

Regional TV Marketing Consumer Research Bulletin – May 2005



Sea-Change Dream Is A Reality

A new report by foreseechange, shows regional Australians to be significantly more satisfied across a broad range of quality of life measures than people living in the cities, as well as experiencing a substantial positive shift in financial wellbeing from 2003 to 2004.

Overall, 84% of regional Australians are satisfied with their quality of life and a massive 63% are very satisfied. This compares to only 50% of very satisfied city dwellers.

The survey confirms wide spread anecdotal reports relating to the "sea-change", and more recent "tree-change" phenomena, of people exiting cities in search of the better quality of life said to be available in regional markets. High levels of satisfaction in areas ranging across health, education and economic management suggest this is no pipe dream.

People 18+ % Satisfied with...	Regional	Metro
Quality of life	84%	81%
Quality of economic management	61%	50%
Quality of education	55%	42%
Quality of health	46%	35%

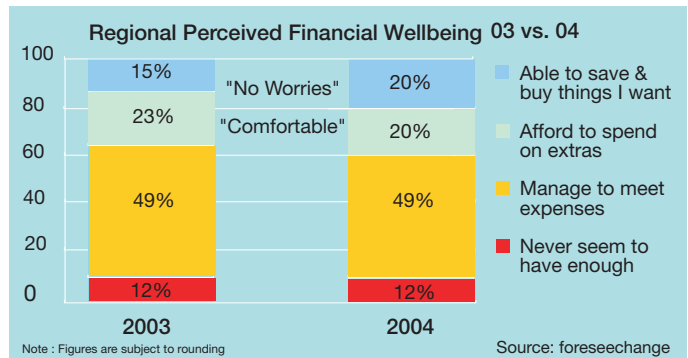
Source: foreseechange

Even more compelling is the fact that from 2003 to 2004 regional people experienced a marked improvement in their perceived financial wellbeing with a substantial migration from what have been labelled the "Comfortable" to "No Worries" financial segments.

People in the No Worries segment agree to the statement "I have few financial concerns, being both able to save and buy the things I want" while

Comfortable respondents agree "I can afford to spend on those extra things that make life worthwhile".

Together, these two valuable groups account for approximately 40% of regional Australians, with the No Worries segment increasing from 15% in 2003 to 20% in 2004. By comparison, in capital cities the No Worries segment declined from 22% to 19% year on year.



Charlie Nelson, director of foreseechange, attributes these changes to regional markets being more positively impacted upon by recent income tax cuts and increased family tax benefits, despite being subject to the same degree of negative economic factors such as interest rate rises and higher petrol prices. "Household income in regional markets is approximately 83% of capital city earnings, however rent and mortgage payments are correspondingly lower at around 80% of metro equivalents. The proportion of people who own their home outright is also substantially higher in regional areas at 40% vs. 35% in the cities, resulting in greater overall financial wellbeing in the face of interest rate rises." said Nelson.

This goes some way to explaining why regional Australians were also shown to be just as likely to spend, given an increase in funds, as their metro counterparts.

3 implications for marketers

1. Similar proportions of people in the valuable No Worries segment indicates advertising for luxury goods and services will be equally effective in regional areas as capital cities.
2. Higher levels of discretionary income available in regional TV markets translates to significant spending power.
3. Greater life satisfaction presents ideal opportunity for communicating positive marketing messages.