

Waimakariri District Business Survey

***Rangiora Town Centre Post
Quake(s) Business Survey 2011***

ANALYSIS REPORT

Prepared by Policy & Strategy Team

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1 Introduction

The Rangiora Town Centre Post Quake(s) Business Survey 2011 is a short survey following the Rangiora Town Centre 2010 Business Survey which was one part in a series of surveys that saw questionnaires directed to all businesses with a physical address in the Waimakariri District in 2010. The Post Quake(s) survey is much shorter in length, with only 13 questions compared to the in-depth 8 page survey distributed in 2010.

The 2010 survey collected information and opinions regarding the Rangiora town centre as a place to do business, current and future outlooks for businesses, businesses in the town centre and District generally, Enterprise North Canterbury and Council's town centre services. In comparison, the shorter 2011 Post Quake(s) survey simply sought to establish in what way the earthquakes of September 2010 and February 2011 affected town centre businesses. More specifically, it asked businesses to comment on effects on their turnover, customer base, staff and suppliers, as well as wider effects on their business and the town centre in general. A copy of the questionnaire is supplied in Appendix 2.

A total of 196 surveys were distributed to Rangiora town centre businesses and 132 businesses completed the survey, representing a response rate of 67% (compared to 61% in 2010). Appendix 1 provides a brief discussion of survey issues and limitations.

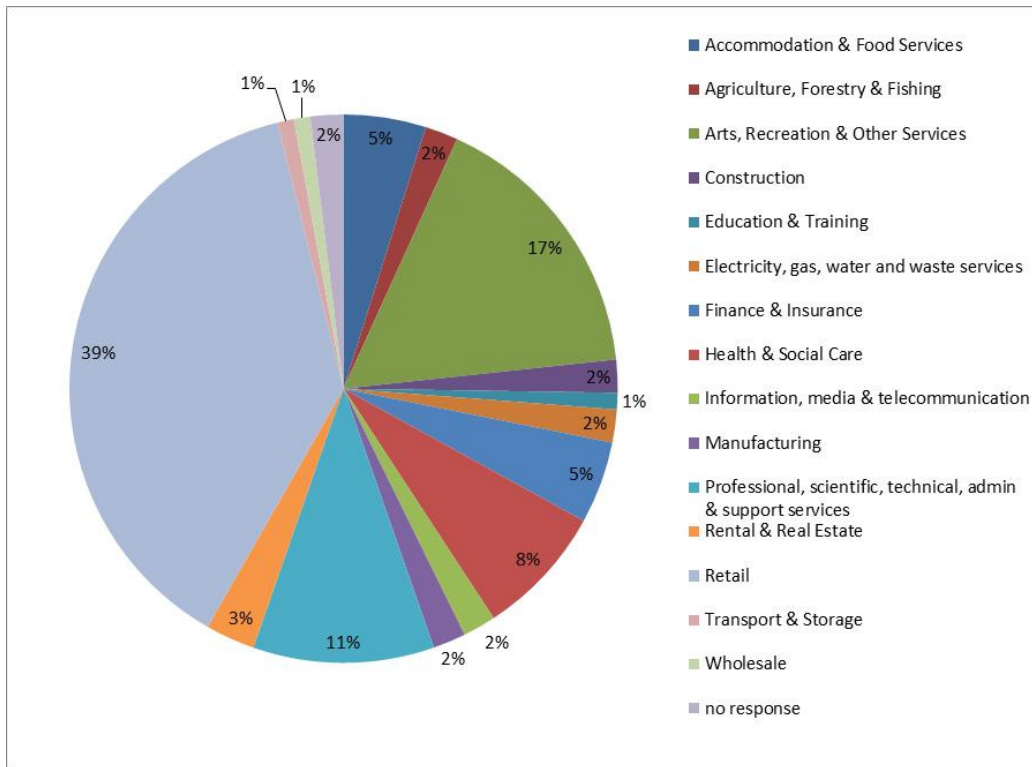
2 Rangiora Town Centre Businesses

Industry Sectors

Respondents were asked what type of business they represent.

Industry Sector	Number	Percent
Accommodation & Food Services	7	5
Agriculture, Forestry & Fishing	2	2
Arts, Recreation & Other Services	22	17
Construction	2	2
Education & Training	1	1
Electricity, gas, water and waste services	2	2
Finance & Insurance	6	5
Health & Social Care	11	8
Information, media & telecommunication	2	2
Manufacturing	3	2
Professional, scientific, technical, admin & support services	14	11
Rental & Real Estate	4	3
Retail	52	39
Transport & Storage	1	1
Wholesale	1	1
no response	2	2
Total	132	100

Respondents' Industry Sectors



The largest proportion of town centre businesses who responded to the survey represent the Retail sector (39%), followed by Arts, Recreation and Other Services (17%) and the Professional, Scientific, Technical, Administrative and Support Services sector (11%). This is very similar to results from the 2010 survey, where 41% of respondents represented the Retail sector.

Staffing

Respondents were asked how many full and part time staff they currently employ. The following table illustrates the total number of staff employed by respondent businesses.

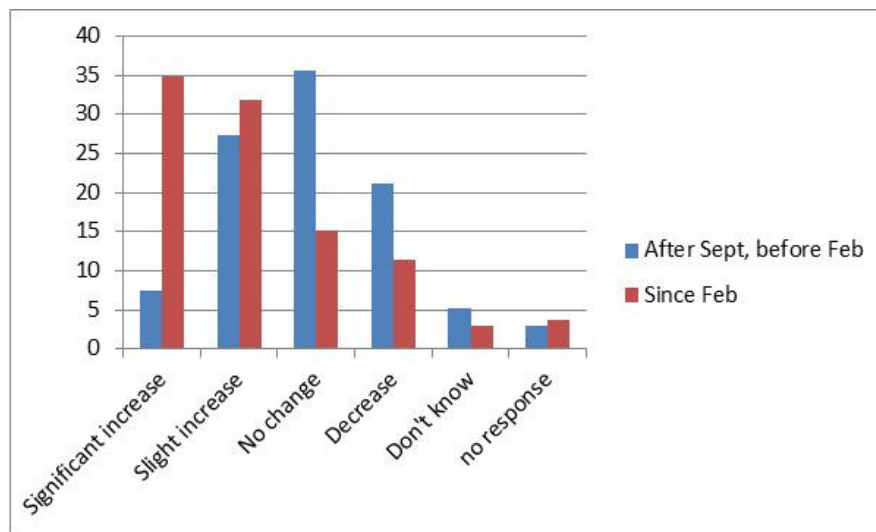
Number of Staff	Number	Percent
5 and less	78	59
6 to 10	28	21
11 to 30	21	16
31 to 50	1	1
51 to 100	1	1
more than 100	3	2
Total	132	100

The majority of respondent businesses (59%) only employ five or fewer full and/or part time staff. In fact, four in five businesses (80%) employ ten or fewer staff. Only five businesses employ more than 30 staff. Those that do employ more than 30 staff include a used goods store, general retail, electrical supply company, and food and beverage services. The 2010 survey similarly found that almost all respondent businesses in the Rangiora town centre employ ten or fewer staff.

3 Effects on Turnover

Respondent businesses were asked to comment on their turnover when comparing it from before the September 2010 earthquake to pre and post the February 2011 earthquake.

	After Sept, before Feb		Since Feb	
	Number	Percent	Number	Percent
Significant increase	10	8	46	35
Slight increase	36	27	42	32
No change	47	36	20	15
Decrease	28	21	15	11
Don't know	7	5	4	3
no response	4	3	5	4
Total	132	100	132	100



The table and graph above clearly show that the largest proportion of respondent businesses within the Rangiora town centre saw no change in their turnover following the September 2010 earthquake to February 2011 (36%), or only saw a slight increase (27%). Only 8% saw a significant increase. One in five (21%) actually saw a decrease in turnover following the September 2010 earthquake.

The trend for turnover is quite different following the February 2011 earthquake, where two in three respondent businesses (67%) saw an increase in turnover, whether significant (35%) or slight (32%). Only one in ten businesses (11%) saw a decrease in turnover following the February earthquake.

Looking at the top three sectors represented by respondent businesses, the majority of Retail sector businesses experienced a significant increase in turnover following the February earthquake (51%), and one in three (34%) experienced a slight increase (total 85%). This compares to just over half (53%) experiencing an increase following the September earthquake.

Two in three respondent businesses representing the Arts, Recreation and Other Services sector (67%) experience an increase following the February earthquake, whether slight (29%) or significant (38%), compared to only one in three (33%) following the September earthquake.

However, the majority of respondent businesses representing the Professional, Scientific, Technical, Administrative and Support Services sector experienced no change (43%) or a decrease (29%) in turnover following the February earthquake, showing that business picked up slightly from after the September earthquake, where 43% saw a decrease in turnover.

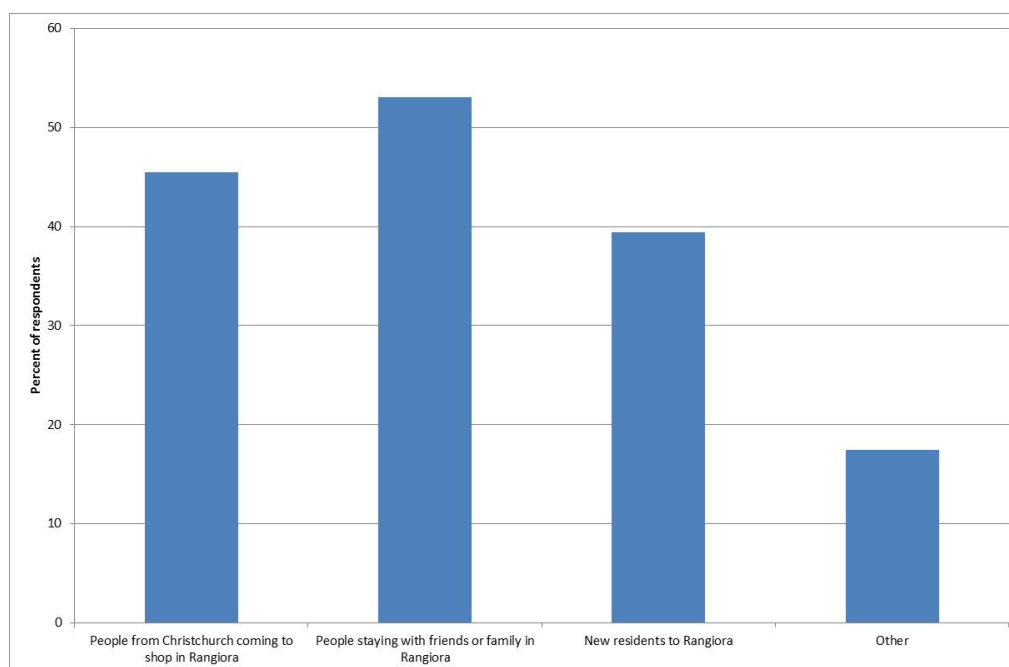
4 Effects on Customer-Base

Extra Customers

If there has been an increase in turnover since the earthquake(s), respondent businesses were asked where they think this extra spend is mainly coming from.

	Number	Percent
People from Christchurch coming to shop in Rangiora	60	45
People staying with friends or family in Rangiora	70	53
New residents to Rangiora	52	39
Other	23	17

Note: Percentages do not add to 100 as respondents ticked multiple boxes. Numbers in the percent column represent the proportion of respondents whose answer included each option offered.



More than half of all respondent businesses (53%) consider that people staying with friends or family in Rangiora are the biggest contributor towards their increase in turnover following the earthquake(s), followed by people from Christchurch coming to shop in Rangiora (45%).

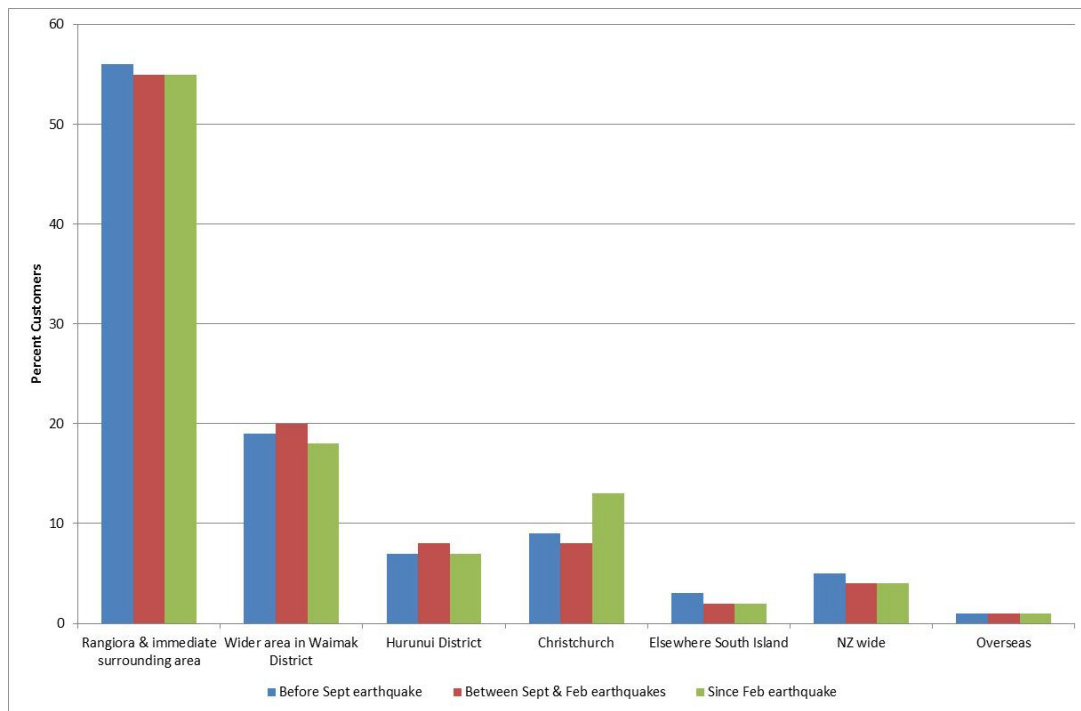
Some other reasons for increased turnover are offered including locals shopping locally instead of in Christchurch where many businesses had temporarily or permanently closed, new businesses and staff in the town centre spending money, locals spending more time and money locally due to having lost employment in the city, an increased number of shoppers from Kaiapoi due to damage to the Kaiapoi town centre, people spending EQC and insurance payouts, an increase in people in

Rangiora who stayed at the Welfare Centre immediately following the February earthquake, more people taking up insurance they did not previously have and people returning to the District following vacating their homes after the September earthquake.

Customers' Residence

Respondents were asked what percentage of their customers come from a number of areas (listed in table below), comparing before the September earthquake, after the September earthquake but before the February earthquake, and after the February earthquake.

	Before Sept quake	Between Sept & Feb quakes	Since Feb quake
Rangiora & immediate surrounding area	56	55	55
Wider area in Waimakariri District	19	20	18
Hurunui District	7	8	7
Christchurch	9	8	13
Elsewhere South Island	3	2	2
New Zealand wide	5	4	4
Overseas	1	1	1
Don't know	0	2	0
Total	100%	100%	100%



The overall trend of customers' residence comparing proportions pre the September earthquake, between the September and February earthquake(s) and after the February earthquake is largely the same, with the majority of customers living in Rangiora and the immediate surrounding area, followed by those living in the wider Waimakariri District. A much larger proportion of customers living in Christchurch after the February earthquake is the most notable change in overall trend, where customers from Christchurch were thought to make up roughly 9% of all customers in

the town centre before the September earthquake, compared to 13% after the February earthquake.

On average, those representing the Retail sector saw an increase of 10% in the proportion of their customers from Christchurch from before the September earthquake to after the February earthquake. Those representing the Arts, Recreation and Other sector saw almost no increase in proportion of customers from Christchurch (1%), whereby those representing the Professional, Scientific, Technical, Administrative and Support services sector actually saw a significant decrease in proportion of customers from Christchurch (-13%).

When asked to estimate the proportion of customers from the same localities as above in the 2010 survey, respondent businesses predicted an increase in customers from Christchurch within the next five years, increasing from 7% of the total customer base to 10% in five years time.

5 Effects on Staff and Suppliers

Staff

Respondent businesses were asked what staffing changes have occurred in their business since the September earthquake.

	Number	Percent
Has lost staff	14	13
Staffing remained the same	73	66
Has recruited more staff	23	21
Will need to make staff redundant	2	2
Will need to recruit more staff	9	8

Note: Percentages do not add to 100 as respondents ticked multiple boxes. Numbers in the percent column represent the proportion of respondents whose answer included each option offered.

The majority of respondent businesses have had no change in staffing (66%), while one in five (21%) have had to recruit more staff. Thirteen percent have lost staff since the September earthquake and 8% will need to recruit more staff. Of those who indicated the number of staff in question, it can be said that a total of 19 staff have been lost in the Rangiora town centre since the September earthquake, but a total of 34 recruited. Only two will be made redundant looking forward but a total of 20 recruited. The type of roles respondent businesses will recruit for include the following:

- Sorting / remove rubbish
- Retail Sales (x7)
- Receptionist
- Graphic designer
- Trainee locksmith
- Hairdresser
- Consultants
- Skilled tradesman / manager
- Teachers
- Automotive technician
- Electrician / heatpump workers
- Production
- Computer technician
- Lawyer

	% Retail	% Arts, Recreation & Other services	% Professional, scientific, technical, administrative and support services
Has lost staff	17	11	29
Staffing remained the same	61	53	64
Has recruited more staff	24	26	14
Will need to make staff redundant	0	5	7
Will need to recruit more staff	15	5	0

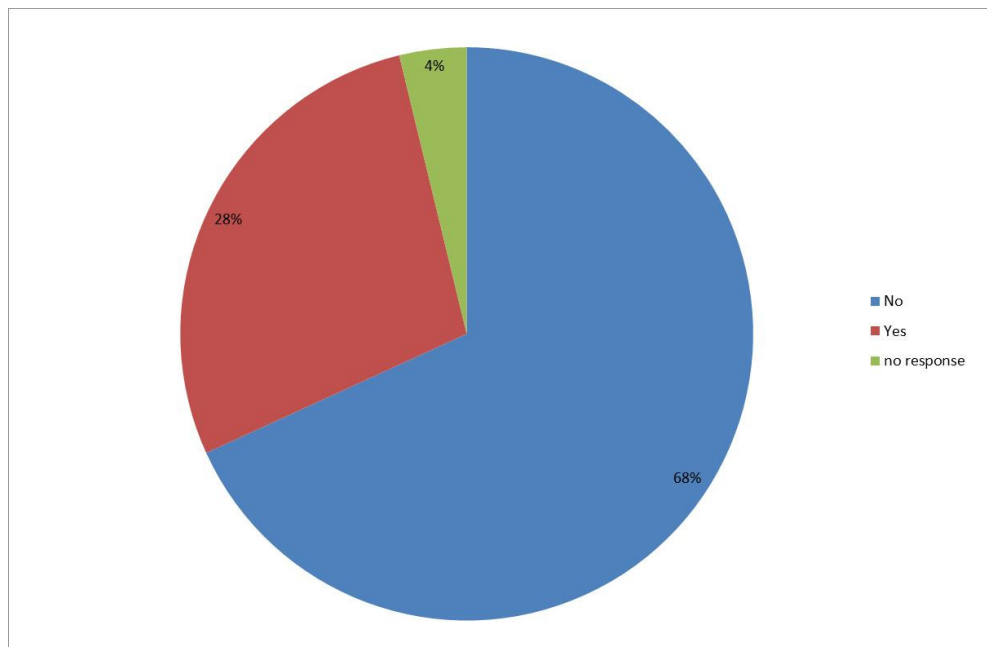
Note: Percentages do not add to 100 as respondents ticked multiple boxes. Numbers in the percent column represent the proportion of respondents whose answer included each option offered.

Comparing the top three sectors represented by respondent businesses – Retail; Arts, Recreation and Other; Professional, Scientific, Technical, Administrative and Support services), those representing the Professional sector have experienced the highest loss of staff since the September earthquake, with one in three (29%) having lost staff. Across all three top sectors, the majority have seen no change in staffing (61%, 53% and 64% respectively). The Arts, Recreation and Other sector has seen the most increase in staff since September, with 26% having recruited more staff (the Professional sector the lowest at 14%). Fifteen percent of the Retail sector is looking to recruit more staff, compared to 5% of the Arts, Recreation and Other sector and 0% of the Professional sector.

Suppliers

Respondent businesses were asked if they have seen any noticeable effects on their supply chain since the earthquake(s).

	Number	Percent
No	90	68
Yes	37	28
no response	5	4
Total	132	100



The majority of respondent businesses (68%) did not see any noticeable effects on their supply chain following the earthquake(s), while almost one in three (28%) did. While many comment that initial negative effects have meanwhile been alleviated, effects described include:

- Having to source supplies from elsewhere (e.g. North Island) due to disruption from current supplier, unavailability or closing down
- More disruption / inconsistency / unreliability / delay in deliveries / freight from Canterbury based suppliers
- Loss of advertisers due to loss of business
- Damaged stock
- More difficult to get equipment serviced (e.g. photocopiers)
- Suppliers reluctant to fly into / stay in Christchurch
- Insurers not writing additional property business and rates increasing
- Lower level / range of stock available from suppliers
- Property listings selling but not being replaced by new supply
- Large increase in the amount of donated second hand goods

6 Overall Effects

Respondent businesses were asked, thinking generally, what some key positive and negative effects on their business have been since the September and February earthquake(s).

Key positive effects on business include:

- More people shopping in Rangiora (especially from Christchurch) / increase in turnover / greater profile of local business
- Meeting new people and being able to help people in need
- Increased police presence
- Increased understanding of suppliers outside of Canterbury
- Greater support by clientele and staff; increase productivity by staff
- Increased awareness of insurance policies
- Better utilisation of business premises
- Increase in items donated to second hand goods stores and more volunteers willing to help

Key negative effects on business include:

- Difficulties in carrying out Christchurch based deliveries
- Pressure on health sector to fit all patients in and give priority to existing patients
- Supplier delays and difficulties – associated expenses or having to find alternative supply sources altogether
- Customers affected negatively – low town morale
- Christchurch related work disrupted or on hold
- More ACC trauma work, directly related to earthquake experiences
- Delay of CDHB for earthquake related surcharges
- Stressed staff

Furthermore, respondent businesses were asked to consider whether there are new key opportunities and / or implications for the Rangiora town centre as a result of the earthquake(s).

Key opportunities offered include:

- Increase in retail opportunities / businesses locally, including better variety of diverse businesses to be built on
- Rangiora is seen as safe, stable and without physical threat – a more desirable place to live
- Rangiora's short distance from Christchurch is now more recognised than before – put Rangiora on the map
- Rangiora's charm as a non-mall shopping destination, traditional looking High Street and great customer service is valued and needs to be built on
- Earthquake damage (including rebuild) work will mean increased business opportunities for local labourers and resources
- Increased vibrancy and community spirit in Rangiora
- Increased electrical and land use in the district
- Locals will more likely consider shopping locally than in Christchurch in the future
- Need to create better infrastructure (including roading) for future proofing
- Rapid expansion of Rangiora town, including potential to expand the town centre area
- Commuting public transport in the future
- More local employment opportunities
- Money spent locally can be reinvested locally
- Need more accommodation for increase in number of people and visitors
- Revitalise the town centre area: consider 7 day trade in High Street, better signage, more local events (buskers, markets etc), information centre, local taxi service

Key implications noted include:

- Increase in people means increase in crime, including shoplifting, vandalism, litter – need more police foot patrols
- Greater shortage in car parking due to increase in population – need to create more car parking and better enforcement
- More congestion / traffic in town centre and coming into Rangiora – need to improve roading network
- 'Undesirable' people new to Rangiora
- Shopper congestion in shops and supermarkets
- Difficulty obtaining new house insurance
- Stressed children and families
- People who have been affected by the earthquake (e.g. lost job in city) now have less disposable income to spend locally
- Increase in property prices
- Increase in population means increase in local job competition
- Need to strengthen buildings
- Lack of business premises and space

Lastly, respondent businesses were asked whether they are aware of any businesses that want to move, or have already relocated to Rangiora. Businesses noted include:

Relocated / relocating to Rangiora:

- Solex Shoes & Clothing
- Anna Stretton
- Street Legal shoes
- Automotive services and sales

Wanting to relocate to Rangiora:

- Mending and repairs
- Mad Butcher
- Tattoo parlour
- Insurance broker

- Stevens
 - Jaks
 - Telecom
 - ASB Bank
 - Hurunui News
 - Rugs for All
- Fast Food operators
 - Podiatrist
 - Health and Beauty

Appendix 1 – Issues and Limitations

As this any robust analysis, it is important to note the issues and limitations that creep into the process, in order to ensure that findings are reliable and for the Council to have faith in them. This will ensure shared understanding of potential flaws, assumptions and restrictions this analysis carried with it.

Representativeness of Respondents

132 Rangiora Town Centre businesses completed the survey, translating into a response rate of 67%. While this represents the majority of businesses located in the town centre and is significantly higher than a response rate typically expected of mail surveys, data nevertheless does not represent a complete census of opinions, and rather results should be seen as a very good indication of the situation rather than an absolute.

Inputting and Analysing Data

Some questions were of open-ended nature and had to be interpreted manually. This often meant paraphrasing or summarising respondents' comments. Judgement calls had to be made regarding various topics and relevance of information provided, as well as what information the submitter is trying to convey. This often meant 'reading between the lines'.

Appendix 2 – Rangiora Town Centre Business Survey 2011 (post Earthquakes)



Rangiora Town Centre Business Survey 2011 (post Earthquakes)

Last year, the Waimakariri District Council undertook an extensive Business Survey across the District to gauge views about the business environment as well as satisfaction with services provided by the Council and Enterprise North Canterbury, the Council's economic development agency. The results of last year's survey in the Rangiora town centre provided an important source of information for the development of the Rangiora Town Centre Strategy: RTC2020.

The Council recognises that the Canterbury earthquakes of September 2010 and February 2011 have had an impact on some businesses in our District. In order to find out how businesses in the Rangiora town centre have been affected, we would appreciate you taking the time to fill out this short survey. We will then invite you to an evening briefing session to feed back what we've heard and together plan ahead.

If you have any questions about this survey please contact Heike Lulay on (03) 311 8900 or by email, heike.lulay@wmk.govt.nz. Thank you in anticipation for your participation.

Yours sincerely,

Simon Markham
Recovery Manager
Waimakariri District Council

YOUR BUSINESS:

1. What type of business is this?
2. How many people currently work full-time and part-time in this business, including the owner(s) / manager(s)? (Please write number)

Full-time	Part-time

YOUR TURNOVER:

3. When comparing to your turnover from before the September 2010 earthquake, did your turnover between the September and February earthquakes: (Please tick)

Significantly increase	Slightly increase	No change	Decrease	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. In the time since the February earthquake, has your turnover: (Please tick)

Significantly increased	Slightly increased	No change	Decreased	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

YOUR CUSTOMERS:

5. If there has been an increase in your turnover since the earthquake(s), where do you think this extra spend is mainly coming from? (Please tick)

- People from Christchurch coming to shop in Rangiora
- People staying with friends or family in Rangiora
- New residents to Rangiora
- Other, please specify

Please turn over

6. Approximately what percentage of your customers currently come from each of the following locations? (Please write number of percent)

	Before Sept earthquake	Between Sept & Feb earthquakes	Since Feb earthquake
Rangiora & immediate surrounding area			
Wider area within the Waimakariri District			
Hurunui District			
Christchurch			
Elsewhere South Island			
New Zealand wide			
International / overseas			
Don't know			
TOTAL	100%	100%	100%

YOUR STAFF AND SUPPLIERS:

7. Since the September 2010 earthquake, your business: (Please tick and write number of staff)

	If yes, how many?
<input type="checkbox"/> Has lost staff	
<input type="checkbox"/> Staffing remained the same	N/A
<input type="checkbox"/> Has recruited more staff	
<input type="checkbox"/> Will need to make staff redundant	
<input type="checkbox"/> Will need to recruit more staff	

8. If your business will need to recruit more staff, please indicate the type of position(s) you will recruit for

9. Have there been noticeable effect(s) to your supply chain since the earthquake(s)? (Please tick)

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

10. If yes, please describe effect:

OVERALL EFFECTS

11. Thinking generally, what have been key positive and negative effects since the September 2010 and February 2011 earthquakes for your business?

Positive effects	Negative effects
.....
.....
.....
.....

12. What do you think are new key opportunities and/or implications for the Rangiora town centre as a result of the earthquake(s)?

13. Are you aware of any business(es) that want to move, or have already relocated to the Rangiora town centre? If so, please specify business(es):

So that we can keep in contact with you and invite you along to the feedback briefing, we would appreciate if you could supply your contact details:

Your Name: Business Name:

Phone: Email: