

An aerial photograph of a large blue lake nestled between brown, hilly mountains. A paved road winds along the shore of the lake. In the foreground, a dirt road leads to a small construction site. A large, white, hollow triangle graphic is overlaid on the right side of the image, composed of smaller triangles.

EECA

TE TARI TIAKI PŪNGAO
ENERGY EFFICIENCY & CONSERVATION AUTHORITY

EECA Business Monitor

November 2023

Background

This research monitors the mood of the nation around climate change, energy efficiency and topics like EVs.

It tracks New Zealanders' response to key issues and initiatives relevant to EECA through two tracking monitors.

BUSINESS MONITOR

How have business climate change attitudes and behaviours towards climate change developed over time?

Every quarter we survey a representative selection of New Zealand businesses of all sizes, sampling business decision makers in relevant areas including decision makers responsible for personnel, vehicle or energy decisions.

The representativeness of the decision makers is ensured across industry and employee count through quotas and post-weights.

The survey took place in Aug – September 2023 and 591 respondents

took part. Prior to Q1 FY24, research took place over a 2-3 week period in May and November each year. From FY24, the research is 'always on', with sampling spread across each quarter.

CONSUMER MONITOR

Every quarter, we survey 750 adult New Zealanders to track their beliefs, behaviours and attitudes related to climate change. This data is available in a separate report.

This study is conducted by [TRA](#). TRA is an insight agency that combines understanding of human behaviour with intelligent data capability to help clients navigate uncertainty and answer complex problems.



Overview

Last quarter we saw signs of businesses realising that climate change is unavoidable; it's something they need to engage with. It will affect them, and there's increasingly an expectation to act.

This quarter attention has slipped. In these uncertain times, businesses are easily distracted and quickly reorientate to the day-to-day. Climate change has been knocked further down the priority list. It's harder for businesses to make sacrifices when they're weighed down by other priorities and perceive taking action as costly. The immediate benefits of acting remain unclear to most.

Likely a reflection of entrenched concerns around the economy, business support for government intervention in the climate space has also reached a record low.

But it's not all bad news. More and more businesses understand that as a collective, businesses can make a difference. And despite a softening in cause alignment, actions have largely held steady.

Around 1 in 5 businesses want to do something but don't know what to do - this has nearly doubled since May 2023. Over time, more and more businesses state that they're interested in information on reducing their carbon emissions, and know where to go to get it, but in these times of distraction, they're not necessarily taking the plunge and seeking this information out. And confidence in knowing how to act is actually decreasing. A need for proactive direction and guidance on what to do has never been greater.



Agenda

1

Current business
landscape

2

Business climate
beliefs

3

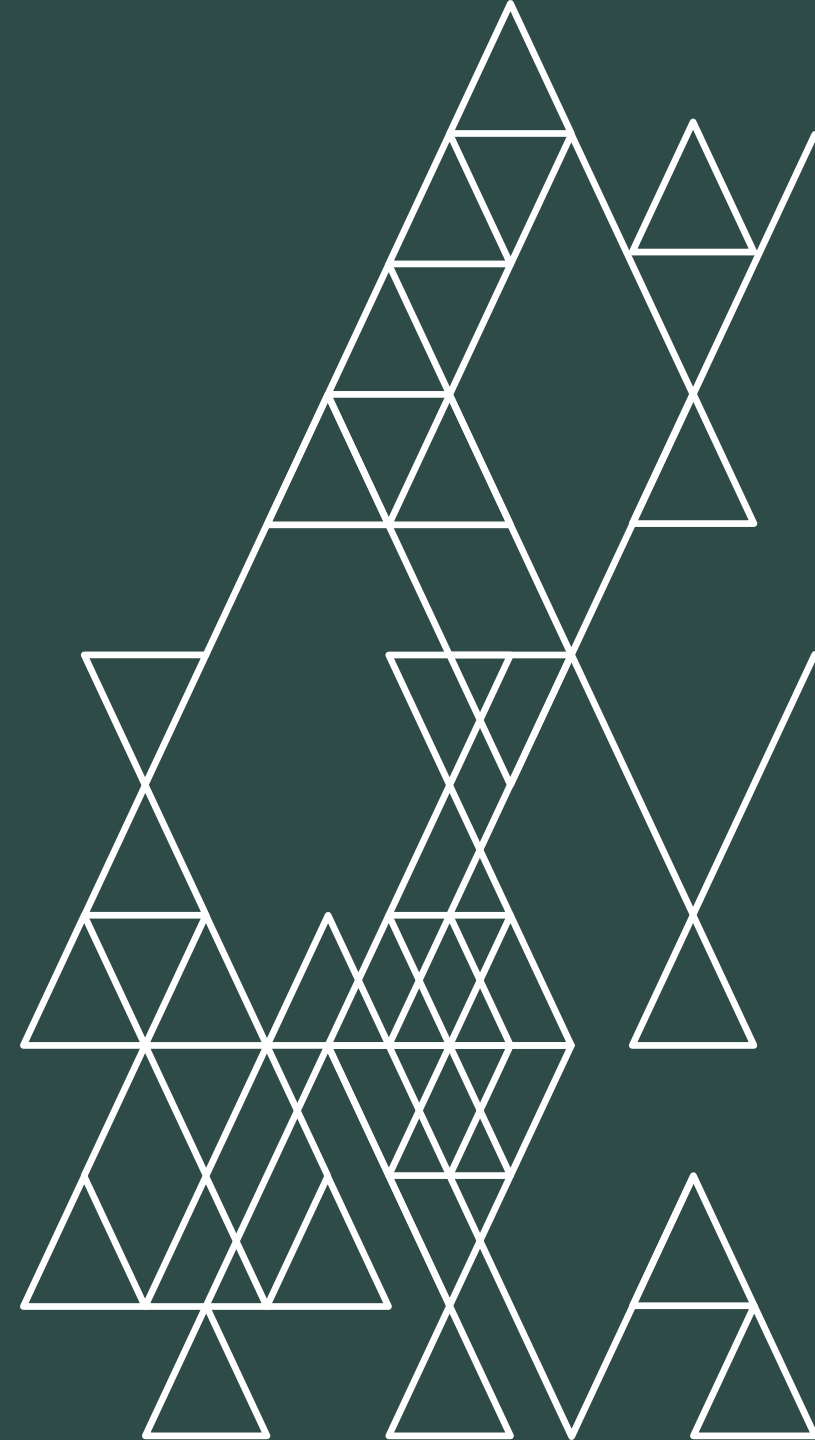
Business climate
actions

4

Business climate
information needs



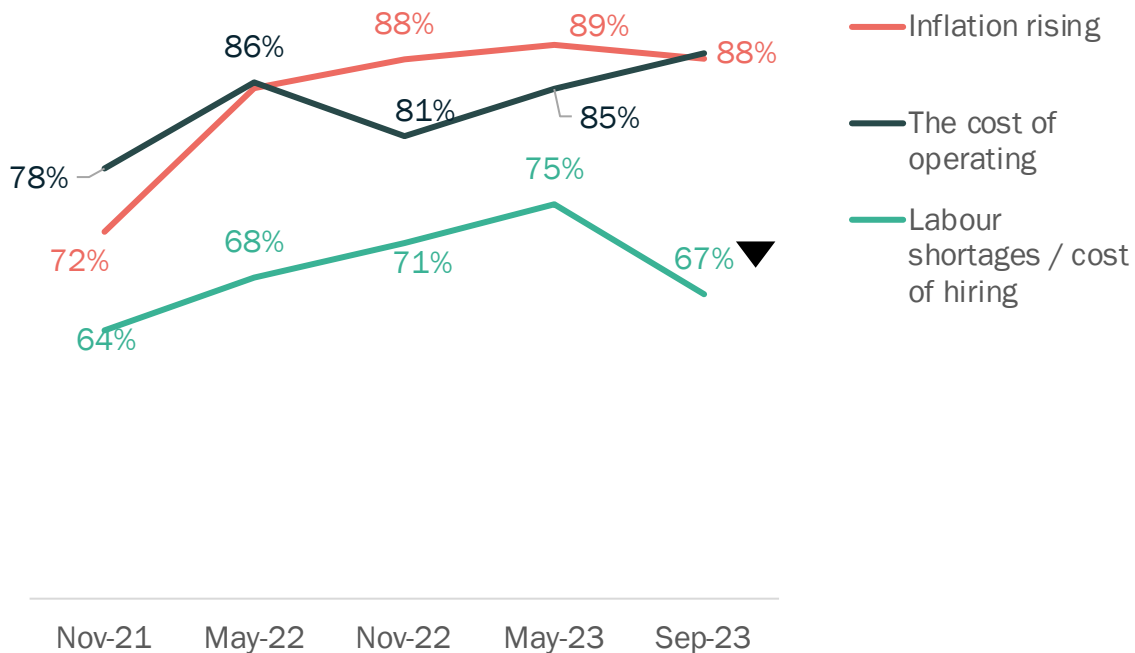
Business climate beliefs



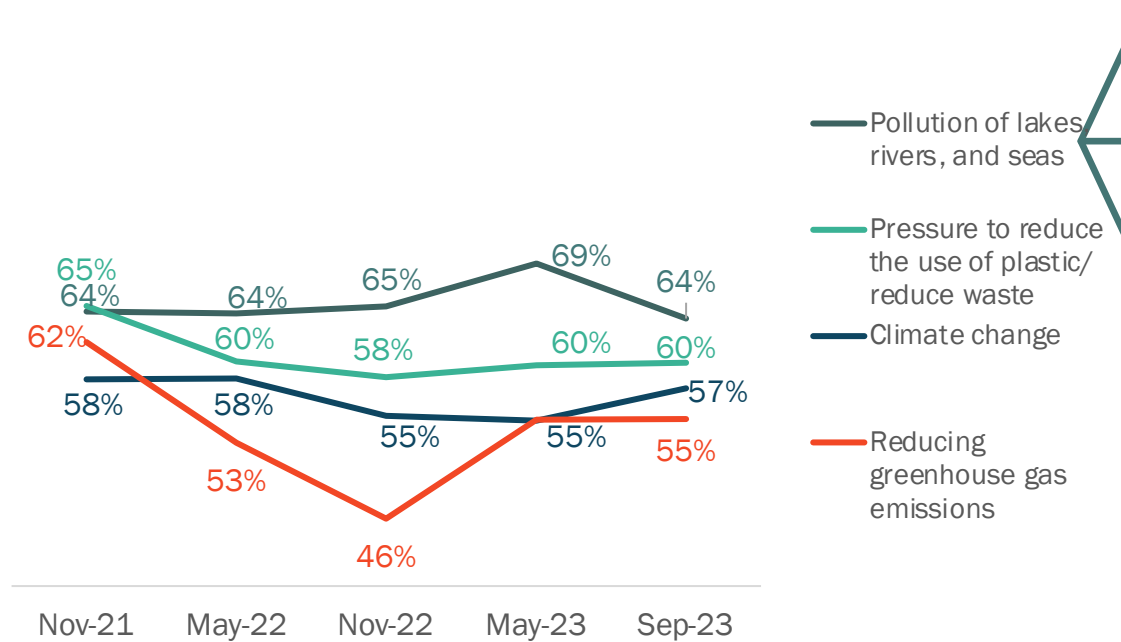
Economic concerns are reaching new highs – continuing to distract businesses away from green issues

Green issues are a concern for the majority, but they remain over-shadowed by economic issues. Concern over the cost of operating reached a record high.

Economic issues (Important / Very important)



Green issues (Important / Very important)



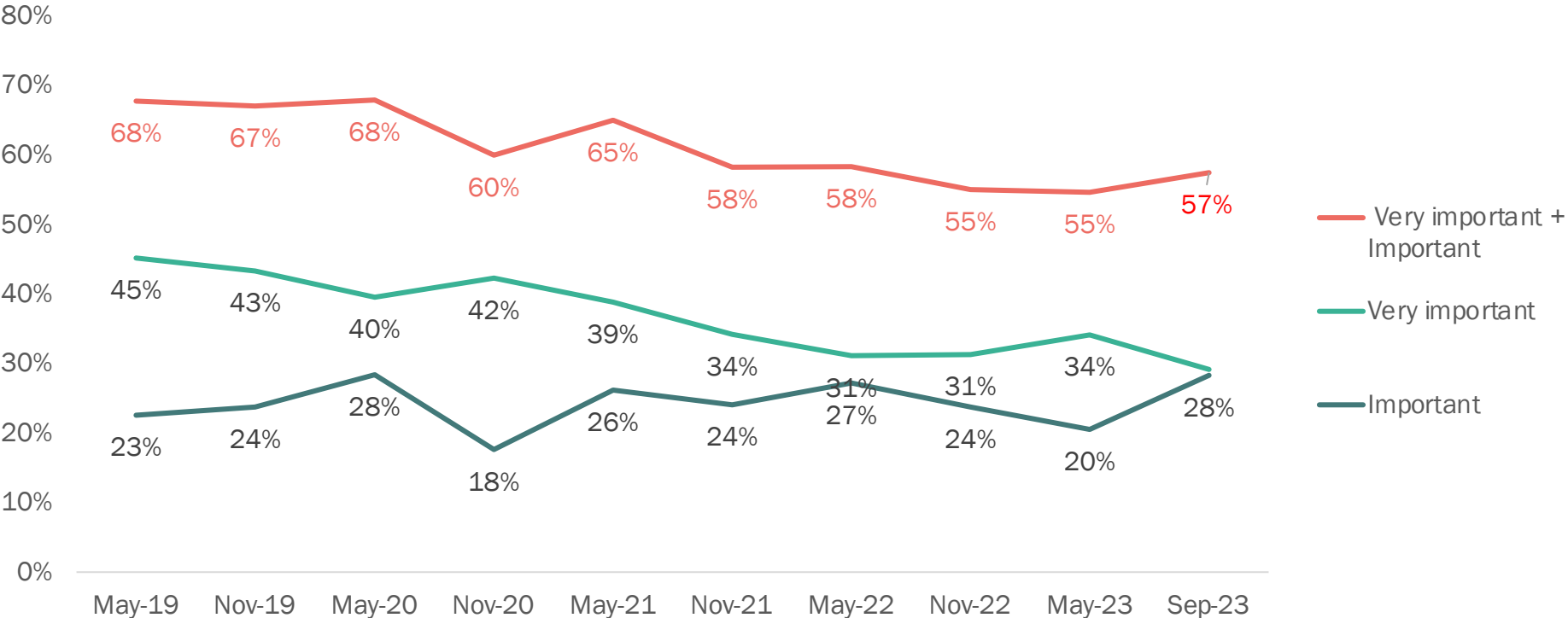
Statistically significant difference:



The proportion of business decision makers seeing climate change as a 'very important' priority dipped to an all-time low

When we dig below the surface of business sentiment, we see climate change sliding down the priority list.

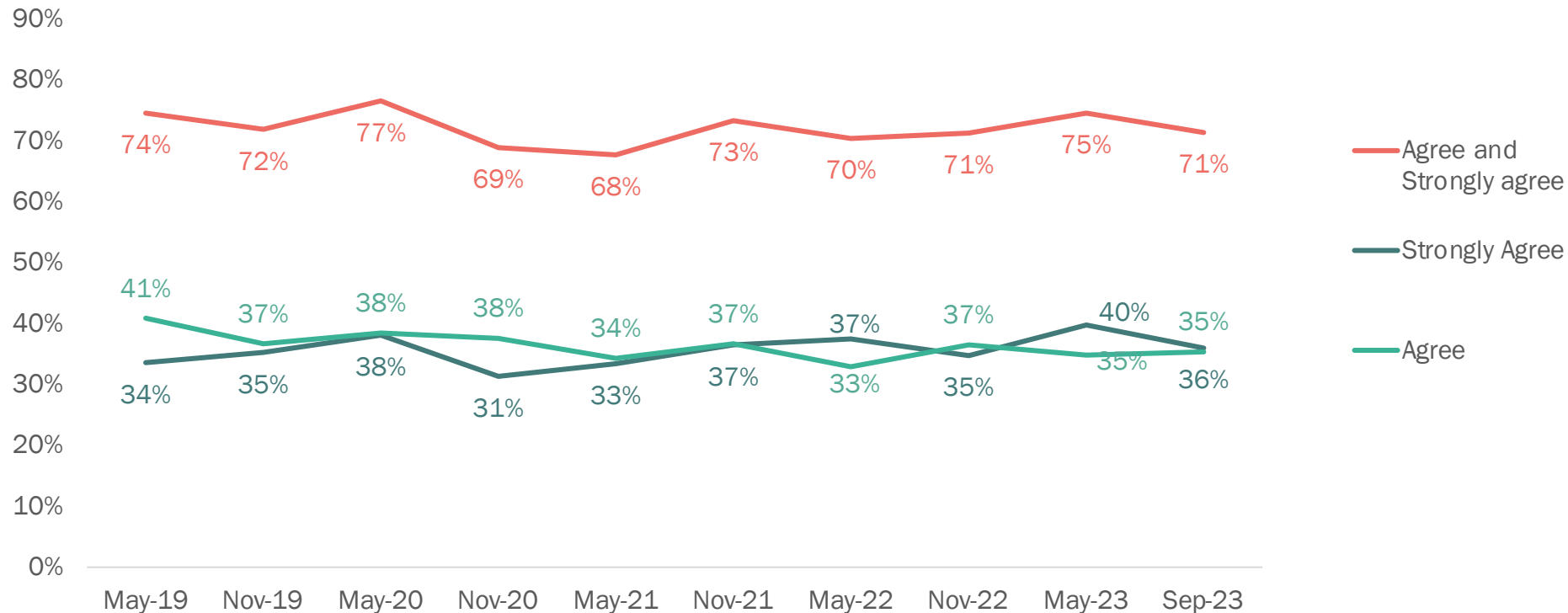
Climate change as a societal issue (Very important)



But belief in climate change is fairly stable: consistently around 7 in 10 business decision makers believe climate change is real

Belief this quarter re-established, following a slight uplift in May 2023

Climate beliefs: Climate change is real

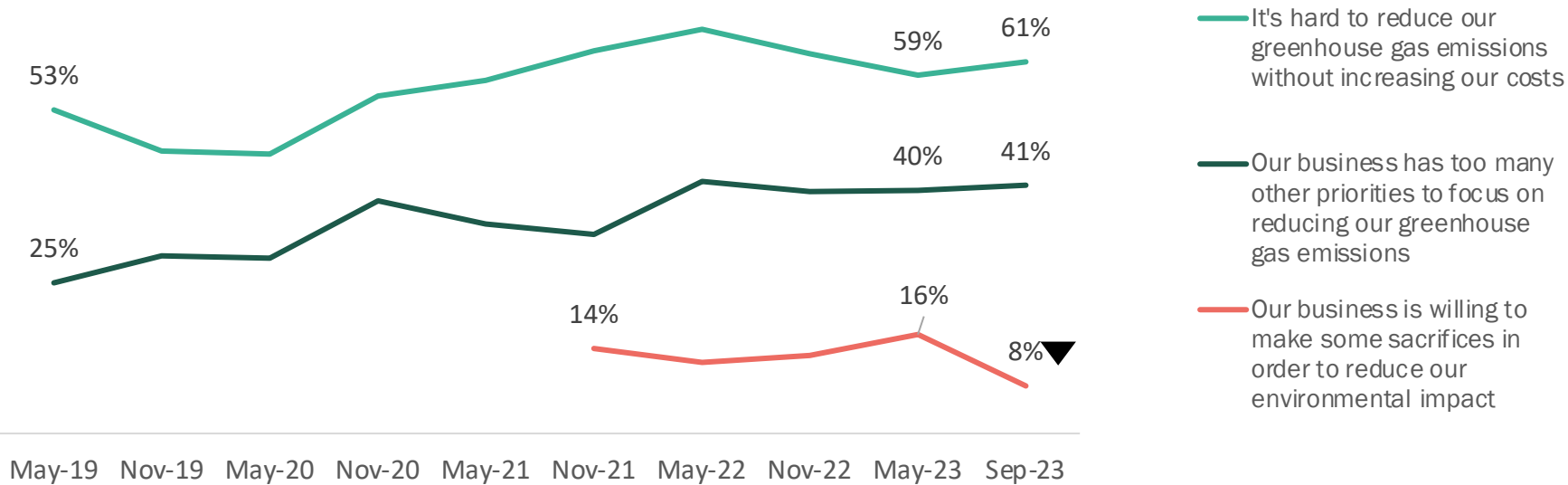


CLIMATE_BELIEFS - How much do you agree or disagree that... - Not Stated REMOVED - NET T2B AGREE, AGREE, STRONGLY AGREE
May 2019 n=498, Nov 2019 n=498, May 2020 n=486, Nov 2020 n=496, May 2021 n=613, Nov 2021 n=505, May 2022 n=629, Nov 2022 n=521, May 2023 n=508, Sep 2023 n=591 3mr



Reducing emissions is seen as a cost pressure that businesses are increasingly less willing to take on.

Climate beliefs: Agree / Strongly agree



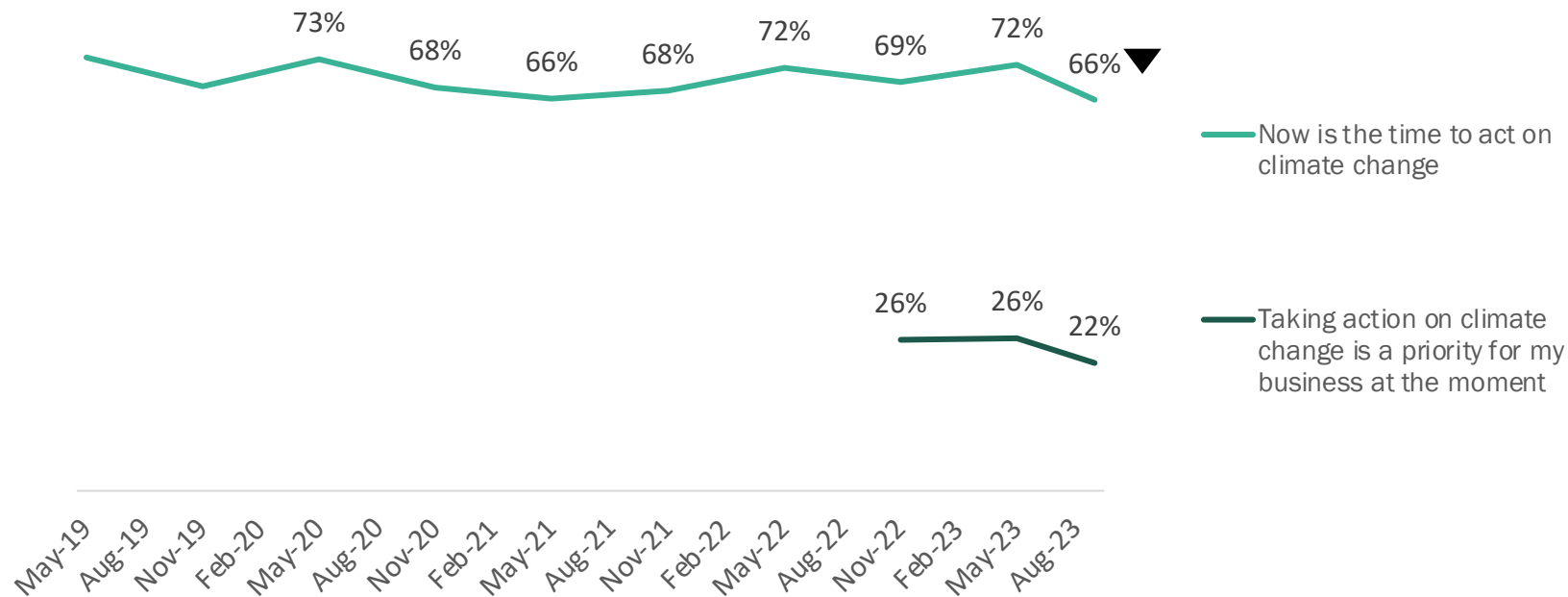
Statistically significant difference: 



Urgency to act is diminishing and less of a current priority

While most businesses believe we need to act now, sentiment has weakened significantly this quarter.

Climate beliefs: Agree / Strongly agree



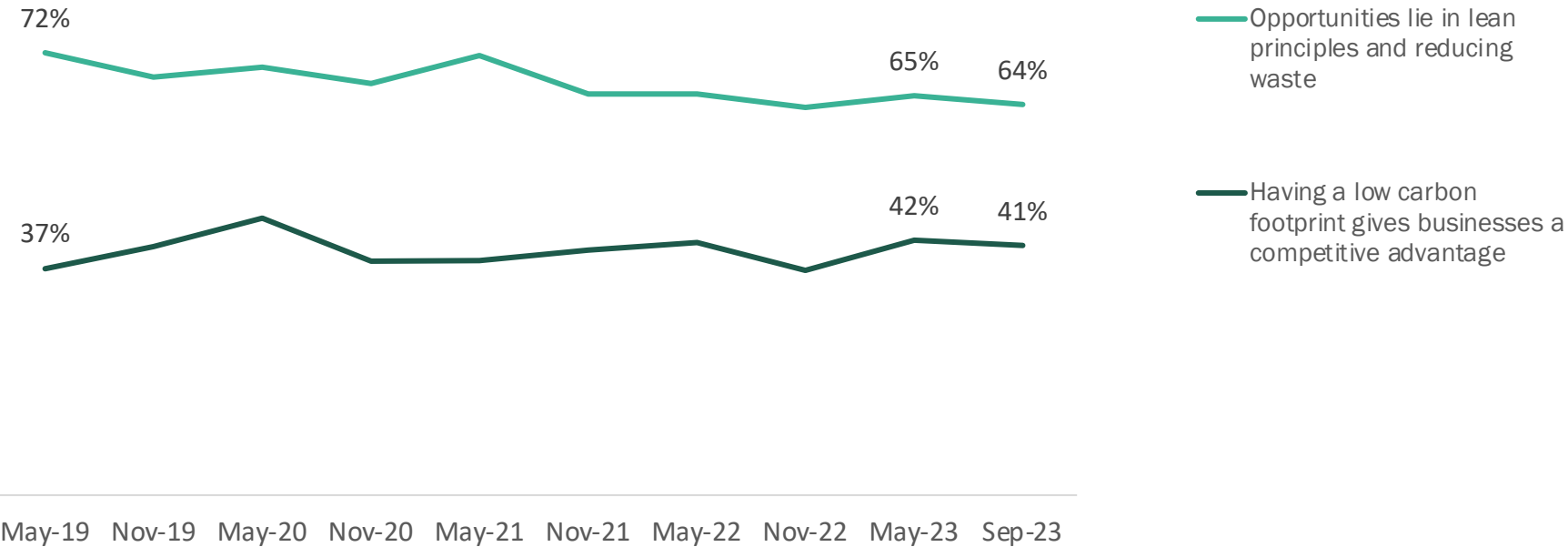
Statistically significant difference: 



The idea that being more energy efficient comes with benefits is not gaining traction

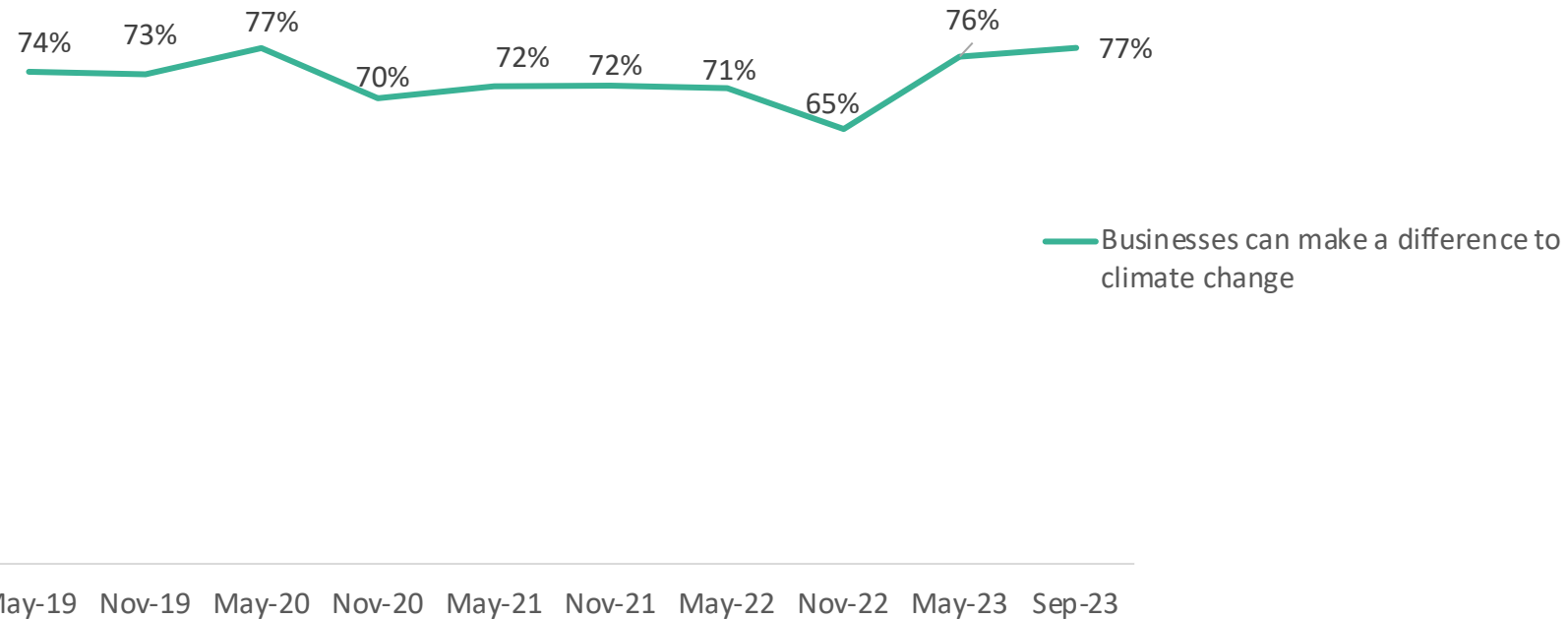
Most business leaders believe opportunities lie in lean principles and reducing waste, but strength in this belief has declined over time, and most aren't convinced in the competitive advantage of having a low carbon footprint.

Climate beliefs: Agree / Strongly agree



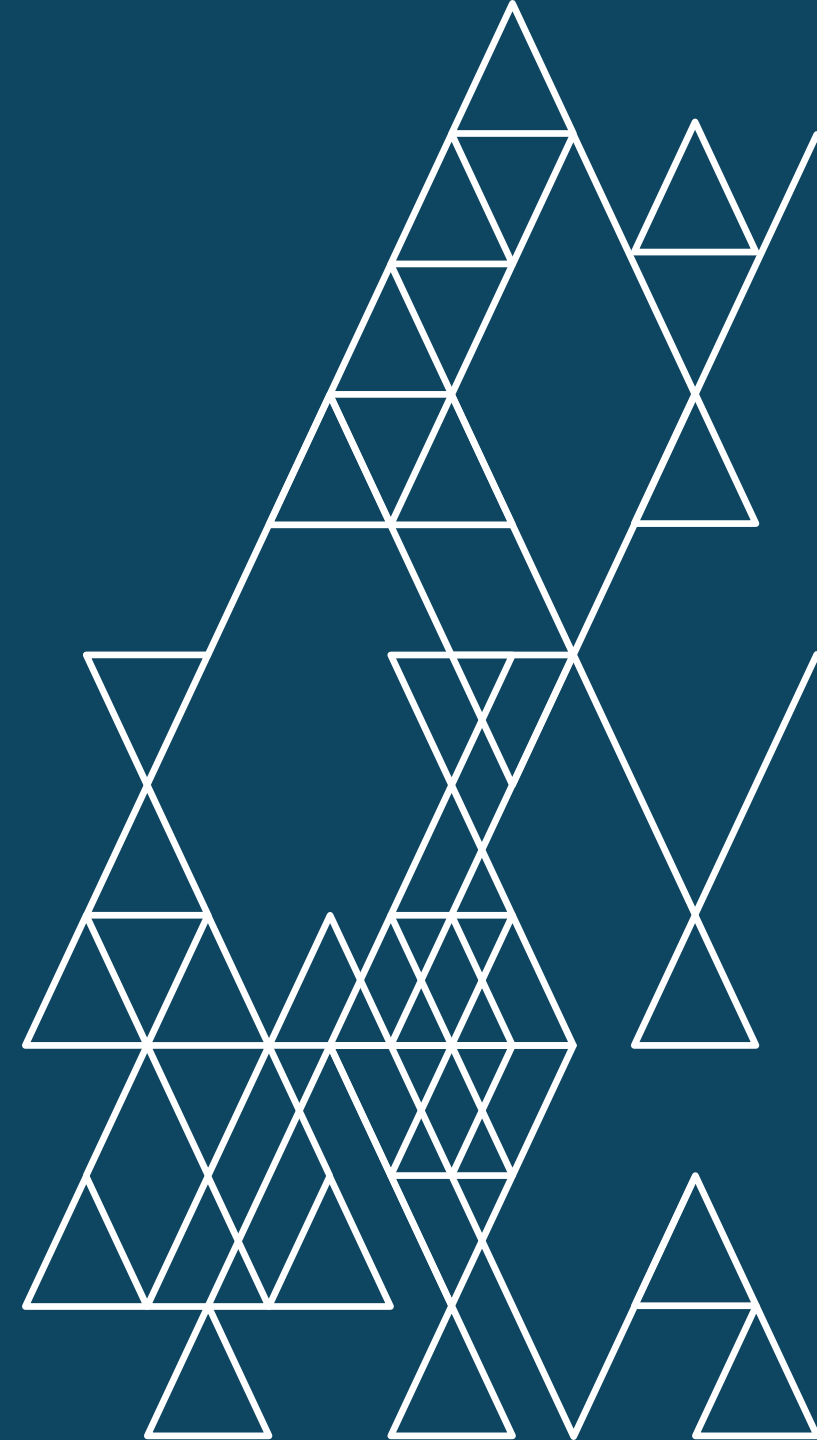
Despite signs of businesses disengaging with the cause, the idea that collectively, businesses can make a difference is as high as it's ever been

Agree / Strongly agree: Businesses can make a difference to climate change

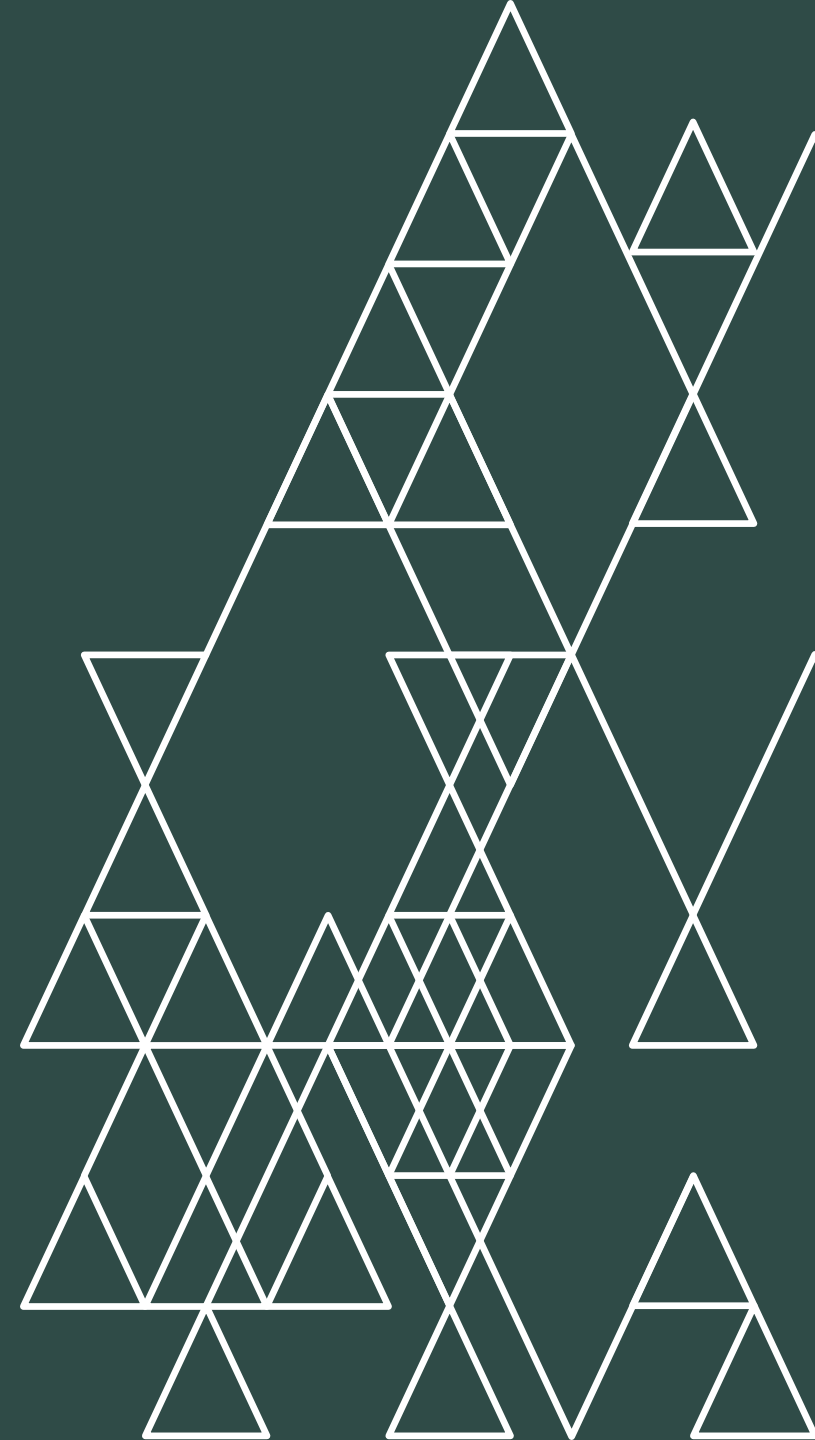


Business leaders know that businesses should be taking action and that businesses can, collectively, have an impact.

The job to do is empowering businesses at an individual level, helping them remove barriers specific to their business and bring into focus the business advantages of taking action.



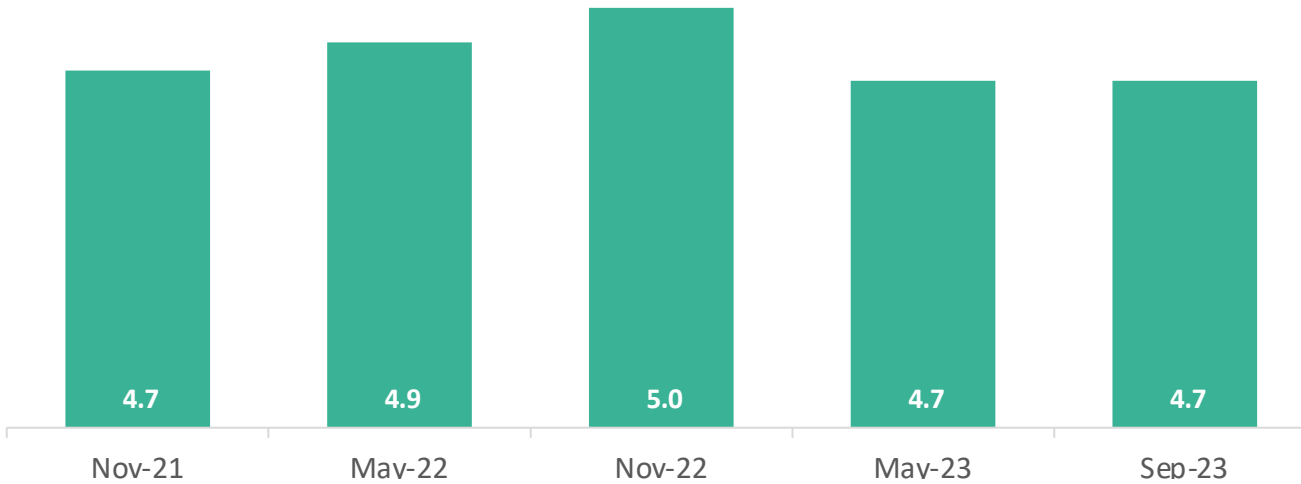
Business climate actions



Despite seeing a dip in alignment to the cause, this has not transferred through to a decrease in business action.

But we haven't regained the higher level of activity seen in 2022.

Businesses taking regular action – Average result across 14 actions



6/14 of our measured actions have held constant or increased compared to May 2023. The top three increases were

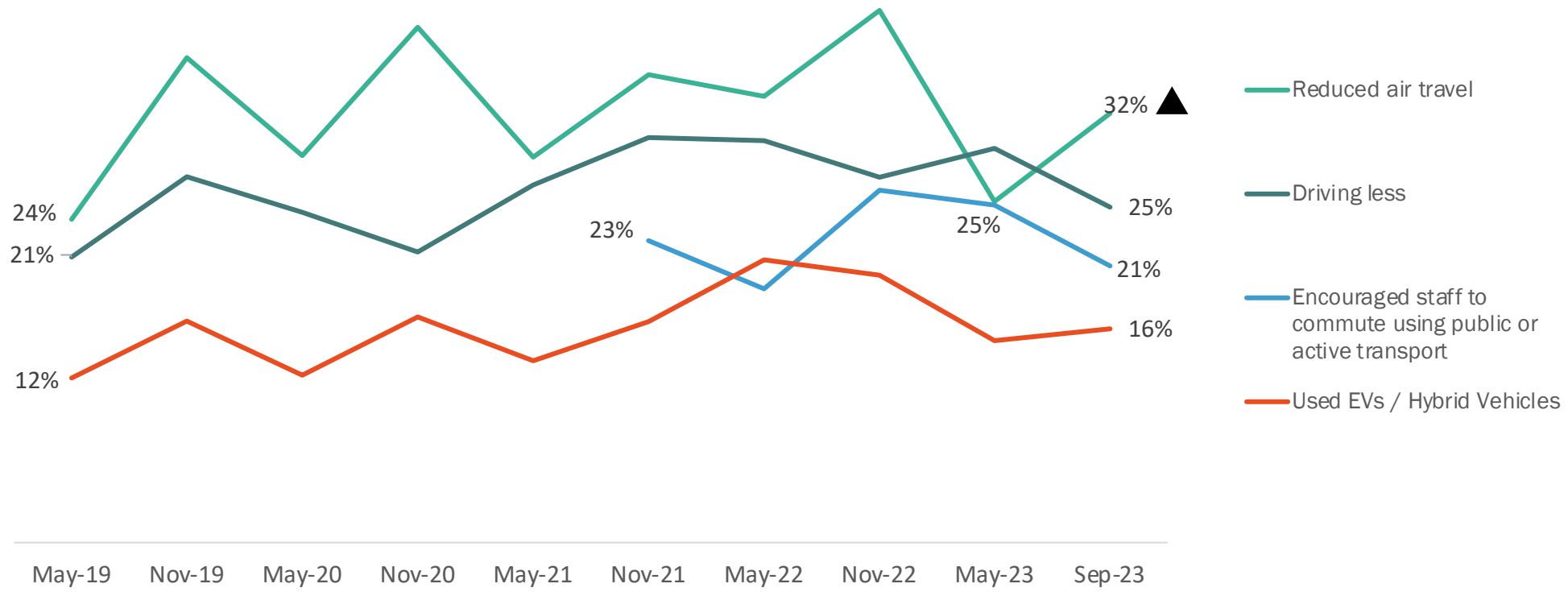
1. Using energy efficient lighting 71% (+12)
2. Reduced air travel 32% (+6)
3. Reduced coal consumption 41% (+4)



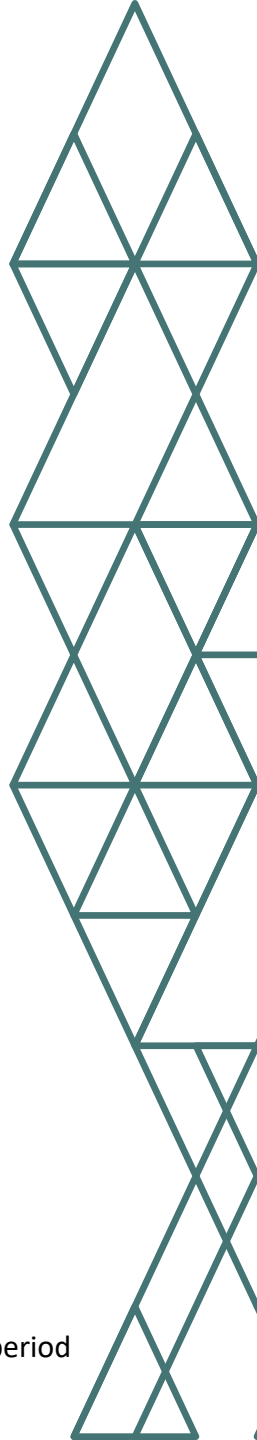
Reducing air travel is the most common transport action following a significant uplift this quarter

Results for travel actions typically fluctuate over time more than other types of action.

Businesses taking regular action – transport actions

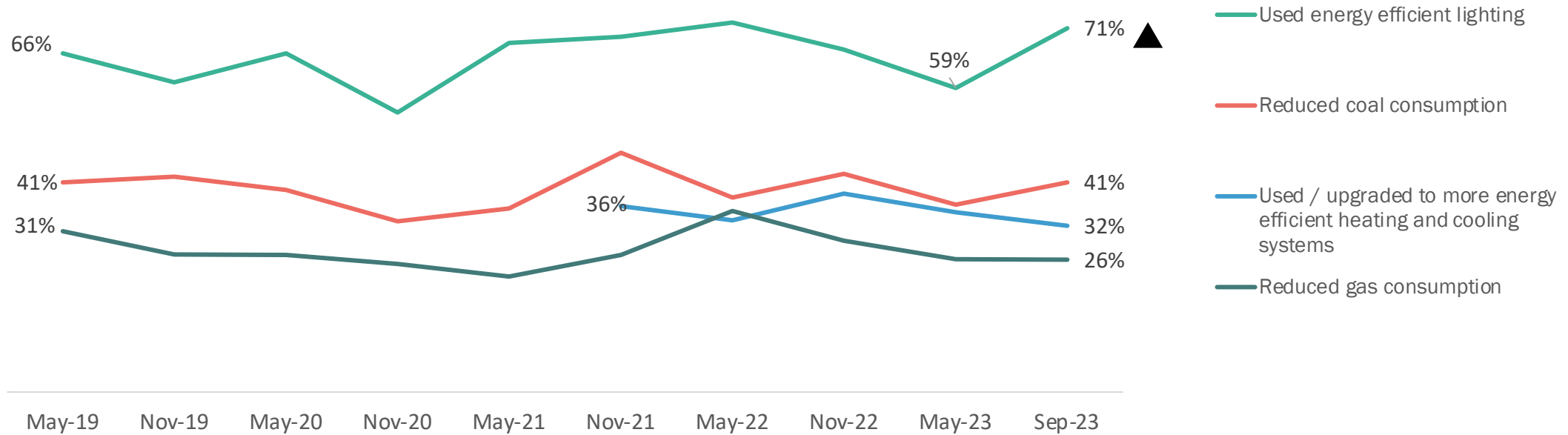


▲▲ Significantly higher or lower than the previous period



Most businesses use energy efficient lights and there's been a strong uptick in this action this quarter

Businesses taking regular action – energy systems actions

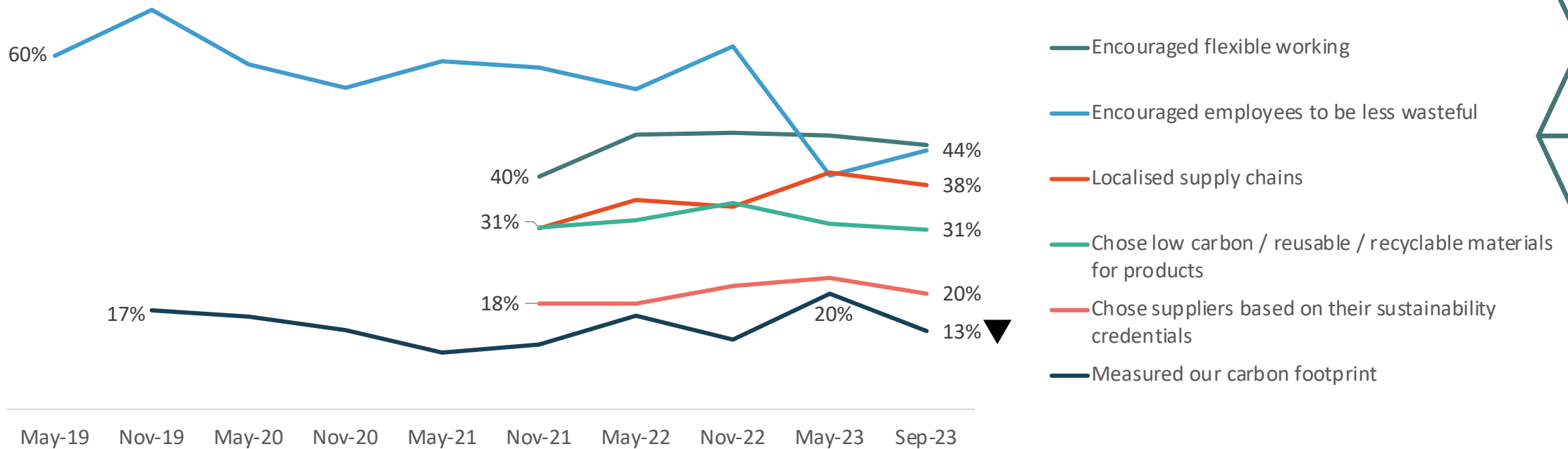


▲▲ Significantly higher or lower than the previous period



There's a long-term downward trend in businesses encouraging staff to be less wasteful

Businesses taking regular action – operational actions




▲ ▼ Significantly higher or lower than the previous period



There remains a clear pathway to action

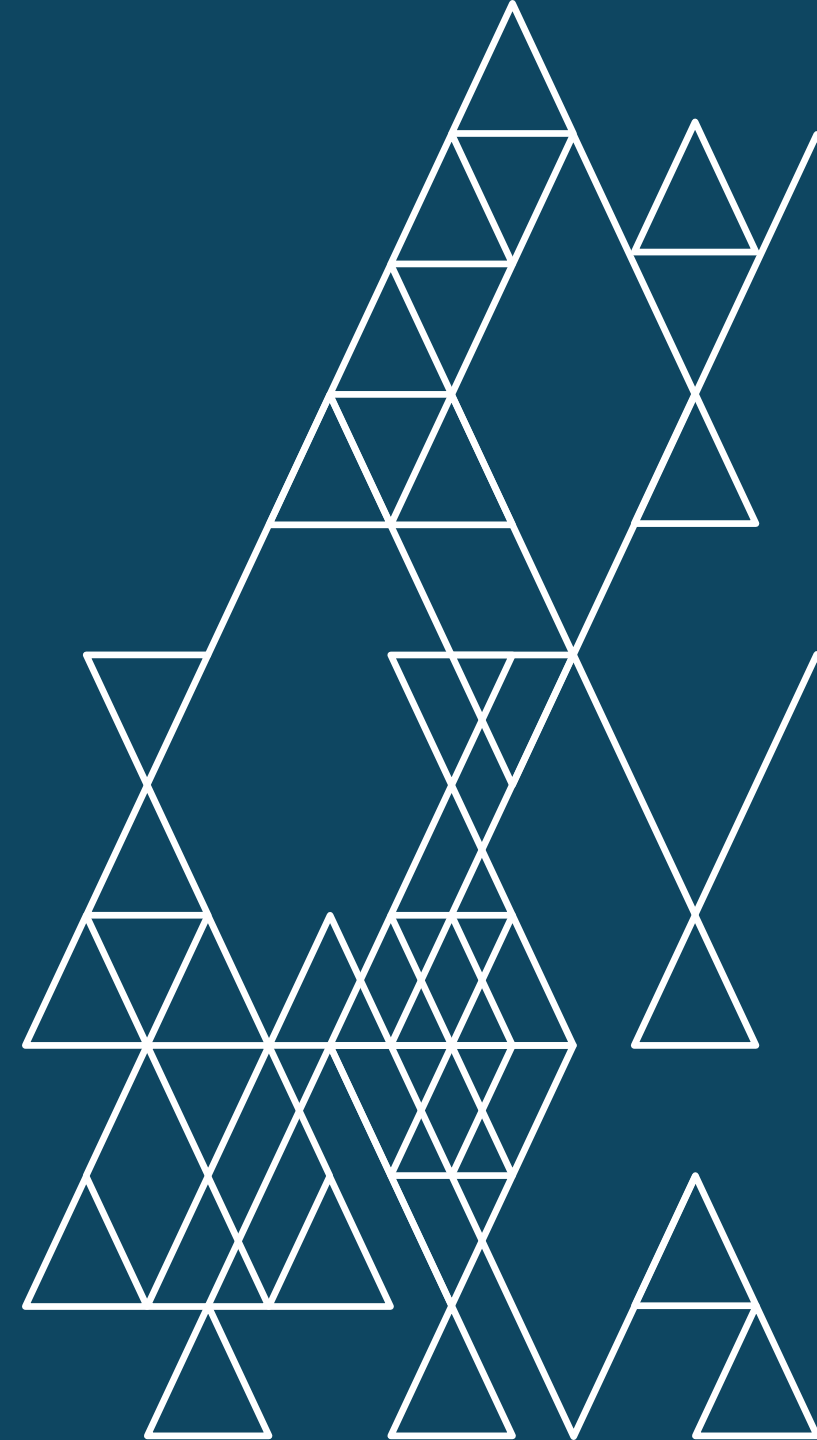
It makes sense that businesses start with most accessible options first. They will then start to move down the action funnel towards 'harder' actions.

Actions being taken by Number of Actions		1 – 2 actions	3 – 4 actions	5 – 7 actions	8 + actions
% of businesses		25%	23%	20%	16%
Transport actions	Driving less (in petrol or diesel powered cars)	2%	19%	44%	71%
	Used EVs / Hybrid Vehicles instead of petrol or diesel vehicles	8%	14%	12%	50%
	Reduced air travel	5%	29%	41%	82%
	Encouraged staff to commute using public or active transport	2%	13%	32%	66%
Energy system actions	Used energy efficient lighting (LEDs)	69%	84%	81%	94%
	Reduced coal consumption (through efficiency or switching fuels)	5%	24%	66%	93%
	Reduced gas consumption (through efficiency or switching fuels)	6%	9%	40%	77%
	Used / upgraded to more energy efficient heating and cooling systems	4%	29%	59%	80%
Operational actions	Encouraged employees to be less wasteful	32%	61%	86%	94%
	Measured our carbon footprint	3%	7%	16%	46%
	Localised supply chains	14%	31%	52%	82%
	Chose low carbon / reusable / recyclable materials for products	6%	23%	48%	87%
	Chose suppliers based on their sustainability credentials	2%	7%	22%	70%
	Encouraged flexible working	25%	56%	59%	78%

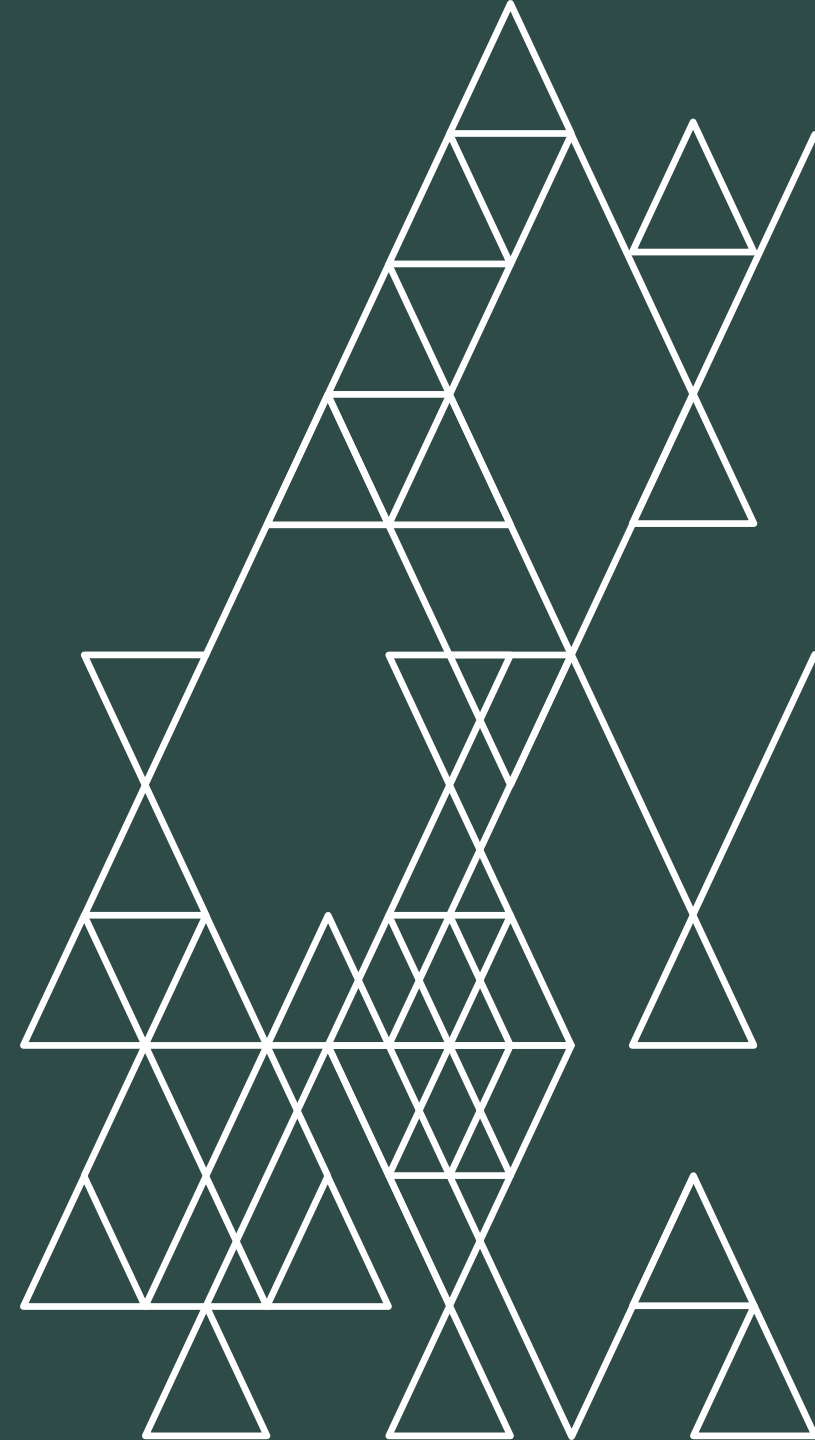
 Top new actions per group



Most climate actions show signs of greater adoption in the long-term. And although businesses are clearly distracted this quarter, activity hasn't dropped off – suggesting many actions are becoming more habitual.

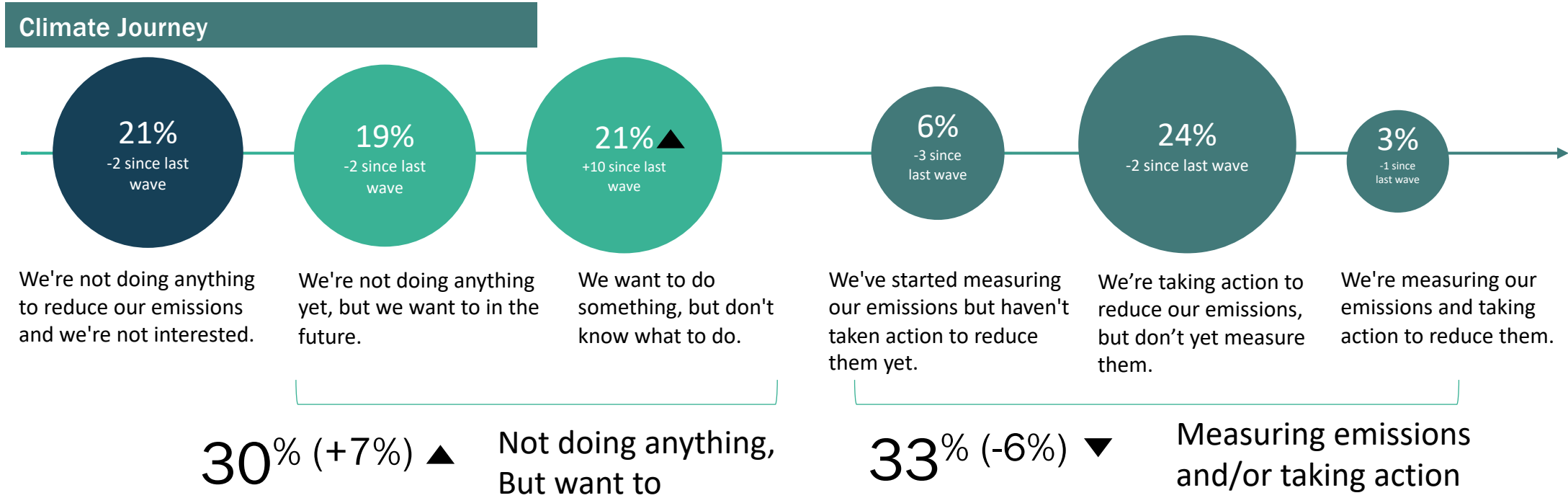


Business climate information needs



Although actions have held steady, businesses have the impression they're doing less: they're not feeling as empowered and need more guidance

The amount of businesses that want to do something but don't know what has nearly doubled this research period from 11% in May 2023 to 21%.



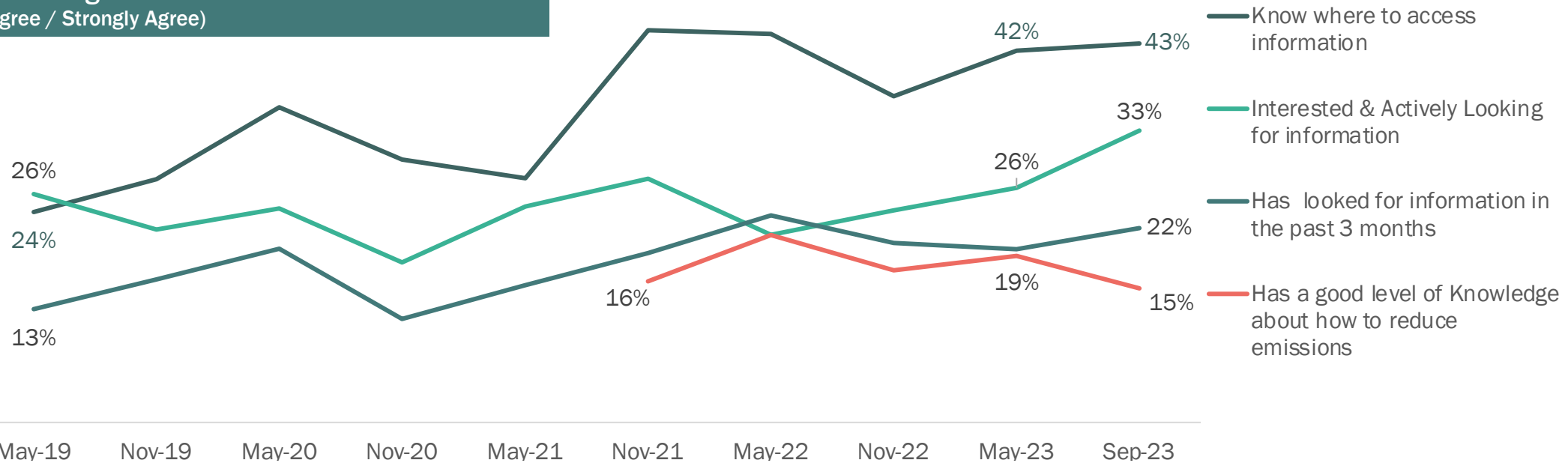
Statistically significant difference: 



More businesses than ever are interested and actively looking for information. But they're not always getting what they need.

While rates of knowing where to look, interest and actively looking are increasing, the proportion that have looked for information recently (in the past 3m) isn't increasing to the same degree, and the proportion who feel they have a good level of knowledge is actually trending downwards.

Knowledge of where to access information (Agree / Strongly Agree)



INFO_ABILITY: How much do you agree/disagree that you know where to access information about how to reduce your business's carbon emissions? (Agree/Strongly Agree)

INFO_SEEK: In the past 3 months, have you looked for information or advice that can help you lower your business's carbon emissions? (Yes)

INFO_RATE: On a scale of 0 - 10, how would you rate your level of knowledge about how your business can reduce its carbon emissions? (8-10 = I know a lot)

INFO_INTEREST: What best describes your level of interest in finding information or advice that can help you lower your business's carbon emissions? (I actively look for this information when I need it, but not often/I often actively look for this information)

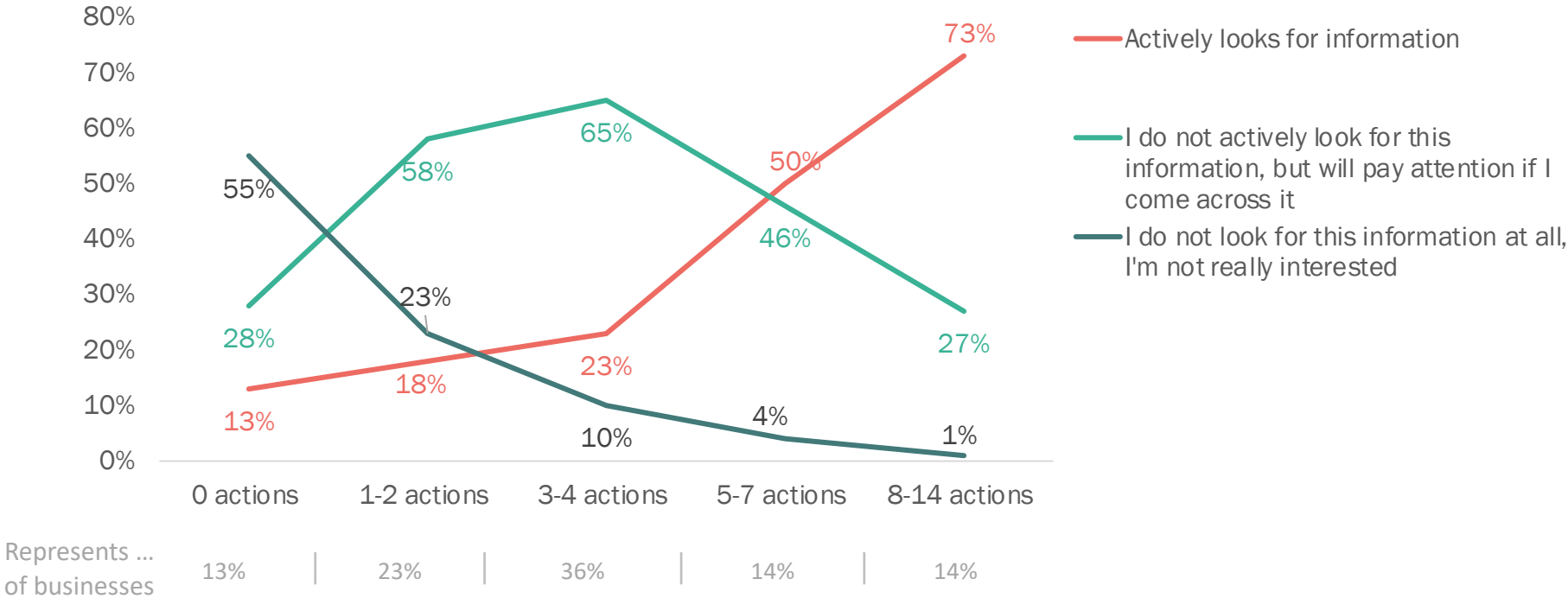
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There is a positive relationship between actively looking for information and climate actions

The more a business looks for information the more likely they are to have undertaken a greater number of climate actions.

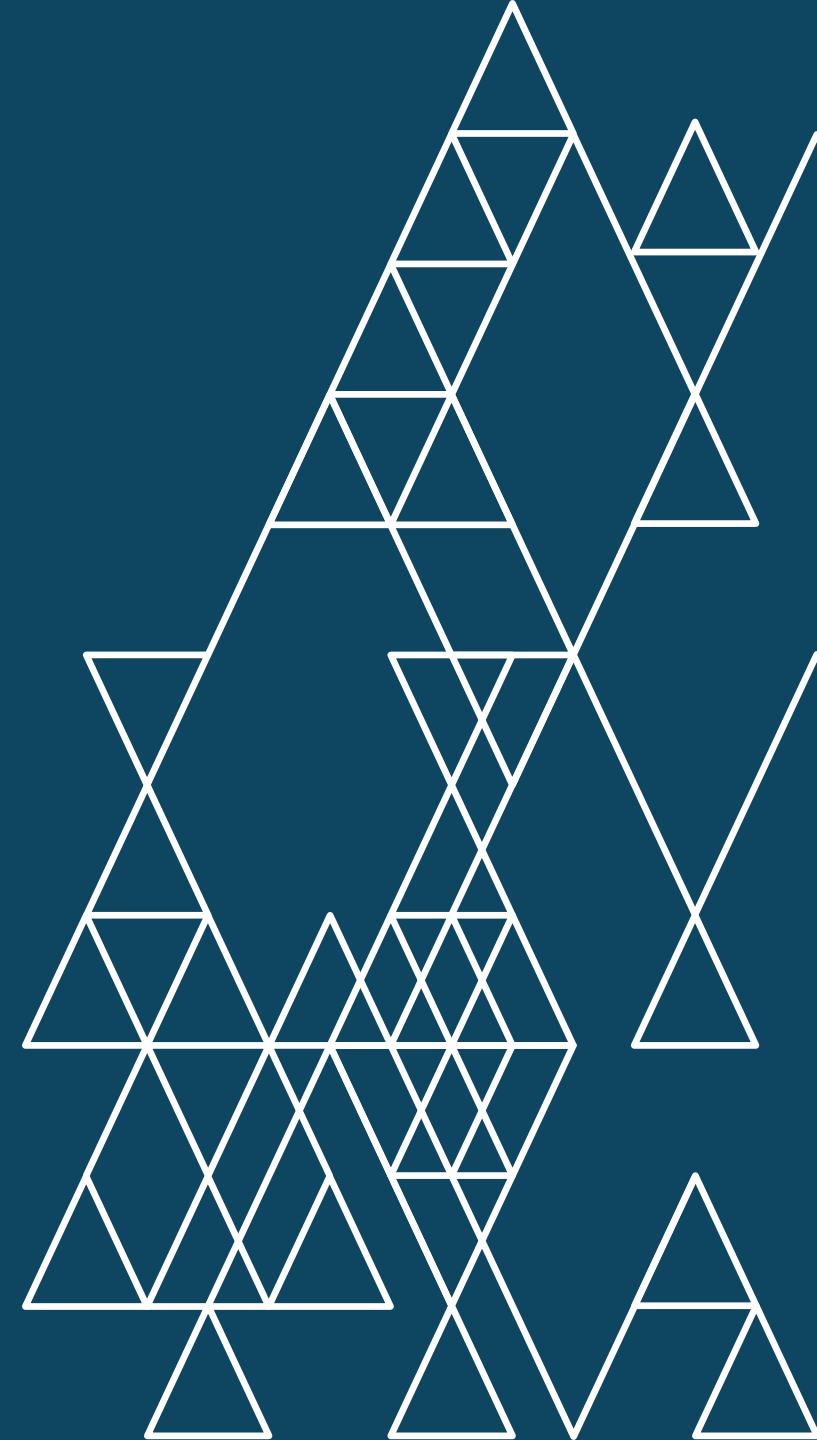
Has actively looked for climate information in the last three months



INFO_INTEREST: What best describes your level of interest in finding information or advice that can help you lower your business's carbon emissions?
 May 2019 n=498, Nov 2019 n=498, May 2020 n=486, Nov 2020 n=496, May 2021 n=613, Nov 2021 n=505, May 2022 n=629, Nov 2022 n=521, May 2023 n=508 Sep 2023 3mr n=501



Taking climate action can be an overwhelming prospect for businesses. It's something they increasingly know they should be doing, but many lack confidence. There's a clear need for guidance on where to start, how to progress and how to prioritise.



**We're here to support New Zealand businesses to tackle climate change.
Visit [EECA](#) for more information**

