

Hutt Valley Business Confidence | March 2025

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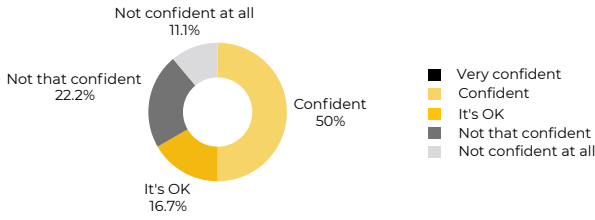


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From "OK" to Optimistic: Hutt Valley Business Owners Feel the Shift

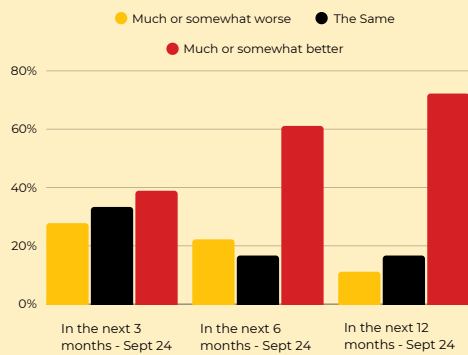
How do you generally feel about the outlook for your business today?



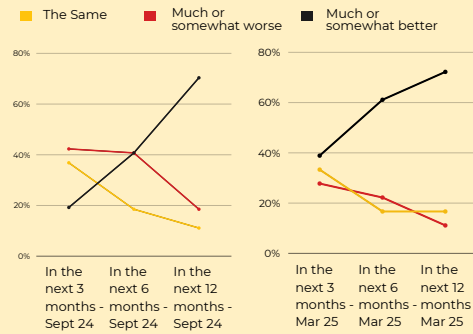
Business owner sentiment has strengthened considerably since September 2024, with confidence levels rising decisively. Half of respondents now describe themselves as "confident" about their business outlook—nearly double the previous figure of 25.93%. The notable decline in neutral responses ("it's OK") from 48.15% to 16.67% suggests a shift toward more optimistic perspectives. While a small share remains cautious, the overall trend reflects growing assurance in the business environment. This evolving sentiment indicates that more business leaders are feeling empowered to take strategic action, positioning themselves for growth and capitalising on a more favourable economic and operational climate.

Hutt Valley Business Owners More Confident About Future Conditions

How do you expect the general business conditions to be in 'Your Business' over the next 12 months?



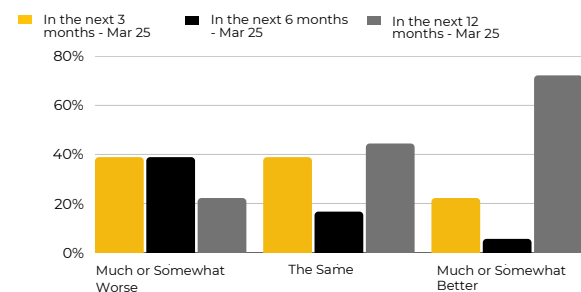
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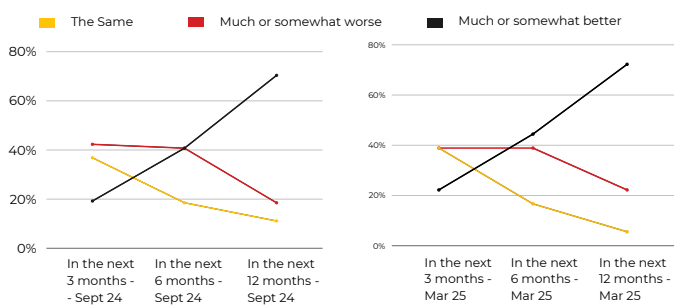
Over the past two survey periods, there has been a marked improvement in business sentiment regarding New Zealand's economic outlook. The proportion of business owners anticipating improved conditions over the next 12 months increased from 66.66% in September 2024 to 72.22% in March 2025. Concurrently, those expecting a deterioration in conditions declined significantly from 18.52% to 11.12%. This shift reflects a strengthening sense of confidence in the macroeconomic environment and suggests a more stable foundation for strategic investment and growth. Business leaders are increasingly positioning for opportunity rather than resilience, signalling a positive inflection in outlook and planning.

Long-Term Confidence Holds Strong Amid Short-Term Caution

How do you expect the general business conditions to be in 'NZ' over the next 12 months?



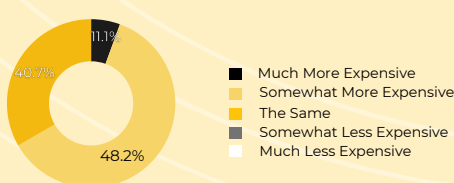
How do you expect the general conditions to be in 'NZ' over the next 12 months? (Sept 24 - Mar 25)



Between September 2024 and March 2025, business confidence in New Zealand has remained on an upward trajectory, particularly in the 12-month outlook. The percentage of business owners expecting improved conditions rose slightly from 70.37% to 72.23%, sustaining a highly optimistic sentiment. While short-term views remain cautious, with just over 38% still expecting worse conditions in the next 3–6 months, the proportion anticipating improvements continues to rise, particularly in the 6-month window (from 40.74% to 44.45%). This indicates growing resilience and a steady recovery narrative, with businesses increasingly positioning for long-term growth despite near-term challenges.

Businesses Brace for Moderate Cost Increases Over Next Six Months

What do you expect the cost of doing business will be for 'Your Business' over the next 6 months?



Business owners are anticipating rising operational costs over the next six months, with sentiment shifting notably from September 2024 to March 2025. While those expecting costs to remain the same declined from 40.74% to 33.33%, the share of respondents forecasting that doing business will become "somewhat more expensive" rose significantly from 48.15% to 61.11%. Encouragingly, the proportion expecting costs to be "much more expensive" dropped from 11.11% to 5.56%, suggesting that while inflationary pressures remain, expectations of extreme cost increases are easing. This points to cautious cost awareness rather than alarm, as businesses adapt to a more stable expense environment.

Hiring Outlook Flat as Hutt Valley Staffing Pressures Remain Low

The staffing issues for business in the Hutt Valley have continued to be relatively flat. There is a small number of businesses experiencing issues filling staff vacancies right now and whilst this has risen from 15.38% to 25.53% between Sept 24 and March 25, the majority of businesses are not experiencing issues, and are not expected to be recruiting at the present time. Forward-looking expectations remain stable, with 41.18% of respondents anticipating recruitment in the next 12 months—up marginally from 40.74%. This highlights a consistent outlook among business leaders about workforce needs.

Are you experiencing issues with filling staff vacancies in your business?

