

**Please include the following information in the Final Report:****-Title page**

Well-Being and Financial Health during the COVID-19 Pandemic

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**Abstract**

With the generous support of an AC21 Special Project Fund grant, a multi-disciplinary and international team of collaborators was formed in early 2020 to study the effect of the COVID-19 pandemic on consumers' mental, social, functional, and financial well-being across the world. In particular, Professor Arvid Hoffmann from the University of Adelaide, Associate Professor Daria Plotkina and Professor Marie-Hélène Broihanne from EM Strasbourg Business School, Professor Stefanie Kleimeier from University of Stellenbosch Business School, and Professor Anja Goeritz from the University of Freiburg came together to design and run a survey study on this topic of importance.

**Introduction**

The year 2020 was marked by an unprecedented health and economic crisis: the COVID-19 pandemic. Consumer well-being during the pandemic has gained momentum in political and academic discussions and while prior studies show a general connection between income, wealth, and health, to date there is only a limited understanding of the interrelation of the different dimensions of well-being and variation across countries in terms of how consumers are affected.

**Activities**

Our research aimed to fill in this gap and compare experiences across countries differentially affected by COVID-19, taking a holistic perspective of consumer well-being. To do so, the project team used the Special Project Fund grant to carry out a survey examining the mental, social, functional, and financial well-being of 2,136 consumers across Australia, France, Germany, and South Africa. The team adapted the measurement tool to each country and scrutinized the results within the countries' cultural and political contexts. The chosen countries provide a great diversity of conditions in terms of COVID-19 case numbers, death rate, and severity of public health restrictions at the time of data collection. First results show important cross-country differences.

In terms of overall well-being, France scores the lowest and Australia the highest. We further compare individuals who had a direct COVID-19 experience (i.e., had a confirmed COVID-19 infection, salient symptoms, or a confirmed case in their household) with those who had not any. For people not experiencing COVID-19, mental well-being is lower in France than in Germany, Australia, and South Africa, while in South Africa it is lower than in Germany. Social well-being is relatively high and very similar in Australia and South Africa and higher compared to Germany and France. In descending order, functional well-being moves from higher to lower from Australia, Germany, South Africa, to France. Financial well-being is lowest in France compared to Australia and South Africa. At the same time, directly experiencing COVID-19 is not associated with a lower level of well-being in France but is so in Australia and Germany. It appears that experiencing COVID-19 “evened out” differences in well-being across countries. Furthermore, we witness that healthy behavior and responsible money management contributed to the different dimensions of well-being. While lockdown conditions seem to have an important effect on the perceptions of one’s well-being during the pandemic, the subjective evaluation is more impactful than the objective parameters.

Our research contributes to the emerging literature on the consequences of COVID-19. According to the World Health Organization, managing one’s mental health and psycho-social well-being during the pandemic is as important as managing one’s physical health, while these dimensions of well-being are at risk due to the increased stress and restrictions associated with COVID-19.

#### **Achievements of activities**

These results have been submitted to a peer-reviewed academic journal and based on the feedback from that journal we are revising the paper and are preparing it for submission to another journal.

We are also developing another paper on how the pandemic affects interpersonal trust in medical practitioners and institutional trust in governments and health authorities using the same data and are now preparing a paper for submission to a journal. According to current academic understanding, both interpersonal and institutional trust are determined by socio-economic factors such as age, gender, marital status, education, employment, or income. Furthermore, interpersonal trust is affected by a recent history of traumatic experiences and institutional trust is considered to be dependent on the performance of the institutions with adverse experiences reducing trust. Our initial results confirm that socio-economic factors shape interpersonal and institutional trust in the same way. As a traumatic experience, the COVID-19 pandemic seems to however shape interpersonal and institutional trust in different ways. We are currently exploring the transmission mechanisms that could explain these differences. We specifically focus both on the common determinants of the two types of trust over the four countries and on country-related determinants, among which we distinguish pre-existing conditions (socio-economic factors, for example) from COVID-19 related ones (pandemic conditions and institutional response to the pandemic). Our results will yield helpful insights from different countries experiences for further health-related communications and information campaigns well beyond the current COVID-19 pandemic.

#### **-Achievements made within SPF collaboration**

These results of the first paper have been submitted to a peer-reviewed academic journal and based on the feedback from that journal we are revising the paper and are preparing it for submission to another journal. The results of the second paper are being prepared for submission to a journal.

**-Budget summary (please use Template 4)**

Already submitted by Finance team.

**-Photos & link(s)**

Photo of project lead Prof. Dr. Arvid O. I. Hoffmann below ([www.arvidhoffmann.com](http://www.arvidhoffmann.com)):



Photo of Prof. Dr. Anja Goeritz below (<https://www.goeritz.net/>) :



Photo of Prof. Dr. Stefanie Kleimeier below ([www.stefaniekleimeier.nl](http://www.stefaniekleimeier.nl)):



Photo of Prof Marie-Hélène Broihanne (<https://www.linkedin.com/in/marie-helene-broihanne-737622114/>)



Photo of Dr. Daria Plotkina below (<https://www.em-strasbourg.com/en/researcher/lecturer/plotkina-daria>):

