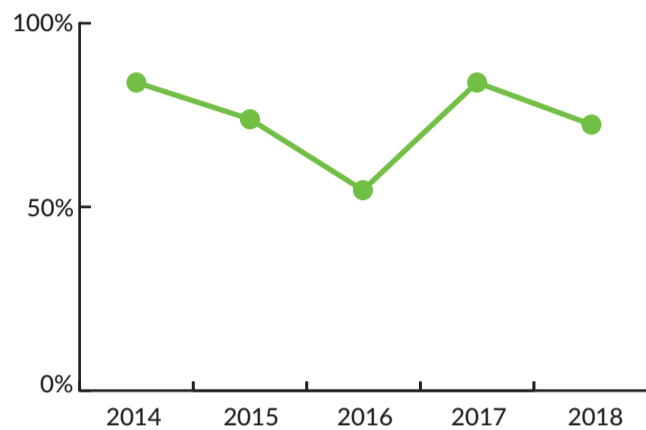


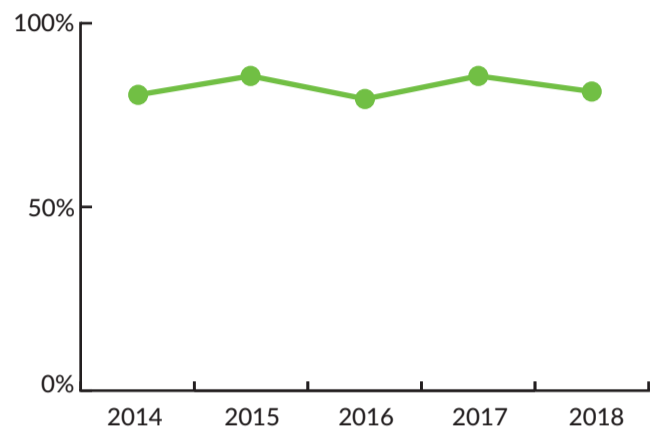
SOUTHLAND BUSINESS SURVEY 2018

BUSINESS CONFIDENCE

IN THE SOUTHLAND ECONOMY AND BUSINESS ENVIRONMENT OVER TIME



IN RELATION TO THEIR OWN BUSINESS OVER TIME



IN THE SOUTHLAND ECONOMY AND BUSINESS ENVIRONMENT IN 2018



● Very Pessimistic ● Somewhat Pessimistic ● Neutral ● Somewhat Positive ● Very Positive

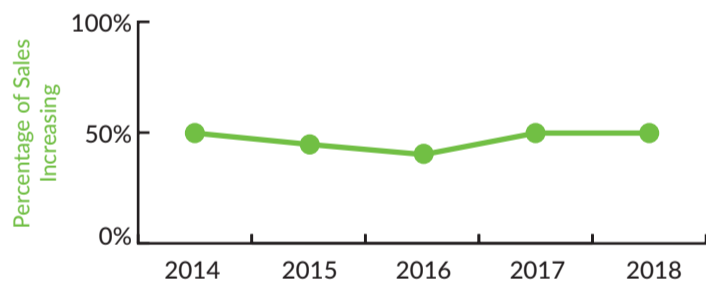
IN RELATION TO THEIR OWN BUSINESS IN 2018



● Very Pessimistic ● Somewhat Pessimistic ● Neutral ● Somewhat Positive ● Very Positive

BUSINESS SALES

INCREASING SALES OVER TIME

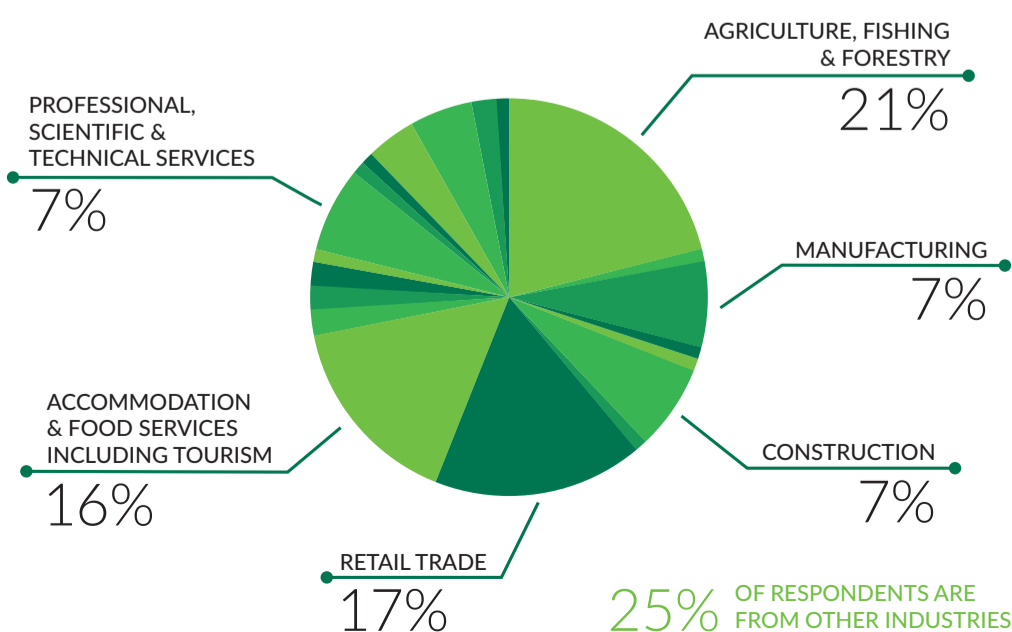


SALES IN 2018



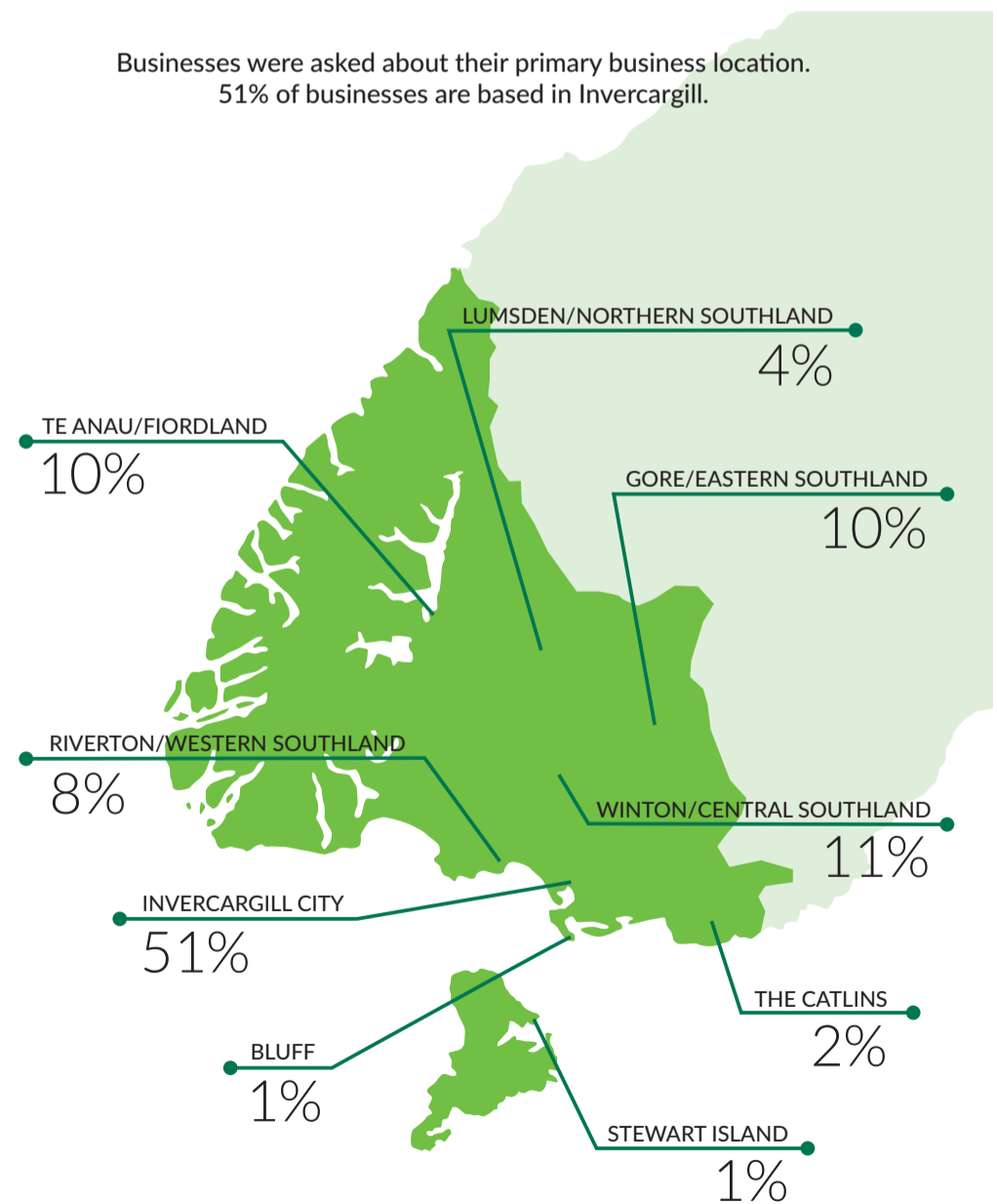
● Decreasing Sales ● Steady Sales ● Increasing Sales

INDUSTRIES OF RESPONDENTS



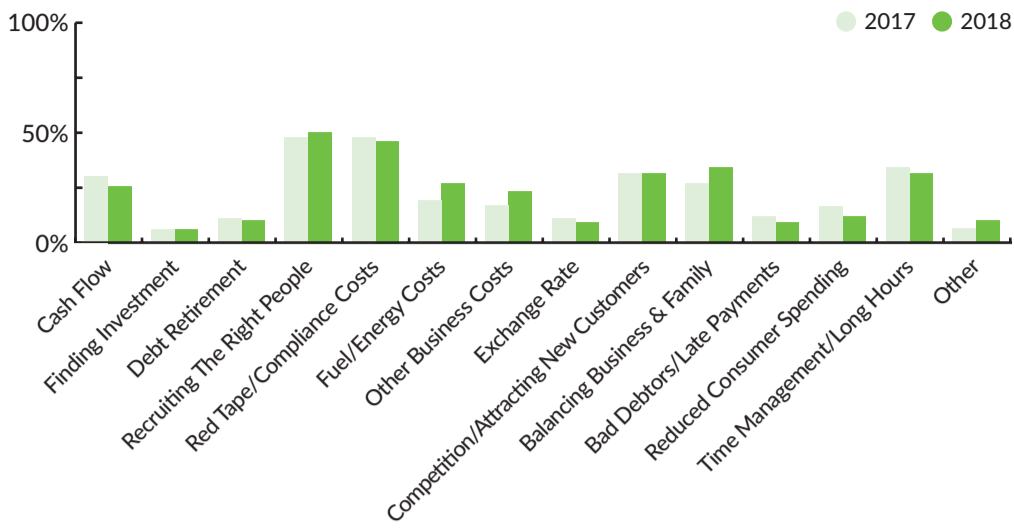
LOCATIONS OF BUSINESSES IN SOUTHLAND

Businesses were asked about their primary business location. 51% of businesses are based in Invercargill.



Southland is a region that relies on its small businesses. 22% of businesses responding to the survey had no employees (owner operated) and 57% of businesses employ only 1 - 10 people.

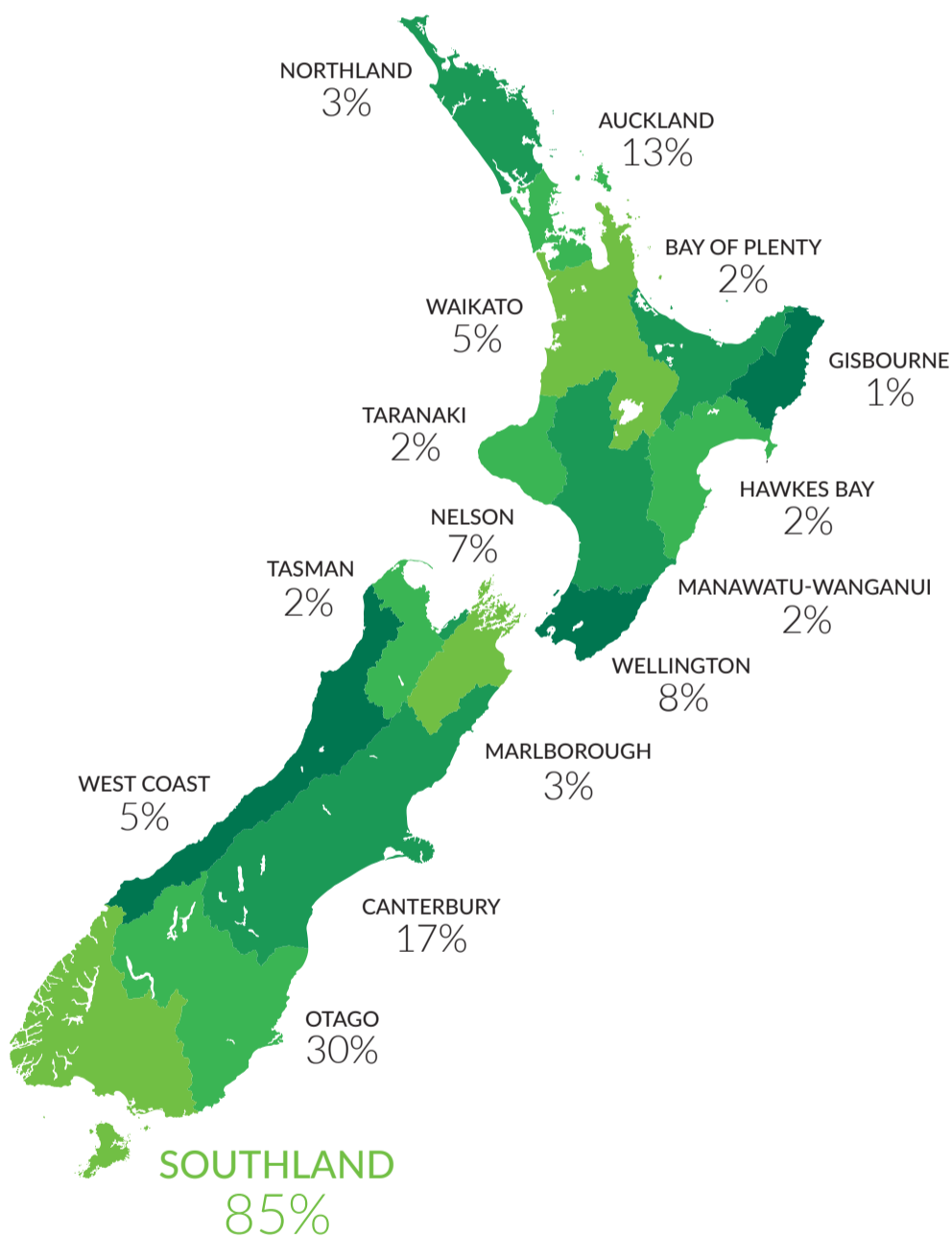
CHALLENGES FACING SOUTHLAND BUSINESSES



DOING BUSINESS WITHIN NEW ZEALAND

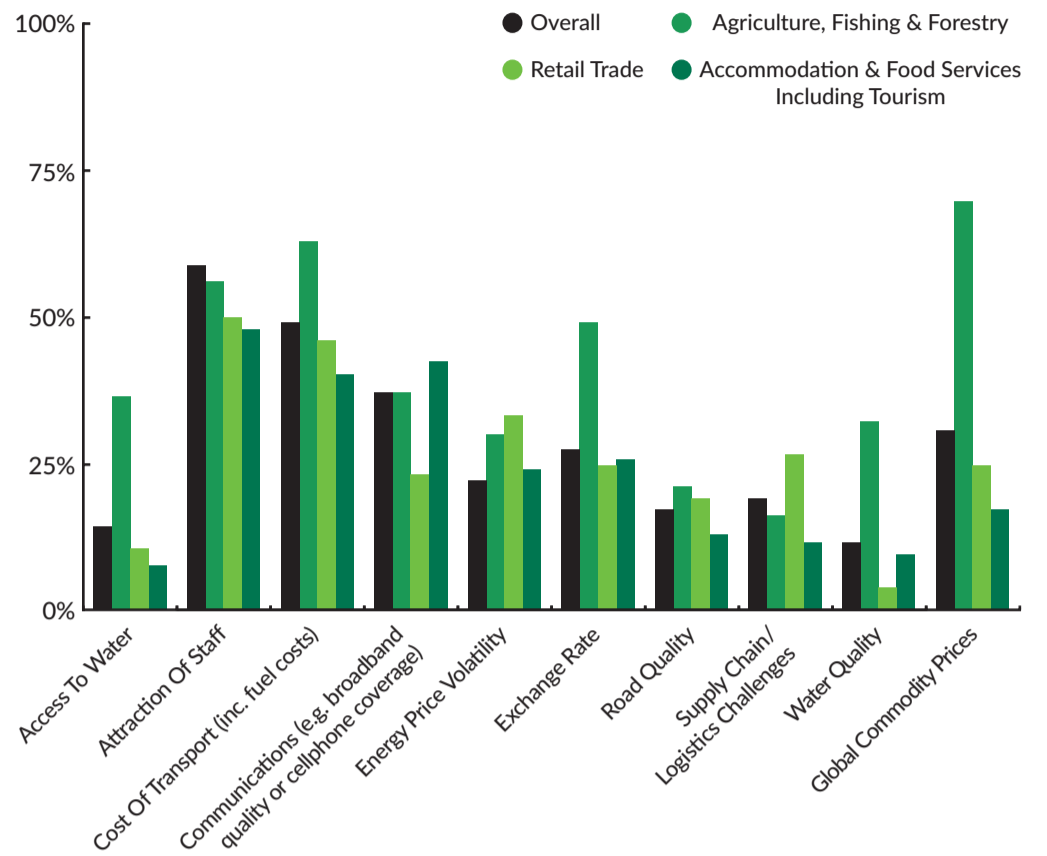
Similar to 2017, 85% of businesses do a significant part of their business within Southland. 30% do business with Otago, and 17% with Canterbury.

8% of businesses export and 44% are in the export supply chain. Australia continues to be the leading export market, followed by China and the wider Asia region.



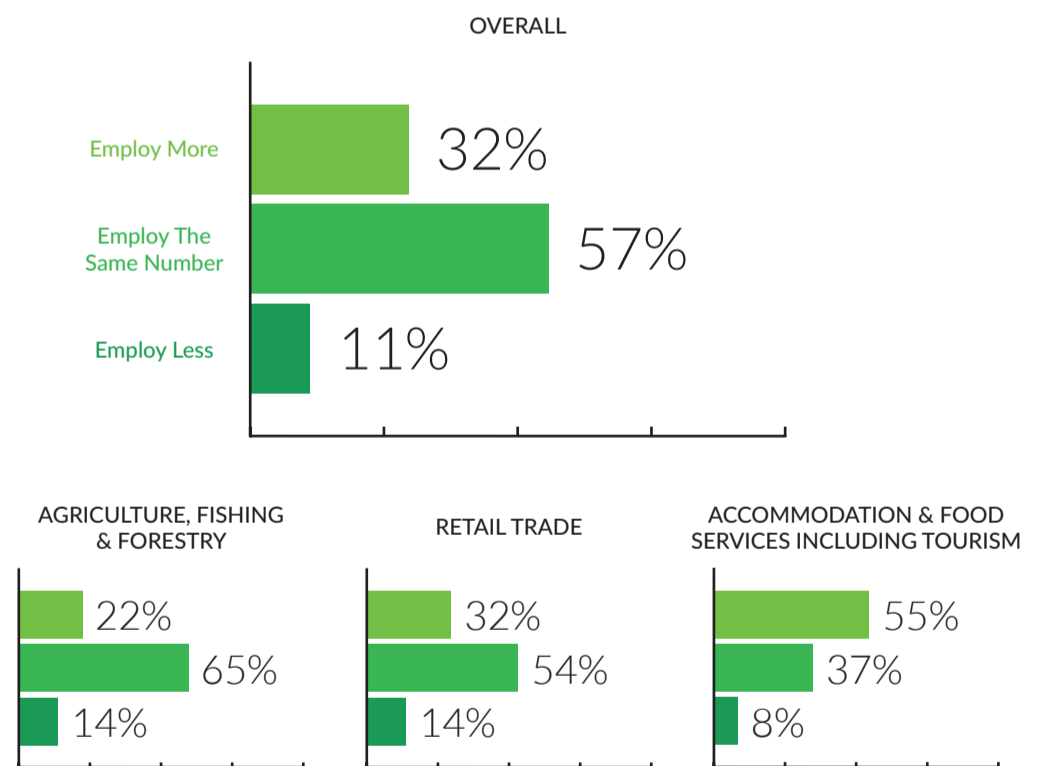
LONGTERM STRATEGIC PLANNING

As they look forward to the next three years, attraction of staff will continue to be the most significant strategic challenge for businesses in Southland. In 2018, the most significant change overall was seen in the cost of transport - 49% of businesses are now concerned with the cost of transport, up from 38% in 2017, 29% in 2016, 30% in 2015 and 40% in 2014.



WORKFORCE

Overall, businesses are employing more people now than in 2017 (32%, up 9%). A record high number of businesses - 50%, are planning to increase their staff in the next year (up 7% on 2017, 10% on 2016, 5% on 2015 and 10% on 2014).



MARKETING & DIGITAL TECHNOLOGY



2 in 3
businesses have a website



1 in 3
businesses use one social media platform



1 in 3
businesses expect the quality of communications services to impact on their business



7 in 10
businesses believe social media is a useful marketing channel



2 in 5
businesses plan to invest in online marketing over the next year and 1 in 4 businesses plan to invest in IT



9 in 10
tourism and retail businesses believe social media is a useful marketing channel