

A woman in a light-colored floral dress carries a young boy on her shoulders. The boy is wearing a plaid shirt and suspenders. They are in a vast green field under a warm, golden sunset sky. Another child, wearing a wide-brimmed hat and a yellow dress, stands in the foreground with arms outstretched.

KANTAR

Finding Financial Freedom

2ND AUGUST 2022

CONTENTS

1

How much impact are recent challenges having on NZ consumers?

2

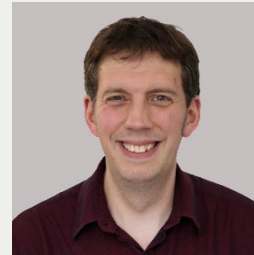
What can we learn from consumer attitudes?

3

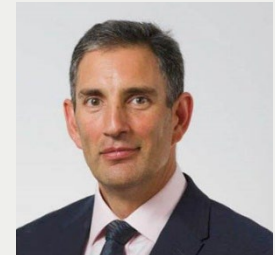
What are the implications for brands?



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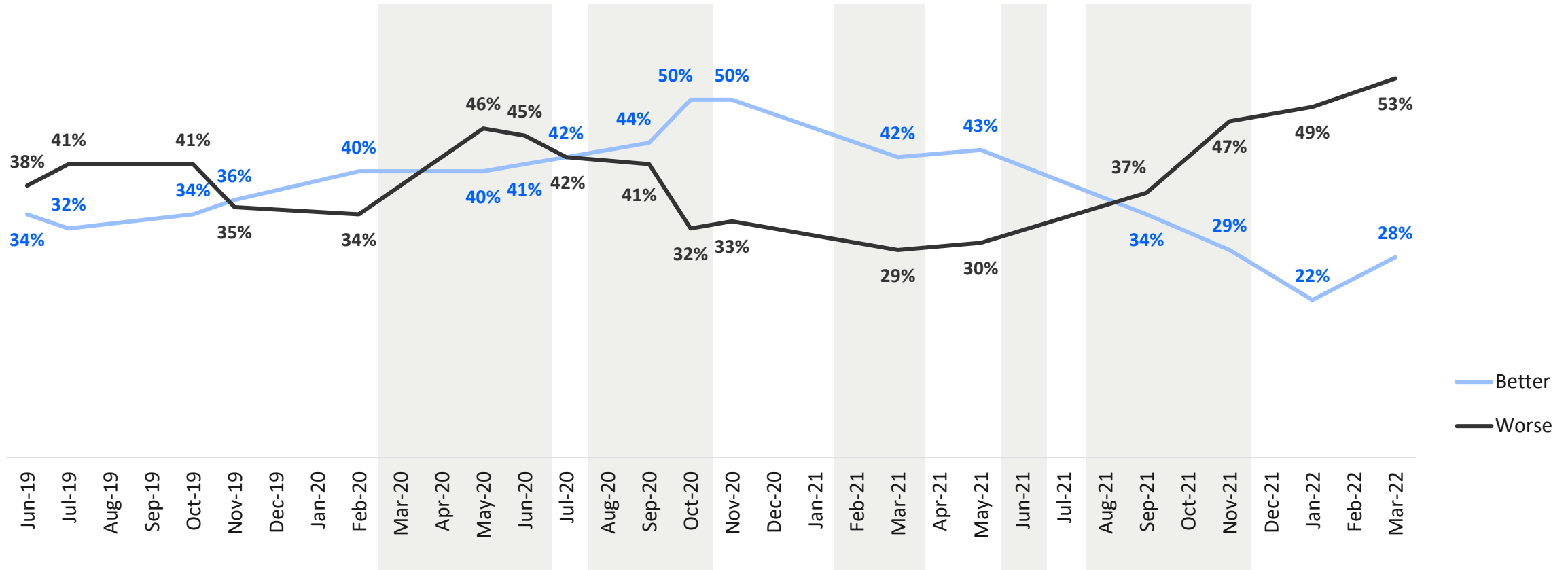


Richard Klipin
CEO of Financial Services
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A woman with blonde hair, wearing a yellow and white striped long-sleeved shirt and a white tote bag, is standing in a bulk food store. She is using a black scoop to fill a glass jar with a light-colored granular substance from a large clear plastic dispenser. The dispensers are mounted on a wooden rack and are filled with various types of grains or seeds. The background shows more of the store's interior, including a chalkboard with some writing and other bulk food containers.

Impact of recent challenges on NZ consumers

Do you think during the next 12 months the economy will be in a better state than at present, or in a worse state?



AT LEAST PART OF NZ IN LEVEL 2 OR MORE SEVERE LOCKDOWN

A close-up photograph of a person's hands holding a smartphone over a payment terminal. The person is wearing a dark jacket and a ring on their left hand. The terminal is black with a screen and several buttons. The background is blurred, showing a person in a white shirt.

Only **24%** of NZ consumers
have high confidence in their
own financial situation...

...and **66%** are more
concerned now than they
were 12 months ago

31%

would not be able to pay an unexpected expense equivalent to 1 month's salary



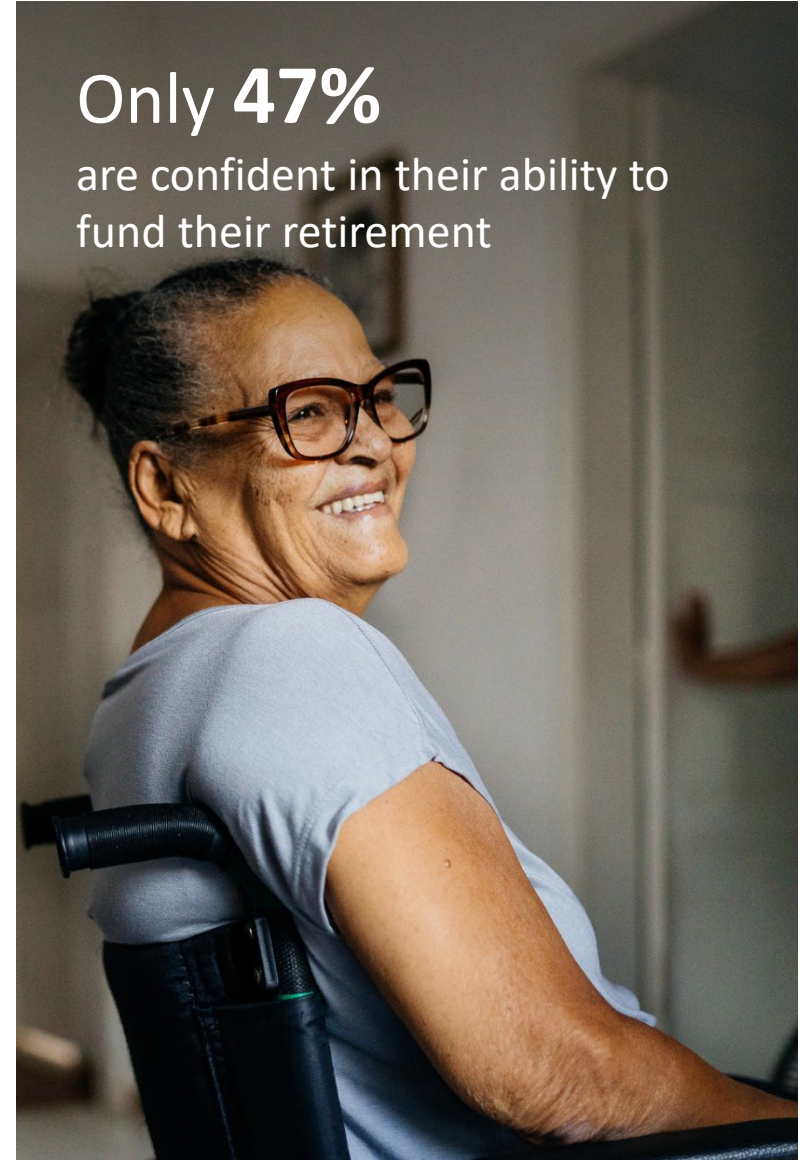
49%

have experienced a month where outgoings exceeded income recently



Only 47%

are confident in their ability to fund their retirement




How are New Zealanders responding to the challenges?



42% are budgeting more, or more carefully

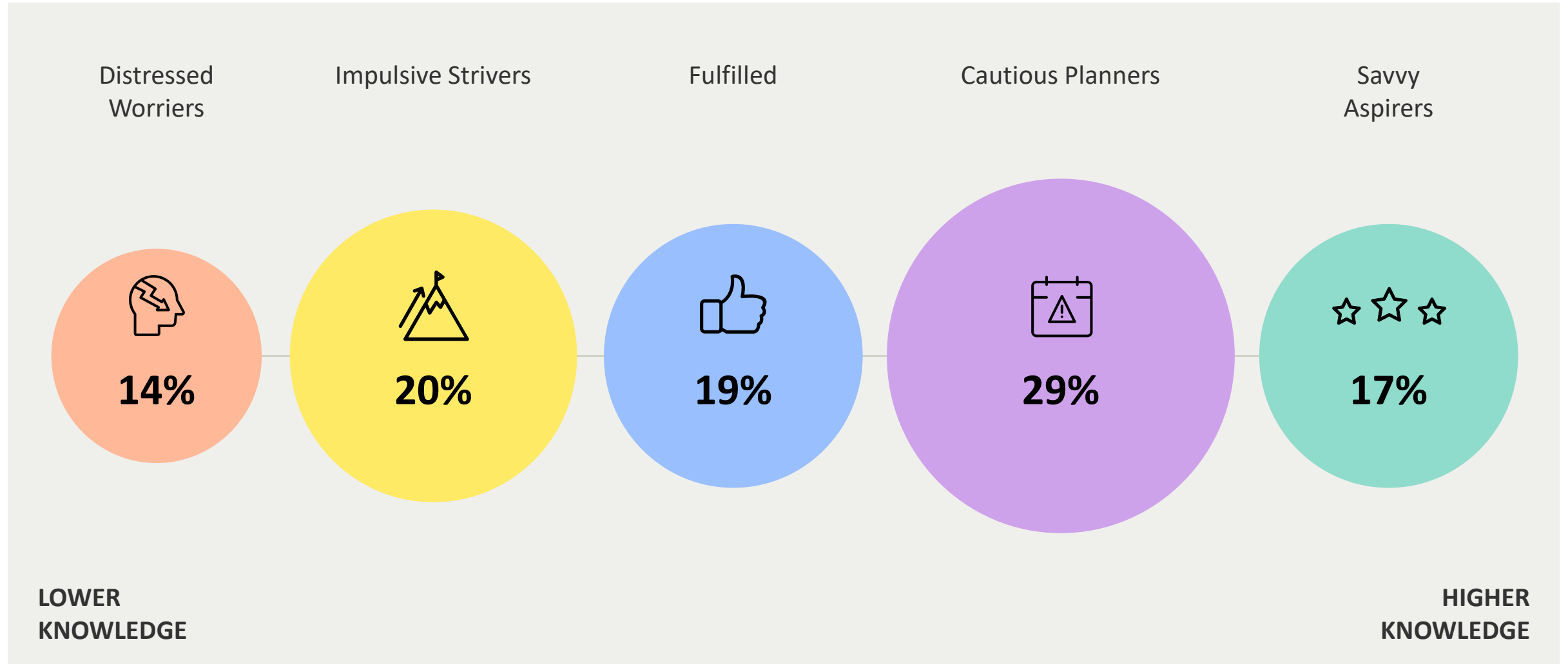
34% are saving more...

...but **33%** are saving less than they did 12 months ago

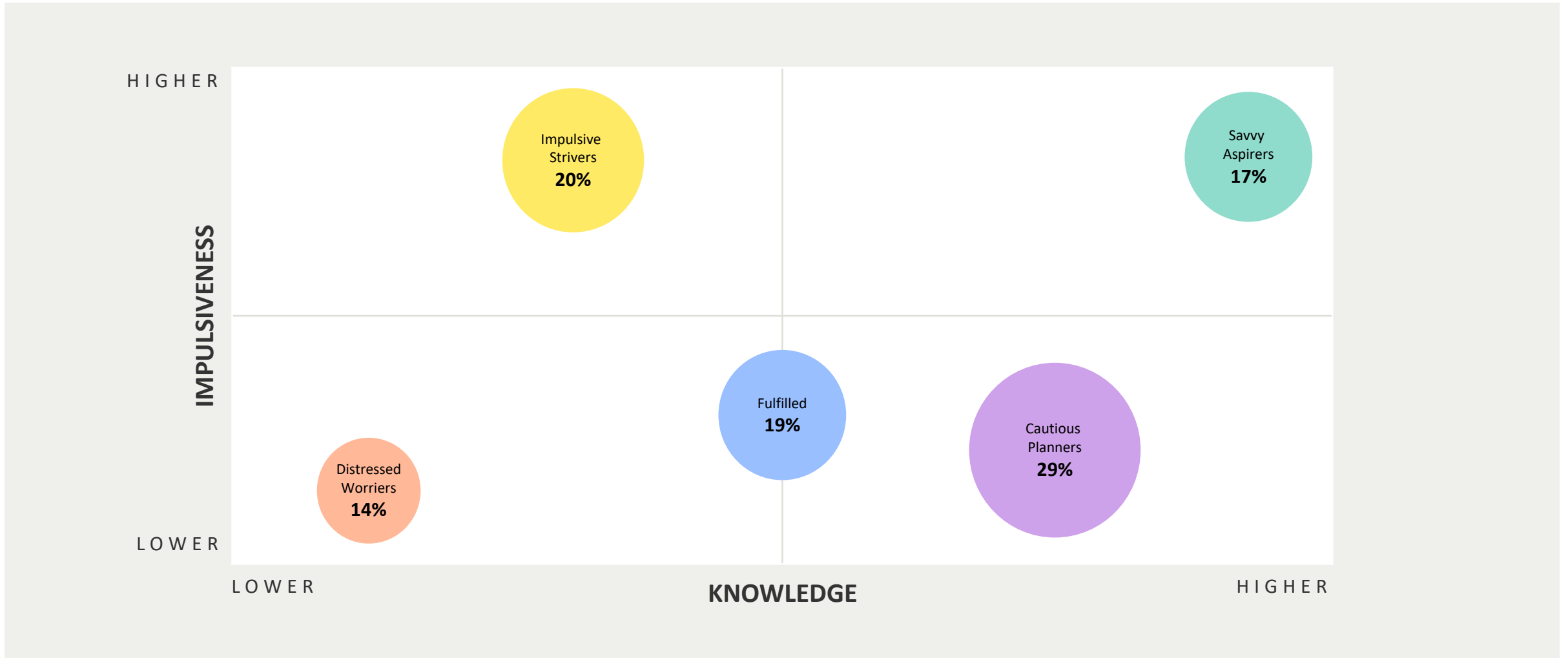


There is much to learn
from understanding
consumer attitudes

Introducing the attitudinal segments

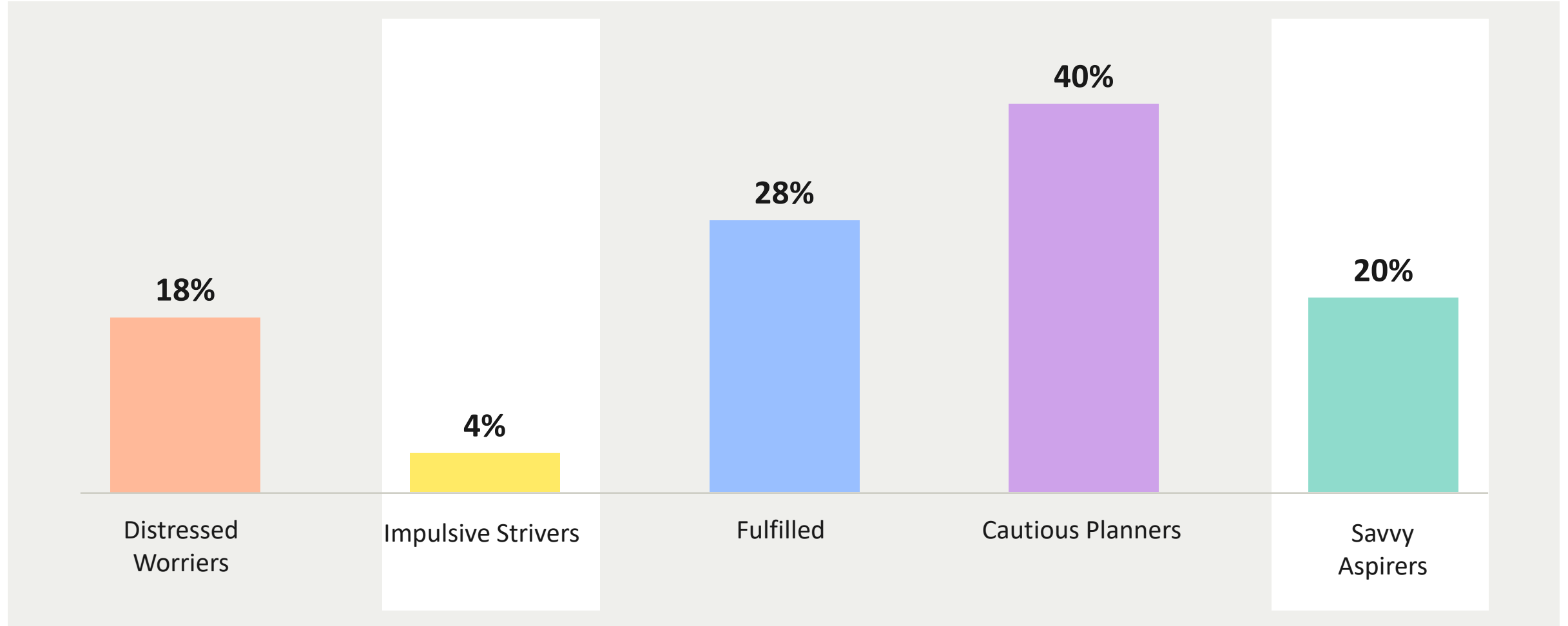


Impulsiveness is a key point of difference



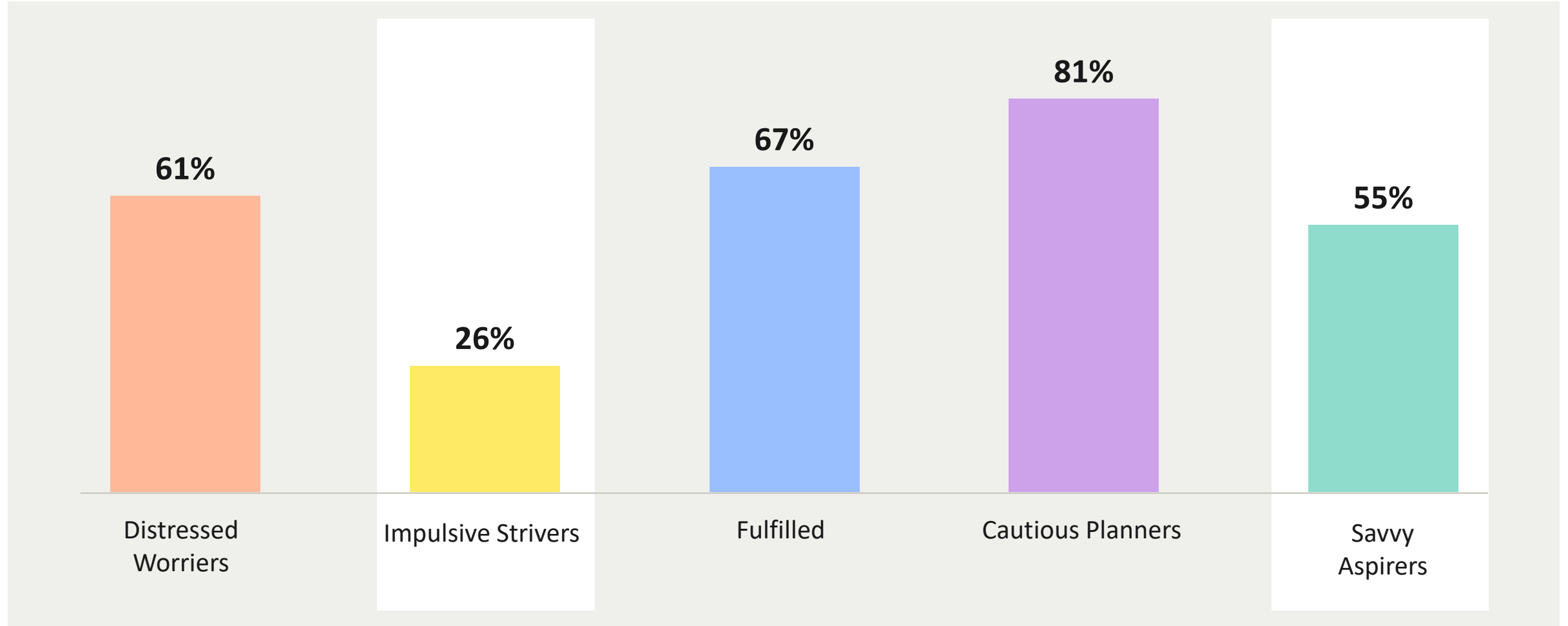
Comfort - how feel about personal financial situation

(% positive - 8-10 out of 10)



Resilience – ability to withstand unexpected expense of 1 month's salary

(% yes)

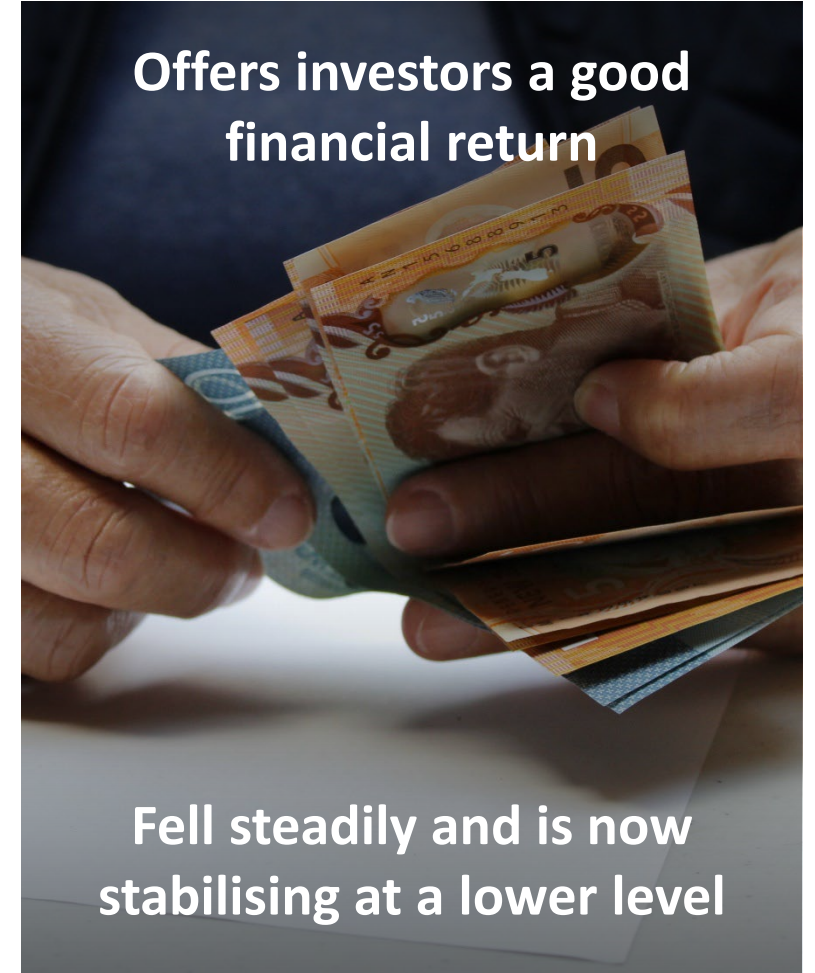



A photograph of two women in a modern office environment. The woman on the left, with short dark hair and wearing a dark blue top, is gesturing with her right hand towards a laptop screen. The woman on the right, with long dark hair and wearing a beige top, is looking at the laptop. They are seated at a white table with two laptops. The background shows a bright, open-plan office with other people working at desks and a large green plant.

Brands have a role to
play in supporting
consumers in these
challenging times

Trust related measures – banking sector

(Kantar NZ's annual Corporate Reputation Research)





28% of NZ consumers told us their level of trust in financial services brands has fallen in the last 12 months

Only **6%** said that their trust levels had risen

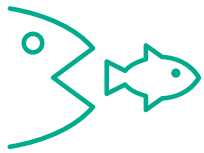
When organisations deliver strong profits, it makes **63%** of consumers think they are charging too much



A brand's greatest strength is its ability to justify its price



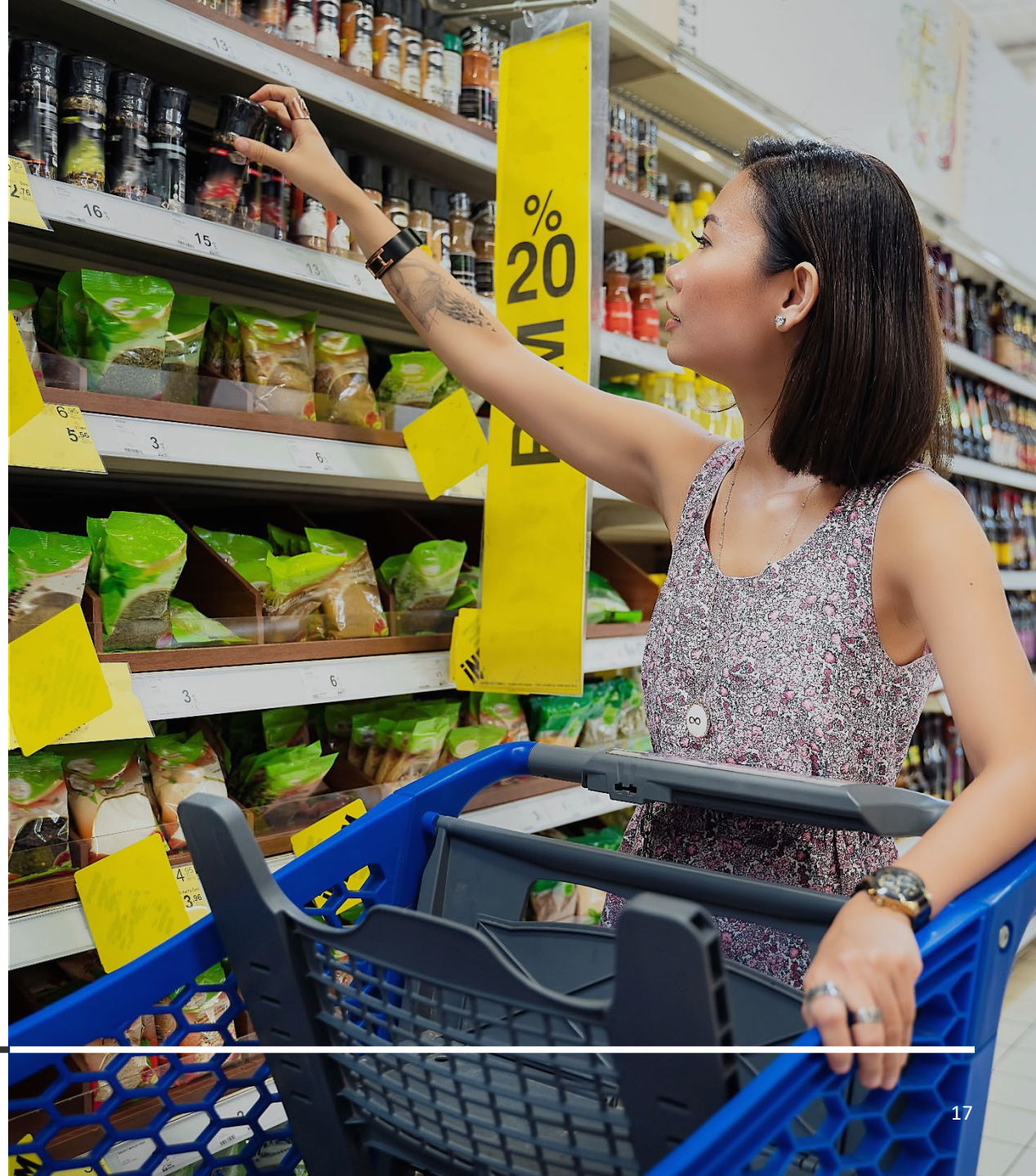
Price promotions often attract existing customers who would have purchased anyway



Competitors often quickly follow suit, limiting their impact



Shoppers are lured by a competitive price but there are other values they seek on top



Two ways for brands to build their Pricing Power



Even in challenging times, over a quarter would pay more for great service

Happy for services to cost slightly more if they make a difference to local / national causes

18%

58%

Prefer firms to keep costs low even if it means more limited involvement

Happy to pay slightly more for great customer service

28%


39%

Prefer low costs even if it means service is not optimised



Follow through on the promises they make to customers. Give genuine customer service and advice in the best interests of the customer rather than putting the needs of the organisation first.



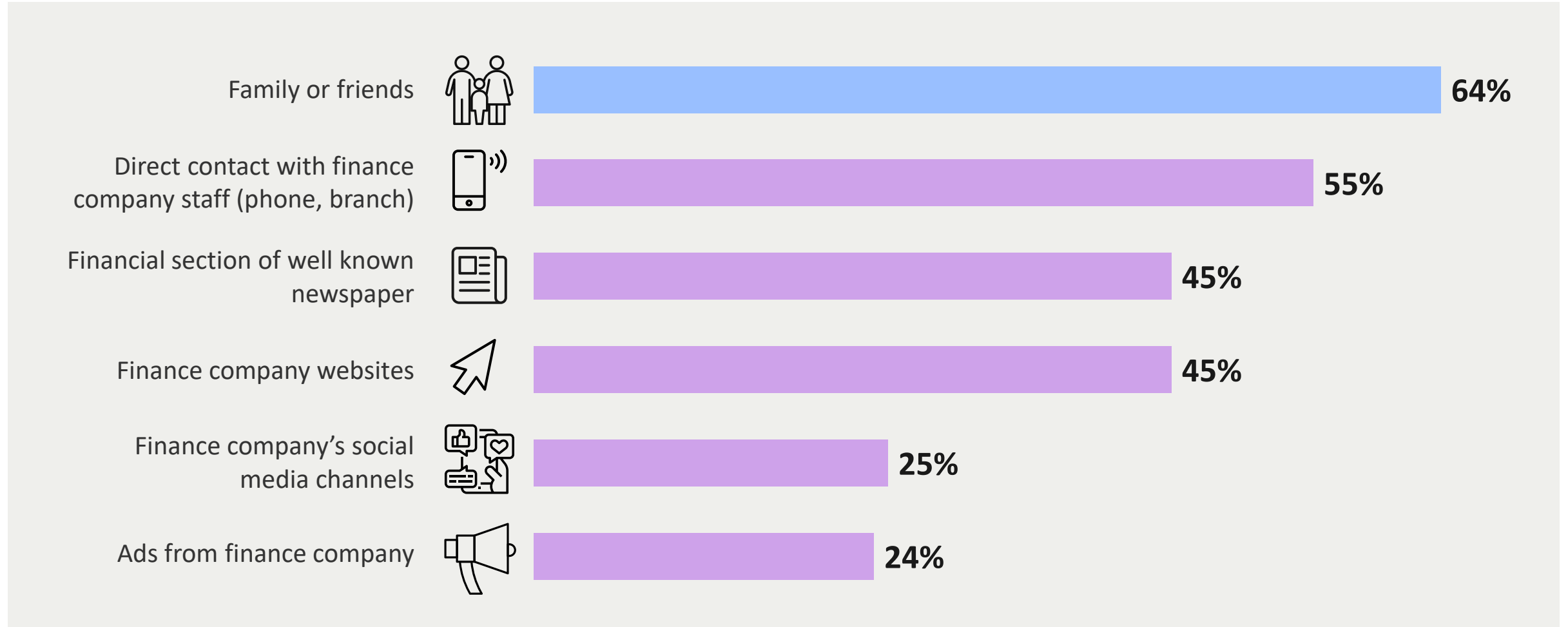
A woman with glasses and a grey sweater is smiling and gesturing towards a customer in a clothing store. The customer is seen from behind, wearing a green sweater, and is holding a stack of brown clothing. A laptop is open on the counter between them. In the background, there is a clothing rack with various items hanging on it.

Service has the potential to
be a meaningful
differentiator

41% are becoming more likely to shop around

Trustworthiness of sources of information about financial products / services

% very + fairly trustworthy shown



A man with glasses and a white shirt is smiling and looking at a smartphone held by a woman in a yellow shirt. They are in an office setting with other people blurred in the background. The text 'Consumers are open to more engagement from brands' is overlaid on the left side of the image.






Consumers are open to
more engagement from
brands

**Digital service can
be fast and simple...**

**But in-person contact
can have real
relationship building
potential**



A tailored approach to fit the different consumer mindsets

	 Distressed Worriers	 Impulsive Strivers	 Fulfilled	 Cautious Planners	 Savvy Aspirers
EXPERIENCE	<ul style="list-style-type: none"> — Support with digital tools — Focus on simplicity 	<ul style="list-style-type: none"> — Small behavioural nudges to improve their position 	<ul style="list-style-type: none"> — Support to make their finances work harder 	<ul style="list-style-type: none"> — Seamless service is key to loyalty 	<ul style="list-style-type: none"> — Plug knowledge gaps — Innovate
ENGAGEMENT	<ul style="list-style-type: none"> — Empathetic tone — De-mystify finance 	<ul style="list-style-type: none"> — Most open to proactive approach 	<ul style="list-style-type: none"> — Demonstrate brand has their interests at heart 	<ul style="list-style-type: none"> — Build awareness of wider efforts (community support, success maximisation) 	<ul style="list-style-type: none"> — Engage around risk management without dampening their entrepreneurial spirit

RECOMMENDATIONS FOR BRANDS



1

Delivering quality personalised service can help a brand to stand apart

2

In challenging times, it's important to focus on building or maintaining trust

3

Brands need to understand and build their Pricing Power

4

Brands need a more sophisticated view of consumers than the one delivered by looking at demographics alone



Need more
insights?

Please talk to your Kantar
account director

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Thank you

