

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

2015 - 2016

Department/Agency: ASIC

Question: AET 3462

Topic: Market Research (ASIC's MoneySmart only)

Reference: written - 19 February 2016

Senator: Ludwig, Joe

Question:

Since the change of Prime Minister on 14 September, 2015:

3462. List any market research conducted by the department/agency:

- a) List the total cost of this research
- b) List each item of expenditure and cost, broken down by division and program
- c) Who conducted the research?
- d) How were they identified?
- e) Where was the research conducted?
- f) In what way was the research conducted?
- g) Were focus groups, round tables or other forms of research tools used?
- h) How were participants for these focus groups et al selected?
- i) How was the firm or individual that conducted the review selected?
- j) What input did the Minister have?
- k) How was it approved?
- l) Were other firms or individuals considered? If yes, please detail

Answer:

Since the change of Prime Minister on 14 September 2015:

- a) The total cost of market research conducted by ASIC's MoneySmart is \$182,655, including GST.
- b) The items of expenditure are as follows:
 1. Research for development of ASIC's MoneySmart advertising campaign: \$77,550 including GST;
 2. Concept testing for a planned consumer app about financial advice: \$19,470 including GST;
 3. Concept testing and user testing for a planned consumer about buying a car: \$40,975 including GST; and
 4. User testing for a planned investor toolkit: \$44,660 including GST.
- c) Research for development of ASIC's MoneySmart advertising campaign was conducted by Chathouse Research.
Concept testing for the planned apps was conducted by Latitude Research.
User testing for the planned investor toolkit was conducted by GFK Australia.
User testing for the planned car app was conducted by Latitude Research.

- d) Chathouse Research was one of four agencies identified by the Communications Advice Branch of the Department of Finance to short list for the research to develop ASIC's MoneySmart advertising campaign. Latitude Research was selected to do the concept testing for the planned car and financial advice apps from a select panel. GFK was selected to do the investor toolkit user testing based on earlier related work and tender responses. Latitude Research was chosen for the car app user testing as a continuation of their concept testing work.
- e) Chathouse conducted the advertising research in various locations in suburban Sydney, Melbourne and Newcastle. The car app concept testing took place in Parramatta, NSW. The concept testing for the financial advice app took place in Melbourne. The investor toolkit testing took place in metropolitan and suburban Sydney. The car app user testing took place in Sydney.
- f) All of the research described above was qualitative research.
- g) Focus groups were conducted for the advertising research. The concept testing for the planned apps also used focus groups. The investor toolkit user testing used a mix of focus groups and in depth interviews. The user testing for the car app involved in depth interviews.
- h) The focus group participants for the advertising research were recruited by professional market research recruiters working to clear specifications agreed by ASIC and Chathouse. For all app and toolkit testing the participants were selected by a recruitment agency employed by the researchers.
- i) Chathouse Research was the successful participant in a tender process for the advertising research which involved four agencies. For the financial tools and app research, tender processes were used to select the researchers based on specific experience working with government and financial tools and apps.
- j) Ministers of agencies which are undertaking a campaign have responsibility for authorising the campaign's development, consistent with normal financial management processes. While Ministers do not have responsibility for campaign development, they have a legitimate interest in the development of campaigns in their portfolios. As per the usual practice, the Minister was briefed by ASIC during the campaign development process.

The Minister had no input on the app or toolkit testing.
- k) For the advertising research a tender process was conducted. ASIC reviewed the tender responses against a set of specific criteria and identified the preferred tenderer. ASIC's Senior Executive Leader, Financial Literacy approved the commissioning of the successful tenderer. The app and toolkit testing was approved by ASIC's Senior Manager, Financial Literacy.

- 1) For the advertising research four firms were considered, including the successful tenderer, Chathouse. The other three firms were Gfk Australia, Latitude Insights and EY Sweeney.

For both the app and toolkit testing, both Latitude and GFK were considered.