

OCTOBER 2024

# CultureCast

Australian Cost Of Living Update & How  
To Optimise Your Marketing Response

Tgarage

This information is confidential and the property of T garage.



## OUR APPROACH

01

Exploration  
of the  
meta trends  
in society

02

Collective  
learning from  
over 200  
research studies

03

Trend immersion  
– global look  
at new products  
& comms

04

Reaching out to  
25,000 Australians  
from the  
SaySo community

TODAY WE WANT TO  
TALK WITH YOU NOT  
ONLY ABOUT HOW  
AUSTRALIANS FEEL...

BUT HOW THEIR  
SPENDING PATTERNS  
ARE CHANGING

AND HOW WE CAN  
MAKE A DIFFERENCE!



FIRST UP IS OUR COST-OF-LIVING UPDATE  
NATIONWIDE QUANTITATIVE SURVEY  
N=803 AUSTRALIANS 18+ IN JUNE 2023



AUSTRALIANS ARE  
FEELING THE  
PRESSURE OF  
COST OF LIVING,  
BUT HOPE REMAINS

57%

Are concerned  
with **Cost of Living**

58%

Are **struggling** or  
**getting by** financially

*BUT...*

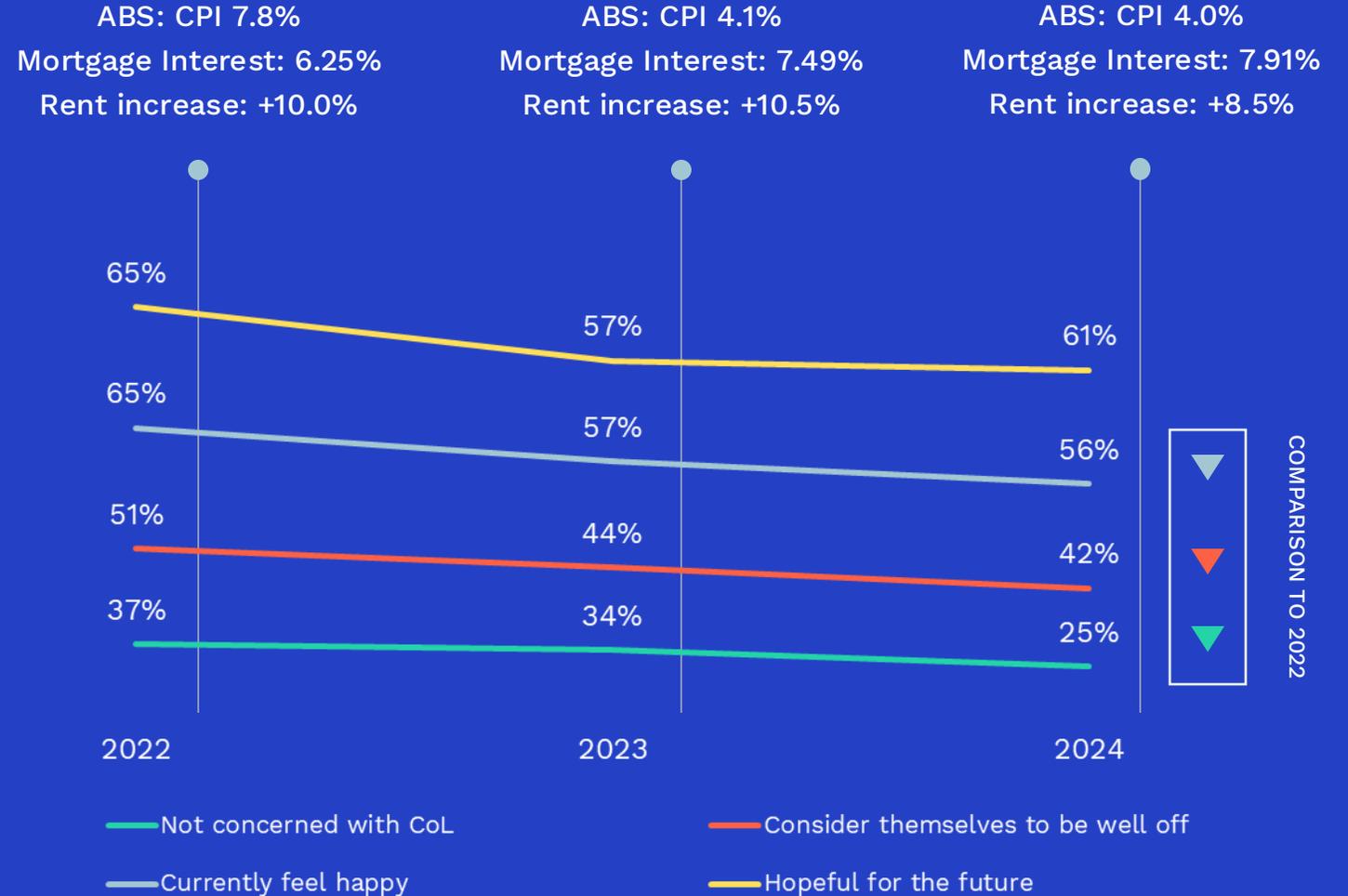
56%

Currently **feel happy**

61%

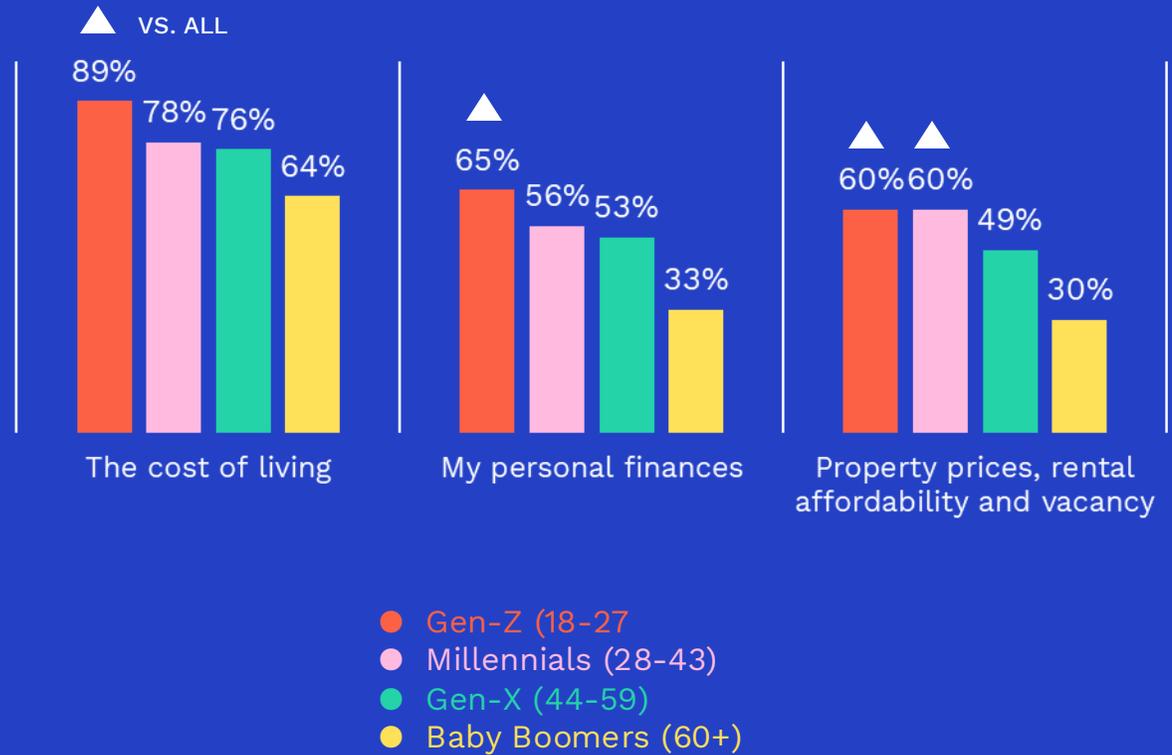
Are **hopeful**  
for the **future**

INFLATION HAS  
COME DOWN AND  
PLATEAUED, BUT  
THE CONSUMER  
MINDSET EFFECTS  
ARE LINGERERING  
AND REMAIN A  
CONCERN



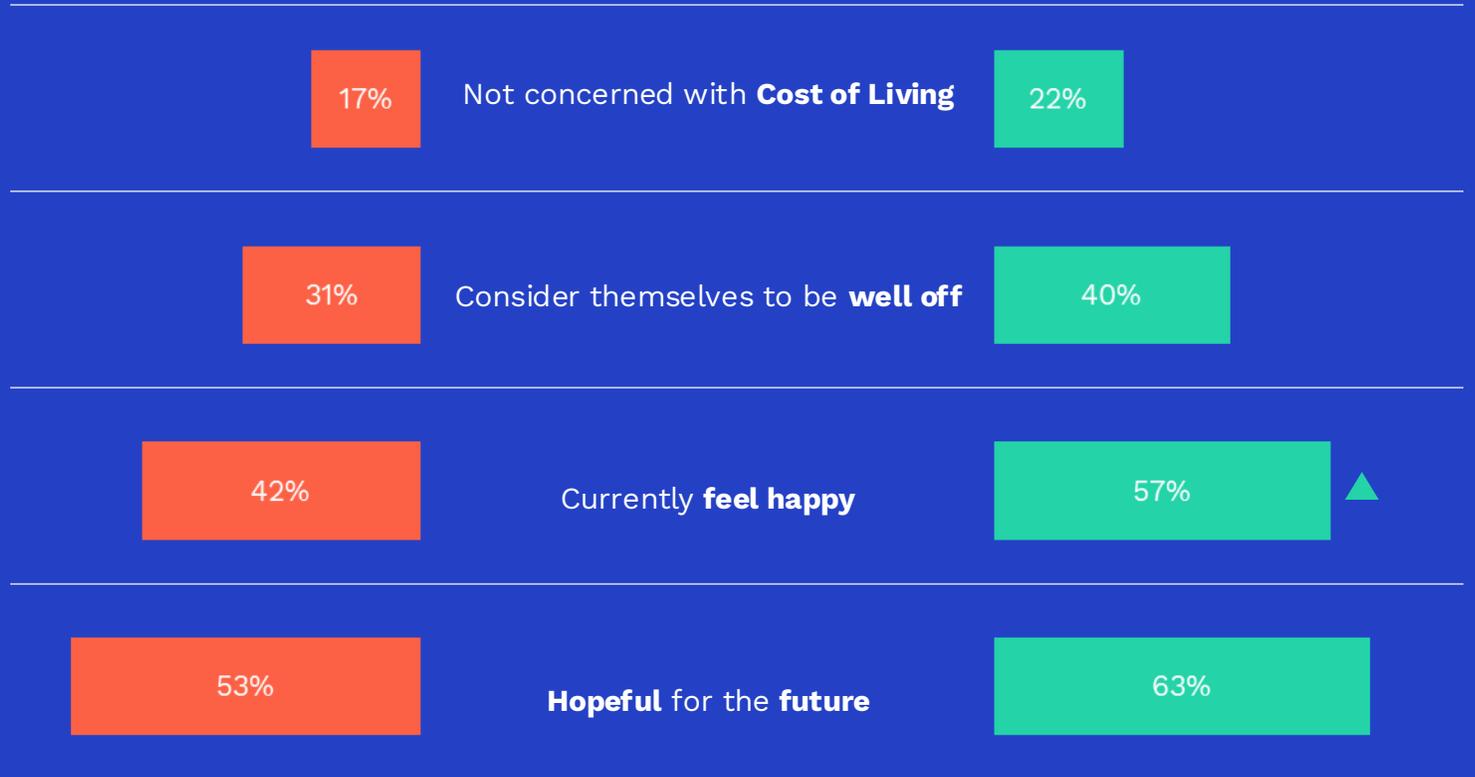
YOUNGER  
AUSTRALIANS FEEL  
THE PRESSURE  
MOST: WORRIES  
EXTEND BEYOND  
THE BROADER  
ECONOMIC  
SITUATION

THE GENERATIONAL GAP IN 2024



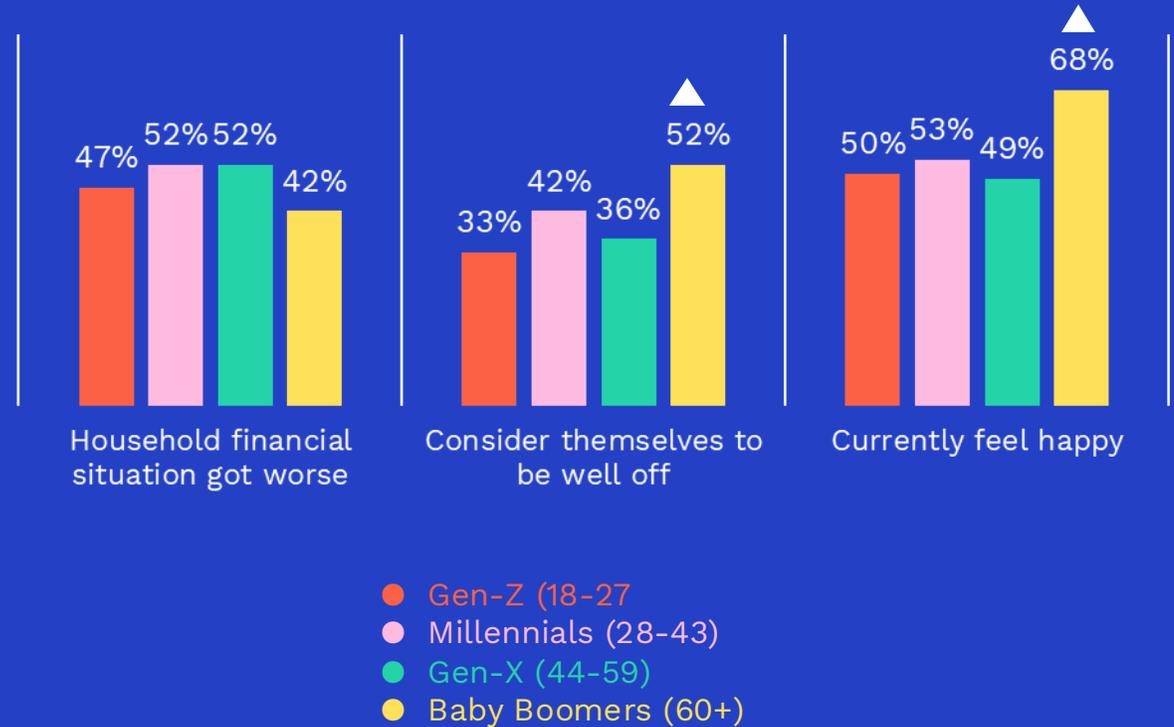
# RENTERS IN PARTICULAR FACE FINANCIAL AND EMOTIONAL HARDSHIP DURING CURRENT COST OF LIVING CRISIS

- Renters
- With mortgage



# THE CURRENT CLIMATE CREATES BOTH FINANCIAL & EMOTIONAL STRESSORS FOR YOUNG & MIDDLE-AGED AUSTRALIANS

## THE GENERATIONAL GAP CONTINUES



“I am getting really burnt out and feeling very much done. It is so hard to have to miss out on fun activities with my friends because I don't have the money.”

**- GEN Z**



# RECENT IMMIGRANTS REMAIN HOPEFUL FOR THE FUTURE BUT ARE HIT HARD BY THE HARSH ECONOMIC REALITY

- Less than 10 years in AUS
- Total



“Like all immigrants who come here for a better professional life, I also came with that thought of enjoying a peaceful life with the natural beauty here. Instead, I got stuck with inflation and rising costs that require cutting down on travel and exploring the country. Also, my work-life balance is not exactly what I had hoped for, with early morning shifts at the bakery and a demanding schedule. While it’s rewarding, it doesn’t always leave room for the exploration and relaxation I had in mind.”

**- RECENT IMMIGRANT**

# HOW SPENDING PATTERNS ARE CHANGING



# AUSTRALIANS ARE CONSIDERING GIVING UP THE THINGS THAT BRING THEM JOY IN THEIR DAILY LIVES TO ACCOMMODATE FOR COST OF LIVING:

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*“I am really worried about being able to pay my rent, groceries and other stuff, let alone trying to enjoy myself and my life.”*  
- Millennial



# COST-SAVING STRATEGIES ARE MOVING TOWARDS MORE DIVERSIFIED & IMMEDIATE COST-SAVINGS

Always done



Join loyalty programs	83%
Use coupons and promo codes	69%
Shop at clearance sales & outlet stores	61%

Started in the past 6 months



Shop at clearance sales and outlet stores	20%
Use online comparison tools for best price	18%
Bulk buy	17%

Expect to start within the next 6 months



Use cashback services	22%
Utilise price matching	22%
Buy second-hand	18%

# AUSTRALIANS ARE EXPECTING THIS COL PRESSURES TO CONTINUE – EVEN WITH INTEREST CUTS OR A PAY RISES

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*Even with a bigger budget some categories will remain for a while in the 'spend less on' bucket and for others consumers expect price increases in line with their increasing budget.*

11%

expect to spend more on this

- Electricity, gas utilities
- General Insurance
- Total grocery bill
- Day trips / Weekend trips
- Fuel

52%

expect to spend about the same on this

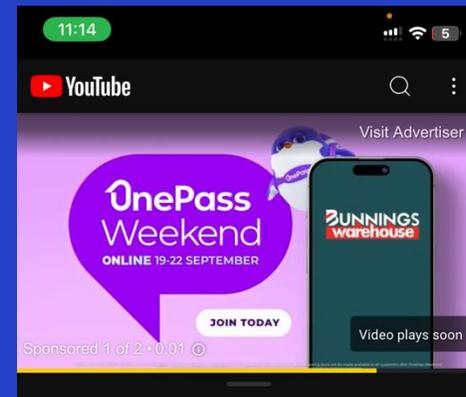
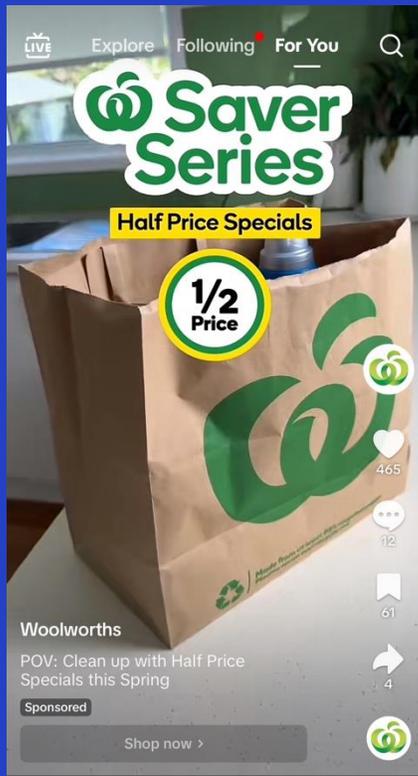
- Health / personal care products
- General Insurance
- Medical Expenses
- Total Household expenses (rent, mortgage, maintenance)
- Total grocery bill
- Electricity, gas utilities

37%

expect to spend less on this

- Clothing / Apparel
- Eating out / Takeaway / food delivery
- Homewares home décor
- Accessories
- Shoes
- Entertainment / leisure activities

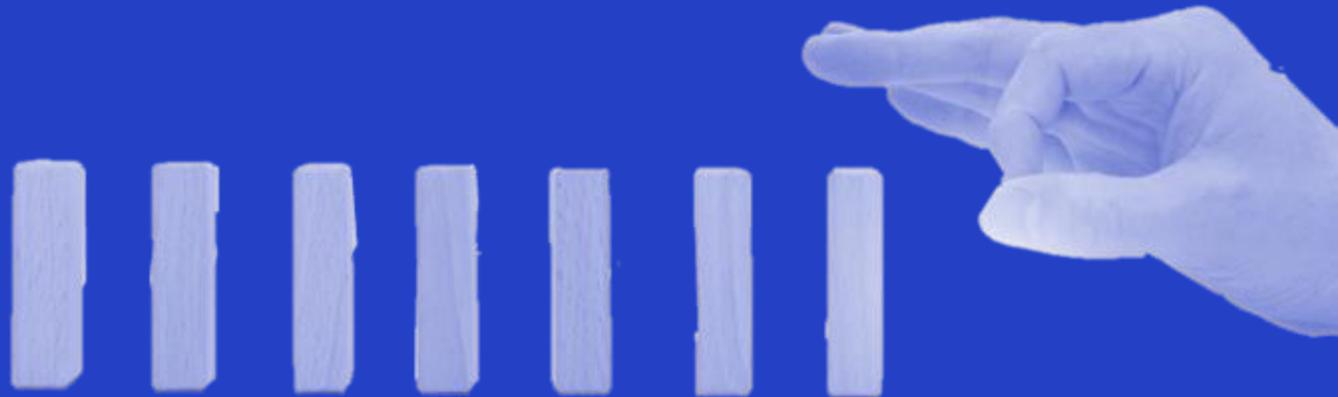
# Ads prioritising essential, short-term joy & relief have a strong cut through



*"This ad from Woolworths stood out to me in a positive manner as it demonstrates that companies still do care about us as the video shows great half off deals on numerous products which bring joy to my life it lessens the burden that shopping can place onto someone."*

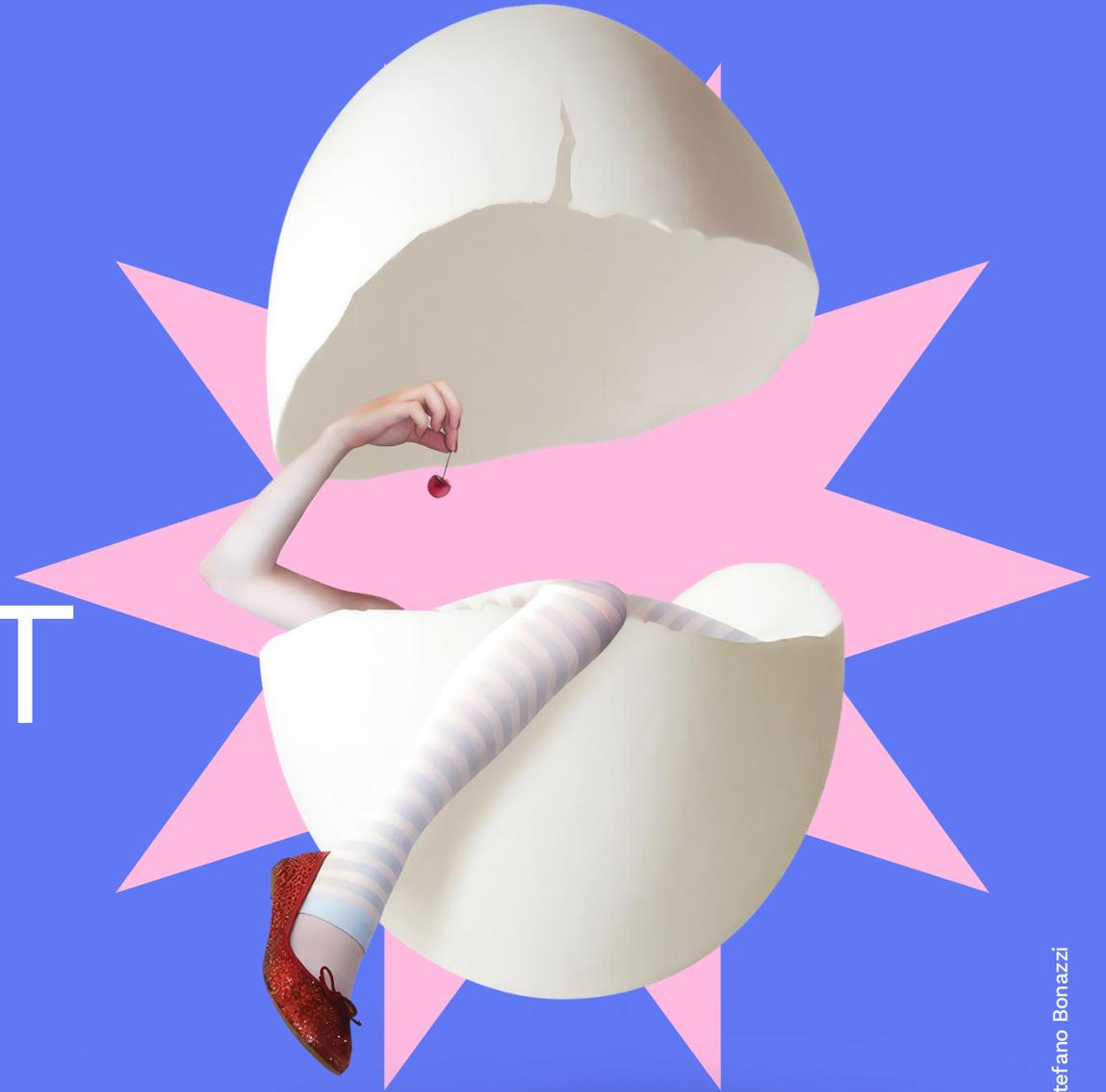


# HOW WE CAN MAKE A DIFFERENCE!



# RE- WONDERMENT

People are giving up a lot of things that give them joy, but they are also trying to find new moments of joy to replace this.



# OPPORTUNITIES

## Consumers are responding to advertising & Products that give you a break

SURPRISE & TREAT ME



AFFORDABLE INDULGENCE



AD'S THAT MAKE ME SMILE



# NOSTALGIA

Nostalgia, a sentimental longing for the past, is a formidable force in consumer behaviour. It creates deep emotional bonds and drives brand loyalty, making it a crucial element to consider.



IN UNCERTAIN TIMES,  
PEOPLE MORE  
**STRONGLY YEARN FOR  
THE PAST** – A TIME  
PERCEIVED AS LESS  
THREATENING & MORE  
COMFORTING.

This nostalgic sense of security leads consumers to stick with familiar brands and products that feel safer and more reliable!



# HOW TO DO NOSTALGIA

REVIVE OR HIGHLIGHT CLASSICAL PRODUCTS



HIGHLIGHT BRAND HERITAGE



“The Cadbury ad where the dad buys the chocolate for his daughter while she’s working at the garage - I love this because my dad does the same with me.”

BALANCE INNOVATION WITH TRADITION



CREATE NOSTALGIC EXPERIENCES



“Nintendo evokes positive emotions like nostalgia and a sense of childlike wonder. Fun and easy to pick up and play making it easy to feel a sense of reward/accomplishment.”

# TIME- FULLNESS

From slowing down in previous years to speeding up again, we are now reassessing time, rethinking what it means to us – a shift from seeing time as chronological, speeding up, out of control, lack of... to an appreciation of the pleasure of spending time; kairos versus chronos, being effective with the time we have.



#1

types of experiences  
Australians are looking for  
in 2024 are those that help  
them to feel calm

SaySo

42%

of Australians  
want to make changes  
in their lives to help  
slow down

SaySo

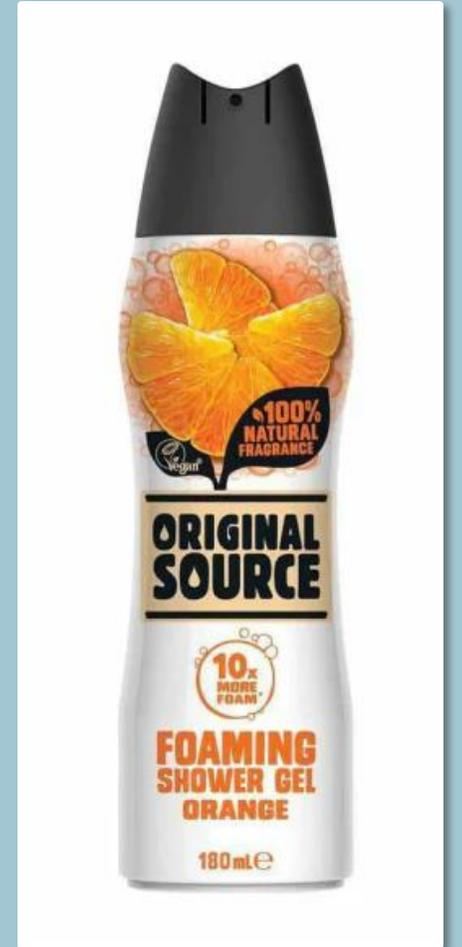


# People want to feel calm,





# What is the new moment?



# REGENERATIVE LIVING

When asking those hit hardest (our renters and recent immigrants) what their dream home would look like, many respondents emphasise the importance of natural surroundings, with several envisioning homes near the beach, in the countryside, or nestled within nature, reflecting the Australian dream of home ownership with at least a quarter-acre block.



FROM DREAM HOMES...

TO ACTUAL HOMES



# The great outdoors still calls!

64%

of renters feel their current rental is not very or not close at all to their dream home

SaySo

FROM SHARED OUTDOOR...

TO SHARED INDOOR

# We want more nature



# Summary



## Consumer Sentiment on hold

People have bunkered down.

Everyone is watching and waiting to see what happens next.

## COL affecting people differently

Younger people and renters are struggling.

Boomers and property owners are generally doing well.

## Connect with me as a human

Consumers are responding to what makes us feel happy.

Lots moments of joy, looking to replace them with moments of joy.

# CultureCast

IF YOU WOULD LIKE  
TO LEARN MORE

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