



Regional Disparities in Consumption Behaviour: Italian Households in the Crisis

Cristina BERNINI,
Cristina.bernini@unibo.it

Maria Francesca CRACOLICI,
mariafrancesca.cracolici@unipa.it

Cinzia VIROLI
cinzia.viroli@unibo.it

AIRSE

Ancona— 20-22 | 09 | 2016



OUTLINE

- ❑ Motivations and literature insights
- ❑ Aims
- ❑ Data and Models
- ❑ Preliminary results



MOTIVATIONS and LITERATURE INSIGHTS

- ❑ The relevant facts of the severe downturn due to the Great Recession are: i) drop in consumer spending, 2) households differently react to the crisis (Bernini, Cracolici and Cuffaro, 2016).
- ❑ The extent of the cutbacks in consumption expenditures differs among regions as well as the distribution pattern across households differs (Đokić, Fröhlich, and Bakarić, 2015)

To investigate whether the Great Recession has differently affected the households expenditure distributions across the Italian territory:

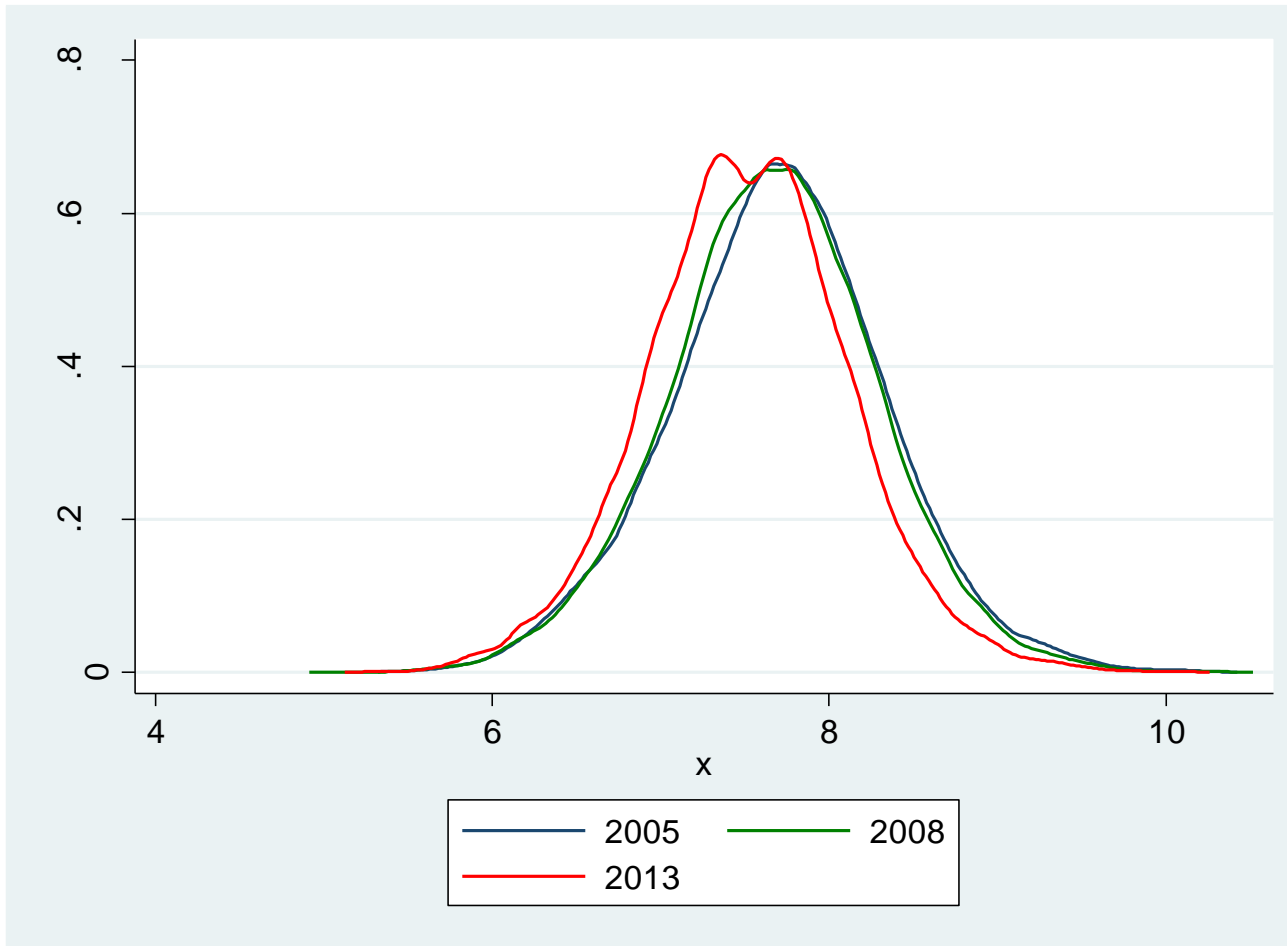
- ☐ To analyse the shape of the household distribution of consumption over time, comparing the distribution between the control period (before the crisis) and the treatment period (during the Great Recession)
- ☐ To investigate whether consumption distributions differ between macro-areas



DATA

- ❑ The empirical analysis has been performed on the data from the Households Budget Survey for the year 2005 -2013, carried out by the Italian Office of Statistics.
- ❑ Three different years are observed: 2005, 2008, 2013
- ❑ Three different macro areas are analyzed: North, Centre, South

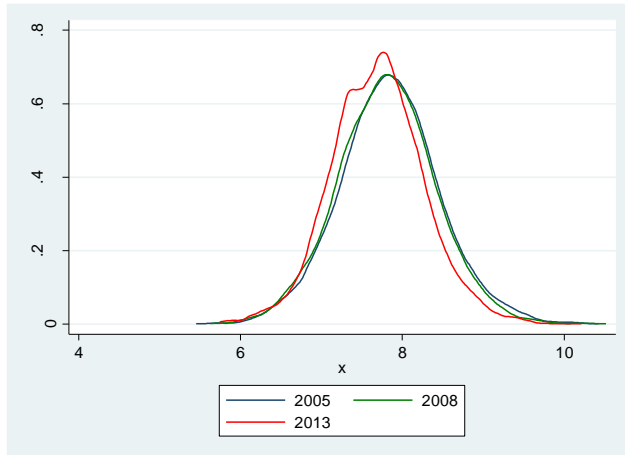
SOME EVIDENCE



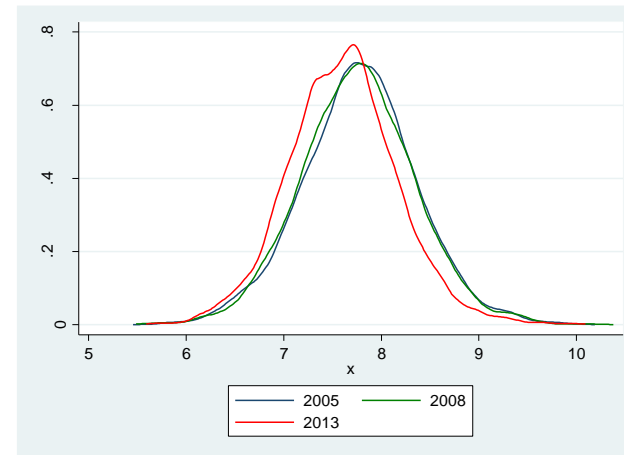
Total expenditure (ln), pre- during- and post-crisis

SOME EVIDENCE

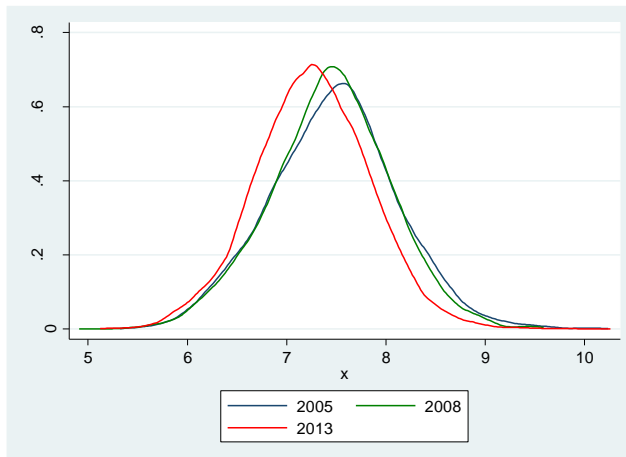
North



Centre



South





PRELIMINARY RESULTS

- ❑ Evidence of regional differences in the pattern of consumption behaviour in different macro-areas in Italy due to the Great Recession
- ❑ Within macro-areas differences in consumption behaviour and in its determinants among the groups reflect differences in consumption reaction across regions and households.
- ❑ Mixture of regression models enabled us to identify the presence of multiple components/groups of expenditure distribution, which mirror different patterns of consumption behavior in the pre- and post- crisis periods.
- ❑ Economic and demographic factors affect expenditure but their effect is different in each areas



Cristina BERNINI

cristina.bernini@unibo.it

Department of Statistical Sciences and Center for Advanced Studies in Tourism
University of Bologna

Maria Francesca CRACOLICI

mariafrancesca.cracolici@unipa.it

Department of Economics, Business and Statistics
University of Palermo

Cinzia VIROLI

cinzia.violi@unibo.it

Department of Statistical Sciences
University of Bologna