

NobletMedia CIS

CIS: PR & Communications Guide
Survey of prosperous consumers' opinions
in Kazakhstan

PR NobletMedia CIS
& Communications Guide

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- 1 The goals and methodology of the survey

Why it is necessary to research trust?

- In the conditions of crisis reducing of consumption Ukrainians, as the whole world, moving towards a more cautious, meaningful and rational choice of goods and services. In 2009, it becomes much harder to convince consumers to buy a product, and the key role for this belief plays trust - to business in general, to any company, brand or person.
- According to research GfK Roper Reports Worldwide, in 2009 traditional values become increasingly important for the Ukrainians. Consumers with traditional values are more conservative and tend to choose familiar brands and companies that are trusted.

Why it is necessary to research prosperous consumers?

Prosperous consumers:

- Make important decisions about major purchases/investments
- As a rule, well educated and informed, occupy managerial positions in the companies/organizations
- Are the reference group and the "opinion leaders" for the rest of the population as the most active, informed and respected stratum

I.E. ACTUALLY SETS THE TONE FOR THE COUNTRY'S ECONOMY

Definition of prosperous consumers

- Respondents of the surveys tend to understate or to conceal their real incomes, therefore to define the level of prosperity is used the scale of subjective estimation of the welfare:



2 Survey Results for Kazakhstan

Definition of prosperous consumers

- Respondents of the surveys tend to understate or to conceal their real incomes, therefore to define the level of prosperity is used the scale of subjective estimation of the welfare. According to that scale, 28% of the population of large cities of Kazakhstan are prosperous consumers:



Methodology of the Survey

Idea of the survey was inspired by international surveys

- **Methods:** Computer Aided Telephone Interviewing (CATI)
- **Sampling:** 100 interviews with prosperous consumers in age 24-55, earning main or most part of family's income. Maximum possible error for indicator's share 50% is 9,8%
- **Conducted by :** Research Company "Komkon-2 Euroasia"
- **Geography:** Almaty, Shymkent, Astana, Karaganda, Pavlodar, Ust'-Kamenogorsk, Aktobe
- **Time of conduction:** September 4 – 9, 2009

Key Findings and Recommendations

Key Findings: trust to business and state power

- In the whole prosperous Kazakstanians tend to have higher level of trust to state (50%) then to business (41%). Meanwhile more prosperous respondents trust less to the state power and more to business. Moreover, the state is more trusted among older respondents and women, and business – among younger respondents and private entrepreneurs. Trust to business is inversely related to the openness to state control.
- Most trusted are the companies on markets of telecommunications, energy and industry, less are trusted pharmaceutical, construction and insurance companies.

Key Findings: companies' reputation and consumer's behavior

- 69% of customers trusting to companies claimed to buy the products of that very company, and 34% - that they have paid for these products more than for available analogues. 54% have recommended such company to their friends and colleagues.
- In relation to un-trusted company, 64% of respondents claimed not to buy products of such company even for the low price, 37% of respondents refused from using products or services of such company, 25% criticized it in conversation with friends and colleagues.
- The most positive influence on the evaluation of company's reputation are causing it's attitude towards environment (88% are considering this factor important), keeping within laws (86%), quality of goods and services (85%) attitude towards employees (85%), creation of jobs in region (83%). Respondents with lower level of income are giving more importance to factors, related to social responsibility.
- Considering the background of the company, the most positive factor of the perception is that company is the branch of large international company (79%), little less positive – Kazakstani company and the least – foreign managers of the company(28%).

Key Findings: products and services selection criteria

- Most important characteristics of goods and services – cost effectiveness, reliability, usability and environmental friendliness/naturality. Considerably less important are such characteristics as innovativeness, stylish design, fame and prestige of brand.
- Kazakhstani brands are trusted more (36%), than foreign goods in whole (25%). Particularly, Kazakhstani manufacturers are trusted less than producers of Western Europe and Russia, as well as producers of Eastern Europe, and less than producers of USA, Korea, Taiwan, China and India.
- Notably, that (un)-trust to Kazakhstani products is more related to the trust to the state than to business. The respondents, trusting Kazakhstani products, tend to trust the state more (61%) than respondents, trusting foreign products (26%).
- Kazakhstani products are trusted more by men, older respondents, with lower level of education and income.

Key Findings: Trusted Sources of Information

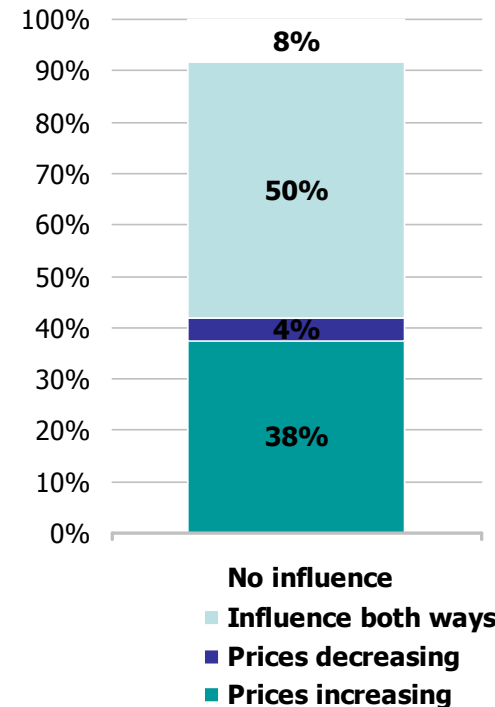
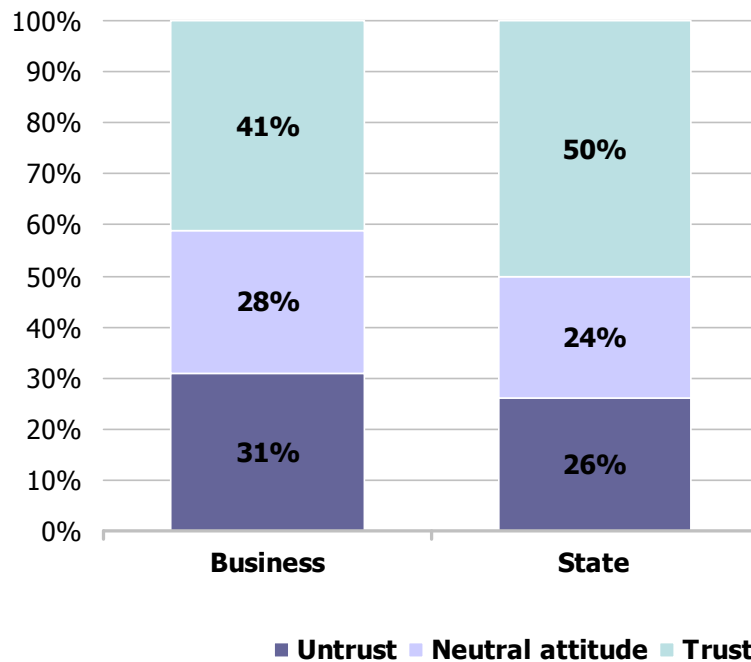
- The most part of prosperous Kazakstani use actively different kinds of mass media to get business and other news. Most of all they trust specialized magazines, and also TV news, traditionally leading mass media by frequency of use
- Considering personalities, most trusted are scientists, friends, independent experts and peers – “a person like me”. Under ‘a person like me’ respondents most often mean people of their age or sharing the same political views. Notably, that last definition is more characteristic to people less trusting to state authorities. On the whole, news are more often discussed within family and with colleagues.
- More educated and prosperous respondents tend to trust TV and radio news less. Women trust more traditional sources of information about companies and Internet, young Kazakstani trust more traditional an corporate sources of information and respondents in their middle years trust digital sources.
- For 36% of respondents it is enough to hear information once to trust it, and 36% need to hear it 2-3 times. The more higher education and income of respondents are, the more rare they believe information from the first time.

Trust to Business

Trust to state authorities is higher than trust to business. Relative majority of the respondents believe that state policy influence both increase and decrease of prices.

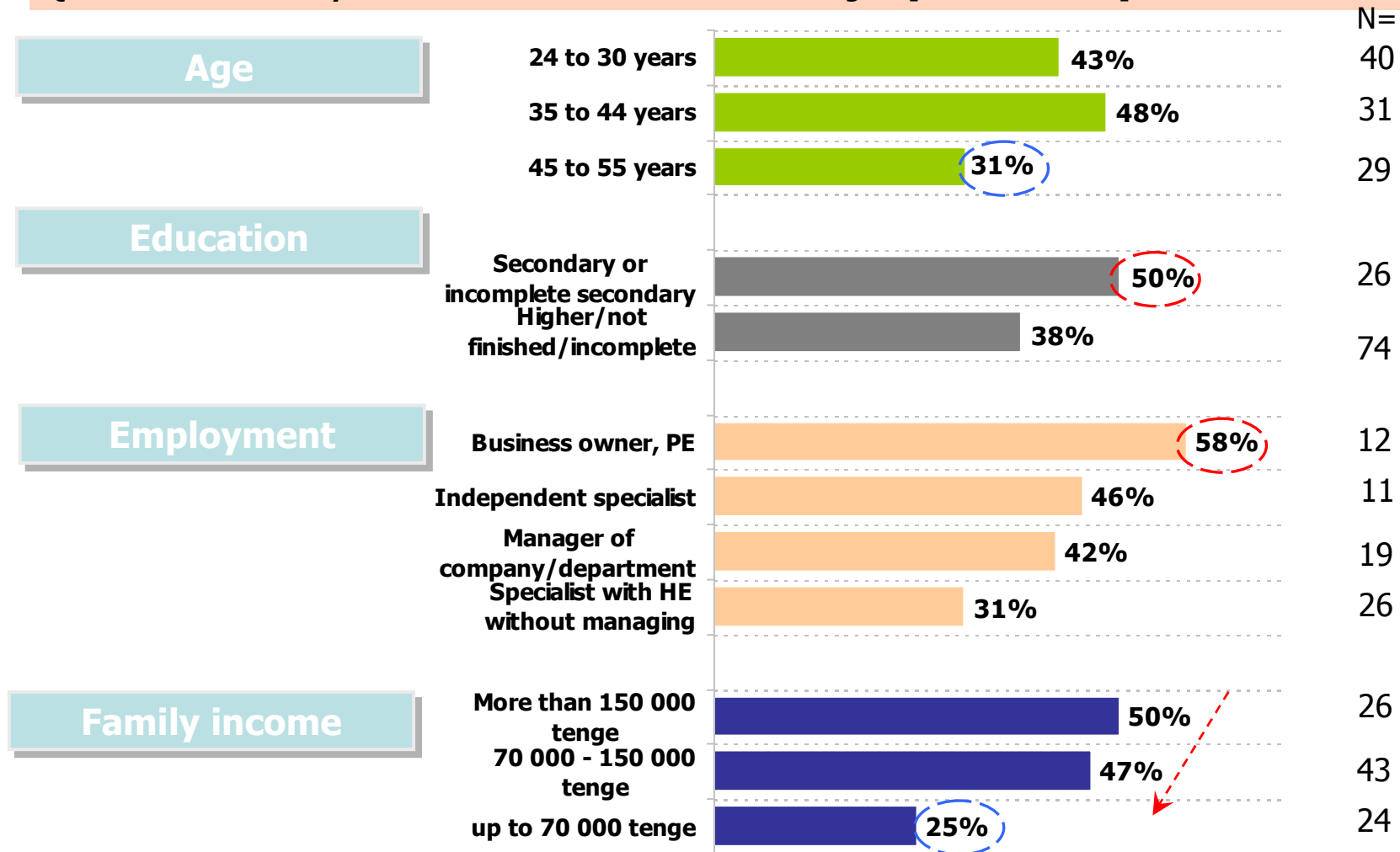
Q1, Q14. To what extent do you trust business / To what extent do you trust state authorities to act as they believe is right? [9-grade scale, «1» means — do not trust at all, «9» — fully trust]

Q15. In your opinion, does the governmental policy influence the prices of goods and services?



Trust to business is higher among business owners/private entrepreneurs. Respondents in age 45-55 with not so high level of family income tend to trust business least of all.

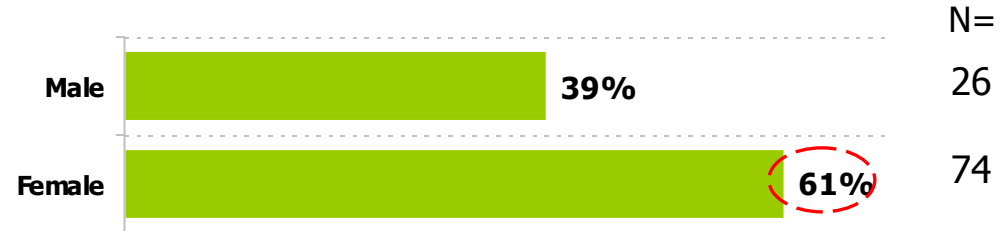
Q1. To what extent do you trust business to act as it believe is right? [Alternatives 6-9]



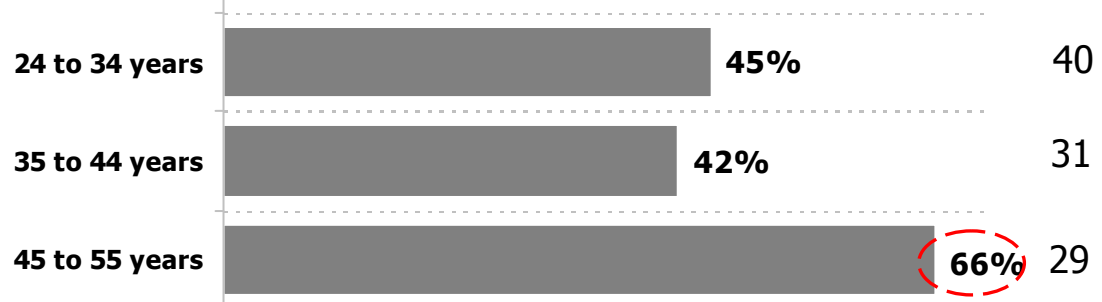
Women and older respondents tend to trust state authorities more. The lowest level of trust to state is observed among the most prosperous respondents.

Q14. To what extent do you trust state authorities to act as they believe is right? [Alternatives 6-9]

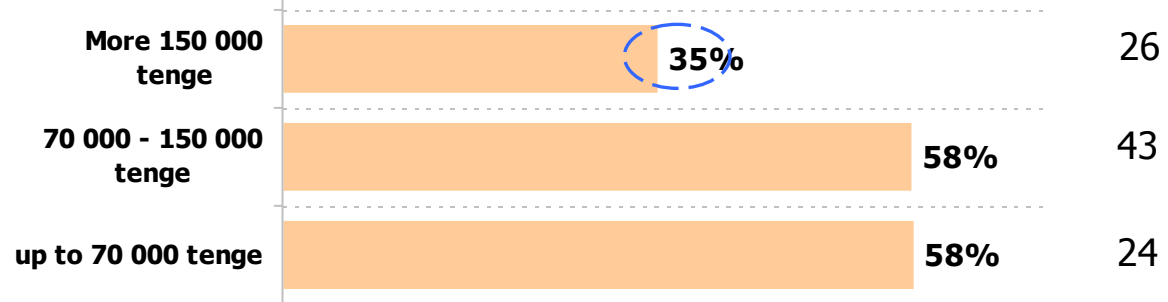
Gender



Age

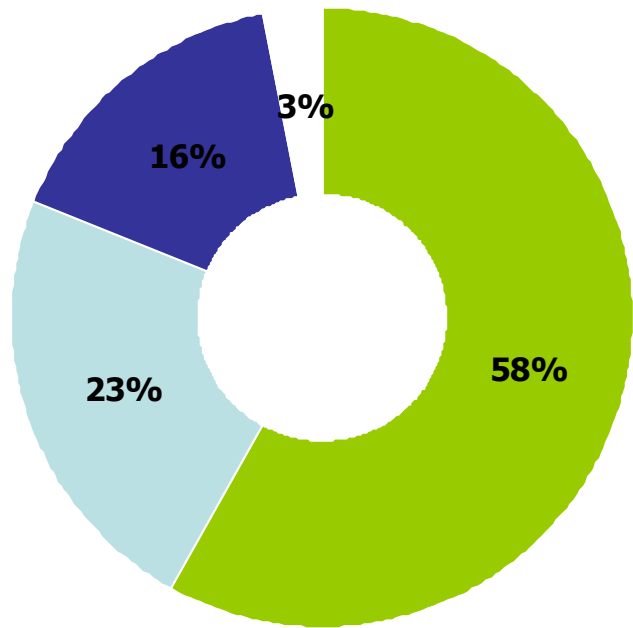


Family income

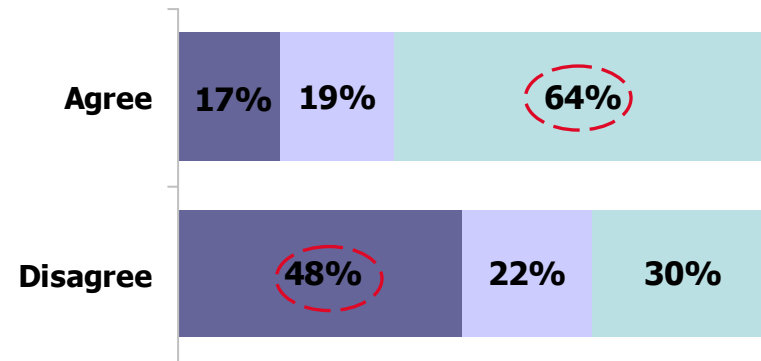


Majority of respondents support the necessity of more severe control over business. Openness to control from the side of state is directly proportional to the level of trust to state power.

Q16. Are you agree or disagree that government should perform more severe control over business *in all fields?*



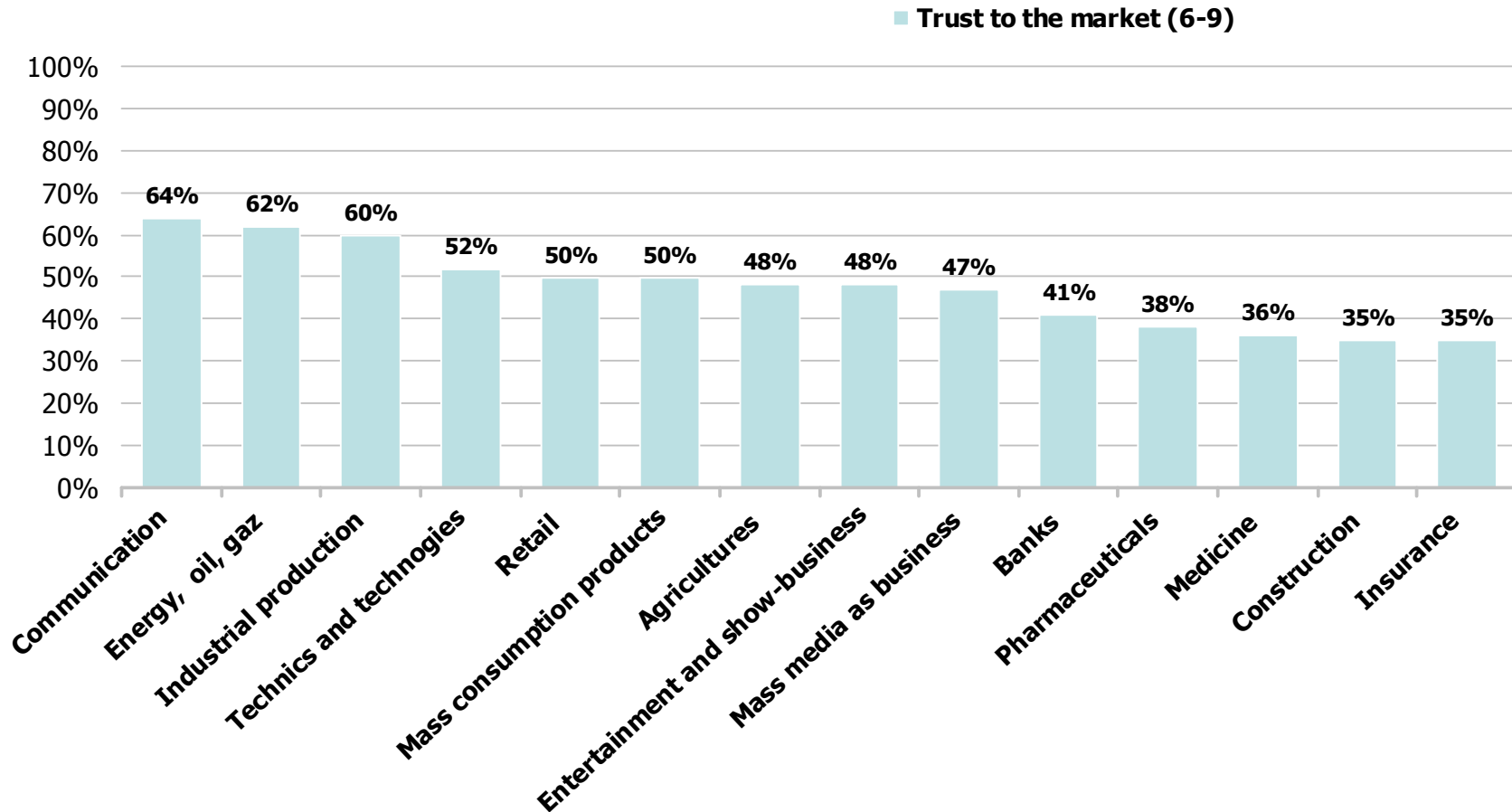
- Agree
- Disagree
- Neither
- Difficult to say



- Untrust to state power
- Neutral to state power
- Trust to state power

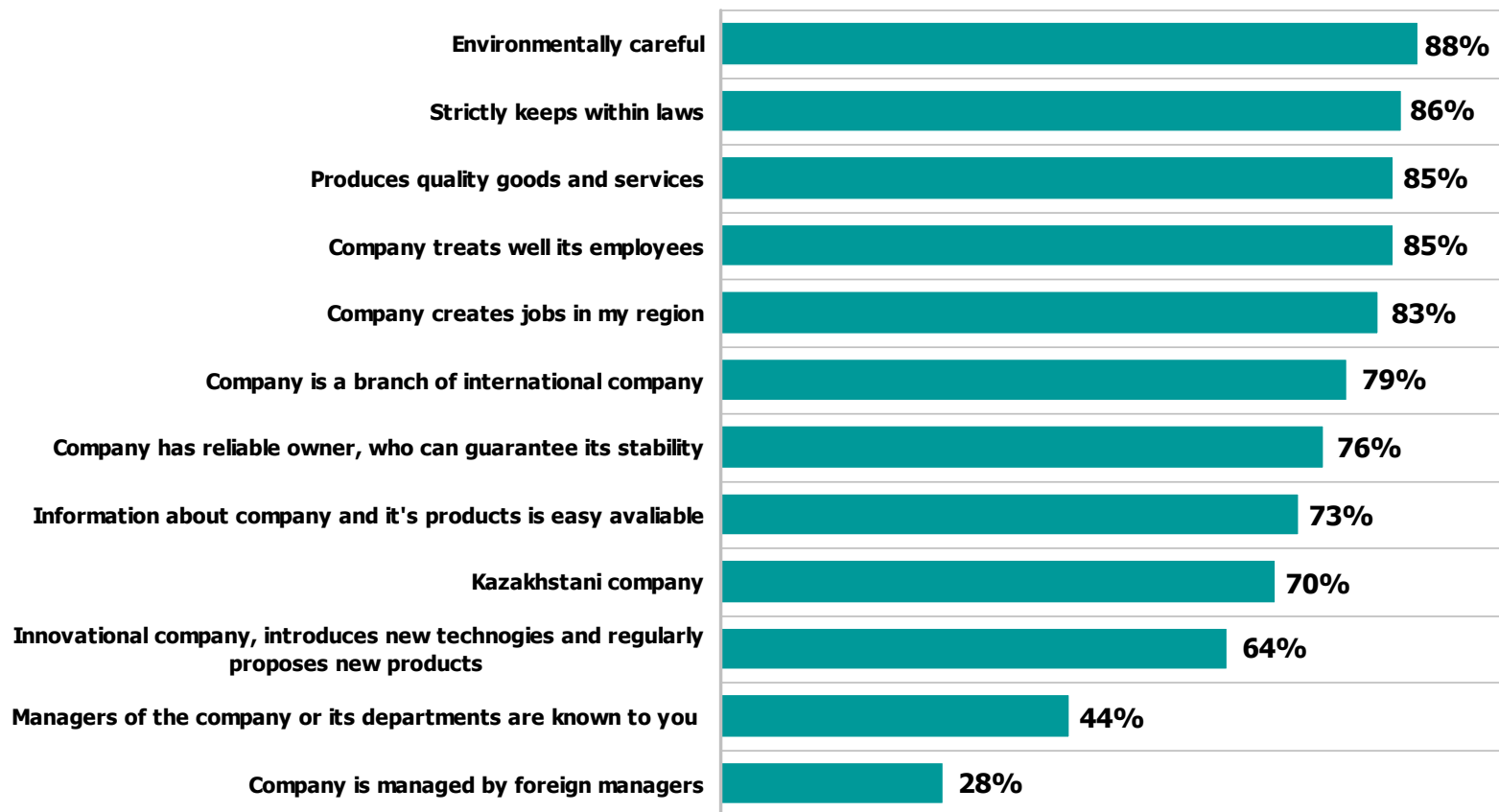
Companies on telecommunication, energy and industrial markets are trusted the most, pharmaceutical and medical, construction and insurance companies – the least

Q2. To what extent do you trust businesses in every following field to act as it believe is right? [9-grade scale, where «1» means – do not trust at all, «9» – fully trust]



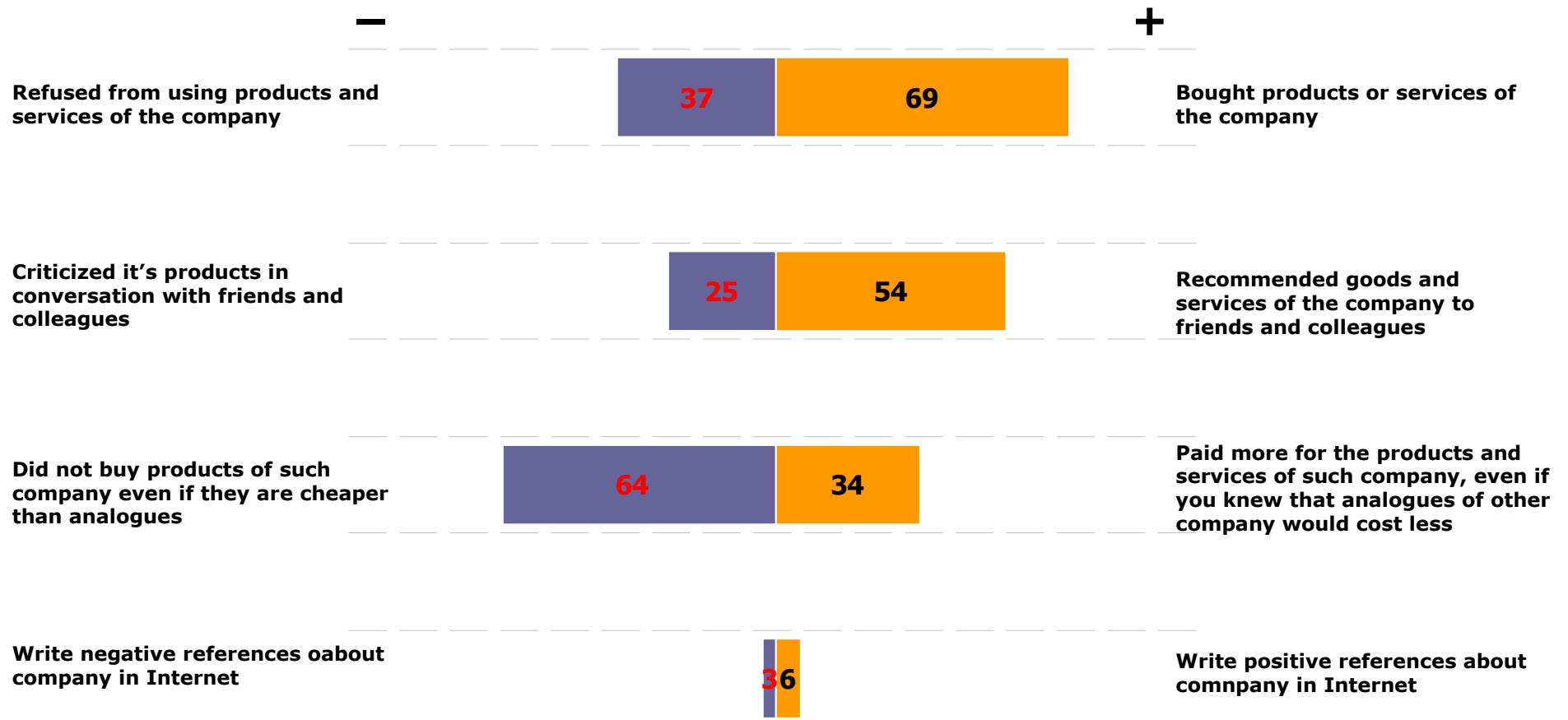
The most important factors of company's reputation is attitude to environment, keeping within laws, quality of goods and services, attitude to employees

Q10. How important for you is each of the following factors of company's reputation? 9-grade scale, where "1" is "not important at all", "9" – "very important". [Alternatives 6-9 considered "important"]



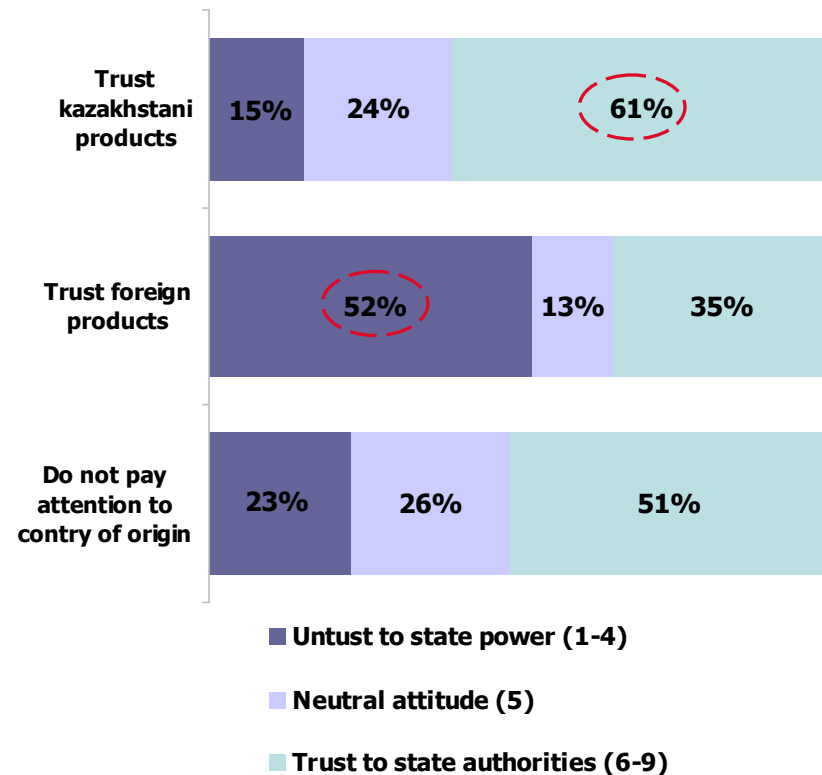
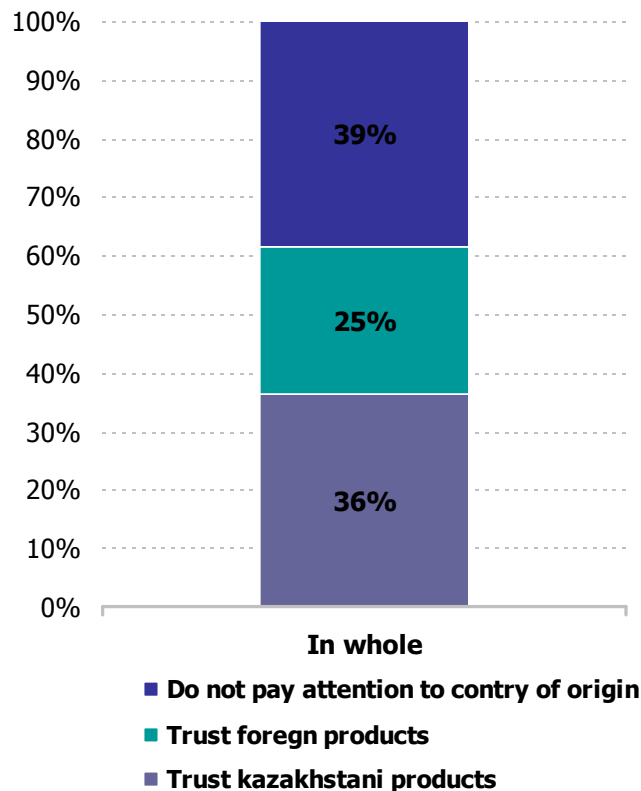
Trust determines customer's behavior

Q12. During last 12 months have you any of the following action in relation to trusted companies?? Q13. During last 12 months have you any of the following action in relation to UN-trusted companies?



Trust to Kazakstani products is in whole higher than to foreign and inverse relative to trust to state power

Q8. Do you trust more to products, produced in Kazakhstan or abroad?



Kazakstani products are more trusted by men, older respondents, with lower level of education and income

Q8. Do you trust more Kazakstani products or foreign products?

N=

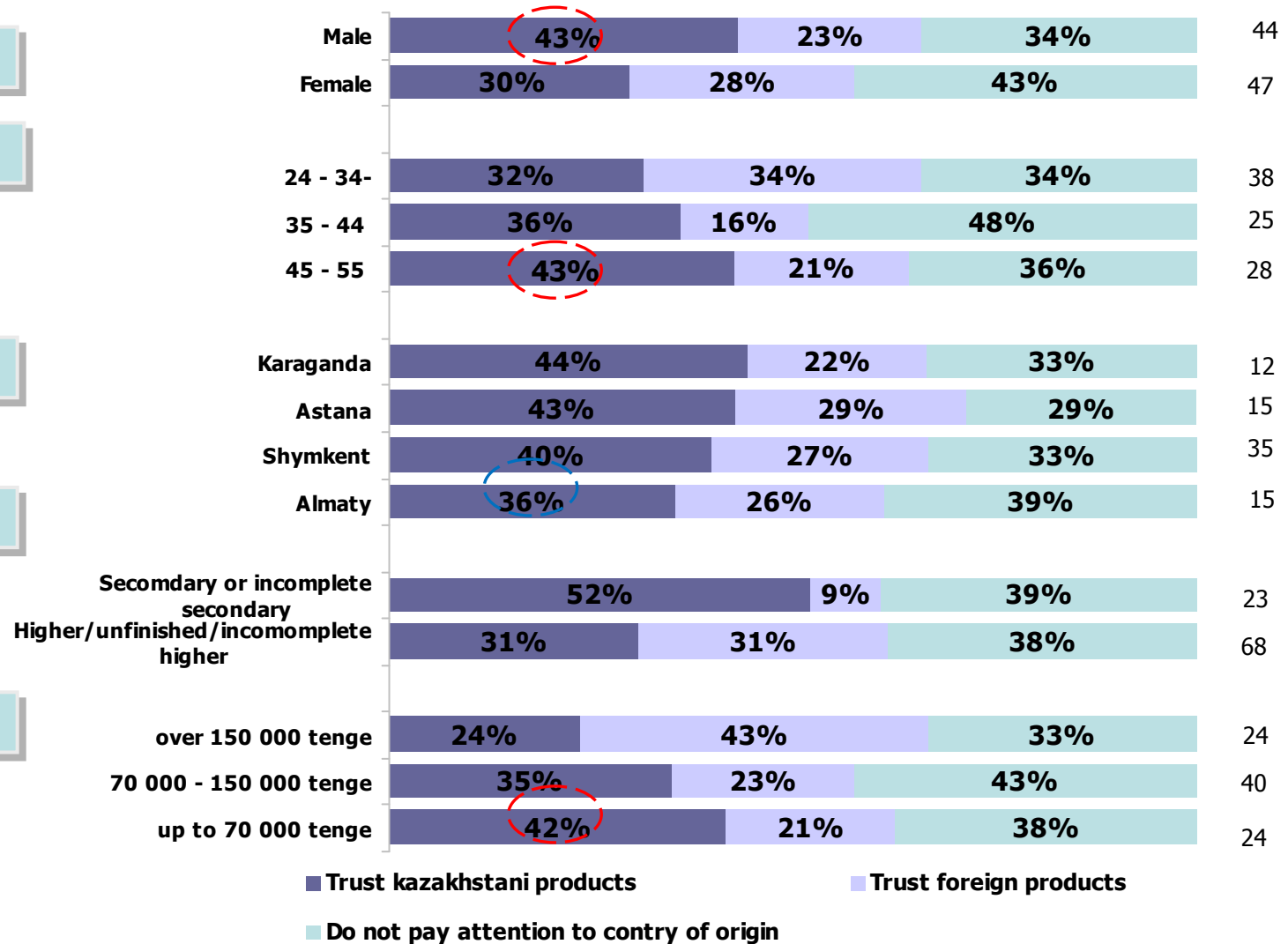
Gender

Age

Region

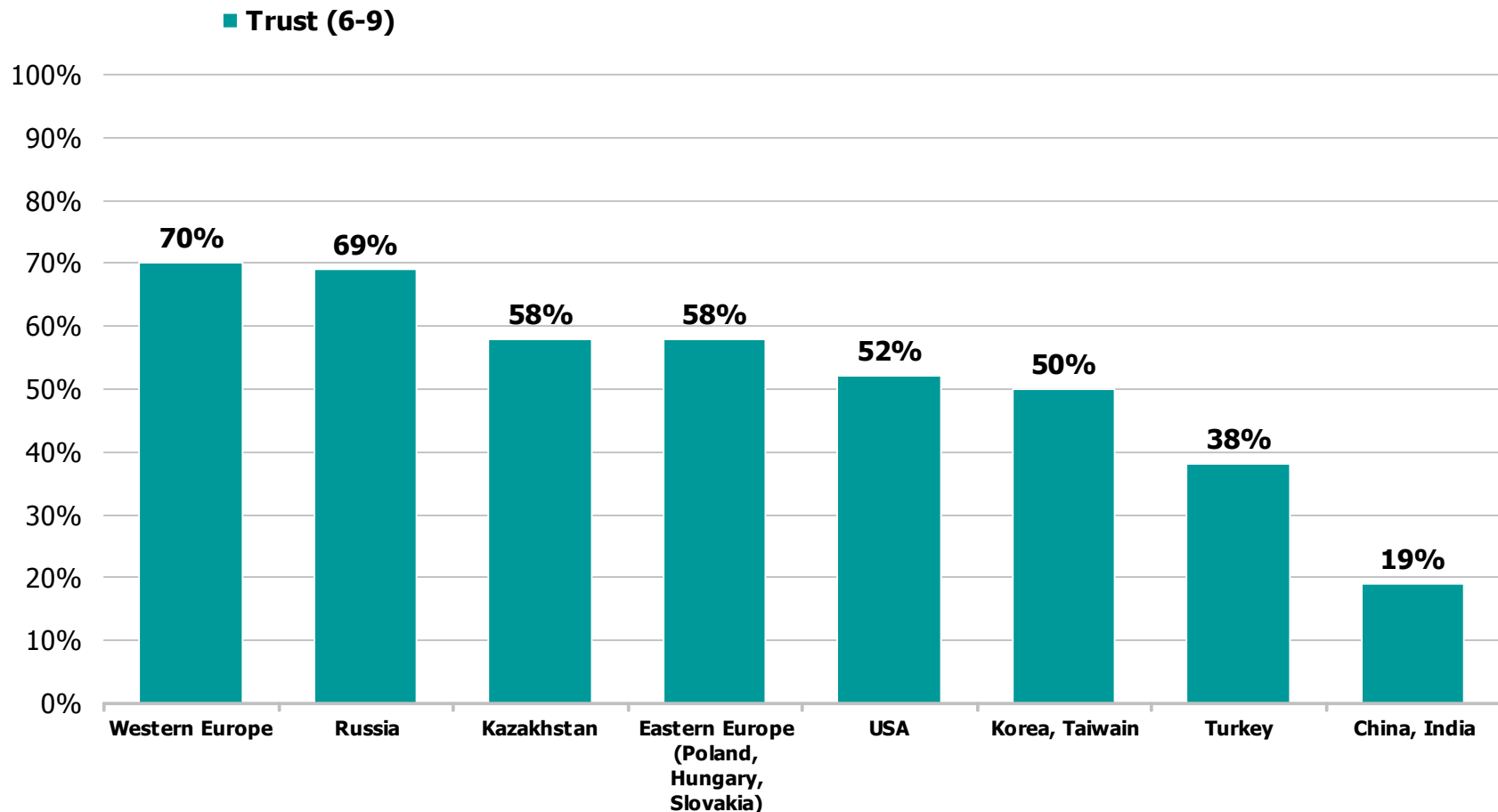
Education

Income



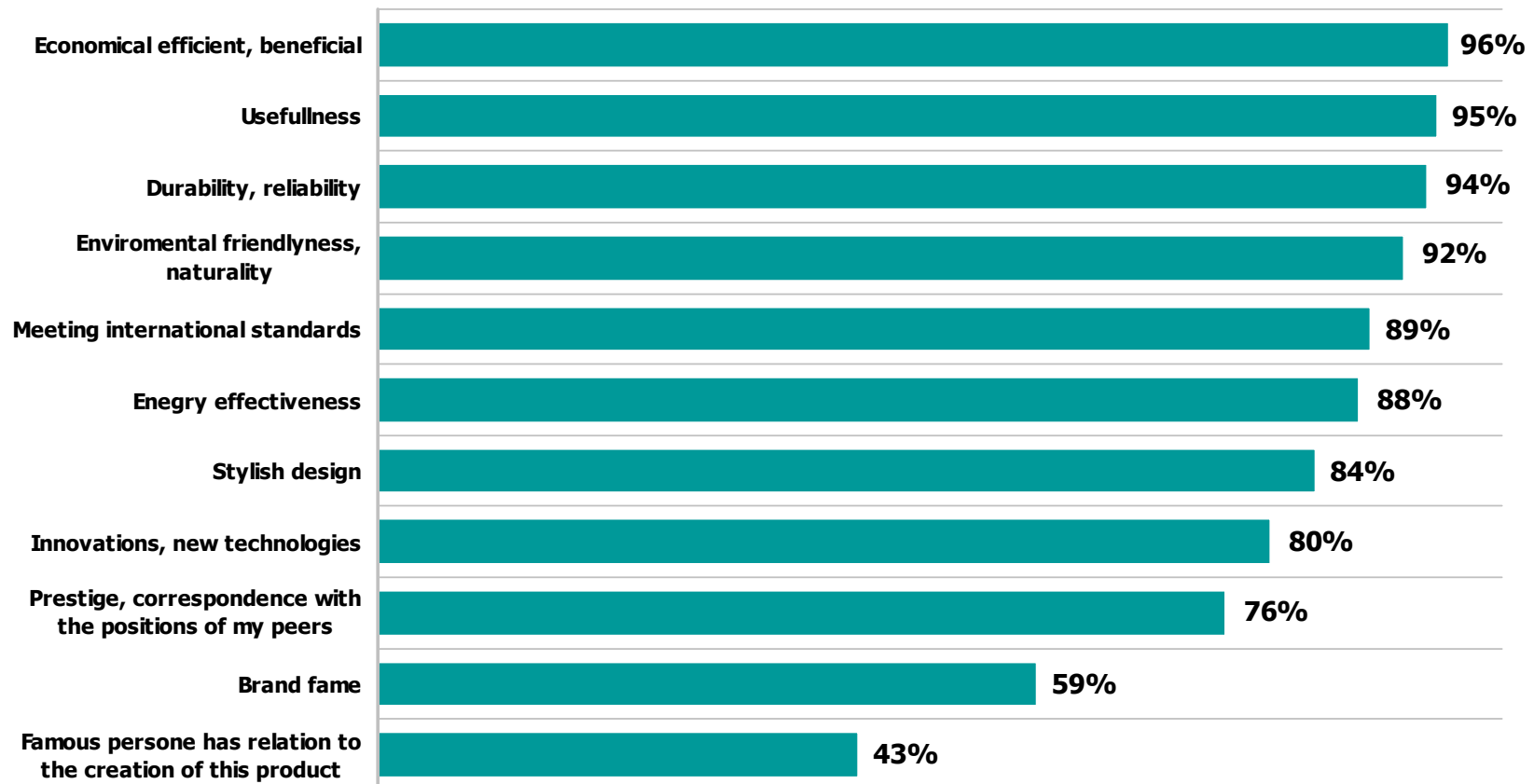
The highest level of trust to producers from Western Europe and Russia, the lowest – to producers from China and India

Q9. Define your level of trust to producers of goods from different countries. Please use 9-grade scale, where "1" is "do not trust at all" and "9" – fully trust.



The most important characteristics of products and services are economic efficiency, usefulness and reliability

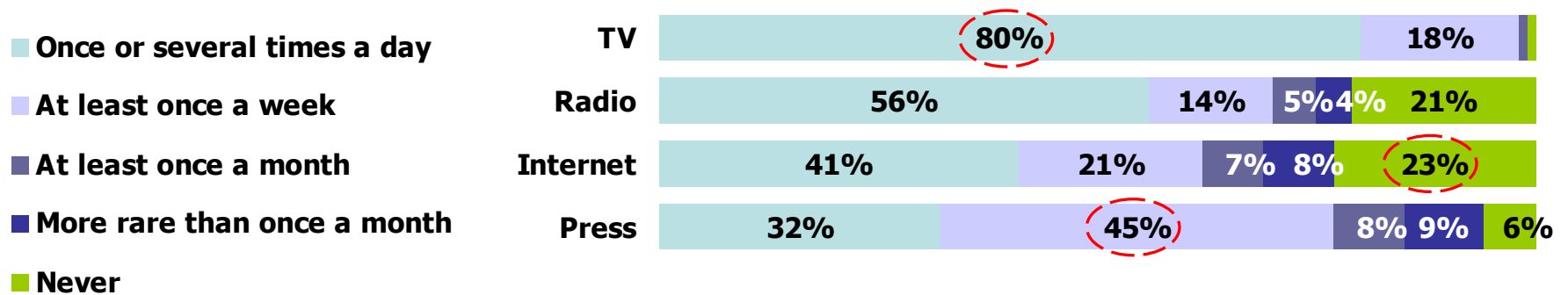
Q11. Evaluate importance of characteristics that should have a product or a service, worth a purchase. 9-grade scale, where "1" is "not important at all", "9" – "very important".



Trust to Information Sources

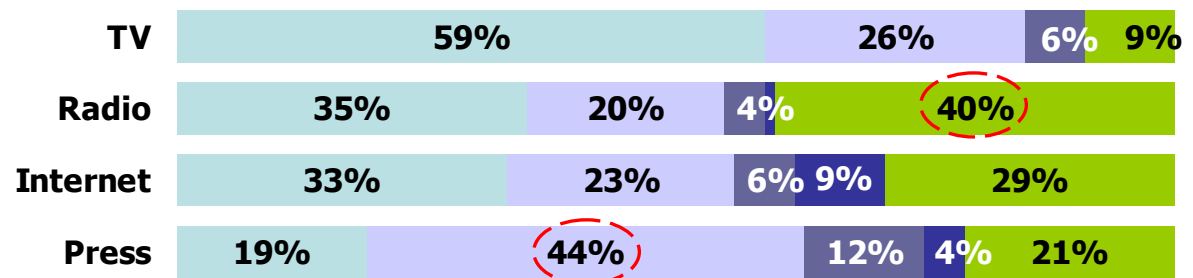
Prosperous Kazakstani actively use all kinds of mass media for getting news, but TV is still the most popular

Q23. How often do you watch, read or listen to news by ...?



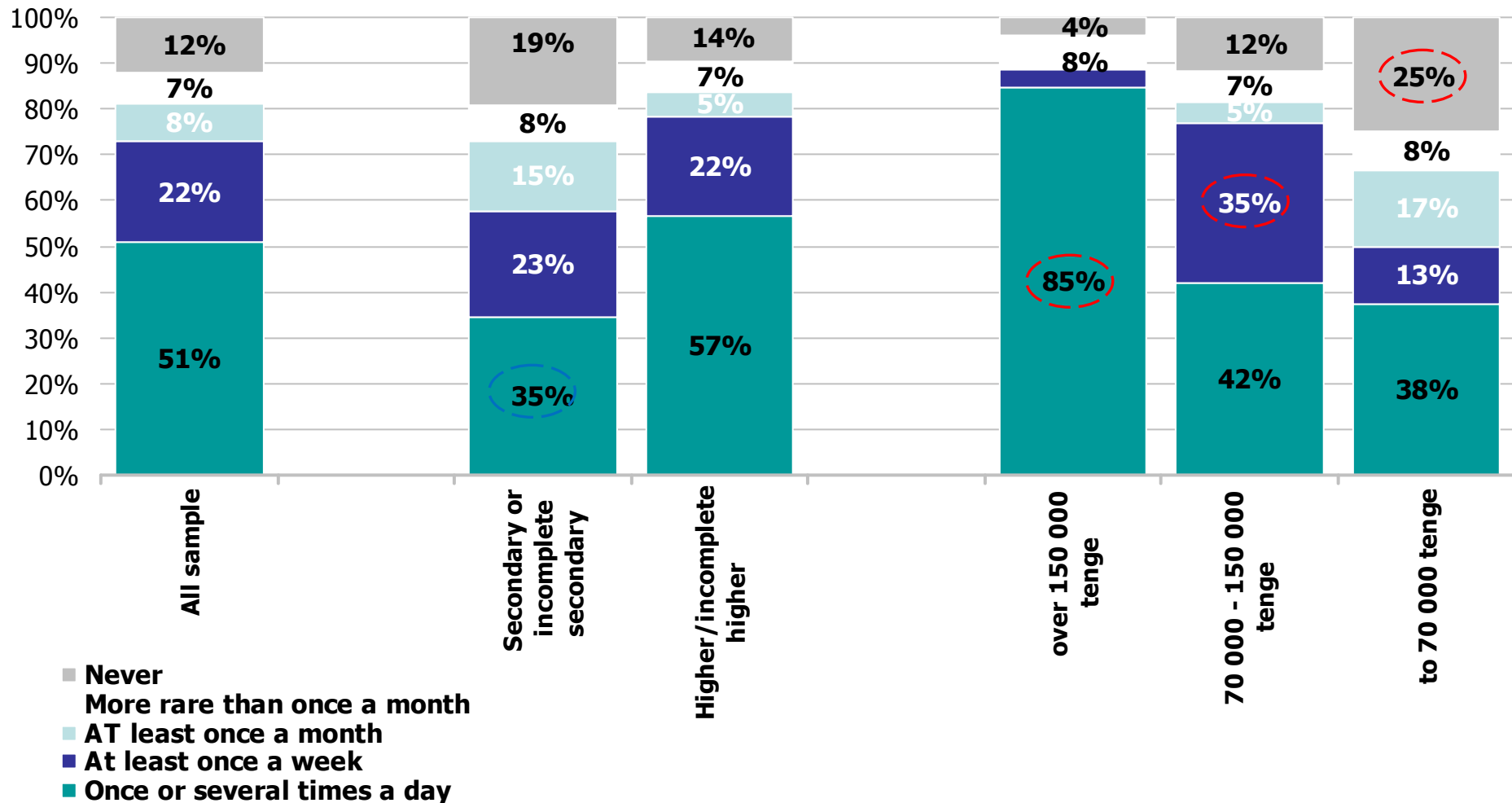
Q24. How often do you watch, read or listen to business news by ...?

Every day business news via TV watch 59% of respondents, meanwhile 40% read weekly business press, and about one third listen to the radio or read news in Internet



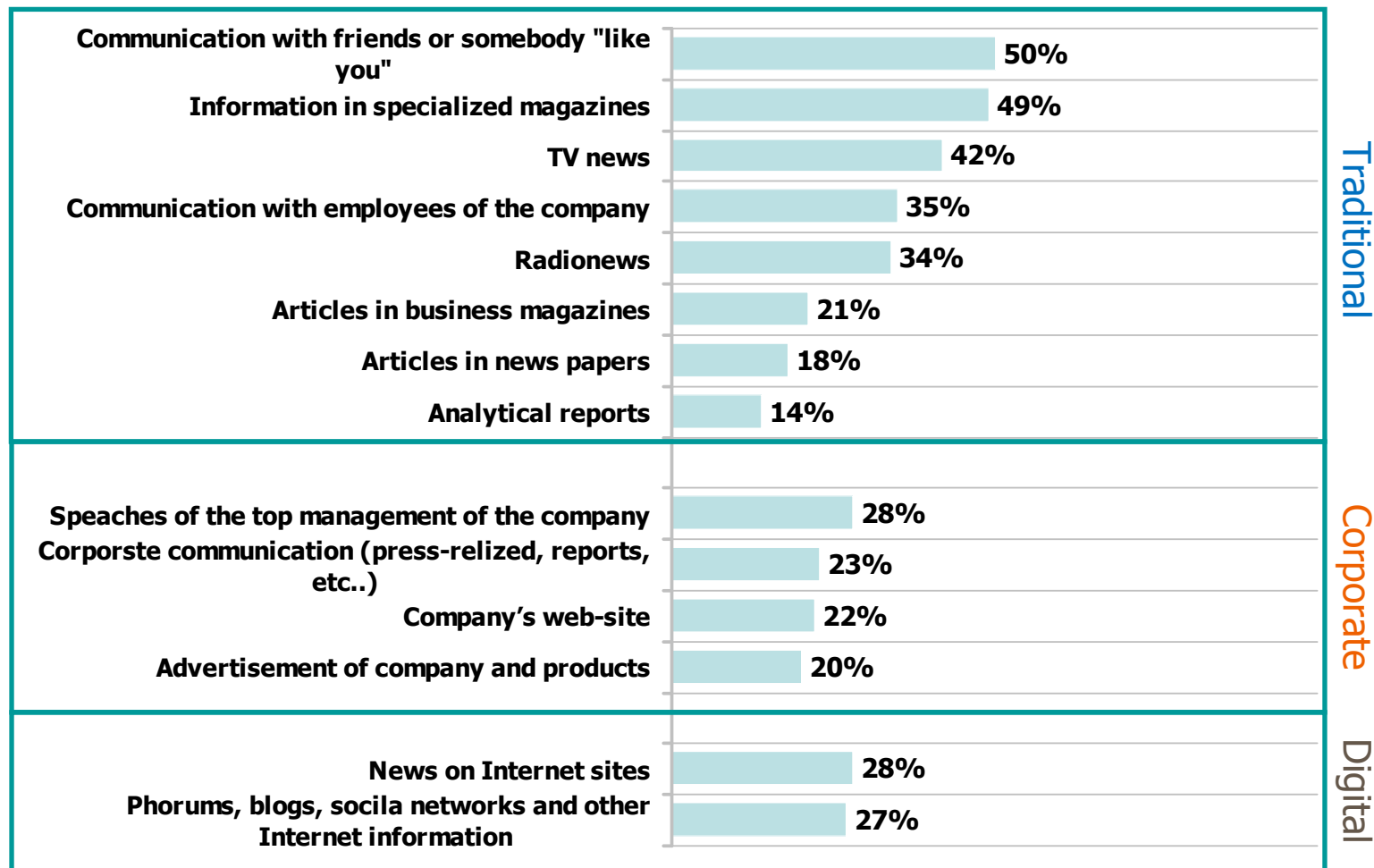
Internet is more often used by people with higher education and higher level of income

Q22. How often you personally use Internet (no matter where, at home or in other place)?



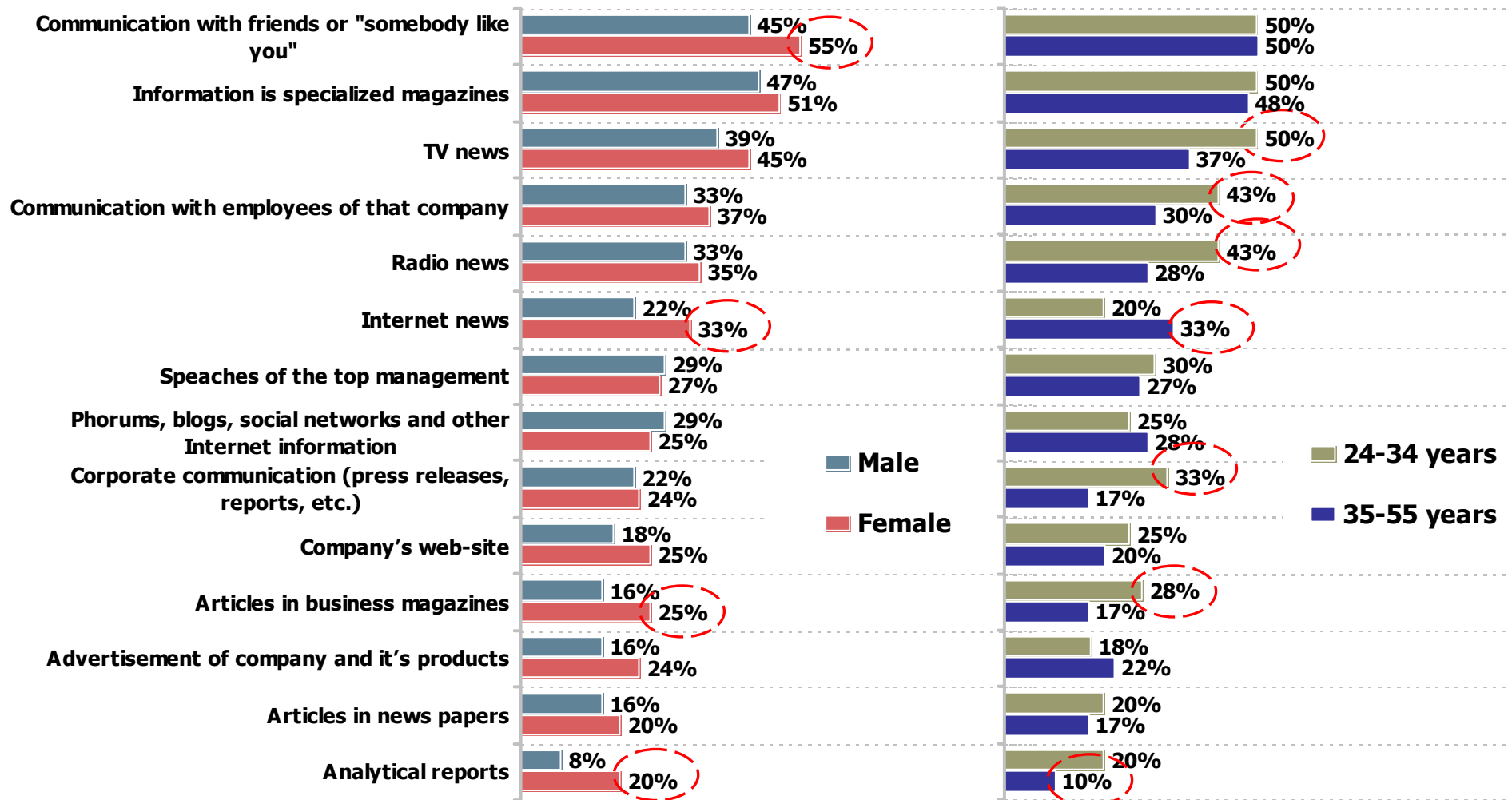
Communication with friends and the same people "as I am", specialized magazines and TV news are the most trusted sources of information

Q10. Evaluate please the trustfulness of each named sources of information about companies and products [Options «Absolutely trustful» and «very trustful»]



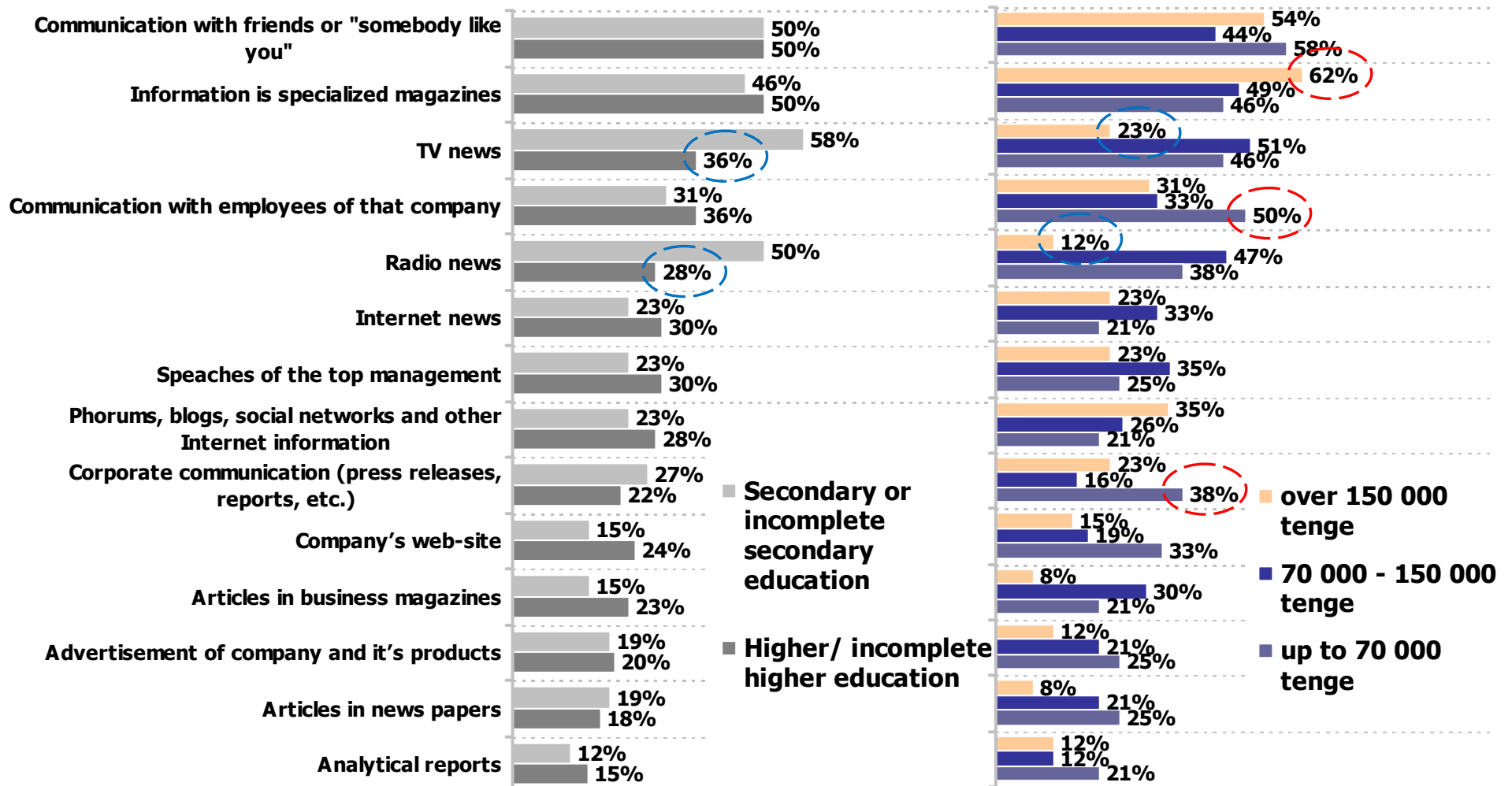
Women trust more traditional sources of information about companies and Internet, young Kazakstani trust more traditional and corporate sources, and middle agers – Internet

Q10. Evaluate please the trustfulness of each named sources of information about companies and products [Options «Absolutely trustful» and «very trustful»]



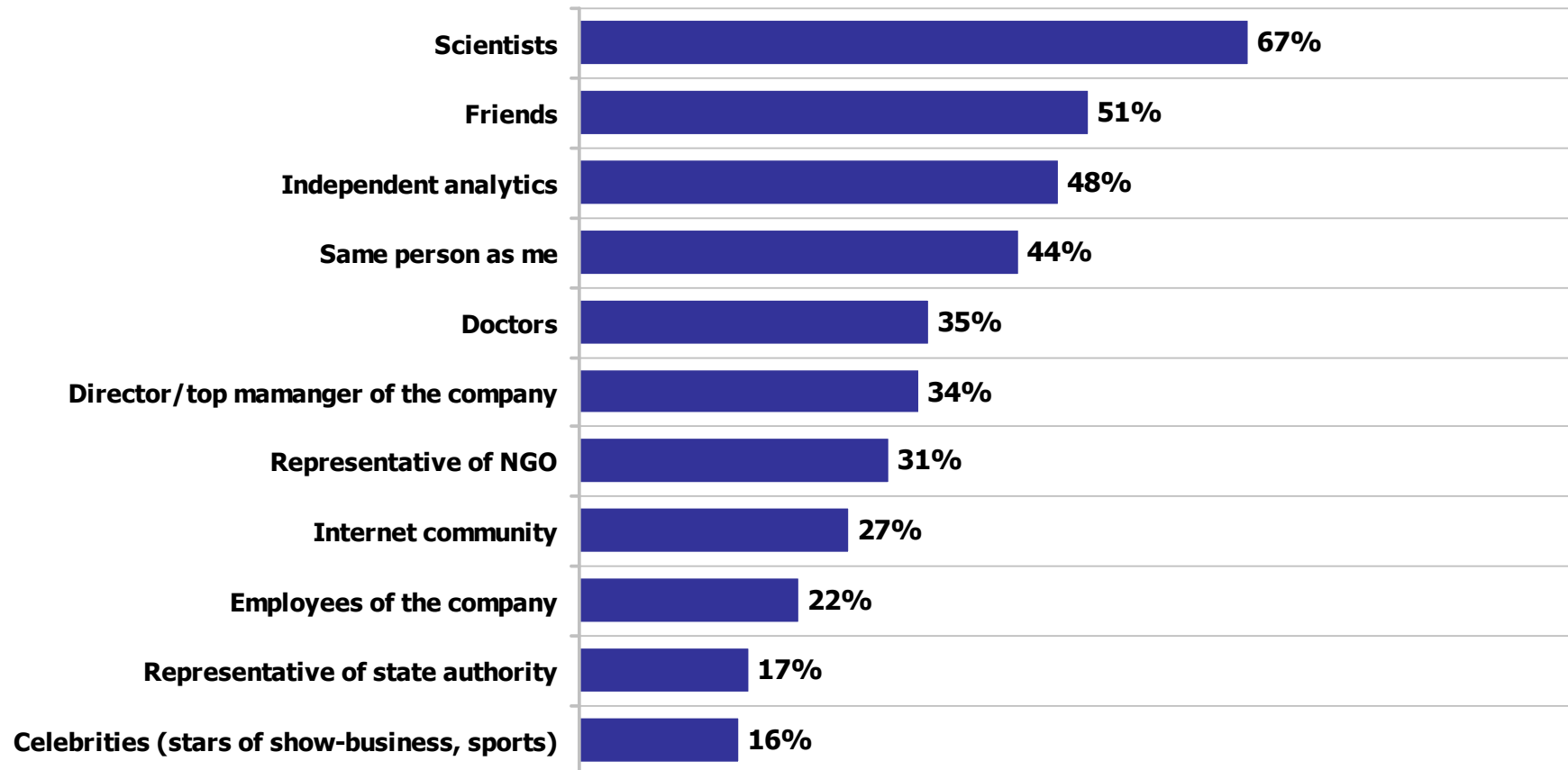
More educated and prosperous respondents tend to trust TV and radio news less

Q10. Evaluate please the trustfulness of each named sources of information about companies and products [Options «Absolutely trustful» and «very trustful»]



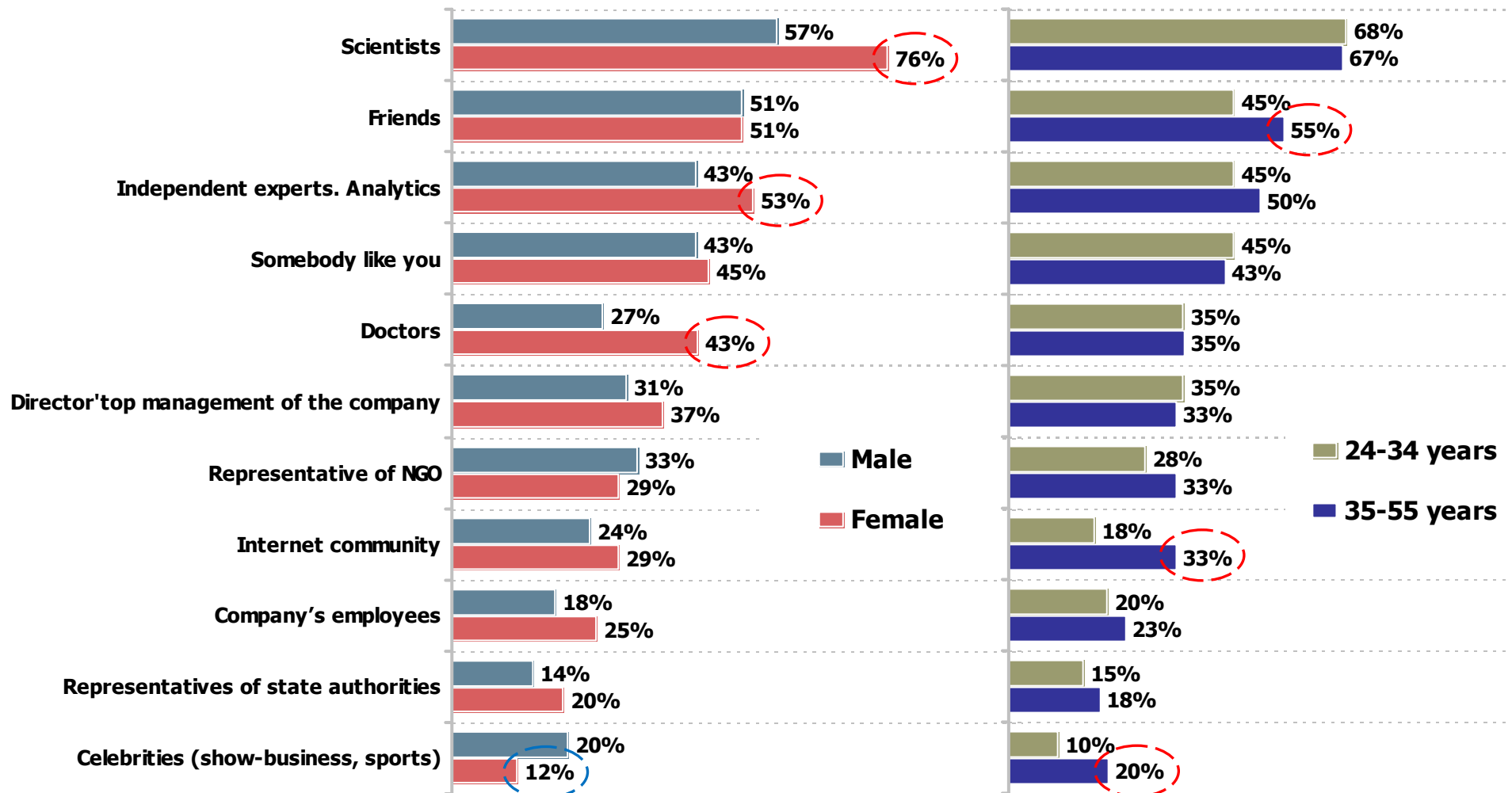
Scientists, as well as friends and independent experts are trusted the most

Q13. If you would hear information about company from each of the following people, how would you evaluate its trustfulness? [Options «Absolutely trustful» and «very trustful»]



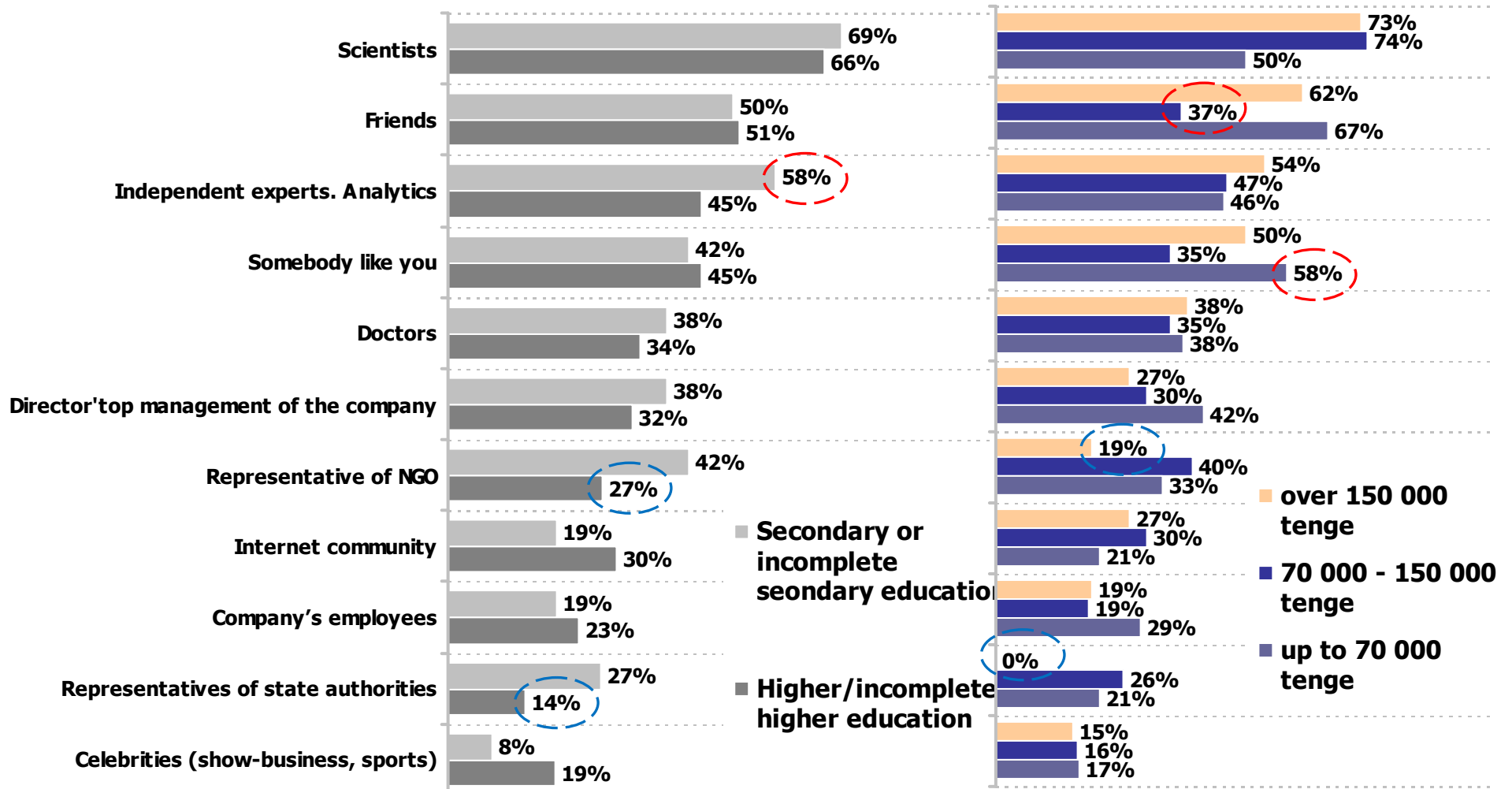
Women trust more scientists, experts and doctors, while men and older people – celebrities

Q13. If you would hear information about company from each of the following people, how would you evaluate its trustfulness? [Options «Absolutely trustful» and «very trustful»]



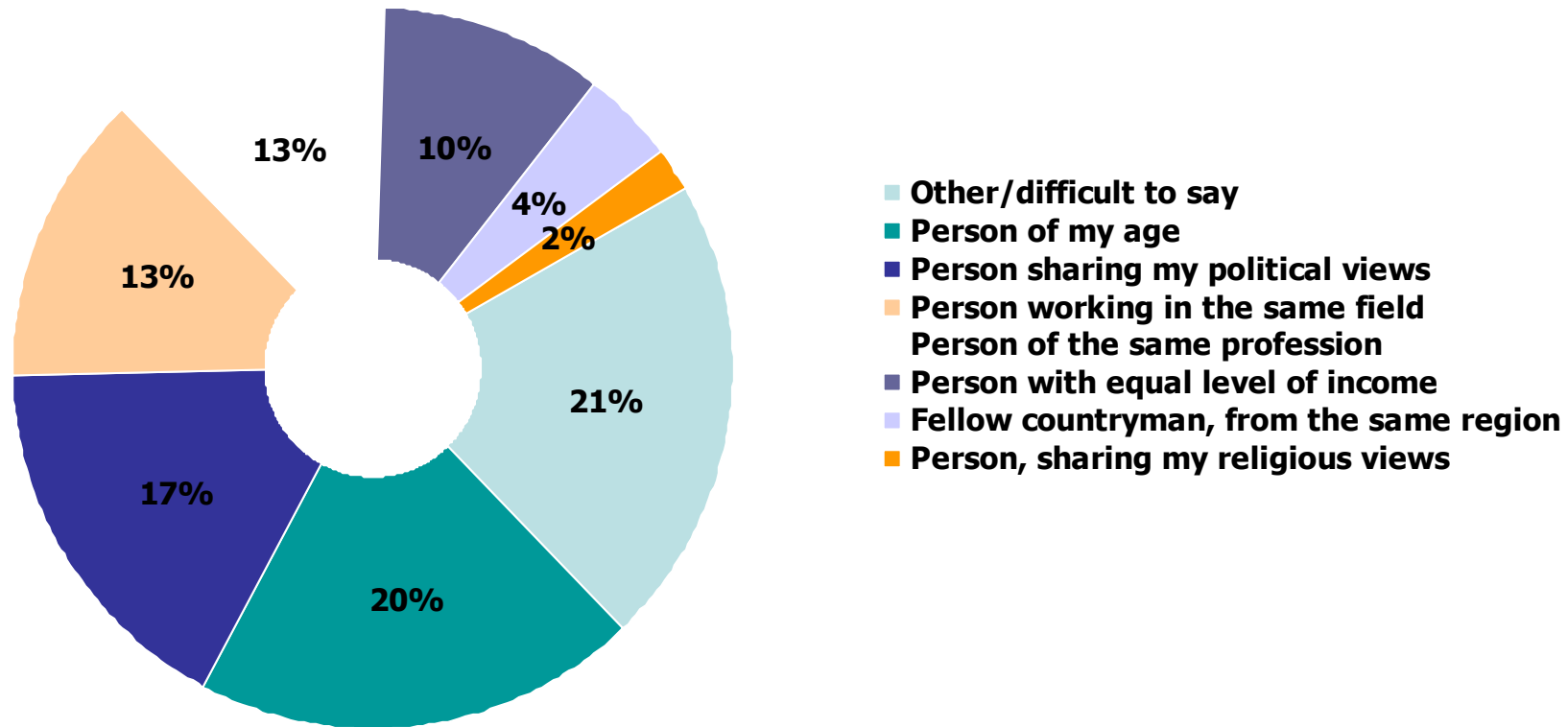
More educated and prosperous Kazakstani tend to trust officials, representatives of state authorities and NGOs less

Q13. If you would hear information about company from each of the following people, how would you evaluate its trustfulness? [Options «Absolutely trustful» and «very trustful»]



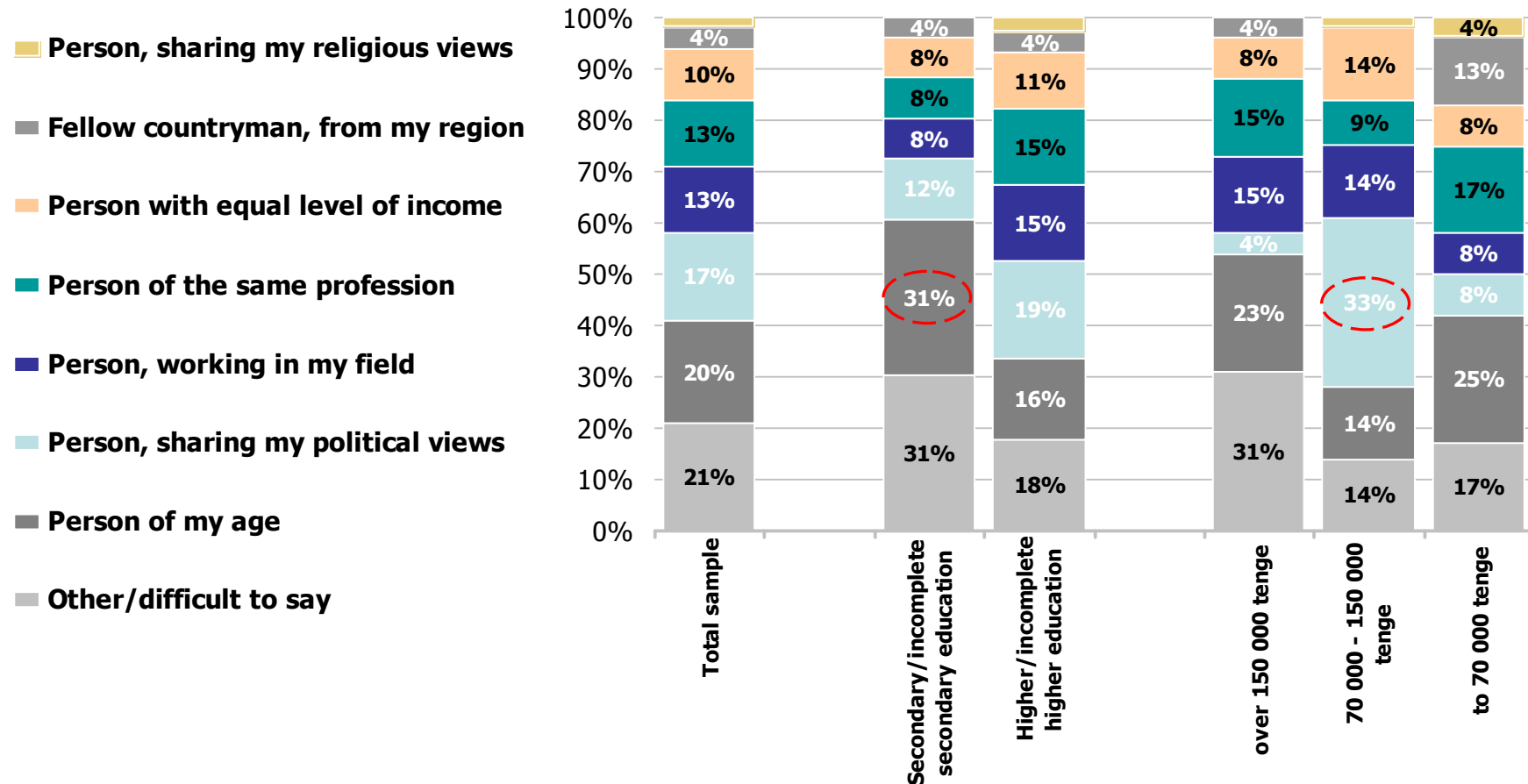
Age and political views are almost equally important for considering somebody "same as me"

Q14. Tell, for you somebody "the same as you" is:



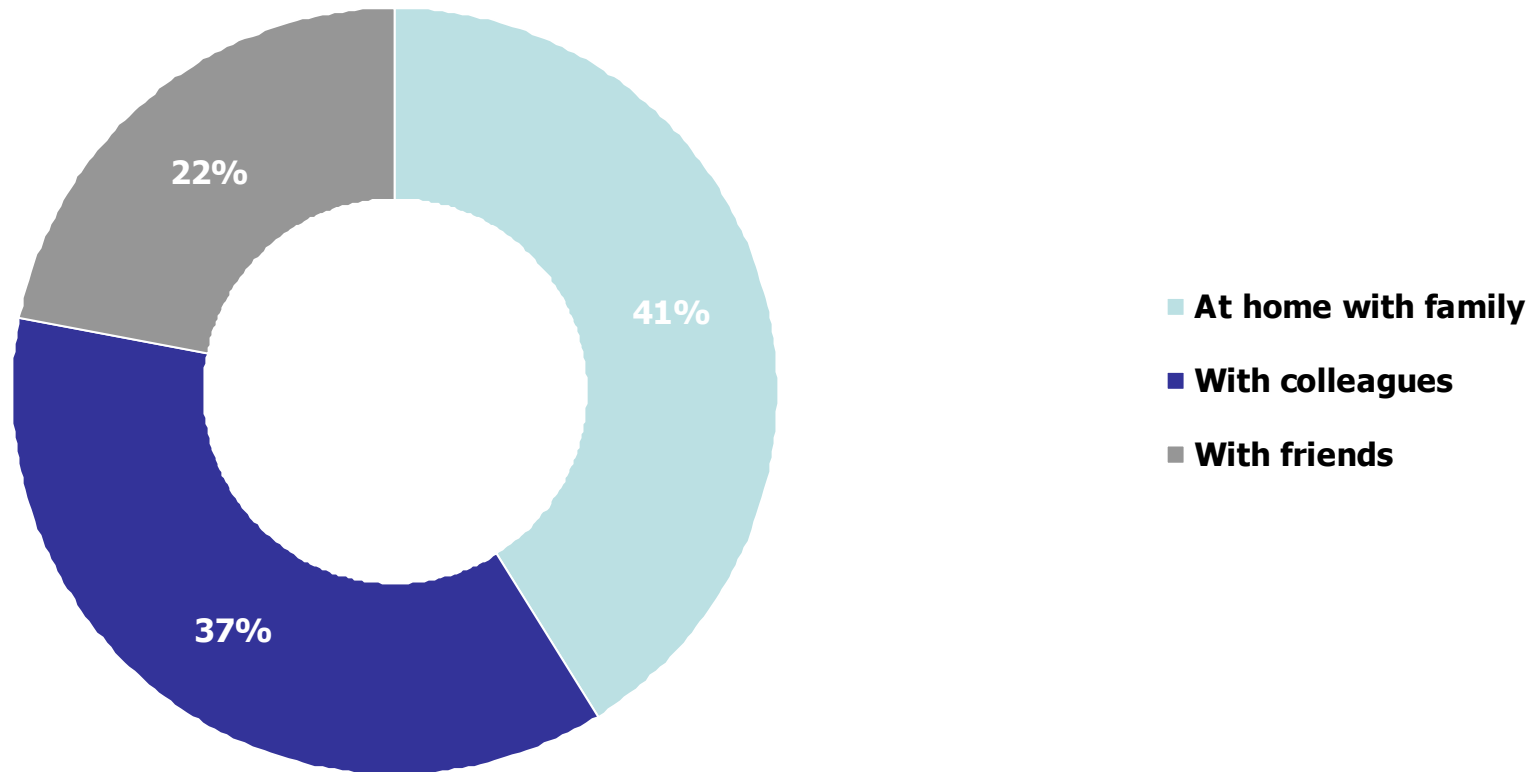
Respondents with secondary education tend to consider people of their age “the same as me”, and respondents with middle income – the people, sharing their political views

Q14. Tell, for you somebody “the same as you” is:



News are most often discussed with family and colleagues

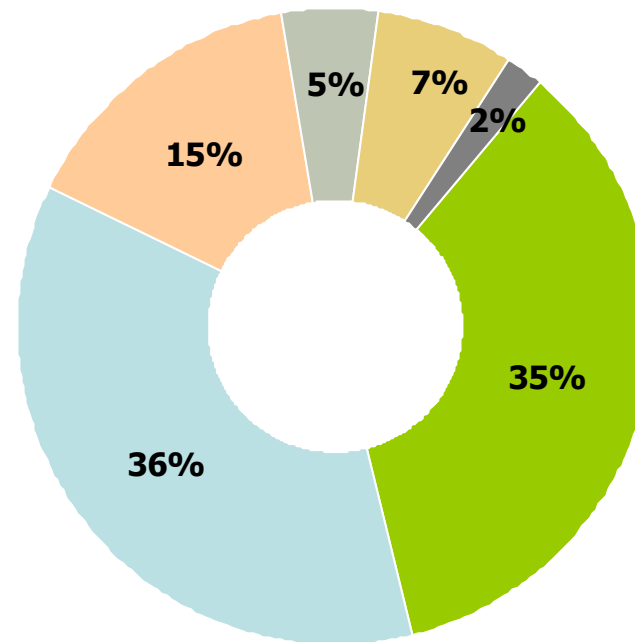
Q12. With whom do you discuss news you have learned?



To one third of respondents it is enough to hear information only once to believe it, the other third needs 2-3 repeats

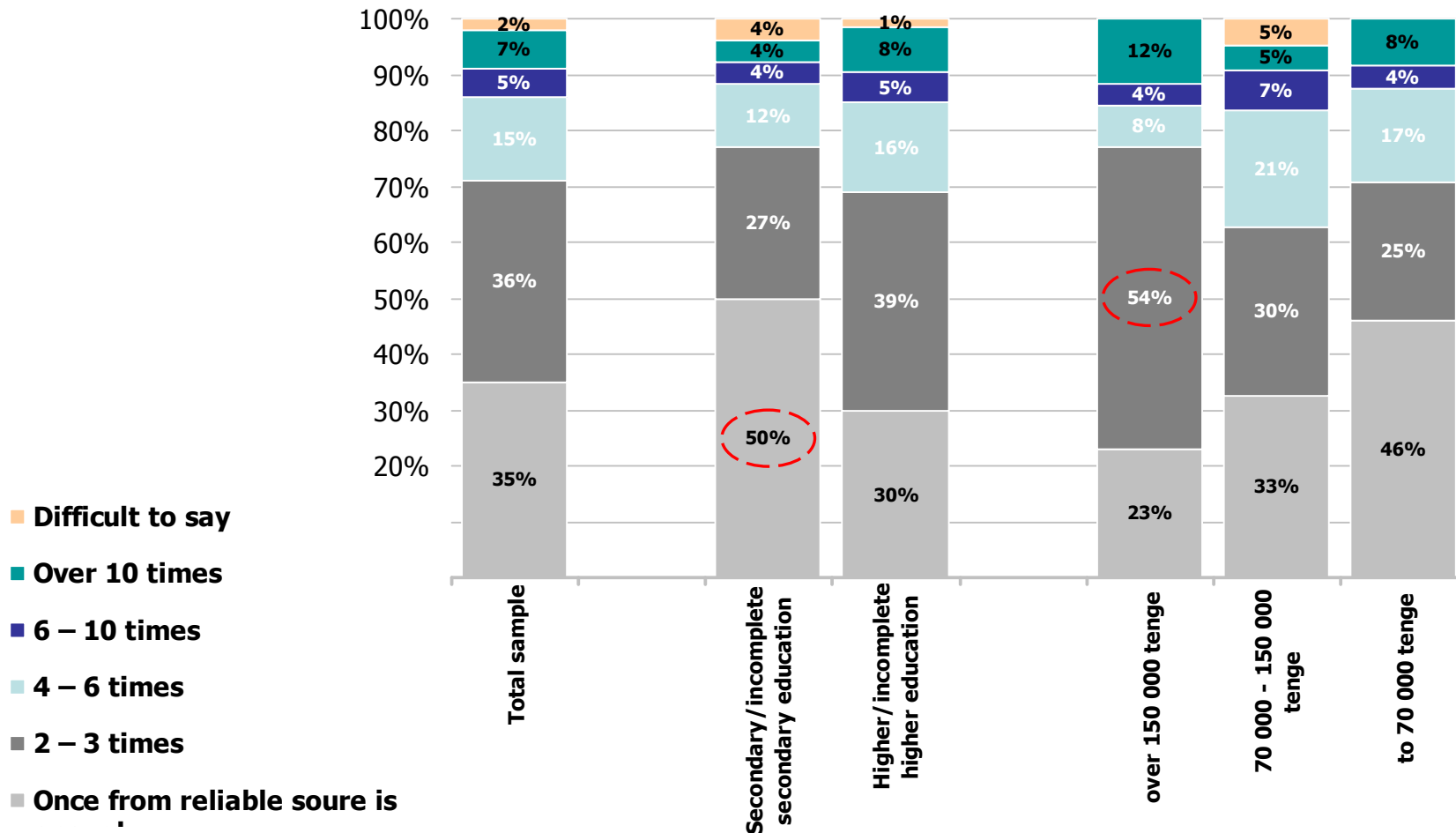
Q10. Thinking about all you hear and watch about companies every day (either positive and negative information), how many times do you have to hear information, in order to consider it trustful?

- **Once is enough**
- **2 - 3 times**
- **4 - 6 times**
- **6 - 10 times**
- **more than 10 times**
- **Other/difficult to say**



The higher education and respondent's income, the more rare they believe information about company from the first time

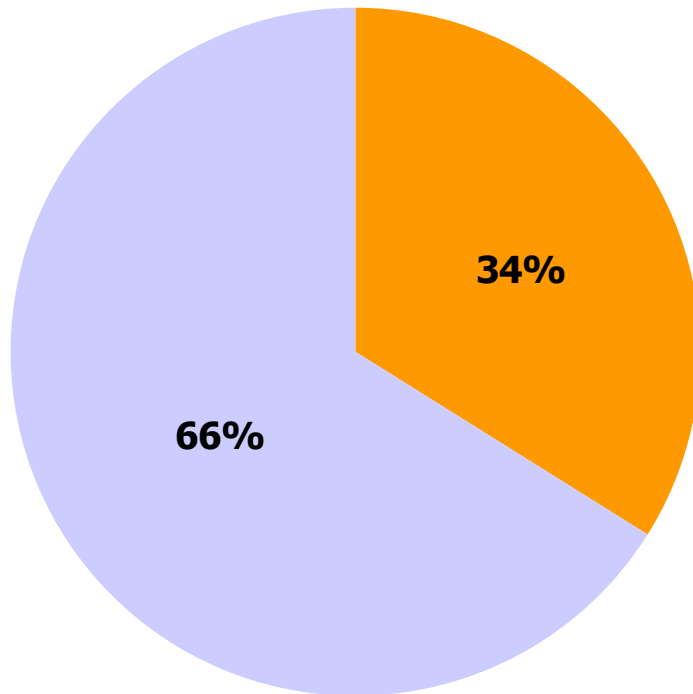
Q10. Thinking about all you hear and watch about companies every day (either positive and negative information), how many times do you have to hear information, in order to consider it trustful?



Social and Demographic Characteristics of Prosperous Consumers

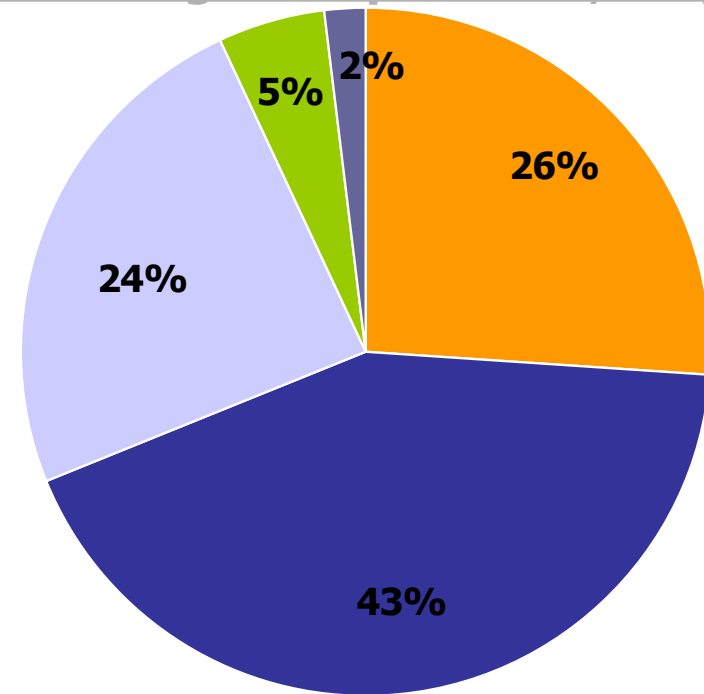
Income

Subjective evaluation of income



- Enough for food, clothes, shoes, expensive purchases. For such purchases as flat or car have to save or borrow money
- Enough for food, clothes, shoes, other purchases. For such expensive purchases as TV set or refrigerator have to save or borrow money

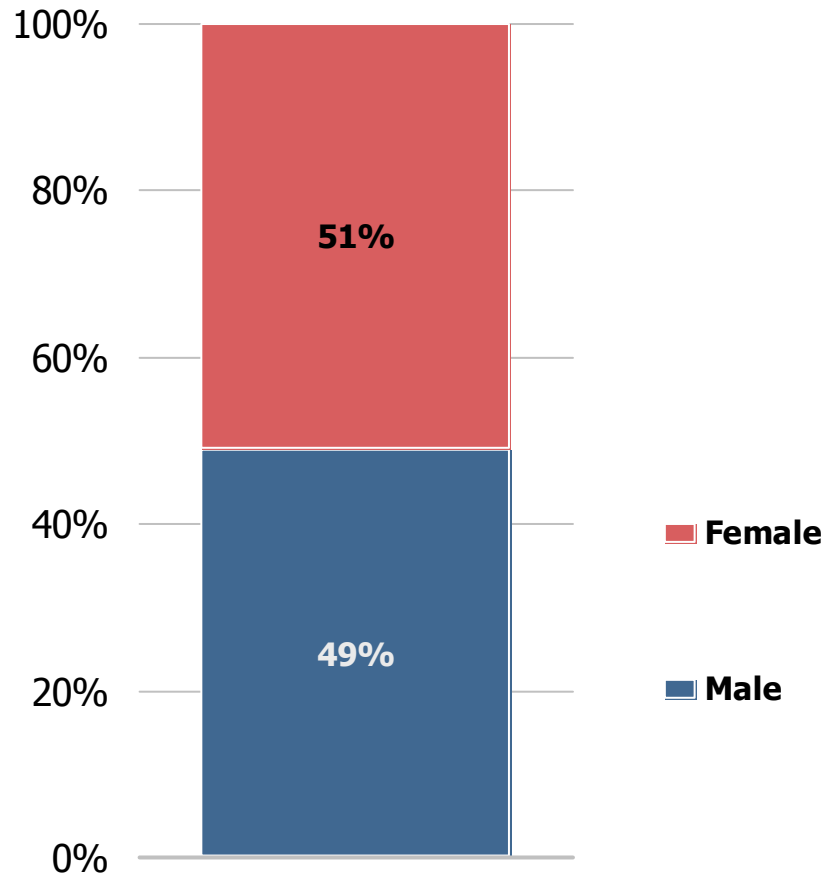
Average monthly income according to respondents, tenge



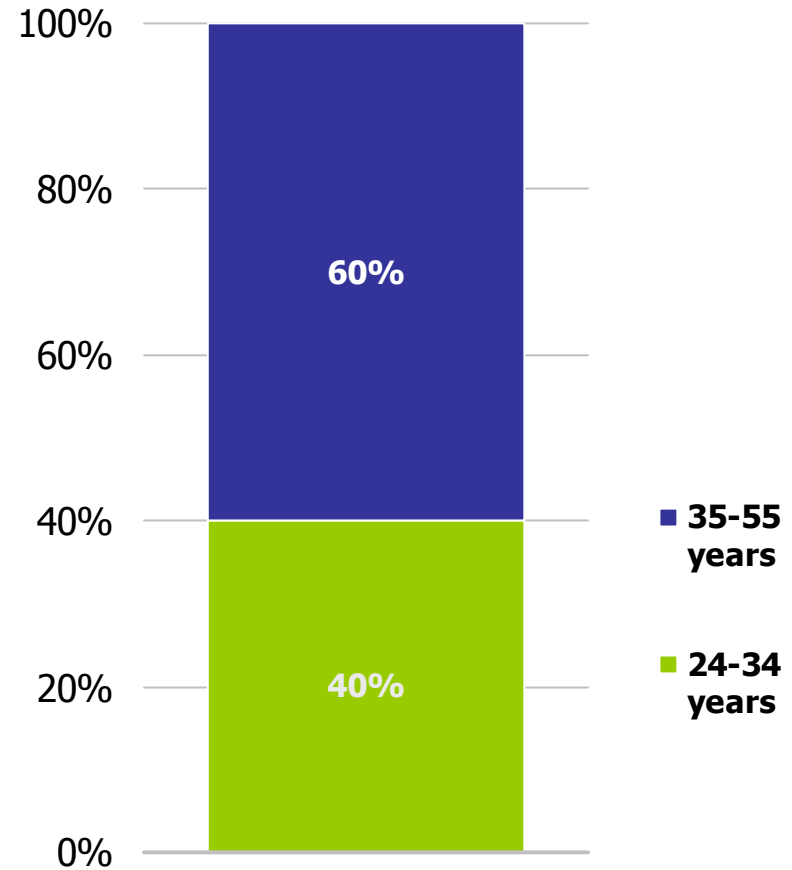
- Over 150 000
- 70 000-150 000
- to 70 000
- Difficult to say
- Refuse to say

Gender and age

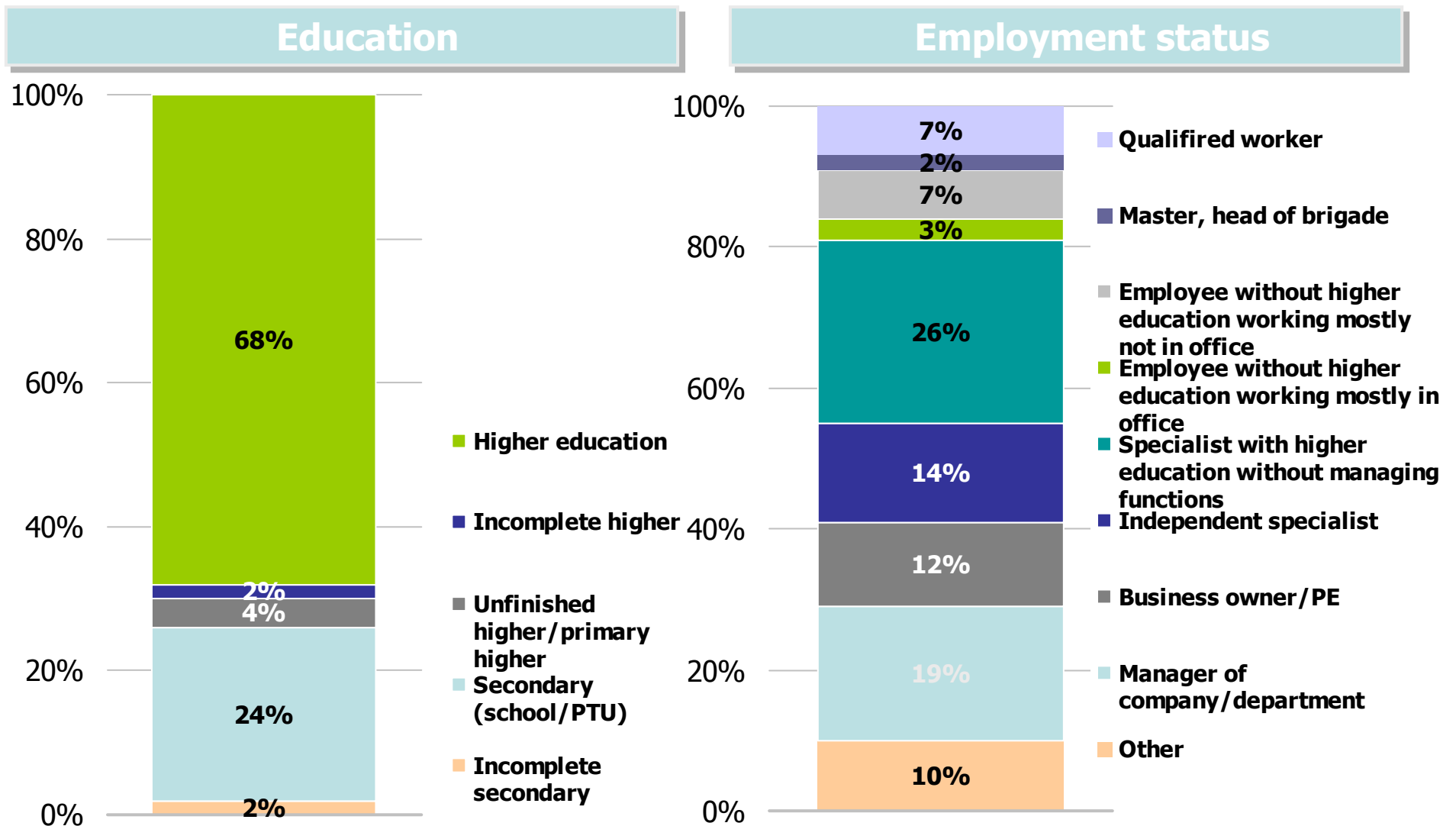
Gender



Age

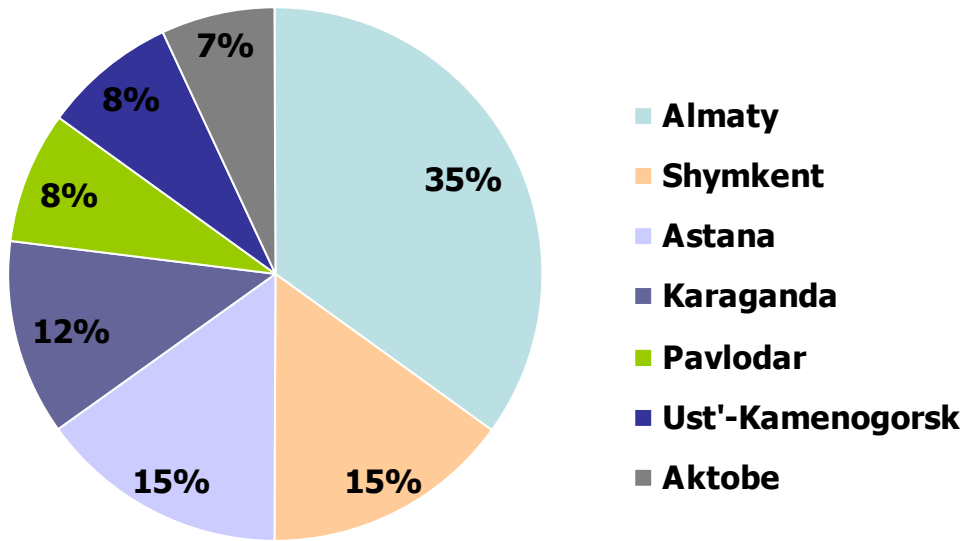


Education and employment status

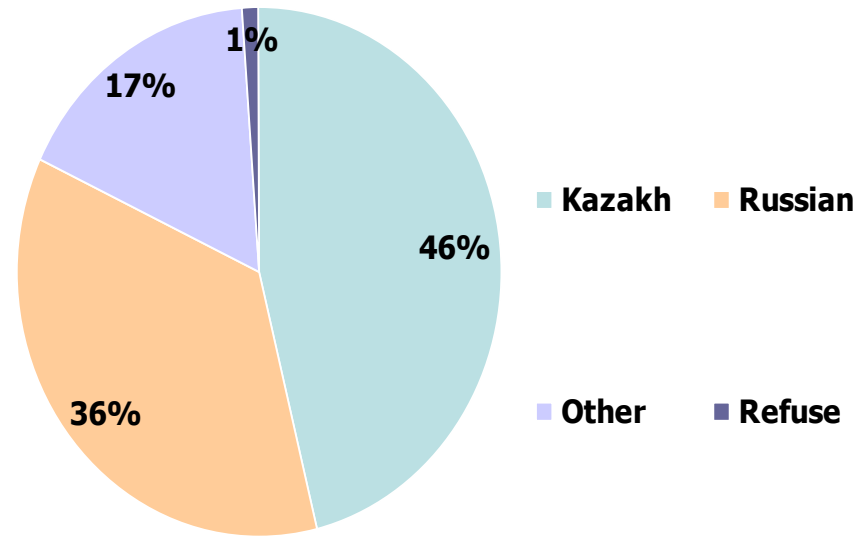


Geography and Nationality

City



Nationality



4 Survey Results for Azerbaijan

Methodology of the survey

Idea of the survey was inspired by Edelman Trust Barometer

- Methods:** Computer Aided Telephone Interviewing (CATI)
- Sampling:** 100 interviews with prosperous consumers in age 24-55, earning main or most part of family's income. Maximum possible error for indicator's share 50% is 9,8%
- Conducted by :** Research Company "Komkon-2 Euroasia"
- Geography:** Baku, Gjanga, Sumgait
- Time of conduction:** September 4 – 9, 2009

Key Findings and Recommendations

Key findings: trust to business and government

- In the whole prosperous Azerbaijani tend to have higher level of trust to state than to business (66% against 37%). Majority of the respondents believe, that state should control business more severe. Trust to business is inversely related to the openness to state control.
- Higher level of trust to business have older respondents (45-55 years) men, respondents with higher education. Most trusted are energy companies, least are trusted insurance companies.

Key findings: companies' reputation and consumer's behavior

- 67% of customers trusting to companies **recommended** the products of that very company to friends and colleagues, while only 60% claim to buy the products of that very company, and 45% - that they have paid for these products more than for available analogues.
- In relation to un-trusted company, 75% of respondents claimed not to buy products of such company even for the low price, 55% of respondents refused from using products or services of such company, 49% would criticized it's products.
- The most positive influence on the evaluation of company's reputation are causing it's keeping within laws (92% are considering this factor important), quality of goods and services (91%) attitude towards employees (91%), creation of jobs in region (90%) and environmental friendliness (90%).

Key findings: products and services selection criteria

- Most important characteristics of goods and services – environmental friendliness, usability and reliability. Women consider usefulness, reliability, meeting international standards, cost effectiveness, prestige and stylish design more important and men – innovations and fame of a brand.
- Foreign brands are trusted more (47%), than Azerbaijani (38%). The highest level of trust is to producers of Western Europe (90%). Also relevantly high level trust is to producers from Russia and Turkey (78% and 72%).
- Respondents, tending to trust Azerbaijani products more likely to trust state authorities (84%) than respondents, trusting foreign goods (69%).
- Residents of Baku trust Azerbaijani products less, than residents of other cities. National producers are more trusted by men, respondents of 45-55 years and respondents with lower level of income (to 400 manat)

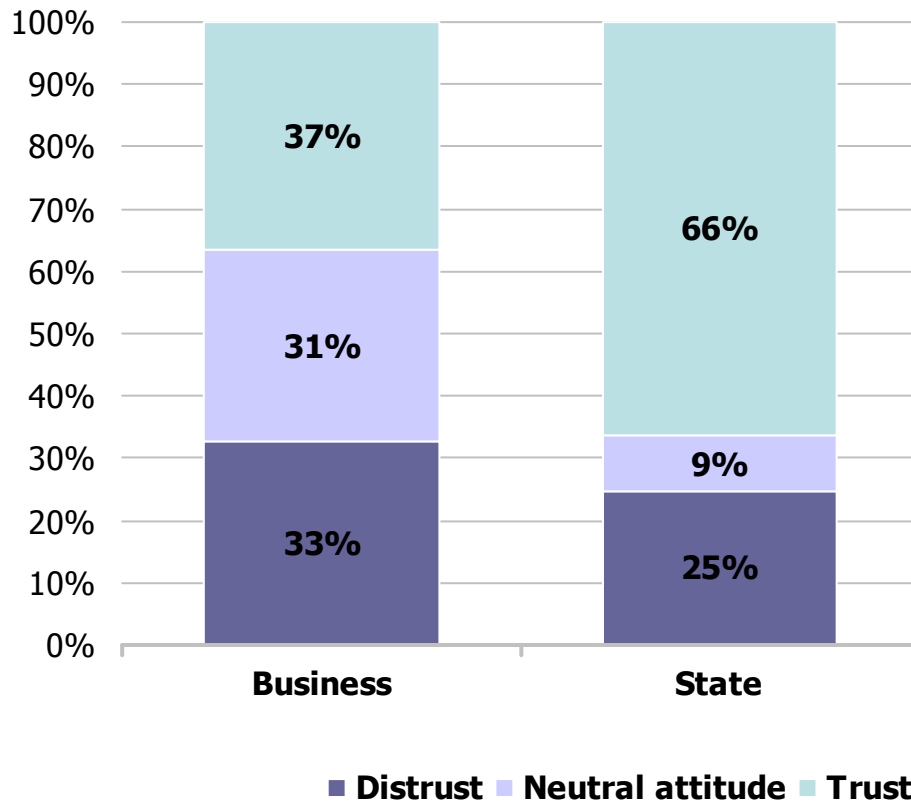
Key Findings: Trusted Sources of Information

- Azerbaijani with high level of income use actively different kinds of mass media to get business and other news, but TV is the most popular. In the same time the same level of trust exist towards TV, business press and Internet (43-47%).
- Specific peculiarity of Azerbaijani is the high level of trust to friends and 'the same people as me' (67%), especially it is true for men. By 'a person like me' respondents most often mean people of the same profession or working in the same field people of the same age. After "the same person like me" the most trusted are scientists.
- News are discussed more often at home with family or at work with colleagues. Women discuss news more often with family, men – with friends and colleagues.
- For 34% of respondents it is enough to hear information once from reliable source to trust it, and 31% need to hear it 2-3 times.

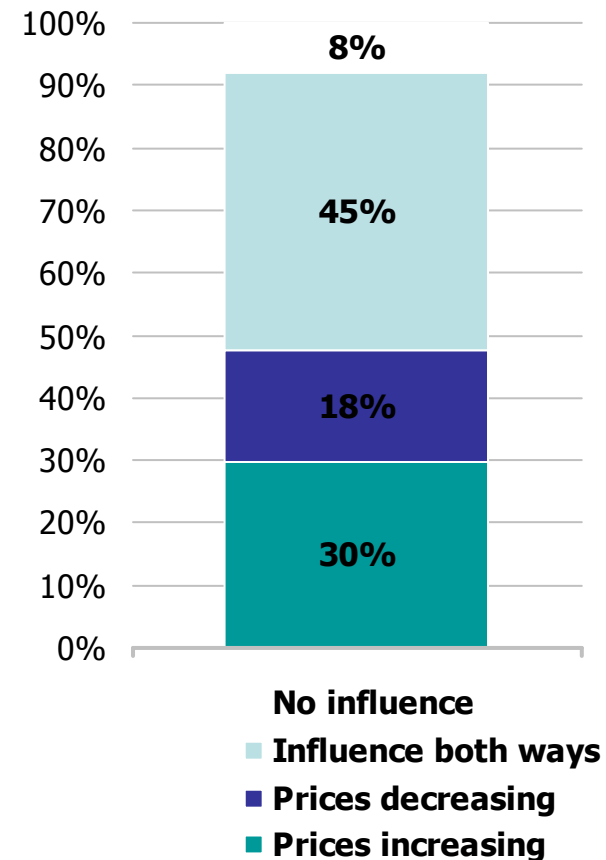
Trust to Business

Trust to state authorities is higher than trust to business. Relative majority of the respondents believe that state policy influence both increase and decrease of prices.

Q1, Q14. To what extent do you trust business / To what extent do you trust state authorities to act as they believe is right? [9-grade scale, «1» means — do not trust at all, «9» — fully trust]

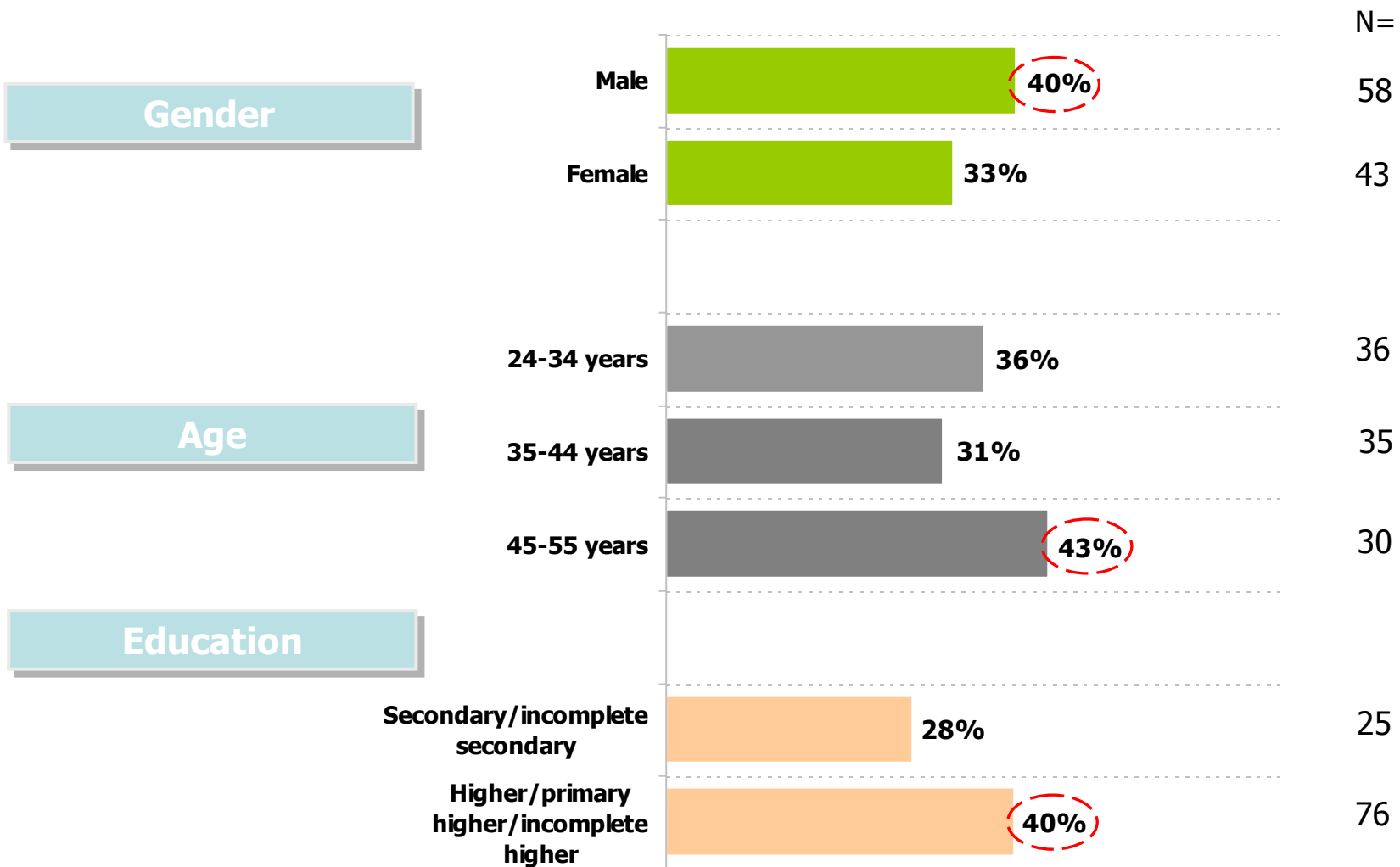


Q15. In your opinion, does the governmental policy influence the prices of goods and services?



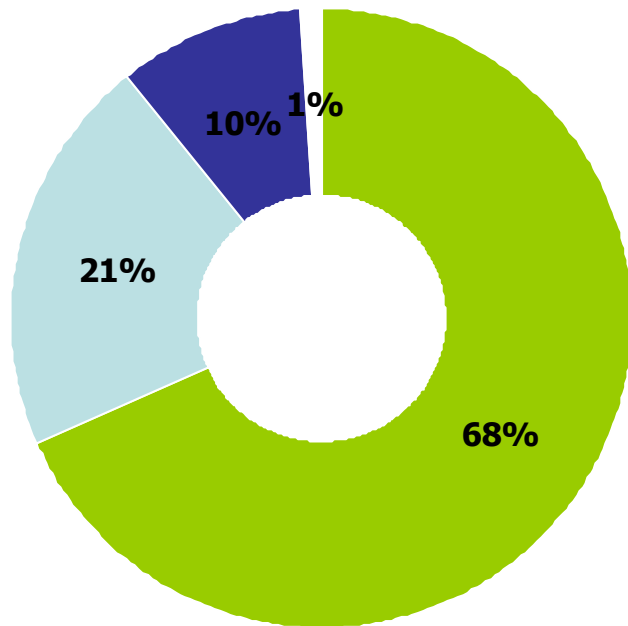
Trust to business is higher among men, respondents in age 45-55 years and with higher education

Q1. To what extent do you trust business to act as it believe is right? [Alternatives 6-9]

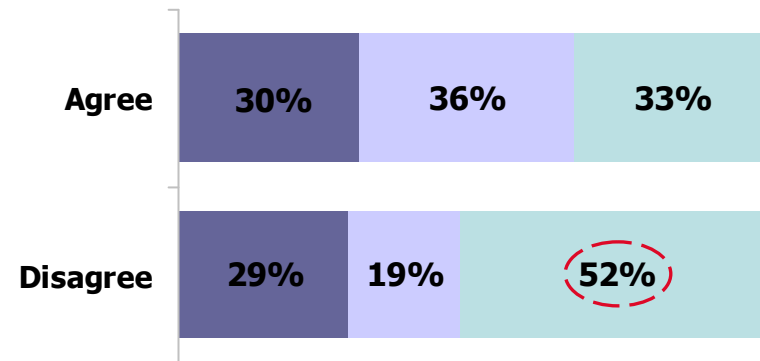


Two thirds of respondents support the necessity of more severe control over business from the state. Trust to business is inverse proportional to willing of state control

Q16. Are you agree or disagree that government should perform more severe control over business *in all fields*??



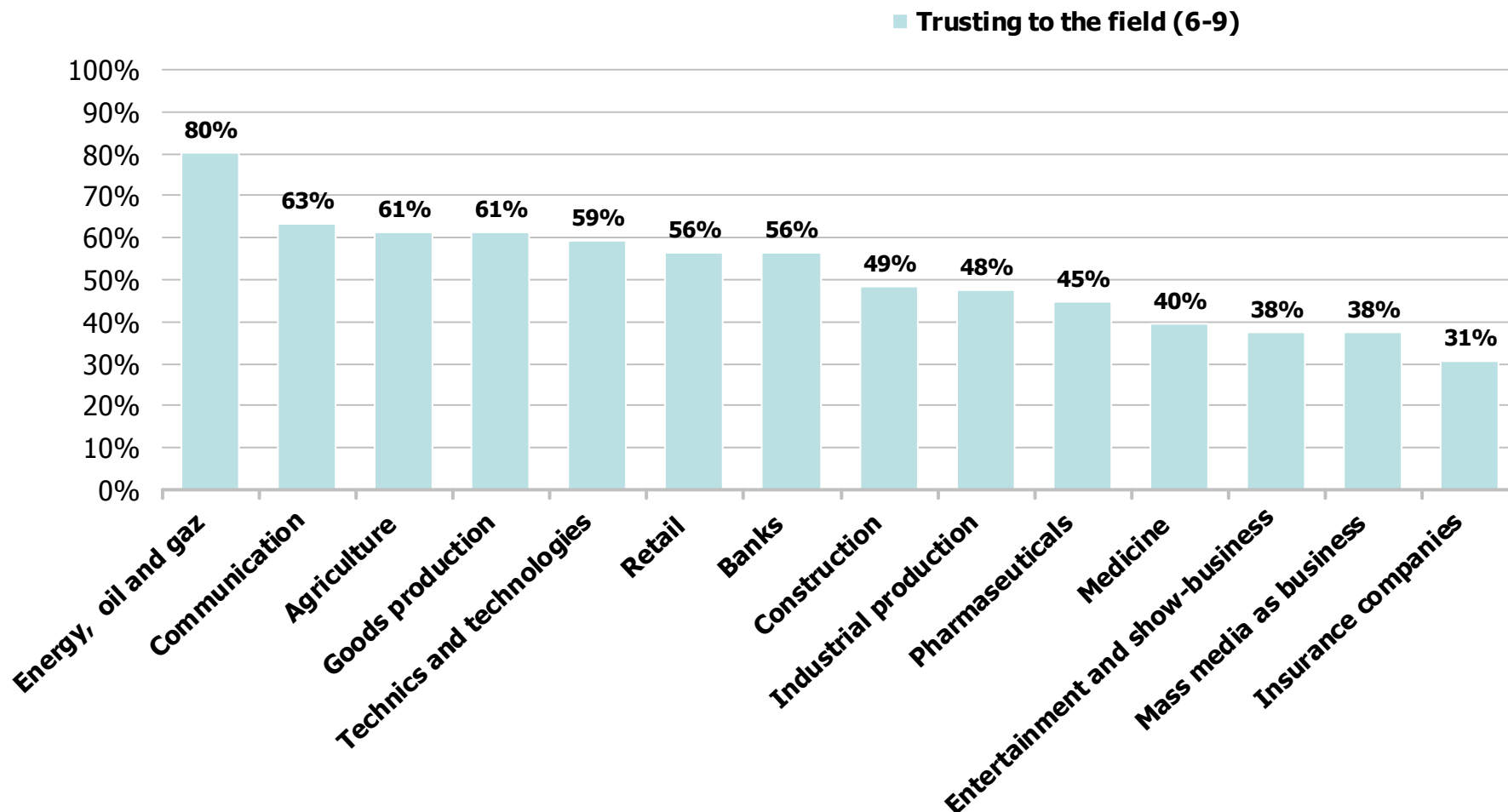
- Agree
- Disagree
- Neither
- Diffcult to say



- Distrust to state power
- Neutral to state power
- Trust to state power

Respondents trust the most companies in field of energy, oil and gas, the least – insurance companies.

Q2. To what extent do you trust businesses in every following field to act as it believe is right? [9-grade scale, where «1» means – do not trust at all, «9» – fully trust]



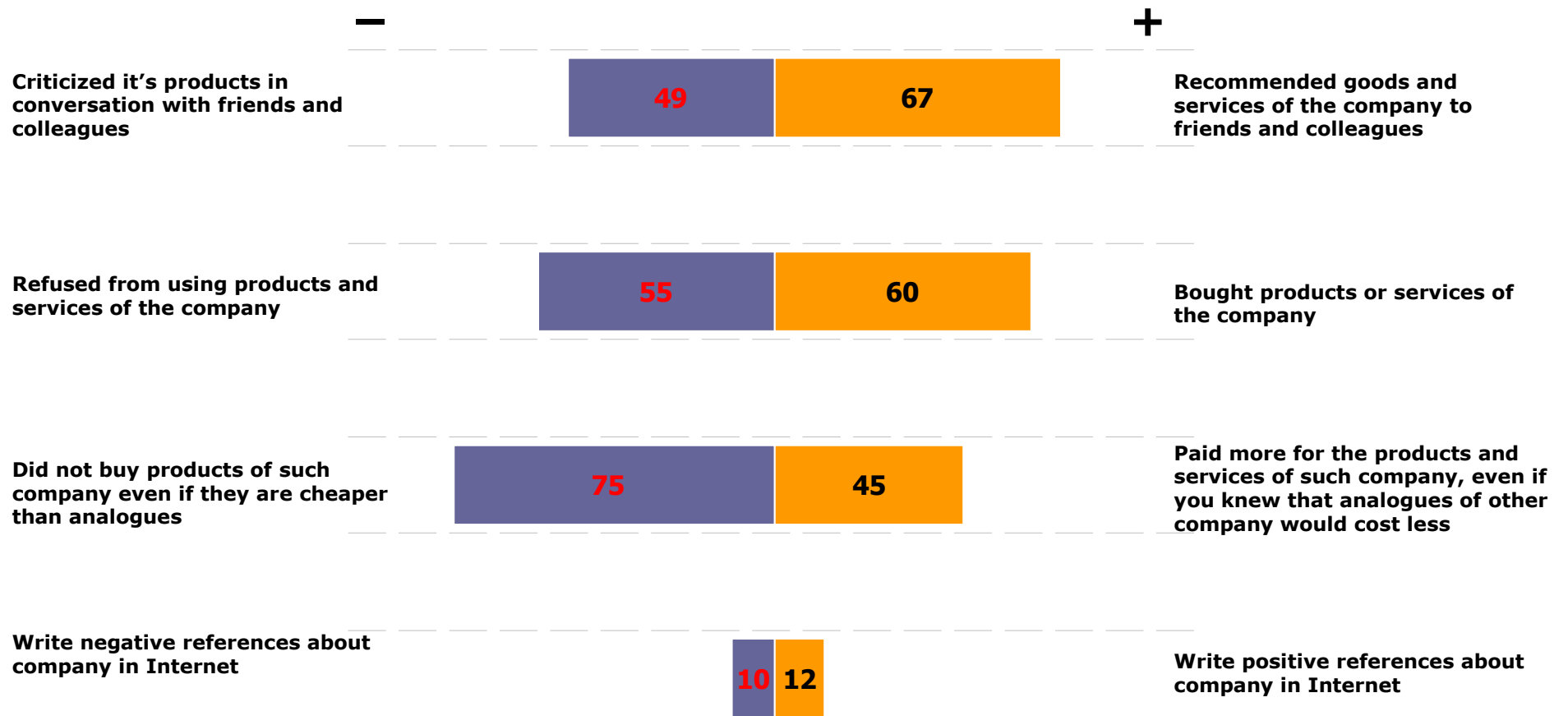
The most important factors of company's reputation are keeping within laws, quality of goods and services, attitude to employees, creating jobs and caring about environment

Q10. How important for you is each of the following factors of company's reputation? 9-grade scale, where "1" is "not important at all", "9" – "very important". [Alternatives 6-9 considered "important"]



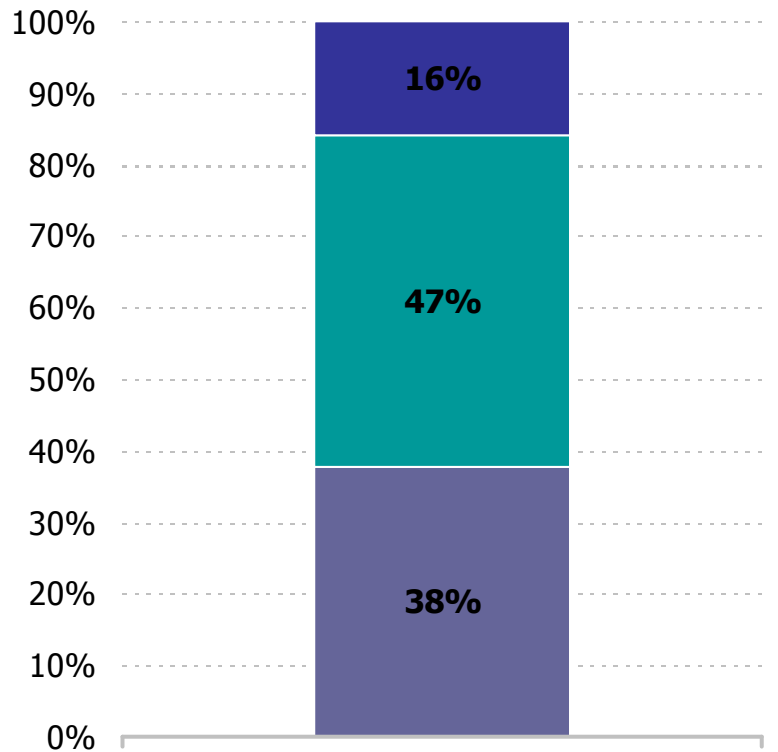
Trust determines consumer's behavior

Q12. During last 12 months have you any of the following action in relation to trusted companies?? Q13. During last 12 months have you any of the following action in relation to DIS-trusted companies??



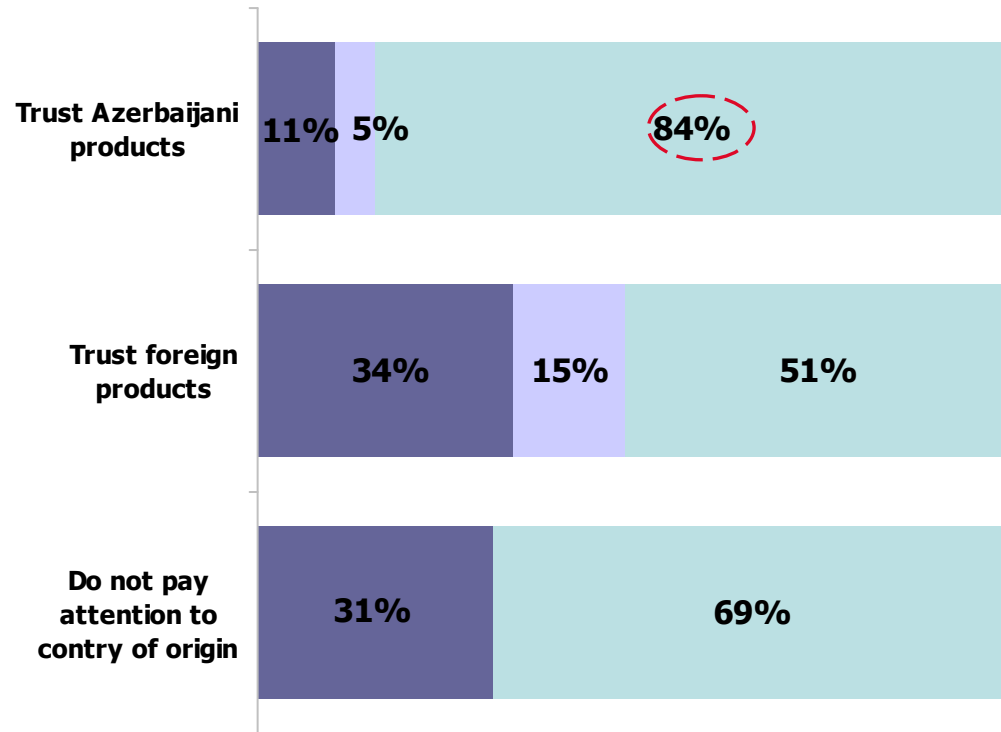
Trust to foreign products is in whole higher than to Azerbaijani and inverse proportional to trust to government

Q8. Do you trust more to products, produced in Kazakhstan or abroad?



In whole

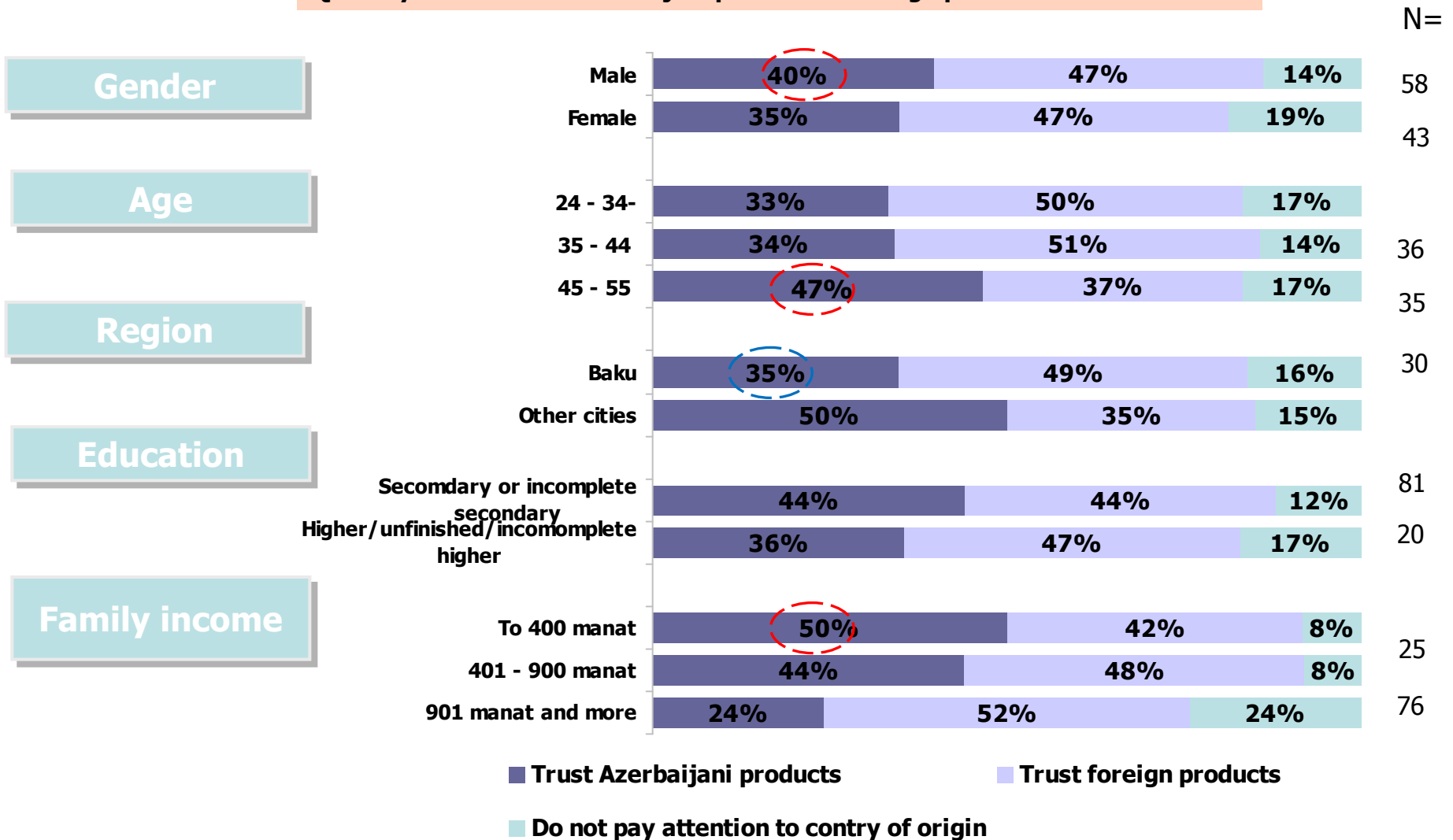
- Do not pay attention to contry of origin
- Trust foreign products
- Trust Azerbaijani products



- Distrust to state authorities (1-4)
- Neutral attitude (5)
- Trust to state authorities (6-9)

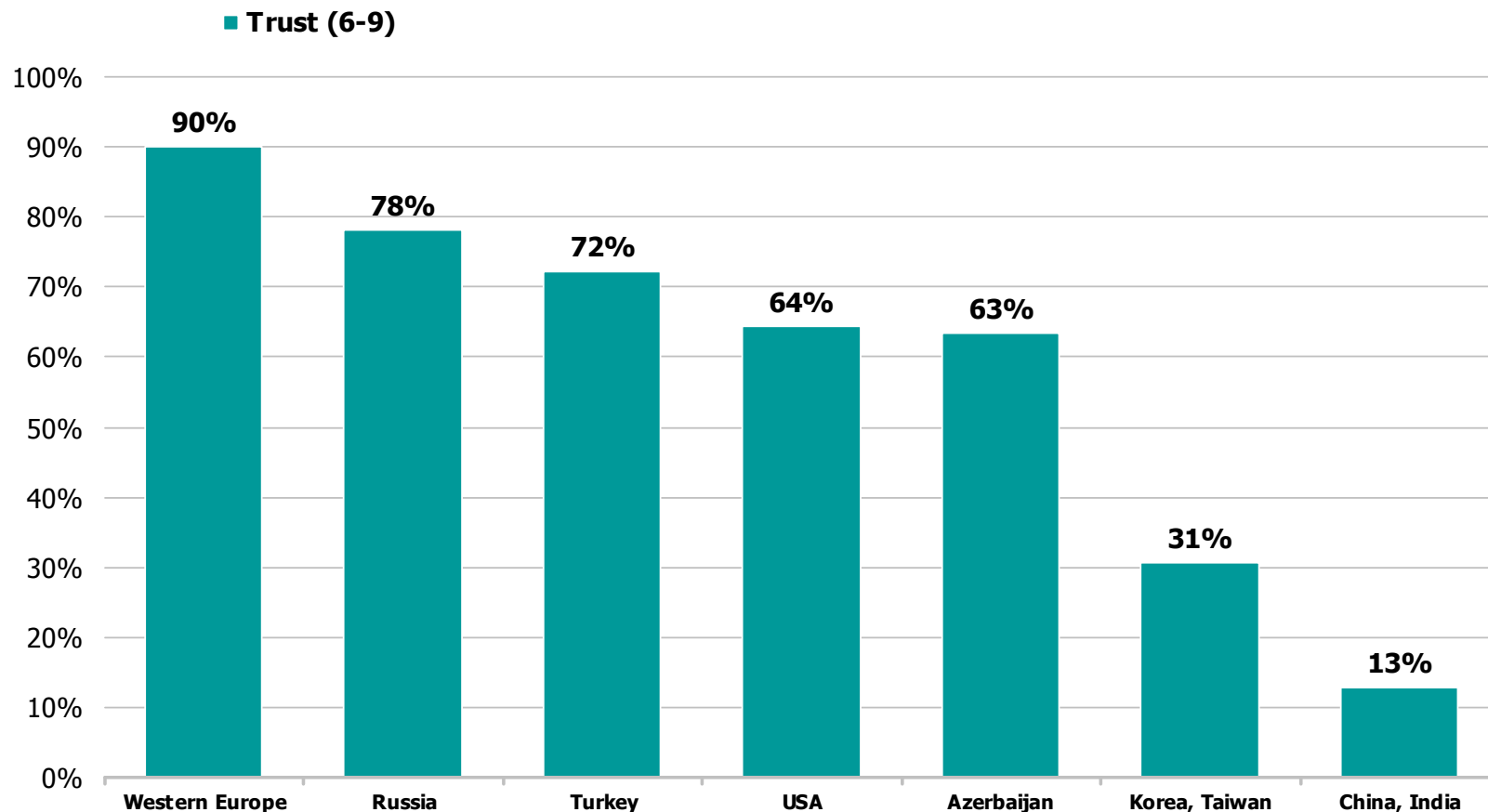
Azerbaijani products are more trusted by men, older respondents, with lower level of family income, and by residents of Gjanga and Sumgait

Q8. Do you trust more Azerbaijani products or foreign products?



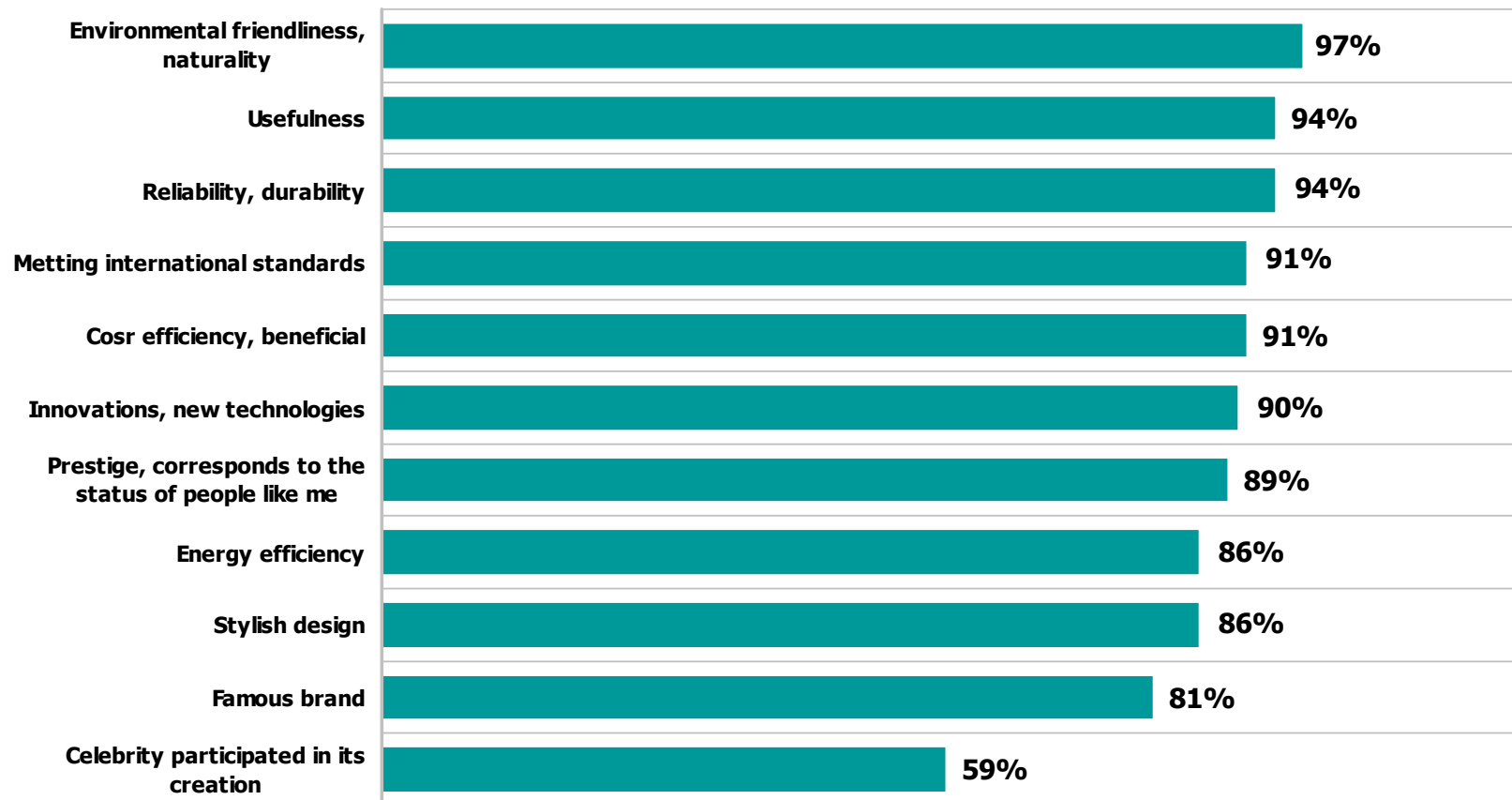
The highest level of trust to producers from Western Europe, the lowest – to producers from China and India

Q9. Define your level of trust to producers of goods from different countries. Please use 9-grade scale, where "1" is "do not trust at all" and "9" – "fully trust".



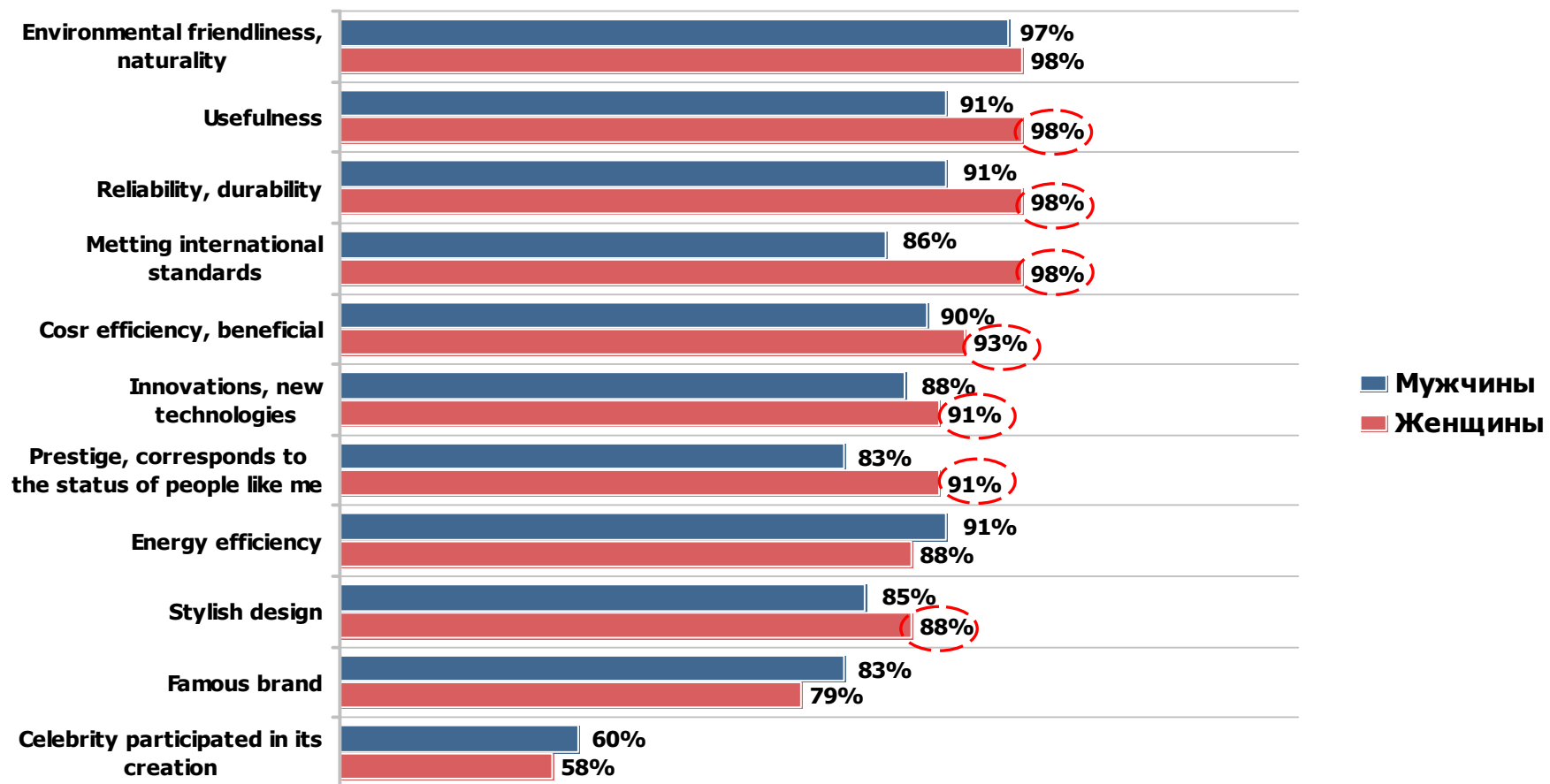
The most important characteristics of products and services are environmental friendliness, usefulness and reliability

Q11. Evaluate importance of characteristics that should have a product or a service, worth a purchase. 9-grade scale, where "1" is "not important at all", "9" – "very important".



Women consider usefulness, reliability, meeting international standards, prestige and stylish design more significant

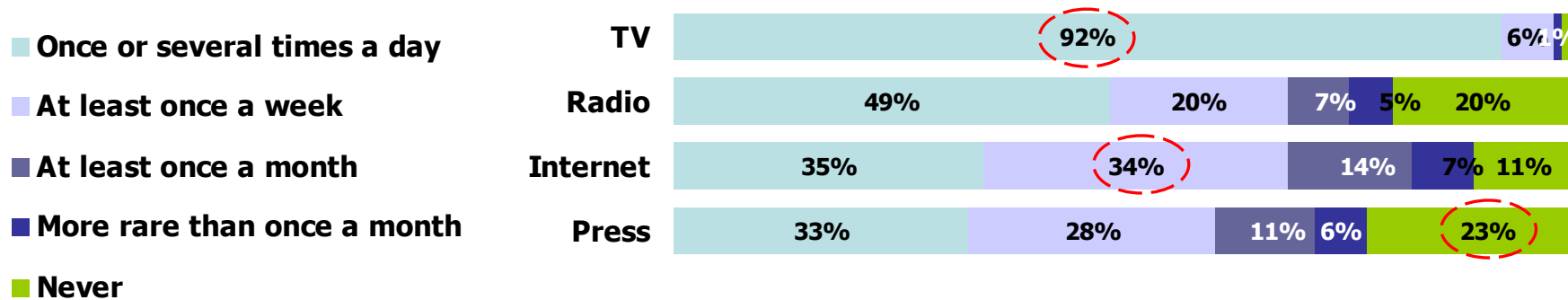
Q11. Evaluate importance of characteristics that should have a product or a service, worth a purchase. 9-grade scale, where "1" is "not important at all", "9" – "very important".



Trust to Information Sources

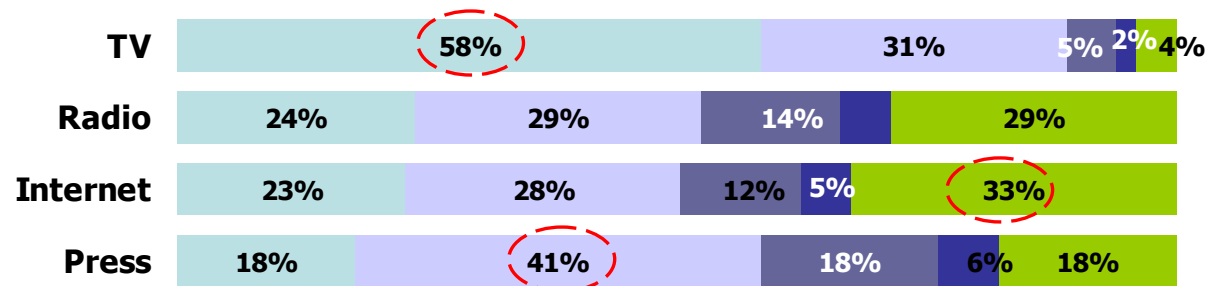
TV is much more popular than other kinds of mass media

Q18. How often do you watch, read or listen to news by ...?



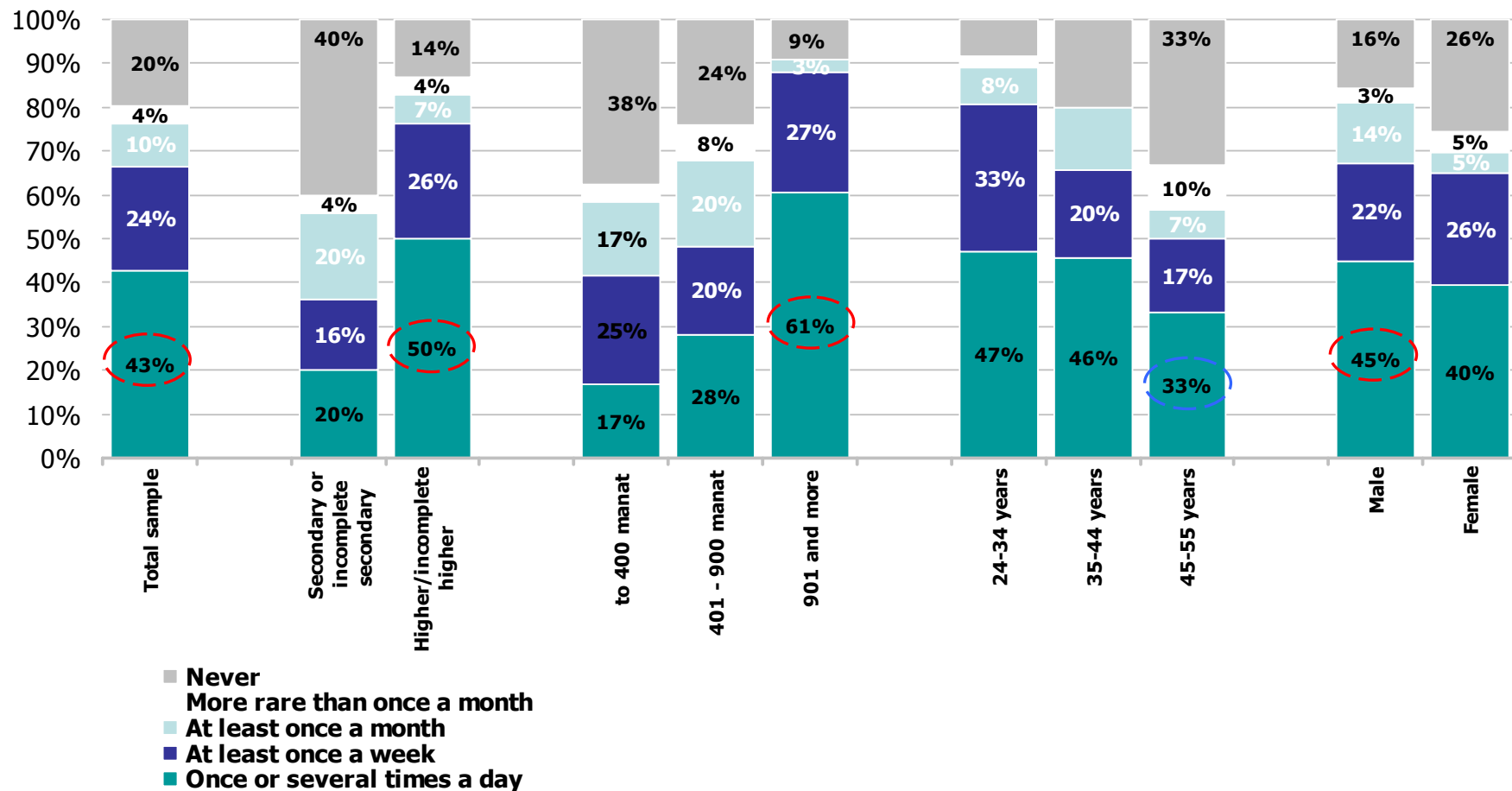
Q19. How often do you watch, read or listen to business news by ...?

Every day business news via TV watch 58% of respondents, meanwhile 41% read weekly business press.



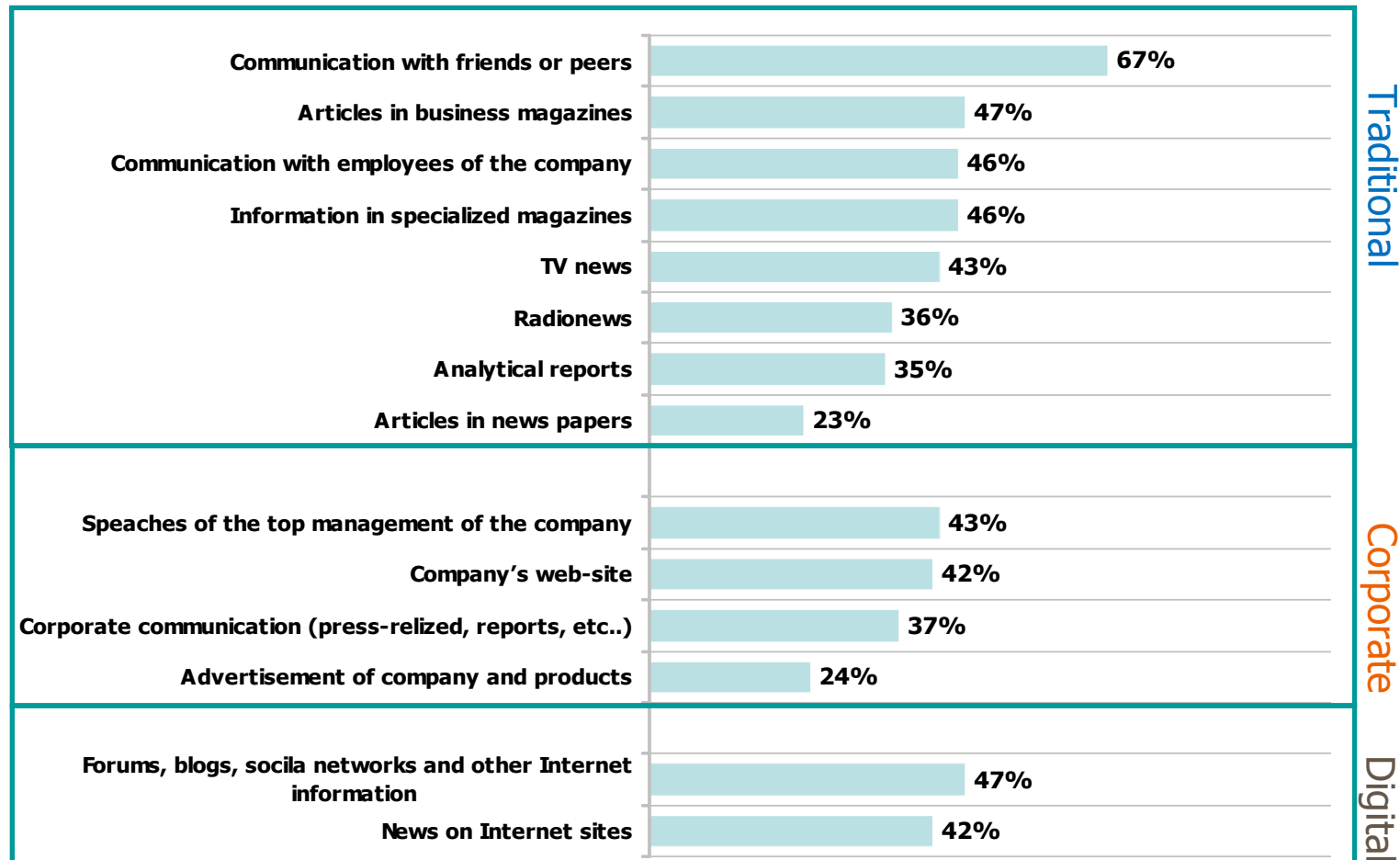
Internet is more often used by people with higher education and higher level of income in age under 45

Q17. How often do you personally use Internet (no matter where, at home or in other place)?



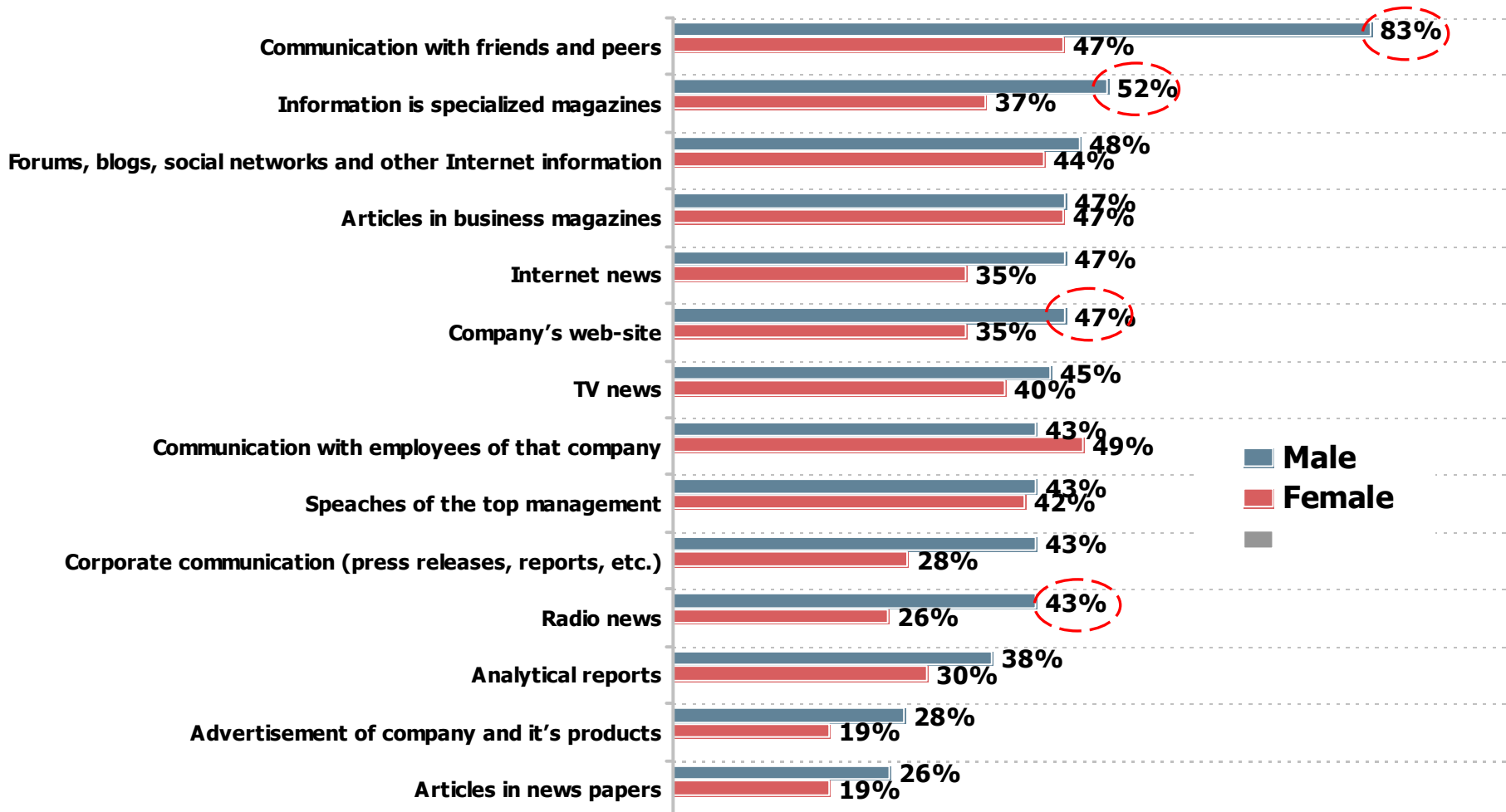
Communication with friends and the peers is the most trusted sources of information. Magazines, TV and Internet are equally trusted

Q3. Evaluate please the trustfulness of each named sources of information about companies and products [Options «Absolutely trustful» and «very trustful»]



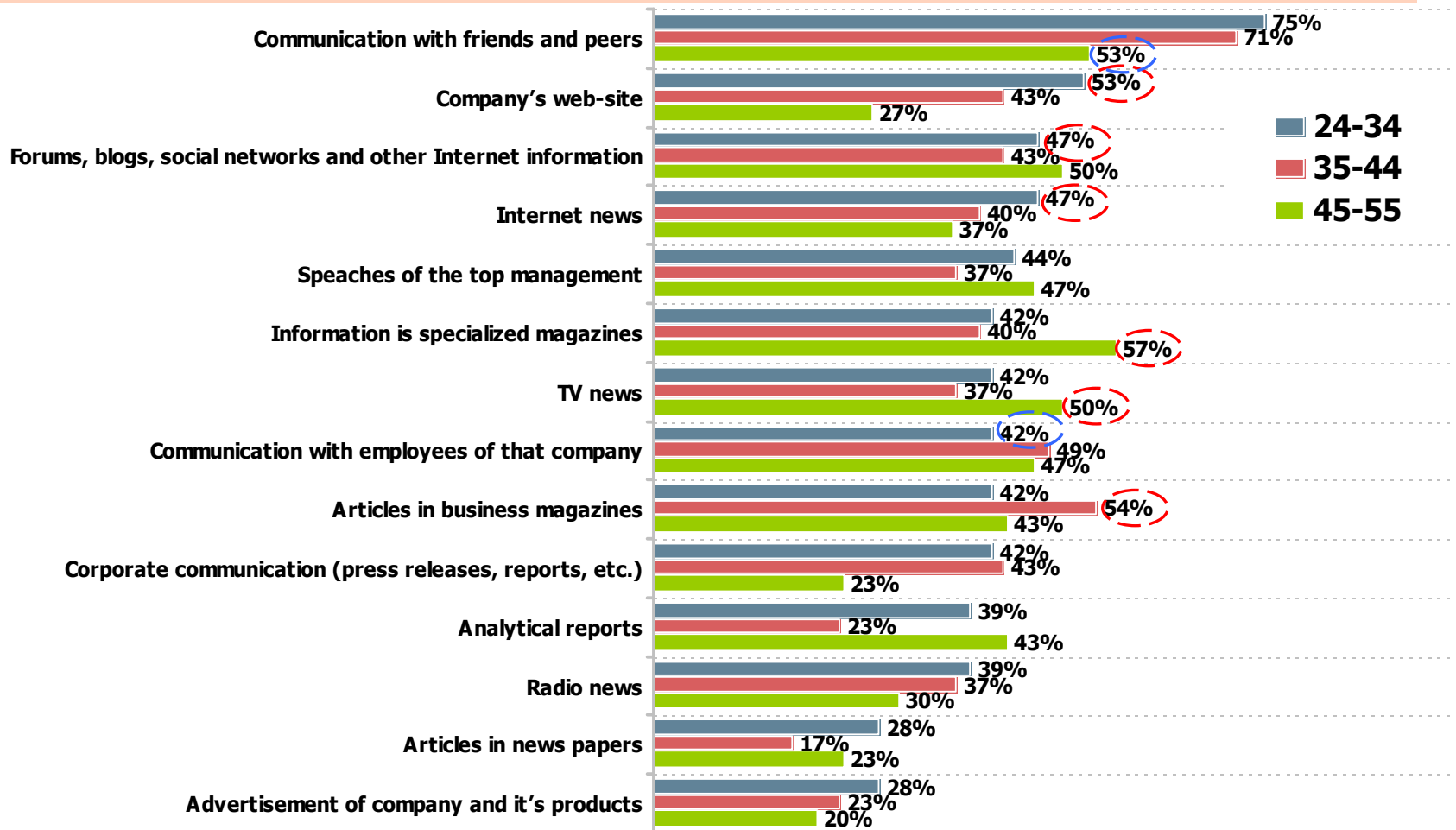
Men trust more friends and peers and also specialized magazines, company's web-site and radio

Q3. Evaluate please the trustfulness of each named sources of information about companies and products [Options «Absolutely trustful» and «very trustful»]



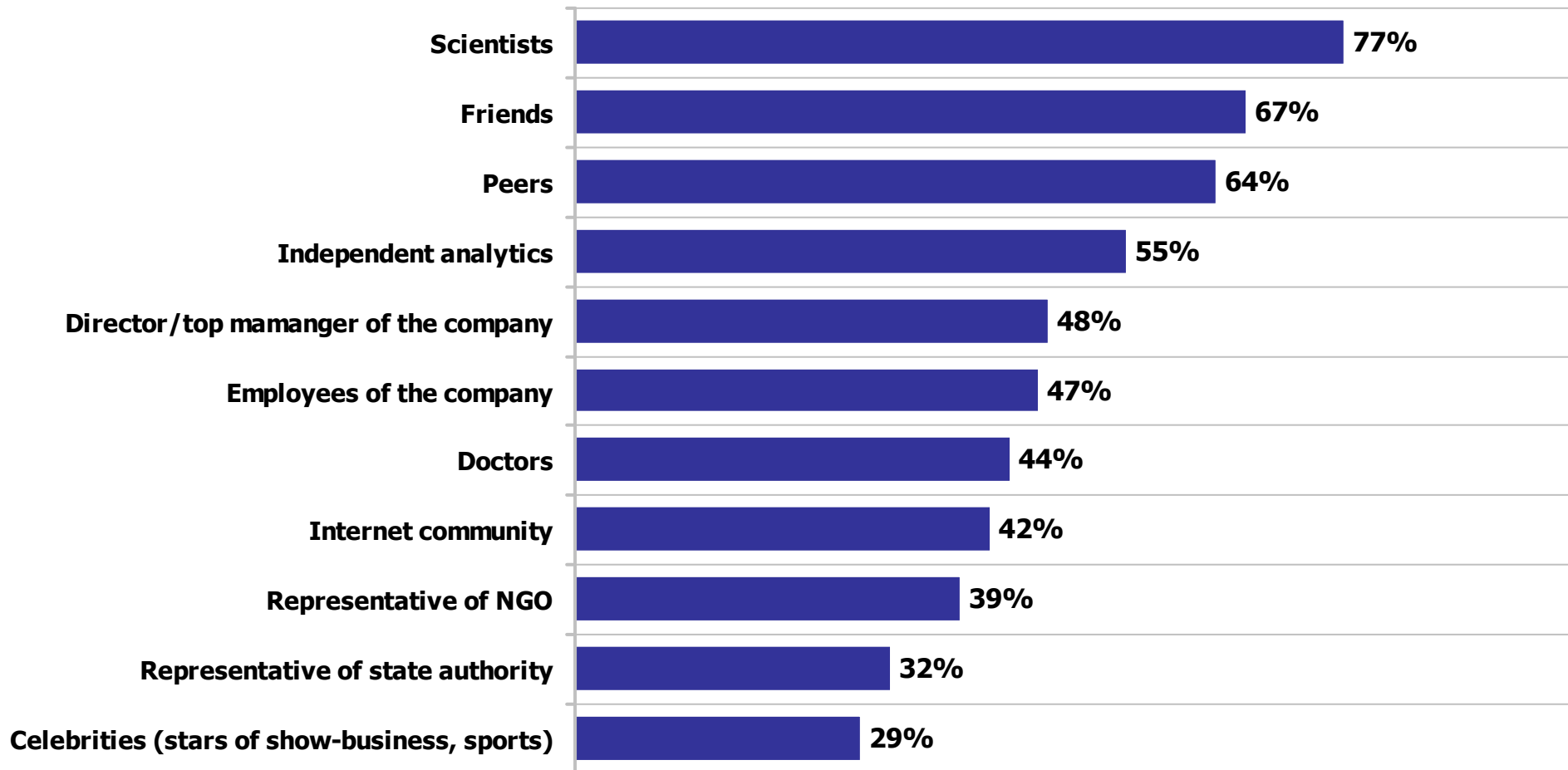
Younger respondents trust Internet more, middle and older – articles in magazines, and also older group trust communication less, and TV – more

Q3. Evaluate please the trustfulness of each named sources of information about companies and products [Options «Absolutely trustful» and «very trustful»]



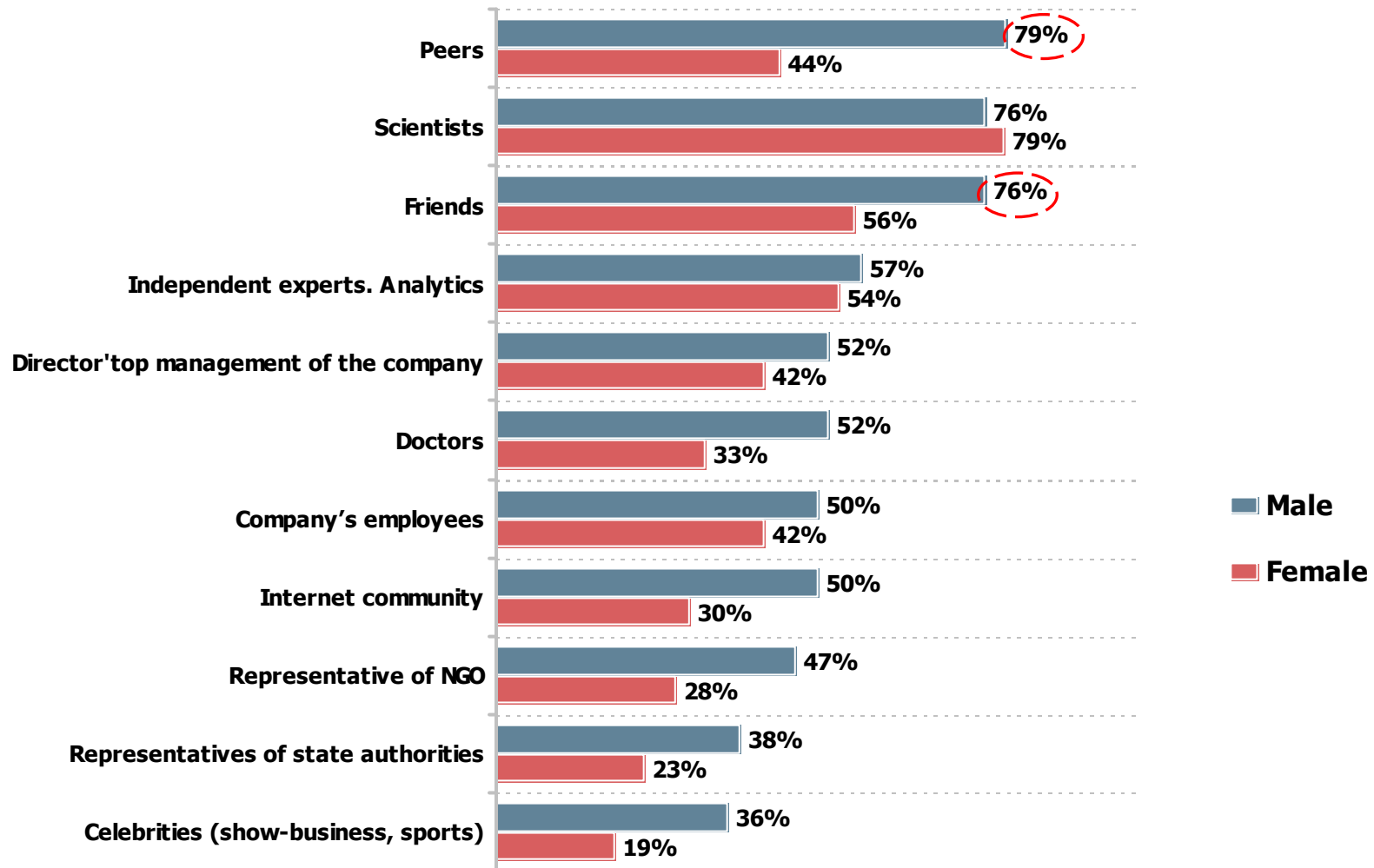
The most trusted is information, heard from scientists, friends and peers

Q5. If you would hear information about company from each of the following people, how would you evaluate its trustfulness? [Options «Absolutely trustful» and «very trustful»]



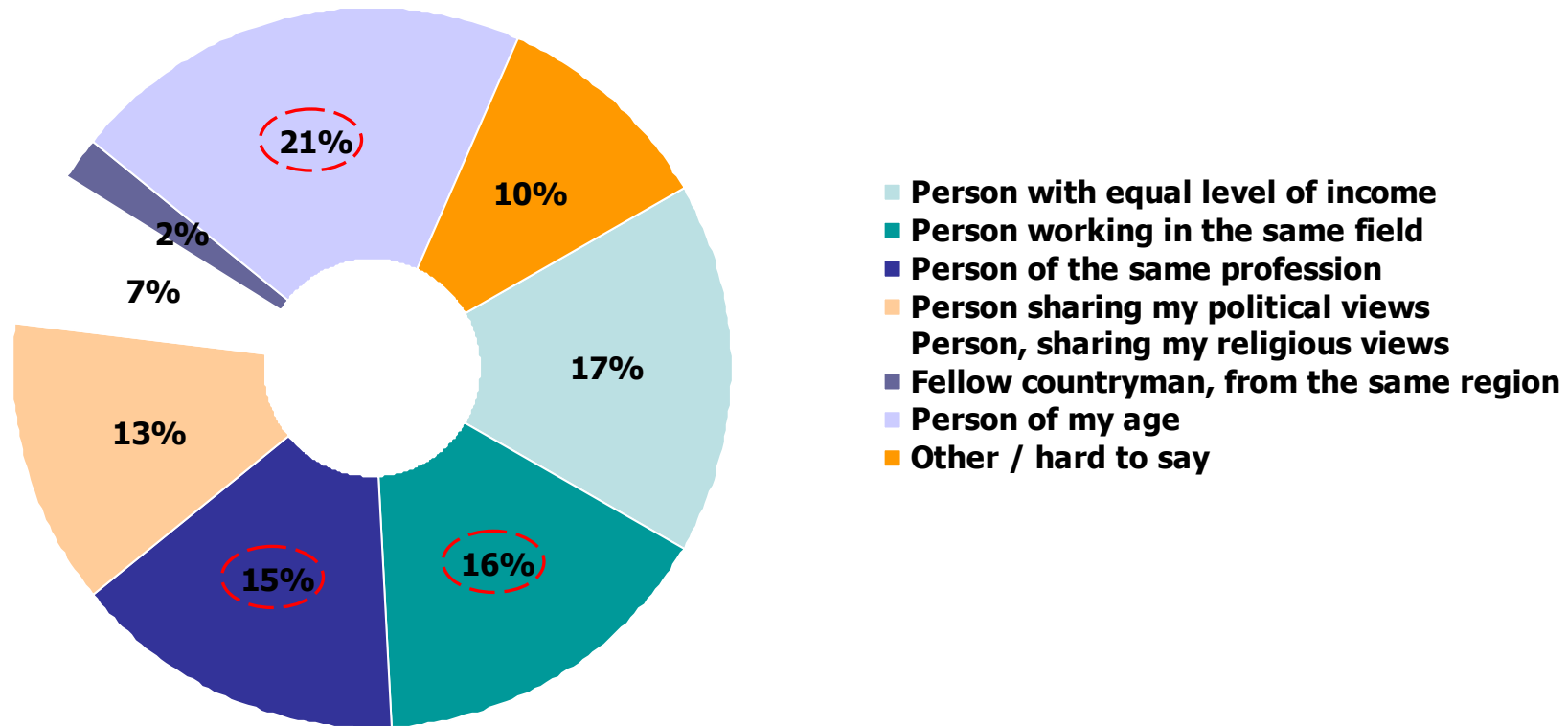
Men trust more peers and friends

Q5. If you would hear information about company from each of the following people, how would you evaluate its trustfulness? [Options «Absolutely trustful» and «very trustful»]



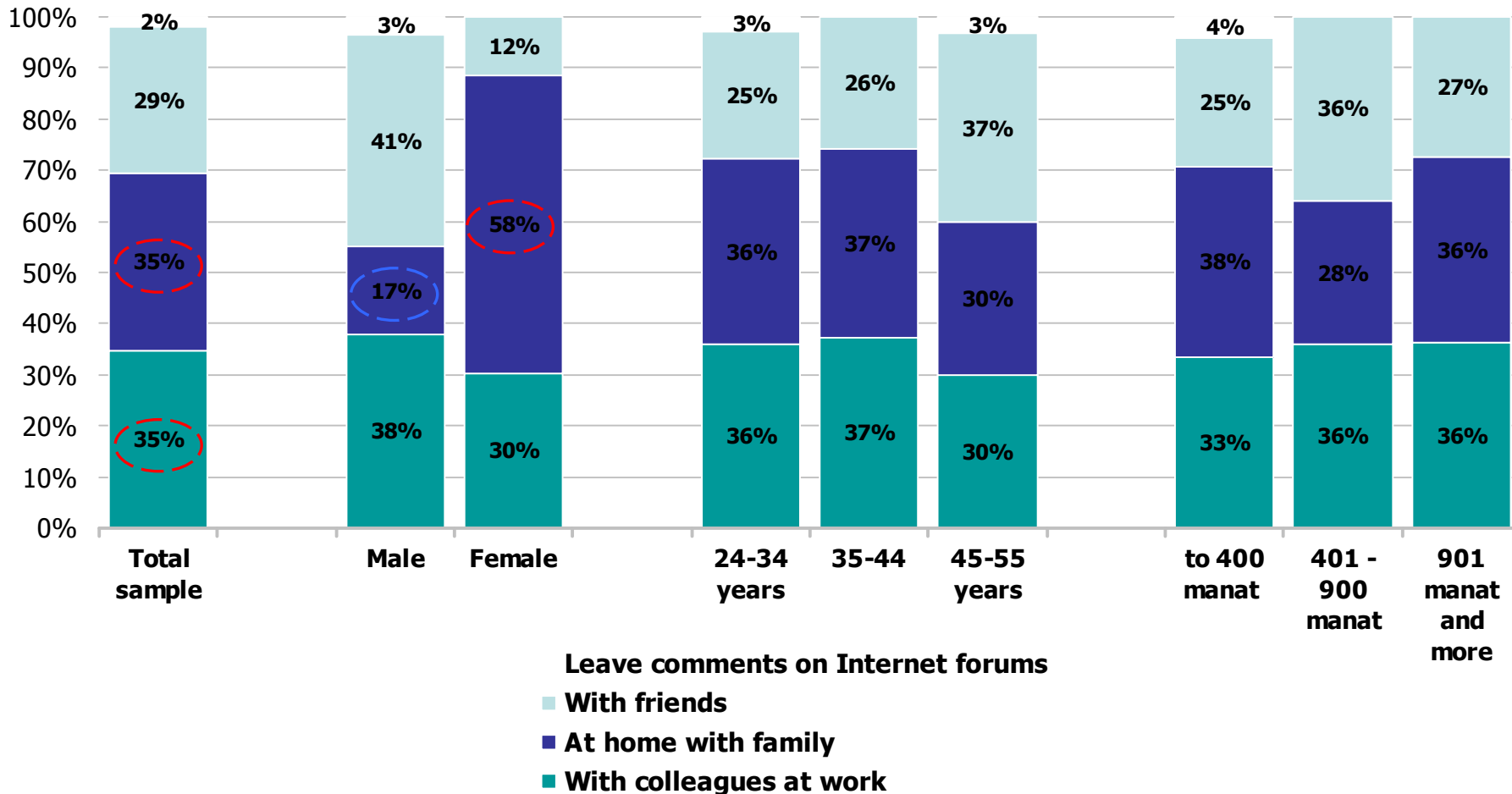
Peers - more often they are colleagues by profession or by industry, and also people of my age

Q6. Tell, for you peer is:



News are more often discussed at home or with colleagues at work. Majority of women share news in family, men prefer to discuss news with friends or colleagues at work

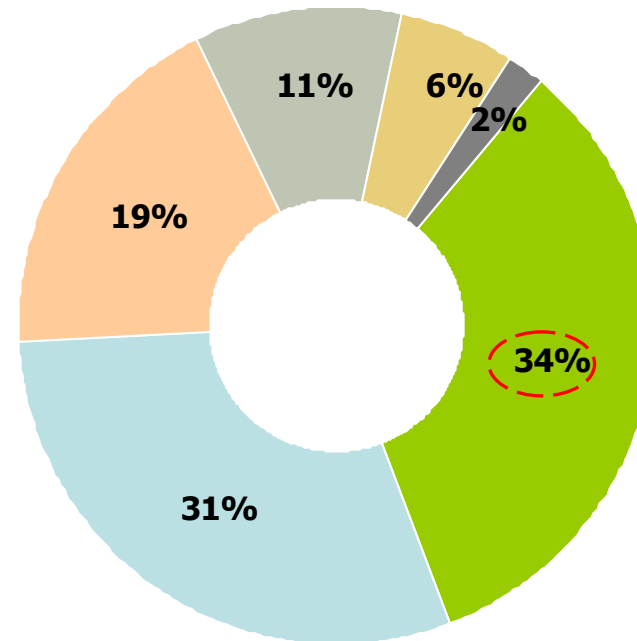
Q4. With whom do you discuss news you have learned?



To one third of respondents it is enough to hear information only once to believe it, the other third needed 2-3 repeats

Q7. Thinking about all you hear and watch about companies every day (either positive and negative information), how many times do you have to hear information, in order to consider it trustful?

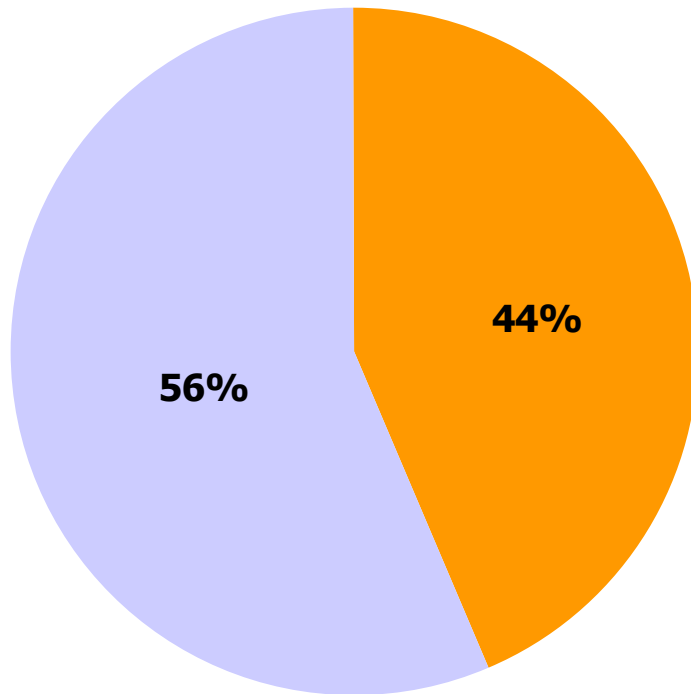
- Once from reliable source is enough
- 2 - 3 times
- 4 - 6 times
- 6 - 10 times
- more than 10 times
- Other/difficult to say



Social and Demographic Characteristics of Prosperous Azerbaijanians

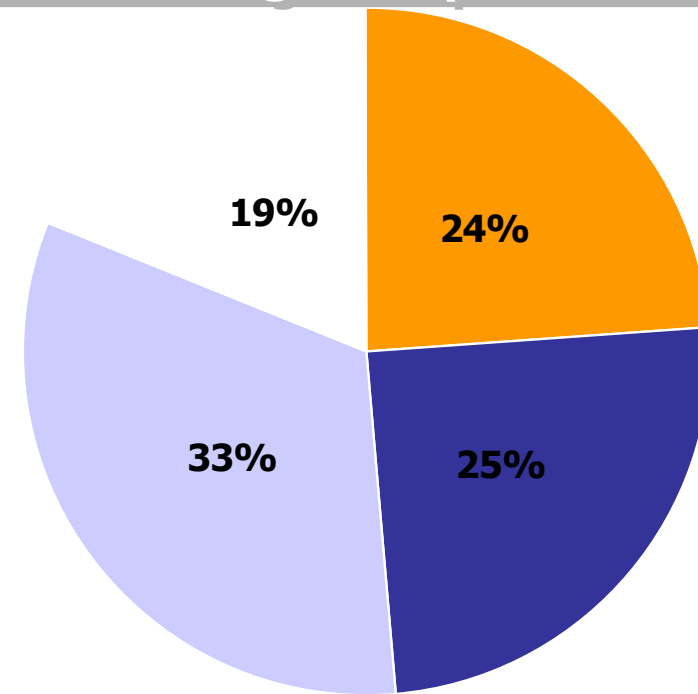
Income

Subjective evaluation of income



- Enough for food, clothes, shoes, expensive purchases. For such purchases as flat or car have to save or borrow money
- Enough for food, clothes, shoes, other purchases. For such expensive purchases as TV set or refrigerator have to save or borrow money

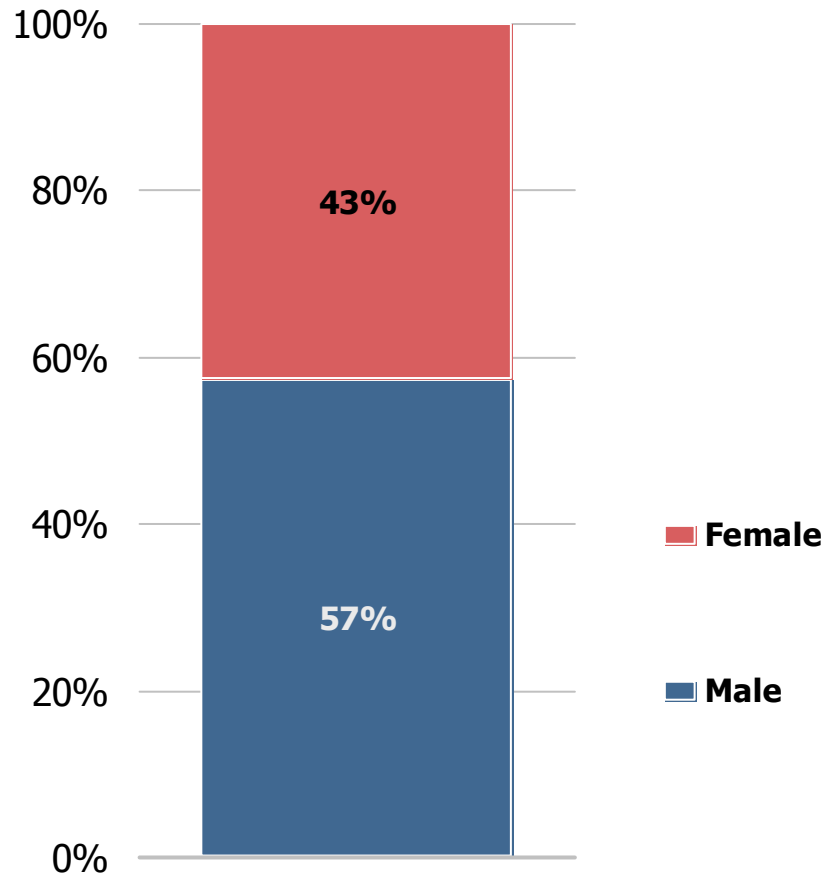
Average monthly income according to respondents



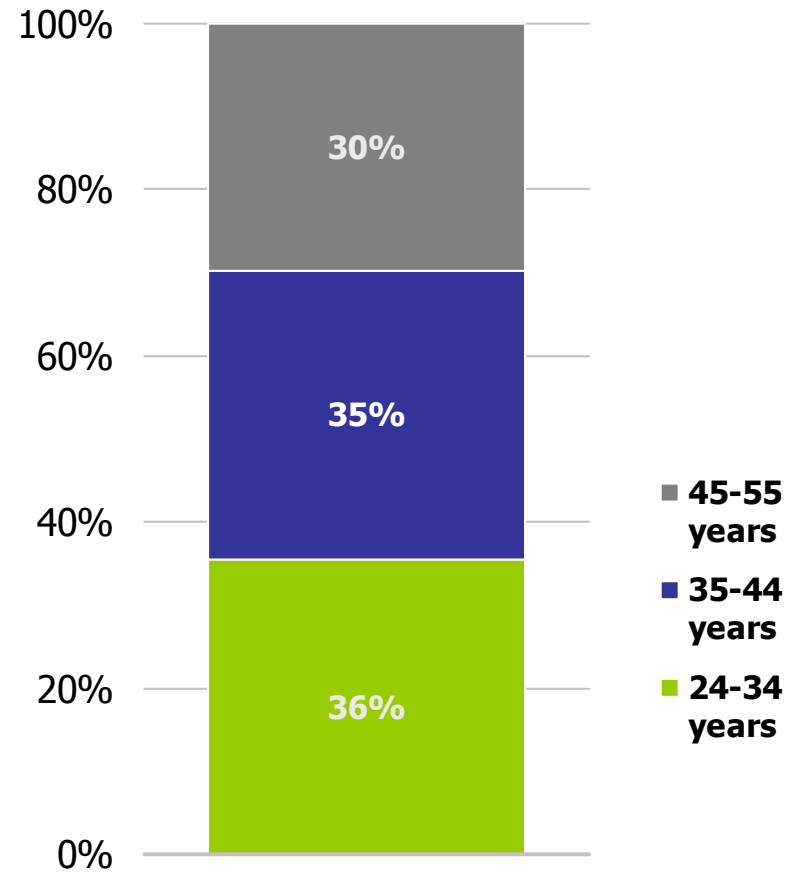
- to 400 manat
- 401 - 900 manat
- 901 and more
- Difficult to say

Gender and Age

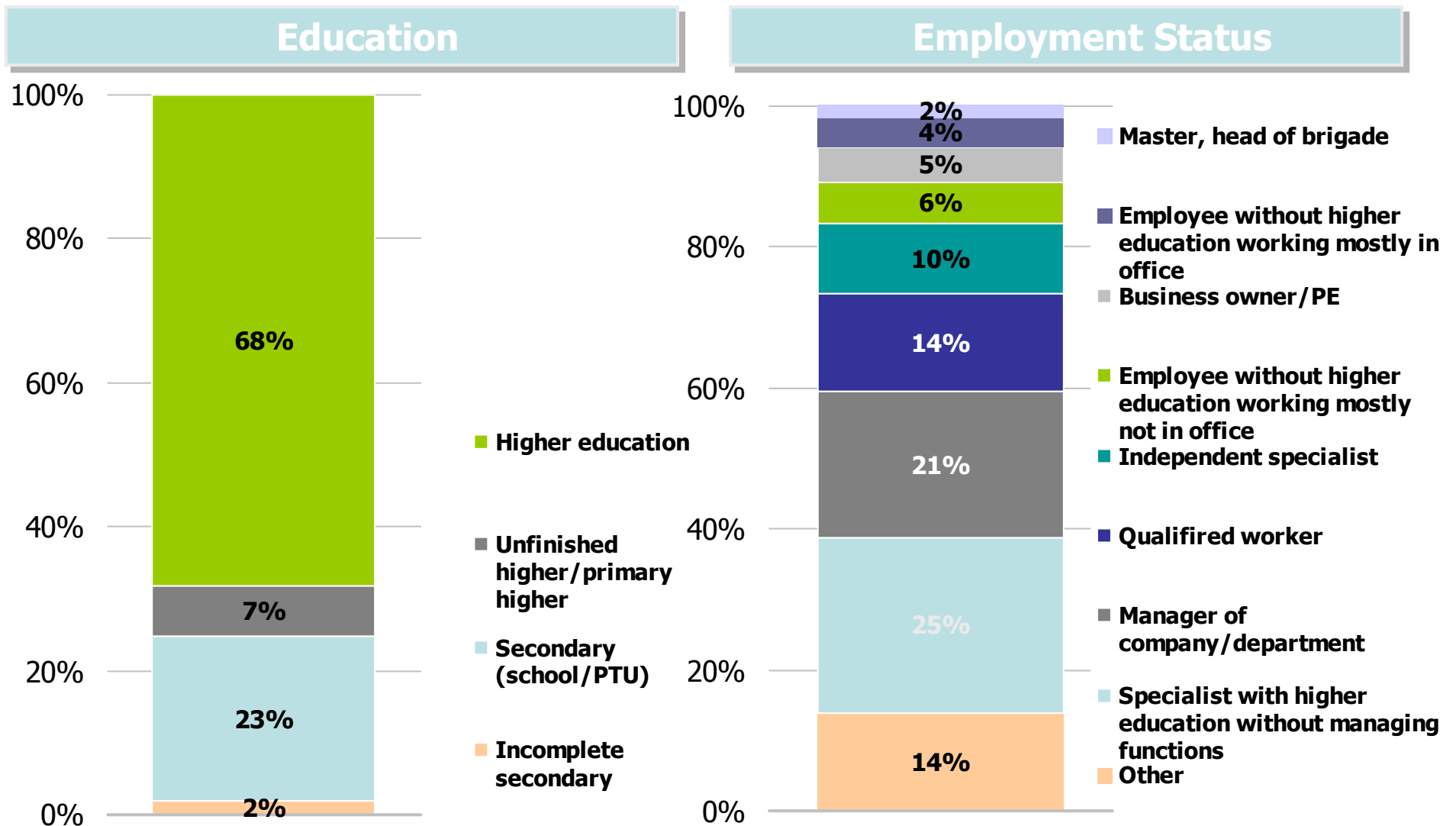
Gender



Age



Education and employment status



Geography

City

