Australians keep their chins up in the face of the GFC

Australians’ spirits are high with 63% still ‘extremely’ or ‘very’ satisfied with life despite 60% of us thinking the economic situation will get worse in the next 12 months, according to this year’s Eye on Australia report, released today by Grey.

The annual report from marketing communications agency Grey, which this year offers insights on life inside the recession, found that Australians’ satisfaction with life had only dropped 2%, from 65% in 2008.

The 2009 results show that women are the most concerned about the economic climate with 36% of females finding current economic talk ‘extremely’ or ‘very’ depressing compared to 27% of males, and the majority of women (74%) reading more about the economy than ever before.

Eye on Australia 2009 also found that:

- 41% of Australians feel they are living in prosperous times (down from 70% in 2008);
- 28% of respondents know someone who has become unemployed because of the Global Financial Crisis (GFC);
- Most Australians (86%) are actively trying to reduce debt;
- Pre Baby Boomers (those aged 47 to 64 years old in 2009) are most likely to have had their finances affected by the GFC (90%);
- Unemployment and job security is seen as the major issue facing Australians in the next five years (29%); and,
- Drought and water issues (51%) rate as the number one concern keeping us awake at night, followed by personal finances (46%) and having enough money for retirement (45%).
- The Country Fire Authority (CFA) is Australia’s most trusted organisation on Eye on Australia’s trust scale, rating 7.67 out of 10, followed closely by major charities such as The Salvation Army (6.89 out of 10) and 2008’s top-rated brand Google (6.54 out of 10).

Now in its 18th year, the Eye on Australia report, conducted in association with Sweeney Research, tracks consumer attitudes across metropolitan and regional areas and provides insights into how Australians are feeling about work, life and the economy.

According to Simon Rich, Director of Planning at Grey, the real impact of the recession so far has been the negative sentiment rather than the physical effect.

“For most Australians, life is still ok - interest rates are low, the cost of petrol is declining and unemployment has not yet reached crisis levels. So we are positive about today but concerned about what the future may hold and as a result we are cutting back expenses and holding off on big ticket purchases.”

When it comes to spending, the survey found that 61% of women have been checking supermarket prices more in the last 12 months than previously.
Mr Rich said: “At the same time women are also worried about job prospects for their school-leaver children and concerned for their aging parents’ retirement plans.”

For Jane Emery, Managing Director of Grey, the 2009 results show that women are still the backbone of the Australian household.

Mrs Emery said: “One of the standout messages in this year’s results is that women are running Australia on a daily basis. Most major household decisions are undertaken solely by women - 70% are doing the majority of the housework (compared to 23% of men), 59% are in charge of the household expenses and 74% take charge of supermarket shopping (compared to 34% of men).

“However, most women are juggling a number of roles. In fact 32% of women are the chief money earner in their household”

In the workplace, Australian men and women have different attitudes to career opportunities with only 16% of women agreeing that job opportunities are the same for both sexes compared to 49% of men.

Other key findings show 74% of workers are satisfied with their jobs although 42% of Pre Baby Boomers say they will have to delay their retirement because of the GFC.

Mr Rich said: “This probably reflects the fact that many workers are happy to still have a job. It seems like most of us feel that the GFC is out of our control and we just have to ride it out.”

In other consumer trends, 2009 heralded the rise and rise of the house brand with only 9% of consumers not buying house brands and 41% buying more than they did 12 months ago.

“House brands have really cemented their popularity in the last year and in many cases their quality matches their competitors. They tend to be economically priced which works well in the current environment.”

“However, there are opportunities for traditional brands. Classic brands should take advantage of their heritage and see this as the time to re-connect consumers with an old favourite.”

Home entertaining will also be a major trend in 2009 and Australians plan to spend more or the same on items like groceries and general household expenses (79%).

“What they are doing is budget ‘busting’. No longer are Australians putting it on the credit card but we are looking to be smarter with our own money.”
For additional information that’s included in Eye on Australia 2009 report, contact Letitia.brooks@grey.com

About Eye on Australia study

An annual study, Eye on Australia tracks consumer attitudes, giving insights into Australians’ lifestyles, aspirations, fears and frustrations as well as measuring our feelings about marketing and advertising and corporate Australia. The 2009 survey was based on a random sample of 778 adult Australians and the research was conducted by Sweeney Research on behalf of Grey.

The research sample comprises:

• A 50/50 male and female split
• Household incomes from $25,000 to $100,000+
• Aged between 18 and 65+
• Respondents from Sydney, Melbourne, Brisbane, Perth, Canberra and Regional NSW, VIC and QLD
• Generational splits:
  • Pre Baby Boomers born 1944 or before, aged 65 or over
  • Baby Boomers born 1945-1962, aged 47-64
  • Gen X – born 1963-1975, aged 33-46
  • Gen Y – born 1976 or after, aged 19-33