

EECA Consumer Monitor

Edition 3: April–June 2022

Insight into New Zealanders' climate change attitudes and actions



Background

EECA's market research programme monitors the mood of the nation relating to climate change, energy emissions and efficiency and topics like electric vehicles.

We use insights from three key sources to track New Zealanders' response to key issues and initiatives relevant to EECA and to track how we're going vs our strategic focus areas.

1. CONSUMER MONITOR

Every quarter, we survey 750 adult New Zealanders to track their beliefs, behaviours and attitudes to climate change and energy. The representation of these respondents is ensured across age, gender and region.

3. BUSINESS MONITOR

Every six months, we survey 500 New Zealand businesses, sampling business decision makers who are responsible for energy, transport or HR decisions. This report is available separately.

2. CULTURAL OVERLAY AND RADAR

Every quarter, we review New Zealanders' comments on articles from mainstream news sources, and social media. A 'non-filtered' approach to understand how New Zealanders' views are changing via listening to day-to-day conversations. Natural language processing and machine learning is used to achieve this.

This research is conducted by TRA. TRA is an insight agency that combines understanding of human behaviour with intelligent data capability to help clients navigate uncertainty and answer complex problems.

Overview

Context and Action

Since the last update, Government announcements on emissions targets and the release of the budget have put climate change actions back on the agenda for New Zealanders - and we've seen a corresponding increase in concern about climate change issues.

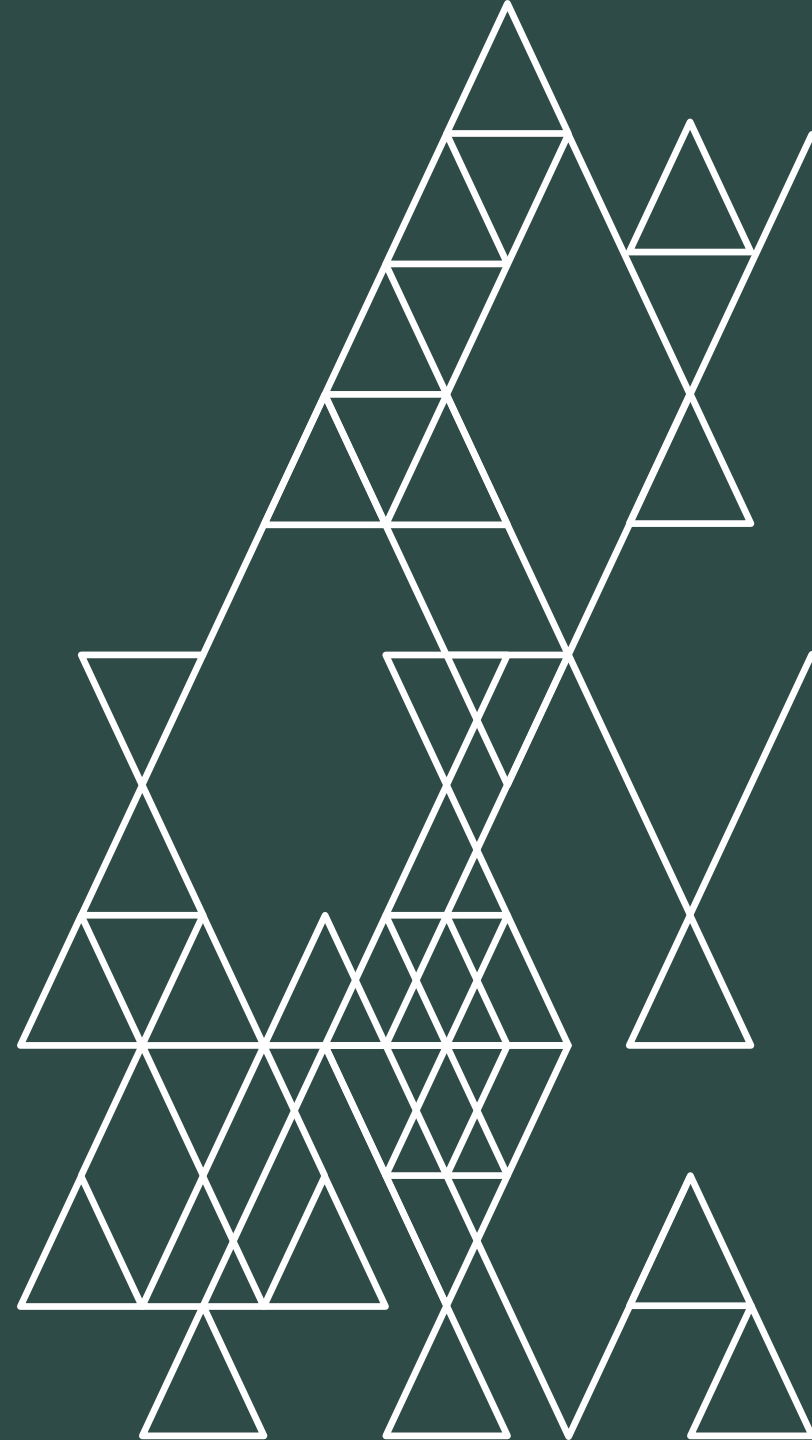
However economic issues are still top of mind. This quarter inflation has reached an annual percentage change of 7.3%. For the fourth quarter in a row, this has exceeded annual wage inflation¹. This, coupled with rising prices due to global supply chain issues, have ensured that cost of living is the key topic of conversation.

There's been a lot of talk about the 'brain drain' – we've had negative net migration, with the working age population shrinking by 0.2%. However, the biggest drop is those in their 20's – there's a 30% reduction of 20-30 year olds in our workforce, as New Zealanders head off for delayed OEs².

There is some good news from the economic gloom – the cost of fuel is encouraging New Zealanders to think about their transport choices – consideration of EV's and understanding of the impact of using of petrol/diesel vehicles have both peaked in this quarter.

1. <https://www.stats.govt.nz/news/annual-wage-inflation-rises-to-3-0-percent/#:~:text=Annual%20wage%20inflation%20measured%20by,quarter%2C%20Stats%20NZ%20said%20today.>
2. <https://www.stuff.co.nz/business/300589751/brain-drain-is-under-way-workforce-shrinks-as-young-people-leave>

Current New Zealand Landscape

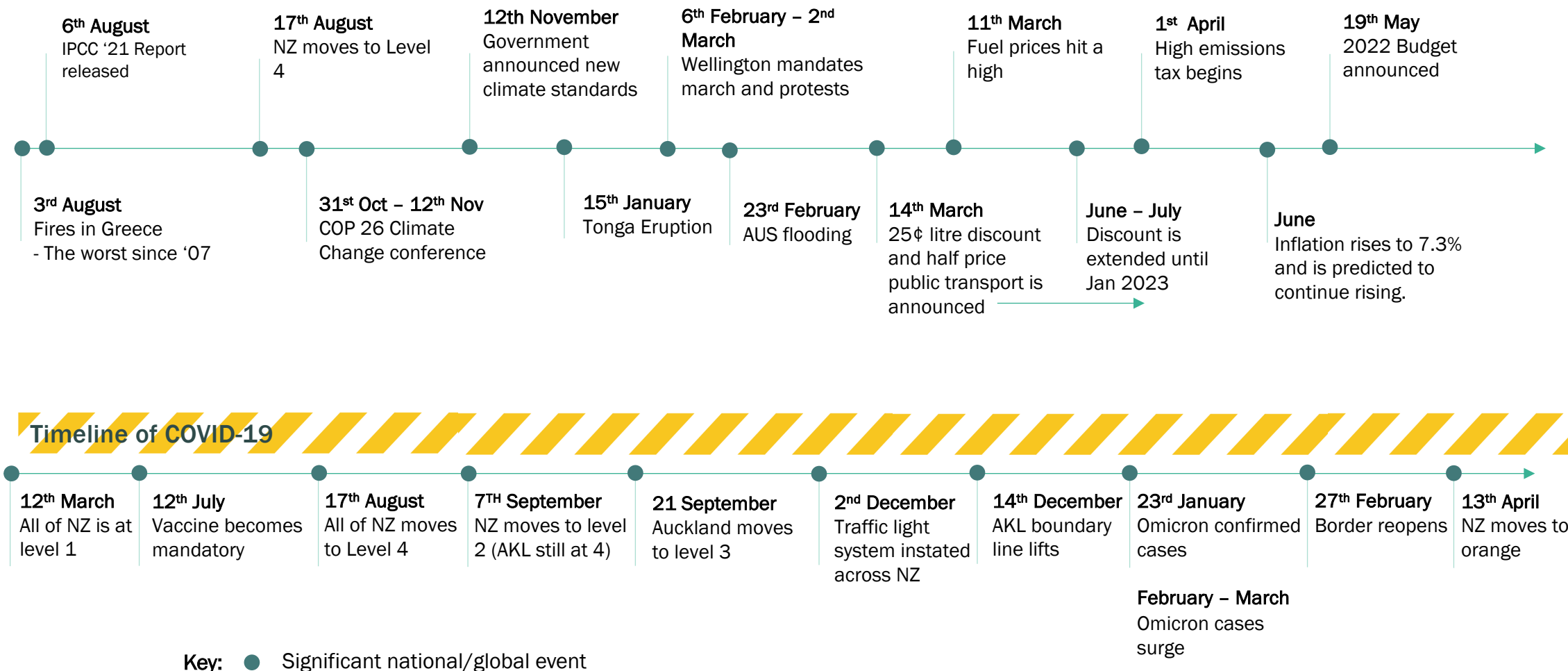


The landscape over the last three months...

Cost of living was once again top of mind, and there were some specific climate-related events as well.



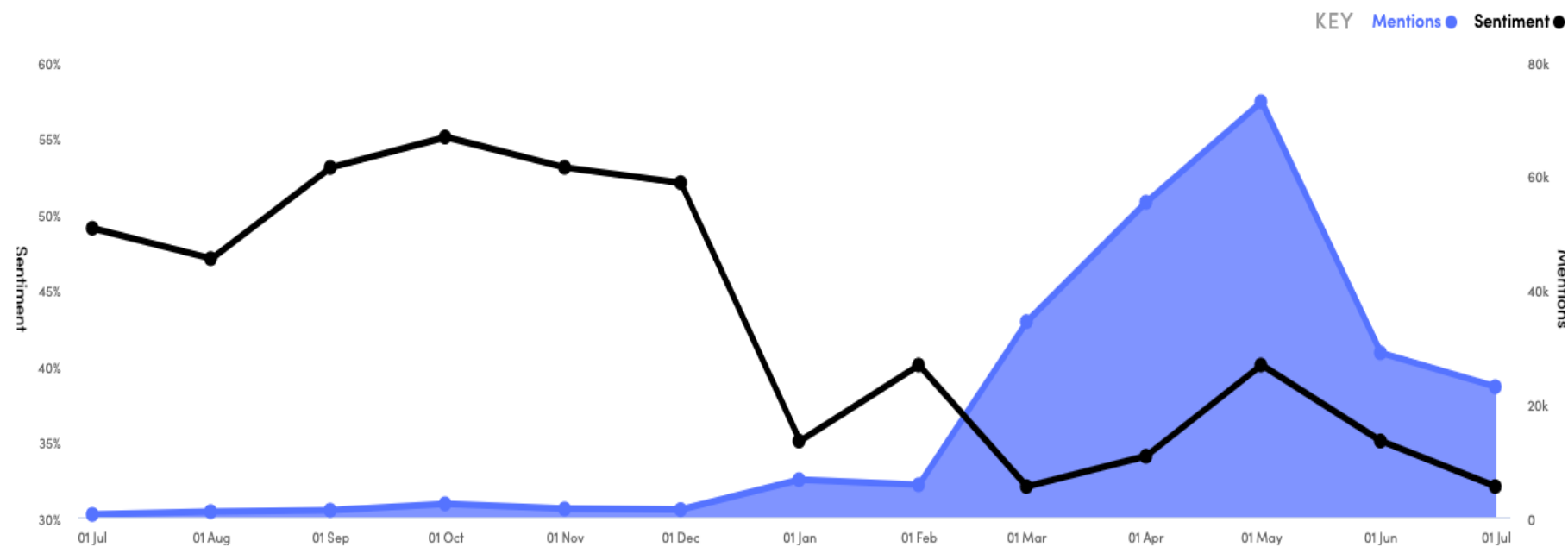
And looking back over the last twelve months...



Conversations around the cost of living once again dominated the media

This peaked in May, and has seen a decrease in June

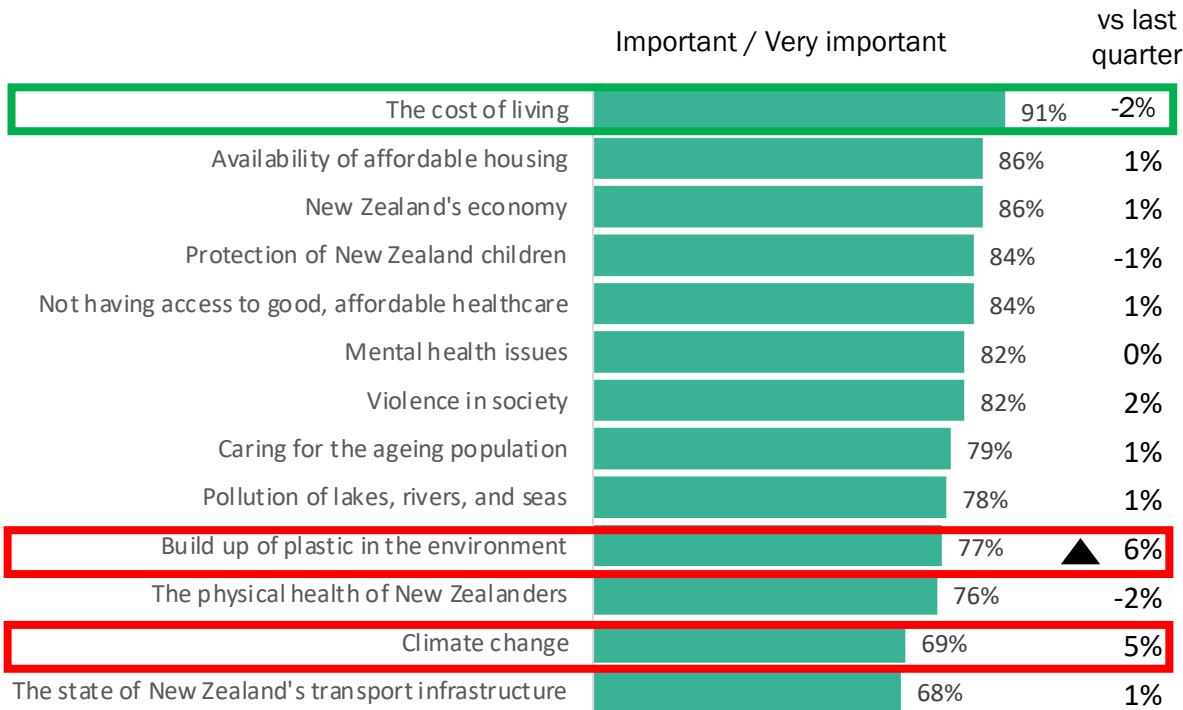
Zavy Radar: “The cost of living”



The cost of living plateaued as an important issue this quarter, whereas climate-related issues saw an increase in importance

This is following a significant decrease in climate change as an important issue last quarter

Importance of issues to New Zealanders



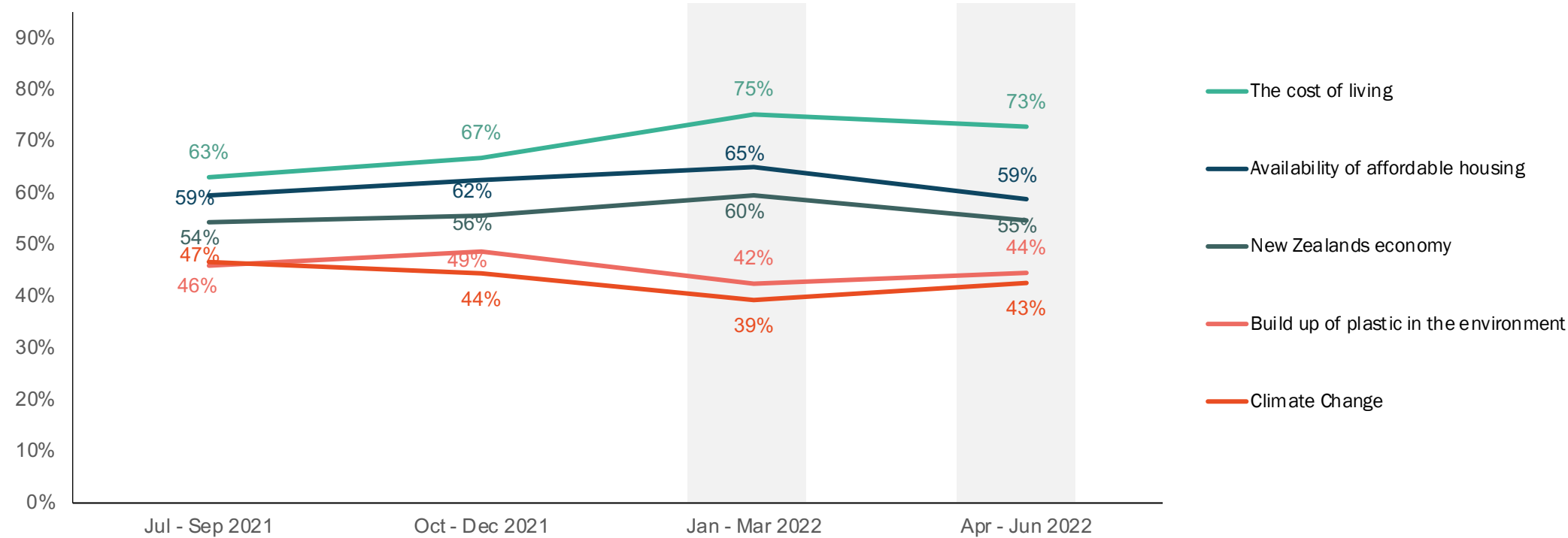
GENERAL_ISSUES How important do you consider each of the following issues to be for New Zealand? NET Important / Very Important.
Base: Total Sample, Apr – Jun 2022 n=891

Looking at these issues trended over the last year, we can align the shifts to events/conversations that have happened

General Issues – Very Important

Sharp rise in conversations around cost of living. Petrol prices surging and war in Ukraine. Cost of living and economy very top of mind.

Budget announcements, emissions reduction plan, Clean Car Discount – bringing climate change back into our minds.



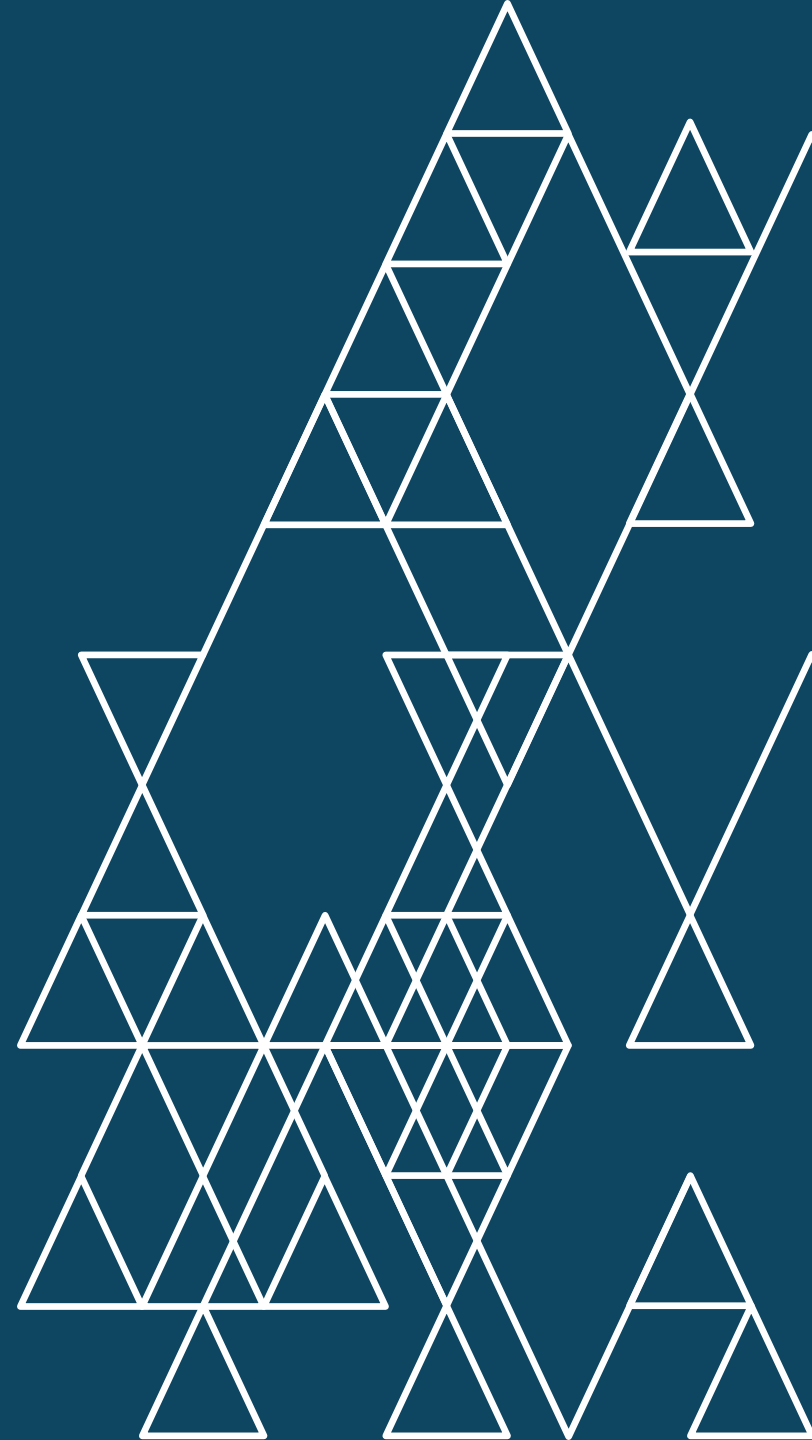
GENERAL_ISSUES How important do you consider each of the following issues to be for New Zealand? Very Important. Base: Total Sample, Apr – Jun 2022 n=891

The cost of living is still the main concern for New Zealanders

However, this quarter has seen media coverage of the budget, emissions reduction plan and the Clean Car Discount, and we've seen a corresponding increase in the importance of climate change issues.

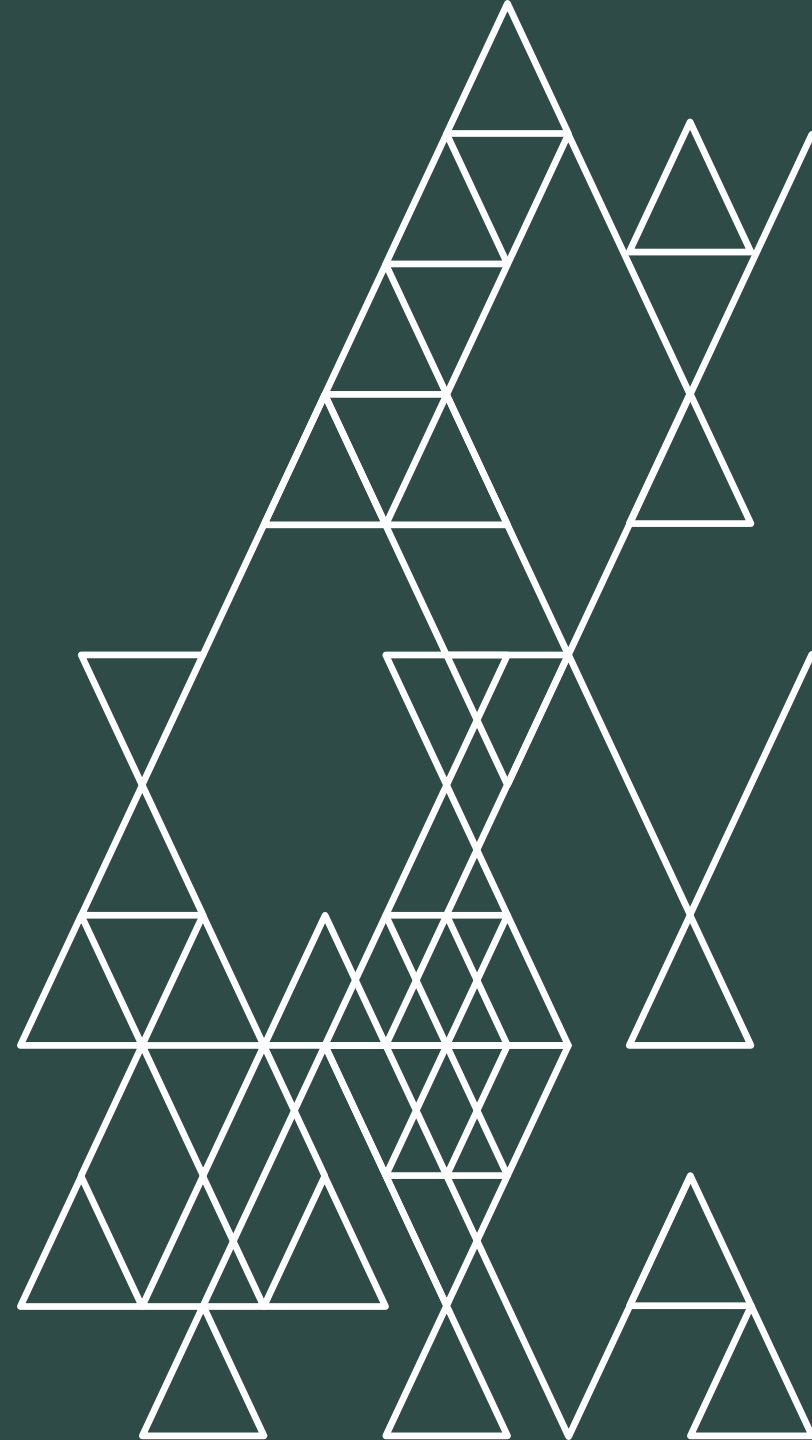
It's easier for people to deprioritise climate change when other news stories dominate their attention – how might we keep these climate change initiatives on the agenda?

Let's take a look at how this increase in concern about climate change has impacted our beliefs and actions.



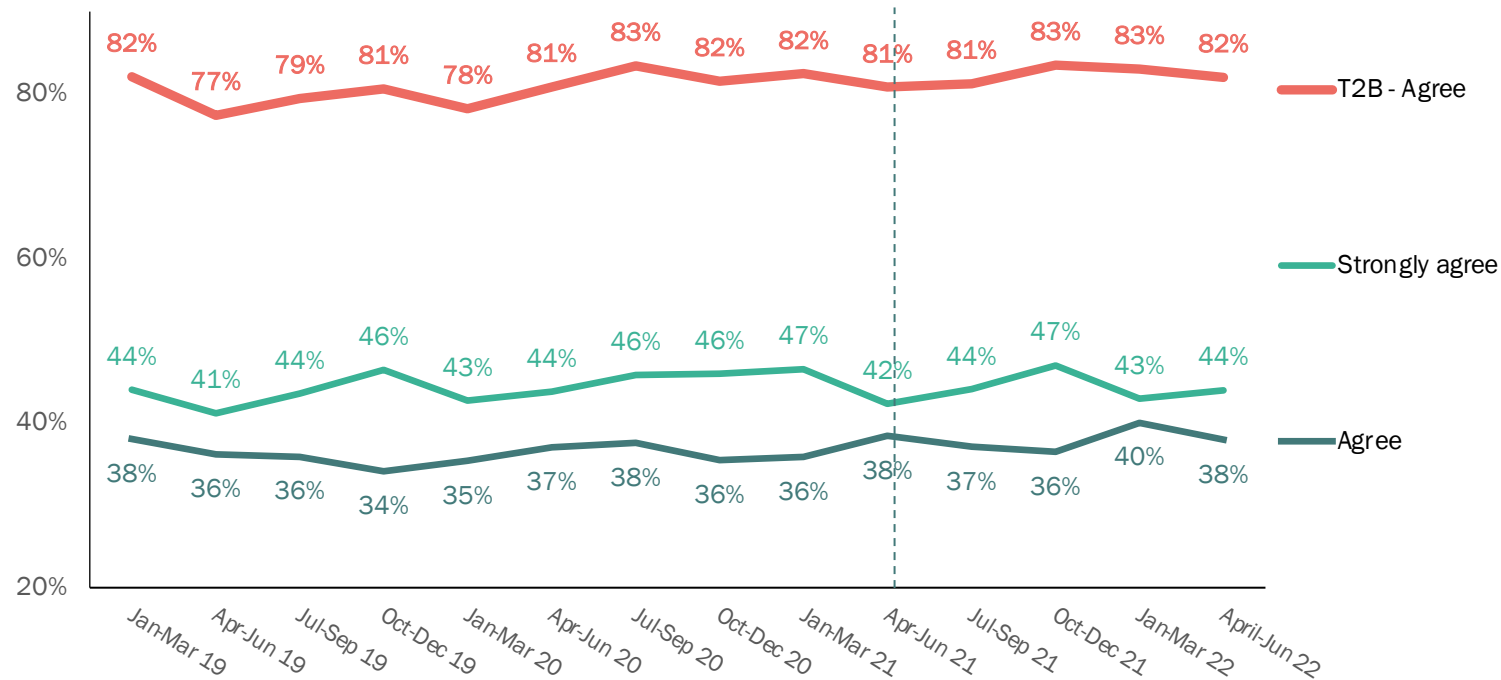
Hearts and Minds

Understanding New Zealanders' climate change beliefs, attitudes and behaviours.

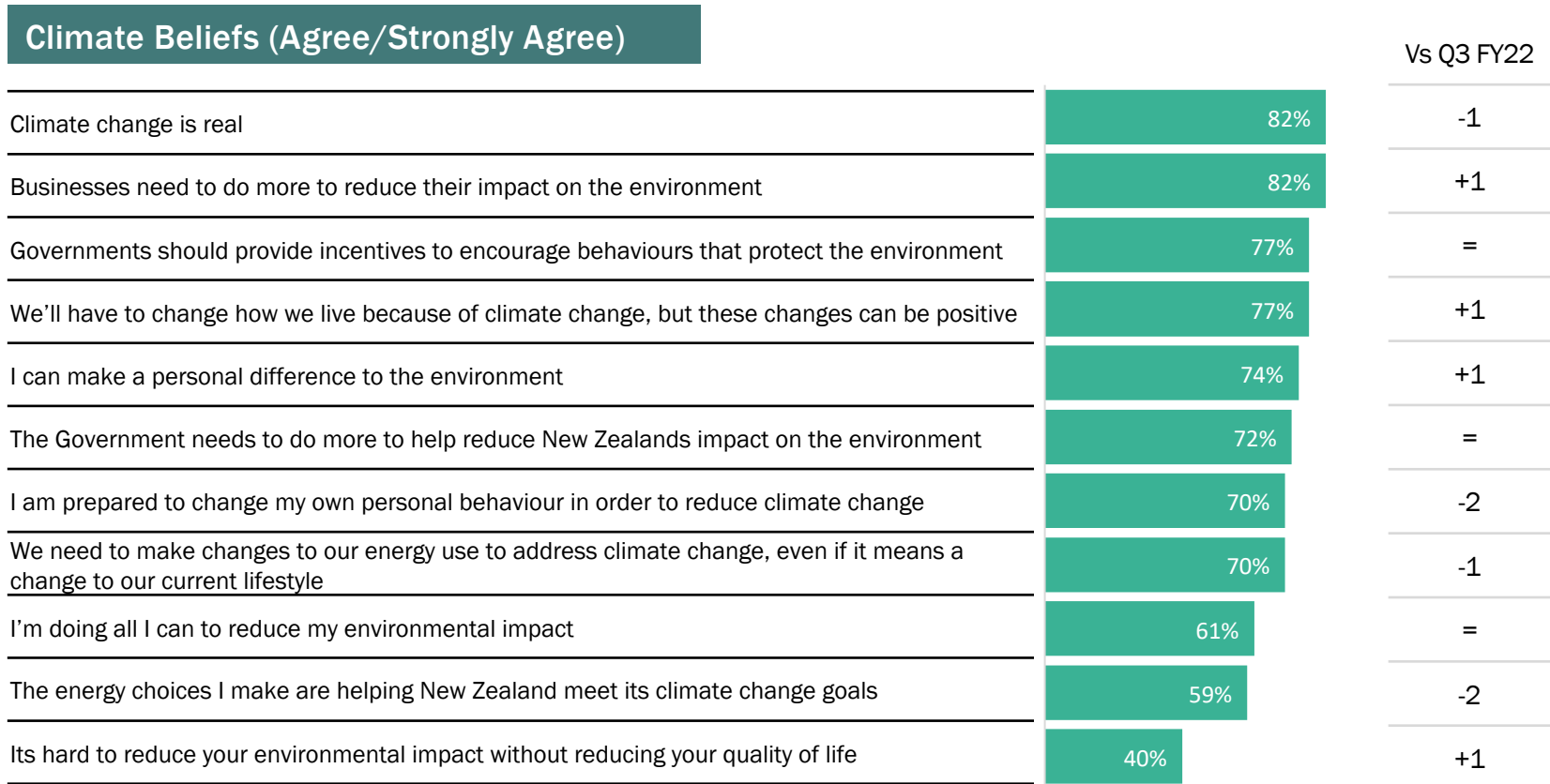


Belief that climate change is real is stable this quarter

Climate Beliefs: Climate change is real (Agree/Strongly Agree)



In fact, all our climate beliefs have remained relatively unchanged this quarter



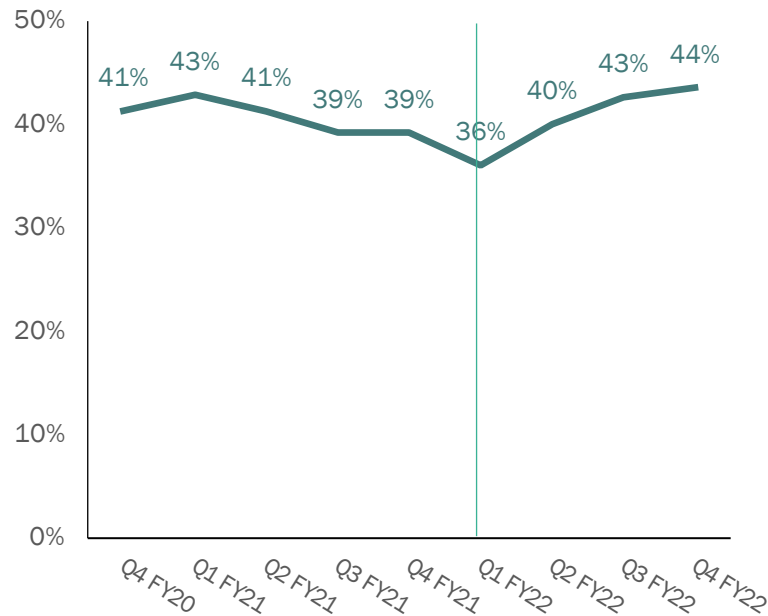
Driving less is now recognised as the second most impactful action at reducing climate change

This is also its highest score ever!

Actions perceived as most impactful

		vs last quarter
Recycling as much as possible	54%	-3
Reducing our use of petrol or diesel powered vehicles	44%	+1
Avoiding the use of plastic	40%	-5
Choosing to buy products with a low carbon footprint [e.g. produced locally or manufactured using renewable energy]	33%	+2
Choosing energy efficient appliances	26%	+2
Using less energy at home	19%	-1
Reducing our flights	16%	=
Choosing energy efficient lights	16%	+2
Buying organic food	5%	-3 ▼

Reducing use of petrol- or diesel-powered vehicles - trended



CLIMATE_EFFECT_New - Which of these actions do you think would have the greatest impact on reducing climate change, if done by all New Zealanders? (Top 3) Base: Total Sample - 3MR (n=780) 891.



We've seen decreases across most actions taken this quarter

But reducing our use of petrol and diesel vehicles is still among its highest scores ever

Actions taken regularly

		Vs Q3 FY22
Recycled as much as possible	81%	-2
Chosen energy efficient lights	68%	-4
Chosen energy efficient appliances	58%	-4
Limited my energy use at home	55%	-3
Limited my flights	50%	-6 ▼
Avoided the use of plastic	43%	=
Limited my use of petrol or diesel powered vehicles	37%	-1
Chosen to buy products with a low carbon footprint	29%	-3
Bought organic food	19%	+2

Last quarter marked a new high for limiting use of petrol- or diesel-powered vehicles with 38% taking the action almost always/always. This quarter sees a slight decrease but is still at it's second highest point ever.

And this time last year, this number was 30%, meaning an extra 7% of people are taking this action versus one year ago.

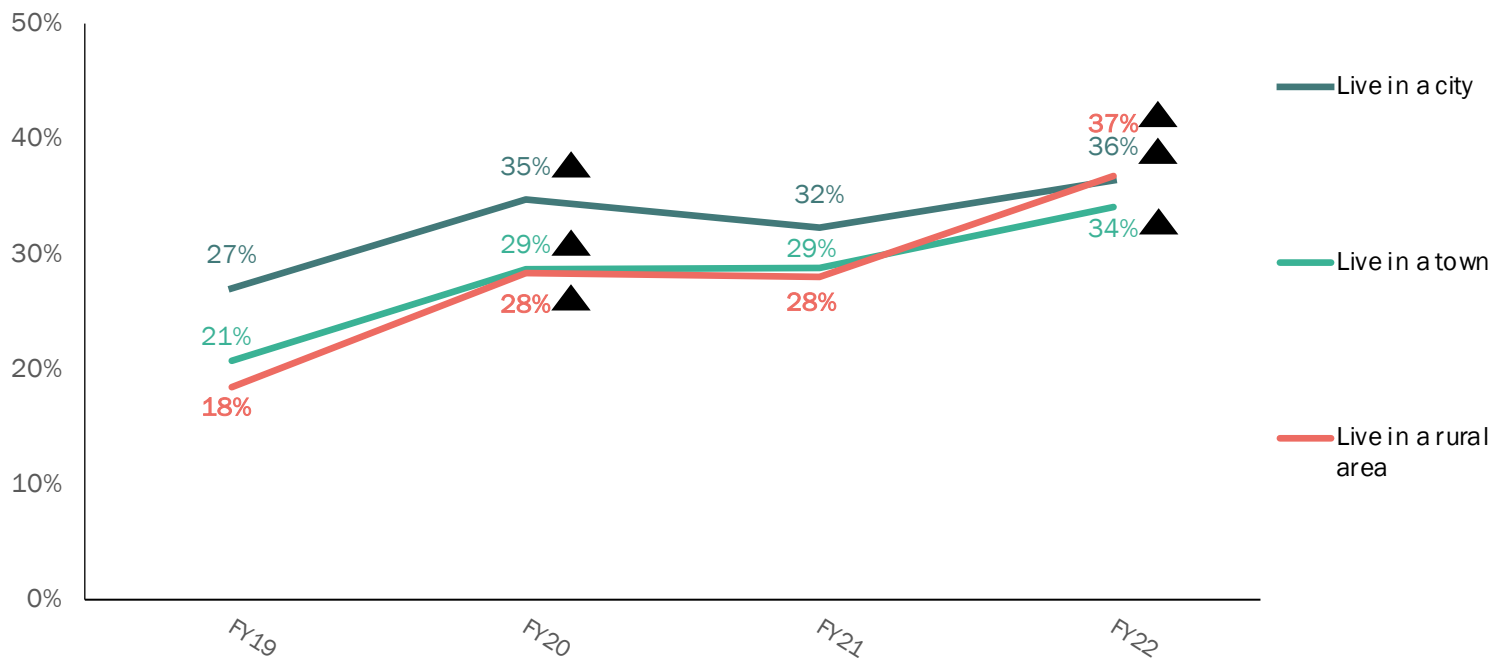
CLIMATE_ACTIONS. Which of the following actions do you take in order to reduce your climate change impact? (Always / Almost Always); Base: n=577-772 Q4 n=703-885 New Zealanders.



Looking at reducing vehicle use, we can see that the biggest gains over time have come from those living in rural areas

In general, there has been a converging of action across areas

Climate action – reducing the use of petrol and diesel powered vehicles
(Almost always/always)



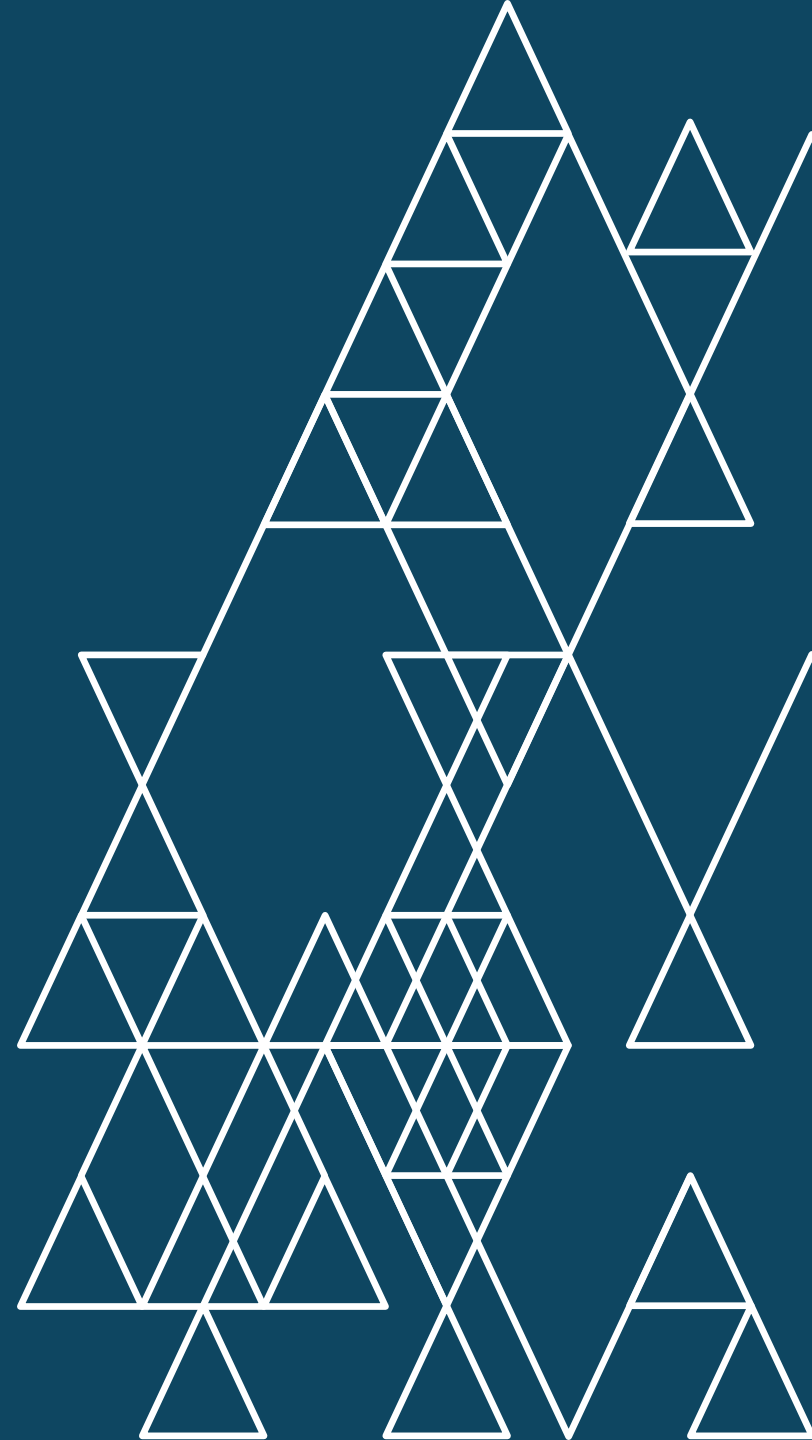
CLIMATE_ACTIONS. Which of the following actions do you take in order to reduce your climate change impact? (Always / Almost Always); FY22 – Live in a city n=1,940, live in a town n=778, live in a rural area n=322



The current context hasn't changed our broader climate beliefs, but it is making us think more about our transport choices

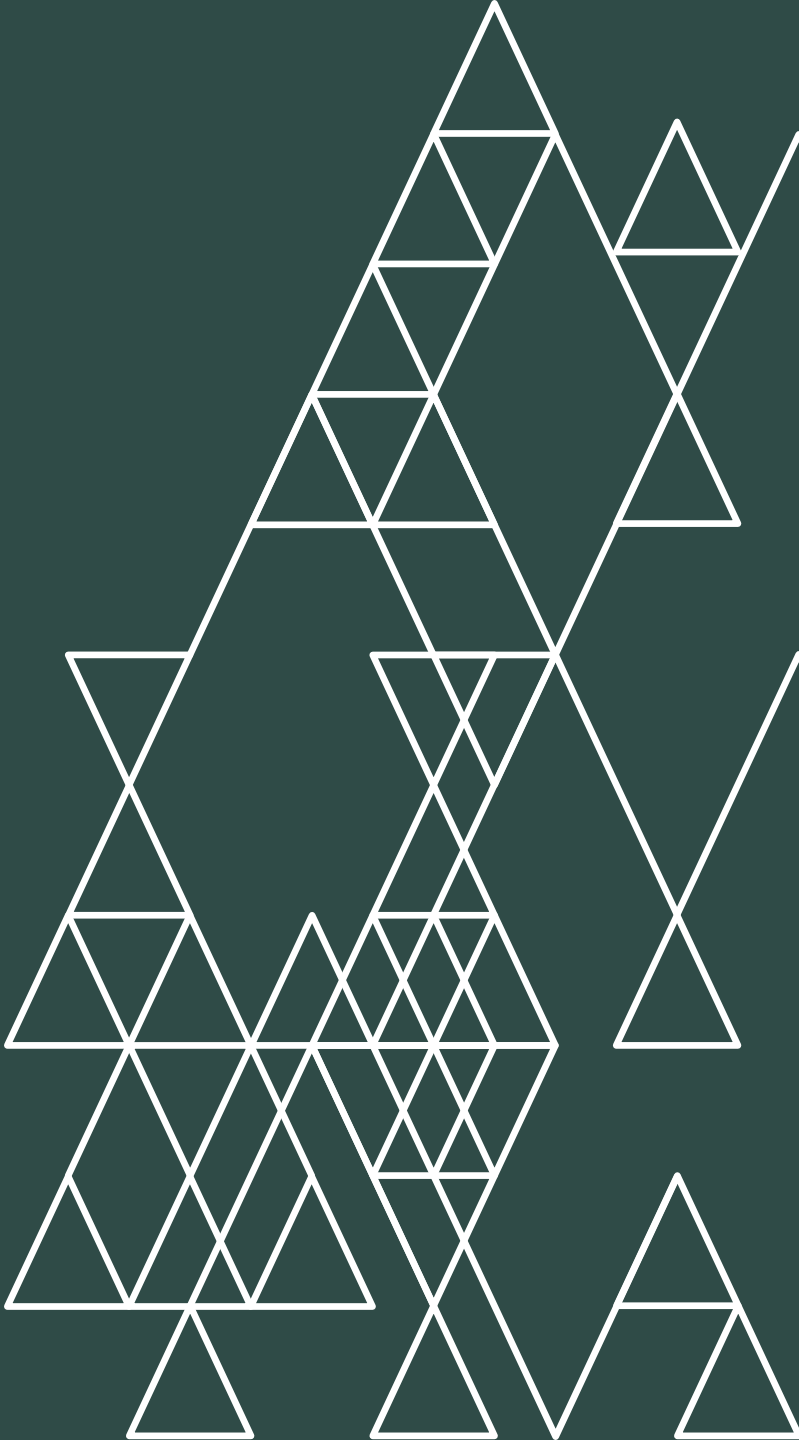
Transport is top of mind for New Zealanders right now. This means that we have an opportunity to really drive change in this area by focussing on the financial impact of reducing petrol/diesel vehicle usage, and increasing consideration of EVs.

Let's dive into our key transport metrics and understand how we might capitalise on this.



EECA

Transport



It's been another big quarter for transport

Clean Car Discount:

Figures reveal that the government has paid out more than \$100 million in the Clean Car scheme.

Over \$14 million has been collected in the high emission vehicle tax since the scheme began in April 2022.



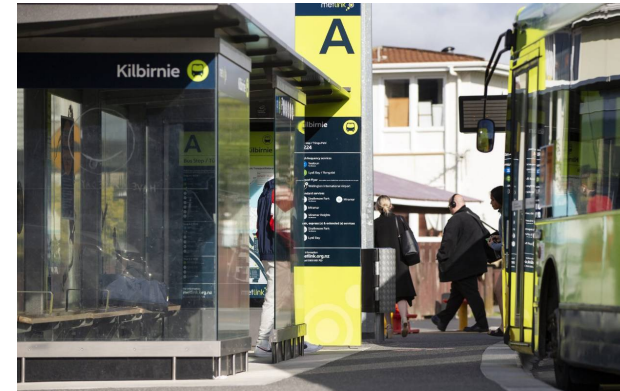
High fuel prices:

After continual rises in fuel prices the government has extended their 25¢ off discount until the end of January 2023.



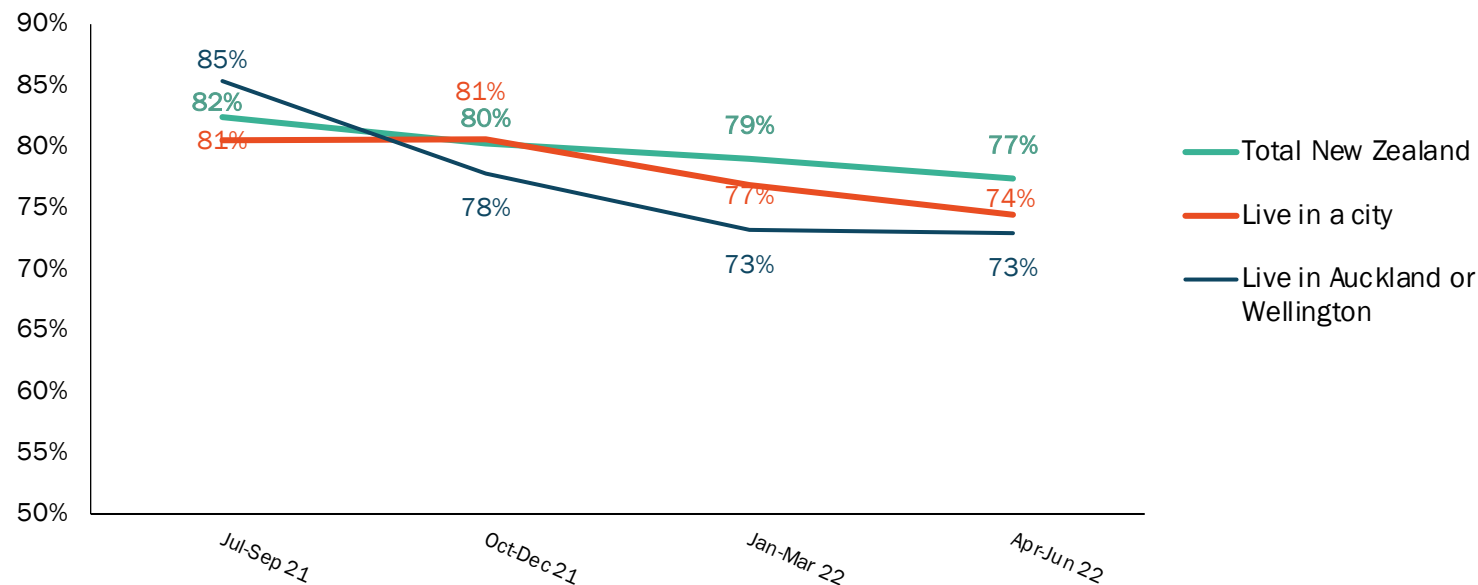
Half-price public transport:

The government had extended this 50% discount until 31st January 2023.



Weekly petrol/diesel vehicle use has decreased over the last year

Petrol/diesel vehicle use: NET once a week or more

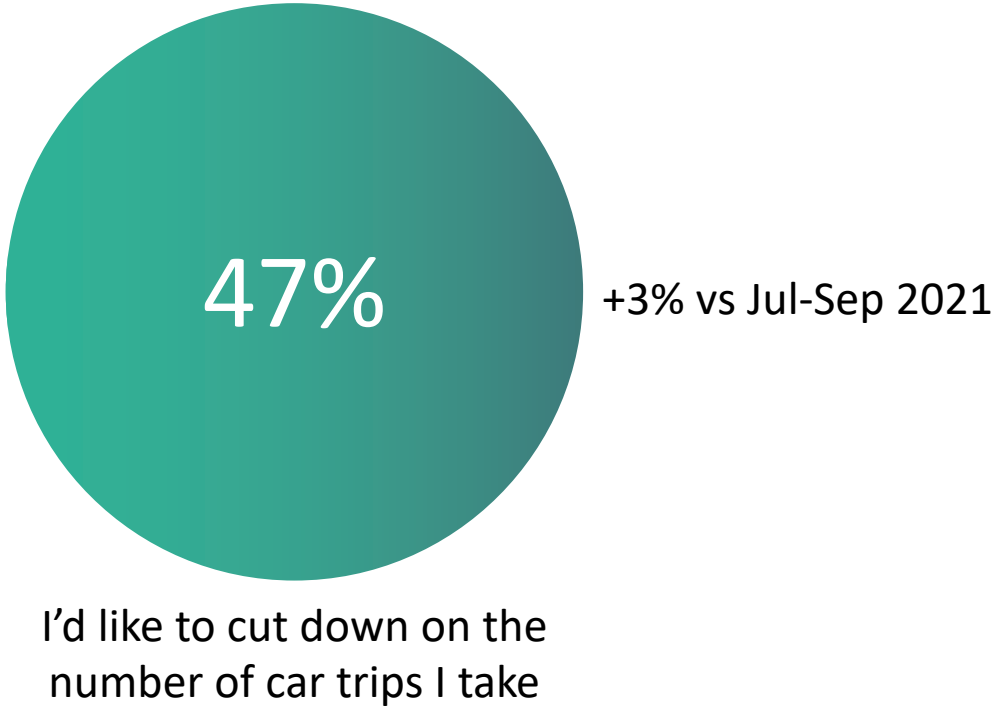


This is particularly the case for cities – those living in a city have seen a 7-point decrease in petrol/diesel vehicle weekly usage since Jul-Sep 2021.

Specifically, those living in Auckland or Wellington have seen a 12-point decrease.

This aligns with the fact that more people are wanting to cut down on their car trips

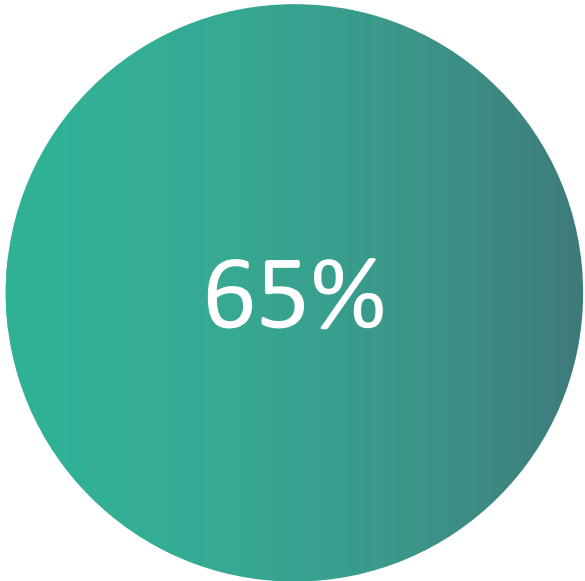
Transport Attitudes – Agree / Strongly agree



However, for 2 in 3 New Zealanders, using their car feels like the only feasible option to get around

This varies greatly by where New Zealanders live

Transport Attitudes – Agree / Strongly agree



Getting around by car is the only feasible option for me

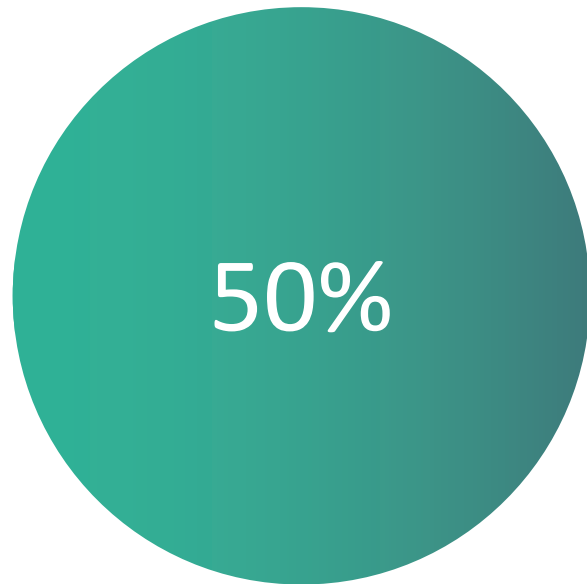
This is slightly lower for those living in cities (62%) and slightly higher for those living in towns (66%).

The significant difference comes from those living in rural areas, where 92% say that getting around by car is the only feasible option for them.

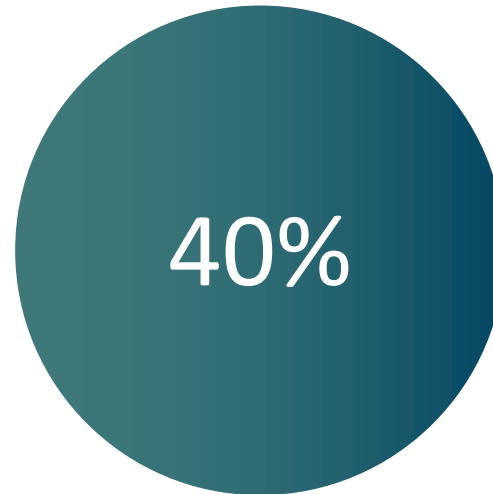


Despite this, there strong intention to use more active modes in the future

Transport Attitudes – Agree / Strongly agree



I'd like to do more cycling or walking in the future

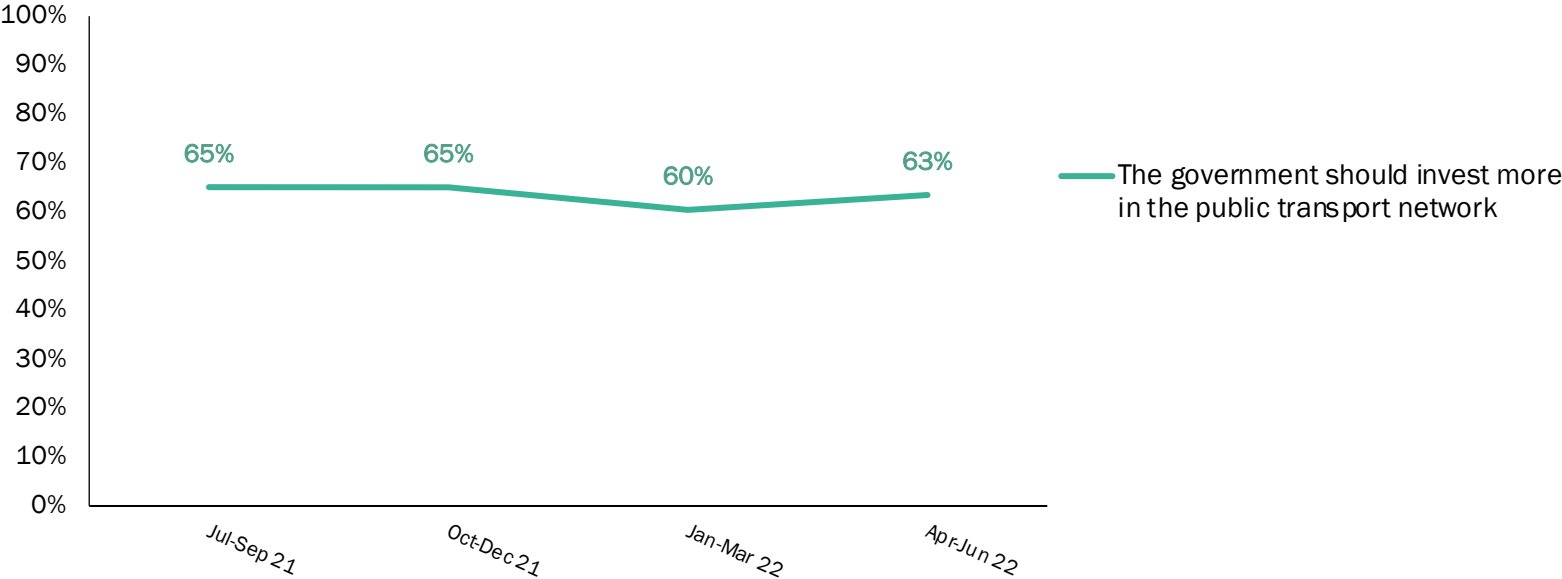


I'd like to use more public transport in the future



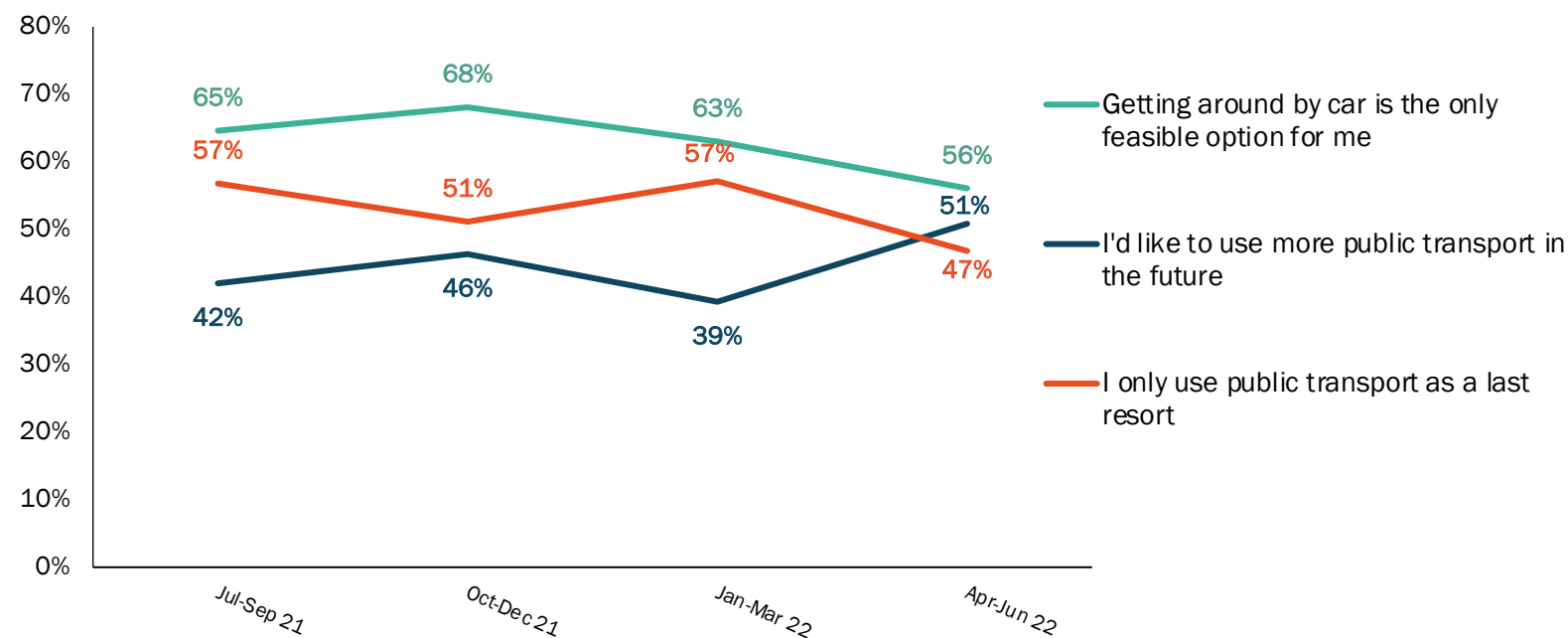
And support for government investment in public transport infrastructure remains strong

Transport Attitudes – Agree / Strongly agree



There have also been some positive shifts in attitudes in our major cities – particularly in the last quarter

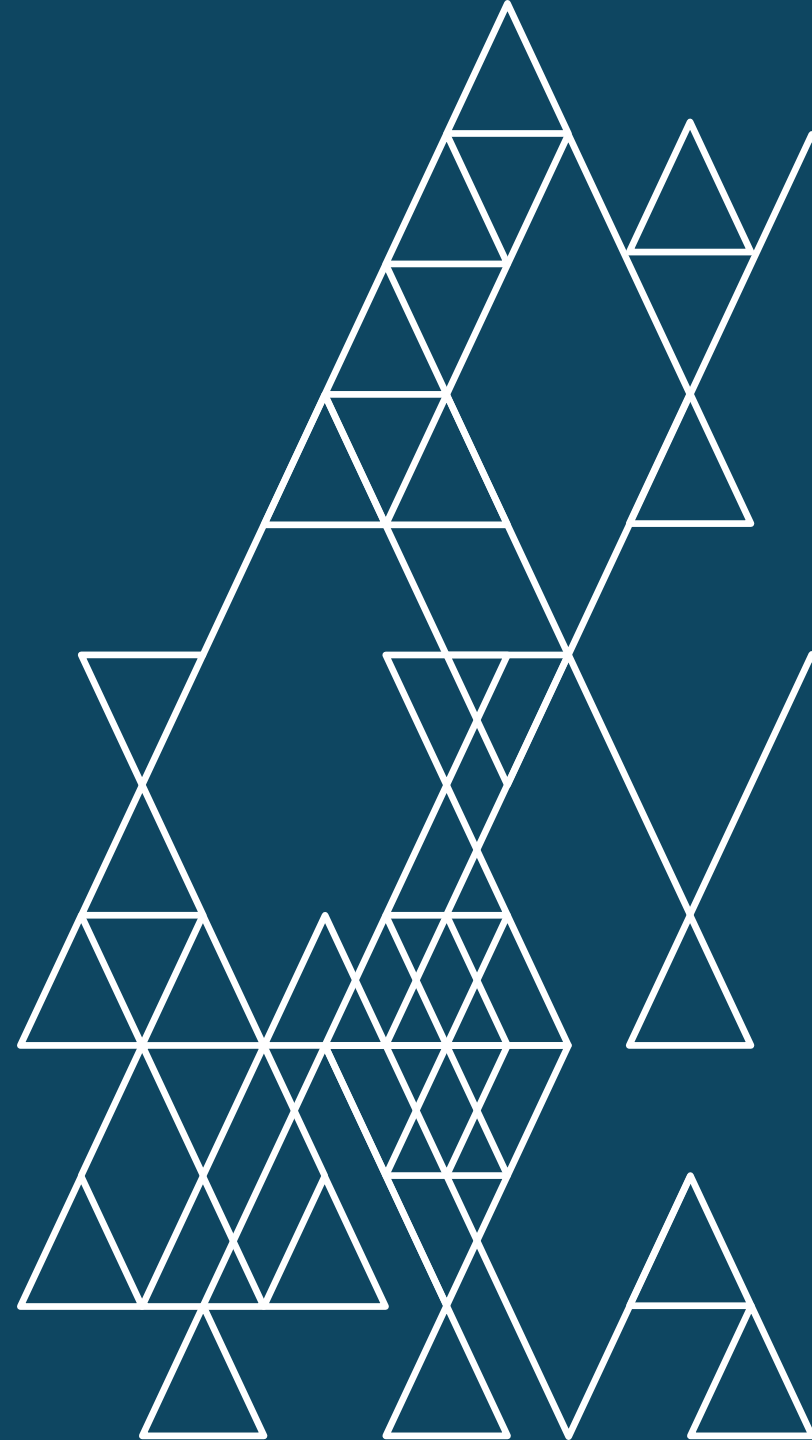
Transport Attitudes – Agree / Strongly agree
Live in Auckland or Wellington



The rising cost of fuel is having an impact on transport choices

The combined effect of increased petrol prices and discounted public transport is encouraging people – especially those in our large cities - to be more purposeful about using their cars.

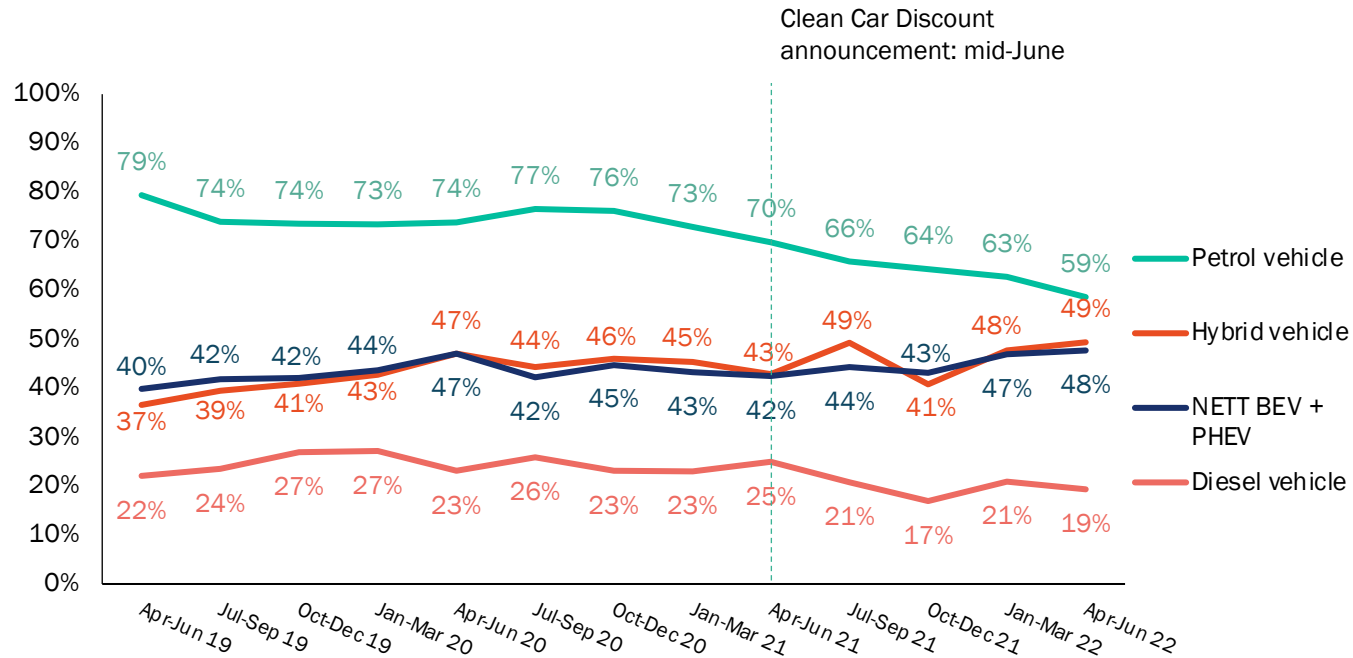
Although many people still see little viable alternatives to driving their own vehicle, an increasing number would like to reduce the number of car trips they take and are considering other options.



EV and hybrid vehicle consideration are at their highest points ever; petrol vehicle consideration is at its lowest

And diesel vehicle consideration continues its descent

Vehicle consideration

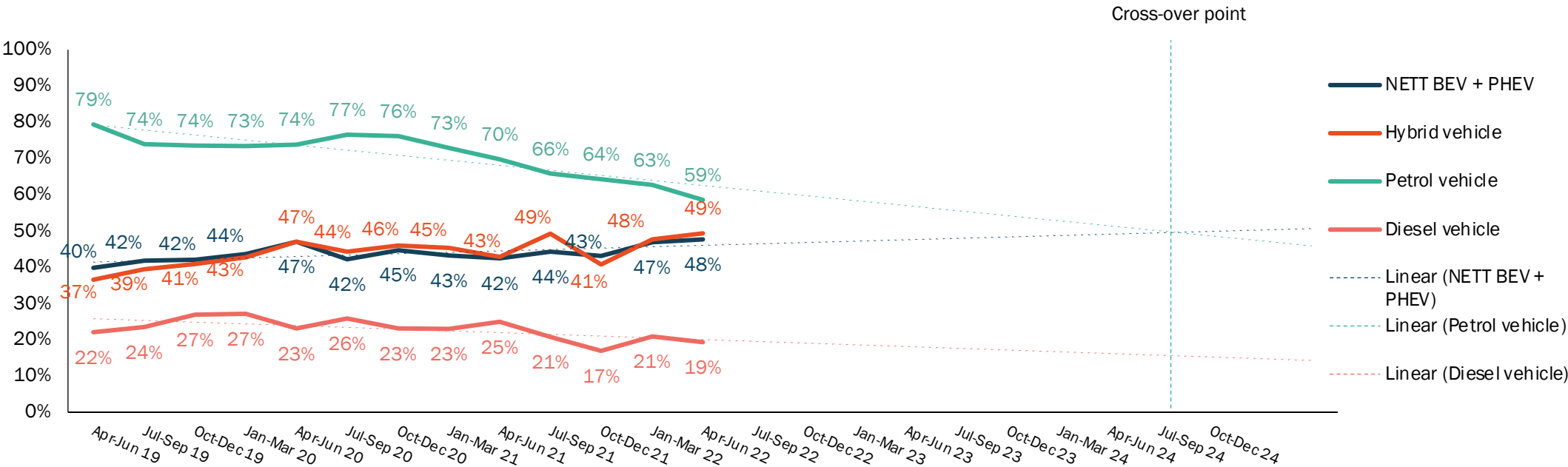


There are a number of different types of vehicles currently being sold in New Zealand. Thinking about your next vehicle purchase, how likely are you to consider the following vehicles? NET Somewhat likely / Very likely
Base: n=733



And if these trends continue at the same rate, we can see that by the end of 2024 EV consideration should overtake that of petrol vehicles

Vehicle consideration



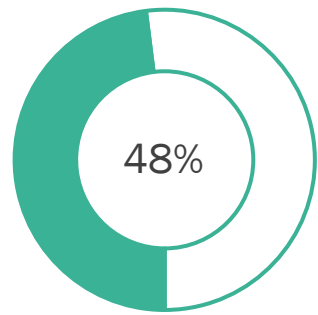
There are a number of different types of vehicles currently being sold in New Zealand. Thinking about your next vehicle purchase, how likely are you to consider the following vehicles? NET Somewhat likely / Very likely
Base: n=733



Confidence that EVs can meet New Zealanders' needs is also at record levels

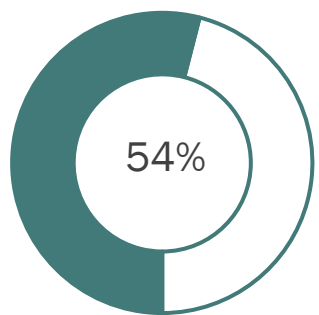
EV Key metrics

BEV / PHEV Consideration



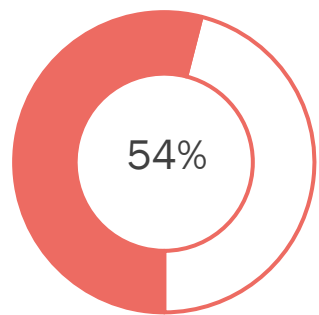
+1 vs last quarter
(Highest score ever)

Confidence



+2 vs last quarter
(Highest score ever)

Favourability



+1 vs last quarter

EV4 How favourable or unfavourable is your overall opinion or impression of Electric Vehicles? (NET Mainly / Very Favourable); EV5 To what extent are you confident that Electric Vehicles can meet your needs? (NET Somewhat / Very Confident); Q177 Thinking about your next vehicle purchase, how likely are you to consider the following vehicles? (NET BEV / PHEV);

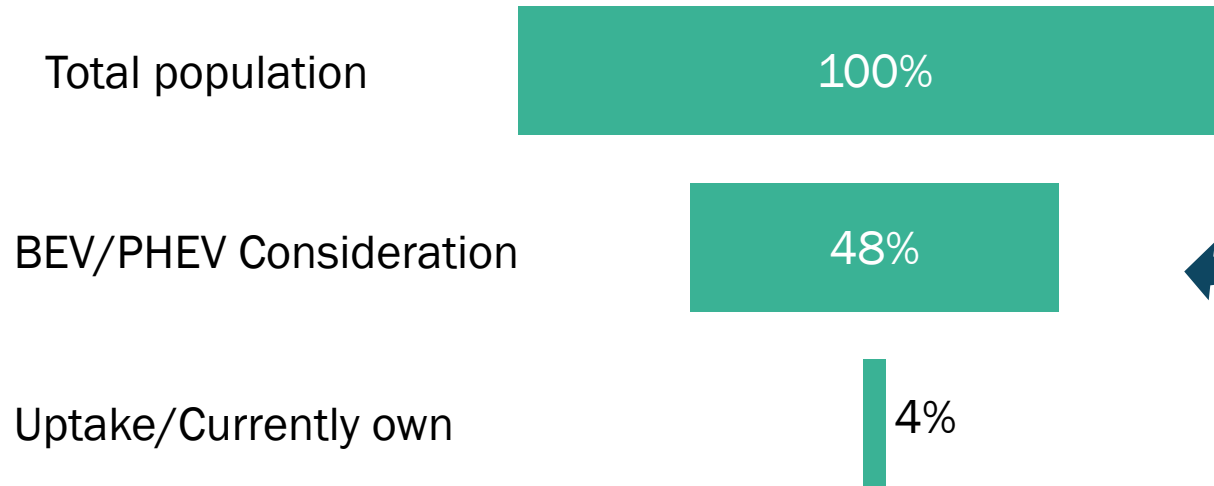
Base: Total Sample -n=434-832

Statistically significant change compared to previous quarter



High fuel prices and the Clean Car Discount give us favourable conditions to further drive EV consideration and uptake

EV funnel



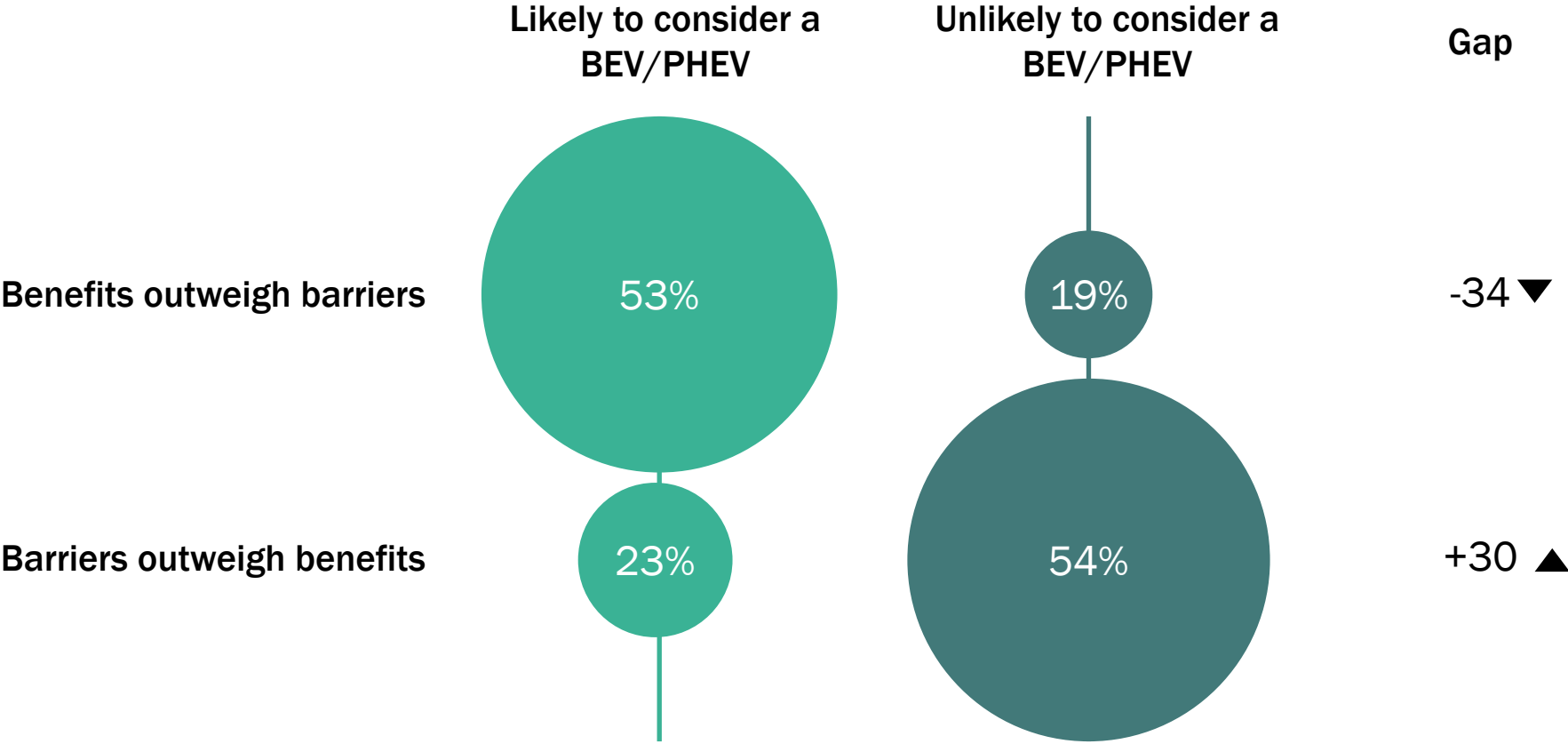
Questions to explore:

How can we continue to drive consideration?

What barriers are those not considering an EV more likely to face, and which benefits are they less likely to believe?

What EV actions are they currently taking?

Those who aren't currently considering an EV are significantly more likely to believe that the barriers outweigh the benefits



Thinking about the benefits and barriers towards electric vehicles, please indicate how the benefits currently compare with the barriers for you personally on the scale below Base: Likely to consider a BEV/PHEV n=194, Unlikely to consider a BEV/PHEV n=183. Filter: Apr-Jun 22



The biggest difference in barriers between those considering EVs and those not considering them are around uncertainty

EV Barriers

	Likely to consider a BEV/PHEV	Unlikely to consider a BEV/PHEV	Gap
They are not available at an affordable price	62%	70%	+8
Uncertainty about the battery lifespan and replacement	59%	66%	+7
There are not enough public chargers available	43%	51%	+8
They have a driving range that is not suitable for long distance travelling	42%	47%	+5
It takes a long time to charge them	33%	39%	+7
They are not tried & trusted yet	24%	36%	+12 ▲
They have a driving range that is not suitable for my typical day-to-day needs	22%	22%	=
There is not a wide range of body types / models available	18%	18%	+1
I'm unsure about their environmental benefits	15%	30%	+15 ▲
I don't know enough about them to consider them	14%	30%	+17 ▲
They are not easily found for purchase	12%	15%	+3
There isn't the vehicle type to meet my needs	12%	21%	+9 ▲
They don't perform as well as petrol cars	10%	22%	+12 ▲
None of the above	3%	4%	+1

And which, if any, of the following do you think are drawbacks to electric vehicles?

Base: Likely to consider a BEV/PHEV n=194, Unlikely to consider a BEV/PHEV n=183. Filter: Apr-Jun 22



And non-considerers also lack education around the many benefits that EVs offer

EV Benefits

	Likely to consider a BEV/PHEV	Unlikely to consider a BEV/PHEV	Gap
They produce less air pollution	73%	54%	-18 ▼
They can be charged at home	68%	46%	-22 ▼
They produce fewer greenhouse emissions	58%	37%	-21 ▼
They're cheaper to run	56%	35%	-21 ▼
They are quiet when driving	55%	51%	-4
They use renewable energy	47%	25%	-22 ▼
They can be charged independent of petrol companies	46%	30%	-16 ▼
They use an innovative technology	42%	22%	-20 ▼
They're cheaper to maintain	36%	14%	-23 ▼
They accelerate faster than petrol cars	21%	14%	-7 ▼
Something else - please specify	1%	1%	=
None of the above	0%	20%	+20 ▲



Looking for more information on EVs is a key action that separates those who consider and don't consider EVs

EV actions

	Likely to consider a BEV/PHEV	Unlikely to consider a BEV/PHEV	Gap
I know someone who owns an electric vehicle	45%	32%	-13 ▼
I have seen media coverage about electric vehicles	44%	36%	-8
I have talked about electric vehicles with people I know	43%	32%	-11 ▼
I have seen an electric vehicle in a public charging station	40%	34%	-6
I have looked for more information on electric vehicles	32%	12%	-19 ▼
I have ridden in an electric vehicle as a passenger	23%	21%	-2
I have driven an electric vehicle of someone I know	16%	9%	-7 ▼
I have visited a dealership and asked about electric vehicles	13%	4%	-9 ▼
I have visited the electric vehicle government website	9%	2%	-8 ▼
I have attended an event where electric vehicles were promoted/displayed	8%	1%	-7 ▼
I have test-driven an electric vehicle	8%	4%	-4
I currently own an electric vehicle	6%	1%	-6 ▼
None of the above	13%	32%	+19 ▲



There's still a big job to do in educating New Zealanders about EVs in order to overcome the barriers and fully realise the benefits

We can't directly control functional barriers like price and availability, but we can influence consideration by providing information that helps New Zealanders be more informed about the benefits of EVs.

Creating clear call to actions that demonstrate benefits and encourage New Zealanders to find out more would have a real impact here.

