

PACIFIC BUSINESS MONITOR

RECOVERY SERIES - Q1 2022



INTRODUCTION

As we move further along the road to recovery, the ongoing impact of the COVID-19 pandemic continues to prove challenging, taking a toll on countries, communities and businesses across the Blue Pacific.

Recovering from these challenges, and building back stronger where possible, will require global solidarity and innovation. To inform these recovery efforts, the Pacific Trade Invest Network has commissioned Fifth Quadrant, an independent research agency, to run a regular survey to understand the ongoing effects of the COVID-19 pandemic on the Pacific's private sector as the region moves along the road to recovery. The *PTI Pacific Business Monitor – Recovery Series Q1 2022* report includes responses gathered from 14 March to 11 April 2022, from 76 businesses across the Pacific region, including 41 female-led/owned businesses.

Building back stronger means to secure a bright and prosperous future for all Pacific peoples, and through regular *PTI Pacific Business Monitor* surveys, we aim to continue to provide governments, donors and stakeholders with valuable data on how businesses in the Pacific are coping, further assisting the design and development of programs within the region.

ABOUT PACIFIC TRADE INVEST

The PTI Network is an agency of the Pacific Islands Forum Secretariat and is the Pacific's leading trade and investment promotion agency.

With offices in Australia, China, Europe and New Zealand, the PTI Network develops and promotes trade and investment across international markets.



IMPACTS ON BUSINESSES IN THE PACIFIC

- 84% of Pacific businesses reported a negative impact due to COVID-19 over Q1 2022.
- 74% of Pacific businesses have reported a decline in revenue due to COVID-19 over Q1 2022.
- 84% of Pacific businesses are confident that their business will build back stronger from the COVID-19 crisis.

CHALLENGES & SUPPORT NEEDED

- The top three challenges facing businesses as a result of COVID-19 are:
 - » Increasing costs of products/raw materials (88%)
 - » Poor cashflow (87%)
 - » Not knowing how long the crisis will last (84%)
- The top three measures businesses require to build back stronger are:
 - » Better cashflow (88%)
 - » Financial support (86%)
 - » Review or update of business processes (86%)
- 83% of female-led businesses are confident that they will be able to build back stronger, compared to 85% of male-led businesses.

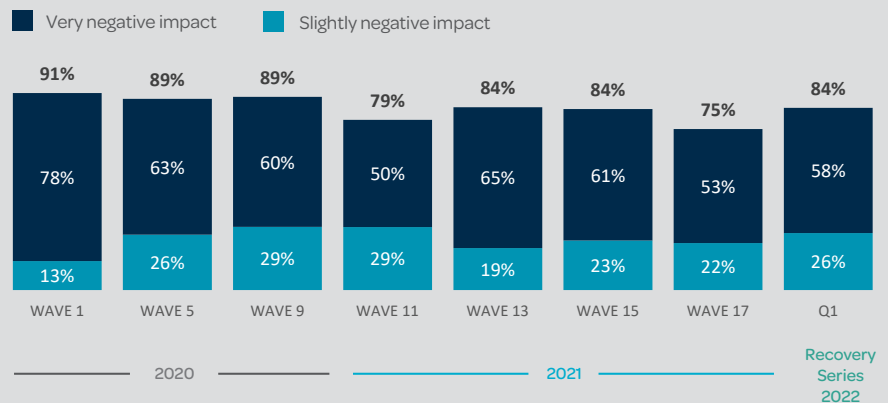
CURRENT IMPACT OF COVID-19 ON BUSINESSES IN THE PACIFIC

84%

REPORTED A NEGATIVE IMPACT DUE TO COVID-19

The COVID-19 pandemic continues to have a negative effect on businesses overall, with 84% reporting a negative impact in Q1 2022. Of this figure, 58% reported a very negative impact.

REPORTED A NEGATIVE IMPACT ON BUSINESS*

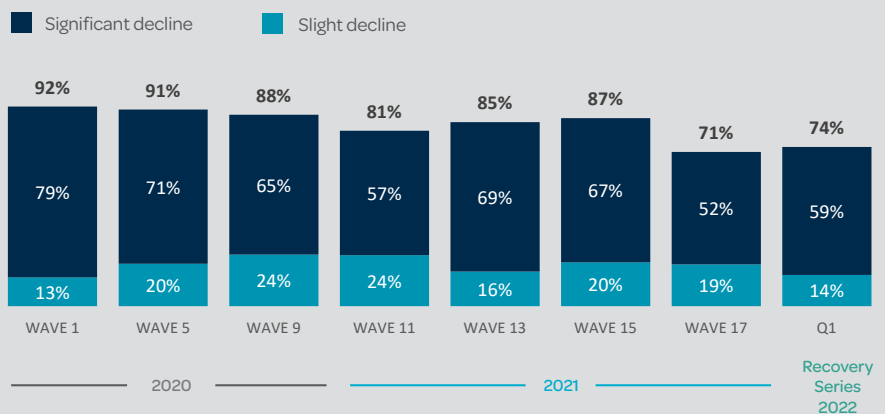


74%

REPORTED A DECLINE IN REVENUE

74% of businesses reported a decline in revenue due to COVID-19 in Q1 2022. Of this figure, 59% reported facing a significant decline.

REPORTED A DECLINE IN REVENUE*

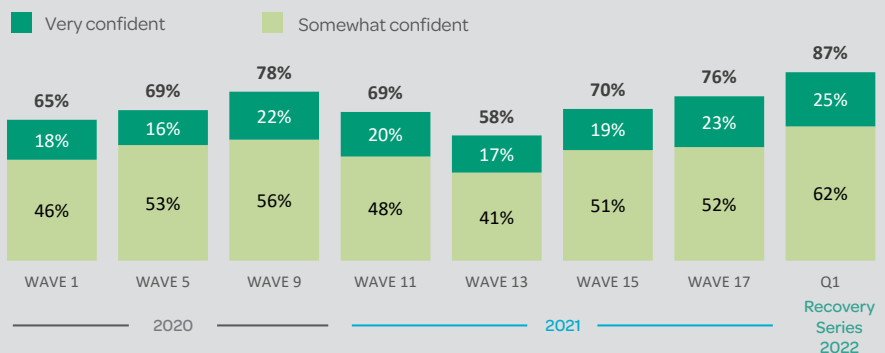


87%

BELIEVE THEIR BUSINESS WILL SURVIVE THE COVID-19 CRISIS

Positively, 87% of businesses are confident that their business will survive the COVID-19 crisis, the highest since tracking began.

CONFIDENCE IN BUSINESS SURVIVAL AFTER COVID-19*



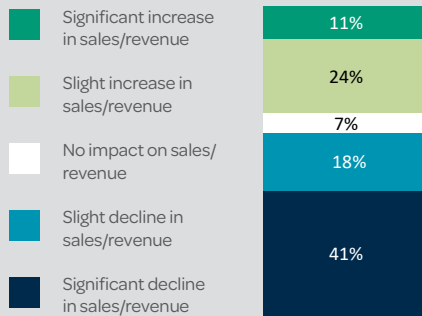
*Percentages rounded to nearest whole number

QUARTERLY REVENUE

35%

HAVE SEEN AN INCREASE IN REVENUE IN Q1 2022

HOW DOES YOUR PAST 3 MONTHS' REVENUE COMPARE TO THE PREVIOUS 3 MONTHS?

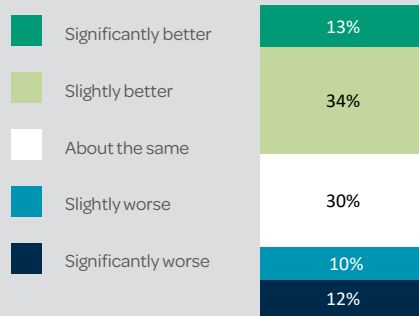


Wave 18

47%

EXPECT THEIR REVENUE TO IMPROVE IN Q2 2022

WHERE DO YOU EXPECT YOUR REVENUE TO BE IN THE NEXT 3 MONTHS COMPARED TO THE PAST 3 MONTHS?



Wave 18

BUILDING BACK STRONGER

84%

ARE CONFIDENT THEIR BUSINESS WILL BUILD BACK STRONGER



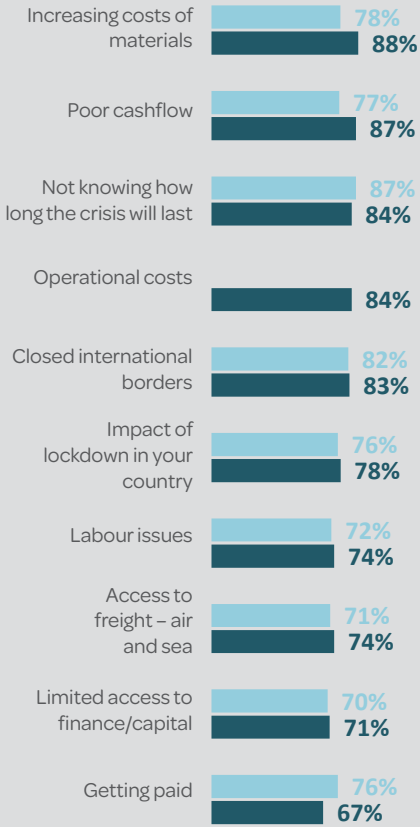
CONFIDENCE IN BUILDING BACK STRONGER AFTER COVID-19



Wave 18

REDUCING COST/DAMAGE TO BUSINESS & REBUILDING

TOP CHALLENGES



TOP INITIATIVES NEEDED TO ACTION NOW



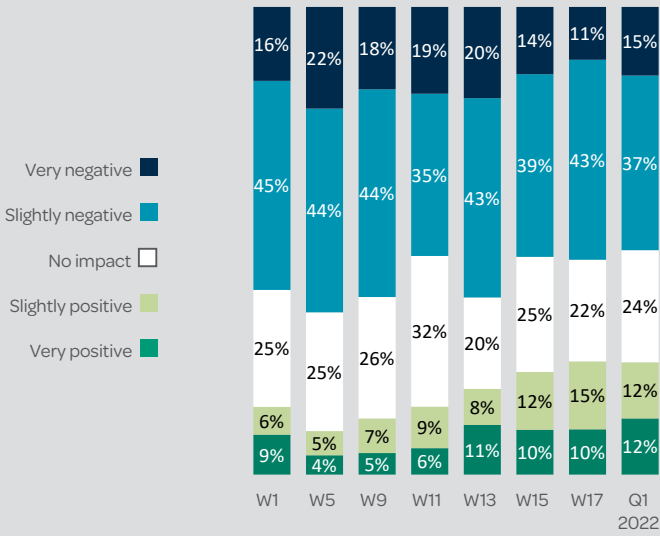
MOST LIKELY TO HELP BUILD BACK STRONGER



Wave 17 Wave 18

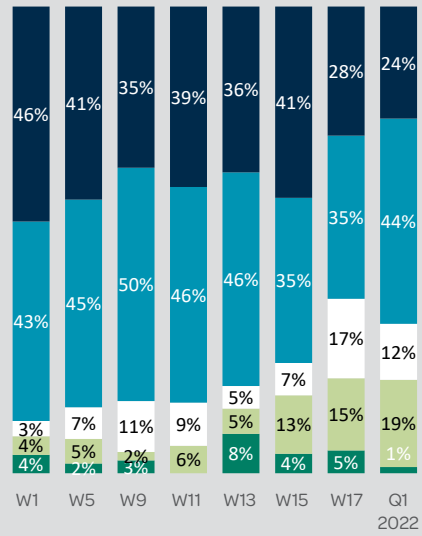
IMPACT OF COVID-19 ON MOTIVATION & WELLBEING

MENTAL HEALTH



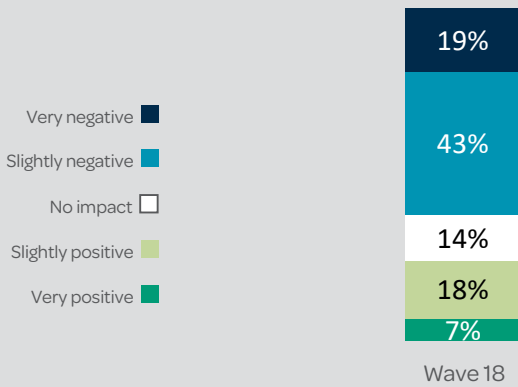
The negative toll on mental health is severe, with 52% of businesses reporting a negative impact.

WELLBEING OF THE COMMUNITY



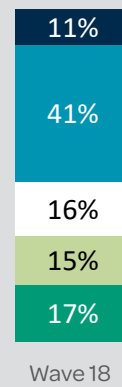
68% of businesses reported a negative impact on community wellbeing due to the COVID-19 pandemic.

WELLBEING OF EMPLOYEES



62% of businesses reported a negative impact on employee wellbeing due to the COVID-19 pandemic.

ENTHUSIASM/COMMITMENT TOWARDS BUSINESS

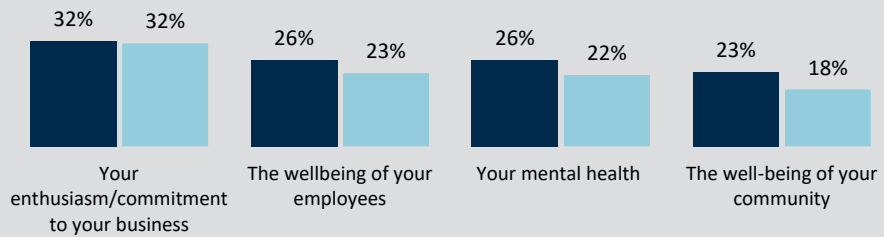


52% of businesses reported the COVID-19 Pandemic has had a negative impact on their business enthusiasm.

IMPACT ON FEMALE-LED/OWNED BUSINESSES IN THE PACIFIC

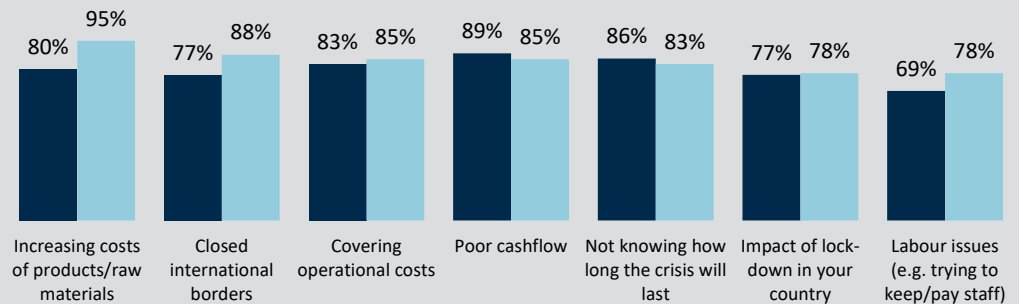
% POSITIVE EFFECT ON MOTIVATION & WELLBEING

Male-led/owned
Female-led/owned



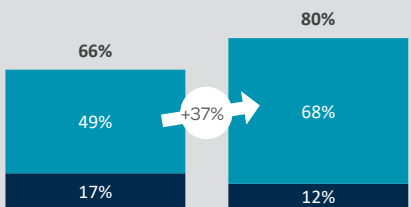
TOP CHALLENGES

Male-led/owned
Female-led/owned



IMPACT ON BUSINESS REVENUE

Total % reported decline in sales/revenue

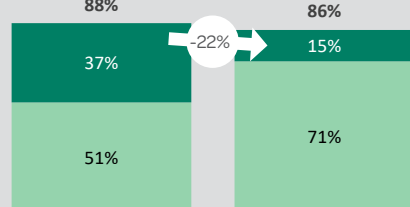


MALE-LED/OWNED FEMALE-LED/OWNED

Significant decline in sales/revenue
Slight decline in sales/revenue

CONFIDENCE IN BUSINESS SURVIVAL

Total % confident in business survival

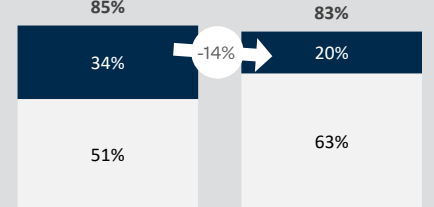


MALE-LED/OWNED FEMALE-LED/OWNED

Very confident
Somewhat confident

CONFIDENCE IN BUILDING BACK STRONGER

Total % confident in building back stronger

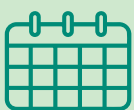


MALE-LED/OWNED FEMALE-LED/OWNED

Very confident
Somewhat confident

METHODOLOGY

This is the Q1 report of the PTI Pacific Business Monitor - Recovery Series surveys.



Responses were collected 14 March-11 April 2022



5-minute questionnaire



All surveys completed online



All respondents are decision-makers/owners in small and medium-sized businesses



A wide selection of industry sectors are represented



The information in this report is based on 76 respondents from across the Pacific region

FOR FURTHER INFORMATION



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