



## Kantar New Zealand Issues Update

15 July 2022

We hope that you are staying safe and well.

Here is Kantar's latest round-up designed to help our clients stay better connected to your customers. Recently we checked in again with 1,000 New Zealanders via an online survey to see how the pandemic – and other pressing issues such as the cost of living – are impacting how we live. With many businesses continuing to struggle, we also took the opportunity to speak with 175 businesses to better understand their current situation.

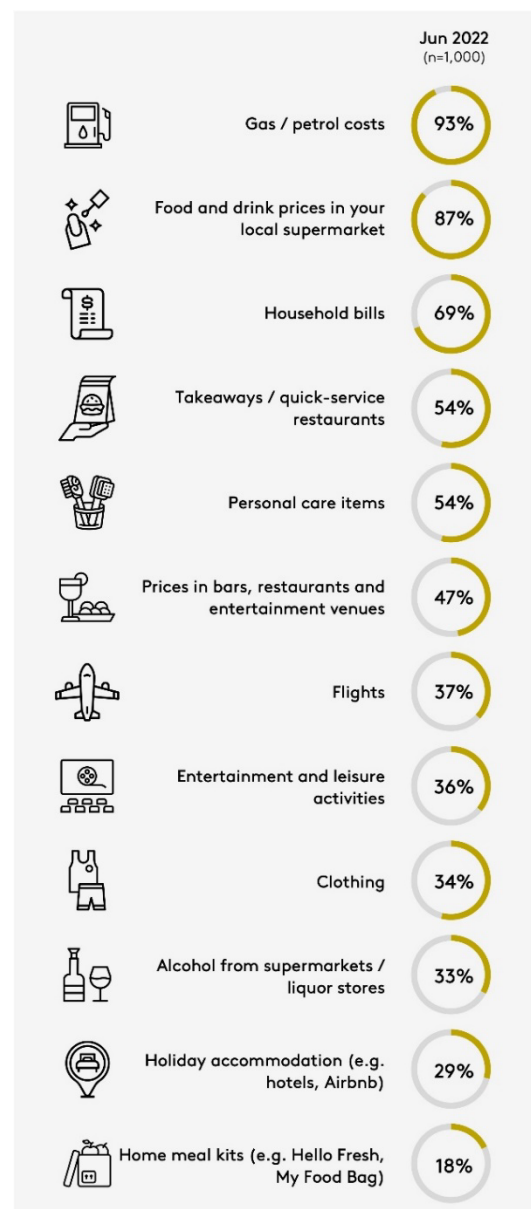
If you're interested in learning more about these latest findings, and what they mean for your business, please let me know or get in touch with your Kantar client lead.

### CONSUMER SNAPSHOT

#### Price shocks most evident in categories dominating household expenditure

It is clear that rising prices continues to be the most pertinent issue for New Zealanders: nearly two-in-three Kiwis (64%) were concerned about rising prices in our last update at the end of May.

When we recently asked Kiwis where they have noticed priced, it was naturally going to be products that make up a large proportion of household expenditure: petrol and food. The incidence of Kiwis using home meal kits – which surged in popularity when the country first went into lockdown over two years ago – is much lower than those shopping at a local supermarket, but just one-in-five (18%) had noticed higher prices in this category, even with the rise in food prices.



## Over half of Kiwis plan to cut back on general expenditure

A worrying trend for many New Zealand businesses is that over half of Kiwis (54%) plan to make cutbacks on their general expenditure. One third of Kiwis are also looking to downgrade the brands they buy which, in turn, is leading to more consumers switching to private labels (private labels have historically grown alongside inflation and economic uncertainty).

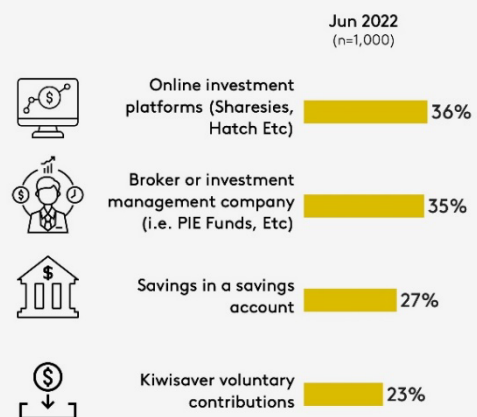
Just over one-in-five Kiwis (22%) have also said they will either buy more things second hand or sell items to raise money (which will likely see increased traffic on platforms like Trade Me).



## Stock market turmoil impacting Kiwis' investment decision making

Kiwis' investment and savings expenditure is also being impacted, although this is more likely a result of stock market turmoil, being experienced globally, rather than a behaviour change as a result of rising prices.

Those already in retirement (Kiwis aged 70+ years) were also understandably more likely (35%) to cut back on their Kiwisaver contributions when compared to the general population.



# KANTAR

Finding Financial Freedom

**SAVE THE DATE**

**TUESDAY  
AUGUST 2**

## Webinar – Finding Financial Freedom

In light of Kiwis's changing behaviour, when it comes to their investments and savings, Kantar will host a webinar, on August 2<sup>nd</sup>, which is informed by a piece of research that provides a 'state of the nation' health-check on New Zealanders' financial situations, while also exploring key themes of interest to the financial services sector such as trust, financial education and engagement. The findings will be based on a representative survey of 1,500 New Zealanders, but will also bring in existing knowledge from other self-funded Kantar work both in New Zealand and within our wider global network. Please do get in touch if you would like to receive an invitation.

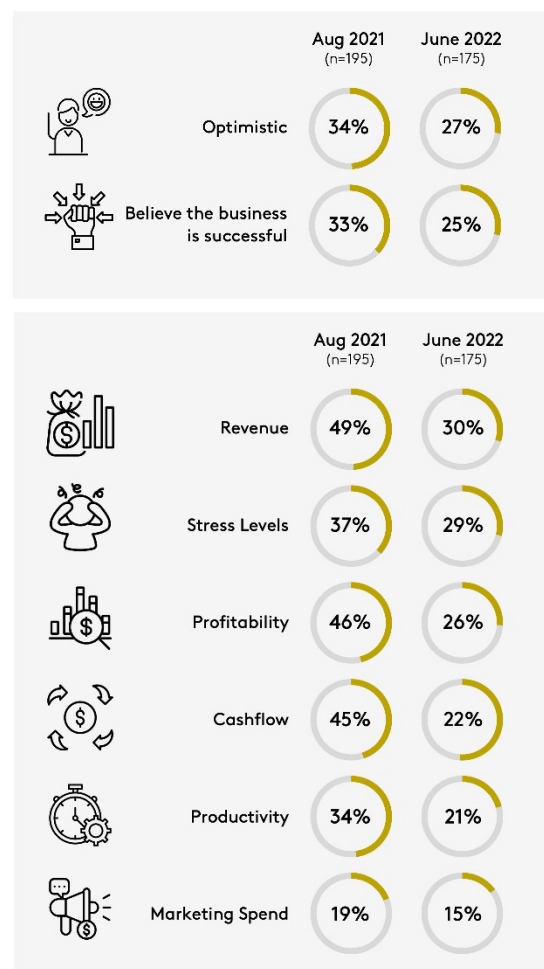
## BUSINESS SNAPSHOT

Kantar also recently engaged with New Zealand business owners and key decision makers to find out how they are feeling in light of consumers' concerns with the pandemic and cost of living.

Optimism has clearly fallen since August last year – when the country was in the midst of a level 3 / 4 lockdown – as has the number of businesses who believe their business is successful.

And these findings chime with the latest [NZIER Quarterly Survey of Business Opinion \(QSBO\)](#) which shows that businesses are feeling more downbeat in the June quarter, with business confidence at its weakest level since March 2020.

But what is clear, as demonstrated by the below chart, is that the pandemic is having less impact on the critical parts of New Zealand businesses, when compared to last August. And while there is no doubt continued uncertainty over the pandemic, businesses – like Kiwi consumers – are also preoccupied with rising prices, higher interest rates, and the consequences of global conflict.



The above findings showcase just some of the key shifts in behaviours and sentiments of New Zealand consumers in response to pressing concerns such as inflation and the ongoing pandemic, and the subsequent impact on New Zealand businesses. For more information on the resulting implications for your brand and customer experience strategies, please get in touch.