



# A deep dive into how New Zealand businesses approach energy use and climate change

July 2023





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EECA's purpose is to mobilise New Zealanders to be world leaders in clean and clever energy use.

An understanding of general attitudes and behaviours towards energy use and climate change, and where disconnect exists, will help EECA drive behaviour change.

This understanding is supported by a long-standing study that tracks the views of New Zealand consumers and businesses.



**Jo Bye**

Group Manager, Marketing and Communications at EECA



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TRA is an insight agency that combines understanding of human behaviour with intelligent data capability to help clients navigate uncertainty and answer complex problems.

TRA has been partnering with EECA for nearly five years on this work.



**Karin Glucina**  
Partner at TRA

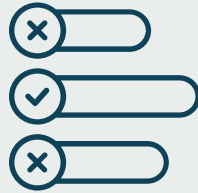


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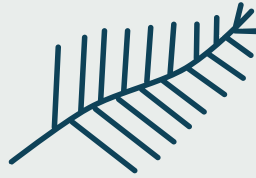
## Our methodology spans:



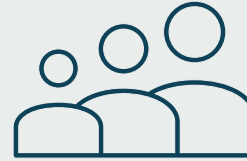
**500 businesses**  
surveyed every  
6 months



Starting in May 2019  
– now spanning  
**9 waves**



**4,500+ business**  
decision makers

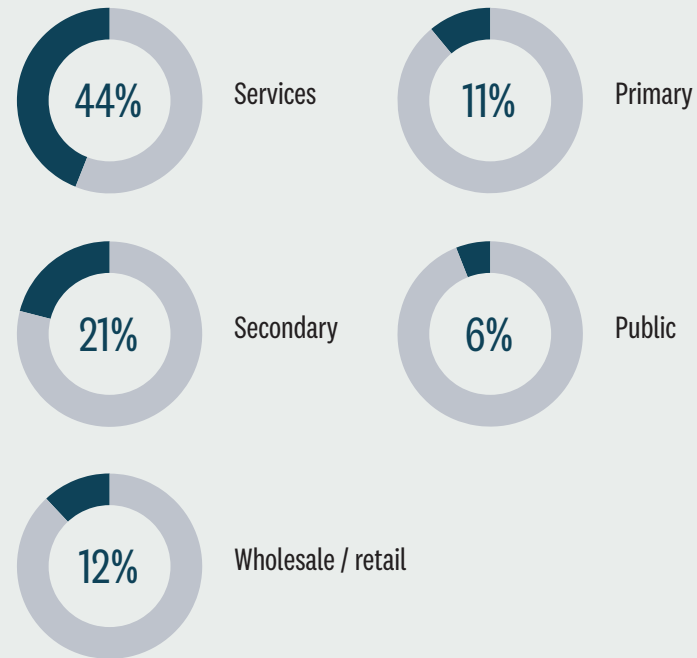


**Representative of the business**  
**population** – quotas and weighting by  
industry sector and size (FTE)



## What does the New Zealand landscape look like?

**New Zealand business by industry (2022)**



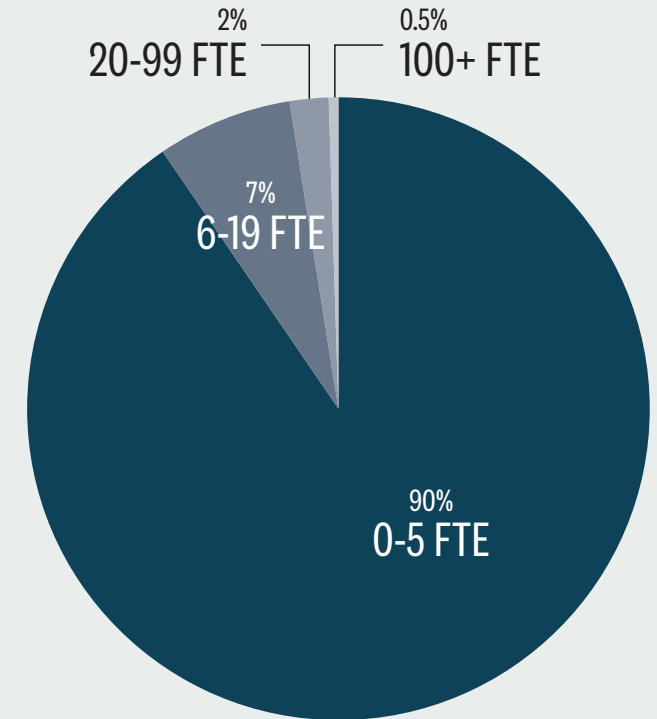
**New Zealand business location (2021)**

**35%** of businesses are based in Auckland

**41%** elsewhere in the North Island

**24%** in the South Island (Stats NZ)

**New Zealand business population by size (FTE, Stats NZ 2022)**



SOURCE: New Zealand business demography statistics: At February 2021 and February 2022, <https://www.stats.govt.nz/information-releases/new-zealand-business-demography-statistics-at-february-2021#:~:text=In%20the%20South%20Island%20there,a%20decrease%20of%202.0%20percent,https://www.stats.govt.nz/information-releases/new-zealand-business-demography-statistics-at-february-2022/>



Business beliefs

Business priorities

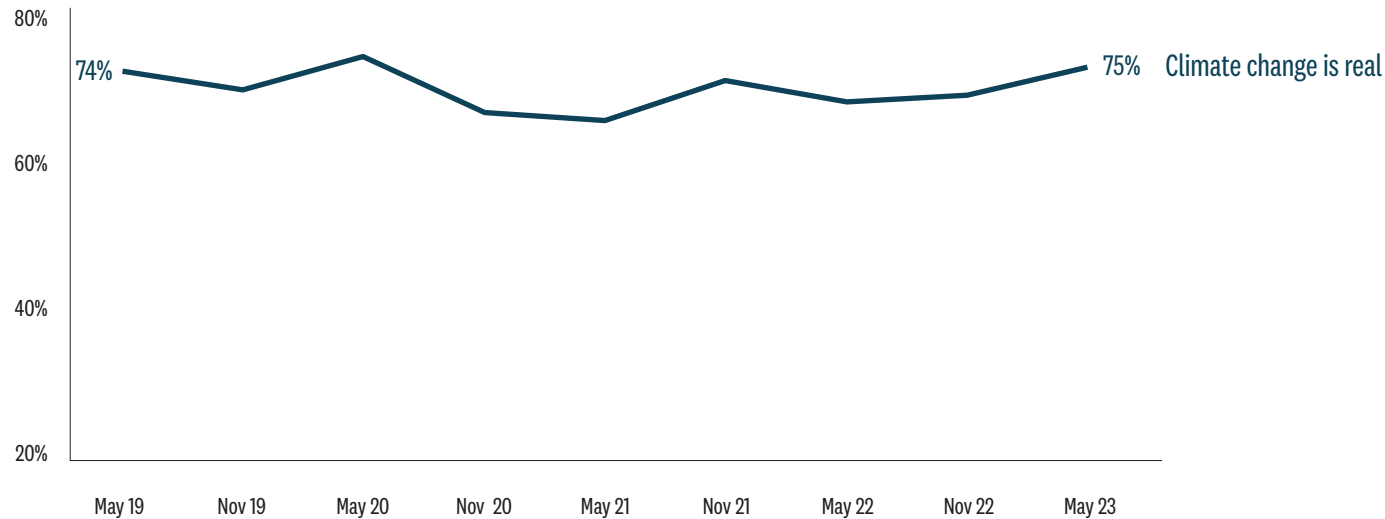
Business actions

# Consistently **around three-quarters** believe that climate change is real

## Belief

### Business climate beliefs

Agree/Strongly Agree



Belief is lower than within the general population where around 8 in 10 believe (81% in Jan – Mar 2023).

CLIMATE\_BELIEFS. How much do you agree or disagree with below statements? Climate change is real

Base: whole research period May 2019 – May 2023, May 19 n=498, Nov 19 n=498, May 20 n=486, Nov 20 n=496, May 21 n=613, Nov 21 n=505, May 22 n=530, Nov 22 n=511, May 23 n=508

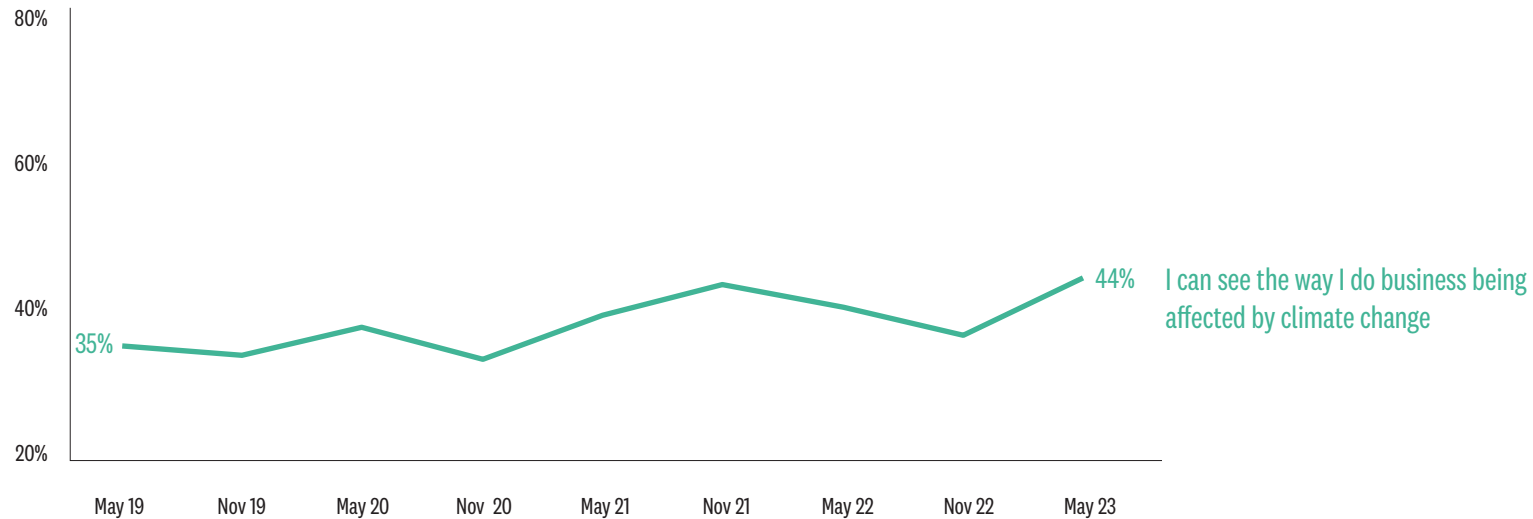
Consumer monitor Jan – Mar 2023 n=813

# Gradually more businesses are waking up to the idea climate change **will impact** how business is done

## Belief

### Business climate beliefs

Agree/Strongly Agree



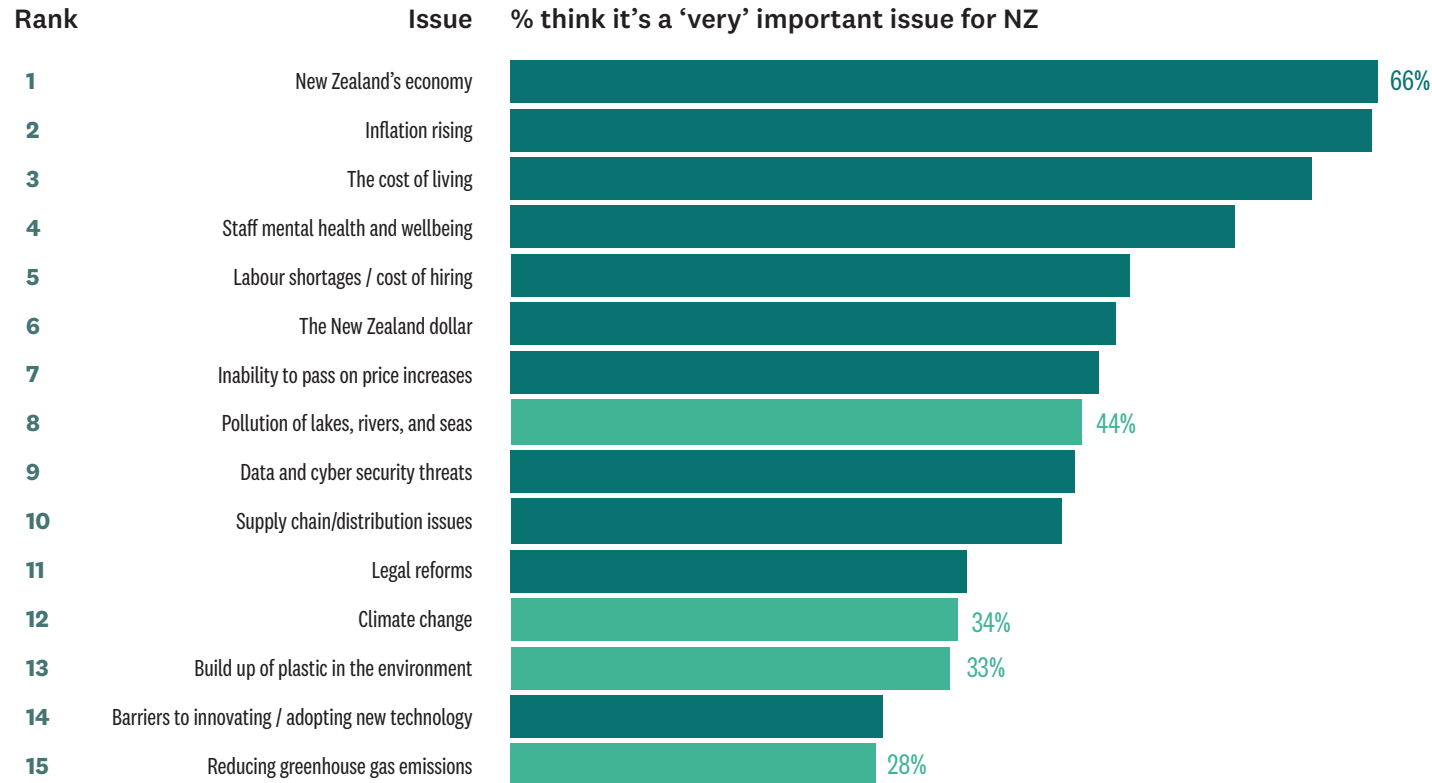
CLIMATE\_BELIEFS. How much do you agree or disagree with below statements? Climate change is real, I can see the way I do business being affected by climate change

Base: whole research period May 2019 – November 2022, May 19 n=498, Nov 19 n=498, May 20 n=486, Nov 20 n=496, May 21 n=613, Nov 21 n=505, May 22 n=530, Nov 22 n=511, May 23 n=508



## But businesses face competing issues: environmental issues are **low priority** today

### Priority



Most green issues rank in the bottom four within a list of 15 economic, societal and environmental issues.

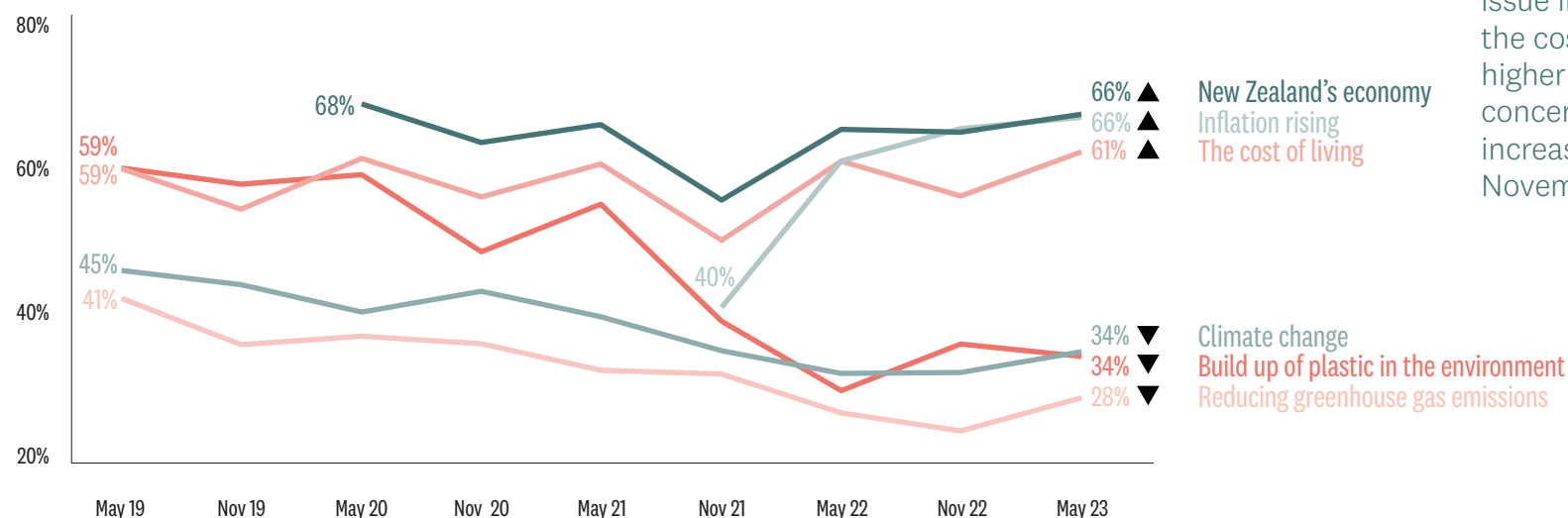
GENERAL\_ISSUES - How important do you consider each of the following issues to be for New Zealand Businesses?  
Base: May 23 n=508

# Environmental issues are steadily **decreasing** in priority alongside rising economic concerns

## Priority

### Importance of issues for New Zealand businesses:

Climate issues vs. economic issues (very important)



Concern with the economy has been high since introduced as an issue in May 2020, concern with the cost of living is significantly higher than 4 years ago, while concern with inflation rising has increased significantly since November 21.

▲▼ Statistically higher / lower than May 2019 / baseline

GENERAL\_ISSUES - How important do you consider each of the following issues to be for New Zealand Businesses?

Base: whole research period May 2019 – November 2022, May 19 n=498, Nov 19 n=498, May 20 n=486, Nov 20 n=496, May 21 n=613, Nov 21 n=505, May 22 n=530, Nov 22 n=511, May 23 n=508

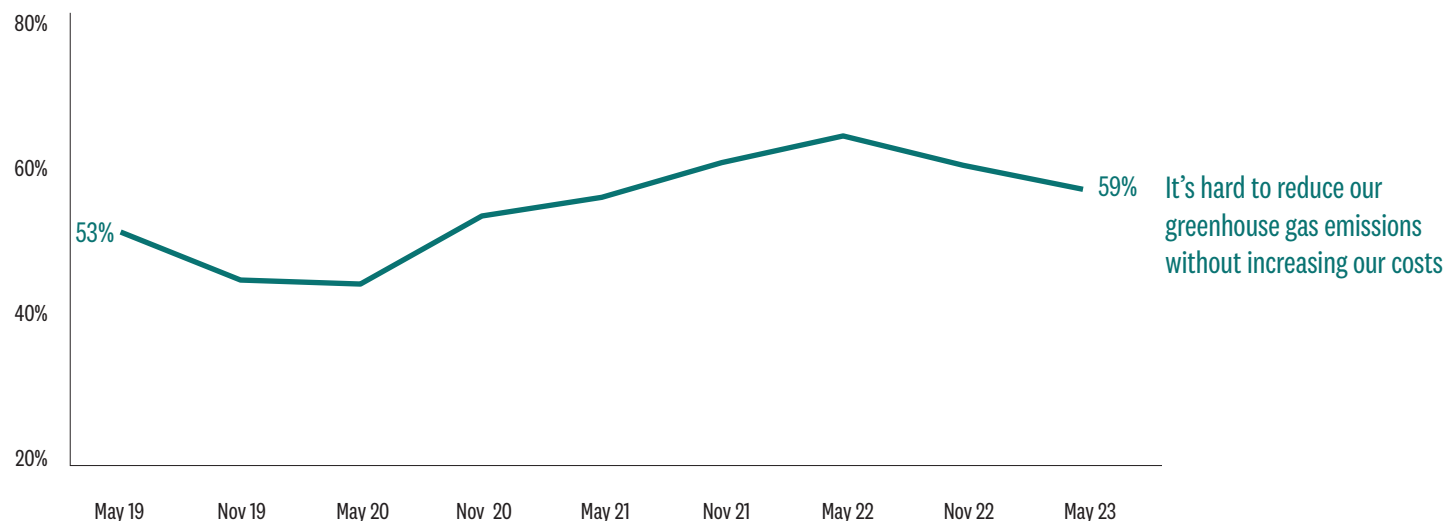
\* Tested against baseline of Nov 2021

# Businesses **unfortunately** connect climate action with increased costs

## Belief

### Business climate beliefs

Agree/Strongly Agree



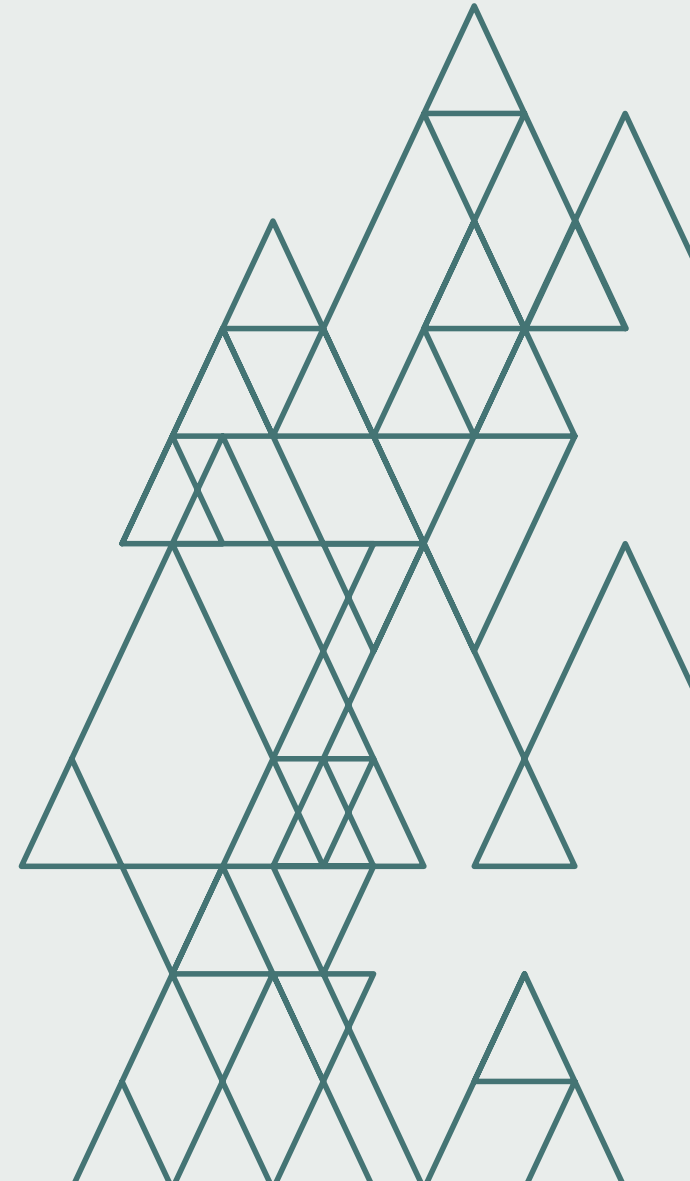
Over the past 4 years, this perception has grown across businesses of all size, in all regions and across all sectors.

CLIMATE\_BELIEFS. How much do you agree or disagree with below statements? It's hard to reduce our greenhouse gas emissions without increasing our costs

Base: whole research period May 2019 – November 2022, May 19 n=480, Nov 19 n=490, May 20 n=476, Nov 20 n=479, May 21 n=597, Nov 21 n=490, May 22 n=518, Nov 22 n=498, May 23 n=508

A difficult environment for  
business but there is progress.

It differs widely across sector,  
size and region.

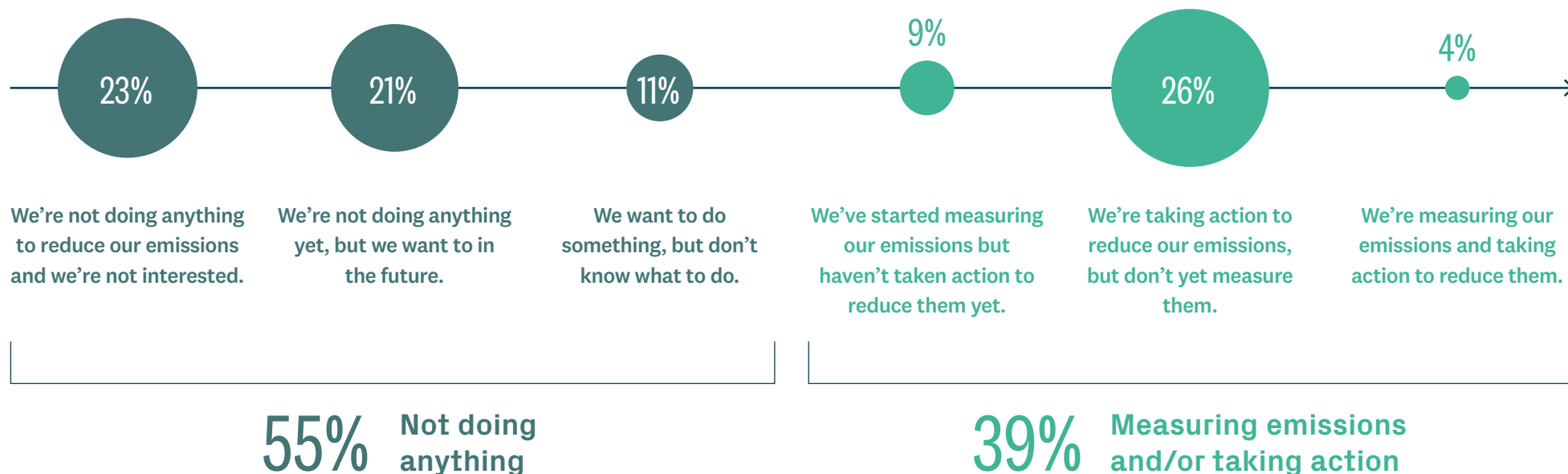




There are businesses who are already taking action – and more who want to

## Actions

### Climate Action Journey



CLIMATE\_JOURNEY: What stage is your business at in taking action to reduce its carbon emissions?  
Base: n=508



**Size (FTE)**



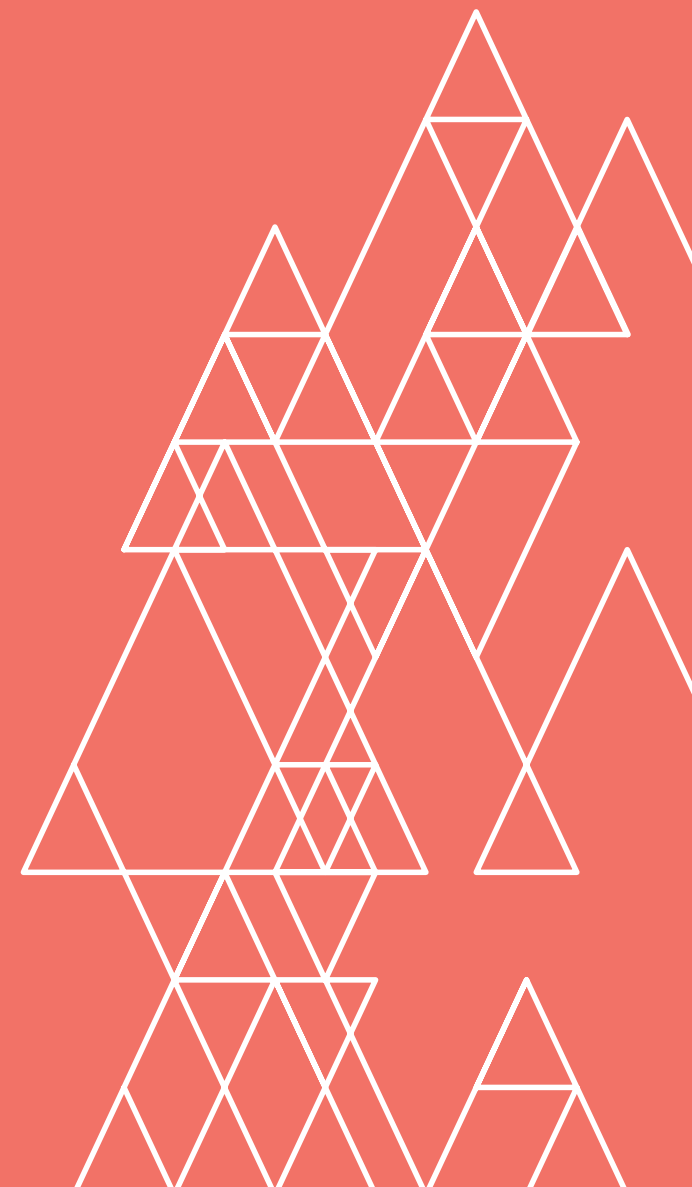
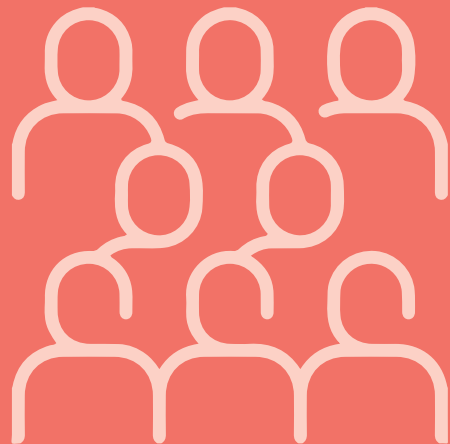
**Geography**



**Industry**

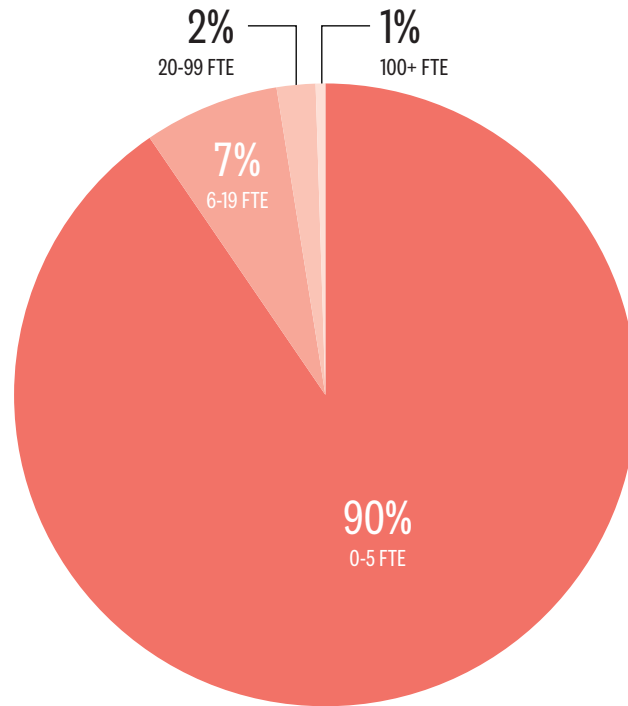


# Size (FTE)



# Our business population is dominated by small enterprises

**New Zealand business population by size**  
(FTE, Stats NZ 2022)



**9 in 10** businesses in New Zealand employ 5 FTEs or less

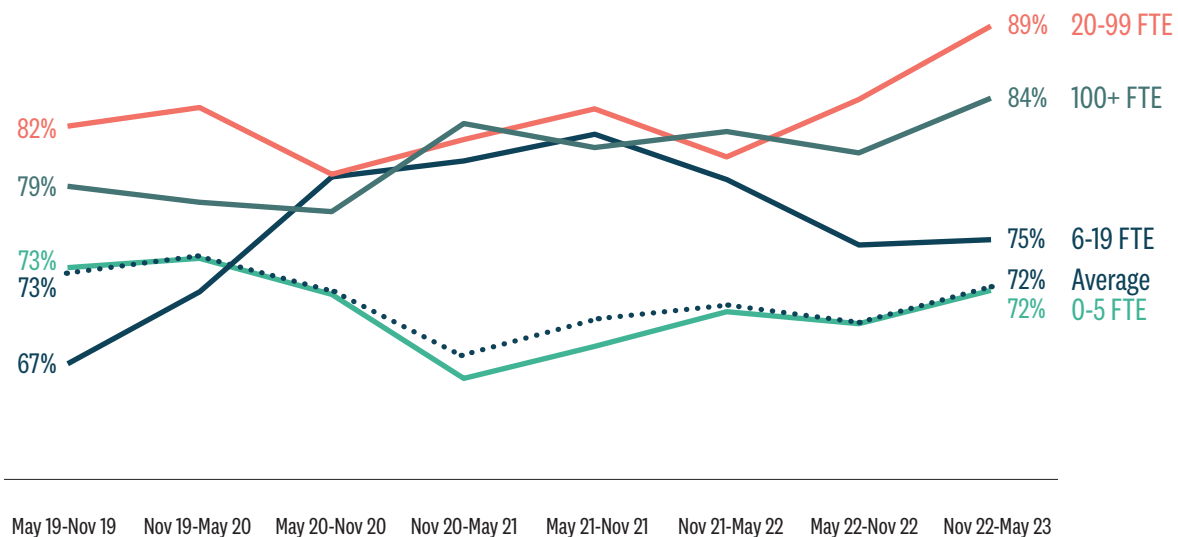
Source: New Zealand business demography statistics: At February 2022, <https://www.stats.govt.nz/information-releases/new-zealand-business-demography-statistics-at-february-2022/>



# Larger businesses are leading the way

Smaller businesses have persistent lower belief.

**Belief climate change is real by FTE**  
Agree / strongly agree (6MR data)

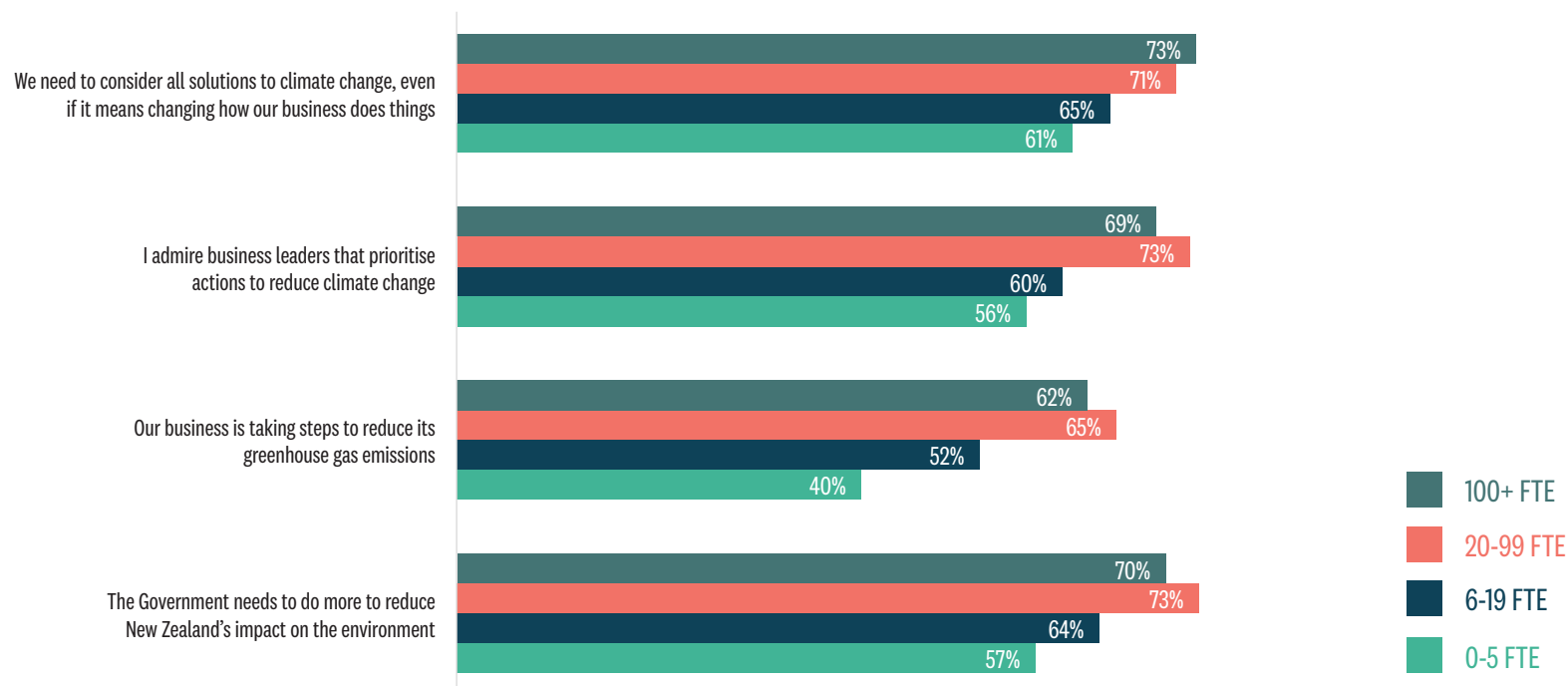


CLIMATE\_BELIEFS. How much do you agree or disagree with below statements? Climate change is real  
Base: 12MR 0-5 FTE range n=338-528, 6-19 FTE range n=206-244, 20-99 FTE range n=217-267, 100+ FTE range n=90-173

# Larger businesses have more drive to act, see more reputational benefits and show greater support for government intervention

## Business climate beliefs by FTE

Agree / strongly agree (all data May 19 – May 23)



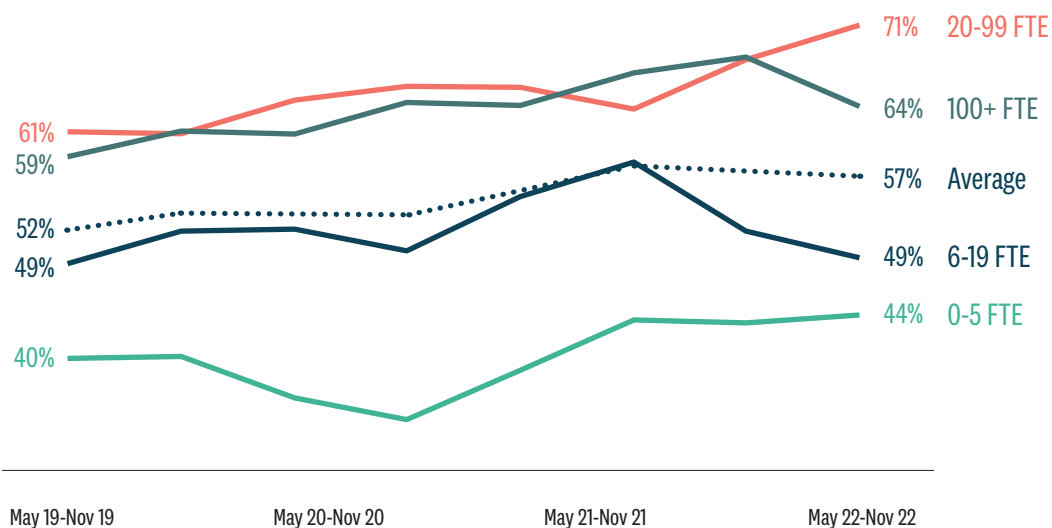
CLIMATE\_BELIEFS. How much do you agree or disagree with below statements?

Base: whole research period May 2019 – May 2023, 0-5 FTE range n=766-1,194, 6-19 FTE range n=515-689, 20-99 FTE range n=722-818, 100+ FTE range n=403-472

# Taking steps to reduce emissions is growing over time – particularly for larger businesses

## Our business is taking steps to reduce its greenhouse gas emissions

Agree / strongly agree



## Average number of actions taken regularly, by FTE\*

Change over time

	May 19–May 20	May 22–May 23	Diff.
100+	2.6	3.4	+0.8
20-99	3.2	3.3	+0.1
6-19	2.8	2.8	=
0-5	2.6	2.7	+0.1
Average across all businesses	2.6	2.7	+0.1

CLIMATE\_BELIEFS. How much do you agree or disagree with below statements?

Base: whole research period May 2019 – May 2023, 0-5 FTE range n=766-1,194, 6-19 FTE range n=515-689, 20-99 FTE range n=722-818, 100+ FTE range n=403-472

CLIMATE\_ACTION. Which of the following actions has your business taken in order to reduce your impact on climate change?

Base: whole research period May 2019 – May 2023, 0-5 FTE range n=273-691, 6-19 FTE range n=212-351, 20-99 FTE range n=280-399, 100+ FTE range n=134-267

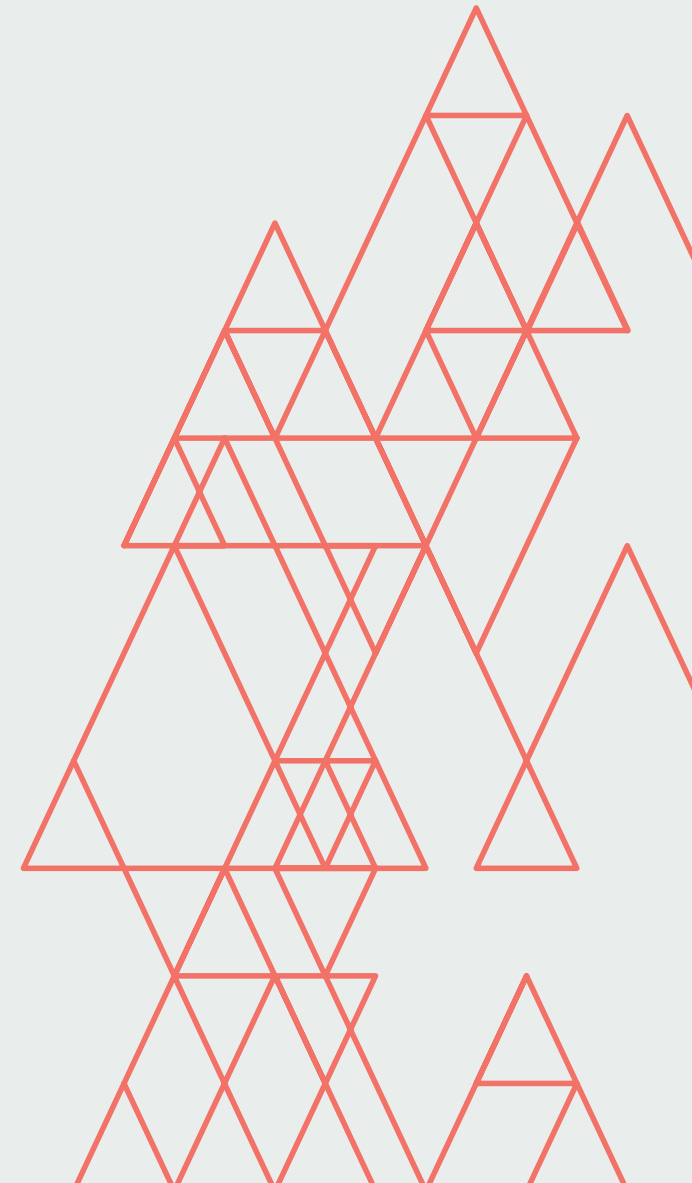
\*Average based on the 7 actions that have been included consistently throughout research period

How we approach climate change actions will change for different sizes of business.

Bigger businesses have more resources and headspace to make large changes. And they see their role as part of a larger system.

Smaller businesses can, and are, able to take action, but it is at an individual level.

Connecting them with resources and tools to help them on their journey is important.





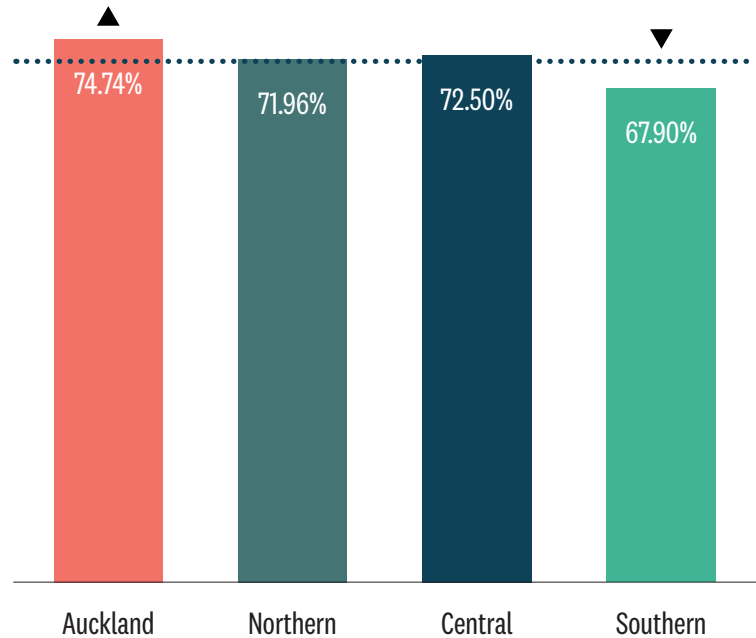
# Region



# Businesses in Auckland are more likely to believe in climate change

## Belief climate change is real by geography

Agree / strongly agree (all data May 19 – May 23)



CLIMATE\_BELIEFS. How much do you agree or disagree with below statements? Climate change is real

Base: whole research period May 2019 – May 2023, Auckland n=1,831, Northern n=799, Central n=984, Southern n=1026

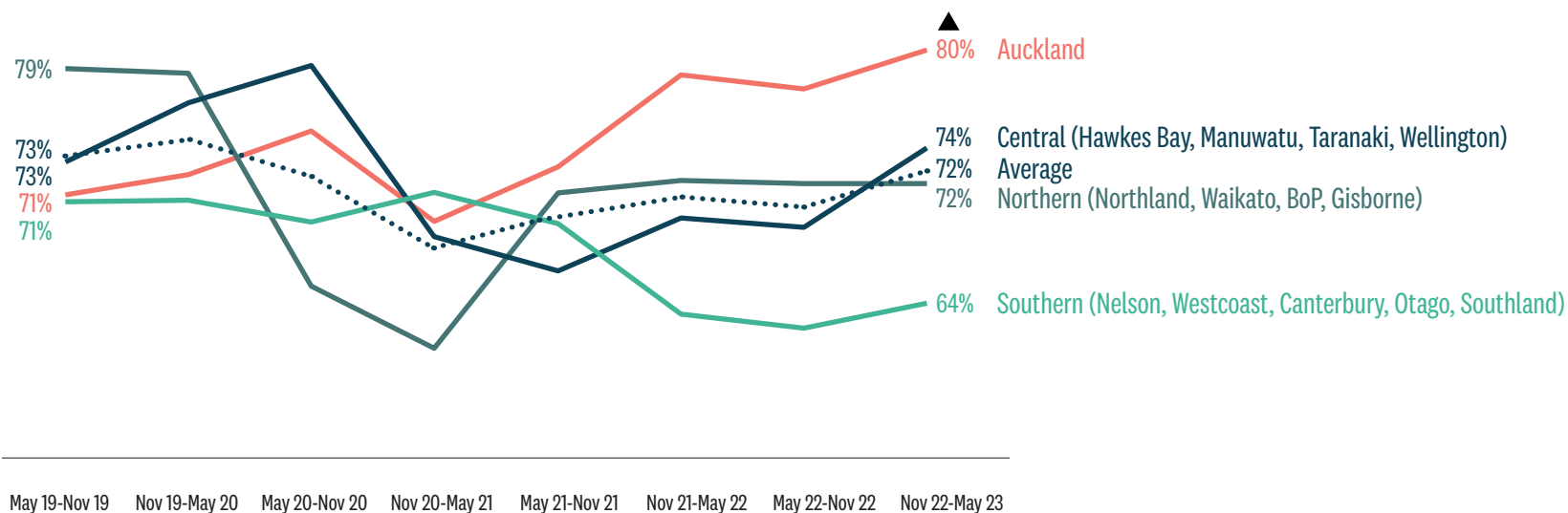
SOURCE: New Zealand business demography statistics: At February 2021, <https://www.stats.govt.nz/information-releases/new-zealand-business-demography-statistics-at-february-2021#:~:text=In%20the%20South%20Island%20there,a%20decrease%20of%202.0%20percent.>

▲▼ Statistically higher / lower than average

# While belief is growing in Auckland, elsewhere it's softening or stagnant

## Belief climate change is real by geography

Agree / strongly agree (12MR data)



▲▼ Statistically higher / lower than May - Nov 2019 / baseline

CLIMATE\_BELIEFS. How much do you agree or disagree with below statements? Climate change is real

Base: whole research period May 2019 – November 2022, Auckland n=1650, Northern n=704, Central n=874, Southern n=909

Base: 12MR Auckland range n=384-451, Northern range n=161-183, Central range n=205-239, Southern range n=201-247

# Auckland business are also taking more climate action

## Actions taken regularly by geography

Always / almost always (all data May 19 – May 23)

	Auckland	Northern	Central	Southern
Driving less (in petrol or diesel powered cars)	31% ▲	21% ▼	28%	25%
Used EV's (Electric Vehicles) or Hybrid Vehicles instead of petrol or diesel vehicles	23% ▲	13% ▼	13% ▼	14%
Used energy efficient lighting (LEDs)	64%	64%	69% ▲	65%
Encouraged employees to be less wasteful (e.g. turning lights off, turning computer screens off)	57%	57%	62%	60%
Reduced coal consumption (through efficiency or switching fuels)	37%	42%	38%	41%
Reduced gas consumption (through efficiency or switching fuels)	33% ▲	26%	26%	24% ▼
Reduced air travel	36% ▲	36%	34%	23% ▼

▲▼ Statistically higher / lower than average

CLIMATE\_ACTION. Which of the following actions has your business taken in order to reduce your impact on climate change?

Base: whole research period May 2019 – May 2023, Auckland range n=1,387-1,800, Northern range n=494-780, Central range n=662-958, Southern range n=618-986



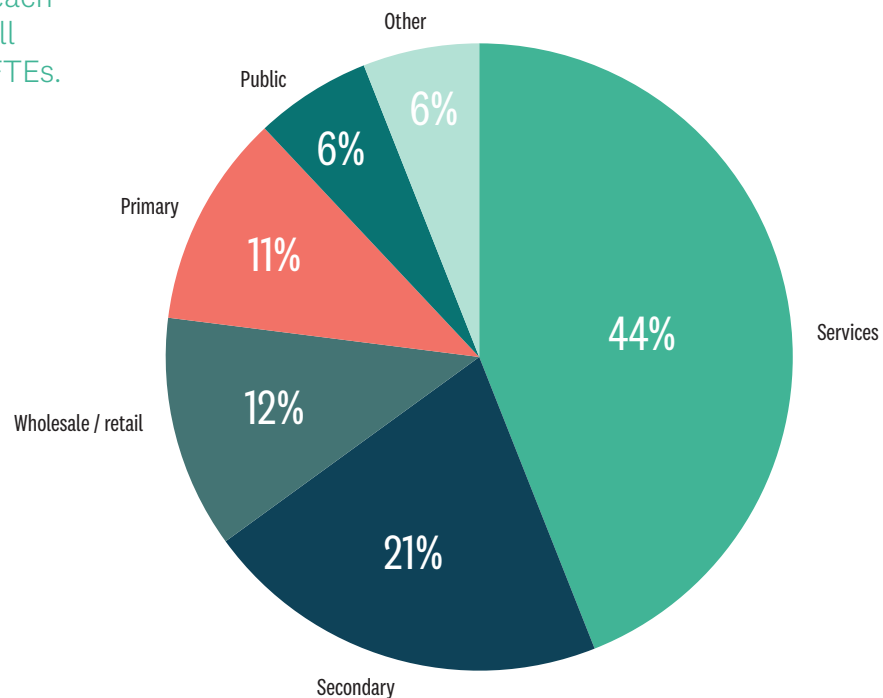
# Industry



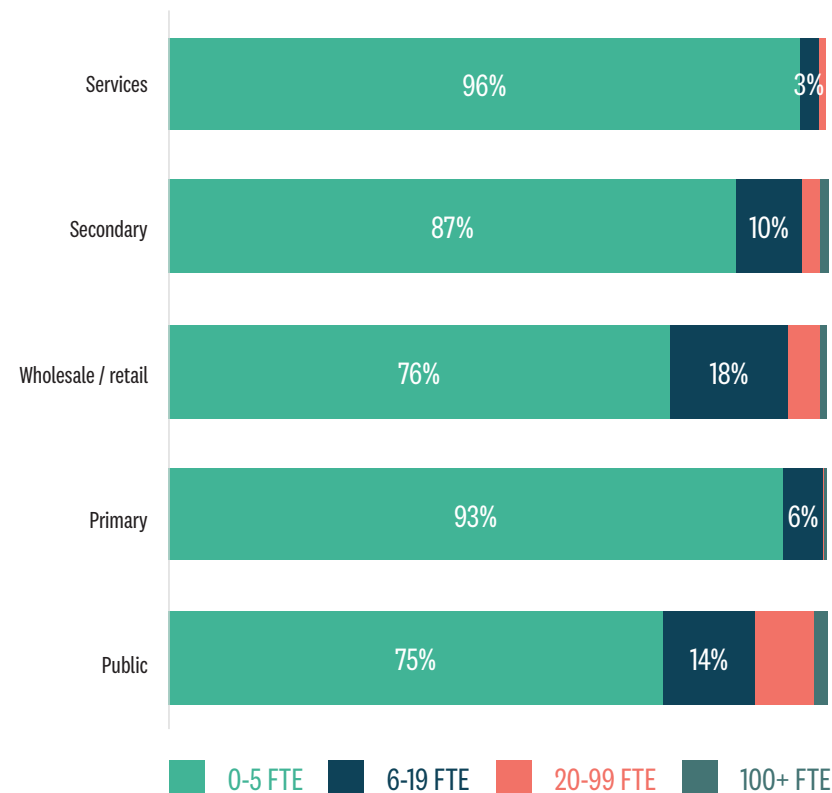
# Over **4 in 10** New Zealand businesses are in the service sector

The majority of businesses in each sector are small with 5 or less FTEs.

**New Zealand business by industry (2022)**



**Business size (FTEs) by industry (2022)**

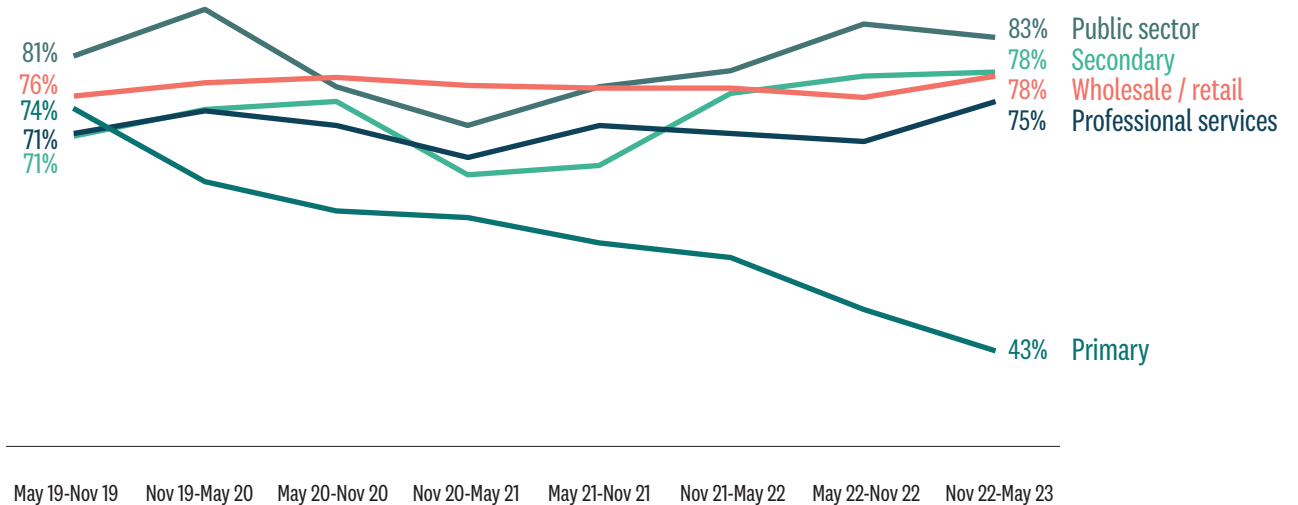


Source: New Zealand business demography statistics: At February 2022,  
<https://www.stats.govt.nz/information-releases/new-zealand-business-demography-statistics-at-february-2022/>

# Wide ranging and divergent belief in climate change at a sector level

Over time some industries show stable belief, some recovery and, for the primary industries, a decline in overarching belief in climate change (driven by those with fewer FTEs / smaller businesses.)

**Belief climate change is real**  
Agree/Strongly Agree (12MR data)



CLIMATE\_BELIEFS. How much do you agree or disagree with below statements? Climate change is real

Base: whole research period May 2019 – May 2023, Primary n=345, Secondary n=1247, Wholesale / retail n=988, Services n=872, Public n=618, all businesses n=4640

Base: 12MR Primary industry range n=47-71, Secondary industry range n=211-236, Wholesale / retail range n=152-193, Professional services range n=144-167, Public sector range n=96-129

# But alignment with the cause doesn't necessarily translate into more action – and vice versa

## Average number of actions taken regularly\*

Change over time

	May 19–May 20	May 22–May 23	Diff.
Public	3.1	2.8	-0.3
Secondary	2.5	2.4	-0.1
Wholesale / retail	2.9	2.9	-
Professional services	2.8	3	+0.2
Primary	2	2.4	+0.4

Despite the downward trend in belief in climate change within the primary sector, this is the sector with steepest growth in actions taken over time.

\*Average based on the 7 actions that have been included consistently throughout research period

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

Base: primary industries range n=82-124, Secondary industries range n=372-412, Wholesale / retail n=172-206, Professional services n=278-306, Public n=174-204

Each sector has a defined climate journey with different jobs to be done to deepen engagement with climate messaging and action.



# The public sector is unified with strong cause alignment

## Public sector

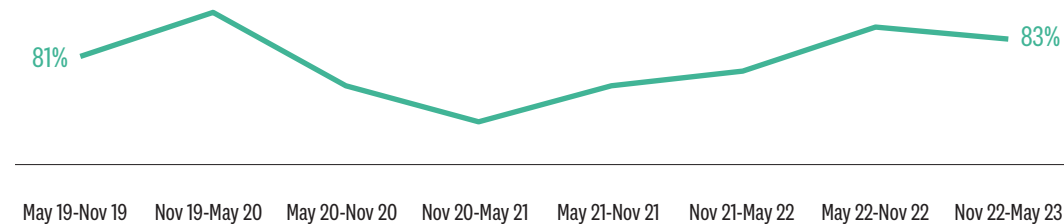
Belief in climate change is high and unifies the sector: it's strong regardless of region or size of business.

This is a sector that's on board, willing to take responsibility and sees climate action as a business advantage.

We can have a sophisticated conversation with this sector – but they may be less of a priority.

### Belief climate change is real

Agree/Strongly Agree (12MR data)



### Key differences in climate beliefs

(all data May 19 – May 23)

The Government needs to do more to reduce New Zealand's impact on the environment



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



New Zealand is too small to have a global impact on the environment



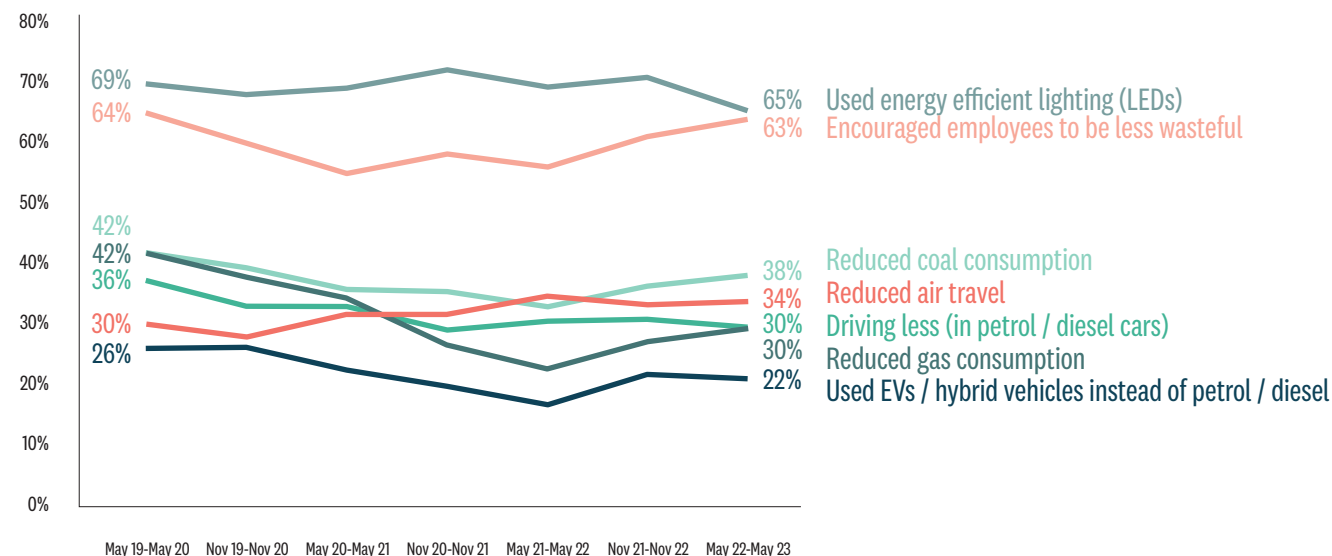
Public sector  
All businesses

CLIMATE BELIEFS. How much do you agree or disagree with below statements?  
Base: whole research period May 2019 – May 2023 Public sector n=197-503

# Taking more steps than average but softening across some key actions

## Public sector

### Public sector actions taken regularly over time (18MR data)



### Average number of actions taken regularly\* Change over time

	May 19-May 20	May 22-May 23	Diff.
Public sector	3.1	2.8	-0.3
Average across all industries	2.6	2.7	+0.1

\*Average based on the 7 actions that have been included consistently throughout research period

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

Base: 18MR primary industries range n=82-124, Secondary industries range n=372-412, Wholesale / retail n=297-337, Professional services n=278-306, Public n=174-204

# Belief in climate change, but it's a low current priority

## Secondary sector

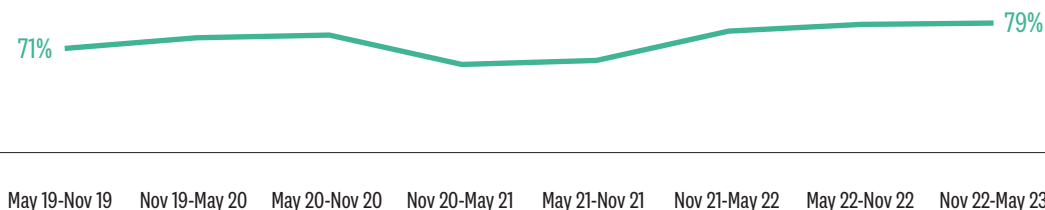
Belief in climate change is growing over time and higher than average.

There's a stark geographical difference with industry in the North Island significantly more likely to believe than industry in the South Island.

But despite this high belief, there's a sense of apathy. This is the sector the least likely to:

- Be proud of how environmentally aware their company is
- Be taking steps to reduce emissions
- Be personally willing to sacrifice own personal comforts for the greater good
- See customers as willing to pay more for climate-friendly goods
- See taking action as a priority for their business.

### Belief climate change is real Agree/Strongly Agree (12MR data)



### Key differences in climate beliefs (all data May 19 – May 23)

I am willing to sacrifice some of my own personal comforts for the greater good



Our customers are willing to pay more for climate-friendly products / services



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



Secondary  
All businesses

CLIMATE\_BELIEFS. How much do you agree or disagree with below statements?  
Base: whole research period May 2019 – May 2023 Secondary Industry n=114-455

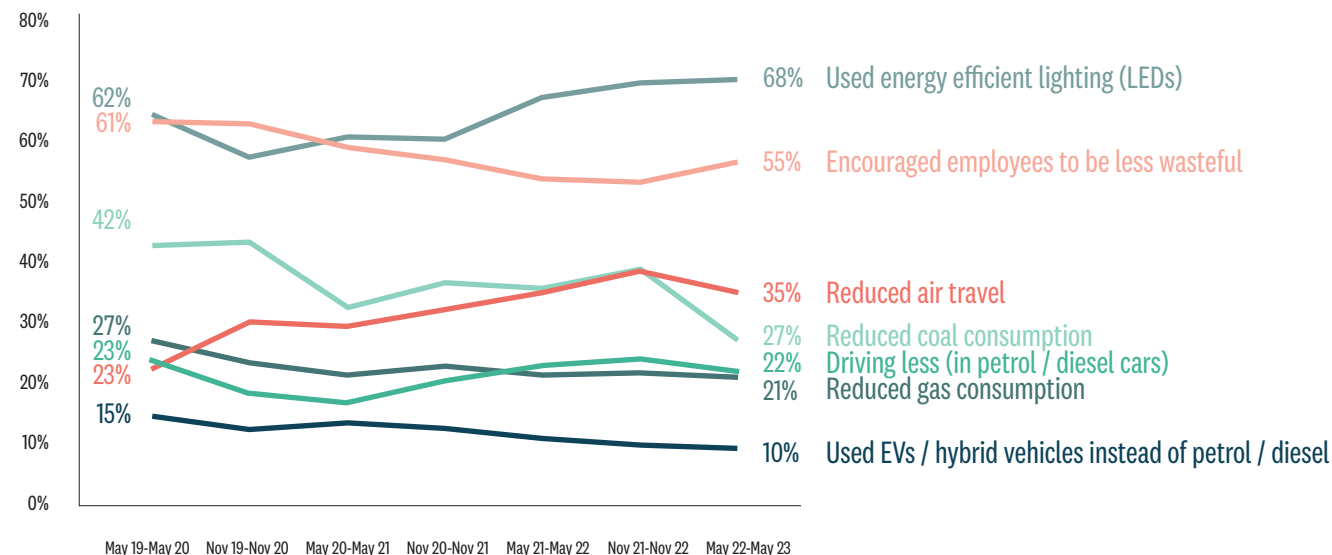


# Action is lower than average and static overall

Rises in some actions are countered by decreasing actions elsewhere.

## Secondary sector

### Secondary sector actions taken regularly over time (18MR data)



### Average number of actions taken regularly\* Change over time

	May 19-May 20	May 22-May 23	Diff.
Secondary sector	2.5	2.4	-0.1
Average across all industries	2.6	2.7	+0.1

\*Average based on the 7 actions that have been included consistently throughout research period

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

Base: 18MR primary industries range n=82-124, Secondary industries range n=372-412, Wholesale / retail n=297-337, Professional services n=278-306, Public n=174-204

# The wholesale / retail sector is on board and ready to change

**Wholesale /  
retail**

Belief is fairly high and steady. Small and large businesses are relatively united in their climate attitudes.

Compared to other industries, this sector has a greater sense:

- That their customers are willing to pay more for climate-friendly products (around one-third agree)
- That they themselves, as well as their business, are willing to make sacrifices to support the cause (around two-thirds agree)

## Belief climate change is real

Agree/Strongly Agree (12MR data)



May 19-Nov 19   Nov 19-May 20   May 20-Nov 20   Nov 20-May 21   May 21-Nov 21   Nov 21-May 22   May 22-Nov 22   Nov 22-May 23

## Key differences in climate beliefs

(all data May 19 – May 23)

Our business is willing to make some sacrifices in order to reduce our environmental impact



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



Our customers are willing to pay more for climate-friendly products / services



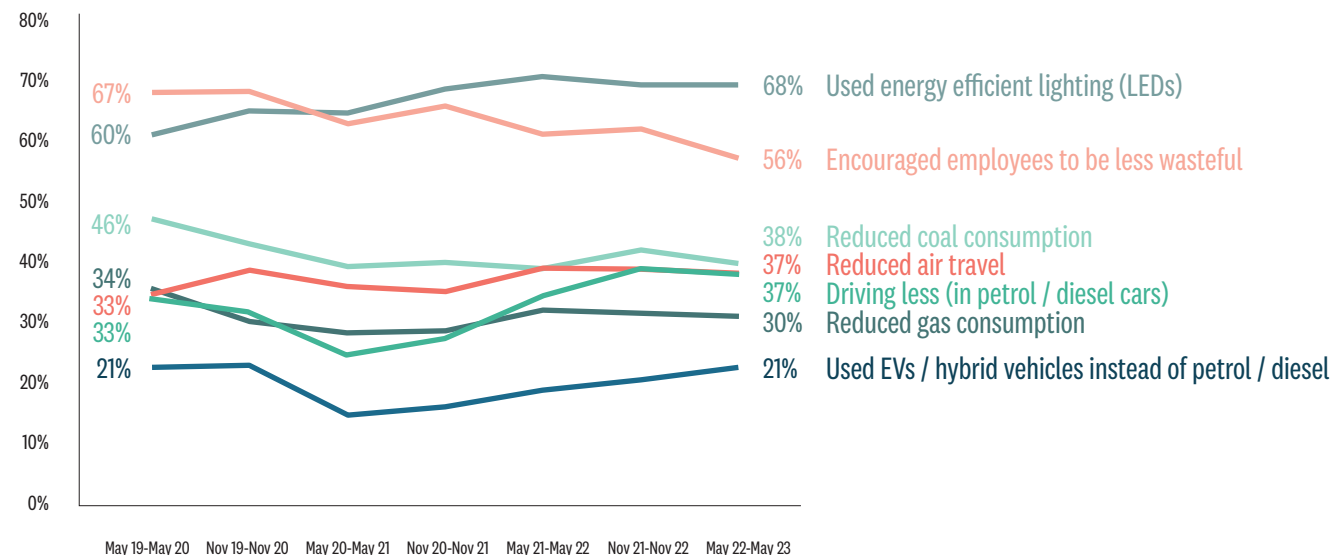
Wholesale / retail  
 All businesses

CLIMATE\_BELIEFS. How much do you agree or disagree with below statements?  
Base: whole research period May 2019 – May 2023 Wholesale / Retail n=87-298

# But despite strong cause alignment, actions overall are not yet increasing

**Wholesale / retail**

## Wholesale / retail actions taken regularly over time (18MR data)



## Average number of actions taken regularly\* Change over time

	May 19-May 20	May 22-May 23	Diff.
Wholesale / retail	2.9	2.9	-
Average across all industries	2.6	2.7	+0.1

\*Average based on the 7 actions that have been included consistently throughout research period

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

Base: 18MR primary industries range n=82-124, Secondary industries range n=372-412, Wholesale / retail n=172-206, Professional services n=278-306, Public n=174-204

# The service sector isn't feeling much pressure to act

## Professional sector

Belief in climate change over time is fairly steady and around average.

There is little perceived pressure for the professional sector to act.

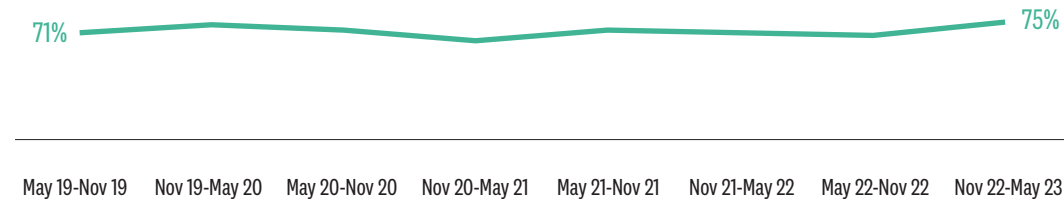
This is the sector least likely to:

- believe customers are expecting action from them
- see their peers taking action
- associate taking action with giving a competitive advantage.

Lower engagement with the cause is linked to the dominance of 0-5 FTEs in this sector which account for 96% of businesses.

### Belief climate change is real

Agree/Strongly Agree (12MR data)



### Key differences in climate beliefs

(all data May 19 – May 23)

We don't think that climate change will impact our company



It's hard to reduce our greenhouse gas emissions without increasing our costs



I can see the way I do business being affected by climate change



Professional services  
All businesses

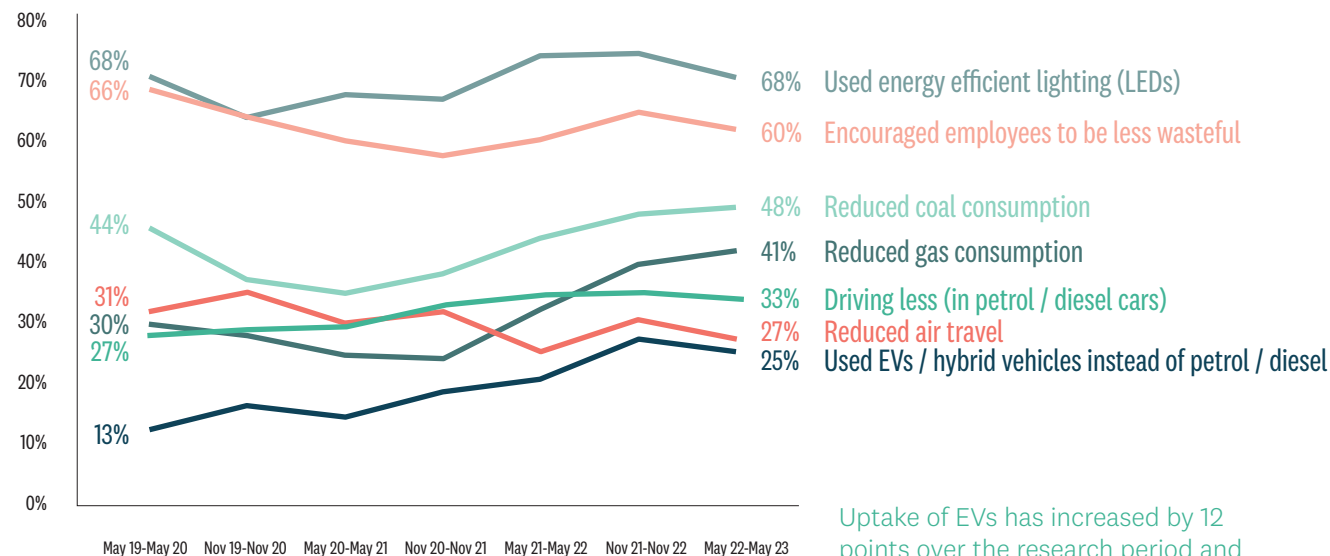
CLIMATE\_BELIEFS. How much do you agree or disagree with below statements?  
Base: whole research period May 2019 – May 2023 Professional Services n=398-490

# But action is higher than average and increasing

Particularly high impact actions through driving less and EV adoption

## Professional sector

### Professional services actions taken regularly over time (18MR data)



Uptake of EVs has increased by 12 points over the research period and driving less in ICE vehicles by 5 points.

### Average number of actions taken regularly\* Change over time

	May 19-May 20	May 22-May 23	Diff.
Professional	2.8	3	+0.2
Average across all industries	2.6	2.7	+0.1

\*Average based on the 7 actions that have been included consistently throughout research period

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

Base: 18MR primary industries range n=82-124, Secondary industries range n=372-412, Wholesale / retail n=297-337, Professional services n=278-306, Public n=174-204

# The way primary industries relate to climate change is complex and sometimes contradictory

## Primary sector

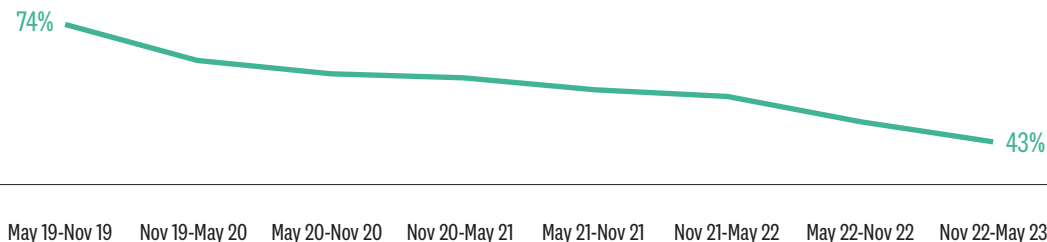
Belief climate change is real is significantly lower than other sectors and steadily falling over time.

Small businesses (0-5 FTE) in this sector have seen a steeper fall in belief than larger businesses – small businesses make up 93% of this sector.

Despite lower belief, many primary sector businesses feel the pressure – over half see the way they do business impacted by climate change, higher than any other sector and a belief that is growing over time.

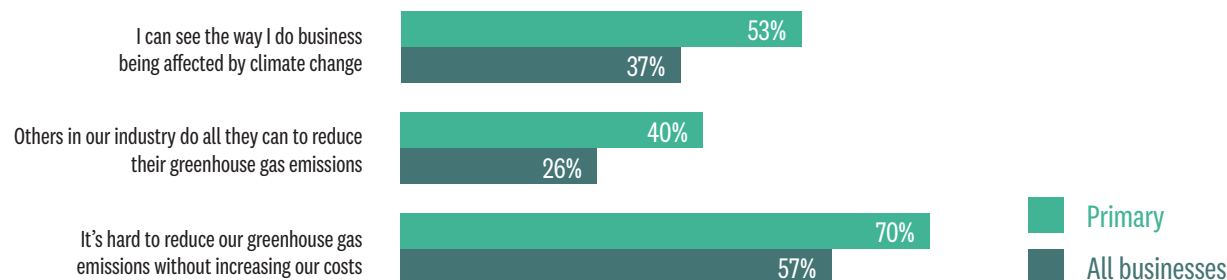
### Belief climate change is real

Agree/Strongly Agree (12MR data)



### Key differences in climate beliefs

(all data May 19 – May 23)

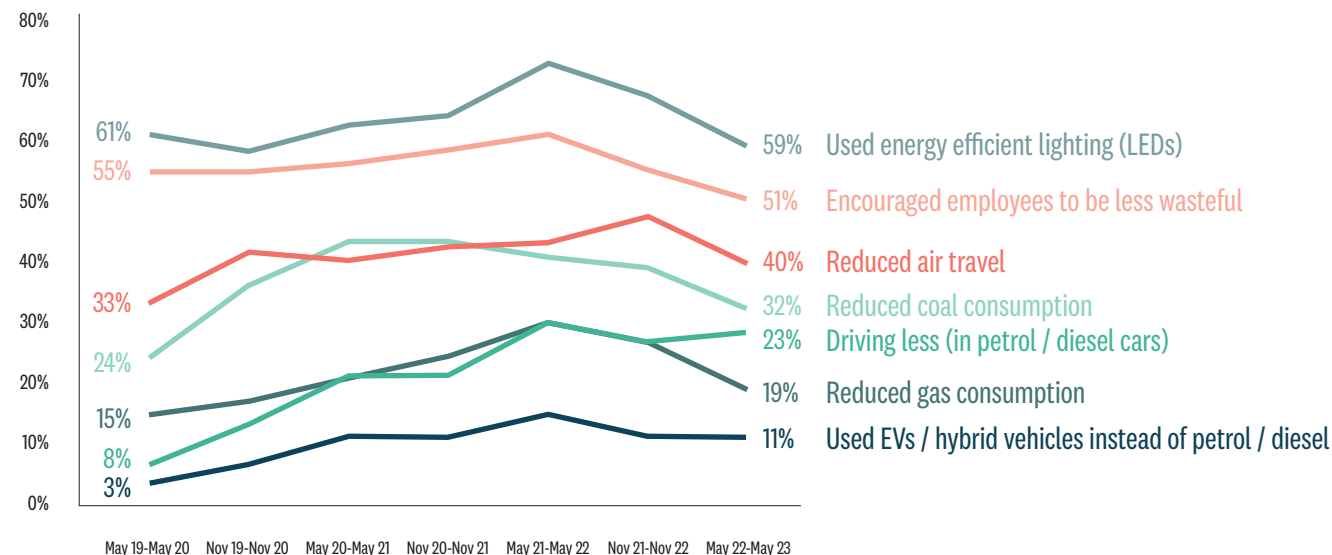


CLIMATE\_BELIEFS. How much do you agree or disagree with below statements?  
Base: whole research period May 2019 – May 2023 Primary Industry n=152-245

# They're becoming more active over time, in contrast to most other sectors

## Primary sector

### Primary sector actions taken regularly over time (18MR data)



### Average number of actions taken regularly\* Change over time

	May 19-May 20	May 22-May 23	Diff.
Primary	2	2.4	+0.4
Average across all industries	2.6	2.7	+0.1

\*Average based on the 7 actions that have been included consistently throughout research period

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

Base: 18MR primary industries range n=82-124, Secondary industries range n=372-412, Wholesale / retail n=297-337, Professional services n=278-306, Public n=174-204

Each industry sector has different types of actions they can take – related to how their business works.

We also know that size makes a big difference within sector.

They also have differing pressures.





## Our commitment to helping businesses stronger than ever



Consumer &  
Business Monitors



Behaviour Change Playbook  
(July publishing)



Public Engagement via  
Gen Less campaigns



Co-funding  
opportunities



Technical support (sector  
decarbonisation pathways,  
webinars, reports)



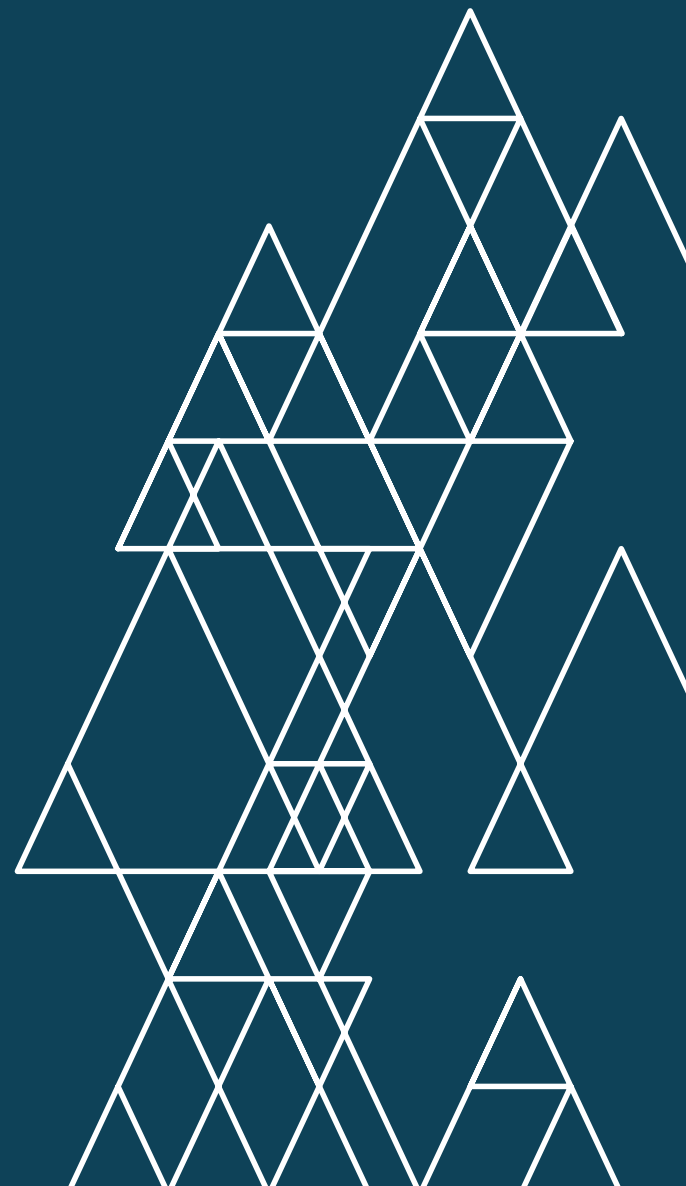
Story-telling, testimonials  
and examples



Climate Action Toolbox

# Ngā mihi

## Q&A



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For more information, insights, and interactive tools that can help you make better decisions around energy and climate change visit:

**[www.eeca.govt.nz/insights/](http://www.eeca.govt.nz/insights/)**

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