

Synovate Hotspots Australia



lifetolife



Bringing Australia to life





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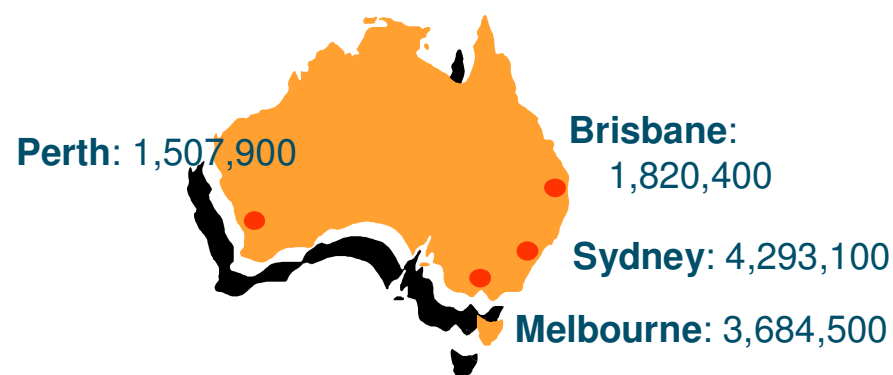
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- This document is designed to give you an overview of Australia, its people and some of the key issues and trends Synovate is observing.
- The core source of information is ‘LifeWorlds’ (Synovate’s ethnographic approach) supplemented by Synovate’s broader understanding of this country’s culture.
- Our discussion has two main parts:
 - “Big Ideas”: insights into Australian culture and consumers
 - Implications for research



Background: Some numbers

- **Total Population: 21,206,00**
- **Top 4 cities and Populations....**



- **Age Profile**
 - The median age in Australia is 36.9 years
 - 0-14 Years: 19.9%
 - 15-24 Years: 13.6%
 - 25-54 Years: 42.2%
 - 55-64 Years: 11.0%
 - 65+ Years: 13.3%

- **Average Household Income**
 - Income (National): AUD\$53,404 (based on 2006 figures)

- **Ethnic Mix**
 - Approximately 85% of Australia's population is of European descent
 - The top 10 list of declared ancestries in Australia in 2006 included: Australian, English, Irish, Italian, German, Chinese, Scottish, Greek, Dutch and Lebanese
 - Approximately 24% of the Australian population were born outside of Australia.
 - The top 10 countries of birth as at 2006 included: Australia, New Zealand, China, Italy, Vietnam, India, Philippines, Greece, Germany and South Africa

Top 10 'Authentic' brands in Australia**



1. Qantas



6. Google



2. Cadbury



7. Virgin Blue



3. Nokia



8. LG



4. Bonds



9. Sanitarium



5. Microsoft



10. Uncle
Tobys

**As identified in research on Brand Authenticity by Principals & Synovate 2007
Authenticity based on 7 criteria: Heritage, Familiarity, Personal Utility, Originality, Momentum, Sincerity & Declared Beliefs



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Background: Other 'Iconic' Australian brands or experiences



Akubra



Pavlova



RM Williams



Utes



Sydney
Opera House



Bundaberg
Rum



Kangaroo



BBQ



Boomerang



Vegetemite



Ugg Boots



Sass and
Bide



Hills Hoist



Lamingtons



The Outback

The background is a solid teal color. On the left side, there are several abstract, overlapping shapes in a lighter shade of teal. These include a large, curved shape that resembles a stylized letter 'P' or a similar form, and a smaller circle below it. The text is positioned to the right of these shapes.

Section I: Big Ideas

Bringing Australia to life: “Big Ideas”

Insights into Australian culture and consumers

- **Work Hard, Play Hard:** Despite their “laid back” image, Australians are hard-working and routine driven in their work lives – and they take sport as seriously as work!
- **Unique Melting Pot:** Australia is a multi-ethnic, multi-cultural nation which has distanced itself from its British ties but still sees itself closer to Europe than America.
- **Consciously Casual:** Humour and informality are central touchstones of Australian culture in all aspects of life from work to play to politics.
- **Environmental Impact:** Life in Australia has always been affected by its unique physical environment and environmental or “green” issues continue to be a driving force in behavior / consumption patterns.
- **A Growing Wealth Gap:** Despite strong economic performance in the past decade, the gap between rich and poor has grown considerably and the “Australian dream” of owning a home is increasingly out of reach of many.

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Big Idea: Work hard, play hard

- Despite the image of the 'laid back Aussie', Australians are relatively routine bound and hard working
- Work and career are top priority, especially during the week (life fits around work not vice versa)
 - In most cities you will find that people go to bed relatively early (and eat early), especially during the working week, so that they make the most out of every day / are not tired for work
 - we like to have fun/let loose, but not to the detriment of other goals (i.e. work/career/sport)
- Routine is also important, and Australians enjoy predictability and stability
 - Australians don't necessarily deal well with change or desire it
 - Rather than spontaneous fun, Australians have a very 'events-based' culture that they enjoy getting involved in, in their spare time – with each city hosting their own share of events and celebrations
 - Events include everything from sporting events, to food & wine / fashion / music / film festivals and so on





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Playing hard: Passion for sport



- National sports play a big part in our psyche and leisure activities
 - Local sporting stars are appointed high status and treated like 'royalty' or 'celebrities'
 - Sport takes up a significant degree of media coverage – across all mediums (newspapers, TVs, magazines, radio and word of mouth)
- Participation in, and watching sport, feeds into Australians' ...
 - Highly 'competitive nature' (Australians are very patriotic on the world sporting stage and have a great deal of belief in our 'superior' sporting capabilities, i.e. the long standing cricket rivalry between Australia and the UK – The Ashes)
 - Strong sense of 'mate ship' – i.e. strong bonds are developed and cultivated between team mates with a strong sense of 'never letting your team mate down'
- Fitness and health are constant themes in most people's lives Australia promotes a very 'outdoorsy' culture, which places a high value on a balanced lifestyle and staying healthy (and young)
 - Despite this, Australia has one of the highest obesity rates in the developed world
- The passion for sports is nation-wide, but there are strong regional preferences for different sports, e.g. AFL (Australian Rules Football) is a Victorian sport, whilst rugby takes precedence in NSW and Qld

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Big Idea: A unique melting pot...

- Australia is a highly multi cultural society
 - Melbourne has the largest Greek population outside of Athens; Sydney has significant Asian, Greek and Italian populations; Perth has a strong South African and Asian presence ; and Indigenous Aboriginal populations are more visible in smaller regional cities and more remote regional areas (especially Queensland, Northern Territory and ACT)
 - Our indigenous heritage is still a contested space emotionally and physically; for example Kevin Rudd, our Prime Minister, has recently initiated an apology for the 'stolen generation'. UN reports indicate a significant difference in the health of indigenous populations and white populations. In spite of this, indigenous culture is a visible and respected influence artistically and spiritually
- Australian's are generally 'open minded' to other cultures and integrating aspects of other cultures into their lives, notably, foreign cuisines
 - For example, in Melbourne, there are various 'food & culture quarters' within the city, such as 'Little Italy' and China Town



...with European rather than American sensibilities

- Australians are proudly independent – British heritage is no longer a significant source of pride or difference (except maybe, the British sense of humour!)
- Australian consumers have a European rather than American sensibility
 - US influences are visible through the arts and fast food, but most Australians are keen to distance Australia from the US
 - European preference for uniqueness / authenticity over “mass culture” e.g. ‘Melbourne café culture and rejection of Starbucks, Established and well renowned Australian wine industry
 - Prefer ‘understated cool’ and subtle; not ‘in your face’ or overt
 - Don’t want to bring attention to themselves or look like they’re ‘showing off’ – and not impressed with people who do, for example, lack of aspiration towards US celebrities such as Paris Hilton
- Tremendous pride in unique Australian culture and achievements
 - E.g Australian wine industry, growing number of world-class fashion labels (Sass&Bide, Collette Dinnigan, Ksubi, Akira Isogowa, Alex Perry, Scanlan& Theodore, Jayson Brunson, Josh Goot, Willow, Lisa Ho, Zimmerman, Toni Maticevski), distinguished culinary scene



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Big Idea: Consciously casual



- Humour a highly prized trait
 - Australians like to laugh at themselves, are usually self-deprecating, and enjoy telling jokes or making fun of each other; the 'Australian Larrikin', is a very real phenomenon – someone who has a light-hearted, relaxed persona, who doesn't take themselves too seriously
 - Sarcasm and wit is more likely to resonate more strongly than American 'slapstick' humour
 - A number of comedy festivals are held in Australia every year, bringing in comedians from around the globe (Melbourne International Comedy Festival), which is comparable to global festivals such as the Edinburgh Fest or Montreal Comedy Festival
- Informality is a way of life
 - Dinner is more likely to be the iconic Australian BBQ with friends, bringing a different plate each, as opposed to a formal sit down meal
 - More relaxed dress styles (thongs and shorts) – which is also due to the summer heat
 - Alcohol also plays its part – drinking is a national past time, often beer (but not Fosters!) or wine (Australia is a big producer of wine)
- Relaxed attitude also reveals itself in politics or more 'serious' discussions;
 - Australians don't like to worry (and usually don't need to) and are therefore politically quite apathetic. Contentious topics of conversation are also often avoided – Australians are highly conflict averse
- In spite of apparent informality, we value candour and freedom of speech

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Big Idea: Environmental impact



- Most Australians are increasingly aware of their 'carbon footprint' and the need to protect the environment
 - The current drought has caused hardship in many regional areas, and has strengthened Australians' national focus on water management and global warming (i.e. there are entire residential developments being built with '5 star energy ratings'; and individuals are increasingly installing solar panels, water tanks and other water recycling measures in their homes)
- Australian beaches and coastal environments (i.e. the Great Barrier Reef) are a source of local pride in every state; and national parks are revered and protected (i.e. Kakadu)
- Against the background of this growing environmental focus, is the contradictory dominance of the car
 - The Australian public transport system is less developed than for many overseas markets and there are large distances that need to be covered (i.e. you can drive 3 hours in Australia and still be in the same state; in Europe you would have likely crossed one or more countries!)
 - Reliance on the car, however, is declining, as petrol prices continue to rise and as more investment in public transport and other modes of transport is increasing (i.e. the rise of the 'motorbike and scooter')



Big Idea: Environmental impact (continued)



- A recent study in Australia further found that 8% of Australians are shopping according to their values and world view (approx. 1.75mi people) - but more remarkably 41% are poised to follow consumption trends if the products and price made sense
 - In other words, the sentiment to 'live and shop in a more sustainable manner is present, however - Australian consumers are still likely to 'commit to' or 'uptake' new products when the time and price suits and when the trend has been proven or accepted by a greater majority
- The study broke down this LOHAS (Lifestyles of Health and Sustainability) market into two categories - the "Leaders" (the 8%) and the "Leaners" (the 41%)
 - The authors of the study believe there are approximately 3.9 million people in Australia who currently comprise the true LOHAS sector (taking Leaders + half of Leaners into account)

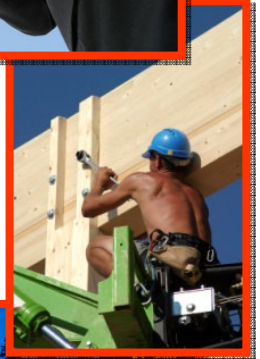
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Big Idea: A growing wealth gap

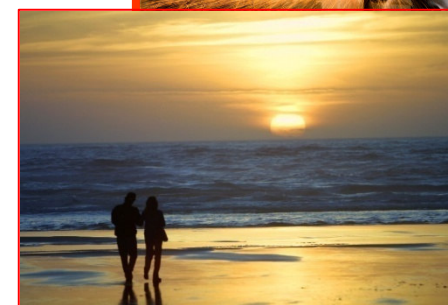
- Australia's economic performance over the last 5 to 10 years has been solid and positive, driven by the resources boom in the West (supplying iron ore and other resources to China and other booming economies)
 - Unemployment is at an all time low at 4.3 %
 - Interest rates have gone up for the fifth time in a row to try to stem inflation
 - All sectors of the community are benefitting – from tradespeople, labourers, professionals and CEOs.
- Nonetheless, there is a growing divide between the “haves and have nots” - the poor are getting poorer and the rich are getting richer
 - Increase in personal debt – inability to ‘keep up’ with the increasing cost of living and simultaneous slowing of economy
 - In 2005-06 financial year, those in lowest disposable household income quintile had a mean income of only AUD\$255; whilst those in the highest quintile had a mean weekly income of AUD\$1,259
 - CEOs of the top 50 Business Council of Australia member companies now earn more in a week than the average Australian earns in a year
 - And yet, an estimated 100,000 Australians are currently homeless. The percentage of the population living in poverty increased in 10 years (1994 to 2004) from 7.6% to 9.9%. Australia ranks unfavourably against most OECD nations on poverty
- So what? The country's positive frame of mind is likely to shift over the next decade with a more challenging economic environment





Wealth gap: Impact on homeownership?

- Most Australians aspire to own their own home in the 'lucky country', their country of choice
 - Phenomenon of the "Aussie battlers" (i.e. hard working individuals struggling to make ends meet, make up the majority of the mortgage belt in Australia)
- While the Aussie dream used to be owning a quarter acre block and a 4 x 2 home, increasingly smaller blocks of land are being developed with bigger homes on them
 - The majority of Australians are urbanised, with smaller gardens (and drought resistant plants)
- There are growing differences between regional areas (often very remote) and the cities, as well as between the inner city and growing suburbs
- There has been a significant 'sea change' population (to the coast) and 'tree change' (to rural areas) – driven mainly by baby boomers
- Housing affordability is becoming a significant social issue for younger people – more are staying home with parents through their twenties as they can't afford to leave home





**Section II:
Implications for
research**

Implications for qualitative research in Australia

- When doing research in Australia, we must ‘fit around’ the participants - don’t expect to have people change their routine to fit the researcher – researcher must be flexible
 - Go to the individual rather than central location research; be prepared to modify the schedule at last minute
 - Schedule fieldwork for after hours (evening groups); but ideally not weekends (“weekends are precious and mine”)
- Be aware of the city you are choosing – it may not be representative of the whole country! (Major cities are Sydney, Melbourne, Brisbane, Adelaide and Perth)
- Be aware of the distances involved in doing more regional work, and also different time zones, and different weather!

Implications for launching products in Australia

- Many Australians are conscious consumers making tradeoffs when choosing products and services, considering not just their own personal benefit but the impact on the community and planet. They are not a fringe or marginalised group, but are drawn from all parts of society (the so called LOHAS group, nearly 3 million or more consumers)
- Brand authenticity is important
- Consumers are highly sophisticated and discerning – always conduct research to ensure the product or brand is desirable, culturally relevant and understood, and fulfils an unmet need or desire
- Don't use the US as a 'test case' for the likely success of a brand or product – there are plenty of examples where this hasn't been the case
- Be willing to adapt communications to suit the Australian market, especially to incorporate the Aussie sense of humour
- Understand distribution challenges created by distance and different time zones

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Thank you

