Auckland Tourism, Events and Economic Development
An Auckland Council Organisation

AUCKLAND

Covid-19 Business Survey

Full Report

3 April 2020

aucklandnz.com

Introduction

Introduction

About the Survey

- The COVID-19 Business Survey was made 'live' around 3pm on 11 March 2020 in response to the current pandemic and closed at 8am Monday 30 March 2020.
- The purpose of this survey is to gather key information about how businesses are responding to the evolving situation and understand the types of advice and support they need from ATEED.
- The survey was undertaken by ATEED through Survey Gizmo.
- An open link to the survey was initially provided to Regional Business Partners and other ATEED business contacts however since this initial mailout, the link has been shared widely among the Auckland business community through various associations and business networks.
- The survey sample is self-selecting among those who were provided a link to the survey. No attempt has been made to weight survey results to reflect the broader make-up of the Auckland economy in terms of business size, sector or location within Auckland.
- Key sample profiling information is provided on the following page and in the Appendix to this report.

About this Report

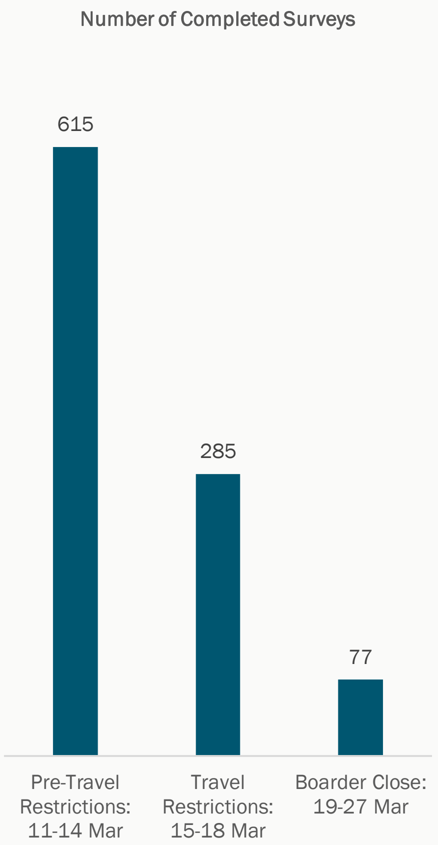
- The purpose of this report is to consolidate information collected and provide key findings about the attitudes, behaviours and business needs of respondents.
- All percentage results have been rounded to the nearest whole number for reporting purposes.
- **It should be noted that the number of completed surveys achieved for some sub-groups (sectors and time periods etc) are low and therefore should be considered indicative only.** Where base sizes are particularly low, these have been flagged on the relevant pages.
- No significance testing between groups has been conducted. As such, any flagging of 'higher' or 'lower' proportions should be considered indicative only.

Response Sample & Sub-Groups

Wave on Wave

The waves reported on follow key announcement milestones made in New Zealand as follows:

- **Pre-travel restrictions: 11 March** (start of survey) **to 14 March**. On Saturday 14 March, the NZ government announced a series of travel restrictions that would come into effect from 15 March.
- **Travel restrictions: 15-18 March**. The period when the travel restrictions were in effect before the 'next Border close' announcement was made on 19 March.
- **Border close: 19-27 March**. From 19 March 2020 stricter Border closure measures were put into effect by the NZ Government.
- Note regarding Level 3 & 4 Announcement: On Monday 23 March, the NZ Government announced that the alert level was increasing effective immediately to level 3 and level 4 restrictions would be put in place within 48 hours. While this is a key milestone, there are insufficient survey responses within this time period to conduct analysis on. As such, this period is included within the 'Border close' wave noted above.

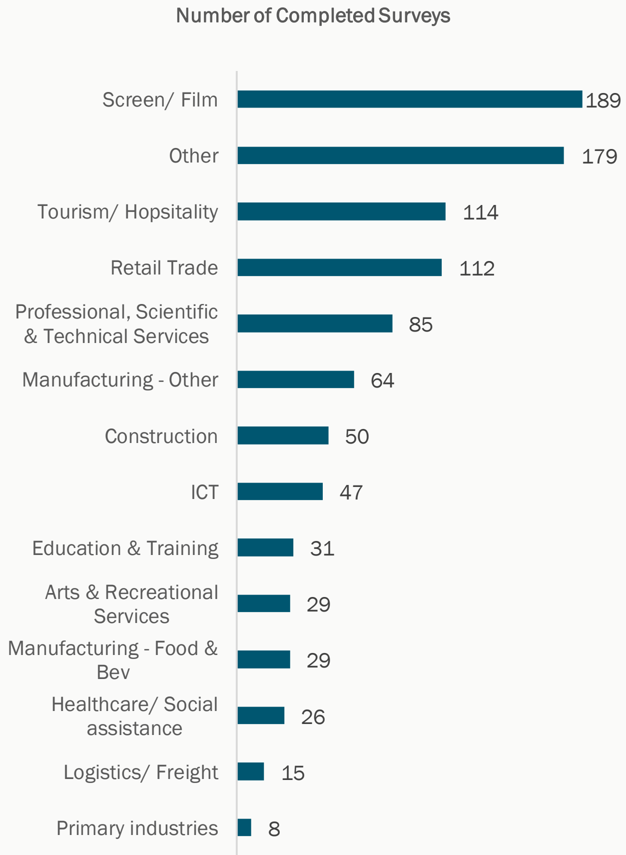


Sectors

The sectors included in this report for analysis are a combination of ANZSIC sectors and those of interest to ATEED.

Given the sampling method used, completes are weighted towards the sectors that ATEED was actively working with prior to the evolving Covid-19 situation.

As noted previously, no attempt has been made to statistically weight the data to be reflective of Auckland business demography.



Auckland Tourism, Events and Economic Development
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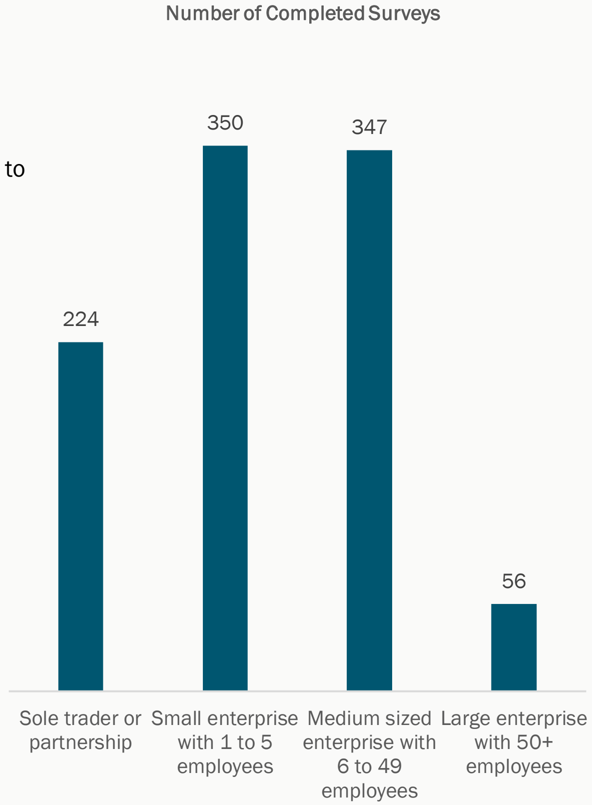
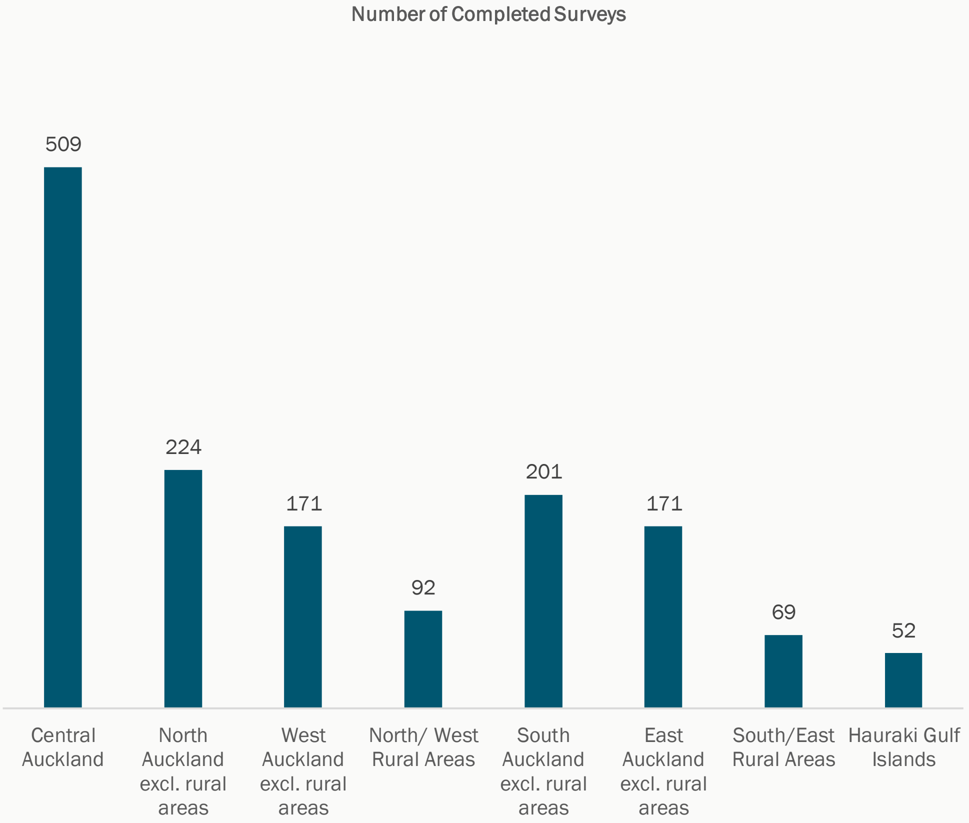
Response Sample & Sub-Groups

Business Size
Business size definitions are as follows:
- Sole trader or partnership
- Small enterprise with 1 to 5 employees
- Medium size enterprise with 6 to 49 employees
- Large enterprise with 50+ employees.



Auckland Areas
Respondents could select more than one area in response to the following survey question:

"Where in the Auckland region is your business located?" *(Select all that apply if you operate in several locations).*



Executive Summary

Executive Summary

- Overall, respondents expect covid-19 to have the largest impact on Sales/Revenue (67%), Cashflow (67%) and Wellbeing/Stress (62%).
- Overall respondents have indicated that 'Financial advice/ cashflow management' advice and support would be most helpful to them (54%). The proportion of respondents saying they would find this type of support and advice helpful has also been increasing steadily over time (up from 46% pre-travel restrictions to 73% in the latest period).
- The second most commonly noted type of support and advice overall is 'Business strategy and planning' (45%).
- Online resources are by far the most commonly sought after delivery method for advice and support (70% of respondents indicated this was their preferred way to receive advice/support).
- Overall, the most commonly noted capabilities that respondents said they need more of were 'More digital marketing and social media to engage new customers' (47%) and 'Target new markets, such as stronger focus on local/ domestic markets vs others' (46%).
- Initially, the majority of respondents indicated that they intended to maintain staffing levels (53%) however, with later announcements and as the situation has evolved, this has fallen (33%).
- In addition to this, more people are indicating that they 'don't know' what their resourcing response is going to be (34%) compared to the first 'pre-travel restrictions' period (11%).

Verbatim Themes

The survey included three open ended questions to provide an opportunity to provide further feedback

- Overall, most verbatim comments relate to the main business impact issues identified by the Likert Scale questions and concerning sales/cashflow, staff issues and wellbeing.
- Below are the high-level themes that can be identified from the verbatim responses.
- These themes are consistent across all sectors and represent the key concerns shared by all.

Comments on business impacts that are of particular concern:

- General reduction in customers/demand and related issues
- Sales drop/booking cancellations and Cashflow
- Staff retention/HR planning
- Staff support/stress
- Business cost implications i.e. rent/mortgages/debt servicing
- Supply chain knock-on effects i.e. delivery disruptions and suppliers not paid

Comments on other aspects that are of concern:

- General need for support and specifically around contingency planning
- Calls for government support and relating options such as tax delays
- Calls for dropping the minimum wage increase
- Perceptions of detrimental media hype

Verbatim Themes

Several verbatim themes that relate more to specific sectors than others could be identified:

Screen sector

- Travel restrictions have a significant impact for Screen Sector staff/inability to travel for work
- A strong reliance on contractors in the sector causes significant staff support relating issues and redundancies
- The sector is worried about New Zealand's viability as a filming location

Sectors that rely on imports and supply chains such as Retail and Manufacturing:

- Supply chain issues for imports/no stock
- Exchange rate planning for forward ordering
- Freight costs increasing

One additional theme that came through during the lockdown period relates to the uncertain planning environment.:

- Uncertainty over when lockdown will end and when to plan/prepare for recovery or whether/or when to prepare for prolonged lockdown

Impact of Covid-19

Key Findings

Impact on different aspects of business

- Overall, respondents expect covid-19 to have the largest impact on Sales/Revenue (67%), Cashflow (67%) and Wellbeing/Stress (62%).
- In most cases, the expected impact on different aspects of business has been increasing steadily over time.
- Respondents in the 'Tourism/ Hospitality' and 'Screen/ Film' sectors have indicated they expect significant impacts over a number of business domains while those the in 'Professional, Scientific and Technical services' sector appear to be expecting less of an impact.
- Overall, sole traders/partnerships have been hardest hit by Covid-19, with large proportions reporting significant impact on Sales/Revenue (80%), Cashflow (84%) Wellbeing/Stress (75%) and Business Continuity (75%).
- Impacts on the above aspects are widely felt by all businesses but there is a clear indication that the smaller the business, the more significant the impact is. Large Businesses are experiencing more impacts on Human Resources than smaller businesses.
- Respondents in the Hauraki Gulf Islands expect the largest impact across the most business domains, while those in East and North Auckland appear to expect lower levels of impact.

A sample of what people are saying

"

Cashflow

People are not purchasing currently. They are waiting to see what will happen. This is affecting cash flow and turnover. We are also struggling to get containers on ships as there are no ships available to sail via China at present.

Many of our customers have lost their customers so orders have dried up. My product is not on the panic buying/stocking up on supplies shopping list.

The main impact is sales and revenue as buyer confidence decreases and people stop spending money. We have already felt an impact of this because of the doom and gloom being painted by the media which only worsens the problem.

Skills & Workforce

50% of our business is the supply of critical skills shortages that are in demand from offshore. Immigration NZ has already significantly reduced its staffing levels due to Covid 19. Now they have a large backlog making it near impossible to bring critical skills to NZ. The waiting times are now 4 months for a temp visa. Given the recruitment process already takes 1 month the whole process now takes 5 months at a loss of $20'000 on average each month. The combined loss is now $100'000 per placement. Given our industry imports some 350 of these impossible to locate skills each year the projected cost is NZ$35 Million caused by immigration delays due to Covid 19. If these delays were common across multiple industries, this alone will bring many businesses to their knees alone without taking other factors into account.

Qualified staff are hard to find. If we have to reduce staff numbers there will be difficulties re employing when the virus is behind us.

Events & Conferences

International travel to trade shows and expos; A) the loss of travel insurance cover for new travel bookings means we have to deal booking until very close to the dates. This will probably mean higher travel costs. B) our sales opportunities will be seriously reduced by the cancellation of events and/or reduced attendance and/or our inability to attend.

We rely significantly on overseas travel and global conferences. The latter being routinely cancelled. Some, (import, freight, business continuity) will change with flow-on effects as time goes on.

Lack of knowledge and/or uncertainty

Just lack of understanding of how our industry might be effected.

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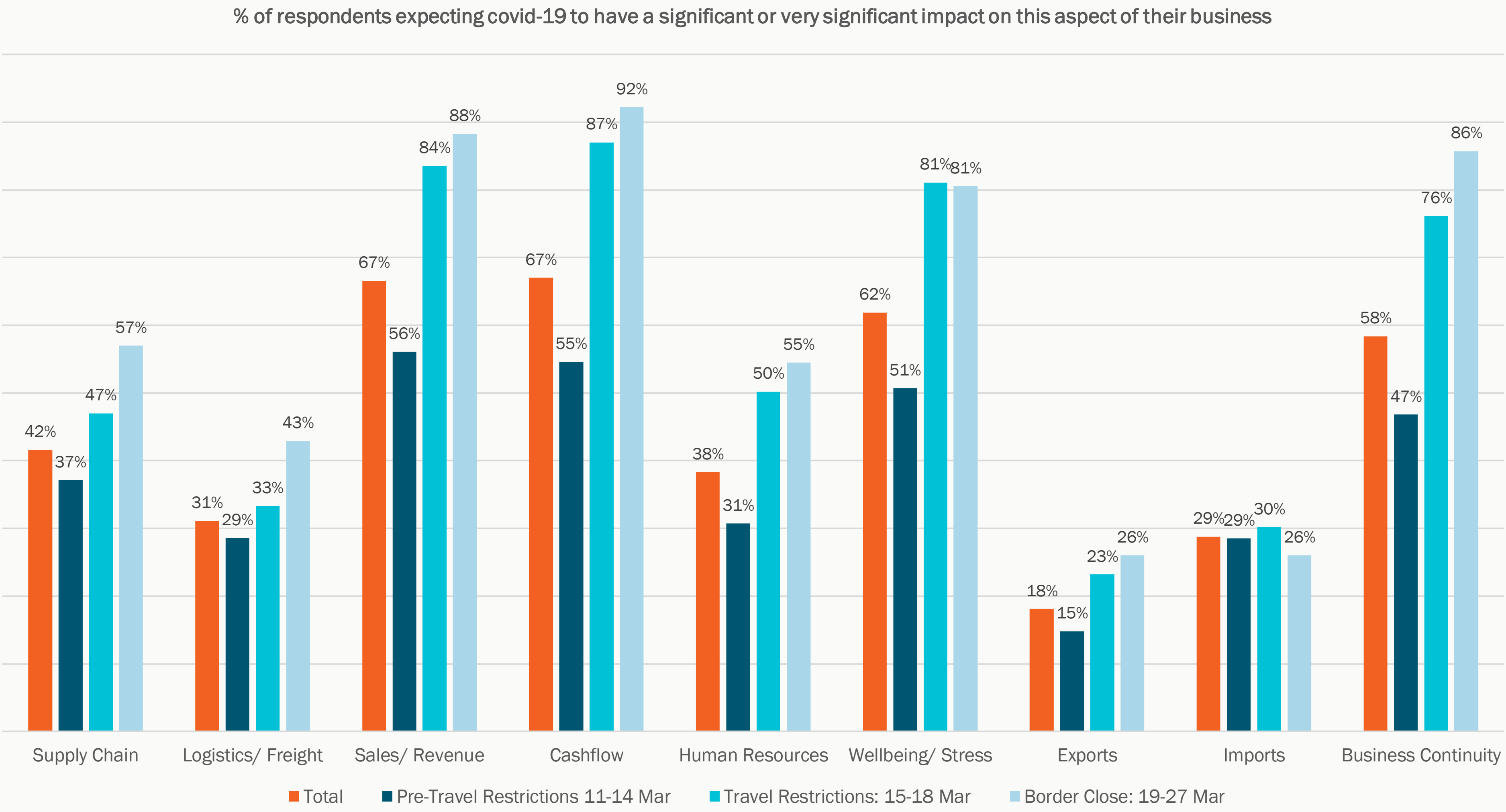
Impact on different aspects of business

OVER TIME



Q. To what degree do you expect the following aspects affecting your business as a result of the evolving COVID-19 Coronavirus situation? Scale: 1-No Impact. 2-Slight Impact, Moderate Impact, Significant Impact, Very Significant Impact. Base: Pre-Travel Restrictions, n= 615 | Travel Restrictions, n=285 | Border Close, n=77

Impact on different aspects of business

SECTOR

% of respondents expecting covid-19 to have a significant or very significant impact on this aspect of their business

Blue text=Lowest proportion(s) | Orange text=Highest proportion(s)

	TOTAL	Primary industries **	Tourism/ Hospitality	Retail Trade	Construction	ICT*	Manufacturing – Food & Bev*	Manufacturing – Other	Logistics & Freight**	Health care & Social assistance *	Prof, Scientific & Tech Services	Education & Training*	Arts & Recreational Services*	Screen & Film	Other
Supply chain	42%	75%	46%	53%	40%	21%	48%	45%	73%	62%	15%	29%	24%	49%	38%
Logistics/ freight	31%	75%	34%	41%	30%	26%	41%	39%	87%	27%	11%	26%	17%	33%	25%
Sales/ Revenue	67%	63%	93%	65%	46%	51%	59%	47%	87%	46%	42%	55%	72%	85%	64%
Cashflow	67%	63%	90%	65%	46%	51%	69%	44%	87%	42%	46%	52%	72%	92%	60%
Human Resources	38%	25%	56%	31%	30%	26%	31%	33%	47%	39%	25%	32%	21%	52%	36%
Wellbeing/ Stress	62%	75%	84%	59%	48%	47%	55%	44%	73%	58%	44%	55%	59%	84%	51%
Exports	18%	38%	20%	14%	6%	21%	45%	22%	47%	8%	6%	10%	10%	30%	11%
Imports	29%	50%	18%	46%	30%	17%	45%	34%	80%	27%	15%	16%	7%	33%	26%
Business Continuity	58%	50%	83%	50%	38%	30%	55%	45%	73%	58%	34%	45%	62%	86%	50%

Q. To what degree do you expect the following aspects affecting your business as a result of the evolving COVID-19 Coronavirus situation?
Scale: 1-No Impact. 2-Slight Impact, Moderate Impact, Significant Impact, Very Significant Impact. Base: n=977
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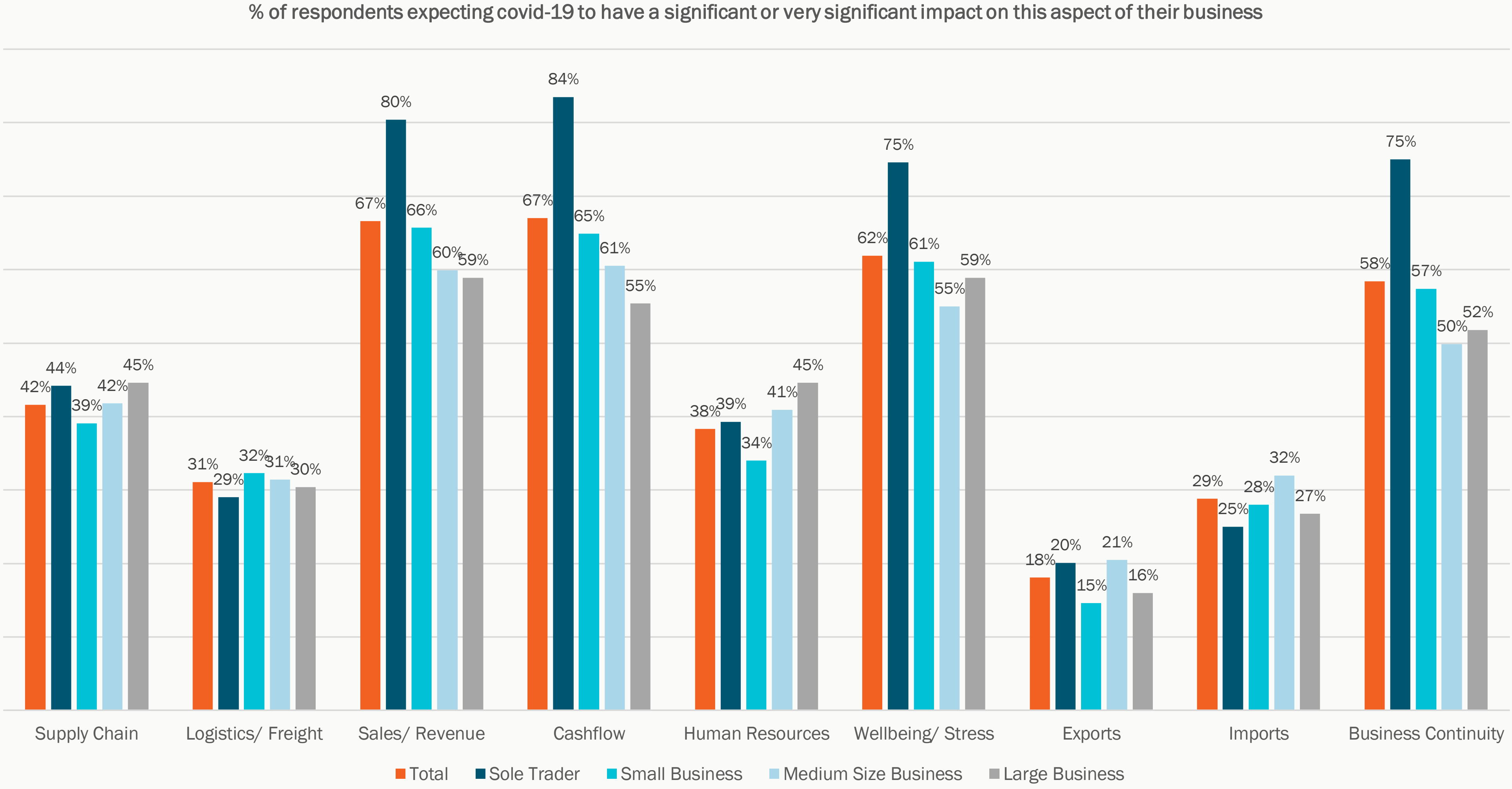
Impact on different aspects of business

BUSINESS SIZE



Q. To what degree do you expect the following aspects affecting your business as a result of the evolving COVID-19 Coronavirus situation? Scale: 1-No Impact. 2-Slight Impact, Moderate Impact, Significant Impact, Very Significant Impact. Base: Sole Trader or partnership, n= 224 | Small enterprise, n=350 | Medium size enterprise, n=347 | Large enterprise, n=56

Impact on different aspects of business

AUCKLAND AREA

% of respondents expecting covid-19 to have a significant or very significant impact on this aspect of their business

	TOTAL	Central Auckland	North Auckland excl. rural areas	West Auckland excl. rural areas	North/ West Rural Areas	South Auckland excl. rural areas	East Auckland excl. rural areas	South/ East Rural Areas	Hauraki Gulf Islands
Supply chain	42%	40%	41%	43%	49%	49%	40%	42%	46%
Logistics/ freight	31%	32%	29%	28%	37%	37%	27%	30%	39%
Sales/ Revenue	67%	68%	66%	63%	70%	63%	61%	75%	87%
Cashflow	67%	69%	67%	66%	70%	60%	61%	73%	83%
Human Resources	38%	41%	35%	35%	41%	39%	36%	38%	42%
Wellbeing/ Stress	62%	66%	60%	61%	71%	61%	61%	70%	71%
Exports	18%	20%	10%	15%	16%	18%	12%	12%	19%
Imports	29%	27%	26%	29%	27%	36%	25%	30%	29%
Business Continuity	58%	61%	55%	57%	65%	56%	55%	70%	73%

Blue text=Lowest proportion(s) | Orange text=Highest proportion(s)

Q. To what degree do you expect the following aspects affecting your business as a result of the evolving COVID-19 Coronavirus situation? Scale: 1-No Impact. 2-Slight Impact, Moderate Impact, Significant Impact, Very Significant Impact. Base: n=977

A sample of what people are saying?

“

Revenue

As a local manufacturer with products made for tourists our revenues have dropped by over 50%. We have no visibility or confidence on this situation improving and have reduced employee hours and are now having to look at restructure and possible redundancies. As a wholesaler we have had some of our retail partners close their doors and others heavily impacted and also having to reduce employee hours or let them go. We are concerned cashflow will become an issue over the next month as retailers feel the full impact and already we have seen payments to us slow...

If staff are unfit for duty or have to self isolate this could lead to no sales or revenue for 14 day period, but the company has financial obligations to meet.

Skills & Workforce

We've already had a couple of hundred thousand dollars of work postponed indefinitely that was supposed to start this month. This is from people holding back on getting work done to 'see what happens' It's very worrying. We are having talks about turning our wage earners to contract to protect our business as we may not weather a downturn that can support wage staff [which] are hard to find. If we have to reduce staff numbers there will be difficulties re employing when the virus is behind us.

International students

Flow on effect from other educational businesses with International Students. Once customer said they are already $500K down in revenue as no International students have started. 90% of our customers are Tertiary education.

International visitors

95% of our customers are NZ visitors. Needless to say this situation is pretty detrimental to our company. We've been forced to try and keep going without salary/wages since February this year.

Reliance on China

Importers need help! We can get stock from China. We are sold out. Any organisation running lean stock turns is in deep trouble right now.

Loss of China-based retail partner (25 x QSR ice cream stores) to whom I am exclusive supplier.

We have two business one that imports from China - the cash flows have been severely impacted. And a second that sells into china - this was brought to a halt for approx, one month after lunar new year but now slowly recovering.

”

Support & Advice

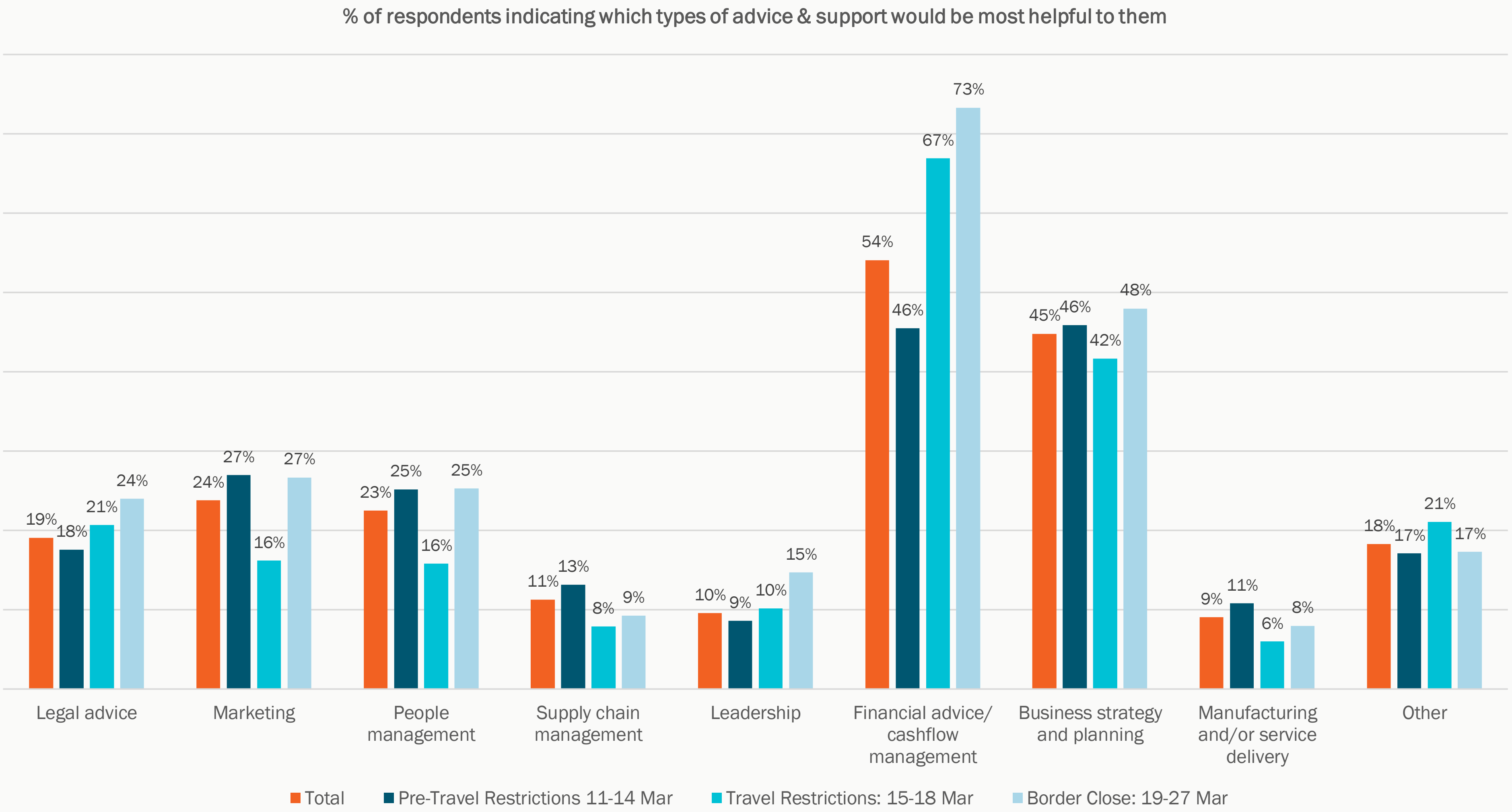
Key Findings

What advice and support is needed & how?

- Overall respondents have indicated that ‘Financial advice/ cashflow management’ advice and support would be most helpful to them (54%). The proportion of respondents saying they would find this type of support and advice helpful has also been increasing steadily over time (up from 46% pre-travel restrictions to 73% in the latest period).
- The second most commonly noted type of support and advice overall is ‘Business strategy and planning’ (45%).
- There is a notable variety in the needs by business size. Sole traders and small businesses have a particular need in ‘Financial advice/cashflow management’, whilst medium to large business have a particular need in ‘People Management’ and ‘Legal’ advice and support. ’Marketing’ support is strongly desired by small businesses.
- Online resources are by far the most commonly sought after delivery method for advice and support (70% of respondents indicated this was their preferred way to receive advice/support).
- The types of advice and support that respondents indicated they would find most helpful are relatively consistent across sectors and areas, as are the preferred delivery methods for support and advice. However, in line with significant impact on sales and cashflow for the ‘Tourism/Hospitality’ and ‘Screen/ Film’ industries, it is not surprising that financial advice is the dominating support need for these sectors.
- Those in the Hauraki Gulf Islands however, do appear to have a slightly stronger preference for receiving support and advice through methods other than online.

Types of support & advice most helpful

OVER TIME



Q. Which type of support and advice would be most helpful to you? Base: Pre-Travel Restrictions, n= 615 | Travel Restrictions, n=285 | Border Close, n=77

Types of support & advice most helpful

SECTOR

% of respondents indicating which types of advice & support would be most helpful to them

Blue text=Lowest proportion(s) | Orange text=Highest proportion(s)

	TOTAL	Primary industries **	Tourism/ Hospitality	Retail Trade	Construction	ICT*	Manufacturing – Food & Bev*	Manufacturing – Other	Logistics & Freight**	Health care & Social assistance *	Prof, Scientific & Tech Services	Education & Training*	Arts & Recreational Services*	Screen & Film	Other
Legal advice	19%	13%	27%	11%	31%	16%	23%	19%	33%	33%	18%	17%	27%	19%	14%
Marketing	24%	13%	34%	39%	20%	16%	23%	14%	20%	25%	22%	31%	46%	10%	26%
People management	23%	25%	21%	19%	38%	35%	27%	26%	33%	38%	27%	28%	12%	11%	24%
Supply chain management	11%	13%	6%	14%	20%	7%	23%	19%	20%	25%	11%	17%	0%	4%	13%
Leadership	10%	25%	5%	11%	18%	9%	8%	7%	0%	21%	7%	10%	12%	10%	10%
Financial advice/ cashflow management	54%	63%	70%	50%	60%	37%	62%	28%	33%	54%	39%	55%	46%	70%	49%
Business strategy and planning	45%	50%	56%	45%	60%	37%	35%	24%	27%	42%	50%	45%	46%	42%	46%
Manufacturing and/or service delivery	9%	38%	5%	11%	13%	9%	35%	21%	13%	4%	5%	7%	0%	3%	11%
Other	18%	38%	18%	15%	4%	23%	8%	21%	33%	8%	16%	17%	15%	23%	20%

Q. Which type of support and advice would be most helpful to you? Base: n=977
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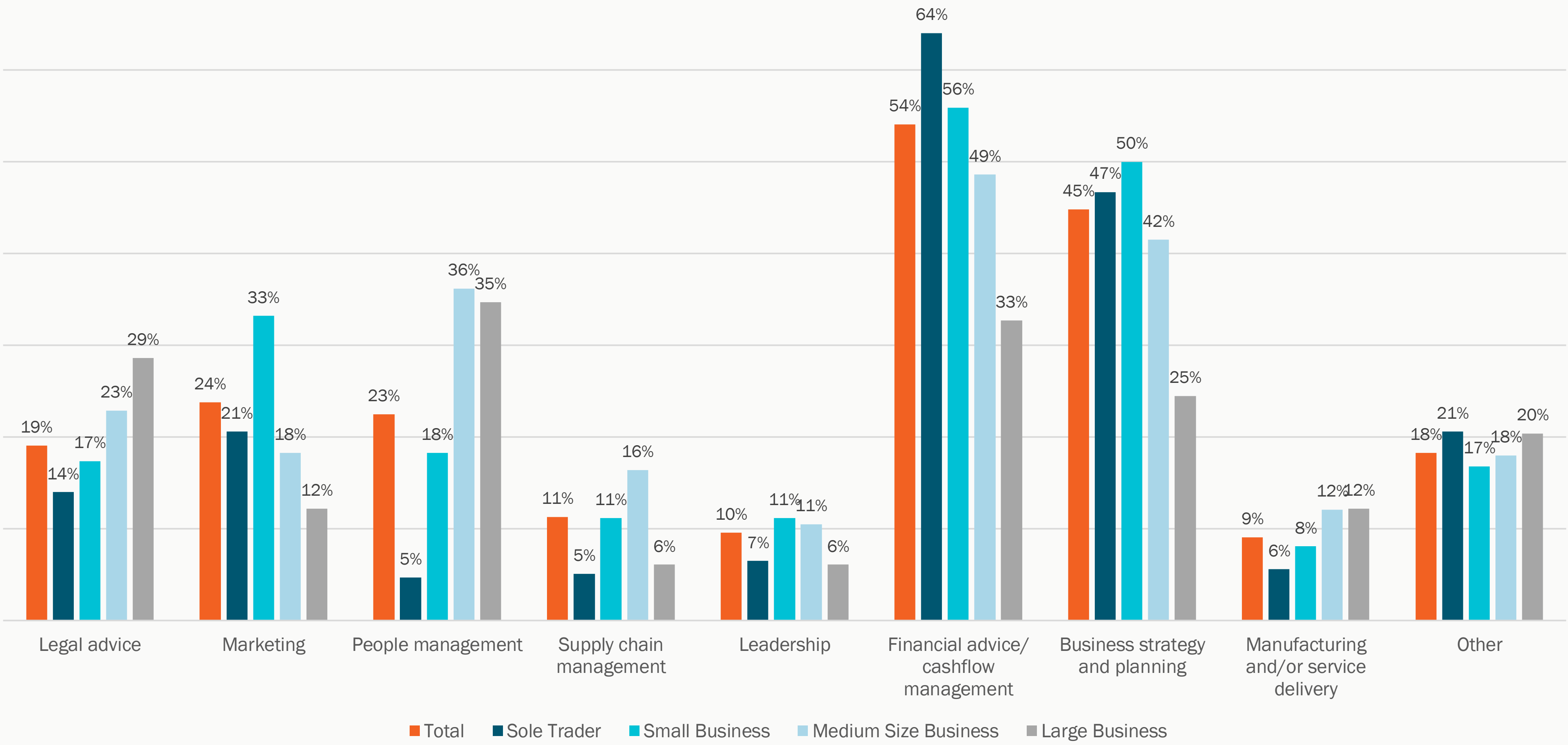
Types of support & advice most helpful

BUSINESS SIZE

% of respondents indicating which types of advice & support would be most helpful to them



Q. Which type of support and advice would be most helpful to you? Base: Sole Trader or partnership, n= 224 | Small enterprise, n=350 | Medium size enterprise, n=347 | Large enterprise, n=56

Types of support & advice most helpful

AUCKLAND AREA

% of respondents indicating which types of advice & support would be most helpful to them

	TOTAL	Central Auckland	North Auckland excl. rural areas	West Auckland excl. rural areas	North/ West Rural Areas	South Auckland excl. rural areas	East Auckland excl. rural areas	South/ East Rural Areas	Hauraki Gulf Islands
Legal advice	19%	19%	18%	21%	19%	25%	21%	20%	24%
Marketing	24%	24%	22%	17%	19%	24%	21%	15%	29%
People management	23%	22%	21%	20%	15%	29%	23%	23%	20%
Supply chain management	11%	9%	9%	11%	13%	14%	17%	11%	8%
Leadership	10%	10%	11%	9%	11%	10%	10%	12%	16%
Financial advice/ cashflow management	54%	56%	57%	58%	59%	51%	55%	59%	57%
Business strategy and planning	45%	46%	40%	43%	40%	43%	40%	40%	57%
Manufacturing and/or service delivery	9%	6%	8%	10%	7%	12%	12%	9%	4%
Other	18%	18%	19%	16%	26%	17%	21%	15%	29%

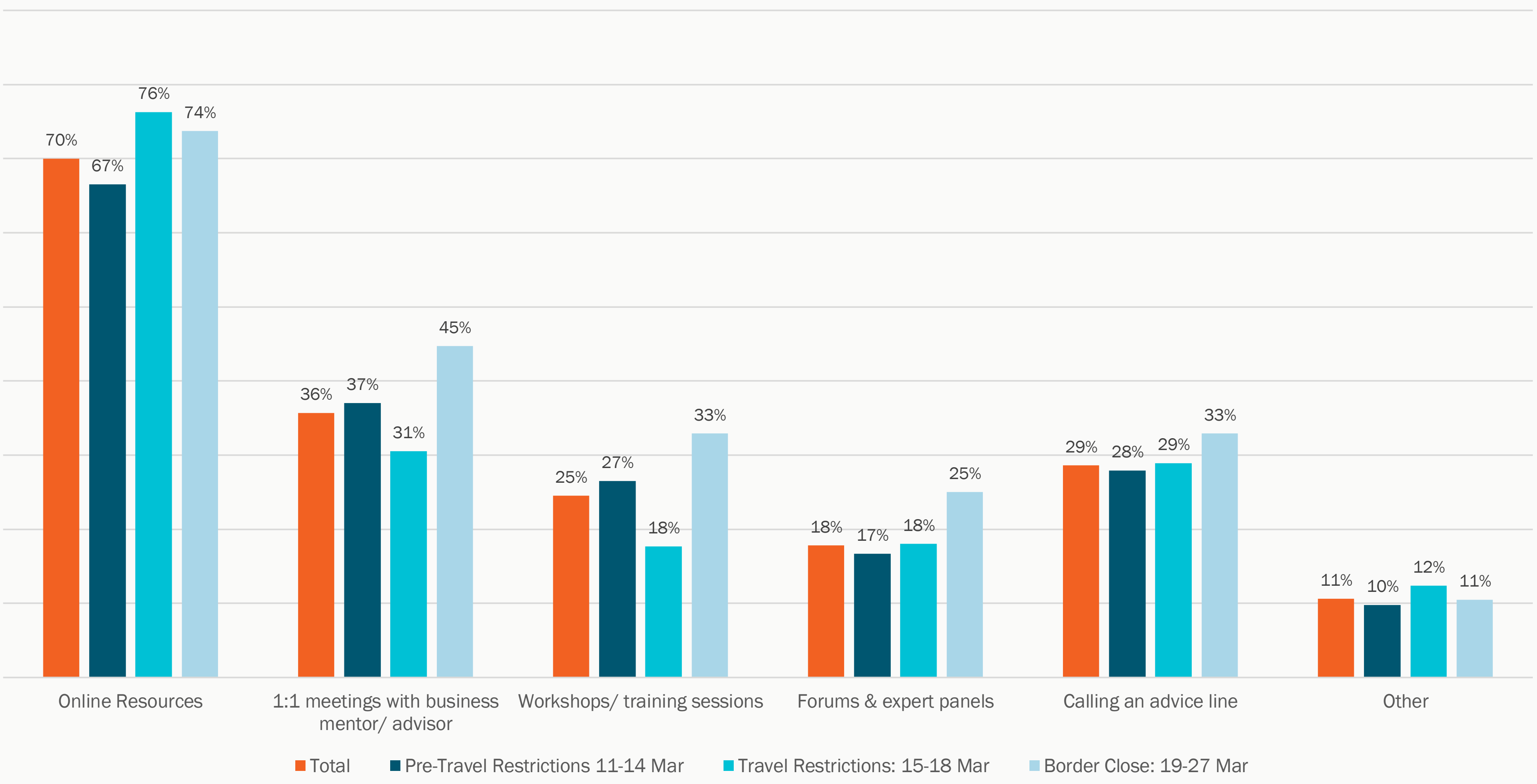
Blue text=Lowest proportion(s) | Orange text=Highest proportion(s)

Q. Which type of support and advice would be most helpful to you? Base: n=977

Preferred ways to receive support & advice

OVER TIME

% of respondents saying their preferred way to receive support and advice by delivery mode



Q. And what would be the preferred ways for you to receive support and advice? Base: Pre-Travel Restrictions, n= 615 | Travel Restrictions, n=285 | Border Close, n=77

Preferred ways to receive support & advice

SECTOR

% of respondents saying their preferred way to receive support and advice by delivery mode

Blue text=Lowest proportion(s) | Orange text=Highest proportion(s)

	TOTAL	Primary industries **	Tourism/ Hospitality	Retail Trade	Construction	ICT*	Manufacturing – Food & Bev*	Manufacturing – Other	Logistics & Freight**	Health care & Social assistance *	Prof, Scientific & Tech Services	Education & Training*	Arts & Recreational Services*	Screen & Film	Other
Online resources	70%	63%	65%	65%	62%	84%	67%	59%	40%	75%	76%	60%	72%	74%	75%
One on one meetings with a business mentor/ advisor	36%	25%	54%	38%	47%	16%	41%	25%	40%	29%	28%	40%	32%	30%	37%
Workshops/ training sessions	25%	25%	31%	31%	30%	12%	22%	14%	13%	25%	28%	40%	40%	15%	26%
Forums and expert panels	18%	38%	14%	21%	21%	9%	19%	5%	27%	17%	14%	13%	36%	21%	19%
Calling an advice line	29%	38%	21%	22%	45%	16%	33%	27%	20%	50%	34%	27%	20%	27%	34%
Other	11%	25%	10%	10%	4%	9%	15%	14%	13%	8%	8%	10%	8%	13%	11%

Q. And what would be the preferred ways for you to receive support and advice? Base: n=977
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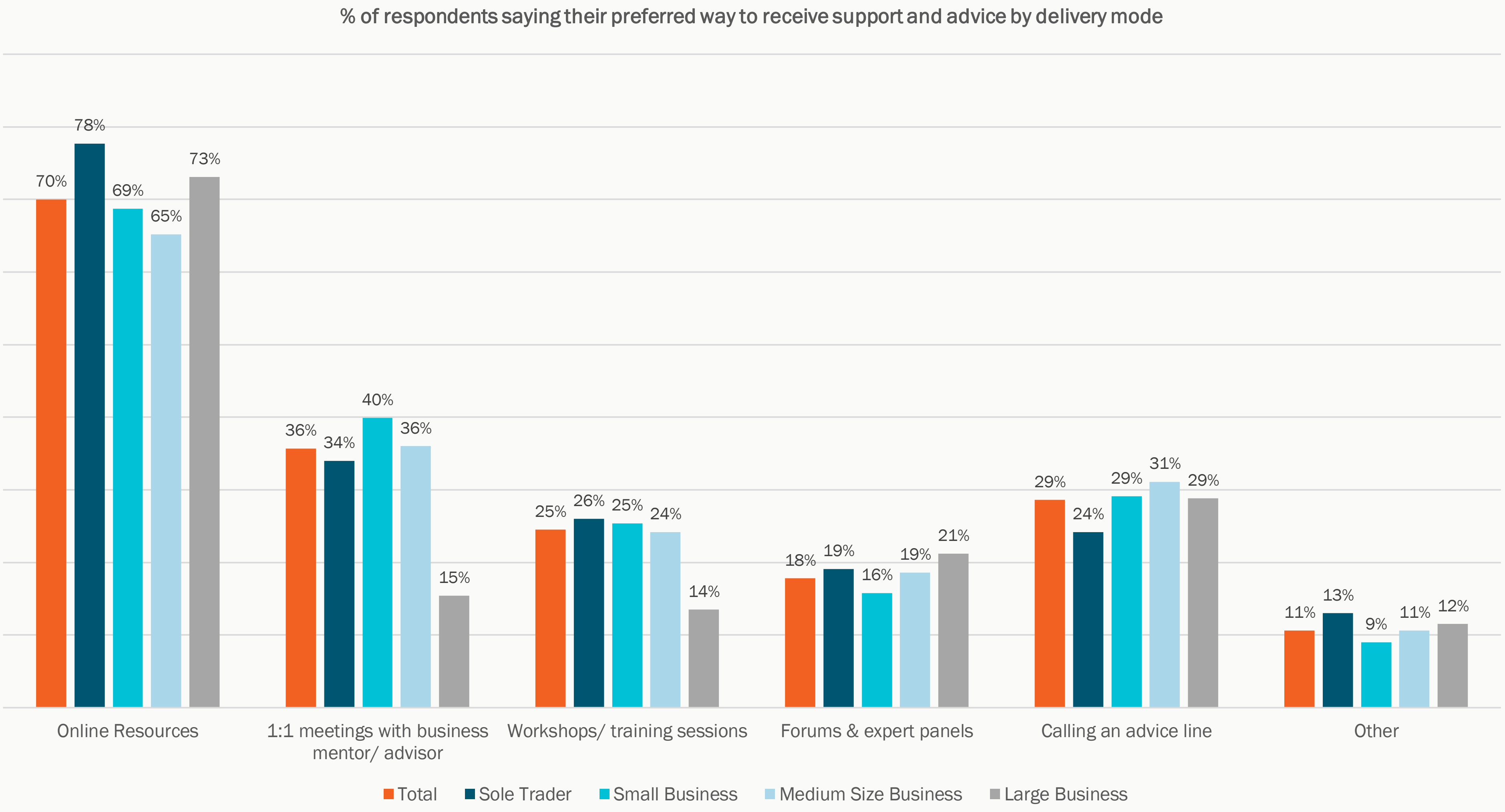
Preferred ways to receive support & advice

BUSINESS SIZE



Q. And what would be the preferred ways for you to receive support and advice? Base: Sole Trader or partnership, n= 224 | Small enterprise, n=350 | Medium size enterprise, n=347 | Large enterprise, n=56

Preferred ways to receive support & advice

AUCKLAND AREA

% of respondents saying their preferred way to receive support and advice by delivery mode

	TOTAL	Central Auckland	North Auckland excl. rural areas	West Auckland excl. rural areas	North/ West Rural Areas	South Auckland excl. rural areas	East Auckland excl. rural areas	South/ East Rural Areas	Hauraki Gulf Islands
Online resources	70%	70%	71%	70%	72%	71%	72%	75%	70%
One on one meetings with a business mentor/ advisor	36%	35%	37%	34%	38%	33%	27%	33%	60%
Workshops/ training sessions	25%	23%	23%	29%	27%	31%	25%	25%	36%
Forums and expert panels	18%	22%	17%	22%	24%	20%	21%	23%	30%
Calling an advice line	29%	27%	28%	28%	23%	28%	30%	27%	28%
Other	11%	10%	12%	13%	14%	12%	14%	13%	18%

Blue text=Lowest proportion(s) | Orange text=Highest proportion(s)

Q. And what would be the preferred ways for you to receive support and advice? Base: n=977

Capability needs

Key Findings

What capability do people need?

- Overall, the most commonly noted capabilities that respondents said they need more of were ‘More digital marketing and social media to engage new customers’ (47%) and ‘Target new markets, such as stronger focus on local/ domestic markets vs others’ (46%).
- Over time there has been a steady increase in the proportion of respondents saying that they need ‘More digital capability to enable remote working’ (up from 25% pre-travel restrictions to 39% in the current period).
- As might be expected, respondents in the ‘Tourism/ Hospitality’ sector indicated that they needed more capability to ‘target new markets’ while those in the ‘Retail Trade’ and ‘Food and Beverage Manufacturing’ sectors said they needed more capability around ‘digital marketing and social media to engage new customers’.
- Small Business has the most need for more capability on many fronts, but particularly in ‘More digital marketing and social media to engage new customers’ and ‘Target new markets, such as stronger focus on local/ domestic markets vs others’ and ‘Revised product and service offering’
- Capability constraints in terms of ‘Business Continuity Planning’ is prevalent for small to medium sized businesses.
- Respondents in the Hauraki Gulf Islands, South Auckland (excluding rural areas) and South/East rural areas appear to have some slightly stronger needs for more capacity in a variety of areas.

Auckland Tourism, Events and Economic Development

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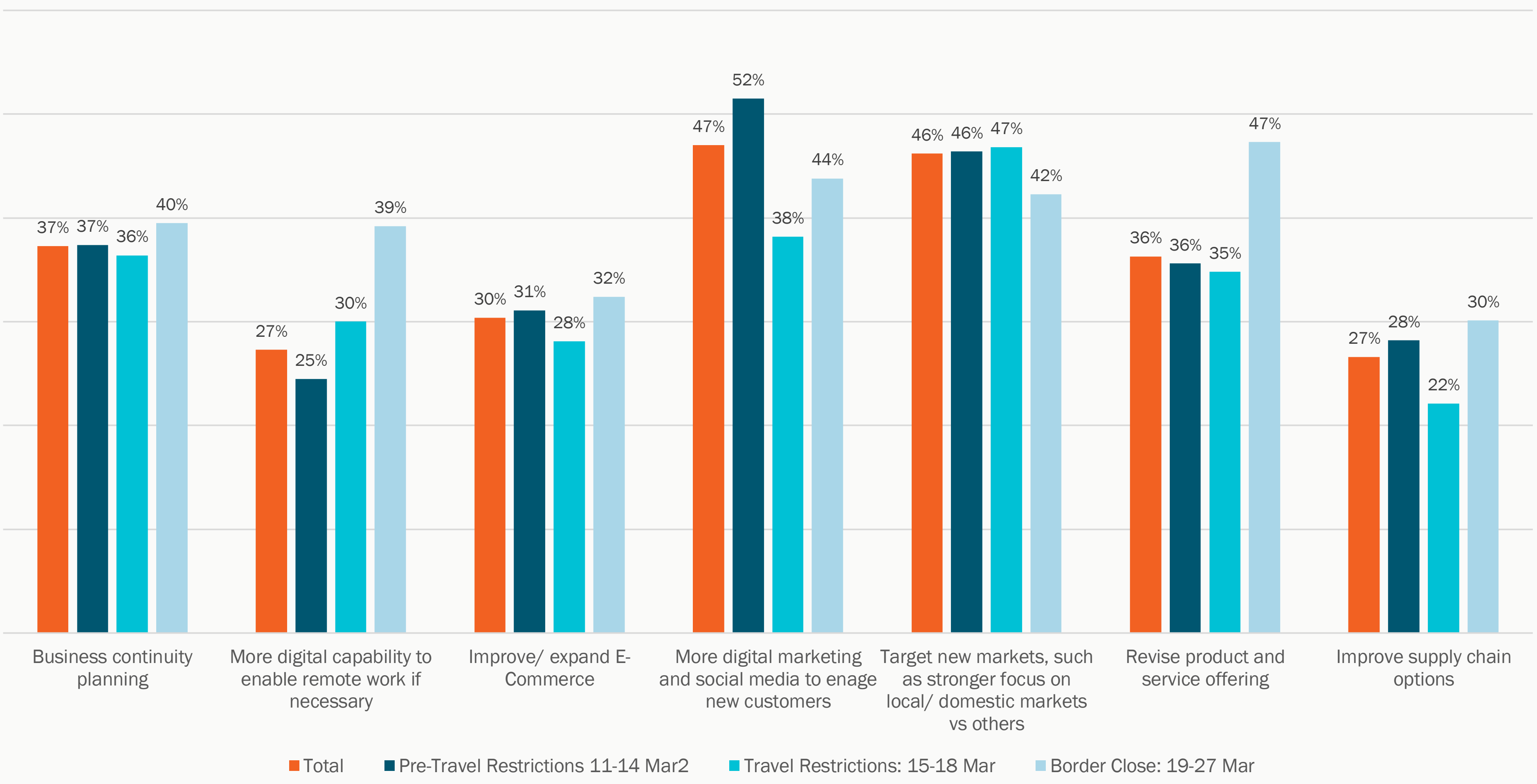
What capability do people need to counter the economic situation?

OVER TIME

% of respondents who said they need more capability in different areas to counter the current economic situation



Q. What, if any, business model changes are you considering in order to counter the current economic situation? Scale: Already have enough capability, Need more capability, Not considering at this time, Don't know/Not applicable. Base: Pre-Travel Restrictions, n= 615 | Travel Restrictions, n=285 | Border Close, n=77

SECTOR

What capability do people need to counter the economic situation?

% of respondents who said they need more capability in different areas to counter the current economic situation

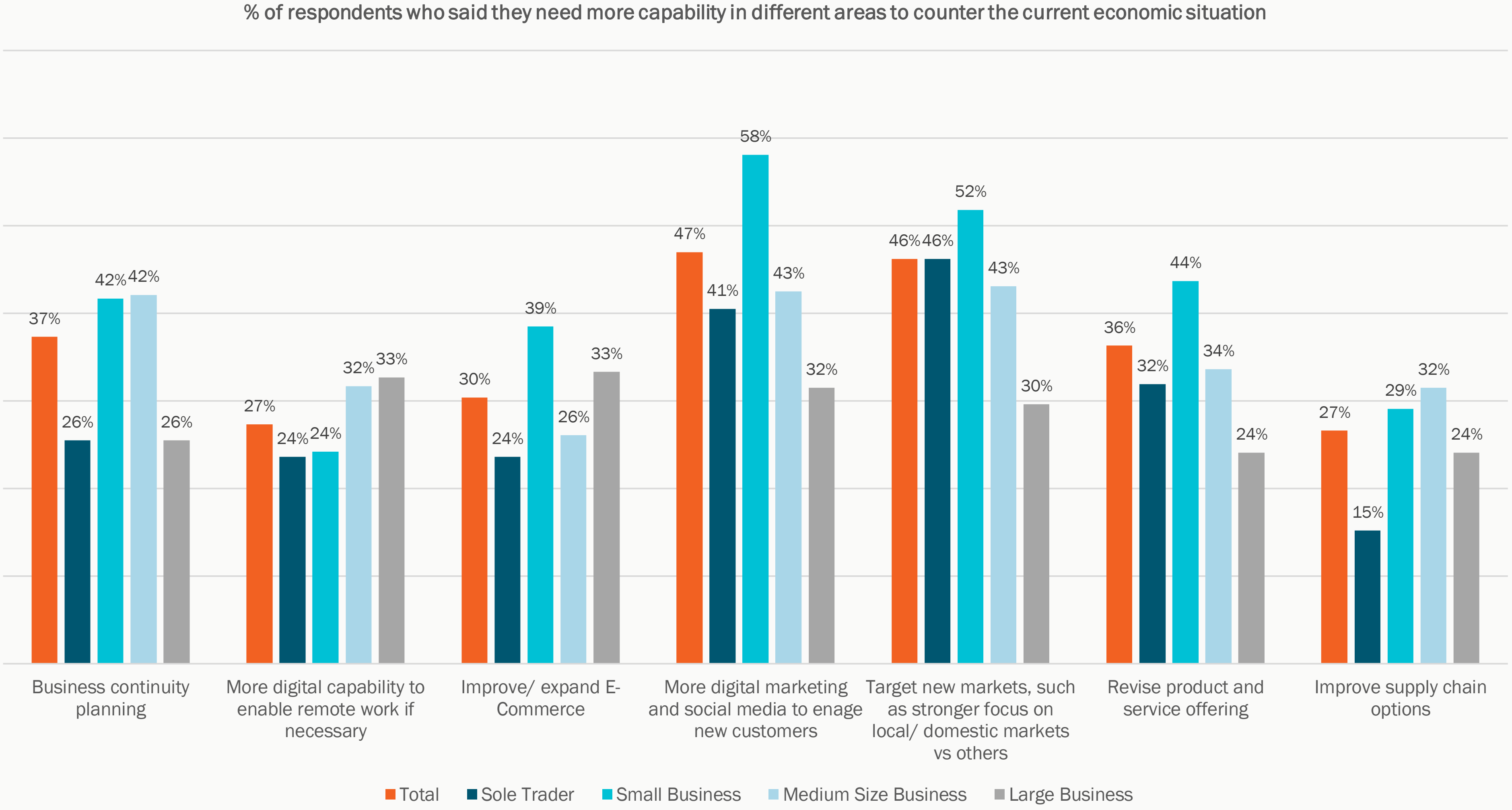
Blue text=Lowest proportion(s) | Orange text=Highest proportion(s)

	TOTAL	Primary industries **	Tourism/ Hospitality	Retail Trade	Construction	ICT*	Manufacturing – Food & Bev*	Manufacturing – Other	Logistics & Freight**	Health care & Social assistance *	Prof, Scientific & Tech Services	Education & Training*	Arts & Recreational Services*	Screen & Film	Other
Business Continuity planning	37%	50%	51%	41%	33%	36%	50%	33%	57%	40%	31%	41%	27%	26%	40%
More digital capability to enable remote work if necessary	27%	57%	23%	33%	26%	17%	19%	27%	20%	40%	28%	43%	39%	24%	27%
Improve/ expand E-Commerce	30%	63%	39%	47%	27%	17%	31%	28%	27%	33%	29%	31%	39%	18%	31%
More digital marketing and social media to engage new customers	47%	63%	57%	64%	42%	52%	64%	44%	60%	50%	45%	48%	50%	25%	50%
Target new markets, such as stronger focus on local/ domestic markets vs others	46%	63%	66%	50%	36%	52%	48%	30%	53%	23%	44%	37%	48%	43%	46%
Revise product and service offering	36%	63%	44%	34%	30%	33%	22%	28%	27%	39%	38%	48%	40%	31%	42%
Improve supply chain options	27%	50%	24%	42%	40%	20%	46%	49%	47%	42%	10%	17%	8%	12%	28%

Q. What, if any, business model changes are you considering in order to counter the current economic situation? Scale: Already have enough capability, Need more capability, Not considering at this time, Don't know/Not applicable. Base: n=977
**Warning Base size less then 50*
***Warning Base size less than 20*

What capability do people need to counter the economic situation?

BUSINESS SIZE



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Q. What, if any, business model changes are you considering in order to counter the current economic situation? Scale: Already have enough capability, Need more capability, Not considering at this time, Don't know/Not applicable. Base: Sole Trader or partnership, n= 224 | Small enterprise, n=350 | Medium size enterprise, n=347 | Large enterprise, n=56

What capability do people need to counter the economic situation?

AUCKLAND AREA

% of respondents who said they need more capability in different areas to counter the current economic situation

	TOTAL	Central Auckland	North Auckland excl. rural areas	West Auckland excl. rural areas	North/ West Rural Areas	South Auckland excl. rural areas	East Auckland excl. rural areas	South/ East Rural Areas	Hauraki Gulf Islands
Business Continuity planning	37%	37%	30%	27%	22%	35%	35%	32%	46%
More digital capability to enable remote work if necessary	27%	28%	22%	22%	18%	33%	27%	32%	32%
Improve/ expand E-Commerce	30%	29%	32%	28%	22%	29%	30%	28%	41%
More digital marketing and social media to engage new customers	47%	49%	44%	37%	38%	46%	42%	39%	52%
Target new markets, such as stronger focus on local/ domestic markets vs others	46%	49%	42%	40%	45%	45%	40%	49%	52%
Revise product and service offering	36%	38%	34%	31%	33%	40%	37%	49%	48%
Improve supply chain options	27%	20%	21%	22%	16%	34%	27%	26%	26%

Blue text=Lowest proportion(s) | Orange text=Highest proportion(s)

Q. What, if any, business model changes are you considering in order to counter the current economic situation? Scale: Already have enough capability, Need more capability, Not considering at this time, Don't know/Not applicable. Base: n=977

Resourcing Response

Key Findings

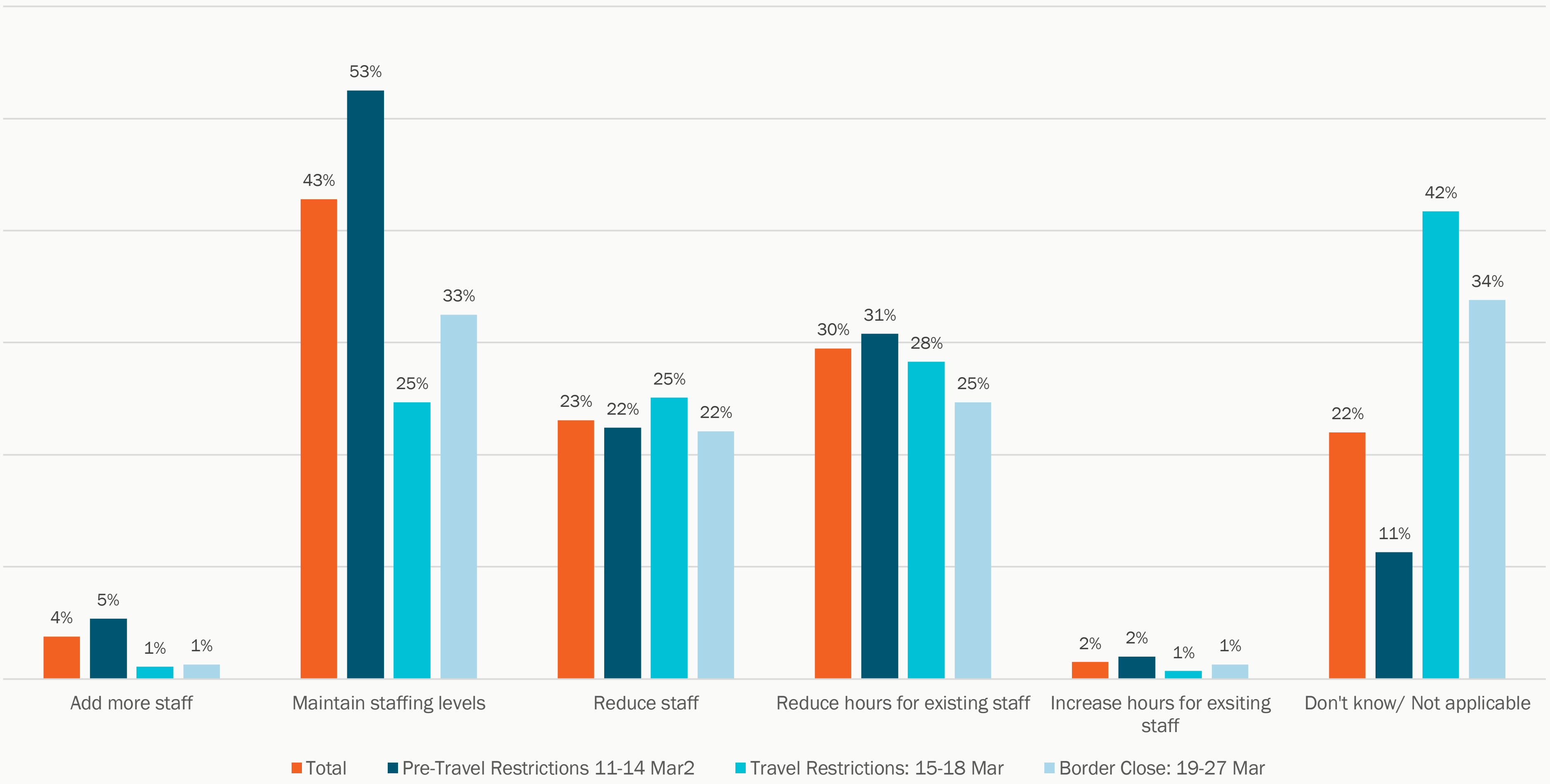
What are people doing when it comes to staff?

- Initially, the majority of respondents indicated that they intended to maintain staffing levels (53%) however, with later announcements and as the situation has evolved, this has fallen (33%).
- In addition to this, more people are indicating that they 'don't know' what their resourcing response is going to be (34%) compared to the first 'pre-travel restrictions' period (11%).
- Those in 'Healthcare and Social services' intend to maintain staffing levels while those in' Logistics & Freight' have indicated that they intend to reduce staff.
- Those in the 'Tourism/ Hospitality' sector tended to say they were going to reduce hours for existing staff.
- While sample sizes are low, there is some indication that those in 'Primary industries' might still be looking to add more staff or increase staff hours in response to the situation.
- Larger businesses appear to be more likely to reduce staff levels than smaller operators.
- The majority or respondents in the Hauraki Gulf Islands have indicated that they intend to reduce staff or reduce hours for existing staff in response to the developing situation (67%).
- Slightly higher proportions of respondents in East Auckland indicated that they intend to maintain staffing levels (49%) compared with other areas.

Resourcing response

OVER TIME

% of respondents who said their intended resourcing response was the following:



Q. In response to the developing situation and impacts on your business, please tell us whether you currently intend to add, maintain or reduce staffing levels. Base: Pre-Travel Restrictions, n= 615 | Travel Restrictions, n=285 | Border Close, n=77

Resourcing response

SECTOR

% of respondents who said their intended resourcing response was the following:

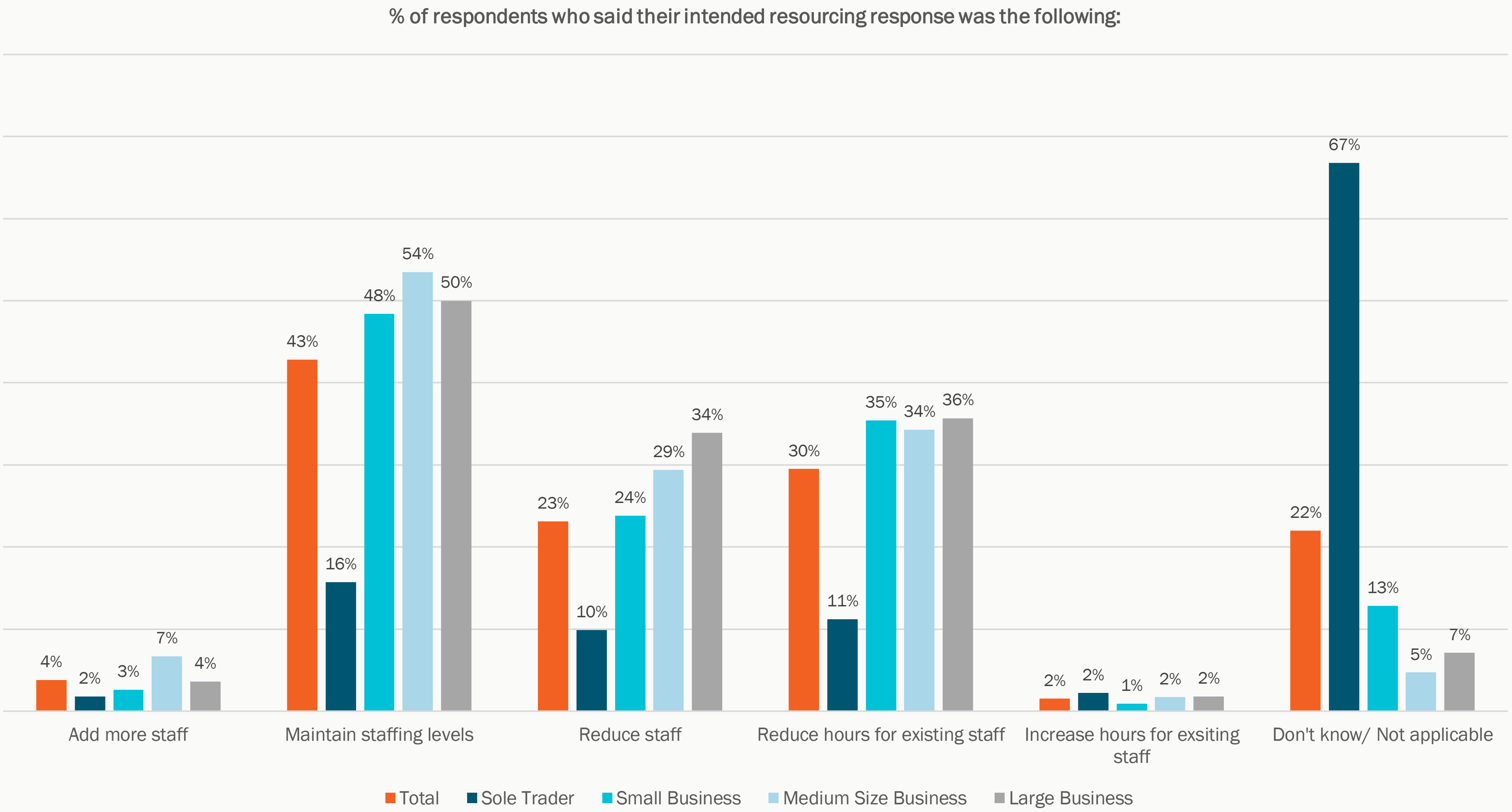
Blue text=Lowest proportion(s) | Orange text=Highest proportion(s)

	TOTAL	Primary industries **	Tourism/ Hospitality	Retail Trade	Construction	ICT*	Manufacturing – Food & Bev*	Manufacturing – Other	Logistics & Freight**	Health care & Social assistance *	Prof, Scientific & Tech Services	Education & Training*	Arts & Recreational Services*	Screen & Film	Other
Add more staff	4%	13%	1%	3%	10%	4%	3%	5%	0%	4%	5%	7%	4%	1%	7%
Maintain staffing levels	43%	63%	29%	48%	54%	66%	55%	46%	40%	81%	62%	55%	29%	13%	52%
Reduce staff	23%	50%	50%	21%	24%	19%	7%	25%	53%	8%	6%	10%	14%	25%	19%
Reduce hours for existing staff	30%	50%	65%	38%	18%	30%	28%	26%	53%	4%	8%	26%	18%	20%	30%
Increase hours for existing staff	2%	13%	0%	2%	0%	0%	3%	2%	0%	4%	2%	0%	4%	1%	3%
Don't know/ Not applicable	22%	0%	7%	12%	8%	4%	17%	12%	0%	8%	24%	19%	43%	56%	16%

Q. In response to the developing situation and impacts on your business, please tell us whether you currently intend to add, maintain or reduce staffing levels. Base: n=977
**Warning Base size less then 50*
***Warning Base size less than 20*

Resourcing response

BUSINESS SIZE



Q. In response to the developing situation and impacts on your business, please tell us whether you currently intend to add, maintain or reduce staffing levels. Base: Sole Trader or partnership, n= 224 | Small enterprise, n=350 | Medium size enterprise, n=347 | Large enterprise, n=56

Resourcing response

AUCKLAND AREA

% of respondents who said their intended resourcing response was the following:

	TOTAL	Central Auckland	North Auckland excl. rural areas	West Auckland excl. rural areas	North/ West Rural Areas	South Auckland excl. rural areas	East Auckland excl. rural areas	South/ East Rural Areas	Hauraki Gulf Islands
Add more staff	4%	2%	5%	2%	2%	8%	4%	2%	0%
Maintain staffing levels	43%	39%	43%	37%	36%	47%	49%	34%	31%
Reduce staff	23%	25%	18%	21%	14%	23%	18%	18%	26%
Reduce hours for existing staff	30%	29%	26%	20%	18%	27%	30%	25%	41%
Increase hours for existing staff	2%	2%	2%	1%	0%	1%	1%	3%	0%
Don't know/ Not applicable	22%	27%	23%	37%	39%	20%	21%	35%	31%

Blue text=Lowest proportion(s) | Orange text=Highest proportion(s)

Q. In response to the developing situation and impacts on your business, please tell us whether you currently intend to add, maintain or reduce staffing levels. Base: n=977

Sample Profile

Sector by Auckland area

As noted in the introduction to this report, this survey was completed by respondents who were sent the open survey link. Completion was by self-selection and no attempt has been made to weight survey data according to Auckland business demography.

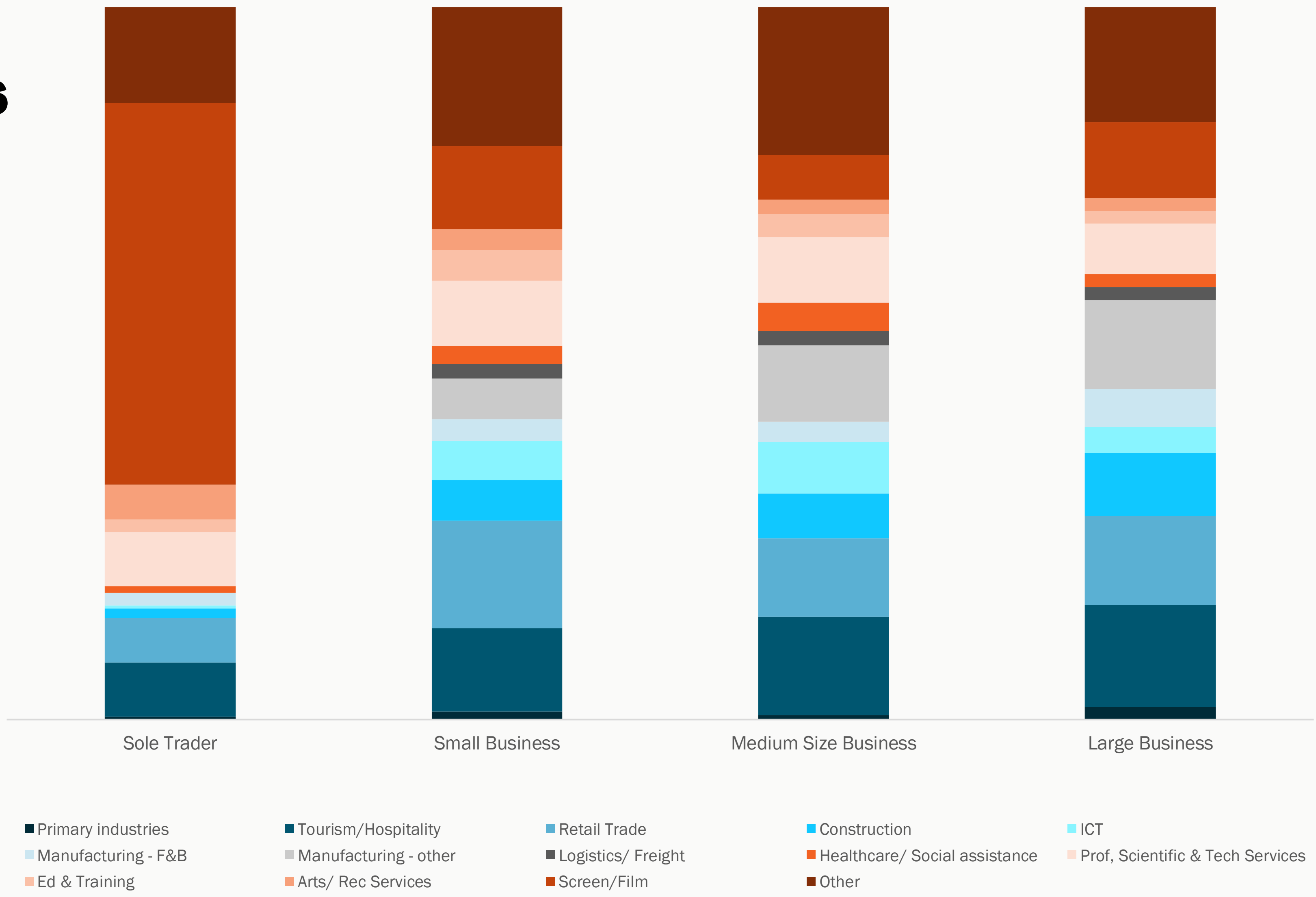
The following chart shows the proportion of respondents who said they worked in sectors by Auckland area.

	Central Auckland	North Auckland excl. rural areas	West Auckland excl. rural areas	North/ West Rural Areas	South Auckland excl. rural areas	East Auckland excl. rural areas	South/ East Rural Areas	Hauraki Gulf Islands
Primary Industries	0%	0%	1%	1%	2%	1%	3%	0%
Tourism/ Hospitality	12%	10%	4%	8%	6%	6%	3%	21%
Retail Trade	10%	11%	7%	3%	9%	10%	6%	10%
Construction	5%	13%	11%	14%	8%	9%	10%	10%
ICT	6%	5%	4%	3%	4%	4%	6%	4%
Manufacturing – Food & Bev	2%	1%	2%	3%	3%	2%	1%	2%
Manufacturing – other	3%	3%	4%	1%	10%	10%	1%	4%
Logistics & Freight	1%	0%	1%	2%	4%	3%	0%	0%
Healthcare & Social Assistance	2%	3%	1%	2%	3%	2%	1%	0%
Professional, Scientific & Technical Services	8%	9%	5%	7%	7%	9%	10%	4%
Education & Training	3%	5%	5%	4%	6%	4%	4%	4%
Arts & Recreational Services	3%	2%	4%	1%	2%	2%	3%	2%
Screen/ Film	28%	17%	39%	38%	17%	18%	41%	27%
Other	17%	20%	14%	12%	23%	21%	10%	14%

Sector by Business Size

As noted in the introduction to this report, this survey was completed by respondents who were sent the open survey link. Completion was by self-selection and no attempt has been made to weight survey data according to Auckland business demography.

The following chart shows the proportion of respondents who said they worked in the following sectors by business size.

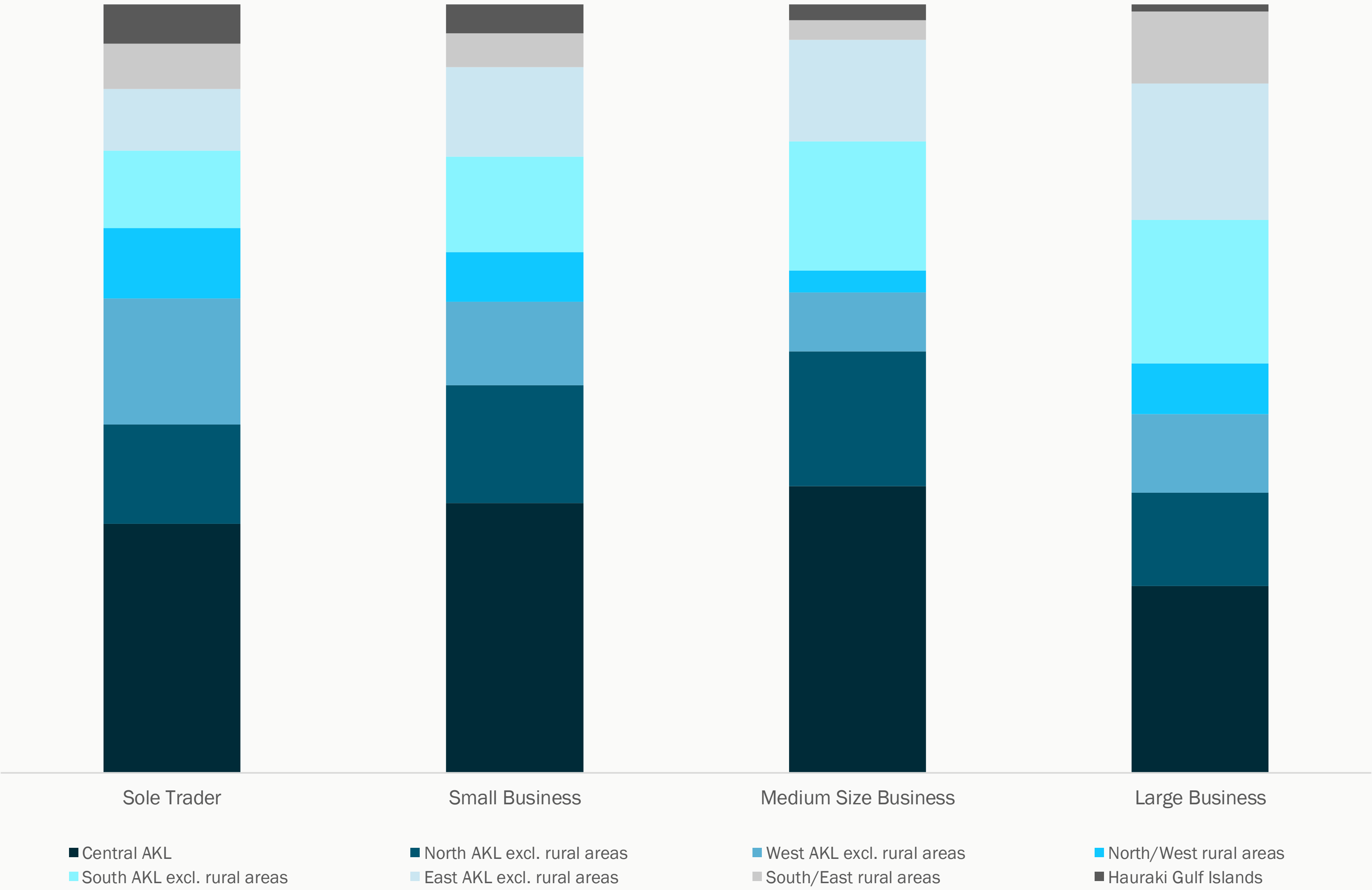


Business size by Auckland area

As noted in the introduction to this report, this survey was completed by respondents who were sent the open survey link. Completion was by self-selection and no attempt has been made to weight survey data according to Auckland business demography.

The following chart shows the proportion of respondents who said their business was located in various parts of Auckland by business size.

Note: *Respondents could indicate that their business was located in more than one area.*



Ngā mihi
Thank you

For information about this survey please contact the ATEED Research & Insights Team

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