

C O V I D - 1 9



## Kantar New Zealand Issues Update

27 May 2022

We hope that you're staying safe and well.

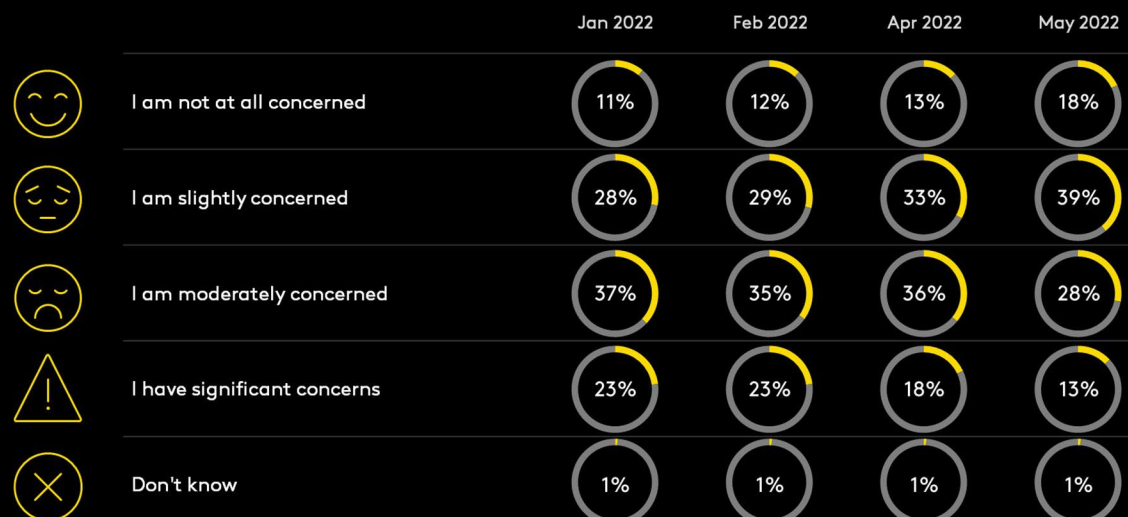
Here is Kantar's latest round-up designed to help our clients stay better connected to your customers. Earlier this month, we checked in again with 1,000 New Zealanders via an online survey to see how the pandemic – and other pressing issues such as inflation and international conflict – are impacting how we live.

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.

### Concerns about Covid-19 in the community plummeting

Earlier this week, the Government said the country would stay at the orange traffic light setting in light of daily case numbers beginning to increase in the Northern region, and hospitalisation rates increasing slightly over the past month. But our monitor continues to see a drop in the number of Kiwis that have significant concerns about living with Covid-19 in the community.

#### Concern about living with Covid-19 in the community

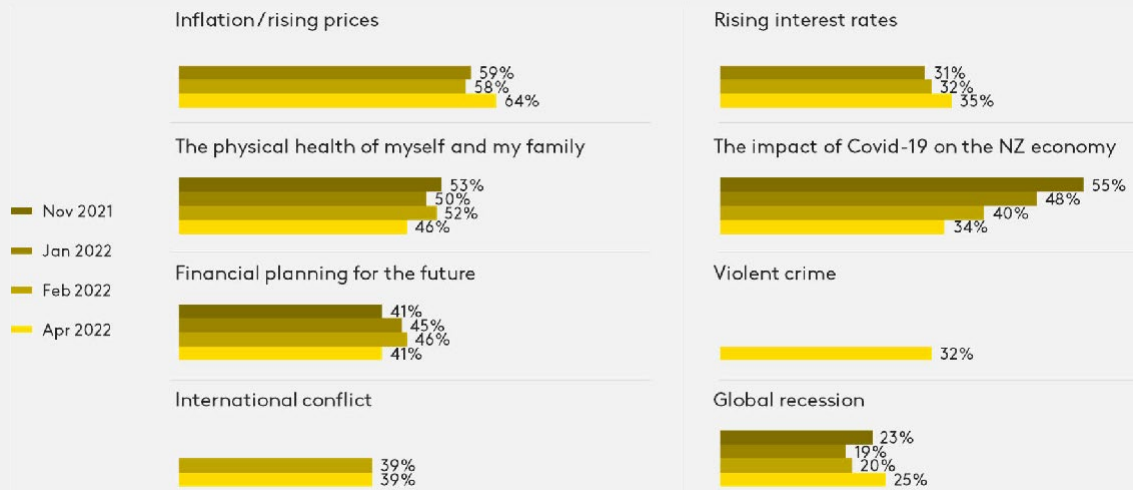


## Nearly two-in-three Kiwis concerned about rising prices

In the last month we have witnessed a sharp decline in concerns related to Covid-19, including physical health and the impact of Covid-19 on the NZ economy. Rising prices continues to be at the forefront of Kiwis' minds and fears about a global recession have also increased significantly – no doubt in part due to the war in Ukraine and rising food prices.

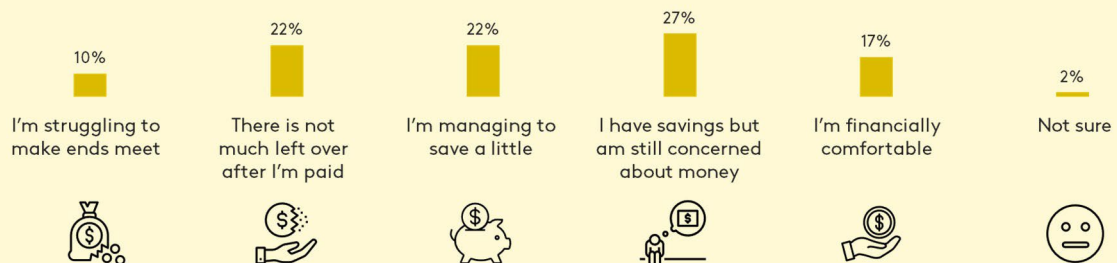
Escalating gang violence and a rise in ram-raid robberies is also likely contributing to nearly one-in-three (32%) New Zealanders citing violent crime as a key concern.

### What Kiwis are thinking about most



**With one-in-ten Kiwis now struggling to make ends meet, we have dedicated the rest of this update to understand how rising prices – and other pertinent issues – are impacting Kiwis' shopping behaviour and major life plans.**

### Current financial situation



## Financial pressures and decline in concern about Covid-19 driving change in consumer shopping habits

Shopping habits within stores and supermarkets have changed significantly since January this year with two-thirds of Kiwis saying they now pay more attention to prices, with well over half paying more attention to products on sale. During the same period there has been a significant decline in consumers purchasing the same brands and shopping at local supermarkets as they look for better deals.

### Changes to shopping habits at physical stores and supermarkets



With concerns about physical health abating, there has also been a noticeable decline in consumers purchasing both cleaning / sanitizing products, and personal protection products such as masks and gloves. Kiwis are clearly also less concerned about visiting large malls.



## Household bills in consumers' firing line when it comes to reduced spend

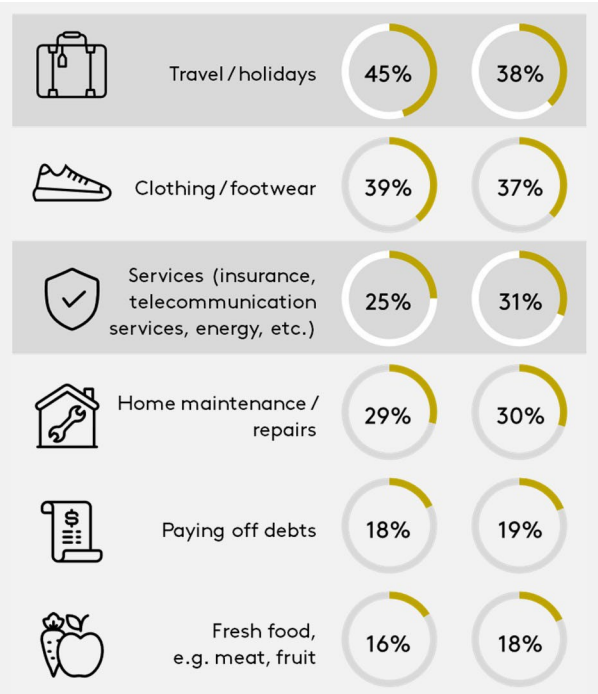
In February and, with prices beginning to rise, we wanted to better understand how consumers' spending would change in the next six months. Having revisited this again in May, there hasn't been a lot of changes in terms of where Kiwis are looking to make cost reductions – it is understandably still luxury items.

But service providers – such as insurance, telecommunications and energy companies – will need to be mindful that consumers are looking to sharpen their pencils, and perhaps find a better deal, when it comes to their household bills.

In contrast, and perhaps with the colder months on our doorsteps meaning Kiwis may be travelling to the slopes or warmer pastures, we have seen less Kiwis willing to make cost reductions on travel and holidays in the next six months.

### Looking to reduce spend in next six months





## Travelling overseas and buying a house are two key life plans being revisited

It is not just everyday purchases that are being impacted by the issues facing New Zealanders. Over one-in-three have said that their plans to travel overseas have been impacted. The cost of living crisis will no doubt be a factor, as will conflicts in countries like the Ukraine and Sri Lanka (Europe and Asia – along with Australia – were the three regions Kiwis were most interested in travelling to when we asked them in January).

Nearly one-in-five Kiwis have also said their plans to buy a house have been impacted (and it is a third for young Kiwis aged 18-34 years). On Wednesday, the Reserve Bank increased the official cash rate to a six-year high of 2% and many New Zealanders – especially first home buyers – will be mindful of the impact on mortgage rates

### Major life plans being impacted by cost of living, COVID-19 or other issues



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.



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