



What can the 2018 New Zealand Consumer Survey tell us about the profile of consumers whose purchasing decisions may be affected by knowing a business treats its workers fairly?

BACKGROUND

A nationally representative survey of New Zealand consumers was run between October and December 2018. The survey was the second in the series after the benchmarking survey conducted back in 2016. The surveys aim to investigate consumer awareness and understanding of their rights, confidence when purchasing, and experiences when problems occur. In 2018, a total of 2,597 adult consumers responded to the survey – a 19% response rate. Responses were weighted by gender, age and ethnicity.

The Employment Services team at MBIE included the question below into the 2016 to enable them to set a benchmark for their corresponding performance measure. The question was also included in the 2018 survey to look at change since 2016.¹

Thinking about the types of information that you might see before purchasing a product or service, how often does the following apply to you? – Knowing that a business treats its workers fairly (eg. Pays at least minimum wage, provides a safe workplace), affects my decision on where to purchase products/services. (Question 7.5)

SURVEY RESULTS

More consumers report that their purchase decisions are regularly affected by knowledge of how a business treats its workers

In 2018 around half of consumers (48%) reported that they 'always' or 'most of the time' consider where to purchase products or services based on a knowledge of how that business treats its workers (see Figure 1), an increase from 43% in 2016. In 2018, 8% of consumers reported that they 'never' consider how a business treats its workers when deciding where to purchase goods and services and 4% indicated they 'don't know'.

There are differences among the following consumer groups:

- Consumers aged 18 – 26 years are more likely to say that knowing a business treats its workers fairly 'always' affects their decision on where to purchase (22% compared to 16% overall)
- Consumers aged 57 years or more are more likely to say that knowing a business treats its workers fairly 'never' affects their decision on where to purchase (11% compared to 8% overall)
- Females are more likely to say that knowing a business treats its workers fairly 'always' affects their decision on where to purchase (19% compared to 12% for males)

¹ Only changes that are significant at the 95% confidence level are reported.

Consumer Protection

- Males are more likely to say that knowing a business treats its workers fairly **'never'** affects their decision on where to purchase (11% compared to 6% for females)
- Consumers with annual household incomes up to \$25,000 are more likely to say that they **'don't know'** if knowing a business treats its workers fairly affects their decision on where to purchase (8% compared to 1% for consumers with household incomes of \$125,000 or more)
- Consumers studying (24%) and consumers who are self-employed or running own business (21%) are more likely to say that knowing a business treats its workers fairly **'always'** affects their decision on where to purchase (compared to 16% overall)
- Consumers whose highest education level is secondary school are more likely to say that knowing a business treats its workers fairly **'never'** affects their decision on where to purchase (11% compared to 6% for those with a degree or higher)
- Consumers with higher self-rated consumer knowledge (know a moderate amount/ a lot about consumer rights) are more likely to say that knowing a business treats its workers fairly regularly (**always/most of the time**) affects their decision on where to purchase (53% compared to 44% with lower consumer knowledge (know nothing/ a little)

Figure 1. Knowledge of working conditions affecting decisions when purchasing a product or service

