



Business Beat to 31 December 2023

A QUARTERLY SURVEY OF BUSINESS SENTIMENT

Canberra Business Chamber

Half of businesses not meeting sales targets in December quarter

The second quarterly Canberra Business Chamber Business Beat survey that tracks business performance and confidence in the ACT, shows that around half of businesses did not meet sales targets in the fourth quarter of 2023. Business confidence is also fairly evenly split with around a third reporting feeling positive about current conditions.

BUSINESS CONFIDENCE AND GROWTH DOWN ON LAST QUARTER

Just 51 per cent of businesses met their targets in the December quarter (down from 61 per cent last quarter).

37 per cent of businesses report feeling positive about the present business situation (43 per cent last quarter).

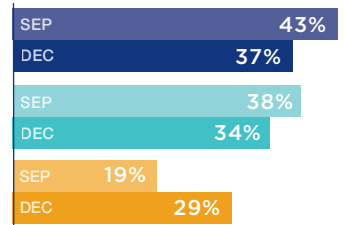
Customer demand may have slowed for some businesses during the Christmas period and heading into the summer months. **Global uncertainty and the increasing costs** of all aspects of doing business will also be impacting confidence levels.

Overall, has your business met its targets over the last quarter?



Overall level of business confidence at the present time

- Positive or very positive
- Neutral
- Negative or very negative



BUSINESSES ALSO MORE PESSIMISTIC ABOUT THE NEXT 12 MONTHS

Looking ahead, 36 per cent of respondents expect their business to grow over the next 12 months, which is down from 46 per cent last quarter. A similar proportion are expecting business to remain stable (38 per cent).

Concerningly, a quarter of businesses in Canberra are expecting their **business to shrink over the next 12 months**.

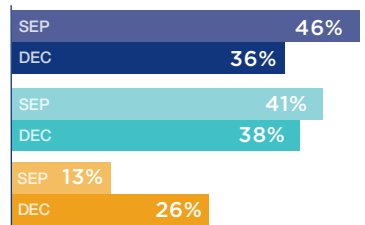
A number of factors are impacting this, but the top issue again this quarter was the increased costs of doing business. Attracting and retaining staff and reduced customer demand are also impacting many.

Regulations also remain an issue with workforce relations and compliance a specific concern. Businesses that work with the Federal Government continue to be impacted by its reduction in use of consultants and contractors.

Businesses owners are also grappling with tough decisions about putting prices up in response to the rising costs of doing businesses, and the risk of this reducing sales. **Reduced customer demand** was the single biggest issue this quarter for 17 per cent of business owners in Canberra.

Are you expecting your business to grow, remain stable, or shrink, over the next 12 months?

- Grow
- Remain stable
- Shrink



The top five 'single biggest issues' facing business at the present time

