

NobletMedia CIS

CIS: PR & Communications Guide  
Survey of prosperous consumers' opinions  
in Ukraine, Kazakhstan and Azerbaijan

**PR**  **NobletMedia CIS**  
& Communications Guide

## Contents

- 1 The goals and methodology of the survey
- 2 Survey results for Ukraine
  - Key conclusions and recommendations
  - Trust for business
  - Trust for sources of information
  - Socio-demographic characteristics of prosperous Ukrainians

- 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:



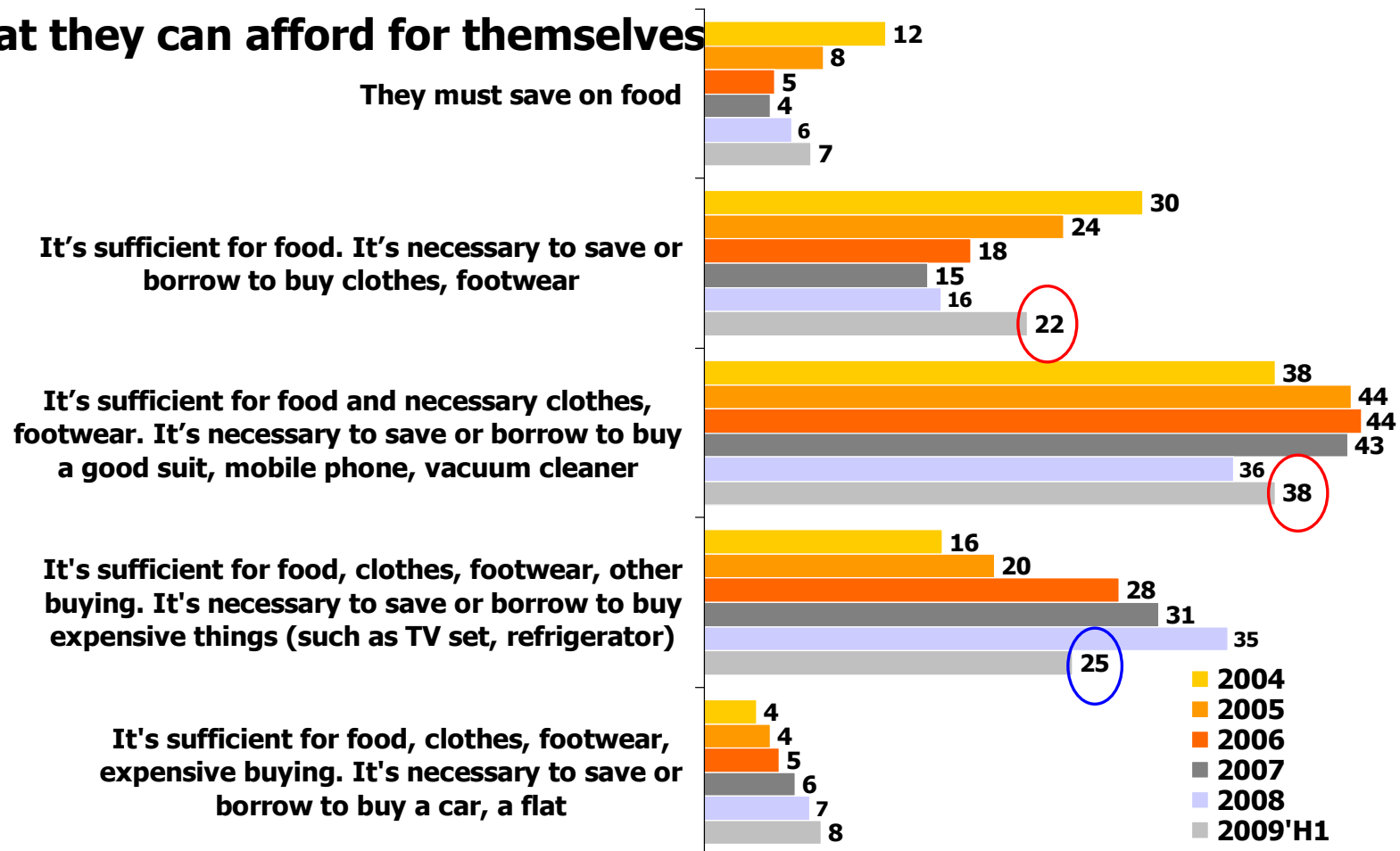
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## Survey Results for Ukraine

During first six months of 2009, prosperous households constituted 33% of those ones in big cities (in 2008 – 42%)

Data: setup research of TV-panel GfK Ukraine, N=5000 for a wave, cities with population more than 500 thousand people

### What they can afford for themselves





## Methodology of the research

### Idea of the research was suggested by international surveys

- **Method:** Computer-aided testing and inspection (CATI)
- **Selection:** 200 interviews with wealthy customers in the age of 24-55 years that give main or significant part of their families' income. Maximum possible error for indication share 50% is 6.9%.
- **Research geography:** Kyiv, Donetsk, Kharkov, Odessa, Dnepropetrovsk, Lvov
- **Research period:** August, 17 – 26, 2009

Main conclusions and recommendations

## Main conclusions: trust business and the government

- A low trust to business is observed among prosperous Ukrainians (36%). Private entrepreneurs, inhabitants of Kharkov, Odessa and Donetsk are characterized by higher trust level to business, as well as women. Those companies that work in the market of technique, technologies, communications and the agriculture enjoy the highest trust, but banks and insurance companies – the lowest one.
- Trust to government is much lower than in business (8%). Major part considers that the policy of the Government leads to price increase. At the same time, a half of those asked are sure in necessity of tighter control over business on part of the Government. The level of trust to business is inversely to wish of the control on part of the Government.

## Main conclusions: companies' reputation and consumer behavior

- 71% of consumers that have a confidence in a company stated that they bought goods of the companies they were trusted in, and 48% - stated that they paid more for those goods even when cheaper analogues were available. 57% recommended said companies to their friends and colleagues.
- 67% of consumers do not buy goods of companies they have no confidence in, even in spite of lower price, 41% of them criticize those companies talking to their friends and colleagues.
- Quality of goods and services have the most positive impact on evaluation of a company's reputation (93% consider it is the most important factor), attitude towards their employees (85%), attitude towards the environment (83%), compliance with law (82%), establishment of new working places in the region (81%), reliability of the owner (80%). Respondents with lower income pay more attention to factors dealing with the social responsibility.
- In terms of the company's origin, the most positive factor of perception is the fact that a company is a subdivision of a big international company (74%), less positive – that it is an Ukrainian company (52%) and the least importance has the fact that a company is managed by foreign managers (36%).

## Main conclusions: criteria for choice of goods and services

- The most important characteristics of goods and services are their efficiency, reliability, usability and ecological compatibility/naturalness. Significantly lesser importance is paid to those characteristics as innovation, stylish design, fame and brand's prestige. Women pay more attention to usability, ecological compatibility, compliance with international standards, stylish design, innovation than men.
- Consumers have more confidence in Ukrainian goods (48%), than to foreign ones in general (23%). In particular, Ukrainian manufactures enjoy less confidence than those from Western Europe and the USA, but more confidence than in manufactures from Korea, Taiwan, China and India.
- Respondents that trust in Ukrainian goods, have more confidence in business in general (38%), than those who trust in foreign goods (26%).
- Respondents aged 35-55 years have more confidence in Ukrainian goods, with lower income, leaders and experts, as well as inhabitants of Donetsk, Kharkov and Odessa. Respondents aged 24-34 years have more confidence in foreign goods, heads of entities /units, as well as inhabitants of Lvov (that corresponds with the lowest confidence level in business in this very city).

## Main conclusions: reliable sources of information

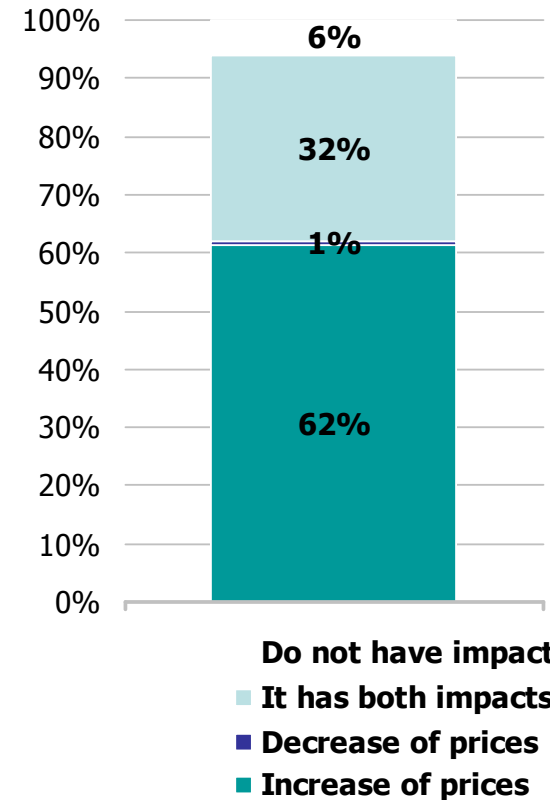
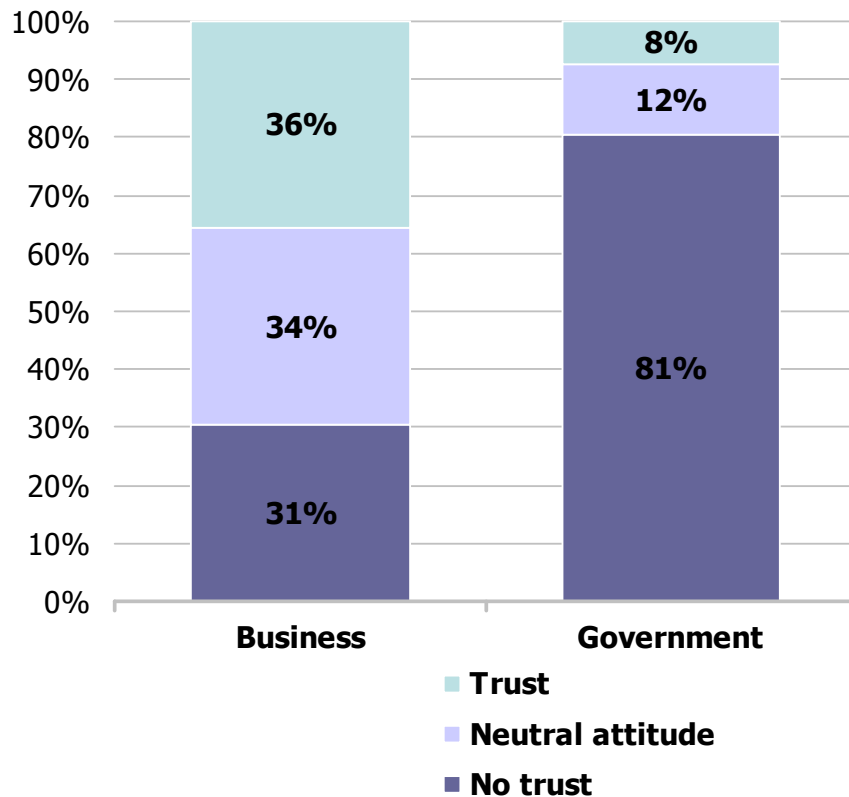
- Major part of wealthy Ukrainians use actively different mass media to obtain business and other news. Most of all, they trust in specialized magazines, as well as the Internet information (news websites, forums, blogs), at the same time, traditionally, television is a leader of news source in terms of using frequency of mass media.
- In terms of personal opinions, scientists, independent experts and “people like me” enjoy the greater confidence. Respondents mean as “people like me” more often those people that have the same occupation or working in the same industry. People discuss news more often with their colleagues.
- Men have more confidence in the Internet news, and women – in communication with “people like me”, company’s employees as well as in corporate communications.
- 40% of respondents have to listen to information one time from a reliable source to trust in it.

Trust to business

About one thirds of prosperous Ukrainians have confidence in business and only 8% - in the State bodies. Major part of them consider that the State policy leads to increase of prices

**Q2, 4. How much do you trust in the State bodies / How much do you trust in business to do what it considers to be right? [9-grade scale, where «1» means — I do not trust at all, and «9» — I trust it completely]**

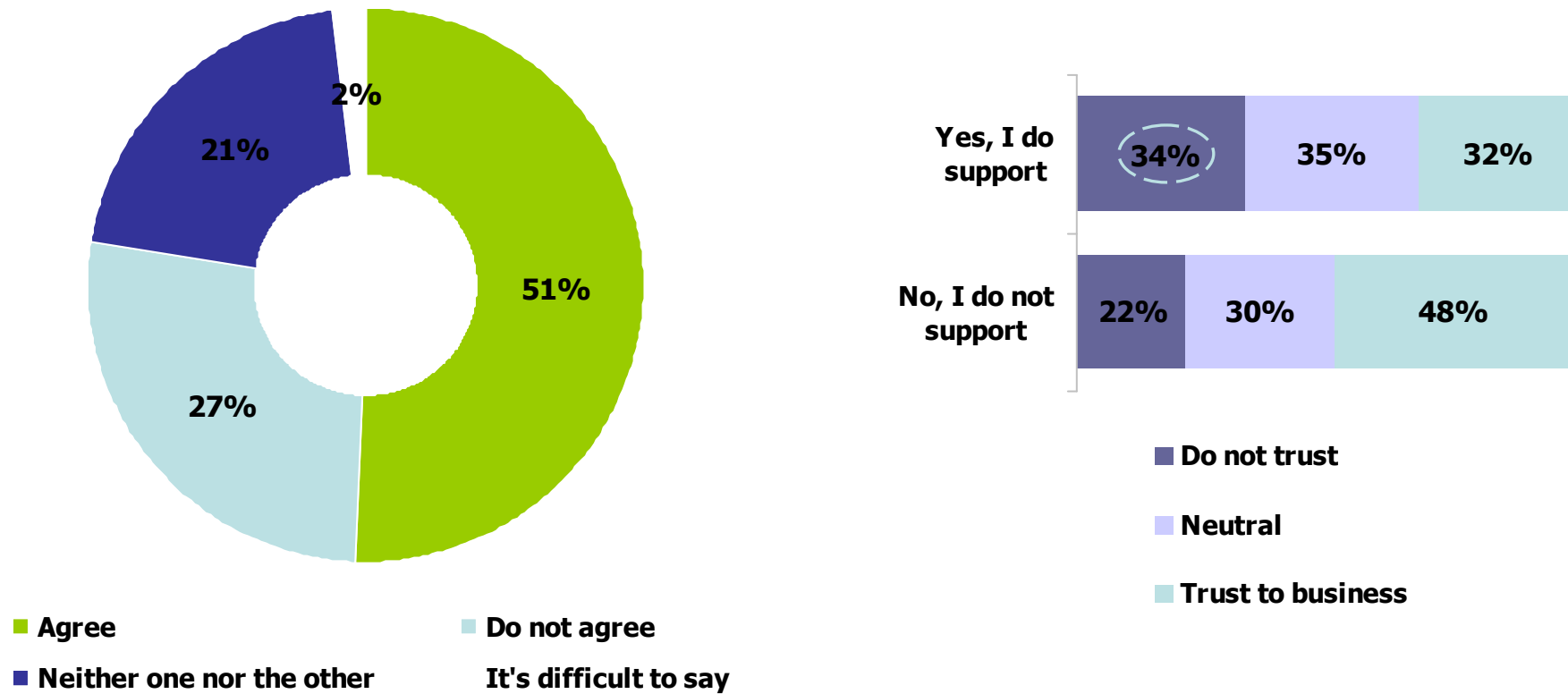
**Q6. What is your understanding of the Government's policy on prices for goods and services?**





At the same time, half of respondents support the necessity of control over business. The trust to business is inversely to the State's wish to control the business

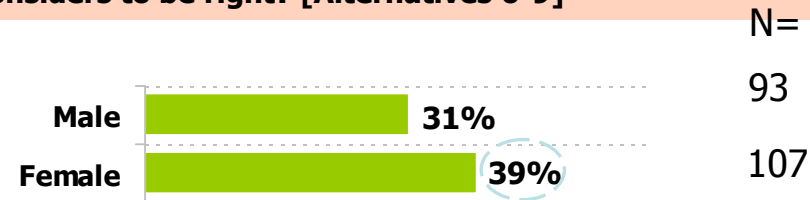
**Q7. Please, tell do you support or you do not support a tighter control over business on part of the Government in all spheres?**



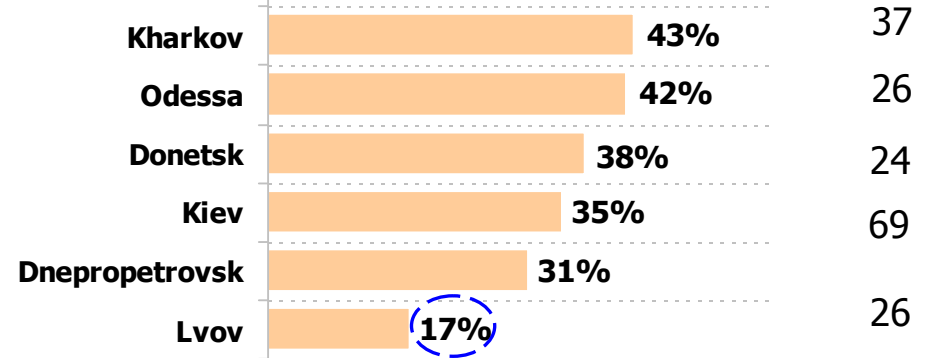
## Trust to business is higher among women, inhabitants of Kharkov and Odessa, and private entrepreneurs

Q4. How much is your trust to business to do what it considers to be right? [Alternatives 6-9]

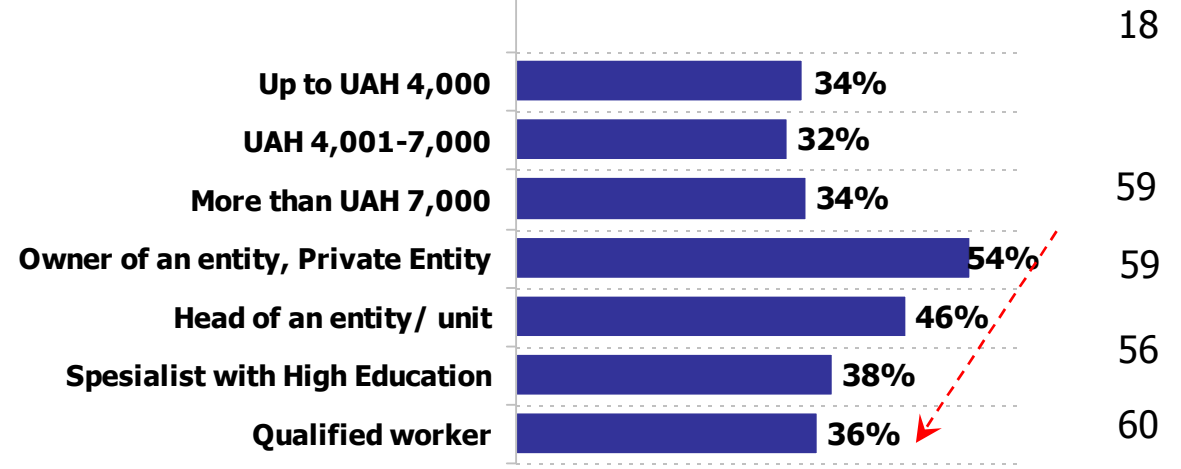
### Sex



### Region

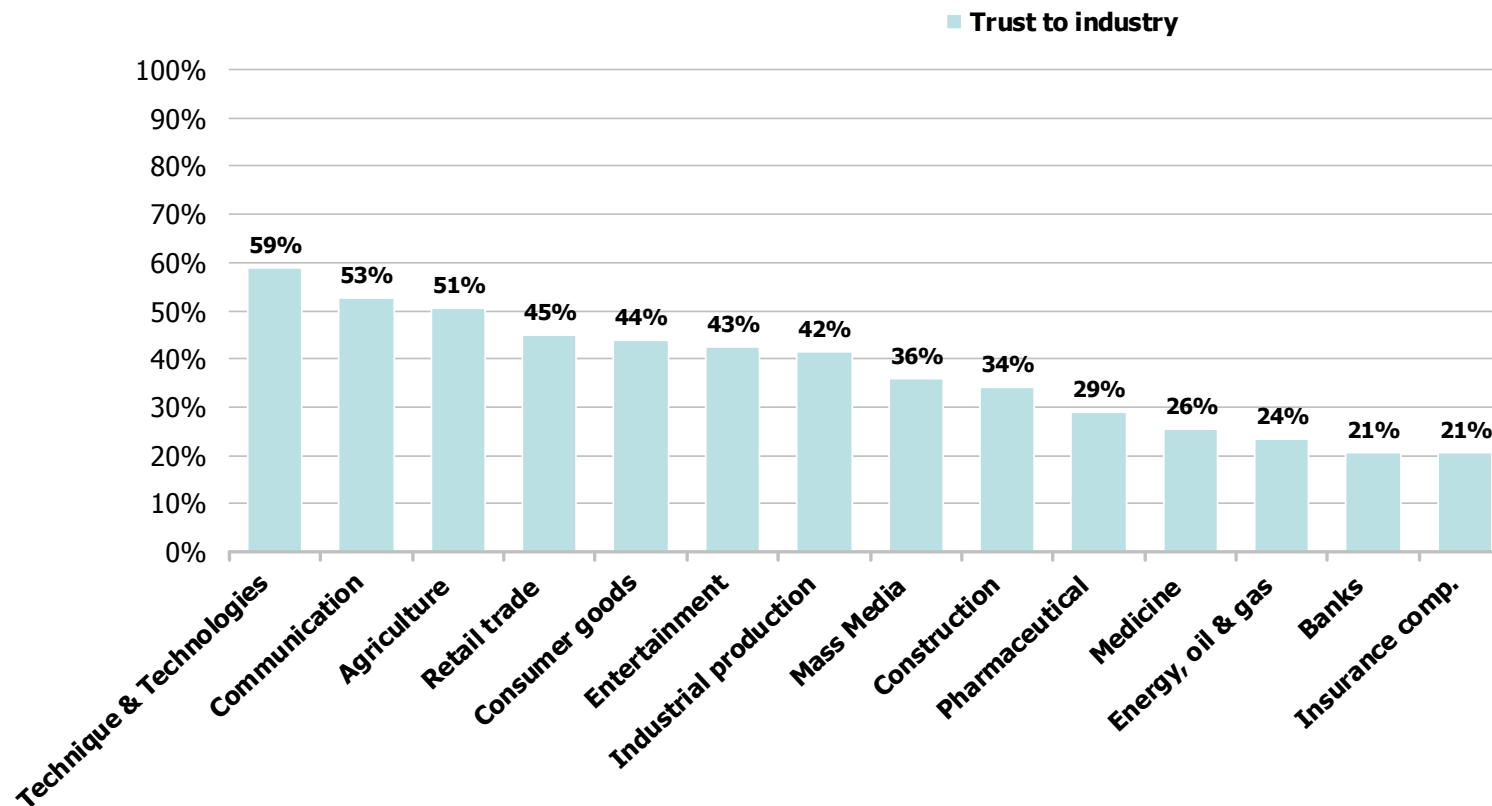


### Status of employment



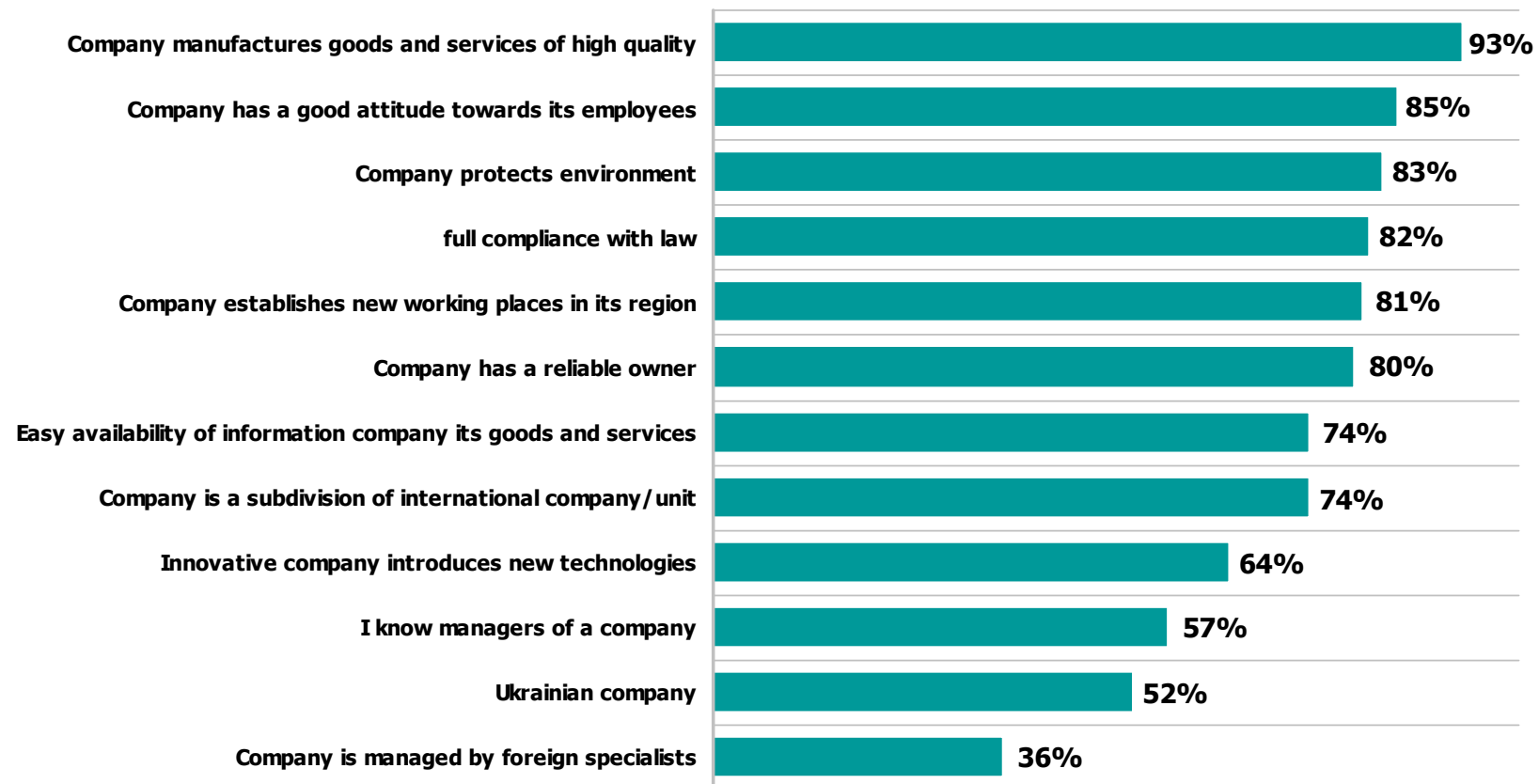
Companies in the market of technique, technologies, communications and agriculture are the most trusted, but banks and insurance companies enjoy the least trust

**Q5. How much do you trust to business in every indicated industries, to do what they consider is right? [9-grade scale, where «1» means — I have no trust at all, and «9» — I trust them completely]**



Attitude towards employees and the environment have almost the same importance for a company's reputation as its quality of goods and services

**Q18. How much are important for you the following factors of a company's reputation? 9-grade scale, where «1» means — it is not important at all, and «9» — it is very important [«Important» were alternatives 6-9]**



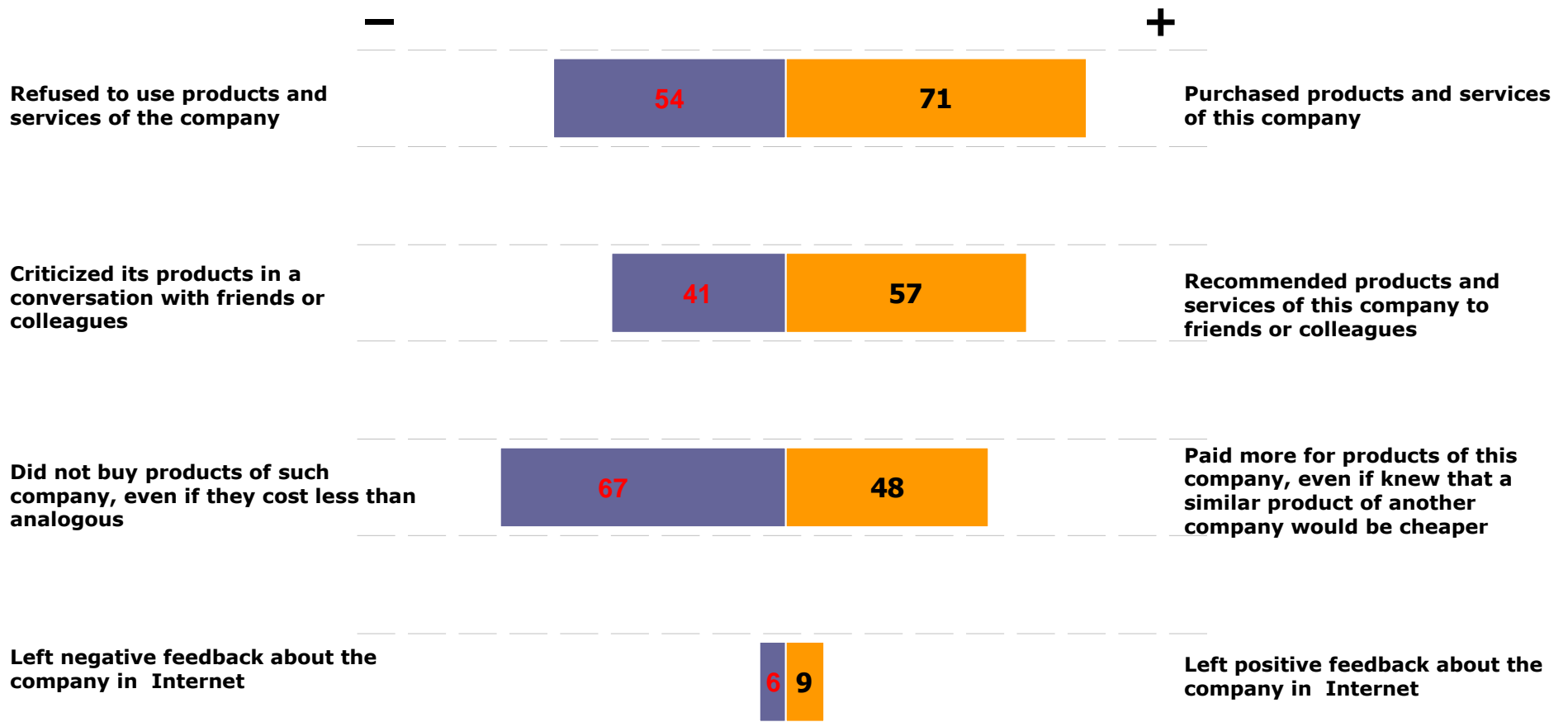
Respondents with lower income pay more attention to factors dealing with social responsibility, but less to their knowledge of its management

Q18. How much is important for you following factors of a company's reputation? 9-grade scale, where «1» means — it is not important at all, and «9» — it is very important [«Important» are considered alternatives 6-9]



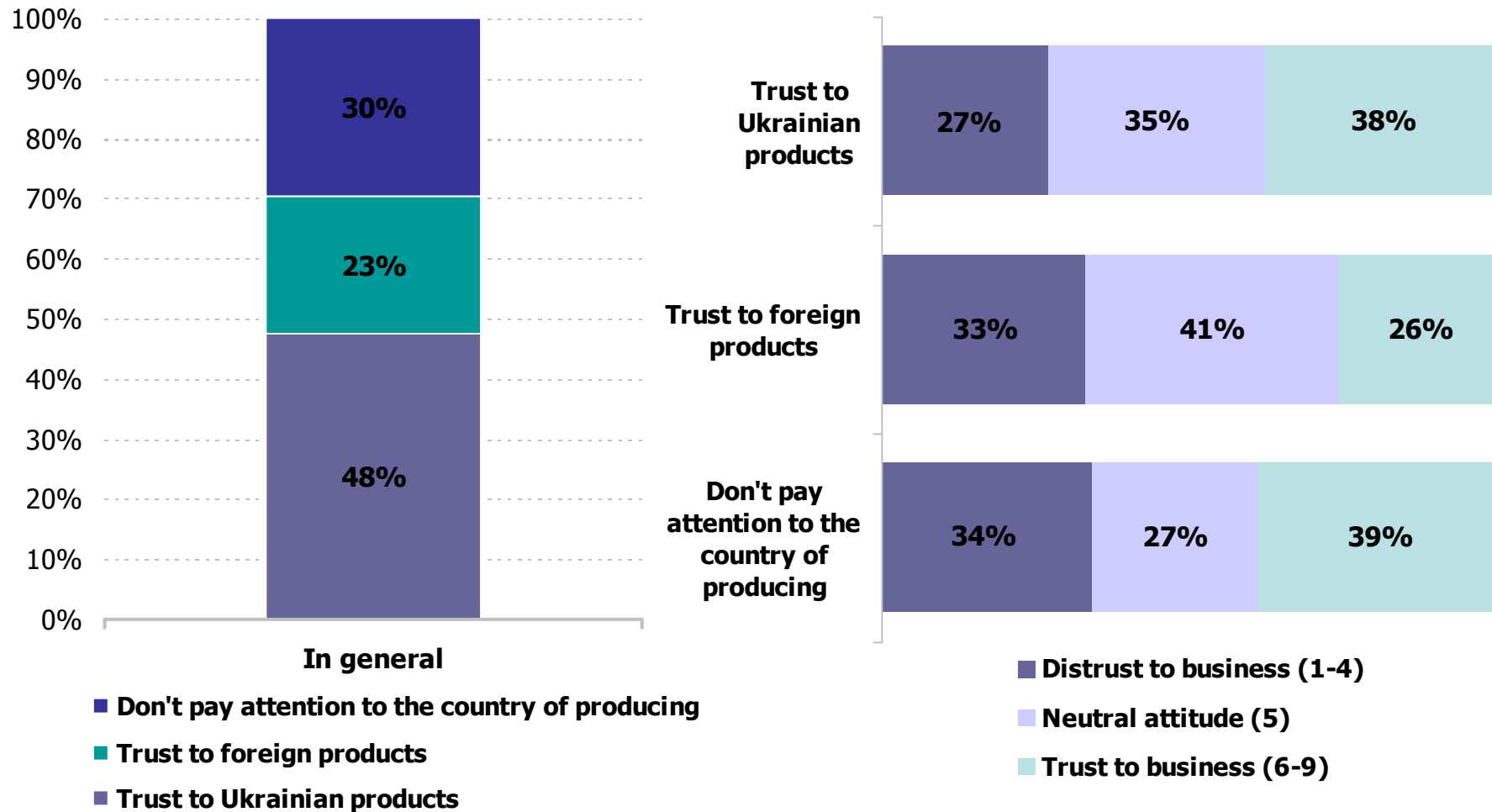
## Trust defines consumers' behavior

**Q20. During the past 12 months do you accomplish any of the following acts concerning the company which you trust to? Q21. During the past 12 months do you accomplish any of the following actions concerning the company, which you DO NOT trust to?**



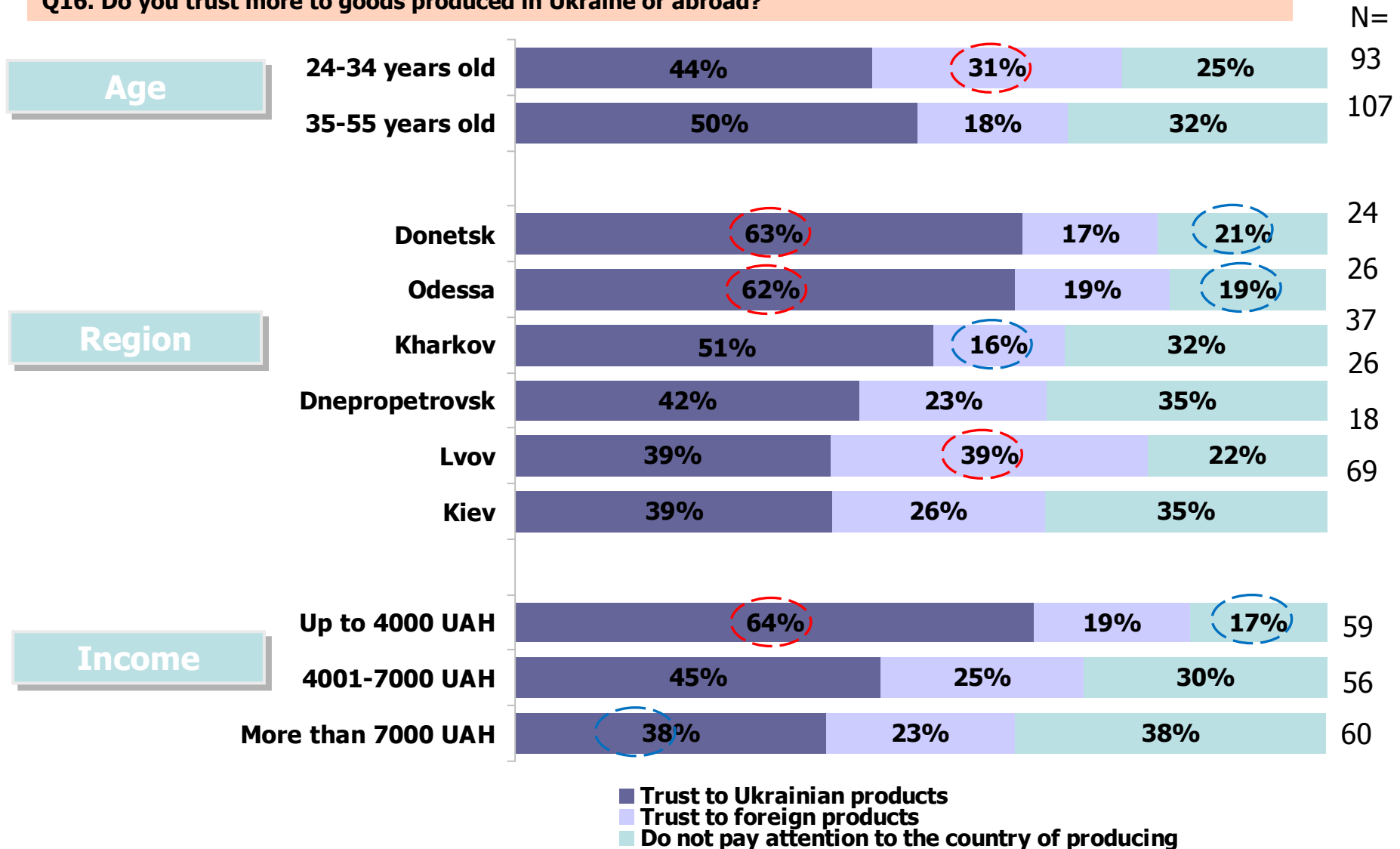
## Trust to Ukrainian goods in general higher than to foreign

**Q16. Do you trust more in goods produced in Ukraine or abroad?**



Ukrainian goods are more reliable for middle-aged respondents, with lower-income, as well as residents of Donetsk, Kharkiv and Odessa

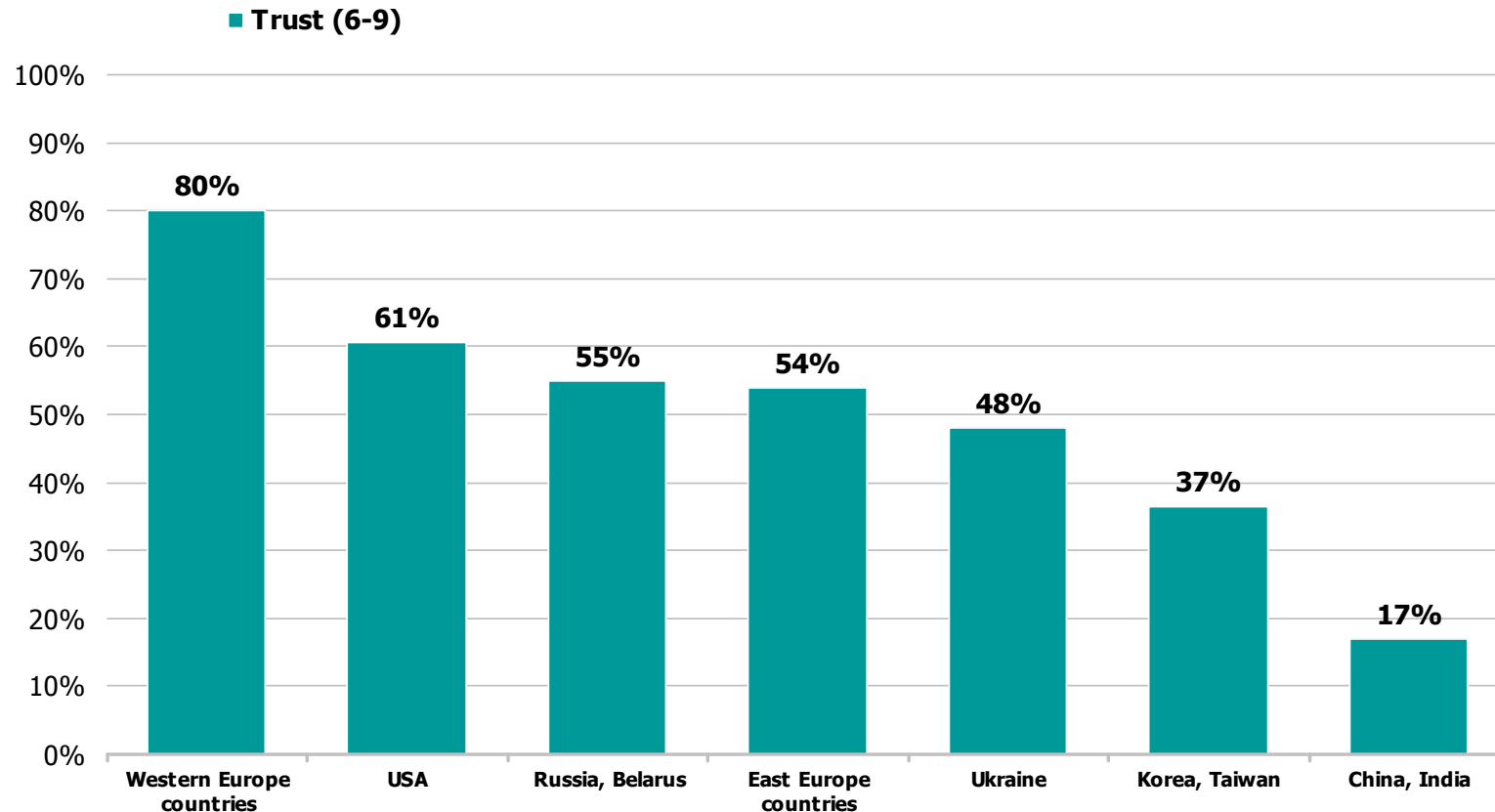
Q16. Do you trust more to goods produced in Ukraine or abroad?





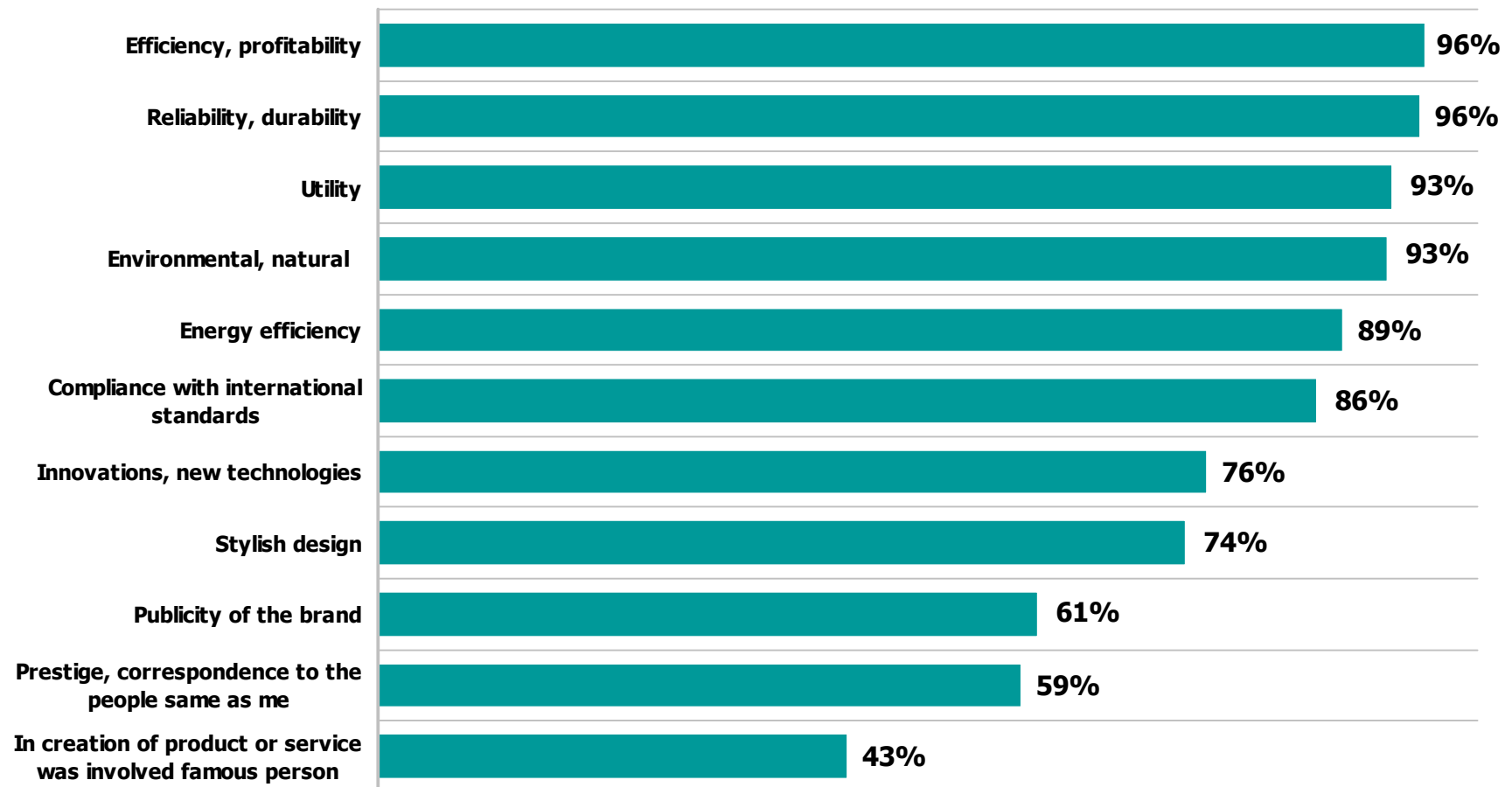
The highest level of trust to the producers from Western Europe, the lowest - to producers from China and India

Q17. Describe the level of trust to the producers of goods from different countries. To answer, please use the 9-point scale where "1" means - do not trust, and "9" - completely trust.



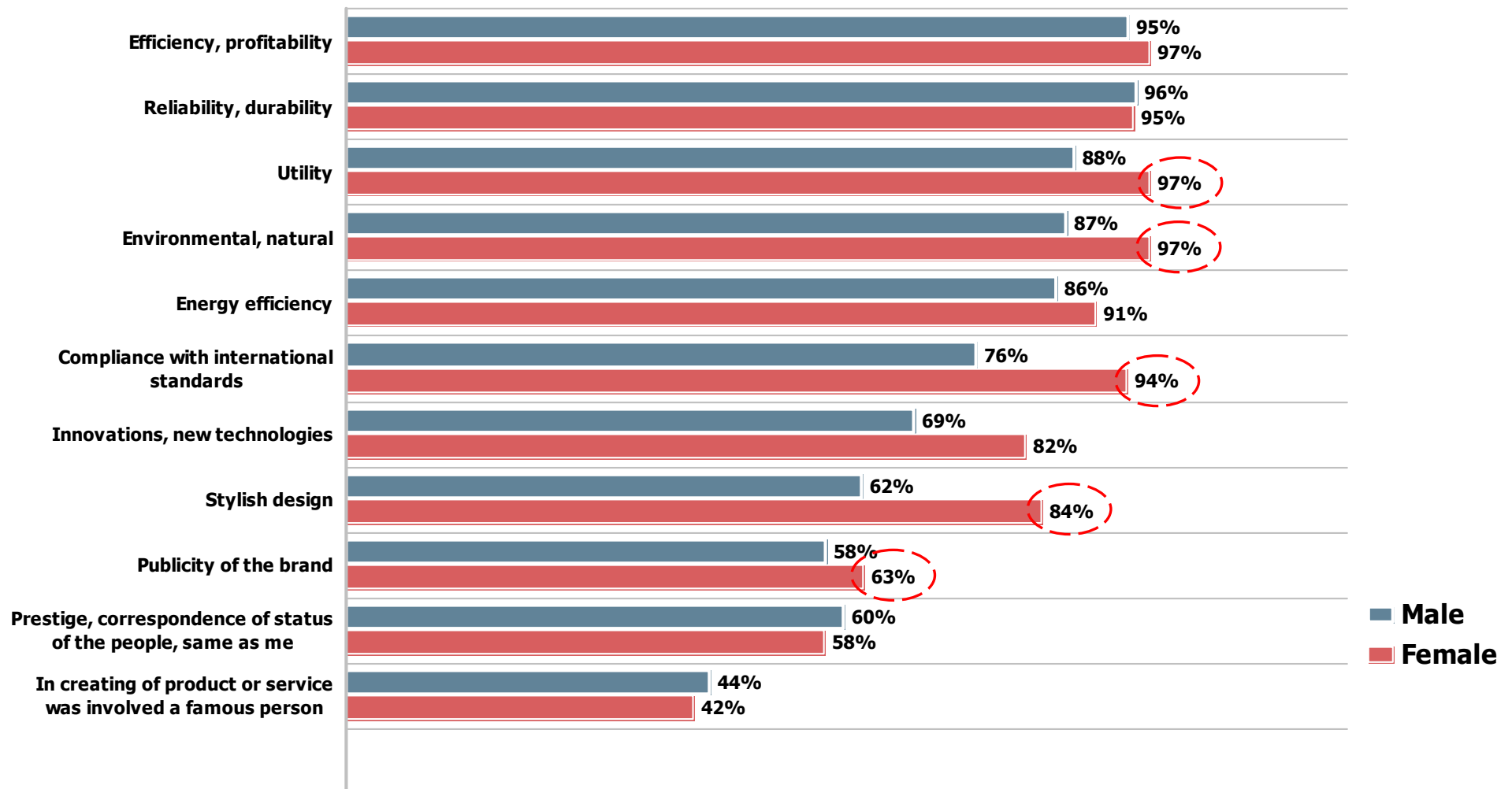
The most important characteristics of the goods and services are efficiency, reliability, usefulness and environmental friendliness

**Q19. Rate the importance of characteristics that must have product or service is worthy of purchase. To answer, please use the 9-point scale where "1" means - just not important, but "9" - very important**



## Women attach more importance to utility, environmental, compliance with international standards and design

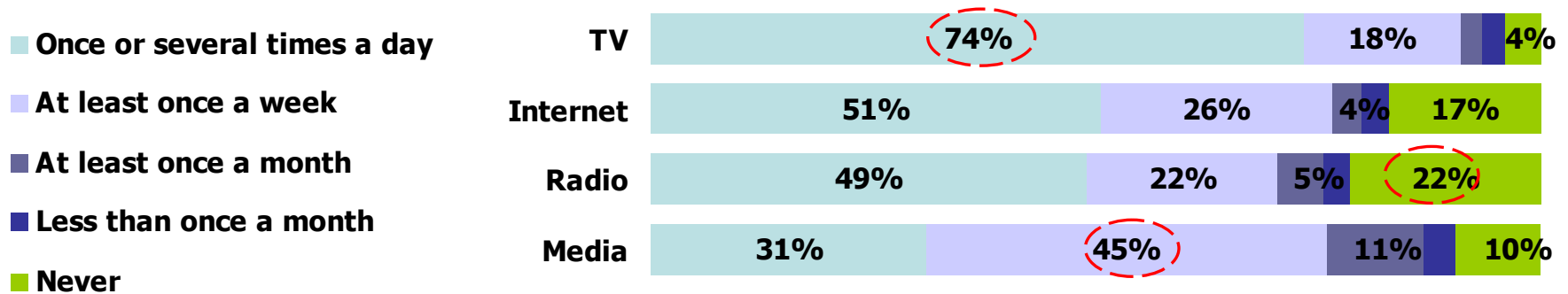
Q19. Rate the importance of characteristics that must have product or service is worthy of purchase. To answer, please use the 9-point scale where "1" means - just not important, but "9" - very important



Trust to sources of information

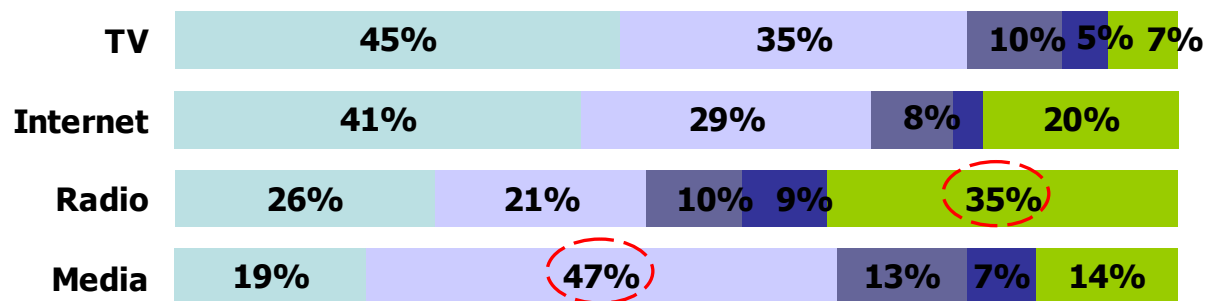
## Prosperous Ukrainians actively use all kinds of media for receiving news, the most popular are television and Internet

### Q23. How often do you see, read or listen to news on ...?



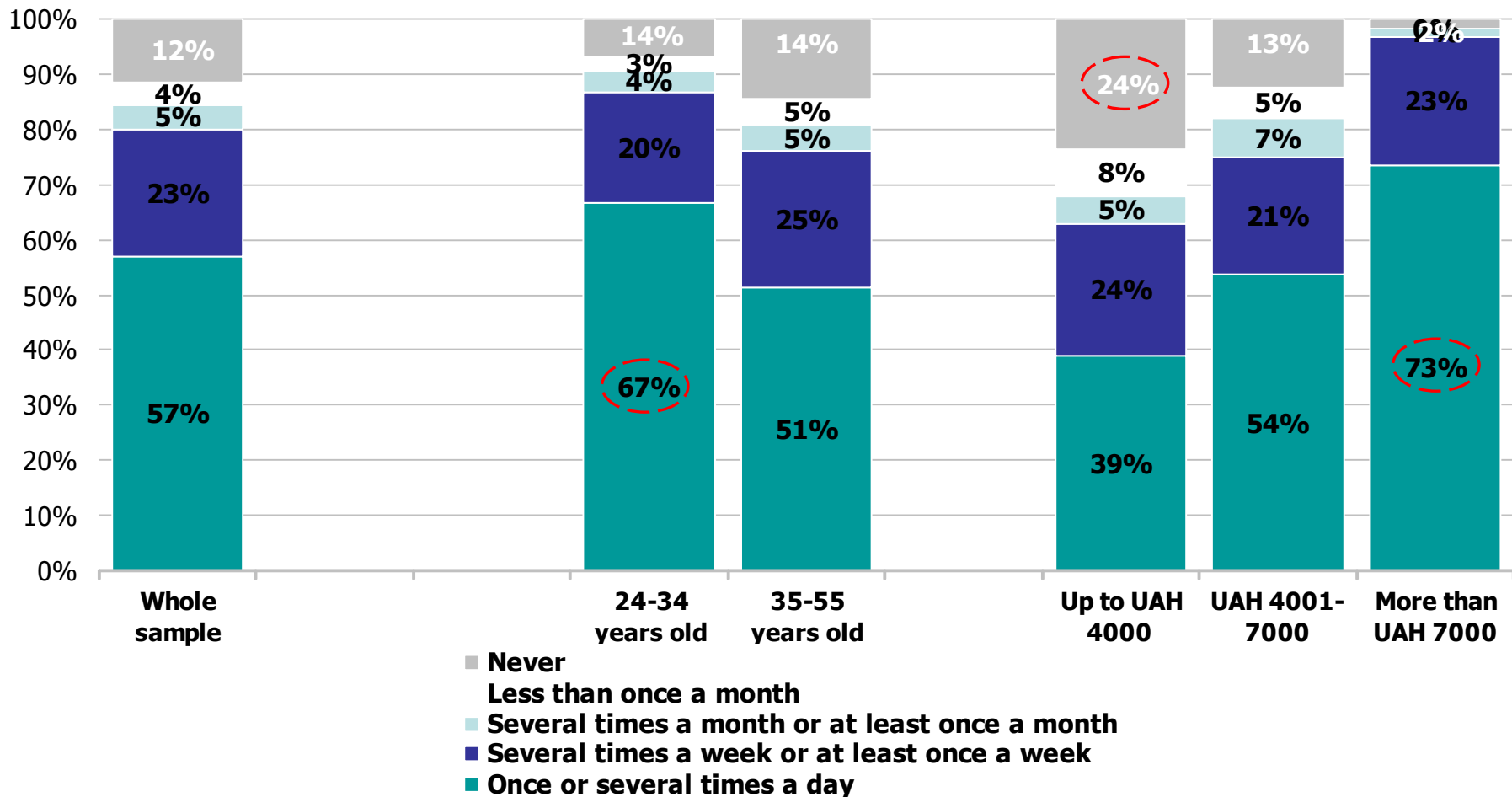
### Q24. How often do you see, read or listen to business news on ...?

Daily business news via TV and the Internet are received by more than 40%, and about half of the respondents read weekly business newspapers



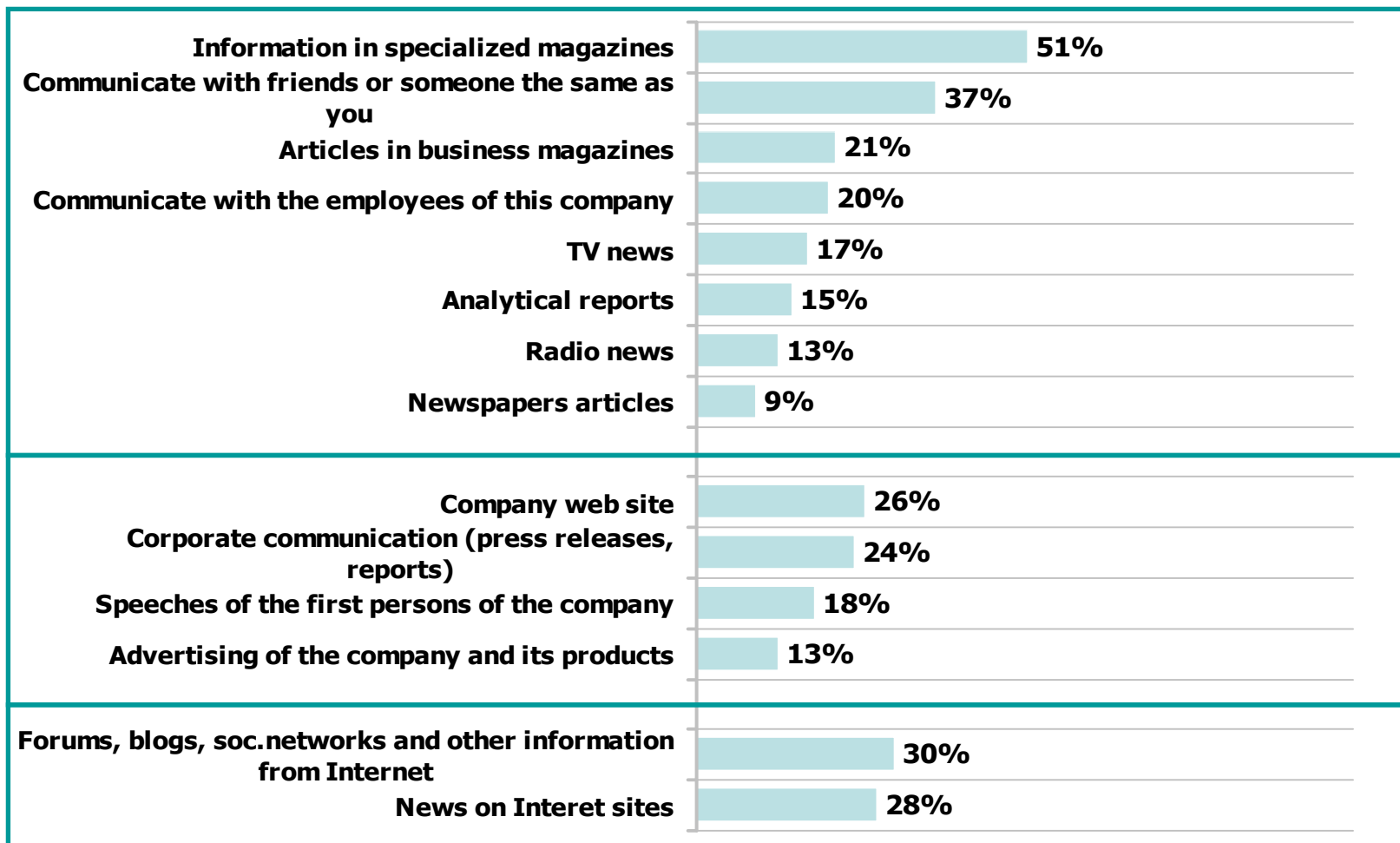
# Internet is more often used by young and most prosperous respondents

**Q22. Tell me, how often you personally use the Internet (does not matter whether at home or elsewhere)?**



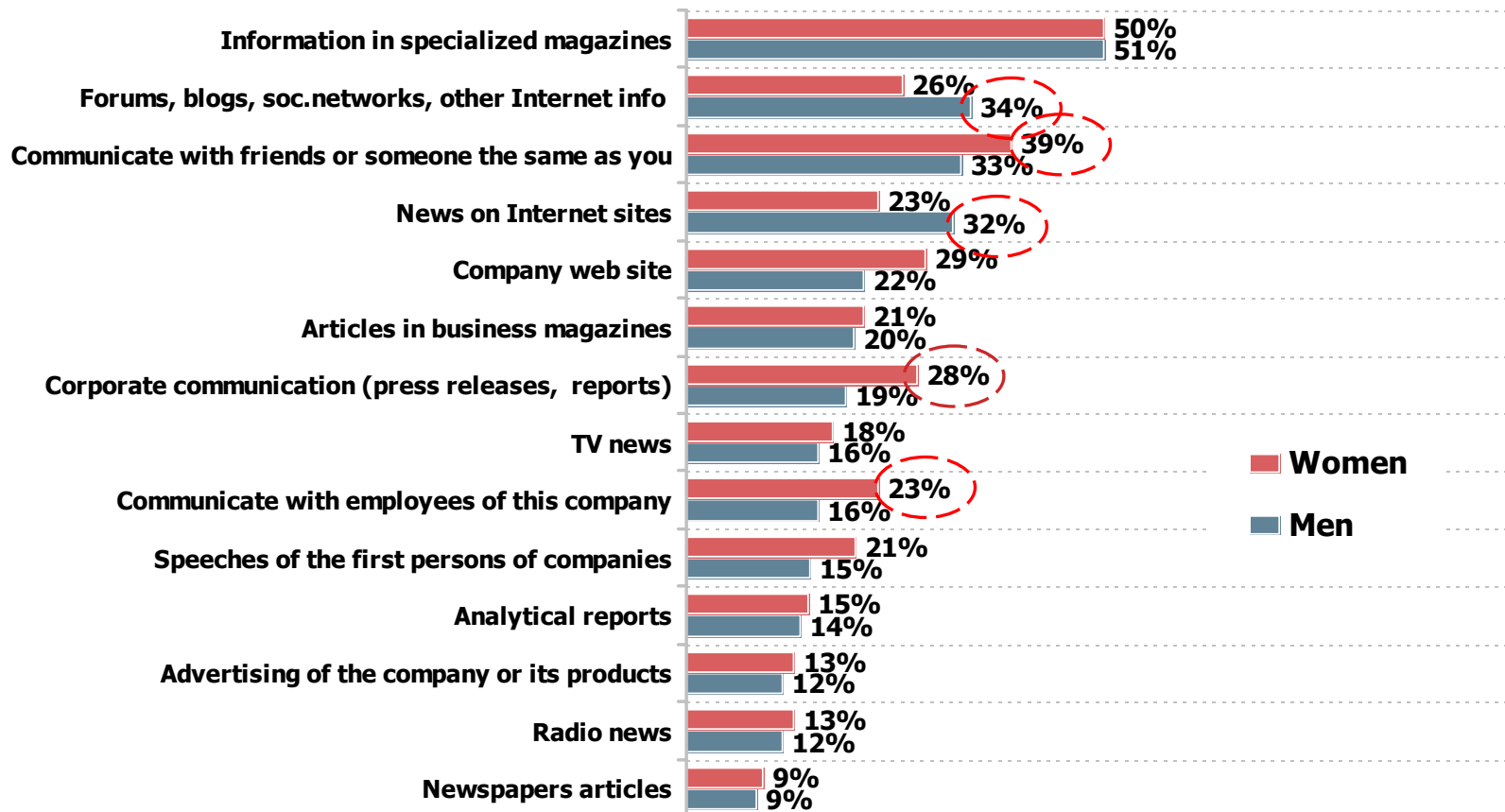
Specialized magazines, communication with "the same people as me", online forums and blogs are the most reliable sources of information

**Q10. Please rate the reliability of each of the following sources of news about companies and their products [Options "absolutely reliable" and "very reliable"]**



Women trust more to communications (personal and corporate), whereas men – to forums, blogs and other information from the Internet

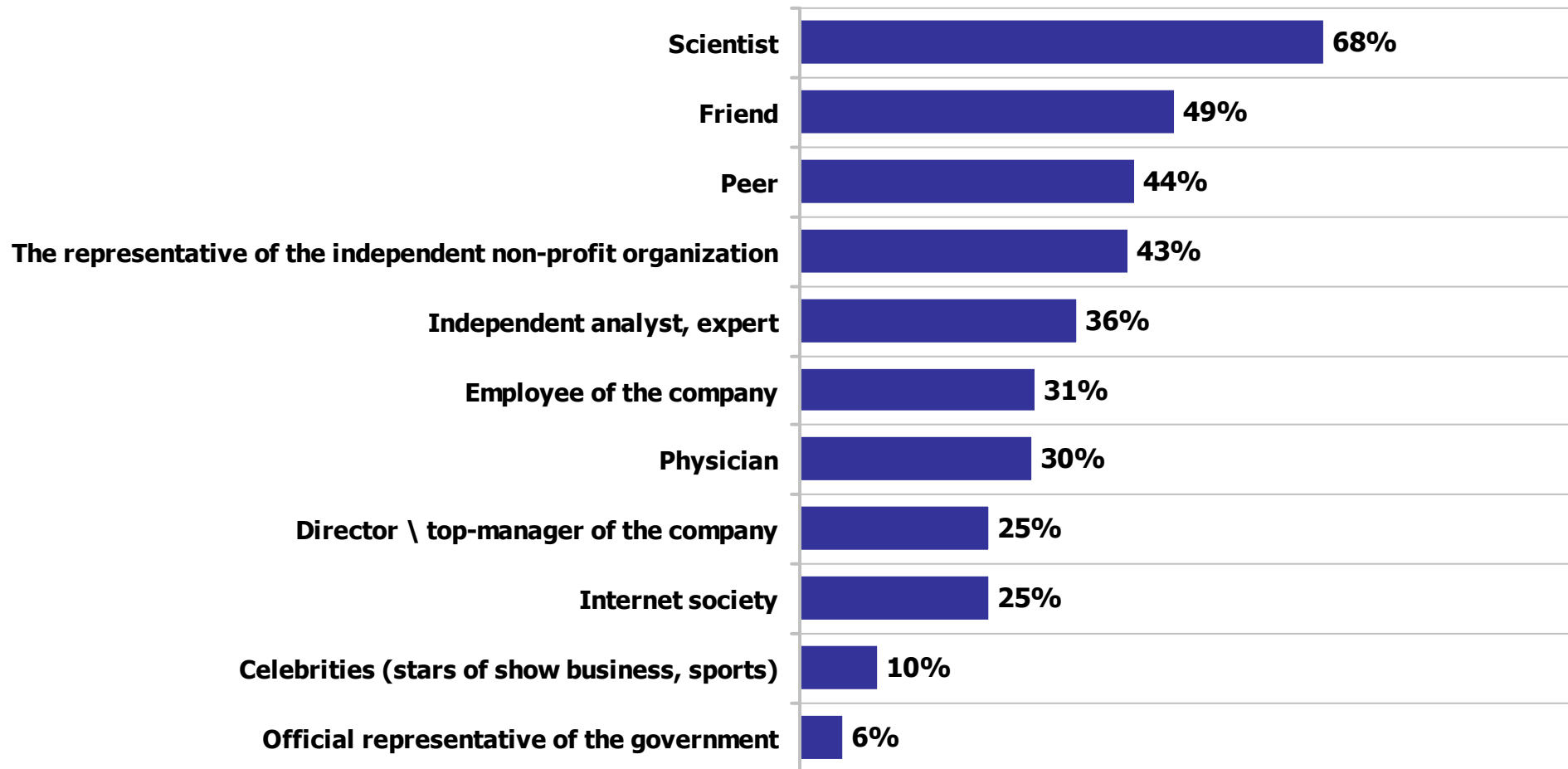
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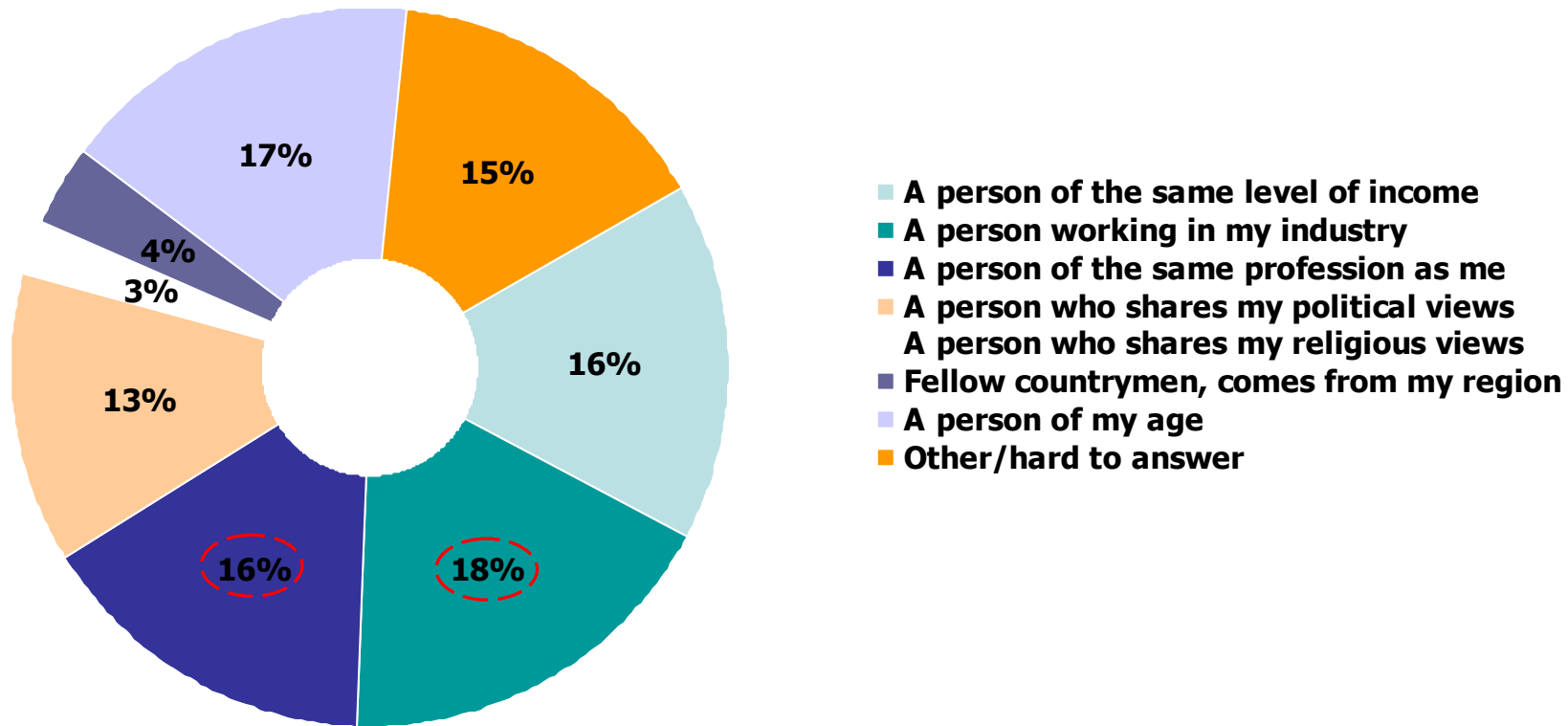
## Most trusted are scientists and friends, or the peers

**Q13. If you hear information about the company from each of these people, how would you rate its credibility?  
 [Options "absolutely reliable" and "very reliable "]**



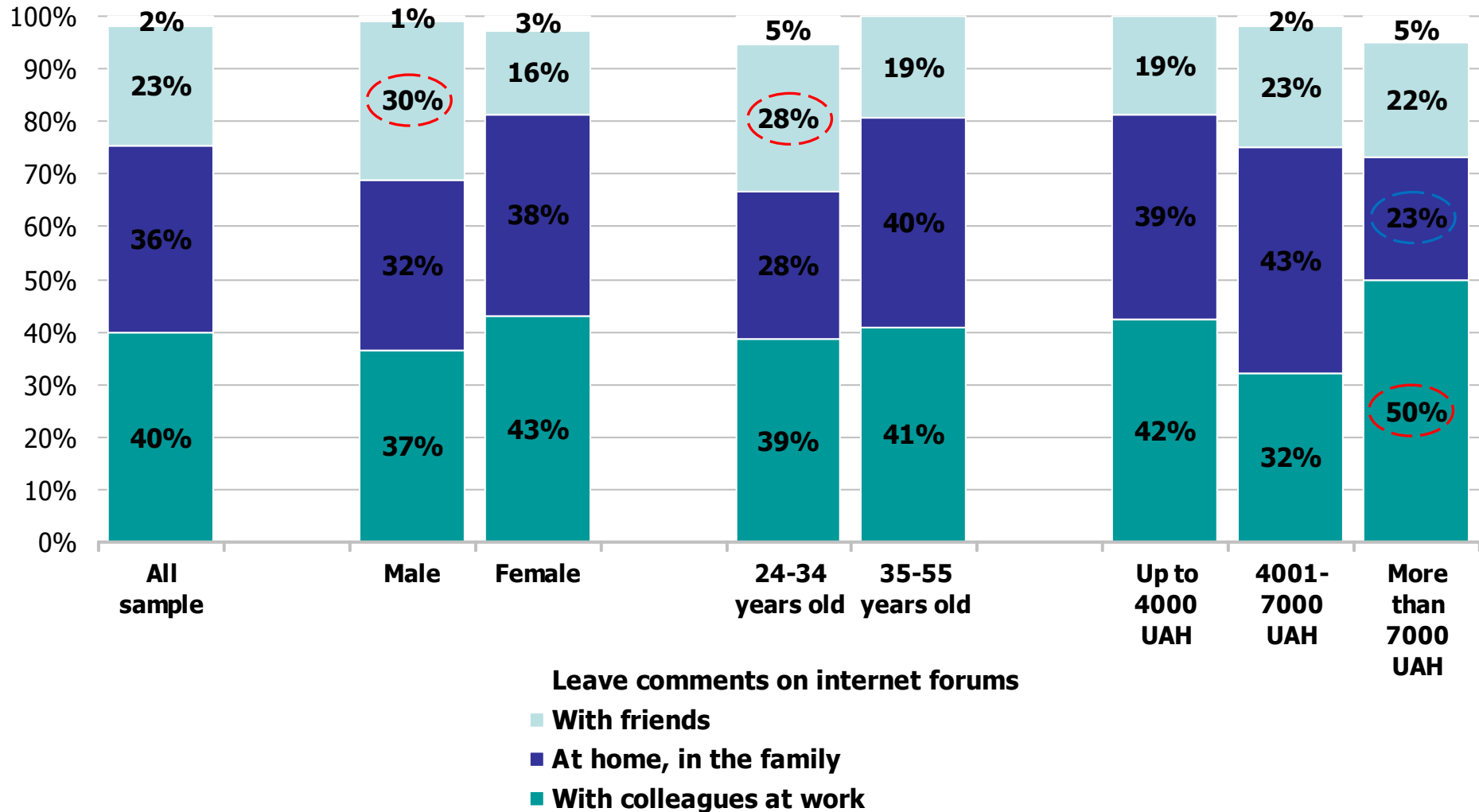
One third of prosperous Ukrainians considers colleagues in the profession or the industry as peers; age and income are important in almost equal

Q14. Tell please, peer for you - is:



# The news most often are discussed with colleagues

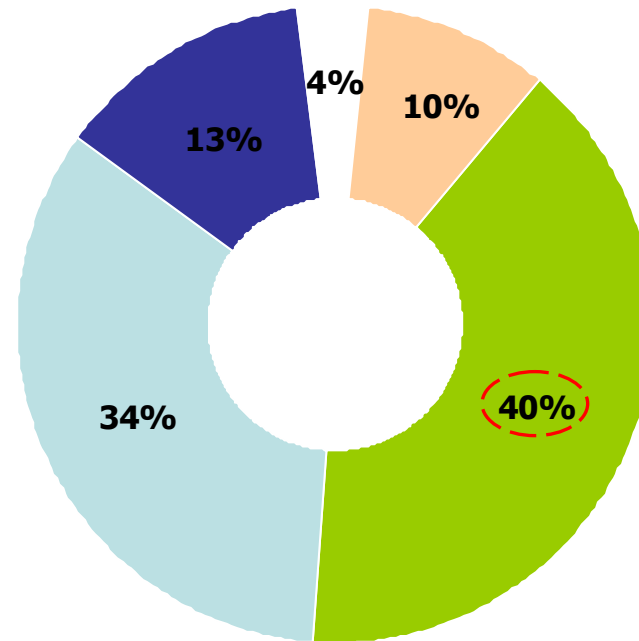
**Q12. With whom do you most often discuss the news, that you have got to know?**



Information from a reliable source, heard even 1 time, will be believed by 40% of secured Ukrainians

**Q10. Thinking about all that you see or hear about the companies every day (whether positive or negative information), how many times you need to hear anything about a particular company in order to consider this information truthful?**

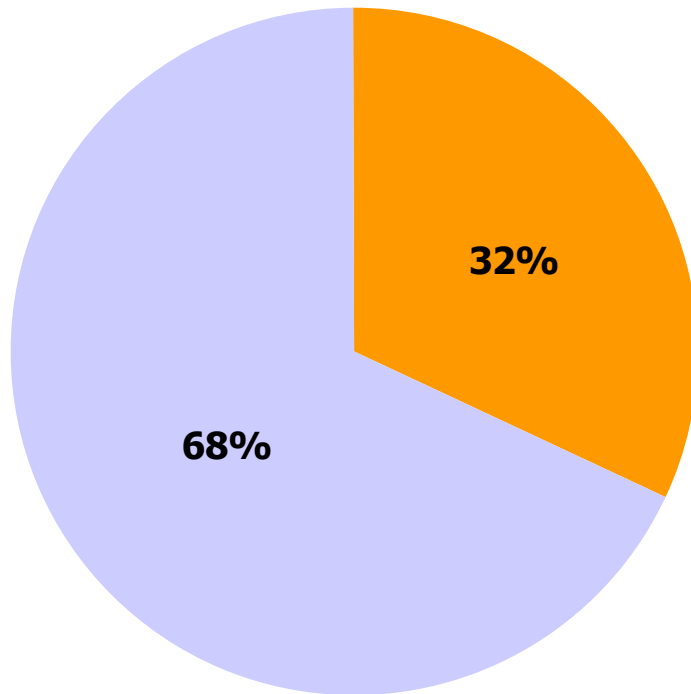
- Enough to hear once from a reliable source
- 2 - 3 times
- 4 - 6 times
- 6 - 10 times
- More than 10 times



## Socio-demographic characteristics of prosperous Ukrainians

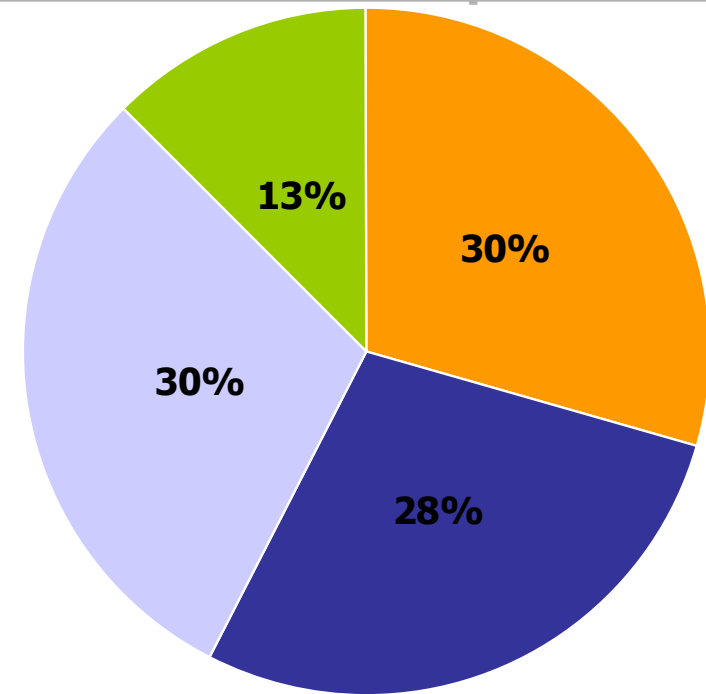
# Income

Subjective evaluation of income



- Sufficient for food, clothing, shoes, expensive purchases. For such purchases as cars, apartments need to save or borrow
- Sufficient for food, clothing, footwear and other purchases. To purchase expensive items (such as TV, refrigerator) need to save or borrow

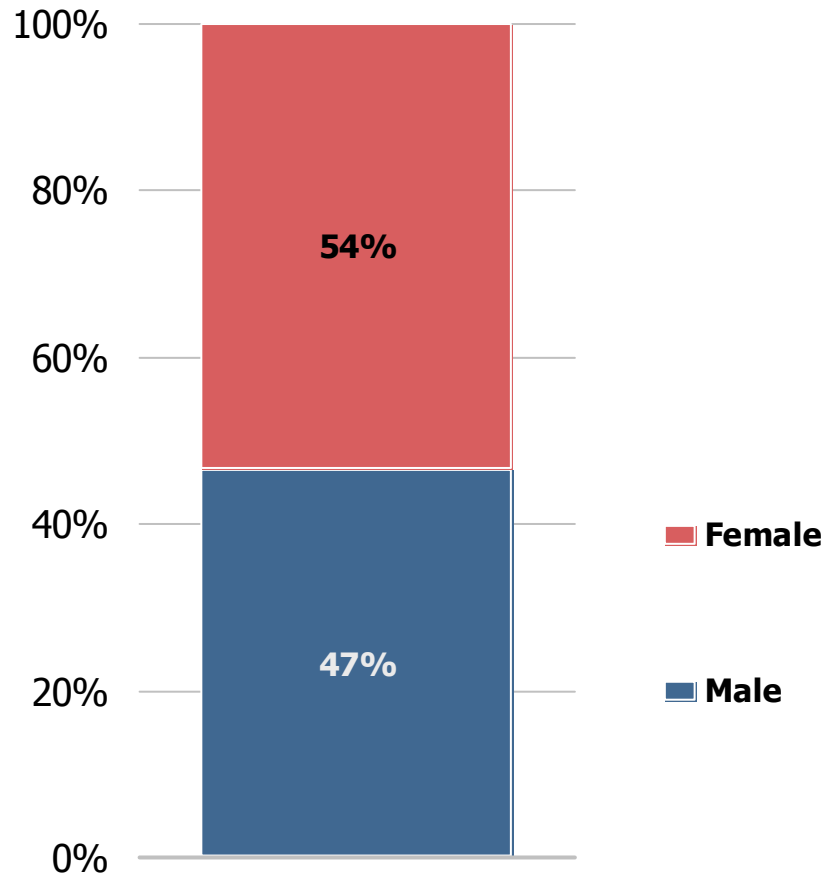
Average family income from the words of the respondent



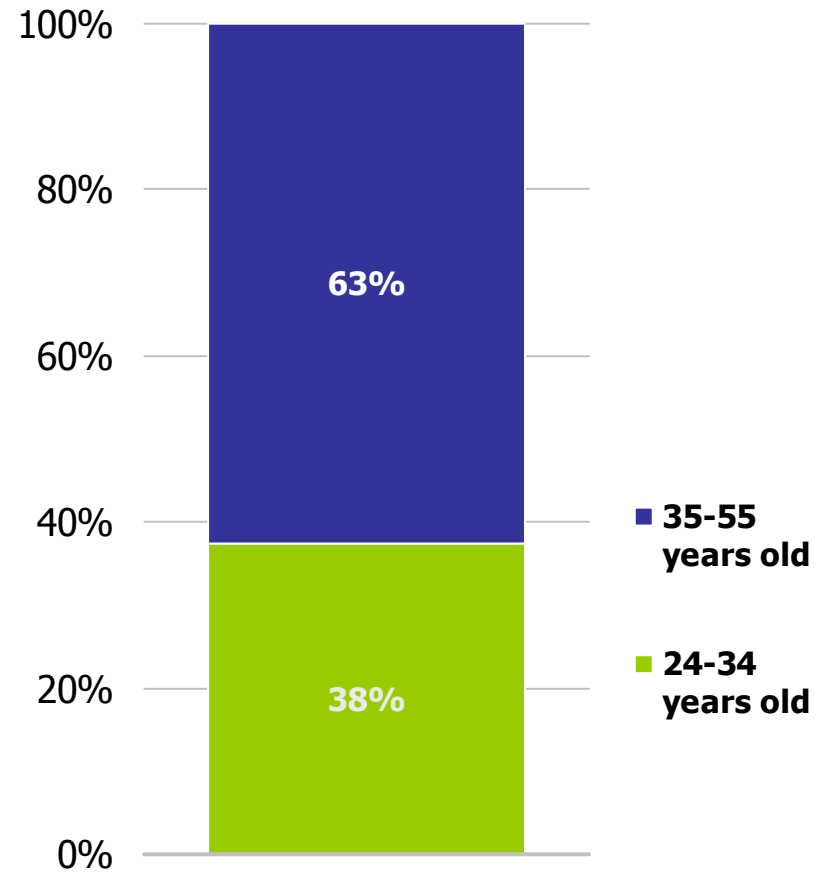
- Under 4000 UAH
- 4001-7000 UAH
- More than 7000 UAH
- Difficult to say

## Sex and age

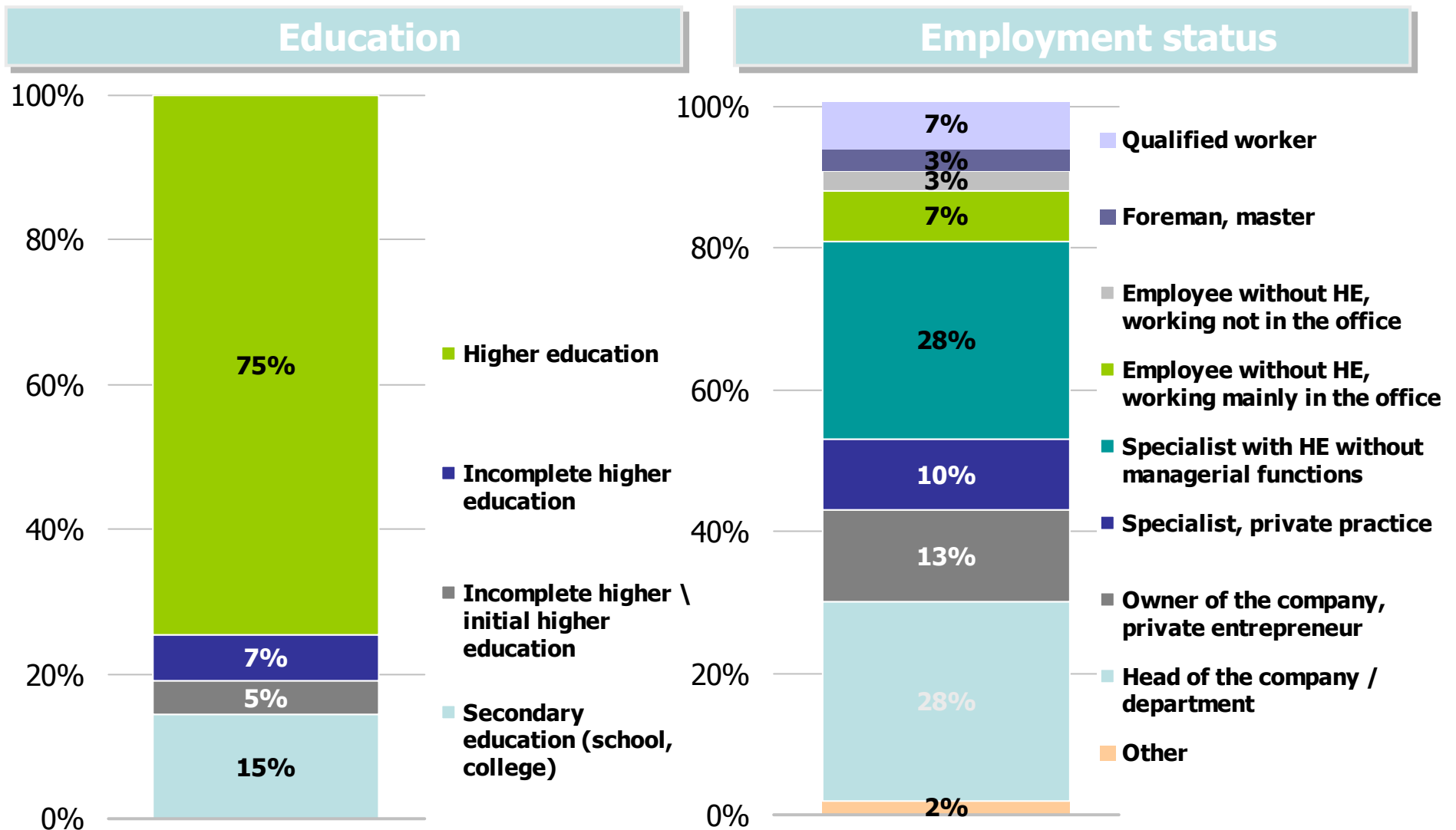
Sex



Age



## Education and employment status





# Geography

## City

