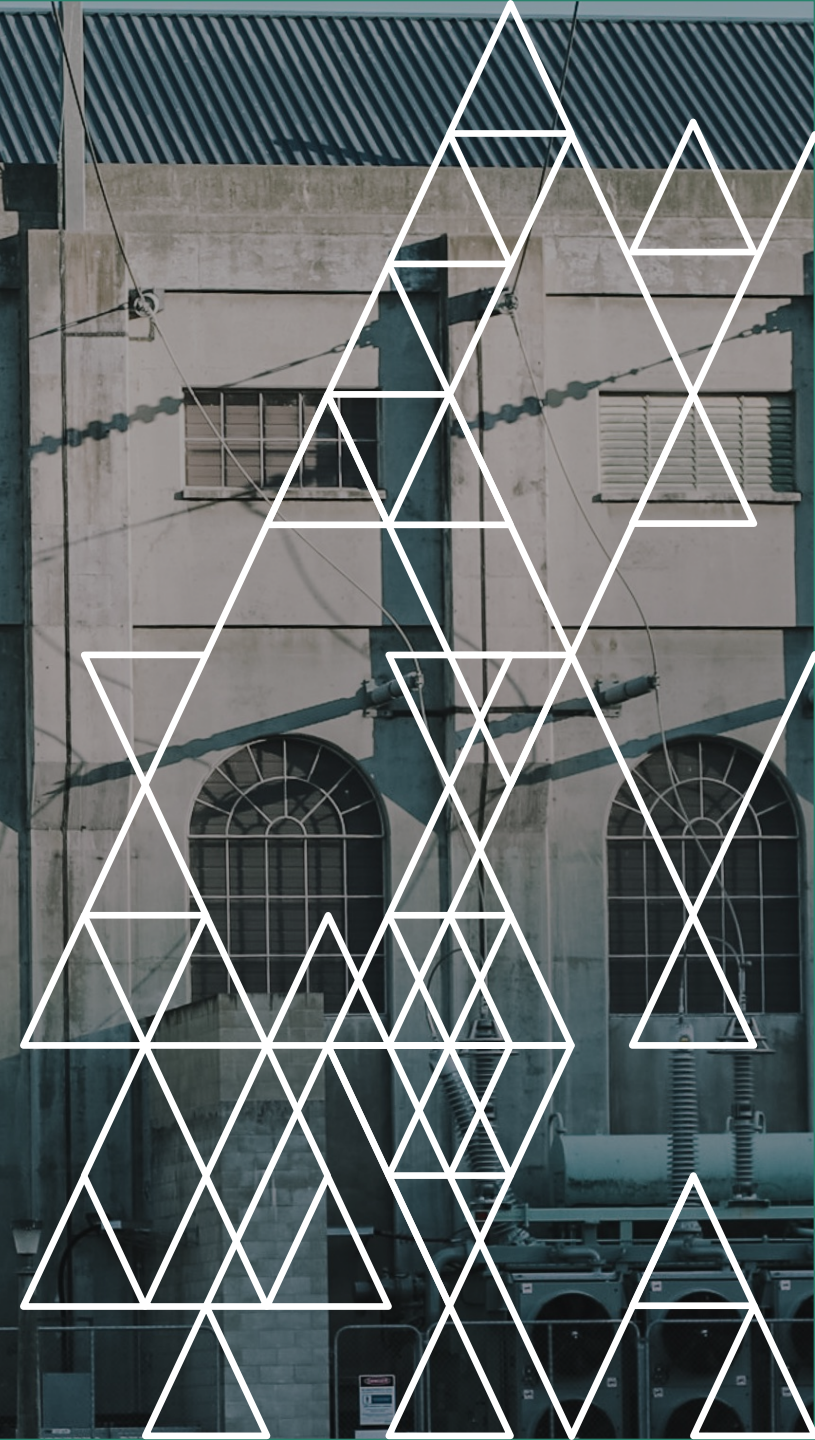


EECA Business Monitor

Edition 4: November 2022



Background

This research monitors the mood of the nation around climate change, energy efficiency and topics like EVs.

It tracks New Zealanders' response to key issues and initiatives relevant to EECA through two tracking monitors.

The monitors are designed to assess how we're going vs. our strategic focus areas.

BUSINESS MONITOR

How have business attitudes and behaviours towards climate change developed over time?

Every 6 months we survey a representative selection of New Zealand businesses of all sizes, sampling business decision makers in relevant areas including decision makers responsible for personnel, vehicle or energy decisions.

The representativeness of the decision makers is ensured across industry and employee count through quotas and post-weights.

The survey took place in November 2022 and 521 respondents took part.

CONSUMER MONITOR

Every quarter, we survey 750 adult New Zealanders to track their beliefs, behaviours and attitudes related to climate change. This data is available in a separate report.

This study is conducted by [TRA](#). TRA is an insight agency that combines understanding of human behaviour with intelligent data capability to help clients navigate uncertainty and answer complex problems.



Overview

It's an extremely tough and uncertain context for New Zealand businesses right now. And with a recession forecasted for 2023, this context is likely to continue to get tougher.

In the midst of this, we're seeing businesses further deprioritise climate action. Despite belief that climate change is real holding steady, they increasingly believe that their business (and New Zealand generally) won't make a difference to climate change. They struggle to see the point in taking action.

However, we have tools and information which we can use to combat these negative movements we've seen. In order to do this, it's important to understand where businesses are currently at in their journey.

The majority of businesses are yet to begin their climate change journey. However, amongst those who are yet to begin, there is a strong willingness/desire to do something – either now or in the future.

There are key differences in where businesses are in their journey based on how large their business is. Larger businesses tend to be further along in their journey, whereas smaller businesses tend to be at the start of the journey.



Agenda

1

Current Business
Landscape

2

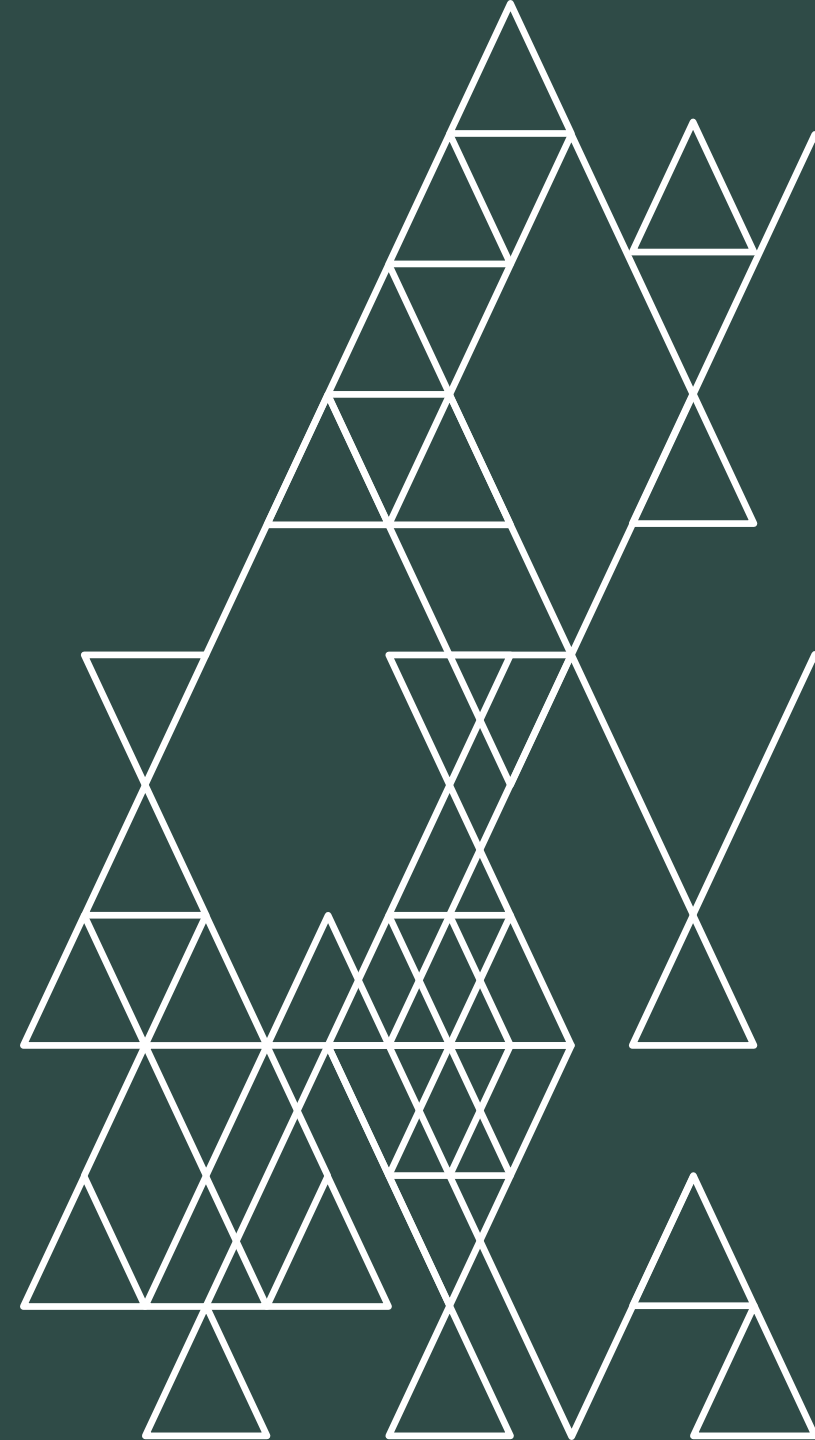
Business Climate
Beliefs

3

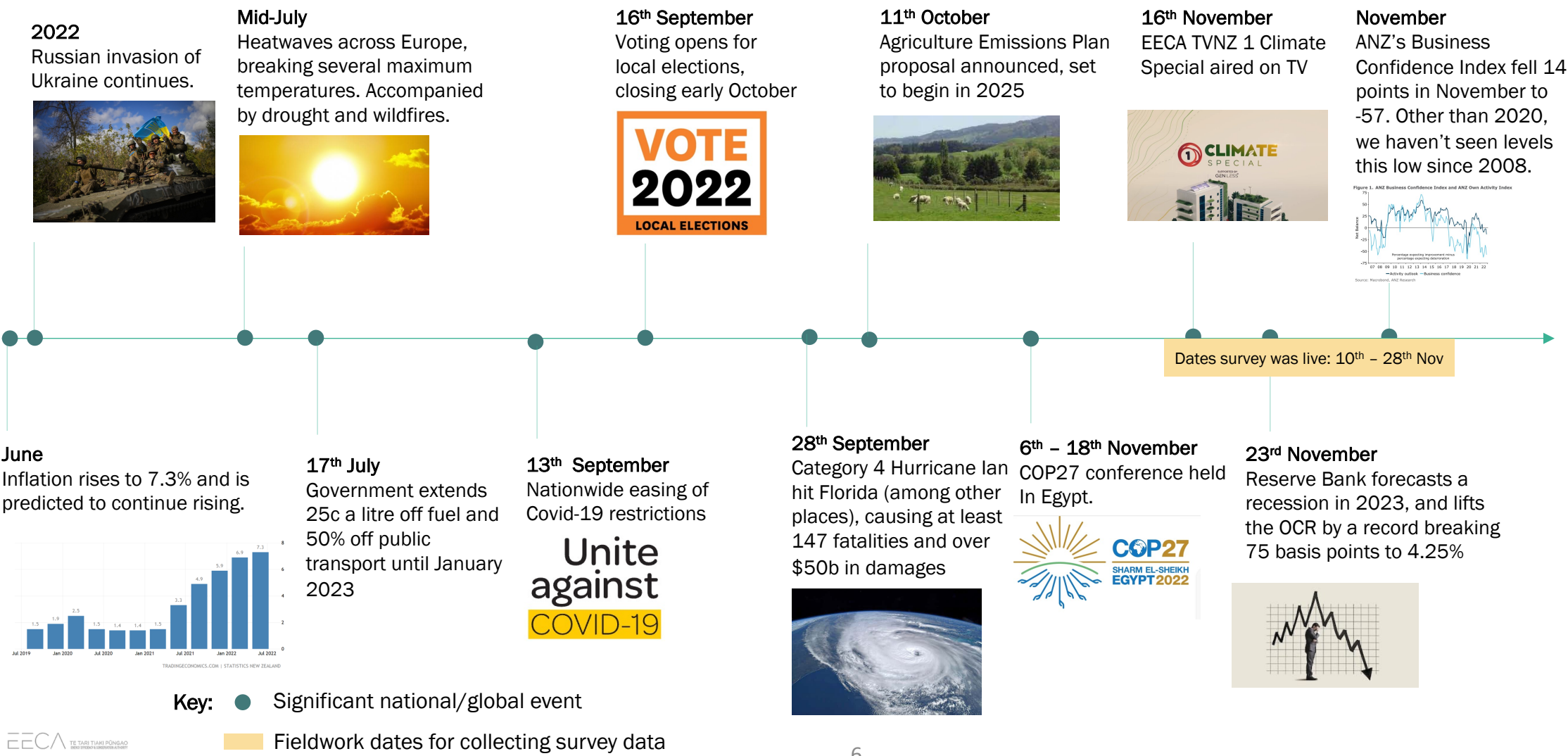
The Climate Action
Journey



Current Business Landscape



A lot has happened in the last 6 months – the economic context is getting extremely tough for businesses



As a result, economic-related issues remain the most important issues facing New Zealand businesses

Whereas environmental-related issues slip further down the agenda.

General issues for New Zealand Businesses (Important / very important)

	Nov-22	Change vs May 22
New Zealand's economy	89%	-2%
Inflation rising	88%	3%
The cost of living	81%	-5% ▼
Staff mental health and wellbeing	78%	0%
Supply chain/distribution issues	75%	n/a
The New Zealand dollar	73%	n/a
Inability to pass on price increases	73%	n/a
The state of New Zealand's transport infrastructure	72%	-1%
Labour shortages / cost of hiring	71%	3%
Data and cyber security threats	68%	-10% ▼
Pollution of lakes, rivers, and seas	65%	1%
Availability of affordable housing	63%	0%
Build up of plastic in the environment	58%	-1%
Legal reforms (eg RMA, Water Reforms, Financial Sector Amendment Bill)	58%	-8% ▼
Barriers to innovating / adopting new technology	56%	-3%
Climate change	55%	-3%
Reducing greenhouse gas emissions	46%	-7% ▼

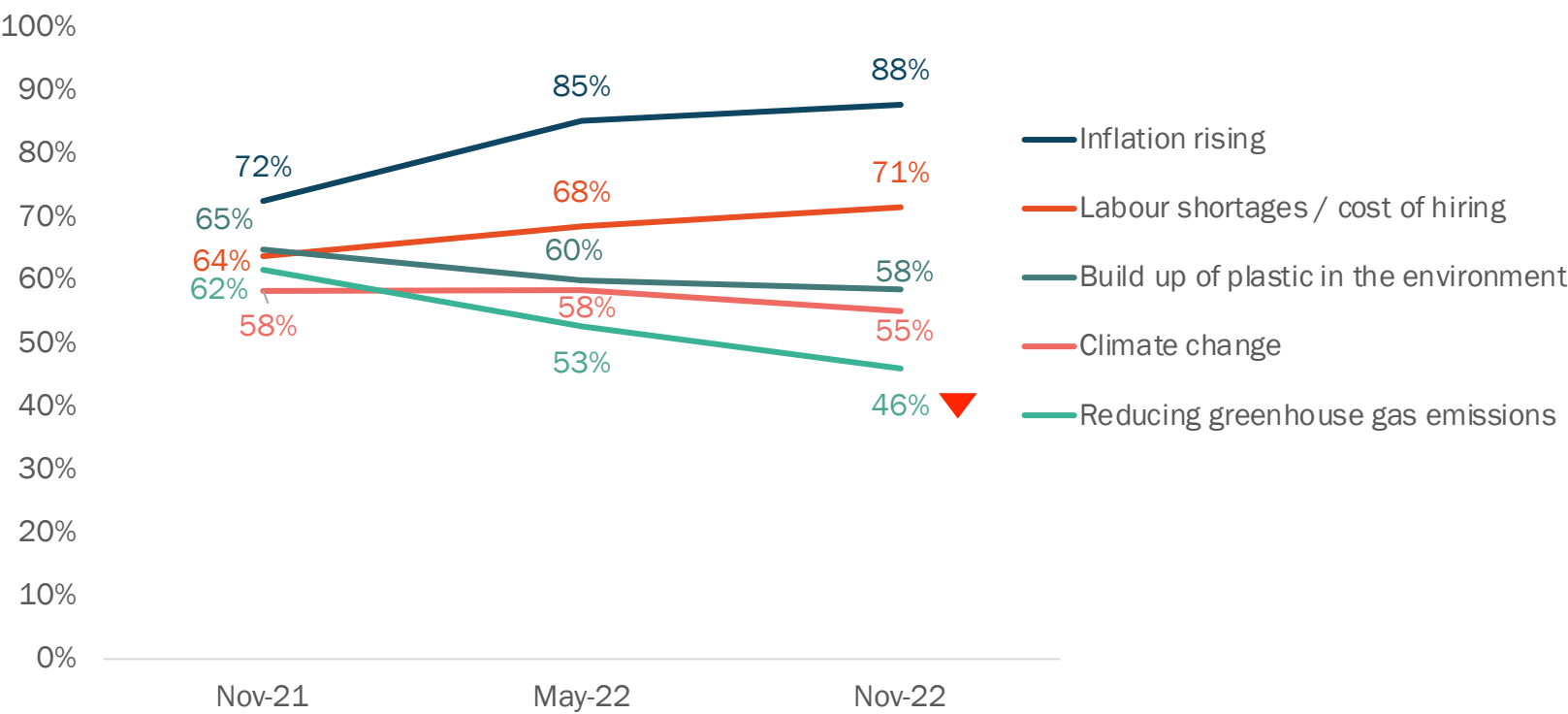
Note: Statements with n/a were added in November 2022

Statistically significant difference:





Our environmental issues are at new lows – whereas inflation rising and labour shortages are at new highs

General issues in New Zealand (Important / very important)



Labour shortages/cost of hiring saw a significant 9 point increase in being seen as a very important issue versus May-22 – and is up 16 points from this time last year.

Statistically significant difference:  

Rising inflation is seen as more important broadly across industries – all businesses are feeling it

General Issues: Inflation rising by industry (12 month rolling average)

	Primary	Secondary	Wholesale / Retail	Professional Services	Public	Total
Very important	74%	68%	65%	55%	51%	62%
<i>Very important change</i>	+15% ▲	+12% ▲	+11% ▲	+9%	+14% ▲	+11% ▲
Important + Very important	90%	89%	89%	84%	81%	86%
<i>Important + Very important change</i>	+8%	+4%	+5%	+10% ▲	+3%	+7% ▲

GENERAL_ISSUES - How important do you consider each of the following issues to be for New Zealand Businesses? (Very Important)
Base: n=1,051, Industry: Primary (n=95), Secondary (n=296), Wholesale/Retail (n=209), Professional Services (n=192), Public (n=144)



The change in importance of climate change as an issue varies by business size

General Issues: Climate change by business size (full time employees) (12 month rolling average)

	0-5 FTE	6-19	20-99	100 or more	Total
Very important (TB)	31%	32%	43%	32%	31%
Very important (TB) change	-2%	-1%	+8% ▲	-14% ▼	-1%
Important + Very important (T2B)	56%	58%	69%	56%	57%
Important + Very important (T2B) change	-1%	-5%	+3%	-12%	-2%

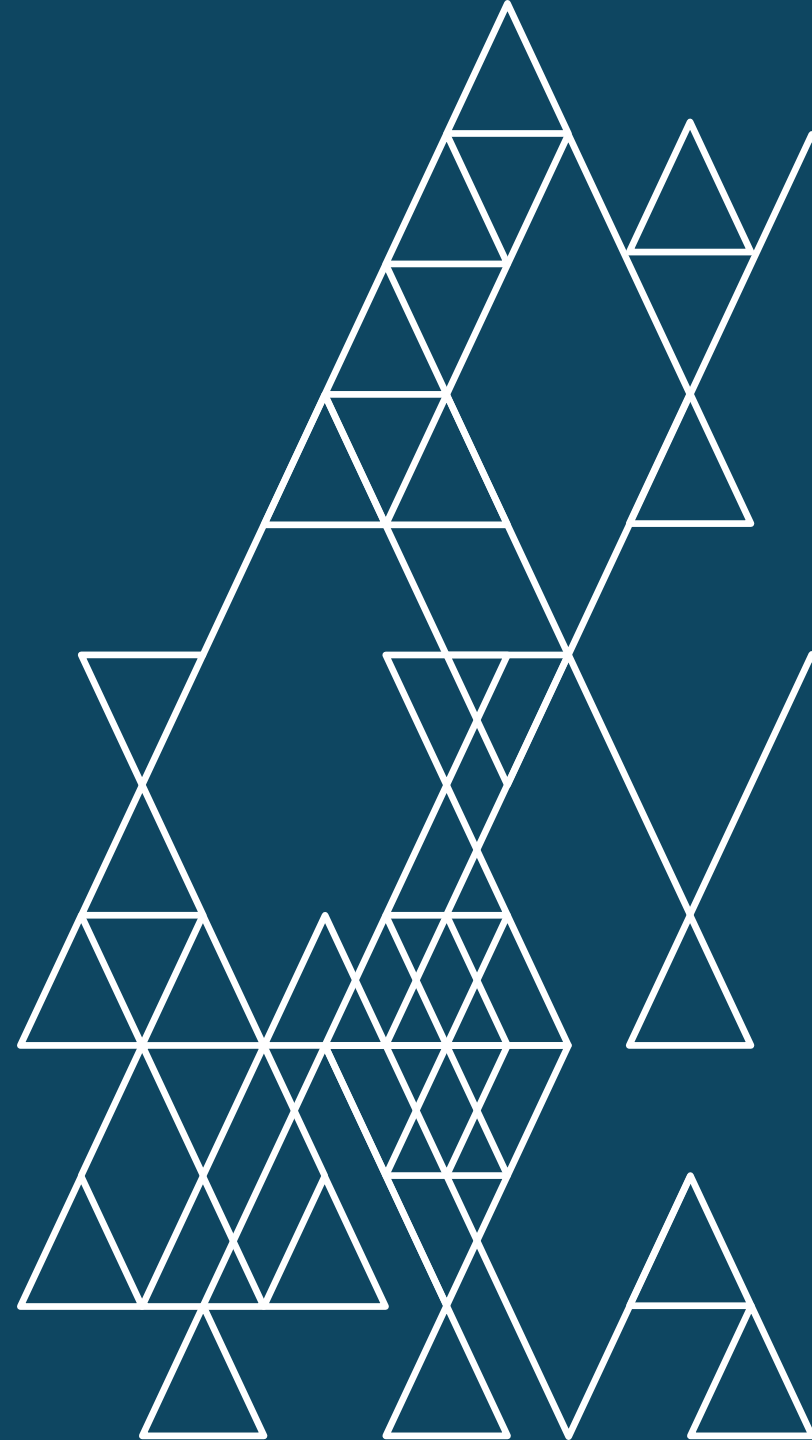
GENERAL_ISSUES - How important do you consider each of the following issues to be for New Zealand Businesses? (Very Important)
 Base: n=1,055, Industry: Business FTE: 0-5 (n=460), 6-19 (n=218), 20-99 (n=270), 100+ (n=110)

Statistically significant difference: ▲ ▼

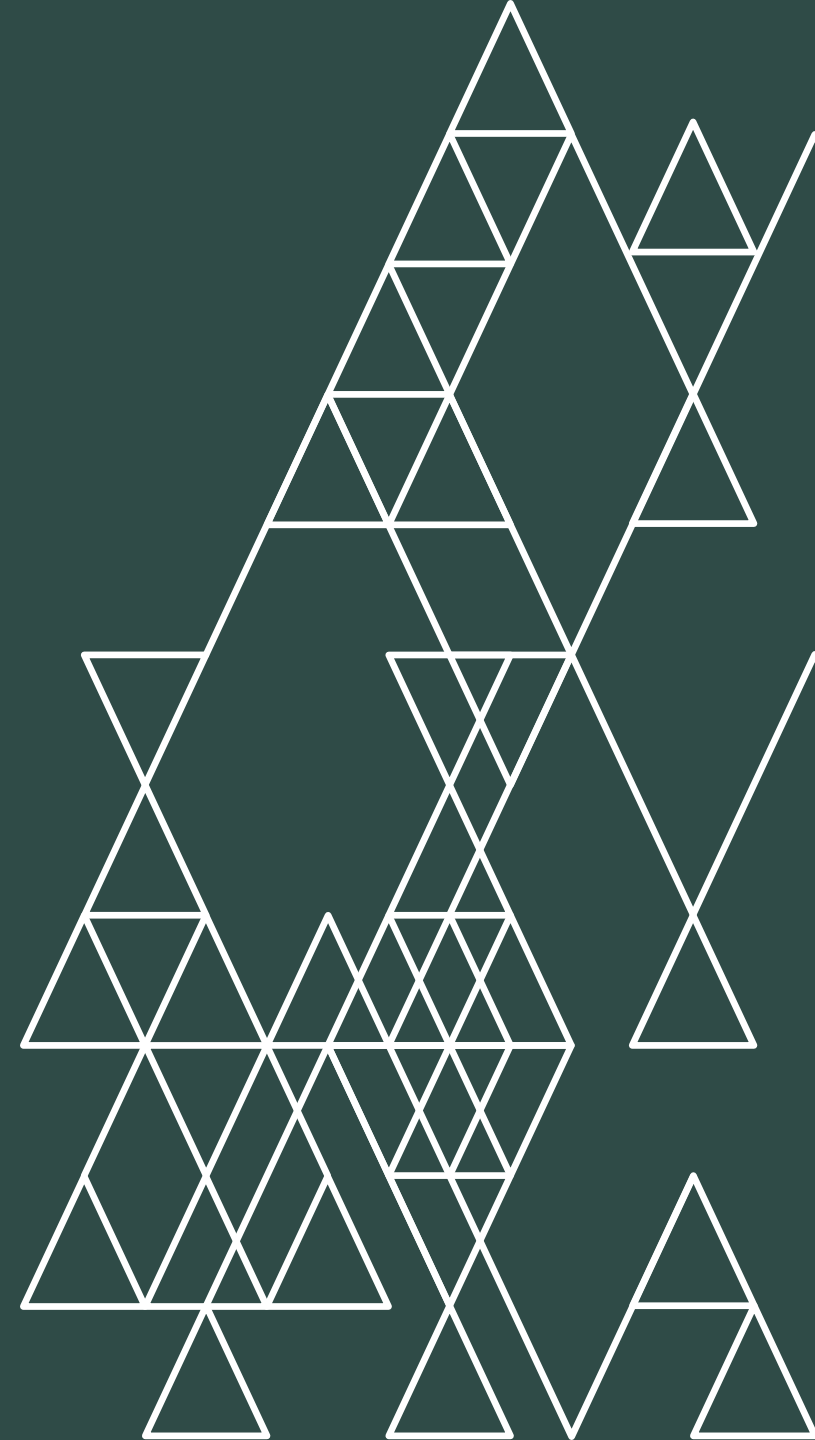


**It's an extremely tough and uncertain
context for businesses right now**

**We would expect this context to pull through to the
climate attitudes of businesses.**

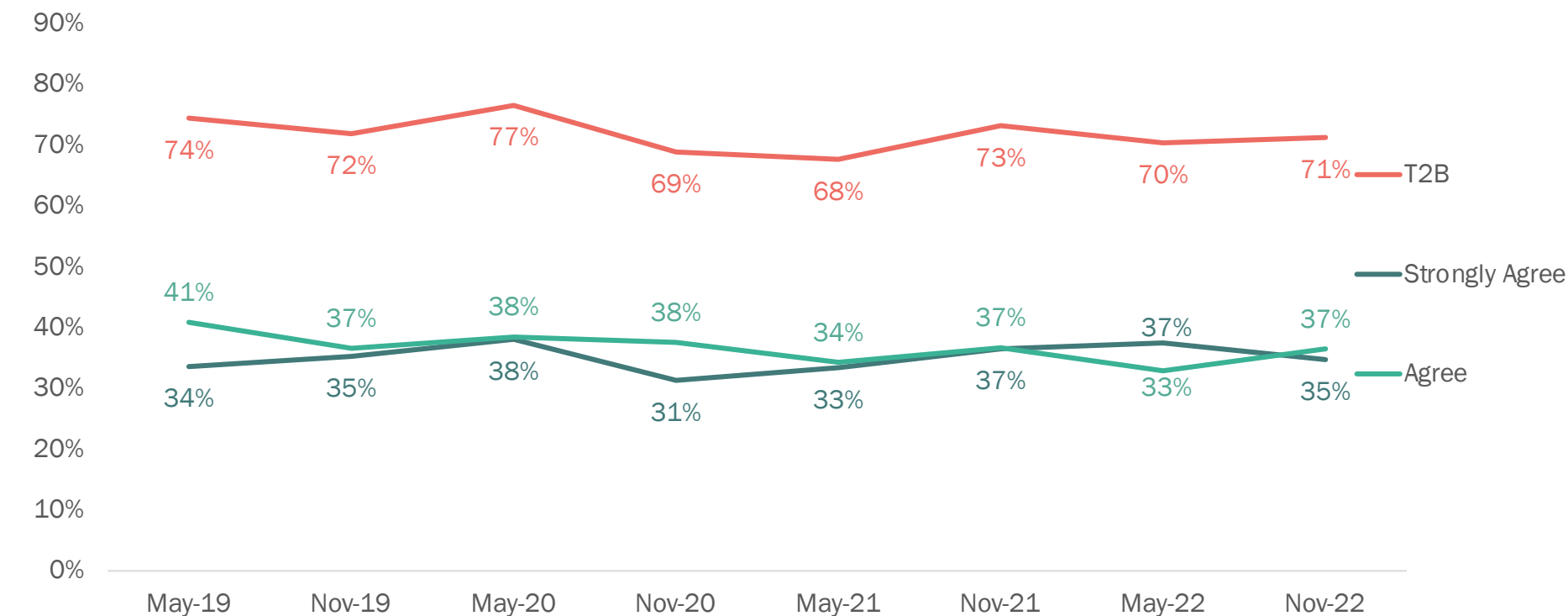


Business Climate Beliefs




In the midst of an increasingly difficult climate, belief that climate change is real remains stable

Climate beliefs: Climate change is real



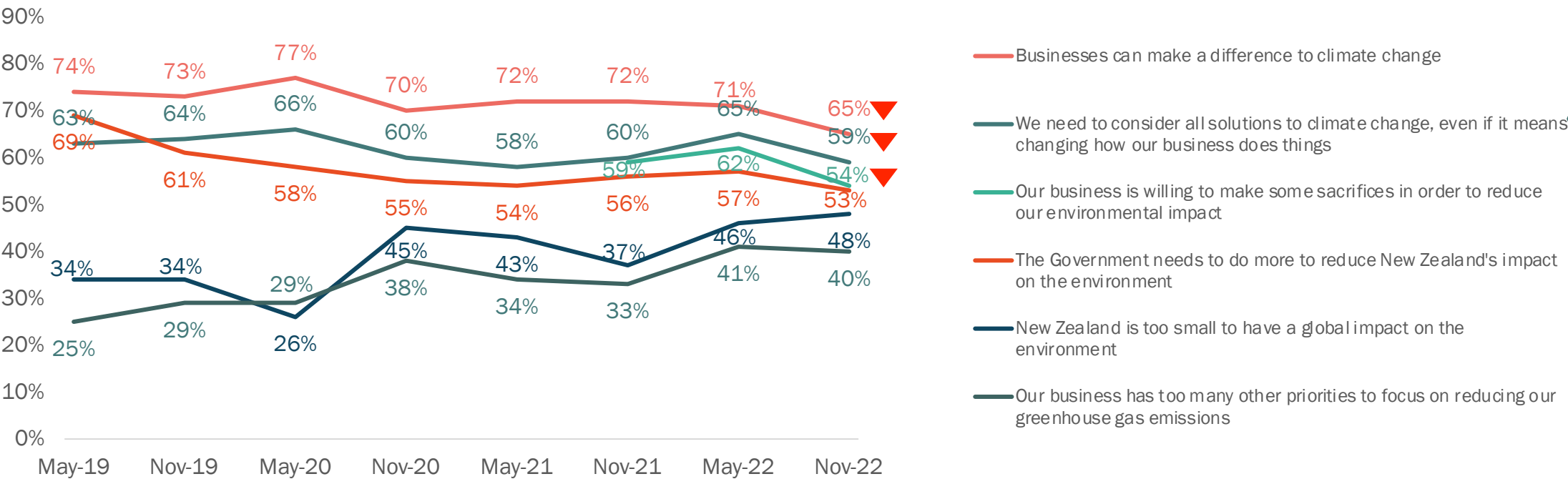
CLIMATE_BELIEFS – How much do you agree or disagree that... – Not Stated REMOVED - NET T2B AGREE, AGREE, STRONGLY AGREE
May 2019 n=498, Nov 2019 n=498, May 2020 n=486, Nov 2020 n=496, May 2021 n=613, Nov 2021 n=505, May 2022 n=629, Nov 2022 n=521

Statistically significant difference: 

But in practice there is growing reluctance that businesses, and New Zealand generally, should do more to reduce our emissions

Taking action isn't a priority for businesses right now, and they don't feel that they (or even New Zealand) will make a meaningful difference to global emissions.

Climate beliefs: Agree/strongly agree



Statistically significant difference:



As a result, only 1 in 4 businesses agree that taking action on climate change is a priority for them right now

With 6% strongly agreeing.

Climate beliefs: Agree/strongly agree



Taking action on climate change is a priority for my business at the moment.

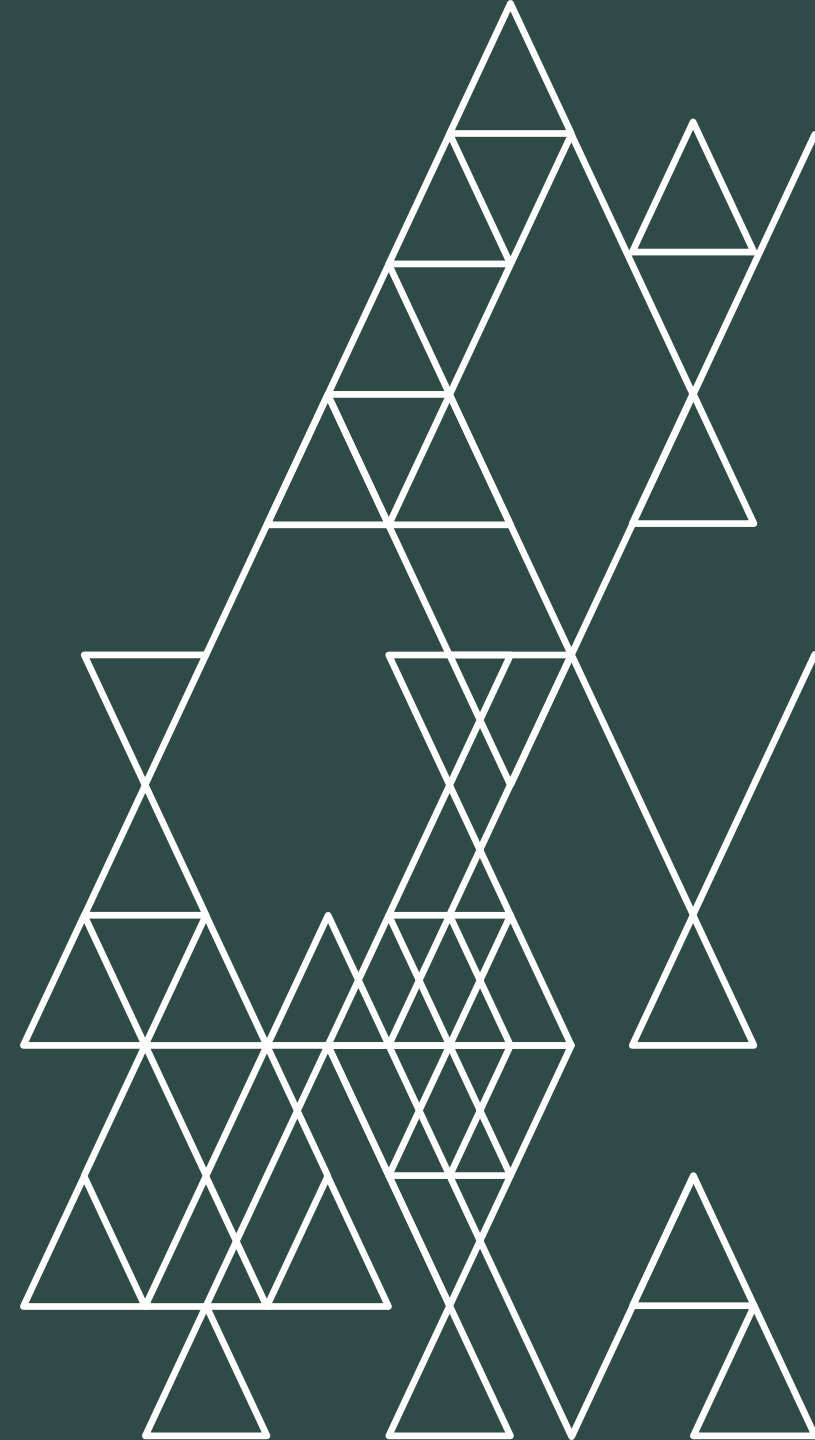


In the challenging economic environment businesses are struggling to prioritise climate change - but it's more important than ever to get them on the journey

To combat this, it's important to know where businesses sit in their climate action journey, so that we can be most effective with what we do.



The Climate Action Journey



There are some key differences in where businesses sit in their journey when looking at business size

Larger businesses more likely to be on their journey, measuring emissions and/or taking action. Businesses with 6-19 FTE are more likely to want to do something, but don't know what to do. And smaller businesses are least engaged.

Climate Action Journey

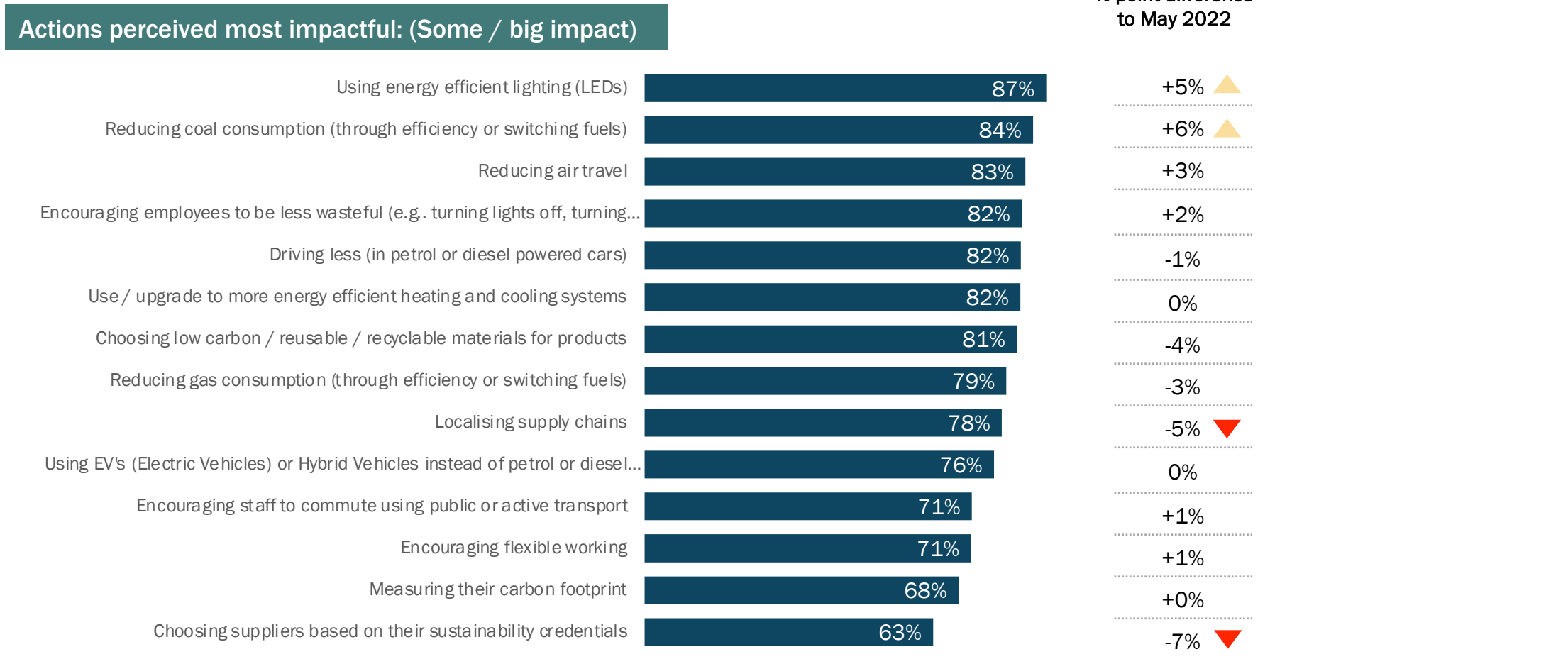
	NET	0-5 FTE	6-19	NET 20+
We're not doing anything to reduce our emissions and we're not interested.	24%	26% ▲	13% ▼	7% ▼
We're not doing anything yet, but we want to in the future.	17%	17%	16%	12%
We want to do something, but don't know what to do.	18%	17% ▼	32% ▲	15%
We've started measuring our emissions but haven't taken action to reduce them yet.	6%	5% ▼	10%	20% ▲
We're taking action to reduce our emissions, but don't yet measure them.	25%	26%	19%	28%
We're measuring our emissions and taking action to reduce them.	4%	4%	6%	10% ▲

Note: These bottom three options are grouped to build sample size in the following analysis



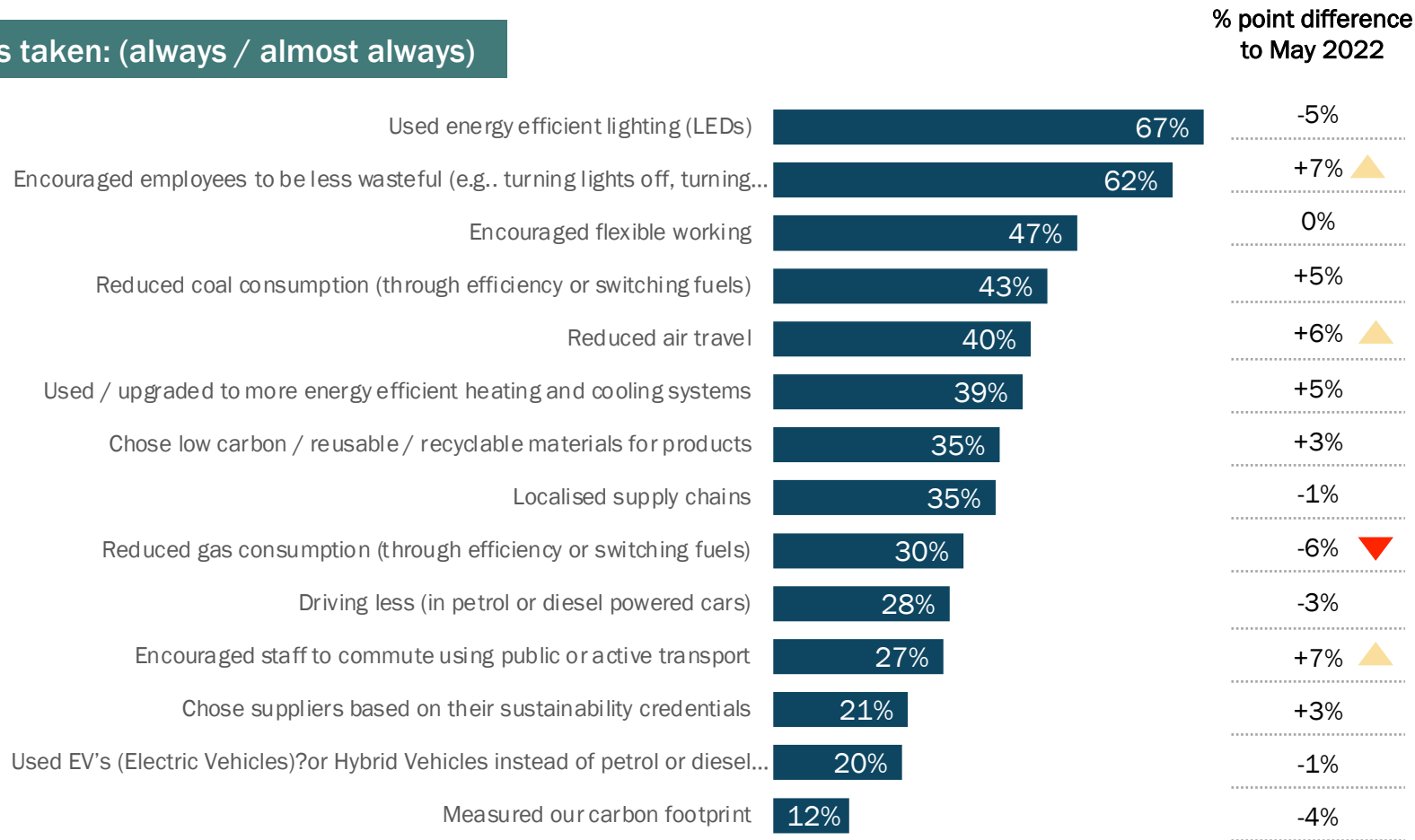
Businesses perceive that the most impactful action they can take to reduce their climate impact is to use LEDs

And a decrease in perceived impact of localising supply chains and choosing suppliers based on their sustainability credentials



Looking at what businesses are doing, there's been a greater focus on encouraging staff to take action

Actions taken: (always / almost always)

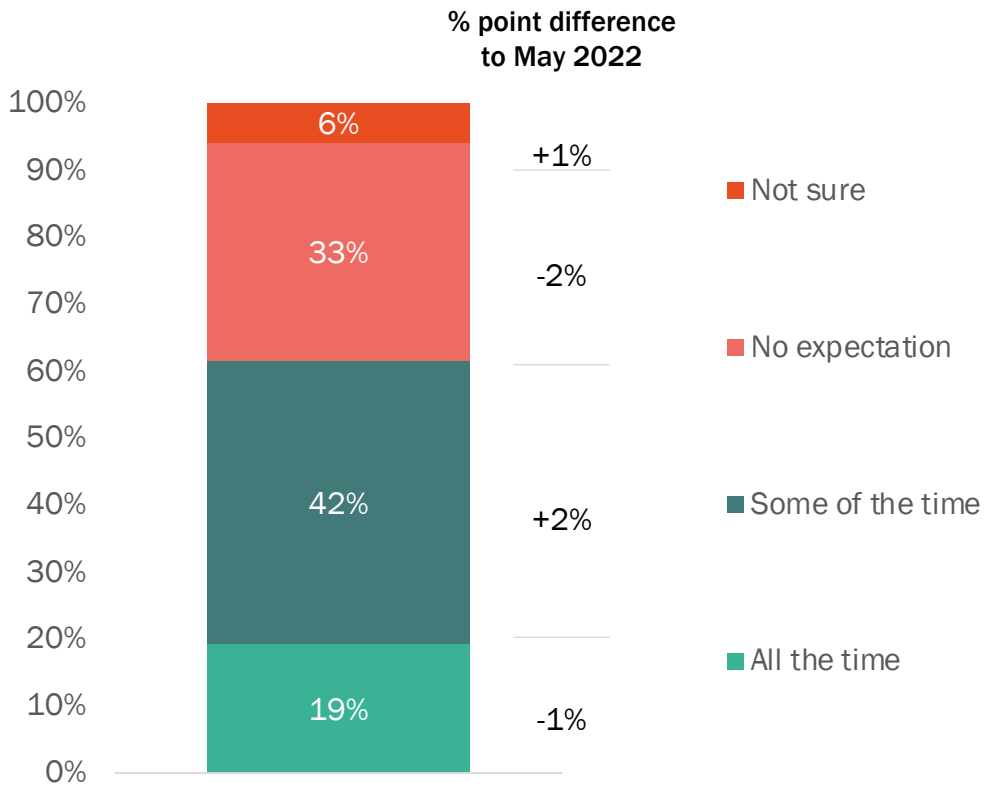


Statistically significant difference:



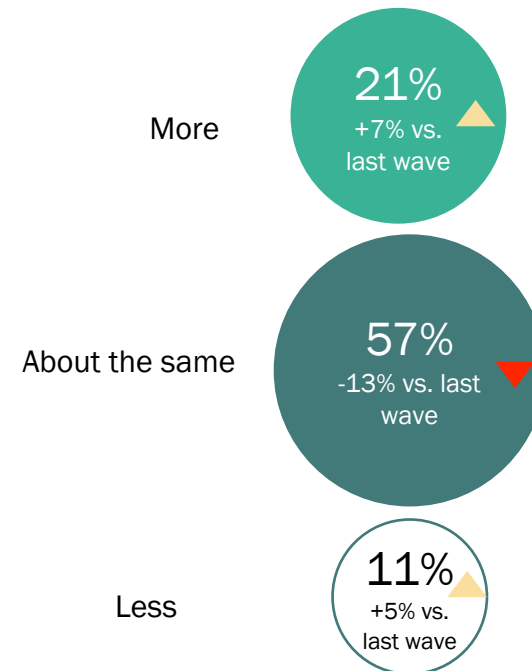
Businesses feel more aware of what they're doing to tackle their climate impact compared to other businesses – for better or worse

How much do you feel that society expects your business to make changes to reduce its climate change impact?



Compared to businesses like yours, how much do you think your business does to tackle its climate impact?

We do...

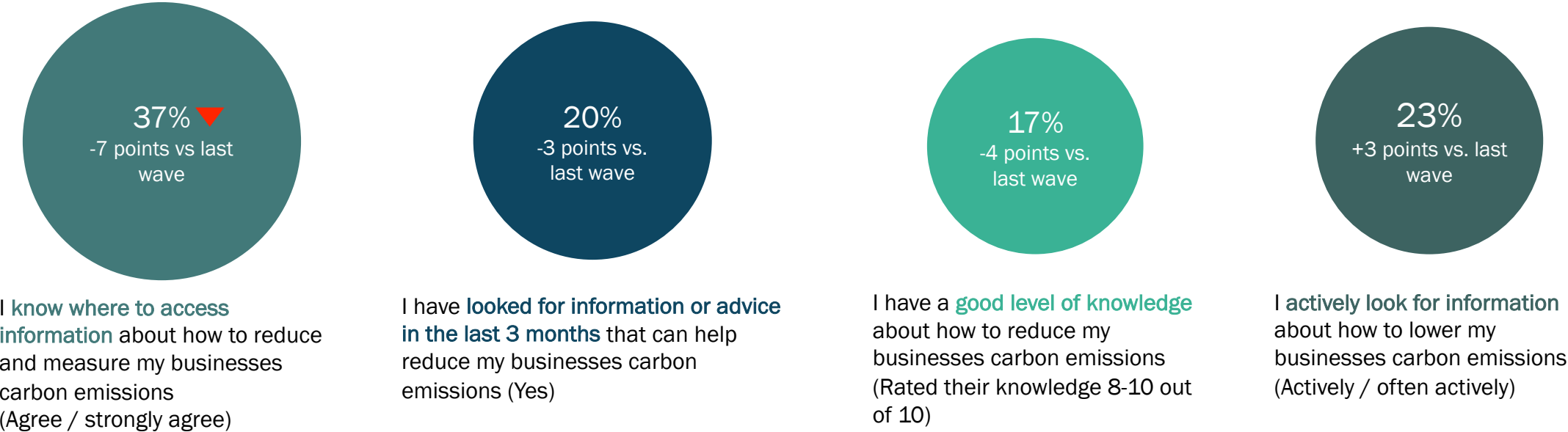


SOCIAL_NORM_SOC: How much do you feel that society expects your business to make changes to reduce its climate change impact?
SOCIAL_NORM_FF: And compared to other businesses like yours, how much do you think your business does to tackle its climate impact?
Base: n=521

Statistically significant difference:



However, they are less likely to know where to access information about how to reduce their emissions



INFO_ABILITY: How much do you agree/disagree that you know where to access information about how to reduce your business's carbon emissions? (Agree/Strongly Agree) INFO_INTEREST What best describes your level of interest in finding information or advice that can help you lower your business's carbon emissions? ('I actively look for this information when I need it, but not often/'I often actively look for this information) INFO_SEEK: In the past 3 months, have you looked for information or advice that can help you lower your business's carbon emissions? (Yes)

Base: n=521

Statistically significant difference:



We're here to support New Zealand
businesses to tackle climate change.
Visit EECA for more information