

more
than
money



RETHINK SUCCESS

Australians' views of success today

Chapter 1 It's time to change the definition of success



FOREWORD

Rethink Success: Australians' view of success today

Every day, a NAB banker has a conversation with a customer about what success looks like to them. These quiet but important conversations are a small insight for that banker into the goals of Australians and their families.

We decided to broaden that conversation by delving deeper in to Australians' perceptions and attitudes about personal fulfillment and success. Through an extensive quantitative survey, we asked Australians how they currently define success, how they feel society measures success, how successful they feel, and what attributes they feel they need to be successful today.

This whitepaper explores the differences and similarities of views across generations: from the Baby Boomers to Generations X and Y as well as Generation Z, who is emerging as adults in a new era impacted by technology, global economic instability and social responsibility.

Finally, we questioned the role that money, a traditional marker of success, plays in how Australians define success today.

Happiness trumps money

Our groundbreaking findings are presented in this whitepaper – Rethink Success – and reveal that in 2016, happiness, relationships and wellbeing trump money when it comes to how Australians define personal success.

Money is still central when it comes to Australians' hopes and goals for the future, but as a means to achieving a sense of security and giving us access to meaningful experiences, rather than the accumulation of wealth simply for status. Australians want to feel in control of their money, so they can enjoy life beyond it.

When it comes to what we think makes a successful person, Australians today believe that working hard and being good with people are far more important than traditional attributes such as social advantage.

The concept of success has more than evolved; it has shifted dramatically. Just as technology has brought rapid change to the way we live and work, it has also changed how we think about the pathways to success. Australians feel that success is in their own hands and that it's up to them to make it happen, rather than it simply being a matter of luck or as a result of social advantage.

By exploring and sharing Australians' perceptions and attitudes to success, we are widening the conversation about how this country feels about success: where people, happiness, relationships and experiences matter more than money.

The concept of success has more than evolved, it has shifted dramatically.

IT'S TIME TO CHANGE THE DEFINITION OF SUCCESS

Australians have reinvented what success means for themselves and their own lives

Success has traditionally been defined by achievement, status and the accumulation of wealth. The Macquarie Dictionary defines success as: “the gaining of wealth, position or the like”. Interestingly, Rethink Success shows that Australians have reinvented what success means for themselves and their own lives. How Australians personally define success bears little resemblance to how they believe society defines success.

The established societal markers of success, supported by the ‘official’ dictionary definition – money, power, assets and ‘stuff’ – simply don’t matter when it comes to the personal perceptions of a successful life in Australia today at an individual level. Success in 2016 is all about the personal not the external, about experience rather than materialism, and about relationships rather than the individual.

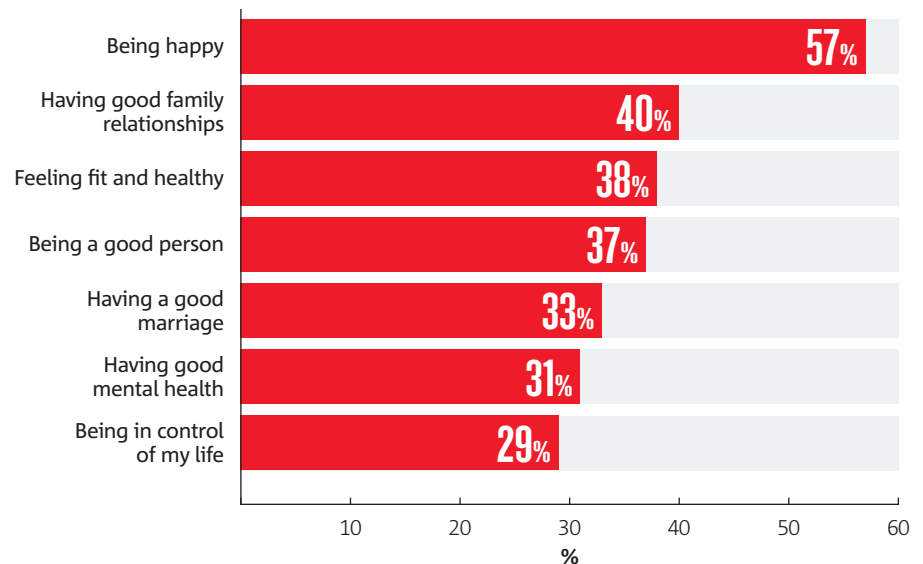
When asked to review a list of 39 factors¹ that could define success for them personally in their own lives, research participants ranked happiness, relationships, wellbeing and being a good person well ahead of anything to do with wealth or status.

Similarly themed options followed very closely: spending quality time with family and friends came in at equal no.8 (along with feeling financially secure), having good friendships and having a purpose in life (both ranked no.9), having my own family (ranked no.10) and having a good work/life balance (ranked no.11).

No money-related or material-related option made it into the top 7 personal rankings (though feeling financially secure did make it into equal position at no.8, as previously mentioned). Some of the more ‘traditional’ markers of success ranked around the middle of the personal list: owning a house ranked

at no.15 and having a well-paid job ranked at no.18, while some others lingered at the very bottom: being rich no.22, having savings in the bank no.31, owning investment properties no.30, having an important job with power and status no.35 and buying a luxury car no.36.

Top 7 measures of how Australians personally define success



Success in 2016 is all about the personal not the external, about experience rather than materialism, and about relationships rather than the individual.

¹ Some factors are courtesy of AustraliaSCAN from Quantum Market Research

IT'S TIME TO CHANGE THE DEFINITION OF SUCCESS

Does generation colour how we define success?

Surprisingly, our generation does not affect how we define success. Being happy ranked in the no.1 position across all generations (as well as gender and various demographic subgroups). There was only slight variation in the rest of the top 7 success measures, with the exception of Generation Z, who ranked some success measures significantly higher than other generations – more of that in chapter 2.

Attitudes towards success and priorities

77% **Agree:** Good relationships with family and friends is a top priority for me right now.

77% **Agree:** I measure my success more by how happy I feel in my personal life than by how much money I have.

67% **Agree:** I measure my success more by the interesting things I have experienced [like travel and learning something new] than by how much money I have.

68% **Agree:** Having a good work/life balance in my life is a top priority for me right now.

67% **Agree:** Free time is more important than money.

Our generation does not affect how we define success.

Australians believe society still measures an individual's success by their wealth, status and power

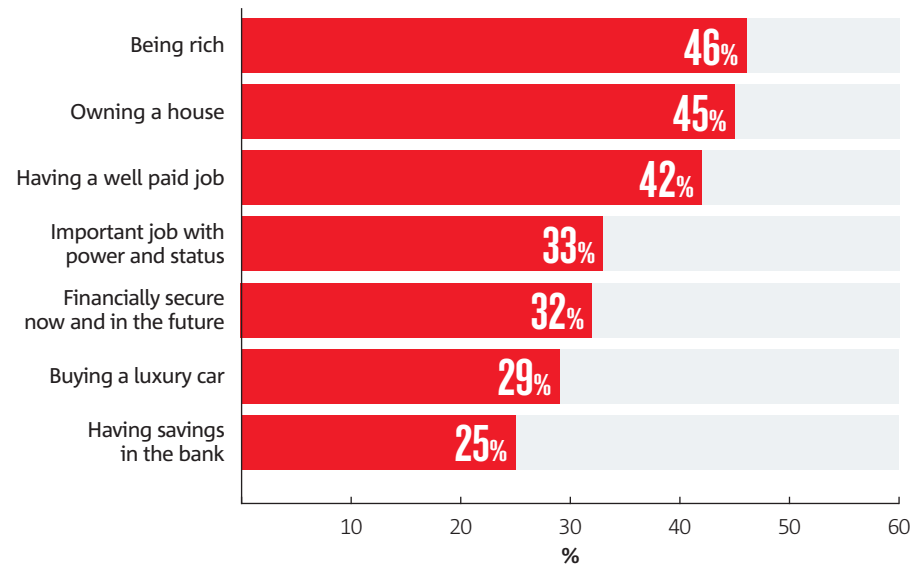
Respondents were asked to review the very same list again but to choose the top 7 factors that society sees as the most important measures of success. This time, Australia's top 7 included being rich, having career status and power, and material assets.

Where do the top 7 things on our personal list of factors of success rank on the list of factors we believe society defines success by? Somewhere between the middle and the bottom of the list, which further emphasises the clear disconnect between what we value personally and what we believe society places value on.

While being happy remained relatively high on society's list (no.9), the remaining top 7 factors on the personal list ranked well below: feeling fit and healthy no.12, having a good marriage no.13, having good family relationships no.17, being a good person no.18, being in control of my life no.19, and having good mental health no.26.

Other factors ranked highly on the personal list which ranked low on society's list include: spending quality time with family and friends no.8 on the personal list but no.28 on society's list; having good friendships and having a purpose in life both at no.9 on the personal list but at no.25 and no.24 respectively on society's list, having a good work/life balance at no.11 on the personal list but no.21 on society's list.

Top 7 measures of how Australians believe society defines success



IT'S TIME TO CHANGE THE DEFINITION OF SUCCESS

We feel successful in some areas of our lives but for the most part success is still a work in progress

How Australians define personal success is clear – but just how successful do they feel in their lives right now? The majority believe they have achieved some success – 65% feel they have achieved success in their life so far – but it's also clear that success is still a work in progress, with 71% feeling they are still working towards achieving success.

How successful have Australians been at achieving the specific things they chose in their top 7 personal measures of success? Almost all believe that they have been successful at being a good person and having good family relationships, while fewer think they've achieved success in the things that contribute to their personal wellbeing – being happy, fitness, mental health and being in control of their life.

When it comes to feeling successful, Baby Boomers are leading the way

Generational differences emerge when we explore achieving success, with Baby Boomers clearly feeling more successful. More Baby Boomers (89%) think they've achieved being a good person, particularly more than Generation Xs (74%). Boomers were also way ahead in the marriage stakes – 85% of married Boomers believe they had achieved a good marriage while only 61% of Generation Xs believed that they had been successful in this part of their lives. Boomers were also ahead when it came to mental health – 74% believe they have achieved good mental health as opposed to 62% of all participants.

How successful do Australians feel?



When it comes to our goals for the future, improving health and fitness is no.1 and money is important as a means to acquiring meaningful and enriching life experiences

Overall, Australians rank improving their health and fitness as their no.1 goal for the future. While money and assets don't figure prominently in how Australians define success, when it comes to their goals for the future, they're still important. So it's not surprising then that Rethink Success reveals that of the top 20 goals for the future, nine were either about money explicitly (build up savings, feel more financially secure, earn more money, buy a house, buy an investment property, pay off my mortgage, put extra money into super) or about experiences requiring significant savings (travel overseas, travel around Australia). But it's not about the accumulation of money in itself or for power and status; it's about money as a means of building a sense of security and money as a means of acquiring meaningful and enriching life experiences that bring happiness into people's lives.

Generation influences our goals

Baby Boomers are more focused on improving their health, feeling financially secure, travel and spending some time volunteering and giving back to society. Generation Y is more focused than other generations on buying an investment property and Generation Z is more focused on having a job that makes a difference.

Top 10 goals Australians want to accomplish



65% of Australians feel they have achieved success in their life so far.

IT'S TIME TO CHANGE THE DEFINITION OF SUCCESS

Buying a house is still at the heart of our sense of financial security

While owning a house doesn't make it into the top 7 personal measures of success in Australia (ranked no.15), it figures more prominently (at no.10) on Australians' list of goals for the future.

This shows that the dream of owning a home is still alive in Australia and home ownership continues to sit at the very heart of our sense of financial security: 8 in 10 (77%) agree with the statement 'owning a home rather than renting is very important to me' and 7 in 10 (69%) agree with the statement 'owning a home is the best way of guaranteeing my financial security' – though Generation Z is much less likely to agree.

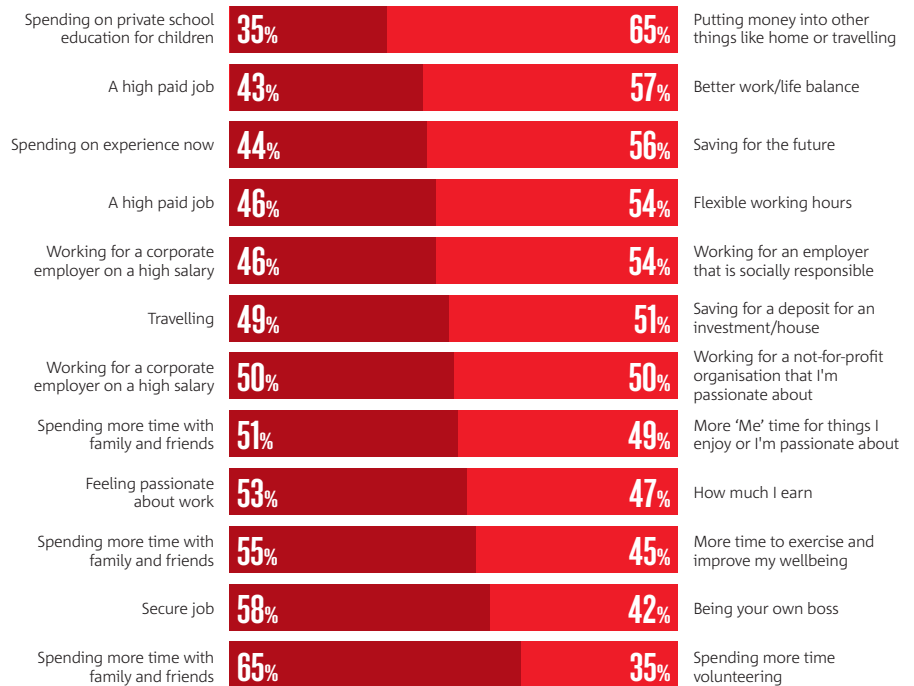
77%
believe owning a home rather than renting is very important.

Striking a balance between all of the different priorities in life can be a challenge

No matter what stage of life we're at, we're often faced with a series of conflicting life priorities around how we spend our time and our money, living in the now and planning for the future, as well as our core needs for both security and freedom. Striking a harmonious balance between the many competing priorities can be a challenge. To get a sense of how Australians are managing their priorities

we asked participants to play a game which involved having to split 11 tokens between two competing factors. The results reveal that we find it difficult to definitively prioritise one factor over another, particularly when it comes to living in the now versus preparing for the future, earning more money versus having a better work/life balance, our desire for job security versus the freedom that comes with having our own business, and spending more time with friends versus 'me time.'

Tensions between competing life priorities



IT'S TIME TO CHANGE THE DEFINITION OF SUCCESS

We believe that success is in our own hands – and to be really successful in Australia you need to work hard, be good with people and have a sense of purpose

How do you become successful in Australia? You make it happen yourself. Almost everyone (80%) believes that success is in your own hands; you have to make it happen and 68% feel confident in their ability to create a successful life. Things like education and a privileged family background have become less relevant: 80% believe you can be successful no matter how much education you have and 76% believe you can be successful regardless of how well off your family/parents are.

So if success is up to us, what attributes do we need to achieve it? According to participants, making a success of your life requires a strong work ethic, great people skills, purpose, determination and agility. Of the top 10 attributes working hard came in at no.1 and being good with people no.2 – across all generations, gender and every other demographic sub-group the data was analysed by including location, employment, education and household type.

Interestingly, being willing to fail made the top 7 (ranked no.6), indicating that how we think about failure has completely changed. Instead of something to be avoided at all costs, failure is now considered something to be embraced and learnt from, a stepping stone to greater things rather than the end of the journey. Being innovative (no.8), creative (no.9) and taking risks (no.10) were also highly valued, coming in just outside the top 7.

A high level of education, strong academic ability and a cautious approach have become much less relevant in this new picture of success. Have a university degree ranked at no.16, while being intelligent in an academic way ranked at no.14 and being cautious and not taking risks ranked at no.18.

We believe that the future success of Australian society relies on traditional pillars – along with an emerging focus on equality and creating a fair, harmonious society

What makes a successful society? Healthcare, access to affordable housing and good infrastructure – the traditional pillars² – are considered most important to a successful Australia in the future. Interestingly, equality and caring for our elderly also made the top 7 list of elements most important to a successful society.

In Rethink Success, the prioritisation of social harmony, support for the disadvantaged and the environment were also evident – these elements sat only one place below the top 7: maintaining a harmonious multicultural society, support for disadvantaged people and communities, and prioritising the environment and sustainability came in at equal no.8 (at 36% each).

Generation and gender play a role when it comes to what we believe should be priorities for Australia

Priorities for Australia as a nation look quite different across generations. Generation Z's top 7 list included protecting our personal freedoms (no.7), while Generation X's top 7 included building strong local communities (no.7) and Generation Y's included prioritising the environment and sustainability (no.7). Gender too played a role: men ranked quality free healthcare at no.1, while women ranked a society that values equality in first place. Protecting our personal freedoms also made it into the top 7 for men (no.7).

Conclusion

How Australians define success is evolving; it's about personal fulfilment, wellbeing and relationships rather than money and materialism. Money is still of central concern to Australians but more as a means of achieving a sense of security and a gateway to meaningful experiences. Our attitudes around what makes a successful society are evolving too – we still value the traditional pillars but we've come to value other factors such as equality and a harmonious multicultural society.

This trend towards putting personal fulfilment and happiness first when it comes to defining success was even more pronounced amongst the youngest cohort of the survey, Generation Z, who, according to the data view the world through distinctly different eyes. Learn more about what makes Generation Z different in Chapter 2 of this whitepaper series.

Success is evolving; it's about fulfilment, wellbeing and relationships rather than money and materialism.

² These factors consistently rate as key issues in the Ipsos Issues Monitor, an ongoing survey of 1000 Australians each month which monitors the social issues that matter to them.

IT'S TIME TO CHANGE THE DEFINITION OF SUCCESS

About the Rethink Success whitepaper

To explore Australians' views on success, NAB commissioned global research firm Ipsos to research the views of more than 2,000 Australians aged 16 – 70, exploring the importance and relevance of quantitative measures of success such as wealth, status and home ownership against qualitative factors such as experience, personal fulfilment and wellbeing.

Methodology and sample:

Design: Quantitative online survey conducted between 27th May to 9th June 2016.

Sample: Nationally representative sample of 2,019 people aged between 16-70 years.

Proportion of each generation in the overall sample:

Gen Z* (aged 16-21) accounted for 12%

Gen Y (aged 22-35) accounted for 29%

Gen X (aged 36-49) accounted for 28%

Baby Boomers (aged between 50-70) accounted for 32%

Analysis: Data is weighted to nationally representative proportions by age, gender and location. Data was analysed based on a range of demographics sub-groups, such as life stage, generation, gender, location (including metro vs non-metro), income and education.

*For the purposes of this survey we have defined Generation Z as aged between 16-21 years. Officially the youngest of this generation are currently aged 7 years.

About Ipsos

Ipsos is an independent market research company controlled and managed by research professionals. Ipsos is a worldwide research group with a strong presence in all key markets. With Australian offices in Sydney, Melbourne, Perth and Brisbane, Ipsos delivers insightful expertise across its research specialisations: marketing, advertising and media, customer loyalty, public affairs research and survey management. Ipsos Marketing conducted the quantitative research and analysis and The Ipsos Mind & Mood Report, Australia's longest running qualitative social trends study, carried out additional desk research and wrote the whitepaper.

About NAB

For more than 150 years, we've been helping our customers with their money. Today, we have more than 35,000 people serving 10 million customers at more than 800 locations in Australia, New Zealand and around the world. We have built our business on understanding our customers and supporting them. We aim to take the hard work out of banking.

As Australia's largest business bank, we work with small, medium and large businesses to help them start, run and grow. We fund some of the most important infrastructure in our communities – including schools, hospitals and roads. And we do it in a way that's responsible, inclusive and innovative.

We know that to be Australia and New Zealand's most respected bank, we need to be good with money. And we need to be just as good with people, too.

©National Australia Bank Limited ABN 12 004 044 937 AFSL and Australian Credit Licence 230686.

The information in this whitepaper is current at the date of publication but may be subject to change. Every effort has been made to ensure the information in the whitepaper is current, accurate and reliable. NAB does not warrant or represent that the information in this whitepaper is free from errors or omissions or is suitable for your intended use. NAB recommends that you seek independent advice before acting on any information in this whitepaper. Subject to any terms implied by law and which cannot be excluded, NAB accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) incurred by you as a result of any error, omission or misrepresentation in any information in this whitepaper.