

Taranaki Business Survey Results

August - September 2025

venture
TARANAKI
Te Puna Umanga



TARANAKI BUSINESS SURVEY

Te Puna Umanga Venture Taranaki, the Taranaki Regional Development Agency, has undertaken a Business Survey since 1999. Until 2024, it was conducted on a six-monthly basis. From 2025 onwards, the survey will be conducted annually. The results provide a useful overview of economic and business conditions in our region, for use in business planning, decision-making, and advocacy efforts to Central Government.

The survey includes a number of standard economic questions, enabling us to compare year-on-year business confidence and outlook for our region. We also ask special topic questions relevant to the business community. This year's focus is: early movers, bold decisions, and business risk, exploring how Taranaki enterprises are leading change, stepping into new industries, and navigating uncertainty.

The survey opened on Wednesday, 20 August 2025, and closed on Sunday, 31 August 2025.

Questionnaires were sent to enterprises across various industry sectors via email, social media, and relevant networks. There were 188 respondents, with a completion rate of 82%. This survey is open to enterprise owners and managers only. A breakdown of the respondent profiles is included on pages 38 to 41.

If you have any questions regarding this survey, please contact Venture Taranaki - info@venture.org.nz.

If you would like to join the business survey list, please [click here](#).



KEY FINDINGS

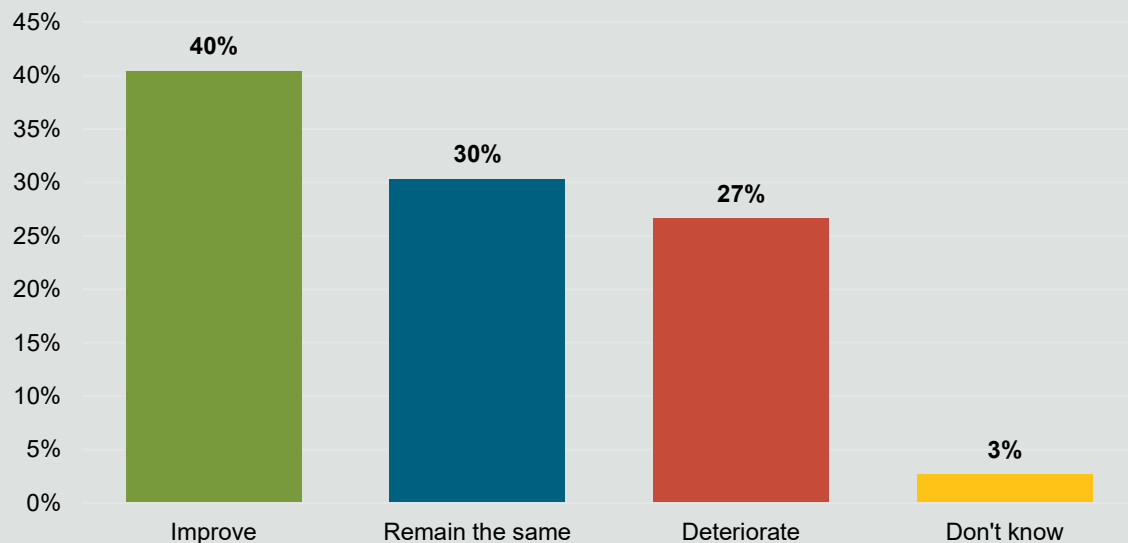
- Taranaki businesses conveyed a more **optimistic outlook on the New Zealand economy for the next 12 months, compared to the last survey** (June 2024). Confidence levels are starting to return, with fewer respondents expecting deterioration and more anticipating stability or improvement.
- While most employers expect staff numbers to remain steady, there is a modest increase in those planning to hire, suggesting cautious confidence in workforce growth, although this is also balanced by those anticipating staffing declines. Skills shortages, however, continue to be a challenge across several sectors, particularly education, healthcare, IT, and trades.
- Concerns remain centred on financial pressures, including costs e.g. **energy and materials, and a challenging market situation**. Regulation, red tape, and political uncertainty were raised as barriers to business activity.
- The survey highlights that Taranaki businesses are highly open to innovation, with **over 80% expressing willingness to adopt new ideas, trial new technologies, or enter new markets**. This signals a strong appetite for progress across the region. However, translating willingness into action is more complex.
- **Outcomes for early movers are often mixed** - 28% reported balanced experiences of both opportunities and challenges. Still, nearly half described their experiences as positive, reinforcing that innovation pays off when conditions are right.
- **Key motivators** for early adoption include competitive advantage, financial support, and leadership mindset, while the **biggest barriers** are cost, access to skills, and risk aversion. This contrast shows that while the ambition is there, businesses need practical enablers to bridge the gap between intent and implementation.
- Importantly, businesses **called for more collaboration, tailored support for SMEs, and greater recognition of innovation locally**. They emphasised that fostering a culture where experimentation is encouraged, even when outcomes are uncertain, will be critical for driving regional growth.



**Economic
conditions**

Business confidence: New Zealand

Question 1 In the next 12 months, do you expect the general business situation in **New Zealand** to:



Findings

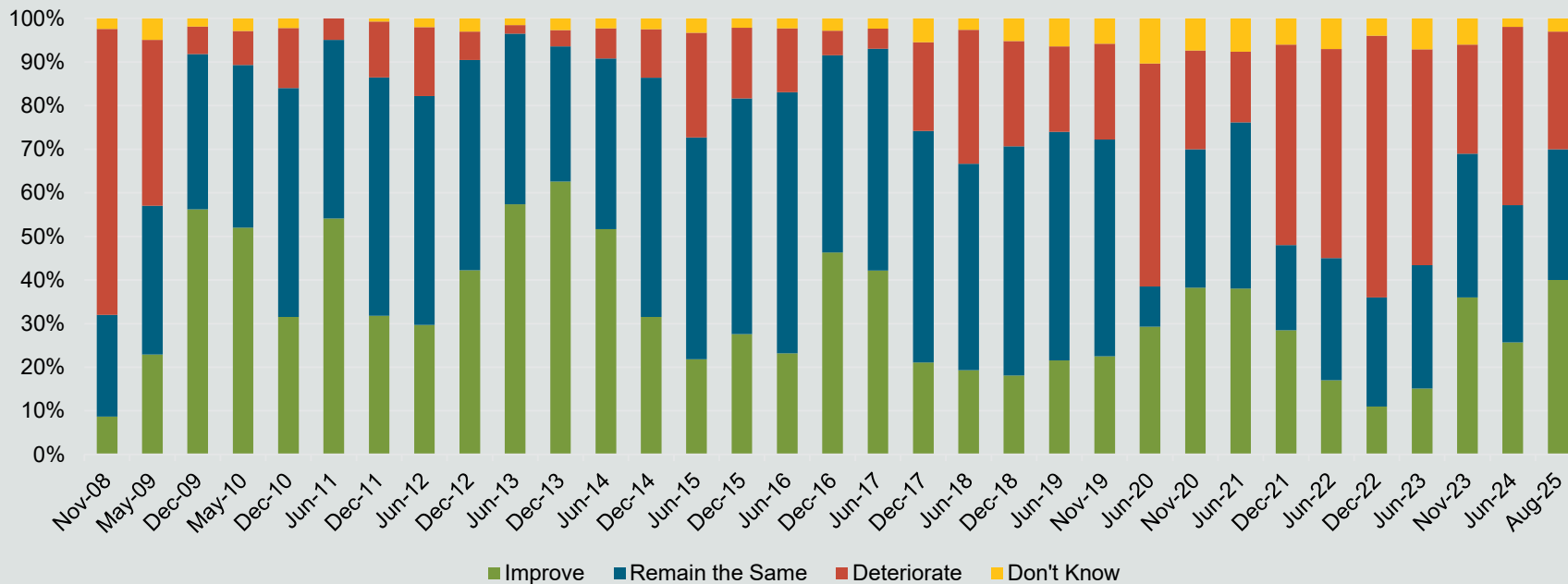
Overall, results indicate a **more positive business outlook** compared with June 2024, with optimism rising and concerns about deterioration easing.

40% of respondents expect the general business situation in **New Zealand to improve**, a notable increase from 26% in the June 2024 survey.

However, the gap between improvement (40%) and stability (30%) is not large, suggesting that while confidence has strengthened, many businesses remain cautious about the future.

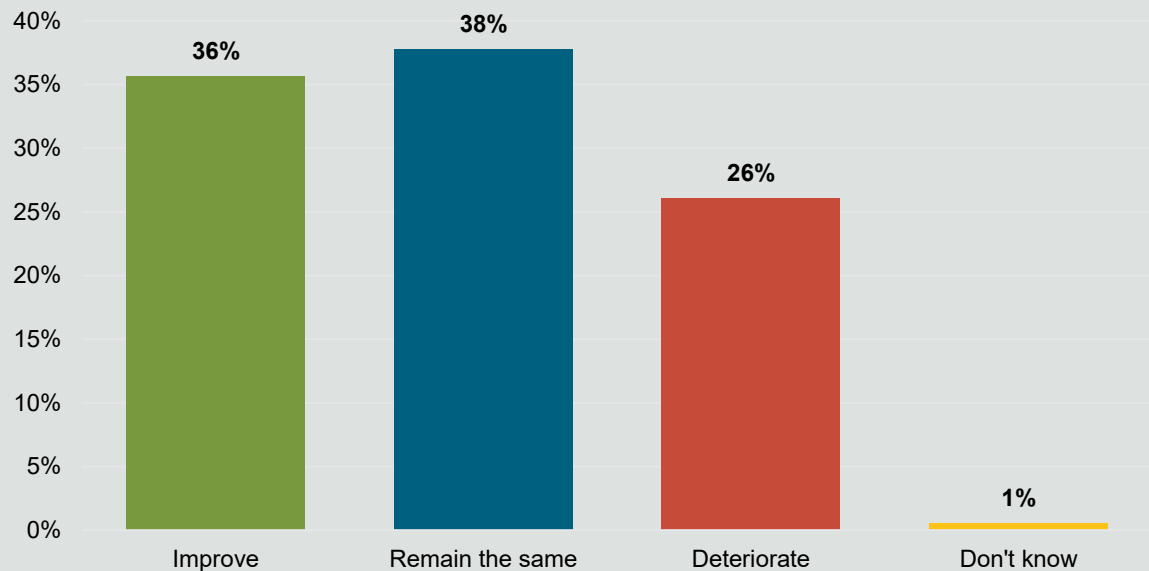
Business confidence: New Zealand year on year

In the next 12 months, do you expect the general business situation in **New Zealand** to:



Industry outlook

Question 2 In the next 12 months, do you expect business conditions in your **industry sector** in **New Zealand** to



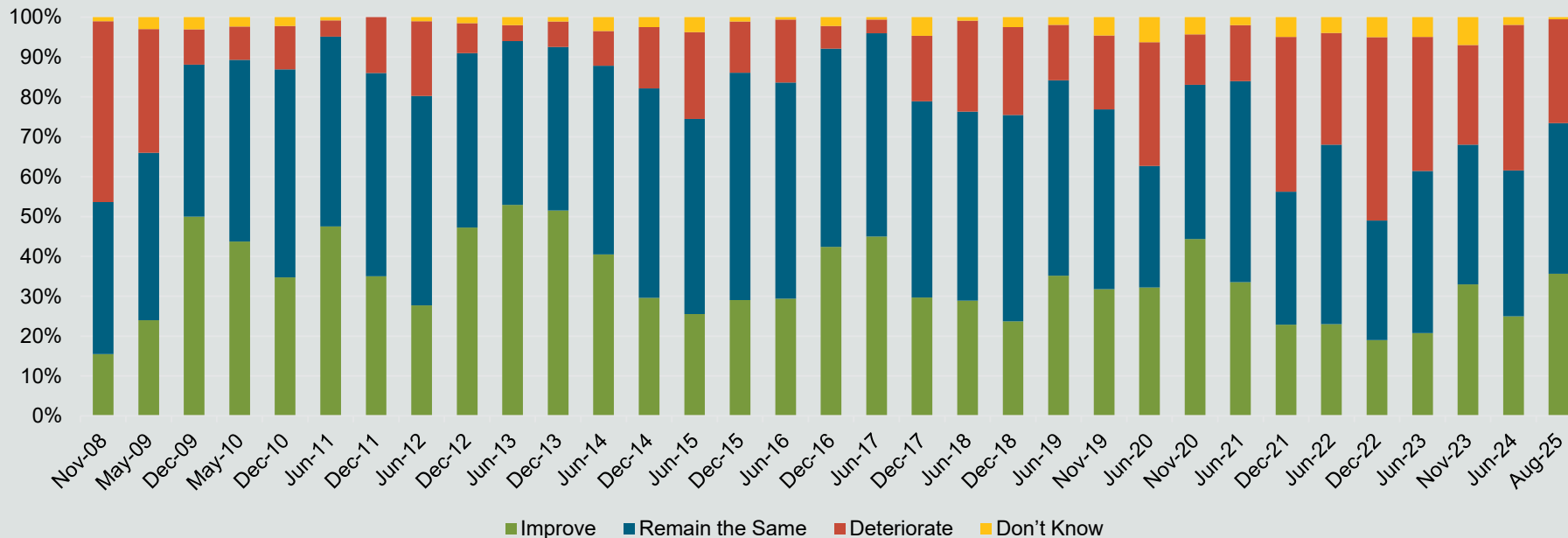
Findings

Most businesses expect industry conditions to remain stable, with optimism outweighing concerns.

- Improvement expected by **36%** (↑ from 25% in Jun 2024).
- **38%** expect conditions to remain the same (≈37% previously).
- **26%** anticipate deterioration (↓ from 37% in Jun 2024).

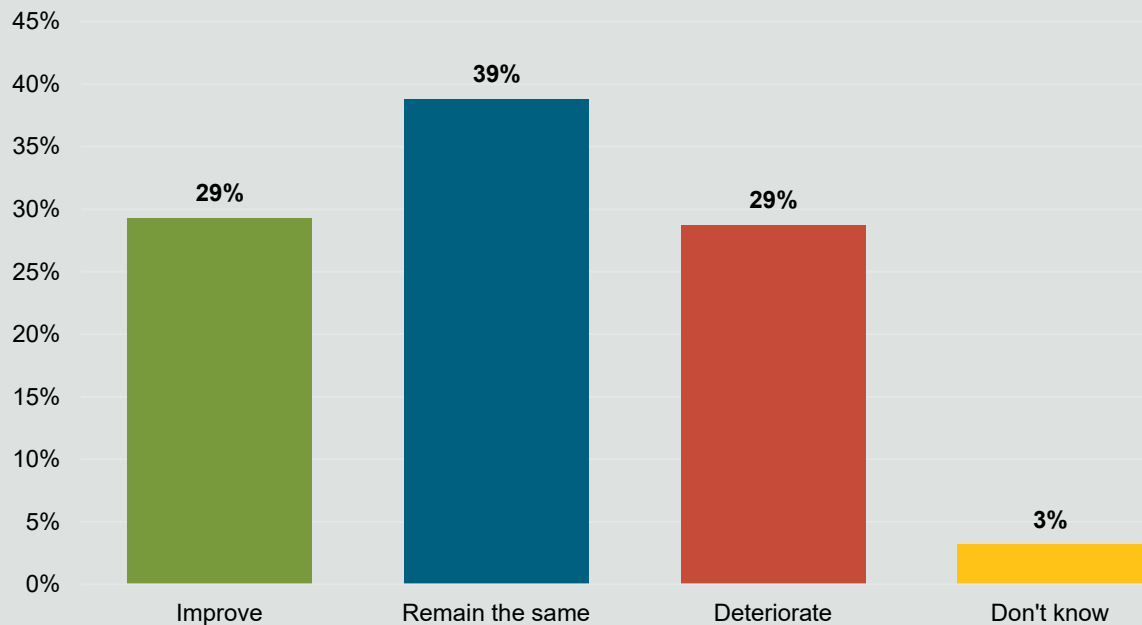
Industry outlook: year on year summary

In the next 12 months, do you expect business conditions in your industry sector in **New Zealand** to



Business confidence: Taranaki

Question 3 In the next 12 months, do you expect the **general business** situation in **Taranaki** to:



Findings

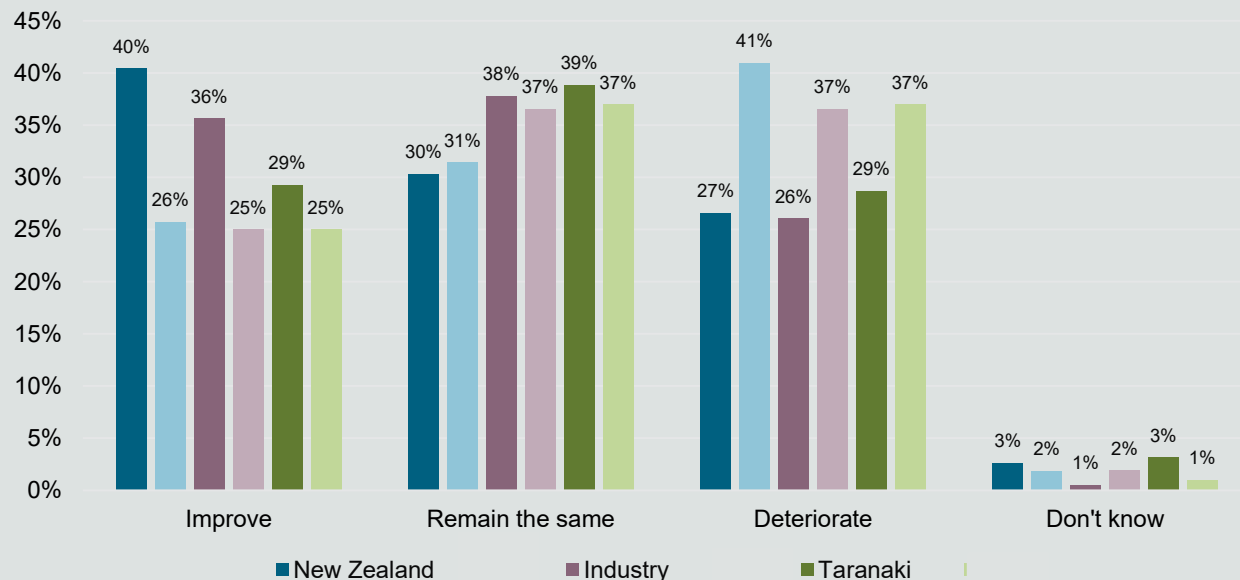
Stability leads Taranaki outlook, but remains balanced with pessimism.

- **29%** expect improvement, up from 25% in 2024
- **39%** expect stability, compared with 37% last year
- **29%** expect deterioration, down from 37% in 2024
- **3%** don't know, slightly higher than 1% last year

NZ vs. Industry vs. Taranaki

Conditions over the next 12 months

Results compared with June 2024 (lighter shades)



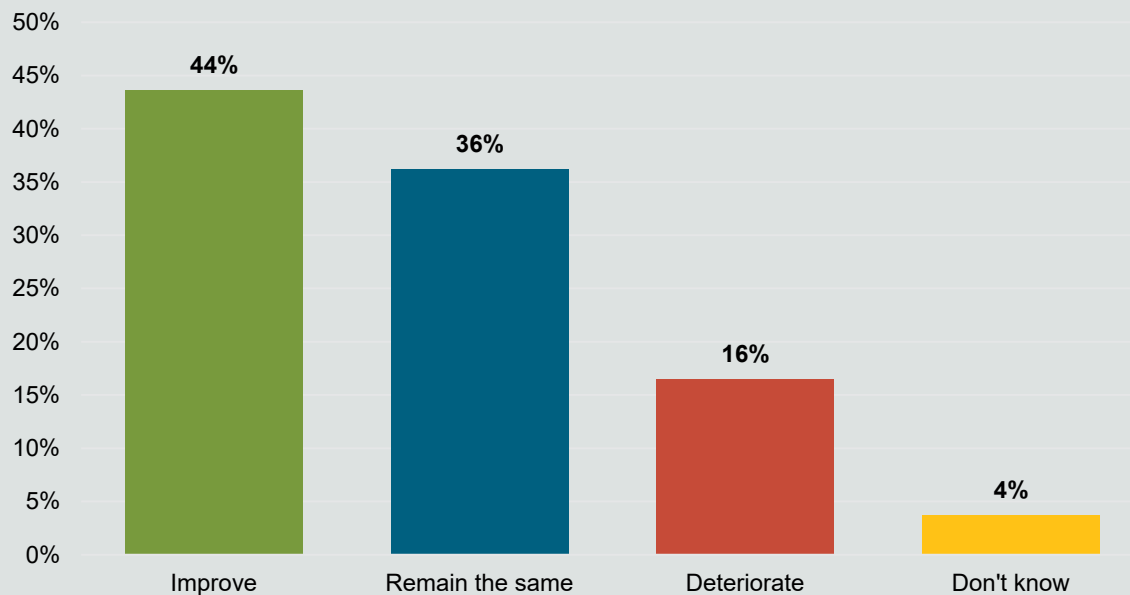
Findings

Overall respondents expressed a more positive outlook for economic conditions in New Zealand, their own industry, and Taranaki over the next 12 months, compared to the June 2024 survey (see **lighter colours for last year's results**).

There is a noticeable increase in those anticipating improvement and a significant decrease in expectations of deterioration across all three levels. While stability remains the most common response, the narrowing gap between “remain the same” and “improve” **suggests confidence is rising, although businesses remain cautious.**

Sales forecast

Question 4 In the next 6 months, do you expect your
**company sales/customer
levels/bookings to:**



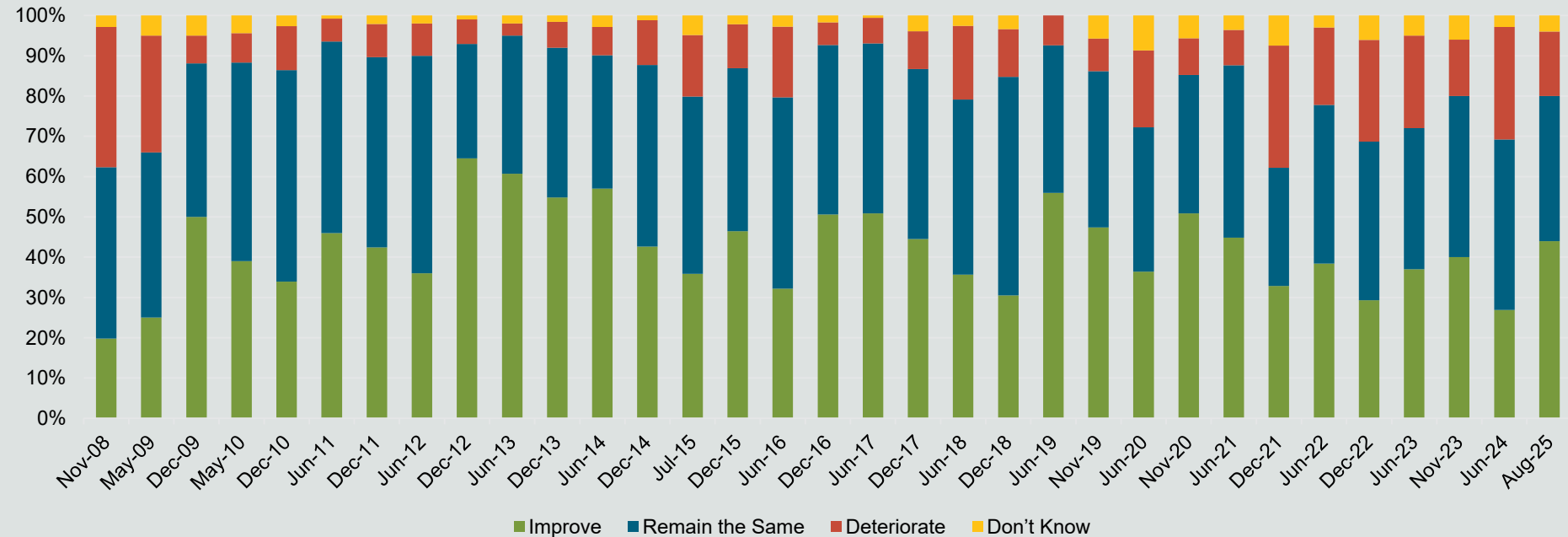
Findings

Results show a more optimistic sales outlook in 2025 for next 6 months, with fewer businesses expecting deterioration and a stronger share anticipating improvement.

- **44%** of respondents expect their sales levels to improve over the next 6 months, a strong increase from **27%** in June 2024.
- **36%** expect sales to remain the same, down from **42%** last year.
- **16%** anticipate sales to deteriorate, a notable decrease from **28%** in June 2024.

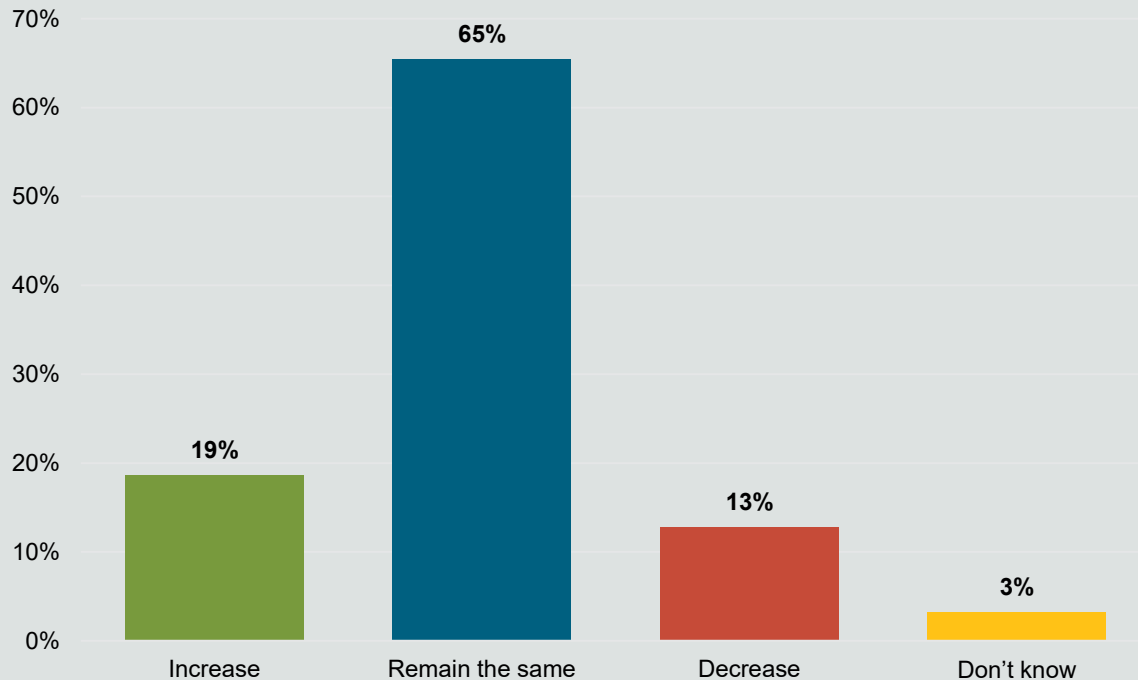
Sales forecast: year on year summary

In the next 6 months, do you expect your **company sales/customer levels/bookings** to:



Employee numbers

Question 5 In the next 6 months, do you expect **employee numbers** in your business to:



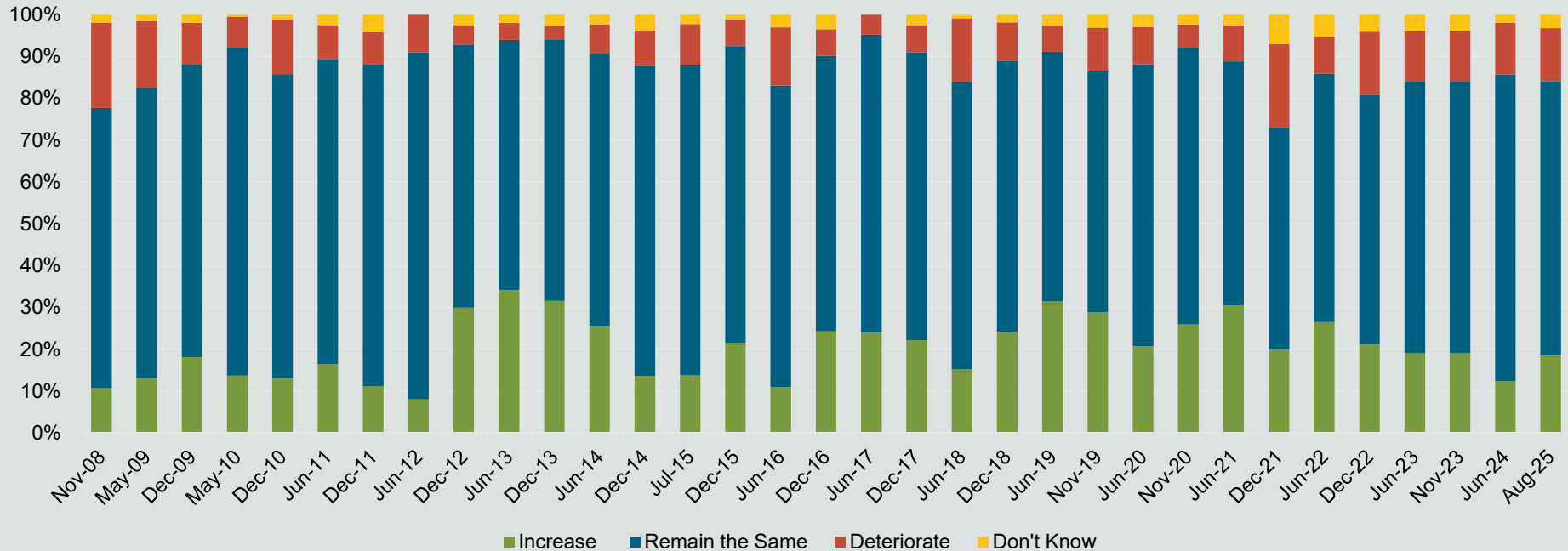
Findings

The majority of respondents (**65%**) expect their employee numbers to remain unchanged over the next 6 months, down from 73% in June 2024.

- **19%** of respondents anticipate an increase in their employee numbers, compared with 12% last year.
- **13%** expect employee numbers to decrease, slightly up from 12% in June 2024.

Employee numbers: year on year summary

In the next 6 months, do you expect **employee numbers** in your business to:

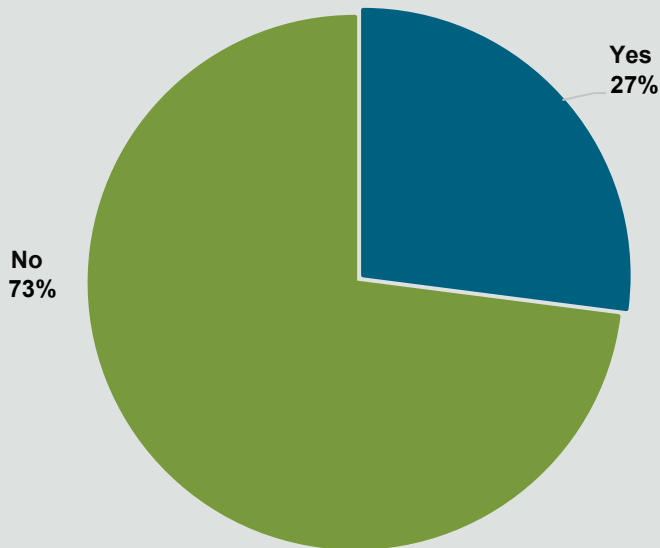




**Workforce
needs**

Recruitment

Question 6 Are you experiencing any significant **skill shortages** and/or difficulties recruiting appropriate staff?



Findings

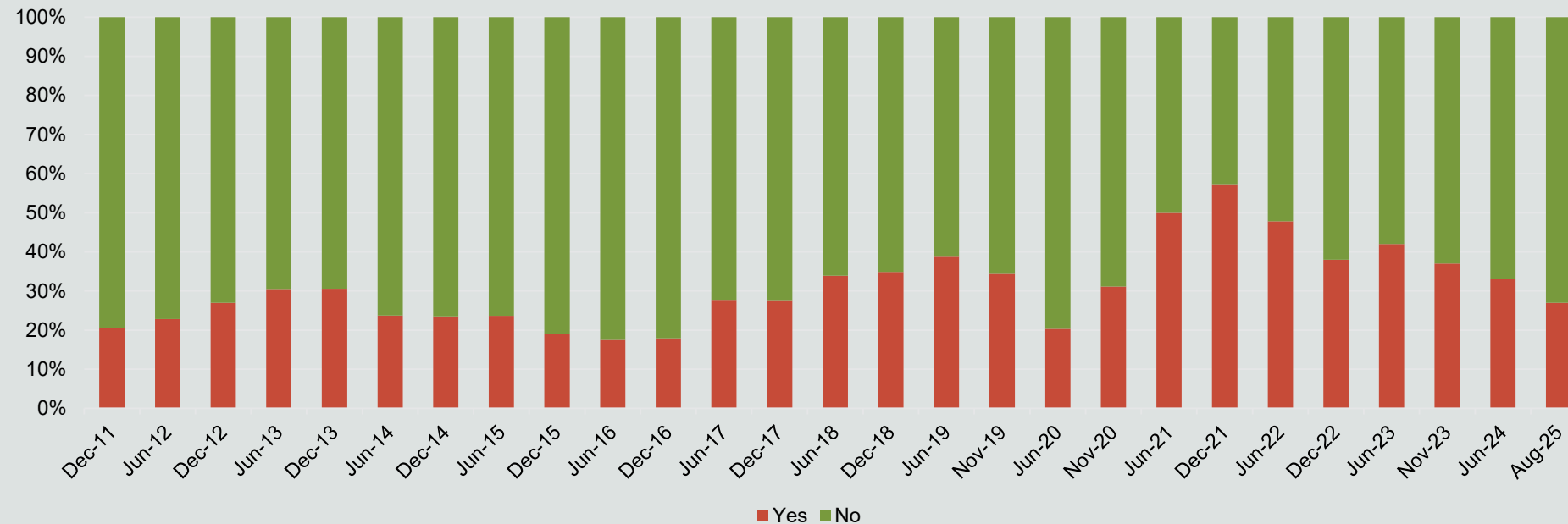
27% of respondents who were presently recruiting reported challenges due to skill shortages or difficulties finding appropriate staff, compared with **33%** in June 2024.

This indicates a slight improvement in recruitment conditions, although over a quarter of businesses still face difficulties.

Respondents who were not currently recruiting were invited to skip this question.

Recruitment: year on year summary

Are you experiencing any significant **skill shortages** and/or difficulties recruiting appropriate staff?



Skills shortage comments

Key Themes

- **Specialised roles** hard to fill: teachers, sonographers, scaffolders, software developers, lawyers, accountants, AI experts
- **Trades & manual roles:** butchers, drivers, labourers, administrators with H&S
- **Workforce challenges:** reliability, willingness to work full weeks, wage expectations vs skill level
- **Regional issues:** harder to attract staff in South Taranaki and rural areas; talent moving to Australia

Sector Insights



Education & Training

Teacher shortages, underprepared graduates



Construction

Shortage of skilled workers, scaffolders



Health Care

Ongoing difficulty recruiting specialists and constant demand for staff



IT & Telecoms

Lack of skilled software developers



Agriculture & Transport

Work ethic issues, driver shortages



Professional Services

Lawyers, accountants with coaching skills



Retail & Accommodation

Seasonal gaps, staff leaving for Australia



Manufacturing

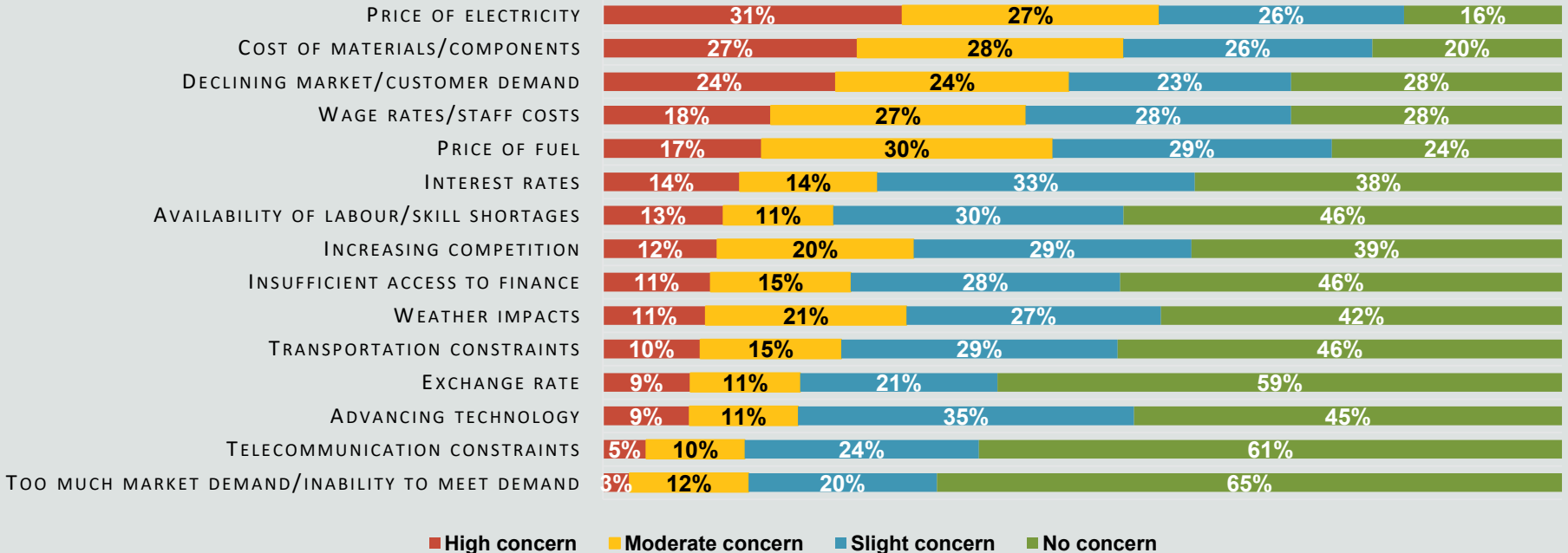
Qualified butchers, apprenticeships not meeting needs



Business concerns

Taranaki business concerns

Question 7 Please indicate the extent that the following issues are of concern to you and/or are impacting on your business



Other concerns raised by Taranaki businesses

Economic & Financial

Rising cost of living, low confidence, slow markets, and price undercutting.

Workforce & Skills

Staffing shortages, long-term skill concerns, and brain drain.

Government

Red tape, environmental and RMA reforms, lack of support, political uncertainty.

Infrastructure

High council rates, lack of city investment, expensive/limited CBD parking.

Technology

AI seen as both an opportunity (staffing support) and a challenge.

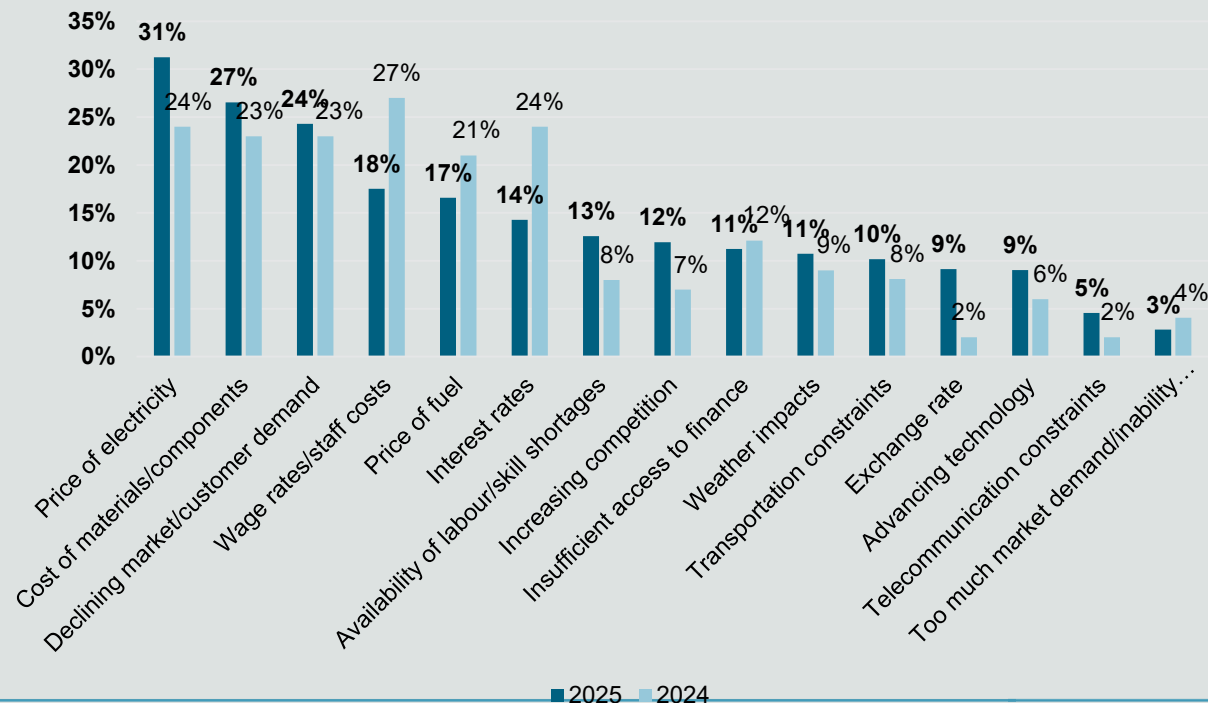
Sector-Specific

Education instability, industry-specific rules, cultural/mindset issues.



Taranaki business concerns: Half-yearly comparison

Highest concern to business



Findings

There has been a shift in the top concerns compared to June 2024, with the **price of electricity/energy** now standing out as the leading issue for businesses.

This is followed by the cost of materials/components and declining market demand, which remain consistently high concerns.

By contrast, interest rates, price of fuel, and availability of skilled labour have eased noticeably since last year, suggesting businesses feel less immediate pressure in these areas.

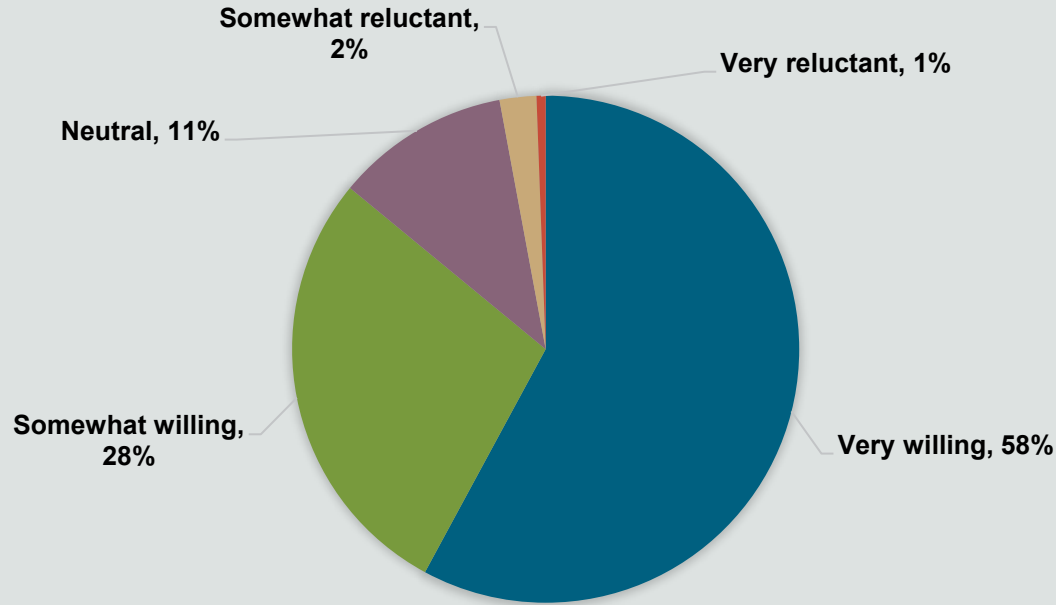
While energy-related costs have risen as critical concerns, most other issues remain at similar levels, showing that businesses continue to face a broad mix of challenges across different areas.



**Business
approach to
innovation
and risk**

How open are Taranaki businesses to innovation?

Question 8 To what extent is your business open to **adopting new ideas, entering new markets, or trialling new technologies** before they are widely used



Insights

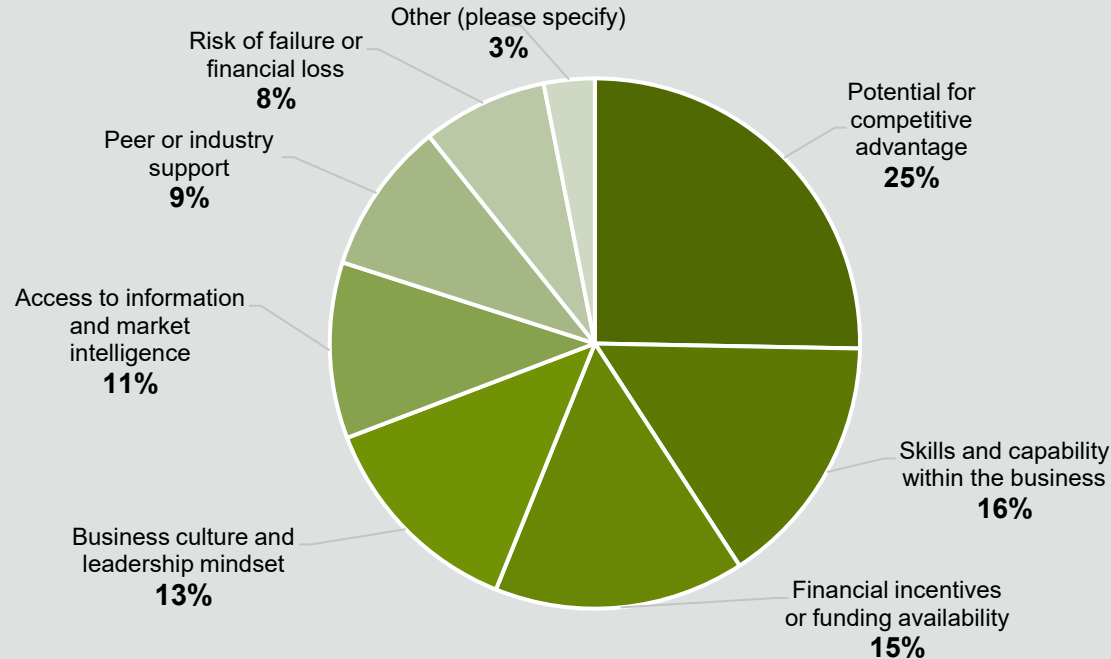
The majority of Taranaki businesses (**58%**) are **very willing** to adopt new ideas, explore new markets, or trial new technologies.

When combined with those somewhat willing (28%), this means that over **8 in 10 businesses** (86%) express a positive attitude toward innovation and change.

Only a small proportion (14%) remain neutral or reluctant, showing that resistance to new approaches is limited in the region.

Key drivers of innovation adoption

Question 9 What **factors most influence** your willingness to be an early mover, market entrant, or adopter of new ideas?



Insights

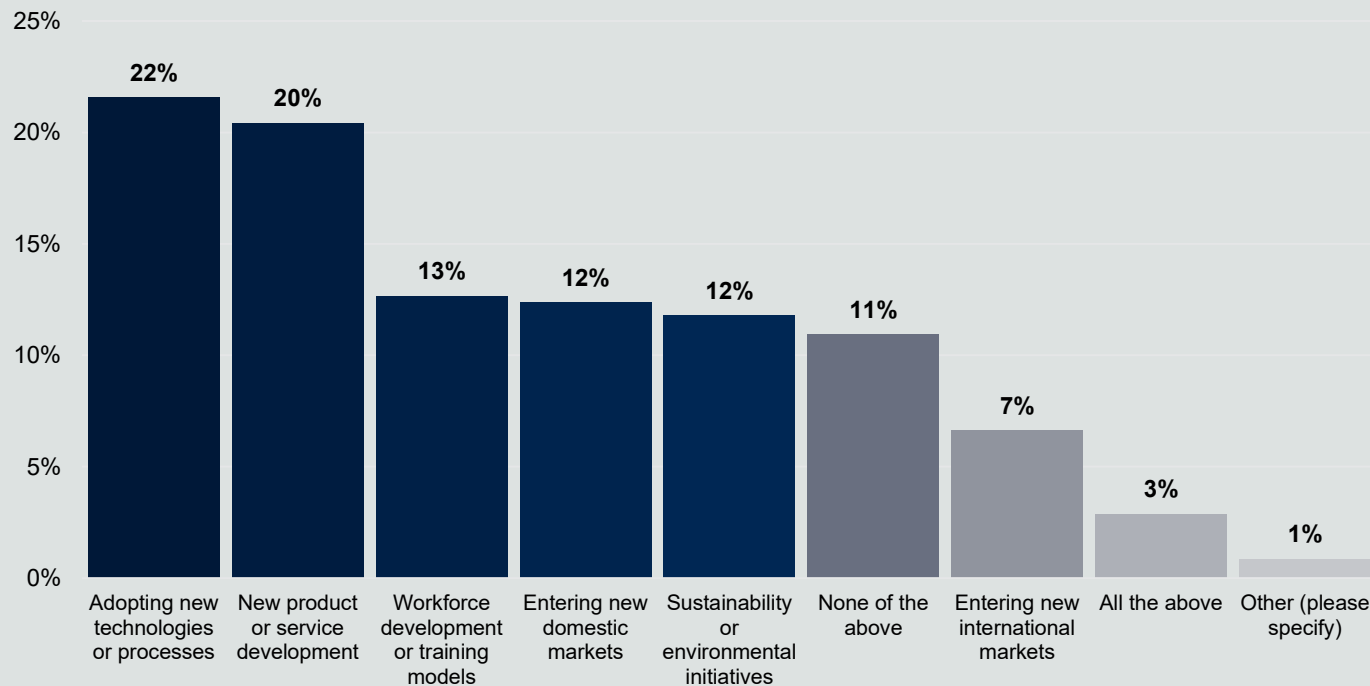
The results highlight that businesses are **motivated more by growth opportunities than by fear of risk.**

Alongside the potential for competitive advantage, respondents pointed to **leveraging skill sets, financial enablers, efficiencies in time and costs, and succession planning** as key drivers.

Labour market dynamics also play a role, with some businesses focused on expanding without increasing staff numbers.

Where Taranaki businesses led change

Question 10 Have you previously led or been an early adopter in any of the following?



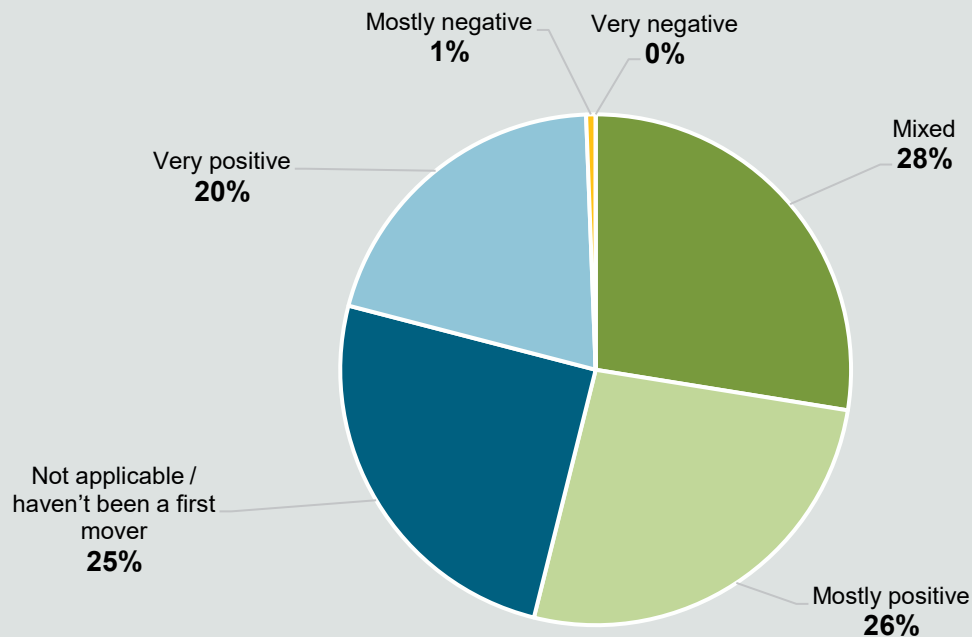
Insights

The findings indicate that businesses show stronger adoption in areas that directly enhance their operations while fewer have ventured into international markets.

The share of respondents highlighting workforce development, sustainability, and training further reflects that businesses are also investing in people and future-proofing, though at a more moderate level.

Early mover advantage: Reality check

Question 11 If your business has been a first mover, how would you describe the outcomes?



Insights

For most businesses that have acted as first movers, the outcomes show a balance of experiences.

Nearly half reported positive results (20% very positive, 26% mostly positive), reinforcing that innovation can pay off.

Negative experiences are rare (just 1%), suggesting that while risks exist, fears are often balanced with potential benefits.

However, one-quarter of businesses said this question was not applicable, indicating that many in Taranaki have yet to take the lead - whether due to caution or limitations in skills, resources, or support.



Taranaki business culture

Recognition for advancing in new markets and technologies

Question 12



Insights

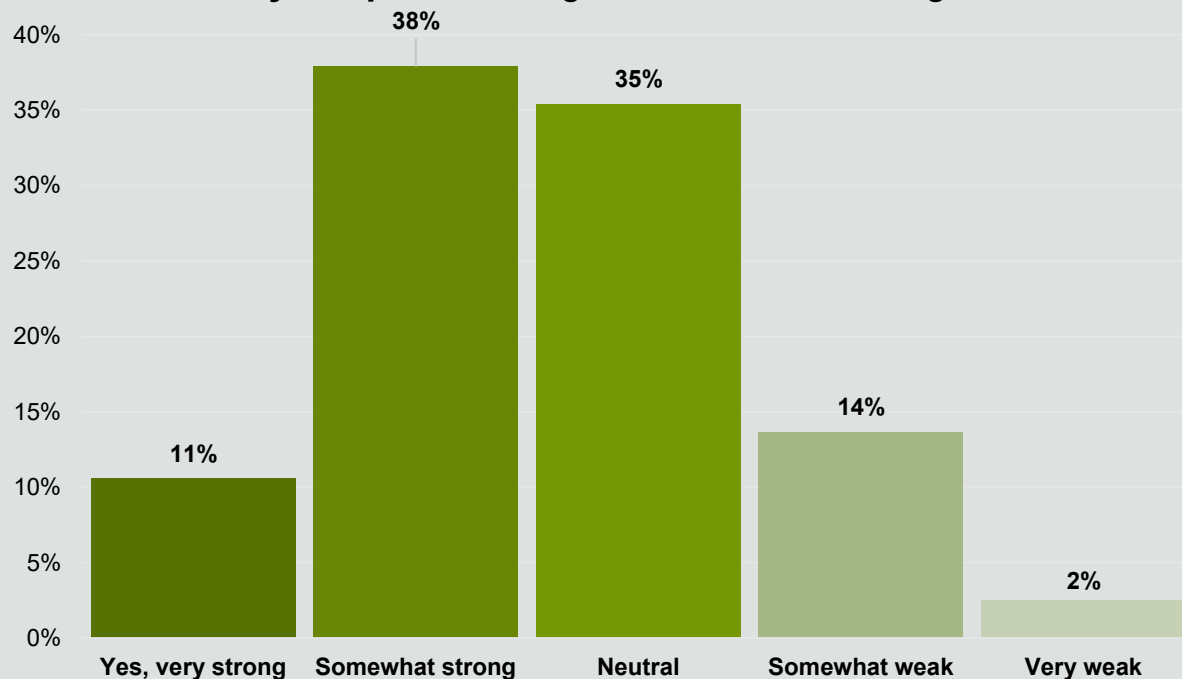
44% of respondents (**35% agree, 9% strongly agree**) believe businesses in the region are celebrated for being progressive and leading in new markets, technologies, and developments.

42% remain neutral, while 14% disagree or strongly disagree.

This shows a balanced spread of views, with recognition acknowledged by many, but also an opportunity to boost awareness further, offering potential for greater visibility and impact.

Perceptions of innovation culture in Taranaki

Question 13 Do you feel there is a strong **culture of innovation and early adoption** among businesses in our region?



Insights

Innovation is recognised, but at moderate levels rather than strong (38% say “somewhat strong,” only 11% “very strong”).

A large share of businesses remain neutral (35%), showing mixed perceptions of the region’s innovation culture.

16% see it as weak, highlighting an opportunity to strengthen visibility and participation in innovation efforts.

Creating the right environment for innovation

Question 14 In your opinion, what helps create a business environment that **encourages innovation and early adoption of new ideas**?



Insights

Responses show that businesses see innovation as possible when the right mix of support and conditions are in place.

Access to funding and financial stability are repeatedly noted as critical to reduce risk.

Leadership and workplace culture also matter, when **leaders value experimentation and allow space for failure**, businesses feel more confident to try new things.

Collaboration and knowledge-sharing across the community play an important role, as do training opportunities and skilled staff.

Finally, businesses emphasise that **customer demand and clear market opportunities** provide the push needed to adopt new ideas.

Innovation roadblocks for Taranaki businesses

Question 15 In your opinion, what are the **biggest barriers** for businesses in our region to pursue innovation and the early adoption of new ideas?*

Finance & Costs

High costs, limited access to funding, cashflow pressures, economic uncertainty, risk of failure, low confidence in systems, and time constraints..



Market & Location

Small/local economy, marketing challenges, population flow, customer demand, regional isolation, transport/logistics costs, limited local procurement support, lagging in AI/global markets..



Workforce & Skills

Staff challenges in weak economy, lack of team leaders, need for education & business model change, leadership..



Mindset & Culture

Negativity within the industry, lack of understanding of new tech advantages, lifestyle, tall poppy syndrome, small/conservative population, fear of wasted effort, stereotypes of success..



Ecosystem & Support

Misinformation, gaps between funding talk vs reality, public support, investor risk aversion, limited networking opportunities, focus on traditional industries over diversification..



Regulation & Policies

Heavy compliance and red tape, consenting process barriers, uncertainty from government policy & political changes, legal and regulatory hurdles



**This was an open-ended question. Responses have been grouped into key emerging themes based on the most representative comments (not a tick-box selection)*

Real voices, real insights: Innovation in Taranaki

Question 16 Do you have any **additional comments or examples** about the culture of innovation and early adoption of new ideas in our region?

"The average potential of younger people is not being applied, forcing staff demands to adopt other strategies".

"the loss of oil and gas will impact critical mass for talent and leadership".

"I think there's a really strong culture of innovation in our region. However, we need to ensure it's inclusive for smaller businesses and provide better education and information sharing for immigrant business owners. They often need a little more patience and support to fully understand new concepts and changes".

"The size of Taranaki gives us a big advantage when it comes to creating a business culture around innovation and celebrating new ideas. **We are small enough that you can find who you need to collaborate with easily, but big enough to actually get things done**".

"There are many cool things happening and great infrastructure ideas e.g. Biotech - we just need to get moving"

"The business development organisations are very valuable. Eg: Venture Taranaki, Callaghan, MBIE".

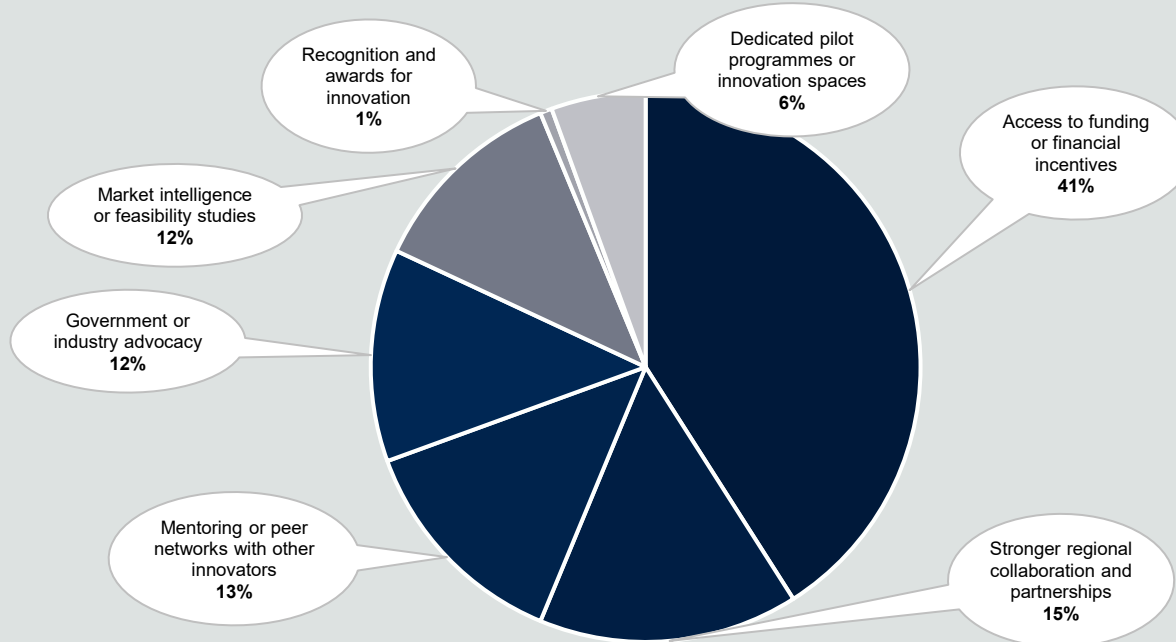
"Ultimately it comes down to **solving a consumer problem in a cost effective and technologically simple way**. A lot of businesses come up with the idea without market testing suitability".



**Support and
enablers**

Enablers of early adoption and innovation in Taranaki

Question 17 Which **type of support** would be **most effective** in making your business more likely to adopt new ideas early or explore new areas of potential opportunity?



Insights

The results highlight that businesses see funding and financial incentives as the most effective form of support, far outweighing other options. This reflects a **strong focus on reducing financial risk as a key enabler of innovation**.

At the same time, many point to the value of regional collaboration and partnerships for sharing knowledge and resources.

Other forms of support, such as mentoring, advocacy, and market intelligence, also play a meaningful role, showing that businesses want both guidance and representation alongside financial backing.

Suggestions to strengthen innovation support

Question 18 Do you have any additional comments or suggestions on the **types of support** that could help **businesses innovate and adopt new ideas early?**

"An innovation hub would be well suited in Taranaki"

"Even networking between Regions could help. Ideas from other regions would not be in as much competition as operators in our region might perceive the threat of sharing ideas especially if they see peers in competition with them"

"Tax incentives that all can access-not just for the large corporates, ie R&D tax incentives that are complex to navigate"

"Financial support through the RBP"

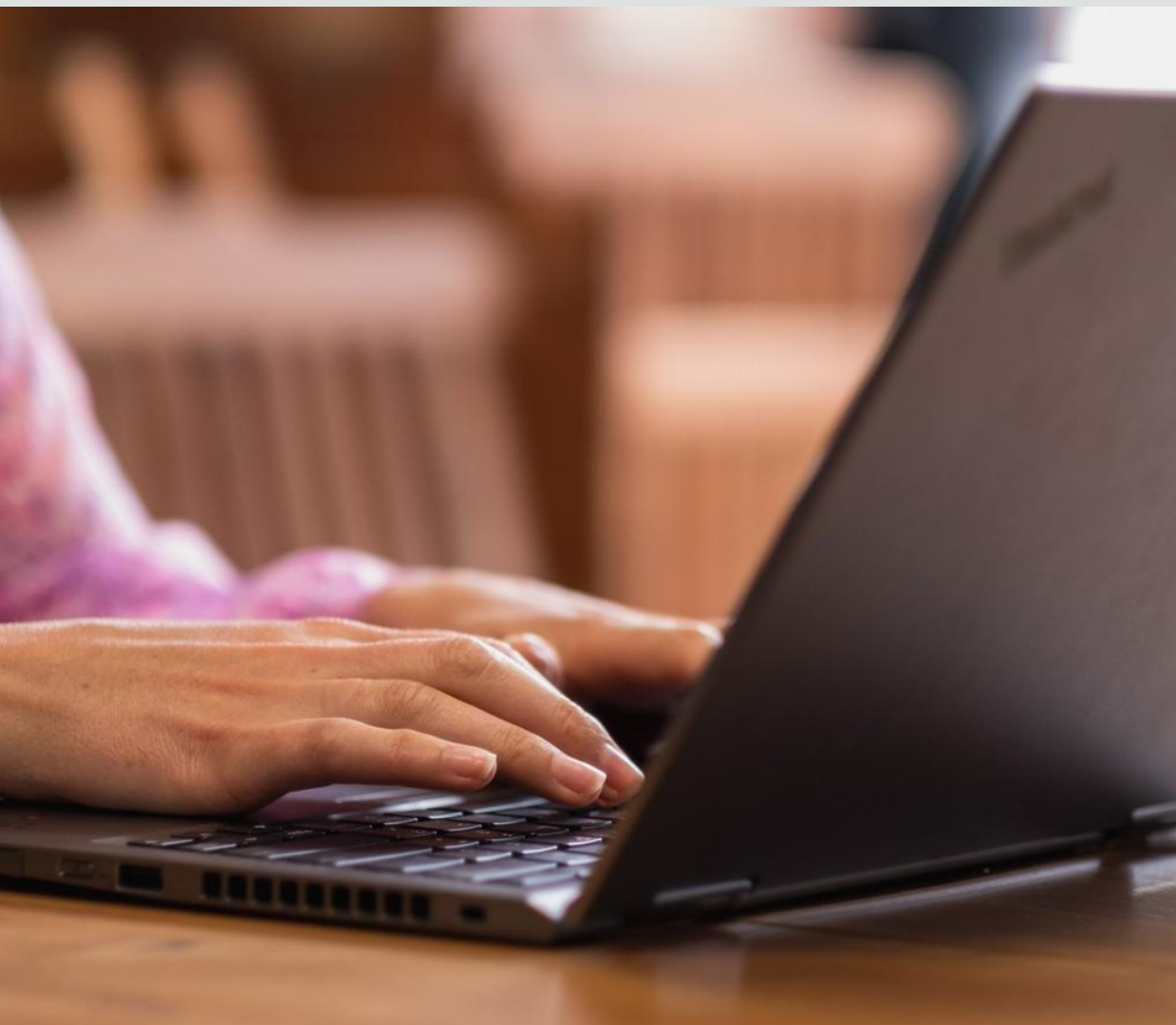
"Economic and government stability. Also councils to stay more focused on local infrastructure for growth".

"Let business do what it does best reduce regulation"

Just support us and stop being scared of new things!

"Good NZ investors with a spine"

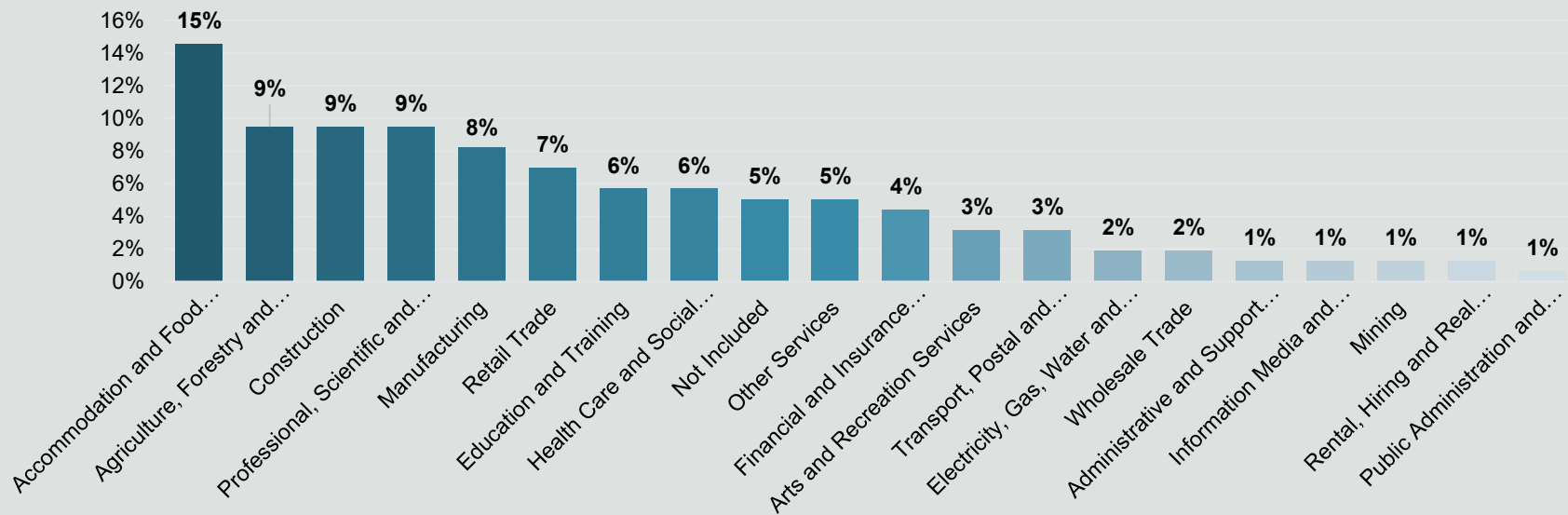
"We have so much we want to do and expand but are limited with skill/staffing and funds in this current financial climate. Access to interest free loans would help".



Respondent profile

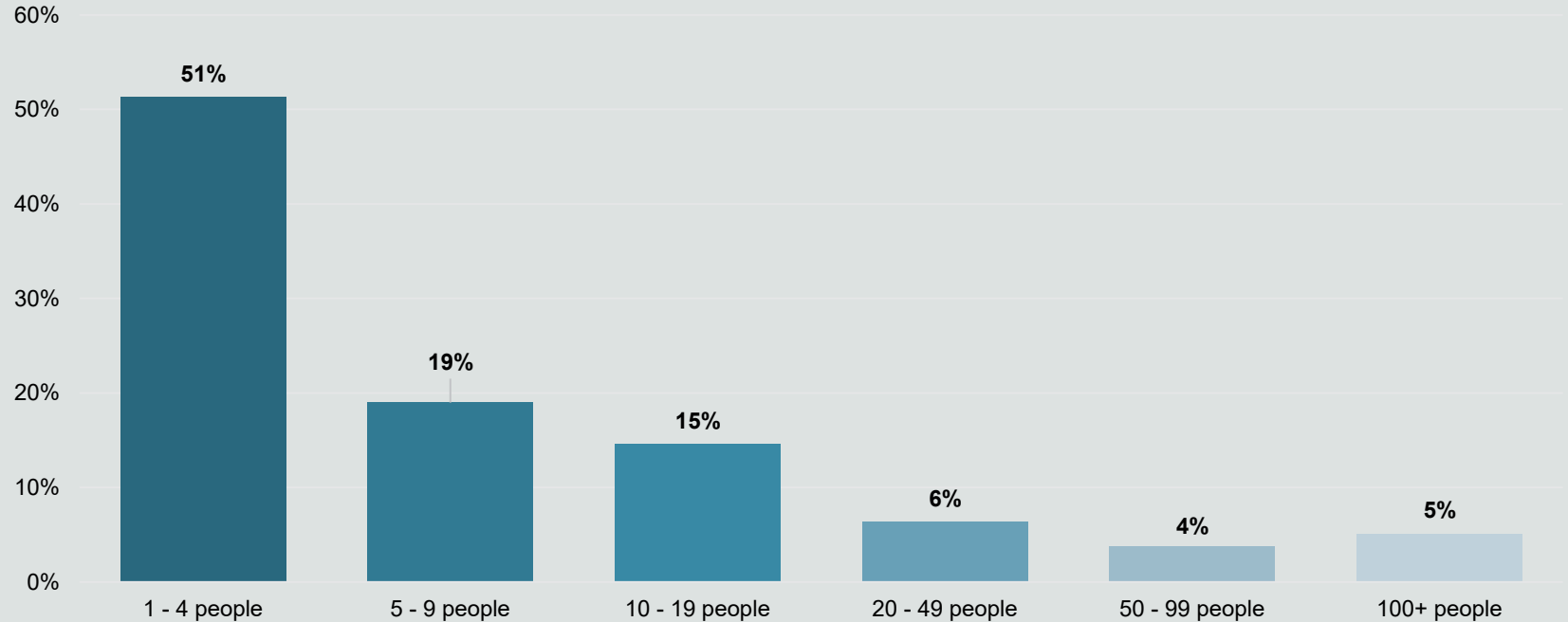
Respondent profile: industry sector

Question 19 Please indicate which of the following sectors is closest to the main activity of your business:



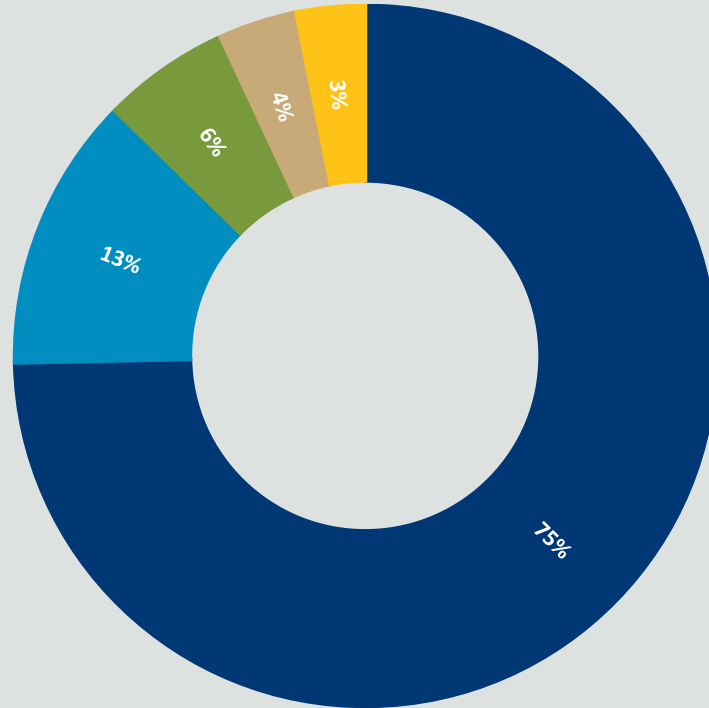
Respondent profile: business size

Question 20 How many people work in your business (including yourself)?



Respondent profile: district breakdown

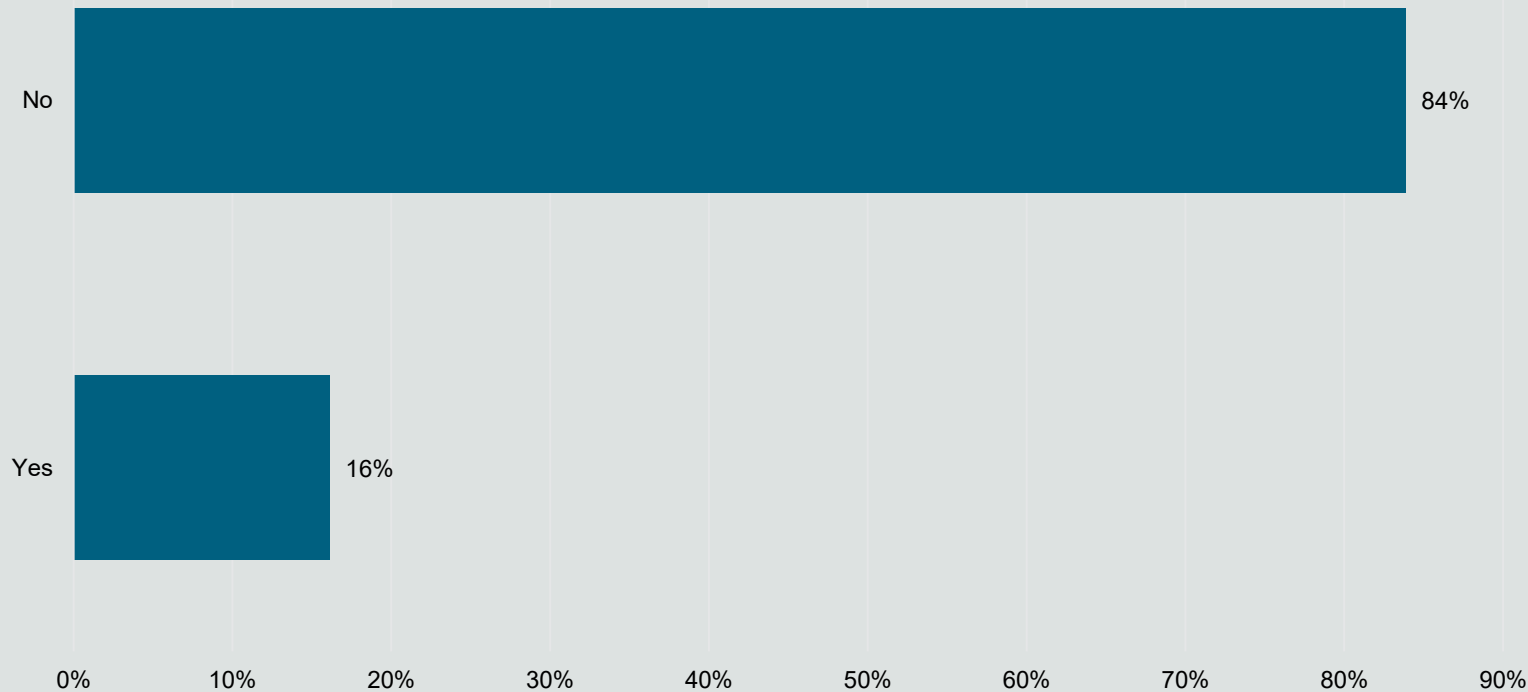
Question 21 Where are you located?



■ New Plymouth District ■ South Taranaki District ■ Stratford District ■ Throughout Taranaki (multiple branches) ■ Outside Taranaki

Respondent profile: Māori business

Question 22 Is your enterprise owned or **part-owned** by Māori?



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