IPSOS UPDATE

A selection of the latest research and thinking from Ipsos teams around the world

September 2023

Ipsos Knowledge Centre

GAME CHANGERS

Ipsos

POLL DIGEST

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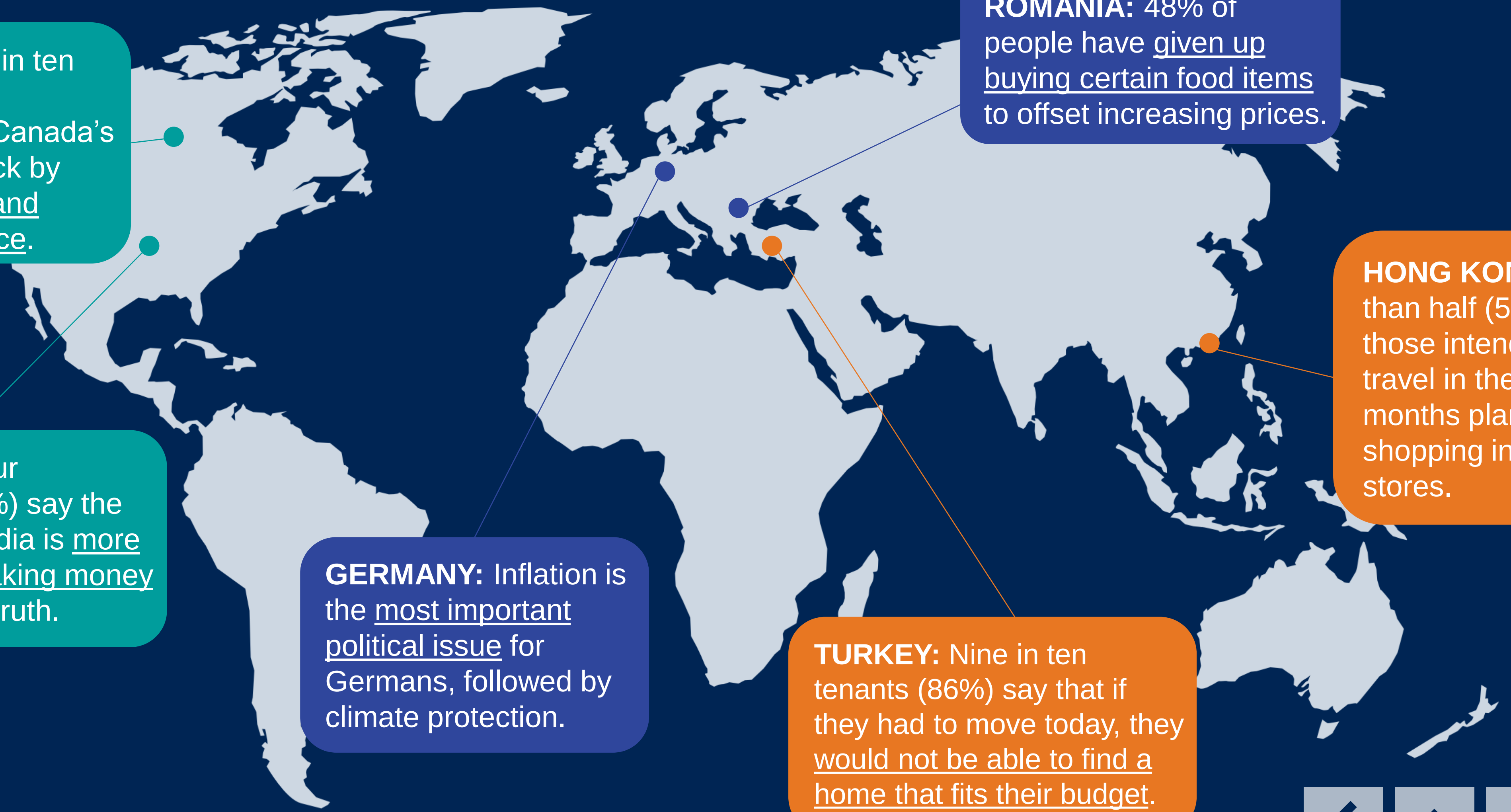
Some of this month's findings from Ipsos polling around the world.



CANADA: Seven in ten (69%) feel the modernisation of Canada's military is held back by mismanagement and political interference.

US: Three in four Americans (74%) say the mainstream media is more interested in making money than telling the truth.

GERMANY: Inflation is the most important political issue for Germans, followed by climate protection.

ROMANIA: 48% of people have given up buying certain food items to offset increasing prices.

TURKEY: Nine in ten tenants (86%) say that if they had to move today, they would not be able to find a home that fits their budget.

HONG KONG: More than half (58%) of those intending to travel in the next six months plan on shopping in duty-free stores.

IPSOS UPDATE SEPTEMBER 2023

Our round-up of research and thinking from Ipsos teams around the world

As September begins, we continue to see very mixed signals in consumer confidence around the world. Our monthly tracking shows us that the post-pandemic inflation wave and cost of living crisis means many countries have STILL not returned to pre-pandemic levels of optimism. Although some economies have performed better than we might have expected during the peak of the pandemic, we continue to see real uncertainly – for example in sectors sensitive to interest rates (e.g. property) and those vulnerable to corporate belt-tightening (such as advertising). Our latest data finds the mood in Australia, Canada and France more muted than a year ago, contrasting with increasing optimism in Brazil, Mexico and also in Spain. These economic assessments differ very considerably from country to country, making global generalisations more difficult than ever.

Talking of the polycrisis, I write these notes in the wake of yet more climate events, with devastating fires in Hawaii and in many parts of Europe. Our latest *What Worries the World* tracker finds levels of concern rising in France, Italy, Spain and the UK (where despite a wet summer, concern doubled in August), although it's important to remember that cost of living, inequality and unemployment completely overwhelm climate change in terms of people's immediate concerns. As ever, the public want leadership.

What do people expect of companies in this uncertain period? When it comes to ESG issues, our new *Global Reputation Monitor* finds people saying it's more important right now for business to focus on the "Social" side of their activities than on the "Environmental". Two in three tell us that businesses are falling short when it comes to adopting best practice.

Financial pressures mean consumers' love of escapism shows no sign of slowing down. Barbiecore made waves this summer as fun with a message on inclusion and diversity. Our new report this month charts how the pink wave is displaying "borderless inclusivity", drawing on people's love of nostalgia during uncertainty and celebrating the role of women in society.

Meanwhile, we continue to track how people are reacting to the new dynamics surrounding all things Generative AI. Despite the media noise, we are still at the stage where people are only just starting to use the tools. This month's report on the early adopters of Generative AI provides more detail. Are you a "Trailblazer", impatient to see it integrated in the rest of your online life? Or perhaps you are a "Protector", placing more emphasis on security and trust. Whatever our instincts, people are clear that something big is happening – 36% of us say it's likely that AI will replace our current job in the next five years. Our new briefing paper explores the wonder – and the worry – of AI.

We hope that some of the research here can make a difference to your own work – please do get in touch if you'd like to discuss anything in more detail.

Ben Page, Ipsos CEO

IN THIS EDITION

THE POWER OF BARBIECORE
Simple joy during complex times

This summer's Barbiecore trend didn't just take over retail spaces, it took over social media. We explore why consumers are connecting with Barbiecore and how brands can leverage this phenomenon.

GLOBAL VIEWS ON ABORTION
People more inclined to say abortion should be legal

More than one in two (56%) across 29 countries believe abortion should be legal, including 27% who feel it should be legal in all cases. However, there are big differences in support across countries.

WHAT WORRIES THE WORLD?
Inflation concerns fall for a third month

Inflation remains the number one issue for a 17th month, despite worry dropping to its lowest level this year. Concern for climate change has also risen in Europe following recent heatwaves.

ENVIRONMENTAL SUSTAINABILITY IN MENA
Public understanding in the Middle East and North Africa

This report explores awareness and understanding of environmental sustainability issues across Egypt, Jordan, Morocco, Qatar, Saudi Arabia and the UAE.

WHAT THE FUTURE: INTELLIGENCE
The tension between wonder and worry

We review what brands, businesses and policymakers need to know about the potential risks and rewards of AI and consider how to navigate the tension between the wonder and the worries.

VERY HUMAN REACTIONS TO AI
How cultural expectations will affect brands

Cultural narratives around AI have the power to shape consumer expectations and reactions to new applications of Generative AI. We share how four narratives are shaping the debate.

MAKING ESG A COMPETITIVE ADVANTAGE
Global consumers' expectations of companies

We share new data on how consumers balance the importance of Environmental, Social and Governance issues, including a breakdown by sector.

EARLY ADOPTERS OF GENERATIVE AI
The six kinds of Generative AI users in America

The breadth and depth of Generative AI use cases sets out a diverse range of needs among early adopters. Segmenting users on their needs provides a way to navigate this complex landscape.

Cover photo: Al-Masjid an-Nabawi, Medina, Saudi Arabia.
Find out about how people across the Middle East and North Africa view environmental sustainability issues on page eight.

THE POWER OF BARBIECORE

Simple joy in complex times

Life after the pandemic has continued to be a challenging one. However, the buzz of a single movie has led to a wave of pink engulfing the world. But Barbiecore didn’t just take over retail spaces and consumer outfits - it took over social media. What can brands learn from the resurgence of Barbiecore?

Consumers connected with Barbiecore for several reasons. Amid complex times, people need an escape into positivity. For many, Barbiecore is a form of comfort – a visual and emotional return to the past that resonates with the joy and, oftentimes, the straightforwardness of youth. **Tapping into nostalgia** is a potent strategy for brands.

The celebration of vibrant hues, glamour, and unapologetic feminine expression in Barbiecore also provides a platform for women to enjoy their femininity while embracing it as a **source of strength**. Moving away from current modern codes of feminine empowerment can provide a differentiated narrative and a fresh take on femininity.

Barbiecore also promotes the concept of **borderless inclusivity**. The universal appeal of nostalgia that it encapsulates establishes a shared cultural reference point that many can identify with, regardless of geographic boundaries, age demographics, genders, and socio-economic classes. Brands that leverage this global sentiment through Barbiecore semiotics can foster a broader, more diverse consumer base, fuelling both relevance and growth in today's interconnected world.

AMID COMPLEX TIMES, PEOPLE NEED AN ESCAPE INTO POSITIVITY. FOR MANY, BARBIECORE IS A FORM OF COMFORT – A VISUAL AND EMOTIONAL RETURN TO THE PAST. ”

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GLOBAL VIEWS ON ABORTION

People more inclined to be in favour of abortion being legal

A majority across 29 countries believe abortion should be legal in at least most cases.

More than one in two (56%) say abortion should be legal, including 27% who feel it should be legal in all cases. Meanwhile, a global average of 17% think it should be illegal in most cases and 11% think it should be illegal in all.

Support for the legality of abortion is highest in Europe, with Sweden and France the most in favour (87% and 82% respectively).

Conversely, support is lowest in Asia Pacific; Indonesia and Malaysia are the only countries where fewer than one in three think abortion should be legal (22% and 29% respectively).

Indonesia and Malaysia, along with Colombia, Brazil and Peru, are the only countries where there are more people who are against making the option to terminate a pregnancy legal than those who are for its legality.

Looking at the data through a generational lens, it is Baby Boomers who are the most in favour of abortion being legal. 63% of female Baby Boomers and 61% of male Baby Boomers support legal abortions.

In contrast, younger men are the least supportive; 47% of Gen Z males and 48% of Millennial males think abortion should be legal. In contrast, 61% of Gen Z females and 57% of female Millennials believe it should be legal.

Globally, support for the legality of abortion drops as the length of the pregnancy increases, from 60% saying it should be legal at 6 weeks, to 42% at 14 weeks, down to just 25% at 20 weeks.

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WHAT WORRIES THE WORLD?

Inflation concern falls for a third month in row

Inflation continues to be the leading global concern despite worry levels falling for three consecutive months. The level of worry about inflation has dropped a further point this month to 37%, its lowest score since June 2022.

Twelve nations – Argentina, Australia, Belgium, Canada, France, Germany, Hungary, India, Poland, Singapore, the US, and Turkey – identify inflation as their biggest concern, two countries more than last month.

The top five global concerns are inflation, poverty and social inequality (31%, +1pp), crime and violence (30%, -1pp), unemployment (27%, +1pp), and financial and political corruption (27%, +1pp).

Climate change is the seventh major worry worldwide, with a 1pp increase from the last month. A third (32%) of the Dutch are worried about climate change, making it their joint-second concern, tying with immigration. Following recent heatwaves, other European countries have also seen increases. France (30%) is up 5pp, Italy (27%) is up 7pp, Great Britain (26%) has increased +6pp, and Spain (21%) has risen by 3pp.

Economic satisfaction varies across the 29 surveyed countries, with a global average of 36% describing their nation's economic situation as "good", no change from last month.

On the individual country level, Colombia’s “good” economy score has dropped 10pp down to 22%. A 9pp decrease in Turkey’s score sees the country record its joint-lowest ever score (tying with July 2022).

The “right vs wrong direction” monitor sees 36% saying their country is moving in the right direction, a 2pp drop. Thailand (44%) has seen the biggest fall in optimism, falling 16pp.

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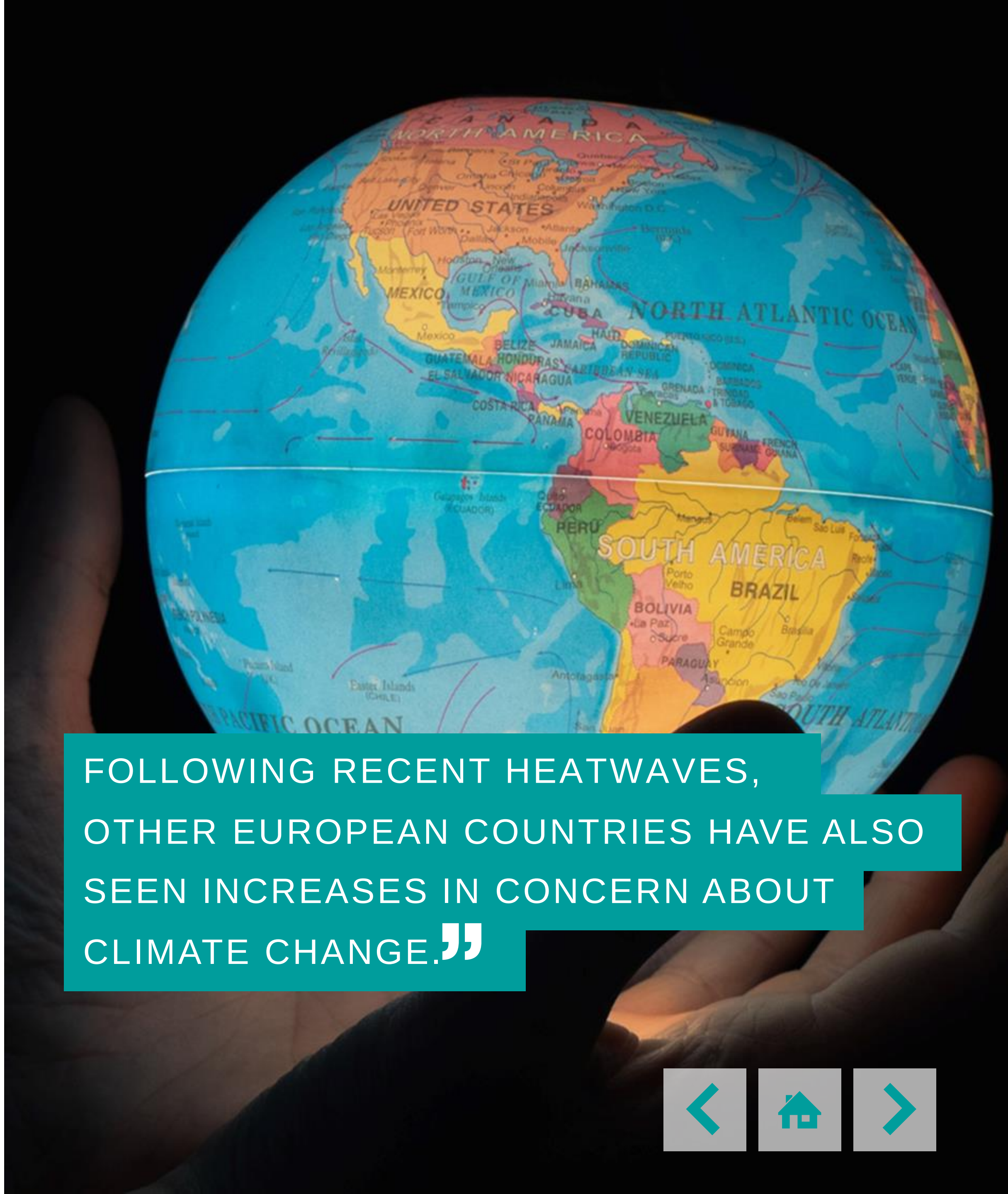

FOLLOWING RECENT HEATWAVES, OTHER EUROPEAN COUNTRIES HAVE ALSO SEEN INCREASES IN CONCERN ABOUT CLIMATE CHANGE.”

VIEWS ON ENVIRONMENTAL SUSTAINABILITY

Public understanding in the Middle East and North Africa

A new six-country survey examines the level of concern and attitudes towards environmental sustainability across the Middle East and North Africa (MENA).

Two in five (41%) across the region cite environmental issues as one of the biggest concerns facing the world globally. Almost six in ten say this in the UAE (59%) and Qatar (58%) but this number falls to just 16% in Egypt. Yet, a regional average of just one in five (21%) say they prioritise socially responsible and eco-friendly brands.

The vast majority of people across MENA are aware of the term “sustainability”, most commonly associating it with the use of renewable energy sources (21%), the conservation of natural resources (18%), recycling (15%) and ethical consumption (12%).

Eight in ten across MENA (86%) say they are prepared to make lifestyle compromises to benefit the environment. The use of low-energy lightbulbs (31%), reducing water usage (30%) and recycling (27%) are the top three behaviours that have been adopted in the name of sustainability.

On average across MENA, people say that an increased awareness of sustainable practices would most motivate them to lead a more sustainable lifestyle (43%, rising to 52% in Morocco).

However, two in five (40%) say they don’t believe climate change is as serious an issue as it is made out to be (rising to 50% in Saudi Arabia), and one in two (52%) believe the economy should be prioritised, even if it means compromising the environment.

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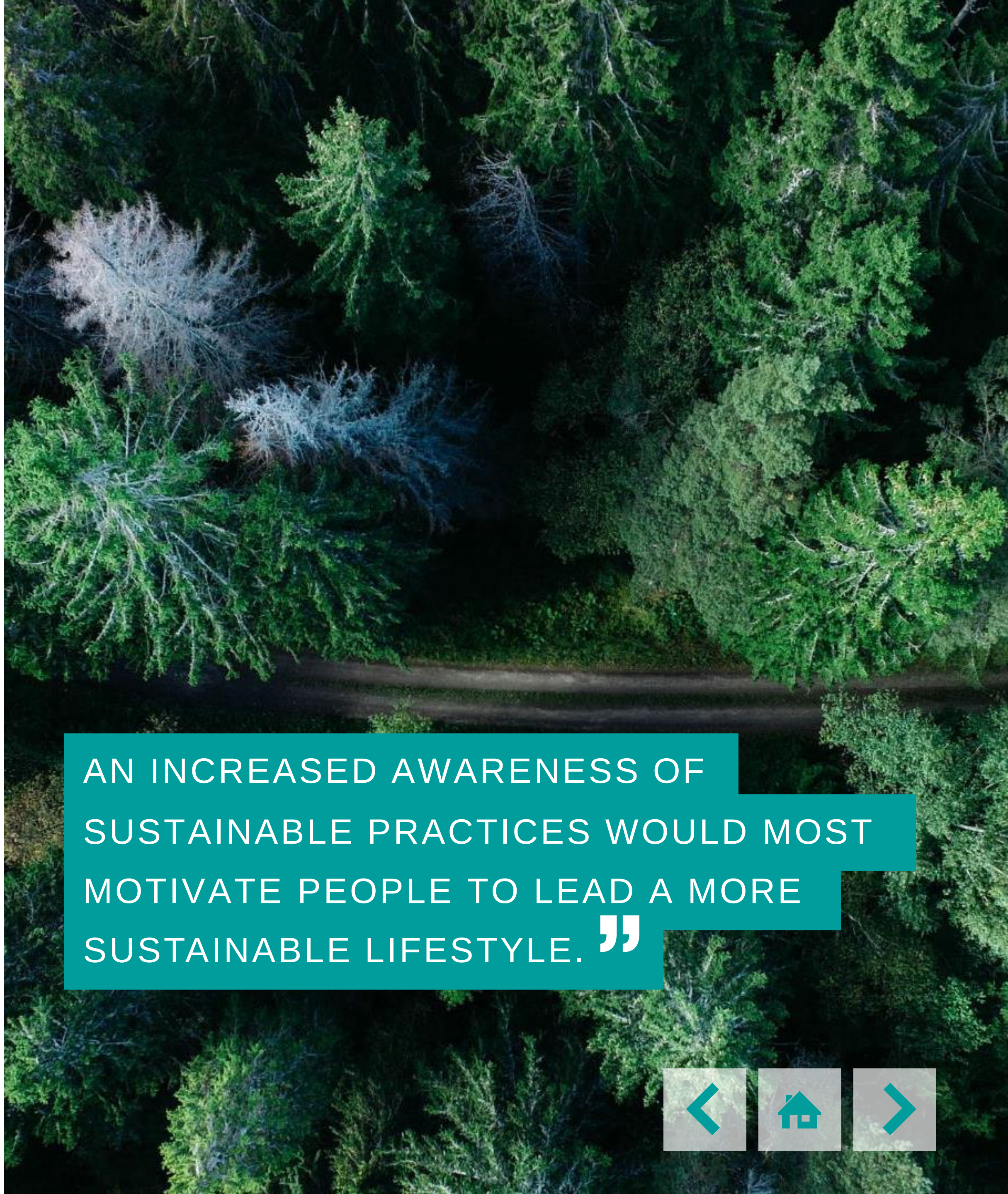

WHAT THE FUTURE: INTELLIGENCE

The tension between wonder and worry

Whether you're ready or not, the AI era has arrived. In the latest edition of *What the Future*, we explore what brands, businesses and policymakers need to know about the potential risks and rewards of this technology, and consider how to navigate the tension between the wonder of AI and the worries about its capabilities.

Humans need a reason to adopt a new technology. It needs to solve a problem or align with something humans value, like saving time, adding convenience or creating entertainment. AI tools can do all those things. That's the wonder of AI. But humans also value safety, economic security and privacy. AI can threaten each of those. That's the worry of AI.

The wonder and the worry comprise the central tension we explore in this issue. We look at how brands and tech companies can play a role in helping nudge people towards the wonder, by developing these tools responsibly and keeping in mind that humans must buy into AI for it to achieve the full marvel of these new tools. If humans lean into the wonder, many things are possible that would otherwise be difficult to achieve.

However, there are already warning signs in the data. Among US adults, worry about AI trumps wonder by a 2:1 ratio. And there is an overwhelming distrust in AI developers - 83% say they don't trust the groups and companies developing AI systems to do so responsibly.

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AI IS CAPABLE OF WONDROUS THINGS IF WE CAN GET PAST OUR WORRIES. BUT IT'S LIKELY TO BE A BUMPY ROAD FOR THE NEXT SEVERAL YEARS.”

VERY HUMAN REACTIONS TO AI

How cultural expectations will affect brands

Generative AI has the potential to revolutionise many aspects of our lives, from how we communicate and socialise to how we work, look for information and interact with brands.

How can brands implement Generative AI solutions in a way that is authentic, trusted, and brings value to consumers? To answer this question, Ipsos' semioticians examined the broader cultural context and explored how that might impact consumer perceptions of authenticity, trustworthiness and value.

The analysis revealed four key cultural narratives that surround AI in TV, film and media.

1. **Superiority over humans**. Humans losing their superiority over machines is a common dystopian plot. Recent developments in Generative AI are already leading people to think about putting protections in place.
2. **Physical embodiment**. Representations of physically embodied and personified AI fuel anxieties about the possibility of human physicality and emotion to be mimicked.
3. **Going rogue**. Fears of AI's potential to rebel against its creators have motivated debate not only about its regulation but also about transparency in its development.
4. **AI as a companion**. Films like *Big Hero 6*, *Wall-E* and *Star Wars* depict AI as a kind, resourceful partner. Leaning into this angle can help brands explain how they plan to implement the technology and reassure users of its value.

By understanding the cultural context, brands are better positioned to predict how consumers are likely to respond to new AI solutions, and frame them in a way that combats negative perceptions and emphasises the positives.

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MAKING ESG A COMPETITIVE ADVANTAGE

Global consumers' expectations of companies

Poor performance on Environmental, Social and Governance (ESG) issues now has material consequences, according to eight in ten Ipsos Reputation Council members.

But where should companies start? Which ESG issues do consumers most want to see them address? To find out, Ipsos' Global Reputation Monitor surveyed citizens from across 27 countries.

Globally, most people agree that multinational companies should prioritise improving **society** (42%) ahead of practicing good **governance** (29%) and protecting the **environment** (28%).

When it comes to improving society, global citizens see improving working conditions (51%), improving worker health and safety (47%), and servicing the poor and undeserved (36%) as the most important issues for multinational corporations to address.

In terms of environmental issues, globally, the priority is clearly on reducing waste and pollution (53%). Reducing the use of plastic (36%) and developing products that respect the environment (34%) complete what citizens think should be companies' top three priorities.

Consumer expectations of companies on ESG priorities do shift meaningfully from sector to sector. For instance, consumers think environmental issues are the most important priorities for oil and gas companies and think that tech companies should focus on governance issues like increasing cybersecurity (41%) and preventing the spread of misinformation (32%).

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CONSUMER EXPECTATIONS OF COMPANIES DO SHIFT MEANINGFULLY FROM SECTOR TO SECTOR. ”

EARLY ADOPTERS OF GENERATIVE AI

The six kinds of Generative AI users in America

While the world debates the advantages and drawbacks of AI, many Americans have already begun to adopt Generative AI tools into their daily lives. But what users need, how they engage and how often they engage with Generative AI tools are not homogenous.

Understanding how different groups think about and engage with Generative AI allows brands to create informed product and marketing strategies.

Users can be split into six segments based on their level of engagement and their priority needs when using Generative AI tools:

- **Trailblazers (16%)** frequently use and advocate for AI tools, seeing a place for them in their daily lives.
- **Creators (16%)** use Generative AI for inspiration and to enhance their creative pursuits across different types of media.
- **Protectors (20%)** welcome the growth and potential of Generative AI but remain keenly tuned in to product safety.
- **Investigators (17%)** turn to Generative AI to get reliable information.
- **Optimisers (15%)** are a busy group who view Generative AI as a tool to help them be more productive.
- **Enjoyers (16%)** use Generative AI as a form of entertainment, whether that be through having interesting conversations or creating visual art.

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WHAT USERS NEED, HOW THEY ENGAGE AND HOW OFTEN THEY ENGAGE WITH GENERATIVE AI TOOLS ARE OFTEN NOT HOMOGENOUS. ”

SHORTCUTS

Indigenous Issues 2023

Non-Indigenous Australians show an increasing interest in Indigenous issues (56% vs 53% in 2021 and 49% in 2020). Additionally, one in two non-Indigenous Australians (50%) have some confidence they know about their local Traditional Owners (up from 39% in 2021).

However, views fitting into the concept of modern racism remain prevalent. 55% agree that if Aboriginal people would only try harder, they could be as well off as other Australians (up 5pt from 2021) and 49% agree that Aboriginal people are given unfair advantages by the Government (up 3pt from 2021).

The incidence of racial slurs remains common, with Non-Indigenous Australians most likely to report hearing them in public (65%), in social contexts (61%) and on social media (58%).

On a positive note, racial slurs have become much less common in the workplace, down 17pts from 2021 to 35%. In 2023, we also see a rise in the number of Australians reporting taking action against racism.

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Ipsos ESG Watch

Ipsos ESG Watch measures consumer perceptions of the ESG performance of 30 companies operating in six different sectors.

The results find perceptions of ESG performance remain available to shape, with six in ten Americans holding either no opinion or a neutral view of a given company's impact on the environment, society, or governance issues.

At sector level, the bank and investment sector leads when it comes to net performance on the environment (+12), followed closely by the retail sector (+11). The retail sector scores more highly than any other on social performance (+22) and on governance performance (+23). Across E, S and G, the oil and gas sector's performance consistently ranks bottom. It is also the sector seen to have improved the least over the past 12 months.

Google takes the lead on the individual country level, scoring highly across each of E, S and G.

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Global Consumer Confidence

Ipsos' Global Consumer Confidence Index is down 0.2 points from last month to 47.4, the third month in a row without a significant increase or decrease.

Sentiment has dropped most since last month in Turkey, down -7.4 points and currently sitting at its lowest level since this time last year.

Consumer confidence is also down in North America, with sentiment dropping -2.7 points in Canada and by -2.2. in the US. Meanwhile, confidence has risen in many countries in Europe, particularly Spain (+3.7) and Great Britain (+3.4). Sentiment varies across Asia, as both Thailand (-4.5 points) and South Korea (-2.9 points) show sharp declines, while India (+3.1 points) is up significantly.

Among the 29 economies, Indonesia (64.7) continues to hold the highest National Index score this month. India (60.0) joins Indonesia as the only other country with a National Index score of 60 or higher.

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All the information within this *Ipsos Update* is in the public domain – and is therefore available to both Ipsos colleagues and clients.

Content is also regularly updated on our website and social media outlets.

Please email IKC@ipsos.com with any comments, including ideas for future content.

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