

NIUE BUSINESS CONFIDENCE INDEX SURVEY

KEY DIMENSIONS & INSIGHTS

August - October 2022



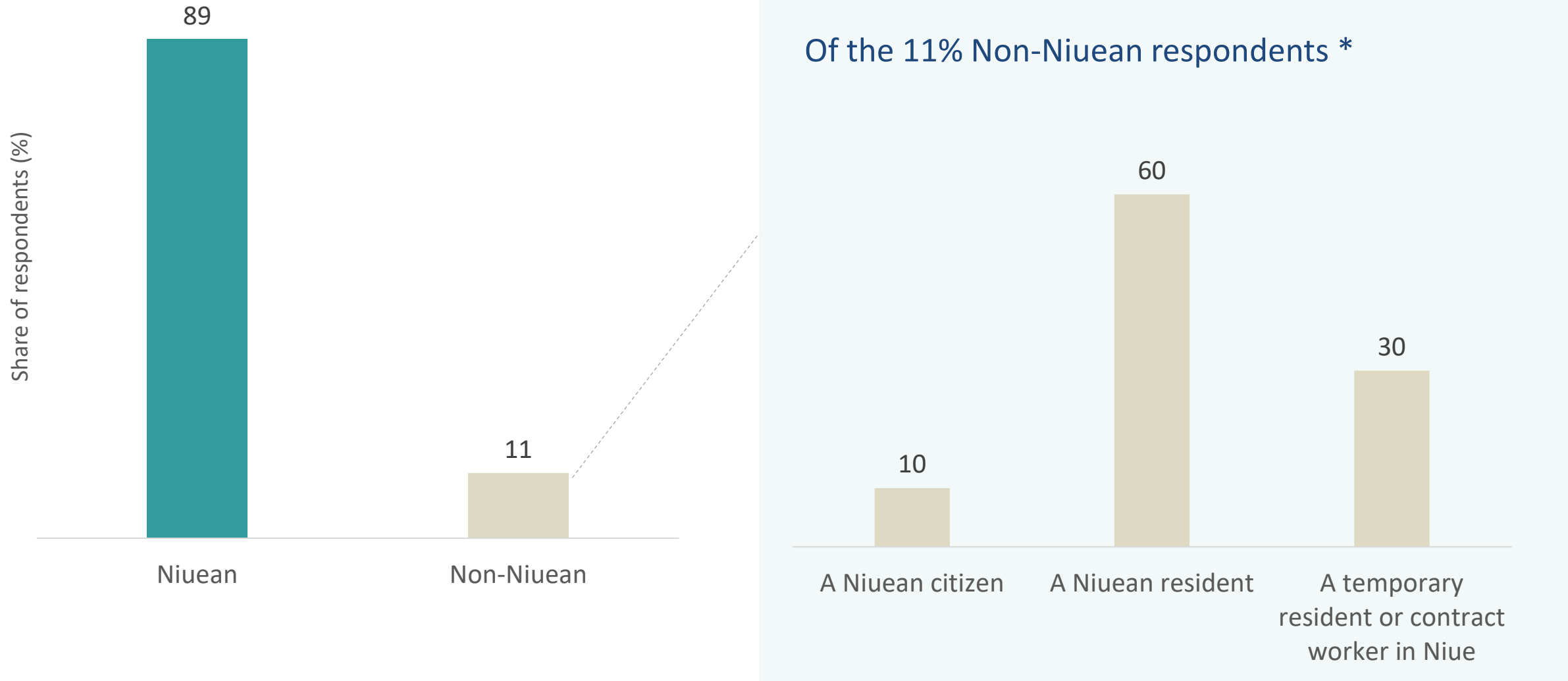


Niue BCI 2022

BUSINESS PROFILE

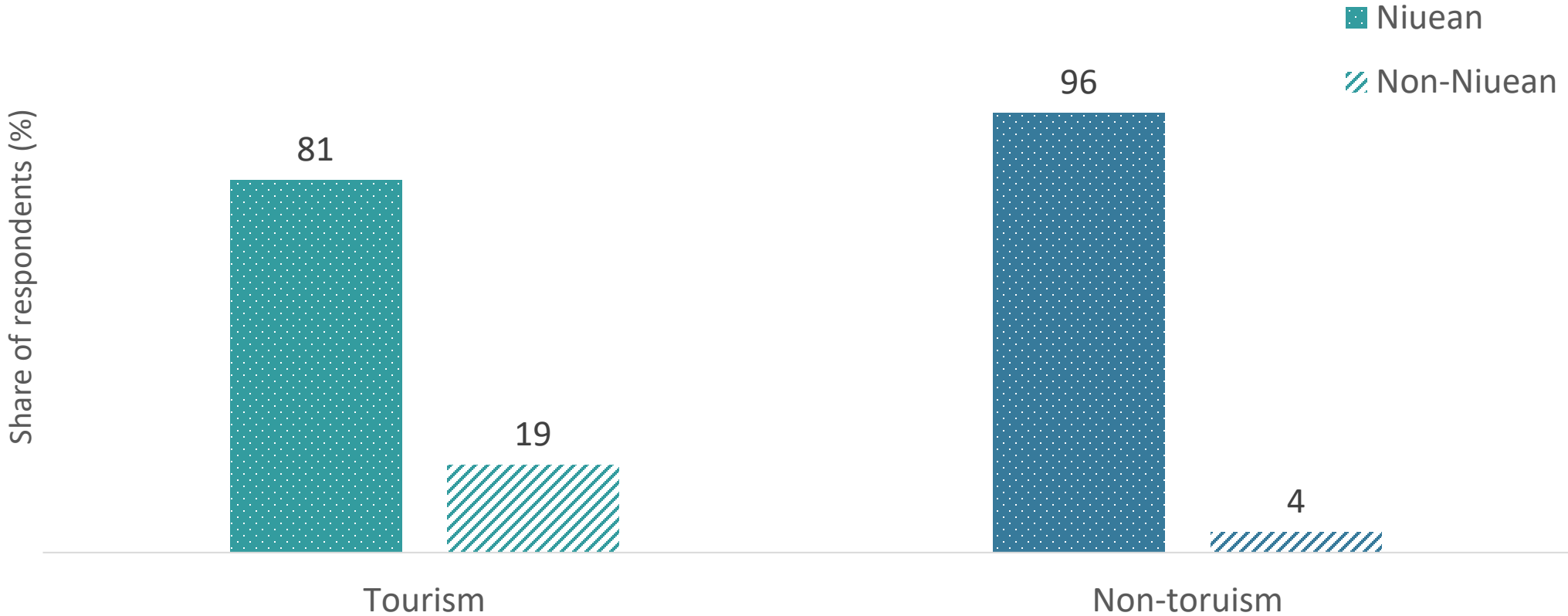
Total BCI respondents N = 87, data collected from 14th Nov to 19th Dec 2022

Respondents of Niuean and Non-Niuean origin.

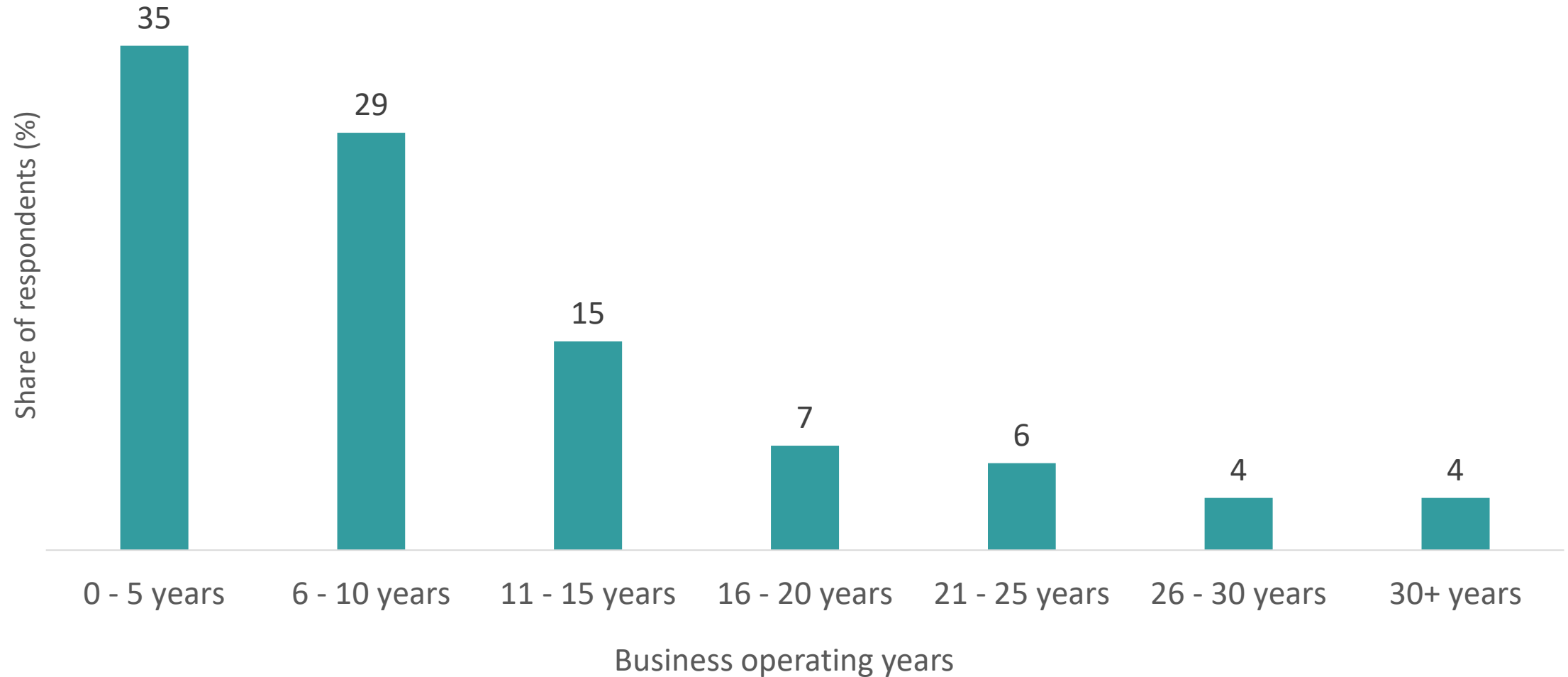


Note: *small sample N=10.

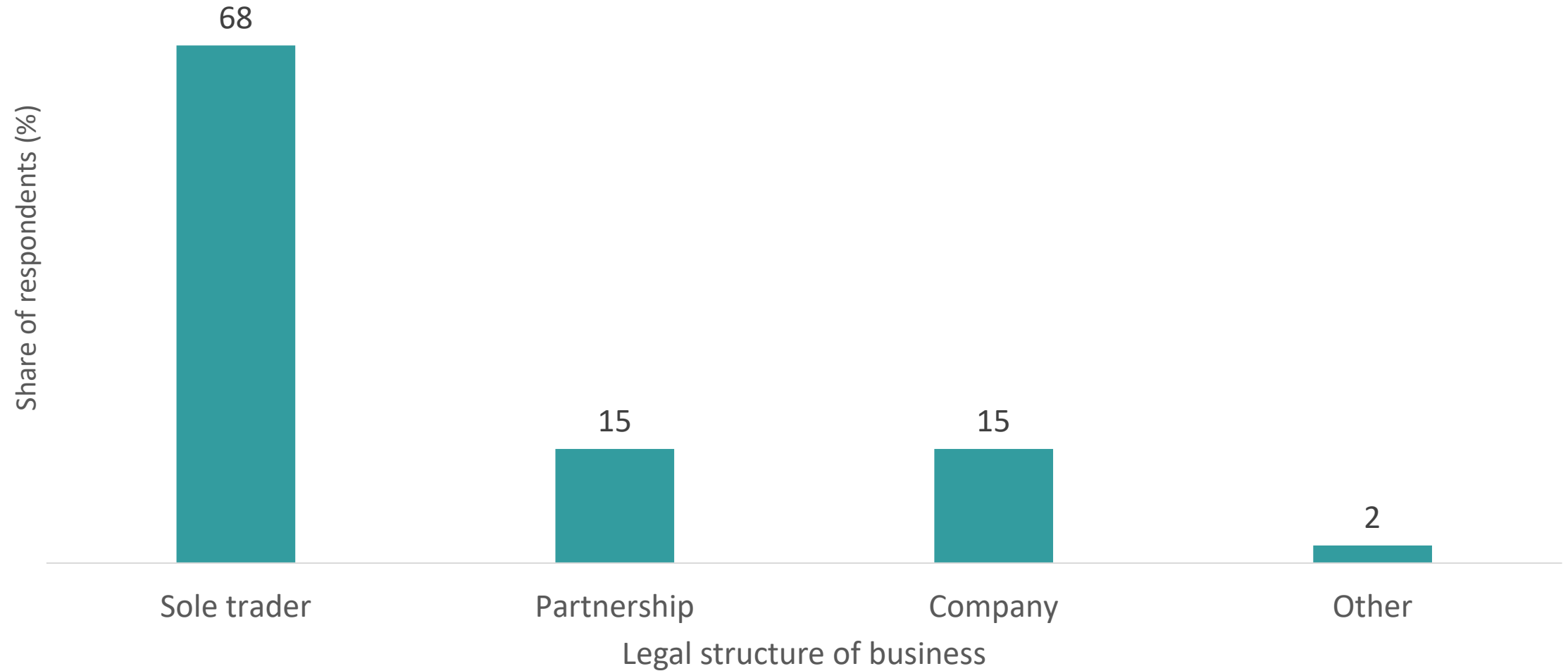
Niuean/Non-Niuean respondents across Tourism and Non-tourism sectors, there tend to be more Non-Niuean owned businesses in the tourism sector.



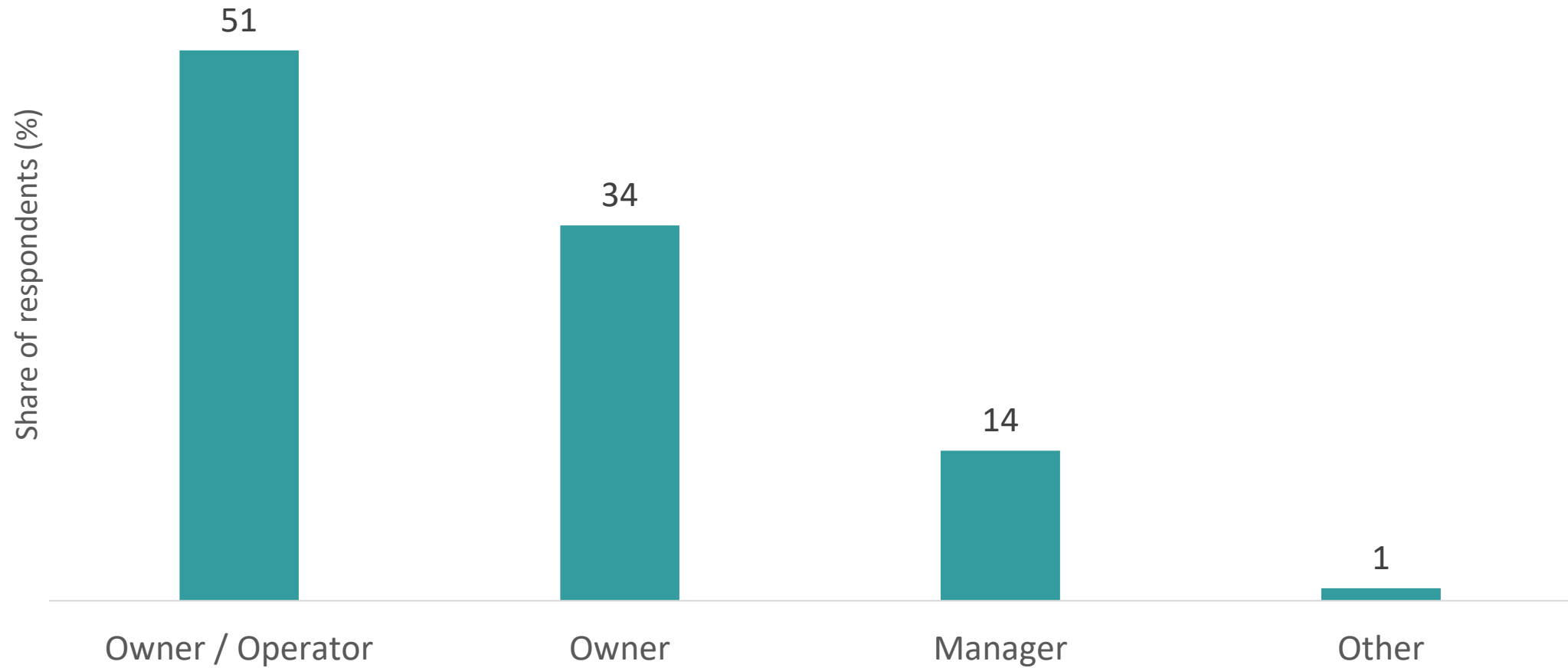
64% of business have been operating up to 10 years.



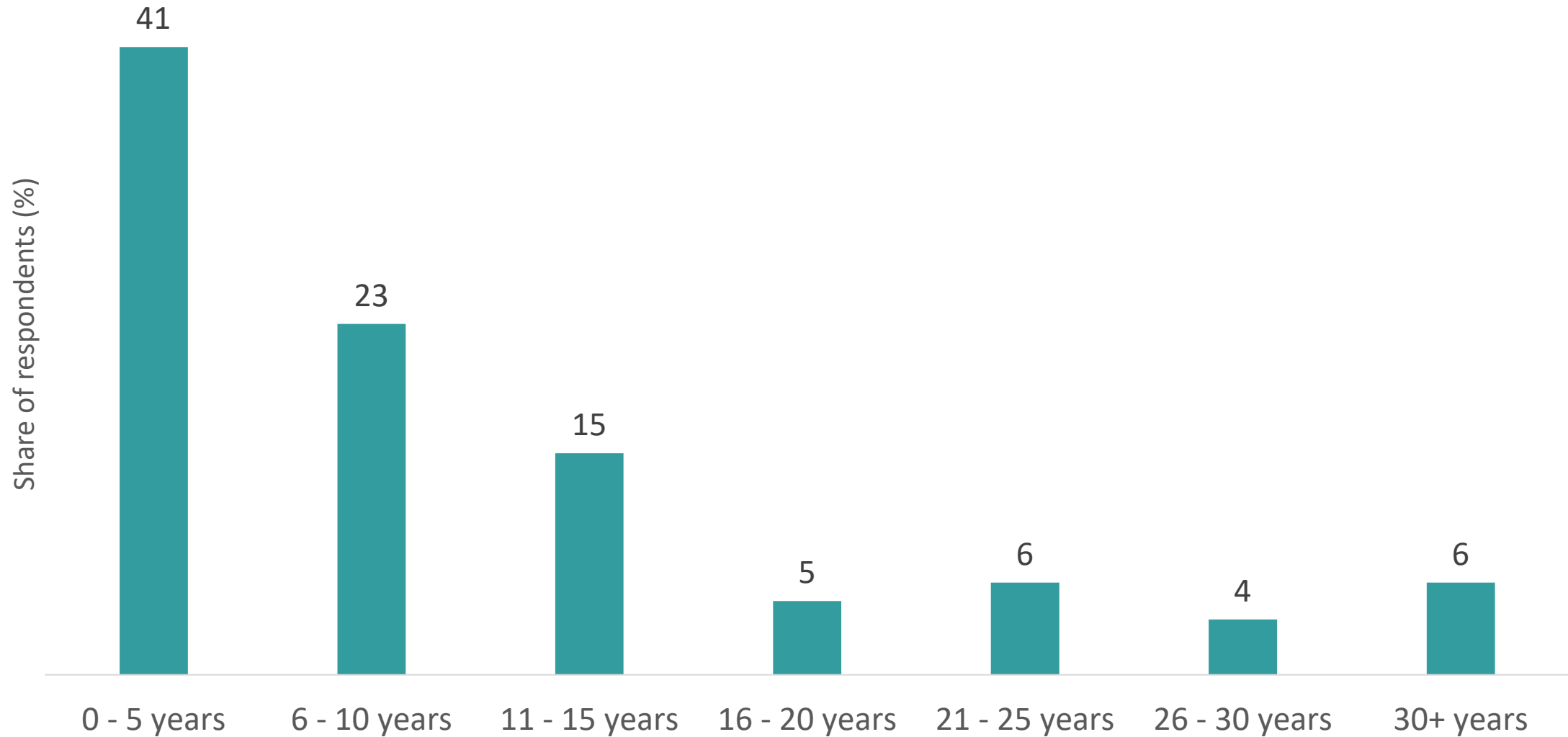
Up to 70% of Niue businesses are operating as sole traders.



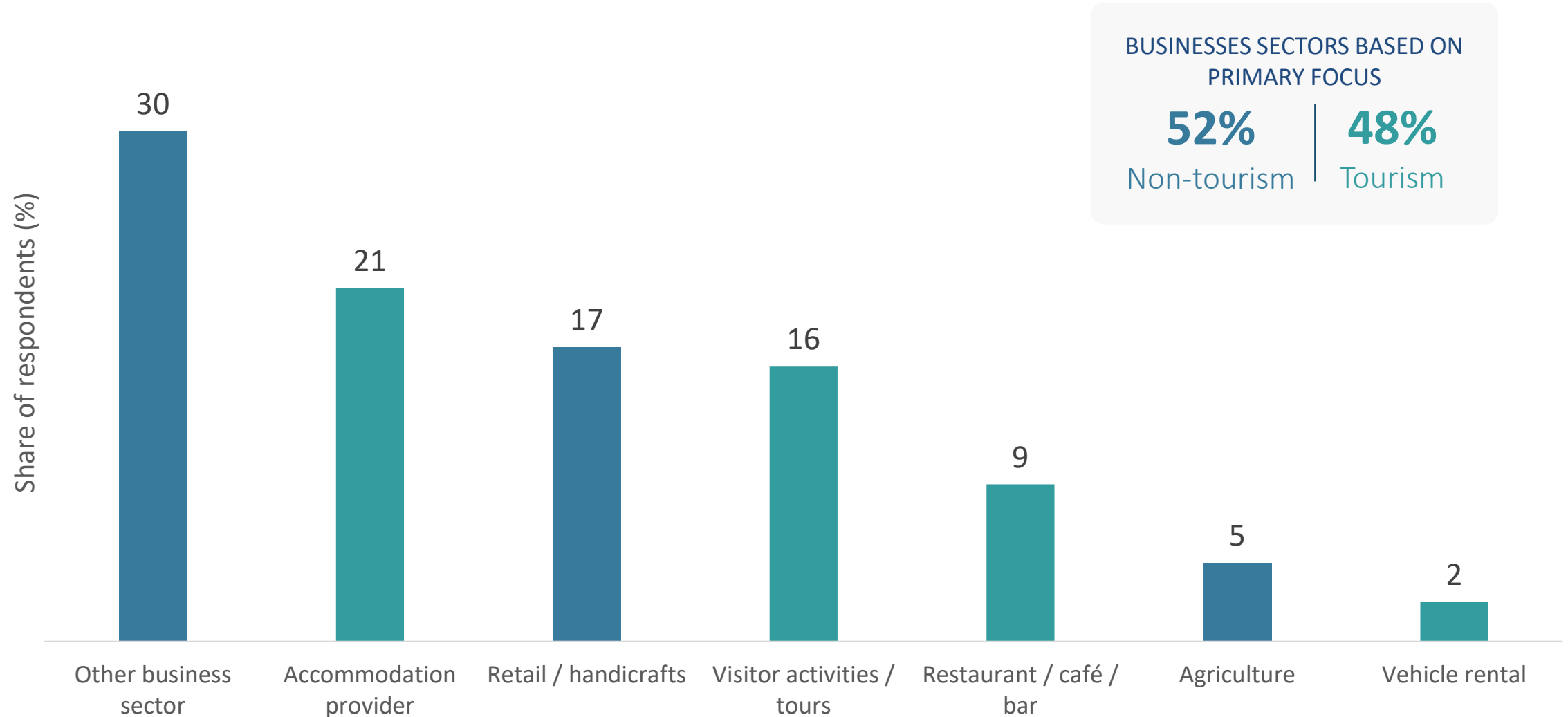
Respondents' roles in the business



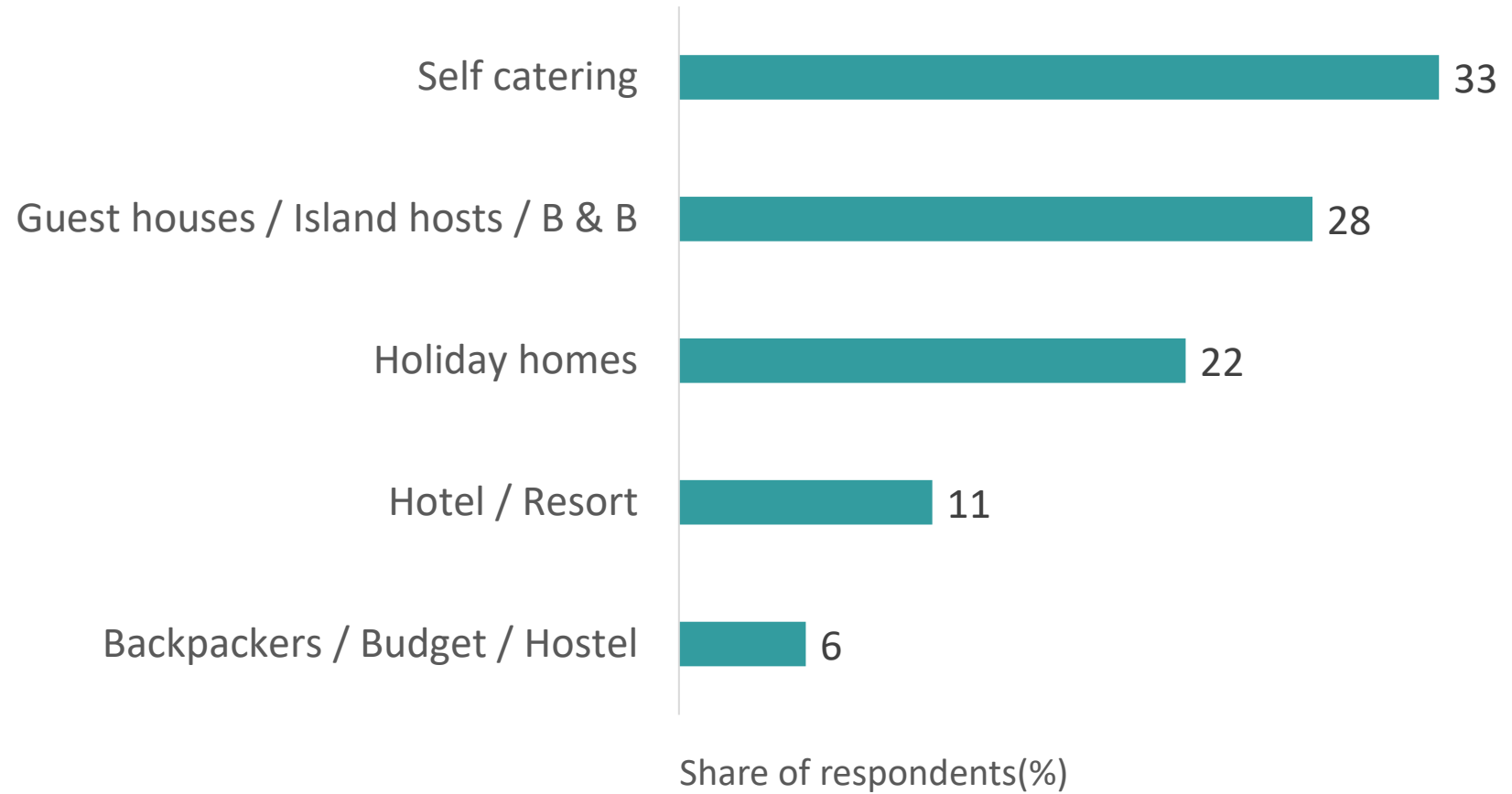
36% of respondents have been in their current role for more than 10 years.



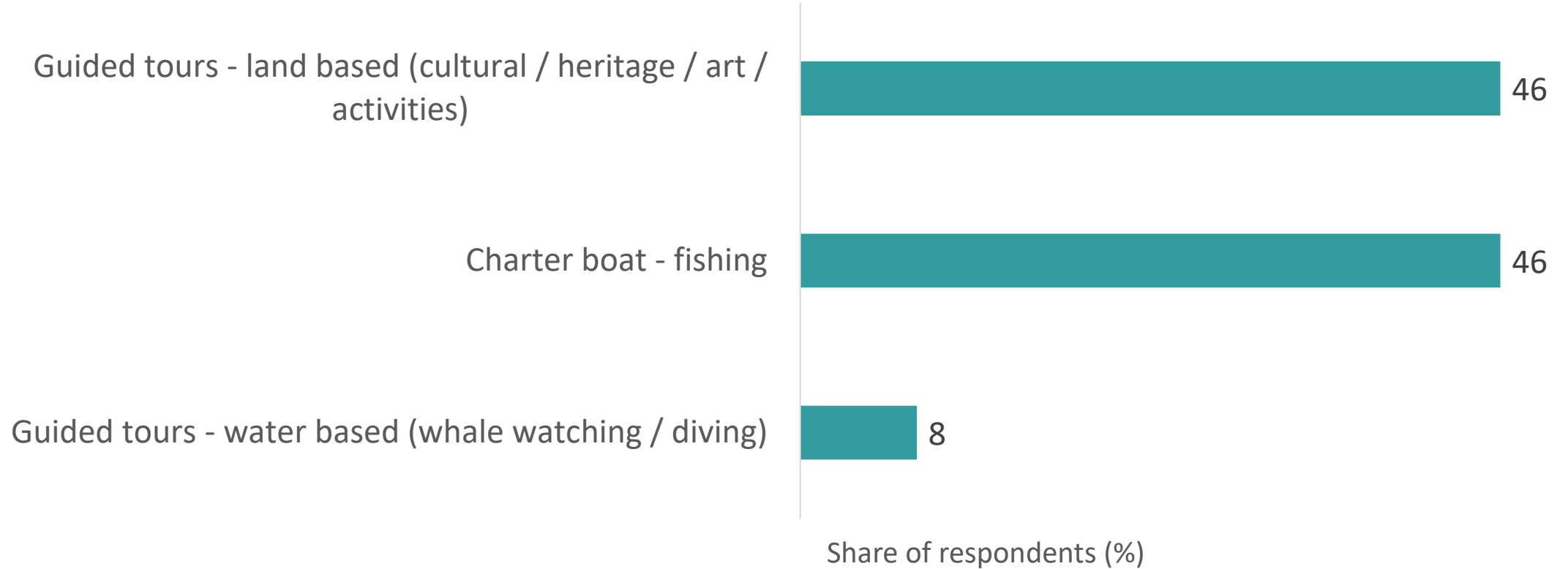
21% of surveyed Niue Businesses have the primary focus of accommodation provider.



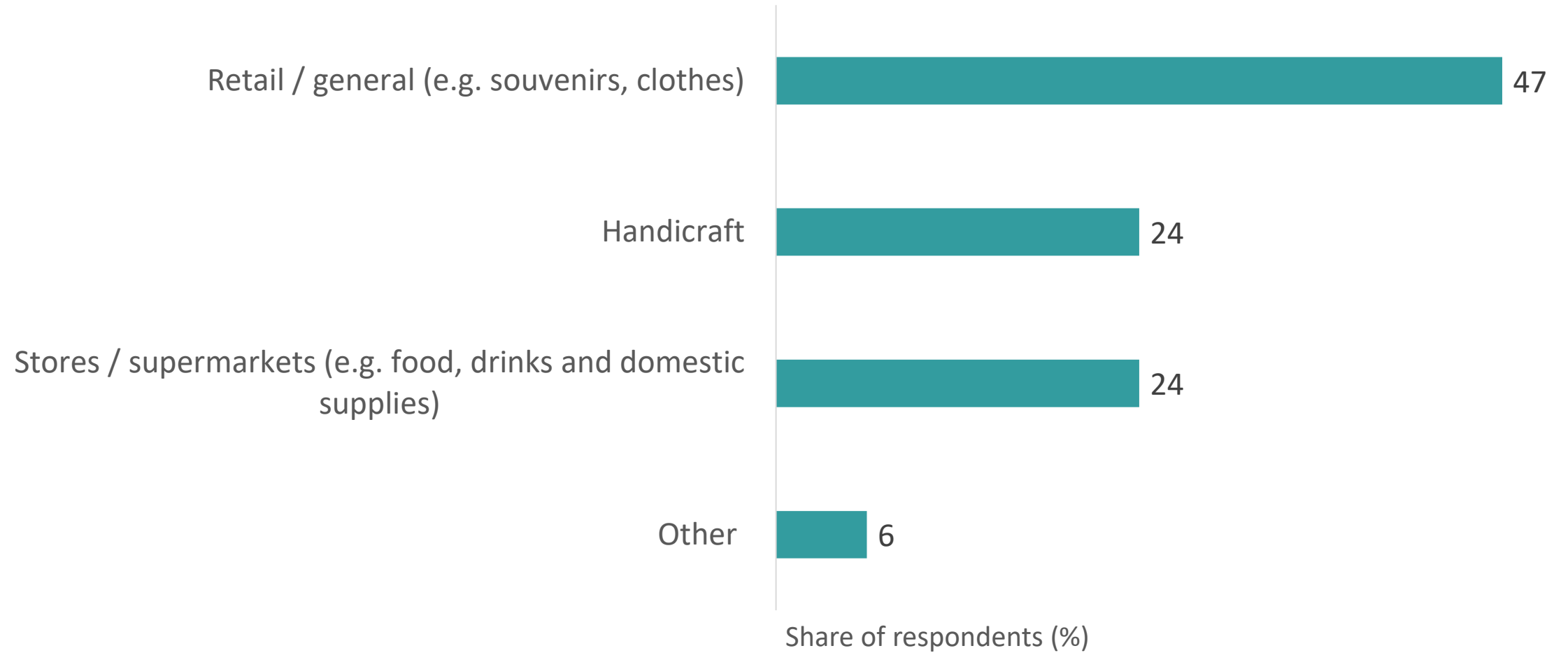
Breakdown of accommodation providers:



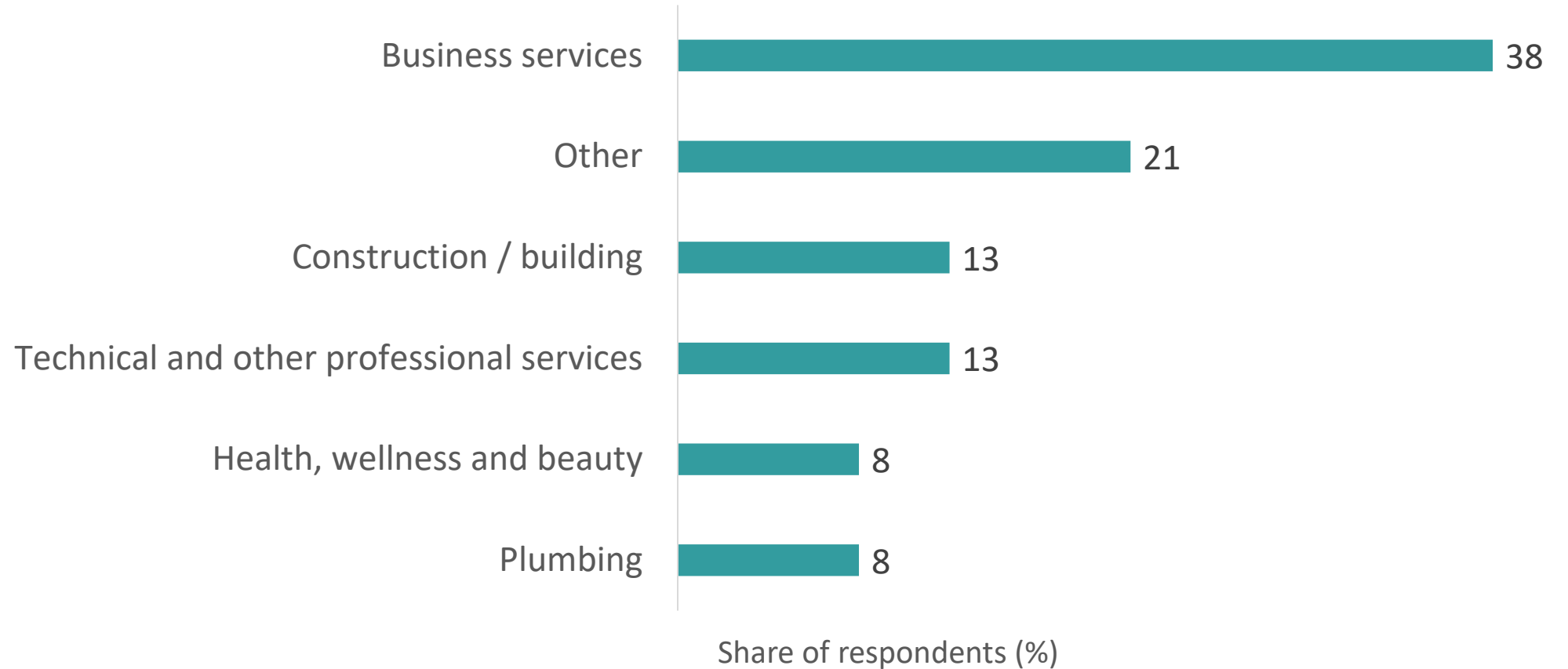
Breakdown of Visitor Activities:



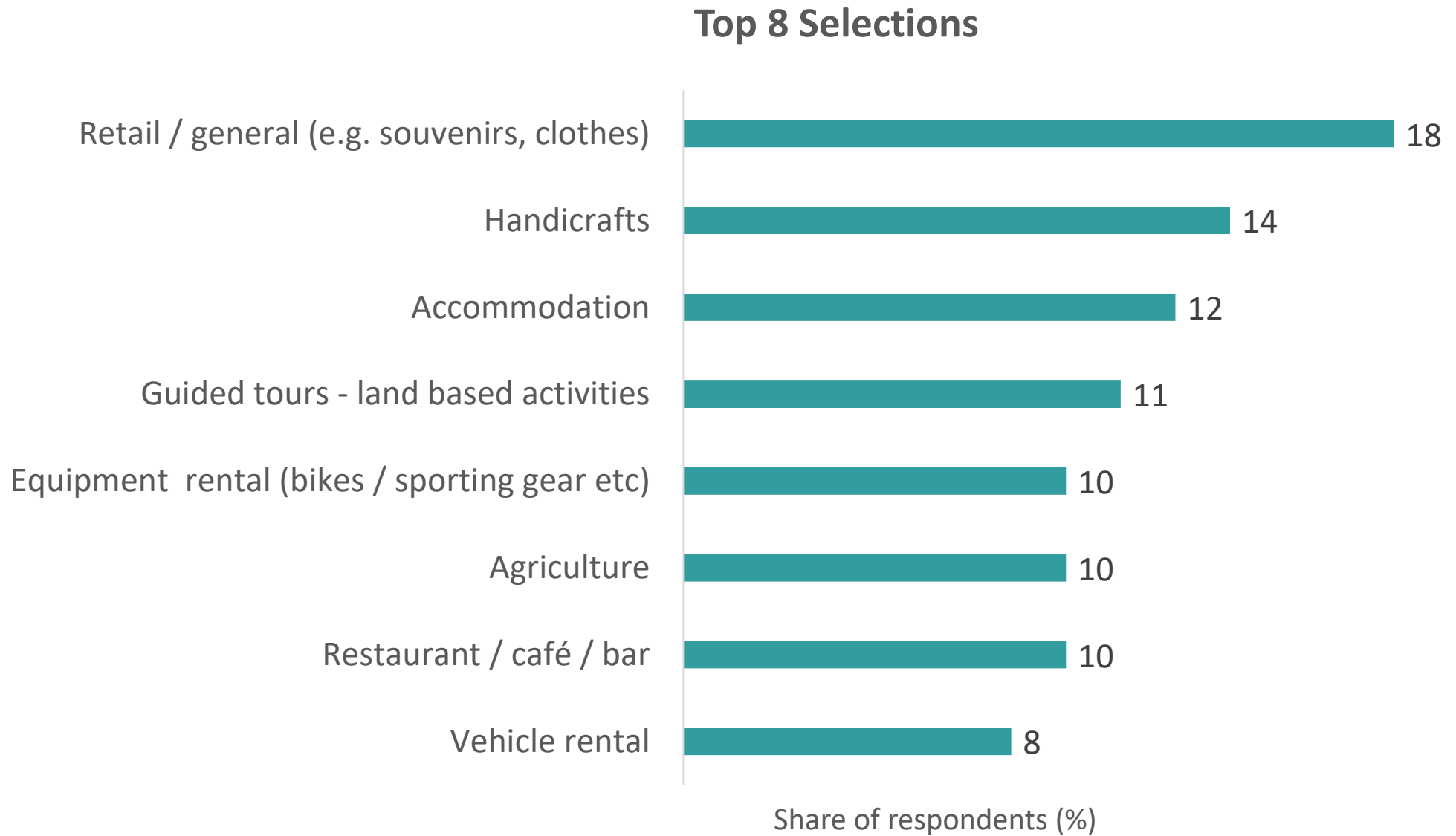
Breakdown of Retail/handicrafts:



Breakdown of Other business:



Secondary focus of businesses (additional to primary focus)



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

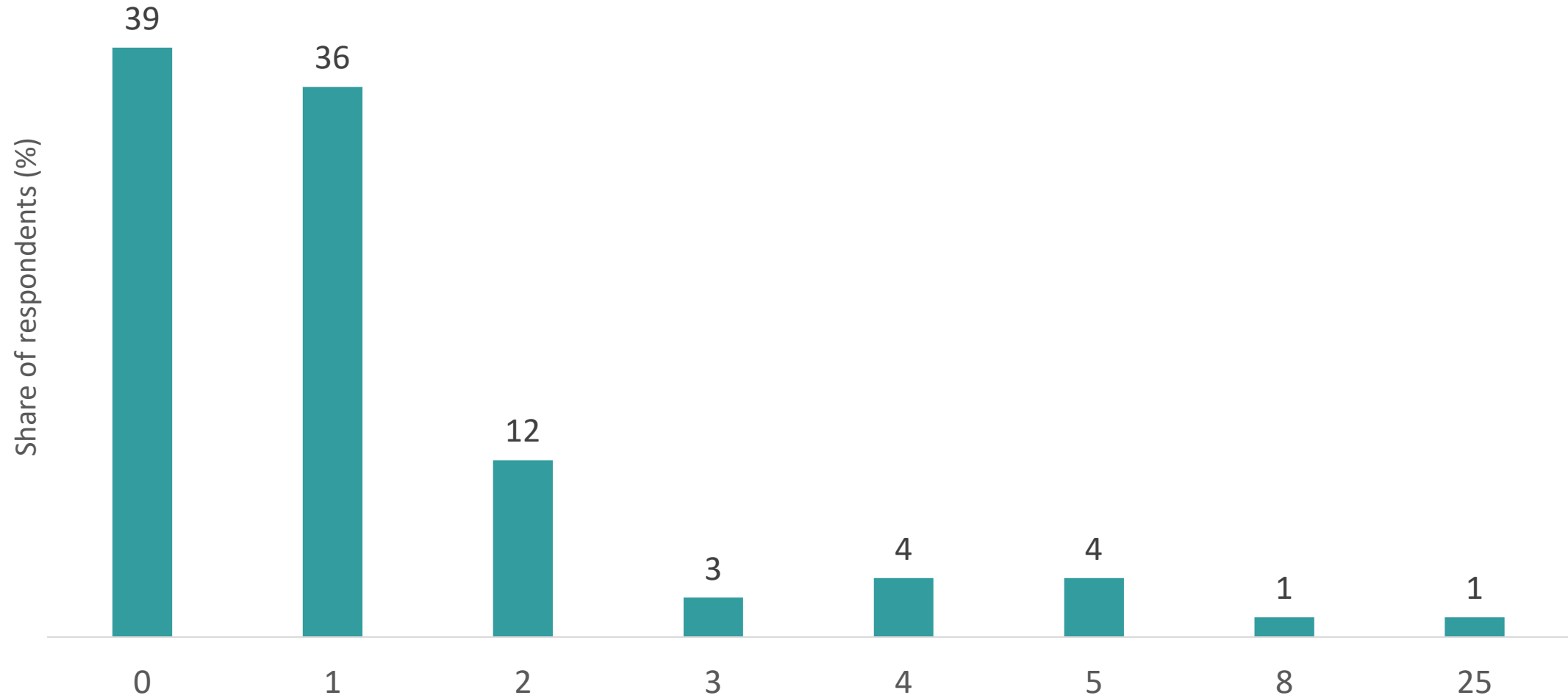


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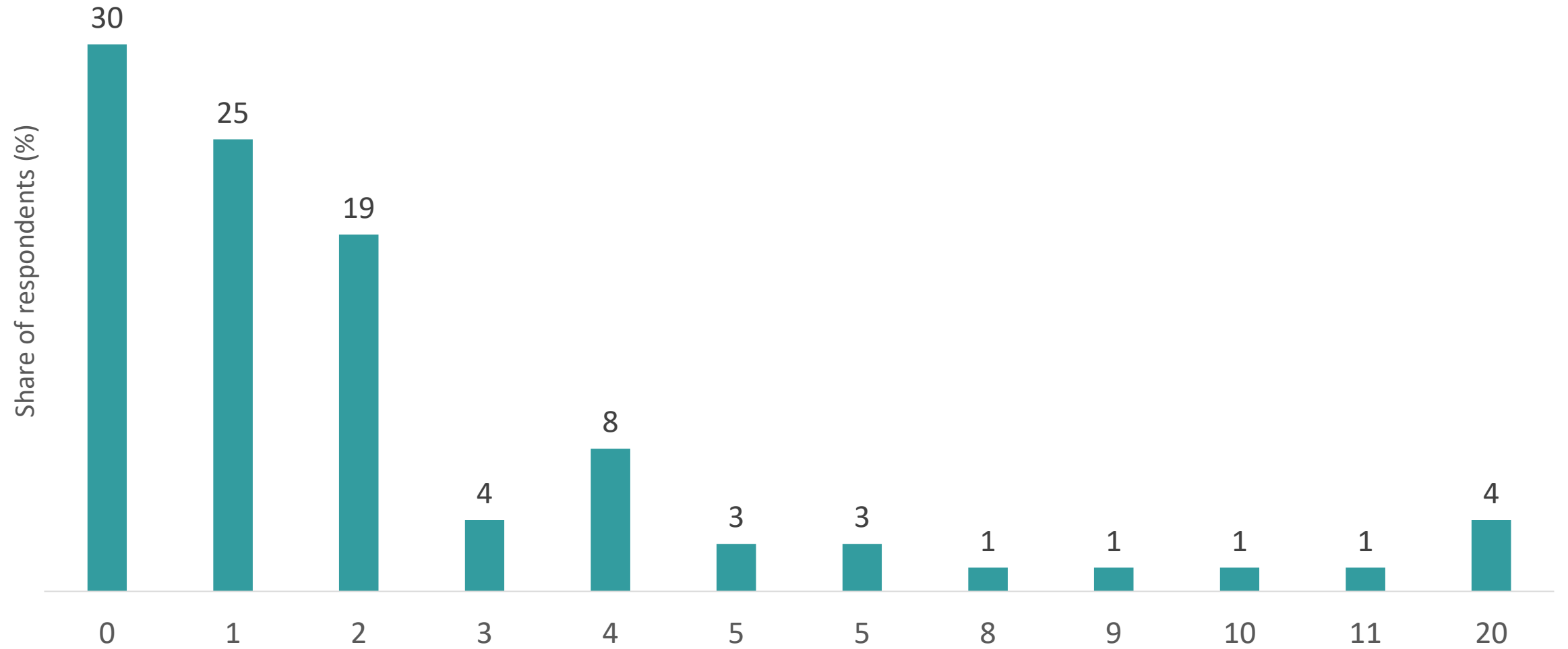
STAFFING



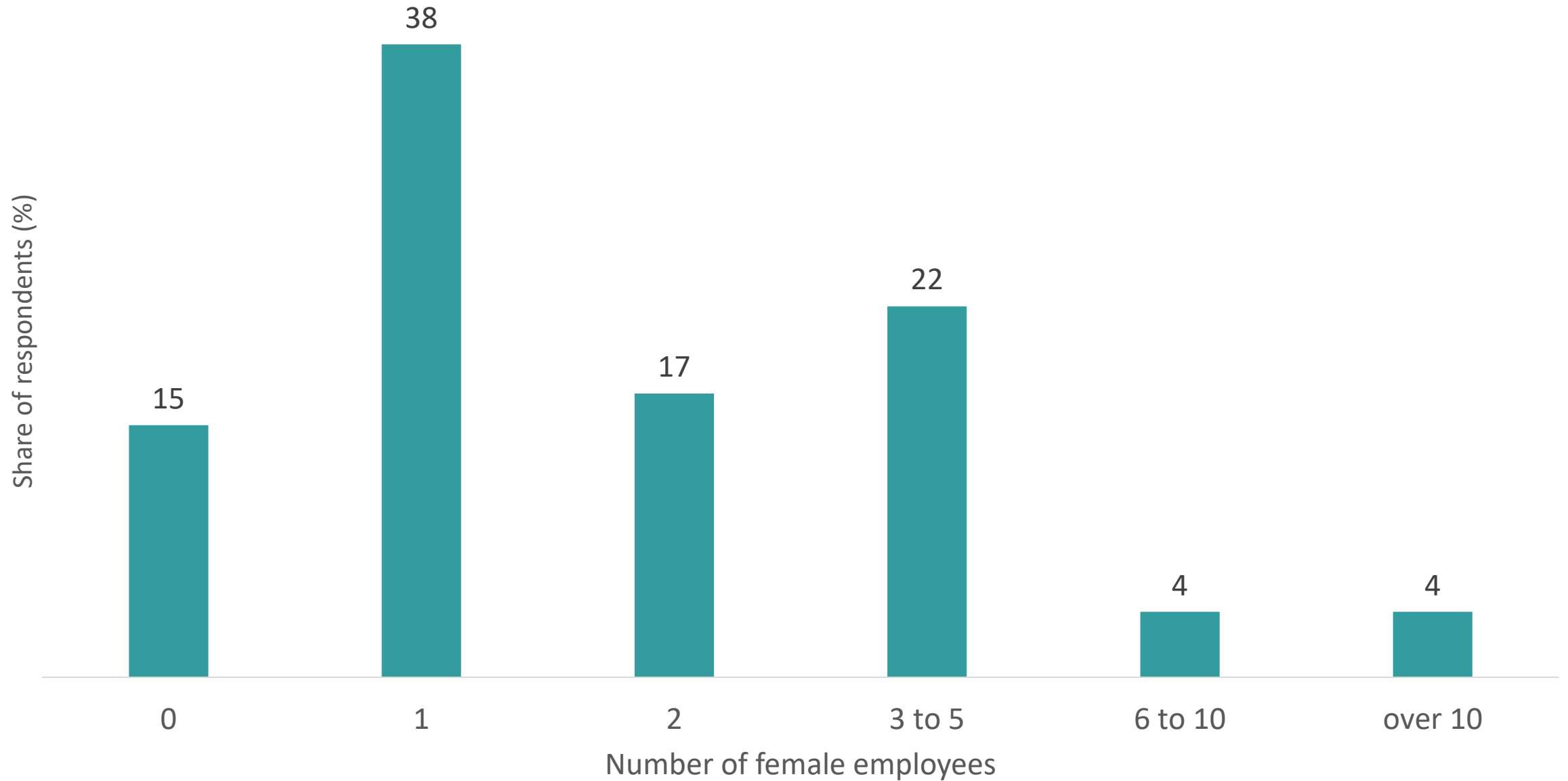
Number of full-time employees



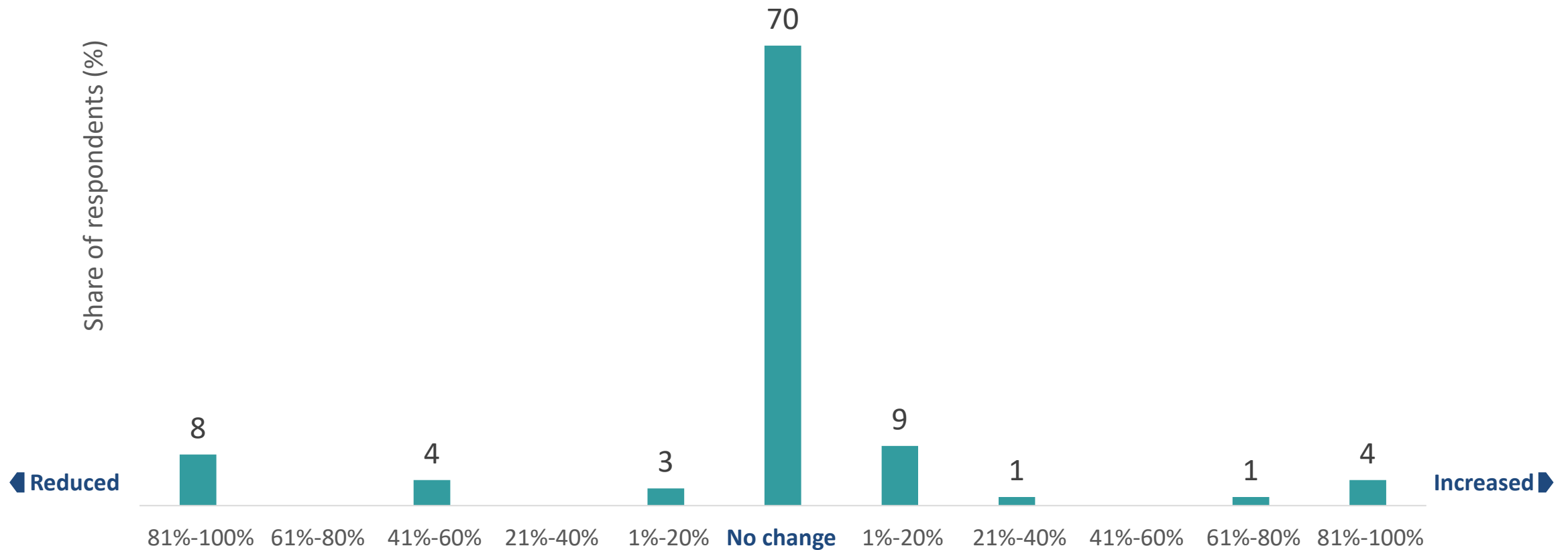
Number of part-time employees



Number of female employees

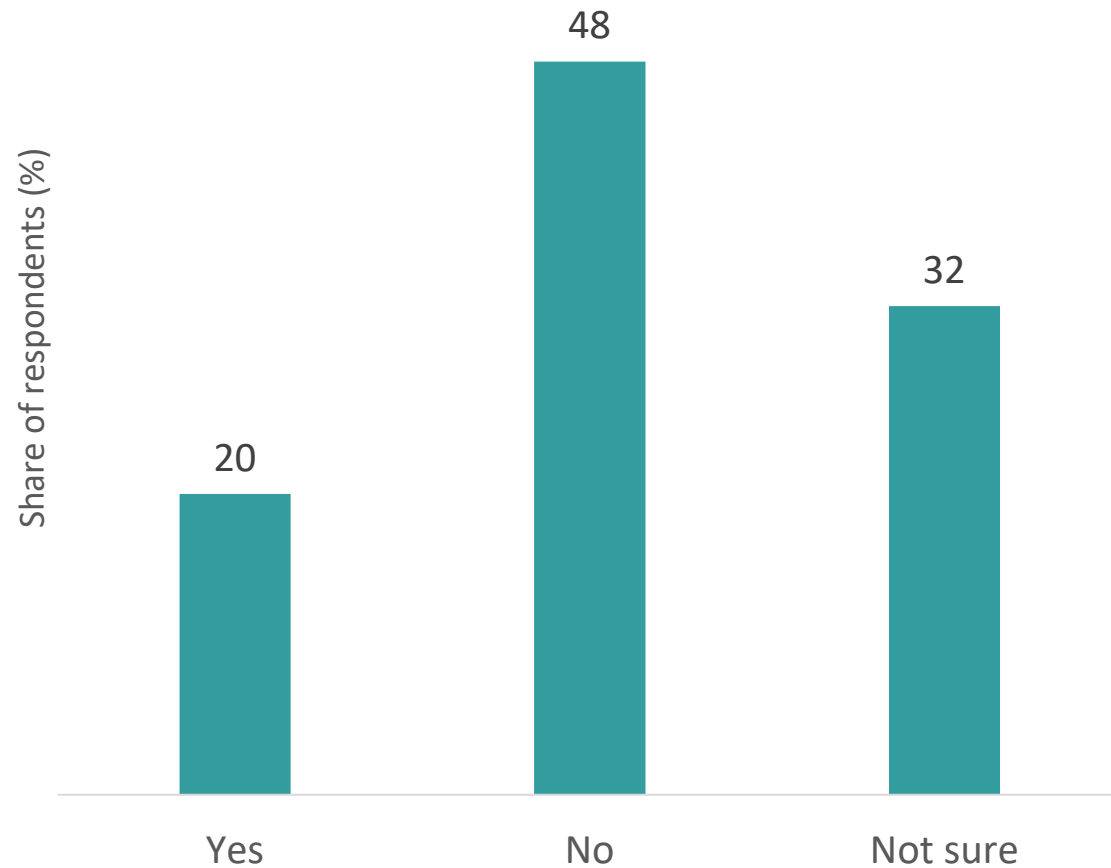


Changes in total staff in November 2022 compared to November 2019, 70% of businesses indicated no change in the number of staff.

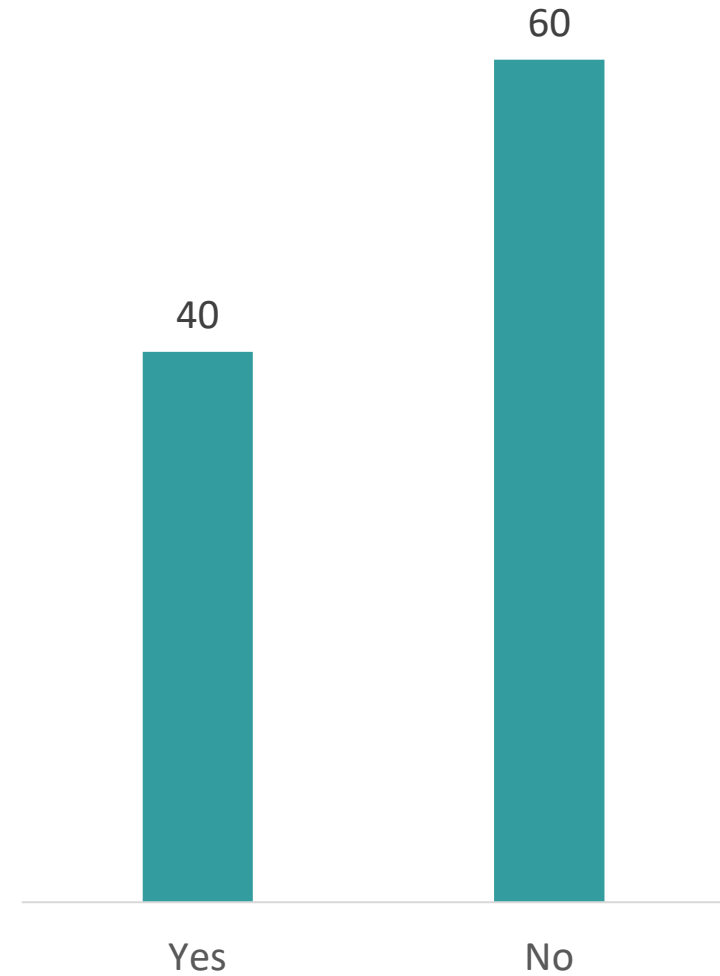


Plan for hiring:

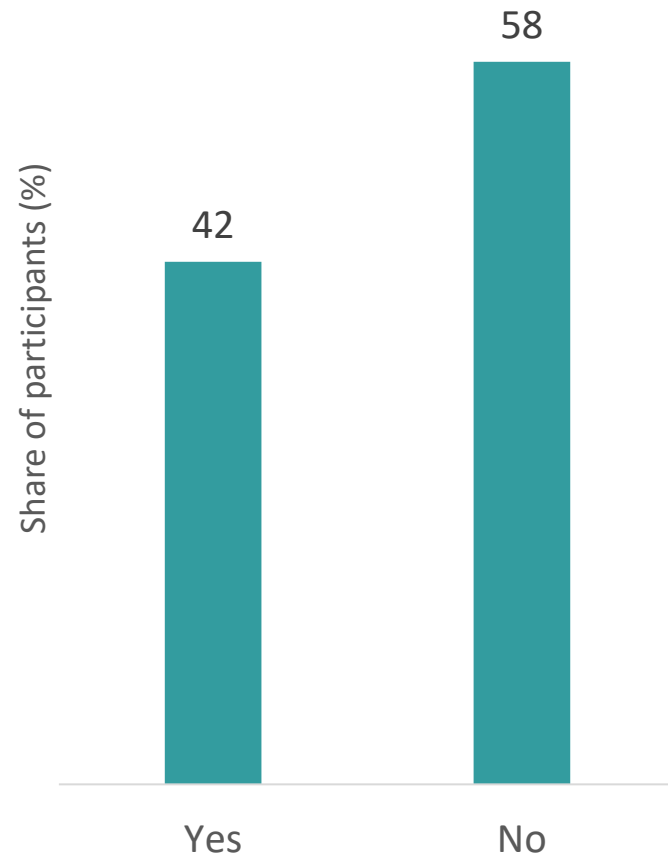
Q Plans to hire new staff in the next 12 months



Q Problems in finding staff

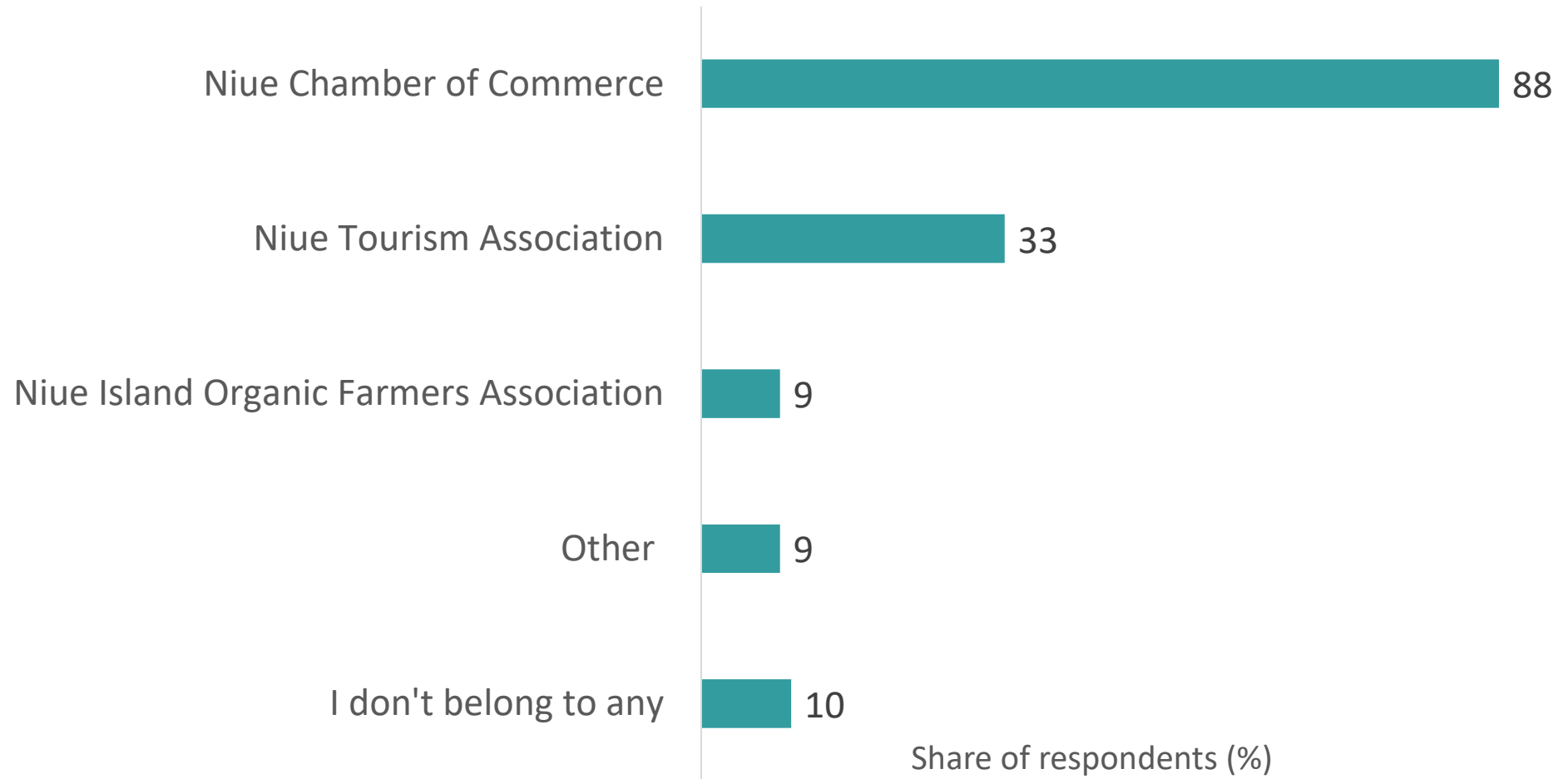


Staff training needs for business



TRAINING NEEDS	%
Customer service	52
Social and digital marketing	39
Tourism experience and related product development	33
Information and communication technology skills	33
General hospitality /tourism	30
Management skills	27
Accounting/finance	27
Health and safety/COVID practices	27
Employee performance	27
Business planning/proposal/presentation	24
Taoga Niue values and cultural understanding	24
Mental wellbeing	24
How to grow my business	18
Other	9

Business organisations and associations



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



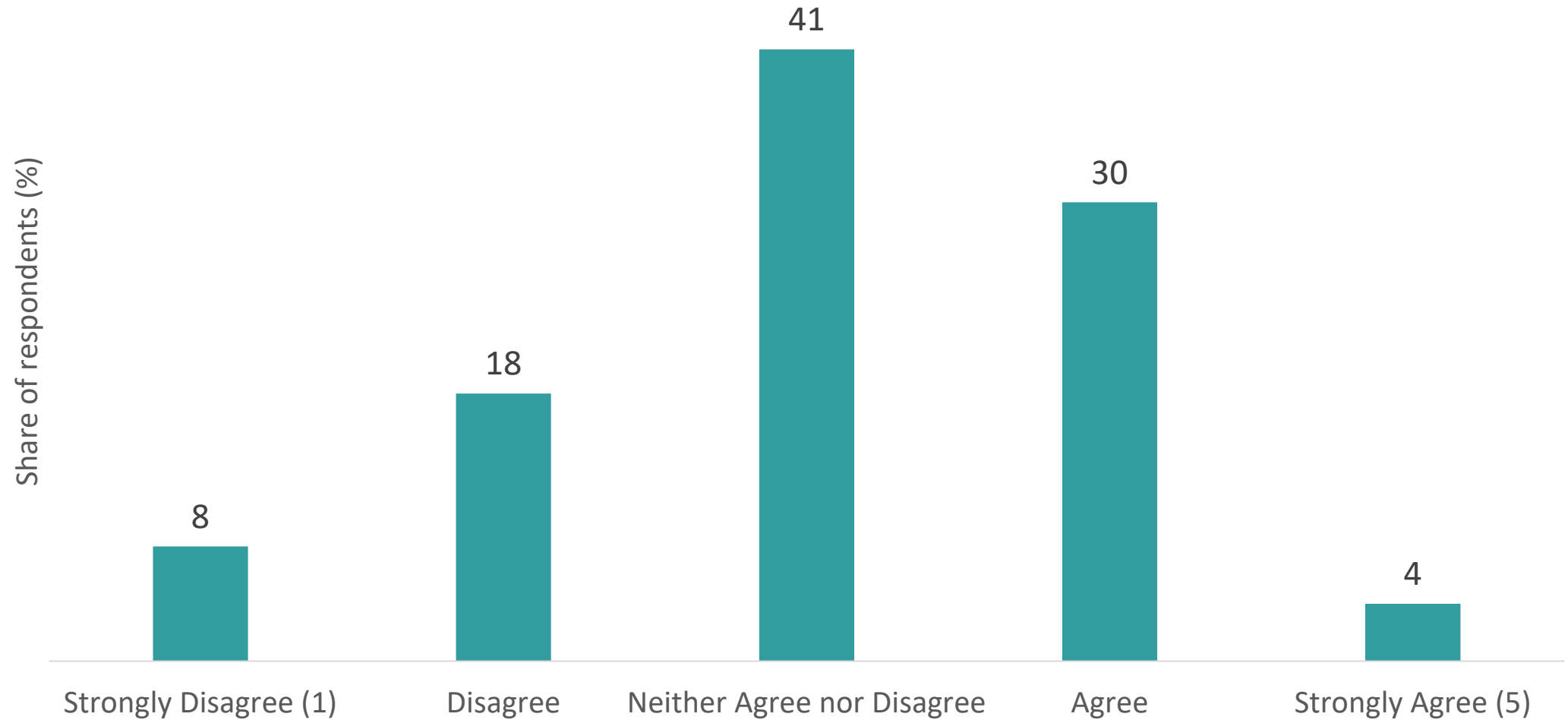
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BUSINESS CLIMATE



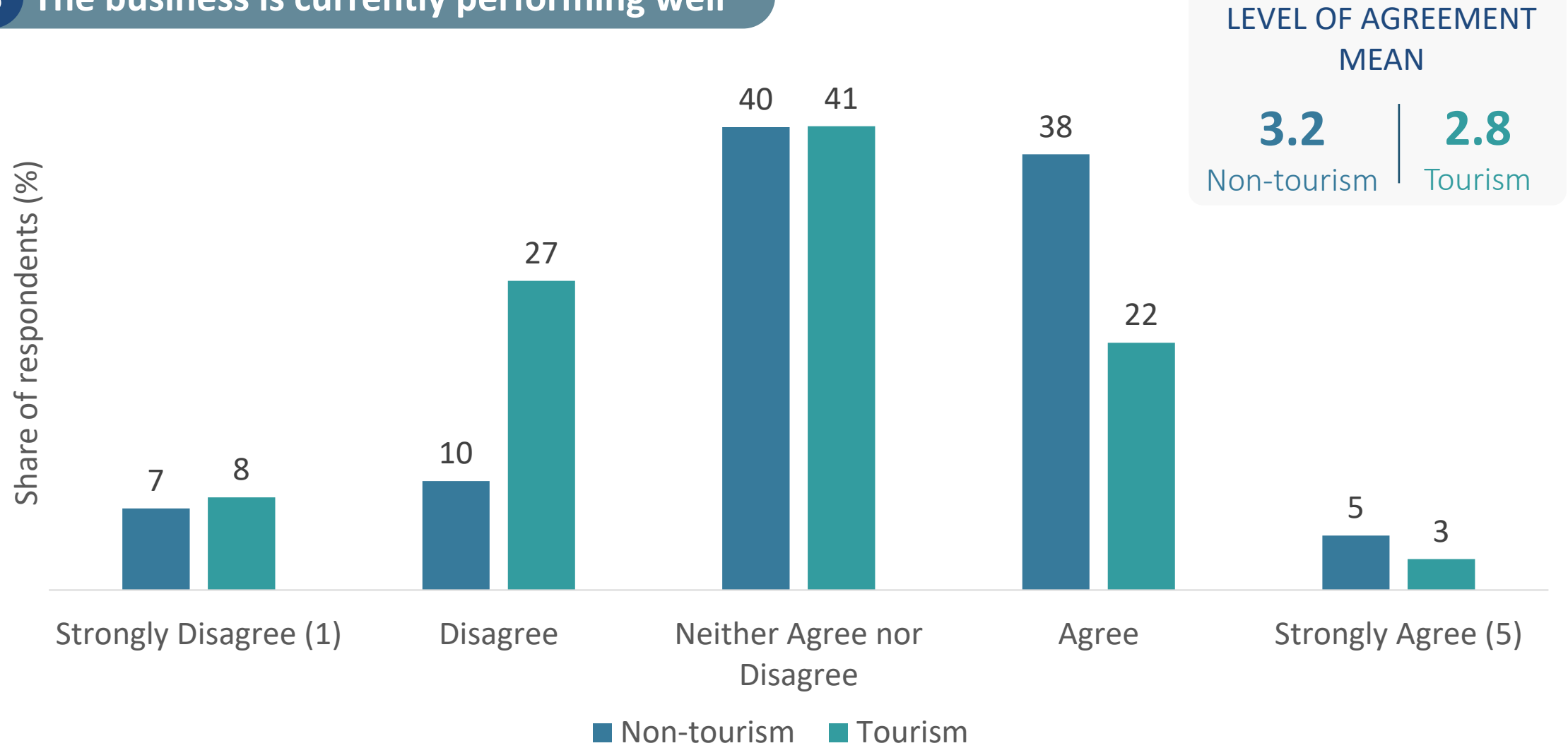
34% of businesses agree that they are currently performing well.

S The business is currently performing well



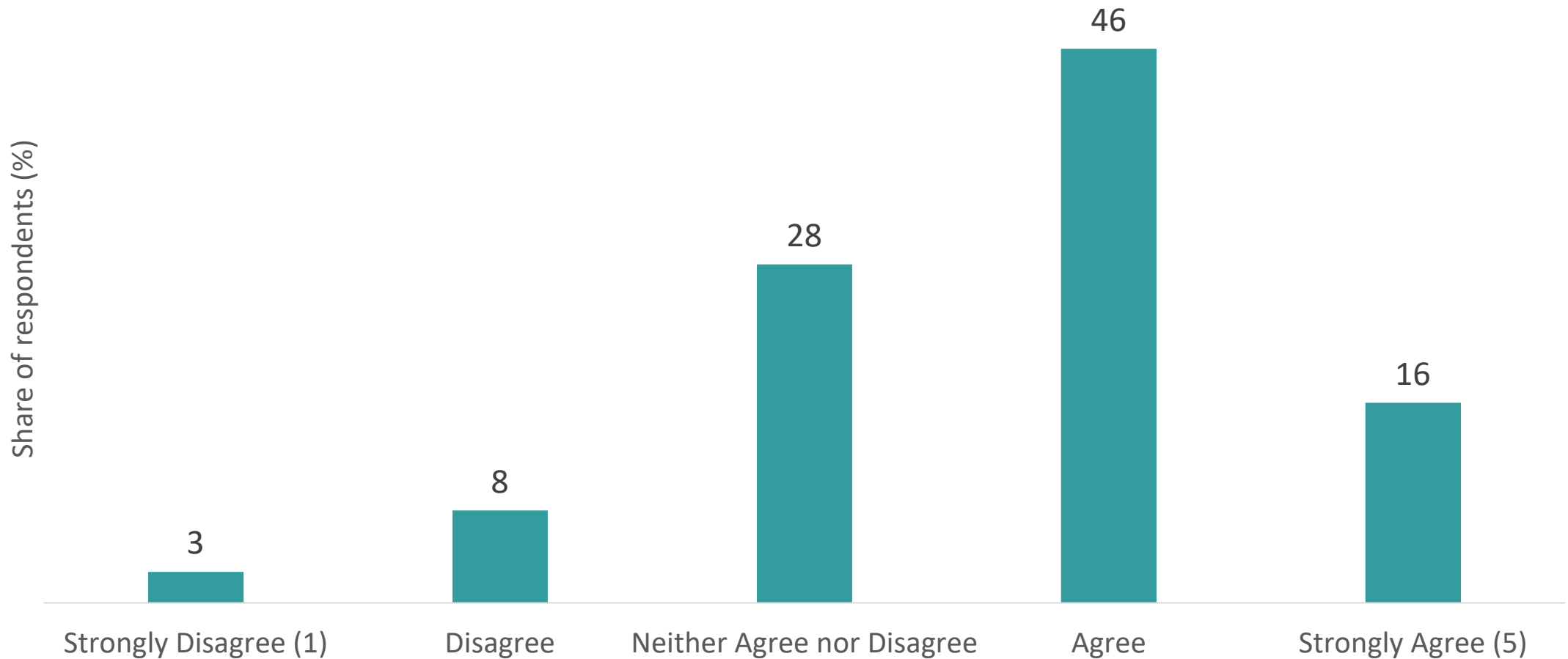
More tourism businesses disagree that businesses are performing well than the Non-tourism sector in Niue.

S The business is currently performing well



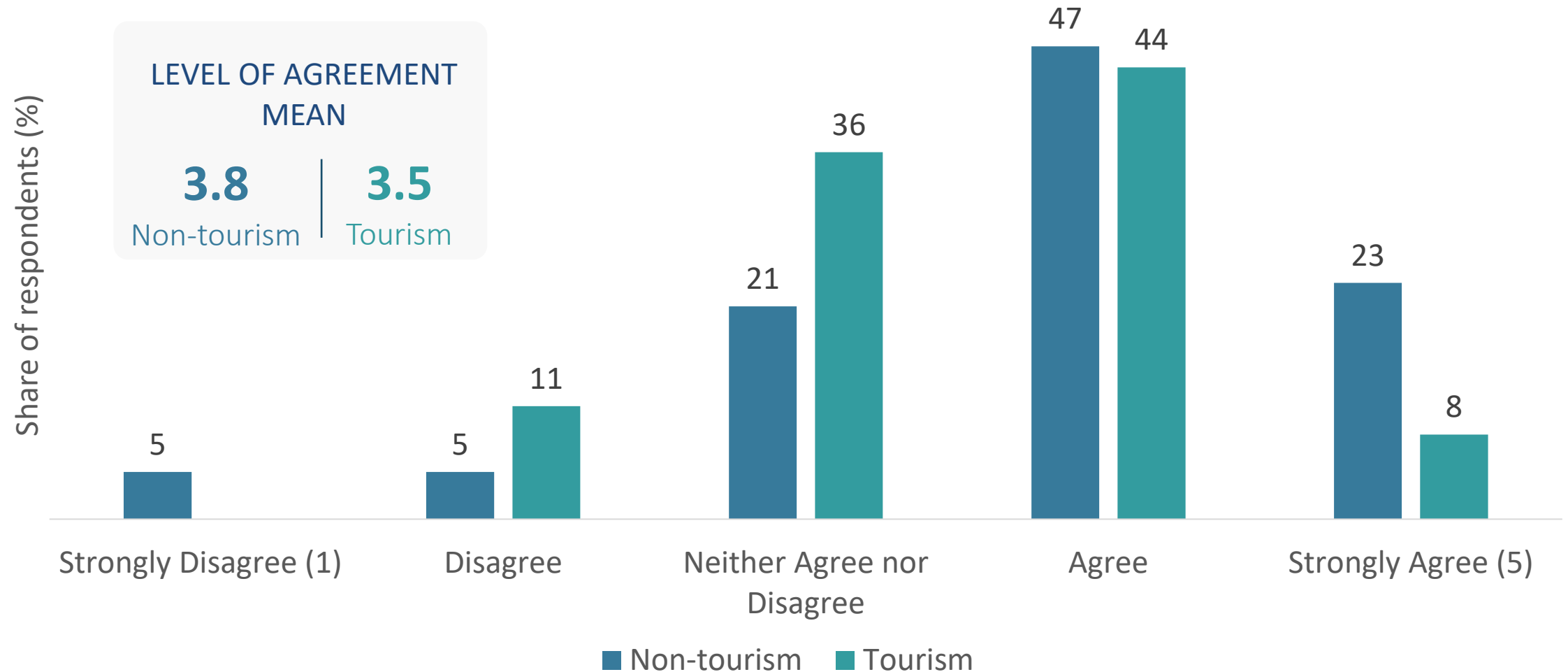
62% of businesses in Niue feel confident about their business performance in the coming year.

S I am confident the business will perform well in the coming year

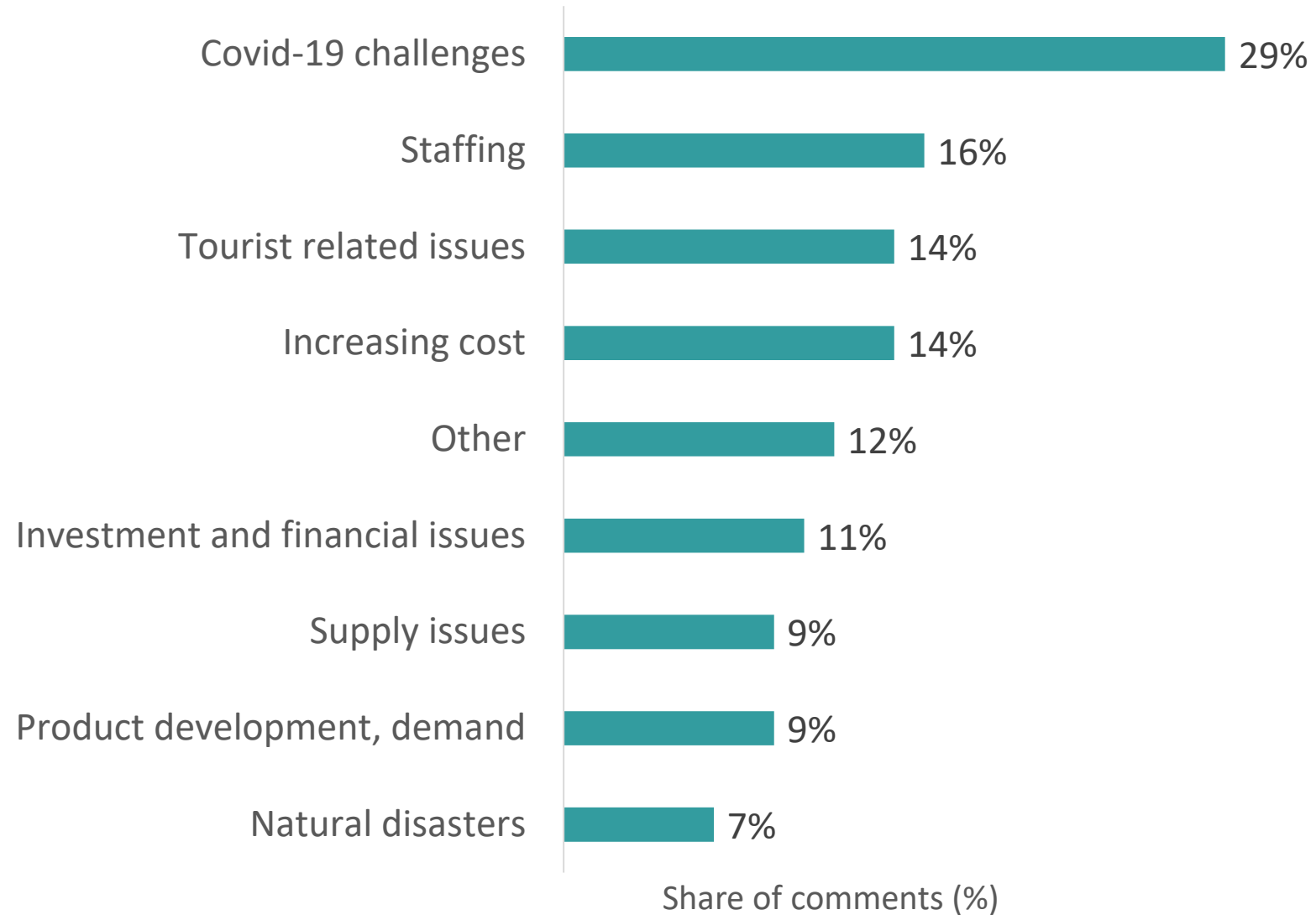


Tourism businesses are less confident about their future business performance in comparison with the Non-tourism sector in Niue.

S I am confident the business will perform well in the coming year



Major challenges that Niue businesses face in the next 12 months.



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

Indicative comments for major challenges facing Niue business.



“Potential **COVID** restrictions on tourists entering Niue”

“Getting tourist numbers back to **pre-covid** days”

“Testing and Visitor pass requirements are putting tourists off travelling when they can travel to Fiji or Rarotonga with no **restrictions**”



“**Staffing** issues / No staff on island”

“**Staffing** may change due to the possible moving of a staff overseas for further studies”



“We are 95% **tourist reliant** so are currently running at a loss. We need two planes a week from NZ and two connecting links to Rarotonga per week”

“**Tourist** disinterest, disappointment in other tour's they have gone to prior to mine”



“Customs and import **charges**”

“Air freight service with Air New Zealand is the big problem delayed we facing. The **cost** of everything is gone up”

“Prices of fuel/oil continue to challenge along with material costs. Freight costs for imported materials and goods”

Indicative comments for major challenges facing Niue business.



“External **political insecurity**”

“**Restricted cash flow** in the community”

“Sourcing spare parts is always a challenge with this type of business & funding is also needed to subsidize continuous increasing logistics costs”



“Food, **shortage** of food sources from key suppliers”

“**Supply chains** still very slow and some products now not achievable through traditional suppliers”



“Merging between health measures from NZ at the border and trying to meet the local and tourism demands of authentic Niuean handicrafts, designs and arts”



“**Cyclone** season from November to April”

66% of businesses in Niue plan to seek continued growth and more than half of businesses plan to improve service levels.

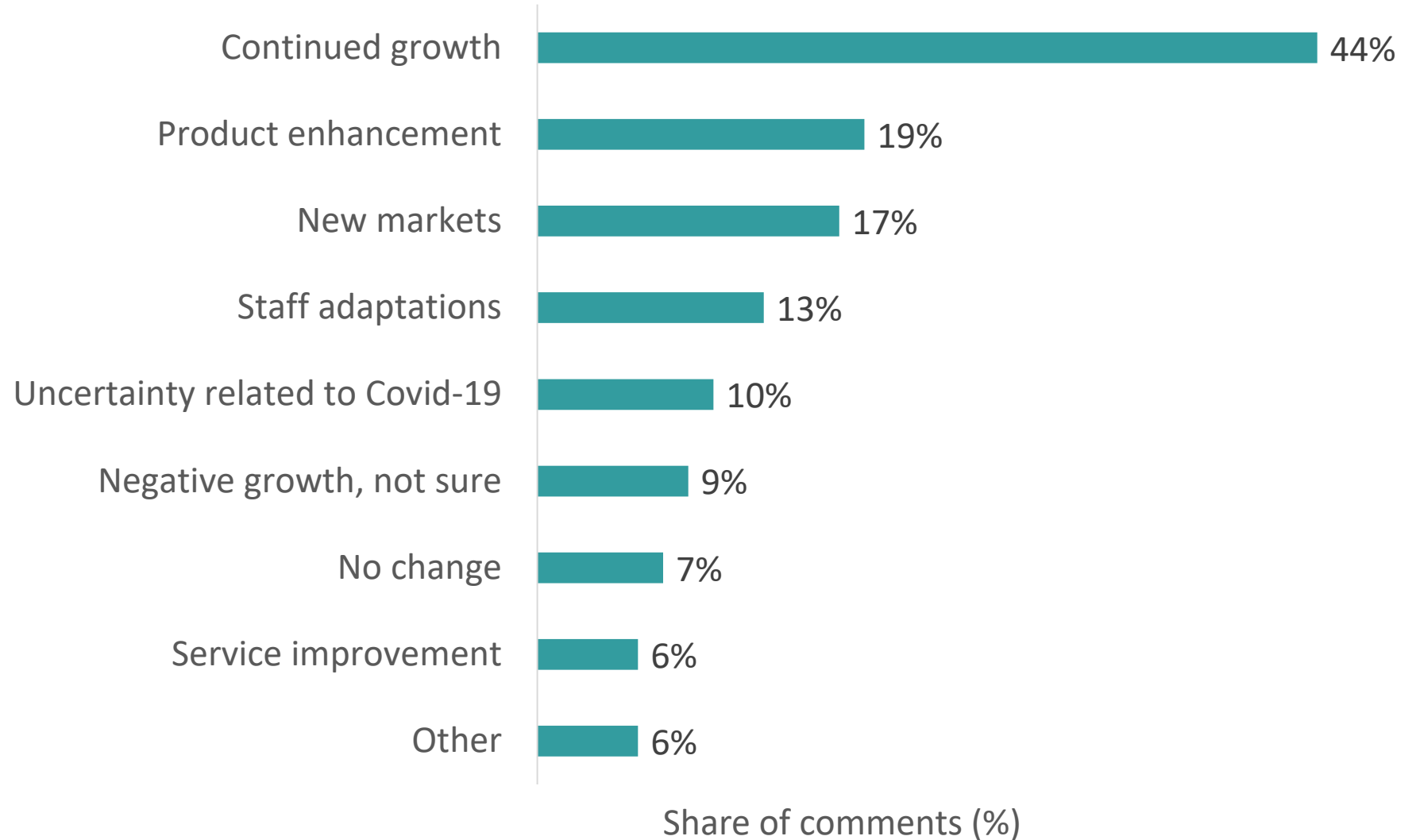
Business Plans



Share of comments (%)

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

Business development in the next five years



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

Indicative comments for business development in five years.



“Business will **continue to grow** due to its local customers”

“I am confident that the business will sustain and **continue to grow** in the next five years”



“Offering **more products** and own a shelter/shop”

“**Replacing** damaged items and replacing non working items”



“Long term focus will be to get my **webpage** going to sell my art online and increase customer base and diversify production”

“Working also in the **pacific region**”



“...**training** of apprentice to learn the trade”

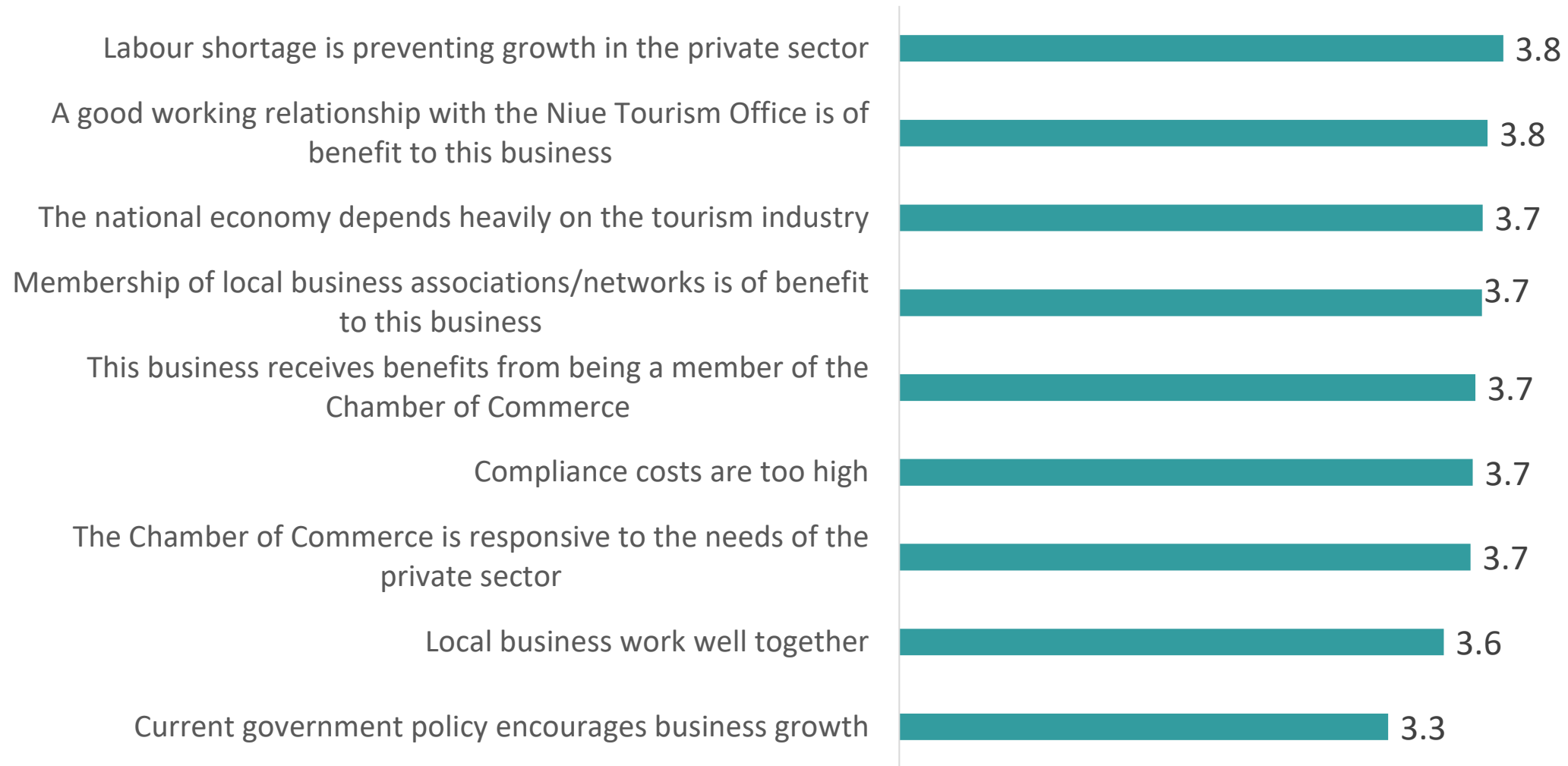


“Hard to say these days as month to month things change. Especially given the recovery from **Covid restrictions**. Hopefully still operational”



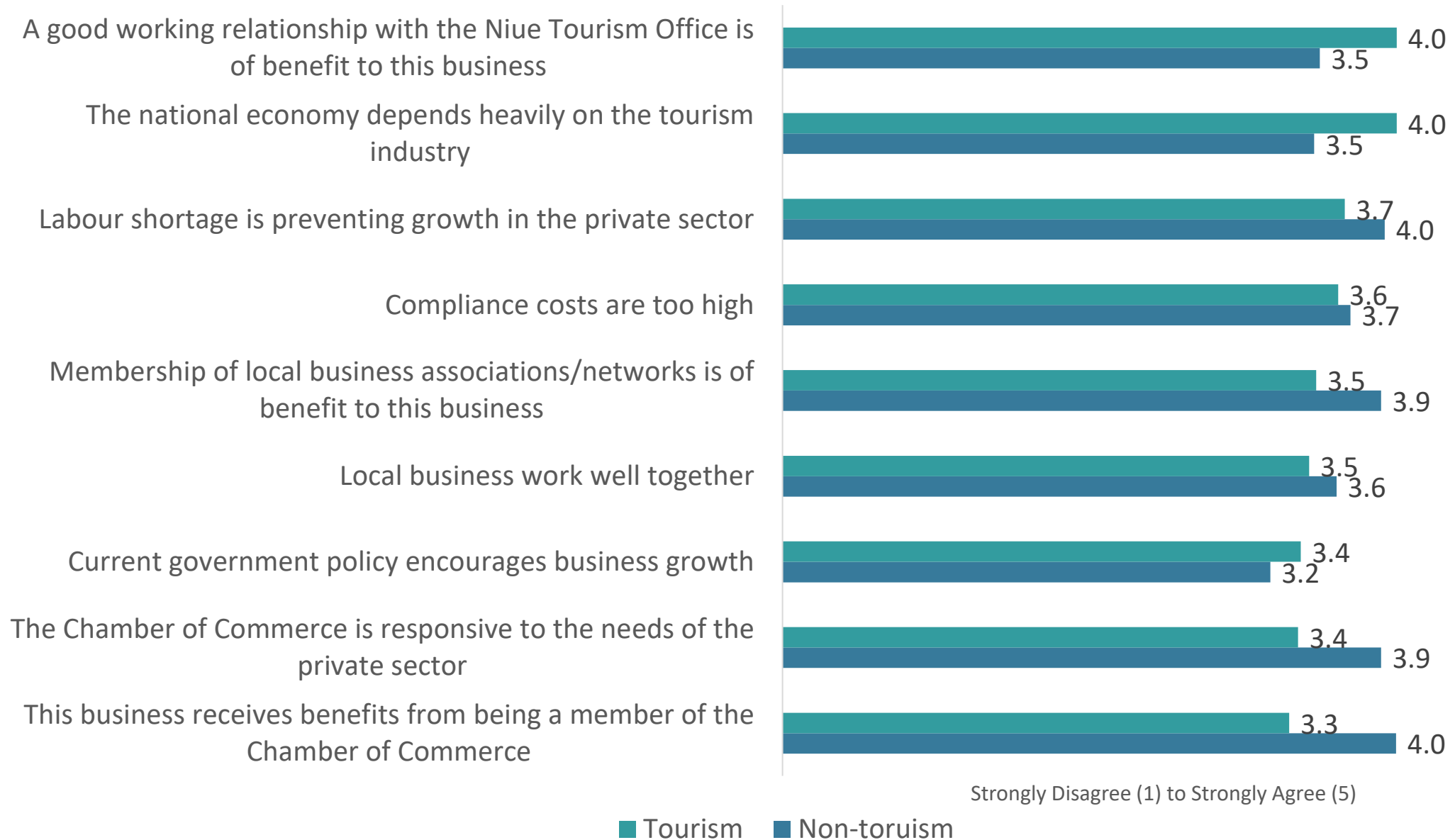
“Age dictates that there will be a **downhill trend** as it becomes more difficult to perform tasks in construction”

Business confidence dimensions:



Strongly Disagree (1) to Strongly Agree (5)

Comparisons between tourism and non-tourism sectors



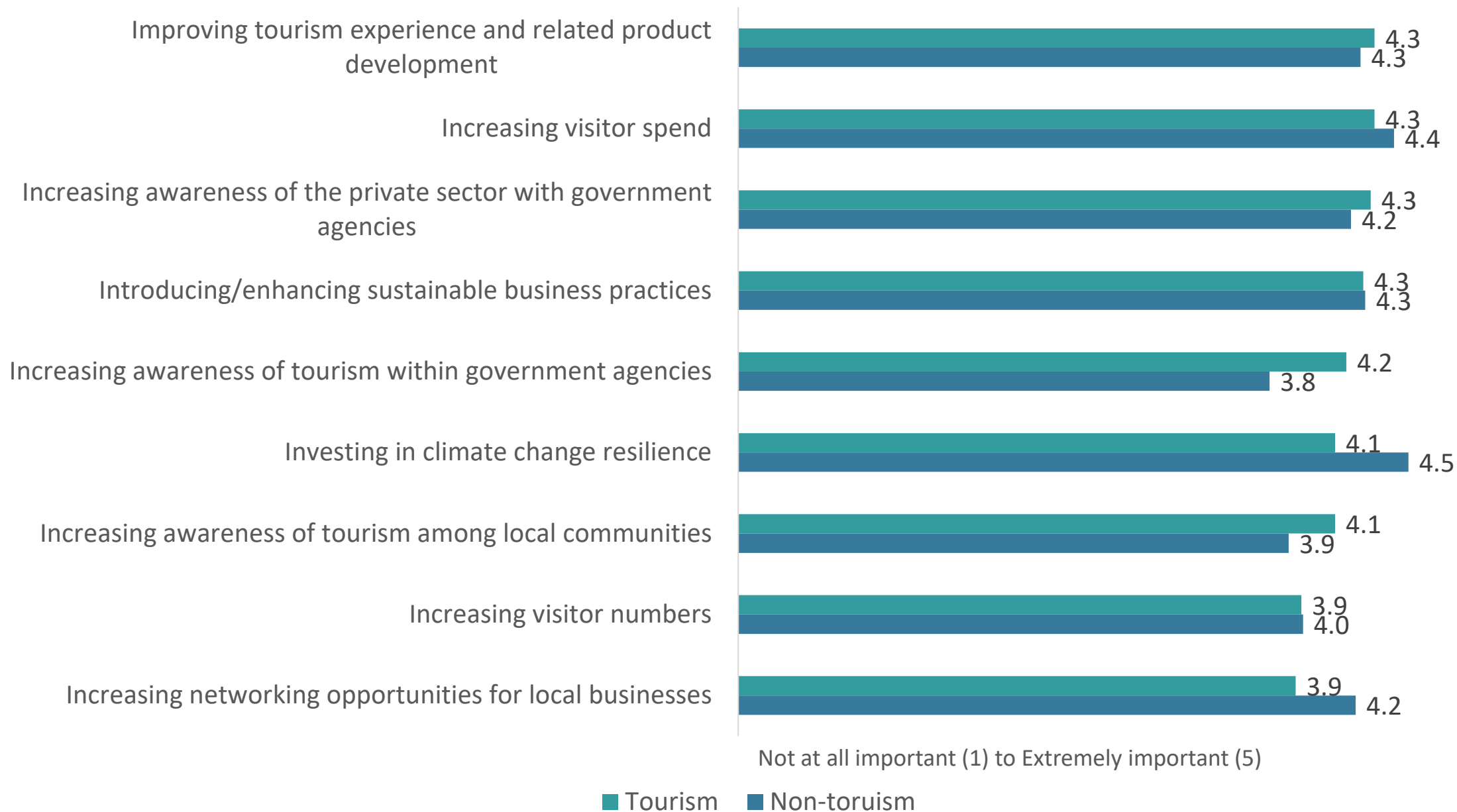
Increasing visitor spend is considered to be the most important area to focus future investment

Importance of Investment Dimensions



Note at all important (1) to Extremely important (5)

Investing in climate change resilience is more important for non-tourism businesses than tourism.



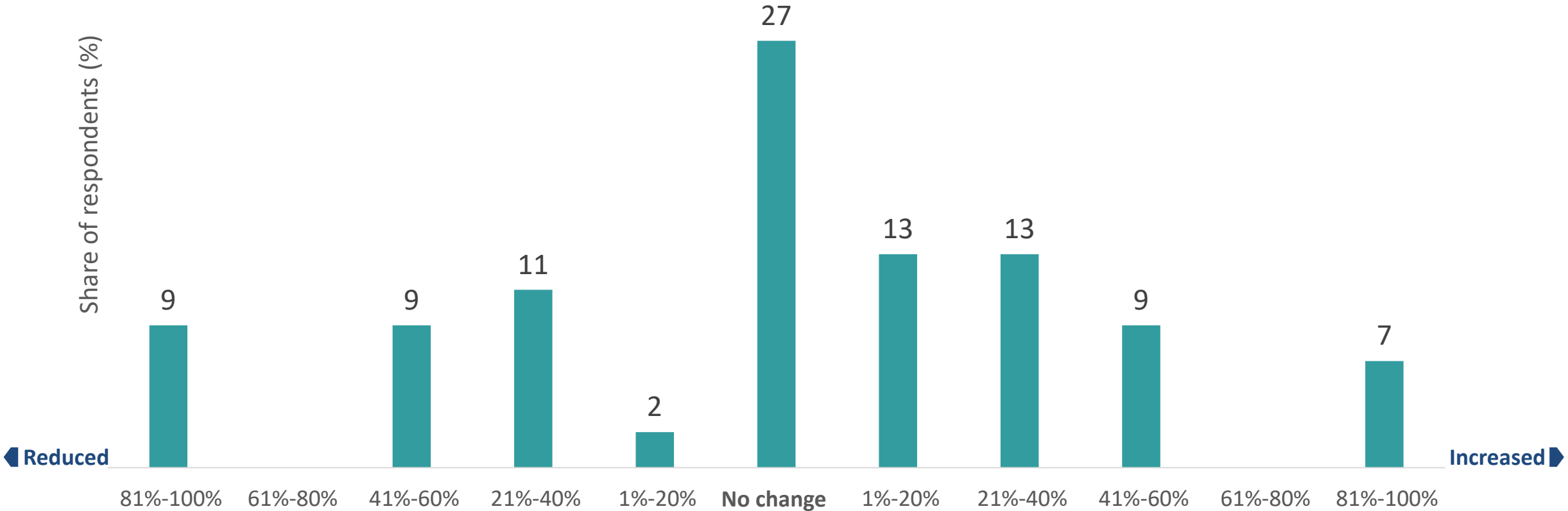


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REVENUE, COST & LINKAGES



42% of Niue businesses show an increased turnover from August to October 2022 compared to the same period in 2019. 27% show no change.



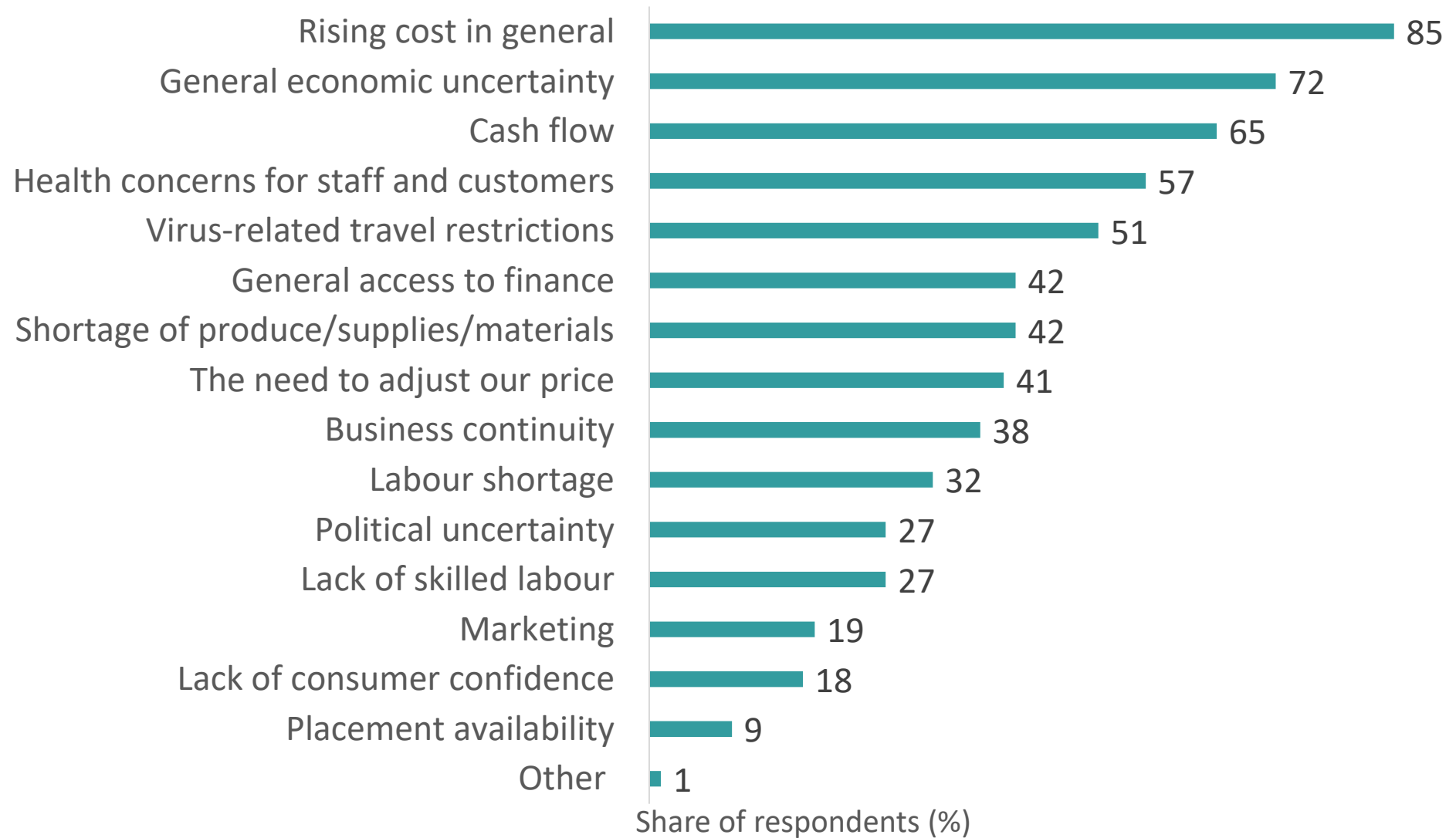


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COVID-19 RELATED STRATEGIES

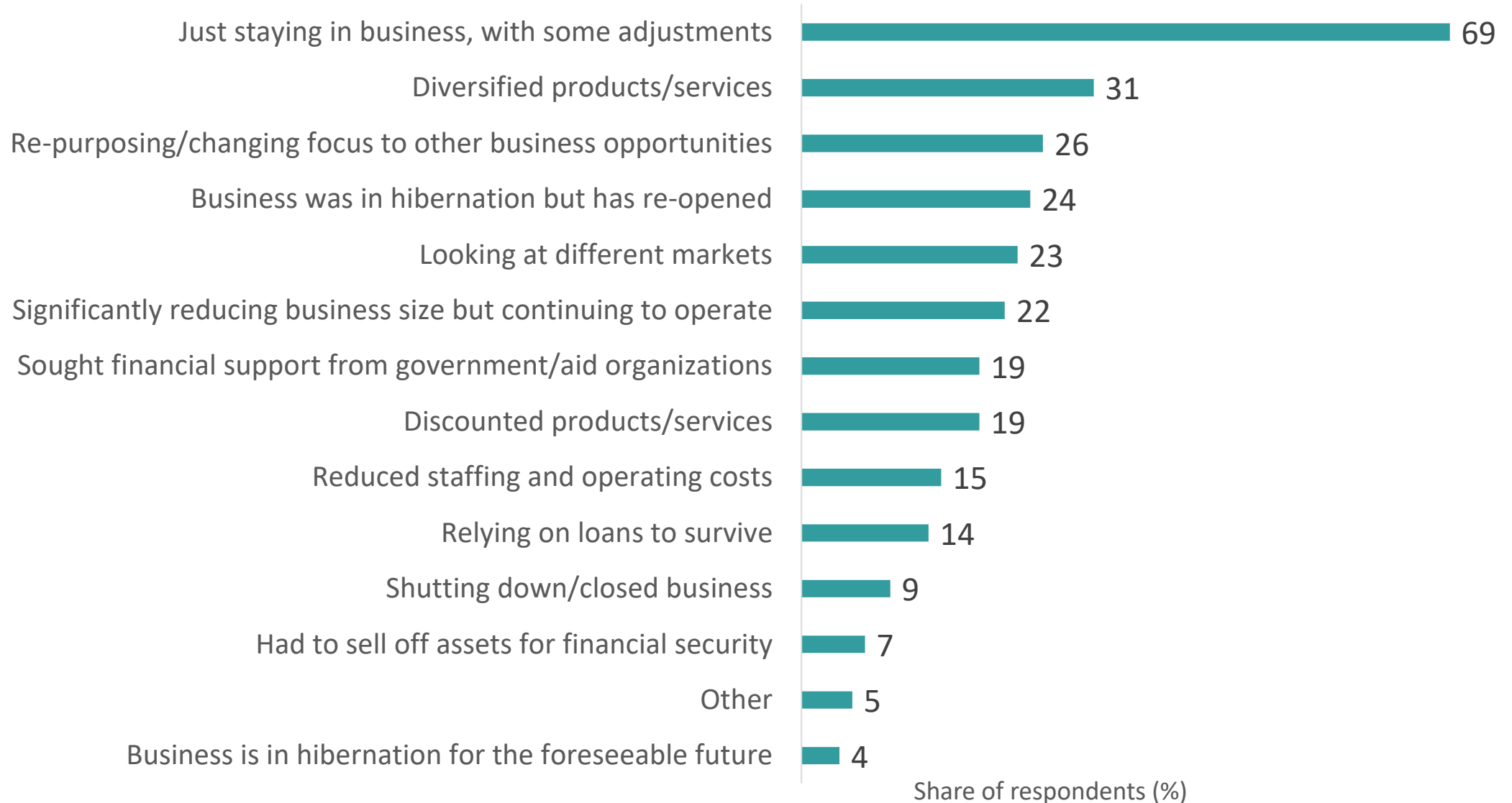


Business key concerns relating to COVID-19.



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

How business in Niue adapted to COVID-19 over the last year.



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

Thank you

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