



2025 Business Index & Consumer Report



Australia & New Zealand
January 2026

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Introduction

The Thryv Business Index and Consumer Report is an annual survey of Australia and New Zealand's (ANZ) small and medium businesses (SMB) and consumers, tracking:

- SMB business activity over the last twelve months
- Expectations for the next six months
- Overall confidence among SMBs
- Consumer preferences, expectations and satisfaction

The Thryv Business Index and Consumer Report samples SMBs and consumers nationally, enabling broad analysis on this market and relevant trends and issues. It examines differences by location, business size and industry. The aim is to capture the attitudes and behaviours of SMBs, which comprise approximately 97% of ANZ businesses, alongside a comparison of consumer preferences, expectations and satisfaction in their interactions with these businesses.



About the Survey

This study included 2,032 small business owners or decision makers, employing up to 150 people, and 2,023 consumers from Australia and New Zealand.

- 1,023 small business owners or decision makers, and 953 consumers from Australia
- 1,009 small business owners or decision makers, and 1070 consumers from New Zealand

This sample is drawn from metropolitan and non-metropolitan regions through both countries, with targets set for location and industry.

Data collection took place from 25 August to 3 September 2025.

SMBs and consumers were selected at random from panels operating within each country and screened to select specific firmographic and demographic groups.

Objectives

SMBs

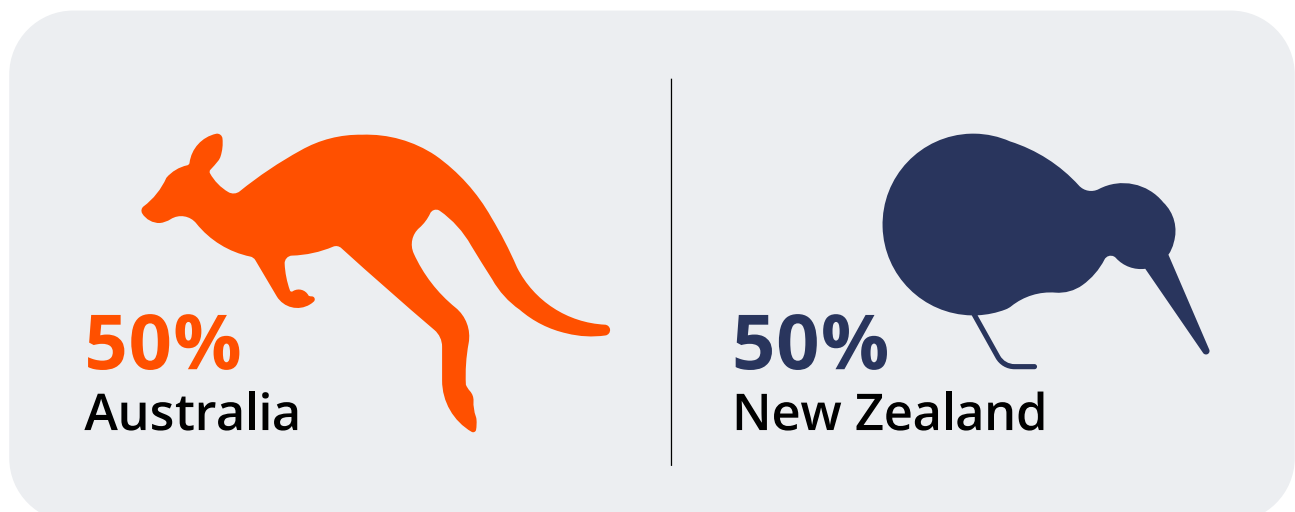
- Understand small business decision-maker opinions regarding economic activity in Australia and New Zealand over the past twelve months and six months into the future.
- Determine their desire for growth and how that growth will be achieved and measured.
- Describe their work-life balance and the impact of running a small business.
- Evaluate software usage with additional detail relating to CRM usage and adoption.
- Understand their marketing methods and financing needs.

SMBs and Consumers

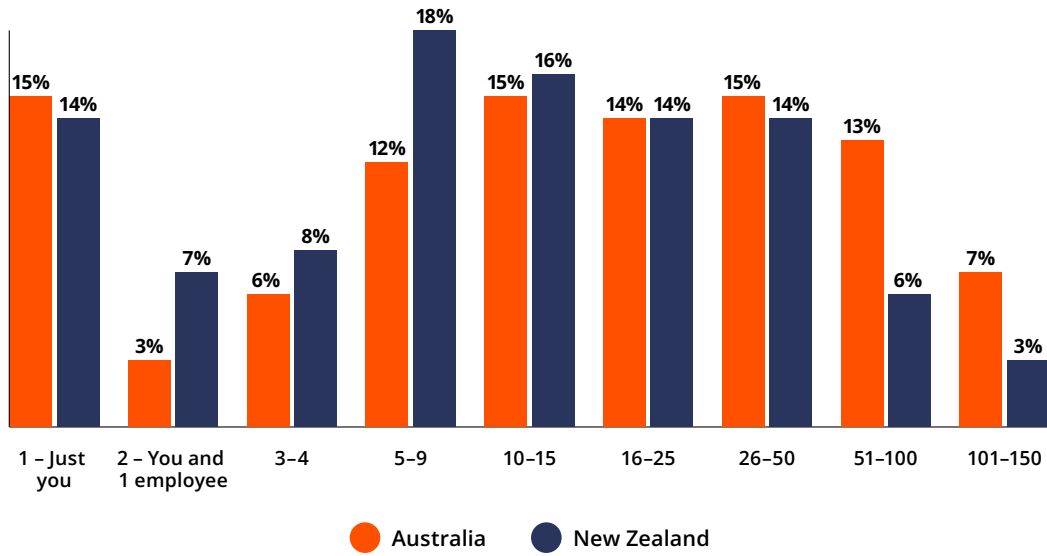
- Compare SMB opinions about service, social responsibility, and communication with consumers.
- Compare SMB use of digital tools and reviews with consumer desires to use digital tools and their use of reviews.

Businesses

Location of Business



Size of Business

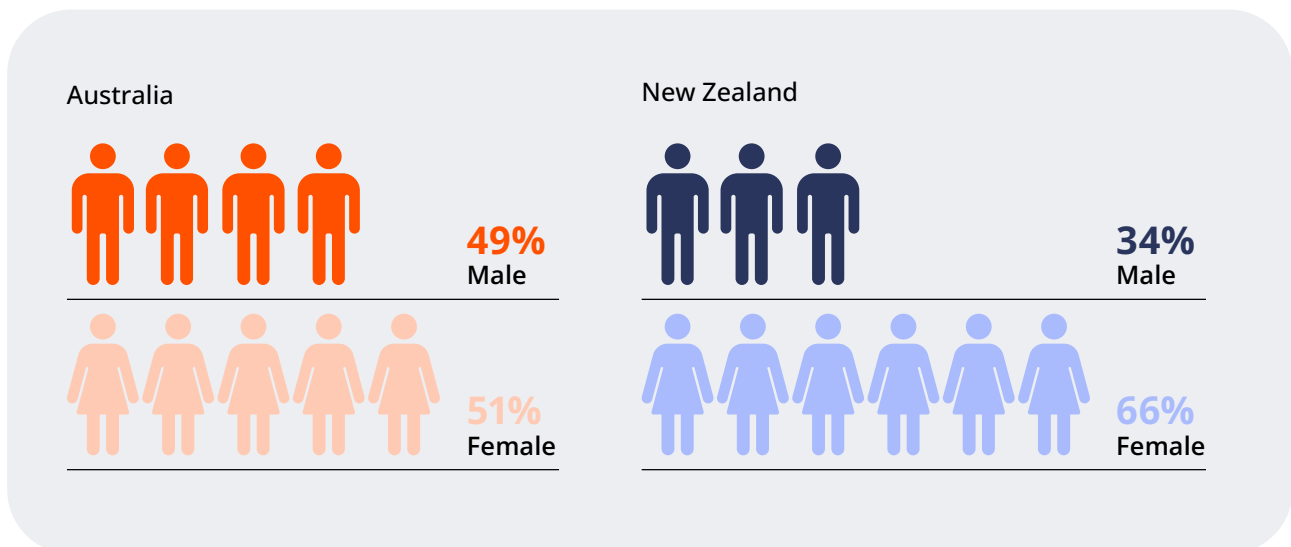


Industry Sector

	Australia	New Zealand
Professional Services	18%	9%
Construction	16%	20%
Shopping or Retail	12%	7%
Automotive	10%	10%
Healthcare	9%	9%

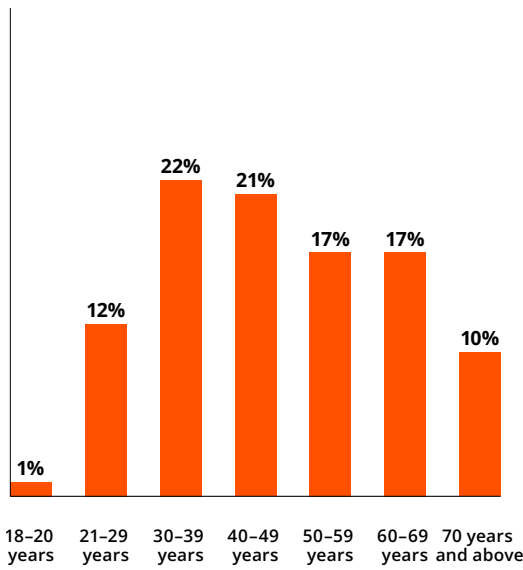
Consumers

Gender

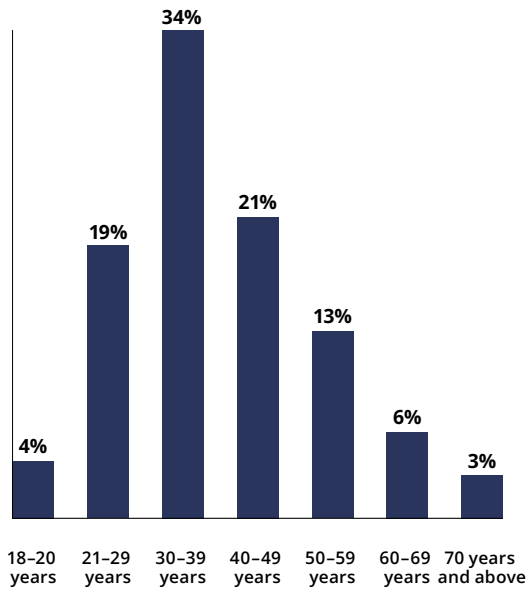


Age

Australia

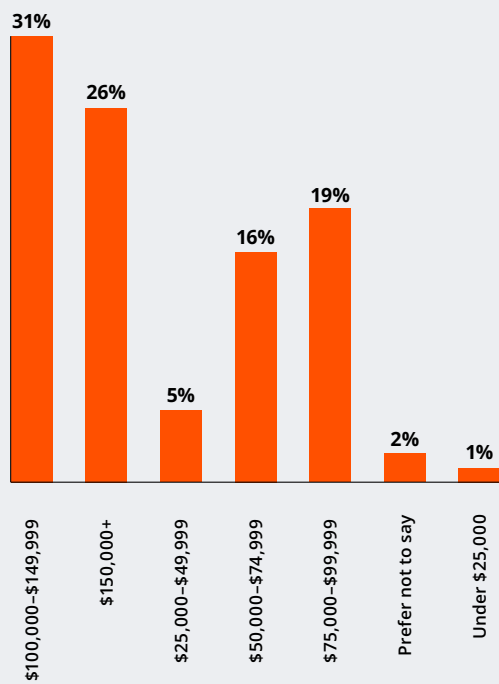


New Zealand

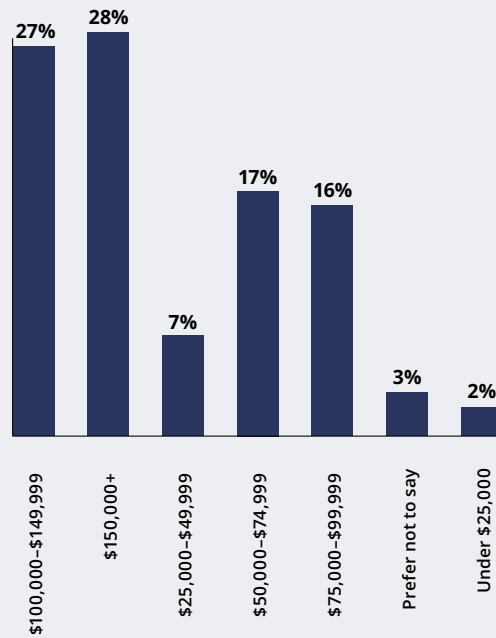


Annual Household Income

Australia



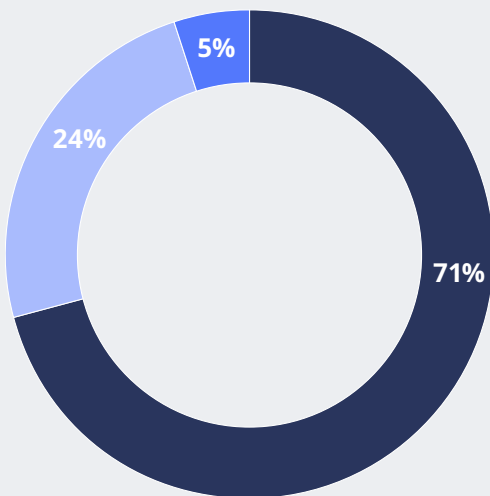
New Zealand



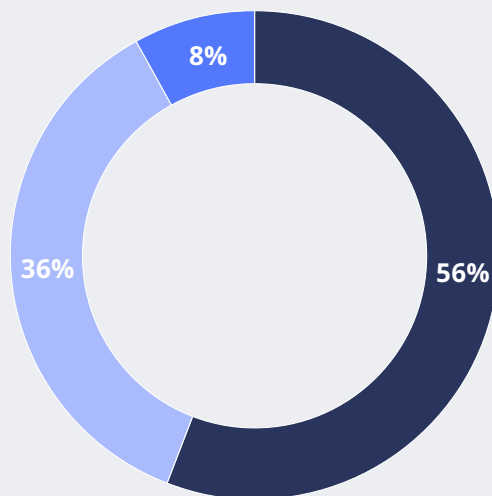


Home Ownership

Australia



New Zealand



● Own

● Rent

● Do not own or other

Foreword

Small and Medium Businesses (SMBs) are the quiet architects of progress. They build communities, create jobs and give character to every street and suburb across Australia and New Zealand. Their resilience tells a story far beyond economics – it's about determination, innovation and the trust built one customer at a time.

This year's Thryv Business Index and Consumer Report captures that story in motion. It reflects a trans-Tasman business community that is confident yet self-aware, optimistic yet grounded in the realities of cost, competition and change. Across more than 4,000 voices, we see a clear pattern: growth remains strong, however, credibility and connection now define success.

Customers are voting with both their hearts and their clicks. They want convenience, but also authenticity. They want businesses that answer quickly, communicate clearly and deliver with care. For business owners, this means that service has become strategy – no longer a soft skill but a hard differentiator.

What inspires me most in this data is the optimism. More than half of all small businesses expect revenue and customer growth in the months ahead. Many are hiring, investing in technology, and taking bold steps to adapt. Yet optimism must be coupled with discipline. The report also shows that owners face growing fatigue, rising costs and a widening gap between what they believe they deliver and what customers actually experience.

This is our challenge and our opportunity – to pair confidence with credibility and to match investment with empathy. To build digital systems that strengthen human connections, rather than replace them.

At Thryv, we see technology as a bridge – one that connects SMBs to their communities and helps them deliver on their promise every day. The insights in this Index are a roadmap for the future of local enterprise.



If there is one message that stands out, it's this: SMBs across Australia and New Zealand are not standing still. They are growing, learning and redefining what good business looks like in a digital-first world.

And when they thrive, we do also.

Elise Balsillie

Head of Thryv Australia and New Zealand

Executive Summary

The Thryv 2025 Business Index and Consumer Report provide a comprehensive look at the state of small and medium businesses (SMBs) and consumer expectations across Australia and New Zealand (ANZ). Drawing responses from over 4,000 SMB owners, decision-makers, and consumers, this report uncovers the biggest trends shaping business performance, digital transformation, customer loyalty, and market confidence.

Business Sentiment & Outlook

Optimism is a hallmark of the sector in both countries, with the majority of SMBs reporting positive economic performance over the past 12 months and remaining upbeat about the six months ahead. Business confidence is slightly higher in New Zealand than in Australia, both for the broader economy and industry-specific outlooks. While ambition for steady, sustainable growth defines both markets, New Zealand SMBs show more appetite for rapid expansion, whereas Australians prioritise gradual or stable business activity.

Growth Drivers, Barriers, and Financial Performance

Profitability, revenue growth, and customer retention are the leading measures of business success in both countries. Hiring high-quality staff and ramping up marketing are seen as top growth drivers, while strategic partnerships, efficient use of digital tools, and time/funding access are also crucial. However, economic uncertainty, rising costs/inflation, cash flow issues, and talent shortages remain persistent barriers to growth across the region.

SMBs in both Australia and New Zealand have lifted revenues and profit margins over the past year, with New Zealand businesses reporting stronger results and expectations for the period ahead. Nonetheless, escalating costs – especially for goods and labour – are squeezing margins, and most SMBs have responded by raising prices. Cash flow pressures are intensified by growing delays in customer payments, particularly acute in New Zealand.

Employment, Wages & Investment

The growth mindset is reflected in rising wages and increased staff headcount over the past year, with New Zealand businesses slightly more aggressive in hiring and wage growth. Looking forward, both countries retain a positive hiring outlook. Across investment – whether in marketing, software, or infrastructure – NZ SMBs signal greater willingness to increase spending, underpinning their optimism for business growth.

Access to finance remains healthy, with the majority of SMBs securing funding on favourable terms, preferring a mix of traditional (personal savings, bank loans) and alternative options (credit cards, “buy now pay later”). Most report that accessing finance is now easier or unchanged and show adaptability in their future funding preferences.

Burnout, Wellbeing & Work-Life Balance

While most SMB owners claim satisfaction with work-life balance, cost management, winning customers, and preventing burnout are ongoing challenges. Nearly half of business owners have considered stepping away due to workload pressures, and succession planning is becoming more pressing in both markets. Financial independence, personal passion, flexibility, and a strong sense of community are the leading motivators for continuing in business.

Digital Transformation & Customer Experience

The shift to digital continues, with most SMB owners identifying as tech-savvy and the majority expressing confidence in digital solutions – although full automation remains rare. Adoption and comfort with artificial intelligence is strong, reinforcing commitment to modernisation. Still, many businesses recognise room for further digital adoption.

A significant gap persists between business perceptions of their online presence and consumer experiences; while over 72% of SMBs in Australia and 75% New Zealand believe they have a strong digital profile, 49% across Australia and 52% New Zealand of consumers agree. This perception gap also extends to service delivery, with a substantial divide between the share of SMBs who believe they provide consistently high service or seamless experiences, and the number of consumers who actually feel this is delivered.

Review Management, Communication & Loyalty

Consumers in both countries are highly reliant on online reviews, but SMBs consistently underperform in proactively soliciting and responding to this feedback – a missed opportunity for building trust and conversion. Communication channel use is broad among businesses (email, phone, SMS, and social), but consumers display clear preferences for email and, to a lesser degree, social media, with a demand for personalisation and tailored frequency.

Customer loyalty remains firmly rooted in service excellence, competitive pricing, and consistency. Consumers in New Zealand are particularly responsive to discounts and loyalty programs, an area where many businesses could expand their offerings to match expectations.

Sustainability, Social Responsibility & Government Support

Around one-third of SMBs in both markets strongly believe they are adhering to sustainable and socially responsible practices, but consumers are less certain this is always the case. While nearly three-quarters of SMBs recognise the importance of sustainability, businesses have an ongoing opportunity to better communicate and evidence these efforts to customers.

Both federal and regional/provincial governments are viewed as generally supportive of small business, though a significant minority of business owners report neutral or negative experiences, pointing to opportunities for more direct and targeted policy action.

The Way Forward

SMBs are striving to keep pace with rapidly evolving consumer expectations – especially around digital experience, transparency, and value. The sector is optimistic but remains under significant operational and financial pressure. The most successful SMBs will be those who invest strategically in digital tools and engage more meaningfully with customers – closing the gap between business intent and consumer experience, both online and offline.

The 2025 Thryv Business Index and Consumer Report serves as a blueprint for where Australia and New Zealand's small and medium businesses, and their customers, are headed next. For businesses, it highlights opportunities to gain a competitive edge by deepening digital adoption, building operational resilience, and elevating the customer experience. For policymakers and industry, it underscores the critical support required for SMBs to keep growing and thriving in a challenging, dynamic market.

Snapshot

SMB

- Small businesses are optimistic.
- Each of the index measures shows that small businesses believe the economy has done well over the past twelve months, and they are optimistic about the next six months.
- Most believe the government is supportive of small businesses.
- The majority of small businesses are planning for steady, sustainable growth or maintaining their current level of activity.
- They measure growth based on increased profit, revenue, and customer retention.
- Despite their optimism, they say the main barrier to growth is economic uncertainty.
- Their biggest concerns are rising costs and inflation.
- They see hiring quality staff and increased marketing as key to having a positive impact over the next six months.
- Plans for the next six months are fragmented, but raising prices, cutting costs, and expanding their offerings are the three that are most likely.
- Most are satisfied with their work-life balance.
- Small business decision-makers are motivated by financial independence and a passion for what they do.
- The most time-consuming tasks are highly fragmented, but administrative tasks and customer service require the most time.

Consumer

- Consumers consistently rated small businesses lower than the small businesses rated themselves.
- In particular, consumers rated small businesses much lower on delivering a high level of service.
- This is also the most important attribute according to consumers.
- Fewer than half of small businesses actively encourage reviews or respond to reviews.
- This is likely an important failure point since most consumers check reviews, and they look for high scores and responses from businesses.
- Service, product quality, and price are the top three attributes of a business that encourage consumers to return and make another purchase.
- Higher prices are most likely to stop a consumer from making a purchase at a small business.
- A recommendation from someone they know, and excellent communication, are the two things most likely to build consumer trust.

Business Outlook



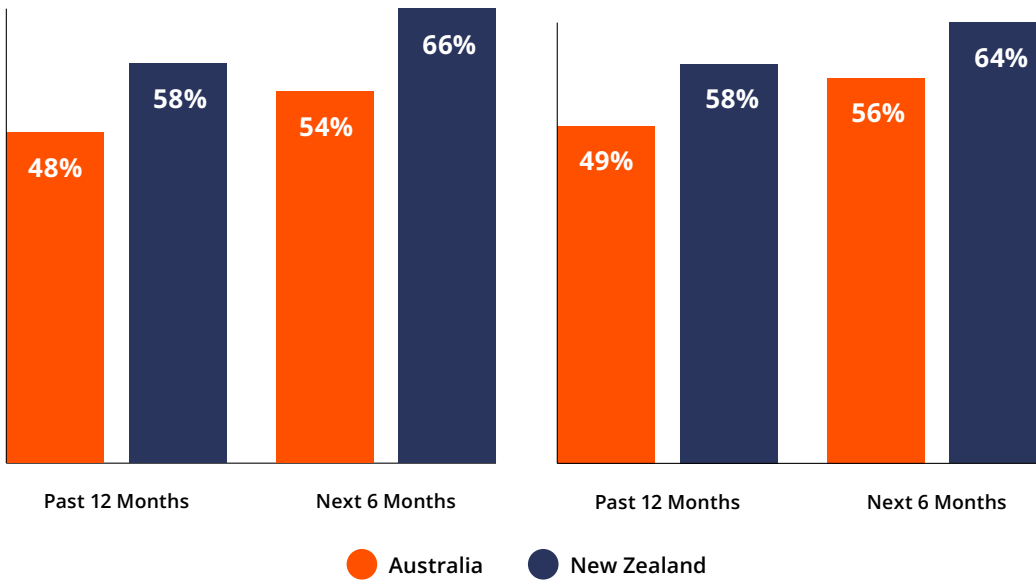
Business Confidence

When compared to Australia, SMBs in New Zealand are more positive about their economy's performance over the last twelve months and its prospects for the next six months.

Economy

National Economies Improved

Regional/Territorial Economies Improved

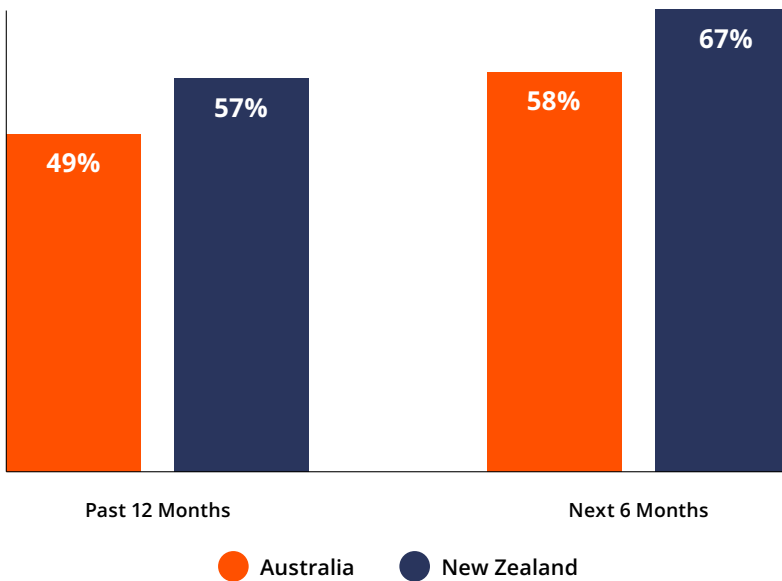


The trend is true at an industry level also, with SMBs in New Zealand more positive about their industry's performance over the last twelve months and its prospects for the next six months.

Industry

Industry Improved

Industry Will Improved



Business Sentiment: Confidence or Concern for the Next Six Months?

Small and medium-sized businesses in both Australia and New Zealand report strong confidence in their prospects for the next six months.

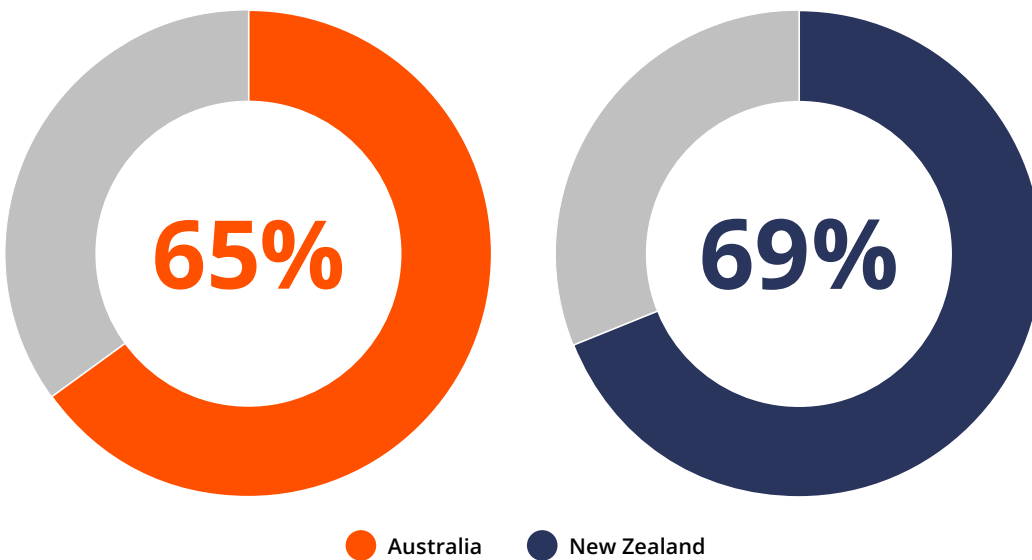
Nearly a quarter of respondents in both countries (23%) are extremely confident about the future, while 42% of Australian and 46% of New Zealand SMBs are fairly confident.

Only a small proportion are extremely worried about what lies ahead (3% in both countries), and fewer New Zealand businesses (10%) describe themselves as fairly worried compared to Australia (14%). Around 18-19% of businesses feel neutral – neither confident nor worried.

Overall, New Zealand SMBs demonstrate slightly higher levels of confidence and lower levels of worry than their Australian counterparts.

Confidence in the Future is Positive

Business Confidence



23%

of respondents in both countries are **extremely confident** about the future

Business Goals and Prospects

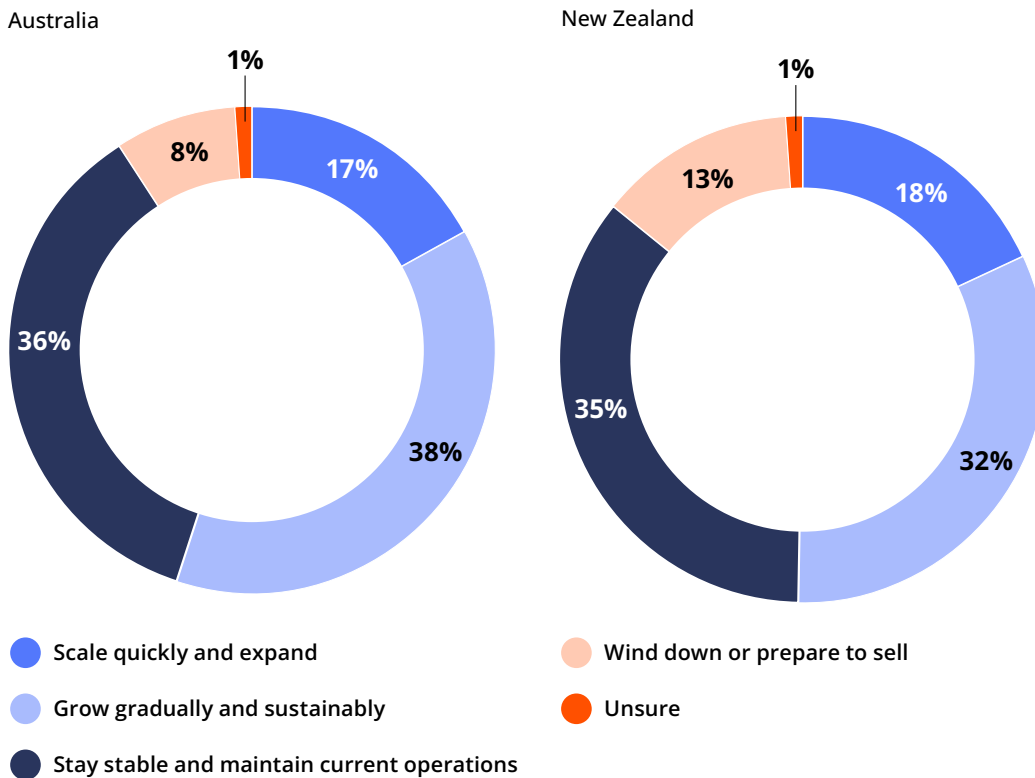
Growth Ambitions and Stability Define SMB Priorities Across Australia and New Zealand

The business goals of SMBs in Australia and New Zealand reveal distinct trends for the next twelve months. New Zealand businesses show a slightly higher appetite for rapid expansion compared to their Australian counterparts, while a third of both countries share a significant focus on stability.

In Australia, most SMBs (38%) plan to grow gradually and sustainably, while 36% aim to maintain stable operations. Only 17% scale quickly and expand, and 8% wind down or prepare to sell.

In contrast, New Zealand SMBs show a more balanced distribution of goals: 18% aspire to scale quickly and expand, 32% seek gradual, sustainable growth, and 35% aim to maintain current operations. Meanwhile, 13% are considering winding down or preparing to sell.

Primary business goals for the next 12 months

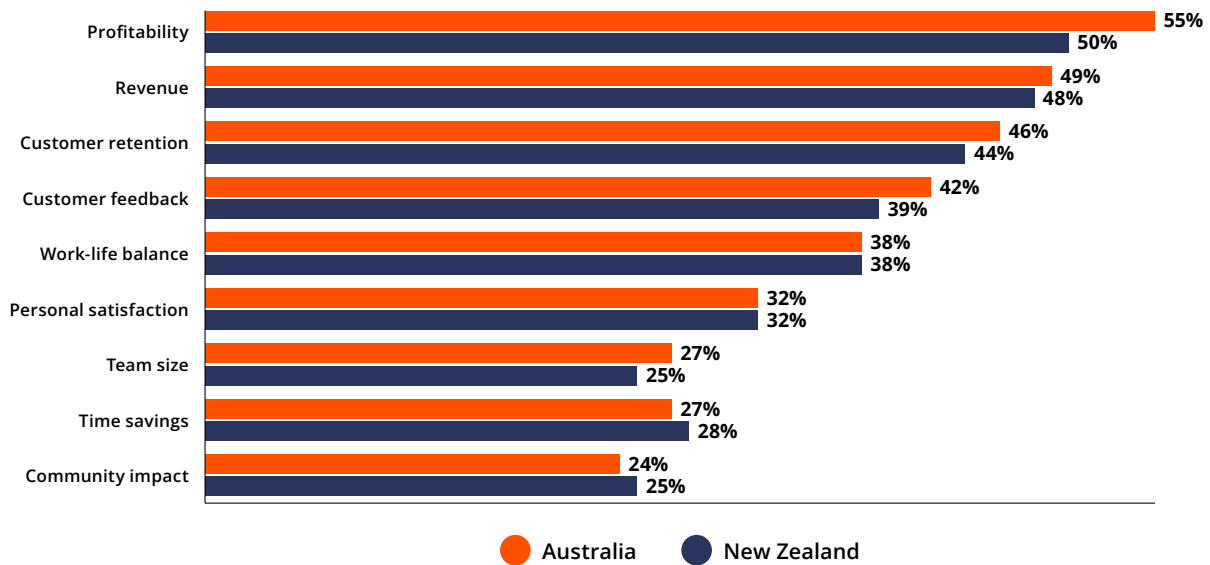


Growth

Measuring Growth

While financial indicators are most common when measuring growth, SMBs also consider non-financial factors important for evaluating success.

Small and medium-sized businesses in both Australia and New Zealand primarily measure growth by profitability, revenue, and customer retention. Over half cite profitability as key (55% Australia, 50% New Zealand), followed by revenue and customer retention, which are also highly ranked. Other important metrics include customer feedback, work-life balance, personal satisfaction, team size, time savings, and community impact.



Over
50%
of small and medium
sized businesses cite
profitability as key

Growth Drivers: What Will Propel SMB Success in the Next Six Months?

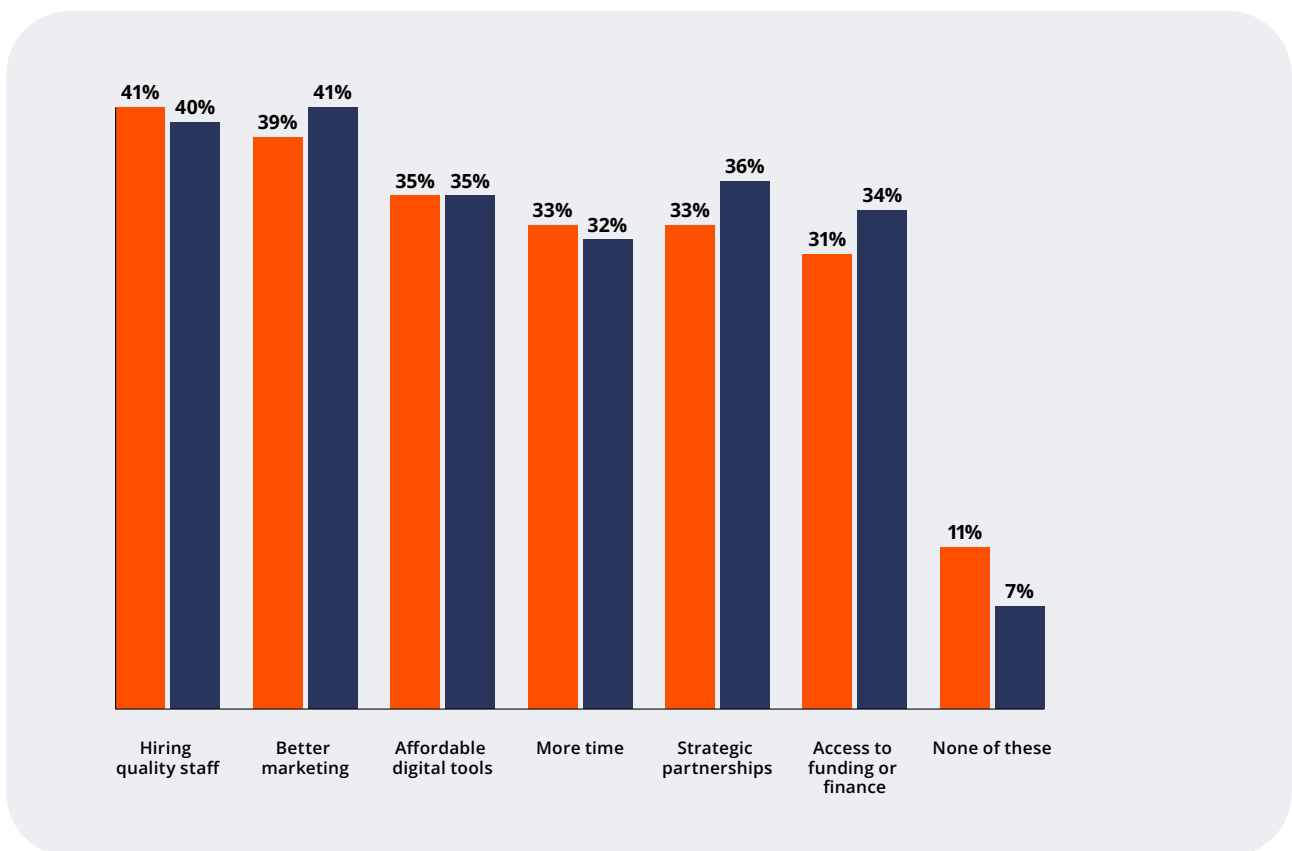
SMBs across both regions remain focused on building strong teams and effective marketing, supported by digital solutions and partnerships. Addressing barriers to time, funding, and technology will be key to unlocking growth opportunities for businesses in 2025 and 2026.

Small and medium-sized businesses in both Australia and New Zealand identify a range of factors likely to positively influence their growth over the coming half-year.

The top factors are remarkably consistent across both countries, with hiring quality staff (41% AU, 40% NZ) and better marketing (39% AU, 41% NZ) emerging as the leading growth drivers.

Strategic partnerships (33% AU, 36% NZ), affordable digital tools (35% both), and more time (33% AU, 32% NZ) are also considered crucial.

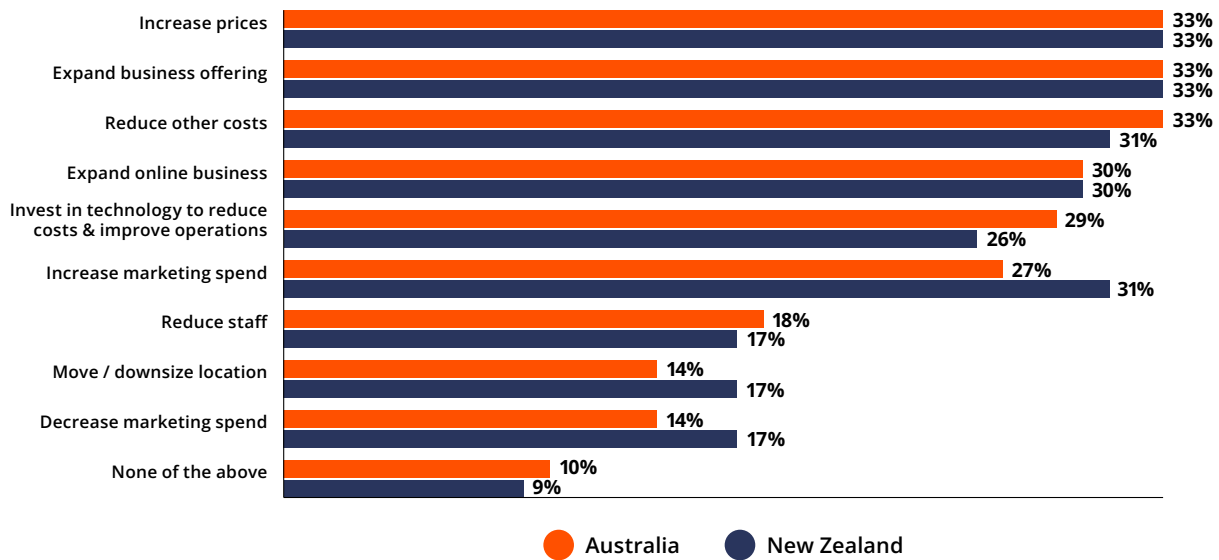
Access to funding or finance is seen as important by about a third of businesses (31% AU, 34% NZ). Only a small minority say none of these will have a positive impact (11% AU, 7% NZ).



Balancing Growth and Cost: SMB Plans for the Next Six Months

SMBs continue to balance growth ambitions with cost management in an unpredictable economic environment. In both Australia and New Zealand, SMBs' plans for the next six months reflect ongoing economic uncertainty. The most common strategies are to increase prices, expand business offerings, and reduce costs – three approaches chosen by roughly a third of businesses in each country.

Expanding online business, investing in technology, and increasing marketing spend are also prominent actions. Notably, New Zealand SMBs are more likely to increase their marketing budgets, while reducing staff or downsizing locations remains a consideration in both markets.



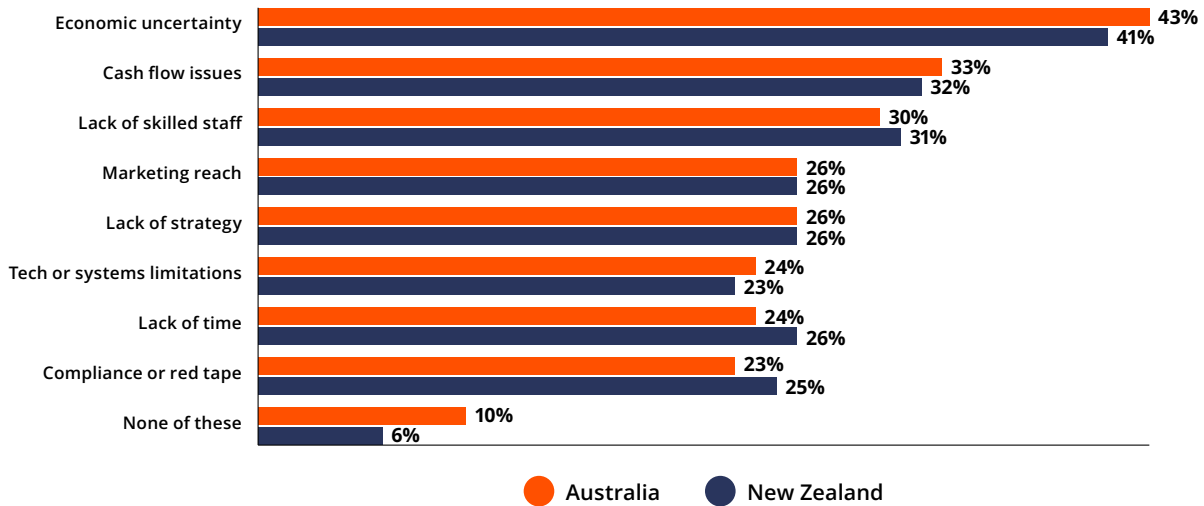
Barriers to Growth

Economic uncertainty, cash flow management, and talent shortages top the list of challenges for SMBs in both Australia and New Zealand. These persistent barriers highlight key areas for policy and industry support, as businesses look for ways to reinforce stability and sustain growth.



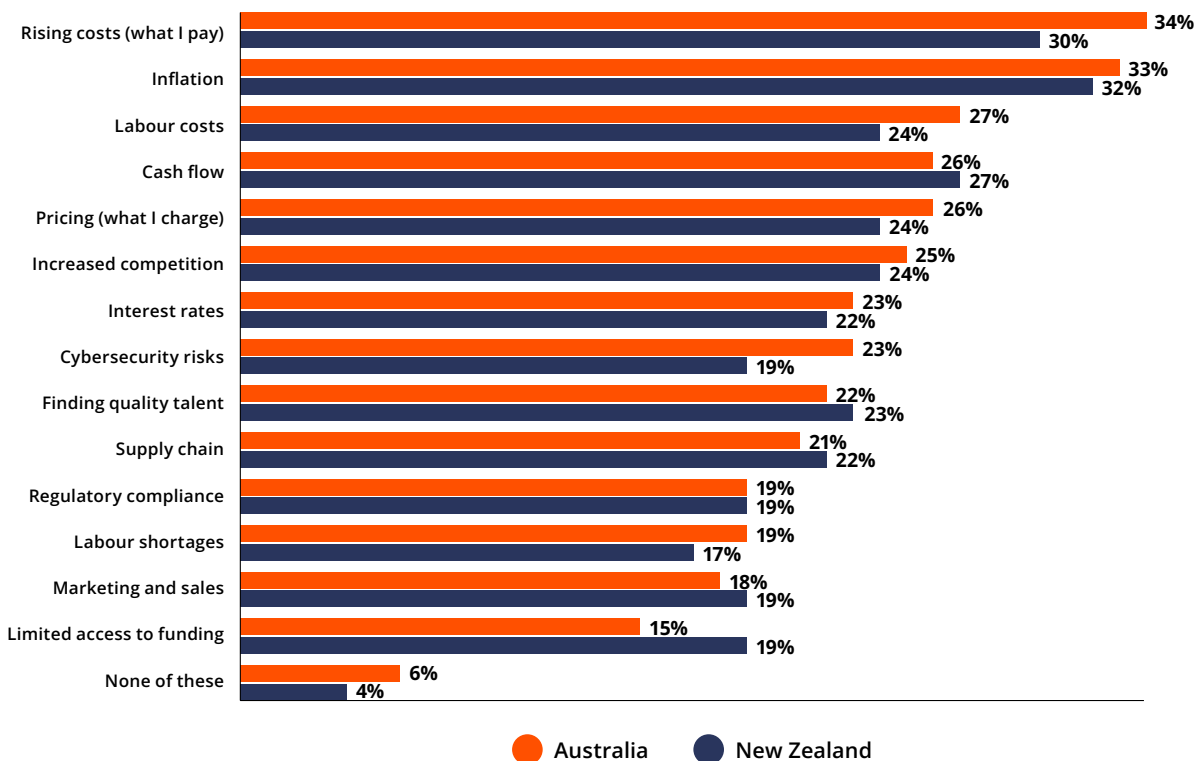
Growth Under Pressure: Main Challenges Facing SMBs in Australia and New Zealand

The leading barriers are remarkably similar across both countries, with economic uncertainty (43% AU, 41% NZ), cash flow issues (33% AU, 32% NZ), lack of skilled staff (30% AU, 31% NZ), lack of strategy (26% AU, 26% NZ), and compliance or red tape (23% AU, 24% NZ) regularly cited. Tech or systems limitations (24% AU, 23% NZ), marketing reach (26% AU, 26% NZ), and lack of time (24% AU, 26% NZ) also consistently impact growth. Only a small proportion of businesses report “none of these” as barriers (10% AU, 6% NZ), and very few select “other” challenges.



SMBs Grapple with Rising Costs and Inflation

Rising costs and inflation are the leading concerns for SMBs in both countries. Australian businesses are notably more worried about labour costs and cybersecurity, while New Zealand SMBs tend to be more concerned about supply chain challenges and limited access to funding. Other top concerns across both countries include cash flow, pricing pressures, increased competition, and interest rates, highlighting a complex mix of financial and operational challenges currently impacting the sector.



Revenue, Profit and Costs

A resilient and forward-looking sector

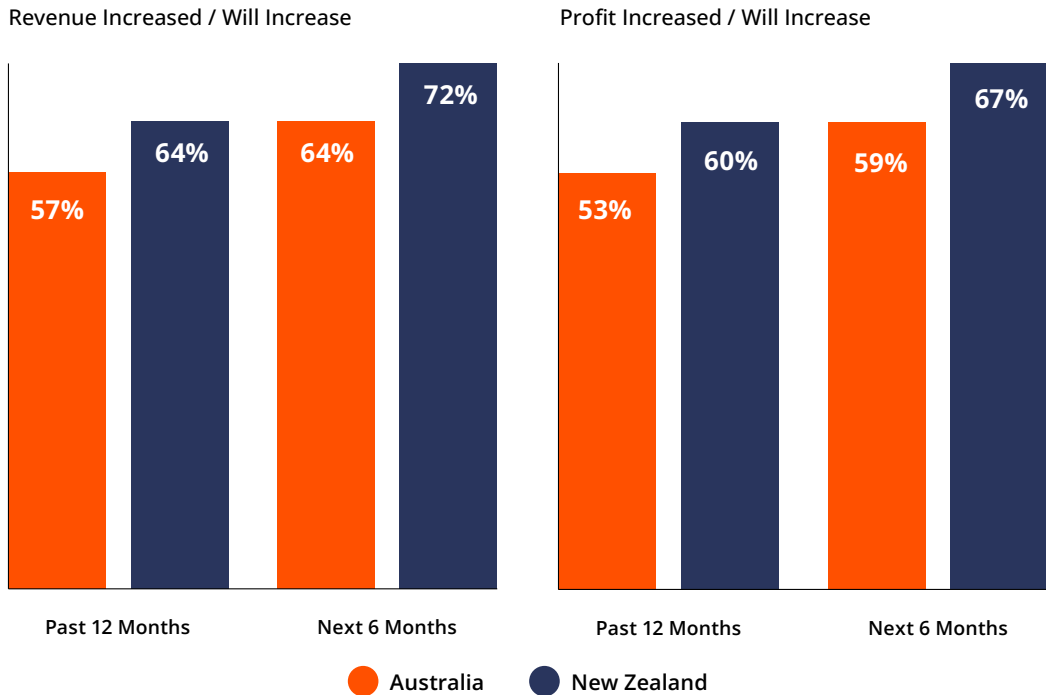
New Zealand's SMBs are notably more optimistic about both their past and future financial performance compared to those in Australia.

Over the past year, 57% of Australian SMBs reported increased revenue, compared to 64% of those in New Zealand. Within these increases, 15% of Australian businesses experienced significant growth, while 18% of New Zealand businesses did the same.

Looking ahead to the next six months, optimism remains strong:

64% of Australian SMBs and 72% of New Zealand SMBs expect revenue to rise, with more New Zealand businesses anticipating significant increases (23%) compared to Australia (19%).

New Zealand businesses are both outperforming and more optimistic than their Australian counterparts. Notably, most in both countries are more likely to report or expect moderate rather than significant growth, and the percentage expecting declines remains low (around 1% for significant decreases).



Profit margins on the rise

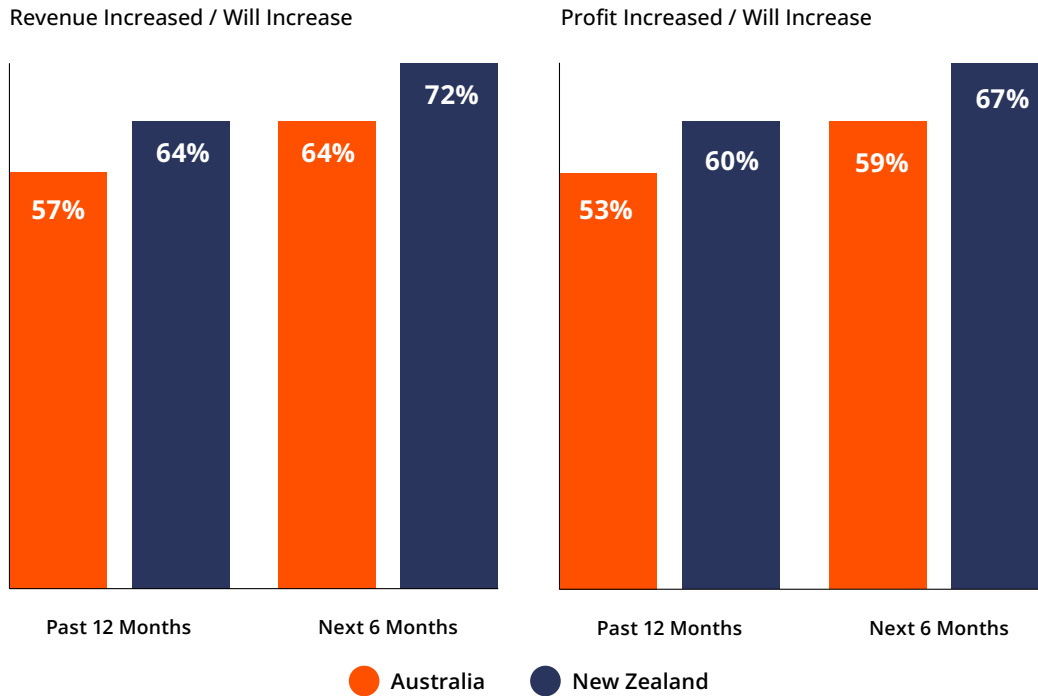
The data on profit margins reveals noticeable differences in sentiment and performance between Australia and New Zealand's small and medium-sized businesses.

Over the past year, 53% of Australian SMBs saw their profit margins increase, while New Zealand surpassed this with 60%. Specifically, 16% of Australian and 17% of New Zealand businesses experienced significant profit growth, while a further 37% in Australia and 43% in New Zealand reported somewhat increased profits.

The share of businesses reporting a decline in profit margins was higher in Australia (11%) compared to New Zealand (7%), and more businesses in Australia reported profits remaining flat (29% vs 26%).

Optimism persists

Looking to the next six months, 59% of Australian SMBs and 67% of New Zealand SMBs expect profit margins to rise. The forecast for significant increases is slightly stronger in New Zealand (23%) compared to Australia (21%), while the outlook for somewhat increased profits is also higher in New Zealand (44%) versus Australia (38%). Very few expect significant decreases (2% Australia, 1% New Zealand).



Rising Costs: Change in Cost of Goods

The majority of SMBs in both Australia and New Zealand have seen their cost of goods increase over the past year, with 71% in Australia and New Zealand reporting an uptick. In both countries, 20% experienced a significant rise, while just over half saw somewhat higher costs. Only a small minority saw costs decrease (4% Australia, 4% New Zealand), underscoring the widespread impact of inflation and supply chain pressures.

	Australia	New Zealand
Increased significantly	20%	20%
Increased somewhat	51%	51%
Remained the same	24%	24%
Decreased somewhat	4%	4%
Decreased significantly	1%	1%

Pricing Strategies: Change in Prices

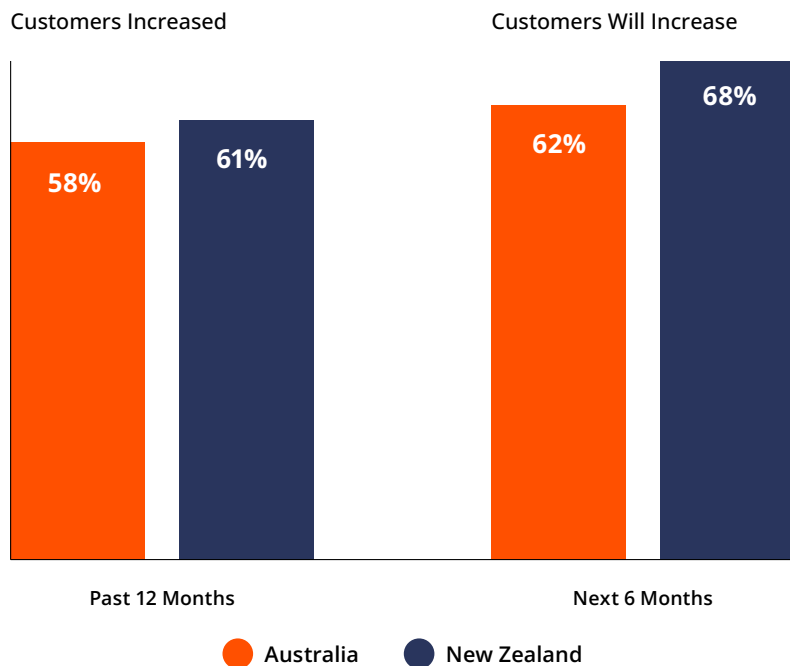
To offset rising costs, many SMBs have responded by increasing their prices. In Australia, 67% raised prices (18% significantly, 49% somewhat); in New Zealand, this figure rose to 69% (21% significantly, 48% somewhat). The proportion of businesses maintaining flat pricing sits at about 29% in Australia and 28% in New Zealand, with only a very small percentage reporting price decreases.

	Australia	New Zealand
Increased significantly	18%	21%
Increased somewhat	49%	48%
Remained the same	29%	28%
Decreased somewhat	4%	3%
Decreased significantly	0%	1%

Customer Base: Recent Trends and Expectations

Over the past year, 58% of Australian SMBs and 61% of New Zealand SMBs saw growth in their customer numbers, with New Zealand more likely to report significant increases (20% vs 16% Australia).

Looking to the next six months, 62% of Australian and 68% of New Zealand SMBs expect further growth, with both “significant increase” (23% NZ, 21% AU) and “somewhat increase” (45% NZ, 41% AU) categories well represented. Most other businesses expect customer numbers to remain steady, while only a minority foresee declines.



Cashflow and Customer Payment Behaviours

Payment Delays Increasing for SMBs in Australia and New Zealand

Extended payment times are becoming a notable challenge for SMBs, especially in New Zealand, potentially impacting cash flow and day-to-day operations.

Over the last six months, a significant number of SMBs in both Australia and New Zealand have experienced longer waits for customer invoice payments. In New Zealand, 21% report a significant increase in payment time – higher than Australia’s 17%.

Additionally, 40% of New Zealand businesses and 34% of Australian businesses say the time taken has increased somewhat. Only about a third report that payment times have remained stable (33% NZ, 40% AU). Very few have seen decreases (6% somewhat in AU, 4% in NZ; 1% significantly in both), while a small number say the question does not apply to their business.

Change in Invoice Payment Time	Australia	New Zealand
Increased significantly	17%	21%
Increased somewhat	34%	40%
Remained about the same	40%	33%
Decreased somewhat	6%	4%
Decreased significantly	1%	1%
Does not apply	2%	2%



Employment and Wages

Pay and staffing trends reflect a growth mindset among SMBs in both countries, with New Zealand businesses showing slightly higher momentum in wage increases and hiring activity. This optimism suggests a positive business outlook for the months ahead.

Salaries and Wages See Broad Increases

Over the past year, most small and medium-sized businesses in both Australia (67%) and New Zealand (65%) increased salaries and wages (excluding new hires). Significant increases were reported by 17% in Australia and 19% in New Zealand, while about half saw somewhat higher wages. Only around 4% in each country reported overall decreases, and roughly 30% kept pay levels steady.

	Australia	New Zealand
Increased significantly	17%	19%
Increased somewhat	50%	46%
Remained the same	29%	31%
Decreased somewhat	4%	3%
Decreased significantly	0%	1%

Staffing Changes Over the Past Year

Within the past 12 months, more New Zealand SMBs expanded their teams, with 49% reporting net staff increases compared to 43% in Australia. The majority in both countries either slightly increased their employee count (30% Australia, 35% NZ) or kept it unchanged (48% Australia, 42% NZ). Significant staff increases were rare (13% AU, 14% NZ), as were decreases.

	Australia	New Zealand
Significantly increased staff	13%	14%
Slightly increased staff	30%	35%
Kept employee count the same	48%	42%
Slightly decreased staff	8%	7%
Significantly decreased staff	1%	1%

Hiring Outlook for the Next Six Months

Looking forward, more New Zealand businesses expect to significantly grow their workforce, with 20% anticipating large increases compared to 16% in Australia. About one-third expect slight increases, and roughly 42-45% expect to keep their headcount unchanged. Very few expect significant reductions.

	Australia	New Zealand
Significantly increased staff	16%	20%
Slightly increased staff	35%	33%
Kept employee count the same	45%	42%
Slightly decreased staff	3%	4%
Significantly decreased staff	1%	1%

Investment Focus

Across all major investment categories – marketing, software, and infrastructure – SMBs in New Zealand display slightly stronger intent to increase spending than those in Australia. Overall, investment confidence remains high, reinforcing a positive outlook for business growth activity in both regions.

Marketing Budgets Expected to Grow

More than half of SMBs expect to increase their marketing budgets in the next six months – 51% in Australia, and an even higher 55% in New Zealand. Growth is driven by 13% of Australian and 14% of New Zealand firms expecting sharp increases, while 38% in Australia and 41% in New Zealand anticipate moderate growth. Only a small share expect budgets to fall, and the majority will either see growth or keep spending stable.

	Australia	New Zealand
Will grow a lot	13%	14%
Will grow somewhat	38%	41%
Will remain the same	34%	33%
Will decline somewhat	9%	6%
Will decline a lot	2%	1%
No marketing budget	4%	5%

Upward Trend Continues with Software Budgets

SMBs show similar intentions for software investment: 18% of New Zealand and 16% of Australian businesses expect to significantly increase their software budgets, while 38% in New Zealand and 36% in Australia see moderate increases ahead. Roughly a third of businesses in both countries plan to keep spending steady, and less than 10% are anticipating any decline.

	Australia	New Zealand
Will grow a lot	16%	18%
Will grow somewhat	36%	38%
Will remain the same	36%	36%
Will decline somewhat	8%	4%
Will decline a lot	1%	1%
No software budget	3%	2%



Investment Appetite Varies with Equipment & Infrastructure

Nearly three in five SMBs in both Australia and New Zealand are likely to invest in equipment or infrastructure within the next six months, with optimism slightly higher in New Zealand (20% “very likely”) versus Australia (17%). The largest group (“somewhat likely”) sits at 41% for Australia and 38% for New Zealand, while only about 7% in each market are resistant to new investment.

	Australia	New Zealand
Very likely	17%	20%
Somewhat likely	41%	38%
Neither likely nor unlikely	22%	19%
Somewhat unlikely	12%	16%
Very unlikely	7%	7%

Financing Access and Preferences

Access to financing remains generally strong, with most SMBs able to secure needed funds and feeling confident about the process as compared to previous periods. When SMBs look to the months ahead, they show a preference for a mix of funding sources – traditional and alternative – indicating adaptability and creativity in financial strategy.

Recent Attempts to Secure Financing

Over the past six months, 40% of Australian SMBs and 44% of New Zealand SMBs tried to access new financing for their business. Of those who applied, most were successful: 90% of Australian and 92% of New Zealand applicants secured financing.

Tried to secure financing	Australia	New Zealand
Yes	40%	44%
No	60%	56%

Successful securing financing	Australia	New Zealand
Yes	90%	92%
No	10%	8%

Changing Ease of Access

When asked about current access to finance as compared to the previous six months, the majority feel it is about the same or easier, with 35% AU / 31% NZ saying “much easier” and 49% AU / 52% NZ saying “slightly easier.” Only 5% AU / 4% NZ feel it is “slightly more difficult.”

How has access to finance changed?	Australia	New Zealand
Much easier	35%	31%
Slightly easier	49%	52%
About the same	11%	13%
Slightly more difficult	5%	4%
Much more difficult	1%	0%

Financing Preferences for the Next Six Months

When considering funding options for the next six months, SMBs in both countries express a wide range of preferences. The leading choices are personal savings, credit cards, and bank loans, closely followed by overdrafts, friends and family, and government loans. Other popular methods include equity capital raising and buy now pay later options. Only a small proportion say they would not consider any form of financing.

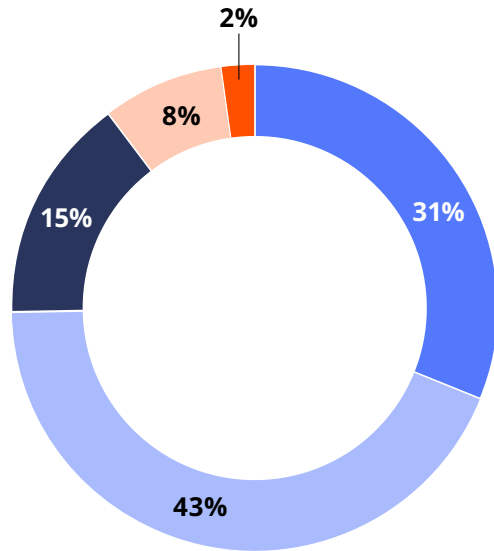
Funding Option	Australia	New Zealand
Personal savings	41%	35%
Credit card	33%	34%
Bank loan	40%	44%
Overdraft	24%	24%
Friends and family	22%	27%
Government loan	18%	22%
Equity capital raising	18%	20%
Buy Now Pay Later	17%	18%
None of these	8%	7%
Other	1%	1%



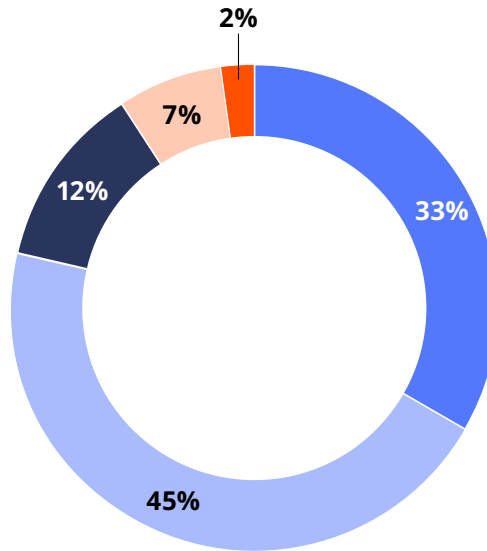
Work-life Balance and Wellbeing

While most SMBs are satisfied with their work-life balance, it's also one of the top three ongoing challenges.

Australia



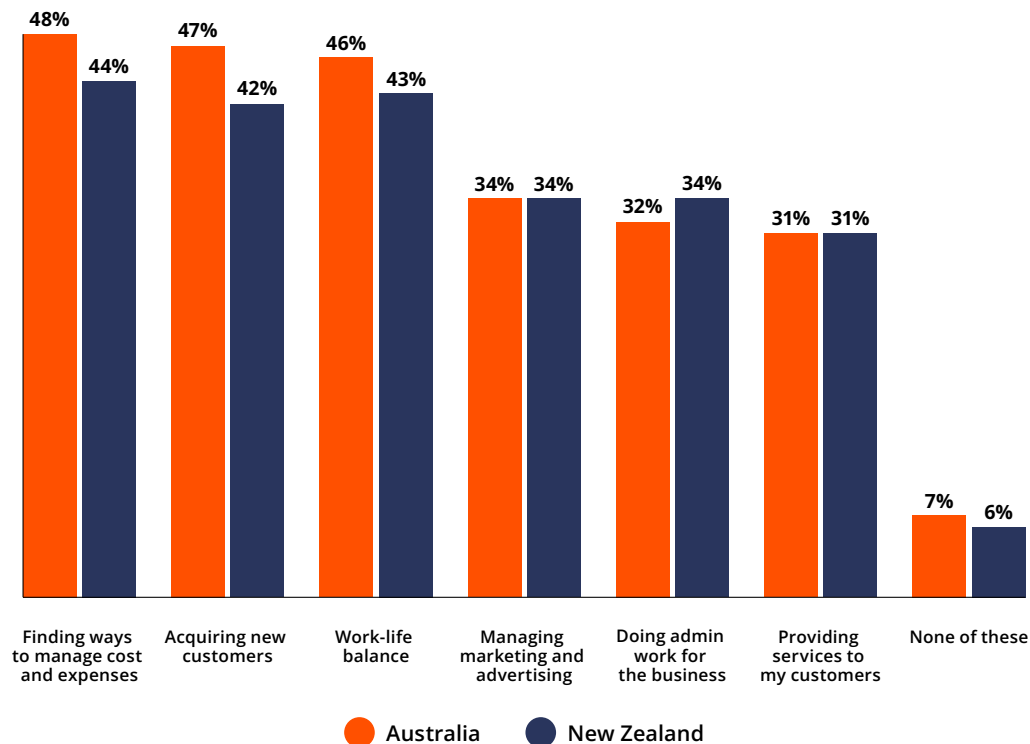
New Zealand



- Very satisfied
- Somewhat satisfied
- Neither satisfied nor dissatisfied
- Somewhat dissatisfied
- Very dissatisfied

Ongoing Challenges

The top three concerns across SMBs in both countries are finding ways to manage cost and expenses, acquiring new customers, and work-life balance.



Owner Burnout and Succession Considerations

Burnout and workload pressures have prompted over half of New Zealand's SMB owners, and over four in ten Australian owners, to contemplate stepping away from their business. In both countries, nearly half of those who haven't considered it feel it's simply too early. Of those who have considered, a substantial portion have started making preparations, especially in New Zealand, suggesting that succession and exit planning are pressing topics for the sector.

Prevalence of Considering Stepping Away

A significant number of SMB owners and co-owners have thought about stepping away from their business due to burnout or workload pressures.

- In New Zealand, 49% have considered exiting the business.
- In Australia, 45% have considered stepping away.

Have you considered stepping away?	Australia	New Zealand
Yes	45%	49%
No	55%	51%

Among Those Who Have Considered It

Those who have considered stepping away described their stage in the process:

- **In Australia:**
 - 47% have begun the process.
 - 29% have a date in mind (in the future).
 - 24% have considered it but have no specific date.
- **In New Zealand:**
 - 58% have begun the process.
 - 19% have a date in mind.
 - 23% have considered it with no specific date.

How close have you come?	Australia	New Zealand
Begun the process	47%	58%
Have a future date in mind	29%	19%
Considered, no specific date	24%	23%

Among Those Who Haven't Considered It

Among respondents who have not considered stepping away:

- In Australia, 46% say it is much too early for them to consider.
- In New Zealand, 49% say it is much too early.

Reason for not considering	Australia	New Zealand
Much too early	46%	49%
Still too early	37%	37%
It's close/no date	17%	14%

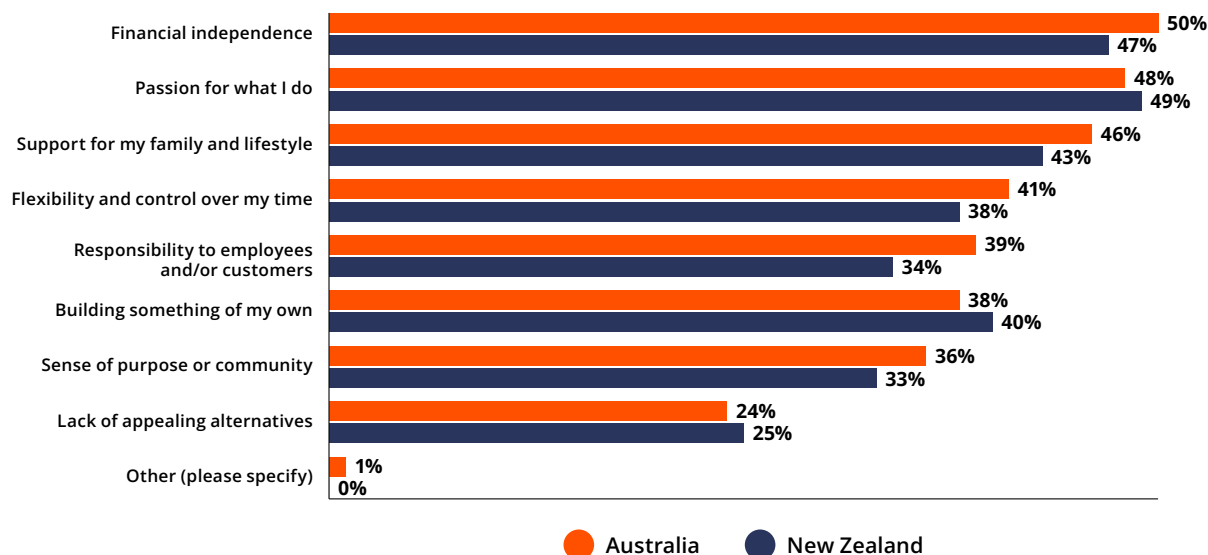
Why SMB Owners in Australia and New Zealand Keep Going

Financial independence and personal passion are at the heart of why SMB owners in Australia and New Zealand choose to stay in business. They are just as motivated by personal goals, flexibility, and a sense of community purpose as they are by material rewards.

Flexibility, responsibility, and community purpose also rank highly, highlighting that intangible benefits are just as critical as financial rewards for most owners. The lack of appealing alternatives brings up the rear, suggesting for most, motivation is positive rather than obligatory.

Top Motivators

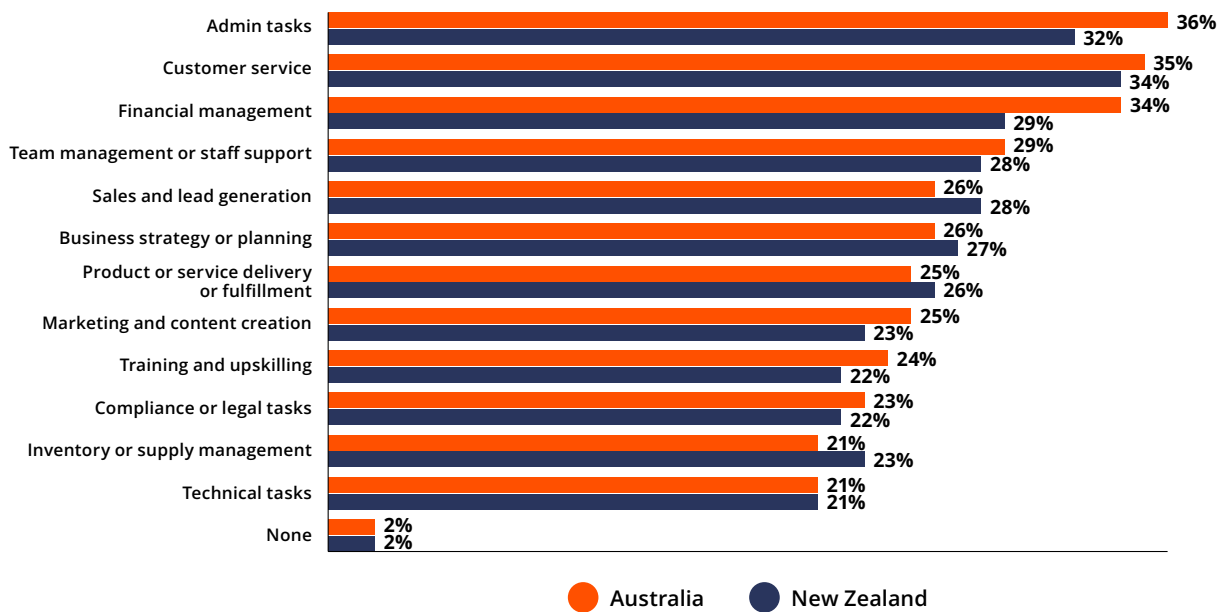
The strongest motivations for continuing to run a business are financial independence and passion for the work itself, with nearly half of SMB owners in both Australia (50% and 48%) and New Zealand (47% and 49%) citing these as driving factors.



The Weekly Workload: What Takes Up the Most Time for SMB Owners?

Among SMB owners there is operational complexity and the need for effective time management.

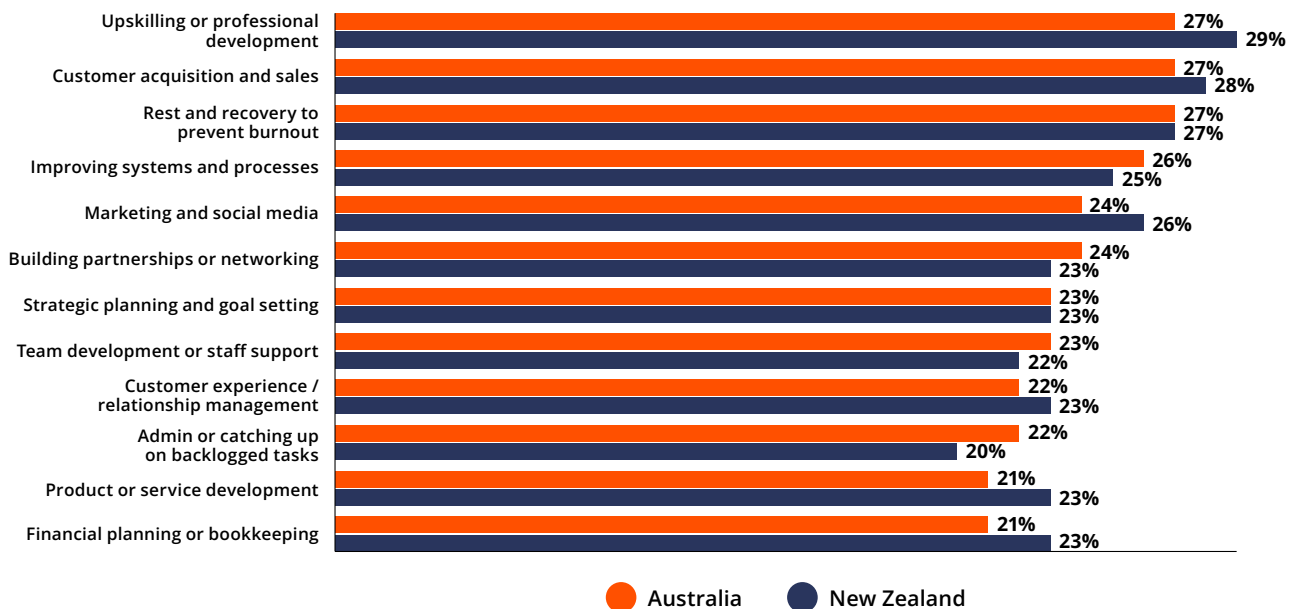
Admin tasks and customer service are the most time-consuming activities for SMB owners in both Australia (32% and 35%) and New Zealand (36% and 34%). Financial management, team support, sales, business planning, and product/service delivery also take up a significant share of their weekly hours. Other notable time investments include marketing, training, compliance, inventory management, and technical tasks. Only 2% report that none of these tasks are major time drains.



Extra Hours, Extra Impact: Where Would SMB Owners Focus?

SMB owners would use extra time to balance growing the business, supporting their teams, sharpening their own skills, and taking care of their wellbeing. The diversity of answers highlights both the complexity and demands of running a business in Australia and New Zealand.

Given 10 additional hours per week, small and medium-sized business owners in Australia and New Zealand say they would invest in a wide range of activities – with no single area standing out as dominant. Upskilling, sales, and rest/recovery are all top priorities, each selected by around 27-29% of respondents, but operational improvements, marketing, customer experience, and strategic planning are close behind.



Digital Adoption and Technology

SMBs in Australia and New Zealand are steadily progressing in their digital transformation journey. The majority are confident and willing to adopt digital solutions and AI – but full automation is rare. Owners largely trust their software platforms to manage customer data and relationships securely. While most feel tech savvy, a notable minority are still not fully comfortable or automated, highlighting opportunities for further digital education and support.

Self-Perceived Tech Savvy

Most SMB owners in Australia and New Zealand identify as somewhat or very tech savvy, with just a few feeling extremely tech savvy or not tech savvy at all.

Tech Savvy Level	Australia	New Zealand
Extremely tech savvy	12%	13%
Very tech savvy	38%	34%
Somewhat tech savvy	41%	37%
Not very tech savvy	8%	12%
Not at all tech savvy	1%	3%

Digital Confidence

Confidence in digital tools and platforms is high, with nearly 80% of respondents in both countries reporting they are somewhat or very confident using tech for growth and efficiency.

Digital Confidence	Australia	New Zealand
Very confident	30%	28%
Somewhat confident	49%	50%
Neutral	17%	19%
Not very confident	4%	3%
Not at all confident	1%	1%

Nearly

80%

of respondents in both countries are **somewhat or very confident** about using tech for growth and efficiency

Automation of Business Processes

Automation remains a work in progress for most businesses. Only about one in ten say their back-office and customer management processes are completely automated, while most are either “mostly” or “somewhat” automated.

Automation Level	Australia	New Zealand
Completely automated	11%	12%
Mostly automated	29%	27%
Somewhat automated	28%	23%
Slightly automated	20%	23%
Not at all automated	12%	15%

Artificial Intelligence (AI) Adoption & Comfort

The majority of SMBs are using AI (including AI-enabled software), with comfort levels toward AI tools also high.

Currently using AI?	Australia	New Zealand
Yes	59%	56%
No	39%	41%
Don't know	2%	2%

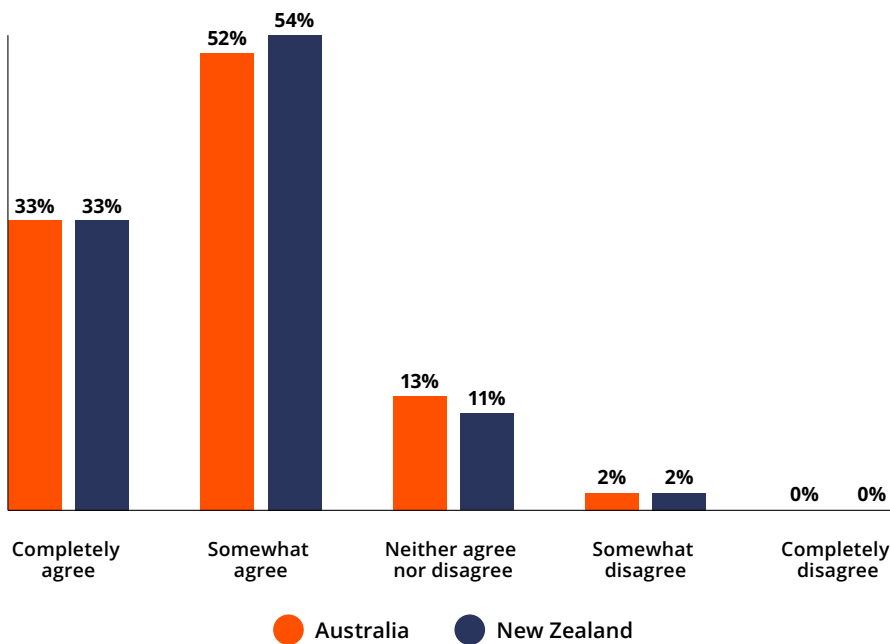
Comfort Level with AI Tools	Australia	New Zealand
Very comfortable	25%	27%
Comfortable	41%	42%
Neutral	22%	21%
Uncomfortable	8%	6%
Very uncomfortable	5%	4%

Service and Consumer Experiences

Most SMBs express confidence in the customer experience and service standards they provide, but full endorsement is more common for service quality than overall seamlessness. Only a minority abstain from giving a positive assessment.

Delivering a Seamless Customer Experience

When asked if their business delivers a seamless customer experience, a third of SMBs in both Australia (33%) and New Zealand (33%) say they completely agree, while the majority (AU: 52%, NZ: 54%) somewhat agree. Only a small minority were neutral (AU: 13%, NZ: 11%) or gave negative responses (somewhat disagree: both 2%; completely disagree: 0%). This suggests most businesses believe their customer experience is smooth, yet only one in three express complete confidence.

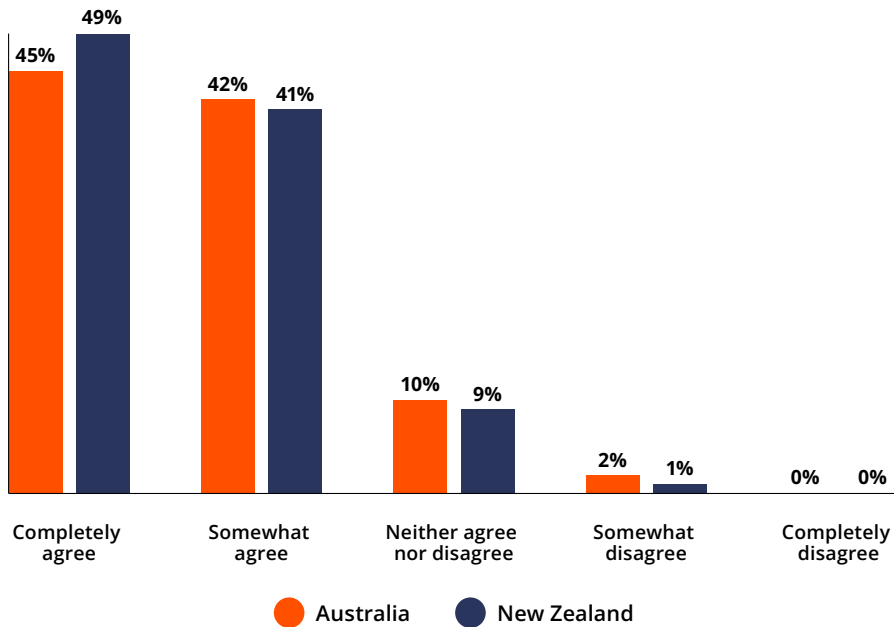


33%

of SMBs **completely agree** that their business delivers a seamless customer experience

Delivering Consistently High Service

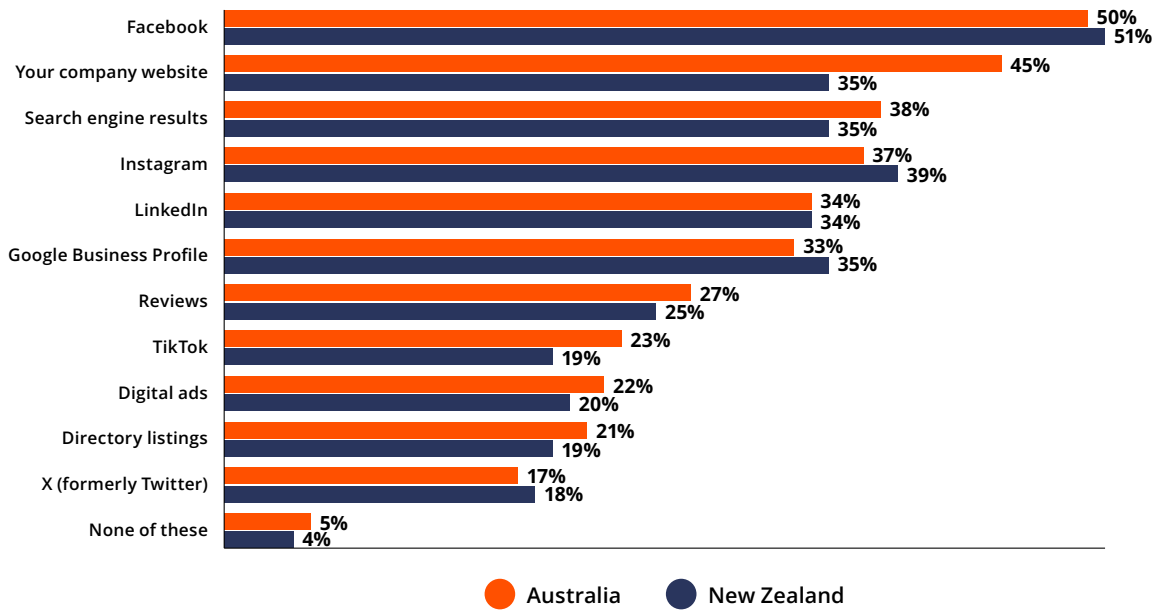
Confidence is higher regarding consistently high service, with 45% of Australian and 49% of New Zealand businesses completely agreeing they achieve this standard. An additional 42% (AU) and 41% (NZ) somewhat agree. Neutrality and negative responses are low, with just 10% in Australia and 9% in New Zealand neither agreeing nor disagreeing, and 2% (AU) and 1% (NZ) somewhat disagreeing. Almost no respondents completely disagree.



Online Visibility and Customer Acquisition

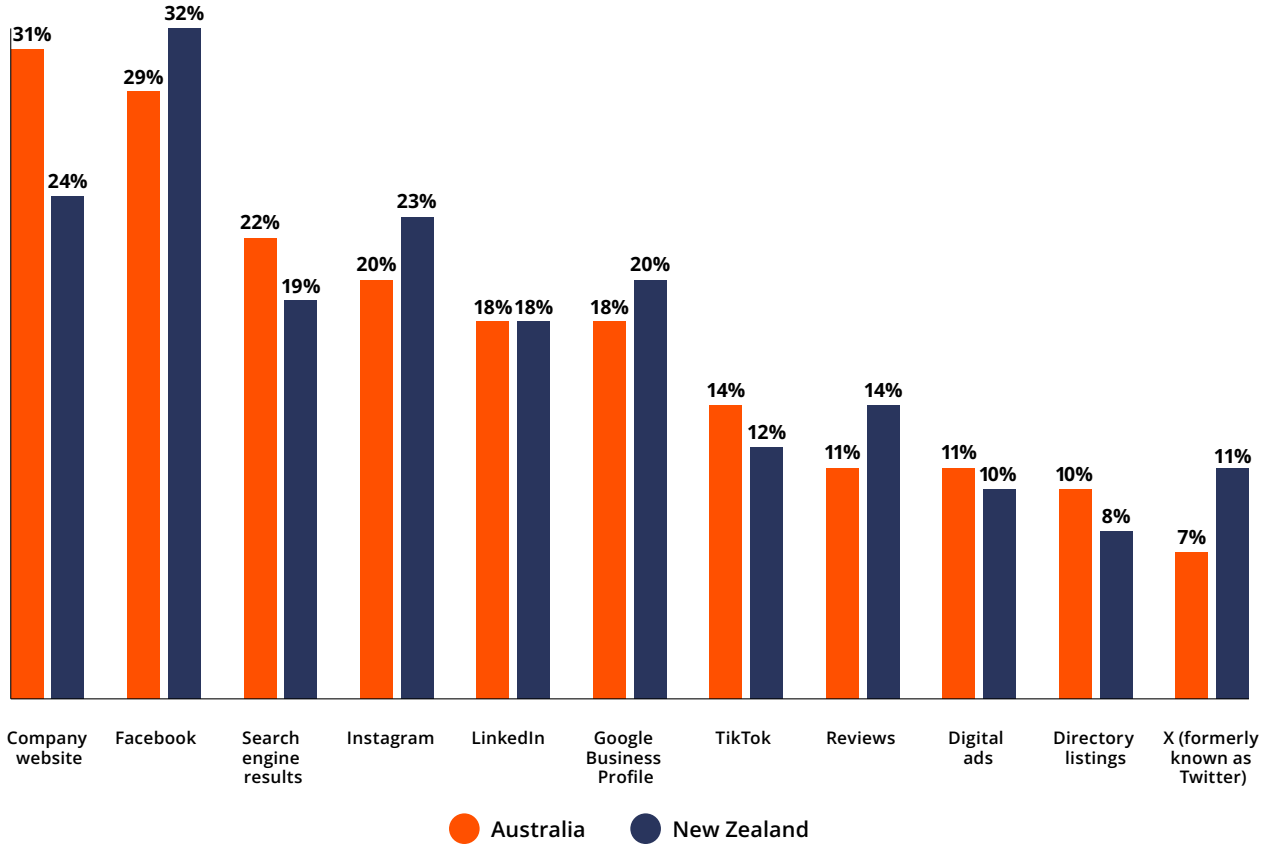
Online Visibility of Small Businesses in Australia and New Zealand

Small businesses in both Australia and New Zealand demonstrate strong digital visibility on a wide range of platforms, with more than half appearing on Facebook (50% AUS, 51% NZ). Both countries show significant presence on Instagram (37% AUS, 39% NZ) and LinkedIn (34% in both). A company website is slightly more common in Australia (45%) than in New Zealand (35%).



Customer Acquisition

When it comes to which digital source brings in the most customers, Facebook is the dominates for New Zealand businesses, whereas the business' website is the leading driver in Australia. Both countries rely heavily on search, Google Business Profile, Instagram, and LinkedIn, but the weight given to each channel varies slightly. These findings reinforce that successful customer acquisition strategies should leverage both websites and social media, adapted to the local preferences of each market.



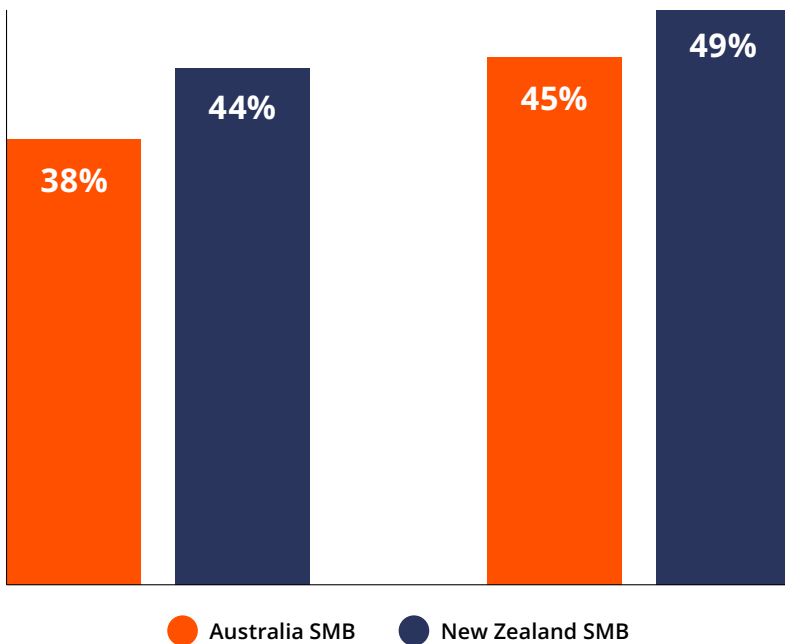
Reviews and Reputation Management

Taking a proactive approach to managing feedback not only helps build trust and transparency but also strengthens customer relationships and supports business growth.

Businesses in both Australia and New Zealand recognise the importance of online reviews, with a substantial majority actively encouraging customers to write reviews and responding to them. In New Zealand, 44% of SMBs always encourage reviews, compared to 38% in Australia, while around 40% in both countries do so sometimes. Only a small proportion never invite customer feedback (NZ: 6%, AU: 9%). When it comes to responses, nearly half of businesses in New Zealand (49%) and Australia (45%) always respond to reviews, with a further 38–39% responding sometimes.

Actively encourage reviews

Responds to customer reviews



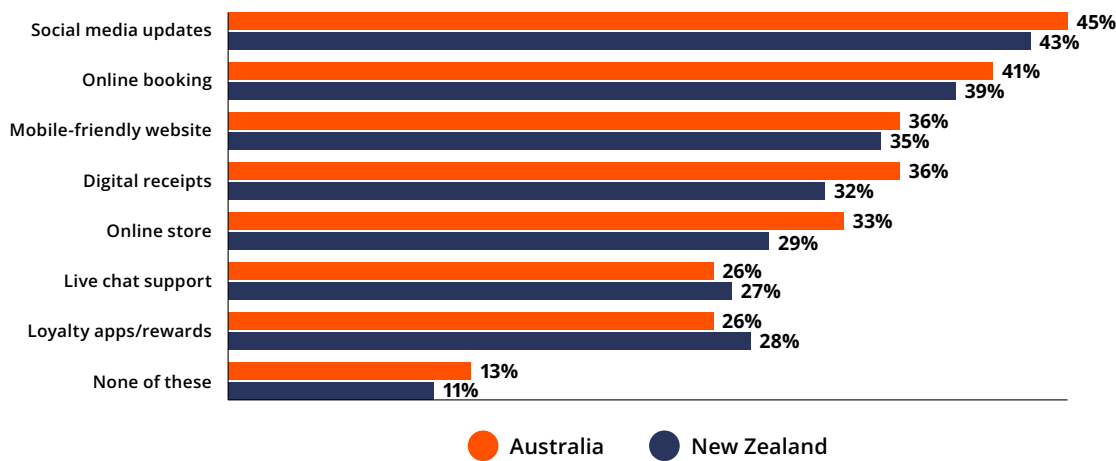
Communication and Engagement Preferences

Australian and New Zealand SMBs are broadly similar in their adoption of digital tools and communication channels, signalling maturing digital engagement in both markets.

Australians are more likely to use email, phone, and SMS, while New Zealanders edge out in social media engagement, live chat, and loyalty features. Both countries still have a segment of businesses with no digital features, suggesting ongoing opportunity for greater digital transformation and customer engagement strategies. The most effective customer experiences will likely draw from the strengths seen in both markets – combining robust communication with a full suite of digital offerings.

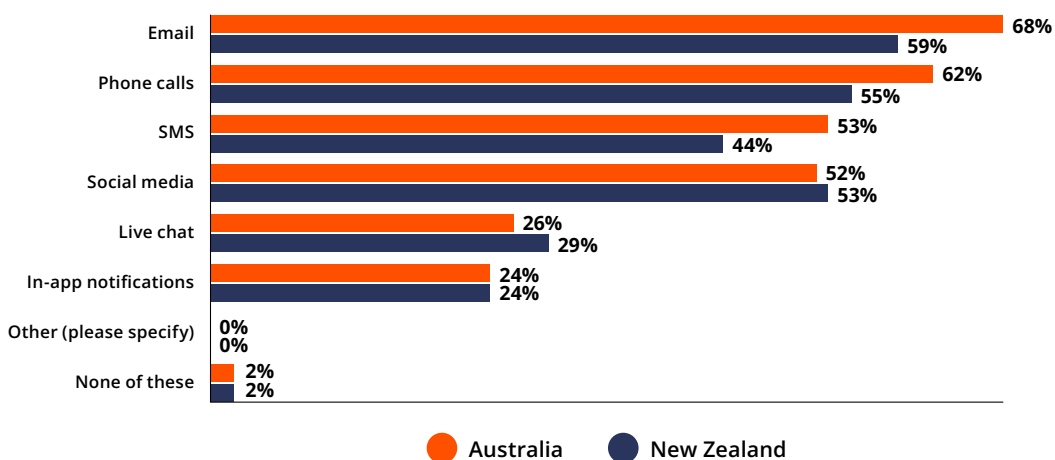
Digital Tools and Features Offered to Customers

Australian SMBs are slightly more likely to offer social media updates, online booking, mobile-friendly websites, digital receipts, and online stores. New Zealand businesses marginally lead on loyalty apps/rewards and live chat support. A higher proportion of Australian SMBs (13%) offer no digital features, compared to 11% in New Zealand.



Communication Channels Used to Engage Customers

Australian SMBs lead in email, phone calls, and SMS as primary communication channels. New Zealand SMBs are slightly ahead in social media and live chat usage. Both markets use in-app notifications at similar rates, and a small minority in each country don't use any of these digital communication methods.



Government



Government: Policies and Support

SMBs in Australia and New Zealand believe that their government's policies are supportive of small business.



63%

National Government



62%

Territorial Government



70%

National Government

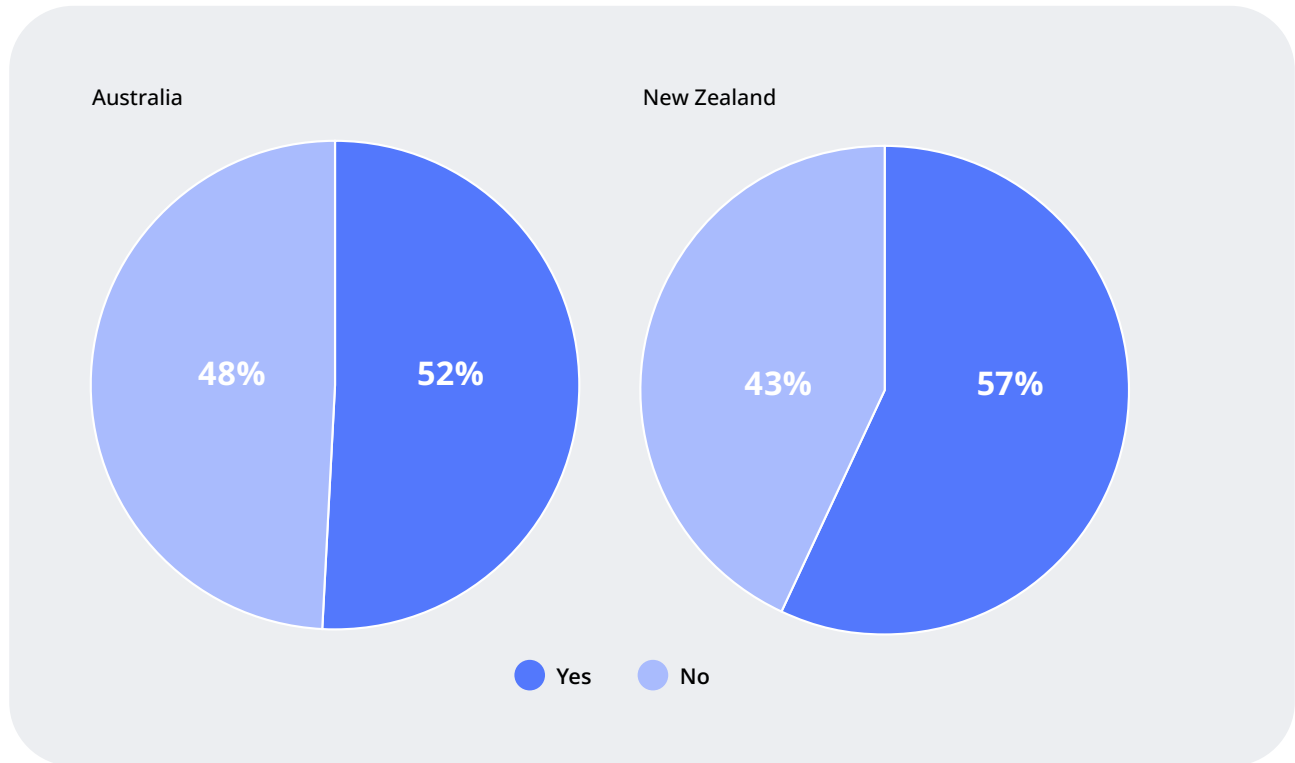


67%

Provincial Government

Government: Digital Adoption Programs

Similarly, when it comes to awareness of programs and incentives available to them for digital adoption, more than half say they are aware of their government's support.



Consumer Report

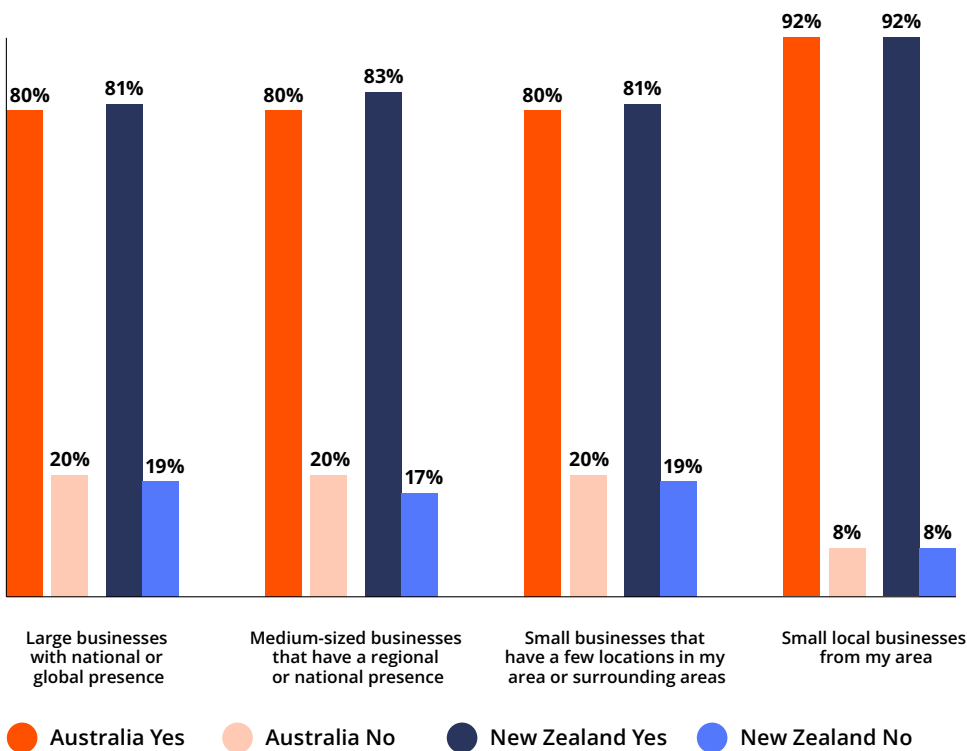


Consumer Shopping Behaviours

Purchases by Business Size

Consumer purchasing behaviour in Australia and New Zealand is remarkably similar when it comes to engaging with businesses of all sizes. In both countries, 92% of respondents have purchased from small local businesses from their area. Support for medium-sized regional businesses, small businesses with a few locations, and small local businesses is also high – ranging from 80% in Australia and from 81% to 83% in New Zealand.

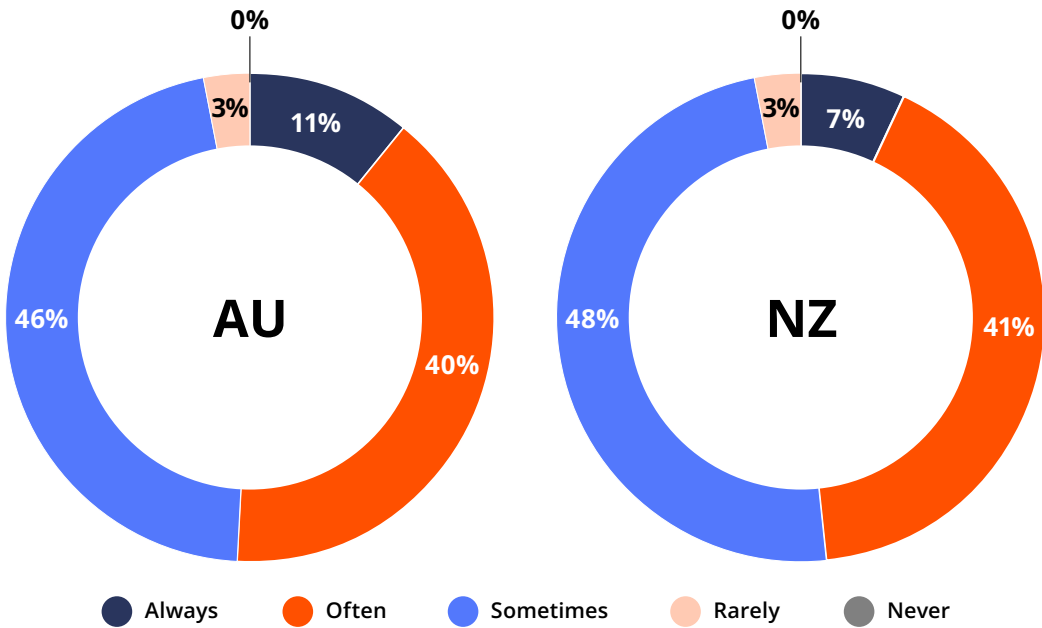
The proportion of respondents who did not make purchases from each business type is small and consistent across categories (typically 8%–20% in Australia, 8%–19% in New Zealand). This underscores a widespread consumer tendency in both countries to shop across large, medium, and small enterprises. Ultimately, these insights highlight that consumers in Australia and New Zealand are active supporters of businesses at every stage, fostering healthy and diverse business communities.



Likelihood to Purchase from a Small Business vs Big Business

Across both countries, the majority of consumers support small businesses over large retailers, with “often” and “sometimes” as the prevailing preferences. Australia reports a higher proportion of respondents who always choose small businesses. In both markets, very few rarely or never choose small businesses, underscoring the importance and loyalty that SMBs enjoy in local economies.

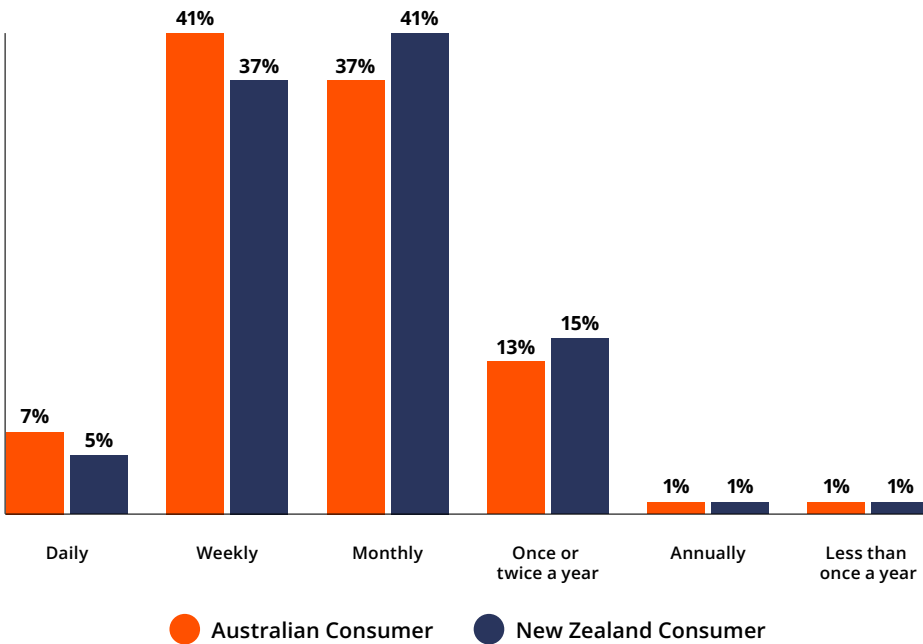
How likely are you to choose a small business over a large retailer?



Purchasing Frequency from Small Businesses in Australia and New Zealand

Consumers in both Australia and New Zealand show robust and regular engagement with the small business sector, with weekly and monthly support being the norm in both markets.

Comparing the two countries demonstrates similar habits, with some subtle differences. Both Australia and New Zealand see 41% of respondents purchasing from small businesses weekly and 37% doing so monthly. However, daily purchases are slightly higher in Australia (7%) than New Zealand (5%), while New Zealand sees more respondents purchasing once or twice a year (15% vs 13%). Annual or less frequent purchases are nearly identical at 1% in both countries.

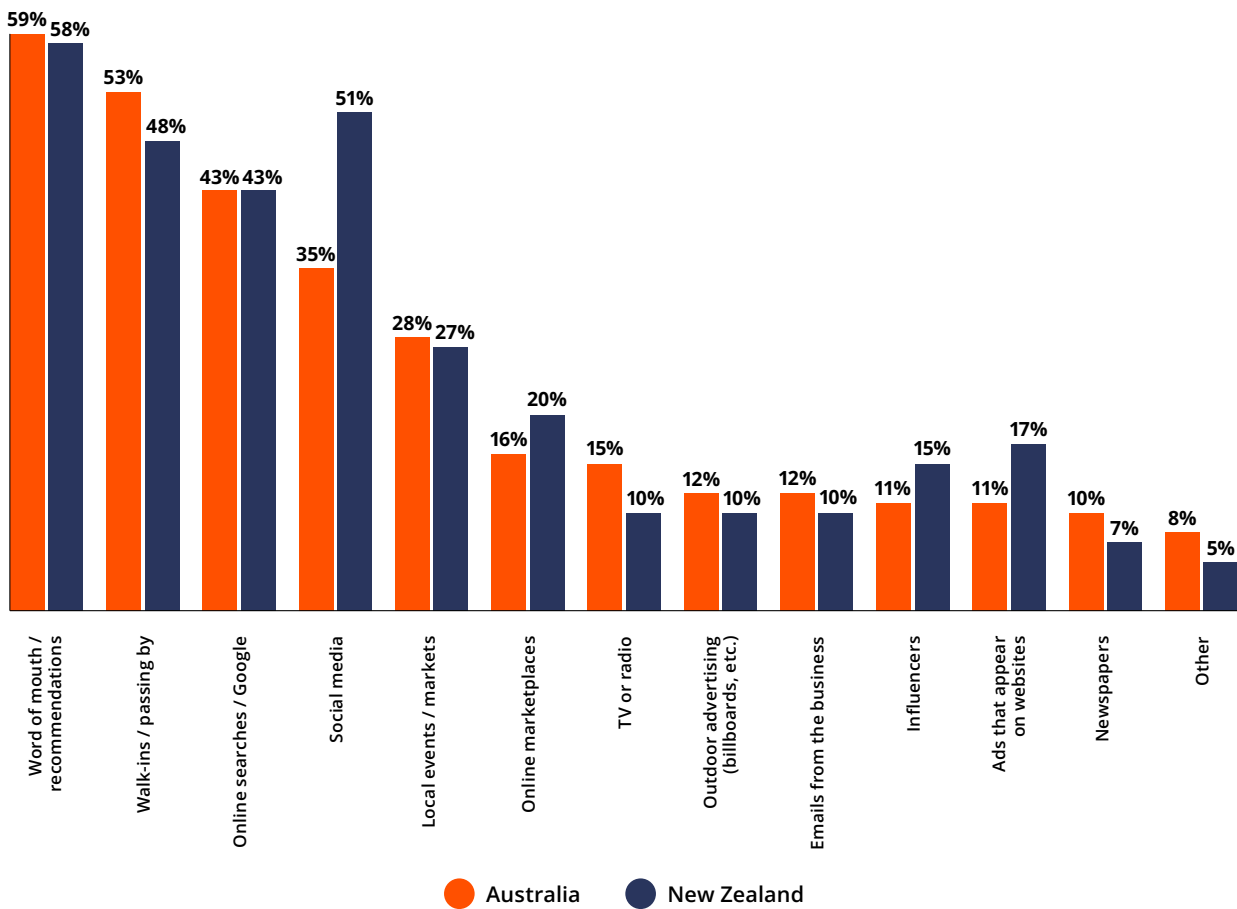


Discovering New SMBs: What Works?

Top Discovery Channels

Consumers in both Australia and New Zealand use a similar mix of channels to discover new small businesses, but with some subtle preferences. Word of mouth and recommendations are the most common method in both countries (Australia 59%, New Zealand 58%). Online searches, such as Google, are also popular (Australia 43%, New Zealand 43%), as is social media (Australia 35%, New Zealand 51%).

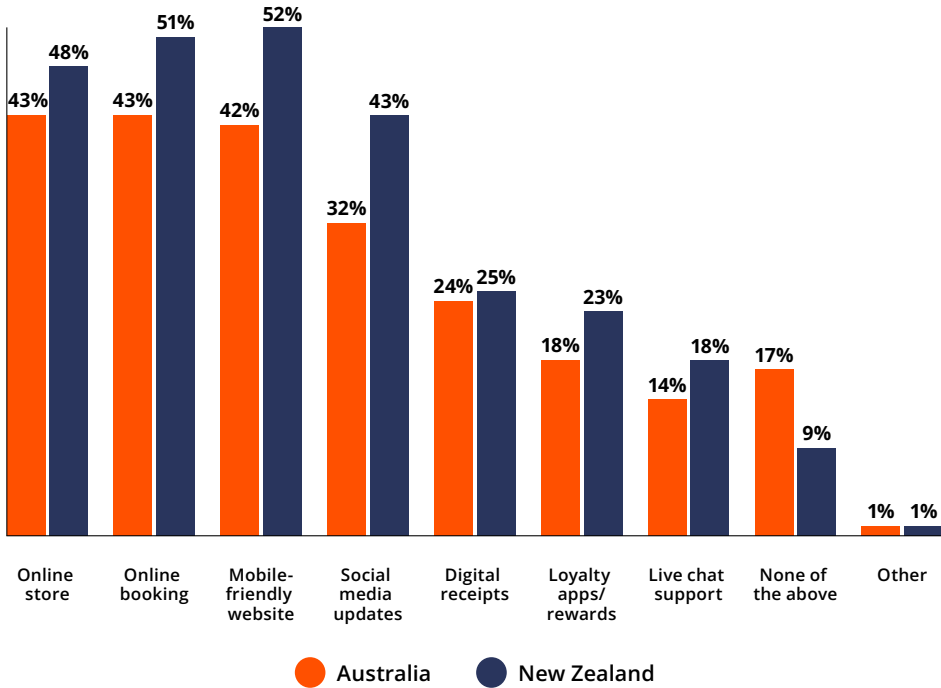
Local events and markets contribute significantly to discovery (Australia 43%, New Zealand 43%), highlighting the continued value of community engagement. Online marketplaces are slightly more cited in Australia (35%) than in New Zealand (28%). Other notable channels include TV or radio advertising, outdoor advertising, emails from businesses, website ads, newspapers, and influencers – all of which rank lower and show similar patterns across countries.



Digital Features: What Consumers Want

The Essential Digital Features for Small Businesses

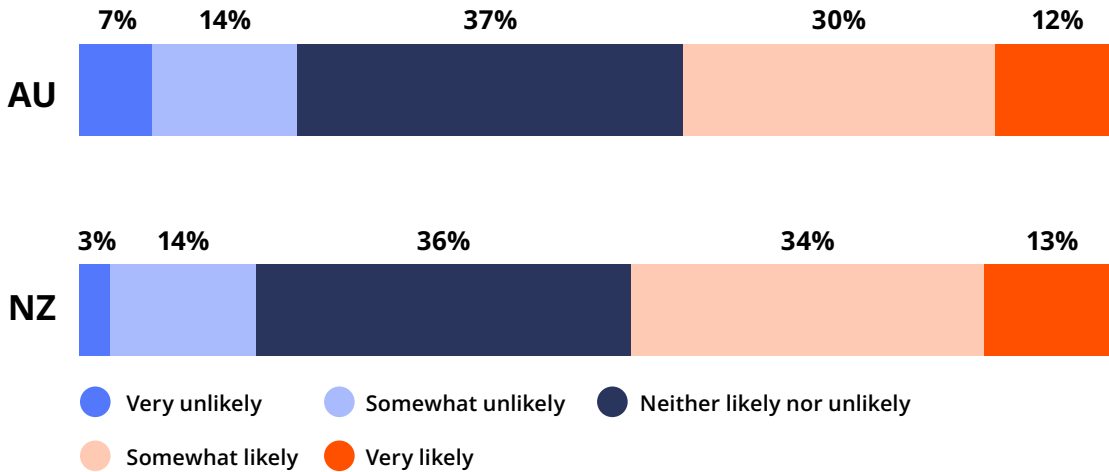
New Zealanders demonstrate a greater appetite for digitally-enabled experiences when interacting with small businesses. While both countries expect strong digital engagement and convenience from small businesses, New Zealand consumers set distinctly higher expectations for online booking, mobile-friendly websites, and online stores. Australians, meanwhile, have less widespread expectations across most features and are more likely to say no digital features are expected (17% versus 9%).



How Lack of Digital Features Impacts Loyalty

Both Australian and New Zealand consumers expect small businesses to provide digital solutions like online ordering and mobile payments, with almost half of respondents in each country likely to choose another business if these are not available. The findings emphasise the growing importance of digital convenience in shaping consumer choices, indicating that small businesses lacking such tools risk losing customers to better-equipped competitors in both Australia and New Zealand.

If a small business did not offer digital tools like online ordering or mobile payments, how likely are you to choose another business?

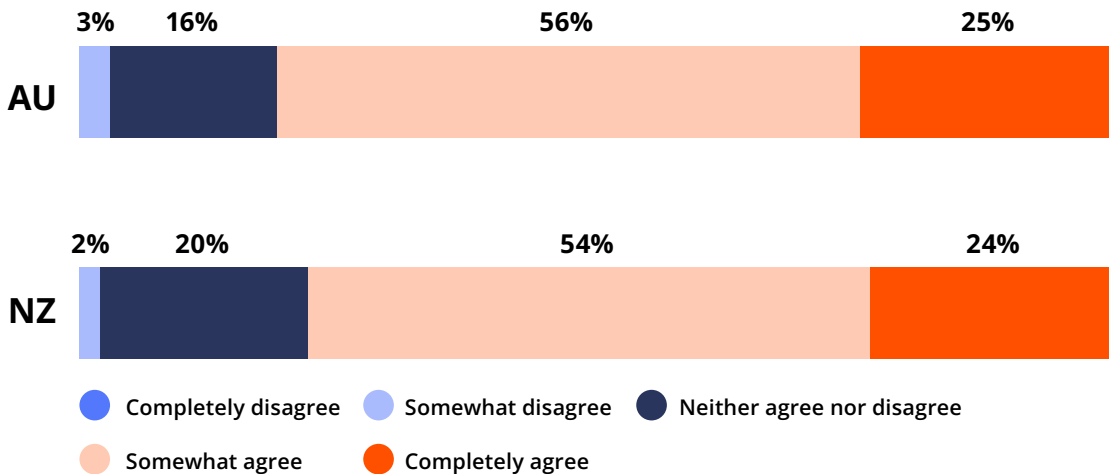


Customer Service and Experience

Service Levels

In both Australia and New Zealand, the majority of consumers agree – either somewhat or completely – that small businesses deliver consistently high service. New Zealand has a slightly higher proportion of respondents who completely agree (20% vs 16%), while Australia leads on somewhat agree (56% vs 54%). These results reinforce the reputation of small businesses in both countries as valued providers of quality customer service.

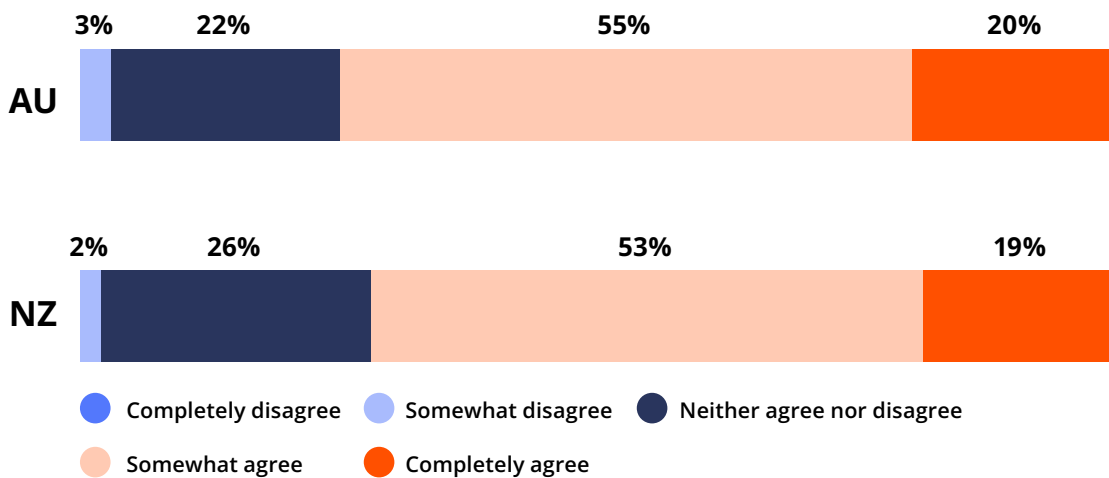
How much do you agree or disagree that small businesses tend to offer consistently high service?



Seamless Experience

Consumers in both Australia and New Zealand commonly agree that small businesses deliver a seamless customer experience, with about three-quarters expressing some level of agreement. Australian respondents are slightly more likely to agree. In both countries, the perception of small businesses as reliable providers of quality customer experiences remains strong.

How much do you agree or disagree that small businesses tend to offer a seamless customer experience?



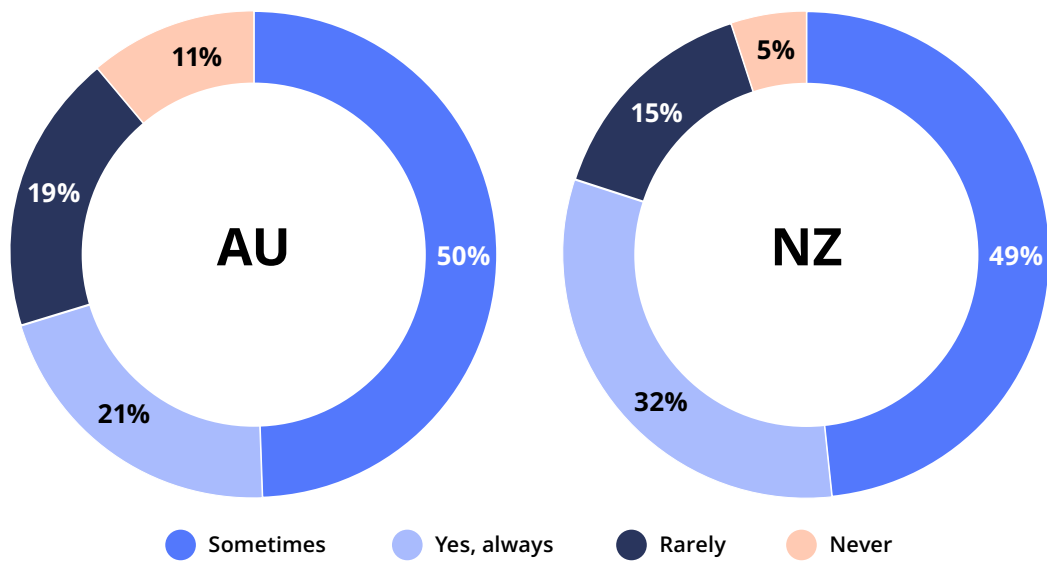
Online Reviews

Australian and New Zealand consumers share a high reliance on online reviews when evaluating small businesses, but New Zealanders demonstrate even stronger engagement across review behaviours. The results underline how central online reviews are for reputation, trust, and business success in both Australia and New Zealand.

Checking Online Reviews Before Purchasing

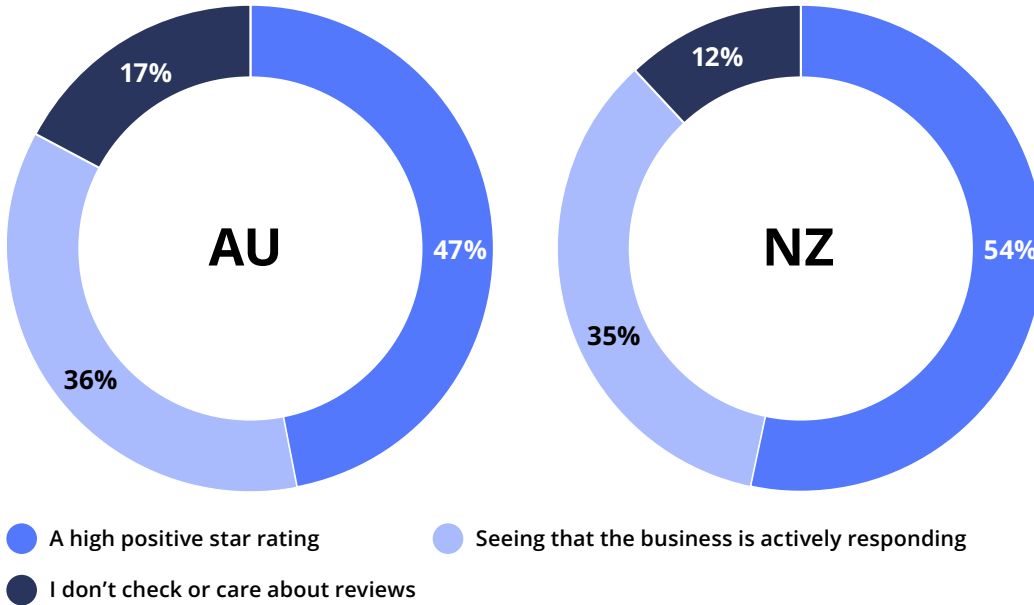
New Zealand consumers are more likely to always check reviews before purchasing from a small business (32% NZ vs. 21% AUS). In both countries, about half sometimes check reviews (49% NZ, 50% AUS), while more Australians say they rarely (19%) or never (11%) check reviews compared to fewer in New Zealand (15% rarely, 5% never). This suggests a higher baseline expectation for due diligence among New Zealand customers.

Do you check online reviews before buying from a small business?



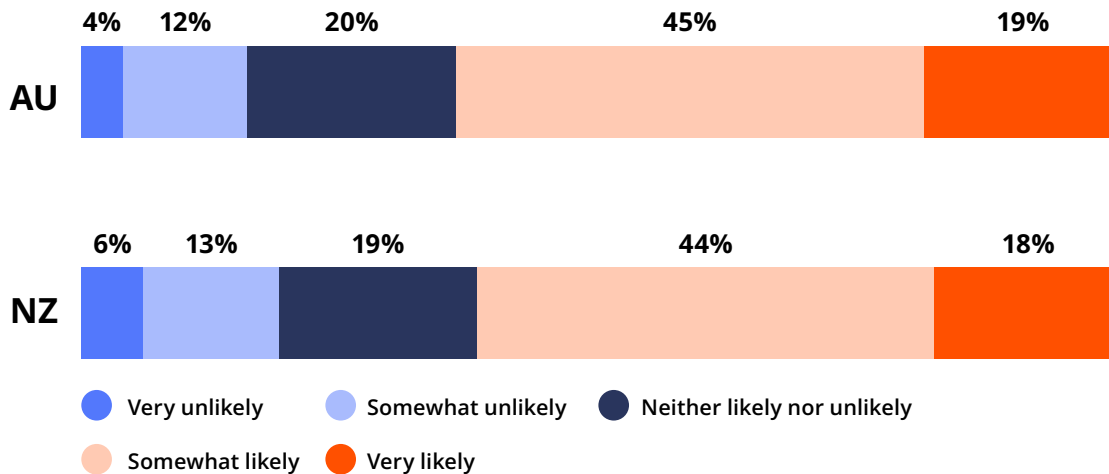
Importance of Reviews to Australian and New Zealand Consumers

A high positive overall rating is the most important factor for a majority in both countries, though New Zealanders value it even more at 54% (vs. 47% for Australians). Both groups recognise the importance of businesses responding to reviews (35% NZ, 36% AUS), but slightly more New Zealanders place overall positivity above responsiveness.



Likelihood to Leave a Review or Feedback

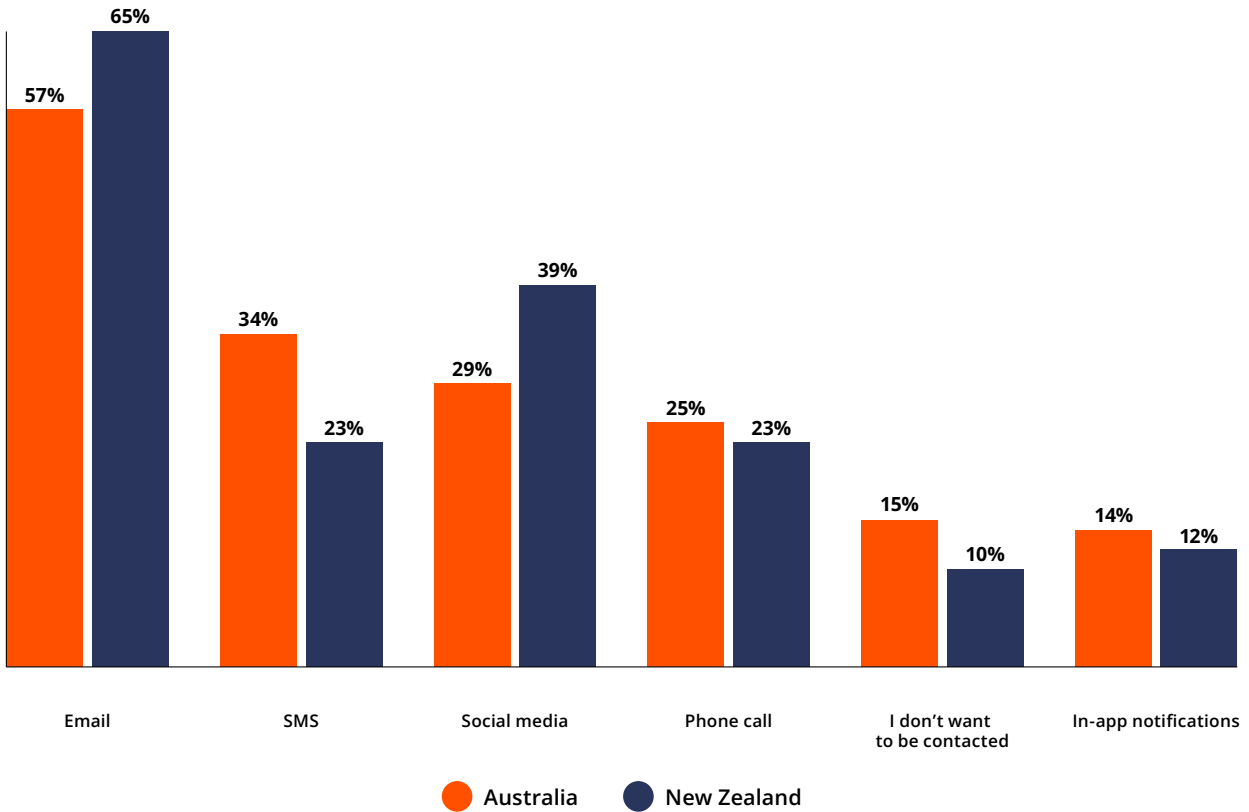
Consumers in both countries are active in sharing their experiences, with similar proportions somewhat or very likely to leave a review (62% NZ vs. 64% AUS). Neutral responses are comparable (19% NZ, 20% AUS), while Australians are less likely to be very unlikely to leave feedback (12% AUS vs. 13% NZ).



Communication Preferences

Preferred Communication Channels

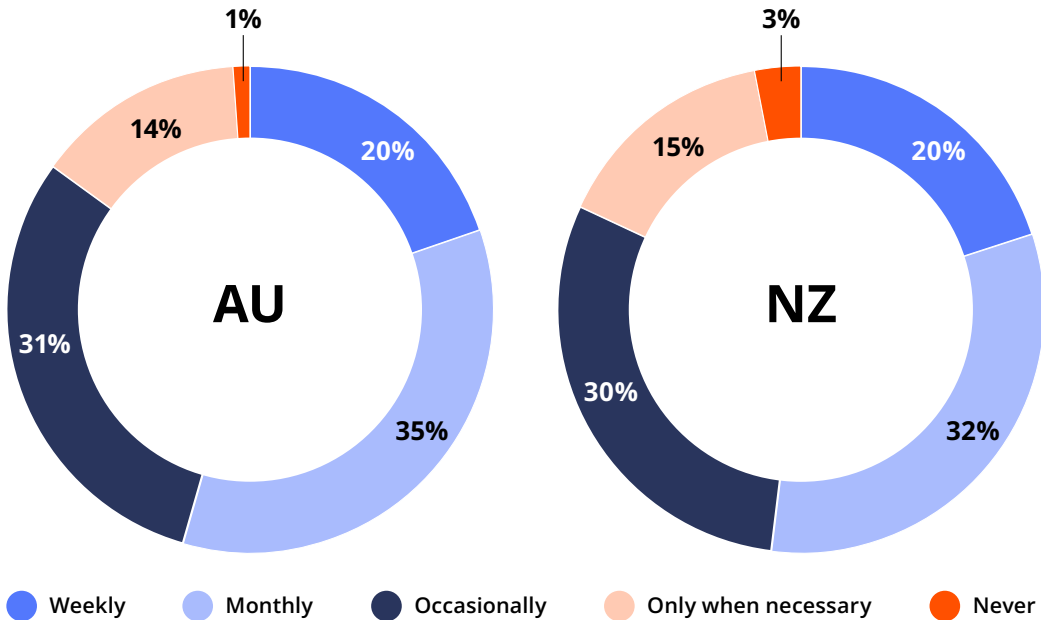
Email is the leading communication channel in both countries, but its popularity is even greater in New Zealand (65%) than Australia (57%). Australians express stronger preference for SMS (34% vs 23% NZ), while New Zealanders are more likely to favour social media (39% vs 29% AUS). Phone calls are equally relevant, chosen by one in four in Australia (25%) and nearly the same (23%) in New Zealand. Fewer New Zealanders (10%) don't want to be contacted at all compared to Australians (15%).



Promotions: Preferred Frequency and Channel Sensitivity

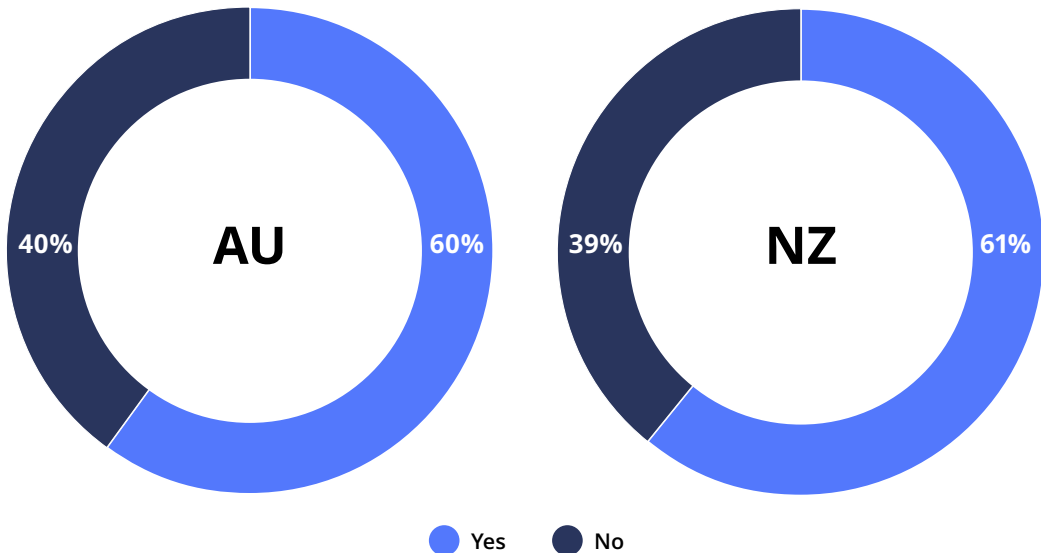
When it comes to hearing about promotions, monthly updates are most popular in both Australia (35%) and New Zealand (32%), followed by occasional (31% AUS, 30% NZ) and weekly (20% for both). Australians are more likely to never want promotional messages (1% vs 3% NZ), but more New Zealanders only want contact when necessary (15% vs 14% AUS).

How frequently do you want to hear about promotions from the small businesses you buy from?



In both countries, the majority of consumers (60% AUS, 61% NZ) prefer different communication frequencies for different channels, indicating the importance of an adaptive, nuanced approach.

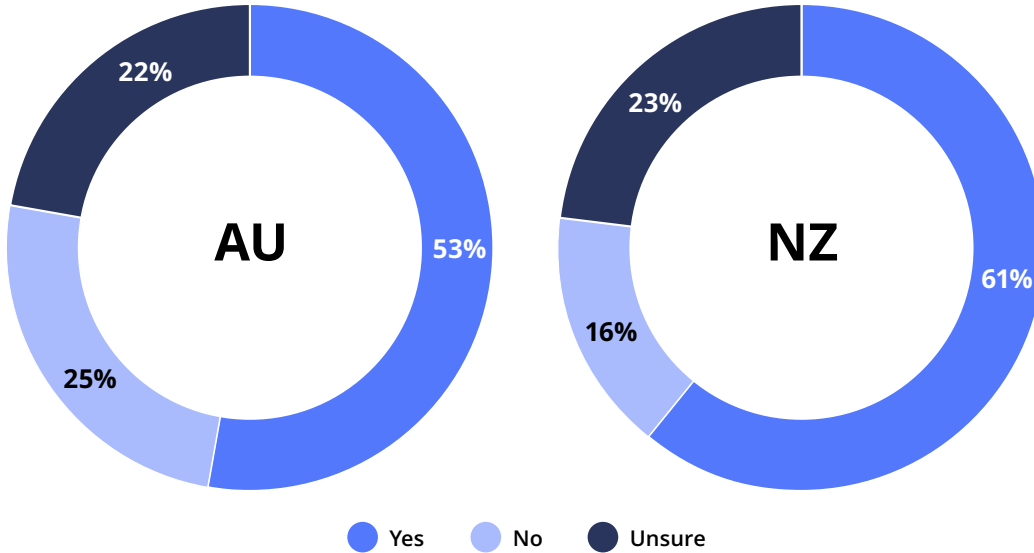
Does your preferred frequency differ depending by channel, for example, email versus text?



Preference for Personalisation

Both Australian and New Zealand consumers show a clear preference for personalised experiences from small businesses, but this preference is stronger in New Zealand. In New Zealand, 61% want personalisation based on their preferences or previous behaviour, compared to 53% in Australia. Australians are slightly more likely to prefer no personalisation (25% vs 16% NZ), and more Australians are unsure how they feel about it.

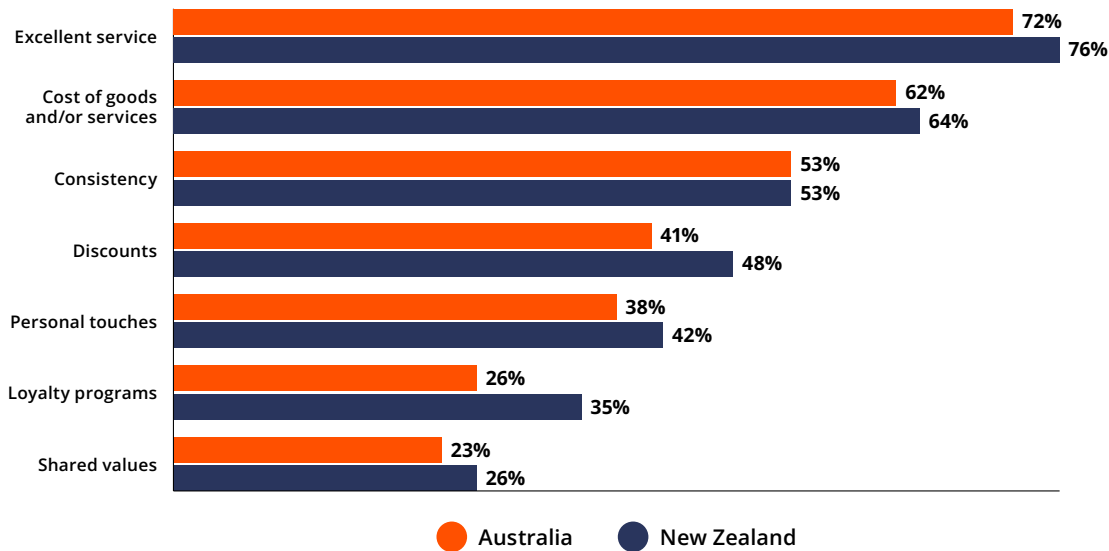
Do you prefer small businesses that personalise their products, services, or communications based on your preferences or past behaviour?



Loyalty Drivers

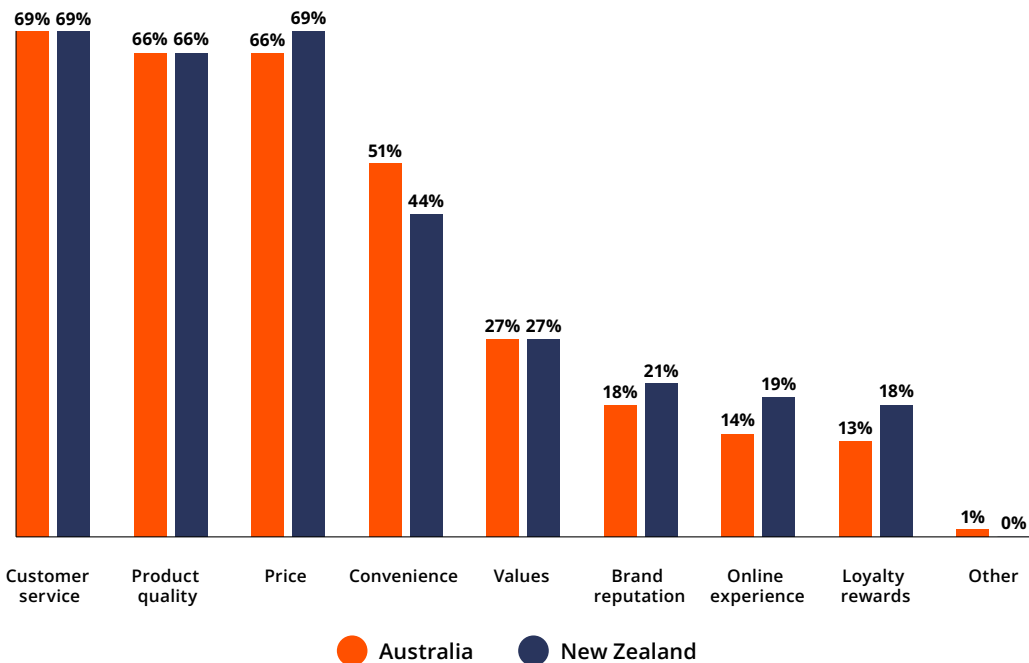
Top 3 Loyalty Triggers

Consumer loyalty in both Australia and New Zealand is anchored in excellent service, fair pricing, and consistent delivery. New Zealanders place greater weight on discounts, personal touches, and loyalty programs compared to Australians, suggesting businesses in New Zealand may benefit more from these additional incentives. Nonetheless, in both countries, consistently high service and competitive pricing remain the most important ingredients for driving repeat business and long-term customer relationships.



Top 3 Factors That Influence Returning to a Small Business

Consumers in both Australia and New Zealand share similar priorities when choosing to return to a small business, with customer service, product quality, and price as the three dominant factors. Convenience plays a somewhat greater role for Australians (51%) than New Zealanders (44%), while online experience and loyalty rewards are more influential for New Zealanders. Overall, the data illustrates that while the fundamentals of price, service, and quality underpin repeat business in both countries, additional experiential and value-driven factors are increasingly relevant, especially in New Zealand.

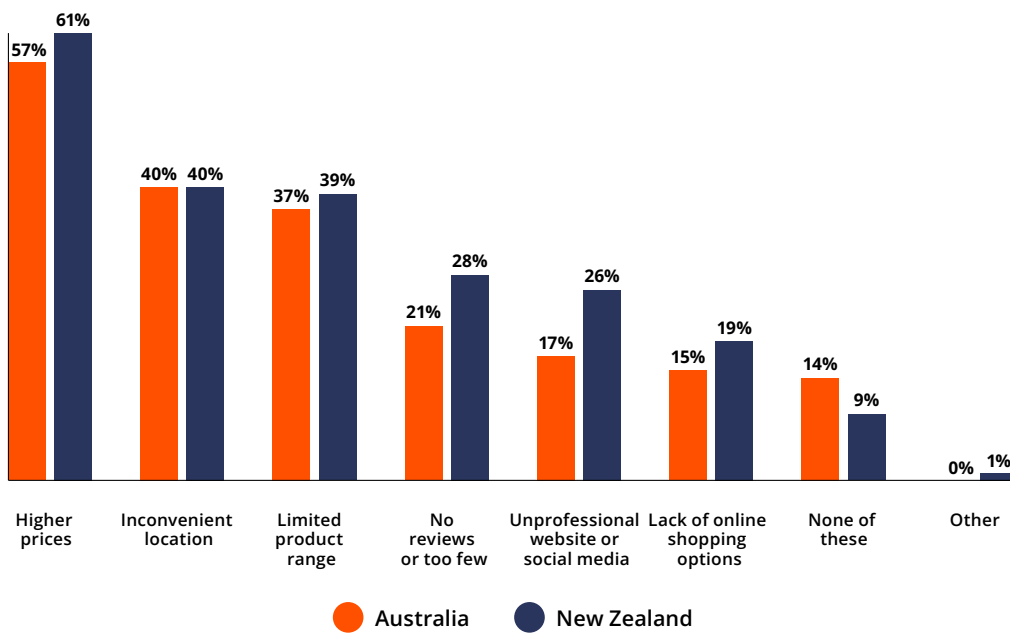


Barriers to Purchase and Trust Builders

For small businesses in both Australia and New Zealand, investing in quality, communication and robust digital profiles is key to building trust and removing barriers to purchase.

Barriers to Buying from Small Businesses

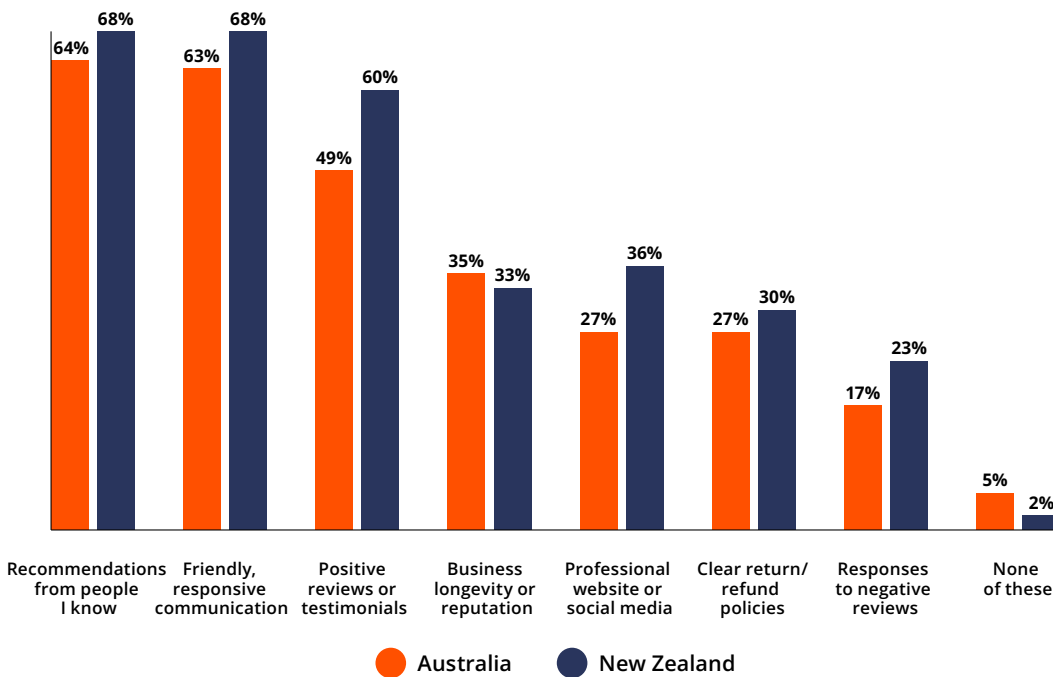
Higher prices are the leading barrier for consumers in both Australia (57%) and New Zealand (61%) but are more commonly cited in New Zealand. Inconvenient locations and limited product range are significant obstacles for similar proportions in both regions. New Zealanders are more likely to be deterred by no or too few reviews (28% NZ vs. 21% AUS), unprofessional websites or social media (26% NZ vs. 17% AUS), and lack of online shopping options (19% NZ vs. 15% AUS). Notably, more Australians say that none of these factors stop them from buying (14% AUS vs. 9% NZ).



Factors That Build Trust in a Small Business

In both Australia and New Zealand, word-of-mouth recommendations and friendly, responsive communication are the top factors driving trust in small businesses. New Zealanders give both factors slightly more weight (68% NZ vs. 64% AUS for recommendations, 68% NZ vs. 63% AUS for communication). Positive reviews and testimonials are also important across both markets but are more influential in New Zealand (60%) than in Australia (49%).

A professional website or social media presence, business longevity/reputation, and clear return/refund policies are meaningful trust signals in both countries. New Zealanders are somewhat more likely to value a polished digital presence (36% NZ vs. 27% AUS) and responses to negative reviews (23% NZ vs. 17% AUS). Very few consumers in either market say that none of these factors influence their trust, but this is lower in New Zealand (2% vs. 5%).



A Reality Check: Expectation vs. Experience



Summary

Are Businesses Meeting Consumer Expectations?

Small and medium-sized businesses (SMBs) are the backbone of the economies in both Australia and New Zealand. But as consumer digital habits, service expectations, and loyalty drivers evolve, are SMBs keeping pace?

SMBs are making significant efforts to meet evolving consumer expectations, especially in terms of digital presence and online service delivery. However, the data clearly shows perceptual gaps between what businesses believe they offer and what consumers actually experience – particularly in consistent service, seamless experiences, and sustainability.

During this period of transition – managing increasing responsibilities with a hybrid of manual and digital solutions – the winners will be those who can balance operational demands with strategic investment in digital tools, upskilling, and a readiness to innovate.

This report examines how business delivery stacks up against modern consumer demands – where they're aligned, and where gaps remain.



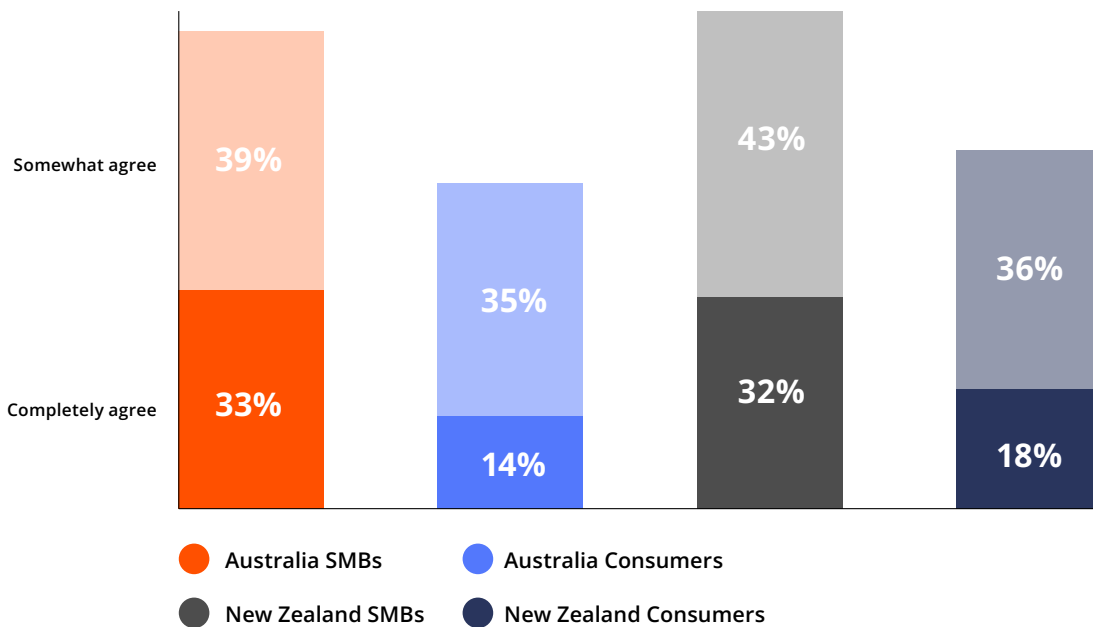
Digital Presence

Comparison: Consumer vs. Business Perceptions of Small Business Online Presence

In both Australia and New Zealand, small business owners rate their own online presence much more positively than consumers do. For example, in Australia 72% of businesses completely or somewhat agree they have a strong online presence, compared to 49% of consumers. In New Zealand, this gap is even wider: 75% of businesses agree versus 54% of consumers. Consumers are also more likely to choose neutral or negative options, indicating less certainty or lower confidence in how visible small businesses are online.

This contrast reveals a perception gap, with many small businesses believing they have achieved strong digital visibility while a substantial portion of customers remain unconvinced. These insights highlight the need for small businesses to more effectively communicate and demonstrate their digital capabilities to ensure customer expectations are met and matched.

Strong Online Presence



Customer Experience

Where the Delivery Gap Exists

Consistent Service Quality

SMBs and consumers both rate consistently high customer service as the most important attribute.

- 49% of NZ SMBs “completely agree” they provide it, but only 24% of consumers agree.
- In Australia, 45% of SMBs believe they deliver it, but just 25% of consumers concur.

Consistently High Service	SMBs (AU)	Consumers (AU)	SMBs (NZ)	Consumers (NZ)
Completely agree	45%	25%	49%	24%
Somewhat agree	42%	56%	41%	54%

Seamless Customer Experience

Again, the gap persists. 33% of SMBs in both countries completely agree they deliver a seamless customer experience, compared to only 20% (AU) and 19% (NZ) of consumers.

Seamless Experience	SMBs (AU)	Consumers (AU)	SMBs (NZ)	Consumers (NZ)
Completely agree	33%	20%	33%	19%
Somewhat agree	52%	55%	54%	53%

Digital Tools and Features

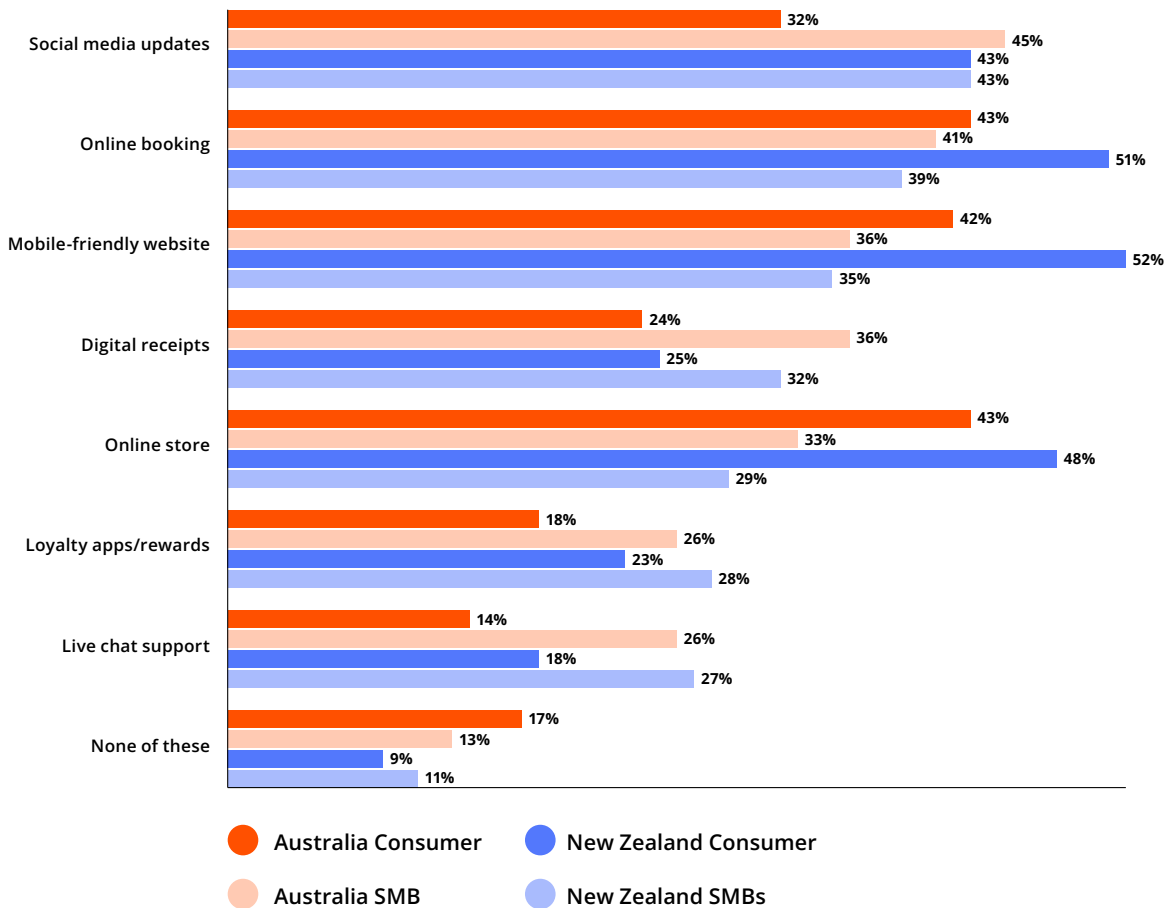
Consumer Expectations vs. SMB Offerings

There is a strong alignment between the digital tools and features that consumers expect and those that small businesses are providing in both Australia and New Zealand, yet important gaps remain – especially in New Zealand.

Social media updates, online booking, and mobile-friendly websites are among the most commonly offered and expected features. Yet, while 43% of Australian consumers expect online booking, only 41% of Australian SMBs offer it; the gap is wider in New Zealand, where 51% of consumers expect it but just 39% of SMBs deliver. Similar demand gaps exist for mobile-friendly websites and online stores.

Notably, a sizable minority of SMBs in Australia (13%) and New Zealand (11%) offer none of these digital features, while 9% of New Zealand and 17% of Australian consumers say they expect none.

This highlights an ongoing opportunity for SMBs – especially in New Zealand – to expand their digital capabilities to better match evolving customer expectations and enhance the overall customer experience.

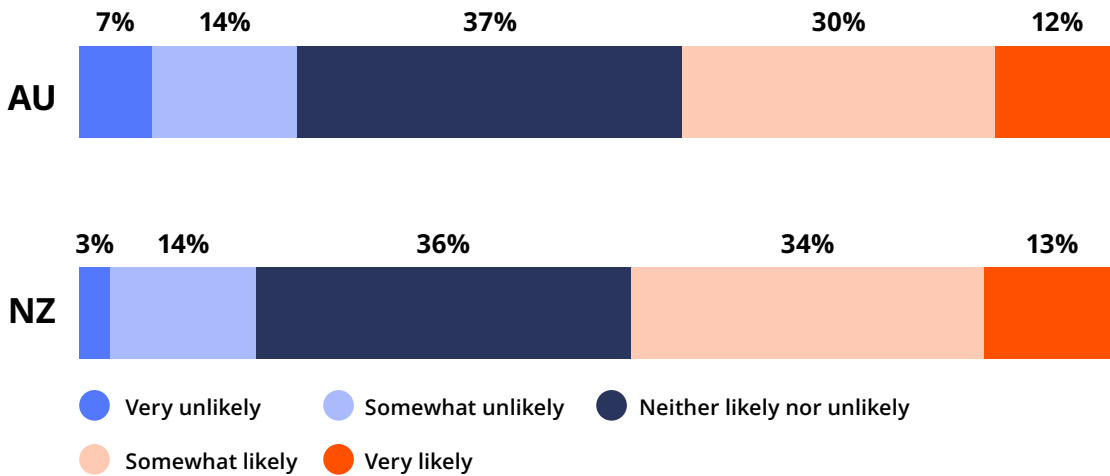


Online Ordering & Payments

Digital tools like online ordering and mobile payments are preferred by consumers:

Consumers say they are more likely to choose another business if these are not offered (AU: 12% very likely, NZ: 13%; 30% somewhat likely AU, 34% NZ).

If a small business did not offer digital tools like online ordering or mobile payments, how likely are you to choose another business?



Communication Channels

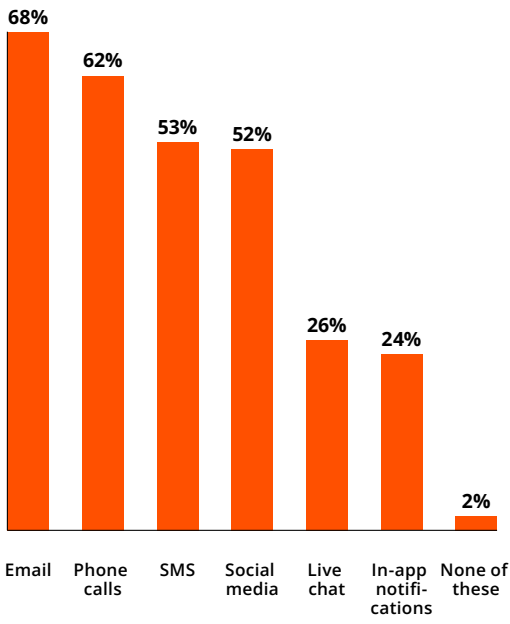
Preferences vs. Practice

In both Australia and New Zealand, businesses use a wide variety of communication channels to reach their customers, yet consumers show more narrowly focused preferences – primarily for email, and to a lesser extent for social media and phone. In Australia, email tops both business use (68%) and consumer preference (57%), but businesses tend to over-index on phone, SMS, and multiple other channels compared to consumer desire. In New Zealand, the same trend appears with email (59% SMB, 65% consumer), but consumers also have a notably higher preference for social media (39%) than SMBs use (53%). Only a small percentage of consumers in either market prefer no communication at all, but this group should not be overlooked. Ultimately, SMBs in both countries could benefit from focusing more on a tailored approach, optimizing their engagement through the channels most valued by their customers, with email remaining the top priority for direct business-customer interaction.

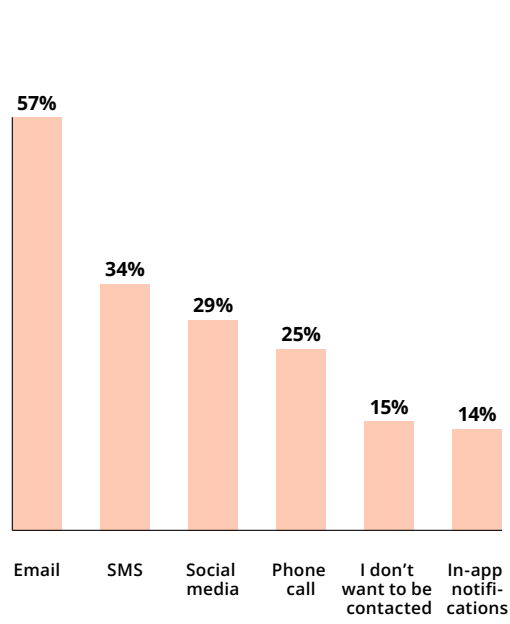


Australia

SMBs

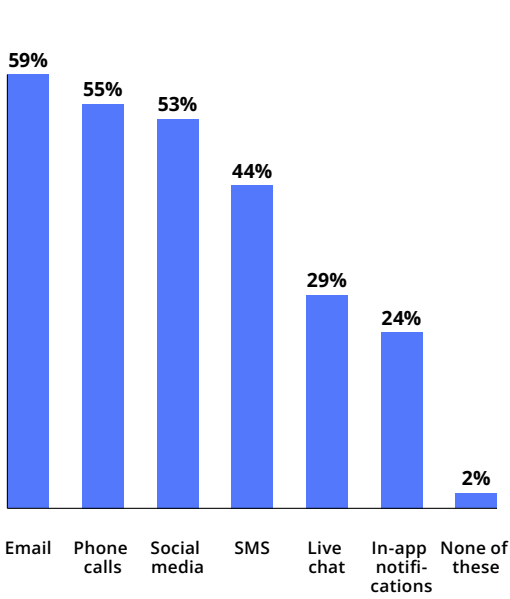


Consumers

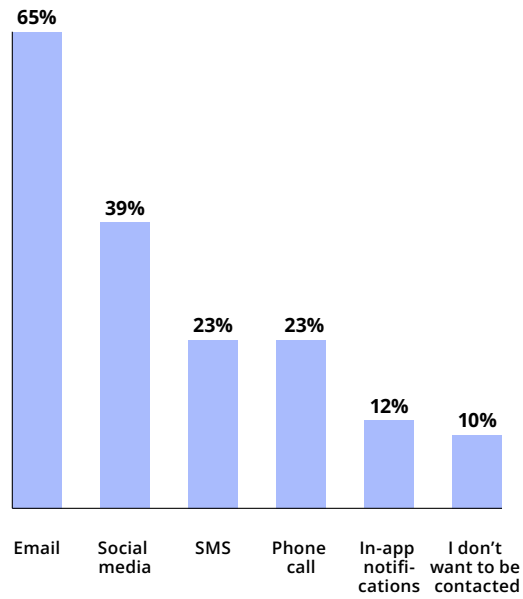


New Zealand

SMBs



Consumers



Feedback and Reviews

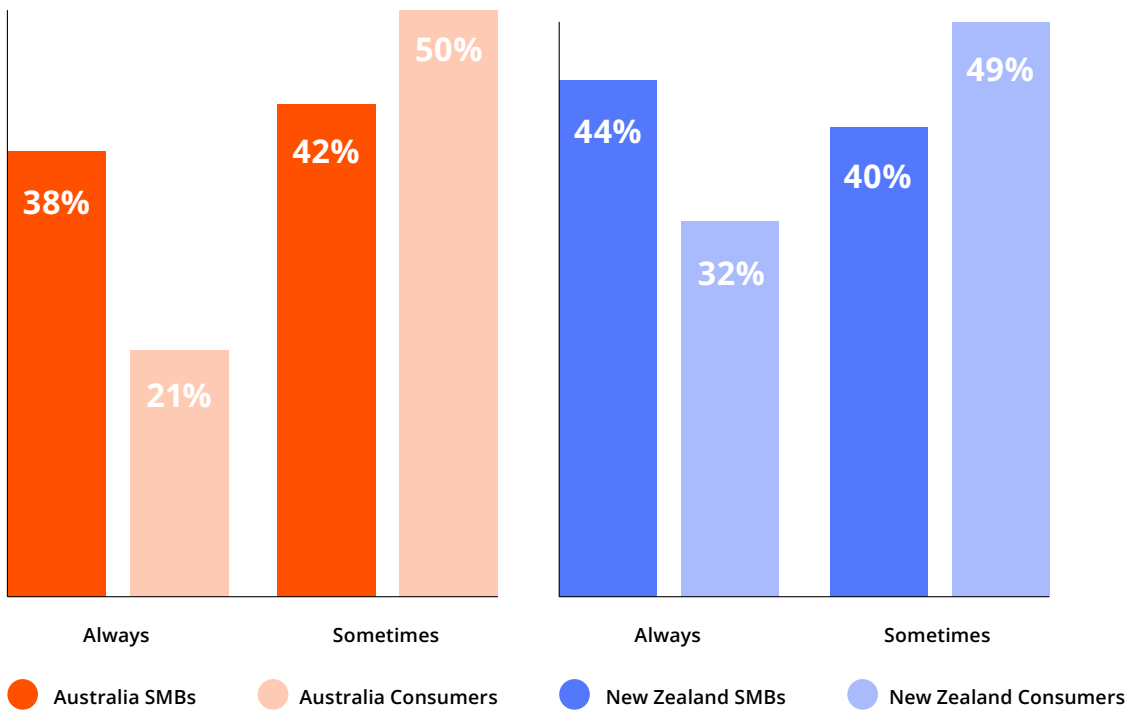
Consumer Review Reliance Outpaces Business Encouragement

Across both Australia and New Zealand, consumers show a strong reliance on online reviews when considering purchases from small businesses – yet businesses are less proactive in encouraging customer feedback.

In New Zealand, review engagement is highest: 81% of consumers (32% always, 49% sometimes) check reviews before buying from a small business. In Australia, 71% of consumers (21% always, 50% sometimes) routinely consult reviews. In both countries, only a minority of consumers rarely or never check online feedback.

On the business side, only 44% of New Zealand SMBs always encourage reviews, and 40% do so sometimes. In Australia, 38% always encourage reviews and 42% sometimes do so. In both countries, roughly 6-9% of businesses rarely or never solicit reviews.

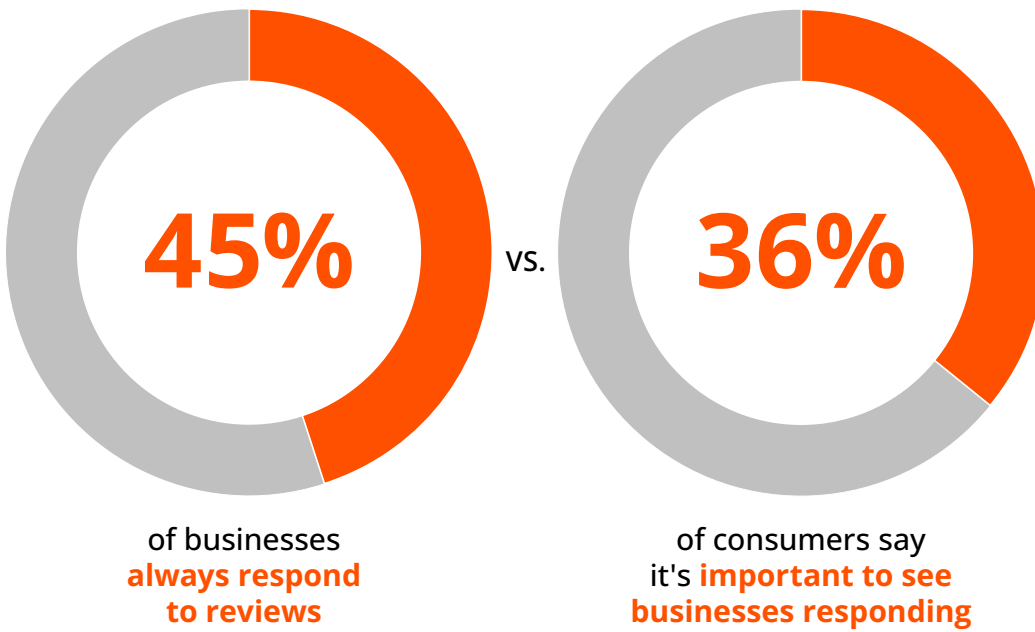
This reveals a consistent review gap: while most businesses in both Australia and New Zealand do encourage reviews at least occasionally, consumer reliance on online reviews is even stronger. The discrepancy highlights an opportunity for SMBs to ramp up their review solicitation, ensuring reputation and credibility are as visible and robust as consumers need for informed purchasing. Bridging this gap will help businesses in both countries better meet customer expectations and unlock more growth through trust and transparency.



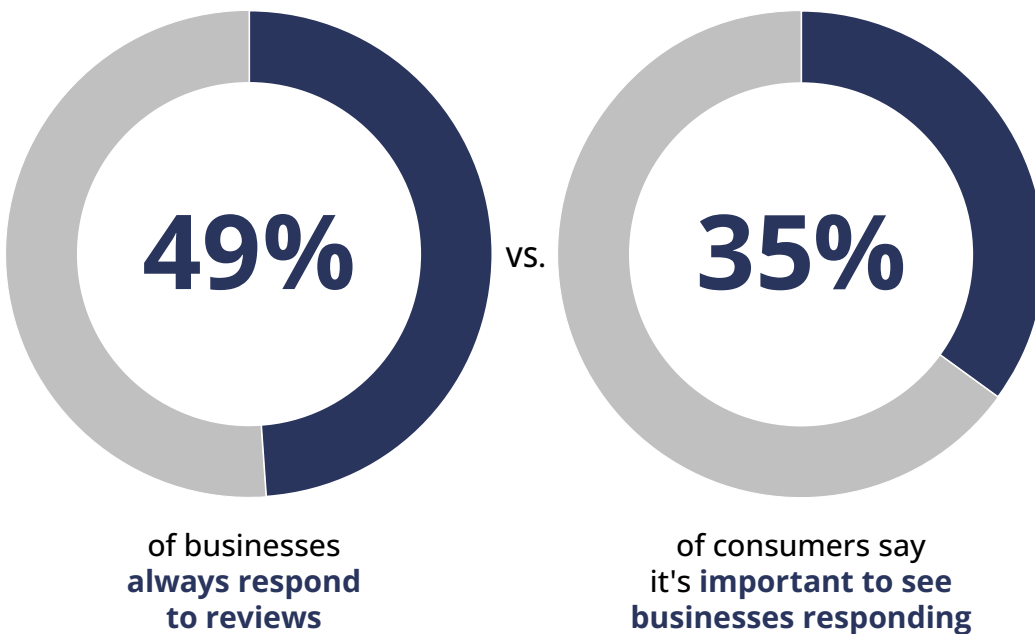
Businesses Responsiveness to Reviews Outpaces Consumer Expectations

Both countries show high levels of business responsiveness to customer reviews, with New Zealand businesses slightly more likely to always respond (49% NZ vs. 45% AU). In both markets, about a third of consumers specifically value review responses in their purchasing decision (36% AU, 35% NZ). However, businesses in both Australia and New Zealand are generally more proactive in responding to reviews than the proportion of consumers who say this is an important factor. This suggests that while responsiveness supports overall reputation and trust, its direct influence on consumer choice is somewhat less pronounced than businesses may believe – but still crucial for maintaining credibility and engagement.

Australia

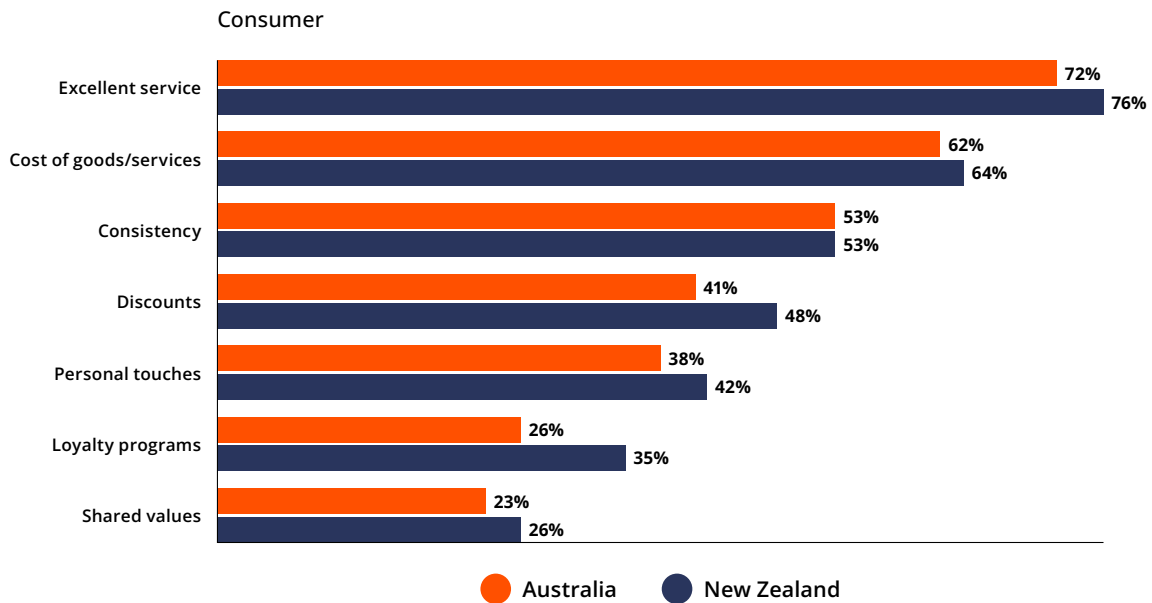
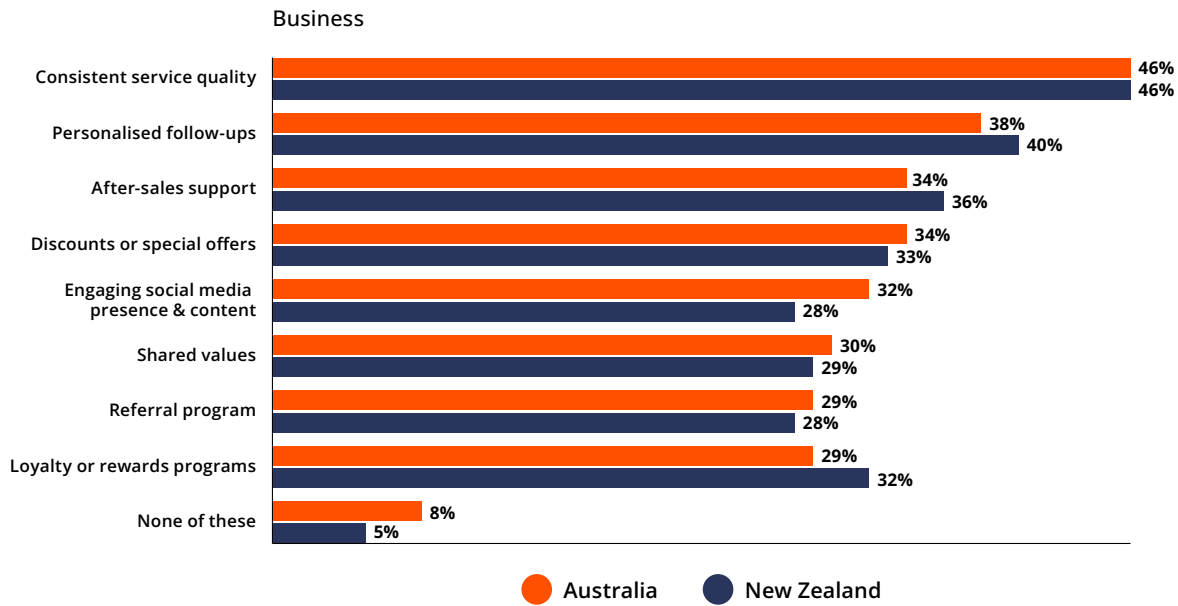


New Zealand



Customer Loyalty

In both Australia and New Zealand, the primary strategy for building customer loyalty among SMBs is delivering consistent and excellent service. This is in line with consumer priorities; however, consumers in both markets place higher value on discounts and loyalty programs (AU: 41% & 26%, NZ: 48% & 35%) than businesses report using (AU: 34% & 29%, NZ: 33% & 32%). This gap suggests that while foundational trust is built through service and consistency, SMBs in both countries can further boost loyalty by expanding or enhancing their discount and rewards offerings to better match consumer expectations.

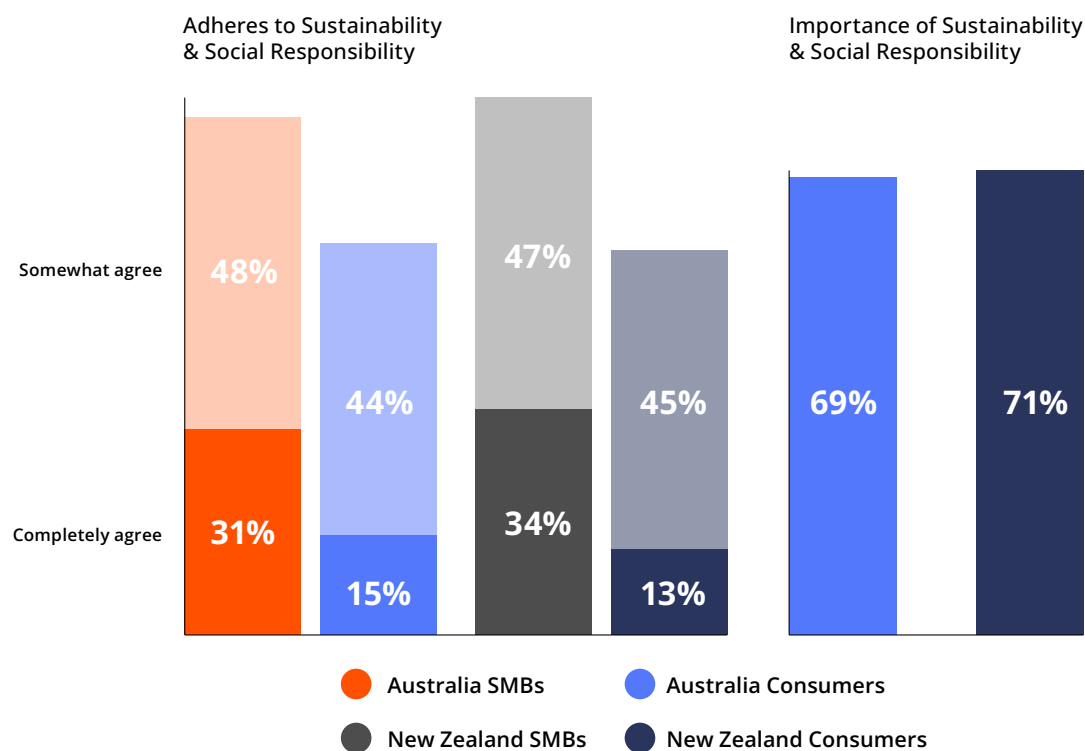


Sustainability and Social Responsibility

While both Australian and New Zealand consumers view sustainability and social responsibility as important, they are far less likely than businesses themselves to say that small businesses actually meet these standards.

About a third of SMBs in both countries (AU: 31%, NZ: 34%) completely agree that they adhere to sustainable and socially responsible practices, but only 15% of Australian consumers and 13% of New Zealand consumers share this view. Most consumers are more likely to “somewhat agree.” Despite this perception gap, 69% of Australian’s and 71% of New Zealanders consumers say sustainability and social responsibility are important when considering a business, although these factors are rated as slightly less critical than consistent service or a seamless experience.

This highlights a continued opportunity for small businesses to better communicate and demonstrate their commitment in this area to strengthen customer trust and satisfaction.





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