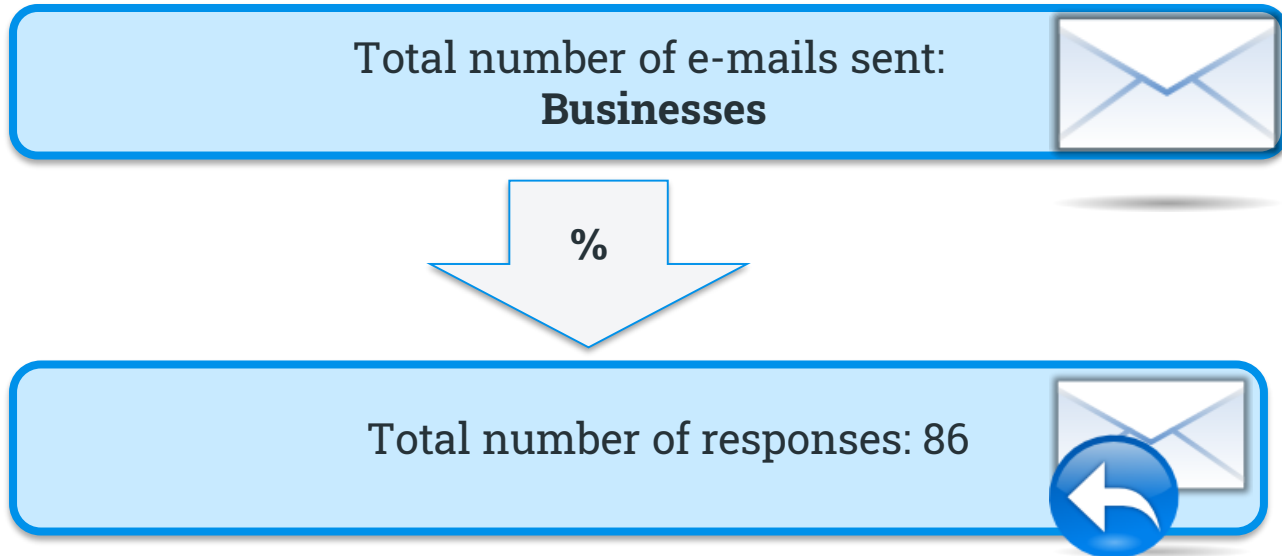


# Vanuatu Business Confidence Index Research: 2019

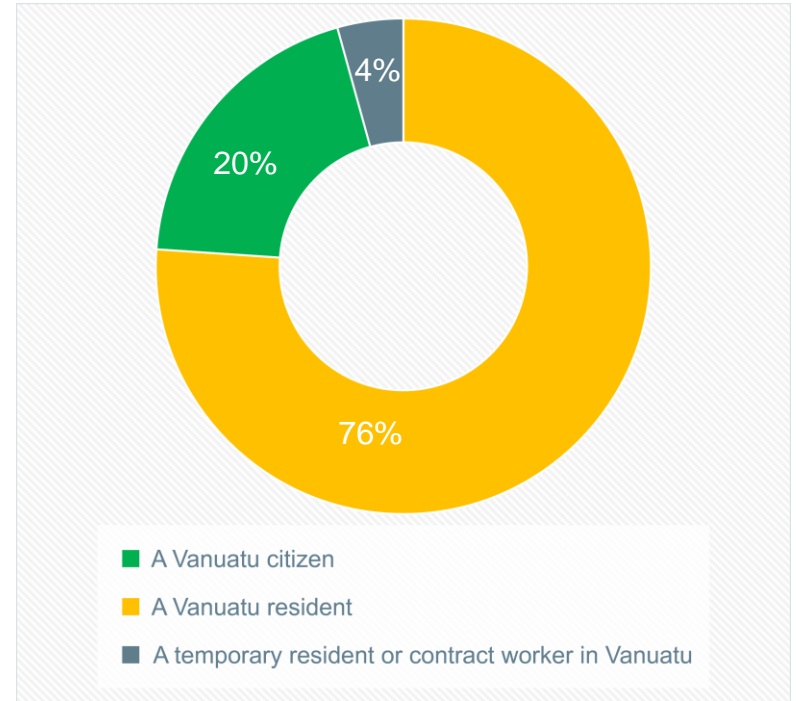
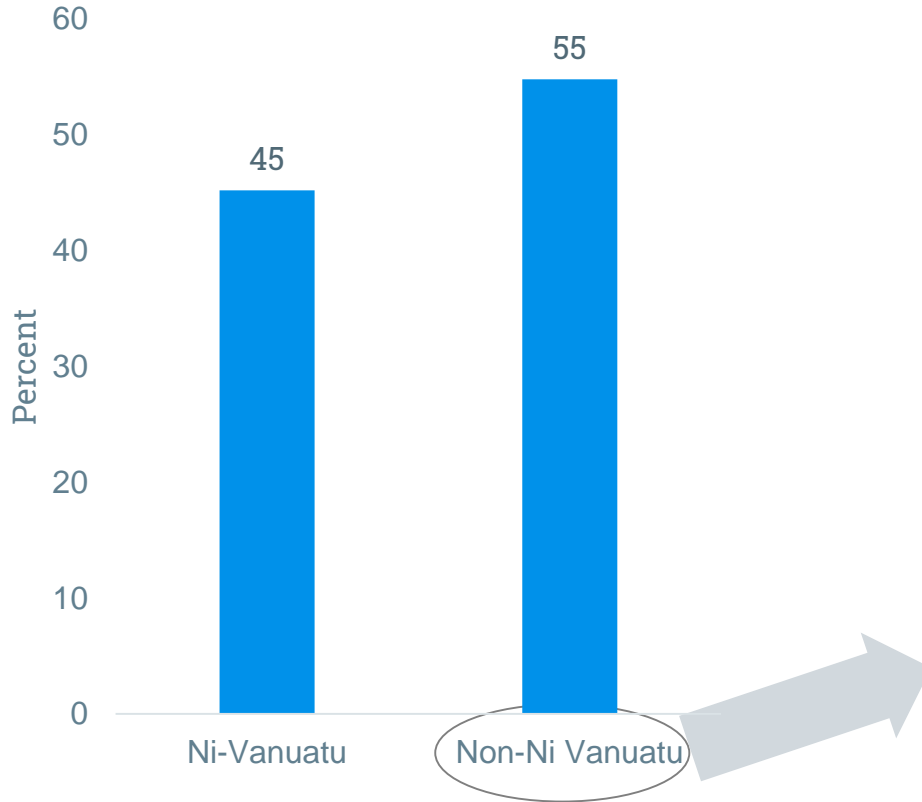


# Respondents (29 August to 6 November 2019)

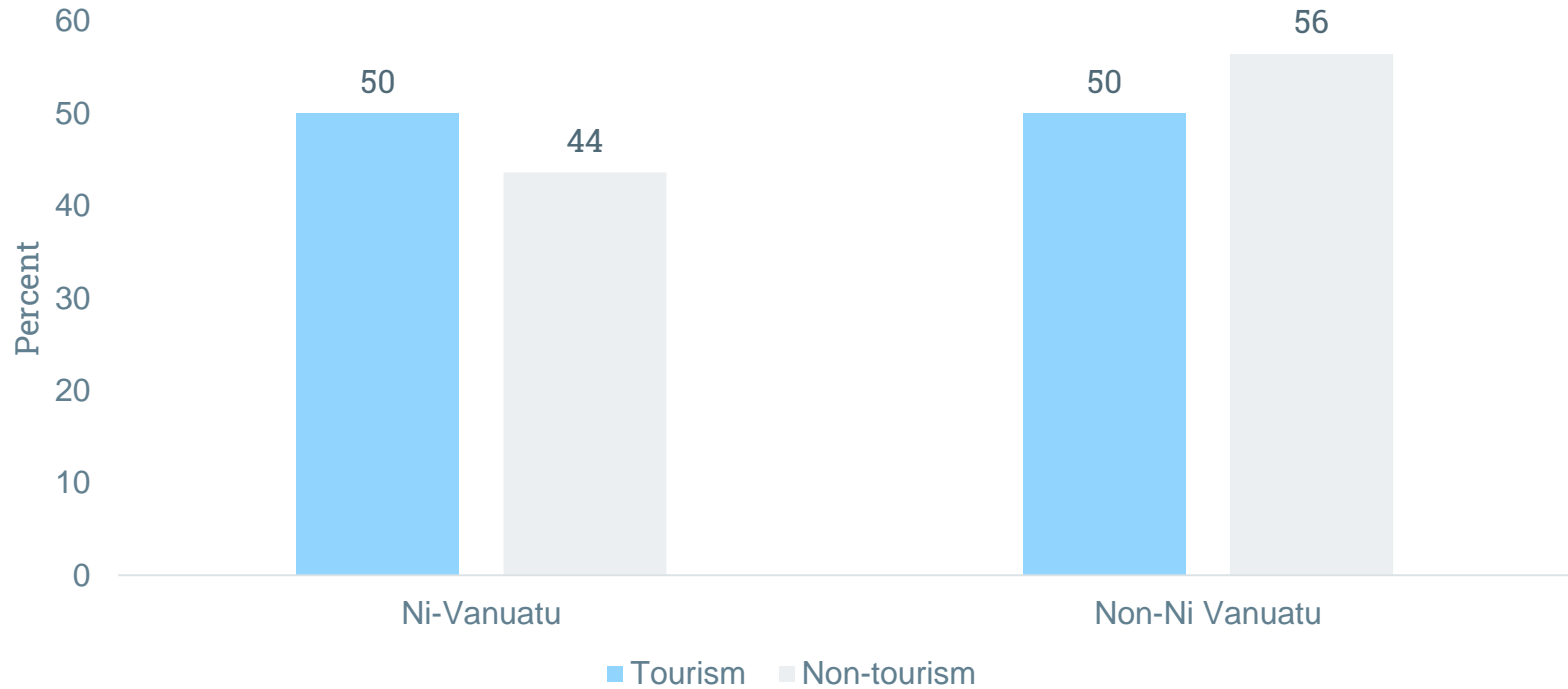


# Business profile

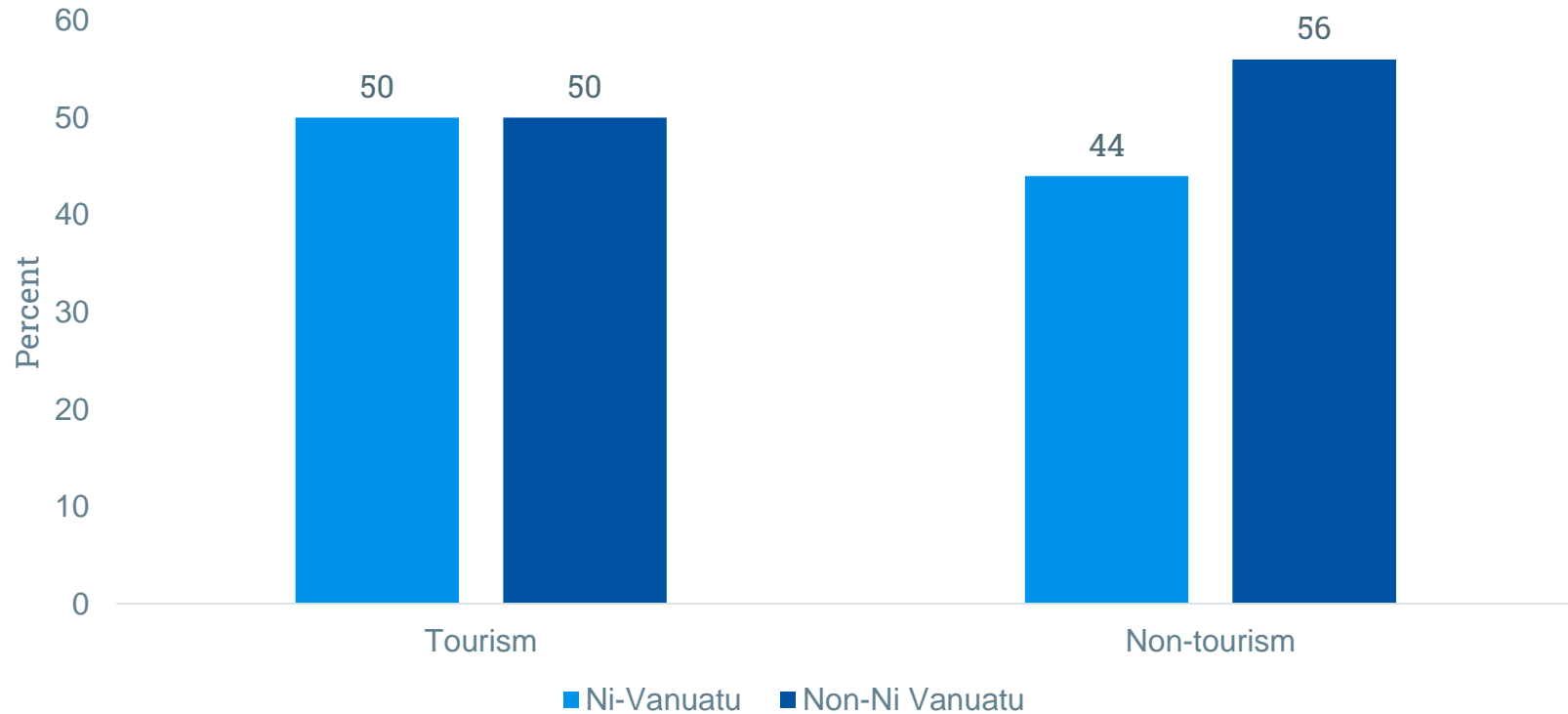
# Which of the following best describes you?



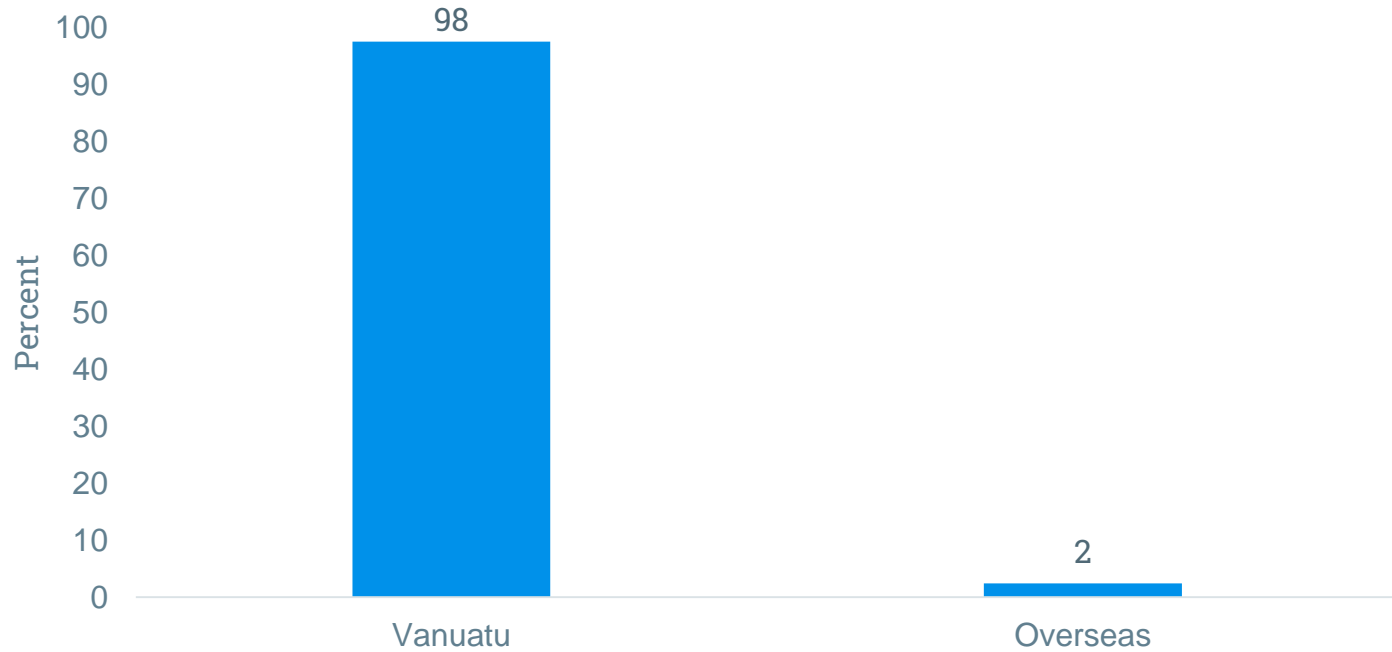
# Which of the following best describes you?



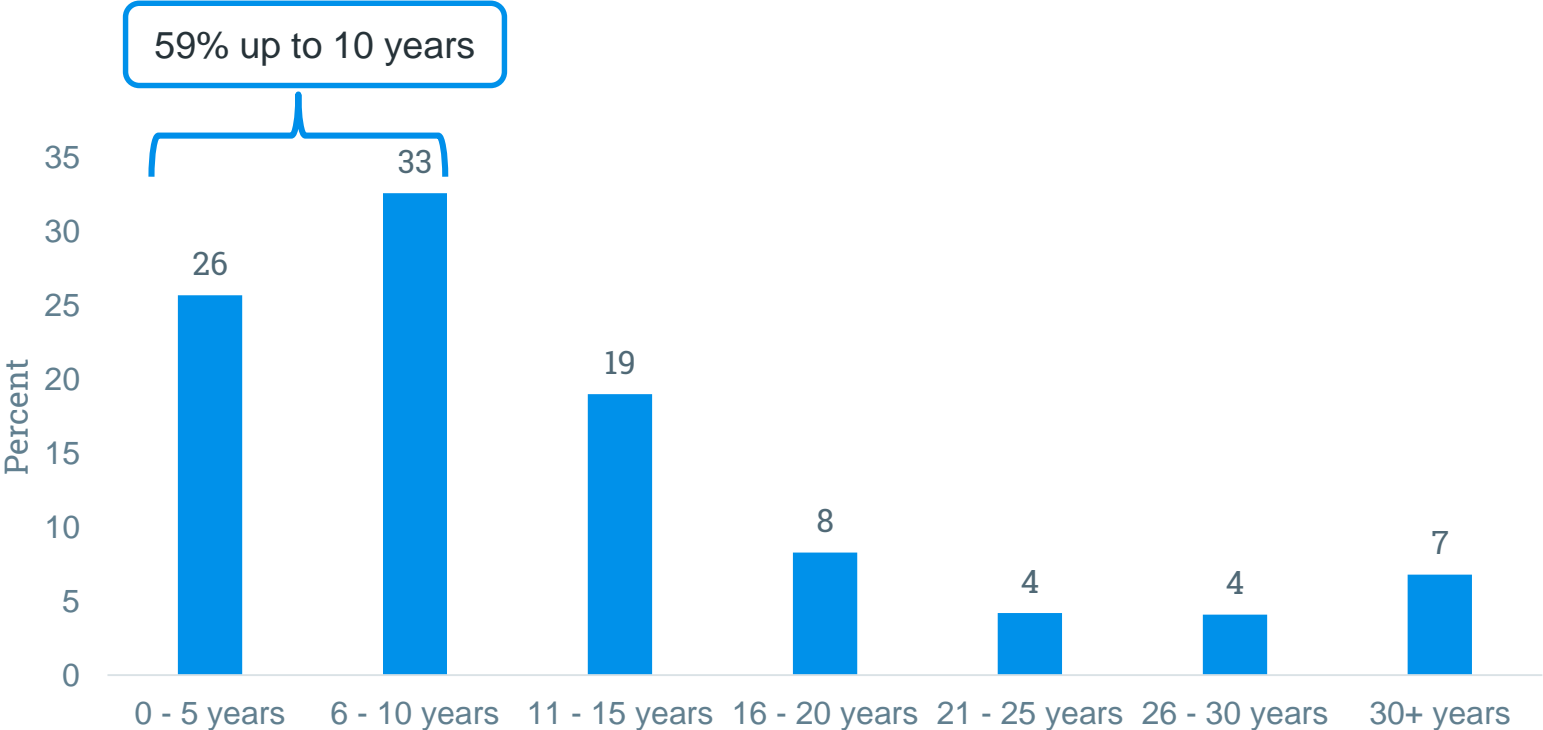
# Which of the following best describes you?



# Where do you spend the majority of your time?

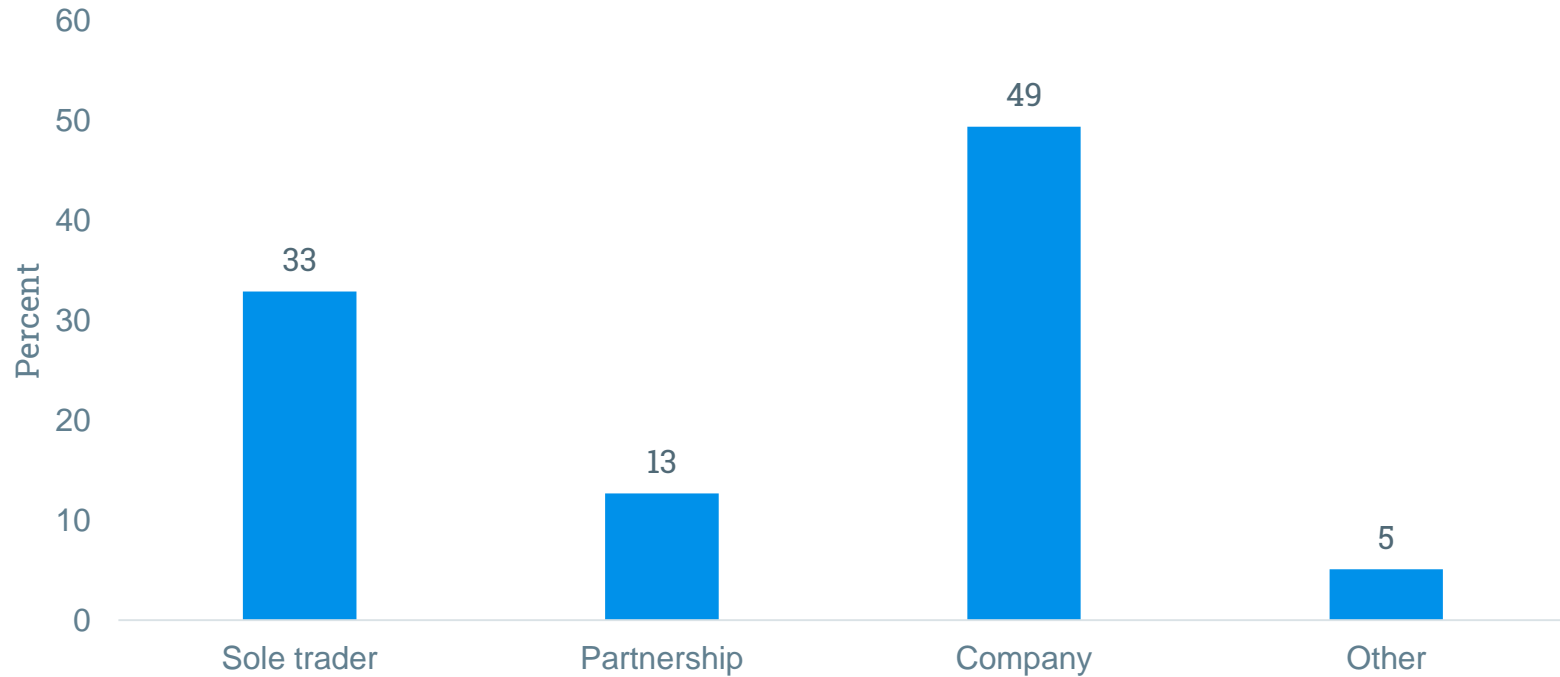


# How long has this business been operating in Vanuatu?

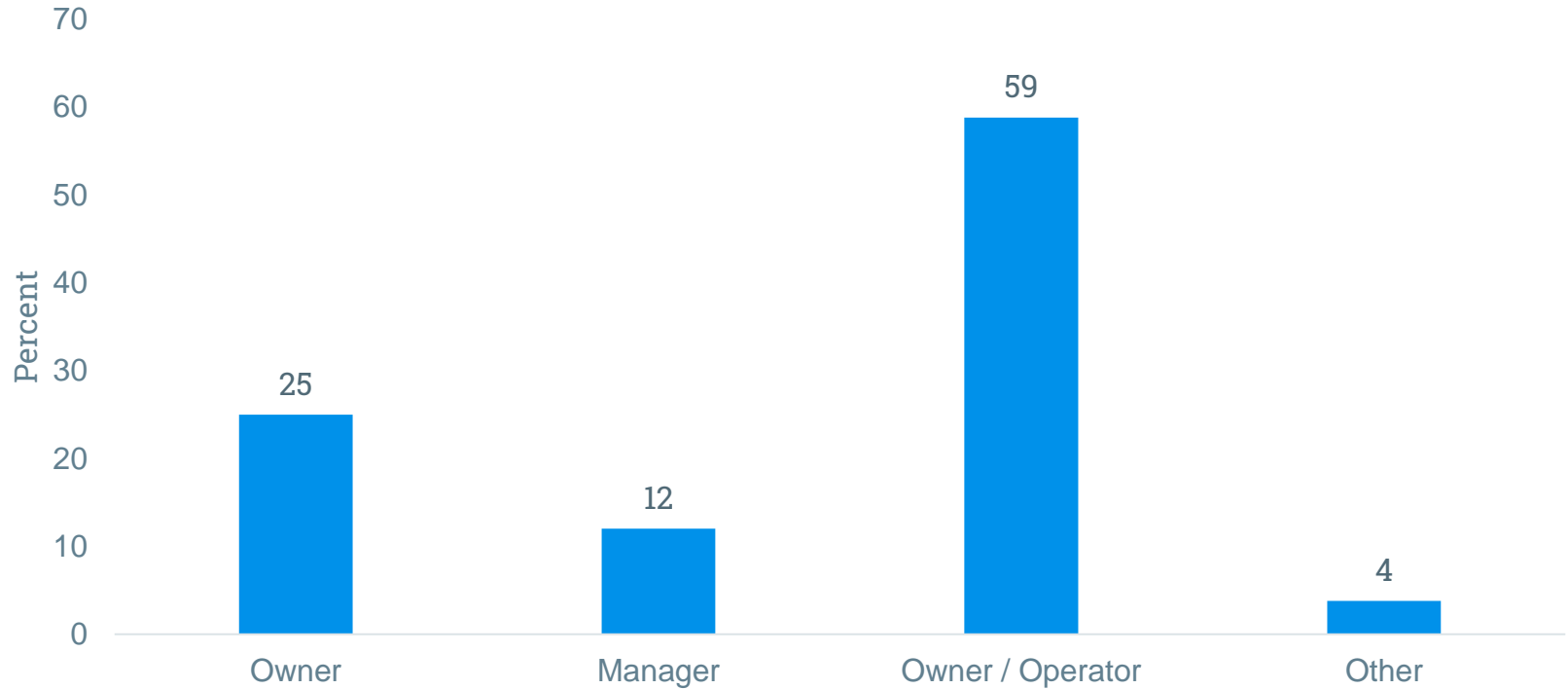




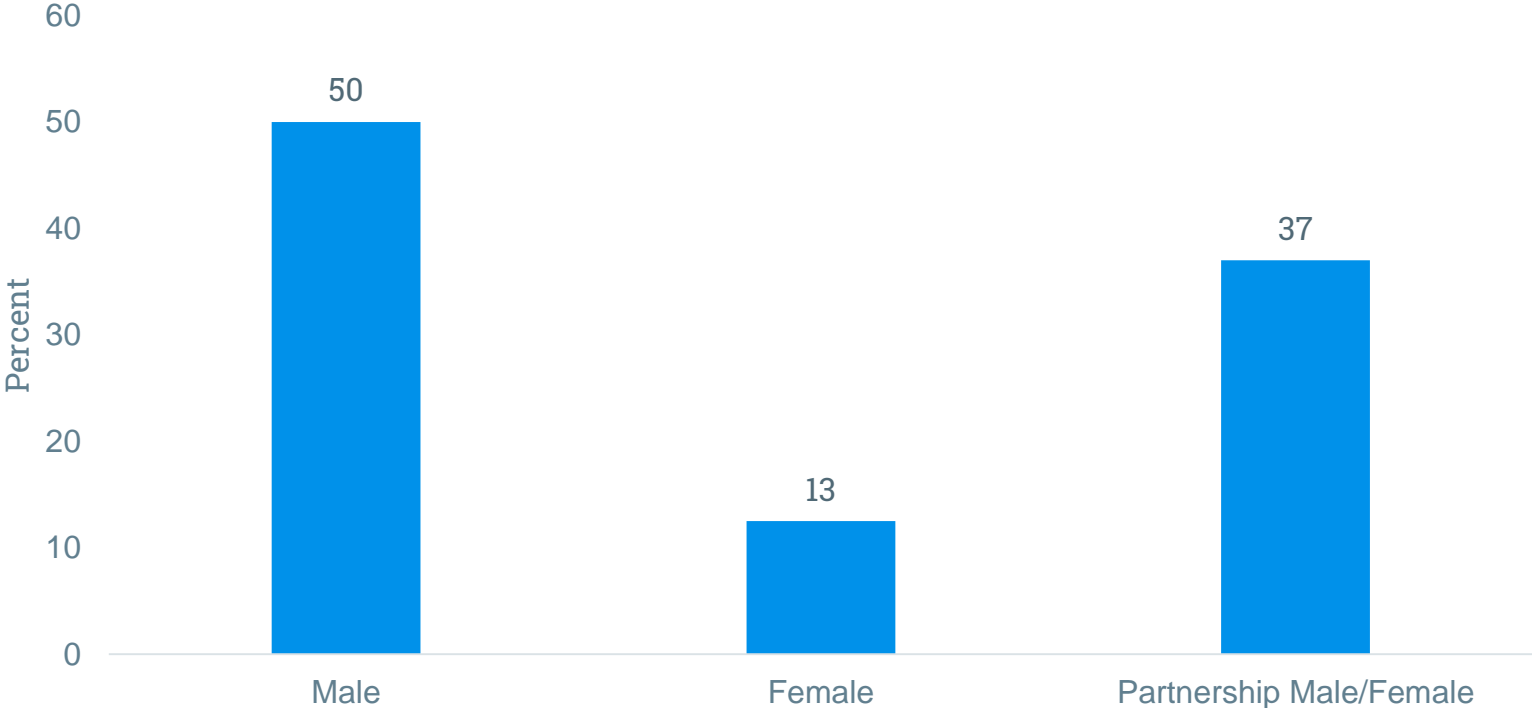
# What is the legal structure of this business?



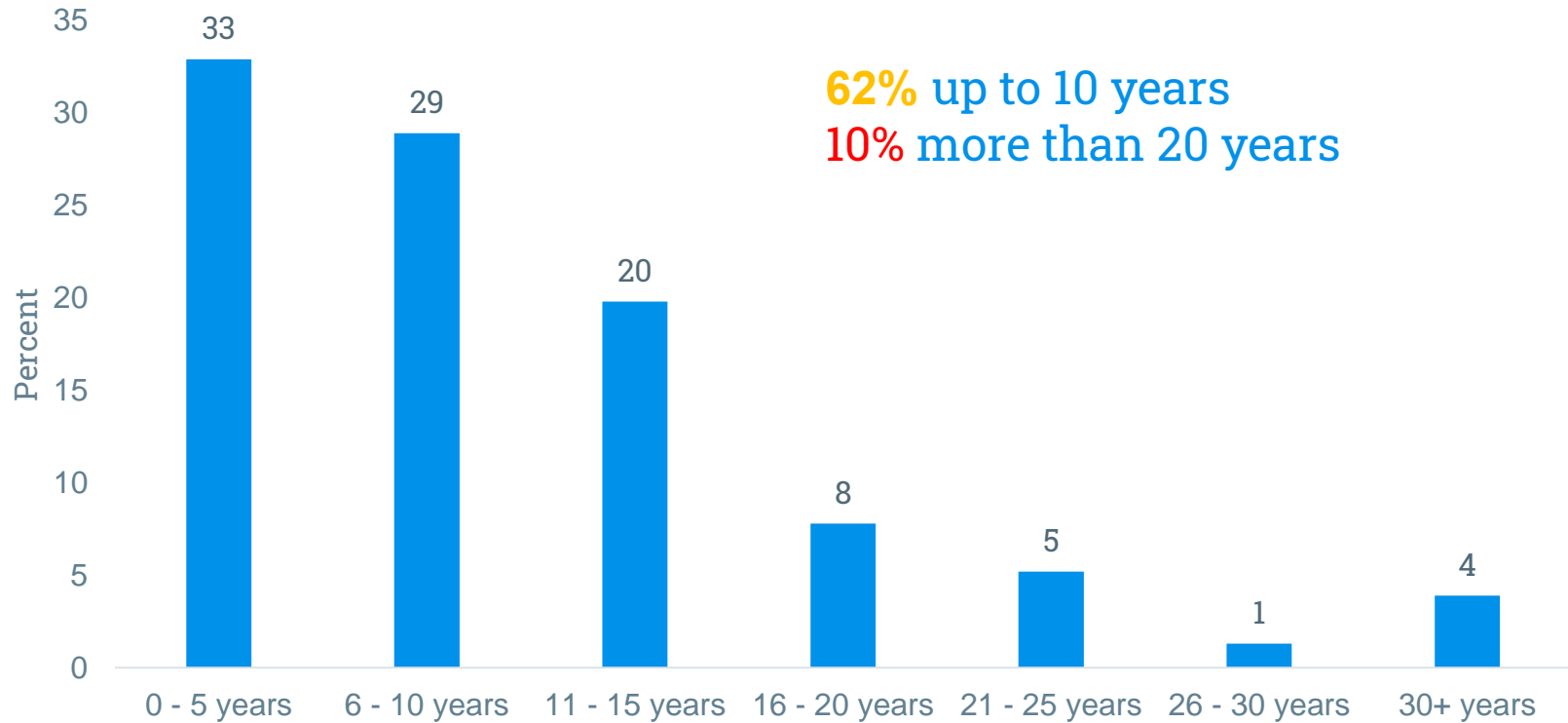
# What is your role in this business?



# What is the gender(s) of the business owner(s)?



# How long have you been in this role?



# What is the primary (main) focus of this business?

## Tourism sector (31%)

Accommodation provider 18%

Visitor activities/tours 6%

Handicrafts 4%

Restaurant/café/bar 3%

Vehicle rental 0%

## Non-tourism sector (69%)

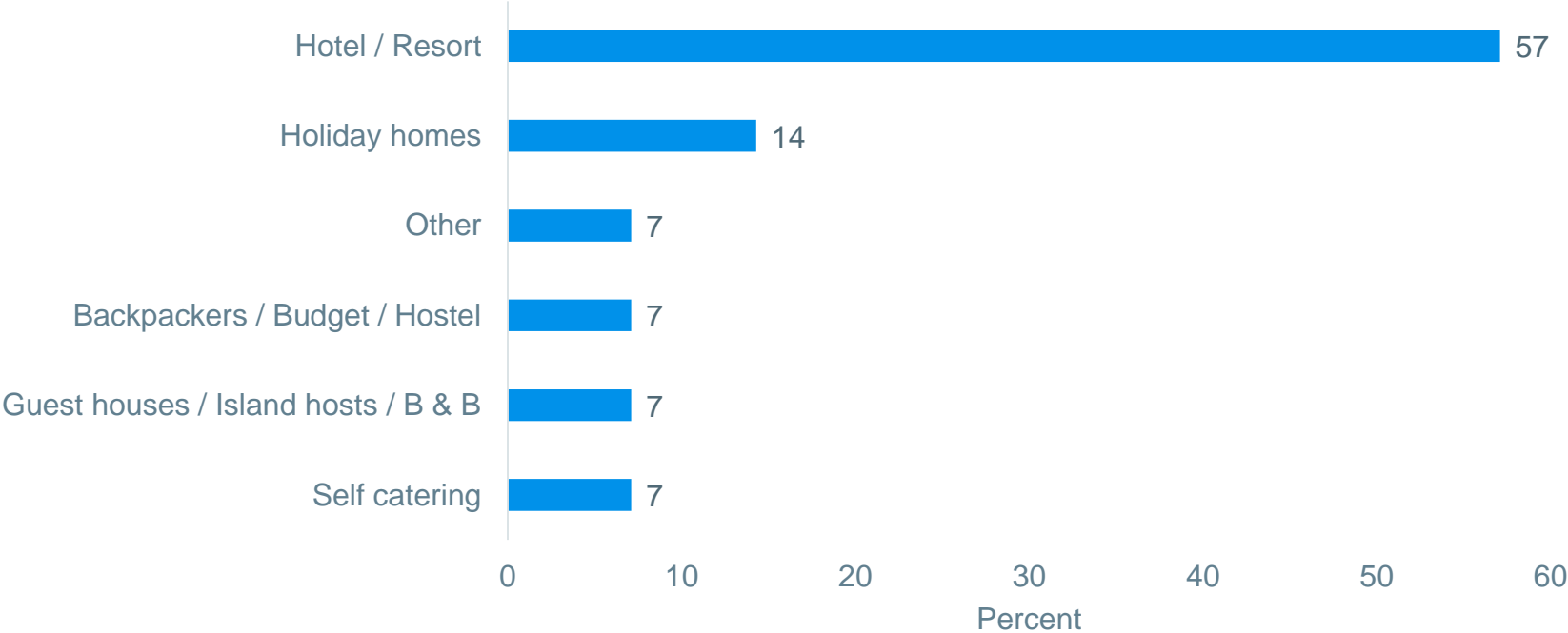
Retail 14%

Agriculture 7%

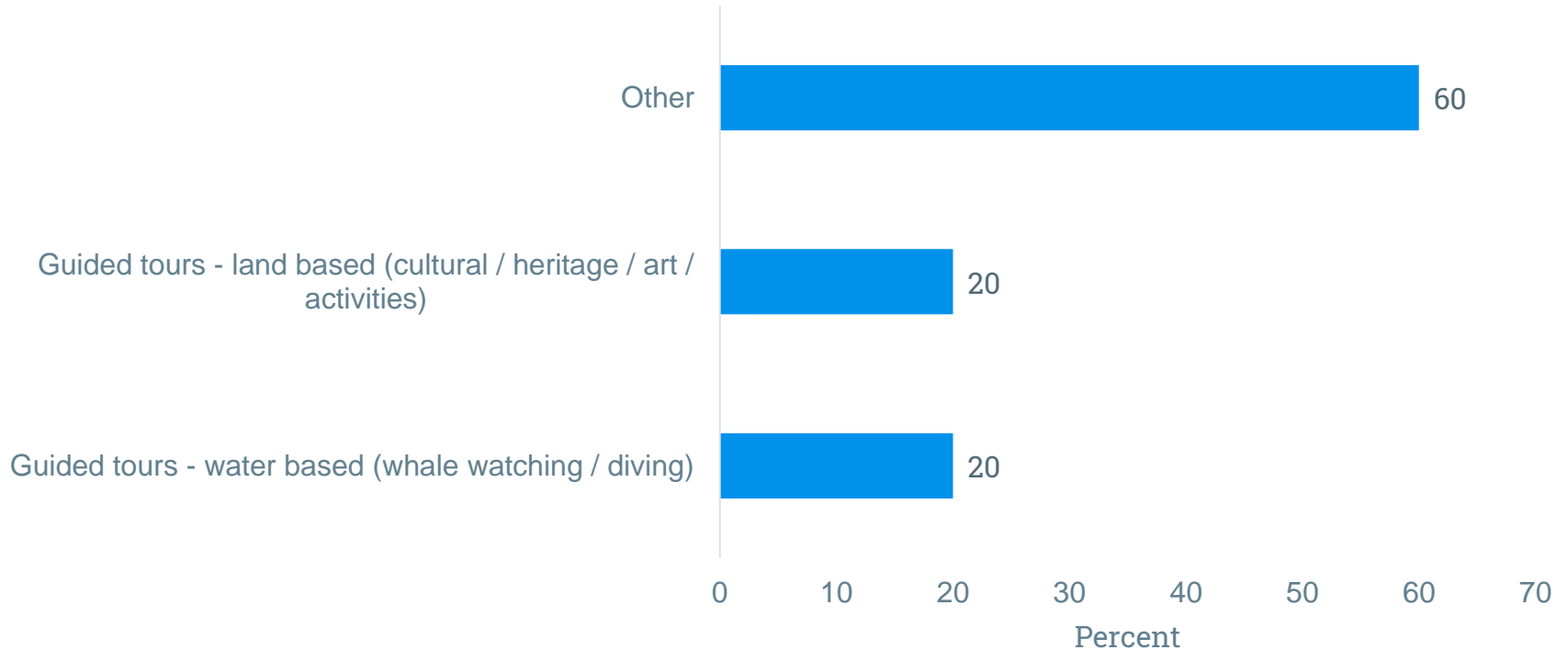
Transport provider 1%

Other business sector 47%

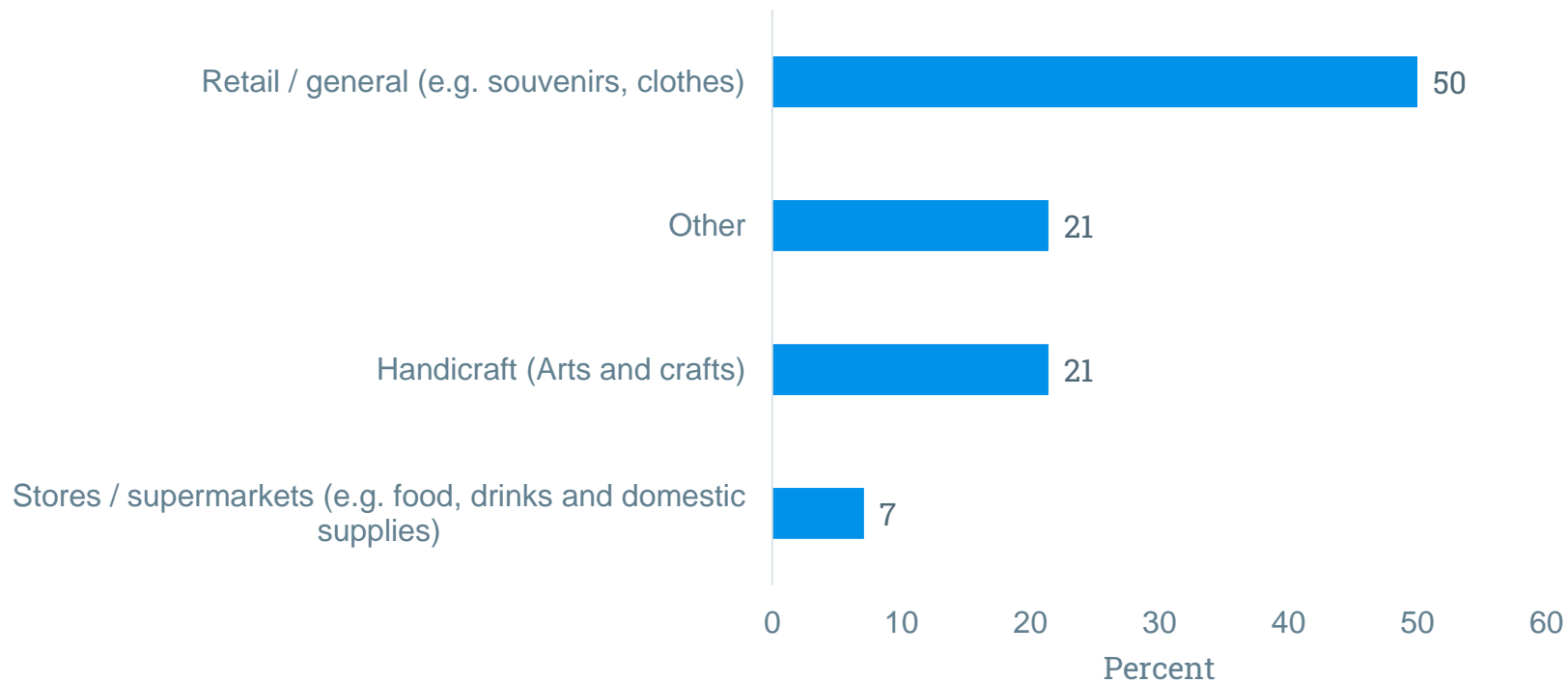
# Main focus of business – Accommodation provider



## Main focus of business – Visitor activities/tours

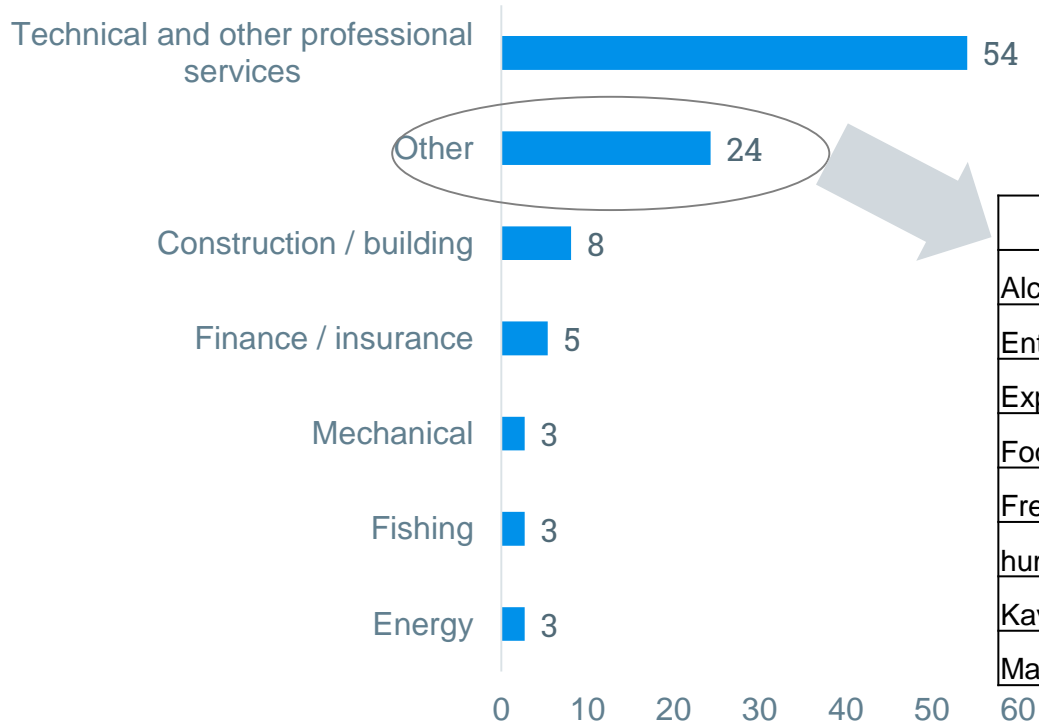


## Main focus of business – Retail





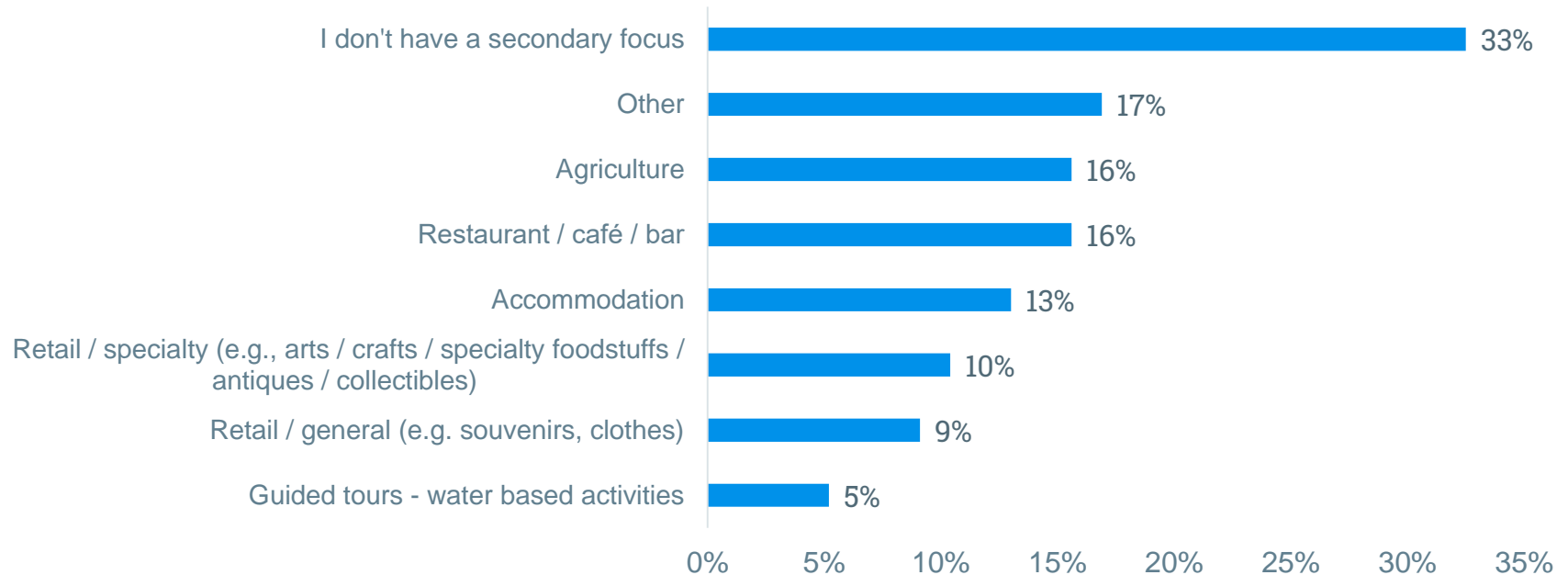
# Main focus of business – Other business



	Frequency	Percent
Alcohol	1	13%
Entertainment	1	13%
Export & Manufacturing	1	13%
Food value addition	1	13%
Freight & Logistics	1	13%
humanitarian services	1	13%
Kava export and root crops	1	13%
Marine /engineering/farming	1	13%

# Secondary focus of business

## Top 8 selections



## Does the primary business operate all year round?

99%

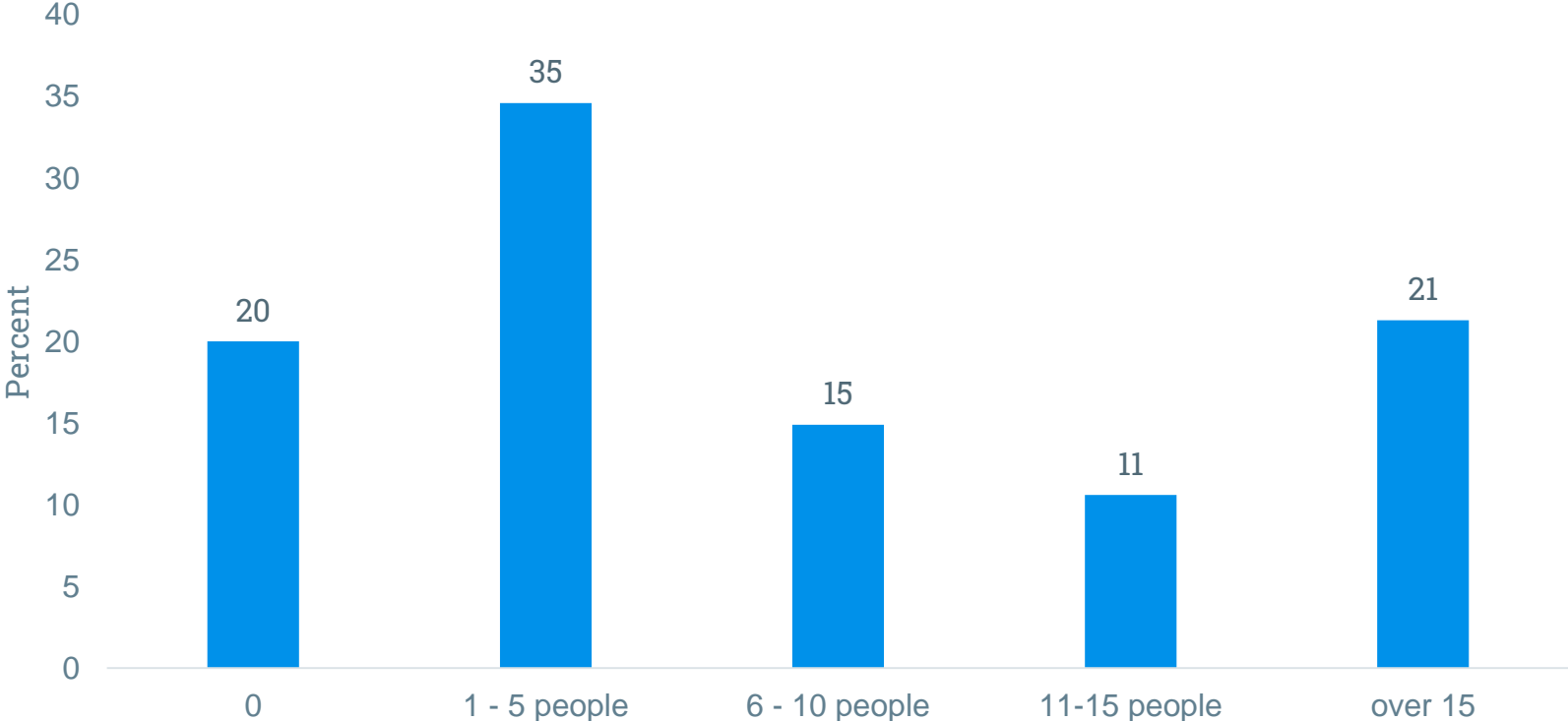
Operate all year

1%

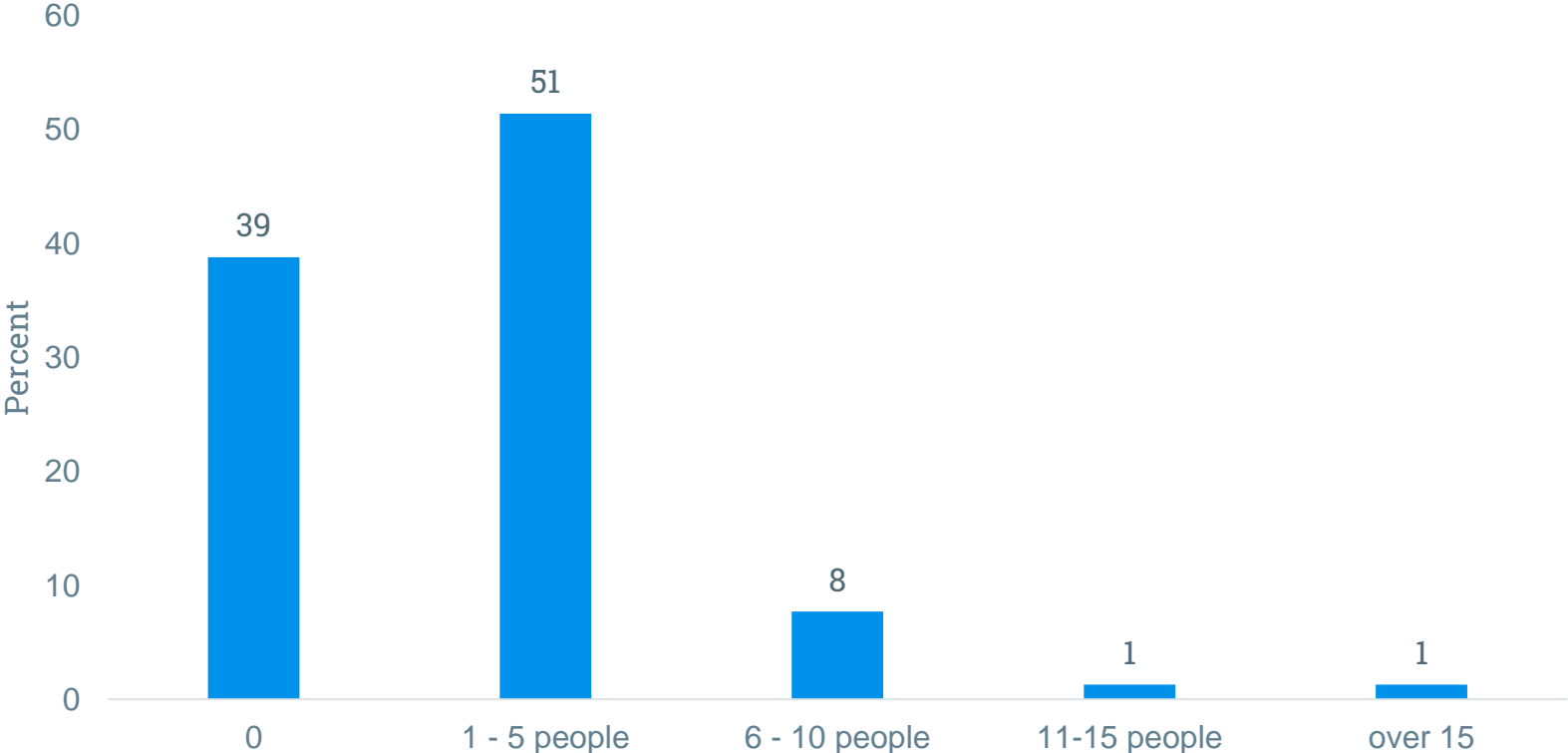
Don't operate in December and January

# Staffing

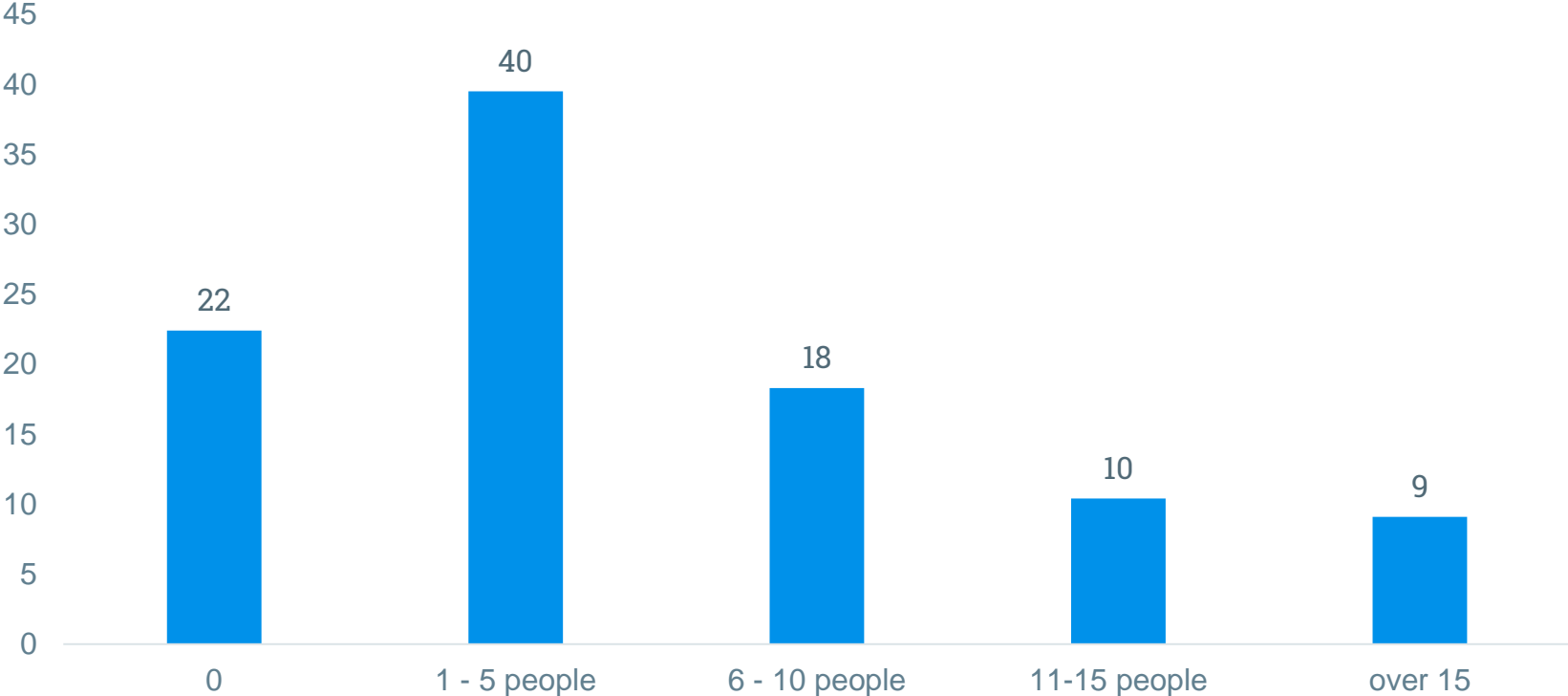
# Total number of full-time employees



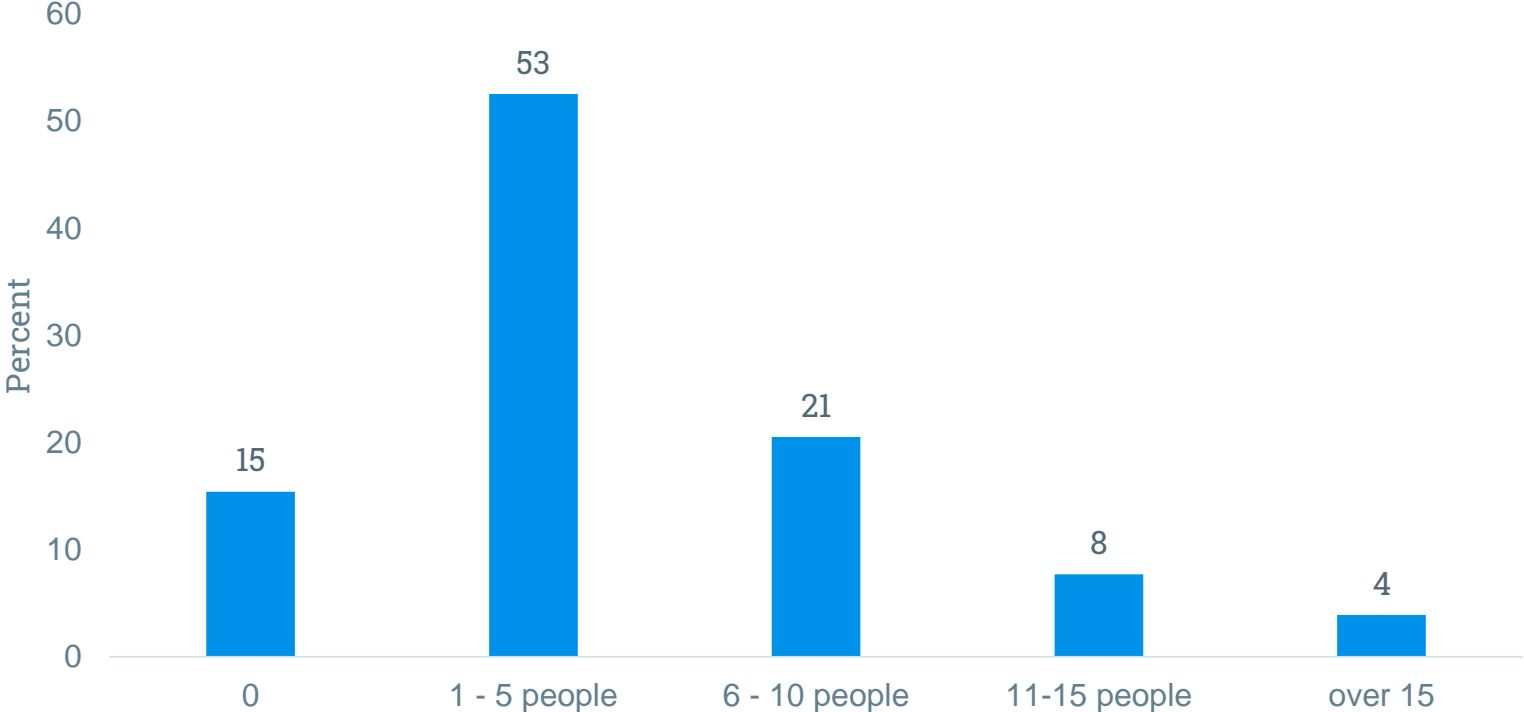
# Total number of part-time employees



# Total number of male staff



# Total number of female staff

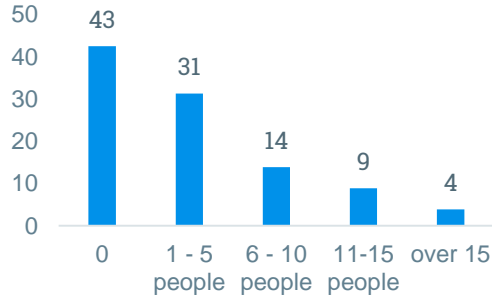




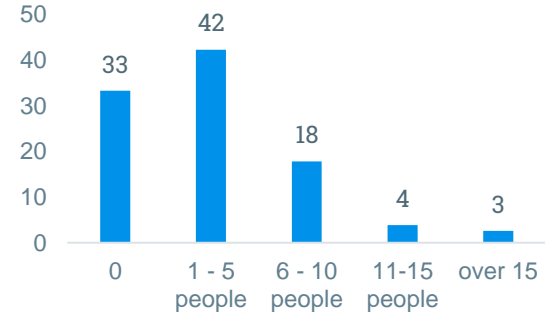
# Numbers of staff in the business (Ni-Vanuatu)

## Ni-Vanuatu male

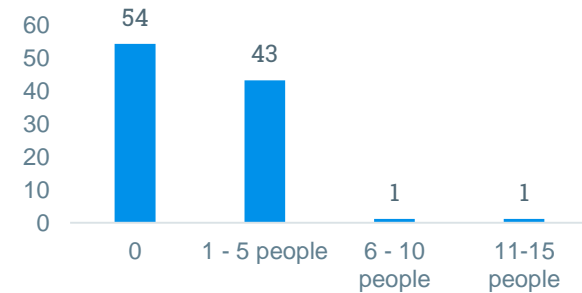
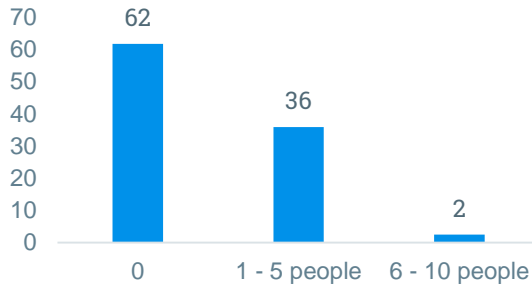
Full time



## Ni-Vanuatu female



Part time

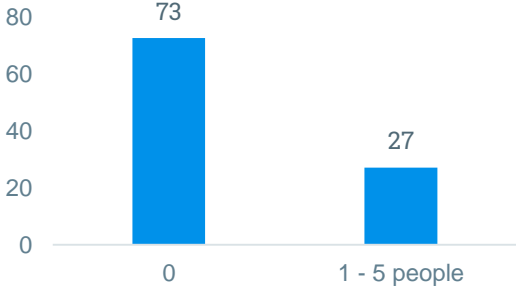
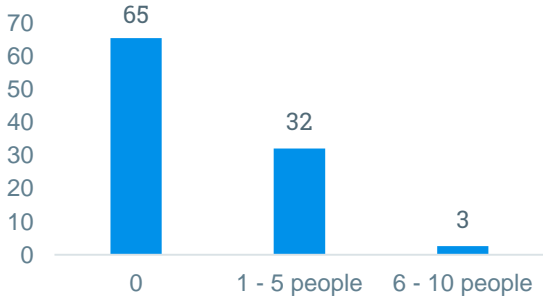


# Numbers of staff in the business (Non-Ni Vanuatu)

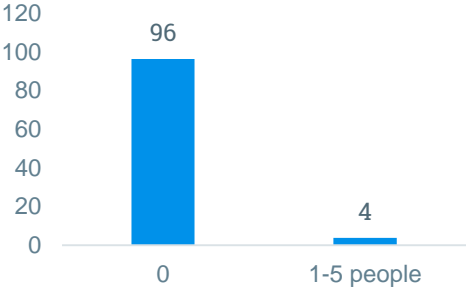
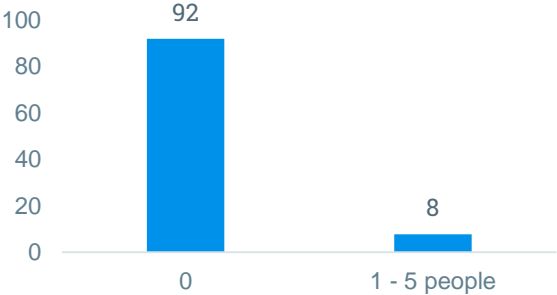
### Non-Ni Vanuatu male

### Non-Ni Vanuatu female

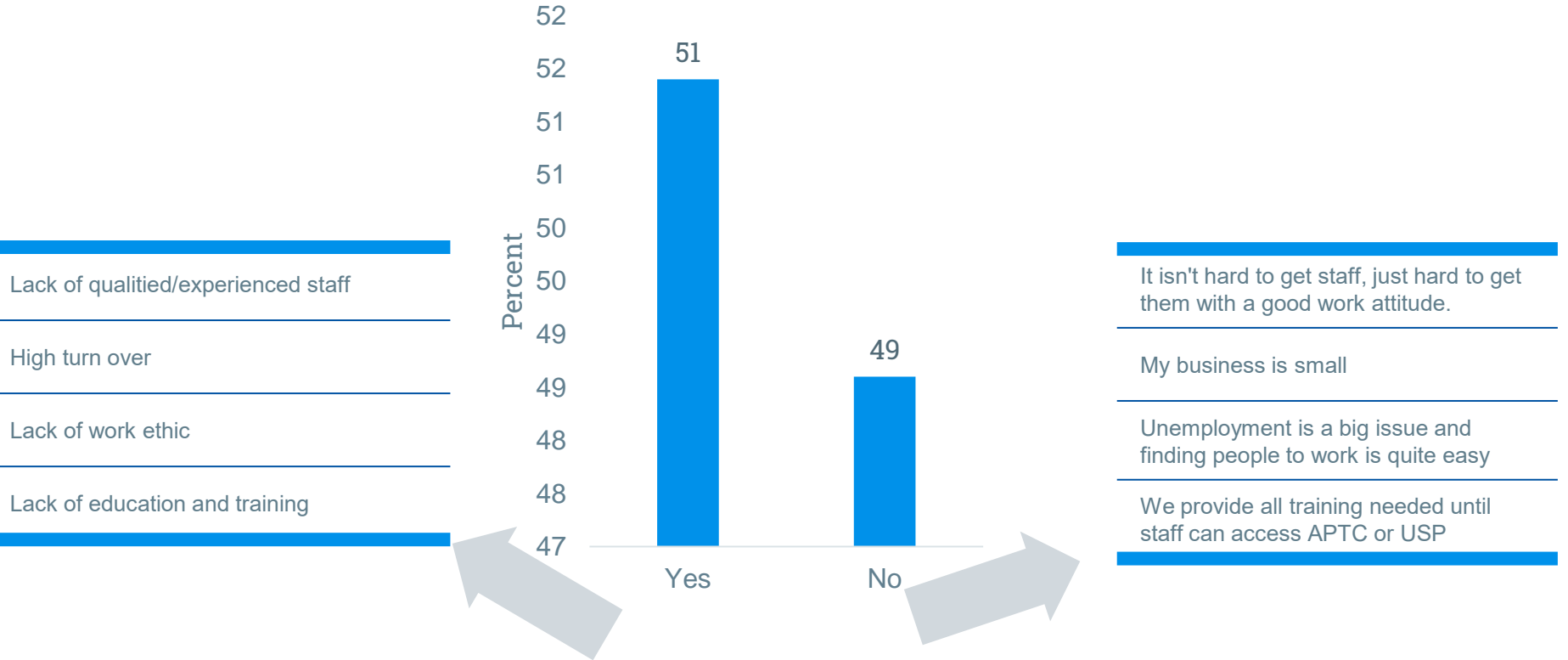
Full time



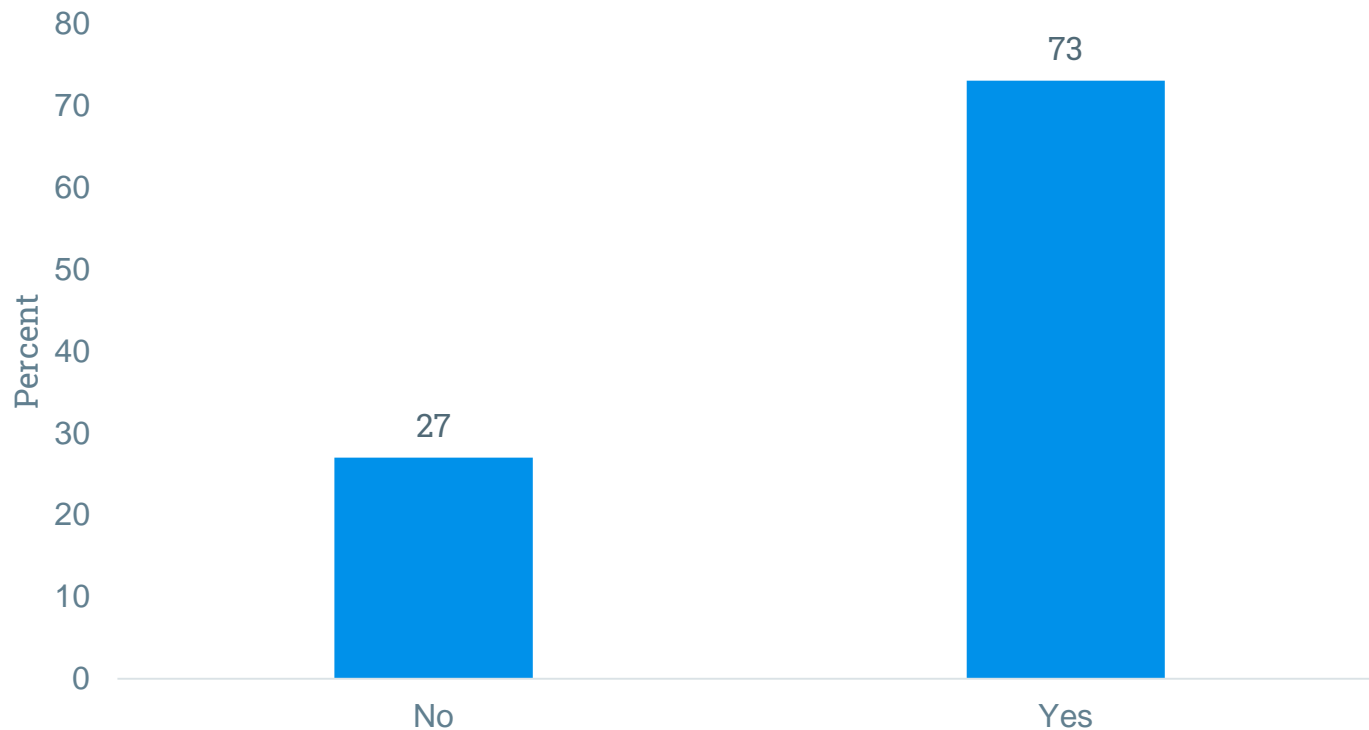
Part time



# Do you have any problems finding staff ?



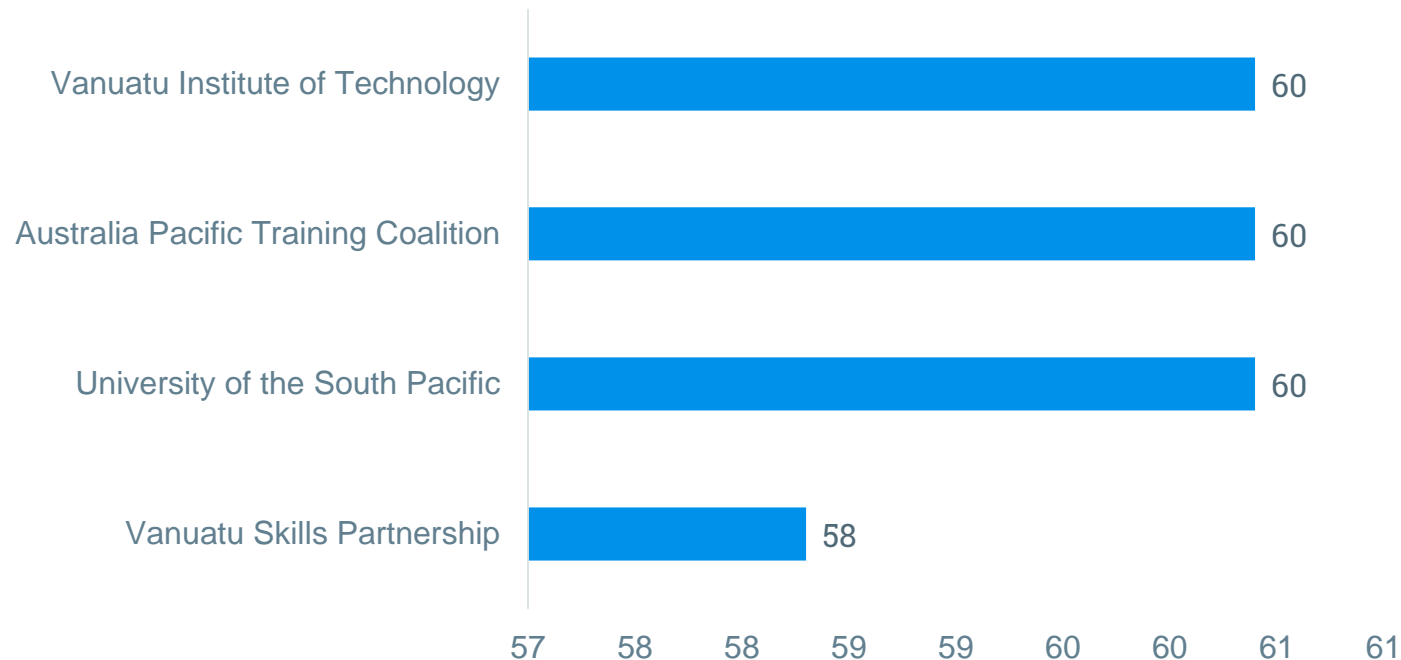
## Do you have any staff training needs for this business?



# What type of staff training do you think would benefit this business?

<b>Training</b>	<b>Percent</b>
Customer service	45%
Financial management	43%
Trade skills	25%
Marketing	21%
Other	13%
Technical Skills	13%
Administration	9%
Communication and language	9%
All	8%
Management	9%
Computer skills training/education	6%
Accounting	6%
Business management	4%
Hospitality and tourism	4%
Agriculture	2%

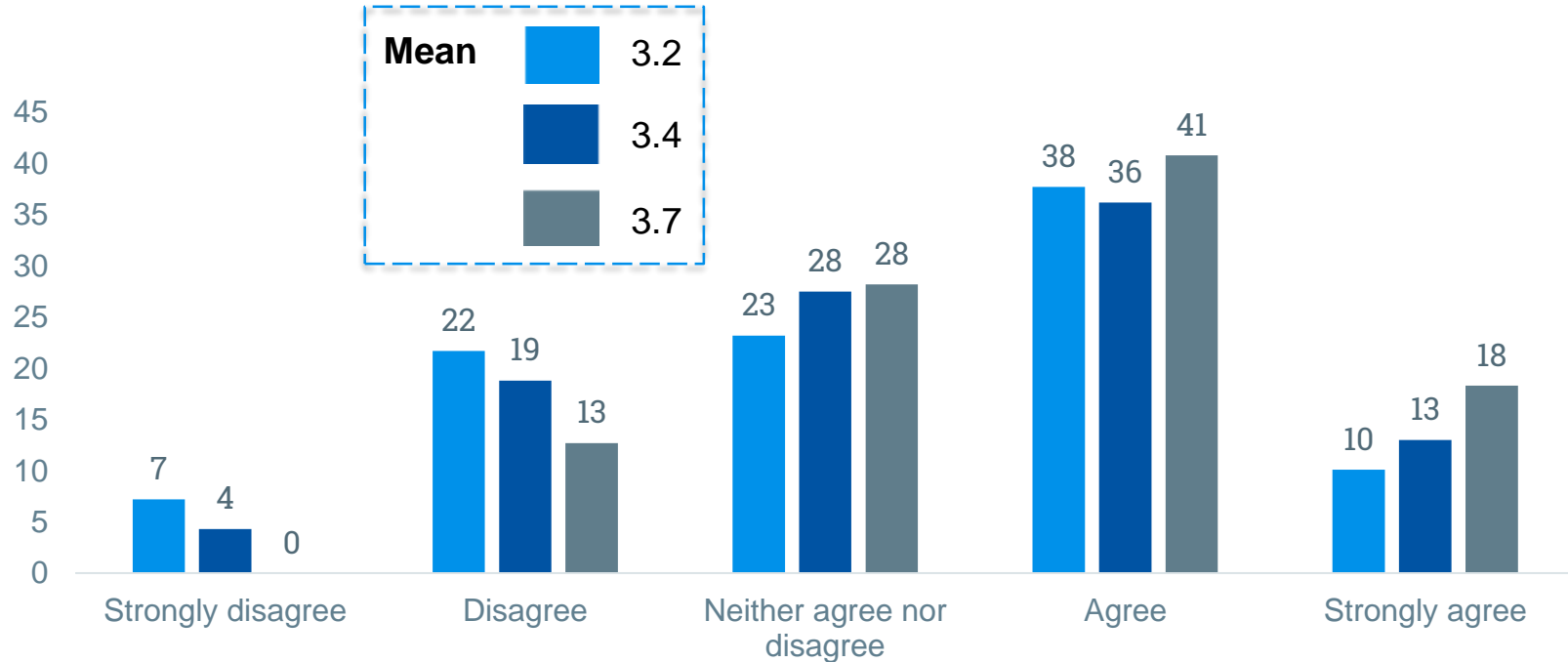
# Are you aware of any of the training programs offered by these organisations ?



Multiple responses, therefore total does not add up to 100%.

# The business climate

# Your level of agreement with the following statements

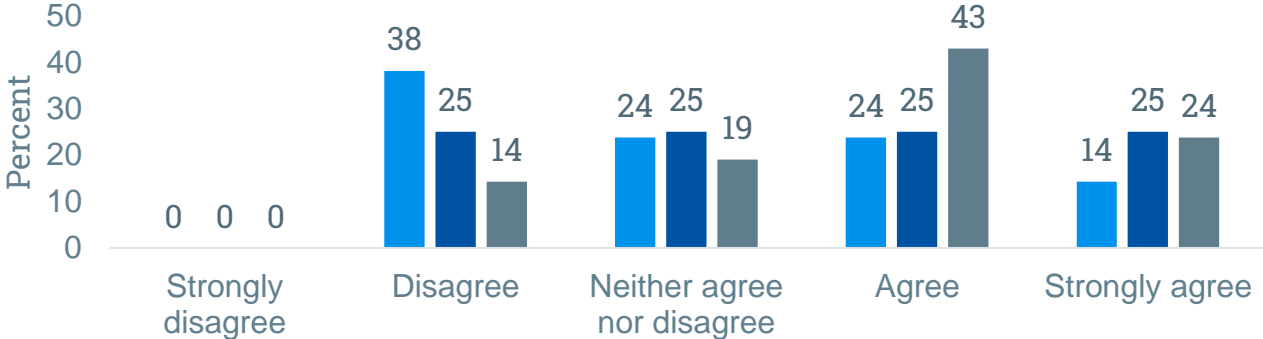


- The business performed well in the last year.
- The business is currently performing well.
- I am confident the business will perform well in the coming year.

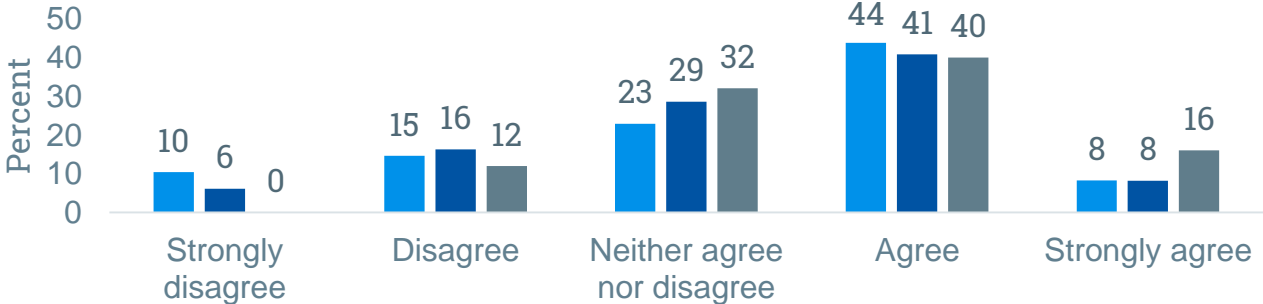


# Your level of agreement with the following statements

Tourism sector



Non-tourism sector



- The business performed well in the last year.
- The business is currently performing well.
- I am confident the business will perform well in the coming year.

# Major challenges for the business in the next five years

Challenges	Percent
Government and policy (tax, laws, fees)	33%
Staff related issues	17%
Competition	14%
Increasing cost	14%
Investment and financial issues	9%
Business growth	8%
China influence	6%
Flights connection	6%
Infrastructure	3%
Natural disasters	3%
Tourists arrivals	3%
Marketing and promotion	3%
Other (e.g., technology, lands issues)	3%

Poor government support and changing policies, lack of skilled staff, and competition are believed to be the major challenges:

## Government and policy

“Government is continuously changing regulations without acknowledging the consequences on direct foreign investment.”

“Changes in laws and compliance.”

“Govt costs/fees/charges, poor govt services with infrastructure, roads, water supply.”

## Staff

“Lack of agricultural labour/farmers due to the overseas workers programs.”

“Lack of trained ni-Vanuatu.”

“Competition on the market, lack of Training, poor customer services, poor work performance.”

## Competition

“Competition with other digital marketing service providers.”

“Competing against the influx of Chinese workers and companies in the construction Business.”

## Major opportunities for the business in next five years

Opportunities	Percent
Market expansion	16%
General business growth	13%
Government support	11%
Tourism growth	10%
Improved business environment	8%
Staff skills, training and support	8%
Other	8%
Tourists numbers	6%
Internet and phone coverage	6%
Imporved flights	5%
Investment	3%
Santo development	3%

**Market expansion**, **general business growth**, and **government support** are believed to be the major opportunities:

### Market expansion

“The growing Ni-Vanuatu market from RSE workforce. Expansion into outer island due to the growing Ni-Vanuatu mentioned.”

“The major opportunities will occur outside of the local market and will be primarily aimed toward marketing within the South Pacific region and beyond to the International market.”

### General business growth

“High number of customers, as target being RSE workers.”

“The internet coverage has reached more areas which will allow us to increase clients but also come up with new innovative platforms.”

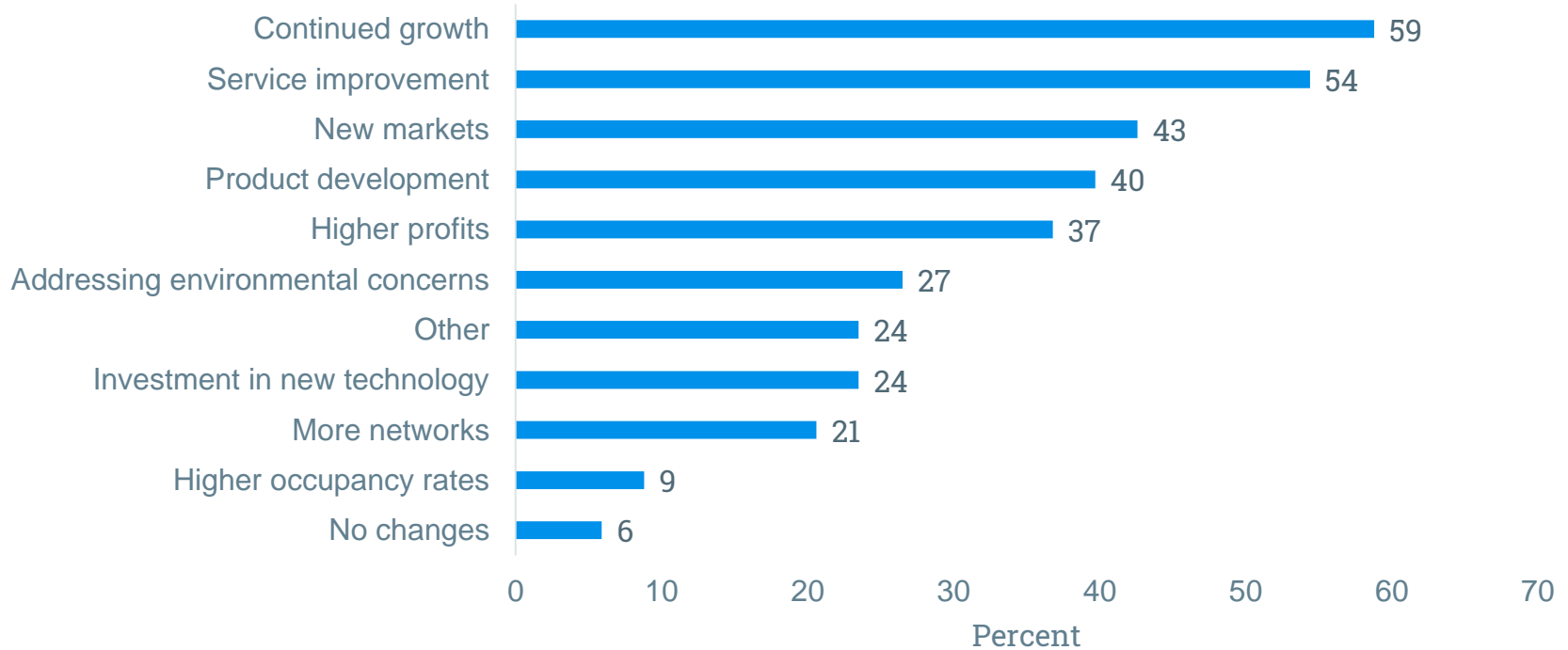
### Government support

“The Government stability. No political interfering in the tourism department.”

“Growing confidence and investment in Santo and new VTO programmes.”

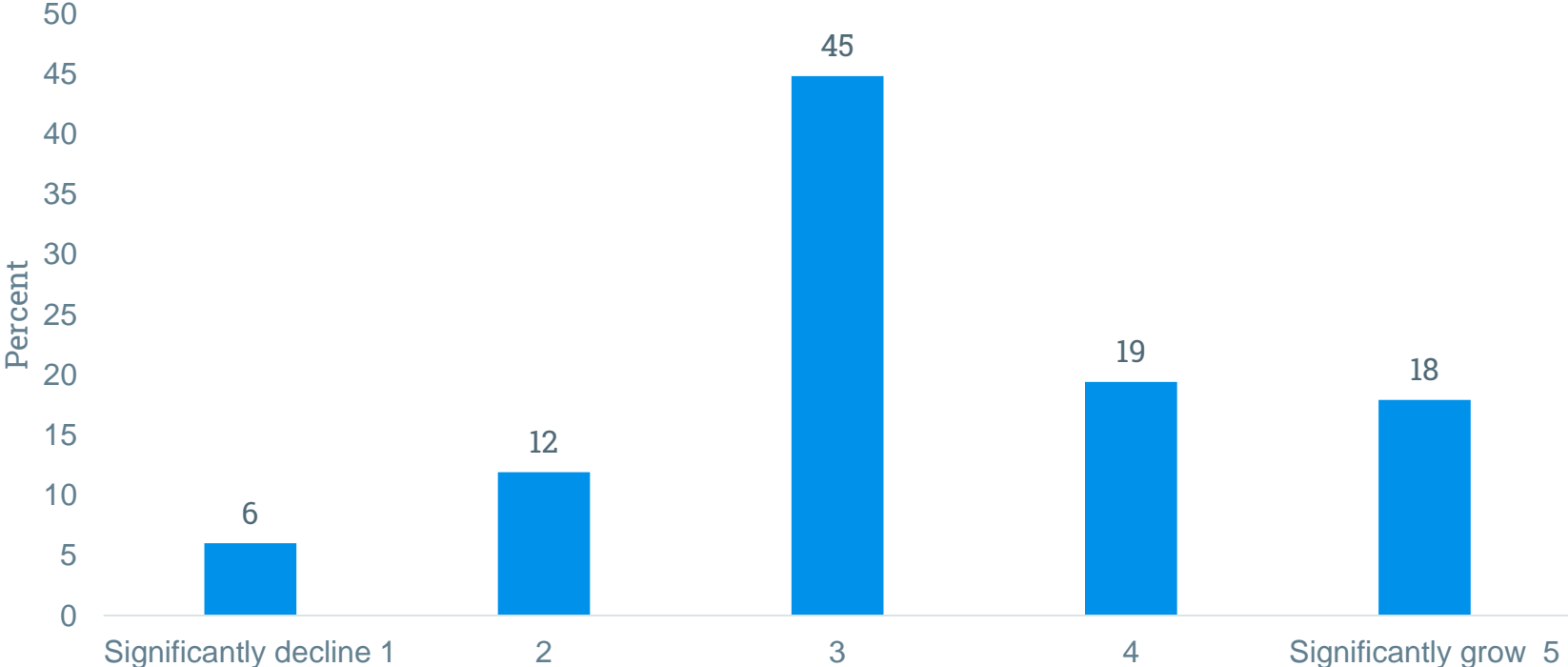
“Hopefully the funding agencies put the money where it should, not consultancy but private sector.”

# What are the future plans for this business?

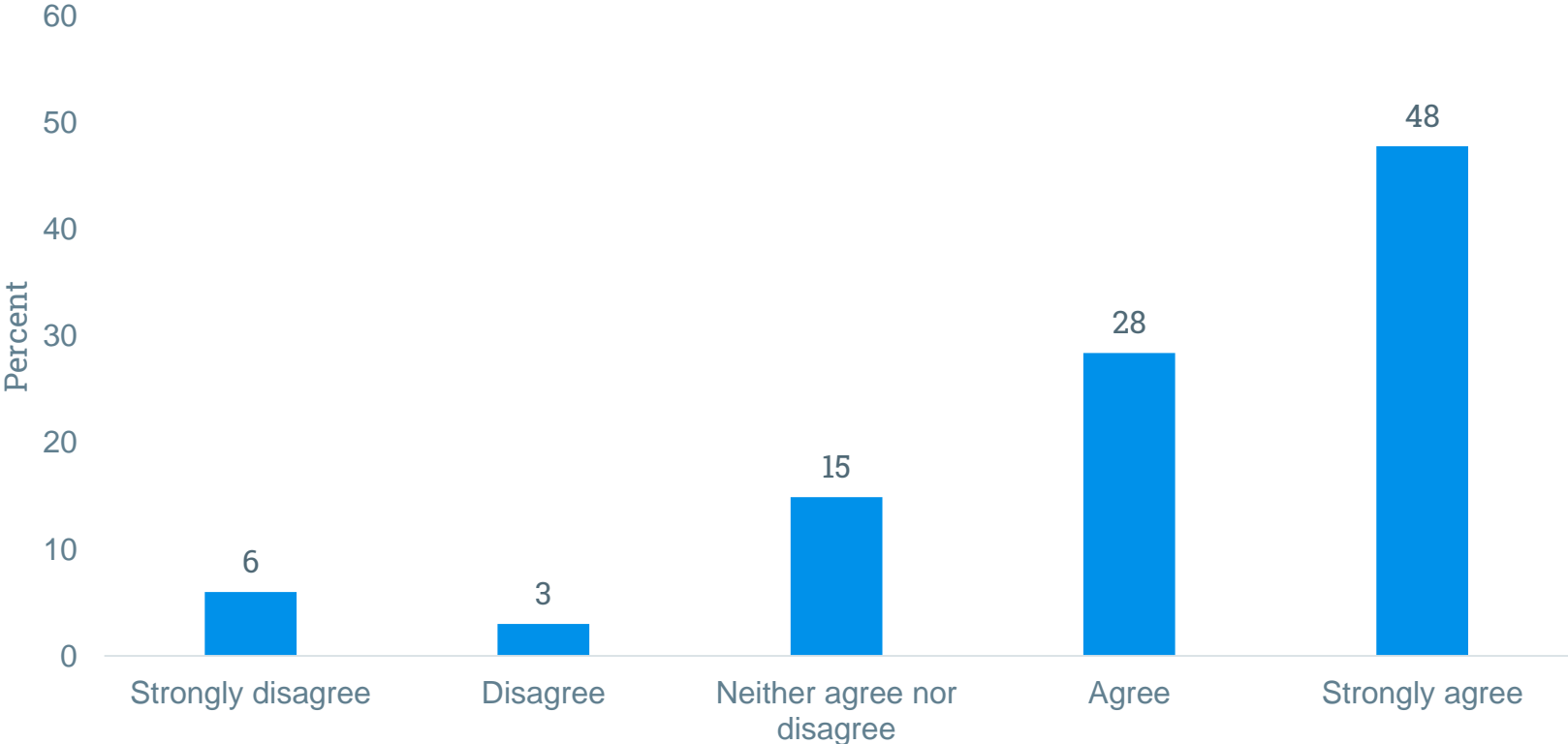


*Multiple responses, therefore total does not add up to 100%.*

# How do you see this business developing in the next five years?

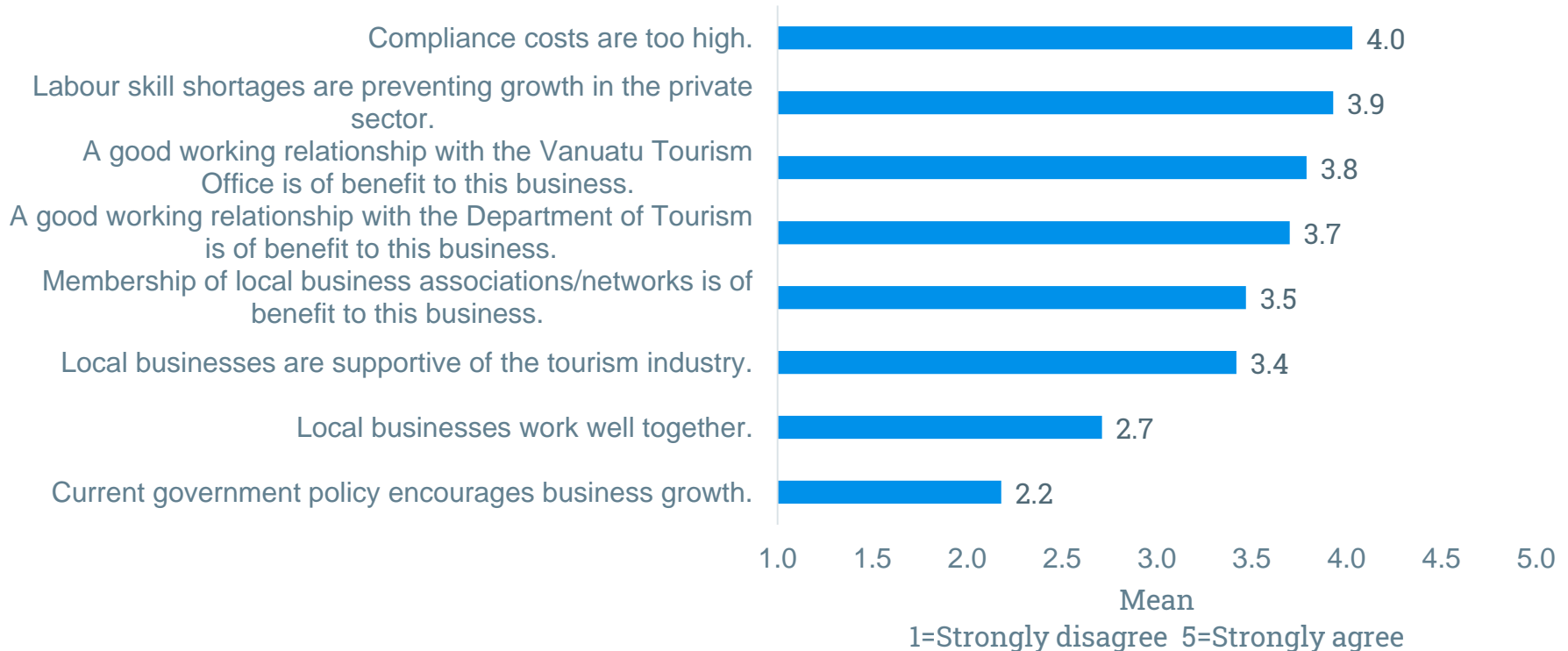


# The national economy depends heavily on the tourism industry

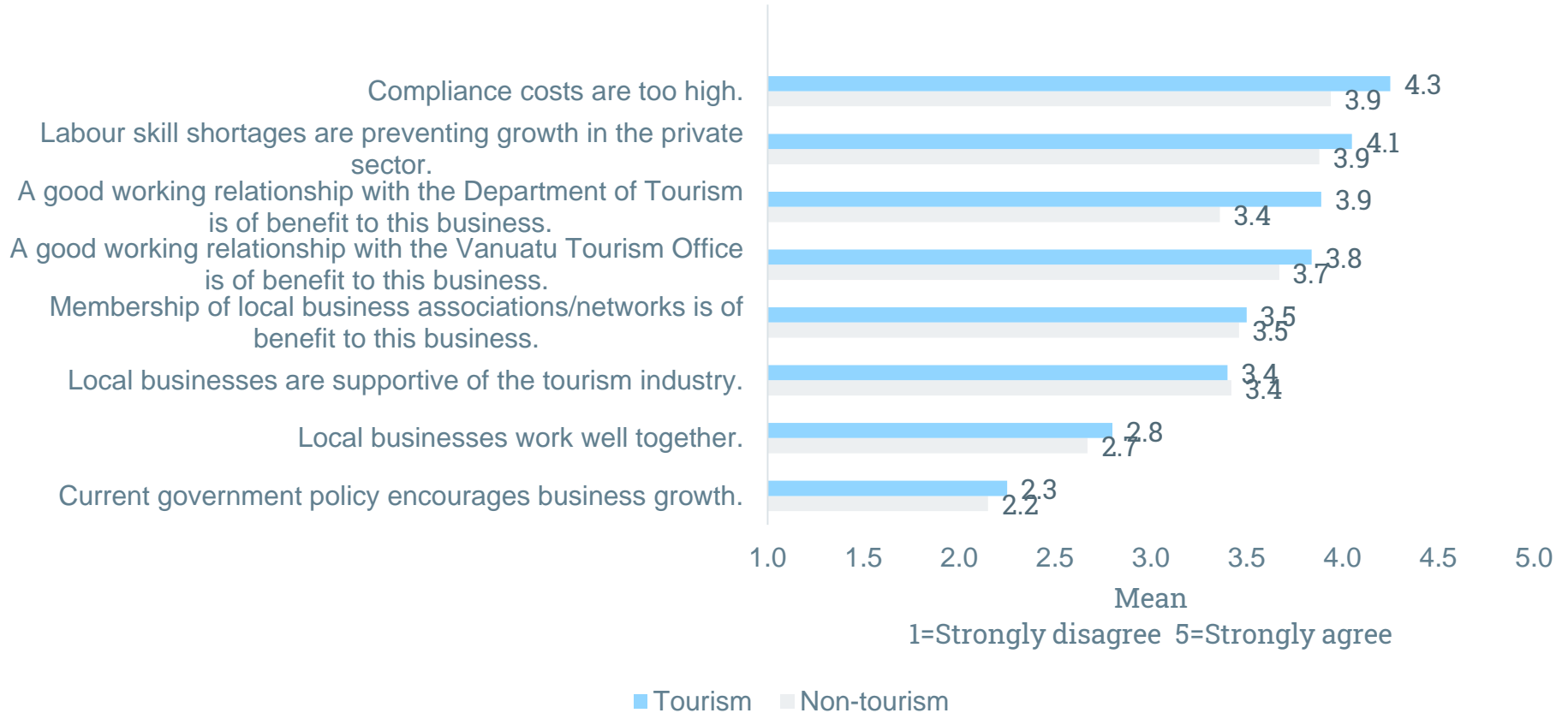




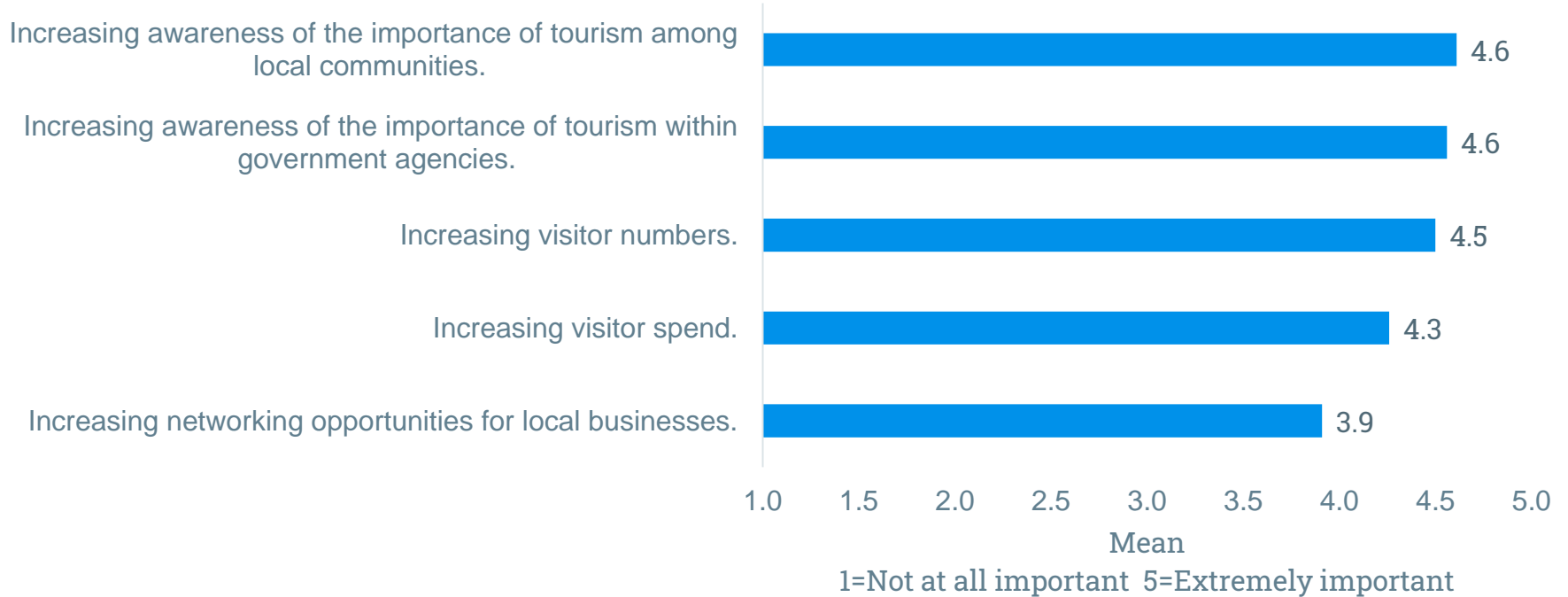
## Agreement level for the following statements



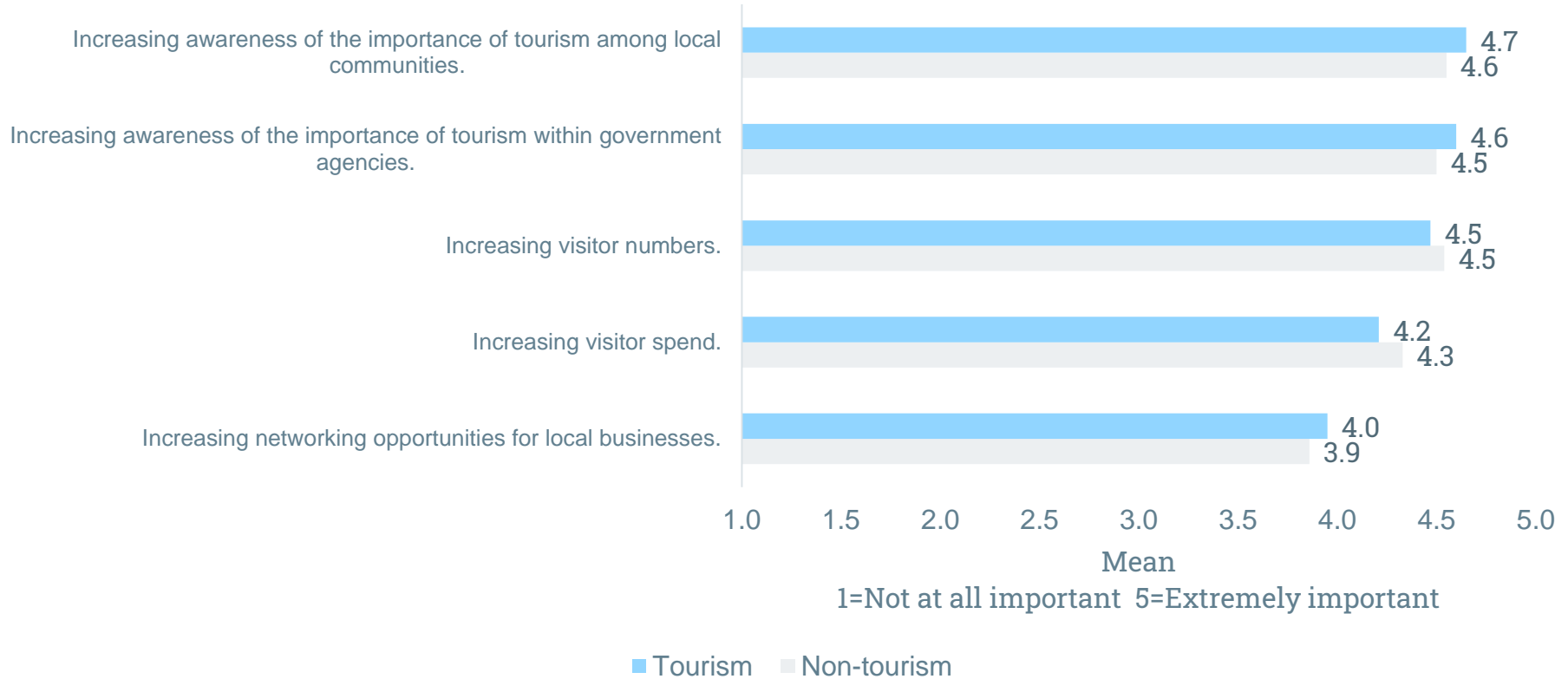
# Comparison between tourism and non-tourism sectors



# How important are the following for Vanuatu?

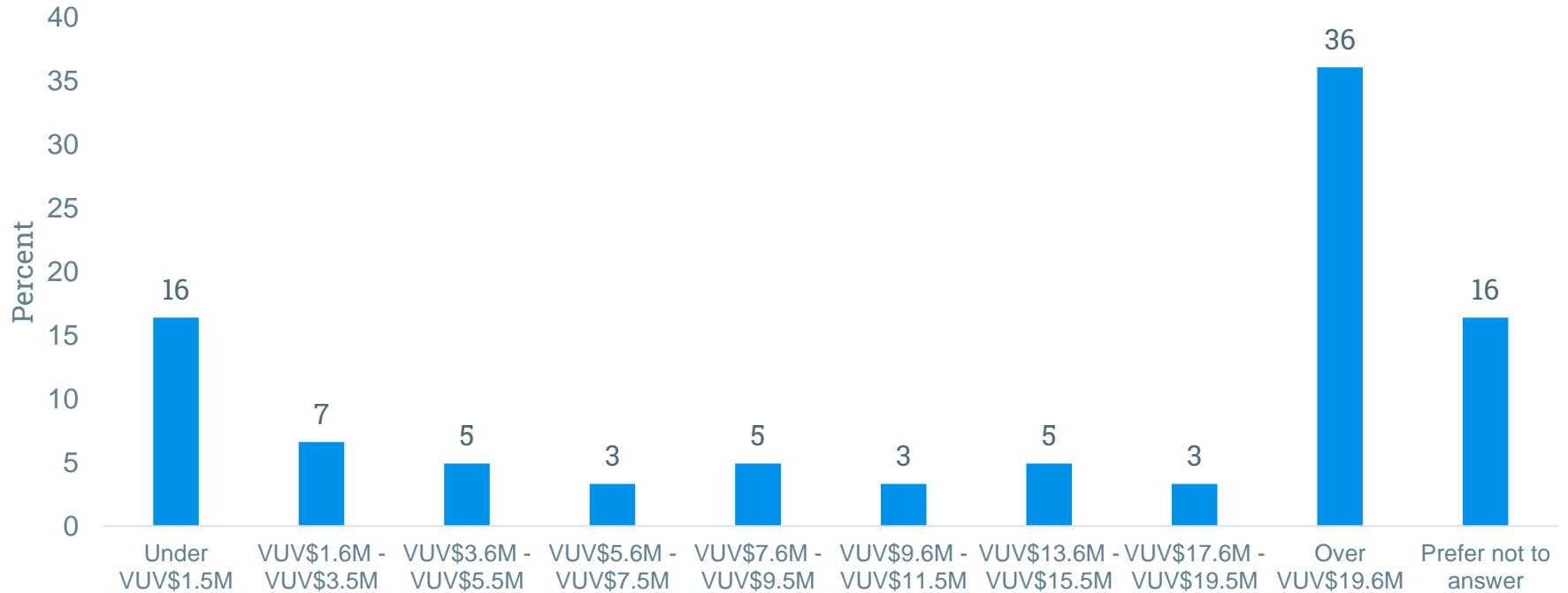


# Comparison between tourism and non-tourism sectors

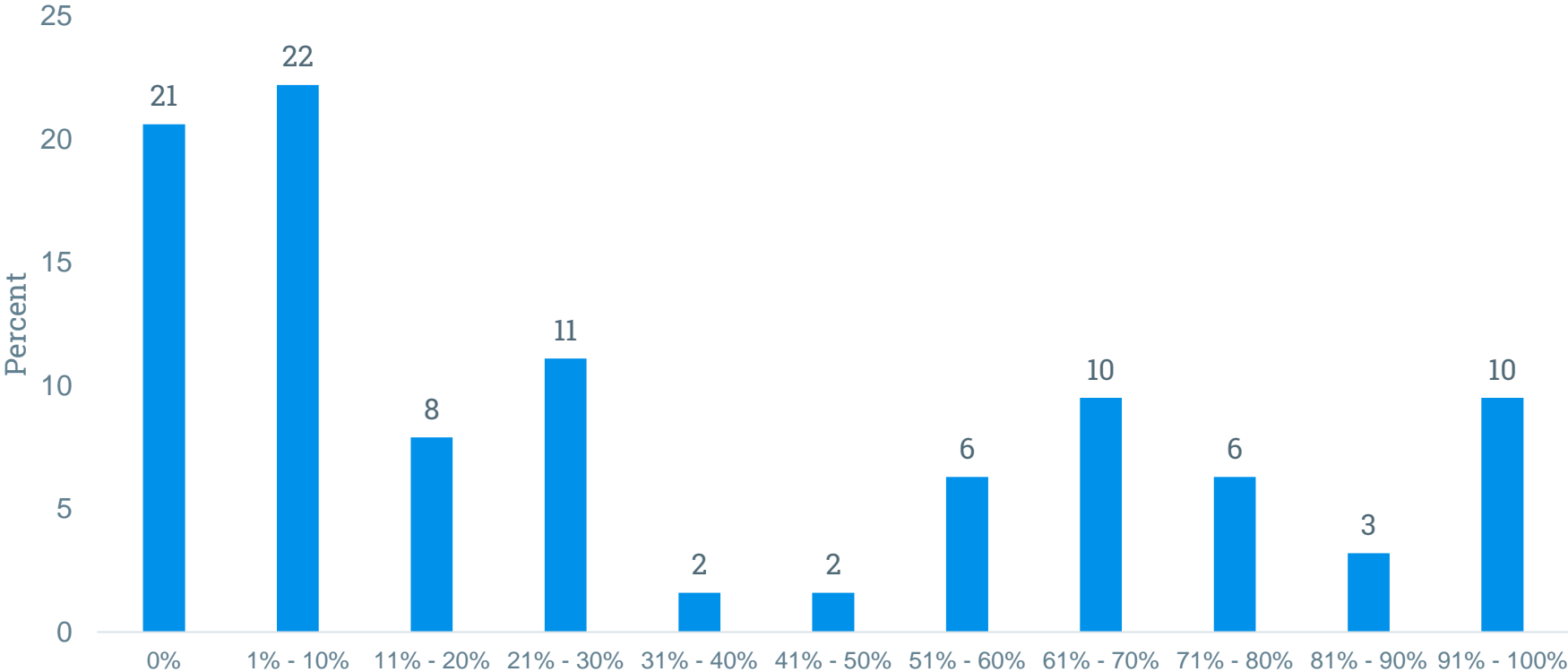


# Revenue, cost and linkages

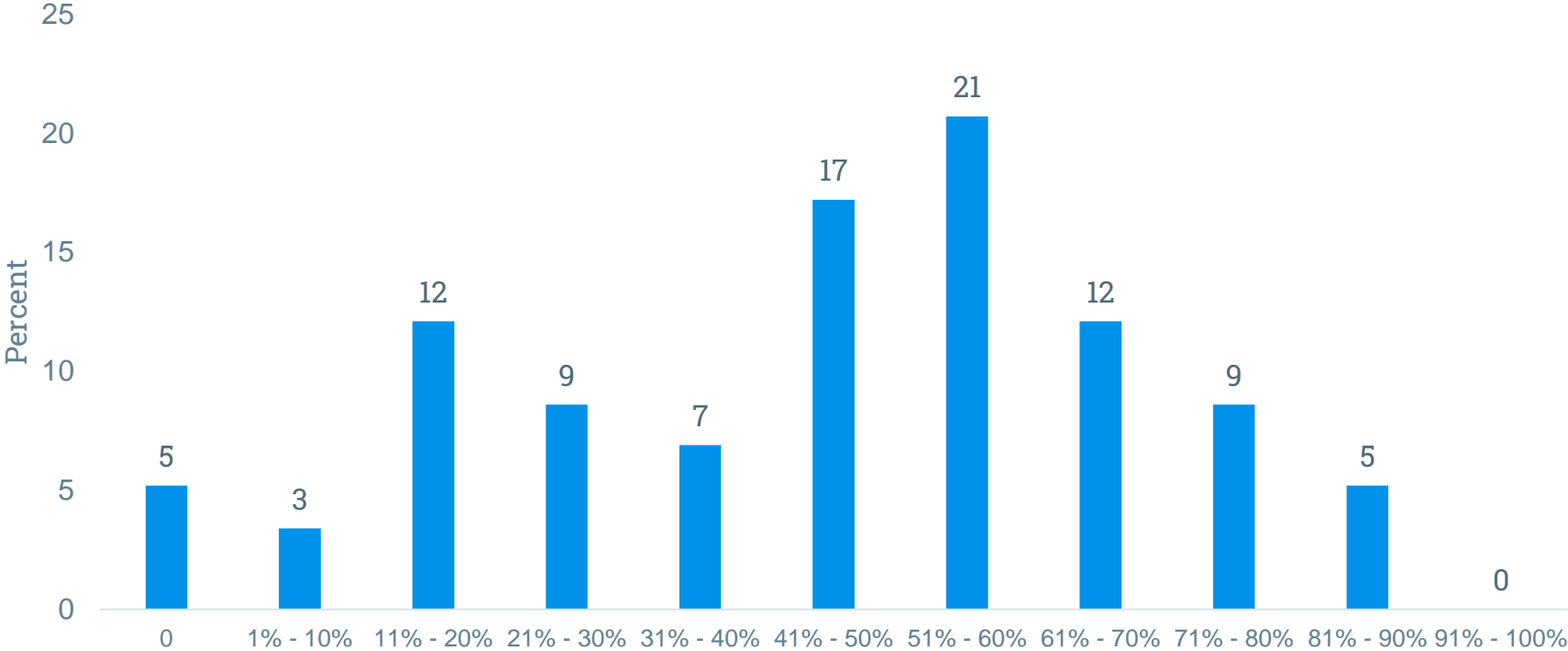
# Primary business annual turnover in the last financial year



# Annual turnover that comes from tourism

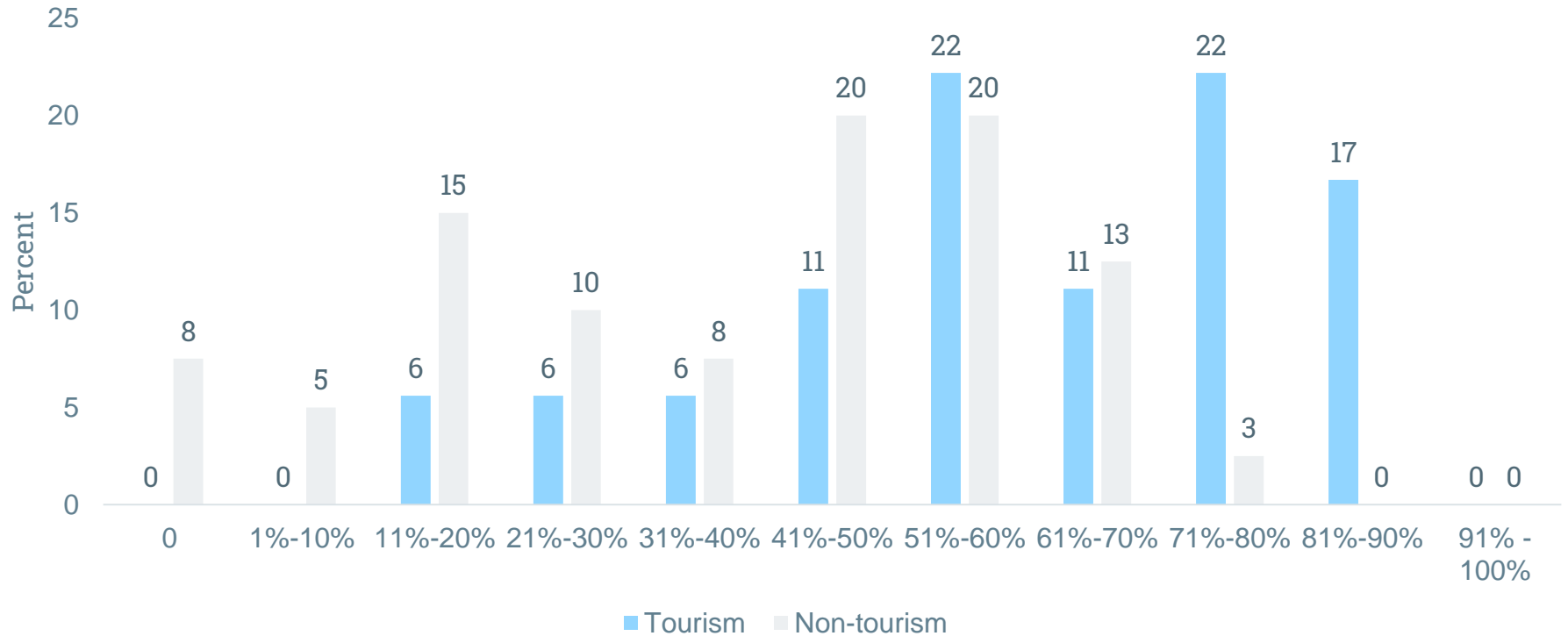


# Percentage of turnover generated between Apr to Oct

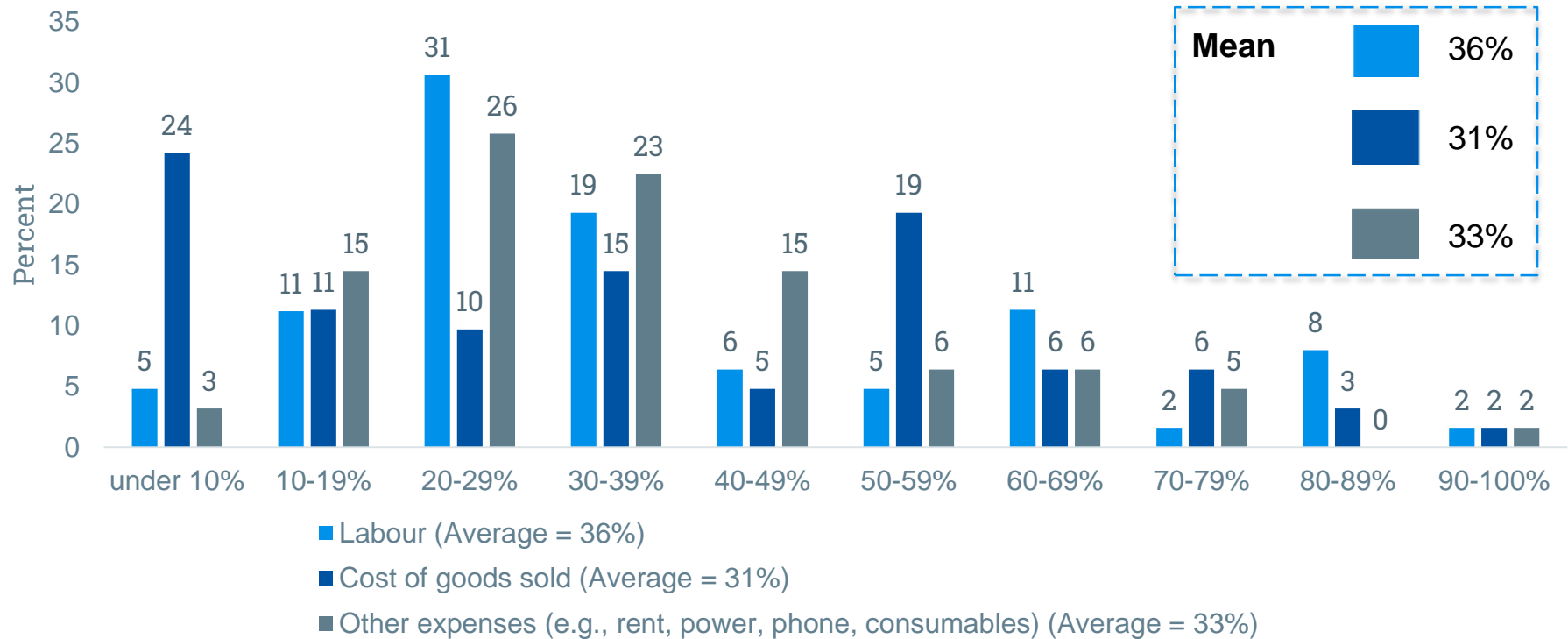




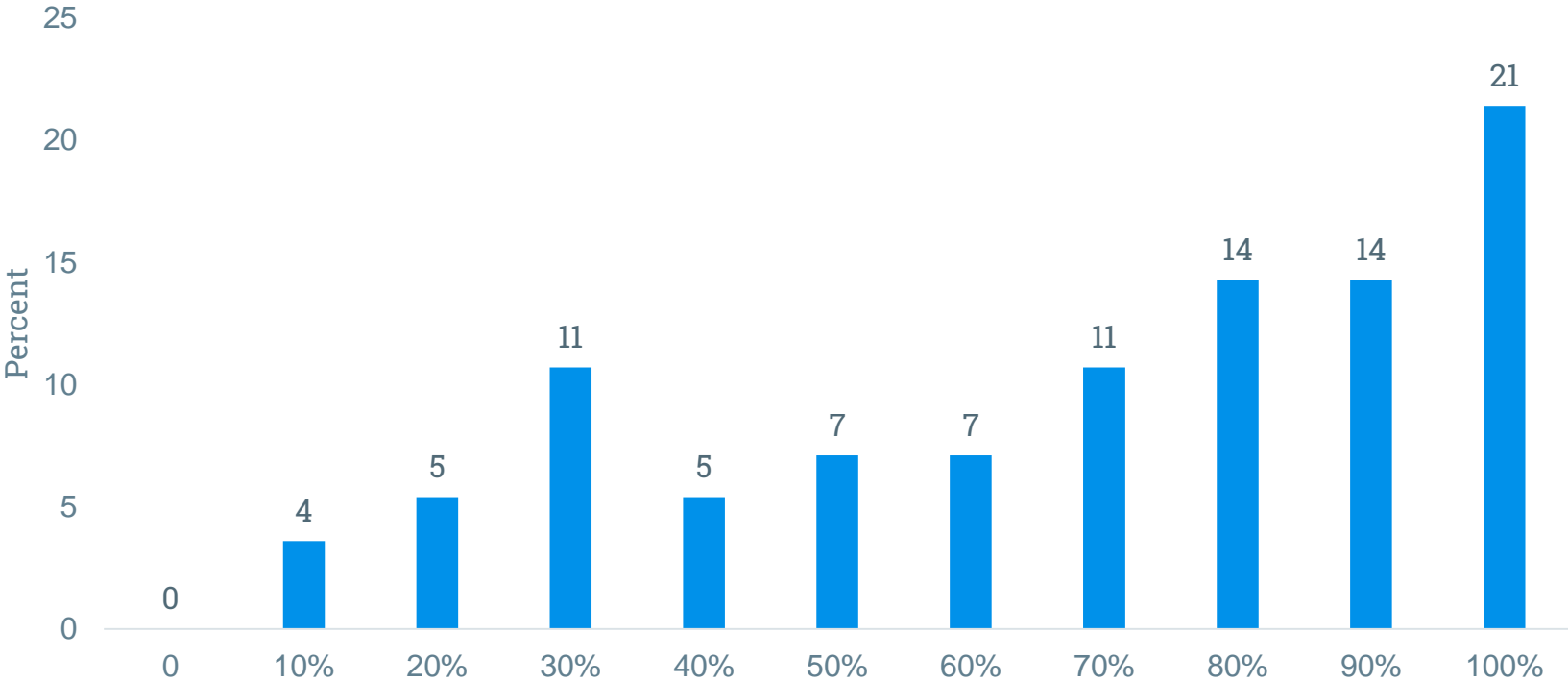
# Percentage of turnover generated between Apr to Oct



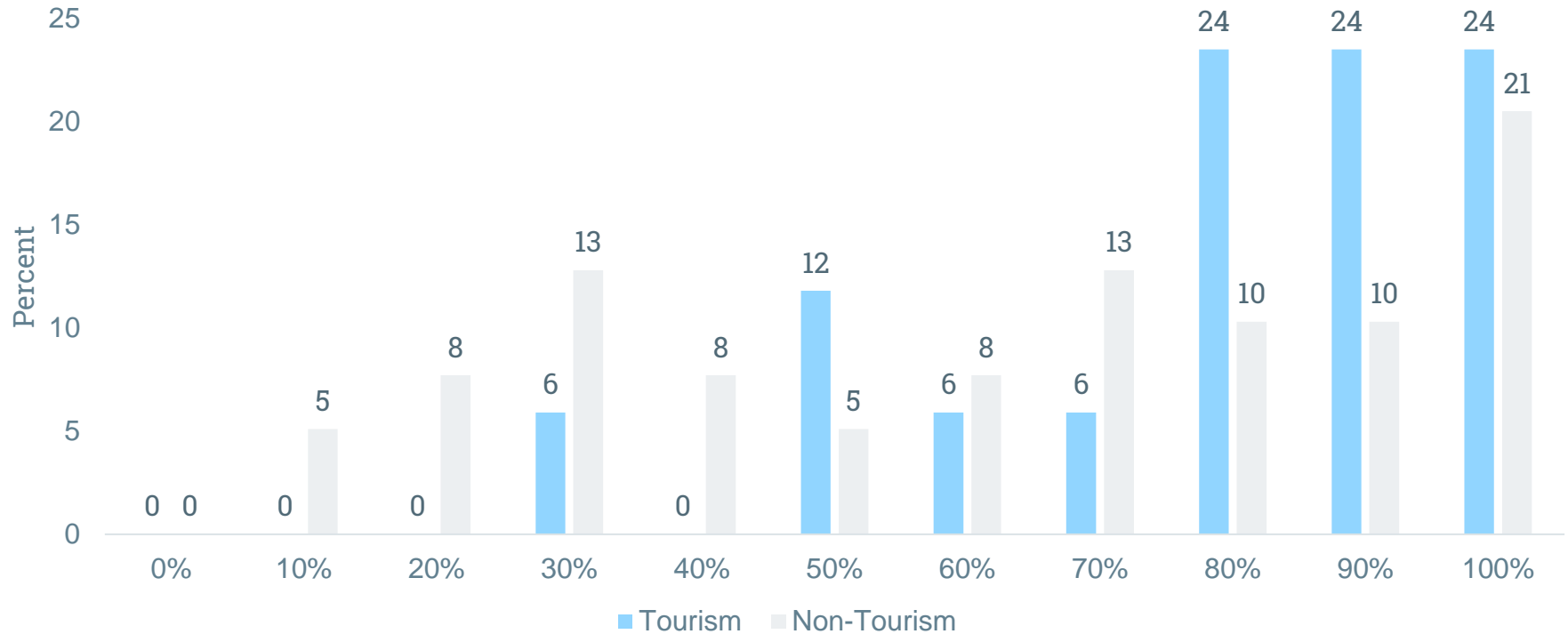
# Breakdown of annual business expenses



# Percentage of non-labour expenses spent locally



## Comparison of non-labour expenses spent locally



# Thank you!



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Key contributions: Mindy Sun, Sam Li, Caroline Qi

[www.nztri.org](http://www.nztri.org)