

KANTAR

Financial Health Barometer

July 2019

Final Report



Contents

	Overview of Financial Barometer 2019	3
1	What's keeping Kiwis up at night?	4
2	What are Kiwis eating....and wasting?	8
3	Money money money...	25
4	Savings, investments....and debt	33
5	The golden years... or are they?	44

Kantar conducted the brand health track in mid 2019 to provide Rabobank with nationally representative collateral for PR purposes

Overview of methodology

Kantar conducted n=1,513 online interviews from **18th June – 15th July 2019**

Data collection was **nationally representative** to ensure that results could be used to measure New Zealanders attitudes and behaviours

An additional **sample boost** was included to provide greater granularity around **rural** New Zealanders whilst those **aged 65+** were also included in this wave




Overview of analysis and weighting

Data was post-weighted to ensure results are nationally representative – however **two weights** were set up to ensure results could be compared to the **2017 wave** (i.e. excluding 65+ respondents) as well as identify any insights amongst the expanded Baby Boomer age group


Significant differences throughout the report are summarised using the following icons




Where questions are consistent we have also included the latest results for the **Australian Financial Health Barometer** – with these results indicated with the following Australian flag icon with results in italics 

1 What's keeping Kiwis up at night?

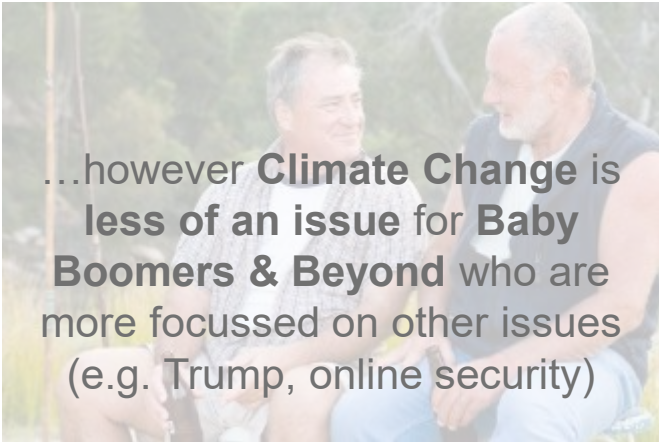




New Zealanders remain **most concerned** about the **increasing cost of living**



Climate change and Energy Prices are becoming increasingly concerning to New Zealanders in 2019.....



...however **Climate Change** is **less of an issue** for **Baby Boomers & Beyond** who are more focussed on other issues (e.g. Trump, online security)

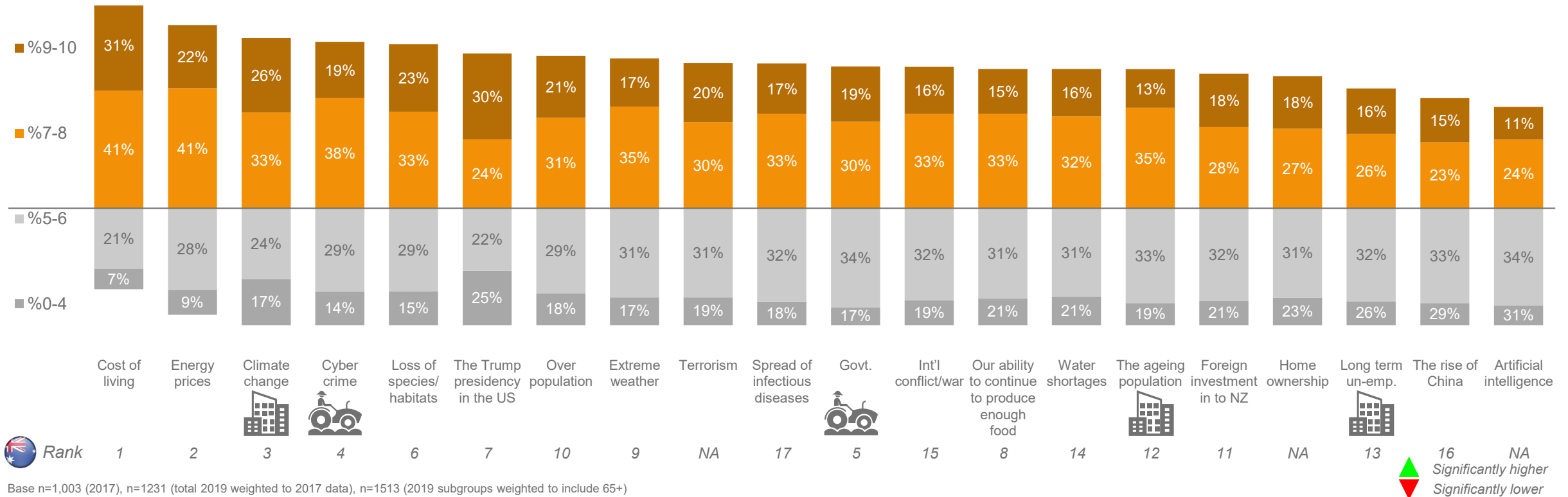


New Zealanders are most concerned with cost of living – whilst energy prices and climate change have become increasingly concerning in 2019 versus 2017

The Trump presidency, threat of war, foreign investment and unemployment are all less concerning in 2019

Concerns facing New Zealanders (next ten years – all NZers)

2017 (18-65)	72%	58%	56%	54%	54%	55%	51%	51%	NA	43%	52%	57%	NA	48%	47%	53%	NA	50%	36%	NA
2019 (18-65)	73%	62% ▲	59% ▲	56%	55%	51% ▼	53%	52%	50%	48% ▲	49%	47% ▼	49%	48%	47%	44% ▼	48%	42% ▼	35%	34%
Total All NZers	72%	63%	59%	57%	57%	53%	53%	52%	50%	50%	49%	49%	48%	48%	48%	47%	46%	41%	38%	35%



Rank 1 2 3 4 6 7 10 9 NA 17 5 15 8 14 12 11 NA 13 16 NA





Base n=1,003 (2017), n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

▲ Significantly higher
▼ Significantly lower

Whilst 'cost of living' is consistently a key concern for all age groups the relative importance of climate change decreases with age while energy prices increases

Cyber crime is most concerning to the Baby Boomer and Beyond age group – as is the Trump presidency

Key concerns (next ten years) by age group

				
1	Cost of living 80%	Cost of living 77%	Cost of living 70%	Energy prices 68%
2	Climate change 69%	Climate change 65%	Energy prices 61%	Cost of living 68%
3	Loss of species/habitats 57%	Energy prices 61%	Climate change 54%	Cyber crime, identity theft etc. 64%
4	Over population 57%	Home ownership 60%	Loss of species/habitats 53%	The Trump presidency in the US 60%
5	Energy prices 56%	Loss of species/habitats 59%	Over population 51%	Loss of species/habitats 57%
6	Cyber crime, identity theft etc. 54%	Our ability to continue to produce enough food to meet our needs in the future 59%	Extreme weather 50%	Climate change 55%
7	Terrorism 54%	Cyber crime, identity theft etc. 57%	The Trump presidency in the US 48%	Spread of infectious diseases 52%
8	Home ownership 52%	Over population 57%	Cyber crime, identity theft etc. 48%	The ageing population 52%
9	Our ability to continue to produce enough food to meet our needs in the future 51%	Water shortages 56%	Government 46%	Extreme weather 51%
10	Spread of infectious diseases 51%	Extreme weather 55%	Terrorism 46%	Terrorism 50%

Base n=1513 (2019 weighted to include 65+)

2
What are Kiwis eating....and wasting?

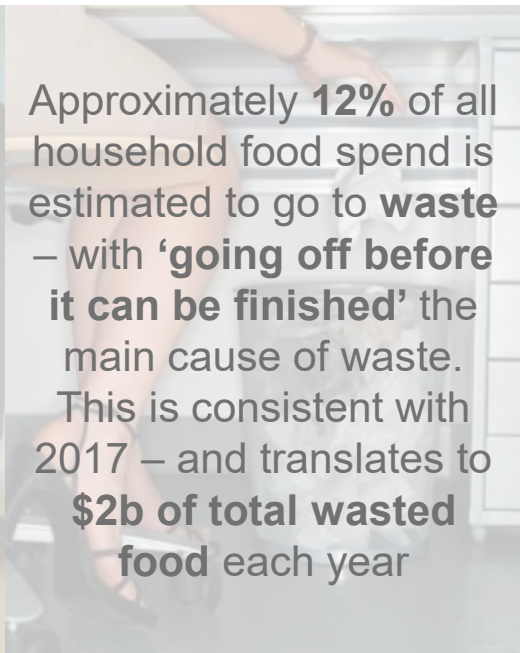




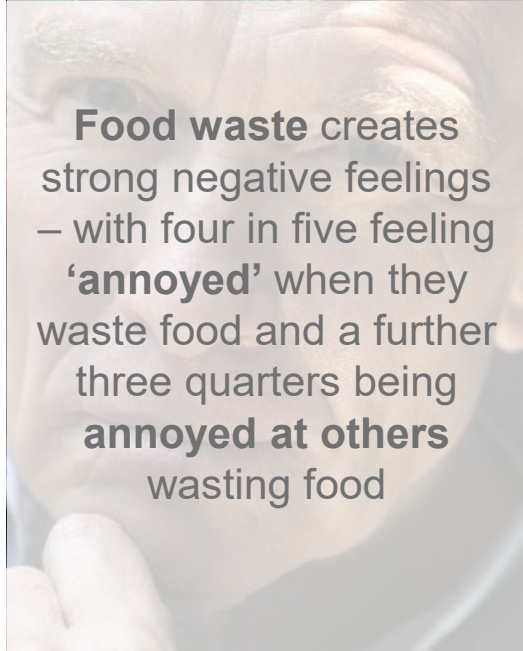
More New Zealanders are regularly getting their **'5+ a day'** versus in 2017 – with cost the biggest barrier to eating more fruit and veg



Approximately **one in ten** dollars spent on groceries is now spent through **online channels**



Approximately **12%** of all household food spend is estimated to go to **waste** – with **'going off before it can be finished'** the main cause of waste. This is consistent with 2017 – and translates to **\$2b of total wasted food** each year



Food waste creates strong negative feelings – with four in five feeling **'annoyed'** when they waste food and a further three quarters being **annoyed at others** wasting food



A third of New Zealanders are actively trying to **decrease the amount of meat** they eat currently



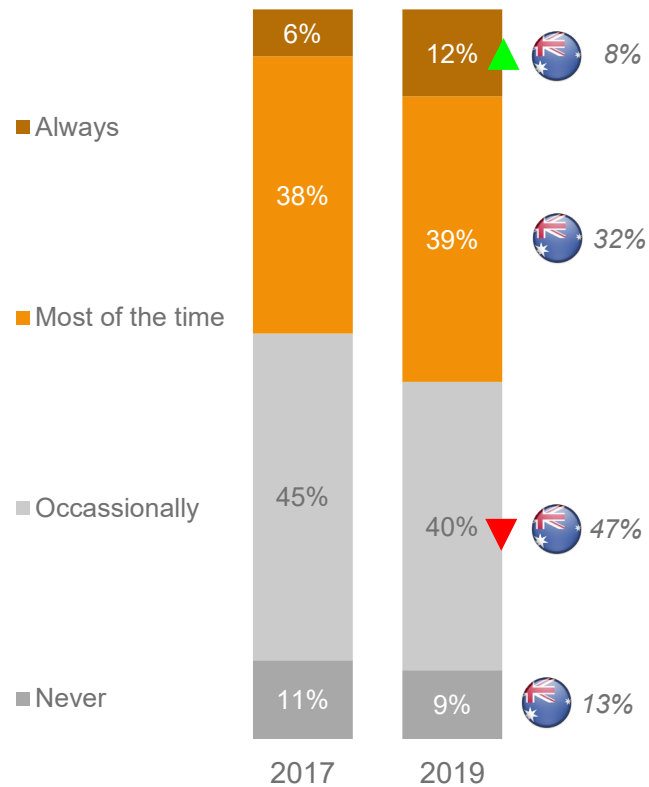
One quarter of New Zealanders have used **Uber Eats** in the past year – whilst one in ten have used **My Food Bag**



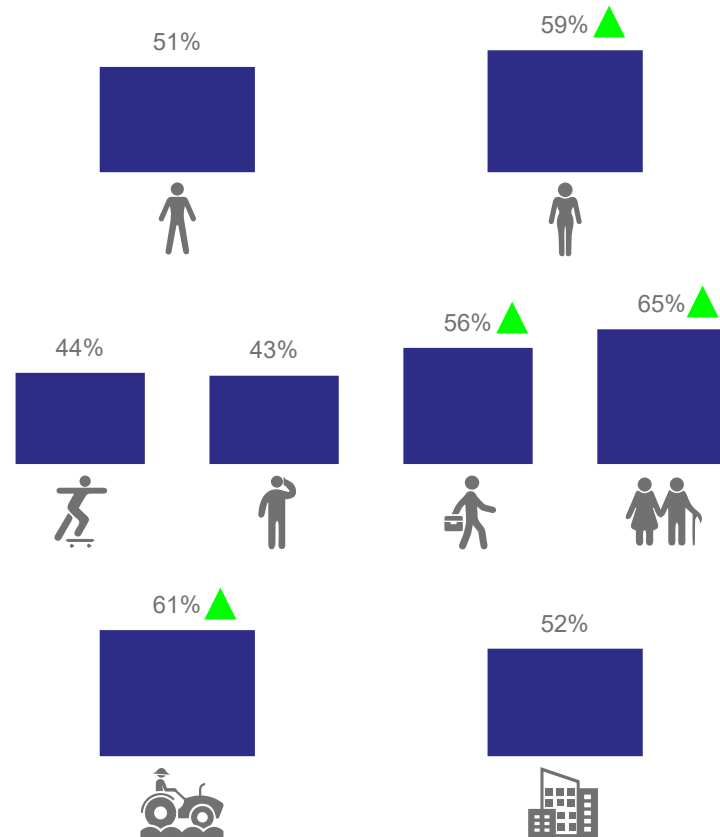
Positively more New Zealanders claim to be getting their '5+ a day' now than in 2017 – with females, older age groups and rural dwellers leading the way

Cost remains the key obstacle to eating more – and is a greater barrier now than in 2017

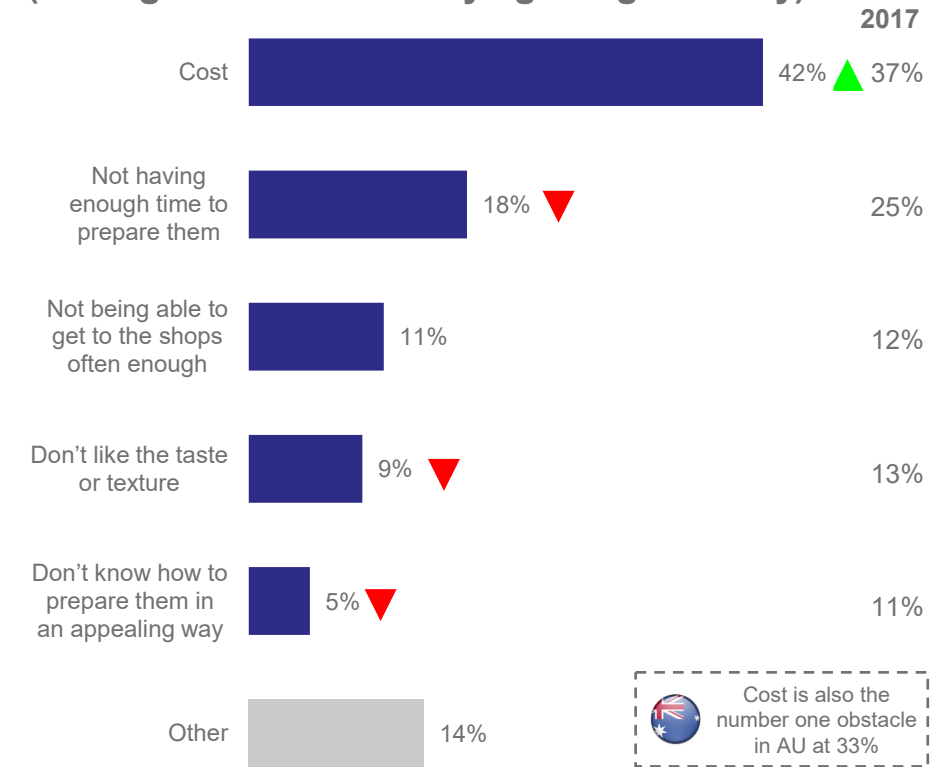
Frequency eating 5+ a day



Demographics: 'Most of the time' / 'Always'



Key obstacle to eating more fruits and vegetables (amongst those not always getting 5+ a day)



Cost is also the number one obstacle in AU at 33%

▲ Significantly higher
▼ Significantly lower

Base n=1,003 (2017), n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

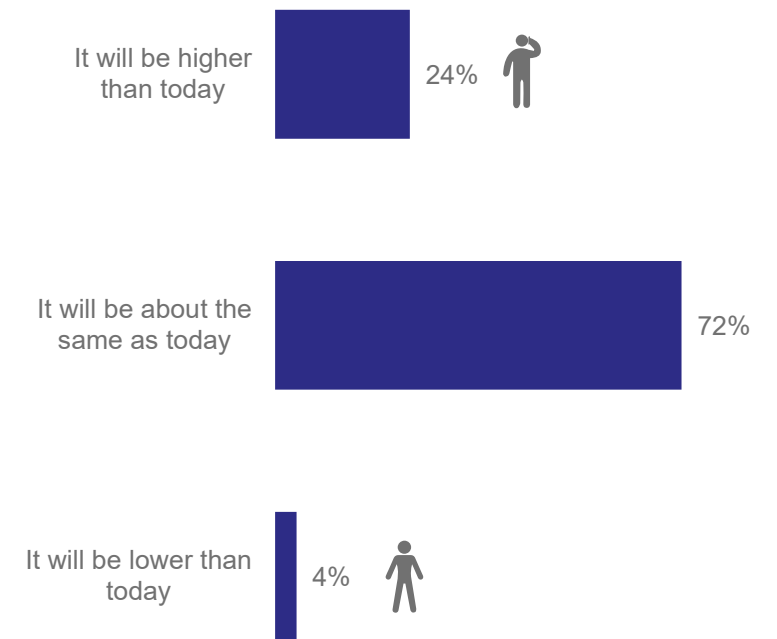
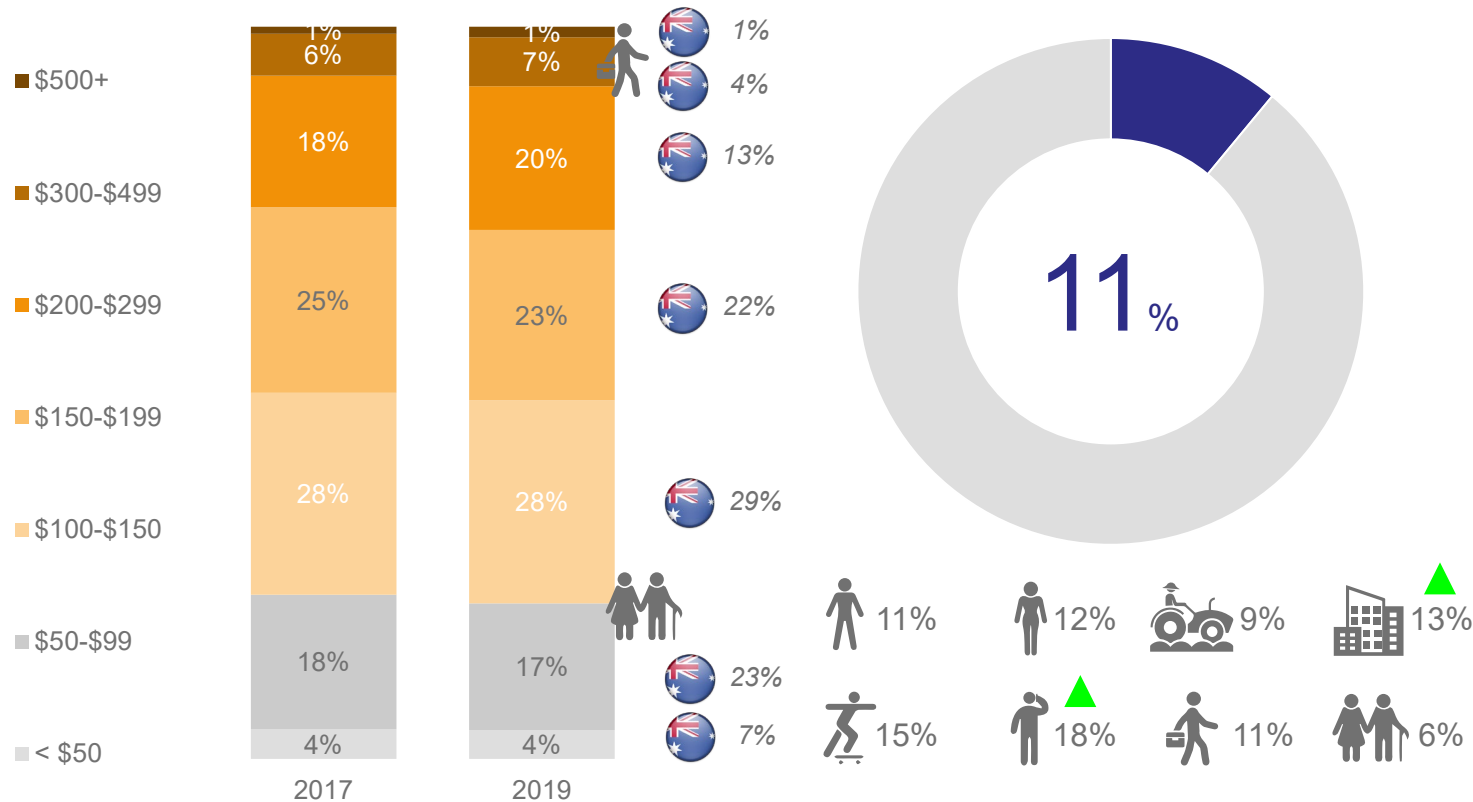
There has been no significant change in overall household food spend since 2017 – however one in every ten dollars spent is now online

One in four New Zealanders expect to spend more on household food online in 12 months time – in particular those in the Gen Y group

Household food spend (average week)

% of total grocery spend currently online

Expected change in spend 12 months from now



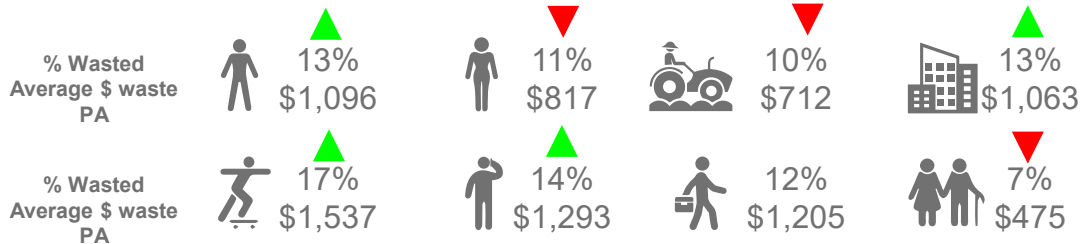
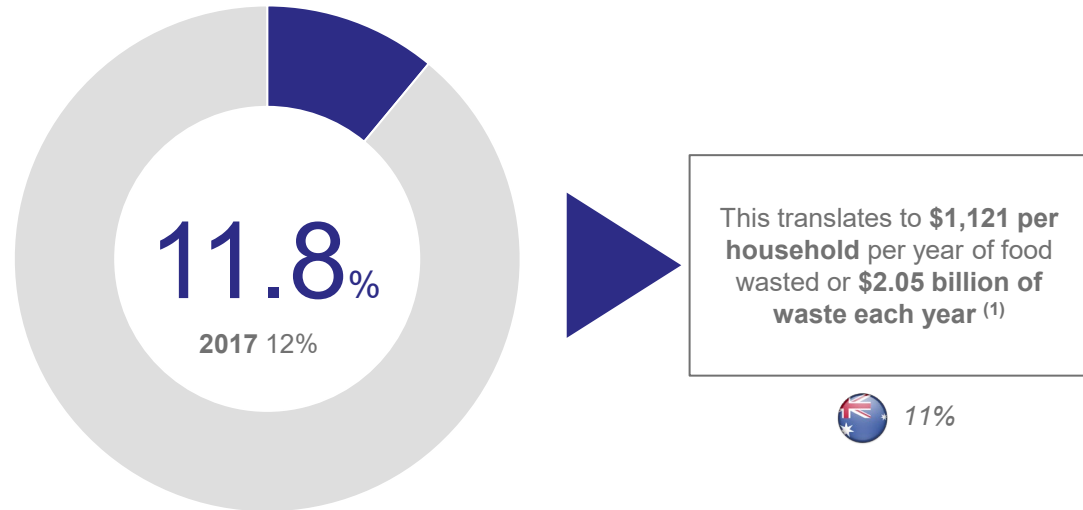
Base n=1,003 (2017), n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

▲ Significantly higher
▼ Significantly lower

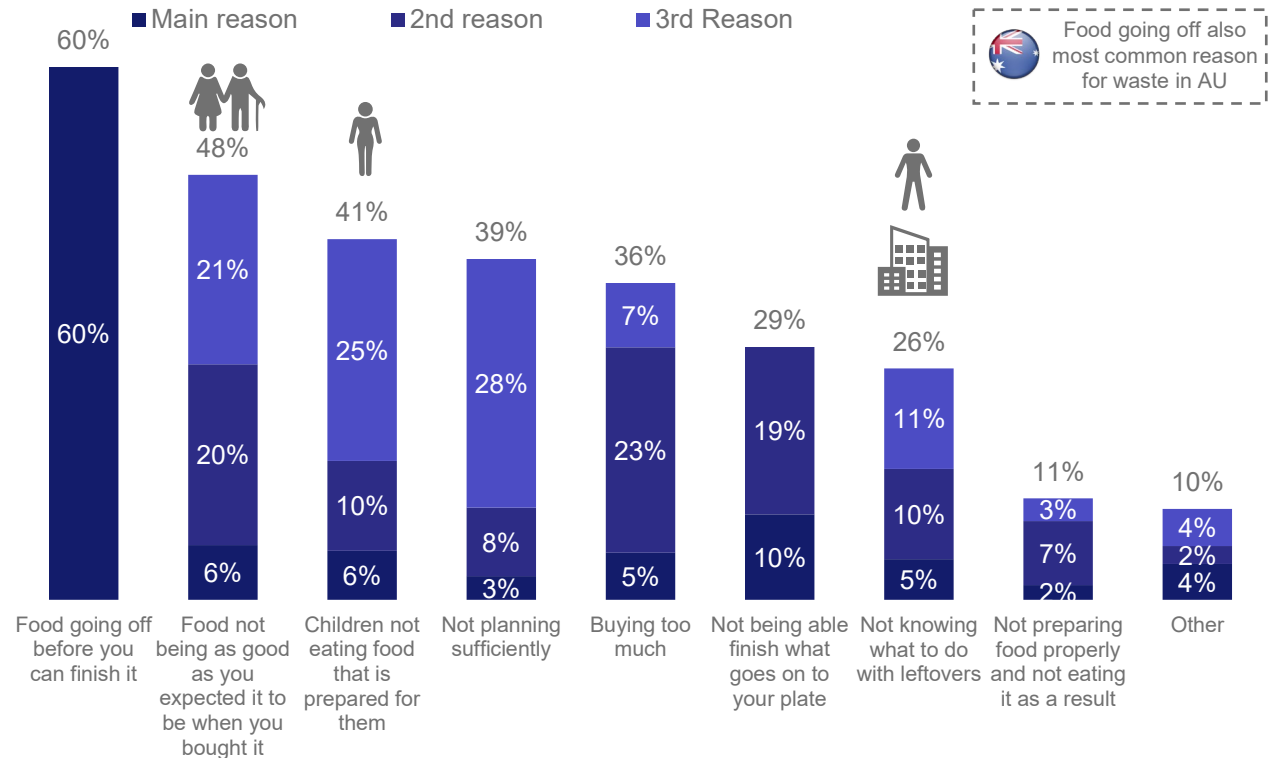
The estimated percentage of food wastage has not change since 2017 and remains at just over ten percent of total food spend – with Gen Z and Gen Y having the highest proportion of waste

Food expiring before being able to be consumed is the main reason for waste – or not being as good as expected

Estimated percentage of food waste (% of household spend)



Key reasons for wasted food



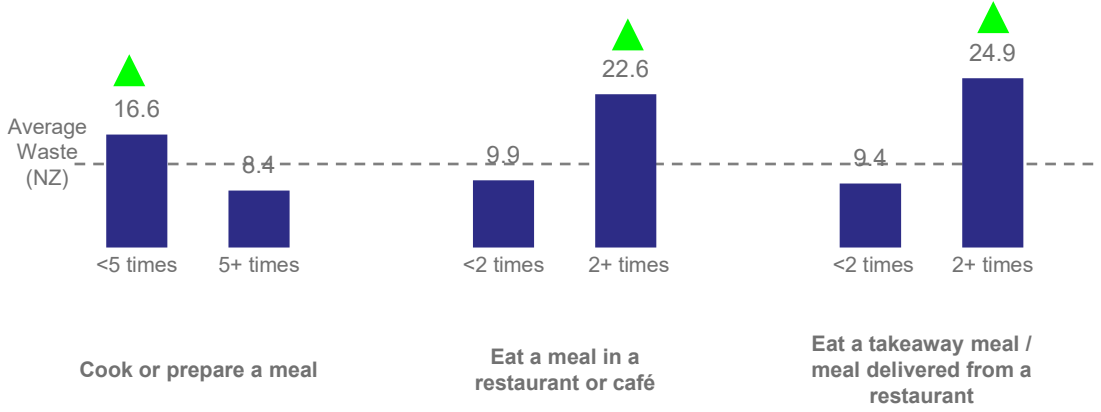
Base n=1,003 (2017), n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)
 1 Based on 1.824 million New Zealand households (Stats New Zealand)

▲ Significantly higher
 ▼ Significantly lower

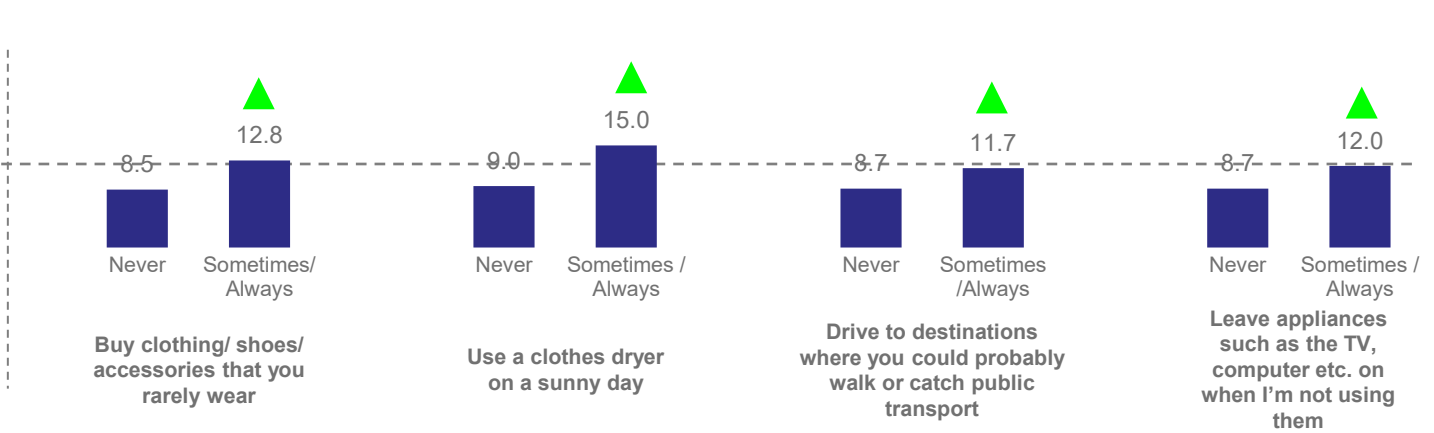
A number of food consumption and wasteful behaviours can be tied to higher household food waste – most notably consumption of food not prepared at home

Estimated percentage of food waste (% of household spend)

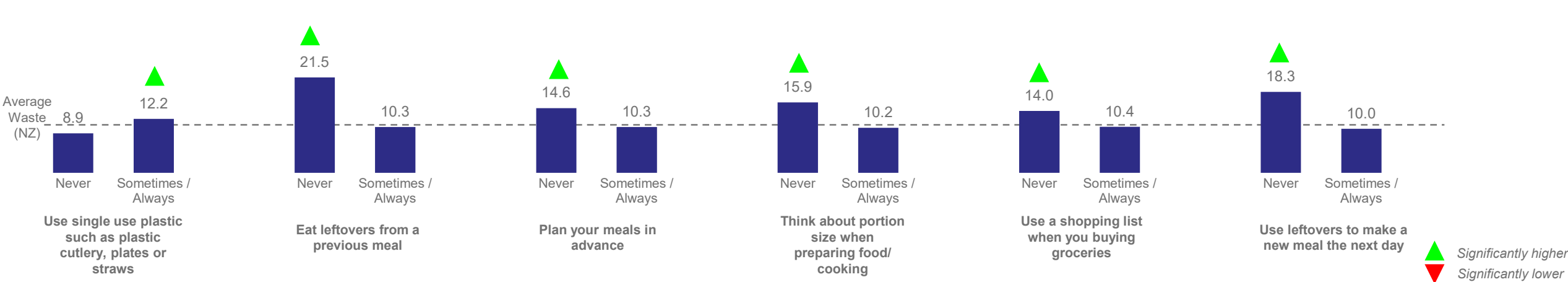
Frequency of food consumption (per week)



Frequency of wasteful behaviours



Household food behaviours



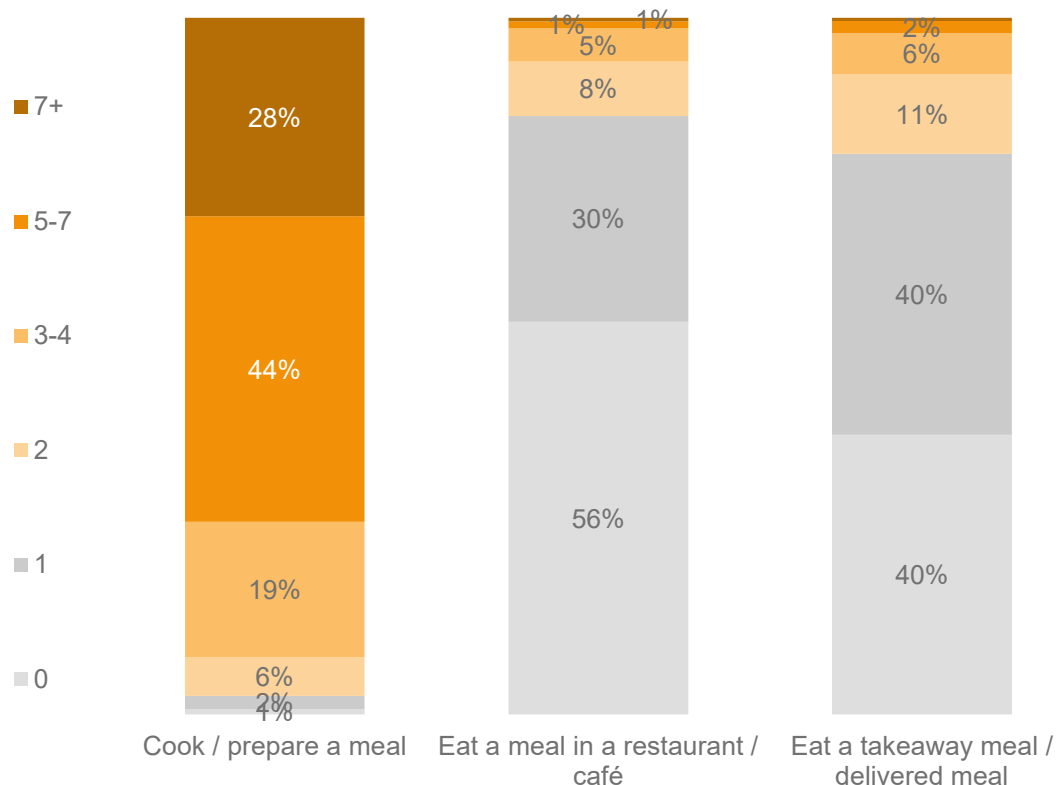
Base n=1513 (2019 subgroups weighted to include 65+)

▲ Significantly higher
▼ Significantly lower

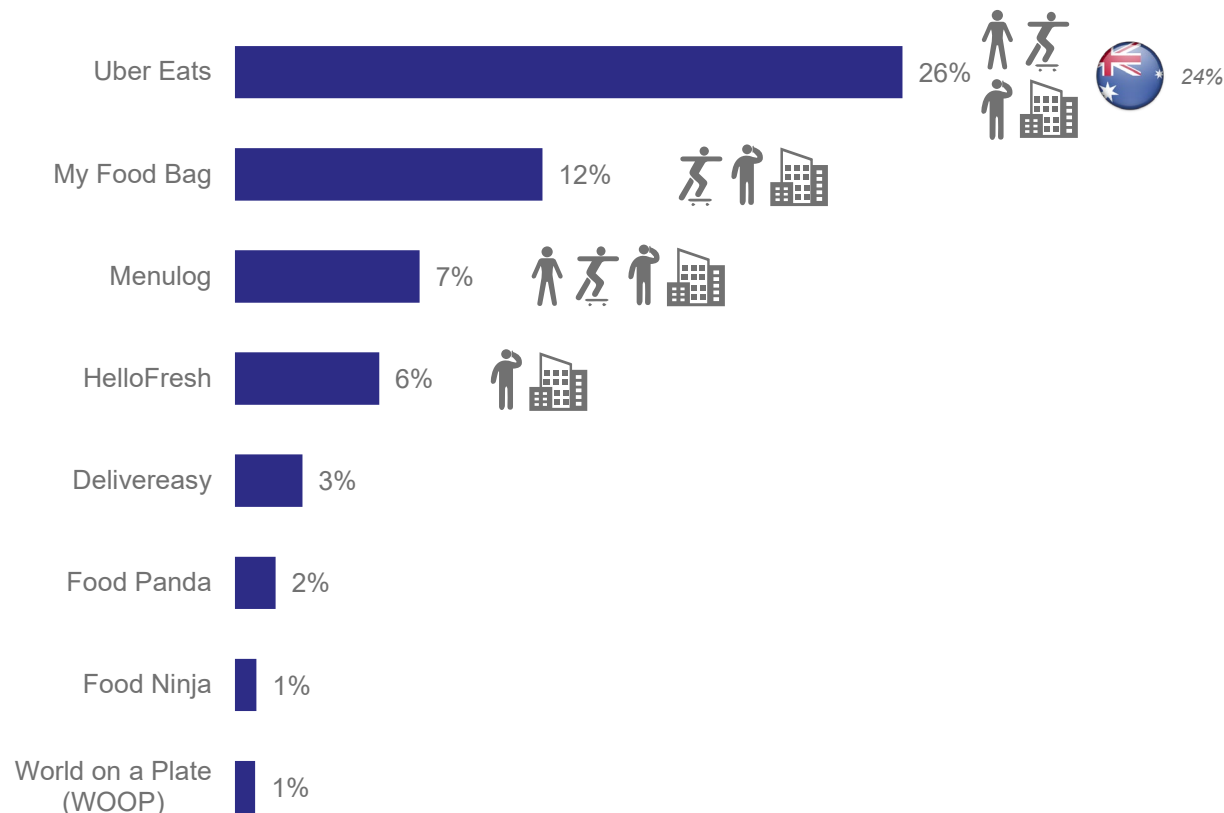
Three quarters of New Zealanders are cooking or preparing a meal at least five times a week – however many are using food delivery services, particularly Uber Eats, which has been used by one in four New Zealanders

Food delivery services are more likely to have been used by younger, urban New Zealanders

Frequency of food consumption (times per week)



Usage of food delivery services (ever used)



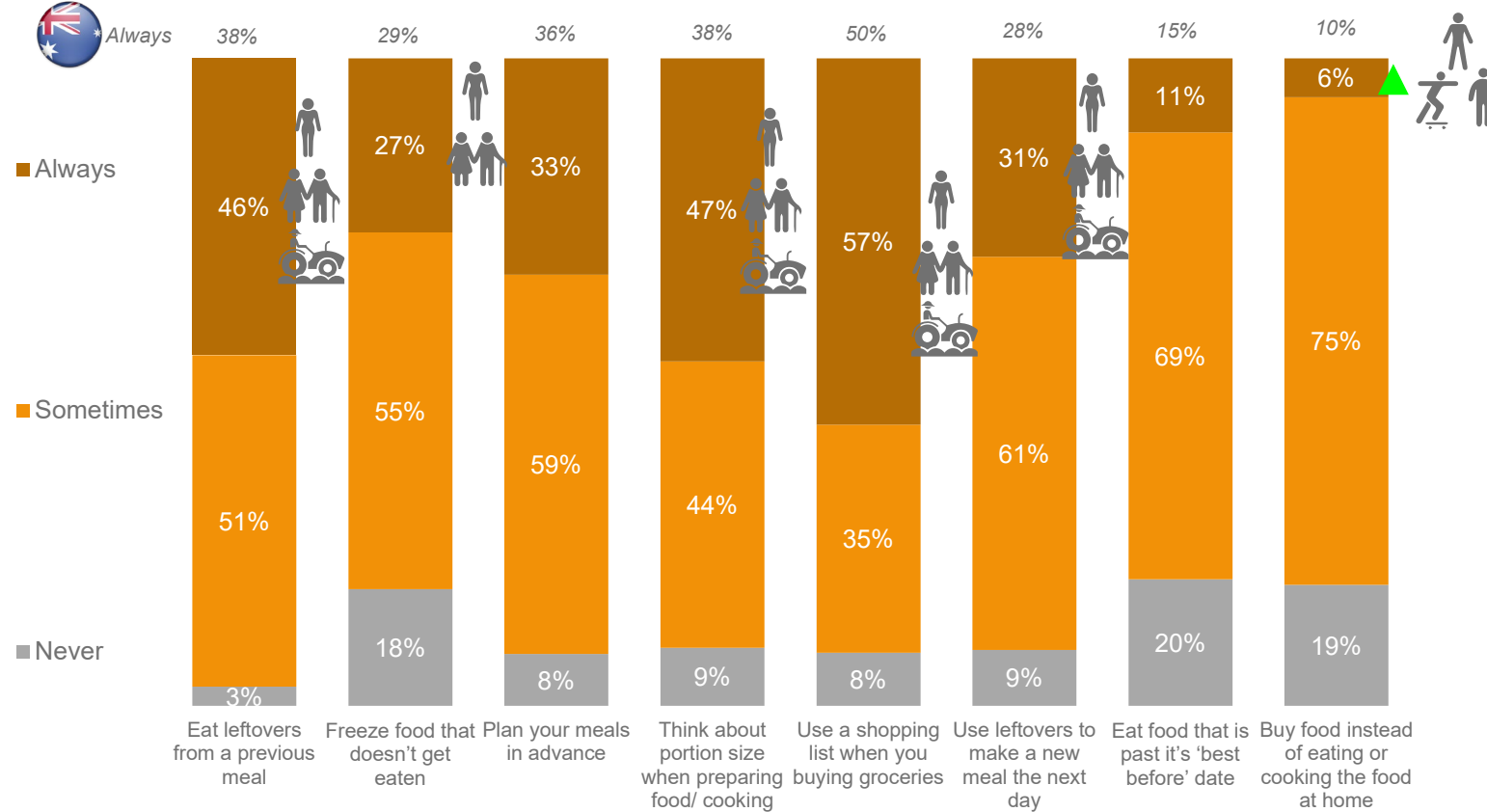
Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

▲ Significantly higher
▼ Significantly lower

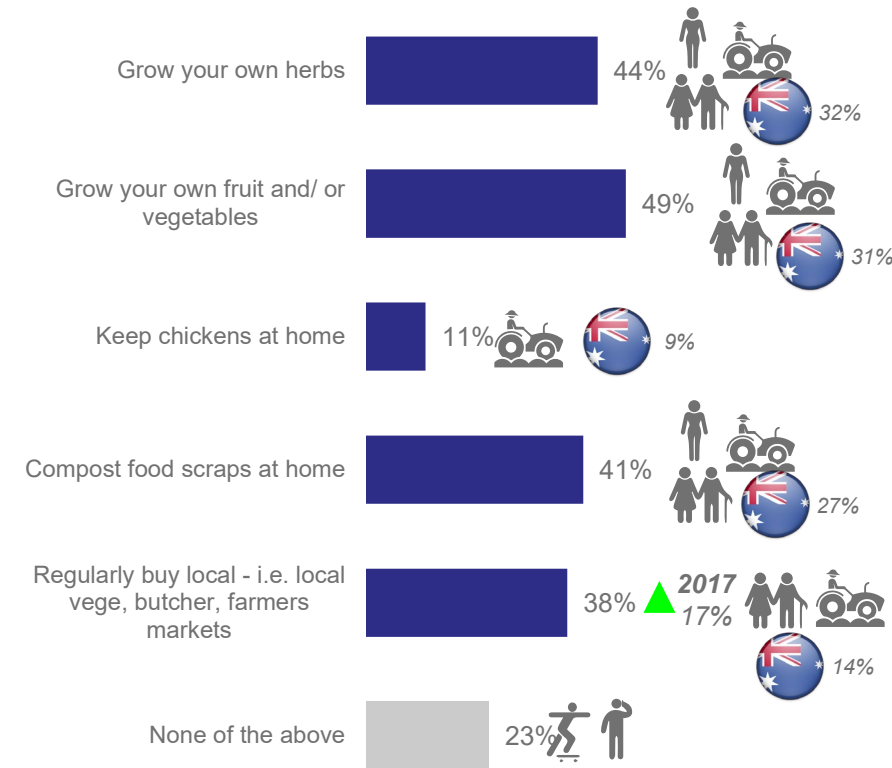
One in three New Zealanders are using leftovers to make a meal the next day - with half eating leftovers from a previous meal

Half of New Zealanders are growing their own fruit or vegetables – with slightly fewer growing their own herbs

Household food behaviours



Activities at home



Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

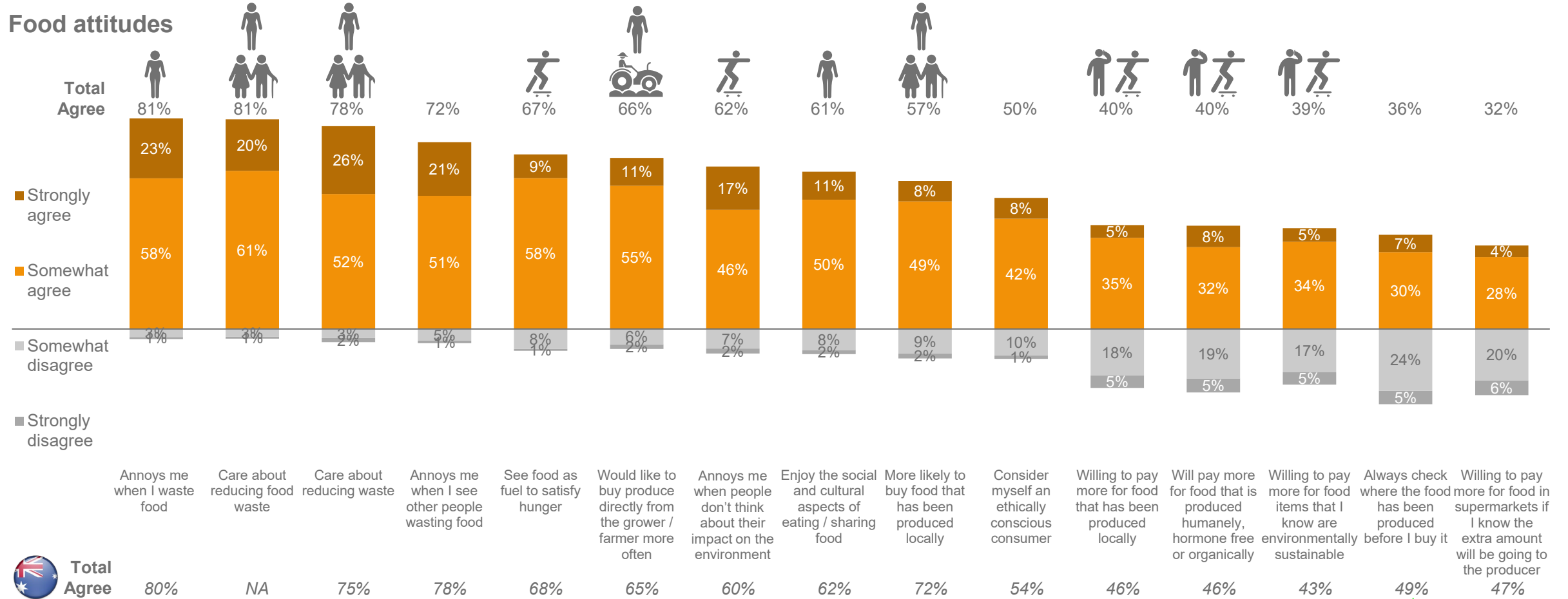
▲ Significantly higher
▼ Significantly lower

The vast majority feel negative about their own and others wasting food – whilst most would also like to purchase more directly from food producers

Younger age groups are more willing to pay more for local, sustainable or ethically produced food

No change versus 2017

Food attitudes

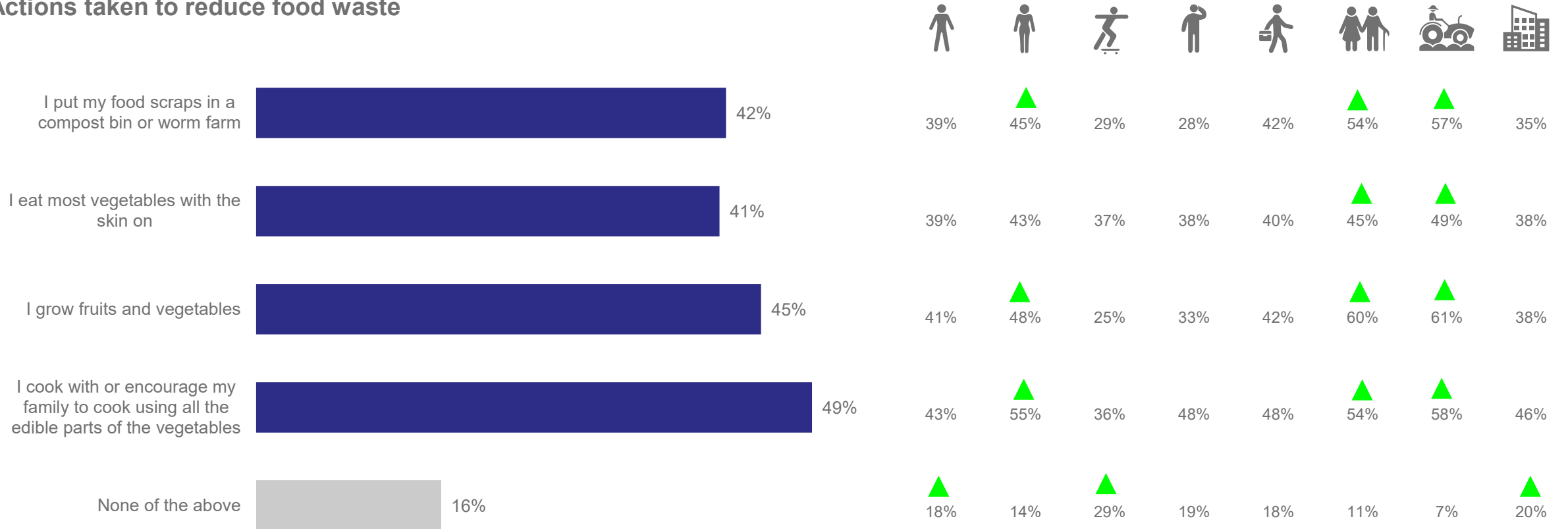


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

▲ Significantly higher
▼ Significantly lower

Baby Boomers and rural dwellers are most likely to be taking actions to actively reduce their food waste

Actions taken to reduce food waste

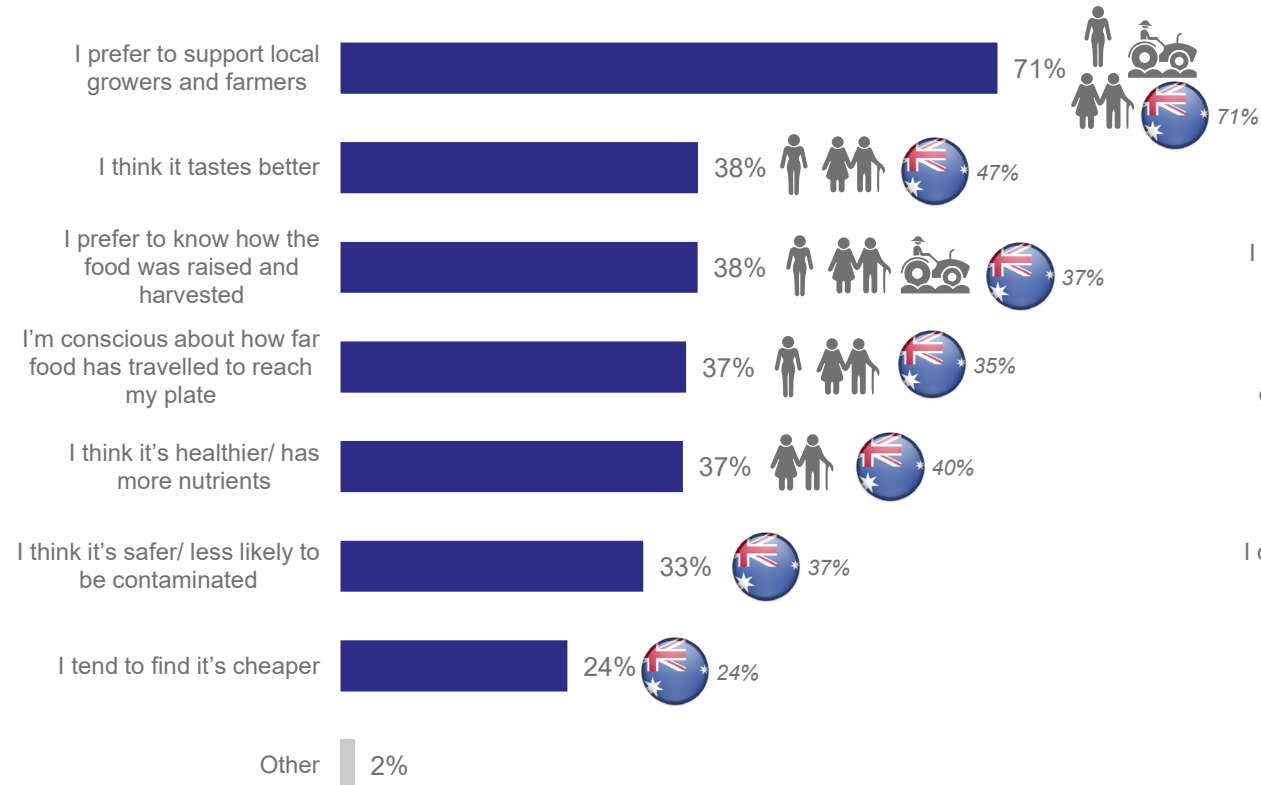


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

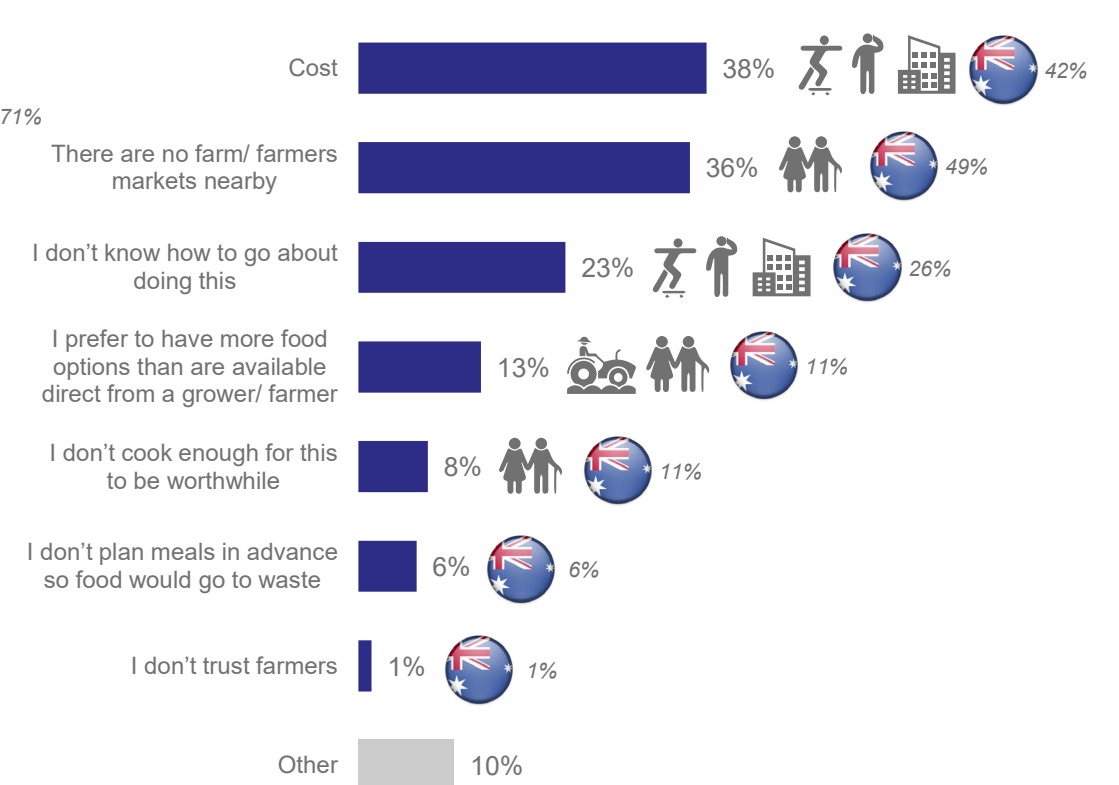
▲ Significantly higher
▼ Significantly lower

Supporting growers and farmers is the key reason for preference for buying local – however perceived cost and access are the greatest barriers to buying more

Reasons for locally produced food preference (agree would like to buy direct from grower / farmer more often)



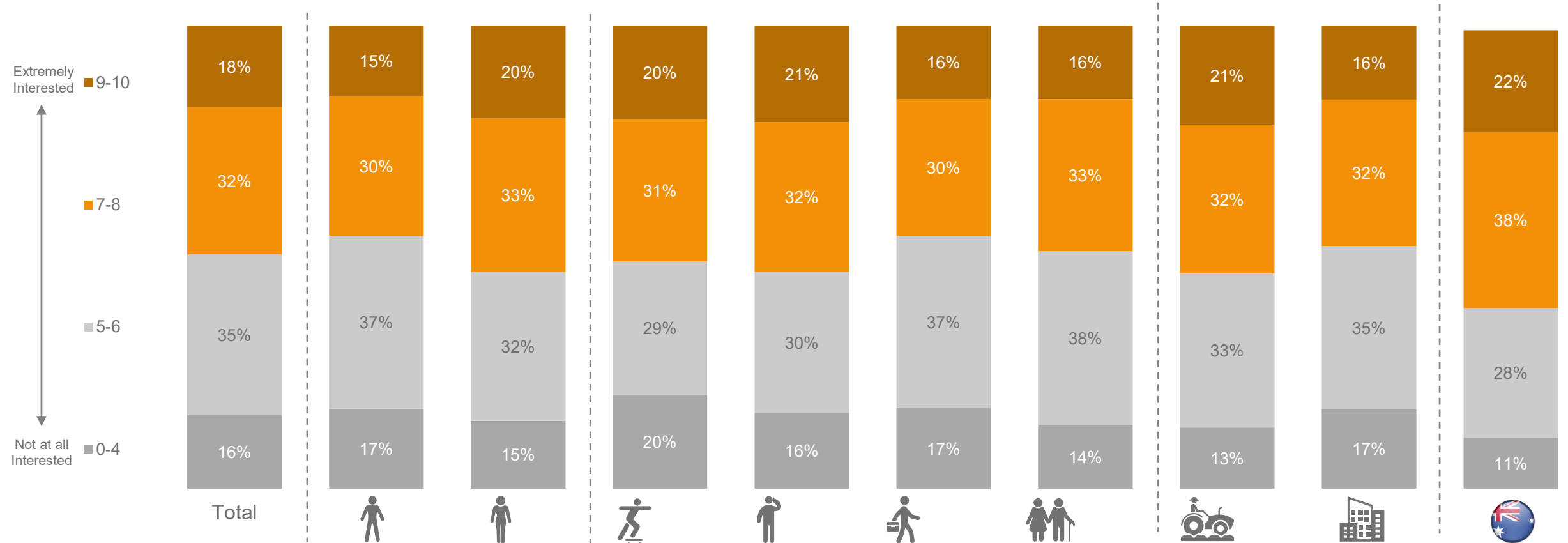
Reasons for not buying more locally produced food (agree would like to buy direct from grower / farmer more often)



Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

There is a general interest amongst half of New Zealanders in understanding more about food production – this is consistent across the majority of demographics

Interest in understanding more about how food is produced

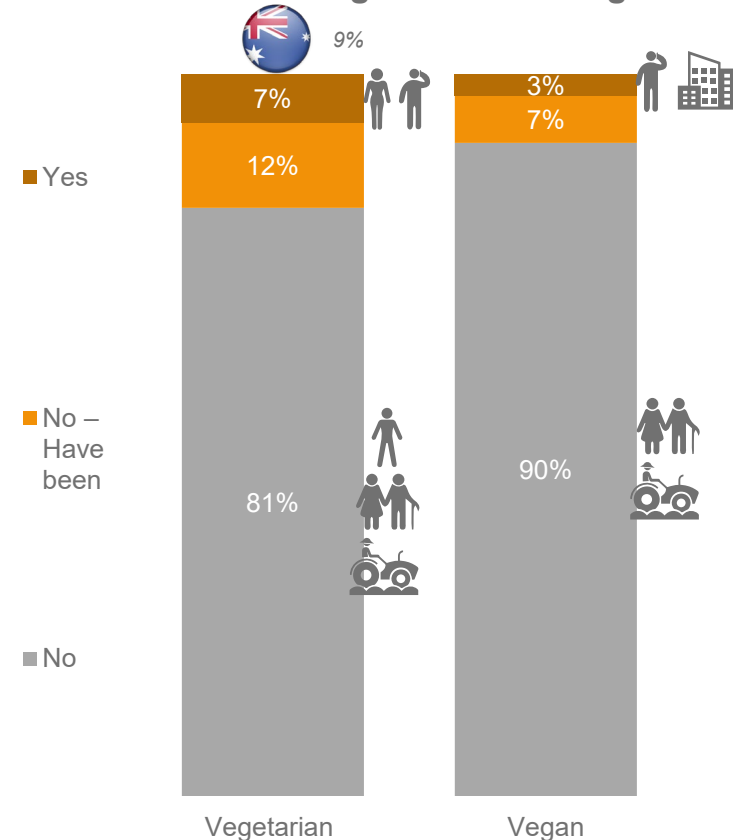


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

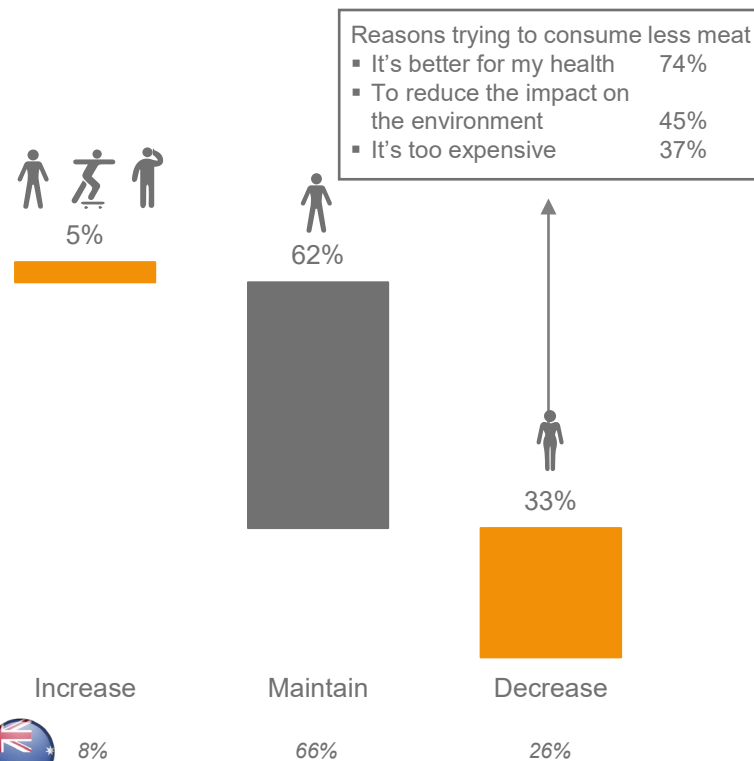
One in ten are currently following a vegetarian diet with a third of New Zealanders actively trying to reduce their meat consumption due to perceived health benefits

Although low in terms of awareness, more than half would be open to adding algae produced foods to their diet

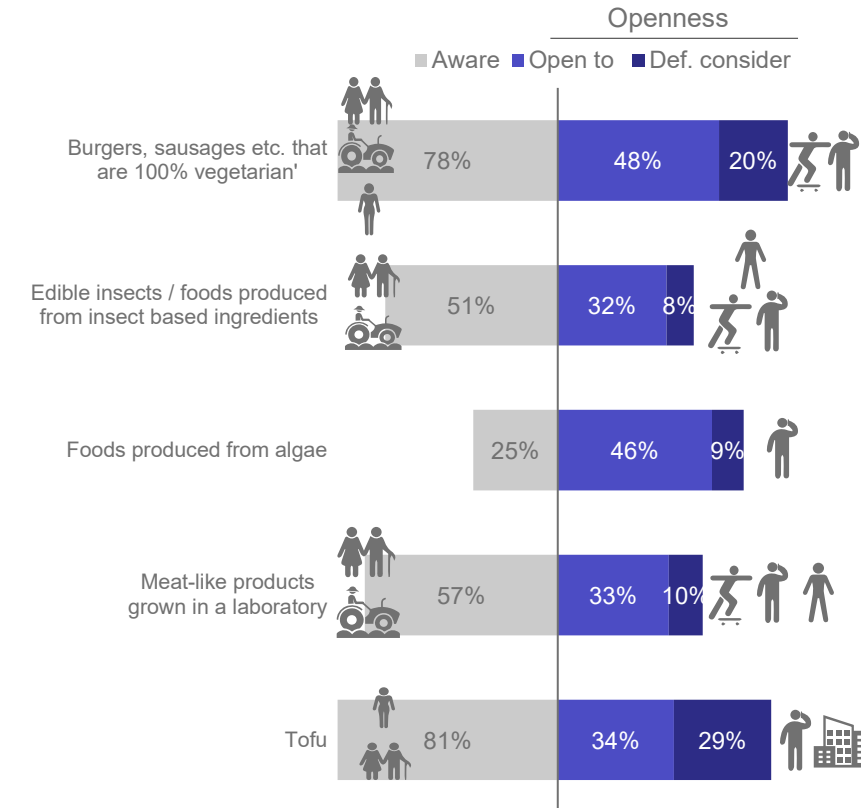
Food behaviours – Vegetarian and Veganism



Desired changes in meat consumption



Awareness and openness to adding meat alternatives to diet

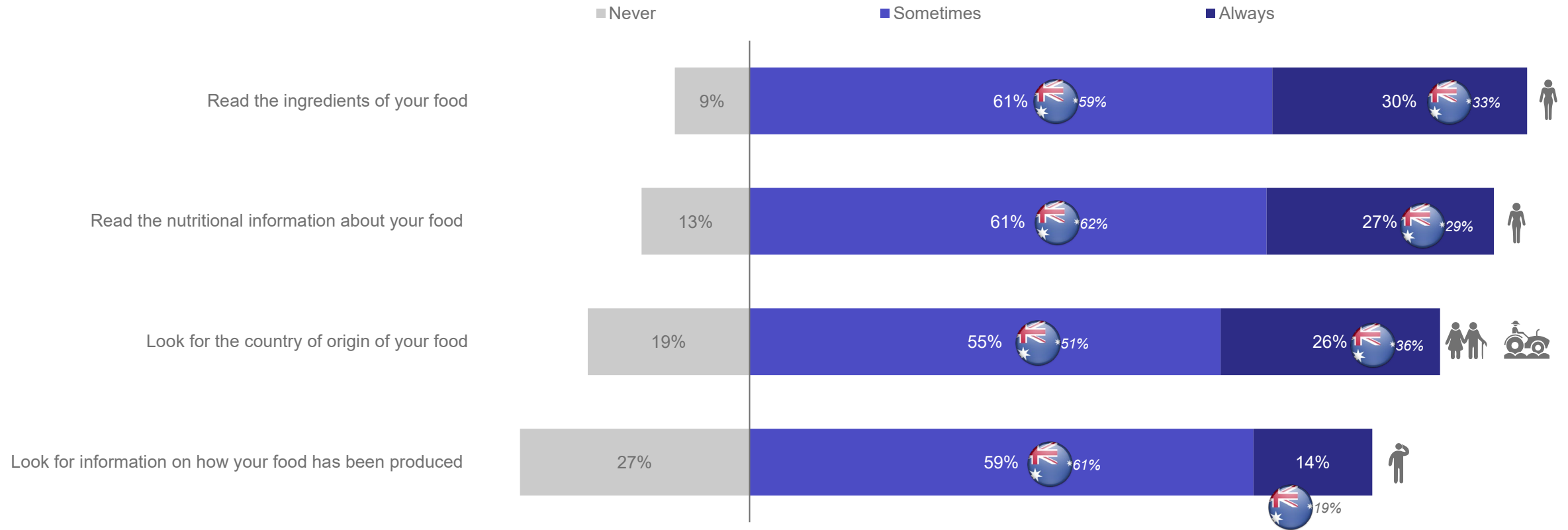


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

Reading the ingredients of food is the most common food information reviewed with one third 'always' doing so

Just over one in ten look for information on how food has been produced

Frequency of investigating food information



Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

Opinion is split in terms of preference between cheaper imperfect fruit / vegetables and more expensive regular appearance vegetables

Four in five claim to have purchased imperfect vegetables with two thirds likely to purchase if they were available – though only two fifths have access to them currently

Preference for vegetables



\$2.00 per kg

53%



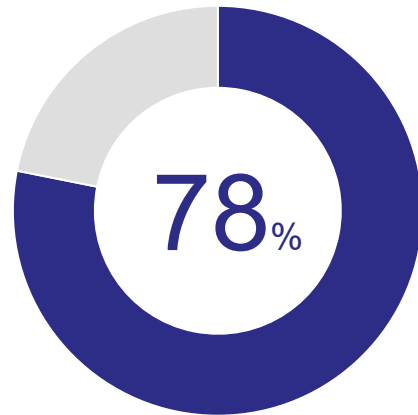
\$1.60 per kg

47% 27% in 2017

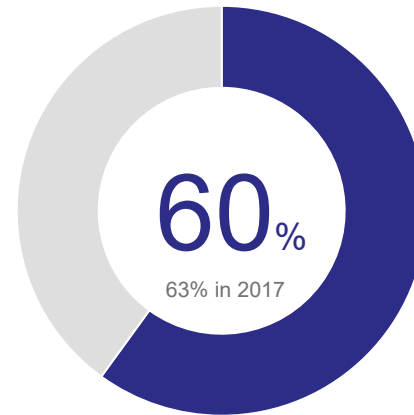


Attitudes to imperfect fruit / vegetables

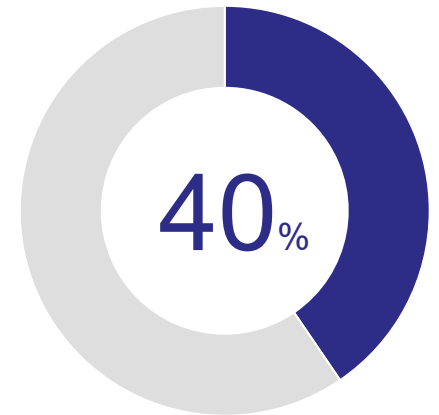
Ever bought imperfect looking vegetables



Likely to purchase if available



Local supermarket / farmers market sell imperfect looking fruit / vegetables

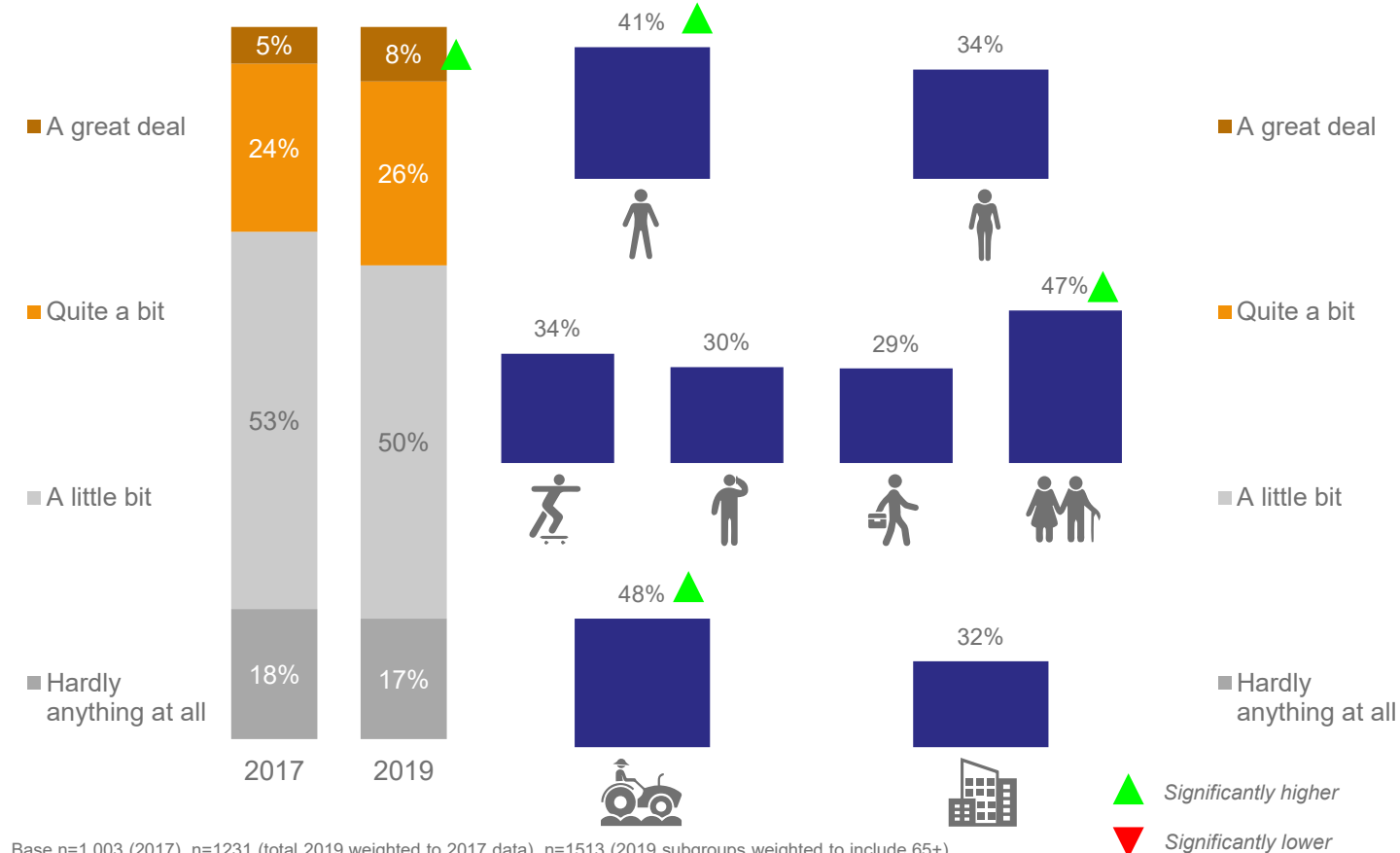


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

Knowledge of farming in New Zealand continues to improve with a third of New Zealanders now claiming to know ‘a great deal’ or ‘quite a bit’ – in particular males, Baby Boomers and Rural dwellers

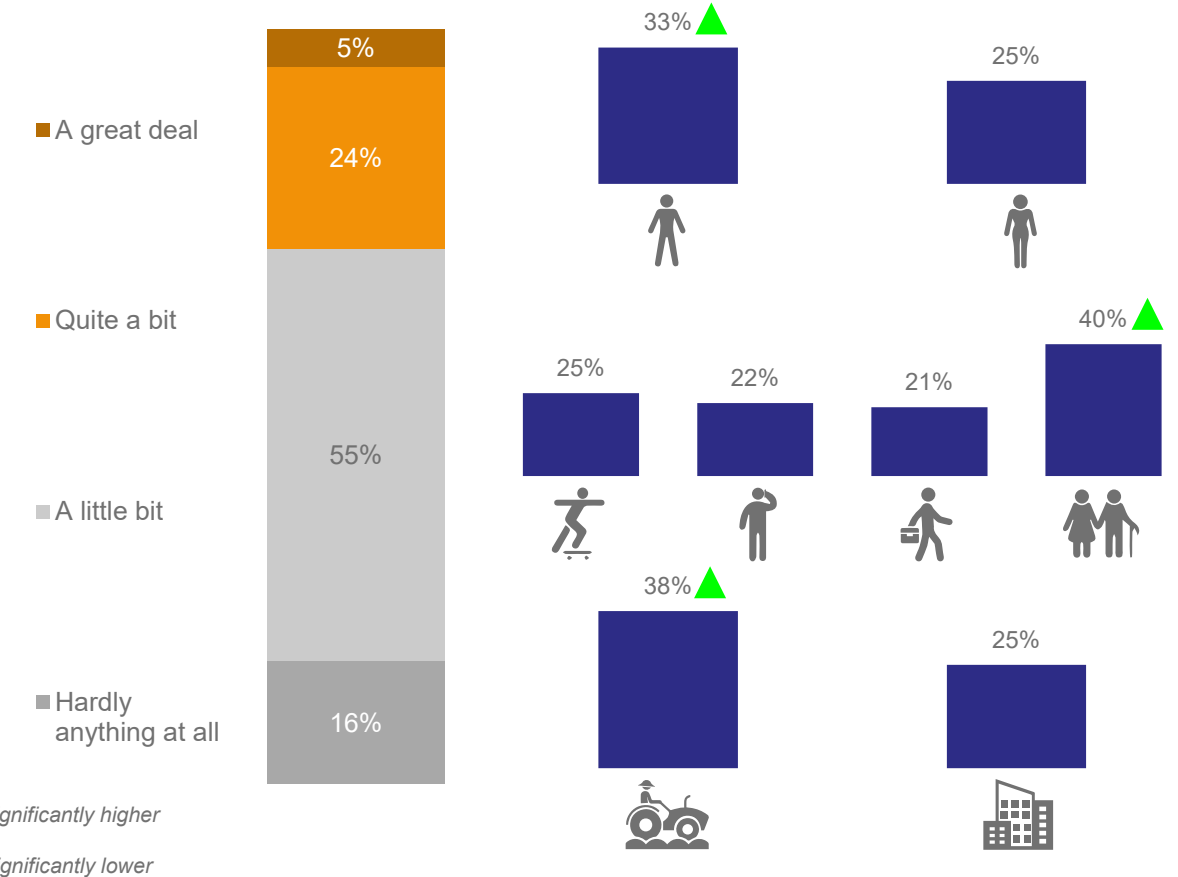
A similar proportion claim to have good knowledge of food production in New Zealand – again most likely males, Baby Boomers and Rural

Knowledge of farming in New Zealand



Base n=1,003 (2017), n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

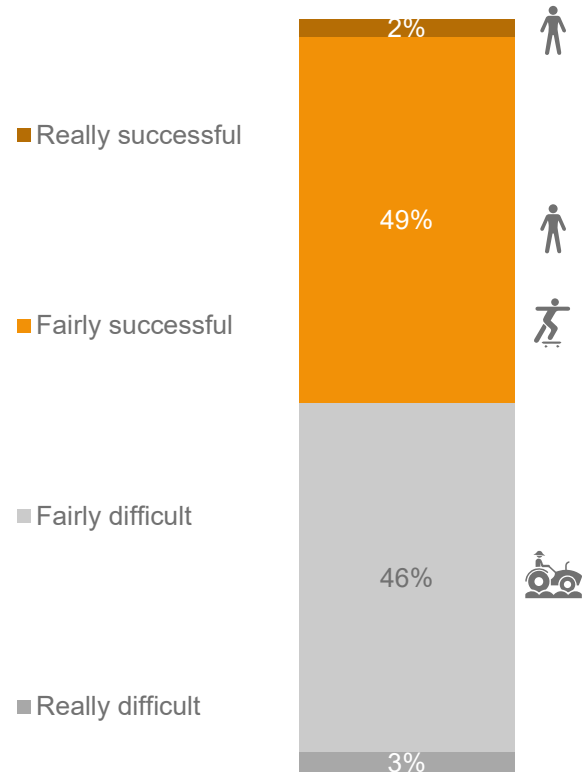
Knowledge of food production in New Zealand



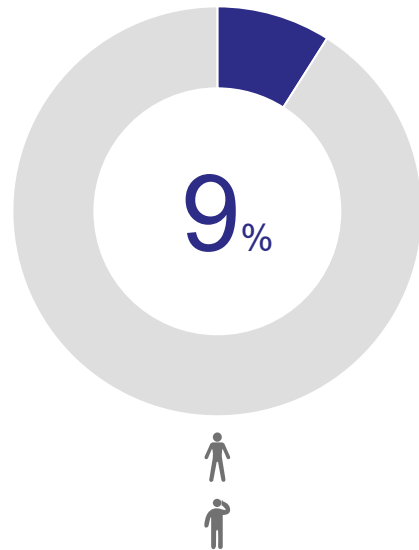
Half of New Zealanders believe 2018 was a successful year for farmers – with males feeling more positive – whilst rural dwellers are more likely to feel it was a difficult year

One in ten have made a charitable donation benefitting farmers

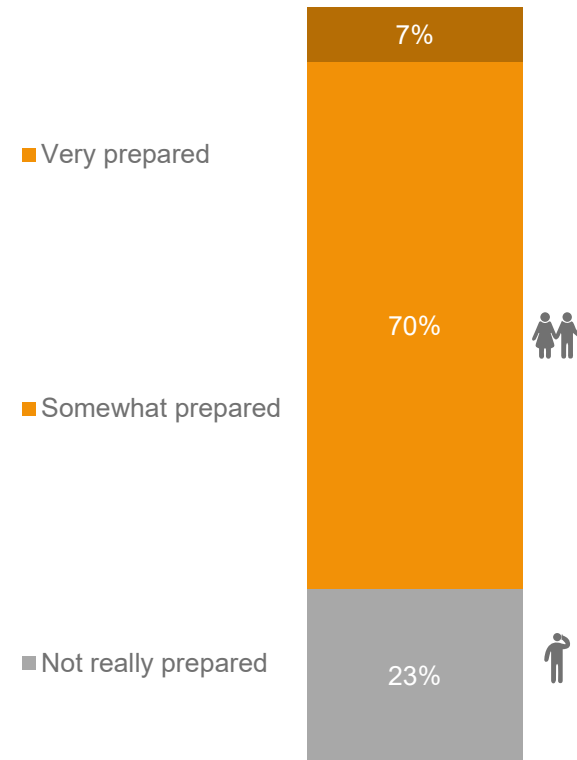
Perception of 2018 for farmers



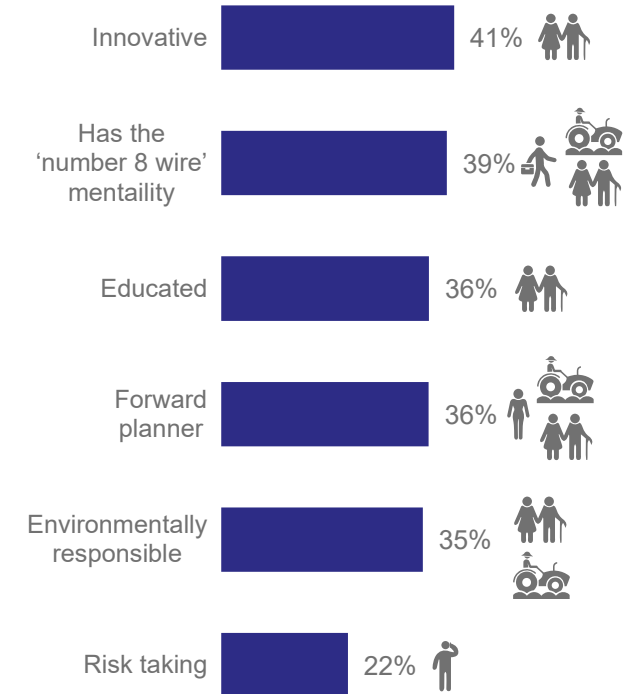
% making a charitable donation benefitting farmers



Preparedness for managing extreme weather



Descriptions for New Zealand farmers



Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)


3

Money money money....





Half of New Zealanders have experienced challenges paying for **essentials** in the last 3 months



Only a third of New Zealanders believe their **non-work** income would be sufficient to live on for **12 months or more**

New Zealanders are currently split between trying to **grow assets** and **pay down** debt

More New Zealanders believe they will be **worse off** in 12 months time than believe they will be better off

Fewer than one in five New Zealanders believe they are **financially comfortable**

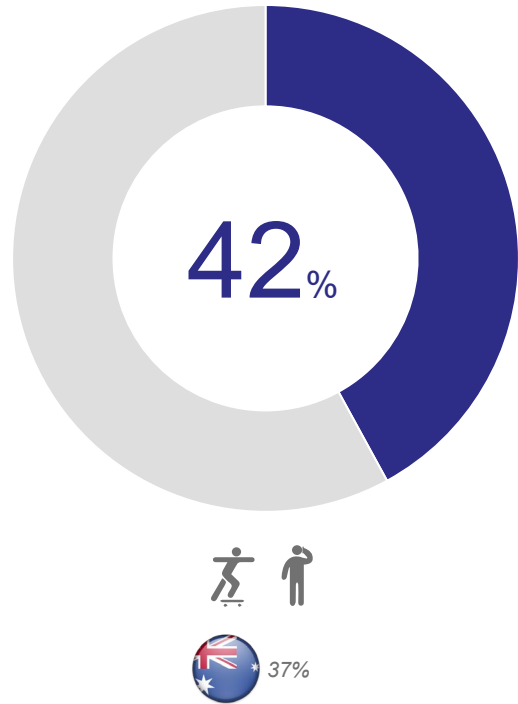
Friends, family and colleagues are the most commonly used **financial sources**



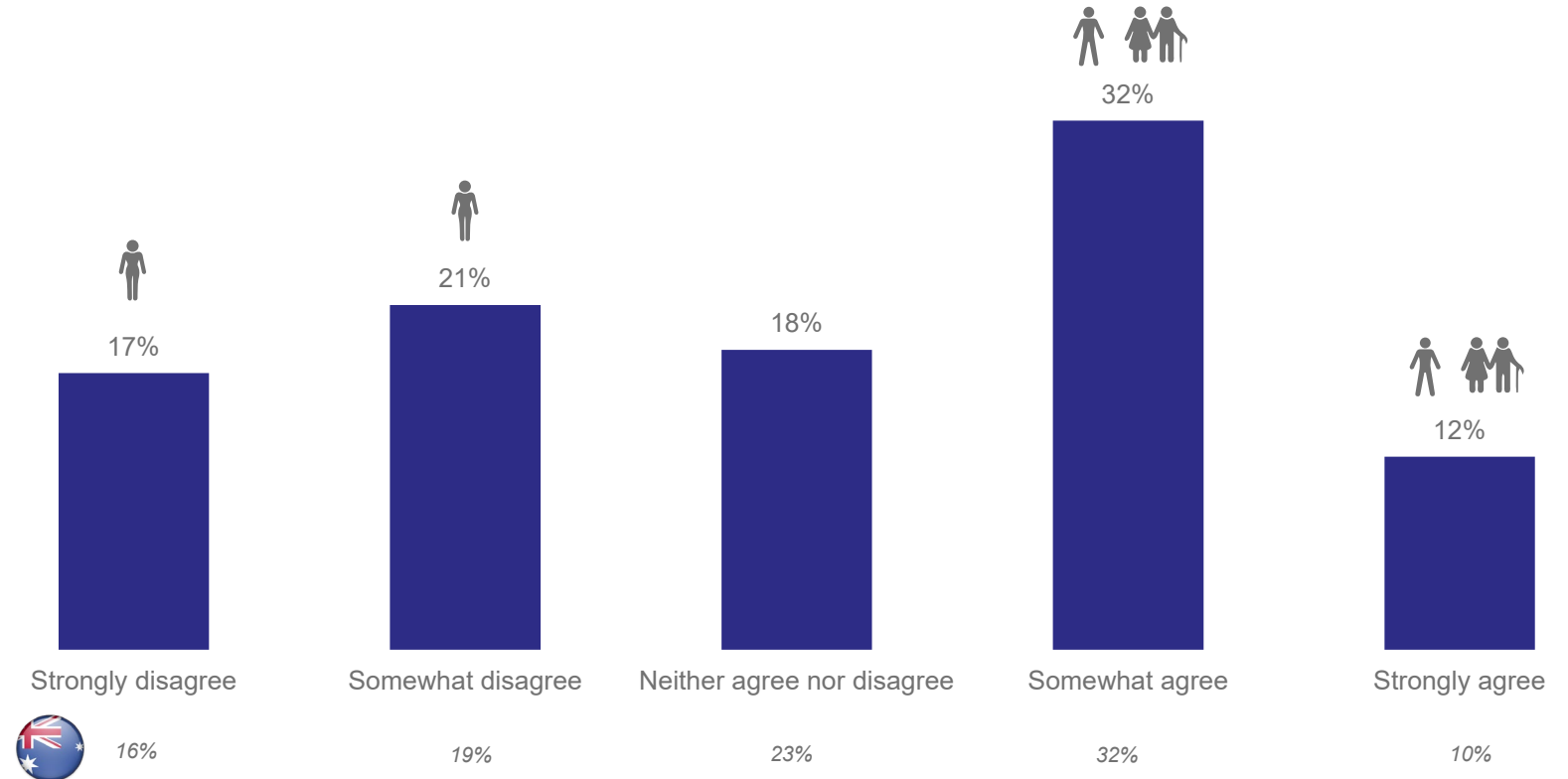
Just under half of New Zealanders have experienced challenges paying for day to day essentials in the past three months – particularly those in the Gen Z and Gen Y groups

A similar proportion of New Zealanders believe they are in a good position financially should something go wrong as do not believe

Experienced any challenges paying for essentials (L3M)



Agreement: I am well positioned if something goes wrong

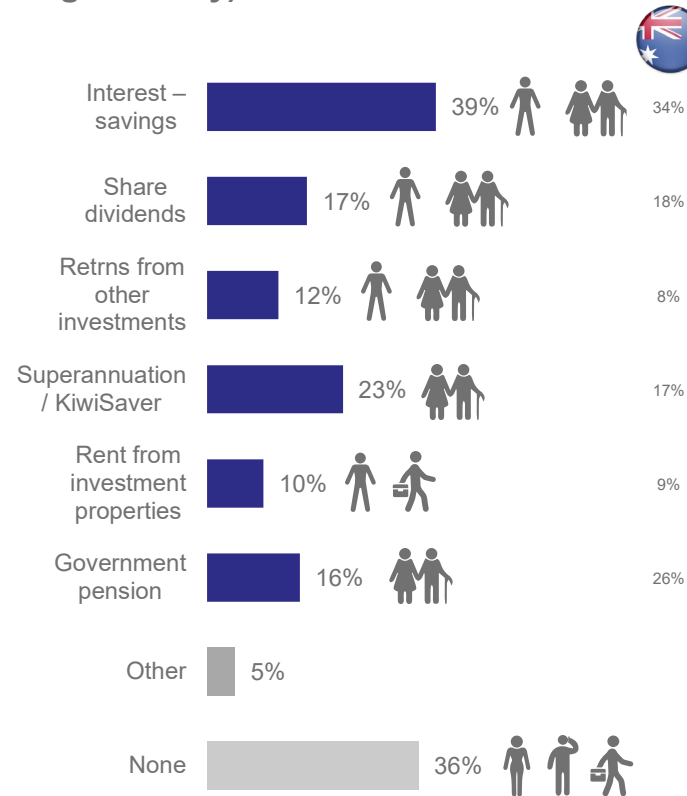


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

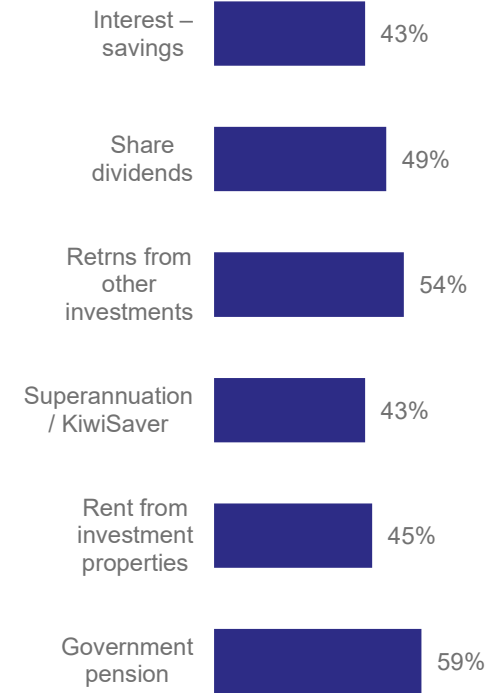
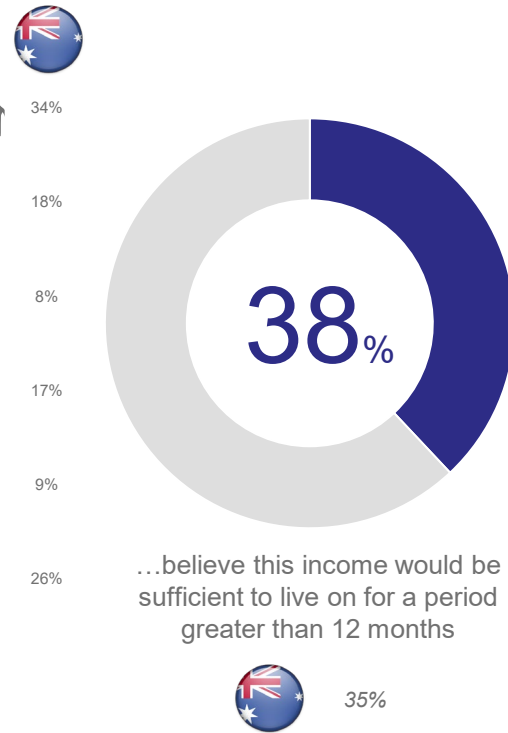
KiwiSaver is the second most likely held income source (non wage / salary) behind interest from savings account – however this is largely seen to be insufficient to live for longer than a year

New Zealanders are split between trying to grow assets and pay down debt in terms of financial priority

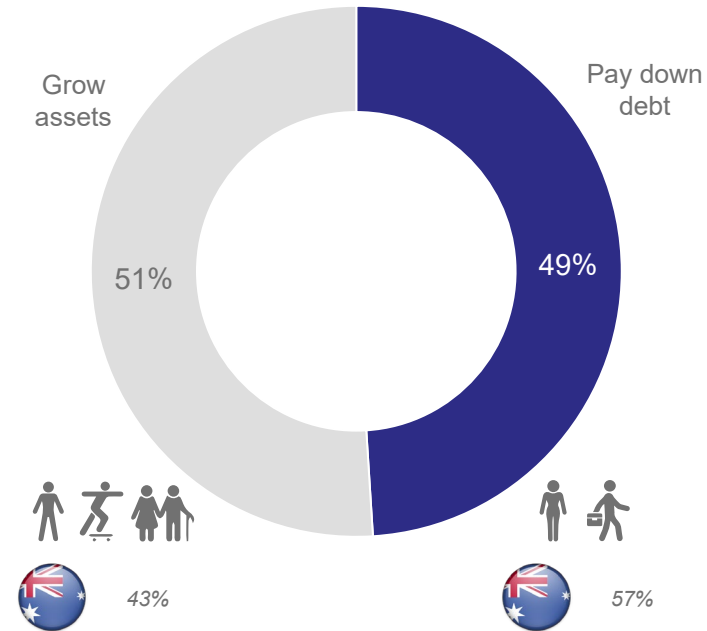
Current income sources (non wage / salary)



Would this income be sufficient to live on for greater than 12 months



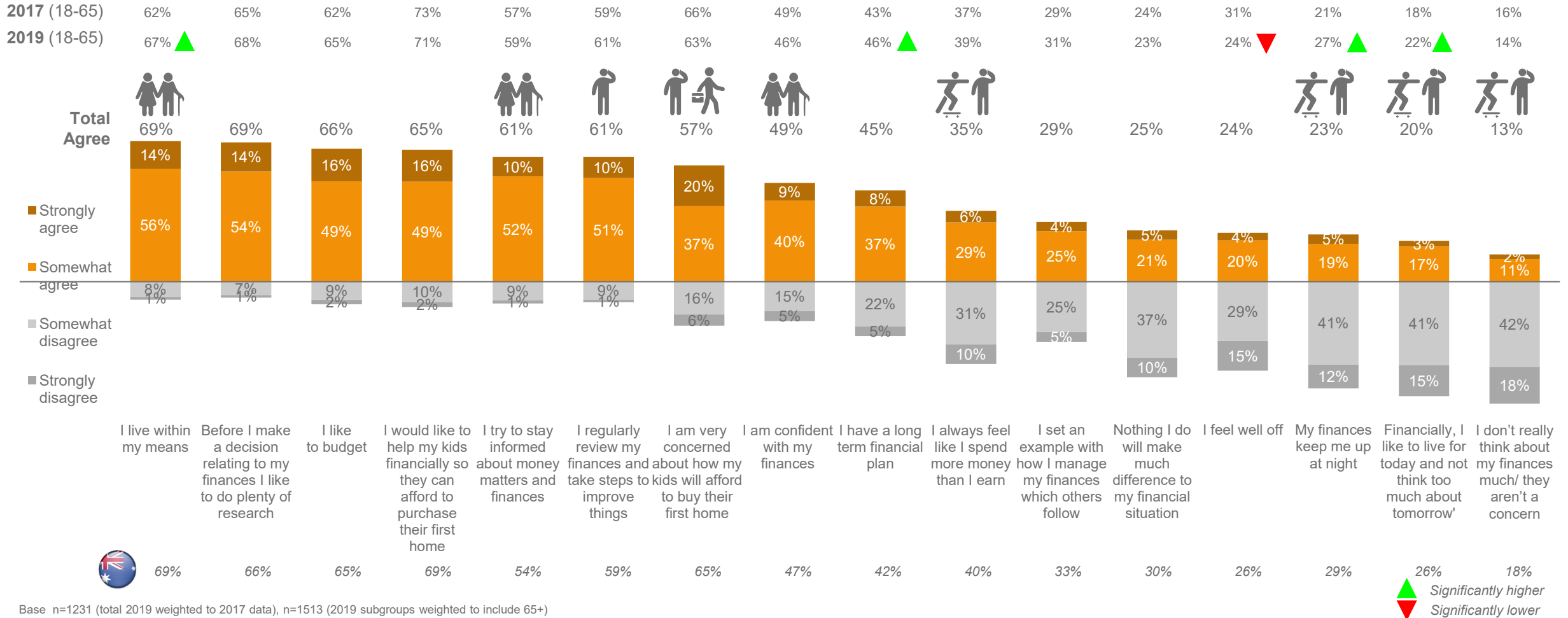
Financial focus



Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

Two thirds of New Zealanders believe they live within their means – particularly Baby Boomers - whilst Gen Z and Gen Y groups are more likely to live for the moment versus their older counterparts

Attitudes to finance



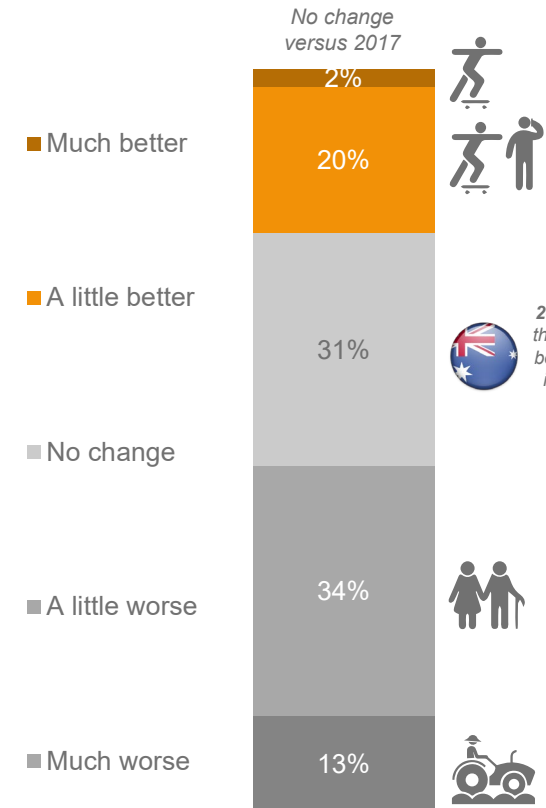
Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

▲ Significantly higher
▼ Significantly lower

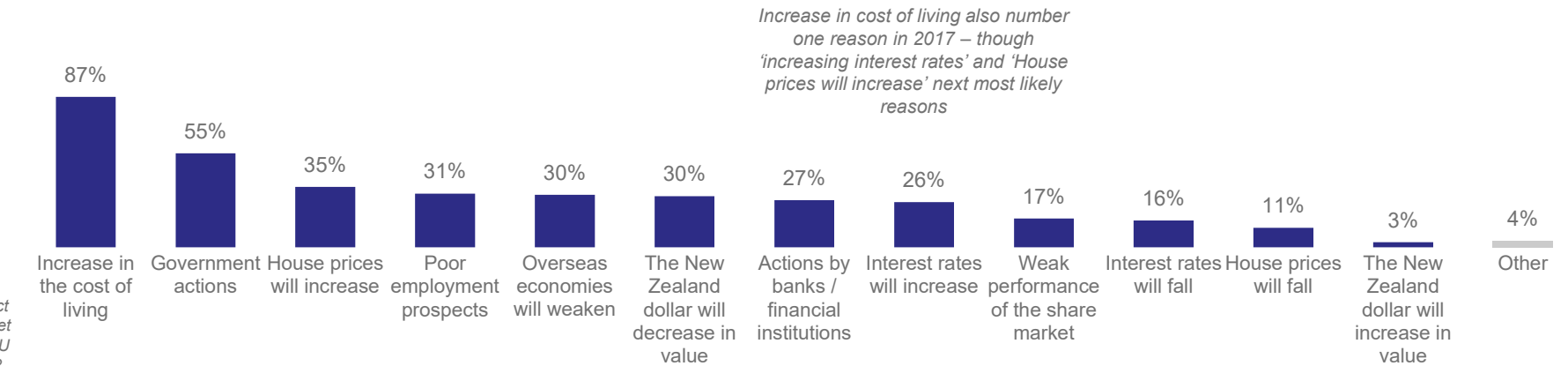
Only one in five New Zealanders believe the country will be in a better position in twelve months time – with younger age groups more optimistic

Increases in the costs of living is the most likely cause for improvement whilst reasons for improvement are related to Government actions, employment prospects and home affordability

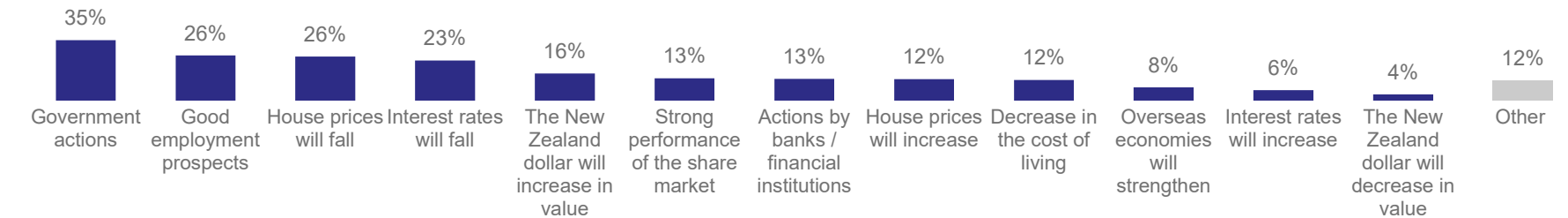
Overall economic situation change in next 12 months



Reasons for deterioration (amongst those expecting 'worse' economic situation)



Reasons for improvement (amongst those expecting 'better' economic situation)

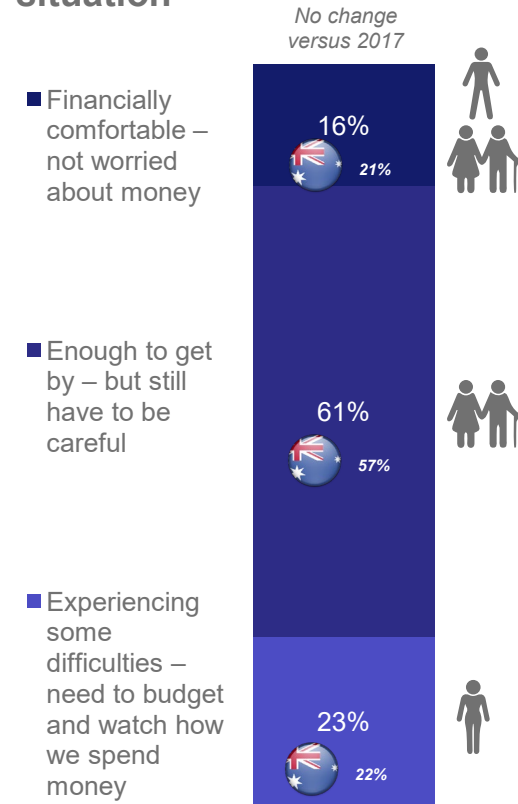


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

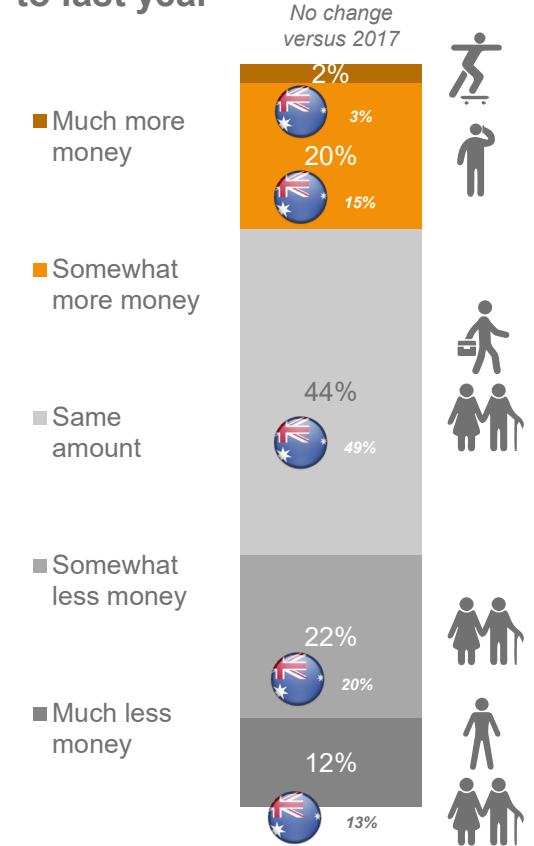
Two thirds of New Zealanders believe they have to be careful with their money – with more than a third believing they have less money available versus 12 months ago

Those with less money than 12 months ago are reducing spend on luxury items whilst with more money are typically increasing savings

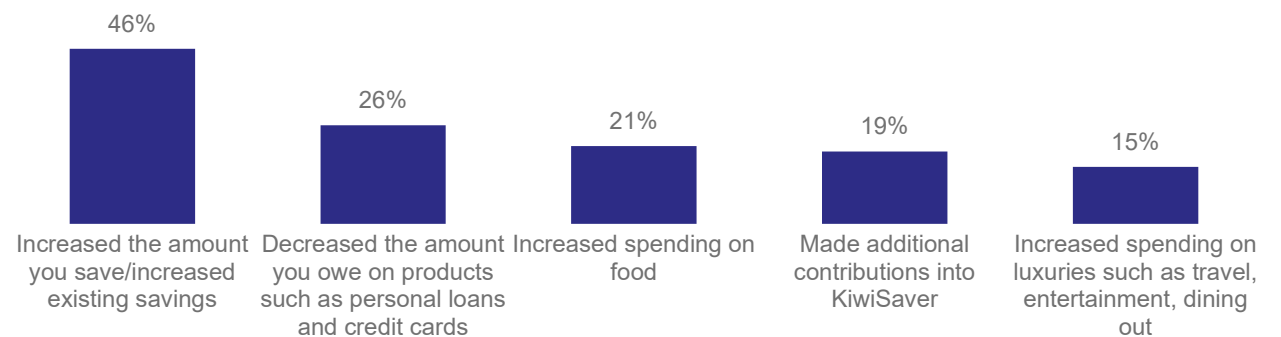
Current household financial situation



Financial situation compared to last year



Actions taken as a result of having more money



Actions taken as a result of having less money



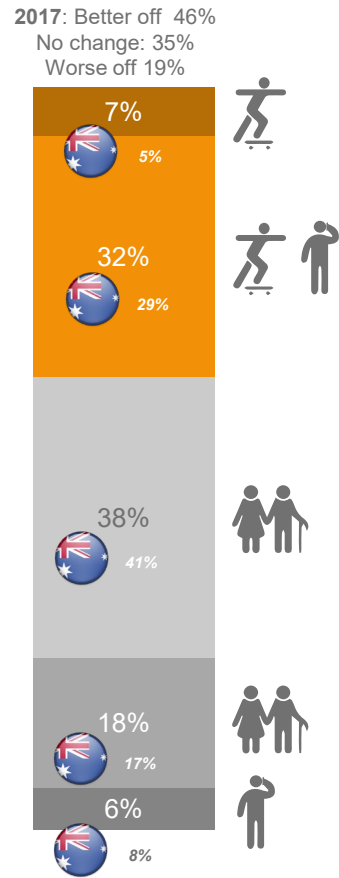
Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

▲ Significantly higher
▼ Significantly lower

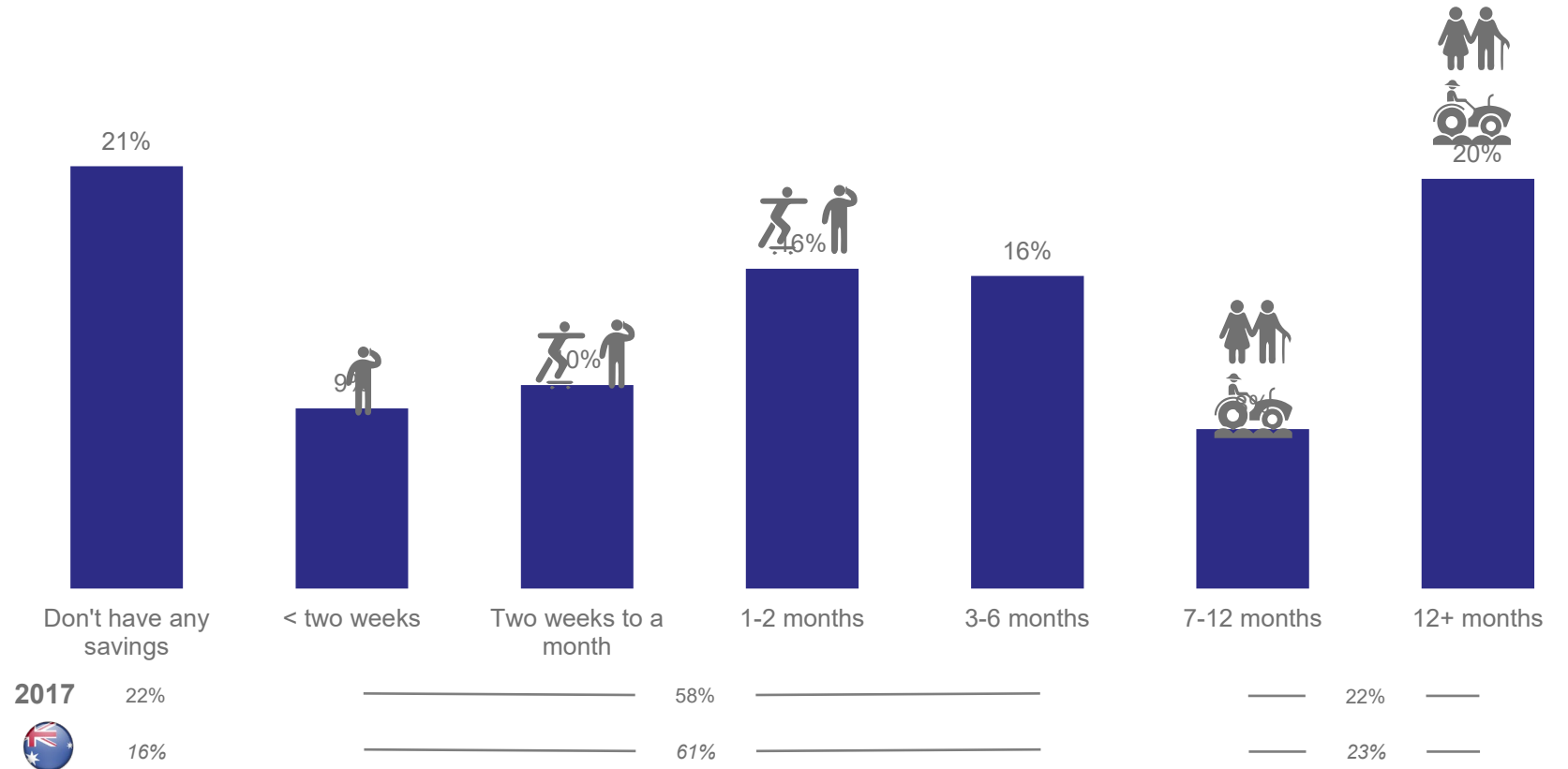
Just over a third of New Zealanders are optimistic that their expected financial situation will improve with younger age groups more optimistic

Older and rural New Zealanders believe their current savings could last the longest – whilst one in five do not have any savings at all

Expected financial situation in 12 months time



How long do you think you could live off existing savings (amongst those working)?



Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

4
Savings, investments....and debt

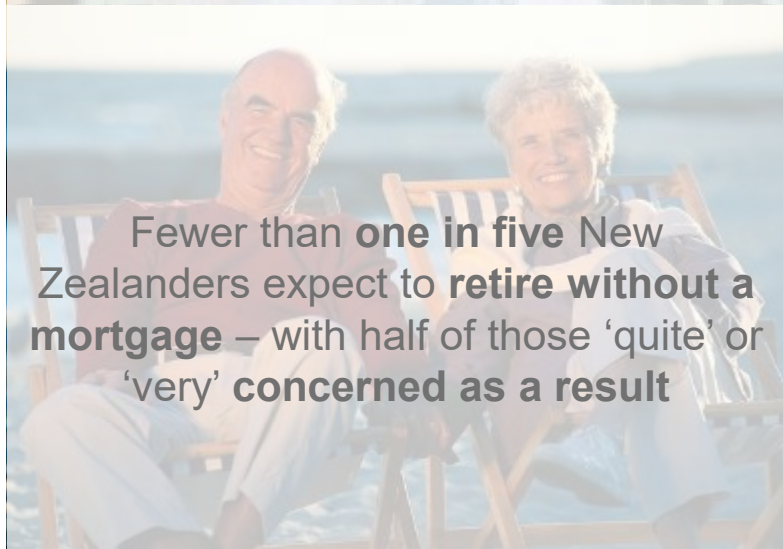




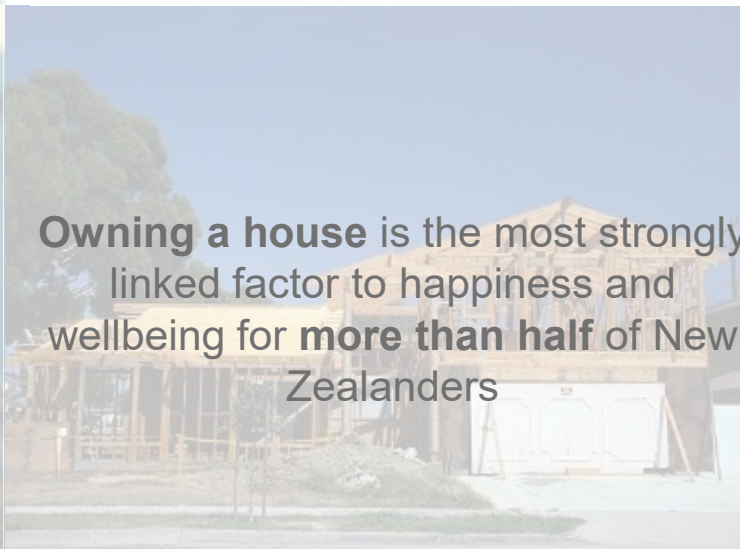
Fewer New Zealanders are saving each month in 2019 versus 2017



Two thirds of New Zealanders have a credit card – while one in five New Zealanders have used Afterpay



Fewer than one in five New Zealanders expect to retire without a mortgage – with half of those 'quite' or 'very' concerned as a result



Owning a house is the most strongly linked factor to happiness and wellbeing for more than half of New Zealanders

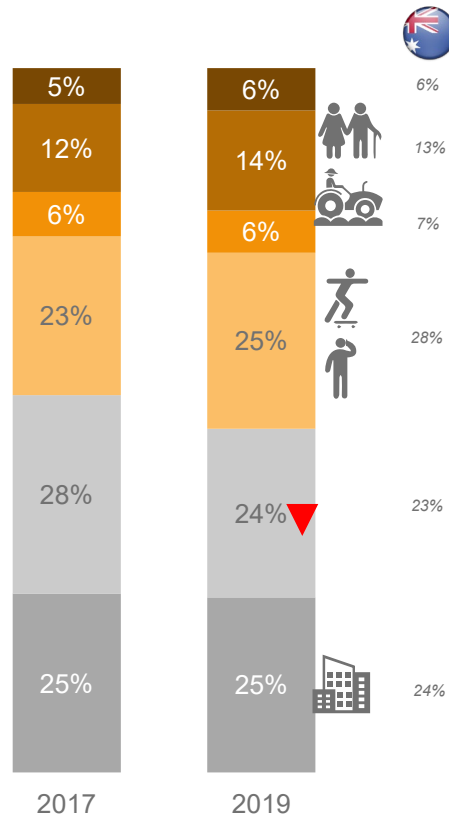


Savings behaviours have slipped slightly in 2019 with fewer consistently saving each month and one in ten New Zealanders having no savings or investments at all

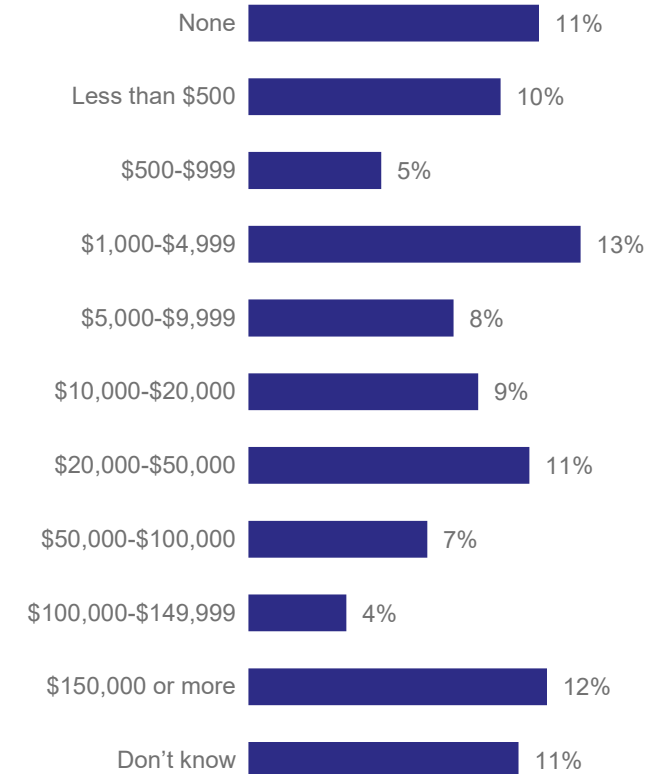
Amongst those who do save, half save up to \$500 per month

Savings and investment habits

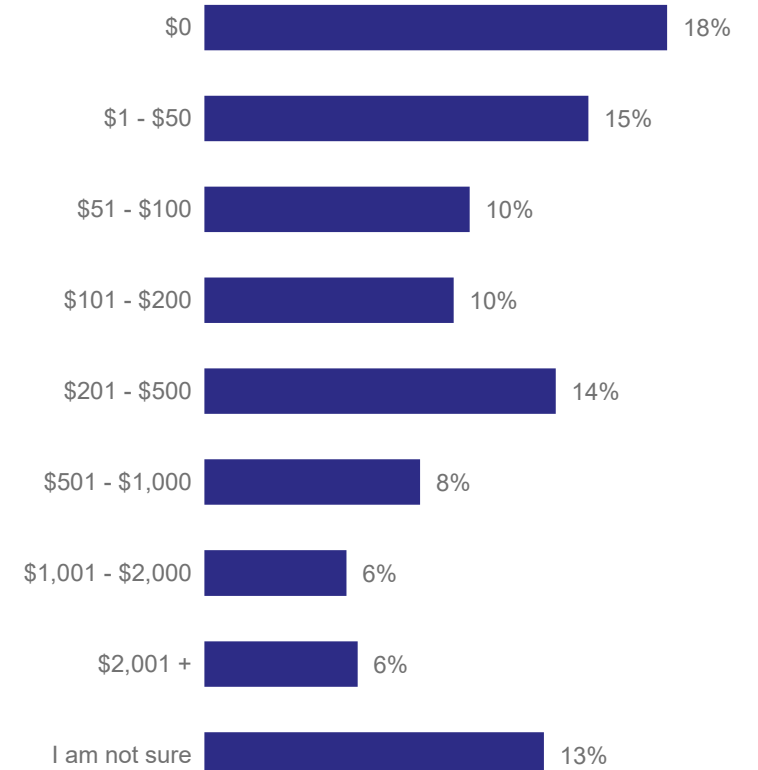
- I don't typically save anything and I typically spend more than I earn
- I don't typically save anything but I don't generally spend more than I earn
- I only save for something big or special
- I only save occasionally when I have spare money
- I always save something each month but I save more in some months than in others
- I always save a regular amount each month



Total savings and investments (Excl. KiwiSaver)



Amount saved / invested in a typical month



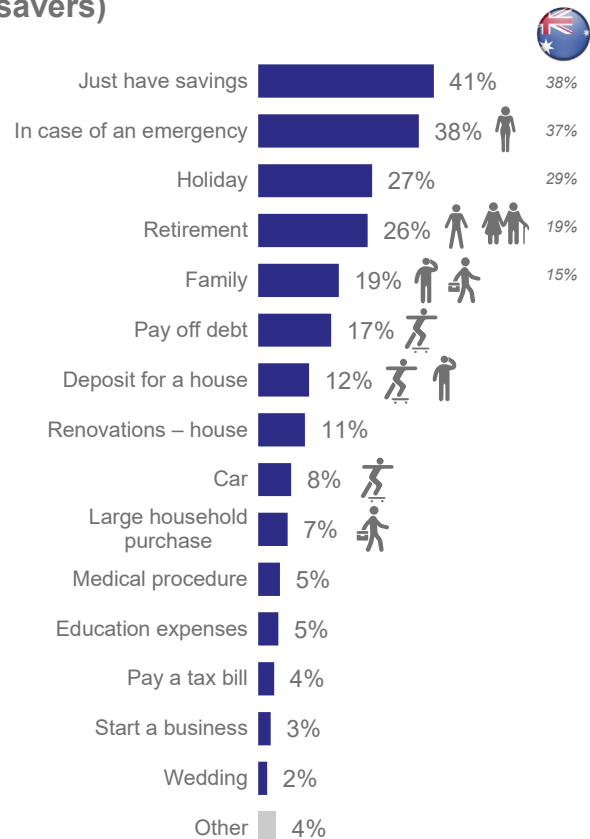
Base n=1,003 (2017), n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

▲ Significantly higher
▼ Significantly lower

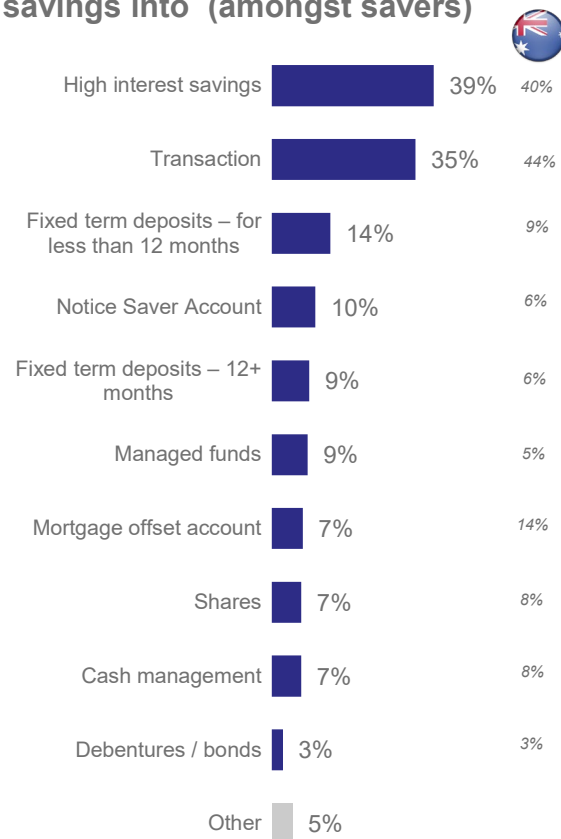
Security and 'for a rainy day' are the key reasons for savings versus a specific goal – with one in three having a high-interest savings account

Most feel they have at least approximate knowledge of their savings account interest rates – lower than that seen in 2017

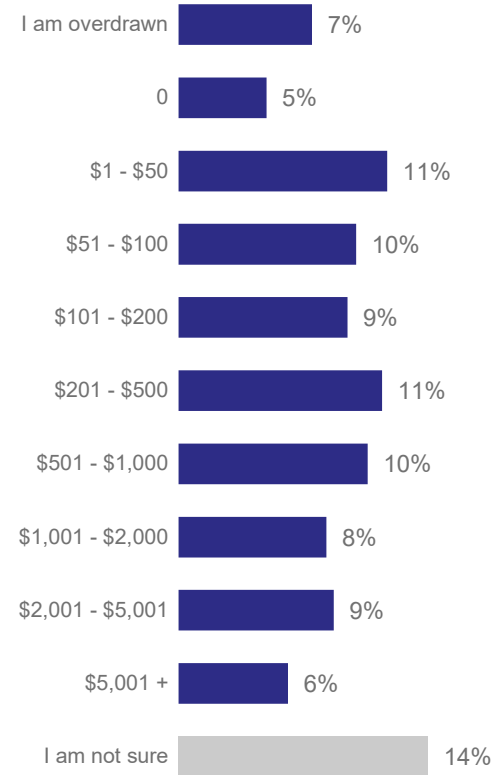
Key reasons for saving (amongst savers)



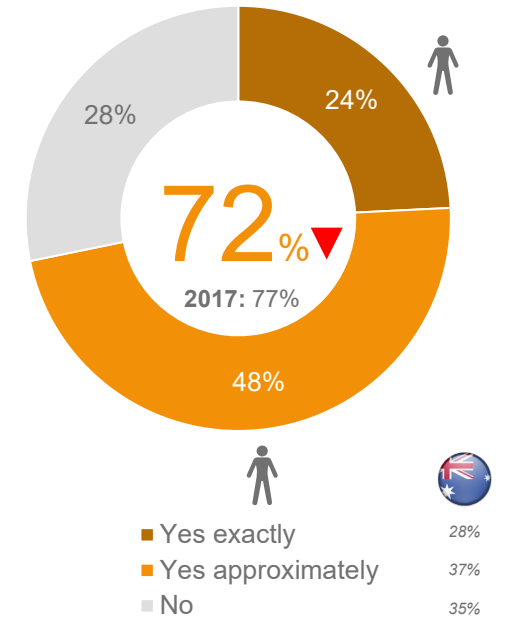
Savings accounts invested regular savings into (amongst savers)



Average balance of everyday transaction account



Knowledge of savings interest rate (amongst those with savings account)



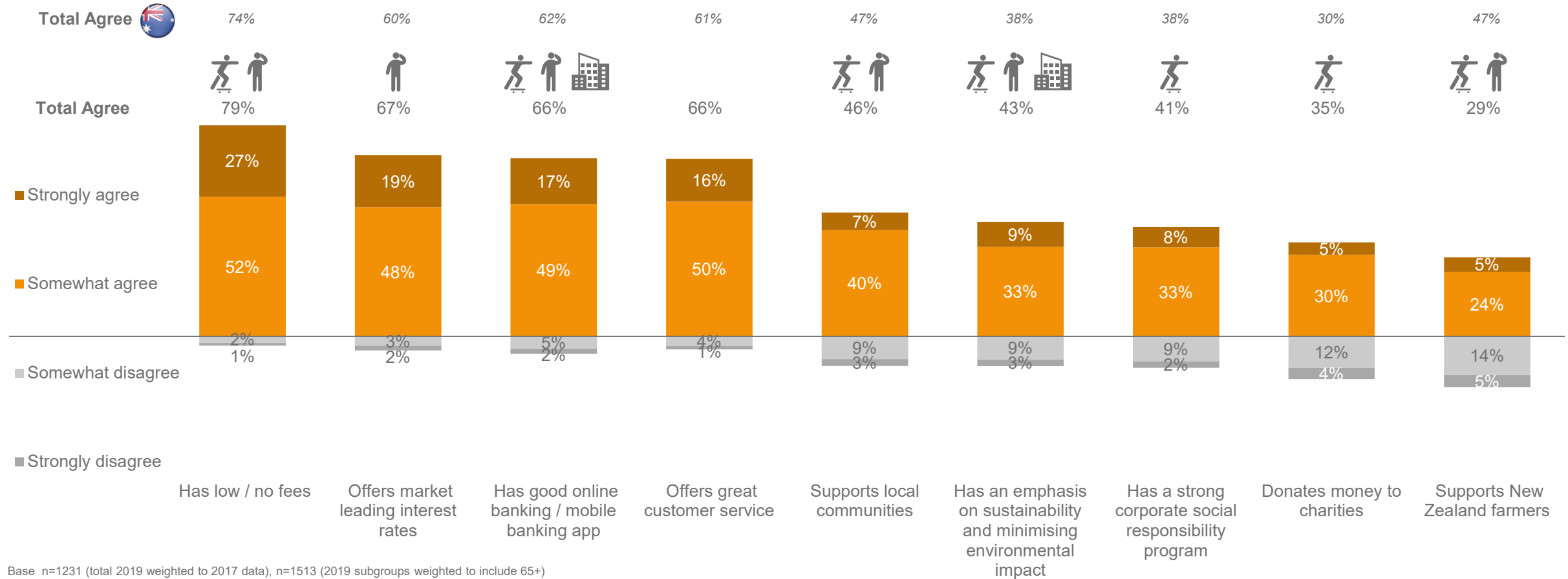
Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

▲ Significantly higher
▼ Significantly lower

Low fees are the biggest driver of savings account uptake – particularly amongst the youngest age groups – ahead of interest rates, online and service experience

One in three believe ‘Supporting New Zealand farmers’ is important in driving savings account uptake – again more important for younger age groups

Drivers of savings account uptake

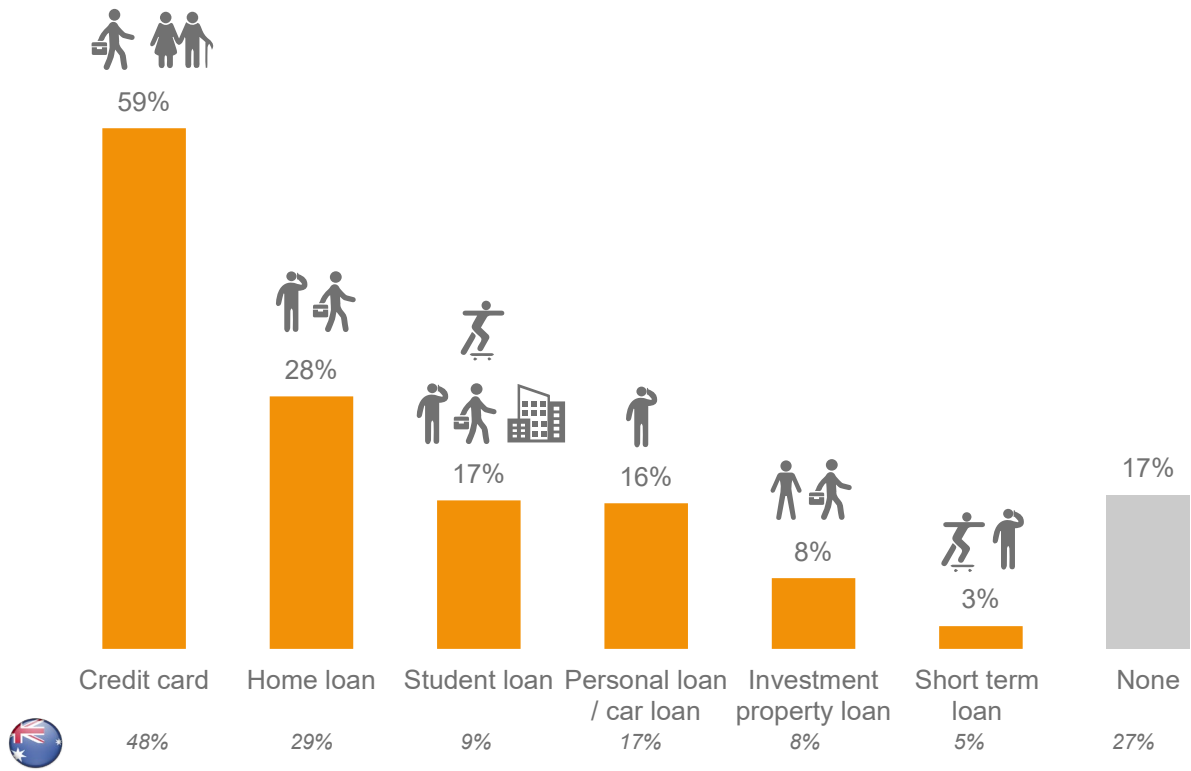


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

More than half of New Zealanders have a credit card – whilst younger groups are more likely to have student loans and short-term loans

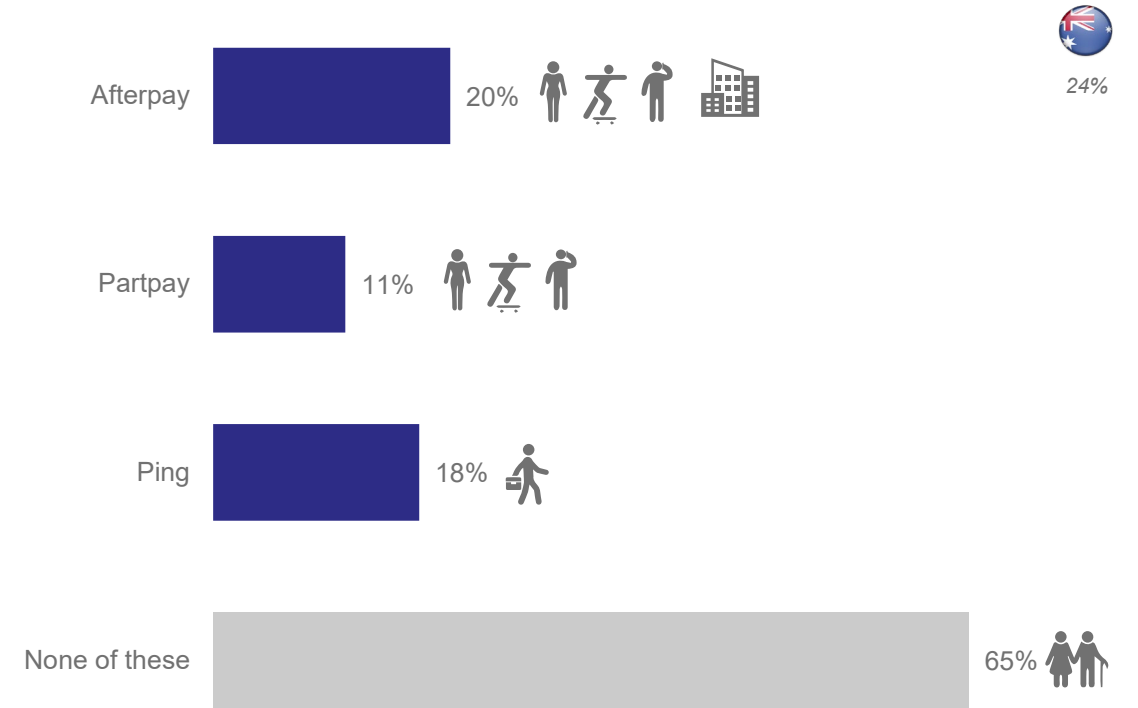
Afterpay is the most widely used post-purchase payment program used and is more likely to be used by younger New Zealanders

Products held



Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

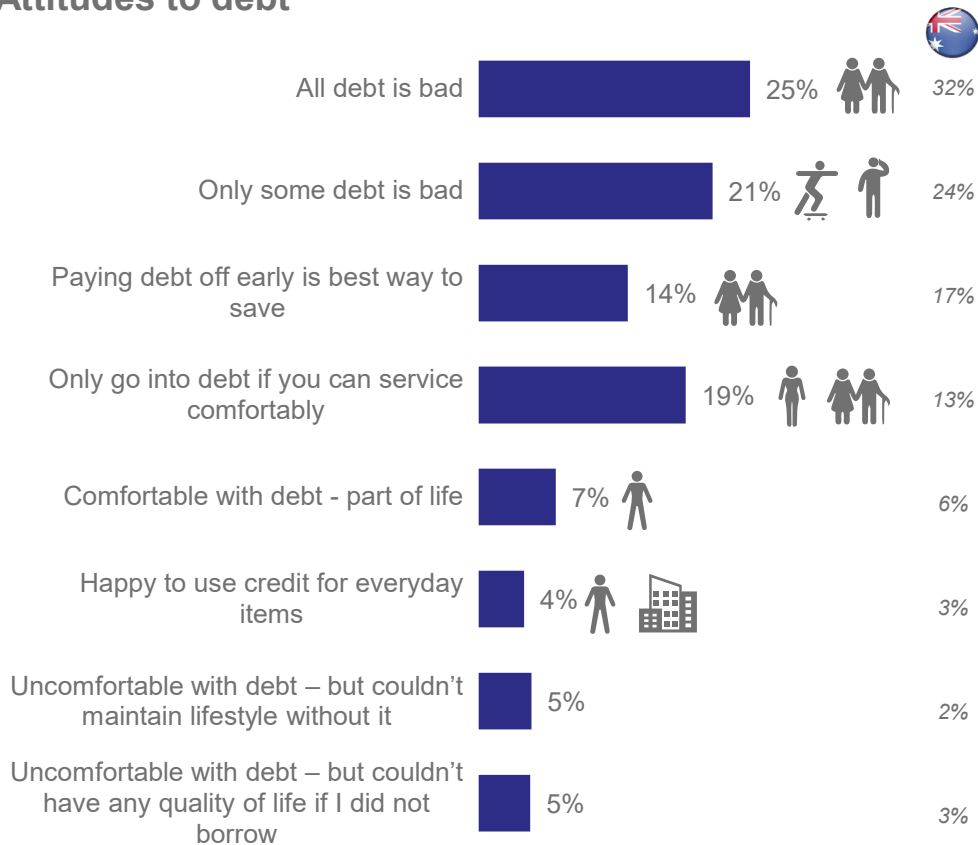
Services used



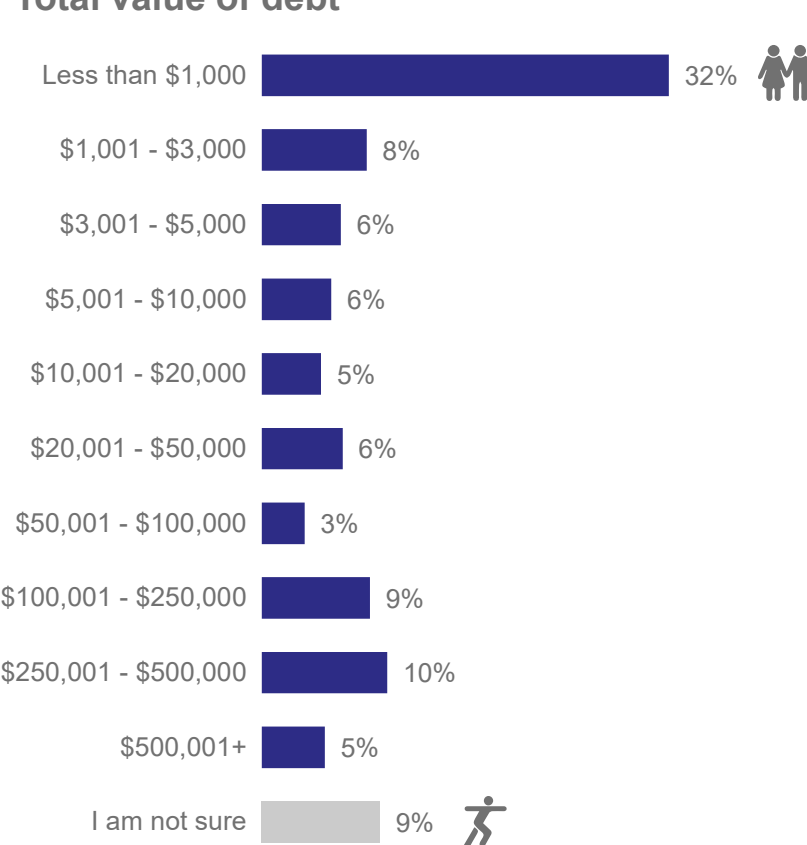
A quarter of New Zealanders believe that debt is bad – in particular Baby Boomers – whilst younger groups are more likely to believe that only some debt is bad

As Baby Boomers are more likely to be debt free or have less debts they are more likely to be comfortable with their ability to pay debt off

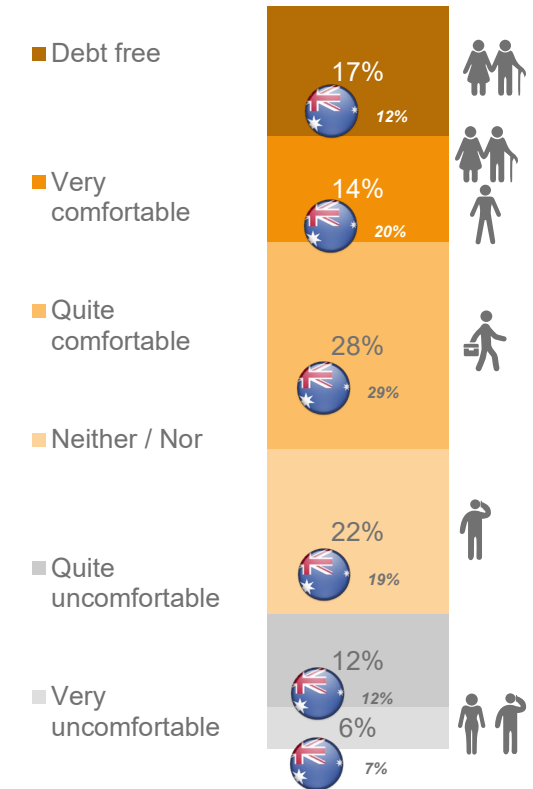
Attitudes to debt



Total value of debt



Comfort with ability to pay

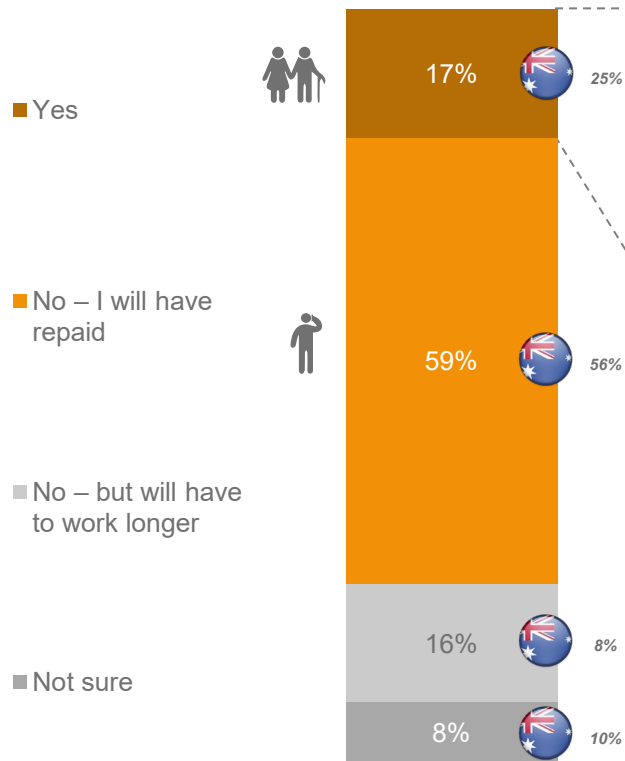


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

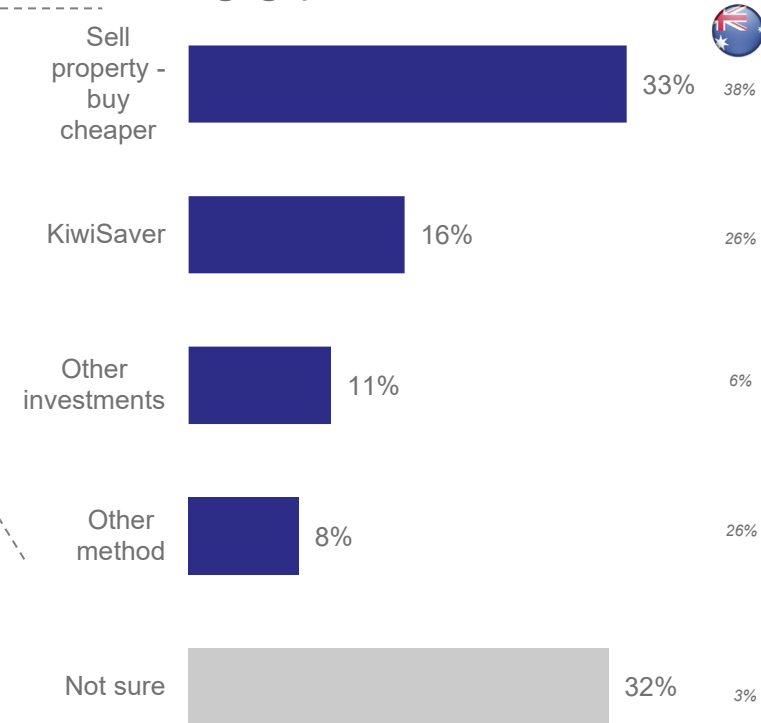
Almost two thirds of New Zealanders are confident they will have paid their mortgage off by the time they retire – the most common method to pay off a mortgage after retiring is downsizing

Half of those expecting to retire with a mortgage are 'very' or 'quite' concerned

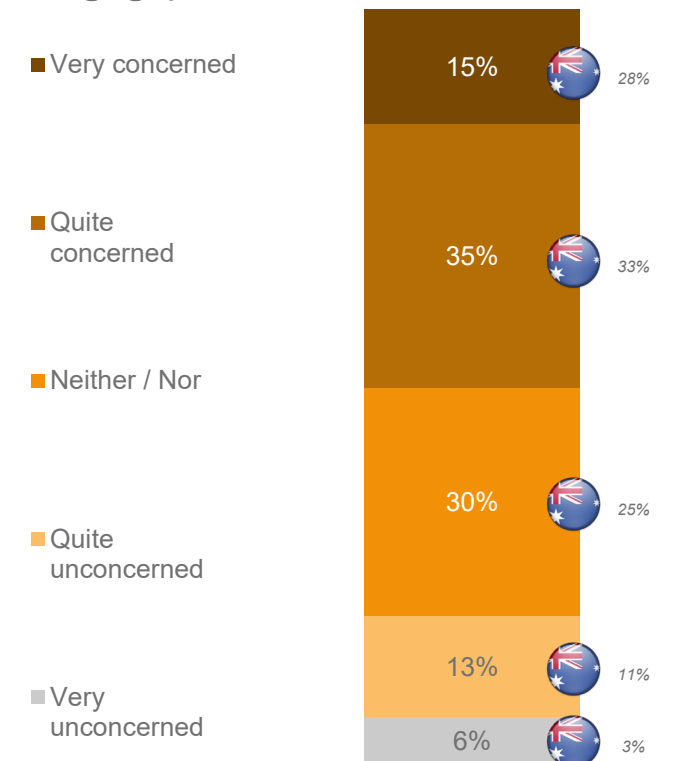
Expectation to retire without mortgage (amongst those with a home loan)



How expecting to pay off mortgage once retired (amongst those expecting to retire with a mortgage)



Concern with retiring with a mortgage (amongst those expecting to retire with a mortgage)

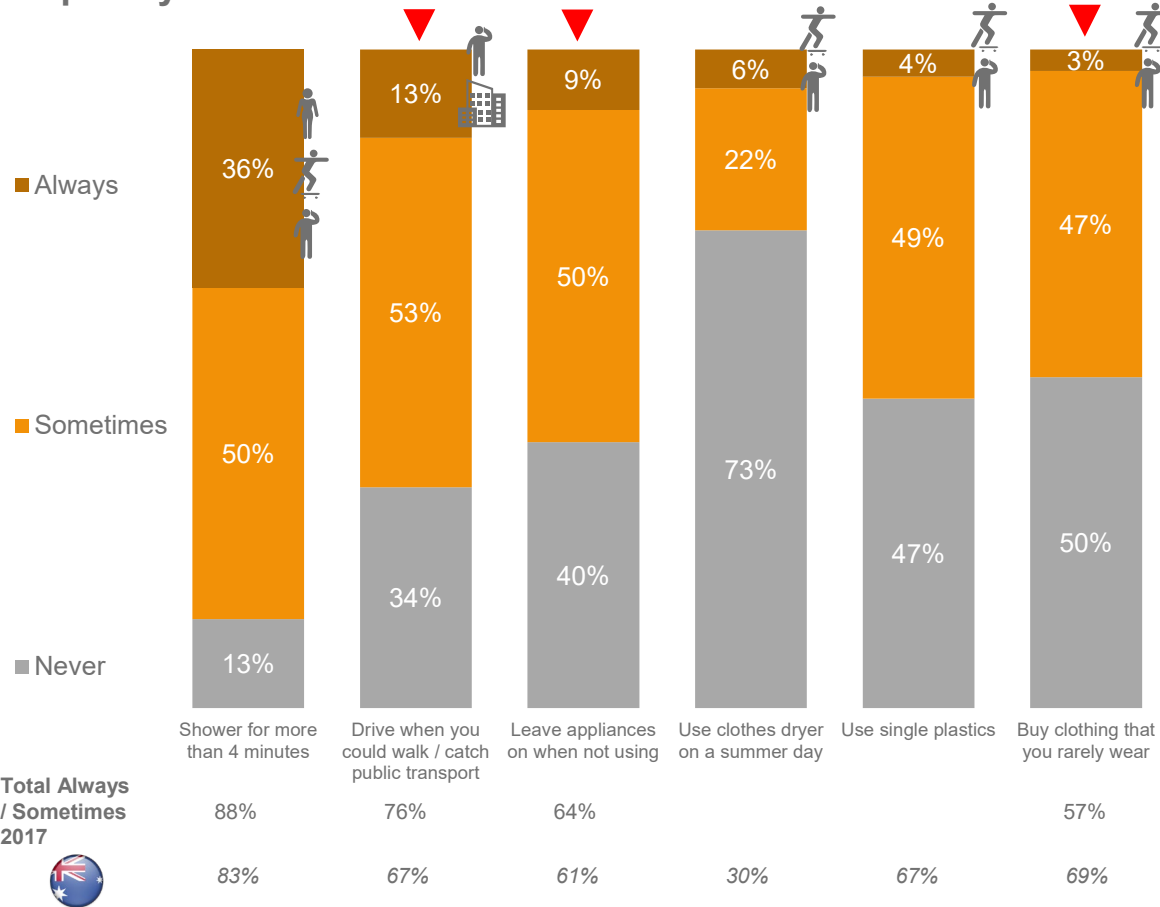


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

Taking long showers is the most frequent activity that could potentially save money – though interestingly using dryers, single use plastics and purchasing rarely worn clothing are most common for Gen Y

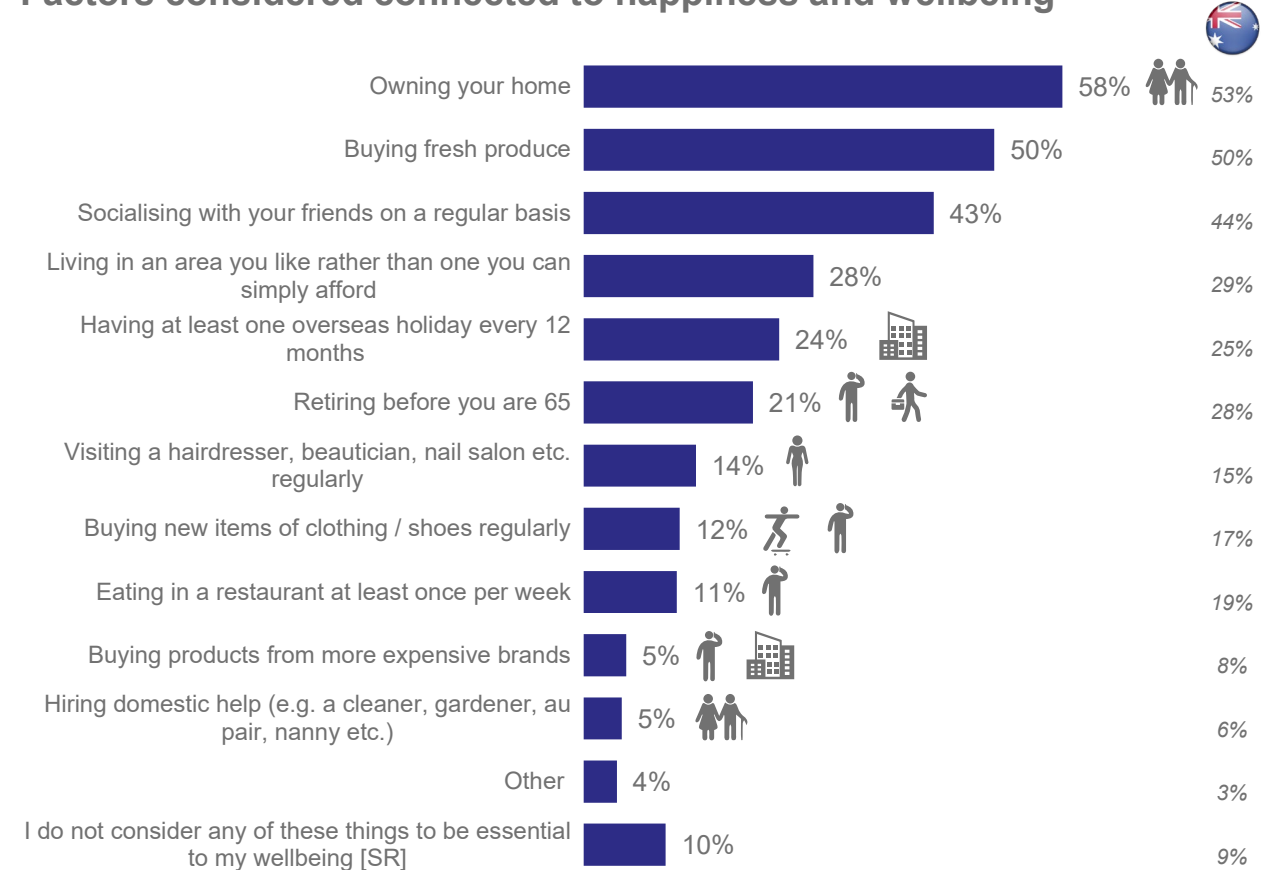
Owning your own home is considered to be the 'Kiwi dream' as strongest factor in happiness and wellbeing

Frequency of wasteful behaviours



Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

Factors considered connected to happiness and wellbeing

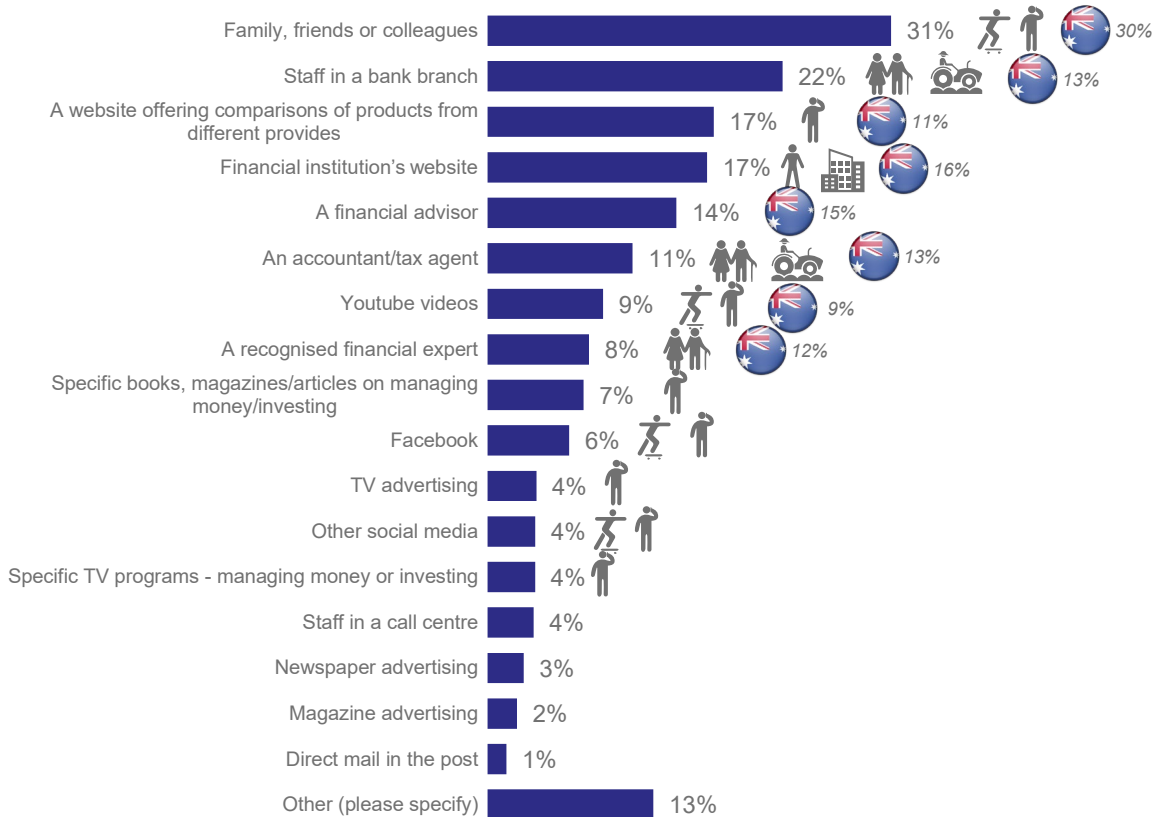


▲ Significantly higher
▼ Significantly lower

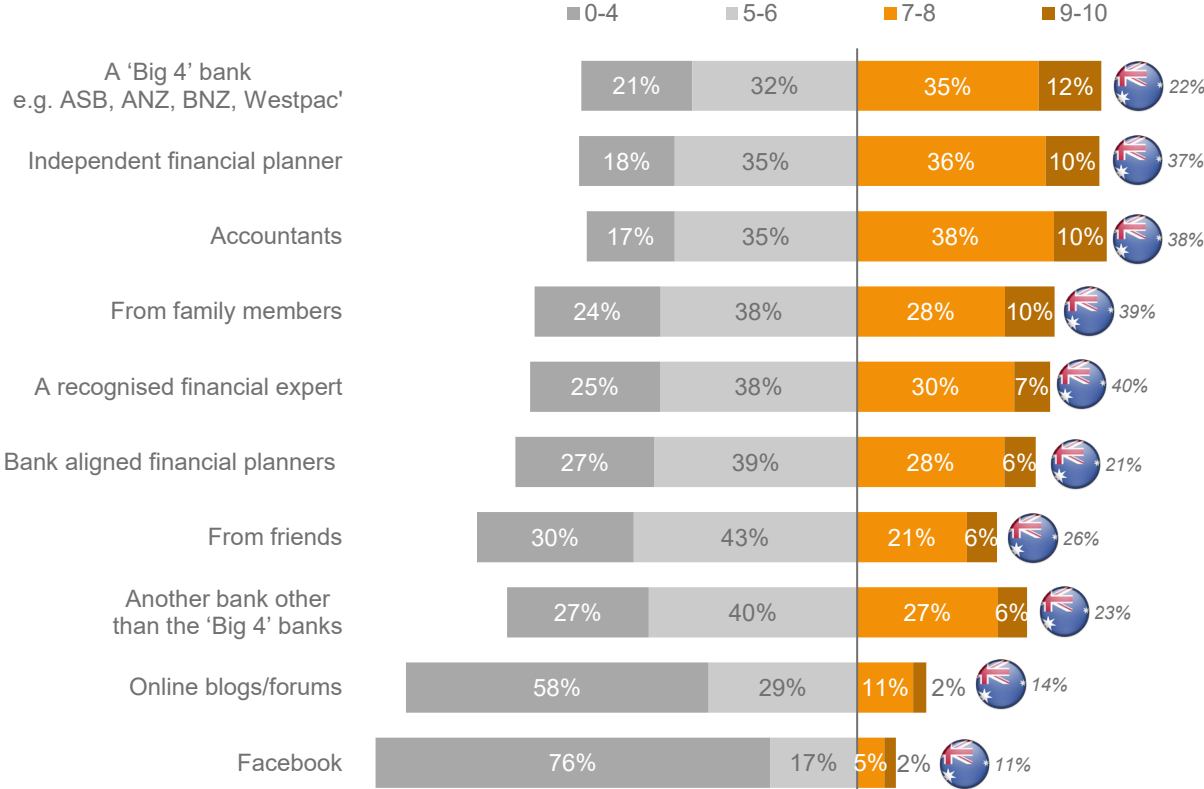
Family, friends or colleagues are the most likely financial advice source for one third of New Zealanders – with Gen Z and Gen Y most likely to use them – ahead of bank staff

Banks remain the most trusted sources of advice along with independent financial planners and accountants

Use of financial advice sources – last 12 months



Trust of financial sources

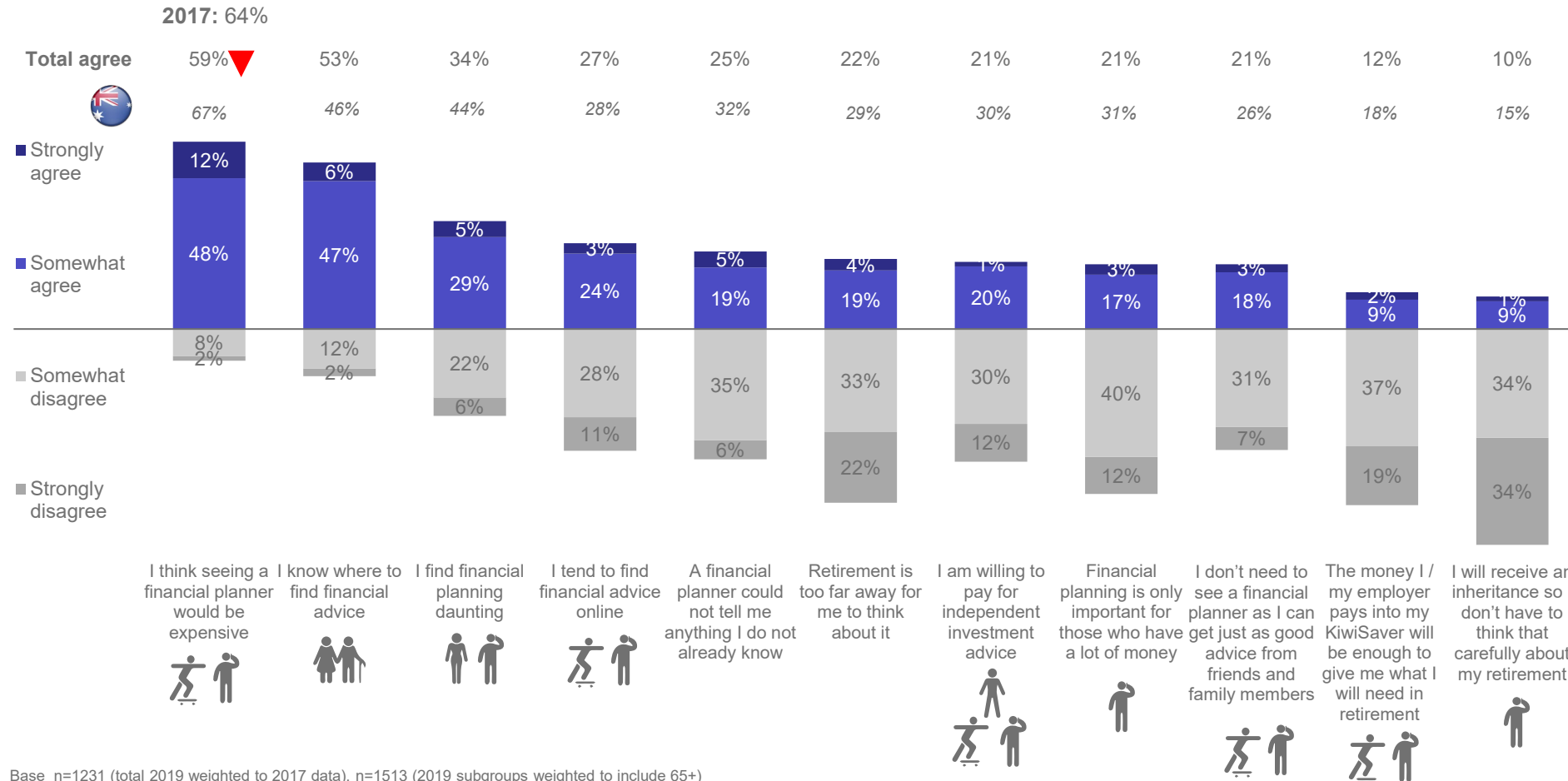


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

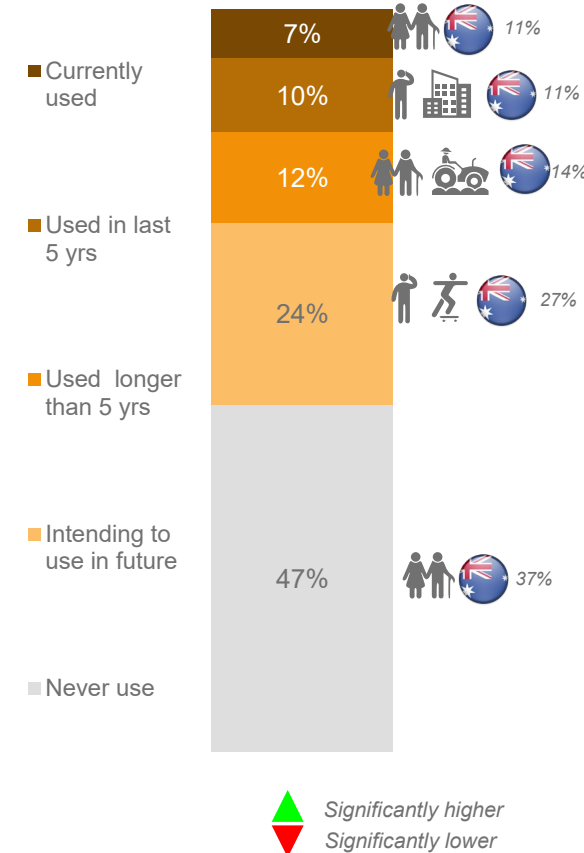
There is a strong perception – particularly amongst the younger age groups – that financial planners would be expensive though not to the degree seen in 2017

One in ten currently use a financial planner

Attitudes towards financial planning



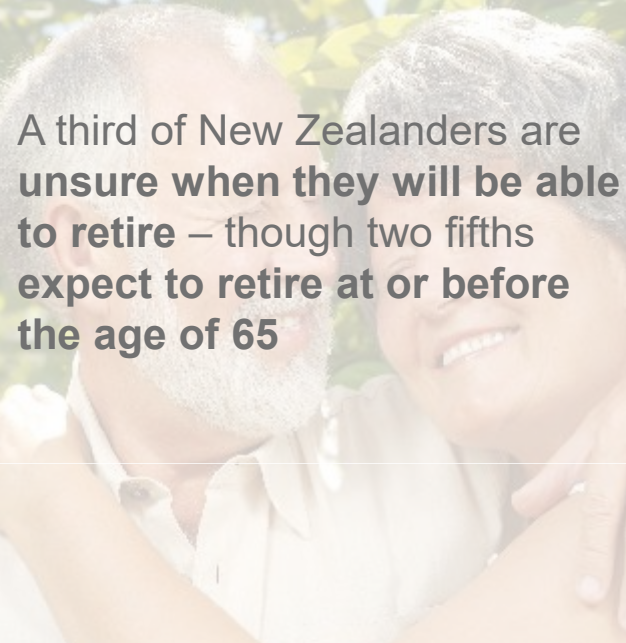
Usage of a financial planner




Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

5
The golden years... or are they?

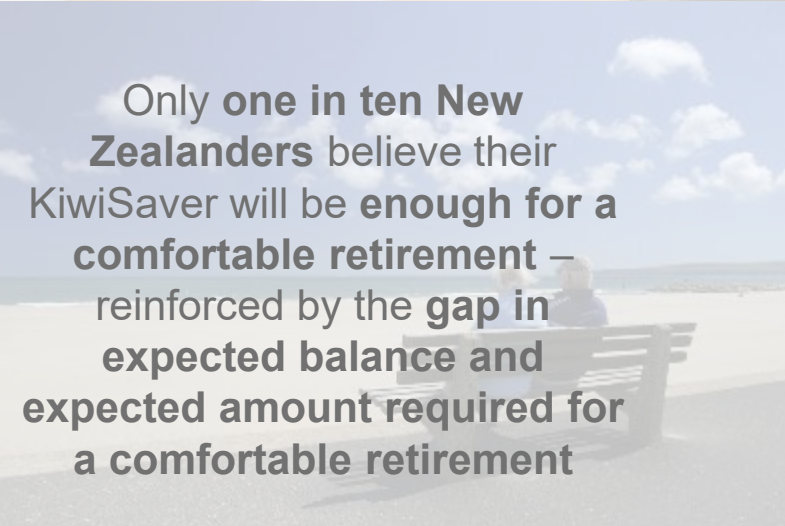




A third of New Zealanders are **unsure when they will be able to retire** – though two fifths expect to retire at or before the age of 65



A third of New Zealanders have either **no KiwiSaver or nothing in their account**



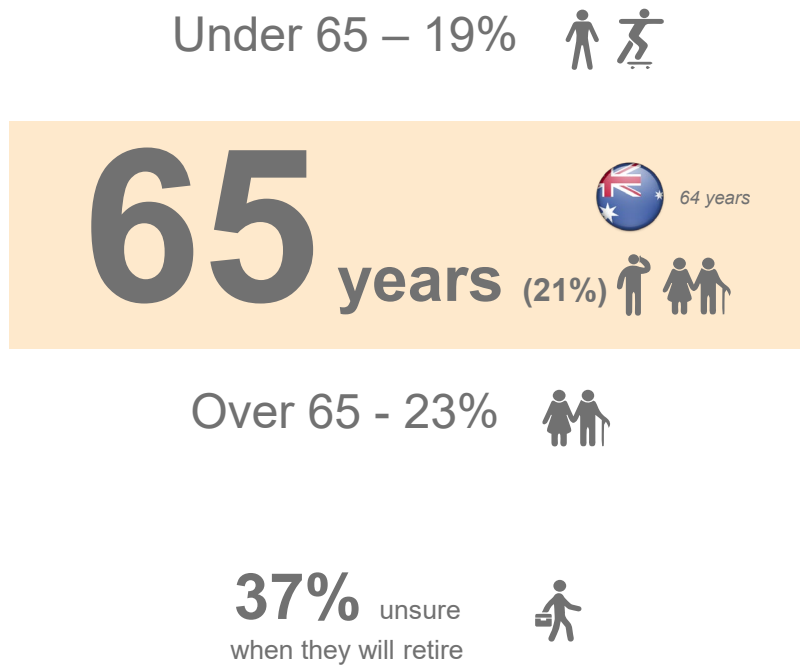
Only **one in ten New Zealanders** believe their KiwiSaver will be **enough for a comfortable retirement** – reinforced by the **gap in expected balance and expected amount required for a comfortable retirement**



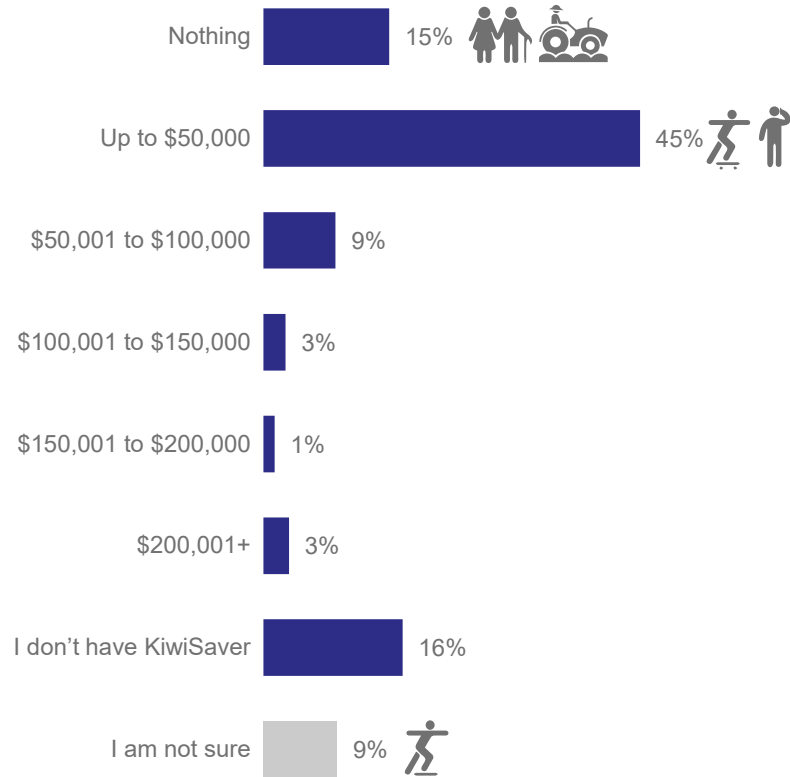
On average New Zealanders expect to retire at 65 years – though Baby Boomers are more likely to believe they will retire over the age of 65

A third of New Zealanders have nothing or no KiwiSaver – with the majority of those with a positive balance having less than \$50k

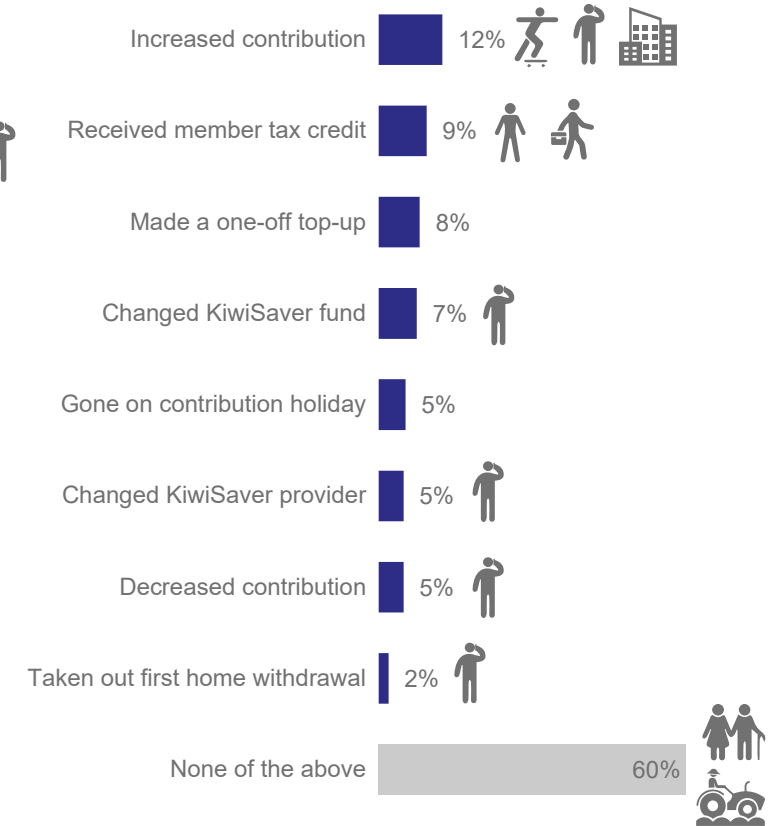
Average expected age of retirement



KiwiSaver balance



Activities done – last 12 months

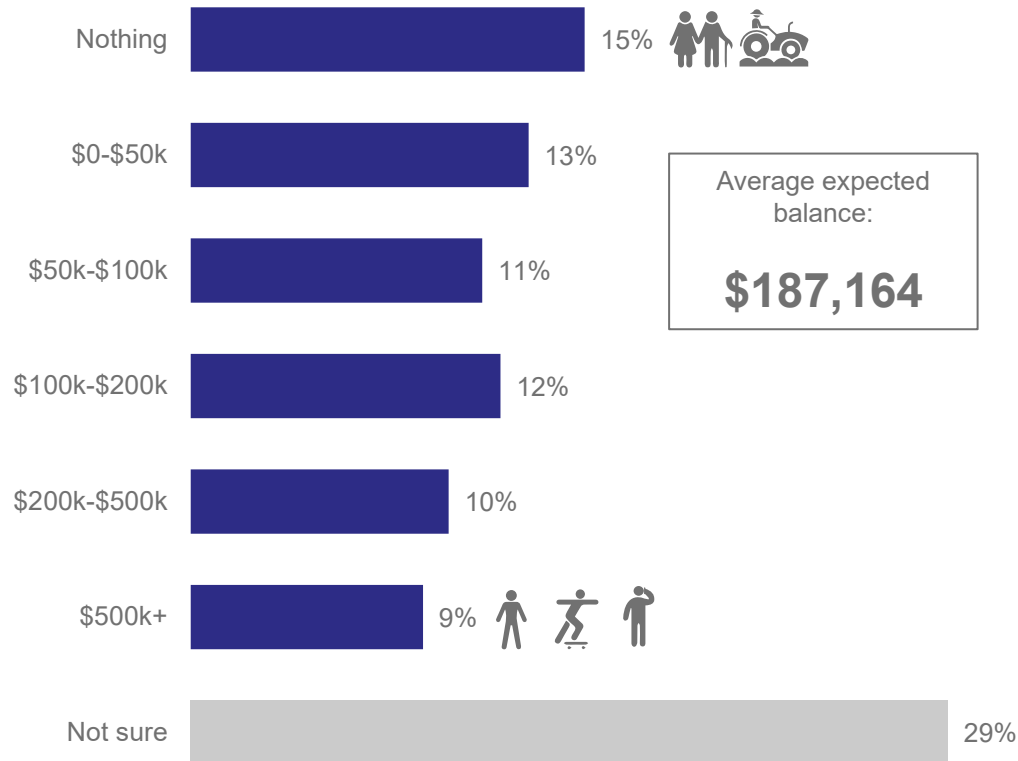


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

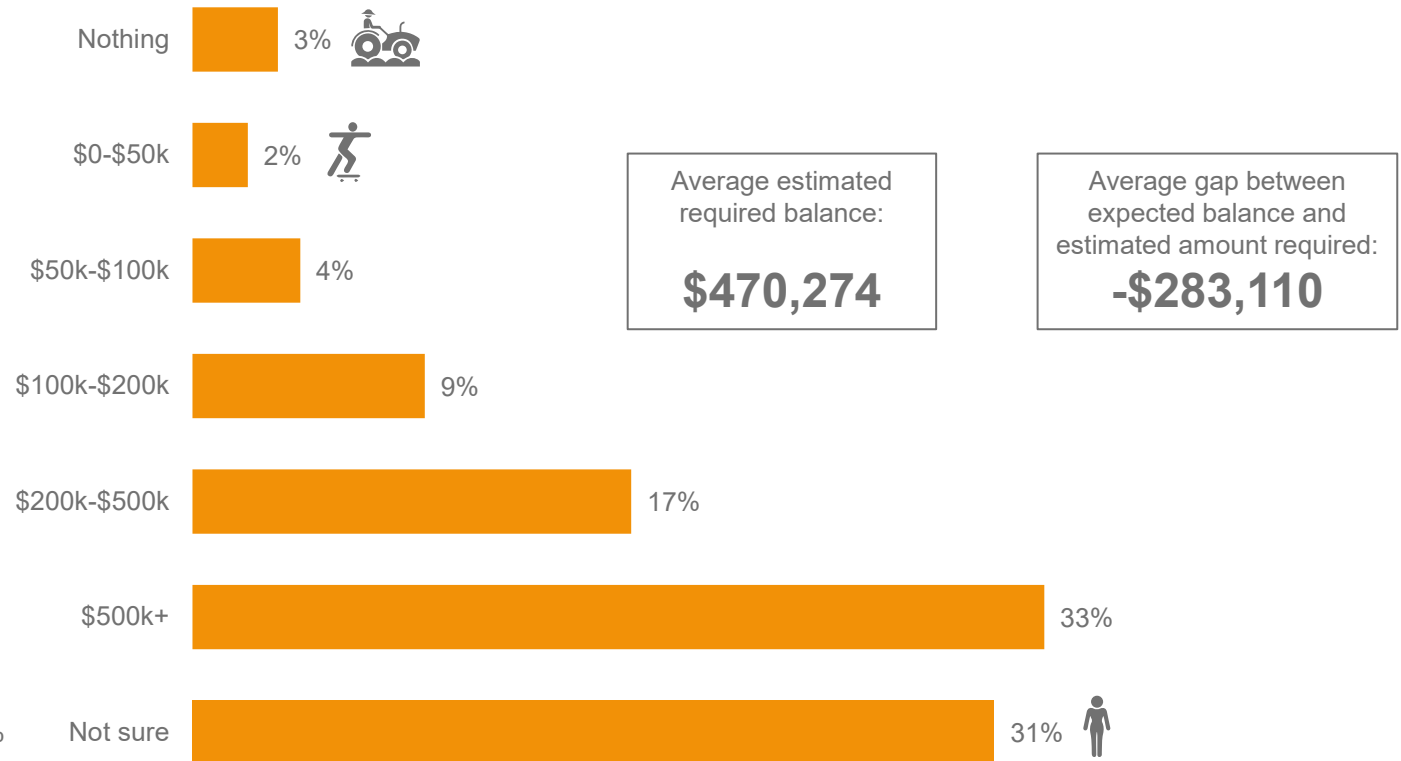
A third of New Zealanders are unsure about how much they have or need in terms of KiwiSaver balance for a comfortable retirement

Currently there is a significant discrepancy between the expected KiwiSaver balance and the amount thought to be required for a comfortable retirement

Expected amount in KiwiSaver at retirement



Estimated KiwiSaver balance needed for comfortable retirement

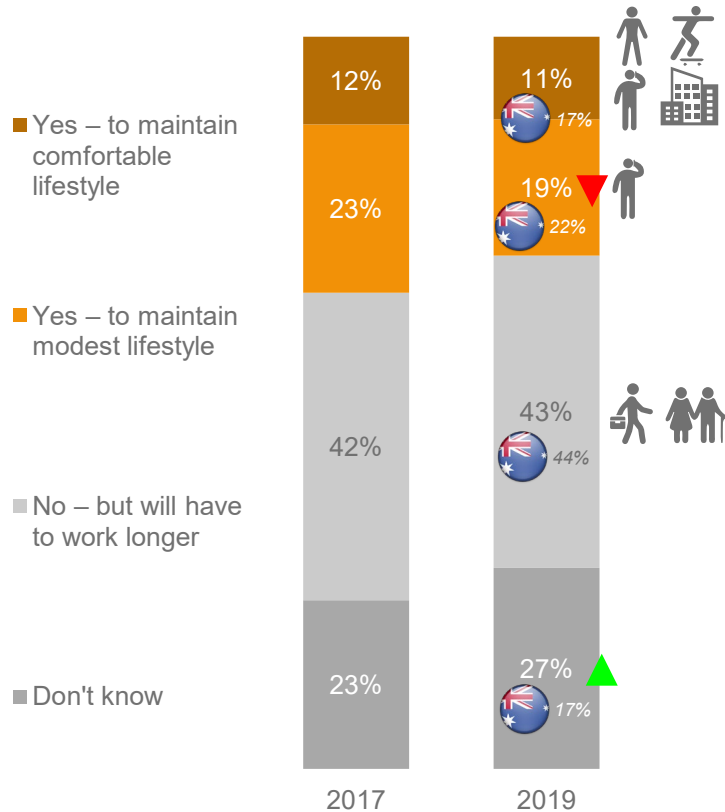


Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

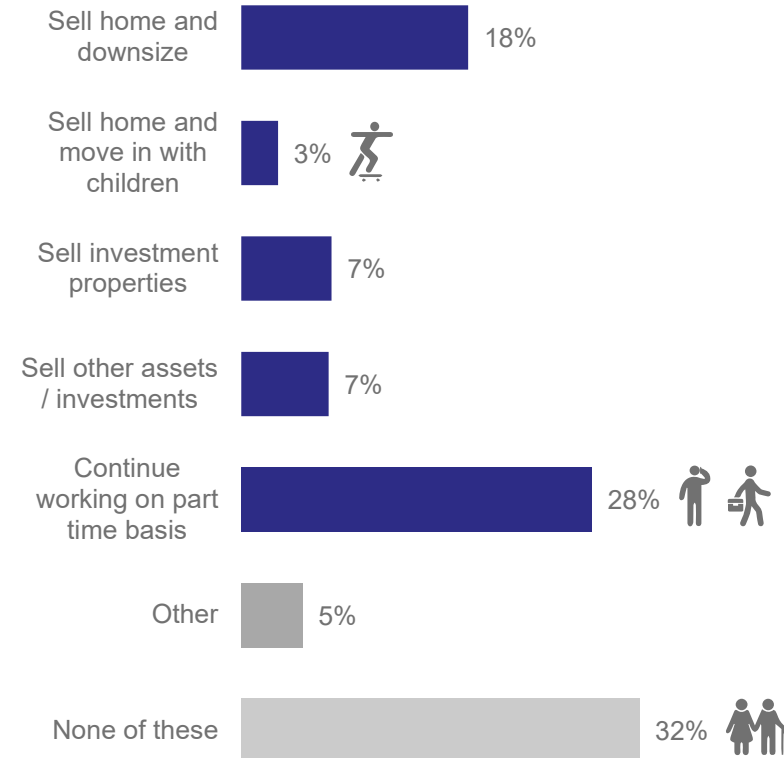
One in ten believe KiwiSaver will provide them with enough to fund a comfortable retirement – with downsizing and continuing to work part time most common method of supplementing

Just under two thirds of those with children plan to leave an inheritance for them

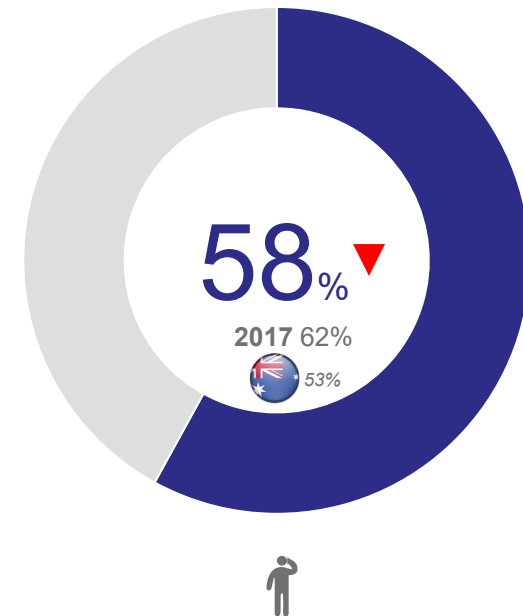
Belief KiwiSaver will fund retirement



Other retirement funding options



Plan to leave inheritance for children (those with children)



Base n=1231 (total 2019 weighted to 2017 data), n=1513 (2019 subgroups weighted to include 65+)

▲ Significantly higher
▼ Significantly lower