

EECA Business Monitor

Edition 3: May 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 climate change 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 May 2022 and 537 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

New Zealand businesses are facing tough times. As the country comes out of the unprecedented disruption of COVID, closed borders, and extended lockdowns, businesses are now being hit on multiple fronts.

The downstream effects of COVID, the war in Ukraine and global economic situations mean that inflation is the highest in 30 years, fuel costs have dramatically increased, supply chains are facing pressure, and employers are working within a very tight labour market.

It's not altogether surprising that climate change isn't top of anyone's agenda.

However, the Government has set ambitious targets for emissions reductions and has a clear plan for delivering

to these, including EECA's expanded funding for accelerating the decarbonisation of industry.

Whilst businesses are understandably more concerned about economic pressures than climate change initiatives, there are opportunities to engage, and wider societal trends that will impact the business engagement over time.



Agenda

1

Current Business
Landscape

2

Business Climate
Beliefs and Actions

3

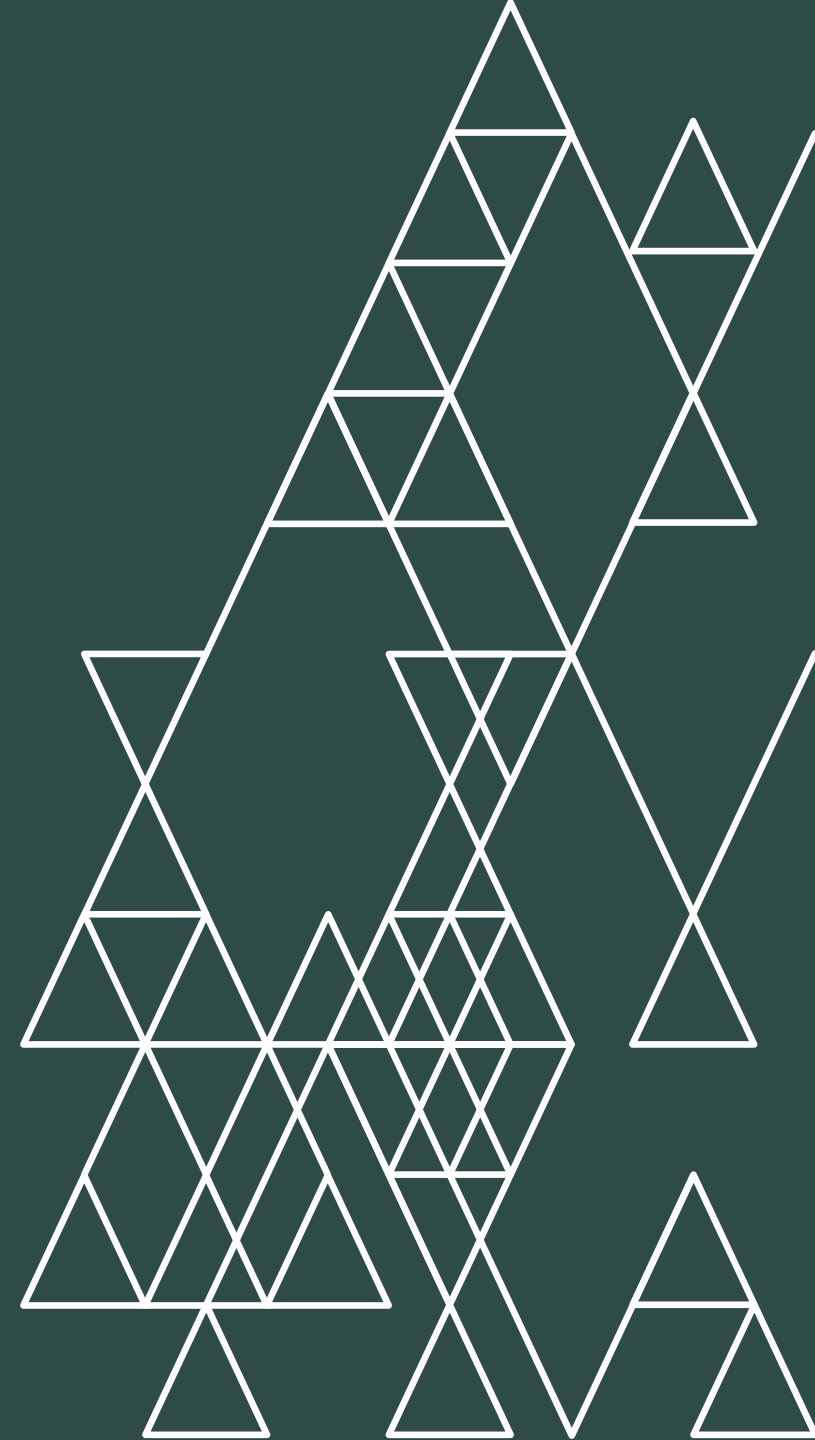
Our Brand and
Comms
Performance

4

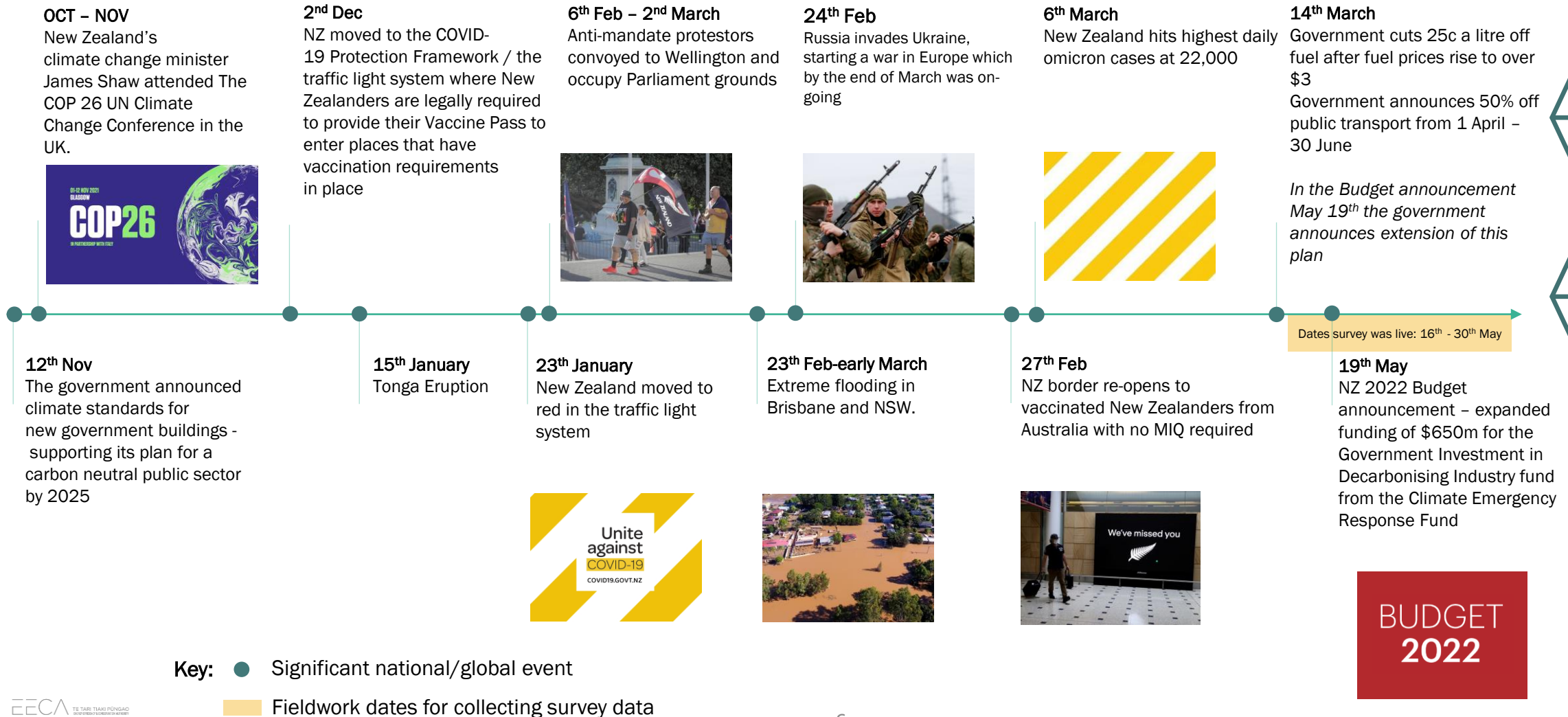
A Closer Look at
Industry



Current Business Landscape



The landscape over the last six months...



The state of New Zealand's economy continues to rise as the top issue among businesses and New Zealanders alike

With environment-related issues reduced to least important

General issues in New Zealand (Important / Very important)

	May-22	Change vs Nov 21
New Zealand's economy	91%	+4% ▲
The cost of living	86%	+8% ▲
Inflation rising	85%	+13% ▲
Supply chain issues	81%	+4%
Staff mental health and wellbeing	79%	+3%
Data and cyber security threats	77%	+3%
Distribution issues	73%	+10% ▲
The state of New Zealand's transport infrastructure	72%	=
Labour shortages / cost of hiring	68%	+5%
Legal reforms (e.g. RMA, Water Reforms, Financial Sector Amendment Bill)	66%	+1%
Pollution of lakes, rivers, and seas	64%	=
Availability of affordable housing	64%	+2%
Natural disaster preparedness	63%	+2%
Build up of plastic in the environment	60%	-5%
Barriers to innovating / adopting new technology	59%	+1%
Climate change	58%	=
Reducing greenhouse gas emissions	53%	-9% ▼

GENERAL_ISSUES - How important do you consider each of the following issues to be for New Zealand Businesses?
Base: n=537

Statistically significant difference:



Primary and secondary industries are particularly impacted by inflation, but effects are being felt across the board

General Issues: Inflation rising by industry (12 month roll)

	Primary	Secondary	Wholesale / Retail	Professional Services	Public	Total
Very important (TB)	58%	56%	54%	46%	37%	51%
<i>Very important (TB) change</i>	+23% ▲	+16% ▲	+3%	+6%	+5%	+13% ▲
Important + Very important (T2B)	82%	85%	85%	74%	77%	79%
<i>Important + Very important (T2B) change</i>	+8%	+8%	+2%	+8%	+1%	+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=88), Secondary (n=281), Wholesale/Retail (n=195), Professional Services (n=211), Public (n=136)

Statistically significant difference: ▲



With the ending of nationwide lockdowns, business focus is changing

As concerns about the mental health of staff ease, businesses are looking more at retaining customers, adopting digital ways of working, and the physical health of staff.

Effect of COVID-19 in New Zealand (Significant / huge impact)

	May-22	Change vs Nov 21
The way in which we work	45%	+1%
Our focus on retaining customers	41%	+5% ▲
Physical health of our staff	39%	+7% ▲
Our focus on overall business performance	39%	+2%
Mental health of our staff	36%	-7% ▼
Our adoption of digital ways of working	36%	+6% ▲
Job security of our staff	34%	+1%
Our focus on reducing cost	34%	+3%
Forcing us to think more locally	28%	=

C19_CURRENT - And in which of these ways is the COVID-19 situation impacting your business currently? (Some impact / Significant impact / Huge impact)

Base: Total Sample - (n=537).

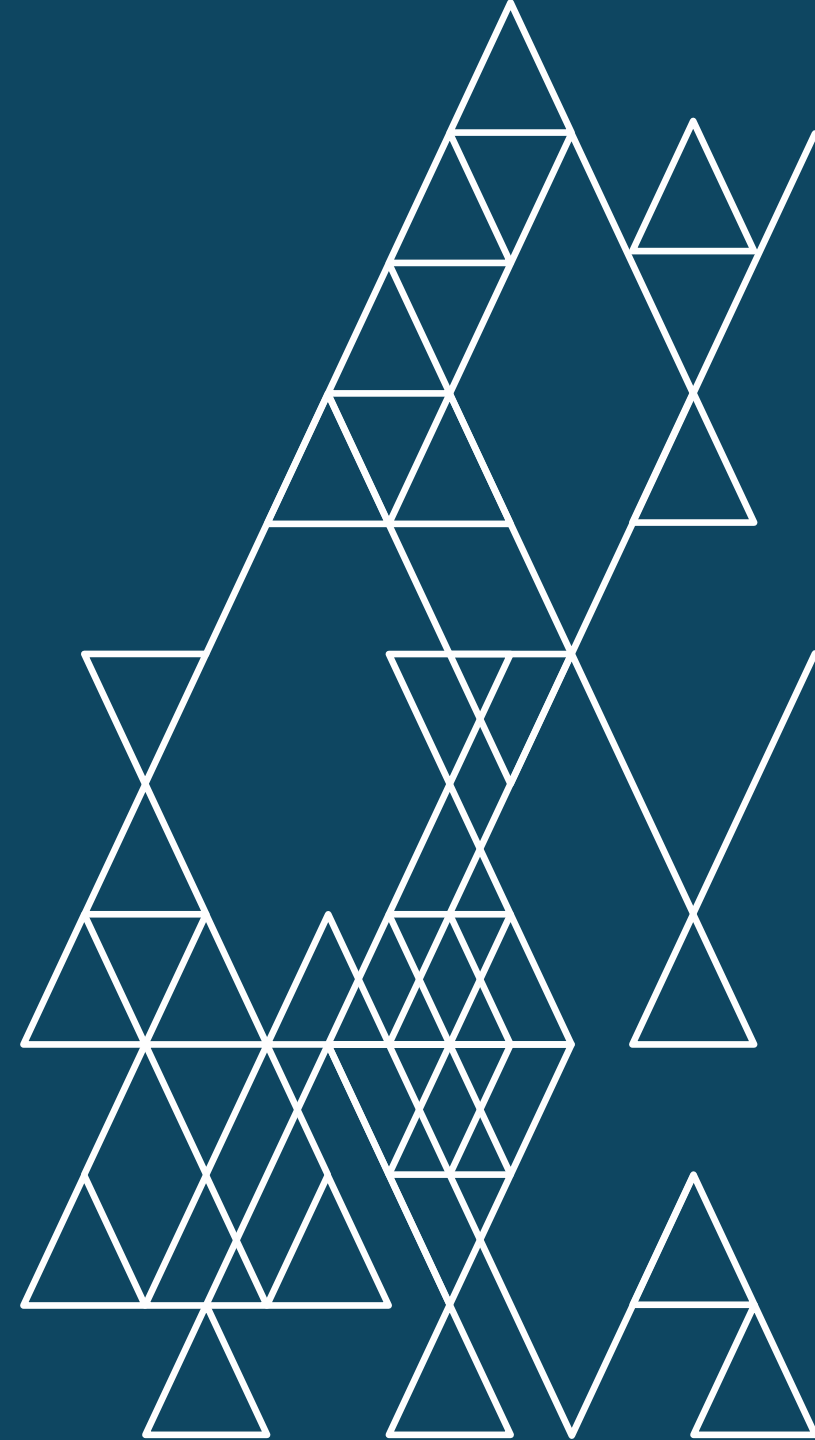
Statistically significant difference:



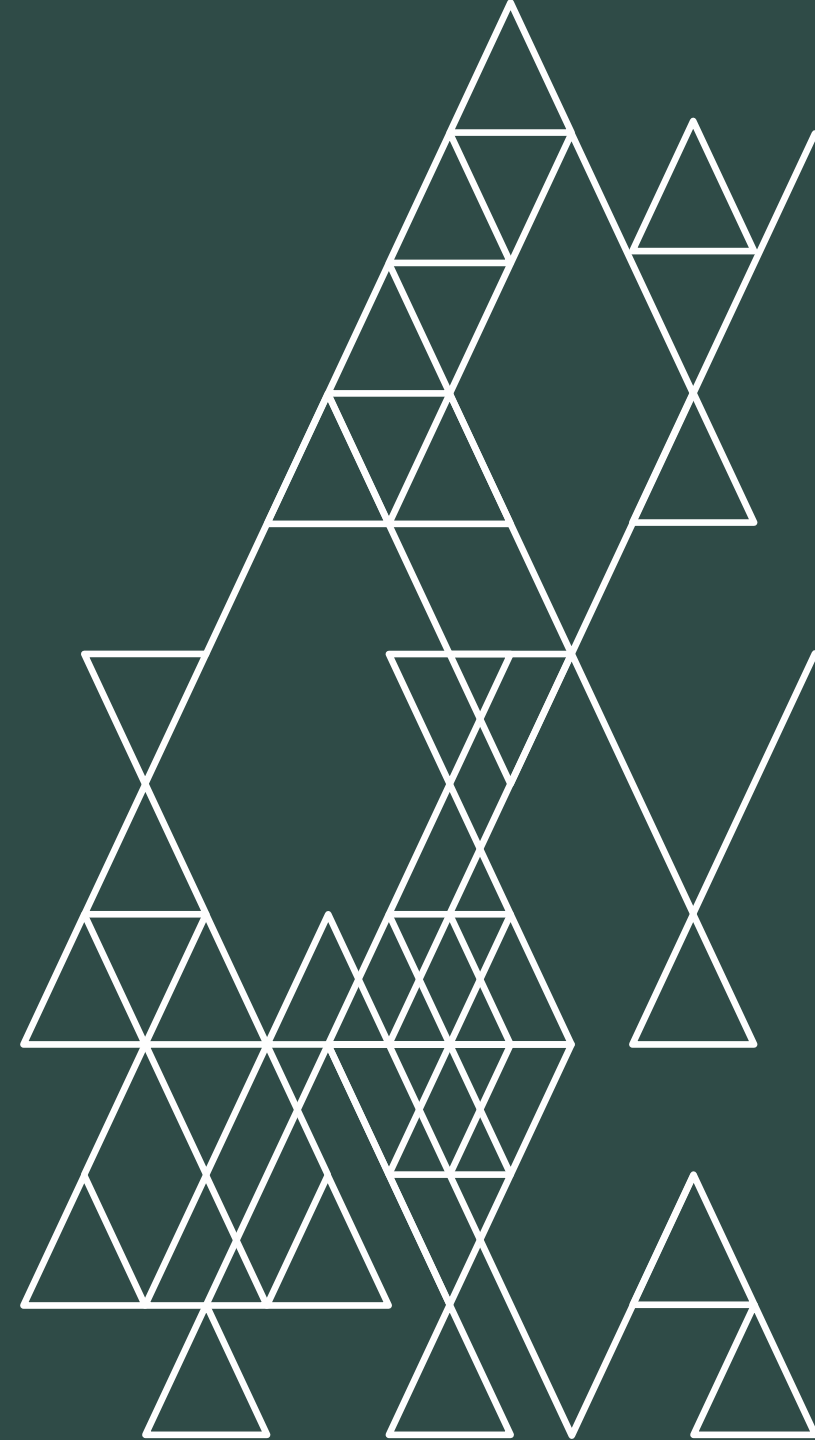
Economic concerns are dominating business attention

The combination of the long tail of COVID and growing economic uncertainty are leaving businesses with little capacity to worry about much outside of their most immediate and pressing issues.

Climate change concern has dropped since the last Business Monitor, and this is a challenging environment in which to encourage businesses to adopt climate change initiatives.

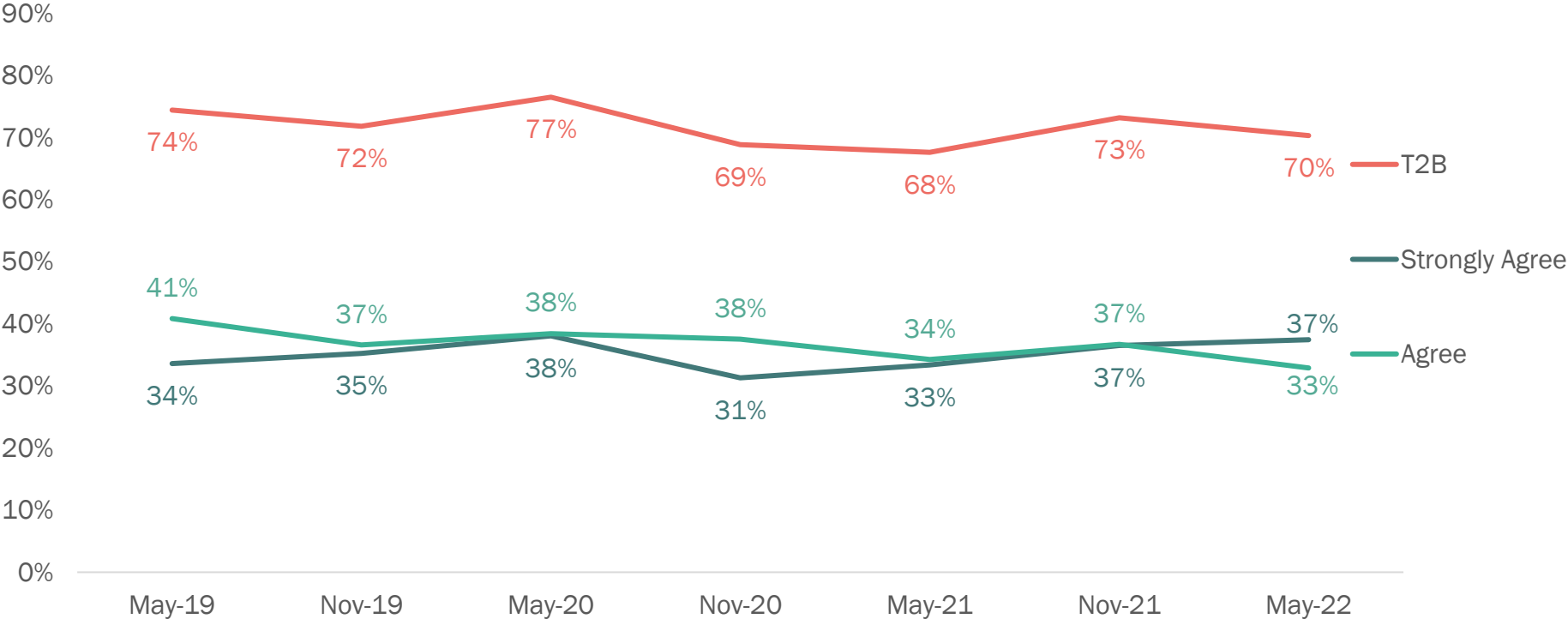


Business Climate Beliefs and Actions



After increasing late 2021, belief that climate change is real sees a three-point decrease

Climate beliefs: Climate change is real

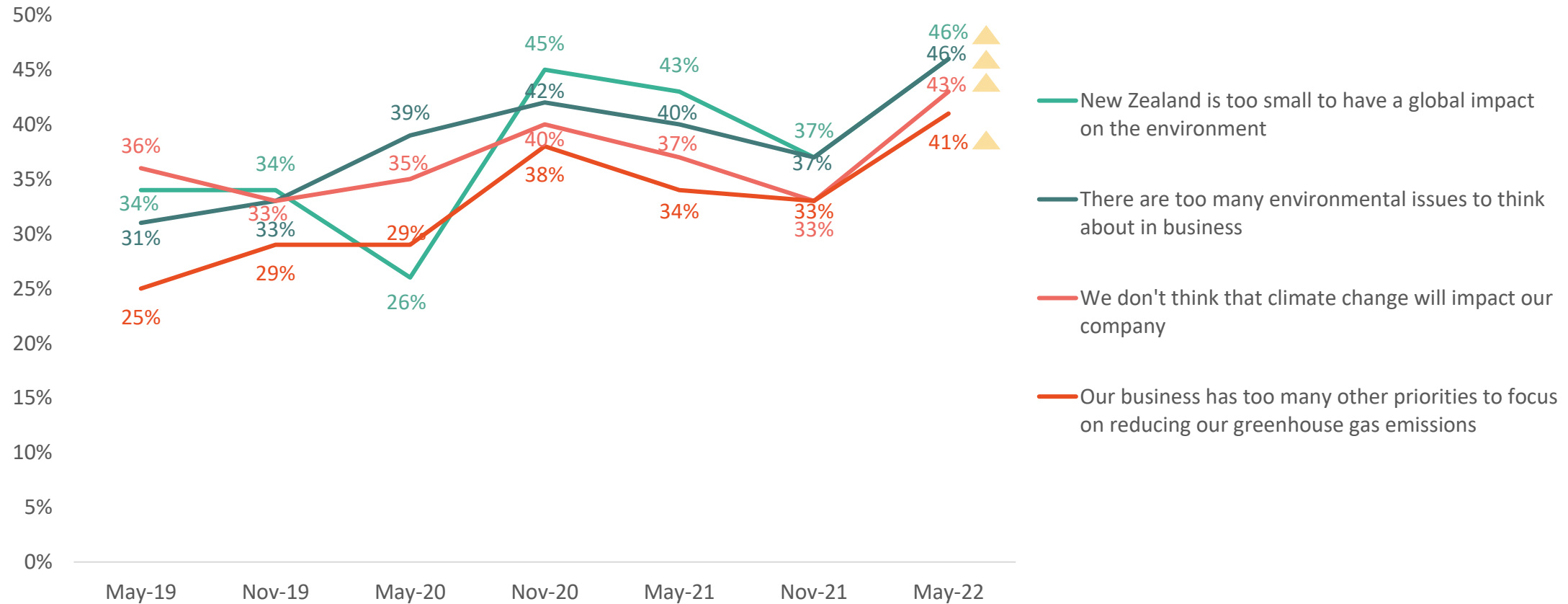


CLIMATE_BELIEFS - How much do you agree or disagree that... - Not Stated REMOVED - NET T2B AGREE, AGREE, STRONGLY AGREE
 May 2019 n=498, Nov 2019 n=498, May 2020 n=486, Nov 2020 n=496, May 2021 n=613, Nov 2021 n=505, May 2022 n=629



With all the short-term issues that businesses are facing, climate change is being further deprioritised

Climate beliefs: Agree / Strongly agree



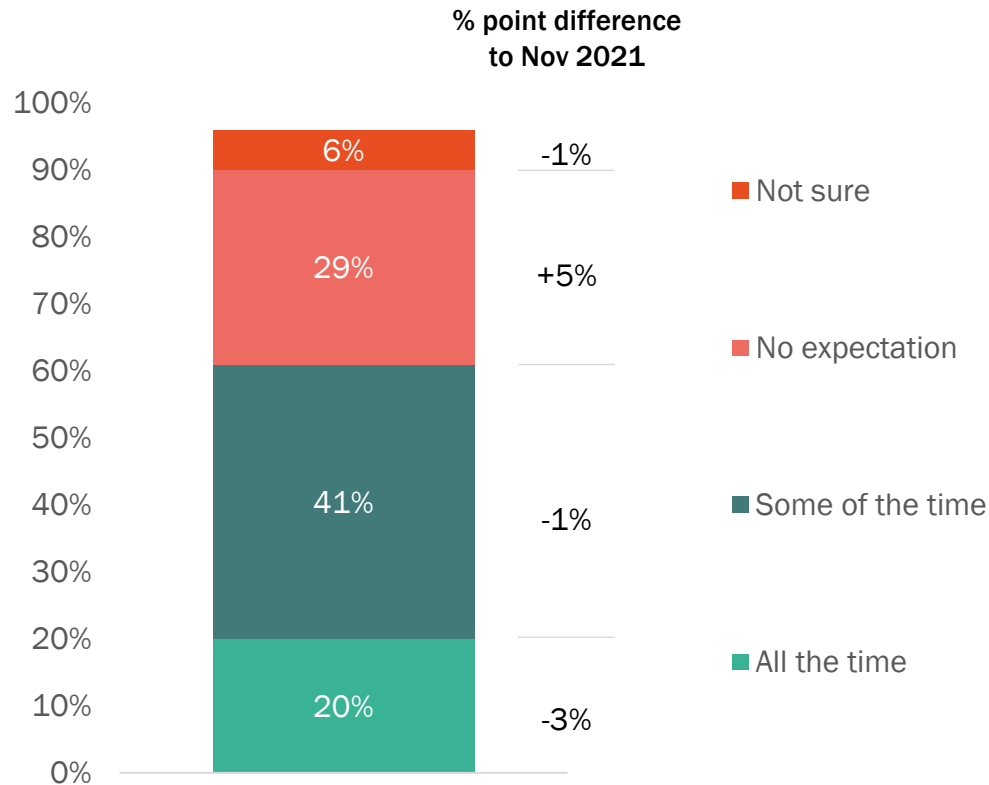
CLIMATE_BELIEFS - How much do you agree or disagree that... - Not Stated REMOVED - NET T2B AGREE
 May 2022 n=633-584

Statistically significant difference:



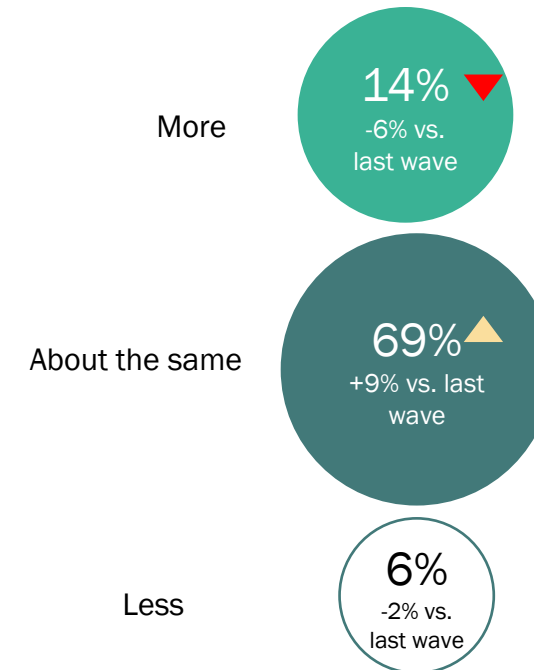
Businesses are feeling less pressure to keep up the efforts to reduce their impact on climate change

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=537

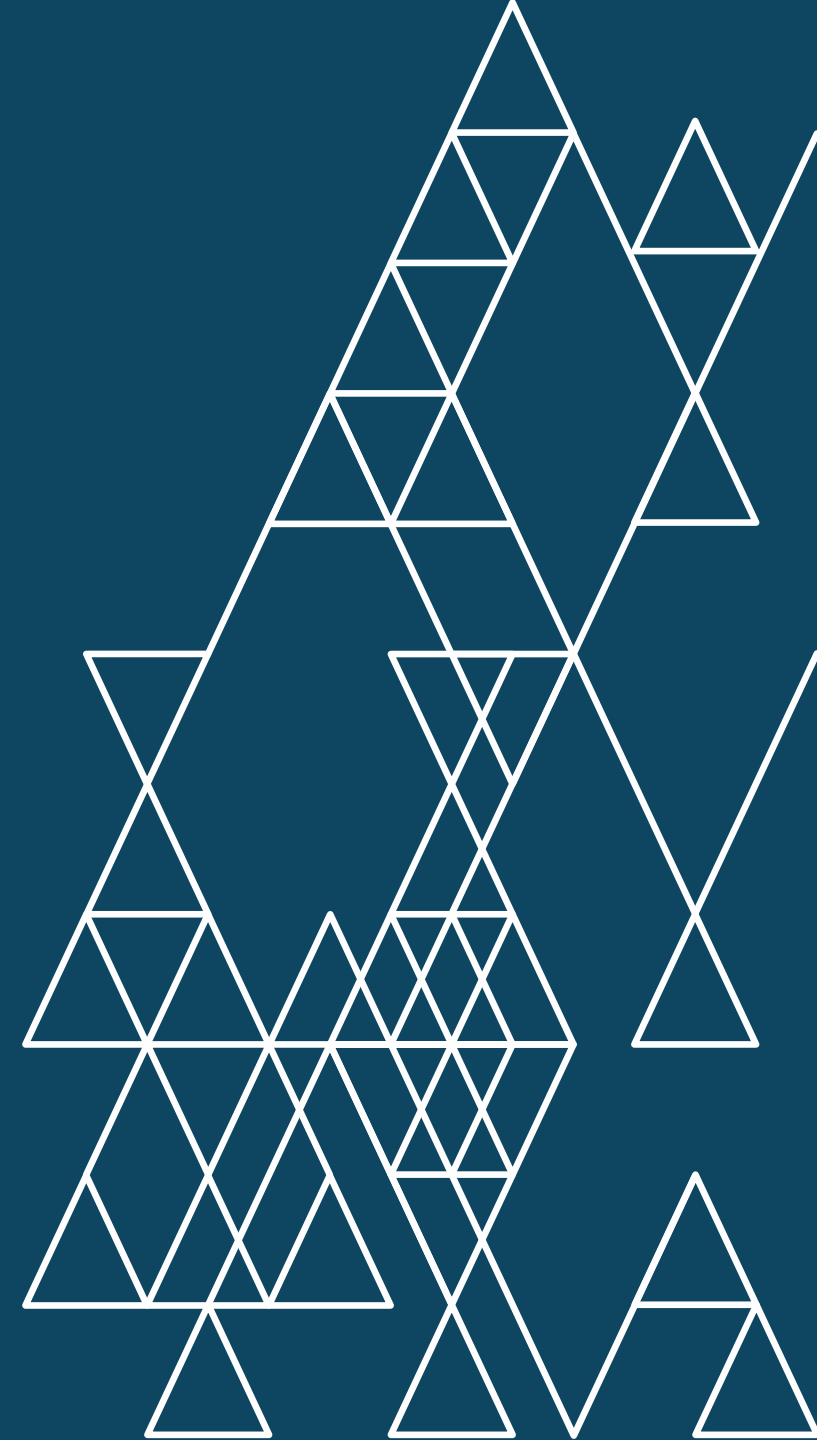
Statistically significant difference:  



Businesses are deprioritising climate change action

The economic downturn means that businesses can justifiably point to the many issues that they're facing as reasons for not making climate change actions a priority.

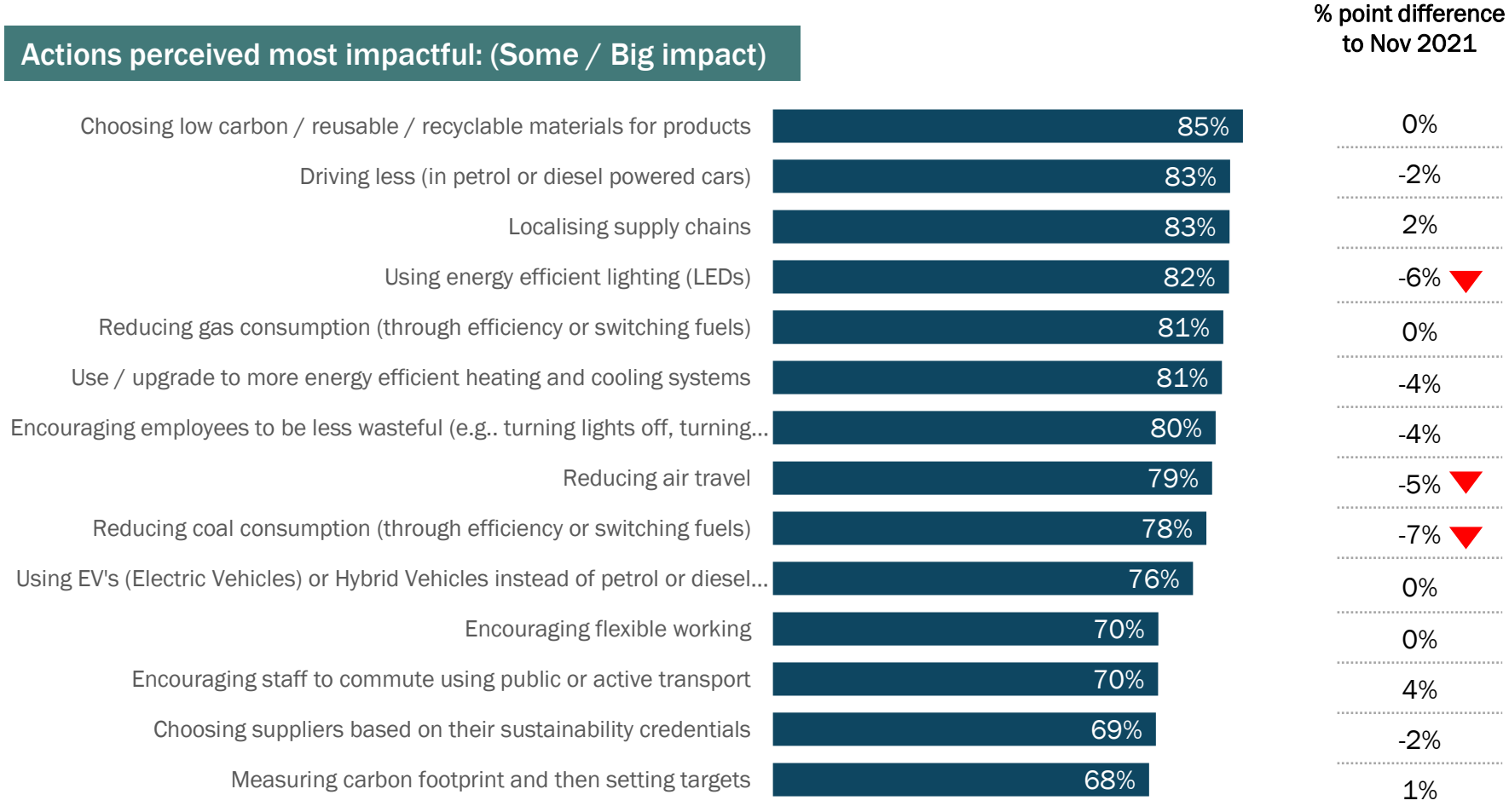
However, with new emissions reduction targets largely targeted at business, there is a disparity between expectations of business and government. This is a key barrier to overcome.



Businesses see less impact in most climate change actions

With less focus on reducing coal consumption and air travel

Actions perceived most impactful: (Some / Big impact)



Statistically significant difference: ▼

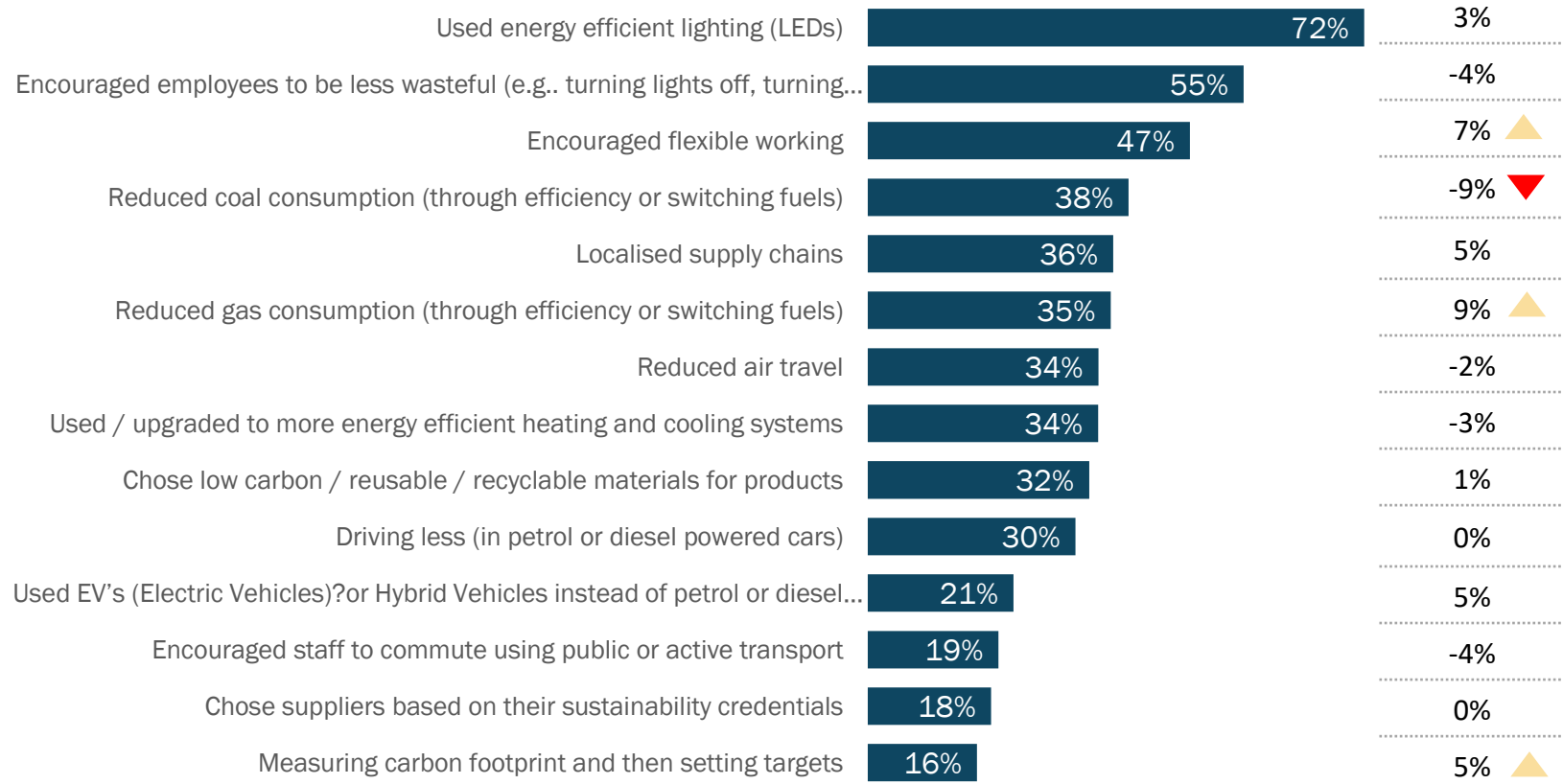


However, there are improvements in the actions they're taking

With more businesses encouraging flexible working, reducing gas consumption, using EV's and measuring their carbon footprint

Actions taken: (always / almost always)

% point difference to Nov 2021



CLIMATE_ACTION - Which of the following actions has your business taken in order to reduce your impact on climate change?

T2B TAKING REGULAR ACTION

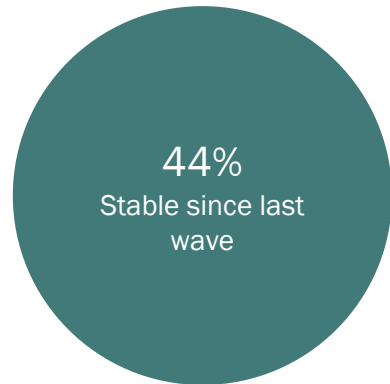
Base: n=452-515

Statistically significant difference:

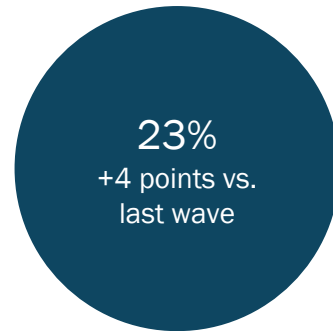


Businesses who have looked for more information about how to reduce their emissions are feeling more informed

However, due to shifting priorities, their motivation to actively look for information has decreased.



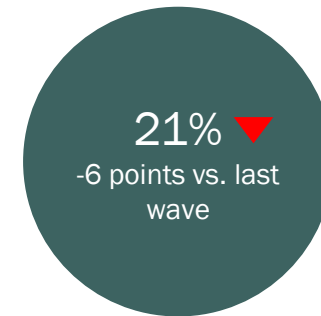
I know where to access information about how to reduce and measure my businesses carbon emissions (Agree / Strongly Agree)



I have looked for information or advice in the last 3 months that can help reduce my businesses carbon emissions (Yes)



I have a good level of knowledge about how to reduce my businesses carbon emissions (Rated their knowledge 8-10 out of 10)



I actively look for information about how to lower my businesses carbon emissions (Actively / Often Actively)

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=537

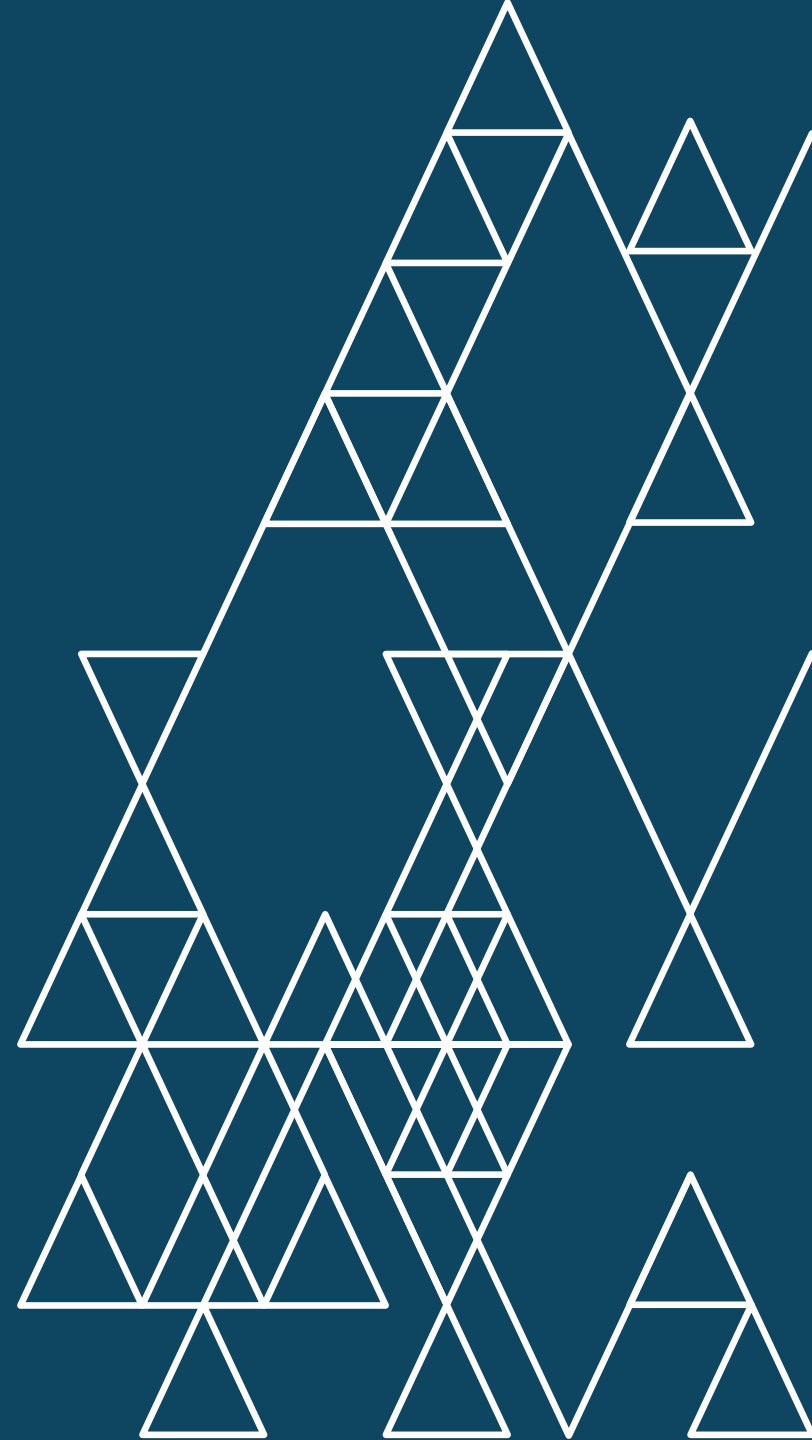
Statistically significant difference: ▲ ▼

Despite economic pressures, there are reasons for optimism

While businesses feel that there is less climate change impact in the actions that they can take, there is evidence of long term behaviour change that will contribute to reduced emissions.

Changes to working practices, such as encouraging flexible working reduces the impact of work-related travel, and there is a wider interest in EV's and the reduction in use of fossil fuels.

As we've seen through previous research, there is evidence that businesses see a need to engage in reducing emissions, and that EECA has a role to play here.



We're here to support New Zealand
businesses to tackle climate change.
Visit [EECA](#) for more information