



# 2012 APRC Conference Seoul, Korea New Zealand Presentation

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# New Zealand's Research Industry Leadership Forum

One United Research Industry Voice  
engaging with business, government,  
academia, media and the public

# AMRO Purpose

## Industry Governance

### 1. Unite

### Industry

### 2. Champion

### Standards

### 3. Protect

### Capability

- Unite research industry companies and associated influential bodies
- Champion industry standards, quality and cohesion
- Protect the research industry's capability to service the needs of its customers.

# Background to AMRO

- Established in 1984
- Industry fragmentation with many players competing for a slice of a small (shrinking) pie
- Opportunity for Research Firm owners and managers to discuss issues and agree industry strategy
- Many external factors influencing our industry eg changes in marketing, growth of digital, expansion of advertising and consulting industries, changing views of government, global clients
- Business Protection Insurance ie crisis management, emergency response unit, advocacy, fund-raising
- Cooperation, policy setting, governance, discussion and debate
- All MRS Members. Activities complementary to MRSNZ focus

# New Zealand's Research Scene

- Estimate total industry (including non-members ie academics, corporate research directors, DIY, data collection firms, analysts etc) approximately \$200m
- AMRO 24 company members, approximately \$70m "official" turnover, maybe another \$20-30m in other activities
- MRSNZ 400 individual members, approximately 40% employed by AMRO members
- Non-AMRO firms who are MRS firms estimated to generate \$20-30m from research and consulting
- Market static to declining overall as government spends less and Australian owners reduce investments in NZ
- Massive shift from CATI to online

# New Zealand's Research Scene

- Over the last 3 periods, total reported revenues have dropped from \$79m to \$65m
- The top-five firms currently report revenues of approximately \$50m
- The second-five currently reports revenues of approximately \$12m
- \$9m revenue decline from the top-five. \$5m revenue decline from the second-five
- The third-five currently reports revenues of approximately \$3m
- The remainder are mainly Associates and do not report revenues

# The NZ Economic Story

- Over the past 20 years the government has transformed New Zealand from an agrarian economy dependent on concessionary British market access to a more industrialized, free market economy that can compete globally
- Per capita income rose for ten consecutive years until 2007 in purchasing power parity terms, but fell in 2008-09. Debt-driven consumer spending drove robust growth in the first half of the decade, helping fuel a large balance of payments deficit that posed a challenge for economic managers
- Inflationary pressures caused the central bank to raise its interest rate steadily from January 2004 until it was among the highest in the OECD in 2007-08
- International capital inflows attracted to the high rates further strengthened the currency and housing market, however, aggravating the current account deficit
- The economy fell into recession before the start of the global financial crisis and contracted for five consecutive quarters in 2008-09
- In line with global peers, the central bank cut interest rates aggressively and the government developed fiscal stimulus measures
- The economy posted a 2% decline in 2009, but pulled out of recession late in the year and achieved 1.7% growth in 2010 and 2% in 2011
- Nevertheless, key trade sectors remain vulnerable to weak external demand



GDP per Capita: \$28,000 (2011 est.)  
USD

Labour force:

- 2.364 million (2011 est.)

Labour force - by occupation:

- agriculture: 7%
- industry: 19%
- services: 74% (2006 est.)

Unemployment rate:

- 6.5% (2011 est.)





# 100% Pure NZ

- The World's most remote country
- 4.5m people, 30m sheep, 20m cattle
- The world's most internationalised farm ie we export most of what we grow

# 100% Pure NZ

- 4,327,944 people (July 2012 est.)
- One of the world's most multi-cultural nations
- European 56.8%, Asian 8%, Maori 7.4%, Pacific island 4.6%, mixed 9.7%, other 13.5% (2006 Census)



# 100% Pure NZ

- Exports \$40.92 billion (est.)
- Dairy products, meat, wood and wood products, fish, machinery
- Main export partners  
Australia 23.1%, China 11.2%, U.S. 8.6%, Japan 7.8%
- Imports \$35.07 billion (2011 est.)
- Machinery and equipment, vehicles and aircraft, petroleum, electronics, textiles, plastics
- Main import partners  
Australia 18.1%, China 16%, U.S. 10.5%, Japan 7.4%, Germany (4.1%) (2010)



# The Big Questions

- Will the current set-up serve the needs of our industry, the firms, their employees, customers and communities for the next 100 years?
- If not, why not?
- Will current definitions of research and research firms still be relevant in 10 years?
- How long will we wait before we act?

# Thank you

