SURF COAST SHIRE

Business Barometer Survey 2019

Key Findings
Business Barometer Survey 2019

The annual Business Barometer, now in its second year had 135 respondents. This is a 30% increase on last year.

89% of businesses indicate last year’s performance was the same or better than the previous year.

Compared to 2018 Business Barometer Survey business performance rose by 9% with 89% of businesses saying their business performed better, the outlook is confident going into 2020.

Survey responses

Business location

Torquay & Jan Juc 50%
Anglesea 13%
Aireys Inlet & Fairhaven 10%
Lorne 13%
Winchelsea 5%
Other 9%

The results track the confidence and conditions of doing business on the Surf Coast. Whilst we recognise the expressed sentiment may not necessarily reflect your own business experience due to the limited sample size, increased participation in future Business Barometer Surveys will create a more accurate reflection of conditions moving forward.
1. **2019 Barometer Business performance**

- **54%** of businesses indicate last year’s performance was **better** than the previous year.
- **35%** of businesses indicate last year’s performance was **the same** as the previous year.
- **11%** of businesses indicate last year’s performance was **worse** than the previous year.

2. **Reason for doing business in the Surf Coast Shire**

- **Lifestyle** remains the primary reason people are choosing to operate on the Surf Coast. It is important lifestyle attributes are realised and maintained to encourage creative small and micro businesses.---

3. **Biggest barrier to doing business**

- **Energy** continues to be the biggest negative impact **(50%)**.

  Half of businesses indicated increased energy costs was a major issue impacting business. Lease costs / government policy (29%) and staff attraction / retention (31%) were also key concerns.

**TOP 3 issues impacting business:**

- Increased energy costs **50%**
- Lease costs / government policy **29%**
- Staff attraction/retention **31%**
25% of businesses are Accommodation & Food Services, 22% Professional, Scientific & Technical Services, and 17% Retail Trade.

Nearly half intend to invest in plant and equipment (48%) in the next 12 months, with 33% considering investment in building/floorspace.

Nearly half of businesses are home based, opting not to operate from commercial premises. Only 11% were considering relocating to a commercial premise in the next 2 years.

44% of businesses are more than 10 years old.
22% have been operating for 3 to 5 years.

12% of businesses buy 100% of their goods & services on the Surf Coast.

61% of respondents are ready to invest in technology in the next 12 months.

12% of businesses buy 100% of their goods and services on the Surf Coast and a further 37% source 50% – 75% of goods and services on the Surf Coast. Businesses are willing to buy local and support other local businesses.
Employment figures

41% of businesses employ only one person.

Businesses with over 10 employees were mainly hospitality, manufacturing, wholesale construction and allied health sectors.

Future employment

52% of businesses intend to employ one new staff member next year.

Staff retention and attraction

It is becoming increasingly difficult to attract and retain professionals (up 5% on last year). The positions most difficult to fill continue to be hospitality*, professionals, retail, and technical & trade workers.

21% of employers had difficulty filling positions over the summer compared to 35% any time of year.

TOP 4 most difficult positions to fill:

- Hospitality*: 23%
- Professionals: 17%
- Retail: 12%
- Technical & trade: 12%

*Hospitality figures include chefs and housekeepers.
2019 now the second year in distribution the Business Barometer Survey aims to track local business confidence. Developed in partnership with Trader Associations, the survey is conducted annually and insights gained are provided to the local business community. Trader Associations provide an opportunity for business to hear about the key findings and ask question on insights. Data was collected via an online survey distributed to approximately 5,000 business on the Surf Coast.

**TOP 3 barriers**
preventing businesses from expanding their online presence and digital business activity:

#1 Time and effort required to implement a new system (37% – up 10% from 2018)

#2 Cost of implementing a new system (26%)

#3 Lack of information and training or technological expertise in the business (20%)

**Digital products**

Over 60% of businesses are generating sales on the internet. The use of Facebook and Instagram continue to grow in popularity. LinkedIn (22%) and electronic direct mail (32%) are both up by 5% from last year.

**TOP 3 digital products used:**

- Facebook: 72%
- Website: 71%
- Instagram: 56%

**Digital training**

- 32% of businesses express a need to be trained in the use of Facebook
- 31% express a need to be trained in the use of Instagram
- 29% express a need to be trained in the use of websites
- 25% express a need to be trained in the use of email marketing

Email marketing is highlighted as a skills gap, and a need for further training.
Council’s Economic Development & Tourism Unit provides a range of reports on the economy and tourism.

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