ZERO quadrant

SECOND EXTENSIVE ANNUAL SURVEY
BY MEDIA VAL ON ATTITUDES, BELIEFS,
FEARS, AND EXPECTATIONS
OF CROATIAN CITIZENS

mediaval

Zero Quadrant: what Croats think about the future, what they hope for, what they believe in, and what they fear

In any business, development, and communication planning, it is necessary to determine the ground zero to determine the current status so that we can strategically determine the direction. Experienced sailors know that a map is worthless if we have not determined exactly where we are. Therefore, this research is just that: determining the ground zero, attitudes, beliefs, fears, and expectations of Croatian citizens. Thanks to last year's research results, in this year's analysis, we also show trends.

The survey was conducted by IPSOS for Media Val Group July 5 to 7 using the online method on a sample of **603 respondents** who are members of the Ipsos online panel representative of the population of internet users aged 18 to 60.

The maximum statistical error of the sample is **+/- 4%.**

Nina Išek Međugorac

EXECUTIVE DIRECTOR

We need to seize the opportunity even more resolutely for a sustainable future for business and society.

We are faced with socially important issues of the time marked by great inequality - stable growth of company revenues, and declining growth of company productivity and employee salaries; growing country debt and less sustainable innovation; increasing exploitation of natural resources and increasing adverse consequences for the lives of billions of people.

That is why today, as never before, knoweledge is paramount to the sustainability of our future. Knowledge as part of all key decisions and the most important resource of power. This is also the most important finding of this year's Zero Quadrant - in which investing in one's own knowledge or the knowledge of children is almost unanimously highlighted as the **most profitable investment.**

A year ago, 58 percent of respondents believed in it, today as many as 82 percent. Also, a slightly higher number of respondents compared to last year (88 percent) believe that companies should invest in the knowledge of their employees.

Citizens in Croatia do not expect that their quality of life will change significantly in the coming period and are extremely negative when assessing the future of the political and economic situation in the country. They are still very worried that they will lose their jobs, lose on the value of their investments, or that there will be an excessive rise in prices.

Despite this, citizens' expectations and support for companies and brands creating happier and more sustainable societies have not increased compared to last year. On the contrary, the trend indicates that companies have not sufficiently seized the opportunity to communicate their business policies for the benefit of the community nor have they offered solutions to society's new economic problems. We also do not have enough local examples of courageous attitudes of brands on important social issues or convincing socially responsible activities dedicated to limiting environmental impact.

In conclusion, a year and a half since the beginning of the pandemic and a series of new and unknown situations that the whole world is going through, the public and private sector has not shown enough examples that, in the eyes of our citizens, instill confidence that they are ready to utilize all opportunities to create sustainable business and society in Croatia. To achieve this, the private and public sectors should make a more significant effort to build trust with all stakeholders. The role of us in the communications industry is to help them with our knowledge as key mediators.

Investing in knowledge is the **most profitable investment** on the road to a sustainable future.*

82%

2021.

58%

2020.

+24% growth

* Percentage of respondents who agree or fully agree with the statement:
"Investing in knowledge (of yourself or your children) is the most profitable investment."

CONSUMER

FEELING.

People's need for peace and security is extremely high. The vast majority of respondents largely or completely agree with the statements that suggest such needs and values.

2020.

1. I strive to live a simple and uncomplicated life.
2. I need to feel safe and protected.
3. I seek a calm and peaceful environment and situations.
4. I long for moments when I can just rest and relax.
5. I'm actively looking for ways to protect myself, family, and friends from any harm and danger.
6. I want to revitalize my social life.

2021.

1 I strive to live a simple and uncomplicated life.

3 I seek a calm and peaceful environment and situations.

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6 I want to revitalize my social life.

Compared to the previous year, there is a significant increase in agreement with the statements "I long for moments when I can just rest and relax" (more than 75 percent of the respondents agree with the statement) and "I need to feel safe and protected" (such feeling is shared by 83 percent of respondents). Women are more in need of a break from everyday struggles; they agree more than men with the statement "I long for moments when I can just rest and relax." It should be noted that today, more than a year after the start of the pandemic, only 16.7 percent of respondents **fully agree with the statement** "I want to revitalize my social life", while approximately a similar number of respondents partially support the statement. It is a sign that the pandemic has left deep traces on social relations and changed the way we perceive and experience social life. The only exceptions are pupils and students who above average want to get back to social life.

What are consumers worried about?

An additional year marked by a certain level of pandemic measures also brought additional experience with the adverse consequences of the pandemic. This is especially true in 50 percent more experiences with rising prices and delays in product delivery. Today, 66 percent of respondents feel that the price increase is beyond what is reasonable and justified, while 47 percent are concerned about delays in the delivery of products purchased online than last year. This can be attributed to the fact that online shopping and related delivery has experienced a large increase during the pandemic. Young people, i.e., respondents aged 18 to 34, have the most negative experience with the delay in delivery of products purchased over the internet.

Overall, citizens are somewhat more concerned in 2021 than they were last year, but there are still differences between certain aspects of life.

The greater concern was mainly seen in the increased control of citizens by state institutions and the reduction of individual freedoms and material living conditions (loss of jobs, loss of investment value, excessive price increases...). There is still a significant fear of people working against the interests of the community (almost 64 percent of respondents feel it), a story that has been re-actualized, but this time in the context of vaccination. Women show more fear than men.

On the other hand, we are less apprehensive about safety at physical locations where we interact with people. In a survey conducted this year, respondents are less concerned about safety at physical locations (drop from 43 to 31 percent of respondents), and only 19.9 percent of middle-aged respondents (35-49 years) felt worried about their safety at physical locations. The panic that appeared at retail outlets at one point is slowly subsiding. Still prominent is a relatively high worry of the youngest respondents (18-34) compared to the older population. It can be attributed to the fact that this is the generation that prefers mostly online shopping models.

Consumers are more worried than last year – mostly because of the increased supervision of citizens by state institutions and less individual freedoms.

46%
2020.

59%
2021.

+13% GROWTH

* Percentage of respondents who respond to the question:
"To what extent are you personally concerned about the following when it comes to your future?"
agree or fully agree with the statement: "Increased supervision of state institutions over citizens and reduction of individual freedoms."

What worries us the most?

AVERAGE GRADE

4,1	Price increases beyond what is reasonable and justified
4,0	The decline in my family's standard of living
4,0	Drop/crisis of the domestic economy **(#1 u 2020.)**
3,9	Rising prices due to high demand
3,8	People who act against the interests of the community
3,8	Drop/crisis of the global economy **(#2 u 2020.)**
3,8	Probability of salary reduction **(#3 u 2020.)**

What do consumers expect from companies and brands?

Citizens are still demanding of companies, but the level of expectations is nevertheless slightly lower than last year, mostly in the demand for additional measures to disinfect warehouses and shops because more than a year of fighting coronavirus has brought new knowledge about its spread.

Companies are still expected to be the most up-to-date in reporting on delivery problems, caring for employee health, and enabling flexible working hours. Less than half of the respondents support the idea that companies should stimulate employees to vaccinate, but it is worth noting that there is approximately the same number (approximately 25 percent) of those who strongly support the idea as those who are strongly against it, which is very likely defined by the vaccine.

Consumers continue to ask companies to pay more attention to the well-being of the community than to their own profits. They also expect their brands to have a positive impact on the local economy. More than half of respondents point out that they more frequently buy brands that they know are produced by socially responsible companies, and a similar number of respondents claim they try to buy brands that they know are committed to limiting their impact on the environment.

The same as last year, respondents believe that citizens and individuals are almost as responsible for protection against the coronavirus as the state, but they primarily expect concrete help from the state (a statement with which over 87 percent of respondents agree). The difference between the younger and the oldest group of respondents can be observed. Younger (respondents aged 18 to 34) are less likely to believe that the Government of the Republic of Croatia, i.e., the state, is responsible for protection against the coronavirus, while older people have a much more pronounced attitude i.e., above the average of the entire sample.

WHO is responsible for the protection against coronavirus?

77% GOVERNMENT

74% COMMUNITY

WHO is responsible for helping the vulnerable?

87% GOVERNMENT

53% COMMUNITY

A comparison with the previous year shows that the perceived responsibility of all stakeholders for coronavirus protection is somewhat lower, but that the expectation that the vulnerable should be specifically helped by neighbors (micro-community more than 53 percent) has increased significantly, but also educational institutions (27 percent), media (33 percent), and nonprofits (43 percent).

70

percent of consumers agree or fully agree that companies should put the well-being of the community above their own profits

Furthermore, among the various claims of brand attitudes, respondents most agree with the claim that entrepreneurs should play a greater role in solving key economic problems of society (as many as 66 percent of respondents). The change in attitudes towards entrepreneurs is probably the result of the work of entrepreneurial organizations such as HUP, UGP, but also the Croatian Chamber of Commerce in the last year and their regular public articulation of problems and interests of the entrepreneurial community. In addition, respondents also point out that they more often buy products that are locally produced or use local raw materials (over 60 percent of respondents), i.e. that they have a significant multiplier effect on the Croatian economy.

The influence of emotions on decision making

Positive emotions of security and responsibility are still the most common in everyday decision-making.

There have been certain changes among the emotions and values that consumers most want to be represented in advertising communication. Unlike last year, when the need for positivity and optimism was in the lead, now various forms of "trust" messages (trust, reliability, security, responsibility) are coming to the top.

	NEVER	RARELY	SOMETIMES	OFTEN	ALWAYS
I worry that something undesirable could happen (discomfort, pain, loss). **[Fear]**	4%	19%	45%	24%	8%
I'm stressed because of what I do andsome-times I am afraid of what follows. **[Anxiety]**	5%	26%	41%	23%	5%
When I'm doing something, I wonder if I'm missing a better option. **[Fear of missing out]**	3%	21%	46%	23%	7%
I feel embarrassed or ashamed that I didn't live up to expectations. **[Guilt]**	7%	29%	43%	17%	4%
I feel confident in my choices and decisions. **[Security]**	1%	3%	23%	58%	14%
When I do something, I think about the consequences it will have for other people. **[Responsibility]**	1%	6%	32%	44%	16%

What does reuse of services and activities look like?

Compared to a year ago, there has been a **significant decline** in citizens' fear of using various services and activities.

The decline in the share of those who feel fear is visible in literally all analyzed services and activities. The fear is still greatest when traveling abroad and going to concerts.

Almost a quarter of the respondents point out that they will not travel or go to concerts until the pandemic calms down. It should be noted that last year's strong fear of going to restaurants and cafés has now significantly decreased and only around 5 percent of people will wait until the pandemic ends to return to cafés and restaurants. In the case of hotels, that number is slightly higher, and 11 percent of respondents will wait for the end, i.e., a full calming of the pandemic to go to such a form of accommodation again, and 16 percent of respondents share such an attitude for air travel. Although digital types of media and communication platforms are the most commonly used, it is important that the "old media" are still significantly present in people's lives. Even among intense internet users, the vast majority of people use television, print, and radio at least occasionally. Younger users slightly less than older ones, but the vast majority of them still consume "traditional media".

	I have already used or will use, I'm not afraid	I will feel/feel discomfort, but will start /have started to use	I will feel fear and will avoid as much as I can for a while	I will not use until coronavirus completely disappears	I do not use usually
Restaurants	70%	17%	4%	2%	8%
Cafés	76%	14%	4%	1%	5%
Malls	82%	13%	3%	1%	1%
Concerts	39%	18%	12%	10%	20%
Hotels	46%	15%	7%	4%	29%
Private accommodation	54%	17%	6%	3%	19%
Travel abroad Croatia	38%	18%	11%	12%	21%
Travel within Croatia	74%	15%	5%	2%	4%
Cash payment	86%	7%	2%	2%	3%
Traveling by plane	27%	12%	9%	7%	45%

How **satisfied** are we with companies and public institutions?

The survey of citizens' attitudes towards different industries and institutions covers **18 different sectors.**

Overall, citizens have the most positive attitude towards small businesses (caterers, various services), followed by producers and merchants. The third group of sectors consists of financial and telecommunications companies, and at the back are state and local public institutions, which can be joined by the media. The results of the average on the whole sample are quite uniform with the results of individual consumer segments, regardless of household income, age, gender, or level of education.

	SATISFACTION	TRUST	RECOMMENDATION
Banks	**3,2**	**2,8**	**3,0**
Insurance companies	**3,1**	**2,8**	**3,0**
Telecommunication services	**3,1**	**2,8**	**2,9**
Media	**2,8**	**2,5**	**2,6**
Food and beverage manufacturers	**3,7**	**3,4**	**3,5**
Consumer goods stores (food, household goods...)	**3,7**	**3,4**	**3,6**
Furniture stores	**3,5**	**3,3**	**3,4**
Goods and clothing stores	**3,7**	**3,4**	**3,5**
IT equipment stores	**3,6**	**3,4**	**3,5**
House appliance stores	**3,6**	**3,4**	**3,5**
Cafés and restaurants	**3,8**	**3,6**	**3,8**
Services (hairdresser, pedicurist, tailor ...)	**3,9**	**3,7**	**3,8**
Private healthcare services	**3,6**	**3,4**	**3,5**
Public health services	**3,0**	**3,0**	**3,0**
State institutions (ministries, agencies, institutes...)	**2,5**	**2,5**	**2,5**
Local government institutions and companies (e.g., utilities, city offices...)	**2,7**	**2,6**	**2,6**
Car industry	**3,4**	**3,2**	**3,3**
Educational institutions	**3,3**	**3,4**	**3,4**

Are we **optimists** or pessimists?

Approximately the same number of citizens believe that their quality of life will improve and deteriorate in the coming period, so overall we can say that citizens do not expect significant changes. The index is expressed on a scale from -100 (all respondents think it will be much worse) to 100 (all respondents think it will be much better). The analysis of certain aspects of life shows that citizens are optimistic when thinking from a personal perspective (with the exception of health), but extremely negative when assessing the future of the country's political and economic situation.

Regression analysis has shown that the assessment of future quality of life depends solely on the assessment of material living conditions (personal financial situation, economic situation in the country, business status, and career), other aspects of life do not affect expectations of overall quality of life. An analysis of optimism by demographic groups shows that the younger population is more optimistic, those who live in households with above-average incomes, and men are also somewhat more optimistic than women.

OPTIMISM INDEX

Business status and career	17,7
Love/emotional relationship	15,4
Family relationships	14
Personal financial situation	12,7
Relationship with friends	10,7
Overall quality of life	-0,7
Health	-1,8
Political situation in the country	-19
Economic situation in the country	-21,3

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