

Hospitality Dashboard

Monthly Update
Period: January 2022

Member
responses
464



Key Indicators

Northland at Red (most of month) / Rest of NZ at Orange until 23 January, then Red



87% of the industry say revenue is lower v.s last year, **January 2021**. The figure (left) indicates the average revenue decline (nationwide) for the full month.



Nationwide, **71%** of business owners indicate that their health & wellbeing is currently impacted.



Redundancies



Business closures

Note, revenue comparison to January 2021, which was already in decline compared to pre-Covid levels.

Most regular feedback



Businesses need customers but government messaging is contributing to customer hesitancy around hospitality.



Reopening of our border seen as a priority to help businesses to get through the next stage.



Operators indicate Red is more challenging than lockdown - financial support removed, yet turnover severely impacted.



There is significant concern about managing self-isolation impacts when Omicron peaks.

Future Considerations

1. **With government-imposed restrictions in place targeted support is needed when there is a demonstrated downturn in revenue.** Industry is following requirements, but Red restrictions, customer hesitancy and no international tourists have repercussions.
2. **Government communication strategy changes** are needed - change alarmist tone, to encouraging people to go about their lives (safely).
3. **Covid-19 support needs to be considered for small businesses who will be unable to operate when large parts of the workforce are self-isolating.** Inevitably small business operations, some already short-staffed will need to close for periods to manage isolations.
4. **'Return to work' rapid antigen testing could be utilised as a means for hospitality businesses to stay open when covid rates increase.** Consideration should be given to allow 'other' workers (outside of 'critical workers') to be included in this approach.

Key actions led by the sector this month

- Consulted and **provided industry feedback to DPMC and MBIE** on the first weeks of the traffic light setting and border reopening proposals.
- **Provided feedback to MOH** on booster inclusion in vaccination mandate for hospitality.
- Updated **detailed guidance for the hospitality industry** to operate under changes to the Covid-19 Protection Framework at RED.
- Participated in PAN immigration meeting with Immigration NZ and other business organisations around **Immigration Rebalance**.
- Provided feedback on **mask exemptions** through MOH consultation.
- Created **campaign to encourage customers to dine out**, providing guidance on the rules and highlighting what the industry is doing to keep people safe. To be launched in February 2022.
- **HospoStart Auckland and Waikato** provided 30 unemployed New Zealanders with training in hospitality, work experience & job placement.
- Involved in the delivery of business support through the **Activate Tamaki Makaurau** platform.
- Held hui with **Ringa Hora** to discuss council workforce development plans.



91% say turnover is down vs January 2021



33% average revenue decline

Auckland snapshot



76% indicate health & wellbeing impacted



Customer traffic is 40-50% down

Snapshot: Member Commentary



"We are 35% down on January 2021, which in turn was down 20% on January 2020, so 50% down on 2 years ago."

"With govt financial support now fully removed, we had to restructure, so the whole business model has changed and now relies on us as the 2 owners. We know that with Omicron we will likely get COVID and will have to close. We desperately need government to understand that our industry is collapsing, and rapidly. We do not have faith that the government cares about this, but the fact is we are letting the majority of our staff go, and there is no support or solution."

"It has been 2 years of hardship in COVID and we are still restricted. When is it going to end? How much do you borrow? How do you plan ahead?"



Pātai? Need further information?

Marisa Bidois | Chief Executive | marisa@restaurantnz.co.nz | 027 559 7777
Nicola Waldren | General Manager | nicola@restaurantnz.co.nz | 027 379 1535