

The extremely negative impacts of the current cost of living crisis have never been more apparent - for many Scots it is dominating every aspect of our lives - from how we feel on a daily basis to major changes in our purchasing behaviours

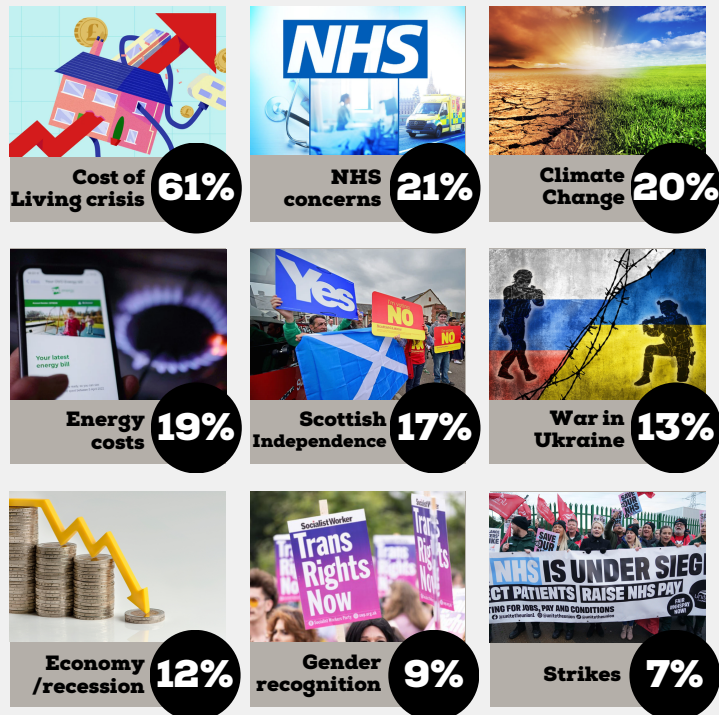
THE ISSUES OF GREATEST CONCERN FOR SCOTS - LATE JANUARY 2023

In late January, when asked to describe the issues that were of greatest concern to them, three in five Scots spontaneously mentioned the cost of living crisis (61%) - far and away the biggest issue of concern in Quarter 1 2023. A further 12% also mentioned the state of the economy and fears over recession

Three concerns were then each mentioned by around one in five - the NHS (21%), climate change (20%) and home energy costs (19%).

Constitutional issues / Independence were front of mind for 17%, whilst 13% mentioned the war in Ukraine.

The Gender Recognition bill was dominating the Scottish news and 9% mentioned it spontaneously, whilst ongoing strikes across a range of sectors were high in the minds of 7%.

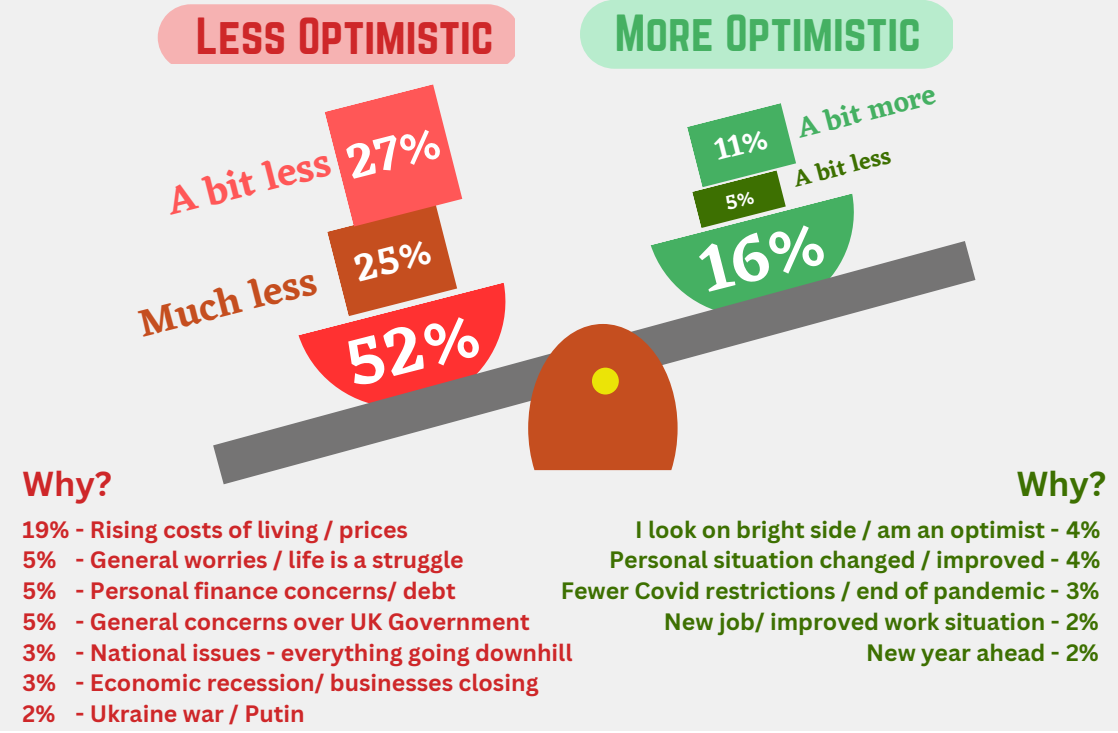


LEVELS OF OPTIMISM FOR THE YEAR AHEAD - JANUARY 2023 VS JANUARY 2022

On balance, Scots are feeling less optimistic about the year ahead than they did at the start of 2022: whilst 32% are feeling much the same as last year, over half are less optimistic (52%) and only 16% are more optimistic.

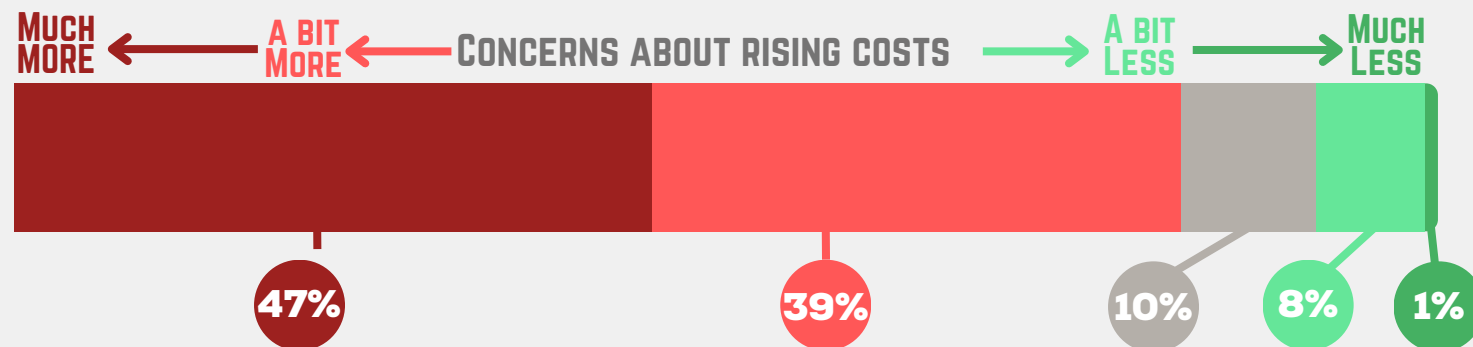
The cost of living crisis is the dominant reason for pessimism - one in five Scots mentioning this (19%), 5% mentioning personal financial concerns and 3% worried specifically about an impending recession.

Amongst those more optimistic, the reasons are often more personal in nature - a new job, just married etc. But 3% cited their belief that the Pandemic is now over.



PERSONAL FINANCES - HOW WE ARE FEELING AND COMPARISONS WITH A YEAR AGO

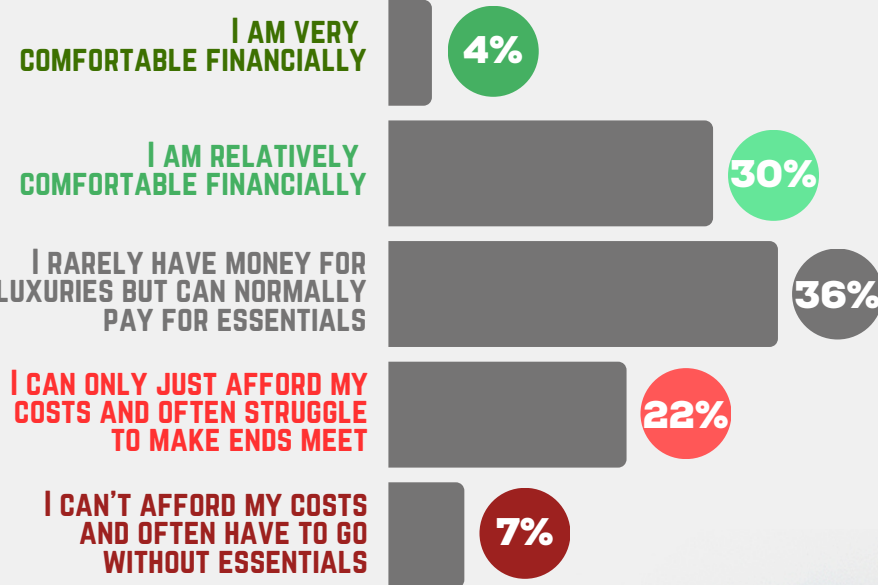
When Scots were asked specifically about any concerns they have about rising costs compared with a year ago, the deteriorating situation is very clear to see:



Overall, 86% of Scots describe themselves as more concerned about rising costs in January 2023 than they had been 12 months previously. Indeed, almost half of the population are 'much more concerned'. Whilst 10% felt much the same as a year ago, only 9% are less concerned. Clearly, the vast majority of Scots have real concerns about rising costs.

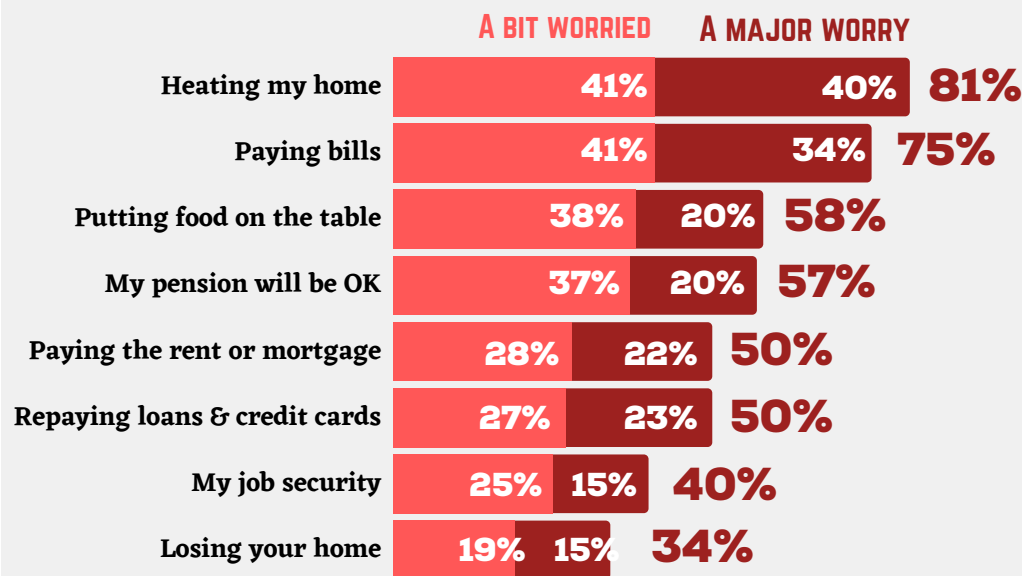
This deteriorating situation in personal finances compared with a year ago, is reflected in how Scots describe their current financial status. Just over a third of Scots do not claim to have any financial problems, describing themselves as 'comfortable' (34%). For a slightly higher proportion, it is a bit less comfortable than that - 36% rarely have money for luxuries but can normally pay for essentials.

However, for three Scots in every ten, it is much more of a struggle (29%), and 7% simply can't afford their essential outgoings at the moment.



THE IMPACT OF THE COST OF LIVING CRISIS ON WELLBEING AND SPECIFIC WORRIES ITS GENERATING

THE EXTENT TO WHICH THE RISING COSTS OF LIVING ARE WORRYING THE SCOTTISH POPULATION



Four in five Scots are worried about the costs to heat their homes at the moment - and for 40% this is a major worry. This along with concerns about paying bills generally (75%) are the primary worries of the Scottish population.

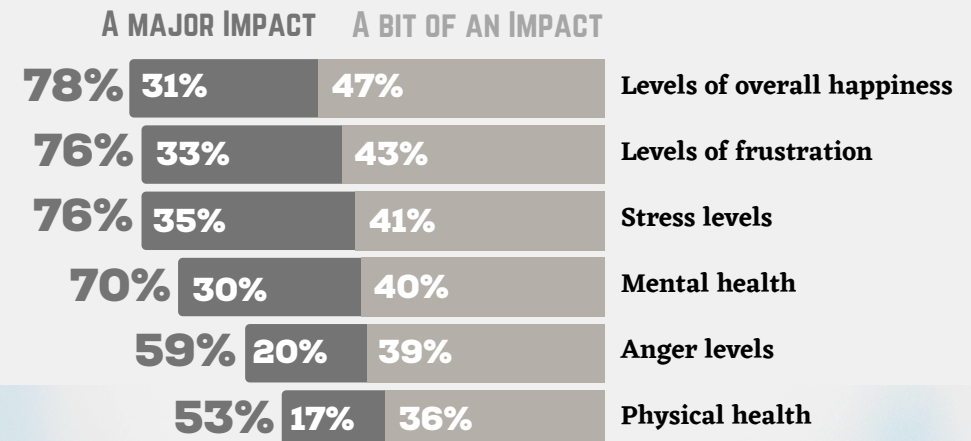
Almost three in five are worried about being able to put food on the table (58%) and a similar proportion have concerns about their future pensions (57%).

Paying rent/mortgage and loans/credit cards are concerns for half of the population.

THE IMPACT OF RISING COSTS OF LIVING ON WELLBEING

And these financial concerns are impacting on the more general wellbeing of the Scottish population - over three quarters claim it is impacting on their overall happiness levels (78%), that it is making them more frustrated (76%) and causing stress (76%).

Meanwhile, seven in ten claim it is impacting on their mental health (70%) - an outcome of the pandemic for many that is now being further fuelled by the cost of living crisis



BEHAVIOURS - WHAT ARE WE DOING LESS THAN A YEAR AGO BECAUSE OF RESTRICTED FINANCES



BEHAVIOURS - WHAT ARE WE DOING MORE THAN A YEAR AGO BECAUSE OF FINANCIAL CONCERNS



Inevitably, many of our behaviours have changed as costs have risen over the last few months. Over half of Scots are less likely to eat out (56%) or take days out to the cinema/attractions etc. (52%). Over four in ten of us are less likely to be planning holidays (42%) or going to the theatre or concerts (41%). Charitable giving is also suffering with 38% of us less likely to do so, whilst a third of us are drinking less alcohol (32%) and attendance at sports events is also suffering - over a quarter of us have cut back on these activities (26%).

We are more likely to turn down the thermostat (64%) or switch off lights around the house (61%). Three in five Scots are buying cheaper brands rather than premium brands (59%) and over half are more likely to shop in discount stores and supermarkets (51%). And over a third of us are having more trouble sleeping as we worry about our finances.

Scotland's Viewpoint is a regular survey of 1,000+ Scots - statistically representative of the Scottish population and undertaken by 56 Degree Insight. It is conducted online over a two-day period on a quarterly basis.

The results displayed here are taken from the 1st wave of 2023, with fieldwork taking place on the 23rd-24th January. Some 1,002 Scots were interviewed. For further information visit:

www.56DegreeInsight.com