



MEDIA RELEASE  
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## **RETAIL CONFIDENCE IMPROVES, BUT REAL CHALLENGES FOR SOME - NEW REPORT**

Retailer confidence remained positive in July, building on the strong rebound recorded in June after lockdown was lifted. 75 per cent of retailers responding to a new Retail Radar survey reported feeling confident or very confident that their business will survive the next 12 months, up significantly from just 39 per cent in May, but 13 per cent are expecting to make employees redundant when the Wage Subsidy ends.

“Sales across the sector were strong in July, up substantially on the previous year, although overall retail sales are down 9.6 per cent since March, and the recovery appears to be slowing,” Retail NZ Chief Executive Greg Harford said today. “There are real clouds on the horizon in the short-term, and the good news is not spread equally across the sector, with a significant number of retailers whose businesses continue to be substantially negatively impacted by COVID-19. Although sales are up across the sector on average, 22 per cent of retailers are reporting that their sales fell during July.

“Our survey showed that 13 per cent of retailers expect to make staff redundant when the government wage support ends, and another 13 per cent have seen a significant decrease in foot traffic, with less than half the number of people usually seen shopping. Retailers that are heavily reliant on the international travel market are particularly severely impacted and will be for the foreseeable future.

“While the recovery from COVID-19 is underway these remain unprecedented times and many challenges remain for retailers. Consumers will be very cautious about spending in the coming months, with the uncertainty an election period brings, but especially as financial assistance such as the wage subsidy and mortgage holidays end. It is essential to the whole economy that spending continues to grow, and further assistance from government to stimulate the economy, such as tax or GST cuts, is strongly supported by retailers.”

See the latest Retail Radar report [here](#).

### **For further information, please contact:**

Greg Harford  
Chief Executive | Retail NZ  
[greg.harford@retail.kiwi](mailto:greg.harford@retail.kiwi)  
027 243 2842