



Press Release



Inspire Engage Create

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Editorial contact: Neil Higgs: Director - Innovation and Development

Telephone: 011-778-7796 or 082 376 6312

e-mail: Neil.Higgs@tns-global.co.za

The global financial crisis is one year old this week - So who caused it????

According to a study reported in Business Week in the US on 22 April this year -

“... 66% of Americans believe advertising agencies bear at least some responsibility for the recession because they “caused people to buy things they couldn’t afford.”

What about South Africans - who do they feel is more or less responsible?

TNS Research Surveys, South Africa’s leading marketing and social insights company, recently conducted a study to look at these perceptions. The study was conducted amongst a sample of 2 000 SA adults from the seven major metropolitan areas of South Africa, interviewing them face-to-face in their homes, with a margin of error of under 2.5%. Interviewing was conducted in the last two weeks of June, 2009.

The bad guys are.....

...not the advertising agencies in the eyes of South Africans - only 17% agreed with the statement “Advertising agencies are to blame for the global financial crisis”. A half disagreed with a third of people giving a “don’t know” response.

However, 39% of people laid the blame at the doors of the banks, although 33% disagreed and 28% said “don’t know”.

The very high “don’t know” responses, however, suggest that people are relatively confused at how the global meltdown began and caused the current recession. The response to banks being the cause may also very well be overstated as banks are inevitably linked in people’s minds with finances and it is likely that some people will attribute a financial crisis to banks just because of that.

Who puts the blame where?

Whites at 13% were the least likely to point the finger at ad agencies but more likely to blame banks (47%) whereas coloureds at 20% gave the highest response for ad agencies. Indians/Asians were also more likely to blame banks (50%) whilst blacks had the lowest response here (35%). There are no differences by gender. More affluent people (47%) and employed people (41%) tend to be more likely to blame banks than other people.

Differences by area are generally low although The East Rand had higher than average response to both causes. East London and Bloemfontein are the least likely to point any figures. This is not surprising as other data shows that these two areas say that they have been less affected by the recession than average.

MORE....



%

			Ad agencies to blame	Banks to blame
Total metro SA			17	39
Gauteng			16	39
	Greater Jhb		16	38
		Johannesburg excl Soweto	13	46
		Soweto	14	34
		East Rand	21	45
		West Rand	19	37
		S Rand/Vaal	15	18
	Pretoria		17	43
Durban			18	42
Cape Town			19	38
Bloemfontein			10	20
Eastern Cape			15	36
	Port Elizabeth		18	43
	East London		7	22

Our take out

Although banks are seen as more likely culprits in causing the global financial crisis than are ad agencies, the main finding is that people are quite confused by the origins of the problem - banks may be a convenient scapegoat for many, especially here in South Africa, given that the true origins lay in irresponsible and uncontrolled lending behaviours overseas.

Do people need to know how the crisis arose? Given that the same TNS study showed that two-thirds of people do feel they have been affected by the recession, it does seem that its cause should be better understood, if only for one's own future financial strategy. It may be that, whilst there is every need to monitor and predict the progress of the recession and its recovery, its causes also need to be better understood by the layman.

Technical note

The study was conducted amongst 2 000 adults (1260 blacks, 385 whites, 240 coloureds and 115 Indians/Asians) in the seven major metropolitan areas: it has a margin of error of under 2.5% for the results found for the total sample. The study was conducted by TNS Research Surveys (Pty) Ltd as part of their ongoing research into current social and political issues and was funded by TNS Research Surveys. For more details, please contact Neil Higgs on 011-778-7500 or 082-376-6312. www.tnsresearchsurveys.co.za

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