

For release: 6AM, Wednesday 17th November 2021

Taking a wellbeing approach to a Consumer Index

In an Australian first, the Consumer Policy Research Centre - Australia's only consumer-focused think tank – is kicking off a research series to support the development of an Index to measure how well markets are working when it comes to the wellbeing of Australian consumers.

The Consumer Index could, for the first time, provide policymakers and regulators a more complete picture of consumers' experiences and the outcomes that matter to them across essential service markets, one that would complement traditional economic measures of market performance.

As part of the early work leading up to the development of the Index, the CPRC is releasing a series of reports centred on better understanding the things that enhance - or detract from – the wellbeing of Australian consumers in essential markets.

CPRC Chief Executive Officer Lauren Solomon said an increasing global focus on wellbeing approaches, and the rising pressures and inequalities brought on by the pandemic, meant the time was right to rethink consumer policy.

“The lives of Australian consumers have been changed by the pandemic, and a focus on the things that truly improve wellbeing is going to put us in the best possible position to emerge from this a stronger community and country,” Ms Solomon said.

“We need to look beyond only the traditional economic measures of how we are faring, and the piecemeal collection and reporting of data looking only at each market in isolation.”

“We know from our own and other research that Australians feel frustrated and stressed, and they feel a lot more responsibility is being placed on their shoulders to make effective choices.

“While people value greater choice and access to services online, they are also overwhelmed by complexities, and when things go wrong they are increasingly being forced to access support or information online. People are telling us that they feel they have been reduced to a number.

“These experiences are more than just a trivial annoyance. There are real world negative impacts, like the opportunity costs and stress of spending hours trying to resolve problems, navigating bewildering privacy policies, or the intricate detail of insurance policies, or waiting on hold for hours to reconnect an essential service.

“Too often, all of this effort doesn't result in genuine empowerment to make a choice that's better for us, and we end up with products that make us worse off.”

Ms Solomon said the research was timely with post-pandemic rethinking around inequality, markets, and governance occurring across societies and economies.

“Now is the moment to define the future state we want to see, and to monitor progress through a modern evidence base that reflects the true expectations and experiences of Australians.

“At the heart of a wellbeing approach is the need to listen carefully to what people are telling us about their experiences, behaviours and needs today - to identify what improves these things in reality not theory alone, and then implement change.

“We can create something better, and to do so, we must more meaningfully and reliably listen to and report on people’s lived experiences.”

A wellbeing approach to developing a nationwide Consumer Index – next steps

The CPRC has today released a two-part report exploring a wellbeing approach to consumer policy in Australia. Part One: Why Now? investigates the pandemic impacts along with the changing expectations of consumers today, calling for for a consumer-centric recovery with a focus on wellbeing.

Part Two: Applying wellbeing concepts to measure what matters to consumers, explores emergent approaches to better measuring wellbeing in society and markets both internationally and locally and offers early thinking on how wellbeing approaches can be applied to the governance of consumer markets.

A major nationwide qualitative research project will also be released later in 2021, along with the establishment of an eminent Advisory Committee to guide the development of the Index.