

DEVELOPED BY
TOURISM & ECONOMIC
DEVELOPMENT UNIT

September—October
2013

Thank you to the many businesses who
took part.

Griffith City Council would like to
acknowledge local photographers Ginette
Guidolin and Brett Naseby for the
photographs that appear in this document.



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Business **SURVEY** 2013

*“67% of businesses said that Griffith is a good
regional centre to conduct business”*



Overview

The Griffith Local Government Area covers an area of 1,609km² and has a population of 25,300 people (2011 ABS).

The Griffith region has a strong economy, generating \$1,246m (GRP) in 2011-12 financial year.

The number of people actively engaged in the workforce is 13,204 and the worker productivity (GRP) Gross Regional Product per worker is \$94,439. Unemployment as of June 2013 as 4.5%.

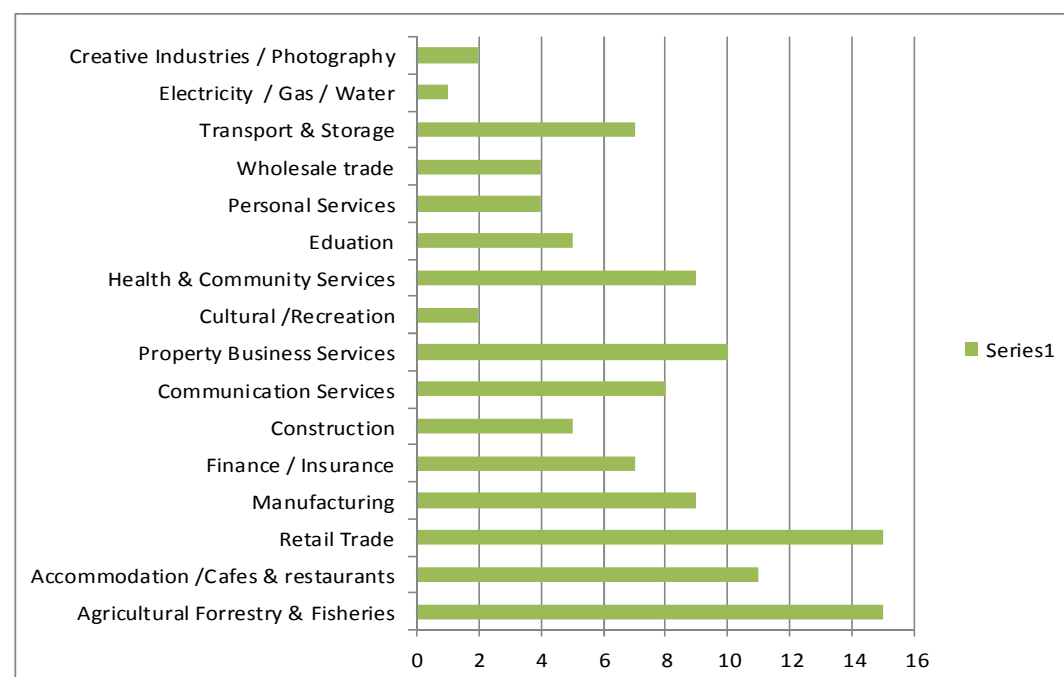
There are 3,163 businesses in the Griffith LGA. The Griffith Business Survey 2013 was designed to capture the business health and confidence of a small number of businesses in sixteen industry sectors to provide an overall snapshot in time to compare the last two years in trading and to find out what level of business confidence is in the current market.

The below chart is a breakdown of the number of businesses in the different industry sectors who participated. Overall 110 businesses took part in the survey, 5% online and 95% face to face interviews were conducted during September and October 2013. The results of which will form a base line of data to compare with over time.

BUSINESS SURVEY– WHY DO IT?

- TO CAPTURE VITAL MICRO LEVEL DATA
- UNDERSTAND THE NEEDS & CONSTRAINTS OF LOCAL BUSINESS
- LOBBY MORE EFFECTIVELY ON BEHALF OF BUSINESS
- BUSINESS ENGAGEMENT
- ACTIVELY RESPOND TO BUSINESS

INDUSTRY SECTORS WHO TOOK PART



Where our customers Come from....

Understanding where our customers come from can assist in understanding where our marketing and advertising could be targeted.

Most businesses who participated in the survey stated that 84% of their customers were local, followed closely by regional clientele (79%). A number of customers, whilst based in Griffith had a national focus with their customers coming from all across Australia (35%). Just 20% of those surveyed had an international or export focus..



“THE ITALIAN POPULATION IS WILLING TO INVEST IN THIS TOWN, THEY HAVE BEEN FAR MORE VISIONARY THAN OTHER LOCALS IN THE LAST 70 YEARS.” ANON.

Griffith’s greatest assets....

For the businesses in Yenda, the greatest asset for their town was the local wineries and their staff who continue to support their businesses, as well as the landscaping in the Village centre.

For Griffith businesses the tree lined streets of Banna Avenue, the European feel and al fresco dining, the people and the compact nature of the CBD featured strongly in the feedback from those surveyed. Front of business parking was also a strong recurring comment. Many businesses felt that if parking was regularly patrolled it would alleviate the competition for parking spaces at peak times. The diversity of businesses in Griffith was also voiced by many of the survey recipients as very attractive.

Certainly, businesses felt that more could be done to improve on Yambil Street, the town entrances and overall beautification of the CBD and town itself.

Summary....

The Griffith City economy is starting to move forward with positive signs showing movement in the housing and property market and a number of businesses looking to grow. The hospitality sector continues to thrive, the retail sector appears to be quite unpredictable, although many retailers surveyed stated that the month of September was one of the best they had had in the last 12 months. The Yenda community appears to be moving forward, although businesses need their community to continue to support them.

Business outlook for the next 6 months appears to be stronger, as does profit margins. A large number of businesses are considering recruiting more staff and the construction industry seems to be moving again after a very slow 2012. The number of new homes built in 2011 was 12, in 2013 52 homes have been built so far.

Growth agenda...

59% OF SURVEY PARTICIPANTS OWNED THEIR PREMISES WHILE 56% LEASED

Businesses who participated in the 2013 survey ranged from small business, sole traders, to small to medium and large enterprises. The geographical spread of survey recipients ranged from the CBD, shopping malls, villages and centres' away from the CBD. The number of years the business had been in business ranged from 18 months to 60 years and employed from 1 up to 650 people.

Growth is on the agenda in Griffith. Of the 110 businesses surveyed, 59% plan to grow in the next three years. Of the businesses who were not intending to grow (45%) a small number had already been through their growth phase. Businesses who were thinking of growing or uncertain about their growth plans were waiting for market conditions and other variables to improve.

NATURE OF GROWTH.....

Additional Equipment / Technology	23%
Larger Service Area / geography	17%
Additional Services for Customers	33%
Additional Product Lines	14%
Increased Floor Space	21%
Increased Staff	24%
Other	6%

CONSTRAINTS TO EXPANSION PROGRAM

Finance, accessing finance and securing suitably qualified staff were the largest constraints to business expansion as well as accessing suitable commercial premises.



BUSINESS OUTLOOK—NEXT 6 MONTHS

- 57% of businesses surveyed believe business performance will be stronger , 34% believe it will remain steady and 5% think it will be weaker.
- 42% of business believe the next 6 months profitability will be the same, 37% believe it will be stronger, 5% say weaker.
- 50% believe capital investment will stay the same in the next 6 months, 12% say it will be stronger, and 5 say weaker.

Comparing market conditions 2012-2013

Comparing market conditions from 2012 to 2013 in the last twelve months business has seen a slightly better profit return...although many stated that they were working a lot harder to obtain a profit.

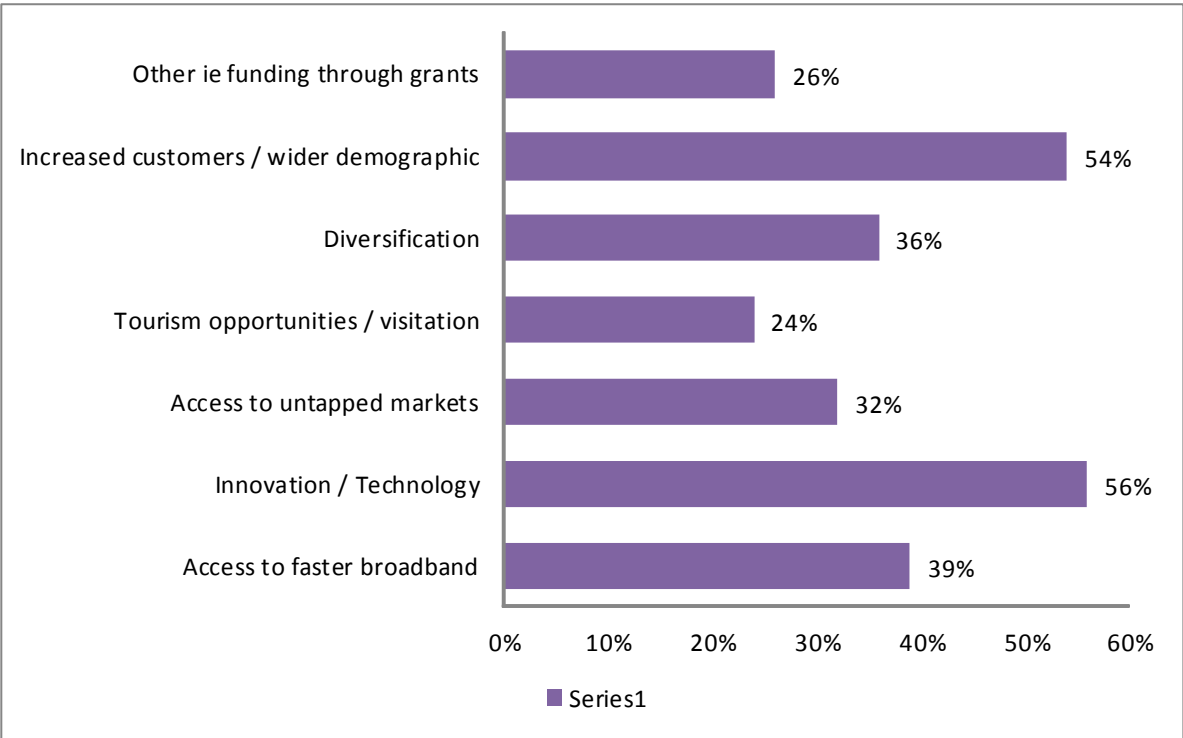


Business Profits	<ul style="list-style-type: none">• 35% said that there was an improvement in business profits this year compared with 2012..• 26% said they expected a similar profit return• 30% believed there was a downturn.
Customer Foot Traffic	<ul style="list-style-type: none">• 29% said customer foot traffic has not changed.• 25% noticed an increase in foot traffic.• 8% noticed a decline
Online Traffic	<ul style="list-style-type: none">• 21% said online traffic was the same.• 10% noticed more online traffic to their site.• 2% saw a decrease in online traffic.
Number of Customers	<ul style="list-style-type: none">• 37% said that they had noticed an increase in customers.• 32% believed their customers had not changed. (some business could not service more customers, ie farming, sole traders)• 8% noticed a decline.
Turnover	<ul style="list-style-type: none">• 29% had noticed an increase in turnover.• 21% noticed a decline.• 16% believed it was the same as the previous year.
Sales	<ul style="list-style-type: none">• 19% noticed an increase in sales.• 15% saw sales remain the same.• 10% noticed a decline.
Staffing Levels	<ul style="list-style-type: none">• 61% of business said that staffing levels had remained the same.• 22% saw an increase in staff• 8% had a decrease.
Capital Investment	<ul style="list-style-type: none">• 58% stated that capital investment remained the same.• 32% said that they had spent more money on their business.• 4% recorded a decrease.

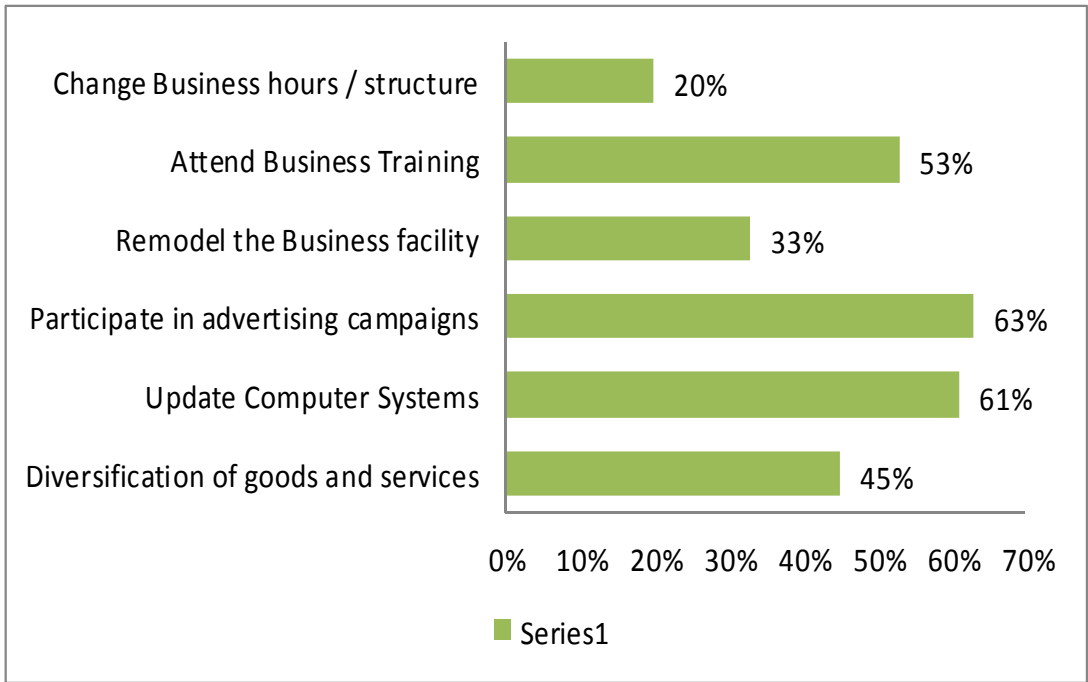
Opportunities Business are taking advantage

The two largest opportunities identified by local business were Innovation / technology (56%) and Increased customers / wider demographic. Business are willing to embrace technology to improve their business advantage, address staff shortages and compliance issues by introducing more automation in the workforce or simply being more efficient.

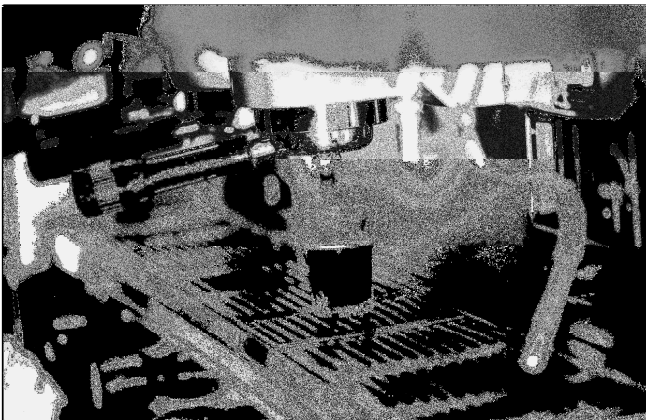
OPPORTUNITIES BUSINESS TOOK ADVANTAGE OF IN THE PAST 12 MONTHS...



ACTIVITIES BUSINESS HAVE UNDERTAKEN TO IMPROVE BUSINESS ADVANTAGE



Impacts on business



Some of the biggest impacts on local business were utility costs, overheads, fuel costs and price pressure from customers and competitors...

IMPACTS OF MAJOR NATIONAL & INTERNATIONAL CONDITIONS ON LOCAL BUSINESS...

High Australian Dollar	<ul style="list-style-type: none">The dollar impacts 52% of businesses.31% say it does not impact them.
Fuel Costs	<ul style="list-style-type: none">61% stated that fuel costs impact on their business.21% state that fuel costs do not impact.11% are concerned about the impacts.
Overheads	<ul style="list-style-type: none">71% said this was a massive impact on their business.12% said it was not impacting.8% were concerned about the impacts.
Utilities	<ul style="list-style-type: none">81% said that Utility costs was the single biggest impact to their business.Just 8% said it was not impacting.
Access to finance	<ul style="list-style-type: none">32% said accessing finance was not impacting them.21% said that they struggled to access funding.
Price Pressure from Customers & Competitors	<ul style="list-style-type: none">51% said that this impacted on their business.24% said it did not really have an impact.
Online	<ul style="list-style-type: none">18% said online shopping was directly impacting on them.26% said it was not impacting.
National Policy	<ul style="list-style-type: none">56% said it had an everyday impact on their business.16% said that it did not impact.9% were concerned about the impacts