



MEDIA RELEASE
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CORONAVIRUS IMPACTS SPREAD UNEVENLY IN RETAIL

The majority of Retail NZ members report that, to date, the Coronavirus has had little immediate impact on their businesses, although some have been impacted significantly, and there are medium-term concerns about supply chains.

“Just over a third of Retail NZ members have reported that their business has suffered negatively as a result of the Coronavirus outbreak, with most not reporting an impact,” Retail NZ Chief Executive Greg Harford said today. “A very small number of firms has reported positive news, mainly associated with increased demand for safety products such as face masks and hand sanitiser.

“Those who report experiencing a negative impact to date are mainly those selling products which are particularly exposed to the international visitor market and those retailers, on average, are reporting around a 14 per cent reduction in both foot traffic and sales in-store. Some businesses, however, have been substantially impacted, and have reported a drop in sales of up to 30 per cent. No material change to online sales patterns has been reported.

“Most retailers are reporting that they have not yet had to make significant moves to adjust their businesses to take account of the virus, but small numbers have reduced staff hours to take account of reduced demand, and reduced forward orders.

“In the medium-term, there is some concern about supply chains, particularly for those businesses which source product from Mainland China. A number of businesses have had orders delayed by factory shutdowns in China, at least one trade fair, where retailers order products, have been cancelled.

“Some businesses have noted that employees who have recently returned from China are not able to work because they are in self-quarantine, and businesses report that there is understandable concern among some employees about the potential spread of the virus in New Zealand. Retail NZ recommends that businesses and employees follow Ministry of Health guidelines make tissues available for those who cough or sneeze, to dispose of tissues in the rubbish, and to practice frequent handwashing and drying.”

For further information, please contact:

Greg Harford
Chief Executive | Retail NZ
greg.harford@retail.kiwi
027 243 2842