AUSTRALIA NOW

Report: 5 February 2021

Quantum Market Research

Hall & Partners

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A warm happy new year from the AustraliaNOW team.

In 2021, AustraliaNOW will continue to track the ever-changing mood and confidence of Australians through weekly surveys.

Reports will be available monthly.

We look forward to continuing to discuss and share our insights with you.

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Understanding COVID

These are unprecedented times.

Using cultural tracking expertise and leveraging 25 years of insights generated from AustraliaSCAN, AustraliaNOW provides an ongoing understanding of Australians' attitudes and perceptions to the COVID-19 crisis.

Capturing emergent themes, how they co-exist and inter-relate, this study will explore and define what this means for organisations and brands to help them prepare for and navigate the days, weeks and months ahead.

Culture and society cannot be understood with surveys alone – we need to study people in their natural environment and influences around them to provide context and clarity to the results of this research. This complementary approach takes unstructured data from various sources and models it to find themes, behaviours, and feelings.

Above all else, this is a developing process that will evolve as people and culture do and will help us understand what has changed, however temporarily or permanently, and why.

Method

- Weekly online survey closely tracking the rapidly changing sentiment of Australians
- More than 1,000 interviews per week, every week since March 2020
- **This report draws from over 47,000 interviews**
- All interviews with those 18 years and over and weighted to a representative national sample
- Integration of 25 years of AustraliaSCAN to provide deep context
- Report fieldwork timing for this report: 26th March 2020 – 1st February 2021

Search

Google Trends tracks ~1,500 categories of interest which we monitor to see if there are any behavioural changes happening in Australia that might be of interest. It is focused on behavior, not feelings.

Social

We monitor every Tweet and every Reddit post in Australia that is focused on the current pandemic. We analyse to monitor general sentiment, 8 key emotions, and what's driving them.

News

We capture 4k Australian News Headlines daily that are captured in 15 minute intervals to show us what the media is focusing on, and how they're going about it in terms of sentiment.

This month in summary

January 2021

MINDSET

Australians have entered the year cautiously positive; we are as hopeful now as at the beginning of the pandemic.

Having recovered better than almost any other country in the world, Australia's leading economic indicators have bounced back far more quickly than could have been expected.

However, outbreaks of COVID-19 in December and January have given us a timely reminder of the continued uncertainty. With these outbreaks and our observations of health systems under pressure overseas, our concerns have shifted to our own health system's ability to cope – this now exceeding the economy as the biggest pandemic-related concern for Australians.

CONFIDENCE

Confidence in our State Governments has strengthened in January, as the various outbreaks are seen to be successfully navigated. Western Australian leaders are performing well despite juggling multiple key issues (COVID response and bushfire management). On a personal level, financial confidence is something to monitor with JobKeeper expected to end in March.

WORK

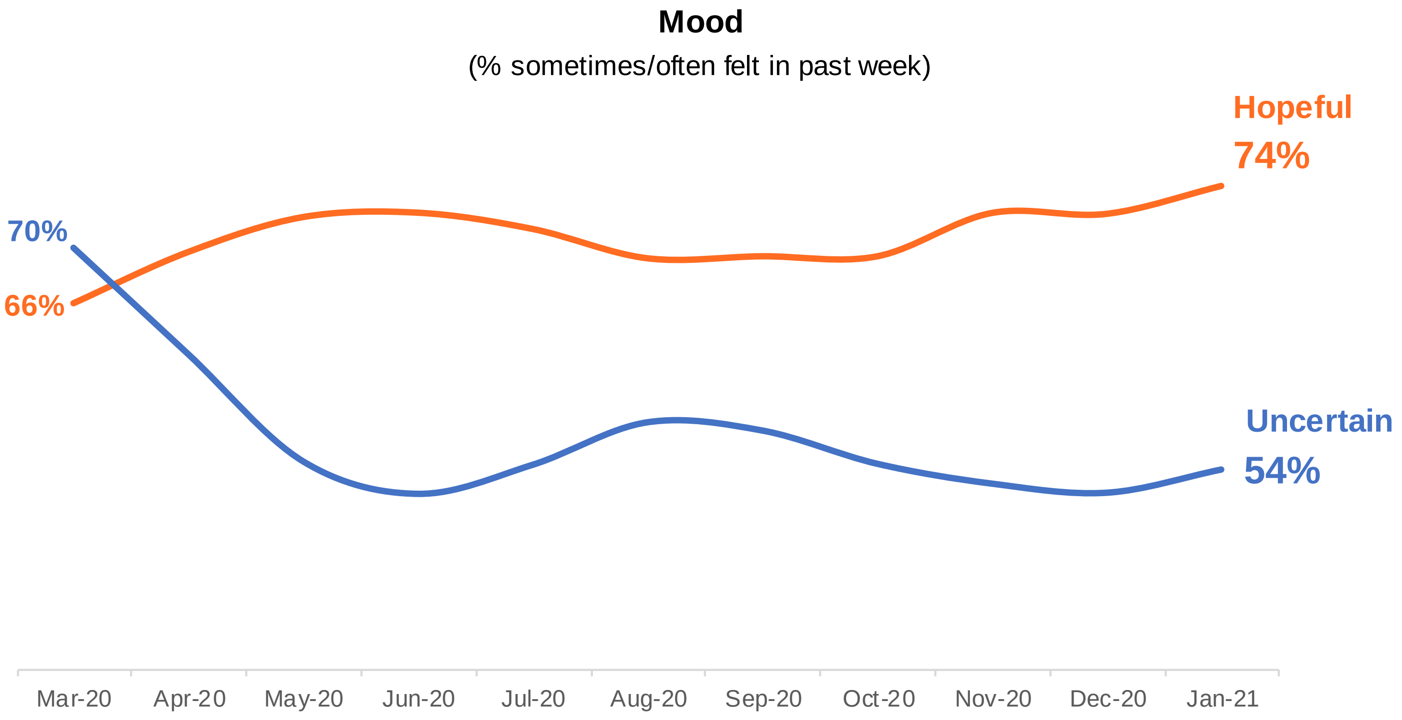
The world of work looks obviously different compared to before the pandemic. Returning to work places is mixed, with many workers not wanting to revert back to the way it was before. Among those with the ability to work from home, almost half display a general preference towards a blended or hybrid approach, with some days spent in the office/workplace and some at home.

The focus for many employers and organisations will now turn towards how they are set up to handle change moving forward, and building organisational resilience in the event of future disruptions and a more flexible work paradigm.

MINDSET

Entering 2021 hopeful

Survey



Despite the upheaval of last year, Australians are entering the new year feeling positive and hopeful. This optimism is underpinned by our vastly more favourable position compared to other parts of the world and continued reports that Australia's leading economic indicators including consumer confidence, employment, retail spending have all bounced back^.

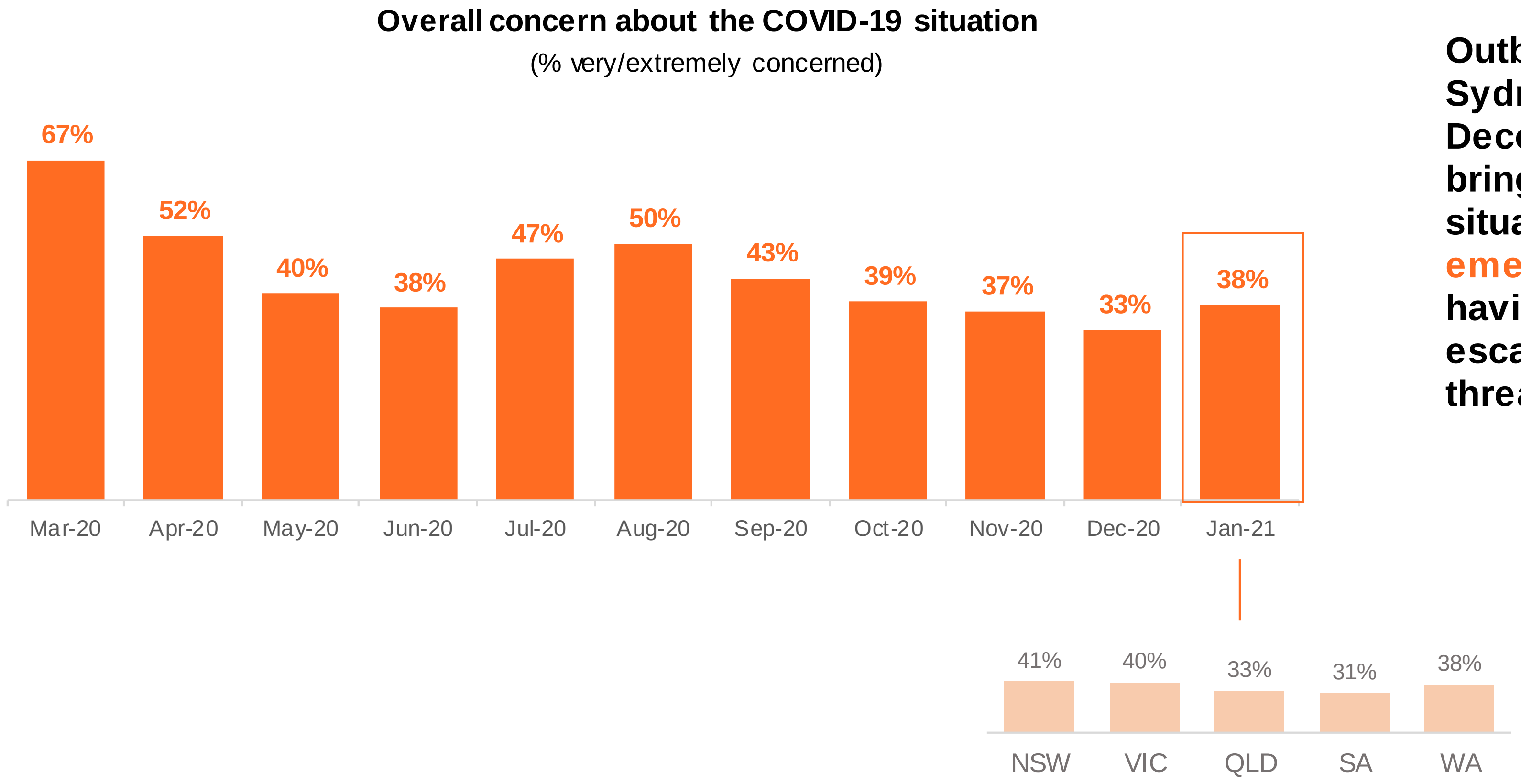
However, underlying uncertainty persists, with disrupted travel plans over Christmas, cases of community transmission in our capital cities, snap lockdowns and border closures, and a vaccine not yet rolled out.

Q7 - Thinking back over the last week, how often did you feel:
All respondents, n=c. 1,000-7,300 per month

^Source: https://www.afr.com/policy/economy/cautious-optimism-the-name-of-the-game-20201214-p56nee

Reminder of the fragility of the situation

Survey



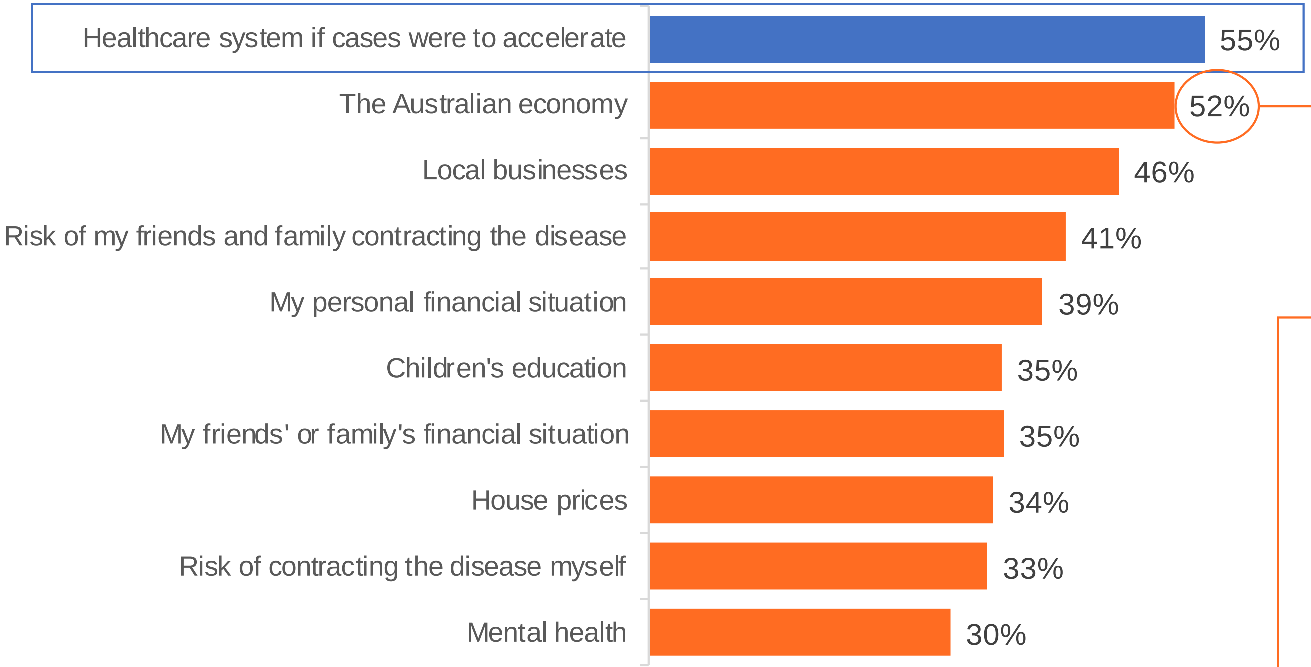
Outbreaks of community transmission in Sydney, Melbourne and Brisbane in December and early January have served to bring home the fragility of the COVID-19 situation, with a level of concern re-emerging. In particular, the prospect of having the highly contagious UK strain escape hotel quarantine feels particularly threatening.

Q8 - Firstly, how concerned are you about the Coronavirus/Covid-19 situation in general?
All respondents, n=c. 1,000-7,300 per month. By State (Jan) – NSW, n=942; VIC, n=741; QLD, n=623; SA, n=239; WA, n=287

Health now prioritised

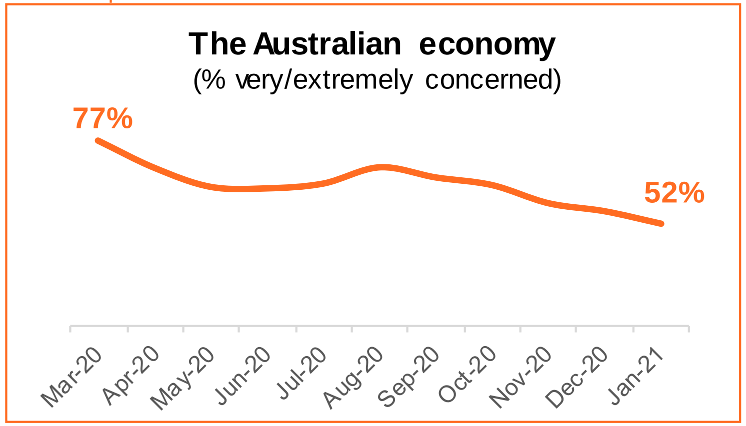
Survey

Concern about the impact of the COVID-19 situation on…
(% very/extremely concerned)



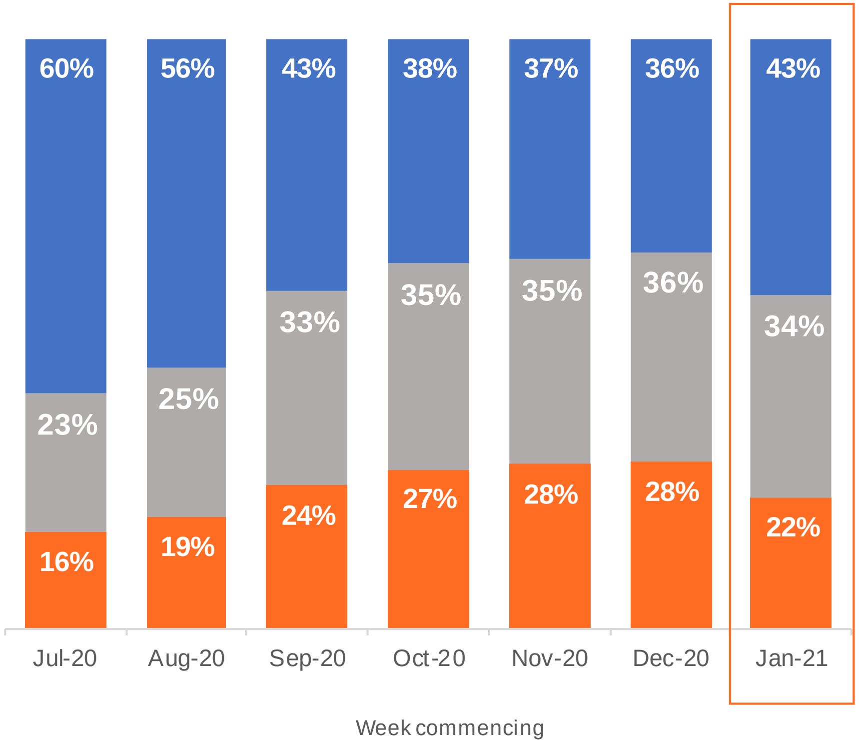
Throughout the course of the pandemic, the economy has been the main source of concern for Australians. However, concern about the economy has been dropping steadily since August as signs turn more positive.

The potential burden on the healthcare system is now our top concern, likely driven by images and reports of over-run hospitals overseas, as the implications for health systems become more known and visible.

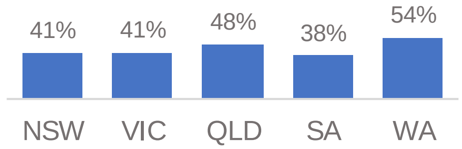


Q8 - Firstly, how concerned are you about the Coronavirus/Covid-19 situation in general?
All respondents, n=c. 1,000-7,300 per month, January n=3,008

Re-focus towards suppression



It is most important for us to minimise the spread of the virus
(Bottom 2 Box)



It is most important for businesses and society to operate as normal
(Top 2 Box)

With an easing of economic concerns, public sentiment on the preferred strategy for managing the pandemic has again evolved.

A higher proportion in January are committed exclusively to minimising the spread of the virus (43%, up from 36% in December). This coincides with a drop in the proportion prioritising society and businesses operating as normal.

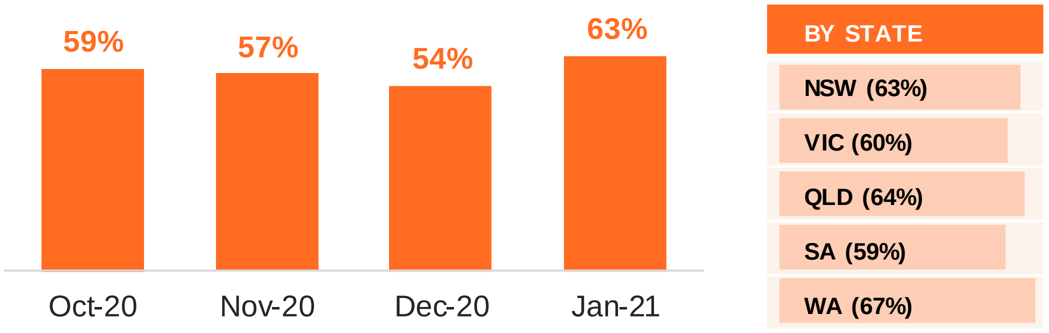
Virus suppression is of greater focus in WA and QLD, reflecting the political narrative in those States and recent snap lockdowns (although the Perth lockdown occurred at the very end of January after most surveys had been conducted).

Q10d - What do you think is most important for Australia within the next few weeks?
All respondents, n=c. 1,000-5,000 per month. By State (Jan) – NSW, n=942; VIC, n=741; QLD, n=623; SA, n=239; WA, n=287

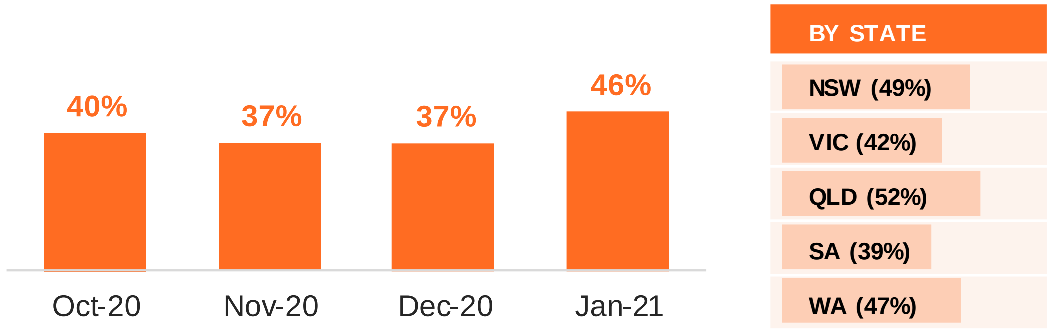
Cautious of a third wave

Concern about the potential for a third wave and further lockdowns is restraining our confidence. Concern over these possibilities has risen in January, and is particularly high in States that have recently experienced lockdowns in their capital cities (NSW, QLD and WA).

I am concerned there will be a third wave of coronavirus cases in Australia
(% Agree – Top 3 Box)



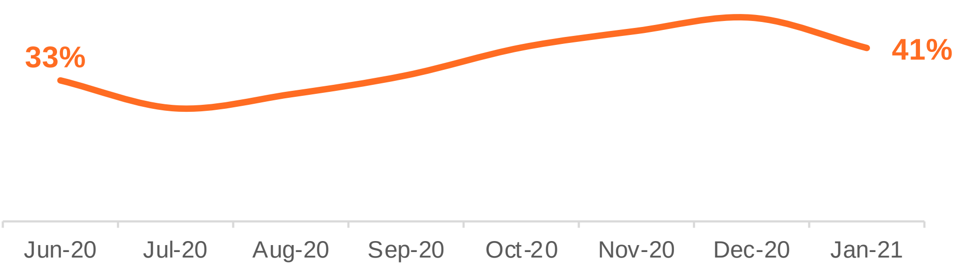
I believe my State will go into lockdown again
(% Agree – Top 3 Box)

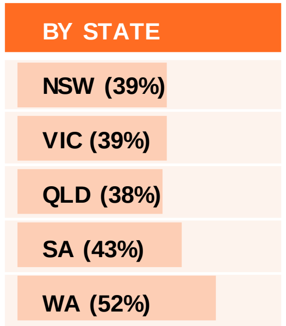


Q10 - Do you agree or disagree with the following statements?
All respondents, n=c. 1,000-5,000 per month . By State (Jan) – NSW, n=942; VIC, n=741; QLD, n=623; SA, n=239; WA, n=287

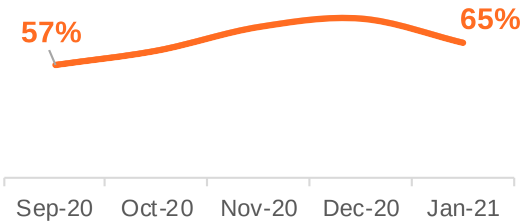
Path to normal paused

For me personally, it feels like COVID-19 is over and my day-to-day outlook on life is back to normal
(% Agree – Top 3 Box)

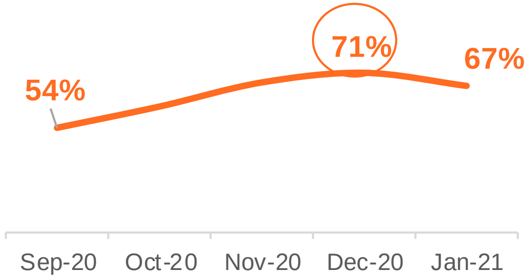




I am starting to see life return to normal around me
(% Agree – Top 3 Box)



I'm seeing positive signs that businesses are recovering in my area
(% Agree – Top 3 Box)

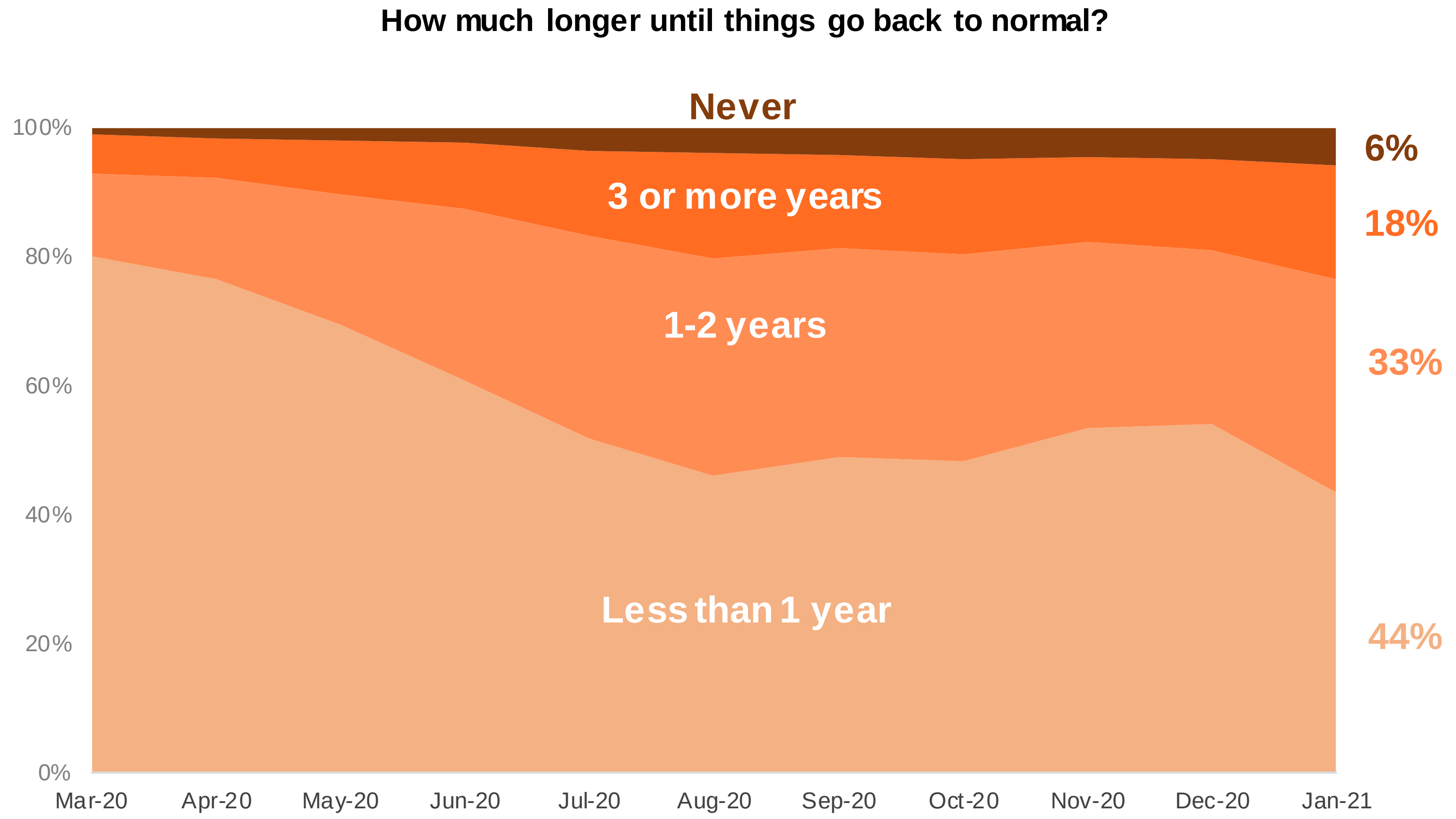


Our journey towards normal has hit a bump in January. Whilst in the latter part of last year we saw an upwards trajectory in the psychological and visible signs of recovery, the disruptions of the past month have subdued this trend.

Business recovery (as perceived by consumers) peaked in the lead-up to Christmas, but softened throughout January as restrictions and lockdowns were imposed on businesses in outbreak areas.

Q.10. Do you agree or disagree with the following statements? Q127b - Do you agree or disagree with the following statements?
All respondents, n=c. 1,000-7,300 per month

Timelines extended



The events of the past month have led Australians to **extend their timelines for the pandemic**, with only 44% of Australians (down from 80% initially) who now feel that it will be behind us in less than a year.

A growing proportion (18%) are feeling that it may be 3 years or more before our pre-COVID normal returns; and an emerging small niche of 6% feel that **we'll never see our previous 'normal' again**.

While take-up of a potential vaccine is high (79% of Australians are likely to get vaccinated once available), it has become clear that it may not be the 'silver bullet' we were hoping for.

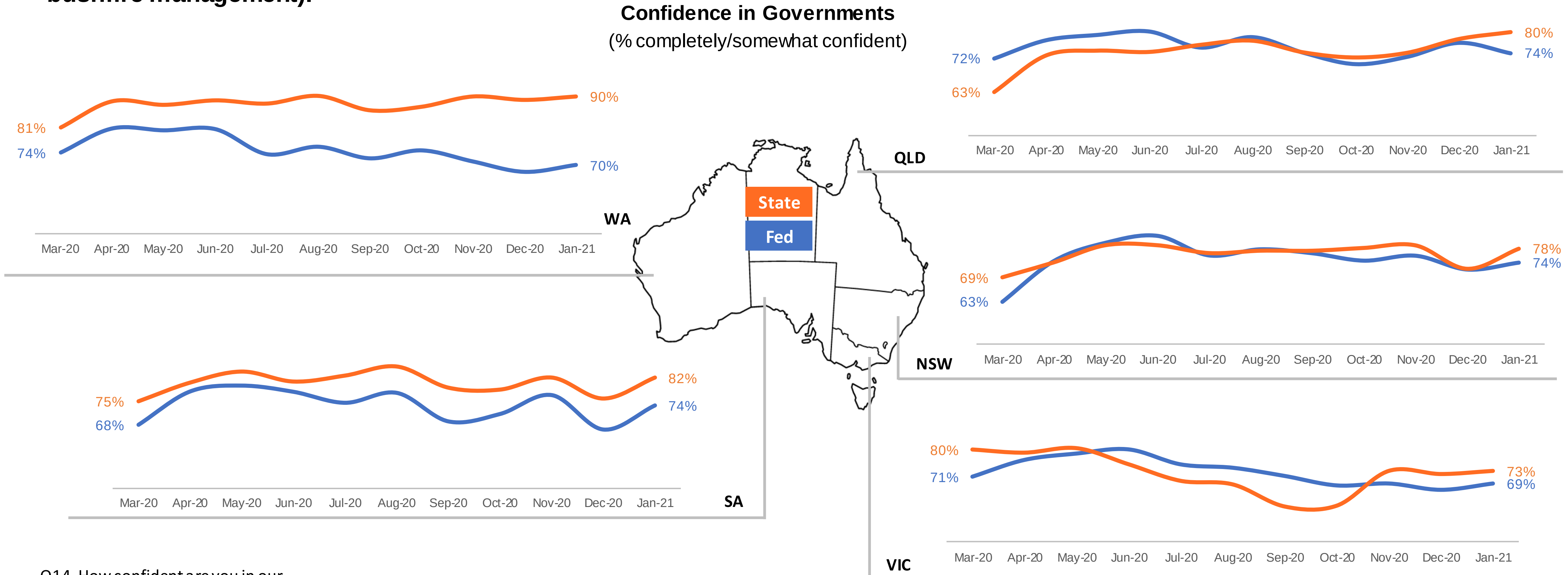
Q11. How much longer do you think it will be until you feel like things will go back to normal in Australia?
All respondents, n=c.1,000-5,000 per month

CONFIDENCE

Trust in **leadership** strengthened

Survey

Confidence in our State Governments has strengthened in January, as the various outbreaks are seen to be successfully navigated. As COVID restrictions have become more normalised (and seen as a 'fact of life'), there is decreasing resistance and growing trust in the handling of outbreaks. Western Australian leaders are performing well despite juggling multiple key issues (COVID response and bushfire management).



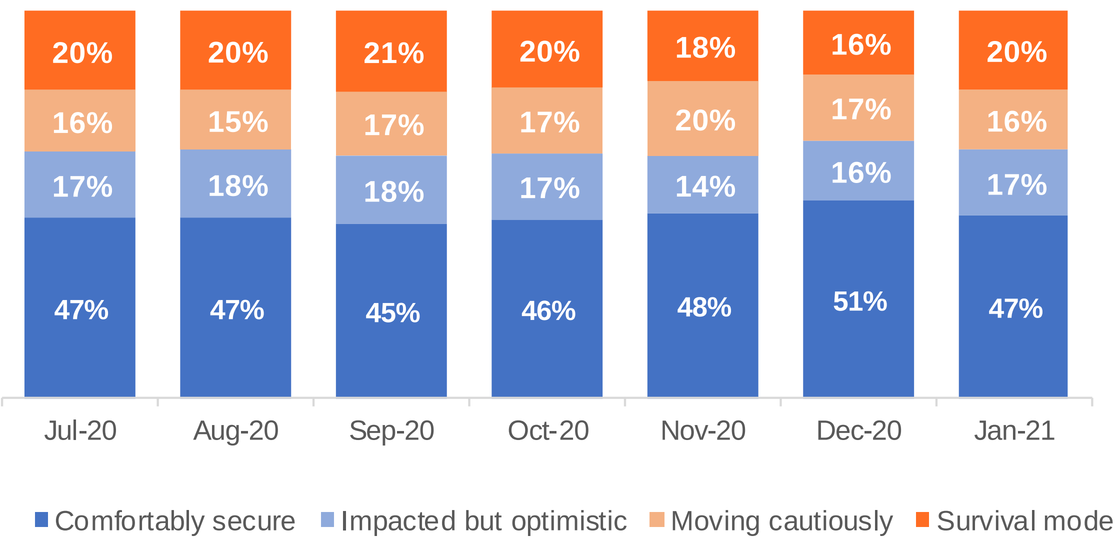
Q14. How confident are you in our...
All respondents, n per month: NSW, n=c. 300-1,500; VIC, n=c. 260-1,500; QLD, n=c. 300-1,500; SA, n=c. 160-1,000; WA, n=c. 180-1,200.

Personal impact of the pandemic

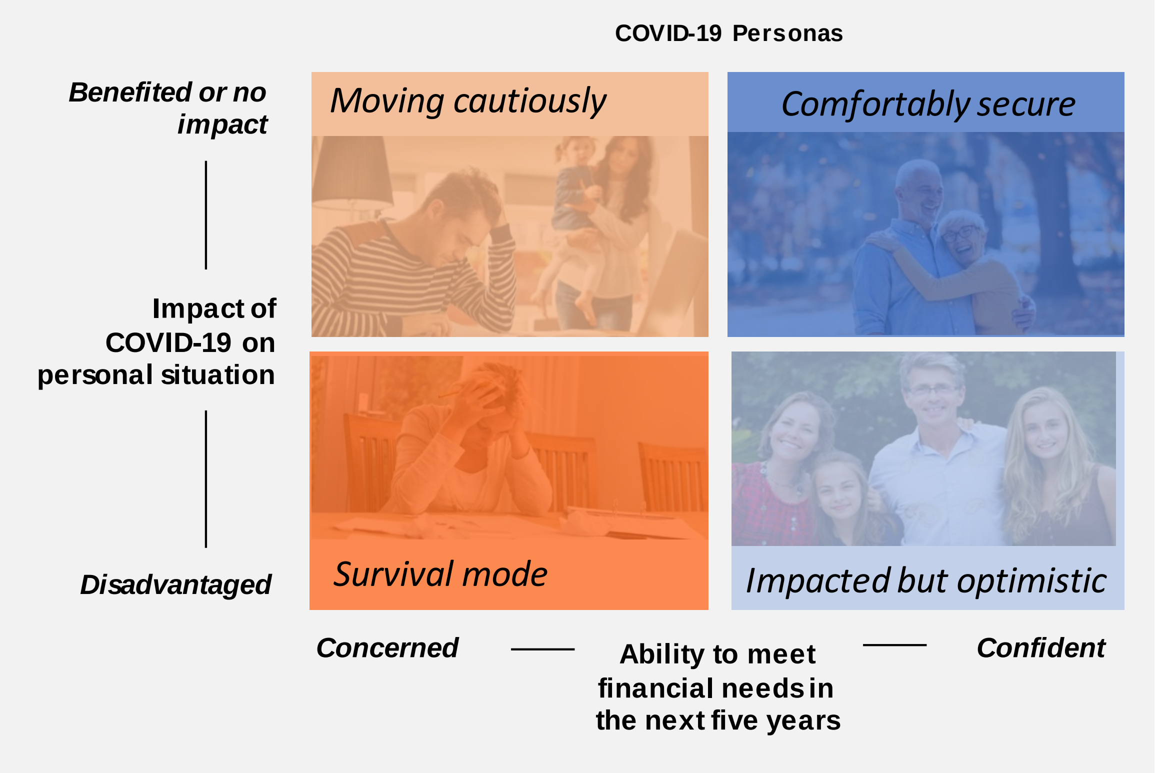
We have been tracking four distinct cohorts since July that represent how the events of the past six months have affected us on a personal level. A large proportion are sitting comfortably (*Comfortably secure*) or at least feeling secure about the future (*Impacted but optimistic*), but a sizeable proportion (just under two in five Australians) are either doing well out of COVID but still concerned (*Moving Cautiously*) or really struggling (*Survival mode*).

In QLD, there has been a five percentage point increase in the proportion *Moving Cautiously* (from 16% in Dec to 21% in Jan), reflecting the personal toll of lockdowns and restrictions.

Persona splits
(By month)

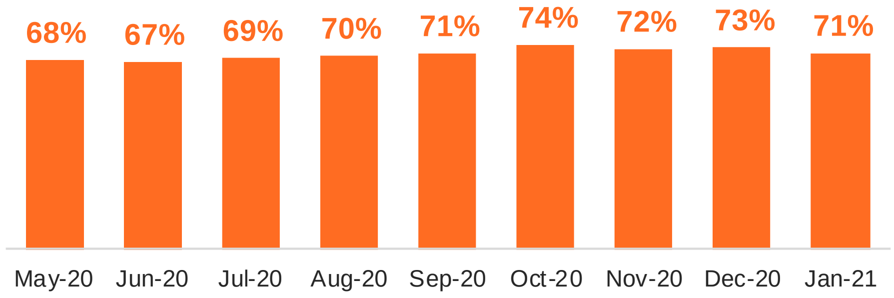


All respondents, n=c.1,000-5,000 per month



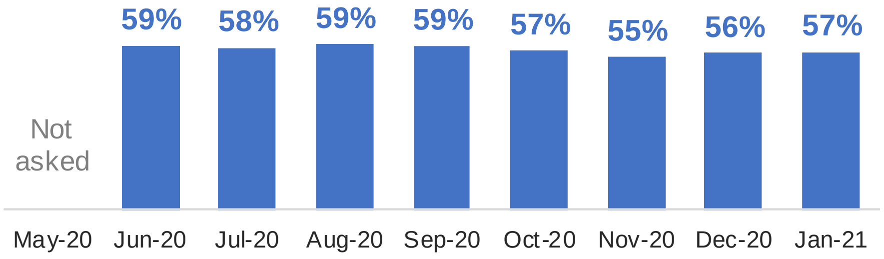
Income security stable

I am confident that I can keep my current job/hours/source of income for the next 6 months*
(% Agree – Top 3 Box)



BY STATE	BY AGE
NSW (71%)	18-29 (67%)
VIC (70%)	30-39 (70%)
QLD (67%)	40-49 (71%)
SA (72%)	50-59 (69%)
WA (72%)	60+ (79%)

If the main income earner suddenly becomes unemployed they will really struggle to find work^
(% Agree – Top 3 Box)



BY STATE	BY AGE
NSW (60%)	18-29 (62%)
VIC (58%)	30-39 (61%)
QLD (54%)	40-49 (64%)
SA (50%)	50-59 (61%)
WA (55%)	60+ (44%)

Q10 - Do you agree or disagree with the following statements?
*Workers, n=c. 2,300 per month. ^All Australians, n=c. 4,000 per month

A key marker for consumer confidence, income security, has only marginally improved since the beginning of the crisis – but has not fallen, in large part due to the level of government stimulus provided. Confidence about keeping employment is lower amongst younger Australians.

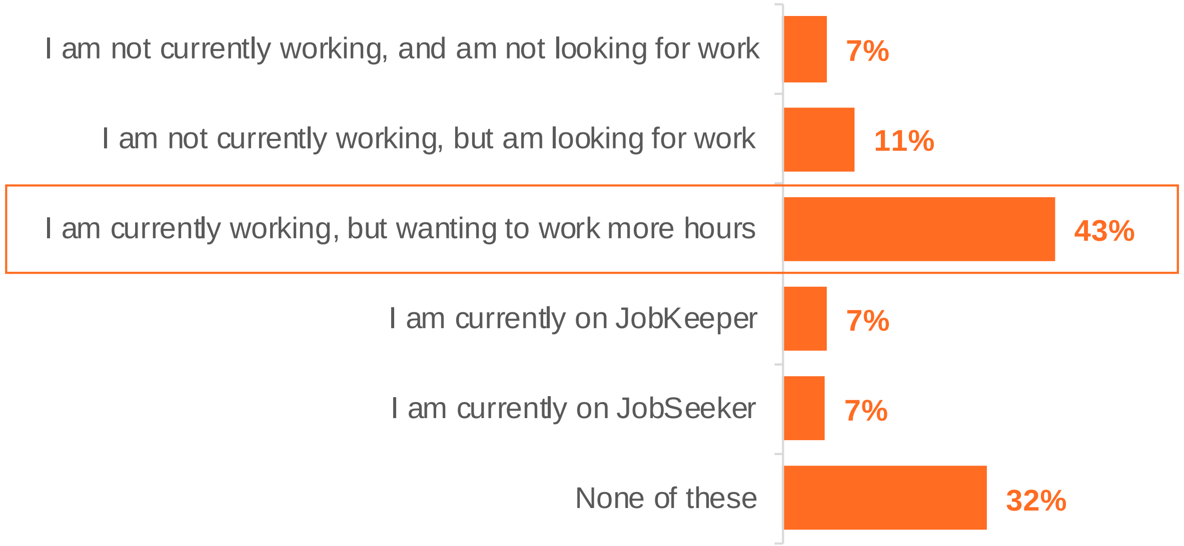
There is some perceived vulnerability in the job market, with only 46% of workers feeling *very* confident that they could find work if they were to lose their current source of income.

Only **46%**

Of workers would be very confident in getting a new job/finding more work if they were to lose their job

Under-employment evident

Do any of the following apply to you?
(Total workforce – including unemployed)



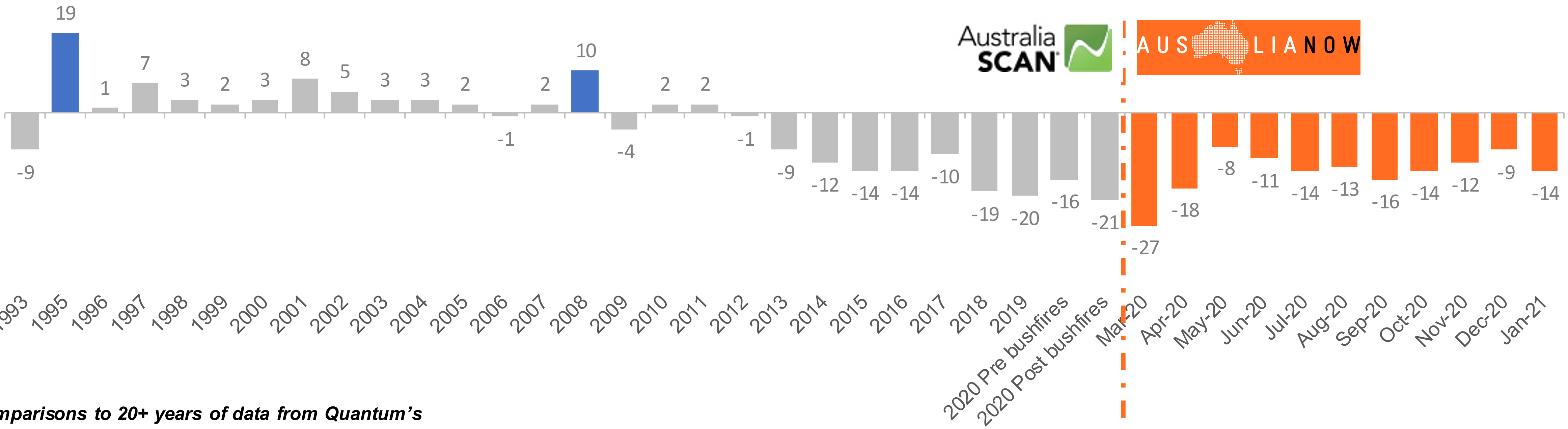
Despite no major changes in income security, there appears to be a high level of under-employment in Australia with 43% of the workforce indicating that whilst they are currently working, they would like to work more hours. This is largely seen in part-time and casual workers, but is also seen in full time workers (some of whom are on JobKeeper).

Q6a_ - Do any of the following apply to you?
Total workforce (January), n=2,044

Financial confidence drops

After heading into the Christmas period late last year with stronger consumer confidence than observed for many years, confidence has fallen slightly. This measure will be closely monitored with JobKeeper expected to end in March.

Confidence in financial future over next five years
(very confident – not confident)



Comparisons to 20+ years of data from Quantum's proprietary AustraliaSCAN survey

Q13. Which of the following statements best describes how you feel about your ability to meet your financial needs in the next five years?
All respondents, n=c.1,000-6,000 per month

AUSTRALIA NOW

WORK

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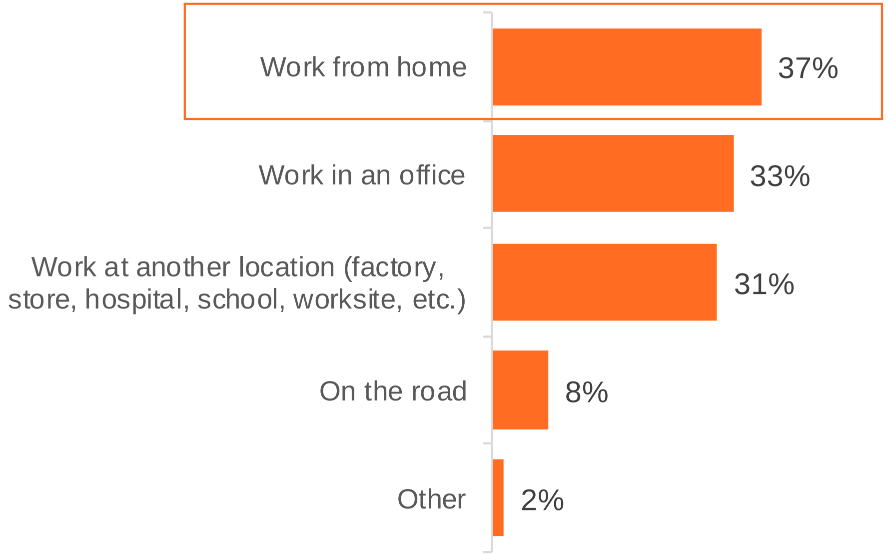
The world of work looks different

Survey

Current work location



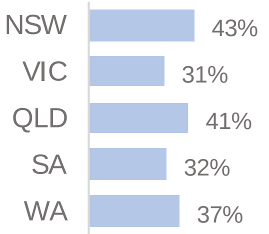
Returned to work after working from home

57%

Of workers have either returned, or expect to return to an office/on-site situation **after a period of working from home**

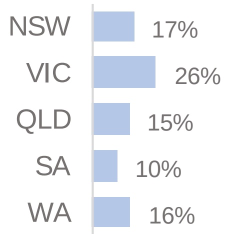
39%

Have returned



18%

Expect to return



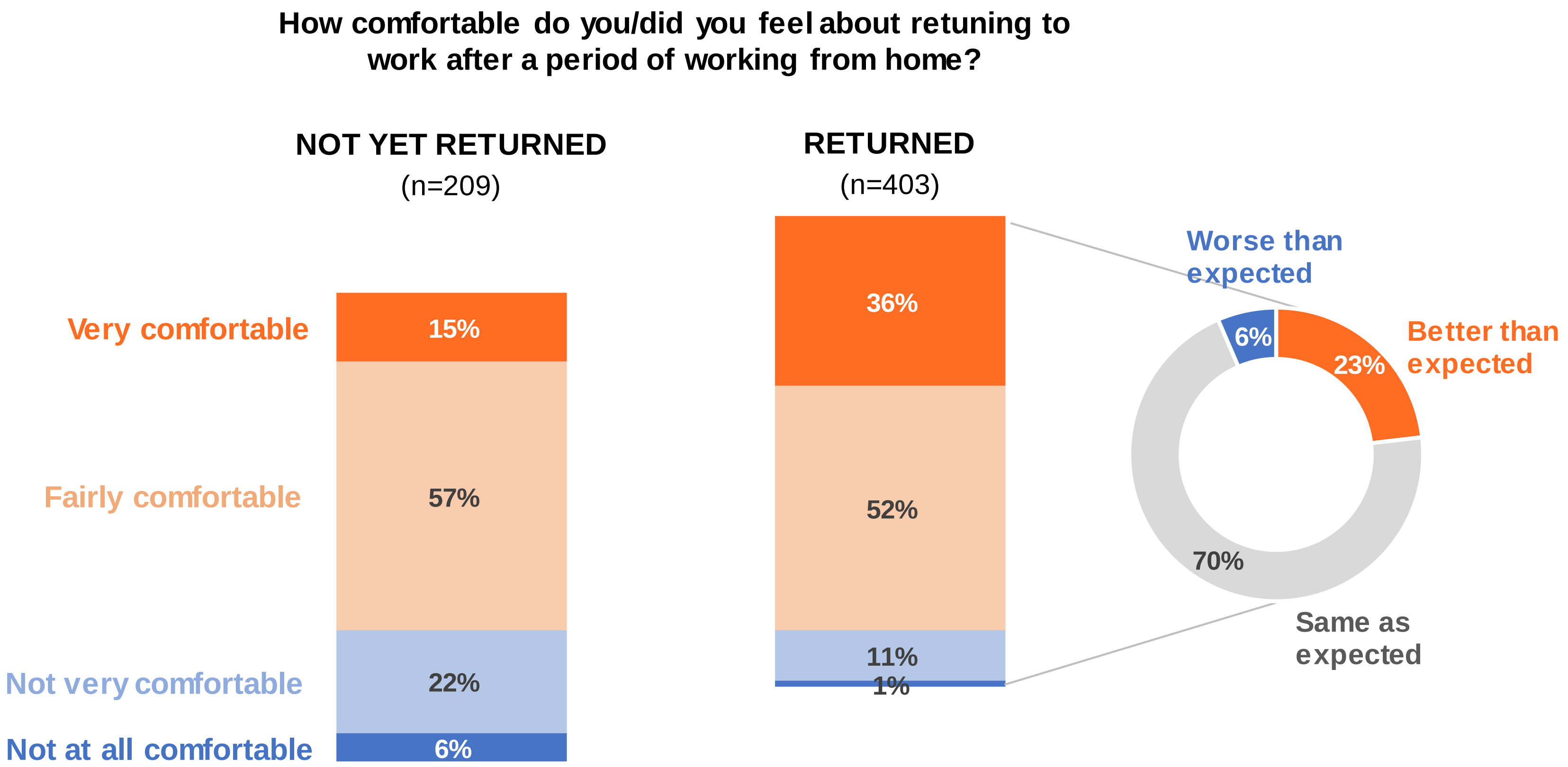
Over a third of Australian workers (37%) are currently working from home, and just over half (57%) already have, or expect to, return to work after a period of working from home.

Workers in NSW, QLD and WA are most likely to have returned to work after a period of working from home, whilst VIC workers are the most likely to be waiting to return.

It remains to be seen whether this shift to working from home will outlast COVID-19, as employers consider the impact of flexible work and working from home on work-life balance, productivity and job satisfaction.

Q701 - Which of the following best describes your current work location? Q702 - Have you been in a situation where you have returned to an office after a period of working from home during the pandemic?
Workers only, January, n=1,142

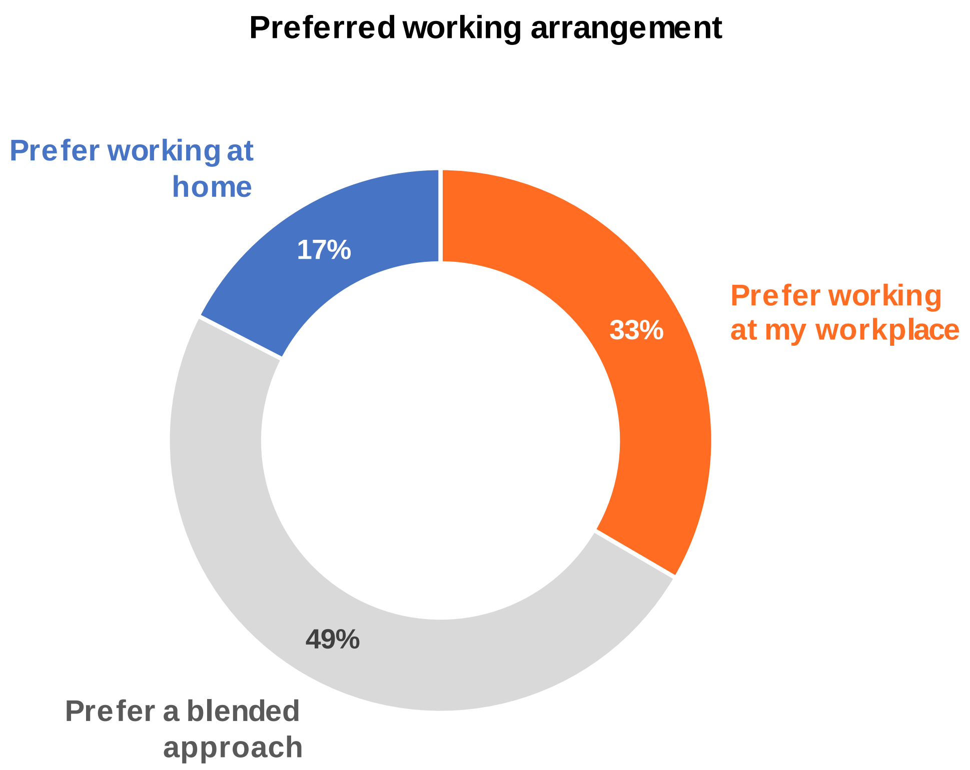
Return to work met expectations



While 28% of workers that have not yet returned to the office show some level of discomfort in returning, those that have returned tend to feel largely comfortable with that process and 93% had their expectations met or exceeded.

Q703 - How comfortable did you/do you feel about returning to work at an office after a period of working from home?
Q704 - How did your return to work in an office after a period of working from home compare to your expectations? Was it...
Workers that have/expect to return to work after a period of working from home, January, n=652

Many prefer a blended approach



When asked about their future preferences, almost half (49%) of Australian workers that have the option to work from home would prefer a blended home/office approach to work in future.

A smaller proportion (17%) indicated that they would prefer to solely work from home.

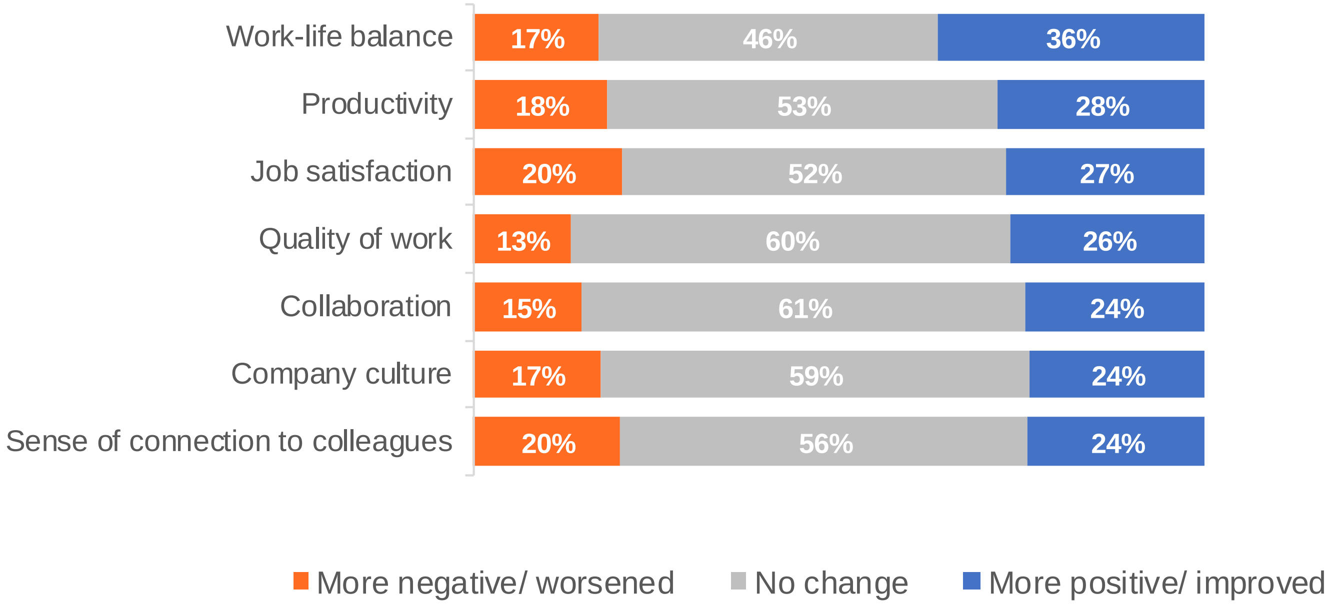
Younger people (18-29 year olds) were significantly more likely to prefer a blended approach (57%), whilst 30-39 year olds were more likely to strictly work from home (23%). Part time and casual workers had a greater preference for working at their workplace (40%). There were also some differences by industry – unsurprisingly retail workers showed a clear preference for being at their workplace.

Q705 - What is your preference for your future working situation?
Workers that have/expect to return to work after a period of working from home ('None of these' removed), January, n=645

Improvements in work-life balance

Survey

Have any of the following aspects of how you feel about your work changed compared to pre-COVID (i.e. before March 2020)?



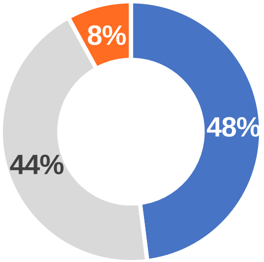
Of all aspects of how Australian workers feel about their work compared to pre-COVID, work-life balance emerged as the most positive, with over a third (36%) indicating that their work-life balance had improved since pre-pandemic. This is particularly true for those with younger families (of which 49% felt their work life balance had improved) – this cohort of workers may seek to maintain these benefits moving forward.

Apart from work-life balance, most aspects of work (including quality of work, collaboration) were seen by the majority to have remained unchanged, which may be largely due to ability of modern technology to enable us to work from anywhere.

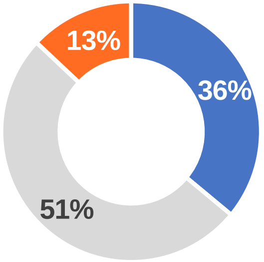
Q706 - Have any of the following aspects of how you feel about your work changed compared to pre-COVID (i.e. before March 2020)?
Workers only, January, n=1,142 ('don't know/not applicable' removed)

Workplaces are adapting

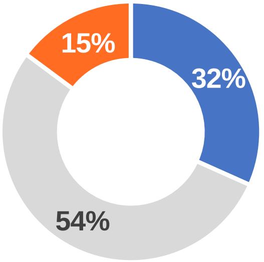
My **workplace has adapted well** to accommodating changes required due to the pandemic



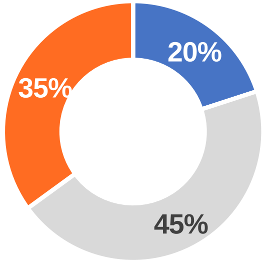
I feel **positive about the future of work**



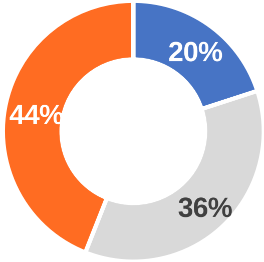
How people work needs to **change forever** due to the pandemic



The **future of work feels uncertain** for me



I am concerned about **losing my job to automation/technology** in future



Q708 - To what extent do you agree or disagree with the following statements about the workplace and how we will work in the future?
Workers only, January, n=1,142

Almost half of Australian workers (48%) agreed that their workplace has adapted well to accommodating changes required due to the pandemic.

While just over a third (36%) of Australian workers indicated that they feel positive about the future of work, one in five (20%) are also feeling uncertain. Uncertainty is highest among males, 40-49 year olds and those in Information Media and Telecommunications and Other Services industries.

The focus for many employers and organisations will now turn towards how they are set up to handle change moving forward, and building organisational resilience in the event of future disruptions.

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