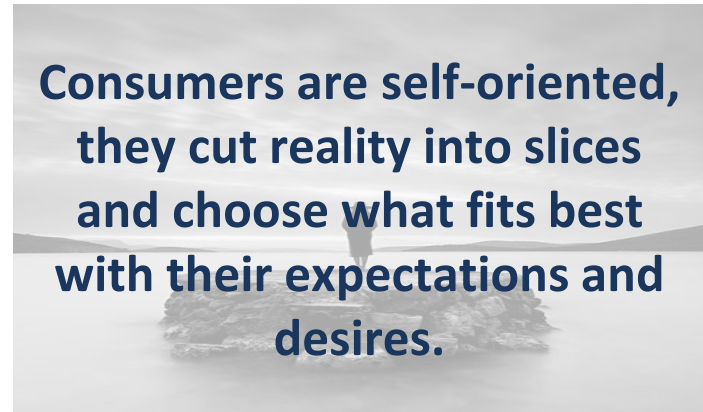
But food consumption remains stable.



People once again start buying cars (stronger growth) and household appliances, also an effect of the partial recovery/halt in decline of the property market, as well as of the recovery of credit to families.

In this context people's only possible course of action is to rationalise consumption, focusing all of efforts on saving money, without aiming at a large future expenditure (new car, new furniture, new appliances), but with a generic concern about the future, stronger for those with children or grandchildren.

Consumers are *standing alone*...



... and brands can leverage or rebuild consumer confidence, through...

EMOTIONAL ENGAGEMENT

Faced with the aggression of the world, consumers seek reassurance, truth, and positive emotions. It is all about intensity, authenticity, continuity of emotion in everyday life.

TRANSPARENCY

Transparency is an opportunity to deepen engagement with stakeholders; consumers should be able to get the information they need in the way they prefer.

CONSISTENT COMMUNICATION

Communication can foster values, as a guidance in our complex reality.
Employees/commercial partners as brand ambassadors => consistency between internal and external communication is crucial.

A young green plant with three leaves growing out of a crack in the ground. The plant is the central focus, with its stem and leaves clearly visible against the textured, light-colored soil. The background is softly blurred, showing more of the ground and a dark, possibly shadowed area to the right.

THANK YOU FOR YOUR ATTENTION!
Q&A

GAME CHANGERS

