

NEW ZEALAND ON HOLD?

Conducting social
and market research
in New Zealand
during COVID-19

APRIL 2020



GAME CHANGERS



THE NEW ZEALAND OUTLOOK IS CHANGING BY THE DAY

INCREASING WORRY AND ANXIETY

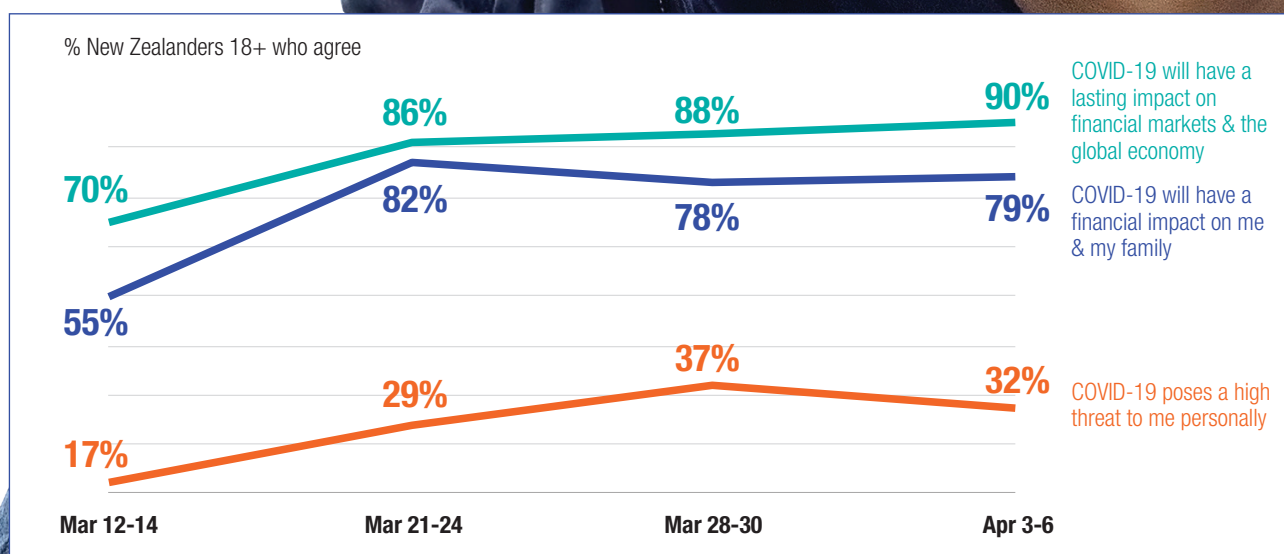
There have been some heart-wrenching events over the last 30 years since the 1991 recession “we had to have”. 9/11 in 2001, the GFC in 2008 and other various localised events around the world have created significant trauma and taken a toll on humanity.

However, the economic, commercial and financial impact on citizens of the world from these events do not compare to the devastating effects of the current Covid-19 pandemic of 2020.

Our latest global tracking results show that New Zealanders are justifiably anxious about the economic impact of Covid-19.

In fact more New Zealanders are now worried about the impact of the pandemic on their financial security than on their health. This begs the question: what should Government and businesses be focused on right now when engaging with New Zealanders?

Perceptions of Impact of Covid-19, Ipsos Global Advisor Covid-19 Opinion Tracking



“It’s life Jim, but not as we know it”

There are a lot of uncertainties facing government and businesses at the moment, but one thing we can be sure about, is that everything is changing. There are so many issues to watch and monitor over the coming weeks and months. Governments are under pressure to lead and inform. Businesses - large and small - have to make the right decisions for their employees and their customers.

Meanwhile, people’s behaviours are changing in ways which may have longer-term implications beyond the immediate circumstances of the crisis.

We know from Ipsos weekly tracking that New Zealanders’ behaviours are varying from the norm with increasing frequency of activity in some areas, decreasing frequency in other activities, and even the rapid adoption of completely new emerging behaviours.



Changing behaviour of New Zealanders, Ipsos Covid-19 Opinion Tracking

Significantly more New Zealanders are...	Significantly fewer New Zealanders are...	Most New Zealanders have not changed their frequency:
• Spending time at home • Following the news • Using social media • Using online streaming services • Using e-commerce to buy products usually bought in-store	• Attending social / sporting events • Going to a major shopping centre • Travelling outside their city	• Changing investment or savings decisions

Source: New Zealand general population 18+, n=1,000, fieldwork was conducted April 3rd to 6th

The extent of the behaviour change being stimulated is creating a market landscape in flux. Businesses can no longer depend on what they think they know about their category and the behaviour of their consumers. There are threats emerging that need to be understood, but likewise for many, this change also brings opportunities to be leveraged.

Given all the unknowns in the current environment, it can be challenging to prepare for all possible scenarios.

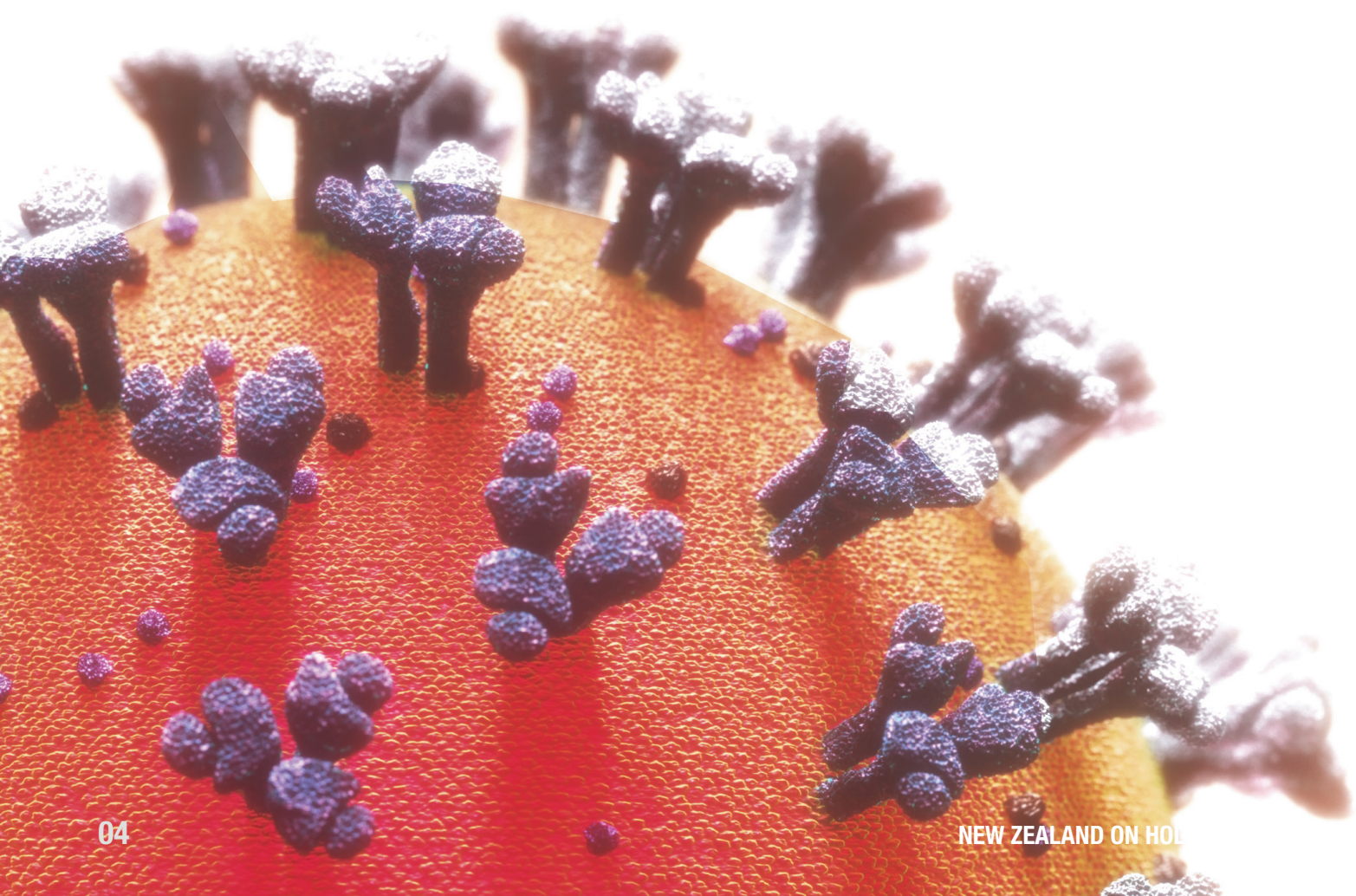
Key questions for organisations to consider at this time include, "What are we doing that could be seen as not 'doing enough'", and, "Are we doing something that might be actively detrimental or seen as inappropriate?".

Many organisations are struggling with adopting the right tone... too flippant or commercial and they risk sending the wrong signal or worse be seen to be profiteering...

...but at the same time,
doing nothing is almost
as bad.

“Advertising and marketing are a selfish pursuit. They serve a single brand and a single organisation. But if you step back and look at their overall impact, they perform the broader function of helping to turn the wheels of our economy. And right now — other than clean hands, more respirators and two metres between you and your best mate — we need that more than anything”

MARK RITSON, “MARKETING IN THE ERA OF CORONAVIRUS”, MUMBRELLA



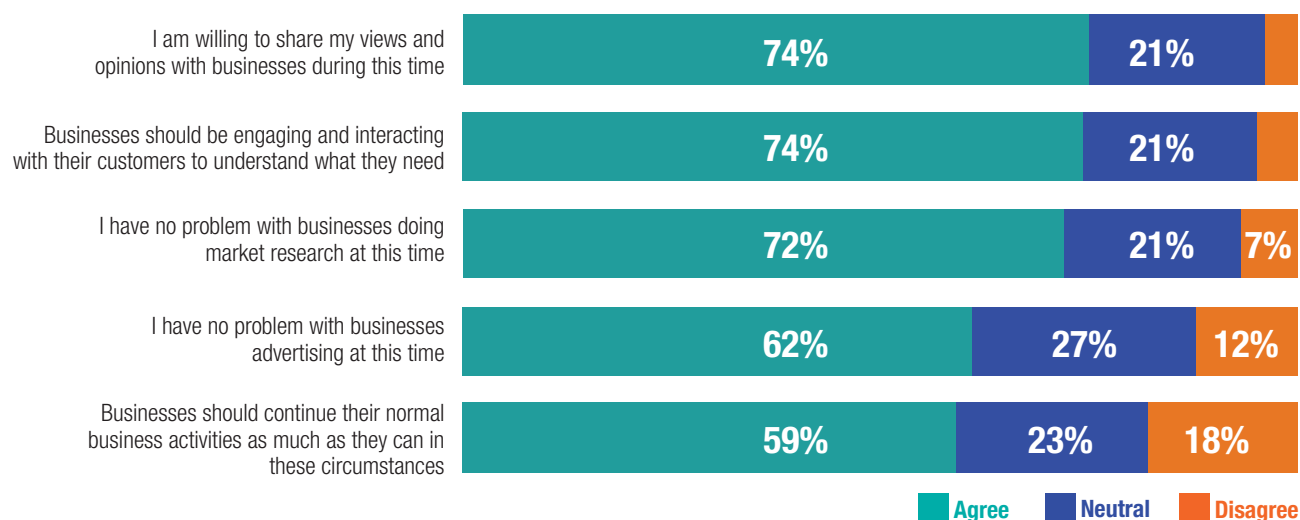
SO... WHAT SHOULD ORGANISATIONS BE DOING?

There is no one easy answer to this. Each organisation needs to make the right decisions for itself based on their own circumstances.

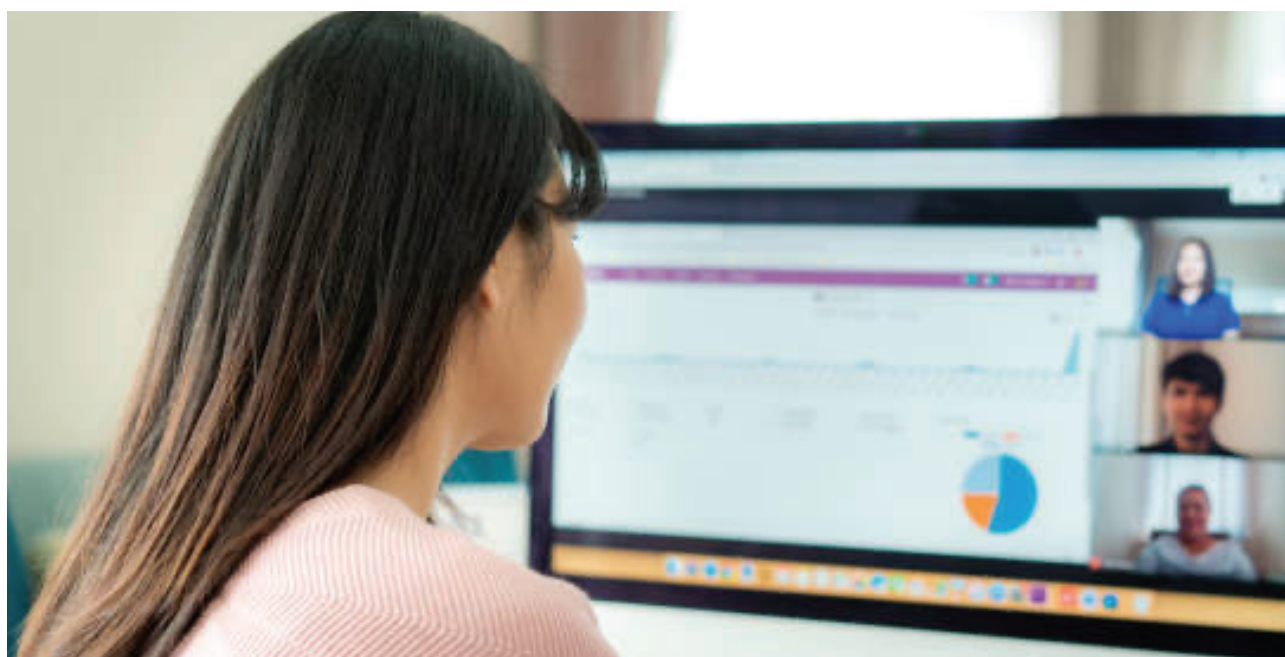
However Ipsos research conducted with New Zealanders aged 18+ from Friday 10th to Tuesday 14th April indicates there is clear permission for organisations to continue doing a range of activities including conducting market research and advertising.

The large majority of New Zealanders are still willing to share their views and opinions with businesses during this time (74%), and believe that businesses should continue to engage and interact with their customers to understand their needs (74%).

When asked specifically about doing market research, 72% indicated they have no problem with businesses continuing to do that.



Source: New Zealand general population 18+, n=1,000, fieldwork was conducted April 3rd to 6th



COVID-19 VS. NON COVID-19 ACTIVITIES

The clear majority of New Zealanders support businesses conducting any commercial activities related to assisting with Covid-19, including: launching new products or services and advertising products and services relating to Covid-19.

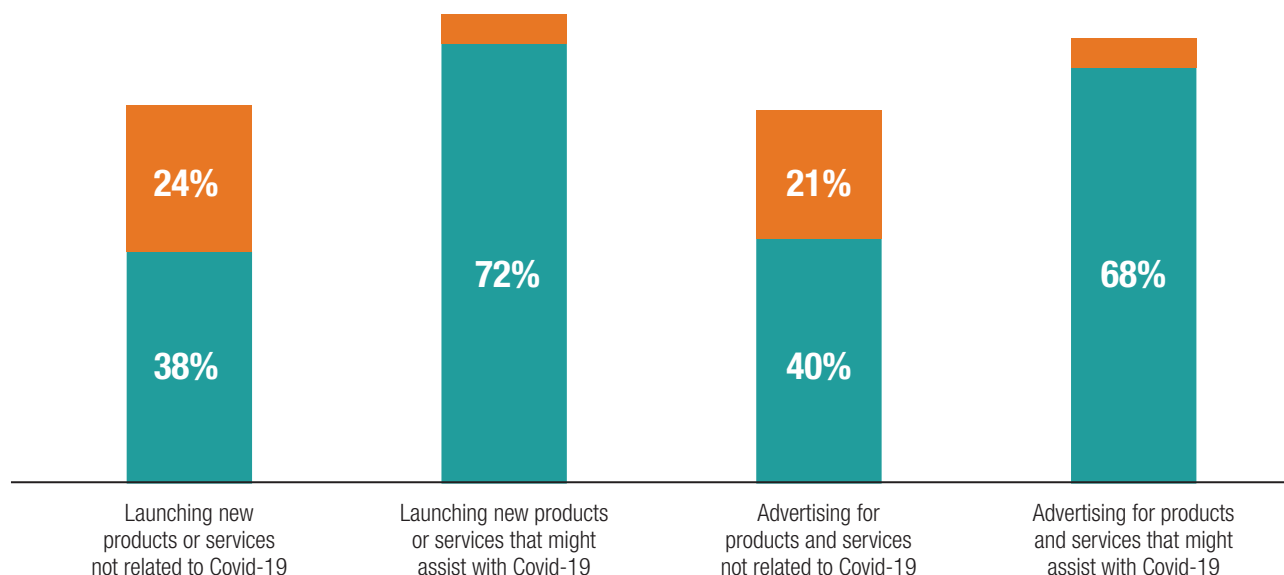
Support for activities not related to Covid-19 also remains positive, as people seek some degree of normality and recognise the pressure on businesses to keep operating.

The small minority who feel it is inappropriate to launch or advertise services and products that might assist with Covid-19 indicates the importance of avoiding giving the impression of exploiting the situation.



“It has been a pleasure to be part of your research on such an important and global issue. I do hope my small part was useful in some way and you can use it. Thoroughly enjoyed doing it, hope there are more to come. So thank you for selecting me to be part of your study. Thanks”

VERBATIM COMMENT FROM AN IPSOS AUSTRALIA GOVERNMENT COVID-19 RESEARCH STUDY CONDUCTED W/C 23RD MARCH



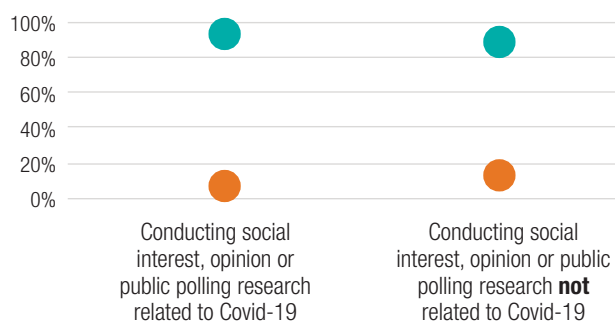
Source: New Zealand general population 18+, n=1,000, fieldwork was conducted April 3rd to 6th

■ Agree appropriate ■ Agree inappropriate

DOING RESEARCH IS ACCEPTABLE... UNDER CERTAIN CONDITIONS

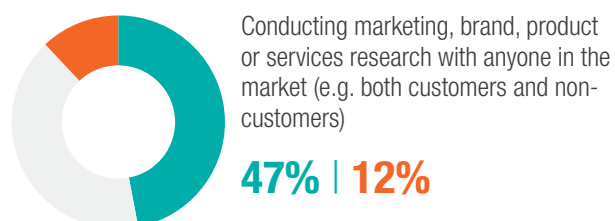
Conducting social interest, opinion or public polling research during this time is only seen as inappropriate by fewer than 10% of New Zealanders.

Some 22% feel that conducting research into issues related to Covid-19 is 'very appropriate'.



■ % Agree appropriate/neutral ■ % Agree inappropriate

But even other forms of market research not related to Covid-19 are still acceptable to the majority of New Zealanders:



■ Appropriate ■ Inappropriate

Source: New Zealand general population 18+, n=1,000, fieldwork was conducted April 3rd to 6th

These sentiments are supported by a range of feedback received on surveys conducted by Ipsos across the weekend of 28th and 29th March.

Verbatim feedback from a sample of surveys conducted from Monday 23rd to Friday 27th March

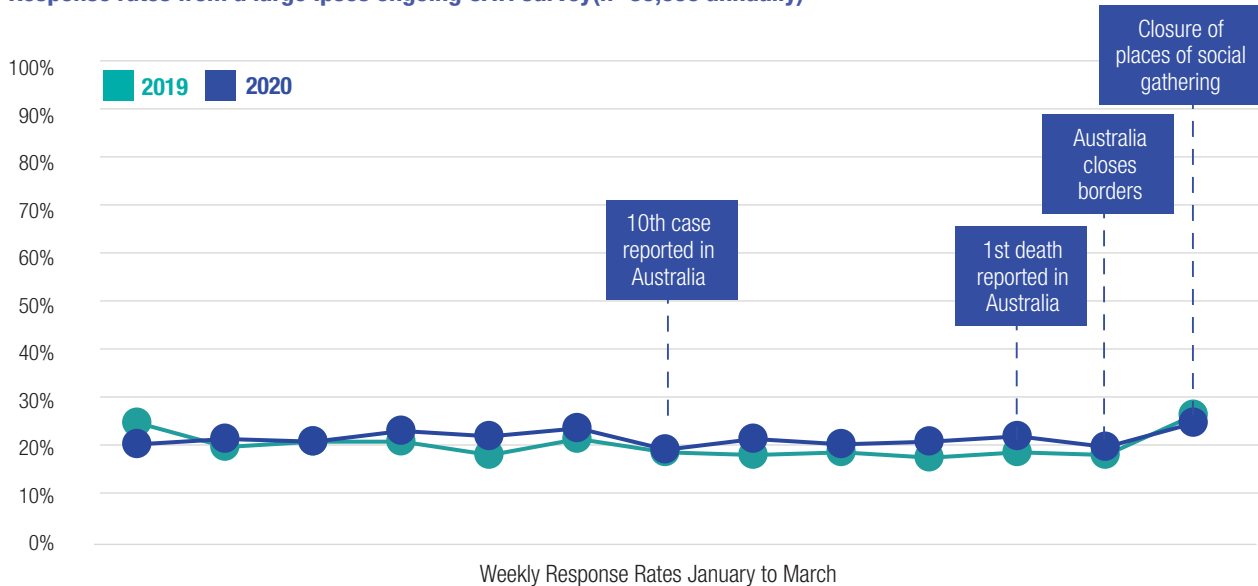
- "Thank you for taking my input, quite an interesting exercise"
- "Thank u. The project I found was very informative and I look forward to seeing some ad on TV, it gives me something to look forward to"
- "Thank you for letting me share my ideas"
- "Thanks for letting me share my opinions and I hope it helps"
- "Thank you for the chance to voice my opinions"
- "Thank you for the opportunity to share"
- "Thank you very much for letting me part of this research project"
- "Thank you for letting me participate"

HOW ARE RESPONSE RATES BEING IMPACTED?

The short answer is: not much change

Response rates from Ipsos Australia for a large CATI survey are shown below for January-March this year and compared to the same period last year. The evidence is clear, response rates have not been adversely impacted by the coronavirus pandemic and in fact appear to be rising as people have more time on their hands. Other research fieldwork suppliers are reporting similar upward trends in New Zealand.

Response rates from a large Ipsos ongoing CATI survey(n=50,000 annually)



WHY AREN'T RESPONSE RATES FALLING?

A paper published in the International Journal of Market Research in November 2019, co-written by an Ipsos Director of Social Research and PhD candidate, may have the answer.¹ The paper identifies several key drivers for participation in online research, these being:

- **Mechanical Issues:** such as survey length, personalised invitations, number of reminders, questionnaire design etc.
- **Topic and Sponsor:** Interest in the topic and trust or relationships with the organisation conducting the survey.
- **Self-Actualisation:** desire to voice one's opinion, curiosity, enjoyment, desire to help and be recognised, and a feeling of obligation.

Although this paper refers to online research participation specifically, similar motivations are well documented as drivers to participating in any form of research. With the introduction of social distancing, online and telephone are the only safe channels. Despite the external environment, intrinsic motivations do not change during a time of crisis. In fact, for some they may intensify and some people might be more engaged, more willing to help and have a stronger internal need to have a voice and express their opinion, regardless of whether the topic is related to the crisis or not.



¹ Maximising participation from online survey panel members; International Journal of Market Research; 6 November 2019; Kylie Brosnan, Astrid Kemperman and Sara Dolnicar

BUT ARE OUR RESPONDENTS' VIEWS RELIABLE AND MEANINGFUL?

The Ipsos Global Behavioural Science Unit provides the following guidelines based on BeSci principles.

INTEREST AND INFOXICATION

In the earlier stages of a crisis the community has high engagement with the topic. Information about the topic cuts through and other messages tend to be filtered out.

However as time goes by and people are hearing repetitive messages, or as they become overwhelmed with the crisis topic, they will look for other information or activities to engage in that create a feeling of normality which in turn provides comfort and relief from the crisis topic.

CONCRETENESS EFFECT

Participants in a recent BeSci comms study relating to Covid-19 asked for messages not to be “dumbed down”. The ‘concreteness effect’ means faster reaction times and more accurate responses for concrete versus abstract words. This principle also applies to communications that are not related to Covid-19. BeSci tells us that it is best to continue to be honest and realistic.

FLUID DECISION CONTEXT

In our normal life, day to day, we inhabit a world of certainty with established traditions and routines that allow us to simplify decision-making. Coronavirus has caused upheaval, creating unstable environments and uncertainty. People are adapting to their changing, unstable environments and operating outside their predictable patterns.

When context and behaviour shifts, we are taken out of our automatic rhythms and we pay mindful attention. Rather than a time of crisis being one where opinions may be unreliable, it might in fact, be the opposite.

These times could be a window of opportunity for organisations to obtain a greater level of cognitive engagement thereby resulting in greater clarity and more informed responses simply because people have been jolted out of their normal system 1 default and heuristic response framework.

FRAMING

Many organisations have a healthy fear of being viewed as being inappropriately opportunistic if they maintain normal activities in a time of crisis. Even companies that supply relevant health products are reluctant to mention Coronavirus.

But while it is vital to avoid being perceived as a crisis profiteer, organisations should not let this caution dissuade them from being active in the market. Instead, organisations should frame their activities by showing empathy for the situation and by explaining to consumers the important economic purpose behind their actions.

Framing needs to focus on the benefits for the economy and consumers long-term rather than focus on the objectives of the organisation.

IN SUMMARY

History provides evidence that brands can grow in distressing times. Wise brand leaders who are willing to be actively present and continue to engage with consumers, can emerge from this period with stronger brands and a more committed, trusting fanbase.

IN TIMES OF CHANGE, PEOPLE LOOK FOR STRONG LEADERSHIP

In times of crisis, it can be tempting and less risky to go into containment mode, quietly and carefully weathering out the storm. But there is a unique window right now for organisations and brands to show leadership and earn trust by continuing to engage by maintaining their presence, by staying in touch and by showing a commitment to normality if they can. Our communities, consumers and customers are looking for leadership, for truth-tellers and for counsel.

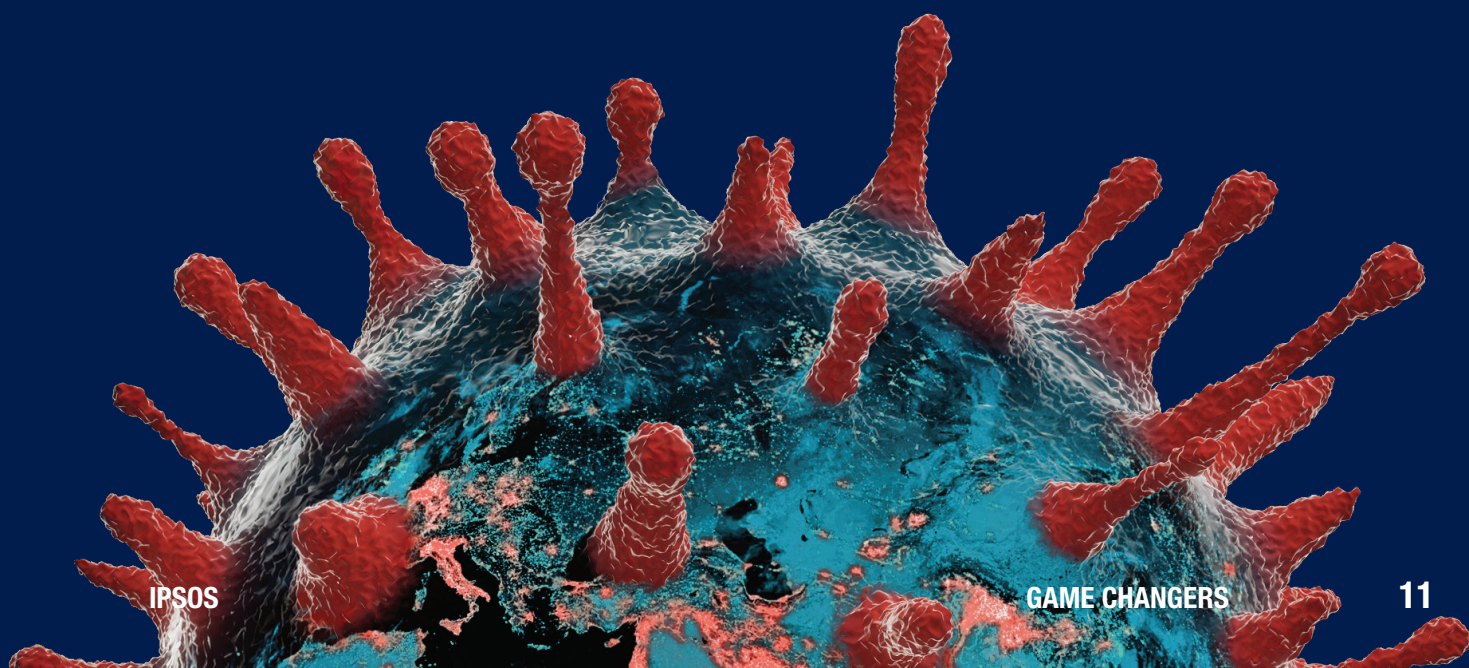
With the right framing both Government and commercial organisations should continue to launch products and services; should continue to educate, advertise and communicate; and should continue to conduct research. But these things need to be done in an informed and considered manner and all activities must be contextualised to the current environment...which is really what should happen anytime.



In summary, it is rarely good for organisations to “go dark”, both for the long-term impact it may have on the organisation as well as the negative effect by generating a sense of being perceived as silent, inert or slow to act during times of crises. However, framing is paramount and a delicate balance must be struck to be sure to convey the purpose of the activities and why these normal commercial functions are still important in such an abnormal world.

**“This is no time to abandon
your customers”**

**ROBERT MORGAN, EXECUTIVE CHAIRMAN
OF CLEMINGER BBDO**



CONTACT

Carin Hercock
Managing Director, Ipsos New Zealand
021 394 508
carin.hercock@ipsos.com

IPSOS IN NEW ZEALAND

Level 3, 8 Rockridge Avenue, Penrose
Auckland 1061
(+64) 95 380 500

Suite 6 - Level 4, 24 Johnston Street,
Wellington 6011
(+64) 44 734 703

ipsos.com/en-nz

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At Ipsos we believe our clients need more than a data supplier, they need a partner who can produce accurate and relevant information and turn it into actionable truth.

This is why our passionately curious experts not only provide the most precise measurement, but shape it to provide true understanding of society, markets and people.

To do this we use the best of science, technology and know-how and apply the principles of security, simplicity, speed and substance to everything we do.

So that our clients can act faster, smarter and bolder.

Ultimately, success comes down to a simple truth:

YOU ACT BETTER WHEN YOU ARE SURE

GAME CHANGERS

